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**Nicholas-Applegate International & Premium Strategy Fund
Declares Dividend of \$2.32 per Share**

NEW YORK, Dec. 19, 2006 (PRIME NEWSWIRE) -- The Board of Trustees of Nicholas-Applegate International & Premium Strategy Fund (the "Fund") (NYSE:NAI), a diversified, closed-end management investment company which seeks total return comprised of current income, current gains and long-term capital appreciation, announced today that it has declared a dividend of \$2.32 per share.

Based on projections for the Fund's current fiscal year, it is expected that this distribution will be comprised of net gains from index option premiums and the sale of portfolio securities. The Fund will provide a notice accompanying this distribution with respect to the estimated source (as between net income and gains) of the distribution and will indicate the proportion of its capital gain distributions that constitute short-term and long-term gains annually.

The dividend will be payable on January 5, 2007 to shareholders of record on December 29, 2006, with an ex-dividend date of December 27, 2006.

It is anticipated that the Fund's next quarterly dividend will be declared on March 16, 2007 and be payable on March 30, 2007.

Allianz Global Investors Fund Management LLC, an indirect, wholly-owned subsidiary of Allianz Global Investors of America L.P., serves as the Fund's investment manager and is a member of Munich-based Allianz Group (NYSE:AZ). Nicholas-Applegate Capital Management LLC (manager of the Fund's international equity portfolio) and PEA Capital LLC (manager of the Fund's index option strategy), each an Allianz Global Investors Fund Management affiliate, serve as the Fund's sub-advisers. Allianz is a leading global financial services company.

The Fund's daily New York Stock Exchange closing price and net asset value per share as well as other information, including portfolio statistics and performance is available at www.allianzinvestors.com/closedendfunds or by calling the Fund's shareholder servicing agent at-800-331-1710.

Certain statements in this release constitute forward-looking statements, which involve known and unknown risks, uncertainties and other factors that may cause the actual composition and character of the distribution described above and future distributions of the Fund to be materially different from the composition or character of such distributions expressed or implied by such forward-looking statements.

Such factors include the varied nature of the Fund's investments and the performance of those investments, and that the ultimate characterization of the Fund's distributions made in a calendar or fiscal year cannot finally be determined until after the end of the fiscal year, resulting in the possibility that the Fund may make total distributions during a calendar or fiscal year in an amount that exceeds the Fund's net investment income and net realized capital gains for the fiscal year, resulting in a return of capital. As a result of the foregoing and other factors, no assurance can be given as to the composition or character of Fund distributions, and neither the Fund, Allianz Global Investors Fund Management LLC, Nicholas-Applegate Capital Management LLC, PEA Capital LLC, nor any other person assumes responsibility for the accuracy and completeness of such statements.

Statements made in this release that look forward in time involve risks and uncertainties and are forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such risks and uncertainties include, without limitation, the adverse effect from a decline in the securities markets or a decline in the Funds' performance, a general downturn in the economy, competition from other companies, changes in government policy or regulation, inability to attract or retain key employees, inability to implement its operating strategy and/or acquisition strategy, and unforeseen costs and other effects related to legal proceedings or investigations of governmental and self-regulatory organizations.