

NFJ Dividend, Interest & Premium Strategy Fund (NYSE: NFJ)
2008 Tax Reporting Information

The following information may be of value in reducing your state or local liability for dividend income received from the fund. Certain states exempt interest earned on direct obligations of the federal government from state and local taxes. However, the exemption requirements vary from state to state. For example, certain states require that a minimum percentage (typically 50%) of a fund's assets consist of U.S. Government securities at the end of each quarter. NFJ Dividend, Interest & Premium Strategy Fund did not satisfy this limitation. The Fund did not earn income from U.S. Gov't securities during 2008.

Total dividends paid in 2008 (per share):	\$ 1.98500
Thereof:	
Qualified Dividend Income	\$ 0.79546
Long-Term Capital Gains	\$ 0.02660
Short-Term Capital Gains / Ordinary Income	\$ 1.95840
Return of Capital	-

35.20% of the income dividends paid by the fund qualify for the corporate dividend received deduction.

This information does not represent personal tax information for your account. Please consult your tax advisor to find out how this information would affect your personal tax circumstances.

The Fund is a closed-end exchange traded investment company. This material is presented only to provide information and is not intended for trading purposes. Closed-end funds, unlike open-end funds, are not continuously offered. After the initial public offering, shares of closed-end funds are sold on the open market through a stock exchange. For additional information, contact your financial advisor or call 1-800-331-1710. Investment policies, management fees and other matters of interest to prospective investors may be found in the Fund's most recent annual or semi-annual report.