Premium Income Corporation

PREMIUM INCOME CORPORATION
ANNOUNCES SEMI-ANNUAL RESULTS

Toronto, Ontario, June 19, 2012 – (TSX: PIC.A; PIC.PR.A) Premium Income Corporation today announces results for the six months ended April 30, 2012. Net investment income before distributions amounted to $3.1 million or $0.33 per Unit. Net asset value per Class A share was $6.38 as at April 30, 2012. Distributions to shareholders for the period amounted to $4.1 million to Preferred shareholders or $0.43 per Preferred share, and $3.9 million to Class A shareholders or $0.41 per Class A share. Each unit consists of one Class A share and one Preferred Share.

Premium Income Corporation is a mutual fund corporation, which invests in the common shares of Bank of Montreal, The Bank of Nova Scotia, Canadian Imperial Bank of Commerce, Royal Bank of Canada, and the Toronto Dominion Bank. The Fund employs a proprietary investment strategy, Strathbridge Selective Overwriting, to enhance the income generated by the Portfolio and to reduce volatility. In addition, the Fund may write cash covered put options in respect of securities in which it is permitted to invest.

Selected Financial Information: ($ Millions)	
Statement of Operations *For the six months ended April 30, 2012 (Unaudited)*	
Revenue	$ 4.3
Expenses	(1.2)
Preferred Share Distributions	(4.1)
Net Investment Loss	$ (1.0)
Realized and Unrealized Gain on Investments	10.3
Net Income	**$ 9.3**

For further information, please contact Investor Relations at 416.681.3966, toll free at 1.800.725.7172 or visit www.strathbridge.com.

Aaron Ho, Vice-President, Finance

Strathbridge Asset Management Inc.

121 King Street West
Suite 2600
Toronto, Ontario, M5H 3T9
416.681.3966; 1.800.725.7172
www.strathbridge.com
info@strathbridge.com