

# Press Release

## FOR IMMEDIATE RELEASE

### For stockholder inquiries:

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## **MONTGOMERY STREET INCOME SECURITIES, INC. ANNOUNCES DISTRIBUTION**

**SAN FRANCISCO – (July 13, 2010)** – Montgomery Street Income Securities, Inc. (NYSE: MTS) (the “Fund”) declared a dividend of \$0.22 per share. The dividend is payable on July 30, 2010 to stockholders of record at the close of business on July 26, 2010. The increase in the dividend from previous quarters reflects an increase in investment income due to the completion of the transition to the Fund’s new investment adviser and the resulting restructuring of the Fund’s portfolio.

It is anticipated that substantially all of the distributions paid in 2010 will be distributions from ordinary income for tax purposes. The actual sources of distributions will be reported to stockholders in January 2011 on Form 1099-DIV.

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The Fund is a closed-end diversified management investment company whose primary investment objective is to seek as high a level of current income as is consistent with prudent investment risks, from a diversified portfolio primarily of debt securities. The Fund’s shares are traded on the New York Stock Exchange under the symbol MTS.

Closed-end funds, unlike open-end funds, are not continuously offered. There is generally a one-time public offering and, once issued, shares of closed-end funds are sold in the open market through a stock exchange. Shares of closed-end funds frequently trade at a discount to net asset value.

The price of the Fund’s shares is determined by a number of factors, several of which are beyond the control of the Fund. Therefore, the Fund cannot predict whether its shares will trade at, below or above net asset value.

Investments in funds involve risk. Yields and market values will fluctuate. Investing in foreign markets presents certain unique risks not associated with domestic investments, such as currency fluctuations, political and economic changes and market risks.

Additionally, the Fund invests in lower-quality and non-rated securities, which present greater risks of loss of principal and interest than higher-quality securities. All of these factors may result in greater share price volatility.

This announcement is not an offer to purchase or the solicitation of an offer to sell shares of the Fund, a prospectus, a circular or representation intended for use in the purchase or sale of Fund shares, or a proxy solicitation.

**NOT FDIC/NCUA INSURED MAY LOSE VALUE NO BANK GUARANTEE  
NOT A DEPOSIT NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY**