

# The BlackRock North American Government Income Trust Announces Dividend Adjustment and Important Shareholder Tax Benefit

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The Board of Trustees of The BlackRock North American Government Trust (NYSE: BNA; CUSIP: 092475 10 2) voted to adjust the Trust's monthly dividend to \$0.0625 (\$0.75 annualized) from \$0.07 (\$0.84 annualized), effective with the January dividend payment. This adjustment was made after careful evaluation of the current and anticipated level of the Trust's net investment income.

The dividend adjustment is detailed as follows:

|                       |                  |                          |                  |
|-----------------------|------------------|--------------------------|------------------|
| New Monthly Dividend: | \$0.0625         | New Annualized Dividend: | \$0.75           |
| New Yield:            |                  |                          |                  |
| Yield on Current NAV: | 6.65%            | Yield on Stock Price:    | 7.41%            |
| Declaration Date:     | January 2, 2001  | Record Date:             | January 16, 2001 |
| Ex-Dividend Date:     | January 11, 2001 | Payable Date:            | January 31, 2001 |

## IMPORTANT SHAREHOLDER TAX BENEFIT

The Trust expects to offset approximately 50% of its investment income for the years ending December 31, 2000 and 2001 with Canadian currency losses generated in prior years. The use of these prior currency losses will not reduce the Trust's current net asset value. While BlackRock anticipates that the Trust will be earning its current dividend from ordinary income, the ability to offset such income with prior currency losses will result in approximately 50% of all ordinary income dividends to be reclassified as a return of capital which will not be subject to federal, state and local income tax. Shareholders will be required to reduce their original cost basis by the amount of the return of capital distributions received for purposes of determining capital gain or loss on any future sale of shares. BlackRock believes that the reclassification of the dividend is an important tax savings benefit to shareholders who own the Trust in taxable accounts and should be attractive to other taxable fixed income investors. Final tax information for 2000 will be sent to shareholders in January 2001.

BlackRock (NYSE: BLK) is one of the largest publicly traded investment management firms in the United States with \$191 billion of assets under management as of September 30, 2000. BlackRock manages assets on behalf of more than 3,000 institutions and 160,000 individuals worldwide through a variety of equity, fixed income, liquidity and alternative investment separate accounts and mutual funds, including the Company's flagship fund families, BlackRock Funds and Provident Institutional Funds. In addition, the Company provides risk management and technology services to a growing number of institutional investors under the BlackRock Solutions name. Clients are served from the Company's headquarters in New York City, as well as offices in Philadelphia, PA, Wilmington, DE, Edinburgh, Scotland and Tokyo, Japan. BlackRock is a member of The PNC Financial Services Group (NYSE: PNC), one of the largest diversified financial services organizations in the United States, and is majority-owned by PNC and by BlackRock employees. For more information on BlackRock, see <http://www.blackrock.com>.

The PNC Financial Services Group, Inc., headquartered in Pittsburgh, is one of the nation's largest diversified financial services organizations, providing regional banking, corporate banking, real estate finance, asset-based lending, private banking, asset management, and global fund services.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act with respect to financial performance and other financial and business matters. Forward-looking statements are typically identified by words or phrases such as "believe," "expect," "anticipate," "intend," "estimate," "position," "will," "should," "would," "could," "may," or similar expressions. BlackRock cautions that these forward-looking statements are subject to numerous assumptions, risks and uncertainties, all of which change over time, and BlackRock assumes no duty to update forward-looking statements. Actual results could differ materially from those anticipated in these forward-looking statements. In addition to factors previously disclosed by BlackRock, the factors underlying these forward-looking statements include, but are not limited to, the performance of financial markets, the investment performance of BlackRock's sponsored investment products government regulations, including tax law changes, competitive conditions, future acquisitions, the impact, extent and

timing of technological changes, and general economic conditions including changes in market interest rates.

SOURCE: BlackRock

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