



San Juan, Puerto Rico

FOR IMMEDIATE RELEASE**Puerto Rico GNMA & U.S. Government Target Maturity Fund, Inc.****-Distribution/dividend information**

Puerto Rico GNMA & U.S. Target Maturity Fund, Inc., a closed-end management investment company registered as an investment company under the Puerto Rico Investment Companies Act, today announced that the Fund's Board of Directors has declared a dividend from net investment income of \$0.02659 (\$0.02068 exempt and \$0.00591 taxable) per share of common stock. The dividend was paid on September 12, 2016 to common shareholders of record as of August 31, 2016.

On October 1, 2013, UBS Asset Managers of Puerto Rico (a division of UBS Trust Company of Puerto Rico), implemented a partial waiver of its investment advisory and administration fees, reducing its investment advisory fee to 0.40% and administration fee to 0.10%, both based on the Fund's average weekly gross assets. Effective February 1, 2015, UBS Asset Managers of Puerto Rico scaled back this partial waiver. Accordingly, investment advisory fee and administration fee were reinstated to 0.50% and 0.15%, respectively, both based on the Fund's average weekly gross assets.

Under normal circumstances, the Fund is required to invest at least 67% of its total assets in securities issued by Puerto Rico issuers. The Fund has obtained a waiver from the Office of the Commissioner of Financial Institutions (the "OCFI") with respect to this 67% Puerto Rico-issued assets requirement, through January 31, 2017 (which waiver may be extended by the OCFI). Shares of common stock of the Fund may only be offered to individuals who have their principal residence, or to business organizations that have their principal office and place of business, in Puerto Rico.

The April 2013 dividend payment was the last payment based on the Initial Offering Price of \$10.00. The dividend payment for August 2016 was based on the \$5.55 Remaining Principal Balance⁴ as of the record date of August 31, 2016.

SHARE REPURCHASE PROGRAM. On August 13, 2015, the Board of Directors approved an extension of the Fund's existing share repurchase program for the acquisition of up to 50% of the Fund's issued Shares. The Repurchase Program is intended to enhance shareholder value by providing additional liquidity to Fund shareholders. Only record owners may tender their Shares for repurchase. Beneficial owners must contact their respective broker-dealers to indicate their interest in participating in any future open-market repurchase of Shares. As of August 31, 2016 the Fund has repurchased 4,068,683 Shares of common stock in the open market, which represent 19.37% of the aggregate number of Shares issued by the Fund (net of Shares acquired for dividend reinvestment purposes and which remain outstanding).

Portfolio statistics (% of total portfolio assets) as of August 31, 2016¹:

Portfolio Summary		Characteristics	
Total Assets	\$168.38 million	Initial Public Offering Yield ³	5.75%
Outstanding Shares	16,931,317	Avg. Last 12-Month Dividend	\$0.02659
Net Asset Value	\$5.52		
Leverage ²	44.07%		
		PR Assets	56.69%
Initial Public Offering Price (2003)	\$10.00	US Assets	<u>43.31%</u>
Remaining Principal Balance	\$5.55	Total ⁵	100.00%
August 2016 Dividend	\$0.02659		

Contact

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¹ The Fund's portfolio is actively managed and its composition will vary over time.

² As a percentage of total assets.

³ IPO yield is calculated by multiplying the current month's distribution by twelve and dividing by the remaining principal balance. Prices and yields may vary. Past performance is no guarantee of future results.

⁴ The remaining principal is the initial public offering price less the principal distributions to date. For more information please refer to the Press Release dated March 11, 2015.

⁵ For details of US and PR assets please refer to holdings report posted in: www.ubs.com/prfunds



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Puerto Rico GNMA & U.S. Government Target Maturity Fund, Inc. - Distribution information

San Juan, Puerto Rico, March 11, 2015: The Board of Directors of the Puerto Rico GNMA & U.S. Government Target Maturity Fund, Inc. (a non-diversified, closed-end investment company organized under the Puerto Rico Investment Companies Act) announced that it has authorized a distribution of principal to its holders of Common Stock, such distribution amount derived from a portion of the principal payments received by the Fund by reason of the maturity, prepayment, acceleration, redemption, sale, or other disposition of certain of its portfolio securities, as well as monies held in a reserve comprised of accumulated realized net capital gains and/or net investment income, established by Fund management in attempting to achieve its investment objective of distributing to shareholders an amount equal to the initial offering price of \$10 per share of Common Stock. Only holders of record of the Fund's Common Stock as of March 11, 2015 will be entitled to receive payment of such distribution amount. The aggregate cash distribution amount will amount to \$43,131,123 and will be paid, on a pro-rata basis, on March 17, 2015, to all such holders of record of the Fund's Common Stock as of March 11, 2015. The distribution amount represents \$2.45 of the initial offering price per share of Common Stock of \$10.

The Fund's investment objectives are the following: (i) to provide investors in its Common Stock with current income, as is consistent with the preservation of capital, and (ii) to return the initial investment of \$10 per share of Common Stock, commencing on or about May 16, 2013 and ending on or before December 31, 2043 (the date on which the Fund is expected to wind down its operations).

Following is a table which indicates the dates and amounts of principal distributions to date.

Date of principal Distribution	Amount per share
May 2013	\$1.00
January 2015	\$1.00
March 2015	\$2.45
Cumulative to date	\$4.45
Remaining of original \$10	\$5.55
Initial Investment	\$10.00

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