

Puerto Rico Investors Tax Free Funds

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FOR IMMEDIATE RELEASE

Puerto Rico Investors Tax Free Fund III, Inc. - Distribution/dividend information

San Juan, Puerto Rico, September 12, 2016: Puerto Rico Investors Tax Free Fund III, 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 \$0.029167 per share of common stock. The dividend was paid on September 12, 2016 to common shareholders of record as of August 31, 2016.

Under normal circumstances the Fund invests at least 67% of its total assets in securities issued by Puerto Rico issuers. Shares of common stock are sold exclusively to individuals who have their principal residence in Puerto Rico and to business organizations that have their principal office and place of business in Puerto Rico.

SHARE REPURCHASE PROGRAM. On January 2014, the Board of Directors approved the implementation of a share repurchase program for the acquisition of up to 25% of each Fund's total assets. The Repurchase Program is intended to provide additional liquidity to Fund shareholders. Since the program's inception, the Fund has repurchased 5,766,397 shares of common stock in the open market with an NAV of \$23,987,266, at a cost of \$21,342,647, and which represent 17.39% of the total assets of the Fund (net of Shares acquired for dividend reinvestment purposes and which remain outstanding).

Portfolio Statistics (% of total portfolio assets) as of August 31, 2016 ¹

Portfolio Summary		Characteristics	
Total Assets	\$74 million	Initial Public Offering Yield ³	3.50%
Net Asset Value	\$3.74		
Leverage ²	44.16%		
Outstanding Shares	10,960,362		
Initial Public Offering Price (1995)	\$10.00	PR Assets	42.71%
August 2016 Dividend	\$0.029167	US Assets:	<u>57.29%</u>
		Total ⁴	100.00%

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

² As a percentage of total assets. The Fund uses leverage that may represent up to 50% of the Fund's total assets under normal conditions.

³ IPO yield is calculated by multiplying the current month's distribution by twelve and dividing by the remaining principal balance. For other important Fund information, please refer to the Funds' quarterly reports posted in: www.ubs.com/prfunds. Prices and yields may vary. Past performance is no guarantee of future results.

⁴ For details of US and PR assets please refer to holdings report posted in: www.ubs.com/prfunds