

**H&Q Healthcare Investors
H&Q Life Sciences Investors**

ANNOUNCEMENT OF SHARE REPURCHASE PROGRAMS

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Dear Fellow Shareholder,

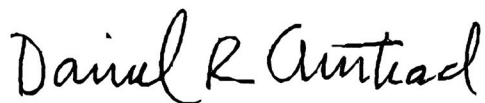
I am pleased to inform you that H&Q Life Sciences Investors and H&Q Healthcare Investors announced today that the Board of Trustees of each Fund authorized a share repurchase program. The program will allow each Fund to purchase in the open market up to 12% of its outstanding common shares for a one year period beginning July 11, 2011. Each Fund's Board authorized the share repurchase program as a result of its periodic review of the options available to enhance shareholder value and potentially reduce the discount between the market price of each Funds' shares and the net asset value per share. The share repurchase program is intended to increase each Funds' net asset value per share and could also have the benefit of providing additional liquidity in the trading of shares.

The amount and timing of repurchases by each Fund will be at the discretion of Hambrecht & Quist Capital Management LLC, the Funds' investment adviser. There is no assurance that either Fund will purchase shares at any specific discount levels or in any specific amounts or on any specific date. Each Fund's repurchase activity will be disclosed in its shareholder report for the relevant fiscal period. There is no assurance that the market price of either Fund's shares, either absolute or relative to net asset value, will increase as a result of any share repurchases. The Board of each Fund will monitor the effect of the share repurchase program on each Fund's market price and net asset value per share, expense ratio and investment strategy over time.

H&Q Life Sciences Investors (NYSE: HQL) and H&Q Healthcare Investors (NYSE: HQH) are closed-end funds that invests in public and private companies in the life sciences and healthcare industries. Hambrecht & Quist Capital Management LLC, based in Boston, serves as investment adviser to the Funds. Shares of the Funds can be purchased on the New York Stock Exchange through any securities broker.

As always, if you have any questions, please feel free to call us at (617) 772-8500.

Sincerely,



Daniel R. Omstead
President and Portfolio Manager