

H&Q Life Sciences Investors
2009 Tax Information
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For the calendar year 2009, **H&Q Life Sciences Investors (the “Fund”)** distributed a total of \$0.42 per share as per the Fund’s Distribution Policy which permits the Fund to make quarterly distributions at a rate of 2% of the Fund’s net assets to shareholders of record. The **estimated** breakdown of the distributions for the year ended December 31, 2009 is below.

Record Date	Payable Date	Distribution Rate per Share	Percent of Distribution classified as:		Total Percent
			Long-Term Capital Gain	Non Taxable Return of Capital	
2/20/2009	3/31/2009	\$0.22	14.08%	85.92%	100.00%
5/22/2009	6/30/2009	\$0.20	14.08%	85.92%	100.00%

Return of Capital can be found on box 3 on Form 1099 DIV and is a non taxable distribution, which reduces the cost basis of your investment.

This is not intended to be tax advice. Please consult your tax adviser on how to report these amounts.