

REAVES UTILITY INCOME FUND
(NYSE MKT: UTG)

PRESS RELEASE

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FOR IMMEDIATE RELEASE

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**THE REAVES UTILITY INCOME FUND
ANNOUNCES REGULAR MONTHLY DIVIDEND OF \$0.16 PER SHARE**

Denver, Colorado – The Reaves Utility Income Fund (NYSE MKT: UTG) announced today the next three monthly dividends at a rate of \$0.16 per common share per month, unchanged from the per share rate paid for the previous quarter. As of April 5, 2017, the Fund’s market price was \$32.82 per share and its net asset value was \$33.89 per share.

Ronald J. Sorenson, Chief Investment Officer at Reaves Asset Management and Portfolio Manager of the Fund, noted that “since the Fund increased its dividend 5.8% in October 2016, out of the nine dividend paying companies in the top-ten holdings, six have announced annual dividend increases ranging from 6.5% to 15% and two more are expected to announce dividend increases in the coming quarters. A company’s commitment to sustain and periodically grow its dividend is a reflection of the underlying health of the business. The dividend growth of portfolio holdings supports the Fund’s dividend paying ability. The Fund should continue to benefit as portfolio companies make needed capital investments, in many cases supported by public policy, in utility, communications and other infrastructure assets.”

The Fund has formally implemented the 19b-1 exemption received from the Securities and Exchange Commission in 2009. A portion of each distribution may be treated as paid from sources other than net income, including but not limited to short-term capital gain, long-term capital gain and return of capital. The final determination of the source of these distributions, including the percentage of qualified dividend income, will be made after the Fund’s year end.

Not less than eighty percent of the Fund’s assets will continue to be invested in the securities of domestic and foreign companies involved to a significant extent in providing products, services or equipment for (i) the generation or distribution of electricity, gas or water, (ii) telecommunications activities or (iii) infrastructure operations, such as airports, toll roads and municipal services (“Utilities” or the “Utility Industry”). As a policy, the Fund continues to strive to provide a high level of after-tax income and total return consisting primarily of tax-advantaged distributions and capital appreciation.

The following dates apply to the upcoming dividends that have been declared:

Ex-Distribution Date: April 18, 2017
Record Date: April 20, 2017
Payable Date: April 28, 2017

Ex-Distribution Date: May 17, 2017
Record Date: May 19, 2017
Payable Date: May 31, 2017

Ex-Distribution Date: June 14, 2017
Record Date: June 16, 2017
Payable Date: June 30, 2017

The Reaves Utility Income Fund

The investment objective of the Fund is to provide a high level of income and total return consisting primarily of tax-advantaged distributions and capital appreciation. There were approximately \$1.5 billion of total assets under management and 34.3 million common shares outstanding as of April 5, 2017.

An investor should consider investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus, annual report or semi-annual report which contains this and other information visit www.utilityincomefund.com or call 1-800-644-5571. Read them carefully before investing.

The Reaves Utility Income Fund is a closed-end fund and closed-end funds do not continuously issue shares for sale as open-end mutual funds do. Since the initial public offering, the Fund now trades in the secondary market. Investors wishing to buy or sell shares need to place orders through an intermediary or broker. The share price of a closed-end fund is based on the market's value.

ALPS Portfolio Solutions Distributor, Inc., FINRA Member Firm.

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