

News Announcement

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For Immediate Release

March 6, 2008

**PACHOLDER HIGH YIELD FUND PROVIDES INFORMATION ON
PREFERRED SHARE AUCTIONS**

CINCINNATI – (BUSINESS WIRE) -- The Pacholder High Yield Fund, Inc. (AMEX:PHF) announced the availability of a Q&A concerning recent failed auctions of its auction rate preferred shares. A failed auction results if there are more preferred shares offered for sale than the number of offers to purchase with a dividend rate equal to or lower than the “maximum rate” for the preferred shares. The Q&A will be posted on the Fund’s website at www.phf-hy.com and contains information that is designed to address questions preferred shareholders may have concerning recent failed auctions. The Q&A highlights that a failed auction does not mean that the Fund is in default.

The Fund is a closed-end diversified management investment company with a leveraged capital structure. Its investment objective is to provide a high level of total return through current income and capital appreciation. Under normal circumstances, the Fund invests at least 80% of the value of its assets in high yield securities. The Fund invests primarily in fixed income securities of domestic companies. The Fund’s common stock is traded on the American Stock Exchange under the symbol “PHF”.