

ORGANIZATIONAL ACTIONS TAX YEAR 2012

Taxpayer's name - EIN/Organizational action	Class	Cusip	Quotron symbol	Record date	2012 non-dividend distributions	Net asset value (NAV)
Putnam Michigan Tax Exempt Income Fund EIN: 04-6626130 Return of Capital Distribution	A	74683L-30-0	PXMIX	1/31/12	\$0.000444951	9.44
				2/29/12	\$0.000439920	9.39
				3/30/12	\$0.000444039	9.30
				4/30/12	\$0.000461412	9.39
				5/31/12	\$0.000429146	9.43
	B	74683L-10-2	PMEBX	1/31/12	\$0.000366067	9.43
				2/29/12	\$0.000365719	9.38
				3/30/12	\$0.000368337	9.29
				4/30/12	\$0.000381833	9.38
				5/31/12	\$0.000349469	9.43
	C	74683L-40-9	PMGCX	1/31/12	\$0.000346101	9.44
				2/29/12	\$0.000347155	9.39
				3/30/12	\$0.000349835	9.30
				4/30/12	\$0.000363740	9.39
				5/31/12	\$0.000329862	9.44
	M	74683L-20-1	PMIMX	1/31/12	\$0.000409999	9.44
				2/29/12	\$0.000406744	9.39
				3/30/12	\$0.000410434	9.30
				4/30/12	\$0.000426404	9.39
				5/31/12	\$0.000393998	9.44
Y	74683L-50-8	PMIYX	1/31/12	\$0.000472821	9.44	
			2/29/12	\$0.000466188	9.40	
			3/30/12	\$0.000470959	9.31	
			4/30/12	\$0.000489324	9.40	
			5/31/12	\$0.000457378	9.45	

Shareholders preparing their tax returns will also need to review their Form 1099-DIV (Dividends and Distributions) reports from the date of purchase to see if any of the dividends paid were classified as "return of capital" payments for tax purposes. These amounts reduce your cost basis. You are required to apply the return of capital to each tax lot separately, and cannot choose to apply it only to your high-cost-basis tax lots. You may end up with some tax lots where the cumulative return of capital payments exceed your original cost basis per share. In this case, you are required to recognize the excess return of capital payment for that tax lot as a capital gain.

Other information you may need to know:

Contact name: Putnam Investor Services
Contact telephone: 800-225-1581
Contact address: P.O. Box 8383, Boston, MA 02266-8383

This information is not meant as tax or legal advice. Please consult with the appropriate tax or legal professional regarding your particular circumstances before making any investment decisions.