

PIMCO HIGH INCOME FUND
Form N-CSR
September 25, 2015
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM N-CSR
CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT
INVESTMENT COMPANIES

Investment Company Act file number: 811-21311

PIMCO High Income Fund

(Exact name of registrant as specified in charter)

1633 Broadway, New York, NY 10019

(Address of principal executive offices)

William G. Galipeau

Treasurer (Principal Financial & Accounting Officer)

650 Newport Center Drive

Newport Beach, CA 92660

(Name and address of agent for service)

Copies to:

David C. Sullivan

Ropes & Gray LLP

Prudential Tower

800 Boylston Street

Boston, MA 02199

Registrant's telephone number, including area code: (844) 337-4626

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

Date of fiscal year end: July 31

Date of reporting period: July 31, 2015

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Table of Contents

Item 1. Reports to Shareholders.

The following is a copy of the report transmitted to shareholders pursuant to Rule 30e-1 under the Investment Company Act of 1940, as amended (the 1940 Act) (17 CFR 270.30e-1).

Table of Contents

Your Global Investment Authority

PIMCO Closed-End Funds

Annual Report

July 31, 2015

PIMCO Corporate & Income Opportunity Fund

PIMCO Corporate & Income Strategy Fund

PIMCO High Income Fund

PIMCO Income Strategy Fund

PIMCO Income Strategy Fund II

Table of Contents

Letter from the Chairman of the Board & President

Dear Shareholder:

The financial markets experienced periods of volatility during each Fund's reporting period. Investor sentiment was challenged at times given mixed economic data, uncertainties surrounding future global monetary policy, geopolitical issues and, most recently, the debt crisis in Greece.

For the periods ended July 31, 2015

After expanding in the third and fourth quarters of 2014, economic growth in the U.S. moderated during the first quarter of 2015. Looking back, U.S. gross domestic product (GDP), which represents the value of goods and services produced in the country, the broadest measure of economic activity and the principal indicator of economic performance, expanded at a 4.3% and 2.2% annual pace during the third and fourth quarters of 2014, respectively. According to the Commerce Department, GDP grew at a tepid annual pace of 0.6% for the first quarter of 2015. This was attributed to contractions in net exports, nonresidential fixed investment (i.e. spending on plants and equipment) and state and local government spending. In addition, consumer spending decelerated, as it grew a modest 1.8% during the first quarter of 2015 versus 4.4% for the fourth quarter of 2014. However, this appeared to be a temporary setback due to colder than usual weather and labor disputes at West Coast ports, as the Commerce Department's second estimate released after the reporting periods had ended showed that GDP grew at an annual pace of 3.7% for the second quarter of 2015.

Federal Reserve (Fed) monetary policy remained accommodative. However, the central bank appeared to be moving closer to raising interest rates for the first time since 2006. As expected, following its meeting in October 2014, the Fed announced that it had concluded its asset purchase program. Then, at its March 2015 meeting, the Fed eliminated the word "patient" from its official statement regarding when it may start raising rates. Finally, at its meeting in July, the Fed said that it currently anticipates that, even after employment and inflation are near mandate-consistent levels, economic conditions may, for some time, warrant keeping the target federal funds rate below levels the Committee views as normal in the longer run.

Economic growth outside the U.S. was mixed over the past few quarters. Anemic growth and concerns of deflation in the eurozone caused the European Central Bank (ECB) to announce that beginning in March 2015, it would start a \$60 billion-a-month bond-buying program that is expected to run until September 2016, or longer if needed to achieve an inflation rate consistent with the ECB's longer-term target. The ECB announcement and a still-benign U.S. rates environment were supportive for emerging market asset prices initially, although toward the end of the reporting period, riskier asset classes succumbed to pressures from slower economic growth, volatility in Chinese equities, increased uncertainty over the resolution of the Greek crisis and higher volatility in commodity markets.

Outlook

PIMCO continues to see a multi-speed world of economies converging to modest trend growth rates, a view now shared by the International Monetary Fund, which, in its most recent world economic outlook, materially marked down its estimates of potential growth in both developed and emerging economies. PIMCO also sees a global economy that is no longer restrained by private sector delevering but, instead, is learning to live with record levels of public and private debt, without a cushion that would be provided by more rapid growth or higher inflation.

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

While the threat of deflation in Japan and the eurozone has diminished due to quantitative easing programs put in place by the ECB and the Bank of Japan, PIMCO's baseline forecast does not foresee an imminent rise in prices toward the 2% inflation targets these central banks aim to achieve. Regarding financial markets, PIMCO believes that we participate in a global financial system that is better capitalized than before the financial crisis of 2008-2009 and perhaps less vulnerable to a systemic run. That being said, PIMCO understands that this environment potentially offers less liquidity to investors as the global balance sheet available for market-making shrinks.

¹ Please note that several of the Fund's fiscal year ends were recently changed to July 31, 2015; therefore, the length of each Fund's reporting period will differ depending on its former fiscal year end. Please see "Notes to Financial Statements" for further detail.

2 PIMCO CLOSED-END FUNDS

Table of Contents

For all these reasons, PIMCO continues to believe that we are now, and will be for some time, operating in a new neutral world in which central banks will be constrained to set policy rates at levels well below those that prevailed before the financial crisis of 2008-2009.

In the following pages of this PIMCO Closed-End Funds Annual Report, please find specific details regarding investment performance and a discussion of factors that most affected the Funds' performance over the periods ended July 31, 2015.

Thank you for investing with us. We value your trust and will continue to work diligently to meet your investment needs. If you have questions regarding any of your PIMCO Closed-End Funds investments, please contact your financial advisor or call the Funds' shareholder servicing agent at (844) 33-PIMCO or (844) 337-4626. We also invite you to visit our website at www.pimco.com to learn more about our views.

We remain dedicated to serving your investment needs.

Sincerely,

Hans W. Kertess
Chairman of the Board of Trustees

Peter G. StreLOW
President

ANNUAL REPORT JULY 31, 2015 3

Table of Contents

Important Information About the Funds

We believe that bond funds have an important role to play in a well-diversified investment portfolio. It is important to note, however, that in an environment where interest rates trend upward, rising rates would negatively impact the performance of most bond funds, and fixed-income securities held by a Fund are likely to decrease in value. A number of factors can cause interest rates to rise (e.g., central bank monetary policies, inflation rates, general economic conditions, etc.). Accordingly, changes in interest rates can be sudden, and there is no guarantee that Fund Management will anticipate such movement.

As of the date of this report, interest rates in the U.S. are at or near historically low levels. As such, bond funds may currently face an increased exposure to the risks associated with rising interest rates. This is especially true since the Federal Reserve Board has concluded its quantitative easing program. Further, while the U.S. bond market has steadily grown over the past three decades, dealer inventories of corporate bonds have remained relatively stagnant. As a result, there has been a significant reduction in the ability of dealers to “make markets” in corporate bonds. All of the factors mentioned above, individually or collectively, could lead to increased volatility and/or lower liquidity in the fixed income markets, which could result in increased losses to a Fund. Bond funds and individual bonds with a longer duration (a measure of the sensitivity of a security’s price to changes in interest rates) tend to be more sensitive to changes in interest rates, usually making them more volatile than securities or funds with shorter durations. In addition, in the current low interest rate environment, the market price of the Funds’ common shares may be particularly sensitive to changes in interest rates or the perception that there will be a change in interest rates.

The use of derivatives may subject the Funds to greater volatility than investments in traditional securities. The Funds may use derivative instruments for hedging purposes or as part of an investment strategy. Use of these instruments may involve certain costs and risks such as liquidity risk, interest rate risk, market risk, call risk, credit risk, management risk and the risk that a Fund could not close out a position when it would be most advantageous to do so. Certain derivative transactions may have a leveraging effect on a Fund. For example, a small investment in a derivative instrument may have a significant impact on a Fund’s exposure to interest rates, currency exchange rates or other investments. As a result, a relatively small price movement in a derivative instrument may cause an immediate and substantial loss or gain, which translates into heightened volatility in a Fund’s net asset value (“NAV”). A Fund may engage in such transactions regardless of whether the Fund owns the asset, instrument or components of the index underlying a derivative instrument. A Fund may invest a significant portion of its assets in these types of instruments. If it does, a Fund’s investment exposure could far exceed

the value of its portfolio securities and its investment performance could be primarily dependent upon securities it does not directly own.

For purposes of applying a Fund’s investment policies and restrictions, swap agreements are generally valued by the Fund at market value. In the case of a credit default swap, however, in applying certain of a Fund’s investment policies and restrictions, the Fund will value the credit default swap at its notional value or its full exposure value (i.e., the sum of the notional amount for the contract plus the market value), but may value the credit default swap at market value for purposes of applying certain of the Fund’s other investment policies and restrictions. For example, a Fund may value credit default swaps at full exposure value for purposes of the Fund’s credit quality guidelines (if any) because such value reflects the Fund’s actual economic exposure during the term of the credit default swap agreement. In this context, both the notional amount and the market value may be positive or negative depending on whether a Fund is selling or buying protection through the credit default swap. The manner in which certain securities or other instruments are valued by a Fund for purposes of applying investment policies and restrictions may differ from the manner in which those investments are valued by other types of investors.

A Fund’s use of leverage creates the opportunity for increased income for the Fund’s common shareholders, but also creates special risks. Leverage is a speculative technique that may expose a Fund to greater risk and increased costs. If shorter-term interest rates rise relative to the rate of return on a Fund’s portfolio, the interest and other costs to the Fund of leverage could exceed the rate of return on the debt obligations and other investments held by the Fund, thereby reducing return to the Fund’s common shareholders. In addition, fees and expenses of any form of leverage used by a Fund will be borne entirely by its common shareholders (and not by preferred shareholders, if any) and will reduce the investment return of the Fund’s common shares. There can be no assurance that a Fund’s use of leverage will result in a higher yield on its

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

common shares, and it may result in losses. Leverage creates several major types of risks for a Fund's common shareholders, including: (1) the likelihood of greater volatility of net asset value and market price of the Fund's common shares, and of the investment return to the Fund's common shareholders, than a comparable portfolio without leverage; (2) the possibility either that the Fund's common share dividends will fall if the interest and other costs of leverage rise, or that dividends paid on the Fund's common shares will fluctuate because such costs vary over time; and (3) the effects of leverage in a declining market or a rising interest rate environment, as leverage is likely to cause a greater decline in the net asset value of the Fund's common shares than if the Fund were not leveraged and may result in a greater decline in the market value of the Fund's common shares.

4 PIMCO CLOSED-END FUNDS

Table of Contents

A Fund's investments in and exposure to foreign securities involve special risks. For example, the value of these investments may decline in response to unfavorable political and legal developments, unreliable or untimely information or economic and financial instability. Foreign securities may experience more rapid and extreme changes in value than investments in securities of U.S. issuers. The securities markets of certain foreign countries are relatively small, with a limited number of companies representing a small number of industries. Issuers of foreign securities are usually not subject to the same degree of regulation as U.S. issuers. Reporting, accounting, auditing and custody standards of foreign countries differ, in some cases significantly, from U.S. standards. Also, nationalization, expropriation or other confiscation, currency blockage, political changes or diplomatic developments could adversely affect a Fund's investments in foreign securities. In the event of nationalization, expropriation or other confiscation, a Fund could lose its entire investment in foreign securities. Risks associated with investing in foreign securities may be increased when a Fund invests in emerging markets. For example, if a Fund invests in emerging market debt, it may face increased exposure to interest rate, liquidity, volatility, and redemption risk due to the specific economic, political, geographical, or legal background of the emerging market.

Investments in loans are generally subject to risks similar to those of investments in other types of debt obligations, including, among others, credit risk, interest rate risk, variable and floating rate securities risk, and, as applicable, risks associated with mortgage-related securities. In addition, in many cases loans are subject to the risks associated with below-investment grade securities. In the case of a loan participation or assignment, a Fund generally has no right to enforce compliance with the terms of the loan agreement with the borrower. As a result, a Fund may be subject to the credit risk of both the borrower and the lender that is selling the loan agreement. In the event of the insolvency of the lender selling a loan participation, a Fund may be treated as a general creditor of the lender and may not benefit from any set-off between the lender and the borrower. The Funds may be subject to heightened or additional risks and potential liabilities and costs by investing in mezzanine and other subordinated loans or acting as an originator of loans, including those arising under bankruptcy, fraudulent conveyance, equitable subordination, lender liability, environmental and other laws and regulations, and risks and costs associated with debt servicing and taking foreclosure actions associated with the loans. To the extent that a Fund originates a loan, it may be responsible for all or a substantial portion of the expenses associated with initiating the loan, irrespective of whether the loan transaction is ultimately consummated or closed. This may include significant legal and due diligence expenses, which will be indirectly borne by a Fund and its shareholders.

Mortgage-related and other asset-backed securities often involve risks that are different from or more acute than risks associated with other types of debt instruments. Generally, rising interest rates tend to extend the duration of fixed rate mortgage-related securities, making them more sensitive to changes in interest rates. As a result, in a period of rising interest rates, if a Fund holds mortgage-related securities, it may experience additional volatility since individual mortgage holders are less likely to exercise prepayment options, thereby putting additional downward pressure on the value of these securities and potentially causing the Fund to lose money. This is known as extension risk. Mortgage-backed securities can be highly sensitive to rising interest rates, such that even small movements can cause an investing Fund to lose value. Mortgage-backed securities, and in particular those not backed by a government guarantee, are subject to credit risk. In addition, adjustable and fixed rate mortgage-related securities are subject to prepayment risk. When interest rates decline, borrowers may pay off their mortgages sooner than expected. This can reduce the returns of the Funds because the Funds may have to reinvest that money at the lower prevailing interest rates. The Funds' investments in other asset-backed securities are subject to risks similar to those associated with mortgage-related securities, as well as additional risks associated with the nature of the assets and the servicing of those assets. Payment of principal and interest on asset-backed securities may be largely dependent upon the cash flows generated by the assets backing the securities, and asset-backed securities may not have the benefit of any security interest in the related assets.

High-yield bonds (commonly referred to as "junk bonds") typically have a lower credit rating than other bonds. Lower-rated bonds generally involve a greater risk to principal than higher-rated bonds. Further, markets for lower-rated bonds are typically less liquid than for higher-rated bonds, and public information is usually less abundant in such markets. Thus, high yield investments increase the chance that a Fund will lose money on its investment. The Funds may also invest in bonds and other instruments that are not rated, but which PIMCO considers to be equivalent to high-yield investments. The Funds may hold defaulted securities that may involve special considerations including bankruptcy proceedings, other regulatory and legal restrictions affecting the Funds' ability to trade, and the availability of prices from independent pricing services or dealer quotations. Defaulted securities are often illiquid and may not be actively traded. Sale of securities in bankrupt companies at an acceptable price may be difficult and differences compared to the value of the securities used by the Funds could be material.

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

Variable and floating rate securities generally are less sensitive to interest rate changes but may decline in value if their interest rates do not rise as much, or as quickly, as interest rates in general. Conversely floating rate

ANNUAL REPORT JULY 31, 2015 5

Table of Contents

Important Information About the Funds (Cont.)

securities will not generally increase in value if interest rates decline. Inverse floating rate securities may decrease in value if interest rates increase. Inverse floating rate securities may also exhibit greater price volatility than a fixed rate obligation with similar credit quality. When a Fund holds variable or floating rate securities, a decrease (or, in the case of inverse floating rate securities, an increase) in market interest rates will adversely affect the income received from such securities and the NAV of the Funds' shares.

The global economic crisis brought several small economies in Europe to the brink of bankruptcy and many other economies into recession and weakened the banking and financial sectors of many European countries. For example, the governments of Greece, Spain, Portugal, and the Republic of Ireland have all experienced large public budget deficits, the effects of which are still yet unknown and may slow the overall recovery of the European economies from the global economic crisis. In addition, due to large public deficits, some European countries may be dependent on assistance from other European governments and institutions or other central banks or supranational agencies such as the International Monetary Fund. Assistance may be dependent on a country's implementation of reforms or reaching a certain level of performance. Failure to reach those objectives or an insufficient level of assistance could result in a deep economic downturn which could significantly affect the value of a Fund's European investments. It is possible that one or more Economic and Monetary Union of the European Union (EMU) member countries could abandon the euro and return to a national currency and/or that the euro will cease to exist as a single currency in its current form. The exit of any country out of the euro may have an extremely destabilizing effect on other eurozone countries and their economies and a negative effect on the global economy as a whole. Such an exit by one country may also increase the possibility that additional countries may exit the euro should they face similar financial difficulties.

The Funds may invest in securities and instruments that are economically tied to Russia. Investments in Russia are subject to various risks such as political, economic, legal, market and currency risks. The risks include uncertain political and economic policies, short-term market volatility, poor accounting standards, corruption and crime, an inadequate regulatory system, and unpredictable taxation. Investments in Russia are particularly subject to the risk that economic sanctions may be imposed by the United States and/or other countries. Such sanctions which may impact companies in many sectors, including energy, financial services and defense, among others may negatively impact the Funds' performance and/or ability to achieve their investment objectives. The Russian securities market is characterized by limited volume of trading, resulting in difficulty in obtaining accurate prices. The Russian securities market, as compared to U.S. markets, has

significant price volatility, less liquidity, a smaller market capitalization and a smaller number of traded securities. There may be little publicly available information about issuers. Settlement, clearing and registration of securities transactions are subject to risks because of registration systems that may not be subject to effective government supervision. This may result in significant delays or problems in registering the transfer of securities. Russian securities laws may not recognize foreign nominee accounts held with a custodian bank, and therefore the custodian may be considered the ultimate owner of securities they hold for their clients. Ownership of securities issued by Russian companies is recorded by companies themselves and by registrars instead of through a central registration system. It is possible that the ownership rights of the Funds could be lost through fraud or negligence. While applicable Russian regulations impose liability on registrars for losses resulting from their errors, it may be difficult for the Funds to enforce any rights it may have against the registrar or issuer of the securities in the event of loss of share registration. Adverse currency exchange rates are a risk and there may be a lack of available currency hedging instruments. Investments in Russia may be subject to the risk of nationalization or expropriation of assets. Oil, natural gas, metals, and timber account for a significant portion of Russia's exports, leaving the country vulnerable to swings in world prices.

The common shares of the Funds trade on the New York Stock Exchange. As with any stock, the price of a Fund's common shares will fluctuate with market conditions and other factors. If you sell your common shares of a Fund, the price received may be more or less than your original investment. Shares of closed-end management investment companies frequently trade at a discount from their net asset value. The common shares of a Fund may trade at a price that is less than the initial offering price and/or the net asset value of such shares. Further, if a Fund's shares trade at a price that is more than the initial offering price and/or the net asset value of such shares, including at a substantial premium and/or for an extended period of time, there is no assurance that any such premium will be sustained for any period of time and will not decrease, or that the shares will not trade at a discount to net asset value thereafter.

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

Income distributions and capital gain distributions are determined in accordance with income tax regulations which may differ from U.S. GAAP. Differences between tax regulations and U.S. GAAP may cause timing differences between income and capital gain recognition. Further, the character of investment income and capital gains may be different for certain transactions under the two methods of accounting. As a result, income distributions and capital gain distributions declared during a fiscal period may differ significantly from the net investment income (loss) and realized gains (losses) reported on each Fund's annual financial statements presented under U.S. GAAP.

6 PIMCO CLOSED-END FUNDS

Table of Contents

The Funds may be subject to various risks in addition to those described above. Some of these risks may include, but are not limited to, the following: asset allocation risk, credit risk, stressed securities risk, distressed and defaulted securities risk, corporate bond risk, market risk, issuer risk, liquidity risk, equity securities and related market risk, mortgage-related and other asset-backed securities risk, extension risk, prepayment risk, privately issued mortgage-related securities risk, mortgage market/ subprime risk, foreign (non-U.S.) investment risk, emerging markets risk, currency risk, redenomination risk, non-diversification risk, management risk, municipal bond risk, inflation-indexed security risk, senior debt risk, loans, participations and assignments risk, reinvestment risk, real estate risk, U.S. Government securities risk, foreign (non-U.S.) government securities risk, valuation risk, segregation and cover risk, focused investment risk, credit default swaps risk, event-linked securities risk, counterparty risk, preferred securities risk, confidential information access risk, other investment companies risk, private placements risk, inflation/deflation risk, regulatory risk, tax risk, recent economic conditions risk, market disruptions and geopolitical risk, potential conflicts of interest involving allocation of investment opportunities, repurchase agreements risk, securities lending risk, zero-coupon bond and payment-in-kind securities risk, portfolio turnover risk, smaller company risk, short sale risk and convertible securities risk. A description of certain of these risks is available in the Notes to Financial Statements of this Report.

On each Fund Summary page in this Shareholder Report, the Average Annual Total Return table measures performance assuming that all dividend and capital gain distributions were reinvested. Total return is calculated by determining the percentage change in NAV or market price (as applicable) in the specified period. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions. Total return for a period of more than one year represents the average annual total return. Performance at market price will differ from results at NAV. Although market price returns tend to reflect investment results over time, during shorter periods returns at market price can also be influenced by factors such as changing views about a Fund, market conditions, supply and demand for the Fund's shares, or changes in the Fund's dividends. Performance shown is net of fees and expenses.

The following table discloses the commencement of operations of each Fund:

Fund Name	Commencement of Operations
PIMCO Corporate & Income Opportunity Fund	12/27/02
PIMCO Corporate & Income Strategy Fund	12/21/01
PIMCO High Income Fund	04/30/03
PIMCO Income Strategy Fund	08/29/03
PIMCO Income Strategy Fund II	10/29/04

An investment in a Fund is not a deposit of a bank and is not guaranteed or insured by the Federal Deposit Insurance Corporation or any other government agency. It is possible to lose money on investments in the Funds.

PIMCO has adopted written proxy voting policies and procedures (Proxy Policy) as required by Rule 206(4)-6 under the Investment Advisers Act of 1940. The Proxy Policy has been adopted by the Funds as the policies and procedures that PIMCO will use when voting proxies on behalf of the Funds. A description of the policies and procedures that PIMCO uses to vote proxies relating to portfolio securities of each Fund, and information about how each Fund voted proxies relating to portfolio securities held during the most recent twelve-month period ended June 30, are available without charge, upon request, by calling the Funds at (844) 33-PIMCO (844-337-4626), on the Funds' website at www.pimco.com, and on the Securities and Exchange Commission's (SEC) website at <http://www.sec.gov>.

Each Fund files a complete schedule of its portfolio holdings with the SEC for the first and third quarters of its fiscal year on Form N-Q. A copy of each Fund's Form N-Q is available on the SEC's website at <http://www.sec.gov> and may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C., and is available without charge, upon request by calling the Funds at (844) 33-PIMCO (844-337-4626) and on the Funds' website at www.pimco.com.

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

Updated portfolio holdings information about a Fund will be available at www.pimco.com approximately 15 calendar days after such Fund's most recent fiscal quarter end, and will remain accessible until such Fund files a Form N-Q or a shareholder report for the period which includes the date of the information. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

ANNUAL REPORT JULY 31, 2015 7

Table of Contents**PIMCO Corporate & Income Opportunity Fund**Symbol on NYSE - **PTY**

Allocation Breakdown

Corporate Bonds & Notes	37.8%
Mortgage-Backed Securities	29.7%
Asset-Backed Securities	8.2%
Municipal Bonds & Notes	7.8%
Short-Term Instruments	5.3%
U.S. Government Agencies	5.2%
Other	6.0%

% of Investments, at value as of 07/31/15. Financial derivative instruments, if any, are excluded.

Fund Information (as of July 31, 2015)⁽¹⁾

Market Price	\$14.31
NAV	\$14.23
Premium/(Discount) to NAV	0.56%
Market Price Distribution Yield ⁽²⁾	10.90%
NAV Distribution Yield ⁽²⁾	10.96%
Total Effective Leverage ⁽³⁾	37%

Average Annual Total Return⁽¹⁾ for the period ended July 31, 2015

	1 Year	5 Year	10 Year	Commencement of Operations (12/27/02)
Market Price	-8.63%	10.99%	11.48%	13.14%
NAV	5.28%	15.28%	13.47%	14.49%

All Fund returns are net of fees and expenses.

The average annual total returns shown above have been restated from previous reports to shareholders to align with the Fund's change from a November 30 to a July 31 fiscal year end. For the period December 1, 2014 through July 31, 2015, the Fund's total return was -13.61% and 3.75% on a market price and NAV basis, respectively.

⁽¹⁾ Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and the principal value of an investment will fluctuate. Total return, market price, NAV, market price distribution yield, and NAV distribution yield will fluctuate with changes in market conditions. For performance current to the most recent month-end, visit www.pimco.com or call (844) 33-PIMCO.

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

- (2) Distribution yields are not performance and are calculated by annualizing the most recent distribution per share and dividing by the NAV or Market Price, as applicable, as of the reported date. Distributions may be comprised of ordinary income, net capital gains, and/or a return of capital (ROC) of your investment in the Fund. Because the distribution rate may include a ROC, it should not be confused with yield or income. If the Fund estimates that a portion of its distribution may be comprised of amounts from sources other than net investment income, the Fund will notify shareholders of the estimated composition of such distribution through a Section 19 Notice. Please refer to the most recent Section 19 Notice, if applicable, for additional information regarding the composition of distributions. Please visit www.pimco.com for most recent Section 19 Notice, if applicable. Final determination of a distribution's tax character will be made on Form 1099 DIV sent to shareholders each January.
- (3) Represents total effective leverage outstanding, as a percentage of total managed assets. Total effective leverage consists of preferred shares, reverse repurchase agreements and other borrowings, credit default swaps and floating rate notes issued in tender option bond transactions, as applicable (collectively Total Effective Leverage). The Fund may engage in other transactions not included in Total Effective Leverage disclosed above that may give rise to a form of leverage, including certain derivative transactions. Total managed assets refer to total assets (including assets attributable to Total Effective Leverage that may be outstanding) minus accrued liabilities (other than liabilities representing Total Effective Leverage).

Investment Objective and Strategy Overview

- » PIMCO Corporate & Income Opportunity Fund's primary investment objective is to seek high current income, with capital preservation and capital appreciation as secondary objectives.

Fund Insights

- » For the period from December 1, 2014 through July 31, 2015, an allocation to non-agency mortgage-backed securities was a major contributor to performance, as the sector continued to benefit from the improving U.S. housing market.
- » The Fund's partial redemption of auction rate preferred shares (ARPS) had a significant, one-time positive impact on returns, as redemption was done below face value. This was accretive to the Fund's returns for common shareholders.
- » The Fund's exposure to select high yield corporate bonds significantly contributed to performance. In particular, an allocation to bank capital securities at the junior parts of capital structure was beneficial. In addition, security selection in the entertainment sector was also positive for performance.
- » The Fund's emerging market holdings contributed modestly to performance, as Russian hard-currency denominated bonds posted solid performance given stabilizing oil prices later in the reporting period and normalization in Russia's external geopolitical position.
- » The Fund's exposure to U.S. interest rate duration was positive for performance. Nevertheless, short interest rate exposure at the long end of the yield curve detracted from returns, as long-term rates declined during the period. The overall impact to the portfolio from U.S. interest rate exposure and yield curve positioning was neutral.
- » The Fund's exposure to Brazilian hard-currency denominated assets detracted from performance. Investor sentiment for these securities was weighed down by the country's weaker economic condition, higher inflation and rating downgrades with a negative outlook.
- » The Fund's exposure to select taxable municipal bonds detracted from returns.

± See Note 12 in the Notes to Financial Statements for more information.

8 PIMCO CLOSED-END FUNDS

Table of Contents

PIMCO Corporate & Income Strategy Fund

Symbol on NYSE - **PCN**

Allocation Breakdown

Corporate Bonds & Notes	38.8%
Mortgage-Backed Securities	27.8%
Short-Term Instruments	14.4%
Municipal Bonds & Notes	5.8%
Asset-Backed Securities	4.3%
Other	8.9%

% of Investments, at value as of 07/31/15. Financial derivative instruments, if any, are excluded.

Fund Information (as of July 31, 2015)⁽¹⁾

Market Price	\$13.71
NAV	\$14.75
Premium/(Discount) to NAV	-7.05%
Market Price Distribution Yield ⁽²⁾	9.85%
NAV Distribution Yield ⁽²⁾	9.15%
Total Effective Leverage ⁽³⁾	27%

Average Annual Total Return⁽¹⁾ for the period ended July 31, 2015

	1 Year	5 Year	10 Year	Commencement of Operations (12/21/01)
Market Price	-4.40%	9.33%	10.59%	10.76%
NAV	5.53%	13.64%	12.14%	12.29%

All Fund returns are net of fees and expenses.

The average annual total returns shown above have been restated from previous reports to shareholders to align with the Fund's change from a October 31 to a July 31 fiscal year end. For the period November 1, 2014 through July 31, 2015, the Fund's total return was -7.12% and 3.55% on a market price and NAV basis, respectively.

⁽¹⁾ Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and the principal value of an investment will fluctuate. Total return, market price, NAV, market price distribution yield, and NAV distribution yield will fluctuate with changes in market conditions. For performance current to the most recent month-end, visit www.pimco.com or call (844) 33-PIMCO.

⁽²⁾ Distribution yields are not performance and are calculated by annualizing the most recent distribution per share and dividing by the NAV or Market Price, as applicable, as of the reported date. Distributions may be comprised of ordinary income, net capital gains, and/or a return of capital (ROC) of your investment in

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

the Fund. Because the distribution rate may include a ROC, it should not be confused with yield or income. If the Fund estimates that a portion of its distribution may be comprised of amounts from sources other than net investment income, the Fund will notify shareholders of the estimated composition of such distribution through a Section 19 Notice. Please refer to the most recent Section 19 Notice, if applicable, for additional information regarding the composition of distributions. Please visit www.pimco.com for most recent Section 19 Notice, if applicable. Final determination of a distribution's tax character will be made on Form 1099 DIV sent to shareholders each January.

- (3) Represents total effective leverage outstanding, as a percentage of total managed assets. Total effective leverage consists of preferred shares, reverse repurchase agreements and other borrowings, credit default swaps and floating rate notes issued in tender option bond transactions, as applicable (collectively Total Effective Leverage). The Fund may engage in other transactions not included in Total Effective Leverage disclosed above that may give rise to a form of leverage, including certain derivative transactions. Total managed assets refer to total assets (including assets attributable to Total Effective Leverage that may be outstanding) minus accrued liabilities (other than liabilities representing Total Effective Leverage).

Investment Objective and Strategy Overview

- » PIMCO Corporate & Income Strategy Fund's primary investment objective is to seek high current income, with a secondary objective of capital preservation and appreciation.

Fund Insights

- » For the period from November 1, 2014 through July 31, 2015, an allocation to non-agency mortgage-backed securities was a primary contributor to performance, as the sector continued to benefit from the improving U.S. housing market.
- » The Fund's exposure to U.S. interest rate duration contributed significantly to returns. However, short interest rate exposure at the long end of the yield curve mitigated some gains, as long-term rates declined during the reporting period. The overall impact to the portfolio from U.S. interest rate exposure and yield curve positioning was modestly positive for performance.
- » The Fund's exposure to select high yield corporate bonds contributed to performance. In particular, an allocation to bank capital securities at the junior parts of capital structure was beneficial.
- » The Fund's emerging market holdings contributed to returns, as exposure to Russian bonds posted solid results given stabilizing oil prices in the later part of the reporting period and normalization in Russia's external geopolitical position.
- » The Fund's exposure to Brazilian local and hard-currency denominated bonds detracted from performance. Investor sentiment for these securities was weighed down by the country's weaker economic condition, higher inflation and rating downgrades with a negative outlook.
- » The Fund's exposure to select taxable municipal bonds detracted from returns.

Table of Contents

PIMCO High Income Fund

Symbol on NYSE - **PHK**

Allocation Breakdown

Corporate Bonds & Notes	49.6%
Mortgage-Backed Securities	18.8%
Municipal Bonds & Notes	12.3%
Asset-Backed Securities	8.2%
Short-Term Instruments	3.4%
Other	7.7%

% of Investments, at value as of 07/31/15. Financial derivative instruments, if any, are excluded.

Fund Information (as of July 31, 2015)⁽¹⁾

Market Price	\$9.71
NAV	\$7.37
Premium/(Discount) to NAV	31.75%
Market Price Distribution Yield ⁽²⁾	15.06%
NAV Distribution Yield ⁽²⁾	19.84%
Total Effective Leverage ⁽³⁾	29%

Average Annual Total Return⁽¹⁾ for the period ended July 31, 2015

	1 Year	5 Year	10 Year	Commencement of Operations (04/30/03)
Market Price	-14.12%	6.98%	10.05%	10.32%
NAV	5.12%	15.63%	10.79%	11.57%

All Fund returns are net of fees and expenses.

The average annual total returns shown above have been restated from previous reports to shareholders to align with the Fund's change from a March 31 to a July 31 fiscal year end. For the period April 1, 2015 through July 31, 2015, the Fund's total return was -18.40% and 3.55% on a market price and NAV basis, respectively.

⁽¹⁾ Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and the principal value of an investment will fluctuate. Total return, market price, NAV, market price distribution yield, and NAV distribution yield will fluctuate with changes in market conditions. For performance current to the most recent month-end, visit www.pimco.com or call (844) 33-PIMCO.

⁽²⁾ Distribution yields are not performance and are calculated by annualizing the most recent distribution per share and dividing by the NAV or Market Price, as applicable, as of the reported date. Distributions may be comprised of ordinary income, net capital gains, and/or a return of capital (ROC) of your investment in

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

the Fund. Because the distribution rate may include a ROC, it should not be confused with yield or income. If the Fund estimates that a portion of its distribution may be comprised of amounts from sources other than net investment income, the Fund will notify shareholders of the estimated composition of such distribution through a Section 19 Notice. Please refer to the most recent Section 19 Notice, if applicable, for additional information regarding the composition of distributions. Please visit www.pimco.com for most recent Section 19 Notice, if applicable. Final determination of a distribution's tax character will be made on Form 1099 DIV sent to shareholders each January.

- (3) Represents total effective leverage outstanding, as a percentage of total managed assets. Total effective leverage consists of preferred shares, reverse repurchase agreements, and other borrowings, credit default swaps and floating rate notes issued in tender option bond transactions, as applicable (collectively Total Effective Leverage). The Fund may engage in other transactions not included in Total Effective Leverage disclosed above that may give rise to a form of leverage, including certain derivative transactions. Total managed assets refer to total assets (including assets attributable to Total Effective Leverage that may be outstanding) minus accrued liabilities (other than liabilities representing Total Effective Leverage).

Investment Objective and Strategy Overview

- » PIMCO High Income Fund's primary investment objective is to seek high current income, with capital appreciation as a secondary objective.

Fund Insights

- » For the period from April 1, 2015 through July 31, 2015, an allocation to non-agency mortgage-backed securities was a primary contributor to performance, as the sector continued to benefit from the improving U.S. housing market.
- » The Fund's U.S. short interest rate exposure at the long end of the U.S. Treasury yield curve contributed significantly to returns. This position helped to offset the negative impact of higher U.S. interest rates elsewhere in the portfolio, resulting in an overall positive impact to the portfolio from U.S. interest rates exposure.
- » The Fund's emerging market holdings contributed substantially to performance, as Russian quasi-sovereign corporate bond holdings posted positive results given stabilizing oil prices and normalization in Russia's external geopolitical position.
- » Despite widening spreads, the Fund's exposure to select high yield corporate bonds contributed to performance as these holdings generated an attractive coupon return. In addition, security selection in the entertainment sector was positive for performance.
- » The Fund's exposure to select taxable municipal bonds detracted from returns.
- » The Fund's exposure to Brazilian hard-currency denominated assets detracted from returns. Investor sentiment for these securities was weighed down by the country's weaker economic conditions, higher inflation and rating downgrades with a negative outlook.
- » The Fund's tactical interest rate exposure in the United Kingdom was modestly negative for performance, as rates rose across the yield curve in the country given the strength of its economy.

10 PIMCO CLOSED-END FUNDS

Table of Contents**PIMCO Income Strategy Fund**Symbol on NYSE - **PFL**

Allocation Breakdown

Corporate Bonds & Notes	50.0%
Mortgage-Backed Securities	15.9%
Asset-Backed Securities	15.6%
Municipal Bonds & Notes	6.8%
Preferred Securities	4.4%
Other	7.3%

% of Investments, at value as of 07/31/15. Financial derivative instruments, if any, are excluded.

Fund Information (as of July 31, 2015)⁽¹⁾

Market Price	\$10.39
NAV	\$11.46
Premium/(Discount) to NAV	-9.34%
Market Price Distribution Yield ⁽²⁾	10.39%
NAV Distribution Yield ⁽²⁾	9.42%
Total Effective Leverage ⁽³⁾	21%

Average Annual Total Return⁽¹⁾ for the period ended July 31, 2015

	1 Year	5 Year	10 Year	Commencement of Operations (08/29/03)
Market Price	-2.62%	8.67%	5.69%	5.13%
NAV	4.66%	12.76%	6.59%	6.53%

All Fund returns are net of fees and expenses.

⁽¹⁾ Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and the principal value of an investment will fluctuate. Total return, market price, NAV, market price distribution yield, and NAV distribution yield will fluctuate with changes in market conditions. For performance current to the most recent month-end, visit www.pimco.com or call (844) 33-PIMCO.

⁽²⁾ Distribution yields are not performance and are calculated by annualizing the most recent distribution per share and dividing by the NAV or Market Price, as applicable, as of the reported date. Distributions may be comprised of ordinary income, net capital gains, and/or a return of capital (ROC) of your investment in the Fund. Because the distribution rate may include a ROC, it should not be confused with yield or income. If the Fund estimates that a portion of its distribution may be comprised of amounts from sources other than net investment income, the Fund will notify shareholders of the estimated composition of such distribution through a Section 19 Notice. Please refer to the most recent Section 19 Notice, if applicable, for additional information regarding the composition of distributions. Please visit www.pimco.com for most recent Section 19 Notice, if applicable. Final determination of a distribution's tax character

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

will be made on Form 1099 DIV sent to shareholders each January.

- (3) Represents total effective leverage outstanding, as a percentage of total managed assets. Total effective leverage consists of preferred shares, reverse repurchase agreements, and other borrowings, credit default swaps and floating rate notes issued in tender option bond transactions, as applicable (collectively Total Effective Leverage). The Fund may engage in other transactions not included in Total Effective Leverage disclosed above that may give rise to a form of leverage, including certain derivative transactions. Total managed assets refer to total assets (including assets attributable to Total Effective Leverage that may be outstanding) minus accrued liabilities (other than liabilities representing Total Effective Leverage).

Investment Objective and Strategy Overview

- » PIMCO Income Strategy Fund's primary investment objective is to seek high current income, consistent with the preservation of capital.

Fund Insights

- » For the period from August 1, 2014 through July 31, 2015, an allocation to certain agency mortgage derivatives was a major contributor to performance given positive security selection and attractive income.
- » The Fund's partial redemption of auction rate preferred shares (ARPS) had a significant, one-time positive impact on returns, as redemption was done below face value. This was accretive to the Fund's returns for common shareholders.
- » An allocation to non-agency mortgage-backed securities was a significant contributor to performance, as the sector continued to benefit from the improving U.S. housing market.
- » The Fund's exposure to U.S. interest rate duration contributed significantly to returns. Nevertheless, short interest rate exposure at the long end of the yield curve offset some of the gains, as long-term rates declined during the reporting period.
- » The Fund's exposure to select high yield corporate bonds contributed to performance. In particular, an allocation to bank capital securities (especially at junior parts of the capital structure), as well as security selection in the utilities and entertainment sectors, was positive for performance. In contrast, security selection in the manufacturing sector was negative for performance.
- » The Fund's exposure to hard-currency denominated Russian bonds posted positive performance as an attractive coupon return helped offset wider spreads.
- » The Fund's exposure to Brazilian local and hard-currency denominated bonds detracted from performance. Investor sentiment for these securities was weighed down by the country's weaker economic condition, higher inflation and rating downgrades with a negative outlook.
- » The Fund's exposure to investment grade corporate bonds detracted from performance as their spreads widened during the reporting period.
- » The Fund's exposure to select taxable municipal bonds detracted from returns.

± See Note 12 in the Notes to Financial Statements for more information.

Table of Contents

PIMCO Income Strategy Fund II

Symbol on NYSE - **PFN**

Allocation Breakdown

Corporate Bonds & Notes	47.0%
Mortgage-Backed Securities	25.1%
Municipal Bonds & Notes	8.6%
Asset-Backed Securities	8.1%
U.S. Government Agencies	2.5%
Other	8.7%

% of Investments, at value as of 07/31/15. Financial derivative instruments, if any, are excluded.

Fund Information (as of July 31, 2015)⁽¹⁾

Market Price	\$9.41
NAV	\$10.27
Premium/(Discount) to NAV	-8.37%
Market Price Distribution Yield ⁽²⁾	10.20%
NAV Distribution Yield ⁽²⁾	9.35%
Total Effective Leverage ⁽³⁾	19%

Average Annual Total Return⁽¹⁾ for the period ended July 31, 2015

	1 Year	5 Year	10 Year	Commencement of Operations (10/29/04)
Market Price	-0.12%	9.43%	4.94%	3.94%
NAV	4.97%	13.17%	5.27%	5.26%

All Fund returns are net of fees and expenses.

⁽¹⁾ Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and the principal value of an investment will fluctuate. Total return, market price, NAV, market price distribution yield, and NAV distribution yield will fluctuate with changes in market conditions. For performance current to the most recent month-end, visit www.pimco.com or call (844) 33-PIMCO.

⁽²⁾ Distribution yields are not performance and are calculated by annualizing the most recent distribution per share and dividing by the NAV or Market Price, as applicable, as of the reported date. Distributions may be comprised of ordinary income, net capital gains, and/or a return of capital (ROC) of your investment in the Fund. Because the distribution rate may include a ROC, it should not be confused with yield or income. If the Fund estimates that a portion of its distribution may be comprised of amounts from sources other than net investment income, the Fund will notify shareholders of the estimated composition of such distribution through a Section 19 Notice. Please refer to the most recent Section 19 Notice, if applicable, for additional information regarding the composition of distributions. Please visit www.pimco.com for most recent Section 19 Notice, if applicable. Final determination of a distribution's tax character will be made on Form 1099 DIV sent to shareholders each January.

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

- ⁽³⁾ Represents total effective leverage outstanding, as a percentage of total managed assets. Total effective leverage consists of preferred shares, reverse repurchase agreements, and other borrowings, credit default swaps and floating rate notes issued in tender option bond transactions, as applicable (collectively Total Effective Leverage). The Fund may engage in other transactions not included in Total Effective Leverage disclosed above that may give rise to a form of leverage, including certain derivative transactions. Total managed assets refer to total assets (including assets attributable to Total Effective Leverage that may be outstanding) minus accrued liabilities (other than liabilities representing Total Effective Leverage).

Investment Objective and Strategy Overview

- » PIMCO Income Strategy Fund II's primary investment objective is to seek high current income, consistent with the preservation of capital.

Fund Insights

- » For the period from August 1, 2014 through July 31, 2015, an allocation to non-agency mortgage-backed securities was a major contributor to performance, as the sector continued to benefit from the improving U.S. housing market.
- » The Fund's partial redemption of auction rate preferred shares (ARPS) had a significant, one-time positive impact on returns, as redemption was done below face value. This was accretive to the Fund's returns for common shareholders.
- » The Fund's exposure to U.S. interest rate duration was significantly positive for performance. However, short interest rate exposure at the long end of the yield curve detracted from performance, as long-term rates declined during the reporting period. The overall impact to the portfolio from U.S. interest rate exposure and yield curve positioning plus an attractive carry, or the rate of interest earned by holding the respective securities, was positive.
- » The Fund's exposure to select high yield corporate bonds contributed to performance. In particular, an allocation to bank capital securities (especially at junior parts of the capital structure), as well as security selection in the utilities and entertainment sectors, was positive for performance. In contrast, security selection in the manufacturing sector was negative for performance.
- » The Fund's exposure to hard-currency denominated Russian corporate and quasi-sovereign bonds was positive for performance as an attractive coupon return helped offset wider spreads.
- » The Fund's exposure to Brazilian local and hard-currency denominated bonds detracted significantly from performance. Investor sentiment for these securities was weighed down by the country's weaker economic condition, higher inflation and rating downgrades with a negative outlook.
- » The Fund's exposure to select taxable municipal bonds was a detractor from performance given wider spreads, as the market overall was impacted by negative news flow out of Puerto Rico, as well as a supply/demand imbalance. In addition, security selection within this sector detracted from performance, as a specific very long-dated bond sold off due to issue-specific factors.

± See Note 12 in the Notes to Financial Statements for more information.

12 PIMCO CLOSED-END FUNDS

Table of Contents

(THIS PAGE INTENTIONALLY LEFT BLANK)

ANNUAL REPORT JULY 31, 2015 13

Table of Contents

Financial Highlights

Selected Per Share Data for the Year or Period Ended:	Net Asset Value Beginning of Year or Period	Net Investment Income (a)	Net Realized/Unrealized Gain (Loss)	Total from Investment Operations	Distributions on Preferred Shares from Net Investment and Realized Gains	Net Increase (Decrease) in Net Assets Applicable to Common Shareholders Resulting from Investment Operations	Distributions to Common Shareholders from Net Investment Income	Distributions to Common Shareholders from Net Realized Capital Gain
PIMCO Corporate & Income Opportunity Fund								
12/01/2014 - 07/31/2015 ^(d)	\$ 15.41	\$ 0.68	\$ (0.33)	\$ 0.35	\$ (0.00) [^]	\$ 0.35	\$ (1.69)	\$ 0.00
11/30/2014	16.62	1.14	1.06	2.20	(0.01)	2.19	(1.56)	(1.84)
11/30/2013	17.58	1.43	0.19	1.62	(0.00)	1.62	(1.82)	(0.76)
11/30/2012	14.22	1.68	3.87	5.55	(0.01)	5.54	(2.18)	0.00
11/30/2011	16.29	1.88	(1.87)	0.01	(0.01)	0.00	(2.07)	0.00
11/30/2010	13.63	1.80	2.83	4.63	(0.01)	4.62	(1.96)	0.00
PIMCO Corporate & Income Strategy Fund								
11/01/2014 - 07/31/2015 ^(e)	\$ 15.60	\$ 0.73	\$ (0.21)	\$ 0.52	\$ (0.00) [^]	\$ 0.52	\$ (1.37)	\$ 0.00
10/31/2014	16.04	0.99	0.87	1.86	(0.00) [^]	1.86	(1.35)	(0.95)
10/31/2013	15.90	1.28	0.44	1.72	(0.01)	1.71	(1.57)	0.00
10/31/2012	13.67	1.57	2.47	4.04	(0.01)	4.03	(1.80)	0.00
10/31/2011	15.51	1.72	(1.87)	(0.15)	(0.01)	(0.16)	(1.68)	0.00
10/31/2010	12.88	1.61	2.90	4.51	(0.01)	4.50	(1.87)	0.00
PIMCO High Income Fund								
04/01/2015 - 07/31/2015 ^(b)	\$ 7.59	\$ 0.21	\$ 0.06	\$ 0.27	\$ (0.00) [^]	\$ 0.27	\$ (0.33)	\$ 0.00
03/31/2015	8.23	0.94	(0.12)	0.82	(0.00) [^]	0.82	(1.46)	0.00
03/31/2014	8.65	0.84	0.20	1.04	(0.00) [^]	1.04	(1.35)	0.00
03/31/2013	7.87	0.81	1.43	2.24	(0.00) [^]	2.24	(1.42)	0.00
03/31/2012	9.42	0.96	(1.05)	(0.09)	(0.00) [^]	(0.09)	(1.39)	0.00
03/31/2011	8.73	1.13	1.03	2.16	(0.01)	2.15	(1.46)	0.00
PIMCO Income Strategy Fund								
07/31/2015	\$ 12.15	\$ 0.79	\$ (0.34)	\$ 0.45	\$ (0.03)	\$ 0.42	\$ (1.22)	\$ 0.00
07/31/2014	11.70	0.79	0.78	1.57	(0.04)	1.53	(1.08)	0.00
07/31/2013	11.35	0.92	0.87	1.79	(0.04)	1.75	(1.40)	0.00
07/31/2012	11.39	1.16	(0.04)	1.12	(0.05)	1.07	(1.11)	0.00
07/31/2011	10.62	1.24	0.79	2.03	(0.05)	1.98	(1.21)	0.00
PIMCO Income Strategy Fund II								
07/31/2015	\$ 10.88	\$ 0.70	\$ (0.29)	\$ 0.41	\$ (0.03)	\$ 0.38	\$ (1.11)	\$ 0.00
07/31/2014	10.29	0.72	0.87	1.59	(0.04)	1.55	(0.96)	0.00
07/31/2013	10.23	0.88	0.68	1.56	(0.04)	1.52	(1.46)	0.00
07/31/2012	10.04	1.03	0.03	1.06	(0.04)	1.02	(0.83)	0.00
07/31/2011	9.29	1.03	0.73	1.76	(0.04)	1.72	(0.97)	0.00

* Annualized

[^] Reflects an amount rounding to less than one cent.

(a) Per share amounts based on average number of shares outstanding during the year or period.

(b) Determined in accordance with federal income tax regulations, see Note 2(c) in the Notes to Financial Statements for more information.

(c) Total investment return is calculated assuming a purchase of a common share at the market price on the first day and a sale of a common share at the market price on the last day of each year or period reported. Dividends and distributions, if any, are assumed, for purposes of this calculation, to be reinvested at prices obtained under the Funds' dividend reinvestment plan. Total investment return does not reflect brokerage commissions in connection with the purchase or sale of Fund shares.

(d) Calculated on the basis of income and expenses applicable to both common and preferred shares relative to the average net assets of common shareholders.

(e) Interest expense primarily relates to participation in borrowing and financing transactions, see Note 5 in the Notes to Financial Statements for more information.

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

- (f) Fiscal year end changed from November 30th to July 31st.
- (g) Fiscal year end changed from October 31st to July 31st.
- (h) Fiscal year end changed from March 31st to July 31st.
- (i) Total distributions for the period ended July 31, 2015 may be lower than prior fiscal years due to fiscal year end changes resulting in a reduction of the amount of days in the period ended July 31, 2015.
- (j) See Note 12 in the Notes to Financial Statements.

14 PIMCO CLOSED-END FUNDS

See Accompanying Notes

Table of Contents

Tax Basis	Total Distributions to Common Shareholders ^(b)	Increase Resulting from Tender and Repurchase of Auction-Rate Preferred Shares	Net Asset Value End of Year or Period	Market Price End of Year or Period	Total Investment Return ^(c)	Net Assets Applicable to Common Shareholders (000s)	Ratio of Expenses to Average Net Assets ^{(d)(e)}	Ratio of Expenses to Average Net Assets Excluding Interest Expense ^(d)	Ratio of Net Investment Income to Average Net Assets	Preferred Shares Asset Coverage Per Share	Portfolio Turnover Rate
\$ 0.00	\$ (1.69) ⁽ⁱ⁾	\$ 0.16 ⁽ⁱ⁾	\$ 14.23	\$ 14.31	(13.61)%	\$ 1,006,484	0.91%*	0.90%*	7.01%*	130,743	34%
0.00	(3.40)	0.00	15.41	18.50	26.04	1,082,000	0.91	0.91	7.36	108,229	44
0.00	(2.58)	0.00	16.62	17.75	(0.15)	1,149,779	0.91	0.91	8.49	113,443	118
0.00	(2.18)	0.00	17.58	20.37	36.86	1,205,090	1.05	0.93	10.63	117,697	29
0.00	(2.07)	0.00	14.22	16.78	9.24	967,195	1.09	0.94	11.76	99,399	53
0.00	(1.96)	0.00	16.29	17.30	40.36	1,098,920	1.02	0.93	11.98	109,530	70
\$ 0.00	\$ (1.37) ⁽ⁱ⁾	\$ 0.00	\$ 14.75	\$ 13.71	(7.12)%	\$ 570,122	1.07%*	1.07%*	6.51%*	109,336	40%
0.00	(2.30)	0.00	15.60	16.18	8.84	599,980	1.09	1.09	6.32	113,753	48
0.00	(1.57)	0.00	16.04	17.15	3.48	612,225	1.10	1.09	7.91	115,565	108
0.00	(1.80)	0.00	15.90	18.17	33.21	603,483	1.32	1.14	11.03	114,270	28
0.00	(1.68)	0.00	13.67	15.27	4.78	515,041	1.30	1.16	11.56	101,188	32
0.00	(1.87)	0.00	15.51	16.24	41.86	579,963	1.24	1.17	11.64	110,790	52
\$ (0.16)	\$ (0.49) ⁽ⁱ⁾	\$ 0.00	\$ 7.37	\$ 9.71	(18.40)%	\$ 925,598	1.05%*	1.03%*	8.14%*	104,245	8%
0.00	(1.46)	0.00	7.59	12.48	12.30	949,880	1.18	1.02	11.53	106,324	58
(0.11)	(1.46)	0.00	8.23	12.56	15.51	1,021,120	1.14	1.03	10.14	112,424	159
(0.04)	(1.46)	0.00	8.65	12.35	8.53	1,063,863	1.06	1.05	10.00	116,082	70
(0.07)	(1.46)	0.00	7.87	12.84	3.28	960,496	1.16	1.07	11.76	107,233	24
0.00	(1.46)	0.00	9.42	14.01	28.94	1,138,186	1.11	1.04	12.74	122,446	89
\$ 0.00	\$ (1.22)	\$ 0.11 ⁽ⁱ⁾	\$ 11.46	\$ 10.39	(2.62)%	\$ 289,909	1.30%	1.25%	6.67%	166,328	67%
0.00	(1.08)	0.00	12.15	11.87	9.95	306,475	1.19	1.18	6.71	122,004	113
0.00	(1.40)	0.00	11.70	11.83	5.69	294,017	1.24	1.21	7.59	118,058	63
0.00	(1.11)	0.00	11.35	12.52	12.02	283,285	1.85	1.65	10.93	114,654	23
0.00	(1.21)	0.00	11.39	12.39	19.67	282,691	1.51	1.41	11.00	114,474	44
\$ 0.00	\$ (1.11)	\$ 0.12 ⁽ⁱ⁾	\$ 10.27	\$ 9.41	(0.12)%	\$ 606,974	1.16%	1.13%	6.58%	189,105	63%
0.00	(0.96)	0.00	10.88	10.50	12.39	642,119	1.14	1.14	6.79	124,695	119
0.00	(1.46)	0.00	10.29	10.24	6.80	605,843	1.16	1.14	8.20	119,060	71
0.00	(0.83)	0.00	10.23	10.96	16.33	597,683	1.48	1.37	10.87	117,792	17
0.00	(0.97)	0.00	10.04	10.27	12.53	584,351	1.24	1.21	10.34	115,720	42

Table of Contents**Statements of Assets and Liabilities**

July 31, 2015

	PIMCO Corporate & Income Opportunity Fund	PIMCO Corporate & Income Strategy Fund	PIMCO High Income Fund	PIMCO Income Strategy Fund	PIMCO Income Strategy Fund II
(Amounts in thousands, except per share amounts)					
Assets:					
<i>Investments, at value</i>					
Investments in securities*	\$ 1,305,179	\$ 741,235	\$ 1,249,379	\$ 345,872	\$ 704,420
<i>Financial Derivative Instruments</i>					
Exchange-traded or centrally cleared	3,873	1,816	5,747	1,177	2,627
Over the counter	7,780	2,467	23,927	1,385	3,918
Cash	4,093	1,079	1	0	0
Deposits with counterparty	24,587	7,472	10,384	5,946	9,444
Foreign currency, at value	2,320	170	1,116	185	478
Receivable for investments sold	247	147	1,425	1,726	14,655
Interest and dividends receivable	12,100	5,675	14,361	2,963	6,538
Other assets	6	3	40	2	5
Total Assets	1,360,185	760,064	1,306,380	359,256	742,085
Liabilities:					
<i>Borrowings & Other Financing Transactions</i>					
Payable for reverse repurchase agreements	\$ 13,551	\$ 0	\$ 37,237	\$ 5,596	\$ 13,417
<i>Financial Derivative Instruments</i>					
Exchange-traded or centrally cleared	3,461	1,688	5,828	1,025	2,372
Over the counter	41,469	3,875	4,214	2,446	5,137
Payable for investments purchased	42,471	8,254	2,759	4,523	8,736
Deposits from counterparty	4,470	2,090	22,401	1,000	2,980
Distributions payable to common shareholders	9,198	4,350	15,299	2,277	4,728
Distributions payable to preferred shareholders	6	3	5	8	18
Overdraft due to custodian	0	0	0	561	4,202
Accrued management fees	734	544	844	272	533
Other liabilities	391	138	195	364	538
Total Liabilities	115,751	20,942	88,782	18,072	42,661
Preferred Shares (\$0.00001 par value and \$25,000 liquidation preference per share applicable to an aggregate of 9,518, 6,760, 11,680, 2,051, 3,698 shares issued and outstanding, respectively)	237,950	169,000	292,000	51,275	92,450
Net Assets Applicable to Common Shareholders	\$ 1,006,484	\$ 570,122	\$ 925,598	\$ 289,909	\$ 606,974
Composition of Net Assets Applicable to Common Shareholders:					
Common Shares:					
Par value (\$0.00001 per share)	\$ 1	\$ 0	\$ 1	\$ 0	\$ 1
Paid in capital in excess of par	1,026,094	549,761	1,655,748	419,477	950,671
(Overdistributed) net investment income	(8,639)	(4,556)	(39,740)	(1,974)	(2,589)
Accumulated undistributed net realized (loss)	(90,337)	(17,390)	(819,888)	(145,869)	(381,439)
Net unrealized appreciation	79,365	42,307	129,477	18,275	40,330
	\$ 1,006,484	\$ 570,122	\$ 925,598	\$ 289,909	\$ 606,974
Common Shares Issued and Outstanding	70,756	38,665	125,528	25,300	59,103
Net Asset Value Per Common Share	\$ 14.23	\$ 14.75	\$ 7.37	\$ 11.46	\$ 10.27
Cost of Investments in securities	\$ 1,262,717	\$ 720,406	\$ 1,210,914	\$ 338,083	\$ 690,335
Cost of Foreign Currency Held	\$ 2,345	\$ 171	\$ 1,136	\$ 198	\$ 507

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

Cost or Premiums of Financial Derivative Instruments, net	\$	(36,208)	\$	(1,110)	\$	(144)	\$	(763)	\$	(1,599)
* Includes repurchase agreements of:	\$	30,731	\$	98,739	\$	8,584	\$	0	\$	0

A zero balance may reflect actual amounts rounding to less than one thousand.

16 PIMCO CLOSED-END FUNDS

See Accompanying Notes

Table of Contents**Statements of Operations**

	PIMCO Corporate & Income Opportunity Fund		PIMCO Corporate & Income Strategy Fund	
	Period from		Period from	
	December 1, 2014 to		November 1, 2014 to	
	July 31, 2015 ^(b)	Year Ended November 30, 2014	July 31, 2015 ^(c)	Year Ended October 31, 2014
(Amounts in thousands)				
Investment Income:				
Interest	\$ 51,537	\$ 83,525	\$ 30,930	\$ 43,441
Dividends	2,432	6,298	1,959	1,075
Total Income	53,969	89,823	32,889	44,516
Expenses:				
Management fees	5,607	8,628	4,529	5,852
Auction agent fees and commissions	383	521	140	201
Trustee fees and related expenses	69	102	43	50
Interest expense	73	35	4	5
Auction rate preferred shares related expenses	93	20	7	32
Miscellaneous expense	0	0	0	2
Operating expenses pre-transition ^(a)				
Custodian and accounting agent	0	272	0	185
Audit and tax services	0	86	0	62
Shareholder communications	0	98	0	79
New York Stock Exchange listing	0	41	0	25
Transfer agent	0	19	0	21
Legal	0	49	0	9
Insurance	0	31	0	21
Other expenses	0	1	0	4
Total Expenses	6,225	9,903	4,723	6,548
Net Investment Income	47,744	79,920	28,166	37,968
Net Realized Gain (Loss):				
Investments in securities	24,639	20,828	10,936	23,674
Exchange-traded or centrally cleared financial derivative instruments	(38,600)	(38,505)	(10,029)	(23,734)
Over the counter financial derivative instruments	8,647	45,375	2,910	17,577
Foreign currency	318	395	136	94
Net Realized Gain (Loss)	(4,996)	28,093	3,953	17,611
Net Change in Unrealized Appreciation (Depreciation):				
Investments in securities	(36,582)	41,910	(16,394)	5,701
Exchange-traded or centrally cleared financial derivative instruments	21,492	779	6,213	12,196
Over the counter financial derivative instruments	(3,374)	164	(1,974)	(2,252)
Foreign currency assets and liabilities	95	(165)	23	(55)
Net Change in Unrealized Appreciation (Depreciation)	(18,369)	42,688	(12,132)	15,590
Distributions on Preferred Shares from Net Investment Income and Net Realized Capital Gains	\$ (313)	\$ (421)	\$ (160)	\$ (163)
Net Increase in Net Assets Applicable to Common Shareholders Resulting from Operations	\$ 24,066	\$ 150,280	\$ 19,827	\$ 71,006

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

A zero balance may reflect actual amounts rounding to less than one thousand.

(a) These expenses were incurred by the Fund prior to the close of business on September 5, 2014. Subsequent to the close of business on September 5, 2014, any such operating expenses are borne by PIMCO.

(b) Fiscal year end changed from November 30th to July 31st.

(c) Fiscal year end changed from October 31st to July 31st.

See Accompanying Notes

ANNUAL REPORT JULY 31, 2015 **17**

Table of Contents**Statements of Operations (Cont.)**

	PIMCO High Income Fund		PIMCO Income Strategy Fund	PIMCO Income Strategy Fund II
	Period from			
	April 1, 2015 to July 31, 2015 ^(b)	Year Ended March 31, 2015	Year Ended July 31, 2015	Year Ended July 31, 2015
(Amounts in thousands)				
Investment Income:				
Interest	\$ 28,921	\$ 127,958	\$ 22,566	\$ 45,398
Dividends	770	1,540	1,240	2,999
Total Income	29,691	129,498	23,806	48,397
Expenses:				
Management fees	3,198	9,612	3,268	6,343
Auction agent fees and commissions	111	334	209	274
Trustee fees and related expenses	36	87	29	55
Interest expense	68	1,661	140	182
Auction rate preferred shares related expenses	2	11	181	359
Miscellaneous expense	0	0	0	0
Operating expenses pre-transition ^(a)				
Custodian and accounting agent	0	114	18	23
Audit and tax services	0	30	12	12
Shareholder communications	0	90	7	10
New York Stock Exchange listing	0	62	3	6
Transfer agent	0	11	2	2
Legal	0	15	5	8
Insurance	0	3	1	2
Other expenses	0	0	35	20
Total Expenses	3,415	12,030	3,910	7,296
Net Investment Income	26,276	117,468	19,896	41,101
Net Realized Gain (Loss):				
Investments in securities	2,468	52,437	6,733	13,770
Exchange-traded or centrally cleared financial derivative instruments	(19,889)	(116,469)	(16,497)	(43,466)
Over the counter financial derivative instruments	(12,038)	35,308	6,013	25,519
Foreign currency	137	(1,138)	236	423
Net Realized (Loss)	(29,322)	(29,862)	(3,515)	(3,754)
Net Change in Unrealized Appreciation (Depreciation):				
Investments in securities	(13,587)	(27,718)	(11,804)	(21,574)
Exchange-traded or centrally cleared financial derivative instruments	34,777	38,997	5,695	16,291
Over the counter financial derivative instruments	15,116	(634)	1,057	(7,467)
Foreign currency assets and liabilities	(349)	221	(14)	(14)
Net Change in Unrealized Appreciation (Depreciation)	35,957	10,866	(5,066)	(12,764)
Distributions on Preferred Shares from Net Investment Income	\$ (130)	\$ (356)	\$ (815)	\$ (1,538)
Net Increase in Net Assets Applicable to Common Shareholders Resulting from Operations	\$ 32,781	\$ 98,116	\$ 10,500	\$ 23,045

A zero balance may reflect actual amounts rounding to less than one thousand.

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

^(a)These expenses were incurred by the Fund prior to the close of business on September 5, 2014. Subsequent to the close of business on September 5, 2014, any such operating expenses are borne by PIMCO.

^(b)Fiscal year end changed from March 31st to July 31st.

18 PIMCO CLOSED-END FUNDS

See Accompanying Notes

Table of Contents
Statements of Changes in Net Assets

	PIMCO Corporate & Income Opportunity Fund			PIMCO Corporate & Income Strategy Fund		
	Period from December 1, 2014 to July 31, 2015 ^(a)	Year Ended November 30, 2014	Year Ended November 30, 2013	Period from November 1, 2014 to July 31, 2015 ^(b)	Year Ended October 31, 2014	Year Ended October 31, 2013
(Amounts in thousands)						
Increase (Decrease) in Net Assets from:						
Operations:						
Net investment income	\$ 47,744	\$ 79,920	\$ 98,201	\$ 28,166	\$ 37,968	\$ 48,375
Net realized gain (loss)	(4,996)	28,093	129,672	3,953	17,611	93,577
Net change in unrealized appreciation (depreciation)	(18,369)	42,688	(116,841)	(12,132)	15,590	(76,826)
Net increase in net assets resulting from operations	24,379	150,701	111,032	19,987	71,169	65,126
Distributions on preferred shares from net investment income	(313)	(125)	(290)	(160)	(41)	(201)
Distributions on preferred shares from net realized capital gains	0	(296)	(192)	0	(122)	0
Net Increase in Net Assets Applicable to Common Shareholders Resulting from Operations	24,066	150,280	110,550	19,827	71,006	64,925
Distributions to Common Shareholders:						
From net investment income	(119,032)	(109,083)	(124,978)	(52,644)	(51,774)	(59,574)
From net realized capital gains	0	(127,359)	(52,475)	0	(36,294)	0
Total Distributions to Common Shareholders^(c)	(119,032)^(d)	(236,442)	(177,453)	(52,644)^(d)	(88,068)	(59,574)
Preferred Share Transactions:						
Net increase resulting from tender and repurchase of Auction-Rate Preferred Shares ^{***}	11,317	0	0	0	0	0
Common Share Transactions^{**}:						
Issued as reinvestment of distributions	8,133	18,383	11,592	2,959	4,817	3,391
Total Increase (Decrease) in Net Assets	(75,516)	(67,779)	(55,311)	(29,858)	(12,245)	8,742
Net Assets Applicable to Common Shareholders:						
Beginning of year or period	1,082,000	1,149,779	1,205,090	599,980	612,225	603,483
End of year or period [*]	\$ 1,006,484	\$ 1,082,000	\$ 1,149,779	\$ 570,122	\$ 599,980	\$ 612,225
* Including undistributed (overdistributed) net investment income of:	\$ (8,639)	\$ 36,794	\$ (17,126)	\$ (4,556)	\$ 11,115	\$ (5,218)
** Common Share Transactions:						
Shares issued as reinvestment of distributions	530	1,058	615	197	303	199

A zero balance may reflect actual amounts rounding to less than one thousand.

(a) Fiscal year end changed from November 30th to July 31st.

(b) Fiscal year end changed from October 31st to July 31st.

(c) Determined in accordance with federal income tax regulations, see Note 2(c) in the Notes to Financial Statements for more information.

(d) Total distributions for the period ended July 31, 2015 may be lower than prior fiscal years due to fiscal year end changes resulting in a reduction of the amount of days in the period ended July 31, 2015.

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

*** See Note 12 in the Notes to Financial Statements.

See Accompanying Notes

ANNUAL REPORT JULY 31, 2015 19

Table of Contents**Statements of Changes in Net Assets (Cont.)**

	PIMCO High Income Fund		PIMCO Income Strategy Fund		PIMCO Income Strategy Fund II		
Period from	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended July 31, 2015	Year Ended July 31, 2014	Year Ended July 31, 2015	Year Ended July 31, 2014	
April 1, 2015 to							
(Amounts in thousands)	July 31, 2015 ^(a)						
Increase (Decrease) in Net Assets from:							
Operations:							
Net investment income	\$ 26,276	\$ 117,468	\$ 103,264	\$ 19,896	\$ 19,940	\$ 41,101	\$ 42,061
Net realized gain (loss)	(29,322)	(29,862)	104,341	(3,515)	14,120	(3,754)	35,833
Net change in unrealized appreciation (depreciation)	35,957	10,866	(81,613)	(5,066)	5,796	(12,764)	15,693
Net increase in net assets resulting from operations	32,911	98,472	125,992	11,315	39,856	24,583	93,587
Distributions on preferred shares from net investment income	(130)	(356)	(286)	(815)	(1,090)	(1,538)	(2,217)
Net Increase in Net Assets Applicable to Common Shareholders Resulting from Operations	32,781	98,116	125,706	10,500	38,766	23,045	91,370
Distributions to Common Shareholders:							
From net investment income	(41,672)	(182,280)	(167,013)	(30,835)	(27,203)	(65,838)	(56,598)
From net realized capital gains	0	0	0	0	0	0	0
Tax basis return of capital	(19,452)	0	(13,720)	0	0	0	0
Total Distributions to Common Shareholders^(b)	(61,124)^(c)	(182,280)	(180,733)	(30,835)	(27,203)	(65,838)	(56,598)
Preferred Share Transactions:							
Net increase resulting from tender and repurchase of Auction-Rate Preferred Shares ^{***}	0	0	0	2,770	0	6,855	0
Common Share Transactions^{**}:							
Issued as reinvestment of distributions	4,061	12,924	12,285	999	895	793	1,504
Total Increase (Decrease) in Net Assets	(24,282)	(71,240)	(42,742)	(16,566)	12,458	(35,145)	36,276
Net Assets Applicable to Common Shareholders:							
Beginning of year or period	949,880	1,021,120	1,063,862	306,475	294,017	642,119	605,843
End of year or period [*]	\$ 925,598	\$ 949,880	\$ 1,021,120	\$ 289,909	\$ 306,475	\$ 606,974	\$ 642,119
* Including (overdistributed) net investment income of:	\$ (39,740)	\$ (32,887)	\$ (31,891)	\$ (1,974)	\$ (1,643)	\$ (2,589)	\$ (8,851)
** Common Share Transactions:							
Shares issued as reinvestment of distributions	374	1,088	1,076	86	76	79	143

A zero balance may reflect actual amounts rounding to less than one thousand.

^(a) Fiscal year end changed from March 31st to July 31st.

^(b) Determined in accordance with federal income tax regulations, see Note 2(c) in the Notes to Financial Statements for more information.

^(c) Total distributions for the period ended July 31, 2015 may be lower than prior fiscal years due to fiscal year end changes resulting in a reduction of the amount of days in the period ended July 31, 2015.

^{***} See Note 12 in the Notes to Financial Statements.

Table of Contents**Schedule of Investments PIMCO Corporate & Income Opportunity Fund**

July 31, 2015

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
INVESTMENTS IN SECURITIES 129.7%		
BANK LOAN OBLIGATIONS 2.7%		
Clear Channel Communications, Inc.		
6.940% due 01/30/2019	\$ 8,198	\$ 7,549
FMG Resources Pty. Ltd.		
3.750% due 06/30/2019	3,788	3,113
Sequa Corp.		
5.250% due 06/19/2017	8,838	7,844
Westmoreland Coal Co.		
7.500% due 12/16/2020	9,566	8,897
Total Bank Loan Obligations		
(Cost \$27,628)		27,403
CORPORATE BONDS & NOTES 49.1%		
BANKING & FINANCE 24.5%		
AGFC Capital Trust		
6.000% due 01/15/2067	1,800	1,341
Banco do Brasil S.A.		
9.000% due 06/18/2024 (d)	15,355	13,239
Banco Santander S.A.		
6.250% due 09/11/2021 (d)	EUR 400	436
Barclays Bank PLC		
14.000% due 06/15/2019 (d)	GBP 12,550	25,846
BGC Partners, Inc.		
5.375% due 12/09/2019	\$ 10,780	11,324
Cantor Fitzgerald LP		
6.500% due 06/17/2022 (g)	14,000	14,642
Citigroup, Inc.		
5.950% due 05/15/2025 (d)	15,900	15,522
Co-operative Group Holdings Ltd.		
6.875% due 07/08/2020	GBP 400	674
7.500% due 07/08/2026	3,200	5,449
Credit Agricole S.A.		
6.500% due 06/23/2021 (d)	EUR 700	796
7.875% due 01/23/2024 (d)	\$ 16,500	17,246
ERB Hellas PLC		
4.250% due 06/26/2018	EUR 250	94
Fort Gordon Housing LLC		
6.124% due 05/15/2051	\$ 12,825	14,218
GSPA Monetization Trust		
6.422% due 10/09/2029	9,361	10,454
LBG Capital No.2 PLC		
9.125% due 07/15/2020	GBP 3,400	5,734
12.750% due 08/10/2020	400	766
15.000% due 12/21/2019	EUR 7,800	12,892
15.000% due 12/21/2019	GBP 2,000	4,434
Lloyds Bank PLC		
12.000% due 12/16/2024 (d)	\$ 6,000	8,655
Lloyds Banking Group PLC		
7.625% due 06/27/2023 (d)	GBP 2,300	3,764
Navient Corp.		

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

5.500% due 01/15/2019		\$	20,050	19,749
5.625% due 08/01/2033			230	166
8.450% due 06/15/2018			8,200	8,877
Novo Banco S.A.				
2.625% due 05/08/2017		EUR	500	546
4.750% due 01/15/2018			1,000	1,137
5.000% due 04/04/2019			371	426
5.000% due 04/23/2019			152	175
5.000% due 05/14/2019			315	362
5.000% due 05/21/2019			73	84
5.000% due 05/23/2019			213	245
5.875% due 11/09/2015			1,500	1,660
Tesco Property Finance PLC				
5.411% due 07/13/2044		GBP	5,953	8,959
6.052% due 10/13/2039			921	1,505
			PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
TIG FinCo PLC				
8.500% due 03/02/2020		GBP	1,154	\$ 1,892
8.750% due 04/02/2020			6,539	9,956
Vnesheconombank Via VEB Finance PLC				
5.375% due 02/13/2017		\$	2,700	2,748
6.800% due 11/22/2025			8,500	7,879
Western Group Housing LP				
6.750% due 03/15/2057			10,600	12,311
				246,203
INDUSTRIALS 16.9%				
BMC Software Finance, Inc.				
8.125% due 07/15/2021			2,447	1,924
Boxer Parent Co., Inc. (9.000% Cash or 9.750% PIK)				
9.000% due 10/15/2019 (b)			8,810	5,848
Caesars Entertainment Operating Co., Inc.				
9.000% due 02/15/2020 ^			27,145	22,558
CCO Safari LLC				
6.484% due 10/23/2045			10,321	10,704
6.834% due 10/23/2055			1,473	1,516
Chesapeake Energy Corp.				
3.539% due 04/15/2019			170	144
Communications Sales & Leasing, Inc.				
8.250% due 10/15/2023			3,300	3,168
Continental Airlines Pass-Through Trust				
6.703% due 12/15/2022			2,347	2,482
7.373% due 06/15/2017			698	708
Forbes Energy Services Ltd.				
9.000% due 06/15/2019			2,858	2,108
Ford Motor Co.				
7.700% due 05/15/2097			31,901	39,566
Gulfport Energy Corp.				
7.750% due 11/01/2020			500	515
Hampton Roads PPV LLC				
6.171% due 06/15/2053			1,800	1,856
iHeartCommunications, Inc.				
9.000% due 09/15/2022			2,000	1,807
Intrepid Aviation Group Holdings LLC				
6.875% due 02/15/2019			6,590	6,178
Numericable-SFR S.A.S.				
6.250% due 05/15/2024			14,000	14,272
Russian Railways via RZD Capital PLC				
3.374% due 05/20/2021		EUR	23,000	22,351
Scientific Games International, Inc.				
10.000% due 12/01/2022		\$	5,600	5,460
Sequa Corp.				
7.000% due 12/15/2017			10,862	7,495
Tembec Industries, Inc.				
9.000% due 12/15/2019			1,500	1,222
UAL Pass-Through Trust				

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

7.336% due 01/02/2021		2,084	2,182
UCP, Inc.			
8.500% due 10/21/2017		10,900	10,941
Unique Pub Finance Co. PLC			
5.659% due 06/30/2027	GBP	3,332	5,356

170,361

UTILITIES 7.7%

Gazprom OAO Via Gaz Capital S.A.			
9.250% due 04/23/2019	\$	20,800	23,297
Illinois Power Generating Co.			
6.300% due 04/01/2020		4,570	4,159
7.000% due 04/15/2018		8,355	7,958
7.950% due 06/01/2032		900	850

PRINCIPAL
AMOUNT
(000S)

MARKET
VALUE
(000S)

Mountain States Telephone & Telegraph Co.			
7.375% due 05/01/2030	\$	15,730	\$ 17,887
Odebrecht Drilling Norbe Ltd.			
6.350% due 06/30/2022		574	416
Odebrecht Offshore Drilling Finance Ltd.			
6.625% due 10/01/2023		5,308	3,398
6.750% due 10/01/2023		4,963	3,214
Petrobras Global Finance BV			
2.750% due 01/15/2018	EUR	790	815
3.163% due 03/17/2020	\$	420	379
4.250% due 10/02/2023	EUR	1,200	1,147
4.875% due 03/17/2020	\$	760	708
5.750% due 01/20/2020		360	348
6.250% due 12/14/2026	GBP	6,100	8,122
6.625% due 01/16/2034		800	1,020
6.750% due 01/27/2041	\$	4,100	3,434
7.875% due 03/15/2019		100	104

77,256

**Total Corporate Bonds & Notes
(Cost \$481,515)**

493,820

MUNICIPAL BONDS & NOTES 10.1%

CALIFORNIA 6.0%

Los Angeles Community Redevelopment Agency, California Tax Allocation Bonds, (NPFGC Insured), Series 2006			
6.020% due 09/01/2021		6,480	6,662
Riverside County, California Redevelopment Successor Agency Tax Allocation Bonds, Series 2010			
7.500% due 10/01/2030		3,425	3,745
San Diego Redevelopment Agency, California Tax Allocation Bonds, Series 2010			
7.750% due 09/01/2040		21,545	23,801
Stockton Public Financing Authority, California Revenue Bonds, (BABs), Series 2009			
7.942% due 10/01/2038		23,500	26,452

60,660

ILLINOIS 2.3%

Chicago, Illinois General Obligation Bonds, (BABs), Series 2010

7.517% due 01/01/2040		23,700	23,601
-----------------------	--	--------	--------

PENNSYLVANIA 0.4%

Philadelphia Authority for Industrial Development, Pennsylvania Revenue Bonds, (AGM Insured), Series 1999

6.350% due 04/15/2028		3,400	3,770
-----------------------	--	-------	-------

TEXAS 0.7%

Texas State Public Finance Authority Charter School Finance Corp. Revenue Bonds, Series 2010

8.125% due 02/15/2027		6,075	7,055
-----------------------	--	-------	-------

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

VIRGINIA 0.1%

Tobacco Settlement Financing Corp., Virginia Revenue Bonds, Series 2007		
6.706% due 06/01/2046	1,400	1,046

WEST VIRGINIA 0.6%

Tobacco Settlement Finance Authority, West Virginia Revenue Bonds, Series 2007		
7.467% due 06/01/2047	6,885	5,863

Total Municipal Bonds & Notes		
(Cost \$95,911)		101,995

See Accompanying Notes

ANNUAL REPORT JULY 31, 2015 21

Table of Contents**Schedule of Investments PIMCO Corporate & Income Opportunity Fund (Cont.)**

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
U.S. GOVERNMENT AGENCIES 6.7%		
Fannie Mae		
3.000% due 01/25/2042 (a)	\$ 1,924	\$ 188
3.500% due 02/25/2033 (a)	4,256	627
5.188% due 07/25/2025	11,770	11,929
5.910% due 07/25/2040 (a)	2,413	458
9.427% due 01/25/2042	3,507	3,627
Freddie Mac		
6.913% due 02/15/2034 (a)	3,995	699
7.741% due 12/25/2027	8,500	8,685
8.898% due 07/15/2039	7,405	7,596
9.380% due 08/15/2044	10,260	12,261
10.159% due 03/15/2044	3,183	3,507
10.941% due 03/25/2025	2,400	2,836
11.236% due 09/15/2043	1,195	1,199
11.501% due 04/15/2044	2,136	2,286
11.502% due 02/15/2036	10,030	10,780
Ginnie Mae		
3.000% due 12/20/2042 (a)	356	32
3.500% due 09/16/2041 - 06/20/2042 (a)	2,974	423
6.562% due 01/20/2042 (a)	3,838	653
Total U.S. Government Agencies (Cost \$66,290)		67,786
U.S. TREASURY OBLIGATIONS 0.4%		
U.S. Treasury Notes		
1.250% due 08/31/2015 (k)	3,704	3,707
Total U.S. Treasury Obligations (Cost \$3,707)		3,707
MORTGAGE-BACKED SECURITIES 38.6%		
American Home Mortgage Assets Trust		
0.421% due 09/25/2046 ^	3	0
6.250% due 06/25/2037	5,750	3,966
Banc of America Alternative Loan Trust		
6.000% due 01/25/2036 ^	349	297
6.000% due 04/25/2036 ^	5,439	4,696
Banc of America Funding Trust		
5.500% due 01/25/2036	741	782
6.000% due 03/25/2037 ^	7,619	6,517
6.000% due 07/25/2037 ^	978	787
6.000% due 08/25/2037 ^	9,944	8,762
BCAP LLC Trust		
4.471% due 07/26/2037	1,471	91
5.368% due 03/26/2037	3,125	1,024
7.214% due 12/26/2036	8,635	7,648
11.311% due 10/26/2036	6,114	5,789
Bear Stearns ALT-A Trust		
2.593% due 11/25/2036	1,146	837
2.655% due 11/25/2034	736	629
2.714% due 08/25/2046	7,816	5,917
2.784% due 08/25/2036 ^	4,996	3,764
2.959% due 09/25/2035 ^	2,351	1,938

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

4.013% due 09/25/2035 ^	3,449	2,628
Bear Stearns Mortgage Funding Trust		
7.000% due 08/25/2036	3,778	3,574
Bellemeade Re Ltd.		
4.489% due 07/25/2025	8,291	8,290
Chase Mortgage Finance Trust		
2.425% due 12/25/2035 ^	38	36
6.000% due 02/25/2037 ^	3,294	2,824
6.000% due 03/25/2037 ^	695	627
6.000% due 07/25/2037 ^	2,600	2,262
Citigroup Mortgage Loan Trust, Inc.		
5.356% due 04/25/2037 ^	7,759	6,850
	PRINCIPAL	MARKET
	AMOUNT	VALUE
	(000S)	(000S)
5.390% due 03/25/2037 ^	\$ 2,004	\$ 1,921
6.000% due 11/25/2036	15,004	12,031
6.000% due 02/25/2037	10,450	8,452
CitiMortgage Alternative Loan Trust		
5.750% due 04/25/2037 ^	3,191	2,759
6.000% due 01/25/2037 ^	3,259	2,806
Countrywide Alternative Loan Trust		
4.403% due 06/25/2047	6,190	5,406
5.060% due 04/25/2037 ^(a)	37,551	5,028
5.250% due 05/25/2021 ^	36	35
5.500% due 03/25/2035	1,050	947
5.500% due 09/25/2035 ^	8,145	7,631
5.500% due 03/25/2036 ^	317	270
5.750% due 01/25/2035	1,224	1,244
5.750% due 02/25/2035	1,371	1,349
6.000% due 02/25/2035	1,182	1,230
6.000% due 04/25/2036	2,885	2,509
6.000% due 05/25/2036 ^	3,124	2,685
6.000% due 01/25/2037 ^	3,517	3,340
6.000% due 02/25/2037	3,857	3,258
6.000% due 02/25/2037 ^	1,020	812
6.000% due 04/25/2037 ^	11,275	9,294
6.000% due 05/25/2037 ^	4,360	3,567
6.000% due 08/25/2037 ^	18,492	15,331
6.000% due 08/25/2037	13,723	11,544
6.250% due 10/25/2036 ^	4,401	3,977
6.250% due 12/25/2036 ^	5,281	4,340
6.500% due 08/25/2036 ^	1,395	1,084
6.500% due 09/25/2036 ^	759	670
6.500% due 12/25/2036 ^	2,880	2,329
20.935% due 02/25/2036	3,400	4,288
Countrywide Home Loan Mortgage Pass-Through Trust		
5.500% due 07/25/2037 ^	1,323	1,183
5.750% due 12/25/2035 ^	766	722
5.750% due 03/25/2037 ^	4,801	4,352
5.750% due 06/25/2037 ^	1,827	1,676
6.000% due 04/25/2036 ^	1,088	1,041
6.000% due 05/25/2036 ^	292	269
6.000% due 03/25/2037 ^	4,126	3,798
6.000% due 04/25/2037 ^	475	442
Credit Suisse Mortgage Capital Mortgage-Backed Trust		
5.750% due 04/25/2036 ^	2,821	2,409
6.000% due 02/25/2037 ^	3,098	2,756
6.000% due 06/25/2037 ^	3,420	3,145
6.750% due 08/25/2036 ^	4,551	3,695
First Horizon Alternative Mortgage Securities Trust		
6.000% due 08/25/2036 ^	4,016	3,332
GSR Mortgage Loan Trust		
2.585% due 03/25/2037 ^	5,372	4,513
4.714% due 11/25/2035 ^	3,441	3,131
4.859% due 11/25/2035	754	728
5.500% due 05/25/2036 ^	533	495
6.000% due 07/25/2037 ^	644	592
IndyMac Mortgage Loan Trust		
2.615% due 08/25/2035 ^	5,249	4,472

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

6.500% due 07/25/2037 ^	7,779	5,137
JPMorgan Alternative Loan Trust		
6.310% due 08/25/2036 ^	4,675	3,849
JPMorgan Mortgage Trust		
2.528% due 01/25/2037 ^	2,533	2,257
2.597% due 02/25/2036 ^	4,443	3,883
4.858% due 10/25/2035	96	94
4.966% due 06/25/2036 ^	1,862	1,641
5.000% due 03/25/2037 ^	4,330	3,715
6.000% due 08/25/2037 ^	771	716
Lehman Mortgage Trust		
6.000% due 07/25/2036 ^	2,687	2,034
	PRINCIPAL	MARKET
	AMOUNT	VALUE
	(000S)	(000S)
6.000% due 07/25/2037 ^	\$ 622	\$ 568
28.377% due 11/25/2035 ^	570	797
MASTR Alternative Loan Trust		
6.750% due 07/25/2036	5,414	4,061
Merrill Lynch Mortgage Investors Trust		
2.734% due 03/25/2036 ^	5,304	3,593
Morgan Stanley Mortgage Loan Trust		
4.824% due 05/25/2036 ^	14,242	11,218
RBSSP Resecuritization Trust		
0.407% due 10/27/2036	3,609	332
0.427% due 08/27/2037	8,000	666
Residential Accredit Loans, Inc. Trust		
0.421% due 05/25/2037 ^	755	196
6.000% due 06/25/2036 ^	3,362	2,800
6.000% due 08/25/2036 ^	1,252	1,041
6.000% due 09/25/2036 ^	4,723	3,371
6.000% due 12/25/2036 ^	2,771	2,287
6.000% due 03/25/2037 ^	4,819	4,065
6.000% due 05/25/2037 ^	4,057	3,434
Residential Asset Securitization Trust		
5.750% due 02/25/2036 ^	718	595
6.000% due 02/25/2036	1,996	1,604
6.000% due 02/25/2037 ^	3,032	2,342
6.000% due 03/25/2037 ^	4,321	3,158
6.000% due 05/25/2037 ^	5,178	4,552
6.250% due 09/25/2037 ^	6,372	4,578
Residential Funding Mortgage Securities, Inc. Trust		
3.342% due 02/25/2037	5,248	4,223
6.250% due 08/25/2036 ^	3,148	2,873
Structured Adjustable Rate Mortgage Loan Trust		
2.454% due 11/25/2036 ^	8,530	7,002
2.712% due 07/25/2035 ^	4,863	4,230
4.728% due 03/25/2037 ^	1,728	1,249
4.952% due 01/25/2036 ^	11,626	9,113
5.226% due 07/25/2036 ^	2,163	1,835
Structured Asset Mortgage Investments Trust		
0.311% due 08/25/2036	299	234
Suntrust Adjustable Rate Mortgage Loan Trust		
2.571% due 02/25/2037 ^	1,236	1,081
2.714% due 04/25/2037 ^	1,511	1,285
6.005% due 02/25/2037 ^	12,129	10,300
WaMu Mortgage Pass-Through Certificates Trust		
2.032% due 12/25/2036 ^	795	706
2.166% due 06/25/2037 ^	3,680	3,271
2.217% due 07/25/2037 ^	1,435	1,228
2.244% due 09/25/2036 ^	957	869
4.363% due 02/25/2037 ^	2,156	2,012
4.536% due 07/25/2037 ^	3,670	3,422
6.041% due 10/25/2036 ^	2,828	2,383
Washington Mutual Mortgage Pass-Through Certificates Trust		
1.010% due 05/25/2047 ^	971	73
6.000% due 10/25/2035 ^	2,735	2,112
6.000% due 03/25/2036 ^	4,062	3,803
Wells Fargo Mortgage-Backed Securities Trust		
2.655% due 04/25/2036 ^	1,390	1,367

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

6.000% due 07/25/2037 ^	1,388	1,370
Total Mortgage-Backed Securities (Cost \$369,468)		388,048
ASSET-BACKED SECURITIES 10.6%		
AMAC CDO Funding		
1.485% due 11/23/2050	5,000	4,619
Ameriquest Mortgage Securities, Inc. Asset-Backed Pass-Through Certificates		
1.541% due 03/25/2033	112	107

22 PIMCO CLOSED-END FUNDS

See Accompanying Notes

Table of Contents

July 31, 2015

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
CIFC Funding Ltd.		
0.010% due 05/24/2026	\$ 2,700	\$ 2,276
Countrywide Asset-Backed Certificates		
0.501% due 09/25/2037	19,068	9,428
5.126% due 10/25/2046 ^	6,327	5,663
Credit-Based Asset Servicing and Securitization LLC		
4.142% due 12/25/2035 ^	231	229
Greenpoint Manufactured Housing		
8.140% due 03/20/2030	3,389	3,481
8.300% due 10/15/2026	8,300	8,816
8.450% due 06/20/2031	5,090	5,213
IndyMac Home Equity Mortgage Loan Asset-Backed Trust		
0.351% due 07/25/2037	4,111	2,601
JPMorgan Mortgage Acquisition Trust		
4.768% due 11/25/2036	10,400	10,379
5.830% due 07/25/2036 ^	168	102
Lehman XS Trust		
5.319% due 06/24/2046	5,749	4,819
Mid-State Trust		
6.340% due 10/15/2036	2,686	2,927
Morgan Stanley Mortgage Loan Trust		
6.250% due 07/25/2047 ^	1,834	1,372
Renaissance Home Equity Loan Trust		
5.612% due 04/25/2037	11,979	6,699
7.238% due 09/25/2037	3,806	2,511
Residential Asset Securities Corp. Trust		
0.767% due 08/25/2034	13,475	10,419
Taberna Preferred Funding Ltd.		
0.704% due 02/05/2036	13,639	10,513
Tropic CDO Ltd.		
1.189% due 04/15/2034	25,000	14,500
Total Asset-Backed Securities (Cost \$102,528)		106,674

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
SOVEREIGN ISSUES 0.4%		
Republic of Greece Government International Bond		
3.800% due 08/08/2017	JPY 695,000	\$ 4,038
4.750% due 04/17/2019	EUR 600	443
Total Sovereign Issues (Cost \$5,418)		4,481

	SHARES	
COMMON STOCKS 0.1%		
FINANCIALS 0.1%		
TIG TopCo Ltd. (e)	794,831	832
Total Common Stocks (Cost \$1,179)		832

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

PREFERRED SECURITIES 4.1%

BANKING & FINANCE 4.1%

Farm Credit Bank of Texas

10.000% due 12/15/2020 (d)	13,900	17,410
----------------------------	--------	--------

GMAC Capital Trust

8.125% due 02/15/2040	923,868	24,233
-----------------------	---------	--------

Total Preferred Securities

(Cost \$40,284)		41,643
-----------------	--	---------------

SHORT-TERM INSTRUMENTS 6.9%

REPURCHASE AGREEMENTS (f) 3.1%

30,731

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
--	-------------------------------	---------------------------

SHORT-TERM NOTES 0.4%

Federal Home Loan Bank

0.144% due 11/04/2015	\$ 1,700	\$ 1,700
-----------------------	----------	----------

0.194% due 01/20/2016	2,300	2,298
-----------------------	-------	-------

3,998

U.S. TREASURY BILLS 3.4%

0.104% due 10/01/2015 - 01/28/2016 (c)(i)(k)	34,077	34,061
--	--------	--------

Total Short-Term Instruments

(Cost \$68,789)		68,790
-----------------	--	---------------

Total Investments in Securities

(Cost \$1,262,717)		1,305,179
--------------------	--	------------------

Total Investments 129.7%

(Cost \$1,262,717)		\$ 1,305,179
--------------------	--	---------------------

Financial Derivative

Instruments (g)(i) (3.3%)

(Cost or Premiums, net \$(36,208))		(33,277)
------------------------------------	--	-----------------

Preferred Shares (23.6%)

(237,950)

Other Assets and Liabilities, net (2.8%)

(27,468)

Net Assets Applicable to Common Shareholders 100.0%	\$	1,006,484
--	-----------	------------------

NOTES TO SCHEDULE OF INVESTMENTS (AMOUNTS IN THOUSANDS*):

* A zero balance may reflect actual amounts rounding to less than one thousand.

^ Security is in default.

(a) Interest only security.

(b) Payment in-kind bond security.

(c) Coupon represents a weighted average yield to maturity.

(d) Perpetual maturity; date shown, if applicable, represents next contractual call date.

(e) RESTRICTED SECURITIES:

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

Issuer Description	Acquisition Date	Cost	Market Value	Market Value as Percentage of Net Assets
TIG TopCo Ltd.	04/02/2015	\$ 1,179	\$ 832	0.08%

BORROWINGS AND OTHER FINANCING TRANSACTIONS

(f) REPURCHASE AGREEMENTS:

Counterparty	Lending Rate	Settlement Date	Maturity Date	Principal Amount	Collateralized By	Collateral Received, at Value	Repurchase Agreements, at Value	Repurchase Agreement Proceeds to be Received ⁽¹⁾
IND	0.200%	07/31/2015	08/03/2015	\$ 5,000	U.S. Treasury Notes 2.000% due 05/31/2021	\$ (5,106)	\$ 5,000	\$ 5,000
MSC	0.290%	07/31/2015	08/03/2015	22,900	U.S. Treasury Bonds 3.125% due 02/15/2042	(23,415)	22,900	22,901
SSB	0.000%	07/31/2015	08/03/2015	2,831	Fannie Mae 2.170% due 10/17/2022	(2,892)	2,831	2,831
Total Repurchase Agreements						\$ (31,413)	\$ 30,731	\$ 30,732

⁽¹⁾Includes accrued interest.

See Accompanying Notes

ANNUAL REPORT JULY 31, 2015 23

Table of Contents**Schedule of Investments PIMCO Corporate & Income Opportunity Fund (Cont.)****REVERSE REPURCHASE AGREEMENTS:**

Counterparty	Borrowing Rate	Borrowing Date	Maturity Date	Amount Borrowed ⁽²⁾	Payable for Reverse Repurchase Agreements
RDR	0.420%	07/24/2015	08/20/2015	\$ (13,549)	\$ (13,551)
Total Reverse Repurchase Agreements					\$ (13,551)

⁽²⁾The average amount of borrowings outstanding during the period ended July 31, 2015 was \$18,379 at a weighted average interest rate of 0.305%.

BORROWINGS AND OTHER FINANCING TRANSACTIONS SUMMARY

The following is a summary by counterparty of the market value of Borrowings and Other Financing Transactions and collateral (received)/pledged as of July 31, 2015:

(g) Securities with an aggregate market value of \$14,642 have been pledged as collateral under the terms of the following master agreements as of July 31, 2015.

Counterparty	Repurchase Agreement Proceeds to be Received	Payable for Reverse Repurchase Agreements	Payable for Sale-Buyback Transactions	Payable for Short Sales	Total Borrowings and Other Financing Transactions	Collateral (Received)/Pledged	Net Exposure ⁽³⁾
Global/Master Repurchase Agreement							
IND	\$ 5,000	\$ 0	\$ 0	\$ 0	\$ 5,000	\$ (5,107)	\$ (107)
MSC	22,901	0	0	0	22,901	(23,415)	(514)
RDR	0	(13,551)	0	0	(13,551)	14,463	912
SSB	2,831	0	0	0	2,831	(2,892)	(61)
Total Borrowings and Other Financing Transactions	\$ 30,732	\$ (13,551)	\$ 0	\$ 0			

⁽³⁾ Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from borrowings and other financing transactions can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 7, Principal Risks, in the Notes to Financial Statements for more information regarding master netting arrangements.

(h) FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

SWAP AGREEMENTS:

CREDIT DEFAULT SWAPS ON CREDIT INDICES - SELL PROTECTION ⁽¹⁾

Index/Tranches	Fixed Deal Receive Rate	Maturity Date	Notional Amount ⁽²⁾	Market Value ⁽³⁾	Unrealized (Depreciation)	Variation Margin Asset	Variation Margin Liability
CDX.HY-24 5-Year Index	5.000%	06/20/2020	\$ 43,659	\$ 2,969	\$ (392)	\$ 52	\$ 0
CDX.IG-23 5-Year Index	1.000%	12/20/2019	11,800	172	(20)	6	0
CDX.IG-24 5-Year Index	1.000%	06/20/2020	58,400	876	(209)	29	0
				\$ 4,017	\$ (621)	\$ 87	\$ 0

(1) If the Fund is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

(2) The maximum potential amount the Fund could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.

(3) The prices and resulting values for credit default swap agreements on credit indices serve as an indicator of the current status of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement be closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced indices' credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

INTEREST RATE SWAPS

Pay/Receive	Floating Rate Index	Fixed Rate	Maturity Date	Notional Amount	Market Value	Unrealized Appreciation/ (Depreciation)	Variation Margin Asset	Variation Margin Liability
Floating Rate								
Pay	3-Month USD-LIBOR	2.250%	12/17/2019	\$ 331,400	\$ 10,629	\$ 1,195	\$ 1,037	\$ 0
Pay	3-Month USD-LIBOR	3.500%	06/19/2044	305,100	49,673	59,627	2,374	0
Receive	3-Month USD-LIBOR	2.750%	12/16/2045	514,800	4,243	(24,090)	0	(3,461)
Pay	6-Month							
	AUD-BBR-BBSW	3.500%	06/17/2025	AUD 13,400	352	20	38	0
Pay	28-Day MXN-TIIE	7.580%	04/05/2034	MXN 560,000	2,965	(1,707)	337	0
					\$ 67,862	\$ 35,045	\$ 3,786	\$ (3,461)
Total Swap Agreements					\$ 71,879	\$ 34,424	\$ 3,873	\$ (3,461)

24 PIMCO CLOSED-END FUNDS

See Accompanying Notes

Table of Contents

July 31, 2015

FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED SUMMARY

The following is a summary of the market value and variation margin of Exchange-Traded or Centrally Cleared Financial Derivative Instruments as of July 31, 2015:

- (i) Securities with an aggregate market value of \$2,269 and cash of \$24,587 have been pledged as collateral for exchange-traded and centrally cleared financial derivative instruments as of July 31, 2015. See Note 7, Principal Risks, in the Notes to Financial Statements for more information regarding master netting arrangements.

	Financial Derivative Assets Variation Margin				Financial Derivative Liabilities Variation Margin			
	Market Value		Asset		Market Value		Liability	
	Purchased	Futures	Swap	Total	Written	Futures	Swap	Total
Total Exchange-Traded or Centrally Cleared	\$ 0	\$ 0	\$ 3,873	\$ 3,873	\$ 0	\$ 0	\$ (3,461)	\$ (3,461)

(j) FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER**FORWARD FOREIGN CURRENCY CONTRACTS:**

Counterparty	Settlement Month	Currency to be Delivered		Currency to be Received		Unrealized Appreciation/ (Depreciation)		
						Asset	Liability	
BOA	08/2015	\$	86,898	GBP	55,558	\$ 0	\$ (136)	
	09/2015		GBP	55,558	\$	86,880	136	0
	09/2015	\$	139	MXN	2,205	0	(3)	
	06/2016		EUR	1,430	\$	1,958	377	0
	06/2016	\$	84	EUR	62	0	(15)	
BPS	08/2015		BRL	6,140	\$	1,809	16	0
	08/2015	\$	1,956	BRL	6,140	0	(163)	
	09/2015		323	MXN	5,115	0	(6)	
BRC	06/2016		EUR	268	\$	369	72	0
CBK	08/2015		245		269	0	0	
	08/2015		GBP	3,203		4,977	0	(25)
	09/2015		MXN	16,934		1,071	25	0
	09/2015	\$	157	MXN	2,487	0	(3)	
DUB	06/2016		EUR	149	\$	204	39	0

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

GLM	08/2015	AUD	979		752	37	0
	09/2015	\$	1,977	MXN	32,328	21	0
HUS	08/2015	GBP	52,355	\$	82,441	680	0
	08/2015	\$	4,816	JPY	595,545	0	(10)
	09/2015	JPY	595,545	\$	4,817	10	0
JPM	08/2015	EUR	418		458	0	(1)
	08/2015	\$	768	EUR	709	10	0
MSB	08/2015	BRL	7,385	\$	2,312	155	0
	08/2015	EUR	37,610		42,106	801	0
	08/2015	JPY	595,545		4,829	24	0
	08/2015	\$	2,195	BRL	7,385	0	(38)
	09/2015		1,924		6,140	0	(150)
	06/2016	EUR	376	\$	517	101	0
NAB	06/2016		818		1,123	219	0
SCX	08/2015	\$	41,488	EUR	37,564	0	(234)
	09/2015	EUR	37,564	\$	41,504	234	0
	09/2015	MXN	34,954		2,229	69	0
UAG	08/2015	BRL	7,385		2,205	48	0
	08/2015	\$	2,176	BRL	7,385	0	(19)
	09/2015		2,181		7,385	0	(48)
Total Forward Foreign Currency Contracts						\$ 3,074	\$ (851)

SWAP AGREEMENTS:

CREDIT DEFAULT SWAPS ON CORPORATE AND SOVEREIGN ISSUES - SELL PROTECTION ⁽¹⁾

Counterparty	Reference Entity	Fixed Deal Receive Rate	Maturity Date	Implied Credit Spread at July 31, 2015 ⁽²⁾	Notional Amount ⁽³⁾	Unrealized Swap Agreements, at Value			
						Premiums (Received)	Appreciation/ (Depreciation)	Asset	Liability
BPS	Petrobras International Finance Co.	1.000%	12/20/2024	5.297%	\$ 1,800	\$ (352)	\$ (155)	\$ 0	\$ (507)
BRC	Novo Banco S.A.	5.000%	12/20/2015	2.683%	EUR 3,900	(61)	125	64	0
CBK	Russia Government International Bond	1.000%	06/20/2019	3.101%	\$ 25,000	(1,496)	(359)	0	(1,855)

See Accompanying Notes

ANNUAL REPORT JULY 31, 2015 25

Table of Contents**Schedule of Investments PIMCO Corporate & Income Opportunity Fund (Cont.)**

Counterparty	Reference Entity	Fixed Deal Receive Rate	Maturity Date	Implied Credit Spread at July 31, 2015 ⁽²⁾	Notional Amount ⁽³⁾	Premiums (Received)	Unrealized Swap Agreements, at Value		
							Appreciation/ (Depreciation)	Asset	Liability
GST	Petrobras Global Finance BV	1.000%	09/20/2020	4.965%	\$ 20	\$ (3)	\$ (1)	\$ 0	\$ (4)
	Petrobras International Finance Co.	1.000%	12/20/2024	5.297%	2,400	(476)	(200)	0	(676)
HUS	Petrobras Global Finance BV	1.000%	09/20/2020	4.965%	60	(9)	(1)	0	(10)
	Petrobras International Finance Co.	1.000%	12/20/2019	4.755%	500	(41)	(31)	0	(72)
	Petrobras International Finance Co.	1.000%	12/20/2024	5.297%	3,000	(623)	(223)	0	(846)
JPM	Russia Government International Bond	1.000%	06/20/2019	3.101%	28,600	(1,957)	(165)	0	(2,122)
MYC	Novo Banco S.A.	5.000%	12/20/2015	2.683%	EUR 1,100	(17)	35	18	0
	Petrobras International Finance Co.	1.000%	12/20/2019	4.755%	\$ 14,500	(1,342)	(737)	0	(2,079)
						\$ (6,377)	\$ (1,712)	\$ 82	\$ (8,171)

CREDIT DEFAULT SWAPS ON CREDIT INDICES - SELL PROTECTION ⁽¹⁾

Counterparty	Index/Tranches	Fixed Deal Receive Rate	Maturity Date	Notional Amount ⁽³⁾	Premiums (Received)	Unrealized Swap Agreements, at Value ⁽⁴⁾			
						Appreciation/ (Depreciation)	Asset	Liability	
BOA	ABX.HE.AAA.6-2 Index	0.110%	05/25/2046	\$ 71,161	\$ (13,524)	\$ 427	\$ 0	\$ (13,097)	
BRC	ABX.HE.AAA.6-2 Index	0.110%	05/25/2046	35,269	(7,026)	535	0	(6,491)	
GST	ABX.HE.AAA.6-2 Index	0.110%	05/25/2046	6,227	(1,241)	95	0	(1,146)	
MEI	ABX.HE.AAA.6-2 Index	0.110%	05/25/2046	21,915	(4,027)	(9)	0	(4,036)	
MYC	ABX.HE.AAA.6-2 Index	0.110%	05/25/2046	22,238	(4,209)	116	0	(4,093)	
						\$ (30,027)	\$ 1,164	\$ 0	\$ (28,863)

⁽¹⁾ If the Fund is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

⁽²⁾ Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate or sovereign issues as of period end serve as an indicator of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

⁽³⁾

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

The maximum potential amount the Fund could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.

- (4) The prices and resulting values for credit default swap agreements on credit indices serve as an indicator of the current status of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement be closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced indices' credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

INTEREST RATE SWAPS

Counterparty	Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate	Maturity Date	Notional Amount	Unrealized Swap Agreements, at Value			
						Premiums Paid/(Received)	Appreciation/ Depreciation	Asset	Liability
BOA	Pay	1-Year BRL-CDI	11.500%	01/04/2021	BRL 149,200	\$ 125	\$ (1,594)	\$ 0	\$ (1,469)
CBK	Pay	1-Year BRL-CDI	11.500%	01/04/2021	80,300	(77)	(714)	0	(791)
	Pay	3-Month USD-LIBOR	2.150%	08/24/2020	\$ 46,800	26	446	472	0
	Pay	3-Month USD-LIBOR	2.800%	08/24/2025	37,900	28	480	508	0
DUB	Pay	3-Month USD-LIBOR	2.150%	08/24/2020	132,600	123	1,216	1,339	0
	Pay	3-Month USD-LIBOR	2.800%	08/24/2025	51,100	16	668	684	0
GLM	Pay	3-Month USD-LIBOR	2.150%	08/24/2020	136,600	104	1,275	1,379	0
MYC	Pay	3-Month USD-LIBOR	2.150%	08/24/2020	24,000	7	235	242	0
UAG	Pay	1-Year BRL-CDI	11.250%	01/04/2021	BRL 105,000	(156)	(1,168)	0	(1,324)
						\$ 196	\$ 844	\$ 4,624	\$ (3,584)
Total Swap Agreements						\$ (36,208)	\$ 296	\$ 4,706	\$ (40,618)

26 PIMCO CLOSED-END FUNDS

See Accompanying Notes

Table of Contents

July 31, 2015

FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER SUMMARY

The following is a summary by counterparty of the market value of OTC financial derivative instruments and collateral (received)/pledged as of July 31, 2015:

(k) Securities with an aggregate market value of \$35,500 have been pledged as collateral for financial derivative instruments as governed by International Swaps and Derivatives Association, Inc. master agreements as of July 31, 2015.

Counterparty	Financial Derivative Assets				Financial Derivative Liabilities				Net Market Value of OTC Derivatives	Collateral (Received)/ Pledged	Net Exposure ⁽⁵⁾
	Forward Foreign Currency Contracts	Purchased Options	Swap Agreements	Total Over the Counter	Forward Foreign Currency Contracts	Written Options	Swap Agreements	Total Over the Counter			
BOA	\$ 513	\$ 0	\$ 0	\$ 513	\$ (154)	\$ 0	\$ (14,566)	\$ (14,720)	\$ (14,207)	\$ 15,129	\$ 922
BPS	16	0	0	16	(169)	0	(507)	(676)	(660)	431	(229)
BRC	72	0	64	136	0	0	(6,491)	(6,491)	(6,355)	6,740	385
CBK	25	0	980	1,005	(28)	0	(2,646)	(2,674)	(1,669)	1,853	184
DUB	39	0	2,023	2,062	0	0	0	0	2,062	(2,290)	(228)
GLM	58	0	1,379	1,437	0	0	0	0	1,437	(1,200)	237
GST	0	0	0	0	0	0	(1,826)	(1,826)	(1,826)	1,684	(142)
HUS	690	0	0	690	(10)	0	(928)	(938)	(248)	0	(248)
JPM	10	0	0	10	(1)	0	(2,122)	(2,123)	(2,113)	2,105	(8)
MEI	0	0	0	0	0	0	(4,036)	(4,036)	(4,036)	0	(4,036)
MSB	1,081	0	0	1,081	(188)	0	0	(188)	893	(1,160)	(267)
MYC	0	0	260	260	0	0	(6,172)	(6,172)	(5,912)	6,038	126
NAB	219	0	0	219	0	0	0	0	219	(260)	(41)
SCX	303	0	0	303	(234)	0	0	(234)	69	0	69
UAG	48	0	0	48	(67)	0	(1,324)	(1,391)	(1,343)	1,521	178
Total Over the Counter	\$ 3,074	\$ 0	\$ 4,706	\$ 7,780	\$ (851)	\$ 0	\$ (40,618)	\$ (41,469)			

⁽⁵⁾ Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from OTC financial derivative instruments can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 7, Principal Risks, in the Notes to Financial Statements for more information regarding master netting arrangements.

FAIR VALUE OF FINANCIAL DERIVATIVE INSTRUMENTS

The following is a summary of the fair valuation of the Fund's derivative instruments categorized by risk exposure. See Note 7, Principal Risks, in the Notes to Financial Statements on risks of the Fund.

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

Fair Values of Financial Derivative Instruments on the Statements of Assets and Liabilities as of July 31, 2015 ⁽¹⁾:

	Derivatives not accounted for as hedging instruments					Total
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	
Financial Derivative Instruments - Assets						
Exchange-traded or centrally cleared						
Swap Agreements	\$ 0	\$ 87	\$ 0	\$ 0	\$ 3,786	\$ 3,873
Over the counter						
Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ 3,074	\$ 0	\$ 3,074
Swap Agreements	0	82	0	0	4,624	4,706
	\$ 0	\$ 82	\$ 0	\$ 3,074	\$ 4,624	\$ 7,780
	\$ 0	\$ 169	\$ 0	\$ 3,074	\$ 8,410	\$ 11,653
Financial Derivative Instruments - Liabilities						
Exchange-traded or centrally cleared						
Swap Agreements	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,461	\$ 3,461
Over the counter						
Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ 851	\$ 0	\$ 851
Swap Agreements	0	37,034	0	0	3,584	40,618
	\$ 0	\$ 37,034	\$ 0	\$ 851	\$ 3,584	\$ 41,469
	\$ 0	\$ 37,034	\$ 0	\$ 851	\$ 7,045	\$ 44,930

See Accompanying Notes

ANNUAL REPORT JULY 31, 2015 27

Table of Contents**Schedule of Investments PIMCO Corporate & Income Opportunity Fund (Cont.)****The Effect of Financial Derivative Instruments on the Statements of Operations for the period ended July 31, 2015:**

	Derivatives not accounted for as hedging instruments					Total
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	
Net Realized Gain (Loss) on Financial Derivative Instruments						
Exchange-traded or centrally cleared						
Swap Agreements	\$ 0	\$ 618	\$ 0	\$ 0	\$ (39,218)	\$ (38,600)
Over the counter						
Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ 9,782	\$ 0	\$ 9,782
Swap Agreements	0	51	0	0	(1,186)	(1,135)
	\$ 0	\$ 51	\$ 0	\$ 9,782	\$ (1,186)	\$ 8,647
	\$ 0	\$ 669	\$ 0	\$ 9,782	\$ (40,404)	\$ (29,953)
Net Change in Unrealized Appreciation (Depreciation) on Financial Derivative Instruments						
Exchange-traded or centrally cleared						
Swap Agreements	\$ 0	\$ (961)	\$ 0	\$ 0	\$ 22,453	\$ 21,492
Over the counter						
Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ (3,442)	\$ 0	\$ (3,442)
Swap Agreements	0	1,451	0	0	(1,383)	68
	\$ 0	\$ 1,451	\$ 0	\$ (3,442)	\$ (1,383)	\$ (3,374)
	\$ 0	\$ 490	\$ 0	\$ (3,442)	\$ 21,070	\$ 18,118

(1) Fiscal year end changed from November 30th to July 31st.**The Effect of Financial Derivative Instruments on the Statement of Operations for the period ended November 30, 2014:**

	Derivatives not accounted for as hedging instruments					Total
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	
Net Realized Gain (Loss) on Financial Derivative Instruments						
Exchange-traded or centrally cleared						
Swap Agreements	\$ 0	\$ 11,657	\$ 0	\$ 0	\$ (50,162)	\$ (38,505)

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-CSR

Over the counter

Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ (1,577)	\$ 0	\$ (1,577)
Swap Agreements	0	133	0	0	46,819	46,952
	\$ 0	\$ 133	\$ 0	\$ (1,577)	\$ 46,819	\$ 45,375
	\$ 0	\$ 11,790	\$ 0	\$ (1,577)	\$ (3,343)	\$ 6,870

Net Change in Unrealized Appreciation (Depreciation) on Financial

Derivative Instruments

Exchange-traded or centrally cleared

Swap Agreements	\$ 0	\$ (5,078)	\$ 0	\$ 0	\$ 5,857	\$ 779
-----------------	------	------------	------	------	----------	--------

Over the counter

Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ 6,723	\$ 0	\$ 6,723
Swap Agreements	0	(2,000)	0	0	(4,559)	(6,559)
	\$ 0	\$ (2,000)	\$ 0	\$ 6,723	\$ (4,559)	\$ 164
	\$ 0	\$ (7,078)	\$ 0	\$ 6,723	\$ 1,298	\$ 943

FAIR VALUE MEASUREMENTS

The following is a summary of the fair valuations according to the inputs used as of July 31, 2015 in valuing the Fund's assets and liabilities:

				Fair
				Value at
Category and Subcategory	Level 1	Level 2	Level 3	07/31/2015
Investments in Securities, at Value				
Bank Loan Obligations	\$ 0	\$ 18,506	\$ 8,897	\$ 27,403
Corporate Bonds & Notes				
Banking & Finance	0	235,749	10,454	246,203
Industrials	0	159,420	10,941	170,361
Utilities	0	77,256	0	77,256
Municipal Bonds & Notes				
California	0	60,660	0	60,660
Illinois	0	23,601	0	23,601
Pennsylvania	0	3,770	0	3,770
Texas	0	7,055	0	7,055
				Fair
Category and Subcategory	Level 1	Level 2	Level 3	Value at
Virginia	\$ 0	\$ 1,046	\$ 0	\$ 1,046
West Virginia	0	5,863	0	5,863
U.S. Government Agencies	0	67,786	0	67,786
U.S. Treasury Obligations	0	3,707	0	3,707
Mortgage-Backed Securities	0	379,758		