

PIMCO CORPORATE & INCOME STRATEGY FUND  
Form N-CSR  
September 28, 2016

**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: 811-10555

**PIMCO Corporate & Income Strategy 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:

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**Prudential Tower**

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**Boston, MA 02199**

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

Date of fiscal year end: July 31

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Date of reporting period: July 31, 2016

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.

**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).

**PIMCO Closed-End Funds**

# Annual Report

*July 31, 2016*

PIMCO Corporate & Income Opportunity Fund

PIMCO Corporate & Income Strategy Fund

PIMCO High Income Fund

PIMCO Income Strategy Fund

PIMCO Income Strategy Fund II

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## Letter from the Chairman of the Board & President

Dear Shareholder,

The global financial markets generated mixed results during the reporting period. Investor sentiment fluctuated as investors reacted to incoming economic data, shifting monetary policy, volatile commodity prices and numerous geopolitical issues.

On July 19, 2016, PIMCO announced that the firm's Managing Directors have appointed Emmanuel (Manny) Roman as PIMCO's next Chief Executive Officer. PIMCO's current CEO, Douglas Hodge, will assume a new role as Managing Director and Senior Advisor when Mr. Roman joins PIMCO on November 1st. The announcement of Mr. Roman as PIMCO's CEO is the culmination of a process undertaken by the firm to hire a senior executive who would add leadership and strategic insights combined with a deep appreciation of PIMCO's diversified global businesses, investment process and focus on superior investment performance and client service. Mr. Roman's appointment has the full support of the firm's leadership including Mr. Hodge, PIMCO's President Jay Jacobs, the firm's Executive Committee and its Managing Directors. Mr. Roman has nearly 30 years of experience in the investment industry, with expertise in fixed income and proven executive leadership, most recently as CEO of Man Group PLC, one of the world's largest publicly traded alternative asset managers and a leader in liquid, high-alpha investment strategies.

For the 12-month reporting period ended July 31, 2016

Despite a number of headwinds, the U.S. economy was resilient and continued to expand during the reporting period. That being said, the pace was far from robust. 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 2.0% annual pace during the third quarter of 2015. Economic activity then decelerated, as GDP grew at a 1.4% and 1.1% annual pace during the fourth quarter of 2015 and first quarter of 2016, respectively. Finally, the Commerce Department's second reading released after the reporting period had ended showed that second quarter 2016 GDP grew at an annual pace of 1.1%.

At its meeting in December 2015, the Federal Reserve (Fed) took its initial step toward normalizing monetary policy. In particular, the Fed raised interest rates from a range between 0% and 0.25% to a range between 0.25% and 0.50%. However, since that time the Fed has remained on hold. In its official statement following the Fed's July 2016 meeting it said, "The Committee expects that economic conditions will evolve in a manner that will warrant only gradual increases in the federal funds rate; the federal funds rate is likely to remain, for some time, below levels that are expected to prevail in the longer run. However, the actual path of the federal funds rate will depend on the economic outlook as informed by incoming data."

Economic activity outside the U.S. was mixed during the reporting period. In the eurozone, underlying economies gradually improved from low levels due to better domestic demand, while low inflation remained a concern. Against this backdrop, the European Central Bank (ECB) introduced additional easing measures, including the purchase of corporate bonds in an attempt to stimulate growth and spur inflation. The Bank of Japan also continued to pursue highly accommodative monetary policy. While the Bank of England (BoE) kept rates on hold, British voters' decision in June 2016 to leave the European Union (Brexit) led to speculation that the country's central bank would lower rates in the near future. This occurred on August 4, 2016 after the reporting period ended as the BoE lowered interest rates from 0.50% to 0.25%, an all-time low, and announced that it would purchase government and corporate bonds in an attempt to stimulate the U.K. economy. Elsewhere, economic activity in China moderated, which impacted growth in many emerging market economies.

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Commodity prices were highly volatile during the reporting period. Crude oil began the reporting period at roughly \$49 a barrel and ended the period at approximately \$42 a barrel. Its low of \$26 occurred on February 11, 2016 and its peak of \$52 took place on June 9, 2016. Finally, foreign exchange markets fluctuated given economic data, central bank policy and, most recently, Brexit, which sent the pound sharply lower.

### **2 PIMCO CLOSED-END FUNDS**

## Outlook

Nine years since the financial crisis started, monetary easing is continuing with few signs of an end in sight. This appears to be especially true in a post-Brexit world rife with economic uncertainty and generally weak growth around the world. Against this backdrop, investor sentiment is likely to be challenged at times. Other questions facing investors are the upcoming November elections in the U.S. and a host of geopolitical issues, such as further moderating growth in China, instability in the Middle East, and further terrorist attacks, to name a few.

In such an environment, investors will be in for a choppy ride. However, in our view it won't be without opportunity, especially for those with long-term outlooks, a healthy risk appetite and the latitude to invest actively. As always, we will continue to conduct extensive research and focus on quality and sustainability to help our shareholders navigate the many uncertainties around the globe.

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 12 months ended July 31, 2016.

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](http://www.pimco.com) to learn more about our views.

Sincerely,

Hans W. Kertess  
Chairman of the Board of Trustees

Peter G. Strelow  
President

## 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 and, at its meeting on December 16, 2015, raised interest rates for the first time since 2006 from a target range of 0% to 0.25% to a target range of 0.25% to 0.50%. 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. Changes in regulation relating to a mutual fund's use of derivatives and related instruments could potentially limit or impact a Fund's ability to invest in derivatives, limit a Fund's ability to employ certain strategies that use derivatives and adversely affect the value or performance of derivatives and a Fund. For instance, in December 2015, the SEC proposed new regulations applicable to a mutual fund's use of derivatives and related instruments. If adopted as proposed, these regulations could significantly limit or impact a Fund's ability to invest in derivatives and other instruments, limit a Fund's ability to employ certain strategies that use derivatives and adversely affect a Fund's performance, efficiency in implementing its strategy, liquidity and ability to pursue its investment objectives and generate income.

Certain Funds' monthly distributions may include, among other sources, payments and premiums (characterized as capital for financial accounting purposes and as ordinary income for tax purposes) generated by certain types of interest rate derivatives.

Strategies involving interest rate derivatives may attempt to capitalize on differences between short-term and long-term interest rates as part of a Fund's duration and yield curve active management strategies. For instance, in the event that long-term interest rates are higher than short-term interest rates, a Fund may elect to pay a floating short-term interest rate and to receive a long-term fixed interest rate for a stipulated period of time, thereby generating payments as a function of the difference between current short-term interest rates and long-term interest rates, so long as the floating short-term interest rate (which may rise) is lower than the fixed long-term interest rate.

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A Fund may also enter into opposite sides of multiple interest rate swaps or other derivatives with respect to the same underlying reference instrument (e.g., a 10-year U.S. treasury) that have different effective dates with respect to interest accrual time periods for the principal purpose of generating distributable gains (characterized as ordinary income for tax purposes) and that are not part of the Fund's duration or yield curve management strategies (paired swap transactions). In a paired swap transaction, a Fund would generally enter into one or more interest rate swap agreements whereby the Fund agrees to make regular payments starting at the time the Fund enters into the agreements equal to a floating interest rate in return for payments equal to a fixed interest rate (the initial leg). The Fund would also enter into one or more interest rate swap agreements on the same underlying instrument, but take the opposite position (i.e., in this example, the Fund would make regular payments equal to a fixed interest rate in return for receiving payments equal to a floating interest

### **4 PIMCO CLOSED-END FUNDS**

rate) with respect to a contract whereby the payment obligations do not commence until a date following the commencement of the initial leg (the forward leg).

A Fund's income- and gain-generating strategies may generate current income and gains taxable as ordinary income sufficient to support monthly distributions even in situations when the Fund has experienced a decline in net assets due to, for example, adverse changes in the broad U.S. or non-U.S. equity markets or the Fund's debt investments, or arising from its use of derivatives. For instance, a significant portion of a Fund's monthly distributions may be sourced from paired swap transactions utilized to produce current distributable ordinary income for tax purposes on the initial leg, with the expectation that the Fund will later realize a corresponding capital loss and potential decline in its net asset value with respect to the forward leg (to the extent there are not corresponding offsetting capital gains being generated from other sources). Because some or all of these transactions may generate capital losses without corresponding offsetting capital gains, portions of a Fund's distributions recognized as ordinary income for tax purposes (such as from paired swap transactions) may be economically similar to a taxable return of capital when considered together with such capital losses.

The notional exposure of a Fund's interest rate derivatives may represent a multiple of the Fund's total net assets. There can be no assurance a Fund's strategies involving interest rate derivatives will work as intended and such strategies are subject to the risks related to the use of derivatives generally, as discussed above (see also Notes 6 and 7 in the Notes to Financial Statements for further discussion on the use of derivative instruments and certain of the risks associated therewith).

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 of leverage to the Fund 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 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.

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

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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

### Important Information About the Funds (Cont.)

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.

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 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

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countries may exit the euro should they face similar financial difficulties. In June 2016, the United Kingdom approved a referendum to leave the European Union. Significant uncertainty remains in the market regarding the ramifications of that development, and the range and potential implications of possible political, regulatory, economic and market outcomes are difficult to predict.

As the use of technology has become more prevalent in the course of business, the Funds have become potentially more susceptible to operational risks through breaches in cyber security. A breach in cyber

### **6 PIMCO CLOSED-END FUNDS**

security refers to both intentional and unintentional cyber events that may cause a Fund to lose proprietary information, suffer data corruption, or lose operational capacity. Cyber security breaches may involve unauthorized access to a Fund's digital information systems (e.g., through hacking or malicious software coding), but may also result from outside attacks such as denial-of-service attacks (i.e., efforts to make network services unavailable to intended users). In addition, cyber security breaches of a Fund's third party service providers (including but not limited to advisers, sub-advisers, administrators, transfer agents, custodians, distributors and other third parties) or issuers that a Fund invests in can also subject a Fund to many of the same risks associated with direct cyber security breaches. Cyber security failures or breaches may result in financial losses to a Fund and its shareholders. These failures or breaches may also result in disruptions to business operations, potentially resulting in financial losses; interference with a Fund's ability to calculate its net asset value, process shareholder transactions or otherwise transact business with shareholders; impediments to trading; violations of applicable privacy and other laws; regulatory fines; penalties; reputational damage; reimbursement or other compensation costs; or additional compliance costs. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future. Like with operational risk in general, the Funds have established risk management systems designed to reduce the risks associated with cyber security. However, there is no guarantee that such efforts will succeed, especially since the Funds do not directly control the cyber security systems of issuers or third party service providers. The Funds and their shareholders could be negatively impacted as a result.

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.

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

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securities risk, counterparty risk, preferred securities risk, confidential information access risk, other investment

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**Important Information About the Funds (Cont.)**

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 and diversification status of each Fund:

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

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.

The Trustees are responsible generally for overseeing the management of the Funds. The Trustees authorize the Funds to enter into service agreements with the Investment Manager and other service providers in order to provide, and in some cases authorize service providers to procure through other parties, necessary or desirable services on behalf of the Funds. Shareholders are not parties to or third-party beneficiaries of such service agreements. Neither a Fund's original or any subsequent prospectus or Statement of Additional Information (SAI), any press release or shareholder report, any contracts filed as exhibits to a Fund's registration statement, nor any other communications,

disclosure documents or regulatory filings from or on behalf of a Fund creates a contract between or among any shareholder of a Fund, on the one hand, and the Fund, a service provider to the Fund, and/or the Trustees or officers of the Fund, on the other hand. The Trustees (or the Funds and their officers, service providers or other delegates acting under authority of the Trustees) may amend its most recent or use a new prospectus or SAI with respect to a Fund, adopt and disclose new or amended policies and other changes in press releases and shareholder reports and/or amend, file and/or issue any other communications, disclosure documents or regulatory filings, and may amend or enter into any contracts to which a Fund is a party, and interpret the investment objective(s), policies, restrictions and contractual provisions applicable to any Fund, without shareholder input or approval, except in circumstances in which shareholder approval is specifically required by law (such as changes to fundamental investment policies) or where a shareholder approval requirement was specifically disclosed in a Fund's prospectus, SAI or shareholder report and is otherwise still in effect.

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

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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](http://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](http://www.pimco.com).

Updated portfolio holdings information about a Fund will be available at [www.pimco.com](http://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.

### **8 PIMCO CLOSED-END FUNDS**

**PIMCO Corporate & Income Opportunity Fund**

Symbol on NYSE - **PTY**

Allocation Breakdown

Corporate Bonds & Notes	39.6%
Non-Agency Mortgage-Backed Securities	21.9%
Asset-Backed Securities	15.3%
Short-Term Instruments	10.0%
Municipal Bonds & Notes	6.4%
Other	6.8%

% of Investments, at value as of 07/31/2016. Financial derivative instruments, if any, are excluded.

Fund Information (as of July 31, 2016)<sup>(1)</sup>

Market Price	\$14.75
NAV	\$13.27
Premium/(Discount) to NAV	11.15%
Market Price Distribution Yield <sup>(2)</sup>	10.58%
NAV Distribution Yield <sup>(2)</sup>	11.76%
Total Effective Leverage <sup>(3)</sup>	42%

Average Annual Total Return<sup>(1)</sup> for the period ended July 31, 2016

	1 Year	5 Year	10 Year	Commencement of Operations (12/27/02)
Market Price	16.09%	9.04%	12.18%	13.35%
NAV	5.26%	11.81%	13.75%	13.78%

All Fund returns are net of fees and expenses.

<sup>(1)</sup> 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](http://www.pimco.com) or call (844) 33-PIMCO.

<sup>(2)</sup> 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](http://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.

<sup>(3)</sup> 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 swap notional and floating rate notes issued in tender option bond transactions, as applicable

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(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. For the purpose of calculating Total Effective Leverage outstanding as a percentage of total managed assets, 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 at NAV

Following are key factors impacting the Fund's performance during the reporting period:

- » The Fund's exposure to U.S. interest rates was the primary contributor to performance, as interest rates rallied significantly.
- » The Fund's allocation to non-agency mortgage-backed securities contributed to returns. The sector continued to benefit from an improving U.S. housing market and limited outstanding supply.
- » The Fund's exposure to U.S. dollar-denominated Russian sovereign and quasi-sovereign bonds benefited returns. Spreads on these issues continued to retrace much of the widening that occurred in recent years, as geopolitical tensions in the region eased and investor sentiment improved.
- » The Fund's allocation to high yield corporate bonds was the primary detractor from performance. The asset class faced headwinds from lower energy prices, financial market volatility and mutual fund withdrawals.
- » Exposure to local and hard currency-denominated Brazilian debt detracted from returns. Brazil was negatively impacted by its slowing economy, high inflation and an ongoing political crisis.

**PIMCO Corporate & Income Strategy Fund**

Symbol on NYSE - **PCN**

**Allocation Breakdown**

Corporate Bonds & Notes	46.8%
Non-Agency Mortgage-Backed Securities	24.0%
Asset-Backed Securities	15.9%
Municipal Bonds & Notes	3.7%
Short-Term Instruments	2.4%
Other	7.2%

% of Investments, at value as of 07/31/2016. Financial derivative instruments, if any, are excluded.

**Fund Information (as of July 31, 2016)<sup>(1)</sup>**

Market Price	\$15.43
NAV	\$14.28
Premium/(Discount) to NAV	8.05%
Market Price Distribution Yield <sup>(2)</sup>	8.75%
NAV Distribution Yield <sup>(2)</sup>	9.45%
Total Effective Leverage <sup>(3)</sup>	25%

**Average Annual Total Return<sup>(1)</sup> for the period ended July 31, 2016**

	1 Year	5 Year	10 Year	Commencement of Operations (12/21/01)
Market Price	24.21%	10.09%	11.75%	11.64%
NAV	6.78%	11.08%	12.56%	11.90%

All Fund returns are net of fees and expenses.

<sup>(1)</sup> 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](http://www.pimco.com) or call (844) 33-PIMCO.

<sup>(2)</sup> 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](http://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.

<sup>(3)</sup> 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 swap notional 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. For the purpose of calculating Total Effective Leverage outstanding as a percentage of total

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managed assets, 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 at NAV

Following are key factors impacting the Fund's performance during the reporting period:

- » The Fund's exposure to U.S. interest rates was the primary contributor to performance, as interest rates rallied significantly.
- » The Fund's allocation to non-agency mortgage-backed securities contributed to returns. The sector continued to benefit from an improving U.S. housing market and limited outstanding supply.
- » The Fund's exposure to U.S. dollar-denominated Russian quasi-sovereign bonds benefited returns. Spreads on these issues continued to retrace much of the widening that occurred in recent years, as geopolitical tensions in the region eased and investor sentiment improved.
- » The Fund's allocation to high yield corporate bonds was the primary detractor from performance. The asset class faced headwinds from lower energy prices, financial market volatility and mutual fund withdrawals.
- » Exposure to local and hard currency-denominated Brazilian debt detracted from returns. Brazil was negatively impacted by its slowing economy, high inflation and an ongoing political crisis.

### 10 PIMCO CLOSED-END FUNDS

**PIMCO High Income Fund**

Symbol on NYSE - **PHK**

Allocation Breakdown

Corporate Bonds & Notes	56.6%
Non-Agency Mortgage-Backed Securities	14.7%
Asset-Backed Securities	14.6%
Municipal Bonds & Notes	6.9%
Short-Term Instruments	2.4%
Other	4.8%

% of Investments, at value as of 07/31/2016. Financial derivative instruments, if any, are excluded.

Fund Information (as of July 31, 2016)<sup>(1)</sup>

Market Price	\$10.03
NAV	\$6.63
Premium/(Discount) to NAV	51.28%
Market Price Distribution Yield <sup>(2)</sup>	12.38%
NAV Distribution Yield <sup>(2)</sup>	18.73%
Total Effective Leverage <sup>(3)</sup>	26%

Average Annual Total Return<sup>(1)</sup> for the period ended July 31, 2016

	1 Year	5 Year	10 Year	Commencement of Operations (04/30/03)
Market Price	19.92%	8.63%	10.80%	11.01%
NAV	8.68%	13.11%	11.29%	11.34%

All Fund returns are net of fees and expenses.

<sup>(1)</sup> 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](http://www.pimco.com) or call (844) 33-PIMCO.

<sup>(2)</sup> 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](http://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.

<sup>(3)</sup> 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 swap notional and floating rate notes issued in tender option bond transactions, as applicable (collectively

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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. For the purpose of calculating Total Effective Leverage outstanding as a percentage of total managed assets, 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 at NAV

Following are key factors impacting the Fund's performance during the reporting period:

- » The Fund's exposure to U.S. interest rates was the primary contributor to performance, as interest rates rallied significantly.
- » The Fund's allocation to non-agency mortgage-backed securities contributed to returns. The sector continued to benefit from an improving U.S. housing market and limited outstanding supply.
- » The Fund's exposure to U.S. dollar-denominated Russian quasi-sovereign bonds benefited returns. Spreads on these issues continued to retrace much of the widening that occurred in recent years, as geopolitical tensions in the region eased and investor sentiment improved.
- » The Fund's allocation to high yield corporate bonds was the primary detractor from performance. The asset class faced headwinds from lower energy prices, financial market volatility and mutual fund withdrawals.
- » Exposure to local and hard currency-denominated Brazilian debt detracted from returns. Brazil was negatively impacted by its slowing economy, high inflation and an ongoing political crisis.
- » The Fund's use of paired swap transactions during the reporting period supported the Fund's monthly distributions, but generally resulted in a decline in the Fund's net asset value.

**PIMCO Income Strategy Fund**

Symbol on NYSE - **PFL**

Allocation Breakdown

Corporate Bonds & Notes	49.3%
Asset-Backed Securities	23.9%
Non-Agency Mortgage-Backed Securities	14.3%
Municipal Bonds & Notes	4.5%
Short-Term Instruments	1.8%
Other	6.2%

% of Investments, at value as of 07/31/2016. Financial derivative instruments, if any, are excluded.

Fund Information (as of July 31, 2016)<sup>(1)</sup>

Market Price	\$10.48
NAV	\$10.53
Premium/(Discount) to NAV	(0.47)%
Market Price Distribution Yield <sup>(2)</sup>	10.31%
NAV Distribution Yield <sup>(2)</sup>	10.26%
Total Effective Leverage <sup>(3)</sup>	23%

Average Annual Total Return<sup>(1)</sup> for the period ended July 31, 2016

	1 Year	5 Year	10 Year	Commencement of Operations (08/29/03)
Market Price	12.41%	7.32%	5.31%	5.67%
NAV	1.91%	9.24%	6.08%	6.17%

All Fund returns are net of fees and expenses.

<sup>(1)</sup> 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](http://www.pimco.com) or call (844) 33-PIMCO.

<sup>(2)</sup> 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](http://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.

<sup>(3)</sup> 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 swap notional and floating rate notes issued in tender option bond transactions, as applicable

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(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. For the purpose of calculating Total Effective Leverage outstanding as a percentage of total managed assets, 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 at NAV

Following are key factors impacting the Fund's performance during the reporting period:

- » The Fund's exposure to U.S. interest rates was the primary contributor to performance, as interest rates rallied significantly.
- » The Fund's allocation to non-agency mortgage-backed securities contributed to returns. The sector continued to benefit from an improving U.S. housing market and limited outstanding supply.
- » The Fund's exposure to U.S. dollar-denominated Russian quasi-sovereign bonds benefited returns. Spreads on these issues continued to retrace much of the widening that occurred in recent years, as geopolitical tensions in the region eased and investor sentiment improved.
- » The Fund's allocation to high yield corporate bonds was the primary detractor from performance. The asset class faced headwinds from lower energy prices, financial market volatility and mutual fund withdrawals.
- » Exposure to local and hard currency-denominated Brazilian debt detracted from returns. Brazil was negatively impacted by its slowing economy, high inflation and an ongoing political crisis.

## 12 PIMCO CLOSED-END FUNDS

## PIMCO Income Strategy Fund II

Symbol on NYSE - **PFN**

### Allocation Breakdown

Corporate Bonds & Notes	45.4%
Non-Agency Mortgage-Backed Securities	21.8%
Asset-Backed Securities	16.3%
Municipal Bonds & Notes	7.0%
Short-Term Instruments	2.6%
Other	6.9%

% of Investments, at value as of 07/31/2016. Financial derivative instruments, if any, are excluded.

### Fund Information (as of July 31, 2016)<sup>(1)</sup>

Market Price	\$9.39
NAV	\$9.42
Premium/(Discount) to NAV	(0.32)%
Market Price Distribution Yield <sup>(2)</sup>	10.22%
NAV Distribution Yield <sup>(2)</sup>	10.19%
Total Effective Leverage <sup>(3)</sup>	25%

### Average Annual Total Return<sup>(1)</sup> for the period ended July 31, 2016

	1 Year	5 Year	10 Year	Commencement of Operations (10/29/04)
Market Price	11.92%	9.32%	4.72%	4.59%
NAV	2.34%	9.78%	4.81%	5.01%

All Fund returns are net of fees and expenses.

<sup>(1)</sup> 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](http://www.pimco.com) or call (844) 33-PIMCO.

<sup>(2)</sup> 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](http://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.

<sup>(3)</sup> 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 swap notional 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

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to a form of leverage, including certain derivative transactions. For the purpose of calculating Total Effective Leverage outstanding as a percentage of total managed assets, 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 at NAV

Following are key factors impacting the Fund's performance during the reporting period:

- » The Fund's exposure to U.S. interest rates was the primary contributor to performance, as interest rates rallied significantly.
- » The Fund's allocation to non-agency mortgage-backed securities contributed to returns. The sector continued to benefit from an improving U.S. housing market and limited outstanding supply.
- » The Fund's exposure to U.S. dollar-denominated Russian quasi-sovereign bonds benefited returns. Spreads on these issues continued to retrace much of the widening that occurred in recent years, as geopolitical tensions in the region eased and investor sentiment improved.
- » The Fund's allocation to high yield corporate bonds was the primary detractor from performance. The asset class faced headwinds from lower energy prices, financial market volatility and mutual fund withdrawals.
- » Exposure to local and hard currency-denominated Brazilian debt detracted from returns. Brazil was negatively impacted by its slowing economy, high inflation and an ongoing political crisis.

## Financial Highlights

	Investment Operations						Less Distributions to Common Shareholders <sup>(b)</sup>					
	Net Asset Value Beginning of Year or Period	Net Investment Income <sup>(a)</sup>	Net Realized/ Unrealized Gain (Loss)	Distributions on Preferred Shares from Net Investment Income <sup>(b)</sup>	Distributions on Preferred Shares from Realized Gains <sup>(b)</sup>	Total	From Net Investment Income	From Net Realized Capital Gains	Tax Basis Return of Capital	Total		
<b>PIMCO Corporate &amp; Income Opportunity Fund</b>												
07/31/2016	\$ 14.23	\$ 1.30	\$ (0.65)	\$ (0.02)	\$ 0.00	\$ 0.63	\$ (1.59)	\$ 0.00	\$ 0.00	\$ (1.59)		
12/01/2014 - 07/31/2015 <sup>(d)</sup>	15.41	0.68	(0.33)	(0.00) <sup>^</sup>	0.00	0.35	(1.69)	0.00	0.00	(1.69) <sup>(i)</sup>		
11/30/2014	16.62	1.14	1.06	(0.00) <sup>^</sup>	(0.01)	2.19	(1.56)	(1.84)	0.00	(3.40)		
11/30/2013	17.58	1.43	0.19	(0.00) <sup>^</sup>	(0.00) <sup>^</sup>	1.62	(1.82)	(0.76)	0.00	(2.58)		
11/30/2012	14.22	1.68	3.87	(0.01)	0.00	5.54	(2.18)	0.00	0.00	(2.18)		
11/30/2011	16.29	1.88	(1.87)	(0.01)	0.00	0.00	(2.07)	0.00	0.00	(2.07)		
<b>PIMCO Corporate &amp; Income Strategy Fund</b>												
07/31/2016	\$ 14.75	\$ 1.24	\$ (0.33)	\$ (0.01)	\$ 0.00	\$ 0.90	\$ (1.37)	\$ 0.00	\$ 0.00	\$ (1.37)		
11/01/2014 - 07/31/2015 <sup>(e)</sup>	15.60	0.73	(0.21)	(0.00) <sup>^</sup>	0.00	0.52	(1.37)	0.00	0.00	(1.37) <sup>(i)</sup>		
10/31/2014	16.04	0.99	0.87	(0.00) <sup>^</sup>	(0.00) <sup>^</sup>	1.86	(1.35)	(0.95)	0.00	(2.30)		
10/31/2013	15.90	1.28	0.44	(0.01)	0.00	1.71	(1.57)	0.00	0.00	(1.57)		
10/31/2012	13.67	1.57	2.47	(0.01)	0.00	4.03	(1.80)	0.00	0.00	(1.80)		
10/31/2011	15.51	1.72	(1.87)	(0.01)	0.00	(0.16)	(1.68)	0.00	0.00	(1.68)		
<b>PIMCO High Income Fund</b>												
07/31/2016	\$ 7.37	\$ 0.74	\$ (0.22)	\$ (0.00) <sup>^</sup>	\$ 0.00	\$ 0.52	\$ (1.18)	\$ 0.00	\$ (0.08)	\$ (1.26)		
04/01/2015 - 07/31/2015 <sup>(h)</sup>	7.59	0.21	0.06	(0.00) <sup>^</sup>	0.00	0.27	(0.33)	0.00	(0.16)	(0.49) <sup>(i)</sup>		
03/31/2015	8.23	0.94	(0.12)	(0.00) <sup>^</sup>	0.00	0.82	(1.46)	0.00	0.00	(1.46)		
03/31/2014	8.65	0.84	0.20	(0.00) <sup>^</sup>	0.00	1.04	(1.35)	0.00	(0.11)	(1.46)		
03/31/2013	7.87	0.81	1.43	(0.00) <sup>^</sup>	0.00	2.24	(1.42)	0.00	(0.04)	(1.46)		
03/31/2012	9.42	0.96	(1.05)	(0.00) <sup>^</sup>	0.00	(0.09)	(1.39)	0.00	(0.07)	(1.46)		
<b>PIMCO Income Strategy Fund</b>												
07/31/2016	\$ 11.46	\$ 0.88	\$ (0.70)	\$ (0.03)	\$ 0.00	\$ 0.15	\$ (1.08)	\$ 0.00	\$ 0.00	\$ (1.08)		
07/31/2015	12.15	0.79	(0.34)	(0.03)	0.00	0.42	(1.22)	0.00	0.00	(1.22)		
07/31/2014	11.70	0.79	0.78	(0.04)	0.00	1.53	(1.08)	0.00	0.00	(1.08)		
07/31/2013	11.35	0.92	0.87	(0.04)	0.00	1.75	(1.40)	0.00	0.00	(1.40)		
07/31/2012	11.39	1.16	(0.04)	(0.05)	0.00	1.07	(1.11)	0.00	0.00	(1.11)		
<b>PIMCO Income Strategy Fund II</b>												
07/31/2016	\$ 10.27	\$ 0.87	\$ (0.67)	\$ (0.02)	\$ 0.00	\$ 0.18	\$ (1.03)	\$ 0.00	\$ 0.00	\$ (1.03)		
07/31/2015	10.88	0.70	(0.29)	(0.03)	0.00	0.38	(1.11)	0.00	0.00	(1.11)		
07/31/2014	10.29	0.72	0.87	(0.04)	0.00	1.55	(0.96)	0.00	0.00	(0.96)		
07/31/2013	10.23	0.88	0.68	(0.04)	0.00	1.52	(1.46)	0.00	0.00	(1.46)		
07/31/2012	10.04	1.03	0.03	(0.04)	0.00	1.02	(0.83)	0.00	0.00	(0.83)		

\* Annualized

<sup>^</sup> Reflects an amount rounding to less than one cent.

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

(b) The tax characterization of distributions is 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. The expense ratio and net investment income do not reflect the effects of dividend payments to preferred shareholders.

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- (e) Interest expense primarily relates to participation in borrowing and financing transactions. See Note 5 in the Notes to Financial Statements for more information.
- (f) Fiscal year end changed from November 30<sup>th</sup> to July 31<sup>st</sup>.
- (g) Fiscal year end changed from October 31<sup>st</sup> to July 31<sup>st</sup>.
- (h) Fiscal year end changed from March 31<sup>st</sup> to July 31<sup>st</sup>.
- (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

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Preferred Share Transactions	Common Share			Ratios/Supplemental Data Ratios to Average Net Assets						
	Increase Resulting from Tender and Repurchase of Auction-Rate Preferred Shares <sup>(j)</sup>	Net Assets Value End of Year or Period	Market Price End of Year or Period	Total Investment Return <sup>(c)</sup>	Net Assets Applicable to Common Shareholders (000s)	Expenses Excluding Interest Expenses <sup>(d)(e)</sup>	Expenses <sup>(d)</sup>	Net Investment Income <sup>(d)</sup>	Preferred Shares Asset Coverage Per Share	Portfolio Turnover Rate
\$ 0.00	\$ 13.27	\$ 14.75	16.09%	\$ 946,843	0.89%	0.85%	9.93%	\$ 124,468	45%	
0.16	14.23	14.31	(13.61)	1,006,484	0.91*	0.90*	7.01*	130,743	34	
0.00	15.41	18.50	26.04	1,082,000	0.91	0.91	7.36	108,229	44	
0.00	16.62	17.75	(0.15)	1,149,779	0.91	0.91	8.49	113,443	118	
0.00	17.58	20.37	36.86	1,205,090	1.05	0.93	10.63	117,697	29	
0.00	14.22	16.78	9.24	967,195	1.09	0.94	11.76	99,399	53	
\$ 0.51	\$ 14.28	\$ 15.43	24.21%	\$ 553,569	1.10%	1.02%	8.91%	\$ 274,223	43%	
0.00	14.75	13.71	(7.12)	570,122	1.07*	1.07*	6.51*	109,336	40	
0.00	15.60	16.18	8.84	599,980	1.09	1.09	6.32	113,753	48	
0.00	16.04	17.15	3.48	612,225	1.10	1.09	7.91	115,565	108	
0.00	15.90	18.17	33.21	603,483	1.32	1.14	11.03	114,270	28	
0.00	13.67	15.27	4.78	515,041	1.30	1.16	11.56	101,188	32	
\$ 0.26	\$ 6.63	\$ 10.03	19.92%	\$ 841,102	1.08%	0.95%	11.20%	\$ 231,185	42%	
0.00	7.37	9.71	(18.40)	925,598	1.05*	1.03*	8.14*	104,245	8	
0.00	7.59	12.48	12.30	949,880	1.18	1.02	11.53	106,324	58	
0.00	8.23	12.56	15.51	1,021,120	1.14	1.03	10.14	112,424	159	
0.00	8.65	12.35	8.53	1,063,863	1.06	1.05	10.00	116,082	70	
0.00	7.87	12.84	3.28	960,496	1.16	1.07	11.76	107,233	24	
\$ 0.00	\$ 10.53	\$ 10.48	12.41%	\$ 266,347	1.17%	1.13%	8.49%	\$ 154,837	38%	
0.11	11.46	10.39	(2.62)	289,909	1.30	1.25	6.67	166,328	67	
0.00	12.15	11.87	9.95	306,475	1.19	1.18	6.71	122,004	113	
0.00	11.70	11.83	5.69	294,017	1.24	1.21	7.59	118,058	63	
0.00	11.35	11.52	12.02	283,285	1.85	1.65	10.93	114,654	23	
\$ 0.00	\$ 9.42	\$ 9.39	11.92%	\$ 556,840	1.14%	1.07%	9.25%	\$ 175,544	38%	
0.12	10.27	9.41	(0.12)	606,974	1.16	1.13	6.58	189,105	63	
0.00	10.88	10.50	12.39	642,119	1.14	1.14	6.79	124,695	119	
0.00	10.29	10.24	6.80	605,843	1.16	1.14	8.20	119,060	71	
0.00	10.23	10.96	16.33	597,683	1.48	1.37	10.87	117,792	17	

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## Statements of Assets and Liabilities

July 31, 2016

	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)					
<b>Assets:</b>					
<i>Investments, at value</i>					
Investments in securities*	\$ 1,271,246	\$ 687,766	\$ 1,084,625	\$ 329,757	\$ 694,980
<i>Financial Derivative Instruments</i>					
Exchange-traded or centrally cleared	5,793	3,306	10,715	1,734	4,043
Over the counter	2,555	1,482	3,241	713	1,444
Cash	5	1	0	1	0
Deposits with counterparty	11,274	8,639	21,470	5,299	10,474
Foreign currency, at value	608	67	256	330	552
Receivable for investments sold	254	18,116	121	5,637	13,516
Interest and/or dividends receivable	11,635	6,132	12,872	2,815	6,179
Other assets	6	3	40	2	5
<b>Total Assets</b>	<b>1,303,376</b>	<b>725,512</b>	<b>1,133,340</b>	<b>346,288</b>	<b>731,193</b>
<b>Liabilities:</b>					
<i>Borrowings &amp; Other Financing Transactions</i>					
Payable for reverse repurchase agreements	\$ 24,805	\$ 91,401	\$ 145,880	\$ 16,112	\$ 54,148
<i>Financial Derivative Instruments</i>					
Exchange-traded or centrally cleared	6,819	3,315	11,990	1,903	4,549
Over the counter	57,062	2,910	7,383	1,854	4,084
Payable for investments purchased	19,315	12,022	7,628	5,668	12,292
Deposits from counterparty	460	1,820	3,425	430	1,221
Distributions payable to common shareholders	9,274	4,362	13,122	2,277	4,728
Distributions payable to preferred shareholders	26	5	9	10	21
Overdraft due to custodian	0	0	23	0	0
Accrued management fees	647	413	600	239	484
Other liabilities	175	170	203	173	376
<b>Total Liabilities</b>	<b>118,583</b>	<b>116,418</b>	<b>190,263</b>	<b>28,666</b>	<b>81,903</b>
<b>Preferred Shares (\$0.00001 par value and \$25,000 liquidation preference per share)</b>	<b>237,950</b>	<b>55,525</b>	<b>101,975</b>	<b>51,275</b>	<b>92,450</b>
<b>Net Assets Applicable to Common Shareholders</b>	<b>\$ 946,843</b>	<b>\$ 553,569</b>	<b>\$ 841,102</b>	<b>\$ 266,347</b>	<b>\$ 556,840</b>
<b>Net Assets Applicable to Common Shareholders Consist of:</b>					
Common Shares:					
Par value (\$0.00001 per share)	\$ 1	\$ 0	\$ 1	\$ 0	\$ 1
Paid in capital in excess of par	1,034,727	571,150	1,494,231	419,478	950,673
Undistributed (overdistributed) net investment income	11,608	8,897	(16,843)	1,149	6,597
Accumulated undistributed net realized (loss)	(222,772)	(80,679)	(661,802)	(182,275)	(468,738)
Net unrealized appreciation	123,279	54,201	25,515	27,995	68,307
<b>Net Assets Applicable to Common Shareholders</b>	<b>\$ 946,843</b>	<b>\$ 553,569</b>	<b>\$ 841,102</b>	<b>\$ 266,347</b>	<b>\$ 556,840</b>
<b>Net Asset Value Per Common Share</b>	<b>\$ 13.27</b>	<b>\$ 14.28</b>	<b>\$ 6.63</b>	<b>\$ 10.53</b>	<b>\$ 9.42</b>
<b>Common shares issued and outstanding</b>	<b>71,339</b>	<b>38,775</b>	<b>126,835</b>	<b>25,300</b>	<b>59,103</b>
<b>Preferred shares issued and outstanding</b>	<b>10</b>	<b>2</b>	<b>4</b>	<b>2</b>	<b>4</b>
Cost of investments in securities	\$ 1,283,360	\$ 709,296	\$ 1,114,964	\$ 340,091	\$ 717,786
Cost of foreign currency held	\$ 645	\$ 67	\$ 259	\$ 348	\$ 551
Cost or premiums of financial derivative instruments, net	\$ (55,576)	\$ (1,166)	\$ (3,020)	\$ (801)	\$ (1,663)



## Statements of Operations

Year Ended July 31, 2016

	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)					
<b>Investment Income:</b>					
Interest, net of foreign taxes*	\$ 98,049	\$ 52,042	\$ 101,646	\$ 24,487	\$ 55,445
Dividends	2,550	1,789	1,164	930	2,013
<b>Total Income</b>	<b>100,599</b>	<b>53,831</b>	<b>102,810</b>	<b>25,417</b>	<b>57,458</b>
<b>Expenses:</b>					
Management fees	7,573	5,092	7,573	2,818	5,712
Auction agent fees and commissions	44	36	52	57	36
Trustee fees and related expenses	218	126	202	61	119
Interest expense	343	405	1,052	111	373
Auction rate preferred shares related expenses	136	196	201	55	52
Miscellaneous expense	31	10	15	3	3
<b>Total Expenses</b>	<b>8,345</b>	<b>5,865</b>	<b>9,095</b>	<b>3,105</b>	<b>6,295</b>
<b>Net Investment Income</b>	<b>92,254</b>	<b>47,966</b>	<b>93,715</b>	<b>22,312</b>	<b>51,163</b>
<b>Net Realized Gain (Loss):</b>					
Investments in securities	10,111	4,508	5,172	61	1,695
Exchange-traded or centrally cleared financial derivative instruments	(117,740)	(55,433)	(2,606)	(30,634)	(74,148)
Over the counter financial derivative instruments	18,322	6,639	39,795	3,182	5,268
Foreign currency	(61)	(234)	(317)	(83)	222
<b>Net Realized Gain (Loss)</b>	<b>(89,368)</b>	<b>(44,520)</b>	<b>42,044</b>	<b>(27,474)</b>	<b>(66,963)</b>
<b>Net Change in Unrealized Appreciation (Depreciation):</b>					
Investments in securities	(54,576)	(42,359)	(68,804)	(18,124)	(36,894)
Exchange-traded or centrally cleared financial derivative instruments	99,803	54,264	(14,085)	27,892	66,201
Over the counter financial derivative instruments	(1,450)	35	(20,978)	(42)	(1,357)
Foreign currency assets and liabilities	137	(46)	(95)	(6)	27
<b>Net Change in Unrealized Appreciation (Depreciation)</b>	<b>43,914</b>	<b>11,894</b>	<b>(103,962)</b>	<b>9,720</b>	<b>27,977</b>
<b>Net Increase in Net Assets Resulting from Operations</b>	<b>\$ 46,800</b>	<b>\$ 15,340</b>	<b>\$ 31,797</b>	<b>\$ 4,558</b>	<b>\$ 12,177</b>
<b>Distributions on Preferred Shares from Net Investment Income</b>	<b>\$ (1,253)</b>	<b>\$ (275)</b>	<b>\$ (528)</b>	<b>\$ (797)</b>	<b>\$ (1,437)</b>
<b>Net Increase in Net Assets Applicable to Common Shareholders Resulting from Operations</b>	<b>\$ 45,547</b>	<b>\$ 15,065</b>	<b>\$ 31,269</b>	<b>\$ 3,761</b>	<b>\$ 10,740</b>
* Foreign tax withholdings	\$ 0	\$ 2	\$ 6	\$ 0	\$ 0

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

## Statements of Changes in Net Assets

	PIMCO Corporate & Income Opportunity Fund			PIMCO Corporate & Income Strategy Fund		
	Year Ended July 31, 2016	Period from December 1, 2014 to July 31, 2015 <sup>(a)</sup>	Year Ended November 30, 2014	Year Ended July 31, 2016	Period from November 1, 2014 to July 31, 2015 <sup>(b)</sup>	Year Ended October 31, 2014
(Amounts in thousands)						
<b>(Decrease) in Net Assets from:</b>						
<b>Operations:</b>						
Net investment income	\$ 92,254	\$ 47,744	\$ 79,920	\$ 47,966	\$ 28,166	\$ 37,968
Net realized gain (loss)	(89,368)	(4,996)	28,093	(44,520)	3,953	17,611
Net change in unrealized appreciation (depreciation)	43,914	(18,369)	42,688	11,894	(12,132)	15,590
Net increase in net assets resulting from operations	46,800	24,379	150,701	15,340	19,987	71,169
Distributions on preferred shares from net investment income <sup>(d)</sup>	(1,253)	(313)	(125)	(275)	(160)	(41)
Distributions on preferred shares from net realized gains <sup>(d)</sup>	0	0	(296)	0	0	(122)
<b>Net Increase in Net Assets Applicable to Common Shareholders Resulting from Operations</b>	<b>45,547</b>	<b>24,066</b>	<b>150,280</b>	<b>15,065</b>	<b>19,827</b>	<b>71,006</b>
<b>Distributions to Common Shareholders:</b>						
From net investment income	(112,955)	(119,032)	(109,083)	(53,009)	(52,644)	(51,774)
From net realized capital gains	0	0	(127,359)	0	0	(36,294)
Tax basis return of capital	0	0	0	0	0	0
<b>Total Distributions to Common Shareholders<sup>(d)</sup></b>	<b>(112,955)</b>	<b>(119,032)<sup>(e)</sup></b>	<b>(236,442)</b>	<b>(53,009)</b>	<b>(52,644)<sup>(e)</sup></b>	<b>(88,068)</b>
<b>Preferred Share Transactions:</b>						
Net Increase resulting from tender and repurchase of Auction-Rate Preferred Shares <sup>***</sup>	0	11,317	0	19,858	0	0
<b>Common Share Transactions<sup>**</sup>:</b>						
Issued as reinvestment of distributions	7,767	8,133	18,383	1,533	2,959	4,817
<b>Total (Decrease) in Net Assets</b>	<b>(59,641)</b>	<b>(75,516)</b>	<b>(67,779)</b>	<b>(16,553)</b>	<b>(29,858)</b>	<b>(12,245)</b>
<b>Net Assets Applicable to Common Shareholders:</b>						
Beginning of year or period	1,006,484	1,082,000	1,149,779	570,122	599,980	612,225
End of year or period <sup>*</sup>	\$ 946,843	\$ 1,006,484	\$ 1,082,000	\$ 553,569	\$ 570,122	\$ 599,980
<sup>*</sup> Including undistributed (overdistributed) net investment income of:	\$ 11,608	\$ (8,639)	\$ 36,794	\$ 8,897	\$ (4,556)	\$ 11,115
<b>** Common Share Transactions:</b>						
Shares issued as reinvestment of distributions	583	530	1,058	110	197	303

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

(a) Fiscal Year end changed from November 30<sup>th</sup> to July 31<sup>st</sup>.

(b) Fiscal Year end changed from October 31<sup>st</sup> to July 31<sup>st</sup>.

(c) Fiscal Year end changed from March 31<sup>st</sup> to July 31<sup>st</sup>.

(d) The tax characterization of distributions is determined in accordance with federal income tax regulations. See Note 2(c) in the Notes to Financial Statements for more information.

(e)

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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.

### 18 PIMCO CLOSED-END FUNDS

See Accompanying Notes

Year Ended July 31, 2016	PIMCO High Income Fund	Year Ended March 31, 2015	PIMCO Income Strategy Fund		PIMCO Income Strategy Fund II	
	Period from April 1, 2015 to July 31, 2015 <sup>(c)</sup>		Year Ended July 31, 2016	Year Ended July 31, 2015	Year Ended July 31, 2016	Year Ended July 31, 2015
\$ 93,715	\$ 26,276	\$ 117,468	\$ 22,312	\$ 19,896	\$ 51,163	\$ 41,101
42,044	(29,322)	(29,862)	(27,474)	(3,515)	(66,963)	(3,754)
(103,962)	35,957	10,866	9,720	(5,066)	27,977	(12,764)
31,797	32,911	98,472	4,558	11,315	12,177	24,583
(528)	(130)	(356)	(797)	(815)	(1,437)	(1,538)
0	0	0	0	0	0	0
31,269	32,781	98,116	3,761	10,500	10,740	23,045
(149,487)	(41,672)	(182,280)	(27,324)	(30,835)	(60,876)	(65,838)
0	0	0	0	0	0	0
(9,562)	(19,452)	0	0	0	0	0
(159,049)	(61,124) <sup>(e)</sup>	(182,280)	(27,324)	(30,835)	(60,876)	(65,838)
32,304	0	0	0	2,770	0	6,855
10,980	4,061	12,924	1	999	2	793
(84,496)	(24,282)	(71,240)	(23,562)	(16,566)	(50,134)	(35,145)
925,598	949,880	1,021,120	289,909	306,475	606,974	642,119
\$ 841,102	\$ 925,598	\$ 949,880	\$ 266,347	\$ 289,909	\$ 556,840	\$ 606,974
\$ (16,843)	\$ (39,740)	\$ (32,887)	\$ 1,149	\$ (1,974)	\$ 6,597	\$ (2,589)
1,307	374	1,088	0	86	0	79

## Schedule of Investments PIMCO Corporate &amp; Income Opportunity Fund

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>INVESTMENTS IN SECURITIES 134.3%</b>		
<b>BANK LOAN OBLIGATIONS 2.3%</b>		
<b>Fortescue Metals Group Ltd.</b>		
4.250% due 06/30/2019	\$ 2,863	\$ 2,810
<b>iHeartCommunications, Inc.</b>		
7.246% due 01/30/2019	8,198	6,389
<b>Sequa Corp.</b>		
5.250% due 06/19/2017	8,748	7,015
<b>Westmoreland Coal Co.</b>		
7.500% due 12/16/2020	7,364	5,670
<b>Total Bank Loan Obligations (Cost \$25,559)</b>		<b>21,884</b>
<b>CORPORATE BONDS &amp; NOTES 53.1%</b>		
<b>BANKING &amp; FINANCE 25.5%</b>		
<b>AGFC Capital Trust</b>		
6.000% due 01/15/2067	1,800	990
<b>Ally Financial, Inc.</b>		
8.000% due 11/01/2031	4,067	4,973
<b>Banco Bilbao Vizcaya Argentaria S.A.</b>		
6.750% due 02/18/2020 (f)	EUR 1,800	1,836
<b>Banco do Brasil S.A.</b>		
6.250% due 04/15/2024 (f)	\$ 4,200	2,581
9.000% due 06/18/2024 (f)	9,298	7,536
<b>Banco Espirito Santo S.A.</b>		
2.625% due 05/08/2017 ^	EUR 500	159
4.000% due 01/21/2019 ^	5,000	1,593
4.750% due 01/15/2018 ^	1,000	319
<b>Banco Santander S.A.</b>		
6.250% due 09/11/2021 (f)	400	400
<b>Barclays Bank PLC</b>		
14.000% due 06/15/2019 (f)	GBP 12,050	20,114
<b>Blackstone CQP Holdco LP</b>		
9.296% due 03/19/2019	\$ 15,657	15,794
<b>BNP Paribas S.A.</b>		
7.375% due 08/19/2025 (f)	11,000	11,234
<b>Cantor Fitzgerald LP</b>		
6.500% due 06/17/2022	10,000	10,546
<b>Co-operative Group Holdings Ltd.</b>		
7.500% due 07/08/2026	GBP 6,200	9,015
<b>Communications Sales &amp; Leasing, Inc.</b>		
8.250% due 10/15/2023	\$ 5,300	5,439
<b>Credit Agricole S.A.</b>		
7.500% due 06/23/2026 (f)	GBP 300	382
7.875% due 01/23/2024 (f)	\$ 13,900	13,831
<b>Credit Suisse Group AG</b>		
7.500% due 12/11/2023 (f)	2,936	3,050
<b>Flagstar Bancorp, Inc.</b>		
6.125% due 07/15/2021	6,000	6,160
<b>GSPA Monetization Trust</b>		
6.422% due 10/09/2029 (i)	9,108	10,421
<b>HSBC Holdings PLC</b>		
5.250% due 09/16/2022 (f)	EUR 585	627
6.000% due 09/29/2023 (f)	5,477	6,254
<b>Jefferies Finance LLC</b>		
7.375% due 04/01/2020	\$ 300	282
7.500% due 04/15/2021	591	546
<b>Jefferies LoanCore LLC</b>		

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6.875% due 06/01/2020		10,500	9,424
<b>Lloyds Bank PLC</b>			
12.000% due 12/16/2024 (f)		5,150	7,058
<b>Lloyds Banking Group PLC</b>			
7.625% due 06/27/2023 (f)	GBP	6,298	8,370
7.875% due 06/27/2029 (f)		400	529
<b>MPT Operating Partnership LP</b>			
5.250% due 08/01/2026	\$	2,203	2,321
<b>National Bank of Greece S.A.</b>			
3.875% due 10/07/2016	EUR	2,550	2,851
<b>Nationwide Building Society</b>			
10.250% (f)	GBP	21	3,570
		<b>PRINCIPAL AMOUNT (000S)</b>	<b>MARKET VALUE (000S)</b>
<b>Navient Corp.</b>			
5.500% due 01/15/2019	\$	4,950	\$ 5,105
5.625% due 08/01/2033		230	180
<b>Novo Banco S.A.</b>			
5.000% due 04/04/2019	EUR	371	315
5.000% due 04/23/2019		152	129
5.000% due 05/14/2019		315	268
5.000% due 05/21/2019		73	62
5.000% due 05/23/2019		213	181
<b>Omega Healthcare Investors, Inc.</b>			
4.375% due 08/01/2023	\$	2,600	2,634
<b>OneMain Financial Holdings LLC</b>			
6.750% due 12/15/2019		2,116	2,150
<b>PHH Corp.</b>			
6.375% due 08/15/2021		280	260
7.375% due 09/01/2019		1,050	1,071
<b>Rio Oil Finance Trust</b>			
9.250% due 07/06/2024		1,834	1,586
<b>Royal Bank of Scotland Group PLC</b>			
7.500% due 08/10/2020 (f)		6,840	6,669
8.000% due 08/10/2025 (f)		9,835	9,798
<b>Santander UK Group Holdings PLC</b>			
7.375% due 06/24/2022 (f)	GBP	7,650	10,031
<b>Sberbank of Russia Via SB Capital S.A.</b>			
6.125% due 02/07/2022	\$	500	546
<b>Springleaf Finance Corp.</b>			
5.250% due 12/15/2019		1,680	1,636
8.250% due 12/15/2020		6,680	6,931
<b>Tesco Property Finance PLC</b>			
5.411% due 07/13/2044	GBP	8,560	10,839
6.052% due 10/13/2039		2,691	3,764
<b>TIG FinCo PLC</b>			
8.500% due 03/02/2020		1,154	1,558
8.750% due 04/02/2020 (i)		7,339	7,454
			241,372
<b>INDUSTRIALS 21.8%</b>			
<b>Altice Financing S.A.</b>			
7.500% due 05/15/2026	\$	6,700	6,784
<b>BMC Software Finance, Inc.</b>			
8.125% due 07/15/2021		3,031	2,485
<b>Boxer Parent Co., Inc. (9.000% Cash or 9.750% PIK)</b>			
9.000% due 10/15/2019 (c)(i)		8,226	6,992
<b>Caesars Entertainment Operating Co., Inc.</b>			
9.000% due 02/15/2020 ^		27,145	26,222
<b>Chesapeake Energy Corp.</b>			
3.930% due 04/15/2019		157	132
8.000% due 12/15/2022		300	272
<b>Diamond 1 Finance Corp.</b>			
5.450% due 06/15/2023		219	232
6.020% due 06/15/2026		202	217
<b>DISH DBS Corp.</b>			

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7.750% due 07/01/2026		2,400		2,495
<b>Eagle Materials, Inc.</b>				
4.500% due 08/01/2026 (b)		2,640		2,685
<b>FAGE International S.A.</b>				
5.625% due 08/15/2026 (b)		1,500		1,536
<b>Forbes Energy Services Ltd.</b>				
9.000% due 06/15/2019 ^		2,858		1,143
<b>Ford Motor Co.</b>				
7.700% due 05/15/2097 (i)		31,901		41,324
<b>Fresh Market, Inc.</b>				
9.750% due 05/01/2023		1,600		1,488
<b>Hampton Roads PPV LLC</b>				
6.171% due 06/15/2053		1,800		1,805
<b>Harvest Operations Corp.</b>				
2.330% due 04/14/2021		6,678		6,657
<b>HCA, Inc.</b>				
7.500% due 11/15/2095		1,900		1,947
<b>iHeartCommunications, Inc.</b>				
9.000% due 09/15/2022		5,810		4,292
<b>Intelsat Luxembourg S.A.</b>				
7.750% due 06/01/2021		11,443		2,689
8.125% due 06/01/2023		1,939		461
			<b>PRINCIPAL</b>	<b>MARKET</b>
			<b>AMOUNT</b>	<b>VALUE</b>
			<b>(000S)</b>	<b>(000S)</b>
<b>Intrepid Aviation Group Holdings LLC</b>				
6.875% due 02/15/2019	\$	12,290	\$	11,153
<b>Kinder Morgan Energy Partners LP</b>				
6.375% due 03/01/2041		800		845
<b>Kinder Morgan, Inc.</b>				
7.750% due 01/15/2032		3,100		3,633
7.800% due 08/01/2031		6,000		7,164
<b>Numericable SFR S.A.</b>				
6.250% due 05/15/2024		14,000		13,527
<b>NXP BV</b>				
4.125% due 06/01/2021		4,860		5,042
<b>Post Holdings, Inc.</b>				
5.000% due 08/15/2026 (b)		4,400		4,397
<b>Prime Security Services Borrower LLC</b>				
9.250% due 05/15/2023		6,650		7,115
<b>Revlon Escrow Corp.</b>				
6.250% due 08/01/2024 (b)		2,100		2,132
<b>Sabine Pass Liquefaction LLC</b>				
5.875% due 06/30/2026		5,400		5,549
<b>Safeway, Inc.</b>				
7.250% due 02/01/2031		470		463
<b>Scientific Games International, Inc.</b>				
10.000% due 12/01/2022		5,600		5,005
<b>Sequa Corp.</b>				
7.000% due 12/15/2017		13,090		2,225
<b>SFR Group S.A.</b>				
7.375% due 05/01/2026		2,200		2,200
<b>Tembec Industries, Inc.</b>				
9.000% due 12/15/2019		2,100		1,654
<b>Transocean, Inc.</b>				
9.000% due 07/15/2023		1,813		1,704
<b>UAL Pass-Through Trust</b>				
7.336% due 01/02/2021		1,889		1,983
<b>UCP, Inc.</b>				
8.500% due 10/21/2017		10,900		10,850
<b>Unique Pub Finance Co. PLC</b>				
5.659% due 06/30/2027	GBP	5,416		7,251
<b>Valvoline, Inc.</b>				
5.500% due 07/15/2024	\$	750		785
				206,535

**UTILITIES 5.8%**

**CenturyLink, Inc.**

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7.500% due 04/01/2024		1,500	1,605
<b>Frontier Communications Corp.</b>			
10.500% due 09/15/2022		1,190	1,287
11.000% due 09/15/2025		1,190	1,276
<b>Gazprom OAO Via Gaz Capital S.A.</b>			
9.250% due 04/23/2019		11,200	12,885
<b>Illinois Power Generating Co.</b>			
6.300% due 04/01/2020		4,570	1,828
7.000% due 04/15/2018		8,855	3,542
7.950% due 06/01/2032		1,175	470
<b>Mountain States Telephone &amp; Telegraph Co.</b>			
7.375% due 05/01/2030 (i)		15,730	16,792
<b>Odebrecht Drilling Norbe Ltd.</b>			
6.350% due 06/30/2022		525	144
<b>Odebrecht Offshore Drilling Finance Ltd.</b>			
6.625% due 10/01/2023		4,964	844
6.750% due 10/01/2023		4,684	796
<b>Petrobras Global Finance BV</b>			
3.536% due 03/17/2020		420	388
4.250% due 10/02/2023	EUR	1,200	1,183
5.750% due 01/20/2020	\$	360	360
6.250% due 12/14/2026	GBP	6,100	7,155
6.625% due 01/16/2034		800	895
6.750% due 01/27/2041	\$	4,100	3,382
7.875% due 03/15/2019		487	518
			55,350
<b>Total Corporate Bonds &amp; Notes</b>			
(Cost \$526,225)			503,257

20 PIMCO CLOSED-END FUNDS

See Accompanying Notes

July 31, 2016

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>MUNICIPAL BONDS &amp; NOTES 8.6%</b>		
<b>CALIFORNIA 4.7%</b>		
<b>Los Angeles Community Redevelopment Agency, California Tax Allocation Bonds, (NPFGC Insured), Series 2006</b>		
6.020% due 09/01/2021	\$ 6,480	\$ 6,497
<b>Riverside County, California Redevelopment Successor Agency Tax Allocation Bonds, Series 2010</b>		
7.500% due 10/01/2030	3,425	3,855
<b>San Diego Redevelopment Agency, California Tax Allocation Bonds, Series 2010</b>		
7.750% due 09/01/2040	21,545	24,661
<b>Stockton Public Financing Authority, California Revenue Bonds, (BABs), Series 2009</b>		
7.942% due 10/01/2038	8,500	9,716
		44,729
<b>ILLINOIS 2.7%</b>		
<b>Chicago, Illinois General Obligation Bonds, (BABs), Series 2010</b>		
7.517% due 01/01/2040	23,700	25,076
<b>VIRGINIA 0.1%</b>		
<b>Tobacco Settlement Financing Corp., Virginia Revenue Bonds, Series 2007</b>		
6.706% due 06/01/2046	1,400	1,195
<b>WEST VIRGINIA 1.1%</b>		
<b>Tobacco Settlement Finance Authority, West Virginia Revenue Bonds, Series 2007</b>		
7.467% due 06/01/2047	10,740	10,311
<b>Total Municipal Bonds &amp; Notes</b>		<b>81,311</b>
<b>(Cost \$73,943)</b>		
<b>U.S. GOVERNMENT AGENCIES 3.8%</b>		
<b>Fannie Mae</b>		
3.000% due 01/25/2042 (a)	1,578	143
3.500% due 02/25/2033 (a)	3,670	484
4.743% due 01/25/2029	800	806
5.612% due 07/25/2040 (a)	1,966	282
5.788% due 10/25/2028	1,000	1,069
8.867% due 01/25/2042	732	733
<b>Freddie Mac</b>		
6.175% due 11/25/2055	14,780	7,929
6.619% due 02/15/2034 (a)	3,197	708
8.038% due 12/25/2027	4,449	4,343
8.245% due 07/15/2039	4,311	4,685
9.459% due 03/15/2044	1,518	2,121
10.716% due 04/15/2044	968	1,036
10.756% due 02/15/2036	6,525	8,594
11.238% due 03/25/2025	2,383	2,406
<b>Ginnie Mae</b>		
3.000% due 12/20/2042 (a)	256	5
3.500% due 09/16/2041 - 06/20/2042 (a)	2,452	221
6.263% due 01/20/2042 (a)	3,304	495
<b>Total U.S. Government Agencies</b>		<b>36,060</b>
<b>(Cost \$34,770)</b>		
<b>NON-AGENCY MORTGAGE-BACKED SECURITIES 29.5%</b>		
<b>Banc of America Alternative Loan Trust</b>		

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6.000% due 01/25/2036 ^	288	247
6.000% due 04/25/2036 ^	5,307	4,732
<b>Banc of America Funding Trust</b>		
5.500% due 01/25/2036	527	536
6.000% due 07/25/2037 ^	840	668
<b>BCAP LLC Trust</b>		
2.973% due 03/27/2036	3,868	2,009
3.333% due 07/26/2037	798	35
5.196% due 03/26/2037	2,511	734
	<b>PRINCIPAL</b>	<b>MARKET</b>
	<b>AMOUNT</b>	<b>VALUE</b>
	<b>(000S)</b>	<b>(000S)</b>
7.035% due 12/26/2036	\$ 8,549	\$ 7,712
8.970% due 10/26/2036	5,716	5,334
<b>Bear Stearns ALT-A Trust</b>		
2.840% due 11/25/2036 ^	1,030	759
2.873% due 08/25/2046	6,761	5,178
3.076% due 08/25/2036 ^	4,415	3,278
3.241% due 11/25/2034	508	471
3.379% due 09/25/2035 ^	1,764	1,456
<b>Bear Stearns Mortgage Funding Trust</b>		
7.000% due 08/25/2036	2,978	2,845
<b>Chase Mortgage Finance Trust</b>		
2.695% due 12/25/2035 ^	32	30
6.000% due 02/25/2037 ^	2,670	2,225
6.000% due 03/25/2037 ^	569	495
6.000% due 07/25/2037 ^	2,118	1,792
<b>Chase Mortgage Trust</b>		
3.750% due 02/25/2044	1,000	951
<b>Citigroup Mortgage Loan Trust, Inc.</b>		
3.797% due 11/25/2035	18,312	10,317
5.242% due 04/25/2037 ^	5,025	4,315
5.294% due 03/25/2037 ^	1,518	1,366
6.000% due 11/25/2036	15,613	11,355
<b>CitiMortgage Alternative Loan Trust</b>		
5.750% due 04/25/2037 ^	4,106	3,549
<b>Countrywide Alternative Loan Resecuritization Trust</b>		
6.000% due 08/25/2037 ^	3,042	2,410
<b>Countrywide Alternative Loan Trust</b>		
0.697% due 03/20/2046	6,769	5,069
0.758% due 08/25/2035	95	57
4.335% due 06/25/2047	5,363	4,379
4.762% due 04/25/2037 ^ (a)	32,015	6,513
5.250% due 05/25/2021 ^	26	26
5.500% due 03/25/2035	832	688
5.500% due 09/25/2035 ^	7,138	6,422
5.500% due 03/25/2036 ^	267	202
5.750% due 01/25/2035	990	1,001
5.750% due 02/25/2035	1,097	1,082
6.000% due 02/25/2035	961	986
6.000% due 04/25/2036	2,605	2,061
6.000% due 05/25/2036 ^	2,730	2,176
6.000% due 02/25/2037 ^	915	648
6.000% due 02/25/2037	3,448	2,780
6.000% due 04/25/2037 ^	9,625	6,952
6.000% due 08/25/2037 ^	25,322	20,351
6.250% due 10/25/2036 ^	3,708	3,183
6.250% due 12/25/2036 ^	4,509	3,384
6.500% due 08/25/2036 ^	1,209	845
6.500% due 09/25/2036 ^	639	513
19.844% due 02/25/2036	2,818	4,135
<b>Countrywide Home Loan Mortgage Pass-Through Trust</b>		
5.500% due 07/25/2037 ^	1,076	868
6.000% due 04/25/2036 ^	828	748
6.000% due 03/25/2037 ^	3,072	2,655
<b>Credit Suisse Mortgage Capital Mortgage-Backed Trust</b>		
5.750% due 04/25/2036 ^	2,146	1,681
6.000% due 02/25/2037 ^	2,589	2,249
<b>Deco Pan Europe Ltd.</b>		

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0.503% due 04/27/2018	EUR	1,760	1,935
<b>Epic Drummond Ltd.</b>			
0.044% due 01/25/2022		2,566	2,768
<b>First Horizon Alternative Mortgage Securities Trust</b>			
6.000% due 08/25/2036 ^	\$	3,325	2,807
<b>GSR Mortgage Loan Trust</b>			
2.884% due 11/25/2035 ^		2,715	2,472
2.919% due 03/25/2037 ^		4,558	3,776
5.500% due 05/25/2036 ^		400	381
<b>IndyMac Mortgage Loan Trust</b>			
6.500% due 07/25/2037 ^		7,489	4,644
<b>JPMorgan Alternative Loan Trust</b>			
2.681% due 03/25/2037		15,871	13,012
<b>JPMorgan Mortgage Trust</b>			
2.789% due 10/25/2035		82	80
2.839% due 01/25/2037 ^		2,137	1,916
2.861% due 02/25/2036 ^		3,521	3,108
3.009% due 06/25/2036 ^		1,526	1,330
<b>Lehman Mortgage Trust</b>			
6.000% due 07/25/2036 ^		2,358	1,770
		<b>PRINCIPAL</b>	<b>MARKET</b>
		<b>AMOUNT</b>	<b>VALUE</b>
		<b>(000S)</b>	<b>(000S)</b>
6.000% due 07/25/2037 ^	\$	434	\$ 391
26.742% due 11/25/2035 ^		410	706
<b>Lehman XS Trust</b>			
0.708% due 06/25/2047		5,485	3,895
<b>MASTR Alternative Loan Trust</b>			
6.750% due 07/25/2036		4,662	3,434
<b>Merrill Lynch Mortgage Investors Trust</b>			
2.820% due 03/25/2036 ^		4,648	3,094
<b>Mesdag Delta BV</b>			
0.094% due 01/25/2020	EUR	2,143	2,057
<b>RBSSP Resecuritization Trust</b>			
0.673% due 10/27/2036	\$	3,609	315
0.693% due 08/27/2037		8,000	2,172
<b>Residential Accredit Loans, Inc. Trust</b>			
0.678% due 08/25/2036		1,578	1,234
0.718% due 05/25/2037 ^		555	130
6.000% due 08/25/2036 ^		1,058	884
6.000% due 05/25/2037 ^		3,393	2,868
<b>Residential Asset Securitization Trust</b>			
5.750% due 02/25/2036 ^		578	454
6.000% due 02/25/2037 ^		2,725	2,187
6.250% due 09/25/2037 ^		5,848	4,122
<b>Residential Funding Mortgage Securities, Inc. Trust</b>			
3.530% due 02/25/2037		4,667	3,776
<b>Structured Adjustable Rate Mortgage Loan Trust</b>			
2.795% due 11/25/2036 ^		7,455	5,704
2.857% due 01/25/2036 ^		9,936	7,526
2.924% due 07/25/2036 ^		1,824	1,472
3.130% due 07/25/2035 ^		3,607	3,105
4.559% due 03/25/2037 ^		1,442	998
<b>Structured Asset Mortgage Investments Trust</b>			
0.608% due 08/25/2036		267	203
<b>Suntrust Adjustable Rate Mortgage Loan Trust</b>			
2.867% due 02/25/2037 ^		1,072	945
3.034% due 04/25/2037 ^		1,351	1,153
6.042% due 02/25/2037 ^		11,593	9,849
<b>WaMu Mortgage Pass-Through Certificates Trust</b>			
2.542% due 07/25/2037 ^		1,246	1,017
4.179% due 02/25/2037 ^		1,697	1,542
4.412% due 07/25/2037 ^		2,963	2,694
6.002% due 10/25/2036 ^		2,456	1,933
<b>Washington Mutual Mortgage Pass-Through Certificates Trust</b>			
1.295% due 05/25/2047 ^		670	44
6.000% due 10/25/2035 ^		2,305	1,696
6.000% due 03/25/2036 ^		3,409	3,179
6.000% due 02/25/2037		8,707	7,723

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**Total Non-Agency Mortgage-Backed Securities (Cost \$270,860) 278,954**

**ASSET-BACKED SECURITIES 20.5%**

**AMAC CDO Funding**

1.788% due 11/23/2050	2,789	2,661
6.516% due 11/23/2050	876	879

**Ameriquest Mortgage Securities, Inc. Asset-Backed Pass-Through Certificates**

1.838% due 03/25/2033	99	95
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**Bear Stearns Asset-Backed Securities Trust**

0.888% due 04/25/2037	23,128	16,824
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**CIFC Funding Ltd.**

0.000% due 05/24/2026 (e)	4,100	2,898
0.000% due 07/22/2026	3,000	1,834

**Citigroup Mortgage Loan Trust, Inc.**

0.648% due 12/25/2036	8,968	5,921
0.853% due 11/25/2046	11,202	9,699

**Countrywide Asset-Backed Certificates**

0.658% due 03/25/2037	5,314	4,835
0.688% due 06/25/2047	20,858	14,195
0.798% due 09/25/2037 ^	19,068	9,419
4.992% due 10/25/2046 ^	15,727	14,062

**Credit-Based Asset Servicing and Securitization LLC**

0.598% due 11/25/2036	1,572	983
4.023% due 12/25/2035 ^	153	152

See Accompanying Notes

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## Schedule of Investments PIMCO Corporate &amp; Income Opportunity Fund (Cont.)

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>First Franklin Mortgage Loan Trust</b>		
0.648% due 10/25/2036	\$ 6,098	\$ 4,186
<b>Fremont Home Loan Trust</b>		
0.638% due 01/25/2037	7,835	4,095
<b>IndyMac Home Equity Mortgage Loan Asset-Backed Trust</b>		
0.648% due 07/25/2037	3,886	2,395
<b>JPMorgan Mortgage Acquisition Trust</b>		
5.830% due 07/25/2036 ^	157	89
<b>Lehman XS Trust</b>		
6.290% due 06/24/2046	4,846	4,532
<b>Long Beach Mortgage Loan Trust</b>		
0.788% due 01/25/2036	8,000	4,440
<b>Merrill Lynch Mortgage Investors Trust</b>		
4.244% due 03/25/2037	7,874	2,726
<b>Morgan Stanley ABS Capital, Inc. Trust</b>		
0.638% due 10/25/2036	8,728	5,227
<b>Morgan Stanley Mortgage Loan Trust</b>		
6.250% due 07/25/2047 ^	1,648	1,153
<b>Park Place Securities, Inc. Asset-Backed Pass-Through Certificates</b>		
1.138% due 07/25/2035	6,000	3,460
<b>Renaissance Home Equity Loan Trust</b>		
5.612% due 04/25/2037	11,879	5,995
7.238% due 09/25/2037 ^	10,024	6,033
<b>Residential Asset Securities Corp. Trust</b>		
1.068% due 08/25/2034	12,009	9,527
<b>SLM Student Loan Trust</b>		
0.000% due 10/28/2029 (e)	8	9,603
0.000% due 01/25/2042 (e)	7	7,447
<b>South Coast Funding Ltd.</b>		
1.230% due 08/10/2038	21,412	4,514
	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>Taberna Preferred Funding Ltd.</b>		
0.993% due 12/05/2036	\$ 600	\$ 420
1.013% due 08/05/2036	868	608
1.013% due 08/05/2036 ^	16,817	11,772
1.033% due 02/05/2036	11,162	8,316
<b>Tropic CDO Ltd.</b>		
1.580% due 04/15/2034	25,000	13,250
<b>Total Asset-Backed Securities</b> (Cost \$197,463)		<b>194,245</b>
<b>SOVEREIGN ISSUES 1.7%</b>		
<b>Autonomous Community of Catalonia</b>		
4.300% due 11/15/2016	EUR 5,100	5,739
4.900% due 09/15/2021	2,650	3,049
<b>Republic of Greece Government International Bond</b>		
3.800% due 08/08/2017	JPY 695,000	6,497
4.750% due 04/17/2019	EUR 600	605
<b>Total Sovereign Issues (Cost \$14,697)</b>		<b>15,890</b>
	SHARES	
<b>COMMON STOCKS 0.1%</b>		
<b>FINANCIALS 0.1%</b>		
<b>TIG FinCo PLC (g)</b>	794,831	505

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Total Common Stocks (Cost \$1,179) 505

**PREFERRED SECURITIES 1.2%**

**BANKING & FINANCE 1.2%**

**Farm Credit Bank of Texas**

10.000% due 12/15/2020 (f) 7,870 9,463

**MARKET  
VALUE  
(000S)**

**SHARES**

**GMAC Capital Trust**

6.411% due 02/15/2040 94,725 \$ 2,408

**Total Preferred Securities (Cost \$11,403) 11,871**

**SHORT-TERM INSTRUMENTS 13.5%**

**REPURCHASE AGREEMENTS (h) 6.8%**

63,979

**PRINCIPAL  
AMOUNT  
(000S)**

**U.S. TREASURY BILLS 6.7%**

0.301% due 10/06/2016 - 10/13/2016 (d)(e)(k)(m) \$ 63,320 63,290

**Total Short-Term Instruments**

(Cost \$127,261) 127,269

**Total Investments in Securities**

(Cost \$1,283,360) 1,271,246

**Total Investments 134.3%**

(Cost \$1,283,360) \$ 1,271,246

**Financial Derivative**

**Instruments (j)(l) (5.9)%**

(Cost or Premiums, net \$(55,576)) (55,533)

Preferred Shares (25.1)% (237,950)

Other Assets and Liabilities, net (3.3)% (30,920)

Net Assets Applicable to Common Shareholders 100.0% \$ 946,843

**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) When-issued security.

(c) Payment in-kind security.

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

(e) Zero coupon security.

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

**(g) RESTRICTED SECURITIES:**

Issuer Description

Cost

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	Acquisition Date		Market Value	Market Value as Percentage of Net Assets
TIG FinCo PLC	04/02/2015	\$ 1,179	\$ 505	0.05%

**BORROWINGS AND OTHER FINANCING TRANSACTIONS**

**(h) REPURCHASE AGREEMENTS:**

Counterparty	Lending Rate	Settlement Date	Maturity Date	Principal Amount	Collateralized By	Collateral (Received)	Repurchase Agreements, at Value	Repurchase Agreement Proceeds to be Received <sup>(1)</sup>
BOS	0.480%	07/29/2016	08/01/2016	\$ 5,000	U.S. Treasury Notes 1.750% due 03/31/2022	\$ (5,141)	\$ 5,000	\$ 5,000
MBC	0.550	07/29/2016	08/01/2016	54,900	U.S. Treasury Notes 1.375% due 03/31/2020	(56,840)	54,900	54,903
SSB	0.010	07/29/2016	08/01/2016	4,079	U.S. Treasury Notes 1.000% due 05/15/2018	(4,162)	4,079	4,079
<b>Total Repurchase Agreements</b>						<b>\$ (66,143)</b>	<b>\$ 63,979</b>	<b>\$ 63,982</b>

<sup>(1)</sup> Includes accrued interest.

**22 PIMCO CLOSED-END FUNDS**

See Accompanying Notes

July 31, 2016

**REVERSE REPURCHASE AGREEMENTS:**

Counterparty	Borrowing Rate <sup>(3)</sup>	Borrowing Date	Maturity Date	Amount Borrowed <sup>(3)</sup>	Payable for Reverse Repurchase Agreements
BCY	(0.250)%	02/18/2016	TBD <sup>(2)</sup>	\$ (818)	\$ (817)
	(0.250)	03/04/2016	TBD <sup>(2)</sup>	(194)	(194)
MSC	1.050	07/19/2016	10/19/2016	(9,325)	(9,328)
RDR	(1.000)	01/22/2016	TBD <sup>(2)</sup>	(462)	(460)
	(0.750)	06/15/2016	06/15/2017	(3,650)	(3,646)
UBS	0.900	07/11/2016	10/06/2016	(4,206)	(4,208)
	1.150	05/18/2016	08/18/2016	GBP (1,673)	(2,220)
	1.200	07/11/2016	10/06/2016	\$ (3,929)	(3,932)
<b>Total Reverse Repurchase Agreements</b>					<b>\$ (24,805)</b>

<sup>(2)</sup> Open maturity reverse repurchase agreement.

<sup>(3)</sup> The average amount of borrowings outstanding during the period ended July 31, 2016 was \$(44,433) at a weighted average interest rate of 0.629%.

**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, 2016:

(i) Securities with an aggregate market value of \$28,880 have been pledged as collateral under the terms of the following master agreements as of July 31, 2016.

Counterparty	Repurchase Agreement Proceeds to be Received	Payable for Reverse Repurchase Agreements	Payable for Sale-Buyback Transactions	Total Borrowings and Other Financing Transactions	Collateral (Received)/Pledged	Net Exposure <sup>(4)</sup>
Global/Master Repurchase Agreement						
BCY	\$ 0	\$ (1,011)	\$ 0	\$ (1,011)	\$ 1,427	\$ 416
BOS	5,000	0	0	5,000	(5,141)	(141)
MBC	54,903	0	0	54,903	(56,841)	(1,938)
MSC	0	(9,328)	0	(9,328)	10,421	1,093
RDR	0	(4,106)	0	(4,106)	4,019	(87)
SSB	4,079	0	0	4,079	(4,162)	(83)
UBS	0	(10,360)	0	(10,360)	11,467	1,107
<b>Total Borrowings and Other Financing Transactions</b>	<b>\$ 63,982</b>	<b>\$ (24,805)</b>	<b>\$ 0</b>			

(4) 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.

**CERTAIN TRANSFERS ACCOUNTED FOR AS SECURED BORROWINGS**

**Remaining Contractual Maturity of the Agreements**

	Overnight and Continuous	Up to 30 days	31-90 days	Greater Than 90 days	Total
<b>Reverse Repurchase Agreements</b>					
Corporate Bonds & Notes	\$ 0	\$ (2,220)	\$ (17,468)	\$ (5,117)	\$ (24,805)
<b>Total Borrowings</b>	<b>\$ 0</b>	<b>\$ (2,220)</b>	<b>\$ (17,468)</b>	<b>\$ (5,117)</b>	<b>\$ (24,805)</b>
Gross amount of recognized liabilities for reverse repurchase agreements					\$ (24,805)

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

**SWAP AGREEMENTS:**

**CREDIT DEFAULT SWAPS ON CREDIT INDICES - SELL PROTECTION <sup>(1)</sup>**

Index/Tranches	Fixed Receive Rate	Maturity Date	Notional Amount (2)	Market Value (3)	Unrealized Appreciation/ (Depreciation)	Variation Margin	
						Asset	Liability
CDX.HY-24 5-Year Index	5.000%	06/20/2020	\$ 15,386	\$ 1,089	\$ (97)	\$ 53	\$ 0
CDX.HY-25 5-Year Index	5.000	12/20/2020	23,958	1,313	1,065	93	0
CDX.HY-26 5-Year Index	5.000	06/20/2021	3,200	160	40	13	0

See Accompanying Notes

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

Index/Tranches	Fixed Receive Rate	Maturity Date	Notional Amount (2)	Market Value (3)	Unrealized Appreciation/ (Depreciation)	Variation Margin	
						Asset	Liability
CDX.IG-23 5-Year Index	1.000%	12/20/2019	\$ 11,800	\$ 132	\$ (59)	\$ 10	\$ 0
CDX.IG-24 5-Year Index	1.000	06/20/2020	17,600	206	(106)	16	0
CDX.IG-26 5-Year Index	1.000	06/20/2021	7,600	109	34	8	0
				\$ 3,009	\$ 877	\$ 193	\$ 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	Floating Rate Index	Fixed Rate	Maturity Date	Notional Amount	Market Value	Unrealized Appreciation/ (Depreciation)	Variation Margin	
								Asset	Liability
Pay	3-Month USD-LIBOR		2.750%	06/17/2025	\$ 145,380	\$ 18,252	\$ 9,059	\$ 735	\$ 0
Pay	3-Month USD-LIBOR		2.250	06/15/2026	44,400	3,798	1,698	238	0
Pay	3-Month USD-LIBOR		3.500	06/19/2044	305,100	126,579	136,532	4,552	0
Receive	3-Month USD-LIBOR *		2.250	12/21/2046	482,100	(56,215)	(14,832)	0	(6,819)
Pay	6-Month AUD-BBR-BBSW		3.500	06/17/2025	AUD 13,400	1,225	893	75	0
						\$ 93,639	\$ 133,350	\$ 5,600	\$ (6,819)
<b>Total Swap Agreements</b>						<b>\$ 96,648</b>	<b>\$ 134,227</b>	<b>\$ 5,793</b>	<b>\$ (6,819)</b>

\* This security has a forward starting effective date. See Note 2(a) in the Notes to Financial Statements for further information.

**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, 2016:

- (k) Securities with an aggregate market value of \$8,696 and cash of \$11,274 have been pledged as collateral for exchange-traded and centrally cleared financial derivative instruments as of July 31, 2016. See Note 7, Principal Risks, in the Notes to Financial Statements for more information regarding master netting arrangements.

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	Financial Derivative Assets				Financial Derivative Liabilities			
	Variation Margin				Variation Margin			
	Market Value Purchased		Asset Swap Agreements		Market Value Written		Liability Swap Agreements	
	Options	Futures		Total	Options	Futures		Total
Total Exchange-Traded or Centrally Cleared	\$ 0	\$ 0	\$ 5,793	\$ 5,793	\$ 0	\$ 0	\$ (6,819)	\$ (6,819)

(I) 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	
AZD	08/2016	EUR	508	\$	562	\$	0	\$ (6)
BOA	08/2016		27,641		30,493		0	(410)
	08/2016	GBP	64,368		85,664		477	0
	08/2016		\$ 28,490	EUR	25,900		466	0
BPS	09/2016	EUR	25,900	\$	28,526		0	(465)
	08/2016	BRL	5,405		1,653		0	(14)
	08/2016	GBP	396		519		0	(5)
	08/2016		\$ 1,574	BRL	5,405		93	0
CBK	09/2016		1,449		4,791		13	0
	08/2016	AUD	182	\$	133		0	(5)
	08/2016	EUR	505		560		0	(5)

24 PIMCO CLOSED-END FUNDS

See Accompanying Notes

July 31, 2016

Counterparty	Settlement Month	Currency to be Delivered	Currency to be Received	Unrealized Appreciation/ (Depreciation)		
				Asset	Liability	
	08/2016	GBP	1,416	\$ 1,874	\$ 5	\$ (5)
	08/2016	\$	2,784	EUR 2,528	42	0
	09/2016	GBP	144	\$ 190	0	0
GLM	08/2016	AUD	246	182	0	(5)
	08/2016	EUR	86	95	0	(2)
	08/2016	GBP	575	755	0	(6)
	09/2016		218	287	0	(2)
JPM	08/2016	AUD	123	93	0	(1)
	08/2016	BRL	614	187	0	(3)
	08/2016	GBP	822	1,076	0	(11)
	08/2016	JPY	19,600	186	0	(6)
	08/2016	\$	190	BRL 614	0	0
	08/2016		1,309	GBP 985	0	(5)
	09/2016	EUR	172	\$ 191	0	(1)
MSB	08/2016	GBP	142	188	0	0
NAB	08/2016	\$	6,380	JPY 673,141	218	0
	09/2016	JPY	673,141	\$ 6,388	0	(216)
SCX	08/2016	EUR	172	189	0	(3)
	08/2016	JPY	653,541	6,420	15	0
	08/2016	\$	88,178	GBP 67,204	763	0
	09/2016	EUR	897	\$ 996	0	(8)
	09/2016	GBP	67,204	88,219	0	(765)
TOR	08/2016		1,010	1,305	0	(32)
UAG	08/2016	EUR	549	606	0	(8)
	08/2016	\$	1,051	EUR 947	8	0
<b>Total Forward Foreign Currency Contracts</b>					<b>\$ 2,100</b>	<b>\$ (1,989)</b>

## SWAP AGREEMENTS:

CREDIT DEFAULT SWAPS ON CORPORATE AND SOVEREIGN ISSUES - SELL PROTECTION <sup>(1)</sup>

Counterparty	Reference Entity	Fixed Receive Rate	Maturity Date	Implied Credit Spread at July 31, 2016 <sup>(2)</sup>	Notional Amount <sup>(3)</sup>	Premiums Paid/(Received)	Unrealized Appreciation/ (Depreciation)	Swap Agreements, at Value	
								Asset	Liability
BPS	Banco Espirito Santo S.A.	5.000%	09/20/2020	13.620%	EUR 3,000	\$ (115)	\$ (606)	\$ 0	\$ (721)
	Navient Corp.	5.000	12/20/2020	4.419	\$ 5,000	(51)	194	143	0
	Petrobras Global Finance BV	1.000	12/20/2024	6.275	1,800	(352)	(217)	0	(569)
BRC	Navient Corp.	5.000	12/20/2020	4.419	3,000	12	73	85	0
GST	Navient Corp.	5.000	12/20/2020	4.419	2,000	8	49	57	0
	Petrobras Global Finance BV	1.000	09/20/2020	5.476	20	(3)	0	0	(3)
	Petrobras Global Finance BV	1.000	12/20/2024	6.275	2,400	(476)	(283)	0	(759)
HUS	Petrobras Global Finance BV	1.000	12/20/2019	4.923	500	(41)	(20)	0	(61)
		1.000	09/20/2020	5.476	60	(8)	(2)	0	(10)

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	Petrobras Global Finance BV								
	Petrobras Global Finance BV	1.000	12/20/2024	6.275	3,000	(623)	(326)	0	(949)
JPM	Banco Espirito Santo S.A.	5.000	09/20/2020	13.620	EUR 5,000	(206)	(996)	0	(1,202)
	Navient Corp.	5.000	12/20/2020	4.419	\$ 5,000	31	112	143	0
	Russia Government International Bond	1.000	06/20/2019	1.559	28,600	(1,957)	1,539	0	(418)
	Russia Government International Bond	1.000	12/20/2020	2.190	1,300	(149)	86	0	(63)
MYC	Banco Espirito Santo S.A.	5.000	09/20/2020	13.620	EUR 3,000	(28)	(693)	0	(721)
	Chesapeake Energy Corp.	5.000	09/20/2020	12.934	\$ 100	(10)	(15)	0	(25)
	Petrobras Global Finance BV	1.000	12/20/2019	4.923	14,500	(1,342)	(410)	0	(1,752)
						\$ (5,310)	\$ (1,515)	\$ 428	\$ (7,253)

CREDIT DEFAULT SWAPS ON CREDIT INDICES - SELL PROTECTION <sup>(1)</sup>

Counterparty	Index/Tranches	Fixed Receive Rate	Maturity Date	Notional Amount <sup>(3)</sup>	Premiums (Received)	Unrealized Appreciation	Swap Agreements, at Value <sup>(4)</sup>	
							Asset	Liability
BOA	ABX.HE.AAA.6-2 Index	0.110%	05/25/2046	\$ 66,373	\$ (12,957)	\$ 1,017	\$ 0	\$ (11,940)
BRC	ABX.HE.AAA.6-2 Index	0.110	05/25/2046	82,676	(16,852)	1,979	0	(14,873)
GST	ABX.HE.AAA.6-2 Index	0.110	05/25/2046	5,808	(1,192)	147	0	(1,045)
MEI	ABX.HE.AAA.6-2 Index	0.110	05/25/2046	80,022	(15,732)	1,337	0	(14,395)
MYC	ABX.HE.AAA.6-2 Index	0.110	05/25/2046	20,742	(4,035)	304	0	(3,731)
					\$ (50,768)	\$ 4,784	\$ 0	\$ (45,984)

See Accompanying Notes

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

- (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) 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			Maturity Date	Notional Amount	Unrealized Swap Agreements, at Value			
	Floating Rate	Floating Rate Index	Fixed Rate			Premiums Paid/(Received)	Appreciation/(Depreciation)	Asset	Liability
BOA	Pay	1-Year BRL-CDI	11.500%	01/04/2021	BRL 61,500	\$ 52	\$ (576)	\$ 0	\$ (524)
CBK	Receive	1-Year BRL-CDI	12.230	01/04/2021	41,600	609	(669)	0	(60)
	Pay	3-Month USD-LIBOR	1.500	09/16/2021	\$ 2,700	(1)	6	5	0
DUB	Pay	3-Month USD-LIBOR	1.500	09/16/2021	11,600	(2)	24	22	0
UAG	Pay	1-Year BRL-CDI	11.250	01/04/2021	BRL 105,000	(156)	(1,096)	0	(1,252)
						\$ 502	\$ (2,311)	\$ 27	\$ (1,836)
<b>Total Swap Agreements</b>						<b>\$ (55,576)</b>	<b>\$ 958</b>	<b>\$ 455</b>	<b>\$ (55,073)</b>

**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, 2016:

- (m) Securities with an aggregate market value of \$54,068 have been pledged as collateral for financial derivative instruments as governed by International Swaps and Derivatives Association, Inc. master agreements as of July 31, 2016.

Counterparty	Financial Derivative Assets				Financial Derivative Liabilities				Net Market Value of OTC Derivatives	Collateral (Received)/Pledged	Net Exposure <sup>(5)</sup>
	Forward Foreign Currency Contracts	Purchased Options	Swap Agreements	Total Over the Counter	Forward Foreign Currency Contracts	Written Options	Swap Agreements	Total Over the Counter			
AZD	\$ 0	\$ 0	\$ 0	\$ 0	\$ (6)	\$ 0	\$ 0	\$ (6)	\$ (6)	\$ 0	\$ (6)
BOA	943	0	0	943	(875)	0	(12,464)	(13,339)	(12,396)	11,387	(1,009)
BPS	106	0	143	249	(19)	0	(1,290)	(1,309)	(1,060)	1,143	83

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BRC	0	0	85	85	0	0	(14,873)	(14,873)	(14,788)	14,998	210
CBK	47	0	5	52	(15)	0	(60)	(75)	(23)	0	(23)
DUB	0	0	22	22	0	0	0	0	22	(20)	2
GLM	0	0	0	0	(15)	0	0	(15)	(15)	0	(15)
GST	0	0	57	57	0	0	(1,807)	(1,807)	(1,750)	1,751	1
HUS	0	0	0	0	0	0	(1,020)	(1,020)	(1,020)	1,098	78
JPM	0	0	143	143	(27)	0	(1,683)	(1,710)	(1,567)	1,607	40
MEI	0	0	0	0	0	0	(14,395)	(14,395)	(14,395)	14,405	10
MYC	0	0	0	0	0	0	(6,229)	(6,229)	(6,229)	6,264	35
NAB	218	0	0	218	(216)	0	0	(216)	2	0	2
SCX	778	0	0	778	(776)	0	0	(776)	2	(270)	(268)
TOR	0	0	0	0	(32)	0	0	(32)	(32)	0	(32)
UAG	8	0	0	8	(8)	0	(1,252)	(1,260)	(1,252)	1,243	(9)
<b>Total Over the Counter</b>	<b>\$ 2,100</b>	<b>\$ 0</b>	<b>\$ 455</b>	<b>\$ 2,555</b>	<b>\$ (1,989)</b>	<b>\$ 0</b>	<b>\$ (55,073)</b>	<b>\$ (57,062)</b>			

<sup>(5)</sup> 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.

**26 PIMCO CLOSED-END FUNDS**

See Accompanying Notes

July 31, 2016

**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.

Fair Values of Financial Derivative Instruments on the Statements of Assets and Liabilities as of July 31, 2016:

	Derivatives not accounted for as hedging instruments						Total
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts		
<b>Financial Derivative Instruments - Assets</b>							
Exchange-traded or centrally cleared							
Swap Agreements	\$ 0	\$ 193	\$ 0	\$ 0	\$ 5,600	\$ 5,793	
Over the counter							
Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ 2,100	\$ 0	\$ 2,100	
Swap Agreements	0	428	0	0	27	455	
	\$ 0	\$ 428	\$ 0	\$ 2,100	\$ 27	\$ 2,555	
	\$ 0	\$ 621	\$ 0	\$ 2,100	\$ 5,627	\$ 8,348	
<b>Financial Derivative Instruments - Liabilities</b>							
Exchange-traded or centrally cleared							
Swap Agreements	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,819	\$ 6,819	
Over the counter							
Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ 1,989	\$ 0	\$ 1,989	
Swap Agreements	0	53,237	0	0	1,836	55,073	
	\$ 0	\$ 53,237	\$ 0	\$ 1,989	\$ 1,836	\$ 57,062	
	\$ 0	\$ 53,237	\$ 0	\$ 1,989	\$ 8,655	\$ 63,881	

The effect of Financial Derivative Instruments on the Statements of Operations for the period ended July 31, 2016:

	Derivatives not accounted for as hedging instruments						Total
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts		

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**Net Realized Gain (Loss) on Financial Derivative Instruments**

Exchange-traded or centrally cleared

Swap Agreements	\$ 0	\$ 1,134	\$ 0	\$ 0	\$ (118,874)	\$ (117,740)
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Over the counter

Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ 17,604	\$ 0	\$ 17,604
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Swap Agreements	0	13	0	0	705	718
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	\$ 0	\$ 13	\$ 0	\$ 17,604	\$ 705	\$ 18,322
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	\$ 0	\$ 1,147	\$ 0	\$ 17,604	\$ (118,169)	\$ (99,418)
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**Net Change in Unrealized Appreciation (Depreciation) on Financial Derivative Instruments**

Exchange-traded or centrally cleared

Swap Agreements	\$ 0	\$ 1,498	\$ 0	\$ 0	\$ 98,305	\$ 99,803
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Over the counter

Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ (2,113)	\$ 0	\$ (2,113)
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Swap Agreements	0	3,818	0	0	(3,155)	663
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	\$ 0	\$ 3,818	\$ 0	\$ (2,113)	\$ (3,155)	\$ (1,450)
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	\$ 0	\$ 5,316	\$ 0	\$ (2,113)	\$ 95,150	\$ 98,353
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See Accompanying Notes

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

July 31, 2016

**FAIR VALUE MEASUREMENTS**

The following is a summary of the fair valuations according to the inputs used as of July 31, 2016 in valuing the Fund's assets and liabilities:

<b>Category and Subcategory</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Fair Value at 07/31/2016</b>
Bank Loan Obligations	\$ 0	\$ 16,214	\$ 5,670	\$ 21,884
Corporate Bonds & Notes				
Banking & Finance	0	230,951	10,421	241,372
Industrials	0	195,685	10,850	206,535
Utilities	0	55,350	0	55,350
Municipal Bonds & Notes				
California	0	44,729	0	44,729
Illinois	0	25,076	0	25,076
Virginia	0	1,195	0	1,195
West Virginia	0	10,311	0	10,311
U.S. Government Agencies	0	28,131	7,929	36,060
Non-Agency Mortgage-Backed Securities	0	278,954	0	278,954
Asset-Backed Securities	0	177,195	17,050	194,245
Sovereign Issues	0	15,890	0	15,890
Common Stocks				
Financials	0	0	505	505
Preferred Securities				
Banking & Finance	2,408	9,463	0	11,871
Short-Term Instruments				
Repurchase Agreements	0	63,979	0	63,979

<b>Category and Subcategory</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Fair Value at 07/31/2016</b>
U.S. Treasury Bills	\$ 0	\$ 63,290	\$ 0	\$ 63,290
Total Investments	\$ 2,408	\$ 1,216,413	\$ 52,425	\$ 1,271,246

**Financial Derivative Instruments - Assets**

Exchange-traded or centrally cleared	0	5,793	0	5,793
Over the counter	0	2,555	0	2,555
	\$ 0	\$ 8,348	\$ 0	\$ 8,348

**Financial Derivative Instruments - Liabilities**

Exchange-traded or centrally cleared	0	(6,819)	0	(6,819)
Over the counter	0	(57,062)	0	(57,062)

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\$ 0 \$ (63,881) \$ 0 \$ (63,881)

Totals	\$ 2,408	\$ 1,160,880	\$ 52,425	\$ 1,215,713
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There were no significant transfers between Levels 1 and 2 during the period ended July 31, 2016.

The following is a reconciliation of the fair valuations using significant unobservable inputs (Level 3) for the Fund during the period ended July 31, 2016:

Category and Subcategory	Beginning Balance at 07/31/2015	Net Purchases	Net Sales	Accrued Discounts/ (Premiums)	Realized Gain/(Loss)	Net Change in Unrealized Appreciation/ (Depreciation) <sup>(1)</sup>	Transfers into Level 3	Transfers out of Level 3	Ending Balance at 07/31/2016	Net Change in Unrealized Appreciation/ (Depreciation) on Investments Held at 07/31/2016 <sup>(1)</sup>
<b>Investments in Securities, at Value</b>										
Bank Loan Obligations	\$ 8,897	\$ 0	\$ (2,022)	\$ 110	\$ 6	\$ (1,321)	\$ 0	\$ 0	\$ 5,670	\$ (1,204)
<b>Corporate Bonds &amp; Notes</b>										
Banking & Finance	10,454	0	(253)	5	3	212	0	0	10,421	244
Industrials	10,941	0	0	13	0	(104)	0	0	10,850	(104)
U.S. Government Agencies	0	8,796	(120)	70	48	(865)	0	0	7,929	(865)
<b>Non-Agency</b>										
Mortgage-Backed Securities	8,290	0	(8,338)	0	47	1	0	0	0	0
Asset-Backed Securities	0	17,023	0	0	0	27	0	0	17,050	27
<b>Common Stocks</b>										
Financials	832	0	0	0	0	(327)	0	0	505	(327)
Totals	\$ 39,414	\$ 25,819	\$ (10,733)	\$ 198	\$ 104	\$ (2,377)	\$ 0	\$ 0	\$ 52,425	\$ (2,229)

The following is a summary of significant unobservable inputs used in the fair valuations of assets and liabilities categorized within Level 3 of the fair value hierarchy:

Category and Subcategory	Ending Balance at 07/31/2016	Valuation Technique	Unobservable Inputs	Input Value(s) (% Unless Noted Otherwise)
<b>Investments in Securities, at Value</b>				
Bank Loan Obligations	\$ 5,670	Third Party Vendor	Broker Quote	77.00
<b>Corporate Bonds &amp; Notes</b>				
Banking & Finance	10,421	Proxy Pricing	Base Price	113.75
Industrials	10,850	Proxy Pricing	Base Price	99.50
U.S. Government Agencies	7,929	Proxy Pricing	Base Price	53.65
Asset-Backed Securities	17,050	Proxy Pricing	Base Price	106,003.18-115,005.75
<b>Common Stocks</b>				
Financials	505	Other Valuation Techniques <sup>(2)</sup>		
Total	\$ 52,425			

(1)

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Any difference between Net Change in Unrealized Appreciation/(Depreciation) and Net Change in Unrealized Appreciation/(Depreciation) on Investments Held at July 31, 2016 may be due to an investment no longer held or categorized as Level 3 at period end.

(2) Includes valuation techniques not defined in the Notes to Financial Statements as securities valued using such techniques are not considered significant to the Fund.

**28 PIMCO CLOSED-END FUNDS**

See Accompanying Notes

## Schedule of Investments PIMCO Corporate &amp; Income Strategy Fund

July 31, 2016

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>INVESTMENTS IN SECURITIES 124.2%</b>		
<b>BANK LOAN OBLIGATIONS 1.5%</b>		
<b>iHeartCommunications, Inc.</b>		
7.246% due 01/30/2019	\$ 5,800	\$ 4,521
<b>Sequa Corp.</b>		
5.250% due 06/19/2017	4,912	3,939
<b>Total Bank Loan Obligations (Cost \$10,181)</b>		<b>8,460</b>
<b>CORPORATE BONDS &amp; NOTES 58.1%</b>		
<b>BANKING &amp; FINANCE 31.8%</b>		
<b>AGFC Capital Trust</b>		
6.000% due 01/15/2067	2,300	1,265
<b>Ally Financial, Inc.</b>		
8.000% due 11/01/2031	2,186	2,672
<b>Banco do Brasil S.A.</b>		
6.250% due 04/15/2024 (g)	4,460	2,741
9.000% due 06/18/2024 (g)	3,827	3,102
<b>Banco Espirito Santo S.A.</b>		
2.625% due 05/08/2017 ^	EUR 1,100	351
4.000% due 01/21/2019 ^	4,300	1,370
4.750% due 01/15/2018 ^	5,100	1,625
<b>Banco Santander S.A.</b>		
6.250% due 09/11/2021 (g)	1,300	1,300
<b>Barclays PLC</b>		
6.500% due 09/15/2019 (g)	300	317
7.875% due 09/15/2022 (g)	GBP 7,567	9,676
8.000% due 12/15/2020 (g)	EUR 1,900	2,141
<b>Blackstone CQP Holdco LP</b>		
9.296% due 03/19/2019	\$ 9,188	9,269
<b>BNP Paribas S.A.</b>		
7.375% due 08/19/2025 (g)(j)	6,200	6,332
<b>Cantor Fitzgerald LP</b>		
6.500% due 06/17/2022 (j)	8,000	8,437
<b>Co-operative Group Holdings Ltd.</b>		
7.500% due 07/08/2026	GBP 6,000	8,724
<b>Communications Sales &amp; Leasing, Inc.</b>		
8.250% due 10/15/2023 (j)	\$ 3,100	3,181
<b>Credit Agricole S.A.</b>		
7.875% due 01/23/2024 (g)(j)	8,500	8,458
<b>Credit Suisse Group AG</b>		
7.500% due 12/11/2023 (g)	1,725	1,792
7.500% due 12/11/2023 (g)(j)	6,000	6,233
<b>Flagstar Bancorp, Inc.</b>		
6.125% due 07/15/2021	3,500	3,593
<b>GSPA Monetization Trust</b>		
6.422% due 10/09/2029 (j)	4,822	5,517
<b>HSBC Holdings PLC</b>		
5.250% due 09/16/2022 (g)	EUR 3,900	4,180
6.000% due 09/29/2023 (g)	3,393	3,874
<b>Jefferies Finance LLC</b>		
7.375% due 04/01/2020	\$ 200	188
7.500% due 04/15/2021	344	318
<b>Jefferies LoanCore LLC</b>		

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6.875% due 06/01/2020 (j)		6,100	5,475
<b>Lloyds Banking Group PLC</b>			
7.625% due 06/27/2023 (g)	GBP	5,700	7,575
7.875% due 06/27/2029 (g)		1,500	1,985
<b>MPT Operating Partnership LP</b>			
5.250% due 08/01/2026	\$	1,283	1,352
<b>National Bank of Greece S.A.</b>			
3.875% due 10/07/2016	EUR	1,350	1,510
<b>Nationwide Building Society</b>			
10.250% (g)	GBP	12	2,065
<b>Navient Corp.</b>			
5.500% due 01/15/2019 (j)	\$	7,405	7,636
5.625% due 08/01/2033 (j)		2,648	2,072
<b>Novo Banco S.A.</b>			
5.000% due 04/04/2019	EUR	298	253
5.000% due 04/23/2019		608	517
5.000% due 05/14/2019		402	342
5.000% due 05/21/2019		225	191
5.000% due 05/23/2019		224	190
		<b>PRINCIPAL AMOUNT (000S)</b>	<b>MARKET VALUE (000S)</b>
<b>Omega Healthcare Investors, Inc.</b>			
4.375% due 08/01/2023	\$	1,500	\$ 1,520
<b>OneMain Financial Holdings LLC</b>			
6.750% due 12/15/2019		1,349	1,371
<b>PHH Corp.</b>			
6.375% due 08/15/2021		170	158
7.375% due 09/01/2019		700	714
<b>Rio Oil Finance Trust</b>			
9.250% due 07/06/2024		3,426	2,964
9.750% due 01/06/2027		241	205
<b>Royal Bank of Scotland Group PLC</b>			
7.500% due 08/10/2020 (g)		4,070	3,968
8.000% due 08/10/2025 (g)		6,190	6,167
<b>Santander UK Group Holdings PLC</b>			
7.375% due 06/24/2022 (g)	GBP	4,200	5,507
<b>Sberbank of Russia Via SB Capital S.A.</b>			
5.717% due 06/16/2021	\$	1,900	2,034
6.125% due 02/07/2022		1,500	1,639
<b>Springleaf Finance Corp.</b>			
5.250% due 12/15/2019		335	326
8.250% due 12/15/2020		2,700	2,801
<b>Tesco Property Finance PLC</b>			
5.411% due 07/13/2044	GBP	7,751	9,814
6.052% due 10/13/2039		1,871	2,618
<b>TIG FinCo PLC</b>			
8.500% due 03/02/2020		252	340
8.750% due 04/02/2020		5,189	5,270
<b>Vnesheconombank Via VEB Finance PLC</b>			
6.902% due 07/09/2020	\$	600	644
			175,879
<b>INDUSTRIALS 19.6%</b>			
<b>Altice Financing S.A.</b>			
7.500% due 05/15/2026		1,800	1,822
<b>BMC Software Finance, Inc.</b>			
8.125% due 07/15/2021		1,688	1,384
<b>Boxer Parent Co., Inc. (9.000% Cash or 9.750% PIK)</b>			
9.000% due 10/15/2019 (d)(j)		4,342	3,691
<b>Caesars Entertainment Operating Co., Inc.</b>			
8.500% due 02/15/2020 ^		3,300	3,193
9.000% due 02/15/2020 ^		1,885	1,824
11.250% due 06/01/2017 ^		8,170	7,864
<b>Chesapeake Energy Corp.</b>			
3.930% due 04/15/2019		115	97
8.000% due 12/15/2022		100	91
<b>Continental Airlines Pass-Through Trust</b>			

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9.798% due 10/01/2022		1,058	1,176
<b>Diamond 1 Finance Corp.</b>			
5.450% due 06/15/2023		128	136
6.020% due 06/15/2026		119	128
<b>DISH DBS Corp.</b>			
7.750% due 07/01/2026 (j)		1,400	1,455
<b>Eagle Materials, Inc.</b>			
4.500% due 08/01/2026 (c)		1,530	1,556
<b>FAGE International S.A.</b>			
5.625% due 08/15/2026 (c)		800	819
<b>Forbes Energy Services Ltd.</b>			
9.000% due 06/15/2019 ^		308	123
<b>Ford Motor Co.</b>			
7.700% due 05/15/2097 (j)		7,830	10,143
9.980% due 02/15/2047 (j)		1,500	2,561
<b>Fresh Market, Inc.</b>			
9.750% due 05/01/2023		800	744
<b>Harvest Operations Corp.</b>			
2.330% due 04/14/2021		5,032	5,016
<b>HCA, Inc.</b>			
7.500% due 11/15/2095		1,200	1,229
<b>iHeartCommunications, Inc.</b>			
9.000% due 09/15/2022		3,440	2,541
<b>Intelsat Luxembourg S.A.</b>			
7.750% due 06/01/2021		6,692	1,573
8.125% due 06/01/2023		1,121	266
		<b>PRINCIPAL</b>	<b>MARKET</b>
		<b>AMOUNT</b>	<b>VALUE</b>
		<b>(000S)</b>	<b>(000S)</b>
<b>Intrepid Aviation Group Holdings LLC</b>			
6.875% due 02/15/2019	\$	7,070	\$ 6,416
<b>Kinder Morgan Energy Partners LP</b>			
6.375% due 03/01/2041		400	423
<b>Kinder Morgan, Inc.</b>			
7.800% due 08/01/2031		3,580	4,274
<b>NXP BV</b>			
4.125% due 06/01/2021		2,830	2,936
<b>Post Holdings, Inc.</b>			
5.000% due 08/15/2026 (c)		2,500	2,498
<b>Prime Security Services Borrower LLC</b>			
9.250% due 05/15/2023 (j)		3,850	4,119
<b>Revlon Escrow Corp.</b>			
6.250% due 08/01/2024 (c)		1,300	1,320
<b>Russian Railways via RZD Capital PLC</b>			
7.487% due 03/25/2031	GBP	1,000	1,532
<b>Sabine Pass Liquefaction LLC</b>			
5.875% due 06/30/2026	\$	3,100	3,185
<b>Safeway, Inc.</b>			
7.250% due 02/01/2031		120	118
<b>Sequa Corp.</b>			
7.000% due 12/15/2017		7,480	1,272
<b>SFR Group S.A.</b>			
7.375% due 05/01/2026 (j)		5,340	5,340
<b>Spanish Broadcasting System, Inc.</b>			
12.500% due 04/15/2017		2,100	2,084
<b>Tembec Industries, Inc.</b>			
9.000% due 12/15/2019 (j)		2,200	1,732
<b>Times Square Hotel Trust</b>			
8.528% due 08/01/2026		1,796	2,149
<b>Transocean, Inc.</b>			
9.000% due 07/15/2023		1,054	991
<b>UCP, Inc.</b>			
8.500% due 10/21/2017		6,000	5,973
<b>Unique Pub Finance Co. PLC</b>			
5.659% due 06/30/2027	GBP	3,825	5,121
6.542% due 03/30/2021		1,857	2,570
<b>Valvoline, Inc.</b>			
5.500% due 07/15/2024	\$	437	457
<b>Westmoreland Coal Co.</b>			
8.750% due 01/01/2022		5,955	4,570

108,512

**UTILITIES 6.7%**

<b>CenturyLink, Inc.</b>		
7.500% due 04/01/2024	870	931
<b>Gazprom Neft OAO Via GPN Capital S.A.</b>		
4.375% due 09/19/2022 (j)	8,800	8,514
4.375% due 09/19/2022	280	271
6.000% due 11/27/2023 (j)	4,900	5,163
<b>Illinois Power Generating Co.</b>		
6.300% due 04/01/2020	6,400	2,560
7.000% due 04/15/2018	1,900	760
7.950% due 06/01/2032	700	280
<b>Mountain States Telephone &amp; Telegraph Co.</b>		
7.375% due 05/01/2030	8,200	8,753
<b>Odebrecht Drilling Norbe Ltd.</b>		
6.350% due 06/30/2022	300	82
<b>Odebrecht Offshore Drilling Finance Ltd.</b>		
6.625% due 10/01/2023	2,748	467
6.750% due 10/01/2023	2,949	501
<b>Petrobras Global Finance BV</b>		
3.536% due 03/17/2020	270	250
4.875% due 03/17/2020	420	410
5.750% due 01/20/2020	220	220
6.250% due 12/14/2026	GBP 4,800	5,630
6.625% due 01/16/2034	100	112
6.750% due 01/27/2041	\$ 2,300	1,898
7.875% due 03/15/2019	315	335

37,137

**Total Corporate Bonds & Notes  
(Cost \$342,782)****321,528**

See Accompanying Notes

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## Schedule of Investments PIMCO Corporate &amp; Income Strategy Fund (Cont.)

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>MUNICIPAL BONDS &amp; NOTES 4.5%</b>		
<b>CALIFORNIA 1.0%</b>		
<b>Riverside County, California Redevelopment Successor Agency Tax Allocation Bonds, Series 2010</b>		
7.750% due 10/01/2037	\$ 1,220	\$ 1,356
<b>Stockton Public Financing Authority, California Revenue Bonds, (BABs), Series 2009</b>		
7.942% due 10/01/2038	3,400	3,887
		5,243
<b>ILLINOIS 2.4%</b>		
<b>Chicago, Illinois General Obligation Bonds, (BABs), Series 2010</b>		
7.517% due 01/01/2040	12,700	13,437
<b>VIRGINIA 0.1%</b>		
<b>Tobacco Settlement Financing Corp., Virginia Revenue Bonds, Series 2007</b>		
6.706% due 06/01/2046	785	670
<b>WEST VIRGINIA 1.0%</b>		
<b>Tobacco Settlement Finance Authority, West Virginia Revenue Bonds, Series 2007</b>		
7.467% due 06/01/2047	6,010	5,770
<b>Total Municipal Bonds &amp; Notes (Cost \$23,301)</b>		<b>25,120</b>
<b>U.S. GOVERNMENT AGENCIES 3.8%</b>		
<b>Fannie Mae</b>		
3.000% due 02/25/2043 (a)	69,161	11,617
4.743% due 01/25/2029	400	403
5.788% due 10/25/2028	600	642
<b>Freddie Mac</b>		
6.175% due 11/25/2055	8,332	4,470
8.038% due 12/25/2027	3,300	3,221
11.238% due 03/25/2025	745	752
<b>Total U.S. Government Agencies (Cost \$22,216)</b>		<b>21,105</b>
<b>NON-AGENCY MORTGAGE-BACKED SECURITIES 29.9%</b>		
<b>Banc of America Alternative Loan Trust</b>		
5.500% due 10/25/2035 ^	5,718	5,110
6.000% due 01/25/2036 ^	155	133
<b>Banc of America Funding Trust</b>		
6.000% due 07/25/2037 ^	436	346
<b>Banc of America Mortgage Trust</b>		
3.066% due 03/25/2035	142	132
5.500% due 11/25/2035 ^	2,665	2,514
6.000% due 03/25/2037 ^	572	523
6.500% due 09/25/2033	224	235
<b>BCAP LLC Trust</b>		
2.973% due 03/27/2036	2,236	1,161
3.247% due 08/28/2037	6,553	5,013
5.196% due 03/26/2037	1,313	384
9.325% due 07/26/2036	1,733	1,782
<b>Bear Stearns ALT-A Trust</b>		
0.988% due 01/25/2036 ^	1,832	1,491
2.840% due 11/25/2036 ^	5,262	3,875
2.864% due 09/25/2047 ^	8,110	5,693

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2.898% due 11/25/2035 ^	9,290	7,440
3.076% due 08/25/2036 ^	1,238	920
3.379% due 09/25/2035 ^	912	753
<b>Bear Stearns Mortgage Funding Trust</b>		
7.000% due 08/25/2036	1,603	1,532
<b>Chase Mortgage Finance Trust</b>		
2.695% due 12/25/2035 ^	16	15
6.000% due 07/25/2037 ^	1,090	922
<b>Chase Mortgage Trust</b>		
3.750% due 02/25/2044	600	571
<b>Citigroup Mortgage Loan Trust, Inc.</b>		
5.097% due 09/25/2037 ^	3,555	3,273
5.242% due 04/25/2037 ^	370	318
	<b>PRINCIPAL</b>	<b>MARKET</b>
	<b>AMOUNT</b>	<b>VALUE</b>
	<b>(000S)</b>	<b>(000S)</b>
<b>Countrywide Alternative Loan Resecuritization Trust</b>		
6.000% due 08/25/2037 ^	\$ 1,544	\$ 1,223
<b>Countrywide Alternative Loan Trust</b>		
5.500% due 03/25/2035	429	355
5.500% due 03/25/2036 ^	214	161
5.500% due 05/25/2036 ^	2,663	1,898
5.750% due 01/25/2035	539	545
5.750% due 02/25/2035	594	586
5.750% due 03/25/2037 ^	1,078	946
6.000% due 02/25/2035	1,350	1,385
6.000% due 04/25/2036	1,482	1,172
6.000% due 02/25/2037 ^	7,332	5,201
6.000% due 04/25/2037 ^	1,676	1,211
6.000% due 07/25/2037 ^	483	468
6.250% due 12/25/2036 ^	1,943	1,459
6.500% due 08/25/2036 ^	677	473
<b>Countrywide Home Loan Mortgage Pass-Through Trust</b>		
2.930% due 09/20/2036 ^	421	332
6.000% due 07/25/2037	2,447	2,003
<b>Credit Suisse Mortgage Capital Certificates</b>		
3.064% due 10/26/2036	7,931	4,601
<b>Credit Suisse Mortgage Capital Mortgage-Backed Trust</b>		
6.000% due 02/25/2037 ^	672	584
<b>Deco Pan Europe Ltd.</b>		
0.503% due 04/27/2018	EUR 1,031	1,134
<b>Epic Drummond Ltd.</b>		
0.137% due 01/25/2022	1,499	1,617
<b>First Horizon Alternative Mortgage Securities Trust</b>		
6.000% due 08/25/2036 ^	\$ 6,569	5,546
<b>GSR Mortgage Loan Trust</b>		
3.286% due 08/25/2034	624	595
5.500% due 05/25/2036 ^	600	572
6.000% due 02/25/2036 ^	4,170	3,465
<b>HarborView Mortgage Loan Trust</b>		
0.723% due 01/19/2036 ^	5,985	3,942
3.295% due 06/19/2036 ^	9,431	5,916
<b>IndyMac Mortgage Loan Trust</b>		
6.500% due 07/25/2037 ^	3,852	2,389
<b>Jefferies Resecuritization Trust</b>		
6.000% due 05/26/2036	18,264	13,716
<b>JPMorgan Alternative Loan Trust</b>		
2.756% due 03/25/2037 ^	2,611	2,227
6.000% due 12/25/2035 ^	2,461	2,265
<b>JPMorgan Mortgage Trust</b>		
2.839% due 01/25/2037 ^	1,111	996
2.861% due 02/25/2036 ^	4,251	3,752
2.895% due 04/25/2037	14	13
<b>LB-UBS Commercial Mortgage Trust</b>		
5.407% due 11/15/2038	1,699	1,328
5.562% due 02/15/2040	1,801	1,357
<b>Lehman Mortgage Trust</b>		
6.000% due 07/25/2036 ^	1,286	965
6.000% due 07/25/2037 ^	298	269
<b>Lehman XS Trust</b>		

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0.708% due 06/25/2047		3,229	2,293
<b>MASTR Alternative Loan Trust</b>			
6.750% due 07/25/2036		2,396	1,765
<b>Merrill Lynch Mortgage Investors Trust</b>			
2.820% due 03/25/2036 ^		959	639
<b>Mesdag Delta BV</b>			
0.094% due 01/25/2020	EUR	1,304	1,252
<b>Residential Accredited Loans, Inc. Trust</b>			
0.718% due 05/25/2037 ^	\$	274	64
3.848% due 12/26/2034 ^		2,829	2,310
6.000% due 08/25/2036 ^		508	424
<b>Residential Asset Mortgage Products Trust</b>			
6.500% due 12/25/2031		800	815
<b>Residential Asset Securitization Trust</b>			
6.000% due 11/25/2036 ^		3,251	2,149
6.250% due 09/25/2037 ^		3,025	2,132
6.250% due 06/25/2046		1,751	1,463
<b>Residential Funding Mortgage Securities, Inc. Trust</b>			
3.530% due 02/25/2037		2,471	2,000
6.500% due 03/25/2032		240	249
	<b>PRINCIPAL</b>		<b>MARKET</b>
	<b>AMOUNT</b>		<b>VALUE</b>
	<b>(000S)</b>		<b>(000S)</b>
<b>Sequoia Mortgage Trust</b>			
2.781% due 02/20/2047	\$	545	\$ 469
5.977% due 07/20/2037 ^		1,117	1,002
<b>Structured Adjustable Rate Mortgage Loan Trust</b>			
2.795% due 11/25/2036 ^		3,897	2,982
2.857% due 01/25/2036 ^		3,127	2,368
2.924% due 07/25/2036 ^		963	777
3.130% due 07/25/2035 ^		1,246	1,072
3.441% due 07/25/2036 ^		9,007	6,173
4.559% due 03/25/2037 ^		4,274	2,959
<b>Suntrust Adjustable Rate Mortgage Loan Trust</b>			
2.867% due 02/25/2037 ^		559	493
3.034% due 04/25/2037 ^		1,029	878
<b>WaMu Mortgage Pass-Through Certificates Trust</b>			
2.542% due 07/25/2037 ^		653	533
4.179% due 02/25/2037 ^		849	771
4.412% due 07/25/2037 ^		1,572	1,430
6.002% due 10/25/2036 ^		3,274	2,577
<b>Washington Mutual Mortgage Pass-Through Certificates Trust</b>			
1.295% due 05/25/2047 ^		331	22
6.000% due 10/25/2035 ^		2,426	1,786
<b>Wells Fargo Mortgage-Backed Securities Trust</b>			
2.911% due 07/25/2036 ^		641	605
3.086% due 05/25/2036 ^		117	112
<b>Total Non-Agency Mortgage-Backed Securities (Cost \$164,099)</b>			<b>165,367</b>
<b>ASSET-BACKED SECURITIES 19.7%</b>			
<b>ACE Securities Corp. Home Equity Loan Trust</b>			
0.878% due 02/25/2036		31,045	11,461
<b>Argent Securities Trust</b>			
0.678% due 03/25/2036		4,230	2,207
<b>Bear Stearns Asset-Backed Securities Trust</b>			
0.628% due 10/25/2036 ^		6,635	5,433
6.500% due 10/25/2036 ^		390	298
<b>CIFC Funding Ltd.</b>			
0.000% due 05/24/2026 (f)		2,300	1,626
0.000% due 07/22/2026		1,500	917
<b>Citigroup Mortgage Loan Trust, Inc.</b>			
0.648% due 12/25/2036		5,271	3,480
<b>Countrywide Asset-Backed Certificates</b>			
0.628% due 06/25/2047 ^		2,026	1,454
0.658% due 03/25/2037		3,138	2,855
1.208% due 01/25/2036		4,000	3,318
4.992% due 10/25/2046 ^		8,823	7,889
<b>Credit-Based Asset Servicing and Securitization LLC</b>			

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0.598% due 11/25/2036	898	562
<b>First Franklin Mortgage Loan Trust</b>		
1.118% due 09/25/2035	3,949	1,817
1.463% due 05/25/2036	8,213	3,448
<b>Fremont Home Loan Trust</b>		
1.418% due 06/25/2035 ^	6,000	4,444
<b>HSI Asset Securitization Corp. Trust</b>		
0.000% due 10/25/2036 (b)(f)	3,688	1,633
<b>IndyMac Home Equity Mortgage Loan Asset-Backed Trust</b>		
0.648% due 07/25/2037	11,981	7,385
<b>JPMorgan Mortgage Acquisition Corp.</b>		
0.778% due 01/25/2036	820	761
<b>JPMorgan Mortgage Acquisition Trust</b>		
0.648% due 11/25/2036	5,564	4,308
4.893% due 01/25/2037 ^	7,298	5,178
<b>Lehman XS Trust</b>		
5.170% due 08/25/2035 ^	537	506
<b>Long Beach Mortgage Loan Trust</b>		
0.788% due 01/25/2036	5,000	3,024
<b>Merrill Lynch Mortgage Investors Trust</b>		
0.648% due 04/25/2037	600	324
<b>Morgan Stanley ABS Capital, Inc. Trust</b>		
0.638% due 06/25/2036	2,258	2,015
<b>Morgan Stanley Mortgage Loan Trust</b>		
6.250% due 07/25/2047 ^	879	615

30 PIMCO CLOSED-END FUNDS

See Accompanying Notes

July 31, 2016

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>Park Place Securities, Inc. Asset-Backed Pass-Through Certificates</b>		
1.008% due 08/25/2035	\$ 5,000	\$ 3,383
2.258% due 10/25/2034	573	405
<b>Residential Asset Mortgage Products Trust</b>		
1.583% due 12/25/2033	236	219
1.688% due 01/25/2035 ^	3,040	2,008
<b>SLM Student Loan Trust</b>		
0.000% due 10/28/2029 (f)	3	3,910
0.000% due 01/25/2042 (f)	4	4,255
<b>Soundview Home Loan Trust</b>		
0.738% due 08/25/2037	2,000	1,439
<b>South Coast Funding Ltd.</b>		
1.230% due 08/10/2038	10,886	2,295
<b>Taberna Preferred Funding Ltd.</b>		
1.013% due 08/05/2036 ^	9,518	6,663
1.013% due 08/05/2036	514	360
1.123% due 07/05/2035	10,129	7,394
<b>Total Asset-Backed Securities (Cost \$109,781)</b>		<b>109,289</b>

**SOVEREIGN ISSUES 1.5%**

<b>Athens Urban Transportation Organisation</b>		
4.851% due 09/19/2016	EUR 200	223
<b>Autonomous Community of Catalonia</b>		
4.300% due 11/15/2016	3,250	3,657
4.900% due 09/15/2021	1,500	1,726
<b>Republic of Greece Government International Bond</b>		
3.000% due 02/24/2023	142	121
3.000% due 02/24/2024	142	118
3.000% due 02/24/2025	142	115
3.000% due 02/24/2026	142	113
3.000% due 02/24/2027	142	110
3.000% due 02/24/2028	142	108
	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
3.000% due 02/24/2029	EUR 142	\$ 106
3.000% due 02/24/2030	142	104
3.000% due 02/24/2031	142	103
3.000% due 02/24/2032	142	101
3.000% due 02/24/2033	142	100
3.000% due 02/24/2034	142	99
3.000% due 02/24/2035	142	98
3.000% due 02/24/2036	142	97
3.000% due 02/24/2037	142	96
3.000% due 02/24/2038	142	95
3.000% due 02/24/2039	142	95
3.000% due 02/24/2040	142	95
3.000% due 02/24/2041	142	95
3.000% due 02/24/2042	142	95
3.800% due 08/08/2017	JPY 47,000	439
4.750% due 04/17/2019	EUR 400	403
<b>Total Sovereign Issues (Cost \$8,054)</b>		<b>8,512</b>

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	SHARES	
<b>COMMON STOCKS 0.0%</b>		
<b>FINANCIALS 0.0%</b>		
TIG FinCo PLC (h)	182,606	116
<b>Total Common Stocks (Cost \$271)</b>		<b>116</b>
<b>PREFERRED SECURITIES 2.1%</b>		
<b>BANKING &amp; FINANCE 2.1%</b>		
Farm Credit Bank of Texas		
10.000% due 12/15/2020 (g)	8,450	10,161
GMAC Capital Trust		
6.411% due 02/15/2040	54,325	1,381
<b>Total Preferred Securities (Cost \$11,884)</b>		<b>11,542</b>
		<b>MARKET VALUE (000S)</b>
<b>SHORT-TERM INSTRUMENTS 3.1%</b>		
<b>REPURCHASE AGREEMENTS (i) 2.5%</b>		\$ 13,671
	<b>PRINCIPAL AMOUNT (000S)</b>	
<b>U.S. TREASURY BILLS 0.6%</b>		
0.296% due 10/06/2016 - 11/03/2016 (e)(f)(l)(n)	\$ 3,058	3,056
<b>Total Short-Term Instruments (Cost \$16,727)</b>		<b>16,727</b>
<b>Total Investments in Securities (Cost \$709,296)</b>		<b>687,766</b>
<b>Total Investments 124.2%</b>		
<b>(Cost \$709,296)</b>		<b>\$ 687,766</b>
<b>Financial Derivative Instruments (k)(m) (0.3)%</b>		
<b>(Cost or Premiums, net \$(1,166))</b>		<b>(1,437)</b>
<b>Preferred Shares (10.0)%</b>		<b>(55,525)</b>
<b>Other Assets and Liabilities, net (13.9)%</b>		<b>(77,235)</b>
<b>Net Assets Applicable to Common Shareholders 100.0%</b>		<b>\$ 553,569</b>

**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) Principal only security.
- (c) When-issued security.
- (d) Payment in-kind security.
- (e) Coupon represents a weighted average yield to maturity.
- (f) Zero coupon security.
- (g) Perpetual maturity; date shown, if applicable, represents next contractual call date.

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(h) RESTRICTED SECURITIES:

Issuer Description	Acquisition Date	Cost	Market Value	Market Value as Percentage of Net Assets
TIG FinCo PLC	04/02/2015	\$ 271	\$ 116	0.02%

BORROWINGS AND OTHER FINANCING TRANSACTIONS

(i) REPURCHASE AGREEMENTS:

Counterparty	Lending Rate	Settlement Date	Maturity Date	Principal Amount	Collateralized By	Collateral (Received)	Repurchase Agreements, at Value	Repurchase Agreement Proceeds to be Received <sup>(1)</sup>
MBC	0.550%	07/29/2016	08/01/2016	\$ 10,600	U.S. Treasury Notes 1.375% due 03/31/2020	\$ (10,975)	\$ 10,600	\$ 10,600
SSB	0.010	07/29/2016	08/01/2016	3,071	U.S. Treasury Notes 1.000% due 05/15/2018	(3,134)	3,071	3,071
<b>Total Repurchase Agreements</b>						<b>\$ (14,109)</b>	<b>\$ 13,671</b>	<b>\$ 13,671</b>

<sup>(1)</sup> Includes accrued interest.

See Accompanying Notes

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## Schedule of Investments PIMCO Corporate &amp; Income Strategy Fund (Cont.)

## REVERSE REPURCHASE AGREEMENTS:

Counterparty	Borrowing Rate <sup>(3)</sup>	Borrowing Date	Maturity Date	Amount Borrowed <sup>(3)</sup>	Payable for Reverse Repurchase Agreements
BCY	(0.250)%	02/18/2016	TBD <sup>(2)</sup>	\$ (1,571)	\$ (1,569)
DEU	1.000	06/27/2016	06/27/2017	(587)	(586)
	1.550	07/27/2016	10/27/2016	(2,848)	(2,849)
JML	1.300	07/19/2016	08/04/2016	(7,060)	(7,063)
	1.300	08/02/2016	08/16/2016	(4,171)	(4,171)
MSC	1.000	05/02/2016	08/02/2016	(13,286)	(13,320)
	1.000	05/10/2016	08/08/2016	(2,064)	(2,069)
	1.150	08/02/2016	11/02/2016	(13,724)	(13,724)
RBC	1.560	03/16/2016	09/06/2016	(6,540)	(6,579)
	1.610	05/23/2016	11/14/2016	(1,231)	(1,235)
	1.640	07/18/2016	01/18/2017	(2,777)	(2,779)
RDR	1.030	05/17/2016	08/17/2016	(8,113)	(8,131)
UBS	1.150	07/08/2016	08/03/2016	(3,411)	(3,414)
	1.430	05/18/2016	08/18/2016	(10,432)	(10,463)
	1.450	07/21/2016	10/20/2016	(5,442)	(5,444)
	1.500	06/14/2016	09/14/2016	(3,594)	(3,601)
	1.630	07/15/2016	11/14/2016	(4,401)	(4,404)
<b>Total Reverse Repurchase Agreements</b>					<b>\$ (91,401)</b>

<sup>(2)</sup> Open maturity reverse repurchase agreement.

<sup>(3)</sup> The average amount of borrowings outstanding during the period ended July 31, 2016 was \$(35,135) at a weighted average interest rate of 1.102%.

## 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, 2016:

(j) Securities with an aggregate market value of \$92,296 have been pledged as collateral under the terms of the following master agreements as of July 31, 2016.

Counterparty	Repurchase Agreement Proceeds to be Received	Payable for Reverse Repurchase Agreements	Payable for Sale-Buyback Transactions	Total Borrowings and Other Financing Transactions	Collateral (Received)/Pledged	Net Exposure <sup>(4)</sup>
Global/Master Repurchase Agreement						
BCY	\$ 0	\$ (1,569)	\$ 0	\$ (1,569)	\$ 1,879	\$ 310
DEU	0	(3,435)	0	(3,435)	4,115	680

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JML	0	(11,234)	0	(11,234)	13,677	2,443
MBC	10,600	0	0	10,600	(10,975)	(375)
MSC	0	(29,113)	0	(29,113)	17,231	(11,882)
RBC	0	(10,593)	0	(10,593)	11,927	1,334
RDR	0	(8,131)	0	(8,131)	8,437	306
SSB	3,071	0	0	3,071	(3,134)	(63)
UBS	0	(27,326)	0	(27,326)	32,085	4,759

<b>Total Borrowings and Other Financing Transactions</b>	<b>\$ 13,671</b>	<b>\$ (91,401)</b>	<b>\$ 0</b>			
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<sup>(4)</sup>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.

### CERTAIN TRANSFERS ACCOUNTED FOR AS SECURED BORROWINGS

#### Remaining Contractual Maturity of the Agreements

	Overnight and Continuous	Up to 30 days	31-90 days	Greater Than 90 days	Total
<b>Reverse Repurchase Agreements</b>					
Corporate Bonds & Notes	\$ 0	\$ (44,460)	\$ (18,473)	\$ (10,573)	\$ (73,506)
<b>Total Borrowings</b>	<b>\$ 0</b>	<b>\$ (44,460)</b>	<b>\$ (18,473)</b>	<b>\$ (10,573)</b>	<b>\$ (73,506)</b>

Gross amount of recognized liabilities for reverse repurchase agreements <sup>(5)</sup> \$ (73,506)

<sup>(5)</sup>Unsettled reverse repurchase agreements liability of \$(17,895) is outstanding at period end.

### 32 PIMCO CLOSED-END FUNDS

See Accompanying Notes

July 31, 2016

**(k) FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED****SWAP AGREEMENTS:****CREDIT DEFAULT SWAPS ON CREDIT INDICES - SELL PROTECTION <sup>(1)</sup>**

Index/Tranches	Fixed Receive Rate	Maturity Date	Notional Amount (2)	Market Value (3)	Unrealized Appreciation/ (Depreciation)	Variation Margin	
						Asset	Liability
CDX.HY-24 5-Year Index	5.000%	06/20/2020	\$ 8,330	\$ 590	\$ (53)	\$ 29	\$ 0
CDX.HY-25 5-Year Index	5.000	12/20/2020	12,771	700	612	50	0
CDX.HY-26 5-Year Index	5.000	06/20/2021	1,600	80	20	6	0
				\$ 1,370	\$ 579	\$ 85	\$ 0

<sup>(1)</sup>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.

<sup>(2)</sup>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.

<sup>(3)</sup>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	Floating Rate Index	Fixed Rate	Maturity Date	Notional Amount	Market Value	Unrealized Appreciation/ (Depreciation)	Variation Margin	
							Asset	Liability
Pay	3-Month USD-LIBOR	2.000%	12/16/2020	\$ 59,300	\$ 2,589	\$ 1,043	\$ 158	\$ 0
Pay	3-Month USD-LIBOR	2.000	06/15/2021	36,800	1,726	478	111	0
Pay	3-Month USD-LIBOR	2.750	06/17/2025	75,590	9,490	4,827	382	0
Pay	3-Month USD-LIBOR	3.500	06/19/2044	169,400	70,280	75,806	2,528	0
Receive	3-Month USD-LIBOR *	2.250	12/21/2046	234,240	(27,306)	(7,207)	0	(3,315)
Pay	6-Month AUD-BBR-BBSW	3.500	06/17/2025	AUD 7,600	695	507	42	0
					\$ 57,474	\$ 75,454	\$ 3,221	\$ (3,315)
					\$ 58,844	\$ 76,033	\$ 3,306	\$ (3,315)

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## Total Swap Agreements

\*This security has a forward starting effective date. See Note 2(a) in the Notes to Financial Statements for further information.

## 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, 2016:

- (l) Securities with an aggregate market value of \$984 and cash of \$8,639 have been pledged as collateral for exchange-traded and centrally cleared financial derivative instruments as of July 31, 2016. See Note 7, Principal Risks, in the Notes to Financial Statements for more information regarding master netting arrangements.

	Financial Derivative Assets				Financial Derivative Liabilities			
	Variation Margin				Variation Margin			
	Market Value Purchased	Options	Futures	Asset Swap Agreements	Market Value Written	Options	Futures	Liability Swap Agreements
<b>Total Exchange-Traded or Centrally Cleared</b>	\$ 0	\$ 0	\$ 3,306	\$ 3,306	\$ 0	\$ 0	\$ (3,315)	\$ (3,315)

## (m) 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
AZD	08/2016	EUR 494	\$ 548	\$ 0	\$ (5)
	09/2016	100	112	0	0
BOA	08/2016	27,581	30,427	0	(409)
	08/2016	GBP 48,588	64,663	360	0
	08/2016	\$ 29,835	EUR 27,123	488	0
	09/2016	EUR 27,123	\$ 29,872	0	(487)

See Accompanying Notes

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## Schedule of Investments PIMCO Corporate &amp; Income Strategy Fund (Cont.)

Counterparty	Settlement Month	Currency to be Delivered	Amount	Currency to be Received	Amount	Unrealized Appreciation/ (Depreciation)			
						Asset	Liability		
CBK	08/2016	EUR	150	\$	165	\$	0	\$	(2)
	08/2016	GBP	1,402		1,858		6		(4)
	08/2016	MXN	170		9		0		0
	08/2016	\$	152	AUD	201		0		0
	08/2016		1,628	EUR	1,478		25		0
	09/2016	GBP	84	\$	111		0		0
GLM	08/2016	AUD	74		54		0		(2)
	08/2016	EUR	50		55		0		(1)
	08/2016	GBP	377		495		0		(4)
	08/2016	\$	586	GBP	450		10		0
	09/2016	GBP	170	\$	224		0		(1)
JPM	08/2016	AUD	215		162		0		(1)
	08/2016	EUR	275		307		0		(1)
	08/2016	GBP	1,315		1,749		10		(1)
	08/2016	\$	1,200	GBP	903		0		(5)
	09/2016	EUR	201	\$	223		0		(2)
MSB	08/2016	GBP	197		260		0		(1)
SCX	08/2016	EUR	100		110		0		(2)
	08/2016	JPY	46,100		453		1		0
	08/2016	\$	67,288	GBP	51,283		582		0
	09/2016	GBP	51,283	\$	67,320		0		(584)
TOR	08/2016		799		1,032		0		(25)
<b>Total Forward Foreign Currency Contracts</b>						<b>\$</b>	<b>1,482</b>	<b>\$</b>	<b>(1,537)</b>

## SWAP AGREEMENTS:

CREDIT DEFAULT SWAPS ON CORPORATE ISSUES - SELL PROTECTION <sup>(1)</sup>

Counterparty	Reference Entity	Fixed Receive Rate	Maturity Date	Implied Credit Spread at July 31, 2016 <sup>(2)</sup>	Notional Amount <sup>(3)</sup>	Premiums (Received)	Unrealized Appreciation/ (Depreciation)	Swap Agreements, at Value					
								Asset	Liability				
BPS	Petrobras Global Finance BV	1.000%	12/20/2019	4.923%	\$ 2,400	\$ (247)	\$ (43)	\$ 0	\$ (290)				
GST	Petrobras Global Finance BV	1.000	12/20/2019	4.923	8,900	(912)	(163)	0	(1,075)				
	Petrobras Global Finance BV	1.000	09/20/2020	5.476	10	(1)	(1)	0	(2)				
HUS	Petrobras Global Finance BV	1.000	09/20/2020	5.476	40	(6)	0	0	(6)				
						\$	(1,166)	\$	(207)	\$	0	\$	(1,373)
<b>Total Swap Agreements</b>						<b>\$</b>	<b>(1,166)</b>	<b>\$</b>	<b>(207)</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>(1,373)</b>

(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 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.

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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) 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.

### 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, 2016:

- (n) Securities with an aggregate market value of \$1,520 have been pledged as collateral for financial derivative instruments as governed by International Swaps and Derivatives Association, Inc. master agreements as of July 31, 2016.

Counterparty	Financial Derivative Assets				Financial Derivative Liabilities				Net		
	Forward Foreign Currency Contracts	Purchased Options	Swap Agreements	Total Over the Counter	Forward Foreign Currency Contracts	Written Options	Swap Agreements	Total Over the Counter	Value of Market Derivatives	Collateral (Received)/ Pledged	Net Exposure (4)
AZD	\$ 0	\$ 0	\$ 0	\$ 0	\$ (5)	\$ 0	\$ 0	\$ (5)	\$ (5)	\$ 0	\$ (5)
BOA	848	0	0	848	(896)	0	0	(896)	(48)	(760)	(808)

July 31, 2016

Counterparty	Financial Derivative Assets				Financial Derivative Liabilities				Net Market Value of Derivatives	Collateral (Received)/ Pledged	Net Exposure (4)
	Forward Foreign Contracts	Purchased Options	Swap Agreements	Total Over the Counter	Forward Foreign Contracts	Written Options	Swap Agreements	Total Over the Counter			
BPS	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (290)	\$ (290)	\$ (290)	\$ 303	\$ 13
CBK	31	0	0	31	(6)	0	0	(6)	25	0	25
GLM	10	0	0	10	(8)	0	0	(8)	2	0	2
GST	0	0	0	0	0	0	(1,077)	(1,077)	(1,077)	1,217	140
HUS	0	0									