

PIMCO FLOATING RATE INCOME FUND  
Form N-CSR  
October 06, 2008

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 811-21374

PIMCO Floating Rate Income Fund  
(Exact name of registrant as specified in charter)

1345 Avenue of the Americas, New York, NY  
(Address of principal executive offices)

10105  
(Zip code)

Lawrence G. Altadonna - 1345 Avenue of the Americas, New York, NY 10105  
(Name and address of agent for service)

Registrant's telephone number, including area code: 212-739-3371

Date of fiscal year July 31, 2008  
end:

Date of reporting period: July 31, 2008

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: Report to shareholders

**Contents**

Letter to Shareholders	1
Fund Insights/Performance & Statistics	2-3
Schedules of Investments	4-29
Statements of Assets and Liabilities	30
Statements of Operations	31
Statements of Changes in Net Assets	32-33
Statements of Cash Flows	34
Notes to Financial Statements	35-46
Financial Highlights	47-48
Report of Independent Registered Public Accounting Firm	49
Tax Information/Annual Shareholder Meeting Results/ Appointment of New Trustee	50
	51-53

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Matters Relating to the Trustees – Consideration of the  
Investment Management & Portfolio Management  
Agreements

Privacy Policy/Proxy Voting Policies & Procedures 54

Dividend Reinvestment Plan 55

Board of Trustees 56-57

Principal Officers 58

**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds Letter to Shareholders**

September 19, 2008

Dear Shareholder:

We are pleased to provide you with the annual report for the PIMCO Floating Rate Income Fund and PIMCO Floating Rate Strategy Fund (collectively the Funds) for the fiscal year ended July 31, 2008.

The Federal Reserve Board (the Fed) reduced short-term interest rates seven times during the twelve-month period, injecting liquidity into the financial system as structural weakness in housing, banks and financial services firms threatened to push a slowing economy into recession. The Fed's credit easing moves lowered the Federal Funds target rate from 5.25% at the beginning of the reporting period to 2.00% at its end. Bonds advanced during the period in most categories and stocks weakened. The Lehman Brothers U.S. Aggregate Bond Index advanced 6.15% while the Lehman Brothers High Yield Index declined 0.09% for the period.

Since February 2008, industry-wide developments in the auction-rate preferred markets have caused auctions for the Fund's auction-rate preferred shares (ARPS) to fail, as described in Note 5 in the accompanying notes to Financial Statements. At the time this report is being prepared, it is not possible to predict how and when full or partial liquidity will return, if at all, to the closed-end fund ARPS market. Additional information regarding ARPS, failed auctions and potential solutions to address the unprecedented lack of liquidity of the ARPS due to failed auctions can be accessed on our Web site, [www.allianzinvestors.com/arp](http://www.allianzinvestors.com/arp)s.

Please refer to the following pages for specific information on the Funds. If you have any questions regarding the information provided, we encourage you to contact your financial advisor or call the Funds' shareholder servicing agent at (800) 331-1710. In addition, a wide range of information and resources are available on our Web site at [www.allianzinvestors.com/closedendfunds](http://www.allianzinvestors.com/closedendfunds).

Together with Allianz Global Investors Fund Management LLC, the Funds' investment manager, and Pacific Investment Management Company LLC (PIMCO), the Funds' sub-adviser, we thank you for investing with us.

We remain dedicated to serving your investment needs.

Sincerely,

Hans W. Kertess

*Chairman*

Brian S. Shlissel

*President & Chief Executive Officer*

7.31.08 | PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds Annual Report **1**

**PIMCO Floating Rate Income Fund Fund Insights/Performance & Statistics**

July 31, 2008 (unaudited)

- For the fiscal year ended July 31, 2008, the PIMCO Floating Rate Income Fund returned (5.02)% on net asset value (NAV) and (12.26)% on market price.
- A strong emphasis on the healthcare sector, which outperformed the broader leveraged loan market by in excess of 330 basis points, was a significant contributor to performance during the period.
- A smaller-than-market weighting to the gaming sector, where revenues have declined, leverage has increased, and consumer travel has slowed considerably, was positive for performance.
- A prominent weighting to the telecom sector benefited performance, as positive merger and acquisition activity especially among wireless providers, boosted the overall sector higher.
- Security selection in the consumer cyclical sector, where automotive loans were under heightened pressure, detracted from performance.
- Within the media sector, a relatively significant weight to publishing and broadcasting companies hindered performance.
- Slightly larger-than-market exposure to technology was a detriment to performance as this sector underperformed the market by approximately 100 basis points.
- An emphasis on the upper and middle quality tiers of the market contributed positively to performance, as lower tiers significantly underperformed their higher quality counterparts.

<b>Total Return<sup>(1)</sup>:</b>	<b>Market Price</b>	<b>NAV</b>
1 Year	(12.26)%	(5.02)%
3 Year	0.46%	0.79%
Commencement of Operations (8/29/03) to 7/31/08	1.15%	2.88%

<b>Market Price/NAV Performance:</b>	<b>Market Price/NAV:</b>	
Commencement of Operations (8/29/03) to 7/31/08	Market Price	\$13.98
NAV	NAV	\$14.73
Market Price	Discount to NAV	(5.09)%
	Market Price Yield <sup>(2)</sup>	8.70%

(1) **Past performance is no guarantee of future results.** Total return is calculated by subtracting the value of an investment in the Fund at the beginning of the specified period from the value at the end of the period and dividing the remainder by the value of the investment at the beginning of the period and expressing the result as a percentage. The calculation assumes that all income dividends have been reinvested. Total return does not reflect broker commissions or sales charges. Total return for a period of more than one year represents the average annual total return.

The Fund's performance at market price will differ from its results at NAV. Although market price returns typically reflect investment results over time, during shorter periods returns at market price can also be influenced by factors such as changing views about the Fund, market conditions, supply and demand for the Fund's shares, or changes in Fund distributions.

An investment in the Fund involves risk, including the loss of principal. Total return, price, yield and net asset value will fluctuate with changes in market conditions. This data is provided for information only and is not intended for trading purposes. Closed-end funds, unlike open-end funds, are not continuously offered. There is typically a one-time public offering and once issued, shares of closed-end funds are sold in the open market through a stock exchange. Net asset value is equal to the total assets attributable to common shareholders less total liabilities divided by the number of common shares outstanding. Holdings are subject to change daily.

(2) Market Price Yield is determined by dividing the annualized current monthly per share dividend to common shareholders by the market price per common share at July 31, 2008.

2 PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds Annual Report | 7.31.08

**PIMCO Floating Rate Strategy Fund Fund Insights/Performance & Statistics**

July 31, 2008 (unaudited)

- For the fiscal year ended July 31, 2008, the PIMCO Floating Rate Strategy Fund returned (6.86)% on net asset value (NAV) and (18.08)% on market price.
- A strong emphasis on the telecom sector benefited performance, as positive merger and acquisition activity especially among wireless providers, boosted the overall sector higher.
- A prominent weighting to the healthcare sector, which outperformed the broader leveraged loan market by in excess of 330 basis points, was a significant contributor to performance during the period.
- A smaller-than-market weighting to the gaming sector, where revenues have declined, leverage has increased, and consumer travel has slowed considerably, was positive for performance.
- As pressure hovered over the financial sector during the majority of the 12-month period, a relatively significant weighting to high-grade banks adversely affected performance.
- Security selection in the consumer cyclical sector, where automotive loans were under heightened pressure, detracted from performance.
- Slightly larger-than-market exposure to technology was a detriment to performance as this sector underperformed the market by approximately 100 basis points.
- An emphasis on the upper and middle quality tiers of the market contributed positively to performance, as lower tiers significantly underperformed their higher quality counterparts.

<b>Total Return<sup>(1)</sup>:</b>	<b>Market Price</b>	<b>NAV</b>
1 Year	(18.08)%	(6.86)%
3 Year	(1.28)%	(0.06)%
Commencement of Operations (10/29/04) to 7/31/08	(2.79)%	0.98%

<b>Market Price/NAV Performance:</b>		<b>Market Price/NAV:</b>	
Commencement of Operations (10/29/04) to 7/31/08	Market Price		\$12.80
NAV	NAV		\$14.16
Market Price	Discount to NAV		(9.60)%
	Market Price Yield <sup>(2)</sup>		9.11%



(1) **Past performance is no guarantee of future results.** Total return is calculated by subtracting the value of an investment in the Fund at the beginning of the specified period from the value at the end of the period and dividing the remainder by the value of the investment at the beginning of the period and expressing the result as a percentage. The calculation assumes that all income dividends have been reinvested. Total return does not reflect broker commissions or sales charges. Total return for a period of more than one year represents the average annual total return.

The Fund's performance at market price will differ from its results at NAV. Although market price returns typically reflect investment results over time, during shorter periods returns at market price can also be influenced by factors such as changing views about the Fund, market conditions, supply and demand for the Fund's shares, or changes in Fund distributions.

An investment in the Fund involves risk, including the loss of principal. Total return, price, yield and net asset value will fluctuate with changes in market conditions. This data is provided for information only and is not intended for trading purposes. Closed-end funds, unlike open-end funds, are not continuously offered. There is typically a one-time public offering and once issued, shares of closed-end funds are sold in the open market through a stock exchange. Net asset value is equal to the total assets attributable to common shareholders less total liabilities divided by the number of common shares outstanding. Holdings are subject to change daily.

(2) Market Price Yield is determined by dividing the annualized current monthly per share dividend to common shareholders by the market price per common share at July 31, 2008.

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**PIMCO Floating Rate Income Fund Schedule of Investments**

July 31, 2008

Principal  
Amount  
(000)

Value

**SENIOR LOANS (a) (c) 72.2%**

**Advertising 1.3%**

2,000	PagesJuanes Groupe S.A., 5.986%, 1/11/14, Term A West Corp.,	\$2,724,056
\$921	4.838%, 10/23/13 (b)	829,973
827	4.838%, 10/23/13	744,954
201	5.021%, 10/23/13	180,955
1,171	5.171%, 10/24/13	1,055,572
837	5.259%, 10/23/13 (b)	753,980
		6,289,490

**Aerospace 0.1%**

750	TransDigm Group, Inc., 4.801%, 6/23/13, Term B	729,750
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**Airlines 0.5%**

2,970	Northwest Airlines Corp., 4.46%, 8/21/13 (b)	2,357,438
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**Apparel & Textiles 0.3%**

	Simmons Co., Term C (b),	
410	4.813%, 12/19/11	385,094
478	4.875%, 12/19/11	448,704
160	4.938%, 12/19/11	149,568
366	6.375%, 12/19/11	343,834
106	6.50%, 12/19/11	99,712
37	6.938%, 12/19/11	34,383
73	7.125%, 12/19/11	68,767
73	7.25%, 12/19/11	68,767
		1,598,829

**Automotive 1.3%**

5,910	Ford Motor Corp., 5.46%, 12/16/13, Term B	4,668,900
2,479	General Motors Corp., 5.163%, 11/29/13	1,959,390
		6,628,290

**Automotive Products 2.1%**

	Allison Transmission, Inc.,	
162	5.21%, 8/7/14 (b)	145,161
955	5.22%, 8/7/14	857,468
711	5.45%, 8/7/14 (b)	638,710
162	5.56%, 8/7/14 (b)	145,161
	Cooper Standard Automotive, Inc.,	
1,336	5.313%, 12/31/11, Term B	1,246,013
3,339	5.313%, 12/31/11, Term C	3,113,546
2,500	Delphi Corp., 8.50%, 12/31/08 (b)	2,235,625
2,000	Goodyear Tire & Rubber Co., 4.54%, 4/30/14, Term B	1,844,500
		10,226,184

**Banking 0.4%**

	Aster Co., Ltd. (b),	
1,092	4.88%, 9/19/13, Term B	934,040
1,132	4.88%, 9/19/14, Term C	967,557
		1,901,597

**Building/Construction 0.2%**

	Masonite International Corp.,	
234	4.63%, 4/6/13, Term B	206,655
593	4.795%, 4/6/13, Term B	523,593

4 PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds Annual Report | 7.31.08

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**PIMCO Floating Rate Income Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Value
<b>Building/Construction (continued)</b>		
\$296	5.046%, 4/6/13 (b)	\$261,796
		992,044
<b>Chemicals 1.8%</b>		
2,000	Brenntag AG, 7.136%, 12/23/13 (b)	2,899,272
	INEOS Group Ltd.,	
\$2,870	4.885%, 10/7/12, Term A	2,457,817
735	4.885%, 10/7/13, Term B	619,321
515	4.897%, 10/7/12, Term A	440,724
735	5.385%, 10/7/14, Term C	614,644
1,693	KRATON Polymers Group LLC, 4.50%, 5/12/13 (b)	1,605,280
		8,637,058
<b>Commercial Products 0.2%</b>		
	iPayment, Inc. (b),	
194	4.458%, 12/27/12	167,961
269	4.464%, 12/27/12	232,626
502	4.801%, 12/27/12	434,537
		835,124
<b>Commercial Services 0.5%</b>		
	ARAMARK Corp.,	
2,351	4.676%, 1/26/14, Term B	2,238,414
149	4.83%, 1/26/14, Term LC	142,206
		2,380,620
<b>Computer Services 0.7%</b>		
3,396	SunGard Data Systems, Inc., 4.553%, 2/11/13	3,209,861
<b>Computer Software 2.4%</b>		
	Infor Global Solutions (b),	
731	6.55%, 7/28/12	610,777
163	6.55%, 8/1/12	136,450
465	6.55%, 8/1/12, Term DD	388,057
1,241	7.954%, 8/1/12, Term EU	1,548,450
\$7,444	Thomson Learning, Inc., 4.96%, 6/27/14, Term B	6,595,862
3,000	Trilogy International, Inc., 6.301%, 6/22/12 (b)	2,685,000
		11,964,596
<b>Consumer Products 2.3%</b>		
1,922	Education Management Corp., 4.563%, 2/13/14, Term B	1,764,984
	Jarden Corp., Term B,	
2,924	4.551%, 1/24/12	2,783,701
1,485	5.196%, 1/24/12	1,381,051
	National Mentor, Inc. (b),	
1,868	4.81%, 6/29/13, Term B	1,620,348
113	5.32%, 6/29/13	98,274
1,000	6.904%, 6/29/12	867,500
	Pinnacle Foods, Term B (b),	
938	5.214%, 3/30/14	859,379
1,941	5.533%, 3/30/14	1,777,978
98	5.558%, 3/30/14	89,518
		11,242,733



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**PIMCO Floating Rate Income Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Value
<b>Containers &amp; Packaging 2.5%</b>		
\$1,173	Graham Packaging Holdings Co., Term B, 4.875%, 10/18/11	\$1,120,255
1,173	4.938%, 10/18/11	1,120,255
41	5.063%, 10/18/11 (b)	39,384
3,043	5.063%, 10/18/11	2,905,662
	Graphic Packaging International Corp.,	
427	4.785%, 5/3/14	402,141
1,251	4.791%, 5/3/14	1,177,454
1,194	4.80%, 5/3/14	1,123,197
	Kappa Packaging (b),	
1,000	7.00%, 3/7/14	907,500
1,000	7.00%, 3/7/15	907,500
	Smurfit-Stone Container,	
539	2.713%, 11/1/10	522,912
261	4.50%, 11/1/10, Term C	253,506
163	4.50%, 11/1/11, Term B	157,632
345	4.50%, 11/1/11, Term C	334,255
442	5.125%, 11/1/11, Term B	428,617
883	5.125%, 11/1/11, Term C	857,233
		12,257,503
<b>Diversified Manufacturing 1.0%</b>		
3,945	Grant Forest Products, 10.50%, 9/16/13 (b)	2,879,598
	KION Group GmbH (b),	
1,250	4.463%, 12/20/14, Term B	1,086,607
1,250	4.963%, 12/20/15, Term C	1,086,608
		5,052,813
<b>Drugs &amp; Medical Products 3.3%</b>		
	Bausch & Lomb, Inc.,	
30	6.051%, 4/26/15 (b)	29,321
1,347	6.051%, 4/26/15, Term B	1,313,587
995	8.205%, 4/11/15	1,512,768
	Mylan Laboratories, Inc.,	
\$3,197	5.75%, 10/2/14, Term B	3,171,148
782	6.063%, 10/2/14, Term B (b)	776,017
1,000	7.37%, 10/2/13 (b)	1,534,896
	Nycomed Holdings (b),	
1,118	7.205%, 12/20/15, Term B	1,391,769
852	7.205%, 12/29/16, Term B	1,060,247
852	7.955%, 12/20/15, Term C	1,062,002
1,118	7.955%, 12/29/16, Term C	1,393,596
	Stiefel Laboratories, Inc. (b),	
\$1	4.966%, 12/31/13	998
406	5.042%, 12/31/13	386,620
546	5.042%, 1/10/14	519,872
	Warner Chilcott PLC,	
80	4.463%, 1/18/12, Term B	77,603
1,532	4.696%, 1/18/12, Term B	1,483,450
628	4.801%, 1/18/12, Term C	607,857
		16,321,751

6 PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds Annual Report | 7.31.08

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**PIMCO Floating Rate Income Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Value
<b>Electronics 0.3%</b>		
2	Sensata Technologies, Inc.,	\$3,650
995	6.75%, 4/27/13	1,373,800
	6.962%, 4/27/13 (b)	1,377,450
<b>Energy 1.3%</b>		
\$1,334	Alon USA Energy, Inc. (b),	1,133,333
396	4.713%, 6/8/13	336,844
216	4.899%, 6/8/13	183,772
2,432	4.899%, 6/8/13, Term DD	2,347,164
1,500	Headwaters, Inc., 4.46%, 4/30/11, Term B (b)	1,430,625
	NRG Energy Holding, 2.701%, 2/1/13	
	Targa Resources, Inc.,	
291	2.676%, 10/31/11	280,524
496	4.649%, 10/31/12, Term B	479,509
15	4.801%, 10/31/12, Term B	14,611
		6,206,382
<b>Entertainment 2.9%</b>		
10,606	MGM Studios, 6.051%, 4/8/12, Term B	8,246,433
	Revolution Studios LLC (b),	
579	4.97%, 12/21/12, Term A	538,368
1,536	6.22%, 12/21/14, Term B	1,428,020
	Warner Music Group, Inc., Term B,	
389	4.461%, 2/28/11	364,238
1,117	4.463%, 2/28/11	1,045,201
930	4.638%, 2/28/11	869,778
610	4.796%, 2/28/11	571,154
310	4.799%, 2/28/11	289,926
929	5.085%, 2/28/11 (b)	869,778
		14,222,896
<b>Financial Services 5.5%</b>		
1,500	Bearingpoint, Inc., 6.845%, 5/18/12 (b)	1,192,500
5,950	Chrysler Financial Corp., 6.78%, 8/3/12	4,896,367
	FCI S.A., Term B (b),	
188	4.838%, 3/9/13	178,720
2,009	4.838%, 3/8/14	1,911,892
	First Data Corp., Term B,	
3,605	5.212%, 9/24/14	3,325,144
255	5.551%, 9/24/14	235,524
110	5.552%, 9/24/14 (b)	101,093
1,000	Lender Processing Services, Inc., 4.963%, 6/18/14 (b)	1,001,250
	Lucite International (b),	
3	3.70%, 9/21/09	2,588
1	4.92%, 5/26/13	907
5,895	Nielson Finance, 4.803%, 8/9/13, Term B	5,494,143
	Nuveen Investments, Term B,	
1,814	5.46%, 11/1/14	1,682,721
102	5.463%, 11/1/14 (b)	94,894
2,073	5.463%, 11/13/14	1,923,110





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**PIMCO Floating Rate Income Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Value
<b>Financial Services (continued)</b>		
	One (b),	
1,250	7.232%, 2/4/16, Term B	\$1,774,784
1,250	7.732%, 2/4/17, Term C	1,767,471
1,000	YellowBrix, Inc., 7.00%, 6/4/17 (b)	1,492,722
		27,075,830
<b>Food Services 1.8%</b>		
\$2,167	Arby's Restaurant Group, Inc., Term B, 4.713%, 7/25/12	2,043,879
679	5.046%, 7/25/12	640,634
647	5.051%, 7/25/12	610,127
1,462	Bolthouse Farms, Inc., 5.063%, 11/17/12, Term B (b)	1,415,883
2,963	Michael Foods, Inc., Term B (b), 4.845%, 11/21/10	2,918,519
202	5.194%, 11/21/10	199,189
4	Sturm Foods, Inc., Term B (b), 5.25%, 1/30/14	3,169
1,478	5.375%, 1/30/14	1,248,487
		9,079,887
<b>Healthcare &amp; Hospitals 6.8%</b>		
5,459	Biomet, Inc., 5.801%, 3/25/15, Term B	5,368,893
650	Capio AB (b), 6.702%, 3/8/15, Term B	975,426
650	6.827%, 3/8/16, Term C	970,918
\$668	Community Health Systems, Inc., 4.713%, 7/25/14	633,096
2,098	4.899%, 7/25/14, Term B	1,989,792
809	DaVita, Inc., Term B, 3.97%, 10/5/12	780,430
66	4.14%, 10/5/12	63,617
44	4.18%, 10/5/12	42,411
581	4.30%, 10/5/12	560,507
10,835	HCA, Inc., 5.051%, 11/18/13, Term B	10,203,709
2,402	HealthSouth Corp., 5.29%, 3/10/13	2,275,729
1,000	ISTA, 8.872%, 6/15/16	1,135,636
\$838	MultiPlan, Inc., 5.00%, 4/12/13, Term B (b)	794,057
695	Psychiatric Solutions, Inc., Term B (b), 4.208%, 7/7/12	661,027
782	4.213%, 7/7/12	743,655
503	4.399%, 7/7/12	477,798
4,054	Renal Advantage, Inc., 5.276%, 10/6/12, Term B (b)	3,851,770
865	United Surgical (b), 4.47%, 4/18/14	787,528
49	4.62%, 4/18/14, Term DD	44,783
771	4.80%, 4/18/14, Term B	701,194
120	5.02%, 4/18/14, Term DD	108,758
104	6.791%, 4/18/14, Term DD	94,364
		33,265,098



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**PIMCO Floating Rate Income Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Value
<b>Hotels/Gaming 2.1%</b>		
\$308	CCM Merger, Inc., 4.677%, 7/21/12, Term B (b)	\$283,411
2,940	Harrah's Entertainment, Inc., 5.80%, 1/28/15	2,602,268
53	5.801%, 1/28/15	46,469
4,481	Las Vegas Sands Corp., 4.56%, 5/23/14	3,882,424
	MotorCity Casino, Term B (b),	
770	4.638%, 7/21/12	708,528
2,776	4.808%, 7/21/12	2,554,110
		10,077,210
<b>Household Products 0.7%</b>		
1,000	Springer S.A. (b), 5.177%, 9/16/11, Term B	921,667
2,800	5.552%, 9/16/12, Term C	2,580,668
		3,502,335
<b>Leasing 0.2%</b>		
	Rental Service Corp.,	
530	6.30%, 11/21/13 (b)	435,961
664	6.30%, 11/30/13	545,907
		981,868
<b>Manufacturing 1.9%</b>		
2,734	Bombardier, Inc., 5.29%, 6/26/13, Term B (b)	2,501,772
	Dresser-Rand Group, Inc., Term T,	
35	4.713%, 5/4/14	33,289
2,877	5.219%, 5/4/14	2,766,827
	Lucite International Ltd. (b),	
1,230	5.05%, 5/26/13, Term B	1,012,050
436	5.05%, 5/26/13, Term DD	358,368
2,970	Polypore, Inc., 4.72%, 5/15/14 (b)	2,791,800
		9,464,106
<b>Multi-Media 8.2%</b>		
2,938	American Media Operations, Inc., 5.97%, 1/30/13 (b)	2,739,971
980	Atlantic Broadband, Inc., 5.06%, 8/9/12, Term B (b)	944,158
3,000	Charter Communications, 5.301%, 9/6/14	2,639,820
	CSC Holdings, Inc.,	
4,912	4.214%, 3/30/13, Term B	4,666,635
2,000	9.75%, 7/8/13 (b)	1,998,750
	Dex Media, Inc.,	
316	6.68%, 10/13/14	299,309
1,684	7.00%, 10/13/14	1,596,317
1,000	IESY Unity Media, 8.083%, 10/15/11 (b)	1,474,436
\$2,500	Insight Communications, 7.75%, 4/21/15 (b)	2,281,250
1,000	Macrovision, 7.25%, 4/30/13 (b)	1,001,250
2,367	NTL Investment, 4.799%, 1/6/13, Term B	2,242,503
2,000	ProSieben Sat.1 Media AG, Term C (b) 6.730%, 5/9/15	2,439,145
	Seven Media Group, Term T,	
AUD 2,766	10.447%, 2/7/13	2,393,188
AUD 670	10.51%, 2/7/13	580,167
1,700	Telediffusion De France, 7.00%, 1/19/14 (b)	2,413,706



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**PIMCO Floating Rate Income Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Value
<b>Multi-Media (continued)</b>		
	Univision Communications, Inc.,	
\$393	4.713%, 9/15/14, Term B	\$322,376
771	4.963%, 3/15/09	739,038
6,107	5.049%, 9/15/14, Term B	5,014,735
1,000	Weather Channel, 7.00%, 7/25/15 (b)	970,000
	Young Broadcasting, Inc. Term B (b),	
948	5.313%, 5/2/12	829,112
2,936	5.313%, 11/3/12	2,569,079
		40,154,945
<b>Oil &amp; Gas 0.8%</b>		
	Big West Oil LLC (b),	
637	4.458%, 5/2/14	586,500
660	4.463%, 5/2/14, Term B	607,200
187	4.463%, 5/2/14, Term DD	172,500
	Oxbow Carbon & Minerals LLC (b),	
839	4.381%, 5/4/14, Term B	785,444
47	4.669%, 5/4/14	43,985
80	4.801%, 5/4/14, Term DD	74,648
5	6.25%, 5/4/14, Term B	4,403
1,500	Vulcan Energy, 7.00%, 8/12/11 (b)	1,496,250
		3,770,930
<b>Paper/Paper Products 1.1%</b>		
	Georgia-Pacific Corp., Term B,	
503	4.399%, 12/20/12	475,763
4,277	4.446%, 12/20/12	4,043,985
371	4.551%, 12/20/12	350,875
448	Verso Paper Holdings LLC, 9.033%, 2/1/13 (b)	424,107
		5,294,730
<b>Printing/Publishing 1.9%</b>		
	Idearc, Inc., 4.47%, 11/17/14	
42		31,765
997	RH Donnelley Corp., 6.75%, 6/30/11, Term D	952,289
	Seat Pagine Gialle SpA (b),	
815	4.483%, 6/8/12, Term A	1,104,478
626	4.483%, 6/8/13, Term B	875,370
	Tribune Co.,	
\$3,686	5.413%, 5/30/09, Term X	3,571,368
1,460	5.786%, 5/30/14, Term B	1,048,463
2,493	7.00%, 6/4/14, Term B (b)	1,718,750
		9,302,483
<b>Recreation 2.8%</b>		
	Amadeus Global Travel,	
787	4.461%, 4/8/13, Term B	675,658
1,876	4.461%, 4/8/13, Term B (b)	1,604,739
786	4.961%, 4/8/14, Term C	672,932
1,876	4.961%, 4/8/14, Term C (b)	1,611,240
3,920	Cedar Fair L.P., 4.463%, 8/30/12	3,697,320
	Six Flags Theme Parks, Inc., Term B,	
1,053	4.72%, 4/30/15	903,631
4	4.92%, 4/30/15 (b)	3,200

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69  
351

5.05%, 4/30/15  
5.33%, 4/30/15

59,301  
301,210

10 PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds Annual Report | 7.31.08

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**PIMCO Floating Rate Income Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Value
<b>Recreation (continued)</b>		
\$1,482	Travelport, 4.713%, 8/23/13	\$1,248,763
2,970	4.713%, 8/23/13, Term DD	2,488,860
297	5.051%, 8/23/13	250,565
		13,517,419
<b>Retail 0.2%</b>		
1,300	Neiman Marcus Group, Inc., 4.422%, 4/6/13	1,214,966
<b>Telecommunications 7.7%</b>		
997	Alltel Corp., 4.958%, 5/15/15 (b)	987,340
988	4.958%, 5/15/15, Term B	983,977
1,990	5.314%, 5/15/15, Term B	1,968,646
335	Centennial Cellular Communications Corp., 4.463%, 1/20/11	329,370
513	4.463%, 2/9/11	504,478
3,818	4.801%, 2/9/11	3,752,318
1,200	eircom Group PLC (b), 6.606%, 8/15/14, Term B	1,720,176
1,200	6.856%, 8/15/15, Term C	1,728,273
\$532	FairPoint Communications, Inc. (b), 5.75%, 3/8/15	469,184
468	5.752%, 3/8/15	412,222
2,536	Hawaiian Telcom Communications, Inc., 5.301%, 6/1/14, Term C	2,012,491
672	Integra Telecom, Inc., Term T (b), 6.894%, 8/31/13	625,210
504	7.046%, 8/31/13	468,908
809	7.051%, 8/31/13	751,932
2,478	Intelsat Ltd., 5.288%, 7/3/12	2,396,619
995	5.288%, 1/3/14	962,186
2,500	5.291%, 2/1/14	2,518,750
1,605	Nordic Telephone Co. Holdings ApS, 6.352%, 11/30/13, Term B	2,404,398
1,922	6.602%, 11/30/14, Term C	2,888,389
500	Telenet Bidco NV (b), 7.455%, 8/1/15	745,995
2,000	7.705%, 8/1/15, Term C	2,964,475
\$34	Telesat Canada, Inc., 5.57%, 10/22/14	32,071
527	5.65%, 10/22/14 (b)	503,112
210	5.67%, 10/22/14, Term B	200,704
80	5.67%, 10/22/14, Term DD	76,168
2,929	5.80%, 10/22/14, Term B	2,796,368
21	5.81%, 10/22/14, Term DD	19,754
80	5.90%, 10/22/14, Term DD	76,168
950	Verizon IDEARC, Inc., 4.80%, 11/17/14, Term B	711,327
1,500	Weather Investments, 10.92%, 11/26/14 (b)	2,349,151
		38,360,160



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**Transportation 0.5%**

\$2,719

Fleetpride Corp., 5.301%, 6/6/13, Term B (b)

2,474,063

7.31.08 | PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds Annual Report **11**

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**PIMCO Floating Rate Income Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
<b>Utilities 1.7%</b>			
\$786	AES Corp., Term B (b), 5.063%, 8/10/11		\$773,928
786	5.10%, 8/10/11		773,929
896	Texas Competitive Electric Holdings Co. LLC, 5.963%, 10/10/14		843,837
2,926	6.303%, 10/10/14		2,757,486
2,643	6.303%, 10/10/14, Term B		2,482,298
107	TXU Tech, 5.963%, 10/10/14		100,975
17	6.071%, 10/10/14		16,372
483	6.169%, 10/10/14		455,093
4	6.301%, 10/10/14		3,545
370	6.303%, 10/10/14, Term B1		348,239
			8,555,702
<b>Waste Disposal 1.0%</b>			
1,085	Allied Waste North America, Inc., 3.96%, 3/28/14, Term B		1,065,928
852	4.57%, 3/28/14, Term B		837,776
1,663	4.60%, 3/28/14		1,633,954
1,000	AVR-Bedrijven NV, 7.205%, 3/1/14 (b)		1,443,239
			4,980,897
<b>Wholesale 0.7%</b>			
\$3,653	Roundy s, Inc., 5.21%, 10/27/11, Term B		3,511,542
<b>Wire &amp; Cable Products 1.2%</b>			
1,000	UPC Broadband Holding BV, 6.482%, 12/31/14		1,376,156
3,143	6.482%, 12/31/14, Term M		4,324,981
			5,701,137
Total Senior Loans (cost-\$378,827,303)			354,717,717
<b>CORPORATE BONDS &amp; NOTES 19.1%</b>			
<b>Airlines 0.1%</b>			
\$560	JetBlue Airways Corp., 5.776%, 5/15/10, FRN	B1/B+	557,521
<b>Apparel &amp; Textiles 0.6%</b>			
3,500	Hanesbrands, Inc., 6.508%, 12/15/14, FRN	B2/B-	3,132,500
<b>Automotive Products 0.8%</b>			
4,000	Goodyear Tire & Rubber Co., 6.678%, 12/1/09, FRN	Ba3/BB-	3,980,000
<b>Banking 1.5%</b>			
2,500	Bank of America Corp., 8.125%, 5/15/18 (g)	A1/A+	2,328,650
600	HBOS PLC, 6.75%, 5/21/18 (a) (d)	Aa3/A+	543,330
£2,455	Royal Bank of Scotland PLC, 9.370%, 4/6/11, FRN (f)	NR/NR	4,277,164
\$300	UBS AG, 3.741%, 7/1/10	NR/NR	299,882
			7,449,026
<b>Building/Construction 0.8%</b>			
3,000	Grohe Holding GmbH, 7.838%, 1/15/14, FRN	B2/B	4,066,401
<b>Commercial Services 0.9%</b>			
\$4,500	ARAMARK Corp., 6.301%, 2/1/15, FRN	B3/B	4,162,500



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**PIMCO Floating Rate Income Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
<b>Containers &amp; Packaging 0.4%</b>			
\$1,000	Berry Plastics Holding Corp. FRN, 6.651%, 9/15/14	Caa1/B	\$740,000
1,000	7.541%, 2/15/15	B1/BB-	935,000
			1,675,000
<b>Diversified Manufacturing 0.7%</b>			
2,250	Bombardier, Inc., 7.981%, 11/15/13, FRN (a) (d)	Ba2/BB+	3,457,904
<b>Electronics 0.2%</b>			
\$1,400	Spansion LLC, 5.807%, 6/1/13, FRN (a) (d)	B2/BB-	987,000
<b>Financial Services 4.6%</b>			
2,500	Chukchansi Economic Dev. Auth., 6.328%, 11/15/12, FRN (a) (b) (d)	B2/BB-	2,037,500
2,500	Citigroup, Inc., 8.40%, 4/30/18 (g)	A2/A	2,143,725
2,000	Hexion U.S. Finance Corp., 7.176%, 11/15/14, FRN	B3/B	1,570,000
2,500	JPMorgan Chase & Co., 7.90%, 4/30/18 (g)	A/A	2,319,340
1,500	Lehman Brothers Holdings, Inc., 7.50%, 5/11/38 (j)	A2/A	1,346,487
2,000	Merrill Lynch & Co., Inc., 5.053%, 5/12/10, FRN	A/A	1,943,028
600	6.875%, 4/25/18	A1/A+	564,182
2,000	Morgan Stanley, 4.778%, 5/14/10, FRN	Aa3/A+	1,985,116
1,000	Qwest Capital Funding, Inc., 7.90%, 8/15/10	B1/B+	995,000
3,500	Universal City Florida Holding Co., 7.551%, 5/1/10, FRN	B3/B-	3,412,500
2,000	8.375%, 5/1/10	B3/B-	1,960,000
2,500	Wells Fargo Capital XIII, 7.70%, 3/26/13 (g)	Aa3/AA-	2,374,010
			22,650,888
<b>Hotels/Gaming 0.5%</b>			
2,336	Harrah s Operating Co., Inc., 10.75%, 2/1/16 (a) (d)	B3/B+	1,775,360
1,000	Mandalay Resort Group, 7.625%, 7/15/13	B1/B+	825,000
			2,600,360
<b>Insurance 0.4%</b>			
1,300	Residential Reins Ltd., FRN (a) (b) (d), 9.932%, 6/7/10	NR/BB	1,300,822
500	10.432%, 6/7/10	NR/BB+	499,712
			1,800,534
<b>Multi-Media 0.2%</b>			
1,000	CCO Holdings LLC, 8.75%, 11/15/13	Caa1/CCC	930,000
<b>Oil &amp; Gas 0.6%</b>			
1,600	SandRidge Energy, Inc. (a) (d), 6.416%, 4/1/14, FRN	B-/B-	1,572,670
1,250	8.00%, 6/1/18	B3/B-	1,243,750
			2,816,420
<b>Paper/Paper Products 0.8%</b>			
4,500	Verso Paper Holdings LLC, 6.551%, 8/1/14, FRN	B2/B+	3,982,500
150	Weyerhaeuser Co., 3.802%, 9/24/09, FRN	Baa2/BBB	148,432
			4,130,932
<b>Semi-conductors 0.8%</b>			
5,000	Freescale Semiconductor, Inc., 6.651%, 12/15/14, FRN	B2/B-	3,937,500

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**PIMCO Floating Rate Income Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
<b>Telecommunications 5.0%</b>			
\$2,500	Hawaiian Telcom Communications, Inc., 8.486%, 5/1/13, FRN	Caa2/CCC	\$887,500
3,000	Hellas Telecommunications Luxembourg V, 8.463%, 10/15/12, FRN	B1/B	4,165,867
2,950	Nordic Telephone Co. Holdings ApS, 10.463%, 5/1/16, FRN (a) (d)	B2/B	4,441,641
\$6,200	Nortel Networks Ltd., 7.041%, 7/15/11, FRN	B3/B-	5,874,500
2,000	Qwest Capital Funding, Inc., 7.00%, 8/3/09	B1/B+	1,990,000
2,000	7.25%, 2/15/11	B1/B+	1,915,000
3,000	TelCordia Technologies, Inc., 6.541%, 7/15/12, FRN (a) (d)	B2/B	2,580,000
1,700	Telesat Canada (a) (d), 11.00%, 11/1/15	Caa1/B-	1,598,000
1,300	12.50%, 11/1/17	Caa1/B-	1,205,750
			24,658,258
<b>Wire &amp; Cable Products 0.2%</b>			
1,000	Superior Essex Communications LLC, 9.00%, 4/15/12	B3/BB-	1,025,000
Total Corporate Bonds & Notes (cost-\$101,261,869)			94,017,744
<b>PREFERRED STOCK 0.6%</b>			
Shares			
<b>Financial Services 0.6%</b>			
30	Richmond Cnty. Capital Corp., 6.053%, Ser. C, FRN (a) (b) (d) (cost-\$3,068,307)	NR/NR	3,008,438
<b>MORTGAGE-BACKED SECURITY 0.3%</b>			
Principal Amount (000)			
\$1,422	Mellon Residential Funding Corp., 2.808%, 11/15/31, CMO, FRN (cost-\$1,421,900)	Aaa/AAA	1,283,471
<b>ASSET-BACKED SECURITIES 0.1%</b>			
12	Credit Suisse First Boston Mortgage Securities Corp., FRN, 3.161%, 7/25/32	Aaa/AAA	8,775
426	3.223%, 8/25/32	Aaa/AAA	389,984
300	GSAMP Trust, 2.751%, 3/25/34, FRN	Aaa/AAA	296,373
Total Asset-Backed Securities (cost-\$738,694)			695,132
<b>SHORT-TERM INVESTMENTS 7.7%</b>			
<b>Commercial Paper 2.7%</b>			
1,800	Danske Corp., 2.69%, 9/18/08 (a) (b) (d)	P-1/A-1+	1,793,544

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	11,500	UBS Finance Delaware LLC, 2.845%, 9/30/08	P-1/A-1+	11,446,870
Total Commercial Paper (cost-\$13,239,015)				13,240,414
<b>U.S. Treasury Bills (h) 0.9%</b>				
	4,500	1.33%-2.02%, 9/11/08-9/25/08 (cost-\$4,489,086)		4,489,364

14 PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds Annual Report | 7.31.08

**PIMCO Floating Rate Income Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
<b>Corporate Notes 0.4%</b>			
<b>Multi-Media 0.4%</b>			
\$1,800	Cablevision Systems Corp., 7.133%, 4/1/09, FRN (cost-\$1,800,000)	B2/B+	\$1,820,250
<b>Repurchase Agreements 3.7%</b>			
700	State Street Bank & Trust Co., dated 7/31/08, 1.65%, due 8/1/08, proceeds \$700,032; collateralized by Federal Home Loan Bank, 2.70% due 9/3/08, valued at \$717,988 including accrued interest		700,000
17,500	Credit Suisse First Boston, dated 7/31/08, 2.02%, due 8/1/08, proceeds \$17,500,982; collateralized by U.S. Treasury Inflation Index Note, 1.149%, due 1/15/25, valued at \$17,821,777 including accrued interest		17,500,000
Total Repurchase Agreements (cost-\$18,200,000)			18,200,000
Total Short-Term Investments (cost-\$37,728,101)			37,750,028
<b>OPTIONS PURCHASED (i) 0.0%</b>			
	Contracts		
<b>Put Options 0.0%</b>			
179	Financial Future Euro 90 day (CME), strike price \$93, expires 3/16/09		1,119
61	strike price \$94, expires 3/16/09		345
416	United Kingdom 90 day (LIFFE), strike price \$91.25, expires 12/17/08		1
Total Options Purchased (cost-\$7,355)			1,465
<b>Total Investments (cost-\$523,053,529) 100.0%</b>			<b>\$491,473,995</b>

**PIMCO Floating Rate Strategy Fund Schedule of Investments**

July 31, 2008

Principal Amount (000)		Value
<b>SENIOR LOANS (a) (c) 74.8%</b>		
<b>Advertising 1.5%</b>		
	PagesJaunes Groupe S.A.,	
2,180	5.736%, 1/11/15, Term B (b)	\$2,688,985
2,000	5.986%, 1/11/14, Term A	2,724,056
2,180	7.236%, 1/11/16, Term C (b)	2,712,367
	West Corp.,	
\$2,069	4.838%, 10/23/13	1,864,491
2,306	4.838%, 10/23/13 (b)	2,077,278
503	5.021%, 10/23/13	452,900
2,932	5.171%, 10/24/13	2,641,915
2,095	5.259%, 10/23/13 (b)	1,887,082
		17,049,074
<b>Aerospace 0.1%</b>		
1,250	TransDigm Group, Inc., 4.801%, 6/23/13, Term B	1,216,250
<b>Airlines 0.5%</b>		
6,930	Northwest Airlines Corp., 4.46%, 8/21/13 (b)	5,500,687
<b>Apparel &amp; Textiles 0.3%</b>		
	Hanesbrands, Inc., Term B,	
571	4.545%, 10/15/13	551,270
126	4.551%, 10/15/13	121,452
	Simmons Co., Term C (b),	
603	4.813%, 12/19/11	565,769
702	4.875%, 12/19/11	659,223
234	4.938%, 12/19/11	219,741
538	6.375%, 12/19/11	505,151
156	6.50%, 12/19/11	146,494
54	6.938%, 12/19/11	50,515
108	7.125%, 12/19/11	101,030
108	7.25%, 12/19/11	101,030
		3,021,675
<b>Automotive 1.2%</b>		
11,820	Ford Motor Corp., 5.46%, 12/16/13, Term B	9,337,800
5,461	General Motors Corp., 5.163%, 11/29/13	4,316,981
		13,654,781
<b>Automotive Products 2.7%</b>		
8,302	Affinia Group, 5.799%, 11/30/11, Term B (b)	7,762,780
	Allison Transmission, Inc.,	
323	5.21%, 8/7/14 (b)	290,323
1,910	5.22%, 8/7/14	1,714,935
1,423	5.45%, 8/7/14 (b)	1,277,419
323	5.56%, 8/7/14 (b)	290,323
	Cooper Standard Automotive, Inc.,	
2,327	5.313%, 12/31/11, Term B	2,169,950
5,815	5.313%, 12/31/11, Term C	5,422,287
	Delphi Corp. (b),	
500	7.25%, 12/31/08	498,344
8,000	8.50%, 12/31/08	7,154,000
3,000	Goodyear Tire & Rubber Co., 4.54%, 4/30/14, Term B	2,766,750
		29,347,111





**PIMCO Floating Rate Strategy Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Value
<b>Banking 0.7%</b>		
\$3,637	Aster Co., Ltd. (b), 4.88%, 9/19/13, Term B	\$3,109,967
2,214	4.88%, 9/19/14, Term C	1,893,045
1,800	6.983%, 9/19/13, Term B	2,395,369
		7,398,381
<b>Building/Construction 0.2%</b>		
\$629	Masonite International Corp., 4.63%, 4/6/13, Term B	555,139
1,593	4.795%, 4/6/13, Term B	1,406,527
796	5.046%, 4/6/13 (b)	703,263
		2,664,929
<b>Chemicals 2.3%</b>		
28	Brenntag AG, 6.517%, 12/23/13	41,113
2,000	6.793%, 12/23/13 (b)	2,818,857
1,631	7.136%, 12/23/13	2,364,805
340	7.136%, 12/23/13, Term B	493,353
\$2,333	Chart Industries, Term B (b), 4.458%, 10/14/12	2,269,167
333	4.50%, 10/14/12	324,167
1,321	Georgia Gulf Corp., 4.961%, 10/3/13	1,233,756
2,870	INEOS Group Ltd., 4.885%, 10/7/12, Term A	2,457,817
1,960	4.885%, 10/7/13, Term B	1,651,523
515	4.897%, 10/7/12, Term A	440,724
1,960	5.385%, 10/7/14, Term C	1,639,050
2,318	Innophos, Inc., 4.81%, 8/13/10, Term B (b)	2,289,204
4,668	KRATON Polymers Group LLC, 4.50%, 5/12/13 (b)	4,425,612
1,613	MacDermid, Inc., 7.204%, 4/12/14 (b)	2,290,241
		24,739,389
<b>Commercial Products 0.4%</b>		
\$2,673	Alliance Laundry Holdings LLC, 5.30%, 1/27/12, Term B (b)	2,592,341
388	iPayment, Inc. (b), 4.458%, 12/27/12	335,922
538	4.464%, 12/27/12	465,253
1,005	4.801%, 12/27/12	869,073
		4,262,589
<b>Commercial Services 0.5%</b>		
4,616	ARAMARK Corp., 4.676%, 1/26/14, Term B	4,395,277
738	4.83%, 1/26/14, Term LC	702,452
		5,097,729
<b>Computer Services 1.0%</b>		
11,643	SunGard Data Systems, Inc., 4.553%, 2/11/13	11,005,239

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**PIMCO Floating Rate Strategy Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Value
<b>Computer Software 2.5%</b>		
\$1,485	Infor Global Solutions (b), 5.55%, 7/28/12	\$1,239,975
1,033	6.55%, 7/28/12	862,558
231	6.55%, 8/1/12	192,699
662	6.55%, 8/1/12, Term DD	552,371
3,082	7.954%, 8/1/12, Term EU	3,846,365
\$15,880	Thomson Learning, Inc., 4.96%, 6/27/14, Term B	14,071,173
7,000	Trilogy International, Inc., 6.301%, 6/22/12 (b)	6,265,000
		27,030,141
<b>Consumer Products 2.0%</b>		
6,495	Education Management Corp., 4.563%, 2/13/14, Term B	5,964,813
5,951	Jarden Corp., Term B, 4.551%, 1/24/12	5,666,281
2,970	5.196%, 1/24/12	2,762,102
2,620	National Mentor, Inc. (b), 4.81%, 6/29/13, Term B	2,272,804
40	5.32%, 6/29/13	34,529
3,000	6.904%, 6/29/12	2,602,500
1,092	Pinnacle Foods, Term B (b), 5.214%, 3/30/14	1,000,090
2,259	5.533%, 3/30/14	2,069,096
114	5.558%, 3/30/14	104,175
		22,476,390
<b>Containers &amp; Packaging 2.2%</b>		
2,133	Graham Packaging Holdings Co., Term B, 4.875%, 10/18/11	2,036,828
2,133	4.938%, 10/18/11	2,036,828
5,533	5.063%, 10/18/11	5,283,022
75	5.063%, 10/18/11 (b)	71,607
427	Graphic Packaging International Corp., 4.785%, 5/3/14	402,141
1,251	4.791%, 5/3/14	1,177,454
1,194	4.80%, 5/3/14	1,123,197
34	JSG Packaging Ltd., 5.969%, 11/29/12, Term A (b)	48,045
11	5.97%, 11/29/12, Term A (b)	15,302
294	5.985%, 11/29/12, Term A (b)	416,844
91	6.344%, 1/12/13, Term B	128,181
31	6.344%, 11/29/13, Term B (b)	43,891
152	6.36%, 1/12/13, Term B	213,940
11	6.462%, 11/29/12 (b)	15,680
211	6.462%, 11/29/12, Term A (b)	298,411
234	6.594%, 1/12/14, Term C	331,852
182	6.61%, 1/12/14, Term C	258,332
461	6.61%, 2/18/15, Term C	652,186
332	6.621%, 11/29/12, Term A (b)	470,409
207	6.732%, 1/12/13, Term B	292,139
281	6.834%, 1/12/13, Term B	395,859
109	6.834%, 11/29/13, Term B	153,731

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413	6.836%, 1/12/13, Term B	581,409
715	6.996%, 2/18/14, Term B	1,007,429
141	7.08%, 11/29/14, Term C (b)	199,998

18 PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds Annual Report | 7.31.08

**PIMCO Floating Rate Strategy Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Value
<b>Containers &amp; Packaging (continued)</b>		
91	7.084%, 1/12/14, Term C (b)	\$128,574
136	7.084%, 11/29/14, Term C	193,150
445	7.086%, 1/12/14, Term C	630,291
188	7.088%, 1/12/14, Term C	266,403
121	7.246%, 11/29/14, Term C (b)	171,426
	Smurfit-Stone Container,	
\$1,324	2.713%, 11/1/10	1,285,403
642	4.50%, 11/1/10, Term C	623,396
281	4.50%, 11/1/11, Term B	272,636
606	4.50%, 11/1/11, Term C	588,395
764	5.125%, 11/1/11, Term B	741,322
2,172	5.125%, 11/1/11, Term C	2,108,018
		24,663,729
<b>Diversified Manufacturing 1.2%</b>		
8,453	Grant Forest Products, 10.50%, 9/16/13 (b)	6,170,567
	KION Group GmbH (b),	
3,000	4.463%, 12/20/14, Term B	2,607,858
3,000	4.963%, 12/20/15, Term C	2,607,858
	Linpac Mouldings Ltd. (b),	
1,016	5.301%, 4/16/12, Term B	893,819
1,277	5.801%, 4/16/12, Term C	1,123,888
		13,403,990
<b>Drugs &amp; Medical Products 2.6%</b>		
	Bausch & Lomb, Inc.,	
130	6.051%, 4/26/15 (b)	126,804
5,824	6.051%, 4/26/15, Term B	5,680,829
	Mylan Laboratories, Inc., Term B,	
6,795	5.75%, 10/2/14	6,738,689
1,663	6.063%, 10/2/14 (b)	1,649,037
	Nycomed Holdings (b),	
2,236	7.205%, 12/20/15, Term B	2,783,539
1,704	7.205%, 12/29/16, Term B	2,120,494
1,704	7.955%, 12/20/15, Term C	2,124,003
2,236	7.955%, 12/29/16, Term C	2,787,191
	Stiefel Laboratories, Inc. (b),	
\$1	4.965%, 12/31/13	998
412	5.042%, 12/31/13	392,296
540	5.042%, 1/10/14	514,196
	Warner Chilcott PLC,	
128	4.463%, 1/18/12, Term B	123,632
2,441	4.696%, 1/18/12, Term B	2,363,348
1,000	4.801%, 1/18/12, Term C	968,402
		28,373,458
<b>Electronics 0.1%</b>		
	Sensata Technologies, Inc.,	
3	6.75%, 4/27/13	3,649
995	6.962%, 4/27/13 (b)	1,373,801
		1,377,450



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**PIMCO Floating Rate Strategy Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Value
<b>Energy 1.5%</b>		
\$4,000	Alon USA Energy, Inc. (b), 4.713%, 6/8/13	\$3,400,000
1,189	4.899%, 6/8/13	1,010,530
649	4.899%, 6/8/13, Term DD	551,316
5,141	Headwaters, Inc., 4.46%, 4/30/11, Term B (b)	4,961,302
	Longview Power (b),	
267	5.063%, 2/28/13, Term LC	237,667
800	5.063%, 2/28/14, Term B	713,000
933	5.063%, 2/28/14, Term DD	831,833
2,500	NRG Energy Holding, 2.701%, 2/1/13	2,384,375
	Targa Resources, Inc.,	
774	2.676%, 10/31/11	747,967
1,323	4.649%, 10/31/12, Term B	1,278,525
40	4.801%, 10/31/12, Term B	38,957
		16,155,472
<b>Entertainment 2.3%</b>		
17,637	MGM Studios, 6.051%, 4/8/12, Term B	13,712,724
	Revolution Studios LLC (b),	
579	4.97%, 12/21/12, Term A	538,368
4,299	6.22%, 12/21/14, Term B	3,998,457
	Warner Music Group, Inc., Term B,	
698	4.461%, 2/28/11	652,946
2,002	4.463%, 2/28/11	1,873,666
1,666	4.638%, 2/28/11	1,559,196
1,094	4.796%, 2/28/11	1,023,872
555	4.799%, 2/28/11	519,732
1,666	5.085%, 2/28/11 (b)	1,559,196
		25,438,157
<b>Financial Services 5.7%</b>		
3,500	Bearingpoint, Inc., 6.845%, 5/18/12 (b)	2,782,500
13,386	Chrysler Financial Corp., 6.78%, 8/3/12	11,015,783
	FCI S.A., Term B (b),	
438	4.838%, 3/9/13	417,013
3,353	4.838%, 3/8/14	3,191,915
	First Data Corp.,	
462	5.212%, 9/24/14 (b)	426,424
8,111	5.212%, 9/24/14, Term B	7,481,574
469	5.231%, 9/24/14, Term B	432,266
64	5.551%, 9/24/14, Term B (b)	59,028
575	5.551%, 9/24/14, Term B	529,930
247	5.552%, 9/24/14, Term B (b)	227,459
2,000	Lender Processing Services, Inc., 4.963%, 6/18/14 (b)	2,002,500
	Lucite International (b),	
6	3.70%, 9/21/09	4,568
2	4.92%, 5/26/13	1,601
11,790	Nielson Finance, 4.803%, 8/9/13, Term B	10,988,286
	Nuveen Investments, Term B,	
4,536	5.46%, 11/1/14	4,206,803
256	5.463%, 11/1/14 (b)	237,234

5,184

5.463%, 11/13/14

4,807,775

20 PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds Annual Report | 7.31.08



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**PIMCO Floating Rate Strategy Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Value
<b>Financial Services (continued)</b>		
	One (b),	
3,250	7.232%, 2/4/16, Term B	\$4,614,439
3,250	7.732%, 2/4/17, Term C	4,595,424
\$3,000	Yell Finance BV, 4.463%, 2/10/13	2,628,750
1,500	YellowBrix, Inc., 7.00%, 6/4/17 (b)	2,239,083
		62,890,355
<b>Food Services 1.4%</b>		
	Arby's Restaurant Group, Inc., Term B,	
\$6,214	4.713%, 7/25/12	5,861,463
1,948	5.046%, 7/25/12	1,837,217
1,855	5.051%, 7/25/12	1,749,731
	Michael Foods, Inc., Term B (b),	
2,864	4.845%, 11/21/10	2,820,580
195	5.194%, 11/21/10	192,505
	Sturm Foods, Inc., Term B (b),	
9	5.25%, 1/30/14	7,394
3,448	5.375%, 1/30/14	2,913,137
		15,382,027
<b>Healthcare &amp; Hospitals 6.6%</b>		
12,902	Biomet, Inc., 5.801%, 3/25/15, Term B	12,690,112
	Capio AB (b),	
356	6.702%, 3/8/15, Term B	534,020
1,209	6.702%, 3/8/16, Term C	1,806,193
1,209	6.827%, 3/8/15, Term B	1,806,193
356	6.827%, 3/8/16, Term C	531,552
	Community Health Systems, Inc.,	
\$986	4.713%, 7/25/14	934,531
3,097	4.899%, 7/25/14, Term B	2,937,189
	DaVita, Inc., Term B,	
1,936	3.97%, 10/5/12	1,867,748
158	4.14%, 10/5/12	152,250
105	4.18%, 10/5/12	101,500
1,391	4.30%, 10/5/12	1,341,421
24,625	HCA, Inc., 5.051%, 11/18/13, Term B	23,190,249
4,404	HealthSouth Corp., 5.29%, 3/10/13	4,172,170
3,000	ISTA, 8.872%, 6/15/16	3,406,907
\$2,493	MultiPlan, Inc., 5.00%, 4/12/13, Term B (b)	2,363,214
	Psychiatric Solutions, Inc., Term B (b),	
1,458	4.208%, 7/7/12	1,385,614
1,640	4.213%, 7/7/12	1,558,816
1,060	4.399%, 7/7/12	1,008,034
9,220	Renal Advantage, Inc., 5.276%, 10/6/12, Term B (b)	8,759,062
	United Surgical (b),	
876	4.47%, 4/18/14	797,393
45	4.62%, 4/18/14, Term DD	41,097
780	4.80%, 4/18/14, Term B	709,977
110	5.02%, 4/18/14, Term DD	99,806
95	6.791%, 4/18/14, Term DD	86,597
		72,281,645



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**PIMCO Floating Rate Strategy Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Value
<b>Hotels/Gaming 2.3%</b>		
\$693	CCM Merger, Inc., 4.677%, 7/21/12, Term B (b)	\$637,475
6,860	Harrah's Entertainment, Inc., 5.80%, 1/28/15	6,071,957
122	5.801%, 1/28/15	108,428
7,468	Las Vegas Sands Corp., 4.56%, 5/23/14	6,470,214
	MotorCity Casino, Term B (b), 4.638%, 7/21/12	1,593,688
1,732	4.808%, 7/21/12	5,744,951
6,245	Wimar OPCO LLC, 8.25%, 1/3/12, Term B	4,138,316
4,851		24,765,029
<b>Household Products 0.3%</b>		
	Springer S.A. (b), 5.177%, 9/16/11, Term B	1,808,466
1,962	5.552%, 7/22/12	774,417
840	5.552%, 9/16/12, Term C	774,417
840		3,357,300
<b>Leasing 0.3%</b>		
	Rental Service Corp., 6.30%, 11/21/13 (b)	1,457,002
1,771	6.30%, 11/30/13	1,824,445
2,218		3,281,447
<b>Manufacturing 2.4%</b>		
1,000	Boc Group, Inc., 8.394%, 11/30/14 (b)	645,000
7,380	Bombardier, Inc., 5.29%, 6/26/13, Term B (b)	6,752,468
	Dresser-Rand Group, Inc., Term T, 4.713%, 5/4/14	66,577
69	5.219%, 5/4/14	5,533,654
5,754	Lucite International Ltd. (b), 5.05%, 5/26/13, Term B	1,785,971
2,171	5.05%, 5/26/13, Term DD	632,415
769	Polypore, Inc., 4.72%, 5/15/14 (b)	5,583,600
5,940	TPF Generation, 2.801%, 12/15/13 (b)	301,745
313	Xerium Technologies, Inc., 8.301%, 5/18/12, Term B (b)	5,381,074
6,098		26,682,504
<b>Multi-Media 8.5%</b>		
7,316	American Media Operations, Inc., 5.97%, 1/30/13 (b)	6,822,528
1,225	Atlantic Broadband, Inc., 5.06%, 8/9/12, Term B (b)	1,180,198
7,000	Charter Communications, 5.301%, 9/6/14	6,159,580
	CMP Susquhanna Corp., Term B (b), 4.49%, 5/5/13	445,190
540	4.493%, 5/5/13	1,120,099
1,358	4.494%, 5/5/13	788,877
956	CSC Holdings, Inc., 4.214%, 3/30/13, Term B	14,028,199
14,767	9.75%, 7/8/13 (b)	2,998,125
3,000	Insight Communications, 7.75%, 4/21/15 (b)	4,106,250
4,500	Macrovision, 7.25%, 4/30/13 (b)	2,002,500
2,000	MGM Studios, 6.051%, 4/8/12, Term B	3,838,906
4,938	NTL Investment, 4.799%, 1/6/13, Term B	2,545,695
2,687		



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**PIMCO Floating Rate Strategy Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Value
<b>Multi-Media (continued)</b>		
5,200	ProSieben Sat.1 Media AG, Term C (b), 6.730%, 5/9/15	\$6,341,734
AUD7,150	Seven Media Group, Term T, 10.447%, 2/7/13	6,186,936
AUD1,733	10.51%, 2/7/13	1,499,863
\$2,001	Source Media, Inc., 7.81%, 11/8/11, Term B (b)	1,870,662
4,300	Telediffusion De France, 7.00%, 1/19/14 (b)	6,105,258
\$1,396	Thomas Media, 7.81%, 11/8/11, Term B (b)	1,305,224
	Univision Communications, Inc., 4.713%, 9/15/14, Term B	768,742
936		
1,541	4.963%, 3/15/09	1,478,076
14,564	5.049%, 9/15/14, Term B	11,958,215
	Young Broadcasting, Inc., Term B (b), 5.313%, 5/2/12	1,969,103
2,250	5.313%, 11/3/12	6,101,446
6,973	Weather Channel, 7.00%, 7/25/15 (b)	2,425,000
2,500		94,046,406
<b>Oil &amp; Gas 0.8%</b>		
	Big West Oil LLC (b), 4.458%, 5/2/14	977,500
1,062		
1,100	4.463%, 5/2/14, Term B	1,012,000
312	4.463%, 5/2/14, Term DD	287,500
	Oxbow Carbon & Minerals LLC (b), 4.381%, 5/4/14, Term B	3,216,813
3,436		
192	4.669%, 5/4/14	180,142
327	4.801%, 5/4/14, Term DD	305,758
19	6.25%, 5/4/14, Term B	18,031
2,500	Vulcan Energy, 7.00%, 8/12/11 (b)	2,493,750
		8,491,494
<b>Paper/Paper Products 1.0%</b>		
	Georgia-Pacific Corp., Term B, 4.399%, 12/20/12	1,029,557
1,089		
9,255	4.446%, 12/20/12	8,751,231
803	4.551%, 12/20/12	759,298
		10,540,086
<b>Printing/Publishing 2.1%</b>		
	Idearc, Inc., 4.47%, 11/17/14	159,063
212		
2,992	RH Donnelley Corp., 6.75%, 6/30/11, Term D	2,856,868
3,476	Seat Pagine Gialle SpA, 4.483%, 6/8/12, Term A (b)	4,712,701
	Tribune Co., 5.413%, 5/30/09, Term X	9,283,460
\$9,580		
3,910	5.786%, 5/30/14, Term B	2,807,869
4,987	7.00%, 6/4/14, Term B (b)	3,437,500
		23,257,461
<b>Recreation 2.4%</b>		
	Amadeus Global Travel, 4.461%, 4/8/13, Term B (b)	1,450,078
1,695		
3,336	4.461%, 4/8/13, Term B	2,865,949
3,336	4.961%, 4/8/14, Term C	2,854,396

1,695

4.961%, 4/8/14, Term C (b)

1,455,952

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**PIMCO Floating Rate Strategy Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Value
<b>Recreation (continued)</b>		
\$6,850	Cedar Fair L.P., 4.463%, 8/30/12	\$6,460,974
2,813	Six Flags Theme Parks, Inc., Term B, 4.72%, 4/30/15	2,412,732
10	4.92%, 4/30/15 (b)	8,545
185	5.05%, 4/30/15	158,336
938	5.33%, 4/30/15	804,244
	Travelport, 4.713%, 8/23/13	2,497,526
2,964	4.713%, 8/23/13, Term DD	4,977,720
5,940	5.051%, 8/23/13	501,130
595		26,447,582
<b>Retail 0.2%</b>		
2,715	Neiman Marcus Group, Inc., 4.422%, 4/6/13	2,537,587
<b>Telecommunications 9.6%</b>		
2,494	Alltel Corp., 4.958%, 5/15/15 (b)	2,468,350
2,719	4.958%, 5/15/15, Term B	2,709,035
3,732	5.314%, 5/15/15, Term B	3,692,442
	Centennial Cellular Communications Corp., 4.463%, 1/20/11	654,160
666	4.463%, 2/9/11	1,001,941
1,020	4.801%, 2/9/11	7,452,455
7,583	eircom Group PLC (b), 6.606%, 8/15/14, Term B	5,303,874
3,700	6.856%, 8/15/15, Term C	5,328,842
3,700	8.981%, 2/15/16	2,705,739
2,000	FairPoint Communications, Inc. (b), 5.75%, 3/8/15	469,184
\$532	5.752%, 3/8/15	412,222
468	Hawaiian Telcom Communications, Inc., 5.301%, 6/1/14, Term C	4,468,448
5,631	Integra Telecom, Inc., Term T (b), 6.894%, 8/31/13	2,338,793
2,515	7.046%, 8/31/13	1,754,095
1,886	7.051%, 8/31/13	2,812,837
3,025	Intelsat Ltd., 5.288%, 7/3/12	4,470,252
4,622	5.288%, 1/3/14	2,886,559
2,985	5.291%, 2/1/14	5,541,250
5,500	Nordic Telephone Co. Holdings ApS, 6.352%, 11/30/13, Term B	6,612,094
4,414	6.602%, 11/30/14, Term C	7,943,070
5,285	Qwest Corp., 6.95%, 6/30/10, Term B	7,462,500
\$7,500	Telenet Bidco NV, 7.705%, 8/1/15, Term C (b)	6,077,173
4,100	Telesat Canada, Inc., 5.57%, 10/22/14	72,159
\$76	5.65%, 10/22/14 (b)	1,132,001
1,186	5.67%, 10/22/14, Term B	451,583
473	5.67%, 10/22/14, Term DD	171,379
180		

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6,591	5.80%, 10/22/14, Term B	6,291,828
47	5.81%, 10/22/14, Term DD	44,446
180	5.90%, 10/22/14, Term DD	171,379

24 PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds Annual Report | 7.31.08



**PIMCO Floating Rate Strategy Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
<b>Telecommunications (continued)</b>			
\$4,757	Verizon IDEARC, Inc., 4.80%, 11/17/14, Term B		\$3,562,026
5,300	Weather Investments, 10.92%, 11/26/14 (b)		8,300,334
			104,762,450
<b>Transportation 0.4%</b>			
\$5,438	Fleetpride Corp., 5.301%, 6/6/13, Term B (b)		4,948,125
<b>Utilities 2.3%</b>			
3,720	AES Corp., Term B (b), 5.063%, 8/10/11		3,663,919
3,720	5.10%, 8/10/11		3,663,919
2,154	Midwest Generation LLC, 4.538%, 12/31/11, Term B (b)		2,101,897
2,074	Texas Competitive Electric Holdings Co. LLC, 5.963%, 10/10/14		1,952,247
7,314	6.303%, 10/10/14		6,893,714
5,285	6.303%, 10/10/14, Term B		4,964,597
215	TXU Tech, 5.963%, 10/10/14		201,949
35	6.071%, 10/10/14		32,745
1,207	6.169%, 10/10/14		1,137,732
8	6.301%, 10/10/14		7,090
740	6.303%, 10/10/14, Term B1		696,478
			25,316,287
<b>Waste Disposal 0.7%</b>			
1,170	Allied Waste North America, Inc., 3.96%, 3/28/14, Term B		1,150,258
920	4.57%, 3/28/14, Term B		904,055
1,292	4.60%, 3/28/14		1,269,696
3,000	AVR-Bedrijven NV, 7.205%, 3/1/14 (b)		4,329,717
			7,653,726
<b>Wholesale 0.8%</b>			
\$9,133	Roundy s, Inc., 5.21%, 10/27/11, Term B		8,778,856
<b>Wire &amp; Cable Products 1.2%</b>			
5,000	UPC Broadband Holding BV, 6.482%, 12/31/14		6,880,780
4,345	6.482%, 12/31/14, Term M		5,979,252
			12,860,032
	Total Senior Loans (cost-\$881,951,165)		822,157,020
<b>CORPORATE BONDS &amp; NOTES 18.8%</b>			
<b>Airlines 0.1%</b>			
\$1,280	JetBlue Airways Corp., 5.776%, 5/15/10, FRN	B1/B+	1,274,333
<b>Apparel &amp; Textiles 0.7%</b>			
8,600	Hanesbrands, Inc., 6.508%, 12/15/14, FRN	B2/B-	7,697,000
<b>Automotive Products 0.8%</b>			
9,000	Goodyear Tire & Rubber Co., 6.678%, 12/1/09, FRN	Ba3/BB-	8,955,000

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**PIMCO Floating Rate Strategy Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
<b>Banking 1.4%</b>			
\$5,000	Bank of America Corp., FRN (g), 8.00%, 1/30/18	A1/A+	\$4,632,050
500	8.125%, 5/15/18	A1/A+	465,730
1,400	HBOS PLC, 6.75%, 5/21/18 (a) (d)	Aa3/A+	1,267,770
\$4,910	Royal Bank of Scotland PLC, 9.370%, 4/6/11, FRN (f)	NR/NR	8,554,327
\$700	UBS AG, 3.741%, 7/1/10	NR/NR	699,726
			15,619,603
<b>Building/Construction 0.9%</b>			
7,000	Grohe Holding GmbH, 7.838%, 1/15/14, FRN	B2/B	9,488,269
<b>Chemicals 0.3%</b>			
2,000	Rhodia S.A., 7.713%, 10/15/13, FRN (a) (d)	B1/BB	2,802,521
<b>Commercial Services 0.8%</b>			
\$10,000	ARAMARK Corp., 6.301%, 2/1/15, FRN	B3/B	9,250,000
<b>Computer Services 0.2%</b>			
2,000	SunGard Data Systems, Inc., 9.125%, 8/15/13	Caa1/B+	2,055,000
<b>Containers &amp; Packaging 0.2%</b>			
3,000	Berry Plastics Holding Corp., 6.651%, 9/15/14, FRN	Caa1/B	2,220,000
<b>Diversified Manufacturing 0.6%</b>			
4,500	Bombardier, Inc., 7.981%, 11/15/13, FRN (a) (d)	Ba2/BB+	6,915,807
<b>Drugs &amp; Medical Products 0.3%</b>			
\$3,500	Universal Hospital Services, Inc., 6.303%, 6/1/15, FRN	B3/B+	3,272,500
<b>Electronics 0.2%</b>			
3,300	Spansion LLC, 5.807%, 6/1/13, FRN (a) (d)	B2/BB-	2,326,500
<b>Financial Services 3.7%</b>			
3,500	Chukchansi Economic Dev. Auth., 6.328%, 11/15/12, FRN (a) (b) (d)	B2/BB-	2,852,500
5,500	Citigroup, Inc., 8.40%, 4/30/18, FRN (g)	A2/A	4,716,195
4,000	Ford Motor Credit Co. LLC, 5.538%, 1/13/12, FRN	B1/B	2,902,208
500	General Motors Acceptance Corp. LLC, 4.882%, 12/1/14, FRN	B2/B	270,378
4,000	Hexion U.S. Finance Corp., 7.176%, 11/15/14, FRN	B3/B	3,140,000
5,500	JPMorgan Chase & Co., 7.90%, 4/30/18, FRN (g)	A/A	5,102,548
2,500	Lehman Brothers Holdings, Inc., 7.50%, 5/11/38 (j)	A2/A	2,244,145
1,400	Merrill Lynch & Co., Inc., 6.875%, 4/25/18	A1/A+	1,316,424
2,000	Morgan Stanley, 4.778%, 5/14/10, FRN	Aa3/A+	1,985,116
9,000	Universal City Florida Holding Co., 7.551%, 5/1/10, FRN	B3/B-	8,775,000
2,000	8.375%, 5/1/10	B3/B-	1,960,000
5,500	Wells Fargo Capital XIII, 7.70%, 3/26/13, FRN (g)	Aa3/AA-	5,222,822
			40,487,336
<b>Hotels/Gaming 0.3%</b>			
4,672	Harrah s Operating Co., Inc., 10.75%, 2/1/16 (a) (d)	B3/B+	3,550,720
<b>Insurance 0.4%</b>			
3,000	Residential Reins Ltd., FRN (a) (b) (d), 9.932%, 6/7/10	NR/BB	3,001,898
1,200	10.432%, 6/7/10	NR/BB+	1,199,309
			4,201,207

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**PIMCO Floating Rate Strategy Fund Schedule of Investments**

July 31, 2008 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
<b>Metals &amp; Mining 0.3%</b>			
\$3,050	Freeport-McMoRan Copper & Gold, Inc., 5.883%, 4/1/15, FRN	Ba2/BBB-	\$3,068,514
<b>Multi-Media 0.5%</b>			
2,000	CCO Holdings LLC, 8.75%, 11/15/13	Caa1/CCC	1,860,000
3,200	DirecTV Holdings LLC, 8.375%, 3/15/13	Ba3/BB-	3,320,000
			5,180,000
<b>Oil &amp; Gas 0.6%</b>			
3,625	SandRidge Energy, Inc. (a) (d), 6.416%, 4/1/14, FRN	B-/B-	3,563,081
2,750	8.00%, 6/1/18	B3/B-	2,736,250
			6,299,331
<b>Paper/Paper Products 0.9%</b>			
10,500	Verso Paper Holdings LLC, 6.551%, 8/1/14, FRN	B2/B+	9,292,500
350	Weyerhaeuser Co., 3.802%, 9/24/09, FRN	Baa2/BBB	346,341
			9,638,841
<b>Semi-conductors 0.6%</b>			
9,000	Freescale Semiconductor, Inc., 6.651%, 12/15/14, FRN	B2/B-	7,087,500
<b>Telecommunications 5.0%</b>			
2,000	Cincinnati Bell, Inc., 8.375%, 1/15/14	B2/B-	1,915,000
8,750	Hawaiian Telcom Communications, Inc., 8.486%, 5/1/13, FRN	Caa2/CCC	3,106,250
6,000	Hellas Telecommunications Luxembourg V, 8.463%, 10/15/12, FRN	B1/B	8,331,734
6,350	Nordic Telephone Co. Holdings ApS, 10.463%, 5/1/16, FRN (a) (d)	B2/B	9,560,821
\$12,150	Nortel Networks Ltd., 7.041%, 7/15/11, FRN	B3/B-	11,512,125
3,000	Qwest Capital Funding, Inc., 7.00%, 8/3/09	B1/B+	2,985,000
6,000	Qwest Corp., 6.026%, 6/15/13, FRN	Ba1/BBB-	5,595,000
6,500	TelCordia Technologies, Inc., 6.541%, 7/15/12, FRN (a) (d)	B2/B	5,590,000
4,000	Telesat Canada (a) (d), 11.00%, 11/1/15	Caa1/B-	3,760,000
3,000	12.50%, 11/1/17	Caa1/B-	2,782,500
			55,138,430
	Total Corporate Bonds & Notes (cost-\$219,670,873)		206,528,412
<b>ASSET-BACKED SECURITIES 0.1%</b>			
547	CIT Group Home Equity Loan Trust, 2.731%, 6/25/33, FRN	Aaa/AAA	475,439
571	Salomon Brothers Mortgage Securities VII, Inc., 2.761%, 3/25/32, FRN	NR/AAA	559,070
	Total Asset-Backed Securities (cost-\$1,118,246)		1,034,509
<b>PREFERRED STOCK 0.1%</b>			
Shares			
<b>Automotive Products 0.1%</b>			
20,275	Dura Automotive Systems, Inc. 7.50% (e) (f) (i) (cost-\$2,000,000)	NR/NR	793,893



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**PIMCO Floating Rate Strategy Fund Schedule of Investments**

July 31, 2008 (continued)

Shares			Credit Rating (Moody s/S&P)*	Value
<b>COMMON STOCK</b>	<b>0.0%</b>			
<b>Automotive Products</b>	<b>0.0%</b>			
	81,383	Dura Automotive Systems, Inc. (f) (i) (cost-\$1,317,433)		\$292,500
<b>SHORT-TERM INVESTMENTS</b>	<b>6.2%</b>			
	Principal Amount (000)			
<b>Commercial Paper</b>	<b>1.6%</b>			
	\$4,400	Societe Generale NA, 2.65%, 8/8/08	P-1/A-1+	4,397,733
	12,500	UBS Finance Delaware LLC, 2.635%, 9/3/08	P-1/A-1+	12,469,807
	1,000	2.83%, 9/25/08	P-1/A-1+	995,676
Total Commercial Paper (cost-\$17,863,216)				17,863,216
<b>U.S. Treasury Bills (h)</b>	<b>1.6%</b>			
	17,250	1.20%-2.83%, 8/28/08-9/25/08 (cost \$17,213,578)		17,213,578
<b>Corporate Notes</b>	<b>1.0%</b>			
<b>Multi-Media</b>	<b>0.4%</b>			
	5,000	Cablevision Systems Corp., 7.133%, 4/1/09, FRN	B2/B+	5,056,250
<b>Telecommunications</b>	<b>0.6%</b>			
	6,550	Qwest Communications International, Inc., 6.176%, 2/15/09, FRN	Ba3/B+	6,517,250
Total Corporate Notes (cost-\$11,621,626)				11,573,500
<b>Repurchase Agreements</b>	<b>2.0%</b>			
	468	State Street Bank & Trust Co., dated 7/31/08, 1.65%, due 8/1/08, proceeds \$468,021; collateralized by Federal Home Loan Bank, 2.70%, due 9/3/08, valued at \$480,344 including accrued interest		468,000
	21,300	Credit Suisse First Boston, dated 7/31/08, 2.02%, due 8/1/08, proceeds \$21,301,195; collateralized by U.S. Treasury Notes, 6.25%, due 8/15/23, valued at \$21,723,494 including accrued interest		21,300,000
Total Repurchase Agreements (cost-\$21,768,000)				21,768,000
Total Short-Term Investments (cost-\$68,466,420)				68,418,294

**PIMCO Floating Rate Strategy Fund Schedule of Investments**

July 31, 2008 (continued)

		Value
Contracts		
<b>OPTIONS PURCHASED (i) 0.0%</b>		
<b>Put Options 0.0%</b>		
	Financial Future Euro 90 day (CME),	
1,120	strike price \$93, expires 3/16/09	\$7,000
43	strike price \$94, expires 3/16/09	243
	United Kingdom 90 day (LIFFE),	
540	strike price \$91.25, expires 12/17/08	2
500	strike price \$91.375, expires 12/17/08	1
Total Options Purchased (cost-\$23,385)		7,246
<b>Total Investments (cost-\$1,174,547,522) 100.0%</b>		<b>\$1,099,231,874</b>

**Notes to Schedules of Investments:**

\* Unaudited

- (a) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$382,763,138, representing 77.88% of total investments in Floating Rate Income. Securities with an aggregate value of \$874,066,697, representing 79.52% of total investments in Floating Rate Strategy.
- (b) Illiquid security.
- (c) These securities generally pay interest at rates which are periodically pre-determined by reference to a base lending rate plus a premium. These base lending rates are generally either the lending rate offered by one or more major European banks, such as the LIBOR or the prime rate offered by one or more major United States banks, or the certificate of deposit rate. These securities are generally considered to be restricted as the Fund is ordinarily contractually obligated to receive approval from the Agent bank and/or borrower prior to disposition. Remaining maturities of senior loans may be less than the stated maturities shown as a result of contractual or optional payments by the borrower. Such prepayments cannot be predicted with certainty. The interest rate disclosed reflects the rate in effect on July 31, 2008.
- (d) 144A Security Security exempt from registration, under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
- (e) Security in default.
- (f) Securities with an aggregate value of \$4,277,164 and \$9,640,720, representing 0.87% and 0.87% of total investments, have been fair-valued in Floating Rate Income and Floating Rate Strategy, respectively, using methods as described in Note 1(a) in the Notes to Financial Statements.
- (g) Perpetual maturity security. Maturity date shown is the first call date. Interest rate is fixed until the first call date and variable thereafter.
- (h) All or partial amount segregated as collateral for swaps.
- (i) Non-income producing.
- (j) Issuer in default as of September 16, 2008.

**Glossary:**

AUD	-	Australian Dollar
£	-	British Pound
CME	-	Chicago Mercantile Exchange
CMO	-	Collateralized Mortgage Obligation
	-	Euro
FRN	-	Floating Rate Note. The interest rate disclosed reflects the rate in effect on July 31, 2008.
LIBOR	-	London Inter-Bank Offered Rate
LIFFE	-	London International Financial Futures and Options Exchange
NR	-	Not Rated

See accompanying Notes to Financial Statements. | 7.31.08 | PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds Annual Report 29

**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds**  
**Statements of Assets and Liabilities**

July 31, 2008

	Floating Rate Income	Floating Rate Strategy
<b>Assets:</b>		
Investments, at value (cost-\$523,053,529 and \$1,174,547,522, respectively)	\$491,473,995	\$1,099,231,874
Cash (including foreign currency of \$3,509,335 and \$2,827,786 with a cost of \$3,510,689 and \$2,836,745, respectively)	6,252,953	8,870,370
Receivable for investments sold	8,475,290	15,601,007
Premium for swaps purchased	3,916,841	11,386,320
Interest receivable	3,682,562	8,694,948
Unrealized appreciation of swaps	1,555,547	5,185,008
Unrealized appreciation of forward foreign currency contracts	1,181,838	3,327,060
Unrealized appreciation of unfunded loan commitments	12,857	13,508
Prepaid expenses	14,002	38,215
<b>Total Assets</b>	<b>516,565,885</b>	<b>1,152,348,310</b>
<b>Liabilities:</b>		
Payable for investments purchased	25,818,827	28,706,547
Premium for swaps sold	5,160,330	13,478,426
Unrealized depreciation of swaps	3,972,320	17,007,607
Dividends payable to common and preferred shareholders	1,920,809	4,311,353
Investment management fees payable	305,653	692,677
Unrealized depreciation of forward foreign currency contracts	13,465	26,144
Payable for terminated swaps		3,195,500
Accrued expenses	234,037	298,387
<b>Total Liabilities</b>	<b>37,425,441</b>	<b>67,716,641</b>
<b>Preferred shares (\$0.00001 par value and \$25,000 net asset and liquidation value per share applicable to an aggregate of 8,400 and 19,200 shares issued and outstanding, respectively)</b>	<b>210,000,000</b>	<b>480,000,000</b>
<b>Net Assets Applicable to Common Shareholders</b>	<b>\$269,140,444</b>	<b>\$604,631,669</b>
<b>Composition of Net Assets Applicable to Common Shareholders:</b>		
Common Stock:		
Par value (\$0.00001 per share)	\$183	\$427
Paid-in-capital in excess of par	350,046,296	807,125,198
Dividends in excess of net investment income	(2,332,637)	(20,683,385)
Accumulated net realized loss	(45,673,370)	(97,843,386)
Net unrealized depreciation of investments, futures contracts, swaps, unfunded loan commitments and foreign currency transactions	(32,900,028)	(83,967,185)
<b>Net Assets Applicable to Common Shareholders</b>	<b>\$269,140,444</b>	<b>\$604,631,669</b>
Common Shares Issued and Outstanding	18,265,782	42,698,659
<b>Net Asset Value Per Common Share</b>	<b>\$14.73</b>	<b>\$14.16</b>



**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds**  
**Statements of Operations**

Year ended July 31, 2008

	Floating Rate Income	Floating Rate Strategy
<b>Investment Income:</b>		
Interest	\$37,001,171	\$86,283,030
Facility and other fee income	724,108	1,581,225
Dividends	233,272	
Total Investment Income	37,958,551	87,864,255
<b>Expenses:</b>		
Investment management fees	3,798,129	8,600,334
Auction agent fees and commissions	546,546	1,225,977
Custodian and accounting agent fees	171,101	300,784
Audit and tax services	150,839	145,490
Shareholder communications	83,500	162,501
Trustees fees and expenses	45,000	83,000
Transfer agent fees	37,499	36,201
Legal fees	37,251	37,999
Interest expense	34,893	7,262
New York Stock Exchange listing fees	21,015	34,279
Insurance expense	9,778	21,500
Miscellaneous	19,999	23,000
Total expenses	4,955,550	10,678,327
Less: custody credits earned on cash balances	(18,099)	(44,783)
Net expenses	4,937,451	10,633,544
<b>Net Investment Income</b>	<b>33,021,100</b>	<b>77,230,711</b>
<b>Realized and Change in Unrealized Gain (Loss):</b>		
Net realized loss on:		
Investments	(9,789,324)	(18,753,583)
Futures contracts	(4,024,002)	(6,023,423)
Swaps	(22,055,186)	(37,547,519)
Foreign currency transactions	(8,117,410)	(23,668,275)
Net change in unrealized appreciation/depreciation of: Investments	(21,502,897)	(53,346,659)
Swaps	25,237,927	32,145,635
Unfunded loan commitments	201,025	487,160
Futures contracts	1,417,770	3,735,503
Foreign currency transactions	803,524	2,229,128
Net realized and change in unrealized loss on investments, futures contracts, swaps, unfunded loan commitments and foreign currency transactions	(37,828,573)	(100,742,033)
<b>Net Decrease in Net Assets Resulting from Investment Operations</b>	<b>(4,807,473)</b>	<b>(23,511,322)</b>
<b>Dividends and Distributions on Preferred Shares from Net Investment Income</b>	<b>(9,769,968)</b>	<b>(22,369,957)</b>
<b>Net Decrease in Net Assets Applicable to Common Shareholders Resulting from Investment Operations</b>	<b>\$(14,577,441)</b>	<b>\$(45,881,279)</b>

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See accompanying Notes to Financial Statements. | 7.31.08 | PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds Annual Report 31

**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds**  
**Statements of Changes in Net Assets Applicable to Common Shareholders**

	Floating Rate Income Years ended July 31,	
	2008	2007
<b>Investment Operations:</b>		
Net investment income	\$33,021,100	\$38,505,179
Net realized gain (loss) on investments, futures contracts, options written, swaps and foreign currency transactions	(43,985,922)	17,503,653
Net change in unrealized appreciation/depreciation of investments, futures contracts, options written, swaps, unfunded loan commitments and foreign currency transactions	6,157,349	(40,980,501)
Net increase (decrease) in net assets resulting from investment operations	(4,807,473)	15,028,331
<b>Dividends and Distributions on Preferred Shares from:</b>		
Net investment income	(9,769,968)	(10,623,545)
Net realized gains		(14,659)
Total dividends and distributions on Preferred Shares	(9,769,968)	(10,638,204)
Net increase (decrease) in net assets applicable to common shareholders resulting from investment operations	(14,577,441)	4,390,127
<b>Dividends and Distributions to Common Shareholders from:</b>		
Net investment income	(28,125,506)	(32,063,817)
Net realized gains	(5,488,695)	(4,410,852)
Total dividends and distributions to common shareholders	(33,614,201)	(36,474,669)
<b>Capital Share Transactions:</b>		
Reinvestment of dividends and distributions	1,042,860	2,624,141
Total decrease in net assets applicable to common shareholders	(47,148,782)	(29,460,401)
<b>Net Assets Applicable to Common Shareholders:</b>		
Beginning of year	316,289,226	345,749,627
End of year (including dividends in excess of net investment income of \$(2,332,637) and \$(3,433,442), respectively)	\$269,140,444	\$316,289,226
<b>Common Shares Issued in Reinvestment of Dividends and Distributions</b>	64,327	134,684

32 PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds Annual Report | 7.31.08 | See accompanying Notes to Financial Statements.

**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds**  
**Statements of Changes in Net Assets Applicable to Common Shareholders (continued)**

	2008	Floating Rate Strategy Years ended July 31,	2007
<b>Investment Operations:</b>			
Net investment income	\$77,230,711		\$86,345,791
Net realized gain (loss) on investments, futures contracts, options written, swaps and foreign currency transactions	(85,992,800)		2,533,112
Net change in unrealized appreciation/depreciation of investments, futures contracts, options written, swaps, unfunded loan commitments and foreign currency transactions	(14,749,233)		(59,121,679)
Net increase (decrease) in net assets resulting from investment operations	(23,511,322)		29,757,224
<b>Dividends and Distributions on Preferred Shares from:</b>			
Net investment income	(22,369,957)		(24,278,975)
Net realized gains			(133,242)
Total dividends and distributions on Preferred Shares	(22,369,957)		(24,412,217)
Net increase (decrease) in net assets applicable to common shareholders resulting from investment operations	(45,881,279)		5,345,007
<b>Dividends and Distributions to Common Shareholders from:</b>			
Net investment income	(64,200,011)		(72,379,805)
Net realized gains			(17,803,004)
Return of capital	(611,854)		
Total dividends and distributions to common shareholders	(64,811,865)		(90,182,809)
<b>Capital Share Transactions:</b>			
Reinvestment of dividends and distributions	3,172,658		14,619,026
Total decrease in net assets applicable to common shareholders	(107,520,486)		(70,218,776)
<b>Net Assets Applicable to Common Shareholders:</b>			
Beginning of year	712,152,155		782,370,931
End of year (including dividends in excess of net investment income of \$(20,683,385) and \$(9,653,571))	\$604,631,669		\$712,152,155
<b>Common Shares Issued in Reinvestment of Dividends and Distributions</b>	201,511		783,996

See accompanying Notes to Financial Statements. | 7.31.08 | PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds Annual Report 33

**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds  
Statements of Cash Flows**

Year ended July 31, 2008

	Floating Rate Income	Floating Rate Strategy
<b>Cash Flows provided by Operating Activities:</b>		
Purchases of long-term investments	\$(165,697,229)	\$(394,215,781)
Proceeds from sales of long-term investments	171,821,135	356,374,225
Interest, dividends and facility and other fee income received	38,378,990	88,540,710
Net cash used for swap transactions	(1,154,814)	(20,657,019)
Operating expenses paid	(4,966,346)	(10,705,909)
Net cash used for futures transactions	(2,730,488)	(2,532,955)
Net realized loss on foreign currency transactions	(8,135,300)	(23,748,635)
Net sales, purchases and maturities of short-term investments	13,089,906	75,980,747
<b>Net cash provided by operating activities*</b>	<b>40,605,854</b>	<b>69,035,383</b>
<b>Cash Flows used for Financing Activities:</b>		
Cash dividends paid (excluding reinvestment of dividends and distributions of \$1,042,860 and \$3,172,658, respectively)	(43,276,892)	(86,067,152)
<b>Net decrease in cash</b>	<b>(2,671,038)</b>	<b>(17,031,769)</b>
<b>Cash at beginning of year</b>	<b>8,923,991</b>	<b>25,902,139</b>
<b>Cash at end of year</b>	<b>6,252,953</b>	<b>8,870,370</b>
<b>Reconciliation of Net Decrease in Net Assets Resulting from Investment Operations to Net Cash Provided by Operating Activities:</b>		
Net decrease in net assets resulting from investment operations	(4,807,473)	(23,511,322)
Decrease in payable for investments purchased	(12,863,741)	(65,683,076)
Increase in receivable for investments sold	(7,473,728)	(12,634,446)
Decrease in interest receivable	2,065,836	3,722,224
Decrease in premium for swaps purchased	16,419,954	7,208,102
Decrease in receivable for terminated swaps	76,000	160,050
Increase in payable for terminated swaps		3,195,500
Increase in premium for swaps sold	4,404,418	9,522,348
(Increase) decrease in prepaid expenses	1,729	(11,231)
Decrease in investment management fees payable	(47,451)	(100,819)
Increase in net unrealized appreciation of swaps	(25,237,927)	(32,145,635)
Increase in net unrealized appreciation of forward foreign currency contracts	(878,576)	(2,311,008)
Decrease in net unrealized depreciation of unfunded loan commitments	(201,025)	(487,160)
Decrease in net payable for variation margin on futures contracts	(124,256)	(245,035)
Increase in accrued expenses	16,827	39,685
Decrease in deferred facility fees	(116,026)	(232,051)
Net decrease in investments	69,371,293	182,549,257
<b>Net cash provided by operating activities</b>	<b>\$40,605,854</b>	<b>\$69,035,383</b>

\* Included in operating expenses is cash paid by Floating Rate Income and Floating Rate Strategy for interest on reverse repurchase agreements of \$34,893 and \$7,262, respectively.

**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds  
Notes to Financial Statements**

July 31, 2008

**1. Organization and Significant Accounting Policies**

PIMCO Floating Rate Income Fund ( Floating Rate Income ) and PIMCO Floating Rate Strategy Fund ( Floating Rate Strategy ), collectively referred to as the Funds , were organized as Massachusetts business trusts on June 19, 2003 and June 30, 2004, respectively. Prior to commencing operations on August 29, 2003 and October 29, 2004, respectively, Floating Rate Income and Floating Rate Strategy had no operations other than matters relating to their organization and registration as diversified, closed-end management investment companies registered under the Investment Company Act of 1940 and the rules and regulations there under, as amended. Allianz Global Investors Fund Management LLC (the Investment Manager ), serves as the Funds Investment Manager and is an indirect, wholly-owned subsidiary of Allianz Global Investors of America L.P. ( Allianz Global ). Allianz Global is an indirect, majority-owned subsidiary of Allianz SE, a publicly traded European insurance and financial services company. The Funds have an unlimited amount of \$0.00001 par value common stock authorized.

Each Fund s investment objective is to seek high current income, consistent with the preservation of capital. Under normal market conditions, each Fund seeks to achieve its investment objective by investing at least 80% of its net assets (plus any borrowings for investment purposes) in a diversified portfolio of floating rate debt instruments, a substantial portion of which are senior floating rate loans. The ability of the issuers of the Funds investments to meet their obligations may be affected by economic developments in a specific industry.

The preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from these estimates.

In the normal course of business, the Funds enter into contracts that contain a variety of representations which provide general indemnifications. The Funds maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Funds that have not yet been asserted. However, the Funds expect the risk of any loss to be remote.

In July 2006, the Financial Accounting Standards Board issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes - an Interpretation of FASB Statement No. 109 (the Interpretation ). The Interpretation establishes for all entities, including pass-through entities such as the Funds, a minimum threshold for financial statement recognition of the benefit of positions taken in filing tax returns (including whether an entity is taxable in a particular jurisdiction), and requires certain expanded tax disclosures. The Funds management has determined that its evaluation of the Interpretation has resulted in no material impact to the Funds financial statements at July 31, 2008. The Funds federal tax returns for the prior three fiscal years remain subject to examination by the Internal Revenue Service.

In September 2006, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards ( SFAS ) 157, Fair Value Measurements, which clarifies the definition of fair value and requires companies to expand their disclosure about the use of fair value to measure assets and liabilities in interim and annual periods subsequent to initial recognition. Adoption of SFAS 157 requires the use of the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. At this time, the Funds are in the process of reviewing SFAS 157 against their current valuation policies to determine the effect the adoption of this standard will have on the Funds.

In March 2008, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 161, Disclosures about Derivative Instruments and Hedging Activities ( SFAS 161 ). SFAS 161 is effective for fiscal years and interim periods beginning after November 15, 2008. SFAS 161 requires enhanced disclosures about a fund's derivative and hedging activities. The Funds' management is currently evaluating the impact the adoption of SFAS 161 will have on the Funds' financial statement disclosures.

The following is a summary of significant accounting policies followed by the Funds:

**(a) Valuation of Investments**

Portfolio securities and other financial instruments for which market quotations are readily available are stated at market value. Market value is generally determined on the basis of last reported sales prices, or if no sales are reported, based on quotes obtained from a quotation reporting system, established market makers, or pricing services.

Portfolio securities and other financial instruments for which market quotations are not readily available or if a development/event occurs that may significantly impact the value of a security, are fair-valued, in good faith, pursuant to procedures established by the Board of Trustees, or persons acting at their discretion pursuant to procedures

**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds  
Notes to Financial Statements**

July 31, 2008

**1. Organization and Significant Accounting Policies (continued)**

established by the Board of Trustees, including certain fixed income securities which may be valued with reference to securities whose prices are more readily available. The Funds' investments, including over-the-counter options, are valued on the last business day of each week using prices supplied by an independent pricing service or dealer quotations, or by using the last sale price on the exchange that is the primary market for such securities, or the last quoted mean price for those securities for which the over-the-counter market is the primary market or for listed securities in which there were no sales. Prices obtained from independent pricing services use information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Exchange traded options, futures and options on futures are valued at the settlement price determined by the relevant exchange. Securities purchased on a when-issued or delayed-delivery basis are marked to market daily until settlement at the forward settlement value. Short-term securities maturing in 60 days or less are valued at amortized cost, if their original term to maturity was 60 days or less, or by amortizing their value on the 61st day prior to maturity, if the original term to maturity exceeded 60 days. Investments initially valued in currencies other than the U.S. dollar are converted to the U.S. dollar using exchange rates obtained from pricing services. As a result, the Net Asset Value ( NAV ) of the Funds' shares may be affected by changes in the value of currencies in relation to the U.S. dollar. The value of securities traded in markets outside the United States or denominated in currencies other than the U.S. dollar may be affected significantly on a day that the New York Stock Exchange ( NYSE ) is closed and the NAV may change on days when an investor is not able to purchase or sell shares.

The prices used by the Funds to value securities may differ from the value that would be realized if the securities were sold and these differences could be material to the financial statements of the Funds. The Funds' NAV is normally determined weekly on the last business day of the week that the NYSE is open for trading, generally as of close of regular trading (normally, 4:00 p.m. Eastern time) on the NYSE that day.

**(b) Investment Transactions and Investment Income**

Investment transactions are accounted for on trade date. Securities purchased and sold on a when-issued or delayed-delivery basis may be settled a month or more after the trade date. Realized gains and losses on investments are determined on the identified cost basis. Interest income is recorded on an accrual basis. Discounts or premiums on debt securities purchased are accreted or amortized to interest income over the lives of the respective securities using the effective interest method. Dividend income is recorded on the ex-dividend date. Facility and other fee income (such as origination fees) received by the Funds are amortized as income over the expected term of the loan. Commitment fees received by the Funds relating to unfunded purchase commitments are recorded as other fee income upon receipt.

**(c) Federal Income Taxes**

The Funds intend to distribute all of their taxable income and to comply with the other requirements of the U.S. Internal Revenue Code of 1986, as amended, applicable to regulated investment companies. Accordingly, no provision for U.S. federal income taxes is required.

**(d) Dividends and Distributions - Common Stock**



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The Funds declare dividends from net investment income monthly to common shareholders. Distributions of net realized capital gains, if any, are paid at least annually. The Funds record dividends and distributions to its shareholders on the ex-dividend date. The amount of dividends and distributions from net investment income and net realized capital gains are determined in accordance with federal income tax regulations, which may differ from generally accepted accounting principles. These book-tax differences are considered either temporary or permanent in nature. To the extent these differences are permanent in nature, such amounts are reclassified within the capital accounts based on their federal income tax treatment; temporary differences do not require reclassification. To the extent dividends and/or distributions exceed current and accumulated earnings and profits for federal income tax purposes; they are reported as dividends and/or distributions of paid-in-capital in excess of par.

### **(e) Foreign Currency Translation**

The Funds' accounting records are maintained in U.S. dollars as follows: (1) the foreign currency market value of investments and other assets and liabilities denominated in foreign currency are translated at the prevailing exchange rate at the end of the period; and (2) purchases and sales, income and expenses are translated at the prevailing exchange rate on the respective dates of such transactions. The resulting net foreign currency gain or loss is included in the Statements of Operations.

**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds  
Notes to Financial Statements**

July 31, 2008

**1. Organization and Significant Accounting Policies (continued)**

The Funds do not generally isolate that portion of the results of operations arising as a result of changes in the foreign currency exchange rates from the fluctuations arising from changes in the market prices of securities. Accordingly, such foreign currency gain (loss) is included in net realized and unrealized gain (loss) on investments.

However, the Funds do isolate the effect of fluctuations in foreign currency exchange rates when determining the gain or loss upon the sale or maturity of foreign currency denominated debt obligations pursuant to U.S. federal income tax regulations; such amount is categorized as foreign currency gain or loss for both financial reporting and income tax reporting purposes.

**(f) Senior Loans**

The Funds purchase assignments of Senior Loans originated, negotiated and structured by a U.S. or foreign commercial bank, insurance company, finance company or other financial institution (the Agent) for a lending syndicate of financial institutions (the Lender). When purchasing an assignment, the Funds succeed all the rights and obligations under the loan agreement with the same rights and obligations as the assigning Lender. Assignments may, however, be arranged through private negotiations between potential assignees and potential assignors, and the rights and obligations acquired by the purchaser of an assignment may differ from, and be more limited than, those held by the assigning Lender.

**(g) Option Transactions**

The Funds may purchase and write (sell) put and call options for hedging purposes, risk management purposes or as a part of its investment strategy. The risk associated with purchasing an option is that the Funds pay a premium whether or not the option is exercised. Additionally, the Funds bear the risk of loss of premium and change in market value should the counterparty not perform under the contract. Put and call options purchased are accounted for in the same manner as portfolio securities. The cost of securities acquired through the exercise of call options is increased by the premiums paid. The proceeds from the securities sold through the exercise of put options is decreased by the premiums paid.

When an option is written, the premium received is recorded as an asset with an equal liability and is subsequently marked to market to reflect the current market value of the option written. These liabilities are reflected as options written in the Statements of Assets and Liabilities. Premiums received from writing options which expire unexercised are recorded on the expiration date as a realized gain. The difference between the premium received and the amount paid on effecting a closing purchase transaction, including brokerage commissions, is also treated as a realized gain, or if the premium is less than the amount paid for the closing purchase transactions, as a realized loss. If a call option written by the Funds is exercised, the premium is added to the proceeds from the sale of the underlying security in determining whether there has been a realized gain or loss. If a put option written by the Funds is exercised, the premium reduces the cost basis of the security. In writing an option, the Funds bear the market risk of an unfavorable change in the price of the security underlying the written option. Exercise of a written option could result in the Funds purchasing a security at a price different from its current market value.

**(h) Interest Rate/Credit Default Swaps**

The Funds may enter into interest rate and credit default swap contracts ( swaps ) for investment purposes, to manage its interest rate and credit risk or to add leverage. As a seller in the credit default swap contract, the Funds would be required to pay the notional amount or other agreed-upon value of a referenced debt obligation to the counterparty in the event of a default by a third party, such as a U.S. or foreign corporate issuer, on the referenced debt obligation. In return, the Funds would receive from the counterparty a periodic stream of payments over the term of the contract provided that no event of default has occurred. If no default occurs, the Funds would keep the stream of payments and would have no payment obligations. Such periodic payments are accrued daily and recorded as realized gain (loss).

The Funds may also purchase credit default swap contracts in order to hedge against the risk of default of debt securities held, in which case the Funds would function as the counterparty referenced in the preceding paragraph. As a purchaser of a credit default swap contract, the Funds would receive the notional amount or other agreed upon value of a referenced debt obligation from the counterparty in the event of default by a third party, such as a U.S. or foreign corporate issuer on the referenced debt obligation. In return, the Funds would make periodic payments to the counterparty over the term of the contract provided no event of default has occurred. Such periodic payments are accrued daily and recorded as realized gain (loss).

**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds  
Notes to Financial Statements**

July 31, 2008

**1. Organization and Significant Accounting Policies (continued)**

Interest rate swap agreements involve the exchange by the Funds with a counterparty of their respective commitments to pay or receive interest, e.g., an exchange of floating rate payments for fixed rate payments with respect to a notional amount of principal. Net periodic payments received (paid) by the Funds are included as part of realized gain (loss) and net periodic payments accrued, but not yet received (paid) are included in change in the unrealized appreciation/depreciation on the Statements of Operations.

Swaps are marked to market daily based upon quotations from brokers or market makers and the change in value, if any, is recorded as unrealized appreciation or depreciation in the Funds' Statements of Operations. For a credit default swap sold by the Funds, payment of the agreed upon amount made by the Funds in the event of default of the referenced debt obligation is recorded as the cost of the referenced debt obligation purchased/received. For a credit default swap purchased by the Funds, the agreed upon amount received by the Funds in the event of default of the referenced debt obligation is recorded as proceeds from sale/delivery of the referenced debt obligation and the resulting gain or loss realized on the referenced debt obligation is recorded as such by the Funds.

Entering into swaps involves, to varying degrees, elements of credit, market and documentation risk in excess of the amounts recognized on the Statement of Assets and Liabilities. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparty to the agreements may default on its obligation to perform or disagree as to the meaning of the contractual terms in the agreements, and that there may be unfavorable changes in net interest rates.

**(i) Futures Contracts**

A futures contract is an agreement between two parties to buy and sell a financial instrument at a set price on a future date. Upon entering into such a contract, the Funds are required to pledge to the broker an amount of cash or securities equal to the minimum initial margin requirements of the exchange. Pursuant to the contracts, the Funds agree to receive from or pay to the broker an amount of cash equal to the daily fluctuation in the value of the contracts. Such receipts or payments are known as variation margin and are recorded by the Funds as unrealized appreciation or depreciation. When the contracts are closed, the Funds record a realized gain or loss equal to the difference between the value of the contracts at the time they were opened and the value at the time they were closed. Any unrealized appreciation or depreciation recorded is simultaneously reversed. The use of futures transactions involves the risk of an imperfect correlation in the movements in the price of futures contracts, interest rates and the underlying hedged assets, and the possible inability of counterparties to meet the terms of their contracts.

**(j) Forward Foreign Currency Contracts**

A forward foreign currency contract is an agreement between two parties to buy and sell a currency at a set exchange rate on a future date. The Funds may enter into forward foreign currency contracts for the purpose of hedging against foreign currency risk arising from the investment or anticipated investment in securities denominated in foreign currencies. The Funds may also enter these contracts for purposes of increasing exposure to a foreign currency or to shift exposure to foreign currency fluctuations from one country to another. The market value of a forward foreign currency contract fluctuates with changes in forward currency exchange rates. All commitments are marked to market daily at the applicable exchange rates and any resulting unrealized appreciation or depreciation is recorded. Realized gains or losses are recorded at the time

the forward contract matures or by delivery of the currency. Risks may arise upon entering these contracts from the potential inability of counterparties to meet the terms of their contracts and from unanticipated movements in the value of a foreign currency relative to the U.S. dollar.

**(k) Repurchase Agreements**

The Funds may enter into transactions with its custodian bank or securities brokerage firms whereby it purchases securities under agreements to resell at an agreed upon price and date ( repurchase agreements ). Such agreements are carried at the contract amount in the financial statements. Collateral pledged (the securities received), which consists primarily of U.S. government obligations and asset-backed securities, are held by the custodian bank until maturity of the repurchase agreement. Provisions of the repurchase agreements and the procedures adopted by the Funds require that the market value of the collateral, including accrued interest thereon, is sufficient in the event of default by the counterparty. If the counterparty defaults and the value of the collateral declines or if the counterparty enters an insolvency proceeding, realization of the collateral by the Funds may be delayed or limited.

**(l) Reverse Repurchase Agreements**

In a reverse repurchase agreement, a Fund sells securities to a bank or broker-dealer and agrees to repurchase the securities at a mutually agreed date and price. Generally, the effect of such a transaction is that the Fund can recover

**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds  
Notes to Financial Statements**

July 31, 2008

**1. Organization and Significant Accounting Policies (continued)**

and reinvest all or most of the cash invested in the portfolio securities involved during the term of the reverse repurchase agreement and still be entitled to the returns associated with those portfolio securities. Such transactions are advantageous if the interest cost to the Fund of the reverse repurchase transaction is less than the returns it obtains on investments purchased with the cash. Unless the Fund covers its positions in reverse repurchase agreements (by segregating liquid assets at least equal in amount to the forward purchase commitment), its obligations under the agreements will be subject to the Fund's limitations on borrowings. Reverse repurchase agreements involve leverage risk and also the risk that the market value of the securities that the Fund is obligated to repurchase under the agreement may decline below the repurchase price. In the event the buyer of securities under a reverse repurchase agreement files for bankruptcy or becomes insolvent, the Fund's use of the proceeds of the agreement may be restricted pending determination by the other party, or its trustee or receiver, whether to enforce the Fund's obligation to repurchase the securities. At July 31, 2008, the Funds had no reverse repurchase agreements outstanding. The weighted average daily balance of reverse repurchase agreements outstanding for the year ended July 31, 2008 was \$10,794,188 at a weighted average interest rate of 3.64% (for 32 days open during the year), for Floating Rate Income and \$5,013,482 at a weighted average interest rate of 3.72% (for 14 days open during the year), for Floating Rate Strategy.

**(m) When-Issued/Delayed-Delivery Transactions**

The Funds may purchase or sell securities on a when-issued or delayed-delivery basis. The transactions involve a commitment to purchase or sell securities for a predetermined price or yield, with payment and delivery taking place beyond the customary settlement period. When delayed-delivery purchases are outstanding, the Funds will set aside and maintain until the settlement date in a designated account, liquid assets in an amount sufficient to meet the purchase price. When purchasing a security on a delayed-delivery basis, the Funds assume the rights and risks of ownership of the security, including the risk of price and yield fluctuations, and take such fluctuations into account when determining their net asset values. The Funds may dispose of or renegotiate a delayed-delivery transaction after it is entered into, and may sell when-issued securities before they are delivered, which may result in a realized gain or loss. When a security is sold on a delayed-delivery basis, the Funds do not participate in future gains and losses with respect to the security.

**(n) Custody Credits on Cash Balances**

The Funds benefit from an expense offset arrangement with their custodian bank, whereby uninvested cash balances earn credits which reduce monthly custodian and accounting agent expenses. Had these cash balances been invested in income producing securities, they would have generated income for the Funds.

**2. Investment Manager/Sub-Adviser**

Each Fund has an Investment Management Agreement (each an Agreement) with the Investment Manager. Subject to the supervision of the Funds' Board of Trustees, the Investment Manager is responsible for managing, either directly or through others selected by it, the Funds' investment activities, business affairs and administrative matters. Pursuant to each Agreement, the Investment Manager receives an annual fee, payable monthly, at an annual rate of 0.75% of each Funds' average weekly total managed assets. Total managed assets refer to the total assets of each Fund (including assets attributable to any Preferred Shares or other forms of leverage that may be outstanding minus accrued liabilities (other than liabilities representing leverage)).

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The Investment Manager has retained its affiliate, Pacific Investment Management Company LLC (the Sub-Adviser), to manage the Funds investments. Subject to the supervision of the Investment Manager, the Sub-Adviser is responsible for making all of the Funds investment decisions. The Investment Manager, and not the Funds, pays a portion of the fees it receives to the Sub-Adviser in return for its services.

### 3. Investments in Securities

Purchases and sales of securities (excluding short-term investments) for the year ended July 31, 2008, were:

	U.S. Government Obligations		All Other	
	Purchases	Sales	Purchases	Sales
Floating Rate Income	\$	\$	\$147,664,417	\$183,820,053
Floating Rate Strategy	1,378,125	1,378,563	321,225,342	380,364,513

7.31.08 | PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds Annual Report **39**

**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds**  
**Notes to Financial Statements**

July 31, 2008

**3. Investments in Securities (continued)**

(a) Credit default swaps contracts outstanding at July 31, 2008:

Floating Rate Income:

Swap Counterparty/ Referenced Debt Issuer	Notional Amount Payable on Default (000)	Termination Date	Payments Received by Fund	Unrealized Appreciation (Depreciation)
Bank of America:				
Allied Waste North America	\$600	9/20/09	2.75%	\$14,127
Bombardier	1,400	6/20/10	3.80%	69,026
Las Vegas Sands	1,500	12/20/12	2.55%	(216,552)
LCDX	2,700	6/20/13	3.25%	31,335
Williams Cos.	875	9/20/09	2.05%	18,483
Barclays Bank:				
Sprint Nextel	2,500	6/20/09	7.15%	107,398
Citigroup:				
Chrysler Financial	1,000	6/20/13	5.00%	(60,890)
Las Vegas Sands	1,000	12/20/12	2.55%	(144,368)
Univision Communications	2,000	3/20/12	0.97%	(257,437)
Credit Suisse First Boston:				
AES	900	9/20/09	3.85%	31,579
Allied Waste North America	875	9/20/09	2.46%	17,442
Delhaize America	875	9/20/09	1.40%	10,212
Intelsat Bermuda	3,000	3/20/10	3.21%	5,212
Samis	1,760	9/20/08	2.45%	2,903
Goldman Sachs:				
Dow Jones CDX	3,000	12/20/12	3.01%	(250,380)
HCA	1,500	9/20/13	3.00%	3,984
Royal Caribbean Cruises	3,500	3/20/13	3.94%	(111,045)
TRW Automotive	875	9/20/09	2.15%	3,673
JPMorgan Chase:				
SLM	3,000	3/20/09	4.40%	(1,518)
Lehman Brothers:				
Dow Jones CDX	3,000	12/20/12	2.85%	(269,201)
Dow Jones CDX	3,000	12/20/12	3.23%	(224,502)
Six Flags	2,000	6/20/12	1.75%	(232,698)
Merrill Lynch & Co.:				
Aramark	1,000	9/20/12	2.60%	2,767
Dow Jones CDX	3,000	12/20/12	3.13%	(236,265)
Dow Jones CDX	5,200	12/20/12	3.23%	(389,136)
Dow Jones CDX	6,000	12/20/12	3.51%	(383,130)



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Dow Jones CDX	6,000	12/20/12	3.81%	(312,552)
Georgia-Pacific	3,500	3/20/13	3.75%	(117,953)
Williams Cos.	700	9/20/09	1.71%	11,814
Morgan Stanley:				
Biomet	1,000	9/20/12	3.05%	27,034
Georgia-Pacific	900	9/20/09	1.63%	(9,894)
UBS:				
LCDX	3,300	6/20/13	3.25%	39,948
				\$(2,820,584)

40 PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds Annual Report | 7.31.08

**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds**  
**Notes to Financial Statements**

July 31, 2008

**3. Investments in Securities (continued)**

Floating Rate Strategy:

Swap Counterparty/ Referenced Debt Issuer	Notional Amount Payable on Default (000)	Termination Date	Payments Received by Fund	Unrealized Appreciation (Depreciation)
Bank of America:				
Bombardier	\$3,500	6/20/10	3.80%	\$172,566
Dynegy Holdings	6,000	3/20/13	4.30%	65,588
HCA	5,000	9/20/13	4.65%	(77,351)
Las Vegas Sands	3,500	12/20/12	2.55%	(505,287)
LCDX	6,300	6/20/13	3.25%	73,115
Williams Cos.	5,000	12/20/09	1.65%	92,957
Barclays Bank:				
Sprint Nextel	5,500	6/20/09	7.15%	236,276
Citigroup:				
Chrysler Financial	1,000	6/20/13	5.00%	(60,890)
Freescale Semiconductor	3,500	9/20/13	5.00%	(26,385)
Host Marriott	5,000	12/20/09	1.70%	(96,827)
Las Vegas Sands	2,000	12/20/12	2.55%	(288,736)
Qwest Capital Funding	18,000	3/20/13	3.40%	(1,447,642)
R.H. Donnelley	6,000	3/20/13	5.20%	(1,964,461)
Reliant Energy	5,000	12/20/09	3.20%	105,794
Univision Communications	4,000	3/20/12	0.97%	(514,875)
Credit Suisse First Boston:				
Dow Jones CDX	7,400	6/20/11	2.90%	(249,238)
Equistar Chemicals	\$5,000	12/20/09	2.25%	(289,941)
Intelsat Bermuda	7,000	3/20/10	3.21%	12,162
Samis	800	9/20/08	2.45%	117
Samis	1,400	12/20/09	2.15%	(2,161)
Deutsche Bank:				
Ford Motor	1,000	6/20/12	2.17%	(164,982)
Goldman Sachs:				
Aramark	800	9/20/13	4.50%	(10,977)
Dow Jones CDX	10,000	12/20/12	3.01%	(834,602)
HCA	3,500	9/20/13	3.00%	9,296
NRG Energy	6,000	9/20/13	4.20%	51,364
Royal Caribbean Cruises	6,500	3/20/13	3.94%	(206,226)
JPMorgan Chase:				
NRG Energy	5,000	12/20/09	2.20%	36,694
Owens Brockway	5,000	12/20/11	2.09%	174,978
SLM	7,000	3/20/09	4.40%	(3,542)
Lehman Brothers:				
Bon-Ton Stores	4,000	3/20/12	4.05%	(1,040,482)
Celestica	5,000	3/20/13	5.30%	187,601

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Dow Jones CDX	10,000	12/20/12	2.85%	(897,338)
Dow Jones CDX	10,000	12/20/12	3.23%	(748,339)
GMAC	5,000	12/20/08	5.00%	(117,137)
PanAmSat	3,000	12/20/09	3.00%	5,494
Six Flags	3,000	6/20/12	1.75%	(349,047)
Smurfit-Stone Container	3,000	12/20/09	1.85%	(129,823)
Station Casinos	5,000	12/20/09	1.45%	(867,511)
TRW Automotive	5,000	12/20/09	2.05%	(16,482)

7.31.08 | PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds Annual Report 41

**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds**  
**Notes to Financial Statements**

July 31, 2008

**3. Investments in Securities (continued)**

Floating Rate Strategy (continued):

Swap Counterparty/ Referenced Debt Issuer	Notional Amount Payable on Default (000)	Termination Date	Payments Received by Fund	Unrealized Appreciation (Depreciation)
Merrill Lynch & Co.:				
AES	\$3,000	12/20/09	2.60%	\$58,564
Aramark	1,000	9/20/12	2.60%	2,767
ArvinMeritor	4,500	12/20/09	2.25%	(201,915)
Chesapeake Energy	5,000	12/20/09	1.30%	12,106
CMS Energy	1,500	12/20/09	1.85%	23,805
Delhaize America	5,000	12/20/09	1.07%	41,207
Dow Jones CDX	10,000	12/20/12	3.13%	(787,549)
Dow Jones CDX	11,800	12/20/12	3.23%	(883,040)
Dow Jones CDX	29,000	12/20/12	3.51%	(1,851,795)
Dow Jones CDX	24,000	12/20/12	3.81%	(1,250,208)
Georgia-Pacific	6,500	3/20/13	3.75%	(219,055)
Morgan Stanley:				
Biomet	3,000	9/20/12	3.05%	81,101
Hanes Brands	2,000	3/20/12	0.90%	(117,280)
UBS:				
LCDX	7,800	6/20/13	3.25%	94,423
				\$(14,683,149)

(b) Interest rate swap agreements outstanding at July 31, 2008:

<u>Floating Rate Income:</u>	Notional Amount (000)	Termination Date	Rate Type	Payments Received by Fund	Unrealized Appreciation (Depreciation)
Swap Counterparty					
Citigroup	\$19,000	12/17/13	3-Month USD-LIBOR	4.00%	\$38,507
Citigroup	48,600	12/17/15	3-Month USD-LIBOR	5.00%	(68,414)
Citigroup	5,200	12/17/18	3-Month 5.00% USD-LIBOR		(18,240)
Deutsche Bank	15,700	12/17/09	3-Month USD-LIBOR	4.00%	(9,195)
Deutsche Bank	38,000	12/17/13	3-Month USD-LIBOR	4.00%	(426,486)

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JPMorgan Chase	36,900	12/17/09	3-Month USD-LIBOR	4.00%	(81,388)
Morgan Stanley	15,000	12/17/13	3-Month USD-LIBOR	4.00%	55,551
Morgan Stanley	23,900	12/17/15	3-Month USD-LIBOR	5.00%	112,505
Morgan Stanley	17,800	12/17/18	3-Month 5.00% USD-LIBOR		(100,605)
Royal Bank of Scotland	23,900	12/17/09	3-Month USD-LIBOR	4.00%	(50,471)
Royal Bank of Scotland	67,600	6/17/10	3-Month USD-LIBOR	4.00%	474,530
Royal Bank of Scotland	21,000	12/17/13	3-Month USD-LIBOR	4.00%	148,123
Royal Bank of Scotland	49,500	12/17/15	3-Month USD-LIBOR	5.00%	229,547
Royal Bank of Scotland	158,800	12/17/18	3-Month 5.00% USD-LIBOR		99,847
					\$403,811

42 PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds Annual Report | 7.31.08

**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds**  
**Notes to Financial Statements**

July 31, 2008

**3. Investments in Securities (continued)**

<u>Floating Rate Strategy:</u>	Notional Amount (000)	Termination Date	Payments Made by Fund 3-Month	Rate Type	Payments Received by Fund	Unrealized Appreciation (Depreciation)
Swap Counterparty Barclays Bank	\$38,600	12/17/13	USD-LIBOR		4.00%	\$142,346
Barclays Bank	14,000	12/17/38	5.00%		3-Month USD-LIBOR	7,050
Citigroup	161,900	12/17/15	USD-LIBOR		5.00%	(227,905)
Citigroup	15,500	12/17/18	5.00%		3-Month USD-LIBOR	(54,369)
Deutsche Bank	61,700	12/17/09	USD-LIBOR		4.00%	(36,134)
JPMorgan Chase	18,300	12/17/09	USD-LIBOR		3-Month 4.00%	(40,363)
JPMorgan Chase	24,600	12/17/13	USD-LIBOR		3-Month 4.00%	(58,629)
Merrill Lynch & Co.	12,200	12/17/09	USD-LIBOR		3-Month 4.00%	1,639
Merrill Lynch & Co.	78,400	6/17/10	USD-LIBOR		3-Month 4.00%	536,426
Morgan Stanley	9,200	12/17/09	USD-LIBOR		3-Month 4.00%	(512)
Morgan Stanley	103,900	12/17/13	USD-LIBOR		3-Month 4.00%	421,588
Morgan Stanley	114,700	12/17/15	USD-LIBOR		3-Month 5.00%	79,730
Morgan Stanley	36,200	12/17/18	5.00%		USD-LIBOR	(218,523)
Royal Bank of Scotland	103,400	12/17/09	USD-LIBOR		3-Month 4.00%	(150,048)
Royal Bank of Scotland	291,900	6/17/10	USD-LIBOR		3-Month 4.00%	2,049,041
Royal Bank of Scotland	200	12/17/13	USD-LIBOR		3-Month 4.00%	969
Royal Bank of Scotland	61,400	12/17/15	USD-LIBOR		3-Month 5.00%	284,731
Royal Bank of Scotland	384,700	12/17/18	5.00%		USD-LIBOR	123,513
						\$2,860,550

Floating Rate Income and Floating Rate Strategy received \$18,000,000 and \$500,000 par value, respectively, in U.S. Treasury Bills as collateral for swap contracts.

Euro

LIBOR London Inter-Bank Offered Rate

(c) Forward foreign currency contracts outstanding at July 31, 2008:

<u>Floating Rate Income:</u>		U.S.\$ Value Origination Date	U.S.\$ Value July 31, 2008	Unrealized Appreciation (Depreciation)
Sold:	3,319,812 Australian Dollar settling 8/14/08	\$3,231,173	\$3,116,618	\$114,555
	38,603,000 Euro settling 8/26/08	61,215,672	60,148,389	1,067,283
	2,750,000 British Pound settling 8/11/08	5,429,564	5,443,029	(13,465)
				\$1,168,373
<u>Floating Rate Strategy:</u>		U.S.\$ Value Origination Date	U.S.\$ Value July 31, 2008	Unrealized Appreciation (Depreciation)
Sold:	8,193,250 Australian Dollar settling 8/14/08	\$7,974,490	\$7,691,770	\$282,720
	110,112,000 Euro settling 8/26/08	174,612,857	171,568,517	3,044,340
	5,341,000 British Pound settling 8/11/08	10,545,208	10,571,352	(26,144)
				\$3,300,916

**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds  
Notes to Financial Statements**

July 31, 2008

**3. Investments in Securities (continued)**

(d) At July 31, 2008, the Funds had the following unfunded loan commitments which could be extended at the option of the borrower:

Borrower	Floating Rate Income	Floating Rate Strategy
Bausch & Lomb, Inc.	\$120,241	\$520,000
Community Health Systems, Inc.	141,462	208,817
Eastman Kodak	2,500,000	5,000,000
Telesat Canada, Inc.	100,787	226,771
United Surgical	79,091	72,581