

PIMCO Floating Rate Strategy Fund  
Form N-CSRS  
April 07, 2006

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 811-21601

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

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

10105  
(Zip code)

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

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

Date of fiscal year July 31, 2006  
end:

Date of reporting period: January 31, 2006

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

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# PIMCO Floating Rate Income Fund

# PIMCO Floating Rate Strategy Fund

Semi-Annual Report

January 31, 2006

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

March 24, 2006

Dear Shareholder:

We are pleased to provide you with the semi-annual report for PIMCO Floating Rate Income Fund and PIMCO Floating Rate Strategy Fund, collectively the Funds for the six-month and five-month periods ended January 31, 2006, respectively. In December 2005, PIMCO Floating Rate Strategy changed its fiscal year-end from July 31 to August 31. Accordingly, the financial statements for this Fund cover the five-month period from September 1, 2005 to January 31, 2006.

During the period, the Federal Reserve raised short-term interest rates five times for a total increase of 125 basis points. Within this rising interest rate environment, the 3-month London Interbank Offered Rate ( LIBOR ) increased nearly 1%, ending the reporting period at 4.68%. This trend was positive for floating-rate securities, which typically pay a spread over LIBOR. Accordingly, the Funds increased their dividends to shareholders during the period.

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. Also, you may visit our Web site at [www.allianzinvestors.com/closedendfunds](http://www.allianzinvestors.com/closedendfunds) to access additional information.

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

We remain dedicated to serving your financial needs.

Sincerely,

Robert E. Connor

*Chairman*

Brian S. Shlissel

*President & Chief Executive Officer*



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

January 31, 2006 (unaudited)

**Symbol:**

PFL

**Objective:**

Seeks high current income, consistent with the preservation of capital.

**Primary Investments:**

Floating rate debt instruments, substantial portion of which will be senior floating rate loans.

**Inception Date:**

August 29, 2003

**Total Net Assets<sup>(1)</sup>:**

\$558.1 million

**Portfolio Manager:**

Raymond G. Kennedy

**Total Return<sup>(2)</sup>:**

Six months ended 1/31/06

1 Year

Commencement of Operations (8/29/03) to 1/31/06

**Market Price**

3.70%

(5.65)%

3.31%

**Net Asset Value ( NAV )**

3.31%

5.70%

6.33%

**Common Share Market Price/NAV Performance:**

Commencement of Operations (8/29/03) to 1/31/06

**Market Price/NAV:**

Market Price	\$18.60
NAV	\$19.31
Discount to NAV	(3.68)%
Market Price Yield <sup>(3)</sup>	8.45%

**Portfolio composition (as a % of total investments)**

(1) Inclusive of net assets attributable to Preferred Shares outstanding.



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(2) **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 each 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 and capital gain distributions have been reinvested at prices obtained under the Fund's dividend reinvestment plan. Total return does not reflect broker commissions or sales charges. Total return for a period of less than one year is not annualized. Total return for a period of more than one year represents the average annual total return.

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 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 total assets applicable to common shareholders less total liabilities divided by the number of common shares outstanding. Holdings are subject to change daily.

(3) 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 January 31, 2006.

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

January 31, 2006 (unaudited)

**Symbol:**

PFN

**Objective:**

Seeks high current income, consistent with the preservation of capital.

**Primary Investments:**

Floating rate debt instruments, substantial portion of which will be senior floating rate loans.

**Inception Date:**

October 29, 2004

**Total Net Assets<sup>(1)</sup>:**

\$1,263.4 million

**Portfolio Manager:**

Raymond G. Kennedy

**Total Return<sup>(2)</sup>:**

Five months ended 1/31/06

1 Year

Commencement of Operations (10/29/04) to 1/31/06

**Market Price**

4.12%

0.64%

(0.37)%

**Net Asset Value ( NAV )**

2.51%

6.22%

5.44%

**Common Share Market Price/NAV Performance:**

Commencement of Operations (10/29/04) to 1/31/06

**Market Price/NAV:**

Market Price	\$18.34
NAV	\$18.84
Discount to NAV	(2.65)%
Market Price Yield <sup>(3)</sup>	8.30%

**Portfolio composition (as a % of total investments)**

(1) Inclusive of net assets attributable to Preferred Shares outstanding.

(2) **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 each 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 and capital gain distributions have been reinvested at prices obtained under the Fund's dividend reinvestment plan. Total return does not reflect broker commissions or sales charges. Total return for a period of less than one year is not annualized. Total return for a period of more than one year represents the average annual total return.

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 a one-time public offering and once issued, shares of closed-end funds are sold in the open market

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through a stock exchange. Net asset value is total assets applicable to common shareholders less total liabilities divided by the number of common shares outstanding. Holdings are subject to change daily.

(3) 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 January 31, 2006.

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

January 31, 2006 (unaudited)

Principal Amount (000)		Value
<b>SENIOR LOANS (a) (b) (c) 69.9%</b>		
<b>Aerospace 0.3%</b>		
\$ 1,254	K & F Industries, Inc., Term B, 6.81%, 11/18/12	\$ 1,269,844
625	6.87%, 11/18/12	632,812
		1,902,656
<b>Automotive 0.7%</b>		
292	Hayes Lemmerz International, Inc., Term B, 7.31%, 6/3/09	292,386
449	7.34%, 6/3/09	448,674
299	7.67%, 6/3/09	299,116
479	7.84%, 6/3/09	479,187
183	7.91%, 6/3/09	183,200
286	7.97%, 6/3/09	285,656
	Visteon Corp., 8.558%, 6/25/07	386,984
383	8.85%, 6/25/07	388,600
59	9.00%, 6/25/07	59,286
1,104	9.25%, 6/25/07	1,114,642
		3,937,731
<b>Automotive Products 4.6%</b>		
2,281	Cooper Standard Automotive, Inc., 6.563%, 12/31/11, Term B	2,290,498
3,669	6.563%, 12/31/11, Term C	3,684,714
2,408	Delphi Corp., 12.75%, 6/14/11	2,546,330
	Goodyear Tire & Rubber Co., 7.06%, 4/30/10, Term A	4,045,416
4,000	7.81%, 4/1/11	1,009,643
1,000	Polypore, Inc., 7.53%, 11/12/11, Term B	2,661,791
2,674	Tenneco Automotive, Inc., 6.63%, 12/12/10, Term B (e)	1,825,153
1,796	6.635%, 12/12/10, Term B1	801,757
789	TRW Automotive, Inc., 6.25%, 6/30/12, Term B	3,471,015
3,465	VWR International, Inc., 7.12%, 4/7/11, Term B	4,324,137
4,256		26,660,454
<b>Banking 0.4%</b>		
	Aster Co., Ltd. 6.765%, 9/19/13, Term B1	1,091,898
1,092	7.265%, 9/19/14, Term C1	1,131,080
1,132		2,222,978
<b>Building/Construction 1.5%</b>		
	Masonite International Corp., Term B, 6.527%, 4/6/13	56,866
58	6.63%, 4/6/13	3,345,960
3,426	Nortek, Inc., 6.94%, 8/27/11	4,914,789
4,871	8.50%, 8/27/11	25,026
25		8,342,641



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

January 31, 2006 (unaudited) (continued)

	Principal Amount (000)		Value
<b>Chemicals 4.8%</b>			
	1,750	Basell NV, 4.74%, 9/15/13, Term B	\$ 2,147,586
	1,750	9/15/14, Term C (f)	2,156,651
\$	2,978	Celanese AG, 6.527%, 4/6/11, Term B	3,013,039
		Cognis BV, 6.871%, 5/12/13, Term C1	2,017,142
	1,992	7.42%, 5/12/12, Term B1	1,159,638
	1,149	Cognis Deutschland GMBH, 4.356%, 5/12/11, Term A	2,301,459
	1,889	Hercules, Inc., Term B, 6.277%, 10/8/10	91,181
\$	90	6.31%, 10/8/10	1,899,609
	1,875	Huntsman International LLC, 6.233%, 8/10/12	1,052,556
	1,046	INEOS Holdings Ltd., 10/7/13, Term B (e) (f)	1,357,150
	1,250	10/7/14, Term C (e) (f)	607,150
	500	10/7/14, Term C1 (e) (f)	750,000
	750	9.481%, 10/7/06	1,217,335
	1,000	KRATON Polymers Group LLC, 6.625%, 12/2/09	313,214
\$	309	7.00%, 12/2/09	56,389
	56	7.063%, 12/2/09	788,205
	777	7.063%, 12/23/10	1,804,444
	1,778	Nalco Co., Term B, 6.49%, 11/1/10	1,374,136
	1,355	6.50%, 11/4/10	1,893,496
	1,867	6.73%, 11/1/10	1,288,253
	1,271	8.25%, 11/1/10	85,884
	85		27,374,517
<b>Commercial Products 1.0%</b>			
	1,000	Rexel S.A., 6.904%, 1/20/13, Term B1	1,007,692
	1,000	7.741%, 4/18/14, Term C1	1,014,591
		Sigmakalon, 4.742%, 9/19/12, Term A (e)	1,190,772
	1,000	5.242%, 9/19/12, Term B	1,192,674
	982	5.242%, 9/19/12, Term B1	21,542
	18	5.742%, 9/19/13	327,640
	269	5.742%, 9/19/13, Term C	892,479
	731		5,647,390
<b>Computer Services 0.6%</b>			
\$	3,482	SunGard Data Systems, Inc., 6.81%, 2/11/13	3,522,402
<b>Computer Software 0.6%</b>			
	116	Spectrum Brands Corp., 6.53%, 2/6/12, Term B	117,007
	3,154	UGS Corp., 6.55%, 3/31/12, Term B	3,197,547
			3,314,554
<b>Consumer Products 2.3%</b>			
	867	Eastman Kodak Co., Term B, 6.61%, 10/14/12	872,571

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333	6.70%, 10/14/12	335,604
133	6.75%, 10/14/12	134,242
167	6.79%, 10/14/12	167,802
333	6.80%, 10/18/12	335,604
167	6.851%, 10/14/12	167,802

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

January 31, 2006 (unaudited) (continued)

Principal Amount (000)		Value
<b>Consumer Products (continued)</b>		
\$ 3,837	Jarden Corp., 6.527%, 1/24/12, Term B1	\$ 3,869,957
	Rayovac Corp., Term B,	
321	6.31%, 2/7/12	324,017
166	6.34%, 2/7/12	167,581
1,260	6.81%, 2/6/12	1,272,925
200	6.85%, 2/6/12	201,844
	Revlon, Inc.,	
750	9.92%, 7/31/10	773,554
375	9.98%, 7/9/10	386,777
750	10.33%, 7/31/10	773,555
750	10.56%, 7/31/10	773,555
	Sealy Mattress Co., Term D,	
885	6.118%, 4/1/13	895,742
531	6.16%, 4/14/13	537,445
177	6.233%, 4/14/13	179,148
	Spectrum Brands Corp., Term B,	
136	5.92%, 2/7/12	137,658
115	6.31%, 2/7/12	115,720
458	6.33%, 2/6/12	462,882
		12,885,985
<b>Containers 5.3%</b>		
	Graham Packaging Co., Term B,	
1,707	6.50%, 9/15/11	1,729,909
2,166	6.625%, 9/15/11	2,195,062
55	6.813%, 9/15/11	55,742
1,517	7.00%, 10/7/11	1,537,697
	Graphic Packaging Corp., Term C,	
693	6.716%, 8/9/10	704,979
284	6.99%, 8/9/10	288,400
2,080	7.03%, 8/9/10	2,114,937
32	7.137%, 8/9/10	32,044
47	7.163%, 8/9/10	48,067
359	7.19%, 8/9/10	365,307
3,970	Horizon Lines LLC, 6.78%, 7/7/11	4,022,702
	Intertape Polymer Group, Inc., Term B,	
1,294	6.73%, 7/28/11	1,313,156
188	6.80%, 7/28/11	190,313
	Kappa Jefferson, (h)	
1,000	7.24%, 11/29/13, Term B	999,225
1,000	7.74%, 11/29/14, Term C	999,225
1,296	Owens-Illinois Group, Inc., 6.27%, 4/1/08, Term B	1,303,547
	Solo Cup Co., Term B,	
10	6.98%, 2/27/11	10,147
3,937	7.027%, 2/27/11	3,977,534
	Stone Container Corp.,	
742	3.616%, 11/1/10	750,470
550	5.00%, 11/1/11	550,000
2,890	6.438%, 11/1/11, Term B	2,921,913
1,825	6.50%, 11/1/10, Term B	1,845,419
1,217	6.50%, 11/1/11, Term C	1,230,279
611	6.688%, 11/1/10, Term B	618,072

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590

6.688%, 11/1/10, Term C

596,685  
30,400,831

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

January 31, 2006 (unaudited) (continued)

Principal Amount (000)		Value
<b>Diversified Manufacturing 0.4%</b>		
\$ 2,241	Invensys PLC, 7.791%, 9/5/09, Term B1	\$ 2,269,049
<b>Drugs &amp; Medical Products 0.8%</b>		
1,369	Warner Chilcott PLC, 7.011%, 1/18/12, Term B	1,376,881
495	7.277%, 1/18/12	498,033
1,291	7.277%, 1/18/12, Term B	1,298,529
1,072	7.277%, 1/18/12, Term C	1,078,060
308	7.28%, 1/4/12	311,704
308	7.53%, 1/4/12 (h)	308,867
		4,872,074
<b>Electronics 1.5%</b>		
3,000	Avago, 12/1/12, Term DD (f)	3,023,124
1,000	6.821%, 12/1/12	1,003,594
2,000	DRS Technologies Bridge, 11/22/06 (f) (h)	2,008,805
2,000	KDG Media Technologies AG, 4.634%, 7/9/11, Term A	2,435,455
		8,470,978
<b>Energy 3.2%</b>		
\$ 829	Covanta Energy Corp., 4.527%, 6/24/12	842,744
61	7.38%, 6/30/12, Term B	61,966
498	7.521%, 6/30/12, Term B	506,421
750	10.019%, 5/12/13, Term DHC	764,531
750	10.04%, 5/12/13, Term DHC	764,531
1,476	Foundation Coal Holdings, Inc., Term B, 6.28%, 7/30/11	1,503,235
1,060	6.44%, 7/30/11	1,079,246
4,810	Headwaters, Inc., 6.86%, 4/30/11, Term B	4,854,468
1,969	NRG Energy, Inc., 4.427%, 12/24/11	1,975,928
557	5.00%, 9/30/12	562,211
2,443	5.00%, 9/30/12, Term B	2,470,240
290	Targa Resources, Inc., 4.402%, 10/5/11	293,589
375	6.59%, 10/5/12, Term B	379,219
823	6.656%, 10/5/12, Term B	831,835
9	6.777%, 10/5/12, Term B	9,175
1,500	6.83%, 10/5/07	1,516,875
		18,416,214
<b>Entertainment 2.1%</b>		
2,000	AMC Entertainment, Inc., 5.00%, 1/5/13	2,020,208
5,300	MGM Studios, 6.78%, 4/8/12, Term B	5,360,828
	Warner Music Group, Inc., Term B, 6.371%, 2/27/11	195,701
194	6.394%, 2/27/11	939,363
929	6.406%, 2/27/11	939,363
929	6.44%, 2/28/11	1,247,750
1,235	6.59%, 2/27/11	197,678
196	6.614%, 2/27/11	929,970
920	8.00%, 2/28/11	13,214
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**PIMCO Floating Rate Income Fund Schedule of Investments**

January 31, 2006 (unaudited) (continued)

	Principal Amount (000)		Value
<b>Financial Services 1.0%</b>			
\$	3,340	Global Cash Access LLC, 6.818%, 3/10/10, Term B	\$ 3,384,878
	500	Satbirds Finance SARL, 4.586%, 4/4/12, Term A	603,886
	1,250	5.086%, 4/4/13, Term B	1,523,811
			5,512,575
<b>Food &amp; Beverage 1.9%</b>			
\$	1,011	Arby's Restaurant Group, Inc., Term B, 6.493%, 7/25/12	1,018,586
	2,004	6.656%, 7/25/12	2,019,577
	975	6.777%, 7/25/12	982,092
	2,565	Dominos, Inc., 6.063%, 6/25/10, Term B	2,595,543
	4,000	Michael Foods, Inc., 6.671%, 11/21/10, Term B	4,055,832
			10,671,630
<b>Funeral Services 0.1%</b>			
	102	Alderwoods Group, Inc., Term B, 6.058%, 9/17/08	103,619
	43	6.483%, 9/17/08	43,643
	132	6.527%, 9/17/09	133,976
	148	6.73%, 9/17/08	149,853
			431,091
<b>Healthcare &amp; Hospitals 3.9%</b>			
	562	Beverly Enterprises, Inc., Term B, 6.89%, 10/30/08	563,462
	356	6.91%, 10/30/08	356,222
	1,037	7.04%, 10/30/08	1,038,982
	3,970	Community Health Systems, Inc., 6.16%, 8/19/11, Term B	4,026,503
	1,355	DaVita, Inc., Term B, 6.54%, 5/16/12	1,376,065
	365	6.62%, 5/16/12	371,074
	228	6.64%, 5/16/12	231,921
	3,807	6.78%, 5/16/12	3,865,353
	411	6.85%, 5/16/12	417,458
	667	6.94%, 5/16/12	676,823
	610	6.94%, 10/5/12	618,456
	4,500	HealthSouth Corp., 9.49%, 6/9/10	4,556,250
	1,000	Psychiatric Solutions, Inc., Term B, 6.041%, 7/7/12	1,014,792
	1,000	6.26%, 7/7/12	1,014,792
	1,995	Renal Advantage, Inc., 6.97%, 10/6/12, Term B	2,018,691
			22,146,844
<b>Hotels/Gaming 2.7%</b>			
	2,286	Aladdin Gaming, Inc., 7.53%, 8/31/10, Term A	2,256,063
	50	8.53%, 8/31/10, Term B	49,409
	308	CCM Merger, Inc., 6.45%, 7/21/12, Term B	310,250
	770	MotorCity Casino, Term B, 6.39%, 7/21/12	775,626
	2,908	6.519%, 7/21/12	2,928,764

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

January 31, 2006 (unaudited) (continued)

	Principal Amount (000)		Value
<b>Hotels/Gaming (continued)</b>			
\$	55	Penn National Gaming, Inc., Term B, 6.28%, 5/26/12	\$ 55,791
	388	6.29%, 5/26/12	393,762
	1,164	6.39%, 5/26/12	1,180,364
	388	6.51%, 5/26/12	393,762
	1,985	Resorts International, Inc., 7.53%, 3/22/12, Term B	1,951,835
	1,000	Venetian Casino, 6.28%, 2/22/12, Term B	1,009,922
	4,000	Wynn Resorts Ltd., 6.685%, 12/14/11, Term B	4,046,500
			15,352,048
<b>Household Products 0.7%</b>			
	1,000	Springer S.A. (h), 7.36%, 9/16/11, Term B2	1,014,722
	2,800	7.86%, 9/16/12, Term C2	2,855,714
			3,870,436
<b>Leasing 0.3%</b>			
	333	United Rentals, Inc., 4.111%, 2/14/11, Term LC	336,795
	1,638	6.79%, 2/14/11, Term B	1,658,716
			1,995,511
<b>Machinery 1.2%</b>			
	2,270	Agco Corp., 6.277%, 6/15/09, Term B	2,295,959
	167	Flowserve Corp., 6.188%, 8/15/12	168,932
	1,000	6.50%, 8/10/12	1,013,594
	725	6.50%, 8/15/12	735,342
	238	Mueller Industries, Inc., Term B, 6.466%, 9/28/12	241,220
	238	6.656%, 9/28/12	241,220
	93	6.859%, 9/28/12	93,955
	429	6.918%, 9/28/12	434,197
	1,022	Rexnord Corp., Term B, 6.21%, 12/31/11	1,035,350
	119	6.78%, 12/31/11	120,791
	709	6.85%, 12/31/11	717,842
			7,098,402
<b>Manufacturing 0.4%</b>			
	2,003	Berry Plastics Corp., 6.447%, 6/30/10	2,032,199
<b>Measuring Instruments 1.0%</b>			
	689	Dresser, Inc., 6.134%, 10/29/11, Term B	700,921
	461	6.527%, 10/29/11, Term B	469,651
	308	6.778%, 10/29/11, Term B	313,101
	4,000	7.99%, 3/1/10, Term C3	4,070,000
			5,553,673
<b>Metals &amp; Mining 0.4%</b>			
	1,369	Novelis, Inc., 6.011%, 1/7/12, Term B	1,387,063
	788	6.011%, 1/7/12, Term B2	798,612





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

January 31, 2006 (unaudited) (continued)

	Principal Amount (000)		Value
<b>Multi-Media 5.0%</b>			
\$	1,000	Atlantic Broadband, Inc., 7.20%, 8/4/12, Term B	\$ 1,017,813
	6,366	Charter Communications Holdings LLC, 7.50%, 4/27/11, Term B	6,417,672
	1,998	Charter Communications Holdings II LLC, 7.25%, 4/27/10, Term A	2,008,165
		DirectTV Holdings LLC, Term B,	
	1,500	5.983%, 4/13/13	1,517,226
	1,500	6.039%, 4/13/13	1,517,226
	2,000	Ekabel Hessen GMBH, 4.711%, 6/7/12, Term A	2,424,213
\$	2,890	Insight Midwest Holdings LLC, 6.563%, 12/31/09, Term C (h)	2,916,733
	3,000	Primedia, 6.648%, 9/30/13, Term B	2,971,125
		Telecordia Technologies, Inc., Term B,	
	10	6.84%, 9/9/12	9,894
	3,970	6.906%, 9/9/12	3,927,819
		Young Broadcasting, Inc., Term B,	
	1,001	6.563%, 5/2/12	1,003,286
	2,963	6.75%, 11/3/12	2,969,727
	20	6.813%, 5/2/12	20,066
			28,720,965
<b>Office Equipment 0.4%</b>			
	2,000	Xerox Corp., 6.22%, 9/30/08, Term B	2,019,250
<b>Oil &amp; Gas 1.8%</b>			
	4,500	El Paso Corp.,	
		4.00%, 11/23/09, Term LC	4,524,376
	2,430	7.313%, 11/23/09, Term B	2,449,730
	1,968	Kinetic Concepts, Inc., 6.28%, 8/11/10, Term B	1,992,205
		Vetco International,	
	750	6.811%, 1/16/13, Term C4	757,875
	750	7.45%, 1/16/12, Term B4	755,922
			10,480,108
<b>Paper/Paper Products 1.2%</b>			
	1,146	Appleton Papers, Inc.,	
		6.33%, 6/9/10	1,159,219
	1,167	6.86%, 6/11/10	1,179,608
		Boise Cascade Holdings LLC, Term D,	
	2,357	6.281%, 10/28/11	2,391,322
	368	6.344%, 10/28/11	373,046
		Buckeye Technologies, Inc., Term B,	
	136	5.91%, 11/4/10	137,435
	144	5.97%, 4/15/10	145,281
	411	6.01%, 11/4/10	415,087
	167	6.02%, 11/4/10	168,629
	411	6.29%, 11/4/10	415,087
	350	6.53%, 11/4/10	352,824
	195	6.69%, 11/4/10	197,166
	206	6.70%, 11/4/10	207,544
			7,142,248
<b>Printing/Publishing 2.2%</b>			
	568	Dex Media East LLC, Term B,	
		6.05%, 5/8/09	573,024

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1,029	6.19%, 5/8/09	1,039,128
128	6.23%, 11/8/08	128,830
269	6.28%, 5/8/09	272,023
243	6.36%, 5/8/09	245,318

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

January 31, 2006 (unaudited) (continued)

	Principal Amount (000)		Value
<b>Printing/Publishing (continued)</b>			
\$	182	Dex Media West LLC, Term B, 6.08%, 9/9/10	\$ 183,416
	267	6.16%, 9/9/10	269,445
	500	6.23%, 9/9/10	505,209
	342	6.24%, 9/9/10	345,215
	471	6.26%, 9/9/10	475,654
	114	6.28%, 9/9/10	114,928
	589	6.29%, 9/9/10	594,992
	213	6.36%, 9/9/10	215,468
	133	6.38%, 9/9/10	134,194
		RH Donnelly Corp.,	
	694	5.78%, 12/31/09, Term A3	698,947
	245	5.92%, 12/31/09, Term A3	245,755
	116	6.12%, 12/31/09, Term A3	116,842
	546	6.20%, 6/30/11, Term D	550,659
	1,228	6.25%, 6/30/11, Term D	1,238,984
	546	6.26%, 6/30/11, Term D	550,659
	136	6.27%, 6/30/11, Term D	137,665
	1,028	6.28%, 6/30/11, Term D	1,036,689
	409	6.31%, 6/30/11, Term D	412,995
	2,000	Seat Pagine Gialle SpA, 2.495%, 5/25/13	2,454,141
			12,540,180
<b>Real Estate 0.8%</b>			
\$	825	General Growth Properties, Inc., 6.22%, 11/12/07, Term A	826,534
	3,966	6.57%, 11/12/08, Term B	3,977,551
			4,804,085
<b>Recreation 1.5%</b>			
	2,000	Amadeus Global Travel, 5.244%, 4/8/13, Term B	2,452,703
	2,000	5.744%, 4/8/14, Term C	2,462,903
\$	1,784	Six Flags Theme Parks, Inc., 7.05%, 6/30/09, Term B	1,806,716
		Worldspan L.P., Term B,	
	80	6.50%, 2/11/10	78,975
	71	7.00%, 2/11/10	70,200
	1,013	7.125%, 2/11/10	1,000,351
	156	7.188%, 2/11/10	153,563
	89	7.25%, 2/11/10	87,750
	213	7.313%, 2/11/10	210,600
			8,323,761
<b>Retail 0.3%</b>			
	1,937	Jean Coutu Group, Inc., 6.938%, 7/30/11, UNIT	1,962,307
<b>Semi Conductors 0.5%</b>			
	2,970	On Semiconductor Corp., 7.30%, 12/3/11, Term G	3,002,949
<b>Telecommunications 5.2%</b>			
	237	Centennial Cellular Communications Corp., Term B, 6.45%, 1/20/11	240,151

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1,500	6.45%, 2/9/11	1,522,083
1,667	6.777%, 1/20/11	1,691,203
263	6.83%, 1/20/11	267,210

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

January 31, 2006 (unaudited) (continued)

	Principal Amount (000)		Value
<b>Telecommunications (continued)</b>			
\$	941	Consolidated Communications, Inc., Term B, 6.28%, 9/18/11	\$ 952,792
	2,353	6.28%, 10/14/11	2,381,981
	1,150	6.618%, 9/18/11	1,164,524
	1,272	Debitel AG, 5.242%, 6/30/12, Term B	1,557,426
	1,272	5.742%, 6/30/14, Term C	1,562,789
\$	2,000	Hawaiian Telcom Communications, Inc., 6.78%, 10/31/12, Term B	2,019,376
	1,500	Intersat Bridge, 4/24/06 (f) (h)	1,506,846
	1,600	Mediacom Broadband LLC, Term C	1,624,125
	1,000	6.36%, 2/28/14	1,014,609
	330	6.39%, 2/28/14	334,976
	1,040	6.527%, 2/28/14	1,055,193
	1,495	6.64%, 2/28/14	1,505,391
	1,316	New Skies Satellites, NV, 6.438%, 5/4/11, Term B	1,329,534
	688	PanAmSat Corp., 6.31%, 8/20/09, Term A1	695,174
	4,000	6.31%, 8/20/09, Term A2	4,048,928
	1,771	UPC Distribution Holding B.V., 7.28%, 9/30/12, Term H2	1,778,935
	24	Valor Telecommunications Enterprises LLC, Term B, 5.811%, 2/14/12	23,714
	1,322	6.00%, 2/14/12	1,327,997
	307	6.277%, 2/14/12	308,285
		6.318%, 2/14/12	29,913,242
<b>Utilities 3.3%</b>			
	786	AES Corp., Term B, 5.07%, 4/30/08	794,750
	786	5.69%, 8/10/11	794,750
	826	Allegheny Energy Supply, Co. LLC, 5.76%, 3/8/11, Term C	834,509
	3,490	6.35%, 3/8/11, Term C	3,525,201
	257	6.352%, 3/8/11	258,161
	463	6.41%, 3/8/11	464,690
	766	Midwest Generation LLC, 5.12%, 4/27/11, Term B1	775,494
	960	5.41%, 4/27/11, Term B	972,450
	161	5.55%, 4/27/11	163,322
	2,000	6.05%, 4/27/11, Term B	2,025,938
	8,222	Reliant Energy, Inc., 6.089%, 4/30/10	8,215,831
			18,825,096
<b>Waste Disposal 1.6%</b>			
	2,542	Allied Waste North America, Inc., 4.87%, 1/15/12	2,565,564
	3,158	6.09%, 1/15/12	3,186,234
	1,078	6.39%, 1/15/12	1,087,818
	1,027	6.62%, 1/15/12	1,036,174
	1,284	6.73%, 1/15/12	1,295,217
			9,171,007



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

January 31, 2006 (unaudited) (continued)

	Principal Amount (000)		Value
<b>Wholesale 0.7%</b>			
\$	2,000	Roundy s, Inc., Term B, 7.42%, 10/27/11	\$ 1,995,000
	2,000	7.49%, 11/1/11	1,995,000
			3,990,000
<b>Wire &amp; Cable Products 1.7%</b>			
	1,000	Pirelli Cable S.A., 5.066%, 6/23/13, Term B	1,218,930
	1,000	5.253%, 6/23/14, Term C	1,250,728
	1,500	9.442%, 6/23/12 (e)	1,876,093
	4,500	UPC Broadband Holding B.V., 5.139%, 4/1/10, Term G	5,451,540
			9,797,291
Total Senior Loans (cost \$396,272,345)			399,627,102

**CORPORATE BONDS & NOTES 20.1%**

			Credit Rating (Moody s/S&P)	
<b>Airlines 0.5%</b>				
\$	1,019	Delta Air Lines, Inc., 7.379%, 5/18/10, Ser. 00-1 (g)	Ba2/BB	1,009,766
	1,597	JetBlue Airways Corp., FRN, 7.44%, 11/15/08, Ser. 04-2	Ba1/BB	1,587,503
	552	8.741%, 3/15/08, Ser. 04-1	Ba1/BB	559,006
				3,156,275
<b>Automotive 0.5%</b>				
	1,000	ArvinMeritor, Inc., 6.625%, 6/15/07	Ba2/BB	987,500
	2,000	Dura Operating Corp., 8.625%, 4/15/12, Ser. B	Caa1/B-	1,650,000
				2,637,500
<b>Computer Services 0.4%</b>				
	2,000	SunGard Data Systems, Inc., 8.525%, 8/15/13, FRN (d)	B3/B-	2,085,000
<b>Energy 0.5%</b>				
	2,500	Dynegy Holdings, Inc., 11.10%, 7/15/08, FRN (d)	B1/B-	2,634,375
<b>Financial Services 4.0%</b>				
	4,000	Borden US Finance Corp., 9.35%, 7/15/10, FRN (d)	B3/B-	4,070,000
	1,500	Chukchansi Economic Dev. Auth., 8.06%, 11/15/12, FRN (d)	B2/BB-	1,541,250
	6,000	Ford Motor Credit Co., 7.26%, 11/2/07, FRN	Ba2/BB-	5,882,706
	4,000	General Motors Acceptance Corp., FRN, 5.55%, 7/16/07	Ba1/BB	3,857,032
	3,000	6.61%, 12/1/14	Ba1/BB	2,848,014
	2,000	Universal City Florida Holding Co., 8.375%, 5/1/10	B3/B-	2,015,000
	2,500	9.00%, 5/1/10, FRN	B3/B-	2,525,000
				22,739,002
<b>Food Services 0.3%</b>				
	1,500	Bolthouse Farms, Inc., 6.938%, 11/17/12	NR/NR	1,522,812
<b>Healthcare &amp; Hospitals 0.3%</b>				
	2,000	HCA, Inc., 5.50%, 12/1/09	Ba2/BB+	1,981,824

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<b>Hotels/Gaming</b>	<b>0.4%</b>				
		2,000	Mandalay Resort Group, 7.625%, 7/15/13	Ba3/B+	2,110,000
<b>Insurance</b>	<b>0.3%</b>				
		1,500	Parametric Re Ltd., 8.88%, 5/19/08, FRN (d)	Ba2/NR	1,526,130

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

January 31, 2006 (unaudited) (continued)

	Principal Amount (000)		Credit Rating (Moody s/S&P)	Value
<b>Multi-Media 4.0%</b>				
\$	2,000	Cablevision Systems Corp., Ser. B, 8.00%, 4/15/12	B3/B	\$ 1,915,000
	5,000	8.716%, 4/1/09, FRN	B3/B	5,131,250
	4,000	CCO Holdings LLC, 8.616%, 12/15/10, FRN	B3/CCC-	3,930,000
	1,000	8.75%, 11/15/13	B3/CCC-	965,000
	4,000	Charter Communications Holdings II LLC, 10.25%, 9/15/10	Caa1/CCC-	3,955,000
	5,665	Echostar DBS Corp., 7.78%, 10/1/08, FRN	Ba3/BB-	5,820,787
	514	Emmis Communications Corp., 10.366%, 6/15/12, FRN	B3/B-	517,500
	1,000	Paxson Communications Corp., 10.777%, 1/15/13, FRN (d)	B3/CCC-	965,000
				23,199,537
<b>Paper/Paper Products 1.2%</b>				
	2,000	Abitibi-Consolidated, Inc., 5.25%, 6/20/08	B1/B+	1,905,000
	1,000	7.991%, 6/15/11, FRN	B1/B+	965,000
	3,000	Boise Cascade LLC, 7.475%, 10/15/12, FRN	B1/B+	2,932,500
	1,000	Bowater Canada Finance, 7.491%, 3/15/10, FRN	B1/B+	990,000
				6,792,500
<b>Semi-Conductors 0.3%</b>				
	2,000	Freescale Semiconductor, Inc., 7.35%, 7/15/09, FRN	Ba1/BB+	2,055,000
<b>Telecommunications 6.9%</b>				
	4,000	Cincinnati Bell, Inc., 8.375%, 1/15/14	B3/B-	3,950,000
	3,000	Dobson Cellular Systems, Inc., 9.43%, 11/1/11, FRN	B1/B-	3,135,000
	2,250	Hawaiian Telcom Communications, Inc., 9.948%, 5/1/13, FRN (d)	B3/CCC+	2,244,375
	2,500	Intelsat Bermuda Ltd., 9.609%, 1/15/12, FRN (d)	B2/B+	2,556,250
	2,500	New Skies Satellites NV, 9.573%, 11/1/11, FRN	B3/B-	2,618,750
	2,000	Qwest Capital Funding, Inc., 7.90%, 8/15/10	B3/B	2,075,000
	12,000	Qwest Communications International, Inc., 7.84%, 2/15/09, FRN	B2/B	12,240,000
	3,500	Rogers Wireless, Inc., 7.616%, 12/15/10, FRN	Ba3/BB	3,626,875
	2,000	Rural Cellular Corp., 8.25%, 3/15/12	B2/B-	2,117,500
	2,000	8.991%, 3/15/10, FRN	B2/B-	2,065,000
	3,000	Time Warner Telecom Holdings, Inc., 8.34%, 2/15/11, FRN	B2/CCC+	3,067,500
				39,696,250
<b>Utilities 0.3%</b>				
	1,759	NRG Energy, Inc., 8.00%, 12/15/13	Ba3/B	1,970,080
<b>Wire &amp; Cable Products 0.2%</b>				
	1,000	Superior Essex Communications LLC, 9.00%, 4/15/12	B3/B	1,005,000
Total Corporate Bonds & Notes (cost-\$114,091,026)				115,111,285
<b>SOVEREIGN DEBT OBLIGATIONS 3.0%</b>				
<b>Brazil 3.0%</b>				
	2,594	Federal Republic of Brazil, 5.25%, 4/15/09	Ba3/BB-	2,602,642
	7,953	5.25%, 4/15/12	Ba3/BB-	7,937,977

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5,000	11.00%, 8/17/40	Ba3/BB-	6,463,750
Total Sovereign Debt Obligations (cost-\$15,480,837)			17,004,369

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

January 31, 2006 (unaudited) (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)	Value
<b>ASSET-BACKED SECURITIES 0.5%</b>			
\$ 29	CDC Mortgage Capital Trust, 4.88%, 10/25/33, FRN	Aaa/AAA	\$ 28,940
636	Credit-Suisse First Boston Mortgage Securities Corp., FRN, 4.88%, 7/25/32	Aaa/AAA	637,487
733	4.90%, 8/25/32	Aaa/AAA	734,994
1,347	GSAMP Trust, 4.82%, 3/25/34, FRN	Aaa/AAA	1,347,975
437	Jade CBO Ltd., 7.67%, 10/24/11 (d) (h)	B2/NR	335,797
Total Asset-Backed Securities (cost-\$3,069,016)			3,085,193
<b>MORTGAGE-BACKED SECURITIES 0.5%</b>			
2,817	Mellon Residential Funding Corp., 4.82%, 11/15/31, CMO, FRN (cost-\$2,816,665)	Aaa/AAA	2,821,313
<b>PREFERRED STOCK (b) (d) (h) 0.5%</b>			
<u>Shares</u>			
<b>Financial Services 0.5%</b>			
30	Richmond Cnty. Capital Corp., 7.85% (cost-\$3,068,307)	NR/NR	3,021,563
<b>SHORT-TERM INVESTMENTS 5.5%</b>			
<b>Commercial Paper 2.6%</b>			
<b>Financial Services 2.6%</b>			
\$ 14,700	UBS Finance LLC, 4.47%, 2/1/06 (cost-\$14,700,000)	NR/NR	14,700,000
<b>Corporate Notes 0.6%</b>			
<b>Financial Services 0.2%</b>			
1,000	General Motors Acceptance Corp., 5.243%, 5/18/06, FRN	Ba1/BB	996,167
<b>Paper/Paper Products 0.3%</b>			
2,000	GP Canada Finance Co., 7.20%, 12/15/06 (d)	B2/B	2,030,000
<b>Telecommunications 0.1%</b>			
500	Qwest Capital Funding, Inc., 7.75%, 8/15/06	B3/B	506,250
Total Corporate Notes (cost-\$3,525,243)			3,532,417
<b>U.S. Treasury Bills (j) 0.6%</b>			
3,315	3.82%-4.10%, 3/2/06-3/16/06 (cost-\$3,300,634)		3,300,634
<b>Repurchase Agreement 1.7%</b>			
9,684	State Street Bank & Trust Co., dated 1/31/06, 3.90%, due 2/1/06, proceeds \$9,685,049; collateralized by Fannie Mae, 2.625%, 1/19/07, valued at \$9,881,441 including accrued interest (cost-\$9,684,000)		9,684,000
Total Short-Term Investments (cost-\$31,209,877)			31,217,051



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

January 31, 2006 (unaudited) (continued)

Contracts	Value
<b>OPTIONS PURCHASED (k) 0.0%</b>	
<b>Call Options 0.0%</b>	
350	U.S. Treasury Notes 10 yr. Futures, Chicago Board of Trade, strike price \$115, expires 2/24/06
717	strike price \$116, expires 2/24/06
	\$ 5,469
	11,203
	16,672
<b>Put Options 0.0%</b>	
613	Eurodollar Futures, Chicago Mercantile Exchange, strike price \$93, expires 12/18/06
324	strike price \$94.50, expires 6/19/06
	3,831
	2,025
657	U.S. Treasury Notes 10 yr. Futures, Chicago Board of Trade, strike price \$100, expires 2/24/06
	10,266
	16,122
Total Options Purchased (cost-\$47,298)	32,794
<b>Total Investments before options written (cost-\$566,055,371) 100.0%</b>	<b>571,920,670</b>
<b>OPTIONS WRITTEN (k) (0.0)%</b>	
<b>Call Options (0.0)%</b>	
734	U.S. Treasury Notes 10 yr. Futures, Chicago Board of Trade, strike price \$110, expires 2/24/06
467	strike price \$112, expires 5/26/06
	(45,875)
	(65,672)
	(111,547)
<b>Put Options (0.0)%</b>	
150	U.S. Treasury Notes 10 yr. Futures, Chicago Board of Trade, strike price \$104, expires 5/26/06
237	strike price \$107, expires 2/24/06
	(21,094)
	(25,922)
	(47,016)
Total Options Written (premiums received-\$637,327)	(158,563)
<b>Total Investments net of options written (cost-\$565,418,044) 100.0%</b>	<b>\$ 571,762,107</b>

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

January 31, 2006 (unaudited)

Principal Amount (000)		Value
<b>SENIOR LOANS (a) (b) (c) 72.8%</b>		
<b>Aerospace 0.9%</b>		
\$ 4,460	K & F Industries, Inc., Term B, 6.81%, 11/18/12	\$ 4,515,757
2,223	6.87%, 11/18/12	2,250,377
945	Standard Aero Holdings, Inc., 6.63%, 8/24/12, Term B	939,132
1,574	6.79%, 8/30/12, Term B	1,565,220
3,148	6.96%, 8/24/12	3,130,439
		12,400,925
<b>Apparel &amp; Textiles 0.2%</b>		
280	Simmons Co., Term C, 7.063%, 12/19/11	283,719
2,458	7.375%, 12/19/11	2,492,969
60	8.75%, 12/19/11	60,943
		2,837,631
<b>Automotive 1.0%</b>		
2,000	Dura Operating Corp., 7.942%, 4/28/11	2,005,000
556	Hertz Corp., 4.50%, 12/21/12	564,078
3,793	6.65%, 12/21/12, Term B	3,851,527
95	Visteon Corp., 7.90%, 6/25/07	96,024
1,389	8.558%, 6/25/07	1,402,817
1,395	8.85%, 6/25/07	1,408,675
213	9.00%, 6/25/07	214,909
4,001	9.25%, 6/25/07	4,040,577
		13,583,607
<b>Automotive Products 5.0%</b>		
8,722	Affinia Group, 6.90%, 11/30/11, Term B	8,674,135
3,972	Cooper Standard Automotive, Inc., 6.563%, 12/31/11, Term B	3,988,937
6,390	6.563%, 12/31/11, Term C	6,416,986
1,500	Delphi Corp., 7.375%, 10/8/07, Term A	1,523,125
6,743	12.75%, 6/14/11	7,129,724
6,000	Federal-Mogul Corp., 6.563%, 11/23/06, Term B	6,030,000
10,500	Goodyear Tire & Rubber Co., 7.06%, 4/30/10, Term A	10,619,217
2,000	7.81%, 4/1/11	2,019,286
896	Plastech Engineered Products, Inc., 9.28%, 2/12/10, Term B	836,793
6,175	Polypore, Inc., 7.53%, 11/12/11, Term B	6,146,456
1,217	Tenneco Automotive, Inc., 6.63%, 12/12/10, Term B	1,239,794
2,000	6.63%, 12/12/10, Term B (e)	2,030,000
534	6.635%, 12/12/10, Term B1	543,302
5,940	TRW Automotive, Inc., 6.00%, 10/29/10, Term E	5,965,245
2,746	VWR International, Inc., 7.12%, 4/7/11, Term B	2,789,766
		65,952,766



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

January 31, 2006 (unaudited) (continued)

Principal Amount (000)		Value	
<b>Banking 0.6%</b>			
\$	2,800	Aster Co., Ltd., 4.722%, 9/19/13, Term B	\$ 3,398,339
	2,137	6.765%, 9/19/13, Term B1	2,136,319
	2,214	7.265%, 9/19/14, Term C1	2,212,981
			7,747,639
<b>Building/Construction 1.5%</b>			
	138	Masonite International Corp., Term B, 6.527%, 4/6/13	134,566
	9,787	6.63%, 4/6/13	9,559,886
	9,334	Nortek, Inc., 6.94%, 8/27/11	9,418,342
	48	8.50%, 8/27/11	47,957
			19,160,751
<b>Chemicals 6.0%</b>			
	4,500	Basell NV, 4.74%, 9/15/13, Term B	5,522,363
	5,095	9/15/14, Term C (f)	6,279,033
\$	10,309	Celanese AG, 6.527%, 4/6/11, Term B	10,431,479
	222	Chart Industries, Term B, 6.188%, 10/14/12	225,000
	56	6.375%, 10/14/10	56,250
	5,556	6.625%, 10/14/12	5,625,000
	1,000	Cognis BV, Term B1, 7.42%, 5/12/12	987,026
	3,000	7.42%, 5/12/12 (e)	3,048,750
	1,018	Cognis Deutschland GMBH, Term A, 4.356%, 5/12/11	1,239,762
	2,288	4.834%, 5/12/11	2,787,792
\$	63	Hercules, Inc., Term B, 6.277%, 10/8/10	63,758
	1,311	6.31%, 10/8/10	1,328,298
	4,943	Huntsman International LLC, 6.233%, 8/10/12	4,975,718
	3,000	INEOS Holdings Ltd., 10/7/13, Term B1 (e) (f)	3,214,300
	1,000	10/7/14, Term C (e) (f)	1,214,300
	2,000	10/7/14, Term C1 (e) (f)	2,000,000
	2,500	9.481%, 10/7/06	3,043,338
\$	1,818	Innophos, Inc., Term B, 6.78%, 8/15/11	1,843,940
	1,962	6.82%, 8/15/11	1,989,611
	450	KRATON Polymers Group LLC, 6.625%, 12/2/09	456,520
	81	7.00%, 12/2/09	82,189
	1,132	7.063%, 12/2/09	1,148,833
	2,591	7.063%, 12/23/10	2,630,035
	7,905	Lyondell-CITGO Refining L.P., 6.527%, 5/21/07, Term B	7,983,759
	2,605	Nalco Co., Term B, 6.49%, 11/1/10	2,641,438
	3,590	6.50%, 11/4/10	3,639,778
	2,442	6.73%, 11/1/10	2,476,348
	163	8.25%, 11/1/10	165,090



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

January 31, 2006 (unaudited) (continued)

	Principal Amount (000)		Value
<b>Chemicals (continued)</b>			
\$	2,485	Niagara Holdings, Inc., 6.563%, 2/11/12, Term B	\$ 2,517,163
	493	PQ Corp., 6.313%, 2/11/12, Term B	499,417
			80,116,288
<b>Commercial Products 1.2%</b>			
	2,000	Alliance Laundry Holdings LLC, 6.73%, 1/27/12, Term B	2,028,942
	3,500	Rexel S.A., 6.904%, 1/20/13, Term B1	3,526,922
	3,500	7.741%, 4/18/14, Term C1 Sigmakalon, 4.742%, 6/30/12, Term A (e)	3,551,068
	1,000	5.242%, 9/19/12, Term B	1,190,773
	2,456	5.242%, 9/19/12, Term B1	2,981,686
	44	5.742%, 9/19/13	53,854
	671	5.742%, 9/19/13, Term C	819,100
	1,829		2,231,196
			16,383,541
<b>Computer Services 0.9%</b>			
\$	11,940	SunGard Data Systems, Inc., 6.81%, 2/11/13	12,076,809
<b>Computer Software 0.7%</b>			
	386	Spectrum Brands Corp., Term B, 5.92%, 2/7/12	390,262
	325	6.31%, 2/7/12	328,068
	1,298	6.33%, 2/6/12	1,312,272
	328	6.53%, 2/6/12	331,713
	6,541	UGS Corp., 6.55%, 3/31/12, Term B	6,630,673
			8,992,988
<b>Consumer Products 2.0%</b>			
	2,281	Eastman Kodak Co., Term B, 6.61%, 10/14/12	2,296,915
	877	6.70%, 10/14/12	883,429
	351	6.75%, 10/14/12	353,372
	439	6.79%, 10/14/12	441,714
	877	6.80%, 10/18/12	883,429
	439	6.851%, 10/14/12	441,714
	9,955	Jarden Corp., 6.527%, 1/24/12, Term B1	10,041,318
	909	Rayovac Corp., Term B, 6.31%, 2/7/12	918,590
	470	6.34%, 2/7/12	475,091
	3,571	6.81%, 2/6/12	3,608,747
	566	6.85%, 2/6/12	572,229
	1,512	Revlon, Inc., 9.92%, 7/31/10	1,560,001
	756	9.98%, 7/9/10	780,001
	1,512	10.33%, 7/31/10	1,560,002
	1,512	10.56%, 7/31/10	1,560,002
			26,376,554



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

January 31, 2006 (unaudited) (continued)

Principal Amount (000)		Value
<b>Containers 3.7%</b>		
\$ 3,105	Graham Packaging Co., Term B, 6.50%, 9/15/11	\$ 3,146,471
3,939	6.625%, 9/15/11	3,992,523
100	6.813%, 9/15/11	101,386
2,760	7.00%, 10/7/11	2,796,864
7,359	Horizon Lines LLC, 6.78%, 7/7/11	7,457,097
3,010	Intertape Polymer Group, Inc., Term B, 6.73%, 7/28/11	3,055,238
436	6.80%, 7/28/11	442,788
2,250	Kappa Jefferson, (h) 7.24%, 11/29/13, Term B	2,248,256
2,250	7.74%, 11/29/14, Term C	2,248,256
3	Solo Cup Co., Term B, 5.42%, 2/27/11	2,551
23	6.98%, 2/27/11	23,482
9,112	7.027%, 2/27/11	9,204,998
1,528	Stone Container Corp., 3.616%, 11/1/10	1,544,834
850	5.00%, 11/1/11	850,000
4,420	6.438%, 11/1/11, Term B	4,468,859
2,792	6.50%, 11/1/10, Term B	2,822,437
2,505	6.50%, 11/1/11, Term C	2,532,967
935	6.688%, 11/1/10, Term B	945,280
1,215	6.688%, 11/1/10, Term C	1,228,489
		49,112,776
<b>Diversified Manufacturing 0.9%</b>		
4,462	Demag Holdings, 6.45%, 12/23/11, Term A2	4,444,935
5,000	Invensys PLC, 9.431%, 12/30/09	5,112,500
1,016	Linpac Mouldings Ltd., 6.77%, 4/16/12, Term B1	1,012,529
1,277	7.777%, 4/16/12, Term C1	1,278,103
		11,848,067
<b>Drugs &amp; Medical Products 0.6%</b>		
2,181	Warner Chilcott PLC, 7.011%, 1/18/12, Term B	2,193,568
789	7.277%, 1/18/12	793,438
2,057	7.277%, 1/18/12, Term B	2,068,742
1,708	7.277%, 1/18/12, Term C	1,717,503
704	7.28%, 1/4/12	712,093
704	7.53%, 1/4/12 (h)	705,611
		8,190,955
<b>Electronics 0.8%</b>		
5,000	Avago, 12/1/12, Term DD (f)	5,038,540
1,000	6.821%, 12/1/12	1,003,594
5,000	DRS Technologies Bridge, 11/22/06 (f) (h)	5,022,013
		11,064,147



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

January 31, 2006 (unaudited) (continued)

Principal Amount (000)		Value
<b>Energy 3.5%</b>		
\$ 1,106	Covanta Energy Corp., 4.527%, 6/24/12	\$ 1,123,659
81	7.38%, 6/30/12, Term B	82,621
664	7.521%, 6/30/12, Term B	675,228
1,500	10.019%, 5/12/13, Term DHC	1,529,062
1,500	10.04%, 5/12/13, Term DHC	1,529,062
2,651	Foundation Coal Holdings, Inc., Term B, 6.28%, 7/30/11	2,699,241
1,903	6.44%, 7/30/11	1,937,917
11,096	Headwaters, Inc., 6.86%, 4/30/11, Term B	11,197,478
4,156	NRG Energy, Inc., 4.427%, 12/24/11	4,171,404
557	5.00%, 9/30/12	562,211
2,443	5.00%, 9/30/12, Term B	2,470,241
12,968	Reliant Energy, Inc., 6.575%, 4/30/10, Term B2	12,943,186
581	Targa Resources, Inc., 4.402%, 10/5/11	587,177
750	6.59%, 10/5/12, Term B	758,438
1,645	6.656%, 10/5/12, Term B	1,663,669
18	6.777%, 10/5/12, Term B	18,349
3,000	6.83%, 10/5/07	3,033,750
		46,982,693
<b>Entertainment 1.8%</b>		
2,500	AMC Entertainment, Inc., 5.00%, 1/5/13	2,525,260
13,000	MGM Studios, 6.78%, 4/8/12, Term B	13,149,201
347	Warner Music Group, Inc., Term B, 6.371%, 2/27/11	350,820
1,666	6.394%, 2/27/11	1,683,937
1,666	6.406%, 2/27/11	1,683,938
2,213	6.44%, 2/28/11	2,236,762
351	6.59%, 2/27/11	354,364
1,649	6.614%, 2/27/11	1,667,098
23	8.00%, 2/28/11	23,689
		23,675,069
<b>Financial Services 1.0%</b>		
5,346	Global Cash Access LLC, 6.818%, 3/10/10, Term B	5,417,422
3,500	Satbirds Finance SARL, 4.586%, 4/4/12, Term A	4,227,205
3,500	5.086%, 4/4/13, Term B	4,266,670
		13,911,297
<b>Food &amp; Beverage 1.8%</b>		
\$ 2,899	Arby's Restaurant Group, Inc., Term B, 6.493%, 7/25/12	2,921,114
5,748	6.656%, 7/25/12	5,791,768
2,795	6.777%, 7/25/12	2,816,455
7,518	Dominos, Inc., 6.063%, 6/25/10, Term B	7,607,467
3,866	Michael Foods, Inc., 6.671%, 11/21/10, Term B	3,919,728
		23,056,532



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

January 31, 2006 (unaudited) (continued)

Principal Amount (000)		Value
<b>Funeral Services 0.4%</b>		
\$ 1,290	Alderwoods Group, Inc., Term B, 6.058%, 9/17/08	\$ 1,306,332
543	6.483%, 9/17/08	550,201
1,668	6.527%, 9/17/09	1,689,046
1,866	6.73%, 9/17/08	1,889,209
		5,434,788
<b>Healthcare &amp; Hospitals 3.3%</b>		
3,287	DaVita, Inc., Term B, 6.54%, 5/16/12	3,337,999
886	6.62%, 5/16/12	900,134
554	6.64%, 5/16/12	562,584
9,233	6.78%, 5/16/12	9,376,400
997	6.85%, 5/16/12	1,012,651
3,095	6.94%, 5/16/12	3,142,032
9,500	HealthSouth Corp., 9.49%, 6/9/10	9,618,750
2,731	Psychiatric Solutions, Inc., Term B, 6.041%, 7/7/12	2,771,163
2,731	6.26%, 7/7/12	2,771,163
9,975	Renal Advantage, Inc., 6.97%, 10/6/12, Term B	10,093,453
		43,586,329
<b>Hotels/Gaming 3.9%</b>		
4,572	Aladdin Gaming, Inc., 7.53%, 8/31/10, Term A	4,512,126
100	8.53%, 8/31/10, Term B	98,819
693	CCM Merger, Inc., 6.45%, 7/21/12, Term B	697,845
132	Choctaw Resort Development Enterprise, Inc., Term B, 6.45%, 11/4/11	133,744
9,087	6.94%, 11/4/11	9,194,864
1,732	MotorCity Casino, Term B, 6.39%, 7/21/12	1,744,612
6,541	6.519%, 7/21/12	6,587,657
165	Penn National Gaming, Inc., Term B, 6.28%, 5/26/12	167,372
1,165	6.29%, 5/26/12	1,181,286
3,491	6.39%, 5/26/12	3,541,091
1,165	6.51%, 5/26/12	1,181,286
9,329	Resorts International, Inc., 7.53%, 3/22/12, Term B	9,172,370
3,393	Venetian Casino, 6.28%, 2/22/12, Term B	3,426,829
10,000	Wynn Resorts Ltd., 6.685%, 12/14/11, Term B	10,116,250
		51,756,151
<b>Machinery 1.0%</b>		
5,601	Agco Corp., 6.277%, 6/15/09, Term B	5,663,526
952	Mueller Industries, Inc., Term B, 6.466%, 9/28/12	964,881
952	6.656%, 9/28/12	964,881
70	6.859%, 9/28/12	70,919
2,015	6.918%, 9/28/12	2,041,688
2,300	Rexnord Corp., Term B, 6.21%, 12/31/11	2,329,537
268	6.78%, 12/31/11	271,779
1,595	6.85%, 12/31/11	1,615,145



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

January 31, 2006 (unaudited) (continued)

	Principal Amount (000)		Value
<b>Manufacturing 1.1%</b>			
\$	4,478	Berry Plastics Corp., 6.447%, 6/30/10	\$ 4,541,864
	1,500	Bombardier, Inc., 6/30/07 (f)	1,451,250
	7,945	Xerium Technologies, Inc., 6.527%, 5/18/12, Term B	7,950,003
			13,943,117
<b>Measuring Instruments 0.3%</b>			
	1,821	Dresser, Inc., Term B, 6.134%, 10/29/11	1,853,712
	1,220	6.527%, 10/29/11	1,242,077
	814	6.778%, 10/29/11	828,051
			3,923,840
<b>Metals &amp; Mining 0.6%</b>			
	4,907	Novelis, Inc., 6.011%, 1/7/12, Term B	4,970,310
	2,825	6.011%, 1/7/12, Term B2	2,861,694
			7,832,004
<b>Multi-Media 4.9%</b>			
	1,250	Atlantic Broadband, Inc., 7.20%, 8/4/12, Term B	1,272,266
	17,342	Charter Communications Holdings LLC, 7.50%, 4/27/11, Term B	17,482,677
	4,900	Ekabel Hessen GMBH, 4.711%, 6/7/12, Term A	5,939,322
\$	6,856	Insight Midwest Holdings LLC, 6.563%, 12/31/09, Term C (h)	6,918,994
	9,500	Primedia, 6.648%, 9/30/13, Term B	9,408,563
	3,968	Source Media, Inc., 6.85%, 11/8/11, Term B	4,019,481
	10,922	Telecordia Technologies, Inc., 6.906%, 9/9/12, Term B	10,806,424
		Young Broadcasting, Inc., Term B, 6.563%, 5/2/12	2,382,759
	2,377	6.75%, 11/3/12	7,052,966
	7,036	6.813%, 5/2/12	47,655
	48		65,331,107
<b>Oil &amp; Gas 3.2%</b>			
	11,500	El Paso Corp., 4.00%, 11/23/09, Term LC	11,562,296
	5,865	6.375%, 2/1/09 (d)	5,865,000
	21,413	7.313%, 11/23/09, Term B	21,583,905
	3,491	Kinetic Concepts, Inc., 6.28%, 8/11/10, Term B	3,533,338
			42,544,539
<b>Paper/Paper Products 0.2%</b>			
	922	Appleton Papers, Inc., 6.33%, 6/9/10	932,035
	938	6.86%, 6/11/10	948,427
		Boise Cascade Holdings LLC, Term D, 6.281%, 10/28/11	800,752
	789	6.344%, 10/28/11	124,917
	123		2,806,131
<b>Printing/Publishing 0.9%</b>			
	1,719	RH Donnelly Corp., Term D, 6.20%, 6/30/11	1,734,225
	3,868	6.25%, 6/30/11	3,902,007
	1,719	6.26%, 6/30/11	1,734,225
	430	6.27%, 6/30/11	433,556
	3,234	6.28%, 6/30/11	3,262,143
	1,289	6.31%, 6/30/11	1,300,668



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

January 31, 2006 (unaudited) (continued)

Principal Amount (000)		Value	
<b>Real Estate 1.2%</b>			
\$	822	Gables Residential Trust, 6.15%, 7/28/06	\$ 827,414
	1,053	6.17%, 7/28/06	1,059,430
	8,251	General Growth Properties, Inc., 6.22%, 11/12/07, Term A	8,265,343
	5,949	6.57%, 11/12/08, Term B	5,966,326
			16,118,513
<b>Recreation 1.7%</b>			
	3,450	Amadeus Global Travel, 5.244%, 4/8/13, Term B	4,230,913
	3,450	5.744%, 4/8/14, Term C	4,248,508
\$	3,955	Six Flags Theme Parks, Inc., 7.05%, 6/30/09, Term B	4,005,819
	473	Worldspan L.P., Term B, 6.50%, 2/11/10	466,735
	578	7.00%, 2/11/10	570,454
	5,989	7.125%, 2/11/10	5,911,978
	762	7.188%, 2/11/10	751,962
	525	7.25%, 2/11/10	518,595
	1,261	7.313%, 2/11/10	1,244,627
			21,949,591
<b>Retail 0.9%</b>			
	8,731	Jean Coutu Group, Inc., 6.938%, 7/30/11, UNIT	8,844,521
	3,133	Neiman Marcus Group, Inc., 6.947%, 4/6/13	3,171,017
			12,015,538
<b>Semi-Conductors 0.4%</b>			
	4,950	On Semiconductor Corp., 7.30%, 12/3/11, Term G	5,004,915
<b>Telecommunications 7.5%</b>			
	2,307	Alliance Atlantis Communications, Inc., 5.889%, 10/19/11	2,328,591
	534	Centennial Cellular Communications Corp., 6.45%, 1/20/11	541,547
	3,383	6.45%, 2/9/11	3,432,340
	3,758	6.777%, 1/20/11	3,813,711
	594	6.83%, 1/20/11	602,566
	1,434	Consolidated Communications, Inc., Term B, 6.28%, 9/18/11	1,451,934
	3,585	6.28%, 10/14/11	3,629,835
	1,753	6.618%, 9/18/11	1,774,586
	2,000	Debitel AG, 5.242%, 6/30/12, Term B	2,448,669
	2,000	5.742%, 6/30/14, Term C	2,457,101
	2,000	9.492%, 6/30/14, Term 2	2,504,493
\$	3,000	Hawaiian Telcom Communications, Inc., 6.78%, 10/31/12, Term B	3,029,064
	9,500	Intersat Bridge, 4/24/06 (f) (h)	9,543,360
	3,200	Mediacom Broadband LLC, Term C, 6.36%, 2/28/14	3,248,250
	2,000	6.39%, 2/28/14	2,029,218
	660	6.527%, 2/28/14	669,951
	2,080	6.64%, 2/28/14	2,110,387

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

January 31, 2006 (unaudited) (continued)

	Principal Amount (000)		Value
<b>Telecommunications (continued)</b>			
\$	627	Mediacomm Communications Corp., Term A, 5.777%, 3/31/10	\$ 624,710
	667	5.79%, 3/31/10	667,144
	467	6.04%, 3/31/10	466,791
	5,336	New Skies Satellites NV, 6.438%, 5/4/11, Term B	5,372,387
	3,023	PanAmSat Corp., 6.31%, 8/20/09, Term A1	3,053,957
	1,580	6.31%, 8/20/09, Term A2	1,596,823
	11,500	Qwest Corp., 6.95%, 6/30/10, Term B	11,668,912
	7,400	9.22%, 6/30/07, Term A	7,586,391
	2,550	Telewest Global Finance LLC, 6.471%, 11/2/12, Term B2	2,550,842
	1,950	7.221%, 11/2/12, Term C2	1,955,074
	15,000	UPC Distribution Holding B.V., 7.28%, 9/30/12, Term H2	15,183,480
	1,976	Valor Telecommunications Enterprises LLC, Term B, 5.811%, 2/14/12	1,984,827
\$	26	6.00%, 2/14/12	26,464
	1,475	6.277%, 2/14/12	1,482,004
	342	6.318%, 2/14/12	344,037
			100,179,446
<b>Utilities 3.7%</b>			
	3,720	AES Corp., Term B, 5.07%, 4/30/08	3,762,491
	3,720	5.69%, 8/10/11	3,762,491
	1,629	Allegheny Energy Supply Co., LLC, 5.76%, 3/8/11, Term C	1,645,313
	6,882	6.35%, 3/8/11, Term C	6,950,269
	507	6.352%, 3/8/11	508,989
	913	6.41%, 3/8/11	916,180
	95	Midwest Generation LLC, 5.47%, 4/27/11	96,061
	467	5.809%, 4/27/11, Term B	472,880
	86	5.809%, 4/27/11, Term B1	87,451
	604	5.814%, 4/27/11, Term B	612,252
	5,095	6.05%, 4/27/11, Term B	5,161,077
	5,970	6.85%, 12/31/11, Term B	6,057,687
	18,727	Reliant Energy, Inc., 6.089%, 4/30/10	18,713,839
			48,746,980
<b>Waste Disposal 1.4%</b>			
	5,105	Allied Waste North America, Inc., 4.87%, 1/15/12	5,152,099
	7,088	6.09%, 1/15/12	7,150,894
	1,928	6.39%, 1/15/12	1,945,158
	1,836	6.62%, 1/15/12	1,852,812
	2,296	6.73%, 1/15/12	2,316,014
			18,416,977
<b>Wholesale 0.8%</b>			
		Roundy s, Inc., Term B,	

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5,000	7.42%, 10/27/11	4,987,500
5,000	7.49%, 11/1/11	4,987,500
		9,975,000

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

January 31, 2006 (unaudited) (continued)

	Principal Amount (000)			Value
<b>Wire &amp; Cable Products</b>	<b>1.3%</b>			
	1,000	Pirelli Cable S.A., 5.066%, 6/23/13, Term B		\$ 1,218,930
	1,500	5.066%, 6/23/13, Term B (e)		1,828,394
	1,000	5.253%, 6/23/14, Term C		1,250,729
	1,500	5.253%, 6/23/14, Term C (e)		1,876,093
	1,500	9.442%, 6/23/12 (e)		1,876,093
\$	8,000	UPC Broadband Holding B.V., 5.139%, 4/1/10, Term G		9,691,626
				17,741,865
Total Senior Loans (cost-\$964,059,603)				967,067,046
<b>CORPORATE BONDS &amp; NOTES</b>	<b>16.8%</b>			
			Credit Rating (Moody s/S&P)	
<b>Airlines</b>	<b>0.4%</b>			
	3,650	JetBlue Airways Corp., FRN, 7.44%, 5/15/10, Ser. 04-2	Ba1/BB	3,628,579
	1,813	8.741%, 9/15/09, Ser. 04-1	Ba1/BB	1,836,732
				5,465,311
<b>Automotive</b>	<b>0.5%</b>			
	3,000	Arvin Industries, Inc., 6.75%, 3/15/08	Ba2/BB	2,940,000
	3,500	ArvinMeritor, Inc., 6.625%, 6/15/07	Ba2/BB	3,456,250
				6,396,250
<b>Computer Services</b>	<b>0.5%</b>			
	4,000	SunGard Data Systems, Inc., (d) 8.525%, 8/15/13, FRN	B3/B-	4,170,000
	2,000	9.125%, 8/15/13	B3/B-	2,090,000
				6,260,000
<b>Financial Services</b>	<b>4.7%</b>			
	5,750	Borden US Finance Corp., 9.35%, 7/15/10, FRN (d)	B3/B-	5,850,625
	3,500	Chukchansi Economic Dev. Auth., 8.06%, 11/15/12, FRN (d)	B2/BB-	3,596,250
	8,000	Ford Motor Credit Co., FRN, 5.45%, 3/21/07	Ba2/BB-	7,840,912
	10,000	6.17%, 1/15/10	Ba2/BB-	9,009,420
	14,000	7.68%, 11/2/07	Ba2/BB-	13,726,314
	16,000	General Motors Acceptance Corp., FRN, 5.55%, 7/16/07	Ba1/BB	15,428,128
	5,000	6.61%, 12/1/14	Ba1/BB	4,746,690
	1,479	Simsbury CLO Ltd., 4.69%, 9/24/11, FRN (d) (h)	Aaa/AAA	1,468,659
				61,666,998
<b>Multi-Media</b>	<b>2.0%</b>			
	7,000	Cablevision Systems Corp., 8.716%, 4/1/09, Ser. B, FRN	B3/B	7,183,750
	6,000	CCO Holdings LLC, 8.616%, 12/15/10, FRN	B3/CCC-	5,895,000
	2,000	8.75%, 11/15/13	B3/CCC-	1,930,000
	8,000	Charter Communications Holdings II LLC, 10.25%, 9/15/10	Caa1/CCC-	7,910,000



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1,886	Emmis Communications Corp., 10.366%, 6/15/12, FRN	B3/B-	1,897,500
2,000	Paxson Communications Corp., 10.777%, 1/15/13, FRN (d)	B3/CCC-	1,930,000
			26,746,250

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

January 31, 2006 (unaudited) (continued)

	Principal Amount (000)		Credit Rating (Moody s/S&P)	Value
<b>Oil &amp; Gas</b>	<b>0.9%</b>			
\$	9,500	El Paso Corp., 7.375%, 12/15/12	Caa1/B-	\$ 9,856,250
	2,500	OAO Gazprom, 9.125%, 4/25/07	NR/BB+	2,618,750
				12,475,000
<b>Paper/Paper Products</b>	<b>1.0%</b>			
	2,000	Abitibi-Consolidated, Inc., 7.875%, 8/1/09	B1/B+	1,960,000
	8,000	7.991%, 6/15/11, FRN	B1/B+	7,720,000
	4,000	Bowater Inc., 7.491%, 3/15/10, FRN	B1/B+	3,960,000
				13,640,000
<b>Special Purpose Entity</b>	<b>0.5%</b>			
	99	Dow Jones CDX US High Yield, 8.75%, 12/29/10, Ser. 5-T1 (d) (i)	B3/NR	100,794
	2,000	Universal City Florida Holding Co., 8.375%, 5/1/10	B3/B-	2,015,000
	4,500	9.43%, 5/1/10, FRN	B3/B-	4,545,000
				6,660,794
<b>Telecommunications</b>	<b>6.3%</b>			
	2,000	Cincinnati Bell, Inc., 8.375%, 1/15/14	B3/B-	1,975,000
	5,000	Dobson Cellular Systems, Inc., 9.43%, 11/1/11, FRN	B1/B-	5,225,000
	8,499	Echostar DBS Corp., 7.78%, 10/1/08, FRN	Ba3/BB-	8,732,723
	5,000	Hawaiian Telcom Communications, Inc., 9.948%, 5/1/13, FRN (d)	B3/CCC+	4,987,500
	5,425	Intelsat Bermuda Ltd., 9.609%, 1/15/12, FRN (d)	B2/B+	5,547,062
	2,000	New Skies Satellites NV, 9.573%, 11/1/11, FRN	B3/B-	2,095,000
	5,000	Qwest Capital Funding, Inc., 7.90%, 8/15/10	B3/B	5,187,500
	25,650	Qwest Communications International, Inc., 7.84%, 2/15/09, FRN	B2/B	26,163,000
	6,000	Qwest Corp., 7.741%, 6/15/13, FRN (d)	Ba3/BB	6,502,500
	7,750	Rogers Wireless Communications, Inc., 7.616%, 12/15/10, FRN	Ba3/BB	8,030,938
	3,500	Rural Cellular Corp., 8.991%, 3/15/10, FRN	B2/B-	3,613,750
	5,820	Time Warner Telecom Holdings, Inc., 8.34%, 2/15/11, FRN	B2/CCC+	5,950,950
				84,010,923
Total Corporate Bonds & Notes (cost-\$222,353,194)				223,321,526
<b>SOVEREIGN DEBT OBLIGATIONS</b>	<b>2.1%</b>			
<b>Brazil</b>	<b>2.1%</b>			
	15,294	Federal Republic of Brazil, 5.25%, 4/15/12, FRN	Ba3/BB	15,265,341
	10,000	11.00%, 8/17/40	Ba3/BB-	12,927,500
Total Sovereign Debt Obligations (cost-\$25,698,702)				28,192,841
<b>ASSET-BACKED SECURITIES</b>	<b>0.6%</b>			
	2,780	Bear Stearns Asset Backed Securities, Inc., 4.70%, 12/25/42, FRN	Aaa/AAA	2,782,208
	705	Chase Funding Loan Acquisition Trust, 4.86%, 1/25/33, FRN	Aaa/AAA	706,433

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3,144	CIT Group Home Equity Loan Trust, 4.80%, 6/25/33, FRN	Aaa/AAA	3,152,096
135	Long Beach Mortgage Loan Trust, 4.85%, 7/25/33, FRN	Aaa/AAA	134,578
2,087	Salomon Brothers Mortgage Securities VII, 4.83%, 3/25/32, FRN	NR/AAA	2,093,983
Total Asset-Backed Securities (cost-\$8,848,229)			8,869,298

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

January 31, 2006 (unaudited) (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)	Value
<b>MORTGAGE-BACKED SECURITIES 0.2%</b>			
\$ 2,266	Master Adjustable Rate Mortgage Trust, 3.787%, 12/21/34, CMO, FRN (cost-\$2,269,008)	Aaa/AAA	\$ 2,253,745
<b>SHORT-TERM INVESTMENTS 7.5%</b>			
<b>Commercial Paper 2.0%</b>			
<b>Financial Services 2.0%</b>			
26,600	UBS Finance LLC, 4.47%, 2/1/06 (cost-\$26,600,000)	NR/NR	26,600,000
<b>Corporate Notes 1.9%</b>			
<b>Financial Services 1.3%</b>			
13,000	General Motors Acceptance Corp., 5.243%, 5/18/06, FRN	Ba1/BB	12,950,171
4,000	6.125%, 9/15/06	Ba1/BB	3,958,160
			16,908,331
<b>Telecommunications 0.2%</b>			
2,386	Calpoint Receivable Structured Trust, 7.44%, 12/10/06 (d)	B3/NR	2,403,854
<b>Utilities 0.4%</b>			
5,000	NorthWestern Corp., 7.30%, 12/1/06 (d)	Ba1/BB+	5,080,640
Total Corporate Notes (cost-\$24,398,964)			24,392,825
<b>U.S. Treasury Bills (j) 1.6%</b>			
21,385	3.82%-4.17%, 3/2/06-3/16/06 (cost-\$21,288,149)		21,288,149
<b>Repurchase Agreements 2.0%</b>			
20,048	State Street Bank & Trust Co., dated 1/31/06, 3.90%, due 2/1/06, proceeds \$20,050,172; collateralized by Fannie Mae, 5.00%, 1/15/07, valued at \$20,449,287 including accrued interest		20,048,000
7,000	Credit Suisse First Boston, dated 1/31/06, 4.32%, due 2/1/06, proceeds \$7,000,840; collateralized by U.S. Treasury Note, 4.375%, 1/31/08, valued at \$7,157,806 including accrued interest		7,000,000
Total Repurchase Agreements (cost-\$27,048,000)			27,048,000
Total Short-Term Investments (cost-\$99,335,113)			99,328,974
<b>OPTIONS PURCHASED (k) 0.0%</b>			
<u>Contracts</u>			
<b>Call Options 0.0%</b>			
1,567	U.S. Treasury Notes 10 yr. Futures, Chicago Board of Trade, strike price \$115, expires 2/24/06		24,484
837	strike price \$119, expires 2/24/06		13,078
			37,562

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### Put Options 0.0%

1,063	Eurodollar Futures, Chicago Mercantile Exchange, strike price \$92.75, expires 12/18/06	26,575
1,472	strike price \$93, expires 12/18/06	9,200

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

January 31, 2006 (unaudited) (continued)

Contracts			Value
<b>Put Options (continued)</b>			
		U.S. Treasury Notes 10 yr. Futures, Chicago Board of Trade,	
1,100		strike price \$99, expires 2/24/06	\$ 17,188
1,039		strike price \$100, expires 2/24/06	16,234
			69,197
Total Options Purchased (cost-\$125,675)			106,759
<b>Total Investments before options written (cost-\$1,322,689,524) 100.0%</b>			1,329,140,189
<b>OPTIONS WRITTEN (k) (0.0)%</b>			
<b>Call Options (0.0)%</b>			
		U.S. Treasury Notes 10 yr. Futures, Chicago Board of Trade,	
1,384		strike price \$110, expires 2/24/06	(86,500)
<b>Put Options (0.0)%</b>			
		U.S. Treasury Notes 10 yr. Futures, Chicago Board of Trade,	
600		strike price \$104, expires 5/26/06	(84,375)
245		strike price \$107, expires 2/24/06	(26,797)
			(111,172)
Total Options Written (premiums received-\$1,067,316)			(197,672)
<b>Total Investments net of options written (cost-\$1,321,622,208) 100.0%</b>			\$ 1,328,942,517
<b>Notes to Schedules of Investments:</b>			
(a)	Private Placement. Restricted as to resale and may not have a readily available market.		
(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 each 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.		
(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)	Delayed-delivery security. To be delivered after January 31, 2006.		
(f)	Unsettled security, coupon rate undetermined at January 31, 2006.		
(g)	Security in default.		
(h)	Fair-valued security.		
(i)	Credit-linked trust certificate.		
(j)			

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	All or partial amount segregated as collateral for futures contracts or delayed-delivery securities.			
(k)	Non-income producing.			
<b>Glossary:</b>				
	-	Euros		
CMO	-	Collateralized Mortgage Obligation		
FRN	-	Floating Rate Note. The interest rate disclosed reflects the rate in effect on January 31, 2006.		
LIBOR	-	London Inter-Bank Offered Rate		
NR	-	Not Rated		
UNIT	-	More than one class of securities traded together.		

See accompanying Notes to Financial Statements. | 1.31.06 | PIMCO Floating Rate Income & PIMCO Floating Rate Strategy Funds Semi-Annual Report 29

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

January 31, 2006 (unaudited)

	Floating Rate Income	Floating Rate Strategy
<b>Assets:</b>		
Investments, at value (cost-\$566,055,371 and \$1,322,689,524, respectively)	\$571,920,670	\$1,329,140,189
Cash (including foreign currency of \$4,257,203 and \$7,822,970 with a cost of \$4,239,995 and \$7,790,591, respectively)	4,359,992	8,456,887
Interest receivable	5,014,481	10,825,838
Unrealized appreciation on swaps	940,026	1,676,296
Receivable for investments sold	276,014	2,710,185
Unrealized appreciation on unfunded loan commitments	260,381	451,130
Premiums for swaps purchased	17,500	18,087,825
Receivable for terminated swaps	619	824,212
Prepaid expenses	22,529	39,246
Total Assets	582,812,212	1,372,211,808
<b>Liabilities:</b>		
Payable for investments purchased	18,796,781	61,294,447
Dividends payable to common and preferred shareholders	2,505,482	5,507,307
Unrealized depreciation on swaps	1,818,723	38,243,944
Deferred facility fees	409,527	545,457
Unrealized depreciation on forward foreign currency contracts	402,443	1,016,908
Investment management fees payable	354,959	803,093
Options written, at value (premiums received - \$637,327 and \$1,067,316, respectively)	158,563	197,672
Payable for terminated swaps	47,919	931,493
Premium for swaps sold	46,000	102,000
Payable for variation margin on futures contracts	10,312	31,687
Accrued expenses	136,876	182,845
Total Liabilities	24,687,585	108,856,853
<b>Preferred Shares (\$0.00001 par value, \$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>	210,000,000	480,000,000
<b>Net Assets Applicable to Common Shareholders</b>	\$348,124,627	\$783,354,955
<b>Composition of Net Assets Applicable to Common Shareholders:</b>		
Common Stock:		
Par value (\$0.00001 per share)	\$180	\$416
Paid-in-capital in excess of par	345,554,312	787,483,157
Dividends in excess of net investment income	(651,492)	(9,238,826)
Accumulated net realized gain (loss)	(1,746,629)	35,859,132
Net unrealized appreciation (depreciation) of investments, futures contracts, options written, swaps, foreign currency transactions and unfunded loan commitments	4,968,256	(30,748,924)
<b>Net Assets Applicable to Common Shareholders</b>	\$348,124,627	\$783,354,955
Common Shares Outstanding	18,024,012	41,582,884
<b>Net Asset Value Per Common Share</b>	\$19.31	\$18.84



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

For the six months ended January 31, 2006 (unaudited)

	Floating Rate Income	Floating Rate Strategy**
<b>Investment Income:</b>		
Interest	\$18,916,610	\$ 32,980,333
Dividends	123,917	27,650
Facility and other fee income	64,124	39,125
Total Investment Income	19,104,651	33,047,108
<b>Expenses:</b>		
Investment management fees	2,114,393	3,968,831
Auction agent fees and commissions	269,462	512,301
Custodian and accounting agent fees	93,488	139,533
Audit and tax services	73,888	93,714
Reports to shareholders	47,924	49,631
Transfer agent fees	22,028	14,328
Trustees fees and expenses	14,560	15,453
New York Stock Exchange listing fees	10,435	18,194
Insurance expense	8,129	14,763
Investor relations	3,520	8,973
Legal fees	3,520	10,480
Miscellaneous	9,430	7,514
Total expenses	2,670,777	4,853,715
Less: custody credits earned on cash balances	(45,068)	(66,598)
Net expenses	2,625,709	4,787,117
<b>Net Investment Income</b>	<b>16,478,942</b>	<b>28,259,991</b>
<b>Realized and Change in Unrealized Gain (Loss):</b>		
Net realized gain (loss) on:		
Investments	(1,442,132)	(5,066,793)
Futures contracts	(711,028)	10,685
Options written	986,298	1,945,622
Swaps	7,997,583	48,223,693
Foreign currency transactions	(444,909)	1,997,233
Net change in unrealized appreciation/depreciation of:		
Investments	(299,990)	631,671
Futures contracts	170,136	(843,192)
Options written	78,915	148,221
Swaps	(7,195,888)	(47,613,869)
Foreign currency transactions	(445,617)	(746,555)
Unfunded loan commitments	119,905	315,468
Net realized and change in unrealized loss on investments, futures contracts, options written, swaps, foreign currency transactions and unfunded loan commitments	(1,186,727)	(997,816)
<b>Net Increase in Net Assets Resulting from Investment Operations</b>	<b>15,292,215</b>	<b>27,262,175</b>
<b>Dividends on Preferred Shares from Net Investment Income</b>	<b>(3,956,301)</b>	<b>(7,832,296)</b>
<b>Net Increase in Net Assets Applicable to Common Shareholders Resulting from Investment Operations</b>	<b>\$11,335,914</b>	<b>\$ 19,429,879</b>

\*\* Represents the five months ended January 31, 2006. Fiscal year-end was changed to July 31 from August 31.

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See accompanying Notes to Financial Statements. | 1.31.06 | PIMCO Floating Rate Income & PIMCO Floating Rate Strategy Funds Semi-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		Floating Rate Strategy	
	Six Months Ended January 31, 2006 (unaudited)	Year ended July 31, 2005	For the Period September 1, 2005 through January 31, 2006** (unaudited)	For the period October 29, 2004* through August 31, 2005
<b>Investment Operations:</b>				
Net investment income	\$ 16,478,942	\$ 24,363,961	\$ 28,259,991	\$ 36,347,687
Net realized gain (loss) on investments, futures contracts, options written, swaps and foreign currency transactions	6,385,812	(3,293,145)	47,110,440	(4,489,982)
Net change in unrealized appreciation/depreciation of investments, futures contracts, options written, swaps, foreign currency transactions and unfunded loan commitments	(7,572,539)	10,337,612	(48,108,256)	17,359,332
Net increase in net assets resulting from investment operations	15,292,215	31,408,428	27,262,175	49,217,037
<b>Dividends on Preferred Shares from Net investment income</b>	(3,956,301)	(5,230,747)	(7,832,296)	(9,877,326)
Net increase in net assets applicable to common shareholders resulting from investment operations	11,335,914	26,177,681	19,429,879	39,339,711
<b>Dividends and Distributions to Common Shareholders from:</b>				
Net investment income	(14,391,272)	(21,339,798)	(25,168,885)	(37,754,323)
Net realized gains	(528,104)	(2,486,478)		
Total dividends and distributions to common shareholders	(14,919,376)	(23,826,276)	(25,168,885)	(37,754,323)
<b>Capital Share Transactions:</b>				
Net proceeds from the sale of common stock				788,830,000
Preferred shares underwriting discount charged to paid-in capital in excess of par				(4,800,000)
Common stock and preferred shares offering costs charged to paid-in capital in excess of par				(1,912,898)
Reinvestment of dividends and distributions		2,607,725		5,291,463
Net increase from capital transactions		2,607,725		787,408,565
Total increase (decrease) in net assets applicable to common shareholders	(3,583,462)	4,959,130	(5,739,006)	788,993,953
<b>Net Assets Applicable to Common Shareholders:</b>				
Beginning of period	351,708,089	346,748,959	789,093,961	100,008
End of period (including dividends in excess of net investment income of \$(651,492) and \$(1,217,139); \$(9,238,826) and \$(4,497,636);	\$348,124,627	\$351,708,089	\$783,354,955	\$789,093,961

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respectively)

### **Common Shares Issued and Reinvested:**

Issued		41,300,000
Issued in reinvestment of dividends and distributions	130,238	277,648
<b>Net Increase</b>	<b>130,238</b>	<b>41,577,648</b>

\* Commencement of operations

\*\* Represents the five months ended January 31, 2006. Fiscal year-end was changed to July 31 from August 31.

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

For the six months ended January 31, 2006 (unaudited)

	Floating Rate Income	Floating Rate Strategy**
<b>Cash Flows used for Operating Activities</b>		
Purchases of long-term investments	\$(184,358,563)	\$(416,562,487)
Proceeds from sales of long-term investments	171,801,356	399,453,197
Interest, dividends and facility and other fee income received	17,967,375	31,695,598
Net cash provided by options written	1,587,357	2,026,196
Net cash provided by swap transactions	1,901,520	5,427,789
Increase (decrease) in prepaid expenses	(7,700)	15,560
Operating expenses paid	(2,670,657)	(4,834,169)
Net cash used for futures transactions	(621,580)	(800,820)
Net realized gain (loss) on foreign currency transactions	(427,701)	2,029,609
Net decrease in short-term investments	17,597,457	24,543,289
<b>Net cash provided by operating activities</b>	<b>22,768,864</b>	<b>42,993,762</b>
<b>Cash Flows from Financing Activities:</b>		
Cash dividends paid	(18,875,677)	(33,001,181)
Increase in dividends payable	408,505	837,390
<b>Net cash used for financing activities</b>	<b>(18,467,172)</b>	<b>(32,163,791)</b>
<b>Net increase in cash</b>	<b>4,301,692</b>	<b>10,829,971</b>
<b>Cash at beginning of period</b>	<b>58,300</b>	<b>(2,373,084)</b>
<b>Cash at end of period</b>	<b>\$4,359,992</b>	<b>\$8,456,887</b>
<b>Reconciliation of Net Increase in Net Assets From Investment Operations to Net Cash Used for Operating Activities:</b>		
Net increase in net assets resulting from investment operations	\$15,292,215	\$27,262,175
Decrease in receivable for investments sold	3,931,653	10,281,821
Increase in interest receivable	(855,998)	(1,014,966)
Increase (decrease) in premium for swaps purchased	6,381	(18,614,782)
Decrease in premium for swaps sold	(6,102,444)	(24,181,122)
Decrease in premium for options written	(53,881)	(345,607)
Decrease in receivable for premium on options written	204,061	
Increase (decrease) in prepaid expenses	(7,700)	15,559
Decrease in Investment Management fees payable	(1,624)	(6,055)
Increase in net unrealized depreciation on swaps	7,195,888	47,613,869
Increase in net unrealized depreciation on forward foreign currency contracts	384,660	845,796
Increase in net unrealized appreciation on unfunded loan commitments	(119,905)	(315,468)
Increase (decrease) in variation margin on futures contracts	(80,688)	31,687
Increase in net unrealized appreciation on options written	(78,915)	(148,221)
Decrease in accrued expenses	(43,323)	(40,996)
Increase in deferred facility fees	111,046	309,756
Decrease in payable for investments purchased	(8,390,192)	(11,287,417)
Net decrease in investments	11,377,630	12,587,733
<b>Net cash provided by operating activities</b>	<b>\$22,768,864</b>	<b>\$42,993,762</b>

\*\* Represents the five months ended January 31, 2006. Fiscal year-end was changed to July 31 from August 31.

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See accompanying Notes to Financial Statements. | 1.31.06 | PIMCO Floating Rate Income & PIMCO Floating Rate Strategy Funds Semi-Annual Report 33

**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds**

**Notes to Financial Statements**

January 31, 2006 (unaudited)

**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 a Massachusetts business trust on June 19, 2003 and June 30, 2004, respectively.

PIMCO Floating Rate Strategy Fund changed its fiscal year-end from August 31 to July 31. Accordingly, the financial statements of the Fund cover the five-month period from September 1, 2005 to January 31, 2006.

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 thereunder, 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 AG, a publicly traded insurance and financial services company.

Floating Rate Strategy issued 37,000,000 shares of common stock in its initial public offering. An additional 4,300,000 shares were issued in connection with the underwriter s over-allotment option. These shares were all issued at \$20.00 per share before an underwriting discount of \$0.90 per share. Common offering costs of \$1,339,026 (representing \$0.032 per share) were offset against the proceeds of the offering and over-allotment option and have been charged to paid-in capital in excess of par. The Investment Manager agreed to pay all common share offering costs (other than the sales load) and organizational expenses of approximately \$25,000 exceeding \$0.04 per common share. In addition, the underwriters commission and offering costs associated with the issuance of Preferred Shares in the amounts of \$4,800,000 and \$573,872, respectively, have been charged to paid-in capital in excess of par.

The Funds investment objective is to seek high current income, consistent with the preservation of capital by investing primarily in floating rate debt instruments, a substantial portion of which will be senior 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.

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. 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, may be fair-valued, in good faith, pursuant to guidelines 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 are valued on the last business day of each week using prices supplied by an independent pricing service or dealer quotations, or are valued at the last sale price on the exchange that is the primary market for such securities, or the last quoted bid 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. 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. The Funds investments in senior floating rate loans ( Senior Loans ) for which a secondary market exists will be valued at the mean of the last available bid and asked prices in the market for such Senior Loans, as provided by an independent pricing service. Other Senior Loans are valued at fair-value by Pacific Investment Management Company LLC (the Sub-Adviser ). Such procedures by the Sub-Adviser include consideration and evaluation of: (1) the creditworthiness of the borrower and any intermediate participants; (2) the term of the Senior Loan; (3) recent prices in the market for similar loans, if any; (4) recent prices in the market for loans of similar quality, coupon rate, and period until next interest rate reset and maturity; and (5) general economic and market conditions affecting the fair-value of the Senior



**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds**

**Notes to Financial Statements**

January 31, 2006 (unaudited)

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

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

**(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 fees and other fees (such as origination fees) received by the Fund are amortized as income over the expected term of the loan. Commitment fees received by the Fund relating to unfunded purchase commitments are deferred and amortized to facility fee income over the period of the commitment.

**(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**

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.

Net investment income and net realized gains differ for financial statement and tax purposes primarily due to the treatment of amounts received under swap agreements. For the periods ended January 31, 2006, Floating Rate Income and Floating Rate Strategy received \$1,554,566 and \$5,059,321, respectively from swap agreements which are treated as net realized gain (loss) for financial statement purposes and as net income (loss) for federal income tax purposes.

**(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.

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 may 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

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

January 31, 2006 (unaudited)

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

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).

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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 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).

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/or net periodic payments accrued but not yet received (paid) by the Funds are included in change in unrealized appreciation/depreciation on the Statements of Operations.

Swaps are marked to market daily by the Sub-Adviser based upon quotations from 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

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

January 31, 2006 (unaudited)

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

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) Credit-Linked Trust Certificates**

Credit-linked trust certificates are investments in a limited purpose trust or other vehicle formed under state law which, in turn, invests in a basket of derivative instruments, such as credit default swaps, interest rate swaps and other securities, in order to provide exposure to the high yield or another fixed income market.

Similar to an investment in a bond, investments in credit-linked trust certificates represent the right to receive periodic income payments (in the form of distributions) and payment of principal at the end of the term of the certificate. However, these payments are conditioned on the trust's receipt of payments from, and the trust's potential obligations to, the counterparties to the derivative instruments and other securities in which the trust invests.

**(l) 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.

**(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

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

January 31, 2006 (unaudited)

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

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 its net asset value. 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 on a delayed-delivery basis is sold, 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 its 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**

The Funds have entered into an Investment Management Agreement (the 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 the Agreement, the Investment Manager receives an annual fee, payable monthly, at an annual rate of 0.75% of each Fund's average weekly total managed assets. Total managed assets refer to the total assets of each Fund (including assets attributable to any Preferred Shares and borrowings that may be outstanding minus accrued liabilities (other than liabilities representing borrowings)).

The Investment Manager has retained the Sub-Adviser, to manage the Funds' investments. Subject to the supervision of the Investment Manager, the Sub-Adviser is responsible for making all the Funds' investment decisions. The Investment Manager, and not the Funds, pays a portion of the fees it receives as Investment Manager to the Sub-Adviser in return for its services, at the maximum annual rate of 0.39% of the Floating Rate Income and Floating Rate Strategy's average weekly total managed assets for the period from each Fund's commencement of operations through August 31, 2008 and October 31, 2008, respectively. Commencing September 1, 2008 for Floating Rate Income and November 1, 2008 for Floating Rate Strategy, the Investment Manager will pay the Sub-Adviser a monthly fee at the annual rate of 0.55% of each Fund's average weekly total managed assets.

**3. Investments in Securities**

For the periods ended January 31, 2006, purchases and sales of investments, other than short-term securities and U.S. government obligations, were as follows:

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	Floating Rate Income	Floating Rate Strategy
Purchases	\$173,637,613	\$411,172,804
Sales	163,325,501	364,714,455

(a) Futures contracts outstanding at January 31, 2006:

<u>Floating Rate Income:</u>	Notional Amount (000)	Expiration Date	Unrealized Depreciation
Type Long: Financial Future Euro 90 day	\$2,063	12/18/06	\$(293,994)

<u>Floating Rate Strategy:</u>	Notional Amount (000)	Expiration Date	Unrealized Depreciation
Type Long: Financial Future Euro 90 day	\$6,338	12/18/06	\$(843,192)

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

January 31, 2006 (unaudited)

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

(b) Transactions in options written for the periods ended January 31, 2006:

Floating Rate Income:	Contracts	Premiums
Options outstanding, July 31, 2005	2,203	\$ 691,208
Options written	5,367	1,383,296
Options terminated in closing purchase transactions	(5,982)	(1,437,177)
Options outstanding, January 31, 2006	1,588	\$637,327
Floating Rate Strategy:	Contracts	Premiums
Options outstanding, August 31, 2005	9,204,560	\$ 1,412,922
Options written	7,736	2,026,196
Options terminated in closing purchase transactions	(9,210,067)	(2,371,802)
Options outstanding, January 31, 2006	2,229	\$1,067,316

(c) Credit default swaps contracts outstanding at January 31, 2006:

Floating Rate Income:

Swap Counterparty/ Referenced Debt Issuer	Notional Amount Payable on Default (000)	Termination Date	Fixed Payments Received (Paid) by Fund	Unrealized Appreciation (Depreciation)
Bank of America				
AES Corp.	\$1,000	12/20/07	1.50%	\$ 5,160
Allied Waste North American	600	9/20/09	2.75%	11,761
Bombardier	1,400	6/20/10	3.80%	10,569
MCI	875	9/20/07	4.57%	67,215
Williams Cos.	875	9/20/09	2.05%	31,929
Bear Stearns				
Georgia-Pacific	700	9/20/09	1.24%	(22,925)
GMAC	2,000	3/20/06	2.10%	2,227
Host Marriot	700	9/20/09	1.95%	21,369
MGM Mirage	1,500	9/20/09	1.92%	27,115
Citigroup				
Allied Waste North America	1,500	9/20/07	2.18%	10,647

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Crown Cork	1,500	9/20/07	2.38%	33,641
Host Marriott Corp.	900	9/20/07	1.90%	20,311
Owens-Illinois Group	3,000	9/20/07	2.05%	37,469
Starwood Hotels & Resorts Worldwide	1,500	9/20/07	1.20%	25,484
Credit Suisse First Boston				
AES Corp.	900	9/20/09	3.85%	64,898
Allied Waste North America	875	9/20/09	2.46%	9,223
Delhaize Group	875	9/20/09	1.40%	22,591
OAO Gazprom	5,000	4/20/06	0.72%	15,958
Intelsat Bermuda	3,000	3/20/10	3.21%	(299,467)
Samis	4,400	9/20/08	2.45%	69,785
Goldman Sachs				
HCA	1,000	12/20/07	0.75%	4,598
Starwood Hotels & Resorts Worldwide	1,000	12/20/07	1.10%	16,672
TRW Automotive	875	9/20/09	2.15%	12,747

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

January 31, 2006 (unaudited)

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

Swap Counterparty/ Referenced Debt Issuer	Notional Amount Payable on Default (000)	Termination Date	Fixed Payments Received (Paid) by Fund	Unrealized Appreciation (Depreciation)
J. P. Morgan Chase AES Corp.	\$1,500	9/20/07	2.15%	\$ 25,311
Electronic Data System	1,000	12/20/07	1.30%	22,330
Ford Motor Credit	5,000	6/20/06	3.25%	21,223
Tenet Healthcare	5,000	12/20/07	(3.20)%	(74,339)
Tenet Healthcare	5,000	12/20/09	4.15%	104,112
Lehman Securities				
Extendicare Health Services	2,600	9/20/09	2.10%	42,788
L-3 Communications Group	5,000	12/20/08	1.50%	87,700
Six Flags	1,000	3/20/10	2.70%	26,868
Merrill Lynch				
PSEG Energy	3,500	12/4/06	2.95%	48,642
SPX Corp.	900	9/20/09	2.25%	22,215
Williams Cos.	700	9/20/09	1.71%	17,468
Morgan Stanley Dean Witter				
Georgia-Pacific	900	9/20/09	1.63%	(17,784)
GMAC	1,000	9/20/06	1.70%	(11,230)
				\$514,281

Floating Rate Strategy:

Swap Counterparty/ Referenced Debt Issuer	Notional Amount Payable on Default (000)	Termination Date	Fixed Payments Received (Paid) by Fund	Unrealized Appreciation (Depreciation)
Bank of America				
Bombardier	\$3,500	6/20/10	3.80%	\$ 26,423
CMS Energy Corp.	5,000	12/20/09	2.15%	135,772
Royal Caribbean Cruises	5,000	12/20/09	1.12%	105,750
Williams Cos.	5,000	12/20/09	1.65%	112,472
Bear Stearns				
Allied Waste North America	1,500	12/20/07	1.85%	3,231

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ArvinMeritor	1,500	12/20/07	1.14%	(25,745)
Dura Operating	4,500	12/20/09	4.15%	(608,489)
Dynegy	1,500	12/20/09	2.35%	(25,280)
GMAC	5,000	3/20/06	2.10%	5,568
MGM Mirage	5,000	12/20/09	1.54%	13,600
Stone Container	1,500	12/20/09	1.76%	(113,595)
Stone Container	5,000	12/20/09	1.87%	(360,071)
Citigroup				
Host Marriott Corp.	5,000	12/20/09	1.70%	106,021
Reliant Energy	5,000	12/20/09	3.20%	(190,906)
Credit Suisse First Boston				
Equistar Chemicals	5,000	12/20/09	2.25%	23,650
Goodyear Tire & Rubber	2,000	3/20/15	(3.85)%	(11,950)
Intelsat Bermuda	7,000	3/20/10	3.21%	(698,756)
Samis	2,000	9/20/08	2.45%	23,972
Samis	4,600	12/20/09	2.15%	11,180

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**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds**  
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**3. Investments in Securities (continued)**

Swap Counterparty/ Referenced Debt Issuer	Notional Amount Payable on Default (000)	Termination Date	Fixed Payments Received (Paid) by Fund	Unrealized Appreciation (Depreciation)
HSBC Bank				
Ford Motor Credit	\$2,000	6/20/06	3.25%	\$ 8,489
GMAC	4,000	6/20/06	4.25%	36,992
J.P. Morgan Chase				
Goodyear Tire & Rubber	2,000	3/20/07	(1.55)%	(16,981)
Goodyear Tire & Rubber	4,000	3/20/10	3.40%	50,984
NRG Energy	5,000	12/20/09	2.20%	13,058
Lehman Securities				
Boyd Gaming	5,000	12/20/09	1.65%	148,516
Ford Motor Credit	3,000	6/20/06	2.90%	7,480
GMAC	3,000	3/20/06	2.10%	3,341
Hayes Lemmerz International	5,000	12/20/09	2.50%	(105,545)
HCA	5,000	12/20/09	1.55%	109,009
PanAmSat Corp.	3,000	12/20/09	3.00%	24,874
Six Flags	4,000	3/20/10	2.70%	107,471
Starwood Hotels and Resorts Worldwide	5,000	12/20/09	1.15%	99,343
Station Casinos	5,000	12/20/09	1.45%	69,828
Stone Container	3,000	12/20/09	1.85%	(218,068)
TRW	5,000	12/20/09	2.05%	40,697
Merrill Lynch				
AES Corp.	3,000	12/20/09	2.60%	88,961
ArvinMeritor	4,500	12/20/09	2.25%	(157,584)
Bombardier	5,000	3/20/06	3.25%	34,329
Chesapeake Energy Corp.	5,000	12/20/09	1.30%	66,250
CMS Energy Corp.	1,500	12/20/09	1.85%	24,630
Delhaize America	5,000	12/20/09	1.07%	66,246
Toys R Us	3,500	12/20/06	(1.45)%	(6,062)
Toys R Us	7,000	12/20/09	2.91%	24,331
Toys R Us	5,000	12/20/09	3.20%	(484,748)
Toys R Us	3,500	12/20/14	(3.34)%	(13,963)
Vintage Petroleum	3,000	12/20/09	1.50%	3,500

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UBS Securities									
GMAC	6,000		9/20/06		5.05%			80,328	
Wachovia Securities									
Ford Motor Credit	5,000		12/20/09		2.14%			(828,671)	
GMAC	5,000		12/20/09		2.26%			(1,203,876)	
								\$(3,393,994)	

(d) Interest rate swap agreements outstanding at January 31, 2006:

Floating Rate Income:	Notional Amount (000)	Termination Date	Rate Type Payments made by Fund	Payments received by Fund	Unrealized Depreciation
Bank of America	\$115,000	1/7/25	3 month LIBOR	5.13%	\$ (123,620)
Bank of America	115,000	6/15/25	5.25%	3 month LIBOR	(1,269,358)
					\$(1,392,978)

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**PIMCO Floating Rate Income/PIMCO Floating Rate Strategy Funds**  
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**3. Investments in Securities (continued)**

Floating Rate Strategy:	Notional Amount	Termination Date	Payments made by Fund	Rate Type	Payments received by Fund	Unrealized Depreciation
Swap Counterparty	(000)					
Bank of America	\$255,000	1/7/25	3 month LIBOR		5.13%	\$ (274,114)
Bank of America	255,000	6/15/25	5.25%		3 month LIBOR	(2,814,665)
Goldman Sachs	630,000	6/15/25	5.00%		3 month LIBOR	(6,535,305)
Goldman Sachs	613,000	7/22/25	3 month LIBOR		4.83%	(23,549,570)
						\$(33,173,654)

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LIBOR London Interbank Offered Rate

Floating Rate Income and Floating Rate Strategy received \$2,000,000 and \$17,750,000 par value, respectively, in U.S. Treasury Bills as collateral for swap contracts.

(e) Forward foreign currency contracts outstanding at January 31, 2006:

Floating Rate Income:		U.S. \$ Value on Origination Date	U.S. \$ Value January 31, 2006	Unrealized Depreciation
Purchased:	4,287,000 settling 2/22/06	\$ 5,266,009	\$ 5,212,605	\$ (53,404)
Sold:	36,742,000 settling 2/22/06	44,325,916	44,674,955	(349,039)
				\$(402,443)
Floating Rate Strategy:		U.S. \$ Value on Origination Date	U.S. \$ Value January 31, 2006	Unrealized Depreciation
Purchased:	18,201,000 settling 2/22/06	\$22,357,508	\$ 22,130,773	\$(226,735)
Sold:	82,399,000 settling 3/31/06	99,616,271	100,406,444	(790,173)
				\$(1,016,908)

(f) At January 31, 2006, the Funds had the following unfunded loan commitments which could be extended at the option of the borrower:

Floating Rate  
Income:

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Borrower	Unfunded Commitments
Eastman Kodak	\$ 2,517,032
El Paso Nova Scotia Revolver	4,975,000
Host Marriott L.P. Revolver A	2,537,585
Host Marriott L.P. Revolver B	1,633,333
Visteon Corp.	85,355
Warner Chilcott	124,017
	\$11,872,322

### Floating Rate Strategy:

Borrower	Unfunded Commitments
Eastman Kodak	\$ 5,034,065
Hertz	660,019
Host Marriott L.P. Revolver A	2,537,584
Host Marriott L.P. Revolver B	1,633,333
Visteon Corp.	213,387
Warner Chilcott	283,320
	\$10,361,708

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

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**4. Income Tax Information**

The cost of investments for federal income tax purposes and gross unrealized appreciation and gross unrealized depreciation of investments at January 31, 2006 were:

	Cost of Investments	Gross Unrealized Appreciation	Gross Unrealized Depreciation	Net Unrealized Appreciation
Floating Rate Income	\$ 566,055,371	\$ 7,580,402	\$1,715,103	\$5,865,299
Floating Rate Strategy	1,322,689,524	10,781,773	4,331,108	6,450,665

**5. Auction Preferred Shares**

Floating Rate Income has issued 2,800 shares of Preferred Shares Series T, 2,800 shares of Preferred Shares Series W, 2,800 shares of Preferred Shares Series TH, each with a net asset and liquidation value of \$25,000 per share plus accrued dividends.

Floating Rate Strategy has issued 3,840 shares of Preferred Shares Series M, 3,840 shares of Preferred Shares Series T, 3,840 shares of Preferred Shares Series W, 3,840 shares of Preferred Shares Series TH, and 3,840 shares of Preferred Shares Series F, each with a net asset and liquidation value of \$25,000 per share plus accrued dividends.

Dividends and distributions of net realized long-term capital gains, if any, are accumulated daily at an annual rate (typically re-set every seven days) through auction procedures.

For the period ended January 31, 2006, the annualized dividend rates ranged from:

	High	Low	At January 31, 2006
Floating Rate Income			
Series T	4.15%	3.00%	4.15%
Series W	4.40%	3.20%	4.14%
Series TH	4.40%	3.24%	4.20%
Floating Rate Strategy			
Series M	4.50%	3.46%	4.34%

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Series T	4.38%	3.47%	4.19%
Series W	4.45%	3.48%	4.24%
Series TH	4.50%	3.37%	4.15%
Series F	4.40%	3.40%	4.27%

The Funds are subject to certain limitations and restrictions while Preferred Shares are outstanding. Failure to comply with these limitations and restrictions could preclude the Funds from declaring any dividends or distributions to common shareholders or repurchasing common shares and/or could trigger the mandatory redemption of Preferred Shares at their liquidation value.

Preferred Shares, which are entitled to one vote per share, generally vote together with the common stock but vote separately as a class to elect two Trustees and on any matters affecting the rights of the preferred shares.

### 6. Subsequent Common Dividend Declarations

On February 3, 2006, the following dividends were declared to common shareholders payable March 3, 2006 to shareholders of record on February 13, 2006:

Floating Rate Income	\$0.13102 per common share
Floating Rate Strategy	\$0.12685 per common share

On March 3, 2006, the following dividends were declared to common shareholders payable April 7, 2006 to shareholders of record on March 13, 2006:

Floating Rate Income	\$0.13730 per common share
Floating Rate Strategy	\$0.13314 per common share

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

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**7. Legal Proceedings**

In June and September 2004, the Investment Manager, certain of its affiliates (Allianz Global Investors Distributors LLC and PEA Capital LLC) and Allianz Global, agreed to settle, without admitting or denying the allegations, claims brought by the Securities and Exchange Commission (the Commission), the New Jersey Attorney General and the California Attorney General alleging violations of federal and state securities laws with respect to certain open-end funds for which the Investment Manager serves as investment adviser. Two settlements (with the Commission and New Jersey) related to an alleged market timing arrangement in certain open-end funds sub-advised by PEA Capital. Two settlements (with the Commission and California) related to the alleged use of cash and fund portfolio commissions to finance shelf-space arrangements with broker-dealers for open-end funds. The Investment Manager and its affiliates agreed to pay a total of \$68 million to settle the claims related to market timing and \$20.6 million to settle the claims related to shelf space. The settling parties also agreed to make certain corporate governance changes. None of the settlements allege that any inappropriate activity took place with respect to the Funds.

Since February 2004, the Investment Manager and certain of its affiliates and their employees have been named as defendants in a number of pending lawsuits concerning market timing and revenue sharing/shelf space/directed brokerage, which allege the same or similar conduct underlying the regulatory settlements discussed above. The market timing lawsuits have been consolidated in a Multi-District Litigation in the United States District Court for the District of Maryland, and the revenue sharing/shelf space/directed brokerage lawsuits have been consolidated in the United States District Court for the District of Connecticut. An additional market timing lawsuit filed by the Attorney General of West Virginia against a number of fund companies, including the Investment Manager and two of its affiliates, has also been transferred to the Multi-District Litigation in Maryland. Any potential resolution of these matters may include, but not be limited to, judgments or settlements for damages against the Investment Manager or its affiliates or related injunctions. The Investment Manager believes that other similar lawsuits may be filed in federal or state courts in the future.

Under Section 9(a) of the 1940 Act, if any of the various regulatory proceedings or lawsuits were to result in a court injunction against the Investment Manager, Allianz Global and/or their affiliates, they and their affiliates would, in the absence of exemptive relief granted by the Commission, be barred from serving as an investment adviser/sub-adviser or principal underwriter for any registered investment company, including the Fund. In connection with an inquiry from the Commission concerning the status of the New Jersey settlement referenced above with regard to any implications under Section 9(a), the Investment Manager and certain of its affiliates, including the Investment Manager, (together, the Applicants) have sought exemptive relief from the Commission under Section 9(c) of the 1940 Act. The Commission has granted the Applicants a temporary exemption from the provisions of Section 9(a) with respect to the New Jersey settlement until the earlier of (i) September 13, 2006 and (ii) the date on which the Commission takes final action on their application for a permanent exemptive order. There is no assurance that the Commission will issue a permanent order. If a court injunction were to issue against the Investment Manager or the Affiliates with respect to any of the other matte