

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

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT

INVESTMENT COMPANIES

Investment Company Act file number: 811-21238

PIMCO Corporate & Income Opportunity Fund

(Exact name of registrant as specified in charter)

1633 Broadway, New York, NY 10019

(Address of principal executive offices)

William G. Galipeau

Treasurer (Principal Financial & Accounting Officer)

650 Newport Center Drive

Newport Beach, CA 92660

(Name and address of agent for service)

Copies to:

David C. Sullivan

Ropes & Gray LLP

Prudential Tower

800 Boylston Street

Boston, MA 02199

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

Date of fiscal year end: July 31

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

Date of reporting period: July 31, 2016

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

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

Item 1. Reports to Shareholders.

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

PIMCO Closed-End Funds

Annual Report

July 31, 2016

PIMCO Corporate & Income Opportunity Fund

PIMCO Corporate & Income Strategy Fund

PIMCO High Income Fund

PIMCO Income Strategy Fund

PIMCO Income Strategy Fund II

Table of Contents

| | Page |
|--|------|
| <u>Letter from the Chairman of the Board & President</u> | 2 |
| <u>Important Information About the Funds</u> | 4 |
| <u>Financial Highlights</u> | 14 |
| <u>Statements of Assets and Liabilities</u> | 16 |
| <u>Statements of Operations</u> | 17 |
| <u>Statements of Changes in Net Assets</u> | 18 |
| <u>Notes to Financial Statements</u> | 63 |
| <u>Report of Independent Registered Public Accounting Firm</u> | 85 |
| <u>Glossary</u> | 86 |
| <u>Federal Income Tax Information</u> | 87 |
| <u>Shareholder Meeting Results</u> | 88 |
| <u>Investment Strategy Updates</u> | 89 |
| <u>Dividend Reinvestment Plan</u> | 90 |
| <u>Management of the Funds</u> | 92 |
| <u>Approval of Investment Management Agreement</u> | 95 |
| <u>Privacy Policy</u> | 101 |

| Fund | Fund Summary | Schedule of Investments |
|---|-----------------|-------------------------------|
| PIMCO Corporate & Income Opportunity Fund | <u>9</u> | <u>20</u> |
| PIMCO Corporate & Income Strategy Fund | <u>10</u> | <u>29</u> |
| PIMCO High Income Fund | <u>11</u> | <u>37</u> |
| PIMCO Income Strategy Fund | <u>12</u> | <u>46</u> |
| PIMCO Income Strategy Fund II | <u>13</u> | <u>54</u> |

Letter from the Chairman of the Board & President

Dear Shareholder,

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

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

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

Despite a number of headwinds, the U.S. economy was resilient and continued to expand during the reporting period. That being said, the pace was far from robust. Looking back, U.S. gross domestic product (GDP), which represents the value of goods and services produced in the country, the broadest measure of economic activity and the principal indicator of economic performance, expanded at a 2.0% annual pace during the third quarter of 2015. Economic activity then decelerated, as GDP grew at a 1.4% and 1.1% annual pace during the fourth quarter of 2015 and first quarter of 2016, respectively. Finally, the Commerce Department's second reading released after the reporting period had ended showed that second quarter 2016 GDP grew at an annual pace of 1.1%.

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

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

2 PIMCO CLOSED-END FUNDS

Outlook

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

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

In the following pages of this PIMCO Closed-End Funds Annual Report, please find specific details regarding investment performance and a discussion of factors that most affected the Funds' performance over the 12 months ended July 31, 2016.

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

Sincerely,

Hans W. Kertess
Chairman of the Board of Trustees

Peter G. Strelow
President

Important Information About the Funds

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

As of the date of this report, interest rates in the U.S. are at or near historically low levels. As such, bond funds may currently face an increased exposure to the risks associated with rising interest rates. This is especially true since the Federal Reserve Board has concluded its quantitative easing program and, at its meeting on December 16, 2015, raised interest rates for the first time since 2006 from a target range of 0% to 0.25% to a target range of 0.25% to 0.50%. Further, while the U.S. bond market has steadily grown over the past three decades, dealer inventories of corporate bonds have remained relatively stagnant. As a result, there has been a significant reduction in the ability of dealers to make markets in corporate bonds. All of the factors mentioned above, individually or collectively, could lead to increased volatility and/or lower liquidity in the fixed income markets, which could result in increased losses to a Fund. Bond funds and individual bonds with a longer duration (a measure of the sensitivity of a security's price to changes in interest rates) tend to be more sensitive to changes in interest rates, usually making them more volatile than securities or funds with shorter durations. In addition, in the current low interest rate environment, the market price of the Funds common shares may be particularly sensitive to changes in interest rates or the perception that there will be a change in interest rates.

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

may invest a significant portion of its assets in these types of instruments. If it does, a Fund's investment exposure could far exceed the value of its portfolio securities and its investment performance could be primarily dependent upon securities it does not directly own. Changes in regulation relating to a mutual fund's use of derivatives and related instruments could potentially limit or impact a Fund's ability to invest in derivatives, limit a Fund's ability to employ certain strategies that use derivatives and adversely affect the value or performance of derivatives and a Fund. For instance, in December 2015, the SEC proposed new regulations applicable to a mutual fund's use of derivatives and related instruments. If adopted as proposed, these regulations could significantly limit or impact a Fund's ability to invest in derivatives and other instruments, limit a Fund's ability to employ certain strategies that use derivatives and adversely affect a Fund's performance, efficiency in implementing its strategy, liquidity and ability to pursue its investment objectives and generate income.

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

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

4 PIMCO CLOSED-END FUNDS

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

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

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

A Fund's use of leverage creates the opportunity for increased income for the Fund's common shareholders, but also creates special risks. Leverage is a speculative technique that may expose a Fund to greater risk and increased costs. If shorter-term interest rates rise relative to the rate of return on a Fund's portfolio, the interest and other costs of leverage to the Fund could exceed the rate of return on the debt obligations and other investments held by the Fund, thereby reducing return to the Fund's common shareholders. In addition, fees and expenses of any form of leverage used by a Fund will be borne entirely by its common shareholders (and not by preferred shareholders, if any) and will reduce the investment return of the Fund's common shares. There can be no assurance that a Fund's use of leverage will result in a higher yield on its common shares, and it may result in losses. Leverage creates several major types of risks for a Fund's common shareholders, including: (1) the likelihood of greater volatility of net asset value and market price of the Fund's common shares, and of the investment return to the Fund's common shareholders, than a comparable portfolio without leverage; (2) the possibility either that the Fund's common

share dividends will fall if the interest and other costs of leverage rise, or that dividends paid on the Fund's common shares will fluctuate because such costs vary over time; and (3) the effects of leverage in a declining market or a rising interest rate environment, as leverage is likely to cause a greater decline in the net asset value of the Fund's common shares than if the Fund were not leveraged and may result in a greater decline in the market value of the Fund's common shares.

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

Investments in loans are generally subject to risks similar to those of investments in other types of debt obligations, including, among others, credit risk, interest rate risk, variable and floating rate securities risk, and, as applicable, risks associated with mortgage-related securities. In

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

addition, in many cases loans are subject to the risks associated with below-investment grade securities. In the case of a loan participation or assignment, a Fund generally has no right to enforce compliance with the terms of the loan agreement with the borrower. As a result, a Fund may be subject to the credit risk of both the borrower and the lender that is selling the loan agreement. In the event of the insolvency of the lender selling a loan participation, a Fund may be treated as a general creditor of the lender and may not benefit from any set-off between the lender and the borrower. The Funds may be subject to heightened or additional risks and potential liabilities and costs by investing in mezzanine and other subordinated loans or acting as an originator of loans, including those arising under bankruptcy, fraudulent conveyance, equitable subordination, lender liability, environmental and other laws and regulations, and risks and costs associated with debt servicing and taking foreclosure actions

ANNUAL REPORT JULY 31, 2016 **5**

Important Information About the Funds (Cont.)

associated with the loans. To the extent that a Fund originates a loan, it may be responsible for all or a substantial portion of the expenses associated with initiating the loan, irrespective of whether the loan transaction is ultimately consummated or closed. This may include significant legal and due diligence expenses, which will be indirectly borne by a Fund and its shareholders.

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

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

bankrupt companies at an acceptable price may be difficult and differences compared to the value of the securities used by the Funds could be material.

Variable and floating rate securities generally are less sensitive to interest rate changes but may decline in value if their interest rates do not rise as much, or as quickly, as interest rates in general. Conversely, floating rate securities will not generally increase in value if interest rates decline. Inverse floating rate securities may decrease in value if interest rates increase. Inverse floating rate securities may also exhibit greater price volatility than a fixed rate obligation with similar credit quality. When a Fund holds variable or floating rate securities, a decrease (or, in the case of inverse floating rate securities, an increase) in market interest rates will adversely affect the income received from such securities and the NAV of the Funds' shares.

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

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

6 PIMCO CLOSED-END FUNDS

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

The Funds may invest in securities and instruments that are economically tied to Russia. Investments in Russia are subject to various risks such as political, economic, legal, market and currency risks. The risks include uncertain political and economic policies, short-term market volatility, poor accounting standards, corruption and crime, an inadequate regulatory system, and unpredictable taxation. Investments in Russia are particularly subject to the risk that economic sanctions may be imposed by the United States and/or other countries. Such sanctions which may impact companies in many sectors, including energy, financial services and defense, among others may negatively impact the Funds performance and/or ability to achieve their investment objectives. The Russian securities market is characterized by limited volume of trading, resulting in difficulty in obtaining accurate prices. The Russian securities market, as compared to U.S. markets, has significant price volatility, less liquidity, a smaller market capitalization and a smaller number of traded securities. There may be little publicly available information about issuers. Settlement, clearing and registration of securities transactions are subject to risks because of registration systems that may not be subject to effective government

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

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

The Funds may be subject to various risks in addition to those described above. Some of these risks may include, but are not limited to, the following: asset allocation risk, credit risk, stressed securities risk, distressed and defaulted securities risk, corporate bond risk, market risk, issuer risk, liquidity risk, equity securities and related market risk, mortgage-related and other asset-backed securities risk, extension risk, prepayment risk, privately issued mortgage-related securities risk, mortgage market/ subprime risk, foreign (non-U.S.) investment risk, emerging markets risk, currency risk, redenomination risk, non-diversification risk, management risk, municipal bond risk, inflation-indexed security risk, senior debt risk, loans, participations and assignments risk, reinvestment risk, real estate risk, U.S. Government securities risk, foreign (non-U.S.) government securities risk, valuation risk, segregation and cover risk, focused investment risk, credit default swaps risk, event-linked

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

Important Information About the Funds (Cont.)

companies risk, private placements risk, inflation/deflation risk, regulatory risk, tax risk, recent economic conditions risk, market disruptions and geopolitical risk, potential conflicts of interest involving allocation of investment opportunities, repurchase agreements risk, securities lending risk, zero-coupon bond and payment-in-kind securities risk, portfolio turnover risk, smaller company risk, short sale risk and convertible securities risk. A description of certain of these risks is available in the Notes to Financial Statements of this Report.

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

The following table discloses the commencement of operations and diversification status of each Fund:

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

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

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

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

PIMCO has adopted written proxy voting policies and procedures (Proxy Policy) as required by Rule 206(4)-6 under the Investment Advisers Act of 1940. The Proxy Policy has been adopted by the Funds as the policies and procedures that PIMCO will use when voting proxies on behalf

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

of the Funds. A description of the policies and procedures that PIMCO uses to vote proxies relating to portfolio securities of each Fund, and information about how each Fund voted proxies relating to portfolio securities held during the most recent twelve-month period ended June 30, are available without charge, upon request, by calling the Funds at (844) 33-PIMCO (844-337-4626), on the Funds' website at www.pimco.com, and on the Securities and Exchange Commission's (SEC) website at <http://www.sec.gov>.

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

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

8 PIMCO CLOSED-END FUNDS

PIMCO Corporate & Income Opportunity Fund

Symbol on NYSE - **PTY**

Allocation Breakdown

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

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

Fund Information (as of July 31, 2016)⁽¹⁾

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

Average Annual Total Return⁽¹⁾ for the period ended July 31, 2016

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

All Fund returns are net of fees and expenses.

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

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

⁽³⁾ Represents total effective leverage outstanding, as a percentage of total managed assets. Total effective leverage consists of preferred shares, reverse repurchase agreements and other borrowings, credit default swap notional and floating rate notes issued in tender option bond transactions, as applicable

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

(collectively Total Effective Leverage). The Fund may engage in other transactions not included in Total Effective Leverage disclosed above that may give rise to a form of leverage, including certain derivative transactions. For the purpose of calculating Total Effective Leverage outstanding as a percentage of total managed assets, total managed assets refer to total assets (including assets attributable to Total Effective Leverage that may be outstanding) minus accrued liabilities (other than liabilities representing Total Effective Leverage).

Investment Objective and Strategy Overview

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

Fund Insights at NAV

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

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

PIMCO Corporate & Income Strategy Fund

Symbol on NYSE - **PCN**

Allocation Breakdown

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

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

Fund Information (as of July 31, 2016)⁽¹⁾

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

Average Annual Total Return⁽¹⁾ for the period ended July 31, 2016

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

All Fund returns are net of fees and expenses.

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

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

⁽³⁾ Represents total effective leverage outstanding, as a percentage of total managed assets. Total effective leverage consists of preferred shares, reverse repurchase agreements and other borrowings, credit default swap notional and floating rate notes issued in tender option bond transactions, as applicable (collectively "Total Effective Leverage"). The Fund may engage in other transactions not included in Total Effective Leverage disclosed above that may give rise to a form of leverage, including certain derivative transactions. For the purpose of calculating Total Effective Leverage outstanding as a percentage of total

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

managed assets, total managed assets refer to total assets (including assets attributable to Total Effective Leverage that may be outstanding) minus accrued liabilities (other than liabilities representing Total Effective Leverage).

Investment Objective and Strategy Overview

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

Fund Insights at NAV

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

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

10 PIMCO CLOSED-END FUNDS

PIMCO High Income Fund

Symbol on NYSE - **PHK**

Allocation Breakdown

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

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

Fund Information (as of July 31, 2016)⁽¹⁾

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

Average Annual Total Return⁽¹⁾ for the period ended July 31, 2016

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

All Fund returns are net of fees and expenses.

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

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

⁽³⁾ Represents total effective leverage outstanding, as a percentage of total managed assets. Total effective leverage consists of preferred shares, reverse repurchase agreements and other borrowings, credit default swap notional and floating rate notes issued in tender option bond transactions, as applicable (collectively

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

Total Effective Leverage). The Fund may engage in other transactions not included in Total Effective Leverage disclosed above that may give rise to a form of leverage, including certain derivative transactions. For the purpose of calculating Total Effective Leverage outstanding as a percentage of total managed assets, total managed assets refer to total assets (including assets attributable to Total Effective Leverage that may be outstanding) minus accrued liabilities (other than liabilities representing Total Effective Leverage).

Investment Objective and Strategy Overview

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

Fund Insights at NAV

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

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

PIMCO Income Strategy Fund

Symbol on NYSE - **PFL**

Allocation Breakdown

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

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

Fund Information (as of July 31, 2016)⁽¹⁾

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

Average Annual Total Return⁽¹⁾ for the period ended July 31, 2016

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

All Fund returns are net of fees and expenses.

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

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

⁽³⁾ Represents total effective leverage outstanding, as a percentage of total managed assets. Total effective leverage consists of preferred shares, reverse repurchase agreements and other borrowings, credit default swap notional and floating rate notes issued in tender option bond transactions, as applicable.

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

(collectively Total Effective Leverage). The Fund may engage in other transactions not included in Total Effective Leverage disclosed above that may give rise to a form of leverage, including certain derivative transactions. For the purpose of calculating Total Effective Leverage outstanding as a percentage of total managed assets, total managed assets refer to total assets (including assets attributable to Total Effective Leverage that may be outstanding) minus accrued liabilities (other than liabilities representing Total Effective Leverage).

Investment Objective and Strategy Overview

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

Fund Insights at NAV

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

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

12 PIMCO CLOSED-END FUNDS

PIMCO Income Strategy Fund II

Symbol on NYSE - **PFN**

Allocation Breakdown

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

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

Fund Information (as of July 31, 2016)⁽¹⁾

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

Average Annual Total Return⁽¹⁾ for the period ended July 31, 2016

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

All Fund returns are net of fees and expenses.

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

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

⁽³⁾ Represents total effective leverage outstanding, as a percentage of total managed assets. Total effective leverage consists of preferred shares, reverse repurchase agreements and other borrowings, credit default swap notional and floating rate notes issued in tender option bond transactions, as applicable (collectively "Total Effective Leverage"). The Fund may engage in other transactions not included in Total Effective Leverage disclosed above that may give rise

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

to a form of leverage, including certain derivative transactions. For the purpose of calculating Total Effective Leverage outstanding as a percentage of total managed assets, total managed assets refer to total assets (including assets attributable to Total Effective Leverage that may be outstanding) minus accrued liabilities (other than liabilities representing Total Effective Leverage).

Investment Objective and Strategy Overview

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

Fund Insights at NAV

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

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

Financial Highlights

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

* Annualized

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

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

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

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

(d) Calculated on the basis of income and expenses applicable to both common and preferred shares relative to the average net assets of common shareholders. The expense ratio and net investment income do not reflect the effects of dividend payments to preferred shareholders.

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

- (e) Interest expense primarily relates to participation in borrowing and financing transactions. See Note 5 in the Notes to Financial Statements for more information.
- (f) Fiscal year end changed from November 30th to July 31st.
- (g) Fiscal year end changed from October 31st to July 31st.
- (h) Fiscal year end changed from March 31st to July 31st.
- (i) Total distributions for the period ended July 31, 2015 may be lower than prior fiscal years due to fiscal year end changes resulting in a reduction of the amount of days in the period ended July 31, 2015.
- (j) See Note 12 in the Notes to Financial Statements.

14 PIMCO CLOSED-END FUNDS

See Accompanying Notes

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

ANNUAL REPORT JULY 31, 2016 15

Statements of Assets and Liabilities

July 31, 2016

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

Statements of Operations

Year Ended July 31, 2016

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

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

Statements of Changes in Net Assets

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

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

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

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

(c) Fiscal Year end changed from March 31st to July 31st.

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

(e)

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

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

18 PIMCO CLOSED-END FUNDS

See Accompanying Notes

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

Schedule of Investments PIMCO Corporate & Income Opportunity Fund

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

UTILITIES 5.8%

CenturyLink, Inc.

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

20 PIMCO CLOSED-END FUNDS

See Accompanying Notes

July 31, 2016

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

ASSET-BACKED SECURITIES 20.5%

AMAC CDO Funding

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

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

| | | |
|-----------------------|----|----|
| 1.838% due 03/25/2033 | 99 | 95 |
|-----------------------|----|----|

Bear Stearns Asset-Backed Securities Trust

| | | |
|-----------------------|--------|--------|
| 0.888% due 04/25/2037 | 23,128 | 16,824 |
|-----------------------|--------|--------|

CIFC Funding Ltd.

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

Citigroup Mortgage Loan Trust, Inc.

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

Countrywide Asset-Backed Certificates

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

Credit-Based Asset Servicing and Securitization LLC

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

See Accompanying Notes

ANNUAL REPORT JULY 31, 2016 21

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

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

PREFERRED SECURITIES 1.2%

BANKING & FINANCE 1.2%

Farm Credit Bank of Texas

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

**MARKET
VALUE
(000S)**

SHARES

GMAC Capital Trust

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

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

SHORT-TERM INSTRUMENTS 13.5%

REPURCHASE AGREEMENTS (h) 6.8%

63,979

**PRINCIPAL
AMOUNT
(000S)**

U.S. TREASURY BILLS 6.7%

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

Total Short-Term Instruments

(Cost \$127,261) 127,269

Total Investments in Securities

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

Total Investments 134.3%

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

Financial Derivative

Instruments (j)(l) (5.9)%

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

Preferred Shares (25.1)% (237,950)

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

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

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

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

^ Security is in default.

(a) Interest only security.

(b) When-issued security.

(c) Payment in-kind security.

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

(e) Zero coupon security.

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

(g) RESTRICTED SECURITIES:

Issuer Description

Cost

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

BORROWINGS AND OTHER FINANCING TRANSACTIONS

(h) REPURCHASE AGREEMENTS:

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

⁽¹⁾ Includes accrued interest.

22 PIMCO CLOSED-END FUNDS

See Accompanying Notes

July 31, 2016

REVERSE REPURCHASE AGREEMENTS:

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

⁽²⁾ Open maturity reverse repurchase agreement.⁽³⁾ The average amount of borrowings outstanding during the period ended July 31, 2016 was \$(44,433) at a weighted average interest rate of 0.629%.**BORROWINGS AND OTHER FINANCING TRANSACTIONS SUMMARY**

The following is a summary by counterparty of the market value of Borrowings and Other Financing Transactions and collateral (received)/pledged as of July 31, 2016:

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

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

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

CERTAIN TRANSFERS ACCOUNTED FOR AS SECURED BORROWINGS

Remaining Contractual Maturity of the Agreements

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

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

SWAP AGREEMENTS:

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

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

See Accompanying Notes

ANNUAL REPORT JULY 31, 2016 23

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

| Index/Tranches | Fixed Receive Rate | Maturity Date | Notional Amount (2) | Market Value (3) | Unrealized Appreciation/ (Depreciation) | Variation Margin | |
|------------------------|-----------------------|------------------|---------------------------|---------------------|---|------------------|-----------|
| | | | | | | Asset | Liability |
| CDX.IG-23 5-Year Index | 1.000% | 12/20/2019 | \$ 11,800 | \$ 132 | \$ (59) | \$ 10 | \$ 0 |
| CDX.IG-24 5-Year Index | 1.000 | 06/20/2020 | 17,600 | 206 | (106) | 16 | 0 |
| CDX.IG-26 5-Year Index | 1.000 | 06/20/2021 | 7,600 | 109 | 34 | 8 | 0 |
| | | | | \$ 3,009 | \$ 877 | \$ 193 | \$ 0 |

- (1) If the Fund is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.
- (2) The maximum potential amount the Fund could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.
- (3) The prices and resulting values for credit default swap agreements on credit indices serve as an indicator of the current status of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement be closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced indices' credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

INTEREST RATE SWAPS

| Pay/Receive | Floating Rate | Floating Rate Index | Fixed Rate | Maturity Date | Notional Amount | Market Value | Unrealized Appreciation/ (Depreciation) | Variation Margin | |
|------------------------------|----------------------|---------------------|------------|------------------|--------------------|------------------|---|------------------|-------------------|
| | | | | | | | | Asset | Liability |
| Pay | 3-Month USD-LIBOR | | 2.750% | 06/17/2025 | \$ 145,380 | \$ 18,252 | \$ 9,059 | \$ 735 | \$ 0 |
| Pay | 3-Month USD-LIBOR | | 2.250 | 06/15/2026 | 44,400 | 3,798 | 1,698 | 238 | 0 |
| Pay | 3-Month USD-LIBOR | | 3.500 | 06/19/2044 | 305,100 | 126,579 | 136,532 | 4,552 | 0 |
| Receive | 3-Month USD-LIBOR * | | 2.250 | 12/21/2046 | 482,100 | (56,215) | (14,832) | 0 | (6,819) |
| Pay | 6-Month AUD-BBR-BBSW | | 3.500 | 06/17/2025 | AUD 13,400 | 1,225 | 893 | 75 | 0 |
| | | | | | | \$ 93,639 | \$ 133,350 | \$ 5,600 | \$ (6,819) |
| Total Swap Agreements | | | | | | \$ 96,648 | \$ 134,227 | \$ 5,793 | \$ (6,819) |

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

FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED SUMMARY

The following is a summary of the market value and variation margin of Exchange-Traded or Centrally Cleared Financial Derivative Instruments as of July 31, 2016:

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

(I) FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER

FORWARD FOREIGN CURRENCY CONTRACTS:

| Counterparty | Settlement Month | Currency to be Delivered | | Currency to be Received | | Unrealized Appreciation/ (Depreciation) | | |
|--------------|------------------|--------------------------|-----------|-------------------------|--------|---|-----------|--------|
| | | | | | | Asset | Liability | |
| AZD | 08/2016 | EUR | 508 | \$ | 562 | \$ | 0 | \$ (6) |
| BOA | 08/2016 | | 27,641 | | 30,493 | | 0 | (410) |
| | 08/2016 | GBP | 64,368 | | 85,664 | | 477 | 0 |
| | 08/2016 | | \$ 28,490 | EUR | 25,900 | | 466 | 0 |
| BPS | 09/2016 | EUR | 25,900 | \$ | 28,526 | | 0 | (465) |
| | 08/2016 | BRL | 5,405 | | 1,653 | | 0 | (14) |
| | 08/2016 | GBP | 396 | | 519 | | 0 | (5) |
| | 08/2016 | | \$ 1,574 | BRL | 5,405 | | 93 | 0 |
| CBK | 09/2016 | | 1,449 | | 4,791 | | 13 | 0 |
| | 08/2016 | AUD | 182 | \$ | 133 | | 0 | (5) |
| | 08/2016 | EUR | 505 | | 560 | | 0 | (5) |

24 PIMCO CLOSED-END FUNDS

See Accompanying Notes

July 31, 2016

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

SWAP AGREEMENTS:

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

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

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

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

See Accompanying Notes

ANNUAL REPORT JULY 31, 2016 25

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

- (1) If the Fund is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.
- (2) Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate or sovereign issues as of period end serve as an indicator of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.
- (3) The maximum potential amount the Fund could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.
- (4) The prices and resulting values for credit default swap agreements on credit indices serve as an indicator of the current status of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement be closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced indices' credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

INTEREST RATE SWAPS

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

FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER SUMMARY

The following is a summary by counterparty of the market value of OTC financial derivative instruments and collateral (received)/pledged as of July 31, 2016:

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

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

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

26 PIMCO CLOSED-END FUNDS

See Accompanying Notes

July 31, 2016

FAIR VALUE OF FINANCIAL DERIVATIVE INSTRUMENTS

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

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

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

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

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

Net Realized Gain (Loss) on Financial Derivative Instruments

Exchange-traded or centrally cleared

| | | | | | | |
|-----------------|------|----------|------|------|--------------|--------------|
| Swap Agreements | \$ 0 | \$ 1,134 | \$ 0 | \$ 0 | \$ (118,874) | \$ (117,740) |
|-----------------|------|----------|------|------|--------------|--------------|

Over the counter

| | | | | | | |
|------------------------------------|------|------|------|-----------|------|-----------|
| Forward Foreign Currency Contracts | \$ 0 | \$ 0 | \$ 0 | \$ 17,604 | \$ 0 | \$ 17,604 |
|------------------------------------|------|------|------|-----------|------|-----------|

| | | | | | | |
|-----------------|---|----|---|---|-----|-----|
| Swap Agreements | 0 | 13 | 0 | 0 | 705 | 718 |
|-----------------|---|----|---|---|-----|-----|

| | | | | | | |
|--|------|-------|------|-----------|--------|-----------|
| | \$ 0 | \$ 13 | \$ 0 | \$ 17,604 | \$ 705 | \$ 18,322 |
|--|------|-------|------|-----------|--------|-----------|

| | | | | | | |
|--|------|----------|------|-----------|--------------|-------------|
| | \$ 0 | \$ 1,147 | \$ 0 | \$ 17,604 | \$ (118,169) | \$ (99,418) |
|--|------|----------|------|-----------|--------------|-------------|

Net Change in Unrealized Appreciation (Depreciation) on Financial Derivative Instruments

Exchange-traded or centrally cleared

| | | | | | | |
|-----------------|------|----------|------|------|-----------|-----------|
| Swap Agreements | \$ 0 | \$ 1,498 | \$ 0 | \$ 0 | \$ 98,305 | \$ 99,803 |
|-----------------|------|----------|------|------|-----------|-----------|

Over the counter

| | | | | | | |
|------------------------------------|------|------|------|------------|------|------------|
| Forward Foreign Currency Contracts | \$ 0 | \$ 0 | \$ 0 | \$ (2,113) | \$ 0 | \$ (2,113) |
|------------------------------------|------|------|------|------------|------|------------|

| | | | | | | |
|-----------------|---|-------|---|---|---------|-----|
| Swap Agreements | 0 | 3,818 | 0 | 0 | (3,155) | 663 |
|-----------------|---|-------|---|---|---------|-----|

| | | | | | | |
|--|------|----------|------|------------|------------|------------|
| | \$ 0 | \$ 3,818 | \$ 0 | \$ (2,113) | \$ (3,155) | \$ (1,450) |
|--|------|----------|------|------------|------------|------------|

| | | | | | | |
|--|------|----------|------|------------|-----------|-----------|
| | \$ 0 | \$ 5,316 | \$ 0 | \$ (2,113) | \$ 95,150 | \$ 98,353 |
|--|------|----------|------|------------|-----------|-----------|

See Accompanying Notes

ANNUAL REPORT JULY 31, 2016 27

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

July 31, 2016

FAIR VALUE MEASUREMENTS

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

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

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

| Financial Derivative Instruments - Assets | | | | |
|--|------|----------|------|----------|
| Exchange-traded or centrally cleared | 0 | 5,793 | 0 | 5,793 |
| Over the counter | 0 | 2,555 | 0 | 2,555 |
| | \$ 0 | \$ 8,348 | \$ 0 | \$ 8,348 |

| Financial Derivative Instruments - Liabilities | | | | |
|---|---|----------|---|----------|
| Exchange-traded or centrally cleared | 0 | (6,819) | 0 | (6,819) |
| Over the counter | 0 | (57,062) | 0 | (57,062) |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

Totals \$ 2,408 \$ 1,160,880 \$ 52,425 \$ 1,215,713

There were no significant transfers between Levels 1 and 2 during the period ended July 31, 2016.

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

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

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

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

(1)

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

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

28 PIMCO CLOSED-END FUNDS

See Accompanying Notes

Schedule of Investments PIMCO Corporate & Income Strategy Fund

July 31, 2016

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

108,512

UTILITIES 6.7%

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

37,137

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

See Accompanying Notes

ANNUAL REPORT JULY 31, 2016 29

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

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

30 PIMCO CLOSED-END FUNDS

See Accompanying Notes

July 31, 2016

| | | PRINCIPAL AMOUNT (000S) | | MARKET VALUE (000S) |
|---|-----|-------------------------------|----|---------------------------|
| Park Place Securities, Inc. Asset-Backed Pass-Through Certificates | | | | |
| 1.008% due 08/25/2035 | \$ | 5,000 | \$ | 3,383 |
| 2.258% due 10/25/2034 | | 573 | | 405 |
| Residential Asset Mortgage Products Trust | | | | |
| 1.583% due 12/25/2033 | | 236 | | 219 |
| 1.688% due 01/25/2035 ^ | | 3,040 | | 2,008 |
| SLM Student Loan Trust | | | | |
| 0.000% due 10/28/2029 (f) | | 3 | | 3,910 |
| 0.000% due 01/25/2042 (f) | | 4 | | 4,255 |
| Soundview Home Loan Trust | | | | |
| 0.738% due 08/25/2037 | | 2,000 | | 1,439 |
| South Coast Funding Ltd. | | | | |
| 1.230% due 08/10/2038 | | 10,886 | | 2,295 |
| Taberna Preferred Funding Ltd. | | | | |
| 1.013% due 08/05/2036 ^ | | 9,518 | | 6,663 |
| 1.013% due 08/05/2036 | | 514 | | 360 |
| 1.123% due 07/05/2035 | | 10,129 | | 7,394 |
| Total Asset-Backed Securities (Cost \$109,781) | | | | 109,289 |
| SOVEREIGN ISSUES 1.5% | | | | |
| Athens Urban Transportation Organisation | | | | |
| 4.851% due 09/19/2016 | EUR | 200 | | 223 |
| Autonomous Community of Catalonia | | | | |
| 4.300% due 11/15/2016 | | 3,250 | | 3,657 |
| 4.900% due 09/15/2021 | | 1,500 | | 1,726 |
| Republic of Greece Government International Bond | | | | |
| 3.000% due 02/24/2023 | | 142 | | 121 |
| 3.000% due 02/24/2024 | | 142 | | 118 |
| 3.000% due 02/24/2025 | | 142 | | 115 |
| 3.000% due 02/24/2026 | | 142 | | 113 |
| 3.000% due 02/24/2027 | | 142 | | 110 |
| 3.000% due 02/24/2028 | | 142 | | 108 |
| | | PRINCIPAL AMOUNT (000S) | | MARKET VALUE (000S) |
| 3.000% due 02/24/2029 | EUR | 142 | \$ | 106 |
| 3.000% due 02/24/2030 | | 142 | | 104 |
| 3.000% due 02/24/2031 | | 142 | | 103 |
| 3.000% due 02/24/2032 | | 142 | | 101 |
| 3.000% due 02/24/2033 | | 142 | | 100 |
| 3.000% due 02/24/2034 | | 142 | | 99 |
| 3.000% due 02/24/2035 | | 142 | | 98 |
| 3.000% due 02/24/2036 | | 142 | | 97 |
| 3.000% due 02/24/2037 | | 142 | | 96 |
| 3.000% due 02/24/2038 | | 142 | | 95 |
| 3.000% due 02/24/2039 | | 142 | | 95 |
| 3.000% due 02/24/2040 | | 142 | | 95 |
| 3.000% due 02/24/2041 | | 142 | | 95 |
| 3.000% due 02/24/2042 | | 142 | | 95 |
| 3.800% due 08/08/2017 | JPY | 47,000 | | 439 |
| 4.750% due 04/17/2019 | EUR | 400 | | 403 |
| Total Sovereign Issues (Cost \$8,054) | | | | 8,512 |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

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

- * A zero balance may reflect actual amounts rounding to less than one thousand.
- ^ Security is in default.
- (a) Interest only security.
- (b) Principal only security.
- (c) When-issued security.
- (d) Payment in-kind security.
- (e) Coupon represents a weighted average yield to maturity.
- (f) Zero coupon security.
- (g) Perpetual maturity; date shown, if applicable, represents next contractual call date.

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

(h) RESTRICTED SECURITIES:

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

BORROWINGS AND OTHER FINANCING TRANSACTIONS

(i) REPURCHASE AGREEMENTS:

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

⁽¹⁾ Includes accrued interest.

See Accompanying Notes

ANNUAL REPORT JULY 31, 2016 31

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

REVERSE REPURCHASE AGREEMENTS:

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

⁽²⁾ Open maturity reverse repurchase agreement.

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

BORROWINGS AND OTHER FINANCING TRANSACTIONS SUMMARY

The following is a summary by counterparty of the market value of Borrowings and Other Financing Transactions and collateral (received)/pledged as of July 31, 2016:

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

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

| | | | | | | |
|--|------------------|--------------------|-------------|--|--|--|
| Total Borrowings and Other Financing Transactions | \$ 13,671 | \$ (91,401) | \$ 0 | | | |
|--|------------------|--------------------|-------------|--|--|--|

⁽⁴⁾Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from borrowings and other financing transactions can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 7, Principal Risks, in the Notes to Financial Statements for more information regarding master netting arrangements.

CERTAIN TRANSFERS ACCOUNTED FOR AS SECURED BORROWINGS

Remaining Contractual Maturity of the Agreements

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

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

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

32 PIMCO CLOSED-END FUNDS

See Accompanying Notes

July 31, 2016

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

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

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

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

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

INTEREST RATE SWAPS

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

Total Swap
Agreements

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

FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED SUMMARY

The following is a summary of the market value and variation margin of Exchange-Traded or Centrally Cleared Financial Derivative Instruments as of July 31, 2016:

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

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

(m) **FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER**

FORWARD FOREIGN CURRENCY CONTRACTS:

| Counterparty | Settlement Month | Currency to be Delivered | Currency to be Received | Unrealized Appreciation/ (Depreciation) | |
|--------------|---------------------|-----------------------------|----------------------------|--|-----------|
| | | | | Asset | Liability |
| AZD | 08/2016 | EUR 494 | \$ 548 | \$ 0 | \$ (5) |
| | 09/2016 | 100 | 112 | 0 | 0 |
| BOA | 08/2016 | 27,581 | 30,427 | 0 | (409) |
| | 08/2016 | GBP 48,588 | 64,663 | 360 | 0 |
| | 08/2016 | \$ 29,835 | EUR 27,123 | 488 | 0 |
| | 09/2016 | EUR 27,123 | \$ 29,872 | 0 | (487) |

See Accompanying Notes

ANNUAL REPORT JULY 31, 2016 33

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

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

SWAP AGREEMENTS:

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

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

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

(2) Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate issues as of period end serve as an indicator of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative.

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

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

FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER SUMMARY

The following is a summary by counterparty of the market value of OTC financial derivative instruments and collateral (received)/pledged as of July 31, 2016:

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

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

July 31, 2016

| Counterparty | Financial Derivative Assets | | | | Financial Derivative Liabilities | | | | Net Market Value of Derivatives | Collateral (Received)/ Pledged | Net Exposure (4) |
|-------------------------------|---|----------------------|--------------------|------------------------------|---|--------------------|--------------------|------------------------------|--|--------------------------------------|------------------------|
| | Forward Foreign Currency Contracts | Purchased Options | Swap Agreements | Total Over the Counter | Forward Foreign Currency Contracts | Written Options | Swap Agreements | Total Over the Counter | | | |
| BPS | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ (290) | \$ (290) | \$ (290) | \$ 303 | \$ 13 |
| CBK | 31 | 0 | 0 | 31 | (6) | 0 | 0 | (6) | 25 | 0 | 25 |
| GLM | 10 | 0 | 0 | 10 | (8) | 0 | 0 | (8) | 2 | 0 | 2 |
| GST | 0 | 0 | 0 | 0 | 0 | 0 | (1,077) | (1,077) | (1,077) | 1,217 | 140 |
| HUS | 0 | 0 | 0 | 0 | 0 | 0 | (6) | (6) | (6) | 0 | (6) |
| JPM | 10 | 0 | 0 | 10 | (10) | 0 | 0 | (10) | 0 | 0 | 0 |
| MSB | 0 | 0 | 0 | 0 | (1) | 0 | 0 | (1) | (1) | 0 | (1) |
| SCX | 583 | 0 | 0 | 583 | (586) | 0 | 0 | (586) | (3) | 0 | (3) |
| TOR | 0 | 0 | 0 | 0 | (25) | 0 | 0 | (25) | (25) | 0 | (25) |
| Total Over the Counter | \$ 1,482 | \$ 0 | \$ 0 | \$ 1,482 | \$ (1,537) | \$ 0 | \$ (1,373) | \$ (2,910) | | | |

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

FAIR VALUE OF FINANCIAL DERIVATIVE INSTRUMENTS

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

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

| | Derivatives not accounted for as hedging instruments | | | | | | |
|---|--|---------------------|---------------------|----------------------------------|----------------------------|----------|--|
| | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Exchange Contracts | Interest Rate Contracts | Total | |
| Financial Derivative Instruments - Assets | | | | | | | |
| Exchange-traded or centrally cleared | | | | | | | |
| Swap Agreements | \$ 0 | \$ 85 | \$ 0 | \$ 0 | \$ 3,221 | \$ 3,306 | |
| Over the counter | | | | | | | |
| Forward Foreign Currency Contracts | \$ 0 | \$ 0 | \$ 0 | \$ 1,482 | \$ 0 | \$ 1,482 | |
| | \$ 0 | \$ 85 | \$ 0 | \$ 1,482 | \$ 3,221 | \$ 4,788 | |
| Financial Derivative Instruments - Liabilities | | | | | | | |
| Exchange-traded or centrally cleared | | | | | | | |
| Swap Agreements | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 3,315 | \$ 3,315 | |
| Over the counter | | | | | | | |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

| | | | | | | |
|------------------------------------|------|----------|------|----------|----------|----------|
| Forward Foreign Currency Contracts | \$ 0 | \$ 0 | \$ 0 | \$ 1,537 | \$ 0 | \$ 1,537 |
| Swap Agreements | 0 | 1,373 | 0 | 0 | 0 | 1,373 |
| | \$ 0 | \$ 1,373 | \$ 0 | \$ 1,537 | \$ 0 | \$ 2,910 |
| | \$ 0 | \$ 1,373 | \$ 0 | \$ 1,537 | \$ 3,315 | \$ 6,225 |

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

| | Derivatives not accounted for as hedging instruments | | | | | | Total |
|---|--|------------------|------------------|----------------------------|-------------------------|-------------|-------|
| | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Exchange Contracts | Interest Rate Contracts | | |
| Net Realized Gain (Loss) on Financial Derivative Instruments | | | | | | | |
| Exchange-traded or centrally cleared | | | | | | | |
| Swap Agreements | \$ 0 | \$ 136 | \$ 0 | \$ 0 | \$ (55,569) | \$ (55,433) | |
| Over the counter | | | | | | | |
| Forward Foreign Currency Contracts | \$ 0 | \$ 0 | \$ 0 | \$ 10,637 | \$ 0 | \$ 10,637 | |
| Swap Agreements | 0 | 133 | 0 | 0 | (4,131) | (3,998) | |
| | \$ 0 | \$ 133 | \$ 0 | \$ 10,637 | \$ (4,131) | \$ 6,639 | |
| | \$ 0 | \$ 269 | \$ 0 | \$ 10,637 | \$ (59,700) | \$ (48,794) | |
| Net Change in Unrealized Appreciation (Depreciation) on Financial Derivative Instruments | | | | | | | |
| Exchange-traded or centrally cleared | | | | | | | |
| Swap Agreements | \$ 0 | \$ 803 | \$ 0 | \$ 0 | \$ 53,461 | \$ 54,264 | |
| Over the counter | | | | | | | |
| Forward Foreign Currency Contracts | \$ 0 | \$ 0 | \$ 0 | \$ (462) | \$ 0 | \$ (462) | |
| Swap Agreements | 0 | 162 | 0 | 0 | 335 | 497 | |
| | \$ 0 | \$ 162 | \$ 0 | \$ (462) | \$ 335 | \$ 35 | |
| | \$ 0 | \$ 965 | \$ 0 | \$ (462) | \$ 53,796 | \$ 54,299 | |

See Accompanying Notes

ANNUAL REPORT JULY 31, 2016 35

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

July 31, 2016

FAIR VALUE MEASUREMENTS

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

| Category and Subcategory | Level 1 | Level 2 | Level 3 | Fair Value at 07/31/2016 |
|---|-----------------|-------------------|------------------|---------------------------------|
| Bank Loan Obligations | \$ 0 | \$ 8,460 | \$ 0 | \$ 8,460 |
| Corporate Bonds & Notes | | | | |
| Banking & Finance | 0 | 170,362 | 5,517 | 175,879 |
| Industrials | 0 | 102,539 | 5,973 | 108,512 |
| Utilities | 0 | 37,137 | 0 | 37,137 |
| Municipal Bonds & Notes | | | | |
| California | 0 | 5,243 | 0 | 5,243 |
| Illinois | 0 | 13,437 | 0 | 13,437 |
| Virginia | 0 | 670 | 0 | 670 |
| West Virginia | 0 | 5,770 | 0 | 5,770 |
| U.S. Government Agencies | 0 | 16,635 | 4,470 | 21,105 |
| Non-Agency Mortgage-Backed Securities | 0 | 165,367 | 0 | 165,367 |
| Asset-Backed Securities | 0 | 101,124 | 8,165 | 109,289 |
| Sovereign Issues | 0 | 8,512 | 0 | 8,512 |
| Common Stocks | | | | |
| Financials | 0 | 0 | 116 | 116 |
| Preferred Securities | | | | |
| Banking & Finance | 1,381 | 10,161 | 0 | 11,542 |
| Category and Subcategory | Level 1 | Level 2 | Level 3 | Fair Value at 07/31/2016 |
| Short-Term Instruments | | | | |
| Repurchase Agreements | \$ 0 | \$ 13,671 | \$ 0 | \$ 13,671 |
| U.S. Treasury Bills | 0 | 3,056 | 0 | 3,056 |
| Total Investments | \$ 1,381 | \$ 662,144 | \$ 24,241 | \$ 687,766 |
| Financial Derivative Instruments - Assets | | | | |
| Exchange-traded or centrally cleared | 0 | 3,306 | 0 | 3,306 |
| Over the counter | 0 | 1,482 | 0 | 1,482 |
| | \$ 0 | \$ 4,788 | \$ 0 | \$ 4,788 |
| Financial Derivative Instruments - Liabilities | | | | |
| Exchange-traded or centrally cleared | 0 | (3,315) | 0 | (3,315) |
| Over the counter | 0 | (2,910) | 0 | (2,910) |
| | \$ 0 | \$ (6,225) | \$ 0 | \$ (6,225) |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

| | | | | | | | | |
|--------|----|-------|----|---------|----|--------|----|---------|
| Totals | \$ | 1,381 | \$ | 660,707 | \$ | 24,241 | \$ | 686,329 |
|--------|----|-------|----|---------|----|--------|----|---------|

There were no significant transfers between Levels 1 and 2 during the period ended July 31, 2016.

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

| Category and Subcategory | Beginning Balance at 07/31/2015 | Net Purchases | Net Sales | Accrued Discounts/ (Premiums) | Realized Gain/(Loss) | Net Change in Unrealized Appreciation/ (Depreciation) ⁽¹⁾ | Transfers in of Level 3 | Transfers out of Level 3 | Ending Balance at 07/31/2016 | Net Change in Unrealized Appreciation/ (Depreciation) on Investments Held at 07/31/2016 ⁽¹⁾ |
|--|---------------------------------|---------------|-----------|-------------------------------|----------------------|--|-------------------------|--------------------------|------------------------------|--|
| Investments in Securities, at Value | | | | | | | | | | |
| Corporate Bonds & Notes | | | | | | | | | | |
| Banking & Finance | \$ 5,535 | \$ 0 | \$ (134) | \$ 3 | \$ 1 | \$ 112 | \$ 0 | \$ 0 | \$ 5,517 | \$ 129 |
| Industrials | 6,022 | 0 | 0 | 7 | 0 | (56) | 0 | 0 | 5,973 | (56) |
| U.S. Government Agencies | 0 | 4,959 | (68) | 40 | 28 | (489) | 0 | 0 | 4,470 | (488) |
| Asset-Backed Securities | 0 | 8,150 | 0 | 0 | 0 | 15 | 0 | 0 | 8,165 | 15 |
| Common Stocks | | | | | | | | | | |
| Financials | 191 | 0 | 0 | 0 | 0 | (75) | 0 | 0 | 116 | (75) |
| Totals | \$ 11,748 | \$ 13,109 | \$ (202) | \$ 50 | \$ 29 | \$ (493) | \$ 0 | \$ 0 | \$ 24,241 | \$ (475) |

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

| Category and Subcategory | Ending Balance at 07/31/2016 | Valuation Technique | Unobservable Inputs | Input Value(s) (% Unless Noted Otherwise) |
|--|------------------------------|---|---------------------|---|
| Investments in Securities, at Value | | | | |
| Corporate Bonds & Notes | | | | |
| Banking & Finance | \$ 5,517 | Proxy Pricing | Base Price | 113.75 |
| Industrials | 5,973 | Proxy Pricing | Base Price | 99.50 |
| U.S. Government Agencies | 4,470 | Proxy Pricing | Base Price | 53.65 |
| Asset-Backed Securities | 8,165 | Proxy Pricing | Base Price | 106,003.18-115,005.75 |
| Common Stocks | | | | |
| Financials | 116 | Other Valuation Techniques ⁽²⁾ | | |
| Total | \$ 24,241 | | | |

⁽¹⁾ Any difference between Net Change in Unrealized Appreciation/(Depreciation) and Net Change in Unrealized Appreciation/(Depreciation) on Investments Held at July 31, 2016 may be due to an investment no longer held or categorized as Level 3 at period end.

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

Schedule of Investments PIMCO High Income Fund

July 31, 2016

| | PRINCIPAL AMOUNT (000S) | MARKET VALUE (000S) |
|--|-------------------------------|---------------------------|
| INVESTMENTS IN SECURITIES 129.0% | | |
| BANK LOAN OBLIGATIONS 1.2% | | |
| iHeartCommunications, Inc. | | |
| 7.246% due 01/30/2019 | \$ 10,450 | \$ 8,145 |
| Sequa Corp. | | |
| 5.250% due 06/19/2017 | 2,573 | 2,063 |
| Total Bank Loan Obligations (Cost \$12,421) | | 10,208 |
| CORPORATE BONDS & NOTES 73.0% | | |
| BANKING & FINANCE 37.4% | | |
| AGFC Capital Trust | | |
| 6.000% due 01/15/2067 | 27,410 | 15,075 |
| Ally Financial, Inc. | | |
| 8.000% due 11/01/2031 | 200 | 245 |
| Atlantic Marine Corps Communities LLC | | |
| 5.383% due 02/15/2048 | 4,634 | 5,141 |
| Banco Bilbao Vizcaya Argentaria S.A. | | |
| 6.750% due 02/18/2020 (g) | EUR 1,600 | 1,632 |
| Banco do Brasil S.A. | | |
| 6.250% due 04/15/2024 (g) | \$ 7,350 | 4,517 |
| 9.000% due 06/18/2024 (g) | 9,239 | 7,488 |
| Banco Espirito Santo S.A. | | |
| 2.625% due 05/08/2017 ^ | EUR 1,900 | 605 |
| 4.000% due 01/21/2019 ^ | 5,800 | 1,848 |
| 4.750% due 01/15/2018 ^ | 6,400 | 2,039 |
| Banco Santander S.A. | | |
| 6.250% due 09/11/2021 (g) | 2,300 | 2,300 |
| Barclays PLC | | |
| 7.875% due 09/15/2022 (g) | GBP 7,210 | 9,220 |
| 8.000% due 12/15/2020 (g) | EUR 7,140 | 8,046 |
| Blackstone CQP Holdco LP | | |
| 9.296% due 03/19/2019 | \$ 7,878 | 7,947 |
| BNP Paribas S.A. | | |
| 7.375% due 08/19/2025 (g)(j) | 10,000 | 10,213 |
| Cantor Fitzgerald LP | | |
| 6.500% due 06/17/2022 (j) | 13,100 | 13,816 |
| Co-operative Group Holdings Ltd. | | |
| 7.500% due 07/08/2026 | GBP 3,000 | 4,362 |
| Communications Sales & Leasing, Inc. | | |
| 8.250% due 10/15/2023 (j) | \$ 5,000 | 5,131 |
| Credit Agricole S.A. | | |
| 7.500% due 06/23/2026 (g) | GBP 400 | 509 |
| 7.875% due 01/23/2024 (g) | \$ 5,950 | 5,920 |
| 7.875% due 01/23/2024 (g)(j) | 3,600 | 3,582 |
| Credit Suisse Group AG | | |
| 7.500% due 12/11/2023 (g) | 2,736 | 2,842 |
| Doctors Co. | | |
| 6.500% due 10/15/2023 | 10,000 | 11,243 |
| Flagstar Bancorp, Inc. | | |
| 6.125% due 07/15/2021 | 5,300 | 5,442 |
| GSPA Monetization Trust | | |
| 6.422% due 10/09/2029 (j) | 8,037 | 9,195 |
| HSBC Holdings PLC | | |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

| | | | |
|---|-----|--|------------------------------------|
| 6.000% due 09/29/2023 (g) | EUR | 5,800 | 6,623 |
| International Lease Finance Corp. | | | |
| 6.980% due 10/15/2018 | \$ | 18,000 | 18,796 |
| Jefferies Finance LLC | | | |
| 7.375% due 04/01/2020 | | 300 | 282 |
| Jefferies LoanCore LLC | | | |
| 6.875% due 06/01/2020 (j) | | 17,000 | 15,257 |
| Lloyds Bank PLC | | | |
| 12.000% due 12/16/2024 (g)(j) | | 23,790 | 32,602 |
| Midwest Family Housing LLC | | | |
| 6.631% due 01/01/2051 | | 4,911 | 4,607 |
| MPT Operating Partnership LP | | | |
| 5.250% due 08/01/2026 | | 1,949 | 2,054 |
| Nationwide Building Society | | | |
| 10.250% (g) | GBP | 19 | 3,202 |
| Navient Corp. | | | |
| 5.625% due 08/01/2033 (j) | \$ | 29,295 | 22,923 |
| | | PRINCIPAL AMOUNT (000S) | MARKET VALUE (000S) |
| Novo Banco S.A. | | | |
| 5.000% due 04/04/2019 | EUR | 439 | \$ 373 |
| 5.000% due 04/23/2019 | | 1,045 | 888 |
| 5.000% due 05/14/2019 | | 792 | 673 |
| 5.000% due 05/21/2019 | | 387 | 329 |
| 5.000% due 05/23/2019 | | 384 | 326 |
| Omega Healthcare Investors, Inc. | | | |
| 4.375% due 08/01/2023 | \$ | 2,300 | 2,330 |
| PHH Corp. | | | |
| 6.375% due 08/15/2021 | | 250 | 232 |
| 7.375% due 09/01/2019 (j) | | 1,990 | 2,030 |
| Provident Funding Associates LP | | | |
| 6.750% due 06/15/2021 | | 650 | 624 |
| Rio Oil Finance Trust | | | |
| 9.250% due 07/06/2024 | | 27,313 | 23,626 |
| Royal Bank of Scotland Group PLC | | | |
| 7.500% due 08/10/2020 (g) | | 7,040 | 6,864 |
| 8.000% due 08/10/2025 (g) | | 5,860 | 5,838 |
| Santander UK Group Holdings PLC | | | |
| 7.375% due 06/24/2022 (g) | GBP | 5,413 | 7,098 |
| Tesco Property Finance PLC | | | |
| 5.411% due 07/13/2044 | | 4,443 | 5,626 |
| 6.052% due 10/13/2039 | | 4,700 | 6,575 |
| TIG FinCo PLC | | | |
| 8.500% due 03/02/2020 | | 937 | 1,265 |
| 8.750% due 04/02/2020 | | 4,815 | 4,891 |
| | | | 314,292 |
| INDUSTRIALS 29.0% | | | |
| Altice Financing S.A. | | | |
| 7.500% due 05/15/2026 (j) | \$ | 5,400 | 5,467 |
| BMC Software Finance, Inc. | | | |
| 8.125% due 07/15/2021 (j) | | 2,827 | 2,318 |
| Boxer Parent Co., Inc. (9.000% Cash or 9.750% PIK) | | | |
| 9.000% due 10/15/2019 (c)(j) | | 8,132 | 6,912 |
| Caesars Entertainment Operating Co., Inc. | | | |
| 9.000% due 02/15/2020 ^ | | 19,100 | 18,479 |
| 11.250% due 06/01/2017 ^ | | 10,700 | 10,299 |
| Chesapeake Energy Corp. | | | |
| 3.930% due 04/15/2019 | | 120 | 101 |
| 8.000% due 12/15/2022 | | 300 | 272 |
| Diamond 1 Finance Corp. | | | |
| 5.450% due 06/15/2023 | | 195 | 207 |
| 6.020% due 06/15/2026 | | 181 | 195 |
| DriveTime Automotive Group, Inc. | | | |
| 8.000% due 06/01/2021 (j) | | 5,730 | 5,472 |
| Enterprise Inns PLC | | | |
| 6.875% due 05/09/2025 | GBP | 5,000 | 6,582 |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

| | | | |
|---|-----|--|------------------------------------|
| FAGE International S.A. | | | |
| 5.625% due 08/15/2026 (b) | \$ | 1,300 | 1,331 |
| Forbes Energy Services Ltd. | | | |
| 9.000% due 06/15/2019 ^ | | 1,977 | 791 |
| Ford Motor Co. | | | |
| 7.700% due 05/15/2097 (j) | | 16,610 | 21,516 |
| Fresh Market, Inc. | | | |
| 9.750% due 05/01/2023 (j) | | 5,700 | 5,301 |
| General Shopping Finance Ltd. | | | |
| 10.000% due 08/29/2016 (g) | | 5,300 | 3,259 |
| General Shopping Investments Ltd. | | | |
| 12.000% due 03/20/2017 ^(g) | | 2,500 | 638 |
| Hampton Roads PPV LLC | | | |
| 6.621% due 06/15/2053 | | 20,444 | 18,779 |
| Harvest Operations Corp. | | | |
| 2.330% due 04/14/2021 | | 25,756 | 25,676 |
| HCA, Inc. | | | |
| 7.500% due 11/15/2095 | | 700 | 717 |
| Hellenic Railways Organization S.A. | | | |
| 4.028% due 03/17/2017 | EUR | 300 | 324 |
| 4.500% due 12/06/2016 | JPY | 10,000 | 96 |
| iHeartCommunications, Inc. | | | |
| 9.000% due 09/15/2022 (j) | \$ | 6,800 | 5,023 |
| | | PRINCIPAL AMOUNT (000S) | MARKET VALUE (000S) |
| Intelsat Luxembourg S.A. | | | |
| 7.750% due 06/01/2021 | \$ | 5,615 | \$ 1,320 |
| 8.125% due 06/01/2023 | | 5,704 | 1,355 |
| Intrepid Aviation Group Holdings LLC | | | |
| 6.875% due 02/15/2019 | | 11,650 | 10,572 |
| Petroleos de Venezuela S.A. | | | |
| 8.500% due 11/02/2017 | | 67 | 52 |
| Post Holdings, Inc. | | | |
| 5.000% due 08/15/2026 (b) | | 3,800 | 3,798 |
| Prime Security One MS, Inc. | | | |
| 4.875% due 07/15/2032 | | 1,560 | 1,307 |
| Prime Security Services Borrower LLC | | | |
| 9.250% due 05/15/2023 (j) | | 5,900 | 6,313 |
| Revlon Escrow Corp. | | | |
| 6.250% due 08/01/2024 (b) | | 1,900 | 1,929 |
| Russian Railways via RZD Capital PLC | | | |
| 7.487% due 03/25/2031 | GBP | 19,600 | 30,025 |
| Safeway, Inc. | | | |
| 7.250% due 02/01/2031 | \$ | 70 | 69 |
| Sequa Corp. | | | |
| 7.000% due 12/15/2017 | | 17,343 | 2,948 |
| SFR Group S.A. | | | |
| 7.375% due 05/01/2026 | | 7,227 | 7,227 |
| Spanish Broadcasting System, Inc. | | | |
| 12.500% due 04/15/2017 | | 3,320 | 3,295 |
| Tembec Industries, Inc. | | | |
| 9.000% due 12/15/2019 (j) | | 20,075 | 15,809 |
| Transocean, Inc. | | | |
| 9.000% due 07/15/2023 | | 1,611 | 1,514 |
| UCP, Inc. | | | |
| 8.500% due 10/21/2017 | | 10,300 | 10,253 |
| Valvoline, Inc. | | | |
| 5.500% due 07/15/2024 | | 663 | 694 |
| Warren Resources, Inc. | | | |
| 9.000% due 08/01/2022 ^ | | 3,000 | 32 |
| Westmoreland Coal Co. | | | |
| 8.750% due 01/01/2022 | | 7,638 | 5,862 |
| | | | 244,129 |
| UTILITIES 6.6% | | | |
| CenturyLink, Inc. | | | |
| 7.200% due 12/01/2025 | | 1,122 | 1,083 |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

| | | | |
|--|-----|--------|----------------|
| 7.500% due 04/01/2024 | | 1,330 | 1,423 |
| Frontier Communications Corp. | | | |
| 10.500% due 09/15/2022 | | 1,070 | 1,157 |
| 11.000% due 09/15/2025 | | 1,070 | 1,147 |
| Gazprom Neft OAO Via GPN Capital S.A. | | | |
| 6.000% due 11/27/2023 | | 9,900 | 10,432 |
| Illinois Power Generating Co. | | | |
| 6.300% due 04/01/2020 | | 30 | 12 |
| 7.000% due 04/15/2018 | | 16,800 | 6,720 |
| 7.950% due 06/01/2032 | | 900 | 360 |
| Mountain States Telephone & Telegraph Co. | | | |
| 7.375% due 05/01/2030 | | 15,200 | 16,226 |
| NRG REMA LLC | | | |
| 9.237% due 07/02/2017 | | 78 | 74 |
| Odebrecht Drilling Norbe Ltd. | | | |
| 6.350% due 06/30/2022 | | 4,800 | 1,314 |
| Odebrecht Offshore Drilling Finance Ltd. | | | |
| 6.625% due 10/01/2023 | | 5,186 | 882 |
| 6.750% due 10/01/2023 | | 11,172 | 1,899 |
| Petrobras Global Finance BV | | | |
| 3.536% due 03/17/2020 | | 2,520 | 2,330 |
| 6.250% due 12/14/2026 | GBP | 8,600 | 10,087 |
| 6.625% due 01/16/2034 | | 200 | 224 |
| | | | 55,370 |
| Total Corporate Bonds & Notes | | | 613,791 |
| (Cost \$648,721) | | | |

See Accompanying Notes

ANNUAL REPORT JULY 31, 2016 37

Schedule of Investments PIMCO High Income Fund (Cont.)

| | PRINCIPAL AMOUNT (000S) | MARKET VALUE (000S) |
|--|-------------------------------|---------------------------|
| MUNICIPAL BONDS & NOTES 8.9% | | |
| CALIFORNIA 2.5% | | |
| Anaheim Redevelopment Agency, California Tax Allocation Bonds, (AGM Insured), Series 2007 | | |
| 6.506% due 02/01/2031 | \$ 2,000 | \$ 2,464 |
| Sacramento County, California Revenue Bonds, Series 2013 | | |
| 7.250% due 08/01/2025 | 1,500 | 1,872 |
| San Diego Redevelopment Agency, California Tax Allocation Bonds, Series 2010 | | |
| 7.625% due 09/01/2030 | 7,500 | 8,937 |
| 7.750% due 09/01/2040 | 6,500 | 7,440 |
| San Diego Tobacco Settlement Funding Corp., California Revenue Bonds, Series 2006 | | |
| 7.125% due 06/01/2032 | 275 | 323 |
| | | 21,036 |
| DISTRICT OF COLUMBIA 1.3% | | |
| District of Columbia Revenue Bonds, Series 2011 | | |
| 7.625% due 10/01/2035 | 9,740 | 11,305 |
| ILLINOIS 2.5% | | |
| Chicago, Illinois General Obligation Bonds, (BABs), Series 2010 | | |
| 6.257% due 01/01/2040 | 11,000 | 10,224 |
| 7.517% due 01/01/2040 | 9,805 | 10,374 |
| | | 20,598 |
| NEW YORK 0.2% | | |
| Erie Tobacco Asset Securitization Corp., New York Revenue Bonds, Series 2005 | | |
| 6.000% due 06/01/2028 | 1,960 | 1,961 |
| TEXAS 1.1% | | |
| El Paso Downtown Development Corp., Texas Revenue Bonds, Series 2013 | | |
| 7.250% due 08/15/2043 | 7,535 | 9,469 |
| VIRGINIA 0.1% | | |
| Tobacco Settlement Financing Corp., Virginia Revenue Bonds, Series 2007 | | |
| 6.706% due 06/01/2046 | 1,375 | 1,174 |
| WEST VIRGINIA 1.2% | | |
| Tobacco Settlement Finance Authority, West Virginia Revenue Bonds, Series 2007 | | |
| 7.467% due 06/01/2047 | 10,110 | 9,706 |
| Total Municipal Bonds & Notes (Cost \$68,324) | | 75,249 |
| U.S. GOVERNMENT AGENCIES 3.1% | | |
| Fannie Mae | | |
| 3.500% due 09/25/2027 (a) | 650 | 72 |
| 4.000% due 05/25/2020 (a) | 107 | 0 |
| 5.788% due 10/25/2028 | 800 | 856 |
| 6.182% due 10/25/2017 - 01/25/2018 (a) | 59,230 | 937 |
| 6.488% due 09/25/2028 | 3,500 | 3,835 |
| 9.024% due 10/25/2041 (j) | 1,016 | 1,095 |
| 10.000% due 01/25/2034 | 219 | 270 |
| 14.048% due 05/25/2043 (j) | 1,916 | 1,990 |
| Freddie Mac | | |
| 4.000% due 08/15/2020 (a) | 650 | 33 |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

| | | |
|---|--|------------------------------------|
| 4.500% due 10/15/2037 (a) | 1,238 | 116 |
| 5.000% due 06/15/2033 (a) | 2,211 | 265 |
| 5.619% due 07/15/2035 (a) | 1,664 | 258 |
| 5.719% due 02/15/2042 (a) | 2,744 | 434 |
| 6.175% due 11/25/2055 | 14,383 | 7,716 |
| 6.659% due 08/15/2036 (a) | 961 | 228 |
| 9.688% due 10/25/2027 | 4,347 | 4,886 |
| | PRINCIPAL AMOUNT (000S) | MARKET VALUE (000S) |
| 10.756% due 12/15/2043 (j) | \$ 1,323 | \$ 1,450 |
| 12.037% due 05/15/2033 | 69 | 90 |
| Ginnie Mae | | |
| 3.500% due 06/20/2042 (a) | 346 | 26 |
| 3.500% due 03/20/2043 (a)(j) | 4,394 | 311 |
| 4.500% due 07/20/2042 (a) | 337 | 58 |
| 5.000% due 09/20/2042 (a) | 591 | 111 |
| 5.763% due 02/20/2042 (a)(j) | 16,001 | 1,097 |
| Total U.S. Government Agencies (Cost \$33,180) | | 26,134 |
| NON-AGENCY MORTGAGE-BACKED SECURITIES 18.9% | | |
| Adjustable Rate Mortgage Trust | | |
| 0.658% due 05/25/2036 | 5,184 | 2,856 |
| Banc of America Alternative Loan Trust | | |
| 5.112% due 06/25/2046 ^(a) | 9,849 | 1,761 |
| Banc of America Funding Trust | | |
| 6.000% due 07/25/2037 ^ | 755 | 600 |
| 6.250% due 10/26/2036 | 12,554 | 9,824 |
| Banc of America Mortgage Trust | | |
| 2.892% due 02/25/2036 ^ | 31 | 28 |
| BCAP LLC Trust | | |
| 5.196% due 03/26/2037 | 2,469 | 721 |
| 6.000% due 05/26/2037 | 7,213 | 4,857 |
| 8.120% due 10/26/2036 | 7,696 | 6,770 |
| 8.787% due 09/26/2036 | 7,380 | 6,747 |
| 11.881% due 06/26/2036 | 3,587 | 1,331 |
| Bear Stearns Adjustable Rate Mortgage Trust | | |
| 2.972% due 11/25/2034 | 157 | 151 |
| 3.133% due 05/25/2047 ^ | 479 | 434 |
| Bellemeade Re Ltd. | | |
| 6.788% due 07/25/2025 | 1,250 | 1,235 |
| Chase Mortgage Finance Trust | | |
| 2.695% due 12/25/2035 ^ | 33 | 31 |
| 4.381% due 09/25/2036 ^ | 177 | 157 |
| 5.500% due 05/25/2036 ^ | 9 | 8 |
| Citigroup Mortgage Loan Trust, Inc. | | |
| 0.803% due 07/25/2036 | 10 | 10 |
| 3.114% due 07/25/2037 ^ | 209 | 199 |
| 3.143% due 08/25/2037 ^ | 949 | 839 |
| 3.797% due 11/25/2035 | 16,756 | 9,440 |
| 6.500% due 09/25/2036 | 4,993 | 3,814 |
| Citigroup/Deutsche Bank Commercial Mortgage Trust | | |
| 5.398% due 12/11/2049 | 15,639 | 12,514 |
| Countrywide Alternative Loan Trust | | |
| 0.738% due 12/25/2035 | 193 | 192 |
| 0.738% due 12/25/2046 | 3,242 | 1,975 |
| 2.955% due 02/25/2037 ^ | 460 | 397 |
| 3.297% due 07/25/2046 ^ | 383 | 361 |
| 4.441% due 07/25/2021 ^ | 399 | 380 |
| 4.512% due 04/25/2035 (a) | 6,084 | 869 |
| 5.500% due 03/25/2036 ^ | 388 | 293 |
| 6.000% due 11/25/2036 ^ | 295 | 248 |
| 6.000% due 02/25/2037 ^ | 7,667 | 5,441 |
| 6.250% due 12/25/2036 ^ | 4,077 | 3,060 |
| 6.250% due 08/25/2037 ^ | 357 | 305 |
| 6.500% due 06/25/2036 ^ | 1,218 | 899 |
| Countrywide Home Loan Mortgage Pass-Through Trust | | |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

| | | | |
|---|-----|------------------|----------------|
| 2.785% due 09/25/2047 ^ | | 84 | 75 |
| 2.930% due 09/20/2036 ^ | | 743 | 585 |
| 4.862% due 12/25/2036 (a) | | 4,576 | 870 |
| Credit Suisse Commercial Mortgage Trust | | | |
| 5.668% due 02/15/2039 | | 1,000 | 910 |
| Credit Suisse First Boston Mortgage Securities Corp. | | | |
| 6.000% due 01/25/2036 | | 2,632 | 2,023 |
| Epic Drummond Ltd. | | | |
| 0.044% due 01/25/2022 | EUR | 2,388 | 2,576 |
| Grifonas Finance PLC | | | |
| 0.152% due 08/28/2039 | | 5,969 | 4,709 |
| HarborView Mortgage Loan Trust | | | |
| 2.987% due 08/19/2036 ^ | \$ | 620 | 463 |
| 3.162% due 08/19/2036 ^ | | 34 | 31 |
| IM Pastor Fondo de Titulacion Hipotecaria | | | |
| 0.000% due 03/22/2043 | EUR | 8,001 | 6,664 |
| | | PRINCIPAL | MARKET |
| | | AMOUNT | VALUE |
| | | (000S) | (000S) |
| JPMorgan Alternative Loan Trust | | | |
| 2.756% due 03/25/2037 ^ | \$ | 10,257 | \$ 8,748 |
| JPMorgan Mortgage Trust | | | |
| 6.132% due 01/25/2037 ^(a) | | 25,046 | 6,562 |
| LB-UBS Commercial Mortgage Trust | | | |
| 5.407% due 11/15/2038 | | 2,614 | 2,043 |
| 5.562% due 02/15/2040 | | 2,791 | 2,104 |
| Lehman XS Trust | | | |
| 0.708% due 06/25/2047 | | 4,987 | 3,541 |
| Nomura Asset Acceptance Corp. Alternative Loan Trust | | | |
| 3.360% due 04/25/2036 ^ | | 6,124 | 4,608 |
| RBSSP Resecuritization Trust | | | |
| 9.000% due 06/26/2037 | | 5,547 | 3,771 |
| Residential Asset Securitization Trust | | | |
| 6.250% due 10/25/2036 ^ | | 734 | 618 |
| 6.250% due 09/25/2037 ^ | | 5,707 | 4,023 |
| 6.500% due 08/25/2036 ^ | | 974 | 566 |
| Structured Adjustable Rate Mortgage Loan Trust | | | |
| 2.857% due 01/25/2036 ^ | | 249 | 189 |
| 3.055% due 04/25/2047 | | 933 | 724 |
| Structured Asset Mortgage Investments Trust | | | |
| 0.678% due 07/25/2046 ^ | | 16,435 | 12,101 |
| WaMu Mortgage Pass-Through Certificates Trust | | | |
| 2.406% due 05/25/2037 ^ | | 223 | 178 |
| Washington Mutual Mortgage Pass-Through Certificates Trust | | | |
| 6.192% due 04/25/2037 (a) | | 15,486 | 4,985 |
| 6.500% due 03/25/2036 ^ | | 9,166 | 6,932 |
| Total Non-Agency Mortgage-Backed Securities (Cost \$151,095) | | | 159,346 |
| ASSET-BACKED SECURITIES 18.8% | | | |
| ACE Securities Corp. Home Equity Loan Trust | | | |
| 0.628% due 07/25/2036 | | 6,069 | 4,347 |
| Apidos CLO | | | |
| 0.000% due 07/22/2026 | | 3,000 | 1,524 |
| Argent Securities Trust | | | |
| 0.678% due 03/25/2036 | | 6,526 | 3,406 |
| Argent Securities, Inc. Asset-Backed Pass-Through Certificates | | | |
| 0.718% due 01/25/2036 | | 12,289 | 10,067 |
| CIFC Funding Ltd. | | | |
| 0.000% due 05/24/2026 (e) | | 4,000 | 2,828 |
| 0.000% due 07/22/2026 | | 3,000 | 1,834 |
| Citigroup Mortgage Loan Trust, Inc. | | | |
| 0.588% due 12/25/2036 | | 14,537 | 9,590 |
| 0.648% due 12/25/2036 | | 8,024 | 5,298 |
| Countrywide Asset-Backed Certificates | | | |
| 4.906% due 07/25/2036 | | 13,700 | 11,269 |
| 4.992% due 10/25/2046 ^ | | 14,226 | 12,719 |
| Credit-Based Asset Servicing and Securitization LLC | | | |
| 0.598% due 11/25/2036 | | 1,348 | 843 |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

| | | |
|--|--------|--------|
| Duke Funding Ltd. | | |
| 1.272% due 08/07/2033 | 20,946 | 9,436 |
| GSA Trust | | |
| 5.917% due 03/25/2037 ^ | 3,142 | 1,385 |
| JPMorgan Mortgage Acquisition Trust | | |
| 4.893% due 01/25/2037 ^ | 3,389 | 2,405 |
| Long Beach Mortgage Loan Trust | | |
| 0.678% due 02/25/2036 | 1,747 | 955 |
| Merrill Lynch Mortgage Investors Trust | | |
| 0.648% due 04/25/2037 | 1,000 | 540 |
| 4.244% due 03/25/2037 | 4,179 | 1,446 |
| Morgan Stanley Mortgage Loan Trust | | |
| 2.164% due 11/25/2036 ^ | 945 | 462 |
| 5.965% due 09/25/2046 ^ | 9,179 | 5,346 |
| NovaStar Mortgage Funding Trust | | |
| 0.648% due 10/25/2036 | 39,351 | 20,410 |
| People s Financial Realty Mortgage Securities Trust | | |
| 0.648% due 09/25/2036 | 23,444 | 7,342 |
| Renaissance Home Equity Loan Trust | | |
| 5.812% due 11/25/2036 | 9,754 | 5,728 |

38 PIMCO CLOSED-END FUNDS

See Accompanying Notes

July 31, 2016

| | PRINCIPAL AMOUNT (000S) | MARKET VALUE (000S) |
|--|-------------------------------|---------------------------|
| 6.998% due 09/25/2037 ^ | \$ 8,404 | \$ 5,061 |
| 7.238% due 09/25/2037 ^ | 7,087 | 4,266 |
| Sherwood Funding CDO Ltd. | | |
| 0.830% due 11/06/2039 | 35,564 | 10,136 |
| South Coast Funding Ltd. | | |
| 1.230% due 08/10/2038 | 28,316 | 5,969 |
| Taberna Preferred Funding Ltd. | | |
| 1.013% due 08/05/2036 | 772 | 540 |
| 1.013% due 08/05/2036 ^ | 15,113 | 10,579 |
| Trainer Wortham First Republic CBO Ltd. | | |
| 1.834% due 11/06/2038 | 2,015 | 1,976 |
| Washington Mutual Asset-Backed Certificates Trust | | |
| 0.638% due 05/25/2036 | 308 | 224 |

Total Asset-Backed Securities
(Cost \$159,199)

157,931

SOVEREIGN ISSUES 1.4%**Athens Urban Transportation Organisation**

| | | | |
|-----------------------|-----|-----|-----|
| 4.851% due 09/19/2016 | EUR | 800 | 891 |
|-----------------------|-----|-----|-----|

Autonomous Community of Catalonia

| | | |
|-----------------------|-------|-------|
| 4.300% due 11/15/2016 | 3,900 | 4,389 |
|-----------------------|-------|-------|

| | | |
|-----------------------|-------|-------|
| 4.900% due 09/15/2021 | 2,350 | 2,704 |
|-----------------------|-------|-------|

Republic of Greece Government International Bond

| | | |
|-----------------------|----|----|
| 3.000% due 02/24/2023 | 25 | 21 |
|-----------------------|----|----|

| | | |
|-----------------------|----|----|
| 3.000% due 02/24/2024 | 25 | 21 |
|-----------------------|----|----|

| | | |
|-----------------------|----|----|
| 3.000% due 02/24/2025 | 25 | 20 |
|-----------------------|----|----|

| | | |
|-----------------------|----|----|
| 3.000% due 02/24/2026 | 25 | 20 |
|-----------------------|----|----|

| | | |
|-----------------------|----|----|
| 3.000% due 02/24/2027 | 25 | 19 |
|-----------------------|----|----|

| | | |
|-----------------------|----|----|
| 3.000% due 02/24/2028 | 25 | 19 |
|-----------------------|----|----|

| | | |
|-----------------------|----|----|
| 3.000% due 02/24/2029 | 25 | 19 |
|-----------------------|----|----|

| | | |
|-----------------------|----|----|
| 3.000% due 02/24/2030 | 25 | 18 |
|-----------------------|----|----|

| | | |
|-----------------------|----|----|
| 3.000% due 02/24/2031 | 25 | 18 |
|-----------------------|----|----|

| | | |
|-----------------------|----|----|
| 3.000% due 02/24/2032 | 25 | 18 |
|-----------------------|----|----|

| | PRINCIPAL AMOUNT (000S) | MARKET VALUE (000S) |
|-----------------------|-------------------------------|---------------------------|
| 3.000% due 02/24/2033 | EUR 25 | \$ 18 |
| 3.000% due 02/24/2034 | 25 | 17 |
| 3.000% due 02/24/2035 | 25 | 17 |
| 3.000% due 02/24/2036 | 25 | 17 |
| 3.000% due 02/24/2037 | 25 | 17 |
| 3.000% due 02/24/2038 | 25 | 17 |
| 3.000% due 02/24/2039 | 25 | 17 |
| 3.000% due 02/24/2040 | 25 | 17 |
| 3.000% due 02/24/2041 | 25 | 17 |
| 3.000% due 02/24/2042 | 25 | 17 |
| 4.500% due 11/08/2016 | JPY 50,000 | 485 |
| 4.750% due 04/17/2019 | EUR 3,000 | 3,025 |

Total Sovereign Issues (Cost \$11,277)

11,858

SHARES**COMMON STOCKS 0.1%****FINANCIALS 0.1%**

| | | |
|--------------------------|---------|-----|
| TIG FinCo PLC (h) | 828,934 | 527 |
|--------------------------|---------|-----|

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

Total Common Stocks (Cost \$1,229) 527

PREFERRED SECURITIES 0.4%

BANKING & FINANCE 0.4%

Farm Credit Bank of Texas

10.000% due 12/15/2020 (g) 2,490 2,994

Total Preferred Securities (Cost \$2,932) 2,994

SHORT-TERM INSTRUMENTS 3.2%

REPURCHASE AGREEMENTS (i) 1.9%

16,067

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

SHORT-TERM NOTES 0.5%

Federal Home Loan Bank

0.330% due 09/16/2016 (e)(f) \$ 2,200 \$ 2,199

0.345% due 10/17/2016 (e)(f) 1,600 1,599

3,798

U.S. TREASURY BILLS 0.8%

0.298% due 10/06/2016 - 11/03/2016 (d)(e)(l)(n) 6,725 6,722

Total Short-Term Instruments

(Cost \$26,586) 26,587

Total Investments in Securities

(Cost \$1,114,964) 1,084,625

Total Investments 129.0%

(Cost \$1,114,964) \$ 1,084,625

Financial Derivative

Instruments (k)(m) (0.6)%

(Cost or Premiums, net \$(3,020)) (5,417)

Preferred Shares (12.1)% (101,975)

Other Assets and Liabilities, net (16.3)% (136,131)

Net Assets Applicable to Common Shareholders 100.0% \$ 841,102

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

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

^ Security is in default.

(a) Interest only security.

(b) When-issued security.

(c) Payment in-kind security.

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

(e) Zero coupon security.

(f) Coupon represents a yield to maturity.

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

(h) RESTRICTED SECURITIES:

| Issuer Description | Acquisition Date | Cost | Market Value | Market Value as Percentage of Net Assets |
|--------------------|------------------|----------|--------------|--|
| TIG FinCo PLC | 04/02/2015 | \$ 1,229 | \$ 527 | 0.06% |

BORROWINGS AND OTHER FINANCING TRANSACTIONS

(i) REPURCHASE AGREEMENTS:

| Counterparty | Lending Rate | Settlement Date | Maturity Date | Principal Amount | Collateralized By | Collateral (Received) | Repurchase Agreements, at Value | Repurchase Agreement Proceeds to be Received ⁽¹⁾ |
|------------------------------------|--------------|-----------------|---------------|------------------|---|-----------------------|---------------------------------|---|
| BOS | 0.480% | 07/29/2016 | 08/01/2016 | \$ 5,000 | U.S. Treasury Notes 1.750% due 03/31/2022 | \$ (5,141) | \$ 5,000 | \$ 5,000 |
| SAL | 0.550 | 07/29/2016 | 08/01/2016 | 8,300 | U.S. Treasury Notes 2.125% due 12/31/2022 | (8,485) | 8,300 | 8,300 |
| SSB | 0.010 | 07/29/2016 | 08/01/2016 | 2,767 | U.S. Treasury Notes 1.000% due 05/15/2018 | (2,827) | 2,767 | 2,767 |
| Total Repurchase Agreements | | | | | | \$ (16,453) | \$ 16,067 | \$ 16,067 |

⁽¹⁾ Includes accrued interest.

See Accompanying Notes

Schedule of Investments PIMCO High Income Fund (Cont.)

REVERSE REPURCHASE AGREEMENTS:

| Counterparty | Borrowing Rate ⁽³⁾ | Borrowing Date | Maturity Date | Amount Borrowed ⁽³⁾ | Payable for Reverse Repurchase Agreements |
|--|-------------------------------|----------------|--------------------|--------------------------------|---|
| BCY | (0.250)% | 02/18/2016 | TBD ⁽²⁾ | \$ (2,594) | \$ (2,591) |
| BPS | 1.420 | 05/13/2016 | 08/15/2016 | (6,109) | (6,128) |
| | 1.440 | 07/11/2016 | 10/06/2016 | (3,081) | (3,084) |
| | 1.450 | 07/08/2016 | 08/08/2016 | (5,159) | (5,164) |
| | 1.450 | 07/08/2016 | 10/07/2016 | (26,279) | (26,304) |
| | 1.690 | 07/26/2016 | 01/26/2017 | (5,101) | (5,103) |
| DEU | (1.000) | 06/27/2016 | 06/27/2017 | (356) | (356) |
| | 1.500 | 06/13/2016 | 09/09/2016 | (12,727) | (12,753) |
| MSC | 1.000 | 05/10/2016 | 08/08/2016 | (19,386) | (19,431) |
| RBC | 1.470 | 02/04/2016 | 08/04/2016 | (10,575) | (10,652) |
| | 1.550 | 04/01/2016 | 09/16/2016 | (3,981) | (4,002) |
| | 1.550 | 04/08/2016 | 10/07/2016 | (6,142) | (6,172) |
| | 1.560 | 05/13/2016 | 11/14/2016 | (5,230) | (5,248) |
| | 1.600 | 06/07/2016 | 12/07/2016 | (8,247) | (8,267) |
| | 1.600 | 06/08/2016 | 12/07/2016 | (1,703) | (1,707) |
| | 1.610 | 05/23/2016 | 11/14/2016 | (6,235) | (6,255) |
| RDR | (1.000) | 01/22/2016 | 01/21/2018 | (905) | (900) |
| | 1.030 | 05/10/2016 | 08/04/2016 | (13,176) | (13,207) |
| UBS | 1.520 | 05/27/2016 | 08/29/2016 | (8,532) | (8,556) |
| Total Reverse Repurchase Agreements | | | | | \$ (145,880) |

⁽²⁾ Open maturity reverse repurchase agreement.

⁽³⁾ The average amount of borrowings outstanding during the period ended July 31, 2016 was \$(96,494) at a weighted average interest rate of 0.862%. Average borrowings includes sale-buyback transactions, of which there were none open at period end.

BORROWINGS AND OTHER FINANCING TRANSACTIONS SUMMARY

The following is a summary by counterparty of the market value of Borrowings and Other Financing Transactions and collateral (received)/pledged as of July 31, 2016:

(j) Securities with an aggregate market value of \$174,109 have been pledged as collateral under the terms of the following master agreements as of July 31, 2016.

| Counterparty | Repurchase Agreement Proceeds to be Received | Payable for Reverse Repurchase Agreements | Payable for Sale-Buyback Transactions | Total Borrowings and Other Financing Transactions | Collateral (Received)/Pledged | Net Exposure ⁽⁴⁾ |
|------------------------------------|--|---|---------------------------------------|---|-------------------------------|-----------------------------|
| Global/Master Repurchase Agreement | | | | | | |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

| | | | | | | |
|-----|-------|------------|------|------------|----------|--------|
| BCY | \$ 0 | \$ (2,591) | \$ 0 | \$ (2,591) | \$ 3,143 | \$ 552 |
| BOS | 5,000 | 0 | 0 | 5,000 | (5,141) | (141) |
| BPS | 0 | (45,783) | 0 | (45,783) | 52,226 | 6,443 |
| DEU | 0 | (13,109) | 0 | (13,109) | 15,355 | 2,246 |
| MSC | 0 | (19,431) | 0 | (19,431) | 21,889 | 2,458 |
| RBC | 0 | (42,303) | 0 | (42,303) | 47,798 | 5,495 |
| RDR | 0 | (14,107) | 0 | (14,107) | 14,655 | 548 |
| SAL | 8,300 | 0 | 0 | 8,300 | (8,485) | (185) |
| SSB | 2,767 | 0 | 0 | 2,767 | (2,827) | (60) |
| UBS | 0 | (8,556) | 0 | (8,556) | 9,923 | 1,367 |

Total Borrowings and Other Financing

| | | | | | | |
|---------------------|------------------|---------------------|-------------|--|--|--|
| Transactions | \$ 16,067 | \$ (145,880) | \$ 0 | | | |
|---------------------|------------------|---------------------|-------------|--|--|--|

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

CERTAIN TRANSFERS ACCOUNTED FOR AS SECURED BORROWINGS

Remaining Contractual Maturity of the Agreements

| | Overnight and Continuous | Up to 30 days | 31-90 days | Greater Than 90 days | Total |
|---|-------------------------------------|----------------------|--------------------|-----------------------------|---------------------|
| Reverse Repurchase Agreements | | | | | |
| Corporate Bonds & Notes | \$ 0 | \$ (63,138) | \$ (52,315) | \$ (25,324) | \$ (140,777) |
| U.S. Government Agencies | 0 | 0 | 0 | (5,103) | (5,103) |
| Total Borrowings | \$ 0 | \$ (63,138) | \$ (52,315) | \$ (30,427) | \$ (145,880) |
| Gross amount of recognized liabilities for reverse repurchase agreements | | | | | \$ (145,880) |

July 31, 2016

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

| Index/Tranches | Fixed Receive Rate | Maturity Date | Notional Amount (2) | Market Value (3) | Unrealized Appreciation | Variation Margin | |
|------------------------|-----------------------|------------------|---------------------------|---------------------|----------------------------|------------------|-----------|
| | | | | | | Asset | Liability |
| CDX.HY-24 5-Year Index | 5.000% | 06/20/2020 | \$ 6,958 | \$ 493 | \$ 500 | \$ 24 | \$ 0 |
| CDX.HY-25 5-Year Index | 5.000 | 12/20/2020 | 12,375 | 678 | 1,050 | 48 | 0 |
| CDX.HY-26 5-Year Index | 5.000 | 06/20/2021 | 1,600 | 80 | 20 | 7 | 0 |
| | | | | \$ 1,251 | \$ 1,570 | \$ 79 | \$ 0 |

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

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

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

INTEREST RATE SWAPS

| Pay/Receive Floating Rate | Floating Rate Index | Fixed Rate | Maturity Date | Notional Amount | Market Value | Unrealized Appreciation/ (Depreciation) | Variation Margin | |
|------------------------------|---------------------|------------|------------------|--------------------|-------------------|---|------------------|--------------------|
| | | | | | | | Asset | Liability |
| Pay | 3-Month USD-LIBOR | 2.750% | 06/17/2025 | \$ 241,310 | \$ 30,296 | \$ 7,877 | \$ 1,220 | \$ 0 |
| Pay | 3-Month USD-LIBOR | 2.250 | 06/15/2026 | 37,000 | 3,165 | 1,415 | 198 | 0 |
| Pay | 3-Month USD-LIBOR | 3.500 | 06/19/2044 | 617,800 | 256,310 | 72,241 | 9,218 | 0 |
| Receive | 3-Month USD-LIBOR * | 2.250 | 12/21/2046 | 846,220 | (98,600) | (26,032) | 0 | (11,990) |
| | | | | | \$ 191,171 | \$ 55,501 | \$ 10,636 | \$ (11,990) |
| Total Swap Agreements | | | | | \$ 192,422 | \$ 57,071 | \$ 10,715 | \$ (11,990) |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED SUMMARY

The following is a summary of the market value and variation margin of Exchange-Traded or Centrally Cleared Financial Derivative Instruments as of July 31, 2016:

- (l) Securities with an aggregate market value of \$578 and cash of \$21,470 have been pledged as collateral for exchange-traded and centrally cleared financial derivative instruments as of July 31, 2016. See Note 7, Principal Risks, in the Notes to Financial Statements for more information regarding master netting arrangements.

| | Financial Derivative Assets Variation Margin | | | | Financial Derivative Liabilities Variation Margin | | | |
|--|---|---------|-----------|-----------|--|---------|-------------|-------------|
| | Market Value | | Asset | | Market Value | | Liability | |
| | Purchased | Futures | Swap | Total | Written | Futures | Swap | Total |
| Total Exchange-Traded or Centrally Cleared | \$ 0 | \$ 0 | \$ 10,715 | \$ 10,715 | \$ 0 | \$ 0 | \$ (11,990) | \$ (11,990) |

(m) FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER

FORWARD FOREIGN CURRENCY CONTRACTS:

| Counterparty | Settlement Month | Currency to be Delivered | Currency to be Received | Unrealized Appreciation/ (Depreciation) | |
|--------------|---------------------|-----------------------------|----------------------------|--|-----------|
| | | | | Asset | Liability |
| AZD | 08/2016 | EUR | 377 | \$ 417 | \$ 0 |
| | 09/2016 | | 152 | 170 | 0 |
| BOA | 08/2016 | BRL | 804 | 248 | 0 |
| | 08/2016 | EUR | 43,632 | 48,134 | 0 |
| | 08/2016 | GBP | 60,730 | 80,823 | 449 |
| | 08/2016 | \$ | 244 | BRL 803 | 4 |
| | 08/2016 | | 49,211 | EUR 44,737 | 805 |
| | 09/2016 | BRL | 804 | \$ 242 | 0 |
| | 09/2016 | EUR | 44,737 | 49,272 | 0 |

See Accompanying Notes

ANNUAL REPORT JULY 31, 2016 41

Schedule of Investments PIMCO High Income Fund (Cont.)

| Counterparty | Settlement Month | Currency to be Delivered | Currency to be Received | Unrealized Appreciation/ (Depreciation) | |
|---|------------------|--------------------------|-------------------------|---|-------------------|
| | | | | Asset | Liability |
| BPS | 08/2016 | GBP 342 | \$ 448 | \$ 0 | \$ (4) |
| CBK | 08/2016 | EUR 151 | 167 | 0 | (2) |
| | 08/2016 | GBP 1,632 | 2,163 | 7 | (4) |
| | 08/2016 | \$ 2,262 | EUR 2,054 | 34 | 0 |
| | 09/2016 | GBP 128 | \$ 169 | 0 | 0 |
| GLM | 08/2016 | EUR 76 | 84 | 0 | (1) |
| | 08/2016 | GBP 765 | 1,004 | 0 | (9) |
| | 09/2016 | 129 | 170 | 0 | (1) |
| JPM | 08/2016 | 4,144 | 5,528 | 44 | (1) |
| | 09/2016 | EUR 305 | 339 | 0 | (2) |
| MSB | 08/2016 | BRL 804 | 249 | 1 | 0 |
| | 08/2016 | \$ 248 | BRL 803 | 0 | 0 |
| SCX | 08/2016 | EUR 228 | \$ 250 | 0 | (5) |
| | 08/2016 | JPY 62,200 | 611 | 2 | 0 |
| | 08/2016 | \$ 90,120 | GBP 68,683 | 780 | 0 |
| | 09/2016 | GBP 68,683 | \$ 90,161 | 0 | (782) |
| TOR | 08/2016 | 1,412 | 1,824 | 0 | (45) |
| UAG | 08/2016 | EUR 2,403 | 2,668 | 0 | (19) |
| Total Forward Foreign Currency Contracts | | | | \$ 2,126 | \$ (2,334) |

SWAP AGREEMENTS:

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

| Counterparty | Reference Entity | Fixed Receive Rate | Maturity Date | Implied Credit Spread at July 31, 2016 ⁽²⁾ | Notional Amount ⁽³⁾ | Premiums Paid/(Received) | Unrealized (Depreciation) | Swap Agreements, at Value | | |
|--------------|-----------------------------|--------------------|---------------|---|--------------------------------|--------------------------|---------------------------|---------------------------|------------|------------|
| | | | | | | | | Asset | Liability | |
| BPS | Banco Espirito Santo S.A. | 5.000% | 09/20/2020 | 13.620% | EUR 5,000 | \$ 0 | \$ (1,202) | \$ 0 | \$ (1,202) | |
| | Petrobras Global Finance BV | 1.000 | 12/20/2024 | 6.275 | \$ 1,700 | (332) | (206) | 0 | (538) | |
| GST | Petrobras Global Finance BV | 1.000 | 12/20/2024 | 6.275 | 2,200 | (437) | (259) | 0 | (696) | |
| HUS | Petrobras Global Finance BV | 1.000 | 12/20/2019 | 4.923 | 400 | (33) | (15) | 0 | (48) | |
| | Petrobras Global Finance BV | 1.000 | 12/20/2024 | 6.275 | 2,800 | (581) | (304) | 0 | (885) | |
| MYC | Chesapeake Energy Corp. | 5.000 | 09/20/2020 | 12.934 | 100 | (10) | (15) | 0 | (25) | |
| | Petrobras Global Finance BV | 1.000 | 12/20/2019 | 4.923 | 13,700 | (1,268) | (387) | 0 | (1,655) | |
| | | | | | | | \$ (2,661) | \$ (2,388) | \$ 0 | \$ (5,049) |

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

⁽²⁾

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

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

INTEREST RATE SWAPS

| Counterparty | Pay/Receive | | Fixed Rate | Maturity Date | Notional Amount | Premiums (Received) | Unrealized Swap Agreements, at Value | | |
|------------------------------|---------------|---------------------|------------|---------------|-----------------|---------------------|--------------------------------------|-----------------|-------------------|
| | Floating Rate | Floating Rate Index | | | | | Appreciation | Asset | Liability |
| CBK | Pay | 3-Month USD-LIBOR | 1.500% | 09/16/2021 | \$ 25,700 | \$ (6) | \$ 55 | \$ 49 | \$ 0 |
| DUB | Pay | 3-Month USD-LIBOR | 1.500 | 09/16/2021 | 111,100 | (18) | 230 | 212 | 0 |
| GLM | Pay | 3-Month USD-LIBOR | 1.450 | 10/20/2021 | 1,000,000 | (335) | 1,189 | 854 | 0 |
| | | | | | | \$ (359) | \$ 1,474 | \$ 1,115 | \$ 0 |
| Total Swap Agreements | | | | | | \$ (3,020) | \$ (914) | \$ 1,115 | \$ (5,049) |

42 PIMCO CLOSED-END FUNDS

See Accompanying Notes

July 31, 2016

FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER SUMMARY

The following is a summary by counterparty of the market value of OTC financial derivative instruments and collateral (received)/pledged as of July 31, 2016:

- (n) Securities with an aggregate market value of \$5,642 have been pledged as collateral for financial derivative instruments as governed by International Swaps and Derivatives Association, Inc. master agreements as of July 31, 2016.

| Counterparty | Financial Derivative Assets | | | | Financial Derivative Liabilities | | | | Net Market Value of OTC Derivatives | Collateral (Received)/ Pledged | Net Exposure ⁽⁴⁾ |
|-------------------------------|------------------------------------|-------------------|-----------------|------------------------|------------------------------------|-----------------|-------------------|------------------------|-------------------------------------|--------------------------------|-----------------------------|
| | Forward Foreign Currency Contracts | Purchased Options | Swap Agreements | Total Over the Counter | Forward Foreign Currency Contracts | Written Options | Swap Agreements | Total Over the Counter | | | |
| AZD | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ (5) | \$ 0 | \$ 0 | \$ (5) | \$ (5) | \$ 0 | \$ (5) |
| BOA | 1,258 | 0 | 0 | 1,258 | (1,454) | 0 | 0 | (1,454) | (196) | (900) | (1,096) |
| BPS | 0 | 0 | 0 | 0 | (4) | 0 | (1,740) | (1,744) | (1,744) | 1,745 | 1 |
| CBK | 41 | 0 | 49 | 90 | (6) | 0 | 0 | (6) | 84 | 0 | 84 |
| DUB | 0 | 0 | 212 | 212 | 0 | 0 | 0 | 0 | 212 | (240) | (28) |
| GLM | 0 | 0 | 854 | 854 | (11) | 0 | 0 | (11) | 843 | 222 | 1,065 |
| GST | 0 | 0 | 0 | 0 | 0 | 0 | (696) | (696) | (696) | 724 | 28 |
| HUS | 0 | 0 | 0 | 0 | 0 | 0 | (933) | (933) | (933) | 1,057 | 124 |
| JPM | 44 | 0 | 0 | 44 | (3) | 0 | 0 | (3) | 41 | 0 | 41 |
| MSB | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 | (10) | (9) |
| MYC | 0 | 0 | 0 | 0 | 0 | 0 | (1,680) | (1,680) | (1,680) | 1,754 | 74 |
| NAB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (20) | (20) |
| SCX | 782 | 0 | 0 | 782 | (787) | 0 | 0 | (787) | (5) | 0 | (5) |
| TOR | 0 | 0 | 0 | 0 | (45) | 0 | 0 | (45) | (45) | 0 | (45) |
| UAG | 0 | 0 | 0 | 0 | (19) | 0 | 0 | (19) | (19) | 0 | (19) |
| Total Over the Counter | \$ 2,126 | \$ 0 | \$ 1,115 | \$ 3,241 | \$ (2,334) | \$ 0 | \$ (5,049) | \$ (7,383) | | | |

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

FAIR VALUE OF FINANCIAL DERIVATIVE INSTRUMENTS

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

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

| | Derivatives not accounted for as hedging instruments | | | | | | |
|---|--|---------------------|---------------------|----------------------------------|----------------------------|--|-----------|
| | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Exchange Contracts | Interest Rate Contracts | | Total |
| Financial Derivative Instruments - Assets | | | | | | | |
| Exchange-traded or centrally cleared | | | | | | | |
| Swap Agreements | \$ 0 | \$ 79 | \$ 0 | \$ 0 | \$ 10,636 | | \$ 10,715 |
| Over the counter | | | | | | | |
| Forward Foreign Currency Contracts | \$ 0 | \$ 0 | \$ 0 | \$ 2,126 | \$ 0 | | \$ 2,126 |
| Swap Agreements | 0 | 0 | 0 | 0 | 1,115 | | 1,115 |
| | \$ 0 | \$ 0 | \$ 0 | \$ 2,126 | \$ 1,115 | | \$ 3,241 |
| | \$ 0 | \$ 79 | \$ 0 | \$ 2,126 | \$ 11,751 | | \$ 13,956 |
| Financial Derivative Instruments - Liabilities | | | | | | | |
| Exchange-traded or centrally cleared | | | | | | | |
| Swap Agreements | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 11,990 | | \$ 11,990 |
| Over the counter | | | | | | | |
| Forward Foreign Currency Contracts | \$ 0 | \$ 0 | \$ 0 | \$ 2,334 | \$ 0 | | \$ 2,334 |
| Swap Agreements | 0 | 5,049 | 0 | 0 | 0 | | 5,049 |
| | \$ 0 | \$ 5,049 | \$ 0 | \$ 2,334 | \$ 0 | | \$ 7,383 |
| | \$ 0 | \$ 5,049 | \$ 0 | \$ 2,334 | \$ 11,990 | | \$ 19,373 |

See Accompanying Notes

Schedule of Investments PIMCO High Income Fund (Cont.)

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

| | Derivatives not accounted for as hedging instruments | | | | | Total |
|---|--|---------------------|---------------------|----------------------------------|----------------------------|-------------|
| | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Exchange Contracts | Interest Rate Contracts | |
| Net Realized Gain (Loss) on Financial Derivative Instruments | | | | | | |
| Exchange-traded or centrally cleared | | | | | | |
| Swap Agreements | \$ 0 | \$ (678) | \$ 0 | \$ 0 | \$ (1,928) | \$ (2,606) |
| Over the counter | | | | | | |
| Forward Foreign Currency Contracts | \$ 0 | \$ 0 | \$ 0 | \$ 18,947 | \$ 0 | \$ 18,947 |
| Purchased Options | 0 | 0 | 0 | 0 | (3,171) | (3,171) |
| Swap Agreements | 0 | 306 | 0 | 0 | 23,713 | 24,019 |
| | \$ 0 | \$ 306 | \$ 0 | \$ 18,947 | \$ 20,542 | \$ 39,795 |
| | \$ 0 | \$ (372) | \$ 0 | \$ 18,947 | \$ 18,614 | \$ 37,189 |
| Net Change in Unrealized Appreciation (Depreciation) on Financial Derivative Instruments | | | | | | |
| Exchange-traded or centrally cleared | | | | | | |
| Swap Agreements | \$ 0 | \$ 1,762 | \$ 0 | \$ 0 | \$ (15,847) | \$ (14,085) |
| Over the counter | | | | | | |
| Forward Foreign Currency Contracts | \$ 0 | \$ 0 | \$ 0 | \$ (5,140) | \$ 0 | \$ (5,140) |
| Swap Agreements | 0 | (1,129) | 0 | 0 | (14,709) | (15,838) |
| | \$ 0 | \$ (1,129) | \$ 0 | \$ (5,140) | \$ (14,709) | \$ (20,978) |
| | \$ 0 | \$ 633 | \$ 0 | \$ (5,140) | \$ (30,556) | \$ (35,063) |

FAIR VALUE MEASUREMENTS

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

| Category and Subcategory | Level 1 | Level 2 | Level 3 | Fair Value at 07/31/2016 |
|--------------------------|---------|-----------|---------|--------------------------|
| Bank Loan Obligations | \$ 0 | \$ 10,208 | \$ 0 | \$ 10,208 |
| Corporate Bonds & Notes | | | | |
| Banking & Finance | 0 | 305,097 | 9,195 | 314,292 |
| Industrials | 0 | 233,876 | 10,253 | 244,129 |
| Utilities | 0 | 55,370 | 0 | 55,370 |
| Municipal Bonds & Notes | | | | |
| California | 0 | 21,036 | 0 | 21,036 |
| District of Columbia | 0 | 11,305 | 0 | 11,305 |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

| | | | | |
|---------------------------------------|---|---------|-------|---------|
| Illinois | 0 | 20,598 | 0 | 20,598 |
| New York | 0 | 1,961 | 0 | 1,961 |
| Texas | 0 | 9,469 | 0 | 9,469 |
| Virginia | 0 | 1,174 | 0 | 1,174 |
| West Virginia | 0 | 9,706 | 0 | 9,706 |
| U.S. Government Agencies | 0 | 18,418 | 7,716 | 26,134 |
| Non-Agency Mortgage-Backed Securities | 0 | 158,111 | 1,235 | 159,346 |
| Asset-Backed Securities | 0 | 157,931 | 0 | 157,931 |
| Sovereign Issues | 0 | 11,858 | 0 | 11,858 |
| Common Stocks | | | | |
| Financials | 0 | 0 | 527 | 527 |
| Preferred Securities | | | | |
| Banking & Finance | 0 | 2,994 | 0 | 2,994 |

| Category and Subcategory | Level 1 | Level 2 | Level 3 | Fair Value at 07/31/2016 |
|--------------------------|-------------|---------------------|------------------|--------------------------|
| Short-Term Instruments | | | | |
| Repurchase Agreements | \$ 0 | \$ 16,067 | \$ 0 | \$ 16,067 |
| Short-Term Notes | 0 | 3,798 | 0 | 3,798 |
| U.S. Treasury Bills | 0 | 6,722 | 0 | 6,722 |
| Total Investments | \$ 0 | \$ 1,055,699 | \$ 28,926 | \$ 1,084,625 |

Financial Derivative Instruments - Assets

| | | | | |
|--------------------------------------|------|-----------|------|-----------|
| Exchange-traded or centrally cleared | 0 | 10,715 | 0 | 10,715 |
| Over the counter | 0 | 3,241 | 0 | 3,241 |
| | \$ 0 | \$ 13,956 | \$ 0 | \$ 13,956 |

Financial Derivative Instruments - Liabilities

| | | | | |
|--------------------------------------|------|-------------|------|-------------|
| Exchange-traded or centrally cleared | 0 | (11,990) | 0 | (11,990) |
| Over the counter | 0 | (7,383) | 0 | (7,383) |
| | \$ 0 | \$ (19,373) | \$ 0 | \$ (19,373) |

| | | | | |
|--------|------|--------------|-----------|--------------|
| Totals | \$ 0 | \$ 1,050,282 | \$ 28,926 | \$ 1,079,208 |
|--------|------|--------------|-----------|--------------|

There were no significant transfers between Levels 1 and 2 during the period ended July 31, 2016.

July 31, 2016

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

| Category and Subcategory | Beginning Balance at 07/31/2015 | Net Purchases | Net Sales | Accrued Discounts/ (Premiums) | Realized Gain/(Loss) | Net Change in Unrealized Appreciation/ (Depreciation) ⁽¹⁾ | Transfers in of Level 3 | Transfers out of Level 3 | Ending Balance at 07/31/2016 | Net Change in Unrealized Appreciation/ (Depreciation) on Investments Held at 07/31/2016 ⁽¹⁾ |
|--|---------------------------------|-----------------|-------------------|-------------------------------|----------------------|--|-------------------------|--------------------------|------------------------------|--|
| Investments in Securities, at Value | | | | | | | | | | |
| Corporate Bonds & Notes | | | | | | | | | | |
| Banking & Finance | \$ 9,224 | \$ 0 | \$ (223) | \$ 4 | \$ 3 | \$ 187 | \$ 0 | \$ 0 | \$ 9,195 | \$ 215 |
| Industrials | 10,339 | 0 | 0 | 12 | 0 | (98) | 0 | 0 | 10,253 | (98) |
| U.S. Government Agencies | 5,491 | 8,560 | (117) | (5,015) | 47 | (313) | 0 | (937) | 7,716 | (842) |
| Non-Agency Mortgage-Backed Securities | | | | | | | | | | |
| | 3,427 | 0 | (2,123) | 0 | 55 | (124) | 0 | 0 | 1,235 | (14) |
| Common Stocks | | | | | | | | | | |
| Financials | 867 | 0 | 0 | 0 | 0 | (340) | 0 | 0 | 527 | (340) |
| Totals | \$ 29,348 | \$ 8,560 | \$ (2,463) | \$ (4,999) | \$ 105 | \$ (688) | \$ 0 | \$ (937) | \$ 28,926 | \$ (1,079) |

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

| Category and Subcategory | Ending Balance at 07/31/2016 | Valuation Technique | Unobservable Inputs | Input Value(s) (% Unless Noted Otherwise) |
|--|------------------------------|---|---------------------|---|
| Investments in Securities, at Value | | | | |
| Corporate Bonds & Notes | | | | |
| Banking & Finance | \$ 9,195 | Proxy Pricing | Base Price | 113.75 |
| Industrials | 10,253 | Proxy Pricing | Base Price | 99.50 |
| U.S. Government Agencies | 7,716 | Proxy Pricing | Base Price | 53.65 |
| Non-Agency Mortgage-Backed Securities | | | | |
| | 1,235 | Proxy Pricing | Base Price | 98.85 |
| Common Stocks | | | | |
| Financials | 527 | Other Valuation Techniques ⁽²⁾ | | |
| Total | \$ 28,926 | | | |

(1)

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

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

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

See Accompanying Notes

ANNUAL REPORT JULY 31, 2016 **45**

Schedule of Investments PIMCO Income Strategy Fund

| | PRINCIPAL AMOUNT (000S) | MARKET VALUE (000S) |
|---|-------------------------------|---------------------------|
| INVESTMENTS IN SECURITIES 123.8% | | |
| BANK LOAN OBLIGATIONS 1.7% | | |
| iHeartCommunications, Inc. | | |
| 7.246% due 01/30/2019 | \$ 3,100 | \$ 2,416 |
| Sequa Corp. | | |
| 5.250% due 06/19/2017 | 2,521 | 2,022 |
| Total Bank Loan Obligations (Cost \$5,347) | | 4,438 |
| CORPORATE BONDS & NOTES 61.0% | | |
| BANKING & FINANCE 31.6% | | |
| Ally Financial, Inc. | | |
| 8.000% due 11/01/2031 | 637 | 779 |
| Banco Bilbao Vizcaya Argentaria S.A. | | |
| 6.750% due 02/18/2020 (g) | EUR 400 | 408 |
| Banco do Brasil S.A. | | |
| 6.250% due 04/15/2024 (g) | \$ 1,700 | 1,045 |
| 9.000% due 06/18/2024 (g) | 2,219 | 1,798 |
| Banco Espirito Santo S.A. | | |
| 2.625% due 05/08/2017 ^ | EUR 1,400 | 446 |
| 4.000% due 01/21/2019 ^ | 3,800 | 1,211 |
| 4.750% due 01/15/2018 ^ | 1,200 | 382 |
| Banco Santander S.A. | | |
| 6.250% due 09/11/2021 (g) | 500 | 500 |
| Barclays Bank PLC | | |
| 14.000% due 06/15/2019 (g) | GBP 3,700 | 6,176 |
| Blackstone CQP Holdco LP | | |
| 9.296% due 03/19/2019 | \$ 4,401 | 4,440 |
| BNP Paribas S.A. | | |
| 7.375% due 08/19/2025 (g) | 3,100 | 3,166 |
| Cantor Fitzgerald LP | | |
| 6.500% due 06/17/2022 (j) | 3,000 | 3,164 |
| Co-operative Group Holdings Ltd. | | |
| 7.500% due 07/08/2026 | GBP 3,050 | 4,435 |
| Communications Sales & Leasing, Inc. | | |
| 8.250% due 10/15/2023 | \$ 1,500 | 1,539 |
| Credit Agricole S.A. | | |
| 7.500% due 06/23/2026 (g) | GBP 1,700 | 2,165 |
| 7.875% due 01/23/2024 (g) | \$ 1,600 | 1,592 |
| Credit Suisse Group AG | | |
| 7.500% due 12/11/2023 (g) | 3,740 | 3,885 |
| Flagstar Bancorp, Inc. | | |
| 6.125% due 07/15/2021 | 1,700 | 1,745 |
| GSPA Monetization Trust | | |
| 6.422% due 10/09/2029 | 2,322 | 2,656 |
| HSBC Holdings PLC | | |
| 6.000% due 09/29/2023 (g) | EUR 2,000 | 2,284 |
| Jefferies Finance LLC | | |
| 6.875% due 04/15/2022 | \$ 3,200 | 2,844 |
| 7.500% due 04/15/2021 | 200 | 185 |
| Lloyds Bank PLC | | |
| 12.000% due 12/16/2024 (g) | 300 | 411 |
| Lloyds Banking Group PLC | | |
| 7.625% due 06/27/2023 (g) | GBP 3,300 | 4,386 |
| MPT Operating Partnership LP | | |
| 5.250% due 08/01/2026 | \$ 618 | 651 |
| National Bank of Greece S.A. | | |
| 3.875% due 10/07/2016 | EUR 500 | 559 |
| Nationwide Building Society | | |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

| | | | |
|---|-----|--|------------------------------------|
| 10.250% (g) | GBP | 6 | 936 |
| Navient Corp. | | | |
| 5.500% due 01/15/2019 (j) | \$ | 4,030 | 4,156 |
| 5.625% due 08/01/2033 | | 100 | 78 |
| Novo Banco S.A. | | | |
| 5.000% due 04/04/2019 | EUR | 101 | 86 |
| 5.000% due 04/23/2019 | | 311 | 264 |
| 5.000% due 05/14/2019 | | 206 | 175 |
| 5.000% due 05/21/2019 | | 115 | 98 |
| 5.000% due 05/23/2019 | | 115 | 98 |
| Omega Healthcare Investors, Inc. | | | |
| 4.375% due 08/01/2023 | \$ | 700 | 709 |
| | | PRINCIPAL AMOUNT (000S) | MARKET VALUE (000S) |
| OneMain Financial Holdings LLC | | | |
| 6.750% due 12/15/2019 | \$ | 544 | \$ 553 |
| 7.250% due 12/15/2021 | | 30 | 30 |
| PHH Corp. | | | |
| 6.375% due 08/15/2021 | | 80 | 74 |
| 7.375% due 09/01/2019 | | 300 | 306 |
| Rio Oil Finance Trust | | | |
| 9.250% due 07/06/2024 | | 7,914 | 6,846 |
| Royal Bank of Scotland Group PLC | | | |
| 7.500% due 08/10/2020 (g) | | 1,600 | 1,560 |
| 8.000% due 08/10/2025 (g) | | 3,000 | 2,989 |
| Santander UK Group Holdings PLC | | | |
| 7.375% due 06/24/2022 (g) | GBP | 1,800 | 2,360 |
| Springleaf Finance Corp. | | | |
| 5.250% due 12/15/2019 | \$ | 525 | 511 |
| 8.250% due 12/15/2020 | | 2,120 | 2,200 |
| Tesco Property Finance PLC | | | |
| 5.411% due 07/13/2044 | GBP | 2,152 | 2,725 |
| 6.052% due 10/13/2039 | | 1,265 | 1,770 |
| TIG FinCo PLC | | | |
| 8.500% due 03/02/2020 | | 111 | 150 |
| 8.750% due 04/02/2020 | | 2,432 | 2,471 |
| Vnesheconombank Via VEB Finance PLC | | | |
| 6.902% due 07/09/2020 | \$ | 300 | 322 |
| | | | 84,319 |
| INDUSTRIALS 21.4% | | | |
| Altice Financing S.A. | | | |
| 7.500% due 05/15/2026 | | 1,700 | 1,721 |
| BMC Software Finance, Inc. | | | |
| 8.125% due 07/15/2021 | | 866 | 710 |
| Boxer Parent Co., Inc. (9.000% Cash or 9.750% PIK) | | | |
| 9.000% due 10/15/2019 (c)(j) | | 2,204 | 1,873 |
| Caesars Entertainment Operating Co., Inc. | | | |
| 8.500% due 02/15/2020 ^ | | 600 | 581 |
| 9.000% due 02/15/2020 ^ | | 3,855 | 3,730 |
| 11.250% due 06/01/2017 ^ | | 1,989 | 1,914 |
| Chesapeake Energy Corp. | | | |
| 3.930% due 04/15/2019 | | 62 | 52 |
| Continental Airlines Pass-Through Trust | | | |
| 9.798% due 10/01/2022 | | 846 | 940 |
| Diamond 1 Finance Corp. | | | |
| 5.450% due 06/15/2023 | | 61 | 65 |
| 6.020% due 06/15/2026 | | 57 | 61 |
| DISH DBS Corp. | | | |
| 7.750% due 07/01/2026 | | 700 | 728 |
| Eagle Materials, Inc. | | | |
| 4.500% due 08/01/2026 (b) | | 740 | 753 |
| FAGE International S.A. | | | |
| 5.625% due 08/15/2026 (b) | | 400 | 410 |
| Forbes Energy Services Ltd. | | | |
| 9.000% due 06/15/2019 ^ | | 612 | 245 |
| Ford Motor Co. | | | |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

| | | | |
|--|-----|------------------|---------------|
| 7.700% due 05/15/2097 (j) | | 9,030 | 11,697 |
| Fresh Market, Inc. | | | |
| 9.750% due 05/01/2023 | | 400 | 372 |
| Harvest Operations Corp. | | | |
| 2.330% due 04/14/2021 | | 2,127 | 2,120 |
| HCA, Inc. | | | |
| 7.500% due 11/15/2095 | | 200 | 205 |
| iHeartCommunications, Inc. | | | |
| 9.000% due 09/15/2022 | | 1,000 | 739 |
| Intelsat Luxembourg S.A. | | | |
| 7.750% due 06/01/2021 | | 3,279 | 771 |
| 8.125% due 06/01/2023 | | 524 | 124 |
| Intrepid Aviation Group Holdings LLC | | | |
| 6.875% due 02/15/2019 | | 3,430 | 3,113 |
| Kinder Morgan Energy Partners LP | | | |
| 6.375% due 03/01/2041 | | 200 | 211 |
| Kinder Morgan, Inc. | | | |
| 7.750% due 01/15/2032 | | 800 | 938 |
| 7.800% due 08/01/2031 | | 1,600 | 1,910 |
| | | PRINCIPAL | MARKET |
| | | AMOUNT | VALUE |
| | | (000S) | (000S) |
| NXP BV | | | |
| 4.125% due 06/01/2021 | \$ | 1,360 | \$ 1,411 |
| Post Holdings, Inc. | | | |
| 5.000% due 08/15/2026 (b) | | 1,200 | 1,199 |
| Prime Security Services Borrower LLC | | | |
| 9.250% due 05/15/2023 | | 1,900 | 2,033 |
| Revlon Escrow Corp. | | | |
| 6.250% due 08/01/2024 (b) | | 600 | 609 |
| Russian Railways via RZD Capital PLC | | | |
| 7.487% due 03/25/2031 | GBP | 700 | 1,072 |
| Sabine Pass Liquefaction LLC | | | |
| 5.875% due 06/30/2026 | \$ | 1,500 | 1,541 |
| Safeway, Inc. | | | |
| 7.250% due 02/01/2031 | | 70 | 69 |
| Scientific Games International, Inc. | | | |
| 10.000% due 12/01/2022 | | 1,600 | 1,430 |
| Sequa Corp. | | | |
| 7.000% due 12/15/2017 | | 3,804 | 647 |
| SFR Group S.A. | | | |
| 7.375% due 05/01/2026 | | 2,558 | 2,558 |
| Spanish Broadcasting System, Inc. | | | |
| 12.500% due 04/15/2017 | | 1,000 | 993 |
| Tembec Industries, Inc. | | | |
| 9.000% due 12/15/2019 | | 1,100 | 866 |
| Transocean, Inc. | | | |
| 9.000% due 07/15/2023 | | 508 | 478 |
| Unique Pub Finance Co. PLC | | | |
| 5.659% due 06/30/2027 | GBP | 1,963 | 2,628 |
| 6.542% due 03/30/2021 | | 619 | 857 |
| Valvoline, Inc. | | | |
| 5.500% due 07/15/2024 | \$ | 211 | 221 |
| Westmoreland Coal Co. | | | |
| 8.750% due 01/01/2022 | | 3,026 | 2,322 |
| | | | 56,917 |
| UTILITIES 8.0% | | | |
| CenturyLink, Inc. | | | |
| 7.500% due 04/01/2024 | | 420 | 449 |
| Frontier Communications Corp. | | | |
| 10.500% due 09/15/2022 | | 340 | 368 |
| 11.000% due 09/15/2025 | | 340 | 365 |
| Gazprom Neft OAO Via GPN Capital S.A. | | | |
| 6.000% due 11/27/2023 (j) | | 6,600 | 6,955 |
| 6.000% due 11/27/2023 | | 800 | 843 |
| Illinois Power Generating Co. | | | |
| 6.300% due 04/01/2020 | | 1,420 | 568 |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

| | | | |
|---|-----|-------|--------|
| 7.000% due 04/15/2018 | | 2,600 | 1,040 |
| 7.950% due 06/01/2032 | | 300 | 120 |
| Northwestern Bell Telephone | | | |
| 7.750% due 05/01/2030 | | 7,000 | 7,585 |
| Odebrecht Drilling Norbe Ltd. | | | |
| 6.350% due 06/30/2022 | | 225 | 61 |
| Odebrecht Offshore Drilling Finance Ltd. | | | |
| 6.625% due 10/01/2023 | | 1,330 | 226 |
| 6.750% due 10/01/2023 | | 1,952 | 332 |
| Petrobras Global Finance BV | | | |
| 3.536% due 03/17/2020 | | 130 | 120 |
| 4.875% due 03/17/2020 | | 210 | 205 |
| 5.750% due 01/20/2020 | | 70 | 70 |
| 6.625% due 01/16/2034 | GBP | 100 | 112 |
| 6.750% due 01/27/2041 | \$ | 1,200 | 990 |
| 7.875% due 03/15/2019 | | 745 | 792 |
| | | | 21,201 |

Total Corporate Bonds & Notes
(Cost \$176,942)

162,437

MUNICIPAL BONDS & NOTES 5.6%

CALIFORNIA 0.9%

Riverside County, California Redevelopment Successor Agency Tax Allocation Bonds, Series 2010

| | | | |
|-----------------------|--|-----|-----|
| 7.500% due 10/01/2030 | | 600 | 675 |
|-----------------------|--|-----|-----|

46 PIMCO CLOSED-END FUNDS

See Accompanying Notes

July 31, 2016

| | PRINCIPAL AMOUNT (000S) | MARKET VALUE (000S) |
|---|-------------------------------|---------------------------|
| Stockton Public Financing Authority, California Revenue Bonds, (BABs), Series 2009 | | |
| 7.942% due 10/01/2038 | \$ 1,600 | \$ 1,829 |
| | | 2,504 |
| ILLINOIS 2.4% | | |
| Chicago, Illinois General Obligation Bonds, (BABs), Series 2010 | | |
| 7.517% due 01/01/2040 | 6,000 | 6,348 |
| VIRGINIA 0.1% | | |
| Tobacco Settlement Financing Corp., Virginia Revenue Bonds, Series 2007 | | |
| 6.706% due 06/01/2046 | 395 | 337 |
| WEST VIRGINIA 2.2% | | |
| Tobacco Settlement Finance Authority, West Virginia Revenue Bonds, Series 2007 | | |
| 7.467% due 06/01/2047 | 6,040 | 5,799 |
| Total Municipal Bonds & Notes | | 14,988 |
| (Cost \$13,844) | | |
| U.S. GOVERNMENT AGENCIES 2.1% | | |
| Fannie Mae | | |
| 3.500% due 12/25/2032 (a) | 842 | 106 |
| 4.000% due 11/25/2042 (a) | 3,001 | 472 |
| 4.743% due 01/25/2029 | 200 | 201 |
| 5.788% due 10/25/2028 | 300 | 321 |
| 13.600% due 12/25/2040 | 132 | 214 |
| Freddie Mac | | |
| 6.175% due 11/25/2055 | 4,166 | 2,235 |
| 8.038% due 12/25/2027 | 1,500 | 1,464 |
| 9.067% due 11/15/2040 | 251 | 298 |
| 11.238% due 03/25/2025 | 298 | 301 |
| Total U.S. Government Agencies | | 5,612 |
| (Cost \$5,764) | | |
| NON-AGENCY MORTGAGE-BACKED SECURITIES 17.7% | | |
| Banc of America Alternative Loan Trust | | |
| 6.000% due 01/25/2036 ^ | 67 | 57 |
| Banc of America Funding Trust | | |
| 6.000% due 08/25/2036 ^ | 2,163 | 2,116 |
| BCAP LLC Trust | | |
| 2.973% due 03/27/2036 | 1,048 | 544 |
| 5.196% due 03/26/2037 | 630 | 184 |
| 11.881% due 06/26/2036 | 316 | 117 |
| Bear Stearns ALT-A Trust | | |
| 0.808% due 06/25/2046 ^ | 2,786 | 1,995 |
| 2.840% due 11/25/2036 ^ | 294 | 217 |
| 2.864% due 09/25/2047 ^ | 3,875 | 2,720 |
| 3.379% due 09/25/2035 ^ | 446 | 368 |
| Bear Stearns Mortgage Funding Trust | | |
| 7.000% due 08/25/2036 | 769 | 735 |
| Chase Mortgage Finance Trust | | |
| 2.695% due 12/25/2035 ^ | 7 | 7 |
| 6.000% due 02/25/2037 ^ | 668 | 556 |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

| | | | |
|---|-----|------------------|---------------|
| 6.000% due 07/25/2037 ^ | | 424 | 358 |
| 6.250% due 10/25/2036 ^ | | 1,324 | 1,127 |
| Chase Mortgage Trust | | | |
| 3.750% due 02/25/2044 | | 300 | 285 |
| Citicorp Mortgage Securities Trust | | | |
| 5.500% due 04/25/2037 | | 94 | 93 |
| Countrywide Alternative Loan Resecuritization Trust | | | |
| 6.000% due 05/25/2036 ^ | | 1,783 | 1,519 |
| 6.000% due 08/25/2037 ^ | | 772 | 611 |
| Countrywide Alternative Loan Trust | | | |
| 0.838% due 05/25/2037 ^ | | 275 | 153 |
| 2.915% due 04/25/2036 ^ | | 850 | 596 |
| 5.500% due 03/25/2035 | | 214 | 177 |
| 5.500% due 12/25/2035 ^ | | 2,456 | 2,071 |
| 5.500% due 03/25/2036 ^ | | 107 | 81 |
| | | PRINCIPAL | MARKET |
| | | AMOUNT | VALUE |
| | | (000S) | (000S) |
| 5.750% due 01/25/2035 | \$ | 260 | \$ 262 |
| 6.000% due 02/25/2035 | | 244 | 250 |
| 6.000% due 08/25/2036 ^ | | 337 | 302 |
| 6.000% due 04/25/2037 ^ | | 838 | 606 |
| 6.250% due 11/25/2036 ^ | | 544 | 485 |
| 6.250% due 12/25/2036 ^ | | 1,181 | 887 |
| 6.500% due 08/25/2036 ^ | | 339 | 237 |
| Countrywide Home Loan Mortgage Pass-Through Trust | | | |
| 2.835% due 02/20/2035 | | 42 | 42 |
| 5.500% due 10/25/2035 ^ | | 539 | 491 |
| 6.250% due 09/25/2036 ^ | | 456 | 395 |
| Credit Suisse Mortgage Capital Mortgage-Backed Trust | | | |
| 6.000% due 02/25/2037 ^ | | 269 | 234 |
| Deco Pan Europe Ltd. | | | |
| 0.503% due 04/27/2018 | EUR | 498 | 547 |
| Deutsche Mortgage Securities, Inc. Mortgage Loan Trust | | | |
| 2.403% due 06/25/2034 | \$ | 2,030 | 1,541 |
| Epic Drummond Ltd. | | | |
| 0.044% due 01/25/2022 | EUR | 737 | 795 |
| GSR Mortgage Loan Trust | | | |
| 5.500% due 05/25/2036 ^ | \$ | 84 | 80 |
| 6.000% due 02/25/2036 ^ | | 3,326 | 2,764 |
| HarborView Mortgage Loan Trust | | | |
| 1.203% due 01/19/2035 | | 270 | 241 |
| 3.058% due 07/19/2035 | | 43 | 37 |
| IndyMac Mortgage Loan Trust | | | |
| 6.500% due 07/25/2037 ^ | | 1,883 | 1,168 |
| JPMorgan Alternative Loan Trust | | | |
| 2.756% due 03/25/2037 ^ | | 1,306 | 1,114 |
| 2.905% due 03/25/2036 ^ | | 1,409 | 1,103 |
| JPMorgan Mortgage Trust | | | |
| 2.839% due 01/25/2037 ^ | | 427 | 383 |
| 2.861% due 02/25/2036 ^ | | 377 | 333 |
| LB-UBS Commercial Mortgage Trust | | | |
| 5.407% due 11/15/2038 | | 813 | 635 |
| 5.562% due 02/15/2040 | | 810 | 611 |
| Lehman XS Trust | | | |
| 0.708% due 06/25/2047 | | 1,544 | 1,096 |
| Merrill Lynch Mortgage Investors Trust | | | |
| 2.820% due 03/25/2036 ^ | | 1,258 | 837 |
| Morgan Stanley Mortgage Loan Trust | | | |
| 5.962% due 06/25/2036 | | 2,882 | 1,453 |
| Residential Asset Securitization Trust | | | |
| 5.750% due 02/25/2036 ^ | | 734 | 577 |
| 6.000% due 07/25/2037 ^ | | 885 | 629 |
| 6.250% due 09/25/2037 ^ | | 1,463 | 1,032 |
| Residential Funding Mortgage Securities, Inc. Trust | | | |
| 4.071% due 08/25/2036 ^ | | 1,332 | 1,176 |
| 6.000% due 09/25/2036 ^ | | 170 | 156 |
| 6.000% due 06/25/2037 ^ | | 2,269 | 2,086 |
| Structured Adjustable Rate Mortgage Loan Trust | | | |
| 2.795% due 11/25/2036 ^ | | 1,328 | 1,016 |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

| | | |
|--|-------|---------------|
| 2.857% due 01/25/2036 ^ | 1,071 | 811 |
| 2.924% due 07/25/2036 ^ | 473 | 382 |
| 4.559% due 03/25/2037 ^ | 427 | 296 |
| Suntrust Adjustable Rate Mortgage Loan Trust | | |
| 2.867% due 02/25/2037 ^ | 233 | 205 |
| 3.034% due 04/25/2037 ^ | 1,458 | 1,244 |
| WaMu Mortgage Pass-Through Certificates Trust | | |
| 2.190% due 12/25/2046 | 396 | 363 |
| 4.179% due 02/25/2037 ^ | 424 | 386 |
| 6.002% due 10/25/2036 ^ | 626 | 493 |
| Wells Fargo Mortgage-Backed Securities Trust | | |
| 2.911% due 07/25/2036 ^ | 252 | 238 |
| 5.750% due 03/25/2037 ^ | 233 | 228 |
| 6.000% due 06/25/2037 ^ | 136 | 136 |
| Total Non-Agency Mortgage-Backed Securities (Cost \$44,739) | | 47,070 |

ASSET-BACKED SECURITIES 29.6%

| | PRINCIPAL AMOUNT (000S) | MARKET VALUE (000S) |
|--|-------------------------------|---------------------------|
| Argent Securities Trust | 8,278 | 4,320 |
| 0.678% due 03/25/2036 | | |
| Asset-Backed Funding Certificates Trust | | |
| 0.638% due 10/25/2036 | \$ 7,723 | \$ 6,669 |
| Bear Stearns Asset-Backed Securities Trust | | |
| 6.500% due 10/25/2036 ^ | 244 | 186 |
| CIFC Funding Ltd. | | |
| 0.000% due 05/24/2026 (e) | 1,200 | 848 |
| 0.000% due 07/22/2026 | 1,000 | 611 |
| Citigroup Mortgage Loan Trust, Inc. | | |
| 0.638% due 12/25/2036 | 4,638 | 2,638 |
| 0.648% due 12/25/2036 | 2,517 | 1,662 |
| Countrywide Asset-Backed Certificates | | |
| 0.628% due 06/25/2047 ^ | 950 | 682 |
| 0.688% due 06/25/2047 | 6,001 | 4,084 |
| 0.748% due 09/25/2046 ^ | 3,189 | 2,079 |
| 1.048% due 12/25/2035 | 5,550 | 5,409 |
| Countrywide Asset-Backed Certificates Trust | | |
| 4.981% due 08/25/2035 | 2,809 | 2,896 |
| Credit-Based Asset Servicing and Securitization LLC | | |
| 0.598% due 11/25/2036 | 449 | 281 |
| GSAMP Trust | | |
| 0.748% due 02/25/2046 | 4,777 | 3,667 |
| 1.463% due 03/25/2035 ^ | 7,936 | 5,239 |
| JPMorgan Mortgage Acquisition Corp. | | |
| 0.778% due 01/25/2036 | 410 | 380 |
| JPMorgan Mortgage Acquisition Trust | | |
| 0.808% due 04/25/2036 | 6,000 | 4,230 |
| Lehman XS Trust | | |
| 6.290% due 06/24/2046 | 2,714 | 2,538 |
| MASTR Asset-Backed Securities Trust | | |
| 5.233% due 11/25/2035 | 124 | 124 |
| Merrill Lynch Mortgage Investors Trust | | |
| 0.648% due 04/25/2037 | 300 | 162 |
| Morgan Stanley Capital, Inc. Trust | | |
| 0.778% due 01/25/2036 | 3,848 | 3,461 |
| Morgan Stanley Mortgage Loan Trust | | |
| 0.608% due 04/25/2037 | 4,144 | 2,046 |
| 6.250% due 07/25/2047 ^ | 440 | 307 |
| Residential Asset Mortgage Products Trust | | |
| 0.768% due 09/25/2036 | 394 | 348 |
| Residential Asset Securities Corp. Trust | | |
| 0.958% due 09/25/2035 | 13,627 | 11,178 |
| Securitized Asset-Backed Receivables LLC Trust | | |
| 0.628% due 05/25/2036 | 6,181 | 3,590 |
| SLM Student Loan Trust | | |
| 0.000% due 10/28/2029 (e) | 1 | 1,564 |
| 0.000% due 01/25/2042 (e) | 2 | 2,128 |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

| | | |
|--|-------|-------|
| South Coast Funding Ltd. | | |
| 1.230% due 08/10/2038 | 6,183 | 1,303 |
| Taberna Preferred Funding Ltd. | | |
| 1.013% due 08/05/2036 ^ | 4,823 | 3,376 |
| 1.013% due 08/05/2036 | 257 | 180 |
| Trainer Wortham First Republic CBO Ltd. | | |
| 1.834% due 11/06/2038 | 619 | 607 |

Total Asset-Backed Securities (Cost \$77,324) 78,793

SOVEREIGN ISSUES 1.9%

| | | | |
|---|-----|---------|-------|
| Autonomous Community of Catalonia | | | |
| 4.750% due 06/04/2018 | EUR | 1,700 | 1,953 |
| 4.900% due 09/15/2021 | | 700 | 805 |
| Republic of Greece Government International Bond | | | |
| 3.800% due 08/08/2017 | JPY | 201,000 | 1,879 |
| 4.750% due 04/17/2019 | EUR | 300 | 303 |

Total Sovereign Issues (Cost \$4,571) 4,940

SHARES

| | | |
|---------------------------|--------|----|
| COMMON STOCKS 0.0% | | |
| FINANCIALS 0.0% | | |
| TIG FinCo PLC (h) | 91,836 | 58 |

Total Common Stocks (Cost \$136) 58

See Accompanying Notes

ANNUAL REPORT JULY 31, 2016 47

Schedule of Investments PIMCO Income Strategy Fund (Cont.)

| | SHARES | MARKET VALUE (000S) |
|---|----------|---------------------------|
| PREFERRED SECURITIES 2.0% | | |
| BANKING & FINANCE 2.0% | | |
| Farm Credit Bank of Texas | | |
| 10.000% due 12/15/2020 (g) | 2,790 | \$ 3,355 |
| GMAC Capital Trust | | |
| 6.411% due 02/15/2040 | 77,800 | 1,978 |
| Total Preferred Securities (Cost \$5,336) | | 5,333 |
| SHORT-TERM INSTRUMENTS 2.2% | | |
| REPURCHASE AGREEMENTS (i) 1.4% | | |
| | | 3,824 |
| SHORT-TERM NOTES 0.2% | | |
| Federal Home Loan Bank | | |
| 0.330% due 09/14/2016 (e)(f) | \$ 600 | 600 |
| U.S. TREASURY BILLS 0.6% | | |
| 0.292% due 10/06/2016 - 11/03/2016 (d)(e)(m) | \$ 1,665 | \$ 1,664 |
| Total Short-Term Instruments (Cost \$6,088) | | 6,088 |
| Total Investments in Securities (Cost \$340,091) | | 329,757 |
| Total Investments 123.8% (Cost \$340,091) | | \$ 329,757 |
| Financial Derivative Instruments (k)(l) (0.5)% (Cost or Premiums, net \$(801)) | | (1,310) |
| Preferred Shares (19.3)% | | (51,275) |
| Other Assets and Liabilities, net (4.0)% | | (10,825) |
| Net Assets Applicable to Common Shareholders 100.0% | | \$ 266,347 |

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

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

^ Security is in default.

(a) Interest only security.

(b) When-issued security.

(c) Payment in-kind security.

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

- (d) Coupon represents a weighted average yield to maturity.
- (e) Zero coupon security.
- (f) Coupon represents a yield to maturity.
- (g) Perpetual maturity; date shown, if applicable, represents next contractual call date.

(h) RESTRICTED SECURITIES:

| Issuer Description | Acquisition Date | Cost | Market Value | Market Value as Percentage of Net Assets |
|--------------------|------------------|--------|--------------|--|
| TIG FinCo PLC | 04/02/2015 | \$ 136 | \$ 58 | 0.02% |

BORROWINGS AND OTHER FINANCING TRANSACTIONS

(i) REPURCHASE AGREEMENTS:

| Counterparty | Lending Rate | Settlement Date | Maturity Date | Principal Amount | Collateralized By | Collateral (Received) | Repurchase Agreements, at Value | Repurchase Agreement Proceeds to be Received ⁽¹⁾ |
|------------------------------------|--------------|-----------------|---------------|------------------|---|-----------------------|---------------------------------|---|
| JPS | 0.540% | 07/29/2016 | 08/01/2016 | \$ 2,100 | U.S. Treasury Notes 1.375% due 02/29/2020 | \$ (2,149) | \$ 2,100 | \$ 2,100 |
| SSB | 0.010 | 07/29/2016 | 08/01/2016 | 1,724 | U.S. Treasury Notes 1.000% due 05/15/2018 | (1,763) | 1,724 | 1,724 |
| Total Repurchase Agreements | | | | | | \$ (3,912) | \$ 3,824 | \$ 3,824 |

⁽¹⁾ Includes accrued interest.

REVERSE REPURCHASE AGREEMENTS:

| Counterparty | Borrowing Rate ⁽³⁾ | Borrowing Date | Maturity Date | Amount Borrowed ⁽³⁾ | Payable for Reverse Repurchase Agreements |
|--|-------------------------------|----------------|--------------------|--------------------------------|---|
| BCY | (0.250)% | 02/18/2016 | TBD ⁽²⁾ | \$ (344) | \$ (344) |
| JML | 1.300 | 08/02/2016 | 08/16/2016 | (5,618) | (5,618) |
| RBC | 1.550 | 05/02/2016 | 11/02/2016 | (3,616) | (3,630) |
| RDR | (1.000) | 01/22/2016 | TBD ⁽²⁾ | (730) | (726) |
| | 1.050 | 05/04/2016 | 08/04/2016 | (3,021) | (3,029) |
| UBS | 0.900 | 07/11/2016 | 10/06/2016 | (2,764) | (2,765) |
| Total Reverse Repurchase Agreements | | | | | \$ (16,112) |

⁽²⁾ Open maturity reverse repurchase agreement.

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

⁽³⁾ The average amount of borrowings outstanding during the period ended July 31, 2016 was \$(13,439) at a weighted average interest rate of 0.763%. Average borrowings includes sale-buyback transactions, of which there were none open at period end.

48 PIMCO CLOSED-END FUNDS

See Accompanying Notes

July 31, 2016

BORROWINGS AND OTHER FINANCING TRANSACTIONS SUMMARY

The following is a summary by counterparty of the market value of Borrowings and Other Financing Transactions and collateral (received)/pledged as of July 31, 2016:

- (j) Securities with an aggregate market value of \$19,090 have been pledged as collateral under the terms of the following master agreements as of July 31, 2016.

| Counterparty | Repurchase Agreement Proceeds to be Received | Payable for Reverse Repurchase Agreements | Payable for Sale-Buyback Transactions | Total Borrowings and Other Financing Transactions | Collateral (Received)/Pledged | Net Exposure ⁽⁴⁾ |
|--|--|---|---------------------------------------|---|-------------------------------|-----------------------------|
| Global/Master Repurchase Agreement | | | | | | |
| BCY | \$ 0 | \$ (344) | \$ 0 | \$ (344) | \$ 423 | \$ 79 |
| JML | 0 | (5,618) | 0 | (5,618) | 6,955 | 1,337 |
| JPS | 2,100 | 0 | 0 | 2,100 | (2,149) | (49) |
| RBC | 0 | (3,630) | 0 | (3,630) | 4,156 | 526 |
| RDR | 0 | (3,755) | 0 | (3,755) | 4,004 | 249 |
| SSB | 1,724 | 0 | 0 | 1,724 | (1,763) | (39) |
| UBS | 0 | (2,765) | 0 | (2,765) | 2,979 | 214 |
| Total Borrowings and Other Financing Transactions | \$ 3,824 | \$ (16,112) | \$ 0 | | | |

⁽⁴⁾ Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from borrowings and other financing transactions can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 7, Principal Risks, in the Notes to Financial Statements for more information regarding master netting arrangements.

CERTAIN TRANSFERS ACCOUNTED FOR AS SECURED BORROWINGS**Remaining Contractual Maturity of the Agreements**

| | Overnight and Continuous | Up to 30 days | 31-90 days | Greater Than 90 days | Total |
|--------------------------------------|--------------------------|-------------------|-------------------|----------------------|--------------------|
| Reverse Repurchase Agreements | | | | | |
| Corporate Bonds & Notes | \$ 0 | \$ (3,029) | \$ (2,765) | \$ (4,700) | \$ (10,494) |
| Total Borrowings | \$ 0 | \$ (3,029) | \$ (2,765) | \$ (4,700) | \$ (10,494) |
| | | | | | \$ (10,494) |

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

Gross amount of recognized liabilities for reverse repurchase agreements ⁽⁵⁾

⁽⁵⁾ Unsettled reverse repurchase agreements liability of \$(5,618) is outstanding at period end.

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

SWAP AGREEMENTS:

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

| Index/Tranches | Fixed Receive Rate | Maturity Date | Notional Amount ⁽²⁾ | Market Value ⁽³⁾ | Unrealized Appreciation/ (Depreciation) | Variation Margin | |
|------------------------|--------------------|---------------|--------------------------------|-----------------------------|---|------------------|-----------|
| | | | | | | Asset | Liability |
| CDX.HY-24 5-Year Index | 5.000% | 06/20/2020 | \$ 4,410 | \$ 313 | \$ (28) | \$ 15 | \$ 0 |
| CDX.HY-25 5-Year Index | 5.000 | 12/20/2020 | 2,376 | 130 | 137 | 9 | 0 |
| CDX.HY-26 5-Year Index | 5.000 | 06/20/2021 | 500 | 25 | 8 | 2 | 0 |
| | | | | \$ 468 | \$ 117 | \$ 26 | \$ 0 |

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

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

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

See Accompanying Notes

ANNUAL REPORT JULY 31, 2016 **49**

Schedule of Investments PIMCO Income Strategy Fund (Cont.)**INTEREST RATE SWAPS**

| Pay/Receive Floating Rate | Floating Rate Index | Fixed Rate | Maturity Date | Notional Amount | Market Value | Unrealized Appreciation/ (Depreciation) | Variation Margin | | |
|------------------------------|-------------------------|------------|------------------|--------------------|-----------------|---|------------------|-----------------|-------------------|
| | | | | | | | Asset | Liability | |
| Pay | 3-Month USD-LIBOR | 2.750% | 06/17/2025 | \$ 70,420 | \$ 8,841 | \$ 4,605 | \$ 356 | \$ 0 | |
| Pay | 3-Month USD-LIBOR | 2.250 | 06/15/2026 | 15,300 | 1,309 | 585 | 82 | 0 | |
| Pay | 3-Month USD-LIBOR | 3.500 | 06/19/2044 | 83,100 | 34,476 | 37,187 | 1,240 | 0 | |
| Receive | 3-Month USD-LIBOR * | 2.250 | 12/21/2046 | 134,560 | (15,691) | (4,140) | 0 | (1,903) | |
| Pay | 6-Month AUD-BBR-BBSW | 3.000 | 12/17/2019 | AUD 6,200 | 174 | 81 | 8 | 0 | |
| Pay | 6-Month AUD-BBR-BBSW | 3.500 | 06/17/2025 | 3,900 | 357 | 260 | 22 | 0 | |
| | | | | | | \$ 29,466 | \$ 38,578 | \$ 1,708 | \$ (1,903) |
| Total Swap Agreements | | | | | | \$ 29,934 | \$ 38,695 | \$ 1,734 | \$ (1,903) |

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

FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED SUMMARY

The following is a summary of the market value and variation margin of Exchange-Traded or Centrally Cleared Financial Derivative Instruments as of July 31, 2016:

Cash of \$5,299 has been pledged as collateral for exchange-traded and centrally cleared financial derivative instruments as of July 31, 2016. See Note 7, Principal Risks, in the Notes to Financial Statements for more information regarding master netting arrangements.

| | Financial Derivative Assets Variation Margin | | | | Financial Derivative Liabilities Variation Margin | | | |
|---|---|---------|------------|----------|--|---------|------------|------------|
| | Market Value | | Asset | | Market Value | | Liability | |
| | Options | Futures | Agreements | Swap | Options | Futures | Agreements | Swap |
| Total Exchange-Traded or Centrally Cleared | \$ 0 | \$ 0 | \$ 1,734 | \$ 1,734 | \$ 0 | \$ 0 | \$ (1,903) | \$ (1,903) |

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

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

| Counterparty | Settlement Month | Currency to be Delivered | Currency to be Received | Unrealized Appreciation/ | |
|--------------|------------------|--------------------------|-------------------------|--------------------------|-----------|
| | | | | Asset (Depreciation) | Liability |
| AZD | 08/2016 | AUD 35 | \$ 25 | \$ 0 | \$ (1) |
| | 08/2016 | EUR 143 | 158 | 0 | (1) |
| | 09/2016 | 48 | 54 | 0 | 0 |
| BOA | 08/2016 | BRL 339 | 105 | 0 | 0 |
| | 08/2016 | EUR 10,042 | 11,078 | 0 | (149) |
| | 08/2016 | GBP 23,717 | 31,564 | 175 | 0 |
| | 08/2016 | \$ 103 | BRL 339 | 2 | 0 |
| | 08/2016 | 10,675 | EUR 9,705 | 175 | 0 |
| | 09/2016 | BRL 339 | \$ 102 | 0 | (2) |
| CBK | 09/2016 | EUR 9,705 | 10,689 | 0 | (174) |
| | 08/2016 | AUD 368 | 269 | 0 | (10) |
| | 08/2016 | EUR 72 | 79 | 0 | (1) |
| | 08/2016 | GBP 517 | 685 | 2 | (2) |
| | 08/2016 | \$ 790 | EUR 717 | 12 | 0 |
| | 09/2016 | GBP 61 | \$ 81 | 0 | 0 |
| GLM | 08/2016 | EUR 24 | 26 | 0 | 0 |
| | 08/2016 | GBP 203 | 267 | 0 | (2) |
| | 08/2016 | \$ 298 | GBP 229 | 5 | 0 |
| | 09/2016 | GBP 61 | \$ 80 | 0 | (1) |
| JPM | 08/2016 | AUD 69 | 52 | 0 | 0 |
| | 08/2016 | GBP 139 | 184 | 0 | 0 |
| | 08/2016 | \$ 609 | GBP 458 | 0 | (3) |
| | 09/2016 | EUR 97 | \$ 108 | 0 | (1) |
| MSB | 08/2016 | BRL 339 | 105 | 1 | 0 |
| | 08/2016 | JPY 5,592 | 53 | 0 | (2) |
| | 08/2016 | \$ 104 | BRL 339 | 0 | 0 |
| NAB | 08/2016 | EUR 117 | \$ 130 | 0 | (1) |
| | 08/2016 | \$ 1,843 | JPY 194,476 | 63 | 0 |
| | 09/2016 | JPY 194,476 | \$ 1,845 | 0 | (63) |

50 PIMCO CLOSED-END FUNDS

See Accompanying Notes

July 31, 2016

| Counterparty | Settlement Month | Currency to be Delivered | Currency to be Received | Unrealized Appreciation/ (Depreciation) | | |
|---|------------------|--------------------------|-------------------------|---|---------------|-----------------|
| | | | | Asset | Liability | |
| SCX | 08/2016 | EUR | 48 | \$ 53 | \$ 0 | \$ (1) |
| | 08/2016 | JPY | 188,884 | 1,855 | 4 | 0 |
| | 08/2016 | \$ | 31,716 | GBP 24,172 | 274 | 0 |
| | 09/2016 | GBP | 24,172 | \$ 31,731 | 0 | (275) |
| TOR | 08/2016 | | 324 | 418 | 0 | (10) |
| Total Forward Foreign Currency Contracts | | | | | \$ 713 | \$ (699) |

SWAP AGREEMENTS:**CREDIT DEFAULT SWAPS ON CORPORATE ISSUES - SELL PROTECTION ⁽¹⁾**

| Counterparty | Reference Entity | Fixed Receive Rate | Maturity Date | Implied Credit Spread at July 31, 2016 ⁽²⁾ | Notional Amount ⁽³⁾ | Premiums (Received) | Unrealized Appreciation/ (Depreciation) | Swap Agreements, at Value | |
|------------------------------|-----------------------------|--------------------|---------------|---|--------------------------------|---------------------|---|---------------------------|-------------------|
| | | | | | | | | Asset | Liability |
| BPS | Petrobras Global Finance BV | 1.000% | 12/20/2024 | 6.275% | \$ 500 | \$ (98) | \$ (60) | \$ 0 | \$ (158) |
| GST | Petrobras Global Finance BV | 1.000 | 12/20/2024 | 6.275 | 700 | (139) | (83) | 0 | (222) |
| HUS | Petrobras Global Finance BV | 1.000 | 12/20/2019 | 4.923 | 200 | (16) | (8) | 0 | (24) |
| | Petrobras Global Finance BV | 1.000 | 09/20/2020 | 5.476 | 20 | (3) | 0 | 0 | (3) |
| | Petrobras Global Finance BV | 1.000 | 12/20/2024 | 6.275 | 800 | (166) | (87) | 0 | (253) |
| MYC | Petrobras Global Finance BV | 1.000 | 12/20/2019 | 4.923 | 4,100 | (379) | (116) | 0 | (495) |
| | | | | | | \$ (801) | \$ (354) | \$ 0 | \$ (1,155) |
| Total Swap Agreements | | | | | | \$ (801) | \$ (354) | \$ 0 | \$ (1,155) |

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

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

⁽³⁾ The maximum potential amount the Fund could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.

FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER SUMMARY

Edgar Filing: PIMCO CORPORATE & INCOME OPPORTUNITY FUND - Form N-CSR

The following is a summary by counterparty of the market value of OTC financial derivative instruments and collateral (received)/pledged as of July 31, 2016:

(m) Securities with an aggregate market value of \$1,664 have been pledged as collateral for financial derivative instruments as governed by International Swaps and Derivatives Association, Inc. master agreements as of July 31, 2016.

| Counterparty | Financial Derivative Assets | | | | Financial Derivative Liabilities | | | | | | |
|--------------|---|----------------------|--------------------|------------------------------|---|--------------------|--------------------|------------------------------|---|-------------------------------------|------------------------|
| | Forward Foreign Currency Contracts | Purchased Options | Swap Agreements | Total Over the Counter | Forward Foreign Currency Contracts | Written Options | Swap Agreements | Total Over the Counter | Net Market Value of OTC Derivatives | Collateral (Received) Pledged | Net Exposure (4) |
| AZD | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ (2) | \$ 0 | \$ 0 | \$ (2) | \$ (2) | \$ 0 | \$ (2) |
| BOA | 352 | 0 | 0 | 352 | (325) | 0 | 0 | | | | |