PIMCO CALIFORNIA MUNICIPAL INCOME FUND
Form N-CSRS
January 05, 2012

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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 811-10379

PIMCO California Municipal Income Fund

(Exact name of registrant as specified in charter)

1633 Broadway,

New York, New York — **10019**
(Address of principal executive offices) — **(Zip code)**

Lawrence G. Altadonna 1633 Broadway, New York, New York 10019

(Name and address of agent for service)

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

Date of fiscal year end: **April 30, 2012**

Date of reporting period: **October 31, 2011**

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, 100 F Street, NE, Washington DC 20549-2001. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

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Item 1. REPORT TO SHAREHOLDERS

Semi-Annual Report

October 31, 2011

PIMCO Municipal Income Fund

PIMCO California Municipal Income Fund

PIMCO New York Municipal Income Fund

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Hans W. Kertess

Chairman

Brian S. Shlissel

President & CEO

Dear Shareholder:

Municipal bonds posted solid returns during the six-month reporting period ended October 31, 2011. Low levels of new issuance together with concerns of higher taxes, helped to drive prices higher. Despite ongoing challenges for the U.S. economy, anxiety over municipal defaults eased.

Six-Month Period in Review

For the fiscal six-month period ended October 31, 2011:

PIMCO Municipal Income Fund increased 14.50% on net asset value (NAV) and 10.32% on market price.

PIMCO California Municipal Income Fund increased 14.11% on NAV and 10.68% on market price.

PIMCO New York Municipal Income Fund increased 9.73% on NAV and 10.04% on market price.

The U.S. economy gained strength during the reporting period. As it began, gross domestic product (GDP), the value of goods and services produced in the country, the broadest measure of economic activity and the principal indicator of economic performance, rose at an annual rate of 1.3%. GDP nearly doubled to an annual rate of 2.0% between July and September 2011.

During the period, Standard & Poor s (S&P) downgraded the long-term credit rating of U.S. government debt from AAA to AA+. This move reflected S&P s concern that Congress and the White House would not be able to solve the nation s deepening fiscal problems. Other credit ratings agencies, however, maintained their top ratings for U.S. debt and the downgrade did not harm investor demand for U.S. Treasury securities. In fact, it had the opposite effect investors reaffirmed the view that Treasuries were a relatively safe haven in times of uncertainty. Demand for government debt surged, with the yield on the benchmark 10-year Treasury bond dropping at one point to 1.72%, the lowest level in more than half-a-century. Municipal bond prices, which tend to closely track their Treasury brethren, rose accordingly. New issuance remained low throughout much of the reporting period, though it began to rise during the latter stages of the six-month period as suppliers moved to lock in low interest rates. In California, demand for new securities was strong, while a rally in higher-quality credits benefitted issuance in New York State.

The Federal Reserve (the Fed) launched a third attempt to stimulate the economy. Its latest effort, Operation Twist, involves the selling of $400 billion of short-term Treasury securities in exchange for a similar amount of longer-term bonds. The Fed indicated this move is aimed at lowering longer-term bond yields while maintaining short-term rates at their current and historically low levels. This is regarded as an attempt to boost the ailing housing market by lowering mortgage rates, though such rates stand at the lowest levels in half-a-century. The Fed warned of significant downside risks to the economic outlook, including strains in global financial markets.

Outlook

The U.S. economy and the fiscal situation at the state and local level have strengthened of late, however, the overall picture remains daunting. The Center on Budget and Policy Priorities reports that collectively, states are grappling with $103 billion in red ink during the 2012 fiscal year. Separately, the National League of Cities reported that 57% of cities are facing greater financial

difficulties in 2011 than in 2010. These difficulties are compounded by uncertainty on taxes and budgets at the federal level, notably ongoing efforts by the so-called Congressional super committee to reduce the federal debt by $1.5 trillion.

For specific information on the Funds and their performance, please review the following pages. If you have any questions regarding the information provided, we encourage you to contact your financial advisor or call the Funds shareholder servicing agent at (800) 254-5197. In addition, a wide range of information and resources is available on our website, www.allianzinvestors.com/closedendfunds.

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

We remain dedicated to serving your investment needs.

Sincerely,

Hans W. Kertess	Brian S. Shlissel
Chairman	President & CEO

Receive this report electronically and eliminate paper mailings. To enroll, go to www.allianzinvestors.com/ edelivery.

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PIMCO Municipal Income Funds Fund Insights

October 31, 2011 (unaudited)

For the six-months ended October 31, 2011, PIMCO Municipal Income Fund returned 14.50% on net asset value (NAV) and 10.32% on market price.

For the six-months ended October 31, 2011, PIMCO California Municipal Income Fund returned 14.11% on net asset value (NAV) and 10.68% on market price.

For the six-months ended October 31, 2011, PIMCO New York Municipal Income Fund returned 9.73% on net asset value (NAV) and 10.04% on market price.

The municipal bond market produced strong results during the six-months ended October 31, 2011. The overall municipal market (as measured by the Barclays Capital Municipal Bond Index) posted a positive return during five of the six months of the reporting period. Factors supporting the market during the period included: generally robust investor demand as fear of mass defaults from earlier in the year were somewhat mitigated, as states observed improving revenue and actively addressed structural budgetary issues; a sharp decline in new issuance of municipal securities; sharply declining interest rates due to several flights to quality.

During the reporting period, Municipal Income and New York Municipal emphasized revenue bonds over general obligation bonds. This was beneficial for results as revenue bonds outperformed general obligation bonds. California Municipal in contrast, was aided by its positioning in California general obligation bonds, as these securities outperformed revenue bonds.

The Funds were rewarded for having exposure to tobacco bonds. This higher yielding sector outperformed the benchmark during the six months ended October 31, 2011.

Exposure to the health care was additive for the Funds performance as this sector outperformed the benchmarks during the reporting period. Municipal Income and New York Municipal benefited from exposure to the corporate-backed sector. California Municipal s performance was enhanced by exposure to the education sector.

Shorter duration than that of their benchmarks detracted from performance, of each Fund, as municipal yields declined during the reporting period. A steepening yield curve bias also adversely effected results, as the municipal curve flattened during the six-month period.

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PIMCO Municipal Income Funds Performance & Statistics

October 31, 2011 (unaudited)

Municipal:

Total Return[1]:	**Market Price**	**NAV**
Six Month	10.32%	14.50%
1 Year	3.76%	5.01%
5 Year	3.44%	3.48%
10 Year	6.58%	5.39%
Commencement of Operations (6/29/01) to 10/31/11	6.34%	5.72%

Market Price/NAV Performance:

Commencement of Operations (6/29/01) to 10/31/11

Market Price/NAV:	
Market Price	$13.72
NAV	$11.76
Premium to NAV	16.67%
Market Price Yield[2]	7.11%

Moody s Rating

(as a % of total investments)

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PIMCO Municipal Income Funds Performance & Statistics

October 31, 2011 (unaudited)

California:

Total Return[1]:	**Market Price**	**NAV**
Six Month	10.68%	14.11%
1 Year	1.15%	0.30%
5 Year	1.84%	3.71%
10 Year	5.14%	5.29%
Commencement of Operations (6/29/01) to 10/31/11	5.31%	5.62%

Market Price/NAV Performance:

Commencement of Operations (6/29/01) to 10/31/11

Market Price/NAV:	
Market Price	$12.78
NAV	$12.43
Premium to NAV	2.82%
Market Price Yield[2]	7.23%

Moody s Rating

(as a % of total investments)

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PIMCO Municipal Income Funds Performance & Statistics

October 31, 2011 (unaudited)

New York:

Total Return[1]:	**Market Price**	**NAV**
Six Month	10.04%	9.73%
1 Year	0.26%	1.67%
5 Year	1.91%	0.66%
10 Year	3.14%	3.29%
Commencement of Operations (6/29/01) to 10/31/11	2.94%	3.42%

Market Price/NAV Performance:

Commencement of Operations (6/29/01) to 10/31/11

Market Price/NAV:	
Market Price	$10.53
NAV	$10.53
Premium to NAV	0.00%
Market Price Yield[2]	6.50%

Moody s Rating

(as a % of total investments)

(1) **Past performance is no guarantee of future results.** Total return is calculated by determining the percentage change in NAV or market price (as applicable) in the specified period. The calculation assumes that all income dividends and capital gain distributions, if any, have been reinvested. Total return does not reflect broker commissions or sales charges in connection with the purchase or sale of Fund shares. Total investment return for a period of less than one year is not annualized. Total return for a period of more than one year represents the average annual total return.

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

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

(2) Market Price Yield is determined by dividing the annualized current monthly per common share dividend (comprised of net investment income) payable to common shareholders by the market price per common share at October 31, 2011.

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PIMCO Municipal Income Fund Schedule of Investments

October 31, 2011 (unaudited)

Principal Amount (000s)		Value
MUNICIPAL BONDS & NOTES 97.2%		
	Alabama 1.0%	
	Birmingham-Baptist Medical Centers Special Care Facs. Financing Auth. Rev.,	
$ 2,500	Baptist Health Systems, Inc., 5.875%, 11/15/24, Ser. A	$ 2,509,725
	Huntsville-Redstone Village Special Care Facs. Financing Auth. Rev., Redstone Village Project,	
250	5.50%, 1/1/28	222,215
885	5.50%, 1/1/43	672,697
1,350	Montgomery Medical Clinic Board Rev., Jackson Hospital & Clinic, 5.25%, 3/1/31	1,267,245
		4,671,882
	Alaska 1.2%	
3,280	Borough of Matanuska-Susitna Rev., Goose Creek Correctional Center, 6.00%, 9/1/32 (AGC)	3,702,858
900	Industrial Dev. & Export Auth. Rev., Boys & Girls Home, 6.00%, 12/1/36	585,000
2,400	Northern Tobacco Securitization Corp. Rev., 5.00%, 6/1/46, Ser. A	1,508,448
		5,796,306
	Arizona 5.0%	
	Apache Cnty. Industrial Dev. Auth. Rev.,	
5,000	Tucson Electric Power Co. Project, 5.875%, 3/1/33, Ser. B	5,001,100
	Health Facs. Auth. Rev.,	
2,050	Banner Health, 5.50%, 1/1/38, Ser. D	2,126,711
2,750	Beatitudes Campus Project, 5.20%, 10/1/37	2,092,475
	Maricopa Cnty. Pollution Control Corp. Rev.,	
1,500	Southern California Edison Co., 5.00%, 6/1/35, Ser. A	1,573,515
	Pima Cnty. Industrial Dev. Auth. Rev., Tucson Electric Power Co., Ser. A,	
750	5.25%, 10/1/40	711,555
4,150	6.375%, 9/1/29,	4,213,536
5,000	Salt River Project Agricultural Improvement & Power Dist. Rev., 5.00%, 1/1/39, Ser. A (i)	5,282,900
4,200	Salt Verde Financial Corp. Rev., 5.00%, 12/1/37	3,808,392
		24,810,184
	Arkansas 0.5%	
	Dev. Finance Auth. Rev., Arkansas Cancer Research Center Project,	
8,500	zero coupon, 7/1/36 (AMBAC)	2,690,760
	California 14.7%	
	Bay Area Toll Auth. Rev.,	
2,875	5.00%, 10/1/34	2,979,449
3,255	San Francisco Bay Area, 5.00%, 10/1/42	3,363,619
3,000	Chula Vista Rev., San Diego Gas & Electric, 5.875%, 2/15/34, Ser. B	3,298,620
	Golden State Tobacco Securitization Corp. Rev., Ser. A-1,	
6,000	5.00%, 6/1/33	4,244,460
1,500	5.75%, 6/1/47	1,086,555

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PIMCO Municipal Income Fund Schedule of Investments

October 31, 2011 (unaudited) (continued)

Principal Amount (000s)		Value
	California (continued)	
	Health Facs. Financing Auth. Rev.,	
$ 2,000	Catholic Healthcare West, 6.00%, 7/1/39, Ser. A	$ 2,131,080
1,500	Sutter Health, 6.00%, 8/15/42, Ser. B	1,634,370
5,300	Los Angeles Community College Dist., GO, 5.00%, 8/1/32, Ser. A (FGIC-NPFGC)	5,525,091
2,000	Los Angeles Unified School Dist., GO, 5.00%, 7/1/30, Ser. E (AMBAC)	2,070,140
4,175	Montebello Unified School Dist., GO, 5.00%, 8/1/33 (AGM)	4,346,718
2,000	M-S-R Energy Auth. Rev., 6.125%, 11/1/29, Ser. C	2,158,360
1,600	Municipal Finance Auth. Rev., Azusa Pacific Univ. Project, 7.75%, 4/1/31, Ser. B	1,716,896
5,000	Orange Cnty. Airport Rev., 5.25%, 7/1/39, Ser. A	5,230,550
500	San Diego Cnty. Regional Airport Auth. Rev., 5.00%, 7/1/24, Ser. A	539,310
1,600	San Marcos Unified School Dist., GO, 5.00%, 8/1/38, Ser. A	1,648,432
	State, GO,	
700	5.00%, 11/1/32	709,765
1,200	5.00%, 6/1/37	1,203,420
2,300	5.125%, 8/1/36	2,343,792
1,250	5.25%, 3/1/38	1,273,462
1,900	5.25%, 11/1/40	1,940,964
500	5.50%, 3/1/40	526,915
3,200	6.00%, 4/1/38	3,533,440
	Statewide Communities Dev. Auth. Rev.,	
750	California Baptist Univ., 6.50%, 11/1/21	810,667
845	Catholic Healthcare West, 5.50%, 7/1/31, Ser. E	860,126
	Methodist Hospital Project (FHA),	
2,600	6.625%, 8/1/29	3,095,690
9,500	6.75%, 2/1/38	10,964,425
1,500	Torrance Rev., Memorial Medical Center, 5.00%, 9/1/40, Ser. A	1,499,895
500	Univ. of California Rev., 5.00%, 5/15/41, Ser. D (FGIC-NPFGC)	511,135
2,000	Whittier Union High School Dist., GO, zero coupon, 8/1/25	880,380
		72,127,726
	Colorado 1.2%	
500	Confluence Metropolitan Dist. Rev., 5.45%, 12/1/34	375,090
450	Denver Health & Hospital Auth. Rev., 5.625%, 12/1/40	444,582
2,500	Health Facs. Auth. Rev., 5.00%, 2/1/41, Ser. A (e)	2,484,600
500	Public Auth. for Colorado Energy Rev., 6.50%, 11/15/38	546,740
400	Regional Transportation Dist., CP, 5.375%, 6/1/31, Ser. A	425,836
1,500	Univ. of Colorado Rev., 5.375%, 6/1/38, Ser. A	1,631,595
		5,908,443
	Connecticut 1.0%	
	State Health & Educational Fac. Auth. Rev.,	
5,000	Hartford Healthcare, 5.00%, 7/1/41, Ser. A	5,007,250

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PIMCO Municipal Income Fund Schedule of Investments

October 31, 2011 (unaudited) (continued)

Principal Amount (000s)		Value
	District of Columbia 1.3%	
$ 2,500	Dist. of Columbia Rev., Brookings Institution, 5.75%, 10/1/39	$ 2,709,725
3,750	Tobacco Settlement Financing Corp. Rev., 6.25%, 5/15/24	3,756,862
		6,466,587
	Florida 2.3%	
850	Beacon Lakes Community Dev. Dist., Special Assessment, 6.00%, 5/1/38, Ser. A	764,133
4,000	Broward Cnty. Water & Sewer Rev., 5.25%, 10/1/34, Ser. A (i)	4,299,160
300	Dev. Finance Corp. Rev., Renaissance Charter School, 6.50%, 6/15/21, Ser. A	301,674
	Lee Cnty. Industrial Dev. Auth. Rev.,	
500	Sara Lee Community Charter Foundation, 5.375%, 6/15/37, Ser. A	395,380
1,250	Miami-Dade Cnty. School Board, CP, 5.375%, 2/1/34, Ser. A (AGC)	1,295,762
3,900	State Board of Education, GO, 5.00%, 6/1/38, Ser. D (i)	4,169,880
		11,225,989
	Georgia 0.4%	
2,300	Medical Center Hospital Auth. Rev., Spring Harbor Green Island Project, 5.25%, 7/1/37	1,865,024
	Illinois 3.4%	
5,000	Chicago, GO, 5.00%, 1/1/34, Ser. C (i)	4,946,800
1,250	Chicago Motor Fuel Tax Rev., 5.00%, 1/1/38, Ser. A (AGC)	1,269,112
	Finance Auth. Rev.,	
1,000	Memorial Health Systems, 5.50%, 4/1/39	1,010,240
400	OSF Healthcare System, 7.125%, 11/15/37, Ser. A	445,900
	Univ. of Chicago,	
190	5.25%, 7/1/41, Ser. 05-A	191,524
5,000	5.50%, 7/1/37, Ser. B (i)	5,434,500
1,900	Springfield Electric Rev., 5.00%, 3/1/36	1,956,962
1,495	Univ. of Illinois Rev., 5.25%, 4/1/32, Ser. B (FGIC-NPFGC)	1,495,748
		16,750,786
	Indiana 1.2%	
	Finance Auth. Rev.,	
1,500	Duke Energy Indiana, Inc., 6.00%, 8/1/39, Ser. B	1,639,485
1,000	U.S. Steel Corp., 6.00%, 12/1/26	984,370
1,000	Municipal Power Agcy. Rev., 6.00%, 1/1/39, Ser. B	1,080,720
1,900	Vigo Cnty. Hospital Auth. Rev., Union Hospital, Inc., 7.50%, 9/1/22	2,218,402
		5,922,977
	Iowa 1.6%	
	Finance Auth. Rev.,	
4,890	Deerfield Retirement Community, Inc., 5.50%, 11/15/37, Ser. A	3,354,002
	Edgewater LLC Project,	
3,500	6.75%, 11/15/37	3,044,405
1,500	6.75%, 11/15/42	1,283,100
		7,681,507

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PIMCO Municipal Income Fund Schedule of Investments

October 31, 2011 (unaudited) (continued)

Principal Amount (000s)		Value
	Kansas 1.5%	
$ 1,000	Dev. Finance Auth. Rev., Adventist Health, 5.75%, 11/15/38	$ 1,081,370
1,000	Lenexa City, Tax Allocation, Center East Project, 6.00%, 4/1/27	709,670
650	Manhattan Rev., Meadowlark Hills Retirement, 5.125%, 5/15/42, Ser. B	528,333
5,000	Wichita Hospital Rev., Facs. Improvements, 5.625%, 11/15/31, Ser. III	5,059,150
		7,378,523
	Kentucky 0.6%	
635	Dev. Finance Auth. Rev., St. Luke s Hospital, 6.00%, 10/1/19, Ser. B	637,483
	Economic Dev. Finance Auth. Rev.,	
1,000	Owensboro Medical Healthcare Systems, 6.375%, 6/1/40, Ser. A	1,045,240
1,000	Ohio Cnty. Pollution Control Rev., Big Rivers Electric Corp., 6.00%, 7/15/31, Ser. A	1,034,110
		2,716,833
	Louisiana 6.5%	
	Local Gov t Environmental Facs. & Community Dev. Auth. Rev.,	
3,930	Capital Projects & Equipment Acquisition, 6.55%, 9/1/25 (ACA)	4,093,920
400	Westlake Chemical Corp., 6.50%, 11/1/35, Ser. A-2	417,700
750	Woman s Hospital Foundation, 5.875%, 10/1/40, Ser. A	756,938
2,000	Public Facs. Auth. Rev., Ochsner Clinic Foundation Project, 6.50%, 5/15/37	2,134,560
24,395	Tobacco Settlement Financing Corp. Rev., 5.875%, 5/15/39, Ser. 2001-B	24,420,371
		31,823,489
	Maryland 0.4%	
1,500	Economic Dev. Corp. Rev., 5.75%, 6/1/35, Ser. B	1,498,005
650	Health & Higher Educational Facs. Auth. Rev., Charlestown Community, 6.25%, 1/1/41	675,649
		2,173,654
	Massachusetts 0.5%	
	Dev. Finance Agcy. Rev.,	
750	Foxborough Regional Charter School, 7.00%, 7/1/42, Ser. A	775,447
	Linden Ponds, Inc. Fac.,	
103	zero coupon, 11/15/56, Ser. B	1,027
21	5.50%, 11/15/46, Ser. A-2	13,519
388	6.25%, 11/15/39, Ser. A-1	291,203
1,500	State College Building Auth. Rev., 5.50%, 5/1/39, Ser. A	1,612,290
		2,693,486
	Michigan 0.8%	
1,000	Detroit, GO, 5.375%, 4/1/17, Ser. A-1 (NPFGC)	940,620
2,000	Garden City Hospital Finance Auth. Rev., 5.00%, 8/15/38, Ser. A	1,429,440
1,500	Royal Oak Hospital Finance Auth. Rev., William Beaumont Hospital, 8.25%, 9/1/39	1,773,195
		4,143,255
	Minnesota 0.4%	

95	Agricultural & Economic Dev. Board Rev., Health Care Systems, 6.375%, 11/15/29, Ser. A	95,094
100	Duluth Housing & Redev. Auth. Rev., 5.875%, 11/1/40, Ser. A	91,044
1,500	St. Louis Park Rev., Nicollett Health Services, 5.75%, 7/1/39	1,540,035

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PIMCO Municipal Income Fund Schedule of Investments

October 31, 2011 (unaudited) (continued)

Principal Amount (000s)		Value
	Minnesota (continued)	
	Washington Cnty. Housing & Redev. Auth. Rev.,	
$ 500	Birchwood & Woodbury Projects, 5.625%, 6/1/37, Ser. A	$ 454,420
		2,180,593
	Missouri 0.3%	
1,000	Joplin Industrial Dev. Auth. Rev., Christian Homes, Inc., 5.75%, 5/15/26, Ser. F	949,020
500	Lee s Summit, Tax Allocation, Summit Fair Project, 5.625%, 10/1/23	504,945
		1,453,965
	Nevada 4.1%	
	Clark Cnty., GO,	
5,000	4.75%, 6/1/30 (AGM)	5,067,550
5,230	4.75%, 11/1/35 (FGIC-NPFGC) (i)	5,244,644
9,755	Washoe Cnty., Water & Sewer, GO, 5.00%, 1/1/35 (NPFGC)	9,871,182
		20,183,376
	New Jersey 6.5%	
16,550	Economic Dev. Auth., Special Assessment, Kapkowski Road Landfill Project, 5.75%, 4/1/31	15,931,526
2,000	Economic Dev. Auth. Rev., School Facs. Construction, 5.50%, 12/15/34, Ser. Z (AGC)	2,136,860
	Health Care Facs. Financing Auth. Rev.,	
500	AHS Hospital Corp., 6.00%, 7/1/37	543,895
1,000	Trinitas Hospital, 5.25%, 7/1/30, Ser. A	924,840
2,000	State Turnpike Auth. Rev., 5.25%, 1/1/40, Ser. E	2,099,580
	Tobacco Settlement Financing Corp. Rev., Ser. 1-A,	
6,600	4.75%, 6/1/34	4,410,186
9,100	5.00%, 6/1/41	6,066,697
		32,113,584
	New Mexico 1.5%	
1,000	Farmington Pollution Control Rev., 5.90%, 6/1/40, Ser. D	974,360
6,400	Hospital Equipment Loan Council Rev., Presbyterian Healthcare, 5.00%, 8/1/39	6,548,032
		7,522,392
	New York 7.0%	
11,000	Hudson Yards Infrastructure Corp. Rev., 5.25%, 2/15/47, Ser. A	11,160,600
	Liberty Dev. Corp. Rev., Goldman Sachs Headquarters,	
7,500	5.25%, 10/1/35	7,654,050
3,000	5.50%, 10/1/37	3,058,290
4,200	Nassau Cnty. Industrial Dev. Agcy. Rev., Amsterdam at Harborside, 6.70%, 1/1/43, Ser. A	3,796,590
	New York City Municipal Water Finance Auth. Water & Sewer Rev.,	
3,000	Second Generation Resolutions, 5.00%, 6/15/39, Ser. GG-1	3,158,940
3,500	State Dormitory Auth. Rev., The New School, 5.50%, 7/1/40	3,712,450
1,625	Westchester Cnty. Healthcare Corp. Rev., 5.875%, 11/1/25, Ser. A	1,626,479
		34,167,399

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PIMCO Municipal Income Fund Schedule of Investments

October 31, 2011 (unaudited) (continued)

Principal Amount (000s)		Value
	North Carolina 0.4%	
$ 570	Capital Facs. Finance Agcy. Rev., Duke Univ. Project, 5.125%, 10/1/41, Ser. A	$ 570,844
1,500	Medical Care Commission Rev., Village at Brookwood, 5.25%, 1/1/32	1,193,895
		1,764,739
	Ohio 2.0%	
11,000	Buckeye Tobacco Settlement Financing Auth. Rev., 5.875%, 6/1/47, Ser. A-2	7,841,900
	Higher Educational Fac. Commission Rev.,	
250	Ashland Univ. Project, 6.25%, 9/1/24	255,240
500	Univ. Hospital Health Systems, 6.75%, 1/15/39, Ser. 2009-A	529,315
500	Lorain Cnty. Port Auth. Rev., U.S. Steel Corp. Project, 6.75%, 12/1/40	505,025
500	Montgomery Cnty. Rev., Miami Valley Hospital, 6.25%, 11/15/39, Ser. A	520,660
		9,652,140
	Oregon 0.6%	
2,000	Oregon Health & Science Univ. Rev., 5.75%, 7/1/39, Ser. A	2,169,800
600	State Department of Administrative Services, CP, 5.25%, 5/1/39, Ser. A	635,004
		2,804,804
	Pennsylvania 4.9%	
5,000	Geisinger Auth. Rev., 5.25%, 6/1/39, Ser. A	5,222,050
2,000	Harrisburg Auth. Rev., Harrisburg Univ. of Science, 6.00%, 9/1/36, Ser. B	1,807,000
	Higher Educational Facs. Auth. Rev.,	
500	Edinboro Univ. Foundation, 6.00%, 7/1/43	501,625
350	Thomas Jefferson Univ., 5.00%, 3/1/40	362,513
	Lancaster Cnty. Hospital Auth. Rev., Brethren Village Project, Ser. A,	
750	6.25%, 7/1/26	758,100
85	6.375%, 7/1/30	85,853
1,100	Luzerne Cnty. Industrial Dev. Auth. Rev., Pennsylvania American Water Co., 5.50%, 12/1/39	1,168,409
7,000	Philadelphia, GO, 5.25%, 12/15/32, Ser. A (AGM)	7,230,230
	Philadelphia Hospitals & Higher Education Facs. Auth. Rev.,	
4,465	Temple Univ. Hospital, 6.625%, 11/15/23, Ser. A	4,469,063
500	Philadelphia Water Rev., 5.25%, 1/1/36, Ser. A	518,990
2,000	Turnpike Commission Rev., 5.125%, 12/1/40, Ser. D	2,019,020
		24,142,853
	Puerto Rico 0.6%	
3,000	Sales Tax Financing Corp. Rev., 5.375%, 8/1/38, Ser. C	3,097,980
	Rhode Island 4.4%	
23,800	Tobacco Settlement Financing Corp. Rev., 6.25%, 6/1/42, Ser. A	21,837,928
	South Carolina 1.7%	
	Greenwood Cnty. Hospital Rev., Self Memorial Hospital,	
3,500	5.50%, 10/1/21	3,503,745
2,000	5.50%, 10/1/26	2,000,920

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PIMCO Municipal Income Fund Schedule of Investments

October 31, 2011 (unaudited) (continued)

Principal Amount (000s)		Value
	South Carolina (continued)	
$ 450	Jobs-Economic Dev. Auth. Rev., Lutheran Homes, 5.50%, 5/1/28	$ 392,117
2,200	State Ports Auth. Rev., 5.25%, 7/1/40	2,321,990
		8,218,772
	Tennessee 4.7%	
	Memphis Health Educational & Housing Fac. Board Rev.,	
	Wesley Housing Corp. Project, 6.95%, 1/1/20 (a)(b)(f)(k)	
940	(acquisition cost-$935,300; purchased 6/29/01)	472,350
	Metropolitan Gov t Nashville & Davidson Cnty. Health & Educational Facs. Board Rev., Vanderbilt Univ., 5.00%,	
5,000	10/1/39, Ser. B (i)	5,413,600
	Tennessee Energy Acquisition Corp. Rev.,	
370	5.00%, 2/1/21, Ser. C	364,328
5,000	5.00%, 2/1/27, Ser. C	4,818,750
6,460	5.25%, 9/1/17, Ser. A	6,672,082
600	5.25%, 9/1/21, Ser. A	600,408
5,000	5.25%, 9/1/24, Ser. A	4,958,200
		23,299,718
	Texas 8.7%	
1,200	Dallas Rev., Dallas Civic Center, 5.25%, 8/15/38 (AGC)	1,263,300
	North Harris Cnty. Regional Water Auth. Rev.,	
4,200	5.25%, 12/15/33	4,436,922
4,200	5.50%, 12/15/38	4,482,114
	North Texas Tollway Auth. Rev.,	
3,000	5.25%, 1/1/44, Ser. C	3,024,720
600	5.50%, 9/1/41, Ser. A	651,660
6,050	5.625%, 1/1/33, Ser. A	6,345,966
600	5.75%, 1/1/33, Ser. F	616,206
250	San Juan Higher Education Finance Auth. Rev., 6.70%, 8/15/40, Ser. A	258,168
	State Public Finance Auth. Rev., Charter School Finance Corp., Ser. A,	
400	5.875%, 12/1/36	387,992
2,000	Cosmos Foundation, 5.375%, 2/15/37	1,882,740
	Tarrant Cnty. Cultural Education Facs. Finance Corp. Rev.,	
4,000	Baylor Health Care Systems Project, 6.25%, 11/15/29	4,471,600
	Texas Municipal Gas Acquisition & Supply Corp. I Rev.,	
6,500	5.25%, 12/15/23, Ser. A	6,295,835
150	5.25%, 12/15/25, Ser. A	143,925
6,500	6.25%, 12/15/26, Ser. D	6,797,960
1,000	Uptown Dev. Auth., Tax Allocation, Infrastructure Improvement Facs., 5.50%, 9/1/29	1,013,880
500	Wise Cnty. Rev., Parker Cnty. Junior College Dist., 8.00%, 8/15/34	526,225
		42,599,213

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PIMCO Municipal Income Fund Schedule of Investments

October 31, 2011 (unaudited) (continued)

Principal Amount (000s)		Value
	U.S. Virgin Islands 0.1%	
$ 500	Virgin Islands Public Finance Auth. Rev., 5.00%, 10/1/39, Ser. A-1	$ 463,175
	Utah 1.6%	
7,000	Salt Lake Cnty. Rev., IHC Health Services, 5.125%, 2/15/33 (AMBAC)	7,892,640
	Virginia 0.6%	
1,000	Fairfax Cnty. Industrial Dev. Auth. Rev., Inova Health Systems, 5.50%, 5/15/35, Ser. A	1,078,510
1,985	Peninsula Town Center Community Dev. Auth. Rev., 6.45%, 9/1/37	1,943,275
		3,021,785
	Washington 1.2%	
	Health Care Facs. Auth. Rev.,	
700	Multicare Health Systems, 6.00%, 8/15/39, Ser. B (AGC)	752,549
250	Seattle Cancer Care Alliance, 7.375%, 3/1/38	278,250
2,000	Virginia Mason Medical Center, 6.125%, 8/15/37, Ser. A	2,018,640
	State Housing Finance Commission Rev., Skyline at First Hill Project, Ser. A,	
275	5.25%, 1/1/17	238,972
3,600	5.625%, 1/1/38	2,431,800
		5,720,211
	West Virginia 0.2%	
1,000	Hospital Finance Auth. Rev., Highland Hospital, 9.125%, 10/1/41	1,054,720
	Wisconsin 0.6%	
	Health & Educational Facs. Auth. Rev.,	
2,230	Kenosha Hospital & Medical Center Project, 5.625%, 5/15/29	2,230,290
500	Prohealth Care, Inc., 6.625%, 2/15/39	545,220
		2,775,510
	Total Municipal Bonds & Notes (cost-$460,947,998)	477,822,158
VARIABLE RATE NOTES (a)(d)(g)(h) **2.1%**		
	Texas 0.4%	
1,000	JPMorgan Chase Putters/Drivers Trust, GO, 7.964%, 2/1/17, Ser. 3480	1,180,210
600	JPMorgan Chase Putters/Drivers Trust Rev., 8.484%, 10/1/31, Ser. 3227	741,978
		1,922,188
	Washington 1.7%	
6,670	JPMorgan Chase Putters/Drivers Trust, GO, 11.598%, 8/1/28, Ser. 3388	8,445,421
	Total Variable Rate Notes (cost-$8,169,076)	10,367,609
SHORT-TERM INVESTMENTS 0.7%		

	U.S. Treasury Obligations (l) **0.7%**	
	U.S. Treasury Bills,	
3,564	0.003%-0.061%, 11/25/11-4/5/12 (cost-$3,563,746)	3,563,746
	Total Investments (cost-$472,680,820) **100.0%**	**$ 491,753,513**

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PIMCO California Municipal Income Fund Schedule of Investments

October 31, 2011 (unaudited)

Principal Amount (000s)		Value
CALIFORNIA MUNICIPAL BONDS & NOTES 93.3%		
$ 10,000	Bay Area Toll Auth. Rev., San Francisco Bay Area, 5.00%, 4/1/34, Ser. F-1	$ 10,376,900
5,000	Chula Vista Rev., San Diego Gas & Electric, 5.875%, 2/15/34, Ser. B	5,497,700
650	City & Cnty. of San Francisco, Capital Improvement Projects, CP, 5.25%, 4/1/31, Ser. A	666,400
720	City & Cnty. of San Francisco Redev. Agcy., Special Tax, 6.125%, 8/1/31, Ser. B	719,863
350	Contra Costa Cnty. Public Financing Auth., Tax Allocation, 5.85%, 8/1/33, Ser. A	319,501
5,000	Desert Community College Dist., GO, 5.00%, 8/1/37, Ser. C (AGM)	5,117,350
310	Dublin Unified School Dist., GO, zero coupon, 8/1/23, Ser. E	167,899
6,300	Eastern Municipal Water Dist., CP, 5.00%, 7/1/35, Ser. H	6,479,172
	Educational Facs. Auth. Rev. (i),	
10,200	Claremont McKenna College, 5.00%, 1/1/39	10,641,864
10,000	Univ. of Southern California, 5.00%, 10/1/39, Ser. A	10,542,700
2,975	El Dorado Irrigation Dist. & El Dorado Water Agcy., CP, 5.75%, 8/1/39, Ser. A (AGC)	3,067,433
	El Monte, Department of Public Social Services Fac., CP (AMBAC),	
10,790	4.75%, 6/1/30	10,105,698
14,425	Phase II, 5.25%, 1/1/34	13,893,727
1,000	Folsom Redev. Agcy., Tax Allocation, 5.50%, 8/1/36	960,370
	Fremont Community Facs. Dist. No. 1, Special Tax,	
165	6.00%, 9/1/18	165,705
505	6.00%, 9/1/19	507,040
3,500	6.30%, 9/1/31	3,504,585
	Golden State Tobacco Securitization Corp. Rev.,	
12,000	5.00%, 6/1/33, Ser. A-1	8,488,920
3,000	5.00%, 6/1/35, Ser. A (FGIC)	2,914,920
6,000	5.00%, 6/1/38, Ser. A (FGIC)	5,720,040
1,600	5.00%, 6/1/45 (AMBAC-TCRS)	1,473,424
8,300	5.125%, 6/1/47, Ser. A-1	5,398,403
20,175	5.75%, 6/1/47, Ser. A-1	14,614,165
500	Hartnell Community College Dist., GO, zero coupon, 8/1/34, Ser. 2002-D (j)	280,700
	Health Facs. Financing Auth. Rev.,	
	Adventist Health System, Ser. A,	
4,630	5.00%, 3/1/33	4,563,976
2,000	5.75%, 9/1/39	2,081,580
	Catholic Healthcare West,	
70	5.00%, 7/1/28, Ser. 2005-A	70,236
2,000	6.00%, 7/1/34, Ser. A	2,044,600
4,000	6.00%, 7/1/39, Ser. A	4,262,160
750	Children s Hospital of Los Angeles, 5.25%, 7/1/38 (AGM)	748,875
1,000	Children s Hospital of Orange Cnty., 6.50%, 11/1/38, Ser. A	1,076,700
1,450	Scripps Health, 5.00%, 11/15/36, Ser. A	1,467,182

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PIMCO California Municipal Income Fund Schedule of Investments

October 31, 2011 (unaudited) (continued)

Principal Amount (000s)		Value
$ 3,400	Stanford Hospital, 5.25%, 11/15/40, Ser. A-2	$ 3,498,804
	Sutter Health,	
1,600	5.00%, 11/15/42, Ser. A (IBC-NPFGC)	1,575,168
2,800	6.00%, 8/15/42, Ser. B	3,050,824
10,590	Kern Cnty., Capital Improvements Projects, CP, 5.75%, 8/1/35, Ser. A (AGC)	11,139,092
7,000	La Quinta Redev. Agcy., Tax Allocation, 5.10%, 9/1/31 (AMBAC)	6,520,080
500	Lancaster Redev. Agcy. Rev., Capital Improvements Projects, 5.90%, 12/1/35	459,730
500	Lancaster Redev. Agcy., Tax Allocation, 6.875%, 8/1/39	506,655
1,495	Lincoln Public Financing Auth. Rev., Twelve Bridges, 6.125%, 9/2/27	1,501,160
	Long Beach Bond Finance Auth. Rev., Long Beach Natural Gas, Ser. A,	
1,000	5.50%, 11/15/27	977,090
3,900	5.50%, 11/15/37	3,608,397
	Los Angeles Department of Water & Power Rev. (i),	
5,000	4.75%, 7/1/30, Ser. A-2 (AGM)	5,105,800
3,000	5.375%, 7/1/34, Ser. A	3,254,490
7,000	5.375%, 7/1/38, Ser. A	7,553,140
	Los Angeles Unified School Dist., GO,	
10,000	5.00%, 7/1/29, Ser. I (i)	10,674,100
5,000	5.00%, 1/1/34, Ser. I (i)	5,219,450
3,500	5.00%, 1/1/34, Ser. I	3,653,615
250	5.30%, 1/1/34, Ser. D	266,828
700	Malibu, City Hall Project, CP, 5.00%, 7/1/39, Ser. A	723,345
200	M-S-R Energy Auth. Rev., 6.50%, 11/1/39, Ser. B	227,462
	Municipal Finance Auth. Rev.,	
1,200	Azusa Pacific Univ. Project, 7.75%, 4/1/31, Ser. B	1,287,672
2,900	Biola Univ., 5.875%, 10/1/34	2,997,440
	Patterson Public Financing Auth. Rev.,	
2,145	Waste Water System Financing Project, 5.50%, 6/1/39 (AGC)	2,251,864
1,250	Peralta Community College Dist., GO, 5.00%, 8/1/39, Ser. C	1,263,500
	Pollution Control Financing Auth. Rev.,	
1,250	American Water Capital Corp. Project, 5.25%, 8/1/40 (a)(d)	1,210,275
2,000	San Jose Water Co. Projects, 5.10%, 6/1/40	2,041,700
8,305	Riverside Cnty., CP, 5.125%, 11/1/30 (NPFGC)	8,358,899
545	San Diego Cnty., CP, 5.25%, 10/1/28	545,153
	San Diego Cnty. Water Auth., CP,	
350	5.00%, 5/1/32, Ser. A (NPFGC)	352,653
650	5.00%, 5/1/32, Ser. A (NPFGC) (Pre-refunded @ $101, 5/1/12) (c)	671,905
6,250	5.00%, 5/1/38, Ser. 2008-A (AGM)	6,424,312
	San Diego Regional Building Auth. Rev.,	
3,285	Cnty. Operations Center & Annex, 5.375%, 2/1/36, Ser. A	3,456,641

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PIMCO California Municipal Income Fund Schedule of Investments

October 31, 2011 (unaudited) (continued)

Principal Amount (000s)		Value
	San Joaquin Hills Transportation Corridor Agcy. Rev., Ser. A	
$ 5,000	5.50%, 1/15/28	$ 4,038,450
5,000	5.70%, 1/15/19	4,687,650
230	San Jose, Special Assessment, 5.60%, 9/2/17, Ser. 24-Q	237,286
1,500	San Jose Rev., Convention Center Expansion, 6.50%, 5/1/36	1,590,435
1,200	San Marcos Unified School Dist., GO, 5.00%, 8/1/38, Ser. A	1,236,324
1,815	Santa Clara, Central Park Library Project, CP, 5.00%, 2/1/32 (AMBAC)	1,832,315
3,500	Santa Clara Cnty. Financing Auth. Rev. (AMBAC), El Camino Hospital, 5.75%, 2/1/41, Ser. A	3,597,720
	Santa Cruz Cnty. Redev. Agcy.,	
1,300	Tax Allocation, Live Oak/Soquel Community, 7.00%, 9/1/36, Ser. A	1,435,148
	State, GO,	
5,885	5.00%, 9/1/35	5,919,663
100	5.00%, 6/1/37	100,285
3,000	5.00%, 12/1/37	3,009,240
2,400	5.25%, 11/1/40	2,451,744
1,500	5.50%, 3/1/40	1,580,745
2,000	6.00%, 4/1/38	2,208,400
2,000	6.00%, 11/1/39	2,210,880
	State Public Works Board Rev.,	
2,000	5.75%, 10/1/30, Ser. G-1	2,100,920
2,000	California State Univ., 6.00%, 11/1/34, Ser. J	2,119,660
2,000	Regents Univ., 5.00%, 4/1/34, Ser. E	2,039,600
	Statewide Communities Dev. Auth. Rev.,	
1,000	American Baptist Homes West, 6.25%, 10/1/39	1,003,020
900	California Baptist Univ., 5.50%, 11/1/38, Ser. A	796,545
845	Catholic Healthcare West, 5.50%, 7/1/31, Ser. D	860,126
10,000	Cottage Health, 5.00%, 11/1/40	9,819,700
13,050	Henry Mayo Newhall Memorial Hospital, 5.125%, 10/1/30, Ser. A (CA Mtg. Ins.)	12,963,478
1,000	Kaiser Permanente, 5.25%, 3/1/45, Ser. B	996,800
1,000	Lancer Student Housing Project, 7.50%, 6/1/42	1,046,860
3,000	Los Angeles Jewish Home, 5.50%, 11/15/33 (CA St. Mtg.)	3,023,400
	Methodist Hospital Project (FHA),	
2,100	6.625%, 8/1/29	2,500,365
7,700	6.75%, 2/1/38	8,886,955
	St. Joseph Health System,	
100	5.125%, 7/1/24 (NPFGC)	105,439
3,200	5.75%, 7/1/47, Ser. A (FGIC)	3,305,024
	Sutter Health,	
4,000	5.50%, 8/15/34, Ser. B	4,016,360
2,000	6.00%, 8/15/42, Ser. A	2,179,160
8,000	The Internext Group, CP, 5.375%, 4/1/30	7,280,880

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PIMCO California Municipal Income Fund Schedule of Investments

October 31, 2011 (unaudited) (continued)

Principal Amount (000s)		Value
$ 910	Windrush School, 5.50%, 7/1/37 (f)	$ 627,845
6,300	Torrance Rev., Memorial Medical Center, 5.00%, 9/1/40, Ser. A	6,299,559
2,000	Turlock, Emanuel Medical Center, CP, 5.50%, 10/15/37, Ser. B	1,753,000
	Tustin Unified School Dist., Special Tax, Ser. B,	
2,345	5.50%, 9/1/22	2,359,774
2,520	5.60%, 9/1/29	2,491,801
2,000	5.625%, 9/1/32	1,946,040
	Univ. of California Rev.,	
8,000	4.75%, 5/15/35, Ser. F (AGM) (i)	8,079,680
2,000	5.00%, 5/15/33, Ser. A (AMBAC)	2,056,460
10,000	5.00%, 5/15/36, Ser. A (AMBAC)	10,262,600
1,000	Westlake Village, CP, 5.00%, 6/1/39	1,029,610
	Total California Municipal Bonds & Notes (cost-$359,648,942)	376,403,978
OTHER MUNICIPAL BONDS & NOTES 2.2%		
	Iowa 1.7%	
8,700	Tobacco Settlement Auth. Rev., 5.60%, 6/1/34, Ser. B	7,025,859
	Louisiana 0.1%	
250	Tobacco Settlement Financing Corp. Rev., 5.875%, 5/15/39, Ser. 2001-B	250,260
	Ohio 0.4%	
2,250	Buckeye Tobacco Settlement Financing Auth. Rev., 5.875%, 6/1/47, Ser. A-2	1,604,025
	Total Other Municipal Bonds & Notes (cost-$10,652,541)	8,880,144
CALIFORNIA VARIABLE RATE NOTES (a)(d)(g)(h) **2.1%**		
	Health Facs. Financing Auth. Rev.,	
1,000	8.02%, 11/15/36, Ser. 3193	1,025,410
6,000	9.86%, 11/15/42, Ser. 3255	5,742,540
	Sacramento Cnty. Sanitation Dists. Financing Auth. Rev.,	
1,670	11.568%, 8/1/13, Ser. 1034 (NPFGC)	1,854,836
	Total California Variable Rate Notes (cost-$6,429,505)	8,622,786
SHORT-TERM INVESTMENTS 2.4%		
	U.S. Treasury Obligations (l) **2.4%**	
	U.S. Treasury Bills,	
9,491	0.003%-0.061%, 11/10/11-4/5/12 (cost-$9,490,355)	9,490,355
	Total Investments (cost-$386,221,343) **100.0%**	**$ 403,397,263**

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PIMCO New York Municipal Income Fund Schedule of Investments

October 31, 2011 (unaudited)

Principal Amount (000s)		Value
NEW YORK MUNICIPAL BONDS & NOTES 93.0%		
$ 1,600	Erie Cnty. Industrial Dev. Agcy. Rev., Orchard Park, Inc. Project, 6.00%, 11/15/36, Ser. A	$ 1,295,488
4,000	Hudson Yards Infrastructure Corp. Rev., 5.75%, 2/15/47, Ser. A	4,235,520
	Liberty Dev. Corp. Rev.,	
1,500	6.375%, 7/15/49	1,555,485
	Goldman Sachs Headquarters,	
120	5.25%, 10/1/35	122,465
11,290	5.25%, 10/1/35 (i)	11,521,896
1,925	5.50%, 10/1/37	1,962,403
	Long Island Power Auth. Rev., Ser. A,	
750	5.00%, 9/1/34 (AMBAC)	765,795
4,500	5.75%, 4/1/39	4,931,100
	Metropolitan Transportation Auth. Rev.,	
6,650	5.00%, 7/1/30, Ser. A (AMBAC)	6,719,958
1,250	5.00%, 11/15/32, Ser. B-2	1,338,575
1,375	5.125%, 1/1/29, Ser. A	1,404,879
2,000	5.25%, 11/15/31, Ser. E	2,050,780
1,600	Nassau Cnty. Industrial Dev. Agcy. Rev., Amsterdam at Harborside, 6.70%, 1/1/43, Ser. A	1,446,320
3,500	New York City Health & Hospital Corp. Rev., 5.00%, 2/15/30, Ser. A	3,649,170
	New York City Industrial Dev. Agcy. Rev.,	
1,000	Liberty Interactive Corp., 5.00%, 9/1/35	883,560
900	Queens Baseball Stadium, 6.50%, 1/1/46 (AGC)	953,685
1,820	Vaughn College Aeronautics, 5.25%, 12/1/36, Ser. B	1,570,369
3,200	Yankee Stadium, 7.00%, 3/1/49 (AGC)	3,636,672
	New York City Municipal Water Finance Auth. Rev.,	
2,000	Second Generation Resolutions, 5.00%, 6/15/32, Ser. HH	2,156,620
	New York City Municipal Water Finance Auth. Water & Sewer Rev.,	
2,500	5.00%, 6/15/40, Ser. FF-2	2,622,450
5,000	Second Generation Resolutions, 4.75%, 6/15/35, Ser. DD (i)	5,153,750
5,000	New York City Transitional Finance Auth. Rev., 5.25%, 1/15/39, Ser. S-3	5,287,950
300	New York City Trust for Cultural Res. Rev., Julliard School, 5.00%, 1/1/34, Ser. A	317,547
1,000	Niagara Falls Public Water Auth. Water & Sewer Rev., 5.00%, 7/15/34, Ser. A (NPFGC)	1,003,640
600	Onondaga Cnty. Rev., Syracuse Univ. Project, 5.00%, 12/1/36	643,170
	Port Auth. of New York & New Jersey Rev.,	
2,000	5.00%, 9/1/29, Ser. 132	2,082,200
4,300	5.00%, 9/1/38, Ser. 132	4,430,204
1,000	JFK International Air Terminal, 6.00%, 12/1/36	1,052,820
	State Dormitory Auth. Rev.,	
500	5.00%, 7/1/35, Ser. A	525,795
1,000	5.00%, 3/15/38, Ser. A	1,055,380
1,000	Fordham Univ., 5.50%, 7/1/36, Ser. A	1,077,590

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PIMCO New York Municipal Income Fund Schedule of Investments

October 31, 2011 (unaudited) (continued)

Principal Amount (000s)		Value
$ 2,000	Mount Sinai Hospital, 5.00%, 7/1/31, Ser. A	$ 2,027,420
1,300	Mount Sinai School of Medicine, 5.125%, 7/1/39	1,324,232
4,500	New York Univ., 5.00%, 7/1/38, Ser. C	4,749,840
300	North Shore-Long Island Jewish Health System, 5.50%, 5/1/37, Ser. A	314,820
1,225	NYU Hospitals Center, 6.00%, 7/1/40, Ser. A	1,281,240
2,900	Orange Regional Medical Center, 6.25%, 12/1/37	2,874,045
1,000	Pratt Institute, 5.125%, 7/1/39, Ser. C (AGC)	1,046,000
	Sloan-Kettering Center Memorial,	
2,500	4.50%, 7/1/35, Ser. A-1	2,507,000
4,000	5.00%, 7/1/34, Ser. 1	4,045,480
	Teachers College,	
1,500	5.00%, 7/1/32 (NPFGC)	1,509,510
1,800	5.50%, 3/1/39	1,907,730
1,250	The New School, 5.50%, 7/1/40	1,325,875
1,275	Winthrop Univ. Hospital Assoc., 5.25%, 7/1/31, Ser. A (AMBAC)	1,280,330
	State Environmental Facs. Corp. Rev., New York City Municipal Water Project,	
2,000	5.125%, 6/15/31, Ser. D	2,030,880
1,800	State Urban Dev. Corp. Rev., 5.00%, 3/15/36, Ser. B-1 (i)	1,902,024
3,000	Triborough Bridge & Tunnel Auth. Rev., 5.25%, 11/15/34, Ser. A-2 (i)	3,218,370
5,860	Troy Industrial Dev. Auth. Rev., Rensselaer Polytechnic Institute Project, 4.625%, 9/1/26	5,875,705
800	Troy Rev., Rensselaer Polytechnic Institute, 5.125%, 9/1/40, Ser. A	798,144
1,455	TSACS, Inc. Rev., 5.125%, 6/1/42, Ser. 1	1,020,449
	Warren & Washington Cntys. Industrial Dev. Agcy. Rev.,	
2,945	Glens Falls Hospital Project, 5.00%, 12/1/27, Ser. C (AGM)	2,960,461
910	Westchester Cnty. Healthcare Corp. Rev., 6.125%, 11/1/37, Ser. C-2	954,535
200	Yonkers Economic Dev. Corp. Rev., 6.00%, 10/15/30, Ser. A	191,068
400	Yonkers Industrial Dev. Agcy. Rev., Sarah Lawrence College Project, 6.00%, 6/1/41, Ser. A	416,256
	Total New York Municipal Bonds & Notes (cost-$119,698,012)	123,014,650
OTHER MUNICIPAL BONDS & NOTES 5.2%		
	Louisiana 0.6%	
750	Tobacco Settlement Financing Corp. Rev., 5.875%, 5/15/39, Ser. 2001-B	750,780
	New Jersey 0.5%	
1,000	Tobacco Settlement Financing Corp. Rev., 4.75%, 6/1/34, Ser. 1-A	668,210
	Ohio 1.1%	
2,000	Buckeye Tobacco Settlement Financing Auth. Rev., 5.875%, 6/1/47, Ser. A-2	1,425,800
	Puerto Rico 2.7%	
1,000	Aqueduct & Sewer Auth. Rev., 6.00%, 7/1/44, Ser. A	1,035,370
1,000	Electric Power Auth. Rev., 5.25%, 7/1/40, Ser. XX	1,008,930
1,500	Sales Tax Financing Corp. Rev., 5.75%, 8/1/37, Ser. A	1,581,225
		3,625,525

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PIMCO New York Municipal Income Fund Schedule of Investments

October 31, 2011 (unaudited) (continued)

Principal Amount (000s)		Value
	U.S. Virgin Islands 0.3%	
$ 500	Virgin Islands Public Finance Auth. Rev., 5.00%, 10/1/39, Ser. A-1	$ 463,175
	Total Other Municipal Bonds & Notes (cost-$6,584,372)	6,933,490
SHORT-TERM INVESTMENTS 1.8%		
	U.S. Treasury Obligations (l) **1.8%**	
	U.S. Treasury Bills,	
2,350	0.01%-0.046%, 2/9/12-4/5/12 (cost-$2,349,776)	2,349,777
	Total Investments (cost-$128,632,160) **100.0%**	**$ 132,297,917**

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PIMCO Municipal Income Funds Notes to Schedule of Investments

October 31, 2011 (unaudited) (continued)

(a) Private Placement   Restricted as to resale and may not have a readily available market. Securities with an aggregate value of $10,839,959 and $9,833,061, representing 2.2% and 2.4% of total investments in Municipal and California Municipal, respectively.
(b) Illiquid.
(c) Pre-refunded bonds are collateralized by U.S. Government or other eligible securities which are held in escrow and used to pay principal and interest and retire the bonds at the earliest refunding date (payment date) and/or whose interest rates vary with changes in a designated base rate (such as the prime interest rate).
(d) 144A   Exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
(e) When-issued. To be settled after October 31, 2011.
(f) In default.
(g) Inverse Floater   The interest rate shown bears an inverse relationship to the interest rate on another security or the value of an index. The interest rate disclosed reflects the rate in effect on October 31, 2011.
(h) Variable Rate Notes   Instruments whose interest rates change on specified date (such as a coupon date or interest payment date) and/or whose interest rates vary with changes in a designated base rate (such as the prime interest rate). The interest rate disclosed reflects the rate in effect on October 31, 2011.
(i) Residual Interest Bonds held in Trust   Securities represent underlying bonds transferred to a separate securitization trust established in a tender option bond transaction in which each Fund acquired the residual interest certificates. These securities serve as collateral in a financing transaction.
(j) Step Bond   Coupon is a fixed rate for an initial period then resets at a specific date and rate.
(k) Restricted. The aggregate acquisition cost of such securities is $935,300 in Municipal. The aggregate market value is $472,350, representing 0.1% of total investments in Municipal.
(l) Rates reflect the effective yields at purchase date.

Glossary:

ACA	-	insured by American Capital Access Holding Ltd.
AGC	-	insured by Assured Guaranty Corp.
AGM	-	insured by Assured Guaranty Municipal Corp.
AMBAC	-	insured by American Municipal Bond Assurance Corp.
CA Mtg. Ins.	-	insured by California Mortgage Insurance
CA St. Mtg.	-	insured by California State Mortgage
CP	-	Certificates of Participation
FGIC	-	insured by Financial Guaranty Insurance Co.
FHA	-	insured by Federal Housing Administration
GO	-	General Obligation Bond
IBC	-	Insurance Bond Certificate
NPFGC	-	insured by National Public Finance Guarantee Corp.
TCRS	-	Temporary Custodian Receipts

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PIMCO Municipal Income Funds Statements of Assets and Liabilities

October 31, 2011 (unaudited)

	Municipal	California Municipal	New York Municipal
Assets:			
Investments, at value (cost-$472,680,820, $386,221,343 and $128,632,160, respectively)	$491,753,513	$403,397,263	$132,297,917
Cash	3,953,357	4,681,747	2,767,537
Interest receivable	8,469,400	7,600,828	2,412,447
Receivable for investments sold	2,057,904		254,026
Deposits with brokers	33,000	718,000	
Prepaid expenses and other assets	3,391,898	1,082,323	1,476,839
Total Assets	509,659,072	417,480,161	139,208,766
Liabilities:			
Payable for floating rate notes issued	18,063,277	35,661,418	10,476,876
Payable for investments purchased	2,480,800		
Dividends payable to common and preferred shareholders	2,055,492	1,423,551	437,721
Investment management fees payable	246,223	191,623	64,581
Interest payable	62,955	717,683	616,143
Accrued expenses and other liabilities	143,465	276,328	69,893
Total Liabilities	23,052,212	38,270,603	11,665,214
Preferred Shares ($25,000 liquidation preference per share applicable to an aggregate of 7,600, 6,000 and 1,880 shares issued and outstanding, respectively)	190,000,000	150,000,000	47,000,000
Net Assets Applicable to Common Shareholders	$296,606,860	$229,209,558	$80,543,552
Composition of Net Assets Applicable to Common Shareholders:			
Common Shares (no par value):			
Paid-in-capital	$345,248,595	$254,060,570	$104,351,087
Undistributed net investment income	5,479,761	8,384,493	2,067,494
Accumulated net realized loss	(73,782,877)	(50,340,632)	(28,575,670)
Net unrealized appreciation of investments	19,661,381	17,105,127	2,700,641
Net Assets Applicable to Common Shareholders	$296,606,860	$229,209,558	$80,543,552
Common Shares Issued and Outstanding	25,227,532	18,434,605	7,648,224
Net Asset Value Per Common Share	$11.76	$12.43	$10.53

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PIMCO Municipal Income Funds Statements of Operations

Six Months ended October 31, 2011 (unaudited)

	Municipal	California Municipal	New York Municipal
Investment Income:			
Interest	$14,961,348	$11,603,706	$3,453,275
Expenses:			
Investment management fees	1,562,652	1,216,501	412,183
Interest expense	298,631	133,256	27,180
Auction agent fees and commissions	159,007	122,893	39,083
Custodian and accounting agent fees	54,076	62,737	28,618
Audit and tax services	34,027	30,310	21,618
Trustees fees and expenses	21,380	18,428	6,298
Shareholder communications	21,160	17,009	8,794
Transfer agent fees	16,668	15,736	14,748
New York Stock Exchange listing fees	13,196	13,138	12,339
Insurance expense	6,964	4,629	1,783
Legal fees	5,125	4,100	3,075
Miscellaneous	6,574	6,626	5,800
Total Expenses	2,199,460	1,645,363	581,519
Less: investment management fees waived	(81,084)	(63,079)	(21,291)
custody credits earned on cash balances	(238)	(105)	(186)
Net Expenses	2,118,138	1,582,179	560,042
Net Investment Income	12,843,210	10,021,527	2,893,233
Realized and Change In Unrealized Gain (Loss):			
Net realized gain (loss) on:			
Investments	(1,110,946)	1,475,008	1,064,008
Futures contracts	267,808	207,688	71,051
Swaps	(4,431,799)	(11,472,396)	(2,372,276)
Net change in unrealized appreciation/depreciation of:			
Investments	29,975,128	26,629,737	5,294,659
Swaps	911,084	2,315,148	372,095
Net realized and change in unrealized gain on investments, future contracts and swaps	25,611,275	19,155,185	4,429,537
Net Increase in Net Assets Resulting from Investment Operations	38,454,485	29,176,712	7,322,770
Dividends on Preferred Shares from Net investment income	(230,933)	(183,306)	(56,808)
Net Increase in Net Assets Applicable to Common Shareholders Resulting from Investment Operations	$38,223,552	$28,993,406	$7,265,962

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PIMCO Municipal Income Funds Statements of Changes in Net Assets

Applicable to Common Shareholders

	Municipal	
	Six Months ended October 31, 2011 (unaudited)	Year ended April 30, 2011
Investment Operations:		
Net investment income	$12,843,210	$26,927,704
Net realized gain (loss) on investments, futures contracts and swaps	(5,274,937)	(2,212,708)
Net change in unrealized appreciation/depreciation of investments and swaps	30,886,212	(25,572,174)
Net increase (decrease) in net assets resulting from investment operations	38,454,485	(857,178)
Dividends on Preferred Shares from Net Investment Income	(230,933)	(805,715)
Net increase (decrease) in net assets applicable to common shareholders resulting from investment operations	38,223,552	(1,662,893)
Dividends to Common Shareholders from Net Investment Income	(12,286,680)	(24,482,358)
Common Share Transactions:		
Reinvestment of dividends	754,079	1,604,452
Total increase (decrease) in net assets applicable to common shareholders	26,690,951	(24,540,799)
Net Assets Applicable to Common Shareholders:		
Beginning of period	269,915,909	294,456,708
End of period (including undistributed net investment income of $5,479,761 and $5,154,164; $8,384,493 and $7,054,241; $2,067,494 and $1,845,161; respectively)	$296,606,860	$269,915,909
Common Shares Issued in Reinvestment of Dividends	59,852	123,701

 See accompanying Notes to Financial Statements

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PIMCO Municipal Income Funds Statements of Changes in Net Assets

Applicable to Common Shareholders (continued)

	California Municipal		New York Municipal	
	Six Months ended October 31, 2011 (unaudited)	Year ended April 30, 2011	Six Months ended October 31, 2011 (unaudited)	Year ended April 30, 2011
	$10,021,527	$20,708,483	$2,893,233	$6,116,196
	(9,789,700)	(2,535,504)	(1,237,217)	617,536
	28,944,885	(28,431,908)	5,666,754	(7,055,963)
	29,176,712	(10,258,929)	7,322,770	(322,231)
	(183,306)	(638,444)	(56,808)	(202,506)
	28,993,406	(10,897,373)	7,265,962	(524,737)
	(8,507,969)	(16,948,939)	(2,614,092)	(5,210,008)
	576,830	1,201,620	163,760	388,870
	21,062,267	(26,644,692)	4,815,630	(5,345,875)
	208,147,291	234,791,983	75,727,922	81,073,797
	$229,209,558	$208,147,291	$80,543,552	$75,727,922
	47,978	96,054	16,037	36,764

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PIMCO Municipal Income Funds Notes to Financial Statements

October 31, 2011 (unaudited)

1. Organization and Significant Accounting Policies

PIMCO Municipal Income Fund (Municipal), PIMCO California Municipal Income Fund (California Municipal) and PIMCO New York Municipal Income Fund (New York Municipal), each a Fund and collectively referred to as the Funds or PIMCO Municipal Income Funds , were organized as Massachusetts business trusts on May 10, 2001. Prior to commencing operations on June 29, 2001, the Funds had no operations other than matters relating to their organization and registration as non-diversified, closed-end management investment companies registered under the Investment Company Act of 1940 and the rules and regulations thereunder, as amended. Allianz Global Investors Fund Management LLC (the Investment Manager) serves as the Investment Manager and is an indirect, wholly-owned subsidiary of Allianz Global Investors of America L.P. (Allianz Global). Allianz Global is an indirect, wholly-owned subsidiary of Allianz SE, a publicly traded European insurance and financial services company. Each Fund has an unlimited amount of no par value per share of common shares authorized.

Under normal market conditions, Municipal invests substantially all of its assets in a portfolio of municipal bonds, the interest from which is exempt from federal income taxes. Under normal market conditions, California Municipal invests substantially all of its assets in municipal bonds which pay interest that is exempt from federal and California state income taxes. Under normal market conditions, New York Municipal invests substantially all of its assets in municipal bonds which pay interest that is exempt from federal, New York State and New York City income taxes. There is no guarantee that the Funds will meet their stated objectives. The Funds will generally seek to avoid investing in bonds generating interest income which could potentially subject individuals to alternative minimum tax. The issuers abilities to meet their obligations may be affected by economic and political developments in a specific state or region.

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

In the normal course of business, the Funds enter into contracts that contain a variety of representations that provide general indemnifications. The Funds maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Funds that have not yet occurred.

In May 2011, the Financial Accounting Standards Board (FASB) issued an Accounting Standards Update (ASU) to develop common requirements for measuring fair value and for disclosing information about fair value measurements in accordance with Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRSs). FASB concluded that the amendments in this ASU will improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with GAAP and IFRSs. The ASU is effective prospectively during interim or annual periods beginning on or after December 15, 2011. The Funds management is evaluating the implications of this change.

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

(a) Valuation of Investments

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

Portfolio securities and other financial instruments for which market quotations are not readily available, or for which a development/event occurs that may significantly impact the value of a security, are fair-valued, in good faith, pursuant to procedures established by the Board of Trustees, or persons acting at their discretion pursuant to procedures established by the Board of Trustees. The Funds investments are valued daily using prices supplied by an independent pricing service or dealer quotations, or by using the last sale price on the exchange that is the primary market for such securities, or the mean between the last quoted bid and ask price. Independent pricing services use information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Securities purchased on a when-issued basis are marked to market daily until settlement at the forward settlement date. Short-term securities maturing in 60 days or less are valued at amortized cost, if their original term to maturity was 60 days or less, or by amortizing their value on the 61st day prior to maturity, if the original term to maturity exceeded 60 days.

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PIMCO Municipal Income Funds Notes to Financial Statements

October 31, 2011 (unaudited)

1. Organization and Significant Accounting Policies (continued)

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

(b) Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (*i.e.* the exit price) in an orderly transaction between market participants. The three levels of the fair value hierarchy are described below:

Level 1 quoted prices in active markets for identical investments that the Funds have the ability to access

Level 2 valuations based on other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.) or quotes from inactive exchanges

Level 3 valuations based on significant unobservable inputs (including the Funds own assumptions in determining the fair value of investments)

An investment asset s or liability s level within the fair value hierarchy is based on the lowest level input, individually or in aggregate, that is significant to fair value measurement. The objective of fair value measurement remains the same even when there is a significant decrease in the volume and level of activity for an asset or liability and regardless of the valuation technique used.

The valuation techniques used by the Funds to measure fair value during the six months ended October 31, 2011 maximized the use of observable inputs and minimized the use of unobservable inputs.

The inputs or methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. The following are certain inputs and techniques that the Funds generally use to evaluate how to classify each major category of assets and liabilities for Level 2 and Level 3, in accordance with GAAP.

Municipal Bonds & Notes and Variable Rate Notes Municipal bonds and notes and variable rate notes are valued by independent pricing services based on pricing models that take into account, among other factors, information received from market makers and broker-dealers, current trades, bid-want lists, offerings, market movements, the callability of the bond, state of issuance, benchmark yield curves, and bond insurance. To the extent that these inputs are observable, the values of municipal bonds and notes and variable rate notes are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

U.S. Treasury Obligations U.S. Treasury obligations are valued by independent pricing services based on pricing models that evaluate the mean between the most recently quoted bid and ask price. The models also take into consideration data received from active market makers and broker-dealers, yield curves, and the spread over comparable U.S. Treasury issues. The spreads change daily in response to market conditions and are generally obtained from the new issue market and broker-dealer sources. To the extent that these inputs are observable, the values of U.S. Treasury obligations are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

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PIMCO Municipal Income Funds Notes to Financial Statements

October 31, 2011 (unaudited)

1. Organization and Significant Accounting Policies (continued)

The Funds policy is to recognize transfers between levels at the end of the reporting period.

A summary of the inputs used at October 31, 2011 in valuing each Fund s assets and liabilities is listed below:

Municipal:

	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value at 10/31/11
Investments in Securities Assets				
Municipal Bonds & Notes:				
Tennessee		$ 22,827,368	$ 472,350	$ 23,299,718
All Other		454,522,440		454,522,440
Variable Rate Notes		10,367,609		10,367,609
Short-Term Investments		3,563,746		3,563,746
Total Investments in Securities		$ 491,281,163	$ 472,350	$ 491,753,513

California Municipal:

	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value at 10/31/11
Investments in Securities Assets				
California Municipal Bonds & Notes		$ 376,403,978		$ 376,403,978
Other Municipal Bonds & Notes		8,880,144		8,880,144
California Variable Rate Notes		8,622,786		8,622,786
Short-Term Investments		9,490,355		9,490,355
Total Investments in Securities Assets		$ 403,397,263		$ 403,397,263

New York Municipal:

	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value at 10/31/11
Investments in Securities				
New York Municipal Bonds & Notes		$ 123,014,650		$ 123,014,650
Other Municipal Bonds & Notes		6,933,490		6,933,490
Short-Term Investments		2,349,777		2,349,777
Total Investments in Securities		$ 132,297,917		$ 132,297,917

There were no significant transfers between Levels 1 and 2 during the six months ended October 31, 2011.

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the six months ended October 31, 2011, was as follows:

Municipal:	Beginning Balance 4/30/11	Purchases	Sales	Accrued Discounts (Premiums)	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation/ Depreciation	Transfers into Level 3	Transfers out of Level 3	Ending Balance 10/31/11
Investments in Securities Assets									
Municipal Bonds & Notes:									
Tennessee	$ 472,350								$ 472,350
Total Investments	$ 472,350								$ 472,350

PIMCO Municipal Income Funds Notes to Financial Statements

October 31, 2011 (unaudited)

1. Organization and Significant Accounting Policies (continued)

There was no change in unrealized appreciation/depreciation of Level 3 investments which Municipal held at October 31, 2011. Net change in unrealized appreciation/depreciation is reflected on the Statements of Operations.

(c) Investment Transactions and Investment Income

Investment transactions are accounted for on the trade date. Securities purchased and sold on a when-issued basis may be settled a month or more after the trade date. Realized gains and losses on investments are determined on an identified cost basis. Interest income adjusted for the accretion of discounts and amortization of premiums is recorded on an accrual basis. Discounts or premiums on debt securities purchased are accreted or amortized, respectively, to interest income over the lives of the respective securities.

(d) Federal Income Taxes

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

Accounting for uncertainty in income taxes establishes for all entities, including pass-through entities such as the Funds, a minimum threshold for financial statement recognition of the benefit of positions taken in filing tax returns (including whether an entity is taxable in a particular jurisdiction), and requires certain expanded tax disclosures. The Funds management has determined that its evaluation has resulted in no material impact to the Funds financial statements at October 31, 2011. The Funds federal tax returns for the prior three years remain subject to examination by the Internal Revenue Service.

(e) Dividends and Distributions Common Shares

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

(f) Reverse Repurchase Agreements

In a reverse repurchase agreement, the Funds sell securities to a bank or broker-dealer and agree to repurchase the securities at a mutually agreed upon date and price. Generally, the effect of such a transaction is that the Funds can recover and reinvest all or most of the cash invested in portfolio securities involved during the term of the reverse repurchase agreement and still be entitled to the returns associated with those portfolio securities. Such transactions are advantageous if the interest cost to the Funds of the reverse repurchase transaction is less than the returns they obtain on investments purchased with the cash. To the extent the Funds do not cover their positions in reverse repurchase agreements (by segregating liquid assets at least equal in amount to the forward purchase commitment), the Funds uncovered obligations under the agreements will be subject to the Funds limitations on borrowings. Reverse repurchase agreements involve leverage risk and also the risk that the market value of the securities that the Funds are obligated to repurchase under the agreements may decline below the repurchase price. In the event the buyer of securities under a reverse repurchase agreement files for bankruptcy or becomes insolvent, the Funds use of the proceeds of the agreement may be restricted pending determination by the other party, or their trustee or receiver, whether to enforce the Funds obligation to repurchase the securities. There were no reverse repurchase agreements open at October 31, 2011.

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PIMCO Municipal Income Funds Notes to Financial Statements

October 31, 2011 (unaudited)

1. Organization and Significant Accounting Policies (continued)

(g) Inverse Floating Rate Transactions Residual Interest Municipal Bonds (RIBs) / Residual Interest Tax Exempt Bonds (RITEs)

The Funds invest in RIBs and RITEs (Inverse Floaters), whose interest rates bear an inverse relationship to the interest rate on another security or the value of an index. In inverse floating rate transactions, the Funds sell a fixed rate municipal bond (Fixed Rate Bond) to a broker who places the Fixed Rate Bond in a special purpose trust (Trust) from which floating rate bonds (Floating Rate Notes) and Inverse Floaters are issued. The Funds simultaneously or within a short period of time, purchase the Inverse Floaters from the broker. The Inverse Floaters held by the Funds provide the Funds with the right to: (1) cause the holders of the Floating Rate Notes to tender their notes at par, and (2) cause the broker to transfer the Fixed-Rate Bond held by the Trust to the Funds, thereby collapsing the Trust. The Funds account for the transaction described above as a secured borrowing by including the Fixed Rate Bond in their Schedules of Investments, and account for the Floating Rate Notes as a liability under the caption Payable for floating rate notes issued in the Funds Statements of Assets and Liabilities. The Floating Rate Notes have interest rates that generally reset weekly and their holders have the option to tender their notes to the broker for redemption at par at each reset date.

The Funds may also invest in Inverse Floaters without transferring a fixed rate municipal bond into a special purpose trust, which are not accounted for as secured borrowings. The Funds may also invest in Inverse Floaters for the purpose of increasing leverage.

The Inverse Floaters are created by dividing the income stream provided by the underlying bonds to create two securities, one short-term and one long-term. The interest rate on the short-term component is reset by an index or auction process typically every 7 to 35 days. After income is paid on the short-term securities at current rates, the residual income from the underlying bond(s) goes to the long-term securities. Therefore, rising short-term rates result in lower income for the long-term component and vice versa. The longer-term bonds may be more volatile and less liquid than other municipal bonds of comparable maturity. Investments in Inverse Floaters typically will involve greater risk than in an investment in Fixed Rate Bonds.

The Funds restrictions on borrowings do not apply to the secured borrowings deemed to have occurred for accounting purposes. Inverse Floaters held by the Funds are exempt from registration under Rule 144A of the Securities Act of 1933.

In addition to general market risks, the Funds investments in Inverse Floaters may involve greater risk and volatility than an investment in a fixed rate bond, and the value of Inverse Floaters may decrease significantly when market interest rates increase. Inverse Floaters have varying degrees of liquidity, and the market for these securities may be volatile. These securities tend to underperform the market for fixed rate bonds in a rising interest rate environment, but tend to outperform the market for fixed rate bonds when interest rates decline or remain relatively stable. Although volatile, Inverse Floaters typically offer the potential for yields exceeding the yields available on fixed rate bonds with comparable credit quality, coupon, call provisions and maturity. Trusts in which Inverse Floaters may be held could be terminated due to market, credit or other events beyond the Funds control, which could require the Funds to reduce leverage and dispose of portfolio investments at inopportune times and prices.

(h) When-Issued/Delayed-Delivery Transactions

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

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PIMCO Municipal Income Funds Notes to Financial Statements

October 31, 2011 (unaudited)

1. Organization and Significant Accounting Policies (continued)

(i) Restricted Securities

The Funds are permitted to invest in securities that are subject to legal or contractual restrictions on resale. These securities generally may be resold in transactions exempt from registration or to the public if the securities are registered. Disposal of these securities may involve time-consuming negotiations and expenses, and prompt sale at an acceptable price may be difficult.

(j) Custody Credits on Cash Balances

The Funds benefit from an expense offset arrangement with their custodian bank, whereby uninvested cash balances earn credits that reduce monthly custodian and accounting agent expenses. Had these cash balances been invested in income-producing securities, they would have generated income for the Funds. Cash overdraft charges, if any, are included in custodian and accounting agent fees.

(k) Interest Expense

Interest expense primarily relates to the Funds participation in floating rate notes held by third parties in conjunction with Inverse Floater transactions.

2. Principal Risks

In the normal course of business, the Funds trade financial instruments and enter into financial transactions where risk of potential loss exists due to, among other things, changes in the market (market risk) or failure of the other party to a transaction to perform (counterparty risk). The Funds are also exposed to other risks such as, but not limited to, interest rate and credit risks.

Interest rate risk is the risk that fixed income securities will decline in value because of changes in interest rates. As nominal interest rates rise, the value of certain fixed income securities held by the Funds are likely to decrease. A nominal interest rate can be described as the sum of a real interest rate and an expected inflation rate. Fixed income securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. Duration is used primarily as a measure of the sensitivity of a fixed income security s market price to interest rate (*i.e.* yield) movements.

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 the Funds hold 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 Funds are exposed to credit risk, which is the risk of losing money if the issuer or guarantor of a fixed income security is unable or unwilling, or is perceived (whether by market participants, rating agencies, pricing services or otherwise) as unable or unwilling, to make timely principal and/or interest payments, or to otherwise honor its obligations. Securities are subject to varying degrees of credit risk, which are often reflected in credit ratings.

The Funds are exposed to counterparty risk, or the risk that an institution or other entity with which the Funds have unsettled or open transactions will default. The potential loss to the Funds could exceed the value of the financial assets recorded in the Funds financial statements. Financial assets, which potentially expose the Funds to counterparty risk, consist principally of cash due from counterparties and investments. The Funds Sub-Adviser, Pacific Investment Management Company LLC (the Sub-Adviser), an affiliate of the Investment Manager, seeks to minimize the Funds counterparty risk by performing reviews of each counterparty and by minimizing concentration of counterparty risk by undertaking transactions with multiple customers and counterparties on recognized and reputable exchanges. Delivery of securities sold is only made once the Funds have received payment. Payment is made on a purchase once the securities have been delivered by the counterparty. The trade will fail if either party fails to meet its obligation.

PIMCO Municipal Income Funds Notes to Financial Statements

October 31, 2011 (unaudited)

2. Principal Risks (continued)

Leverage will cause the value of the Funds shares to be more volatile than if the Funds did not use leverage. This is because leverage tends to exaggerate the effect of any increase or decrease in the value of the Funds portfolio securities. The Funds may engage in transactions or purchase instruments that give rise to forms of leverage. In addition, to the extent the Funds employ leverage, interest costs may not be recovered by any appreciation of the securities purchased with the leverage proceeds and could exceed the Funds investment returns, resulting in greater losses.

The Funds are party to International Swaps and Derivatives Association, Inc. Master Agreements (ISDA Master Agreements) with select counterparties that govern transactions, over-the-counter derivatives and foreign exchange contracts entered into by the Funds and those counterparties. The ISDA Master Agreements contain provisions for general obligations, representations, agreements, collateral and events of default or termination. Events of termination include conditions that may entitle counterparties to elect to terminate early and cause settlement of all outstanding transactions under the applicable ISDA Master Agreement. Any election to terminate early could be material to the financial statements of the Funds.

3. Financial Derivative Instruments

Disclosure about derivatives and hedging activities requires qualitative disclosure regarding objectives and strategies for using derivatives, quantitative disclosure about fair value amounts of gains and losses on derivatives, and disclosure about credit-risk-related contingent features in derivative agreements. The disclosure requirements distinguish between derivatives, which are accounted for as hedges , and those that do not qualify for such accounting. Although the Funds sometimes use derivatives for hedging purposes, the Funds reflect derivatives at fair value and recognize changes in fair value through the Funds Statements of Operations, and such derivatives do not qualify for hedge accounting treatment.

(a) Futures Contracts

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

(b) Swap Agreements

Swap agreements are bilaterally negotiated agreements between the Funds and a counterparty to exchange or swap investment cash flows, assets, foreign currencies or market-linked returns at specified, future intervals. Swap agreements are privately negotiated in the over-the-counter market (OTC swaps) and may be executed in a multilateral or other trade facility platform, such as a registered commodities exchange (centrally cleared swaps). The Funds enter into credit default, cross-currency, interest rate, total return, variance and other forms of swap agreements in order to manage their exposure to credit, currency and interest rate risk. In connection with these agreements, securities or cash may be identified as collateral or margin in accordance with the terms of the respective swap agreements to provide assets of value and recourse in the event of default or bankruptcy/insolvency.

OTC swap payments received or made at the beginning of the measurement period, if any, are reflected as such on the Funds Statements of Assets and Liabilities and represent payments made or received upon entering into the swap agreement to compensate for differences between the stated terms of the swap agreement and prevailing market conditions (credit spreads, currency exchange rates, interest rates, and other relevant factors). These upfront payments, if any, are recorded as realized gains or losses on the Funds Statements of Operations upon termination or maturity of the

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PIMCO Municipal Income Funds Notes to Financial Statements

October 31, 2011 (unaudited)

3. Financial Derivative Instruments (continued)

swap. A liquidation payment received or made at the termination of the swap, if any, is recorded as realized gain or loss on the Funds Statements of Operations. Net periodic payments received or paid by the Funds, if any, are included as part of realized gains or losses on the Funds Statements of Operations. Changes in market value, if any, are reflected as a component of net changes in unrealized appreciation/depreciation on the Funds Statements of Operations. Daily changes in valuation of centrally cleared swaps, if any, are recorded as a receivable or payable for variation margin on centrally cleared swaps on the Funds Statements of Assets and Liabilities.

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

Interest Rate Swap Agreements Interest rate swap agreements involve the exchange by the Funds with a counterparty of their respective commitments to pay or receive interest, e.g., an exchange of floating rate payments for fixed rate payments, with respect to the notional amount of principal. Certain forms of interest rate swap agreements may include: (i) interest rate caps, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates exceed a specified rate, or cap , (ii) interest rate floors, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates fall below a specified rate, or floor , (iii) interest rate collars, under which a party sells a cap and purchases a floor or vice versa in an attempt to protect itself against interest rate movements exceeding given minimum or maximum levels, (iv) callable interest rate swaps, under which the counterparty may terminate the swap transaction in whole at zero cost by a predetermined date and time prior to the maturity date, (v) spreadlocks, which allow the interest rate swap users to lock in the forward differential (or spread) between the interest rate swap rate and a specified benchmark, or (vi) basis swaps, under which two parties can exchange variable interest rates based on different money markets.

The following is a summary of the fair valuation of the Funds derivatives categorized by risk exposure.

The effect of derivatives on the Statements of Operations for the six months ended October 31, 2011:

Municipal:

Location	Interest Rate Contracts
Net realized gain (loss) on:	
Futures contracts	$ 267,808
Swaps	(4,431,799)
Total net realized gain (loss)	$ (4,163,991)
Net change in unrealized appreciation/depreciation of:	
Swaps	$ 911,084

California Municipal:

Location	Interest Rate Contracts
Net realized gain (loss) on:	
Futures contracts	$ 207,688
Swaps	(11,472,396)
Total net realized gain (loss)	$ (11,264,708)
Net change in unrealized appreciation/depreciation of:	
Swaps	$ 2,315,148

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PIMCO Municipal Income Funds Notes to Financial Statements

October 31, 2011 (unaudited)

3. Financial Derivative Instruments (continued)

New York Municipal:

Location	Interest Rate Contracts
Net realized gain (loss) on:	
Futures contracts	$ 71,051
Swaps	(2,372,276)
Total net realized gain (loss)	$ (2,301,225)
Net change in unrealized appreciation/depreciation of:	
Swaps	$ 372,095

The average volume (measured at each fiscal quarter end) of derivative activity during the six months ended October 31, 2011:

	Interest Rate Swap Agreements[1]
Municipal	$ 10,267
California Municipal	25,200
New York Municipal	5,200

[1] Notional amount (in thousands)

4. Investment Manager/Sub-Adviser

Each Fund has an Investment Management Agreement (each an Agreement) with the Investment Manager. Subject to the supervision of the Funds Board of Trustees, the Investment Manager is responsible for managing, either directly or through others selected by it, the Funds investment activities, business affairs and administrative matters. Pursuant to each Agreement, the Investment Manager receives an annual fee, payable monthly, at an annual rate of 0.65% of each Fund s average daily net assets, inclusive of daily net assets attributable to any Preferred Shares outstanding. The Investment Manager has voluntarily agreed to waive a portion of its fee for each Fund at the annual rate of 0.05% of each Fund s average daily net assets, inclusive of net assets attributable to any Preferred Shares that may be outstanding, for the period from July 1, 2011 through June 30, 2012. For the six months ended October 31, 2011, each Fund paid investment management fees at an effective rate of 0.62% of each Fund s average daily net assets, inclusive of net assets attributable to any Preferred Shares that were outstanding.

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

5. Investments in Securities

Purchases and sales of investments, other than short-term securities and U.S. government obligations, for the six months ended October 31, 2011:

	Municipal	California Municipal	New York Municipal
Purchases	$ 44,124,777	$ 4,542,086	$ 16,045,260
Sales	43,034,825	26,304,380	23,795,349

(a) Floating rate notes:

The weighted average daily balance of floating rate notes outstanding during the six months ended October 31, 2011 for Municipal, California Municipal and New York Municipal was $18,063,277, $35,661,418 and $10,476,876 at a weighted average interest rate, including fees, of 1.65%, 0.37% and 0.26%, respectively.

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PIMCO Municipal Income Funds Notes to Financial Statements

October 31, 2011 (unaudited)

6. Income Tax Information

Under the recently enacted Regulated Investment Company Modernization Act of 2010, the Funds will be permitted to carry forward capital losses incurred in taxable years beginning after December 22, 2010, for an unlimited period. However, any losses incurred during those future taxable years will be required to be utilized prior to the losses incurred in pre-enactment taxable years. As a result of this, pre-enactment capital loss carryforwards may be more likely to expire unused. Additionally, post-enactment capital losses that are carried forward will retain their character as either short-term or long-term capital losses rather than being considered all short-term capital losses.

The cost basis of investments for federal income tax purposes and gross unrealized appreciation and gross unrealized depreciation of investments at October 31, 2011 were:

	Cost of Investments	Gross Unrealized Appreciation	Gross Unrealized Depreciation	Net Unrealized Appreciation
Municipal	$ 456,842,487	$ 32,963,902	$ 12,818,612	$ 20,145,290
California Municipal	352,324,126	24,438,351	8,181,205	16,257,146
New York Municipal	119,831,660	5,449,271	2,074,047	3,425,224

The difference between book and tax cost and appreciation/depreciation were attributable to inverse floater transactions.

7. Auction-Rate Preferred Shares

Municipal has 1,520 shares of Preferred Shares Series A, 1,520 shares of Preferred Shares Series B, 1,520 shares of Preferred Shares Series C, 1,520 shares of Preferred Shares Series D and 1,520 shares of Preferred Shares Series E outstanding, each with a liquidation preference value of $25,000 per share plus any accumulated, unpaid dividends.

California Municipal has 2,000 shares of Preferred Shares Series A, 2,000 shares of Preferred Shares Series B and 2,000 shares of Preferred Shares Series C outstanding, each with a liquidation preference value of $25,000 per share plus any accumulated, unpaid dividends.

New York Municipal has 1,880 shares of Preferred Shares Series A outstanding, with a liquidation preference value of $25,000 per share plus any accumulated, unpaid dividends.

Dividends are accumulated daily at an annual rate (typically re-set every seven days) through auction procedures (or through default provisions in the event of failed auctions). Distributions of net realized capital gains, if any, are paid annually.

For the six months ended October 31, 2011, the annualized dividend rates for each Fund ranged from:

	High	Low	At October 31, 2011
Municipal:			
Series A	0.396%	0.107%	0.229%
Series B	0.411%	0.107%	0.229%
Series C	0.411%	0.110%	0.229%
Series D	0.411%	0.107%	0.229%
Series E	0.411%	0.107%	0.229%
California Municipal:			
Series A	0.396%	0.107%	0.229%
Series B	0.411%	0.110%	0.229%
Series C	0.411%	0.107%	0.229%
New York Municipal:			
Series A	0.411%	0.107%	0.229%

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PIMCO Municipal Income Funds Notes to Financial Statements

October 31, 2011 (unaudited)

7. Auction-Rate Preferred Shares (continued)

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

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

Since mid-February 2008, holders of auction-rate preferred shares (ARPS) issued by the Funds have been directly impacted by an unprecedented lack of liquidity, which has similarly affected ARPS holders in many of the nation s closed-end funds. Since then, regularly scheduled auctions for ARPS issued by the Funds have consistently failed because of insufficient demand (bids to buy shares) to meet the supply (shares offered for sale) at each auction. In a failed auction, ARPS holders cannot sell all, and may not be able to sell any, of their shares tendered for sale. While repeated auction failures have affected the liquidity for ARPS, they do not constitute a default or automatically alter the credit quality of the ARPS, and the ARPS holders have continued to receive dividends at the defined maximum rate equal to the higher of the 30-day AA Composite Commercial Paper Rate multiplied by 110% or the Taxable Equivalent of the Short-Term Municipal Obligations Rate-defined as 90% of the quotient of (A) the per annum rate expressed on an interest equivalent basis equal to the Kenny S&P 30-day High Grade Index divided by (B) 1.00 minus the Marginal Tax Rate (expressed as a decimal) multiplied by 110% (which is a function of short-term interest rates and typically higher than the rate that would have otherwise been set through a successful auction). If the Funds ARPS auctions continue to fail and the maximum rate payable on the ARPS rises as a result of changes in short-term interest rates, returns for the Funds common shareholders could be adversely affected.

8. Subsequent Events

On November 1, 2011, the following dividends were declared to common shareholders payable December 1, 2011 to shareholders of record on November 14, 2011:

Municipal	$0.08125 per common share
California Municipal	$0.077 per common share
New York Municipal	$0.057 per common share

On December 1, 2011, the following dividends were declared to common shareholders payable January 3, 2012 to shareholders of record on December 12, 2011:

Municipal	$0.08125 per common share

California Municipal	$0.077 per common share
New York Municipal	$0.057 per common share

The Funds amended Dividend Reinvestment Plan became effective on November 15, 2011, for distributions paid after December 15, 2011.

It is anticipated that Paul Belica will retire from the Trust s Board as a Trustee on December 31, 2011.

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PIMCO Municipal Income Fund Financial Highlights

For a common share outstanding throughout each period:

	Six Months ended October 31, 2011 (unaudited)	Year ended April 30, 2011	2010	2009	2008	2007
Net asset value, beginning of period	$10.72	$11.76	$9.38	$12.96	$14.85	$14.54
Investment Operations:						
Net investment income	0.51	1.07	1.18	1.13	1.12	1.07
Net realized and change in unrealized gain (loss) on investments, futures contracts, options written and swaps	1.03	(1.10)	2.22	(3.53)	(1.74)	0.50
Total from investment operations	1.54	(0.03)	3.40	(2.40)	(0.62)	1.57
Dividends on Preferred Shares from Net Investment Income	(0.01)	(0.03)	(0.04)	(0.20)	(0.29)	(0.28)
Net increase (decrease) in net assets applicable to common shareholders resulting from investment operations	1.53	(0.06)	3.36	(2.60)	(0.91)	1.29
Dividends to Common Shareholders from Investment Income	(0.49)	(0.98)	(0.98)	(0.98)	(0.98)	(0.98)
Net asset value, end of period	$11.76	$10.72	$11.76	$9.38	$12.96	$14.85
Market price, end of period	$13.72	$12.92	$13.72	$11.40	$16.46	$18.00
Total Investment Return (1)	10.32%	1.54%	30.34%	(24.58)%	(2.47)%	17.77%
RATIOS/SUPPLEMENTAL DATA:						
Net assets applicable to common shareholders, end of period (000s)	$296,607	$269,916	$294,457	$233,507	$321,268	$365,984
Ratio of expenses to average net assets, including interest expense (2)(3)(4)	1.45%*(5)	1.44%	1.46%(5)	1.64%(5)	1.51%(5)	1.32%(5)
Ratio of expenses to average net assets, excluding interest expense (2)(3)	1.24%*(5)	1.34%	1.34%(5)	1.42%(5)	1.20%(5)	1.00%(5)
Ratio of net investment income to average net assets (2)	8.88%*(5)	9.43%	10.77%(5)	10.65%(5)	8.07%(5)	7.23%(5)
Preferred shares asset coverage per share	$64,026	$60,514	$63,743	$55,722	$65,143	$70,727
Portfolio turnover rate	9%	15%	11%	60%	32%	6%

* Annualized

(1) 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 period reported. Dividends and distributions, if any, are assumed, for purposes of this calculation, to be reinvested at prices obtained under the Fund s dividend reinvestment plan. Total investment return does not reflect brokerage commissions or sales charges in connection with the purchase or sale of Fund shares. Total investment return for a period of less than one year is not annualized.

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

(3) Inclusive of expenses offset by custody credits earned on cash balances at the custodian bank (See Note 1(j) in Notes to Financial Statements).

(4) Interest expense primarily relates to the liability for floating rate notes issued in connection with Inverse Floater transactions and/or participation in reverse repurchase agreement transactions.

(5) During the periods indicated above, the Investment Manager/Sub-Adviser waived a portion of their fees. The effect of such waivers relative to the average net assets of common shareholders was 0.07% (annualized), 0.01%, 0.10%, 0.17% and 0.24% for the six months ended October 31, 2011 and the years ended April 30, 2010, April 30, 2009, April 30, 2008, and April 30, 2007, respectively.

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PIMCO California Municipal Income Fund Financial Highlights

For a common share outstanding throughout each period:

	Six Months ended October 31, 2011 (unaudited)	Year ended April 30,				
		2011	2010	2009	2008	2007
Net asset value, beginning of period	$11.32	$12.84	$10.61	$13.62	$14.84	$14.48
Investment Operations:						
Net investment income	0.54	1.12	1.21	1.08	1.07	1.10
Net realized and change in unrealized gain (loss) on investments, futures contracts, options written and swaps	1.04	(1.69)	1.98	(2.96)	(1.09)	0.44
Total from investment operations	1.58	(0.57)	3.19	(1.88)	(0.02)	1.54
Dividends on Preferred Shares from Net Investment Income	(0.01)	(0.03)	(0.04)	(0.21)	(0.28)	(0.26)
Net increase (decrease) in net assets applicable to common shareholders resulting from investment operations	1.57	(0.60)	3.15	(2.09)	(0.30)	1.28
Dividends to Common Shareholders from Investment Income	(0.46)	(0.92)	(0.92)	(0.92)	(0.92)	(0.92)
Net asset value, end of period	$12.43	$11.32	$12.84	$10.61	$13.62	$14.84
Market price, end of period	$12.78	$11.99	$13.29	$12.18	$15.83	$17.70
Total Investment Return (1)	10.68%	(2.79)%	17.72%	(16.72)%	(4.88)%	18.20%
RATIOS/SUPPLEMENTAL DATA:						
Net assets applicable to common shareholders, end of period (000s)	$229,210	$208,147	$234,792	$192,849	$246,613	$267,061
Ratio of expenses to average net assets, including interest expense (2)(3)(4)	1.40%*(5)	1.48%	1.49%(5)	1.66%(5)	1.41%(5)	1.26%(5)
Ratio of expenses to average net assets, excluding interest expense (2)(3)	1.28%*(5)	1.34%	1.34%(5)	1.39%(5)	1.15%(5)	1.05%(5)
Ratio of net investment income to average net assets (2)	8.98%*(5)	9.21%	10.15%(5)	9.42%(5)	7.57%(5)	7.48%(5)
Preferred shares asset coverage per share	$63,201	$59,689	$64,130	$57,140	$66,086	$69,491
Portfolio turnover rate	1%	19%	8%	42%	14%	4%

* Annualized

(1) 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 period reported. Dividends and distributions, if any, are assumed, for purposes of this calculation, to be reinvested at prices obtained under the Fund s dividend reinvestment plan. Total investment return does not reflect brokerage commissions or sales charges in connection with the purchase or sale of Fund shares. Total investment return for a period of less than one year is not annualized.

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

(3) Inclusive of expenses offset by custody credits earned on cash balances at the custodian bank (See Note 1(j) in Notes to Financial Statements).

(4) Interest expense primarily relates to the liability for floating rate notes issued in connection with Inverse Floater transactions and/or participation in reverse repurchase agreement transactions.

(5) During the periods indicated above, the Investment Manager/Sub-Adviser waived a portion of their fees. The effect of such waivers relative to the average net assets of common shareholders was 0.07% (annualized), 0.01%, 0.10%, 0.17% and 0.25% for the six months ended October 31, 2011 and the years ended April 30, 2010, April 30, 2009, April 30, 2008, and April 30, 2007, respectively.

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PIMCO New York Municipal Income Fund Financial Highlights

For a common share outstanding throughout each period:

	Six Months ended October 31, 2011 (unaudited)	Year ended April 30, 2011	2010	2009	2008	2007
Net asset value, beginning of period	$9.92	$10.67	$9.19	$12.70	$13.74	$13.47
Investment Operations:						
Net investment income	0.38	0.80	0.88	0.87	0.97	0.97
Net realized and change in unrealized gain (loss) on investments, futures contracts, options written and swaps	0.58	(0.84)	1.31	(3.50)	(1.03)	0.37
Total from investment operations	0.96	(0.04)	2.19	(2.63)	(0.06)	1.34
Dividends on Preferred Shares from Net Investment Income	(0.01)	(0.03)	(0.03)	(0.20)	(0.30)	(0.28)
Net increase (decrease) in net assets applicable to common shareholders resulting from investment operations	0.95	(0.07)	2.16	(2.83)	(0.36)	1.06
Dividends to Common Shareholders from Investment Income	(0.34)	(0.68)	(0.68)	(0.68)	(0.68)	(0.79)
Net asset value, end of period	$10.53	$9.92	$10.67	$9.19	$12.70	$13.74
Market price, end of period	$10.53	$9.89	$11.18	$9.90	$13.06	$15.02
Total Investment Return (1)	10.04%	(5.57)%	20.76%	(18.80)%	(8.31)%	8.89%
RATIOS/SUPPLEMENTAL DATA:						
Net assets applicable to common shareholders, end of period (000s)	$80,544	$75,728	$81,074	$69,482	$95,691	$103,035
Ratio of expenses to average net assets, including interest expense (2)(3)(4)	1.39%*(5)	1.51%	1.52%(5)	1.86%(5)	2.00%(5)	1.94%(5)
Ratio of expenses to average net assets, excluding interest expense (2)(3)	1.32%*(5)	1.42%	1.41%(5)	1.62%(5)	1.32%(5)	1.23%(5)
Ratio of net investment income to average net assets (2)	7.29%*(5)	7.70%	8.71%(5)	8.49%(5)	7.41%(5)	7.06%(5)
Preferred shares asset coverage per share	$67,841	$65,279	$68,123	$61,957	$62,969	$65,863
Portfolio turnover rate	12%	29%	11%	37%	14%	2%

* Annualized

(1) 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 period reported. Dividends and distributions, if any, are assumed, for purposes of this calculation, to be reinvested at prices obtained under the Fund s dividend reinvestment plan. Total investment return does not reflect brokerage commissions or sales charges in connection with the purchase or sale of Fund shares. Total investment return for a period of less than one year is not annualized.

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

(3) Inclusive of expenses offset by custody credits earned on cash balances at the custodian bank (See Note 1(j) in Notes to Financial Statements).

(4) Interest expense primarily relates to the liability for floating rate notes issued in connection with Inverse Floater transactions and/or participation in reverse repurchase agreement transactions.

(5) During the periods indicated above, the Investment Manager/Sub-Adviser waived a portion of their fees. The effect of such waivers relative to the average net assets of common shareholders was 0.07% (annualized), 0.01%, 0.10%, 0.18% and 0.26% for the six months ended October 31, 2011 and the years ended April 30, 2010, April 30, 2009, April 30, 2008, and April 30, 2007, respectively.

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PIMCO Municipal Income Funds

Portfolio Manager Change/Proxy Voting Policies & Procedures (unaudited)

Portfolio Manager Change:

On July 26, 2011, Joe Deane assumed primary responsibility for the day-to-day portfolio management of each of the Funds. Mr. Deane, an Executive Vice President at Pacific Investment Management Company LLC (PIMCO), joined PIMCO in 2011 and is the head of the municipal bond portfolio management team. Prior to joining PIMCO, he served as Managing Director, Co-Head of the Tax-Exempt Department for Western Asset Management Company. Previously he was Managing Director, Head of Tax-Exempt Investments for Smith Barney/Citigroup Asset Management from 1993 to 2005.

Proxy Voting Policies & Procedures:

A description of the policies and procedures that the Funds have adopted to determine how to vote proxies relating to portfolio securities and information about how the Funds voted proxies relating to portfolio securities held during the most recent twelve month period ended June 30 is available (i) without charge, upon request, by calling the Funds shareholder servicing agent at (800) 254-5197; (ii) on the Funds website at www.allianzinvestors.com/closedendfunds; and (iii) on the Securities and Exchange Commission website at www.sec.gov

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PIMCO Municipal Income Funds

Matters Relating to the Trustees Consideration of the Investment Management & Portfolio Management Agreements (unaudited)

The Investment Company Act of 1940, as amended, requires that both the full Board of Trustees (the Trustees) and a majority of the non-interested Trustees (the Independent Trustees), voting separately, approve each Fund s Management Agreement with the Investment Manager (the Advisory Agreement) and Portfolio Management Agreement between the Investment Manager and the Sub-Adviser (the Sub-Advisory Agreement , and together with the Advisory Agreement, the Agreements). The Trustees met in person on June 14-15, 2011 (the contract review meeting) for the specific purpose of considering whether to approve the continuation of the Agreements. The Independent Trustees were assisted in their evaluation of the Agreements by independent legal counsel, from whom they received separate legal advice and with whom they met separately from Fund management during the contract review meeting.

Based on their evaluation of factors that they deemed to be material, including those factors described below, the Trustees, including a majority of the Independent Trustees, concluded that the continuation of the Agreements should be approved for a one-year period commencing July 1, 2011.

In connection with their deliberations regarding the continuation of the Agreements, the Trustees, including the Independent Trustees, considered such information and factors as they believed, in light of the legal advice furnished to them and their own business judgment, to be relevant. As described below, the Trustees considered the nature, quality, and extent of the various investment management, administrative and other services performed by the Investment Manager or the Sub-Adviser under the applicable Agreement.

In connection with their contract review meetings, the Trustees received and relied upon materials provided by the Investment Manager which included, among other items: (i) information provided by Morningstar Associates LLC (Morningstar) on the net return investment performance (based on net assets) of the Funds for various time periods, the investment performance of a group of funds with substantially similar investment classifications/objectives as the Funds identified by Morningstar and the performance of an applicable benchmark index, (ii) information provided by Morningstar on the Funds management fees and other expenses and the management fees and other expenses of comparable funds identified by Morningstar, (iii) information regarding the investment performance and management fees of any comparable portfolios of other clients of the Sub-Adviser, (iv) the estimated profitability to the Investment Manager and the Sub-Adviser from their relationship with the Funds for the one year period ended March 31, 2011, (v) descriptions of various functions performed by the Investment Manager and the Sub-Adviser for the Funds, such as portfolio management, compliance monitoring and portfolio trading practices, and (vi) information regarding the overall organization of the Investment Manager and the Sub-Adviser, including information regarding senior management, portfolio managers and other personnel providing investment management, administrative and other services to the Funds.

The Trustees conclusions as to the continuation of the Agreements were based on a comprehensive consideration of all information provided to the Trustees and were not the result of any single factor. Some of the factors that figured particularly in the Trustees deliberations are described below, although individual Trustees may have evaluated the information presented differently from one another, attributing different weights to various factors.

As part of their review, the Trustees examined the Investment Manager s and the Sub-Adviser s abilities to provide high quality investment management and other services to the Funds. The Trustees considered the investment philosophy and research and decision-making processes of the Sub-Adviser; the experience of key advisory personnel of the Sub-Adviser responsible for portfolio management of the Funds; the ability of the Investment Manager and the Sub-Adviser to attract and retain capable personnel; the capability and integrity of the senior management and staff of the Investment Manager and the Sub-Adviser; and the level of skill required to manage the Funds. In addition, the Trustees reviewed the quality of the Investment Manager s and the Sub-Adviser s services with respect to regulatory compliance and compliance with the investment policies of the Funds; the nature and quality of certain administrative services the Investment Manager is responsible for providing to the Funds; and conditions that might affect the Investment Manager s or the Sub-Adviser s ability to provide high quality services to the Funds in the future under the Agreements, including each organization s respective business reputation, financial condition and operational stability. Based on the foregoing, the Trustees concluded that the Sub-Adviser s investment process, research capabilities and philosophy were well suited to each of

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PIMCO Municipal Income Funds

Matters Relating to the Trustees Consideration of the Investment Management & Portfolio Management Agreements (unaudited) (continued)

the Funds given their respective investment objectives and policies, and that the Investment Manager and the Sub-Adviser would be able to continue to meet any reasonably foreseeable obligations under the Agreements.

Based on information provided by Morningstar, the Trustees also reviewed each Fund s net return investment performance as well as the performance of comparable funds identified by Morningstar. In the course of their deliberations, the Trustees took into account information provided by the Investment Manager in connection with the contract review meeting, as well as during investment review meetings conducted with portfolio management personnel during the course of the year regarding each Fund s performance.

In assessing the reasonableness of each Fund s fees under the Agreements, the Trustees considered, among other information, each Fund s management fee and the total net expense ratio as a percentage of average net assets attributable to common shares and preferred shares and the management fee and total net expense ratios of comparable funds identified by Morningstar.

The Trustees specifically took note of how each Fund compared to its Morningstar peers as to performance and management fee and total net expenses. The Trustees noted that while the Funds are not charged a separate administration fee, it was not clear whether the peer funds in the Morningstar categories were separately charged such a fee by their investment managers, so that the total net expense ratio (rather than any individual expense component) represented the most relevant comparison. It was noted that the total net expense ratio reflects the effect of expense waivers/reimbursements and does not reflect interest expense.

Municipal:

The Trustees noted that the expense group for the Fund provided by Morningstar consisted of a total of thirteen closed-end funds, including the Fund but not including the peer funds managed by the Investment Manager. The Trustees also noted that average net assets of the common shares of the funds in the peer group ranged from $84.95 million to $492.33 million, and that five of the funds are larger in asset size than the Fund. The Trustees also noted that the Fund was ranked eleventh out of thirteen funds in the expense peer group for total net expense ratio based on common share assets, tenth out of thirteen funds in the expense peer group for the total net expense ratio based on common share and leveraged assets combined and eleventh out of thirteen funds in actual management fees (with funds ranked first having the lowest fees/expenses and ranked thirteenth having the highest fees/expenses in the peer group). Finally, the Trustees considered the Investment Manager s voluntary waiver of 0.05% of the Fund s management fee payable.

With respect to Fund performance (based on net asset value), the Trustees also noted that the Fund outperformed its benchmark and was ranked tenth out of twelve funds for the one-year period ended February 28, 2011. The Trustees noted that the Fund underperformed its benchmark and was ranked eighth and ninth out of twelve funds for the three-year and five-year periods ended February 28, 2011, respectively.

California Municipal:

The Trustees noted that the expense group for the Fund provided by Morningstar consisted of a total of twelve closed-end funds, including the Fund but not including the peer Funds managed by the Investment Manager. The Trustees also noted that average net assets of the common shares of the funds in the peer group ranged from $30.63 million to $329.31 million, and that five of the funds are larger in asset size than the Fund. The Trustees also noted that the Fund was ranked ninth out of twelve funds in the expense peer group for total net expense ratio based on common share assets, ninth out of twelve funds in the expense peer group for the total net expense ratio based on common share and leveraged assets combined and sixth out of twelve funds in actual management fees (with funds ranked first having the lowest fees/expenses and ranked twelfth having the highest fees/expenses in the peer group). Finally, the Trustees considered the Investment Manager s voluntary waiver of 0.05% of the Fund s management fee payable.

With respect to Fund performance (based on net asset value), the Trustees also noted that the Fund underperformed its benchmark and was ranked eleventh out of twelve funds for the one-year period ended February 28, 2011. The Trustees noted that the Fund underperformed its benchmark and was ranked seventh and fifth out of twelve funds for the three-year and five-year periods ended February 28, 2011, respectively.

PIMCO Municipal Income Funds

Matters Relating to the Trustees Consideration of the Investment Management & Portfolio Management Agreements (unaudited) (continued)

New York Municipal:

The Trustees noted that the expense group for the Fund provided by Morningstar consisted of a total of eleven closed-end funds, including the Fund but not including the peer funds managed by the Investment Manager. The Trustees also noted that average net assets of the common shares of the funds in the peer group ranged from $41.72 million to $262.56 million, and that eight of the funds are larger in asset size than the Fund. The Trustees also noted that the Fund was ranked eighth out of eleven funds in the expense peer group for total net expense ratio based on common share assets, sixth out of eleven funds in the expense peer group for the total net expense ratio based on common share and leveraged assets combined and fifth out of eleven funds in actual management fees (with funds ranked first having the lowest fees/expenses and ranked eleventh having the highest fees/expenses in the peer group). Finally, the Trustees considered the Investment Manager s voluntary waiver of 0.05% of the Fund s management fee payable.

With respect to Fund performance (based on net asset value), the Trustees also noted that the Fund underperformed its benchmark and was ranked eighth out of eleven funds for the one-year period ended February 28, 2011. The Trustees noted that the Fund underperformed its benchmark and was ranked ninth and eighth out of eleven funds for the three-year and five-year periods ended February 28, 2011, respectively.

The Trustees also considered the management fees charged by Sub-Adviser to other clients, including accounts with investment strategies similar to those of the Funds. The Trustees noted that the management fees paid by the Funds are generally higher than the fees paid by the open-end funds offered for comparison but were advised that there are additional portfolio management challenges in managing the Funds, such as the use of leverage and meeting a regular dividend.

The Trustees also took into account that the Funds have preferred shares outstanding, which increases the amount of fees received by the Investment Manager and the Sub-Adviser under the Agreements (because the fees are calculated based on the Funds net assets, including assets attributable to preferred shares). In this regard, the Trustees took into account that the Investment Manager and the Sub-Adviser have a financial incentive for the Funds to continue to have preferred shares outstanding, which may create a conflict of interest between the Investment Manager and the Sub-Adviser, on one hand, and the Funds common shareholders, on the other. In this regard, the Trustees considered information provided by the Investment Manager and the Sub-Adviser and determined that each Funds use of leverage through preferred shares continues to be appropriate and in the best interests of the Funds common shareholders.

Based on a profitability analysis provided by the Investment Manager, the Trustees also considered the estimated profitability of the Investment Manager and the Sub-Adviser from their relationship with each Fund and determined that such profitability did not appear to be excessive.

The Trustees also took into account that, as closed-end investment companies, the Funds do not currently intend to raise additional assets, so the assets of the Funds will grow (if at all) only through the investment performance of each Fund. Therefore, the Trustees did not consider potential economies of scale as a principal factor in assessing the fee rates payable under the Agreements.

Additionally, the Trustees considered so-called fall-out benefits to the Investment Manager and the Sub-Adviser, such as reputational value derived from serving as Investment Manager and Sub-Adviser to the Funds.

After reviewing these and other factors described herein, the Trustees concluded with respect to each Fund, within the context of their overall conclusions regarding the Agreements and based on the information provided and related representations made by management, that the fees payable under the Agreements represent reasonable compensation in light of the nature and quality of the services being provided by the Investment Manager and Sub-Adviser to the Funds.

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Investment Manager

Allianz Global Investors Fund Management LLC

1633 Broadway

New York, NY 10019

Sub-Adviser

Pacific Investment Management Company LLC

840 Newport Center Drive

Newport Beach, CA 92660

Custodian & Accounting Agent

State Street Bank & Trust Co.

Lafayette Corporate Center, 5th Floor

2 Avenue De Lafayette

Boston, MA 02111

Transfer Agent, Dividend Paying Agent and Registrar

BNY Mellon

P.O. Box 43027

Providence, RI 02940-3027

Independent Registered Public Accounting Firm

PricewaterhouseCoopers LLP

300 Madison Avenue

New York, NY 10017

Legal Counsel

Ropes & Gray LLP

Prudential Tower

800 Boylston Street

Boston, MA 02199

This report, including the financial information herein, is transmitted to the shareholders of PIMCO Municipal Income Fund, PIMCO California Municipal Income Fund and PIMCO New York Municipal Income Fund for their information. It is not a prospectus, circular or representation intended for use in the purchase of shares of the Funds or any securities mentioned in this report.

The financial information included herein is taken from the records of the Funds without examination by an independent registered public accounting firm, who did not express an opinion herein.

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that from time to time the Funds may purchase their common shares in the open market.

The Funds file their complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of their fiscal year on Form N-Q. The Funds Form N-Q are available on the SEC s website at www.sec.gov and may be reviewed and copied at the SEC s Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330. The information on Form N-Q is also available on the Funds website at www.allianzinvestors.com/closedendfunds.

Information on the Funds is available at www.allianzinvestors.com/closedendfunds or by calling the Funds shareholder servicing agent at (800) 254-5197.

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ITEM 2. CODE OF ETHICS
Not required in this filing.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT
Not required in this filing.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES
Not required in this filing.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANT
Not required in this filing.

ITEM 6. SCHEDULE OF INVESTMENTS

(a) The registrant s Schedule of Investments is included as part of the report to shareholders filed under Item 1 of this form.

(b) Not applicable.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES
Not required in this filing.

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ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES
(a)(1)

As of January 5, 2012, the following individual has primary responsibility for the day-to-day implementation of the PIMCO Municipal Income Fund (PMF), PIMCO California Municipal Income Fund (PCQ) and PIMCO New York Municipal Income Fund (PNF) (each a Fund and collectively, the Funds):

Joe Deane

Mr. Deane has been the portfolio manager for the Funds since July 2011. Mr. Deane, an Executive Vice President at Pacific Investment Management Company LLC (PIMCO), joined PIMCO in 2011 and is the head of the municipal bond portfolio management team. Prior to joining PIMCO, he served as Managing Director, Co-Head of the Tax-Exempt Department for Western Asset Management Company. Previously he was Managing Director, Head of Tax-Exempt Investments for Smith Barney/Citigroup Asset Management from 1993 to 2005. He has 41 years of investment experience and holds a bachelor s degree from Iona College.

(a)(2)

The following summarizes information regarding each of the accounts, excluding the respective Fund managed by the Portfolio Manager as of October 31, 2011, including accounts managed by a team, committee, or other group that includes the Portfolio Manager. Unless mentioned otherwise, the advisory fee charged for managing each of the accounts listed below is not based on performance.

		Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
PM	Fund	#	AUM($million)	#	AUM($million)	#	AUM($million)
Joe Deane	PMF	19	5,378.10	0	0	4	365.82
	PCQ	19	5,485.59	0	0	4	365.82
	PNF	19	5,737.46	0	0	4	365.82

From time to time, potential and actual conflicts of interest may arise between a portfolio manager s management of the investments of a Fund, on the one hand, and the management of other accounts, on the other. Potential and actual conflicts of interest may also arise as a result of PIMCO s other business activities and PIMCO s possession of material non-public information about an issuer. Other accounts managed by a portfolio manager might have similar investment objectives or strategies as the Funds, track the same index a Fund tracks or otherwise hold, purchase, or sell securities that are eligible to be held, purchased or sold by the Funds. The other accounts might also have different investment objectives or strategies than the Funds.

Knowledge and Timing of Fund Trades. A potential conflict of interest may arise as a result of the portfolio manager s day-to-day management of a Fund. Because of their positions with the Funds, the portfolio managers know the size, timing and possible market impact of a Fund s trades. It is theoretically possible

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that the portfolio managers could use this information to the advantage of other accounts they manage and to the possible detriment of a Fund.

Investment Opportunities. A potential conflict of interest may arise as a result of the portfolio manager s management of a number of accounts with varying investment guidelines. Often, an investment opportunity may be suitable for both a Fund and other accounts managed by the portfolio manager, but may not be available in sufficient quantities for both the Fund and the other accounts to participate fully. Similarly, there may be limited opportunity to sell an investment held by a Fund and another account. PIMCO has adopted policies and procedures reasonably designed to allocate investment opportunities on a fair and equitable basis over time.

Under PIMCO s allocation procedures, investment opportunities are allocated among various investment strategies based on individual account investment guidelines and PIMCO s investment outlook. PIMCO has also adopted additional procedures to complement the general trade allocation policy that are designed to address potential conflicts of interest due to the side-by-side management of the Funds and certain pooled investment vehicles, including investment opportunity allocation issues.

Conflicts potentially limiting a Fund s investment opportunities may also arise when the Fund and other PIMCO clients invest in different parts of an issuer s capital structure, such as when the Fund owns senior debt obligations of an issuer and other clients own junior tranches of the same issuer. In such circumstances, decisions over whether to trigger an event of default, over the terms of any workout, or how to exit an investment may result in conflicts of interest. In order to minimize such conflicts, a portfolio manager may avoid certain investment opportunities that would potentially give rise to conflicts with other PIMCO clients or PIMCO may enact internal procedures designed to minimize such conflicts, which could have the effect of limiting a Fund s investment opportunities.

Additionally, if PIMCO acquires material non-public confidential information in connection with its business activities for other clients, a portfolio manager may be restricted from purchasing securities or selling securities for a Fund. When making investment decisions where a conflict of interest may arise, PIMCO will endeavor to act in a fair and equitable manner as between a Fund and other clients; however, in certain instances the resolution of the conflict may result in PIMCO acting on behalf of another client in a manner that may not be in the best interest, or may be opposed to the best interest, of a Fund.

Performance Fees. A portfolio manager may advise certain accounts with respect to which the advisory fee is based entirely or partially on performance. Performance fee arrangements may create a conflict of interest for the portfolio manager in that the portfolio manager may have an incentive to allocate the investment opportunities that he or she believes might be the most profitable to such other accounts instead of allocating them to a Fund. PIMCO has adopted policies and procedures reasonably designed to allocate investment opportunities between the Funds and such other accounts on a fair and equitable basis over time.

(a) (3)

As of October 31, 2011, the following explains the compensation structure of the individual that shares primary responsibility for day-to-day portfolio management of the Fund:

PIMCO has adopted a Total Compensation Plan for its professional level employees, including its portfolio managers, that is designed to pay competitive compensation and reward performance, integrity and teamwork consistent with the firm s mission statement. The Total Compensation Plan includes an incentive component that rewards high performance standards, work ethic and consistent individual and team contributions to the firm. The compensation of portfolio managers consists of a base salary, discretionary performance bonus, and may include an equity or long term incentive component.

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Certain employees of PIMCO, including portfolio managers, may elect to defer compensation through PIMCO s deferred compensation plan. PIMCO also offers its employees a non-contributory defined contribution plan through which PIMCO makes a contribution based on the employee s compensation. PIMCO s contribution rate increases at a specified compensation level, which is a level that would include portfolio managers.

The Total Compensation Plan consists of three components:

Base Salary Base salary is determined based on core job responsibilities, market factors and internal equity. Base salary levels are reviewed annually, when there is a significant change in job responsibilities or a significant change in the market. Base salary is paid in regular installments throughout the year and payment dates are in line with local practice.

Performance Bonus Performance bonuses are designed to reward individual performance. Each professional and his or her supervisor will agree upon performance objectives to serve as a basis for performance evaluation during the year. The objectives will outline individual goals according to pre-established measures of the group or department success. Achievement against these goals as measured by the employee and supervisor will be an important, but not exclusive, element of the Compensation Committee s bonus decision process. Final award amounts are determined at the discretion of the Compensation Committee and will also consider firm performance.

Equity or Long Term Incentive Compensation Equity allows key professionals to participate in the long-term growth of the firm. This program provides mid to senior level employees with the potential to acquire an equity stake in PIMCO over their careers and to better align employee incentives with the firm s long-term results. These options vest over a number of years and may convert into PIMCO equity which shares in the profit distributions of the firm. M Units are non-voting common equity of PIMCO and provide a mechanism for individuals to build a significant equity stake in PIMCO over time. Employees who reach a total compensation threshold are delivered their annual compensation in a mix of cash and option awards. PIMCO incorporates a progressive allocation of option awards as a percentage of total compensation which is in line with market practices.

In certain countries with significant tax implications for employees to participate in the M Unit Option Plan, PIMCO continues to use the Long Term Incentive Plan (LTIP) in place of the M Unit Option Plan. The LTIP provides cash awards that appreciate or depreciate based upon the performance of PIMCO s parent company, Allianz Global Investors, and PIMCO over a three-year period. The aggregate amount available for distribution to participants is based upon Allianz Global Investors profit growth and PIMCO s profit growth.

Participation in the M Unit Option Plan and LTIP is contingent upon continued employment at PIMCO.

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In addition, the following non-exclusive list of qualitative criteria may be considered when specifically determining the total compensation for portfolio managers:

- 3-year, 2-year and 1-year dollar-weighted and account-weighted, pre-tax investment performance as judged against the applicable benchmarks for each account managed by a portfolio manager (including the Funds) and relative to applicable industry peer groups;
- Appropriate risk positioning that is consistent with PIMCO s investment philosophy and the Investment Committee/CIO approach to the generation of alpha;
- Amount and nature of assets managed by the portfolio manager;
- Consistency of investment performance across portfolios of similar mandate and guidelines (reward low dispersion);
- Generation and contribution of investment ideas in the context of PIMCO s secular and cyclical forums, portfolio strategy meetings, Investment Committee meetings, and on a day-to-day basis;
- Absence of defaults and price defaults for issues in the portfolios managed by the portfolio manager;
- Contributions to asset retention, gathering and client satisfaction;
- Contributions to mentoring, coaching and/or supervising; and
- Personal growth and skills added.

A portfolio manager s compensation is not based directly on the performance of any Fund or any other account managed by that portfolio manager.

Profit Sharing Plan. Instead of a bonus, portfolio managers who are Managing Directors of PIMCO receive compensation from a non-qualified profit sharing plan consisting of a portion of PIMCO s net profits. Portfolio managers who are Managing Directors receive an amount determined by the Partner Compensation Committee, based upon an individual s overall contribution to the firm.

(a)(4)

The following summarizes the dollar range of securities the portfolio manager for the Fund beneficially owned of the Fund that he managed as of October 31, 2011.

PIMCO Municipal Income Fund

PIMCO California Municipal Income Fund

PIMCO New York Municipal Income Fund

Portfolio Manager	Dollar Range of Equity Securities in each Fund
Joe Deane	None

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ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED COMPANIES

None.

ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

There have been no material changes to the procedures by which shareholders may recommend nominees to the Fund s Board of Trustees since the Fund last provided disclosure in response to this item.

ITEM 11. CONTROLS AND PROCEDURES

(a) The registrant s President and Chief Executive Officer and Treasurer, Principal Financial & Accounting Officer have concluded that the registrant s disclosure controls and procedures (as defined in Rule 30a-3(c) under the Act (17 CFR 270.30a-3(c)), as amended) are effective based on their evaluation of these controls and procedures as of a date within 90 days of the filing date of this document.

(b) There were no significant changes in internal control over financial reporting as defined in Rule 30a-3(d) under the Act (17 CFR 270.30a-3(d))) that occurred during the second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrants internal control over financial reporting.

ITEM 12. EXHIBITS

(a) (1) Not required in this filing.

(a) (2) Exhibit 99.302 Cert. Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

(a) (3) Not applicable.

(b) Exhibit 99.906 Cert. Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) PIMCO California Municipal Income Fund

By: /s/ Brian S. Shlissel

President and Chief Executive Officer

Date: January 5, 2012

By: /s/ Lawrence G. Altadonna

Treasurer, Principal Financial &

Accounting Officer

Date: January 5, 2012

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Brian S. Shlissel

President and Chief Executive Officer

Date: January 5, 2012

By: /s/ Lawrence G. Altadonna

Treasurer, Principal Financial &

Accounting Officer

Date: January 5, 2012

ARGIN-LEFT: 0pt; FONT-SIZE: 10pt; VERTICAL-ALIGN: bottom" id=TBL4955.finRow.7.lead.5 width=14> 12,147 11

%

Total

$52,983 $53,335 $3,008 $109,326 100

%

June 30, 2012

Asset Category	**Level 1**	**Level 2**	**Level 3**	**Total**	**%**
Cash Equivalent	$79		$—	$79	0 %
Fixed Income	—	12,617	—	12,617	12 %
Equities	25,212	3,379	—	28,591	27 %
Mutual & Pooled Funds	34,627	24,204	—	58,831	54 %
Other	—	4,216	3,034	7,250	7 %
Total	$59,918	$44,416	$3,034	$107,368	100%

Included in equity securities at June 30, 2013 and 2012 are shares of the Company's common stock having a fair value of $9.2 million and $10.4 million, respectively.

A reconciliation of the beginning and ending balances of Level 3 assets is as follows (in thousands):

	Fair Value Measurement Using Significant Unobservable Inputs (Level 3)	
	2013	**2012**
Beginning balance	$3,034	$2,869
Actual returns on assets	(26)	165
Ending balance	$3,008	$3,034

The Level 3 assets consist of units of a pooled investment fund which invests in a mix of properties selected from across retail, office, industrial and other sectors predominantly located in the U.K. In addition to direct investments, the fund may also invest indirectly in property through investment vehicles such as quoted and unquoted property companies or collective investment trusts. Redemptions from the fund are not readily available given the illiquid nature of its assets.

U.S. and U.K. Plans Combined:

The status of these defined benefit plans, including the 1984 ESOP, is as follows (in thousands):

	2013	2012	2011
Change in benefit obligation			
Benefit obligation at beginning of year	$145,595	$119,892	$117,974
Service cost	3,017	2,168	2,278
Interest cost	6,057	6,538	6,541
Participant contributions	242	249	202
Exchange rate changes	(1,344)	(852)	2,683
Benefits paid	(5,918)	(5,803)	(5,307)
Actuarial (gain) loss	(6,333)	23,403	(4,480)
Benefit obligation at end of year	$141,316	$145,595	$119,891
Change in plan assets			
Fair value of plan assets at beginning of year	$107,368	$108,547	$98,867
Actual return on plan assets	6,878	3,770	12,271
Employer contributions	1,795	1,268	625
Participant contributions	242	249	202
Benefits paid	(5,918)	(5,803)	(5,307)
Exchange rate changes	(1,039)	(663)	1,889
Fair value of plan assets at end of year	109,326	107,368	108,547
Funded status at end of year	$(31,990)	$(38,227)	$(11,344)
Amounts recognized in balance sheet			
Current liability	$(33)	$(23)	$(23)
Noncurrent liability	(31,957)	(38,204)	(11,321)
Net amount recognized in balance sheet	$(31,990)	$(38,227)	$(11,344)
Amounts not yet reflected in net periodic benefit costs and included in accumulated other comprehensive loss			
Prior service cost	$(116)	$(349)	$(585)
Accumulated loss	(5,919)	(13,248)	(2,450)
Amounts not yet recognized as a component of net periodic benefit cost	(6,035)	(13,597)	(3,035)
Accumulated net periodic benefit cost in excess of contributions	(25,955)	(24,630)	(8,309)
Net amount recognized	$(31,990)	$(38,227)	$(11,344)
Components of net periodic benefit cost			
Service cost	$3,017	$2,168	$2,278
Interest cost	6,057	6,538	6,541
Expected return on plan assets	(5,961)	(6,473)	(7,305)
Amortization of prior service cost	234	234	249

Recognized actuarial (gain) loss	0	15,298	(2)
Net periodic benefit cost	$3,347	$17,765	$1,761
Estimated amounts that will be amortized from accumulated other comprehensive loss over the next year			
Prior service cost	$(127)	$(234)	$(234)
Information for pension plans with accumulated benefits in excess of plan assets			
Projected benefit obligation	$141,316	145,595	119,891
Accumulated benefit obligation	134,594	138,587	115,306
Fair value of assets	109,326	107,368	108,547

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U.S. Plan:

The status of the U.S. defined benefit plan is as follows (in thousands):

	2013	2012	2011
Change in benefit obligation			
Benefit obligation at beginning of year	$104,537	$83,491	$81,678
Service cost	2,562	1,763	1,787
Interest cost	4,289	4,530	4,498
Benefits paid	(4,101)	(4,170)	(3,821)
Actuarial (gain) loss	(7,499)	18,923	(651)
Benefit obligation at end of year	$99,788	$104,537	$83,491
Weighted average assumptions - benefit obligation			
Discount rate	4.96 %	3.92 %	5.44 %
Rate of compensation increase	2.64 %	2.64 %	2.64 %
Change in plan assets			
Fair value of plan assets at beginning of year	$76,778	$78,577	$73,832
Actual return on plan assets	3,958	2,348	8,543
Employer contributions	573	23	23
Benefits paid	(4,101)	(4,170)	(3,821)
Fair value of plan assets at end of year	77,208	76,778	78,577
Funded status at end of year	$(22,580)	$(27,759)	$(4,914)
Amounts recognized in balance sheet			
Current liability	$(33)	$(23)	$(23)
Noncurrent liability	(22,547)	(27,736)	(4,891)
Net amount recognized in balance sheet	$(22,580)	$(27,759)	$(4,914)
Weighted average assumptions – net periodic benefit cost			
Discount rate	3.92 %	5.44 %	5.37 %
Rate of compensation increase	2.64 %	2.64 %	2.64 %
Return on plan assets	6.00 %	6.00 %	8.00 %
Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive loss			
Prior service cost	$(116)	$(349)	$(585)
Accumulated loss	(3,438)	(10,420)	(4,572)
Amounts not yet recognized as a component of net periodic benefit cost	(3,554)	(10,769)	(5,157)
Accumulated contributions in excess of (less than) net periodic benefit cost	(19,026)	(16,990)	243
Net amount recognized	$(22,580)	$(27,759)	$(4,914)

Components of net periodic benefit cost

Service cost	$2,562	$1,763	$1,787
Interest cost	4,289	4,530	4,498
Expected return on plan assets	(4,474)	(4,570)	(5,724)
Amortization of prior service cost	234	234	249
Recognized actuarial (gain) or loss	-	15,298	(2)
Net periodic benefit cost	$2,611	$17,255	$808
Estimated amounts that will be amortized from accumulated other comprehensive loss over the next year			
Prior service cost	$(127)	$(234)	$(234)
Information for plan with accumulated benefits in excess of plan assets			
Projected benefit obligation	$99,788	104,537	83,491
Accumulated benefit obligation	93,066	97,529	78,905
Fair value of assets	77,208	76,778	78,577

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U.K. Plan:

The status of the U.K. defined benefit plan is as follows (in thousands):

	2013	2012	2011
Change in benefit obligation			
Benefit obligation at beginning of year	$41,058	$36,400	
Service cost	455	405	491
Interest cost	1,768	2,008	2,043
Participant contributions	242	249	202
Exchange rate changes	(1,344)	(851)	2,683
Benefits paid	(1,817)	(1,633)	(1,486)
Actuarial (gain) loss	1,166	4,480	(3,829)
Benefit obligation at end of year	$41,528	$41,058	
Weighted average assumptions - benefit obligation			
Discount rate	4.70 %	4.40 %	5.70 %
Rate of compensation increase	3.10 %	2.60 %	3.30 %
Change in plan assets			
Fair value of plan assets at beginning of year	$30,590	$29,971	
Actual return on plan assets	2,920	1,422	3,728
Employer contributions	1,222	1,245	602
Participant contributions	242	249	202
Benefits paid	(1,817)	(1,633)	(1,486)
Exchange rate changes	(1,039)	(664)	1,889
Fair value of plan assets at end of year	32,118	30,590	29,970
Funded status at end of year	$(9,410)	$(10,468)	$(6,430)
Amounts recognized in balance sheet			
Current liability	$—	$—	$—
Noncurrent liability	(9,410)	(10,468)	(6,430)
Net amount recognized in balance sheet	$(9,410)	$(10,468)	$(6,430)
Weighted average assumptions – net periodic benefit cost			
Discount rate	4.40 %	5.70 %	5.40 %
Rate of compensation increase	2.60 %	3.30 %	3.10 %
Return on plan assets	4.90 %	6.40 %	6.00 %
Amounts not yet reflected in net periodic benefit costs and included in accumulated other comprehensive loss			
Prior service cost	$—	$—	$—
Accumulated gain (loss)	(2,481)	(2,828)	2,122
Amounts not yet recognized as a component of net periodic benefit cost	(2,481)	(2,828)	2,122
Accumulated net periodic benefit cost in excess of contributions	(6,929)	(7,640)	(8,552)
Net amount recognized	$(9,410)	$(10,468)	$(6,430)

Components of net periodic benefit cost			
Service cost	$455	$405	$491
Interest cost	1,768	2,008	2,043
Expected return on plan assets	(1,487)	(1,903)	(1,581)
Amortization of prior service cost	-	-	-
Recognized actuarial loss	-	-	-
Net periodic benefit cost	$736	$510	$953
Estimated amounts that will be amortized from accumulated other comprehensive loss over the next year	$—	$—	$—
Information for plan with accumulated benefits in excess of plan assets			
Projected benefit obligation	$41,528	$41,058	$36,400
Accumulated benefit obligation	41,528	41,058	36,400
Fair value of assets	32,118	30,590	29,970

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Postretirement Medical and Life Insurance Benefits:

The status of the U.S. postretirement medical and life insurance benefit plan is as follows (in thousands):

	2013	**2012**	**2011**
Change in benefit obligation:			
Benefit obligation at beginning of year	$14,230	$11,804	$11,603
Service cost	484	386	353
Interest cost	518	611	591
Benefits paid	(351)	(552)	(662)
Actuarial (gain) loss	(3,917)	1,981	(81)
Benefit obligation at end of year	$10,964	$14,230	$11,804
Weighted average assumptions: benefit obligations			
Discount rate	4.96%	3.92%	5.44%
Rate of compensation increase	2.64%	2.64%	2.64%
Change in plan assets			
Fair value of plan assets at beginning of year	$—	$—	$—
Employer contributions	351	552	662
Benefits paid	(351)	(552)	(662)
Fair value of plan assets at end of year	—	—	—
Amounts recognized in balance sheet			
Current postretirement benefit obligation	$(536)	$(623)	$(657)
Non-current postretirement benefit obligation	(10,428)	(13,606)	(11,147)
Net amount recognized in balance sheet	$(10,964)	$(14,230)	$(11,804)
Weighted average assumptions – net periodic benefit cost			
Discount rate	3.92%	5.44%	5.37%
Rate of compensation increase	2.64%	2.64%	2.64%
Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive loss			
Prior service credit	$1,145	$1,888	$2,793
Accumulated gain (loss)	627	(3,400)	(1,422)
Amounts not yet recognized as a component of net periodic benefit cost	1,772	(1,512)	1,371
Net periodic benefit cost in excess of accumulated contributions	(12,736)	(12,718)	(13,175)
Net amount recognized	$(10,964)	$(14,230)	$(11,804)
Components of net periodic benefit cost			
Service cost	$484	$386	$353
Interest cost	518	611	591
Amortization of prior service credit	(743)	(905)	(905)

Amortization of accumulated loss	111	2	10
Net periodic benefit cost	$370	$94	$49

Estimated amounts that will be amortized from accumulated other comprehensive loss over the next year			
Prior service credit	$502	$905	$905
Net gain (loss)	—	(158)	(19)
	$502	$747	$886

Healthcare cost trend rate assumed for next year	7.80%	8.80%	9.70%
Rate to which the cost trend rate gradually declines	4.50%	4.50%	4.50%
Year that the rate reaches the rate at which it is assumed to remain	2026	2026	2027

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Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one percentage point change in assumed health care cost trend rates would have the following effects (in thousands):

	1% Increase		
	2013	**2012**	**2011**
Effect on total of service and interest cost	$91	$111	$104
Effect on postretirement benefit obligation	1,041	1,430	1,067

	1% Decrease		
	2013	**2012**	**2011**
Effect on total of service and interest cost	$(77)	$(93)	$(87)
Effect on postretirement benefit obligation	(881)	(1,208)	(915)

For fiscal 2014, the Company expects to make no contribution to the qualified domestic pension plan, $33,000 to the nonqualified domestic pension plan, $1.2 million to the U.K. pension plan, and $536,000 to the postretirement medical and life insurance plan.

Future pension and other benefit payments are as follows (in thousands):

Fiscal Year	**Pension**	**Other Benefits**
2014	$6,412	$ 536
2015	6,623	574
2016	6,870	613
2017	7,197	634
2018	7,468	676
2019-2023	42,085	4,442

13. DEBT

Debt, including capitalized lease obligations, is comprised of the following (in thousands):

	June 30, 2013	June 30, 2012

Short-term and current maturities		
Loan and Security Agreement	$1,348	$1,289
Short-term foreign credit facility	27	231
Capitalized leases	182	280
	$1,557	$1,800
Long-term debt		
Loan and Security Agreement	$24,037	$28,985
Capitalized leases	215	402
	24,252	29,387
Total	$25,809	$31,187

Future maturities of debt are as follows (in thousands):

Fiscal Year	
2014	$1,557
2015	13,448
2016	1,552
2017	1,543
2018	1,614
Thereafter	6,095
Total	$25,809

The Company completed the negotiations for an amended Loan and Security Agreement ("Line of Credit") and executed the new agreement as of April 25, 2012. Borrowings under this agreement may not exceed $23 million. The Line of Credit expires on April 30, 2015 and has an interest rate of LIBOR plus 1.5%. The effective interest rate on the Line of Credit for fiscal 2013 was 1.95%.

On September 7, 2012, the Company completed an amendment to the financial covenants. The material financial covenants of the amended Loan and Security Agreement are: 1) funded debt to EBITDA, excluding non-cash and retirement benefit expenses ("maximum leverage"), cannot exceed 1.45 to 1; 2) annual capital expenditures cannot exceed $15.0 million; 3) maintain a Debt Service Coverage Rate of a minimum of 1.25 to 1 and 4) maintain consolidated cash plus liquid investments of not less than $10.0 million at any time.

On May 9, 2013, the Company further amended the agreement to adjust the current funded debt to EBITDA ratio from 1.45 to 1, to 2.25 to 1 for the fourth quarter of fiscal 2013 and the first quarter of fiscal 2014. Thereafter, and through the end of the agreement on April 30, 2015, the funded debt to EBITDA covenant reverts to 1.45 to 1. The Company expects to be able to meet this covenant in future periods.

On November 22, 2011, in conjunction with the Bytewise acquisition, the Company entered into a new $15.5 million term loan (the "Term Loan") under the then existing Loan and Security Agreement. The term loan is a ten year loan bearing a fixed interest rate of 4.5% and is payable in fixed monthly payments of principal and interest of $160,640. The $15.5 million term loan is subject to the same financial covenants as the Loan and Security Agreement.

Availability under the Line of Credit is subject to a borrowing base comprised of accounts receivable and inventory. The Company believes that the borrowing base will consistently produce availability under the Line of Credit in excess of $23.0 million. As of June 30, 2013, the Company had borrowings of $11.9 million under this facility. A 0.25% commitment fee is charged on the unused portion of the Line of Credit.

The Company has three standby letters of credit totaling $0.6 million which reduce the $23 million available Line of Credit to $22.4 million. As of June 30, 2013, the Company has approximately $10.5 million available in the Line of Credit.

The obligations under the Credit Facility are unsecured. In the event of certain triggering events, such obligations would become secured by the assets of the Company's domestic subsidiaries. A triggering event occurs when the Company fails to achieve any of the financial covenants noted above in consecutive quarters.

14. COMMON STOCK

Class B common stock is identical to Class A except that it has 10 votes per share, is generally nontransferable except to lineal descendants of stockholders, cannot receive more dividends than Class A, and can be converted to Class A at any time. Class A common stock is entitled to elect 25% of the directors to be elected at each meeting with the remaining 75% being elected by Class A and Class B voting together.

15. CONTINGENCIES

The Company is involved in certain legal matters which arise in the normal course of business, which are not expected to have a material impact on the Company's financial condition, results of operations and cash flows.

16. OPERATING DATA

The Company believes it has no significant concentration of credit risk as of June 30, 2013. Trade receivables are dispersed among a large number of retailers, distributors and industrial accounts in many countries, with none exceeding 10% of consolidated sales.

The Company is engaged in the single business segment of producing and marketing industrial, professional and consumer products. It manufactures over 5,000 items, including precision measuring tools, tape measures, gages and saw blades. Operating segments are identified as components of an enterprise about which separate discrete financial information is used by the chief operating decision maker in determining how to allocate assets and assess performance of the Company.

The Company has (and is managed through) nine manufacturing plants or reporting units, which are in Jedburgh, Scotland, Itu, Brazil, Athol, MA, Cleveland, OH, Mt. Airy, NC, Suzhou, China, Waite Park, MN, Laguna Hills, CA, and Columbus, GA. Internal operating statements used by the chief operating decision maker (the CEO) are prepared on the basis of the operating results of each of these units, and the Company believes these reporting units meet the aggregation criteria as stated in ASC 280 Segment Reporting.

The Company has concluded that its principal units in North America, Scotland and Brazil have similar economic characteristics and therefore similar long-term financial prospects because they operate in worldwide markets, produce and market the same or similar finished products in the same way, generate comparable gross margins, have comparable return on equity, and sell primarily through distribution as opposed to directly to the end user of the product. Because the units operate in different countries, the economic climate in each country may affect the short-term results of each unit differently; however, over the long run, the units in general are expected to operate similarly and generate similar returns.

Other reporting unit similarities include:

a. All the Company’s units produce tools and related products used primarily by the metal-working and construction trades. These include rules and tape measures, levels, dial indicators, band saw and hole saw blades, gage blocks, ground flat stock, granite surface plates, micrometers and calipers, etc. All the Company’s products are included in a single catalog regardless of where manufactured.

b. The production processes for all products (regardless of where manufactured) are the same or similar in that they use metal or granite as a raw material.

c. The Company’s products are sold from its manufacturing units through a customer base of resellers, primarily industrial distributors.

d. The Company and its individual units are not materially affected by the regulatory environment.

For these reasons, the Company believes it is appropriate to report on the basis of one reporting segment.

The Company's operations are primarily in North America, Brazil and the United Kingdom. Geographic information about the Company's sales and long-lived assets are as follows (in thousands):

	2013	2012	2011
Net Sales			
United States	$133,129	$142,417	$136,257
North America (other than U.S.)	12.344	13,144	12,406
United Kingdom	29,260	31,527	27,480
Brazil	86,122	96,404	94,859
Eliminations and other	(17,058)	(23,344)	(26,161)
Total	$243,797	$260,148	$244,841
Long-lived Assets			
United States	$77,198	$81,378	$60,210
North America (other than U.S.)	449	464	501
United Kingdom	4,527	4,349	3,802
Brazil	11,044	11,981	15,910
Eliminations and other	3,628	2,764	2,813
Total	$96,846	$100,936	$83,236

17. QUARTERLY FINANCIAL DATA (unaudited)

(in thousands except per share data)

Quarter Ended	Net Sales	Gross Margin	Earnings (Loss) Before Income Taxes	Net Earnings / (Loss)	Basic and Diluted Earnings / (Loss) Per Share
September 2011	$63,384	$21,590	$ 3,751	$ 2,249	$ 0.33
December 2011	62,219	22,107	3,234	1,715	0.25
March 2012	64,540	21,455	2,231	1,570	0.23
June 2012	70,005	12,923	(9,105)	(4,646)	(0.69)
	$260,148	$78,075	$ 111	$ 888	$ 0.13
September 2012	$56,937	$17,689	$ (738)	$ (351)	$ (0.05)
December 2012	59,829	18,753	1,121	476	0.07
March 2013	59,864	15,939	(1,236)	(1,485)	(0.22)

June 2013	67,167	19,431	1,649	1,198	0.18
	$243,797	$71,812	$ 796	$ (162)	$ (0.02)

The “mark to market” method of pension accounting which the Company elected in fiscal 2011, specifies the pension liability must be valued on the last day of the fiscal year and the resulting pension expense adjustment is recorded in the fourth quarter. The actuarial assumption at the beginning of fiscal 2012 was that the discount rate would be 5.44%. The actual discount rate as of June 30, 2012 was 3.92%. The change resulted in an adjustment to fourth quarter expense in fiscal 2012 of $15.2 million, including $12.0 million which reduced the gross margin for this period.

In the fourth quarter of fiscal 2013 the Company was awarded damages in a Brazilian lawsuit which it had filed as plaintiff in 2003, recognizing other income of $0.5 million. In addition, the Company recognized $0.8 million of additional compensation related to the Board of Directors approval of a contribution to the 2013 ESOP.

18. SUBSEQUENT EVENTS

The Company evaluated the June 30, 2013 financial statements for subsequent events through the date that the financial statements were available to be issued and noted no material events requiring either recognition as of June 30, 2013 or disclosure herein.

Item 9 - Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A - Controls and Procedures

Pursuant to Rule 13a-15(b) under the Securities Exchange Act of 1934, we carried out an evaluation, with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined under Rule 13a-15(e) under the Securities Exchange Act of 1934) as of the end of the period covered by this annual report. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of such date in ensuring that information required to be filed in this annual report was recorded, processed, summarized and reported within the time period required by the rules and regulations of the Securities and Exchange Commission, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

During the quarter ended June 30, 2013, the Company effectively remediated a material weakness that arose in the third quarter associated with the monthly accounting for LIFO inventory adjustments. Other than this remediation, there have been no changes in internal control over financial reporting during the quarter that materially affected, or are reasonably likely materially affect, the Company’s internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America. Internal control over financial reporting includes those written policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and acquisitions and dispositions of the assets of the Company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America;
- Provide reasonable assurance that receipts and expenditures of the Company are being made only in accordance with authorization of management and directors of the Company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as of June 30, 2013. Management based this assessment on criteria for effective internal control over financial reporting described in "Internal Control – Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission in 1992. Management's assessment included an evaluation of the design of the Company's internal control over financial reporting and testing of the operational effectiveness of its internal control over financial reporting. Management reviewed the results of its assessment with the Audit Committee of the Board of Directors.

Based on our assessment, management concluded that as of June 30, 2013 our internal control over financial reporting was effective based on those criteria.

The Company’s internal control over financial reporting as of June 30, 2013 has been audited by Grant Thornton LLP, an independent registered public accounting firm, as stated in their report included herein.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders

The L.S. Starrett Company

We have audited the internal control over financial reporting of The L.S. Starrett Company and subsidiaries (“the Company”) as of June 30, 2013, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in 1992. The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying “Management’s Report on Internal Control Over Financial Reporting.” Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, The L.S. Starrett Company and subsidiaries maintained, in all material respects, effective internal control over financial reporting as of June 30, 2013, based on criteria established in *Internal Control—Integrated Framework* issued by COSO in 1992.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements of the Company as of June 30, 2013, and for the year then ended and our report dated September 5, 2013 expressed an unqualified opinion on those financial statements.

/s/ Grant Thornton LLP

Boston, Massachusetts

September 5, 2013

Item 9B - Other Information

None.

PART III

Item 10 – Directors, Executive Officers and Corporate Governance

The information concerning the Directors of the Registrant will be contained immediately under the heading "Election of Directors" and prior to Section A of Part I in the Company's definitive Proxy Statement for the Annual Meeting of Stockholders to be held on October 16, 2013 (the "2013 Proxy Statement"), which will be mailed to stockholders on or about September 13, 2013. The information in that portion of the 2013 Proxy Statement is hereby incorporated by reference.

Executive Officers of the Registrant

Name	Age	Held Present Office Since	Position
Douglas A. Starrett	61	2001	President and CEO and Director
Francis J. O'Brien	66	2009	Chief Financial Officer and Treasurer
Anthony M. Aspin	60	2000	Vice President Sales
Stephen F. Walsh	67	2001	Senior Vice President Operations and Director

Douglas A. Starrett has been President of the Company since 1995 and became CEO in 2001.

Francis J. O'Brien was previously Chief Financial Officer at Delta Education, LLC, an elementary school education company, from 2005 to 2009. Prior to Delta Education, he was Chief Financial Officer at StockerYale Corporation, a publicly traded technology company, from 2001 to 2004 and Director of Finance and Business Development at Analogic Corporation, a publicly traded manufacturer of medical and security systems, from 1998 to 2000. Mr. O'Brien served as Corporate Vice President of Finance & Administration for Addison Wesley, a global education company, from 1982 to 1997 and as Senior Manager at Coopers & Lybrand, an international public accounting firm, from 1976 to 1982. Mr. O'Brien holds a BA from the University of Massachusetts and an MBA from Suffolk University and is a Certified Public Accountant.

Anthony M. Aspin was previously a divisional sales manager with the Company.

Stephen F. Walsh was previously President of the Silicon Carbide Division of Saint-Gobain Industrial Ceramics before joining the Company in 2001 as Vice President Operations.

The positions listed above represent their principal occupations and employment during the last five years.

The President and Treasurer hold office until the first meeting of the directors following the next annual meeting of stockholders and until their respective successors are chosen and qualified, and each other officer holds office until the first meeting of directors following the next annual meeting of stockholders, unless a shorter period shall have been specified by the terms of his election or appointment or, in each case, until he sooner dies, resigns, is removed or becomes disqualified.

There have been no events under any bankruptcy act, no criminal proceedings and no judgments or injunctions material to the evaluation of the ability and integrity of any executive officer during the past five years.

Code of Ethics

The Company has adopted a Policy on Business Conduct and Ethics (the “Ethics Policy”) applicable to all directors, officers and employees of the Company. The Code is intended to promote honest and ethical conduct, full and accurate reporting, and compliance with laws as well as other matters. The Ethics Policy is available on the Company’s website at www.starrett.com. Stockholders may also obtain free of charge a printed copy of the Ethics Policy by writing to the Clerk of the Company at The L.S. Starrett, 121 Crescent Street, Athol, MA 01331. We intend to disclose any future amendments to, or waivers from, the Ethics Policy within four business days of the waiver or amendment through a website posting or by filing a Current Report on Form 8-K with the Securities and Exchange Commission.

Item 11 - Executive Compensation

The information concerning management remuneration will be contained under the heading “General Information Relating to the Board of Directors and Its Committees,” and in Sections C-H of Part I of the Company’s 2013 Proxy Statement, and is hereby incorporated by reference.

On July 15, 2010, the Company entered into a Change of Control Agreement with Francis J. O'Brien. The terms of Mr. O'Brien's Agreement are identical to those contained in the Change of Control Agreement between the Company and Stephen F. Walsh dated as of January 16, 2009, a form of which is incorporated by reference as Exhibit 10n to this Form 10-K. Such terms are described in the Company's Form 10-Q filed for the quarter ended December 27, 2008 and are incorporated herein by reference.

Item 12 - Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

(a) The following table gives information about the Company's common stock that may be issued upon the exercise of options, warrants and rights under the Company's 2012 Employees' Stock Purchase Plan ("2012 Plan") as of June 30, 2013. The 2012 Plan was approved by stockholders at the Company's 2012 annual meeting and shares of Class A or Class B common stock may be issued under the 2012 Plan. Options are not issued under the Company's Employees' Stock Purchase Plan that was adopted in 1952.

Plan Category	Number of Securities to be issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available For Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity compensation plans approved by security holders	88,728	$ 9.24	448,544
Equity compensation plans not approved by security holders	—	—	—
Total	88,728	$ 9.24	448,544

(b) Security ownership of certain beneficial owners:

The information concerning a more than 5% holder of any class of the Company's voting shares will be contained under the heading "Security Ownership of Certain Beneficial Owners" in Section I of Part I of the Company's 2013 Proxy Statement, and is hereby incorporated by reference.

(c) Security ownership of management:

The information concerning the beneficial ownership of each class of equity securities by all directors, and all directors and officers of the Company as a group, will be contained under the heading "Security Ownership of Management" in Section I of Part I in the Company's 2013 Proxy Statement. These portions of the 2013 Proxy Statement are hereby incorporated by reference.

(d) The Company knows of no arrangements that may, at a subsequent date, result in a change in control of the Company.

Item 13 - Certain Relationships and Related Transactions, and Director Independence

The information required by this Item 13 will be contained in the Company's 2013 Proxy Statement, and is hereby incorporated by reference.

Item 14 - Principal Accountant Fees and Services

The information required by this Item 14 will be contained in the Audit Fee table in Section B of Part I in the Company's 2013 Proxy Statement. These portions of the Proxy Statement are hereby incorporated by reference.

PART IV

Item 15 – Exhibits and Financial Statement Schedules

(a) 1. Financial statements filed in Item 8 of this annual report:

Consolidated Balance Sheets at June 30, 2013 and June 30, 2012.

Consolidated Statements of Operations for each of the years in the three year period ended June 30, 2013.

Consolidated Statements of Comprehensive Income (Loss) for each of the years in the three year period ended June 30, 2013.

Consolidated Statements of Stockholders' Equity for each of the years in the three year period ended June 30, 2013.

Consolidated Statements of Cash Flows for each of the years in the three year period ended June 30, 2013.

Notes to Consolidated Financial Statements

2. The following consolidated financial statement schedule of the Company included in this annual report on Form 10-K is filed herewith pursuant to Item 15(c) and appears immediately before the Exhibit Index:

SCHEDULE II – VALUATION AND QUALIFYING ACCOUNTS

Schedule II

Valuation and Qualifying Accounts

Allowance for Doubtful Accounts

(in 000)	**Balance at Beginning of Period**	**Provisions**	**Charges to Other Accounts**	**Write-offs**	**Balance at End of Period**
Allowance for Doubtful Accounts:					
Year Ended June 30, 2013	$ 965	$ 7	$ (42)	$ (233)	$ 697
Year Ended June 30, 2012	416	660	(17)	(94)	965
Year Ended June 30, 2011	607	405	(106)	(490)	416

All other financial statement schedules are omitted because they are inapplicable, not required under the instructions, or the information is reflected in the financial statements or notes thereto.

3. See Exhibit Index below. Compensatory plans or arrangements are identified by an "*."

(b) See Exhibit Index below.

(c) Not applicable.

THE L.S. STARRETT COMPANY AND SUBSIDIARIES - EXHIBIT INDEX

Exhibit

3a. Restated Articles of Organization as amended, filed with Form 10-K for the year ended June 30, 2012, is hereby incorporated by reference.

3b. Amended and Restated Bylaws, filed with Form 10-Q for the quarter ended Decembber 31, 2012, is hereby incorporated by reference.

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4a	Rights Agreement dated as of November 2, 2010 between the Company and Mellon Investor Services LLC, as Rights Agent (together with exhibits, including the Form of Rights Certificate, and the Summary of Rights to Purchase Shares of Class A Common Stock), filed with Form 10-Q for the quarter ended September 25, 2010, is hereby incorporated by reference.
4b	Amendment No. 1 to Rights Agreement dated as of February 5, 2013 by and between the Company and Computershare Shareowner Services LLC, filed with Form 10-Q for the quarter ended December 31, 2012, is hereby incorporated by reference.
10a	Form of indemnification agreement with directors and executive officers, filed with Form 10-K for the year ended June 29, 2002, is hereby incorporated by reference.
10b*	The L.S. Starrett Company Supplemental Executive Retirement Plan, filed with Form 10-K for the year ended June 29, 2002 is hereby incorporated by reference.
10c*	The L.S. Starrett Company 401(k) Stock Savings Plan (2001 Restatement), filed with Form 10-K for the year ended June 29, 2002 is hereby incorporated by reference.
10d*	The L.S. Starrett Company Employee Stock Ownership Plan and Trust Agreement, as amended, filed with Form 10-K for the year ended June 30, 2012 is hereby incorporated by reference.
10e*	Amendment dated April 1, 2003 to the Company’s 401(k) Stock Savings Plan, filed with Form 10-K for the year ended June 28, 2003, is hereby incorporated by reference.
10f*	Amendment dated October 20, 2003 to the Company’s 401(k) Stock Savings Plan, filed with Form 10-Q for the quarter ended September 27, 2003, is hereby incorporated by reference.
10g	Amendment dated as of June 24, 2006 to the Company’s Amended and Restated Credit Agreement, filed with Form 10-K for the year ended June 24, 2006, is hereby incorporated by reference.
10h	Loan and Security Agreement dated as of June 30, 2009 by and among the Company, certain subsidiaries of the Company, and TD Bank, N.A., as lender as amended through April 25, 2012, filed with Form 10-K for the year ended June 30, 2012, is hereby incorporated by reference.
10i*	2007 Employees’ Stock Purchase Plan filed with the Definitive Proxy Statement for the 2008 Annual Meeting of Stockholders is hereby incorporated by reference.

10j Change in Control Agreement, dated January 16, 2009, between the Company and Douglas A. Starrett, filed with Form 10-Q for the quarter ended December 27, 2008, is hereby incorporated by reference.

10k Form of Change in Control Agreement, executed separately by the Company and each of Stephen F. Walsh and Francis J. O'Brien on January 16, 2009 and July 15, 2010, respectively, filed with Form 10-Q for the quarter ended December 27, 2008, is hereby incorporated by reference.

10l Form of Non-Compete Agreement, dated as of January 16, 2009, executed separately by the Company and each of Francis J. O'Brien, Douglas A Starrett and Stephen F. Walsh on July 15, 2010, January 16, 2009 and January 16, 2009, filed with Form 10-Q for the quarter ended December 27, 2008, is hereby incorporated by reference.

10m*	The L. S. Starrett Company 2013 Employee Stock Ownership Plan and Trust Agreement, filed with Form 10-Q for the quarter ended March 31, 2013, is hereby incorporated by reference.
10n*	The L.S. Starrett Company 2012 Employees' Stock Purchase Plan, filed with the Company's Registration Statement on Form S-8 (File No. 333-184934) filed on November 14, 2012, is hereby incorporated by reference.
10o*	The L.S. Starrett Company 2012 Long-Term Incentive Plan, filed with the Company's Registration Statement on Form S-8 (File No. 333-184934) filed on November 14, 2012, is hereby incorporated by reference.
10p	Form of Non-Statutory Stock Option Agreement under The L.S. Starrett Company 2012 Long-Term Incentive Plan, filed with Form 10-Q for the quarter ended December 31, 2012, is hereby incorporated by reference.
10q	Form of Director Non-Statutory Stock Option Agreement under The L.S. Starrett Company 2012 Long-Term Incentive Plan, filed with Form 10-Q for the quarter ended December 31, 2012, is hereby incorporated by reference.
10r	Form of Restricted Stock Unit Agreement under The L.S. Starrett Company 2012 Long-Term Incentive Plan, filed with Form 10-Q for the quarter ended December 31, 2012, is hereby incorporated by reference.
10s	Form of Director Restricted Stock Unit Agreement under The L.S. Starrett Company 2012 Long-Term Incentive Plan, filed with Form 10-Q for the quarter ended December 31, 2012, is hereby incorporated by reference.
10t*	Cash Bonus Plan for executives officers of the Company, filed herewith.
10u	Amendment dated May 9, 2013 to the Company's amended Loan and Security Agreement, filed herewith

23	Consent of Independent Registered Public Accounting Firm, filed herewith.
31a	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a), filed herewith.
31b	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a), filed herewith.
32	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to Rule 13a-14(b) and Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), filed herewith.
101	The following materials from The L. S. Starrett Company Annual Report on Form 10-K for the year ended June 30, 2013 are furnished herewith, formatted in XBRL (Extensible Business Reporting Language): (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Operations, (iii) the Consolidated Statements of Comprehensive Income (Loss), (iv) the Consolidated Statements of Stockholders' Equity (v) the Consolidated Statements of Cash Flows, and (vi) Notes to the Consolidated Financial Statements, tagged as blocks of text.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

THE L.S. STARRETT COMPANY

(Registrant)

By: /S/ Francis J. O'Brien
Francis J. O'Brien

Treasurer and Chief Financial Officer

Date: Sept. 5, 2013

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated:

/S/DOUGLAS A. STARRETT

Douglas A. Starrett, Sept. 5, 2013

President and CEO and Director

/S/SALVADOR DE CAMARGO, JR.
Salvador de Camargo, Jr., Sept. 5, 2013

President and Director

Starrett Industria e Comercio Ltda, Brazil

/S/RALPH G. LAWRENCE
Ralph G. Lawrence, Sept. 5, 2013
Director

/S/TERRY A. PIPER
Terry A. Piper, Sept. 5, 2013
Director

/S/RICHARD B. KENNEDY
Richard B. Kennedy, Sept. 5, 2013
Director

/S/STEPHEN F. WALSH
Stephen F Walsh, Sept. 5, 2013
Senior Vice President Operations and Director

/S/DAVID A. LEMOINE
David A. Lemoine, Sept. 5, 2013
Director

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