

PIMCO CALIFORNIA MUNICIPAL INCOME FUND

Form N-CSRS

December 28, 2015

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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, NY 10019

(Address of principal executive offices)

William G. Galipeau

Treasurer (Principal Financial & Accounting Officer)

650 Newport Center Drive

Newport Beach, CA 92660

(Name and address of agent for service)

Copies to:

David C. Sullivan

Ropes & Gray LLP

Prudential Tower

800 Boylston Street

Boston, MA 02199

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

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Date of fiscal year end: April 30

Date of reporting period: October 31, 2015

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

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

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Item 1. Reports to Shareholders.

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

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Your Global Investment Authority

PIMCO Closed-End Funds

Semiannual Report

October 31, 2015

PIMCO Municipal Income Fund

PIMCO California Municipal Income Fund

PIMCO New York Municipal Income Fund

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Letter from the Chairman of the Board & President

Dear Shareholder,

The financial markets experienced periods of volatility during the reporting period. Investor sentiment was challenged at times given mixed economic data, uncertainties surrounding future global monetary policy and geopolitical issues.

For the six-month reporting period ended October 31, 2015

Economic growth in the U.S. was uneven during the reporting period. Looking back, U.S. gross domestic product (GDP), which represents the value of goods and services produced in the country, the broadest measure of economic activity and the principal indicator of economic performance, expanded at a 0.6% annual pace during the first quarter of 2015. However, economic activity then accelerated, as GDP grew at a 3.9% annual pace during the second quarter of 2015. Finally, the Commerce Department's follow-up reading released after the reporting period had ended showed that third-quarter 2015 GDP grew at an annual pace of 2.1%.

Federal Reserve (Fed) monetary policy remained accommodative during the six months ended October 31, 2015. However, the Fed signaled that it was moving closer to raising interest rates for the first time since 2006. At its March 2015 meeting, the Fed eliminated the word patient from its official statement regarding when it may start raising rates. At its meeting in October, the Fed kept rates on hold between 0% and 0.25% and said, In determining whether it will be appropriate to raise the target range at its next meeting, the Committee will assess progress both realized and expected toward its objectives of maximum employment and 2 percent inflation. Finally, on December 16, 2015 after the reporting period ended the Fed raised rates to between 0.25% and 0.50%.

Despite periods of volatility, the municipal bond market generated a positive return during the six-month reporting period ended October 31, 2015. After declining in May and June 2015, the overall municipal market, as measured by the Barclays Municipal Bond Index, posted positive returns during the last four months of the reporting period. Supporting the municipal market were generally improving fundamentals, attractive valuations and falling longer-term interest rates. All told, the Barclays Municipal Bond Index gained 1.68% during the six months ended October 31, 2015. In comparison, the overall taxable fixed income market, as measured by the Barclays U.S. Aggregate Bond Index, returned -0.10%.

Outlook

PIMCO's baseline view sees U.S. economic growth in the range of 2.25% to 2.75% and CPI inflation of 1.75% to 2.25% over the next four quarters. This represents a modest pickup in growth and inflation relative to the pace recorded in the first half of 2015, and is slightly below the pace of GDP growth over the most recent four quarters. In PIMCO's view, projected employment and labor income gains should

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support consumption, while historically low mortgage rates and a pent-up demand for housing driven by household formation and demography should boost residential construction. In contrast to robust consumption and housing, PIMCO believes business investment confronts headwinds from low oil prices and cutbacks in drilling and exploration, while exports will be challenged by the delayed effects of a stronger U.S. dollar and slower growth in emerging economies. It is PIMCO's view that the Fed is alert to the state of financial conditions and is inclined to go slowly with future rate increases.

PIMCO's outlook for the municipal market remains positive due to improving credit fundamentals and favorable pre-tax equivalent valuations. That being said, PIMCO acknowledges the potential for interest rate volatility, additional supply pressures, or negative credit headlines.

In the following pages of this PIMCO Closed-End Funds Semiannual Report, please find specific details regarding investment performance and a discussion of factors that most affected the Funds' performance over the six months ended October 31, 2015.

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

We remain dedicated to serving your investment needs.

Sincerely,

Hans W. Kertess
Chairman of the Board of Trustees

Peter G. Strelow
President

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Important Information About the Funds

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

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

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

A Fund's use of leverage creates the opportunity for increased income for the Fund's common shareholders, but also creates special risks. Leverage is a speculative technique that may expose a Fund to greater risk and increased costs. If shorter-term interest rates rise relative to the rate of return on a Fund's portfolio, the interest and other costs to the Fund of leverage could exceed the rate of return on the debt obligations and other investments held by the Fund, thereby reducing return to the Fund's common shareholders. In addition, fees and expenses of any form of leverage used by a Fund will be borne entirely by its common shareholders (and not by preferred shareholders, if any) and will reduce the investment return of the Fund's common shares. There can be no

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assurance that a Fund's use of leverage will result in a higher yield on its common shares, and it may result in losses. Leverage creates several major types of risks for a Fund's common shareholders, including: (1) the likelihood of greater volatility of net asset value and market price of the Fund's common shares, and of the investment return to the Fund's common shareholders, than a comparable portfolio without leverage; (2) the possibility either that the Fund's common share dividends will fall if the interest and other costs of leverage rise, or that dividends paid on the Fund's common shares will fluctuate because such costs vary over time; and (3) the effects of leverage in a declining market or a rising interest rate environment, as leverage is likely to cause a greater decline in the net asset value of the Fund's common shares than if the Fund were not leveraged and may result in a greater decline in the market value of the Fund's common shares.

There is a risk that a Fund investing in a tender option bond program will not be considered the owner of a tender option bond for federal income tax purposes, and thus will not be entitled to treat such interest as exempt from federal income tax. Certain tender option bonds may be illiquid or may become illiquid as a result of, among other things, a credit rating downgrade, a payment default or a disqualification from tax-exempt status. Regulators recently finalized rules implementing Section 619 (the Volcker Rule) and Section 941 (the Risk Retention Rules) of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Both the Volcker Rule and the Risk Retention Rules apply to tender option bond programs and may require that such programs be restructured. At this time, the full impact of these rules is not certain, however, in response to these rules, industry participants have begun to explore various structuring alternatives for existing and new trusts. For example, under a new tender option bond structure, a Fund would structure and sponsor a tender option bond trust. As a result, a Fund would be required to assume certain responsibilities and risks as the sponsor of the tender option bond trust. Because of the important role that tender option bond programs play in the municipal bond market, it is possible that implementation of these rules and any resulting impact may adversely impact the municipal bond market and the Funds. For example, as a result of the implementation of these rules, the municipal bond market may experience reduced demand or liquidity and increased financing costs. A Fund's investment in the securities issued by a tender option bond trust may involve greater risk and volatility than an investment in a fixed rate bond, and the value of such securities may decrease significantly when market interest rates increase. Tender option bond trusts 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. A Fund may use a tender option bond program as a way of achieving leverage in its portfolio, in which case the Fund will be subject to leverage risk.

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

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Important Information About the Funds (Cont.)

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

A Fund that concentrates its investments in California municipal bonds may be affected significantly by economic, regulatory or political developments affecting the ability of California issuers to pay interest or repay principal. Certain issuers of California municipal bonds have experienced serious financial difficulties in the past and reoccurrence of these difficulties may impair the ability of certain California issuers to pay principal or interest on their obligations. Provisions of the California Constitution and State statutes that limit the taxing and spending authority of California governmental entities may impair the ability of California issuers to pay principal and/or interest on their obligations. While California's economy is broad, it does have major concentrations in high technology, aerospace and defense-related manufacturing, trade, entertainment, real estate and financial services, and may be sensitive to economic problems affecting those industries. Future California political and economic developments, constitutional amendments, legislative measures, executive orders, administrative regulations, litigation and voter initiatives could have an adverse effect on the debt obligations of California issuers.

A Fund that concentrates its investments in New York municipal bonds may be affected significantly by economic, regulatory or political developments affecting the ability of New York issuers to pay interest or repay principal. While New York's economy is broad, it does have concentrations in the financial services industry, and may be sensitive to economic problems affecting that industry. Certain issuers of New York municipal bonds have experienced serious financial difficulties in the past and a reoccurrence of these difficulties may impair the ability of certain New York issuers to pay principal or interest on their obligations. The financial health of New York City affects that of the State, and when New York City experiences financial difficulty it may have an adverse effect on New York municipal bonds held by a Fund. The growth rate of New York has at times been somewhat slower than the nation overall. The economic and financial condition of New York also may be affected by various financial, social, economic and political factors.

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

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Income distributions and capital gain distributions are determined in accordance with income tax regulations which may differ from U.S. GAAP. Differences between tax regulations and U.S. GAAP may cause timing differences between income and capital gain recognition. Further, the character of investment income and capital gains may be different for certain transactions under the two methods of accounting. As a result, income distributions and capital gain distributions declared during a fiscal period may differ significantly from the net investment income (loss) and realized gains (losses) reported on each Fund's annual financial statements presented under U.S. GAAP.

The Funds may be subject to various risks in addition to those described above. Some of these risks may include, but are not limited to, the following: asset allocation risk, credit risk, stressed securities risk, distressed and defaulted securities risk, corporate bond risk, market risk, issuer risk, liquidity risk, equity securities and related market risk, mortgage-related and other asset-backed securities risk, extension risk, prepayment risk, privately issued mortgage-related securities risk, mortgage market/subprime risk, currency risk, redenomination risk, non-diversification risk, management risk, municipal bond risk, tender option bond risk, inflation-indexed security risk, senior debt risk, loans, participations and assignments risk, reinvestment risk, real estate risk, U.S. Government securities risk, foreign (non-U.S.) government securities risk, valuation risk, segregation and cover risk, focused investment risk, credit default swaps risk, event-linked securities risk, counterparty risk, preferred securities risk, confidential information access risk, other investment companies risk, private placements risk, inflation/deflation risk, regulatory risk, tax risk, recent economic conditions risk, market disruptions and geopolitical risk, potential conflicts of interest involving allocation of investment opportunities, repurchase agreements risk, securities lending risk, zero-coupon bond and payment-in-kind securities risk, portfolio turnover risk, smaller company risk, short sale risk and convertible securities risk. A description of certain of these risks is available in the Notes to Financial Statements of this Report.

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

The following table discloses the commencement of operations of each Fund:

Name of Fund	Commencement of Operations
PIMCO Municipal Income Fund	06/29/01
PIMCO California Municipal Income Fund	06/29/01
PIMCO New York Municipal Income Fund	06/29/01

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

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Important Information About the Funds (Cont.)

The Trustees are responsible generally for overseeing the management of the Funds. The Trustees authorize the Funds to enter into service agreements with the Investment Manager and other service providers in order to provide, and in some cases authorize service providers to procure through other parties, necessary or desirable services on behalf of the Funds. Shareholders are not parties to or third-party beneficiaries of such service agreements. Neither a Fund's original or any subsequent prospectus or Statement of Additional Information (SAI), any press release or shareholder report, any contracts filed as exhibits to a Fund's registration statement, nor any other communications, disclosure documents or regulatory filings from or on behalf of a Fund creates a contract between or among any shareholder of a Fund, on the one hand, and the Fund, a service provider to the Fund, and/or the Trustees or officers of the Fund, on the other hand. The Trustees (or the Funds and their officers, service providers or other delegates acting under authority of the Trustees) may amend its most recent or use a new prospectus or SAI with respect to a Fund, adopt and disclose new or amended policies and other changes in press releases and shareholder reports and/or amend, file and/or issue any other communications, disclosure documents or regulatory filings, and may amend or enter into any contracts to which a Fund is a party, and interpret the investment objective(s), policies, restrictions and contractual provisions applicable to any Fund, without shareholder input or approval, except in circumstances in which shareholder approval is specifically required by law (such as changes to fundamental investment policies) or where a shareholder approval requirement was specifically disclosed in a Fund's prospectus, SAI or shareholder report and is otherwise still in effect.

PIMCO has adopted written proxy voting policies and procedures (Proxy Policy) as required by Rule 206(4)-6 under the Investment Advisers Act of 1940. The Proxy Policy has been adopted by the Funds as the policies and procedures that PIMCO will use when voting proxies on behalf of the Funds. A description of the policies and procedures that PIMCO uses to vote proxies relating to portfolio securities of each Fund, and information about how each Fund voted proxies relating to portfolio securities held during the most recent twelve-month period ended June 30, are available without charge, upon request, by calling the Funds at (844) 33-PIMCO (844-337-4626), on the Funds' website at www.pimco.com, and on the Securities and Exchange Commission's (SEC) website at <http://www.sec.gov>.

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

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

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PIMCO Municipal Income Fund

Symbol on NYSE - **PMF**

Allocation Breakdown

California	15.8%
New York	12.9%
Texas	9.8%
New Jersey	7.5%
Illinois	6.1%
Ohio	5.1%
Pennsylvania	5.0%
Short-Term Instruments	1.0%
Other	36.8%

% of Investments, at value as of 10/31/15. Financial derivative instruments, if any, are excluded.

Fund Information (as of October 31, 2015)⁽¹⁾

Market Price	\$15.00
NAV	\$13.12
Premium/(Discount) to NAV	14.33%
Market Price Distribution Yield ⁽²⁾	6.50%
NAV Distribution Yield ⁽²⁾	7.43%
Total Effective Leverage ⁽³⁾	38%

Average Annual Total Return⁽¹⁾ for the period ended October 31, 2015

	6 Month*	1 Year	5 Year	10 Year	Commencement of Operations (06/29/01)
Market Price	1.07%	14.28%	8.53%	7.33%	7.23%
NAV	3.62%	7.25%	9.70%	7.03%	7.16%

All Fund returns are net of fees and expenses.

*Cumulative return

- (1) Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and the principal value of an investment will fluctuate. Total return, market price, NAV, market price distribution yield, and NAV distribution yield will fluctuate with changes in market conditions. For performance current to the most recent month-end, visit www.pimco.com or call (844) 33-PIMCO.
- (2) Distribution yields are not performance and are calculated by annualizing the most recent distribution per share and dividing by the NAV or Market Price, as applicable, as of the reported date. Distributions may be comprised of ordinary income, net capital gains, and/or a return of capital (ROC) of your investment in the Fund. Because the distribution rate may include a ROC, it should not be confused with yield or income. If the Fund estimates that a portion of its distribution may be comprised of amounts from sources other than net investment income, the Fund will notify shareholders of the estimated composition of such distribution through a Section 19 Notice. Please refer to the most recent Section 19 Notice, if applicable, for additional information regarding the composition of distributions. Please visit www.pimco.com for most recent Section 19 Notice, if applicable. Final determination of a distribution's tax character will be made on Form 1099 DIV sent to shareholders each January.
- (3) Represents total effective leverage outstanding, as a percentage of total managed assets. Total effective leverage consists of preferred shares, reverse repurchase agreements and other borrowings, credit default swap notional, and floating rate notes issued in tender option bond transactions, as applicable (collectively "Total Effective Leverage"). The Fund may engage in other transactions not included in Total Effective Leverage disclosed above that may give rise to a form of leverage, including certain derivative transactions. For the purpose of calculating Total Effective Leverage outstanding as a percentage of total managed assets, total managed assets refer to total assets (including assets attributable to Total Effective Leverage that may be outstanding) minus accrued liabilities (other than liabilities representing Total Effective Leverage).

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Investment Objective and Strategy Overview

- » PIMCO Municipal Income Fund's primary investment objective is to seek current income exempt from federal income tax.

Fund Insights

- » The Fund's long duration exposure contributed to performance, as municipal yields declined in most maturities during the reporting period.
- » An overweight to the revenue-backed sector contributed to performance, as the sector outperformed the general municipal bond market during the reporting period.
- » An overweight to the tobacco sector contributed to performance, as the sector outperformed the general municipal bond market during the reporting period.
- » An underweight to the education sector detracted from performance, as the sector outperformed the general municipal bond market during the reporting period.
- » An underweight to the water & sewer utility sector detracted from performance, as the sector outperformed the general municipal bond market during the reporting period.
- » An underweight to the special tax sector detracted from performance, as the sector outperformed the general municipal bond market during the reporting period.

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PIMCO California Municipal Income Fund

Symbol on NYSE - **PCQ**

Allocation Breakdown

California	93.8%
Short-Term Instruments	4.2%
Illinois	1.5%
Alabama	0.5%

% of Investments, at value as of 10/31/15. Financial derivative instruments, if any, are excluded.

Fund Information (as of October 31, 2015)⁽¹⁾

Market Price	\$15.94
NAV	\$14.38
Premium/(Discount) to NAV	10.85%
Market Price Distribution Yield ⁽²⁾	5.80%
NAV Distribution Yield ⁽²⁾	6.43%
Total Effective Leverage ⁽³⁾	40%

Average Annual Total Return⁽¹⁾ for the period ended October 31, 2015

	6 Month*	1 Year	5 Year	10 Year	Commencement of Operations (06/29/01)
Market Price	5.11%	16.22%	9.89%	7.62%	7.31%
NAV	3.69%	6.98%	8.69%	7.17%	7.08%

All Fund returns are net of fees and expenses.

* Cumulative return

- (1) Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and the principal value of an investment will fluctuate. Total return, market price, NAV, market price distribution yield, and NAV distribution yield will fluctuate with changes in market conditions. For performance current to the most recent month-end, visit www.pimco.com or call (844) 33-PIMCO.
- (2) Distribution yields are not performance and are calculated by annualizing the most recent distribution per share and dividing by the NAV or Market Price, as applicable, as of the reported date. Distributions may be comprised of ordinary income, net capital gains, and/or a return of capital (ROC) of your investment in the Fund. Because the distribution rate may include a ROC, it should not be confused with yield or income. If the Fund estimates that a portion of its distribution may be comprised of amounts from sources other than net investment income, the Fund will notify shareholders of the estimated composition of such distribution through a Section 19 Notice. Please refer to the most recent Section 19 Notice, if applicable, for additional information regarding the composition of distributions. Please visit www.pimco.com for most recent Section 19 Notice, if applicable. Final determination of a distribution's tax character will be made on Form 1099 DIV sent to shareholders each January.
- (3) Represents total effective leverage outstanding, as a percentage of total managed assets. Total effective leverage consists of preferred shares, reverse repurchase agreements and other borrowings, credit default swap notional, and floating rate notes issued in tender option bond transactions, as applicable (collectively "Total Effective Leverage"). The Fund may engage in other transactions not included in Total Effective Leverage disclosed above that may give rise to a form of leverage, including certain derivative transactions. For the purpose of calculating Total Effective Leverage outstanding as a percentage of total managed assets, total managed assets refer to total assets (including assets attributable to Total Effective Leverage that may be outstanding) minus accrued liabilities (other than liabilities representing Total Effective Leverage).

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Investment Objective and Strategy Overview

- » PIMCO California Municipal Income Fund's primary investment objective is to seek current income exempt from federal and California income tax.

Fund Insights

- » The Fund's long duration exposure contributed to performance, as municipal yields declined in most maturities during the reporting period.
- » An overweight to the revenue-backed sector contributed to performance, as the sector outperformed the general municipal bond market during the reporting period.
- » An overweight to the tobacco sector contributed to performance, as the sector outperformed the general municipal bond market during the reporting period.
- » An underweight to the transportation sector detracted from performance, as the sector outperformed the general municipal bond market during the reporting period.
- » An underweight to the water & sewer utility sector detracted from performance, as the sector outperformed the general municipal bond market during the reporting period.
- » An underweight to the resource recovery sector detracted from performance, as the sector outperformed the general municipal bond market during the reporting period.

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PIMCO New York Municipal Income Fund

Symbol on NYSE - **PNF**

Allocation Breakdown

New York	93.4%
Short-Term Instruments	3.1%
Ohio	1.8%
Illinois	1.7%

% of Investments, at value as of 10/31/15. Financial derivative instruments, if any, are excluded.

Fund Information (as of October 31, 2015)⁽¹⁾

Market Price	\$11.60
NAV	\$12.01
Premium/(Discount) to NAV	-3.41%
Market Price Distribution Yield ⁽²⁾	5.90%
NAV Distribution Yield ⁽²⁾	5.70%
Total Effective Leverage ⁽³⁾	38%

Average Annual Total Return⁽¹⁾ for the period ended October 31, 2015

	6 Month*	1 Year	5 Year	10 Year	Commencement of Operations (06/29/01)
Market Price	3.53%	4.08%	7.03%	3.94%	4.54%
NAV	3.71%	6.98%	8.07%	4.99%	5.16%

All Fund returns are net of fees and expenses.

* Cumulative return

- (1) Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and the principal value of an investment will fluctuate. Total return, market price, NAV, market price distribution yield, and NAV distribution yield will fluctuate with changes in market conditions. For performance current to the most recent month-end, visit www.pimco.com or call (844) 33-PIMCO.
- (2) Distribution yields are not performance and are calculated by annualizing the most recent distribution per share and dividing by the NAV or Market Price, as applicable, as of the reported date. Distributions may be comprised of ordinary income, net capital gains, and/or a return of capital (ROC) of your investment in the Fund. Because the distribution rate may include a ROC, it should not be confused with yield or income. If the Fund estimates that a portion of its distribution may be comprised of amounts from sources other than net investment income, the Fund will notify shareholders of the estimated composition of such distribution through a Section 19 Notice. Please refer to the most recent Section 19 Notice, if applicable, for additional information regarding the composition of distributions. Please visit www.pimco.com for most recent Section 19 Notice, if applicable. Final determination of a distribution's tax character will be made on Form 1099 DIV sent to shareholders each January.
- (3) Represents total effective leverage outstanding, as a percentage of total managed assets. Total effective leverage consists of preferred shares, reverse repurchase agreements and other borrowings, credit default swap notional, and floating rate notes issued in tender option bond transactions, as applicable (collectively "Total Effective Leverage"). The Fund may engage in other transactions not included in Total Effective Leverage disclosed above that may give rise to a form of leverage, including certain derivative transactions. For the purpose of calculating Total Effective Leverage outstanding as a percentage of total managed assets, total managed assets refer to total assets (including assets attributable to Total Effective Leverage that may be outstanding) minus accrued liabilities (other than liabilities representing Total Effective Leverage).

14 PIMCO CLOSED-END FUNDS

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Investment Objective and Strategy Overview

- » PIMCO New York Municipal Income Fund's primary investment objective is to seek current income exempt from federal, New York State and New York City income tax.

Fund Insights

- » The Fund's long duration exposure contributed to performance, as municipal yields declined in most maturities during the reporting period.
- » An overweight to the revenue-backed sector contributed to performance, as the sector outperformed the general municipal bond market during the reporting period.
- » An overweight to the tobacco sector contributed to performance, as the sector outperformed the general municipal bond market during the reporting period.
- » An underweight to the water & sewer utility sector detracted from performance, as the sector outperformed the general municipal bond market during the reporting period.
- » An underweight to the special tax sector detracted from performance, as the sector outperformed the general municipal bond market during the reporting period.
- » An underweight to the transportation sector detracted from performance, as the sector outperformed the general municipal bond market during the reporting period.

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Financial Highlights

Selected Per Common Share Data for the Year or Period Ended:	Net Asset Value Beginning of Year or Period	Net Investment Income (a)	Net Realized/ Unrealized Gain (Loss)	Total from Investment Operations	Distributions on Preferred Shares from Net Investment Income	Net Increase (Decrease) in Net Assets Applicable		Total Distributions to Common Shareholders ^(b)
						Investment Operations	Distributions to Common Shareholders	
PIMCO Municipal Income Fund								
05/01/2015 - 10/31/2015+	\$ 13.15	\$ 0.49	\$ (0.02)	\$ 0.47	\$ (0.01)	\$ 0.46	\$ (0.49)	\$ (0.49)
04/30/2015	12.57	0.93	0.64	1.57	(0.01)	1.56	(0.98)	(0.98)
04/30/2014	13.75	0.94	(1.13)	(0.19)	(0.01)	(0.20)	(0.98)	(0.98)
04/30/2013	12.93	0.95	0.87	1.82	(0.02)	1.80	(0.98)	(0.98)
04/30/2012	10.72	1.01	2.20	3.21	(0.02)	3.19	(0.98)	(0.98)
04/30/2011	11.76	1.07	(1.10)	(0.03)	(0.03)	(0.06)	(0.98)	(0.98)
PIMCO California Municipal Income Fund								
05/01/2015 - 10/31/2015+	\$ 14.33	\$ 0.49	\$ 0.03	\$ 0.52	\$ (0.01)	\$ 0.51	\$ (0.46)	\$ (0.46)
04/30/2015	13.77	0.95	0.54	1.49	(0.01)	1.48	(0.92)	(0.92)
04/30/2014	14.71	0.99	(1.00)	(0.01)	(0.01)	(0.02)	(0.92)	(0.92)
04/30/2013	13.75	1.02	0.88	1.90	(0.02)	1.88	(0.92)	(0.92)
04/30/2012	11.32	1.08	2.29	3.37	(0.02)	3.35	(0.92)	(0.92)
04/30/2011	12.84	1.12	(1.69)	(0.57)	(0.03)	(0.60)	(0.92)	(0.92)
PIMCO New York Municipal Income Fund								
05/01/2015 - 10/31/2015+	\$ 11.92	\$ 0.35	\$ 0.08	\$ 0.43	\$ (0.00) [^]	\$ 0.43	\$ (0.34)	\$ (0.34)
04/30/2015	11.20	0.68	0.73	1.41	(0.01)	1.40	(0.68)	(0.68)
04/30/2014	12.04	0.67	(0.82)	(0.15)	(0.01)	(0.16)	(0.68)	(0.68)
04/30/2013	11.38	0.70	0.66	1.36	(0.02)	1.34	(0.68)	(0.68)
04/30/2012	9.92	0.74	1.41	2.15	(0.01)	2.14	(0.68)	(0.68)
04/30/2011	10.67	0.80	(0.84)	(0.04)	(0.03)	(0.07)	(0.68)	(0.68)

+ Unaudited

* Annualized

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

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

(b) Determined in accordance with federal income tax regulations, see Note 2(b) in the Notes to Financial Statements for more information.

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

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

(e) Interest expense primarily relates to participation in borrowing and financing transactions. See Note 5 in the Notes to Financial Statements for more information.

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Net Asset Value End of Year or Period	Market Price End of Year or Period	Total Investment Return (c)	Net Assets Applicable to Common Share holders End of Year or Period (000s)	Ratio of Expenses to Average Net Assets (d)(e)	Ratio of Expenses to Average Net Assets Excluding Waivers (d)	Ratio of Expenses to Average Net Assets Excluding Interest Expense (d)	Ratio of Expenses to Average Net Assets Excluding Interest Expense and Waivers (d)	Ratio of Net Investment to Average Net Assets (d)	Preferred Shares Asset Coverage Per Share	Portfolio Turnover Rate
\$ 13.12	\$ 15.00	1.07%	\$ 334,686	1.22%*	1.22%*	1.21%*	1.21%*	7.45%*	\$ 69,037	15%
13.15	15.38	21.47	334,775	1.25	1.25	1.22	1.22	7.12	69,049	9
12.57	13.58	(8.45)	319,155	1.30	1.30	1.27	1.27	7.74	66,993	15
13.75	16.05	11.96	348,162	1.22	1.23	1.19	1.20	6.99	70,809	9
12.93	15.28	27.20	326,741	1.28	1.35	1.22	1.29	8.42	67,990	18
10.72	12.92	1.54	269,916	1.44	1.44	1.34	1.34	9.43	60,514	15
\$ 14.38	\$ 15.94	5.11%	\$ 267,988	1.25%*	1.25%*	1.22%*	1.22%*	6.85%*	\$ 69,664	11%
14.33	15.66	16.08	266,838	1.32	1.32	1.22	1.22	6.67	69,473	11
13.77	14.38	0.61	255,751	1.36	1.36	1.27	1.27	7.55	67,624	21
14.71	15.33	9.96	272,398	1.30	1.31	1.21	1.22	7.17	70,398	12
13.75	14.83	32.94	253,870	1.36	1.43	1.25	1.32	8.63	67,310	9
11.32	11.99	(2.79)	208,147	1.48	1.48	1.34	1.34	9.21	59,689	19
\$ 12.01	\$ 11.60	3.53%	\$ 92,522	1.29%*	1.29%*	1.28%*	1.28%*	5.88%*	\$ 74,213	4%
11.92	11.54	7.72	91,832	1.39	1.39	1.31	1.31	5.78	73,847	1
11.20	11.36	(3.21)	86,211	1.46	1.46	1.40	1.40	6.28	70,857	10
12.04	12.52	12.96	92,509	1.36	1.37	1.30	1.31	5.89	74,203	16
11.38	11.73	26.36	87,126	1.37	1.44	1.31	1.38	7.00	71,341	21
9.92	9.89	(5.57)	75,728	1.51	1.51	1.42	1.42	7.70	65,279	29

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Table of Contents**Statements of Assets and Liabilities**

(Unaudited)

October 31, 2015

(Amounts in thousands, except per share amounts)	PIMCO Municipal Income Fund	PIMCO California Municipal Income Fund	PIMCO New York Municipal Income Fund
Assets:			
<i>Investments, at value</i>			
Investments in securities	\$ 532,187	\$ 442,684	\$ 146,452
Cash	359	548	390
Receivable for investments sold	40	0	0
Interest receivable	7,706	6,692	1,957
Other assets	67	3	1,861
Total Assets	540,359	449,927	150,660
Liabilities:			
<i>Borrowings & Other Financing Transactions</i>			
Payable for tender option bond floating rate certificates	\$ 13,090	\$ 28,479	\$ 10,495
Payable for investments purchased	0	1,526	0
Distributions payable to common shareholders	2,072	1,435	439
Distributions payable to preferred shareholders	4	3	1
Accrued management fees	322	257	94
Other liabilities	185	239	109
Total Liabilities	15,673	31,939	11,138
Preferred Shares (\$0.00001 par value and \$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	150,000	47,000
Net Assets Applicable to Common Shareholders	\$ 334,686	\$ 267,988	\$ 92,522
Composition of Net Assets Applicable to Common Shareholders:			
Common Shares:			
Par Value (\$0.00001 per share)	\$ 0	\$ 0	\$ 0
Paid in capital	333,437	244,026	97,464
Undistributed net investment income	1,796	13,309	2,175
Accumulated undistributed net realized (loss)	(58,701)	(33,038)	(20,267)
Net unrealized appreciation	58,154	43,691	13,150
	\$ 334,686	\$ 267,988	\$ 92,522
Common Shares Issued and Outstanding	25,505	18,639	7,705
Net Asset Value Per Common Share	\$ 13.12	\$ 14.38	\$ 12.01
Cost of investments in securities	\$ 474,197	\$ 397,977	\$ 133,636

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

Table of Contents**Statements of Operations**

Six Months Ended October 31, 2015 (Unaudited)

(Amounts in thousands)	PIMCO Municipal Income Fund	PIMCO California Municipal Income Fund	PIMCO New York Municipal Income Fund
Investment Income:			
Interest	\$ 14,436	\$ 10,771	\$ 3,302
Total Income	14,436	10,771	3,302
Expenses:			
Management fees	1,849	1,473	538
Auction agent fees and commissions	153	120	38
Trustee fees and related expenses	18	18	6
Interest expense	19	37	5
Auction rate preferred shares related expenses	8	7	7
Total Expenses	2,047	1,655	594
Net Investment Income	12,389	9,116	2,708
Net Realized Gain:			
Investments in securities	157	594	296
Net Realized Gain	157	594	296
Net Change in Unrealized Appreciation (Depreciation):			
Investments in securities	(618)	(158)	356
Net Change in Unrealized Appreciation (Depreciation)	(618)	(158)	356
Net Increase in Net Assets Resulting from Operations	11,928	9,552	3,360
Distributions on Preferred Shares from Net Investment Income	(147)	(117)	(35)
Net Increase in Net Assets Applicable to Common Shareholders Resulting from Operations	\$ 11,781	\$ 9,435	\$ 3,325

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Table of Contents**Statements of Changes in Net Assets**

(Amounts in thousands)	PIMCO Municipal Income Fund	
	Six Months Ended October 31, 2015 (Unaudited)	Year Ended April 30, 2015
Increase (Decrease) in Net Assets from:		
Operations:		
Net investment income	\$ 12,389	\$ 23,709
Net realized gain (loss)	157	(1,080)
Net change in unrealized appreciation (depreciation)	(618)	17,051
Net increase in net assets resulting from operations	11,928	39,680
Dividends on preferred shares from net investment income	(147)	(211)
Net Increase in Net Assets Applicable to Common Shareholders Resulting from Operations	11,781	39,469
Distributions to Common Shareholders**:		
From net investment income	(12,425)	(24,797)
Total Distributions to Common Shareholders ^(a)	(12,425)	(24,797)
Common Share Transactions**:		
Issued as reinvestment of distributions	555	948
Total Increase (Decrease) in Net Assets	(89)	15,620
Net Assets Applicable to Common Shareholders:		
Beginning of period	334,775	319,155
End of period*	\$ 334,686	\$ 334,775
* Including undistributed net investment income of:	\$ 1,796	\$ 1,979
** Common Share Transactions:		
Shares issued as reinvestment of distributions	41	68

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

^(a) Determined in accordance with federal income tax regulations, see Note 2(b) in the Notes to Financial Statements for more information.

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PIMCO California Municipal Income Fund		PIMCO New York Municipal Income Fund	
Six Months Ended October 31, 2015 (Unaudited)	Year Ended April 30, 2015	Six Months Ended October 31, 2015 (Unaudited)	Year Ended April 30, 2015
\$ 9,116	\$ 17,678	\$ 2,708	\$ 5,247
594	455	296	0
(158)	9,666	356	5,582
9,552	27,799	3,360	10,829
(117)	(165)	(35)	(54)
9,435	27,634	3,325	10,775
(8,607)	(17,183)	(2,635)	(5,269)
(8,607)	(17,183)	(2,635)	(5,269)
322	636	0	115
1,150	11,087	690	5,621
266,838	255,751	91,832	86,211
\$ 267,988	\$ 266,838	\$ 92,522	\$ 91,832
\$ 13,309	\$ 12,917	\$ 2,175	\$ 2,137
22	45	0	10

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Schedule of Investments PIMCO Municipal Income Fund

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
INVESTMENTS IN SECURITIES 159.0%		
MUNICIPAL BONDS & NOTES 157.5%		
ALABAMA 4.4%		
Huntsville-Redstone Village Special Care Facilities Financing Authority, Alabama Revenue Bonds, Series 2007		
5.500% due 01/01/2028	\$ 250	\$ 251
5.500% due 01/01/2043	885	869
Jefferson County, Alabama Sewer Revenue Bonds, Series 2013		
0.000% due 10/01/2050 (c)	15,000	10,247
6.500% due 10/01/2053	3,000	3,433
		14,800
ALASKA 1.2%		
Alaska Industrial Development & Export Authority Revenue Bonds, Series 2007		
6.000% due 12/01/2036 ^	900	252
Matanuska-Susitna Borough, Alaska Revenue Bonds, (AGC Insured), Series 2009		
6.000% due 09/01/2032	3,280	3,898
		4,150
ARIZONA 3.9%		
Arizona Health Facilities Authority Revenue Bonds, Series 2007		
5.200% due 10/01/2037	2,750	2,713
Arizona Health Facilities Authority Revenue Bonds, Series 2008		
5.500% due 01/01/2038	2,050	2,199
Industrial Development Authority of the County, Arizona of Pima Revenue Bonds, Series 2010		
5.250% due 10/01/2040	750	823
Maricopa County, Arizona Pollution Control Corp. Revenue Bonds, Series 2000		
5.000% due 06/01/2035	1,500	1,663
Salt River Project Agricultural Improvement & Power District, Arizona Revenue Bonds, Series 2009		
5.000% due 01/01/2039 (d)	5,000	5,499
		12,897
ARKANSAS 0.6%		
Arkansas Development Finance Authority Revenue Bonds, (AMBAC Insured), Series 2006		
0.000% due 07/01/2036 (b)	5,500	2,154
	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
CALIFORNIA 25.1%		
Bay Area Toll Authority, California Revenue Bonds, Series 2010		
5.000% due 10/01/2034	\$ 2,875	\$ 3,246

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5.000% due 10/01/2042	3,255	3,627
Bay Area Toll Authority, California Revenue Bonds, Series 2013		
5.250% due 04/01/2053	10,000	11,147
Bay Area Toll Authority, California Revenue Bonds, Series 2014		
5.000% due 10/01/2054	7,000	7,724
California Health Facilities Financing Authority Revenue Bonds, Series 2009		
6.000% due 07/01/2039	2,000	2,274
California Health Facilities Financing Authority Revenue Bonds, Series 2011		
6.000% due 08/15/2042	1,500	1,748
California Municipal Finance Authority Revenue Bonds, Series 2011		
7.750% due 04/01/2031	1,335	1,696
California State General Obligation Bonds, Series 2007		
5.000% due 11/01/2032	700	757
5.000% due 06/01/2037	1,200	1,274
California State General Obligation Bonds, Series 2008		
5.125% due 08/01/2036	2,300	2,533
5.250% due 03/01/2038	1,250	1,363
California State General Obligation Bonds, Series 2009		
6.000% due 04/01/2038	3,200	3,724
California State General Obligation Bonds, Series 2010		
5.250% due 11/01/2040	1,900	2,216
5.500% due 03/01/2040	500	580
California Statewide Communities Development Authority Revenue Bonds, (FHA Insured), Series 2009		
6.625% due 08/01/2029	2,310	2,726
6.750% due 02/01/2038	8,485	9,947
California Statewide Communities Development Authority Revenue Bonds, Series 2008		
5.500% due 07/01/2031	845	901
California Statewide Communities Development Authority Revenue Bonds, Series 2011		
5.000% due 12/01/2041	1,000	1,097
6.500% due 11/01/2021	515	563
Chula Vista, California Revenue Bonds, Series 2004		
5.875% due 02/15/2034	3,000	3,438
Los Angeles Community College District, California General Obligation Bonds, (FGIC Insured), Series 2007		
5.000% due 08/01/2032	5,300	5,712

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(Unaudited)

October 31, 2015

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
M-S-R Energy Authority, California Revenue Bonds, Series 2009		
6.125% due 11/01/2029	\$ 2,000	\$ 2,574
Montebello Unified School District, California General Obligation Bonds, (AGM Insured), Series 2008		
5.000% due 08/01/2033	4,175	4,658
Orange County, California Airport Revenue Bonds, Series 2009		
5.250% due 07/01/2039	5,000	5,481
San Marcos Unified School District, California General Obligation Bonds, Series 2011		
5.000% due 08/01/2038	1,600	1,783
Whittier Union High School District, California General Obligation Bonds, Series 2009		
0.000% due 08/01/2025 (b)	2,000	1,329
		84,118
COLORADO 1.0%		
Denver Health & Hospital Authority, Colorado Revenue Bonds, Series 2010		
5.625% due 12/01/2040	450	491
Public Authority for Colorado Energy Revenue Bonds, Series 2008		
6.500% due 11/15/2038	500	668
Regional Transportation District, Colorado Certificates of Participation Bonds, Series 2010		
5.375% due 06/01/2031	400	452
University of Colorado Revenue Bonds, Series 2009		
5.375% due 06/01/2038	1,500	1,731
		3,342
CONNECTICUT 2.4%		
Connecticut State Health & Educational Facility Authority Revenue Bonds, Series 2011		
5.000% due 07/01/2041	5,000	5,353
Connecticut State Health & Educational Facility Authority Revenue Bonds, Series 2012		
5.000% due 07/01/2042	2,500	2,655
		8,008
DISTRICT OF COLUMBIA 1.1%		
District of Columbia Revenue Bonds, Series 2009		
5.750% due 10/01/2039	2,500	2,899
District of Columbia Tobacco Settlement Financing Corp. Revenue Bonds, Series 2001		
6.250% due 05/15/2024	695	700
		3,599
	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
FLORIDA 3.3%		
Broward County, Florida Water & Sewer Utility Revenue Bonds, Series 2009		

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5.250% due 10/01/2034 (d)	\$	4,000	\$	4,513
Florida Development Finance Corp. Revenue Notes, Series 2011				
6.500% due 06/15/2021		260		285
Florida State General Obligation Bonds, Series 2009				
5.000% due 06/01/2038 (d)		3,900		4,267
Lee County Industrial Development Authority, Florida Revenue Bonds, Series 2007				
5.375% due 06/15/2037		500		506
Miami-Dade County, Florida School Board Foundation, Inc. Certificates of Participation Bonds, (AGC Insured), Series 2009				
5.375% due 02/01/2034		1,250		1,380
				10,951

GEORGIA 3.5%

Medical Center Hospital Authority, Georgia Revenue Bonds, Series 2007				
5.250% due 07/01/2037		2,300		2,313
Municipal Electric Authority of Georgia Revenue Bonds, Series 2015				
5.000% due 07/01/2060		9,000		9,405
				11,718

ILLINOIS 9.7%

Chicago, Illinois General Obligation Bonds, Series 2003				
5.500% due 01/01/2034		1,750		1,816
Chicago, Illinois General Obligation Bonds, Series 2007				
5.500% due 01/01/2042		2,400		2,445
Chicago, Illinois General Obligation Bonds, Series 2015				
5.375% due 01/01/2029		6,700		6,882
5.500% due 01/01/2034		2,300		2,387
Chicago, Illinois Revenue Bonds, Series 2002				
5.000% due 01/01/2028		2,000		2,089
Illinois Finance Authority Revenue Bonds, Series 2009				
5.500% due 07/01/2037 (d)		5,000		5,613
7.125% due 11/15/2037		400		487
Illinois State Toll Highway Authority Revenue Bonds, Series 2015				
5.000% due 01/01/2040		7,000		7,763
Metropolitan Pier & Exposition Authority, Illinois Revenue Bonds, Series 2015				
5.000% due 06/15/2052		1,000		1,033

See Accompanying Notes

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Table of Contents**Schedule of Investments PIMCO Municipal Income Fund (Cont.)**

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Springfield, Illinois Electric Revenue Bonds, Series 2008		
5.000% due 03/01/2036	\$ 1,900	\$ 1,985
		32,500
INDIANA 2.4%		
Indiana Finance Authority Revenue Bonds, Series 2009		
6.000% due 08/01/2039	1,500	1,718
Indiana Finance Authority Revenue Bonds, Series 2012		
5.000% due 06/01/2032	3,000	3,168
Indiana Municipal Power Agency Revenue Bonds, Series 2009		
6.000% due 01/01/2039	1,000	1,125
Vigo County, Indiana Hospital Authority Revenue Bonds, Series 2011		
7.500% due 09/01/2022	1,720	2,023
		8,034
IOWA 2.6%		
Iowa Finance Authority Revenue Bonds, Series 2007		
6.750% due 11/15/2037	3,500	3,654
6.750% due 11/15/2042	1,500	1,564
Iowa Finance Authority Revenue Bonds, Series 2013		
5.250% due 12/01/2025	1,000	1,090
Iowa Finance Authority Revenue Bonds, Series 2014		
2.000% due 05/15/2056 ^	532	3
2.700% due 11/15/2046 ^	2,836	2,556
		8,867
KANSAS 0.6%		
Kansas Development Finance Authority Revenue Bonds, Series 2009		
5.750% due 11/15/2038	1,000	1,140
Lenexa, Kansas Tax Allocation Bonds, Series 2007		
6.000% due 04/01/2027 ^	849	170
Manhattan, Kansas Revenue Bonds, Series 2007		
5.125% due 05/15/2042	650	651
		1,961
KENTUCKY 0.3%		
Kentucky Economic Development Finance Authority Revenue Bonds, Series 2010		
6.375% due 06/01/2040	1,000	1,145
	PRINCIPAL AMOUNT	MARKET VALUE

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	(000S)	(000S)
LOUISIANA 1.7%		
Louisiana Local Government Environmental Facilities & Community Development Authority Revenue Bonds, (ACA Insured), Series 2000		
6.550% due 09/01/2025	\$ 1,680	\$ 1,880
Louisiana Local Government Environmental Facilities & Community Development Authority Revenue Bonds, Series 2010		
5.875% due 10/01/2040	750	869
6.500% due 11/01/2035	400	471
Louisiana Public Facilities Authority Revenue Bonds, Series 2011		
6.500% due 05/15/2037	2,000	2,387
		5,607
MARYLAND 0.7%		
Maryland Economic Development Corp. Revenue Bonds, Series 2010		
5.750% due 06/01/2035	1,500	1,643
Maryland Health & Higher Educational Facilities Authority Revenue Bonds, Series 2010		
6.250% due 01/01/2041	650	720
		2,363
MASSACHUSETTS 0.9%		
Massachusetts Development Finance Agency Revenue Bonds, Series 2010		
7.000% due 07/01/2042	750	831
Massachusetts Development Finance Agency Revenue Bonds, Series 2011		
0.000% due 11/15/2056 (b)	103	1
6.250% due 11/15/2039	388	367
Massachusetts State College Building Authority Revenue Bonds, Series 2009		
5.500% due 05/01/2039	1,500	1,699
		2,898
MICHIGAN 0.9%		
Michigan Tobacco Settlement Finance Authority Revenue Bonds, Series 2007		
6.000% due 06/01/2048	1,500	1,336
Royal Oak Hospital Finance Authority, Michigan Revenue Bonds, Series 2009		
8.250% due 09/01/2039	1,500	1,806
		3,142
MINNESOTA 0.7%		
St Louis Park, Minnesota Revenue Bonds, Series 2009		
5.750% due 07/01/2039	1,500	1,754

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	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Washington County, Minnesota Housing & Redevelopment Authority Revenue Bonds, Series 2007		
5.625% due 06/01/2037	\$ 500	\$ 516
		2,270
MISSOURI 0.4%		
Joplin Industrial Development Authority, Missouri Revenue Bonds, Series 2007		
5.750% due 05/15/2026	1,000	1,034
Lee s Summit, Missouri Tax Allocation Bonds, Series 2011		
5.625% due 10/01/2023	265	265
		1,299
NEVADA 6.1%		
Clark County, Nevada General Obligation Bonds, (AGM Insured), Series 2006		
4.750% due 06/01/2030	5,000	5,125
Clark County, Nevada General Obligation Bonds, Series 2006		
4.750% due 11/01/2035 33(d)	5,230	5,348
Washoe County, Nevada General Obligation Bonds, (NPFGC Insured), Series 2005		
5.000% due 01/01/2035	9,755	9,830
		20,303
NEW JERSEY 12.0%		
New Jersey Economic Development Authority Revenue Bonds, (AGC Insured), Series 2009		
5.500% due 12/15/2034	2,000	2,250
New Jersey Economic Development Authority Special Assessment Bonds, Series 2002		
5.750% due 04/01/2031	16,550	18,898
New Jersey Health Care Facilities Financing Authority Revenue Bonds, Series 2011		
6.000% due 07/01/2037	500	590
New Jersey Health Care Facilities Financing Authority Revenue Bonds, Series 2013		
5.500% due 07/01/2043	2,000	2,278
New Jersey State Turnpike Authority Revenue Bonds, Series 2009		
5.250% due 01/01/2040	2,000	2,219
Tobacco Settlement Financing Corp., New Jersey Revenue Bonds, Series 2007		
4.750% due 06/01/2034	12,100	9,801
5.000% due 06/01/2041	5,000	4,038
		40,074
	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
NEW MEXICO 2.4%		
Farmington, New Mexico Revenue Bonds, Series 2010		
5.900% due 06/01/2040	\$ 1,000	\$ 1,098

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New Mexico Hospital Equipment Loan Council Revenue Bonds, Series 2009		
5.000% due 08/01/2039	6,400	6,975
		8,073
NEW YORK 20.5%		
Hudson Yards Infrastructure Corp., New York Revenue Bonds, Series 2011		
5.250% due 02/15/2047	15,500	17,103
Metropolitan Transportation Authority, New York Revenue Bonds, Series 2011		
5.000% due 11/15/2036	3,000	3,407
Nassau County, New York Industrial Development Agency Revenue Bonds, Series 2014		
2.000% due 01/01/2049 ^	1,137	136
6.700% due 01/01/2049	3,150	3,103
New York City, New York Water & Sewer System Revenue Bonds, Series 2009		
5.000% due 06/15/2039	3,000	3,350
New York Liberty Development Corp. Revenue Bonds, Series 2005		
5.250% due 10/01/2035	10,000	11,826
New York Liberty Development Corp. Revenue Bonds, Series 2007		
5.500% due 10/01/2037	3,000	3,642
New York Liberty Development Corp. Revenue Bonds, Series 2011		
5.000% due 12/15/2041	10,000	11,186
5.000% due 11/15/2044	10,000	10,963
New York State Dormitory Authority Revenue Bonds, Series 2010		
5.500% due 07/01/2040	3,500	4,019
		68,735
OHIO 8.1%		
Buckeye Tobacco Settlement Financing Authority, Ohio Revenue Bonds, Series 2007		
5.125% due 06/01/2024	1,000	895
5.875% due 06/01/2047	9,000	7,729
6.500% due 06/01/2047	10,000	9,326
Hamilton County, Ohio Revenue Bonds, Series 2012		
5.000% due 06/01/2042	1,000	1,071
Ohio State Turnpike Commission Revenue Bonds, Series 2013		
5.000% due 02/15/2048	5,000	5,441

See Accompanying Notes

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Schedule of Investments PIMCO Municipal Income Fund (Cont.)

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Ohio State Water Development Authority Revenue Bonds, Series 2005		
4.000% due 01/01/2034	\$ 2,500	\$ 2,558
		27,020
OREGON 0.9%		
Oregon Department of Administrative Services State Certificates of Participation Bonds, Series 2009		
5.250% due 05/01/2039	600	669
Oregon Health & Science University Revenue Bonds, Series 2009		
5.750% due 07/01/2039	2,000	2,304
		2,973
PENNSYLVANIA 8.0%		
Capital Region Water, Pennsylvania Revenue Bonds, Series 2007		
6.000% due 09/01/2036 ^	1,960	1,484
Geisinger Authority, Pennsylvania Revenue Bonds, Series 2009		
5.250% due 06/01/2039	5,000	5,500
Lancaster County Hospital Authority, Pennsylvania Revenue Bonds, Series 2008		
6.250% due 07/01/2026	750	776
6.375% due 07/01/2030	85	88
Luzerne County, Pennsylvania Industrial Development Authority Revenue Bonds, Series 2009		
5.500% due 12/01/2039	1,100	1,250
Pennsylvania Higher Educational Facilities Authority Revenue Bonds, Series 2010		
5.000% due 03/01/2040	350	375
6.000% due 07/01/2043	500	523
Pennsylvania Turnpike Commission Revenue Bonds, Series 2009		
5.125% due 12/01/2040	2,000	2,158
Philadelphia Hospitals & Higher Education Facilities Authority, Pennsylvania Revenue Bonds, Series 2012		
5.625% due 07/01/2036	5,000	5,413
5.625% due 07/01/2042	1,000	1,073
Philadelphia, Pennsylvania General Obligation Bonds, (AGM Insured), Series 2008		
5.250% due 12/15/2032	7,000	7,672
Philadelphia, Pennsylvania Water & Wastewater Revenue Bonds, Series 2009		
5.250% due 01/01/2036	500	546
		26,858
	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
RHODE ISLAND 0.3%		
Tobacco Settlement Financing Corp., Rhode Island Revenue Bonds, Series 2015		
5.000% due 06/01/2050	\$ 1,000	\$ 1,010

SOUTH CAROLINA 4.2%

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South Carolina Jobs-Economic Development Authority Revenue Bonds, Series 2007		
5.500% due 05/01/2028	450	458
South Carolina State Ports Authority Revenue Bonds, Series 2010		
5.250% due 07/01/2040	2,200	2,442
South Carolina State Public Service Authority Revenue Bonds, Series 2013		
5.125% due 12/01/2043	5,000	5,526
5.500% due 12/01/2053	5,000	5,542
		13,968
TENNESSEE 3.5%		
Tennessee Energy Acquisition Corp. Revenue Bonds, Series 2006		
5.000% due 02/01/2027	5,000	5,783
5.250% due 09/01/2024	5,000	5,943
		11,726
TEXAS 15.5%		
Dallas, Texas Revenue Bonds, (AGC Insured), Series 2009		
5.250% due 08/15/2038	1,200	1,344
Grand Parkway Transportation Corp., Texas Revenue Bonds, Series 2013		
5.000% due 04/01/2053	5,500	5,978
JPMorgan Chase Putters/Drivers Trust, Texas General Obligation Notes, Series 2009		
8.081% due 02/01/2017 (e)	1,000	1,240
JPMorgan Chase Putters/Drivers Trust, Texas Revenue Bonds, Series 2008		
8.601% due 10/01/2031 (e)	600	808
North Harris County, Texas Regional Water Authority Revenue Bonds, Series 2008		
5.250% due 12/15/2033	4,200	4,673
5.500% due 12/15/2038	4,200	4,721
North Texas Tollway Authority Revenue Bonds, Series 2008		
5.625% due 01/01/2033	6,050	6,631
5.750% due 01/01/2033	600	664
North Texas Tollway Authority Revenue Bonds, Series 2009		
5.250% due 01/01/2044	3,000	3,233

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	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
North Texas Tollway Authority Revenue Bonds, Series 2011		
5.000% due 01/01/2038	\$ 2,750	\$ 2,935
5.500% due 09/01/2041	600	705
San Juan Higher Education Finance Authority, Texas Revenue Bonds, Series 2010		
6.700% due 08/15/2040	250	291
Tarrant County, Texas Cultural Education Facilities Finance Corp. Revenue Bonds, Series 2009		
6.250% due 11/15/2029	4,000	4,628
Texas Municipal Gas Acquisition & Supply Corp. Revenue Bonds, Series 2006		
5.250% due 12/15/2023	3,500	4,124
Texas Municipal Gas Acquisition & Supply Corp. Revenue Bonds, Series 2008		
6.250% due 12/15/2026	6,500	7,893
Texas State Public Finance Authority Charter School Finance Corp. Revenue Bonds, Series 2007		
5.875% due 12/01/2036	400	428
Uptown Development Authority, Texas Tax Allocation Bonds, Series 2009		
5.500% due 09/01/2029	1,000	1,082
Wise County, Texas Revenue Bonds, Series 2011		
8.000% due 08/15/2034	500	581
		51,959
UTAH 2.4%		
Salt Lake County, Utah Revenue Bonds, (AMBAC Insured), Series 2001		
5.125% due 02/15/2033	7,000	8,041
VIRGINIA 1.0%		
Fairfax County, Virginia Industrial Development Authority Revenue Bonds, Series 2009		
5.500% due 05/15/2035	1,000	1,124
Peninsula Town Center Community Development Authority, Virginia Revenue Bonds, Series 2007		
6.450% due 09/01/2037	1,985	2,092
		3,216
WASHINGTON 4.7%		
JPMorgan Chase Putters/Drivers Trust, Washington General Obligation Bonds, Series 2009		
11.833% due 08/01/2028 (e)	6,670	8,811
Washington Health Care Facilities Authority Revenue Bonds, (AGC Insured), Series 2008		
6.000% due 08/15/2039	700	826
Washington Health Care Facilities Authority Revenue Bonds, Series 2007		
6.125% due 08/15/2037	2,000	2,140
	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Washington Health Care Facilities Authority Revenue Bonds, Series 2009		
7.375% due 03/01/2038	\$ 250	\$ 302
Washington State Housing Finance Commission Revenue Bonds, Series 2007		
5.625% due 01/01/2038	3,600	3,385
Washington State Housing Finance Commission Revenue Notes, Series 2007		
5.250% due 01/01/2017	230	231

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		15,695
WEST VIRGINIA 0.3%		
West Virginia Hospital Finance Authority Revenue Bonds, Series 2011		
9.125% due 10/01/2041	955	1,022
WISCONSIN 0.2%		
Wisconsin Health & Educational Facilities Authority Revenue Bonds, Series 2009		
6.625% due 02/15/2039	500	591
Total Municipal Bonds & Notes (Cost \$469,098)		527,087
SHORT-TERM INSTRUMENTS 1.5%		
SHORT-TERM NOTES 0.1%		
Federal Home Loan Bank		
0.142% due 01/04/2016	100	100
Freddie Mac		
0.172% due 02/04/2016	100	100
		200
U.S. TREASURY BILLS 1.4%		
0.128% due 01/21/2016 (a)	4,900	4,900
Total Short-Term Instruments (Cost \$5,099)		5,100
Total Investments in Securities (Cost \$474,197)		532,187
Total Investments 159.0% (Cost \$474,197)	\$	532,187
Preferred Shares (56.8%)		(190,000)
Other Assets and Liabilities, net (2.2%)		(7,501)
Net Assets Applicable to Common Shareholders 100.0%	\$	334,686

See Accompanying Notes

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Schedule of Investments PIMCO Municipal Income Fund (Cont.)

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

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

^ Security is in default.

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

(b) Zero coupon bond.

(c) Security becomes interest bearing at a future date.

(d) Represents an underlying municipal bond transferred to a tender option bond trust established in a tender option bond transaction in which the Fund sold, or caused the sale of, the underlying municipal bond and purchased the residual interest certificate. The security serves as collateral in a financing transaction. See Note 5(a) in the Notes to Financial Statements for more information.

(e) Represents an investment in a tender option bond residual interest certificate purchased in a secondary market transaction. The interest rate shown bears an inverse relationship to the interest rate on a tender option bond floating rate certificate. The interest rate disclosed reflects the rate in effect on October 31, 2015.

FAIR VALUE MEASUREMENTS

The following is a summary of the fair valuations according to the inputs used as of October 31, 2015 in valuing the Fund's assets and liabilities:

Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 10/31/2015
Investments in Securities, at Value				
Municipal Bonds & Notes				
Alabama	\$ 0	\$ 14,800	\$ 0	\$ 14,800
Alaska	0	4,150	0	4,150
Arizona	0	12,897	0	12,897
Arkansas	0	2,154	0	2,154
California	0	84,118	0	84,118
Colorado	0	3,342	0	3,342
Connecticut	0	8,008	0	8,008
District of Columbia	0	3,599	0	3,599
Florida	0	10,951	0	10,951
Georgia	0	11,718	0	11,718
Illinois	0	32,500	0	32,500
Indiana	0	8,034	0	8,034
Iowa	0	8,867	0	8,867
Kansas	0	1,961	0	1,961
Kentucky	0	1,145	0	1,145
Louisiana	0	5,607	0	5,607
Maryland	0	2,363	0	2,363
Massachusetts	0	2,898	0	2,898
Michigan	0	3,142	0	3,142
Minnesota	0	2,270	0	2,270
Missouri	0	1,299	0	1,299
Nevada	0	20,303	0	20,303
New Jersey	0	40,074	0	40,074

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New Mexico	0	8,073	0	8,073
New York	0	68,735	0	68,735
Ohio	0	27,020	0	27,020
Oregon	0	2,973	0	2,973
Pennsylvania	0	26,858	0	26,858
Rhode Island	0	1,010	0	1,010
South Carolina	0	13,968	0	13,968
Tennessee	0	11,726	0	11,726

28 PIMCO CLOSED-END FUNDS

See Accompanying Notes

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(Unaudited)

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Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 10/31/2015
Texas	\$ 0	\$ 51,959	\$ 0	\$ 51,959
Utah	0	8,041	0	8,041
Virginia	0	3,216	0	3,216
Washington	0	15,695	0	15,695
West Virginia	0	1,022	0	1,022
Wisconsin	0	591	0	591
Short-Term Instruments				
Short-Term Notes	0	200	0	200
U.S. Treasury Bills	0	4,900	0	4,900
Total Investments	\$ 0	\$ 532,187	\$ 0	\$ 532,187

There were no significant transfers between Levels 1, 2, or 3 during the period ended October 31, 2015.

See Accompanying Notes

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Table of Contents**Schedule of Investments PIMCO California Municipal Income Fund**

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
INVESTMENTS IN SECURITIES 165.2%		
MUNICIPAL BONDS & NOTES 158.3%		
ALABAMA 0.9%		
Jefferson County, Alabama Sewer Revenue Bonds, Series 2013		
6.500% due 10/01/2053	\$ 2,000	\$ 2,289
CALIFORNIA 155.0%		
Bay Area Toll Authority, California Revenue Bonds, Series 2008		
5.000% due 04/01/2034	10,000	11,033
California County Tobacco Securitization Agency Revenue Bonds, Series 2006		
5.600% due 06/01/2036	1,500	1,462
California Educational Facilities Authority Revenue Bonds, Series 2009		
5.000% due 01/01/2039 (c)	10,200	11,221
5.000% due 10/01/2039 (c)	10,000	11,052
California Health Facilities Financing Authority Revenue Bonds, (IBC/NPFGC Insured), Series 2007		
5.000% due 11/15/2042	1,600	1,653
California Health Facilities Financing Authority Revenue Bonds, Series 2008		
5.250% due 11/15/2040	5,050	5,838
California Health Facilities Financing Authority Revenue Bonds, Series 2009		
5.750% due 09/01/2039	2,000	2,266
6.000% due 07/01/2039	4,000	4,548
6.500% due 11/01/2038	1,000	1,179
California Health Facilities Financing Authority Revenue Bonds, Series 2010		
5.000% due 11/15/2036	1,450	1,621
7.990% due 11/15/2036 (d)	1,000	1,232
California Health Facilities Financing Authority Revenue Bonds, Series 2011		
5.000% due 08/15/2035	1,000	1,131
6.000% due 08/15/2042	2,800	3,262
9.848% due 11/15/2042 (d)	6,000	6,448
California Health Facilities Financing Authority Revenue Bonds, Series 2012		
5.000% due 08/15/2051	11,000	12,057
California Health Facilities Financing Authority Revenue Bonds, Series 2013		
5.000% due 08/15/2052	3,675	4,013
California Health Facilities Financing Authority Revenue Bonds, Series 2015		
5.000% due 08/15/2054	1,300	1,446
California Infrastructure & Economic Development Bank Revenue Bonds, Series 2013		
5.000% due 02/01/2039	10,000	10,932
	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
California Municipal Finance Authority Revenue Bonds, Series 2008		
5.875% due 10/01/2034	\$ 2,900	\$ 3,135
California Municipal Finance Authority Revenue Bonds, Series 2011		
7.750% due 04/01/2031	1,000	1,270
California Pollution Control Financing Authority Revenue Bonds, Series 2010		
5.100% due 06/01/2040	2,000	2,194
5.250% due 08/01/2040	1,250	1,329
California State General Obligation Bonds, Series 2006		
5.000% due 09/01/2035	5,885	6,087

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California State General Obligation Bonds, Series 2007		
5.000% due 06/01/2037	100	106
5.000% due 12/01/2037	3,000	3,243
California State General Obligation Bonds, Series 2009		
6.000% due 04/01/2038	2,000	2,328
6.000% due 11/01/2039	2,000	2,380
California State General Obligation Bonds, Series 2010		
5.250% due 11/01/2040	2,400	2,799
5.500% due 03/01/2040	1,500	1,739
California State General Obligation Bonds, Series 2013		
5.000% due 11/01/2043	7,000	7,930
California State General Obligation Bonds, Series 2015		
5.000% due 09/01/2032 (a)	1,300	1,525
California State Public Works Board Revenue Bonds, Series 2009		
5.000% due 04/01/2034	2,000	2,283
5.750% due 10/01/2030	2,000	2,334
6.000% due 11/01/2034	2,000	2,361
California State Public Works Board Revenue Bonds, Series 2011		
5.000% due 12/01/2029	1,500	1,748
California State University Revenue Bonds, Series 2015		
5.000% due 11/01/2047	14,000	16,025
California Statewide Communities Development Authority Certificates of Participation Bonds, Series 1999		
5.375% due 04/01/2030	2,150	2,156
California Statewide Communities Development Authority Revenue Bonds, (FGIC Insured), Series 2007		
5.750% due 07/01/2047	3,200	3,511
California Statewide Communities Development Authority Revenue Bonds, (FHA Insured), Series 2009		
6.625% due 08/01/2029	1,870	2,207
6.750% due 02/01/2038	6,875	8,060

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October 31, 2015

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
California Statewide Communities Development Authority Revenue Bonds, (NPFGC Insured), Series 2000		
5.125% due 07/01/2024	\$ 100	\$ 111
California Statewide Communities Development Authority Revenue Bonds, Series 2006		
5.250% due 03/01/2045	1,000	1,013
California Statewide Communities Development Authority Revenue Bonds, Series 2007		
5.500% due 11/01/2038	900	908
California Statewide Communities Development Authority Revenue Bonds, Series 2008		
5.500% due 07/01/2031	845	901
California Statewide Communities Development Authority Revenue Bonds, Series 2010		
5.000% due 11/01/2040	10,000	10,824
6.250% due 10/01/2039	1,000	1,127
7.500% due 06/01/2042	990	1,080
California Statewide Communities Development Authority Revenue Bonds, Series 2011		
6.000% due 08/15/2042	2,000	2,330
California Statewide Communities Development Authority Revenue Bonds, Series 2012		
5.000% due 04/01/2042	11,500	12,740
5.125% due 05/15/2031	4,000	4,471
5.375% due 05/15/2038	4,500	5,056
Chula Vista, California Revenue Bonds, Series 2004		
5.875% due 02/15/2034	5,000	5,730
Contra Costa County, California Public Financing Authority Tax Allocation Bonds, Series 2003		
5.850% due 08/01/2033	350	350
Desert Community College District, California General Obligation Bonds, (AGM Insured), Series 2007		
5.000% due 08/01/2037	5,000	5,315
Eastern Municipal Water District, California Certificates of Participation Bonds, Series 2008		
5.000% due 07/01/2035	6,300	6,884
El Monte, California Certificates of Participation Bonds, (AMBAC Insured), Series 2001		
5.250% due 01/01/2034	14,425	14,469
Folsom Redevelopment Agency, California Tax Allocation Bonds, Series 2009		
5.500% due 08/01/2036	1,000	1,082
Golden State, California Tobacco Securitization Corp. Revenue Bonds, Series 2007		
5.125% due 06/01/2047	8,300	7,030
5.750% due 06/01/2047	24,325	22,289
Hayward Unified School District, California General Obligation Bonds, Series 2015		
5.000% due 08/01/2038	6,000	6,559
Imperial Irrigation District, California Revenue Bonds, Series 2011		
5.000% due 11/01/2041	1,000	1,115
	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Kern County, California Certificates of Participation Bonds, (AGC Insured), Series 2009		
5.750% due 08/01/2035	\$ 10,590	\$ 11,919
Lancaster Redevelopment Agency, California Tax Allocation Bonds, Series 2009		
6.875% due 08/01/2039	500	594
Long Beach Bond Finance Authority, California Revenue Bonds, Series 2007		
5.500% due 11/15/2027	1,000	1,218
Long Beach, California Airport System Revenue Bonds, Series 2010		
5.000% due 06/01/2040	5,000	5,498
Los Angeles Department of Water & Power, California Revenue Bonds, Series 2009		
5.375% due 07/01/2034 (c)	3,000	3,346
5.375% due 07/01/2038 (c)	14,000	7,768
Los Angeles Department of Water & Power, California Revenue Bonds, Series 2012		
5.000% due 07/01/2037	4,100	4,644

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5.000% due 07/01/2043	5,000	5,609
Los Angeles Department of Water & Power, California Revenue Bonds, Series 2014		
5.000% due 07/01/2043	3,650	4,110
Los Angeles Unified School District, California General Obligation Bonds, Series 2009		
5.000% due 07/01/2029 (c)	10,000	11,325
5.000% due 01/01/2034 (c)	8,500	9,529
5.300% due 01/01/2034	250	283
M-S-R Energy Authority, California Revenue Bonds, Series 2009		
6.500% due 11/01/2039	18,845	25,604
Malibu, California Certificates of Participation Bonds, Series 2009		
5.000% due 07/01/2039	700	762
Peralta Community College District, California General Obligation Bonds, Series 2009		
5.000% due 08/01/2039	1,250	1,395
Regents of the University of California Medical Center Pooled Revenue Bonds, Series 2013		
5.000% due 05/15/2043	2,000	2,208
River Islands Public Financing Authority, California Special Tax Bonds, Series 2015		
5.500% due 09/01/2045	3,000	3,119
San Diego County, California Water Authority Certificates of Participation Bonds, (AGM Insured), Series 2008		
5.000% due 05/01/2038	6,250	6,765
San Diego Regional Building Authority, California Revenue Bonds, Series 2009		
5.375% due 02/01/2036	3,285	3,664
San Francisco, California City & County Certificates of Participation Bonds, Series 2009		
5.250% due 04/01/2031	650	730
San Jose, California Hotel Tax Revenue Bonds, Series 2011		
6.500% due 05/01/2036	1,500	1,804

See Accompanying Notes

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Table of Contents**Schedule of Investments PIMCO California Municipal Income Fund (Cont.)**

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
San Jose, California Special Assessment Bonds, Series 2001		
5.600% due 09/02/2017	\$ 230	\$ 236
San Marcos Redevelopment Agency Successor Agency, California Tax Allocation Bonds, Series 2015		
5.000% due 10/01/2031	2,315	2,696
San Marcos Unified School District, California General Obligation Bonds, Series 2011		
5.000% due 08/01/2038	1,200	1,337
Santa Clara County, California Financing Authority Revenue Bonds, (AMBAC Insured), Series 2007		
5.750% due 02/01/2041	3,500	3,818
Santa Cruz County, California Redevelopment Agency Tax Allocation Bonds, Series 2009		
7.000% due 09/01/2036	1,300	1,481
Tobacco Securitization Authority of Southern California Revenue Bonds, Series 2006		
5.000% due 06/01/2037	800	723
Torrance, California Revenue Bonds, Series 2010		
5.000% due 09/01/2040	6,300	6,673
Turlock, California Certificates of Participation Bonds, Series 2007		
5.500% due 10/15/2037	2,000	2,191
Washington Township Health Care District, California General Obligation Bonds, Series 2013		
5.000% due 08/01/2043	2,500	2,760
Westlake Village, California Certificates of Participation Bonds, Series 2009		
5.000% due 06/01/2039	1,000	1,028
		415,365
ILLINOIS 2.4%		
Chicago, Illinois General Obligation Bonds, Series 2007		
5.500% due 01/01/2042	2,000	2,037
	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Chicago, Illinois General Obligation Bonds, Series 2015		
5.250% due 01/01/2028	\$ 4,400	\$ 4,496
		6,533
Total Municipal Bonds & Notes		
(Cost \$379,481)		
		424,187
SHORT-TERM INSTRUMENTS 6.9%		
SHORT-TERM NOTES 4.4%		
Federal Home Loan Bank		
0.096% due 01/08/2016	2,850	2,850
0.112% due 01/06/2016 - 01/15/2016	9,050	9,048
		11,898
U.S. TREASURY BILLS 2.5%		
0.138% due 01/21/2016 - 01/28/2016 (b)	6,600	6,599

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Total Short-Term Instruments (Cost \$18,496)	18,497
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Total Investments in Securities (Cost \$397,977)	442,684
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Total Investments 165.2% (Cost \$397,977)	\$ 442,684
Preferred Shares (56.0%)	(150,000)
Other Assets and Liabilities, net (9.2%)	(24,696)

Net Assets Applicable to Common Shareholders 100.0%	\$ 267,988
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NOTES TO SCHEDULE OF INVESTMENTS (AMOUNTS IN THOUSANDS*):

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

(a) When-issued security.

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

(c) Represents an underlying municipal bond transferred to a tender option bond trust established in a tender option bond transaction in which the Fund sold, or caused the sale of, the underlying municipal bond and purchased the residual interest certificate. The security serves as collateral in a financing transaction. See Note 5(a) in the Notes to Financial Statements for more information.

(d) Represents an investment in a tender option bond residual interest certificate purchased in a secondary market transaction. The interest rate shown bears an inverse relationship to the interest rate on a tender option bond floating rate certificate. The interest rate disclosed reflects the rate in effect on October 31, 2015.

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FAIR VALUE MEASUREMENTS

The following is a summary of the fair valuations according to the inputs used as of October 31, 2015 in valuing the Fund's assets and liabilities:

Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 10/31/2015
Investments in Securities, at Value				
Municipal Bonds & Notes				
Alabama	\$ 0	\$ 2,289	\$ 0	\$ 2,289
California	0	415,365	0	415,365
Illinois	0	6,533	0	6,533
Short-Term Instruments				
Short-Term Notes	0	11,898	0	11,898
U.S. Treasury Bills	0	6,599	0	6,599
Total Investments	\$ 0	\$ 442,684	\$ 0	\$ 442,684

There were no significant transfers between Levels 1, 2, or 3 during the period ended October 31, 2015.

See Accompanying Notes

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Table of Contents**Schedule of Investments PIMCO New York Municipal Income Fund**

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
INVESTMENTS IN SECURITIES 158.3%		
MUNICIPAL BONDS & NOTES 153.4%		
ILLINOIS 2.6%		
Chicago, Illinois General Obligation Bonds, Series 2007		
5.500% due 01/01/2042	\$ 885	\$ 901
Chicago, Illinois General Obligation Bonds, Series 2015		
5.250% due 01/01/2028	1,500	1,533
		2,434
NEW YORK 147.9%		
Build NYC Resource Corp., New York Revenue Bonds, Series 2014		
5.000% due 06/01/2043	820	912
Hudson Yards Infrastructure Corp., New York Revenue Bonds, Series 2011		
5.250% due 02/15/2047	3,000	3,310
5.750% due 02/15/2047	4,000	4,552
Long Island Power Authority, New York Revenue Bonds, Series 2009		
5.750% due 04/01/2039	4,500	5,090
Metropolitan Transportation Authority, New York Revenue Bonds, Series 2012		
5.000% due 11/15/2042	2,000	2,226
Metropolitan Transportation Authority, New York Revenue Bonds, Series 2013		
5.000% due 11/15/2043	1,000	1,115
Nassau County, New York Industrial Development Agency Revenue Bonds, Series 2014		
2.000% due 01/01/2049 ^	433	52
6.700% due 01/01/2049	1,200	1,182
Nassau County, New York Tobacco Settlement Corp. Revenue Bonds, Series 2006		
5.125% due 06/01/2046	1,230	1,068
New York City, New York General Obligation Bonds, Series 2013		
5.000% due 08/01/2031	2,000	2,307
New York City, New York Health & Hospital Corp. Revenue Bonds, Series 2010		
5.000% due 02/15/2030	3,500	3,843
New York City, New York Industrial Development Agency Revenue Bonds, (AGC Insured), Series 2009		
6.500% due 01/01/2046	900	1,027
7.000% due 03/01/2049	3,200	3,765
New York City, New York Transitional Finance Authority Building Aid Revenue Bonds, Series 2009		
5.250% due 01/15/2039	5,000	5,550
	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
New York City, New York Water & Sewer System Revenue Bonds, Series 2007		
4.750% due 06/15/2035 (b)	\$ 5,000	\$ 5,280
New York City, New York Water & Sewer System Revenue Bonds, Series 2009		
5.000% due 06/15/2040	2,500	2,789
New York Convention Center Development Corp. Revenue Bonds, Series 2015		
5.000% due 11/15/2045	2,500	2,804
New York Liberty Development Corp. Revenue Bonds, Series 2005		
5.250% due 10/01/2035 (b)	11,410	13,493
New York Liberty Development Corp. Revenue Bonds, Series 2007		
5.500% due 10/01/2037	1,925	2,337

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New York Liberty Development Corp. Revenue Bonds, Series 2010		
5.125% due 01/15/2044	6,150	6,841
6.375% due 07/15/2049	1,500	1,704
New York Liberty Development Corp. Revenue Bonds, Series 2011		
5.000% due 12/15/2041	2,000	2,237
5.750% due 11/15/2051	6,000	6,851
New York Liberty Development Corp. Revenue Bonds, Series 2014		
5.000% due 11/15/2044	1,900	1,923
New York State Dormitory Authority Revenue Bonds, (AGC Insured), Series 2009		
5.125% due 07/01/2039	1,000	1,090
New York State Dormitory Authority Revenue Bonds, Series 2008		
4.500% due 07/01/2035	2,500	2,578
5.000% due 07/01/2038	1,500	1,665
New York State Dormitory Authority Revenue Bonds, Series 2009		
5.000% due 03/15/2038	1,000	1,107
5.125% due 07/01/2039	1,300	1,488
5.500% due 03/01/2039	1,800	2,037
New York State Dormitory Authority Revenue Bonds, Series 2010		
5.000% due 07/01/2035	500	566
5.500% due 07/01/2040	1,250	1,435
New York State Dormitory Authority Revenue Bonds, Series 2011		
5.000% due 07/01/2031	2,000	2,199
5.500% due 07/01/2036	1,000	1,167
6.000% due 07/01/2040	1,225	1,418
New York State Dormitory Authority Revenue Bonds, Series 2012		
5.000% due 07/01/2042	1,350	1,530
New York State Dormitory Authority Revenue Bonds, Series 2013		
5.000% due 02/15/2029	1,000	1,158

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	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
New York State Dormitory Authority Revenue Bonds, Series 2015		
5.000% due 07/01/2034	\$ 1,000	\$ 1,121
New York State Thruway Authority Revenue Bonds, Series 2012		
5.000% due 01/01/2037	2,000	2,253
5.000% due 01/01/2042	3,645	4,059
New York State Urban Development Corp. Revenue Bonds, Series 2009		
5.000% due 03/15/2036 (b)	1,800	2,005
Onondaga County, New York Revenue Bonds, Series 2011		
5.000% due 12/01/2036	600	687
Port Authority of New York & New Jersey Revenue Bonds, Series 2010		
6.000% due 12/01/2036	1,000	1,164
Triborough Bridge & Tunnel Authority, New York Revenue Notes, Series 2009		
5.250% due 11/15/2034 (b)	3,000	3,334
Troy Capital Resource Corp., New York Revenue Bonds, Series 2010		
5.125% due 09/01/2040	3,000	3,341
Troy Industrial Development Authority, New York Revenue Bonds, Series 2002		
4.625% due 09/01/2026	5,860	6,511
TSASC, Inc., New York Revenue Bonds, Series 2006		
5.000% due 06/01/2026	4,000	4,053
5.000% due 06/01/2034	3,000	2,867
5.125% due 06/01/2042	2,205	2,049
Westchester County Healthcare Corp., New York Revenue Bonds, Series 2010		
6.125% due 11/01/2037	910	1,043
Yonkers Economic Development Corp., New York Revenue Bonds, Series 2010		
6.000% due 10/15/2030	200	210
Yonkers Industrial Development Agency, New York Revenue Bonds, Series 2001		
6.000% due 06/01/2041	400	445
		136,838
	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
OHIO 2.9%		
Buckeye Tobacco Settlement Financing Authority, Ohio Revenue Bonds, Series 2007		
6.500% due 06/01/2047	\$ 2,875	\$ 2,681
Total Municipal Bonds & Notes		
(Cost \$129,138)		141,953
SHORT-TERM INSTRUMENTS 4.9%		
SHORT-TERM NOTES 3.4%		
Federal Home Loan Bank		
0.142% due 01/04/2016	100	100
Freddie Mac		
0.172% due 01/28/2016	3,000	2,999
		3,099

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U.S. TREASURY BILLS 1.5%		
0.134% due 01/21/2016 - 02/04/2016 (a)	1,400	1,400
Total Short-Term Instruments (Cost \$4,498)		4,499
Total Investments in Securities (Cost \$133,636)		
		146,452
Total Investments 158.3% (Cost \$133,636)		
	\$	146,452
Preferred Shares (50.8%)		(47,000)
Other Assets and Liabilities, net (7.5%)		(6,930)
Net Assets Applicable to Common Shareholders 100.0%	\$	92,522

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

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

^ Security is in default.

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

(b) Represents an underlying municipal bond transferred to a tender option bond trust established in a tender option bond transaction in which the Fund sold, or caused the sale of, the underlying municipal bond and purchased the residual interest certificate. The security serves as collateral in a financing transaction. See Note 5(a) in the Notes to Financial Statements for more information.

See Accompanying Notes

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Schedule of Investments PIMCO New York Municipal Income Fund (Cont.)

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FAIR VALUE MEASUREMENTS

The following is a summary of the fair valuations according to the inputs used as of October 31, 2015 in valuing the Fund's assets and liabilities:

Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 10/31/2015
Investments in Securities, at Value				
Municipal Bonds & Notes				
Illinois	\$ 0	\$ 2,434	\$ 0	\$ 2,434
New York	0	136,838	0	136,838
Ohio	0	2,681	0	2,681
Short-Term Instruments				
Short-Term Notes	0	3,099	0	3,099
U.S. Treasury Bills	0	1,400	0	1,400
Total Investments	\$ 0	\$ 146,452	\$ 0	\$ 146,452

There were no significant transfers between Levels 1, 2, or 3 during the period ended October 31, 2015.

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Notes to Financial Statements

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1. ORGANIZATION

PIMCO Municipal Income Fund, PIMCO California Municipal Income Fund and PIMCO New York Municipal Income Fund, (each a Fund and collectively the Funds) were organized as Massachusetts business trusts on May 9, 2001, May 10, 2001 and May 10, 2001, respectively, as closed-end management investment companies registered under the Investment Company Act of 1940, as amended, and the rules and regulations thereunder (the Act). PIMCO New York Municipal Income Fund is classified as a non-diversified fund and PIMCO California Municipal Income Fund and PIMCO Municipal Income Fund are classified as diversified funds. Pacific Investment Management Company LLC (PIMCO or the Manager) serves as the Funds investment manager.

Each Fund has authorized an unlimited number of Common Shares at a par value of \$0.00001 per share.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by each Fund in the preparation of its financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Each Fund is treated as an investment company under the reporting requirements of U.S. GAAP. The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

(a) **Securities Transactions and Investment Income** Securities transactions are recorded as of the trade date for financial reporting purposes. Securities purchased or sold on a when-issued or delayed-delivery basis may be settled 15 days or more after the trade date. Realized gains and losses from securities sold are recorded on the identified cost basis. Dividend income is recorded on the ex-dividend date, except certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as a Fund is informed of the ex-dividend date. Interest income, adjusted for the accretion of discounts and amortization of premiums, is recorded on the accrual basis from settlement date.

Debt obligations may be placed on non-accrual status and related interest income may be reduced by ceasing current accruals and writing off interest receivable when the collection of all or a portion of interest has become doubtful based on consistently applied procedures. A debt obligation is removed from non-accrual status when the issuer resumes interest payments or when collectability of interest is probable.

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(b) **Distributions - Common Shares** The Funds intend to declare distributions from net investment income to common shareholders monthly. Distributions of net realized capital gains, if any, are paid at least annually.

Income distributions and capital gain distributions are determined in accordance with income tax regulations which may differ from U.S. GAAP. Differences between tax regulations and U.S. GAAP may cause timing differences between income and capital gain recognition. Examples of events that

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Notes to Financial Statements (Cont.)

give rise to timing differences include wash sales, straddles and capital loss carryforwards. Further, the character of investment income and capital gains may be different for certain transactions under the two methods of accounting. Examples of characterization differences include the treatment of paydowns on mortgage-backed securities, swaps, foreign currency transactions and contingent debt instruments. As a result, income distributions and capital gain distributions declared during a fiscal period may differ significantly from the net investment income (loss) and realized gains (losses) reported on each Fund's annual financial statements presented under U.S. GAAP.

Distributions classified as a tax basis return of capital, if any, are reflected on the accompanying Statements of Changes in Net Assets and have been recorded to paid in capital. In addition, other amounts have been reclassified between undistributed (overdistributed) net investment income (loss), accumulated undistributed (overdistributed) net realized gains (losses) and/or paid in capital to more appropriately conform financial accounting to tax characterizations of distributions.

(c) New Accounting Pronouncements In June 2013, the Financial Accounting Standards Board (FASB) issued an Accounting Standards Update (ASU), ASU 2013-08, providing updated guidance for assessing whether an entity is an investment company and for the measurement of noncontrolling ownership interests in other investment companies. This update became effective for interim or annual periods beginning on or after December 15, 2013. The Funds have adopted the ASU as they follow the investment company reporting requirements under U.S. GAAP. The implementation of the ASU did not have an impact on the Funds' financial statements.

In June 2014, the FASB issued ASU 2014-11, which expanded secured borrowing accounting for certain repurchase agreements. The ASU also sets forth additional disclosure requirements for certain transactions accounted for as sales in order to provide financial statement users with information to compare to similar transactions accounted for as secured borrowings. The ASU is effective prospectively for annual periods beginning after December 15, 2014, and interim periods beginning after March 15, 2015. The Funds have adopted the ASU. The implementation of the ASU did not have an impact on the Funds' financial statements.

In August 2014, the FASB issued ASU 2014-15 requiring management to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern. The ASU is effective prospectively for annual periods ending after December 15, 2016, and interim periods thereafter. At this time, management is evaluating the implications of these changes on the financial statements.

In May 2015, the FASB issued ASU 2015-07 which removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. The ASU also removes the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. The ASU is effective for annual periods beginning after December 15, 2015 and interim periods within those annual periods. At this time, management is evaluating the implications of these changes on the financial statements.

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3. INVESTMENT VALUATION AND FAIR VALUE MEASUREMENTS

(a) **Investment Valuation Policies** The net asset value (NAV) of a Fund 's shares is determined by dividing the total value of portfolio investments and other assets attributable to that Fund, less any liabilities, by the total number of shares outstanding of that Fund.

On each day that the New York Stock Exchange (NYSE) is open, Fund shares are ordinarily valued as of the close of regular trading (NYSE Close). Information that becomes known to the Funds or their agents after the time as of which NAV has been calculated on a particular day will not generally be used to retroactively adjust the price of a security or the NAV determined earlier that day. Each Fund reserves the right to change the time its respective NAV is calculated if the Fund closes earlier, or as permitted by the SEC.

For purposes of calculating NAV, portfolio securities and other assets for which market quotes are readily available are valued at market value. Market value is generally determined on the basis of official closing prices or the last reported sales prices, or if no sales are reported, based on quotes obtained from established market makers, or prices (including evaluated prices) supplied by the Funds ' approved pricing services, quotation reporting systems and other third-party sources (together, Pricing Services). The Funds will normally use pricing data for domestic equity securities received shortly after the NYSE Close and do not normally take into account trading, clearances or settlements that take place after the NYSE Close. A foreign (non-U.S.) equity security traded on a foreign exchange or on more than one exchange is typically valued using pricing information from the exchange considered by the manager to be the primary exchange. A foreign (non-U.S.) equity security will be valued as of the close of trading on the foreign exchange, or the NYSE Close, if the NYSE Close occurs before the end of trading on the foreign exchange. Domestic and foreign (non-U.S.) fixed income securities, non-exchange traded derivatives, and equity options are normally valued on the basis of quotes obtained from brokers and dealers or Pricing Services using data reflecting the earlier closing of the principal markets for those securities. Prices obtained from Pricing Services may be based on, among other things, information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Certain fixed income securities purchased on a delayed-delivery basis are marked to market daily until settlement at the forward settlement date. Exchange-traded options, except equity options, futures and options on futures are valued at the settlement price determined by the relevant exchange. Swap agreements are valued on the basis of bid quotes obtained from brokers and dealers or market-based prices supplied by Pricing Services or other pricing sources. With respect to any portion of a Fund 's assets that are invested in one or more open-end management investment companies (other than exchange-traded funds (ETFs)), the Fund 's NAV will be calculated based upon the NAVs of such investments.

Investments for which market quotes or market-based valuations are not readily available are valued at fair value as determined in good faith by the Board of Trustees of the Funds (the Board) or persons acting at their direction. The Board has adopted methods for valuing securities and other assets in circumstances where market quotes are not readily available, and has delegated to PIMCO the responsibility for applying the fair valuation methods. In the event that market quotes or market-based valuations are not readily available, and the security or asset cannot be valued pursuant to a Board approved valuation method, the value of the security or asset will be determined in good faith

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Notes to Financial Statements (Cont.)

by the Valuation Oversight Committee of the Board (Valuation Oversight Committee), generally based on recommendations provided by the Manager. Market quotes are considered not readily available in circumstances where there is an absence of current or reliable market-based data (e.g., trade information, bid/ask information, indicative market quotations (Broker Quotes), Pricing Services prices), including where events occur after the close of the relevant market, but prior to the NYSE Close, that materially affect the values of a Fund s securities or assets. In addition, market quotes are considered not readily available when, due to extraordinary circumstances, the exchanges or markets on which the securities trade do not open for trading for the entire day and no other market prices are available. The Board has delegated to the Manager the responsibility for monitoring significant events that may materially affect the values of a Fund s securities or assets and for determining whether the value of the applicable securities or assets should be reevaluated in light of such significant events.

When a Fund uses fair valuation to determine the value of a portfolio security or other asset for purposes of calculating its NAV, such investments will not be priced on the basis of quotes from the primary market in which they are traded, but rather may be priced by another method that the Board or persons acting at their direction believe reflects fair value. Fair valuation may require subjective determinations about the value of a security. While the Funds policy is intended to result in a calculation of a Fund s NAV that fairly reflects security values as of the time of pricing, the Funds cannot ensure that fair values determined by the Board or persons acting at their direction would accurately reflect the price that a Fund could obtain for a security if it were to dispose of that security as of the time of pricing (for instance, in a forced or distressed sale). The prices used by a Fund may differ from the value that would be realized if the securities were sold.

(b) **Fair Value Hierarchy** U.S. GAAP describes fair value as the price that a Fund would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. It establishes a fair value hierarchy that prioritizes inputs to valuation methods and requires disclosure of the fair value hierarchy, separately for each major category of assets and liabilities, that segregates fair value measurements into levels (Level 1, 2, or 3). The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. Levels 1, 2, and 3 of the fair value hierarchy are defined as follows:

- ⁿ Level 1 Inputs using (unadjusted) quoted prices in active markets or exchanges for identical assets and liabilities.
- ⁿ Level 2 Significant other observable inputs, which may include, but are not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market corroborated inputs.
- ⁿ Level 3 Significant unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available, which may include assumptions made by the Board or persons acting at their direction that are used in determining the fair value of investments.

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In accordance with the requirements of U.S. GAAP, the amounts of transfers between Levels 1 and 2 and transfers in and out of Level 3, if material, are disclosed in the Notes to Schedule of Investments of each respective Fund.

For fair valuations using significant unobservable inputs, U.S. GAAP requires a reconciliation of the beginning to ending balances for reported fair values that presents changes attributable to realized gain (loss), unrealized appreciation (depreciation), purchases and sales, accrued discounts (premiums), and transfers in and out of the Level 3 category during the period. The end of period timing recognition is used for the transfers between Levels of a Fund's assets and liabilities. Additionally, U.S. GAAP requires quantitative information regarding the significant unobservable inputs used in the determination of fair value of assets or liabilities categorized as Level 3 in the fair value hierarchy. In accordance with the requirements of U.S. GAAP, a fair value hierarchy, and if material, a Level 3 reconciliation and details of significant unobservable inputs, have been included in the Notes to Schedule of Investments for each respective Fund.

(c) Valuation Techniques and the Fair Value Hierarchy

Level 1 and Level 2 trading assets and trading liabilities, at fair value The valuation methods (or techniques) and significant inputs used in determining the fair values of portfolio securities or other assets and liabilities categorized as Level 1 and Level 2 of the fair value hierarchy are as follows:

Fixed income securities including corporate, convertible and municipal bonds and notes, U.S. government agencies, U.S. treasury obligations, sovereign issues, bank loans, convertible preferred securities and non-U.S. bonds are normally valued on the basis of quotes obtained from brokers and dealers or Pricing Services that use broker-dealer quotations, reported trades or valuation estimates from their internal pricing models. The Pricing Services' internal models use inputs that are observable such as issuer details, interest rates, yield curves, prepayment speeds, credit risks/spreads, default rates and quoted prices for similar assets. Securities that use similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Short-term debt instruments (such as commercial paper) having a remaining maturity of 60 days or less may be valued at amortized cost, so long as the amortized cost value of such short-term debt instrument is approximately the same as the fair value of the instrument as determined without the use of amortized cost valuation. Prior to July 31, 2015, short-term investments having a maturity of 60 days or less and repurchase agreements were generally valued at amortized cost which approximates fair value. Short-term debt instruments having a remaining maturity of 60 days or less are categorized as Level 2 of the fair value hierarchy.

4. SECURITIES AND OTHER INVESTMENTS

(a) Investments in Securities

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U.S. Government Agencies or Government-Sponsored Enterprises Certain Funds may invest in securities of U.S. Government agencies or government-sponsored enterprises. U.S. Government securities are obligations of and, in certain cases, guaranteed by, the U.S. Government, its agencies or instrumentalities. Some U.S. Government securities, such as Treasury bills, notes and bonds, and securities guaranteed by the Government National Mortgage Association (GNMA or Ginnie Mae), are supported by the full faith and credit of the U.S. Government; others, such as those of the

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Federal Home Loan Banks, are supported by the right of the issuer to borrow from the U.S. Department of the Treasury (the U.S. Treasury); and others, such as those of the Federal National Mortgage Association (FNMA or Fannie Mae), are supported by the discretionary authority of the U.S. Government to purchase the agency s obligations. U.S. Government securities may include zero coupon securities. Zero coupon securities do not distribute interest on a current basis and tend to be subject to a greater risk than interest-paying securities.

Government-related guarantors (i.e., not backed by the full faith and credit of the U.S. Government) include FNMA and the Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac). FNMA is a government-sponsored corporation. FNMA purchases conventional (i.e., not insured or guaranteed by any government agency) residential mortgages from a list of approved seller/servicers which include state and federally chartered savings and loan associations, mutual savings banks, commercial banks and credit unions and mortgage bankers. Pass-through securities issued by FNMA are guaranteed as to timely payment of principal and interest by FNMA, but are not backed by the full faith and credit of the U.S. Government. FHLMC issues Participation Certificates (PCs), which are pass-through securities, each representing an undivided interest in a pool of residential mortgages. FHLMC guarantees the timely payment of interest and ultimate collection of principal, but PCs are not backed by the full faith and credit of the U.S. Government.

When-Issued Transactions Certain Funds may purchase or sell securities on a when-issued basis. These transactions are made conditionally because a security, although authorized, has not yet been issued in the market. A commitment is made by a Fund to purchase or sell these securities for a predetermined price or yield, with payment and delivery taking place beyond the customary settlement period. Since the value of securities purchased may fluctuate prior to settlement, the Funds may be required to pay more at settlement than the security is worth. In addition, the Funds are not entitled to any of the interest earned prior to settlement. 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. A Fund may sell when-issued securities before they are delivered, which may result in a realized gain or loss.

5. BORROWINGS AND OTHER FINANCING TRANSACTIONS

The following disclosures contain information on a Fund s ability to lend or borrow cash or securities to the extent permitted under the Act, which may be viewed as borrowing or financing transactions by a Fund. The location and fair value amounts of these instruments are described below. For a detailed description of credit and counterparty risks that can be associated with borrowings and other financing transactions, please see Note 6, Principal Risks.

(a) Tender Option Bond Transactions Certain Funds may leverage their assets through the use of tender option bond transactions. In a tender option bond transaction (TOB), a Fund sells or causes the sale of, a fixed-rate municipal bond (Fixed Rate Bond) to a tender option bond trust (TOB Trust) that issues floating rate certificates (TOB Floater) and residual interest certificates (TOB Residual). A Fund simultaneously, or within a short period of time, purchases the TOB Residual issued by the TOB Trust. The TOB Floater is sold to third-party investors. The cash received by the TOB Trust from the sale of the TOB Floater and TOB Residual, less transaction expenses, is paid to the Fund that sold the Fixed Rate Bond to the TOB Trust. A Fund may then invest this cash in additional securities, generating leverage for the Fund.

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The TOB Residual held by a Fund provides the Fund with the right to: (1) cause the holders of the TOB Floater to tender their notes at par, and (2) cause the sale of the Fixed-Rate Bond held by the TOB Trust, thereby collapsing the TOB Trust. The TOB Trust may also be collapsed without the consent of a Fund, as the TOB Residual holder, upon the occurrence of certain termination events as defined in the TOB Trust agreements. Such termination events may include the bankruptcy or default of the municipal bond, a substantial downgrade in credit quality of the municipal bond, the inability of the TOB Trust to obtain renewal of the liquidity support agreement, a substantial decline in market value of the Fixed Rate Bond or a judgment or ruling that interest on the Fixed Rate Bond is subject to federal income taxation. Upon the occurrence of a termination event, the TOB Trust would generally be liquidated in full with the proceeds typically applied first to any accrued fees owed to the trustee, remarketing agent and liquidity provider, and then to the holders of the TOB Floater up to par plus accrued interest owed on the TOB Floater and a portion of gain share, if any, with the balance paid out to the TOB Residual holder. Holders of TOB Floaters typically have the option to tender their TOB Floaters to the TOB Trust for redemption at par at each reset date. In such cases, a remarketing agent is engaged to remarket TOB Floaters so tendered.

The Funds account for the transactions described above as secured borrowings by including the Fixed Rate Bonds in their Schedules of Investments, and account for the TOB Floater as a liability under the caption "Payable for tender option bond floating rate certificates" in the Funds' Statements of Assets and Liabilities. Interest income, including amortization and accretion of premiums and discounts, from the underlying municipal bonds is recorded by each Fund on an accrual basis and is shown as interest on the Statements of Operations. Interest expense incurred on the secured borrowing is shown as interest expense on the Statements of Operations.

The Funds may also purchase TOB Residuals in a secondary market transaction without transferring a fixed rate municipal bond into a TOB Trust. Such transactions are not accounted for as secured borrowings but rather as a security purchase with the TOB Residual being included in the Schedule of Investments.

The interest rates payable on the TOB Residual purchased by a Fund bear an inverse relationship to the interest rate on the TOB Floater. The TOB Residual is created by dividing the income stream provided by the Fixed Rate Bond to create two securities, the TOB Floater, which is a short-term security and the TOB Residual, which is a long-term security. The interest rate on the TOB Floater is reset by a remarketing process typically every 7 to 35 days. After income is paid on the TOB Floater at current rates, the residual income from the Fixed Rate Bond goes to the TOB Residual. Therefore, rising short-term rates result in lower income for the TOB Residual, and vice versa. The TOB Residual may be more volatile and less liquid than other municipal bonds of comparable maturity. In most circumstances the TOB Residual holder bears substantially all of the underlying Fixed Rate Bond's downside investment risk and also benefits from any appreciation of the underlying Fixed Rate Bond's value. Investments in a TOB Residual typically will involve greater risk than investments in Fixed Rate Bonds.

Regulators recently finalized rules implementing Section 619 (the "Volcker Rule") and Section 941 (the "Risk Retention Rules") of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Both the Volcker Rule and the Risk Retention Rules apply to tender option bond programs and operate to require that such programs be restructured. In particular, when effective, these rules

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effectively will preclude banking entities from: (i) sponsoring or acquiring interests in the trusts used to hold a municipal bond in the creation of tender option bond trusts; and (ii) continuing to service or maintain relationships with existing programs involving such trusts to the same extent and in the same capacity as existing programs. At this time, the full impact of these rules is not certain, however, in response to these rules, industry participants have begun to explore various structuring alternatives for existing and new trusts. For example, under a new tender option bond structure, a Fund would structure and sponsor a tender option bond trust. As a result, a Fund would be required to assume certain responsibilities and risks as the sponsor of the tender option bond trust. Because of the important role that tender option bond programs play in the municipal bond market, it is possible that implementation of these rules and any resulting impact may adversely impact the municipal bond market and the Funds. For example, as a result of the implementation of these rules, the municipal bond market may experience reduced demand or liquidity and increased financing costs.

PIMCO Municipal Income Fund, PIMCO California Municipal Income Fund, and PIMCO New York Municipal Income Fund had average leverage outstanding from the use of tender option bond transactions during the period ended October 31, 2015 of (in thousands) \$13,063, \$28,433, and \$10,477 at weighted average interest rates of 0.29%, 0.25%, 0.09%, respectively.

6. 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 such things as changes in the market (market risk) or failure or inability of the other party to a transaction to perform (credit and counterparty risk). See below for a detailed description of select principal risks. For a more comprehensive list of potential risks the Funds may be subject to, please see the Important Information About the Funds.

Market Risks A Fund's investments in financial derivatives and other financial instruments expose the Fund to various risks such as, but not limited to, interest rate, foreign currency, equity and commodity 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 a Fund is likely to decrease. A nominal interest rate can be described as the sum of a real interest rate and an expected inflation rate. Interest rate changes can be sudden and unpredictable, and a Fund may lose money if these changes are not anticipated by Fund management. A Fund may not be able to hedge against changes in interest rates or may choose not to do so for cost or other reasons. In addition, any hedges may not work as intended. 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 useful primarily as a measure of the sensitivity of a fixed income security's market price to interest rate (i.e. yield) movements. At present, the U.S. is experiencing historically low interest rates. This, combined with recent economic recovery and the Federal Reserve Board's conclusion of its quantitative easing program, could potentially increase the probability of an upward interest rate environment in the near future. Further, while U.S. bond markets have steadily grown over the past three decades, dealer market making ability has remained relatively stagnant. Given the importance of intermediary market making in creating a robust and active market, fixed

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income securities may face increased volatility and liquidity risks. All of these factors, collectively and/or individually, could cause a Fund to lose value.

The market values of a Fund's investments may decline due to general market conditions which are not specifically related to a particular company or issuer, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. Equity securities and equity related investments generally have greater market price volatility than fixed income securities, although under certain market conditions fixed income securities may have comparable or greater price volatility. Credit ratings downgrades may also negatively affect securities held by a Fund. Even when markets perform well, there is no assurance that the investments held by a Fund will increase in value along with the broader market. In addition, market risk includes the risk that geopolitical events will disrupt the economy on a national or global level.

Credit and Counterparty Risks A Fund will be exposed to credit risk to parties with whom it trades and will also bear the risk of settlement default. A Fund seeks to minimize concentrations of credit risk by undertaking transactions with a large number of counterparties on recognized and reputable exchanges, where applicable. A Fund could lose money if the issuer or guarantor of a fixed income security, or the counterparty to a financial derivatives contract, repurchase agreement or a loan of portfolio securities, is 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.

Similar to credit risk, a Fund may be exposed to counterparty risk, or the risk that an institution or other entity with which a Fund has unsettled or open transactions will default. PIMCO, as Manager, seeks to minimize counterparty risks to a Fund in a number of ways. Prior to entering into transactions with a new counterparty, the PIMCO Counterparty Risk Committee conducts an extensive credit review of such counterparty and must approve the use of such counterparty. Furthermore, pursuant to the terms of the underlying contract, to the extent that unpaid amounts owed to a Fund exceed a predetermined threshold, such counterparty is required to advance collateral to a Fund in the form of cash or securities equal in value to the unpaid amount owed to a Fund. A Fund may invest such collateral in securities or other instruments and will typically pay interest to the counterparty on the collateral received. If the unpaid amount owed to a Fund subsequently decreases, a Fund would be required to return to the counterparty all or a portion of the collateral previously advanced to a Fund.

All transactions in listed securities are settled/paid for upon delivery using approved counterparties. The risk of default is considered minimal, as delivery of securities sold is only made once a Fund has 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.

Master Netting Arrangements The Funds may be subject to various netting arrangements with select counterparties (Master Agreements). Master Agreements govern the terms of certain transactions, and are intended to reduce the counterparty risk associated with relevant transactions

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by specifying credit protection mechanisms and providing standardization that is intended to improve legal certainty. Each type of Master Agreement governs certain types of transactions. Different types of transactions may be traded out of different legal entities or affiliates of a particular organization, resulting in the need for multiple agreements with a single counterparty. As the Master Agreements are specific to unique operations of different asset types, they allow a Fund to close out and net its total exposure to a counterparty in the event of a default with respect to all the transactions governed under a single Master Agreement with a counterparty.

Master Agreements can also help limit counterparty risk by specifying collateral posting arrangements at pre-arranged exposure levels. Under the Master Agreements, collateral is routinely transferred if the total net exposure to certain transactions (net of existing collateral already in place) governed under the relevant Master Agreement with a counterparty in a given account exceeds a specified threshold, which typically ranges from zero to \$250,000 depending on the counterparty and the type of Master Agreement. United States Treasury Bills and U.S. dollar cash are generally the preferred forms of collateral, although other forms of AAA rated paper or sovereign securities may be used. Securities and cash pledged as collateral are reflected as assets on the Statements of Assets and Liabilities as either a component of Investments at value (securities) or Deposits with counterparty (cash). Cash collateral received is typically not held in a segregated account and as such is reflected as a liability on the Statements of Assets and Liabilities as Deposits from counterparty. The market value of any securities received as collateral is not reflected as a component of NAV. A Fund's overall exposure to counterparty risk can change substantially within a short period, as it is affected by each transaction subject to the relevant Master Agreement.

Master Repurchase Agreements and Global Master Repurchase Agreements (individually and collectively Master Repo Agreements) govern repurchase, reverse repurchase, and sale-buyback transactions between the Funds and select counterparties. Master Repo Agreements maintain provisions for, among other things, initiation, income payments, events of default, and maintenance of collateral. The market value of transactions under the Master Repo Agreement, collateral pledged or received, and the net exposure by counterparty as of period end are disclosed in the Notes to Schedule of Investments.

7. FEES AND EXPENSES

Management Fee Pursuant to an Investment Management Agreement with PIMCO (the Agreement), subject to the supervision of the Board, PIMCO is responsible for providing to each Fund investment guidance and policy direction in connection with the management of the Fund, including oral and written research, analysis, advice, and statistical and economic data and information. In addition, pursuant to the Agreement and subject to the general supervision of the Board, PIMCO, at its expense, provides or causes to be furnished most other supervisory and administrative services the Funds require, including but not limited to, expenses of most third-party service providers (e.g., audit, custodial, legal, transfer agency, printing) and other expenses, such as those associated with insurance, proxy solicitations and mailings for shareholder meetings, New York Stock Exchange listing and related fees, tax services, valuation services and other services the Funds require for their daily operations.

Pursuant to the Agreement, PIMCO receives an annual fee, payable monthly, at an annual rate of 0.705% of PIMCO Municipal Income Fund's average daily net asset value, including daily net assets

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attributable to any preferred shares that may be outstanding, 0.705% of PIMCO California Municipal Income Fund's average daily net asset value, including daily net assets attributable to any preferred shares that may be outstanding and 0.770% of PIMCO New York Municipal Fund's average daily net asset value, including daily net assets attributable to any preferred shares that may be outstanding.

Fund Expenses Each Fund bears other expenses, which may vary and affect the total level of expenses paid by shareholders, such as (i) salaries and other compensation or expenses, including travel expenses of any of the Fund's executive officers and employees, if any, who are not officers, directors, shareholders, members, partners or employees of PIMCO or its subsidiaries or affiliates; (ii) taxes and governmental fees, if any, levied against the Fund; (iii) brokerage fees and commissions and other portfolio transaction expenses incurred by or for the Fund (including, without limitation, fees and expenses of outside legal counsel or third-party consultants retained in connection with reviewing, negotiating and structuring specialized loan and other investments made by the Fund, subject to specific or general authorization by the Fund's Board); (iv) expenses of the Fund's securities lending (if any), including any securities lending agent fees, as governed by a separate securities lending agreement; (v) costs, including interest expense, of borrowing money or engaging in other types of leverage financing, including, without limitation, through the use by the Fund of reverse repurchase agreements, tender option bonds, bank borrowings and credit facilities; (vi) costs, including dividend and/or interest expenses and other costs (including, without limitation, offering and related legal costs, fees to brokers, fees to auction agents, fees to transfer agents, fees to ratings agencies and fees to auditors associated with satisfying ratings agency requirements for preferred shares or other securities issued by the Fund and other related requirements in the Fund's organizational documents) associated with the Fund's issuance, offering, redemption and maintenance of preferred shares, commercial paper or other senior securities for the purpose of incurring leverage; (vii) fees and expenses of any underlying funds or other pooled investment vehicles in which the Fund invests; (viii) dividend and interest expenses on short positions taken by the Fund; (ix) fees and expenses, including travel expenses, and fees and expenses of legal counsel retained for their benefit, of Trustees who are not officers, employees, partners, shareholders or members of PIMCO or its subsidiaries or affiliates; (x) extraordinary expenses, including extraordinary legal expenses, as may arise, including expenses incurred in connection with litigation, proceedings, other claims, and the legal obligations of the Fund to indemnify its Trustees, officers, employees, shareholders, distributors, and agents with respect thereto; (xi) organizational and offering expenses of the Fund, including with respect to share offerings, such as rights offerings and shelf offerings, following the Fund's initial offering, and expenses associated with tender offers and other share repurchases and redemptions; and (xii) expenses of the Fund which are capitalized in accordance with U.S. GAAP.

Each of the Trustees of the Funds who is not an interested person under Section 2(a)(19) of the Act, (the Independent Trustees) also serves as a trustee of a number of other closed-end funds for which PIMCO serves as investment manager (together with the Funds, the PIMCO Closed-End Funds), as well as PIMCO Managed Accounts Trust, an open-end investment company with multiple series for which PIMCO serves as investment manager (PMAT) and, together with the PIMCO Closed-End Funds, the PIMCO-Managed Funds). In addition, each of the Independent Trustees also serves as a trustee of certain investment companies (together, the Allianz-Managed Funds), for which Allianz Global Investors Fund Management (AGIFM), serves as investment adviser.

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Each Independent Trustee receives annual compensation of \$225,000 for his or her service on the Boards of the PIMCO-Managed Funds, payable quarterly. The Independent Chairman of the Boards receives an additional \$75,000 per year, payable quarterly. The Audit Oversight Committee Chairman receives an additional \$50,000 annually, payable quarterly. Trustees are also reimbursed for meeting-related expenses.

Each Trustee's compensation for his or her service as a Trustee on the Boards of the PIMCO-Managed Funds and other costs in connection with joint meetings of such Funds are allocated among the PIMCO-Managed Funds, as applicable, on the basis of fixed percentages as between PMAT and the PIMCO Closed-End Funds. Trustee compensation and other costs will then be further allocated pro rata among the individual PIMCO-Managed Funds within each grouping based on each such fund's relative net assets.

8. RELATED PARTY TRANSACTIONS

The Manager is a related party. Fees payable to this party are disclosed in Note 7 and the accrued related party fee amounts are disclosed on the Statements of Assets and Liabilities.

Certain Funds are permitted to purchase or sell securities from or to certain related affiliated funds under specified conditions outlined in procedures adopted by the Board. The procedures have been designed to ensure that any purchase or sale of securities by the Funds from or to another fund or portfolio that are, or could be, considered an affiliate by virtue of having a common investment adviser (or affiliated investment advisers), common Trustees and/or common officers complies with Rule 17a-7 of the Act. Further, as defined under the procedures, each transaction is effected at the current market price. During the period ended October 31, 2015, the Funds below engaged in purchases and sales of securities pursuant to Rule 17a-7 of the Act (amounts in thousands):

Fund Name	Purchases	Sales
PIMCO Municipal Income Fund	\$ 6,212	\$ 0
PIMCO California Municipal Income Fund	0	9,496
PIMCO New York Municipal Income Fund	0	1,192

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

9. GUARANTEES AND INDEMNIFICATIONS

Under each Fund's organizational documents, each Trustee and officer is indemnified, to the extent permitted by the Act, against certain liabilities that may arise out of performance of their duties to the Funds. Additionally, in the normal course of business, the Funds enter into

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contracts that contain a variety of indemnification clauses. 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. However, the Funds have not had prior claims or losses pursuant to these contracts.

10. PURCHASES AND SALES OF SECURITIES

The length of time a Fund has held a particular security is not generally a consideration in investment decisions. A change in the securities held by a Fund is known as portfolio turnover. Each Fund may engage in frequent and active trading of portfolio securities to achieve its investment objective, particularly during periods of volatile market movements. High portfolio turnover involves

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correspondingly greater expenses to a Fund, including brokerage commissions or dealer mark-ups and other transaction costs on the sale of securities and reinvestments in other securities. Such sales may also result in realization of taxable capital gains, including short-term capital gains (which are generally taxed at ordinary income tax rates). The trading costs and tax effects associated with portfolio turnover may adversely affect a Fund's performance. The portfolio turnover rates are reported in the Financial Highlights.

Purchases and sales of securities (excluding short-term investments) for the period ended October 31, 2015, as indicated below, were as follows (amounts in thousands):

Fund Name	U.S. Government/Agency		All Other	
	Purchases	Sales	Purchases	Sales
PIMCO Municipal Income Fund	\$ 0	\$ 0	\$ 77,206	\$ 79,514
PIMCO California Municipal Income Fund	0	0	47,066	61,099
PIMCO New York Municipal Income Fund	0	0		