

PIMCO HIGH INCOME FUND
Form N-Q
August 21, 2012

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number 811-21311

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

1633 Broadway New York, New York
(Address of principal executive offices)

10019
(Zip code)

Lawrence G. Altadonna 1633 Broadway New York, New York 10019
(Name and address of agent for service)

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

Date of fiscal year March 31, 2013
end:

Date of reporting period: June 30, 2012

Item 1. Schedule of Investments

PIMCO High Income Fund Schedule of Investments

June 30, 2012 (unaudited)

| Principal Amount (000s) | | Value* |
|--|---|-------------|
| CORPORATE BONDS & NOTES 68.0% | | |
| Airlines 1.5% | | |
| | American Airlines Pass Through Trust, | |
| \$4,789 | 10.18%, 1/2/13 (b)(d) | \$3,974,644 |
| 898 | 10.375%, 1/2/21 | 961,033 |
| 11,722 | United Air Lines Pass Through Trust, 10.40%, 5/1/18 (i) | 13,377,745 |
| | | 18,313,422 |
| Automotive 1.5% | | |
| | Ford Motor Co., | |
| 5,000 | 7.125%, 11/15/25 | 5,700,000 |
| 5,900 | 7.50%, 8/1/26 | 6,873,500 |
| 5,000 | 9.215%, 9/15/21 | 6,406,250 |
| | | 18,979,750 |
| Banking 15.5% | | |
| 5,000 | AgFirst Farm Credit Bank, 7.30%, 7/30/12 (a)(b)(c)(f)(j) (acquisition cost-\$4,500,000; purchased 12/7/10) | 5,005,050 |
| £34,955 | Barclays Bank PLC, 14.00%, 6/15/19 (f) | 62,409,085 |
| | BPCE S.A. (f), | |
| 20,000 | 9.00%, 3/17/15 | 22,525,886 |
| \$5,000 | 12.50%, 9/30/19 (a)(c) | 5,043,055 |
| 5,000 | Cooperatieve Centrale Raiffeisen-Boerenleenbank BA, 11.00%, 6/30/19 (a)(c)(f) | 6,322,750 |
| 47,500 | Lloyds TSB Bank PLC, 12.00%, 12/16/24 (a)(c)(f) | 49,767,982 |
| £21,600 | Santander Finance Preferred S.A. Unipersonal, 11.30%, 7/27/14 (f) | 30,006,202 |
| | Santander Issuances S.A. Unipersonal, | |
| \$2,000 | 5.911%, 6/20/16 (a)(c) | 1,856,622 |
| £6,300 | 7.30%, 7/27/19, (converts to FRN on 9/27/14) | 8,189,424 |
| | | 191,126,056 |
| Consumer Products 0.5% | | |
| \$6,300 | Reynolds Group Issuer, Inc., 9.00%, 4/15/19 (a)(c) | 6,315,750 |
| Electric 0.0% | | |
| 475 | GenOn REMA LLC, 9.237%, 7/2/17 | 468,280 |
| Entertainment 0.0% | | |
| 550 | Speedway Motorsports, Inc., 8.75%, 6/1/16 | 600,875 |
| Financial Services 26.9% | | |
| 25,710 | AGFC Capital Trust I, 6.00%, 1/15/67, (converts to FRN on 1/15/17) (a)(c) | 12,983,550 |
| | Ally Financial, Inc., | |
| 280 | 5.90%, 1/15/19 | 257,238 |
| 82 | 5.90%, 2/15/19 | 74,857 |
| 1,256 | 6.00%, 2/15/19 | 1,157,949 |
| 1,534 | 6.00%, 3/15/19 | 1,425,545 |
| 120 | 6.00%, 4/15/19 | 110,944 |
| 50 | 6.00%, 9/15/19 | 46,024 |

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-Q

| | | |
|-------|------------------|-----------|
| 652 | 6.10%, 9/15/19 | 606,483 |
| 241 | 6.125%, 10/15/19 | 219,927 |
| 1,620 | 6.15%, 3/15/16 | 1,551,037 |
| 2,351 | 6.20%, 3/15/16 | 2,259,027 |

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-Q

PIMCO High Income Fund Schedule of Investments

June 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value* |
|---------------------------------------|-----------------|-----------|
| Financial Services (continued) | | |
| \$127 | 6.20%, 4/15/19 | \$118,864 |
| 20 | 6.25%, 2/15/16 | 19,480 |
| 30 | 6.25%, 12/15/18 | 28,028 |
| 622 | 6.25%, 1/15/19 | 582,547 |
| 199 | 6.25%, 4/15/19 | 186,047 |
| 7 | 6.25%, 5/15/19 | 6,562 |
| 385 | 6.25%, 7/15/19 | 362,767 |
| 2,680 | 6.30%, 3/15/16 | 2,583,673 |
| 543 | 6.35%, 2/15/16 | 522,357 |
| 643 | 6.35%, 4/15/16 | 618,438 |
| 82 | 6.35%, 4/15/19 | 76,772 |
| 141 | 6.35%, 7/15/19 | 130,919 |
| 2,641 | 6.40%, 3/15/16 | 2,579,319 |
| 250 | 6.40%, 12/15/18 | 236,425 |
| 361 | 6.40%, 11/15/19 | 340,846 |
| 3,069 | 6.50%, 2/15/16 | 3,002,395 |
| 1,155 | 6.50%, 3/15/16 | 1,121,909 |
| 2,036 | 6.50%, 9/15/16 | 1,969,757 |
| 453 | 6.50%, 6/15/18 | 433,311 |
| 164 | 6.50%, 12/15/18 | 155,256 |
| 456 | 6.50%, 5/15/19 | 433,540 |
| 40 | 6.50%, 2/15/20 | 37,286 |
| 1,160 | 6.55%, 10/15/16 | 1,126,042 |
| 112 | 6.55%, 12/15/19 | 106,588 |
| 1,093 | 6.60%, 8/15/16 | 1,068,723 |
| 282 | 6.60%, 5/15/18 | 267,903 |
| 753 | 6.60%, 6/15/19 | 720,180 |
| 969 | 6.65%, 4/15/16 | 941,385 |
| 649 | 6.65%, 8/15/16 | 633,822 |
| 1,437 | 6.65%, 10/15/18 | 1,362,579 |
| 48 | 6.70%, 5/15/14 | 47,603 |
| 571 | 6.70%, 8/15/16 | 555,555 |
| 65 | 6.70%, 6/15/18 | 62,102 |
| 10 | 6.70%, 11/15/18 | 9,573 |
| 412 | 6.70%, 6/15/19 | 396,248 |
| 20 | 6.70%, 12/15/19 | 19,093 |
| 1,391 | 6.75%, 7/15/16 | 1,341,188 |
| 2,916 | 6.75%, 8/15/16 | 2,838,021 |
| 261 | 6.75%, 9/15/16 | 254,564 |
| 113 | 6.75%, 7/15/18 | 108,598 |
| 41 | 6.75%, 9/15/18 | 39,305 |
| 330 | 6.75%, 10/15/18 | 317,379 |
| 6 | 6.75%, 11/15/18 | 5,757 |
| 1,121 | 6.75%, 5/15/19 | 1,079,164 |
| 2,137 | 6.75%, 6/15/19 | 2,046,117 |
| 890 | 6.80%, 9/15/16 | 869,788 |
| 10 | 6.80%, 9/15/18 | 9,516 |
| 13 | 6.80%, 10/15/18 | 12,483 |
| 2,861 | 6.85%, 4/15/16 | 2,791,897 |
| 646 | 6.85%, 5/15/16 | 626,289 |

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-Q

| | | |
|-----|-----------------|---------|
| 526 | 6.85%, 7/15/16 | 511,170 |
| 679 | 6.875%, 8/15/16 | 663,075 |
| 169 | 6.875%, 7/15/18 | 162,642 |

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-Q

PIMCO High Income Fund Schedule of Investments

June 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value* |
|---------------------------------------|---|------------|
| Financial Services (continued) | | |
| \$50 | 6.90%, 6/15/17 | \$48,128 |
| 52 | 6.90%, 7/15/18 | 50,615 |
| 141 | 6.90%, 8/15/18 | 137,259 |
| 30 | 6.95%, 6/15/17 | 29,296 |
| 873 | 7.00%, 5/15/16 | 861,459 |
| 120 | 7.00%, 6/15/16 | 116,880 |
| 638 | 7.00%, 7/15/16 | 623,918 |
| 1,106 | 7.00%, 8/15/16 | 1,083,051 |
| 256 | 7.00%, 11/15/16 | 247,690 |
| 100 | 7.00%, 12/15/16 | 97,488 |
| 71 | 7.00%, 6/15/17 | 68,181 |
| 1,445 | 7.00%, 2/15/18 | 1,401,301 |
| 905 | 7.00%, 5/15/18 | 876,022 |
| 1,466 | 7.00%, 8/15/18 | 1,430,005 |
| 85 | 7.00%, 9/15/18 | 82,338 |
| 168 | 7.00%, 6/15/22 | 162,232 |
| 183 | 7.05%, 3/15/18 | 175,324 |
| 332 | 7.05%, 4/15/18 | 321,643 |
| 253 | 7.125%, 10/15/17 | 246,965 |
| 545 | 7.15%, 6/15/16 | 541,364 |
| 1,087 | 7.15%, 9/15/18 | 1,060,614 |
| 43 | 7.20%, 10/15/17 | 42,109 |
| 2,153 | 7.25%, 6/15/16 | 2,111,872 |
| 1,225 | 7.25%, 9/15/17 | 1,198,309 |
| 324 | 7.25%, 1/15/18 | 316,024 |
| 238 | 7.25%, 4/15/18 | 233,857 |
| 273 | 7.25%, 8/15/18 | 264,684 |
| 180 | 7.25%, 9/15/18 | 176,852 |
| 80 | 7.30%, 1/15/18 | 78,055 |
| 235 | 7.35%, 1/15/17 | 229,664 |
| 22 | 7.35%, 4/15/18 | 21,707 |
| 356 | 7.375%, 11/15/16 | 349,131 |
| 10 | 7.375%, 4/15/18 | 9,783 |
| 1,037 | 7.50%, 5/15/16 | 1,027,461 |
| 784 | 7.50%, 6/15/16 | 772,817 |
| 20 | 7.50%, 11/15/16 | 19,712 |
| 1,260 | 7.50%, 8/15/17 | 1,232,493 |
| 12 | 7.50%, 11/15/17 | 11,654 |
| 1,505 | 7.50%, 12/15/17 | 1,473,006 |
| 1,324 | 7.55%, 5/15/16 | 1,313,992 |
| 79 | 8.00%, 10/15/17 | 78,137 |
| 197 | 8.00%, 11/15/17 | 193,820 |
| 20 | 8.125%, 11/15/17 | 19,707 |
| 25 | 8.25%, 3/15/17 | 24,994 |
| 35 | 8.65%, 8/15/15 | 34,563 |
| 121 | 9.00%, 7/15/20 | 121,066 |
| 160 | BankAmerica Capital II, 8.00%, 12/15/26 | 164,448 |
| 5,100 | BankAmerica Institutional Capital B, 7.70%, 12/31/26 (a)(c) | 5,214,750 |
| 38,750 | Capital One Capital V, 10.25%, 8/15/39 | 39,718,750 |
| £1,000 | Credit Agricole S.A., 8.125%, 10/26/19 (f) | 1,085,349 |

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-Q

\$13,002

ILFC E-Capital Trust I, 4.28%, 12/21/65 (a)(c)(g)

8,832,779

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-Q

PIMCO High Income Fund Schedule of Investments

June 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value* |
|---------------------------------------|---|--------------|
| Financial Services (continued) | | |
| \$28,430 | ILFC E-Capital Trust II, 6.25%, 12/21/65, (converts to FRN on 12/21/15) (a)(c) | \$20,896,050 |
| 18,000 | International Lease Finance Corp., 6.98%, 10/15/17 (e)(g) | 16,626,875 |
| 1,885 | LBG Capital No.1 PLC, 7.375%, 3/12/20 | 1,994,250 |
| £900 | 7.588%, 5/12/20 | 1,215,725 |
| £3,400 | 7.869%, 8/25/20 | 4,603,388 |
| \$2,000 | 8.50%, 12/17/21 (a)(c)(f) | 1,863,000 |
| £284 | LBG Capital No.2 PLC, 9.00%, 12/15/19 | 402,532 |
| £5,500 | 9.125%, 7/15/20 | 7,539,256 |
| £850 | 11.25%, 9/14/23 | 1,263,735 |
| \$6,300 | National City Preferred Capital Trust I, 12.00%, 12/10/12 (f)(i) | 6,528,010 |
| 43,895 | NSG Holdings LLC, 7.75%, 12/15/25 (a)(c) | 44,114,475 |
| 8,800 | Royal Bank of Scotland Group PLC, 7.648%, 9/30/31 (f) | 7,128,000 |
| 9,000 | SLM Corp., 8.00%, 3/25/20 | 9,900,000 |
| 51,635 | 8.45%, 6/15/18 (i) | 58,089,375 |
| 10,000 | Springleaf Finance Corp., 5.40%, 12/1/15 | 8,375,000 |
| 9,100 | 6.90%, 12/15/17 | 7,308,392 |
| | | 331,114,809 |
| Hotels/Gaming 0.2% | | |
| 2,100 | MGM Resorts International, 11.125%, 11/15/17 | 2,367,750 |
| Insurance 17.5% | | |
| 3,562 | American International Group, Inc., 6.797%, 11/15/17 (a)(b)(c)(j) (acquisition cost-\$1,373,167; purchased 1/29/09) | 4,946,083 |
| 8,200 | 8.00%, 5/22/68, (converts to FRN on 5/22/18) | 10,055,404 |
| \$87,250 | 8.175%, 5/15/68, (converts to FRN on 5/15/38) (i) | 95,102,500 |
| £6,650 | 8.625%, 5/22/68, (converts to FRN on 5/22/18) (a)(c) | 10,560,755 |
| £28,650 | 8.625%, 5/22/68, (converts to FRN on 5/22/18) | 45,498,591 |
| 23,300 | Cloverie PLC for Zurich Insurance Co., Ltd., 12.00%, 7/15/14 (e)(f) | 31,679,964 |
| \$2,000 | Pacific Life Insurance Co., 7.90%, 12/30/23 (a)(c)(i) | 2,457,692 |
| 3,500 | Transatlantic Holdings, Inc., 8.00%, 11/30/39 | 4,105,290 |
| 10,000 | Validus Holdings Ltd., 8.875%, 1/26/40 | 11,243,510 |
| | | 215,649,789 |
| Oil & Gas 0.1% | | |
| 1,000 | Cie Generale de Geophysique-Veritas, 7.75%, 5/15/17 | 1,035,625 |
| Telecommunications 1.5% | | |
| 1,122 | CenturyLink, Inc., 7.20%, 12/1/25 | 1,168,496 |
| 15,200 | Mountain States Telephone & Telegraph Co., 7.375%, 5/1/30 | 16,934,731 |
| | | 18,103,227 |
| Utilities 2.8% | | |
| 7,300 | AES Andres Dominicana Ltd., 9.50%, 11/12/20 (a)(c) | 7,592,000 |
| 2,162 | Ameren Energy Generating Co., 7.95%, 6/1/32 | 1,707,980 |

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-Q

PIMCO High Income Fund Schedule of Investments

June 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value* |
|--|---|--------------|
| Utilities (continued) | | |
| \$23,990 | Dynergy Roseton/ Dynergy Danskammer LLC Pass Through Trust, 7.67%, 11/8/16, Series B (b)(d) | \$14,873,800 |
| 4,455 | Energy Future Holdings Corp., 9.75%, 10/15/19 | 4,610,925 |
| 5,445 | Energy Future Intermediate Holding Co. LLC, 9.75%, 10/15/19 | 5,635,575 |
| | | 34,420,280 |
| | Total Corporate Bonds & Notes (cost \$727,113,372) | 838,495,613 |
| MORTGAGE-BACKED SECURITIES 9.3% | | |
| 2,045 | American Home Mortgage Assets LLC, 6.25%, 6/25/37, CMO | 982,293 |
| 10,240 | Banc of America Alternative Loan Trust, 6.00%, 3/25/36, CMO | 6,858,492 |
| 71 | Banc of America Mortgage Securities, Inc., 2.999%, 2/25/36, CMO (g) BCAP LLC Trust, CMO (a)(c)(g), | 51,735 |
| 4,700 | 5.53%, 3/26/37 | 520,147 |
| 2,944 | 10.903%, 6/26/36 | 529,933 |
| | Bear Stearns Adjustable Rate Mortgage Trust, CMO (g), | |
| 13,639 | 2.805%, 8/25/35 | 9,248,009 |
| 911 | 3.123%, 5/25/47 | 605,500 |
| 534 | 5.356%, 11/25/34 | 450,901 |
| | Chase Mortgage Finance Corp., CMO, | |
| 63 | 2.735%, 12/25/35, (g) | 55,347 |
| 83 | 5.50%, 5/25/36 | 76,827 |
| 366 | 5.817%, 9/25/36 (g) | 317,867 |
| | Citigroup Mortgage Loan Trust, Inc., CMO (g), | |
| 240 | 2.674%, 7/25/46 | 147,573 |
| 438 | 3.392%, 7/25/37 | 287,616 |
| 1,674 | 5.019%, 9/25/37 | 1,063,407 |
| 3,552 | 5.592%, 8/25/37 | 2,490,639 |
| 4,124 | 5.779%, 3/25/37 | 3,590,073 |
| | Countrywide Alternative Loan Trust, CMO, | |
| 731 | 2.90%, 2/25/37 (g) | 483,695 |
| 1,580 | 5.272%, 7/25/21 (g) | 1,436,000 |
| 726 | 5.50%, 3/25/36 | 423,571 |
| 1,861 | 6.00%, 2/25/35 | 1,663,773 |
| 567 | 6.00%, 11/25/36 | 372,071 |
| 8,865 | 6.00%, 2/25/37 | 5,745,007 |
| 319 | 6.50%, 6/25/36 | 180,502 |
| | Countrywide Home Loan Mortgage Pass Through Trust, CMO, | |
| 1,347 | 2.744%, 9/20/36 (g) | 673,356 |
| 4,876 | 5.50%, 10/25/35 | 4,611,769 |
| 151 | 5.533%, 9/25/47 (g) | 100,194 |
| 4,951 | 5.75%, 3/25/37 | 4,102,534 |
| 3,922 | 5.75%, 6/25/37 | 3,386,659 |
| 1,426 | 6.00%, 5/25/36 | 1,133,046 |
| 902 | 6.00%, 4/25/37 | 764,684 |
| 13,378 | 6.00%, 5/25/37 | 10,770,600 |
| 466 | 6.25%, 9/25/36 | 347,898 |
| 2,900 | Credit Suisse Mortgage Capital Certificates, 6.00%, 2/25/37, CMO | 2,281,155 |
| 200 | First Horizon Asset Securities, Inc., 2.566%, 5/25/37, CMO (g) | 118,168 |
| | GSR Mortgage Loan Trust, CMO, | |
| 1,203 | 5.50%, 5/25/36 | 959,320 |

1,340

6.00%, 7/25/37

1,163,379

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-Q

PIMCO High Income Fund Schedule of Investments

June 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value* |
|-------------------------------|---|-------------|
| | Harborview Mortgage Loan Trust, CMO (g), | |
| \$134 | 5.304%, 8/19/36 | \$95,091 |
| 1,263 | 5.75%, 8/19/36 | 744,475 |
| 12,375 | JPMorgan Alternative Loan Trust, 5.76%, 3/25/37, CMO (g) | 7,104,255 |
| | JPMorgan Mortgage Trust, CMO, | |
| 782 | 5.67%, 1/25/37 (g) | 623,777 |
| 1,091 | 5.75%, 1/25/36 | 1,007,421 |
| 4,344 | MASTR Reperforming Loan Trust, 7.00%, 8/25/34, CMO (a)(c) | 4,422,771 |
| 511 | Merrill Lynch Alternative Note Asset, 3.043%, 6/25/37, CMO (g) | 283,955 |
| 349 | Merrill Lynch Mortgage-Backed Securities Trust, 5.235%, 4/25/37, CMO (g) | 248,523 |
| | Residential Asset Securitization Trust, CMO, | |
| 1,884 | 6.00%, 9/25/36 | 1,039,021 |
| 1,357 | 6.25%, 10/25/36 | 888,935 |
| 586 | 6.50%, 8/25/36 | 312,902 |
| 5,346 | Residential Funding Mortgage Securities I Trust, 6.25%, 8/25/36, CMO | 4,489,558 |
| | Sequoia Mortgage Trust, CMO (g), | |
| 154 | 2.636%, 1/20/47 | 112,892 |
| 1,959 | 5.312%, 7/20/37 | 1,500,205 |
| | Suntrust Adjustable Rate Mortgage Loan Trust, CMO (g), | |
| 2,783 | 5.494%, 4/25/37 | 2,122,501 |
| 2,168 | 5.815%, 2/25/37 | 1,569,528 |
| | WaMu Mortgage Pass Through Certificates, CMO (g), | |
| 278 | 2.16%, 1/25/37 | 187,069 |
| 2,189 | 2.248%, 11/25/36 | 1,562,576 |
| 176 | 2.339%, 12/25/36 | 121,687 |
| 236 | 2.452%, 4/25/37 | 152,867 |
| 1,689 | 2.506%, 9/25/36 | 1,190,187 |
| 499 | 2.552%, 2/25/37 | 322,842 |
| 1,135 | 2.713%, 2/25/37 | 833,642 |
| 236 | 2.756%, 3/25/37 | 191,290 |
| 429 | 4.997%, 5/25/37 | 293,399 |
| 587 | 5.178%, 2/25/37 | 412,399 |
| | Washington Mutual Alternative Mortgage Pass Through Certificates, CMO, | |
| 11,897 | 6.00%, 6/25/37 | 8,558,580 |
| 7,014 | 6.50%, 3/25/36 | 3,742,569 |
| | Wells Fargo Mortgage-Backed Securities Trust, CMO (g), | |
| 2,508 | 2.619%, 7/25/36 | 1,892,066 |
| 396 | 2.629%, 7/25/36 | 294,824 |
| 253 | 2.781%, 9/25/36 | 186,944 |
| | Total Mortgage-Backed Securities (cost \$115,930,971) | 114,502,491 |
| MUNICIPAL BONDS 7.7% | | |
| California 1.8% | | |
| 11,600 | Oakland Unified School Dist., Alameda Cnty., GO, 9.50%, 8/1/34 | 13,911,184 |
| 500 | San Diego Redev. Agcy., Tax Allocation, 7.625%, 9/1/30, Ser. A | 532,830 |
| 7,070 | State Public Works Board Rev., 8.00%, 3/1/35, Ser. A-2 | 7,660,911 |
| | | 22,104,925 |
| Louisiana 0.4% | | |
| 3,850 | New Orleans, Public Improvements, GO, 8.55%, 12/1/34, Ser. A | 4,326,976 |

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-Q

PIMCO High Income Fund Schedule of Investments

June 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value* |
|--|--|--------------|
| Texas 5.5% | | |
| | North Texas Tollway Auth. Rev., | |
| \$18,600 | 8.41%, 2/1/30 | \$21,714,012 |
| 39,995 | 8.91%, 2/1/30 | 46,149,831 |
| | | 67,863,843 |
| | Total Municipal Bonds (cost \$83,387,189) | 94,295,744 |
| Shares | | |
| PREFERRED STOCK 6.6% | | |
| Banking 4.1% | | |
| 758,600 | CoBank Acb, 11.00%, 7/1/13, Ser. C (a)(b)(c)(f)(j) (acquisition cost-\$42,106,600; purchased 8/23/10-2/1/11) | 39,067,900 |
| 10,000 | Farm Credit Bank, 10.00%, 12/15/20, Ser. 1 (f) | 11,662,500 |
| | | 50,730,400 |
| Financial Services 1.3% | | |
| | Ally Financial, Inc. (f), | |
| 3,000 | 7.00%, 8/15/12 (a)(c) | 2,672,906 |
| 150,000 | 8.50%, 5/15/16, Ser. A (k) | 3,442,500 |
| 150,000 | Bank of America Corp., 8.20%, 5/1/13, Ser. H (f) | 3,877,500 |
| 200,000 | GMAC Capital Trust I, 8.125%, 2/15/16, Ser. 2 (k) | 4,810,000 |
| 7 | Union Planters Preferred Funding Corp., 7.75%, 7/15/23 (a)(b)(c)(f)(j) (acquisition cost-\$630,000; purchased 3/3/11) | 627,813 |
| | | 15,430,719 |
| Real Estate Investment Trust 1.2% | | |
| 14,470 | Sovereign Real Estate Investment Trust, 12.00%, 5/16/20 (a)(c)(f) | 15,169,581 |
| | Total Preferred Stock (cost \$83,519,150) | 81,330,700 |
| Principal Amount (000s) | | |
| ASSET-BACKED SECURITIES 4.2% | | |
| | Countrywide Asset-Backed Certificates, | |
| \$3,000 | 5.595%, 8/25/35 | 2,096,335 |
| 13,700 | 5.884%, 7/25/36 | 6,242,419 |
| 29,041 | Greenpoint Manufactured Housing, 8.45%, 6/20/31 (g) | 27,938,869 |
| 672 | GSAA Trust, 0.545%, 3/25/37 (g) | 325,628 |
| 18,481 | Indymac Residential Asset-Backed Trust, 0.405%, 7/25/37 (g) | 10,089,028 |
| 3,372 | Mid-State Trust, 7.791%, 3/15/38 | 3,201,397 |
| 2,602 | Morgan Stanley Mortgage Loan Trust, 6.25%, 7/25/47 (g) | 1,718,388 |
| 477 | Washington Mutual Asset-Backed Certificates, 0.395%, 5/25/36 (g) | 234,501 |
| | Total Asset-Backed Securities (cost \$55,020,526) | 51,846,565 |
| SHORT-TERM INVESTMENTS 4.2% | | |
| Corporate Notes 0.4% | | |
| Financial Services 0.4% | | |
| | Ally Financial, Inc., | |
| 97 | 5.85%, 5/15/13 | 96,166 |
| 170 | 6.25%, 3/15/13 | 169,052 |

PIMCO High Income Fund Schedule of Investments

June 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value* |
|--|---|------------------------|
| Financial Services (continued) | | |
| \$25 | 6.30%, 3/15/13 | \$24,885 |
| 112 | 6.40%, 3/15/13 | 111,457 |
| 209 | 6.45%, 2/15/13 | 208,183 |
| 239 | 6.50%, 2/15/13 | 238,136 |
| 160 | 6.50%, 4/15/13 | 159,394 |
| 45 | 6.75%, 4/15/13 | 44,913 |
| 255 | 6.80%, 4/15/13 | 254,546 |
| 593 | 7.00%, 1/15/13 | 594,545 |
| 3,012 | 7.10%, 1/15/13 | 3,005,102 |
| 210 | 7.50%, 10/15/12 | 210,024 |
| | Total Corporate Notes (cost \$5,100,071) | 5,116,403 |
| U.S. Treasury Obligations (h)(l) 0.2% | | |
| 2,633 | U.S. Treasury Bills, 0.04%-0.057%, 7/5/12-8/2/12 (cost \$2,632,939) | 2,632,939 |
| Repurchase Agreements 3.6% | | |
| 43,100 | RBC Capital Markets, dated 6/29/12, 0.19%, due 7/2/12, proceeds \$43,100,682; collateralized by U.S. Treasury Notes, 1.00%, due 9/30/16, valued at \$43,960,177 including accrued interest | 43,100,000 |
| 972 | State Street Bank & Trust Co., dated 6/29/12, 0.01%, due 7/2/12, proceeds \$972,001; collateralized by U.S. Treasury Notes, 2.00%, due 11/15/21, valued at \$991,955 including accrued interest | 972,000 |
| | Total Repurchase Agreements (cost \$44,072,000) | 44,072,000 |
| | Total Short-Term Investments (cost \$51,805,010) | 51,821,342 |
| | Total Investments (cost \$1,116,776,218)(m) 100.0% | \$1,232,292,455 |

Notes to Schedule of Investments:

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

Portfolio securities and other financial instruments for which market quotations are not readily available, or for which a development/event occurs that may significantly impact the value of a security, are fair-valued, in good faith, pursuant to procedures established by the Board of Trustees, or persons acting at their discretion pursuant to procedures established by the Board of Trustees, including certain fixed income securities which may be valued with reference to securities whose prices are more readily available. The Fund's investments are valued daily using prices supplied by an independent pricing service or dealer quotations, or by using the last sale price on the exchange that is the primary market for such securities, or the mean between the last quoted bid and ask price. Independent pricing services use information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Centrally cleared swaps are valued at the price determined by the relevant exchange. Short-term securities maturing in 60 days or less are valued at amortized cost, if their original term to maturity was 60 days or less, or by amortizing their value on the 61st day prior to maturity, if the original term to maturity exceeded 60 days. Investments initially valued in currencies other than the U.S. dollar are converted to the U.S. dollar using exchange rates obtained from pricing services. As a result, the net asset value (NAV) of the Fund's shares may be affected by changes in the value of currencies in relation to the U.S. dollar. The value of securities traded in markets outside the United States or denominated in currencies other than the U.S. dollar may be affected significantly on a day that the New York Stock Exchange (NYSE) is closed.

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

- (a) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$256,783,394, representing 20.8% of total investments.
- (b) Illiquid.
- (c) 144A Exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
- (d) In default.
- (e) Fair-Valued Securities with an aggregate value of \$48,306,839, representing 3.9% of total investments.
- (f) Perpetual maturity. The date shown is the next call date. For Corporate Bonds & Notes, the interest rate is fixed until the first call date and variable thereafter.
- (g) Variable or Floating Rate Security Security with an interest rate that changes periodically. The interest rate disclosed reflects the rate in effect on June 30, 2012.
- (h) All or partial amount segregated for the benefit of the counterparty as collateral for derivatives.
- (i) All or partial amount transferred for the benefit of the counterparty as collateral for reverse repurchase agreements.
- (j) Restricted. The aggregate acquisition cost of such securities is \$48,609,767 and the aggregate market value is \$49,646,846, representing 4.0% of total investments.
- (k) Dividend rate is fixed until the first call date and variable thereafter.
- (l) Rates reflect the effective yields at purchase date.
- (m)

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-Q

At June 30, 2012, the cost basis of portfolio securities for federal income tax purposes was \$1,118,028,895. Gross unrealized appreciation was \$143,288,424, gross unrealized depreciation was \$29,024,864 and net unrealized appreciation was \$114,263,560. The difference between book and tax cost basis was attributable to wash sale loss deferrals.

Glossary:

£ British Pound

CMO Collateralized Mortgage Obligation

Euro

FRN Floating Rate Note. The interest rate disclosed reflects the rate in effect on June 30, 2012.

GO General Obligation Bond

Other Investments:

(a) Over-the-Counter (OTC) credit default swap agreements:

Sell protection swap agreements outstanding at June 30, 2012(1):

| Swap Counterparty/ Referenced Debt Issuer | Notional Amount (000s) (2) | Credit Spread (3) | Termination Date | Payments Received | Market Value (4) | Upfront Premiums Received | Unrealized Depreciation |
|---|-------------------------------|----------------------|---------------------|----------------------|---------------------|---------------------------------|----------------------------|
| Barclays Bank: Argentine Republic Government International Bond | \$15,000 | 9.43% | 6/20/13 | 5.00% | \$(596,095) | \$(169,109) | \$(426,986) |

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

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

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

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-Q

(4) The quoted market prices and resulting values for credit default swap agreements serve as an indicator of the status at June 30, 2012 of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement been closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(b) Interest rate swap agreements outstanding at June 30, 2012:

OTC swap agreements:

| Swap Counterparty | Notional Amount (000s) | Termination Date | Rate Type Payments Made | Payments Received | Market Value | Upfront Premiums Paid(Received) | Unrealized Appreciation |
|-------------------------------|---------------------------|---------------------|-------------------------------|----------------------|-----------------|---------------------------------------|----------------------------|
| Credit Suisse First Boston | \$1,000,000 | 8/15/17 | 3-Month USD-LIBOR | 1.55% | \$8,351,874 | \$558,860 | \$7,793,014 |
| Deutsche Bank | 1,000,000 | 8/15/17 | 3-Month USD-LIBOR | 1.55% | 8,351,877 | (237,480) | 8,589,357 |
| Royal Bank of Scotland | 330,000 | 5/29/18 | 3-Month USD-LIBOR | 1.75% | 2,440,318 | 1,590,175 | 850,143 |
| | | | | | \$19,144,069 | \$1,911,555 | \$17,232,514 |

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-Q

Centrally cleared swap agreements:

| Broker (Exchange) | Notional Amount (000s) | Termination Date | Payments Made | Rate Type | Payments Received | Market Value | Unrealized Appreciation (Depreciation) |
|-------------------------------------|---------------------------|---------------------|----------------------|-----------|----------------------|-----------------|--|
| Barclays Bank (CME) | \$200,000 | 6/16/20 | 3-Month USD-LIBOR | | 4.00% | \$38,695,323 | \$4,183,502 |
| Credit Suisse First Boston (CME) | 500,000 | 12/16/16 | 3-Month USD-LIBOR | | 4.00% | 69,985,007 | 2,010,707 |
| Goldman Sachs (CME) | 500,000 | 12/19/17 | 1.00% | | 3-Month USD-LIBOR | 2,917,885 | (1,867,115) |
| Goldman Sachs (CME) | 200,000 | 12/19/22 | 1.75% | | 3-Month USD-LIBOR | 2,915,992 | (558,008) |
| | | | | | | \$114,514,207 | \$3,769,086 |

CME Chicago Mercantile Exchange

LIBOR London Inter-Bank Offered Rate

At June 30, 2012, pledged cash collateral of \$33,824,000 for centrally cleared interest rate swaps.

(c) Forward foreign currency contracts outstanding at June 30, 2012:

| | Counterparty | U.S.\$ Value on Origination Date | U.S.\$ Value June 30, 2012 | Unrealized Appreciation (Depreciation) |
|---|---------------------------|-------------------------------------|-------------------------------|--|
| Purchased: | | | | |
| 35,467,000 British Pound settling 7/3/12 | Barclays Bank | \$54,988,037 | \$55,546,681 | \$558,644 |
| 35,467,000 British Pound settling 7/3/12 | Deutsche Bank | 55,222,119 | 55,546,681 | 324,562 |
| 75,835,000 British Pound settling 7/3/12 | JPMorgan Chase | 118,402,195 | 118,769,068 | 366,873 |
| 3,100,000 Euro settling 7/16/12 | Barclays Bank | 3,913,078 | 3,923,451 | 10,373 |
| 17,568,000 Euro settling 7/3/12 | BNP Paribas | 21,924,864 | 22,232,290 | 307,426 |
| 1,198,000 Euro settling 7/16/12 | Deutsche Bank | 1,484,190 | 1,516,224 | 32,034 |
| 755,000 Euro settling 7/16/12 | HSBC Bank | 965,885 | 955,550 | (10,335) |
| 1,053,000 Euro settling 7/16/12 | JPMorgan Chase | 1,374,328 | 1,332,708 | (41,620) |
| 4,658,000 Indian Rupee settling 7/12/12 | JPMorgan Chase | 100,215 | 83,266 | (16,949) |
| Sold: | | | | |
| 35,467,000 British Pound settling 8/2/12 | Barclays Bank | 54,983,462 | 55,542,562 | (559,100) |
| 35,467,000 British Pound settling 8/2/12 | Deutsche Bank | 55,217,686 | 55,542,562 | (324,876) |
| 70,934,000 British Pound settling 8/2/12 | JPMorgan Chase | 110,763,441 | 111,085,124 | (321,683) |
| 95,739,000 British Pound settling 7/3/12 | Royal Bank of Scotland | 149,257,101 | 149,941,739 | (684,638) |
| 51,030,000 British Pound settling 7/3/12 | UBS | 78,935,143 | 79,920,690 | (985,547) |

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-Q

| | | | | |
|---|----------------------------|------------|------------|---------------|
| 6,941,000 Euro settling 7/3/12 | Credit Suisse First Boston | 8,721,783 | 8,783,830 | (62,047) |
| 3,868,000 Euro settling 7/3/12 | Goldman Sachs | 4,663,877 | 4,664,630 | (753) |
| 3,975,000 Euro settling 7/16/12 | Bank of America | 5,196,617 | 5,030,876 | 165,741 |
| 17,568,000 Euro settling 8/2/12 | BNP Paribas | 21,930,661 | 22,237,560 | (306,899) |
| 23,718,000 Euro settling 9/14/12 | Citigroup | 29,591,526 | 30,035,851 | (444,325) |
| 120,000 Euro settling 7/16/12 | Deutsche Bank | 153,330 | 151,876 | 1,454 |
| 6,941,000 Euro settling 7/3/12 | HSBC Bank | 8,743,224 | 8,783,830 | (40,606) |
| 17,198,000 Euro settling 7/16/12 | Royal Bank of Canada | 22,717,870 | 21,766,291 | 951,579 |
| 4,658,000 Indian Rupee settling 7/12/12 | JPMorgan Chase | 91,554 | 83,266 | 8,288 |
| | | | | \$(1,072,404) |

At June 30, 2012, the Fund held \$39,555,000 in cash as collateral for derivative contracts. Cash collateral held may be invested in accordance with the Fund's investment strategy.

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-Q

(d) Open reverse repurchase agreements at June 30, 2012:

| Counterparty | Rate | Trade Date | Maturity Date | Principal & Interest | Principal |
|---------------|-------|------------|---------------|----------------------|------------|
| Deutsche Bank | 0.65% | 5/2/12 | 7/2/12 | 12,343,118 | 12,329,761 |
| | 0.65% | 5/3/12 | 8/3/12 | 8,806,628 | 8,797,256 |
| | 0.65% | 5/4/12 | 8/9/12 | 6,452,750 | 6,446,000 |
| | 0.65% | 5/8/12 | 8/9/12 | 1,985,934 | 1,984,000 |
| UBS | 0.55% | 5/3/12 | 8/2/12 | 2,321,967 | 2,319,876 |
| | 0.58% | 6/14/12 | 9/18/12 | 6,279,719 | 6,278,000 |
| | | | | | 38,154,893 |

The weighted average daily balance of reverse repurchase agreements outstanding during the three months ended June 30, 2012 was \$74,046,155 at a weighted average interest rate of 0.68%. The total market value of underlying collateral (refer to the Schedule of Investments for positions transferred for the benefit of the counterparty as collateral for open reverse repurchase agreements at June 30, 2012 was \$42,022,426.

Fair Value Measurements

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

- Level 1 quoted prices in active markets for identical investments that the Fund has the ability to access
- Level 2 valuations based on other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.) or quotes from inactive exchanges
- Level 3 valuations based on significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

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

The valuation techniques used by the Fund to measure fair value during the three months ended June 30, 2012 maximized the use of observable inputs and minimized the use of unobservable inputs. When fair-valuing securities, the Fund utilized option adjusted spread pricing techniques.

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

Equity Securities (Common and Preferred Stock) Equity securities traded in inactive markets are valued using inputs which include broker-dealer quotes, recently executed transactions adjusted for changes in the benchmark index, or evaluated price quotes received from independent pricing services that take into account the integrity of the market sector and issuer, the individual characteristics of the security, and information received from broker-dealers and other market sources pertaining to the issuer or security. To the extent that these inputs are observable, the values of equity securities are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

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

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-Q

Government Sponsored Enterprise and Mortgage-Backed Securities Government sponsored enterprise and mortgage-backed securities are valued by independent pricing services using pricing models based on inputs that include issuer type, coupon, cash flows, mortgage prepayment projection tables and Adjustable Rate Mortgage evaluations that incorporate index data, periodic and life caps, the next coupon reset date, and the convertibility of the bond. To the extent that these inputs are observable, the values of government sponsored enterprise and mortgage-backed securities are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

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

Corporate Bonds & Notes Corporate bonds & notes are generally comprised of two main categories: investment grade bonds and high yield bonds. Investment grade bonds are valued by independent pricing services using various inputs and techniques, which include broker-dealer quotations, live trading levels, recently executed transactions in securities of the issuer or comparable issuers, and option adjusted spread models that include base curve and spread curve inputs. Adjustments to individual bonds can be applied to recognize trading differences compared to other bonds issued by the same issuer. High yield bonds are valued by independent pricing services based primarily on broker-dealer quotations from relevant market makers and recently executed transactions in securities of the issuer or comparable issuers. The broker-dealer quotations received are supported by credit analysis of the issuer that takes into consideration credit quality assessments, daily trading activity, and the activity of the underlying equities, listed bonds and sector-specific trends. To the extent that these inputs are observable, the values of corporate bonds & notes are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

Asset-Backed Securities and Collateralized Mortgage Obligations Asset-backed securities and collateralized mortgage obligations are valued by independent pricing services using pricing models based on a security's average life volatility. The models also take into account tranche characteristics such as coupon, average life, collateral types, ratings, the issuer and tranche type, underlying collateral and performance of the collateral, and discount margin for certain floating rate issues. To the extent that these inputs are observable, the values of asset-backed securities and collateralized mortgage obligations are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

Forward Foreign Currency Contracts Forward foreign currency contracts are valued by independent pricing services using various inputs and techniques, which include broker-dealer quotations, actual trading information and foreign currency exchange rates gathered from leading market makers and foreign currency exchange trading centers throughout the world. To the extent that these inputs are observable, the values of forward foreign currency contracts are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

Interest Rate Swaps OTC interest rate swaps are valued by independent pricing services using pricing models that are based on real-time intraday snapshots of relevant interest rate curves that are built using the most actively traded securities for a given maturity. The pricing models also incorporate cash and money market rates. In addition, market data pertaining to interest rate swaps is monitored regularly to ensure that interest rates are properly depicting the current market rate. Centrally cleared swaps are valued at the price determined by the relevant exchange. To the extent that these inputs are observable, the values of interest rate swaps are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

Credit Default Swaps OTC credit default swaps are valued by independent pricing services using pricing models that take into account, among other factors, information received from market makers and broker-dealers, default probabilities from index specific credit spread curves, recovery rates, and cash flows. To the extent that these inputs are observable, the values of OTC credit default swaps are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-Q

The Fund's policy is to recognize transfers between levels at the end of the reporting period.

A summary of the inputs used at June 30, 2012 in valuing the Fund's assets and liabilities is listed below (refer to the Schedule of Investments and Other Investments for more detailed information on Investments in Securities and Other Financial Instruments):

| | Level 1 - Quoted Prices | Level 2 - Other Significant Observable Inputs | Level 3 - Significant Unobservable Inputs | Value at 6/30/12 |
|---|----------------------------|--|--|---------------------|
| Investments in Securities - Assets | | | | |
| Corporate Bonds & Notes: | | | | |
| Airlines | | | \$18,313,422 | \$18,313,422 |
| Electric | | | 468,280 | 468,280 |
| Financial Services | | \$314,487,934 | 16,626,875 | 331,114,809 |
| Insurance | | 183,969,825 | 31,679,964 | 215,649,789 |
| Utilities | | 19,546,480 | 14,873,800 | 34,420,280 |
| All Other | | 238,529,033 | | 238,529,033 |
| Mortgage-Backed Securities | | 113,972,558 | 529,933 | 114,502,491 |
| Municipal Bonds | | 94,295,744 | | 94,295,744 |
| Preferred Stock: | | | | |
| Financial Services | \$12,130,000 | 3,300,719 | | 15,430,719 |
| All Other | | 65,899,981 | | 65,899,981 |
| Asset-Backed Securities | | 51,846,565 | | 51,846,565 |
| Short-Term Investments | | 51,821,342 | | 51,821,342 |
| Total Investments in Securities - Assets | \$12,130,000 | \$1,137,670,181 | \$82,492,274 | \$1,232,292,455 |
| Other Financial Instruments* - Assets | | | | |
| Foreign Exchange Contracts | | \$2,726,974 | | \$2,726,974 |
| Interest Rate Contracts | | 23,426,723 | | 23,426,723 |
| Total Other Financial Instruments* - Assets | | \$26,153,697 | | \$26,153,697 |
| Other Financial Instruments* - Liabilities | | | | |
| Credit Contracts | | \$(426,986) | | \$(426,986) |
| Foreign Exchange Contracts | | (3,799,378) | | (3,799,378) |
| Interest Rate Contracts | | (2,425,123) | | (2,425,123) |
| Total Other Financial Instruments* - Liabilities | | \$(6,651,487) | | \$(6,651,487) |
| Total Investments | \$12,130,000 | \$1,157,172,391 | \$82,492,274 | \$1,251,794,665 |

*Other financial instruments are derivative instruments not reflected in the Schedule of Investments, such as swap agreements and forward foreign currency contracts, which are valued at the unrealized appreciation (depreciation) of the instrument.

There were no significant transfers between Levels 1 and 2 during the three months ended June 30, 2012.

Edgar Filing: PIMCO HIGH INCOME FUND - Form N-Q

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the three months ended June 30, 2012, was as follows:

| | Beginning Balance 3/31/12 | Purchases | Sales | Accrued Discounts (Premiums) | Net Realized Gain (Loss) | Net Change in Unrealized Appreciation/ Depreciation | Transfers into Level 3 | Transfers out of Level 3** | Ending Balance 6/30/12 |
|---|---------------------------------|-----------|--------------------|------------------------------------|--------------------------------|--|------------------------------|----------------------------------|------------------------------|
| Investments in Securities - Assets | | | | | | | | | |
| Corporate Bonds & Notes: | | | | | | | | | |
| Airlines | \$18,661,529 | | \$(640,988) | \$(31,782) | \$(54,822) | \$379,485 | | | \$18,313,422 |
| Electric | 465,903 | | | (630) | | 3,007 | | | 468,280 |
| Financial Services | 16,460,217 | | | 161,976 | | 4,682 | | | 16,626,875 |
| Insurance | 31,438,829 | | | | | 241,135 | | | 31,679,964 |
| Utilities | 14,873,800 | | | | | | | | 14,873,800 |
| Mortgage-Backed Securities | 739,670 | | (340,885) | 68,681 | 287,274 | 295,340 | | \$(520,147) | 529,933 |
| Preferred Stock: | | | | | | | | | |
| Financial Services | 563,937 | | | | | 63,876 | | (627,813) | |
| Total Investments | \$83,203,885 | | \$(981,873) | \$198,245 | \$232,452 | \$987,525 | | \$(1,147,960) | \$82,492,274 |

**Transferred out of Level 3 into Level 2 because sufficient observable inputs were available.

The net change in unrealized appreciation/depreciation of Level 3 investments which the Fund held at June 30, 2012 was \$827,738.

Item 2. Controls and Procedures

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

(b) There were no significant changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act (17 CFR 270.30a-3(d))) that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3. Exhibits

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

SIGNATURES

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

Registrant: PIMCO High Income Fund

By: */s/ Brian S. Shlissel*
President & Chief Executive Officer

Date: August 21, 2012

By: */s/ Lawrence G. Altadonna*
Treasurer, Principal Financial & Accounting Officer

Date: August 21, 2012

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

By: */s/ Brian S. Shlissel*
President & Chief Executive Officer

Date: August 21, 2012

By: */s/ Lawrence G. Altadonna*
Treasurer, Principal Financial & Accounting Officer

Date: August 21, 2012
