

PIMCO FLOATING RATE INCOME FUND
Form N-CSR
October 07, 2005

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 811-21374

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

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

10105
(Zip code)

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

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

Date of fiscal year July 31, 2005
end:

Date of reporting period: July 31, 2005

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

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

Item 1. Report to Shareholders

PIMCO Floating Rate Income Fund

Annual Report

July 31, 2005

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PIMCO Floating Rate Income Fund Letter to Shareholders

September 20, 2005

Dear Shareholder:

We are pleased to provide you with the annual report of the PIMCO Floating Rate Income Fund (the "Fund") for the year ended July 31, 2005.

Please refer to the following page for specific Fund information. If you have any questions regarding the information provided, we encourage you to contact your financial advisor or call the Fund's transfer agent at 1-800-331-1710. Also, note that a wide range of information and resources can be accessed through our Web site, www.allianzinvestors.com.

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

We remain dedicated to serving your investment needs.

Sincerely,

Robert E. Connor

Chairman

Brian S. Shlissel

President & Chief Executive Officer

PIMCO Floating Rate Income Fund Performance & Statistics

July 31, 2005 (unaudited)

Symbol:

PFL

Objective:

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

Primary Investments:

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

Inception Date:

August 29, 2003

Total Net Assets⁽¹⁾:

\$561.7 million

Portfolio Manager:

Raymond G. Kennedy

Total Return⁽²⁾:	Market Price	Net Asset Value ("NAV")
Six months ended 7/31/05	(9.00)%	2.30%
1 Year	(2.05)%	7.72%
Commencement of Operations (8/29/03) to 7/31/05	2.24%	6.23%

Common Share Market Price/NAV Performance:

Commencement of Operations (8/29/03) to 7/31/05
n NAV
n Market Price

Market Price/NAV:

Market Price	\$ 18.75
NAV	\$ 19.51
Discount to NAV	3.90%
Market Price Yield ⁽³⁾	7.19%

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

(2) **Past performance is no guarantee of future results.** Total return is calculated by subtracting the value of an investment in the Fund at the beginning of each specified period from the value at the end of the period and dividing the remainder by the value of the investment at the beginning of the period and expressing the result as a percentage. The calculation assumes that all income dividends and capital gain distributions have been reinvested at prices obtained under the Fund's

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dividend reinvestment plan. Total return does not reflect broker commissions or sales charges. Total return for a period of less than one year is not annualized. Total return for a period of more than one year represents the average annual total return.

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

(3) Market Price Yield is determined by dividing the annualized current monthly per share dividend to common shareholders by the market price per common share at July 31, 2005.

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PIMCO Floating Rate Income Fund Schedule of Investments

July 31, 2005

Principal Amount (000)			Value
SENIOR LOANS (a) (g) (h) 63.4%			
Aerospace 0.3%			
		K & F Industries, Inc.,	
\$	1,275	5.98%, 11/18/12, Term B	\$ 1,294,285
	625	6.15%, 11/18/12, Term B	634,453
			1,928,738
Apparel & Textiles 0.8%			
	2,692	Kosa Arteva DBA, 5.75%, 4/30/11, Term B1	2,736,949
	1,168	Kosa Canada Co., 5.75%, 4/30/11, Term B2	1,187,471
	1,000	Simmons Co., 7.00%, 6/19/12	981,667
			4,906,087
Automotive 0.9%			
		Hayes Lemmerz International, Inc.,	
	4	6.46%, 6/3/09, Term B	4,451
	660	6.62%, 6/3/09, Term B	667,666
	440	6.66%, 6/3/09, Term B	445,110
	430	6.68%, 6/3/09, Term B	435,095
	881	6.76%, 6/3/09, Term B	890,221
	30	6.88%, 6/3/09, Term B	30,032
	255	6.91%, 6/3/09, Term B	258,164
	420	7.12%, 6/3/09, Term B	425,080
	2,000	Visteon Corp., 6/25/07 (d)	2,018,500
			5,174,319
Automotive Products 3.9%			
		Cooper Standard Automotive, Inc.,	
	2,292	5.50%, 12/31/11, Term B	2,295,189
	3,688	5.50%, 12/31/11, Term C	3,692,261
	2,500	Delphi Corp., 9.97%, 6/14/11 (c)	2,584,375
		Goodyear Tire & Rubber Co.,	
	4,000	6.32%, 4/30/10	4,036,876
	1,000	7.07%, 4/1/11	1,007,857
	2,819	Polypore, Inc., 5.74%, 11/12/11, Term B	2,839,063
		Tenneco Automotive, Inc.,	
	1,796	5.54%, 12/12/10, Term B	1,820,964
	789	5.59%, 12/12/10, Term B	799,917
	3,482	TRW Automotive, Inc., 5.25%, 6/30/12, Term B	3,522,040
			22,598,542
Building/Construction 1.4%			
		Masonite International Corp.,	
	66	5.49%, 4/6/13, Term B	65,965
	3,426	5.66%, 4/6/13, Term B	3,438,378

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	4,895	Nortek, Inc., 5.91%, 8/27/11	4,944,388
	25	Nortek Holdings, Inc., 7.25%, 8/27/11	25,003
			8,473,734
Chemicals	3.4%		
	2,500	Brenntag AG, 5.88%, 2/27/12, Term B2	2,531,750
	2,993	Celanese AG, 5.74%, 4/6/11, Term B	3,047,802
	1,149	Cognis BV, 5.44%, 5/12/12, Term B1	1,158,676
	1,992	5.94%, 3/31/13, Term C1	2,011,653

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PIMCO Floating Rate Income Fund Schedule of Investments

July 31, 2005 (continued)

Principal Amount (000)		Value
Chemicals (continued)		
	Hercules, Inc.,	
\$ 100	5.24%, 10/8/10, Term B	\$ 101,338
1,875	5.31%, 10/8/10, Term B	1,900,078
1,439	Huntsman International LLC, 5.75%, 12/31/10, Term B	1,443,097
	KRATON Polymers Group LLC,	
56	5.75%, 12/2/09	56,458
316	6.125%, 12/2/09	321,166
1,778	6.25%, 12/23/10	1,806,666
784	6.438%, 12/2/09	796,742
	Nalco Co.,	
1,440	5.45%, 11/1/10, Term B	1,465,600
1,867	5.66%, 11/4/10, Term B	1,900,732
1,271	5.87%, 11/1/10, Term B	1,293,176
		19,834,934
Computer Services 0.6%		
3,500	Sungard Data Systems, Inc., 1/5/13 (d)	3,549,221
Computer Software 0.6%		
	UGS Corp.,	
19	5.33%, 5/26/11, Term C	19,572
3,302	5.49%, 3/31/12, Term B	3,351,705
		3,371,277
Consumer Products 2.0%		
	Jarden Corp.,	
426	5.30%, 1/21/12, Term B	429,928
3,601	5.49%, 1/21/12, Term B	3,635,044
	Spectrum Brands Corp.,	