

PIMCO CORPORATE OPPORTUNITY FUND
Form N-CSRS
July 30, 2010

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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 811-21238

PIMCO Corporate Opportunity Fund
(Exact name of registrant as specified in charter)

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

10105
(Zip code)

Lawrence G. Altadonna - 1345 Avenue of the Americas, New York, NY 10105
(Name and address of agent for service)

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

Date of fiscal year end: November 30, 2010

Date of reporting period: May 31, 2010

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

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-2001. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

ITEM 1. REPORT TO SHAREHOLDERS

May 31, 2010

PIMCO Corporate Opportunity Fund

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Dear Shareholder:

For both the U.S. and global economies, stability and recovery defined the fiscal six-month period ended May 31, 2010 for most of the period. The period began with clear signs that the worst of the 2007-2009 economic meltdown was over. This translated into a renewed appetite for risk on the part of investors, many of whom shifted away from the perceived safety of U.S. Treasury bonds and into higher-yielding corporate and lower-rated securities both of which generated solid gains. Toward the end of the period, however, fiscal worries in Europe and hints that the U.S. recovery might not be quite as robust as earlier thought sparked a reversal, with many investors moving back into U.S. Treasuries.

Six Months in Review:

For the fiscal six-month period ended May 31, 2010, PIMCO Corporate Opportunity Fund returned 14.85% on net asset value and 20.61% on market price.

After growing at an annual rate of 5.6% in the fourth quarter of 2009, the U.S. economy slowed during the first quarter of 2010, expanding at an annual rate of 3.0%. The unemployment rate though regarded as a lagging economic indicator remained just under double-digit levels. Though this recovery did not appear to be as vigorous as recoveries from prior recessions, it did appear to be sustainable.

The rebound continues to be supported by record-low interest rates. The Federal Reserve has maintained the closely-watched Federal Funds Rate the interest rate banks charge to lend federal funds to other banks, usually on an overnight basis in the 0.0% to 0.25% range, and stated it would continue to do so for an extended period of time. In February 2010, the Federal Reserve did raise the discount-rate the interest rate it charges banks for direct loans from 0.50% to 0.75%. The move was seen as a signal for banks to rely less on the government for capital.

During the reporting period, as is usually the case during an economic rebound, corporate profits rebounded and defaults declined. Generally, this resulted in higher corporate bond prices. The increased appetite for risk was particularly helpful for two areas in which the Fund focuses: bonds in the lowest investment grade category Baa or BBB and the highest non-investment grade category Ba or BB. A significant portion of the Fund's investments were concentrated in these two areas. The increased appetite for risk also benefitted bonds with longer maturities; nearly two-thirds of the Fund's investments were invested in securities with maturities of five years or more.

Positioned to Face Today's Challenges:

The partial reversal of corporate bond prices during the last month of the reporting period underscores the traditional risks to bond investing. The variables such as credit risk, interest rate risk and currency risk are many, and they must be watched closely for any possible impact on bond prices. And in addition to these traditional risks are the extraordinary fiscal and monetary measures that were put in place as the U.S. economy began to wobble nearly three years ago. These measures generally appear to have worked and are now beginning to be withdrawn. This will be a gradual process, and, of course, the impact on the credit quality of securities in the Fund's portfolio will be monitored closely by the Fund's investment research team.

The Road Ahead:

The last month of the reporting period has served as yet another reminder as if one was needed that financial markets can turn suddenly. Caution is always warranted and it is worth a reminder that investing is a long-term endeavor. There will always be ups and downs, and past success can never be guaranteed in the future. Historically, however, U.S. and global economies have been resilient over long periods of time.

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

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

We remain dedicated to serving your financial needs.

Sincerely,

Hans W. Kertess
Chairman

Brian S. Shlissel
President & CEO

PIMCO Corporate Opportunity Fund Fund Insights/Performance & Statistics

May 31, 2010 (unaudited)

- For the fiscal six-month period ended May 31, 2010, PIMCO Corporate Opportunity Fund returned 14.85% on net asset value (NAV) and 20.61% on market price.
- The Fund's average exposure of 35% to the banking sector aided performance during the period. Strong security selection and exposure to bank capital securities was positive for performance.
- An average weighting of 15% in finance companies contributed to the Fund's returns during the reporting period, as these companies benefited from strong net interest margins and improving asset quality.
- The Fund's average weighting of 13% in the insurance sector contributed positively to returns, as these issuers gained in conjunction with improvement in investment portfolios and asset valuations.
- The Fund's 5% average position in the transportation sector, implemented primarily through Enhanced Equipment Trust Certificates issued by airlines, was a positive for performance during the six-month period. Robust collateral valuations and capacity utilization within the airline sectors supported valuations. In addition, the transportation sector benefited from shipping volume increases across rail, road, air and sea.
- The Fund's 1% average allocation to the basic industry sector, an underweight concentration relative to the market, detracted from performance as this sector generally outperformed during the reporting period.
- A shift toward lower quality investment-grade credit and high-quality BB speculative grade corporate issues was positive for performance during the period. Lower rated corporates outpaced the broader market, as credit fundamentals continued to improve and corporates were able to access capital markets and refinance debt.

Total Return(1):	Market Price	NAV
Six Month	20.61%	14.85%
1 Year	67.78%	65.15%
5 Year	10.83%	10.32%
Commencement of Operations (12/27/02) to 5/31/10	13.14%	12.96%

Market Price/NAV Performance:	Market Price/NAV:	
Commencement of Operations (12/27/02) to 5/31/10	Market Price	\$15.50
NAV	NAV	\$14.31
Market Price	Premium to NAV	8.32%
	Market Price Yield(2)	8.90%

(1) **Past performance is no guarantee of future results.** Total return is calculated by determining the percentage change in net asset value (NAV) or market price (as applicable) in the specified period. The calculation assumes that all income dividends and capital gain distributions if any, have been reinvested. Total return does not reflect broker commissions or sales charges. 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.

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

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

(2) Market Price Yield is determined by dividing the annualized current monthly per share dividend (comprised of net investment income) payable to shareholders by the market price per share at May 31, 2010.

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PIMCO Corporate Opportunity Fund Schedule of Investments

May 31, 2010 (unaudited)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value
CORPORATE BONDS & NOTES 69.9%			
Airlines 4.5%			
\$7,000	American Airlines Pass Through Trust, 7.858%, 4/1/13 (AGC)	Ba1/BBB-	\$7,070,000
2,979	10.375%, 7/2/19	Baa3/A-	3,411,342
4,500	American Airlines, Inc., 10.50%, 10/15/12 (a) (d)	B2/B	4,640,625
	Continental Airlines Pass Through Trust,		
950	6.545%, 8/2/20 (k)	Baa2/A-	968,589
2,678	6.703%, 12/15/22	Baa2/BBB	2,704,449
1,811	7.373%, 6/15/17	Ba1/BB	1,752,595
7,578	7.707%, 10/2/22	Baa2/BBB	7,634,476
1,643	9.798%, 4/1/21	Ba1/BB-	1,544,068
	Northwest Airlines, Inc.,		
11,690	7.041%, 10/1/23	WR/BBB-	11,689,767
17,686	7.15%, 4/1/21 (MBIA)	Ba3/BBB-	16,713,698
5,847	United Air Lines, Inc., 10.40%, 5/1/18	Ba1/BBB	6,344,151
2,822	United Air Lines Pass Through Trust, 7.336%, 1/2/21 (a) (b) (d) (l)		
	(acquisition cost-\$2,821,893; purchased 6/19/07)	B1/B+	2,398,609
			66,872,369
Banking 6.9%			
4,800	AgFirst Farm Credit Bank, 7.30%, 6/28/10 (a) (b) (d) (h) (l)		
	(acquisition cost-\$3,808,000; purchased 2/26/10-3/2/10)	NR/A	3,940,099
1,600	Allied Irish Banks PLC, 10.75%, 3/29/17	A2/BBB+	1,584,640
300	BankAmerica Capital II, 8.00%, 12/15/26	Baa3/BB	293,250
	Barclays Bank PLC,		
8,600	7.434%, 12/15/17 (a) (d) (h) (k)	Baa2/A-	7,697,000
14,480	10.179%, 6/12/21 (a) (d) (k)	Baa1/A	17,132,664
£600	14.00%, 6/15/19 (h)	Baa2/A-	1,084,387
	CIT Group, Inc.,		
\$2,077	7.00%, 5/1/13	B3/B+	2,009,265
565	7.00%, 5/1/14	B3/B+	534,058
565	7.00%, 5/1/15	B3/B+	524,168
942	7.00%, 5/1/16	B3/B+	859,486
1,319	7.00%, 5/1/17	B3/B+	1,196,687
4,000	HBOS PLC, 6.75%, 5/21/18 (a) (d)	Ba1/BBB-	3,781,652
	HSBC Capital Funding L.P. (h),		
8,000	4.61%, 6/27/13 (a) (d)	A3/A-	7,048,832
2,000	10.176%, 6/30/30	A3/A-	2,450,000
22,050	Rabobank Nederland NV, 11.00%, 6/30/19 (a) (d) (h) (k)	A2/AA-	26,822,722
	Regions Financial Corp.,		
3,600	7.375%, 12/10/37	Ba1/BB+	3,308,119
6,600	7.75%, 11/10/14 (k)	Baa3/BBB-	7,016,711
6,200	Resona Bank Ltd., 5.85%, 4/15/16 (a) (d) (h)	A3/BBB	5,472,325
10,100	State Street Capital Trust III, 8.25%, 3/15/11 (h) (k)	Baa1/BBB+	10,205,444
			102,961,509
Building & Construction 0.4%			

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2,000	Desarrolladora Homex SAB De C.V., 9.50%, 12/11/19 (a) (d)	Ba3/BB-	1,960,000
3,300	Macmillan Bloedel Pembroke L.P., 7.70%, 2/15/26	Ba1/BBB-	3,212,626
			5,172,626

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PIMCO Corporate Opportunity Fund Schedule of Investments

May 31, 2010 (unaudited) (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value
Financial Services	40.1%		
	Ally Financial, Inc.,		
\$240	2.007%, 10/15/11, FRN	B3/B	\$225,900
325	2.067%, 6/15/11, FRN	B3/B	309,156
170	2.067%, 9/15/11, FRN	B3/B	160,012
500	2.117%, 9/15/11, FRN	B3/B	473,125
632	2.157%, 7/15/11, FRN	B3/B	601,190
330	2.157%, 10/15/11, FRN	B3/B	310,612
193	2.162%, 8/15/11, FRN	B3/B	183,591
198	2.367%, 12/15/11, FRN	B3/B	186,368
2,000	2.738%, 12/1/14, FRN	B3/B	1,707,500
1,000	2.762%, 2/15/12, FRN	B3/B	921,250
250	5.70%, 6/15/13	B3/B	227,555
20	5.70%, 10/15/13	B3/B	18,035
344	5.70%, 12/15/13	B3/B	309,311
189	5.85%, 6/15/13	B3/B	172,768
502	5.90%, 12/15/13	B3/B	457,187
259	5.90%, 1/15/19	B3/B	204,937
35	6.00%, 7/15/13	B3/B	32,072
638	6.00%, 11/15/13	B3/B	580,568
15	6.00%, 2/15/19	B3/B	11,952
3,673	6.00%, 3/15/19	B3/B	2,923,516
364	6.00%, 4/15/19	B3/B	289,381
796	6.00%, 9/15/19	B3/B	631,363
10	6.05%, 8/15/19	B3/B	7,970
122	6.10%, 5/15/13	B3/B	112,535
10	6.10%, 9/15/19	B3/B	8,010
191	6.15%, 9/15/13	B3/B	175,216
60	6.15%, 11/15/13	B3/B	54,860
226	6.15%, 12/15/13	B3/B	205,969
25	6.15%, 8/15/19	B3/B	20,078
13	6.15%, 10/15/19	B3/B	10,420
330	6.20%, 11/15/13	B3/B	302,210
631	6.20%, 4/15/19	B3/B	512,577
78	6.25%, 7/15/13	B3/B	71,992
395	6.25%, 10/15/13	B3/B	362,891
356	6.25%, 11/15/13	B3/B	326,537
985	6.25%, 4/15/19	B3/B	795,292
1,066	6.25%, 5/15/19	B3/NR	862,341
183	6.30%, 10/15/13	B3/B	168,384
237	6.30%, 11/15/13	B3/B	217,730
379	6.30%, 3/15/16	B3/B	328,529
258	6.35%, 5/15/13	B3/B	239,543
1,026	6.35%, 4/15/19	B3/B	838,257
66	6.35%, 7/15/19	B3/B	53,856
54	6.375%, 8/1/13	B3/B	49,929
108	6.40%, 12/15/18	B3/B	88,599
639	6.50%, 5/15/13	B3/B	595,904
40	6.50%, 8/15/13	B3/B	37,133
225	6.50%, 11/15/13	B3/B	208,012

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329	6.50%, 2/15/16	B3/B	288,455
600	6.50%, 9/15/16	B3/B	519,922
1,060	6.50%, 6/15/18	B3/B	881,950
10	6.50%, 11/15/18	B3/B	8,240
50	6.50%, 12/15/18	B3/B	41,241

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PIMCO Corporate Opportunity Fund Schedule of Investments

May 31, 2010 (unaudited) (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value
Financial Services (continued)			
\$135	6.50%, 2/15/20	B3/B	\$110,640
381	6.60%, 5/15/18	B3/B	320,045
62	6.60%, 6/15/19	B3/B	51,571
1,060	6.65%, 6/15/18	B3/B	888,767
274	6.65%, 2/15/20	B3/B	226,943
30	6.70%, 5/15/14	B3/B	27,744
105	6.70%, 6/15/14	B3/B	96,500
55	6.70%, 8/15/16	B3/B	47,825
120	6.70%, 6/15/18	B3/B	101,426
901	6.75%, 9/15/11	B3/B	885,194
1,012	6.75%, 10/15/11	B3/B	994,104
260	6.75%, 7/15/12	WR/NR	251,430
672	6.75%, 9/15/12	B3/B	649,641
161	6.75%, 8/15/16	B3/B	141,781
50	6.75%, 11/15/16	B3/B	43,794
45	6.75%, 6/15/17	B3/B	39,226
165	6.75%, 3/15/18	B3/B	140,073
60	6.75%, 7/15/18	B3/B	50,630
5	6.75%, 9/15/18	B3/B	4,252
73	6.75%, 10/15/18	B3/B	62,160
686	6.75%, 5/15/19	B3/B	575,646
20	6.75%, 6/15/19	B3/B	16,816
20	6.80%, 10/15/18	B3/B	16,860
621	6.85%, 4/15/16	B3/B	552,720
1,000	6.875%, 9/15/11	B3/B	998,919
135	6.875%, 10/15/12	B3/B	129,855
20	6.875%, 4/15/13	B3/B	18,801
109	6.90%, 6/15/17	B3/B	95,564
80	6.90%, 8/15/18	B3/B	68,176
87	6.95%, 6/15/17	B3/B	76,455
614	7.00%, 10/15/12	B3/B	592,412
776	7.00%, 11/15/12	B3/B	747,631
693	7.00%, 12/15/12	B3/B	666,838
285	7.00%, 8/15/13	B3/B	268,449
75	7.00%, 7/15/16	B3/B	67,085
19	7.00%, 1/15/17	B3/B	16,846
120	7.00%, 6/15/17	B3/B	105,817
324	7.00%, 2/15/18	B3/B	280,485
749	7.00%, 3/15/18	B3/B	647,828
1,286	7.00%, 5/15/18	B3/B	1,109,642
96	7.00%, 8/15/18	B3/B	82,349
635	7.00%, 2/15/21	B3/B	525,549
1,622	7.00%, 9/15/21	B3/B	1,333,977
411	7.00%, 6/15/22	B3/B	335,451
417	7.00%, 11/15/23	B3/B	333,769
2,181	7.00%, 11/15/24	B3/B	1,713,571
408	7.05%, 3/15/18	B3/B	352,806
832	7.05%, 4/15/18	B3/B	723,112
2,807	7.10%, 9/15/12	B3/B	2,727,561

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3,495	7.10%, 1/15/13	B3/B	3,386,487
142	7.125%, 8/15/12	B3/B	138,871
385	7.125%, 12/15/12	B3/B	371,539
2,784	7.125%, 10/15/17	B3/B	2,441,974
15	7.15%, 9/15/18	B3/B	12,996

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PIMCO Corporate Opportunity Fund Schedule of Investments

May 31, 2010 (unaudited) (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value
Financial Services (continued)			
\$2,858	7.20%, 10/15/17	B3/B	\$2,518,230
6,749	7.25%, 8/15/12	B3/B	6,618,553
387	7.25%, 12/15/12	B3/B	374,547
9,609	7.25%, 9/15/17	B3/B	8,494,351
85	7.30%, 12/15/17	B3/B	75,416
2,511	7.30%, 1/15/18	B3/B	2,219,352
485	7.375%, 11/15/16	B3/B	441,695
427	7.375%, 4/15/18	B3/B	376,525
456	7.50%, 10/15/12	B3/B	444,748
15,200	7.50%, 12/31/13	B3/B	14,972,000
13	7.50%, 6/15/16	B3/B	11,934
3,455	7.50%, 8/15/17	B3/B	3,100,123
1,852	7.50%, 11/15/17	B3/B	1,655,099
1,009	7.50%, 12/15/17	B3/B	904,031
429	7.50%, 3/15/25	B3/B	355,434
118	7.75%, 10/15/12	B3/B	115,707
658	7.75%, 10/15/17	B3/B	598,929
532	7.875%, 11/15/12	B3/B	522,701
889	8.00%, 10/15/17	B3/B	820,955
291	8.00%, 11/15/17	B3/B	269,463
705	8.125%, 11/15/17	B3/B	657,135
5	8.20%, 3/15/17	B3/B	4,723
50	8.50%, 8/15/15	B3/B	47,981
43	9.00%, 7/15/15	B3/B	43,080
50	9.00%, 7/15/20	B3/B	49,070
	American General Finance Corp.,		
6,500	4.625%, 6/22/11	B2/NR	7,500,115
\$4,300	5.40%, 12/1/15	B2/B	3,407,750
2,500	6.90%, 12/15/17	B2/B	2,000,000
11,300	BAC Capital Trust XIV, 5.63%, 3/15/12 (h)	Ba3/BB	7,881,750
	BNP Paribas (h),		
13,000	5.186%, 6/29/15 (a) (d)	Baa1/A	10,757,500
7,000	7.195%, 6/25/37 (a) (d)	Baa1/A	6,020,000
2,500	7.781%, 7/2/18	Baa1/A	3,052,048
\$6,000	C10 Capital SPV Ltd., 6.722%, 12/31/16 (h)	NR/B-	3,748,464
3,400	Capital One Bank USA N.A., 8.80%, 7/15/19 (k)	A3/BBB	4,061,307
2,000	Capital One Capital V, 10.25%, 8/15/39	Baa3/BB	2,162,500
6,300	Capital One Capital VI, 8.875%, 5/15/40	Baa3/BB	6,541,668
2,997	Cedar Brakes II LLC, 9.875%, 9/1/13 (a) (d)	Baa3/BBB-	3,076,089
4,000	Cemex Finance LLC, 9.50%, 12/14/16 (a) (d)	NR/B	3,670,000
28,100	Citigroup Capital XXI, 8.30%, 12/21/77, (converts to FRN on 12/21/37)	Ba1/BB-	26,976,000
	Citigroup, Inc.,		
300	4.75%, 2/10/19, (converts to FRN on 2/10/14)	Baa1/A-	335,302
3,000	6.393%, 3/6/23	Baa1/A-	3,762,672
	Credit Agricole S.A. (a) (d) (h),		
\$9,600	6.637%, 5/31/17	A3/A-	6,864,000
12,000	8.375%, 10/13/19 (k)	A3/A-	11,400,000
4,000	First Union Capital I, 7.935%, 1/15/27 (k)	Baa2/A-	3,976,856
	Ford Motor Credit Co. LLC,		

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1,600	3.048%, 1/13/12, FRN	Ba3/B-	1,538,000
2,000	7.00%, 10/1/13	Ba3/B-	2,018,790
1,300	7.25%, 10/25/11	Ba3/B-	1,323,902
7,300	7.80%, 6/1/12	Ba3/B-	7,448,664

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PIMCO Corporate Opportunity Fund Schedule of Investments

May 31, 2010 (unaudited) (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value
Financial Services (continued)			
\$2,500	8.00%, 12/15/16	Ba3/B-	\$2,507,998
13,000	9.875%, 8/10/11	Ba3/B-	13,560,469
3,500	12.00%, 5/15/15	Ba3/B-	4,081,318
	General Electric Capital Corp.,		
13,400	6.375%, 11/15/67, (converts to FRN on 11/15/17) (k)	Aa3/A+	12,478,750
£1,100	6.50%, 9/15/67, (converts to FRN on 9/15/17) (a) (d)	Aa3/A+	1,417,236
\$10,000	Glen Meadow Pass Through Trust, 6.505%, 2/12/67, (converts to FRN on 2/15/17) (a) (b) (d) (l) (acquisition cost-\$7,700,000; purchased 2/18/10)	Ba1/BB	7,475,000
	Goldman Sachs Group, Inc.,		
2,500	5.95%, 1/15/27	A2/A-	2,263,635
6,000	6.45%, 5/1/36 (k)	A2/A-	5,478,216
7,209	6.75%, 10/1/37 (k)	A2/A-	6,769,684
	International Lease Finance Corp.,		
2,600	0.648%, 7/13/12, FRN	B1/BB+	2,312,302
2,000	5.00%, 9/15/12	B1/BB+	1,815,000
10,000	5.30%, 5/1/12	B1/BB+	9,300,000
1,000	5.40%, 2/15/12	B1/BB+	940,000
2,000	5.625%, 9/20/13	B1/BB+	1,765,000
3,500	5.65%, 6/1/14	B1/BB+	3,027,500
8,400	5.75%, 6/15/11	B1/BB+	8,169,000
2,000	5.875%, 5/1/13	B1/BB+	1,780,000
8,000	6.375%, 3/25/13	B1/BB+	7,320,000
8,500	6.625%, 11/15/13	B1/BB+	7,777,500
2,000	8.625%, 9/15/15 (a) (d)	B1/BB+	1,845,000
19,000	JPMorgan Chase & Co., 7.90%, 4/30/18 (h)	Baa1/BBB+	19,390,108
16,400	JPMorgan Chase Capital XVIII, 6.95%, 8/1/66, (converts to FRN on 8/17/36) (k)	A2/BBB+	16,208,940
	LBG Capital No.1 PLC,		
1,500	7.375%, 3/12/20	Ba3/BB-	1,472,844
£1,300	7.588%, 5/12/20	Ba3/BB-	1,466,091
£2,439	7.869%, 8/25/20	Ba3/BB-	2,732,981
\$12,300	7.875%, 11/1/20	Ba3/BB-	9,717,000
12,600	8.00%, 6/15/20 (a) (d) (g) (h)	NR/B+	10,664,601
16,040	8.50%, 12/17/21 (a) (d) (h)	NR/B+	12,992,400
£5,000	11.04%, 3/19/20	Ba3/BB-	7,084,662
	LBG Capital No.2 PLC,		
£70	9.334%, 2/7/20	Ba2/BB	89,823
£400	12.75%, 8/10/20	Ba2/BB	627,499
£650	14.50%, 1/30/22	Ba2/BB	1,141,850
£5,000	15.00%, 12/21/19	Ba2/BB	8,313,634
7,800	15.00%, 12/21/19	Ba2/BB	11,109,453
	Lehman Brothers Holdings, Inc. (f),		
\$10,000	5.50%, 4/4/16	WR/NR	2,125,000
20,000	6.875%, 5/2/18	WR/NR	4,400,000
14,100	MUFG Capital Finance 1 Ltd., 6.346%, 7/15/16 (h)	Ba1/BBB+	12,489,371

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£2,450	MUFG Capital Finance 5 Ltd., 6.299%, 1/25/17 (h)	Ba1/BBB+	2,999,292
\$1,000	Royal Bank of Scotland Group PLC, 7.64%, 9/25/17 (h)	B3/C	570,000
	SLM Corp.,		
2,000	4.343%, 6/15/13, FRN	Ba1/BBB-	1,784,280
1,795	4.50%, 11/1/13, FRN	Ba1/BBB-	1,556,678
2,600	4.75%, 3/17/14	Ba1/BBB-	2,968,462
\$24,800	5.00%, 10/1/13	Ba1/BBB-	23,416,929
16,000	5.375%, 5/15/14	Ba1/BBB-	14,660,608

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PIMCO Corporate Opportunity Fund Schedule of Investments

May 31, 2010 (unaudited) (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value
Financial Services (continued)			
12,000	Societe Generale (h), 7.756%, 5/22/13	Baa2/BBB+	\$13,983,927
7,050	9.375%, 9/4/19	Baa2/BBB+	8,924,538
\$9,200	UBS Preferred Funding Trust V, 6.243%, 5/15/16 (h)	Baa3/BBB-	7,912,000
12,200	USB Capital IX, 6.189%, 4/15/11 (h) (k)	A3/BBB+	9,638,000
7,000	Wachovia Capital Trust III, 5.80%, 3/15/11 (h)	Ba1/A-	5,600,000
2,000	Wachovia Capital Trust V, 7.965%, 6/1/27 (a) (d)	Baa2/A-	1,984,936
27,000	Wells Fargo & Co., 7.98%, 3/15/18 (h)	Ba1/A-	27,472,500
7,100	Wells Fargo Capital X, 5.95%, 12/15/86, (converts to FRN on 12/15/36)	Baa2/A-	5,931,006
24,700	Wells Fargo Capital XIII, 7.70%, 3/26/13 (h)	Ba1/A-	24,453,000
			599,179,714
Food & Beverage 0.0%			
100	American Stores Co., 8.00%, 6/1/26	Ba3/B+	86,500
Healthcare & Hospitals 0.8%			
4,825	HCA, Inc., 8.50%, 4/15/19 (a) (d)	Ba3/BB	5,066,250
7,100	9.625%, 11/15/16, PIK	B2/BB-	7,490,500
			12,556,750
Hotels/Gaming 0.8%			
1,300	MGM Mirage, 10.375%, 5/15/14 (a) (d)	B1/B	1,387,750
1,950	11.125%, 11/15/17 (a) (d)	B1/B	2,120,625
1,000	13.00%, 11/15/13	B1/B	1,145,000
7,919	Times Square Hotel Trust, 8.528%, 8/1/26 (a) (b) (d) (l) (acquisition cost-\$9,131,934; purchased 11/18/03-12/8/04)	Baa3/BB	6,490,296
			11,143,671
Insurance 10.6%			
22,000	American General Institutional Capital A, 7.57%, 12/1/45 (a) (d)	Ba2/B	17,756,002
1,000	American International Group, Inc., 5.60%, 10/18/16	A3/A-	860,000
£1,300	5.75%, 3/15/67, (converts to FRN on 3/15/17)	Ba2/BBB	1,061,976
\$10,000	5.85%, 1/16/18	A3/A-	8,500,000
9,900	6.25%, 5/1/36	A3/A-	7,697,250
51,894	8.175%, 5/15/68, (converts to FRN on 5/15/38)	Ba2/BBB	40,866,525
36,510	8.25%, 8/15/18 (k)	A3/A-	35,779,800
£11,300	8.625%, 5/22/68, (converts to FRN on 5/22/18)	Ba2/BBB	12,090,192
\$19,200	Cincinnati Financial Corp., 6.92%, 5/15/28 (k)	A3/BBB+	19,687,584
5,400	Genworth Financial, Inc., 8.625%, 12/15/16	Baa3/BBB	5,820,552
5,000	Metlife Capital Trust IV, 7.875%, 12/15/67 (a) (d)	Baa2/BBB	4,925,000
3,200	Pacific Life Insurance Co., 7.90%, 12/30/23 (a) (d)	A3/A-	3,701,194
			158,746,075
Oil & Gas 0.9%			
15,500	El Paso Corp., 7.42%, 2/15/37	Ba3/BB-	13,376,438
Telecommunications 3.1%			

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2,000	Axtel SAB De C.V., 9.00%, 9/22/19 (a) (d)	B2/BB-	1,710,000
21,650	Intelsat Corp., 6.875%, 1/15/28	B1/BB-	17,861,250
15,730	Mountain States Telephone & Telegraph Co., 7.375%, 5/1/30	Ba1/BBB-	13,921,050
1,350	Sprint Nextel Corp., 9.25%, 4/15/22	Ba3/BB-	1,306,125

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PIMCO Corporate Opportunity Fund Schedule of Investments

May 31, 2010 (unaudited) (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value
Telecommunications (continued)			
8,700	Wind Acquisition Finance S.A., 11.75%, 7/15/17	B2/B+	\$11,157,546
			45,955,971
Transportation 0.1%			
\$1,310	Federal Express Corp. Pass Through Trust, 7.65%, 1/15/14	Baa2/BBB	1,310,430
Utilities 1.7%			
10,000	AES Corp., 7.75%, 3/1/14	B1/BB-	10,050,000
5,000	AES Red Oak LLC, 9.20%, 11/30/29	B1/BB-	4,900,000
2,700	Dynegy Roseton/Danskammer Pass Through Trust, 7.67%, 11/8/16, Ser. B	B2/B-	2,403,000
2,816	East Coast Power LLC, 7.066%, 3/31/12	Baa3/BBB-	2,849,263
2,100	PPL Capital Funding, Inc., 6.70%, 3/30/67, (converts to FRN on 3/30/17)	Ba1/BB+	1,839,913
3,165	Sithe/Independence Funding Corp., 9.00%, 12/30/13	Ba2/B-	3,253,180
			25,295,356
Total Corporate Bonds & Notes (cost-\$1,014,213,853)			1,042,657,409
MORTGAGE-BACKED SECURITIES 17.5%			
4,092	American Home Mortgage Assets, 0.573%, 9/25/46, CMO, FRN	Ca/CCC	605,837
793	Banc of America Alternative Loan Trust, 6.00%, 1/25/36, CMO	Caa2/NR	530,368
14,700	Banc of America Funding Corp., 6.00%, 3/25/37, CMO	Caa1/CCC	10,586,212
2,850	BCRR Trust, 5.858%, 7/17/40, CMO, VRN (a) (d)	Aa2/NR	2,466,589
475	Chase Mortgage Finance Corp., CMO, 5.229%, 12/25/35, FRN	NR/CCC	446,237
9,653	5.421%, 3/25/37, FRN	Caa2/NR	7,825,998
6,000	6.00%, 7/25/37	NR/CCC	4,822,511
7,300	Citicorp Mortgage Securities, Inc., 6.00%, 6/25/36, CMO	Caa1/NR	6,558,718
	Countrywide Alternative Loan Trust, CMO, 5.25%, 5/25/21	Caa1/CC	96,122
123	6.50%, 8/25/36	Caa1/CC	1,667,541
2,500	Countrywide Home Loan Mortgage Pass Through Trust, CMO, 5.50%, 10/25/35	Caa1/NR	8,774,538
10,381	5.75%, 3/25/37	NR/CCC	7,771,867
9,488	6.00%, 5/25/36	NR/CCC	1,020,034
1,163	6.00%, 2/25/37	NR/CCC	2,873,493
3,500	6.00%, 3/25/37	NR/CCC	9,770,103
11,959	6.00%, 4/25/37	NR/CCC	1,647,865
2,066	Credit Suisse Mortgage Capital Certificates, CMO, 6.00%, 2/25/37	NR/CCC	3,124,691
3,900	6.00%, 6/25/37	NR/CCC	6,942,761
9,900	GSR Mortgage Loan Trust, CMO, 3.641%, 3/25/37, VRN	NR/CCC	6,339,972
10,199			

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2,301	5.50%, 5/25/36	NR/CCC	1,942,781
21,757	6.00%, 2/25/36	NR/CCC	18,766,176
17,395	JPMorgan Chase Commercial Mortgage Securities Corp.,		
	5.653%, 3/18/51, CMO, VRN (a) (d) (g)	Aa3/NR	14,535,498
	JPMorgan Mortgage Trust, CMO,		
12,336	5.00%, 3/25/37	NR/CCC	10,070,021
491	5.342%, 10/25/35, VRN	B2/NR	471,506
5,000	5.685%, 1/25/37, VRN	Caa2/NR	4,029,742
5,420	5.980%, 6/25/36, VRN	Caa1/NR	4,742,858
2,179	6.00%, 8/25/37	NR/CCC	1,827,277

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PIMCO Corporate Opportunity Fund Schedule of Investments

May 31, 2010 (unaudited) (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value
\$38,507	Merrill Lynch/Countrywide Commercial Mortgage Trust, 5.70%, 9/12/49, CMO	NR/A+	\$37,840,829
5,000	Morgan Stanley Reremic Trust, 5.805%, 8/12/45, CMO, VRN (a) (d)	Aa2/NR	4,175,303
3,900	Newgate Funding PLC, 1.25%, 12/15/50, CMO, FRN	Aaa/AAA	3,756,053
\$5,000	RBSCF Trust, 5.331%, 2/16/44, CMO, VRN (a) (d) (g)	NR/NR	4,342,952
3,283	Residential Accredit Loans, Inc., 0.573%, 5/25/37, CMO, FRN	Caa2/CCC	809,146
2,454	Residential Asset Securitization Trust, 6.00%, 9/25/36, CMO	Caa3/D	1,300,231
5,500	Residential Funding Mortgage Securities I, CMO, 6.00%, 1/25/37	Caa2/NR	4,440,135
11,579	6.25%, 8/25/36	Caa1/CCC	9,776,715
4,569	Suntrust Adjustable Rate Mortgage Loan Trust, CMO, FRN, 5.685%, 4/25/37	NR/CCC	3,727,537
3,051	5.827%, 2/25/37	NR/CCC	2,317,196
2,926	WaMu Mortgage Pass Through Certificates, CMO, 5.76%, 7/25/37, VRN	NR/CC	1,986,183
4,000	5.84%, 2/25/37, FRN	NR/CCC	3,206,971
1,807	5.89%, 9/25/36, VRN	NR/CCC	1,456,532
3,353	Washington Mutual Alternative Mortgage Pass-Through Certificates, CMO, FRN, 1.201%, 4/25/47	Ca/CCC	762,542
3,140	1.281%, 5/25/47	Ca/CCC	691,553
11,098	Wells Fargo Mortgage Backed Securities Trust, CMO, 5.20%, 10/25/36, FRN	NR/CCC	8,928,186
1,914	5.217%, 4/25/36, VRN	NR/BB+	1,687,824
17,750	5.476%, 7/25/36, FRN	NR/CCC	14,432,623
3,274	5.491%, 7/25/36, FRN	NR/CCC	2,523,704
3,400	6.00%, 7/25/37	B3/BB	3,026,314
11,000	6.00%, 8/25/37	Caa1/NR	9,633,514
Total Mortgage-Backed Securities (cost-\$244,002,368)			261,079,359
MUNICIPAL BONDS 3.9%			
California 1.3%			
4,700	Oakland Unified School Dist., Alameda Cnty., GO, 9.50%, 8/1/34	A1/BBB+	4,978,663
10,500	State, GO, 7.625%, 3/1/40	A1/A-	11,328,030
2,500	7.95%, 3/1/36	A1/A-	2,602,625
			18,909,318
Louisiana 0.4%			
1,800	New Orleans, Public Improvements, GO, Ser. A, 8.30%, 12/1/29	A3/BBB	1,921,734
3,850	8.55%, 12/1/34	A3/BBB	4,064,907

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	700	8.80%, 12/1/39	A3/BBB	763,007
				6,749,648
Texas 2.2%				
	33,395	North Texas Tollway Auth. Rev., 8.91%, 2/1/30	Baa3/NR	33,022,312
Total Municipal Bonds (cost-\$58,359,639)				58,681,278

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PIMCO Corporate Opportunity Fund Schedule of Investments

May 31, 2010 (unaudited) (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value
SOVEREIGN DEBT OBLIGATIONS 1.6%			
Brazil 1.6%			
BRL2,000	Brazil Government International Bond, 12.50%, 1/5/22	Baa3/BBB-	\$1,228,419
BRL2,107	Brazil Notas do Tesouro Nacional, Ser. F, 10.00%, 1/1/12	Baa3/NR	1,118,027
BRL44,860	10.00%, 1/1/17	Baa3/NR	21,875,696
Total Sovereign Debt Obligations (cost-\$23,388,613)			24,222,142
SENIOR LOANS (a) (c) 1.6%			
Banking 0.3%			
\$3,500	CIT Group, Inc., 9.50%, 1/20/12, Term 2A		3,582,978
Financial Services 1.3%			
20,000	American General Finance Corp., 7.25%, 4/21/15		19,445,000
Total Senior Loans (cost-\$23,247,574)			23,027,978
CONVERTIBLE PREFERRED STOCK 1.0%			
<u>Shares</u>			
Commercial Banks 0.9%			
14,850	Wells Fargo & Co., 7.50%, 3/15/13, Ser. L (h)	Ba1/A-	13,959,000
Insurance 0.1%			
150,350	American International Group, Inc., 8.50%, 8/1/11	Ba2/NR	1,401,262
Total Convertible Preferred Stock (cost-\$12,981,577)			15,360,262
ASSET-BACKED SECURITIES 0.9%			
<u>Principal Amount (000s)</u>			
\$1,244	Ameriquest Mortgage Securities, Inc., 5.444%, 11/25/35	Aaa/AAA	1,168,691
8,300	Greenpoint Manufactured Housing, 8.30%, 10/15/26, VRN	Ca/NR	7,609,049
4,800	GSAA Trust, 6.295%, 6/25/36	Caa1/CCC	2,664,692
3,000	Morgan Stanley Mortgage Loan Trust, 6.25%, 7/25/47, VRN	B3/CCC	1,967,228
Total Asset-Backed Securities (cost-\$13,184,482)			13,409,660
PREFERRED STOCK 0.4%			
<u>Shares</u>			
Banking 0.0%			
10,000	CoBank Acb, 11.00%, 7/1/13, Ser. C (a) (b) (d) (l) (acquisition cost-\$535,000; purchased 2/26/10)	NR/A	546,250
Financial Services 0.4%			
7,000	Ally Financial, Inc., 7.00%, 12/31/11 (a) (b) (d) (l) (acquisition cost-\$5,127,500; purchased 3/9/10)	Caa2/C	5,265,750

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Total Preferred Stock (cost-\$5,662,500)

5,812,000

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PIMCO Corporate Opportunity Fund Schedule of Investments

May 31, 2010 (unaudited) (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value
U.S. TREASURY OBLIGATIONS 0.2%			
\$3,064	U.S. Treasury Notes, 2.375%, 2/28/15 (e)		\$3,113,778
300	3.25%, 3/31/17		309,984
Total U.S. Treasury Obligations (cost-\$3,366,863)			3,423,762
U.S. GOVERNMENT AGENCY SECURITIES 0.0%			
27	Fannie Mae, 8.00%, 7/18/27, CMO (cost-\$28,657)	Aaa/AAA	30,616
SHORT-TERM INVESTMENTS 3.0%			
Corporate Notes 0.5%			
Energy 0.1%			
1,671	Salton Sea Funding Corp., 8.30%, 5/30/11	Baa3/BBB-	1,716,143
Financial Services 0.4%			
190	Ally Financial, Inc., 1.662%, 2/15/11, FRN	B3/B	180,737
123	1.667%, 12/15/10, FRN	B3/B	119,464
220	1.817%, 3/15/11, FRN	B3/B	209,275
126	1.967%, 12/15/10, FRN	B3/B	123,007
354	2.012%, 5/15/11, FRN	B3/B	336,742
50	2.317%, 9/15/10, FRN	B3/B	49,312
380	2.412%, 8/16/10, FRN	B3/B	376,675
475	2.417%, 9/15/10, FRN	B3/B	466,094
72	6.375%, 6/15/10	B3/B	71,977
250	7.25%, 3/2/11	B3/B	250,898
301	8.00%, 6/15/10	B3/B	301,084
1,693	American General Finance Corp., 4.625%, 9/1/10	B2/B	1,688,768
2,000	International Lease Finance Corp., 5.125%, 11/1/10	B1/BB+	1,990,000
Total Corporate Notes (cost-\$7,614,885)			7,880,176
U.S. Treasury Bills (i) 0.3%			
4,244	0.133%-0.232%, 7/1/10-8/26/10 (cost-\$4,242,957)		4,243,144
Repurchase Agreements 2.2%			
29,000	Barclays Capital, Inc., dated 5/28/10, 0.20%, due 6/1/10, proceeds \$29,000,644; collateralized by U.S. Treasury Inflation Index Notes, 1.75%, 1/15/28, valued at \$28,764,239 including accrued interest and 3.625%, due 4/15/28, valued at \$1,025,253 including accrued interest		29,000,000
3,020	State Street Bank & Trust Co., dated 5/28/10, 0.01%, due 6/1/10, proceeds \$3,020,003; collateralized by U.S. Treasury Notes, 1.375%, due 5/15/13, valued at \$3,082,688 including accrued interest		3,020,000
Total Repurchase Agreements (cost-\$32,020,000)			32,020,000
Total Short-Term Investments (cost-\$43,877,842)			44,143,320

PIMCO Corporate Opportunity Fund Schedule of Investments

May 31, 2010 (unaudited) (continued)

Contracts/ Notional Amount		Value
OPTIONS PURCHASED (j) 0.0%		
Call Options 0.0%		
5,000,000	Euro versus U.S. Dollar (OTC), strike price 1.37, expires 6/3/10	\$6
Put Options 0.0%		
5,000,000	Euro versus U.S. Dollar (OTC), strike price 1.37, expires 6/3/10	729,637
400	Financial Futures Euro-90 day (CME), strike price \$90, expires 6/14/10	2,500
		732,137
Total Options Purchased (cost-\$498,119)		732,143
Total Investments (cost-\$1,442,812,087) 100.0%		\$1,492,579,929

Notes to Schedule of Investments:

- (a) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$256,578,727, representing 17.2% of total investments.
- (b) Illiquid.
- (c) These securities generally pay interest at rates which are periodically pre-determined by reference to a base lending rate plus a premium. These base lending rates are generally either the lending rate offered by one or more major European banks, such as the LIBOR or the prime rate offered by one or more major United States banks, or the certificate of deposit rate. These securities are generally considered to be restricted as the Fund is ordinarily contractually obligated to receive approval from the Agent bank and/or borrower prior to disposition. Remaining maturities of senior loans may be less than the stated maturities shown as a result of contractual or optional payments by the borrower. Such prepayments cannot be predicted with certainty. The interest rate disclosed reflects the rate in effect on May 31, 2010.
- (d) 144A Exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
- (e) Delayed-delivery. To be delivered after May 31, 2010.
- (f) In default.
- (g) Fair-Valued Securities with an aggregate value of \$29,543,051, representing 2.0% of total investments. See Note 1(a) in the Notes to Financial Statements.
- (h) Perpetual maturity. Maturity date shown is the first call date. On Corporate Bonds & Notes, interest rate is fixed until the first call date and variable thereafter.
- (i) All or partial amount segregated as collateral for futures contracts, delayed-delivery securities and swaps.
- (j) Non-income producing.
- (k) All or partial amount segregated for the benefit of the counterparty as collateral for reverse repurchase agreements.
- (l) Restricted. The aggregate acquisition cost of such securities is \$29,124,327. The aggregate market value of \$26,116,004, representing 1.7% of total investments.

PIMCO Corporate Opportunity Fund Schedule of Investments

May 31, 2010 (unaudited) (continued)

Glossary:

AGC	-	insured by Assured Guaranty Corp.
BRL	-	Brazilian Real
£	-	British Pound
CME	-	Chicago Mercantile Exchange
CMO	-	Collateralized Mortgage Obligation
	-	Euro
FRN	-	Floating Rate Note. The interest rate disclosed reflects the rate in effect on May 31, 2010.
GO	-	General Obligation Bond
LIBOR	-	London Inter-Bank Offered Rate
MBIA	-	insured by Municipal Bond Investors Assurance
NR	-	Not Rated
OTC	-	Over the Counter
PIK	-	Payment-in-Kind
VRN	-	Variable Rate Note. Instruments whose interest rates change on specified date (such as a coupon date or interest payment date) and/or whose interest rates vary with changes in a designated base rate (such as the prime interest rate). The interest rate disclosed reflects the rate in effect on May 31, 2010.
WR	-	Withdrawn Rating

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PIMCO Corporate Opportunity Fund Statement of Assets and Liabilities

May 31, 2010 (unaudited)

Assets:

Investments, at value (cost-\$1,442,812,087)	\$1,492,579,929
Cash (including foreign currency of \$838,975 with a cost of \$847,080)	8,677,894
Interest and dividend receivable	25,689,676
Unrealized appreciation of swaps	14,522,900
Receivable for investments sold	7,099,757
Unrealized appreciation of forward foreign currency contracts	2,521,266
Receivable from broker	1,780,476
Receivable for variation margin on futures contracts	105,287
Swap premiums paid	104,306
Prepaid expenses	76,383
Total Assets	1,553,157,874

Liabilities:

Payable for reverse repurchase agreements	179,059,076
Payable for investments purchased	60,987,324
Dividends payable to common and preferred shareholders	7,752,825
Payable to brokers for cash collateral received	7,310,000
Swaps premium received	6,158,823
Unrealized depreciation of swaps	2,355,936
Unrealized depreciation of forward foreign currency contracts	879,001
Investment management fees payable	668,589
Interest payable for reverse repurchase agreements	26,438
Accrued expenses and other liabilities	470,471
Total Liabilities	265,668,483

Preferred Shares (\$25,000 liquidation preference per share applicable to an aggregate of 13,000 shares issued and outstanding)	325,000,000
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Net Assets Applicable to Common Shareholders	\$962,489,391
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Composition of Net Assets Applicable to Common Shareholders:

Common Stock:	
Par value (\$0.00001 per share, applicable to 67,261,973 shares issued and outstanding)	\$673
Paid-in-capital in excess of par	954,310,156
Undistributed net investment income	9,853,327
Accumulated net realized loss	(71,462,834)
Net unrealized appreciation of investments, futures contracts, swaps and foreign currency transactions	69,788,069
Net Assets Applicable to Common Shareholders	\$962,489,391
Net Asset Value Per Common Share	\$14.31

See accompanying Notes to Financial Statements. | 5.31.10 | PIMCO Corporate Opportunity Fund Semi-Annual Report 17

PIMCO Corporate Opportunity Fund Statement of Operations

Six Months ended May 31, 2010 (unaudited)

Investment Income:

Interest	\$61,969,020
Dividends	1,186,255
Facility and other fee income	30,986
Total Investment Income	63,186,261

Expenses:

Investment management fees	3,872,831
Interest expense	381,734
Auction agent fees and commissions	237,559
Custodian and accounting agent fees	189,865
Shareholder communications	103,615
Trustees fees and expenses	73,970
Legal fees	54,473
Audit and tax services	48,449
New York Stock Exchange listing fees	21,788
Insurance expense	18,826
Transfer agent fees	16,976
Miscellaneous	5,806
Total expenses	5,025,892

Net Investment Income 58,160,369

Realized and Change in Unrealized Gain (Loss):

Net realized gain (loss) on:	
Investments	103,598,208
Futures contracts	6,594,055
Swaps	(5,804,868)
Foreign currency transactions	15,248,127
Net change in unrealized appreciation/depreciation of:	
Investments	(45,242,957)
Futures contracts	(6,339,024)
Swaps	316,612
Foreign currency transactions	4,454,147
Net realized and change in unrealized gain on investments, futures contracts, swaps and foreign currency transactions	72,824,300
Net Increase in Net Assets Resulting from Investment Operations	130,984,669

Dividends on Preferred Shares from Net Investment Income (341,880)

Net Increase in Net Assets Applicable to Common Shareholders Resulting from Investment Operations \$130,642,789

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PIMCO Corporate Opportunity Fund Statement of Changes in Net Assets**Applicable to Common Shareholders**

	Six Months ended May 31, 2010 (unaudited)	Year ended November 30, 2009
Investment Operations:		
Net investment income	\$58,160,369	\$109,285,991
Net realized gain (loss) on investments, futures contracts, options written, swaps and foreign currency transactions	119,635,522	(92,534,674)
Net change in unrealized appreciation/depreciation of investments, futures contracts, options written, swaps and foreign currency transactions	(46,811,222)	416,350,751
Net increase in net assets resulting from investment operations	130,984,669	433,102,068
Dividends on Preferred Shares from Net Investment Income	(341,880)	(1,238,917)
Net increase in net assets applicable to common shareholders resulting from investment operations	130,642,789	431,863,151
Dividends to Common Shareholders from Net Investment Income	(85,139,403)	(92,006,621)
Capital Share Transactions:		
Reinvestment of dividends	5,283,518	4,919,401
Total increase in net assets applicable to common shareholders	50,786,904	344,775,931
Net Assets Applicable to Common Shareholders:		
Beginning of period	911,702,487	566,926,556
End of period (including undistributed net investment income of \$9,853,327 and \$37,174,241, respectively)	\$962,489,391	\$911,702,487
Common Shares Issued in Reinvestment of Dividends	362,680	476,229

See accompanying Notes to Financial Statements. | 5.31.10 | PIMCO Corporate Opportunity Fund Semi-Annual Report 19

PIMCO Corporate Opportunity Fund Statement of Cash Flows

Six Months ended May 31, 2010 (unaudited)

Decrease in Cash from:

Cash Flows provided by Operating Activities:

Net increase in net assets resulting from investment operations \$130,984,669

Adjustments to Reconcile Net Increase in Net Assets Resulting from Investment Operations to Net Cash provided by Operating Activities:

Purchases of long-term investments	(678,409,045)
Proceeds from sales of long-term investments	638,127,184
Purchases of short-term investments, net	(1,785,645)
Net realized gain on investments, futures contracts, swaps and foreign currency transactions	(119,635,522)
Net change in unrealized appreciation/depreciation of investments, futures contracts, swaps and foreign currency transactions	46,811,222
Net amortization on investments	(7,534,243)
Increase in receivable for investments sold	(612,382)
Increase in interest receivable	(1,227,939)
Proceeds from futures contracts transactions, net	314,144
Decrease in deposits with brokers for futures contracts collateral	89,200
Decrease in receivable from broker	110,252
Increase in prepaid expenses	(41,703)
Increase in payable for investments purchased	49,555,784
Increase in payable to brokers for cash collateral received	540,000
Periodic and termination payments of swaps, net	(7,567,236)
Net cash provided by foreign currency transactions	14,748,735
Increase in investment management fees payable	60,200
Decrease in interest payable for reverse repurchase agreements	(8,750)
Increase in accrued expenses and other liabilities	152,059
Net cash provided by operating activities*	64,670,984

Cash Flows used for Financing Activities:

Increase in payable for reverse repurchase agreements	6,594,851
Cash dividends paid (excluding reinvestment of dividends of \$5,283,518)	(80,145,599)
Net cash used for financing activities	(73,550,748)
Net decrease in cash	(8,879,764)
Cash at beginning of period	17,557,658
Cash at end of period	\$8,677,894

* Included in operating expenses is cash paid by the Fund for interest primarily on reverse repurchase agreements of \$390,001.

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PIMCO Corporate Opportunity Fund Notes to Financial Statements

May 31, 2010 (unaudited)

1. Organization and Significant Accounting Policies

PIMCO Corporate Opportunity Fund (the Fund), was organized as a Massachusetts business trust on September 13, 2002. Prior to commencing operations on December 27, 2002, the Fund had no operations other than matters relating to its organization and registration as a diversified, closed-end management investment company registered under the Investment Company Act of 1940 and the rules and regulations thereunder, as amended. Allianz Global Investors Fund Management LLC (the Investment Manager) serves as the Fund's Investment Manager and is an indirect, wholly-owned subsidiary of Allianz Global Investors of America L.P. (Allianz Global). Allianz Global is an indirect, wholly-owned subsidiary of Allianz SE, a publicly traded European insurance and financial services company. The Fund has an unlimited amount of \$0.00001 par value per share of common stock authorized.

The Fund's investment objective is to seek maximum total return through a combination of current income and capital appreciation in a diversified portfolio of U.S. dollar-denominated corporate debt obligations of varying maturities and of other income-producing securities.

There is no guarantee that the Fund will meet its stated objective.

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

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

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

(a) Valuation of Investments

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

Portfolio securities and other financial instruments for which market quotations are not readily available or for which a development/event occurs that may significantly impact the value of a security, are fair-valued, in good faith, pursuant to procedures established by the Board of Trustees, or persons acting at their discretion pursuant to procedures established by the Board of Trustees, 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 for those securities for which the over-the-counter market is the

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primary market or for listed securities in which there were no sales. 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. Exchange-traded futures and options on futures are valued at the settlement price determined by the relevant exchange. Securities purchased on a delayed-delivery basis are marked to market daily until settlement at the forward settlement value. 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 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 to the Fund 's financial statements. 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.

PIMCO Corporate Opportunity Fund Notes to Financial Statements

May 31, 2010 (unaudited)

1. Organization and Significant Accounting Policies (continued)

(b) Fair Value Measurements

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

- Level 1 quoted prices in active markets for identical investments that the 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 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 six months ended May 31, 2010 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 are not necessarily an indication of the risk associated with investing in those securities.

A summary of the inputs used at May 31, 2010 in valuing the Fund's assets and liabilities is listed below:

	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value at 5/31/10
Investments in Securities				
Assets				
Corporate Bonds & Notes:				
Airlines		\$21,354,323	\$45,518,046	\$66,872,369
Financial Services		588,515,113	10,664,601	599,179,714
Transportation			1,310,430	1,310,430
All Other		375,294,896		375,294,896

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Mortgaged-Backed Securities		242,200,909	18,878,450	261,079,359
Municipal Bonds		58,681,278		58,681,278
Sovereign Debt Obligations		24,222,142		24,222,142
Senior Loans		23,027,978		23,027,978
Convertible Preferred Stock	\$15,360,262			15,360,262
Asset-Backed Securities		13,409,660		13,409,660
Preferred Stock		5,812,000		5,812,000
U.S. Treasury Obligations		3,423,762		3,423,762
U.S. Government Agency Securities		30,616		30,616
Short-Term Investments		44,143,320		44,143,320
Options Purchased		732,143		732,143
Total Investments in Securities	Assets	\$15,360,262	\$1,400,848,140	\$76,371,527
Other Financial Instruments*		\$6,565,721	\$13,809,229	\$20,374,950
Total Investments		\$21,925,983	\$1,414,657,369	\$76,371,527

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

PIMCO Corporate Opportunity Fund Notes to Financial Statements

May 31, 2010 (unaudited)

1. Organization and Significant Accounting Policies (continued)

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the six months ended May 31, 2010, was as follows:

	Beginning Balance 11/30/09	Net Purchases (Sales) and Settlements	Accrued Discounts (Premiums)	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation/ Depreciation	Transfers into Level 3	Transfers out of Level 3	Ending Balance 5/31/10
Investments in Securities								
Assets								
Corporate Bonds & Notes:								
Airlines	\$40,278,181	\$(1,585,151)	\$10,536	\$32,100	\$3,448,630	\$3,333,750		\$45,518,046
Financial Services	954,000	9,436,050	1,351	(15,550)				