

PIMCO NEW YORK MUNICIPAL INCOME FUND II
Form N-CSRS
January 29, 2013
Table of Contents

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 811-21078

PIMCO New York Municipal Income Fund II

(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 end: May 31, 2013

Date of reporting period: November 30, 2012

Table of Contents

Item 1. REPORT TO SHAREHOLDERS

Semi-Annual Report

November 30, 2012

PIMCO Municipal Income Fund II

PIMCO California Municipal Income Fund II

PIMCO New York Municipal Income Fund II

Table of Contents

Contents

| | |
|--|-------|
| <u>Letter to Shareholders</u> | 2-3 |
| <u>Fund Insights</u> | 4 |
| <u>Performance & Statistics</u> | 5-6 |
| <u>Schedules of Investments</u> | 7-27 |
| <u>Statements of Assets and Liabilities</u> | 28 |
| <u>Statements of Operations</u> | 29 |
| <u>Statements of Changes in Net Assets</u> | 30-31 |
| <u>Notes to Financial Statements</u> | 32-39 |
| <u>Financial Highlights</u> | 40-42 |
| <u>Annual Shareholder Meeting Results/Proxy Voting</u> | |
| <u>Policies & Procedures</u> | 43 |
| <u>Matters Relating to the Trustees Consideration of the</u> | |
| <u>Investment Management & Portfolio Management</u> | |
| <u>Agreements</u> | 44-46 |

11.30.12 PIMCO Municipal Income Funds II Semi-Annual Report 1

Table of Contents

Hans W. Kertess

Chairman

Brian S. Shlissel

President & CEO

Dear Shareholder:

The municipal bond market benefitted from attractive valuations and solid demand during the six-month fiscal reporting period ended November 30, 2012. Municipal securities with longer-term maturities and securities judged to be of lower credit quality tended to do particularly well during the period.

The Fiscal Six-Month Period in Review

For the six-month period ended November 30, 2012:

PIMCO Municipal Income Fund II rose 10.98% on net asset value (NAV) and 13.07% on market price.

PIMCO California Municipal Income Fund II rose 13.27% on NAV and 12.12% on market price.

PIMCO New York Municipal Income Fund II rose 10.52% on NAV and 15.44% on market price.

As the fiscal reporting period began, gross domestic product (GDP), the value of goods and services produced in the country, the broadest measure of economic activity and the principal indicator of economic performance, was expanding at a 1.3% annual rate during April-to-June, before accelerating to 3.1% growth during July-to-September 2012.

The Federal Reserve (the Fed) maintained a cautious stance revealing the launch of third round of so-called quantitative easing. This initiative would entail the purchase of \$40 billion of mortgage securities each month for the foreseeable future. The objective is to lower, already record low mortgage rates in an effort to boost the housing market. The Fed also indicated that the Fed Funds rate would remain in the 0.0% to 0.25% range well into 2015, longer than previously forecasted. Shortly after the fiscal reporting period ended, the Fed confirmed that it would continue a previously announced program to buy \$45 billion of Treasury bonds each month. Fed Chairman Ben Bernanke said these efforts would remain in place until the unemployment rate fell below 6.5%, which the Fed indicated may not be achieved until 2015.

Treasury yields were generally flat during the six-month fiscal reporting period. The benchmark ten-year Treasury bond began the fiscal period yielding 1.59% and ended it at 1.62%. At one point during the reporting period, the yield on the 10-year fell as low as 1.43%. Since interest rates on municipal bonds tend to track the rates of comparable Treasury bonds, many issuers of municipal securities refinanced existing bonds during reporting period. Refundings, reported *Bond Buyer*,

2 PIMCO Municipal Income Funds II Semi-Annual Report 11.30.12

Table of Contents

accounted for a large portion of the estimated \$370 billion in municipal bond volume. By comparison, issuance of new securities was relatively modest.

Outlook

The improving U.S. economy is reflected not just in GDP growth, but in the falling unemployment rate, which dropped to 7.7% in November 2012 – the lowest level since December 2008. Housing, a significant contributor to the recession of 2007-09, is improving both on a macro basis and in most key markets. These gains have bolstered the finances of state and local governments around the nation. Although states face a

collective \$55 billion deficit in fiscal year 2013, they are in a much stronger financial position than a few years ago. We expect this trend to continue.

The federal government has fiscal problems of its own. We believe that lawmakers will edge away from the so-called “fiscal cliff” in order to avert negative consequences to the U.S. economy. Fiscal issues must eventually be dealt with, and one way of doing so is by growing the economy. In this respect, the United States is in the advantageous position of possessing a vibrant, well-educated and flexible workforce, and demographics that bode well for the long-term. There is no denying that the U.S. economy faces serious challenges, however over countless market cycles and ever-changing economic conditions, it has always proven to be resilient. We are confident that this will once again be the case in the New Year.

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

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

We remain dedicated to serving your investment needs.

Sincerely,

Hans W. Kertess

Chairman

Brian S. Shlissel

President & CEO

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

Table of Contents

PIMCO Municipal Income Funds II Fund Insights

November 30, 2012 (unaudited)

For the six-months ended November 30, 2012, PIMCO Municipal Income Fund II returned 10.98% on net asset value (NAV) and 13.07% on market price.

For the six-months ended November 30, 2012, PIMCO California Municipal Income Fund II returned 13.27% on NAV and 12.12% on market price.

For the six-months ended November 30, 2012, PIMCO New York Municipal Income Fund II returned 10.52% on NAV and 15.44% on market price.

The municipal bond market generated positive results during the fiscal six-month reporting period ended November 30, 2012. The overall municipal market, as measured by the Barclays Municipal Bond Index (the Index), posted positive returns during five of the six months of the period. Technical factors were the main driver of returns over the period as new money and issue supply was not sufficient to meet robust investor demand, as evident by positive municipal mutual fund flows through all but one week of the period. From a fundamental perspective, many states continue to benefit from positive year-over-year tax receipts, however local property tax receipts continue to decline leading to some underperformance in the general obligation market versus most revenue sectors. All told, during the six-month period, the Index returned 4.18%. In comparison, the overall taxable fixed income market, as measured by the Barclays U.S. Aggregate Bond Index, gained 1.99% during the same period.

Performance benefited from a preference for revenue bonds versus general obligation bonds as revenue bonds outperformed general obligation bonds during the reporting period. The Funds were overweight in the Tobacco and corporate-backed sectors which was beneficial for results as both sectors outperformed the Index. New York Municipal Income Fund II also received a positive contribution from an overweight to the Health Care sector.

The Funds underweight exposure to the Water and Sewer Utility sector contributed to results as this sector outperformed in comparison to the Index. Municipal Income Fund II s and New York Municipal Income Fund II s underweight to the Transportation sector detracted from results. A shorter duration than the benchmark detracted from the performance of all three Funds as municipal yields declined during the six-month reporting period.

4 PIMCO Municipal Income Funds II Semi-Annual Report 11.30.12

Table of Contents

PIMCO Municipal Income Funds II Performance & Statistics

November 30, 2012 (unaudited)

Municipal II:

| Total Return⁽¹⁾: | Market Price | NAV |
|--|---------------------|------------|
| Six Month | 13.07% | 10.98% |
| 1 Year | 31.47% | 27.69% |
| 5 Year | 7.58% | 5.16% |
| 10 Year | 6.68% | 6.04% |
| Commencement of Operations (6/28/02) to 11/30/12 | 6.17% | 5.94% |

Market Price/NAV Performance:

Commencement of Operations (6/28/02) to 11/30/12

Market Price/NAV:

| | |
|-----------------------------------|---------|
| Market Price | \$13.75 |
| NAV | \$12.80 |
| Premium to NAV | 7.42% |
| Market Price Yield ⁽²⁾ | 5.67% |
| Leverage Ratio ⁽³⁾ | 34.87% |

Moody's Ratings

(as a % of total investments)

California Municipal II:

| Total Return⁽¹⁾: | Market Price | NAV |
|--|---------------------|------------|
| Six Month | 12.12% | 13.27% |
| 1 Year | 26.62% | 34.37% |
| 5 Year | 3.40% | 1.53% |
| 10 Year | 4.81% | 3.89% |
| Commencement of Operations (6/28/02) to 11/30/12 | 4.39% | 3.74% |

Market Price/NAV Performance:

Commencement of Operations (6/28/02) to 11/30/12

Market Price/NAV:

| | |
|-----------------------------------|---------|
| Market Price | \$10.97 |
| NAV | \$9.39 |
| Premium to NAV | 16.83% |
| Market Price Yield ⁽²⁾ | 6.17% |
| Leverage Ratio ⁽³⁾ | 40.82% |

Moody's Ratings

(as a % of total investments)

Table of Contents**PIMCO Municipal Income Funds II Performance & Statistics**

November 30, 2012 (unaudited)

New York Municipal II:

| Total Return⁽¹⁾: | Market Price | NAV |
|--|---------------------|------------|
| Six Month | 15.44% | 10.52% |
| 1 Year | 31.47% | 25.75% |
| 5 Year | 7.64% | 4.66% |
| 10 Year | 6.61% | 5.42% |
| Commencement of Operations (6/28/02) to 11/30/12 | 6.01% | 5.32% |

Market Price/NAV Performance:

Commencement of Operations (6/28/02) to 11/30/12

Market Price/NAV:

| | |
|-----------------------------------|---------|
| Market Price | \$13.75 |
| NAV | \$12.14 |
| Premium to NAV | 13.26% |
| Market Price Yield ⁽²⁾ | 5.78% |
| Leverage Ratio ⁽³⁾ | 41.23% |

Moody's Ratings

(as a % of total investments)

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

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

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

(2) Market Price Yield is determined by dividing the annualized current monthly dividend per common share (comprised of net investment income) by the market price per common share at November 30, 2012.

(3) Represents Floating Rate Notes issued in tender option bond transactions and Preferred Shares (collectively Leverage) outstanding, as a percentage of total managed assets. Total managed assets refer to the total assets (including assets attributable to Leverage) minus accrued liabilities (other than liabilities representing Leverage).

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

November 30, 2012 (unaudited)

| Principal Amount (000s) | | Value |
|--|--|---------------|
| MUNICIPAL BONDS & NOTES 97.9% | | |
| Alabama 1.2% | | |
| \$ 10,000 | Birmingham-Baptist Medical Centers Special Care Facs. Financing Auth. Rev., Baptist Health Systems, Inc., 5.00%, 11/15/30, Ser. A | \$ 10,519,000 |
| 1,235 | Montgomery BMC Special Care Facs. Financing Auth. Rev., 5.00%, 11/15/29, Ser. B (NPFGC) | 1,235,790 |
| 2,000 | State Docks Department Rev., 6.00%, 10/1/40 | 2,387,760 |
| | | 14,142,550 |
| Arizona 7.2% | | |
| 3,500 | Health Facs. Auth. Rev., Banner Health, 5.00%, 1/1/35, Ser. A | 3,784,200 |
| 2,860 | 5.50%, 1/1/38, Ser. D | 3,208,319 |
| 29,700 | Pima Cnty. Industrial Dev. Auth. Rev., 5.00%, 9/1/39 | 31,609,116 |
| 1,500 | Tucson Electric Power Co., 5.25%, 10/1/40, Ser. A | 1,652,310 |
| 1,750 | Pinal Cnty. Electric Dist. No. 3 Rev., 5.25%, 7/1/36 | 1,993,128 |
| 3,700 | 5.25%, 7/1/41 | 4,187,586 |
| 10,000 | Salt River Project Agricultural Improvement & Power Dist. Rev., 5.00%, 1/1/39, Ser. A (i) | 11,497,400 |
| 22,400 | Salt Verde Financial Corp. Rev., 5.00%, 12/1/37 | 27,080,256 |
| | | 85,012,315 |
| California 15.2% | | |
| 6,000 | Bay Area Toll Auth. Rev., San Francisco Bay Area, 5.00%, 10/1/29 | 7,026,960 |
| 1,430 | 5.00%, 4/1/34, Ser. F-1 | 1,631,558 |
| 1,565 | Foothill-Eastern Transportation Corridor Agcy. Rev., 5.875%, 1/15/26 (IBC-NPFGC) | 1,623,985 |
| 16,000 | Golden State Tobacco Securitization Corp. Rev., zero coupon, 6/1/37, Ser. A-2 (j) | 14,383,200 |
| 2,000 | 5.00%, 6/1/45, Ser. A | 2,111,980 |
| 15,070 | 5.75%, 6/1/47, Ser. A-1 | 14,109,287 |
| 2,000 | Hayward Unified School Dist., GO, 5.00%, 8/1/33 | 2,098,500 |
| 1,500 | Health Facs. Financing Auth. Rev., Scripps Health, 5.00%, 11/15/36, Ser. A | 1,685,775 |
| 6,300 | Sutter Health, 5.00%, 11/15/42, Ser. A (IBC-NPFGC) | 6,950,349 |

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| | | |
|-------|--|-----------|
| 3,000 | Sutter Health, 6.00%, 8/15/42, Ser. B | 3,650,970 |
| 1,500 | Indian Wells Redev. Agcy., Tax Allocation, Whitewater Project, 4.75%, 9/1/34, Ser. A (AMBAC) | 1,405,185 |
| 2,000 | Los Angeles Community College Dist., GO, 5.00%, 8/1/32, Ser. A (FGIC-NPFGC) | 2,290,320 |
| 4,000 | Los Angeles Department of Water & Power Rev., 5.00%, 7/1/39, Ser. A-1 (AMBAC) | 4,458,760 |
| 5,000 | Los Angeles Unified School Dist., GO, 5.00%, 7/1/30, Ser. E (AMBAC) | 5,457,150 |
| 1,750 | M-S-R Energy Auth. Rev., 6.50%, 11/1/39, Ser. B | 2,503,900 |
| 2,000 | Montebello Unified School Dist., GO, 5.00%, 8/1/33 (AGM) | 2,226,380 |

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

November 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value |
|----------------------------|---|--------------|
| | California (continued) | |
| \$ 3,145 | Municipal Finance Auth. Rev., Azusa Pacific Univ. Project, 7.75%, 4/1/31, Ser. B | \$ 3,760,760 |
| 650 | Murrieta Valley Unified School Dist. Public Financing Auth., Special Tax, 4.75%, 9/1/36, Ser. A (AGC) | 675,207 |
| 3,000 | Newport Beach Rev., Hoag Memorial Hospital Presbyterian, 5.875%, 12/1/30 | 3,734,010 |
| 500 | Peralta Community College Dist., GO, 5.00%, 8/1/39, Ser. C | 556,400 |
| 2,000 | San Diego Cnty. Water Auth., CP, 5.00%, 5/1/38, Ser. 2008-A (AGM) | 2,202,380 |
| 3,300 | San Marcos Unified School Dist., GO, 5.00%, 8/1/38, Ser. A | 3,807,870 |
| 2,000 | Santa Clara Cnty. Financing Auth. Rev., El Camino Hospital, 5.75%, 2/1/41, Ser. A (AMBAC) | 2,217,960 |
| | State, GO, | |
| 2,925 | 5.00%, 11/1/32 | 3,359,567 |
| 1,590 | 5.00%, 6/1/37 | 1,771,371 |
| 5,200 | 5.125%, 8/1/36 | 5,998,564 |
| 2,500 | 5.25%, 3/1/38 | 2,855,325 |
| 5,945 | 5.25%, 11/1/40 | 7,059,450 |
| 5,750 | 5.50%, 3/1/40 | 6,860,325 |
| 9,500 | 6.00%, 4/1/38 | 11,707,800 |
| | Statewide Communities Dev. Auth. Rev., | |
| 2,970 | California Baptist Univ., 5.75%, 11/1/17, Ser. B (a)(d) | 3,501,571 |
| 785 | California Baptist Univ., 6.50%, 11/1/21 | 999,007 |
| 1,000 | Cottage Health, 5.00%, 11/1/40 | 1,127,050 |
| 5,500 | Methodist Hospital Project, 6.625%, 8/1/29 (FHA) | 7,053,915 |
| 19,500 | Methodist Hospital Project, 6.75%, 2/1/38 (FHA) | 24,442,665 |
| 5,690 | Sutter Health, 6.00%, 8/15/42, Ser. A | 6,924,673 |
| 4,725 | Torrance Rev., Torrance Memorial Medical Center, 5.00%, 9/1/40, Ser. A | 5,164,756 |
| | | 179,394,885 |
| | Colorado 1.8% | |
| 5,800 | Aurora Rev., Children s Hospital Assoc., 5.00%, 12/1/40 | 6,486,198 |
| 1,000 | Denver Health & Hospital Auth. Rev., 5.625%, 12/1/40 | 1,123,260 |
| | Health Facs. Auth. Rev., Ser. A, | |
| 1,000 | American Baptist Homes, 5.90%, 8/1/37 | 1,016,150 |
| 2,500 | Catholic Health Initiatives, 5.00%, 2/1/41 | 2,845,675 |
| 500 | Evangelical Lutheran, 6.125%, 6/1/38 (Pre-refunded @ \$100 6/1/14) (c) | 543,000 |
| 6,045 | Sisters of Charity of Leavenworth Health System, 5.00%, 1/1/40 | 6,728,629 |
| 1,430 | Public Auth. for Colorado Energy Rev., 6.50%, 11/15/38 | 2,066,436 |

20,809,348

Connecticut 0.3%

| | | |
|-------|--|-----------|
| 1,250 | Harbor Point Infrastructure Improvement Dist., Tax Allocation, 7.875%, 4/1/39, Ser. A | 1,442,288 |
| 2,000 | State Health & Educational Fac. Auth. Rev., Hartford Healthcare, 5.00%, 7/1/41, Ser. A | 2,204,900 |
| | | 3,647,188 |

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

November 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value |
|----------------------------|--|--------------|
| Florida 4.5% | | |
| \$ 1,000 | Brevard Cnty. Health Facs. Auth. Rev., Health First, Inc. Project, 7.00%, 4/1/39 | \$ 1,249,650 |
| | Broward Cnty. Airport System Rev., | |
| 9,975 | 5.00%, 10/1/42, Ser. Q-1 | 11,578,082 |
| 600 | 5.375%, 10/1/29, Ser. O | 709,620 |
| 8,500 | Broward Cnty. Water & Sewer Utility Rev., 5.25%, 10/1/34, Ser. A (i) | 10,067,400 |
| 1,000 | Clearwater Water & Sewer Rev., 5.25%, 12/1/39, Ser. A | 1,159,350 |
| 340 | Dev. Finance Corp. Rev., Renaissance Charter School, 6.50%, 6/15/21, Ser. A | 388,491 |
| | Highlands Cnty. Health Facs. Auth. Rev., Adventist Health System, 5.625%, | |
| 3,000 | 11/15/37, Ser. B | 3,545,970 |
| 6,795 | Jacksonville Health Facs. Auth. Rev., Ascension Health, 5.25%, 11/15/32, Ser. A | 6,882,452 |
| 3,000 | Leesburg Hospital Rev., Leesburg Regional Medical Center Project, 5.50%, 7/1/32 | 3,002,790 |
| 500 | Sarasota Cnty. Health Facs. Auth. Rev., 5.75%, 7/1/37 | 428,705 |
| 7,900 | State Board of Education, GO, 5.00%, 6/1/38, Ser. D (i) | 9,337,247 |
| 5,000 | Sumter Landing Community Dev. Dist. Rev., 4.75%, 10/1/35, Ser. A (NPFGC) | 5,060,250 |
| | | 53,410,007 |
| Georgia 0.4% | | |
| 1,500 | Atlanta Airport Rev., 5.00%, 1/1/40, Ser. A | 1,728,030 |
| | Medical Center Hospital Auth. Rev., Spring Harbor Green Island Project, 5.25%, | |
| 2,775 | 7/1/37 | 2,784,935 |
| | | 4,512,965 |
| Illinois 7.3% | | |
| | Chicago, GO, | |
| 10,000 | 5.00%, 1/1/34, Ser. C (i) | 11,061,600 |
| 2,758 | Special Assessment, Lake Shore East, 6.625%, 12/1/22 | 2,824,881 |
| 5,857 | Special Assessment, Lake Shore East, 6.75%, 12/1/32 | 5,998,505 |
| 1,250 | Chicago Motor Fuel Tax Rev., 5.00%, 1/1/38, Ser. A (AGC) | 1,343,025 |
| 5,000 | Cicero, GO, 5.25%, 12/1/31 (NPFGC) (Pre-refunded @ \$101, 12/1/12) (c) | 5,050,000 |
| | Finance Auth. Rev., | |
| 2,500 | Christian Homes, Inc., 5.75%, 5/15/31, Ser. A | 2,634,825 |
| 250 | Leafs Hockey Club Project, 6.00%, 3/1/37, Ser. A (b)(f) | 84,615 |
| 700 | OSF Healthcare System, 7.125%, 11/15/37, Ser. A | 878,304 |
| 2,000 | Provena Health, 6.00%, 5/1/28, Ser. A | 2,334,980 |
| 5,000 | Univ. of Chicago, 5.50%, 7/1/37, Ser. B (i) | 6,101,150 |
| 37,000 | Sports Facs. Auth. Rev., 5.50%, 6/15/30 (AMBAC) | 40,489,840 |

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Village of Hillside, Tax Allocation, Mannheim Redev. Project,

| | | |
|-------|---------------|------------|
| 4,240 | 6.55%, 1/1/20 | 4,318,822 |
| 2,900 | 7.00%, 1/1/28 | 2,870,565 |
| | | 85,991,112 |

Indiana 0.4%

| | | |
|-------|---|-----------|
| 1,500 | Finance Auth. Rev., Duke Energy Indiana, Inc., 6.00%, 8/1/39, Ser. B | 1,769,595 |
| 990 | Vigo Cnty. Hospital Auth. Rev., Union Hospital, Inc., 5.80%, 9/1/47 (a)(d) | 1,034,421 |
| 1,900 | 7.50%, 9/1/22 | 2,506,480 |
| | | 5,310,496 |

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

November 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value |
|----------------------------|--|------------|
| | Iowa 1.8% | |
| | Finance Auth. Rev., | |
| \$ 250 | Deerfield Retirement Community, Inc., 5.50%, 11/15/27, Ser. A | \$ 234,023 |
| 1,075 | Deerfield Retirement Community, Inc., 5.50%, 11/15/37, Ser. A | 960,082 |
| 4,500 | Edgewater LLC Project, 6.75%, 11/15/42 | 4,734,495 |
| 15,350 | Tobacco Settlement Auth. Rev., 5.60%, 6/1/34, Ser. B | 15,123,741 |
| | | 21,052,341 |
| | Kansas 0.1% | |
| 500 | Dev. Finance Auth. Rev., Adventist Health, 5.75%, 11/15/38 | 593,880 |
| 850 | Manhattan Rev., Meadowlark Hills Retirement, 5.00%, 5/15/36, Ser. A | 857,047 |
| | | 1,450,927 |
| | Kentucky 0.1% | |
| 1,000 | Economic Dev. Finance Auth. Rev., Owensboro Medical Healthcare Systems, 6.375%, 6/1/40, Ser. A | 1,200,360 |
| | Louisiana 3.6% | |
| | Local Gov t Environmental Facs. & Community Dev. Auth Rev., | |
| 450 | Westlake Chemical Corp., 6.50%, 11/1/35, Ser. A-2 | 531,603 |
| 750 | Woman s Hospital Foundation, 5.875%, 10/1/40, Ser. A | 871,485 |
| 1,000 | Woman s Hospital Foundation, 6.00%, 10/1/44, Ser. A | 1,166,740 |
| | Public Facs. Auth. Rev., Ochsner Clinic Foundation Project, | |
| 3,300 | 5.50%, 5/15/47, Ser. B | 3,524,565 |
| 2,000 | 6.50%, 5/15/37 | 2,445,160 |
| 33,395 | Tobacco Settlement Financing Corp. Rev., 5.875%, 5/15/39, Ser. 2001-B | 34,328,056 |
| | | 42,867,609 |
| | Maryland 0.9% | |
| | Health & Higher Educational Facs. Auth. Rev., | |
| 1,000 | Adventist Healthcare, 5.75%, 1/1/25, Ser. A | 1,011,780 |
| 1,400 | Charlestown Community, 6.25%, 1/1/41 | 1,621,718 |
| 1,010 | King Farm Presbyterian Community, 5.30%, 1/1/37, Ser. A | 995,102 |
| 2,380 | Medstar Health, 5.00%, 8/15/41 | 2,677,786 |
| 4,050 | Washington Cnty. Hospital, 6.00%, 1/1/43 | 4,400,973 |

10,707,359

Massachusetts 0.9%

Dev. Finance Agcy. Rev.,

| | | |
|-------|---|-----------|
| 4,610 | Adventcare Project, 6.75%, 10/15/37, Ser. A | 4,896,834 |
| 580 | Adventcare Project, 7.625%, 10/15/37 | 666,530 |
| 1,000 | Foxborough Regional Charter School, 7.00%, 7/1/42, Ser. A | 1,158,190 |
| 2,900 | State College Building Auth. Rev., 5.50%, 5/1/39, Ser. A | 3,464,978 |

10,186,532

10 PIMCO Municipal Income Funds II Semi-Annual Report 11.30.12

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

November 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value |
|----------------------------|--|--------------|
| | Michigan 2.7% | |
| \$ 1,000 | Detroit, GO, 5.25%, 11/1/35 | \$ 1,122,850 |
| 5,000 | Detroit Water and Sewerage Department Rev., 5.25%, 7/1/39, Ser. A | 5,560,100 |
| 5,000 | Detroit Water Supply System Rev., 5.25%, 7/1/41, Ser. A | 5,572,500 |
| 800 | Public Educational Facs. Auth. Rev., Bradford Academy, 6.50%, 9/1/37 (a)(d) | 545,952 |
| 3,000 | Royal Oak Hospital Finance Auth. Rev., William Beaumont Hospital, 8.25%, 9/1/39 | 3,909,240 |
| | State Hospital Finance Auth. Rev., Oakwood Group, Ser. A (c), | |
| 3,000 | 5.75%, 4/1/32 (Pre-refunded @ \$100 4/1/13) | 3,053,610 |
| 1,925 | 6.00%, 4/1/22 (Pre-refunded @ \$100 4/1/13) | 1,960,940 |
| 10,510 | Tobacco Settlement Finance Auth. Rev., 6.00%, 6/1/48, Ser. A | 9,609,818 |
| | | 31,335,010 |
| | Minnesota 0.6% | |
| 150 | Duluth Housing & Redev. Auth. Rev., 5.875%, 11/1/40, Ser. A | 155,307 |
| 1,500 | Minneapolis Rev., Providence Project, 5.75%, 10/1/37, Ser. A | 1,521,270 |
| | North Oaks Rev., Presbyterian Homes North Oaks, | |
| 2,640 | 6.00%, 10/1/33 | 2,826,278 |
| 1,530 | 6.125%, 10/1/39 | 1,642,073 |
| 500 | Oronoco Rev., Wedum Shorewood Campus Project, 5.40%, 6/1/41 | 503,465 |
| 400 | St. Louis Park Rev., Nicollett Health Services, 5.75%, 7/1/39 | 462,836 |
| | | 7,111,229 |
| | Mississippi 0.0% | |
| 250 | Dev. Bank Special Obligation Rev., Capital Projects and Equipment Acquisition, 5.00%, 7/1/24, Ser. A-2 (AMBAC) | 264,413 |
| | Missouri 0.1% | |
| 715 | Lee s Summit, Tax Allocation, Summit Fair Project, 5.625%, 10/1/23 | 768,546 |
| | Nevada 0.9% | |
| 10,000 | Clark Cnty., GO, 4.75%, 11/1/35 (FGIC-NPFGC) (i) | 10,696,200 |
| | New Hampshire 0.2% | |
| 2,000 | Business Finance Auth. Rev., Elliot Hospital, 6.125%, 10/1/39, Ser. A | 2,288,640 |
| | Health & Education Facs. Auth. Rev., Catholic Medical Center, 6.125%, 7/1/32, Ser. | |
| 360 | A | 364,136 |

2,652,776

| New Jersey 4.9% | | |
|------------------------|---|------------|
| 950 | Burlington Cnty. Bridge Commission Rev., The Evergreens Project, 5.625%, 1/1/38 | 986,603 |
| | Economic Dev. Auth., Special Assessment, Kapkowski Road Landfill Project, | |
| 4,000 | 5.75%, 10/1/21 | 4,428,000 |
| 11,405 | 5.75%, 4/1/31 | 13,000,902 |
| | Economic Dev. Auth. Rev., | |
| 525 | Arbor Glen, 6.00%, 5/15/28, Ser. A | 524,995 |
| 2,000 | MSU Student Housing Project, 5.875%, 6/1/42 | 2,269,660 |
| | Health Care Facs. Financing Auth. Rev., | |
| 1,500 | AHS Hospital Corp., 6.00%, 7/1/37 | 1,900,155 |

11.30.12 PIMCO Municipal Income Funds II Semi-Annual Report 11

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

November 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value |
|----------------------------|---|--------------|
| | New Jersey (continued) | |
| \$ 1,500 | St. Peters Univ. Hospital, 5.75%, 7/1/37 | \$ 1,603,635 |
| 2,000 | State Turnpike Auth. Rev., 5.25%, 1/1/40, Ser. E | 2,315,360 |
| | Tobacco Settlement Financing Corp. Rev., Ser. 1-A, | |
| 3,300 | 4.75%, 6/1/34 | 2,982,507 |
| 11,305 | 5.00%, 6/1/41 | 10,211,241 |
| 15,000 | Transportation Trust Fund Auth. Rev., 5.00%, 6/15/42, Ser. B | 17,303,400 |
| | | 57,526,458 |
| | New Mexico 0.2% | |
| 2,000 | Farmington Pollution Control Rev., 5.90%, 6/1/40, Ser. D | 2,256,220 |
| | New York 13.8% | |
| | Erie Cnty. Industrial Dev. Agcy. Rev., Orchard Park, Inc. Project, 6.00%, 11/15/36, | |
| 1,200 | Ser. A | 1,234,656 |
| 29,500 | Hudson Yards Infrastructure Corp. Rev., 5.25%, 2/15/47, Ser. A | 34,593,175 |
| | Liberty Dev. Corp. Rev., | |
| 1,000 | 5.125%, 1/15/44 | 1,128,990 |
| 2,500 | 5.625%, 7/15/47 | 2,862,250 |
| 1,250 | Bank of America Tower at One Bryant Park Project, 6.375%, 7/15/49 | 1,485,700 |
| 10,000 | Goldman Sachs Headquarters, 5.25%, 10/1/35 (i) | 12,463,000 |
| 1,505 | Goldman Sachs Headquarters, 5.25%, 10/1/35 | 1,875,682 |
| 3,880 | Metropolitan Transportation Auth. Rev., 5.00%, 11/15/36, Ser. D | 4,461,767 |
| | Nassau Cnty. Industrial Dev. Agcy. Rev., Amsterdam at Harborside, 6.70%, 1/1/43, | |
| 1,100 | Ser. A | 718,619 |
| | New York City Municipal Water Finance Auth. Water & Sewer Rev., | |
| 2,830 | 5.00%, 6/15/37, Ser. D (i) | 3,100,661 |
| 4,000 | Second Generation Resolutions, 4.75%, 6/15/35, Ser. DD (i) | 4,492,320 |
| 2,000 | Second Generation Resolutions, 5.00%, 6/15/39, Ser. GG-1 | 2,326,880 |
| | New York Liberty Dev. Corp. Rev., | |
| 10,000 | 1 World Trade Center Project, 5.00%, 12/15/41 | 11,692,000 |
| 54,000 | 4 World Trade Center Project, 5.75%, 11/15/51 | 66,286,620 |
| 1,750 | State Dormitory Auth. Rev., The New School, 5.50%, 7/1/40 | 2,050,807 |
| 10,005 | State Thruway Auth. Rev., 5.00%, 1/1/42, Ser. I | 11,661,528 |
| | | 162,434,655 |
| | North Carolina 0.1% | |

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| | | |
|-------|--|-----------|
| | Medical Care Commission Rev., | |
| 550 | Salemtowne, 5.10%, 10/1/30 | 565,912 |
| 1,000 | Village at Brookwood, 5.25%, 1/1/32 | 1,008,700 |
| | | 1,574,612 |
| | North Dakota 0.3% | |
| 3,710 | Stark Cnty. Healthcare Rev., Benedictine Living Communities, 6.75%, 1/1/33 | 4,073,840 |
| | Ohio 1.2% | |
| 4,000 | Hamilton Cnty. Rev., Christ Hospital Project, 5.00%, 6/1/42 | 4,349,480 |
| 3,900 | Hamilton Cnty. Sales Tax Rev., 5.00%, 12/1/30, Ser. A | 4,517,214 |

12 PIMCO Municipal Income Funds II Semi-Annual Report 11.30.12

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

November 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value |
|----------------------------|---|--------------|
| Ohio (continued) | | |
| \$ 1,000 | Higher Educational Fac. Commission Rev., Univ. Hospital Health Systems, 6.75%, 1/15/39, Ser. 2009-A (Pre-refunded @ \$100, 1/15/15) (c) | \$ 1,132,900 |
| 1,000 | Montgomery Cnty. Rev., Miami Valley Hospital, 6.25%, 11/15/39, Ser. A | 1,071,510 |
| 3,000 | State Rev., Cleveland Clinic Health System, 5.50%, 1/1/39, Ser. B | 3,443,940 |
| | | 14,515,044 |
| Oregon 0.2% | | |
| 1,000 | Clackamas Cnty. Hospital Fac. Auth. Rev., Legacy Health System, 5.50%, 7/15/35, Ser. A | 1,138,590 |
| 1,155 | State Department of Administrative Services, CP, 5.25%, 5/1/39, Ser. A | 1,309,712 |
| | | 2,448,302 |
| Pennsylvania 4.7% | | |
| 10,000 | Berks Cnty. Municipal Auth. Rev., Reading Hospital Medical Center, 5.00%, 11/1/44, Ser. A | 11,382,100 |
| 750 | Cumberland Cnty. Municipal Auth. Rev., Messiah Village Project, Ser. A, 5.625%, 7/1/28 | 799,515 |
| 670 | 6.00%, 7/1/35 | 717,999 |
| 3,250 | Harrisburg Auth. Rev., Harrisburg Univ. of Science, 6.00%, 9/1/36, Ser. B (f) | 2,609,685 |
| 850 | Higher Educational Facs. Auth. Rev., Edinboro Univ. Foundation, 6.00%, 7/1/43 | 970,819 |
| 400 | Thomas Jefferson Univ., 5.00%, 3/1/40 | 451,412 |
| 500 | Luzerne Cnty. Industrial Dev. Auth. Rev., Pennsylvania American Water Co., 5.50%, 12/1/39 | 569,830 |
| 8,500 | Montgomery Cnty. Industrial Dev. Auth. Rev., New Regional Medical Center, 5.375%, 8/1/38 (FHA) | 10,049,890 |
| 17,000 | Philadelphia, GO, 5.25%, 12/15/32, Ser. A (AGM) | 19,244,850 |
| 6,000 | Philadelphia Hospitals & Higher Education Facs. Auth. Rev., Temple Univ. Health System, 5.625%, 7/1/42, Ser. A | 6,633,120 |
| 500 | Philadelphia Water & Sewer Rev., 5.25%, 1/1/36, Ser. A | 568,555 |
| 1,000 | Westmoreland Cnty. Industrial Dev. Auth. Rev., Excelsa Health Project, 5.125%, 7/1/30 | 1,096,100 |
| | | 55,093,875 |
| Puerto Rico 0.5% | | |

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| | | |
|----------------------------|--|------------|
| 5,000 | Sales Tax Financing Corp. Rev., 5.25%, 8/1/41, Ser. C | 5,387,900 |
| Rhode Island 4.9% | | |
| 56,200 | Tobacco Settlement Financing Corp. Rev., 6.25%, 6/1/42, Ser. 2002-A | 57,480,236 |
| South Carolina 1.3% | | |
| 1,000 | Greenwood Cnty. Rev., Self Regional Healthcare, 5.375%, 10/1/39 | 1,113,510 |
| 13,850 | Jobs-Economic Dev. Auth. Rev., Bon Secours Health System, 5.625%, 11/15/30, Ser. B | 13,903,322 |
| | | 15,016,832 |
| Tennessee 1.2% | | |
| 1,750 | Claiborne Cnty. Industrial Dev. Board Rev., Lincoln Memorial Univ. Project, 6.625%, 10/1/39 | 2,002,682 |
| 1,000 | Johnson City Health & Educational Facs. Board Rev., Mountain States Health Alliance, 6.00%, 7/1/38, Ser. A | 1,210,880 |

11.30.12 PIMCO Municipal Income Funds II Semi-Annual Report **13**

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

November 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value |
|----------------------------|--|------------|
| | Tennessee (continued) | |
| \$ 500 | Sullivan Cnty. Health Educational & Housing Facs. Board Rev., Wellmont Health Systems Project, 5.25%, 9/1/36, Ser. C | \$ 534,370 |
| | Tennessee Energy Acquisition Corp. Rev., Ser. C, | |
| 3,000 | 5.00%, 2/1/23 | 3,476,220 |
| 6,000 | 5.00%, 2/1/27 | 7,078,680 |
| | | 14,302,832 |
| | Texas 12.4% | |
| 130 | Aubrey Independent School Dist., GO, 5.50%, 2/15/33 (GTD-PSF) | 137,517 |
| 6,500 | Brazos Cnty. Health Facs. Dev. Corp. Rev., 5.375%, 1/1/32 | 6,575,270 |
| 2,500 | Dallas Rev., Dallas Civic Center, 5.25%, 8/15/38 (AGC) | 2,863,225 |
| 10,000 | Dallas/Fort Worth International Airport Rev., 5.00%, 11/1/33, Ser. G | 11,611,800 |
| | Harris Cnty. Cultural Education Facs. Finance Corp. Rev., | |
| 2,000 | Baylor College of Medicine, 5.00%, 11/15/37 | 2,319,300 |
| 3,750 | Texas Children s Hospital Project, 5.25%, 10/1/29 | 4,528,837 |
| 12,700 | Texas Children s Hospital Project, 5.50%, 10/1/39 | 14,944,852 |
| | HFDC of Central Texas, Inc. Rev., Village at Gleannloch Farms, 5.50%, | |
| 700 | 2/15/37, Ser. A | 701,232 |
| 5,000 | Municipal Gas Acquisition & Supply Corp. III Rev., 5.00%, 12/15/26 (e) | 5,652,200 |
| | North Harris Cnty. Regional Water Auth. Rev., | |
| 10,300 | 5.25%, 12/15/33 | 11,654,038 |
| 10,300 | 5.50%, 12/15/38 | 11,691,942 |
| | North Texas Tollway Auth. Rev., | |
| 5,750 | 5.00%, 1/1/38 | 6,433,272 |
| 1,300 | 5.50%, 9/1/41, Ser. A | 1,592,955 |
| 5,000 | 5.625%, 1/1/33, Ser. B | 5,613,150 |
| 1,200 | 5.75%, 1/1/33, Ser. F | 1,354,776 |
| 1,920 | Private Activity Bond Surface Transportation Corp. Rev., 7.00%, 6/30/40 | 2,412,845 |
| 2,000 | Sabine River Auth. Pollution Control Rev., TXU Energy, 5.20%, 5/1/28, Ser. C | 196,220 |
| 250 | San Juan Higher Education Finance Auth. Rev., 6.70%, 8/15/40, Ser. A | 297,408 |
| | State, Mobility Fund, GO (i), | |
| 10,025 | 4.75%, 4/1/35, Ser. A | 10,801,536 |
| 17,500 | 4.75%, 4/1/36 | 19,258,400 |
| | State Public Finance Auth. Rev., Charter School Finance Corp., 5.875%, | |
| 1,000 | 12/1/36, Ser. A | 1,087,330 |
| 3,000 | Tarrant Cnty. Cultural Education Facs. Finance Corp. Rev., Baylor Health Care Systems Project, 6.25%, 11/15/29 | 3,681,000 |

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| | | |
|----------------------|--|-------------|
| 15,300 | Texas Municipal Gas Acquisition & Supply Corp. I Rev., 6.25%, 12/15/26, Ser. D | 19,833,237 |
| 1,000 | Wise Cnty. Rev., Parker Cnty. Junior College Dist., 8.00%, 8/15/34 | 1,171,570 |
| | | 146,413,912 |
| Virginia 0.2% | | |
| 1,000 | Fairfax Cnty. Industrial Dev. Auth. Rev., Inova Health Systems, 5.50%, 5/15/35, Ser. A | 1,168,450 |
| 2,050 | James City Cnty. Economic Dev. Auth. Rev., United Methodist Homes, 5.50%, 7/1/37, Ser. A | 1,718,823 |
| | | 2,887,273 |

14 PIMCO Municipal Income Funds II Semi-Annual Report 11.30.12

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

November 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value |
|---------------------------------|---|-------------------------|
| Washington 1.5% | | |
| | Health Care Facs. Auth. Rev., | |
| \$ 1,300 | Multicare Health Systems, 6.00%, 8/15/39, Ser. B (AGC) | \$ 1,544,426 |
| 1,000 | Seattle Cancer Care Alliance, 7.375%, 3/1/38 | 1,254,300 |
| 13,000 | Virginia Mason Medical Center, 6.125%, 8/15/37, Ser. A | 14,429,090 |
| | | 17,227,816 |
| West Virginia 0.2% | | |
| 2,000 | Hospital Finance Auth. Rev., Highland Hospital, 9.125%, 10/1/41 | 2,461,760 |
| Wisconsin 0.1% | | |
| 1,000 | Health & Educational Facs. Auth. Rev., Prohealth Care, Inc., 6.625%, 2/15/39 | 1,204,730 |
| | Total Municipal Bonds & Notes (cost-\$1,012,162,873) | 1,154,830,465 |
| VARIABLE RATE NOTES 2.1% | | |
| California 0.5% | | |
| 5,000 | Health Facs. Financing Auth. Rev., 9.457%, 11/15/36, Ser. 3193 (a)(d)(g)(h) | 6,475,350 |
| Florida 0.2% | | |
| 1,830 | Highlands Cnty. Health Facs. Auth. Rev., Adventist Health System, 5.00%, 11/15/31, Ser. C (h) | 1,941,941 |
| Illinois 0.6% | | |
| 6,000 | Chicago, GO, 11.648%, 1/1/34, Ser. 3190 (a)(d)(g)(h) | 7,568,760 |
| Texas 0.6% | | |
| 5,365 | State, GO, 8.944%, 4/1/37, Ser. 3197 (a)(d)(g)(h) | 6,810,224 |
| West Virginia 0.2% | | |
| 2,000 | Economic Dev. Auth. Rev., Appalachian Power, 5.375%, 12/1/38, Ser. A (h) | 2,237,200 |
| | Total Variable Rate Notes (cost-\$20,281,215) | 25,033,475 |
| | Total Investments (cost-\$1,032,444,088) 100.0% | \$ 1,179,863,940 |

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

November 30, 2012 (unaudited) (continued)

Industry classification of portfolio holdings as a percentage of total investments at November 30, 2012 was as follows:

| | |
|---|---------------|
| Revenue Bonds | |
| Health, Hospital & Nursing Home Revenue | 26.5% |
| Tobacco Settlement Funded | 13.6 |
| Miscellaneous Taxes | 6.4 |
| Industrial Revenue | 6.3 |
| Natural Gas Revenue | 5.7 |
| Miscellaneous Revenue | 4.3 |
| Water Revenue | 4.3 |
| Private Airport & Marina Revenue | 3.4 |
| Highway Revenue Tolls | 2.9 |
| Lease (Appropriation) | 2.7 |
| College & University Revenue | 2.7 |
| Electric Power & Light Revenue | 2.2 |
| Sales Tax Revenue | 0.8 |
| Sewer Revenue | 0.5 |
| Transit Revenue | 0.4 |
| Resource Recovery Revenue | 0.2 |
| Fuel Sales Tax Revenue | 0.1 |
| Local or Guaranteed Housing | 0.1 |
| Lease Revenue | 0.1 |
| Total Revenue Bonds | 83.2% |
| General Obligation | 13.3 |
| Special Assessment | 2.2 |
| Tax Allocation | 0.9 |
| Certificates of Participation | 0.3 |
| Special Tax | 0.1 |
| Total Investments | 100.0% |

Table of Contents

PIMCO Municipal Income Fund II Notes to Schedule of Investments

November 30, 2012 (unaudited) (continued)

- (a) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$25,936,278, representing 2.2% of total investments.
- (b) Illiquid.
- (c) Pre-refunded bonds are collateralized by U.S. Government or other eligible securities which are held in escrow and used to pay principal and interest and retire the bonds at the earliest refunding date (payment date) and/or whose interest rates vary with changes in a designated base rate (such as the prime interest rate).
- (d) 144A Exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
- (e) When-issued or delayed-delivery. To be settled/delivered after November 30, 2012.
- (f) In default.
- (g) Inverse Floater The interest rate shown bears an inverse relationship to the interest rate on another security or the value of an index. The interest rate disclosed reflects the rate in effect on November 30, 2012.
- (h) Variable Rate Notes Instruments whose interest rates change on specified date (such as a coupon date or interest payment date) and/or whose interest rates vary with changes in a designated base rate (such as the prime interest rate). The interest rate disclosed reflects the rate in effect on November 30, 2012.
- (i) Residual Interest Bonds held in Trust Securities represent underlying bonds transferred to a separate securitization trust established in a tender option bond transaction in which the Fund acquired the residual interest certificates. These securities serve as collateral in a financing transaction.
- (j) Step Bond Coupon is a fixed rate for an initial period then resets at a specific date and rate.
- (k) Fair Value Measurement

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| | Level 1 Quoted Prices | Level 2 Other Significant Observable Inputs | Level 3 Significant Unobservable Inputs | Value at 11/30/12 |
|----------------------------------|-----------------------------|--|--|----------------------|
| Investments in Securities | | | | |
| Assets | | | | |
| Municipal Bonds & Notes | | \$ 1,154,830,465 | | \$ 1,154,830,465 |
| Variable Rate Notes | | 25,033,475 | | 25,033,475 |
| Totals | | \$ 1,179,863,940 | | \$ 1,179,863,940 |

There were no transfers between Levels 1 and 2 during the six months ended November 30, 2012.

Glossary:

| | | |
|-------|---|--|
| AGC | - | insured by Assured Guaranty Corp. |
| AGM | - | insured by Assured Guaranty Municipal Corp. |
| AMBAC | - | insured by American Municipal Bond Assurance Corp. |
| CP | - | Certificates of Participation |
| FGIC | - | insured by Financial Guaranty Insurance Co. |
| FHA | - | insured by Federal Housing Administration |
| GO | - | General Obligation Bond |
| GTD | - | Guaranteed |
| IBC | - | Insurance Bond Certificate |
| NPFGC | - | insured by National Public Finance Guarantee Corp. |
| PSF | - | Public School Fund |

See accompanying Notes to Financial Statements 11.30.12 PIMCO Municipal Income Funds II Semi-Annual Report

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

November 30, 2012 (unaudited)

| Principal Amount (000s) | | Value |
|---|---|--------------|
| CALIFORNIA MUNICIPAL BONDS & NOTES 86.8% | | |
| \$ 2,000 | Alhambra Rev., Atherton Baptist Homes, 7.625%, 1/1/40, Ser. A | \$ 2,239,920 |
| 20,000 | Bay Area Toll Auth. Rev., San Francisco Bay Area, 5.00%, 4/1/39 (h) | 22,487,200 |
| 17,305 | Chabot-Las Positas Community College Dist., GO, Ser. C, zero coupon, 8/1/36 (AMBAC) | 5,305,540 |
| 5,000 | zero coupon, 8/1/37 (AMBAC) | 1,452,500 |
| 15,000 | zero coupon, 8/1/43 (AMBAC) | 3,193,800 |
| 1,000 | Chula Vista Rev., San Diego Gas & Electric, 5.875%, 2/15/34, Ser. B | 1,196,370 |
| 300 | City & Cnty. of San Francisco, Capital Improvement Projects, CP, 5.25%, 4/1/31, Ser. A | 341,373 |
| 1,000 | Corona-Norco Unified School Dist. Public Financing Auth., Special Tax, Ser. A, 6.00%, 9/1/25 | 1,001,310 |
| 4,150 | 6.10%, 9/1/32 | 4,153,652 |
| 9,145 | Coronado Community Dev. Agcy., Tax Allocation, 4.875%, 9/1/35 (AMBAC) | 9,383,501 |
| 25,000 | Desert Community College Dist., GO, zero coupon, 8/1/46, Ser. C (AGM) | 4,105,500 |
| 3,000 | Dinuba Financing Auth. Rev., Public Works Projects, 5.10%, 8/1/32 (NPFGC) | 3,066,150 |
| 8,300 | El Dorado Irrigation Dist. & El Dorado Water Agcy., CP, 5.75%, 8/1/39, Ser. A (AGC) | 8,980,019 |
| 1,500 | Foothill-Eastern Transportation Corridor Agcy. Rev., 5.875%, 1/15/27 (IBC-NPFGC) | 1,555,365 |
| 1,440 | Fremont Community Facs. Dist. No. 1, Special Tax, Pacific Commons, 5.30%, 9/1/30 | 1,469,635 |
| 13,885 | Golden State Tobacco Securitization Corp. Rev., 5.00%, 6/1/45 (AMBAC-TCRS) | 14,662,421 |
| 3,500 | 5.00%, 6/1/45, Ser. A | 3,695,965 |
| 6,000 | 5.00%, 6/1/45, Ser. A (FGIC-TCRS) | 6,335,940 |
| 8,500 | 5.125%, 6/1/47, Ser. A-1 | 7,142,720 |
| 29,415 | 5.75%, 6/1/47, Ser. A-1 | 27,539,794 |
| 500 | Health Facs. Financing Auth. Rev., Adventist Health System, 5.00%, 3/1/33, Ser. A | 503,995 |
| 250 | Adventist Health System, 5.75%, 9/1/39, Ser. A | 297,020 |
| 3,000 | Catholic Healthcare West, 6.00%, 7/1/39, Ser. A | 3,574,560 |
| 1,000 | Children s Hospital of Los Angeles, 5.00%, 11/15/34, Ser. A | 1,121,470 |
| 1,200 | Children s Hospital of Los Angeles, 5.25%, 7/1/38 (AGM) | 1,301,208 |
| 500 | Children s Hospital of Orange Cnty., 6.50%, 11/1/38, Ser. A | 620,735 |
| 3,700 | Stanford Hospital, 5.25%, 11/15/40, Ser. A-2 | 4,345,613 |
| 1,000 | Sutter Health, 5.00%, 8/15/35, Ser. D | 1,154,500 |
| 4,220 | Sutter Health, 5.00%, 11/15/42, Ser. A (IBC-NPFGC) | 4,655,630 |
| 12,195 | Sutter Health, 5.25%, 11/15/46, Ser. A (h) | 13,509,987 |
| 4,500 | Imperial Irrigation Dist. Rev., 5.00%, 11/1/41, Ser. B | 5,068,395 |
| 175 | Infrastructure & Economic Dev. Bank Rev., 5.25%, 2/1/38 | 189,238 |

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| | | |
|-------|--|-----------|
| 515 | Irvine Unified School Dist., Special Tax, 6.70%, 9/1/35 | 582,913 |
| 1,000 | Lancaster Redev. Agcy., Tax Allocation, 6.875%, 8/1/39 | 1,139,530 |
| 500 | Lancaster Redev. Agcy. Rev., Capital Improvements Projects, 5.90%, 12/1/35 | 550,410 |
| 2,000 | Long Beach Airport Rev., 5.00%, 6/1/40, Ser. A | 2,216,960 |

18 PIMCO Municipal Income Funds II Semi-Annual Report 11.30.12

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

November 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value |
|----------------------------|--|--------------|
| \$ 7,500 | Long Beach Bond Finance Auth. Rev., Long Beach Natural Gas, 5.50%, 11/15/37, Ser. A | \$ 9,319,800 |
| 10,000 | Long Beach Unified School Dist., GO, 5.25%, 8/1/33, Ser. A (h) | 11,649,500 |
| 15,000 | Los Angeles Department of Water & Power Rev., 4.75%, 7/1/30, Ser. A-2 (AGM) (h) | 16,036,800 |
| 500 | 5.00%, 7/1/43, Ser. B | 593,180 |
| 11,000 | Los Angeles Unified School Dist., GO, 5.00%, 1/1/34, Ser. I | 12,743,610 |
| 3,200 | M-S-R Energy Auth. Rev., 6.50%, 11/1/39, Ser. B | 4,578,560 |
| 10,000 | Manteca Redev. Agcy., Tax Allocation, 5.00%, 10/1/36 (AMBAC) | 10,017,500 |
| 5,330 | Manteca Unified School Dist. No. 89-2, Special Tax, 5.00%, 9/1/29, Ser. C (NPFGC) | 5,353,239 |
| 4,000 | Merced Cnty., Juvenile Justice Correctional Fac., CP, 5.00%, 6/1/32 (AMBAC) | 4,007,040 |
| 5,000 | Metropolitan Water Dist. of Southern California Rev., 5.00%, 7/1/37, Ser. A (h) | 5,760,900 |
| 1,240 | Municipal Finance Auth. Rev., Azusa Pacific Univ. Project, 7.75%, 4/1/31, Ser. B | 1,482,780 |
| 5,000 | Oakland Unified School Dist., Alameda Cnty., GO, 6.125%, 8/1/29, Ser. A | 5,776,200 |
| 4,750 | Palomar Pomerado Health, CP, 6.75%, 11/1/39 | 5,472,380 |
| 10,000 | Placentia-Yorba Linda Unified School Dist., CP, 5.00%, 10/1/32 (FGIC-NPFGC) | 10,437,600 |
| 1,500 | Pollution Control Financing Auth. Rev., American Water Capital Corp. Project, 5.25%, 8/1/40 (a)(d) | 1,626,630 |
| 27,000 | Poway Unified School Dist., GO, zero coupon, 8/1/40 | 7,491,420 |
| 16,000 | zero coupon, 8/1/46 | 3,317,440 |
| 1,950 | Riverside, CP, 5.00%, 9/1/33 (AMBAC) (Pre-refunded @ \$100, 9/1/13) (c) | 2,019,069 |
| 2,000 | Roseville Redev. Agcy., Tax Allocation, 5.00%, 9/1/32, Ser. B (NPFGC) | 2,017,800 |
| 1,375 | Ross Valley School Dist., GO, 5.00%, 8/1/42, Ser. B | 1,629,334 |
| 1,000 | San Diego Public Facs. Financing Auth. Rev., 5.25%, 5/15/39, Ser. A | 1,156,930 |
| 4,000 | San Diego Public Facs. Financing Auth. Water Rev., 5.25%, 8/1/38, Ser. A | 4,594,840 |
| 2,800 | San Diego Regional Building Auth. Rev., Cnty. Operations Center & Annex, 5.375%, 2/1/36, Ser. A | 3,199,868 |
| 2,800 | San Diego Unified School Dist., GO, 4.75%, 7/1/27, Ser. D-2 (AGM) | 3,037,860 |
| 1,000 | San Jose Hotel Tax Rev., Convention Center Expansion, 6.50%, 5/1/36 | 1,224,140 |
| 1,300 | San Marcos Unified School Dist., GO, 5.00%, 8/1/38, Ser. A | 1,500,070 |
| 1,260 | Santa Cruz Cnty., CP, 5.25%, 8/1/32 | 1,290,467 |
| 1,500 | Santa Cruz Cnty. Redev. Agcy., Tax Allocation, Live Oak/Soquel Community, 7.00%, 9/1/36, Ser. A | 1,792,740 |
| 2,500 | State, GO, 5.00%, 9/1/31 | 2,805,300 |
| 10,000 | 6.00%, 4/1/38 | 12,324,000 |
| 3,000 | State Public Works Board Rev., 5.75%, 10/1/30, Ser. G-1 | 3,570,630 |

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| | | |
|-------|---|-----------|
| 2,000 | California State Univ., 6.00%, 11/1/34, Ser. J | 2,427,240 |
| 2,000 | Judicial Council Projects, 5.00%, 12/1/29, Ser. D | 2,314,820 |
| 7,915 | Regents Univ., 5.00%, 3/1/33, Ser. A | 8,843,588 |

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

November 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value |
|---|---|--------------------|
| | Statewide Communities Dev. Auth. Rev., | |
| \$ 10,620 | Bentley School, zero coupon, 7/1/50 (b) | \$ 533,761 |
| 3,760 | Bentley School, 7.00%, 7/1/40, Ser. A | 4,115,546 |
| 1,520 | Catholic Healthcare West, 5.50%, 7/1/31, Ser. D | 1,713,025 |
| 1,520 | Catholic Healthcare West, 5.50%, 7/1/31, Ser. E | 1,713,025 |
| 250 | Huntington Park Charter School Project, 5.15%, 7/1/30, Ser. A | 235,380 |
| 1,250 | Huntington Park Charter School Project, 5.25%, 7/1/42, Ser. A | 1,140,150 |
| 500 | International School of the Peninsula Project, 5.00%, 11/1/29 | 458,250 |
| 1,000 | Lancer Student Housing Project, 7.50%, 6/1/42 | 1,158,060 |
| 9,700 | Los Angeles Jewish Home, 5.50%, 11/15/33 (CA Mtg. Ins.) | 9,867,616 |
| 2,400 | Methodist Hospital Project, 6.625%, 8/1/29 (FHA) | 3,078,072 |
| 8,800 | Methodist Hospital Project, 6.75%, 2/1/38 (FHA) | 11,030,536 |
| 3,700 | St. Joseph Health System, 5.75%, 7/1/47, Ser. A (FGIC) | 4,181,962 |
| 5,600 | Sutter Health, 6.00%, 8/15/42, Ser. A | 6,815,144 |
| 4,500 | Univ. of California Irvine E. Campus, 5.375%, 5/15/38 | 5,014,665 |
| 1,365 | Windrush School, 5.50%, 7/1/37 (b)(e) | 723,450 |
| 1,800 | Tobacco Securitization Agcy. Rev., Stanislaus Cnty., 5.875%, 6/1/43, Ser. A | 1,800,144 |
| 3,100 | Torrance Rev., Torrance Memorial Medical Center, 5.00%, 9/1/40, Ser. A | 3,388,517 |
| 1,000 | Tustin Unified School Dist., Special Tax, 6.00%, 9/1/40, Ser. 2006-1 | 1,062,770 |
| | Univ. of California Rev., | |
| 5,000 | 4.75%, 5/15/35, Ser. G (FGIC-NPFGC) (h) | 5,132,250 |
| 5,650 | 4.75%, 5/15/38, Ser. B | 5,816,166 |
| 15,000 | 5.00%, 5/15/42, Ser. G | 17,790,150 |
| | Total California Municipal Bonds & Notes (cost-\$364,121,154) | 428,322,753 |
| CALIFORNIA VARIABLE RATE NOTES (a)(d)(f)(g) 7.0% | | |
| 6,035 | Desert Community College Dist., GO, 9.457%, 8/1/32, Ser. 3016-1 (AGC) | 7,479,417 |
| | JPMorgan Chase Putters/Drivers Trust Rev., | |
| 7,500 | 9.459%, 5/15/40, Ser. 3838 | 9,782,100 |
| 3,000 | 13.856%, 11/15/19, Ser. 4039 (b)(i) | |
| | (acquisition cost-\$3,572,400; purchased 1/19/12) | 4,162,170 |
| 4,000 | Los Angeles Community College Dist., GO, 13.84%, 8/1/33, Ser. 3096 | 5,771,240 |
| 5,000 | San Diego Community College Dist., GO, 9.901%, 2/1/17 | 7,107,950 |
| | Total California Variable Rate Notes (cost-\$25,846,899) | 34,302,877 |

OTHER MUNICIPAL BONDS & NOTES 6.2%

Arizona 1.9%

| | | |
|-------|---|-----------|
| 8,000 | Salt Verde Financial Corp. Rev., 5.00%, 12/1/37 | 9,671,520 |
|-------|---|-----------|

New Jersey 0.8%

Tobacco Settlement Financing Corp. Rev., Ser. 1-A,

| | | |
|-------|---------------|-----------|
| 1,300 | 4.75%, 6/1/34 | 1,174,927 |
|-------|---------------|-----------|

| | | |
|-------|---------------|-----------|
| 3,000 | 5.00%, 6/1/41 | 2,709,750 |
|-------|---------------|-----------|

| | |
|--|-----------|
| | 3,884,677 |
|--|-----------|

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

November 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value |
|-------------------------|---|-----------------------|
| | New York 0.3% | |
| \$ 1,250 | Liberty Dev. Corp. Rev., Goldman Sachs Headquarters, 5.25%, 10/1/35 | \$ 1,557,875 |
| | Puerto Rico 0.9% | |
| | Sales Tax Financing Corp. Rev., | |
| 1,600 | 5.00%, 8/1/40, Ser. A (AGM) (h) | 1,704,784 |
| 2,500 | 5.25%, 8/1/43, Ser. A-1 | 2,694,350 |
| | | 4,399,134 |
| | Rhode Island 2.3% | |
| 11,000 | Tobacco Settlement Financing Corp. Rev., 6.25%, 6/1/42, Ser. 2002-A | 11,250,580 |
| | Total Other Municipal Bonds & Notes (cost-\$24,997,268) | 30,763,786 |
| | Total Investments (cost-\$414,965,321) 100.0% | \$ 493,389,416 |

Industry classification of portfolio holdings as a percentage of total investments at November 30, 2012 was as follows:

| | |
|---|-------|
| Revenue Bonds | |
| Health, Hospital & Nursing Home Revenue | 16.1% |
| Tobacco Settlement Funded | 15.5 |
| College & University Revenue | 8.2 |
| Natural Gas Revenue | 5.0 |
| Highway Revenue Tolls | 4.9 |
| Electric Power & Light Revenue | 4.3 |
| Lease (Abatement) | 3.1 |
| Water Revenue | 2.5 |
| Private Airport & Marina Revenue | 2.4 |
| Private Schools | 1.2 |
| Local or Guaranteed Housing | 1.0 |
| Sales Tax Revenue | 0.9 |
| Miscellaneous Revenue | 0.3 |
| Lease Revenue | 0.3 |

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| | |
|-------------------------------|--------------|
| Hotel Occupancy Tax | 0.2 |
| Sewer Revenue | 0.2 |
| Total Revenue Bonds | 66.1% |
| General Obligation | 19.6 |
| Certificates of Participation | 6.6 |
| Tax Allocation | 4.9 |
| Special Tax | 2.8 |
| Total Investments | 100.0% |

Table of Contents

PIMCO California Municipal Income Fund II Notes to Schedule of Investments

November 30, 2012 (unaudited) (continued)

- (a) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$35,929,507, representing 7.3% of total investments.
- (b) Illiquid.
- (c) Pre-refunded bonds are collateralized by U.S. Government or other eligible securities which are held in escrow and used to pay principal and interest and retire the bonds at the earliest refunding date (payment date) and/or whose interest rates vary with changes in a designated base rate (such as the prime interest rate).
- (d) 144A Exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
- (e) In default.
- (f) Inverse Floater The interest rate shown bears an inverse relationship to the interest rate on another security or the value of an index. The interest rate disclosed reflects the rate in effect on November 30, 2012.
- (g) Variable Rate Notes Instruments whose interest rates change on specified date (such as a coupon date or interest payment date) and/or whose interest rates vary with changes in a designated base rate (such as the prime interest rate). The interest rate disclosed reflects the rate in effect on November 30, 2012.
- (h) Residual Interest Bonds held in Trust Securities represent underlying bonds transferred to a separate securitization trust established in a tender option bond transaction in which the Fund acquired the residual interest certificates. These securities serve as collateral in a financing transaction.
- (i) Restricted. The aggregate acquisition cost of such security is \$3,572,400. The aggregate market value is \$4,162,170, representing 0.8% of total investments.
- (j) Fair Value Measurement

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| | Level 1 Quoted Prices | Level 2 Other Significant Observable Inputs | Level 3 Significant Unobservable Inputs | Value at 11/30/12 |
|---|-----------------------------|--|--|----------------------|
| Investments in Securities Assets | | | | |
| California Municipal Bonds & Notes | | \$ 427,599,303 | \$ 723,450 | \$ 428,322,753 |
| California Variable Rate Notes | | 34,302,877 | | 34,302,877 |
| Other Municipal Bonds & Notes | | 30,763,786 | | 30,763,786 |
| Totals | | \$ 492,665,966 | \$ 723,450 | \$ 493,389,416 |

There were no transfers between Levels 1 and 2 during the six months ended November 30, 2012.

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

| | Beginning Balance 5/31/12 | Purchases Sales (Premiums) | Accrued Discount/ Gain/(Loss) | Net Realized (Loss)/ Gain | Net Change in Unrealized Appreciation/ Depreciation | Transfers into Level 3 | Transfers out of Level 3 | Ending Balance 11/30/12 |
|---|---------------------------------|----------------------------------|-------------------------------------|------------------------------------|---|---------------------------------|--------------------------------------|-------------------------------|
| Investments in Securities Assets | | | | | | | | |
| California Municipal Bonds & Notes | \$ 941,850 | | | | \$ (218,400) | | | \$ 723,450 |

Table of Contents**PIMCO California Municipal Income Fund II Notes to Schedule of Investments**

November 30, 2012 (unaudited) (continued)

The following table presents additional information about valuation techniques and inputs used for investments that are measured at fair value and categorized within Level 3 at November 30, 2012.

| Investments in Securities | Assets | Ending Balance at 11/30/12 | Valuation Technique Used | Unobservable Inputs | Input Values |
|------------------------------------|---------------|---|-------------------------------------|--------------------------------|-------------------------|
| California Municipal Bonds & Notes | | \$ 723,450 | Third-Party Pricing Vendor | Stale Pricing | \$ 53.00 |

The net change in unrealized appreciation/depreciation of Level 3 investments, which the Fund held at November 30, 2012, was \$(218,400). Net change in unrealized depreciation is reflected on the Statements of Operations.

Glossary:

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

See accompanying Notes to Financial Statements 11.30.12 PIMCO Municipal Income Funds II Semi-Annual Report

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

November 30, 2012 (unaudited)

| Principal Amount (000s) | | Value |
|---|---|--------------|
| NEW YORK MUNICIPAL BONDS & NOTES 90.3% | | |
| \$ 1,000 | Chautauqua Cnty. Industrial Dev. Agcy. Rev., Dunkirk Power Project, 5.875%, 4/1/42 | \$ 1,138,280 |
| 2,400 | Erie Cnty. Industrial Dev. Agcy. Rev., Orchard Park, Inc. Project, 6.00%, 11/15/36, Ser. A | 2,469,312 |
| 9,000 | Hudson Yards Infrastructure Corp. Rev., 5.75%, 2/15/47, Ser. A | 10,880,370 |
| 1,400 | Liberty Dev. Corp. Rev., 5.625%, 7/15/47 | 1,602,860 |
| 1,300 | Bank of America Tower at One Bryant Park Project, 6.375%, 7/15/49 | 1,545,128 |
| 4,120 | Goldman Sachs Headquarters, 5.25%, 10/1/35 (g) | 5,134,756 |
| 3,000 | Goldman Sachs Headquarters, 5.25%, 10/1/35 | 3,738,900 |
| 3,500 | Goldman Sachs Headquarters, 5.50%, 10/1/37 | 4,537,400 |
| 500 | Long Island Power Auth. Rev., 5.00%, 9/1/34, Ser. A (AMBAC) | 523,040 |
| 3,000 | Metropolitan Transportation Auth. Rev., 5.00%, 11/15/30, Ser. D | 3,618,540 |
| 2,000 | 5.00%, 11/15/34, Ser. B | 2,299,040 |
| 5,000 | 5.50%, 11/15/39, Ser. A | 5,737,400 |
| 7,000 | Monroe Cnty. Industrial Dev. Corp. Rev., Unity Hospital Rochester Project, 5.50%, 8/15/40 (FHA) (g) | 8,324,260 |
| 2,400 | Nassau Cnty. Industrial Dev. Agcy. Rev., Amsterdam at Harborside, 6.70%, 1/1/43, Ser. A | 1,567,896 |
| 4,000 | New York City, GO, 5.00%, 3/1/33, Ser. I (Pre-refunded @ \$100, 3/1/13) (c) | 4,045,520 |
| 1,500 | New York City Health & Hospital Corp. Rev., 5.00%, 2/15/30, Ser. A | 1,730,520 |
| 975 | New York City Industrial Dev. Agcy. Rev., Eger Harbor Project, 4.95%, 11/20/32, Ser. A (GNMA) | 987,421 |
| 1,415 | Liberty Interactive Corp., 5.00%, 9/1/35 | 1,453,120 |
| 1,500 | Pilot Queens Baseball Stadium, 6.50%, 1/1/46 (AGC) | 1,783,005 |
| 1,500 | United Jewish Appeal Federation Project, 5.00%, 7/1/27, Ser. A | 1,594,080 |
| 750 | Yankee Stadium, 5.00%, 3/1/31 (FGIC) | 800,730 |
| 1,900 | Yankee Stadium, 5.00%, 3/1/36 (NPFGC) | 2,010,580 |
| 4,900 | Yankee Stadium, 7.00%, 3/1/49 (AGC) | 6,023,031 |
| 1,000 | New York City Municipal Water Finance Auth. Water & Sewer Rev., 5.25%, 6/15/40, Ser. EE | 1,184,510 |
| 500 | Second Generation Resolutions, 5.00%, 6/15/39, Ser. GG-1 | 581,720 |
| 10 | New York City Transitional Finance Auth. Rev., 5.00%, 11/1/27, Ser. B | 10,033 |
| 4,850 | 5.00%, 5/1/39, Ser. F-1 | 5,797,690 |
| 5,000 | 5.25%, 1/15/39, Ser. S-3 | 5,671,500 |
| | New York Liberty Dev. Corp. Rev., | |

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| | | |
|--------|---|------------|
| 3,000 | 1 World Trade Center Project, 5.00%, 12/15/41 | 3,507,600 |
| 10,000 | 4 World Trade Center Project, 5.75%, 11/15/51 | 12,275,300 |
| 1,000 | Onondaga Cnty. Rev., Syracuse Univ. Project, 5.00%, 12/1/36 | 1,175,500 |
| 1,400 | Port Auth. of New York & New Jersey Rev., JFK International Air Terminal, 6.00%, 12/1/36 | 1,659,224 |

24 PIMCO Municipal Income Funds II Semi-Annual Report 11.30.12

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

November 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value |
|----------------------------|---|--------------------|
| | State Dormitory Auth. Rev., | |
| \$ 3,000 | 5.00%, 3/15/38, Ser. A | \$ 3,541,980 |
| 2,500 | 5.00%, 2/15/40, Ser. D | 2,954,150 |
| 4,000 | 5.00%, 7/1/42, Ser. A | 4,727,000 |
| 7,490 | 5.50%, 5/15/31, Ser. A (AMBAC) | 10,335,002 |
| 2,600 | Catholic Health of Long Island, 5.10%, 7/1/34 | 2,697,006 |
| 1,500 | Fordham Univ., 5.50%, 7/1/36, Ser. A | 1,791,570 |
| 2,750 | Memorial Sloan-Kettering Cancer Center, 5.00%, 7/1/35, Ser. 1 | 2,992,330 |
| 2,000 | Memorial Sloan-Kettering Cancer Center, 5.00%, 7/1/36, Ser. A-1 | 2,253,000 |
| 2,000 | Mount Sinai Hospital, 5.00%, 7/1/31, Ser. A | 2,245,660 |
| 2,100 | New York Univ., 5.00%, 7/1/38, Ser. A | 2,355,213 |
| 1,000 | New York Univ. Hospital Center, 5.625%, 7/1/37, Ser. B | 1,110,900 |
| 600 | North Shore-Long Island Jewish Health System, 5.50%, 5/1/37, Ser. A | 695,142 |
| 5,000 | Rochester General Hospital, 5.00%, 12/1/35 (Radian) | 5,142,350 |
| 3,000 | Teachers College, 5.50%, 3/1/39 | 3,380,040 |
| 1,000 | The New School, 5.50%, 7/1/40 | 1,171,890 |
| 3,000 | Yeshiva Univ., 5.125%, 7/1/34 (AMBAC) | 3,126,300 |
| 5,000 | State Environmental Facs. Corp. Rev., 5.125%, 6/15/38, Ser. A | 5,808,850 |
| | State Thruway Auth. Rev., | |
| 1,000 | 4.75%, 1/1/29, Ser. G (AGM) | 1,082,490 |
| 3,800 | 5.00%, 1/1/42, Ser. I | 4,429,166 |
| 6,000 | State Urban Dev. Corp. Rev., 5.00%, 3/15/36, Ser. B-1 (g) | 7,166,220 |
| 5,000 | Triborough Bridge & Tunnel Auth. Rev., 5.25%, 11/15/34, Ser. A-2 (g) | 6,037,200 |
| 3,435 | Troy Capital Res. Corp. Rev., Rensselaer Polytechnic Institute, 5.125%, 9/1/40, Ser. A | 3,884,951 |
| 1,815 | Ulster Cnty. Industrial Dev. Agcy. Rev., 6.00%, 9/15/37, Ser. A (b) | 1,357,674 |
| 2,000 | Warren & Washington Cntys. Industrial Dev. Agcy. Rev., Glens Falls Hospital Project, 5.00%, 12/1/35, Ser. A (AGM) | 2,043,600 |
| 1,490 | Westchester Cnty. Healthcare Corp. Rev., 6.125%, 11/1/37, Ser. C-2 | 1,769,345 |
| 1,000 | Yonkers Economic Dev. Corp. Rev., Charter School of Educational Excellence Project, 6.00%, 10/15/30, Ser. A | 1,064,270 |
| 600 | Yonkers Industrial Dev. Agcy. Rev., Sarah Lawrence College Project, 6.00%, 6/1/41, Ser. A | 690,150 |
| | Total New York Municipal Bonds & Notes (cost-\$168,040,968) | 191,261,715 |

OTHER MUNICIPAL BONDS & NOTES 6.6%

Florida 0.6%

| | | |
|-------|---|-----------|
| 1,000 | Clearwater Water & Sewer Rev., 5.25%, 12/1/39, Ser. A | 1,159,350 |
|-------|---|-----------|

Louisiana 0.6%

| | | |
|-------|--|-----------|
| 1,000 | East Baton Rouge Sewerage Commission Rev., 5.25%, 2/1/39, Ser. A | 1,188,600 |
|-------|--|-----------|

Ohio 0.6%

| | | |
|-------|---|-----------|
| 1,435 | Buckeye Tobacco Settlement Financing Auth. Rev., 5.875%, 6/1/47, Ser. A-2 | 1,279,991 |
|-------|---|-----------|

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

November 30, 2012 (unaudited) (continued)

| Principal Amount (000s) | | Value |
|----------------------------|---|-----------------------|
| | Puerto Rico 4.3% | |
| \$ 5,675 | Children s Trust Fund Rev., 5.625%, 5/15/43 | \$ 5,676,703 |
| | Sales Tax Financing Corp. Rev., | |
| 2,000 | 5.00%, 8/1/40, Ser. A (AGM) (g) | 2,130,980 |
| 1,300 | 5.25%, 8/1/43, Ser. A-1 | 1,401,062 |
| | | 9,208,745 |
| | U. S. Virgin Islands 0.5% | |
| 1,000 | Public Finance Auth. Rev., 6.00%, 10/1/39, Ser. A | 1,141,380 |
| | Total Other Municipal Bonds & Notes (cost-\$12,788,306) | 13,978,066 |
| | NEW YORK VARIABLE RATE NOTES 3.1% | |
| 5,000 | JPMorgan Chase Putters/Drivers Trust Rev., 9.406%, 7/1/33, Ser. 3382 (a)(d)(e)(f) (cost-\$4,882,365) | 6,655,450 |
| | Total Investments (cost-\$185,711,639) 100.0% | \$ 211,895,231 |

Industry classification of portfolio holdings as a percentage of total investments at November 30, 2012 was as follows:

| | |
|---|-------|
| Revenue Bonds | |
| Health, Hospital & Nursing Home Revenue | 17.2% |
| College & University Revenue | 13.7 |
| Industrial Revenue | 10.7 |
| Income Tax Revenue | 9.2 |
| Miscellaneous Revenue | 8.7 |
| Transit Revenue | 5.5 |
| Highway Revenue Tolls | 5.4 |
| Miscellaneous Taxes | 5.1 |
| Lease (Abatement) | 4.9 |
| Recreational Revenue | 4.2 |
| Water Revenue | 4.1 |
| Tobacco Settlement Funded | 3.3 |
| Private Airport & Marina Revenue | 2.4 |
| Sales Tax Revenue | 1.7 |
| Economic Development Revenue | 0.7 |

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| | |
|--------------------------------|--------|
| Sewer Revenue | 0.6 |
| Local or Guaranteed Housing | 0.5 |
| Electric Power & Light Revenue | 0.2 |
| Total Revenue Bonds | 98.1% |
| General Obligation | 1.9 |
| Total Investments | 100.0% |

26 PIMCO Municipal Income Funds II Semi-Annual Report 11.30.12

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

November 30, 2012 (unaudited) (continued)

- (a) Private Placement Restricted as to resale and may not have a readily available market. Security with an aggregate value of \$6,655,450, representing 3.1% of total investments.
- (b) Illiquid.
- (c) Pre-refunded bonds are collateralized by U.S. Government or other eligible securities which are held in escrow and used to pay principal and interest and retire the bonds at the earliest refunding date (payment date) and/or whose interest rates vary with changes in a designated base rate (such as the prime interest rate).
- (d) 144A Exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
- (e) Inverse Floater The interest rate shown bears an inverse relationship to the interest rate on another security or the value of an index. The interest rate disclosed reflects the rate in effect on November 30, 2012.
- (f) Variable Rate Notes Instruments whose interest rates change on specified date (such as a coupon date or interest payment date) and/or whose interest rates vary with changes in a designated base rate (such as the prime interest rate). The interest rate disclosed reflects the rate in effect on November 30, 2012.
- (g) Residual Interest Bonds held in Trust Securities represent underlying bonds transferred to a separate securitization trust established in a tender option bond transaction in which the Fund acquired the residual interest certificates. These securities serve as collateral in a financing transaction.
- (h) Fair Value Measurement

| | Level 1 Quoted Prices | Level 2 Other Significant Observable Inputs | Level 3 Significant Unobservable Inputs | Value at 11/30/12 |
|---|-----------------------------|--|--|----------------------|
| Investments in Securities Assets | | | | |
| New York Municipal Bonds & Notes | | \$ 191,261,715 | | \$ 191,261,715 |
| Other Municipal Bonds & Notes | | 13,978,066 | | 13,978,066 |
| New York Variable Rate Notes | | 6,655,450 | | 6,655,450 |

| | | |
|--------------------------|----------------|----------------|
| Total Investments | \$ 211,895,231 | \$ 211,895,231 |
|--------------------------|----------------|----------------|

There were no transfers between Levels 1 and 2 during the six months ended November 30, 2012.

Glossary:

| | | |
|--------|---|---|
| AGC | - | insured by Assured Guaranty Corp. |
| AGM | - | insured by Assured Guaranty Municipal Corp. |
| AMBAC | - | insured by American Municipal Bond Assurance Corp. |
| FGIC | - | insured by Financial Guaranty Insurance Co. |
| FHA | - | insured by Federal Housing Administration |
| GNMA | - | insured by Government National Mortgage Association |
| GO | - | General Obligation Bond |
| NPFGC | - | insured by National Public Finance Guarantee Corp. |
| Radian | - | insured by Radian Guaranty, Inc. |

See accompanying Notes to Financial Statements 11.30.12 PIMCO Municipal Income Funds II Semi-Annual Report

Table of Contents**PIMCO Municipal Income Funds II Statements of Assets and Liabilities**

November 30, 2012 (unaudited)

| | Municipal II | California Municipal II | New York Municipal II |
|---|----------------------|----------------------------|--------------------------|
| Assets: | | | |
| Investments, at value (cost-\$1,032,444,088, \$414,965,321 and \$185,711,639, respectively) | \$1,179,863,940 | \$493,389,416 | \$211,895,231 |
| Cash | 7,013,687 | 3,024,831 | 15,673,961 |
| Interest receivable | 17,573,388 | 6,846,216 | 2,595,251 |
| Receivable for investments sold | 20,400 | | |
| Prepaid expenses and other assets | 61,869 | 63,624 | 28,978 |
| Total Assets | 1,204,533,284 | 503,324,087 | 230,193,421 |
| Liabilities: | | | |
| Payable for Floating Rate Notes issued | 49,317,277 | 41,398,801 | 13,851,894 |
| Payable for investments purchased | 5,500,850 | | 3,692,895 |
| Dividends payable to common and preferred shareholders | 3,958,221 | 1,976,149 | 724,412 |
| Investment management fees payable | 603,574 | 242,051 | 111,567 |
| Interest payable | 108,010 | 81,651 | 23,247 |
| Accrued expenses and other liabilities | 489,503 | 263,581 | 420,194 |
| Total Liabilities | 59,977,435 | 43,962,233 | 18,824,209 |
| Preferred Shares (\$0.00001 par value and \$25,000 liquidation preference per share applicable to an aggregate of 14,680, 6,520 and 3,160 shares issued and outstanding, respectively) | 367,000,000 | 163,000,000 | 79,000,000 |
| Net Assets Applicable to Common Shareholders | \$777,555,849 | \$296,361,854 | \$132,369,212 |
| Composition of Net Assets Applicable to Common Shareholders: | | | |
| Common Shares: | | | |
| Par value (\$0.00001 per share) | \$608 | \$316 | \$109 |
| Paid-in-capital in excess of par | 857,995,723 | 429,615,947 | 153,325,724 |
| Undistributed (dividends in excess of) net investment income | 22,051,027 | (3,126,622) | 2,196,978 |
| Accumulated net realized loss | (249,902,486) | (208,554,320) | (49,309,934) |
| Net unrealized appreciation of investments | 147,410,977 | 78,426,533 | 26,156,335 |
| Net Assets Applicable to Common Shareholders | \$777,555,849 | \$296,361,854 | \$132,369,212 |
| Common Shares Issued and Outstanding | 60,768,745 | 31,550,485 | 10,903,328 |
| Net Asset Value Per Common Share | \$12.80 | \$9.39 | \$12.14 |

Table of Contents**PIMCO Municipal Income Funds II Statements of Operations**

Six Months ended November 30, 2012 (unaudited)

| | Municipal II | California Municipal II | New York Municipal II |
|--|---------------------|----------------------------|--------------------------|
| Investment Income: | | | |
| Interest | \$29,716,156 | \$12,791,719 | \$5,317,988 |
| Miscellaneous income | 19,905 | 52 | |
| Total Investment Income | 29,736,061 | 12,791,771 | 5,317,988 |
| Expenses: | | | |
| Investment management fees | 3,604,806 | 1,440,853 | 668,673 |
| Auction agent fees and commissions | 288,748 | 135,154 | 64,739 |
| Interest expense | 209,241 | 169,538 | 61,189 |
| Custodian and accounting agent fees | 68,279 | 47,645 | 32,336 |
| Trustees' fees and expenses | 51,056 | 19,252 | 9,745 |
| Shareholder communications | 47,730 | 25,015 | 16,075 |
| Audit and tax service fees | 32,588 | 31,705 | 31,890 |
| New York Stock Exchange listing fees | 29,396 | 15,247 | 12,880 |
| Legal fees | 25,163 | 7,888 | 5,640 |
| Transfer agent fees | 17,471 | 17,786 | 15,960 |
| Insurance expense | 10,413 | 5,047 | 3,197 |
| Miscellaneous expense | 7,166 | 6,164 | 5,442 |
| Total Expenses | 4,392,057 | 1,921,294 | 927,766 |
| Less: investment management fees waived | (44,626) | (17,814) | (8,296) |
| custody credits earned on cash balances | (3,526) | (1,923) | (2,880) |
| Net Expenses | 4,343,905 | 1,901,557 | 916,590 |
| Net Investment Income | 25,392,156 | 10,890,214 | 4,401,398 |
| Realized and Change In Unrealized Gain (Loss): | | | |
| Net realized gain (loss) on: | | | |
| Investments | (496,419) | 274,476 | 348,867 |
| Futures contracts | (372,078) | | (74,416) |
| Net change in unrealized appreciation/depreciation of: | | | |
| Investments | 53,225,233 | 24,130,617 | 8,126,993 |
| Futures contracts | 203,238 | | 40,648 |
| Net realized and change in unrealized gain | 52,559,974 | 24,405,093 | 8,442,092 |
| Net Increase in Net Assets Resulting from Investment Operations | 77,952,130 | 35,295,307 | 12,843,490 |
| Dividends on Preferred Shares from Net investment income | (497,837) | (221,101) | (107,059) |
| Net Increase in Net Assets Applicable to Common Shareholders Resulting from Investment Operations | \$77,454,293 | \$35,074,206 | \$12,736,431 |

See accompanying Notes to Financial Statements 11.30.12 PIMCO Municipal Income Funds II Semi-Annual Report

Table of Contents**PIMCO Municipal Income Funds II Statements of Changes in Net Assets****Applicable to Common Shareholders**

| | Municipal II | |
|---|----------------------------------|----------------------------|
| | Six Months ended | |
| | November 30, 2012 (unaudited) | Year ended May 31, 2012 |
| Investment Operations: | | |
| Net investment income | \$25,392,156 | \$53,422,247 |
| Net realized gain (loss) | (868,497) | (14,470,319) |
| Net change in unrealized appreciation/depreciation | 53,428,471 | 117,235,329 |
| Net increase in net assets resulting from investment operations | 77,952,130 | 156,187,257 |
| Dividends on Preferred Shares from Net Investment Income | (497,837) | (844,983) |
| Net increase in net assets applicable to common shareholders resulting from investment operations | 77,454,293 | 155,342,274 |
| Dividends to Common Shareholders from: | | |
| Net investment income | (23,679,171) | (47,201,725) |
| Return of capital | | |
| Total Dividends Shareholders | (23,679,171) | (47,201,725) |
| Common Share Transactions: | | |
| Reinvestment of dividends | 1,619,989 | 3,220,671 |
| Total increase in net assets applicable to common shareholders | 55,395,111 | 111,361,220 |
| Net Assets Applicable to Common Shareholders: | | |
| Beginning of period | 722,160,738 | 610,799,518 |
| End of period* | \$777,555,849 | \$722,160,738 |
| *Including undistributed (dividends in excess of) net investment income of: | \$22,051,027 | \$20,835,879 |
| Common Shares Issued in Reinvestment of Dividends | 129,902 | 295,661 |

Table of Contents**PIMCO Municipal Income Funds II Statements of Changes in Net Assets**

Applicable to Common Shareholders (continued)

| California Municipal II | | New York Municipal II | |
|--|-------------------------|--|-------------------------|
| Six Months ended November 30, 2012 (unaudited) | Year ended May 31, 2012 | Six Months ended November 30, 2012 (unaudited) | Year ended May 31, 2012 |
| \$10,890,214 | \$22,432,123 | \$4,401,398 | \$9,095,315 |
| 274,476 | (6,106,658) | 274,451 | (3,777,108) |
| 24,130,617 | 47,433,034 | 8,167,641 | 17,268,915 |
| 35,295,307 | 63,758,499 | 12,843,490 | 22,587,122 |
| (221,101) | (383,285) | (107,059) | (181,888) |
| 35,074,206 | 63,375,214 | 12,736,431 | 22,405,234 |
| (11,822,697) | (22,056,823) | (4,330,269) | (8,629,270) |
| (11,822,697) | (1,522,981) | (4,330,269) | (8,629,270) |
| (11,822,697) | (23,579,804) | (4,330,269) | (8,629,270) |
| 540,708 | 1,288,406 | 295,757 | 635,052 |
| 23,792,217 | 41,083,816 | 8,701,919 | 14,411,016 |
| 272,569,637 | 231,485,821 | 123,667,293 | 109,256,277 |
| \$296,361,854 | \$272,569,637 | \$132,369,212 | \$123,667,293 |
| \$(3,126,622) | \$(1,973,038) | \$2,196,978 | \$2,232,908 |
| 53,683 | 142,977 | 23,819 | 58,575 |

See accompanying Notes to Financial Statements 11.30.12 PIMCO Municipal Income Funds II Semi-Annual Report

Table of Contents

PIMCO Municipal Income Funds II Notes to Financial Statements

November 30, 2012 (unaudited)

1. Organization and Significant Accounting Policies

PIMCO Municipal Income Fund II (Municipal II), PIMCO California Municipal Income Fund II (California Municipal II) and PIMCO New York Municipal Income Fund II (New York Municipal II), (each a Fund and collectively referred to as the Funds or PIMCO Municipal Income Funds II), were organized as Massachusetts business trusts on March 29, 2002. Prior to commencing operations on June 28, 2002, the Funds had no operations other than matters relating to their organization and registration as non-diversified, closed-end management investment companies registered under the Investment Company Act of 1940; as amended, and the rules and regulations thereunder. Allianz Global Investors Fund Management LLC (the Investment Manager) and Pacific Investment Management Company LLC ("PIMCO" or the "Sub-Adviser") serves as the investment manager and sub-adviser, respectively, and are indirect, wholly-owned subsidiaries of Allianz Asset Management of America L.P. (AAM). AAM is an indirect, wholly-owned subsidiary of Allianz SE, a publicly traded European insurance and financial services company. Each Fund has authorized an unlimited amount of common shares with \$0.00001 par value.

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

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

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

In December 2011, the Financial Accounting Standards Board issued Accounting Standards Update No. 2011-11, Disclosures About Offsetting Assets and Liabilities , which requires enhanced disclosures that will enable users to evaluate the effect or potential effect of netting arrangements on an entity's financial position, including the effect or potential effect of rights of setoff associated with certain financial instruments and derivative instruments. The amendments are effective for fiscal years beginning on or after January 1, 2013. The Funds' management is currently evaluating the effect that the guidance may have on the Funds' financial statements.

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

(a) Valuation of Investments

Portfolio securities and other financial instruments for which market quotations are readily available are stated at market value. Market value is generally determined on the basis of last reported sales prices, or if no sales are reported, on the basis of quotes obtained from a quotation reporting system, established market makers, or independent pricing services. The Funds' investments are valued daily using prices supplied by an independent pricing service or dealer quotations, or by using the last sale price on the exchange that is the primary market for such securities, or the mean between the last quoted bid and ask price. Independent pricing services use information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Securities purchased on a when-issued or delayed-delivery basis are marked to market daily until settlement at the forward settlement date.

The Board of Trustees (the Board) has adopted procedures for valuing portfolio securities and other financial derivative instruments in circumstances where market quotes are not readily available, and has delegated the responsibility for applying the valuation methods to the Investment Manager and Sub-Adviser, an affiliate of the Investment Manager. The Funds' Valuation Committee was established by the Board to oversee the implementation of the Funds' valuation methods and to make fair value determinations on behalf of the Board, as instructed. The Sub-Adviser monitors the

Table of Contents

PIMCO Municipal Income Funds II Notes to Financial Statements

November 30, 2012 (unaudited)

1. Organization and Significant Accounting Policies (continued)

continued appropriateness of methods applied and determines if adjustments should be made in light of market changes, events affecting the issuer, or other factors. If the Sub-Adviser determines that a valuation method may no longer be appropriate, another valuation method may be selected, or the Valuation Committee will be convened to consider the matter and take any appropriate action in accordance with procedures set forth by the Board. The Board shall review the appropriateness of the valuation methods and these methods may be amended or supplemented from time to time by the Valuation Committee.

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.

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

(b) Fair Value Measurements

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

- Level 1 quoted prices in active markets for identical investments that the Funds have the ability to access
- Level 2 valuations based on other significant observable inputs, which may include, but are not limited to, quoted prices for similar assets or liabilities, interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates or other market corroborated inputs
- Level 3 valuations based on significant unobservable inputs (including the Sub-Adviser's or Valuation Committee's own assumptions and single broker quotes in determining the fair value of investments)

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

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

inputs are observable, the values of municipal bonds & notes and variable rate notes are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

The valuation techniques used by the Funds to measure fair value during the six months ended November 30, 2012 were intended to maximize the use of observable inputs and to minimize the use of unobservable inputs.

The Funds' policy is to recognize transfers between levels at the end of the reporting period. 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 the 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 techniques used. Investments categorized as Level 1 or 2 as of period end may have been transferred between Levels 1 and 2 since the prior period due to changes in the valuation method utilized in valuing the investments.

(c) Investment Transactions and Investment Income

Investment transactions are accounted for on the trade date. Realized gains and losses on investments are determined on an identified cost basis. Interest income adjusted for the accretion of discount and amortization of premium is recorded on an accrual basis. Discounts or premiums on debt securities purchased are accreted or amortized, respectively, to interest income.

Table of Contents**PIMCO Municipal Income Funds II Notes to Financial Statements**

November 30, 2012 (unaudited)

1. Organization and Significant Accounting Policies (continued)**(d) Federal Income Taxes**

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

Accounting for uncertainty in income taxes establishes for all entities, including pass-through entities such as the Funds, a minimum threshold for financial statement recognition of the benefit of positions taken in filing tax returns (including whether an entity is taxable in a particular jurisdiction), and requires certain expanded tax disclosures. The Funds' management has determined that its evaluation has resulted in no material impact to the Funds' financial statements at November 30, 2012. The Funds' federal tax returns for the prior three years remain subject to examination by the Internal Revenue Service.

(e) Dividends and Distributions – Common Shares

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

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

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

generally reset weekly and their holders have the option to tender their notes to the broker for redemption at par at each reset date.

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

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

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

34 PIMCO Municipal Income Funds II Semi-Annual Report 11.30.12

Table of Contents

PIMCO Municipal Income Funds II Notes to Financial Statements

November 30, 2012 (unaudited)

1. Organization and Significant Accounting Policies (continued)

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

(g) Restricted Securities

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

(h) Interest Expense

Interest expense relates to the Funds' participation in Floating Rate Notes held by third parties in conjunction with Inverse Floater transactions.

(i) Custody Credits on Cash Balances

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

2. Principal Risks

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

Interest rate risk is the risk that fixed income securities will decline in value because of changes in interest rates. As nominal interest rates rise, the values of certain fixed income securities held by the Funds are likely to decrease. A

nominal interest rate can be described as the sum of a real interest rate and an expected inflation rate. Fixed income securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. Duration is used primarily as a measure of the sensitivity of a fixed income security's market price to interest rate (*i.e.* yield) movements.

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

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

Table of Contents

PIMCO Municipal Income Funds II Notes to Financial Statements

November 30, 2012 (unaudited)

2. Principal Risks (continued)

The market values of securities may decline due to general market conditions (market risk) which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment. They may also decline due to factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. Equity securities and equity-related investments generally have greater market price volatility than fixed income securities.

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

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

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

3. Financial Derivative Instruments

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

value and recognize changes in fair value through the Funds' Statements of Operations, and such derivatives do not qualify for hedge accounting treatment.

(a) Futures Contracts

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

Table of Contents**PIMCO Municipal Income Funds II Notes to Financial Statements**

November 30, 2012 (unaudited)

4. Investment Manager/Sub-Adviser

Each Fund has an Investment Management Agreement (each an "Agreement") with the Investment Manager. Subject to the supervision of each Fund's Board, the Investment Manager is responsible for managing, either directly or through others selected by it, the Funds' investment activities, business affairs and administrative matters. Pursuant to each Agreement, the Investment Manager receives an annual fee, payable monthly, at an annual rate of 0.65% of each Fund's average daily net assets, inclusive of net assets attributable to any Preferred Shares that were outstanding. For the period July 1, 2011 through June 30, 2012, the Investment Manager voluntarily agreed to waive a portion of its fee for each Fund at the annual rate of 0.05% of each Fund's average daily net assets, inclusive of net assets attributable to any Preferred Shares that were outstanding. For the six months ended November 30, 2012, each Fund paid investment management fees at an effective rate of 0.64% of each Fund's average daily net assets, inclusive of net assets attributable to any Preferred Shares that were outstanding.

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

5. Investments in Securities

For the six months ended November 30, 2012, purchases and sales of investments, other than short-term securities were:

| | Purchases | Sales |
|-------------------------|---------------|----------------|
| Municipal II | \$ 89,010,486 | \$ 143,391,691 |
| California Municipal II | 26,330,780 | 54,729,997 |
| New York Municipal II | 25,327,564 | 33,531,950 |

Floating Rate Notes for the six months ended November 30, 2012:

The weighted average daily balance of Floating Rate Notes outstanding during the six months ended November 30, 2012 for Municipal II, California Municipal II and New York Municipal II was \$49,317,277, \$41,398,801 and \$13,851,894 at a weighted average interest rate, including fees, of 0.42%, 0.41% and 0.44%, respectively.

6. Income Tax Information

At November 30, 2012, the aggregate cost basis and the net unrealized appreciation (depreciation) of investments for federal income tax purposes were:

| | | Gross | Gross | Net |
|-------------------------|----------------|----------------|----------------|----------------|
| | Cost of | Unrealized | Unrealized | Unrealized |
| | Investments | Appreciation | Depreciation | Appreciation |
| Municipal II | \$ 981,381,804 | \$ 152,708,433 | \$ (3,887,818) | \$ 148,820,615 |
| California Municipal II | 373,827,666 | 78,730,259 | (724,196) | 78,006,063 |
| New York Municipal II | 171,644,588 | 27,343,474 | (1,289,430) | 26,054,044 |

Differences, if any, between book and tax cost basis were attributable to Inverse Floaters transactions.

7. Auction-Rate Preferred Shares

Municipal II has 2,936 shares of Preferred Shares Series A, 2,936 shares of Preferred Shares Series B, 2,936 shares of Preferred Shares Series C, 2,936 shares of Preferred Shares Series D, and 2,936 shares of Preferred Shares Series E outstanding, each with a liquidation preference of \$25,000 per share plus any accumulated, unpaid dividends.

California Municipal II has 1,304 shares of Preferred Shares Series A, 1,304 shares of Preferred Shares Series B, 1,304 shares of Preferred Shares Series C, 1,304 shares of Preferred Shares Series D, and 1,304 shares of Preferred Shares Series E outstanding, each with a liquidation preference of \$25,000 per share plus any accumulated, unpaid dividends.

Table of Contents**PIMCO Municipal Income Funds II Notes to Financial Statements**

November 30, 2012 (unaudited)

7. Auction-Rate Preferred Shares (continued)

New York Municipal II has 1,580 shares of Preferred Shares Series A and 1,580 shares of Preferred Shares Series B outstanding, each with a liquidation preference of \$25,000 per share plus any accumulated, unpaid dividends.

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

For the six months ended November 30, 2012, the annualized dividend rates ranged from:

| | High | Low | At November 30, 2012 |
|--------------------------|--------|--------|-------------------------|
| Municipal II: | | | |
| Series A | 0.320% | 0.229% | 0.274% |
| Series B | 0.320% | 0.229% | 0.274% |
| Series C | 0.320% | 0.229% | 0.274% |
| Series D | 0.320% | 0.229% | 0.274% |
| Series E | 0.320% | 0.229% | 0.274% |
| California Municipal II: | | | |
| Series A | 0.320% | 0.229% | 0.274% |
| Series B | 0.320% | 0.229% | 0.274% |
| Series C | 0.320% | 0.229% | 0.274% |
| Series D | 0.320% | 0.229% | 0.274% |
| Series E | 0.320% | 0.229% | 0.274% |
| New York Municipal II: | | | |
| Series A | 0.320% | 0.229% | 0.274% |
| Series B | 0.320% | 0.229% | 0.274% |

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

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

Since mid-February 2008, holders of auction-rate preferred shares (ARPS) issued by the Funds have been directly impacted by an unprecedented lack of liquidity, which has similarly affected ARPS holders in many of the nation's closed-end funds. Since then, regularly scheduled auctions for ARPS issued by the Funds have consistently failed because of insufficient demand (bids to buy shares) to meet the supply (shares offered for sale) at each auction. In a failed auction, ARPS holders cannot sell all, and may not be able to sell any, of their shares tendered for sale. While repeated auction failures have affected the liquidity for ARPS, they do not constitute a default or automatically alter the credit quality of the ARPS, and the ARPS holders have continued to receive dividends at the defined maximum rate equal to the higher of the 30-day AA Composite Commercial Paper Rate multiplied by 110% or the Taxable Equivalent of the Short-Term Municipal Obligations Rate-defined as 90% of the quotient of (A) the per annum rate expressed on an interest equivalent basis equal to the Kenny S&P 30-day High Grade Index divided by (B) 1.00 minus the Marginal Tax Rate (expressed as a decimal) multiplied by 110% (which is a function of short-term interest rates and typically higher than the rate that would have otherwise been set through a successful auction). If the Funds ARPS auctions continue to fail and the maximum rate payable on the ARPS rises as a result of changes in short-term interest rates, returns for the Funds common shareholders could be adversely affected. In the Fall of 2012 S&P Evaluation Services announced that it will discontinue providing the S&P Weekly High Grade Municipal Bond Index (formerly, the Kenny S&P 30-day High Grade

Table of Contents**PIMCO Municipal Income Funds II Notes to Financial Statements**

November 30, 2012 (unaudited)

7. Auction-Rate Preferred Shares (continued)

Municipal Bond Index) (the Prior Index) effective January 1, 2013. The Funds Boards approved the use of the S&P Municipal Bond 7 day High Grade Rate Index in replacement of the Prior Index to calculate ARPS dividend rates on and after January 1, 2013, as well as corresponding amendments to The Funds bylaws will be amended effective January 1, 2013, to reflect this change.

In July 2012, Moody's Investor Service downgraded its ratings for each series of the Funds Preferred Shares from Aaa to Aa2.

8. Transfer Agent Change

American Stock Transfer & Trust Company, LLC ("AST") assumed responsibility as the Funds' transfer agent effective September 17, 2012 (the "Effective Date"). The amended Dividend Reinvestment Plan (the "Plan") and AST's role as transfer agent for Participants under the Plan commenced as of the Effective Date.

9. Subsequent Events

On December 3, 2012, the following dividends were declared to common shareholders payable January 2, 2013 to shareholders of record on December 13, 2012:

| | |
|-------------------------|----------------------------|
| Municipal II | \$0.065 per common share |
| California Municipal II | \$0.0625 per common share |
| New York Municipal II | \$0.06625 per common share |

On January 2, 2013, the following dividends were declared to common shareholders payable February 1, 2013 to shareholders of record on January 14, 2013:

| | |
|-------------------------|----------------------------|
| Municipal II | \$0.065 per common share |
| California Municipal II | \$0.0625 per common share |
| New York Municipal II | \$0.06625 per common share |

There were no other subsequent events that require recognition or disclosure. In preparing these financial statements, the Funds management has evaluated events and transactions for potential recognition or disclosure through the date the financial statements were issued.

Table of Contents**PIMCO Municipal Income Fund II Financial Highlights**

For a common share outstanding throughout each period:

| | Six Months ended November 30, 2012 (unaudited) | 2012 | 2011 | Year ended May 31, | |
|--|--|-----------|-----------|--------------------|-----------|
| | | | | 2010 | 2009 |
| Net asset value, beginning of period | \$11.91 | \$10.12 | \$10.77 | \$8.97 | \$13.86 |
| Investment Operations: | | | | | |
| Net investment income | 0.42 | 0.88 | 0.91 | 0.88 | 1.02 |
| Net realized and change in unrealized gain (loss) | 0.87 | 1.70 | (0.75) | 1.73 | (4.94) |
| Total from investment operations | 1.29 | 2.58 | 0.16 | 2.61 | (3.92) |
| Dividends on Preferred Shares from Net Investment Income | | | | | |
| Net increase (decrease) in net assets applicable to common shareholders resulting from investment operations | (0.01) | (0.01) | (0.03) | (0.03) | (0.19) |
| | 1.28 | 2.57 | 0.13 | 2.58 | (4.11) |
| Dividends to Common Shareholders from Net Investment Income | | | | | |
| | (0.39) | (0.78) | (0.78) | (0.78) | (0.78) |
| Net asset value, end of period | \$12.80 | \$11.91 | \$10.12 | \$10.77 | \$8.97 |
| Market price, end of period | \$13.75 | \$12.54 | \$10.45 | \$11.12 | \$9.56 |
| Total Investment Return (1) | 13.07% | 28.70% | 1.30% | 25.49% | (26.46)% |
| RATIOS/SUPPLEMENTAL DATA: | | | | | |
| Net assets, applicable to common shareholders, end of period (000s) | \$777,556 | \$722,161 | \$610,800 | \$645,589 | \$534,046 |
| Ratio of expenses to average net assets, including interest expense (2)(3)(4) | 1.17%(5)(6) | 1.19%(5) | 1.37% | 1.38%(5) | 1.73%(5) |
| Ratio of expenses to average net assets, excluding interest expense (2)(3) | 1.12%(5)(6) | 1.11%(5) | 1.24% | 1.24%(5) | 1.35%(5) |
| Ratio of net investment income to average net assets | 6.85%(5)(6) | 8.04%(5) | 8.80% | 8.77%(5) | 10.23%(5) |

(2)

| | | | | | |
|---|----------|----------|----------|----------|----------|
| Preferred shares asset coverage per share | \$77,966 | \$74,192 | \$66,606 | \$68,974 | \$61,376 |
| Portfolio turnover rate | 8% | 26% | 21% | 6% | 42% |

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

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

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

(4) Interest expense relates to the liability for Floating Rate Notes issued in connection with Inverse Floater transactions and/or participation in reverse repurchase agreement transactions.

(5) During the periods indicated above, the Investment Manager waived a portion of its investment management fee. The effect of such waiver relative to the average net assets of common shareholders was 0.01% (annualized), 0.07%, 0.004%, 0.10% and 0.17% for the six months ended November 30, 2012 and the years ended May 31, 2012, May 31, 2010, May 31, 2009 and May 31, 2008, respectively.

(6) Annualized.

40 PIMCO Municipal Income Funds II Semi-Annual Report 11.30.12 **See accompanying Notes to Financial Statements**

Table of Contents**PIMCO California Municipal Income Fund II Financial Highlights**

For a common share outstanding throughout each period:

| | Six Months ended November 30, 2012 (unaudited) | 2012 | 2011 | Year ended May 31, | |
|--|--|---------------|---------------|--------------------|-----------------|
| | | | | 2010 | 2009 |
| Net asset value, beginning of period | \$8.65 | \$7.38 | \$8.11 | \$7.48 | \$13.34 |
| Investment Operations: | | | | | |
| Net investment income | 0.35 | 0.71 | 0.74 | 0.76 | 0.85 |
| Net realized and change in unrealized gain (loss) | 0.78 | 1.32 | (0.70) | 0.67 | (5.69) |
| Total from investment operations | 1.13 | 2.03 | 0.04 | 1.43 | (4.84) |
| Dividends on Preferred Shares from Net Investment Income | | | | | |
| Net increase (decrease) in net assets applicable to common shareholders resulting from investment operations | (0.01) | (0.01) | (0.02) | (0.03) | (0.18) |
| | 1.12 | 2.02 | 0.02 | 1.40 | (5.02) |
| Dividends to Common Shareholders from: | | | | | |
| Net investment income | (0.38) | (0.70) | (0.75) | (0.77) | (0.80) |
| Return of capital | | (0.05) | | | (0.04) |
| Total dividends to common shareholders | (0.38) | (0.75) | (0.75) | (0.77) | (0.84) |
| Net asset value, end of period | \$9.39 | \$8.65 | \$7.38 | \$8.11 | \$7.48 |
| Market price, end of period | \$10.97 | \$10.15 | \$9.21 | \$9.33 | \$8.78 |
| Total Investment Return (1) | 12.12% | 19.59% | 7.53% | 16.44% | (32.26)% |
| RATIOS/SUPPLEMENTAL DATA: | | | | | |
| Net assets, applicable to common shareholders, end of period (000s) | \$296,362 | \$272,570 | \$231,486 | \$252,816 | \$231,415 |
| Ratio of expenses to average net assets, including interest expense (2)(3)(4) | 1.36%(5)(6) | 1.44%(5) | 1.55% | 1.56%(5) | 3.15%(5) |
| Ratio of expenses to average net assets, excluding interest | 1.24%(5)(6) | 1.24%(5) | 1.37% | 1.33%(5) | 1.43%(5) |

| | | | | | |
|--|-------------|----------|----------|----------|----------|
| expense (2)(3) | | | | | |
| Ratio of net investment income to average net assets (2) | 7.78%(5)(6) | 8.99%(5) | 9.73% | 9.78%(5) | 9.31%(5) |
| Preferred shares asset coverage per share | \$70,453 | \$66,804 | \$60,503 | \$63,773 | \$60,490 |
| Portfolio turnover rate | 5% | 25% | 15% | 9% | 62% |

- (1) Total investment return is calculated assuming a purchase of a common share at the market price on the first day and a sale of a common share at the market price on the last day of each period reported. Dividends and return of capital distributions, if any, are assumed, for purposes of this calculation, to be reinvested at prices obtained under the Fund's dividend reinvestment plan. Total investment return does not reflect brokerage commissions or sales charges in connection with the purchase or sale of Fund shares. Total investment return for a period less than one year is not annualized.
- (2) Calculated on the basis of income and expenses applicable to both common and preferred shares relative to the average net assets of common shareholders.
- (3) Inclusive of expenses offset by custody credits earned on cash balances at the custodian bank (See Note 1(i) in Notes to Financial Statements).
- (4) Interest expense relates to the liability for Floating Rate Notes issued in connection with Inverse Floater transactions and/or participation in reverse repurchase agreement transactions.
- (5) During the periods indicated above, the Investment Manager waived a portion of its investment management fee. The effect of such waiver relative to the average net assets of common shareholders was 0.01% (annualized), 0.08%, 0.004%, 0.10% and 0.17% for the six months ended November 30, 2012 and the years ended May 31, 2012, May 31, 2010, May 31, 2009 and May 31, 2008, respectively.
- (6) Annualized.

See accompanying Notes to Financial Statements 11.30.12 PIMCO Municipal Income Funds II Semi-Annual Report

Table of Contents**PIMCO New York Municipal Income Fund II Financial Highlights**

For a common share outstanding throughout each period:

| | Six Months ended November 30, 2012 (unaudited) | 2012 | 2011 | Year ended May 31, | |
|--|--|-----------|-----------|--------------------|-----------|
| | | | | 2010 | 2009 |
| Net asset value, beginning of period | \$11.37 | \$10.10 | \$10.90 | \$9.56 | \$13.67 |
| Investment Operations: | | | | | |
| Net investment income | 0.41 | 0.85 | 0.88 | 0.98 | 1.00 |
| Net realized and change in unrealized gain (loss) | 0.77 | 1.24 | (0.85) | 1.19 | (4.13) |
| Total from investment operations | 1.18 | 2.09 | 0.03 | 2.17 | (3.13) |
| Dividends on Preferred Shares from Net Investment Income | | | | | |
| Net increase (decrease) in net assets applicable to common shareholders resulting from investment operations | (0.01) | (0.02) | (0.03) | (0.03) | (0.19) |
| | 1.17 | 2.07 | 0.00 | 2.14 | (3.32) |
| Dividends to Common Shareholders from Net Investment Income | (0.40) | (0.80) | (0.80) | (0.80) | (0.79) |
| Net asset value, end of period | \$12.14 | \$11.37 | \$10.10 | \$10.90 | \$9.56 |
| Market price, end of period | \$13.75 | \$12.29 | \$10.92 | \$11.42 | \$10.26 |
| Total Investment Return (1) | 15.44% | 20.97% | 3.03% | 19.92% | (22.95)% |
| RATIOS/SUPPLEMENTAL DATA: | | | | | |
| Net assets, applicable to common shareholders, end of period (000s) | \$132,369 | \$123,667 | \$109,256 | \$117,161 | \$102,126 |
| Ratio of expenses to average net assets, including interest expense (2)(3)(4) | 1.45%(5)(6) | 1.45%(5) | 1.55% | 1.53%(5) | 1.88%(5) |
| Ratio of expenses to average net assets, excluding interest expense (2)(3) | 1.36%(5)(6) | 1.36%(5) | 1.44% | 1.43%(5) | 1.51%(5) |
| Ratio of net investment income to average net assets | 6.96%(5)(6) | 7.86%(5) | 8.46% | 9.51%(5) | 9.63%(5) |

(2)

| | | | | | |
|---|----------|----------|----------|----------|----------|
| Preferred shares asset coverage per share | \$66,888 | \$64,135 | \$59,574 | \$62,073 | \$57,316 |
| Portfolio turnover rate | 12% | 18% | 7% | 5% | 33% |

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

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

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

(4) Interest expense relates to the liability for Floating Rate Notes issued in connection with Inverse Floater transactions and/or participation in reverse repurchase agreement transactions.

(5) During the periods indicated above, the Investment Manager waived a portion of its investment management fee. The effect of such waiver relative to the average net assets of common shareholders was 0.01% (annualized), 0.08%, 0.004%, 0.10% and 0.17% for the six months ended November 30, 2012 and the years ended May 31, 2012, May 31, 2010, May 31, 2009 and May 31, 2008, respectively.

(6) Annualized.

42 PIMCO Municipal Income Funds II Semi-Annual Report 11.30.12 **See accompanying Notes to Financial Statements**

Table of Contents**PIMCO Municipal Income Funds II****Annual Shareholder Meeting Results/Proxy Voting Policies & Procedures**

(unaudited)

Annual Shareholder Meeting Results:

The Funds held their annual meetings of shareholders on December 19, 2012. Common/Preferred shareholders voted as indicated below:

| | Affirmative | Withheld Authority |
|--|-------------|--------------------|
| Municipal II | | |
| Re-election of Hans W. Kertess* Class I to serve until 2015 | 11,573 | 319 |
| Re-election of William B Ogden, IV Class I to serve until 2015 | 49,841,880 | 1,585,479 |
| Re-election of Alan Rappaport Class I to serve until 2015 | 49,824,376 | 1,602,983 |
| California Municipal II | | |
| Re-election of Hans W. Kertess* Class I to serve until 2015 | 4,032 | 258 |
| Re-election of William B Ogden, IV Class I to serve until 2015 | 26,660,612 | 980,529 |
| Re-election of Alan Rappaport Class I to serve until 2015 | 26,683,617 | 957,524 |
| New York Municipal II | | |
| Re-election of Hans W. Kertess* Class I to serve until 2015 | 2,453 | 49 |
| Re-election of William B Ogden, IV Class I to serve until 2015 | 8,919,625 | 348,007 |
| Re-election of Alan Rappaport Class I to serve until 2015 | 8,919,625 | 348,007 |

The other members of the Board of Trustees at the time of the meeting, Messrs. Bradford K. Gallagher, James A. Jacobson*, Deborah A. DeCotis and John C. Maney continued to serve as Trustees of the Funds.

* Preferred Shares Trustee
Interested Trustee

Proxy Voting Policies & Procedures:

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

Table of Contents

PIMCO Municipal Income Funds II

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

The Investment Company Act of 1940, as amended, requires that both the full Board of Trustees (the Trustees) and a majority of the non-interested Trustees (the Independent Trustees), voting separately, approve each Fund s Management Agreement with the Investment Manager (the Advisory Agreement) and Portfolio Management Agreement between the Investment Manager and the Sub-Adviser (the Sub-Advisory Agreement , and together with the Advisory Agreement, the Agreements). The Trustees met in person on June 26-27, 2012 (the contract review meeting) for the specific purpose of considering whether to approve the continuation of the Advisory Agreement and the Sub-Advisory Agreement. The Independent Trustees were assisted in their evaluation of the Agreements by independent legal counsel, from whom they received separate legal advice and with whom they met separately from Fund management during the contract review meeting.

Based on their evaluation of factors that they deemed to be material, including those factors described below, the Trustees, including a majority of the Independent Trustees, concluded that the continuation of each Fund s Advisory Agreement and the Sub-Advisory Agreement should be approved for a one-year period commencing July 1, 2012.

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

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

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

As part of their review, the Trustees examined the Investment Manager s and the Sub-Adviser s abilities to provide high quality investment management and other services to the Funds. The Trustees considered the investment

philosophy and research and decision-making processes of the Sub-Adviser; the experience of key advisory personnel of the Sub-Adviser responsible for portfolio management of the Funds; the ability of the Investment Manager and the Sub-Adviser to attract and retain capable personnel; the capability and integrity of the senior management and staff of the Investment Manager and the Sub-Adviser; and the level of skill required to manage the Funds. In addition, the Trustees reviewed the quality of the Investment Manager's and the Sub-Adviser's services with respect to regulatory compliance and compliance with the investment policies of the Funds; the nature and quality of certain administrative services the Investment Manager is responsible for providing to the Funds; and conditions that might affect the Investment Manager's or the Sub-Adviser's ability to provide high quality services to the Funds in the future under the Agreements, including each organization's respective business reputation, financial condition and operational stability. Based on the foregoing, the Trustees concluded that the Sub-Adviser's investment process, research capabilities and philosophy were well suited to each of the Funds given its investment objective and policies, and that the Investment Manager and the Sub-Adviser would be able to continue to meet any reasonably foreseeable obligations under the Agreements.

44 PIMCO Municipal Income Funds II Semi-Annual Report 11.30.12

Table of Contents

PIMCO Municipal Income Funds II

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

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

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

The Trustees specifically took note of how each Fund compared to its Lipper peers as to performance, management fee expense and total net expenses. The Trustees noted that while the Funds are not charged a separate administration fee, it was not clear whether the peer funds in the Lipper categories were separately charged such a fee by their investment managers, so that the total expense ratio (rather than any individual expense component) represented the most relevant comparison. It was noted that the total expense ratio reflects the effect of expense waivers/reimbursements (although none exist for the Funds) and does not reflect interest expense.

Municipal II:

The Trustees noted that the expense group for the Fund provided by Lipper consisted of a total of eleven closed-end funds, including the Fund and two other peer Funds managed by the Investment Manager. The Trustees noted that only leveraged closed-end funds were considered for inclusion in the group. The Trustees also noted that average net assets of the common shares of the eleven funds in the peer group ranged from \$237.2 million to \$620.6 million, and that none of the funds are larger in asset size than the Fund. The Trustees also noted that the Fund was ranked seventh out of eleven funds in the expense peer group for total expense ratio based on common share assets, fifth out of eleven funds in the expense peer group for total expense ratio based on common share and leveraged assets combined, eighth out of eleven funds in actual management fees based on common share assets and ninth out of eleven funds in actual management fees based on common share and leveraged assets combined (with funds ranked first having the lowest fees/expenses and ranked eleventh having the highest fees/expenses in the peer group).

With respect to Fund performance (based on net asset value), the Trustees noted that the Fund had first quintile performance for the one-year period and three-year periods and fifth quintile performance for the five-year period ended February 29, 2012.

California Municipal II:

The Trustees noted that the expense group for the Fund provided by Lipper consisted of a total of nine closed-end funds, including the Fund and two other peer Funds managed by the Investment Manager. The Trustees noted that only leveraged closed-end funds were considered for inclusion in the group. The Trustees also noted that average net assets of the common shares of the nine funds in the peer group ranged from \$28.4 million to \$300.5 million, and that

two of the funds are larger in asset size than the Fund. The Trustees also noted that the Fund was ranked eighth out of nine funds in the expense peer group for total expense ratio based on common share assets and based on common share and leveraged assets combined and in actual management fees based on common share assets and based on common share and leveraged assets combined (with funds ranked first having the lowest fees/expenses and ranked ninth having the highest fees/expenses in the peer group).

With respect to Fund performance (based on net asset value), the Trustees noted that the Fund had first quintile performance for the one-year period and three-year periods and fifth quintile performance for the five-year period ended February 29, 2012.

Table of Contents

PIMCO Municipal Income Funds II

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

New York Municipal II:

The Trustees noted that the expense group for the Fund provided by Lipper consisted of a total of eight closed-end funds, including the Fund and two other peer Funds managed by the Investment Manager. The Trustees noted that only leveraged closed-end funds were considered for inclusion in the group. The Trustees also noted that average net assets of the common shares of the eight funds in the peer group ranged from \$47.6 million to \$112.2 million, and that none of the funds are larger in asset size than the Fund. The Trustees also noted that the Fund was ranked fifth out of eight funds in the expense peer group for total expense ratio based on common share assets, fourth out of eight funds in the expense peer group for total expense ratio based on common share and leveraged assets combined, seventh out of eight funds in actual management fees based on common share assets and based on common share and leveraged assets combined (with funds ranked first having the lowest fees/expenses and ranked eighth having the highest fees/expenses in the peer group).

With respect to Fund performance (based on net asset value), the Trustees noted that the Fund had first quintile performance for the one-year period and three-year periods and fifth quintile performance for the five-year period ended February 29, 2012.

In addition to their review of Fund performance based on net asset value, the Trustees also considered the market value performance of each Fund's common shares and related share price premium and/or discount information based on the materials provided by Lipper and management.

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

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

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

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

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

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

Table of Contents

Trustees

Hans W. Kertess
Chairman of the Board of Trustees

Deborah A. DeCotis

Bradford K. Gallagher

James A. Jacobson

John C. Maney

William B. Ogden, IV

Alan Rappaport

Fund Officers

Brian S. Shlissel
President & Chief Executive Officer

Lawrence G. Altadonna
Treasurer, Principal Financial & Accounting Officer

Thomas J. Fuccillo
Vice President, Secretary & Chief Legal Officer

Scott Whisten
Assistant Treasurer

Richard J. Cochran
Assistant Treasurer

Orhan Dzemaili
Assistant Treasurer

Youse E. Guia
Chief Compliance Officer

Lagan Srivastava
Assistant Secretary

Investment Manager

Allianz Global Investors Fund Management LLC

1633 Broadway

New York, NY 10019

Sub-Adviser

Pacific Investment Management Company LLC

840 Newport Center Drive

Newport Beach, CA 92660

Custodian & Accounting Agent

State Street Bank & Trust Co.

225 Franklin Street

Boston, MA 02110

Transfer Agent, Dividend Paying Agent and Registrar

American Stock Transfer & Trust Company, LLC

6201 15th Avenue

Brooklyn, NY 11219

Independent Registered Public Accounting Firm

PricewaterhouseCoopers LLP

300 Madison Avenue

New York, NY 10017

Legal Counsel

Ropes & Gray LLP

Prudential Tower

800 Boylston Street

Boston, MA 02199

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

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

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

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

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

Table of Contents

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Allianz Global Investors Distributors LLC

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Table of Contents

ITEM 2. CODE OF ETHICS

Not required in this filing.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT

Not required in this filing.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Not required in this filing.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANT

Not required in this filing.

ITEM 6. SCHEDULE OF INVESTMENTS

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

(b) Not applicable

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not required in this filing.

ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES

Not required in this filing.

ITEM 9.

Purchase of Equity Securities by Closed-End Management Investment Company and Affiliated Companies

None

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

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

ITEM 11. CONTROLS AND PROCEDURES

(a) The registrant's President and Chief Executive Officer and Treasurer, Principal Financial & Accounting Officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Act (17 CFR 270.30a-3(c))), 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.

Table of Contents

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

ITEM 12. EXHIBITS

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

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

(a) (3) Not applicable

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

Table of Contents

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 New York Municipal Income Fund II

By /s/ Brian S. Shlissel
President and Chief Executive Officer
Date January 29, 2013

By /s/ Lawrence G. Altadonna
Treasurer, Principal Financial & Accounting Officer
Date January 29, 2013

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

By /s/ Brian S. Shlissel
President and Chief Executive Officer
Date January 29, 2013

By /s/ Lawrence G. Altadonna
Treasurer, Principal Financial & Accounting Officer
Date January 29, 2013