

January 28, 2008

PIMCO:
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Dear PCM Fund, Inc. Shareholder:

This letter provides tax-related information to shareholders of the PCM Fund, Inc. during 2007. The following is a discussion of each of the tax-related information items set forth in the table on the back of this page.

Treasury Interest

A portion of the ordinary dividends paid in 2007 by the PCM Fund, Inc. may be attributable to investment income from U.S. Government securities. All or part of the interest on these securities may be exempt from state and/or local taxation. Please consult your tax advisor as laws in various jurisdictions may differ.

The table reflects the percentage of ordinary dividends derived from U.S. Government securities and the percentage of assets invested in U.S. Government securities at the close of each quarter during 2007.

Corporate Dividends Received Deduction

For the benefit of our corporate shareholders only, the percentage of dividends paid out of ordinary income during 2007, which qualify for the corporate dividends-received deduction, is identified in the table.

Alternative Minimum Tax

Does not apply to the PCM Fund, Inc.

PIMCO Funds 2007 Tax Related Information	Percentage of Income Derived From U.S. Gov't Securities	Percentage of Assets Invested in U.S. Gov't Securities as of:				Corporate Dividends Received Deduction	Qualified Dividend Rate
		3/31/2007	6/30/2007	9/30/2007	12/31/2007		
		PCM Fund, Inc.	0.64%	1.68%	0.49%		

Please call us at (866) 746-2606 should you have questions or if we may be of any assistance.