

PIMCO Funds Capital Gain Distributions for 2009



PIMCO Funds	Short-Term Capital Gains (\$)	Capital Gains Per Share Long-Term Capital Gains (\$)	Total Capital Gains (\$)
All Asset Fund	—	—	—
All Asset All Authority Fund	—	—	—
California Intermediate Municipal Bond Fund	—	—	—
California Short Duration Municipal Income Fund	—	—	—
CommodityRealReturn Strategy Fund®	—	\$0.09908	\$0.09908
Convertible Fund	—	—	—
Developing Local Markets Fund	—	—	—
Diversified Income Fund	—	—	—
Emerging Markets and Infrastructure Bond Fund	\$0.05313	—	\$0.05313
Emerging Local Bond Fund	—	—	—
Emerging Markets Bond Fund	—	—	—
EM Fundamental IndexPLUS™ TR Strategy Fund	\$0.39831	—	\$0.39831
Extended Duration Fund	\$2.39083	\$0.37703	\$2.76786
Floating Income Fund	—	—	—
Foreign Bond (Unhedged) Fund	—	—	—
Foreign Bond (U.S. Dollar-Hedged) Fund	\$0.30873	\$0.06600	\$0.37473
Fundamental Advantage Total Return Strategy Fund	—	\$0.16618	\$0.16618
Fundamental IndexPLUS™ Fund	—	—	—
Fundamental IndexPLUS™ TR Fund	—	—	—
Global Bond (Unhedged) Fund	\$0.20877	—	\$0.20877
Global Bond (U.S. Dollar-Hedged) Fund	\$0.30421	—	\$0.30421
Global Advantage Strategy Bond Fund	\$0.19136	\$0.00179	\$0.19315
Global Multi-Asset Fund	\$0.07997	\$0.05666	\$0.13663
GNMA Fund	\$0.31369	\$0.00205	\$0.31574
High Yield Fund	—	—	—
High Yield Municipal Bond Fund	—	—	—
Income Fund	—	—	—
International StocksPLUS® TR Strategy (Unhedged) Fund	—	—	—
International StocksPLUS® TR Strategy (U.S. Dollar Hedged) Fund	—	\$0.27772	\$0.27772
Investment Grade Corporate Fund	\$0.27594	\$0.06676	\$0.34270
Long Duration Total Return Fund	\$0.26062	\$0.07522	\$0.33584
Long-Term Credit Fund	\$0.17596	—	\$0.17596
Long-Term U.S. Government Fund	\$0.33677	\$0.17446	\$0.51123
Low Duration Fund	\$0.00751	\$0.00104	\$0.00855
Low Duration II Fund	—	—	—
Low Duration III Fund	—	—	—

Record Date 12/8/09
 Payable Date 12/9/09
 Reinvestment Date 12/9/09
 Ex-Dividend Date 12/9/09

Investors should consider the investment objectives, risks, charges and expenses of these Funds carefully before investing. This and other information is contained in the Fund's prospectus, which may be obtained by contacting your Financial Advisor. Please read the prospectus carefully before you invest or send money.

PIMCO Funds are distributed by Allianz Global Investors Distributors LLC, 1345 Avenue of the Americas, New York, N.Y. 10105-4800.

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PIMCO Funds	Capital Gains Per Share		Total Capital Gains (\$)
	Short-Term Capital Gains (\$)	Long-Term Capital Gains (\$)	
Moderate Duration Fund	\$0.14940	\$0.03178	\$0.18118
Mortgage-Backed Securities Fund	\$0.39209	\$0.03382	\$0.42591
Municipal Bond Fund	—	—	—
MuniGO Fund	—	—	—
New York Municipal Bond Fund	—	—	—
RealEstateRealReturn Strategy Fund	—	—	—
RealRetirement™ 2010 Fund	\$0.01284	\$0.04268	\$0.05552
RealRetirement™ 2020 Fund	\$0.00193	—	\$0.00193
RealRetirement™ 2030 Fund	\$0.02468	\$0.04731	\$0.07199
RealRetirement™ 2040 Fund	\$0.02186	\$0.01472	\$0.03658
RealRetirement™ 2050 Fund	\$0.03271	\$0.04111	\$0.07382
Real Income 2019 Fund	—	—	—
Real Income 2029 Fund	—	—	—
Real Return Fund	—	—	—
Real Return Asset Fund	\$0.11810	\$0.00054	\$0.11864
Short Duration Municipal Income Fund	—	—	—
Short-Term Fund	—	\$0.02539	\$0.02539
Small Cap StocksPLUS® TR Strategy Fund	—	—	—
StocksPLUS® Fund	—	—	—
StocksPLUS® Long Duration Fund	—	\$0.50346	\$0.50346
StocksPLUS® TR Short Strategy Fund	\$0.24180	\$0.11713	\$0.35893
StocksPLUS® Total Return Fund	—	—	—
Tax Managed Real Return Fund	—	—	—
Total Return Fund	\$0.08689	\$0.02417	\$0.11106
Total Return II Fund	\$0.05377	—	\$0.05377
Total Return III Fund	—	—	—
Unconstrained Bond Fund	\$0.23221	\$0.02055	\$0.25276
Unconstrained Tax Managed Bond Fund	\$0.04295	\$0.00015	\$0.04310
Government Money Market* Fund	—	—	—
Money Market* Fund	—	—	—

*Money Market funds are not insured or guaranteed by FDIC or any other government agency and although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund.

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About Mutual Funds and Capital Gains

The tax laws require a mutual fund to distribute the capital gains and ordinary income that it receives from its portfolio investments each year. The capital gains requirement applies only to profit that has been realized through the sale of securities, with the gains typically distributed by funds toward the end of the calendar year. These distributions are taxable when paid to taxable accounts, whether the shareholder receives the distribution in cash or reinvests it in additional fund shares. Fund shareholders may realize capital gains in two ways. First, if the fund manager sells securities on the shareholders' behalf inside the fund portfolio and then distributes that gain to the shareholder as a taxable distribution; and second, if the shareholder sells his or her mutual fund shares at a Net Asset Value (NAV) greater than the NAV at time of purchase.

Tax Implications

Fund gains that arise from the sale of securities held by the portfolio for more than one year are distributed to fund shareholders as "capital gain dividends", even if the shareholder purchased fund shares less than one year earlier. Shareholders report these dividends on their tax returns as long-term capital gains, which are taxed either at a reduced rate of 10 percent (for those taxpayers otherwise taxed at a 15 percent rate) or at a reduced rate of 20 percent (for those taxpayers otherwise taxed at rates above 28 percent). We suggest that you consult your tax or legal advisor, or call your state's tax inquiry center to determine how this information may apply to your particular tax situation.

Which Funds Will Generate Capital Gains?

Any type of mutual fund (other than a money market fund) can generate capital gain distributions since distributions are generated when a fund sells portfolio securities for a net profit over the course of a year. However, some portfolios traditionally generate greater capital gains than others. Equity portfolios, for instance, historically realize greater gains than bond portfolios. And, depending on marketplace trends, certain investment styles within the equity universe may demand increased portfolio activity, which in turn may generate greater capital gains.

There are three dates that are important in the capital gains calendar. If you are a shareholder on the record date, you will receive the capital gains distribution. That distribution is paid from the Fund's net assets on the ex-date thereby causing the fund's Net Asset Value price to decline to reflect that reduction in value. These capital gains are then paid out, in the form of cash or additional shares, on the payment date.