

WELLS FARGO ADVANTAGE INCOME OPPORTUNITIES FUND

Form N-CSR

July 05, 2013

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number: 811- 21269

Wells Fargo Advantage Income Opportunities Fund

(Exact name of registrant as specified in charter)

525 Market St., San Francisco, CA 94105

(Address of principal executive offices) (Zip code)

C. David Messman

Wells Fargo Funds Management, LLC

525 Market St., San Francisco, CA 94105

(Name and address of agent for service)

Registrant's telephone number, including area code: 800-222-8222

Date of fiscal year end: April 30

Date of reporting period: April 30, 2013

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ITEM 1. REPORT TO STOCKHOLDERS

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Wells Fargo Advantage

Income Opportunities Fund

Annual Report

April 30, 2013

This closed-end fund is no longer offered as an initial public offering and is only offered through broker/dealers on the secondary market. A closed-end fund is not required to buy its shares back from investors upon request.

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The views expressed and any forward-looking statements are as of April 30, 2013, unless otherwise noted, and are those of the Fund managers and/or Wells Fargo Funds Management, LLC. Discussions of individual securities, or the markets generally, or any Wells Fargo Advantage Fund are not intended as individual recommendations. Future events or results may vary significantly from those expressed in any forward-looking statements; the views expressed are subject to change at any time in response to changing circumstances in the market. Wells Fargo Funds Management, LLC, disclaims any obligation to publicly update or revise any views expressed or forward-looking statements.

NOT FDIC INSURED ; NO BANK GUARANTEE ; MAY LOSE VALUE

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Letter to shareholders (unaudited)

Karla M. Rabusch

President

Wells Fargo Advantage Funds

During the period, high-yield corporate bonds performed exceedingly well compared with U.S. Treasuries, as continued monetary accommodation from the Federal Reserve (Fed) strengthened the demand for securities with higher yields.

Dear Valued Shareholder:

We are pleased to provide you with this annual report for the *Wells Fargo Advantage Income Opportunities Fund* for the 12-month period ended April 30, 2013. During the period, high-yield corporate bonds performed exceedingly well compared with U.S. Treasuries, as continued monetary accommodation from the Federal Reserve (Fed) strengthened the demand for securities with higher yields. Sovereign debt concerns in Europe routinely rattled the global credit markets in 2012, counteracting some burgeoning trends of economic improvement in the U.S. Nonetheless, these periods of uncertainty strengthened the resolve of the Fed to keep U.S. monetary policy highly accommodative, which had a positive effect on the valuations of U.S. high-yield bonds. By the beginning of 2013, U.S. Treasury yields began to rise as economic optimism strengthened, leading to declines in investment-grade bond prices. However, high-yield securities broadly continued to generate positive returns despite the rising yield environment, as demand remained strong for higher-yielding securities.

Global credit markets were roiled by the European debt crisis in 2012.

The first months of 2012 saw strengthening investor confidence in the U.S. economy despite indications of a recession in Europe. The improving conditions in the U.S. led to greater confidence in the U.S. credit markets, which began to show some resistance to the credit problems of Europe. These leading events set the tone for the 12-month period that began in May 2012. During those early months of 2012, the lowest-rated credit tiers of the U.S. domestic fixed-income markets generally performed the best, while the highest-quality credit tiers and U.S. Treasuries generally

declined in value, as their yields began to shift higher on expectations for a strengthening economy.

Unfortunately, the trends of improving credit confidence would not last. As Greece neared default on its sovereign debt again in May 2012, politicians began to hint at the possibility of Greece exiting the euro. This scenario escalated to a debate over the viability of the euro, amplifying the crisis to an unprecedented level of worst-case consideration. Consequently, global investors once again rallied to the U.S. Treasury market, driving long-term Treasury yields to some of their lowest levels on modern record.

High-yield corporate bonds rebounded convincingly in June 2012 and rallied throughout the remainder of the period.

Throughout May 2012 and into the opening weeks of June 2012, it appeared that investors would continue to prefer higher-quality over riskier asset classes as long as the problems in Europe persisted. U.S. bond markets began to improve in June 2012, benefiting from consistent policy commitment by the Fed to maintain highly accommodative monetary conditions in the U.S. Meanwhile, the crisis in Europe continued to deepen into July 2012, prompting the International Monetary Fund to warn European policymakers of a significant risk of deflation. In the U.S., the second half of June 2012 and the entire month of July 2012 saw strong performance in the high-yield and longer-maturity segments of the fixed-income markets, as U.S. credit markets tried to remain isolated from the crisis in Europe.

European markets finally followed suit in August 2012 and into September and October 2012, as the European Central Bank (ECB) calmed market fears by announcing a program of unlimited bond-buying support and declaring to do

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Letter to shareholders (unaudited) Wells Fargo Advantage Income Opportunities Fund 3
whatever it takes to preserve the euro. Perhaps the most convincing statement of all for investors was Mario Draghi, the president of the ECB, declaring that the euro is irreversible. Global credit markets responded strongly through the final months of 2012, with the lowest-rated securities performing best, adding additional pricing strength to U.S. high-yield securities.

In the opening months of 2013, U.S. Treasury yields began to once again rise higher on the optimistic expectations for a strengthening U.S. economy. However, high-yield securities continued to rally during this time, as investors continued to seek out higher-yielding, riskier securities. On the whole, the trends from 2012 continued for high yield through the first four months of 2013, with continued rallies in the lower-credit tiers and relatively strong performance across the high-yield asset class.

The market volatility of the past 12 months has often left many investors questioning their resolve and their investments. Yet, it is precisely at such times that the market may present opportunities as well as challenges for prudent investors. For many investors, simply building and maintaining a well-diversified¹ investment plan focused on clear financial objectives is the best long-term strategy. Thank you for choosing to invest with *Wells Fargo Advantage Funds*. We appreciate your confidence in us and remain committed to helping you meet your financial needs. For current information about your fund investments, contact your investment professional, visit our website at **wellsfargoadvantagefunds.com**, or call us directly at **1-800-222-8222**. We are available 24 hours a day, 7 days a week.

Sincerely,

Karla M. Rabusch

President

Wells Fargo Advantage Funds

On the whole, the trends from 2012 continued for high yield through the first four months of 2013, with continued rallies in the lower-credit tiers and relatively strong performance across the high-yield asset class.

1. Diversification does not assure or guarantee better performance and cannot eliminate the risk of investment losses.

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Performance highlights (unaudited)

Investment objective

The Fund seeks a high level of current income. Capital appreciation is a secondary objective.

Adviser

Wells Fargo Funds Management, LLC

Subadviser

Wells Capital Management Incorporated

Portfolio managers

Niklas Nordenfelt, CFA

Phillip Susser

Average annual total returns¹ (%) as of April 30, 2013

	1 year	5 year	10 year
Based on market value	8.90	9.87	8.12
Based on net asset value (NAV) per share	15.31	8.66	8.20

Figures quoted represent past performance, which is no guarantee of future results and do not reflect the deduction of taxes that a shareholder may pay on fund distributions or the sale of fund shares. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted, which assumes the reinvestment of dividends and capital gains. Performance figures of the Fund do not reflect brokerage commissions. If brokerage commissions had been reflected, performance would have been lower. To obtain performance information current to the most recent month-end, please call 1-800-222-8222.

The Adviser has committed through February 25, 2014, to waive fees and/or reimburse expenses to the extent necessary to limit the Fund's borrowing expenses to an amount that is 0.05% lower than what the borrowing expenses would have been if the Fund had not redeemed its Auction Market Preferred Shares. The Fund's gross and net expense ratios for the year ended April 30, 2013, were 1.29% and 1.05%, respectively, which includes 0.08% of interest expense. Without this waiver and/or reimbursement, the Fund's returns would have been lower.

Comparison of NAV vs. market value²

The Fund is leveraged through a secured debt borrowing facility and also may incur leverage by issuing preferred shares in the future. The use of leverage results in certain risks including, among others, the likelihood of greater volatility of net asset value and the market price of common shares. Derivatives involve additional risks including interest rate risk, credit risk, the risk of improper valuation, and the risk of non-correlation to the relevant instruments they are designed to hedge or to closely track. Bond values fluctuate in response to the financial condition of individual issuers, general market and economic conditions, and changes in interest rates. In general, when interest rates rise, bond values fall and investors may lose principal value. High-yield securities have a greater risk of default and tend to be more volatile than higher-rated debt securities.

1. Total returns based on market value are calculated assuming a purchase of common stock on the first day and a sale on the last day of the period reported. Total returns based on NAV are calculated based on the NAV at the beginning of the period and end of period. Dividends and distributions, if any, are assumed for the purposes of these calculations to be reinvested at prices obtained under the Fund's Automatic Dividend Reinvestment Plan. Total returns do not reflect brokerage commissions. If these brokerage commissions were included, the returns would be lower.
2. This chart does not reflect any brokerage commissions. Dividends and distributions have the effect of reducing the Fund's NAV.

Table of Contents**Performance highlights (unaudited)
MANAGER'S DISCUSSION**

Wells Fargo Advantage Income Opportunities Fund 5

The Fund's return was 8.90% during the 12 months ended April 30, 2013, based on market value. During the same period, the Fund's return based on NAV was 15.31%.

Overview

Performance across the high-yield market was strong and relatively consistent throughout much of the year, with the major high-yield indexes producing positive returns in every month except May 2012. This was driven by gradual improvement in the U.S. economy with slowly falling unemployment and a rebounding housing market. Relative containment of sovereign debt-driven market fears in Europe also helped strengthen confidence in U.S. credit markets despite a continued decline in southern Europe's economy. Without the fears of a disruptive European debt crisis, cascading bank failures, and sovereign debt defaults, the U.S. high-yield market was able to focus on the improving U.S. economy benefiting from the steadfast backdrop of Federal Reserve-induced low interest rates.

Ten largest holdings³ (%) as of April 30, 2013

Texas Competitive Electric Holdings LLC, 3.73%, 10-10-2014	3.57
Sprint Capital Corporation, 6.88%, 11-15-2028	2.32
Jabil Circuit Incorporated, 8.25%, 3-15-2018	2.27
Nielsen Finance LLC, 7.75%, 10-15-2018	1.80
Dupont Fabros Technology Incorporated, 8.50%, 12-15-2017	1.72
First Data Corporation, 11.25%, 3-31-2016	1.70
CCM Merger Incorporated, 9.13%, 5-1-2019	1.58
Rockies Express Pipeline LLC, 6.88%, 4-15-2040	1.58
Local TV Finance LLC, 9.25%, 6-15-2015	1.38
Sabine Pass LNG LP, 6.50%, 11-1-2020	1.37

Credit quality⁵ as of April 30, 2013**Effective maturity distribution⁶ as of April 30, 2013****Contributors to performance**

The Fund benefited from accommodative monetary policy, which helped push bond prices higher and yields lower. Individual credit selection in certain securities helped performance during the period.

Detractors from performance

The Fund's holdings were positioned more conservatively than the broader high-yield market, as measured by the Barclays U.S. Corporate High Yield Index⁴, in recognition of risks associated with challenging global and domestic economic conditions. This positioning detracted from relative performance as riskier bonds in the lower-rated credit

tiers generally outperformed and certain individual credits detracted. The Fund's holdings were focused on issuers with more stable revenue profiles in industries less exposed to cyclical volatility.

Management outlook

The portfolio strategy continued to use fundamental credit assessments, with a bottom-up process of security selection with specific attention paid to downside price protection and the avoidance of uncompensated risk. Macroeconomic forces have been a driving influence of high-yield bond performance, with the market rising in a near-linear fashion. Yields of high-yield securities (like most fixed-income assets) are generally in record-low territory from the continued rally. This rise in prices and decline in high-yield spreads has reduced the potential compensation for assuming more risk.

With this backdrop, the portfolio continued to maintain a lower-volatility profile. Our individual holdings are, on average, higher-priced and lower-yielding, reflecting the preference for less risky paper. With absolute yields at these levels, we do not feel it is prudent to stretch for yield as the Fund's investment philosophy has never tried to time market liquidity and extraordinary central bank policies.

3. The ten largest holdings are calculated based on the value of the securities divided by total net assets of the Fund. Holdings are subject to change and may have changed since the date specified.
4. The Barclays U.S. Corporate High Yield Index is an unmanaged, U.S. dollar-denominated, nonconvertible, non-investment-grade debt index. The Index consists of domestic and corporate bonds rated Ba and below with a minimum outstanding amount of \$150 million. You cannot invest directly in an index.
5. The ratings indicated are from Standard & Poor's, Moody's Investors Service, and/or Fitch Ratings Ltd. Credit Quality Ratings: Credit quality ratings apply to underlying holdings of the Fund and not the Fund itself. Standard & Poor's rates the creditworthiness of bonds, ranging from AAA (highest) to D (lowest). Ratings from A to CCC may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories. Standard & Poor's rates the creditworthiness of short-term notes from SP-1 (highest) to SP-3 (lowest). Moody's rates the creditworthiness of bonds, ranging from Aaa (highest) to C (lowest). Ratings Aa to B may be modified by the addition of a number 1 (highest) to 3 (lowest) to show relative standing within the ratings categories. Moody's rates the creditworthiness of short-term U.S. tax-exempt municipal securities from MIG 1/VMIG 1 (highest) to SG (lowest). Fitch rates the creditworthiness of bonds, ranging from AAA (highest) to D (lowest). If a security was rated by all three rating agencies, the middle rating was utilized. If rated by two of three rating agencies, the lower rating was utilized and if rated by one of the agencies that rating was utilized. Credit quality is subject to change and is calculated based on the total investments of the Fund.
6. Percentages are subject to change and are calculated based on the total long-term investments of the Fund.

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6 Wells Fargo Advantage Income Opportunities Fund Performance highlights (unaudited)

We view the current backdrop as highly supportive of high yield. While credit fundamentals have now begun to look less compelling as firms continue to take on more debt and earnings growth seems to have plateaued, we believe that most corporate balance sheets are still relatively healthy, particularly given the cheap access to capital financing. Additional debt has been cheap for issuers, so interest coverage levels are higher than average.

A muddle-along economy is a solid backdrop for high yield. The economy is strong enough for companies to maintain their cash flow and pay back their debt, but it is weak enough (especially as it concerns employment) to encourage ultra-loose monetary policy. Despite absolute yields persisting at record lows therefore, giving us cause for concern reasonable spreads relative to near-term default risk make high yield a reasonable, fixed-income alternative given that many other fixed-income assets are also at or near all-time low yields.

On the other hand, there are several potential long-term imbalances in the world that could reignite systemic risks and lead to a sell-off in high yield and various other asset classes. These include the high government debt and deficit levels in most of the developed world, a potential real estate and municipal debt bubble in China, and persistent trade and current account deficits/surpluses among various countries throughout the world.

In addition, quantitative easing by many of the world's central banks has pushed all fixed-income (including high-yield) yields lower, and that, by definition, cannot last forever. These fiscal imbalances have existed for many years and may not manifest for many more years. However, if and when they do, the current period of low volatility may be short lived. Ultimately, though, high yield's relative performance will be driven by corporate fundamentals and defaults, and we believe the best way to protect the Fund from these periodic bouts of systemic fears and rebalancing will be our continued focus on a bottom-up, fundamental approach that minimizes downside risk.

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Portfolio of investments April 30, 2013

Wells Fargo Advantage Income Opportunities Fund 7

Security name	Shares	Value		
Common Stocks: 0.15%				
Consumer Discretionary: 0.00%				
Hotels, Restaurants & Leisure: 0.00%				
<i>Trump Entertainment Resorts Incorporated (i)</i>	2,149	\$ 2,149		
Telecommunication Services: 0.15%				
Diversified Telecommunication Services: 0.15%				
<i>Fairpoint Communications Incorporated</i>	134,376	1,093,821		
Total Common Stocks (Cost \$3,109,765)		1,095,970		
	Interest rate	Maturity date	Principal	
Corporate Bonds and Notes: 111.29%				
Consumer Discretionary: 25.84%				
Auto Components: 2.45%				
<i>Allison Transmission Incorporated 144A</i>	7.13%	5-15-2019	\$ 6,375,000	6,924,844
<i>Cooper Tire & Rubber Company</i>	7.63	3-15-2027	4,455,000	4,828,106
<i>Cooper Tire & Rubber Company</i>	8.00	12-15-2019	150,000	173,062
<i>Goodyear Tire & Rubber Company</i>	7.00	5-15-2022	700,000	756,875
<i>Penske Automotive Group Incorporated 144A</i>	5.75	10-1-2022	1,965,000	2,080,444
<i>United Rentals North America Incorporated</i>	5.75	7-15-2018	2,675,000	2,915,750
				17,679,081
Diversified Consumer Services: 2.45%				
<i>Ceridian Corporation 144A</i>	11.00	3-15-2021	75,000	84,750
<i>Service Corporation International</i>	6.75	4-1-2016	1,250,000	1,396,875

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<i>Service Corporation International</i>	7.00	6-15-2017	1,250,000	1,437,500
<i>Service Corporation International</i>	7.00	5-15-2019	1,125,000	1,230,469
<i>Service Corporation International</i>	7.50	4-1-2027	7,078,000	7,980,445
<i>Service Corporation International</i>	7.63	10-1-2018	1,100,000	1,307,625
<i>Service Corporation International</i>	8.00	11-15-2021	885,000	1,084,125
<i>Sotheby s 144A</i>	5.25	10-1-2022	3,075,000	3,148,031
				17,669,820

Hotels, Restaurants & Leisure: 8.20%

<i>Ameristar Casinos Incorporated</i>	7.50	4-15-2021	5,502,000	6,134,730
<i>Burger King Corporation</i>	9.88	10-15-2018	1,600,000	1,822,000
<i>CCM Merger Incorporated 144A</i>	9.13	5-1-2019	10,830,000	11,398,575
<i>CityCenter Holdings LLC</i>	7.63	1-15-2016	2,050,000	2,201,187
<i>CityCenter Holdings LLC ¥</i>	10.75	1-15-2017	3,796,305	4,199,662
<i>DineEquity Incorporated</i>	9.50	10-30-2018	8,475,000	9,661,500
<i>Greektown Superholdings Incorporated Series A</i>	13.00	7-1-2015	6,812,000	7,314,385
<i>Greektown Superholdings Incorporated Series B</i>	13.00	7-1-2015	1,475,000	1,583,781
<i>NAI Entertainment Holdings LLC 144A</i>	8.25	12-15-2017	4,878,000	5,292,630
<i>Penn National Gaming Incorporated</i>	8.75	8-15-2019	1,499,000	1,693,870
<i>Ruby Tuesday Incorporated 144A</i>	7.63	5-15-2020	3,405,000	3,456,075
<i>Scientific Games Corporation</i>	9.25	6-15-2019	1,130,000	1,245,825
<i>Speedway Motorsports Incorporated</i>	6.75	2-1-2019	625,000	671,094

The accompanying notes are an integral part of these financial statements.

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8 Wells Fargo Advantage Income Opportunities Fund

Portfolio of investments April 30, 2013

Security name	Interest rate	Maturity date	Principal	Value
Hotels, Restaurants & Leisure				
(continued)				
<i>Speedway Motorsports Incorporated</i>				
<i>144A</i>	6.75%	2-1-2019	\$ 355,000	\$ 381,181
<i>Speedway Motorsports Incorporated</i>	8.75	6-1-2016	2,075,000	2,176,177
				59,232,672
Household Durables: 0.18%				
<i>American Greetings Corporation</i>	7.38	12-1-2021	950,000	961,875
<i>Tempur-Pedic International Incorporated</i>				
<i>144A</i>	6.88	12-15-2020	325,000	354,656
				1,316,531
Media: 10.39%				
<i>Cablevision Systems Corporation</i>	8.63	9-15-2017	2,975,000	3,532,812
<i>CCO Holdings LLC %%</i>	5.75	1-15-2024	290,000	301,962
<i>CCO Holdings LLC</i>	6.50	4-30-2021	5,275,000	5,723,375
<i>CCO Holdings LLC</i>	7.00	1-15-2019	2,225,000	2,416,906
<i>CCO Holdings LLC</i>	7.88	4-30-2018	150,000	159,525
<i>CCO Holdings LLC</i>	8.13	4-30-2020	746,000	842,980
<i>Cinemark USA Incorporated 144A</i>	5.13	12-15-2022	950,000	983,250
<i>Cinemark USA Incorporated</i>	7.38	6-15-2021	1,525,000	1,723,250
<i>Cinemark USA Incorporated</i>	8.63	6-15-2019	4,765,000	5,265,325
<i>CSC Holdings LLC</i>	7.63	7-15-2018	1,145,000	1,345,375
<i>CSC Holdings LLC</i>	7.88	2-15-2018	1,650,000	1,938,750
<i>CSC Holdings LLC</i>	8.50	4-15-2014	200,000	212,000
<i>DISH DBS Corporation 144A</i>	4.25	4-1-2018	1,150,000	1,129,875
<i>DISH DBS Corporation 144A</i>	5.13	5-1-2020	575,000	569,250
<i>DISH DBS Corporation</i>	7.88	9-1-2019	2,260,000	2,576,400
<i>EchoStar DBS Corporation</i>	7.13	2-1-2016	1,160,000	1,281,800
<i>EchoStar DBS Corporation</i>	7.75	5-31-2015	650,000	717,437
<i>Gray Television Incorporated</i>	7.50	10-1-2020	5,830,000	6,325,550
<i>Lamar Media Corporation</i>	5.88	2-1-2022	1,785,000	1,952,344
<i>Lamar Media Corporation</i>	7.88	4-15-2018	4,090,000	4,468,325

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<i>Lamar Media Corporation Series C</i>	9.75	4-1-2014	925,000	994,375
<i>LIN Television Corporation</i>	6.38	1-15-2021	500,000	500,000
<i>LIN Television Corporation</i>	8.38	4-15-2018	3,475,000	3,770,375
<i>Local TV Finance LLC 144A ¥</i>	9.25	6-15-2015	9,943,218	9,968,076
<i>Lynx I Corporation 144A</i>	5.38	4-15-2021	605,000	645,837
<i>Lynx II Corporation 144A</i>	6.38	4-15-2023	605,000	654,912
<i>National CineMedia LLC</i>	6.00	4-15-2022	3,635,000	3,962,150
<i>National CineMedia LLC</i>	7.88	7-15-2021	1,150,000	1,296,625
<i>Nexstar Broadcasting Group Incorporated 144A</i>	6.88	11-15-2020	2,285,000	2,433,525
<i>Regal Cinemas Corporation</i>	8.63	7-15-2019	6,665,000	7,398,150
				75,090,516
Specialty Retail: 2.17%				
<i>ABC Supply Company Incorporated 144A</i>	5.63	4-15-2021	730,000	758,287
<i>CST Brands Incorporated 144A%%</i>	5.00	5-1-2023	150,000	153,937
<i>Gap Incorporated</i>	5.95	4-12-2021	1,175,000	1,384,391
<i>Limited Brands Incorporated</i>	6.63	4-1-2021	925,000	1,062,594
<i>RadioShack Corporation</i>	6.75	5-15-2019	4,278,000	3,203,152
<i>Rent-A-Center Incorporated 144A%%</i>	4.75	5-1-2021	340,000	342,550

The accompanying notes are an integral part of these financial statements.

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Portfolio of investments April 30, 2013

Wells Fargo Advantage Income Opportunities Fund 9

Security name	Interest rate	Maturity date	Principal	Value
Specialty Retail (continued)				
<i>Rent-A-Center Incorporated</i>	6.63%	11-15-2020	\$ 2,765,000	\$ 3,027,675
<i>Toys R Us Property Company I LLC</i>	10.75	7-15-2017	1,341,000	1,433,194
<i>Toys R Us Property Company II LLC</i>	8.50	12-1-2017	4,025,000	4,321,844
				15,687,624
Consumer Staples: 1.34%				
Food Products: 1.34%				
<i>B&G Foods Incorporated</i>	7.63	1-15-2018	2,663,000	2,856,068
<i>Dole Food Company Incorporated</i>	13.88	3-15-2014	3,075,000	3,288,313
<i>Hawk Acquisition Incorporated 144A</i>	4.25	10-15-2020	3,505,000	3,548,813
				9,693,194
Energy: 20.98%				
Energy Equipment & Services: 6.18%				
<i>Cleaver Brooks Incorporated 144A</i>	8.75	12-15-2019	475,000	523,688
<i>Dresser-Rand Group Incorporated</i>	6.50	5-1-2021	1,825,000	1,980,125
<i>Era Group Incorporated 144A</i>	7.75	12-15-2022	2,420,000	2,510,750
<i>Gulfmark Offshore Incorporated</i>	6.38	3-15-2022	7,078,000	7,396,510
<i>Hornbeck Offshore Services Incorporated 144A</i>	5.00	3-1-2021	5,050,000	5,075,250
<i>Hornbeck Offshore Services Incorporated</i>	5.88	4-1-2020	840,000	883,050
<i>NGPL PipeCo LLC 144A</i>	7.12	12-15-2017	625,000	650,781
<i>NGPL PipeCo LLC 144A</i>	7.77	12-15-2037	6,210,000	6,225,525
<i>NGPL PipeCo LLC 144A</i>	9.63	6-1-2019	4,195,000	4,614,500
<i>Northern Tier Energy LLC 144A</i>	7.13	11-15-2020	2,190,000	2,332,350
<i>Oil States International Incorporated 144A</i>	5.13	1-15-2023	1,228,000	1,261,770
<i>Oil States International Incorporated</i>	6.50	6-1-2019	4,244,000	4,562,300
<i>PHI Incorporated</i>	8.63	10-15-2018	5,825,000	6,371,094
<i>Pride International Incorporated</i>	8.50	6-15-2019	210,000	279,275
				44,666,968

Oil, Gas & Consumable Fuels: 14.80%

<i>CVR Refining LLC 144A</i>	6.50	11-1-2022	2,850,000	2,935,500
<i>Denbury Resources Incorporated</i>	4.63	7-15-2023	675,000	681,750
<i>Denbury Resources Incorporated</i>	6.38	8-15-2021	700,000	780,500
<i>Denbury Resources Incorporated</i>	8.25	2-15-2020	5,965,000	6,770,275
<i>El Paso Corporation</i>	6.50	9-15-2020	1,155,000	1,304,346
<i>El Paso Corporation</i>	7.00	6-15-2017	3,183,000	3,662,350
<i>El Paso Corporation</i>	7.25	6-1-2018	3,149,000	3,681,754
<i>El Paso Corporation</i>	7.42	2-15-2037	1,820,000	1,887,413
<i>El Paso Corporation</i>	7.80	8-1-2031	3,050,000	3,454,098
<i>Energy Transfer Equity LP</i>	7.50	10-15-2020	5,950,000	6,961,500
<i>Exterran Partners LP 144A</i>	6.00	4-1-2021	2,390,000	2,437,800
<i>Ferrellgas LP</i>	9.13	10-1-2017	2,300,000	2,461,000
<i>HollyFrontier Corporation</i>	9.88	6-15-2017	4,265,000	4,512,455
<i>Inergy Midstream LP 144A</i>	6.00	12-15-2020	1,265,000	1,334,575
<i>Kinder Morgan Energy 144A</i>	6.00	1-15-2018	125,000	138,851
<i>Overseas Shipholding Group Incorporated</i>				
<i>(s)</i>	7.50	2-15-2024	605,000	484,000
<i>Petrohawk Energy Corporation</i>	7.88	6-1-2015	2,045,000	2,091,013

The accompanying notes are an integral part of these financial statements.

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10 Wells Fargo Advantage Income Opportunities Fund

Portfolio of investments April 30, 2013

Security name	Interest rate	Maturity date	Principal	Value
Oil, Gas & Consumable Fuels				
(continued)				
<i>Petrohawk Energy Corporation</i>	10.50%	8-1-2014	\$ 1,065,000	\$ 1,126,237
<i>Pioneer Natural Resources Company</i>	7.50	1-15-2020	3,170,000	4,091,516
<i>Plains Exploration & Production Company</i>	8.63	10-15-2019	6,380,000	7,225,350
<i>Rockies Express Pipeline LLC 144A</i>	5.63	4-15-2020	4,435,000	4,152,269
<i>Rockies Express Pipeline LLC 144A</i>	6.00	1-15-2019	630,000	620,550
<i>Rockies Express Pipeline LLC 144A</i>	6.88	4-15-2040	12,580,000	11,384,900
<i>Rockies Express Pipeline LLC 144A</i>	7.50	7-15-2038	4,425,000	4,093,125
<i>Sabine Pass LNG LP 144A</i>	5.63	2-1-2021	1,425,000	1,474,875
<i>Sabine Pass LNG LP 144A</i>	5.63	4-15-2023	1,425,000	1,464,187
<i>Sabine Pass LNG LP 144A</i>	6.50	11-1-2020	9,260,000	9,931,350
<i>Sabine Pass LNG LP</i>	7.50	11-30-2016	8,775,000	9,915,750
<i>Suburban Propane Partners LP</i>	7.38	3-15-2020	1,475,000	1,604,062
<i>Suburban Propane Partners LP</i>	7.38	8-1-2021	805,000	895,562
<i>Suburban Propane Partners LP</i>	7.50	10-1-2018	802,000	874,180
<i>Tesoro Corporation</i>	9.75	6-1-2019	2,185,000	2,458,125
				106,891,218
Financials: 19.45%				
Commercial Banks: 1.89%				
<i>CIT Group Incorporated 144A</i>	4.75	2-15-2015	1,645,000	1,731,362
<i>CIT Group Incorporated</i>	5.00	5-15-2017	425,000	463,250
<i>CIT Group Incorporated 144A</i>	5.25	4-1-2014	1,205,000	1,248,681
<i>CIT Group Incorporated</i>	5.25	3-15-2018	875,000	966,875
<i>CIT Group Incorporated 144A</i>	5.50	2-15-2019	2,225,000	2,508,687
<i>Emigrant Bancorp Incorporated 144A</i>	6.25	6-15-2014	6,950,000	6,753,079
				13,671,934
Consumer Finance: 11.14%				
<i>Ally Financial Incorporated</i>	5.50	2-15-2017	1,325,000	1,444,250
<i>Ally Financial Incorporated</i>	6.75	12-1-2014	2,344,000	2,516,870

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<i>Ally Financial Incorporated</i>	7.50	12-31-2013	6,855,000	7,129,200
<i>Ally Financial Incorporated</i>	8.30	2-12-2015	8,820,000	9,801,225
<i>American General Finance Corporation</i>	5.40	12-1-2015	2,800,000	2,922,500
<i>American General Finance Corporation</i>	5.75	9-15-2016	2,325,000	2,386,030
<i>American General Finance Corporation</i>	6.50	9-15-2017	550,000	563,750
<i>Clearwire Communications Finance Corporation 144A</i>	12.00	12-1-2015	5,420,000	5,799,400
<i>Ford Motor Credit Company LLC</i>	8.00	12-15-2016	200,000	240,742
<i>General Motors Financial Company Incorporated 144A</i>	4.75	8-15-2017	475,000	501,125
<i>General Motors Financial Company Incorporated</i>	6.75	6-1-2018	2,770,000	3,164,725
<i>Homer City Funding LLC ¥</i>	9.23	10-1-2026	3,084,040	3,253,662
<i>International Lease Finance Corporation 144A</i>	6.75	9-1-2016	2,200,000	2,502,500
<i>International Lease Finance Corporation 144A</i>	7.13	9-1-2018	1,015,000	1,207,850
<i>International Lease Finance Corporation</i>	8.63	9-15-2015	1,700,000	1,938,000
<i>JBS USA Finance Incorporated</i>	11.63	5-1-2014	8,465,000	9,237,431
<i>Level 3 Financing Incorporated</i>	10.00	2-1-2018	4,555,000	5,016,193
<i>Nielsen Finance LLC 144A</i>	4.50	10-1-2020	515,000	525,944
<i>Nielsen Finance LLC</i>	7.75	10-15-2018	11,690,000	13,019,737
<i>Springleaf Finance Corporation</i>	6.90	12-15-2017	7,050,000	7,336,406
				80,507,540

The accompanying notes are an integral part of these financial statements.

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Portfolio of investments April 30, 2013

Wells Fargo Advantage Income Opportunities Fund 11

Security name	Interest rate	Maturity date	Principal	Value
Diversified Financial Services: 2.24%				
<i>Fidelity National Information Services Incorporated</i>	5.00%	3-15-2022	\$ 500,000	\$ 551,250
<i>HUB International Limited Company 144A</i>	8.13	10-15-2018	4,895,000	5,268,244
<i>Neuberger Berman Group LLC 144A</i>	5.63	3-15-2020	900,000	956,250
<i>Neuberger Berman Group LLC 144A</i>	5.88	3-15-2022	1,125,000	1,206,563
<i>Nuveen Investments</i>	5.50	9-15-2015	6,830,000	6,881,225
<i>Nuveen Investments 144A</i>	9.13	10-15-2017	1,220,000	1,302,350
				16,165,882
Insurance: 0.15%				
<i>Fidelity & Guaranty Life Holdings Incorporated 144A</i>	6.38	4-1-2021	995,000	1,032,313
Real Estate Management & Development: 1.24%				
<i>Ashtead Capital Incorporated 144A</i>	6.50	7-15-2022	4,970,000	5,479,425
<i>Onex Corporation 144A</i>	7.75	1-15-2021	3,395,000	3,496,850
				8,976,275
REITs: 2.79%				
<i>Dupont Fabros Technology Incorporated</i>	8.50	12-15-2017	11,580,000	12,448,500
<i>Host Hotels & Resorts LP</i>	9.00	5-15-2017	490,000	513,300
<i>Omega Healthcare Investors Incorporated</i>	5.88	3-15-2024	325,000	355,063
<i>Omega Healthcare Investors Incorporated</i>	6.75	10-15-2022	3,375,000	3,754,688
<i>Sabra Health Care Incorporated</i>	8.13	11-1-2018	2,850,000	3,106,500
				20,178,051
Health Care: 5.17%				

Health Care Equipment & Supplies:**0.39%**

<i>Hologic Incorporated</i>	6.25	8-1-2020	2,590,000	2,797,200
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Health Care Providers & Services:**4.37%**

<i>Apria Healthcare Group Incorporated</i>	11.25	11-1-2014	1,340,000	1,378,525
<i>Aviv HealthCare Properties LP</i>	7.75	2-15-2019	3,725,000	4,078,875
<i>Centene Corporation</i>	5.75	6-1-2017	1,925,000	2,071,781
<i>Community Health Systems Incorporated</i>	5.13	8-15-2018	725,000	775,750
<i>Community Health Systems Incorporated</i>	7.13	7-15-2020	1,325,000	1,480,688
<i>DaVita HealthCare Partners Incorporated</i>	5.75	8-15-2022	1,360,000	1,448,400
<i>DaVita HealthCare Partners Incorporated</i>	6.38	11-1-2018	140,000	149,625
<i>Fresenius Medical Care Holdings Incorporated 144A</i>	5.63	7-31-2019	1,800,000	2,011,500
<i>Fresenius Medical Care Holdings Incorporated</i>	6.88	7-15-2017	700,000	808,500
<i>HCA Incorporated</i>	4.75	5-1-2023	550,000	573,375
<i>HCA Incorporated</i>	5.88	3-15-2022	750,000	832,500
<i>HCA Incorporated</i>	6.50	2-15-2020	5,675,000	6,554,625
<i>HCA Incorporated</i>	7.50	11-15-2095	1,350,000	1,252,125
<i>HCA Incorporated</i>	8.50	4-15-2019	375,000	413,438
<i>Health Management Associates Incorporated</i>	6.13	4-15-2016	475,000	523,688
<i>HealthSouth Corporation</i>	5.75	11-1-2024	1,375,000	1,416,250
<i>HealthSouth Corporation</i>	7.25	10-1-2018	675,000	729,000
<i>HealthSouth Corporation</i>	7.75	9-15-2022	675,000	747,563
<i>MPT Operating Partnership LP</i>	6.38	2-15-2022	775,000	838,938
<i>MPT Operating Partnership LP</i>	6.88	5-1-2021	3,175,000	3,460,750
				31,545,896

The accompanying notes are an integral part of these financial statements.

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12 Wells Fargo Advantage Income Opportunities Fund

Portfolio of investments April 30, 2013

Security name	Interest rate	Maturity date	Principal	Value
Pharmaceuticals: 0.41%				
<i>Mylan Incorporated 144A</i>	6.00%	11-15-2018	\$ 1,300,000	\$ 1,425,697
<i>Mylan Incorporated 144A</i>	7.63	7-15-2017	1,400,000	1,555,690
				2,981,387
Industrials: 5.60%				
Aerospace & Defense: 0.37%				
<i>TransDigm Group Incorporated 144A</i>	5.50	10-15-2020	510,000	544,425
<i>TransDigm Group Incorporated</i>	7.75	12-15-2018	1,939,000	2,147,443
				2,691,868
Air Freight & Logistics: 0.69%				
<i>Bristow Group Incorporated</i>	6.25	10-15-2022	4,555,000	4,964,950
Airlines: 0.58%				
<i>Aviation Capital Group Corporation 144A</i>	4.63	1-31-2018	325,000	339,038
<i>Aviation Capital Group Corporation 144A</i>	6.75	4-6-2021	2,190,000	2,445,420
<i>Aviation Capital Group Corporation 144A</i>	7.13	10-15-2020	1,210,000	1,390,347
				4,174,805
Commercial Services & Supplies: 2.08%				
<i>Covanta Holding Corporation</i>	6.38	10-1-2022	900,000	984,889
<i>Geo Group Incorporated 144A</i>	5.13	4-1-2023	3,000,000	3,108,750
<i>Geo Group Incorporated</i>	6.63	2-15-2021	605,000	670,038
<i>Geo Group Incorporated</i>	7.75	10-15-2017	3,790,000	4,036,350
<i>Interface Incorporated</i>	7.63	12-1-2018	300,000	325,875
<i>Iron Mountain Incorporated</i>	5.75	8-15-2024	475,000	489,250
<i>Iron Mountain Incorporated</i>	8.00	6-15-2020	800,000	837,000
<i>Iron Mountain Incorporated</i>	8.38	8-15-2021	4,095,000	4,576,163
				15,028,315

Machinery: 0.95%

<i>Columbus McKinnon Corporation</i>	7.88	2-1-2019	1,575,000	1,697,063
<i>H&E Equipment Services Incorporated</i>	7.00	9-1-2022	4,680,000	5,183,100
				6,880,163

Professional Services: 0.66%

<i>Affinia Group Incorporated 144A</i>	10.75	8-15-2016	184,000	199,642
<i>Interactive Data Corporation</i>	10.25	8-1-2018	4,005,000	4,555,688
				4,755,330

Transportation Infrastructure: 0.27%

<i>Florida East Coast Railway Corporation</i>	8.13	2-1-2017	1,465,000	1,576,706
<i>Watco Companies LLC 144A</i>	6.38	4-1-2023	400,000	417,000
				1,993,706

Information Technology: 8.81%**Communications Equipment: 0.98%**

<i>Allbritton Communications Company</i>	8.00	5-15-2018	3,274,000	3,552,290
<i>Avaya Incorporated</i>	9.75	11-1-2015	1,150,000	1,150,000
<i>Lucent Technologies Incorporated</i>	6.45	3-15-2029	3,100,000	2,418,000
				7,120,290

The accompanying notes are an integral part of these financial statements.

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Portfolio of investments April 30, 2013

Wells Fargo Advantage Income Opportunities Fund 13

Security name	Interest rate	Maturity date	Principal	Value
Computers & Peripherals: 0.67%				
<i>NCR Corporation 144A</i>	4.63%	2-15-2021	\$ 40,000	\$ 40,000
<i>NCR Corporation 144A</i>	5.00	7-15-2022	4,760,000	4,819,500
				4,859,500
Electronic Equipment, Instruments & Components: 2.61%				
<i>CDW Financial Corporation</i>	12.54	10-12-2017	2,297,000	2,469,274
<i>Jabil Circuit Incorporated</i>	8.25	3-15-2018	13,532,000	16,373,720
				18,842,994
Internet Software & Services: 0.15%				
<i>Equinix Incorporated</i>	4.88	4-1-2020	300,000	313,500
<i>Equinix Incorporated</i>	5.38	4-1-2023	300,000	314,250
<i>Equinix Incorporated</i>	7.00	7-15-2021	125,000	141,562
<i>Verisign Incorporated 144A</i>	4.63	5-1-2023	290,000	297,250
				1,066,562
IT Services: 4.12%				
<i>Audatex North American Incorporated 144A</i>	6.75	6-15-2018	1,375,000	1,479,843
<i>CyrusOne LLC 144A</i>	6.38	11-15-2022	500,000	532,500
<i>Fidelity National Information Services Incorporated</i>	7.63	7-15-2017	875,000	935,156
<i>Fidelity National Information Services Incorporated</i>	7.88	7-15-2020	3,200,000	3,608,000
<i>First Data Corporation 144A</i>	7.38	6-15-2019	1,325,000	1,440,937
<i>First Data Corporation</i>	11.25	3-31-2016	12,065,000	12,276,137
<i>SunGard Data Systems Incorporated 144A</i>	6.63	11-1-2019	2,325,000	2,473,219
<i>SunGard Data Systems Incorporated</i>	7.38	11-15-2018	5,810,000	6,274,800
<i>SunGard Data Systems Incorporated</i>	7.63	11-15-2020	650,000	718,250
				29,738,842

Software: 0.28%*Nuance Communications Incorporated
144A*

5.38 8-15-2020 1,975,000 2,054,000

Materials: 2.07%**Chemicals: 0.34%***Celanese US Holdings LLC
Tronox Finance LLC 144A*

5.88 6-15-2021 440,000 492,800

6.38 8-15-2020 1,955,000 1,950,112

2,442,912

Containers & Packaging: 1.21%*Ball Corporation*

5.75 5-15-2021 400,000 436,000

Ball Corporation

6.75 9-15-2020 375,000 413,906

Crown Americas LLC 144A

4.50 1-15-2023 1,075,000 1,097,844

Crown Americas LLC

6.25 2-1-2021 515,000 569,075

*Crown Cork & Seal Company
Incorporated (i)*

7.50 12-15-2096 1,225,000 1,197,438

Owens-Illinois Incorporated

7.80 5-15-2018 837,000 989,753

Sealed Air Corporation 144A

6.88 7-15-2033 1,715,000 1,732,150

Silgan Holdings Incorporated

5.00 4-1-2020 2,250,000 2,340,000

8,776,166

Metals & Mining: 0.00%*Indalex Holdings Corporation (s)(a)(i)*

11.50 2-1-2014 5,985,000 0

The accompanying notes are an integral part of these financial statements.

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14 Wells Fargo Advantage Income Opportunities Fund

Portfolio of investments April 30, 2013

Security name	Interest rate	Maturity date	Principal	Value
Paper & Forest Products: 0.52%				
<i>Georgia-Pacific LLC</i>	8.88%	5-15-2031	\$ 2,430,000	\$ 3,719,944
Telecommunication Services: 15.24%				
Diversified Telecommunication Services: 6.67%				
<i>Citizens Communications Company</i>	7.88	1-15-2027	4,205,000	4,289,100
<i>Frontier Communications Corporation</i>	8.13	10-1-2018	1,980,000	2,296,800
<i>Frontier Communications Corporation</i>	8.25	4-15-2017	2,380,000	2,793,525
<i>Frontier Communications Corporation</i>	8.50	4-15-2020	1,000,000	1,150,000
<i>GCI Incorporated</i>	6.75	6-1-2021	3,865,000	3,691,075
<i>GCI Incorporated</i>	8.63	11-15-2019	8,750,000	9,318,750
<i>Qwest Corporation</i>	7.13	11-15-2043	1,810,000	1,855,250
<i>Qwest Corporation</i>	7.25	9-15-2025	2,755,000	3,203,996
<i>Qwest Corporation</i>	7.63	8-3-2021	440,000	502,165
<i>SBA Telecommunications Incorporated 144A</i>	5.63	10-1-2019	270,000	284,175
<i>SBA Telecommunications Incorporated 144A</i>	5.75	7-15-2020	2,795,000	2,976,675
<i>SBA Telecommunications Incorporated</i>	8.25	8-15-2019	93,000	102,998
<i>Syniverse Holdings Incorporated</i>	9.13	1-15-2019	8,545,000	9,463,588
<i>Windstream Corporation</i>	7.88	11-1-2017	5,380,000	6,281,150
				48,209,247
Wireless Telecommunication Services: 8.57%				
<i>Cricket Communications Incorporated</i>	7.75	5-15-2016	3,355,000	3,489,200
<i>Cricket Communications Incorporated</i>	7.75	10-15-2020	3,835,000	3,902,112
<i>Crown Castle International Corporation</i>	5.25	1-15-2023	4,925,000	5,158,937
<i>Crown Castle International Corporation</i>	7.13	11-1-2019	165,000	181,088
<i>iPCS Incorporated ¥</i>	3.55	5-1-2014	2,607,559	2,610,818
<i>MetroPCS Wireless Incorporated 144A</i>	6.25	4-1-2021	290,000	311,388
<i>MetroPCS Wireless Incorporated</i>	6.63	11-15-2020	5,910,000	6,397,573
<i>MetroPCS Wireless Incorporated 144A</i>	6.63	4-1-2023	260,000	279,500

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<i>MetroPCS Wireless Incorporated</i>	7.88	9-1-2018	3,015,000	3,320,269
<i>Sprint Capital Corporation</i>	6.88	11-15-2028	16,375,000	16,743,437
<i>Sprint Capital Corporation</i>	8.75	3-15-2032	6,270,000	7,414,275
<i>Sprint Nextel Corporation 144A</i>	9.00	11-15-2018	750,000	922,500
<i>Sprint Nextel Corporation</i>	11.50	11-15-2021	1,200,000	1,662,000
<i>TW Telecommunications Holdings Incorporated</i>	5.38	10-1-2022	6,525,000	6,834,938
<i>TW Telecommunications Holdings Incorporated</i>	8.00	3-1-2018	2,492,000	2,703,820
				61,931,855

Utilities: 6.79%

Electric Utilities: 2.89%

<i>Energy Future Holdings Corporation</i>	10.00	12-1-2020	150,000	171,750
<i>Energy Future Holdings Corporation 144A</i>	6.88	8-15-2017	875,000	927,500
<i>IPALCO Enterprises Incorporated</i>	5.00	5-1-2018	2,050,000	2,214,000
<i>IPALCO Enterprises Incorporated 144A</i>	7.25	4-1-2016	3,783,000	4,246,418
<i>Mirant Mid-Atlantic LLC Series C</i>	10.06	12-30-2028	7,560,525	8,618,998
<i>Otter Tail Corporation</i>	9.00	12-15-2016	3,985,000	4,702,300
				20,880,966

The accompanying notes are an integral part of these financial statements.

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Portfolio of investments April 30, 2013

Wells Fargo Advantage Income Opportunities Fund 15

Security name	Interest rate	Maturity date	Principal	Value
Gas Utilities: 0.55%				
<i>AmeriGas Finance LLC</i>	6.50%	5-20-2021	\$ 75,000	\$ 81,750
<i>AmeriGas Finance LLC</i>	6.75	5-20-2020	1,675,000	1,855,063
<i>AmeriGas Finance LLC</i>	7.00	5-20-2022	1,840,000	2,056,200
				3,993,013
Independent Power Producers & Energy Traders: 3.35%				
<i>Calpine Construction Finance Corporation 144A</i>	7.25	10-15-2017	8,725,000	9,237,594
<i>Calpine Construction Finance Corporation 144A</i>	8.00	6-1-2016	2,700,000	2,821,500
<i>NRG Energy Incorporated</i>	8.50	6-15-2019	3,675,000	4,060,875
<i>NSG Holdings LLC 144A</i>	7.75	12-15-2025	3,640,000	3,913,000
<i>Reliant Energy Incorporated</i>	7.63	6-15-2014	1,020,000	1,083,750
<i>Reliant Energy Incorporated</i>	9.24	7-2-2017	2,021,662	2,223,828
<i>Reliant Energy Incorporated</i>	9.68	7-2-2026	780,000	858,000
				24,198,547
Total Corporate Bonds and Notes (Cost \$747,538,035)				804,108,077
	Dividend yield		Shares	
Preferred Stocks: 0.20%				
Financials: 0.20%				
Diversified Financial Services: 0.20%				
<i>GMAC Capital Trust I ±</i>	8.13		53,000	1,451,670
Total Preferred Stocks (Cost \$1,325,000)				1,451,670

	Interest rate		Principal	
Term Loans: 12.05%				
<i>Advantage Sales & Marketing LLC <</i>	8.25	6-17-2018	\$ 846,429	848,545
<i>Alliance Laundry Systems LLC <</i>	9.50	12-10-2019	2,698,846	2,769,691
<i>Applied Systems Incorporated <</i>	0.00	6-8-2017	680,000	684,250
<i>Capital Automotive LP <</i>	0.00	4-30-2020	2,450,000	2,523,500
<i>Capital Automotive LP</i>	4.25	3-27-2019	5,294,664	5,333,263
<i>CBAC Borrower LLC <</i>	0.00	4-24-2020	215,000	213,925
<i>CCM Merger Incorporated</i>	5.50	3-1-2017	4,813,419	4,861,553
<i>Centaur LLC</i>	8.75	2-20-2020	2,335,000	2,370,025
<i>Coinmach Corporation</i>	3.20	11-14-2014	6,503,845	6,487,585
<i>Energy Transfer Equity LP</i>	3.75	3-23-2017	1,462,500	1,468,189
<i>Federal-Mogul Corporation</i>	2.14	12-27-2014	2,555,990	2,421,392
<i>Federal-Mogul Corporation</i>	2.14	12-27-2015	1,693,794	1,604,599
<i>Focus Brands Incorporated</i>	10.25	8-21-2018	4,124,203	4,216,997
<i>HHI Holdings LLC</i>	5.00	10-5-2018	2,832,949	2,873,687
<i>Level 3 Financing Incorporated</i>	4.75	2-1-2016	5,210,409	5,276,633
<i>Light Tower Fiber LLC <</i>	0.00	3-29-2021	85,000	86,594
<i>nTelos Incorporated</i>	5.75	11-9-2019	1,476,375	1,446,848
<i>Philadelphia Energy Solutions LLC <</i>	0.00	3-19-2018	4,475,000	4,553,313
<i>Springleaf Finance Corporation</i>	5.50	5-10-2017	1,092,623	1,096,042
<i>Tallgrass Energy Partners LP</i>	5.71	11-13-2018	4,718,747	4,748,239
<i>Texas Competitive Electric Holdings LLC</i>	3.73	10-10-2014	34,355,889	25,795,432
<i>Total Safety US Incorporated</i>	9.25	8-21-2020	488,775	498,551

The accompanying notes are an integral part of these financial statements.

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16 Wells Fargo Advantage Income Opportunities Fund

Portfolio of investments April 30, 2013

Security name	Interest rate	Maturity date	Principal	Value
Term Loans (continued)				
<i>United Surgical Partners International Incorporated</i>	4.75%	4-3-2019	\$ 2,227,556	\$ 2,238,694
<i>Washington Multifamily Laundry Systems LLC</i>	5.25	2-21-2019	2,655,000	2,681,550
Total Term Loans (Cost \$91,205,255)				87,099,097
Yankee Corporate Bonds and Notes: 5.14%				
Consumer Discretionary: 0.48%				
Media: 0.48%				
<i>Videotron Limited</i>	5.00	7-15-2022	1,745,000	1,797,350
<i>Videotron Limited</i>	6.38	12-15-2015	100,000	101,250
<i>Videotron Limited</i>	9.13	4-15-2018	1,525,000	1,605,063
				3,503,663
Energy: 0.28%				
Oil, Gas & Consumable Fuels: 0.28%				
<i>Griffin Coal Mining Company Limited 144A(s)</i>	9.50	12-1-2016	2,119,383	1,785,580
<i>Griffin Coal Mining Company Limited (s)</i>	9.50	12-1-2016	290,088	244,399
				2,029,979
Financials: 0.33%				
Consumer Finance: 0.33%				
<i>Wind Acquisition Finance SpA 144A</i>	11.75	7-15-2017	2,205,000	2,364,863
Diversified Financial Services: 0.00%				
<i>Preferred Term Securities XII Limited (s)(i)</i>	0.00	12-24-2033	1,540,000	15

Information Technology: 0.79%**Computers & Peripherals: 0.79%**

<i>Seagate Technology HDD Holdings</i>	6.80	10-1-2016	1,275,000	1,440,750
<i>Seagate Technology HDD Holdings</i>	6.88	5-1-2020	650,000	706,063
<i>Seagate Technology HDD Holdings</i>	7.00	11-1-2021	725,000	799,313
<i>Seagate Technology HDD Holdings</i>	7.75	12-15-2018	2,500,000	2,756,250
				5,702,376

Materials: 0.85%**Metals & Mining: 0.59%**

<i>Novelis Incorporated</i>	8.38	12-15-2017	1,100,000	1,204,500
<i>Novelis Incorporated</i>	8.75	12-15-2020	2,675,000	3,036,125
				4,240,625

Paper & Forest Products : 0.26%

<i>Sappi Limited 144A</i>	7.50	6-15-2032	2,155,000	1,864,075
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Telecommunication Services: 2.41%**Diversified Telecommunication Services:
2.19%**

<i>Intelsat Bermuda Limited 144A</i>	7.75	6-1-2021	1,670,000	1,766,025
<i>Intelsat Bermuda Limited 144A</i>	8.13	6-1-2023	670,000	713,550

The accompanying notes are an integral part of these financial statements.

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Portfolio of investments April 30, 2013

Wells Fargo Advantage Income Opportunities Fund 17

Security name	Interest rate	Maturity date	Principal	Value
Diversified Telecommunication Services				
(continued)				
<i>Intelsat Bermuda Limited</i>	11.25%	2-4-2017	\$ 1,179,000	\$ 1,255,635
<i>Intelsat Jackson Holdings Limited</i>	7.25	4-1-2019	5,475,000	6,022,500
<i>Intelsat Jackson Holdings Limited</i>	7.50	4-1-2021	2,214,000	2,496,285
<i>Intelsat Jackson Holdings SA</i>	7.25	10-15-2020	3,225,000	3,579,750
				15,833,745

Wireless Telecommunication Services:**0.22%**