

MAXIMUS INC  
Form 10-Q  
May 10, 2018

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended March 31, 2018

Commission File Number: 1-12997

MAXIMUS, INC.  
(Exact name of registrant as specified in its charter)

Virginia 54-1000588  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)

1891 Metro Center Drive 20190  
Reston, Virginia  
(Address of principal executive offices) (Zip Code)

(703) 251-8500  
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer   
Non-accelerated filer  Smaller reporting company   
(Do not check if smaller reporting company) Emerging growth company

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If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of May 7, 2018 there were 65,242,950 shares of the registrant's common stock (no par value) outstanding.

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For the Quarter Ended March 31, 2018  
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Throughout this Quarterly Report on Form 10-Q, the terms “Company,” “we,” “us,” “our” and “MAXIMUS” refer to MAXIMUS, Inc. and its subsidiaries, unless the context requires otherwise.

#### SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Included in this Quarterly Report on Form 10-Q are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on current expectations, estimates, forecasts and projections about us, the industry in which we operate and other matters, as well as management’s beliefs and assumptions and other statements that are not historical facts. Words such as “anticipate,” “believe,” “could,” “expect,” “estimate,” “intend,” “may,” “opportunity,” “plan,” “potential,” “project,” “should,” “will” and similar words are intended to identify forward-looking statements and convey uncertainty of future events or outcomes. These statements are not guarantees and involve risks, uncertainties and assumptions that are difficult to predict. Actual outcomes and results may differ materially from such forward-looking statements due to a number of factors, including without limitation:

- a failure to meet performance requirements in our contracts, which might lead to contract termination and actual or liquidated damages;
- the effects of future legislative or government budgetary and spending changes;
- our failure to successfully bid for and accurately price contracts to generate our desired profit;
- our ability to maintain technology systems and otherwise protect confidential or protected information;
- our ability to attract and retain executive officers, senior managers and other qualified personnel to execute our business;
- our ability to manage capital investments and startup costs incurred before receiving related contract payments;
- our ability to adapt to changing market conditions;
- our ability to successfully implement digital enhancements and other technologies into our operations;
- the ability of government customers to terminate contracts on short notice, with or without cause;
- our ability to maintain relationships with key government entities from whom a substantial portion of our revenue is derived;
- the outcome of reviews or audits, which might result in financial penalties and impair our ability to respond to invitations for new work;
- a failure to comply with laws governing our business, which might result in the Company being subject to fines, penalties, suspension, debarment and other sanctions;
- the costs and outcome of litigation;
- our ability to identify and successfully complete acquisitions on favorable terms;
- difficulties in integrating or achieving projected revenues and earnings for acquired businesses;
- matters related to business we have disposed of or divested;
- the effect of changes in laws, including tax laws and the implementation of regulations, guidance and interpretations thereunder; and
- other factors set forth in Exhibit 99.1, under the caption "Special Considerations and Risk Factors," in our Annual Report on Form 10-K for the year ended September 30, 2017, which was filed with the Securities and Exchange Commission on November 20, 2017.

As a result of these and other factors, our past financial performance should not be relied on as an indication of future performance. Additionally, we caution investors not to place undue reliance on any forward-looking statements as these statements speak only as of the date when made. Except as otherwise required by law, we undertake no obligation to publicly update or revise any forward-looking statements, whether resulting from new information, future events or otherwise.

## PART I. FINANCIAL INFORMATION

## Item 1. Consolidated Financial Statements.

MAXIMUS, Inc.

## CONSOLIDATED STATEMENTS OF OPERATIONS

(Amounts in thousands, except per share data)

(Unaudited)

	Three Months Ended		Six Months Ended	
	March 31,		March 31,	
	2018	2017	2018	2017
Revenue	\$612,787	\$622,047	\$1,235,935	\$1,229,611
Cost of revenue	463,984	469,730	935,172	932,476
Gross profit	148,803	152,317	300,763	297,135
Selling, general and administrative expenses	72,559	68,596	142,118	133,994
Amortization of intangible assets	2,603	3,386	5,321	6,788
Restructuring costs	2,320	—	2,320	2,242
Operating income	71,321	80,335	151,004	154,111
Interest expense	157	744	325	1,593
Other income, net	1,392	417	1,679	680
Income before income taxes	72,556	80,008	152,358	153,198
Provision for income taxes	17,450	26,911	37,300	53,772
Net income	55,106	53,097	115,058	99,426
(Loss)/income attributable to noncontrolling interests	(386	) 582	475	247
Net income attributable to MAXIMUS	\$55,492	\$52,515	\$114,583	\$99,179
Basic earnings per share attributable to MAXIMUS	\$0.84	\$0.80	\$1.74	\$1.51
Diluted earnings per share attributable to MAXIMUS	\$0.84	\$0.80	\$1.73	\$1.50
Dividends paid per share	\$0.045	\$0.045	\$0.09	\$0.09
Weighted average shares outstanding:				
Basic	65,856	65,549	65,857	65,669
Diluted	66,268	65,947	66,223	65,989

See notes to unaudited consolidated financial statements.

MAXIMUS, Inc.

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in thousands)

(Unaudited)

	Three Months Ended March 31,		Six Months Ended March 31,	
	2018	2017	2018	2017
Net income	\$55,106	\$53,097	\$115,058	\$99,426
Foreign currency translation adjustments	2,869	5,623	3,184	(4,071 )
Interest rate hedge, net of income taxes of \$-, \$5, \$- and \$(3), respectively	—	(7 )	—	5
Comprehensive income	57,975	58,713	118,242	95,360
Comprehensive (loss)/income attributable to noncontrolling interests	(386 )	582	475	247
Comprehensive income attributable to MAXIMUS	\$58,361	\$58,131	\$117,767	\$95,113

See notes to unaudited consolidated financial statements.

MAXIMUS, Inc.  
CONSOLIDATED BALANCE SHEETS  
(Amounts in thousands)

	March 31, 2018 (unaudited)	September 30, 2017
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$253,227	\$ 166,252
Accounts receivable — billed and billable, net of reserves of \$4,356 and \$6,843	415,008	394,338
Accounts receivable — unbilled	41,202	36,475
Income taxes receivable	1,677	4,528
Prepaid expenses and other current assets	47,918	55,649
Total current assets	759,032	657,242
Property and equipment, net	90,741	101,651
Capitalized software, net	22,601	26,748
Goodwill	405,082	402,976
Intangible assets, net	94,109	98,769
Deferred contract costs, net	14,673	16,298
Deferred compensation plan assets	29,703	28,548
Deferred income taxes	7,625	7,691
Other assets	6,934	10,739
Total assets	\$1,430,500	\$ 1,350,662
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 119,589	\$ 122,083
Accrued compensation and benefits	81,833	105,667
Deferred revenue	52,743	71,722
Income taxes payable	11,652	4,703
Other liabilities	13,534	12,091
Total current liabilities	279,351	316,266
Deferred revenue, less current portion	23,802	28,182
Deferred income taxes	10,997	20,106
Deferred compensation plan liabilities, less current portion	30,904	30,707
Other liabilities	19,118	9,633
Total liabilities	364,172	404,894
Shareholders' equity:		
Common stock, no par value; 100,000 shares authorized; 65,243 and 65,137 shares issued and outstanding at March 31, 2018 and September 30, 2017, at stated amount, respectively	487,385	475,592
Accumulated other comprehensive loss	(24,435	) (27,619 )
Retained earnings	599,630	492,112
Total MAXIMUS shareholders' equity	1,062,580	940,085
Noncontrolling interests	3,748	5,683
Total equity	1,066,328	945,768
Total liabilities and equity	\$1,430,500	\$ 1,350,662

See notes to unaudited consolidated financial statements.





MAXIMUS, Inc.  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
(Amounts in thousands)  
(Unaudited)

	Six Months Ended March 31,	
	2018	2017
Cash flows from operations:		
Net income	\$115,058	\$99,426
Adjustments to reconcile net income to cash flows from operations:		
Depreciation and amortization of property and equipment and capitalized software	27,074	29,967
Amortization of intangible assets	5,321	6,788
Deferred income taxes	(9,179)	(5,721)
Stock compensation expense	11,324	10,234
Change in assets and liabilities:		
Accounts receivable — billed and billable	(18,522)	10,030
Accounts receivable — unbilled	(4,730)	(3,445)
Prepaid expenses and other current assets	8,526	7,512
Deferred contract costs	1,794	998
Accounts payable and accrued liabilities	(3,171)	(17,719)
Accrued compensation and benefits	(15,391)	(6,293)
Deferred revenue	(23,789)	(15,853)
Income taxes	18,634	20,715
Other assets and liabilities	3,620	209
Cash flows from operations	116,569	136,848
Cash flows from investing activities:		
Purchases of property and equipment and capitalized software costs	(13,175)	(12,975)
Acquisition of part of noncontrolling interest	(157)	—
Proceeds from the sale of a business	—	385
Other	183	218
Cash used in investing activities	(13,149)	(12,372)
Cash flows from financing activities:		
Cash dividends paid to MAXIMUS shareholders	(5,865)	(5,837)
Repurchases of common stock	(1,038)	(28,858)
Tax withholding related to RSU vesting	(8,529)	(9,267)
Borrowings under credit facility	124,683	135,000
Repayment of credit facility and other long-term debt	(124,752)	(184,828)
Other	(2,130)	(1,145)
Cash used in financing activities	(17,631)	(94,935)
Effect of exchange rate changes on cash and cash equivalents	1,186	(878)
Net increase in cash and cash equivalents	86,975	28,663
Cash and cash equivalents, beginning of period	166,252	66,199
Cash and cash equivalents, end of period	\$253,227	\$94,862
See notes to unaudited consolidated financial statements.		

MAXIMUS, Inc.

## CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Amounts in thousands)

(Unaudited)

	Common Shares Outstanding	Common Stock	Accumulated Other Comprehensive Income/(Loss)	Retained Earnings	Noncontrolling Interest	Total
Balance at September 30, 2017	65,137	\$475,592	\$ (27,619 )	\$ 492,112	\$ 5,683	\$945,768
Net income	—	—	—	114,583	475	115,058
Foreign currency translation	—	—	3,184	—	—	3,184
Cash dividends	—	—	—	(5,865 )	(2,129 )	(7,994 )
Dividends on RSUs	—	162	—	(162 )	—	—
Repurchases of common stock	(17 )	—	—	(1,038 )	—	(1,038 )
Stock compensation expense	—	11,324	—	—	—	11,324
Tax withholding related to RSU vesting	—	183	—	—	—	183
RSUs vested	123	—	—	—	—	—
Acquisition of part of noncontrolling interest	—	124	—	—	(281 )	(157 )
Balance at March 31, 2018	65,243	\$487,385	\$ (24,435 )	\$ 599,630	\$ 3,748	\$ 1,066,328
			Accumulated			
	Common Shares Outstanding	Common Stock	Other Comprehensive Income / (Loss)	Retained Earnings	Noncontrolling Interest	Total
Balance at September 30, 2016	65,223	\$461,679	\$ (36,169 )	\$ 323,571	\$ 4,059	\$753,140
Net income	—	—	—	99,179	247	99,426
Foreign currency translation	—	—	(4,071 )	—	—	(4,071 )
Interest rate hedge, net of income taxes	—	—	5	—	—	5
Cash dividends	—	—	—	(5,837 )	(617 )	(6,454 )
Dividends on RSUs	—	174	—	(174 )	—	—
Repurchases of common stock	(558 )	—	—	(28,858 )	—	(28,858 )
Stock compensation expense	—	10,234	—	—	—	10,234
Tax withholding related to RSU vesting	—	(12 )	—	—	—	(12 )
RSUs vested	157	—	—	—	—	—
Balance at March 31, 2017	64,822	\$472,075	\$ (40,235 )	\$ 387,881	\$ 3,689	\$823,410

See notes to unaudited consolidated financial statements.

MAXIMUS, Inc.

Notes to Unaudited Consolidated Financial Statements

For the Three and Six Months Ended March 31, 2018 and 2017

#### 1. Organization and Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X. As permitted by these instructions, they do not include all of the information and notes required by generally accepted accounting principles (GAAP) for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. The results of operations for the three and six months ended March 31, 2018 are not necessarily indicative of the results that may be expected for the full fiscal year. The balance sheet at September 30, 2017 has been derived from the audited financial statements at that date, but does not include all of the information and notes required by GAAP for complete financial statements. Certain financial results have been reclassified to conform with our current period presentation.

The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities and the reported amounts of revenue and expenses. On an ongoing basis, we evaluate our estimates including those related to revenue recognition and cost estimation on certain contracts, the realizability of goodwill and amounts related to income taxes, certain accrued liabilities and contingencies and litigation. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ from those estimates.

These financial statements should be read in conjunction with the consolidated audited financial statements and the notes thereto at September 30, 2017 and 2016 and for each of the three years ended September 30, included in our Annual Report on Form 10-K which was filed with the Securities and Exchange Commission on November 20, 2017.

## 2. Segment Information

The table below provides certain financial information for each of our business segments.

(dollars in thousands)	Three Months Ended March 31,				Six Months Ended March 31,			
	2018	% (1)	2017	% (1)	2018	% (1)	2017	% (1)
<b>Revenue:</b>								
Health Services	\$365,633	100 %	\$348,994	100 %	\$717,723	100 %	\$689,723	100 %
U.S. Federal Services	116,327	100 %	145,370	100 %	249,310	100 %	286,668	100 %
Human Services	130,827	100 %	127,683	100 %	268,902	100 %	253,220	100 %
Total	\$612,787	100 %	\$622,047	100 %	\$1,235,935	100 %	\$1,229,611	100 %
<b>Gross profit:</b>								
Health Services	\$98,207	26.9 %	\$86,454	24.8 %	\$189,263	26.4 %	\$164,688	23.9 %
U.S. Federal Services	27,374	23.5 %	36,571	25.2 %	60,732	24.4 %	74,147	25.9 %
Human Services	23,222	17.8 %	29,292	22.9 %	50,768	18.9 %	58,300	23.0 %
Total	\$148,803	24.3 %	\$152,317	24.5 %	\$300,763	24.3 %	\$297,135	24.2 %
<b>Selling, general and administrative expense:</b>								
Health Services	\$35,190	9.6 %	\$29,914	8.6 %	\$68,606	9.6 %	\$58,021	8.4 %
U.S. Federal Services	17,540	15.1 %	18,927	13.0 %	34,188	13.7 %	38,622	13.5 %
Human Services	19,829	15.2 %	19,663	15.4 %	39,324	14.6 %	36,902	14.6 %
Other (2)	—	NM	92	NM	—	NM	449	NM
Total	\$72,559	11.8 %	\$68,596	11.0 %	\$142,118	11.5 %	\$133,994	10.9 %
<b>Operating income:</b>								
Health Services	\$63,017	17.2 %	\$56,540	16.2 %	\$120,657	16.8 %	\$106,667	15.5 %
U.S. Federal Services	9,834	8.5 %	17,644	12.1 %	26,544	10.6 %	35,525	12.4 %
Human Services	3,393	2.6 %	9,629	7.5 %	11,444	4.3 %	21,398	8.5 %
Amortization of intangible assets	(2,603 )	NM	(3,386 )	NM	(5,321 )	NM	(6,788 )	NM
Restructuring costs (3)	(2,320 )	NM	—	NM	(2,320 )	NM	(2,242 )	NM
Other (2)	—	NM	(92 )	NM	—	NM	(449 )	NM
Total	\$71,321	11.6 %	\$80,335	12.9 %	\$151,004	12.2 %	\$154,111	12.5 %

(1) Percentage of respective segment revenue. Percentages not considered meaningful are marked "NM."

Other costs and credits relate to SG&A balances that do not relate directly to segment business activities. During

(2) the six months ended March 31, 2017 we incurred \$0.4 million of legal costs pertaining to a matter which occurred in fiscal year 2009.

(3) During fiscal years 2018 and 2017, we incurred costs in restructuring our United Kingdom Human Services business. See "Note 5. Supplemental disclosures" for more information.

### 3. Earnings Per Share

The weighted average number of shares outstanding used to compute earnings per share was as follows:

	Three Months Ended March 31,		Six Months Ended March 31,	
(shares in thousands)	2018	2017	2018	2017
Basic weighted average shares outstanding	65,856	65,549	65,857	65,669
Dilutive effect of employee stock options and unvested RSUs	412			
	<b>Total Investments (cost \$285,030,515) 151.3%</b>			<b>167,348,849</b>
	<b>Borrowings (33.8)% (11)</b>			<b>(37,400,000)</b>
	<b>Other Assets Less Liabilities 6.0%</b>			<b>6,629,154</b>
	<b>Preferred Shares, at Liquidation Value (23.5)% (11)</b>			<b>(26,000,000)</b>
	<b>Net Assets Applicable to Common Shares 100%</b>			<b>\$ 110,578,003</b>

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
- (2) Senior Loans generally are subject to mandatory and/or optional prepayment. Because of these mandatory prepayment conditions and because there may be significant economic incentives for a Borrower to prepay, prepayments of Senior Loans may occur. As a result, the actual remaining maturity of Senior Loans held may be substantially less than the stated maturities shown.
- (3) Ratings: Using the higher of Standard & Poor's Group (Standard & Poor's) or Moody's Investor Service, Inc. (Moody's) rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.
- (4) Senior Loans generally pay interest at rates which are periodically adjusted by reference to a base short-term, floating lending rate plus an assigned fixed rate. These floating lending rates are generally (i) the lending rate referenced by the London Inter-Bank Offered Rate (LIBOR), or (ii) the prime rate offered by one or more major United States banks. Senior Loans may be considered restricted in that the Fund ordinarily is contractually obligated to receive approval from the Agent Bank and/or Borrower prior to the disposition of a Senior Loan.
- (5) At or subsequent to January 31, 2009, this issue was under the protection of the Federal Bankruptcy Court.
- (6) Non-income producing. Non-income producing, in the case of a Senior Loan, generally denotes that the issuer has defaulted on the payment of principal or interest or has filed for bankruptcy.

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- (7) Position, or portion of position, represents an unfunded Senior Loan commitment outstanding at January 31, 2009.
  - (8) Negative value represents unrealized depreciation on unfunded Senior Loan commitment outstanding at January 31, 2009.
  - (9) Investment valued at fair value using methods determined in good faith by, or at the discretion of, the Board of Trustees.
  - (10) Non-income producing security, in the case of a bond, generally denotes that the issuer has defaulted on the payment of principal or interest or has filed for bankruptcy.
  - (11) Borrowings and Preferred Shares, at Liquidation Value as a percentage of Total Investments are 22.3% and 15.5%, respectively.
- N/R Not rated.
- DD1 Portion of investment purchased on a delayed delivery basis.
- WI/DD Purchased on a when-issued or delayed delivery basis.
- 144A Investment is exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These investments may only be resold in transactions exempt from registration which are normally those transactions with qualified institutional buyers.
- TBD Senior Loan purchased on a when-issued or delayed-delivery basis. Certain details associated with this purchase are not known prior to the settlement date of the transaction. In addition, Senior Loans typically trade without accrued interest and therefore a weighted average coupon rate is not available prior to settlement. At settlement, if still unknown, the Borrower or counterparty will provide the Fund with the final weighted average coupon rate and maturity date.

*See accompanying notes to financial statements.*

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Nuveen Floating Rate Income Fund  
Portfolio of INVESTMENTS

January 31, 2009 (Unaudited)

Principal Amount (000)	Description (1)	Weighted Average		Ratings (3)	Value
		Coupon	Maturity (2)		
	<b>Variable Rate Senior Loan Interests</b>	<b>131.7%</b>	<b>(89.5% of Total Investments) (4)</b>		
	<b>Aerospace &amp; Defense</b>	<b>1.3%</b>	<b>(0.9% of Total Investments)</b>		
\$ 2,300	Transdigm, Inc., Term Loan B	3.498%	6/23/13	BB	\$ 2,012,500
2,362	Vought Aircraft Industries, Inc., Term Loan	2.910%	12/22/11	Ba3	1,814,911
545	Vought Aircraft Industries, Inc., Tranche B, Letter of Credit	2.936%	12/22/10	Ba3	362,727
5,207	Total Aerospace & Defense				4,190,138
	<b>Airlines</b>	<b>3.5%</b>	<b>(2.4% of Total Investments)</b>		
2,504	ACTS Aero Technical Support & Services Inc., Term Loan, (6)	4.333%	10/16/14	N/R	312,956
1,980	Delta Air Lines, Inc., Credit Linked Deposit	2.427%	4/30/12	Ba2	1,342,440
1,980	Delta Air Lines, Inc., Term Loan	3.686%	4/30/14	B	1,006,213
5,887	Northwest Airlines, Inc., DIP Term Loan	2.390%	12/31/10	BB	4,974,102
6,153	United Air Lines, Inc., Term Loan B	2.419%	2/01/14	B+	3,291,766
18,504	Total Airlines				10,927,477
	<b>Auto Components</b>	<b>1.6%</b>	<b>(1.1% of Total Investments)</b>		
5,631	Federal-Mogul Corporation, Tranche B, Term Loan	2.355%	12/29/14	Ba2	2,702,977
3,316	Federal-Mogul Corporation, Tranche C, Term Loan	2.302%	12/28/15	Ba2	1,591,724
1,000	Goodyear Tire & Rubber Company, Term Loan	2.140%	4/30/14	Ba1	740,000
9,947	Total Auto Components				5,034,701
	<b>Building Products</b>	<b>5.3%</b>	<b>(3.6% of Total Investments)</b>		

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1,588	Atrium Companies, Inc., Term Loan	11.750%	5/31/12	B	416,913
5,000	Building Materials Corporation of America, Term Loan, Second Lien	6.250%	9/15/14	Caa2	2,075,000
7,824	Building Materials Corporation of America, Term Loan	3.874%	2/22/14	B+	5,102,411
8,158	Stile Acquisition Corporation, Canadian Term Loan	4.250%	4/05/13	Caa3	3,548,536
8,237	Stile Acquisition Corporation, Term Loan B	4.250%	4/05/13	Caa3	3,583,121
3,910	TFS Acquisition, Term Loan	4.959%	8/11/13	B	1,759,500
34,717	Total Building Products <b>Capital Markets 1.1% (0.8% of Total Investments)</b>				16,485,481
685	BNY Convergenx Group LLC, Incremental Term Loan	3.848%	10/02/13	B+	464,098
4,643	BNY Convergenx Group LLC, Term Loan	4.460%	10/02/13	B+	3,145,536
5,328	Total Capital Markets <b>Chemicals 5.6% (3.8% of Total Investments)</b>				3,609,634
1,400	Celanese US Holdings LLC, Credit Linked Deposit	0.448%	4/02/14	BB+	1,150,334
1,529	Foamex LP, Term Loan B, (6)	4.270%	2/12/13	Ca	479,014
4,806	Hexion Specialty Chemicals, Inc., Term Loan C1	3.688%	5/05/13	Ba3	2,042,550
1,044	Hexion Specialty Chemicals, Inc., Term Loan C2	3.750%	5/05/13	Ba3	443,700
3,653	Huntsman International LLC, Term Loan	2.161%	4/19/14	BB+	2,595,435
3,728	Ineos US Finance LLC, Tranche B2	8.202%	12/16/13	CCC+	1,435,305
3,728	Ineos US Finance LLC, Tranche C2	8.702%	12/16/14	CCC+	1,467,925
440	JohnsonDiversey, Inc., Term Loan	5.193%	12/16/11	Ba2	391,772
1,444	Lucite International, Term Loan B1	3.430%	7/07/13	B+	1,299,504
511	Lucite International, Term Loan B2	3.431%	7/07/13	B+	460,168
2,000	LyondellBasell Finance Company, Term Loan B2, (5), (6), WI/DD	TBD	TBD	Caa2	707,500
2,462	Rockwood Specialties Group, Inc., Term Loan E	1.909%	7/30/12	BB+	2,171,639
990	Solutia, Inc., Term Loan	8.500%	2/28/14	B+	662,991
3,960	Univar, Inc., Term Loan	4.459%	10/10/14	B+	2,192,850
31,695	Total Chemicals <b>Commercial Services &amp; Supplies 1.6% (1.1% of Total Investments)</b>				17,500,687



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972	NCO Financial Systems, Inc., Term Loan	6.159%	5/15/13	Ba3	704,882
4,367	Rental Services Corporation, Term Loan	4.711%	11/27/13	B	2,751,037
1,135	Workflow Holdings Corporation, Term Loan	8.000%	11/30/11	Caa1	666,986
1,763	Xerium Technologies, Inc., Term Loan B	6.959%	5/21/12	B	978,430
8,237	Total Commercial Services & Supplies <b>Communications Equipment 0.4% (0.3% of Total Investments)</b>				5,101,335
2,340	Aspect Software, Inc., Term Loan B	4.563%	7/11/11	B1	1,216,800

Principal Amount (000)	Description (1)	Weighted Average		Ratings (3)	Value
		Coupon	Maturity (2)		
	<b>Consumer Finance</b>	<b>0.3%</b>	<b>(0.2% of Total Investments)</b>		
\$ 2,825	Peach Holdings, Inc., Term Loan	5.218%	11/30/13	B	\$ 1,002,875
	<b>Containers &amp; Packaging</b>	<b>2.8%</b>	<b>(1.9% of Total Investments)</b>		
491	Amscan Holdings Inc., Term Loan	3.930%	5/25/13	B1	335,278
7,782	Graham Packaging Company, L.P., Term Loan	4.508%	10/07/11	B+	6,281,617
699	Smurfit-Stone Container Corporation, Deposit-Funded Commitment	3.000%	11/01/10	B1	467,506
783	Smurfit-Stone Container Corporation, Term Loan B	3.780%	11/01/11	B1	524,132
1,476	Smurfit-Stone Container Corporation, Term Loan C	3.858%	11/01/11	B1	970,681
463	Smurfit-Stone Container Corporation, Tranche C1	2.500%	11/01/11	B1	304,664
11,694	Total Containers & Packaging				8,883,878
	<b>Diversified Consumer Services</b>	<b>2.7%</b>	<b>(1.8% of Total Investments)</b>		
4,873	Cengage Learning Acquisitions, Inc., Term Loan	2.910%	7/05/14	B+	3,708,687
6,458	West Corporation, Term Loan	2.783%	10/24/13	BB	4,641,782
11,331	Total Diversified Consumer Services				8,350,469
	<b>Diversified Financial Services</b>	<b>0.3%</b>	<b>(0.2% of Total Investments)</b>		
1,995	Fox Acquisition Sub LLC, Term Loan B	7.250%	7/14/15	BB	1,097,250
	<b>Diversified Telecommunication Services</b>	<b>6.6%</b>	<b>(4.5% of Total Investments)</b>		
896	Choice One Communications, Term Loan B	5.876%	6/30/12	B2	461,293
3,204	Intelsat, Tranche B, Term Loan A	3.925%	1/03/14	BB	2,773,800
3,203	Intelsat, Tranche B, Term Loan B	3.925%	1/03/14	BB	2,772,959
3,203	Intelsat, Tranche B, Term Loan C	3.925%	1/03/14	BB	2,772,959
3,861	Intelsat, Tranche B, Term Loan	3.925%	7/01/13	BB	3,424,335
6,800	Level 3 Financing, Inc., Term Loan	3.255%	3/13/14	B+	4,973,714
3,850	MetroPCS Wireless, Inc., Term Loan	4.486%	11/03/13	Ba2	3,369,917
25,017					20,548,977

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Total Diversified					
Telecommunication Services					
<b>Electric Utilities 3.5% (2.3% of Total Investments)</b>					
1,611	Calpine Corporation, DIP Revolver, (7)	2.541%	3/31/14	B+	833,333
5,830	Calpine Corporation, DIP Term Loan	4.335%	3/31/14	B+	4,504,383
3,923	TXU Corporation, Term Loan B2	4.752%	10/10/14	Ba3	2,746,740
3,950	TXU Corporation, Term Loan B3	3.906%	10/10/14	Ba3	2,763,025
15,314	Total Electric Utilities				10,847,481
<b>Electrical Equipment 1.0% (0.7% of Total Investments)</b>					
4,882	Allison Transmission Holdings, Inc., Term Loan	3.169%	8/07/14	BB	3,192,190
<b>Electronic Equipment &amp; Instruments 0.2% (0.1% of Total Investments)</b>					
975	Sensata Technologies B.V., Term Loan	2.934%	4/27/13	BB	510,047
<b>Energy Equipment &amp; Services 0.3% (0.2% of Total Investments)</b>					
953	PGS Finance, Inc., Term Loan	3.210%	6/29/15	Ba2	688,783
1,000	SemGroup, L.P., Term Loan B2, WI/DD	TBD	TBD	Caa3	412,500
1,953	Total Energy Equipment & Services				1,101,283
<b>Food Products 1.2% (0.8% of Total Investments)</b>					
465	Dole Food Company, Inc., Deposit-Funded Commitment	2.790%	4/12/13	Ba3	388,704
822	Dole Food Company, Inc., Term Loan B	2.479%	4/12/13	Ba3	687,179
3,064	Dole Food Company, Inc., Term Loan C	2.941%	4/12/13	Ba3	2,560,228
4,351	Total Food Products				3,636,111
<b>Health Care Providers &amp; Services 9.4% (6.4% of Total Investments)</b>					
33	Community Health Systems, Inc., Delayed Term Loan	2.948%	7/25/14	BB	27,875
638	Community Health Systems, Inc., Term Loan	4.445%	7/25/14	BB	542,417
9,381	Health Management Associates, Inc., Term Loan	3.209%	2/28/14	BB	6,734,478
1,529	HealthSouth Corporation, Term Loan	4.493%	3/10/13	BB	1,344,240
2,029	IASIS Healthcare LLC, Delayed Term Loan	2.409%	3/14/14	Ba2	1,744,826

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544	IASIS Healthcare LLC, Letter of Credit	0.319%	3/14/14	Ba2	467,625
5,863	IASIS Healthcare LLC, Term Loan	2.409%	3/14/14	Ba2	5,042,373
1,280	Invacare Corporation, Term Loan B	3.424%	2/12/13	BB	1,043,200
3,870	LifeCare, Term Loan B	5.430%	8/11/12	B2	2,380,050
519	LifePoint Hospitals, Inc., Term Loan B	3.821%	4/18/12	Ba1	467,054
2,888	Select Medical Corporation, Term Loan	4.153%	2/24/12	Ba2	2,288,344
8,528	Vanguard Health Holding Company II LLC, Replacement Term Loan	3.273%	9/23/11	Ba3	7,364,309
37,102	Total Health Care Providers & Services				29,446,791

JFR Nuveen Floating Rate Income Fund (continued)  
Portfolio of INVESTMENTS January 31, 2009 (Unaudited)

Principal Amount (000)	Description (1)	Weighted Average		Ratings (3)	Value
		Coupon	Maturity (2)		
	<b>Health Care Technology</b>	<b>0.5%</b>	<b>(0.3% of Total Investments)</b>		
\$ 1,881	Emdeon Business Services LLC, Term Loan	3.459%	11/18/13	BB	\$ 1,626,658
	<b>Hotels, Restaurants &amp; Leisure</b>	<b>9.7%</b>	<b>(6.6% of Total Investments)</b>		
9,185	24 Hour Fitness Worldwide, Inc., Term Loan B	3.434%	6/08/12	Ba3	5,694,780
1,114	Ameristar Casinos, Inc., Term Loan B	2.411%	11/10/12	BB+	679,505
27	Buffets, Inc., DIP Term Loan, WI/DD	TBD	TBD	N/R	5,730
273	Buffets, Inc., DIP Rollover Term Loan, WI/DD	TBD	TBD	N/R	57,804
84	Buffets, Inc., Letter of Credit, WI/DD	TBD	TBD	N/R	17,793
564	Buffets, Inc., Term Loan, WI/DD	TBD	TBD	N/R	119,330
763	CBRL Group, Inc., Term Loan B1	4.700%	4/28/13	BB	572,053
92	CBRL Group, Inc., Term Loan B2	1.910%	4/28/13	BB	68,818
4,875	Cedar Fair LP, Term Loan	2.409%	8/30/12	BB	3,709,063
667	Fontainebleau Las Vegas LLC, Delayed Term Loan, (7), (8)	2.000%	6/06/14	B	(483,333)
1,333	Fontainebleau Las Vegas LLC, Term Loan	5.443%	6/06/14	B	366,667
946	Green Valley Ranch Gaming LLC, Term Loan B	4.246%	2/16/14	B	406,839
597	Isle of Capri Casinos, Inc., Delayed Term Loan A	3.209%	11/25/13	B+	402,384
679	Isle of Capri Casinos, Inc., Delayed Term Loan B	3.209%	11/25/13	B+	457,544
1,698	Isle of Capri Casinos, Inc., Delayed Term Loan	3.209%	11/25/13	B+	1,143,861
3,950	Orbitz Worldwide, Inc., Term Loan	4.242%	7/25/14	BB	1,757,750
1,970	Travelport LLC, Delayed Term Loan	3.709%	8/23/13	Ba2	1,142,600
981	Travelport LLC, Letter of Credit	3.709%	8/23/13	Ba2	569,236

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4,891	Travelport LLC, Term Loan	3.041%	8/23/13	Ba2	2,836,953
3,318	Venetian Casino Resort LLC, Delayed Term Loan	2.160%	5/23/14	B+	1,640,099
13,469	Venetian Casino Resort LLC, Term Loan	2.160%	5/23/14	B+	6,657,437
4,073	Wintergames Holdings, Term Loan A	7.910%	12/22/13	N/R	2,494,467
55,549	Total Hotels, Restaurants & Leisure				30,317,380
	<b>Household Durables 0.1% (0.1% of Total Investments)</b>				
339	Rent-A-Center Inc., Term Loan B	2.148%	6/30/12	BB+	286,600
	<b>Household Products 0.7% (0.5% of Total Investments)</b>				
2,543	Prestige Brands, Inc., Term Loan B	2.660%	4/06/11	BB	2,225,547
	<b>Independent Power Producers &amp; Energy Traders 2.0% (1.4% of Total Investments)</b>				
2,268	NRG Energy, Inc., Credit Linked Deposit	5.021%	2/01/13	Ba1	2,106,831
4,603	NRG Energy, Inc., Term Loan	2.660%	2/01/13	Ba1	4,275,673
6,871	Total Independent Power Producers & Energy Traders				6,382,504
	<b>Insurance 3.4% (2.3% of Total Investments)</b>				
16,438	Conseco, Inc., Term Loan	2.386%	10/10/13	B+	10,643,652
	<b>Internet Software &amp; Services 0.4% (0.3% of Total Investments)</b>				
3,000	Sabre, Inc., Term Loan	2.877%	9/30/14	B+	1,374,377
	<b>IT Services 3.6% (2.4% of Total Investments)</b>				
3,920	First Data Corporation, Term Loan B2	3.141%	9/24/14	BB	2,494,148
1,980	First Data Corporation, Term Loan B3	3.141%	9/24/14	BB	1,262,218
1,708	Infor Global Solutions Intermediate Holdings, Ltd., Delayed Term Loan	5.210%	7/28/12	B+	878,937
633	Infor Global Solutions Intermediate Holdings, Ltd., Term Loan, Second Lien	7.709%	3/02/14	CCC+	152,000
2,569	Infor Global Solutions Intermediate Holdings, Ltd., Term Loan	5.210%	7/28/12	B+	1,515,963
6,267	SunGard Data Systems, Inc., Term Loan B	3.707%	2/28/14	BB	4,901,565
17,077	Total IT Services				11,204,831
	<b>Leisure Equipment &amp; Products 2.0% (1.3% of Total Investments)</b>				

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10,025	Bombardier Recreational Products, Inc., Term Loan	4.224%	6/28/13	B	4,736,962
5,000	Wimar OpCo LLC, Term Loan, (5)	6.500%	1/03/12	N/R	1,475,000
15,025	Total Leisure Equipment & Products <b>Machinery 2.8% (1.9% of Total Investments)</b>				6,211,962
5,000	Manitowoc Company, Term Loan	6.500%	11/06/14	BB+	3,893,750
933	Navistar International Corporation, Synthetic Letter of Credit	6.035%	1/19/12	N/R	667,333
2,567	Navistar International Corporation, Term Loan	3.659%	1/19/12	N/R	1,835,167
3,522	Oshkosh Truck Corporation, Term Loan	2.886%	12/06/13	BB+	2,460,675
12,022	Total Machinery <b>Media 26.0% (17.7% of Total Investments)</b>				8,856,925
1,949	American Media Operations, Inc., Term Loan	3.950%	1/13/13	B2	1,169,323
6,870	Cequel Communications LLC, Term Loan B	2.575%	11/05/13	BB	5,509,375

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Principal Amount (000)	Description (1)	Weighted Average	Maturity (2)	Ratings (3)	Value
		Coupon			
\$ 3,000	Charter Communications Operating Holdings LLC, Holdco Term Loan	3.959%	3/06/14	B1	\$ 1,734,000
7,887	Charter Communications Operating Holdings LLC, Term Loan, DD1	3.442%	3/06/14	B1	6,053,528
1,731	Gray Television, Inc., Term Loan B	2.515%	12/31/14	B	767,210
7,840	Idearc, Inc., Term Loan	3.415%	11/17/14	B2	2,722,440
15,553	Metro-Goldwyn-Mayer Studios, Inc., Term Loan B	4.217%	4/08/12	N/R	7,169,995
8,633	Neilsen Finance LLC, Term Loan	3.884%	8/09/13	Ba3	6,906,301
640	NextMedia Operating, Inc., Delayed Term Loan	5.123%	11/15/12	B1	334,512
1,443	NextMedia Operating, Inc., Term Loan, First Lien	5.174%	11/15/12	B1	754,013
4,721	Philadelphia Newspapers, Term Loan, (5), (6)	0.000%	6/29/13	N/R	786,751
4,767	ProQuest Company, Term Loan B	2.920%	2/09/14	BB	3,861,000
983	Readers Digest Association, Inc., Term Loan	3.614%	3/02/14	B2	393,000
3,777	SFX Entertainment, Inc., Term Loan	4.258%	6/20/13	Ba3	2,775,927
963	Spanish Broadcasting System, Inc., Term Loan B	3.210%	6/10/12	CCC+	370,563
25,682	Tribune Company, Term Loan B, (5), (6)	0.000%	6/04/14	Ca	7,181,904
2,048	Tribune Company, Term Loan X, (5), (6)	0.000%	6/04/09	Ca	575,488
3,853	Univision Communications, Inc., Term Loan, Second Lien	2.909%	3/29/09	CCC	3,370,938
25,000	Univision Communications, Inc., Term Loan	2.659%	9/29/14	B2	13,294,650
3,000	UPC Broadband Holding BV, Term Loan N	2.198%	12/31/14	Ba3	2,422,500
746	Valassis Communications, Inc., Delayed Term Loan	3.210%	3/02/14	Ba2	491,227
2,249	Valassis Communications, Inc., Tranche B, Term Loan	3.210%	3/02/14	Ba2	1,481,435
9,032	WMG Acquisition Corporation, Term Loan	3.340%	2/28/11	BB	7,575,867
6,025	Yell Group PLC, Term Loan	3.409%	10/27/12	N/R	3,775,669
148,392	Total Media				81,477,616
	<b>Metals &amp; Mining 2.5% (1.7% of Total Investments)</b>				



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2,722	Amsted Industries, Inc., Delayed Term Loan	4.136%	4/08/13	BB	1,891,978
3,749	Amsted Industries, Inc., Term Loan	3.235%	4/08/13	BB	2,605,415
985	Edgen Murray II LP, Term Loan	4.296%	5/11/14	B	696,067
4,545	John Maneely Company, Term Loan	4.436%	12/08/13	B+	2,522,322
12,001	Total Metals & Mining <b>Oil, Gas &amp; Consumable Fuels 2.9% (1.9% of Total Investments)</b>				7,715,782
1,965	Brand Energy & Infrastructure Services, Inc., Term Loan B	3.745%	2/07/14	B1	1,213,388
2,977	CCS Income Trust, Term Loan	3.409%	11/14/14	BB	1,913,008
301	Coffeyville Resources LLC, Credit Linked Deposit	6.000%	12/28/10	BB	216,430
968	Coffeyville Resources LLC, Tranche D, Term Loan	8.500%	12/28/13	BB	697,075
2,145	Quicksilver Resource, Inc., Term Loan	7.750%	8/08/13	B1	1,592,304
6,006	Western Refining, Inc., Term Loan, DD1	9.250%	5/30/14	BB	3,370,922
14,362	Total Oil, Gas & Consumable Fuels <b>Paper &amp; Forest Products 0.3% (0.2% of Total Investments)</b>				9,003,127
1,975	Wilton Products, Term Loan <b>Pharmaceuticals 1.4% (1.0% of Total Investments)</b>	3.615%	11/16/14	Ba3	918,375
1,627	Stiefel Laboratories, Inc., Delayed Term Loan	3.410%	12/28/13	BB	1,358,389
2,127	Stiefel Laboratories, Inc., Term Loan	3.410%	12/28/13	BB	1,775,968
1,055	Warner Chilcott Corporation, Tranche B, Term Loan	3.459%	1/18/12	BB	946,409
383	Warner Chilcott Corporation, Tranche C, Term Loan	3.459%	1/18/12	BB	344,035
5,192	Total Pharmaceuticals <b>Real Estate Management &amp; Development 4.5% (3.1% of Total Investments)</b>				4,424,801
7,303	Capital Automotive LP, Term Loan	2.200%	12/15/10	Ba1	3,004,510
14,080	LNR Property Corporation, Term Loan B	6.690%	7/12/11	BB	7,579,729
5,910	Realogy Corporation, Delayed Term Loan	4.673%	10/10/13	Caa1	3,518,411
27,293	Total Real Estate Management & Development <b>Road &amp; Rail 4.4% (3.0% of Total Investments)</b>				14,102,650

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667	Hertz Corporation, Letter of Credit	3.775%	12/21/12	BB+	428,333
3,659	Hertz Corporation, Term Loan	2.152%	12/21/12	BB+	2,351,111
24,012	Swift Transportation Company, Inc., Term Loan	5.487%	5/10/14	B+	11,007,843
28,338	Total Road & Rail <b>Semiconductors &amp; Equipment 0.5% (0.3% of Total Investments)</b>				13,787,287
2,940	Freescal Semiconductor, Inc., Term Loan	3.931%	11/29/13	B1	1,521,450

JFR Nuveen Floating Rate Income Fund (continued)  
Portfolio of INVESTMENTS January 31, 2009 (Unaudited)

Principal Amount (000)	Description (1)	Weighted Average Coupon	Maturity (2)	Ratings (3)	Value
	<b>Software 2.4% (1.6% of Total Investments)</b>				
\$ 6,000	Dealer Computer Services, Inc., Term Loan, Second Lien	5.909%	10/26/13	B	\$ 2,025,000
7,551	Dealer Computer Services, Inc., Term Loan	2.409%	10/26/12	BB	4,002,000
2,000	IPC Systems, Inc., Term Loan, Second Lien	6.750%	5/31/15	CCC+	383,333
1,853	IPC Systems, Inc., Term Loan	3.709%	5/31/14	B+	1,051,735
17,404	Total Software				7,462,068
	<b>Specialty Retail 7.9% (5.4% of Total Investments)</b>				
5,840	Blockbuster, Inc., Tranche B, Term Loan	5.976%	8/20/11	B1	3,807,902
3,149	Burlington Coat Factory Warehouse Corporation, Term Loan	4.450%	5/28/13	B3	1,423,762
702	J Crew Operating Corporation, Term Loan	2.188%	5/15/13	BB+	582,456
9,477	Michaels Stores, Inc., Term Loan	2.770%	10/31/13	B	5,778,375
5,824	Sally Holdings LLC, Term Loan	3.849%	11/16/13	BB	4,866,281
5,985	Toys R Us Delaware, Inc., Term Loan B	4.584%	7/19/12	BB	3,078,040
11,000	TRU 2005 RE Holding Co I LLC, Term Loan	3.448%	12/08/09	B3	5,314,375
41,977	Total Specialty Retail				24,851,191
	<b>Textiles, Apparel &amp; Luxury Goods 1.2% (0.8% of Total Investments)</b>				
2,000	HBI Branded Apparel Limited, Inc., Term Loan, Second Lien	4.909%	3/05/14	BB	1,683,333
2,432	HBI Branded Apparel Limited, Inc., Term Loan	2.975%	9/05/13	BB+	2,201,089
4,432	Total Textiles, Apparel & Luxury Goods				3,884,422

**Trading Companies & Distributors 1.0% (0.7% of Total Investments)**

1,824	Ashtead Group Public Limited Company, Term Loan	2.188%	8/31/11	BB+	1,468,320
393	Brenntag Holdings GmbH & Co. KG, Acquisition Facility	2.398%	1/20/14	B+	306,327
1,607	Brenntag Holdings GmbH & Co. KG, Facility B2	3.140%	1/20/14	B+	1,253,671
3,824	Total Trading Companies & Distributors				3,028,318

**Wireless Telecommunication Services 2.8% (1.9% of Total Investments)**

12,000	Asurion Corporation, Term Loan	4.325%	7/03/14	N/R	8,760,000
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**\$ 684,289 Total Variable Rate Senior Loan Interests (cost \$666,616,064) 412,751,128**

**Principal Amount (000)**

**Description (1) Coupon Maturity Ratings (3) Value**

**Corporate Bonds 8.9% (6.0% of Total Investments)****Diversified Telecommunication Services 1.4% (0.9% of Total Investments)**

\$ 5,000	Qwest Corporation, Floating Rate Note, 3.250% plus three-month LIBOR	4.434%	6/15/13	BBB	\$ 4,300,000
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**Energy Equipment & Services 1.5% (1.0% of Total Investments)**

5,000	Williams Companies Inc., Floating Rate Note, 2.000% plus three-month LIBOR, 144A	3.184%	10/01/10	BBB	4,652,865
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**Food Products 0.9% (0.6% of Total Investments)**

1,528	Dole Foods Company	8.625%	5/01/09	B	1,447,780
1,780	Dole Foods Company	8.875%	3/15/11	B	1,343,900
3,308	Total Food Products				2,791,680

**Health Care Providers & Services 0.4% (0.2% of Total Investments)**

2,000	Select Medical Corporation, Floating Rate Note, 5.750% plus six-month LIBOR	7.410%	9/15/15	CCC+	1,160,000
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**Hotels, Restaurants & Leisure 1.5% (1.0% of Total Investments)**

7,900	Mohegan Tribal Gaming Authority	8.000%	4/01/12	B3	4,819,000
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	<b>Oil, Gas &amp; Consumable Fuels</b>	<b>0.0%</b>	<b>(0.0% of Total Investments)</b>		
1,000	SemGroup LP, 144A, (9)	8.750%	11/15/15	C	40,000
	<b>Paper &amp; Forest Products</b>	<b>0.5%</b>	<b>(0.3% of Total Investments)</b>		
500	Verso Paper Holdings LLC, Series B	9.125%	8/01/14	B+	207,500
4,000	Verso Paper Holdings LLC, Floating Rate Note, 3.750% plus three-month LIBOR	4.934%	8/01/14	B+	1,180,000
4,500	Total Paper & Forest Products				1,387,500
	<b>Real Estate Investment Trust</b>	<b>0.8%</b>	<b>(0.6% of Total Investments)</b>		
4,000	Felcor Lodging LP, Floating Rate Note, 1.875% plus six-month LIBOR	3.535%	12/01/11	Ba3	2,580,000

<b>Principal Amount (000)</b>	<b>Description (1)</b>	<b>Coupon</b>	<b>Maturity</b>	<b>Ratings (3)</b>	<b>Value</b>
	<b>Semiconductors &amp; Equipment</b>	<b>1.7% (1.2% of Total Investments)</b>			
\$ 1,400	Avago Technologies Finance Pte. Ltd., Floating Rate Note, 5.500% plus three-month LIBOR	6.684%	6/01/13	BB	\$ 1,169,000
16,000	NXP BV, Floating Rate Note, 2.750% plus three-month LIBOR	3.934%	10/15/13	Caa1	3,900,000
1,000	Spansion LLC., Floating Rate Note, 3.125% plus three-month LIBOR, 144A, (10)	4.309%	6/01/13	Caa2	257,500
18,400	Total Semiconductors & Equipment				5,326,500
	<b>Textiles, Apparel &amp; Luxury Goods</b>	<b>0.2% (0.2% of Total Investments)</b>			
1,000	HanesBrands Inc., Floating Rate Note, 3.375% plus six-month LIBOR	5.035%	12/15/14	B	735,000
<b>\$ 52,108</b>	<b>Total Corporate Bonds (cost \$51,344,381)</b>				<b>27,792,545</b>
<b>Shares</b>	<b>Description (1)</b>				<b>Value</b>
	<b>Investment Companies</b>	<b>2.2% (1.5% of Total Investments)</b>			
353,668	Eaton Vance Floating-Rate Income Trust Fund				\$ 3,179,475
963,820	Eaton Vance Senior Income Trust				3,797,451
	<b>Total Investment Companies (cost \$11,947,776)</b>				<b>6,976,926</b>
<b>Principal Amount (000)</b>	<b>Description (1)</b>	<b>Coupon</b>	<b>Maturity</b>		<b>Value</b>
	<b>Short-Term Investments</b>	<b>4.5% (3.0% of Total Investments)</b>			
\$ 13,947	Repurchase Agreement with Fixed Income Clearing Corporation, dated 1/30/09, repurchase price \$13,947,321, collateralized by \$14,255,000 U.S. Treasury Bills, 0.000%, due	0.050%	2/02/09		\$ 13,947,263

7/30/09, value \$14,230,767

<b>Total Short-Term Investments</b> (cost \$13,947,263)	<b>13,947,263</b>
<b>Total Investments (cost</b> <b>\$743,855,484) 147.3%</b>	<b>461,467,862</b>
<b>Borrowings (21.1)% (11)</b>	<b>(66,000,000)</b>
<b>Other Assets Less Liabilities</b> <b>7.3%</b>	<b>22,803,005</b>
<b>Preferred Shares, at</b> <b>Liquidation Value (33.5)% (11)</b>	<b>(105,000,000)</b>
<b>Net Assets Applicable to</b> <b>Common Shares 100%</b>	<b>\$ 313,270,867</b>

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
- (2) Senior Loans generally are subject to mandatory and/or optional prepayment. Because of these mandatory prepayment conditions and because there may be significant economic incentives for a Borrower to prepay, prepayments of Senior Loans may occur. As a result, the actual remaining maturity of Senior Loans held may be substantially less than the stated maturities shown.
- (3) Ratings: Using the higher of Standard & Poor's Group (Standard & Poor's) or Moody's Investor Service, Inc. (Moody's) rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.
- (4) Senior Loans generally pay interest at rates which are periodically adjusted by reference to a base short-term, floating lending rate plus an assigned fixed rate. These floating lending rates are generally (i) the lending rate referenced by the London Inter-Bank Offered Rate (LIBOR), or (ii) the prime rate offered by one or more major United States banks.  
Senior Loans may be considered restricted in that the Fund ordinarily is contractually obligated to receive approval from the Agent Bank and/or Borrower prior to the disposition of a Senior Loan.
- (5) At or subsequent to January 31, 2009, this issue was under the protection of the Federal Bankruptcy Court.
- (6) Non-income producing. Non-income producing, in the case of a Senior Loan, generally denotes that the issuer has defaulted on the payment of principal or interest or has filed for bankruptcy.
- (7) Position, or portion of position, represents an unfunded Senior Loan commitment outstanding at January 31, 2009.
- (8) Negative value represents unrealized depreciation on unfunded Senior Loan commitment outstanding at January 31, 2009.
- (9) Non-income producing security, in the case of a bond, generally denotes that the issuer has defaulted on the payment of principal or interest or has filed for bankruptcy.
- (10)

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At or subsequent to January 31, 2009, this issue was under protection of the Federal Bankruptcy Court. As a result, the Adviser has concluded this issue is not likely to meet its interest payment obligations and has directed the custodian to cease accruing additional income and write-off any remaining recorded balances on the Fund's records.

- (11) Borrowings and Preferred Shares, at Liquidation Value as a percentage of Total Investments are 14.3% and 22.8%, respectively.
- N/R Not rated.
- DD1 Portion of investment purchased on a delayed delivery basis.
- WI/DD Purchased on a when-issued or delayed delivery basis.
- 144A Investment is exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These investments may only be resold in transactions exempt from registration which are normally those transactions with qualified institutional buyers.
- TBD Senior Loan purchased on a when-issued or delayed-delivery basis. Certain details associated with this purchase are not known prior to the settlement date of the transaction. In addition, Senior Loans typically trade without accrued interest and therefore a weighted average coupon rate is not available prior to settlement. At settlement, if still unknown, the Borrower or counterparty will provide the Fund with the final weighted average coupon rate and maturity date.

*See accompanying notes to financial statements.*



JRO Nuveen Floating Rate Income Opportunity Fund  
Portfolio of INVESTMENTS

January 31, 2009 (Unaudited)

Principal Amount (000)	Description (1)	Weighted Average Coupon	Maturity (2)	Ratings (3)	Value
	<b>Variable Rate Senior Loan Interests</b>	<b>145.0%</b>	<b>(89.6% of Total Investments) (4)</b>		
	<b>Aerospace &amp; Defense</b>	<b>0.9%</b>	<b>(0.5% of Total Investments)</b>		
\$ 574	DAE Aviation Holdings, Inc., Term Loan B1	4.424%	7/31/14	BB	\$ 272,872
566	DAE Aviation Holdings, Inc., Term Loan B2	4.919%	7/31/14	BB	268,996
1,150	Transdigm, Inc., Term Loan B	3.498%	6/23/13	BB	1,006,250
2,290	Total Aerospace & Defense				1,548,118
	<b>Airlines</b>	<b>3.7%</b>	<b>(2.3% of Total Investments)</b>		
1,970	Delta Air Lines, Inc., Term Loan	3.686%	4/30/14	B	1,001,182
3,679	Northwest Airlines, Inc., DIP Term Loan	2.390%	12/31/10	BB	3,108,814
4,597	United Air Lines, Inc., Term Loan B	2.419%	2/01/14	B+	2,459,365
10,246	Total Airlines				6,569,361
	<b>Auto Components</b>	<b>2.1%</b>	<b>(1.3% of Total Investments)</b>		
3,953	Federal-Mogul Corporation, Tranche B, Term Loan	2.355%	12/29/14	Ba2	1,897,444
2,017	Federal-Mogul Corporation, Tranche C, Term Loan	2.302%	12/28/15	Ba2	968,084
1,970	Lear Corporation, Term Loan	3.407%	4/25/12	B+	904,558
7,940	Total Auto Components				3,770,086
	<b>Building Products</b>	<b>5.2%</b>	<b>(3.2% of Total Investments)</b>		
1,588	Atrium Companies, Inc., Term Loan	11.750%	5/31/12	B	416,913
3,000	Building Materials Corporation of America, Term Loan, Second Lien	6.250%	9/15/14	Caa2	1,245,000
4,901		3.874%	2/22/14	B+	3,196,068

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	Building Materials Corporation of America, Term Loan				
3,361	Stile Acquisition Corporation, Canadian Term Loan	4.250%	4/05/13	Caa3	1,462,200
3,394	Stile Acquisition Corporation, Term Loan B	4.250%	4/05/13	Caa3	1,476,451
2,933	TFS Acquisition, Term Loan	4.959%	8/11/13	B	1,319,625
19,177	Total Building Products				9,116,257
	<b>Capital Markets 1.2% (0.7% of Total Investments)</b>				
343	BNY Convergenx Group LLC, Incremental Term Loan	3.848%	10/02/13	B+	232,049
2,786	BNY Convergenx Group LLC, Term Loan	4.460%	10/02/13	B+	1,887,321
3,129	Total Capital Markets				2,119,370
	<b>Chemicals 5.8% (3.6% of Total Investments)</b>				
800	Celanese US Holdings LLC, Credit Linked Deposit	0.448%	4/02/14	BB+	657,334
1,529	Foamex LP, Term Loan B, (6)	4.270%	2/12/13	Ca	479,014
960	Hercules Offshore, Inc., Term Loan	3.210%	7/11/13	BB	660,044
2,403	Hexion Specialty Chemicals, Inc., Term Loan C1	3.688%	5/05/13	Ba3	1,021,275
522	Hexion Specialty Chemicals, Inc., Term Loan C2	3.750%	5/05/13	Ba3	221,850
3,023	Huntsman International LLC, Term Loan	2.161%	4/19/14	BB+	2,147,448
1,427	Ineos US Finance LLC, Tranche B2	8.202%	12/16/13	CCC+	549,224
1,427	Ineos US Finance LLC, Tranche C2	8.702%	12/16/14	CCC+	561,706
1,246	JohnsonDiversey, Inc., Delayed Term Loan	5.193%	12/16/10	Ba2	1,109,147
1,444	Lucite International, Term Loan B1	3.430%	7/07/13	B+	1,299,504
511	Lucite International, Term Loan B2	3.431%	7/07/13	B+	460,168
1,000	LyondellBasell Finance Company, Term Loan B2, (5), (6), WI/DD	TBD	TBD	Caa2	353,750
716	Rockwood Specialties Group, Inc., Term Loan E	1.909%	7/30/12	BB+	631,750
17,008	Total Chemicals				10,152,214
	<b>Commercial Services &amp; Supplies 1.7% (1.1% of Total Investments)</b>				
27	Cenveo Corporation, Delayed Term Loan	3.275%	6/21/13	BB	16,465

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949	Cenveo Corporation, Term Loan	3.275%	6/21/13	BB+	576,706
972	NCO Financial Systems, Inc., Term Loan	6.159%	5/15/13	Ba3	704,882
1,938	Rental Services Corporation, Term Loan	4.711%	11/27/13	B	1,220,664
851	Workflow Holdings Corporation, Term Loan	8.000%	11/30/11	Caa1	500,240
4,737	Total Commercial Services & Supplies				3,018,957
	<b>Communications Equipment</b>	<b>0.7%</b>	<b>(0.4% of Total Investments)</b>		
2,340	Aspect Software, Inc., Term Loan B	4.563%	7/11/11	B1	1,216,800

Principal Amount (000)	Description (1)	Weighted Average Coupon	Maturity (2)	Ratings (3)	Value
	<b>Consumer Finance 0.4% (0.2% of Total Investments)</b>				
\$ 1,883	Peach Holdings, Inc., Term Loan	5.218%	11/30/13	B	\$ 668,583
	<b>Containers &amp; Packaging 3.2% (2.0% of Total Investments)</b>				
491	Amscan Holdings Inc., Term Loan	3.930%	5/25/13	B1	335,278
4,022	Graham Packaging Company, L.P., Term Loan	4.508%	10/07/11	B+	3,246,950
611	Smurfit-Stone Container Corporation, Deposit-Funded Commitment	3.000%	11/01/10	B1	409,068
685	Smurfit-Stone Container Corporation, Term Loan B	3.780%	11/01/11	B1	458,616
1,292	Smurfit-Stone Container Corporation, Term Loan C	3.858%	11/01/11	B1	849,346
405	Smurfit-Stone Container Corporation, Tranche C1	2.500%	11/01/11	B1	266,581
7,506	Total Containers & Packaging <b>Diversified Consumer Services 2.9% (1.8% of Total Investments)</b>				5,565,839
1,925	Cengage Learning Acquisitions, Inc., Term Loan	2.910%	7/05/14	B+	1,465,262
257	Laureate Education, Inc., Delayed Term Loan	4.409%	8/17/14	B1	159,922
1,720	Laureate Education, Inc., Term Loan B	4.409%	8/17/14	B1	1,068,650
3,383	West Corporation, Term Loan	2.783%	10/24/13	BB	2,431,712
7,285	Total Diversified Consumer Services <b>Diversified Financial Services 0.6% (0.4% of Total Investments)</b>				5,125,546
1,995	Fox Acquisition Sub LLC, Term Loan B	7.250%	7/14/15	BB	1,097,250
	<b>Diversified Telecommunication Services 5.8% (3.6% of Total Investments)</b>				
896	Choice One Communications, Term Loan B	5.876%	6/30/12	B2	461,293
584	Intelsat, Tranche B, Term Loan A	3.925%	1/03/14	BB	505,199
583	Intelsat, Tranche B, Term Loan B	3.925%	1/03/14	BB	505,046
583	Intelsat, Tranche B, Term Loan C	3.925%	1/03/14	BB	505,046
1,931	Intelsat, Tranche B, Term Loan	3.925%	7/01/13	BB	1,712,168
2,000	Intelsat, Unsecured Term Loan	3.921%	2/01/14	BB	1,480,000
4,533	Level 3 Financing, Inc., Term Loan	3.255%	3/13/14	B+	3,315,809

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1,915	MetroPCS Wireless, Inc., Term Loan	4.486%	11/03/13	Ba2	1,676,273
13,025	Total Diversified Telecommunication Services <b>Electric Utilities 3.9% (2.4% of Total Investments)</b>				10,160,834
806	Calpine Corporation, DIP Revolver, (7)	2.541%	3/31/14	B+	416,667
2,416	Calpine Corporation, DIP Term Loan	4.335%	3/31/14	B+	1,866,862
2,120	Murray Energy Corporation, Term Loan	10.696%	1/28/11	B3	1,759,600
1,950	TXU Corporation, Term Loan B2	4.752%	10/10/14	Ba3	1,365,505
1,975	TXU Corporation, Term Loan B3	3.906%	10/10/14	Ba3	1,381,512
9,267	Total Electric Utilities <b>Electrical Equipment 1.1% (0.7% of Total Investments)</b>				6,790,146
2,929	Allison Transmission Holdings, Inc., Term Loan <b>Electronic Equipment &amp; Instruments 0.6% (0.4% of Total Investments)</b>	3.169%	8/07/14	BB	1,915,314
1,950	Sensata Technologies B.V., Term Loan <b>Energy Equipment &amp; Services 0.5% (0.3% of Total Investments)</b>	2.934%	4/27/13	BB	1,020,094
953	PGS Finance, Inc., Term Loan	3.210%	6/29/15	Ba2	688,783
500	SemGroup, L.P., Term Loan B2, WI/DD	TBD	TBD	Caa3	206,250
1,453	Total Energy Equipment & Services <b>Food Products 1.6% (1.0% of Total Investments)</b>				895,033
366	Dole Food Company, Inc., Deposit-Funded Commitment	2.790%	4/12/13	Ba3	305,589
646	Dole Food Company, Inc., Term Loan B	2.479%	4/12/13	Ba3	540,242
2,408	Dole Food Company, Inc., Term Loan C	2.941%	4/12/13	Ba3	2,012,783
3,420	Total Food Products <b>Health Care Equipment &amp; Supplies 1.0% (0.6% of Total Investments)</b>				2,858,614
1,415	Symbion, Inc., Term Loan A	3.659%	8/01/13	Ba3	849,150
1,415	Symbion, Inc., Term Loan B	3.659%	8/01/14	Ba3	849,150
2,830	Total Health Care Equipment & Supplies <b>Health Care Providers &amp; Services 8.2% (5.1% of Total Investments)</b>				1,698,300

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973	HCA, Inc., Term Loan A	3.459%	11/18/12	BB	834,866
4,691	Health Management Associates, Inc., Term Loan	3.209%	2/28/14	BB	3,367,239
1,529	HealthSouth Corporation, Term Loan	4.493%	3/10/13	BB	1,344,240
1,269	IASIS Healthcare LLC, Delayed Term Loan	2.409%	3/14/14	Ba2	1,091,477
340	IASIS Healthcare LLC, Letter of Credit	0.319%	3/14/14	Ba2	292,523

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JRO Nuveen Floating Rate Income Opportunity Fund (continued)  
Portfolio of INVESTMENTS January 31, 2009 (Unaudited)

<b>Principal Amount (000)</b>	<b>Description (1)</b>	<b>Weighted Average Coupon</b>	<b>Maturity (2)</b>	<b>Ratings (3)</b>	<b>Value</b>
	<b>Health Care Providers &amp; Services (continued)</b>				
\$ 3,668	IASIS Healthcare LLC, Term Loan	2.409%	3/14/14	Ba2	\$ 3,154,258
519	LifePoint Hospitals, Inc., Term Loan B	3.821%	4/18/12	Ba1	467,054
4,443	Vanguard Health Holding Company II LLC, Replacement Term Loan	3.273%	9/23/11	Ba3	3,836,623
17,432	Total Health Care Providers & Services				14,388,280
	<b>Health Care Technology 0.9% (0.6% of Total Investments)</b>				
1,881	Emdeon Business Services LLC, Term Loan	3.459%	11/18/13	BB	1,626,658
	<b>Hotels, Restaurants &amp; Leisure 12.3% (7.6% of Total Investments)</b>				
3,892	24 Hour Fitness Worldwide, Inc., Term Loan B	3.434%	6/08/12	Ba3	2,413,311
367	CBRL Group, Inc., Term Loan B2	1.910%	4/28/13	BB	275,273
2,925	Cedar Fair LP, Term Loan	2.409%	8/30/12	BB	2,225,438
333	Fontainebleau Las Vegas LLC, Delayed Term Loan, (7), (8)	2.000%	6/06/14	B	(241,667)
667	Fontainebleau Las Vegas LLC, Term Loan	5.443%	6/06/14	B	183,333
1,892	Green Valley Ranch Gaming LLC, Term Loan B	4.246%	2/16/14	B	813,677
2,963	Orbitz Worldwide, Inc., Term Loan	4.242%	7/25/14	BB	1,318,313
4,839	Shingle Springs Tribal Gaming Authority, Term Loan, (7)	10.188%	12/17/13	N/R	4,188,521
1,970	Travelport LLC, Delayed Term Loan	3.709%	8/23/13	Ba2	1,142,600
714	Travelport LLC, Letter of Credit	3.709%	8/23/13	Ba2	413,990
3,557	Travelport LLC, Term Loan	3.041%	8/23/13	Ba2	2,063,238
1,990		2.160%	5/23/14	B+	983,648

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	Venetian Casino Resort LLC, Delayed Term Loan				
7,880	Venetian Casino Resort LLC, Term Loan	2.160%	5/23/14	B+	3,895,049
3,258	Wintergames Holdings, Term Loan A	7.910%	12/22/13	N/R	1,995,574
37,247	Total Hotels, Restaurants & Leisure				21,670,298
	<b>Household Products 2.1% (1.3% of Total Investments)</b>				
4,306	Prestige Brands, Inc., Term Loan B	2.660%	4/06/11	BB	3,767,419
	<b>Insurance 2.2% (1.3% of Total Investments)</b>				
683	Affirmative Insurance Holdings, Inc., Term Loan	5.301%	1/31/14	B	350,103
5,326	Conseco, Inc., Term Loan	2.386%	10/10/13	B+	3,448,357
6,009	Total Insurance				3,798,460
	<b>Internet Software &amp; Services 1.0% (0.6% of Total Investments)</b>				
3,887	Sabre, Inc., Term Loan	2.877%	9/30/14	B+	1,780,839
	<b>IT Services 2.9% (1.8% of Total Investments)</b>				
958	Attachmate Corporation, Term Loan	3.659%	4/13/13	BB	517,113
444	First Data Corporation, Term Loan B2	3.141%	9/24/14	BB	282,392
1,068	Infor Global Solutions Intermediate Holdings, Ltd., Delayed Term Loan	5.210%	7/28/12	B+	373,734
1,267	Infor Global Solutions Intermediate Holdings, Ltd., Term Loan, Second Lien	7.709%	3/02/14	CCC+	304,000
642	Infor Global Solutions Intermediate Holdings, Ltd., Term Loan	5.210%	7/28/12	B+	378,991
4,098	SunGard Data Systems, Inc., Term Loan B	3.707%	2/28/14	BB	3,205,250
8,477	Total IT Services				5,061,480
	<b>Leisure Equipment &amp; Products 2.0% (1.2% of Total Investments)</b>				
5,468	Bombardier Recreational Products, Inc., Term Loan	4.224%	6/28/13	B	2,583,797
3,000	Wimar OpCo LLC, Term Loan, (5)	6.500%	1/03/12	N/R	885,000
8,468	Total Leisure Equipment & Products				3,468,797



**Machinery 3.5% (2.1% of Total Investments)**

3,000	Manitowoc Company, Term Loan	6.500%	11/06/14	BB+	2,336,250
578	Navistar International Corporation, Synthetic Letter of Credit	6.035%	1/19/12	N/R	413,111
1,589	Navistar International Corporation, Term Loan	3.659%	1/19/12	N/R	1,136,056
1,761	Oshkosh Truck Corporation, Term Loan	2.886%	12/06/13	BB+	1,230,338
276	Rexnord Corporation, Incremental Term Loan	2.938%	7/19/13	Ba2	217,672
934	Rexnord Corporation, Term Loan	3.335%	7/19/13	Ba2	735,861
8,138	Total Machinery				6,069,288

**Media 29.4% (18.2% of Total Investments)**

1,940	AMC Entertainment, Inc., Term Loan	2.139%	1/28/13	Ba1	1,716,092
985	CanWest Mediaworks LP, Term Loan	4.196%	7/10/15	Ba3	558,987
4,902	Cequel Communications LLC, Term Loan B	2.575%	11/05/13	BB	3,931,601
3,000	Charter Communications Operating Holdings LLC, Holdco Term Loan	3.959%	3/06/14	B1	1,734,000
7,717	Charter Communications Operating Holdings LLC, Term Loan	3.442%	3/06/14	B1	5,922,788
928	Cumulus Media, Inc., Term Loan	2.136%	6/11/14	B	329,440
2,928	HIT Entertainment, Inc., Term Loan B	4.960%	3/20/12	B+	1,324,981

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Principal Amount (000)	Description (1)	Weighted Average Coupon	Maturity (2)	Ratings (3)	Value
	<b>Media (continued)</b>				
\$ 2,000	HIT Entertainment, Inc., Term Loan	8.210%	2/26/13	B	\$ 400,000
4,900	Idearc, Inc., Term Loan	3.415%	11/17/14	B2	1,701,525
5,865	Metro-Goldwyn-Mayer Studios, Inc., Term Loan B	4.217%	4/08/12	N/R	2,703,653
5,917	Metro-Goldwyn-Mayer Studios, Inc., Term Loan	4.709%	4/08/12	N/R	2,727,864
4,770	Neilsen Finance LLC, Term Loan	3.884%	8/09/13	Ba3	3,816,089
3,023	NextMedia Operating, Inc., Term Loan, Second Lien	8.170%	11/15/13	CCC	1,322,552
3,049	Philadelphia Newspapers, Term Loan A, (5), (6)	0.000%	6/29/12	N/R	228,671
1,907	ProQuest Company, Term Loan B	2.920%	2/09/14	BB	1,544,400
3,784	SFX Entertainment, Inc., Term Loan	4.258%	6/20/13	Ba3	2,781,518
15,807	Tribune Company, Term Loan B, (5), (6)	0.000%	6/04/14	Ca	4,420,435
1,365	Tribune Company, Term Loan X, (5), (6)	0.000%	6/04/09	Ca	383,659
1,541	Univision Communications, Inc., Term Loan, Second Lien	2.909%	3/29/09	CCC	1,348,375
13,000	Univision Communications, Inc., Term Loan	2.659%	9/29/14	B2	6,913,218
406	Valassis Communications, Inc., Delayed Term Loan	3.210%	3/02/14	Ba2	267,141
1,223	Valassis Communications, Inc., Tranche B, Term Loan	3.210%	3/02/14	Ba2	805,639
2,743	WMG Acquisition Corporation, Term Loan	3.340%	2/28/11	BB	2,300,646
4,025	Yell Group PLC, Term Loan	3.409%	10/27/12	N/R	2,522,335
97,725	Total Media				51,705,609
	<b>Metals &amp; Mining 2.6% (1.6% of Total Investments)</b>				
2,493	Amsted Industries, Inc., Delayed Term Loan	4.136%	4/08/13	BB	1,732,332
3,432	Amsted Industries, Inc., Term Loan	3.235%	4/08/13	BB	2,385,569
947	John Maneely Company, Term Loan	4.436%	12/08/13	B+	525,799
6,872	Total Metals & Mining				4,643,700
	<b>Oil, Gas &amp; Consumable Fuels 7.1% (4.4% of Total Investments)</b>				
4,000		10.526%	7/03/14	B1	1,700,000

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	Alon Refining Krotz Springs, Inc., Term Loan				
575	Calumet Lubricants Company LP, Credit Linked Deposit	5.275%	12/17/14	B1	330,460
4,311	Calumet Lubricants Company LP, Term Loan	6.149%	12/17/14	B1	2,479,011
2,985	CCS Income Trust, Term Loan	3.409%	11/14/14	BB	1,917,814
301	Coffeyville Resources LLC, Credit Linked Deposit	6.000%	12/28/10	BB	216,430
968	Coffeyville Resources LLC, Tranche D, Term Loan	8.500%	12/28/13	BB	697,075
2,805	Quicksilver Resource, Inc., Term Loan	7.750%	8/08/13	B1	2,083,047
567	RAM Energy Resources, Inc., Term Loan	7.938%	11/29/12	N/R	396,853
4,687	Western Refining, Inc., Term Loan, WI/DD	TBD	TBD	BB	2,630,530
21,199	Total Oil, Gas & Consumable Fuels <b>Paper &amp; Forest Products 1.0% (0.6% of Total Investments)</b>				12,451,220
3,950	Wilton Products, Term Loan <b>Real Estate Management &amp; Development 5.4% (3.3% of Total Investments)</b>	3.615%	11/16/14	Ba3	1,836,750
4,563	Capital Automotive LP, Term Loan	2.200%	12/15/10	Ba1	1,877,299
8,800	LNR Property Corporation, Term Loan B, DD1	6.690%	7/12/11	BB	4,737,330
4,925	Realogy Corporation, Delayed Term Loan	4.673%	10/10/13	Caa1	2,932,010
18,288	Total Real Estate Management & Development <b>Road &amp; Rail 4.7% (2.9% of Total Investments)</b>				9,546,639
444	Hertz Corporation, Letter of Credit	3.775%	12/21/12	BB+	285,556
2,440	Hertz Corporation, Term Loan	2.152%	12/21/12	BB+	1,567,407
14,174	Swift Transportation Company, Inc., Term Loan	5.487%	5/10/14	B+	6,498,092
17,058	Total Road & Rail <b>Semiconductors &amp; Equipment 0.5% (0.3% of Total Investments)</b>				8,351,055
1,520	Freescale Semiconductor, Inc., Term Loan <b>Software 3.6% (2.3% of Total Investments)</b>	3.931%	11/29/13	B1	786,600
4,000	Dealer Computer Services, Inc., Term Loan, Second Lien	5.909%	10/26/13	B	1,350,000
5,878	Dealer Computer Services, Inc., Term Loan	2.409%	10/26/12	BB	3,115,269
3,436	IPC Systems, Inc., Term Loan	3.709%	5/31/14	B+	1,949,796

13,314	Total Software <b>Specialty Retail 7.9% (4.9% of Total Investments)</b>				6,415,065
210	Blockbuster, Inc., Tranche A, Term Loan	5.800%	8/20/09	B1	175,580
1,882	Blockbuster, Inc., Tranche B, Term Loan	5.976%	8/20/11	B1	1,227,304
1,970	Burlington Coat Factory Warehouse Corporation, Term Loan	4.450%	5/28/13	B3	890,712
6,717	Michaels Stores, Inc., Term Loan	2.770%	10/31/13	B	4,095,629
1,941	Sally Holdings LLC, Term Loan	3.849%	11/16/13	BB	1,622,094

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JRO Nuveen Floating Rate Income Opportunity Fund (continued)  
Portfolio of INVESTMENTS January 31, 2009 (Unaudited)

<b>Principal Amount (000)</b>	<b>Description (1)</b>	<b>Weighted Average Coupon</b>	<b>Maturity (2)</b>	<b>Ratings (3)</b>	<b>Value</b>
	<b>Specialty Retail (continued)</b>				
\$ 4,985	Toys R Us Delaware, Inc., Term Loan B	4.584%	7/19/12	BB	\$ 2,563,754
7,000	TRU 2005 RE Holding Co I LLC, Term Loan	3.448%	12/08/09	B3	3,381,875
24,705	Total Specialty Retail				13,956,948
	<b>Textiles, Apparel &amp; Luxury Goods</b>	<b>1.1% (0.7% of Total Investments)</b>			
1,000	HBI Branded Apparel Limited, Inc., Term Loan, Second Lien	4.909%	3/05/14	BB	841,666
1,216	HBI Branded Apparel Limited, Inc., Term Loan	2.975%	9/05/13	BB+	1,100,544
2,216	Total Textiles, Apparel & Luxury Goods				1,942,210
	<b>Trading Companies &amp; Distributors</b>	<b>0.8% (0.5% of Total Investments)</b>			
1,824	Ashtead Group Public Limited Company, Term Loan	2.188%	8/31/11	BB+	1,468,320
	<b>Wireless Telecommunication Services</b>	<b>2.9% (1.8% of Total Investments)</b>			
7,000	Asurion Corporation, Term Loan	4.325%	7/03/14	N/R	5,110,000
<b>\$ 431,926</b>	<b>Total Variable Rate Senior Loan Interests (cost \$415,156,554)</b>				<b>255,152,351</b>

<b>Principal Amount (000)</b>	<b>Description (1)</b>	<b>Coupon</b>	<b>Maturity</b>	<b>Ratings (3)</b>	<b>Value</b>
	<b>Corporate Bonds 13.4% (8.3% of Total Investments)</b>				
	<b>Diversified Telecommunication Services 4.9% (3.0% of Total Investments)</b>				
\$ 10,000	Qwest Corporation, Floating Rate Note, 3.250% plus	4.434%	6/15/13	BBB	\$ 8,600,000

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three-month LIBOR

	<b>Health Care Equipment &amp; Supplies</b>	<b>0.5% (0.3% of Total Investments)</b>			
1,500	Reable Therapeutics Financing Corporation	11.750%	11/15/14	CCC+	960,000
	<b>Health Care Providers &amp; Services</b>	<b>2.3% (1.4% of Total Investments)</b>			
3,000	Community Health Systems, Inc.	8.875%	7/15/15	B	2,902,500
2,000	Select Medical Corporation, Floating Rate Note, 5.750% plus six-month LIBOR	7.410%	9/15/15	CCC+	1,160,000
5,000	Total Health Care Providers & Services				4,062,500
	<b>Hotels, Restaurants &amp; Leisure</b>	<b>1.2% (0.8% of Total Investments)</b>			
4,000	Quapaw Tribe of Oklahoma Downstream Development Authority, 144A	12.000%	10/15/15	B	2,140,000
	<b>Oil, Gas &amp; Consumable Fuels</b>	<b>0.0% (0.0% of Total Investments)</b>			
1,000	SemGroup LP, 144A, (9)	8.750%	11/15/15	C	40,000
	<b>Paper &amp; Forest Products</b>	<b>0.5% (0.3% of Total Investments)</b>			
2,000	Verso Paper Holdings LLC, Series B	9.125%	8/01/14	B+	830,000
	<b>Real Estate Investment Trust</b>	<b>1.1% (0.7% of Total Investments)</b>			
3,000	Felcor Lodging LP, Floating Rate Note, 1.875% plus six-month LIBOR	3.535%	12/01/11	Ba3	1,935,000
	<b>Semiconductors &amp; Equipment</b>	<b>2.0% (1.2% of Total Investments)</b>			
1,000	Avago Technologies Finance Pte. Ltd., Floating Rate Note, 5.500% plus three-month LIBOR	6.684%	6/01/13	BB	835,000
11,000	NXP BV, Floating Rate Note, 2.750% plus three-month LIBOR	3.934%	10/15/13	Caa1	2,681,250
12,000	Total Semiconductors & Equipment				3,516,250
	<b>Software</b>	<b>0.3% (0.2% of Total Investments)</b>			
1,000	Telcorida Technologies, Floating Rate Note, 3.750% plus three-month LIBOR, 144A	4.934%	7/15/12	B	515,000
	<b>Trading Companies &amp; Distributors</b>	<b>0.6% (0.4% of Total Investments)</b>			

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2,000	Penhall International Corporation, 144A	12.000%	8/01/14	B	1,010,000
<b>\$ 41,500</b>	<b>Total Corporate Bonds (cost \$40,198,346)</b>				<b>23,608,750</b>

Principal Amount (000)	Description (1)	Coupon	Maturity	Value
	<b>Short-Term Investments</b>	<b>3.4% (2.1% of Total Investments)</b>		
\$ 6,011	Repurchase Agreement with Fixed Income Clearing Corporation, dated 1/30/09, repurchase price \$6,010,548, collateralized by \$6,145,000 U.S. Treasury Bills, 0.000%, due 7/30/09, value \$6,134,554	0.050%	2/02/09	\$ 6,010,523
	<b>Total Short-Term Investments (cost \$6,010,523)</b>			<b>6,010,523</b>
	<b>Total Investments (cost \$461,365,423)</b>	<b>161.8%</b>		<b>284,771,624</b>
	<b>Borrowings (31.1%) (10)</b>			<b>(54,750,000)</b>
	<b>Other Assets Less Liabilities 3.4%</b>			<b>6,013,454</b>
	<b>Preferred Shares, at Liquidation Value (34.1%) (10)</b>			<b>(60,000,000)</b>
	<b>Net Assets Applicable to Common Shares 100%</b>			<b>\$ 176,035,078</b>

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
- (2) Senior Loans generally are subject to mandatory and/or optional prepayment. Because of these mandatory prepayment conditions and because there may be significant economic incentives for a Borrower to prepay, prepayments of Senior Loans may occur. As a result, the actual remaining maturity of Senior Loans held may be substantially less than the stated maturities shown.
- (3) Ratings: Using the higher of Standard & Poor's Group (Standard & Poor's) or Moody's Investor Service, Inc. (Moody's) rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.
- (4) Senior Loans generally pay interest at rates which are periodically adjusted by reference to a base short-term, floating lending rate plus an assigned fixed rate. These floating lending rates are generally (i) the lending rate referenced by the London Inter-Bank Offered Rate (LIBOR), or (ii) the prime rate offered by one or more major United States banks. Senior Loans may be considered restricted in that the Fund ordinarily is contractually obligated to receive approval from the Agent Bank and/or Borrower prior to the disposition of a Senior Loan.
- (5) At or subsequent to January 31, 2009, this issue was under the protection of the Federal Bankruptcy Court.
- (6) Non-income producing. Non-income producing, in the case of a Senior Loan, generally denotes that the issuer has defaulted on the payment of principal or interest or has filed for bankruptcy.



- (7) Position, or portion of position, represents an unfunded Senior Loan commitment outstanding at January 31, 2009.
- (8) Negative value represents unrealized depreciation on unfunded Senior Loan commitment outstanding at January 31, 2009.
- (9) Non-income producing security, in the case of a bond, generally denotes that the issuer has defaulted on the payment of principal or interest or has filed for bankruptcy.
- (10) Borrowings and Preferred Shares, at Liquidation Value as a percentage of Total Investments are 19.2% and 21.1%, respectively.
- N/R Not rated.
- DD1 Portion of investment purchased on a delayed delivery basis.
- WI/DD Purchased on a when-issued or delayed delivery basis.
- 144A Investment is exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These investments may only be resold in transactions exempt from registration which are normally those transactions with qualified institutional buyers.
- TBD Senior Loan purchased on a when-issued or delayed-delivery basis. Certain details associated with this purchase are not known prior to the settlement date of the transaction. In addition, Senior Loans typically trade without accrued interest and therefore a weighted average coupon rate is not available prior to settlement. At settlement, if still unknown, the Borrower or counterparty will provide the Fund with the final weighted average coupon rate and maturity date.

*See accompanying notes to financial statements.*

Statement of  
ASSETS AND LIABILITIES

January 31, 2009 (Unaudited)

	<b>Senior Income (NSL)</b>	<b>Floating Rate Income (JFR)</b>	<b>Floating Rate Income Opportunity (JRO)</b>
<b>Assets</b>			
Investments, at value (cost \$285,030,515, \$743,855,484 and \$461,365,423, respectively)	\$ 167,348,849	\$ 461,467,862	\$ 284,771,624
Cash equivalents <sup>(1)</sup>		60,038,335	40,024,465
Receivables:			
Interest	1,771,832	3,742,934	2,766,691
Investments sold	14,024,854	27,169,219	8,484,305
Deferred borrowing costs	254,670	664,973	396,154
Other assets	72,801	52,037	41,530
Total assets	183,473,006	553,135,360	336,484,769
<b>Liabilities</b>			
Borrowings	37,400,000	66,000,000	54,750,000
Payables:			
Investments purchased	7,929,402	5,462,659	3,378,322
Preferred shares noticed for redemption, at liquidation value		60,000,000	40,000,000
Common share dividends	1,169,074	2,687,827	1,815,837
Preferred share dividends	665	10,861	18,878
Accrued expenses:			
Interest on borrowings	65,713	62,174	82,024
Commitment Fees	47,915	104,269	69,631
Management fees	118,958	215,796	135,855
Other	163,276	320,907	199,144
Total liabilities	46,895,003	134,864,493	100,449,691
Preferred shares, at liquidation value	26,000,000	105,000,000	60,000,000
Net assets applicable to Common shares	\$ 110,578,003	\$ 313,270,867	\$ 176,035,078
Common shares outstanding	29,834,353	47,413,998	28,419,322
	\$ 3.71	\$ 6.61	\$ 6.19

Net asset value per Common share outstanding  
(net assets applicable to  
Common shares, divided by Common shares  
outstanding)

**Net assets applicable to Common shares consist of:**

Common shares, \$.01 par value per share	\$ 298,344	\$ 474,140	\$ 284,193
Paid-in surplus	283,081,377	668,859,592	400,806,953
Undistributed (Over-distribution of) net investment income	(1,964,145)	(5,156,175)	(5,055,919)
Accumulated net realized gain (loss) from investments	(53,155,907)	(68,519,068)	(43,406,350)
Net unrealized appreciation (depreciation) of investments	(117,681,666)	(282,387,622)	(176,593,799)
Net assets applicable to Common shares	\$ 110,578,003	\$ 313,270,867	\$ 176,035,078

(1) Segregated for the payment of Preferred shares.

*See accompanying notes to financial statements.*

Statement of  
OPERATIONS

Six Months Ended January 31, 2009 (Unaudited)

	<b>Senior Income (NSL)</b>	<b>Floating Rate Income (JFR)</b>	<b>Floating Rate Income Opportunity (JRO)</b>
<b>Investment Income</b>			
Interest	\$ 8,011,905	\$ 24,333,625	\$ 13,154,278
Dividends		412,193	
Fees	439,669	497,299	425,075
Total investment income	8,451,574	25,243,117	13,579,353
<b>Expenses</b>			
Management fees	1,102,607	2,939,792	1,773,104
Preferred shares auction fees	57,699	207,946	126,027
Preferred shares dividend disbursing agent fees	3,025	11,847	11,332
Shareholders servicing agent fees and expenses	1,712	440	213
Interest expense on borrowings and amortization of borrowing costs	1,392,700	3,170,223	1,951,396
Commitment fees	374,760	883,761	540,839
Custodian s fees and expenses	66,858	154,000	117,370
Trustees fees and expenses	106	5,006	2,338
Professional fees	75,077	162,465	103,988
Shareholders reports printing and mailing expenses	26,721	59,858	32,003
Stock exchange listing fees	5,190	8,367	4,903
Investor relations expense	25,355	39,580	26,317
Other expenses	7,369	15,350	11,581
Total expenses before custodian fee credit and expense reimbursement	3,139,179	7,658,635	4,701,411
Custodian fee credit	(19)	(118)	(28)
Expense reimbursement	(105,859)	(1,124,114)	(631,100)
Net expenses	3,033,301	6,534,403	4,070,283
Net investment income	5,418,273	18,708,714	9,509,070
<b>Realized and Unrealized Gain (Loss)</b>			
Net realized gain (loss) from investments	(27,216,265)	(55,032,836)	(34,578,475)
Change in net unrealized appreciation (depreciation) of investments	(74,209,058)	(190,623,170)	(119,776,325)

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Net realized and unrealized gain (loss)	(101,425,323)	(245,656,006)	(154,354,800)
<b>Distributions to Preferred Shareholders</b>			
From net investment income	(491,320)	(2,567,657)	(1,549,796)
Net increase (decrease) in net assets applicable to Common shares from operations	\$ (96,498,370)	\$ (229,514,949)	\$ (146,395,526)

*See accompanying notes to financial statements.*

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Statement of  
CHANGES in NET ASSETS (Unaudited)

	Senior Income (NSL)		Floating Rate Income (JFR)		Floating Rate Income Opportunity (JRO)	
	Six Months Ended 1/31/09	Year Ended 7/31/08	Six Months Ended 1/31/09	Year Ended 7/31/08	Six Months Ended 1/31/09	Year Ended 7/31/08
<b>Operations</b>						
Net investment income	\$ 5,418,273	\$ 21,571,154	\$ 18,708,714	\$ 66,255,969	\$ 9,509,070	\$ 40,143,769
Net realized gain (loss) from investments	(27,216,265)	(864,262)	(55,032,836)	(1,581,140)	(34,578,475)	(1,368,207)
Change in net unrealized appreciation (depreciation) of investments	(74,209,058)	(23,804,061)	(190,623,170)	(55,357,732)	(119,776,325)	(35,207,041)
Distributions to Preferred Shareholders from net investment income	(491,320)	(2,232,230)	(2,567,657)	(17,405,269)	(1,549,796)	(10,510,311)
Net increase (decrease) in net assets applicable to Common shares from operations	(96,498,370)	(5,329,399)	(229,514,949)	(8,088,172)	(146,395,526)	(6,941,790)
<b>Distributions to Common Shareholders</b>						
From net investment income	(7,234,831)	(19,138,737)	(17,798,009)	(51,281,612)	(11,609,293)	(32,383,816)
Decrease in net assets applicable to Common shares from distributions to Common shareholders	(7,234,831)	(19,138,737)	(17,798,009)	(51,281,612)	(11,609,293)	(32,383,816)

**Capital Share Transactions**

Net proceeds from Common shares issued to shareholders due to reinvestment of distributions							110,495
Net increase (decrease) in net assets applicable to Common shares from capital share transactions							110,495
Net increase (decrease) in net assets applicable to Common shares	(103,733,201)	(24,468,136)	(247,202,463)	(59,369,784)	(158,004,819)		(39,325,606)
Net assets applicable to Common shares at the beginning of period	214,311,204	238,779,340	560,473,330	619,843,114	334,039,897		373,365,503
Net assets applicable to Common shares at the end of period	\$ 110,578,003	\$ 214,311,204	\$ 313,270,867	\$ 560,473,330	\$ 176,035,078		\$ 334,039,897
Undistributed (Over-distribution of) net investment income at the end of period	\$ (1,964,145)	\$ 343,733	\$ (5,156,175)	\$ (3,499,223)	\$ (5,055,919)		\$ (1,405,900)

*See accompanying notes to financial statements.*

Statement of  
CASH FLOWS

Six Months Ended January 31, 2009 (Unaudited)

	<b>Senior Income (NSL)</b>	<b>Floating Rate Income (JFR)</b>	<b>Floating Rate Income Opportunity (JRO)</b>
<b>Cash Flows from Operating Activities:</b>			
<b>Net Increase (Decrease) in Net Assets Applicable to Common Shares from Operations</b>	\$ (96,498,370)	\$ (229,514,949)	\$ (146,395,526)
Adjustments to reconcile the net increase (decrease) in net assets applicable to Common shares from operations to net cash provided by (used in) operating activities:			
Purchases of investments	(22,052,220)	(64,046,302)	(42,829,750)
Proceeds from sales and maturities of investments	92,288,198	231,173,031	134,140,072
Proceeds from (Purchases of) short-term investments, net	11,487,374	87,106,827	43,771,332
Amortization (Accretion) of premiums and discounts, net	(537,442)	(698,146)	(514,155)
(Increase) Decrease in receivable for interest	699,037	1,470,624	1,207,184
(Increase) Decrease in receivable for investments sold	(10,675,520)	(23,842,625)	(5,487,999)
(Increase) Decrease in other assets	16,867	21,380	(5,651)
Increase (Decrease) in payable for investments purchased	1,603,599	(843,275)	(4,121,761)
Increase (Decrease) in payable for Preferred dividends	(58,490)	(9,825)	(28,184)
Increase (Decrease) in accrued interest on borrowings	(150,707)	(498,470)	(254,007)
Increase (Decrease) in accrued commitment fees	47,915	104,269	69,631
Increase (Decrease) in accrued management fees	(101,122)	(194,381)	(123,129)
Increase (Decrease) in accrued other liabilities	(75,513)	(178,863)	(100,392)
Net realized (gain) loss from investments	27,216,265	55,032,836	34,578,475
Net realized (gain) loss from paydowns	2,029,000	505,376	2,893,371
Change in net unrealized (appreciation) depreciation of investments	74,209,058	190,623,170	119,776,325
Taxes paid on undistributed capital gains	1,341		
Net cash provided by (used in) operating activities	79,449,270	246,210,677	136,575,836
<b>Cash Flows from Financing Activities:</b>			
Increase (Decrease) in borrowings	(52,600,000)	(169,000,000)	(85,250,000)
(Increase) Decrease in deferred borrowing costs	454,945	1,187,911	707,692
Cash distributions paid to Common shareholders	(7,304,215)	(18,360,253)	(12,009,063)



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Increase (Decrease) in payable for Preferred shares noticed for redemption, at liquidation value		60,000,000	40,000,000
Increase (Decrease) in Preferred shares	(20,000,000)	(60,000,000)	(40,000,000)
Net cash provided by (used in) financing activities	(79,449,270)	(186,172,342)	(96,551,371)
<b>Net Increase (Decrease) in Cash</b>		60,038,335	40,024,465
Cash and cash equivalents at the beginning of period			
<b>Cash and Cash Equivalents at the End of Period</b>	\$	\$ 60,038,335	\$ 40,024,465

**Supplemental Disclosure of Cash Flow Information**

Cash paid by Senior Income (NSL), Floating Rate Income (JFR) and Floating Rate Income Opportunity (JRO) for interest on borrowings (excluding amortization of borrowing costs) during the six months ended January 31, 2009, was \$1,055,734, \$2,393,781 and \$1,446,965, respectively.

Non-cash financing activities not included herein consist of reinvestments of Common share distributions of \$110,495 for Floating Rate Income (JFR).

*See accompanying notes to financial statements.*

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Notes to  
FINANCIAL STATEMENTS (Unaudited)

**1. General Information and Significant Accounting Policies**

The funds covered in this report and their corresponding Common share New York Stock Exchange symbols are Nuveen Senior Income Fund (NSL), Nuveen Floating Rate Income Fund (JFR) and Nuveen Floating Rate Income Opportunity Fund (JRO) (collectively, the Funds). The Funds are registered under the Investment Company Act of 1940, as amended, as closed-end management investment companies.

Each Fund seeks to provide a high level of current income by investing primarily in senior loans whose interest rates float or adjust periodically based on a benchmark interest rate index.

The following is a summary of significant accounting policies followed by the Funds in the preparation of their financial statements in accordance with US generally accepted accounting principles.

*Investment Valuation*

The prices of senior loans, bonds and other securities in each Fund's investment portfolios, other than subordinated loans issued by middle market companies, are generally provided by one or more independent pricing services approved by the Funds' Board of Trustees. Floating Rate Income Opportunity (JRO) currently expects that the independent pricing services will be unable to provide a market based price for certain of the privately negotiated subordinated loans issued by middle market companies. The pricing services, with input from Symphony Asset Management, LLC (Symphony), a subsidiary of Nuveen Investments, Inc. (Nuveen), and Nuveen Asset Management (the Adviser), a wholly owned subsidiary of Nuveen, will estimate the fair value for such subordinated loans, subject to the supervision of Symphony and the Adviser. Floating Rate Income Opportunity (JRO) may engage an independent appraiser to periodically provide an independent determination of the value, or an opinion with respect to the pricing services' value, of such loans. The pricing services typically value exchange-listed securities at the last sales price on that day; and value senior loans, bonds and other securities traded in the over-the-counter market at the mean of the highest bona fide bid and lowest bona fide asked prices when current quotations are readily available. When market price quotes are not readily available, the pricing service or, in the absence of a pricing service for a particular investment, the Board of Trustees of the Funds, or its designee, may establish fair value using a wide variety of market data including yields or prices of investments of comparable quality, type of issue, coupon, maturity and rating, market quotes or indications of value from security dealers, evaluations of anticipated cash flows or collateral, general market conditions and other information and analysis, including the obligor's credit characteristics considered relevant. Short-term investments are valued at amortized cost, which approximates market value.

The senior and subordinated loans in which the Funds invest are not listed on an organized exchange and the secondary market for such investments may be less liquid relative to markets for other fixed income securities. Consequently, the value of senior and subordinated loans, determined as described above, may differ significantly from the value that would have been determined had there been an active market for that loan.

*Investment Transactions*

Investment transactions are recorded on a trade date basis. Trade date for senior and subordinated loans purchased in the primary market is considered the date on which the loan allocations are determined. Trade date for senior and subordinated loans purchased in the secondary market is the date on which the transaction is entered into. Realized gains and losses from investment transactions are determined on the specific identification method. Investments purchased on a when-issued/delayed delivery basis may have extended settlement periods. Any investments so

purchased are subject to market fluctuation during this period. The Funds have instructed the custodian to segregate assets with a current value at least equal to the amount of the when-issued/delayed delivery purchase commitments. At January 31, 2009, Senior Income (NSL), Floating Rate Income (JFR) and Floating Rate Income Opportunity (JRO) had outstanding when-issued/delayed delivery purchase commitments of \$7,153,072, \$5,019,096 and \$3,320,045, respectively.

*Investment Income*

Dividend income is recorded on the ex-dividend date. Interest income, which includes the amortization of premiums and accretion of discounts for financial reporting purposes, is recorded on an accrual basis. Interest income also includes paydown gains and losses on senior and subordinated loans and fee income and amendment fees, if any. Fee income, consists primarily of amendment fees. Amendment fees are earned as compensation for evaluating and accepting changes to an original senior loan agreement and are recognized when received.

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### *Income Taxes*

Each Fund is a separate taxpayer for federal income tax purposes. Each Fund intends to distribute substantially all of its net investment income and net capital gains to shareholders and to otherwise comply with the requirements of Subchapter M of the Internal Revenue Code applicable to regulated investment companies. Therefore, no federal income tax provision is required.

For all open tax years and all major taxing jurisdictions, management of the Funds has concluded that there are no significant uncertain tax positions that would require recognition in the financial statements. Open tax years are those that are open for examination by taxing authorities (i.e., generally the last four tax year ends and the interim tax period since then). Further, management of the Funds is also not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

### *Professional Fees*

Professional fees presented on the Statement of Operations consist of legal fees incurred in the normal course of operations, audit fees, tax consulting fees and, in some cases, workout expenditures. Workout expenditures are incurred in an attempt to protect or enhance an investment, or to pursue other claims or legal actions on behalf of Fund shareholders.

### *Dividends and Distributions to Common Shareholders*

Each Fund declares monthly income distributions to Common shareholders. Net realized capital gains from investment transactions, if any, are distributed to shareholders at least annually. Furthermore, capital gains are distributed only to the extent they exceed available capital loss carryforwards.

Distributions to Common shareholders are recorded on the ex-dividend date. The amount and timing of distributions are determined in accordance with federal corporate income tax regulations, which may differ from US generally accepted accounting principles.

### *Preferred Shares*

Senior Income (NSL) has issued and outstanding 1,040 shares of Series TH, Taxable Auctioned Preferred shares, \$25,000 stated value per share, as a means of effecting financial leverage. The dividend rate paid by the Fund is determined every 28 days, pursuant to a dutch auction process overseen by the auction agent, and is payable at the end of each rate period.

Floating Rate Income (JFR) has issued and outstanding 1,050 shares of each Series M, T, W and F, FundPreferred shares, \$25,000 stated value per share, as a means of effecting financial leverage. The dividend rate paid by the Fund is determined every seven days, pursuant to a dutch auction process overseen by the auction agent, and is payable at the end of each rate period.

Floating Rate Income Opportunity (JRO) has issued and outstanding 800 shares of each Series M, TH and F, FundPreferred shares, \$25,000 stated value per share, as a means of effecting financial leverage. The dividend rate paid by the Fund is determined every seven days, pursuant to a dutch auction process overseen by the auction agent, and is payable at the end of each rate period.

Beginning in February 2008, more shares for sale were submitted in the regularly scheduled auctions for the Taxable Auctioned Preferred and FundPreferred (collectively, Preferred ) shares issued by the Funds than there were offers to buy. This meant that these auctions failed to clear, and that many Preferred shareholders who wanted to sell their shares in these auctions were unable to do so. Preferred shareholders unable to sell their shares received distributions at the maximum rate applicable to failed auctions as calculated in accordance with the pre-established terms of the Preferred shares.

These developments have generally not affected the management or investment policies of the Funds. However, one implication of these auction failures for Common shareholders is that the Funds' cost of leverage will likely be higher, at least temporarily, than it otherwise would have been had the auctions continued to be successful. As a result, the Funds' future Common share earnings may be lower than they otherwise would have been.

As of January 31, 2009, Senior Income (NSL), Floating Rate Income (JFR) and Floating Rate Income Opportunity (JRO) redeemed \$20 million, \$295 million and \$180 million of their outstanding Preferred shares at liquidation value.

*Repurchase Agreements*

In connection with transactions in repurchase agreements, it is the Funds' policy that its custodian take possession of the underlying collateral securities, the fair value of which exceeds the principal amount of the repurchase transaction, including accrued interest, at all times. If the seller defaults, and the fair value of the collateral declines, realization of the collateral may be delayed or limited.

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FINANCIAL STATEMENTS (continued) (Unaudited)

*Custodian Fee Credit*

Each Fund has an arrangement with the custodian bank whereby certain custodian fees and expenses are reduced by net credits earned on each Fund's cash on deposit with the bank. Such deposit arrangements are an alternative to overnight investments. Credits for cash balances may be offset by charges for any days on which a Fund overdraws its account at the custodian bank.

*Borrowing Costs*

Costs incurred by each Fund in connection with structuring its refinancing are recorded as a deferred charge which are being amortized through May 14, 2009, and included with Interest expense on borrowings and amortization of borrowing costs on the Statement of Operations.

*Indemnifications*

Under the Funds' organizational documents, their Officers and Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Funds. In addition, in the normal course of business, the Funds enter into contracts that provide general indemnifications to other parties. 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. However, the Funds have not had prior claims or losses pursuant to these contracts and expect the risk of loss to be remote.

*Use of Estimates*

The preparation of financial statements in conformity with US generally accepted account principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets applicable to Common shares from operations during the reporting period. Actual results may differ from those estimates.

**2. Fair Value Measurements**

During the current fiscal period, the Funds adopted the provisions of Statement of Financial Accounting Standards No. 157 (SFAS No. 157) Fair Value Measurements. SFAS No. 157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosure about fair value measurements. In determining the value of each Fund's investments various inputs are used. These inputs are summarized in the three broad levels listed below:

Level 1 Quoted prices in active markets for identical securities.

Level 2 Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 Significant unobservable inputs (including management's assumptions in determining the fair value of investments).

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities.

The following is a summary of each Fund's fair value measurements as of January 31, 2009:

<b>Senior Income (NSL)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Investments	\$ 4,599,876	\$ 162,583,147	\$ 165,826	\$ 167,348,849

<b>Floating Rate Income (JFR)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Investments	\$ 20,924,189	\$ 440,543,673	\$	\$ 461,467,862

<b>Floating Rate Income Opportunity (JRO)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Investments	\$ 6,010,523	\$ 278,761,101	\$	\$ 284,771,624

The following is a reconciliation of Senior Income (NSL) Level 3 investments held at the beginning and end of the measurement period:

	<b>Senior Income (NSL) Level 3 Investments</b>
Balance at beginning of period	\$ 165,826
Gains (losses):	
Net realized gains (losses)	
Net change in unrealized appreciation (depreciation)	(152)
Net purchases at cost (sales at proceeds)	
Net discounts (premiums)	152
Net transfers in to (out of) at end of period fair value	
Balance at end of period	\$ 165,826

For Senior Income (NSL) Change in net unrealized appreciation (depreciation) of investments presented on the Statement of Operations includes \$(152) of net appreciation (depreciation) related to securities classified as Level 3 at period end.

### 3. Fund Shares

#### *Common Shares*

On July 30, 2008, the Funds Board of Trustees approved an open-market share repurchase program under which each Fund may repurchase an aggregate of up to approximately 10% of their outstanding Common shares. The Funds did not repurchase any of their Common shares during the six months ended January 31, 2009.

Transactions in Common shares were as follows:

	<b>Senior Income (NSL)</b>		<b>Floating Rate Income (JFR)</b>		<b>Floating Rate Income Opportunity (JRO)</b>	
	<b>Six Months Ended 1/31/09</b>	<b>Year Ended 7/31/08</b>	<b>Six Months Ended 1/31/09</b>	<b>Year Ended 7/31/08</b>	<b>Six Months Ended 1/31/09</b>	<b>Year Ended 7/31/08</b>
Common shares issued to shareholders due to reinvestment of distributions			18,792			

#### *Preferred Shares*

Transactions in Preferred shares were as follows:

**Floating Rate**



Senior Income (NSL)		Floating Rate Income (JFR)				Income Opportunity (JRO)			
Six Months Ended	Year Ended	Six Months Ended		Year Ended		Six Months Ended		Year Ended	
1/31/09	7/31/08	1/31/09		7/31/08		1/31/09		7/31/08	
Amount	Shares	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
redeemed:									
\$	\$	2,950	\$ 73,750,000	2,350	\$ 58,750,000	2,400	\$ 60,000,000	1,866	
		2,950	73,750,000	2,350	58,750,000				
		2,950	73,750,000	2,350	58,750,000				
20,000,000						2,400	60,000,000	1,866	
		2,950	73,750,000	2,350	58,750,000	2,400	60,000,000	1,868	
\$ 20,000,000	\$	11,800	\$ 295,000,000	9,400	\$ 235,000,000	7,200	\$ 180,000,000	5,600	

#### 4. Investment Transactions

Purchases and sales (including maturities but excluding short-term investments) during the six months ended January 31, 2009, were as follows:

	Senior Income (NSL)	Floating Rate Income (JFR)	Floating Rate Income Opportunity (JRO)
Purchases	\$ 22,052,220	\$ 64,046,302	\$ 42,829,750
Sales and maturities	92,288,198	231,173,031	134,140,072

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FINANCIAL STATEMENTS (continued) (Unaudited)

### 5. Income Tax Information

The following information is presented on an income tax basis. Differences between amounts for financial statement and federal income tax purposes are primarily due to the treatment of paydown gains and losses, timing differences in recognizing certain gains and losses on investment transactions and for Floating Rate Income (JFR) and Floating Rate Income Opportunity (JRO) recognition of premium amortization. To the extent that differences arise that are permanent in nature, such amounts are reclassified within the capital accounts on the Statement of Assets and Liabilities presented in the annual report, based on their federal tax basis treatment; temporary differences do not require reclassification. Temporary and permanent differences do not impact the net asset values of the Funds.

At January 31, 2009, the cost of investments was as follows:

	<b>Senior Income (NSL)</b>	<b>Floating Rate Income (JFR)</b>	<b>Floating Rate Income Opportunity (JRO)</b>
Cost of investments	\$285,054,711	\$744,481,427	\$461,513,569

Gross unrealized appreciation and gross unrealized depreciation of investments at January 31, 2009, were as follows:

	<b>Senior Income (NSL)</b>	<b>Floating Rate Income (JFR)</b>	<b>Floating Rate Income Opportunity (JRO)</b>
Gross unrealized:			
Appreciation	\$ 124,226	\$	\$ 1,307,990
Depreciation	(117,830,088)	(283,013,565)	(178,049,935)
Net unrealized appreciation (depreciation) of investments	\$ (117,705,862)	\$ (283,013,565)	\$ (176,741,945)

The tax components of undistributed net ordinary income and net long-term capital gains at July 31, 2008, the Funds last tax year end, were as follows:

<b>Floating Rate</b>	<b>Floating Rate</b>
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	<b>Senior Income (NSL)</b>	<b>Rate Income (JFR)</b>	<b>Income Opportunity (JRO)</b>
Undistributed net ordinary income *	\$1,823,259	\$1,541,576	\$1,890,746
Undistributed net long-term capital gains			

\* Net ordinary income consists of net taxable income derived from dividends, interest, and net short-term capital gains, if any. Undistributed net ordinary income (on a tax basis) has not been reduced for the dividend declared on July 1, 2008, paid on August 1, 2008.

The tax character of distributions paid during the Funds last tax year ended July 31, 2008, was designated for purposes of the dividends paid deduction as follows:

	<b>Senior Income (NSL)</b>	<b>Floating Rate Income (JFR)</b>	<b>Floating Rate Income Opportunity (JRO)</b>
Distributions from net ordinary income *	\$21,957,308	\$70,123,419	\$43,648,063
Distributions from net long-term capital gains			

\* Net ordinary income consists of net taxable income derived from dividends, interest, and net short-term capital gains, if any.

At July 31, 2008, the Funds' last tax year end, the Funds had unused capital loss carryforwards available for federal income tax purposes to be applied against future capital gains, if any. If not applied, the carryforwards will expire as follows:

	<b>Senior Income (NSL)</b>	<b>Floating Rate Income (JFR)</b>	<b>Floating Rate Income Opportunity (JRO)</b>
Expiration:			
July 31, 2010	\$14,207,781	\$	\$
July 31, 2011	10,704,255		
July 31, 2013		819,145	30,377
July 31, 2014		2,934,270	2,151,577
July 31, 2015	1,002,070	9,492,118	5,017,841
July 31, 2016		183,234	1,294,188
Total	\$25,914,106	\$ 13,428,767	\$ 8,493,983

Floating Rate Income Opportunity (JRO) elected to defer net realized losses from investments incurred from November 1, 2007 through July 31, 2008, the Fund's last tax year-end, ( post-October losses ) in accordance with federal income tax regulations. Post-October losses were treated as having arisen on the first day of the current fiscal year.

	<b>Floating Rate Income Opportunity (JRO)</b>
Post-October capital losses	\$333,561

## 6. Management Fees and Other Transactions with Affiliates

Each Fund's management fee is separated into two components – a complex-level component, based on the aggregate amount of all fund assets managed by the Adviser, and a specific fund-level component, based only on the amount of assets within each individual Fund. This pricing structure enables Nuveen fund shareholders to benefit from growth in the assets within each individual fund as well as from growth in the amount of complex-wide assets managed by the Adviser.

The annual fund-level fee, payable monthly, for each Fund is based upon the average daily Managed Assets of each Fund as follows:

<b>Average Daily Managed Assets</b>	<b>Senior Income (NSL) Fund-Level Fee Rate</b>
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For the first \$1 billion	.6500%
For the next \$1 billion	.6375
For the next \$3 billion	.6250
For the next \$5 billion	.6000
For Managed Assets over \$10 billion	.5750

<b>Average Daily Managed Assets</b>	<b>Floating Rate Income (JFR) Floating Rate Income Opportunity (JRO)</b>	<b>Fund-Level Fee Rate</b>
For the first \$500 million		.6500%
For the next \$500 million		.6250
For the next \$500 million		.6000
For the next \$500 million		.5750
For Managed Assets over \$2 billion		.5500

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The annual complex-level fee, payable monthly, which is additive to the fund-level fee, for all Nuveen sponsored funds in the U.S., is based on the aggregate amount of total fund assets managed as stated in the following table. As of January 31, 2009, the complex-level fee was .2000%.

The complex-level fee schedule is as follows:

<b>Complex-Level Assets Breakpoint Level <sup>(1)</sup></b>	<b>Effective Rate at Breakpoint Level</b>
\$55 billion	.2000%
\$56 billion	.1996
\$57 billion	.1989
\$60 billion	.1961
\$63 billion	.1931
\$66 billion	.1900
\$71 billion	.1851
\$76 billion	.1806
\$80 billion	.1773
\$91 billion	.1691
\$125 billion	.1599
\$200 billion	.1505
\$250 billion	.1469
\$300 billion	.1445

- (1) The complex-level fee component of the management fee for the funds is calculated based upon the aggregate daily net assets of at Nuveen funds, with such daily net assets to include assets attributable to preferred stock issued by or borrowings by such funds ( Managed Assets ) but to exclude assets attributable to investments in other Nuveen funds.

The management fee compensates the Adviser for overall investment advisory and administrative services and general office facilities. The Adviser has entered into Sub-Advisory Agreements with Symphony under which Symphony manages the investment portfolios of the Funds. Symphony is compensated for its services to the Funds from the management fees paid to the Adviser.

The Funds pay no compensation directly to those of its Trustees who are affiliated with the Adviser or to its Officers, all of whom receive remuneration for their services to the Funds from the Adviser or its affiliates. The Board of Trustees has adopted a deferred compensation plan for independent Trustees that enables Trustees to elect to defer receipt of all or a portion of the annual compensation they are entitled to receive from certain Nuveen advised funds. Under the plan, deferred amounts are treated as though equal dollar amounts had been invested in shares of select Nuveen advised funds.

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For the first ten years of Senior Income s (NSL) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily Managed Assets, for fees and expenses in the amounts and for the time periods set forth below:

<b>Year Ending October 31,</b>		<b>Year Ending October 31,</b>	
1999 *	.45%	2005	.35%
2000	.45	2006	.25
2001	.45	2007	.15
2002	.45	2008	.10
2003	.45	2009	.05
2004	.45		

\* From the commencement of operations.

The Adviser has not agreed to reimburse Senior Income (NSL) for any portion of its fees and expenses beyond October 31, 2009.

For the first eight years of Floating Rate Income s (JFR) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily Managed Assets, for fees and expenses in the amounts and for the time periods set forth below:

<b>Year Ending March 31,</b>		<b>Year Ending March 31,</b>	
2004 *	.32%	2009	.32%
2005	.32	2010	.24
2006	.32	2011	.16
2007	.32	2012	.08
2008	.32		

\* From the commencement of operations.

The Adviser has not agreed to reimburse Floating Rate Income (JFR) for any portion of its fees and expenses beyond March 31, 2012.

For the first eight years of Floating Rate Income Opportunity s (JRO) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily Managed Assets, for fees and expenses in the amounts and for the time periods set forth below:

<b>Year Ending July 31,</b>		<b>Year Ending July 31,</b>	
2004 *	.30%	2009	.30%
2005	.30	2010	.22
2006	.30	2011	.14
2007	.30	2012	.07
2008	.30		

\* From the commencement of operations.

The Adviser has not agreed to reimburse Floating Rate Income Opportunity (JRO) for any portion of its fees and expenses beyond July 31, 2012.

## **6. Senior Loan Commitments**

### *Unfunded Commitments*

Pursuant to the terms of certain of the variable rate senior loan agreements, the Funds may have unfunded senior loan commitments. Each Fund will maintain with the custodian, cash, liquid securities and/or liquid senior loans having an aggregate value at least equal to the amount of unfunded senior loan commitments. At January 31, 2009, Senior Income (NSL), Floating Rate Income (JFR) and Floating Rate Income Opportunity (JRO) had unfunded senior loan commitments of \$1,152,778, \$1,277,778 and \$800,368, respectively.

### *Participation Commitments*

With respect to the senior loans held in each Fund s portfolio, the Funds may: 1) invest in assignments; 2) act as a participant in primary lending syndicates; or 3) invest in participations. If a Fund purchases a participation of a senior loan interest, the Fund would typically enter into a contractual agreement with the lender or other third party selling the participation, rather than directly with the Borrower. As such, the Fund not only assumes the credit risk of the Borrower, but also that of the Selling Participant or other persons interpositioned between the Fund and the Borrower. At January 31, 2009, there were no such outstanding participation commitments in any of the Funds.

## **7. Borrowing Arrangements**

Senior Income (NSL) has entered into a \$90 million commercial paper program with an affiliate of Citibank. As of January 31, 2009, the Fund s outstanding balance on these borrowings was \$37,400,000. For the six months ended January 31, 2009, the average daily balance outstanding and average interest rate on these borrowings were \$62,136,413 and 2.89%, respectively.

Floating Rate Income (JFR) has entered into a \$235 million commercial paper program with an affiliate of Citibank. As of January 31, 2009, the Fund s outstanding balance on these borrowings was \$66,000,000. For the six months ended January 31, 2009, the average daily balance outstanding and average interest rate on these borrowings were \$131,089,130 and 2.88%, respectively.



Floating Rate Income Opportunity (JRO) has entered into a \$140 million commercial paper program with an affiliate of Citibank. As of January 31, 2009, the Fund's outstanding balance on these borrowings was \$54,750,000. For the six months ended January 31, 2009, the average daily balance outstanding and average interest rate on these borrowings were \$82,684,783 and 2.86%, respectively.

Interest expense incurred on these borrowings is recognized as Interest expense on borrowings and amortization of borrowing costs on the Statement of Operations.

#### **8. New Accounting Pronouncement**

*Financial Accounting Standards Board Statement of Financial Accounting Standards No. 161 (SFAS No. 161)*

In March 2008, the FASB issued SFAS No. 161, Disclosures about Derivative Instruments and Hedging Activities. This standard is intended to enhance financial statement disclosures for derivative instruments and hedging activities and enable investors to understand: a) how and why a fund uses derivative instruments, b) how derivative instruments and related hedge items are accounted for, and c) how derivative instruments and related hedge items affect a fund's financial position, results of operations and cash flows. SFAS No. 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. As of January 31, 2009, management does not believe the adoption of SFAS No. 161 will impact the

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financial statement amounts; however, additional footnote disclosures may be required about the use of derivative instruments and hedging items.

**9. Subsequent Events**

*Distributions to Common Shareholders*

The Funds declared Common share dividend distributions from their net investment income which was paid on March 2, 2009, to shareholders of record on February 15, 2009, as follows:

	<b>Senior Income (NSL)</b>	<b>Floating Rate Income (JFR)</b>	<b>Floating Rate Income Opportunity (JRO)</b>
Dividend per share	\$.0400	\$.0590	\$.0650

**Financial**  
HIGHLIGHTS

Financial  
HIGHLIGHTS (Unaudited)

Selected data for a Common share outstanding throughout each period:

Beginning	Common Share Net Asset Value	Investment Operations Distributions from Distributions from Investment Income to Preferred Shareholders			Total	Less Distributions Net Offering Costs and Preferred Share Underwriting Discounts			Ending Common Share Net Asset Value	Ending Market Value
		Net Realized/Unrealized Gain (Loss)	Preferred Shareholders	Preferred Shareholders		Common Shareholders	Common Shareholders	Total Discounts		
<b>Senior Income (NSL)</b>										
Year Ended 7/31:										
2009(e)	\$7.18	\$.18	\$(3.39)	\$(.02)	\$ (3.23)	\$(.24)	\$ (.24)	\$	\$3.71	\$ 3.54
2008	8.00	.72	(.83)	(.07)	(0.18)	(.64)	(.64)		7.18	6.18
2007	8.33	.79	(.33)	(.08)	.38	(.71)	(.71)		8.00	8.08
2006	8.48	.69	(.15)	(.07)	.47	(.62)	(.62)		8.33	8.15
2005	8.44	.66		(.04)	.62	(.58)	(.58)		8.48	8.97
2004	7.84	.64	.50	(.02)	1.12	(.52)	(.52)		8.44	9.91

**Floating Rate Income (JFR)**

Year Ended 7/31:										
2009(e)	11.83	.39	(5.18)	(.05)	(4.84)	(.38)	(.38)		6.61	6.74
2008	13.08	1.40	(1.20)	(.37)	(.17)	(1.08)	(1.08)		11.83	10.19
2007	13.90	1.56	(.78)	(.43)	.35	(1.17)	(1.17)		13.08	12.88
2006	14.11	1.31	(.18)	(.35)	.78	(.99)	(.99)		13.90	13.15
2005	14.07	1.00	.10	(.20)	.90	(.86)	(.86)		14.11	13.69
2004(b)	14.33	.14	.04	(.02)	.16	(.21)	(.21)	(.21)	14.07	14.85

**Floating Rate Income Opportunity (JRO)**

Year Ended 7/31:										
2009(e)	11.75	.33	(5.43)	(.05)	(5.15)	(.41)	(.41)		6.19	6.01
2008	13.14	1.41	(1.29)	(.37)	(.25)	(1.14)	(1.14)		11.75	10.06

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2007	13.95	1.62	(.78)	(.43)	.41	(1.22)	(1.22)		13.14	13.05
2006	14.08	1.38	(.13)	(.35)	.90	(1.03)	(1.03)		13.95	13.30
2005	14.30	.80	.19	(.19)	.80	(.84)	(.84)	(.18)	14.08	13.41
2004(c)	14.33							(.03)	14.30	15.01

(a) Per share Net Investment Income is calculated using the average daily shares method.

(b) For the period March 25, 2004 (commencement of operations) through July 31, 2004.

(c) For the period July 27, 2004 (commencement of operations) through July 31, 2004.

(d) Borrowings Interest Expense includes amortization of borrowing costs.

(e) For the six months ended January 31, 2009.

\* Annualized.

\*\* Total Return on Based Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested capital gains distributions, if any, at the average price paid per share at the time of reinvestment. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period may take place over several days, and in some instances may not be based on the market price, so the actual reinvestment price may be different from the price used in the calculation. Total returns are not annualized.

Total Return on Based Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, if any. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending net asset value. The actual reinvest price for the last dividend declared in the period may often be based on the Fund's market price (and not its net asset value), and therefore may be different from the price used in the calculation. Total returns are not annualized.

\*\*\* After custodian fee credit, expense reimbursement from the Adviser and legal fee refund, where applicable.

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Ratios/Supplemental Data										
Ratios to Average Net Assets Applicable to Common Shares Before										
Ratios to Average Net Assets Applicable to Common Shares After										
Credit/Reimbursement/Refund***										
Preferred Shares at End of Period										
Based on Common Share	Ending Net Assets Applicable to Common Shares (000)	Expenses	Net Income	Expenses	Net Income	Portfolio Turnover Rate	Aggregate Amount Outstanding (000)	Liquidation and Market Value Per Share	Asset Coverage Per Share	Aggregate
(45.48)%	\$110,578	4.11%*	6.95%*	3.97%*	7.09%*	9%	\$26,000	\$25,000	\$131,325	\$ 3
(2.32)	214,311	3.88	9.38	3.69	9.57	50	46,000	25,000	141,473	9
4.39	238,779	3.88	8.99	3.59	9.27	80	46,000	25,000	154,771	10
5.78	248,271	3.52	7.74	3.08	8.18	55	46,000	25,000	159,930	10
7.53	252,598	2.70	7.21	2.10	7.80	100	46,000	25,000	162,281	10
14.61	251,278	2.23	7.10	1.50	7.83	91	46,000	25,000	161,564	10
(41.33)	313,271	3.77*	8.65*	3.21*	9.20*	10	105,000	25,000	99,588	6
(1.43)	560,473	2.04	10.71	1.50	11.25	30	165,000	25,000	109,920	23
2.33	619,843	1.59	10.63	1.08	11.14	81	400,000	25,000	63,740	
5.72	657,517	1.61	8.83	1.10	9.34	50	400,000	25,000	66,095	
6.56	667,194	1.60	6.56	1.09	7.07	74	400,000	25,000	66,700	
(.39)	663,609	1.37*	2.46*	.93*	2.90*	14	400,000	25,000	66,476	
(44.37)	176,035	3.94*	7.45*	3.41*	7.98*	11	60,000	25,000	98,348	5
(1.99)	334,040	2.06	10.88	1.55	11.38	33	100,000	25,000	108,510	14
2.73	373,366	1.61	11.06	1.13	11.54	81	240,000	25,000	63,892	
6.60	396,195	1.63	9.36	1.15	9.84	50	240,000	25,000	66,270	

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4.47	399,792	1.53	5.25	1.08	5.70	58	240,000	25,000	66,645
(.21)	383,212	1.28*	(.01)*	.98*	.29*				

The amounts shown are based on Common share equivalents.

Ratios do not reflect the effect of dividend payments to Preferred shareholders.

Income ratios reflect income earned on assets attributable to Preferred shares and borrowings, where applicable.

Each ratio includes the effect of the interest expense paid on borrowings as follows:

Ratios of Borrowings Interest Expense to  
Average  
Net Assets Applicable to Common  
Shares(d)

**Senior Income (NSL)**

Year Ended 7/31:

2009(e)	1.82%*
2008	2.05
2007	2.22
2006	1.85
2005	1.00
2004	.48

**Floating Rate Income  
(JFR)**

Year Ended 7/31:

2009(e)	1.56%*
2008	.28
2007	
2006	
2005	
2004(b)	

**Floating Rate Income  
Opportunity (JRO)**

Year Ended 7/31:

2009(e)	1.64%*
2008	.28
2007	
2006	
2005	
2004(c)	

*See accompanying notes to financial statements.*

Reinvest Automatically  
EASILY and CONVENIENTLY

**Nuveen makes reinvesting easy. A phone call is all it takes to set up your reinvestment account.**

#### **Nuveen Closed-End Funds Dividend Reinvestment Plan**

Your Nuveen Closed-End Fund allows you to conveniently reinvest dividends and/or capital gains distributions in additional Fund shares.

By choosing to reinvest, you will be able to invest money regularly and automatically, and watch your investment grow through the power of tax-free compounding. Just like dividends or distributions in cash, there may be times when income or capital gains taxes may be payable on dividends or distributions that are reinvested.

It is important to note that an automatic reinvestment plan does not ensure a profit, nor does it protect you against loss in a declining market.

#### **Easy and convenient**

To make recordkeeping easy and convenient, each month you will receive a statement showing your total dividends and distributions, the date of investment, the shares acquired and the price per share, and the total number of shares you own.

#### **How shares are purchased**

The shares you acquire by reinvesting will either be purchased on the open market or newly issued by the Fund. If the shares are trading at or above net asset value at the time of valuation, the Fund will issue new shares at the greater of the net asset value or 95% of the then-current market price. If the shares are trading at less than net asset value, shares for your account will be purchased on the open market. If the Plan Agent begins purchasing Fund shares on the open market while shares are trading below net asset value, but the Fund's shares subsequently trade at or above their net asset value before the Plan Agent is able to complete its purchases, the Plan Agent may cease open-market purchases and may invest the uninvested portion of the distribution in newly-issued Fund shares at a price equal to the greater of the shares' net asset value or 95% of the shares' market value on the last business day immediately prior to the purchase date. Dividends and distributions received to purchase shares in the open market will normally be invested shortly after the dividend payment date. No interest will be paid on dividends and distributions awaiting reinvestment. Because the market price of the shares may increase before purchases are completed, the average purchase price per share may exceed the market price at the time of valuation, resulting in the acquisition of fewer shares than if the dividend or distribution had been paid in shares issued by the Fund. A pro rata portion of any applicable brokerage commissions on open market purchases will be paid by Plan participants. These commissions usually will be lower than those charged on individual transactions.



**Flexible**

You may change your distribution option or withdraw from the Plan at any time, should your needs or situation change. Should you withdraw, you can receive a certificate for all whole shares credited to your reinvestment account and cash payment for fractional shares, or cash payment for all reinvestment account shares, less brokerage commissions and a \$2.50 service fee.

You can reinvest whether your shares are registered in your name, or in the name of a brokerage firm, bank, or other nominee. Ask your investment advisor if his or her firm will participate on your behalf. Participants whose shares are registered in the name of one firm may not be able to transfer the shares to another firm and continue to participate in the Plan.

The Fund reserves the right to amend or terminate the Plan at any time. Although the Fund reserves the right to amend the Plan to include a service charge payable by the participants, there is no direct service charge to participants in the Plan at this time.

**Call today to start reinvesting dividends and/or distributions**

For more information on the Nuveen Automatic Reinvestment Plan or to enroll in or withdraw from the Plan, speak with your financial advisor or call us at (800) 257-8787.

Glossary of  
TERMS USED in this REPORT

- n ***Average Annual Total Return:*** This is a commonly used method to express an investment's performance over a particular, usually multi-year time period. It expresses the return that would have been necessary each year to equal the investment's actual cumulative performance (including change in common share NAV or market price and reinvested dividends and capital gains distributions, if any) over the time period being considered.
- n ***Market Yield (also known as Dividend Yield or Current Yield):*** Market yield is based on the Fund's current annualized monthly distribution divided by the Fund's current market price. The Fund's monthly distributions to its shareholders may be comprised of ordinary income, net realized capital gains and, if at the end of the calendar year the Fund's cumulative net ordinary income and net realized gains are less than the amount of the Fund's distributions, a tax return of capital.
- n ***Net Asset Value (NAV):*** A Fund's NAV per common share is calculated by subtracting the liabilities of the Fund (including any Preferred shares issued in order to leverage the Fund) from its total assets and then dividing the remainder by the number of common shares outstanding. Fund NAVs are calculated at the end of each business day.





**Board of Trustees**

John P. Amboian  
Robert P. Bremner  
Jack B. Evans  
William C. Hunter  
David J. Kundert  
William J. Schneider  
Judith M. Stockdale  
Carole E. Stone  
Terence J. Toth

**Fund Manager**

Nuveen Asset Management  
333 West Wacker Drive  
Chicago, IL 60606

**Custodian**

State Street Bank & Trust Company  
Boston, MA

**Transfer Agent and  
Shareholder Services**

State Street Bank & Trust Company  
Nuveen Funds  
P.O. Box 43071  
Providence, RI 02940-3071  
(800) 257-8787

**Legal Counsel**

Chapman and Cutler LLP  
Chicago, IL

**Independent Registered  
Public Accounting Firm**

Ernst & Young LLP  
Chicago, IL

Each Fund intends to repurchase and/or redeem shares of its own common and preferred stock in the future at such times and in such amounts as is deemed advisable. During the period covered by this report, NSL, JFR and JRO redeemed 800, 11,800 and 7,200 shares of their preferred stock, respectively. Any future repurchases and/or redemptions will be reported to shareholders in the next annual or semi-annual report.

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Other Useful INFORMATION

**QUARTERLY PORTFOLIO OF INVESTMENTS AND PROXY VOTING INFORMATION**

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You may obtain (i) each Fund's quarterly portfolio of investments, (ii) information regarding how the Funds voted proxies relating to portfolio securities held during the most recent twelve-month period ended June 30, 2008, and (iii) a description of the policies and procedures that the Funds used to determine how to vote proxies relating to portfolio securities without charge, upon request, by calling Nuveen Investments toll-free at (800) 257-8787 or on Nuveen's website at [www.nuveen.com](http://www.nuveen.com).

You may also obtain this and other Fund information directly from the Securities and Exchange Commission (SEC). The SEC may charge a copying fee for this information. Visit the SEC on-line at <http://www.sec.gov> or in person at the SEC's Public Reference Room in Washington, D.C. Call the SEC at (202) 942-8090 for room hours and operation. You may also request Fund information by sending an e-mail request to [publicinfo@sec.gov](mailto:publicinfo@sec.gov) or by writing to the SEC's Public Reference Section at 100 F Street NE, Washington, D.C. 20549.

### **CEO Certification Disclosure**

Each Fund's Chief Executive Officer has submitted to the New York Stock Exchange (NYSE) the annual CEO certification as required by Section 303A.12(a) of the NYSE Listed Company Manual.

Each Fund has filed with the Securities and Exchange Commission the certification of its Chief Executive Officer and Chief Financial Officer required by Section 302 of the Sarbanes-Oxley Act.

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Nuveen Investments:

**SERVING INVESTORS FOR GENERATIONS**

Since 1898, financial advisors and their clients have relied on Nuveen Investments to provide dependable investment solutions. For the past century, Nuveen Investments has adhered to the belief that the best approach to investing is to apply conservative risk-management principles to help minimize volatility.

Building on this tradition, we today offer a range of high quality equity and fixed-income solutions that are integral to a well-diversified core portfolio. Our clients have come to appreciate this diversity, as well as our continued adherence to proven, long-term investing principles.

**We offer many different investing solutions for our clients' different needs.**

Nuveen Investments is a global investment management firm that seeks to help secure the long-term goals of Institutions and high net worth investors as well as the consultants and financial advisors who serve them. Nuveen Investments markets its growing range of specialized investment solutions under the high-quality brands of HydePark, NWQ, Nuveen, Santa Barbara, Symphony, Tradewinds and Winslow Capital. In total, the Company managed approximately \$119 billion of assets on December 31, 2008.

**Find out how we can help you reach your financial goals.**

To learn more about the products and services Nuveen Investments offers, talk to your financial advisor, or call us at **(800) 257-8787**. Please read the information provided carefully before you invest.

Be sure to obtain a prospectus, where applicable. Investors should consider the investment objective and policies, risk considerations, charges and expenses of the Fund carefully before investing. The prospectus contains this and other information relevant to an investment in the Fund. For a prospectus, please contact your securities representative or **Nuveen Investments, 333 W. Wacker Dr., Chicago, IL 60606**. Please read the prospectus carefully before you invest or send money.

Learn more about Nuveen Funds at:

[www.nuveen.com/cef](http://www.nuveen.com/cef)

**Share prices**  
**Fund details**  
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ESA-B-0109D

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ITEM 2. CODE OF ETHICS.

Not applicable to this filing.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

Not applicable to this filing.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Not applicable to this filing.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

Not applicable to this filing.

ITEM 6. SCHEDULE OF INVESTMENTS.

See Portfolio of Investments in Item 1.

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

Not applicable to this filing.

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

Not applicable to this filing.

ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

Not applicable.

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 Registrant's Board implemented after the registrant last provided disclosure in response to this item.

ITEM 11. CONTROLS AND PROCEDURES.

- (a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of this report that includes the disclosure required by this paragraph, based on their evaluation of the controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") (17 CFR 240.13a-15(b) or 240.15d-15(b)).
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 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 registrant's internal control over financial reporting.

ITEM 12. EXHIBITS.

File the exhibits listed below as part of this Form.

(a)(1) Any code of ethics, or amendment thereto, that is the subject of the disclosure required by Item 2, to the extent that the registrant intends to satisfy the Item 2 requirements through filing of an exhibit: Not applicable to this filing.

(a)(2) A separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the 1940 Act (17 CFR 270.30a-2(a)) in the exact form set forth below: Ex-99.CERT attached hereto.

(a)(3) Any written solicitation to purchase securities under Rule 23c-1 under the 1940 Act (17 CFR 270.23c-1) sent or given during the period covered by the report by or on behalf of the registrant to 10 or more persons: Not applicable.

(b) If the report is filed under Section 13(a) or 15(d) of the Exchange Act, provide the certifications required by Rule 30a-2(b) under the 1940 Act (17 CFR 270.30a-2(b)); Rule 13a-14(b) or Rule 15d-14(b) under the Exchange Act (17 CFR 240.13a-14(b) or 240.15d-14(b)), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350) as an exhibit. A certification furnished pursuant to this paragraph will not be deemed filed for purposes of Section 18 of the Exchange Act (15 U.S.C. 78r), or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the



Exchange Act, except to the extent that the registrant specifically incorporates it by reference. Ex-99.906 CERT attached hereto.

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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) Nuveen Floating Rate Income Fund

By (Signature and Title)\* /s/ Kevin J. McCarthy  
Kevin J. McCarthy  
Vice President and Secretary

Date: April 9, 2009

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 (Signature and Title)\* /s/ Gifford R. Zimmerman  
Gifford R. Zimmerman  
Chief Administrative Officer  
(principal executive officer)

Date: April 9, 2009

By (Signature and Title)\* /s/ Stephen D. Foy  
Stephen D. Foy  
Vice President and Controller  
(principal financial officer)

Date: April 9, 2009

\* Print the name and title of each signing officer under his or her signature.