

KKR Income Opportunities Fund
Form N-Q
March 20, 2015

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

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number (811-22543)

KKR Income Opportunities Fund
(Exact name of registrant as specified in charter)

KKR Credit Advisors (US) LLC

555 California Street, 50th Floor

San Francisco, California
(Address of principal executive offices)

94104
(Zip code)

U.S. Bancorp Fund Services. LLC

615 East Michigan Street

Milwaukee, WI 53202
(Name and address of agent for service)

Registrant's telephone number, including area code: (415) 315-3620

Date of fiscal year end: October 31, 2015

Date of reporting period: January 31, 2015

Item 1. Schedule of Investments.

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January 31, 2015

Income Opportunities Fund

(Unaudited)

Schedule of Investments

	Par	Value
HIGH YIELD SECURITIES - 79.8%		
Aerospace & Defense - 1.5%		
Bombardier, Inc.		
6.125%, 01/15/2023 (a) (g)	4,327,000	\$ 4,089,015
Banks - 8.8%		
Ally Financial, Inc.		
8.000%, 12/31/2018	6,916,000	7,832,370
Novo Banco SA		
N/A, 02/19/2049 (a) (g) (i)	EUR 8,635,000	1,805,138
N/A, 04/09/2052 (g) (i)	EUR 213,000	39,714
SquareTwo Financial Corp.		
11.625%, 04/01/2017	15,009,000	14,258,550
		23,935,772
Building Products - 0.1%		
Calcipar SA		
6.875%, 05/01/2018 (a) (g)	400,000	405,000
Chemicals - 1.7%		
Kleopatra Acquisition Corp.		
11.000%, 08/15/2017 (a) (c) (e) (g)	EUR 2,061,470	2,399,333
Pinnacle Agriculture Holdings LLC		
9.000%, 11/15/2020 (a)	2,259,000	2,304,180
		4,703,513
Construction Materials - 9.3%		
Cemex Materials LLC		
7.700%, 07/21/2025 (a)	13,760,000	15,177,280
Summit Materials Holdings LP		
10.500%, 01/31/2020	9,031,000	9,979,255
		25,156,535
Containers & Packaging - 0.1%		
Multi-Color Corp.		
6.125%, 12/01/2022 (a)	366,000	370,118
Diversified Consumer Services - 0.6%		
24 Hour Fitness Worldwide, Inc.		
8.000%, 06/01/2022 (a)	1,843,000	1,502,045
Diversified Telecommunication Services - 1.8%		
Windstream Corp.		
7.750%, 10/15/2020	4,637,000	4,810,888
Electric Utilities - 1.6%		
Dynergy, Inc.		
7.625%, 11/01/2024 (a)	1,835,000	1,896,931
7.375%, 11/01/2022 (a)	1,501,000	1,549,782
6.750%, 11/01/2019 (a)	789,000	811,684
		4,258,397

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Electronic Equipment, Instruments & Components - 4.2%

Artesyn Technologies, Inc.

9.750%, 10/15/2020 (a)

9,594,000

8,994,375

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	Par	Value
HIGH YIELD SECURITIES - 79.8% (continued)		
Electronic Equipment, Instruments & Components - 4.2% (continued)		
Flextronics International Ltd.		
5.000%, 02/15/2023 (g)	2,250,000	\$ 2,340,000
		11,334,375
Food & Staples Retailing - 1.1%		
Brake Bros Ltd.		
7.125%, 12/15/2018 (a) (g)	GBP 1,903,000	2,905,721
Hotels, Restaurants & Leisure - 4.0%		
Boyd Gaming Corp.		
9.000%, 07/01/2020	3,583,000	3,726,320
Isle Of Capri Casinos, Inc.		
5.875%, 03/15/2021	6,831,000	7,087,162
		10,813,482
Household Durables - 0.9%		
Algeco Scotsman Global Sarl		
10.750%, 10/15/2019 (a) (d) (e) (g)	352,000	269,280
Masonite International Corp.		
8.250%, 04/15/2021 (a) (g)	1,801,000	1,913,562
The Hillman Group, Inc.		
6.375%, 07/15/2022 (a)	364,000	353,080
		2,535,922
Household Products - 1.5%		
Harbinger Group, Inc.		
7.875%, 07/15/2019	3,479,000	3,670,345
7.750%, 01/15/2022	471,000	473,355
		4,143,700
Independent Power and Renewable Electricity Producers - 2.1%		
NRG Energy, Inc.		
6.625%, 03/15/2023	5,525,000	5,732,188
Insurance - 2.9%		
Towergate Finance PLC		
10.500%, 02/15/2019 (a) (d) (e) (f) (g)	GBP 7,634,000	1,379,805
8.500%, 02/15/2018 (a) (d) (e) (f) (g)	GBP 4,600,000	6,097,120
5.753%, 02/15/2018 (a) (b) (d) (e) (f) (g)	GBP 360,000	477,166
		7,954,091
Internet Software & Services - 0.9%		
Bankrate, Inc.		
6.125%, 08/15/2018 (a)	2,582,000	2,536,815
IT Services - 0.9%		
iPayment Investors LP		
9.500%, 12/15/2019 (a)	2,562,863	2,332,205
Life Sciences Tools & Services - 0.2%		
Pharmaceutical Products Developement, Inc.		
9.375%, 10/15/2017 (a) (c)	654,000	667,080
Media - 7.9%		
Cequel Communications Holdings LLC		
5.125%, 12/15/2021 (a)	2,147,000	2,098,692

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	Par	Value
HIGH YIELD SECURITIES - 79.8% (continued)		
Media - 7.9% (continued)		
Charter Communications, Inc.		
6.625%, 01/31/2022	1,842,000	\$ 1,947,915
Clear Channel Outdoor, Inc., Series B		
7.625%, 03/15/2020	5,597,000	5,904,835
Intelsat Jackson Holdings SA		
5.500%, 08/01/2023 (g)	1,435,000	1,417,063
Live Nation Entertainment, Inc.		
7.000%, 09/01/2020 (a)	1,821,000	1,943,918
Sirius XM Holdings, Inc.		
4.625%, 05/15/2023 (a)	4,260,000	3,993,750
Time Warner Entertainment Co. LP		
8.375%, 03/15/2023	1,497,000	2,065,315
Virgin Media, Inc.		
6.375%, 04/15/2023 (a) (g)	1,873,000	1,994,745
		21,366,233
Multiline Retail - 1.5%		
The Bon-Ton Department Stores, Inc.		
8.000%, 06/15/2021	5,170,000	4,213,550
Multi-Utilities - 1.3%		
Calpine Corp.		
7.875%, 01/15/2023 (a)	3,053,000	3,419,360
5.875%, 01/15/2024 (a)	215,000	228,975
		3,648,335
Oil, Gas & Consumable Fuels - 5.9%		
Bill Barrett Corp.		
7.000%, 10/15/2022	7,699,000	6,390,170
Hilcorp Energy I LP (Hilcorp Finance Co.)		
8.000%, 02/15/2020 (a)	1,950,000	1,989,000
7.625%, 04/15/2021 (a)	425,000	431,375
SandRidge Energy, Inc.		
7.500%, 02/15/2023	5,000,000	3,350,000
7.500%, 03/15/2021	5,761,000	4,003,895
		16,164,440
Semiconductors & Semiconductor Equipment - 0.7%		
Amkor Technology, Inc.		
7.375%, 05/01/2018	1,819,000	1,859,927
Software - 3.5%		
Datatel, Inc.		
9.625%, 12/01/2018 (a) (c)	1,433,000	1,433,000
Epicor Software Corp.		
9.000%, 06/15/2018 (a) (c)	6,045,000	6,165,900
TIBCO Software, Inc.		
11.375%, 12/01/2021 (a)	1,905,000	1,874,044
		9,472,944
Specialty Retail - 5.5%		
Guitar Center, Inc.		
6.500%, 04/15/2019 (a)	4,085,000	3,359,913

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	Par	Value
HIGH YIELD SECURITIES - 79.8% (continued)		
Specialty Retail - 5.5% (continued)		
J.C. Penney Corp., Inc.		
8.125%, 10/01/2019	6,302,000	