

TRANSAMERICA INCOME SHARES, INC.  
Form N-Q  
February 26, 2010

As filed with the SEC on February 26, 2010.

**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 811-02273

TRANSAMERICA INCOME SHARES, INC.  
(Exact name of registrant as specified in charter)

570 Carillon Parkway, St. Petersburg, Florida  
(Address of principal executive offices)

33716  
(Zip code)

Dennis P. Gallagher, Esq. P.O. Box 9012, Clearwater, Florida 33758-9771  
(Name and address of agent for service)

Registrant's telephone number, including area code: (727) 299-1800

Date of fiscal year end: March 31

Date of reporting period: October 1, 2009 December 31, 2009

---

**Item 1. Schedule of Investments.**

The unaudited Schedule of Investments of Registrant as of December 31, 2009 is attached.

---

## Transamerica Income Shares, Inc.

## SCHEDULE OF INVESTMENTS

At December 31, 2009

(all amounts in thousands)

(unaudited)

	Principal	Value
<b>U.S. GOVERNMENT OBLIGATION - 1.6%</b>		
U.S. Treasury Inflation Indexed Note		
1.88%, 07/15/2019	\$ 2,025	\$ 2,102
<b>Total U.S. Government Obligation (cost \$2,131)</b>		
<b>FOREIGN GOVERNMENT OBLIGATIONS - 2.0%</b>		
Australia Government Bond		
5.25%, 08/15/2010	AUD 1,400	1,265
United Mexican States		
7.50%, 06/21/2012	MXN 17,500	1,375
<b>Total Foreign Government Obligations (cost \$2,694)</b>		2,640
<b>MORTGAGE-BACKED SECURITIES - 13.5%</b>		
American Tower Trust		
Series 2007-1A, Class C		
5.62%, 04/15/2037 -144A	\$ 1,555	1,587
BCAP LLC Trust		
Series 2009-RR10, Class 2A1		
4.92%, 08/26/2035 -144A *	878	843
Series 2009-RR3, Class 2A1		
5.65%, 05/26/2037 -144A	529	511
Series 2009-RR6, Class 2A1		
5.36%, 08/26/2035 -144A	1,181	1,146
Bear Stearns Adjustable Rate Mortgage Trust		
Series 2003-4, Class 3A1		
4.98%, 07/25/2033	907	855
Crown Castle Towers LLC		
Series 2006-1A, Class C		
5.47%, 11/15/2036 -144A	1,100	1,125
Series 2006-1A, Class D		
5.77%, 11/15/2036 -144A	900	920
Jefferies & Co., Inc.		
Series 2009-R2, Class 2A		
6.53%, 12/26/2037 -144A	615	572
Series 2009-R7, Class 10A3		
6.00%, 12/26/2036 -144A	539	514
Series 2009-R7, Class 12A1		
5.50%, 08/26/2036 -144A	623	598
Series 2009-R7, Class 16A1		
5.68%, 12/26/2036 -144A *	476	477
Series 2009-R7, Class 1A1		
5.59%, 02/26/2036 -144A	952	909

Edgar Filing: TRANSAMERICA INCOME SHARES, INC. - Form N-Q

Series 2009-R7, Class 4A1		
3.74%, 09/26/2034 -144A *	905	859
Series 2009-R9, Class 1A1		
5.84%, 08/26/2046 -144A	909	872
JP Morgan Re-REMIC		
Series 2009-7, Class 8A1		
5.82%, 01/27/2047 -144A	962	927
SBA CMBS Trust		
Series 2006-1A, Class D		
5.85%, 11/15/2036 -144A	1,837	1,875
Series 2006-1A, Class E		
6.17%, 11/15/2036 -144A	540	549
WaMu Mortgage Pass Through Certificates		
Series 2003-S9, Class A6		
5.25%, 10/25/2033	1,350	1,349
Wells Fargo Mortgage Backed Securities Trust		
Series 2003-G, Class A1		
4.10%, 06/25/2033 *	967	946
Series 2003-L, Class 1A2		
4.56%, 11/25/2033 *	885	868
<b>Total Mortgage-Backed Securities (cost \$17,911)</b>		<b>18,302</b>
<b>ASSET-BACKED SECURITIES - 2.6%</b>		
American Airlines Pass-Through Trust		
Series 2001-2, Class A2		
7.86%, 10/01/2011	1,350	1,350
Continental Airlines, Inc.		
Series 1997, Class 1A		
7.46%, 10/01/2016	792	752
Delta Air Lines, Inc.		
Series 2000-1, Class A-2		
7.57%, 05/18/2012	1,360	1,379
<b>Total Asset-Backed Securities (cost \$3,465)</b>		<b>3,481</b>
<b>CORPORATE DEBT SECURITIES - 72.1%</b>		
<b>Building Products - 0.5%</b>		
Voto-Votorantim Overseas Trading Operations NV		
6.63%, 09/25/2019 -144A	675	677
<b>Capital Markets - 2.1%</b>		
Macquarie Group, Ltd.		
7.30%, 08/01/2014 -144A	1,260	1,361
Raymond James Financial, Inc.		
8.60%, 08/15/2019	1,310	1,418
<b>Chemicals - 2.7%</b>		
Cytec Industries, Inc.		
8.95%, 07/01/2017	580	688
Dow Chemical Co.		
8.55%, 05/15/2019	1,300	1,552
Momentive Performance Materials, Inc.		
9.75%, 12/01/2014	765	736
Yara International ASA		
7.88%, 06/11/2019 -144A	650	742
<b>Commercial Banks - 5.8%</b>		
Barclays Bank PLC		
10.18%, 06/12/2021 -144A	1,212	1,565
City National Corp.		
5.13%, 02/15/2013	1,020	1,022
PNC Financial Services Group, Inc.		
8.25%, 05/29/2049	1,250	1,263
Rabobank Nederland NV		
11.00%, 06/30/2019 -144A	1,095	1,335
Scotland International Finance		

Edgar Filing: TRANSAMERICA INCOME SHARES, INC. - Form N-Q

6.50%, 02/15/2011 -144A	1,310	1,269
Wells Fargo Capital XIII		
7.70%, 03/26/2013	1,440	1,397
<b>Construction Materials - 0.5%</b>		
CRH America, Inc.		
6.95%, 03/15/2012	565	612
<b>Consumer Finance - 1.0%</b>		
Cardtronics, Inc.		
9.25%, 08/15/2013	1,264	1,300
<b>Containers &amp; Packaging - 2.7%</b>		
Graphic Packaging International, Inc.		
9.50%, 06/15/2017	2,375	2,517
Rexam PLC		
6.75%, 06/01/2013 -144A	1,180	1,254
<b>Distributors - 0.2%</b>		
McJunkin Red Man Corp.		
9.50%, 12/15/2016 -144A	275	269
<b>Diversified Financial Services - 11.9%</b>		
Cemex Finance LLC		
9.50%, 12/14/2016 -144A	1,300	1,362

*The notes are an integral part of this report.*

Transamerica Income Shares, Inc.

December 31, 2009 Form NQ

Edgar Filing: TRANSAMERICA INCOME SHARES, INC. - Form N-Q

	Principal	Value
<b>Diversified Financial Services (continued)</b>		
City National Capital Trust I		
9.63%, 02/01/2040	\$ 1,380	\$ 1,466
Ford Motor Credit Co. LLC		
7.88%, 06/15/2010	870	883
Glencore Funding LLC		
6.00%, 04/15/2014 -144A	1,500	1,535
Harley-Davidson Funding Corp.		
5.25%, 12/15/2012 -144A	1,295	1,324
Hyundai Capital Services, Inc.		
6.00%, 05/05/2015 -144A	1,226	1,276
JPMorgan Chase Capital XXVII		
7.00%, 11/01/2039	1,345	1,356
Lukoil International Finance BV		
6.38%, 11/05/2014 -144A	1,680	1,726
Pemex Finance, Ltd.		
9.03%, 02/15/2011	975	1,004
QHP Pharma		
10.25%, 03/15/2015 -144A	1,160	1,165
Selkirk Cogen Funding Corp. - Series A		
8.98%, 06/26/2012	824	865
Sensus USA, Inc.		
8.63%, 12/15/2013	300	306
TNK-BP Finance SA		
7.50%, 03/13/2013 -144A	680	711
ZFS Finance USA Trust II		
6.45%, 06/15/2016 -144A	1,430	1,273
<b>Diversified Telecommunication Services - 0.9%</b>		
Sprint Capital Corp.		
7.63%, 01/30/2011	1,300	1,331
<b>Electric Utilities - 0.9%</b>		
KCP&L Greater Missouri Operations Co.		
11.88%, 07/01/2012	1,085	1,256
<b>Electronic Equipment &amp; Instruments - 1.0%</b>		
Tyco Electronics, Ltd.		
6.55%, 10/01/2017	1,334	1,379
<b>Energy Equipment &amp; Services - 2.1%</b>		
Enterprise Products Operating LLC		
8.38%, 08/01/2066	600	585
Regency Energy Partners		
9.38%, 06/01/2016 -144A	750	799
Weatherford International, Ltd.		
9.63%, 03/01/2019	1,200	1,496
<b>Food &amp; Staples Retailing - 1.5%</b>		
Ingles Markets, Inc.		
8.88%, 05/15/2017	1,055	1,097
Stater Brothers Holdings, Inc.		
8.13%, 06/15/2012	915	924
<b>Food Products - 2.4%</b>		
Lorillard Tobacco Co.		
8.13%, 06/23/2019	565	621
M-Foods Holdings, Inc.		
9.75%, 10/01/2013 -144A	1,100	1,143
Michael Foods, Inc.		
8.00%, 11/15/2013	1,500	1,536
<b>Gas Utilities - 1.4%</b>		
DCP Midstream LLC		

Edgar Filing: TRANSAMERICA INCOME SHARES, INC. - Form N-Q

9.75%, 03/15/2019 -144A	610	751
EQT Corp.		
8.13%, 06/01/2019	890	1,028
<b>Hotels, Restaurants &amp; Leisure - 3.0%</b>		
Carrols Corp.		
9.00%, 01/15/2013	450	457
Hyatt Hotels Corp.		
6.88%, 08/15/2019 -144A	1,140	1,138
MGM Mirage, Inc.		
8.38%, 02/01/2011	1,645	1,558
Pokagon Gaming Authority		
10.38%, 06/15/2014 -144A	1,000	1,040
<b>Household Durables - 1.9%</b>		
Lennar Corp.		
12.25%, 06/01/2017	450	542
Sealy Mattress Co.		
8.25%, 06/15/2014	800	800
Whirlpool Corp.		
8.00%, 05/01/2012	1,180	1,279
<b>Insurance - 3.9%</b>		
American Financial Group, Inc.		
9.88%, 06/15/2019	920	1,032
Chubb Corp.		
6.38%, 03/29/2067	729	678
Oil Insurance, Ltd. - Series A		
7.56%, 06/30/2011 -144A	2,004	1,590
Reinsurance Group of America, Inc. - Series A		
6.75%, 12/15/2065	600	507
Travelers Cos., Inc.		
6.25%, 03/15/2037	1,580	1,439
<b>Machinery - 0.8%</b>		
Polypore, Inc.		
8.75%, 05/15/2012	450	448
Titan International, Inc.		
8.00%, 01/15/2012	600	588
<b>Media - 0.6%</b>		
Lions Gate Entertainment, Inc.		
10.25%, 11/01/2016 -144A	775	768
<b>Metals &amp; Mining - 4.8%</b>		
Anglo American Capital PLC		
9.38%, 04/08/2019 -144A	1,165	1,479
ArcelorMittal		
5.38%, 06/01/2013	680	718
FMG Finance Property, Ltd.		
10.63%, 09/01/2016 -144A	500	553
Freeport-McMoRan Copper & Gold, Inc.		
8.38%, 04/01/2017	1,000	1,095
Rio Tinto Finance USA, Ltd.		
9.00%, 05/01/2019	1,100	1,392
Xstrata Canada Corp.		
7.35%, 06/05/2012	1,200	1,289
<b>Multi-Utilities - 1.5%</b>		
Black Hills Corp.		
9.00%, 05/15/2014	640	730
Sempra Energy		
9.80%, 02/15/2019	1,090	1,361
<b>Oil, Gas &amp; Consumable Fuels - 5.0%</b>		
Enbridge Energy Partners, LP		
9.88%, 03/01/2019	990	1,254
GAZ Capital SA		
8.13%, 07/31/2014 -144A	940	996
Opti Canada, Inc.		

*The notes are an integral part of this report.*



(all amounts except share amounts in thousands)

(unaudited)

	Principal	Value
<b>Oil, Gas &amp; Consumable Fuels (continued)</b>		
Petrohawk Energy Corp. 9.13%, 07/15/2013	\$ 1,000	\$ 1,045
Petroleum Co. of Trinidad & Tobago, Ltd. 9.75%, 08/14/2019 -144A	647	724
Petroleum Development Corp. 12.00%, 02/15/2018	400	413
Ras Laffan Liquefied Natural Gas Co., Ltd. III 6.75%, 09/30/2019 -144A	1,385	1,497
<b>Paper &amp; Forest Products - 1.5%</b>		
Ainsworth Lumber Co., Ltd. 11.00%, 07/29/2015 -144A	1,230	764
Exopack Holding, Inc. 11.25%, 02/01/2014	1,175	1,194
<b>Real Estate Investment Trusts - 6.8%</b>		
Dexus Property Group 7.13%, 10/15/2014 -144A	1,310	1,346
Duke Realty, LP 7.38%, 02/15/2015	1,135	1,197
Healthcare Realty Trust, Inc.		