TRANSAMERICA INCOME SHARES, INC. Form N-Q March 01, 2013 As filed with the SEC on March 1, 2013.

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 33716

(Address of Principal Executive Offices) (Zip Code)

Registrant s Telephone Number, including Area Code: (727) 299-1800

Dennis P. Gallagher, Esq. P.O. Box 9012, Clearwater, Florida 33758-9771

(Name and Address of Agent for Service)

Date of fiscal year end: March 31

Date of reporting period: October 1, 2012 December 31, 2012

Item 1. Schedule of Investments.

The unaudited Schedule of Investments of Registrant as of December 31, 2012 is attached.

SCHEDULE OF INVESTMENTS

At December 31, 2012

(unaudited)

	Principal (000 s)	Value (000 s)
U.S. GOVERNMENT OBLIGATIONS - 5.9%		
U.S. Treasury Inflation Indexed Bond		
2.50%, 01/15/2029	\$970	\$1,383
U.S. Treasury Note		
1.75%, 05/15/2022	4,240	4,276
2.00%, 02/15/2022	1,430	1,479
2.13%, 02/29/2016	1,355	1,429
Total U.S. Government Obligations (cost \$8,160)		8,567
U.S. GOVERNMENT AGENCY OBLIGATION - 0.2%		
Freddie Mac, IO		
5.00%, 08/01/2035	2,065	265
Total U.S. Government Agency Obligation (cost \$639)		
FOREIGN GOVERNMENT OBLIGATIONS - 3.5%		
Canada Housing Trust No. 1		
3.15%, 06/15/2015 - 144A	CAD1,500	1,576
Mexican Bonos		
7.00%, 06/19/2014	MXN12,000	958
7.25%, 12/15/2016	14,000	1,169
Republic of Chile		
5.50%, 08/05/2020	CLP576,000	1,338
Total Foreign Government Obligations (cost \$4,585)		5,041
MORTGAGE-BACKED SECURITIES - 9.4%		
7 WTC Depositor LLC Trust		
Series 2012-7WTC, Class A		
4.08%, 03/13/2031 - 144A	\$345	364
American General Mortgage Loan Trust		
Series 2009-1. Class A6		
5.75%, 09/25/2048 - 144A *	1,050	1,081
American Tower Trust	-,	-,
Series 2007-1A, Class D		
5.96%, 04/15/2037 - 144A	1.065	1,090
BCAP LLC Trust	1,005	1,000
Series 2009-RR3, Class 2A1		
4.77%, 05/26/2037 - 144A *	89	90
Series 2009-RR6, Class 2A1		20
2.98%, 08/26/2035 - 144A *	662	600
Series 2009-RR10, Class 2A1	002	000

0 : 2000 PP14 CI 141		
Series 2009-RR14, Class 1A1 6.05%, 05/26/2037 - 144A *	545	582
Series 2010-RR1, Class 12A1	5-5	562
5.25%, 08/26/2036 - 144A *	564	586
Countrywide Alternative Loan Trust		
Series 2004-3T1, Class A3		
5.00%, 05/25/2034	527	541
Series 2006-OC1, Class 2A3A		
0.53%, 03/25/2036 *	1,500	803
Credit Suisse Mortgage Capital Certificates		
Series 2010-18R, Class 1A11	383	381
3.75%, 08/26/2035 - 144A * Impac CMB Trust	585	361
Series 2007-A, Class A		
0.46%, 05/25/2037 *	748	711
Jefferies & Co., Inc.		
Series 2009-R2, Class 2A		
2.93%, 12/26/2037 - 144A *	304	305
Series 2009-R7, Class 1A1		
2.91%, 02/26/2036 - 144A *	533 Principal (000 s)	515 Value (000 s)
MORTGAGE-BACKED SECURITIES (continued)		
Jefferies & Co., Inc. (continued)		
Series 2009-R7, Class 4A1		
2.92%, 09/26/2034 - 144A *	\$424	\$407
Series 2009-R7, Class 10A3	220	241
6.00%, 12/26/2036 - 144A	230	241
Series 2009-R7, Class 12A1 5.08%, 08/26/2036 - 144A *	245	242
Series 2009-R9, Class 1A1	245	242
2.70%, 08/26/2046 - 144A *	501	498
JPMorgan Chase Commercial Mortgage		
Securities Corp.		
Series 2007-LD11, Class ASB 5.81%, 06/15/2049 *	561	612
JPMorgan Re-REMIC	501	012
Series 2009-7, Class 8A1		
5.36%, 01/27/2047 - 144A *	335	341
LSTAR Commercial Mortgage Trust		011
Series 2011-1, Class A		
3.91%, 06/25/2043 - 144A	407	425
Morgan Stanley Re-REMIC Trust		
Series 2010-GG10, Class A4A		
5.79%, 08/15/2045 - 144A *	950	1,109
Series 2010-R4, Class 3A		
5.50%, 08/26/2047 - 144A	633	661
Oaktree Real Estate Investments/Sabal NPL LLC Series 2012-LV1, Class A		
4.00%, 09/25/2044 - 144A	474	475
Russian Real Estate Forum 2012 LT1 LLC	+/+	+/.
Series 2012-LT1A, Class A		
4.75%, 02/15/2025 - 144A	4	4
S2 Hospitality LLC		
Series 2012-LV1, Class A		
4.50%, 04/15/2025 - 144A	223	223
Wells Fargo Mortgage Backed Securities Trust		
Series 2003-G, Class A1		
4.10%, 06/25/2033 *	133	135
Series 2003-L, Class 1A2	100	
4.49%, 11/25/2033 *	108	111
14-1 Marten - Dalad Carritta (and \$12.001)		10 500
Total Mortgage-Backed Securities (cost \$12,961)		13,599

ASSET-BACKED SECURITIES - 3.5%

Countrywide Asset-Backed Certificates		
Series 2006-6, Class 2A3		
0.49%, 09/25/2036 *	2,000	835
GSAA Trust		
Series 2006-1, Class A3		
0.54%, 01/25/2036 *	1,200	770
GSAMP Trust		
Series 2006-HE1, Class A2D		
0.52%, 01/25/2036 *	1,230	1,004
HLSS Servicer Advance Receivables Backed Notes		
Series 2012-T2, Class C1		
3.22%, 10/15/2043 - 144A	232	233
HSBC Home Equity Loan Trust		
Series 2006-3, Class A4		
0.45%, 03/20/2036 *	804	759
Lehman XS Trust		
Series 2005-8, Class 1A3		
0.56%, 12/25/2035 *	1,405	772

The notes are an integral part of this report. Transamerica Income Shares, Inc.

Page 1

SCHEDULE OF INVESTMENTS (continued)

At December 31, 2012

(unaudited)

	Principal (000 s)	Value (000 s)
ASSET-BACKED SECURITIES (continued)		
Popular ABS Mortgage Pass-Through Trust		
Series 2006-A, Class A4		
0.53%, 02/25/2036 *	\$825	\$762
Total Asset-Backed Securities (cost \$4,435)		5,135
MUNICIPAL GOVERNMENT OBLIGATIONS - 1.5%		
Rhode Island Economic Development Corp.		
6.00%, 11/01/2015 § D	835	874
State of California	635	0/4
7.95%, 03/01/2036	1.035	1,281
	1,000	1,201
Total Municipal Government Obligations		
(cost \$1,871)		2,155
PREFERRED CORPORATE DEBT SECURITY - 1.4% Diversified Financial Services - 1.4% ZFS Finance USA Trust II 6.45%, 12/15/2065 - 144A *	1,930	2,065
Diversified Financial Services - 1.4% ZFS Finance USA Trust II	1,930	2,065
Diversified Financial Services - 1.4% ZFS Finance USA Trust II 6.45%, 12/15/2065 - 144A * Total Preferred Corporate Debt Security (cost \$1,621) CORPORATE DEBT SECURITIES - 70.3%	1,930	2,065
Diversified Financial Services - 1.4% ZFS Finance USA Trust II 6.45%, 12/15/2065 - 144A * Total Preferred Corporate Debt Security (cost \$1,621) CORPORATE DEBT SECURITIES - 70.3% Airlines - 1.8%	1,930	2,065
Diversified Financial Services - 1.4% ZFS Finance USA Trust II 6.45%, 12/15/2065 - 144A * Total Preferred Corporate Debt Security (cost \$1,621) CORPORATE DEBT SECURITIES - 70.3% Airlines - 1.8% America West Airlines Pass-Through Trust	1,930	2,065
Diversified Financial Services - 1.4% ZFS Finance USA Trust II 6.45%, 12/15/2065 - 144A * Total Preferred Corporate Debt Security (cost \$1,621) CORPORATE DEBT SECURITIES - 70.3% Airlines - 1.8% America West Airlines Pass-Through Trust Series 2000-1, Class G		
Diversified Financial Services - 1.4% ZFS Finance USA Trust II 6.45%, 12/15/2065 - 144A * Total Preferred Corporate Debt Security (cost \$1,621) CORPORATE DEBT SECURITIES - 70.3% Airlines - 1.8% America West Airlines Pass-Through Trust Series 2000-1, Class G 8.06%, 07/02/2020	1,930 575	
Diversified Financial Services - 1.4% ZFS Finance USA Trust II 6.45%, 12/15/2065 - 144A * Total Preferred Corporate Debt Security (cost \$1,621) CORPORATE DEBT SECURITIES - 70.3% Airlines - 1.8% America West Airlines Pass-Through Trust Series 2000-1, Class G 8.06%, 07/02/2020 Continental Airlines Pass-Through Trust		
Diversified Financial Services - 1.4% ZFS Finance USA Trust II 6.45%, 12/15/2065 - 144A * Total Preferred Corporate Debt Security (cost \$1,621) CORPORATE DEBT SECURITIES - 70.3% Airlines - 1.8% America West Airlines Pass-Through Trust Series 2000-1, Class G 8.06%, 07/02/2020 Continental Airlines Pass-Through Trust Series 1997-1, Class A	575	616
Diversified Financial Services - 1.4% ZFS Finance USA Trust II 6.45%, 12/15/2065 - 144A * Total Preferred Corporate Debt Security (cost \$1,621) CORPORATE DEBT SECURITIES - 70.3% Airlines - 1.8% America West Airlines Pass-Through Trust Series 2000-1, Class G 8.06%, 07/02/2020 Continental Airlines Pass-Through Trust Series 1997-1, Class A 7.46%, 04/01/2015		
Diversified Financial Services - 1.4% ZFS Finance USA Trust II 6.45%, 12/15/2065 - 144A * Total Preferred Corporate Debt Security (cost \$1,621) CORPORATE DEBT SECURITIES - 70.3% Airlines - 1.8% America West Airlines Pass-Through Trust Series 2000-1, Class G 8.06%, 07/02/2020 Continental Airlines Pass-Through Trust Series 1997-1, Class A 7.46%, 04/01/2015 Series 2007-1, Class B	575 282	616 291
Diversified Financial Services - 1.4% ZFS Finance USA Trust II 6.45%, 12/15/2065 - 144A * Total Preferred Corporate Debt Security (cost \$1,621) CORPORATE DEBT SECURITIES - 70.3% Airlines - 1.8% America West Airlines Pass-Through Trust Series 2000-1, Class G 8.06%, 07/02/2020 Continental Airlines Pass-Through Trust Series 1997-1, Class A 7.46%, 04/01/2015 Series 2007-1, Class B 6.90%, 04/19/2022	575	616
Diversified Financial Services - 1.4% ZFS Finance USA Trust II 6.45%, 12/15/2065 - 144A * Total Preferred Corporate Debt Security (cost \$1,621) CORPORATE DEBT SECURITIES - 70.3% Airlines - 1.8% America West Airlines Pass-Through Trust Series 2000-1, Class G 8.06%, 07/02/2020 Continental Airlines Pass-Through Trust Series 1997-1, Class A 7.46%, 04/01/2015 Series 2007-1, Class B 6.90%, 04/19/2022 UAL Pass-Through Trust	575 282	616 291
Diversified Financial Services - 1.4% ZFS Finance USA Trust II 6.45%, 12/15/2065 - 144A * Total Preferred Corporate Debt Security (cost \$1,621) CORPORATE DEBT SECURITIES - 70.3% Airlines - 1.8% America West Airlines Pass-Through Trust Series 2000-1, Class G 8.06%, 07/02/2020 Continental Airlines Pass-Through Trust Series 1997-1, Class A 7.46%, 04/01/2015 Series 2007-1, Class B 6.90%, 04/19/2022 UAL Pass-Through Trust Series 2009-1	575 282 675	616 291 722
Diversified Financial Services - 1.4% ZFS Finance USA Trust II 6.45%, 12/15/2065 - 144A * Total Preferred Corporate Debt Security (cost \$1,621) CORPORATE DEBT SECURITIES - 70.3% Airlines - 1.8% America West Airlines Pass-Through Trust Series 2000-1, Class G 8.06%, 07/02/2020 Continental Airlines Pass-Through Trust Series 1997-1, Class A 7.46%, 04/01/2015 Series 2007-1, Class B 6.90%, 04/19/2022 UAL Pass-Through Trust Series 2009-1 10.40%, 11/01/2016	575 282	616 291 722
Diversified Financial Services - 1.4% ZFS Finance USA Trust II 6.45%, 12/15/2065 - 144A * Total Preferred Corporate Debt Security (cost \$1,621) CORPORATE DEBT SECURITIES - 70.3% Airlines - 1.8% America West Airlines Pass-Through Trust Series 2000-1, Class G 8.06%, 07/02/2020 Continental Airlines Pass-Through Trust Series 1997-1, Class A 7.46%, 04/01/2015 Series 2007-1, Class B 6.90%, 04/19/2022 UAL Pass-Through Trust Series 2009-1 10.40%, 11/01/2016 Beverages - 0.4%	575 282 675	616 291 722
Diversified Financial Services - 1.4% ZFS Finance USA Trust II 6.45%, 12/15/2065 - 144A * Total Preferred Corporate Debt Security (cost \$1,621) CORPORATE DEBT SECURITIES - 70.3% Airlines - 1.8% America West Airlines Pass-Through Trust Series 2000-1, Class G 8.06%, 07/02/2020 Continental Airlines Pass-Through Trust Series 1997-1, Class A 7.46%, 04/01/2015 Series 2007-1, Class B 6.90%, 04/19/2022 UAL Pass-Through Trust Series 2009-1 10.40%, 11/01/2016 Beverages - 0.4% Anheuser-Busch InBev Worldwide, Inc.	575 282 675 826	616 291 722 952
Diversified Financial Services - 1.4% ZFS Finance USA Trust II 6.45%, 12/15/2065 - 144A * Total Preferred Corporate Debt Security (cost \$1,621) CORPORATE DEBT SECURITIES - 70.3% Airlines - 1.8% America West Airlines Pass-Through Trust Series 2000-1, Class G 8.06%, 07/02/2020 Continental Airlines Pass-Through Trust Series 1997-1, Class A 7.46%, 04/01/2015 Series 2007-1, Class B 6.90%, 04/19/2022 UAL Pass-Through Trust Series 2009-1 10.40%, 11/01/2016 Beverages - 0.4% Anheuser-Busch InBev Worldwide, Inc. 9.75%, 11/17/2015	575 282 675	616 291
Diversified Financial Services - 1.4%ZFS Finance USA Trust II6.45%, 12/15/2065 - 144A *Total Preferred Corporate Debt Security (cost \$1,621)CORPORATE DEBT SECURITIES - 70.3%Airlines - 1.8%America West Airlines Pass-Through TrustSeries 2000-1, Class G8.06%, 07/02/2020Continental Airlines Pass-Through TrustSeries 1997-1, Class A7.46%, 04/01/2015Series 2007-1, Class B6.90%, 04/19/2022UAL Pass-Through TrustSeries 2007-1, Class B6.90%, 04/19/2022UAL Pass-Through TrustSeries 2007-1, Class B6.90%, 04/19/2022UAL Pass-Through TrustSeries 2009-110.40%, 11/01/2016Beverages - 0.4%Anheuser-Busch InBev Worldwide, Inc.9.75%, 11/17/2015Building Products - 0.8%	575 282 675 826	616 291 722 952
Diversified Financial Services - 1.4% ZFS Finance USA Trust II 6.45%, 12/15/2065 - 144A * Total Preferred Corporate Debt Security (cost \$1,621) CORPORATE DEBT SECURITIES - 70.3% Airlines - 1.8% America West Airlines Pass-Through Trust Series 2000-1, Class G 8.06%, 07/02/2020 Continental Airlines Pass-Through Trust Series 1997-1, Class A 7.46%, 04/01/2015 Series 2007-1, Class B 6.90%, 04/19/2022 UAL Pass-Through Trust Series 2009-1 10.40%, 11/01/2016 Beverages - 0.4% Anheuser-Busch InBev Worldwide, Inc.	575 282 675 826	616 291 722 952

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Margin Samley u Commercial Banks - 26%		705	781
Commercial Banks - 7.6% Incluys Bank / PLC ID 188, 001/2021 - 144A Barchay Bank / 907 (2007) - 144A Commercial Commercial Soft Regular And And Commercial Soft Regular Bank / Soft Regular And And Commercial Regular Bank / Soft Regular And And Commercial Regular Bank / Soft Regular And	Morgan Stanley		
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473%, 02/152015 - 144A* 310 322 463%, 01/172017 10.000 1.107 5.00%, 02/072017 10.005 1.481 S00%, 02/072019 144A* 1.105 11.00%, 02/072019 144A* 1.105 7.30%, 02/072019 1.115 1.445 Regions Bank 1.115 1.445 7.30%, 02/07202 400 511 7.63%, 02/07202 400 511 7.63%, 02/07202 400 541 7.63%, 02/07202 400 541 7.63%, 02/07202 400 541 7.63%, 02/07202 400 541 7.63%, 02/07202 400 541 7.63%, 02/07203 51.440 51.640 7.63%, 02/072018 * 51.440 51.653 7.63%, 02/072018 * 1.400 1.529 Commercial Bank (continued) 1.401 1.529 Commercial Services & Supplies - 1.8% 1.400 1.529 Commercial Services & Supplies - 1.8% 1.400 1.529 Commercial Services & Supplies - 1.8% 1.401 1.529 Commercial Servi		800	888
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Rabokan Noderland NV 1095 1.481 Regions Bank - - 7.595, 05/15/018 1.115 1.345 Royal Bank of Scotland Group PLC 500 517 7.595, 05/15/018 500 517 1.655%, 01/07/021 490 541 7.636, 08/17/2022 490 541 Wells Impus Co Series K - - 7.938, 03/15/018 * 51.440 \$1.633 Zions Bank Continue() - - Wells Impus Co Series K - - 7.938, 03/15/2018 * 51.440 \$1.653 Zions Bankcorporation - - 7.938, 03/15/2018 * 650 614 10758, 06/15/2018 * - - 10.759, 00/25/2014 1.00 1.265 Commercial Services Inc. - - 4.319, 0501/2014 * 1.025 1.037 Steelause, Inc. - - 6.338, 0.015/2012 - - - 7.939, 0212/102/144 1.00 </td <td></td> <td></td> <td></td>			
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5.05%,0108/2015 500 517 108 AG/Sandord CT Principal (000 s) Value (000 s) 000 Commercial Banks (continued) Wite (000 s) 000 st.63 7.05%,08/17/2022 81/40 \$1.63 \$1.63 7.05%,08/17/2023 \$1/40 \$1.63 \$1.63 7.05%,08/17/2014 1.400 1.529 Commercial Services & Supplies - 1.8% 1.400 1.529 Commercial Services & Supplies - 1.8% 650 614 Emergy Solutions, Inc. / Emergy Solutions LLC 100 1.63 10.75%,08/15/2018 650 614 FNTS, Inc. 1.035 1.037 Steleas, Inc. 1.035 1.037 4.19%,050/10201 # 1.035 1.037 Steleas, Inc. 0.00% 0.02 0.03%,002/15/201 44A 700 701 0.040 700 701 1.63%,002/5/201 1.035 1.037 0.050%,002/5/2015 650 650 678 50%,172/17 1.430 1.279	•	1,115	1,345
UBS ASSIGNMENDED4905417.63%,08/17/2022490541Principal (000 s)000 s)000 s)Commercial Banks (continued)221.4401.6332.08 Bacorporation1.001.5392.08 Bacorporation1.001.5392.08 Bacorporation1.001.5392.08 Bacorporation1.001.5392.08 Bacorporation1.001.5392.08 Bacorporation1.001.0352.08 Bacorporation1.001.0352.08 Bacorporation Rice / EnergySolutions LLC1.001.0352.08 Bacorporation Rice / EnergySolutions LLC1.031.0351.07 5%, 08/15/2015 - 1.44A1.031.0352.08 Bacorporation Rice / EnergySolutions LLC1.0351.0373.08 Autorio Services, Inc.1.0351.0373.08 Autorio Services, Inc.1.0351.0373.08 Autorio Services, Inc.1.0351.0373.08 Autorio Materials - 1.0%1.0351.0373.08 Autorio Services, Inc.1.0351.0373.08 Autorio Neterials - 1.0%1.0351.0373.08 Autorio Neterials - 1.0%1.0351.0373.09 Autorio Neterials - 1.0%1.0351.1353.00 Size Autorio Corp.1.0351.1353.00 Size Autorio Neterials - 1.0%1.055	Royal Bank of Scotland Group PLC		
7.63%, 08/17/2022 400 541 Principal (000 s) Principal (000 s) Value (000 s) Commercial Banks (continued) × Wells Fargo & Co Stris K 31,440 51,653 Josse, 0417/2022 1,400 1,529 Opsie, 0417/2023 1,400 1,529 Commercial Services & Supplies - 1.8% 1,400 1,529 Commercial Services & Supplies - 1.8% 650 6614 IDTTS, Inc. 300 136 KAR Auction Sinc / EnergySolutions LC 0 300 316 Construction Materials - 1.0% 0 300 852 Construction Materials - 1.0% 0 700 761 Construction Materials - 1.0% 0 6000 700 Construction Materials - 1.0% 0 600 700 Constraction Materials - 1.0% 0		500	517
Principal (000 s) Value (000 s) Commercial Banks (continued) Vells Fargo & Co Series K 7.98%, 03/15/2018 * ^ \$1,400 \$1,529 Zoms Bancoproation 1.400 \$1,529 Commercial Services & Supplies - 1.8% 1.400 \$1,529 Commercial Services & Supplies - 1.8% 1.400 \$1,529 Commercial Services & Supplies - 1.8% 1.400 \$1,529 Commercial Services As upplies - 1.8% 1.400 \$1,529 Commercial Services Inc. 1.400 \$1,635 \$1,035 \$1,037 Steelsco, Inc. 1.403 \$1,035 \$1,037 \$6,389, 02/15/201 4.4319, 0501/2014 1.400 \$1,035 \$1,037 \$6,389, 02/15/201 \$1,035 \$1,037 \$1,035 \$1,037 \$1,035 \$1,037 \$1,035 \$1,037 \$1,035 \$1,037 \$1,037 \$1,037 \$1,037 \$1,037 \$1,037 \$1,035 \$1,037 \$1,035 \$1,037 \$1,035 \$1,037 \$1,035		100	5 4 1
(000° s) (000° s) Commercial Banks (continued)	7.63%, 08/17/2022		
Commercial Banks (continued) Value Fargo & Co Series K "7.08%, 03/15/2018 ** \$1,440 \$1,653 "208%, 03/15/2018 ** \$1,400 \$1,529 Commercial Services & Supplies - 1.8% \$1,000 \$1,025 EnergySolutions, Inc. / EnergySolutions LLC \$650 6141 ID75%, 00/13/2018 * 650 6141 HDTFS, Inc. \$5,85%, 10/15/2020 - 144A 130 136 SA8%, 01/15/2018 - 144A 10,035 1,037 Steelease, Inc. \$1,035 1,037 Steelease, Inc. \$0 8252 Comercial Sci Ox/18/2021 - 144A 100 700 Conser Finance LLC \$00 702 Conser Finance CLC \$00 702 Conser Finance CLC \$00 \$00 Conser Finance CLC \$00 \$00 Conser Finance CLC \$		•	
Wells Fargo & Co Series K S1,440 \$1,653 Zions Bancorporation 1,000 1,529 7,758, 60/23/2014 1,000 1,529 Commercial Services & Supplies - 1.8%			(000 3)
Wells Fargo & Co Series K S1,440 \$1,653 Zions Bancorporation 1,000 1,529 7,758, 60/23/2014 1,000 1,529 Commercial Services & Supplies - 1.8%	Commercial Panks (continued)		
7.98%, QJ152018** \$1,440 \$1,630 7.75%, QJ22014 1,400 1,529 Commercial Services & Supplies - L8% 500 614 ID.75%, QJ152018 650 614 HDTFS, Inc. 130 136 KAR Auction Services, Inc. 130 136 S.88%, QJ152024* 1,035 1,035 KAR Auction Services, Inc. 1 1 6.88%, QJ152024 800 882 Construction Materials - 10% 1 1 Construction Materials - 10% 1 1 Construction Materials - 10% 0 700 Ally Financial, Inc. 650 678 Ally Financial, Inc. 1430 1.279 Construction Materials - 144A 100 1.279 Construction Materials - 144A 105 118 Springleaf Finance Corp. 1 1000%, 0601/2018 650 Gonghic Packaging International, Inc. 105 118 <			
Zions Bancorporation 1,400 1,529 Commercial Services & Supplies - 1.8% - Energy Solutions, Inc. / Energy/Solutions LLC - 10.75%, 08/15/2018 650 614 HDTRS, Inc. - - 5.88%, 10/15/2020 - 144A 130 136 KAR Auction Services, Inc. - - 4.31%, 05/01/2014 * 1,035 1,037 Steelease, Inc. - - Construction Materials - 1.0% - - Center Finance LLC - - Sol%, 12/12/2016 - 144A ^ 600 702 Voto- Votorantim Overseas Trading Operations NV - - 6.63%, 06/22/015 650 678 Springleaf Finance Cap. - - 4.63%, 06/22/015 457 658 Springleaf Finance Corp. - - 6.09%, 21/15/2017 1,430 1,279 Constance Services - 6.2% - - 8.05%, 00/15/2017 865 941 9.05%, 00/15/2017 865 <td></td> <td>\$1,440</td> <td>\$1,653</td>		\$1,440	\$1,653
Commercial Services & Supplies - 1.8% Incregs/Solutions, Inc. / Energy/Solutions LLC Incregs/Solutions, Inc. / Energy/Solutions LLC ID(75%, 08/15/2018) ID(75/2020 - 144A) ID(75%, 08/15/2020 - 144A) ID(75%, 08/15/2020 - 144A) ID(75%, 08/15/2020 - 144A) ID(75%, 08/05/2020 - 144A) ID(75%, 08/05/2020 - 144A) ID(75%, 08/05/2020 - 144A) ID(75%, 08/05/2010 - 144A) ID(75%, 08/05/2017) ID(75%, 08/05/20			
FnergySolutions, Inc. / EnergySolutions LLC 650 614 HDTFS, Inc. 130 136 5.88%, 10/15/2020 - 144A 130 136 KAR Auction Services, Inc. 1,035 1,037 4.31%, 05/01/2014 * 1,035 1,037 Selecase, Inc. 800 852 Construction Materials - 1.0% 800 852 Centex, Finance LLC 700 761 Voto-Votrantin Overseas Trading Operations NV 600 702 6.33%, 09/25/2019 - 144A ^ 600 702 Consumer Finance 1.1% 1,430 1,279 Consumer Finance 1.3% 635 678 Springleaf Finance 2.1% 1,430 1,279 Consumer Finance 1.1% 1,430 1,279 Consumer Finance 1.1% 1000%, 6061/2018 720 652 Syste, 001/2018 720 652 634 Sold of 12015 800 813 183 Syste, 001/2014 105 118 118 Distributors - 0.8% 1007 1,235 <td></td> <td>1,400</td> <td>1,529</td>		1,400	1,529
10.75%, 08/15/2018 650 614 HDTFS, Inc. 130 136 KAR Auction Services, Inc. 1,035 1,037 A.31%, 05/01/2014 * 1,035 1,037 Steelcase, Inc. 6,38%, 0/15/2011 800 852 Construction Materials - 1.0% 200 850 852 Construction Materials - 1.0% 200 700 761 Cemex Finance LLC 9,50%, 12/14/2016 - 144A 700 761 Voto-Votorantim Overseas Trading Operations NV 600 702 663%, 00/25/2019 - 144A ^ 600 702 Ally Financial, Inc. 4.63%, 06/25/2019 - 144A ^ 650 678 761 Ally Griance LLC 50%, 02/15/2017 1430 1,279 Consumer Finance Corp. 500 678 720 652 Springleaf Finance Corp. 500 678 720 652 Springleaf Finance Corp. 1000%, 6061/2018 720 652 934 Sealed Air Corp. 10005 118 105 118 105 118			
HDTPS, İnc. 103 136 5.88%, 10/15/2020 - 144A 1,035 1,037 4.31%, 05/01/2014 * 1,035 1,037 Steelcase, Inc. 1 1 6.38%, 02/15/2021 800 852 Construction Materials - 1.0% 800 852 Construction Materials - 1.0% 700 761 Voto-Votorantim Overseas Trading Operations NV 6600 702 6.35%, 09/25/2019 - 144A ^ 6600 702 Consumer Finance - 1.3% 650 678 Springleat Finance Corp. 1,430 1,279 Containers & Packaging - 1.2% 1,070 652 Graphic Packaging International, Inc. 9 9,50%, 00/15/2017 865 934 Sealed Air Corp. 1,035 1,185 1,185 1,135 Sealed Air Corp. 1,035 1,185 1,185 1,135		(50	(14
5.88%, 10/15/2020 - 14AA 130 136 KAR Auction Services, Inc. 1,035 1,037 Steelcase, Inc. 00 852 Construction Materials - 10% 800 852 Cemex Finance LLC 700 761 9,50%, 12/14/2016 - 144A ^ 600 702 Consumer Finance LLC 000 702 9,50%, 12/14/2016 - 144A ^ 600 702 Consumer Finance T.3% 00 702 Ally Financial, Inc. 4.63%, 00/26/2015 650 678 Springleaf Finance Corp.		650	614
KAR Auction Services, Inc. 1,035 1,037 4.31%, 0.5701/2014* 1,035 1,037 Steelcase, Inc. 6.38%, 0.21/5/2021 800 852 Comstruction Materials - 1.0% 2 2 Cernex Finance LLC 700 761 9.50%, 12/14/2016 - 144A 700 761 Voto-Votoratin Overseas Trading Operations NV 663 678 Consumer Finance - 1.3% 650 678 Ally Financial, Inc. 4.35%, 0.6/26/2015 650 678 Springleaf Finance Corp. 1,430 1,279 Containers & Packaging - 1.2% 2 2 Exopack Holding Corp. 1 2 3 10.00%, 0601/2018 720 652 3 Graphic Packaging International, Inc. 9 3 3 3 3 1.000%, 0601/2018 720 652 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3		130	136
4.3%, 050/12014* 1,035 1,037 Steelease, Inc.		150	150
6.38%, 0/21/5/2021 800 852 Construction Materials - 1.0% 700 761 Voto-Votorantim Overseas Trading Operations NV 600 702 6.63%, 0/25/2019 - 144A * 600 702 Consumer Finance - 1.3% 600 702 Ally Financial, Inc. - - 4.63%, 0/6/26/2015 650 678 Springleaf Finance Corp. - - 6.90%, 12/15/2017 1,430 1,279 Containers & Packaging - 1.2% - - Exopack Holding Corp. - - 10.00%, 0/6/15/2017 865 934 Sealed Air Corp. - - 8.13%, 09/15/2017 865 934 Sealed Air Corp. - - 6.00%, 0/15/2017 865 934 Sealed Air Corp. - - 6.00%, 0/15/2017 105 118 Distributors - 0.8% - - - 6.00%, 0/15/2014 - 144A 1.075 1.135 Diversified Financial Services - 6.2% - - Bank of America Corp.		1,035	1,037
Construction Materials - 1.0% 700 761 Cemex Finance LLC 700 761 voto-votorantim Overseas Trading Operations NV 600 702 63%, 09/25/2019 - 144A 600 702 Consumer Finance - 1.3%			
Cemex Finance LLC 700 761 9.50%, 12/14/2016 - 144A 700 761 Voto-Votoratim Overseas Trading Operations NV 600 702 6.3%, 09/25/2019 - 144A [^] 600 702 Consumer Finance - 1.3% 600 702 Ally Financial, Inc. - - 4.63%, 06/26/2015 650 678 Springleaf Finance Corp. - - 6.90%, 12/15/2017 1,430 1,279 Containers & Packaging - 1.3% 1,279 - Exopack Holding Corp. - - 10.00%, 0.60/1/2018 720 652 Graphic Packaging International, Inc. - - 9.50%, 0.61/1/2017 865 934 Sealed Air Corp. - - 8.13%, 09/15/2019 - 144A 105 118 Distributors - 0.8% 105 118 Glencore Funding LLC - - 6.00%, 04/15/2014 - 144A 1.070 1,236 Diversited Financial Services - 6.2% - -		800	852
9.50%, 12/14/2016 - 144A 700 761 Voto-Votorantim Overseas Trading Operations NV 600 702 Consumer Finance - 1.3% 600 702 Ally Financial, Inc.			
Voto-Votorantim Overseas Trading Operations NV 6.6% 09/25/2019 - 144A [^] 600 702 Consumer Finance - 1.3% <		700	761
6.63%, 09/25/2019 - 144A ^ 600 702 Consumer Finance - 1.3%		100	/01
Ally Financial, Inc. 6.50 678 4.63%, 06/26/2015 650 678 Springleaf Finance Corp. - - 6.90%, 12/15/2017 1,430 1,279 Containers & Packaging - 1.2% - - Exopack Holding Corp. 720 652 10.00%, 06/01/2018 720 652 Graphic Packaging International, Inc. - - 9.50%, 06/15/2017 865 934 Sealed Air Corp. - - 8.13%, 09/15/2019 - 144A 105 118 Distributors - 0.8% - - Glencore Funding LLC - - - 6.00%, 08/01/2014 - 144A 1.075 1,135 1,135 Diversified Financial Services - 6.2% - - - Bank of America Corp. - - - - 6.50%, 08/01/2016 1,070 1,236 - - - 5.95%, 01/30/2023 * ^ 810 820 200 - - - - - - - - - - -	6.63%, 09/25/2019 - 144A ^	600	702
4.63%, 06/26/2015 650 678 Springleaf Finance Corp.			
Springleaf Finance Corp. 1.430 1.279 6.90%, 12/15/2017 1.430 1.279 Containers & Packaging - 1.2% 2 2 Exopack Holding Corp. 720 652 10.00%, 06/01/2018 720 652 Graphic Packaging International, Inc. 9.50%, 06/15/2017 865 934 Sealed Air Corp. 865 934 Sealed Air Corp. 105 118 Distributors - 0.8% 105 118 Glencore Funding LLC 6.00%, 04/15/2014 - 144A 1,075 1,135 Diversified Financial Services - 6.2% 810 820 Bank of America Corp. 5.95%, 01/30/2023 * ^ 810 820 CNH Capital LLC 3.88%, 11/01/2015 - 144A 160 165 Fibria Overseas Finance, Ltd. 6.75%, 03/03/2021 - 144A 160 165 Fibria Overseas Finance, Ltd. 6.75%, 03/03/2021 - 144A 755 836			
6.90%, 12/15/2017 1,430 1,279 Containers & Packaging - 1.2%		650	678
Containers & Packaging - 1.2% Exopack Holding Corp. 10.00%, 06/01/2018 720 Graphic Packaging International, Inc. 9.50%, 06/15/2017 9.50%, 06/15/2017 865 934 Sealed Air Corp. 813%, 09/15/2019 - 144A 105 118 Distributors - 0.8% 6160 118 Glencore Funding LLC 6.00%, 04/15/2014 - 144A 1,075 1,135 Diversified Financial Services - 6.2% 810 1,070 1,236 Cittigroup, Inc. 5.95%, 01/30/2023 * ^ 810 820 CNH Capital LLC 3.88%, 11/01/2015 - 144A 160 165 Fibria Overseas Finance, Ltd. 6.35%, 03/03/2021 - 144A 165 165		1 430	1 279
Exopack Holding Corp. 720 652 Graphic Packaging International, Inc. 720 652 9.50%, 06/15/2017 865 934 Sealed Air Corp. 865 934 Sealed Air Corp. 105 118 Distributors - 0.8% 105 118 Glencore Funding LLC 6.00%, 04/15/2014 - 144A 1,075 1,135 Diversified Financial Services - 6.2% Bank of America Corp. 6.50%, 08/01/2016 1,070 1,236 Citigroup, Inc. 5.95%, 01/30/2023 * ^ 810 820 CNH Capital LLC 3.88%, 11/01/2015 - 144A 160 165 Fibria Overseas Finance, Ltd. 6.75%, 03/03/2021 - 144A 755 836		1,750	1,279
Graphic Packaging International, Inc. 9.50%, 06/15/2017 865 934 Sealed Air Corp.			
9.50%, 06/15/2017 865 934 Sealed Air Corp. 105 118 8.13%, 09/15/2019 - 144A 105 118 Distributors - 0.8% 6 6 Glencore Funding LLC 6.00%, 04/15/2014 - 144A 1,075 1,135 Diversified Financial Services - 6.2% 8 8 1 Bank of America Corp. 1,070 1,236 Citigroup, Inc. 1,070 1,236 S.95%, 01/30/2023 * ^ 810 820 CNH Capital LLC 3.88%, 11/01/2015 - 144A 160 165 Fibria Overseas Finance, Ltd. 6.75%, 03/03/2021 - 144A 755 836 Ford Motor Credit Co., LLC 755 836	10.00%, 06/01/2018	720	652
Sealed Air Corp. 8.13%, 09/15/2019 - 144A 105 118 Distributors - 0.8% Ille Ille Ille Glencore Funding LLC 1,075 1,135 6.00%, 04/15/2014 - 144A 1,075 1,135 Diversified Financial Services - 6.2% Ille Ille Bank of America Corp. 1,070 1,236 Citigroup, Inc. Ille Ille Ille 5.95%, 01/30/2023 * ^ 810 820 CNH Capital LLC Ille Ille Ille 3.88%, 11/01/2015 - 144A 160 165 Fibria Overseas Finance, Ltd. 6.75%, 03/03/2021 - 144A 755 836 Ford Motor Credit Co., LLC Ille Ille Ille Ille			
8.13%, 09/15/2019 - 144A 105 118 Distributors - 0.8% 105 118 Glencore Funding LLC 1,075 1,135 6.00%, 04/15/2014 - 144A 1,075 1,135 Diversified Financial Services - 6.2% 1070 1,236 Bank of America Corp. 1,070 1,236 Citigroup, Inc. 100 105 5.95%, 01/30/2023 * ^ 810 820 CNH Capital LLC 3.88%, 11/01/2015 - 144A 160 165 Fibria Overseas Finance, Ltd. 6.75%, 03/03/2021 - 144A 755 836 Ford Motor Credit Co., LLC 144 145 146 145		865	934
Distributors - 0.8% Glencore Funding LLC 6.00%, 04/15/2014 - 144A 1,075 1,075 Diversified Financial Services - 6.2% Bank of America Corp. 6.50%, 08/01/2016 1,070 5.95%, 01/30/2023 * ^ 810 820 CNH Capital LLC 3.88%, 11/01/2015 - 144A 160 165 Fibria Overseas Finance, Ltd. 6.75%, 03/03/2021 - 144A Ford Motor Credit Co., LLC		105	118
Glencore Funding LLC 1,075 1,135 6.00%, 04/15/2014 - 144A 1,075 1,135 Diversified Financial Services - 6.2% 1 1 Bank of America Corp. 1,070 1,236 6.50%, 08/01/2016 1,070 1,236 Citigroup, Inc. 1 1 5.95%, 01/30/2023 * ^ 810 820 CNH Capital LLC 1 1 3.88%, 11/01/2015 - 144A 160 165 Fibria Overseas Finance, Ltd. 6.75%, 03/03/2021 - 144A 755 836 Ford Motor Credit Co., LLC 1		105	110
6.00%, 04/15/2014 - 144A 1,075 1,135 Diversified Financial Services - 6.2% Bank of America Corp. 1,070 1,236 6.50%, 08/01/2016 1,070 1,236 Citigroup, Inc. 5.95%, 01/30/2023 * ^ 810 820 CNH Capital LLC 3.88%, 11/01/2015 - 144A 160 165 Fibria Overseas Finance, Ltd. 6.75%, 03/03/2021 - 144A 755 836 Ford Motor Credit Co., LLC 5.85% 5.85% 5.85%			
Bank of America Corp. 1,070 1,236 6.50%, 08/01/2016 1,070 1,236 Citigroup, Inc. 810 820 S.95%, 01/30/2023 * ^ 810 820 CNH Capital LLC 160 165 Fibria Overseas Finance, Ltd. 6.75%, 03/03/2021 - 144A 755 836 Ford Motor Credit Co., LLC 160 165	6.00%, 04/15/2014 - 144A	1,075	1,135
6.50%, 08/01/2016 1,070 1,236 Citigroup, Inc. 5.95%, 01/30/2023 * ^ 810 820 CNH Capital LLC 3.88%, 11/01/2015 - 144A 160 165 Fibria Overseas Finance, Ltd. 6.75%, 03/03/2021 - 144A 755 836 Ford Motor Credit Co., LLC 5.85% 5.85% 5.85%			
Citigroup, Inc. 5.95%, 01/30/2023 * ^ 810 820 CNH Capital LLC 3.88%, 11/01/2015 - 144A 160 165 Fibria Overseas Finance, Ltd. 6.75%, 03/03/2021 - 144A 755 836 Ford Motor Credit Co., LLC 6.75% 6.75% 836			
5.95%, 01/30/2023 * ^ 810 820 CNH Capital LLC 160 165 3.88%, 11/01/2015 - 144A 160 165 Fibria Overseas Finance, Ltd. 755 836 Ford Motor Credit Co., LLC 755 836		1,070	1,236
CNH Capital LLC 160 165 3.88%, 11/01/2015 - 144A 160 165 Fibria Overseas Finance, Ltd. 755 836 6.75%, 03/03/2021 - 144A 755 836 Ford Motor Credit Co., LLC 755 836		810	820
3.88%, 11/01/2015 - 144A 160 165 Fibria Overseas Finance, Ltd. 755 836 6.75%, 03/03/2021 - 144A 755 836 Ford Motor Credit Co., LLC 755 836		610	620
Fibria Overseas Finance, Ltd. 6.75%, 03/03/2021 - 144A 755 836 Ford Motor Credit Co., LLC 755 836	•	160	165
Ford Motor Credit Co., LLC			
		755	836
5.88%, 01/15/2015 " 420 438			10.2
	3.88%, 01/15/2015 ^	420	438

4.25%, 09/20/2022	360	381
General Electric Capital Corp Series A		
7.13%, 06/15/2022 *	700	791
Oaktree Capital Management, LP		
6.75%, 12/02/2019 - 144A	1,110	1,281
Permanent TSB PLC		
3.60%, 01/14/2013 - 144A	1,000	1,000
Unison Ground Lease Funding LLC		
6.39%, 04/15/2020 - 144A	1,515	1,760
Vesey Street Investment Trust I		
4.40%, 09/01/2016 *	335	361
Diversified Telecommunication Services - 2.0%		
CenturyLink, Inc.		
5.80%, 03/15/2022 ^	710	750
GTP Towers Issuer LLC		
4.44%, 02/15/2015 - 144A	1,305	1,358

The notes are an integral part of this report. **Transamerica Income Shares, Inc.**

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SCHEDULE OF INVESTMENTS (continued)

At December 31, 2012

(unaudited)

	Principal (000 s)	Value (000 s)
Diversified Telecommunication Services (continued)		
Hughes Satellite Systems Corp.		
6.50%, 06/15/2019	\$200	\$221
Level 3 Communications, Inc.		
8.88%, 06/01/2019 - 144A ^	85	91
Wind Acquisition Finance SA		
7.25%, 02/15/2018 - 144A	350	354
11.75%, 07/15/2017 - 144A	100	105
Electric Utilities - 0.8%		
InterGen NV		
9.00%, 06/30/2017 - 144A ^	1,225	1,096
Electrical Equipment - 2.0%		
Anixter, Inc.		
5.95%, 03/01/2015	1,200	1,277
Polypore International, Inc.		
7.50%, 11/15/2017 ^	1,440	1,569
Energy Equipment & Services - 2.2%		
Drill Rigs Holdings, Inc.		
6.50%, 10/01/2017 - 144A	160	159
Enterprise Products Operating LLC - Series A		
8.38%, 08/01/2066 *	600	685
Seadrill, Ltd.		
5.63%, 09/15/2017 - 144A	325	323
Transocean, Inc.		
6.38%, 12/15/2021	1,065	1,294
Weatherford International, Ltd.		
9.63%, 03/01/2019	545	711
Food & Staples Retailing - 1.3%		
C&S Group Enterprises LLC		
8.38%, 05/01/2017 - 144A	691	731
Ingles Markets, Inc.		
8.88%, 05/15/2017	1,055	1,124
Stater Bros Holdings, Inc.		
7.38%, 11/15/2018	35	38
Food Products - 1.3%		
Arcor SAIC		
7.25%, 11/09/2017 - 144A	715	742
Michael Foods Group, Inc.		
9.75%, 07/15/2018	720	796
Post Holdings, Inc.		
7.38%, 02/15/2022 - 144A	305	334
Health Care Equipment & Supplies - 0.2%		
Hologic, Inc.		
6.25%, 08/01/2020 - 144A	290	312
Health Care Providers & Services - 0.9%		
CHS/Community Health Systems, Inc.		

7.13%, 07/15/2020	500	534
Express Scripts Holding Co.	(())	740
4.75%, 11/15/2021 - 144A Hotels, Restaurants & Leisure - 0.4%	660	749
WMG Acquisition Corp.		
6.00%, 01/15/2021 - 144A	610	644
Household Durables - 0.7%		
Beazer Homes USA, Inc.		(00)
6.63%, 04/15/2018 - 144A Broal-field Pasidential Departies, Inc.	660	698
Brookfield Residential Properties, Inc. 6.50%, 12/15/2020 - 144A	365	374
Household Products - 0.5%	505	574
Reynolds Group Issuer, Inc. / Reynolds Group		
Issuer LLC / Reynolds Group Issuer Lu		
5.75%, 10/15/2020 - 144A ^	640 Principal (000 s)	661 Value (000 s)
Independent Power Producers & Energy Traders - 0.8%		
NRG Energy, Inc.		
7.63%, 05/15/2019	\$360	\$385
7.88%, 05/15/2021	720	799
Insurance - 6.6%		
American Financial Group, Inc.	020	1 104
9.88%, 06/15/2019 Chubb Corp.	920	1,194
6.38%, 03/29/2067 * ^	879	958
Fidelity National Financial, Inc.		
6.60%, 05/15/2017	1,495	1,686
Hanover Insurance Group, Inc.		
6.38%, 06/15/2021	865	970
ING US, Inc. 5.50%, 07/15/2022 - 144A	470	510
Liberty Mutual Group, Inc.	470	510
4.95%, 05/01/2022 - 144A	415	452
Oil Insurance, Ltd.		
3.29%, 02/04/2013 - 144A *	675	598
Reinsurance Group of America, Inc.	1 (10	1 (20)
6.75%, 12/15/2065 * Stone Street Trust	1,640	1,638
5.90%, 12/15/2015 - 144A	1,400	1,533
IT Services - 0.8%	1,100	1,555
Cardtronics, Inc.		
8.25%, 09/01/2018	1,110	1,232
Machinery - 0.5%		
American Railcar Industries, Inc.	720	724
7.50%, 03/01/2014 Marine - 0.7%	729	734
Martine - 0.7% Martin Midstream Partners LP		
8.88%, 04/01/2018 [^]	963	1,026
Media - 1.5%		
Clear Channel Worldwide Holdings, Inc.		
7.63%, 03/15/2020	695	700
Lions Gate Entertainment, Inc. 10.25%, 11/01/2016 - 144A	775	856
Nara Cable Funding, Ltd.	115	830
8.88%, 12/01/2018 - 144A	600	611
Metals & Mining - 2.0%		
Anglo American Capital PLC		
9.38%, 04/08/2019 - 144A	555	722
ArcelorMittal	1.025	1.007
6.75%, 02/25/2022 ^ FMG Resources August 2006 Pty, Ltd.	1,035	1,086
7.00%, 11/01/2015 - 144A [^]	90	95
Rio Tinto Finance USA, Ltd.		20
9.00%, 05/01/2019	700	961
Multi-Utilities - 1.0%		
Black Hills Corp.	700	010
5.88%, 07/15/2020	700	819

9.00%, 05/15/2014	640	705
Oil, Gas & Consumable Fuels - 6.5%		
Chesapeake Energy Corp.		
6.50%, 08/15/2017 ^	675	732
6.78%, 03/15/2019 ^	700	701
Energy Transfer Equity, LP		
7.50%, 10/15/2020	180	208
Energy Transfer Partners, LP		
5.20%, 02/01/2022	570	650
Gazprom OAO Via GAZ Capital SA		
8.13%, 07/31/2014 - 144A	940	1,023

The notes are an integral part of this report. Transamerica Income Shares, Inc.

Page 3

SCHEDULE OF INVESTMENTS (continued)

At December 31, 2012

(unaudited)

Oil, Gas & Consumable Fuels (continued) Line Energy LLC / Line Energy Lep Finance Cop. 6.25%, 11/01/2019 - 144A \$695 \$698 Lakofi International Finance Co. \$800 950 Perrobras International Finance Co. \$635 (717) Sas%, 01/27/2021 \$60 (530) \$635 (717) Perrobras International Finance Co. \$635 (717) \$759 Y.2.5%, 80/12/2019 - 144A \$71 (759) \$759 Ras Laffan Liquefied Natural Gas Co. Ltd. III \$71 (759) \$759 Co. via Rosnel International Finance, Ltd. \$30 (538) \$300 (538) TNK-BP Finance SA \$300 (538) \$350 \$375 Co. via Rosnel International Finance, Ltd. \$300 (538) \$360 \$385 \$300 (538) TNK-BP Finance SA \$300 (538) \$350 (569) \$99 \$99 \$96, \$12/15/2017 - 144A * \$300 (538) \$360 \$360 \$360 \$380 \$360 \$360 \$360 \$368 \$360 \$368 \$360 \$368 \$360 \$368 \$360 \$368 \$360 \$368 \$360 \$368 \$360 \$368 \$366 \$360 \$368 \$360 </th <th></th> <th>Principal (000 s)</th> <th>Value (000 s)</th>		Principal (000 s)	Value (000 s)
6.25%, I/01/2010 - 144A Seo5 Seo8 10xk01 International Finance BV	Oil, Gas & Consumable Fuels (continued)		
Lukoi International Finance BV 880 980 6.33%, 10/22/0201, 144A 880 980 Petrobras International Finance Co. 586, 01/27 630 7.25%, 08/15/2018 635 717 Petrobaw Energy Corp. 71 759 7.25%, 08/13/2018 635 717 Petrobaw Energy Corp. 71 759 7.85%, 08/13/2018 635 717 Petrobaw Energy Corp. 71 759 7.85%, 08/02/019 144A 571 759 Ras Laffan Liquefied Natural Gas Co., Lul. III 70 730 530 538 6.25%, 02/02/015 144A 530 530 539 6.25%, 02/02/015 144A 650 699 Paper & Forest Products - 0.6% 75 730 367 7.50%, 12/15/2017 144A 700 737 Raise offan Linder Corp. 700 737 7.35%, 010/12/02 465 475 Professional Services - 0.5% 700 737 Raie Estate Inve	Linn Energy LLC / Linn Energy Finance Corp.		
6.38%, 11/05/2014. 144A 880 990 Petrobvas International Finance Co. 560 630 Petrobvas International Finance Co. 725%, 08/14/2019. 635 717 Petrobus International Finance Co. 725%, 08/14/2019. 635 717 Petrobus International Finance, Ltd. 71 75% 75%, 08/14/2019. 144A 71 759 Part Edital Finance So 735 930/2019. 144A 925 1.161 Roseneft Oil Co. via Roseneft International Finance, Ltd. 315%, 030/02/017. 144A 925 1.161 Paper & Force Products. 650 699 999 99 75%, 03/15/2017. 144A 530 538 7.50%, 12/15/2017. 144A ^ 350 350 367 636 690 999 Paper & Force Products. 650 690 690 690 694 494 Pharmaceuticals. 936 350 367 637 637 637 637 637 637 637 637 637 637 637 637 637 637 637 637 637	6.25%, 11/01/2019 - 144A	\$695	\$698
Pertorisr International Finance Co. 5.38%, 01/27/2021 5.60 6.30 9.75%, 08/15/2018 6.35 7.17 Pertorbark Energy Cop. 7.25%, 08/15/2018 6.35 7.17 Pertorbart Co., of Trinidad & Tobago, Ltd. 7.25%, 08/14/2019 - 144A 571 7.59 Ras Laffan Liquefed Natural Gas Co., Ltd. III 6.75%, 09/30/2019 - 144A 925 1.161 Rosneft Oil Co. via Rosneft International Finance, Ltd. 350 538 TNK-BP Finance SA 530 538 C.25%, 02/02/2015 - 144A 650 699 Paper & Forest Products - 0.6% 350 357 Boise Cascade LLC / Boise Cascade Finance Corp.	Lukoil International Finance BV		
5.38%, 01/27/021 560 630 Petrobawk Energy Corp.	6.38%, 11/05/2014 - 144A	880	950
Pertoleum Co, of Trinida & Tobago, Ltd. 635 717 9.75%, 08/14/2019- 144A 571 759 Ras Laffan Liquefied Natural Gas Co, Ltd. III 715 755 6.75%, 09/30/2019- 144A 925 1.161 Rosneft Oil Co, via Rosneft International Finance, Ltd. 925 1.161 Rosneft Oil Co, via Rosneft International Finance, Ltd. 530 538 TNK-BP Finance SA 650 699 Age K Forest Products - 0.6% 650 699 Ainsworth Lumber Co, Ltd. 7.05%, 12/15/2017- 144A 500 699 Page K Forest Products - 0.6% 350 367 Boise Cascade Lt L/ Boise Cascade Finance Corp. 6.38%, 11/01/2020 - 144A 480 494 Pharmaceuticals - 0.3% 350 367 505 536 Watson Pharmaceuticals - 0.5% 30 537 737 738 737 737 737 737 737 738 737 737 737 737 737 737 737 738 737 737 737 737 737 737 737 737 737 737 737 737			
7.25%, 08/15/2018 · 635 717 Petroleum Co., of Trinida & Tobago, Ltd. 717 759 Ras Laffan Liquefied Natural Gas Co., Ltd. III 571 759 6.75%, 09/02/019 · 144A 925 1,161 Roseneth Oil Co. via Rosneth International Finance, Ltd. 330 538 TNK-BP Finance SA 650 699 Paper & Forest Products - 0.6% 350 350 Ainsworth Lumber Co., Ltd. 750%, 12/15/2017 · 144A ^ 350 367 Boise Cascade LLC / Boise Cascade Finance Corp. 700 737 Ainsworth Lumber Co., Ltd. 350 367 Pharmaceuticals - 0.3% 480 494 Pharmaceuticals - 0.3% 300 367 Disc Cascade LLC / Boise Cascade Finance Corp. 350 367 2.3%, 10/01/2021 · 144A ^ 480 494 Pharmaceuticals - 0.3% 300 737 Watson Pharmaceuticals, Inc. 325 325 3.25%, 10/01/2020 · 465 475 Professional Services - 0.5% 50 563 Block Financial LLC 50 575 5.13%, 10/02/014 ·		560	630
Perforem Co., of Trinidad & Tobago, Ltd. 571 759 Pas Laffan Liquefied Natural Gas Co., Ltd. III			
9.75%.08/14/2019 - 14A 571 759 Ras Laffan Liquefied Natural Gas Co., Ltd. III		635	717
Ras Iafan Liquefied Natural Gas Co., Ltd. III 925 1,161 6,75%, 09/30/2019 - 144A ^ 925 1,161 7,85%, 03/06/2017 - 144A ^ 530 538 7,85%, 02/02/2015 - 144A 650 699 Paper & Forest Products - 0.6%			
6.75%, 09/30/2019 - 144A 925 1,161 Rosneff Oil Co. via Rosnefi International Finance, Ltd. 338 3.15%, 03/06/2017 - 144A 530 538 TKK-BP Finance SA 650 699 6.25%, 02/02/2015 - 144A 650 699 Paper & Forest Products - 0.6% 7 7 Ainsworth Lumber Co., Ltd. 7 7.50%, 12/15/2017 - 144A 350 367 Boise Cascade LLC / Boise Cascade Finance Corp. 6.35%, 11/01/2020 - 144A 480 494 Pharmaceuticals - 0.3% 480 494 Pharmaceuticals - 0.5% 7 7 Block Financial LLC 5 700 737 S13%, 10/30/2014 700 737 7 Pater Estate Investment Trusts - 2.1% 7 7 7 Entertainment Properties Trust 7 7.35%, 6/01/2020 1.285 1.485 Kilroy Really, LP 6.33%, 0601/2020 1.285 1.485 Kilroy Really, LP 1.320 1.589 7 6.35%, 06/01/2020 1.285 1.485 7 Nation Capital Group Corp. 7 7 7 <td></td> <td>571</td> <td>759</td>		571	759
Roseff Oil Co. via Rosneft International Finance, Ltd. 530 538 3.15%, 03/06/2017 - 144 A 530 538 TNK-BP Finance SA 650 699 Pager & Forest Products - 06% 7 7 Ainsworth Lumber Co., Ltd. 7 7 7 7.5%, 12/15/2017 - 144 A 350 357 Boise Cascade LtC / Boise Cascade Finance Corp. 7 6 6.3%, 11/01/2020 - 144 A 480 494 Pharmaceuticals, Inc. 3 7 3.25%, 10/01/2022 465 475 Professional Services - 0.5% 700 7.37 Block Financial LLC 500 7.37 Kael Estate Investment Trusts - 2.1% 700 7.37 Entertainment Properties Trust 7 7.35%, 07/01/2020 1,285 1,485 Kitroy Realty, LP 6.33%, 0601/2020 ^ 1,200 1,589 Real Estate Management & Development - 0.4% 300 652 Road & Rait - 1.4% 7.13%, 10/15/2018 - 144A 630 652 652 Road Softman Ciobal Finance PLC 8.50%, 10/15/2018 - 144A 650 656 7.13%, 10/15/2018 -			
3.15%, 03/06/2017 - 144A ^ 530 538 TNK-BP Finance SA		925	1,161
TNK-BP Finance SA 6.00 6.25%, 0202/2015 - 144A 600 Ainsworth Lumber Co., Ltd. 7.50%, 1215/2017 - 144A^ Ainsworth Lumber Co., Ltd. 350 7.50%, 1215/2017 - 144A^ 350 Boise Cascade Finance Corp. 367 6.38%, 11/01/2020 - 144A 480 494 Pharmaceuticals - 0.3% 480 494 Pharmaceuticals - 0.3% 465 475 Watson Pharmaceuticals, Inc. 325%, 1001/2020 465 475 Professional Services - 0.5% 5 5 5 Block Financial LLC 5 700 737 Real Estate Investment Trusts - 2.1% 5 1,320 1,328 Entertainment Properties Trust 7.75%, 0715/2020 1,225 1,485 Kilroy Realty, LP 6.63%, 6001/2020^h 1,320 1,589 Real Estate Management & Development - 0.4% 630 652 Rodge Rail - 1.1% 7.13%, 1015/2018 - 144A 630 652 Rodge Soctsman Global Finance PLC 8.50%, 1015/2018 - 144A 630 652 Rodge Soctsman Global Finance PLC 7.13%, 10101/2020 - 144A 1,500 <td></td> <td></td> <td></td>			
6.25%, 02/02/2015 - 144A 650 699 Paper & Forest Products - 0.6%		530	538
Paper & Forest Products - 0.6% Ainsworth Lumber Co., Ltd. 7.50%, 12/52017 - 144A ^ Boise Cascade LLC / Boise Cascade Finance Corp. 6.38%, 11/01/2020 - 144A Pharmaceuticals . 0.3% Watson Pharmaceuticals . Inc. 3.25%, 10/01/2022 Pharmaceuticals . Inc. 3.25%, 10/01/2022 Pofessional Services . 0.5% Block Financial LLC S.13%, 10/30/2014 ^ Real Estate Investment Trusts - 2.1% Entertainment Properties Trust 7.75%, 07/15/2020 Kilroy Really, LP 6.63%, 06/01/2020 ^ Algeco Scotsman Global Finance PLC 8.50%, 10/15/2018 - 144A Algeco Scotsman Global Finance PLC 8.50%, 10/15/2018 - 144A Software - 0.7% First Data Corp. 7.13%, 10/15/2020 - 144A Software - 0.7% First Data Corp. 7.13%, 10/12/2020 - 144A Software - 0.7% First Data Corp. 6.73%, 06/15/2019 - 144A Software - 0.7% First Data Corp. 6.73%, 06/15/2019 - 144A			
Ainsworth Lumber Co., Ltd. 350 367 7.50%, 12/15/2017 - 144A ^ 350 367 Boise Cascade LLC / Boise Cascade Finance Corp. 480 494 Pharmaceuticals - 0.3% 480 494 Pharmaceuticals - 0.3% 465 475 Watson Pharmaceuticals, Inc. 3.25%, 10/01/2022 465 475 Professional Services - 0.5% 513%, 10/30/2014 ^ 700 737 Block Financial LLC 5.13%, 10/30/2014 ^ 700 737 Real Estate Investment Trusts - 2.1% 700 737 Entertainment Properties Trust 7.05%, 07/01/5/2020 1,285 1,485 Kilroy Realty, LP 6.63%, 06/01/2020 ^ 1,589 1,589 Real Estate Management & Development - 0.4% Algeon Costontan Global Finance PLC 8.05%, 10/15/2018 - 144A 630 652 Road & Rait - 1.1% 7.13%, 10/15/2020 - 144A 1,500 1,580 501 Software - 0.7% 1,500 1,580 501 528 Road & Rait - 1.1% 1,500 1,580 501 538 Software - 0.7% 1,500 1,580 501 550 </td <td></td> <td>650</td> <td>699</td>		650	699
7.50%, 12/15/2017 - 144A ^ 350 367 Boise Cascade LLC / Boise Cascade Finance Corp.	-		
Boise Cascade LLC / Boise Cascade Finance Corp. 480 494 Pharmaceuticals - 0.3% 480 494 Watson Pharmaceuticals, Inc. 325%, 10/01/2022 465 475 Professional Services - 0.5% 5 5 475 Block Financial LLC 5.13%, 10/30/2014 ^ 700 737 Real Estate Investment Trusts - 2.1% 5 1,285 1,485 Entertainment Properties Trust 7.15%, 07/15/2020 1,285 1,485 Kilroy Realty, LP 6.63%, 06/01/2020 ^ 1,320 1,589 Real Estate Management & Development - 0.4% 430 652 Algeco Scotsman Global Finance PLC 5 5 8.50%, 10/15/2020 - 144A 630 652 Road & Rail - 1.1% 7 5 7.13%, 10/15/2020 - 144A 1,500 1,580 Software - 0.7% 5 5 First Data Corp. 5 6 6.73%, 06/15/2019 - 144A 370 383 Specialty Reail - 1.3% 370 383 Specialty Reail - 1.3% 650			
6.38%, 11/01/2020 - 144A 480 494 Pharmaceuticals, 10c. 3 Watson Pharmaceuticals, Inc. 3.25%, 10/01/202 465 475 Professional Services - 0.5% 5 455 475 Block Financial LLC 5 5 700 737 Real Estate Investment Trusts - 2.1% 5 1,285 1,485 Entertainment Properties Trust 7.75%, 07/15/2020 1,285 1,485 Kilroy Realty, LP 6.63%, 0.60/01/2020^ 1,320 1,589 Real Estate Investment & Development - 0.4% 1,320 1,589 Real Estate Management & Development - 0.4% 8.30%, 10/015/2018 - 144A 630 652 Road & Rail - 1.1% 7.13%, 10/15/2020 - 144A 1,500 1,580 Software - 0.7% 7.13%, 10/15/2020 - 144A 5.05 6.56 First Data Corp. 7.13%, 10/15/2020 - 144A 6.50 6.56 6.75%, 11/01/2020 - 144A 6.50 6.56 6.56 7.3%, 06/12/2020 - 144A 370 383 383 Specialty Retail - 1.3% 370 383 383	· · · · · · · · · · · · · · · · · · ·	350	367
Pharmaceuticals - 0.3% Watson Pharmaceuticals, Inc. 3.25%, 10/01/2022 465 475 Professional Services - 0.5% Block Financial LLC 5.13%, 10/30/2014^^ 700 737 Real Estate Investment Trusts - 2.1% Entertainment Properties Trust 75%, 07/15/2020 1,285 1,485 Kilroy Realty, LP 663%, 06/01/2020^ 1,320 1,589 1,589 Real Estate Management & Development - 0.4% 1 1 1 Algeco Scotsman Global Finance PLC 8.30%, 10/15/2018 - 144A 6330 652 Road & Rail - 1.1% 7.13%, 10/15/2020 - 144A 1,500 1,580 Software - 0.7% First Data Corp. 7.13%, 10/15/2020 - 144A 550 655 Software - 0.7% Eirertaintert 1 1 1 1 1 300 383			
Watson Pharmaceuticals, Inc. 3.25%, 10/01/2022 465 475 3.25%, 10/01/2022 465 475 Professional Services • 0.5% 8 8 Block Financial LLC 700 737 Real Estate Investment Trusts • 2.1% 700 737 Entertainment Properties Trust 7 75%, 07/15/2020 1,285 1,485 Kilroy Realty, LP 6.63%, 06/01/2020 ^ 1,320 1,589 1,589 Real Estate Management & Development • 0.4% 463 652 653 6630 652 Real Estate Management & Development • 0.4% 4630 652 652 653 6630 652 Road & Rail • 1.1% 630 652 652 656 7.35%, 07/15/2020 • 144A 630 652 Software • 0.7% 1,500 1,500 1,580 556 First Data Corp. 5.75%, 11/01/2020 • 144A 650 656 656 656 656 656 656 656 656 656 656 656 656 650 656		480	494
3.25%, 10/01/2022 465 475 Professional Services - 0.5%			
Professional Services - 0.5% Block Financial LLC 5.13%, 10/30/2014 ^ 700 737 Real Estate Investment Trusts - 2.1% Entertainment Properties Trust 7.75%, 07/15/2020 1,285 6.3%, 06/01/2020 ^ 8 6.63%, 06/01/2020 ^ 8 7.75%, 07/15/2020 1,285 1,485 Kilroy Realty, LP 6.63%, 06/01/2020 ^ Real Estate Management & Development - 0.4% Algeco Scotsman Global Finance PLC 8.50%, 10/15/2018 - 144A 630 Aviation Capital Group Corp. 7.13%, 10/15/2020 - 144A 1,500 Software - 0.7% First Data Corp. 6.7.5%, 11/01/2020 - 144A 650 650 7.38%, 06/15/2019 - 144A 370 383 Specialty Retail - 1.3% Claire s Stores, Inc.		165	475
Block Financial LLC 700 737 5.13%, 10/30/2014 ^ 700 737 Real Estate Investment Trusts - 2.1% Entertainment Properties Trust 7.75%, 07/15/2020 1,285 1,485 Kilroy Realty, LP 6.63%, 06/01/2020 ^ 1,320 1,589 Real Estate Management & Development - 0.4% Algeco Scotsman Global Finance PLC 8.50%, 10/15/2018 - 144A 630 652 Road & Rail - 1.1% Aviation Capital Group Corp. 7.13%, 10/15/2020 - 144A 1,500 1,580 Software - 0.7% First Data Corp. 6.75%, 11/01/2020 - 144A 650 656 7.38%, 06/15/2019 - 144A 370 383 Specialty Retail - 1.3% 370 383		400	475
5.13%, 10/30/2014 ^ 700 737 Real Estate Investment Trusts - 2.1% Entertainment Properties Trust 7.75%, 07/15/2020 1,285 1,485 Kilroy Realty, LP 6.63%, 06/01/2020 ^ 1,320 1,589 Real Estate Management & Development - 0.4% Algeco Scotsman Global Finance PLC 8.50%, 10/15/2018 - 144A 630 652 Road & Rail - 1.1% 630 652 Road & Rail - 1.1% 7.13%, 10/15/2020 - 144A 1,500 1,580 Software - 0.7% 1,500 1,580 506 First Data Corp. 650 656 656 6.75%, 11/01/2020 - 144A 650 656 656 7.38%, 06/15/2019 - 144A 370 383 383 Specialty Retail - 1.3% Claire s Stores, Inc. 500 506			
Real Estate Investment Trusts - 2.1% Entertainment Properties Trust 7.75%, 07/15/2020 1,285 1,485 Kilroy Realty, LP		700	727
Entertainment Properties Trust 7.75%, 07/15/2020 1,285 1,485 Kilroy Realty, LP	,	700	151
7.75%, 07/15/2020 1,285 1,485 Kilroy Realty, LP			
Kilroy Realty, LP 1,320 1,589 6.63%, 06/01/2020 ^ 1,320 1,589 Real Estate Management & Development - 0.4% Algeco Scotsman Global Finance PLC 630 652 8.50%, 10/15/2018 - 144A 630 652 Road & Rail - 1.1% Aviation Capital Group Corp. 7.13%, 10/15/2020 - 144A 1,500 1,580 Software - 0.7% 1,500 1,580 First Data Corp. 650 656 6.75%, 11/01/2020 - 144A 650 656 7.38%, 06/15/2019 - 144A 370 383 Specialty Retail - 1.3% Claire s Stores, Inc. 1		1 295	1 495
6.63%, 06/01/2020^ 1,320 1,589 Real Estate Management & Development - 0.4% Algeco Scotsman Global Finance PLC 630 652 8.50%, 10/15/2018 - 144A 630 652 Road & Rail - 1.1% Aviation Capital Group Corp. 7.13%, 10/15/2020 - 144A 1,500 1,580 Software - 0.7% First Data Corp. 6.75%, 11/01/2020 - 144A 650 656 7.38%, 06/15/2019 - 144A 370 383 Specialty Retail - 1.3% Claire s Stores, Inc.		1,285	1,465
Real Estate Management & Development - 0.4% Algeco Scotsman Global Finance PLC 630 652 8.50%, 10/15/2018 - 144A 630 652 Road & Rail - 1.1% Aviation Capital Group Corp. 1,500 1,580 7.13%, 10/15/2020 - 144A 1,500 1,580 Software - 0.7% First Data Corp. 6.75%, 11/01/2020 - 144A 650 656 7.38%, 06/15/2019 - 144A 370 383 Specialty Retail - 1.3% Claire s Stores, Inc.		1 320	1 580
Algeco Scotsman Global Finance PLC 8.50%, 10/15/2018 - 144A 630 652 Road & Rail - 1.1% Aviation Capital Group Corp. 7.13%, 10/15/2020 - 144A 1,500 1,580 Software - 0.7% First Data Corp. 650 656 6.75%, 11/01/2020 - 144A 650 656 7.38%, 06/15/2019 - 144A 370 383 Specialty Retail - 1.3% Claire s Stores, Inc.		1,520	1,309
8.50%, 10/15/2018 - 144A 630 652 Road & Rail - 1.1% Aviation Capital Group Corp. 7.13%, 10/15/2020 - 144A 1,500 1,580 Software - 0.7% 1 1 1 1 First Data Corp. 650 656 656 7.38%, 06/15/2019 - 144A 650 656 656 7.38%, 06/15/2019 - 144A 370 383 383 Specialty Retail - 1.3% Claire s Stores, Inc. 1 1			
Road & Rail - 1.1% Aviation Capital Group Corp. 7.13%, 10/15/2020 - 144A 5oftware - 0.7% First Data Corp. 6.75%, 11/01/2020 - 144A 650 650 650 7.38%, 06/15/2019 - 144A 370 383 Specialty Retail - 1.3% Claire s Stores, Inc.	e	630	652
Aviation Capital Group Corp. 7.13%, 10/15/2020 - 144A 1,500 1,580 Software - 0.7% First Data Corp. 6.75%, 11/01/2020 - 144A 650 656 7.38%, 06/15/2019 - 144A 370 383 Specialty Retail - 1.3% Claire s Stores, Inc.		050	052
7.13%, 10/15/2020 - 144A 1,500 1,580 Software - 0.7%			
Software - 0.7% First Data Corp. 6.75%, 11/01/2020 - 144A 650 656 7.38%, 06/15/2019 - 144A 370 383 Specialty Retail - 1.3% Claire s Stores, Inc.		1 500	1 580
First Data Corp. 650 656 6.75%, 11/01/2020 - 144A 650 656 7.38%, 06/15/2019 - 144A 370 383 Specialty Retail - 1.3% Claire s Stores, Inc.		1,500	1,500
6.75%, 11/01/2020 - 144A 650 656 7.38%, 06/15/2019 - 144A 370 383 Specialty Retail - 1.3% 2 2 Claire s Stores, Inc. 2 2			
7.38%, 06/15/2019 - 144A 370 383 Specialty Retail - 1.3% Claire s Stores, Inc. 370	1	650	656
Specialty Retail - 1.3% Claire s Stores, Inc.			
Claire's Stores, Inc.		2,0	200
	1 0		
	9.00%, 03/15/2019 - 144A	635	681

11.38%, 11/01/2016 ¹ 1,100 1 11.38%, 11/01/2016 ¹ 1,100 1 Appared Group (Group Hold / Appared Group XA / Footwar Acc Retail 3 3 6.88%, 03/15/2019 240 5 bacco 0.7% 30 1 carding Companies & Distributors - 2.0% 1 1 trading Companies & Distributors - 2.0% 1 1 carding Companies & Distributors - 2.0% 1 1 1 carding Companies & Distributors - 2.0% 1 1 1 1 carding Construction & Strices - 3.9% 1 <th></th> <th></th> <th></th>			
cxidbs. Appared & Loary Coods - 0.2%	Michaels Stores, Inc.	1 100	1 :
base Group, En. / Apparel Group 154 / Apparel Group 154 / Apparel Group 154 / Fortwar Acc Retail 6.88%, 051/32019 2.000	,	1,100	1,
Apparel Torong USA / Fortwear Ace Retail 6388, 04/1502019 240 bacco - 0.7%			
6.58%, 0.015/2019 240 ownload Tobacco Co. 330 andlad Tobacco Co. 330 1.3%, 0.02/2019 330 1.3%, 0.02/2019 1.440 1.25%, 0.03/2019 1.440 1.00 1 2.5%, 0.03/2019 1.440 100 1.65%, 0.00/2016 1.44A 100 6.5%, 0.00/2016 1.44A 100 1 7.0%, 0.00/2016 1.44A 100 1 7.0%, 0.00/2016 1.44A 100 1 7.0%, 0.00/2016 1.44A 1005 1.283 7.0%, 0.00/2016 1.44A 1005 1.283 8.10%, 0.01/2010 1.44A 1.025 1.283 8.10%, 0.01/2010 1.44A 1.02216 1000 0.00			
heace - 0.7% S.13%, 00/23/2019 S.20% metanical comparison & Distributors - 2.0% metanical comparison & Distributors - 2.0% metanical Lease Finance Corp. 6.3%, 00/01/2016 - 144.A .100 I. 6.3%, 00/01/2016 - 144.A .100 V. Principal Value (000 s) .11/5/2016 - 144.A .100 V. Principal Value 3.0%, 00/17/2017 - 144.A .105 S.10.8% 1.1%, 00/17/2020 - 144.A .1065 I.233 5.10%, 00/17/01/7 - 144.A .1065 I.233 5.10%, 00/17/01/7 - 144.A .1065 I.233 5.10%, 00/17/01/7 - 144.A .107 206 MCP Wrieless Site Funding / WCP Wrieless Site Non 6.3%, 11/15/2018 - 144.A .1430 I.554 rial Carporate Dobt Securities (cost \$92,928) .102,216 0.000 S.11/15/2018 - 144.A .1,430 I.554 rial Carporate Dobt Securities (cost \$92,928) .102,216 0.000 S.11/15/2016 - 144.A .1,430 K. Shares (000 s) .105 MCP Wrieless Site Nama (Carporate Dobt Securities (cost \$92,928) .102,216 0.000 S. 11/15/2016 - 144.A .1,430 K. Shares (000 s) .105 MCP Wrieless Site Nama (Carporate Dobt Securities (cost \$92,928) .102,216 0.000 S. 11/15/2016 - 144.A .1,430 K. Shares (000 s) .102,216 0.000 S. 11/15/2016 - 144.A .1,430 K. Shares (000 s) .102,216 0.000 S. 11/15/2016 - 144.A .1,430 K. Shares (000 s) .102,216 0.000 S101,520 S. MCP Wrieless Site Nama (Carporate Dobt Securities (cost \$92,928) .102,216 0.000 S11/15/2016 -144.A .1,430 K. Shares (000 s) .102,126 0.000 S. REFERED STOCKS - 19% MCP Wrieless Site Nama (Carporate Dobt Securities (cost \$92,928) .102,216 .102,116 Shares (2,500 K. 144,4 * .1,450 K. Stares (2,500 K. 144,4 * .1,450 K. Stares (2,51,144,4 * .1,450 K. Stares (2,51,145 K. Stare		240	
ordilari Tobacco Co. 330 1 rading Companies & Distributors - 2.0% 1 cating Companies & Distributors - 2.0% 1 constructional Lasses 1 constructional Companies & Distributors - 2.0%		2.0	-
8,13%,05/23/019 400 400 400 400 400 400 400 400 400 40			
rading Companies & Distributors - 2.0% companies & Distributors & Distributors - 2.0% companies & Distributors & D		830	1,0
international Lase Finance Corp.		000	
6.25%, (5):15/2019 1.440 1 6.55%, (09):01/2016 - 144A 1.160 1 6.75%, (09):01/2016 - 144A 1.160 1 6.75%, (09):01/2016 - 144A 1.160 1 7.5%, (09):01/2016 - 144A 50:65 \$1,080 7.5%, (09):01/2016 - 144A \$50:55 \$1,089 6.15%, (0):12/2020 - 144A 1.065 1.283 5.10%, (0/17/2017 - 144A 1.350 1.522 5.00%, (0/17/2017 - 144A 1.67 206 90%, (1/15/2018 - 144A 1.67 206 VCP Wireless Site Funding / WCP Wireless 1.62 1.58 5.10%, (0/17/2017 - 144A 1.430 1.548 5.01%, (1/15/2016 - 144A 1.430 1.548 5.01%, (1/15/2016 - 0.5% 102,216 100,216 ONVERTIBLE BOND - 0.5% Value working the count state of the securities (cost \$92,928) 102,216 ONVERTIBLE BOND - 0.5% Value starts and the cost \$400 4.30 6.822 starts and the securities (cost \$92,928) starts			
6.39%, 090/12014 - 144A 100 6.35%, 090/12016 - 144A Principal Value (000 s) (000 s) (000 s) 'ireless Telecommunication Services - 3.9%	1	1.440	1,5
6.35%, 09/01/2016 - 144A 1,160 1 971clebs Principal Value (000 s) (000 s) (000 s) "Ireless Telecommunication Services - 3.9% 5 5 "Drow Cashe Towers LLC 5 5 5 Ass8, 08/15/2020 - 144A 5065 \$1,089 BAT Tower Trust 1,055 1,233 5,10%, 04/17/2017 - 144A 1,655 1,522 9,00%, 11/15/2018 - 144A 167 206 VPC Wrieless Site Finding / WCP Wrieless 167 206 308, 11/15/2018 - 144A 1,430 1,548 0141 Corporate Debt Securities (cost \$92,928) 102,216 ONVERTIBLE BOND - 0.5% 100,000 s) REFERRED STOCKS - 1.9% 102,216 Ommercial Banks - 0.3% 44,800 1,178 Intorant Finance - 0.9% 41,4800			-,-
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		\$2.027	2.027
ULAL NEULU VIIANE ASTEELII EUU VUNL MAAVATT		<i>\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\</i>	2,027

Total Investment Securities (cost \$145,735) P	158,107
Other Assets and Liabilities - Net	(12,859)
Net Assets	\$145,248

The notes are an integral part of this report. Transamerica Income Shares, Inc.

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SCHEDULE OF INVESTMENTS (continued)

At December 31, 2012

(unaudited)

NOTES TO SCHEDULE OF INVESTMENTS (all amounts in thousands):

* Floating or variable rate note. Rate is listed as of 12/31/2012.

- All or a portion of this security is on loan. The value of all securities on loan is \$13,387. The security has a perpetual maturity. The date shown is the next call date.
- § Illiquid. This security had a market value of \$874, or 0.60%, of the fund s net assets.
- Rate shown reflects the yield at 12/31/2012.
- P Aggregate cost for federal income tax purposes is \$145,735. Aggregate gross unrealized appreciation and depreciation for all securities in which there is an excess of value over tax cost were \$13,305 and \$933, respectively. Net unrealized appreciation for tax purposes is \$12,372.
- D Restricted. At 12/31/2012, the fund owned the respective security which was restricted to public resale as follows:

					Value as
					% of
		Acquisition			Net
Investment Securities	Description	Date	Cost	Value	Assets
Municipal Government Obligations	Rhode Island Economic Development Corp.	10/25/2010	\$835	\$874	0.60%

DEFINITIONS (all amounts in thousands):

144A 144A Securities are registered pursuant to Rule 144A of the Securities Act of 1933. These securities are deemed to be liquid for purposes of compliance limitations on holdings of illiquid securities and may be resold as transactions exempt from registration, normally to qualified institutional buyers. At 12/31/2012, these securities aggregated \$60,892, or 41.92% of the fund s net assets.

IO Interest Only

REMIC Real Estate Mortgage Investment Conduits (consist of a fixed pool of mortgages broken apart and marketed to investors as individual securities)

CURRENCY ABBREVIATIONS:

BRLBrazilian RealCADCanadian DollarCLPChilean Peso

MXN Mexican Peso

VALUATION SUMMARY (all amounts in thousands): '

Investment Securities	Level 1 -	Level 2 -	Level 3 - Value a	
	Quoted	Other	Significant	12/31/2012

Prices	Significant	Unobservable
I IICCS	Significant	Chobbel (able

		Observable	Inputs	
		Inputs		
Asset-Backed Securities	\$	\$5,135	\$	\$5,135
Convertible Bond		682		682
Corporate Debt Securities		102,216		102,216
Foreign Government Obligations		5,041		5,041
Mortgage-Backed Securities		13,599		13,599
Municipal Government Obligations		2,155		2,155
Preferred Corporate Debt Security		2,065		2,065
Preferred Stocks	2,688			2,688
Repurchase Agreement		2,027		2,027
Securities Lending Collateral	13,667			13,667
U.S. Government Agency Obligation		265		265
U.S. Government Obligations		8,567		8,567
Total	\$16,355	\$141,752	\$	\$158,107

¹ Transfers between levels are considered to have occurred at the end of the reporting period. There were no transfers into or out of Levels 1 and 2 during the period ended 12/31/2012. See the Notes to the Schedule of Investments for more information regarding pricing inputs and valuation techniques.

The notes are an integral part of this report. Transamerica Income Shares, Inc.

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NOTES TO THE SCHEDULE OF INVESTMENTS

At December 31, 2012

(unaudited)

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Transamerica Income Shares, Inc. (the Fund) is a diversified, closed-end management investment company registered under the Investment Company Act of 1940, as amended (the 1940 Act). The following is a summary of significant accounting policies followed by the Fund.

Securities lending: Securities are lent to qualified financial institutions and brokers. The lending of securities exposes the Fund to risks such as the following: (i) the borrowers may fail to return the loaned securities; (ii) the borrowers may not be able to provide additional collateral; (iii) the Fund may experience delays in recovery of the loaned securities or delays in access to collateral; or (iv) the Fund may experience losses related to the investment collateral. To minimize certain risks, loan counterparties pledge cash collateral equal to at least the market value of the securities loaned. Cash collateral received is invested in the State Street Navigator Securities Lending Trust-Prime Portfolio, a money market mutual fund registered under the 1940 Act. By lending such securities, the Fund seeks to increase its net investment income through the receipt of interest and fees.

The value of loaned securities and related collateral outstanding at December 31, 2012 are shown in the Schedule of Investments.

Repurchase agreements: Securities purchased subject to a repurchase agreement are held at the Fund s custodian and, pursuant to the terms of the repurchase agreement, must be collateralized by securities with an aggregate market value greater than or equal to 100% of the resale price. The Fund will bear the risk of value fluctuations until the securities can be sold and may encounter delays and incur costs in liquidating the securities. In the event of bankruptcy or insolvency of the seller, delays and costs may be incurred.

Foreign currency denominated investments: The accounting records of the Fund are maintained in U.S. dollars. Securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars at the closing exchange rate each day. The cost of foreign securities is translated at the exchange rates in effect when the investment was acquired.

Foreign currency denominated assets may involve risks not typically associated with domestic transactions. These risks include revaluation of currencies, adverse fluctuations in foreign currency values, and possible adverse political, social, and economic developments, including those particular to a specific industry, country or region.

Treasury inflation-protected securities (**TIPS**): The Fund invests in TIPS, specially structured bonds in which the principal amount is adjusted daily to keep pace with inflation as measured by the U.S. Consumer Price Index. The adjustments to principal due to inflation/deflation are reflected as increases/decreases to interest income with a corresponding adjustment to cost.

Restricted and illiquid securities: The Fund may invest in unregulated or otherwise restricted securities. Restricted and illiquid securities are subject to legal or contractual restrictions on resale or are illiquid. Restricted securities generally may be resold in transactions exempt from registration. A security may be considered illiquid if it lacks a readily available market or if its valuation has not changed for a certain period of time. Disposal of these securities may involve time-consuming negotiations and expense, and prompt sale at the current valuation may be difficult.

The restricted and illiquid securities at December 31, 2012 are listed in the Schedule of Investments.

Real estate investment trusts (**REITs**): There are certain additional risks involved in investing in REITs. These include, but are not limited to, economic conditions, changes in zoning laws, real estate values, property taxes, and interest rates.

NOTE 2. SECURITY VALUATIONS

All investments in securities are recorded at their estimated fair value. The Fund values its investments at the close of the New York Stock Exchange (NYSE), normally 4 p.m. Eastern Time, each day the NYSE is open for business. The Fund utilizes various methods to measure the fair value of its investments on a recurring basis. GAAP establishes a hierarchy that prioritizes inputs to valuation methods. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The three Levels of inputs of the fair value hierarchy are defined as follows:

Level 1 Unadjusted quoted prices in active markets for identical securities.

Level 2 Inputs, other than quoted prices included in Level 1, that are observable, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data.

Level 3 Unobservable inputs, which may include Transamerica Asset Management, Inc. s (TAM) Valuation Committee s own assumptions in determining the fair value of investments. Factors considered in making this determination may include, but are not limited to, information obtained by contacting the sub-adviser, issuer, analysts, or the appropriate stock exchange (for exchange-traded securities), analysis of the issuer s financial statements or other available documents and, if necessary, available information concerning other securities in similar circumstances.

Transamerica Income Shares, Inc.

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NOTES TO THE SCHEDULE OF INVESTMENTS (continued)

At December 31, 2012

(unaudited)

NOTE 2. (continued)

The Fund s Board of Directors has delegated the valuation functions on a day-to-day basis to TAM, subject to board oversight. TAM has formed an internal valuation committee (the Valuation Committee) to monitor and implement the fair valuation policies and procedures as approved by the Board of Directors. These policies and procedures are reviewed at least annually by the Board of Directors. The Valuation Committee, among other tasks, monitors for when market quotations are not readily available or are unreliable and determines in good faith the fair value of portfolio investments. For instances in which daily market quotes are not readily available, securities may be valued, pursuant to procedures adopted by the Board of Directors, with reference to other instruments or indices. Depending on the relative significance of valuation inputs, these instruments may be classified in either Level 2 or Level 3 of the fair value hierarchy. The Valuation Committee may employ a market-based approach which may use related or comparable assets or liabilities, recent transactions, market multiples, book values, and other relevant information for the security to determine the fair value of the security. An income-based valuation approach may also be used in which the anticipated future cash flows of the security are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of securities. When the Fund uses fair value methods that rely on significant unobservable inputs to determine a security s value, the Valuation Committee will choose the method that is believed to accurately reflect fair market value. These securities are categorized as Level 3 of the fair value hierarchy. The Valuation Committee reviews fair value measurements on a regular and ad hoc basis and may, as deemed appropriate, update the security valuations as well as the fair valuation guidelines.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, but not limited to, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is generally greatest for instruments categorized in Level 3. Due to the inherent uncertainty of valuation, TAM s Valuation Committee s determination of values may differ significantly from values that would have been realized had a ready market for investments existed, and the differences could be material. The Valuation Committee employs various methods for calibrating these valuation approaches including a regular review of valuation methodologies, key inputs and assumptions, transactional back-testing and reviews of any market related activity.

The inputs used to measure fair value may fall into different Levels of the fair value hierarchy. In such cases, for disclosure purposes, the Level in the fair value hierarchy that is assigned to the fair value measurement of a security is determined based on the lowest Level input that is significant to the fair value measurement in its entirety.

Fair value measurements: Descriptions of the valuation techniques applied to the Fund s major categories of assets and liabilities measured at fair value on a recurring basis are as follows:

Equity securities (common and preferred stock): Securities are stated at the last reported sales price or closing price on the day of valuation taken from the primary exchange where the security is principally traded. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy.

Foreign securities, in which the primary trading market closes at the same time or after the NYSE, are valued based on quotations from the primary market in which they are traded and are categorized in Level 1. Because many foreign securities markets and exchanges close prior to the close of the NYSE, closing prices for foreign securities in those markets or on those exchanges do not reflect the events that occur after that close. Certain foreign securities may be fair valued using a pricing service that considers the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments such as American Depositary Receipts, financial futures, Exchange Traded Funds, and the movement of the certain indices of securities based on a statistical analysis of their historical relationship; such valuations

generally are categorized in Level 2.

Preferred stock, repurchase agreements, and other equities traded on inactive markets or valued by reference to similar instruments are also generally categorized in Level 2 or Level 3 if inputs are unobservable.

Securities lending collateral: Securities lending collateral is invested in a money market fund which is valued at the net asset value of the underlying securities and no valuation adjustments are applied. It is categorized in Level 1 of the fair value hierarchy.

Corporate bonds: The fair value of corporate bonds is estimated using various techniques, which consider recently executed transactions in securities of the issuer or comparable issuers, market price quotations (where observable), bond spreads, fundamental data relating to the issuer, and credit default swap spreads adjusted for any basis difference between cash and derivative instruments. While most corporate bonds are categorized in Level 2 of the fair value hierarchy, in instances where lower relative weight is placed on transaction prices, quotations, or similar observable inputs, they are categorized in Level 3.

Transamerica Income Shares, Inc.

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NOTES TO THE SCHEDULE OF INVESTMENTS (continued)

At December 31, 2012

(unaudited)

NOTE 2. (continued)

Asset backed securities: The fair value of asset backed securities is estimated based on models that consider the estimated cash flows of each tranche of the entity, establish a benchmark yield, and develop an estimated tranche specific spread to the benchmark yield based on the unique attributes of the tranche. To the extent the inputs are observable and timely, the values would generally be categorized in Level 2 of the fair value hierarchy; otherwise they would be categorized as Level 3.

Short-term notes: Short-term notes are valued using amortized cost, which approximates fair value. To the extent the inputs are observable and timely, the values would be generally categorized in Level 2 of the fair value hierarchy; otherwise they would be categorized in Level 3.

Government securities: Government securities are normally valued using a model that incorporates market observable data such as reported sales of similar securities, broker quotes, yields, bids, offers, and reference data. Certain securities are valued by principally using dealer quotations. Government securities generally are categorized in Level 2 of the fair value hierarchy, or in Level 3 if inputs are unobservable.

U.S. government agency securities: U.S. government agency securities are comprised of two main categories consisting of agency issued debt and mortgage pass-throughs. Generally, agency issued debt securities are valued in a manner similar to U.S. government securities. Mortgage pass-throughs include to be announced (TBA) securities and mortgage pass-through certificates. Generally, TBA securities and mortgage pass-throughs are valued using dealer quotations. Depending on market activity levels and whether quotations or other observable data are used, these securities are typically categorized in Level 2 of the fair value hierarchy; otherwise they would be categorized in Level 3.

Restricted securities (equity and debt): The Fund may invest in unregulated or otherwise restricted securities. Restricted securities for which quotations are not readily available are valued at fair value as determined in good faith by TAM s Valuation Committee under the supervision of the Fund s Board of Directors. Restricted securities issued by publicly traded companies are generally valued at a discount to similar publicly traded securities. Restricted securities issued by nonpublic entities may be valued by reference to comparable public entities and/or fundamental data relating to the issuer. Depending on the relative significance of valuation inputs, these instruments may be classified in either Level 2 or Level 3 of the fair value hierarchy.

The hierarchy classification of inputs used to value the Fund s investments at December 31, 2012 is disclosed in the Valuation Summary of the Fund s Schedule of Investments.

Transamerica Income Shares, Inc.

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Item 2. Controls and Procedures.

- (a) The Registrant s principal executive officer and principal financial officer evaluated the Registrant s controls and procedures within 90 days of this filing and 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)), are appropriately designed to ensure that information required to be disclosed by the Registrant in the reports that it files on Form N-Q (a) is accumulated and communicated to Registrant s management, including its principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure, and (b) is recorded, processed, summarized and reported, within the time periods specified in the rules and forms adopted by the U.S. Securities and Exchange Commission.
- (b) The Registrant s principal executive officer and principal financial officer are aware of no change in the Registrant s internal control over financial reporting that occurred during the Registrant s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant s internal control over financial reporting.

Item 3. Exhibits.

Separate certifications by the Registrant s principal executive officer and principal financial officer, as required by Rule 30a-2(a) under the 1940 Act, are attached.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the 1940 Act, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Transamerica Income Shares, Inc. (Registrant)

By: /s/ Thomas A. Swank Chief Executive Officer

Date: March 1, 2013

Pursuant to the requirements of the Securities Exchange Act of 1934 and the 1940 Act, 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: /s/ Thomas A. Swank Chief Executive Officer Date: March 1, 2013

By: /s/ Elizabeth Strouse Principal Financial Officer Date: March 1, 2013