

LMP CAPITAL & INCOME FUND INC.

Form N-Q

October 21, 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 **811-21467**

**LMP Capital and Income Fund Inc.**

(Exact name of registrant as specified in charter)

**620 Eighth Avenue, 49<sup>th</sup> Floor, New York, NY 10018**

(Address of principal executive offices) (Zip code)

**Robert I. Frenkel, Esq.**

**Legg Mason & Co., LLC**

**100 First Stamford Place**

**Stamford, CT 06902**

(Name and address of agent for service)

Registrant's telephone number, including area code: 1-888-777-0102

Date of fiscal year end: **November 30**

Date of reporting period: **August 31, 2015**

**ITEM 1. SCHEDULE OF INVESTMENTS.**

**LMP CAPITAL AND INCOME FUND INC.**

FORM N-Q

AUGUST 31, 2015

**LMP CAPITAL AND INCOME FUND INC.****Schedule of investments (unaudited)****August 31, 2015**

SECURITY	SHARES	VALUE
<b>COMMON STOCKS - 55.4%</b>		
<b>CONSUMER DISCRETIONARY - 3.2%</b>		
<b>Media - 3.2%</b>		
National CineMedia Inc.	167,000	\$ 2,196,050
Regal Entertainment Group, Class A Shares	374,000	7,113,480 <sup>(a)</sup>
<b>TOTAL CONSUMER DISCRETIONARY</b>		<b>9,309,530</b>
<b>CONSUMER STAPLES - 2.0%</b>		
<b>Household Products - 2.0%</b>		
Kimberly-Clark Corp.	53,000	5,646,090 <sup>(a)</sup>
<b>ENERGY - 0.5%</b>		
<b>Oil, Gas &amp; Consumable Fuels - 0.5%</b>		
EnLink Midstream LLC	60,000	1,431,600
<b>FINANCIALS - 18.5%</b>		
<b>Capital Markets - 0.6%</b>		
Apollo Global Management LLC, Class A Shares	100,000	1,858,000
<b>Real Estate Investment Trusts (REITs) - 17.9%</b>		
Alexandria Real Estate Equities Inc.	21,000	1,805,790
American Capital Agency Corp.	168,000	3,213,840 <sup>(a)</sup>
Annaly Capital Management Inc.	400,000	4,024,000 <sup>(a)</sup>
AvalonBay Communities Inc.	5,600	924,336
BioMed Realty Trust Inc.	49,900	923,150
DCT Industrial Trust Inc.	37,500	1,204,125 <sup>(a)</sup>
DuPont Fabros Technology Inc.	23,800	636,174
EPR Properties	76,700	3,903,263 <sup>(a)</sup>
Equity Residential	32,500	2,315,625
HCP Inc.	41,000	1,519,460 <sup>(a)</sup>
Highwoods Properties Inc.	26,000	986,440 <sup>(a)</sup>
Hospitality Properties Trust	140,500	3,613,660 <sup>(a)</sup>
Inland Real Estate Corp.	185,000	1,555,850 <sup>(a)</sup>
Kilroy Realty Corp.	24,000	1,556,640 <sup>(a)</sup>
Liberty Property Trust	49,000	1,506,260 <sup>(a)</sup>
Ramco-Gershenson Properties Trust	132,000	2,046,000 <sup>(a)</sup>
Regency Centers Corp.	22,000	1,304,820 <sup>(a)</sup>
Retail Properties of America Inc., Class A Shares	155,000	2,115,750
Senior Housing Properties Trust	91,000	1,428,700 <sup>(a)</sup>
Simon Property Group Inc.	10,900	1,954,588
Spirit Realty Capital Inc.	272,386	2,614,905 <sup>(a)</sup>
Starwood Property Trust Inc.	383,000	8,150,240 <sup>(a)</sup>
STORE Capital Corp.	52,500	1,058,400
Urstadt Biddle Properties, Class A Shares	85,000	1,524,050 <sup>(a)</sup>
<i>Total Real Estate Investment Trusts (REITs)</i>		<i>51,886,066</i>
<b>TOTAL FINANCIALS</b>		<b>53,744,066</b>

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**HEALTH CARE - 5.9%**

**Pharmaceuticals - 5.9%**

AstraZeneca PLC, ADR	30,000	938,400
Bristol-Myers Squibb Co.	96,800	5,756,696 <sup>(a)</sup>
GlaxoSmithKline PLC, ADR	78,000	3,192,540 <sup>(a)</sup>
Merck & Co. Inc.	58,000	3,123,300 <sup>(a)</sup>
Pfizer Inc.	126,000	4,059,720 <sup>(a)</sup>

**TOTAL HEALTH CARE**

17,070,656

**See Notes to Schedule of Investments.**

## LMP CAPITAL AND INCOME FUND INC.

Schedule of investments (unaudited) (cont d)	August 31, 2015	
SECURITY	SHARES	VALUE
<b>INDUSTRIALS - 7.0%</b>		
<b>Aerospace &amp; Defense - 3.6%</b>		
Lockheed Martin Corp.	52,000	\$ 10,461,360
<b>Industrial Conglomerates - 0.8%</b>		
General Electric Co.	94,000	2,333,080
<b>Trading Companies &amp; Distributors - 1.7%</b>		
TAL International Group Inc.	266,100	4,877,613 <sup>(a)</sup>
<b>Transportation Infrastructure - 0.9%</b>		
Macquarie Infrastructure Corp.	32,000	2,519,040 <sup>(a)</sup>
<b>TOTAL INDUSTRIALS</b>		20,191,093
<b>INFORMATION TECHNOLOGY - 7.8%</b>		
<b>IT Services - 0.3%</b>		
Paychex Inc.	20,000	893,200
<b>Semiconductors &amp; Semiconductor Equipment - 2.7%</b>		
Intel Corp.	192,000	5,479,680 <sup>(a)</sup>
Maxim Integrated Products Inc.	67,000	2,255,890
<i>Total Semiconductors &amp; Semiconductor Equipment</i>		7,735,570
<b>Software - 1.6%</b>		
Microsoft Corp.	111,000	4,830,720 <sup>(a)</sup>
<b>Technology Hardware, Storage &amp; Peripherals - 3.2%</b>		
Apple Inc.	10,000	1,127,600
Seagate Technology PLC	158,000	8,121,200 <sup>(a)</sup>
<i>Total Technology Hardware, Storage &amp; Peripherals</i>		9,248,800
<b>TOTAL INFORMATION TECHNOLOGY</b>		22,708,290
<b>MATERIALS - 0.7%</b>		
<b>Paper &amp; Forest Products - 0.7%</b>		
International Paper Co.	50,000	2,157,000 <sup>(a)</sup>
<b>TELECOMMUNICATION SERVICES - 6.3%</b>		
<b>Diversified Telecommunication Services - 5.0%</b>		
AT&T Inc.	206,000	6,839,200 <sup>(a)</sup>
Verizon Communications Inc.	162,000	7,453,620 <sup>(a)</sup>
<i>Total Diversified Telecommunication Services</i>		14,292,820
<b>Wireless Telecommunication Services - 1.3%</b>		

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Vodafone Group PLC, Sponsored ADR	111,000	3,827,280
<b>TOTAL TELECOMMUNICATION SERVICES</b>		18,120,100
<b>UTILITIES - 3.5%</b>		
<b>Electric Utilities - 2.4%</b>		
Great Plains Energy Inc.	114,000	2,840,880 <sup>(a)</sup>
PPL Corp.	128,000	3,966,720 <sup>(a)</sup>
<i>Total Electric Utilities</i>		6,807,600

See Notes to Schedule of Investments.

**LMP CAPITAL AND INCOME FUND INC.****Schedule of investments (unaudited) (cont d)****August 31, 2015**

SECURITY	SHARES	VALUE
<b>Independent Power and Renewable Electricity Producers - 0.5%</b>		
8Point3 Energy Partners LP	43,000	\$ 638,550*
Abengoa Yield PLC	36,900	839,844
<i>Total Independent Power and Renewable Electricity Producers</i>		<i>1,478,394</i>
<b>Multi-Utilities - 0.6%</b>		
National Grid PLC	143,000	1,872,589 <sup>(b)</sup>
<b>TOTAL UTILITIES</b>		10,158,583
<b>TOTAL COMMON STOCKS</b>		
(Cost - \$137,448,562)		160,537,008
	<b>RATE</b>	
<b>CONVERTIBLE PREFERRED STOCKS - 17.5%</b>		
<b>ENERGY - 1.8%</b>		
<b>Oil, Gas &amp; Consumable Fuels - 1.8%</b>		
Anadarko Petroleum Corp.	7.500%	112,000 5,112,800
<b>FINANCIALS - 6.6%</b>		
<b>Real Estate Investment Trusts (REITs) - 6.6%</b>		
American Tower Corp.	5.250%	32,000 3,284,480
American Tower Corp.	5.500%	13,550 1,390,637
Health Care REIT Inc.	6.500%	117,800 7,014,990 <sup>(a)</sup>
Weyerhaeuser Co.	6.375%	151,000 7,406,550
<b>TOTAL FINANCIALS</b>		19,096,657
<b>HEALTH CARE - 1.8%</b>		
<b>Pharmaceuticals - 1.8%</b>		