

LMP CAPITAL & INCOME FUND INC.  
Form N-Q  
October 25, 2013

**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, 49th Floor, New York, NY  
(Address of principal executive offices)

10018  
(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, 2013

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ITEM 1. SCHEDULE OF INVESTMENTS

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**LMP Capital and Income Fund Inc.**

FORM N-Q

AUGUST 31, 2013

## LMP CAPITAL AND INCOME FUND INC.

Schedule of investments (unaudited)

August 31, 2013

	SHARES	VALUE
SECURITY		
COMMON STOCKS 66.3%		
CONSUMER DISCRETIONARY 1.5%		
<b>Media 1.5%</b>		
Regal Entertainment Group, Class A Shares	239,000	\$ 4,275,710
CONSUMER STAPLES 1.7%		
<b>Household Products 1.7%</b>		
Kimberly-Clark Corp.	53,000	4,954,440(a)
ENERGY 5.0%		
<b>Energy Equipment &amp; Services 5.0%</b>		
Diamond Offshore Drilling Inc.	82,020	5,251,741(a)
Seadrill Ltd.	202,000	9,344,520
TOTAL ENERGY		14,596,261
FINANCIALS 25.7%		
<b>Capital Markets 5.9%</b>		
Ares Capital Corp.	610,000	10,723,800(a)
Medley Capital Corp.	476,170	6,261,635(a)
<i>Total Capital Markets</i>		16,985,435
<b>Real Estate Investment Trusts (REITs) 19.8%</b>		
American Capital Agency Corp.	450,000	10,242,000(a)
Annaly Capital Management Inc.	360,000	4,201,200(a)
CYS Investments Inc.	384,500	2,952,960
DCT Industrial Trust Inc.	150,000	1,003,500
EPR Properties	41,000	2,008,180(a)
Excel Trust Inc.	131,000	1,527,460(a)
Hatteras Financial Corp.	246,000	4,501,800(a)
HCP Inc.	41,000	1,669,930(a)
Health Care REIT Inc.	27,000	1,658,880(a)
Highwoods Properties Inc.	26,000	878,280(a)
Hospitality Properties Trust	119,000	3,215,380(a)
Inland Real Estate Corp.	185,000	1,814,850(a)
Kilroy Realty Corp.	24,000	1,170,960(a)
Liberty Property Trust	49,000	1,695,400(a)
OMEGA Healthcare Investors Inc.	31,000	880,400(a)
Ramco-Gershenson Properties Trust	132,000	1,911,360(a)
Regency Centers Corp.	22,000	1,046,100(a)
Retail Properties of America Inc., Class A Shares	70,000	933,800
Senior Housing Properties Trust	50,000	1,137,500(a)
Spirit Realty Capital Inc.	272,386	2,372,482
Starwood Property Trust Inc.	190,000	4,736,700(a)
Urstadt Biddle Properties, Class A Shares	85,000	1,660,050(a)
Westfield Group	439,000	4,329,312(a)
<i>Total Real Estate Investment Trusts (REITs)</i>		57,548,484
TOTAL FINANCIALS		74,533,919
HEALTH CARE 6.9%		
<b>Pharmaceuticals 6.9%</b>		
AstraZeneca PLC, ADR	75,000	3,690,750

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Bristol-Myers Squibb Co.	123,950	5,167,476(a)
GlaxoSmithKline PLC, ADR	167,360	8,516,950(a)
Pfizer Inc.	98,000	2,764,580
<b>TOTAL HEALTH CARE</b>		<b>20,139,756</b>
<b>INDUSTRIALS 7.7%</b>		
<b>Aerospace &amp; Defense 2.4%</b>		
Lockheed Martin Corp.	57,650	7,057,513(a)
<b>Electrical Equipment 1.5%</b>		
Eaton Corp. PLC	69,000	4,369,080(a)

*See Notes to Schedule of Investments.*

## LMP CAPITAL AND INCOME FUND INC.

Schedule of investments (unaudited) (cont d)

August 31, 2013

SECURITY	SHARES	VALUE
<b>Trading Companies &amp; Distributors 3.8%</b>		
TAL International Group Inc.	254,000 \$	10,871,200(a)
<b>TOTAL INDUSTRIALS</b>		22,297,793
<b>INFORMATION TECHNOLOGY 3.7%</b>		
<b>Computers &amp; Peripherals 2.5%</b>		
Seagate Technology PLC	187,360	7,179,635(a)
<b>Semiconductors &amp; Semiconductor Equipment 1.2%</b>		
Intel Corp.	163,340	3,590,213
<b>TOTAL INFORMATION TECHNOLOGY</b>		10,769,848
<b>MATERIALS 0.8%</b>		
<b>Paper &amp; Forest Products 0.8%</b>		
International Paper Co.	50,000	2,360,500
<b>TELECOMMUNICATION SERVICES 7.7%</b>		
<b>Diversified Telecommunication Services 3.6%</b>		
AT&T Inc.	158,750	5,370,513(a)
Verizon Communications Inc.	110,280	5,225,066(a)
<i>Total Diversified Telecommunication Services</i>		10,595,579
<b>Wireless Telecommunication Services 4.1%</b>		