

# SECURITIES AND EXCHANGE COMMISSION

## FORM N-30B-2

Periodic and interim reports mailed to investment company shareholders (other than annual and semi-annual reports mailed to shareholders pursuant to Rule 30e-1)

Filing Date: **1995-07-28** | Period of Report: **1995-05-31**  
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### FILER

#### SMITH BARNEY SHEARSON INCOME TRUST

CIK: **880366** | State of Incorporation: **MA** | Fiscal Year End: **1130**  
Type: **N-30B-2** | Act: **40** | File No.: **811-06444** | Film No.: **95557213**

Mailing Address	Business Address
<i>TWO WORLD TRADE CENTER NEW YORK NY 10048</i>	<i>TWO WORLD TRADE CENTER NEW YORK NY 10048 2124648068</i>

[GRAPHIC]  
SMALL BOX ABOVE FUND NAME SHOWING PALM  
TREES IN FRONT OF A HIGH-RISE BUILDING.

SEMI- SMITH BARNEY  
ANNUAL INTERMEDIATE  
REPORT MATURITY  
CALIFORNIA  
MUNICIPALS  
FUND

.....  
MAY 31, 1995

[LOGO]

Intermediate Maturity California Municipals  
Fund

DEAR SHAREHOLDER:

We are pleased to provide you with the  
semi-annual report and  
portfolio of investments for Smith Barney  
Intermediate

Maturity California Municipals Fund Inc.  
for the period ended

May 31, 1995. Reflecting the improvement in the  
municipal market that

began in late 1994, Class A shares earned a total  
return of 9.39% for

the six-month period. Class C shares, a newly-  
available class of

shares, earned a total return of 9.22% for the  
period between November

8, 1994 and May 31, 1995. Additional performance  
data for each class

of shares during this and previous reporting  
periods is available in

the "Financial Highlights" section of this report.

#### ECONOMIC AND MARKET UPDATE

The increases last year in short-term rates by the  
Federal Reserve

Board are clearly slowing the economy's expansion  
from its faster pace

of last fall. The question now on the minds of  
economists and

investors is whether this is merely a pause in  
economic activity or

indicative of longer-term economic weakness. We do not believe that forthcoming economic data will show conclusive evidence of a recession, and instead are working under the assumption that the economy will experience a small pause and then steady growth with moderate inflation.

The municipal securities market had a strong rally during the past six months and the Fund was positioned to take full advantage of it. A significant percentage of the Fund's portfolio was invested in high quality, discount coupons, which allowed it to maximize its net asset value in the rapidly declining interest rate environment. The net asset value increased by \$0.52 per share, to \$8.32 on May 31, 1995, from \$7.80 on February 28, 1995. Our current goal is to use market strength to gradually increase coupons, shorten maturities and take a more conservative approach to the market until these interest rate levels prove they can hold. This is consistent with our long-term strategy of providing investors in the Fund with a competitive stream of California tax-exempt income with preservation of capital.

Some uncertainties surround the market, however. Among these are the many flat tax proposals being championed by members of both political parties. Real legislative action is several years away and must be REVENUE NEUTRAL to make any economic sense -- a very difficult balancing act to accomplish. These discussions have caused periodic weaknesses in the

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municipal securities market during the past months and will no doubt continue to cause periodic weaknesses over the next few years, which we will view as an opportunity to invest at levels that represent real value to

our shareholders. A general rise in interest rates would be another story, and we clearly would react differently to that economic circumstance.

A defining moment for the municipal securities market was Orange County California's filing for bankruptcy in December 1994, which immediately cast a pall on the entire market. Its impact on the broader market since then has been minimal, but has been considerably stronger on the securities of the County itself. The recent defeat of "Measure R" makes us quite skeptical of Orange County's plans to repay its debt. The Fund has not participated in any of the recent debt offerings by Orange County, and holds only two tax allocation securities (approximately 4.2% of the Fund's portfolio) issued by Orange County Development Agency. Although these bonds are issued under the name of the County, they rely on a dedicated property tax to pay debt service. Management believes that the bankruptcy proceeding will not have any material impact on the ability of the issuer to make its scheduled interest and principal payments and therefore will have little, if any, effect on the Fund.

#### PORTFOLIO UPDATE

At the end of this reporting period, 100% of the Fund's portfolio was rated investment grade (BBB/Baa and higher) by either Standard & Poor's Corporation or Moody's Investors Service, Inc. The majority of the Fund's assets were invested in general obligation, education, transportation and pollution control issues. The average maturity of the Fund was 8.7 years. As we stated earlier, we intend to gradually increase coupons, shorten the average maturity of the portfolio and assume a more conservative stance.

We look forward to reporting to you in the Fund's annual report to investors. Should you have any questions about your investment in the Fund or how other

Smith Barney mutual funds may be useful in helping you reach your financial goals, please speak with your Smith Barney Financial Consultant.

Sincerely,

Heath B. McLendon  
CHAIRMAN OF THE BOARD

Joseph P. Deanne  
VICE PRESIDENT AND  
INVESTMENT OFFICER  
JULY 18, 1995

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Smith Barney  
Intermediate Maturity  
California Municipals Fund

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PORTFOLIO HIGHLIGHTS (UNAUDITED)  
MAY 31, 1995

INDUSTRY BREAKDOWN

Pie chart depicting the allocation of the Income Trust Intermediate Maturity California Municipals Fund investment securities held at May 31, 1995 by industry classification. The pie is broken in pieces representing industries in the following percentages:

<TABLE>

<CAPTION>

INDUSTRY	PERCENTAGE
General Obligation	22.3%
Transportation	16.3%
Education	14.8%
Housing	6.1%
Other Industries and Net Other Assets and Liabilities	16.4%
Pollution Control	11.5%
Hospital	8.8%
Utility	3.8%

SUMMARY OF MUNICIPAL BONDS BY COMBINED RATINGS

<TABLE>

<CAPTION>

Moody's <S>	<C>	Standard & Poor's <C>	Percent of Value <C>
AAA		AAA	21.9%
AA		AA	16.3
A		A	36.2
BAA		BBB	25.6
			100.0%

</TABLE>

AVERAGE MATURITY 8.7 years

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Smith Barney  
Intermediate Maturity  
California Municipals Fund

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PORTFOLIO OF INVESTMENTS (UNAUDITED)  
MAY 31, 1995  
-----

<TABLE>

<S>	<C>	
		KEY TO INSURANCE ABBREVIATIONS
AMBAC Corporation	--	American Municipal Bond Assurance Corporation
FGIC	--	Federal Guaranty Insurance Corporation
FHA	--	Federal Housing Administration
GNMA Association	--	Government National Mortgage Association
MBIA	--	Municipal Bond Investor Assurance

</TABLE>

<TABLE>

<CAPTION>

MARKET VALUE  
FACE VALUE  
S&P (NOTE 1)

RATINGS

MOODY'S

<C>	<S>	<C>
-----		
MUNICIPAL BONDS AND NOTES -- 97.0%		
	CALIFORNIA -- 97.0%	
	Belmont, California,	
	Redevelopment Agency, Tax	
	Allocation Project, (Los	
	Costanos Community	
	Development), Series A:	
\$ 150,000	5.850% due 8/1/02	A A-
\$ 153,375		
160,000	5.950% due 8/1/03	A A-
164,000		
	California Educational	
	Facilities Authority,	
	Revenue Bonds:	
945,000	(College of Osteopathic),	
	5.550% due 6/1/06	NR
AAA 954,450		
320,000	(Loyola Marymount	
	University),	
	Series B,	
	6.300% due 10/1/03	A1
NR 344,000		
200,000	(Mills College),	
	6.500% due 9/1/02	A
NR 216,000		
500,000	(University of Southern	
	California),	
	5.300% due 10/1/04	Aa
AA 509,375		
200,000	California Health	
	Facilities Financing	
	Authority, (Sisters of	
	Providence),	
	6.200% due 10/1/03	A1
AA- 208,500		
400,000	California Health	
	Facilities,	
	(St. Elizabeth's Hospital	
	Project),	
	5.900% due 11/15/03	A1
A+ 410,500		

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

Smith Barney  
Intermediate Maturity  
California Municipals Fund

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--  
PORTFOLIO OF INVESTMENTS (UNAUDITED) (CONTINUED)  
MAY 31, 1995

<TABLE>  
<CAPTION>

MARKET VALUE			RATINGS
FACE VALUE			MOODY'S
S&P	(NOTE 1)		
<C>	<S>		<C>
<C>	<C>		
MUNICIPAL BONDS AND NOTES -- (CONTINUED)			
CALIFORNIA -- (CONTINUED)			
\$ 200,000		California Health Facilities Revenue, (Adventist Health System/West Agency), Series B, (MBIA Insured), 6.150% due 3/1/99	Aaa
AAA	\$ 211,250		
		California Housing Finance Agency Revenue, Home Mortgage:	
	5,000	10.000% due 2/1/02	Aa
AA-	5,031		
		Series E1, (FHA Insured):	
	700,000	5.900% due 2/1/05	Aa
AA-	713,125		
	700,000	5.900% due 8/1/05	Aa
AA-	714,000		
		California State, General Obligation Bonds:	
	100,000	9.800% due 10/1/00	A1
A+	121,625		
	200,000	6.000% due 9/1/03	A1
	212,750		
	1,200,000	California Statewide Community Development, Certificates of Participation, (St. Josephs Health), 5.875% due 7/1/05	Aa
AA	1,255,500		



190,000	Escondido, California, Unified School District, Certificates of Participation, Series A, 5.400% due 7/1/03	A	A-
185,963	Fresno, California, Joint Powers Financing Authority, Series A: 5.750% due 9/2/98	NR	
1,500,000 BBB 1,503,750 355,000	Certificates of Participation, (Street Light Acquisition), Project A, 5.375% due 8/1/03	A	
A+ 347,900 855,000	Garden Grove, California, Agency Tax Allocation Revenue, (Garden Grove Community Project), 5.375% due 10/1/03	NR	A
843,244			

SEE NOTES TO FINANCIAL STATEMENTS.

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Smith Barney  
Intermediate Maturity  
California Municipals Fund

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PORTFOLIO OF INVESTMENTS (UNAUDITED) (CONTINUED)  
MAY 31, 1995

<TABLE>  
<CAPTION>

MARKET VALUE		RATINGS
FACE VALUE		MOODY'S
S&P (NOTE 1)		

-----  
-----

<C>	<S>	<C>
<C>	<C>	

MUNICIPAL BONDS AND NOTES -- (CONTINUED)  
CALIFORNIA -- (CONTINUED)  
Hawthorne, California,  
\$1,000,000

Community Redevelopment  
Agency, (Tax Allocation  
Redevelopment Project, Area  
2),

		6.200% due 9/1/05	Baa	
NR	\$ 1,030,000			
		Irvine Ranch, California, Water District, Joint Powers Agency, Local Pool Revenue, Issue II:		
	800,000	7.200% due 8/15/96	NR	
A+	815,000			
	480,000	7.800% due 8/15/01	NR	
A+	505,800			
	285,000	Kern, California, High School District, Series C, (MBIA Insured),		
		8.750% due 8/1/03	Aaa	
AAA	353,756			
		Kings County, California, Waste Management, Solid Waste Revenue Bonds:		
	400,000	6.500% due 10/1/03	NR	
BBB	418,000			
	310,000	6.600% due 10/1/04	NR	
BBB	327,050			
	230,000	Kings River Conservation District, (California Pine Flat Power Revenue Project), Series D,		
		5.375% due 1/1/00	Aa	
AA	236,900			
	30,000	Los Angeles County, California, Multiple Capital Facilities, Certificates of Participation, (Project III),		
		5.800% due 11/1/98	A	A-
30,675				
		Los Angeles County, California, Transportation Authority, Transportation Commission, Certificates of Participation:		
	500,000	Series B, 6.200% due 7/1/03	A1	
A+	531,875			
	45,000	Series G, 6.100% due 1/1/00	A	
NR	47,531			

500,000

Modesto, California, High School District, (Stanislaus County), (FGIC Insured), 5.300% due 8/1/04 Aaa

AAA 509,375  
</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

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Smith Barney  
Intermediate Maturity  
California Municipals Fund

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PORTFOLIO OF INVESTMENTS (UNAUDITED) (CONTINUED)  
MAY 31, 1995

<TABLE>  
<CAPTION>

MARKET VALUE		RATINGS
FACE VALUE		MOODY'S
S&P	(NOTE 1)	

-----		
<C>	<S>	<C>
<C>	<C>	

MUNICIPAL BONDS AND NOTES -- (CONTINUED)		
CALIFORNIA -- (CONTINUED)		
Mojave, California, Water District, California Improvement District, (Moronogo Basin):		
\$ 250,000	6.250% due 9/1/02	Baa
BBB+ \$ 260,625		
280,000	6.375% due 9/1/03	Baa
BBB+ 293,650		
Orange County, California, Development Agency Tax Allocation, (Santa Ana Heights Project):		
500,000	5.500% due 9/1/00	Caa
BBB 485,000		
500,000	5.600% due 9/1/01	Caa
BBB 482,500		
Palm Springs, California, Financing Authority, Airport Revenue, (Palm		

		Springs Regional Airport), (MBIA Insured):	
AAA	200,000	5.400% due 1/1/03	Aaa
	205,000		
AAA	400,000	5.500% due 1/1/04	Aaa
	411,000		
	795,000	Redding, California, Joint Powers Financing Authority, Solid Waste and Corporate Yard, Series A, 5.000% due 1/1/04	A
BBB+	744,319		
	150,000	Riverside County, California, Transportation Commission, Sales Tax Revenue, Series A, 6.500% due 6/1/00	A
A+	162,000		
		Sacramento, California, Regional Transportation, Certificates of Participation, Series A: 6.375% due 3/1/02	A1
NR	300,000		
	321,000		
NR	350,000	6.400% due 3/1/03	A1
	375,813		
	100,000	San Diego, California, Certificates of Participation, Unified School District, Series B, 6.000% due 7/1/03	Aa
AA-	104,875		

SEE NOTES TO FINANCIAL STATEMENTS.

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Smith Barney  
Intermediate Maturity  
California Municipals Fund

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- -  
PORTFOLIO OF INVESTMENTS (UNAUDITED) (CONTINUED)  
MAY 31, 1995

<TABLE>  
<CAPTION>

RATINGS

MARKET VALUE

FACE VALUE  
S&P (NOTE 1)

MOODY'S

FACE VALUE		MOODY'S
<C>	<S>	<C>
<C>	<C>	
MUNICIPAL BONDS AND NOTES -- (CONTINUED)		
CALIFORNIA -- (CONTINUED)		
	San Francisco, California, City and County Multifamily Revenue, (South Beach Project), (GNMA Insured):	
\$ 340,000	4.750% due 3/1/02	Aaa
NR \$ 332,775		
305,000	4.900% due 3/1/03	Aaa
NR 298,900		
	San Francisco, California, Downtown Parking, Series R:	
450,000	6.000% due 4/1/02	A
NR 460,125		
280,000	6.150% due 4/1/03	A
NR 288,750		
	San Jose, California, Airport Revenue:	
500,000	(MBIA Insured), 5.750% due 3/1/03	Aaa
AAA 525,625		
800,000	(FGIC Insured), 5.400% due 3/1/04	Aaa
AAA 808,000		
	Santa Barbara, California, Certificates of Participation, (Harbor Refunding Project):	
270,000	6.400% due 10/1/02	A
NR 283,500		
285,000	6.500% due 10/1/03	A
NR 301,031		
1,000,000	South Napa, California, Waste Management Facilities,	
	6.000% due 2/15/04	Baa1
NR 993,750		
450,000	Southern California Rapid Transit Authority, District A2, Special Benefit Assessment,	
	6.100% due 9/1/03	Baa A-
469,125		
105,000	Tehachapi, California, Unified School District,	

		School Facilities Corporation, Certificates of Participation,	
		5.900% due 8/1/03	Baa
NR	103,031		
	200,000	University of California, Multiple Purpose Projects, Series A, (MBIA Insured),	
		6.100% due 9/1/00	Aaa
AAA	213,750		

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

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Smith Barney  
Intermediate Maturity  
California Municipals Fund

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- -  
PORTFOLIO OF INVESTMENTS (UNAUDITED) (CONTINUED)  
MAY 31, 1995

<TABLE>  
<CAPTION>

MARKET VALUE		RATINGS
FACE VALUE		MOODY'S
S&P	(NOTE 1)	

<C>		<S>	<C>
<C>	<C>		
	MUNICIPAL BONDS AND NOTES -- (CONTINUED)		
	CALIFORNIA -- (CONTINUED)		
\$ 205,000	Upland, California, Certificates of Participation, (Police Building Refunding Project), (AMBAC Insured),		
	6.200% due 8/1/02		Aaa
AAA	\$ 222,936		

-----  
-----  
TOTAL MUNICIPAL BONDS AND NOTES  
(COST \$23,518,190)

23,027,380

-----  
-----  
TOTAL INVESTMENTS (COST \$23,518,190\*)

97.0% 23,027,380  
OTHER ASSETS AND LIABILITIES (NET)  
3.0 640,726

-----  
-----  
NET ASSETS  
100.0% \$23,668,106

-----  
<FN>  
\* Aggregate cost for Federal tax purposes.

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

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Smith Barney  
Intermediate Maturity  
California Municipals Fund

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-----  
STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)  
MAY 31, 1995

<TABLE>

<S> <C> <C>

ASSETS:

Investments, at value (Cost  
\$22,518,190) (Note 1)  
See accompanying schedule  
\$23,027,380  
Cash  
433,557  
Interest receivable  
361,853  
Receivable for Fund shares sold  
39,982  
Unamortized organization costs (Note 7)  
19,067

-----  
-----  
TOTAL ASSETS  
23,881,839

-----  
-----  
LIABILITIES:

Payable for Fund shares redeemed \$113,798

Dividends payable	66,377
Investment advisory fee payable (Note 2)	5,979
Administration fee payable (Note 2)	3,488
Service fee payable (Note 3)	3,066
Custodian fees payable (Note 2)	2,200
Transfer agent fees payable (Note 2)	808
Distribution fee payable (Note 3)	42
Accrued expenses and other payables	17,975

-----  
 - - - - -  
 TOTAL LIABILITIES

213,733  
 -----

NET ASSETS

\$23,668,106  
 -----

NET ASSETS consist of:

Accumulated net realized loss on  
 investments sold

(892,242)

Unrealized appreciation of investments

509,190

Par value

2,844

Paid-in capital in excess of par value

24,048,314  
 -----

TOTAL NET ASSETS

\$23,668,106  
 -----

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

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Smith Barney  
 Intermediate Maturity  
 California Municipals Fund

-----  
 - -  
 STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED) (CONTINUED)

-----  
 - - MAY 31, 1995



<TABLE>

<S>

<C>

NET ASSET VALUE:

CLASS A SHARES:

NET ASSET VALUE per share+

(\$23,416,362 DIVIDED BY 2,814,234  
shares of beneficial interest  
outstanding)

\$8.32

-----  
MAXIMUM OFFERING PRICE PER SHARE (\$8.32  
DIVIDED BY 0.980)

(based on sales charge of 2.00% of the  
offering price at May 31, 1995)

\$8.49

-----  
CLASS C SHARES:

NET ASSET VALUE and offering price per  
share+

(\$251,744 DIVIDED BY 30,255 shares of  
beneficial interest outstanding)

\$8.32

-----  
<FN>

+ Redemption price per share is equal to Net Asset Value  
less any applicable  
contingent deferred sales charge.

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

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Smith Barney  
Intermediate Maturity  
California Municipals Fund

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-----  
STATEMENT OF OPERATIONS (UNAUDITED)

-----  
-----  
FOR THE SIX

MONTHS ENDED MAY 31, 1995

<TABLE>

<S>

<C>

<C>

INVESTMENT INCOME:

Interest

\$ 705,382

-----  
EXPENSES:

Investment advisory fee (Note 2)	\$
42,677	
Administration fee (Note 2)	
24,387	
Service fee (Note 3)	
18,290	
Legal and audit fees	
13,139	
Custodian fees (Note 2)	
6,542	
Amortization of organization costs (Note 7)	
6,021	
Trustees' fees and expenses (Note 2)	
4,695	
Transfer agent fees (Notes 2 and 4)	
4,673	
Distribution fee (Note 3)	
205	
Other	
20,565	
Fees waived by investment adviser and administrator (Note 2)	
(50,596)	

-----  
TOTAL EXPENSES

90,598

-----  
NET INVESTMENT INCOME

614,784

-----  
REALIZED AND UNREALIZED GAIN/(LOSS) ON INVESTMENTS (NOTES 1  
AND 5):

Net realized loss on investments during the period	
(136,860)	
Net unrealized appreciation of investments during the period	
1,724,224	

-----  
NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS

1,587,364

-----  
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS

\$2,202,148

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

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Smith Barney  
Intermediate Maturity  
California Municipals Fund

STATEMENT OF CHANGES IN NET ASSETS

<TABLE>

<CAPTION>

SIX MONTHS

ENDED	YEAR
5/31/95	ENDED
(UNAUDITED)	11/30/94

<S>

<C> <C>

Net investment income

\$ 614,784	\$ 1,505,492
------------	--------------

Net realized loss on investments during the period

(136,860)	(731,956)
-----------	-----------

Net unrealized appreciation/(depreciation) of  
investments during the period

1,724,224	(1,997,496)
-----------	-------------

Net increase/(decrease) in net assets resulting from  
operations

2,202,148	(1,223,960)
-----------	-------------

Distributions to shareholders from net investment  
income:

Class A (610,051)	(1,505,401)
----------------------	-------------

Class C (4,733)	(91)
--------------------	------

Distribution to shareholders from net realized gain on  
investments:

Class A --	(44,755)
---------------	----------

Net increase/(decrease) in net assets from Fund share

transactions (Note 6):	
Class A	
(3,515,489)	(4,380,596)
Class C	
192,152	45,000

-----

Net decrease in net assets  
(1,735,973) (7,109,803)

NET ASSETS:

Beginning of period  
25,404,079 32,513,882

-----

End of period  
\$23,668,106 \$25,404,079

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

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Smith Barney  
Intermediate Maturity  
California Municipals Fund

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FINANCIAL HIGHLIGHTS

FOR A CLASS A SHARE OUTSTANDING THROUGHOUT THE PERIOD.

<TABLE>  
<CAPTION>

SIX MONTHS

ENDED	YEAR	YEAR	PERIOD
5/31/95	ENDED	ENDED	ENDED
(UNAUDITED)	11/30/94*	11/30/93	11/30/92*

<S>  
<C>                    <C>                    <C>                    <C>

Net Asset Value, beginning of period  
\$ 7.80                    \$ 8.50                    \$ 8.04                    \$ 7.90

Income from investment operations:

Net investment income+

0.20                    0.39                    0.39                    0.35

Net realized and unrealized gain/(loss) on investments

0.52                    (0.69)                    0.46                    0.14

-----  
-----  
Total from investment operations

0.72                    (0.30)                    0.85                    0.49

Less distributions:

Distributions from net investment income

(0.20)                    (0.39)                    (0.39)                    (0.35)

Distributions from net realized capital gains

--                    (0.01)                    --                    --

-----  
-----  
Total distributions

(0.20)                    (0.40)                    (0.39)                    (0.35)

-----  
-----  
Net Asset Value, end of period

\$ 8.32                    \$ 7.80                    \$ 8.50                    \$ 8.04

-----  
-----  
Total return++

9.39%                    (3.65)%                    10.70%                    6.33%

-----  
-----  
Ratios to average net assets/supplemental data:

Net assets, end of period (in 000's)

\$23,416                    \$25,359                    \$32,514                    \$10,667

Ratio of operating expenses to average net assets+++

0.74%\*\*                    0.75%                    0.72%                    0.65%\*\*

Ratio of net investment income to average net assets

5.04%\*\*                    4.73%                    4.45%                    4.81%\*\*

Portfolio turnover rate

4%                    39%                    16%                    46%

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<FN>

\* The Fund commenced operations on December 31, 1991.

Those shares in existence

prior to November 7, 1994 were designated Class A shares.

\*\* Annualized.

+ Net investment income before waiver of fees by investment adviser and

administrator for the six months ended May 31, 1995 and year ended November

30, 1994 and waiver of fees and reimbursement of expenses by investment

adviser, sub-investment adviser, administrator, and/or  
 custodian and  
 distributor for the year ended November 30, 1993 and  
 period ended November 30,  
 1992 were \$0.19, \$0.35, \$0.32 and \$0.24, respectively.  
 ++ Total return represents aggregate total return for the  
 period indicated and  
 does not reflect any applicable sales charges.  
 +++ Annualized operating expense ratio before waiver of  
 fees by investment  
 adviser and administrator for the six months ended May  
 31, 1995 and year  
 ended November 30, 1994 and before waiver of fees and  
 reimbursement of  
 expenses by investment adviser, sub-investment adviser,  
 administrator and/or  
 custodian and distributor for the year ended November  
 30, 1993 and period  
 ended November 30, 1992 were 1.16%, 1.24%, 1.49% and  
 2.18%, respectively.

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

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Smith Barney  
 Intermediate Maturity  
 California Municipals Fund

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FINANCIAL HIGHLIGHTS

FOR A CLASS C SHARE OUTSTANDING THROUGHOUT EACH PERIOD.

<TABLE>

<CAPTION>

SIX MONTHS

ENDED	PERIOD
-------	--------

5/31/95	ENDED
---------	-------

(UNAUDITED)	11/30/94*
-------------	-----------

<S>

<C> <C>

Net Asset Value, beginning of period

\$ 7.80	\$ 7.76
---------	---------

-----  
-----  
Income from investment operations:

Net investment income+  
0.19            0.01

Net realized and unrealized gain on investments  
0.52            0.05#

-----  
-----  
Total from investment operations  
0.71            0.06

Less distributions:

Distributions from net investment income  
(0.19)            (0.02)

-----  
-----  
Total distributions  
(0.19)            (0.02)

-----  
-----  
Net Asset Value, end of period  
\$ 8.32            \$ 7.80

-----  
-----  
Total return++  
9.22%            0.72%

-----  
-----  
Ratios to average net assets/supplemental data:

Net assets, end of period (in 000's)  
\$ 252            \$ 45

Ratio of operating expenses to average net assets+++  
0.94%\*\*            0.95%\*\*

Ratio of net investment income to average net assets  
4.85%\*\*            4.53%\*\*

Portfolio turnover rate  
4%                39%

<FN>

\* The Fund commenced selling Class C shares on November 8, 1994.

\*\* Annualized.

+ Net investment income before waiver of fees by investment adviser and administrator for the six months ended May 31, 1995 and for the period ended November 30, 1994 were \$0.18 and \$0.01, respectively.

++ Total return represents aggregate total return for the period indicated and does not reflect any applicable sales charges.

+++ Annualized operating expense ratio before waiver of fees by investment adviser and administrator for the six months ended May 31, 1995 and for the period ended November 30, 1994 were 1.35% and 1.44%, respectively.

# The amount in this caption for each share outstanding throughout the period may not accord with the change in aggregate gains and losses in the portfolio securities for the period because of the timing of purchases and withdrawals of shares in relation to the fluctuating market values of the portfolio.

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS.

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Smith Barney  
Intermediate Maturity  
California Municipals Fund

NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

1. SIGNIFICANT ACCOUNTING POLICIES

Smith Barney Income Trust (the "Trust") was organized as a "Massachusetts business trust" under the laws of the Commonwealth of Massachusetts on October 17, 1991. The Trust is registered with the Securities and Exchange Commission



under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company. The Trust consists of the following four funds: Smith Barney Limited Maturity Treasury Fund, Smith Barney Limited Maturity Municipals Fund, Smith Barney Intermediate Maturity California Municipals Fund (the "Fund") and Smith Barney Intermediate Maturity New York Municipals Fund. Effective November 7, 1994, the Fund began offering Class C and Class Y shares and all existing shares were designated Class A shares. As of May 31, 1995, no Class Y shares have been sold. Class A shares are sold with a front-end sales charge. Class C shares may be subject to a contingent deferred sales charge ("CDSC") upon redemption. Class Y shares are available to investors making an initial investment of at least \$5 million and are not subject to any sales charges, distribution or service fees. All classes of shares have identical rights and privileges except with respect to the effect of the respective sales charges, the distribution and/or service fees borne by each class, expenses allocable exclusively to each class, voting rights on matters affecting a single class and the exchange privilege of each class. The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements.

**PORTFOLIO VALUATION:** Securities are valued at the close of trading on the New York Stock Exchange, Inc. by The Boston Company Advisors, Inc. ("Boston Advisors"), an indirect wholly owned subsidiary of Mellon Bank Corporation ("Mellon"), after consultation with an independent pricing service (the "Service") approved by the Board of Trustees. When, in the judgment of the Service, quoted bid prices for securities are readily available and are representative of the bid side of the market, these investments are valued at the mean between the quoted bid prices and asked prices.

Securities for which,  
in the judgment of the Service, there are no readily  
obtainable market  
quotations (which may constitute a majority of the portfolio  
securities) are  
carried at fair value as determined by the Service, based on  
methods which

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Smith Barney  
Intermediate Maturity  
California Municipals Fund

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NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

include consideration of: yields or prices of municipal  
securities of comparable  
quality, coupon, maturity and type; indications as to values  
from dealers; and  
general market conditions. Securities, not valued by the  
Service, for which  
market quotations are not readily available are valued at  
fair value as  
determined in good faith by or under the direction of the  
Board of Trustees.  
Short-term investments that mature in 60 days or less are  
valued at amortized  
cost.

SECURITIES TRANSACTIONS AND INVESTMENT INCOME: Securities  
transactions are  
recorded as of the trade date. Securities purchased or sold  
on a when-issued or  
delayed delivery basis may be settled a month or more after  
the trade date.  
Interest income is recorded on the accrual basis. Realized  
gains and losses from  
securities sold are recorded on the identified cost basis.  
Investment income and  
realized and unrealized gains and losses are allocated based  
upon the relative  
net assets of each class.

DIVIDENDS AND DISTRIBUTIONS TO SHAREHOLDERS: Dividends from  
net investment  
income are determined on a class level. It is the policy of  
the Fund to declare  
dividends from net investment income daily and to pay such

dividends on the last business day of the Smith Barney Inc. ("Smith Barney") statement month. Distributions of any net realized capital gains are declared and paid annually, after the end of the fiscal year. Additional distributions of net investment income and capital gains for the Fund may be made at the discretion of the Board of Trustees in order to avoid the application of a 4.00% nondeductible excise tax on certain undistributed amounts of net investment income and capital gains. To the extent net realized capital gains can be offset by capital losses and loss carryforwards, it is the policy of the Fund not to distribute such gains.

Income distributions and capital gain distributions on a Fund level are determined in accordance with income tax regulations which may differ from generally accepted accounting principles. These differences are primarily due to differing treatments of income and gains on various investment securities held by the Fund, timing differences and differing characterization of distributions made by the Fund as a whole.

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Smith Barney  
Intermediate Maturity  
California Municipals Fund

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NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

FEDERAL INCOME TAXES: The Trust intends that the Fund separately qualify as a regulated investment company, if such qualification is in the best interest of its shareholders, which distributes exempt-interest dividends, by complying with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and by distributing substantially all of its

earnings to its shareholders. Therefore, no Federal income tax provision is required.

## 2. INVESTMENT ADVISORY AGREEMENT, ADMINISTRATION AGREEMENT AND OTHER TRANSACTIONS

The Fund has entered into an investment advisory agreement (the "Advisory Agreement") with Smith Barney Mutual Funds Management Inc. ("SBMFM"). SBMFM (formerly known as Smith Barney Advisers, Inc.), is a wholly owned subsidiary of Smith Barney Holdings Inc. ("Holdings"), which in turn is a wholly owned subsidiary of Travelers Group Inc. Under the Advisory Agreement, the Fund pays a monthly fee at the annual rate of 0.35% of the value of its average daily net assets

The Fund has entered into an administration agreement (the "Administration Agreement") with SBMFM. Under the Administration Agreement, the Fund pays a monthly fee at the annual rate 0.20% of the value of its average daily net assets.

The Fund and SBMFM have also entered into a sub-administration agreement (the "Sub-Administration Agreement") with Boston Advisors. Under the Sub-Administration Agreement, SBMFM pays Boston Advisors a portion of its administration fee at a rate agreed upon from time to time between SBMFM and Boston Advisors.

From time to time, SBMFM may voluntarily waive a portion or all of its advisory and/or administrative fees otherwise payable to it. For the six months ended May 31, 1995, SBMFM voluntarily waived advisory fees of \$32,198 and administrative fees of \$18,398.

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Smith Barney  
Intermediate Maturity

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- -  
NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

For the six months ended May 31, 1995, Smith Barney Inc. ("Smith Barney") received \$12,346 from investors representing commissions (sales charges) on sales of Class A shares.

A CDSC is generally payable by Class C shareholders and may be payable by certain Class A shareholders in connection with the redemption of shares within one year after the date of purchase. For the six months ended May 31, 1995, \$4,048 in CDSCs were paid to Smith Barney by Class A shareholders.

No officer, director or employee of Smith Barney or any of its affiliates receives any compensation from the Trust for serving as a Trustee or officer of the Trust. The Trust pays each Trustee who is not an officer, director or employee of Smith Barney or any of its affiliates \$4,000 per annum plus \$500 per meeting attended and each Trustee emeritus who is not an officer, director or employee of Smith Barney or any of its affiliates \$2,000 per annum plus \$250 per meeting attended. The Trust reimburses each Trustee for travel and out-of-pocket expenses incurred in attending such meetings.

Boston Safe Deposit and Trust Company, an indirect wholly owned subsidiary of Mellon, serves as the Trust's custodian. The Shareholder Services Group Inc., a subsidiary of First Data Corporation, serves as the Trust's transfer agent.

### 3. DISTRIBUTION PLAN

Smith Barney acts as distributor of the Fund's shares pursuant to a distribution agreement with the Trust and sells shares of the Fund through Smith Barney or its affiliates.

Pursuant to Rule 12b-1 under the 1940 Act, the Trust has adopted a service and distribution plan (the "Plan"). Under this Plan, the Fund compensates Smith Barney for servicing shareholder accounts for Class A and Class C shareholders, and covers expenses incurred in distributing Class C shares. Smith Barney is paid an annual service fee with respect to Class A and

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Smith Barney  
Intermediate Maturity  
California Municipals Fund

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NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

Class C shares of the Fund at the annual rate of 0.15% of the value of the average daily net assets of each respective class of shares. Smith Barney is also paid an annual distribution fee with respect to Class C shares at the annual rate of 0.20% of the value of the average daily net assets of that class.

For the six months ended May 31, 1995, the Fund incurred \$18,137 and \$153 in service fees for Class A and Class C shares, respectively. For the six months ended May 31, 1995, the Fund incurred \$205 in distribution fees for Class C shares.

Under its terms, the Plan shall remain in effect from year to year, provided that such continuance is approved annually by vote of the Trust's Trustees, including a majority of those Trustees who are not "interested persons" of the Trust and who have no direct or indirect financial interest in the operation of the Plan.

4. EXPENSE ALLOCATION

Expenses of the Fund not directly attributable to the

operations of any class of shares are prorated among the classes based upon the relative net assets of each class. Operating expenses directly attributable to a class of shares are charged to that class' operations. In addition to the above servicing and distribution fees, class specific operating expenses for the six months ended May 31, 1995 included transfer agent fees of \$4,636 and \$37 for Class A and Class C shares, respectively.

## 5. SECURITIES TRANSACTIONS

Cost of purchases and proceeds from sales of securities, excluding short-term investments, for the six months ended May 31, 1995 were \$937,239 and \$3,585,161, respectively.

At May 31, 1995, aggregate gross unrealized appreciation for all securities in which there was an excess of value over tax cost was \$621,400, and aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value was \$112,210.

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Smith Barney  
Intermediate Maturity  
California Municipals Fund

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NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

## 6. SHARES OF BENEFICIAL INTEREST

The Trust may issue an unlimited number of shares of beneficial interest with a \$.001 par value. Changes in shares of beneficial interest in the Fund were as follows:

<TABLE>

<CAPTION>

ENDED	YEAR ENDED	SIX MONTHS
		5/31/95

11/30/94\*

CLASS A SHARES:

Amount	Shares	Amount	Shares	
<S>			<C>	<C>
<C>	<C>			

---

Sold			140,297	\$
1,123,479	1,242,342	\$ 10,299,195		

Issued as reinvestment of dividends			54,036	
433,070	146,296	1,207,127		

Redeemed			(633,174)	
(5,072,038)	(1,962,629)	(15,886,918)		

---

Net decrease			(438,841)	
\$ (3,515,489)	(573,991)	\$ (4,380,596)		

<CAPTION>

SIX MONTHS

ENDED	PERIOD ENDED	
		5/31/95

11/30/94\*

CLASS C SHARES:

Amount	Shares	Amount	Shares	
<S>			<C>	<C>
<C>	<C>			

---

Sold			24,205	\$
190,144	5,799	\$ 45,000		

Issued as reinvestment of dividends			251	
2,008	146,296	1,207,127		

---

Net increase			24,456	\$
192,152	5,799	\$ 45,000		

<FN>

\* The Fund began offering Class C and Class Y shares on November 7, 1994. Those shares in existence prior to November 7, 1994 were



designated Class A shares.

</TABLE>

As of November 30, 1994, no Class Y shares had been sold.

#### 7. ORGANIZATION COSTS

The Fund bears all costs in connection with its organization including the fees and expenses of registering and qualifying its shares for distribution under Federal and state securities regulations. All such costs are being amortized on the straight-line method over a period of five years from the commencement of operations of the Fund. In the event that any of the initial shares of the Fund owned by Smith Barney are redeemed during such amortization period, the Fund will be reimbursed for any unamortized organization costs in the same proportion as the number of shares redeemed bears to the number of initial shares held at the time of redemption.

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Smith Barney  
Intermediate Maturity  
California Municipals Fund

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NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

#### 8. CONCENTRATION OF CREDIT

The Fund primarily invests in debt obligations issued by the State of California, its political subdivisions, agencies and public authorities to obtain funds for various public purposes. The Fund is more susceptible to factors adversely affecting issuers of California municipal securities than is a municipal bond fund that is not concentrated in these issuers to the same extent.

9. CAPITAL LOSS CARRYFORWARD

As of November 30, 1994, the Fund had available for Federal tax purposes an unused capital loss carryforward of \$557,124 expiring in the year 2002.

10. ORANGE COUNTY HOLDINGS

At May 31, 1995, approximately 4% of the Fund's portfolio was invested in securities issued by various agencies located within Orange County, California.

However, none of these holdings are direct obligations of the county itself, and more than half are either insured (American Municipal Bond Assurance

Corporation, Municipal Bond Investor Assurance or Federal Guaranty Insurance Corporation) or backed by guaranteed investment contracts.

The Fund believes that the bankruptcy proceedings entered into by the County will not have a material impact on the ability of these issuers to make scheduled interest and principal payments and therefore will have little, if any, effect on the Fund.

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Smith Barney  
Intermediate Maturity  
California Municipals Fund

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- - - - -

PARTICIPANTS

DISTRIBUTOR

Smith Barney Inc.  
388 Greenwich Street  
New York, New York 10013

INVESTMENT ADVISER AND  
ADMINISTRATOR

Smith Barney Mutual Funds  
Management Inc.  
388 Greenwich Street  
New York, New York 10013

SUB-INVESTMENT ADVISOR

The Boston Company Advisors, Inc.  
One Boston Place  
Boston, Massachusetts 02108

COUNSEL

Willkie Farr & Gallagher  
153 East 53rd Street  
New York, New York 10022

TRANSFER AGENT

The Shareholder Services Group, Inc.  
Exchange Place  
Boston, Massachusetts 02109

CUSTODIAN

Boston Safe Deposit and  
Trust Company  
One Boston Place  
Boston, Massachusetts 02108

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Smith Barney  
Intermediate Maturity  
California Municipals Fund

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GLOSSARY OF COMMONLY USED MUTUAL FUND TERMS

CAPITAL GAIN (OR LOSS) This is the increase (or decrease) in the market value (price) of a security in your portfolio. If a stock or bond appreciates in price, there is a capital gain; if it depreciates there is a capital loss. A capital gain or loss is "realized" upon the sale of a security; if net capital gains exceed net capital losses, there may be a capital gain distribution to shareholders.

CDSC (CONTINGENT DEFERRED SALES CHARGE) One kind of back-end load, a CDSC may be

imposed if shares are redeemed during the first few years of ownership. The CDSC may be expressed as a percentage of either the original purchase price or the redemption proceeds. Most CDSCs decline over time, and some will not be charged if shares are redeemed after a certain period of time.

**DISTRIBUTION RATE** This is the rate at which a mutual fund pays out (or distributes) interest, dividends and realized capital gains to shareholders. A fund's distribution rate is usually expressed as an annualized percent of the fund's offering price.

**DIVIDEND** This is income generated by securities in a portfolio and distributed after expenses to shareholders.

**FRONT-END SALES CHARGE** This is the sales charge applied to an investment at the time of initial purchase.

**NET ASSET VALUE (NAV)** Net asset value is the total market value of all securities held by a fund, minus any liabilities, divided by the number of shares outstanding. It is the value of a single share of a mutual fund on a given day. The total value of your investment would be the NAV multiplied by the number of shares you own.

**SEC YIELD** This standardized calculation of a mutual fund's yield is based on a formula developed by the Securities and Exchange Commission (SEC) to allow funds to be compared on an equal basis. It is an annualized yield based on the portfolio's potential earnings from dividends, interest and yield to maturity of its holdings, and it reflects the payments of all portfolio expenses for the most recent 30-day period. Mutual funds are required to use this figure when stating yield.

**TOTAL RETURN** Total return measures a fund's performance, taking into account the combination of dividends paid and the gain or loss in

the value of the securities held in the portfolio. It may be expressed on an AVERAGE ANNUAL basis or CUMULATIVE basis (total change over a given period). In addition, total return may be expressed with or without the effects of sales charges or the reinvestment of dividends and capital gains.

Whenever a fund reports any type of performance, it must also report the average annual total return according to the standardized calculation developed by the SEC. The SEC AVERAGE ANNUAL TOTAL RETURN calculation includes the effects of all fees and sales charges and assumes the reinvestment of all dividends and capital gains.

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INTERMEDIATE  
MATURITY  
CALIFORNIA  
MUNICIPALS  
FUND

TRUSTEES  
Herbert Barg  
Alfred J. Bianchetti  
Martin Brody  
Dwight B. Crane  
Burt N. Dorsett  
Elliot S. Jaffe  
Stephen E. Kaufman  
Joseph J. McCann  
Heath B. McLendon  
Cornelius C. Rose, Jr.

OFFICERS  
Heath B. McLendon  
CHAIRMAN OF THE BOARD  
AND INVESTMENT OFFICER

Jessica M. Bibliowicz  
PRESIDENT

Lewis E. Daidone  
SENIOR VICE PRESIDENT  
AND TREASURER

Joseph P. Deane  
VICE PRESIDENT AND  
INVESTMENT OFFICER

Christina T. Sydor  
SECRETARY

[LOGO]

THIS REPORT IS SUBMITTED FOR THE GENERAL INFORMATION OF THE  
SHAREHOLDERS OF  
SMITH BARNEY INTERMEDIATE MATURITY CALIFORNIA MUNICIPALS  
FUND. IT IS NOT  
AUTHORIZED FOR DISTRIBUTION TO PROSPECTIVE INVESTORS UNLESS  
ACCOMPANIED OR  
PRECEDED BY AN EFFECTIVE PROSPECTUS FOR THE FUND, WHICH  
CONTAINS INFORMATION  
CONCERNING THE FUND'S INVESTMENT POLICIES AND EXPENSES AS  
WELL AS OTHER  
PERTINENT INFORMATION.

SMITH BARNEY  
MUTUAL FUNDS  
388 Greenwich Street  
New York, New York 10013

Fund 165, 480, 496

[LOGO]

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