JACK IN THE BOX INC /NEW/
Form 10-Q
May 19, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q
QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended April 17, 2011
Commission File Number: 1-9390
JACK IN THE BOX INC.
(Exact name of registrant as specified in its charter)

DELAWARE	95-2698708
(State of Incorporation)	(I.R.S. Employer Identification No.)
9330 BALBOA AVENUE, SAN DIEGO, CA	92123
(Address of principal executive offices)	(Zip Code)

Registrant s telephone number, including area code (858) 571-2121

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes þ No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes þ No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer þ	Accelerated filer o	Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes o No þ

As of the close of business May 13, 2011, 49,697,537 shares of the registrant s common stock were outstanding.

JACK IN THE BOX INC. AND SUBSIDIARIES
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PART I. FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

JACK IN THE BOX INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(Dollars in thousands, except per share data)

(Unaudited)

	April 17, 2011	October 3, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	$ 14,712	$ 10,607
Accounts and other receivables, net	60,061	81,150
Inventories	36,830	37,391
Prepaid expenses	30,223	36,100
Deferred income taxes	46,328	46,185
Assets held for sale	51,349	59,897
Other current assets	3,882	3,592
Total current assets	243,385	274,922
Property and equipment, at cost	1,551,432	1,562,729
Less accumulated depreciation and amortization	(685,614)	(684,690)
Property and equipment, net	865,818	878,039
Other assets, net	293,992	254,131
	$ 1,403,195	$ 1,407,092
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities:		
Current maturities of long-term debt	$ 18,695	$ 13,781
Accounts payable	68,900	101,216
Accrued liabilities	173,471	168,186
Total current liabilities	261,066	283,183
Long-term debt, net of current maturities	388,672	352,630
Other long-term liabilities	255,377	250,440
Deferred income taxes	41	376
Stockholders equity:		
Preferred stock $0.01 par value, 15,000,000 shares authorized, none issued		
Common stock $0.01 par value, 175,000,000 shares authorized, 74,812,157 and 74,461,632 issued, respectively	748	745
Capital in excess of par value	196,668	187,544
Retained earnings	1,021,623	982,420
Accumulated other comprehensive loss, net	(74,541)	(78,787)

Treasury stock, at cost, 25,116,010 and 21,640,400 shares, respectively	(646,459)	(571,459)
Total stockholders equity	498,039	520,463
	$ 1,403,195	$ 1,407,092

See accompanying notes to condensed consolidated financial statements.

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JACK IN THE BOX INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(In thousands, except per share data)
(Unaudited)

	Quarter		**Year-to-Date**	
	April 17, 2011	**April 11, 2010**	**April 17, 2011**	**April 11, 2010**
Revenues:				
Company restaurant sales	$ 321,242	$ 388,301	$ 758,152	$ 900,395
Distribution sales	121,362	90,762	268,049	195,380
Franchise revenues	62,531	50,643	143,652	115,249
	505,135	529,706	1,169,853	1,211,024
Operating costs and expenses, net:				
Company restaurant costs:				
Food and packaging	107,275	122,316	249,130	284,643
Payroll and employee benefits	97,998	117,133	232,514	273,485
Occupancy and other	76,393	89,888	181,802	210,041
Total company restaurant costs	281,666	329,337	663,446	768,169
Distribution costs	121,837	90,910	269,178	196,279
Franchise costs	31,328	23,102	69,680	52,512
Selling, general and administrative expenses	52,619	54,742	119,504	125,419
Impairment and other charges, net	4,494	3,452	8,090	6,131
Gains on the sale of company-operated restaurants	(878)	(2,987)	(28,750)	(12,367)
	491,066	498,556	1,101,148	1,136,143
Earnings from operations	14,069	31,150	68,705	74,881
Interest expense, net	3,945	3,873	8,556	9,308
Earnings before income taxes	10,124	27,277	60,149	65,573
Income taxes	3,322	9,597	20,946	23,645
Net earnings	$ 6,802	$ 17,680	$ 39,203	$ 41,928
Net earnings per share:				
Basic	$ 0.14	$ 0.32	$ 0.76	$ 0.75
Diluted	$ 0.13	$ 0.32	$ 0.75	$ 0.74
Weighted-average shares outstanding:				

Basic	50,183	54,972	51,265	55,711
Diluted	50,984	55,797	52,069	56,499

See accompanying notes to condensed consolidated financial statements.

JACK IN THE BOX INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in thousands)
(Unaudited)

	Year-to-Date	
	April 17, 2011	April 11, 2010
Cash flows from operating activities:		
Net earnings	$ 39,203	$ 41,928
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	51,817	54,152
Deferred finance cost amortization	1,350	724
Deferred income taxes	(4,965)	(3,267)
Share-based compensation expense	4,972	5,500
Pension and postretirement expense	12,840	15,661
Gains on cash surrender value of company-owned life insurance	(7,841)	(6,026)
Gains on the sale of company-operated restaurants	(28,750)	(12,367)
Losses on the disposition of property and equipment, net	5,424	2,360
Impairment charges	1,167	1,503
Changes in assets and liabilities, excluding acquisitions and dispositions:		
Accounts and other receivables	(2,359)	(11,811)
Inventories	561	(93)
Prepaid expenses and other current assets	6,848	(19,833)
Accounts payable	(2,851)	(3,309)
Pension and postretirement contributions	(2,472)	(11,824)
Other	6,900	(26,652)
Cash flows provided by operating activities from continuing operations	81,844	26,646
Cash flows used in operating activities from discontinued operations		(2,172)
Cash flows provided by operating activities	81,844	24,474
Cash flows from investing activities:		
Purchases of property and equipment	(74,129)	(42,632)
Proceeds from the sale of company-operated restaurants	49,588	19,093
Proceeds from assets held for sale and leaseback, net	6,669	8,889
Collections on notes receivable	19,062	7,675
Acquisition of franchise-operated restaurants	(21,477)	
Other	(6,618)	1,031
Cash flows used in investing activities	(26,905)	(5,944)
Cash flows from financing activities:		
Borrowings on revolving credit facility	396,000	313,000
Repayments of borrowings on revolving credit facility	(349,000)	(293,000)

Principal repayments on debt	(5,731)	(46,031)
Debt issuance costs	(989)	
Proceeds from issuance of common stock	3,376	2,445
Repurchases of common stock	(75,000)	(50,000)
Excess tax benefits from share-based compensation arrangements	640	690
Change in book overdraft	(20,130)	13,825
Cash flows used in financing activities	(50,834)	(59,071)
Net increase (decrease) in cash and cash equivalents	4,105	(40,541)
Cash and cash equivalents at beginning of period	10,607	53,002
Cash and cash equivalents at end of period	$ 14,712	$ 12,461

See accompanying notes to condensed consolidated financial statements.

JACK IN THE BOX INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. BASIS OF PRESENTATION

Nature of operations Founded in 1951, Jack in the Box Inc. (the Company) operates and franchises Jack in the Box® quick-service restaurants and Qdoba Mexican Grill® (Qdoba) fast-casual restaurants in 45 states. The following table summarizes the number of restaurants:

	April 17, 2011	**April 11, 2010**
Jack in the Box:		
Company-operated	848	1,153
Franchised	1,372	1,080
Total system	2,220	2,233
Qdoba:		
Company-operated	221	160
Franchised	328	345
Total system	549	505

References to the Company throughout these Notes to Condensed Consolidated Financial Statements are made using the first person notations of we, us and our.

Basis of presentation The accompanying condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (GAAP) and the rules and regulations of the Securities and Exchange Commission (SEC). In our opinion, all adjustments considered necessary for a fair presentation of financial condition and results of operations for these interim periods have been included. Operating results for one interim period are not necessarily indicative of the results for any other interim period or for the full year.

These financial statements should be read in conjunction with the consolidated financial statements and related notes contained in our Annual Report on Form 10-K for the fiscal year ended October 3, 2010. The accounting policies used in preparing these condensed consolidated financial statements are the same as those described in our Form 10-K, with the exception of new accounting pronouncements adopted in fiscal 2011.

Principles of consolidation The condensed consolidated financial statements include the accounts of the Company, its wholly-owned subsidiaries and the accounts of any variable interest entities where we are deemed the primary beneficiary. All significant intercompany transactions are eliminated. For information related to the variable interest entity included in our condensed consolidated financial statements, refer to Note 11, *Variable Interest Entities*.

Reclassifications and adjustments Certain prior year amounts in the condensed consolidated financial statements have been reclassified to conform to the fiscal 2011 presentation. At the end of 2010, we separated impairment and other charges, net from selling, general and administrative expenses in our consolidated statements of earnings. We believe the additional detail provided is useful when analyzing our results of operations.

Fiscal year Our fiscal year is 52 or 53 weeks ending the Sunday closest to September 30. Fiscal year 2011 includes 52 weeks while 2010 includes 53 weeks. Our first quarter includes 16 weeks and all other quarters include 12 weeks, with the exception of the fourth quarter of fiscal 2010, which includes 13 weeks. All comparisons between 2011 and 2010 refer to the twelve weeks (quarter) and twenty-eight weeks (year-to-date) ended April 17, 2011 and April 11, 2010, respectively, unless otherwise indicated.

Use of estimates In preparing the condensed consolidated financial statements in conformity with U.S. GAAP, management is required to make certain assumptions and estimates that affect reported amounts of assets, liabilities, revenues, expenses and the disclosure of contingencies. In making these assumptions and estimates, management may from time to time seek advice and consider information provided by actuaries and other experts in a particular area. Actual amounts could differ materially from these estimates.

JACK IN THE BOX INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

2. SUMMARY OF REFRANCHISINGS, FRANCHISEE DEVELOPMENT AND ACQUISITIONS

Refranchisings and franchisee development The following is a summary of the number of restaurants sold and developed by franchisees and the related gains and fees recognized (*dollars in thousands*):

	Quarter		Year-to-Date	
	April 17, 2011	**April 11, 2010**	**April 17, 2011**	**April 11, 2010**
Number of restaurants sold to franchisees	26	30	114	53
Number of new restaurants opened by franchisees	11	7	28	19
Initial franchise fees	$ 1,640	$ 1,562	$ 5,879	$ 2,975
Cash	$ 5,505	$ 7,518	$ 49,588	$ 19,093
Notes receivable				2,730
Total proceeds from the sale of company-operated restaurants	5,505	7,518	49,588	21,823
Net assets sold (primarily property and equipment)	(4,520)	(4,375)	(19,872)	(9,012)
Goodwill related to the sale of company-operated restaurants	(107)	(156)	(966)	(444)
Gains on the sale of company-operated restaurants	$ 878	$ 2,987	$ 28,750	$ 12,367

Franchise acquisitions During the second quarter, we acquired 20 Qdoba franchise-operated restaurants in the Indianapolis market and two in Northern Florida, consistent with our strategy to opportunistically acquire franchise markets where we believe there is continued opportunity for restaurant development. The purchase price allocations were based on fair value estimates determined using significant unobservable inputs (Level 3). The following table provides detail of the allocations (*in thousands*):

Property and equipment	$ 3,877
Reacquired franchise rights	232
Liabilities assumed	(71)
Goodwill	17,439
Total	$ 21,477

The goodwill recorded relates primarily to the Indianapolis transaction and is largely attributable to the growth potential of the market.

3. FAIR VALUE MEASUREMENTS

Financial assets and liabilities The following table presents the financial assets and liabilities measured at fair value on a recurring basis as of April 17, 2011 (*in thousands*):

	Fair Value Measurements	
	Quoted Prices in	**Significant**

	Total	Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Interest rate swaps (Note 4) (1)	$ 457	$	$ 457	$
Non-qualified deferred compensation plan (2)	(37,803)	(37,803)		
Total assets (liabilities) at fair value	$ (37,346)	$ (37,803)	$ 457	$

(1) We entered into interest rate swaps to reduce our exposure to rising interest rates on our variable debt. The fair value of our interest rate swaps is based upon valuation models as reported by our counterparties.

(2) We maintain an unfunded defined contribution plan for key executives and other members of management excluded from participation in our qualified savings plan. The fair value of this obligation is based on the closing market prices of the participants elected investments.

The fair values of each of our long-term debt instruments are based on quoted market values, where available, or on the amount of future cash flows associated with each instrument, discounted using our current borrowing rate for similar debt instruments of comparable maturity. The estimated fair values of our term loan and capital lease obligations approximated their carrying values as of April 17, 2011.

JACK IN THE BOX INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Non-financial assets and liabilities The Company s non-financial instruments, which primarily consist of property and equipment, goodwill and intangible assets, are reported at carrying value and are not required to be measured at fair value on a recurring basis. However, on a periodic basis (at least annually for goodwill and semi-annually for property and equipment) or whenever events or changes in circumstances indicate that their carrying value may not be recoverable, non-financial instruments are assessed for impairment. If applicable, the carrying values of the assets are written down to fair value. In connection with our impairment review during fiscal 2011, no material fair value adjustments were required. Refer to Note 5, *Impairment, Disposition of Property and Equipment, and Restaurant Closing Costs,* for additional information regarding impairment charges.

4. DERIVATIVE INSTRUMENTS

Objectives and strategies We are exposed to interest rate volatility with regard to our variable rate debt. To reduce our exposure to rising interest rates, in August 2010, we entered into two interest rate swap agreements that will effectively convert $100.0 million of our variable rate term loan borrowings to a fixed-rate basis beginning September 2011 through September 2014. Previously, we held two interest rate swaps that effectively converted $200.0 million of our variable rate term loan borrowings to a fixed-rate basis from March 2007 to April 2010. These agreements have been designated as cash flow hedges under the terms of the Financial Accounting Standards Board (FASB) authoritative guidance for derivatives and hedging. To the extent that they are effective in offsetting the variability of the hedged cash flows, changes in the fair value of the derivatives are not included in net earnings but are included in other comprehensive income (OCI). These changes in fair value are subsequently reclassified into net earnings as a component of interest expense as the hedged interest payments are made on our term debt.

We are also exposed to the impact of utility price fluctuations related to unpredictable factors such as weather and various other market conditions outside our control. From time to time, we enter into futures and option contracts to manage these fluctuations. These contracts have not been designated as hedging instruments under the FASB authoritative guidance for derivative instruments and hedging.

Financial position The following derivative instruments were outstanding as of the end of each period *(in thousands):*

	April 17, 2011		October 3, 2010	
	Balance Sheet Location	**Fair Value**	**Balance Sheet Location**	**Fair Value**
Derivatives designated as hedging instruments:				
Interest rate swaps (Note 3)	Other current assets	$ 457	Accrued liabilities	$ (733)
Total derivatives		$ 457		$ (733)

Financial performance The following is a summary of the gains or losses recognized on our interest rate swap derivative instruments (Note 9) designated as cash flow hedges *(in thousands):*

Location of	Quarter		Year-to-Date	
Loss in Income	**April 17, 2011**	**April 11, 2010**	**April 17, 2011**	**April 11, 2010**

Gain/(loss) recognized in OCI	N/A	$ (247)	$ (2)	$ 1,190	$ (104)
Gain/(loss) reclassified from accumulated OCI into income	Interest expense, net	$	$ (1,871)	$	$ (4,719)

During 2011 and 2010, our interest rate swaps had no hedge ineffectiveness.

The following is a summary of the gains or losses recognized in income related to our derivative instruments not designated as hedging instruments *(in thousands):*

	Location of Loss in Income	**Quarter**		**Year-to-Date**	
		April 17, 2011	**April 11, 2010**	**April 17, 2011**	**April 11, 2010**
Natural gas contracts	Occupancy and other	$	$ (40)	$	$ (99)

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JACK IN THE BOX INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

5. IMPAIRMENT, DISPOSITION OF PROPERTY AND EQUIPMENT, AND RESTAURANT CLOSING COSTS

Impairment When events and circumstances indicate that our long-lived assets might be impaired and their carrying amount is greater than the undiscounted cash flows we expect to generate from such assets, we recognize an impairment loss as the amount by which the carrying value exceeds the fair value of the assets. We typically estimate fair value based on the estimated discounted cash flows of the related asset using marketplace participant assumptions. Impairment charges were not material in any period and primarily relate to certain excess Jack in the Box property and restaurants we have closed or plan to close. Additionally, these charges include the write-down of one underperforming Jack in the Box restaurant in the first quarter of 2010.

Disposition of property and equipment We also recognize accelerated depreciation and other costs on the disposition of property and equipment. When we decide to dispose of a long-lived asset, depreciable lives are adjusted based on the estimated disposal date, and accelerated depreciation is recorded. Other disposal costs primarily relate to charges from our ongoing re-image program and normal capital maintenance activities.

The following impairment and disposal costs are included in impairment and other charges, net in the accompanying condensed consolidated statements of earnings (*in thousands*):

	Quarter		Year-to-Date	
	April 17, 2011	**April 11, 2010**	**April 17, 2011**	**April 11, 2010**
Impairment charges	$ 878	$ 895	$ 1,167	$ 1,503
Losses on the disposition of property and equipment, net	$ 2,628	$ 1,178	$ 5,424	$ 2,360

Restaurant closing costs consist of future lease commitments, net of anticipated sublease rentals and expected ancillary costs, and are included in impairment and other charges, net. Total accrued restaurant closing costs, included in accrued liabilities and other long-term liabilities, changed as follows (*in thousands*):

	Quarter		Year-to-Date	
	April 17, 2011	**April 11, 2010**	**April 17, 2011**	**April 11, 2010**
Balance at beginning of period	$ 23,938	$ 4,358	$ 25,020	$ 4,234
Additions and adjustments	(21)	1,204	784	1,624
Cash payments	(1,754)	(332)	(3,641)	(628)
Balance at end of period	$ 22,163	$ 5,230	$ 22,163	$ 5,230

Additions and adjustments primarily relate to revisions to sublease and cost assumptions and, in 2010, the closure of two Jack in the Box restaurants in the quarter and three year-to-date.

6. INCOME TAXES

The income tax provisions reflect year-to-date effective tax rates of 34.8% in 2011 and 36.1% in 2010. The final annual tax rate cannot be determined until the end of the fiscal year; therefore, the actual 2011 rate could differ from our current estimates.

At April 17, 2011, our gross unrecognized tax benefits associated with uncertain income tax positions were $0.6 million, which if recognized would favorably impact the effective income tax rate. The gross unrecognized tax benefits remain unchanged from the beginning of the fiscal year. It is reasonably possible that changes to the gross unrecognized tax benefits will be required within the next twelve months. These changes relate to the possible settlement of state tax audits.

The major jurisdictions in which the Company files income tax returns include the United States and states in which we operate that impose an income tax. The federal statutes of limitations have not expired for tax years 2006 and forward. The statutes of limitations for California and Texas, which constitute the Company s major state tax jurisdictions, have not expired for tax years 2000 and 2006, respectively, and forward. Generally, the statutes of limitations for the other state jurisdictions have not expired for tax years 2006 and forward.

JACK IN THE BOX INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

7. RETIREMENT PLANS

Defined benefit pension plans We sponsor a defined benefit pension plan covering substantially all full-time employees. In September 2010, the Board of Directors approved changes to this plan whereby participants will no longer accrue benefits effective December 31, 2015, and the plan was closed to new participants effective January 1, 2011. This change was accounted for as a plan curtailment in accordance with the authoritative guidance issued by the FASB. We also sponsor an unfunded supplemental executive retirement plan which provides certain employees additional pension benefits and which was closed to new participants effective January 1, 2007. Benefits under both plans are based on the employees years of service and compensation over defined periods of employment.

Postretirement healthcare plans We sponsor healthcare plans that provide postretirement medical benefits to certain employees who meet minimum age and service requirements. The plans are contributory, with retiree contributions adjusted annually, and contain other cost-sharing features such as deductibles and coinsurance.

Net periodic benefit cost The components of net periodic benefit cost were as follows in each period (*in thousands*):

	Quarter		**Year-to-Date**	
	April 17, 2011	**April 11, 2010**	**April 17, 2011**	**April 11, 2010**
Defined benefit pension plans:				
Service cost	$ 2,490	$ 2,897	$ 5,809	$ 6,760
Interest cost	4,980	4,778	11,620	11,150
Expected return on plan assets	(4,784)	(4,087)	(11,163)	(9,538)
Actuarial loss	2,266	2,575	5,289	6,008
Amortization of unrecognized prior service cost	113	136	263	317
Net periodic benefit cost	$ 5,065	$ 6,299	$ 11,818	$ 14,697
Postretirement healthcare plans:				
Service cost	$ 18	$ 24	$ 42	$ 57
Interest cost	366	331	854	773
Actuarial loss	47	43	109	100
Amortization of unrecognized prior service cost	7	15	17	34
Net periodic benefit cost	$ 438	$ 413	$ 1,022	$ 964

Future cash flows Our policy is to fund our plans at or above the minimum required by law. Details regarding 2011 contributions are as follows (*in thousands*):

	Defined Benefit Pension Plans	**Postretirement Healthcare Plans**
Net year-to-date contributions	$ 1,560	$ 912

Remaining estimated net contributions during fiscal 2011	$	1,400	$	300

We will continue to evaluate contributions to our defined benefit pension plans based on changes in pension assets as a result of asset performance in the current market and economic environment.

JACK IN THE BOX INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

8. SHARE-BASED EMPLOYEE COMPENSATION

We offer share-based compensation plans to attract, retain and motivate key officers, employees and non-employee directors to work toward the financial success of the Company. In fiscal 2011, we granted share-based compensation awards in each period as follows:

	Quarter		Year-to-Date	
	Shares	Weighted-Average Grant Date Fair Value	Shares	Weighted-Average Grant Date Fair Value
Stock options		$	444,890	$ 8.25
Performance-vested stock awards		$	220,343	$ 21.74
Nonvested stock units	7,622	$ 24.02	68,784	$ 20.49

The components of share-based compensation expense recognized in each period are as follows (*in thousands*):

	Quarter		Year-to-Date	
	April 17, 2011	April 11, 2010	April 17, 2011	April 11, 2010
Stock options	$ 1,174	$ 1,667	$ 2,686	$ 3,743
Performance-vested stock awards	471	341	1,209	712
Nonvested stock awards	140	440	326	643
Nonvested stock units	348	59	578	123
Deferred compensation for non-management directors	173	188	173	279
Total share-based compensation expense	$ 2,306	$ 2,695	$ 4,972	$ 5,500

9. STOCKHOLDERS EQUITY

Preferred stock We have 15,000,000 shares of preferred stock authorized for issuance at a par value of $0.01 per share. No preferred shares have been issued.

Repurchases of common stock In November 2010, the Board of Directors approved a program to repurchase up to $100.0 million in shares of our common stock expiring November 2011. During 2011, we repurchased approximately 3.5 million shares at an aggregate cost of $75.0 million. As of April 17, 2011, the aggregate remaining amount authorized for repurchase was $25.0 million. In May 2011, the Board of Directors authorized a new program to repurchase up to $100.0 million in shares of our common stock expiring November 2012.

Comprehensive income Our total comprehensive income, net of taxes, was as follows (*in thousands*):

	Quarter		Year-to-Date	
	April 17, 2011	April 11, 2010	April 17, 2011	April 11, 2010
Net earnings	$ 6,802	$ 17,680	$ 39,203	$ 41,928
Cash flow hedges:				

Net change in fair value of derivatives	(247)	(2)	1,190	(104)
Net loss reclassified to earnings		1,871		4,719
Total	(247)	1,869	1,190	4,615
Tax effect	95	(713)	(454)	(1,761)
	(152)	1,156	736	2,854
Unrecognized periodic benefit costs:				
Actuarial losses and prior service cost reclassified to earnings	2,433	2,769	5,678	6,459
Tax effect	(929)	(1,056)	(2,168)	(2,465)
	1,504	1,713	3,510	3,994
Total comprehensive income	$ 8,154	$ 20,549	$ 43,449	$ 48,776

JACK IN THE BOX INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

The components of accumulated other comprehensive loss, net of taxes, were as follows at the end of each period (*in thousands*):

	April 17, 2011	October 3, 2010
Unrecognized periodic benefit costs, net of tax benefits of $46,211 and $48,379, respectively	$ (74,824)	$ (78,334)
Net unrealized gains (losses) related to cash flow hedges, net of tax benefit (expense) of ($174) and $280, respectively	283	(453)
Accumulated other comprehensive loss, net	$ (74,541)	$ (78,787)

10. AVERAGE SHARES OUTSTANDING

Our basic earnings per share calculations are computed based on the weighted-average number of common shares outstanding. Our diluted earnings per share calculations are computed based on the weighted-average number of common shares outstanding adjusted by the number of additional shares that would have been outstanding had the potentially dilutive common shares been issued. Potentially dilutive common shares include stock options, nonvested stock awards and units, non-management director stock equivalents and shares issuable under our employee stock purchase plan. Performance-vested stock awards are included in the weighted-average diluted shares outstanding each period if the performance criteria have been met at the end of the respective periods.

The following table reconciles basic weighted-average shares outstanding to diluted weighted-average shares outstanding (*in thousands*):

	Quarter		Year-to-Date	
	April 17, 2011	April 11, 2010	April 17, 2011	April 11, 2010
Weighted-average shares outstanding basic	50,183	54,972	51,265	55,711
Effect of potentially dilutive securities:				
Stock options	456	569	460	532
Nonvested stock awards and units	214	178	210	177
Performance-vested stock awards	131	78	134	79
Weighted-average shares outstanding diluted	50,984	55,797	52,069	56,499
Excluded from diluted weighted-average shares outstanding:				
Antidilutive	3,054	3,225	2,968	3,102
Performance conditions not satisfied at the end of the period	366	244	366	244

11. VARIABLE INTEREST ENTITIES

In January 2011, we formed an entity, Jack in the Box Franchise Finance, LLC (FFE), for the purpose of operating a franchisee lending program which will provide up to $100.0 million to assist franchisees in reimaging their restaurants. We are the sole equity investor in FFE. The $100.0 million lending program is comprised of a $20.0 million commitment from the Company in the form of a capital note and an $80.0 million Senior Secured

Revolving Securitization Facility (FFE Facility) entered into with a third party. The FFE Facility is a 12-month revolving loan and security agreement bearing a variable interest rate. As of April 17, 2011, we have contributed $8.0 million to FFE, $6.7 million of which has been used to assist franchisees in reimaging their restaurants, and FFE has not borrowed against its third party revolving credit facility. We expect to make additional contributions of $5.0 $10.0 million to FFE during the remainder of fiscal 2011.

We have determined that FFE is a variable interest entity (VIE) and that the Company is its primary beneficiary. The primary beneficiary of a VIE is an enterprise that has a controlling financial interest in the VIE. Controlling financial interest exists when an enterprise has both the power to direct the activities that most significantly impact the VIE s economic performance and the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE. We considered a variety of factors in identifying the primary beneficiary of FFE including, but not limited to, who holds the power to direct matters that most significantly impact FFE s economic performance (such as determining the underwriting standards and credit management policies), as well as what party has the obligation to absorb the losses of FFE. Based on these considerations, we have determined that the Company is the primary beneficiary and have reflected the entity in the accompanying condensed consolidated financial statements.

FFE s assets consolidated by the Company represent assets that can be used only to settle obligations of the consolidated VIE. Likewise, FFE s liabilities consolidated by the Company do not represent additional claims on

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the Company s general assets; rather they represent claims against the specific assets of FFE. The impact of FFE s liabilities and net loss were not material to the Company s condensed consolidated financial statements. The assets of FFE consisted of the following at April 17, 2011 (*in thousands*):

Cash	$ 192
Other current assets (1)	804
Other assets, net (1)	6,808
Total assets	$ 7,804

(1) Consists primarily of amounts due from franchisees and $1.0 million of deferred finance fees included in other assets, net.

The Company s maximum exposure to loss is equal to its outstanding contributions that are expected to range from $10.0 $20.0 million and represents estimated losses that would be incurred should all franchisees default on their loans without any consideration of recovery. To offset the credit risk associated with the Company s variable interest in FFE, the Company holds a security interest in the assets of FFE subordinate and junior to all other obligations of FFE.

12. LEGAL MATTERS

The Company is subject to normal and routine legal proceedings, including litigation. We have reserves for certain of these legal proceedings; however, the outcomes of such proceedings are subject to inherent uncertainties. Based on current information, including our reserves and insurance coverage, management believes that the ultimate liability from all pending legal proceedings, individually and in the aggregate, will not have a material adverse effect on the Company s operating results, financial position or liquidity.

13. SEGMENT REPORTING

Reflecting the information currently being used in managing the Company as a two-branded restaurant operations business, our segments comprise results related to system restaurant operations for our Jack in the Box and Qdoba brands. This segment reporting structure reflects the Company s current management structure, internal reporting method and financial information used in deciding how to allocate Company resources. Based upon certain quantitative thresholds, both operating segments are considered reportable segments.

We measure and evaluate our segments based on segment earnings from operations. Summarized financial information concerning our reportable segments is shown in the following table (*in thousands*):

	Quarter		**Year-to-Date**	
	April 17, 2011	**April 11, 2010**	**April 17, 2011**	**April 11, 2010**
Revenues by segment:				
Jack in the Box restaurant operations segment	$ 335,318	$ 403,361	$ 797,649	$ 934,610
Qdoba restaurant operations segment	48,455	35,583	104,155	81,034
Distribution operations	121,362	90,762	268,049	195,380
Consolidated revenues	$ 505,135	$ 529,706	$ 1,169,853	$ 1,211,024
Earnings from operations by segment:				
Jack in the Box restaurant operations segment	$ 12,973	$ 29,311	$ 67,175	$ 71,245
Qdoba restaurant operations segment	1,795	1,992	2,884	4,507

Distribution operations and other	(699)	(153)	(1,354)	(871)
Consolidated earnings from operations	$ 14,069	$ 31,150	$ 68,705	$ 74,881

Interest income and expense, income taxes and total assets are not reported for our segments, in accordance with our method of internal reporting.

JACK IN THE BOX INC. AND SUBSIDIARIES
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14. SUPPLEMENTAL CONSOLIDATED CASH FLOW INFORMATION

Additional information related to cash flows is as follows (*in thousands*):

	Year-to-Date	
	April 17, 2011	**April 11, 2010**
Cash paid during the year for:		
Interest, net of amounts capitalized	$ 7,068	$ 12,299
Income tax payments	$ 22,601	$ 46,305

15. SUPPLEMENTAL CONSOLIDATED BALANCE SHEET INFORMATION *(in thousands)*

	April 17, 2011	**October 3, 2010**
Other assets, net:		
Goodwill	$ 101,514	$ 85,041
Company-owned life insurance policies	84,137	76,296
Other	108,341	92,794
	$ 293,992	$ 254,131

16. FUTURE APPLICATION OF ACCOUNTING PRINCIPLES

Any accounting standards that have been issued by the FASB or other standards-setting bodies that do not require adoption until a future date are not expected to have a material impact on our consolidated financial statements upon adoption.

ITEM 2. MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL

All comparisons between 2011 and 2010 refer to the 12-week (quarter) and 28-week (year-to-date) periods ended April 17, 2011 and April 11, 2010, respectively, unless otherwise indicated.

For an understanding of the significant factors that influenced our performance during the quarterly periods ended April 17, 2011 and April 11, 2010, our Management s Discussion and Analysis of Financial Condition and Results of Operations (MD&A) should be read in conjunction with the Consolidated Financial Statements and related Notes included in this Quarterly Report and our Annual Report on Form 10-K for the fiscal year ended October 3, 2010.

Our MD&A consists of the following sections:

Overview a general description of our business and fiscal 2011 highlights.

Financial reporting a discussion of changes in presentation.

Results of operations an analysis of our consolidated statements of earnings for the periods presented in our condensed consolidated financial statements.

Liquidity and capital resources an analysis of our cash flows including capital expenditures, aggregate contractual obligations, share repurchase activity, known trends that may impact liquidity and the impact of inflation.

Discussion of critical accounting estimates a discussion of accounting policies that require critical judgments and estimates.

New accounting pronouncements a discussion of new accounting pronouncements, dates of implementation and impact on our consolidated financial position or results of operations, if any.

Cautionary statements regarding forward-looking statements a discussion of the risks and uncertainties that may cause our actual results to differ materially from any forward-looking statements made by management.

OVERVIEW

As of April 17, 2011, we operated and franchised 2,220 Jack in the Box quick-service restaurants (QSR), primarily in the western and southern United States, and 549 Qdoba Mexican Grill (Qdoba) fast-casual restaurants throughout the United States.

Our primary source of revenue is from retail sales at Jack in the Box and Qdoba company-operated restaurants. We also derive revenue from Jack in the Box and Qdoba franchise restaurants, including royalties (based upon a percent of sales), rents, franchise fees and distribution sales of food and packaging commodities. In addition, we recognize gains from the sale of company-operated restaurants to franchisees, which are presented as a reduction of operating costs and expenses, net in the accompanying condensed consolidated statements of earnings.

The following summarizes the most significant events occurring in fiscal 2011 and certain trends compared to a year ago:

Restaurant Sales Sales at restaurants open more than one year (same-store sales) increased (decreased) as follows:

	Quarter		**Year-to-Date**	
	April 17, 2011	**April 11, 2010**	**April 17, 2011**	**April 11, 2010**
Jack in the Box:				
Company	0.8%	(8.6%)	1.2%	(10.1%)

Franchise	(0.3%)	(7.3%)	0.4%	(9.4%)
System	0.1%	(8.1%)	0.7%	(9.9%)
Qdoba system	6.0%	3.1%	6.2%	0.4%

Commodity Costs Pressures from higher commodity costs continue to impact our business. Overall commodity costs at our Jack in the Box restaurants increased approximately 5.0% in the quarter and 3.4% year-to-date compared to a year ago. We expect our overall commodity costs to increase approximately 4.5-5.5% in fiscal 2011.

New Unit Development We continued to grow our brands with the opening of new company-operated and franchise restaurants. Year-to-date, we opened 16 Jack in the Box locations system-wide, including several in our newer markets, and 30 Qdoba locations.

Franchising Program We refranchised 114 Jack in the Box restaurants, while Qdoba and Jack in the Box franchisees opened a total of 28 restaurants year-to-date. We are ahead of our timeline to increase franchise ownership to 70-80% of the Jack in the Box system, and we were approximately 62% franchised at the end of the second quarter.

Share Repurchases Pursuant to a share repurchase program authorized by our Board of Directors, we repurchased approximately 3.5 million shares of our common stock at an average price of $21.58 per share year-to-date, including the cost of brokerage fees.

Franchise Financing Entity We formed an entity, Jack in the Box Franchise Finance, LLC, for the purpose of operating a franchisee lending program used primarily to assist franchisees in reimaging their restaurants. During the quarter, FFE provided $6.7 million to franchisees. The impact of this entity on the Company s condensed consolidated financial statements as of and for the period ended April 17, 2011 was not material.

FINANCIAL REPORTING

At the end of fiscal 2010, we separated impairment and other charges, net from selling, general and administrative expenses in our consolidated statements of earnings. Prior year amounts have been reclassified to conform to this new presentation.

RESULTS OF OPERATIONS

The following table presents certain income and expense items included in our condensed consolidated statements of earnings as a percentage of total revenues, unless otherwise indicated. Percentages may not add due to rounding.

	Quarter		Year-to-Date	
	April 17, 2011	April 11, 2010	April 17, 2011	April 11, 2010
Statement of Earnings Data:				
Revenues:				
Company restaurant sales	63.6%	73.3%	64.8%	74.4%
Distribution sales	24.0%	17.1%	22.9%	16.1%
Franchise revenues	12.4%	9.6%	12.3%	9.5%
	100.0%	100.0%	100.0%	100.0%
Operating costs and expenses, net:				
Company restaurant costs:				
Food and packaging (1)	33.4%	31.5%	32.9%	31.6%
Payroll and employee benefits (1)	30.5%	30.2%	30.7%	30.4%
Occupancy and other (1)	23.8%	23.1%	24.0%	23.3%

Total company restaurant costs (1)	87.7%	84.8%	87.5%	85.3%
Distribution costs (1)	100.4%	100.2%	100.4%	100.5%
Franchise costs (1)	50.1%	45.6%	48.5%	45.6%
Selling, general and administrative expenses	10.4%	10.3%	10.2%	10.4%
Impairment and other charges, net	0.9%	0.7%	0.7%	0.5%
Gains on the sale of company-operated restaurants	(0.2%)	(0.6%)	(2.5%)	(1.0%)
Earnings from operations	2.8%	5.9%	5.9%	6.2%
Income tax rate (2)	32.8%	35.2%	34.8%	36.1%

(1) As a percentage of the related sales and/or revenues.

(2) As a percentage of earnings before income taxes.

The following table summarizes the year-to-date changes in the number of Jack in the Box and Qdoba company-operated and franchise restaurants:

	April 17, 2011			April 11, 2010		
	Company	**Franchise**	**Total**	**Company**	**Franchise**	**Total**
Jack in the Box:						
Beginning of period	956	1,250	2,206	1,190	1,022	2,212
New	7	9	16	16	12	28
Refranchised	(114)	114		(53)	53	
Acquired from franchisees				1	(1)	
Closed	(1)	(1)	(2)	(1)	(6)	(7)
End of period	848	1,372	2,220	1,153	1,080	2,233
% of system	38%	62%	100%	52%	48%	100%
Qdoba:						
Beginning of period	188	337	525	157	353	510
New	11	19	30	3	7	10
Acquired from franchisees	22	(22)				
Closed		(6)	(6)		(15)	(15)
End of period	221	328	549	160	345	505
% of system	40%	60%	100%	32%	68%	100%
Consolidated:						
Total system	1,069	1,700	2,769	1,313	1,425	2,738
% of system	39%	61%	100%	48%	52%	100%

Revenues

As we execute our refranchising strategy, which includes the sale of restaurants to franchisees, we expect the number of Jack in the Box company-operated restaurants and the related sales to continually decrease while revenues from franchise restaurants increase. As such, company restaurant sales decreased $67.1 million, or 17.3%, in the quarter and $142.2 million, or 15.8%, year-to-date, reflecting the decline in the number of Jack in the Box company-operated restaurants. This decrease was partially offset by increases in same-store sales at Jack in the Box and Qdoba restaurants and an increase in the number of Qdoba company-operated restaurants. The following table represents the approximate impact of these increases (decreases) on restaurant sales *(in thousands)*:

	Quarter	**Year-to-Date**
Reduction in the average number of Jack in the Box company-operated restaurants	$ (101,100)	$ (209,000)
Jack in the Box per-store average (PSA) sales increase	21,200	44,400
Qdoba	12,800	22,400
Total decrease in restaurant sales	$ (67,100)	$ (142,200)

Same-store sales at Jack in the Box company-operated restaurants grew 0.8% in the quarter and 1.2% year-to-date as follows:

	Quarter	Year-to-Date
Increase in transactions	0.1%	0.7%
Average check growth (1)	0.7%	0.5%

(1) Includes price increases of approximately 1.3% in the quarter and year-to-date compared with a year ago.

Distribution sales to Jack in the Box and Qdoba franchisees grew $30.6 million in the quarter and $72.7 million year-to-date from a year ago. The increase reflects a higher number of Jack in the Box franchise restaurants that purchase ingredients and supplies from our distribution centers, which contributed additional sales of approximately $28.0 million and $64.2 million, respectively. Higher commodity prices also contributed to the increase in distribution sales in both periods.

Franchise revenues increased $11.9 million, or 23.5%, in the quarter and $28.4 million, or 24.6%, year-to-date due primarily to a 28.6% and 26.0% increase in the average number of Jack in the Box franchise restaurants, which contributed additional royalties and rents of approximately $12.6 million and $26.4 million, respectively. In addition, year-to-date increases in the number of restaurants sold to and developed by franchisees resulted in higher revenues from initial franchise fees. These increases were partially offset by an increase in re-image contributions to franchisees, which are recorded as a reduction of franchise revenues. The following table reflects the detail of our franchise revenues in each period and other information we believe is useful in analyzing the change in franchise revenues (*in thousands*):

	Quarter		Year-to-Date	
	April 17, 2011	**April 11, 2010**	**April 17, 2011**	**April 11, 2010**
Royalties	$ 25,120	$ 20,352	$ 56,345	$ 46,386
Rents	36,643	28,190	82,726	65,046
Re-image contributions to franchisees	(1,435)	(95)	(2,715)	(650)
Franchise fees and other	2,203	2,196	7,296	4,467
Franchise revenues	$ 62,531	$ 50,643	$ 143,652	$ 115,249
Increase (decrease) in Jack in the Box franchise-operated same-store sales	(0.3%)	(7.3%)	0.4%	(9.4%)
Royalties as a percentage of estimated franchise restaurant sales:				
Jack in the Box	5.3%	5.3%	5.3%	5.3%
Qdoba	5.0%	5.0%	5.0%	5.0%

Operating Costs and Expenses

Food and packaging costs increased to 33.4% of company restaurant sales in the quarter and 32.9% year-to-date from 31.5% and 31.6%, respectively, a year ago. Overall commodity costs at our Jack in the Box restaurants increased approximately 5.0% in the quarter and 3.4% year-to-date, driven by higher costs for beef, cheese, pork, dairy, shortening and produce, partially offset by lower costs for poultry and bakery. Additionally, the unfavorable impact of product mix and promotions was partially offset by the benefit of higher prices.

Payroll and employee benefit costs were 30.5% of company restaurant sales in the quarter and 30.7% year-to-date, compared to 30.2% and 30.4%, respectively, in 2010, reflecting higher levels of staffing designed to improve the guest experience. In addition, increases in unemployment taxes in several states in which we operate negatively impacted these costs.

Occupancy and other costs were 23.8% of company restaurant sales in the quarter and 24.0% year-to-date compared with 23.1% and 23.3%, respectively, last year. The higher percentage in 2011 primarily relates to guest service initiatives and higher rent expense as a percentage of sales resulting from a greater proportion of company-operated Qdoba restaurants compared with last year. These increases were partially offset by lower utilities expense.

Distribution costs increased $30.9 million in the quarter and $72.9 million year-to-date, primarily reflecting an increase in the related sales. In the quarter, these costs were 100.4% of distribution sales in 2011 compared with 100.2% a year ago primarily reflecting lower PSA volumes. Year-to-date, these costs remained fairly consistent as a percentage of the related sales decreasing slightly to 100.4% from 100.5% last year.

Franchise costs, principally rents and depreciation on properties leased to Jack in the Box franchisees, increased $8.2 million to 50.1% of the related revenues in the quarter and $17.2 million to 48.5% year-to-date, from 45.6% of the related revenues in each period a year ago. The percentage increase is primarily due to higher depreciation and rent expense as a greater proportion of properties are leased to franchisees and the impact of higher re-image contributions, which were partially offset year-to-date by leverage from higher franchise fee revenue.

The following table presents the change in selling, general and administrative (SG&A) expenses compared with the prior year (*in thousands*):

	Increase/(Decrease) Quarter	Increase/(Decrease) Year-to-Date
Advertising	$ (4,221)	$ (6,734)
Refranchising strategy	(713)	(5,058)
Incentive compensation	1,651	3,717
Cash surrender value of COLI policies, net	(599)	(1,613)
Pension and postretirement benefits	(1,209)	(2,821)
Qdoba general and administrative	1,642	3,056
Hurricane Ike insurance proceeds in 2010		1,004
Other	1,326	2,534
	$ (2,123)	$ (5,915)

Our refranchising strategy has resulted in a decrease in the number of company-operated restaurants and the related overhead expenses to manage and support those restaurants. As such, advertising costs, which are primarily contributions to our marketing fund determined as a percentage of restaurant sales, decreased at Jack in the Box and were partially offset by higher advertising expense at Qdoba due to sales growth and timing. The increase in our incentive compensation accruals in 2011 reflects the expected improvement in the Company s results compared with performance goals. Changes in the cash surrender value of our company-owned life insurance (COLI) policies, net of changes in our non-qualified deferred compensation obligation supported by these policies are subject to market fluctuations and positively impacted SG&A by $1.3 million in the quarter and $4.4 million year-to-date compared to $0.7 million and $2.8 million, respectively, a year ago. The decrease in pension and postretirement benefits expense principally relates to changes to the Company s pension plan whereby participants will no longer accrue benefits after December 31, 2015. The increase in Qdoba costs is primarily due to higher pre-opening expenses and overhead to support our growing company-operated restaurant base.

Impairment and other charges, net is comprised of the following *(in thousands)*:

	Quarter April 17, 2011	Quarter April 11, 2010	Year-to-Date April 17, 2011	Year-to-Date April 11, 2010
Impairment charges	$ 878	$ 895	$ 1,167	$ 1,503
Losses on the disposition of property and equipment, net	2,628	1,178	5,424	2,360
Costs of closed restaurants (primarily lease obligations) and other	988	1,379	1,499	2,268
	$ 4,494	$ 3,452	$ 8,090	$ 6,131

Impairment and other charges, net increased $1.0 million in the quarter and $2.0 million year-to-date from a year ago due primarily to losses associated with our ongoing re-image program, which is targeted to be completed by the end of 2011, and the rollout of signage related to our new logo.

Gains on the sale of company-operated restaurants to franchisees, net are detailed in the following table (*dollars in thousands*):

	Quarter		Year-to-Date	
	April 17, 2011	**April 11, 2010**	**April 17, 2011**	**April 11, 2010**
Number of restaurants sold to franchisees	26	30	114	53
Gains on the sale of company-operated restaurants	$ 878	$ 2,987	$ 28,750	$ 12,367
Average gain on restaurants sold	$ 34	$ 100	$ 252	$ 233

Gains were impacted by the number of restaurants sold and the specific sales and cash flows of those restaurants, which affected the changes in average gains recognized.

Interest Expense, Net

Interest expense, net is comprised of the following (*in thousands*):

	Quarter		Year-to-Date	
	April 17, 2011	April 11, 2010	April 17, 2011	April 11, 2010
Interest expense	$ 4,204	$ 4,125	$ 9,151	$ 9,897
Interest income	(259)	(252)	(595)	(589)
Interest expense, net	$ 3,945	$ 3,873	$ 8,556	$ 9,308

Interest expense, net increased slightly in the quarter and decreased $0.7 million year-to-date compared with last year primarily reflecting lower average interest rates and borrowings compared to a year ago, offset in the quarter by interest expense incurred in connection with FFE.

Income Taxes

The tax rate decreased to 32.8% in the quarter and 34.8% year-to-date, compared with 35.2% and 36.1%, respectively, in 2010. The decreases are due primarily to the impact of the market performance of insurance investment products used to fund certain non-qualified retirement plans. Changes in the cash value of the insurance products are not included in taxable income. We expect the fiscal year tax rate to be approximately 35%. The final annual tax rate cannot be determined until the end of the fiscal year; therefore, the actual rate could differ from our current estimates.

Net Earnings

Net earnings were $6.8 million, or $0.13 per diluted share, in the quarter compared with $17.7 million, or $0.32 per diluted share, a year ago. Year-to-date, net earnings were $39.2 million, or $0.75 per diluted share, compared with $41.9 million, or $0.74 per diluted share, a year ago.

LIQUIDITY AND CAPITAL RESOURCES

General

Our primary sources of short-term and long-term liquidity are expected to be cash flows from operations, the revolving bank credit facility, the sale of company-operated restaurants to franchisees and the sale and leaseback of certain restaurant properties.

Our cash requirements consist principally of:

- working capital;
- capital expenditures for new restaurant construction and restaurant renovations;
- income tax payments;
- debt service requirements; and
- obligations related to our benefit plans.

Based upon current levels of operations and anticipated growth, we expect that cash flows from operations, combined with other financing alternatives in place or available, will be sufficient to meet our capital expenditure, working capital and debt service requirements for the foreseeable future.

As is common in the restaurant industry, we maintain relatively low levels of accounts receivable and inventories, and our vendors grant trade credit for purchases such as food and supplies. We also continually invest in our business through the addition of new units and refurbishment of existing units, which are reflected as long-term assets and not as part of working capital. As a result, we typically maintain current liabilities in excess of current assets, which results in a working capital deficit.

Cash and cash equivalents increased $4.1 million to $14.7 million at the end of the quarter from $10.6 million at the beginning of the fiscal year. This increase is primarily due to cash flows provided by operating activities, proceeds and collections of notes receivable from the sale of restaurants to franchisees, and borrowings under our revolving credit facility, offset in part by cash used to repurchase common stock, purchase property and equipment and acquire Qdoba franchise-operated restaurants. We generally reinvest available cash flows from operations to improve our restaurant facilities and develop new restaurants, to reduce debt and to repurchase shares of our common stock.

Cash Flows

The table below summarizes our cash flows from operating, investing and financing activities (*in thousands*):

	Year-to-Date	
	April 17, 2011	**April 11, 2010**
Total cash provided by (used in):		
Operating activities:		
Continuing operations	$ 81,844	$ 26,646
Discontinued operations		(2,172)
Investing activities	(26,905)	(5,944)
Financing activities	(50,834)	(59,071)
Increase (decrease) in cash and cash equivalents	$ 4,105	$ (40,541)

Operating Activities. Operating cash flows from continuing operations increased $55.2 million compared with a year ago due primarily to the timing of property rent payments and a reduction in bonus and estimated income tax payments.

Investing Activities. Cash used in investing activities increased $21.0 million compared with a year ago due primarily to an increase in capital expenditures and cash used to acquire Qdoba franchise-operated restaurants in 2011, partially offset by an increase in the number of restaurants sold to franchisees and collections of notes receivables related to prior year refranchising activity.

Assets Held for Sale and Leaseback We use sale and leaseback financing to lower the initial cash investment in our Jack in the Box restaurants to the cost of the equipment, whenever possible. In 2011 we sold and leased back 12 restaurants, generating proceeds of $21.8 million compared with 19 restaurants and $36.0 million a year ago. As of April 17, 2011, we had cash investments of $51.3 million in 56 operating and under-construction restaurant properties that we expect to sell during the next twelve months.

Capital Expenditures Our capital expenditure program includes, among other things, investments in new locations, restaurant remodeling, new equipment and information technology enhancements. The composition of capital expenditures in each period is as follows (*in thousands*):

	Year-to-Date	
	April 17, 2011	**April 11, 2010**
Jack in the Box:		
New restaurants	$ 3,905	$ 15,901
Restaurant facility improvements	51,734	17,769
Other, including corporate	5,868	4,482
Qdoba	12,622	4,480
Total capital expenditures	$ 74,129	$ 42,632

Capital expenditures increased compared to a year ago due primarily to an increase in spending related to our Jack in the Box re-image program and new logo rollout, as well as new Qdoba restaurants, partially offset by a decrease in spending for new Jack in the Box locations. We expect fiscal 2011 capital expenditures to be approximately

$125-$135 million, including investment costs related to the Jack in the Box restaurant re-image program. We plan to open approximately 18 Jack in the Box and 25 Qdoba company-operated restaurants in 2011.

Sale of Company-Operated Restaurants We have continued to expand franchise ownership in the Jack in the Box system primarily through the sale of company-operated restaurants to franchisees. The following table details proceeds received in connection with our refranchising activities *(dollars in thousands)*:

	Year-to-Date	
	April 17, 2011	**April 11, 2010**
Number of restaurants sold to franchisees	114	53
Cash	$ 49,588	$ 19,093
Notes receivable		2,730
Total proceeds	$ 49,588	$ 21,823
Average proceeds	$ 435	$ 412

In certain instances, we may provide financing to facilitate the closing of certain transactions. As of April 17, 2011, the notes receivable balance related to prior year refranchisings was $10.9 million, $4.3 million of which is expected to be fully repaid by the end of the fiscal year. We expect total proceeds of $85-$95 million from the sale of 175-225 Jack in the Box restaurants in 2011.

Acquisition of Franchise-Operated Restaurants In 2011, we acquired 20 Qdoba franchise-operated restaurants in the Indianapolis market and two in Northern Florida for approximately $21.5 million. The purchase price was allocated primarily to goodwill, property and equipment and reacquired franchise rights. For additional information, refer to Note 2, *Summary of Refranchisings, Franchisee Development and Acquisitions*, of the notes to the condensed consolidated financial statements.

Financing Activities. Cash used in financing activities decreased $8.2 million compared with a year ago primarily attributable to lower principal repayments on debt and an increase in borrowings under our revolving credit facility, offset in part by the change in our book overdraft related to the timing of working capital receipts and disbursements and an increase in cash used to repurchase shares of the Company s common stock.

Credit Facility Our credit facility is comprised of (i) a $400.0 million revolving credit facility and (ii) a $200.0 million term loan maturing on June 29, 2015, initially both with London Interbank Offered Rate (LIBOR) plus 2.50%. As part of the credit agreement, we may also request the issuance of up to $75.0 million in letters of credit, the outstanding amount of which reduces the net borrowing capacity under the agreement. The credit facility requires the payment of an annual commitment fee based on the unused portion of the credit facility. The credit facility s interest rates and the annual commitment rate are based on a financial leverage ratio, as defined in the credit agreement. We may make voluntary prepayments of the loans under the revolving credit facility and term loan at any time without premium or penalty. Specific events, such as asset sales, certain issuances of debt and insurance and condemnation recoveries, may trigger a mandatory prepayment.

We are subject to a number of customary covenants under our credit facility, including limitations on additional borrowings, acquisitions, loans to franchisees, capital expenditures, lease commitments, stock repurchases, dividend payments and requirements to maintain certain financial ratios. We were in compliance with all covenants as of April 17, 2011.

At April 17, 2011, we had $192.5 million outstanding under the term loan, borrowings under the revolving credit facility of $207.0 million and letters of credit outstanding of $35.8 million.

Franchise Financing Entity Facility FFE has a $100.0 million lending program comprised of a $20.0 million commitment from the Company in the form of a capital note and an $80.0 million Senior Secured Revolving Securitization Facility (FFE Facility) entered into with a third party. The FFE Facility is a 12-month revolving loan and security agreement bearing a variable interest rate. As of April 17, 2011, we have contributed $8.0 million to FFE,

$6.7 million of which has been used to assist franchisees in reimaging their restaurants, and FFE has not borrowed against its third party revolving credit facility.

Interest Rate Swaps To reduce our exposure to rising interest rates under our credit facility, we consider interest rate swaps. In August 2010, we entered into two forward looking swaps that will effectively convert $100.0 million of our variable rate term loan to a fixed-rate basis beginning September 2011 through September 2014. Based on the term loan applicable margin of 2.50% as of April 17, 2011, these agreements would have an average pay rate of 1.54%, yielding an all-in fixed rate of 4.04%. From March 2007 to April 2010, we held two interest rate swaps that effectively converted $200.0 million of our variable rate term loan borrowings to a fixed-rate basis. For additional information related to our interest rate swaps, refer to Note 4, *Derivative Instruments*, of the notes to the condensed consolidated financial statements.

Repurchases of Common Stock In November 2010, the Board of Directors approved a program to repurchase up to $100.0 million in shares of our common stock expiring November 2011. During 2011, we repurchased approximately 3.5 million shares at an aggregate cost of $75.0 million. As of April 17, 2011, the aggregate remaining amount authorized for repurchase was $25.0 million. In May 2011, the Board of Directors authorized a new program to repurchase up to $100.0 million in shares of our common stock expiring November 2012.

Off-Balance Sheet Arrangements

Other than operating leases, we are not a party to any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on our financial condition, changes in financial condition, results of operations, liquidity, capital expenditures or capital resources. We finance a portion of our new restaurant development through sale-leaseback transactions. These transactions involve selling restaurants to unrelated parties and leasing the restaurants back.

DISCUSSION OF CRITICAL ACCOUNTING ESTIMATES

We have identified the following as our most critical accounting estimates, which are those that are most important to the portrayal of the Company s financial condition and results and that require management s most subjective and complex judgments. Information regarding our other significant accounting estimates and policies is disclosed in Note 1 of our most recent Annual Report on Form 10-K filed with the SEC.

Long-lived Assets Property, equipment and certain other assets, including amortized intangible assets, are reviewed for impairment when indicators of impairment are present. This review generally includes a restaurant-level analysis, except when we are actively selling a group of restaurants, in which case we perform our impairment evaluations at the group level. Impairment evaluations for individual restaurants take into consideration a restaurant s operating cash flows, the period of time since a restaurant has been opened or remodeled, refranchising expectations and the maturity of the related market. Impairment evaluations for a group of restaurants take into consideration the group s expected future cash flows and sales proceeds from bids received, if any, or fair market value based on, among other considerations, the specific sales and cash flows of those restaurants. If the assets of a restaurant or group of restaurants subject to our impairment evaluation are not recoverable based upon the forecasted, undiscounted cash flows, we recognize an impairment loss as the amount by which the carrying value of the assets exceeds fair value. Our estimates of cash flows used to assess impairment are subject to a high degree of judgment and may differ from actual cash flows due to, among other things, economic conditions or changes in operating performance.

Retirement Benefits Our defined benefit and other postretirement plans costs and liabilities are determined using several statistical and other factors, which attempt to anticipate future events, including assumptions about the discount rate and expected return on plan assets. We determine and set our discount rate annually, with assistance from our actuaries, by considering the average of pension yield curves constructed of a population of high-quality bonds with a Moody s or Standard and Poor s rating of AA or better meeting certain other criteria. As of October 3, 2010, our discount rate was 5.82% for our defined benefit and postretirement benefit plans. Our expected long-term rate of return on assets is determined taking into consideration our projected asset allocation and economic forecasts prepared with the assistance of our actuarial consultants. As of October 3, 2010, our assumed expected long-term rate of return was 7.75% for our qualified defined benefit plan. The actuarial assumptions used may differ materially from actual results due to changing market and economic conditions, higher or lower turnover and retirement rates or longer or shorter life spans of participants. These differences may affect the amount of pension expense we record. A hypothetical 25 basis point reduction in the assumed discount rate and expected long-term rate of return on plan assets would have resulted in an estimated increase of $2.7 million and $0.7 million, respectively, in our fiscal 2011 pension and postretirement plan expense. We expect our pension and postretirement expense to decrease in fiscal 2011 principally due to the curtailment of our qualified plan, which will be partially offset by a decrease in our discount rate from 6.16% to 5.82%.

Self Insurance We are self-insured for a portion of our losses related to workers compensation, general liability, automotive and health benefits. In estimating our self-insurance accruals, we utilize independent actuarial estimates of expected losses, which are based on statistical analysis of historical data. These assumptions are closely monitored and adjusted when warranted by changing circumstances. Should a greater amount of claims occur compared to what was estimated or medical costs increase beyond what was expected, accruals might not be sufficient, and additional expense may be recorded.

Restaurant Closing Costs Restaurant closing costs consist of net future lease commitments and expected ancillary costs. We record a liability for the net present value of any remaining lease obligations, less estimated sublease income, at the date we cease using a property. Subsequent adjustments to the liability as a result of changes in estimates of sublease income or lease cancellations are recorded in the period incurred. The estimates we make related to sublease income are subject to a high degree of judgment and may differ from actual sublease income due to changes in economic conditions, desirability of the sites and other factors.

Share-based Compensation We offer share-based compensation plans to attract, retain and motivate key officers, employees and non-employee directors to work toward the financial success of the Company. Share-based compensation cost for our stock option grants is estimated at the grant date based on the award s fair-value as calculated by an option pricing model and is recognized as expense ratably over the requisite service period. The option pricing models require various highly judgmental assumptions, including volatility, forfeiture rates and expected option life. If any of the assumptions used in the model change significantly, share-based compensation expense may differ materially in the future from that recorded in the current period.

Goodwill and Other Intangibles We also evaluate goodwill and non-amortizable intangible assets annually, or more frequently if indicators of impairment are present. If the determined fair values of these assets are less than the related carrying amounts, an impairment loss is recognized. The methods we use to estimate fair value include future cash flow assumptions, which may differ from actual cash flows due to, among other things, economic conditions or changes in operating performance. During the fourth quarter of fiscal 2010, we reviewed the carrying value of our goodwill and indefinite life intangible assets and determined that no impairment existed as of October 3, 2010.

Legal Accruals The Company is subject to claims and lawsuits in the ordinary course of its business. A determination of the amount accrued, if any, for these contingencies is made after analysis of each matter. We continually evaluate such accruals and may increase or decrease accrued amounts, as we deem appropriate.

Income Taxes We estimate certain components of our provision for income taxes. These estimates include, among other items, depreciation and amortization expense allowable for tax purposes, allowable tax credits, effective rates for state and local income taxes and the tax deductibility of certain other items. We adjust our effective income tax rate as additional information on outcomes or events becomes available. Our estimates are based on the best available information at the time that we prepare the income tax provision. We generally file our annual income tax returns several months after our fiscal year-end. Income tax returns are subject to audit by federal, state and local governments, generally years after the returns are filed. These returns could be subject to material adjustments or differing interpretations of the tax laws.

NEW ACCOUNTING PRONOUNCEMENTS

Any accounting standards that have been issued by the FASB or other standards-setting bodies that do not require adoption until a future date are not expected to have a material impact on our consolidated financial statements upon adoption.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements within the meaning of the federal securities laws. Forward-looking statements use such words as anticipate, assume, believe, estimate, expect, forecast, goals, guidance, i project, may, will, would and similar expressions. These statements are based on management s current expectatio and are subject to risks and uncertainties, which may cause actual results to differ materially from expectations. You should not rely unduly on forward-looking statements. All forward-looking statements are made only as of the date issued. The estimates and assumptions underlying those forward-looking statements can and do change. We do not undertake any obligation to update any forward-looking statements. We caution the reader that the following important factors and the important factors described in the Discussion of Critical Accounting Estimates, and in other sections in this Form 10-Q and in our Annual Report on Form 10-K and other Securities and Exchange Commission filings, could cause our results to vary materially from those expressed in any forward-looking statement:

Any widespread publicity, whether or not based in fact, about public health issues or pandemics, or the prospect of such events, which negatively affects consumer perceptions about the health, safety or quality of food and beverages served at our restaurants may adversely affect our results.

Food service businesses such as ours may be materially and adversely affected by changes in national and regional political and economic conditions. Unstable economic conditions, including inflation, lower levels of consumer confidence, low levels of employment, decreased consumer spending and changes in discretionary spending priorities may adversely impact our sales, operating results and profits.

Costs may exceed projections, including costs for food ingredients, labor (including increases in minimum wage, workers compensation, healthcare and other insurance), fuel, utilities, real estate, insurance, equipment, technology and construction of new and remodeled restaurants. Inflationary pressures affecting the cost of commodities may adversely affect our food costs and our operating margins. Because a significant number of our restaurants are company-operated, we may have greater exposure to operating cost issues than if we were more heavily franchised.

Regulatory changes, such as the federal healthcare legislation or possible changes to labor or other laws and regulations, could result in increased operating costs.

There can be no assurances that new interior and exterior designs, kitchen enhancements or new equipment will foster increases in sales at remodeled restaurants and yield the desired return on investment.

There can be no assurances that our growth objectives in the regional markets in which we operate restaurants will be met or that new facilities will be profitable. Development delays, sales softness and restaurant closures may have a material adverse effect on our results of operations. The development and profitability of restaurants can be adversely affected by many factors, including the ability of the Company and its franchisees to select and secure suitable sites on satisfactory terms, costs of construction, and general business and economic conditions. In addition, tight credit markets may negatively impact the ability of franchisees to fulfill their restaurant development commitments.

There can be no assurances that we will be able to effectively respond to aggressive competition from numerous and varied competitors (some with significantly greater financial resources) in all areas of business, including new concepts, facility design, competition for labor, new product introductions, customer service initiatives, promotions (including value promotions) and discounting. Additionally, the trend toward convergence in grocery, deli, convenience store and other types of food services may increase the number of our competitors. Such increased competition could decrease the demand for our products and negatively affect our sales and profitability. Moreover, there can be no assurance of the success of any new products, initiatives or overall strategies that we choose to pursue.

The realization of gains from the sale of company-operated restaurants to existing and new franchisees depends upon various factors, including sales trends, cost trends and economic conditions. The financing market, including the cost and availability of borrowed funds and the terms required by lenders, can impact the ability of franchisee candidates to purchase franchises and can potentially impact the sales prices and number of franchises sold. The number of franchises sold and the amount of gain realized from the sale of an on-going business may not be consistent from quarter to quarter and may not meet expectations.

As the number of franchisees increases, our revenues derived from rents and royalties at franchise restaurants will increase, as well as the risk that revenues could be negatively impacted by defaults in payment of rents and royalties.

Franchisee business obligations may not be limited to the operation of Jack in the Box or Qdoba restaurants, making them subject to business and financial risks unrelated to the operation of their restaurants. These unrelated risks could adversely affect a franchisee s ability to make full or timely payments to us.

The costs related to legal claims such as class actions involving employees, franchisees, shareholders or consumers, including costs related to potential settlement or judgments, may adversely affect our results.

Changes in accounting standards, policies or practices or related interpretations by auditors or regulatory entities, including changes in tax accounting or tax laws, may adversely affect our results.

The costs or exposures associated with maintaining the security of information and the use of cashless payments may exceed expectations. Such risks include increased investment in technology and costs of compliance with consumer protection and other laws.

Many factors affect the trading price of our stock, including factors over which we have no control, such as the current financial environment, government actions, reports on the economy as well as negative or positive announcements by competitors, regardless of whether the report relates directly to our business.

Significant demographic changes, adverse weather, political conditions such as terrorist activity or the effects of war, other significant events (particularly in California and Texas where nearly 70% of our Jack in the Box system restaurants are located), new legislation, governmental regulation, the possibility of unforeseen events affecting the food service industry in general and other factors over which we have no control can each adversely affect our results of operation.

This discussion of uncertainties is by no means exhaustive but is intended to highlight some important factors that may materially affect our results.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our primary exposure to risks relating to financial instruments is changes in interest rates. Our credit facility, which is comprised of a revolving credit facility and a term loan, bears interest at an annual rate equal to the prime rate or LIBOR plus an applicable margin based on a financial leverage ratio. As of April 17, 2011, the applicable margin for the LIBOR-based revolving loans and term loan was set at 2.50%.

We use interest rate swap agreements to reduce exposure to interest rate fluctuations. In August 2010, we entered into two interest rate swap agreements that will effectively convert $100.0 million of our variable rate term loan borrowings to a fixed-rate basis beginning September 2011 through September 2014. Based on the term loan s applicable margin of 2.50% as of April 17, 2011, these agreements would have an average pay rate of 1.54%, yielding an all-in fixed rate of 4.04%.

A hypothetical 100 basis point increase in short-term interest rates, based on the outstanding balance of our revolving credit facility and term loan at April 17, 2011, would result in an estimated increase of $4.0 million in annual interes70%" bgcolor="#c0c0c0" nowrap="nowrap" align="left">ß6.50%, due 7/1/39 **7,925 Illinois (17.2%)**1,870Bartlett Sr. Lien Tax Increment Ref. Rev. (Quarry Redev. Proj.), Ser. 2007, 5.35%, due 1/1/171,9135,705Berwyn G.O., Ser. 2013-A, 5.00%, due 12/1/276,5801,350Cook Co. Sch. Dist. Number 83 G.O. (Mannheim), Ser. 2013-C, 5.45%, due 12/1/301,4861,960Cook Co. Sch. Dist. Number 83 G.O. (Mannheim), Ser. 2013-C, 5.50%, due 12/1/312,1551,970Cook Co. Township High Sch. Dist. Number 225 Northfield Township, Ser. 2008, 5.00%, due 12/1/252,2011,875Illinois Fin. Au. Ref. Rev. (Roosevelt Univ. Proj.), Ser. 2009, 5.00%, due 4/1/161,917ß4,000Illinois Fin. Au. Ref. Rev. (Roosevelt Univ. Proj.), Ser. 2009, 5.75%, due 4/1/244,334ß1,960Illinois Fin. Au. Rev. (Navistar Int'l Rec. Zone Fac.), Ser. 2010, 6.50%, due 10/15/402,116ß5,840Illinois Fin. Au. Rev. (Provena Hlth.), Ser. 2010-A, 6.25%, due 5/1/226,921ß1,670Illinois Metro. Pier & Exposition Au. Dedicated St. Tax Ref. Rev., Ser. 1998-A, (FGIC Insured),1,8395.50%, due 6/15/17 Pre-Refunded 6/15/171,905Illinois Sports Facs. Au. Cap. Appreciation Rev. (St. Tax Supported), Ser. 2001, (AMBAC Insured),1,1720.00%, due 6/15/263,900Illinois St. G.O., Ser. 2012, 4.00%, due 8/1/253,9071,000Illinois St. G.O., Ser. 2013, 5.00%, due 7/1/231,1221,930Pingree Grove Village Rev. (Cambridge Lakes Learning Ctr. Proj.), Ser. 2011, 8.00%, due 6/1/262,144ß945So. Illinois Univ. Cert. of Participation (Cap. Imp. Proj.), Ser. 2014-A-1, (BAM Insured),1,0395.00%, due 2/15/271,375So. Illinois Univ. Cert. of Participation (Cap. Imp. Proj.), Ser. 2014-A-1, (BAM Insured),1,4975.00%, due 2/15/28715So. Illinois Univ. Cert. of Participation (Cap. Imp. Proj.), Ser. 2014-A-1, (BAM Insured),7765.00%, due 2/15/292,725Univ. of Illinois (Hlth. Svc. Facs. Sys.), Ser. 2013, 5.00%, due 10/1/273,0312,875Univ. of Illinois (Hlth. Svc. Facs. Sys.), Ser. 2013, 5.75%, due 10/1/283,4511,850Will Co. High Sch. Dist. Number 204 G.O. (Joliet Jr. College), Ser. 2011-A, 6.25%, due 1/1/312,257 **51,858 Indiana (5.1%)**4,000Indiana Bond Bank Rev. (Spec. Prog. Clark Mem. Hosp.), Ser. 2009-D, 5.50%, due 8/1/294,531ß500Indiana Fin. Au. Midwestern Disaster Relief Rev. (Ohio Valley Elec. Corp. Proj.), Ser. 2012-A,536ß5.00%, due 6/1/32500Indiana Fin. Au. Rev. (I-69 Dev. Partners LLC), Ser. 2014, 5.25%, due 9/1/25584ß500Indiana Fin. Au. Rev. (I-69 Dev. Partners LLC), Ser. 2014, 5.25%, due 9/1/26578ß

See Notes to Schedule of Investments 12

Schedule of Investments Intermediate Municipal Fund Inc.
(Unaudited) (cont'd)

PRINCIPAL AMOUNT (000's omitted)		VALU (000's
$ 4,000	Indiana Hlth. & Ed. Fac. Fin. Au. Hosp. Ref. Rev. (Clarian Hlth. Oblig. Group), Ser. 2006-B, 5.00%, due 2/15/21	$ 4
3,055	Indiana Trans. Fin. Au. Hwy. Ref. Rev., Ser. 2004-B, (National Public Finance Guarantee Corp. Insured), 5.75%, due 12/1/21	3
1,000	Valparaiso Exempt Facs. Rev. (Pratt Paper LLC Proj.), Ser. 2013, 5.88%, due 1/1/24	1
		15
Iowa (3.4%)		
1,000	Coralville Urban Renewal Rev., Tax Increment, Ser. 2007-C, 5.00%, due 6/1/15	1
5,110	Iowa Fin. Au. Rev. (St. Revolving Fund Prog.), Ser. 2008, 5.50%, due 8/1/22 Pre-Refunded 8/1/18	5
2,570	Iowa Std. Loan Liquidity Corp. Rev., Ser. 2011-A-1, 5.00%, due 12/1/21	2
740	Iowa Std. Loan Liquidity Corp. Rev., Ser. 2011-A-1, 5.30%, due 12/1/23	
		10
Louisiana (1.5%)		
1,500	Louisiana Local Gov't Env. Fac. & Comm. (Westlake Chemical Corp.), Ser. 2010-A2, 6.50%, due 11/1/35	1
775	Louisiana Pub. Facs. Au. Rev. (Southwest Louisiana Charter Academy Foundation Proj.), Ser. 2013-A, 7.63%, due 12/15/28	
1,655	St. Charles Parish Gulf Zone Opportunity Rev. (Valero Energy Corp.), Ser. 2010, 4.00%, due 12/1/40 Putable 6/1/22	1
		4
Maine (0.8%)		
2,400	Maine St. Fin. Au. Solid Waste Disp. Rev. (Casella Waste Sys., Inc.), Ser. 2005, 6.25%, due 1/1/25 Putable 2/1/17	2
Maryland (0.8%)		
2,400	Prince Georges Co. Hsg. Au. Multi-Family Rev. (Bristol Pines Apts. Proj.), Ser. 2005, (Fannie Mae Insured), 4.85%, due 12/15/38 Putable 12/15/23	2
Massachusetts (7.5%)		
200	Massachusetts St. Dev. Fin. Agcy. Rev. (Milford Reg. Med. Ctr.), Ser. 2014-F, 5.00%, due 7/15/24	
415	Massachusetts St. Dev. Fin. Agcy. Rev. (Milford Reg. Med. Ctr.), Ser. 2014-F, 5.00%, due 7/15/25	
200	Massachusetts St. Dev. Fin. Agcy. Rev. (Milford Reg. Med. Ctr.), Ser. 2014-F, 5.00%, due 7/15/26	
190	Massachusetts St. Dev. Fin. Agcy. Rev. (Milford Reg. Med. Ctr.), Ser. 2014-F, 5.00%, due 7/15/27	
150	Massachusetts St. Dev. Fin. Agcy. Rev. (Milford Reg. Med. Ctr.), Ser. 2014-F, 5.00%, due 7/15/28	
3,080	Massachusetts St. Ed. Fin. Au. Rev., Ser. 2011-J, 5.00%, due 7/1/23	3
4,335	Massachusetts St. Ed. Fin. Au. Rev., Ser. 2012-J, 4.70%, due 7/1/26	4

4,730	Massachusetts St. Ed. Fin. Au. Rev., Ser. 2013-K, 4.50%, due 7/1/24	5
5,000	Massachusetts St. HFA Hsg. Rev., Ser. 2010-C, 4.90%, due 12/1/25	5
3,045	Massachusetts St. Wtr. Poll. Abatement Trust Rev. (MWRA Prog.), Ser. 2002-A, 5.25%, due 8/1/19	3
		22
Michigan (1.2%)		
1,000	Jackson College Dormitories Hsg. Rev., Ser. 2015, 6.50%, due 5/1/35	1
500	Jackson College Dormitories Hsg. Rev., Ser. 2015, 6.75%, due 5/1/46	
2,000	Summit Academy North Pub. Sch. Academy Ref. Rev., Ser. 2005, 5.25%, due 11/1/20	2
150	Summit Academy Pub. Sch. Academy Ref. Rev., Ser. 2005, 6.00%, due 11/1/15	
		3
Minnesota (1.5%)		
2,000	Maple Grove Hlth. Care Sys. Rev. (Maple Grove Hosp. Corp.), Ser. 2007, 5.00%, due 5/1/17	2
2,250	Minneapolis & St. Paul Hsg. & Redev. Au. Hlth. Care Sys. (Children's Hlth. Care Facs.), Ser. 2010-A1, (AGM Insured), 4.50%, due 8/15/24	2
		4

See Notes to Schedule of Investments 13

Schedule of Investments Intermediate Municipal Fund Inc.
(Unaudited) (cont'd)

PRINCIPAL AMOUNT (000's omitted)		VALUE† (000's om
Mississippi (1.3%)		
$ 3,665	Mississippi Bus. Fin. Corp. Gulf Opportunity Zone Rev., Ser. 2009-A, 4.70%, due 5/1/24	**$ 4,06**
Missouri (2.0%)		
390	Missouri St. Env. Imp. & Energy Res. Au. Wtr. PCR (Unrefunded Bal. Drinking Wtr.), Ser. 2002-B, 5.50%, due 7/1/16	39
2,275	Missouri St. Hlth. & Ed. Facs. Au. Rev. (Children's Mercy Hosp.), Ser. 2009, 5.13%, due 5/15/24	2,57
2,965	Missouri St. Univ. Auxiliary Enterprise Sys. Rev., Ser. 2007-A, (XLCA Insured), 5.00%, due 4/1/26 Pre-Refunded 4/1/17	3,21
		6,17
Nevada (2.6%)		
1,900	Director of the St. of Nevada Dept. of Bus. & Ind. Rev. (Somerset Academy), Ser. 2015-A, 4.00%, due 12/15/25	1,88
1,635	Las Vegas Redev. Agcy. Tax Increment Rev., Ser. 2009-A, 6.50%, due 6/15/17	1,75
3,545	Las Vegas Redev. Agcy. Tax Increment Rev., Ser. 2009-A, 7.50%, due 6/15/23	4,06
		7,70
New Hampshire (0.5%)		
1,500	New Hampshire St. Bus. Fin. Au. Solid Waste Disp. Rev. (Casella Waste Sys., Inc.), Ser. 2013, 4.00%, due 4/1/29 Putable 10/1/19	**1,51**
New Jersey (5.5%)		
2,500	New Jersey Econ. Dev. Au. Rev. (Continental Airlines, Inc., Proj.), Ser. 1999, 5.13%, due 9/15/23	2,72
500	New Jersey Econ. Dev. Au. Rev. (The Goethals Bridge Replacement Proj.), Ser. 2013, 5.25%, due 1/1/25	57
500	New Jersey Econ. Dev. Au. Rev. (The Goethals Bridge Replacement Proj.), Ser. 2013, 5.50%, due 1/1/26	58
1,420	New Jersey Econ. Dev. Au. Rev. (United Methodist Homes of New Jersey Obligated Group), Ser. 2013, 3.50%, due 7/1/24	1,42
1,470	New Jersey Econ. Dev. Au. Rev. (United Methodist Homes of New Jersey Obligated Group), Ser. 2013, 3.63%, due 7/1/25	1,46
1,520	New Jersey Econ. Dev. Au. Rev. (United Methodist Homes of New Jersey Obligated Group), Ser. 2013, 3.75%, due 7/1/26	1,52
765	New Jersey Econ. Dev. Au. Rev. (United Methodist Homes of New Jersey Obligated Group), Ser. 2013, 4.00%, due 7/1/27	77
7,000	New Jersey Higher Ed. Assist. Au. Rev. (Std. Loan Rev.), Ser. 2012-1A, 4.38%, due 12/1/26	7,36
		16,43

New York (11.4%)		
1,100	Build NYC Res. Corp. Rev., Ser. 2014, 5.00%, due 11/1/24	1,21
835	Build NYC Res. Corp. Rev., Ser. 2014, 5.25%, due 11/1/29	91
1,320	Build NYC Res. Corp. Rev. (Int'l Leadership Charter Sch. Proj.), Ser. 2013, 5.00%, due 7/1/23	1,31
500	Build NYC Res. Corp. Rev. (South Bronx Charter Sch. for Int'l Cultures and the Arts), Ser. 2013-A, 3.88%, due 4/15/23	49
1,450	Build NYC Res. Corp. Rev. (South Bronx Charter Sch. for Int'l Cultures and the Arts), Ser. 2013-A, 5.00%, due 4/15/43	1,44
1,000	Build NYC Res. Corp. Solid Waste Disp. Ref. Rev. (Pratt Paper, Inc. Proj.), Ser. 2014, 4.50%, due 1/1/25	1,08
700	Hempstead Town Local Dev. Corp. Rev. (Molloy College Proj.), Ser. 2014, 5.00%, due 7/1/23	80
735	Hempstead Town Local Dev. Corp. Rev. (Molloy College Proj.), Ser. 2014, 5.00%, due 7/1/24	84
1,400	Jefferson Co. IDA Solid Waste Disp. Rev. (Green Bond), Ser. 2014, 5.25%, due 1/1/24	1,40
1,000	New York City IDA Civic Fac. Rev. (Vaughn College Aeronautics & Technology), Ser. 2006-A, 5.00%, due 12/1/28	1,03
500	New York Liberty Dev. Corp. Ref. Rev. (3 World Trade Ctr. Proj.), Ser. 2014-2, 5.38%, due 11/15/40	54

See Notes to Schedule of Investments 14

Schedule of Investments Intermediate Municipal Fund Inc.
(Unaudited) (cont'd)

PRINCIPAL AMOUNT (000's omitted)		VALUE† (000's omi
$ 1,100	New York Liberty Dev. Corp. Rev. (Nat'l Sports Museum Proj.), Ser. 2006-A, 6.13%, due 2/15/19	$
4,000	New York St. Dorm. Au. Rev. Non St. Supported Debt (Mount Sinai Sch. of Medicine), Ser. 2009, 5.25%, due 7/1/33	4,51
3,200	New York St. Dorm. Au. Rev. Non St. Supported Debt (Univ. Facs.), Ser. 2013-A, 5.00%, due 7/1/28	3,73
2,000	New York St. HFA Rev. (Affordable Hsg.), Ser. 2009-B, 4.85%, due 11/1/41	2,09
2,000	New York St. Mtge. Agcy. Homeowner Mtge. Ref. Rev., Ser. 2014-189, 3.45%, due 4/1/27	2,01
2,000	New York St. Urban Dev. Corp. Rev., Ser. 2008-D, 5.25%, due 1/1/20	2,28
710	Newburgh G.O., Ser. 2012-A, 5.00%, due 6/15/20	79
495	Newburgh G.O. (Deficit Liquidation), Ser. 2012-B, 5.00%, due 6/15/20	55
520	Newburgh G.O. (Deficit Liquidation), Ser. 2012-B, 5.00%, due 6/15/21	58
550	Newburgh G.O. (Deficit Liquidation), Ser. 2012-B, 5.00%, due 6/15/22	61
1,435	Niagara Area Dev. Corp. Rev. (Niagara Univ. Proj.), Ser. 2012-A, 5.00%, due 5/1/23	1,62
1,000	Niagara Area Dev. Corp. Solid Waste Disp. Fac. Rev. (Covanta Energy Proj.), Ser. 2012-B, 4.00%, due 11/1/24	1,01
1,155	Suffolk Co. Judicial Facs. Agcy. Lease Rev. (H. Lee Dennison Bldg.), Ser. 2013, 4.25%, due 11/1/26	1,20
2,000	Utility Debt Securitization Au. Rev., Ser. 2013-TE, 5.00%, due 12/15/28	2,36
		34,47
North Carolina (3.7%)		
1,835	North Carolina Med. Care Commission Hlth. Care Facs. Rev. (Lutheran Svc. For Aging, Inc.), Ser. 2012-A, 4.25%, due 3/1/24	1,89
2,000	North Carolina Med. Care Commission Retirement Facs. Rev., Ser. 2013, 5.13%, due 7/1/23	2,14
5,250	North Carolina Muni. Pwr. Agcy. Number 1 Catawba Elec. Rev., Ser. 2009-A, 5.00%, due 1/1/26	5,91
1,000	Oak Island Enterprise Sys. Rev., Ser. 2009, (Assured Guaranty Insured), 5.63%, due 6/1/24	1,15
		11,10
Ohio (1.5%)		
2,060	Cleveland Arpt. Sys. Rev. Ref., Ser. 2012-A, 5.00%, due 1/1/27	2,28
1,000	Ohio St. Wtr. Dev. Au. Poll Ctrl. Facs. Rev. Ref. (First Energy Nuclear Generation Proj.), Ser. 2006-B, 4.00%, due 12/1/33 Putable 6/3/19	1,05
1,000	Ohio St. Wtr. Dev. Au. Poll Ctrl. Facs. Rev. Ref. (First Energy Nuclear Generation Proj.), Ser. 2008-C, 3.95%, due 11/1/32 Putable 5/1/20	1,04
		4,38
Oklahoma (0.8%)		
655	Tulsa Arpt. Imp. Trust Ref. Rev., Ser. 2015-A, (BAM Insured), 5.00%, due 6/1/21	74
700	Tulsa Arpt. Imp. Trust Ref. Rev., Ser. 2015-A, (BAM Insured), 5.00%, due 6/1/23	79
250	Tulsa Arpt. Imp. Trust Ref. Rev., Ser. 2015-A, (BAM Insured), 5.00%, due 6/1/24	28
400	Tulsa Arpt. Imp. Trust Ref. Rev., Ser. 2015-A, (BAM Insured), 5.00%, due 6/1/25	45

		2,26
Oregon (0.2%)		
480	Oregon St. Hsg. & Comm. Svc. Dept. Multi-Family Rev., Ser. 2012-B, (FHA Insured), 3.50%, due 7/1/27	**48**
Pennsylvania (7.7%)		
3,000	Beaver Co. Ind. Dev. Au. Rev. Ref. (Firstenergy Generation LLC), Ser. 2006-A, 3.50%, due 4/1/41 Putable 6/1/20	3,10
500	Indiana Co. Ind. Dev. Au. Rev. (Std. Cooperative Assoc., Inc.), Ser. 2012, 3.50%, due 5/1/25	50
350	Indiana Co. Ind. Dev. Au. Rev. (Std. Cooperative Assoc., Inc.), Ser. 2012, 3.60%, due 5/1/26	35
2,000	Lancaster Co. Hosp. Au. Rev. (Brethren Village Proj.), Ser. 2008-A, 6.10%, due 7/1/22	2,11
1,250	Lancaster Ind. Dev. Au. Rev. (Garden Spot Village Proj.), Ser. 2013, 5.38%, due 5/1/28	1,36
3,430	Norristown Area Sch. Dist. Cert. of Participation (Installment Purchase), Ser. 2012, 4.50%, due 4/1/27	3,60
2,625	Pennsylvania Econ. Dev. Fin. Au. Exempt Facs. Rev. Ref. (Amtrak Proj.), Ser. 2012-A, 5.00%, due 11/1/24	2,96

See Notes to Schedule of Investments 15

Schedule of Investments Intermediate Municipal Fund Inc.
(Unaudited) (cont'd)

PRINCIPAL AMOUNT (000's omitted)		VALUE (000's omitted)
$1,000	Pennsylvania St. Turnpike Commission Turnpike Rev. (Cap. Appreciation), Subser. 2010-B2, 0.00%, due 12/1/34	$ 1,076
895	Philadelphia Au. For Ind. Dev. Rev. (Discovery Charter Sch. Proj.), Ser. 2012, 5.00%, due 4/1/22	924
415	Philadelphia Au. For Ind. Dev. Rev. (Discovery Charter Sch. Proj.), Ser. 2012, 5.50%, due 4/1/27	428
4,480	Reading G.O., Ser. 2010-C, 5.63%, due 11/15/20	4,726
2,000	Susquehanna Area Reg. Arpt. Au. Sys. Rev., Ser. 2012-A, 5.00%, due 1/1/27	2,204
		23,359
Puerto Rico (0.7%)		
2,020	Puerto Rico Commonwealth Ref. G.O. (Pub. Imp.), Ser. 2001-A, (National Public Finance Guarantee Corp. Insured), 5.50%, due 7/1/20	**2,143**
Rhode Island (1.9%)		
1,000	Rhode Island St. Hlth. & Ed. Bldg. Corp. Rev. (Hosp. Fin. - Care New England Hlth. Sys.), Ser. 2013-A, 5.00%, due 9/1/23	1,092
2,650	Rhode Island St. Std. Loan Au. Std. Loan Rev. (Sr. Prog.), Ser. 2013-A, 3.75%, due 12/1/26	2,613
2,135	Rhode Island St. Std. Loan Au. Std. Loan Rev. (Sr. Prog.), Ser. 2013-A, 3.75%, due 12/1/27	2,083
		5,788
Tennessee (1.8%)		
2,705	Memphis-Shelby Co. Arpt. Au. Arpt. Rev., Ser. 2010-B, 5.50%, due 7/1/19	3,097
2,000	Tennessee St. Energy Acquisition Corp. Gas Rev. (Goldman Sachs Group, Inc.), Ser. 2006-A, 5.25%, due 9/1/23	2,350
		5,447
Texas(6.6%)		
500	Arlington Higher Ed. Fin. Corp. Rev. (Universal Academy), Ser. 2014-A, 5.88%, due 3/1/24	521
1,000	Arlington Higher Ed. Fin. Corp. Rev. (Universal Academy), Ser. 2014-A, 6.63%, due 3/1/29	1,048
1,050	Clifton Higher Ed. Fin. Corp. Rev. (Uplift Ed.), Ser. 2013-A, 3.10%, due 12/1/22	1,049
2,000	Fort Bend Co. Ind. Dev. Corp. Rev. (NRG Energy, Inc.), Ser. 2012-B, 4.75%, due 11/1/42	2,073
500	Gulf Coast Ind. Dev. Au. Rev. (CITGO Petroleum Proj.), Ser. 1995, 4.88%, due 5/1/25	524
1,000	Harris Co. Cultural Ed. Facs. Fin. Corp. Rev. (Brazos Presbyterian Homes, Inc. Proj.), Ser. 2013-B, 5.75%, due 1/1/28	1,093
2,900	Harris Co. Toll Road Sr. Lien Rev., Ser. 2008-B, 5.00%, due 8/15/33	3,213
610	HFDC Ctr. Texas, Inc. Retirement Fac. Rev., Ser. 2006-A, 5.25%, due 11/1/15	614
525	Houston Higher Ed. Fin. Corp. Rev. (Cosmos Foundation), Ser. 2012-A, 4.00%, due 2/15/22	553
1,000	Houston Higher Ed. Fin. Corp. Rev. (Cosmos Foundation), Ser. 2012-A, 5.00%, due 2/15/32	1,101
1,000	Houston Pub. Imp. Ref. G.O., Ser. 2008-A, 5.00%, due 3/1/20	1,107
3,000	North Texas Tollway Au. Dallas North Tollway Sys. Rev., Ser. 2005-C, 6.00%, due 1/1/23	3,458

500	San Leanna Ed. Fac. Corp. Higher Ed. Ref. Rev. (St. Edwards Univ. Proj.), Ser. 2007, 5.00%, due 6/1/19	537
1,500	Texas Pub. Fin. Au. Rev. (So. Univ. Fin. Sys.), Ser. 2013, (BAM Insured), 5.00%, due 11/1/21	1,684
1,175	West Harris Co. Reg. Wtr. Au. Sys. Wtr. Rev., Ser. 2009, 5.00%, due 12/15/35	1,287
		19,862
Utah(1.9%)		
3,000	Salt Lake Co. Hosp. Rev. (IHC Hlth. Svc., Inc.), Ser. 2001, (AMBAC Insured), 5.40%, due 2/15/28 Pre-Refunded 2/15/28	3,519
1,200	Uintah Co. Muni. Bldg. Au. Lease Rev., Ser. 2008, 5.25%, due 6/1/20	1,333
240	Utah Hsg. Corp. Single Family Mtge. Rev., Ser. 2011-A2, Class I, 5.00%, due 7/1/20	247
220	Utah Hsg. Corp. Single Family Mtge. Rev., Ser. 2011-A2, Class I, 5.25%, due 7/1/21	226
310	Utah Hsg. Corp. Single Family Mtge. Rev., Ser. 2011-A2, Class I, 5.45%, due 7/1/22	318
		5,643

See Notes to Schedule of Investments 16

Schedule of Investments Intermediate Municipal Fund Inc.
(Unaudited) (cont'd)

PRINCIPAL AMOUNT (000's omitted)		VALU (000's omitte
Vermont (2.5%)		
$1,600	Vermont Std. Assist. Corp. Ed. Loan Rev., Ser. 2012-A, 5.00%, due 6/15/21	$ 1,
465	Vermont Std. Assist. Corp. Ed. Loan Rev., Ser. 2013-A, 4.25%, due 6/15/24	
1,105	Vermont Std. Assist. Corp. Ed. Loan Rev., Ser. 2013-A, 4.35%, due 6/15/25	1,
1,640	Vermont Std. Assist. Corp. Ed. Loan Rev., Ser. 2013-A, 4.45%, due 6/15/26	1,
535	Vermont Std. Assist. Corp. Ed. Loan Rev., Ser. 2013-A, 4.55%, due 6/15/27	
1,800	Vermont Std. Assist. Corp. Ed. Loan Rev., Ser. 2014-A, 5.00%, due 6/15/24	2,
		7,
Virginia (0.7%)		
1,000	Fairfax Co. Econ. Dev. Au. Residential Care Fac. Rev. (Vinson Hall LLC), Ser. 2013-A, 4.00%, due 12/1/22	1,
1,000	Virginia Beach Dev. Au. Residential Care Fac. Mtge. Ref. Rev. (Westminster-Canterbury of Hampton Roads, Inc.), Ser. 2005, 5.00%, due 11/1/22	1,
		2,
Washington (3.8%)		
1,600	Skagit Co. Pub. Hosp. Dist. Number 1 Ref. Rev., Ser. 2007, 5.63%, due 12/1/25	1,
6,700	Vancouver Downtown Redev. Au. Rev. (Conference Ctr. Proj.), Ser. 2013, 4.00%, due 1/1/28	6,
2,525	Washington St. Higher Ed. Fac. Au. Ref. Rev. (Whitworth Univ. Proj.), Ser. 2009, 5.38%, due 10/1/29	2,
		11,
West Virginia (0.4%)		
1,000	West Virginia Sch. Bldg. Au. Excess Lottery Rev., Ser. 2008, 5.00%, due 7/1/19	**1,**
Wisconsin (4.6%)		
2,000	Pub. Fin. Au. Rev. Ref. (Roseman Univ. Hlth. Sciences Proj.), Ser. 2015, 5.00%, due 4/1/25	2,
1,100	Wisconsin St. Hlth. & Ed. Fac. Au. Rev. (Beloit College), Ser. 2010-A, 6.13%, due 6/1/35	1,
1,225	Wisconsin St. Hlth. & Ed. Fac. Au. Rev. (Beloit College), Ser. 2010-A, 6.13%, due 6/1/39	1,
5,000	Wisconsin St. Hlth. & Ed. Fac. Au. Rev. (Marquette Univ.), Ser. 2008-B3, 5.00%, due 10/1/30	5,
3,000	Wisconsin St. Hlth. & Ed. Fac. Au. Rev. (Meriter Hosp., Inc.), Ser. 2009, 5.63%, due 12/1/29 Pre-Refunded 12/1/18	3,
		13,
Other(0.8%)		
3,000	Non-Profit Pfd. Fdg. Trust I, Ser. 2006-C, 4.72%, due 9/15/37	**2,**
Total Municipal Notes (Cost $431,227)		**473,**
Tax Exempt Preferred (0.7%)		
Real Estate (0.7%)		

1,800	Munimae TE Bond Subsidiary LLC, Unsecured Notes, 5.00%, due 4/30/28 **(Cost $1,800)**	**1,**
	Total Investments (157.8%) (Cost $433,027)	**475,**
	Cash, receivables and other assets, less liabilities (1.7%)	5,
	Liquidation Value of Variable Rate Municipal Term Preferred Shares [(59.5%)]	(179,
	Total Net Assets Applicable to Common Stockholders (100.0%)	**$ 301,**

See Notes to Schedule of Investments 17

Schedule of Investments New York Intermediate Municipal Fund Inc.
(Unaudited) 4/30/15

PRINCIPAL AMOUNT (000's omitted)		**VALUE** (000's omitted)
Municipal Notes (163.6%)		
California (5.5%)		
$3,115	Corona-Norca Unified Sch. Dist. G.O. Cap. Appreciation (Election 2006), Ser. 2009-C, (AGM Insured), 0.00%, due 8/1/24	$2,381
1,470	Pico Rivera Pub. Fin. Au. Lease Rev., Ser. 2009, 4.75%, due 9/1/25	1,654
		4,035
Florida (0.7%)		
500	Collier Co. Ind. Dev. Au. Continuing Care Comm. Rev. (Arlington of Naples Proj.), Ser. 2014-B1, 6.88%, due 5/15/21	**506**
Guam (3.8%)		
1,135	Guam Gov't Hotel Occupancy Tax Rev., Ser. 2011-A, 5.50%, due 11/1/19	1,304
330	Guam Gov't Waterworks Au. Wtr. & Wastewater Sys. Rev., Ser. 2005, 5.50%, due 7/1/16 Pre-Refunded 7/1/15	331
1,000	Guam Gov't Waterworks Au. Wtr. & Wastewater Sys. Rev., Ser. 2010, 5.25%, due 7/1/25	1,112
		2,749
Illinois (1.4%)		
315	Bartlett Sr. Lien Tax Increment Ref. Rev. (Quarry Redev. Proj.), Ser. 2007, 5.35%, due 1/1/17	322
600	Illinois St. G.O., Ser. 2013, 5.00%, due 7/1/23	673
		995
Louisiana (0.8%)		
500	Louisiana St. Pub. Facs. Au. Rev. (Southwest Louisiana Charter Academy Foundation Proj.), Ser. 2013-A, 7.63%, due 12/15/28	**577**
Nevada (1.6%)		
1,000	Las Vegas Redev. Agcy. Tax Increment Rev., Ser. 2009-A, 7.50%, due 6/15/23	**1,145**
New York (142.1%)		
380	Albany Cap. Res. Corp. Ref. Rev. (Albany College of Pharmacy & Hlth. Sciences), Ser. 2014-A, 5.00%, due 12/1/27	439
375	Albany Cap. Res. Corp. Ref. Rev. (Albany College of Pharmacy & Hlth. Sciences), Ser. 2014-A, 5.00%, due 12/1/28	431
270	Albany Cap. Res. Corp. Ref. Rev. (Albany College of Pharmacy & Hlth. Sciences), Ser. 2014-A, 5.00%, due 12/1/29	309

270	Build NYC Res. Corp. Ref. Rev. (City Univ. - Queens College), Ser. 2014-A, 5.00%, due 6/1/26	321
225	Build NYC Res. Corp. Ref. Rev. (City Univ. - Queens College), Ser. 2014-A, 5.00%, due 6/1/29	260
250	Build NYC Res. Corp. Ref. Rev. (Methodist Hosp. Proj.), Ser. 2014, 5.00%, due 7/1/22	291
500	Build NYC Res. Corp. Ref. Rev. (Methodist Hosp. Proj.), Ser. 2014, 5.00%, due 7/1/29	574
155	Build NYC Res. Corp. Ref. Rev. (Packer Collegiate Institute Proj.), Ser. 2015, 5.00%, due 6/1/26	182
125	Build NYC Res. Corp. Ref. Rev. (Packer Collegiate Institute Proj.), Ser. 2015, 5.00%, due 6/1/27	145
195	Build NYC Res. Corp. Ref. Rev. (Packer Collegiate Institute Proj.), Ser. 2015, 5.00%, due 6/1/28	224
220	Build NYC Res. Corp. Ref. Rev. (Packer Collegiate Institute Proj.), Ser. 2015, 5.00%, due 6/1/29	251
325	Build NYC Res. Corp. Ref. Rev. (Packer Collegiate Institute Proj.), Ser. 2015, 5.00%, due 6/1/30	369
565	Build NYC Res. Corp. Rev., Ser. 2014, 5.00%, due 11/1/24	626
600	Build NYC Res. Corp. Rev. (Int'l Leadership Charter Sch. Proj.), Ser. 2013, 5.00%, due 7/1/23	595
500	Build NYC Res. Corp. Rev. (South Bronx Charter Sch. Int'l Cultures), Ser. 2013-A, 3.88%, due 4/15/23	496
250	Build NYC Res. Corp. Solid Waste Disp. Ref. Rev. (Pratt Paper, Inc. Proj.), Ser. 2014, 3.75%, due 1/1/20	261
200	Build NYC Res. Corp. Solid Waste Disp. Ref. Rev. (Pratt Paper, Inc. Proj.), Ser. 2014, 4.50%, due 1/1/25	216
500	Cattaraugus Co. IDA Civic Fac. Rev. (St. Bonaventure Univ. Proj.), Ser. 2006-A, 5.00%, due 5/1/23	516

See Notes to Schedule of Investments 18

Schedule of Investments New York Intermediate Municipal Fund Inc.
(Unaudited) (cont'd)

PRINCIPAL AMOUNT (000's omitted)	
$1,000	Dutchess Co. Local Dev. Corp. Rev. (Marist College Proj.), Ser. 2012-A, 5.00%, due 7/1/21
1,050	Erie Co. IDA Sch. Fac. Rev. (Buffalo City Sch. Dist.), Ser. 2009-A, 5.25%, due 5/1/25
1,270	Geneva Dev. Corp. Rev. (Hobart & William Smith College Proj.), Ser. 2012, 5.00%, due 9/1/21
1,500	Hempstead Town Local Dev. Corp. Rev. (Molloy College Proj.), Ser. 2009, 5.75%, due 7/1/23
580	Islip, G.O., Ser. 2012, 3.00%, due 8/1/25
755	Jefferson Co. IDA Solid Waste Disp. Rev. (Green Bond), Ser. 2014, 4.75%, due 1/1/20
1,050	Long Island Pwr. Au. Elec. Sys. Gen. Rev., Ser. 2006-E, (BHAC Insured), 5.00%, due 12/1/21
2,000	Metropolitan Trans. Au. Rev., Ser. 2012-F, 5.00%, due 11/15/21
1,000	Monroe Co. IDA Civic Fac. Rev. (Highland Hosp. of Rochester), Ser. 2005, 5.00%, due 8/1/15
300	Monroe Co. Ind. Dev. Corp. Rev. (Monroe Comm. College), Ser. 2014, (AGM Insured), 5.00%, due 1/15/29
500	Monroe Co. Ind. Dev. Corp. Rev. (Nazareth College of Rochester Proj.), Ser. 2013-A, 5.00%, due 10/1/24
500	Monroe Co. Ind. Dev. Corp. Rev. (Nazareth College of Rochester Proj.), Ser. 2013-A, 5.00%, due 10/1/25
250	Monroe Co. Ind. Dev. Corp. Rev. (Nazareth College of Rochester Proj.), Ser. 2013-A, 4.00%, due 10/1/26
1,120	Monroe Co. Ind. Dev. Corp. Rev. (St. John Fisher College), Ser. 2012-A, 5.00%, due 6/1/23
210	Monroe Co. Ind. Dev. Corp. Rev. (St. John Fisher College), Ser. 2012-A, 5.00%, due 6/1/25
350	Monroe Co. Newpower Corp. Pwr. Fac. Rev., Ser. 2003, 5.10%, due 1/1/16
1,265	Montgomery Co. Cap. Res. Corp. Lease Ref. Rev. (HFM Boces Proj.), Ser. 2014, (MAC Insured), 5.00%, due 9/1/27
2,000	Nassau Co. G.O. (Gen. Imp. Bonds), Ser. 2013-B, 5.00%, due 4/1/28
1,400	Nassau Co. IDA Civic Fac. Rev. Ref. & Imp. (Cold Spring Harbor Laboratory), Ser. 1999, (LOC: TD Bank N.A.), 0.13%, due 1/1/34
500	Nassau Co. Local Econ. Assist. Corp. Rev. (Catholic Hlth. Svcs. of Long Island Obligated Group Proj.), Ser. 2014, 5.00%, due 7/1/23
1,000	Nassau Co. Local Econ. Assist. Corp. Rev. (Catholic Hlth. Svcs. of Long Island Obligated Group Proj.), Ser. 2014, 5.00%, due 7/1/27
950	New York City G.O., Ser. 2009-B, 5.00%, due 8/1/22
1,000	New York City G.O., Ser. 2009-E, 5.00%, due 8/1/21
490	New York City IDA Civic Fac. Rev. (Vaughn College Aeronautics & Technology), Ser. 2006-A, 5.00%, due 12/1/28
2,000	New York City IDA Spec. Fac. Rev. (Term. One Group Assoc. Proj.), Ser. 2005, 5.50%, due 1/1/19
1,200	New York City Trust for Cultural Res. Ref. Rev. (American Museum of Natural History), Ser. 2008-A1, (LOC: JP Morgan Chase), 0.14%, due 4/1/27
500	New York Liberty Dev. Corp. Ref. Rev. (3 World Trade Ctr. Proj.), Ser. 2014, 5.38%, due 11/15/40
2,000	New York Liberty Dev. Corp. Rev. (Goldman Sachs Headquarters), Ser. 2005, 5.25%, due 10/1/35
660	New York Liberty Dev. Corp. Rev. (Nat'l Sports Museum Proj.), Ser. 2006-A, 6.13%, due 2/15/19
3,000	New York St. Dorm. Au. Ref. Rev. (North Gen. Hosp. Proj.), Ser. 2003, 5.75%, due 2/15/17
1,815	New York St. Dorm. Au. Ref. Rev. Non St. Supported Debt (Pratt Institute), Ser. 2015-A,

	3.00%, due 7/1/27
250	New York St. Dorm. Au. Rev. (Brookdale Hosp. Med. Ctr.), Ser. 1998-J, 5.20%, due 2/15/16
795	New York St. Dorm. Au. Rev. (City Univ. Sys. Proj.), Ser. 1995-A, 5.63%, due 7/1/16
295	New York St. Dorm. Au. Rev. (North Shore-Long Island Jewish Oblig. Group), Ser. 2003, 5.00%, due 5/1/18
905	New York St. Dorm. Au. Rev. (SS Joachim & Anne Residence Proj.), Ser. 2002, (LOC: Allied Irish Banks), 4.60%, due 7/1/16
780	New York St. Dorm. Au. Rev. Non St. Supported Debt (Culinary Institute of America), Ser. 2013, 4.63%, due 7/1/25
500	New York St. Dorm. Au. Rev. Non St. Supported Debt (Manhattan Marymount College), Ser. 2009, 5.00%, due 7/1/24
900	New York St. Dorm. Au. Rev. Non St. Supported Debt (Montefiore Med. Ctr.), Ser. 2008, (FHA Insured), 5.00%, due 8/1/21
1,595	New York St. Dorm. Au. Rev. Non St. Supported Debt (Mount Sinai Sch. of Medicine), Ser. 2009, 5.25%, due 7/1/24
2,000	New York St. Dorm. Au. Rev. Non St. Supported Debt (North Shore-Long Island Jewish Oblig. Group), Ser. 2011-A, 4.38%, due 5/1/26
1,000	New York St. Dorm. Au. Rev. Non St. Supported Debt (NYU Hosp. Ctr.), Ser. 2006-A, 5.00%, due 7/1/20

See Notes to Schedule of Investments 19

Schedule of Investments New York Intermediate Municipal Fund Inc.
(Unaudited) (cont'd)

PRINCIPAL AMOUNT (000's omitted)		VALUE (000's omitted)
$ 805	New York St. Dorm. Au. Rev. Non St. Supported Debt (NYU Hosp. Ctr.), Ser. 2007-B, 5.25%, due 7/1/24 Pre-Refunded 7/1/17	$ 86
1,375	New York St. Dorm. Au. Rev. Non St. Supported Debt (Rochester Institute of Technology), Ser. 2012, 4.00%, due 7/1/28	1,44
2,000	New York St. Dorm. Au. Rev. Non St. Supported Debt (St. John's Univ.), Ser. 2007-C, (National Public Finance Guarantee Corp. Insured), 5.25%, due 7/1/19	2,29
460	New York St. Dorm. Au. Rev. Non St. Supported Debt (Touro College & Univ. Sys. Obligated Group), Ser. 2014-A, 4.00%, due 1/1/26	48
470	New York St. Dorm. Au. Rev. Non St. Supported Debt (Touro College & Univ. Sys. Obligated Group), Ser. 2014-A, 4.00%, due 1/1/27	49
200	New York St. Dorm. Au. Rev. Non St. Supported Debt (Touro College & Univ. Sys. Obligated Group), Ser. 2014-A, 4.00%, due 1/1/28	21
275	New York St. Dorm. Au. Rev. Non St. Supported Debt (Touro College & Univ. Sys. Obligated Group), Ser. 2014-A, 4.13%, due 1/1/29	29
1,350	New York St. Dorm. Au. Rev. Non St. Supported Debt (Univ. Facs.), Ser. 2013-A, 5.00%, due 7/1/28	1,57
2,000	New York St. Dorm. Au. Rev. St. Personal Income Tax Rev., Ser. 2012-A, 5.00%, due 12/15/26	2,38
1,500	New York St. Env. Fac. Corp. Solid Waste Disp. Rev. (Waste Management, Inc. Proj.), Ser. 2004-A, 2.75%, due 7/1/17	1,54
2,000	New York St. Env. Facs. Corp. (St. Clean Wtr. & Drinking), Ser. 2012-A, 4.00%, due 6/15/26	2,20
1,615	New York St. HFA Rev. (Affordable Hsg.), Ser. 2009-B, 4.50%, due 11/1/29	1,69
960	New York St. HFA Rev. (Affordable Hsg.), Ser. 2012-F, (SONYMA Insured), 3.05%, due 11/1/27	96
1,045	New York St. Mtge. Agcy. Homeowner Mtge. Ref. Rev., Ser. 2014-189, 3.45%, due 4/1/27	1,05
1,230	New York St. Muni. Bond Bank Agcy., Subser. 2009-B1, 5.00%, due 12/15/23	1,42
1,295	New York St. Muni. Bond Bank Agcy., Subser. 2009-B1, 5.00%, due 12/15/24	1,50
1,000	New York St. Thruway Au. Second Gen. Hwy. & Bridge Trust Fund Bonds, Ser. 2007-B, 5.00%, due 4/1/20	1,09
1,090	New York St. Thruway Au. Second Gen. Hwy. & Bridge Trust Fund Bonds, Ser. 2009-B, 5.00%, due 4/1/19	1,24
1,250	New York St. Urban Dev. Corp. Ref. Rev., Ser. 2008-D, 5.25%, due 1/1/20	1,42
965	New York St. Urban Dev. Corp. Rev. (St. Personal Income Tax), Ser. 2008-A1, 5.00%, due 12/15/23	1,07
785	Newburgh, G.O., Ser. 2012-A, 5.00%, due 6/15/22	88
900	Niagara Area Dev. Corp. Rev. (Covanta Energy Proj.), Ser. 2012, 4.00%, due 11/1/24	91
640	Niagara Area Dev. Corp. Rev. (Niagara Univ. Proj.), Ser. 2012-A, 5.00%, due 5/1/25	72
300	Niagara Area Dev. Corp. Rev. (Niagara Univ. Proj.), Ser. 2012-A, 5.00%, due 5/1/26	33
1,100	Niagara Falls City Sch. Dist. Ref. Cert. Participation (High Sch. Fac.), Ser. 2015, (AGM Insured), 4.00%, due 6/15/26	1,17
500	Onondaga Civic Dev. Corp. Rev. (St. Josephs Hosp. Hlth. Ctr. Proj.), Ser. 2014-A, 5.00%, due 7/1/25	54
1,000	Onondaga Co. Trust Cultural Res. Rev. (Syracuse Univ. Proj.), Ser. 2010-B, 5.00%, due 12/1/19	1,16
1,500	Oyster Bay, G.O., Ser. 2014, (AGM Insured), 3.25%, due 8/1/21	1,58
3,000	Port Au. New York & New Jersey Cons. Bonds, Ser. 2012-175, 3.00%, due 12/1/27	3,04
750	Rensselaer City Sch. Dist. Cert. Participation, Ser. 2006, (XLCA Insured), 5.00%, due 6/1/26	76

1,500	Rockland Co. G.O. (Pub. Imp.), Ser. 2014-C, (AGM Insured), 4.00%, due 5/1/21	1,65
1,000	Saratoga Co. IDA Civic Fac. Rev. (Saratoga Hosp. Proj.), Ser. 2007-B, 5.00%, due 12/1/22	1,09
1,410	St. Lawrence Co. IDA Civic Dev. Corp. Rev. (St. Lawrence Univ. Proj.), Ser. 2012, 5.00%, due 7/1/28	1,59
1,980	Suffolk Co. Judicial Facs. Agcy. Lease Rev. (H. Lee Dennison Bldg.), Ser. 2013, 5.00%, due 11/1/25	2,21
190	Triborough Bridge & Tunnel Au. Oblig., Ser. 1998-A, (National Public Finance Guarantee Corp. Insured), 4.75%, due 1/1/24	19
1,000	Triborough Bridge & Tunnel Au. Rev., Subser. 2008-D, 5.00%, due 11/15/23 Pre-Refunded 11/15/18	1,13
765	Triborough Bridge & Tunnel Au. Rev., Subser. 2008-D, 5.00%, due 11/15/23	86
305	Ulster Co. Res. Rec. Agcy., Ser. 2002, (AMBAC Insured), 5.25%, due 3/1/16	30
1,405	United Nations Dev. Corp. Rev., Ser. 2009-A, 5.00%, due 7/1/22	1,60
3,000	Utility Debt Securitization Au. Rev., Ser. 2013-TE, 5.00%, due 12/15/28	3,54
1,350	Westchester Co. Local Dev. Corp. Rev. (Kendal on Hudson Proj.), Ser. 2013, 5.00%, due 1/1/28	1,50
		103,94

See Notes to Schedule of Investments 20

Schedule of Investments New York Intermediate Municipal Fund Inc.
(Unaudited) (cont'd)

PRINCIPAL AMOUNT (000's omitted)		VAL (000' omitt
Pennsylvania (2.9%)		
$2,000	Pennsylvania St. Turnpike Commission Turnpike Rev. (Cap. Appreciation), Subser. 2010-B2, 0.00%, due 12/1/34	**$ 2**
Puerto Rico (4.4%)		
2,000	Puerto Rico Commonwealth Ref. G.O. (Pub. Imp.), Ser. 2001-A, (National Public Finance Guarantee Corp. Insured), 5.50%, due 7/1/20	2
1,060	Puerto Rico Ind. Tourist Ed. Med. & Env. Ctrl. Fac. Rev. (Polytechnic Univ. of Puerto Rico Proj.), Ser. 2002-A, (ACA Insured), 5.25%, due 8/1/16	1
		3
Virgin Islands (0.4%)		
250	Virgin Islands Pub. Fin. Au. Rev., Ser. 2014-A, 5.00%, due 10/1/24	
	Total Municipal Notes (Cost $113,588)	**119**
UNITS		
Liquidating Trust - Real Estate (2.2%)		
600	CMS Liquidating Trust **(Cost $3,105)**	**1**
	Total Investments (165.8%) (Cost $116,693)	**121**
	Cash, receivables and other assets, less liabilities (0.2%)	
	Liquidation Value of Variable Rate Municipal Term Preferred Shares [(66.0%)]	(48
	Total Net Assets Applicable to Common Stockholders (100.0%)	**$ 73**

See Notes to Schedule of Investments 21

Notes to Schedule of Investments (Unaudited)

† In accordance with Accounting Standards Codification ("ASC") 820 "Fair Value Measurement" ("ASC 820"), all investments held by each of Neuberger Berman California Intermediate Municipal Fund Inc. ("California"), Neuberger Berman Intermediate Municipal Fund Inc. ("Intermediate") and Neuberger Berman New York Intermediate Municipal Fund Inc. ("New York") (each individually a "Fund" and collectively, the "Funds") are carried at the value that Neuberger Berman Management LLC ("Management") believes a Fund would receive upon selling an investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment under current market conditions. Various inputs, including the volume and level of activity for the asset or liability in the market, are considered in valuing the Funds' investments, some of which are discussed below. Significant management judgment may be necessary to value investments in accordance with ASC 820.

ASC 820 established a three-tier hierarchy of inputs to create a classification of value measurements for disclosure purposes. The three-tier hierarchy of inputs is summarized in the three broad Levels listed below.

Level 1 – quoted prices in active markets for identical investments
Level 2 – other observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, amortized cost, etc.)
Level 3 – unobservable inputs (including a Fund's own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing an investment are not necessarily an indication of the risk associated with investing in those securities.

The value of the Funds' investments in municipal securities is determined by Management primarily by obtaining valuations from independent pricing services based on readily available bid quotations, or if quotations are not available, by methods which include various considerations such as yields or prices of securities of comparable quality, coupon, maturity and type; indications as to values from dealers; and general market conditions (generally Level 2 inputs). Other Level 2 and 3 inputs used by independent pricing services to value municipal securities and units include current trades, bid-wanted lists (which informs the market that a holder is interested in selling a position and that offers will be considered), offerings, general information on market movement, direction, trends, appraisals, bid offers and specific data on specialty issues.

Management has developed a process to periodically review information provided by independent pricing services for all types of securities.

If a valuation is not available from an independent pricing service, or if Management has reason to believe that the valuation received does not represent the amount a Fund might reasonably expect to receive on a current sale in an orderly transaction, Management seeks to obtain quotations from brokers or dealers (generally considered Level 2 or Level 3 inputs depending on the number of quotes available). If such quotations are not readily available, the security is valued using methods the Fund's Board of Directors (each Fund's Board of Directors, a "Board") has approved in the good-faith belief that the resulting valuation will reflect the fair value of the security. Numerous factors may be considered when determining the fair value of a security based on Level 2 or Level 3 inputs, including available analyst, media or other reports, trading in futures or American Depositary Receipts ("ADRs") and whether the issuer of the security being fair valued has other securities outstanding.

Fair value prices are necessarily estimates, and there is no assurance that such a price will be at or close to the price at which the security is next quoted or next trades.

Notes to Schedule of Investments (Unaudited) (cont'd)

The following is a summary, categorized by Level, of inputs used to value the Funds' investments as of April 30, 2015:

Asset Valuation Inputs (000's omitted)	**Level 1**	**Level 2**	**Level 3[§]**	**Total**
California				
Investments:				
Municipal Notes^	$—	$142,968	$—	$142,968
Total Investments	**—**	**142,968**	**—**	**142,968**
Intermediate				
Investments:				
Municipal Notes^	—	473,414	—	473,414
Tax Exempt Preferred^	—	1,953	—	1,953
Total Investments	**—**	**475,367**	**—**	**475,367**
New York				
Investments:				
Municipal Notes^	—	119,567	—	119,567
Liquidating Trust—Real Estate	—	1,650	—	1,650
Total Investments	**—**	**121,217**	**—**	**121,217**

^ The Schedule of Investments provides information on the state categorization for the portfolio.

§ The following is a reconciliation between the beginning and ending balances of investments in which unobservable inputs (Level 3) were used in determining value:

(000's omitted)	**Beginning balance, as of 11/1/14**	**Accrued discounts/ (premiums)**	**Realized gain/(loss)**	**Change in unrealized appreciation/ (depreciation)**	**Purchases**	**Sales**	**Transfers into Level 3**	**Transfers out of Level 3**	**Balance as of 4/30/15**	**Net app (dep in s**
Investments in Securities										
New York										
Units										
Liquidating Trust—Real Estate	$1,830	$—	$—	$ —	$—	$—	$—	$(1,830)	$—	
Total	**$1,830**	**$—**	**$—**	**$ —**	**$—**	**$—**	**$—**	**$(1,830)**	**$—**	

See Notes to Financial Statements 23

Notes to Schedule of Investments (Unaudited) (cont'd)

As of the six months ended April 30, 2015, a security was transferred from one level (as of October 31, 2014) to another. Based on beginning of period market values as of November 1, 2014, approximately $1,830,000 was transferred from Level 3 to Level 2 for New York as a result of an increase in the number of observable inputs that were readily available to the independent pricing service.

At April 30, 2015, selected fund information on a U.S. federal income tax basis was as follows:

(000's omitted)	Cost	Gross Unrealized Appreciation	Gross Unrealized Depreciation	Net Unrealized Appreciation (Depreciation)
California	$133,680	$ 9,497	$ 209	$ 9,288
Intermediate	433,041	44,509	2,183	42,326
New York	116,696	6,810	2,289	4,521

ß Security is guaranteed by the corporate or non-profit obligor.

ñ Securities were purchased under Rule 144A of the Securities Act of 1933, as amended (the "1933 Act"), or are private placements and, unless registered under the 1933 Act or exempted from registration, may only be sold to qualified institutional investors. These securities have been deemed by the investment manager to be liquid. At April 30, 2015, these securities amounted to approximately $4,059,000 or 4.7% of net assets applicable to common stockholders for California, approximately $18,323,000 or 6.1% of net assets applicable to common stockholders for Intermediate and approximately $1,936,000 or 2.6% of net assets applicable to common stockholders for New York.

Ø All or a portion of this security was purchased on a when-issued basis. At April 30, 2015, these securities amounted to $1,177,000 or 1.6% of net assets applicable to common stockholders for New York.

ØØ All or a portion of this security is segregated in connection with obligations for when-issued security purchase commitments.

µ Floating rate securities are securities whose yields vary with a designated market index or market rate. These securities are shown at their current rates as of April 30, 2015, and at their final maturities.

b Currently a zero coupon security; will convert to 6.00% on December 1, 2015.

c Currently a zero coupon security; will convert to 6.50% on December 1, 2015.

d Currently a zero coupon security; will convert to 5.50% on August 1, 2021.

e Currently a zero coupon security; will convert to 6.38% on August 1, 2016.

f Currently a zero coupon security; will convert to 6.38% on August 1, 2019.

g Currently a zero coupon security; will convert to 6.13% on August 1, 2023.

h

Currently a zero coupon security; will convert to 6.75% on August 1, 2015.

i Currently a zero coupon security; will convert to 6.88% on August 1, 2019.

j Currently a zero coupon security; will convert to 7.30% on August 1, 2026.

z A zero balance, if any, may reflect actual amounts rounding to less than $1,000.

* Security did not produce income during the last twelve months.

See Notes to Financial Statements 24

Notes to Schedule of Investments (Unaudited) (cont'd)

^^ Value of the security was determined using methods the Board has approved in the good-faith belief that the resulting valuation will reflect the fair value of the security.

‡ Security had an event of default.

Ñ These securities have been deemed by the investment manager to be illiquid. At April 30, 2015, these securities amounted to approximately $498,000 or 0.6% of net assets applicable to common stockholders for California and approximately $ 2,993,000 or 1.0% of net assets applicable to common stockholders for Intermediate.

These securities have been deemed by the investment manager to be illiquid, and are restricted securities subject to restrictions on resale. Securities were purchased under Rule 144A of the 1933 Act or are private placements and, unless registered under the 1933 Act or exempted from registration, may only be sold to qualified institutional investors.

At April 30, 2015, these securities amounted to approximately $1,514,000 or 1.8% of net assets applicable to common stockholders for California, approximately $6,844,000 or 2.3% of net assets applicable to common stockholders for Intermediate and approximately $2,156,000 or 2.9% of net assets applicable to common stockholders for New York.

(000's omitted)	Restricted Security	Acquisition Date	Acquisition Cost	Acquisition Cost Percentage of Net Assets Applicable to Common Stockholders as of Acquisition Date	Value as of 4/30/15	Fair Value Percentage of Net Assets Applicable to Common Stockholders as of 4/30/15
California	California Muni. Fin. Au. Charter Sch. Lease Rev. (Sycamore Academy Proj.), Ser. 2014, 5.63%, due 7/1/44	9/18/2014	$982	1.2%	$1,009	1.2%
	Collier Co. Ind. Dev. Au. Continuing Care Comm. Rev. (Arlington of Naples Proj.),	12/16/2013	500	0.6%	505	0.6%

Ser. 2014-B1, 6.88%, due 5/15/21					

See Notes to Financial Statements 25

Notes to Schedule of Investments (Unaudited) (cont'd)

(000's omitted)	Restricted Security	Acquisition Date	Acquisition Cost	Acquisition Cost Percentage of Net Assets Applicable to Common Stockholders as of Acquisition Date	Value as of 4/30/15	Fair Value Percentage of Net Assets Applicable to Common Stockholders as of 4/30/15
Intermediate	California Muni. Fin. Au. Charter Sch. Lease Rev. (Sycamore Academy Proj.), Ser. 2014, 5.00%, due 7/1/24	9/18/2014	$806	0.3%	$821	0.3%
	California Muni. Fin. Au. Charter Sch. Lease Rev. (Sycamore Academy Proj.), Ser. 2014, 5.13%, due 7/1/29	9/18/2014	623	0.2%	637	0.2%
	Collier Co. Ind. Dev. Au. Continuing Care Comm. Rev. (Arlington of Naples Proj.), Ser. 2014-B1, 6.88%, due 5/15/21	12/16/2013	1,000	0.4%	1,011	0.3%
	Munimae TE Bond Subsidiary LLC, Unsecured	1/31/2013	1,925	0.7%	1,953	0.7%

	Notes, 5.00%, due 4/30/28					
	New York Liberty Dev. Corp. Rev. (Nat'l Sports Museum Proj.), Ser. 2006-A, 6.13%, due 2/15/19	8/4/2006	1,100	0.4%	0	0.0%
	Non-Profit Pfd. Fdg. Trust I, Ser. 2006-C, 4.72%, due 9/15/37	10/2/2006	3,000	1.0%	2,422	0.8%

See Notes to Financial Statements 26

Notes to Schedule of Investments (Unaudited) (cont'd)

(000's omitted)	Restricted Security	Acquisition Date	Acquisition Cost	Acquisition Cost Percentage of Net Assets Applicable to Common Stockholders as of Acquisition Date	Value as of 4/30/15	Fair Value Percentage of Net Assets Applicable to Common Stockholders as of 4/30/15
New York	Collier Co. Ind. Dev. Au. Continuing Care Comm. Rev. (Arlington of Naples Proj.), Ser. 2014-B1, 6.88%, due 5/15/21	12/16/2013	$500	0.7%	$506	0.7%
	New York Liberty Dev. Corp. Rev. (Nat'l Sports Museum Proj.), Ser. 2006-A, 6.13%, due 2/15/19	8/4/2006	660	0.9%	0	0.0%
	CMS Liquidating Trust	11/21/2012	3,105	4.0%	1,650	2.2%

See Notes to Financial Statements 27

Statements of Assets and Liabilities (Unaudited)

Neuberger Berman
(000's omitted except per share amounts)

	CALIFORNIA INTERMEDIATE MUNICIPAL FUND INC. April 30, 2015	INTERMEDIATE MUNICIPAL FUND INC. April 30, 2015
Assets		
Investments in securities, at value* (Note A)—see Schedule of Investments:		
Unaffiliated issuers	$142,968	$475,367
Cash	393	282
Interest receivable	1,663	6,424
Receivable for securities sold	—	335
Deferred offering costs (Note A)	123	238
Prepaid expenses and other assets	2	6
Total Assets	145,149	482,652
Liabilities		
Variable Rate Municipal Term Preferred Shares Series A ($100,000 liquidation value per share; 590, 1,794 and 483 shares outstanding for California, Intermediate and New York, respectively) (Note A)	59,000	179,400
Distributions payable—preferred shares	63	191
Distributions payable—common stock	377	1,407
Payable for securities purchased	—	—
Payable to investment manager (Note B)	30	100
Payable to administrator (Note B)	36	120
Payable to directors	1	1
Accrued expenses and other payables	77	111
Total Liabilities	59,584	181,330
Net Assets applicable to Common Stockholders	$85,565	$301,322
Net Assets applicable to Common Stockholders consist of:		
Paid-in capital—common stock	$79,174	$267,797
Undistributed net investment income (loss)	1,170	10,440
Accumulated net realized gains (losses) on investments	(4,067)	(19,255)
Net unrealized appreciation (depreciation) in value of investments	9,288	42,340
Net Assets applicable to Common Stockholders	$85,565	$301,322
Shares of Common Stock Outstanding($.0001 par value; 999,996,410, 999,990,206 and 999,996,517 shares authorized for California, Intermediate and New York, respectively)	5,542	18,766
Net Asset Value Per Share of Common Stock Outstanding	$15.44	$16.06
***Cost of Investments**	$133,680	$433,027

See Notes to Financial Statements 28

Statements of Operations (Unaudited)

Neuberger Berman
(000's omitted)

	CALIFORNIA INTERMEDIATE MUNICIPAL FUND INC. For the Six Months Ended April 30, 2015	INTERMEDIATE MUNICIPAL FUND INC. For the Six Months Ended April 30, 2015
Investment Income:		
Income (Note A):		
Interest and other income	$2,733	$10,350
Expenses:		
Investment management fees (Note B)	180	601
Administration fees (Note B)	216	721
Audit fees	29	29
Basic maintenance expense (Note A)	20	20
Custodian and accounting fees	40	82
Insurance expense	2	7
Legal fees	13	41
Stockholder reports	7	18
Stock exchange listing fees	1	3
Stock transfer agent fees	12	11
Distributions to variable rate municipal term preferred stockholders and amortization of offering costs (Note A)	393	1,180
Directors' fees and expenses	16	16
Miscellaneous	7	13
Total net expenses	936	2,742
Net investment income (loss)	$1,797	$7,608
Realized and Unrealized Gain (Loss) on Investments (Note A):		
Net realized gain (loss) on:		
Sales of investment securities of unaffiliated issuers	14	978
Change in net unrealized appreciation (depreciation) in value of:		
Unaffiliated investment securities	56	(1,128)

Net gain (loss) on investments	70	(150)
Net increase (decrease) in net assets applicable to Common Stockholders resulting from operations	$1,867	$7,458

See Notes to Financial Statements 29

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Statements of Changes in Net Assets

Neuberger Berman
(000's omitted)

	CALIFORNIA INTERMEDIATE MUNICIPAL FUND INC.		INTERM MUNICIPAL
	Six Months Ended April 30, 2015 (Unaudited)	Year Ended October 31, 2014	Six Months Ended April 30, 2015 (Unaudited)
Increase (Decrease) in Net Assets Applicable to Common Stockholders:			
From Operations (Note A):			
Net investment income (loss)	$1,797	$4,008	$7,608
Net realized gain (loss) on investments	14	(1,473)	978
Change in net unrealized appreciation (depreciation) of investments	56	7,844	(1,128)
Distributions to Auction Market Preferred Stockholders From (Note A):			
Net investment income	—	(42)	—
Net increase (decrease) in net assets applicable to common stockholders resulting from operations	1,867	10,337	7,458
Distributions to Common Stockholders From (Note A):			
Net investment income	(2,260)	(4,517)	(8,445)
From Capital Share Transactions (Note D):			
Proceeds from reinvestment of dividends and distributions	57	78	—
Net Increase (Decrease) in Net Assets Applicable to Common Stockholders	(336)	5,898	(987)
Net Assets Applicable to Common Stockholders:			
Beginning of period	85,901	80,003	302,309
End of period	$85,565	$85,901	$301,322
Undistributed net investment income (loss) at end of period	$1,170	$1,633	$10,440

See Notes to Financial Statements 31

NEW YORK INTERMEDIATE MUNICIPAL FUND INC.

Six Months Ended April 30, 2015 (Unaudited)	Year Ended October 31, 2014
$1,528	$3,397
(5)	(800)
(222)	5,515
—	(34)
1,301	8,078
(1,899)	(3,959)
—	15
(598)	4,134
73,727	69,593
$73,129	$73,727
$213	$584

See Notes to Financial Statements 32

Notes to Financial Statements Intermediate Municipal Closed-End Funds (Unaudited)

Note A—Summary of Significant Accounting Policies:

1 **General:** The Funds were organized as Maryland corporations on July 29, 2002. California and New York registered as non-diversified, closed-end management investment companies and Intermediate registered as a diversified, closed-end management investment company under the Investment Company Act of 1940, as amended (the "1940 Act"). Each Fund's Board may classify or re-classify any unissued shares of capital stock into one or more classes of preferred stock without the approval of stockholders.

A zero balance, if any, reflects an actual amount rounding to less than $1,000.

The assets of each Fund belong only to that Fund, and the liabilities of each Fund are borne solely by that Fund and no other.

Each Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standard Codification Topic 946 "Financial Services—Investment Companies."

The preparation of financial statements in accordance with U.S. generally accepted accounting principles ("GAAP") requires Management to make estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates.

2 **Portfolio valuation:** Investment securities are valued as indicated in the notes following the Funds' Schedule of Investments.

3 **Securities transactions and investment income:** Securities transactions are recorded on trade date for financial reporting purposes. Interest income, including accretion of discount (adjusted for original issue discount, where applicable) and amortization of premium, where applicable, is recorded on the accrual basis. Realized gains and losses from securities transactions are recorded on the basis of identified cost and stated separately in the Statements of Operations.

4 **Income tax information:** Each Fund is treated as a separate entity for U.S. federal income tax purposes. It is the policy of each Fund to continue to qualify for treatment as a regulated investment company ("RIC") by complying with the requirements of the U.S. Internal Revenue Code applicable to RICs and to distribute substantially all of its net investment income and net realized capital gains to its stockholders. To the extent a Fund distributes substantially all of its net investment income and net realized capital gains to stockholders, no federal income or excise tax provision is required.

The Funds have adopted the provisions of ASC 740 "Income Taxes" ("ASC 740"). ASC 740 sets forth a minimum threshold for financial statement recognition of a tax position taken, or expected to be taken, in a tax return. The Funds recognize interest and penalties, if any, related to unrecognized tax positions as an income tax expense in the Statements of Operations. The Funds are subject to examination by U.S. federal and state tax authorities for returns filed for the tax years for which the applicable statutes of limitations have not yet expired. As of April 30, 2015, the Funds did not have any unrecognized tax positions.

Income distributions and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP. These differences, if any, are primarily due to differing treatments of income and gains on various investment securities held by each Fund, timing differences, capital loss carryforwards expiring and differing characterization of distributions made by each Fund.

As determined on October 31, 2014, permanent differences resulting primarily from different book and tax accounting were reclassified at year end. Such differences are attributed to the tax treatment of partnership basis adjustments. These reclassifications had no effect on net income, net asset value ("NAV") or NAV per share of each Fund. For the year ended October 31, 2014, the Funds recorded the following permanent reclassifications:

	Paid-in Capital	Undistributed Net Investment Income (Loss)	Accumulated Net Realized Gains (Losses) on Investments
California	$—	$—	$—
Intermediate	—	8,317	(8,317)
New York	—	—	—

The tax character of distributions paid during the years ended October 31, 2014 and October 31, 2013 were as follows:

	Distributions Paid From:					
	Tax-Exempt Income		Ordinary Income		Total	
	2014	2013	2014	2013	2014	2013
California	$4,720,334	$4,537,239	$97,664	$82,975	$4,817,998	$4,620,214
Intermediate	16,472,593	15,804,737	290,773	287,030	16,763,366	16,091,767
New York	4,178,249	4,034,901	24,603	11,360	4,202,852	4,046,261

As of October 31, 2014, the components of distributable earnings (accumulated losses) on a U.S. federal income tax basis were as follows:

	Undistributed Tax-Exempt Income	Undistributed Ordinary Income	Undistributed Long-Term Capital Gain	Unrealized Appreciation (Depreciation)	Loss Carryforwards and Deferrals	Other Temporary Differences	Total
California	$2,074,432	$—	$—	$9,231,966	$(4,081,517)	$(441,135)	$6,783,746
Intermediate	12,880,757	—	—	43,454,642	(20,220,432)	(1,603,739)	34,511,228
New York	966,202	—	—	4,743,091	(3,698,774)	(382,826)	1,627,693

The differences between book basis and tax basis distributable earnings are primarily due to: timing differences of distribution payments, capital loss carryforwards and, for Intermediate and New York, defaulted bond income adjustments.

To the extent each Fund's net realized capital gains, if any, can be offset by capital loss carryforwards, it is the policy of each Fund not to distribute such gains. The Regulated Investment Company Modernization Act of 2010 (the "Act") became effective for the Funds on November 1, 2011. The Act modernizes several of the federal income and excise tax provisions related to RICs. Among the changes made are changes to the capital loss carryforward rules allowing for RICs to carry forward capital losses indefinitely and to retain the character of capital loss carryforwards as short-term or long-term ("Post-Enactment"). Rules in effect previously limited the carryforward period to eight years and all carryforwards were considered short-term in character ("Pre-Enactment"). As determined at October 31, 2014, the following Funds had unused capital loss carryforwards available for federal income tax purposes to offset net realized capital gains, if any, as follows:

	Pre-Enactment Expiring in:				
	2015	2016	2017	2018	2019
California	$—	$—	$783,685	$—	$—
Intermediate	126,780	232,566	9,552,881	302,263	—
New York	—	269,555	1,053,807	—	7,374

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	Post-Enactment (No Expiration Date)	
	Long-Term	Short-Term
California	$2,953,433	$344,399
Intermediate	8,641,151	1,364,791
New York	1,902,357	465,681

Post-Enactment capital loss carryforwards must be fully used before Pre-Enactment capital loss carryforwards; therefore, under certain circumstances, Pre-Enactment capital loss carryforwards available as of the report date may expire unused.

5 **Distributions to common stockholders:** Each Fund earns income, net of expenses, daily on its investments. It is the policy of each Fund to declare and pay monthly distributions to common stockholders. Distributions from net realized capital gains, if any, are normally distributed in December. Distributions to common stockholders are recorded on the ex-date. Distributions to preferred stockholders are accrued and determined as described in Note A-7.

On May 15, 2015, each Fund declared a monthly distribution to common stockholders payable June 15, 2015, to stockholders of record on May 29, 2015, with an ex-date of May 27, 2015 as follows:

	Distribution per share
California	$ 0.068
Intermediate	0.075
New York	0.057

On June 15, 2015, each Fund declared a monthly distribution to common stockholders payable July 15, 2015, to stockholders of record on June 30, 2015, with an ex-date of June 26, 2015 as follows:

	Distribution per share
California	$ 0.068
Intermediate	0.075
New York	0.057

6 **Expense allocation:** Certain expenses are applicable to multiple funds within the complex of related investment companies. Expenses directly attributable to a Fund are charged to that Fund. Expenses borne by the complex of related investment companies, which includes open-end and closed-end investment companies for which Management serves as investment manager, that are not directly attributable to a particular investment company (e.g., a Fund) are allocated among the Funds and the other investment companies or series thereof in the complex on the basis of relative net assets, except where a more appropriate allocation of expenses to each of the investment companies or series thereof in the complex can otherwise be made fairly.

7 **Financial leverage:** On October 21, 2002, the Funds re-classified unissued shares of capital stock into several series of Auction Market Preferred Shares ("AMPS"), as follows:

	Series A Shares	Series B Shares
California	1,500	1,500
Intermediate	4,000	4,000
New York	1,500	1,500

On December 13, 2002, the Funds issued several series of AMPS, as follows:

	Series A Shares	Series B Shares
California	1,180	1,180
Intermediate	3,588	3,588
New York	965	965

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All shares of each series of AMPS had a liquidation preference of $25,000 per share plus any accumulated unpaid distributions, whether or not earned or declared by a Fund, but excluding interest thereon. Distributions to AMPS stockholders, which were cumulative, were accrued daily. It was the policy of each Fund to pay distributions every 7 days for each Fund's AMPS Series A and every 28 days for each Fund's AMPS Series B, unless in a special rate period.

On June 24, 2014, the Funds re-classified unissued shares of capital stock into Variable Rate Municipal Term Preferred Shares ("VMTPS"), Series A, as follows:

	Series A Shares
California	590
Intermediate	1,794
New York	483

On June 30, 2014, July 1, 2014 and July 2, 2014, the Funds issued VMTPS, Series A, as follows:

	Series A Shares
California	590
Intermediate	1,794
New York	483

Each Fund used the proceeds of the sale of VMTPS to redeem its outstanding AMPS. Each Fund's VMTPS have a liquidation preference of $100,000 per share plus any accumulated unpaid distributions, whether or not earned or declared by the Fund, but excluding interest thereon ("VMTPS Liquidation Value"). Distributions on the VMTPS are accrued daily and paid monthly at a floating rate. For financial reporting purposes only, the liquidation preference of the VMTPS is recognized as a liability in each Fund's Statement of Assets and Liabilities.

The distribution rate for each Fund's VMTPS is calculated based on the applicable SIFMA Municipal Swap Index plus a spread. The table below sets forth key terms of each Fund's VMTPS.

Fund	Series	Term Redemption Date	Shares Outstanding	Aggregate Liquidation Preference	Estimated Fair Value
California	Series A	6/30/2019	590	$59,000,000	$59,000,000
Intermediate	Series A	7/1/2019	1,794	$179,400,000	$179,400,000
New York	Series A	7/2/2019	483	$48,300,000	$48,300,000

The Funds have paid up front expenses in connection with offering the VMTPS, which are being amortized over the life of the VMTPS. The expenses are included in the Distributions to variable rate municipal term preferred stockholders and amortization of offering costs line item that is reflected in the Statements of Operations.

Each Fund may redeem VMTPS, in whole or in part, at its option after giving a minimum amount of notice to the relevant holders of its VMTPS, but will incur additional expenses if it chooses to so redeem. Each Fund is also subject to certain restrictions relating to the VMTPS. Failure to comply with these restrictions could preclude a Fund from declaring any distributions to common stockholders or repurchasing common shares and/or could trigger the mandatory redemption of VMTPS at VMTPS Liquidation Value. The holders of VMTPS are entitled to one vote per share and will vote with holders of common shares as a single class, except that the holders of VMTPS will vote separately as a class on certain matters, as required by law or the Fund's organizational documents. The holders of VMTPS, voting as a separate class, are entitled at all times to elect two Directors of the

Fund, and to elect a majority of the Directors of the Fund if the Fund fails to pay distributions on VMTPS for two consecutive years.

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8 **Concentration of risk:** The ability of the issuers of the debt securities held by the Funds to meet their obligations may be affected by economic developments, including those particular to a specific industry or region. California and New York normally invest a substantial portion of their assets in municipal bonds of issuers located in the state of California and the state of New York, respectively. The value of each of these Funds' securities are more susceptible to adverse economic, political, regulatory or other factors affecting the issuers of such municipal bonds than a fund that does not limit its investments to such issuers.

9 **Indemnifications:** Like many other companies, the Funds' organizational documents provide that their officers ("Officers") and directors ("Directors") are indemnified against certain liabilities arising out of the performance of their duties to the Funds. In addition, both in some of their principal service contracts and in the normal course of their business, the Funds enter into contracts that provide indemnifications to other parties for certain types of losses or liabilities. Each Fund's maximum exposure under these arrangements is unknown as this could involve future claims against each Fund.

10 **Arrangements with certain non-affiliated service providers:** In order to satisfy rating agency requirements, each Fund is required to provide the rating agency that rates its VMTPS a report on a monthly basis verifying that each Fund is maintaining eligible assets having a discounted value equal to or greater than the Preferred Shares Basic Maintenance Amount, which is a minimum level set by the rating agency as one of the conditions to maintain its rating on the VMTPS. "Discounted value" refers to the fact that the rating agency requires each Fund, in performing this calculation, to discount portfolio securities below their face value, at rates determined by the rating agency. Each Fund pays a fee to State Street Bank and Trust Company ("State Street") for the preparation of this report which is reflected in the Statements of Operations under the caption "Basic maintenance expense (Note A)."

Note B—Management Fees, Administration Fees, and Other Transactions with Affiliates:

Each Fund retains Management as its investment manager under a Management Agreement. For such investment management services, each Fund pays Management a fee at the annual rate of 0.25% of its average daily Managed Assets. Managed Assets equal the total assets of the Fund, less liabilities other than the aggregate indebtedness entered into for purposes of leverage. For purposes of calculating Managed Assets, the Liquidation Value of any VMTPS (AMPS prior to June 30, 2014, July 1, 2014 and July 2, 2014 for California, Intermediate and New York, respectively) outstanding is not considered a liability.

Each Fund retains Management as its administrator under an Administration Agreement. Each Fund pays Management an administration fee at the annual rate of 0.30% of its average daily Managed Assets under this agreement. Additionally, Management retains State Street as its sub-administrator under a Sub-Administration Agreement. Management pays State Street a fee for all services received under the agreement.

Neuberger Berman LLC ("Neuberger") is retained by Management pursuant to a Sub-Advisory Agreement to furnish it with investment recommendations and research information without added cost to the Funds. Several individuals who are Officers and/or Directors of each Fund are also employees of Neuberger and/or Management.

Note C—Securities Transactions:

During the six months ended April 30, 2015, there were purchase and sale transactions of long-term securities as follows:

(000's omitted)	Purchases	Sales
California	$437	$1,114

Intermediate	22,879	25,419
New York	9,483	9,123

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Note D—Capital:

Transactions in shares of common stock for the six months ended April 30, 2015 and for the year ended October 31, 2014 were as follows:

	Stock Issued on Reinvestment of Dividends and Distributions		Net Increase/(Decrease) in Common Stock Outstanding	
	2015	2014	2015	2014
California	3,653	5,192	3,653	5,192
Intermediate	—	3,131	—	3,131
New York	—	1,103	—	1,103

Note E—Unaudited Financial Information:

The financial information included in this interim report is taken from the records of each Fund without audit by an independent registered public accounting firm. Annual reports contain audited financial statements.

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Financial Highlights
California Intermediate Municipal Fund Inc.

The following table includes selected data for a share of common stock outstanding throughout each period and other performance information derived from the Financial Statements. Per share amounts that round to less than $.01 or $(.01) per share are presented as $.00 or $(.00), respectively. Ratios that round to less than .00% or (.00)% per share are presented as .00% or (.00)%, respectively. Net asset amounts with a zero balance, if any, may reflect actual amounts rounding to less than $0.1 million. A "-" indicates that the line item was not applicable in the corresponding period.

	Six Months Ended April 30, 2015 (Unaudited)	Year Ended October 31, 2014	2013	2012	2011
Common Stock Net Asset Value, Beginning of Period	$ 15.51	$ 14.46	$ 15.85	$ 15.09	$ 15.2
Income From Investment Operations Applicable to Common Stockholders:					
Net Investment Income (Loss)¢	.32	.72	.79	.89	.9
Net Gains or Losses on Securities (both realized and unrealized)	.02	1.16	(1.34)	.72	(.2
Common Stock Equivalent of Distributions to AMPS Preferred Shareholders From:					
Net Investment Income¢	—	(.01)	(.02)	(.03)	(.0
Total From Investment Operations Applicable to Common Stockholders	0.34	1.87	(0.57)	1.58	0.6
Less Distributions to Common Stockholders From:					
Net Investment Income	(.41)	(.82)	(.82)	(.82)	(.8
Common Stock Net Asset Value, End of Period	$ 15.44	$ 15.51	$ 14.46	$ 15.85	$ 15.0
Common Stock Market Value, End of Period	$ 16.43	$ 15.53	$ 14.26	$ 16.66	$ 14.6
Total Return, Common Stock Net Asset Value†	2.18%**	13.28%	(3.65)%	10.65%	4.7
Total Return, Common Stock Market Value†	8.59%**	15.02%	(9.60)%	19.55%	6.7
Supplemental Data/Ratios††					
Net Assets Applicable to Common Stockholders, End of Period (in millions)	$ 85.6	$ 85.9	$ 80.0	$ 87.5	$ 83.
Preferred Shares Outstanding, End of Period (in millions)^	$ 59.0	$ 59.0	$ 59.0	$ 59.0	$ 59.
Preferred Shares Liquidation Value Per Share^	$ 100,000	$ 100,000	$ 25,000	$ 25,000	$ 25,00
Ratios are Calculated Using Average Net Assets Applicable to Common Stockholders					
Ratio of Gross Expenses^Ø	2.18%*	1.70%	1.43%	1.41%#	1.4

Ratio of Net Expenses[Ø]	2.18%*	1.70%	1.43%‡	1.33%‡	1.2
Ratio of Net Investment Income (Loss) Excluding AMPS Preferred Share Distributions^	4.19%*	4.85%[ØØ]	5.19%[ØØ]	5.67%[ØØ]	6.6
Portfolio Turnover Rate	0%**	24%	47%	41%	1
Asset Coverage Per Preferred Share, End of Period[@]	$ 245,132	$245,704	$58,900	$62,095	$ 60,22

See Notes to Financial Highlights 39

Financial Highlights
Intermediate Municipal Fund Inc.

The following table includes selected data for a share of common stock outstanding throughout each period and other performance information derived from the Financial Statements. Per share amounts that round to less than $.01 or $(.01) per share are presented as $.00 or $(.00), respectively. Ratios that round to less than .00% or (.00)% per share are presented as .00% or (.00)%, respectively. Net asset amounts with a zero balance, if any, may reflect actual amounts rounding to less than $0.1 million. A "-" indicates that the line item was not applicable in the corresponding period.

	Six Months Ended April 30, 2015 (Unaudited)	Year Ended October 31, 2014	2013	2012	2011
Common Stock Net Asset Value, Beginning of Period	$ 16.11	$ 14.54	$ 15.96	$ 14.86	$ 14
Income From Investment Operations Applicable to Common Stockholders:					
Net Investment Income (Loss)¢	.41	.88	.89	.98	1
Net Gains or Losses on Securities (both realized and unrealized)	(.01)	1.55	(1.45)	.98	(
Common Stock Equivalent of Distributions to AMPS Preferred Shareholders From:					
Net Investment Income¢	—	(.01)	(.02)	(.02)	(
Total From Investment Operations Applicable to Common Stockholders	0.40	2.42	(0.58)	1.94	0
Less Distributions to Common Stockholders From:					
Net Investment Income	(.45)	(.85)	(.84)	(.84)	(
Common Stock Net Asset Value, End of Period	$ 16.06	$ 16.11	$ 14.54	$ 15.96	$ 14
Common Stock Market Value, End of Period	$ 15.63	$ 15.42	$ 14.10	$ 16.43	$ 14
Total Return, Common Stock Net Asset Value†	2.61%**	17.24%	(3.59)%	13.30%	5
Total Return, Common Stock Market Value†	4.33%**	15.72%	(9.19)%	17.51%	5
Supplemental Data/Ratios††					
Net Assets Applicable to Common Stockholders, End of Period (in millions)	$ 301.3	$ 302.3	$ 272.9	$ 299.2	$ 27
Preferred Shares Outstanding, End of Period (in millions)^^	$ 179.4	$ 179.4	$ 179.4	$ 179.4	$ 17
Preferred Shares Liquidation Value Per Share^^	$ 100,000	$ 100,000	$ 25,000	$ 25,000	$ 25,(
Ratios are Calculated Using Average Net Assets Applicable to Common Stockholders					
Ratio of Gross Expenses∅	1.81%*	1.41%	1.17%	1.17%#	1

Ratio of Net Expenses^{Ø}	1.81%*	1.41%	1.17%‡	1.09%‡	1
Ratio of Net Investment Income (Loss) Excluding AMPS Preferred Share Distributions^^	5.03%*	5.77%^{ØØ}	5.78%^{ØØ}	6.30%^{ØØ}	6
Portfolio Turnover Rate	5%**	24%	40%	35%	
Asset Coverage Per Preferred Share, End of Period[@]	$ 268,067	$268,620	$63,026	$66,698	$ 63,6

See Notes to Financial Highlights 40

Financial Highlights
New York Intermediate Municipal Fund Inc.

The following table includes selected data for a share of common stock outstanding throughout each period and other performance information derived from the Financial Statements. Per share amounts that round to less than $.01 or $(.01) per share are presented as $.00 or $(.00), respectively. Ratios that round to less than .00% or (.00)% per share are presented as .00% or (.00)%, respectively. Net asset amounts with a zero balance, if any, may reflect actual amounts rounding to less than $0.1 million. A "-" indicates that the line item was not applicable in the corresponding period.

	Six Months Ended April 30, 2015 (Unaudited)	Year Ended October 31, 2014	2013	2012	2011
Common Stock Net Asset Value, Beginning of Period	$ 14.52	$ 13.71	$ 15.03	$ 14.49	$ 14.8
Income From Investment Operations Applicable to Common Stockholders:					
Net Investment Income (Loss)¢	.30	.67	.71	.79	.8
Net Gains or Losses on Securities (both realized and unrealized)	(.04)	.93	(1.23)	.55	(.4
Common Stock Equivalent of Distributions to AMPS Preferred Shareholders From:					
Net Investment Income¢	—	(.01)	(.02)	(.02)	(.0
Total From Investment Operations Applicable to Common Stockholders	0.26	1.59	(.54)	1.32	0.4
Less Distributions to Common Stockholders From:					
Net Investment Income	(.37)	(.78)	(.78)	(.78)	(.7
Common Stock Net Asset Value, End of Period	$ 14.41	$ 14.52	$ 13.71	$ 15.03	$ 14.4
Common Stock Market Value, End of Period	$ 14.30	$ 14.11	$ 12.97	$ 15.74	$ 13.7
Total Return, Common Stock Net Asset Value†	1.90%**	12.16%	(3.50)%	9.26%	3.2
Total Return, Common Stock Market Value†	4.06%**	15.21%	(12.82)%	20.49%	(2.6
Supplemental Data/Ratios††					
Net Assets Applicable to Common Stockholders, End of Period (in millions)	$ 73.1	$ 73.7	$ 69.6	$ 76.2	$ 73.
Preferred Shares Outstanding, End of Period (in millions)^^^	$ 48.3	$ 48.3	$ 48.3	$ 48.3	$ 48.
Preferred Shares Liquidation Value Per Share^^^	$ 100,000	$ 100,000	$ 25,000	$ 25,000	$ 25,00
Ratios are Calculated Using Average Net Assets Applicable to Common Stockholders					
Ratio of Gross Expenses^Ø^	2.16%*	1.71%	1.43%	1.42%#	1.4

Ratio of Net Expenses^{Ø}	2.16%*	1.71%	1.43%‡	1.34%‡	1.2
Ratio of Net Investment Income (Loss) Excluding AMPS Preferred Share Distributions^^^	4.16%*	4.75%^{ØØ}	4.93%^{ØØ}	5.31%^{ØØ}	6.2
Portfolio Turnover Rate	8%**	32%	52%	28%	1
Asset Coverage Per Preferred Share, End of Period@	$ 251,511	$252,753	$61,059	$64,471	$62,89

See Notes to Financial Highlights 41

Notes to Financial Highlights Intermediate Municipal Closed-End Funds (Unaudited)

† Total return based on per share NAV reflects the effects of changes in NAV on the performance of each Fund during each fiscal period. Total return based on per share market value assumes the purchase of shares of common stock at the market price on the first day and sale of common stock at the market price on the last day of the period indicated. Dividends and distributions, if any, are assumed to be reinvested at prices obtained under each Fund's distribution reinvestment plan. Results represent past performance and do not indicate future results. Current returns may be lower or higher than the performance data quoted. Investment returns may fluctuate and shares of common stock when sold may be worth more or less than original cost. For each Fund, total return would have been lower if Management had not waived a portion of the investment management fee during certain of the periods shown.

Represents the annualized ratios of net expenses to average daily net assets if Management had not waived a portion of the investment management fee.

‡ After waiver of a portion of the investment management fee by Management during certain of the periods shown. Each Fund is required to calculate an expense ratio without taking into consideration any expense reductions related to expense offset arrangements. Prior to January 1, 2013, each Fund had an expense offset arrangement in connection with its custodian contract. Had the Funds not received expense reductions related to expense offset arrangements, the annualized ratios of net expenses to average daily net assets applicable to common stockholders would have been:

	Year Ended October 31,			
	2013	**2012**	**2011**	**2010**
California	1.43%	1.33%	1.29%	1.34%
Intermediate	1.17%	1.09%	1.05%	1.05%
New York	1.43%	1.34%	1.29%	1.30%

@ Calculated by subtracting the Fund's total liabilities (excluding the liquidation preference of VMTPS and accumulated unpaid distributions on the VMTPS (AMPS prior to June 30, 2014, July 1, 2014 and July 2, 2014 for California, Intermediate and New York, respectively)) from the Fund's total assets and dividing by the number of VMTPS/AMPS outstanding.

†† Expense ratios do not include the effect of distributions on AMPS. Income ratios include income earned on assets attributable to the VMTPS (AMPS prior to June 30, 2014, July 1, 2014 and July 2, 2014 for California, Intermediate and New York, respectively) outstanding.

¢ Calculated based on the average number of shares of common stock outstanding during each fiscal period.

Ø Distributions on VMTPS are included in expense ratios. The annualized ratios of distributions on VMTPS to average net assets applicable to common stockholders were:

	Six Months Ended April 30, 2015	**Year Ended October 31, 2014**
California	.92%	.96%
Intermediate	.78%	.83%
New York	.87%	.91%

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ØØ The annualized ratios of distributions on AMPS to average net assets applicable to common stockholders were:

	Year Ended October 31,				
	2014	**2013**	**2012**	**2011**	**2010**
California	.05%	.13%	.17%	.24%	.29%
Intermediate	.04%	.12%	.15%	.22%	.27%
New York	.05%	.12%	.16%	.22%	.27%

^ Prior to June 30, 2014, California had AMPS outstanding. On June 30, 2014, California issued 590 VMTPS and redeemed its outstanding AMPS (see Note A-7 to Financial Statements).

^^ Prior to July 1, 2014, Intermediate had AMPS outstanding. On July 1, 2014, Intermediate issued 1,794 VMTPS and redeemed its outstanding AMPS (see Note A-7 to Financial Statements).

^^^ Prior to July 2, 2014, New York had AMPS outstanding. On July 2, 2014, New York issued 483 VMTPS and redeemed its outstanding AMPS (see Note A-7 to Financial Statements).

* Annualized.

** Not Annualized.

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Distribution Reinvestment Plan

Computershare, Inc. (the “Plan Agent”) will act as Plan Agent for stockholders who have not elected in writing to receive dividends and distributions in cash (each a “Participant”), will open an account for each Participant under the Distribution Reinvestment Plan (“Plan”) in the same name as their then-current shares of the Fund’s common stock (“Shares”) are registered, and will put the Plan into effect for each Participant as of the first record date for a dividend or capital gains distribution.

Whenever the Fund declares a dividend or distribution with respect to the Shares, each Participant will receive such dividends and distributions in additional Shares, including fractional Shares acquired by the Plan Agent and credited to each Participant’s account. If on the payment date for a cash dividend or distribution, the net asset value is equal to or less than the market price per Share plus estimated brokerage commissions, the Plan Agent shall automatically receive such Shares, including fractions, for each Participant’s account. Except in the circumstances described in the next paragraph, the number of additional Shares to be credited to each Participant’s account shall be determined by dividing the dollar amount of the dividend or distribution payable on their Shares by the greater of the net asset value per Share determined as of the date of purchase or 95% of the then-current market price per Share on the payment date.

Should the net asset value per Share exceed the market price per Share plus estimated brokerage commissions on the payment date for a cash dividend or distribution, the Plan Agent or a broker-dealer selected by the Plan Agent shall endeavor, for a purchase period lasting until the last business day before the next date on which the Shares trade on an “ex-dividend” basis, but in no event, except as provided below, more than 30 days after the payment date, to apply the amount of such dividend or distribution on each Participant’s Shares (less their pro rata share of brokerage commissions incurred with respect to the Plan Agent’s open-market purchases in connection with the reinvestment of such dividend or distribution) to purchase Shares on the open market for each Participant’s account. No such purchases may be made more than 30 days after the payment date for such dividend or distribution except where temporary curtailment or suspension of purchase is necessary to comply with applicable provisions of federal securities laws. If, at the close of business on any day during the purchase period the net asset value per Share equals or is less than the market price per Share plus estimated brokerage commissions, the Plan Agent will not make any further open-market purchases in connection with the reinvestment of such dividend or distribution. If the Plan Agent is unable to invest the full dividend or distribution amount through open-market purchases during the purchase period, the Plan Agent shall request that, with respect to the uninvested portion of such dividend or distribution amount, the Fund issue new Shares at the close of business on the earlier of the last day of the purchase period or the first day during the purchase period on which the net asset value per Share equals or is less than the market price per Share, plus estimated brokerage commissions, such Shares to be issued in accordance with the terms specified in the third paragraph hereof. These newly issued Shares will be valued at the then-current market price per Share at the time such Shares are to be issued.

For purposes of making the reinvestment purchase comparison under the Plan, (a) the market price of the Shares on a particular date shall be the last sales price on the New York Stock Exchange (or if the Shares are not listed on the New York Stock Exchange, such other exchange on which the Shares are principally traded) on that date, or, if there is no sale on such Exchange (or if not so listed, in the over-the-counter market) on that date, then the mean between the closing bid and asked quotations for such Shares on such Exchange on such date and (b) the net asset value per Share on a particular date shall be the net asset value per Share most recently calculated by or on behalf of the Fund. All dividends, distributions and other payments (whether made in cash or Shares) shall be made net of any applicable withholding tax.

Open-market purchases provided for above may be made on any securities exchange where the Fund’s Shares are traded, in the over-the-counter market or in negotiated transactions and may be on such terms as to price, delivery and otherwise as the Plan Agent shall determine. Each Participant's uninvested funds held by the Plan Agent will not bear interest, and it is understood that, in any event, the Plan Agent shall have no liability in connection with any inability to purchase Shares within 30 days after the initial date of such purchase as herein provided, or with the timing of any purchases effected. The Plan Agent shall have no responsibility as to the value of the Shares acquired for each

Participant's account. For the purpose of cash investments, the Plan Agent may commingle each Participant's funds with those of other stockholders of the Fund for whom the Plan Agent similarly acts as agent, and the average price (including brokerage commissions) of all Shares purchased by the Plan Agent as Plan Agent shall be the price per Share allocable to each Participant in connection therewith.
The Plan Agent may hold each Participant's Shares acquired pursuant to the Plan together with the Shares of other stockholders of the Fund acquired pursuant to the Plan in noncertificated form in the Plan Agent's name or that of the Plan Agent's nominee. The Plan Agent will forward to each Participant any proxy solicitation material and will vote any Shares so held for each Participant only in accordance with the instructions set forth on proxies returned by the Participant to the Fund.

The Plan Agent will confirm to each Participant each acquisition made for their account as soon as practicable but not later than 60 days after the date thereof. Although each Participant may from time to time have an undivided fractional interest (computed to three decimal places) in a Share, no certificates for a fractional Share will be issued. However, dividends and distributions on fractional Shares will be credited to each Participant's account. In the event of termination of a Participant's account under the Plan, the Plan Agent will adjust for any such undivided fractional interest in cash at the market value of the Shares at the time of termination, less the pro rata expense of any sale required to make such an adjustment.

Any Share dividends or split Shares distributed by the Fund on Shares held by the Plan Agent for Participants will be credited to their accounts. In the event that the Fund makes available to its stockholders rights to purchase additional Shares or other securities, the Shares held for each Participant under the Plan will be added to other Shares held by the Participant in calculating the number of rights to be issued to each Participant.

The Plan Agent's service fee for handling capital gains and other distributions or income dividends will be paid by the Fund. Participants will be charged their pro rata share of brokerage commissions on all open-market purchases.

Each Participant may terminate their account under the Plan by notifying the Plan Agent in writing. Such termination will be effective immediately if the Participant's notice is received by the Plan Agent not less than ten days prior to any dividend or distribution record date, otherwise such termination will be effective the first trading day after the payment date for such dividend or distribution with respect to any subsequent dividend or distribution. The Plan may be terminated by the Plan Agent or the Fund upon notice in writing mailed to each Participant at least 30 days prior to any record date for the payment of any dividend or distribution by the Fund.

These terms and conditions may be amended or supplemented by the Plan Agent or the Fund at any time or times but, except when necessary or appropriate to comply with applicable law or the rules or policies of the Securities and Exchange Commission or any other regulatory authority, only by mailing to each Participant appropriate written notice at least 30 days prior to the effective date thereof. The amendment or supplement shall be deemed to be accepted by each Participant unless, prior to the effective date thereof, the Plan Agent receives written notice of the termination of their account under the Plan. Any such amendment may include an appointment by the Plan Agent in its place and stead of a successor Plan Agent under these terms and conditions, with full power and authority to perform all or any of the acts to be performed by the Plan Agent under these terms and conditions. Upon any such appointment of any Plan Agent for the purpose of receiving dividends and distributions, the Fund will be authorized to pay to such successor Plan Agent, for each Participant's account, all dividends and distributions payable on Shares held in their name or under the Plan for retention or application by such successor Plan Agent as provided in these terms and conditions.

The Plan Agent shall at all times act in good faith and agrees to use its best efforts within reasonable limits to ensure the accuracy of all services performed under this Agreement and to comply with applicable law, but assumes no responsibility and shall not be liable for loss or damage due to errors unless such error is caused by the Plan Agent's negligence, bad faith, or willful misconduct or that of its employees. These terms and conditions are governed by the laws of the State of Maryland.

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Reinvested dividends and distributions are taxed in the same manner as cash dividends and distributions — i.e., reinvestment in additional Shares does not relieve stockholders of, or defer the need to pay, any income tax that may be payable (or that is required to be withheld) on Fund dividends and distributions. Participants should contact their tax professionals for information on how the Plan impacts their personal tax situation. For additional information about the Plan, please contact the Plan Agent at 1-866-227-2136 or P.O. Box 30170, College Station, TX 77842-3170.

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Boston, MA 02116

Proxy Voting Policies and Procedures

A description of the policies and procedures that the Funds use to determine how to vote proxies relating to portfolio securities is available, without charge, by calling 800-877-9700 (toll-free) and on the Securities and Exchange Commission's website, at www.sec.gov. Information regarding how the Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is also available, upon request, without charge, by calling 800-877-9700 (toll-free), on the Securities and Exchange Commission's website at www.sec.gov, and on Management's website at www.nb.com.

Quarterly Portfolio Schedule

Each Fund files a complete schedule of portfolio holdings with the Securities and Exchange Commission for the first and third quarters of each fiscal year on Form N-Q. The Funds' Forms N-Q are available on the Securities and Exchange Commission's website at www.sec.gov and may be reviewed and copied at the Securities and Exchange Commission's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 800-SEC-0330. The information on Form N-Q is available upon request, without charge, by calling 800-877-9700 (toll-free).

Rev. 12/2010

FACTS **WHAT DOES NEUBERGER BERMAN DO WITH YOUR PERSONAL INFORMATION?**

Why? Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What? The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and account balances
- income and transaction history
- credit history and credit scores

When you are *no longer* our customer, we continue to share your information as described in this notice.

How? All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Neuberger Berman chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Neuberger Berman share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes— to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes— information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes— information about your creditworthiness	No	We don't share
For nonaffiliates to market to you	No	We don't share

Questions? Call 800.223.6448

This is not part of the Funds' stockholder report.

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Who we are	
Who is providing this notice?	Entities within the Neuberger Berman family of companies, mutual funds, and private investment funds.

What we do	
How does Neuberger Berman protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. We restrict access to customer information to those employees who need to know such information in order to perform their job responsibilities.
How does Neuberger Berman collect my personal information?	We collect your personal information, for example, when you open an account or provide account information seek advice about your investments or give us your income information give us your contact information We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only sharing for affiliates' everyday business purposes—information about your creditworthiness affiliates from using your information to market to you sharing for nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing.

Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. *Our affiliates include companies with a Neuberger Berman name; financial companies, such as investment advisers, broker dealers; mutual funds, and private investment funds.*
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. *Nonaffiliates we share with can include companies that perform administrative services on our behalf (such as vendors that provide data processing, transaction processing, and printing services) or other companies such as brokers, dealers, or counterparties in connection with servicing your account.*
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. *Neuberger Berman doesn't jointly market.*

This is not part of the Funds' stockholder report.

Neuberger Berman Management LLC
605 Third Avenue, 2nd Floor
New York, NY 10158–0180
Internal Sales & Services
877.461.1899
www.nb.com

Statistics and projections in this report are derived from sources deemed to be reliable but cannot be regarded as a representation of future results of the Funds. This report is prepared for the general information of stockholders and is not an offer of shares of the Funds.

I0208 06/15

Item 2. Code of Ethics.

The Board of Directors (“Board”) of Neuberger Berman California Intermediate Municipal Fund Inc. (“Registrant”) has adopted a code of ethics that applies to the Registrant’s principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions (“Code of Ethics”). During the period covered by this Form N-CSR, there were no substantive amendments to the Code of Ethics and there were no waivers from the Code of Ethics granted to the Registrant’s principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions.

The Code of Ethics is filed with the Registrant’s annual report on Form N-CSR. The Code of Ethics is also available, without charge, by calling 1-800-877-9700 (toll-free).

Item 3. Audit Committee Financial Expert.

Not applicable to semi-annual reports on Form N-CSR.

Item 4. Principal Accountant Fees and Services.

Not applicable to semi-annual reports on Form N-CSR.

Item 5. Audit Committee of Listed Registrants.

Not applicable to semi-annual reports on Form N-CSR.

Item 6. Schedule of Investments.

The complete schedule of investments for the Registrant is disclosed in the Registrant’s semi-annual report included as Item 1 of this Form N-CSR.

Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies.

Not applicable to semi-annual reports on Form N-CSR.

Item 8. Portfolio Managers of Closed-End Management Investment Companies.

Not applicable to semi-annual reports on Form N-CSR. There have been no changes in any of the Portfolio Managers since the Registrant’s most recent annual report on Form N-CSR.

Item 9. Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers.

No reportable purchases for the period covered by this report.

Item 10. Submission of Matters to a Vote of Security Holders.

There were no changes to the procedures by which stockholders may recommend nominees to the Board.

Item 11. Controls and Procedures.

(a) Based on an evaluation of the disclosure controls and procedures (as defined in Rule 30a-3(c) under the Act) as of a date within 90 days of the filing date of this report, the Chief Executive Officer and President and the Treasurer and Principal Financial and Accounting Officer of the Registrant have concluded that such disclosure controls and procedures are effectively designed to ensure that information required to be disclosed by the Registrant on Form N-CSR is accumulated and communicated to the Registrant's management to allow timely decisions regarding required disclosure.

(b) There were no significant changes in the Registrant's internal controls over financial reporting (as defined in Rule 30a-3(d) under the Act) that occurred during the Registrant's second fiscal quarter of the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Registrant's internal control over financial reporting.

Item 12. Exhibits.

(a)(1) Not applicable for the period covered by this Form N-CSR.

(a)(2) The certifications required by Rule 30a-2(a) under the Act and Section 302 of the Sarbanes-Oxley Act of 2002 ("Sarbanes-Oxley Act") are filed herewith.

(a)(3) Not applicable to the Registrant.

(b) The certification required by Rule 30a-2(b) under the Act and Section 906 of the Sarbanes-Oxley Act is furnished herewith.

The certification furnished pursuant to Rule 30a-2(b) under the Act and Section 906 of the Sarbanes-Oxley Act will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended ("Exchange Act"), or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Registrant specifically incorporates it by reference.

SIGNATURES

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

Neuberger Berman California Intermediate Municipal Fund Inc.

By: /s/ Robert Conti
Robert Conti
Chief Executive Officer and President
Date: July 1, 2015

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, 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/ Robert Conti
Robert Conti
Chief Executive Officer and President
Date: July 1, 2015

By: /s/ John M. McGovern
John M. McGovern
Treasurer and Principal Financial
and Accounting Officer

Date: July 1, 2015