

DEUTSCHE MUNICIPAL INCOME TRUST

Form N-Q

April 26, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED**

**MANAGEMENT INVESTMENT COMPANY**

---

Investment Company Act file number: 811-05655

Deutsche Municipal Income Trust

(Exact name of registrant as specified in charter)

345 Park Avenue  
New York, NY 10154

(Address of principal executive offices) (Zip code)

Paul Schubert

60 Wall Street

New York, NY 10005

(Name and address of agent for service)

Registrant's telephone number, including area code: (212) 250-3220

Date of fiscal year end: 11/30

Date of reporting period: 2/29/2016

**ITEM 1. SCHEDULE OF INVESTMENTS**

Investment Portfolio

**as of February 29, 2016 (Unaudited)**

**Deutsche Municipal Income Trust**

Principal Amount (\$)	Value (\$)
Municipal Bonds and Notes 124.9%	
Arizona 1.2%	
Arizona, Salt Verde Financial Corp., Gas Revenue: 5.0%, 12/1/2037, GTW;050,000,965	
Citigroup, Inc. 5.5%, 12/1/2029, GTW;400,000,532	
Citigroup, Inc. Phoenix, AZ, Civic Improvement Corp., Airport, 2008, 2004, 890 Revenue, Series A, 5.0%, 7/1/2040	6,331,387
California 18.7%	

California,  
Health  
Facilities  
Financing  
Authority  
Revenue,  
Cath~~1,500,000~~,290  
Healthcare  
West,  
Series  
A,  
6.0%,  
7/1/2039  
California,  
M-S-R  
Energy  
Authority,  
Series  
A, 3,180,000,447  
7.0%,  
11/1/2034,  
GTY:  
Citigroup,  
Inc.  
California,  
San  
Gorgonio  
Memorial  
Healthcare,  
Election  
of 5,000,000,150  
2006,  
Series  
C,  
Prerefunded,  
7.2%,  
8/1/2039  
Calif~~5,345,000~~,892  
South  
Bayside  
Waste  
Management  
Authority,  
Solid  
Waste  
Enterprise  
Revenue,  
Shoreway  
Environmental  
Center,  
Series

A,  
6.25%,  
9/1/2029  
California,  
State  
General  
Obligation:  
5.0%  
5,000,000,850  
11/1/2043  
5.25%  
4,295,000,818  
4/1/2035  
5.5%  
1,370,000,898  
3/1/2040  
6.0%  
10,000,000,600  
4/1/2038  
California,  
State  
Public  
Works  
Board,  
Lease  
Revenue,  
2,000,000,620  
Capital  
Projects,  
Series  
I-1,  
6.375%,  
11/1/2034  
California,  
State  
Public  
Works  
Board,  
Lease  
Revenue,  
Department  
of  
General,  
6,440,000,192  
Services,  
Buildings  
8  
&  
9,  
Series  
A,  
6.25%,  
4/1/2034  
California,  
2,500,000,288  
Statewide  
Communities  
Development

Authority  
Revenue,  
American  
Baptist  
Homes  
of  
the  
West,  
6.25%,  
10/1/2039,  
GTY:  
American  
Baptist  
Homes  
of  
the  
Midwest  
Corona-Norco,  
CA,  
Unified  
School  
District,  
Election  
of  
2006,130,002,783  
Series  
A,  
Prerefunded,  
5.0%,  
8/1/2031,  
INS:  
AGMC  
Long  
Beach,  
CA,  
Harbor  
Revenue,165,000,079  
Series  
D,  
5.0%,  
5/15/2039  
Los Angeles,  
3,000,000,330  
Angeles,  
CA,  
Community  
College  
District,  
Election  
of  
2008,  
Series

C,  
5.25%,  
8/1/2039  
Los  
Angeles,  
CA,  
Department  
of  
Airports  
Revenue,  
Los 8,500,000,320  
Angeles  
International  
Airport,  
Series  
B,  
5.0%,  
5/15/2035  
Port  
Oakland,  
CA,  
Series  
A, 5,850,000,314  
AMT,  
5.0%,  
11/1/2027,  
INS:  
NATL  
San  
Diego  
County,  
CA,  
Regional  
Airport  
Auth, 7,000,000,300  
Revenue,  
Series  
B,  
AMT,  
5.0%,  
7/1/2043  
San 2,850,000,884  
Diego,  
CA,  
Community  
College  
District,  
Election  
of  
2006,  
5.0%,

8/1/2036  
San  
Diego,  
CA,  
Unified  
School  
District  
Election  
5,000,000,150  
2012,  
Series  
C,  
5.0%,  
7/1/2035  
99,020,205  
Colorado 3.5%  
Colorado,  
State  
Board  
of  
Governors,  
Colorado  
State  
University  
8,000,000,960  
System  
Revenue,  
Series  
E-1,  
5.0%,  
3/1/2040  
Colorado,  
State  
Health  
Facilities  
Authority  
Revenue,  
School  
5,456,000,918  
Health  
Systems,  
Series  
A,  
5.5%,  
1/1/2035  
Denver,  
CO,  
City  
&  
County  
Airport  
Revenue,  
Series  
A,

AMT,  
5.25%,  
11/15/2043

18,483,014

District of Columbia

0.9%

District

of

Columbia,

Metropolitan

Airport

Authority

Systems

Revenue:

Series

A,

AMT, ~~300,000~~, 616

5.0%,

10/1/2038

Series

A,

AMT, ~~400,000~~, 288

5.0%,

10/1/2043

4,666,904

Florida 12.0%

Miami-Dade

County,

FL,

Aviation

Revenue:

Series

A,

AMT, ~~1,000,000~~, 100

5.0%,

10/1/2035

Series

A,

10,000, ~~1,000~~, 800

5.5%,

10/1/2041

Miami-Dade

County,

FL,

Aviation

Revenue,

Miami

International

Airport:

Series, ~~500,000~~, 020

A,

AMT,

5.25%,  
10/1/2033,  
INS:  
AGC  
Series  
A-1, 2,000,000,120  
5.375%,  
10/1/2035  
Miami-Dade  
County,  
FL,  
Educational  
Facilities  
Authority  
Revenue,  
University, 1,000,000,880  
of  
Miami,  
Series  
A,  
Prerefunded,  
5.75%,  
4/1/2028  
Miami-Dade  
County,  
FL,  
Expressway  
Authority,  
Toll  
Systems, 3,000,000,190  
Revenue,  
Series  
A,  
5.0%,  
7/1/2035,  
INS:  
AGMC  
North  
Brevard  
County,  
FL,  
Hospital  
District  
Revenue,  
Parrish  
Medical  
Center  
Project:  
5.5%, 1,520,000,292  
10/1/2028  
3,770,000,740

Prerefunded,  
5.5%,  
10/1/2028

5.75%,  
1,440,000,512  
10/1/2038

Prerefunded,  
5.75%,  
5,604,000,282  
10/1/2038

Orlando  
&  
Orange  
County,  
FL,  
Expressway  
Authority

Revenue:  
Series  
C, 2,703,000,395  
5.0%,  
7/1/2035

Series  
A, 11,895,000,196  
5.0%,  
7/1/2040

Tallahassee,  
FL,  
Health  
Facilities  
Revenue,  
Memorial  
Health, Inc.

745,000,871  
Project,  
Series  
A,  
5.0%,  
12/1/2055  
63,610,398

Georgia 8.2%  
Atlanta,  
GA,  
Airport  
Revenue:  
Series

A, 1,030,000,920  
5.0%,  
1/1/2035

Series  
C, 690,000,770  
AMT,  
5.0%,

1/1/2037  
Atlanta,  
GA,  
Water  
&  
Wastewater  
Revenue, 5,815,000,241  
Series  
A,  
Prerefunded,  
6.25%,  
11/1/2039  
Gainesville  
&  
Hall  
County,  
GA,  
Hospital  
Authority  
Revenue,  
Anticipation, 2,125,000,902  
Certificates,  
Northeast  
Georgia  
Healthcare,  
Series  
A,  
5.5%,  
2/15/2045  
Georgia,  
Main  
Street  
Natural  
Gas,  
Inc.,  
Gas  
Project  
Revenue:  
Series  
A,  
5.0%,  
3/15/2020,  
GT; 258,000,512  
JPMorgan  
Chase  
&  
Co.  
Series, 5,000,000,150  
A,  
5.5%,  
9/15/2024,

GTY:  
Merrill  
Lynch  
&  
Co.,  
Inc.  
Series  
A,  
5.5%,  
9/15/2028,  
GTY:  
10,000,000,300  
Merrill  
Lynch  
&  
Co.,  
Inc.  
Georgia,  
Medical  
Center  
Hospital  
Authority  
Revenue,  
Anticipation  
Certificates,  
3,308,664,287  
Columbus  
Regional  
Healthcare  
Systems,  
6.5%,  
8/1/2038,  
INS:  
AGC  
Georgia,  
Municipal  
Electric  
Authority  
Revenue,  
1,010,006,862  
Series  
A,  
5.0%,  
1/1/2035  
43,629,944  
Guam 0.1%  
Guam,  
35,001,049  
International  
Airport  
Authority  
Revenue,  
Series  
C,  
AMT,

6.375%,  
10/1/2043  
Hawaii 1.4%  
Hawaii,  
State  
Airports  
Systems  
Revenue:  
Series  
A,  
4,200,000,736  
5.0%,  
7/1/2039  
Series  
A,  
AMT,490,000,187  
5.0%,  
7/1/2041  
Hawaii,  
State  
Department  
of  
Budget  
&  
Finance,  
Special  
Purpose  
Revenue,  
Hawaii, 1,000,000,450  
Electric  
Co.,  
Inc.,  
6.5%,  
7/1/2039,  
GTY:  
Hawaiian  
Electric  
Co.,  
Inc.  
7,518,373  
Idaho 1.0%  
Idaho,  
Health  
Facilities  
Authority  
Revenue,  
St.  
Luke's  
Regional  
Medical  
Center:  
2,500,000,825

5.0%,  
7/1/2035,  
INS:  
AGMC  
6.75%,  
11/1/2037, 13,500,237  
5,175,062

Illinois 8.1%  
Chicago,  
IL,  
Airport  
Revenue,  
O'Hare  
International  
Airport:  
Series  
A, 5,000,000,900  
5.75%,  
1/1/2039  
Series  
B, 9,000,000,540  
6.0%,  
1/1/2041

Illinois,  
Finance  
Authority  
Revenue,  
Advocate  
Health  
Care 1,000,000,740

Network,  
Series  
D,  
Prerefunded,  
6.5%,  
11/1/2038

Illinois,  
Finance  
Authority  
Revenue,  
Memorandum 1,000,000,110

Health  
Systems,  
5.5%,  
4/1/2039  
Illinois, 1,750,000,090

Finance  
Authority  
Revenue,  
Northwest  
Community

Hospital,  
Series  
A,  
5.5%,  
7/1/2038  
Illinois,  
Railsplitter  
Tobacco  
Settlement, 1,095,429  
Authority,  
6.0%,  
6/1/2028  
Illinois,  
State  
Finance  
Authority  
Revenue,  
Advocate  
Health  
Care  
Network:  
Series  
B, 1,320,000,981  
5.375%,  
4/1/2044  
Series  
B,  
Preferred, 1,180,000,374  
5.375%,  
4/1/2044  
Illinois,  
State  
Finance  
Authority  
Revenue,  
Ascension  
Health, 1,002,501  
Credit  
Group,  
Series  
A,  
5.0%,  
11/15/2032  
Illinois,  
State  
Finance  
Authority  
Revenue,  
OSF  
Healthcare  
Systems:

Series

A, 1,580,000,641  
5.0%;

5/15/2041

Series

A, 1,745,000,493  
5.0%;

11/15/2045

Illinois,

State

Finance

Authority

Revenue,

University, 4,445,000,077  
of

Chicago,

Series

A,

5.0%,

10/1/2038

Springfield,

IL,

Electric

Revenue,

Senior, 970,000,539  
Lien,

5.0%,

3/1/2040,

INS:

AGMC

42,998,415

Indiana 2.1%

Indiana,

Finance

Authority

Hospital

Revenue,

Deaconess

Hospital, 745,000,451

Obligation,

Series

A,

Prerefunded,

6.75%,

3/1/2039

Indiana, 5,000,700

State

Finance

Authority

Revenue,

Community

Foundation  
of  
Northwest  
Indiana,  
5.0%,  
3/1/2041  
Indiana,  
State  
Municipal  
Power  
Agency  
Revenue,  
Series  
A,  
5.0%,  
1/1/2042  
11,218,880  
Kentucky 2.2%  
Kentucky,  
Economic  
Development  
Finance  
Authority,  
Louisville  
Arena  
Project  
Revenue,  
Series  
A-1,  
6.0%,  
12/1/2042,  
INS:  
AGC  
Louisville  
&  
Jefferson  
County,  
KY,  
Metropolitan  
Government  
Health  
Systems  
Revenue,  
Norton  
Healthcare,  
Inc.:  
Series  
A,  
0.01%  
\*,  
10/1/2039,



Prerefunded,  
 6.75%,  
 7/1/2039  
 Maryland,  
 State  
 Health  
 &  
 Higher  
 Educational  
 Facilities  
 Authority, 500,000,025  
 Revenue,  
 Washington  
 County  
 Hospital,  
 Prerefunded,  
 5.75%,  
 1/1/2033  
 2,955,427  
 Massachusetts 1.3%  
 Massachusetts,  
 State  
 Development  
 Finance  
 Agency  
 Revenue,  
 Northeastern, 2,500,000,825  
 University,  
 Series  
 A,  
 5.25%,  
 3/1/2037  
 Massachusetts,  
 State  
 Health  
 &  
 Educational  
 Facilities  
 Authority, 3,570,000,902  
 Revenue,  
 Suffolk  
 University,  
 Series  
 A,  
 5.75%,  
 7/1/2039  
 6,886,727  
 Michigan 5.1%  
 Detroit, 20,000,579  
 MI,  
 Water

&  
Sewerage  
Department,  
Sewerage  
Disposal  
System  
Revenue,  
Series  
A,  
5.25%,  
7/1/2039  
Michigan,  
State  
Building  
Authority  
Revenue, ~~1,800,000~~ 1,825,825  
Series  
I-A,  
5.375%,  
10/15/2041  
Michigan,  
State  
Building  
Authority  
Revenue,  
Facilities  
Program:  
Series  
I,  
5.0%, 1,930,000 1,869,869  
4/15/2038  
Series  
H,  
5.125%, 2,492,000 2,050,050  
10/15/2033  
Series  
I,  
6.0%, 395,000 3,664,664  
10/15/2038  
Series  
I,  
6.0%, 605,000 3,296,296  
10/15/2038  
Michigan,  
State  
Finance  
Authority  
Revenue,  
Trinity  
Health

Corp.,  
5.0%,  
12/1/2035  
Michigan,  
State  
Hospital  
Finance  
Authority  
Revenue,  
5,000,000,550  
Henry  
Ford  
Health  
Hospital,  
5.75%,  
11/15/2039  
Royal  
Oak,  
MI,  
Hospital  
Finance  
Authority  
Revenue,  
80,000,680  
William  
Beaumont  
Hospital,  
Prerefunded,  
8.25%,  
9/1/2039  
Wayne  
County,  
MI,  
Airport  
Authority  
Revenue,  
2,000,000,040  
Series  
F,  
AMT,  
5.0%,  
12/1/2034  
26,881,361  
Minnesota 0.2%  
Minneapolis,  
MN,  
Health  
Care  
Systems  
Revenue,  
Fairview  
Health  
Services,  
Series

A,  
Prerefunded,  
6.75%,  
11/15/2032  
Mississippi 0.3%  
Warren  
County,  
MS,  
Gulf  
Opportunity  
Zone,  
Internal Revenue Code,  
152,102,293  
Paper  
Co.,  
Series  
A,  
6.5%,  
9/1/2032  
Missouri 0.1%  
Missouri,  
State  
Health  
&  
Educational  
Facilities  
Authority  
Revenue,  
Medical Research,  
35,008,108  
Lutheran  
Senior  
Services,  
Series  
A,  
5.0%,  
2/1/2046  
Nevada 3.9%  
Clark  
County,  
NV,  
Airport  
Revenue,  
1,305,804,841  
Series  
B,  
5.125%,  
7/1/2036  
Henderson,  
10,000,400  
NV,  
Health  
Care  
Facility

Revenue,  
Catholic  
Healthcare  
West,  
Series  
B,  
5.25%,  
7/1/2031  
Las  
Vegas  
Valley,  
NV,  
Water  
District,  
Series  
B,  
5.0%,  
6/1/2037  
20,800,041  
New Jersey 1.9%  
New  
Jersey,  
Hospital  
&  
Healthcare  
Revenue,  
General  
Hospital  
Center  
at  
Passaic,  
ETM,  
6.75%,  
7/1/2019,  
INS:  
AGMC  
New Jersey,  
State  
Economic  
Development  
Authority  
Revenue,  
The  
Goethals  
Bridge  
Replacement  
Project,  
AMT,  
5.125%,  
7/1/2042,

INS:  
AGMC  
New  
Jersey,  
State  
Transportation  
Trust  
Fund  
Authority, 952,008,115  
Transportation  
Systems,  
Series  
A,  
6.0%,  
12/15/2038  
New  
Jersey,  
State  
Turnpike  
Authority  
Revenue, 1,750,005,017  
Series  
E,  
5.25%,  
1/1/2040  
10,008,602  
New York 10.2%  
New  
York,  
Metropolitan  
Transportation  
Authority  
Revenue:  
Series  
C, 6,006,885,840  
5.0%,  
11/15/2038  
Series  
D, 1,090,000,956  
5.0%,  
11/15/2038  
Series  
C, 5,005,692,550  
5.0%,  
11/15/2042  
Series  
A-1, 4,000,005,600  
5.25%,  
11/15/2039  
New York, 545,000,423

State  
Agency  
General  
Obligation  
Lease,  
Higher  
Education  
Revenue,  
Dormitory  
Authority,  
City  
University,  
Series  
A,  
5.625%,  
7/1/2016  
New  
York,  
State  
Environmental  
Facilities  
Corp.,  
State  
Clean  
Water  
&  
Drinking  
Revenue, 1,000,000,960  
Funds,  
New  
York  
City  
Municipal  
Water  
Finance  
Authority  
Projects,  
5.0%,  
6/15/2036  
New 250,000,000  
York,  
State  
Housing  
Finance  
Agency  
Revenue,  
900  
Eighth  
Avenue  
Condominium  
LLC,

Series  
A,  
AMT,  
0.03%  
\*,  
5/15/2035,  
LIQ:  
Fannie  
Mae  
New  
York,  
State  
Liberty  
Development  
Corp.  
Revenue,  
World, 1,000,000,120  
Trade  
Center  
Port  
Authority  
Construction,  
5.25%,  
12/15/2043  
New  
York,  
Utility  
Debt  
Securitization  
Authority,  
Restructuring  
Revenue:  
Series  
TE, 800,000,824  
5.0%,  
12/15/2034  
Series  
TE, 1,000,000,840  
5.0%,  
12/15/2035  
New 865,000,000  
York  
City,  
NY,  
Housing  
Development  
Corp.,  
Multi-Family  
Mortgage  
Revenue,  
The

Plaza  
Residences  
LP,  
Series  
A,  
AMT,  
0.04%  
\*,  
7/1/2039,  
LOC:  
Citibank  
NA  
New  
York  
City,  
NY,  
Municipal  
Water  
Finance  
Authority,  
Water  
&  
Sewer  
Revenue,  
Second  
General  
Resolution:  
Series  
AA, 5,000,000,950  
5.0%,  
6/15/2044  
Series  
EE, 3,750,000,312  
5.375%,  
6/15/2043  
New  
York  
City,  
NY,  
Transitional  
Finance  
Authority  
Revenue,  
Future 5,750,000,798  
Tax  
Secured,  
Series  
C-1,  
Prerefunded,  
5.0%,  
11/1/2027

Port  
 Authority  
 of  
 New  
 York  
 &  
 New  
 Jersey:  
 AMT,  
 5.0% ~~1,620,000~~ 1,724  
 10/15/2034  
 AMT,  
 5.0% ~~800,000~~ 1,104  
 10/15/2035

Port  
 Authority  
 of  
 New  
 York  
 &  
 New  
 Jersey,  
 One  
 Hundred  
 Eighty-Fourth:  
 5.0% ~~205,000~~ 619  
 9/1/2036  
 5.0% ~~510,000~~ 395  
 9/1/2039  
 53,949,015

North Carolina 0.6%  
 North  
 Carolina,  
 Medical  
 Care  
 Commission,  
 Health  
 Care  
 Facilities  
 Revenue ~~1,000,000~~ 1,220  
 University  
 Health  
 System,  
 Series  
 D,  
 Prerefunded,  
 6.25%,  
 12/1/2033  
 North Dakota 0.7%  
 Fargo ~~3,240,000~~ 3,304  
 ND,

Sanford  
 Health  
 Systems  
 Revenue,  
 6.25%,  
 11/1/2031  
 Ohio 2.9%  
 Lucas  
 County,  
 OH,  
 Hospital  
 Revenue,  
 Promissory Note, 2018, 705  
 Healthcare,  
 Series  
 A,  
 6.5%,  
 11/15/2037  
 Ohio,  
 State  
 Hospital  
 Facility  
 Revenue,  
 Cleveland  
 Clinic  
 Health:  
 Series  
 A, 5,000,000, 150  
 5.5%,  
 1/1/2039  
 Series  
 B, 3,500,000, 305  
 5.5%,  
 1/1/2039  
 Ohio,  
 State  
 Turnpike  
 Commission,  
 Junior  
 Lien, 3,520,000, 979  
 Infrastructure  
 Projects,  
 Series  
 A-1,  
 5.25%,  
 2/15/2039  
 15,499,139  
 Pennsylvania 5.1%  
 Allegheny County, PA,  
 1,700,000, 002

Hospital  
Development  
Authority  
Revenue,  
University  
of  
Pittsburgh  
Medical,  
5.625%,  
8/15/2039  
Franklin  
County,  
PA,  
Industrial  
Development  
Authority  
7,000,000,770  
Revenue,  
Chambersburg  
Hospital  
Project,  
5.375%,  
7/1/2042  
Pennsylvania,  
Commonwealth  
Financing  
Authority  
1,560,000,960  
Series  
A,  
5.0%,  
6/1/2035  
Pennsylvania,  
State  
Turnpike  
Commission  
Revenue:  
Series  
A, 2,030,000,711  
5.0%,  
12/1/2038  
Series  
A-1, 5,000,000,650  
5.0%,  
12/1/2040  
Series  
C, 4,000,000,920  
5.0%,  
12/1/2043  
Philadelphia,  
PA,  
Airport  
Revenue,

Series

A,  
5.0%,  
6/15/2035

27,043,502

Puerto Rico 0.9%

Puerto  
Rico,  
Sales  
Tax  
Financing  
Corp.,  
Sales  
Tax  
Revenue:

Series

A, 2,253,000,59  
5.5%,  
8/1/2042

Series

A, 3,200,000,432  
6.0%,  
8/1/2042

Series

A, 6,372,000,964  
6.375%,  
8/1/2039

4,972,455

Rhode Island 0.4%

Rhode  
Island,  
Health  
&  
Educational  
Building  
Corp.,  
Higher  
Education  
Facilities

Revenue,  
University  
of

Rhode  
Island,  
Series

A,  
6.25%,  
9/15/2034

South Carolina 6.7%

Charleston  
County,

SC,  
 Airport  
 District,  
 Airport  
 System  
 Revenue,  
 Series  
 A,  
 AMT,  
 5.875%,  
 7/1/2032  
 Greenwood  
 County,  
 SC,  
 Hospital  
 Revenue,  
 Self  
 Regional  
 Healthcare,  
 Series  
 B,  
 5.0%,  
 10/1/2031  
 South  
 Carolina,  
 State  
 Ports,  
 Authority  
 Revenue,  
 5.25%,  
 7/1/2040  
 South  
 Carolina,  
 State  
 Public  
 Service  
 Authority  
 Revenue:  
 Series  
 A, 2,220,000,682  
 5.0%,  
 12/1/2036  
 Series  
 A, 4,295,000,378  
 5.0%,  
 12/1/2037  
 Series  
 E, 7,570,000,174  
 5.25%,  
 12/1/2055  
 6,220,000,051

South  
Carolina,  
State  
Public  
Service  
Authority  
Revenue,  
Santee  
Cooper,  
Series  
A,  
5.75%,  
12/1/2043  
35,516,146  
Tennessee 1.7%  
Clarksville,  
TN,  
Natural  
Gas  
Acquisition  
Corp.,  
Gas  
Revenue,  
5.0%,  
12/15/2021,  
2,000,000,940  
GTY:  
Merrill  
Lynch  
&  
Co.,  
Inc.  
Jackson,  
TN,  
Hospital  
Revenue,  
Jackson-Madison  
Project:  
5.625%,  
1,080,000,756  
4/1/2038  
Prerefunded,  
5.625%,  
5,920,000,548  
4/1/2038  
Sullivan,  
2,050,000,884  
County,  
TN,  
Health,  
Educational  
&  
Housing  
Facilities  
Board,

Hospital  
Revenue,  
Wellmont  
Health  
Systems  
Project,  
Series  
C,  
5.25%,  
9/1/2036

8,766,128

Texas 16.9%  
Central  
Texas,  
Regional  
Mobility  
Authority  
Revenue,  
Senior

1,155,000,711

Lien,  
Series  
A,  
5.0%,  
1/1/2040  
Dallas-Fort  
Worth,  
International  
Airport  
Revenue,  
Series

2,000,000,740

F,  
AMT,  
5.0%,  
11/1/2035  
Harris,  
County,

1,000,000,130

TX,  
Health  
Facilities  
Development  
Corp.,  
Hospital  
Revenue,  
Memorial  
Hermann  
Healthcare  
System,  
Series  
B,  
Prerefunded,  
7.25%,

12/1/2035  
Harris  
County,  
TX,  
Houston  
Port  
Authority, 3,000,000,050  
Series  
A,  
AMT,  
6.25%,  
10/1/2029  
Houston,  
TX,  
Airport  
Revenue,  
People  
Mover  
Project,  
Series, 1,425,000,398  
A,  
AMT,  
5.5%,  
7/15/2017,  
INS:  
AGMC  
North  
Texas,  
Tollway  
Authority  
Revenue:  
Series  
B, 2,060,000,742  
5.0%,  
1/1/2040  
First  
Tier,  
Series,  
A, 1,900,000,754  
5.625%,  
1/1/2033  
First  
Tier,  
Series  
A, 1,600,000,176  
Prerefunded,  
5.625%,  
1/1/2033  
Second,  
Tier,  
Series, 6,500,000,535

F,  
Prerefunded,  
5.75%,  
1/1/2038  
First  
Tier,  
5,000,000,300  
6.0%,  
1/1/2043  
North  
Texas,  
Tollway  
Authority  
Revenue,  
Special  
2,000,000,600  
Project  
Systems,  
Series  
D,  
5.0%,  
9/1/2032  
Texas,  
Dallas/Fort  
Worth  
International  
Airport  
Revenue:  
Series  
H,  
AMT,425,000,995  
5.0%,  
11/1/2042  
Series  
F,  
3,500,000,560  
5.25%,  
11/1/2033  
Series  
A,  
4,000,000,520  
5.25%,  
11/1/2038  
Texas,  
Grand  
Parkway  
Transportation  
Corp.,  
System  
Toll  
Revenue:  
Series  
B,  
3,500,000,295  
5.0%,  
4/1/2053

Series

B, 5,000,000,300  
5.25%,

10/1/2051

Texas,

Municipal

Gas

Acquisition

&

Supply

Corp.

I,

Gas

Supply

Revenue:

Series

B,  
1.043%

\*\*,

12/15/2026,

GTY: 500,000,020

Merrill

Lynch

&

Co.,

Inc.

Series

D,  
6.25%,

12/15/2026,

GTY: 5,000,000,900

Merrill

Lynch

&

Co.,

Inc.

Texas,

SA

Energy

Acquisition

Public

Facility

Corp.,

Gas

Supply

Revenue:

5.5%, 155,000,144

8/1/2021,

GTY:

The

Goldman

Sachs  
Group,  
Inc.  
5.5%,  
8/1/2025,  
GTY:  
The 7,258,001,013  
Goldman  
Sachs  
Group,  
Inc.  
Texas,  
Southwest  
Higher  
Education  
Authority,  
Inc., 1,600,001,296  
Southern  
Methodist  
University  
Project,  
5.0%,  
10/1/2035  
Texas,  
State  
Municipal  
Gas  
Acquisition  
&  
Supply  
Corp.  
III  
Gas  
Supply  
Revenue:  
5.0%,  
12/15/2030,  
GTY:  
250,000,230  
Macquarie  
Group  
Ltd.  
5.0%,  
12/15/2031,  
GTY:  
3,163,004,543  
Macquarie  
Group  
Ltd.  
5.0% 2,000,007,020  
12/15/2032,  
GTY:  
Macquarie

Group  
 Ltd.  
 Texas,  
 State  
 Transportation  
 Commission,  
 Turnpike  
 System, **235,007,456**  
 Revenue,  
 Series  
 C,  
 5.0%,  
 8/15/2034  
 West  
 Harris  
 County,  
 TX,  
 Regional  
 Water  
 Authority, **6,500,000,945**  
 Water  
 Systems  
 Revenue,  
 5.0%,  
 12/15/2035  
 89,406,373  
 Virgin Islands 0.5%  
 Virgin  
 Islands,  
 Public  
 Finance  
 Authority  
 Revenue,  
 Gross  
 Receipts, **2,502,692,950**  
 Tax  
 Loan  
 Notes,  
 Series  
 A,  
 5.0%,  
 10/1/2032  
 Virginia 0.3%  
 Washington, **370,661,211**  
 County,  
 VA,  
 Industrial  
 Development  
 Authority,  
 Hospital  
 Facility

Revenue,  
Mountain  
States  
Health  
Alliance,  
Series  
C,  
7.75%,  
7/1/2038  
Washington 3.8%  
Washington,  
State  
Health  
Care  
Facilities  
Authority  
Revenue,  
Virginia, 6,006,884,660  
Mason  
Medical  
Center,  
Series  
A,  
6.125%,  
8/15/2037  
Washington,  
State  
Health  
Care  
Facilities  
Authority,  
Cathlamet, 5,005,000,200  
Health  
Initiatives,  
Series  
A,  
5.0%,  
2/1/2041  
Washington, 1,825,000,855  
State  
Health  
Care  
Facilities  
Authority,  
Swedish  
Health  
Services,  
Series  
A,  
Prerefunded,  
6.75%,

11/15/2041  
 Washington,  
 State  
 Motor  
 Vehicle  
 Tax-Senior  
 520  
 5,000,000,650  
 Corridor  
 Program,  
 Series  
 C,  
 5.0%,  
 6/1/2031  
 19,994,365  
 Wisconsin 0.5%  
 Milwaukee,  
 WI,  
 Redevelopment  
 Authority  
 Revenue,  
 State  
 Montessori  
 Society  
 Inc., 750,000,000  
 0.01%  
 \*,  
 7/1/2021,  
 LOC:  
 U.S.  
 Bank  
 NA  
 Wisconsin,  
 State  
 Health  
 &  
 Educational  
 Facilities  
 Authority  
 Revenue,  
 Prohealth 1,551,000,905  
 Care,  
 Inc.  
 Obligation  
 Group,  
 Prerefunded,  
 6.625%,  
 2/15/2039  
 2,570,905  
**Total 662,386,352**  
**Municipal**  
**Bonds**

**and**

**Notes**

(Cost

\$584,351,417)

Underlying Municipal

Bonds of Inverse

Floater (a) 30.6%

Massachusetts 7.0%

Massachusetts,

State

Water

Pollution

Abatement

Trust 8,250,000,458

Series

13,

5.0%,

8/1/2032

(b)

Massachusetts,

State

Water

Pollution

Abatement

Trust 5,000,000,755

Series

13,

5.0%,

8/28/2037

(b)

*Trust:*

*Massachusetts,*

*State*

*Pollution*

*Control,*

*Water*

*Utility*

*Improvements,*

*Series*

*3159,*

*144A,*

*13.772%,*

*2/1/2017,*

*Leverage*

*Factor*

*at*

*purchase*

*date:*

*3*

*to*

*1*

Massachusetts,  
State  
Development  
Finance  
Agency  
Revenue,  
Partners  
Health, 10,425,007,683  
System,  
Inc.,  
Series  
Q,  
5.0%,  
7/1/2035

(b)  
*Trust:*  
*Massachusetts,*  
*State*  
*Development*  
*Finance*  
*Agency*  
*Revenue,*  
*Series*  
*2016-XM0137,*  
*144A,*  
*18.07%,*  
*1/1/2024,*  
*Leverage*  
*Factor*  
*at*  
*purchase*  
*date:*  
*4*  
*to*  
*1*

37,079,896

Nevada 6.0%  
Clark  
County,  
NV,  
General  
Obligation,  
Limit, 147,054,150  
Tax-Bond  
Bank,  
5.0%,  
6/1/2028  
(b)  
Clark, 19,919,026,558  
County,  
NV,

General  
Obligation,  
Limited  
Tax-Bond  
Bank,  
5.0%,  
6/1/2029  
(b)  
Clark  
County,  
NV,  
General  
Obligation,  
Limited, 627,878,975  
Tax-Bond  
Bank,  
5.0%,  
6/3/2030  
(b)  
*Trust:*  
*Clark*  
*County,*  
*NV,*  
*General*  
*Obligation,*  
*Series*  
*3158,*  
*144A,*  
*13.773%,*  
*6/1/2016,*  
*Leverage*  
*Factor*  
*at*  
*purchase*  
*date:*  
*3*  
*to*  
*1*  
31,452,683  
New York 7.9%  
New 10,000,000,739  
York,  
State  
Dormitory  
Authority,  
State  
Personal  
Income  
Tax  
Revenue,  
Series

A,  
5.0%,  
3/15/2026

(b)

*Trust:*

*New*

*York,*

*State*

*Dormitory*

*Authority*

*Revenue,*

*Series*

*3160,*

*144A,*

*13.773%,*

*9/15/2016,*

*Leverage*

*Factor*

*at*

*purchase*

*date:*

*3*

*to*

*1*

New

York,

State

Dormitory

Authority,

State

Personal

Income, 10,000,000, 500

Tax

Revenue,

Series

A,

5.0%,

3/15/2024

(b)

*Trust:*

*New*

*York,*

*State*

*Dormitory*

*Authority*

*Revenue,*

*Secondary*

*Issues,*

*Series*

*1955-3,*

*144A,*

18.26%,  
9/15/2016,  
Leverage  
Factor  
at  
purchase  
date:  
4  
to  
1  
New  
York,  
State  
Dormitory  
Authority  
Revenues,  
State  
Supp, 425,000,686  
Debt,  
University  
Dormitory  
Facilities,  
5.0%,  
7/1/2025  
(b)  
New  
York,  
State  
Dormitory  
Authority  
Revenues,  
State  
Supp, 425,000,035  
Debt,  
University  
Dormitory  
Facilities,  
5.0%,  
7/1/2027  
(b)  
Trust:  
New  
York,  
State  
Dormitory  
Authority  
Revenues,  
Series  
3169,  
144A,  
13.77%,

7/1/2025,  
Leverage  
Factor  
at  
purchase  
date:

3  
to  
1

New  
York,  
Triborough  
Bridge  
&  
Tunnel  
Authority, 2008-1188,  
Revenues,  
Series  
C,  
5.0%,  
11/15/2033

(b)  
Trust:  
New  
York,  
Triborough  
Bridge  
&  
Tunnel  
Authority  
Revenues,  
Series  
2008-1188,  
144A,  
9.37%,  
11/15/2033,  
Leverage  
Factor  
at  
purchase  
date:

2  
to  
1

41,906,160

Tennessee 6.4%  
Nashville, 2017-1188,  
&  
Davidson  
County,  
TN,

Metropolitan  
Government,  
5.0%,  
1/1/2027

(b)

*Trust:*  
*Nashville*  
*&*  
*Davidson*  
*County,*  
*TN,*  
*Metropolitan*  
*Government,*  
*Series*  
*2631-3,*  
*144A,*  
*18.255%,*  
*7/1/2017,*  
*Leverage*  
*Factor*  
*at*  
*purchase*  
*date:*

4

to

1

Nashville

&

Davidson

County,

TN, 10,200,000,386  
Metropolitan

Government,

5.0%,

1/1/2026

(b)

*Trust:*  
*Nashville*

*&*

*Davidson*

*County,*

*TN,*

*Metropolitan*

*Government,*

*Series*

*2631-2,*

*144A,*

*18.26%,*

*7/1/2017,*

*Leverage*

*Factor*

*at*  
*purchase*  
*date:*  
4  
*to*  
1  
Nashville  
&  
Davidson  
County,  
TN, 10,564,915,662  
Metropolitan  
Government,  
5.0%,  
1/1/2028

(b)  
*Trust:*  
*Nashville*  
*&*  
*Davidson*  
*County,*  
*TN,*  
*Metropolitan*  
*Government,*  
*Series*  
*2631-4,*  
*144A,*  
*18.268%,*  
*7/1/2017,*  
*Leverage*  
*Factor*

*at*  
*purchase*  
*date:*  
4  
*to*  
1  
34,056,901

Virginia 3.3%  
Virginia,  
State  
Resource  
Authority,  
Clean  
Water 8,190,000,082  
Revenue,  
5.0%,  
10/1/2027  
(b)  
Virginia 7,638,008,785  
State

Resource  
 Authority,  
 Clean  
 Water  
 Revenue,  
 5.0%,  
 10/1/2028

(b)  
*Trust:*  
*Virginia,*  
*State*  
*Resource*  
*Authority,*  
*Clean*  
*Water*  
*Revenue,*  
*Series*  
*2917,*  
*144A,*  
*11.507%,*  
*10/1/2028,*  
*Leverage*  
*Factor*  
*at*  
*purchase*  
*date:*  
 2.5  
 to  
 1

17,579,867

**Total**  
**Underlying**  
**Municipal**  
**Bonds**  
 of **162,075,507**

**Inverse**  
**Floater**

(Cost  
 \$153,028,897)

%  
 of  
 Net Value (\$)  
 Assets

**Total**  
**Investment**  
**Portfolio**  
 155.5 **824,461,859**  
 (Cost

\$737,380,314)

†  
**Floating** (101,931,576)

**Rate**

**Notes**

**(a)**

**Series**

**2018**

**MTPS, (37.5) (198,750,000)**

**at**

**Liquidation**

**Value**

**Other**

**Assets**

**and 6,563,576**

**Liabilities,**

**Net**

**Net 100.0 530,343,859**

**Assets**

For information on the Fund's policies regarding the valuation of investments and other significant accounting policies, please refer to the Fund's most recent semi-annual or annual financial statements.

- \* Variable rate demand notes are securities whose interest rates are reset periodically at market levels. These securities are often payable on demand and are shown at their current rates as of February 29, 2016.
- \*\* Floating rate securities' yields vary with a designated market index or market rate, such as the coupon-equivalent of the U.S. Treasury Bill rate. These securities are shown at their current rate as of February 29, 2016. The cost for federal income tax purposes was \$631,929,302. At February 29, 2016, net unrealized appreciation for all securities based on tax cost was \$90,600,981. This consisted of aggregate gross unrealized appreciation for all securities in which there was an excess of value over tax cost of \$97,048,309 and aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value of \$6,447,328.
- † Securities represent the underlying municipal obligations of inverse floating rate obligations held by the Fund. The Floating Rate Notes represents leverage to the Fund and is the amount owed to the floating rate note holders. Security forms part of the below inverse floater. The Fund accounts for these inverse floaters as a form of secured borrowing, by reflecting the value of the underlying bond in the investments of the Fund and the amount owed to the floating rate note holder as a liability.

144A: Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers.

AGC: Assured Guaranty Corp.

AGMC: Assured Guaranty Municipal Corp.

AMT: Subject to alternative minimum tax.

ETM: Bonds bearing the description ETM (escrow to maturity) are collateralized usually by U.S. Treasury securities which are held in escrow and used to pay principal and interest on bonds so designated.

GTY: Guaranty Agreement

INS: Insured

NATL: National Public Finance Guarantee Corp.

Prerefunded: Bonds which are prerefunded are collateralized usually by U.S. Treasury securities which are held in escrow and used to pay principal and interest on tax-exempt issues and to retire the bonds in full at the earliest refunding date.

***Fair Value Measurements***

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

*The following is a summary of the inputs used as of February 29, 2016 in valuing the Fund's investments.*

Assets	Level 1	Level 2	Level 3	Total
Municipal Investments <sup>(c)</sup>	\$—	\$824,461,859	\$—	\$824,461,859
Total	\$—	\$824,461,859	\$—	\$824,461,859

There have been no transfers between fair value measurement levels during the period ended February 29, 2016.

(c) See Investment Portfolio for additional detailed categorizations.

**ITEM 2. CONTROLS AND PROCEDURES**

(a) The Chief Executive and Financial Officers concluded that the Registrant's Disclosure Controls and Procedures are effective based on the evaluation of the Disclosure Controls and Procedures as of a date within 90 days of the filing date of this report.

(b) There have been no changes in the registrant's internal control over financial reporting that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal controls over financial reporting.

**ITEM 3. EXHIBITS**

Certification pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 (17 CFR 270.30a-2(a)) is filed and attached hereto as Exhibit 99.CERT.

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.

Registrant: Deutsche Municipal Income Trust

/s/Brian E. Binder

By: Brian E. Binder

President

Date: April 22, 2016

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.

/s/Brian E. Binder

By: Brian E. Binder

President

Date: April 22, 2016

/s/Paul Schubert

By: Paul Schubert

Chief Financial Officer and Treasurer

Date: April 22, 2016

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Diluted Earnings Per Common Share From Discontinued Operations

0.04

0.04

Diluted Earnings Per Common Share

\$

0.48

\$

\$

0.48

Diluted Earnings Per Common Share From Continuing Operations Excluding  
One-Time Charges, described below

\$

0.49

(a)

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Average Number of Common Shares Outstanding Plus Dilutive Common Stock Options

1,572,105,000

1,572,105,000

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(a) Excludes after-tax charges of \$61 million or \$0.04 per share for in-process R&D related to the acquisition of Integrated Vascular Systems Inc. and \$10 million or \$0.01 per share for after-tax integration charges related to 2003 acquisitions (\$4 million) and transition/separation charges from the Hospira spin-off (\$6 million). The pretax impact of one-time charges by Consolidated Statement of Earnings line item is as follows: \$8 million for Cost of products sold, \$61 million for Acquired in-process research and development and \$6 million for Selling, general and administrative.

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Abbott Laboratories and Subsidiaries

Consolidated Statement of Earnings

Adjusted for Hospira Discontinued Operations

Fourth Quarter Ended December 31, 2003

(unaudited)

	As Reported	Amounts Transferred to Discontinued Operations	As Adjusted
Net Sales	\$ 5,530,582,000	\$ 633,304,000	\$ 4,897,278,000
Cost of products sold	2,658,013,000	460,868,000	2,197,145,000
Research & development	485,693,000	36,693,000	449,000,000
Selling, general & administrative	1,281,014,000	71,780,000	1,209,234,000
Total Operating Cost and Expenses	4,424,720,000	569,341,000	3,855,379,000
Operating earnings	1,105,862,000	63,963,000	1,041,899,000
Net interest (income) expense	34,225,000	(132,000)	34,357,000
Net foreign exchange (gain) loss	5,465,000	(1,021,000)	6,486,000
(Income) from TAP Pharmaceutical Products Inc. joint venture	(173,499,000)		(173,499,000)
Other (income) expense, net	(2,949,000)	507,000	(3,456,000)
Earnings From Continuing Operations Before Taxes	1,242,620,000	64,609,000	1,178,011,000
Taxes On Earnings From Continuing Operations	298,228,000	14,463,000	283,765,000
Earnings From Continuing Operations	944,392,000	50,146,000	894,246,000
Earnings From Discontinued Operations, net of taxes		50,146,000	50,146,000
Net Earnings	\$ 944,392,000	\$	\$ 944,392,000
Earnings From Continuing Operations Excluding One-Time Charges, described below			\$ 964,093,000(a)
Diluted Earnings Per Common Share From Continuing Operations	\$ 0.60	\$ 0.03	\$ 0.57
Diluted Earnings Per Common Share From Discontinued Operations		0.03	0.03
Diluted Earnings Per Common Share	\$ 0.60	\$	\$ 0.60

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Diluted Earnings Per Common Share		
From Continuing Operations		
Excluding		
One-Time Charges, described below	\$	0.62(a)
Average Number of Common Shares		
Outstanding Plus Dilutive Common		
Stock Options	1,574,575,000	1,574,575,000

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(a) Excludes after-tax charges of \$70 million or \$0.05 per share related to asset impairments and related costs (\$67 million) and transition/separation charges from the spin-off of Hospira and integration charges for 2003 acquisitions (\$3 million). The pre-tax impact of one-time charges by Consolidated Statement of Earnings line item is as follows: \$88 million for Cost of products sold and \$7 million for Selling general and administrative.

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Abbott Laboratories and Subsidiaries

Consolidated Statement of Earnings

Adjusted for Hospira Discontinued Operations

Full Year 2003

(unaudited)

	As Reported	Amounts Transferred to Discontinued Operations	As Adjusted
Net Sales	\$ 19,680,561,000	\$ 2,400,228,000	\$ 17,280,333,000
Cost of products sold	9,473,416,000	1,699,177,000	7,774,239,000
Research & development	1,733,472,000	109,720,000	1,623,752,000
Acquired in-process research and development	100,240,000		100,240,000
Selling, general & administrative	5,050,901,000	242,811,000	4,808,090,000
Total Operating Cost and Expenses	16,358,029,000	2,051,708,000	14,306,321,000
Operating earnings	3,322,532,000	348,520,000	2,974,012,000
Net interest (income) expense	146,123,000	(242,000)	146,365,000
Net foreign exchange (gain) loss	55,298,000	(1,750,000)	57,048,000
(Income) from TAP Pharmaceutical Products Inc. joint venture	(580,950,000)		(580,950,000)
Other (income) expense, net	(32,356,000)	3,246,000	(35,602,000)
Earnings From Continuing Operations Before Taxes	3,734,417,000	347,266,000	3,387,151,000
Taxes On Earnings From Continuing Operations	981,184,000	98,758,000	882,426,000
Earnings From Continuing Operations	2,753,233,000	248,508,000	2,504,725,000
Earnings From Discontinued Operations, net of taxes		248,508,000	248,508,000
Net Earnings	\$ 2,753,233,000	\$	\$ 2,753,233,000
Earnings From Continuing Operations Excluding One-Time Charges, described below			\$ 3,218,687,000(a)
Diluted Earnings Per Common Share From Continuing Operations	\$ 1.75	\$ 0.16	\$ 1.59
Diluted Earnings Per Common Share From Discontinued Operations		\$ 0.16	\$ 0.16

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Diluted Earnings Per Common Share	\$	1.75	\$	1.75
Diluted Earnings Per Common Share From Continuing Operations Excluding One-Time Charges, described below			\$	2.05(a)
Average Number of Common Shares Outstanding Plus Dilutive Common Stock Options		1,571,869,000		1,571,869,000

(a) Excludes after-tax charges of \$98 million or \$0.06 per share for in-process R&D related to acquisitions; \$536 million or \$0.34 per share for the Ross settlement; \$13 million or \$0.02 per share for integration charges related to 2003 acquisitions (\$7 million) and transition/separation charges from the Hospira spin-off (\$6 million); and \$67 million or \$0.04 per share related to an impairment of assets and related costs. The pretax impact of one-time charges by Consolidated Statement of Earnings line item is as follows: \$104 million for Cost of products sold, \$100 million for Acquired in-process research and development and \$627 million for Selling, general and administrative.

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Abbott Laboratories and Subsidiaries

Consolidated Statement of Earnings

Adjusted for Hospira Discontinued Operations

First Quarter Ended March 31, 2004

(unaudited)

	As Reported	Amounts Transferred to Discontinued Operations	As Adjusted
Net Sales	\$ 5,216,053,000	\$ 575,198,000	\$ 4,640,855,000
Cost of products sold	2,480,281,000	406,859,000	2,073,422,000
Research & development	429,024,000	24,446,000	404,578,000
Acquired in-process research and development	59,900,000		59,900,000
Selling, general & administrative	1,214,682,000	61,867,000	1,152,815,000
Total Operating Cost and Expenses	4,183,887,000	493,172,000	3,690,715,000
Operating earnings	1,032,166,000	82,026,000	950,140,000
Net interest (income) expense	35,345,000	(96,000)	35,441,000
Net foreign exchange (gain) loss	4,456,000	(21,000)	4,477,000
(Income) from TAP Pharmaceutical Products Inc. joint venture	(101,673,000)		(101,673,000)
Other (income) expense, net	(15,346,000)	985,000	(16,331,000)
Earnings From Continuing Operations Before Taxes	1,109,384,000	81,158,000	1,028,226,000
Taxes On Earnings From Continuing Operations	286,475,000	20,524,000	265,951,000
Earnings From Continuing Operations	822,909,000	60,634,000	762,275,000
Earnings From Discontinued Operations, net of taxes		60,634,000	60,634,000
Net Earnings	\$ 822,909,000	\$	\$ 822,909,000
Earnings From Continuing Operations Excluding One-Time Charges, described below			\$ 831,941,000(a)
Diluted Earnings Per Common Share From Continuing Operations	\$ 0.52	\$ 0.04	\$ 0.48
Diluted Earnings Per Common Share From Discontinued Operations		0.04	0.04

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Diluted Earnings Per Common Share	\$	0.52	\$	0.52
Diluted Earnings Per Common Share From Continuing Operations Excluding One-Time Charges, described below			\$	0.53(a)
Average Number of Common Shares Outstanding Plus Dilutive Common Stock Options		1,572,119,000		1,572,119,000

(a) Excludes after-tax charges of \$60 million or \$0.04 per share for Acquired in-process R&D related to the acquisition of i-STAT and \$10 million or \$0.01 per share relating to acquisition-related charges and transition/separation charges from the Hospira spin-off. The pretax impact of one-time charges by Consolidated Statement of Earnings line item is as follows: \$3 million for Cost of products sold, \$60 million for Acquired in-process research and development, \$8 million for Selling, general and administrative and \$2 million for Other (income) expense, net.

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The following schedule details Abbott's sales as reported before the spin-off, explains the products that have been reclassified, identifies the amounts transferred to Hospira and provides the resulting sales incorporating these reclassifications and transfers (dollars in millions):

**1Q03**

	As Reported in 1Q03	Reclassifications	Transferred to Discontinued Operations	As Adjusted
U.S. Pharmaceutical Sales	\$ 1,074	\$ 181(a)	\$	\$ 1,255
U.S. Hospital Products Sales	717	(227)	(490)(b)	
Ross Products (U.S.) Sales	601			601
Worldwide Diagnostic Sales	723			723
International Division Sales				
International Pharmaceuticals	800	112(c)		912
International Hospital Products	193	(112)	(81)(b)	
International Nutritionals	346			346
Other Sales	126	46(d)		172
<b>1Q03 Total Sales</b>	<b>\$ 4,580</b>	<b>\$</b>	<b>\$ (571)</b>	<b>\$ 4,009</b>

**2Q03**

	As Reported in 2Q03	Reclassifications	Transferred to Discontinued Operations	As Adjusted
U.S. Pharmaceutical Sales	\$ 1,264	\$ 200(a)	\$	\$ 1,464
U.S. Hospital Products Sales	748	(240)	(508)(b)	
Ross Products (U.S.) Sales	478			478
Worldwide Diagnostic Sales	756			756
International Division Sales				
International Pharmaceuticals	841	136(c)		977
International Hospital Products	226	(136)	(90)(b)	
International Nutritionals	333			333
Other Sales	78	40(d)		118
<b>2Q03 Total Sales</b>	<b>\$ 4,724</b>	<b>\$</b>	<b>\$ (598)</b>	<b>\$ 4,126</b>

**3Q03**

	As Reported in 3Q03	Reclassifications	Transferred to Discontinued Operations	As Adjusted
U.S. Pharmaceutical Sales	\$ 1,287	\$ 215(a)	\$	\$ 1,502

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U.S. Hospital Products Sales	791	(277)	(514)(b)	
Ross Products (U.S.) Sales	519			519
Worldwide Diagnostic Sales	756			756
International Division Sales				
International Pharmaceuticals	814	134(c)		948
International Hospital Products	220	(134)	(86)(b)	
International Nutritionals	325			325
Other Sales	134	62(d)	2(b)	198
<b>3Q03 Total Sales</b>	\$ 4,846	\$	\$ (598)	\$ 4,248

**4Q03**

	As Reported in 4Q03	Reclassifications	Transferred to Discontinued Operations	As Adjusted
U.S. Pharmaceutical Sales	\$ 1,595	\$ 235(a)	\$	\$ 1,830
U.S. Hospital Products Sales	822	(296)	(526)(b)	
Ross Products (U.S.) Sales	538			538
Worldwide Diagnostic Sales	805			805
International Division Sales				
International Pharmaceuticals	939	134(c)		1,073
International Hospital Products	241	(134)	(107)(b)	
International Nutritionals	407			407
Other Sales	183	61(d)		244
<b>4Q03 Total Sales</b>	<b>\$ 5,530</b>	<b>\$</b>	<b>\$ (633)</b>	<b>\$ 4,897</b>

**FY03**

	As Reported in FY03	Reclassifications	Transferred to Discontinued Operations	As Adjusted
U.S. Pharmaceutical Sales	\$ 5,220	\$ 831(a)	\$	\$ 6,051
U.S. Hospital Products Sales	3,078	(1,040)	(2,038)(b)	
Ross Products (U.S.) Sales	2,136			2,136
Worldwide Diagnostic Sales	3,040			3,040
International Division Sales				
International Pharmaceuticals	3,394	516(c)		3,910
International Hospital Products	880	(516)	(364)(b)	
International Nutritionals	1,411			1,411
Other Sales	521	209(d)	2(b)	732
<b>FY03 Total Sales</b>	<b>\$ 19,680</b>	<b>\$</b>	<b>\$ (2,400)</b>	<b>\$ 17,280</b>

**1Q04**

	As Reported in 1Q04	Reclassifications	Transferred to Discontinued Operations	As Adjusted
U.S. Pharmaceutical Sales	\$ 1,561	\$	\$	\$ 1,561
U.S. Hospital Products Sales	487		(487)(b)	
Ross Products (U.S.) Sales	666			666
Worldwide Diagnostic Sales	759			759
International Division Sales				
International Pharmaceuticals	966	131(c)		1,097

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International Hospital Products	219	(131)	(88)(b)
International Nutritionals	407		407
Other Sales	151		151
<b>1Q04 Total Sales</b>	\$ 5,216	\$	\$ (575) \$ 4,641

(a) U.S. Pharmaceutical Sales. These amounts represent proprietary hospital pharmaceuticals, such as the anesthesia agent, Ultane<sup>®</sup> (sevoflurane); neuromuscular blockers and pain management products; as well as the vitamin D therapy, Zemplar<sup>®</sup> (paricalcitol injection), that were previously part of U.S. Hospital Products sales.

(b) Hospital Products Sales. Most of the U.S. Hospital Products sales were spun off as the major operating component of Hospira, with the remainder moving to U.S. Pharmaceutical sales and Other sales as described in footnotes A and D. A similar transfer of Hospital Products sales occurred within the International Division, described in footnote C below.

(c) International Division Sales. The pharmaceuticals component of this division now includes the reclassification of hospital pharmaceuticals that were previously part of the hospital component of the International Division. This primarily represents the sales of anesthesia products, including Sevorane<sup>®</sup> (sevoflurane).

(d) Other Sales. Abbott Vascular Devices and Spinal Concepts are now included in Other sales for segment reporting purposes. Both of these businesses were previously part of U.S. Hospital Products sales.

**SIGNATURE**

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

**ABBOTT LABORATORIES**

/s/ Thomas C. Freyman

By: Thomas C. Freyman  
Executive Vice President, Finance  
and Chief Financial Officer

Date: June 30, 2004