

Western Asset High Yield Defined Opportunity Fund Inc.
Form N-CSRS
January 25, 2019
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES
Investment Company Act file number 811-22444

Western Asset High Yield Defined Opportunity Fund Inc.
(Exact name of registrant as specified in charter)

620 Eighth Avenue, 49th Floor, New York, NY 10018
(Address of principal executive offices) (Zip code)

Robert I. Frenkel, Esq.

Legg Mason & Co., LLC

100 First Stamford Place

Stamford, CT 06902

(Name and address of agent for service)

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

Date of fiscal year end: May 31

Date of reporting period: November 30, 2018

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ITEM 1. REPORT TO STOCKHOLDERS.

The **Semi-Annual** Report to Stockholders is filed herewith.

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Semi-Annual Report

November 30, 2018

WESTERN ASSET

HIGH YIELD DEFINED OPPORTUNITY FUND
INC. (HYI)

Beginning in January 2021, as permitted by regulations adopted by the Securities and Exchange Commission, the Fund intends to no longer mail paper copies of the Fund's shareholder reports like this one, unless you specifically request paper copies of the reports from the Fund or from your financial intermediary (such as a broker-dealer or bank). Instead, the reports will be made available on a website, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you invest through a financial intermediary and you already elected to receive shareholder reports electronically (e-delivery), you will not be affected by this change and you need not take any action. If you have not already elected e-delivery, you may elect to receive shareholder reports and other communications from the Fund electronically by contacting your financial intermediary.

You may elect to receive all future reports in paper free of charge. If you invest through a financial intermediary, you can contact your financial intermediary to request that you continue to receive paper copies of your shareholder reports. That election will apply to all Legg Mason funds held in your account at that financial intermediary. If you are a direct shareholder with the Fund, you can call the Fund at 1-888-888-0151, or write to the Fund by regular mail at P.O. Box 505000, Louisville, KY 40233 or by overnight delivery to Computershare, 462 South 4th Street, Suite 1600, Louisville, KY 40202 to let the Fund know you wish to continue receiving paper copies of your shareholder reports. That election will apply to all Legg Mason Funds held in your account held directly with the fund complex.

INVESTMENT PRODUCTS: NOT FDIC INSURED NO BANK GUARANTEE MAY LOSE VALUE

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Fund objectives

The Fund's primary investment objective is to provide high income. As a secondary investment objective, the Fund will seek capital appreciation.

The Fund seeks to achieve its investment objectives by investing, under normal market conditions, at least 80% of its net assets in a portfolio of high-yield corporate fixed-income securities with varying maturities. Corporate securities include those securities that are issued or originated by U.S. or foreign public or private corporations and other business entities.

The Fund has a limited term and as a fundamental policy intends to liquidate and distribute substantially all of its net assets to stockholders after making appropriate provisions for any liabilities of the Fund on or about September 30, 2025.

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Letter from the chairman

Dear Shareholder,

We are pleased to provide the semi-annual report of Western Asset High Yield Defined Opportunity Fund Inc. for the six-month reporting period ended November 30, 2018. Please read on for Fund performance information and a detailed look at prevailing economic and market conditions during the Fund's reporting period.

As always, we remain committed to providing you with excellent service and a full spectrum of investment choices. We also remain committed to supplementing the support you receive from your financial advisor. One way we accomplish these goals is through our website, www.lmcef.com. Here you can gain immediate access to market and investment information, including:

Fund prices and performance,

Market insights and commentaries from our portfolio managers, and

A host of educational resources.

We look forward to helping you meet your financial goals.

Sincerely,

Jane Trust, CFA

Chairman, President and Chief Executive Officer

December 28, 2018

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Investment commentary

Economic review

Economic activity in the U.S. was mixed during the six months ended November 30, 2018 (the reporting period). Looking back, the U.S. Department of Commerce reported that first quarter 2018 U.S. gross domestic product (GDP) growth was 2.2%. GDP growth then accelerated to 4.2% during the second quarter of 2018 – the strongest reading since the third quarter of 2014. Finally, the U.S. Department of Commerce’s final reading for third quarter 2018 GDP growth – released after the reporting period ended – was 3.4%. The deceleration in GDP growth in the third quarter of 2018 reflected a downturn in exports and decelerations in nonresidential fixed investment and personal consumption expenditures. Imports increased in the third quarter after decreasing in the second. These movements were partly offset by an upturn in private inventory investment.

Job growth in the U.S. was solid overall and supported the economy during the reporting period. As reported by the U.S. Department of Labor, when the reporting period ended on November 30, 2018, the unemployment rate was 3.7%, versus 4.0% when the period began. November 2018’s reading equaled the lowest unemployment rate since 1969. The percentage of longer-term unemployed also declined during the reporting period. In November 2018, 20.8% of Americans looking for a job had been out of work for more than six months, versus 23.0% when the period began.

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Investment commentary (cont d)

Market review

Q. How did the Federal Reserve Board (the Fed) respond to the economic environment?

A. Looking back, at its meeting that concluded on September 20, 2017, the Fed kept the federal funds rateⁱⁱⁱ on hold, but reiterated its intention to begin reducing its balance sheet, saying, "In October, the Committee will initiate the balance sheet normalization program." At its meeting that ended on December 13, 2017, the Fed raised rates to a range between 1.25% and 1.50%. As widely expected, the Fed again raised rates at its meetings that ended on March 21, 2018 (to a range between 1.50% and 1.75%), June 13, 2018 (to a range between 1.75% and 2.00%) and September 26, 2018 (to a range between 2.00% and 2.25%). Finally, at its meeting that ended on December 19, 2018, after the reporting period ended, the Fed raised rates to a range between 2.25% and 2.50%.

Q. Did Treasury yields trend higher or lower during the reporting period?

A. Both short-term and longer-term Treasury yields moved higher during the six-month reporting period ended November 30, 2018. The yield for the two-year Treasury note began the reporting period at 2.40% the low for the period and ended the period at 2.80%. The peak for the period of 2.98% occurred on November 8, 2018. The yield for the ten-year Treasury began the reporting period at 2.83% and ended the period at 3.01%. The low for the period of 2.82% took place on a number of occasions in July and August 2018, and the high for the period of 3.24% took place on November 8, 2018.

Q. What factors impacted the spread sectors (non-Treasuries) during the reporting period?

A. The spread sectors posted mixed results during the reporting period. Performance fluctuated given changing expectations for global growth, central bank monetary policy adjustments and concerns over a global trade war. All told, the broad U.S. bond market, as measured by the Bloomberg Barclays U.S. Aggregate Index^{iv}, returned -0.30% during the six-month reporting period ended November 30, 2018.

Q. How did the high-yield bond market perform over the reporting period?

A. The U.S. high-yield bond market, as measured by the Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index^v returned 0.30% for the six months ended November 30, 2018. The high-yield market posted positive returns during the first four of the six months of the reporting period. This was driven by overall robust corporate profits, periods of solid investor demand and moderating supply. However, the high-yield market weakened over the last two months of the reporting period as investor risk aversion increased.

Q. How did the emerging market debt asset class perform over the reporting period?

A. The JPMorgan Emerging Markets Bond Index Global (EMBI Global)^{vi} returned -1.79% during the six months ended November 30, 2018. The asset class produced choppy results during the reporting period. At times it was supported by solid investor demand, less concern over a significant shift in U.S. trade policy and a

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Investment commentary (cont d)

weakening U.S. dollar. However, at other times it was dragged down by rising U.S. interest rates, periods of investor risk aversion, geopolitical issues and a rising U.S. dollar.

Performance review

For the six months ended November 30, 2018, Western Asset High Yield Defined Opportunity Fund Inc. returned -0.03% based on its net asset value (NAVⁱⁱ) and -1.37% based on its New York Stock Exchange (NYSE) market price per share. The Fund’s unmanaged benchmarks, the Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index B Componentⁱⁱⁱ and the Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index Caa Component^{ix}, returned 0.50% and -1.44%, respectively, over the same time frame. The Lipper High Yield Closed-End Funds Category Average^x returned 1.65% for the same period. Please note that Lipper performance returns are based on each fund’s NAV.

During this six-month period, the Fund made distributions to shareholders totaling \$0.53 per share. As of November 30, 2018, the Fund estimates that all of the distributions were sourced from net investment income.* The performance table shows the Fund’s six-month total return based on its NAV and market price as of November 30, 2018. **Past performance is no guarantee of future results.**

Performance Snapshot as of November 30, 2018
(unaudited)

<p>Price Per Share</p> <p>\$15.65 (NAV)</p> <p>\$13.83 (Market Price)</p>	<p>6-Month Total Return**</p> <p>-0.03%</p> <p>-1.37%</p>
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All figures represent past performance and are not a guarantee of future results. Performance figures for period shorter than one year represent cumulative figures and are not annualized.

**** Total returns are based on changes in NAV or market price, respectively. Returns reflect the deduction of all Fund expenses, including management fees, operating expenses, and other Fund expenses. Returns do not reflect the deduction of brokerage commissions or taxes that investors may pay on distributions or the sale of shares.**

Total return assumes the reinvestment of all distributions, including returns of capital, if any, at NAV.

Total return assumes the reinvestment of all distributions, including returns of capital, if any, in additional shares in accordance with the Fund’s Dividend Reinvestment Plan.

Looking for additional information?

The Fund is traded under the symbol **HYI** and its closing market price is available in most newspapers under the NYSE listings. The daily NAV is available on-line under the symbol **XHYIX** on most financial websites. *Barron’s* and the *Wall Street Journal’s* Monday edition both carry closed-end fund tables that provide additional information. In

*This estimate is not for tax purposes. The Fund will issue a Form 1099 with final composition of the distributions for tax purposes after year-end. A return of capital is not taxable and results in a reduction in the tax basis of a shareholder’s investment. For more information about a distribution’s composition, please refer to the Fund’s distribution press release or, if applicable, the Section 19 notice located in the press release section of our website, www.lmcef.com (click on the name of the Fund).

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addition, the Fund issues a quarterly press release that can be found on most major financial websites as well as www.lmcef.com (click on the name of the Fund).

In a continuing effort to provide information concerning the Fund, shareholders may call 1-888-777-0102 (toll free), Monday through Friday from 8:00 a.m. to 5:30 p.m. Eastern time, for the Fund's current NAV, market price and other information.

Thank you for your investment in Western Asset High Yield Defined Opportunity Fund Inc. As always, we appreciate that you have chosen us to manage your assets and we remain focused on achieving the Fund's investment goals.

Sincerely,

Jane Trust, CFA

Chairman, President and

Chief Executive Officer

December 28, 2018

***RISKS:** The Fund is a non-diversified, limited term, closed-end management investment company designed primarily as a long-term investment and not as a trading vehicle. The Fund is not intended to be a complete investment program and, due to the uncertainty inherent in all investments, there can be no assurance that the Fund will achieve its investment objective. The Fund's common stock is traded on the New York Stock Exchange. Similar to stocks, the Fund's share price will fluctuate with market conditions and, at the time of sale, may be worth more or less than the original investment. Shares of closed-end funds often trade at a discount to their net asset value. Because the Fund is non-diversified, it may be more susceptible to economic, political or regulatory events than a diversified fund. The Fund's investments are subject to a number of risks, including credit risk, inflation risk and interest rate risk. As interest rates rise, bond prices fall, reducing the value of the Fund's share price. The Fund may invest in lower-rated high-yield bonds, commonly known as "junk bonds," which are subject to greater liquidity and credit risk (risk of default) than higher-rated obligations. The Fund is also permitted purchases of equity securities. Equity securities generally have greater price volatility than fixed income securities. Investments in foreign securities involve risks, including the possibility of losses due to changes in currency exchange rates and negative developments in the political, economic, or regulatory structure of specific countries or regions. These risks are greater in emerging markets. The Fund may make significant investments in derivative instruments. Derivative instruments can be illiquid, may disproportionately increase losses, and may have a potentially large impact on Fund performance. The Fund may invest in securities or engage in transactions that have the economic effects of leverage which can increase the risk and volatility of the Fund.*

All investments are subject to risk including the possible loss of principal. Past performance is no guarantee of future results. All index performance reflects no deduction for fees, expenses or taxes. Please note that an investor cannot invest directly in an index.

The information provided is not intended to be a forecast of future events, a guarantee of future results or investment advice. Views expressed may differ from those of the firm as a whole.

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Investment commentary (cont d)

- ⁱ Gross domestic product (GDP) is the market value of all final goods and services produced within a country in a given period of time.
- ⁱⁱ The Federal Reserve Board (the Fed) is responsible for the formulation of U.S. policies designed to promote economic growth, full employment, stable prices and a sustainable pattern of international trade and payments.
- ⁱⁱⁱ The federal funds rate is the rate charged by one depository institution on an overnight sale of immediately available funds (balances at the Federal Reserve) to another depository institution; the rate may vary from depository institution to depository institution and from day to day.
- ^{iv} The Bloomberg Barclays U.S. Aggregate Index is a broad-based bond index comprised of government, corporate, mortgage- and asset-backed issues, rated investment grade or higher, and having at least one year to maturity.
- ^v The Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index is an index of the 2% Issuer Cap component of the Bloomberg Barclays U.S. Corporate High Yield Index, which covers the U.S. dollar-denominated, non-investment grade, fixed-rate, taxable corporate bond market.
- ^{vi} The JPMorgan Emerging Markets Bond Index Global (EMBI Global) tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds and local market instruments.
- ^{vii} Net asset value (NAV) is calculated by subtracting total liabilities, including liabilities associated with financial leverage (if any), from the closing value of all securities held by the Fund (plus all other assets) and dividing the result (total net assets) by the total number of the common shares outstanding. The NAV fluctuates with changes in the market prices of securities in which the Fund has invested. However, the price at which an investor may buy or sell shares of the Fund is the Fund's market price as determined by supply of and demand for the Fund's shares.
- ^{viii} The Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap B Component is an index of the 2% Issuer Cap component of the broader Bloomberg Barclays U.S. Corporate High Yield Index and is comprised of B-rated securities included in this index.
- ^{ix} The Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Caa Component is an index of the 2% Issuer Cap component of the broader Bloomberg Barclays U.S. Corporate High Yield Index and is comprised of Caa-rated securities included in this index.
- ^x Lipper, Inc., a wholly-owned subsidiary of Reuters, provides independent insight on global collective investments. Returns are based on the six-month period ended November 30, 2018, including the reinvestment of all distributions, including returns of capital, if any, calculated among the 9 funds in the Fund's Lipper category.

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Fund at a glance (unaudited)

Investment breakdown (%) as a percent of total investments

The bar graph above represents the composition of the Fund's investments as of November 30, 2018 and May 31, 2018 and does not include derivatives, such as forward foreign currency contracts. The Fund is actively managed. As a result, the composition of the Fund's investments is subject to change at any time.

* As of September 28, 2018, the Telecommunication Services sector was broadened to include some companies previously classified in the Consumer Discretionary and Information Technology sectors and renamed the Communication Services sector.

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Spread duration (unaudited)

Economic exposure November 30, 2018

Total Spread Duration

HYI 4.50 years
 Benchmark 3.53 years

Spread duration measures the sensitivity to changes in spreads. The spread over Treasuries is the annual risk-premium demanded by investors to hold non-Treasury securities. Spread duration is quantified as the % change in price resulting from a 100 basis points change in spreads. For a security with positive spread duration, an increase in spreads would result in a price decline and a decline in spreads would result in a price increase. This chart highlights the market sector exposure of the Fund's sectors relative to the selected benchmark sectors as of the end of the reporting period.

Benchmark 60% Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index B Component & 40% Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index Caa Component
 EM Emerging Markets
 HY High Yield
 HYI Western Asset High Yield Defined Opportunity Fund Inc.
 IG Credit Investment Grade Credit

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Effective duration (unaudited)

Interest rate exposure November 30, 2018

Total Effective Duration

HYI 4.38 years

Benchmark 3.63 years

Effective duration measures the sensitivity to changes in relevant interest rates. Effective duration is quantified as the % change in price resulting from a 100 basis points change in interest rates. For a security with positive effective duration, an increase in interest rates would result in a price decline and a decline in interest rates would result in a price increase. This chart highlights the interest rate exposure of the Fund's sectors relative to the selected benchmark sectors as of the end of the reporting period.

Benchmark 60% Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index B Component & 40% Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index Caa Component
EM Emerging Markets
HY High Yield
HYI Western Asset High Yield Defined Opportunity Fund Inc.
IG Credit Investment Grade Credit

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November 30, 2018

Western Asset High Yield Defined Opportunity Fund Inc.

	Rate	Maturity Date	Face Amount	Value
Security				
Corporate Bonds & Notes 86.0%				
Communication Services 21.2%				
<i>Diversified Telecommunication Services 2.3%</i>				
Intelsat Jackson Holdings SA, Senior Notes	5.500%	8/1/23	750,000	\$ 663,750
Intelsat Jackson Holdings SA, Senior Secured Notes	8.000%	2/15/24	1,530,000	1,604,664 (a)
Telecom Italia SpA, Senior Notes	5.303%	5/30/24	410,000	386,425 (a)
UPCB Finance IV Ltd., Senior Secured Notes	5.375%	1/15/25	400,000	384,752 (a)
Windstream Services LLC/Windstream Finance Corp., Secured Notes	10.500%	6/30/24	6,265,000	5,168,625 (a)
<i>Total Diversified Telecommunication Services</i>				<i>8,208,216</i>
<i>Entertainment 0.9%</i>				
Netflix Inc., Senior Notes	5.875%	11/15/28	1,400,000	1,387,260 (a)
Netflix Inc., Senior Notes	6.375%	5/15/29	1,750,000	1,776,250 (a)
<i>Total Entertainment</i>				<i>3,163,510</i>
<i>Interactive Media & Services 0.3%</i>				
Match Group Inc., Senior Notes	6.375%	6/1/24	490,000	508,497
Match Group Inc., Senior Notes	5.000%	12/15/27	720,000	671,400 (a)
<i>Total Interactive Media & Services</i>				<i>1,179,897</i>
<i>Media 12.3%</i>				
Altice France SA, Senior Secured Notes	6.250%	5/15/24	740,000	718,725 (a)
Altice France SA, Senior Secured Notes	7.375%	5/1/26	4,890,000	4,712,737 (a)
Altice France SA, Senior Secured Notes	8.125%	2/1/27	7,030,000	6,906,975 (a)
Altice Luxembourg SA, Senior Notes	7.750%	5/15/22	8,370,000	8,003,812 (a)
Altice Luxembourg SA, Senior Notes	7.625%	2/15/25	1,850,000	1,505,438 (a)
CCO Holdings LLC/CCO Holdings Capital Corp., Senior Notes	5.125%	5/1/27	1,411,000	1,340,450 (a)
CCO Holdings LLC/CCO Holdings Capital Corp., Senior Notes	5.000%	2/1/28	4,250,000	3,968,438 (a)
DISH DBS Corp., Senior Notes	5.000%	3/15/23	500,000	439,375
DISH DBS Corp., Senior Notes	5.875%	11/15/24	5,127,000	4,377,176
DISH DBS Corp., Senior Notes	7.750%	7/1/26	6,398,000	5,678,225
Meredith Corp., Senior Notes	6.875%	2/1/26	790,000	809,750 (a)
Univision Communications, Inc.	6.750%	9/15/22	554,000	560,925 (a)
UPC Holding BV, Senior Secured Notes	5.500%	1/15/28	1,090,000	994,625 (a)
Virgin Media Finance PLC, Senior Notes	6.000%	10/15/24	1,250,000	1,218,750 (a)
Virgin Media Secured Finance PLC, Senior Secured Notes	5.250%	1/15/26	1,650,000	1,551,000 (a)
Virgin Media Secured Finance PLC, Senior Secured Notes	5.500%	8/15/26	1,020,000	962,931 (a)
<i>Total Media</i>				<i>43,749,332</i>
<i>Wireless Telecommunication Services 5.4%</i>				
CSC Holdings LLC, Senior Notes	10.125%	1/15/23	200,000	217,020 (a)
CSC Holdings LLC, Senior Notes	6.625%	10/15/25	1,190,000	1,240,432 (a)

See Notes to Financial Statements.

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Security	Rate	Maturity Date	Face Amount	Value
<i>Wireless Telecommunication Services continued</i>				
CSC Holdings LLC, Senior Notes	10.875%	10/15/25	899,000	\$ 1,038,345 ^(a)
CSC Holdings LLC, Senior Notes	5.375%	2/1/28	2,080,000	1,960,400 ^(a)
Sprint Capital Corp., Senior Notes	6.875%	11/15/28	4,288,000	4,154,000
Sprint Capital Corp., Senior Notes	8.750%	3/15/32	130,000	141,538
Sprint Communications Inc., Senior Notes	7.000%	8/15/20	420,000	435,750
Sprint Communications Inc., Senior Notes	11.500%	11/15/21	1,452,000	1,685,046
Sprint Corp., Senior Notes	7.875%	9/15/23	3,160,000	3,332,852
Sprint Corp., Senior Notes	7.625%	3/1/26	530,000	544,575
VEON Holdings BV, Senior Notes	7.504%	3/1/22	800,000	867,592 ^(b)
VEON Holdings BV, Senior Notes	7.504%	3/1/22	520,000	563,935 ^(a)
Vimpel Communications Via VIP Finance Ireland Ltd. OJSC, Senior Notes	7.748%	2/2/21	2,730,000	2,952,080 ^(a)
<i>Total Wireless Telecommunication Services</i>				<i>19,133,565</i>
Total Communication Services				75,434,520
Consumer Discretionary 8.6%				
<i>Auto Components 1.7%</i>				
Adient Global Holdings Ltd., Senior Notes	4.875%	8/15/26	3,620,000	2,927,675 ^(a)
American Axle & Manufacturing Inc., Senior Notes	6.250%	4/1/25	500,000	466,875
American Axle & Manufacturing Inc., Senior Notes	6.250%	3/15/26	250,000	228,125
American Axle & Manufacturing Inc., Senior Notes	6.500%	4/1/27	1,730,000	1,576,462
JB Poindexter & Co. Inc., Senior Notes	7.125%	4/15/26	920,000	880,900 ^(a)
ZF North America Capital Inc., Senior Notes	4.750%	4/29/25	200,000	193,552 ^(a)
<i>Total Auto Components</i>				<i>6,273,589</i>
<i>Diversified Consumer Services 1.9%</i>				
Carriage Services Inc., Senior Notes	6.625%	6/1/26	2,680,000	2,663,250 ^(a)
Frontdoor Inc., Senior Notes	6.750%	8/15/26	710,000	686,925 ^(a)
Prime Security Services Borrower LLC /Prime Finance Inc., Secured Notes	9.250%	5/15/23	1,127,000	1,197,437 ^(a)
Service Corp. International, Senior Notes	7.500%	4/1/27	1,030,000	1,123,986
Weight Watchers International Inc., Senior Notes	8.625%	12/1/25	970,000	1,012,438 ^(a)
<i>Total Diversified Consumer Services</i>				<i>6,684,036</i>
<i>Hotels, Restaurants & Leisure 2.9%</i>				
1011778 BC ULC/New Red Finance Inc., Senior Secured Notes	4.250%	5/15/24	1,250,000	1,184,375 ^(a)
Bossier Casino Venture Holdco Inc., Senior Secured Notes (14.000% PIK)	14.000%	2/9/23	1,176,992	1,176,992 ^{(a)(c)(d)(e)}
Boyne USA Inc., Secured Notes	7.250%	5/1/25	440,000	459,800 ^(a)
Carrols Restaurant Group Inc., Secured Notes	8.000%	5/1/22	820,000	842,550
Downstream Development Authority of the Quapaw Tribe of Oklahoma, Senior Secured Notes	10.500%	2/15/23	1,580,000	1,603,700 ^(a)

See Notes to Financial Statements.

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Schedule of investments (unaudited) (cont d)

November 30, 2018

Western Asset High Yield Defined Opportunity Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
<i>Hotels, Restaurants & Leisure continued</i>				
Golden Nugget Inc., Senior Notes	8.750%	10/1/25	500,000	\$ 501,250 ^(a)
Silversea Cruise Finance Ltd., Senior Secured Notes	7.250%	2/1/25	762,000	821,055 ^(a)
Viking Cruises Ltd., Senior Notes	6.250%	5/15/25	1,210,000	1,203,950 ^(a)
Viking Cruises Ltd., Senior Notes	5.875%	9/15/27	310,000	292,175