

Western Asset High Yield Defined Opportunity Fund Inc.
Form N-Q
January 25, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number **811-22444**

Western Asset High Yield Defined Opportunity Fund Inc.

(Exact name of registrant as specified in charter)

620 Eighth Avenue, 49th Floor, New York, New York 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: **August 31**

Date of reporting period: **November 30, 2016**

ITEM 1. SCHEDULE OF INVESTMENTS.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.

FORM N-Q

NOVEMBER 30, 2016

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.

Schedule of investments (unaudited)

November 30, 2016

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|--|---------|---------------|-------------|--------------------------------|
| CORPORATE BONDS & NOTES - 88.1% | | | | |
| CONSUMER DISCRETIONARY - 17.2% | | | | |
| Auto Components - 0.7% | | | | |
| Adient Global Holdings Ltd., Senior Notes | 4.875% | 8/15/26 | 790,000 | \$ 760,375 ^(a) |
| IHO Verwaltungs GmbH, Senior Secured Bonds | 4.750% | 9/15/26 | 380,000 | 362,900 ^{(a)(b)} |
| ZF North America Capital Inc., Senior Notes | 4.750% | 4/29/25 | 1,350,000 | 1,357,594 ^(a) |
| <i>Total Auto Components</i> | | | | 2,480,869 |
| Diversified Consumer Services - 1.3% | | | | |
| Cengage Learning Inc., Senior Notes | 9.500% | 6/15/24 | 1,780,000 | 1,561,950 ^(a) |
| Prime Security Services Borrower LLC/Prime Finance Inc., Secured Notes | 9.250% | 5/15/23 | 1,390,000 | 1,497,725 ^(a) |
| Service Corp. International, Senior Notes | 7.500% | 4/1/27 | 1,030,000 | 1,199,950 |
| StoneMor Partners LP/Cornerstone Family Services of WV, Senior Notes | 7.875% | 6/1/21 | 760,000 | 710,600 |
| <i>Total Diversified Consumer Services</i> | | | | 4,970,225 |
| Hotels, Restaurants & Leisure - 4.0% | | | | |
| Bossier Casino Venture Holdco Inc., Senior Secured Bonds | 14.000% | 2/9/18 | 1,134,159 | 1,134,159 ^{(a)(b)(c)} |
| Brinker International Inc., Senior Notes | 5.000% | 10/1/24 | 1,460,000 | 1,463,650 ^(a) |
| Carrols Restaurant Group Inc., Secured Notes | 8.000% | 5/1/22 | 820,000 | 891,750 |
| CCM Merger Inc., Senior Notes | 9.125% | 5/1/19 | 1,018,000 | 1,057,234 ^(a) |
| CEC Entertainment Inc., Senior Notes | 8.000% | 2/15/22 | 1,200,000 | 1,209,000 |
| Downstream Development Authority of the Quapaw Tribe of Oklahoma, Senior Secured Notes | 10.500% | 7/1/19 | 890,000 | 912,250 ^(a) |
| Greektown Holdings LLC/Greektown Mothership Corp., Senior Secured Notes | 8.875% | 3/15/19 | 500,000 | 525,625 ^(a) |
| Jack Ohio Finance LLC/Jack Ohio Finance 1 Corp., Senior Secured Notes | 6.750% | 11/15/21 | 1,720,000 | 1,728,600 ^(a) |
| Landry's Inc., Senior Notes | 6.750% | 10/15/24 | 900,000 | 902,250 ^(a) |
| MGM Resorts International, Senior Notes | 4.625% | 9/1/26 | 970,000 | 928,775 |
| Mohegan Tribal Gaming Authority, Senior Notes | 7.875% | 10/15/24 | 900,000 | 904,500 ^(a) |
| Scientific Games International Inc., Senior Secured Notes | 7.000% | 1/1/22 | 430,000 | 455,800 ^(a) |
| Viking Cruises Ltd., Senior Notes | 8.500% | 10/15/22 | 2,840,000 | 2,903,900 ^(a) |
| <i>Total Hotels, Restaurants & Leisure</i> | | | | 15,017,493 |
| Household Durables - 1.4% | | | | |
| Century Intermediate Holding Co. 2, Senior Notes | 9.750% | 2/15/19 | 1,630,000 | 1,660,562 ^{(a)(b)} |
| Shea Homes LP/Shea Homes Funding Corp., Senior Notes | 6.125% | 4/1/25 | 1,350,000 | 1,316,250 ^(a) |
| William Lyon Homes Inc., Senior Notes | 8.500% | 11/15/20 | 950,000 | 992,750 |
| William Lyon Homes Inc., Senior Notes | 7.000% | 8/15/22 | 250,000 | 260,625 |
| Woodside Homes Co., LLC/Woodside Homes Finance Inc., Senior Notes | 6.750% | 12/15/21 | 810,000 | 773,550 ^(a) |
| <i>Total Household Durables</i> | | | | 5,003,737 |
| Leisure Products - 0.3% | | | | |

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| | | | | |
|---|--------|----------|-----------|--------------------------|
| Gibson Brands Inc., Senior Secured Notes | 8.875% | 8/1/18 | 1,070,000 | 898,800 ^(a) |
| Media - 7.4% | | | | |
| CCO Holdings LLC/CCO Holdings Capital Corp., Senior Notes | 5.750% | 2/15/26 | 1,960,000 | 2,018,800 ^(a) |
| Charter Communications Operating LLC/Charter Communications Operating Capital Corp., Senior Secured Notes | 4.908% | 7/23/25 | 3,010,000 | 3,147,385 ^(a) |
| Charter Communications Operating LLC/Charter Communications Operating Capital Corp., Senior Secured Notes | 6.484% | 10/23/45 | 640,000 | 721,535 ^(a) |
| DISH DBS Corp., Senior Notes | 5.875% | 7/15/22 | 280,000 | 290,500 |
| DISH DBS Corp., Senior Notes | 5.875% | 11/15/24 | 220,000 | 223,850 |
| DISH DBS Corp., Senior Notes | 7.750% | 7/1/26 | 30,000 | 33,188 |
| Gray Television Inc., Senior Notes | 5.875% | 7/15/26 | 90,000 | 86,147 ^(a) |

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.

Schedule of investments (unaudited) (cont d)

November 30, 2016

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|---|---------|---------------|-------------|-----------------------------|
| Media - (continued) | | | | |
| iHeartCommunications Inc., Senior Notes | 14.000% | 2/1/21 | 2,829,919 | \$ 1,139,042 ^(b) |
| Lions Gate Entertainment Corp., Senior Notes | 5.875% | 11/1/24 | 380,000 | 380,000 ^(a) |
| MDC Partners Inc., Senior Notes | 6.500% | 5/1/24 | 1,100,000 | 950,125 ^(a) |
| SFR Group SA, Senior Secured Bonds | 6.250% | 5/15/24 | 2,730,000 | 2,709,525 ^(a) |
| SFR Group SA, Senior Secured Notes | 7.375% | 5/1/26 | 4,300,000 | 4,305,375 ^(a) |
| Time Warner Cable Inc., Senior Notes | 8.250% | 4/1/19 | 550,000 | 621,089 |
| Univision Communications Inc., Senior Secured Notes | 6.750% | 9/15/22 | 2,514,000 | 2,614,560 ^(a) |
| Univision Communications Inc., Senior Secured Notes | 5.125% | 2/15/25 | 640,000 | 608,800 ^(a) |
| Viacom Inc., Senior Notes | 4.375% | 3/15/43 | 2,140,000 | 1,885,687 |
| Virgin Media Finance PLC, Senior Notes | 6.375% | 4/15/23 | 2,260,000 | 2,320,726 ^(a) |
| Virgin Media Finance PLC, Senior Notes | 6.000% | 10/15/24 | 1,750,000 | 1,765,313 ^(a) |
| Ziggo Secured Finance BV, Senior Secured Notes | 5.500% | 1/15/27 | 1,930,000 | 1,857,625 ^(a) |
| <i>Total Media</i> | | | | 27,679,272 |
| Multiline Retail - 0.4% | | | | |
| Neiman Marcus Group LLC, Senior Secured Notes | 7.125% | 6/1/28 | 270,000 | 247,050 |
| Neiman Marcus Group Ltd. LLC, Senior Notes | 8.000% | 10/15/21 | 170,000 | 134,300 ^(a) |
| Neiman Marcus Group Ltd. LLC, Senior Notes | 8.750% | 10/15/21 | 1,440,000 | 1,094,400 ^{(a)(b)} |
| <i>Total Multiline Retail</i> | | | | 1,475,750 |
| Specialty Retail - 1.7% | | | | |
| GameStop Corp., Senior Notes | 6.750% | 3/15/21 | 730,000 | 732,737 ^(a) |
| Guitar Center Inc., Senior Secured Bonds | 6.500% | 4/15/19 | 2,730,000 | 2,422,875 ^(a) |
| Hot Topic Inc., Senior Secured Notes | 9.250% | 6/15/21 | 660,000 | 696,300 ^(a) |
| L Brands Inc., Debentures | 6.950% | 3/1/33 | 380,000 | 376,200 |
| L Brands Inc., Senior Notes | 6.875% | 11/1/35 | 770,000 | 773,850 |
| L Brands Inc., Senior Notes | 7.600% | 7/15/37 | 20,000 | 20,200 |
| PetSmart Inc., Senior Notes | 7.125% | 3/15/23 | 430,000 | 441,288 ^(a) |
| ServiceMaster Co., LLC, Senior Notes | 5.125% | 11/15/24 | 940,000 | 944,700 ^(a) |
| <i>Total Specialty Retail</i> | | | | 6,408,150 |
| TOTAL CONSUMER DISCRETIONARY | | | | 63,934,296 |
| CONSUMER STAPLES - 4.2% | | | | |
| Beverages - 0.8% | | | | |
| Carolina Beverage Group LLC/Carolina Beverage Group Finance Inc., Secured Notes | 10.625% | 8/1/18 | 1,120,000 | 1,047,200 ^(a) |
| Cott Beverages Inc., Senior Notes | 6.750% | 1/1/20 | 910,000 | 943,556 |
| DS Services of America Inc., Secured Notes | 10.000% | 9/1/21 | 1,000,000 | 1,105,000 ^(a) |
| <i>Total Beverages</i> | | | | 3,095,756 |
| Food & Staples - 0.2% | | | | |
| FAGE International SA/FAGE USA Dairy Industry Inc., Senior Notes | 5.625% | 8/15/26 | 650,000 | 651,625 ^(a) |

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Food & Staples Retailing - 0.4%

| | | | | |
|---|---------|----------|-----------|--------------------------|
| Beverages & More Inc., Senior Secured Notes | 10.000% | 11/15/18 | 1,550,000 | 1,462,813 ^(a) |
|---|---------|----------|-----------|--------------------------|

Food Products - 1.9%

| | | | | |
|--|--------|---------|-----------|--------------------------|
| Dole Food Co. Inc., Senior Secured Notes | 7.250% | 5/1/19 | 580,000 | 587,250 ^(a) |
| Lamb Weston Holdings Inc., Senior Notes | 4.625% | 11/1/24 | 1,260,000 | 1,257,637 ^(a) |
| Lamb Weston Holdings Inc., Senior Notes | 4.875% | 11/1/26 | 720,000 | 718,200 ^(a) |
| Pilgrim s Pride Corp., Senior Notes | 5.750% | 3/15/25 | 1,330,000 | 1,333,325 ^(a) |
| Simmons Foods Inc., Secured Notes | 7.875% | 10/1/21 | 3,140,000 | 3,187,100 ^(a) |

| | | | | |
|----------------------------|--|--|--|-----------|
| <i>Total Food Products</i> | | | | 7,083,512 |
|----------------------------|--|--|--|-----------|

Household Products - 0.3%

| | | | | |
|--|--------|----------|---------|---------|
| Central Garden & Pet Co., Senior Notes | 6.125% | 11/15/23 | 570,000 | 597,075 |
| Spectrum Brands Inc., Senior Notes | 6.625% | 11/15/22 | 460,000 | 489,900 |

| | | | | |
|---------------------------------|--|--|--|-----------|
| <i>Total Household Products</i> | | | | 1,086,975 |
|---------------------------------|--|--|--|-----------|

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.

Schedule of investments (unaudited) (cont d)

November 30, 2016

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|--|---------|---------------|-------------|---------------------------|
| Tobacco - 0.6% | | | | |
| Alliance One International Inc., Secured Notes | 9.875% | 7/15/21 | 1,820,000 | \$ 1,521,975 |
| Alliance One International Inc., Senior Secured Notes | 8.500% | 4/15/21 | 560,000 | 565,600 ^(a) |
| <i>Total Tobacco</i> | | | | 2,087,575 |
| TOTAL CONSUMER STAPLES | | | | |
| | | | | 15,468,256 |
| ENERGY - 16.2% | | | | |
| Energy Equipment & Services - 1.1% | | | | |
| CGG, Senior Notes | 6.500% | 6/1/21 | 1,480,000 | 621,600 |
| EnSCO PLC, Senior Notes | 4.700% | 3/15/21 | 190,000 | 170,525 |
| EnSCO PLC, Senior Notes | 5.750% | 10/1/44 | 1,130,000 | 745,800 |
| KCA Deutag UK Finance PLC, Senior Secured Notes | 7.250% | 5/15/21 | 440,000 | 372,900 ^(a) |
| Pride International Inc., Senior Notes | 6.875% | 8/15/20 | 280,000 | 286,020 |
| Pride International Inc., Senior Notes | 7.875% | 8/15/40 | 1,680,000 | 1,441,994 |
| Sierra Hamilton LLC/Sierra Hamilton Finance Inc., Senior Secured Notes | 12.250% | 12/15/18 | 1,140,000 | 485,070 ^{(a)(c)} |
| <i>Total Energy Equipment & Services</i> | | | | 4,123,909 |
| Oil, Gas & Consumable Fuels - 15.1% | | | | |
| Berry Petroleum Co., Senior Notes | 6.750% | 11/1/20 | 640,000 | 361,600 ^{*(d)} |
| Berry Petroleum Co., Senior Notes | 6.375% | 9/15/22 | 1,571,000 | 879,760 ^{*(d)} |
| Blue Racer Midstream LLC/Blue Racer Finance Corp., Senior Notes | 6.125% | 11/15/22 | 1,920,000 | 1,881,600 ^(a) |
| Calumet Specialty Products Partners LP/Calumet Finance Corp., Senior Secured Notes | 11.500% | 1/15/21 | 910,000 | 1,039,675 ^(a) |
| Carrizo Oil & Gas Inc., Senior Notes | 7.500% | 9/15/20 | 780,000 | 809,250 |
| Chesapeake Energy Corp., Senior Notes | 6.875% | 11/15/20 | 1,960,000 | 1,842,400 |
| Chesapeake Energy Corp., Senior Notes | 4.875% | 4/15/22 | 3,320,000 | 2,846,900 |
| Chesapeake Energy Corp., Senior Notes | 5.750% | 3/15/23 | 320,000 | 276,800 |
| Continental Resources Inc., Senior Notes | 5.000% | 9/15/22 | 310,000 | 310,388 |
| Continental Resources Inc., Senior Notes | 3.800% | 6/1/24 | 230,000 | 213,900 |
| Continental Resources Inc., Senior Notes | 4.900% | 6/1/44 | 1,090,000 | 931,950 |
| Crestwood Midstream Partners LP/Crestwood Midstream Finance Corp., Senior Notes | 6.125% | 3/1/22 | 1,280,000 | 1,299,200 |
| Ecopetrol SA, Senior Notes | 5.875% | 5/28/45 | 1,500,000 | 1,235,250 |
| EP Energy LLC/Everest Acquisition Finance Inc., Senior Notes | 9.375% | 5/1/20 | 820,000 | 691,096 |
| EP Energy LLC/Everest Acquisition Finance Inc., Senior Notes | 6.375% | 6/15/23 | 2,080,000 | 1,466,400 |
| EP Energy LLC/Everest Acquisition Finance Inc., Senior Secured Notes | 8.000% | 11/29/24 | 370,000 | 381,563 ^(a) |
| Freeport-McMoRan Oil & Gas LLC/FCX Oil & Gas Inc., Senior Notes | 6.125% | 6/15/19 | 280,000 | 289,100 |
| Freeport-McMoRan Oil & Gas LLC/FCX Oil & Gas Inc., Senior Notes | 6.750% | 2/1/22 | 320,000 | 333,400 |
| Freeport-McMoRan Oil & Gas LLC/FCX Oil & Gas Inc., Senior Notes | 6.875% | 2/15/23 | 1,030,000 | 1,107,250 |
| Globe Luxembourg SCA, Senior Secured Notes | 9.625% | 5/1/18 | 4,090,000 | 3,923,844 ^(a) |
| Holly Energy Partners LP/Holly Energy Finance Corp., Senior Notes | 6.000% | 8/1/24 | 300,000 | 313,500 ^(a) |
| Kinder Morgan Inc., Medium-Term Notes | 7.750% | 1/15/32 | 810,000 | 961,617 |
| Laredo Petroleum Inc., Senior Notes | 7.375% | 5/1/22 | 410,000 | 428,450 |
| Magnum Hunter Resources Corp. Escrow | | | 3,530,000 | 0 ^{*(c)(e)} |
| MEG Energy Corp., Senior Notes | 6.500% | 3/15/21 | 2,310,000 | 2,090,550 ^(a) |
| MEG Energy Corp., Senior Notes | 7.000% | 3/31/24 | 350,000 | 307,125 ^(a) |
| Murray Energy Corp., Senior Secured Notes | 11.250% | 4/15/21 | 740,000 | 529,100 ^(a) |

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| | | | | |
|---|--------|----------|-----------|------------------------|
| NGL Energy Partners LP/NGL Energy Finance Corp., Senior Notes | 7.500% | 11/1/23 | 850,000 | 852,125 ^(a) |
| NGPL PipeCo LLC, Senior Secured Notes | 7.768% | 12/15/37 | 790,000 | 829,500 ^(a) |
| Oasis Petroleum Inc., Senior Notes | 7.250% | 2/1/19 | 1,490,000 | 1,519,800 |
| Oasis Petroleum Inc., Senior Notes | 6.500% | 11/1/21 | 2,140,000 | 2,172,100 |
| Oasis Petroleum Inc., Senior Notes | 6.875% | 1/15/23 | 1,553,000 | 1,599,590 |
| Petrobras Global Finance BV, Senior Notes | 6.750% | 1/27/41 | 3,790,000 | 3,120,875 |

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.**Schedule of investments (unaudited) (cont d)****November 30, 2016**

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|--|-------------|----------------------|--------------------|--------------------------------|
| Oil, Gas & Consumable Fuels - (continued) | | | | |
| Rice Energy Inc., Senior Notes | 7.250% | 5/1/23 | 1,490,000 | \$ 1,571,950 |
| Rockies Express Pipeline LLC, Senior Notes | 7.500% | 7/15/38 | 570,000 | 581,400 ^(a) |
| Rockies Express Pipeline LLC, Senior Notes | 6.875% | 4/15/40 | 590,000 | 601,800 ^(a) |
| Sabine Pass Liquefaction LLC, Senior Secured Notes | 5.750% | 5/15/24 | 1,480,000 | 1,568,800 |
| Sanchez Energy Corp., Senior Notes | 7.750% | 6/15/21 | 860,000 | 821,300 |
| Sanchez Energy Corp., Senior Notes | 6.125% | 1/15/23 | 4,020,000 | 3,537,600 |
| Shelf Drilling Holdings Ltd., Senior Secured Notes | 8.625% | 11/1/18 | 650,000 | 531,375 ^(a) |
| Targa Resources Partners LP/Targa Resources Partners Finance Corp., Senior Notes | 5.125% | 2/1/25 | 780,000 | 771,716 ^(a) |
| Targa Resources Partners LP/Targa Resources Partners Finance Corp., Senior Notes | 5.375% | 2/1/27 | 820,000 | 811,800 ^(a) |
| Tesoro Logistics LP/Tesoro Logistics Finance Corp., Senior Notes | 6.125% | 10/15/21 | 120,000 | 125,625 |
| Tesoro Logistics LP/Tesoro Logistics Finance Corp., Senior Notes | 6.375% | 5/1/24 | 340,000 | 368,050 |
| Tesoro Logistics LP/Tesoro Logistics Finance Corp., Senior Notes | 5.250% | 1/15/25 | 880,000 | 893,200 |
| Ultrapar International SA, Senior Notes | 5.250% | 10/6/26 | 1,090,000 | 1,079,100 ^(a) |
| Whiting Petroleum Corp., Senior Notes | 5.000% | 3/15/19 | 770,000 | 764,225 |
| Whiting Petroleum Corp., Senior Notes | 6.250% | 4/1/23 | 1,750,000 | 1,717,188 |
| Williams Cos. Inc., Debentures | 7.500% | 1/15/31 | 330,000 | 365,475 |
| Williams Cos. Inc., Senior Notes | 3.700% | 1/15/23 | 430,000 | 407,425 |
| Williams Cos. Inc., Senior Notes | 4.550% | 6/24/24 | 530,000 | 519,400 |
| Williams Cos. Inc., Senior Notes | 5.750% | 6/24/44 | 1,620,000 | 1,539,000 |
| WPX Energy Inc., Senior Notes | 7.500% | 8/1/20 | 270,000 | 286,200 |
| WPX Energy Inc., Senior Notes | 8.250% | 8/1/23 | 430,000 | 476,225 |
| <i>Total Oil, Gas & Consumable Fuels</i> | | | | <i>56,184,512</i> |
| TOTAL ENERGY | | | | 60,308,421 |
| FINANCIALS - 10.3% | | | | |
| Banks - 6.7% | | | | |
| Bank of America Corp., Junior Subordinated Notes | 6.500% | 10/23/24 | 1,120,000 | 1,166,984 ^{(f)(g)} |
| Barclays Bank PLC, Subordinated Notes | 10.179% | 6/12/21 | 1,550,000 | 1,917,830 ^(a) |
| Barclays Bank PLC, Subordinated Notes | 7.625% | 11/21/22 | 1,950,000 | 2,144,269 |
| Barclays PLC, Junior Subordinated Bonds | 8.250% | 12/15/18 | 340,000 | 346,995 ^{(f)(g)} |
| BNP Paribas SA, Junior Subordinated Notes | 7.375% | 8/19/25 | 810,000 | 806,962 ^{(a)(f)(g)} |
| CIT Group Inc., Senior Notes | 5.000% | 8/15/22 | 110,000 | 114,813 |
| CIT Group Inc., Senior Notes | 5.000% | 8/1/23 | 360,000 | 371,700 |
| Citigroup Inc., Junior Subordinated Bonds | 6.300% | 5/15/24 | 3,080,000 | 3,056,900 ^{(f)(g)} |
| Credit Agricole SA, Junior Subordinated Notes | 8.375% | 10/13/19 | 660,000 | 731,049 ^{(a)(f)(g)} |
| Credit Agricole SA, Junior Subordinated Notes | 8.125% | 12/23/25 | 1,330,000 | 1,382,156 ^{(a)(f)(g)} |
| HSBC Holdings PLC, Junior Subordinated Bonds | 6.375% | 9/17/24 | 290,000 | 280,938 ^{(f)(g)} |
| HSBC Holdings PLC, Junior Subordinated Bonds | 6.375% | 3/30/25 | 860,000 | 841,725 ^{(f)(g)} |
| JPMorgan Chase & Co., Junior Subordinated Bonds | 6.000% | 8/1/23 | 530,000 | 528,940 ^{(f)(g)} |
| JPMorgan Chase & Co., Junior Subordinated Notes | 6.100% | 10/1/24 | 1,000,000 | 1,005,000 ^{(f)(g)} |
| M&T Bank Corp., Junior Subordinated Bonds | 6.875% | 12/15/16 | 1,170,000 | 1,175,440 ^(f) |
| Royal Bank of Scotland Group PLC, Junior Subordinated Notes | 8.625% | 8/15/21 | 610,000 | 601,612 ^{(f)(g)} |
| | 7.640% | 9/30/17 | 7,000,000 | 6,470,800 ^{(f)(g)} |

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Royal Bank of Scotland Group PLC, Junior Subordinated Notes,
Medium-Term Notes

| | | | | |
|--|---------|---------|--------------------------|-----------------------------|
| Royal Bank of Scotland NV, Subordinated Bonds | 7.750% | 5/15/23 | 350,000 | 385,797 |
| Royal Bank of Scotland PLC, Subordinated Notes | 13.125% | 3/19/22 | 2,030,000 ^{AUD} | 1,542,937 ^{(g)(h)} |

| | | | | |
|--------------------|--|--|--|------------|
| <i>Total Banks</i> | | | | 24,872,847 |
|--------------------|--|--|--|------------|

Capital Markets - 0.7%

| | | | | |
|---|--------|----------|-----------|------------------------|
| Credit Suisse Group Funding Guernsey Ltd., Senior Notes | 4.875% | 5/15/45 | 460,000 | 462,168 |
| Donnelley Financial Solutions Inc., Senior Notes | 8.250% | 10/15/24 | 890,000 | 907,800 ^(a) |
| Goldman Sachs Group Inc., Subordinated Notes | 5.150% | 5/22/45 | 1,080,000 | 1,116,720 |

| | | | | |
|------------------------------|--|--|--|-----------|
| <i>Total Capital Markets</i> | | | | 2,486,688 |
|------------------------------|--|--|--|-----------|

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.

Schedule of investments (unaudited) (cont d)

November 30, 2016

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|--|---------|---------------|--------------------------|--------------------------|
| Consumer Finance - 0.9% | | | | |
| Navient Corp., Medium-Term Notes, Senior Notes | 8.450% | 6/15/18 | 920,000 | \$ 993,600 |
| TMX Finance LLC/TitleMax Finance Corp., Senior Secured Notes | 8.500% | 9/15/18 | 2,630,000 | 2,169,750 ^(a) |
| <i>Total Consumer Finance</i> | | | | 3,163,350 |
| Diversified Financial Services - 1.7% | | | | |
| AerCap Ireland Capital Ltd./AerCap Global Aviation Trust, Senior Bonds | 4.625% | 7/1/22 | 360,000 | 373,500 |
| International Lease Finance Corp., Senior Notes | 8.750% | 3/15/17 | 1,900,000 | 1,936,856 |
| International Lease Finance Corp., Senior Notes | 6.250% | 5/15/19 | 130,000 | 140,244 |
| International Lease Finance Corp., Senior Notes | 8.250% | 12/15/20 | 3,140,000 | 3,681,650 |
| International Lease Finance Corp., Senior Notes | 5.875% | 8/15/22 | 310,000 | 339,537 |
| <i>Total Diversified Financial Services</i> | | | | 6,471,787 |
| Insurance - 0.3% | | | | |
| Fidelity & Guaranty Life Holdings Inc., Senior Notes | 6.375% | 4/1/21 | 620,000 | 616,900 ^(a) |
| Genworth Holdings Inc., Senior Notes | 4.900% | 8/15/23 | 760,000 | 630,800 |
| <i>Total Insurance</i> | | | | 1,247,700 |
| TOTAL FINANCIALS | | | | 38,242,372 |
| HEALTH CARE - 6.8% | | | | |
| Biotechnology - 0.2% | | | | |
| AMAG Pharmaceuticals Inc., Senior Notes | 7.875% | 9/1/23 | 660,000 | 630,300 ^(a) |
| Health Care Equipment & Supplies - 1.5% | | | | |
| ConvaTec Healthcare E SA, Senior Notes | 10.875% | 12/15/18 | 1,530,000 ^{EUR} | 1,633,732 ^(a) |
| DJO Finance LLC/DJO Finance Corp., Secured Notes | 10.750% | 4/15/20 | 750,000 | 620,625 |
| DJO Finco Inc./DJO Finance LLC/DJO Finance Corp., Secured Notes | 8.125% | 6/15/21 | 1,190,000 | 1,044,225 ^(a) |
| Greatbatch Ltd., Senior Notes | 9.125% | 11/1/23 | 780,000 | 764,400 ^(a) |
| Immucor Inc., Senior Notes | 11.125% | 8/15/19 | 900,000 | 828,000 |
| Kinetic Concepts Inc./KCI USA Inc., Senior Secured Notes | 7.875% | 2/15/21 | 720,000 | 761,400 ^(a) |
| <i>Total Health Care Equipment & Supplies</i> | | | | 5,652,382 |
| Health Care Providers & Services - 4.2% | | | | |
| BioScrip Inc., Senior Notes | 8.875% | 2/15/21 | 2,000,000 | 1,545,000 |
| Centene Corp., Senior Notes | 5.625% | 2/15/21 | 630,000 | 650,475 |
| Centene Corp., Senior Notes | 4.750% | 5/15/22 | 410,000 | 405,900 |
| Centene Corp., Senior Notes | 6.125% | 2/15/24 | 370,000 | 376,882 |
| Centene Corp., Senior Notes | 4.750% | 1/15/25 | 470,000 | 451,200 |
| DaVita Inc., Senior Notes | 5.750% | 8/15/22 | 1,400,000 | 1,457,750 |
| DaVita Inc., Senior Notes | 5.125% | 7/15/24 | 890,000 | 880,544 |
| DaVita Inc., Senior Notes | 5.000% | 5/1/25 | 1,570,000 | 1,534,675 |

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| | | | | |
|--|--------|----------|------------------------|------------------------|
| HCA Inc., Debentures | 7.500% | 11/15/95 | 1,000,000 | 990,000 |
| IASIS Healthcare LLC/IASIS Capital Corp., Senior Notes | 8.375% | 5/15/19 | 1,750,000 | 1,540,000 |
| MPH Acquisition Holdings LLC, Senior Notes | 7.125% | 6/1/24 | 390,000 | 410,962 ^(a) |
| Synlab Unsecured Bondco PLC, Senior Bonds | 8.250% | 7/1/23 | 480,000 ^{EUR} | 548,709 ^(b) |
| Tenet Healthcare Corp., Secured Notes | 7.500% | 1/1/22 | 510,000 | 525,619 ^(a) |
| Tenet Healthcare Corp., Senior Notes | 8.125% | 4/1/22 | 2,790,000 | 2,566,800 |
| Universal Hospital Services Inc., Secured Notes | 7.625% | 8/15/20 | 1,600,000 | 1,531,200 |
| <i>Total Health Care Providers & Services</i> | | | | <i>15,415,716</i> |

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.

Schedule of investments (unaudited) (cont d)

November 30, 2016

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|--|---------|---------------|-------------|----------------------------|
| Pharmaceuticals - 0.9% | | | | |
| Valeant Pharmaceuticals International Inc., Senior Notes | 5.375% | 3/15/20 | 890,000 | \$ 752,050 ^(a) |
| Valeant Pharmaceuticals International Inc., Senior Notes | 7.000% | 10/1/20 | 310,000 | 269,700 ^(a) |
| Valeant Pharmaceuticals International Inc., Senior Notes | 6.375% | 10/15/20 | 280,000 | 239,400 ^(a) |
| Valeant Pharmaceuticals International Inc., Senior Notes | 7.500% | 7/15/21 | 1,700,000 | 1,442,875 ^(a) |
| Valeant Pharmaceuticals International Inc., Senior Notes | 7.250% | 7/15/22 | 900,000 | 742,500 ^(a) |
| <i>Total Pharmaceuticals</i> | | | | 3,446,525 |
| TOTAL HEALTH CARE | | | | |
| | | | | 25,144,923 |
| INDUSTRIALS - 8.9% | | | | |
| Aerospace & Defense - 0.9% | | | | |
| CBC Ammo LLC/CBC FinCo Inc., Senior Notes | 7.250% | 11/15/21 | 1,900,000 | 1,866,750 ^(a) |
| Heligear Acquisition Co., Senior Secured Bonds | 10.250% | 10/15/19 | 620,000 | 649,450 ^(a) |
| LMI Aerospace Inc., Secured Notes | 7.375% | 7/15/19 | 730,000 | 731,825 |
| <i>Total Aerospace & Defense</i> | | | | 3,248,025 |
| Air Freight & Logistics - 0.5% | | | | |
| XPO Logistics Inc., Senior Notes | 6.500% | 6/15/22 | 880,000 | 914,100 ^(a) |
| XPO Logistics Inc., Senior Notes | 6.125% | 9/1/23 | 810,000 | 830,250 ^(a) |
| <i>Total Air Freight & Logistics</i> | | | | 1,744,350 |
| Airlines - 0.3% | | | | |
| Delta Air Lines Inc., Pass-Through Certificates, Secured Notes | 8.021% | 8/10/22 | 958,535 | 1,091,531 |
| Building Products - 0.2% | | | | |
| Standard Industries Inc., Senior Notes | 5.500% | 2/15/23 | 540,000 | 557,550 ^(a) |
| Commercial Services & Supplies - 1.8% | | | | |
| Garda World Security Corp., Senior Notes | 7.250% | 11/15/21 | 540,000 | 502,200 ^(a) |
| GFL Environmental Inc., Senior Notes | 9.875% | 2/1/21 | 1,000,000 | 1,090,000 ^(a) |
| Monitronics International Inc., Senior Notes | 9.125% | 4/1/20 | 800,000 | 752,000 |
| United Rentals North America Inc., Senior Notes | 7.625% | 4/15/22 | 751,000 | 797,938 |
| United Rentals North America Inc., Senior Notes | 5.500% | 5/15/27 | 740,000 | 740,777 |
| West Corp., Senior Notes | 5.375% | 7/15/22 | 2,990,000 | 2,881,612 ^(a) |
| <i>Total Commercial Services & Supplies</i> | | | | 6,764,527 |
| Construction & Engineering - 0.8% | | | | |
| Brundage-Bone Concrete Pumping Inc., Senior Secured Notes | 10.375% | 9/1/21 | 860,000 | 933,100 ^(a) |
| Michael Baker Holdings LLC/Michael Baker Finance Corp., Senior Notes | 8.875% | 4/15/19 | 1,016,164 | 914,548 ^{(a)(b)} |
| Michael Baker International LLC/CDL Acquisition Co. Inc., Senior Secured Notes | 8.250% | 10/15/18 | 530,000 | 531,325 ^(a) |
| Modular Space Corp., Secured Notes | 10.250% | 1/31/19 | 1,321,000 | 706,735 ^{*(a)(d)} |

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| | | | | |
|--|---------|----------|------------------------|---------------------------|
| <i>Total Construction & Engineering</i> | | | | 3,085,708 |
| Electrical Equipment - 0.5% | | | | |
| Interface Grand Master Holdings Inc., Senior Notes | 19.000% | 8/15/19 | 705,353 | 684,192 ^{(b)(c)} |
| International Wire Group Inc., Senior Notes | 10.750% | 8/1/21 | 550,000 | 514,938 ^(a) |
| NES Rentals Holdings Inc., Senior Secured Notes | 7.875% | 5/1/18 | 590,000 | 587,050 ^(a) |
| Trionista TopCo GmbH, Senior Subordinated Notes | 6.875% | 4/30/21 | 150,000 ^{EUR} | 167,952 ^(a) |
| <i>Total Electrical Equipment</i> | | | | 1,954,132 |
| Machinery - 1.2% | | | | |
| Allison Transmission Inc., Senior Bonds | 5.000% | 10/1/24 | 1,160,000 | 1,171,600 ^(a) |
| CTP Transportation Products LLC/CTP Finance Inc., Senior Secured Notes | 8.250% | 12/15/19 | 1,040,000 | 826,800 ^(a) |
| DH Services Luxembourg Sarl, Senior Notes | 7.750% | 12/15/20 | 2,310,000 | 2,404,826 ^(a) |
| SPL Logistics Escrow LLC/SPL Logistics Finance Corp., Senior Secured Notes | 8.875% | 8/1/20 | 150,000 | 130,500 ^(a) |
| <i>Total Machinery</i> | | | | 4,533,726 |

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.

Schedule of investments (unaudited) (cont d)

November 30, 2016

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|---|---------|---------------|-------------|-----------------------------|
| Marine - 0.6% | | | | |
| Navios Maritime Acquisition Corp./Navios Acquisition Finance U.S. Inc., Senior Secured Notes | 8.125% | 11/15/21 | 2,670,000 | \$ 2,209,425 ^(a) |
| Ultrapetrol Bahamas Ltd., Senior Secured Notes | 8.875% | 6/15/21 | 1,010,000 | 207,050 ^{*(d)} |
| <i>Total Marine</i> | | | | 2,416,475 |
| Road & Rail - 1.2% | | | | |
| Flexi-Van Leasing Inc., Senior Notes | 7.875% | 8/15/18 | 2,280,000 | 2,097,600 ^(a) |
| Florida East Coast Holdings Corp., Senior Notes | 9.750% | 5/1/20 | 1,430,000 | 1,462,175 ^(a) |
| Florida East Coast Holdings Corp., Senior Secured Notes | 6.750% | 5/1/19 | 970,000 | 1,003,950 ^(a) |
| <i>Total Road & Rail</i> | | | | 4,563,725 |
| Trading Companies & Distributors - 0.5% | | | | |
| H&E Equipment Services Inc., Senior Notes | 7.000% | 9/1/22 | 1,870,000 | 1,977,525 |
| Transportation - 0.4% | | | | |
| Jack Cooper Enterprises Inc., Senior Notes | 10.500% | 3/15/19 | 3,111,765 | 357,853 ^{(a)(b)} |
| Neovia Logistics Intermediate Holdings LLC/Logistics Intermediate Finance Corp., Senior Notes | 10.000% | 2/15/18 | 1,518,150 | 956,434 ^{(a)(b)} |
| <i>Total Transportation</i> | | | | 1,314,287 |
| TOTAL INDUSTRIALS | | | | 33,251,561 |
| INFORMATION TECHNOLOGY - 1.3% | | | | |
| Electronic Equipment, Instruments & Components - 0.1% | | | | |
| Interface Security Systems Holdings Inc./Interface Security Systems LLC, Senior Secured Notes | 9.250% | 1/15/18 | 500,000 | 498,125 |
| Internet Software & Services - 0.1% | | | | |
| Match Group Inc., Senior Notes | 6.375% | 6/1/24 | 490,000 | 519,400 |
| IT Services - 0.1% | | | | |
| Compiler Finance Subordinated Inc., Senior Notes | 7.000% | 5/1/21 | 430,000 | 202,100 ^(a) |
| Technology Hardware, Storage & Peripherals - 1.0% | | | | |
| Diamond 1 Finance Corp./Diamond 2 Finance Corp., Senior Notes | 7.125% | 6/15/24 | 520,000 | 568,528 ^(a) |
| Seagate HDD Cayman, Senior Bonds | 4.750% | 6/1/23 | 720,000 | 699,750 |
| Seagate HDD Cayman, Senior Bonds | 4.750% | 1/1/25 | 2,350,000 | 2,192,844 |
| Seagate HDD Cayman, Senior Bonds | 4.875% | 6/1/27 | 210,000 | 184,468 |
| <i>Total Technology Hardware, Storage & Peripherals</i> | | | | 3,645,590 |
| TOTAL INFORMATION TECHNOLOGY | | | | 4,865,215 |

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MATERIALS - 9.0%

Chemicals - 1.8%

| | | | | |
|--|---------|----------|-----------|---------------------------|
| Axalta Coating Systems LLC, Senior Notes | 4.875% | 8/15/24 | 710,000 | 708,225 ^(a) |
| Eco Services Operations LLC/Eco Finance Corp., Senior Notes | 8.500% | 11/1/22 | 910,000 | 964,600 ^(a) |
| HIG BBC Intermediate Holdings LLC/HIG BBC Holdings Corp., Senior Notes | 10.500% | 9/15/18 | 691,711 | 666,636 ^{(a)(b)} |
| Kissner Holdings LP/Kissner Milling Co., Ltd./BSC Holding Inc./Kissner USA, Senior Secured Notes | 8.375% | 12/1/22 | 1,340,000 | 1,336,650 ^(a) |
| PQ Corp., Senior Secured Notes | 6.750% | 11/15/22 | 350,000 | 371,000 ^(a) |
| Rain CII Carbon LLC/CII Carbon Corp., Senior Secured Notes | 8.000% | 12/1/18 | 1,880,000 | 1,870,600 ^(a) |
| Valvoline Inc., Senior Notes | 5.500% | 7/15/24 | 900,000 | 934,875 ^(a) |

Total Chemicals

6,852,586

Construction Materials - 0.3%

| | | | | |
|--|--------|--------|---------|------------------------|
| Hardwoods Acquisition Inc., Senior Secured Notes | 7.500% | 8/1/21 | 970,000 | 763,875 ^(a) |
| NWH Escrow Corp., Senior Secured Notes | 7.500% | 8/1/21 | 390,000 | 305,175 ^(a) |

Total Construction Materials

1,069,050

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.**Schedule of investments (unaudited) (cont d)****November 30, 2016**

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|--|---------|---------------|-------------|---------------------------|
| Containers & Packaging - 2.4% | | | | |
| Ardagh Packaging Finance PLC/Ardagh MP Holdings USA Inc., Senior Notes | 7.250% | 5/15/24 | 830,000 | \$ 870,463 ^(a) |
| BWAY Holding Co., Senior Notes | 9.125% | 8/15/21 | 1,750,000 | 1,828,750 ^(a) |
| Coveris Holdings SA, Senior Notes | 7.875% | 11/1/19 | 710,000 | 701,125 ^(a) |
| Pactiv LLC, Senior Bonds | 8.375% | 4/15/27 | 2,280,000 | 2,513,700 |
| Pactiv LLC, Senior Notes | 7.950% | 12/15/25 | 410,000 | 444,850 |
| PaperWorks Industries Inc., Senior Secured Notes | 9.500% | 8/15/19 | 840,000 | 693,000 ^(a) |
| Reynolds Group Issuer Inc./Reynolds Group Issuer LLC/Reynolds Group Issuer (Luxembourg) SA, Senior Notes | 7.000% | 7/15/24 | 1,940,000 | 2,051,550 ^(a) |
| <i>Total Containers & Packaging</i> | | | | <i>9,103,438</i> |
| Metals & Mining - 4.5% | | | | |
| Alcoa Nederland Holding BV, Senior Notes | 6.750% | 9/30/24 | 500,000 | 537,500 ^(a) |
| Alcoa Nederland Holding BV, Senior Notes | 7.000% | 9/30/26 | 1,130,000 | 1,200,625 ^(a) |
| Anglo American Capital PLC, Senior Notes | 3.625% | 5/14/20 | 430,000 | 432,150 ^(a) |
| Anglo American Capital PLC, Senior Notes | 4.125% | 4/15/21 | 250,000 | 251,875 ^(a) |
| Anglo American Capital PLC, Senior Notes | 4.875% | 5/14/25 | 860,000 | 877,200 ^(a) |
| ArcelorMittal SA, Senior Notes | 8.000% | 10/15/39 | 2,020,000 | 2,146,250 |
| Barmenco Finance Pty Ltd., Senior Notes | 9.000% | 6/1/18 | 460,000 | 464,600 ^(a) |
| Coeur Mining Inc., Senior Notes | 7.875% | 2/1/21 | 640,000 | 667,200 |
| FMG Resources (August 2006) Pty Ltd., Senior Secured Notes | 9.750% | 3/1/22 | 520,000 | 602,472 ^(a) |
| Freeport-McMoRan Inc., Senior Notes | 3.100% | 3/15/20 | 10,000 | 9,875 |
| Freeport-McMoRan Inc., Senior Notes | 4.000% | 11/14/21 | 450,000 | 443,250 |
| Freeport-McMoRan Inc., Senior Notes | 3.550% | 3/1/22 | 310,000 | 294,965 |
| Freeport-McMoRan Inc., Senior Notes | 3.875% | 3/15/23 | 380,000 | 359,100 |
| Freeport-McMoRan Inc., Senior Notes | 5.450% | 3/15/43 | 530,000 | 455,800 |
| Midwest Vanadium Pty Ltd., Senior Secured Notes | 11.500% | 2/15/18 | 1,229,243 | 49,170 ^{*(a)(d)} |
| Mirabela Nickel Ltd., Subordinated Notes | 1.000% | 9/10/44 | 13,552 | 0 ^{(a)(b)(c)(e)} |
| Steel Dynamics Inc., Senior Notes | 5.000% | 12/15/26 | 616,000 | 620,620 |
| Teck Resources Ltd., Senior Notes | 3.000% | 3/1/19 | 1,340,000 | 1,336,650 |
| Teck Resources Ltd., Senior Notes | 8.000% | 6/1/21 | 650,000 | 715,585 ^(a) |
| Teck Resources Ltd., Senior Notes | 8.500% | 6/1/24 | 1,970,000 | 2,304,900 ^(a) |
| Vale Overseas Ltd., Senior Notes | 6.875% | 11/21/36 | 2,220,000 | 2,148,782 |
| Vale Overseas Ltd., Senior Notes | 6.875% | 11/10/39 | 750,000 | 714,060 |
| <i>Total Metals & Mining</i> | | | | <i>16,632,629</i> |
| TOTAL MATERIALS | | | | 33,657,703 |
| REAL ESTATE - 2.2% | | | | |
| Equity Real Estate Investment Trusts (REITs) - 1.1% | | | | |
| Care Capital Properties LP, Senior Notes | 5.125% | 8/15/26 | 410,000 | 395,146 ^(a) |
| Communications Sales & Leasing Inc., Senior Secured Notes | 6.000% | 4/15/23 | 820,000 | 852,800 ^(a) |
| CoreCivic Inc., Senior Notes | 4.125% | 4/1/20 | 130,000 | 129,675 |
| CoreCivic Inc., Senior Notes | 5.000% | 10/15/22 | 630,000 | 625,275 |
| CoreCivic Inc., Senior Notes | 4.625% | 5/1/23 | 170,000 | 166,175 |
| GEO Group Inc., Senior Notes | 6.000% | 4/15/26 | 810,000 | 781,650 |
| | 4.500% | 9/1/26 | 750,000 | 721,875 ^(a) |

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| | | | | |
|--|--------|--------|---------|------------------|
| MGM Growth Properties Operating Partnership LP/MGP Finance Co.-Issuer Inc., Senior Notes | | | | |
| MPT Operating Partnership LP/MPT Finance Corp., Senior Notes | 6.375% | 3/1/24 | 430,000 | 442,900 |
| <i>Total Equity Real Estate Investment Trusts (REITs)</i> | | | | <i>4,115,496</i> |

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.**Schedule of investments (unaudited) (cont d)****November 30, 2016**

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|---|---------|------------------|----------------|----------------------------|
| Real Estate Management & Development - 1.1% | | | | |
| Caesars Entertainment Resort Properties LLC, Secured Notes | 11.000% | 10/1/21 | 1,410,000 | \$ 1,540,425 |
| Caesars Entertainment Resort Properties LLC, Senior Secured Notes | 8.000% | 10/1/20 | 1,170,000 | 1,228,500 |
| Greystar Real Estate Partners LLC, Senior Secured Notes | 8.250% | 12/1/22 | 1,310,000 | 1,424,625 ^(a) |
| <i>Total Real Estate Management & Development</i> | | | | <i>4,193,550</i> |
| TOTAL REAL ESTATE | | | | 8,309,046 |
| TELECOMMUNICATION SERVICES - 10.1% | | | | |
| Diversified Telecommunication Services - 4.1% | | | | |
| CenturyLink Inc., Senior Notes | 7.650% | 3/15/42 | 2,370,000 | 2,018,055 |
| Cogent Communications Group Inc., Senior Secured Notes | 5.375% | 3/1/22 | 800,000 | 813,000 ^(a) |
| Frontier Communications Corp., Senior Notes | 11.000% | 9/15/25 | 1,080,000 | 1,086,750 |
| Intelsat Jackson Holdings SA, Senior Notes | 7.250% | 4/1/19 | 500,000 | 395,000 |
| Intelsat Jackson Holdings SA, Senior Notes | 7.250% | 10/15/20 | 1,260,000 | 924,525 |
| Intelsat Jackson Holdings SA, Senior Notes | 7.500% | 4/1/21 | 360,000 | 262,573 |
| Intelsat Jackson Holdings SA, Senior Secured Notes | 8.000% | 2/15/24 | 1,530,000 | 1,549,125 ^(a) |
| Level 3 Financing Inc., Senior Notes | 6.125% | 1/15/21 | 520,000 | 538,850 |
| Level 3 Financing Inc., Senior Notes | 5.250% | 3/15/26 | 850,000 | 837,250 ^(a) |
| Oi Brasil Holdings Cooperatief U.A., Senior Notes | 5.750% | 2/10/22 | 2,460,000 | 707,250 ^{*(a)(d)} |
| Telecom Italia SpA, Senior Notes | 5.303% | 5/30/24 | 2,630,000 | 2,600,413 ^(a) |
| Windstream Services LLC, Senior Notes | 7.750% | 10/15/20 | 1,900,000 | 1,942,750 |
| Windstream Services LLC, Senior Notes | 7.750% | 10/1/21 | 1,460,000 | 1,460,000 |
| Windstream Services LLC, Senior Notes | 6.375% | 8/1/23 | 130,000 | 113,750 |
| <i>Total Diversified Telecommunication Services</i> | | | | <i>15,249,291</i> |
| Wireless Telecommunication Services - 6.0% | | | | |
| Altice Financing SA, Senior Secured Bonds | 7.500% | 5/15/26 | 2,530,000 | 2,571,113 ^(a) |
| CSC Holdings LLC, Senior Notes | 10.125% | 1/15/23 | 200,000 | 231,000 ^(a) |
| CSC Holdings LLC, Senior Notes | 6.625% | 10/15/25 | 1,190,000 | 1,288,175 ^(a) |
| CSC Holdings LLC, Senior Notes | 10.875% | 10/15/25 | 1,070,000 | 1,249,225 ^(a) |
| Sprint Capital Corp., Senior Notes | 6.875% | 11/15/28 | 4,288,000 | 4,135,347 |
| Sprint Capital Corp., Senior Notes | 8.750% | 3/15/32 | 130,000 | 136,825 |
| Sprint Communications Inc., Senior Notes | 9.000% | 11/15/18 | 2,220,000 | 2,444,775 ^(a) |
| Sprint Communications Inc., Senior Notes | 7.000% | 8/15/20 | 420,000 | 436,800 |
| Sprint Communications Inc., Senior Notes | 11.500% | 11/15/21 | 1,452,000 | 1,742,400 |
| Sprint Corp., Senior Notes | 7.875% | 9/15/23 | 3,160,000 | 3,270,600 |
| T-Mobile USA Inc., Senior Notes | 6.542% | 4/28/20 | 450,000 | 465,047 |
| Vimpel Communications Via VIP Finance Ireland Ltd. OJSC, Senior Notes | 7.748% | 2/2/21 | 2,730,000 | 3,026,958 ^(a) |
| VimpelCom Holdings BV, Senior Notes | 7.504% | 3/1/22 | 800,000 | 892,000 ^(h) |
| VimpelCom Holdings BV, Senior Notes | 7.504% | 3/1/22 | 520,000 | 579,800 ^(a) |
| <i>Total Wireless Telecommunication Services</i> | | | | <i>22,470,065</i> |
| TOTAL TELECOMMUNICATION SERVICES | | | | 37,719,356 |

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UTILITIES - 1.9%

Electric Utilities - 1.1%

| | | | | |
|---|--------|----------|-----------|-----------|
| FirstEnergy Corp., Notes | 7.375% | 11/15/31 | 1,260,000 | 1,578,871 |
| NRG REMA LLC, Pass-Through Certificates, Senior Secured Bonds | 9.681% | 7/2/26 | 2,220,000 | 1,467,975 |
| Red Oak Power LLC, Secured Notes | 9.200% | 11/30/29 | 1,000,000 | 1,043,750 |

Total Electric Utilities 4,090,596

Independent Power and Renewable Electricity Producers - 0.8%

| | | | | |
|---|---------|----------|-----------|-----------|
| Mirant Mid Atlantic LLC, Pass-Through Certificates, Secured Bonds | 10.060% | 12/30/28 | 3,624,375 | 3,058,066 |
|---|---------|----------|-----------|-----------|

TOTAL UTILITIES 7,148,662

TOTAL CORPORATE BONDS & NOTES

(Cost - \$320,021,549) 328,049,811

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.

Schedule of investments (unaudited) (cont d)

November 30, 2016

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|--|---------|---------------|-------------|------------------------------|
| COLLATERALIZED MORTGAGE OBLIGATIONS - 0.4% | | | | |
| Commercial Mortgage Trust, 2015-LC21 E | 3.250% | 7/10/48 | 900,000 | \$ 476,418 ^(a) |
| JPMBB Commercial Mortgage Securities Trust, 2015-C31 E | 4.772% | 8/15/48 | 700,000 | 444,017 ^{(a)(g)} |
| Wells Fargo Commercial Mortgage Trust, 2015-C28 E | 3.000% | 5/15/48 | 800,000 | 435,538 ^(a) |
| TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS | | | | |
| (Cost - \$1,589,458) | | | | 1,355,973 |
| CONVERTIBLE BONDS & NOTES - 0.7% | | | | |
| CONSUMER DISCRETIONARY - 0.2% | | | | |
| Media - 0.2% | | | | |
| DISH Network Corp., Senior Notes | 3.375% | 8/15/26 | 720,000 | 808,200 ^(a) |
| ENERGY - 0.3% | | | | |
| Oil, Gas & Consumable Fuels - 0.3% | | | | |
| Chesapeake Energy Corp., Senior Notes | 5.500% | 9/15/26 | 1,110,000 | 1,179,375 ^(a) |
| MATERIALS - 0.2% | | | | |
| Chemicals - 0.1% | | | | |
| Hercules LLC, Junior Subordinated Bonds | 6.500% | 6/30/29 | 340,000 | 331,500 |
| Metals & Mining - 0.1% | | | | |
| Mirabela Nickel Ltd., Senior Secured Bonds | 9.500% | 6/24/19 | 1,035,415 | 212,260 ^{(a)(b)} |
| TOTAL MATERIALS | | | | |
| | | | | 543,760 |
| TOTAL CONVERTIBLE BONDS & NOTES | | | | |
| (Cost - \$3,104,472) | | | | 2,531,335 |
| SENIOR LOANS - 2.0% | | | | |
| CONSUMER DISCRETIONARY - 0.5% | | | | |
| Hotels, Restaurants & Leisure - 0.3% | | | | |
| Equinox Holdings Inc., Second Lien Term Loan | 9.750% | 7/31/20 | 1,050,000 | 1,054,758 ^{(i)(j)} |
| Specialty Retail - 0.2% | | | | |
| Spencer Gifts LLC, Second Lien Term Loan | 9.250% | 6/29/22 | 900,000 | 742,500 ^{(i)(j)} |
| TOTAL CONSUMER DISCRETIONARY | | | | |
| | | | | 1,797,258 |
| ENERGY - 0.6% | | | | |
| Energy Equipment & Services - 0.2% | | | | |
| Hercules Offshore LLC, Exit Term Loan | 10.500% | 5/6/20 | 937,022 | 904,039 ^{(c)(i)(j)} |
| Oil, Gas & Consumable Fuels - 0.4% | | | | |
| Chesapeake Energy Corp., Term Loan | 8.500% | 8/23/21 | 590,000 | 627,465 ^{(i)(j)} |
| Magnum Hunter Resources Inc., Exit Term Loan | 8.000% | 5/6/19 | 343,781 | 342,922 ^{(i)(j)} |

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| | | | | |
|---|--------|----------|-----------|-----------------------------|
| Westmoreland Coal Co., Term Loan B | 7.500% | 12/16/20 | 452,331 | 396,638 ^{(i)(j)} |
| <i>Total Oil, Gas & Consumable Fuels</i> | | | | <i>1,367,025</i> |
| TOTAL ENERGY | | | | 2,271,064 |
| HEALTH CARE - 0.4% | | | | |
| Health Care Equipment & Supplies - 0.1% | | | | |
| Lantheus Medical Imaging Inc., Term Loan | 7.000% | 6/30/22 | 443,483 | 437,570 ^{(i)(j)} |
| Health Care Providers & Services - 0.3% | | | | |
| Radnet Management Inc., Second Lien Term Loan | 8.000% | 3/25/21 | 1,026,667 | 1,018,966 ^{(i)(j)} |
| TOTAL HEALTH CARE | | | | 1,456,536 |
| INFORMATION TECHNOLOGY - 0.2% | | | | |
| Internet Software & Services - 0.2% | | | | |
| Ancestry.com Operations Inc., Second Lien Term Loan | 9.250% | 10/11/24 | 820,000 | 832,300 ^{(i)(j)} |
| UTILITIES - 0.3% | | | | |
| Electric Utilities - 0.3% | | | | |
| Panda Temple II Power LLC, New Term Loan B | 7.250% | 4/3/19 | 228,045 | 212,082 ^{(i)(j)} |
| Panda Temple Power LLC, 2015 Term Loan B | 7.250% | 3/4/22 | 975,150 | 867,883 ^{(i)(j)} |
| TOTAL UTILITIES | | | | 1,079,965 |
| TOTAL SENIOR LOANS | | | | |
| (Cost - \$7,705,345) | | | | 7,437,123 |

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.

Schedule of investments (unaudited) (cont d)

November 30, 2016

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|--|---------|---------------|----------------------------|-----------------------------|
| SOVEREIGN BONDS - 2.8% | | | | |
| Argentina - 1.2% | | | | |
| Provincia de Buenos Aires, Senior Notes | 7.875% | 6/15/27 | 2,600,000 | \$ 2,554,500 ^(a) |
| Republic of Argentina, Senior Notes | 6.875% | 4/22/21 | 560,000 | 585,200 ^(a) |
| Republic of Argentina, Senior Notes | 7.625% | 4/22/46 | 1,290,000 | 1,231,950 ^(a) |
| <i>Total Argentina</i> | | | | 4,371,650 |
| Brazil - 0.4% | | | | |
| Federative Republic of Brazil, Notes | 10.000% | 1/1/23 | 6,200,000 ^{BRL} | 1,700,980 |
| Ecuador - 0.5% | | | | |
| Republic of Ecuador, Senior Bonds | 10.500% | 3/24/20 | 750,000 | 787,500 ^(a) |
| Republic of Ecuador, Senior Bonds | 10.750% | 3/28/22 | 750,000 | 789,375 ^(a) |
| Republic of Ecuador, Senior Bonds | 7.950% | 6/20/24 | 290,000 | 268,250 ^(h) |
| <i>Total Ecuador</i> | | | | 1,845,125 |
| Russia - 0.7% | | | | |
| Russian Federal Bond, Bonds | 8.150% | 2/3/27 | 110,000,000 ^{RUB} | 1,665,053 |
| Russian Federal Bond, Bonds | 7.050% | 1/19/28 | 57,840,000 ^{RUB} | 799,387 |
| <i>Total Russia</i> | | | | 2,464,440 |
| TOTAL SOVEREIGN BONDS | | | | |
| (Cost - \$10,713,050) | | | | 10,382,195 |
| U.S. GOVERNMENT & AGENCY OBLIGATIONS - 1.5% | | | | |
| U.S. Government Obligations - 1.5% | | | | |
| U.S. Treasury Bonds | 2.250% | 8/15/46 | 3,000,000 | 2,538,867 |
| U.S. Treasury Notes | 1.500% | 8/15/26 | 3,410,000 | 3,149,589 |
| TOTAL U.S. GOVERNMENT & AGENCY OBLIGATIONS | | | | |
| (Cost - \$5,789,215) | | | | 5,688,456 |
| SHARES | | | | |
| COMMON STOCKS - 1.0% | | | | |
| CONSUMER DISCRETIONARY - 0.2% | | | | |
| Hotels, Restaurants & Leisure - 0.2% | | | | |
| Bossier Casino Venture Holdco Inc. | | | 68,957 | 640,611 ^{*(c)} |
| ENERGY - 0.8% | | | | |
| Energy Equipment & Services - 0.0% | | | | |
| Hercules Offshore Inc. | | | 46,103 | 55,324* |
| Oil, Gas & Consumable Fuels - 0.8% | | | | |
| Magnum Hunter Resources Corp. | | | 182,611 | 2,100,026* |

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| | | |
|--|-----------|------------------|
| MWO Holdings LLC | 442 | 424,819*(c) |
| Pacific Exploration and Production Corp. | 5,166 | 201,896* |
| <i>Total Oil, Gas & Consumable Fuels</i> | | <i>2,726,741</i> |
| TOTAL ENERGY | | 2,782,065 |
| HEALTH CARE - 0.0% | | |
| Health Care Providers & Services - 0.0% | | |
| Physiotherapy Associates Holdings Inc. (Escrow) | 13,300 | 158,403*(c) |
| INDUSTRIALS - 0.0% | | |
| Road & Rail - 0.0% | | |
| Jack Cooper Enterprises Inc. | 2,532 | 0*(a)(c)(e) |
| MATERIALS - 0.0% | | |
| Metals & Mining - 0.0% | | |
| Mirabela Nickel Ltd. | 2,742,654 | 0*(c)(e) |
| TOTAL COMMON STOCKS | | |
| (Cost - \$7,467,900) | | 3,581,079 |

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.

Schedule of investments (unaudited) (cont d)

November 30, 2016

| SECURITY | RATE | SHARES | VALUE |
|--|----------------------------|------------------|--------------------------|
| CONVERTIBLE PREFERRED STOCKS - 0.5% | | | |
| HEALTH CARE - 0.5% | | | |
| Pharmaceuticals - 0.5% | | | |
| Allergan PLC (Cost - \$2,219,682) | 5.500% | 2,708 | \$ 1,941,636 |
| PREFERRED STOCKS - 0.5% | | | |
| FINANCIALS - 0.5% | | | |
| Consumer Finance - 0.5% | | | |
| GMAC Capital Trust I (Cost - \$1,714,352) | 6.691% | 76,500 | 1,923,975 ^(g) |
| | EXPIRATION DATE | CONTRACTS | |
| PURCHASED OPTIONS - 0.0% | | | |
| U.S. Dollar/Saudi Arabian Riyal, Call @ 3.84 SAR (Cost - \$224,058) | 1/17/17 | 10,470,000 | 5,067 |
| TOTAL INVESTMENTS BEFORE SHORT-TERM INVESTMENTS | | | |
| (Cost - \$360,549,081) | | | 362,896,650 |
| | | SHARES | |
| SHORT-TERM INVESTMENTS - 1.0% | | | |
| State Street Institutional U.S. Government Money Market Fund, Premier Class | | | |
| (Cost - \$3,807,560) | 0.284% | 3,807,560 | 3,807,560 |
| TOTAL INVESTMENTS - 98.5% | | | |
| (Cost - \$364,356,641#) | | | 366,704,210 |
| Other Assets in Excess of Liabilities - 1.5% | | | 5,553,227 |
| TOTAL NET ASSETS - 100.0% | | | \$ 372,257,437 |

Face amount denominated in U.S. dollars, unless otherwise noted.

* Non-income producing security.

(a) Security is exempt from registration under Rule 144A of the Securities Act of 1933. This security may be resold in transactions that are exempt from registration, normally to qualified institutional buyers. This security has been deemed liquid pursuant to guidelines approved by the Board of Directors, unless otherwise noted.

(b)

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Payment-in-kind security for which the issuer has the option at each interest payment date of making interest payments in cash or additional debt securities.

- (c) Security is valued in good faith in accordance with procedures approved by the Board of Directors (See Note 1).
- (d) The coupon payment on these securities is currently in default as of November 30, 2016.
- (e) Value is less than \$1.
- (f) Security has no maturity date. The date shown represents the next call date.
- (g) Variable rate security. Interest rate disclosed is as of the most recent information available.
- (h) Security is exempt from registration under Regulation S of the Securities Act of 1933. Regulation S applies to securities offerings that are made outside of the United States and do not involve direct selling efforts in the United States. This security has been deemed liquid pursuant to guidelines approved by the Board of Directors, unless otherwise noted.
- (i) Senior loans may be considered restricted in that the Fund ordinarily is contractually obligated to receive approval from the agent bank and/or borrower prior to the disposition of a senior loan.
- (j) Interest rates disclosed represent the effective rates on senior loans. Ranges in interest rates are attributable to multiple contracts under the same loan.
- # Aggregate cost for federal income tax purposes is substantially the same.

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Abbreviations used in this schedule:

AUD Australian Dollar
BRL Brazilian Real
EUR Euro
OJSC Open Joint Stock Company
RUB Russian Ruble
SAR Saudi Arabian Riyal

This Schedule of Investments is unaudited and is intended to provide information about the Fund's portfolio holdings as of the date of the schedule. Other information regarding the Fund is available in the Fund's most recent annual or semi-annual shareholder report.

See Notes to Schedule of Investments.

Notes to Schedule of Investments (unaudited)

1. Organization and significant accounting policies

Western Asset High Yield Defined Opportunity Fund Inc. (the Fund) was incorporated in Maryland on July 20, 2010 and is registered as a non-diversified, limited-term, closed-end management investment company under the Investment Company Act of 1940, as amended (the 1940 Act). 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. The Fund intends to liquidate on or about September 30, 2025 and distribute substantially all of its net assets to stockholders, after making appropriate provisions for any liabilities of the Fund.

The following are significant accounting policies consistently followed by the Fund and are in conformity with U.S. generally accepted accounting principles (GAAP).

(a) Investment valuation. The valuations for fixed income securities (which may include, but are not limited to, corporate, government, municipal, mortgage-backed, collateralized mortgage obligations and asset-backed securities) and certain derivative instruments are typically the prices supplied by independent third party pricing services, which may use market prices or broker/dealer quotations or a variety of valuation techniques and methodologies. The independent third party pricing services use inputs that are observable such as issuer details, interest rates, yield curves, prepayment speeds, credit risks/spreads, default rates and quoted prices for similar securities. Short-term fixed income securities that will mature in 60 days or less are valued at amortized cost, unless it is determined that using this method would not reflect an investment's fair value. Investments in open-end funds are valued at the closing net asset value per share of each fund on the day of valuation. Equity securities for which market quotations are available are valued at the last reported sales price or official closing price on the primary market or exchange on which they trade. When the Fund holds securities or other assets that are denominated in a foreign currency, the Fund will normally use the currency exchange rates as of 4:00 p.m. (Eastern Time). If independent third party pricing services are unable to supply prices for a portfolio investment, or if the prices supplied are deemed by the manager to be unreliable, the market price may be determined by the manager using quotations from one or more broker/dealers or at the transaction price if the security has recently been purchased and no value has yet been obtained from a pricing service or pricing broker. When reliable prices are not readily available, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded, but before the Fund calculates its net asset value, the Fund values these securities as determined in accordance with procedures approved by the Fund's Board of Directors.

The Board of Directors is responsible for the valuation process and has delegated the supervision of the daily valuation process to the Legg Mason North Atlantic Fund Valuation Committee (the Valuation Committee). The Valuation Committee, pursuant to the policies adopted by the Board of Directors, is responsible for making fair value determinations, evaluating the effectiveness of the Fund's pricing policies, and reporting to the Board of Directors. When determining the reliability of third party pricing information for investments owned by the Fund, the Valuation Committee, among other things, conducts due diligence reviews of pricing vendors, monitors the daily change in prices and reviews transactions among market participants.

The Valuation Committee will consider pricing methodologies it deems relevant and appropriate when making fair value determinations. Examples of possible methodologies include, but are not limited to, multiple of earnings; discount from market of a similar freely traded security; discounted cash-flow analysis; book value or a multiple thereof; risk premium/yield analysis; yield to maturity; and/or fundamental investment analysis. The Valuation Committee will also consider factors it deems relevant and appropriate in light of the facts and circumstances. Examples of possible factors include, but are not limited to, the type of security; the issuer's financial statements; the purchase price of the security; the discount from market value of unrestricted securities of the same class at the time of purchase; analysts' research and observations from financial institutions; information regarding any transactions or offers with respect to the security; the existence of merger proposals or tender offers affecting the security; the price and extent of public trading in similar securities of the issuer or comparable companies; and the existence of a shelf registration for restricted securities.

For each portfolio security that has been fair valued pursuant to the policies adopted by the Board of Directors, the fair value price is compared against the last available and next available market quotations. The Valuation Committee reviews the results of such back testing monthly and fair valuation occurrences are reported to the Board of Directors quarterly.

The Fund uses valuation techniques to measure fair value that are consistent with the market approach and/or income approach, depending on the type of security and the particular circumstance. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable securities. The income approach uses valuation techniques to discount estimated future cash flows to present value.

Notes to Schedule of Investments (unaudited) (continued)

GAAP establishes a disclosure hierarchy that categorizes the inputs to valuation techniques used to value assets and liabilities at measurement date. These inputs are summarized in the three broad levels listed below:

Level 1 quoted prices in active markets for identical investments

Level 2 other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)
The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used in valuing the Fund's assets and liabilities carried at fair value:

| DESCRIPTION | ASSETS | | | TOTAL |
|--------------------------------------|----------------------------|---|--|---------------|
| | QUOTED PRICES (LEVEL 1) | OTHER SIGNIFICANT OBSERVABLE INPUTS (LEVEL 2) | SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3) | |
| Long-Term Investments : | | | | |
| Corporate Bonds & Notes: | | | | |
| Consumer Discretionary | | \$ 62,800,137 | \$ 1,134,159 | \$ 63,934,296 |
| Energy | | 59,823,351 | 485,070 | 60,308,421 |
| Industrials | | 32,567,369 | 684,192 | 33,251,561 |
| Materials | | 33,657,703 | 0* | 33,657,703 |
| Other Corporate Bonds & Notes | | 136,897,830 | | 136,897,830 |
| Collateralized Mortgage Obligations | | 1,355,973 | | 1,355,973 |
| Convertible Bonds & Notes | | 2,531,335 | | 2,531,335 |
| Senior Loans: | | | | |
| Consumer Discretionary | | 1,054,758 | 742,500 | 1,797,258 |
| Energy | | 627,465 | 1,643,599 | 2,271,064 |
| Utilities | | | 1,079,965 | 1,079,965 |
| Other Senior Loans | | 2,288,836 | | 2,288,836 |
| Sovereign Bonds | | 10,382,195 | | 10,382,195 |
| U.S. Government & Agency Obligations | | 5,688,456 | | 5,688,456 |
| Common Stocks: | | | | |
| Consumer Discretionary | | | 640,611 | 640,611 |
| Energy | \$ 2,357,246 | | 424,819 | 2,782,065 |
| Health Care | | | 158,403 | 158,403 |
| Industrials | | | 0* | 0* |
| Materials | | | 0* | 0* |
| Convertible Preferred Stocks | 1,941,636 | | | 1,941,636 |
| Preferred Stocks | 1,923,975 | | | 1,923,975 |
| Purchased Options | | 5,067 | | 5,067 |
| Total Long-Term Investments | 6,222,857 | 349,680,475 | 6,993,318 | 362,896,650 |
| Short-Term Investments | 3,807,560 | | | 3,807,560 |

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| | | | | |
|------------------------------------|---------------|----------------|--------------|----------------|
| Total Investments | \$ 10,030,417 | \$ 349,680,475 | \$ 6,993,318 | \$ 366,704,210 |
| Other Financial Instruments: | | | | |
| Forward Foreign Currency Contracts | | 208,930 | | 208,930 |
| Total | \$ 10,030,417 | \$ 349,889,405 | \$ 6,993,318 | \$ 366,913,140 |

LIABILITIES

| DESCRIPTION | QUOTED PRICES (LEVEL 1) | OTHER SIGNIFICANT OBSERVABLE INPUTS (LEVEL 2) | SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3) | TOTAL |
|------------------------------------|------------------------------------|--|--|--------------|
| Other Financial Instruments: | | | | |
| Forward Foreign Currency Contracts | | \$ 99,807 | | \$ 99,807 |

See Schedule of Investments for additional detailed categorizations.

* Amount represents less than \$1.

Notes to Schedule of Investments (unaudited) (continued)

The following is a reconciliation of investments in which significant unobservable inputs (Level 3) were used in determining fair value:

| INVESTMENTS IN SECURITIES | CORPORATE BONDS AND NOTES | | | |
|---|---------------------------|--------------|-------------|-----------|
| | CONSUMER DISCRETIONARY | ENERGY | INDUSTRIALS | MATERIALS |
| Balance as of August 31, 2016 | \$ 1,094,983 | \$ 900,600 | \$ 684,192 | \$ 0* |
| Accrued premiums/discounts | 7,353 | | 1,759 | |
| Realized gain (loss) | | | | |
| Change in unrealized appreciation (depreciation) ¹ | (7,353) | (415,530) | (1,759) | |
| Purchases | 39,176 | | | |
| Sales | | | | |
| Transfers into Level 3 | | | | |
| Transfers out of Level 3 | | | | |
| Balance as of November 30, 2016 | \$ 1,134,159 | \$ 485,070 | \$ 684,192 | \$ 0* |
| Net change in unrealized appreciation (depreciation) for investments in securities still held at November 30, 2016 ¹ | \$ (7,353) | \$ (415,530) | \$ (1,759) | |

| INVESTMENTS IN SECURITIES (cont d) | SENIOR LOANS | | | |
|---|---------------------------|--------------|----------------|--------------|
| | CONSUMER DISCRETIONARY | ENERGY | HEALTH CARE | UTILITIES |
| Balance as of August 31, 2016 | \$ 742,500 | \$ 1,609,374 | \$ 1,001,000 | \$ 1,238,711 |
| Accrued premiums/discounts | 128 | 2,263 | 338 | 2,014 |
| Realized gain (loss) | | (121,420) | | (4,272) |
| Change in unrealized appreciation (depreciation) ¹ | (128) | 522,939 | 17,628 | (5,035) |
| Purchases | | 1,040,321 | | |
| Sales | | (1,409,878) | | (151,453) |
| Transfers into Level 3 | | | | |
| Transfers out of Level 3 ² | | | (1,018,966) | |
| Balance as of November 30, 2016 | \$ 742,500 | \$ 1,643,599 | | \$ 1,079,965 |
| Net change in unrealized appreciation (depreciation) for investments in securities still held at November 30, 2016 ¹ | \$ (128) | \$ 522,939 | | \$ (5,035) |

| INVESTMENTS IN SECURITIES (cont d) | COMMON STOCKS | | | | | TOTAL |
|---|---------------------------|-------------|----------------|-------------|-----------|--------------|
| | CONSUMER DISCRETIONARY | ENERGY | HEALTH CARE | INDUSTRIALS | MATERIALS | |
| Balance as of August 31, 2016 | \$ 624,750 | \$ 442,757 | \$ 165,585 | \$ 0* | \$ 0* | \$ 8,504,452 |
| Accrued premiums/discounts | | | | | | 13,855 |
| Realized gain (loss) | | | | | | (125,692) |
| Change in unrealized appreciation (depreciation) ¹ | 15,861 | (17,938) | (7,182) | | | 101,503 |
| Purchases | | | | | | 1,079,497 |
| Sales | | | | | | (1,561,331) |
| Transfers into Level 3 | | | | | | |
| Transfers out of Level 3 ² | | | | | | (1,018,966) |
| Balance as of November 31, 2016 | \$ 640,611 | \$ 424,819 | \$ 158,403 | \$ 0* | \$ 0* | \$ 6,993,318 |
| | \$ 15,861 | \$ (17,938) | \$ (7,182) | | | \$ 83,875 |

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Net change in unrealized appreciation (depreciation) for investments in securities still held at November 30, 2016¹

The Fund's policy is to recognize transfers between levels as of the end of the reporting period.

* Amount represents less than \$1.

¹ Change in unrealized appreciation (depreciation) includes net unrealized appreciation (depreciation) resulting from changes in investment values during the reporting period and the reversal of previously recorded unrealized appreciation (depreciation) when gains or losses are realized.

² Transferred out of Level 3 as a result of the availability of a quoted price in an active market for an identical investment or the availability of other significant observable inputs.

2. Investments

At November 30, 2016, the aggregate gross unrealized appreciation and depreciation of investments for federal income tax purposes were substantially as follows:

| | |
|-------------------------------|---------------|
| Gross unrealized appreciation | \$ 26,027,110 |
| Gross unrealized depreciation | (23,679,541) |
| Net unrealized appreciation | \$ 2,347,569 |

Notes to Schedule of Investments (unaudited) (continued)

At November 30, 2016, the Fund had the following open forward foreign currency contracts:

| Currency Purchased | | Currency Sold | | Counterparty | Settlement Date | Unrealized Appreciation (Depreciation) |
|---------------------------|-----------|----------------------|-----------|---------------------|------------------------|---|
| EUR | 300,000 | USD | 332,322 | Citibank N.A. | 1/20/17 | \$ (13,526) |
| USD | 2,407,680 | EUR | 2,145,079 | Citibank N.A. | 1/20/17 | 128,202 |
| EUR | 1,610,410 | USD | 1,790,164 | Citibank N.A. | 2/13/17 | (76,908) |
| GBP | 300,000 | USD | 371,886 | Citibank N.A. | 2/13/17 | 4,199 |
| USD | 401,764 | GBP | 321,689 | Citibank N.A. | 2/13/17 | (1,512) |
| USD | 1,645,648 | EUR | 1,474,925 | UBS AG | 2/13/17 | 76,529 |
| USD | 524,317 | GBP | 424,514 | UBS AG | 2/13/17 | (7,861) |
| Total | | | | | | \$ 109,123 |

Abbreviations used in this table:

| | |
|-----|----------------------|
| EUR | Euro |
| GBP | British Pound |
| USD | United States Dollar |

ITEM 2. CONTROLS AND PROCEDURES.

- (a) The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act")) are effective as of a date within 90 days of the filing date of this report that includes the disclosure required by this paragraph, based on their evaluation of the disclosure controls and procedures required by Rule 30a-3(b) under the 1940 Act and 15d-15(b) under the Securities Exchange Act of 1934.

- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are likely to materially affect the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

Certifications pursuant to Rule 30a-2(a) under the Investment Company Act of 1940, as amended, are attached hereto.

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.

Western Asset High Yield Defined Opportunity Fund Inc.

By /s/ JANE TRUST
 Jane Trust
 Chief Executive Officer

Date: January 20, 2017

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/ JANE TRUST
 Jane Trust
 Chief Executive Officer

Date: January 20, 2017

By /s/ RICHARD F. SENNETT
 Richard F. Sennett
 Principal Financial Officer

Date: January 20, 2017