

Western Asset High Yield Defined Opportunity Fund Inc.
Form N-Q
April 23, 2019

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, 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: **February 28, 2019**

ITEM 1. SCHEDULE OF INVESTMENTS.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.

FORM N-Q

FEBRUARY 28, 2019

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.**Schedule of investments (unaudited)****February 28, 2019**

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|---|-------------|--------------------------|------------------------|-----------------------------|
| CORPORATE BONDS & NOTES - 86.8% | | | | |
| COMMUNICATION SERVICES - 20.7% | | | | |
| Diversified Telecommunication Services - 1.9% | | | | |
| Intelsat Jackson Holdings SA, Senior Notes | 5.500% | 8/1/23 | 750,000 | \$ 688,125 |
| Intelsat Jackson Holdings SA, Senior Secured Notes | 8.000% | 2/15/24 | 1,530,000 | 1,600,762 ^(a) |
| Telecom Italia SpA, Senior Notes | 5.303% | 5/30/24 | 410,000 | 402,313 ^(a) |
| UPCB Finance IV Ltd., Senior Secured Notes | 5.375% | 1/15/25 | 400,000 | 410,000 ^(a) |
| Windstream Services LLC/Windstream Finance Corp., Secured Notes | 10.500% | 6/30/24 | 4,715,000 | 3,088,325 ^{(a)(b)} |
| Windstream Services LLC/Windstream Finance Corp., Secured Notes | 9.000% | 6/30/25 | 1,000,000 | 605,000 ^{(a)(b)} |
| <i>Total Diversified Telecommunication Services</i> | | | | 6,794,525 |
| Entertainment - 0.7% | | | | |
| Netflix Inc., Senior Notes | 5.875% | 11/15/28 | 670,000 | 699,514 ^(a) |
| Netflix Inc., Senior Notes | 6.375% | 5/15/29 | 1,750,000 | 1,863,207 ^(a) |
| <i>Total Entertainment</i> | | | | 2,562,721 |
| Interactive Media & Services - 0.2% | | | | |
| Match Group Inc., Senior Notes | 6.375% | 6/1/24 | 490,000 | 518,788 |
| Match Group Inc., Senior Notes | 5.000% | 12/15/27 | 40,000 | 39,761 ^(a) |
| <i>Total Interactive Media & Services</i> | | | | 558,549 |
| Media - 12.4% | | | | |
| Altice France SA, Senior Secured Notes | 7.375% | 5/1/26 | 4,400,000 | 4,328,500 ^(a) |
| Altice France SA, Senior Secured Notes | 8.125% | 2/1/27 | 7,910,000 | 7,969,325 ^(a) |
| Altice Luxembourg SA, Senior Notes | 7.750% | 5/15/22 | 10,220,000 | 10,194,450 ^(a) |
| American Media LLC, Secured Notes | 10.500% | 12/31/26 | 890,000 | 887,775 ^(a) |
| CCO Holdings LLC/CCO Holdings Capital Corp., Senior Notes | 5.125% | 5/1/27 | 1,233,000 | 1,216,564 ^(a) |
| CCO Holdings LLC/CCO Holdings Capital Corp., Senior Notes | 5.000% | 2/1/28 | 3,250,000 | 3,134,219 ^(a) |
| DISH DBS Corp., Senior Notes | 5.000% | 3/15/23 | 500,000 | 446,875 |
| DISH DBS Corp., Senior Notes | 5.875% | 11/15/24 | 5,737,000 | 4,853,215 |
| DISH DBS Corp., Senior Notes | 7.750% | 7/1/26 | 7,238,000 | 6,278,965 |
| Meredith Corp., Senior Notes | 6.875% | 2/1/26 | 790,000 | 819,862 ^(a) |
| Univision Communications, Inc., Senior Secured Notes | 6.750% | 9/15/22 | 554,000 | 560,233 ^(a) |

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| | | | | |
|--|--------|----------|-----------|--------------------------|
| UPC Holding BV, Senior Secured Notes | 5.500% | 1/15/28 | 540,000 | 556,200 ^(a) |
| Virgin Media Finance PLC, Senior Notes | 6.000% | 10/15/24 | 1,250,000 | 1,287,500 ^(a) |

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.**Schedule of investments (unaudited) (cont d)****February 28, 2019**

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|--|-------------|----------------------|--------------------|-----------------------------|
| Media - (continued) | | | | |
| Virgin Media Secured Finance PLC, Senior Secured Notes | 5.250% | 1/15/26 | 1,650,000 | \$ 1,657,903 ^(a) |
| Virgin Media Secured Finance PLC, Senior Secured Notes | 5.500% | 8/15/26 | 1,020,000 | 1,017,450 ^(a) |
| <i>Total Media</i> | | | | <i>45,209,036</i> |
| Wireless Telecommunication Services - 5.5% | | | | |
| CSC Holdings LLC, Senior Notes | 6.625% | 10/15/25 | 1,190,000 | 1,258,425 ^(a) |
| CSC Holdings LLC, Senior Notes | 10.875% | 10/15/25 | 899,000 | 1,045,087 ^(a) |
| CSC Holdings LLC, Senior Notes | 5.375% | 2/1/28 | 2,080,000 | 2,048,800 ^(a) |
| CSC Holdings LLC, Senior Notes | 6.500% | 2/1/29 | 800,000 | 838,508 ^(a) |
| Sprint Capital Corp., Senior Notes | 6.875% | 11/15/28 | 4,288,000 | 4,242,440 |
| Sprint Capital Corp., Senior Notes | 8.750% | 3/15/32 | 130,000 | 141,294 |
| Sprint Communications Inc., Senior Notes | 7.000% | 8/15/20 | 420,000 | 438,858 |
| Sprint Communications Inc., Senior Notes | 11.500% | 11/15/21 | 1,452,000 | 1,698,550 |
| Sprint Corp., Senior Notes | 7.875% | 9/15/23 | 3,160,000 | 3,389,921 |
| Sprint Corp., Senior Notes | 7.625% | 3/1/26 | 530,000 | 551,200 |
| VEON Holdings BV, Senior Notes | 7.504% | 3/1/22 | 800,000 | 877,392 ^(c) |
| VEON Holdings BV, Senior Notes | 7.504% | 3/1/22 | 520,000 | 570,305 ^(a) |
| Vimpel Communications Via VIP Finance Ireland Ltd. | | | | |
| OJSC, Senior Notes | 7.748% | 2/2/21 | 2,730,000 | 2,965,042 ^(a) |
| <i>Total Wireless Telecommunication Services</i> | | | | <i>20,065,822</i> |
| TOTAL COMMUNICATION SERVICES | | | | 75,190,653 |
| CONSUMER DISCRETIONARY - 9.6% | | | | |
| Auto Components - 1.9% | | | | |
| Adient Global Holdings Ltd., Senior Notes | 4.875% | 8/15/26 | 3,780,000 | 2,910,600 ^(a) |
| American Axle & Manufacturing Inc., Senior Notes | 6.250% | 4/1/25 | 500,000 | 500,675 |
| American Axle & Manufacturing Inc., Senior Notes | 6.250% | 3/15/26 | 250,000 | 245,575 |
| American Axle & Manufacturing Inc., Senior Notes | 6.500% | 4/1/27 | 1,730,000 | 1,714,862 |
| JB Poindexter & Co. Inc., Senior Notes | 7.125% | 4/15/26 | 1,300,000 | 1,283,750 ^(a) |
| ZF North America Capital Inc., Senior Notes | 4.750% | 4/29/25 | 200,000 | 195,289 ^(a) |
| <i>Total Auto Components</i> | | | | <i>6,850,751</i> |
| Diversified Consumer Services - 1.9% | | | | |
| Carriage Services Inc., Senior Notes | 6.625% | 6/1/26 | 2,680,000 | 2,747,000 ^(a) |

| | | | | |
|------------------------------|--------|---------|---------|------------------------|
| Frontdoor Inc., Senior Notes | 6.750% | 8/15/26 | 710,000 | 723,313 ^(a) |
|------------------------------|--------|---------|---------|------------------------|

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.**Schedule of investments (unaudited) (cont d)****February 28, 2019**

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|--|-------------|----------------------|--------------------------|-----------------------------|
| Diversified Consumer Services - (continued) | | | | |
| Prime Security Services Borrower LLC/Prime Finance Inc., Secured Notes | 9.250% | 5/15/23 | 995,000 | \$ 1,051,715 ^(a) |
| Service Corp. International, Senior Notes | 7.500% | 4/1/27 | 1,030,000 | 1,143,300 |
| Weight Watchers International Inc., Senior Notes | 8.625% | 12/1/25 | 1,430,000 | 1,331,687 ^(a) |
| <i>Total Diversified Consumer Services</i> | | | | <i>6,997,015</i> |
| Hotels, Restaurants & Leisure - 1.9% | | | | |
| 1011778 BC ULC/New Red Finance Inc., Senior Secured Notes | 4.250% | 5/15/24 | 1,250,000 | 1,220,312 ^(a) |
| Boyne USA Inc., Secured Notes | 7.250% | 5/1/25 | 440,000 | 473,000 ^(a) |
| Carrols Restaurant Group Inc., Secured Notes | 8.000% | 5/1/22 | 820,000 | 842,550 |
| Golden Nugget Inc., Senior Notes | 8.750% | 10/1/25 | 500,000 | 516,250 ^(a) |
| Silversea Cruise Finance Ltd., Senior Secured Notes | 7.250% | 2/1/25 | 762,000 | 829,246 ^(a) |
| Viking Cruises Ltd., Senior Notes | 6.250% | 5/15/25 | 1,210,000 | 1,225,125 ^(a) |
| Viking Cruises Ltd., Senior Notes | 5.875% | 9/15/27 | 310,000 | 299,538 ^(a) |
| VOC Escrow Ltd., Senior Secured Notes | 5.000% | 2/15/28 | 1,710,000 | 1,671,525 ^(a) |
| <i>Total Hotels, Restaurants & Leisure</i> | | | | <i>7,077,546</i> |
| Household Durables - 0.2% | | | | |
| Lennar Corp., Senior Notes | 5.000% | 6/15/27 | 640,000 | 629,600 |
| Specialty Retail - 3.4% | | | | |
| Hertz Corp., Senior Notes | 5.875% | 10/15/20 | 1,580,000 | 1,580,000 |
| Maxeda DIY Holding BV, Senior Secured Notes | 6.125% | 7/15/22 | 1,210,000 ^{EUR} | 1,324,015 ^(c) |
| Party City Holdings Inc., Senior Notes | 6.625% | 8/1/26 | 3,550,000 | 3,496,750 ^(a) |
| PetSmart Inc., Senior Secured Notes | 5.875% | 6/1/25 | 4,660,000 | 3,728,000 ^(a) |
| Sally Holdings LLC/Sally Capital Inc., Senior Notes | 5.625% | 12/1/25 | 2,100,000 | 2,065,875 |
| <i>Total Specialty Retail</i> | | | | <i>12,194,640</i> |
| Textiles, Apparel & Luxury Goods - 0.3% | | | | |
| CBR Fashion Finance BV, Senior Secured Notes | 5.125% | 10/1/22 | 600,000 ^{EUR} | 617,641 ^(c) |
| William Carter Co., Senior Notes | 5.625% | 3/15/27 | 580,000 | 580,000 ^{(a)(d)} |
| <i>Total Textiles, Apparel & Luxury Goods</i> | | | | <i>1,197,641</i> |

TOTAL CONSUMER DISCRETIONARY

34,947,193

See Notes to Schedule of Investments.

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WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.**Schedule of investments (unaudited) (cont d)****February 28, 2019**

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|--|-------------|--------------------------|------------------------|---------------------------|
| CONSUMER STAPLES - 1.5% | | | | |
| Food Products - 0.8% | | | | |
| Pilgrim s Pride Corp., Senior Notes | 5.750% | 3/15/25 | 180,000 | \$ 180,450 ^(a) |
| Pilgrim s Pride Corp., Senior Notes | 5.875% | 9/30/27 | 2,795,000 | 2,753,075 ^(a) |
| <i>Total Food Products</i> | | | | 2,933,525 |
| Household Products - 0.5% | | | | |
| Spectrum Brands Inc., Senior Notes | 6.625% | 11/15/22 | 460,000 | 471,500 |
| Spectrum Brands Inc., Senior Notes | 5.750% | 7/15/25 | 1,415,000 | 1,392,006 |
| <i>Total Household Products</i> | | | | 1,863,506 |
| Tobacco - 0.2% | | | | |
| Altria Group Inc., Senior Notes | 5.950% | 2/14/49 | 610,000 | 611,452 |
| Pyxus International Inc., Secured Notes | 9.875% | 7/15/21 | 210,000 | 188,475 |
| <i>Total Tobacco</i> | | | | 799,927 |
| TOTAL CONSUMER STAPLES | | | | 5,596,958 |
| ENERGY - 17.9% | | | | |
| Energy Equipment & Services - 0.9% | | | | |
| KCA Deutag UK Finance PLC, Senior Secured Notes | 7.250% | 5/15/21 | 1,920,000 | 1,536,000 ^(a) |
| Pride International LLC, Senior Notes | 7.875% | 8/15/40 | 500,000 | 407,500 |
| Transocean Guardian Ltd., Senior Secured Notes | 5.875% | 1/15/24 | 510,300 | 521,144 ^(a) |
| Transocean Inc., Senior Notes | 9.000% | 7/15/23 | 218,000 | 230,807 ^(a) |
| Transocean Inc., Senior Notes | 6.800% | 3/15/38 | 920,000 | 699,200 |
| <i>Total Energy Equipment & Services</i> | | | | 3,394,651 |
| Oil, Gas & Consumable Fuels - 17.0% | | | | |
| Andeavor Logistics LP/Tesoro Logistics Finance Corp., Senior Notes | 6.375% | 5/1/24 | 340,000 | 357,425 |
| Berry Petroleum Co. Escrow | | | 1,571,000 | 0 ^{*(e)(f)(g)} |
| Berry Petroleum Co. Escrow | | | 640,000 | 0 ^{*(e)(f)(g)} |
| Berry Petroleum Co., LLC, Senior Notes | 7.000% | 2/15/26 | 440,000 | 441,100 ^(a) |
| Blue Racer Midstream LLC/Blue Racer Finance Corp., Senior Notes | 6.125% | 11/15/22 | 1,920,000 | 1,956,000 ^(a) |
| Carrizo Oil & Gas Inc., Senior Notes | 8.250% | 7/15/25 | 450,000 | 472,500 |

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|--|--------|----------|-----------|-----------|
| Cheniere Corpus Christi Holdings LLC, Senior Secured Notes | 5.875% | 3/31/25 | 680,000 | 725,907 |
| Chesapeake Energy Corp., Senior Notes | 6.875% | 11/15/20 | 1,960,000 | 2,033,500 |
| Chesapeake Energy Corp., Senior Notes | 4.875% | 4/15/22 | 3,320,000 | 3,203,800 |
| Chesapeake Energy Corp., Senior Notes | 5.750% | 3/15/23 | 320,000 | 310,400 |
| Chesapeake Energy Corp., Senior Notes | 8.000% | 6/15/27 | 2,880,000 | 2,865,600 |
| Continental Resources Inc., Senior Notes | 4.900% | 6/1/44 | 1,400,000 | 1,345,621 |

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.

Schedule of investments (unaudited) (cont d)

February 28, 2019

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|--|--------|---------------|------------------------|---------------------------|
| Oil, Gas & Consumable Fuels - (continued) | | | | |
| Covey Park Energy LLC/Covey Park Finance Corp., Senior Notes | 7.500% | 5/15/25 | 760,000 | \$ 710,600 ^(a) |
| Ecopetrol SA, Senior Notes | 5.875% | 5/28/45 | 1,500,000 | 1,518,075 |
| Kinder Morgan Inc., Senior Notes | 7.750% | 1/15/32 | 810,000 | 1,017,848 |
| Magnum Hunter Resources Corp. Escrow | | | 3,530,000 | 0 ^{*(e)(f)(g)} |
| MEG Energy Corp., Senior Notes | 7.000% | 3/31/24 | 5,880,000 | 5,409,600 ^(a) |
| NGL Energy Partners LP/NGL Energy Finance Corp., Senior Notes | 7.500% | 11/1/23 | 1,850,000 | 1,917,063 |
| NGPL PipeCo LLC, Senior Notes | 7.768% | 12/15/37 | 790,000 | 947,013 ^(a) |
| Oasis Petroleum Inc., Senior Notes | 6.500% | 11/1/21 | 2,140,000 | 2,123,950 |
| Oasis Petroleum Inc., Senior Notes | 6.875% | 1/15/23 | 1,553,000 | 1,547,176 |
| Petrobras Global Finance BV, Senior Notes | 7.375% | 1/17/27 | 1,000,000 | 1,101,000 |
| Petrobras Global Finance BV, Senior Notes | 5.999% | 1/27/28 | 2,340,000 | 2,379,780 |
| Petrobras Global Finance BV, Senior Notes | 5.750% | 2/1/29 | 3,650,000 | 3,647,627 |
| Petrobras Global Finance BV, Senior Notes | 6.750% | 1/27/41 | 4,540,000 | 4,646,690 |
| Range Resources Corp., Senior Notes | 5.000% | 3/15/23 | 935,000 | 906,950 |
| Range Resources Corp., Senior Notes | 4.875% | 5/15/25 | 1,070,000 | 985,403 |
| Rockies Express Pipeline LLC, Senior Notes | 7.500% | 7/15/38 | 570,000 | 646,950 ^(a) |
| Rockies Express Pipeline LLC, Senior Notes | 6.875% | 4/15/40 | 590,000 | 635,725 ^(a) |
| Shelf Drilling Holdings Ltd., Senior Notes | 8.250% | 2/15/25 | 1,050,000 | 1,006,688 ^(a) |
| Targa Resources Partners LP/Targa Resources Partners Finance Corp., Senior Notes | 6.500% | 7/15/27 | 560,000 | 593,600 ^(a) |
| Targa Resources Partners LP/Targa Resources Partners Finance Corp., Senior Notes | 5.000% | 1/15/28 | 1,450,000 | 1,411,938 |
| Targa Resources Partners LP/Targa Resources Partners Finance Corp., Senior Notes | 6.875% | 1/15/29 | 990,000 | 1,056,206 ^(a) |
| Transportadora de Gas del Sur SA, Senior Notes | 6.750% | 5/2/25 | 4,440,000 | 4,206,944 ^(a) |
| Vesta Energy Corp., Senior Notes | 8.125% | 7/24/23 | 820,000 ^{CAD} | 588,852 ^(a) |
| Whiting Petroleum Corp., Senior Notes | 6.250% | 4/1/23 | 1,390,000 | 1,403,900 |
| Whiting Petroleum Corp., Senior Notes | 6.625% | 1/15/26 | 1,020,000 | 1,004,700 |

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.**Schedule of investments (unaudited) (cont d)****February 28, 2019**

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|--|-------------|----------------------|--------------------|--------------------------------|
| Oil, Gas & Consumable Fuels - (continued) | | | | |
| Williams Cos. Inc., Senior Notes | 3.700% | 1/15/23 | 430,000 | \$ 430,164 |
| Williams Cos. Inc., Senior Notes | 4.550% | 6/24/24 | 530,000 | 548,774 |
| Williams Cos. Inc., Senior Notes | 7.500% | 1/15/31 | 330,000 | 398,228 |
| Williams Cos. Inc., Senior Notes | 5.750% | 6/24/44 | 1,620,000 | 1,712,223 |
| WPX Energy Inc., Senior Notes | 8.250% | 8/1/23 | 460,000 | 518,075 |
| YPF SA, Senior Notes | 8.500% | 7/28/25 | 2,000,000 | 1,959,600 ^(a) |
| YPF SA, Senior Notes | 6.950% | 7/21/27 | 1,340,000 | 1,197,625 ^(a) |
| <i>Total Oil, Gas & Consumable Fuels</i> | | | | <i>61,890,820</i> |
| TOTAL ENERGY | | | | 65,285,471 |
| FINANCIALS - 10.5% | | | | |
| Banks - 7.5% | | | | |
| Bank of America Corp., Junior Subordinated Notes (6.500% to 10/23/24 then 3 mo. USD LIBOR + 4.174%) | 6.500% | 10/23/24 | 1,120,000 | 1,216,135 ^{(h)(i)} |
| Barclays Bank PLC, Subordinated Notes | 10.179% | 6/12/21 | 740,000 | 835,749 ^(a) |
| Barclays Bank PLC, Subordinated Notes BNP Paribas SA, Junior Subordinated Notes (7.375% to 8/19/25 then USD 5 year Swap Rate + 5.150%) | 7.625% | 11/21/22 | 1,950,000 | 2,105,191 |
| | 7.375% | 8/19/25 | 810,000 | 854,372 ^{(a)(h)(i)} |
| Citigroup Inc., Junior Subordinated Notes (5.950% to 5/15/25 then 3 mo. USD LIBOR + 3.905%) | 5.950% | 5/15/25 | 1,420,000 | 1,432,744 ^{(h)(i)} |
| Citigroup Inc., Junior Subordinated Notes (6.300% to 5/15/24 then 3 mo. USD LIBOR + 3.423%) | 6.300% | 5/15/24 | 3,950,000 | 4,024,951 ^{(h)(i)} |
| Credit Agricole SA, Junior Subordinated Notes (8.125% to 12/23/25 then USD 5 year Swap Rate + 6.185%) | 8.125% | 12/23/25 | 1,330,000 | 1,486,314 ^{(a)(h)(i)} |
| HSBC Holdings PLC, Junior Subordinated Notes (6.375% to 3/30/25 then USD 5 year ICE Swap Rate + 4.368%) | 6.375% | 3/30/25 | 860,000 | 878,468 ^{(h)(i)} |
| HSBC Holdings PLC, Junior Subordinated Notes (6.375% to 9/17/24 then USD 5 year ICE Swap Rate + 3.705%) | 6.375% | 9/17/24 | 290,000 | 291,330 ^{(h)(i)} |
| HSBC Holdings PLC, Junior Subordinated Notes (6.500% to 3/23/28 then USD 5 year ICE Swap Rate + 3.606%) | 6.500% | 3/23/28 | 700,000 | 689,745 ^{(h)(i)} |
| Intesa Sanpaolo SpA, Subordinated Notes | 5.017% | 6/26/24 | 2,100,000 | 1,947,524 ^(a) |
| Intesa Sanpaolo SpA, Subordinated Notes | 5.710% | 1/15/26 | 3,410,000 | 3,195,173 ^(a) |

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.**Schedule of investments (unaudited) (cont d)****February 28, 2019**

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|--|-------------|----------------------|--------------------|--------------------------------|
| Banks - (continued) | | | | |
| Royal Bank of Scotland Group PLC, Junior Subordinated Notes (3 mo. USD LIBOR + 2.320%) | 5.123% | 9/30/27 | 7,000,000 | \$ 6,545,000 ^{(h)(i)} |
| Royal Bank of Scotland Group PLC, Junior Subordinated Notes (8.625% to 8/15/21 then USD 5 year Swap Rate + 7.598%) | 8.625% | 8/15/21 | 610,000 | 655,628 ^{(h)(i)} |
| TC Ziraat Bankasi AS, Senior Notes | 5.125% | 9/29/23 | 1,080,000 | 1,006,906 ^(a) |
| <i>Total Banks</i> | | | | <i>27,165,230</i> |
| Capital Markets - 0.6% | | | | |
| Donnelley Financial Solutions Inc., Senior Notes | 8.250% | 10/15/24 | 890,000 | 888,887 |
| UBS Group Funding Switzerland AG, Junior Subordinated Notes (7.000% to 1/31/24 then USD 5 year Swap Rate + 4.344%) | 7.000% | 1/31/24 | 1,370,000 | 1,383,015 ^{(a)(h)(i)} |
| <i>Total Capital Markets</i> | | | | <i>2,271,902</i> |
| Consumer Finance - 0.4% | | | | |
| Navient Corp., Senior Notes | 5.875% | 10/25/24 | 840,000 | 809,550 |
| Navient Corp., Senior Notes | 6.750% | 6/15/26 | 700,000 | 673,750 |
| <i>Total Consumer Finance</i> | | | | <i>1,483,300</i> |
| Diversified Financial Services - 2.0% | | | | |
| AerCap Ireland Capital DAC/AerCap Global Aviation Trust, Senior Notes | 4.625% | 7/1/22 | 360,000 | 365,240 |
| ASP AMC Merger Sub Inc., Senior Notes | 8.000% | 5/15/25 | 2,255,000 | 1,059,850 ^(a) |
| International Lease Finance Corp., Senior Notes | 6.250% | 5/15/19 | 130,000 | 130,821 |
| International Lease Finance Corp., Senior Notes | 8.250% | 12/15/20 | 3,140,000 | 3,390,641 |
| International Lease Finance Corp., Senior Notes | 5.875% | 8/15/22 | 310,000 | 329,927 |
| Travelport Corporate Finance PLC, Senior Secured Notes | 6.000% | 3/15/26 | 1,720,000 | 1,827,500 ^(a) |
| <i>Total Diversified Financial Services</i> | | | | <i>7,103,979</i> |
| TOTAL FINANCIALS | | | | 38,024,411 |
| HEALTH CARE - 5.7% | | | | |
| Health Care Equipment & Supplies - 0.2% | | | | |

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| | | | | |
|--|--------|---------|------------------------|--------------------------|
| IDH Finance PLC, Senior Secured Notes | 6.250% | 8/15/22 | 620,000 ^{GBP} | 688,707 ^(c) |
| Health Care Providers & Services - 2.8% | | | | |
| Air Medical Group Holdings Inc., Senior Notes | 6.375% | 5/15/23 | 2,135,000 | 1,830,762 ^(a) |

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.**Schedule of investments (unaudited) (cont d)****February 28, 2019**

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|--|-------------|--------------------------|------------------------|-----------------------------------|
| Health Care Providers & Services - (continued) | | | | |
| BioScrip Inc., First Lien Notes (1 mo. USD LIBOR + 7.000%) | 8.224% | 6/30/22 | 1,369,000 | \$ 1,430,605 ^{(f)(i)(j)} |
| BioScrip Inc., Senior Notes | 8.875% | 2/15/21 | 670,000 | 659,950 |
| CHS/Community Health Systems Inc., Senior Secured Notes | 8.000% | 3/15/26 | 920,000 | 907,884 ^{(a)(d)} |
| DaVita Inc., Senior Notes | 5.125% | 7/15/24 | 350,000 | 347,375 |
| DaVita Inc., Senior Notes | 5.000% | 5/1/25 | 1,370,000 | 1,327,188 |
| HCA Inc., Senior Notes | 7.500% | 11/15/95 | 1,000,000 | 1,010,000 |
| NVA Holdings Inc., Senior Notes | 6.875% | 4/1/26 | 63,000 | 61,110 ^(a) |
| Tenet Healthcare Corp., Secured Notes | 5.125% | 5/1/25 | 1,000,000 | 993,750 |
| Tenet Healthcare Corp., Senior Notes | 8.125% | 4/1/22 | 1,540,000 | 1,649,725 |
| <i>Total Health Care Providers & Services</i> | | | | <i>10,218,349</i> |
| Pharmaceuticals - 2.7% | | | | |
| Bausch Health Americas Inc., Senior Notes | 8.500% | 1/31/27 | 210,000 | 218,663 ^{(a)(d)} |
| Bausch Health Cos. Inc., Senior Notes | 5.875% | 5/15/23 | 840,000 | 838,950 ^(a) |
| Bausch Health Cos. Inc., Senior Notes | 6.125% | 4/15/25 | 3,290,000 | 3,174,850 ^(a) |
| Bausch Health Cos. Inc., Senior Notes | 9.000% | 12/15/25 | 1,400,000 | 1,505,000 ^(a) |
| Bausch Health Cos. Inc., Senior Secured Notes | 7.000% | 3/15/24 | 210,000 | 221,812 ^(a) |
| Endo Finance LLC/Endo Finco Inc., Senior Notes | 7.250% | 1/15/22 | 1,615,000 | 1,557,974 ^(a) |
| Endo Finance LLC/Endo Finco Inc., Senior Notes | 5.375% | 1/15/23 | 1,615,000 | 1,339,441 ^(a) |
| Teva Pharmaceutical Finance Co. BV, Senior Notes | 2.950% | 12/18/22 | 1,000,000 | 933,518 |
| <i>Total Pharmaceuticals</i> | | | | <i>9,790,208</i> |
| TOTAL HEALTH CARE | | | | 20,697,264 |
| INDUSTRIALS - 5.7% | | | | |
| Aerospace & Defense - 0.2% | | | | |
| Heligear Acquisition Co., Senior Secured Notes | 10.250% | 10/15/19 | 620,000 | 622,505 ^(a) |
| Building Products - 0.7% | | | | |
| Standard Industries Inc., Senior Notes | 5.000% | 2/15/27 | 980,000 | 935,900 ^(a) |
| Standard Industries Inc., Senior Notes | 4.750% | 1/15/28 | 1,680,000 | 1,575,000 ^(a) |
| <i>Total Building Products</i> | | | | <i>2,510,900</i> |
| Commercial Services & Supplies - 2.5% | | | | |
| Garda World Security Corp., Senior Notes | 7.250% | 11/15/21 | 540,000 | 542,700 ^(a) |

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| | | | | |
|--------------------------------------|--------|--------|-----------|--------------------------|
| GFL Environmental Inc., Senior Notes | 5.375% | 3/1/23 | 3,000,000 | 2,840,625 ^(a) |
|--------------------------------------|--------|--------|-----------|--------------------------|

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.

Schedule of investments (unaudited) (cont d)

February 28, 2019

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|---|---------|------------------|----------------|---------------------------|
| Commercial Services & Supplies - (continued) | | | | |
| Monitronics International Inc., Senior Notes | 9.125% | 4/1/20 | 100,000 | \$ 24,500 |
| United Rentals North America Inc., Senior Notes | 5.500% | 7/15/25 | 320,000 | 328,000 |
| United Rentals North America Inc., Senior Notes | 6.500% | 12/15/26 | 4,130,000 | 4,321,012 |
| United Rentals North America Inc., Senior Notes | 5.500% | 5/15/27 | 415,000 | 416,038 |
| United Rentals North America Inc., Senior Notes | 4.875% | 1/15/28 | 610,000 | 583,312 |
| <i>Total Commercial Services & Supplies</i> | | | | <i>9,056,187</i> |
| Industrial Conglomerates - 0.2% | | | | |
| General Electric Co., Junior Subordinated Notes (5.000% to 1/21/21 then 3 mo. USD LIBOR + 3.330%) | 5.000% | 1/21/21 | 650,000 | 613,584 ^{(h)(i)} |
| Machinery - 0.7% | | | | |
| CFX Escrow Corp., Senior Notes | 6.000% | 2/15/24 | 230,000 | 237,763 ^(a) |
| Cleaver-Brooks Inc., Senior Secured Notes | 7.875% | 3/1/23 | 750,000 | 735,000 ^(a) |
| MAI Holdings Inc., Senior Secured Notes | 9.500% | 6/1/23 | 940,000 | 888,300 |
| Park-Ohio Industries Inc., Senior Notes | 6.625% | 4/15/27 | 639,000 | 631,012 |
| <i>Total Machinery</i> | | | | <i>2,492,075</i> |
| Marine - 0.3% | | | | |
| Navios Maritime Acquisition Corp./Navios Acquisition Finance U.S. Inc., Senior Secured Notes | 8.125% | 11/15/21 | 1,670,000 | 1,219,100 ^(a) |
| Road & Rail - 0.2% | | | | |
| Flexi-Van Leasing Inc., Secured Notes | 10.000% | 2/15/23 | 1,000,000 | 850,000 ^(a) |
| Trading Companies & Distributors - 0.7% | | | | |
| Ahern Rentals Inc., Secured Notes | 7.375% | 5/15/23 | 370,000 | 343,175 ^(a) |
| Beacon Roofing Supply Inc., Senior Notes | 4.875% | 11/1/25 | 2,290,000 | 2,140,434 ^(a) |
| <i>Total Trading Companies & Distributors</i> | | | | <i>2,483,609</i> |
| Transportation Infrastructure - 0.2% | | | | |
| Neovia Logistics Services LLC/SPL Logistics Finance Corp., Senior Secured Notes | 8.875% | 8/1/20 | 920,000 | 862,500 ^(a) |
| TOTAL INDUSTRIALS | | | | 20,710,460 |

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.

Schedule of investments (unaudited) (cont d)

February 28, 2019

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|--|---------|---------------|-------------|-----------------------------|
| INFORMATION TECHNOLOGY - 2.0% | | | | |
| Software - 0.2% | | | | |
| Interface Special Holdings Inc., Senior Notes (19.000% PIK) | 19.000% | 11/1/23 | 1,040,742 | \$ 70,250 ^{(a)(k)} |
| j2 Cloud Services LLC/j2 Global Co-Obligor Inc., Senior Notes | 6.000% | 7/15/25 | 600,000 | 618,288 ^(a) |
| <i>Total Software</i> | | | | 688,538 |
| Technology Hardware, Storage & Peripherals - 1.8% | | | | |
| Dell International LLC/EMC Corp., Senior Notes | 7.125% | 6/15/24 | 270,000 | 286,529 ^(a) |
| Seagate HDD Cayman, Senior Notes | 4.750% | 6/1/23 | 720,000 | 723,072 |
| Seagate HDD Cayman, Senior Notes | 4.750% | 1/1/25 | 2,350,000 | 2,263,405 |
| Seagate HDD Cayman, Senior Notes | 4.875% | 6/1/27 | 210,000 | 196,142 |
| Western Digital Corp., Senior Notes | 4.750% | 2/15/26 | 3,098,000 | 2,935,355 |
| <i>Total Technology Hardware, Storage & Peripherals</i> | | | | 6,404,503 |
| TOTAL INFORMATION TECHNOLOGY | | | | 7,093,041 |
| MATERIALS - 10.5% | | | | |
| Construction Materials - 0.6% | | | | |
| Summit Materials LLC/Summit Materials Finance Corp., Senior Notes | 5.125% | 6/1/25 | 450,000 | 430,875 ^(a) |
| Summit Materials LLC/Summit Materials Finance Corp., Senior Notes | 6.500% | 3/15/27 | 1,240,000 | 1,240,000 ^{(a)(d)} |
| U.S. Concrete Inc., Senior Notes | 6.375% | 6/1/24 | 510,000 | 504,900 |
| <i>Total Construction Materials</i> | | | | 2,175,775 |
| Containers & Packaging - 3.7% | | | | |
| ARD Securities Finance SARL, Senior Secured Notes (8.750% PIK) | 8.750% | 1/31/23 | 4,931,965 | 4,660,707 ^{(a)(k)} |
| Ardagh Packaging Finance PLC/Ardagh Holdings USA Inc., Senior Notes | 7.250% | 5/15/24 | 830,000 | 865,026 ^(a) |
| Ardagh Packaging Finance PLC/Ardagh Holdings USA Inc., Senior Notes | 6.000% | 2/15/25 | 3,905,000 | 3,865,950 ^(a) |
| Berry Global Inc., Secured Notes | 4.500% | 2/15/26 | 210,000 | 199,238 ^(a) |
| Greif Inc., Senior Notes | 6.500% | 3/1/27 | 1,200,000 | 1,225,656 ^(a) |
| Pactiv LLC, Senior Notes | 7.950% | 12/15/25 | 410,000 | 401,287 |
| Pactiv LLC, Senior Notes | 8.375% | 4/15/27 | 2,280,000 | 2,274,300 |

Total Containers & Packaging *13,492,164*

Metals & Mining - 5.5%

| | | | | |
|--|--------|---------|-----------|--------------------------|
| Alcoa Nederland Holding BV, Senior Notes | 6.750% | 9/30/24 | 500,000 | 530,625 ^(a) |
| Alcoa Nederland Holding BV, Senior Notes | 7.000% | 9/30/26 | 1,130,000 | 1,214,750 ^(a) |

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.**Schedule of investments (unaudited) (cont d)****February 28, 2019**

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|--|-------------|--------------------------|------------------------|---------------------------|
| Metals & Mining - (continued) | | | | |
| Alcoa Nederland Holding BV, Senior Notes | 6.125% | 5/15/28 | 440,000 | \$ 451,550 ^(a) |
| ArcelorMittal, Senior Notes | 7.000% | 10/15/39 | 2,020,000 | 2,220,532 |
| First Quantum Minerals Ltd., Senior Notes | 7.000% | 2/15/21 | 2,330,000 | 2,372,814 ^(a) |
| First Quantum Minerals Ltd., Senior Notes | 7.500% | 4/1/25 | 1,420,000 | 1,379,175 ^(a) |
| Freeport-McMoRan Inc., Senior Notes | 3.100% | 3/15/20 | 10,000 | 10,028 |
| Freeport-McMoRan Inc., Senior Notes | 4.000% | 11/14/21 | 450,000 | 451,688 |
| Freeport-McMoRan Inc., Senior Notes | 3.550% | 3/1/22 | 310,000 | 307,288 |
| Freeport-McMoRan Inc., Senior Notes | 6.875% | 2/15/23 | 770,000 | 816,200 |
| Freeport-McMoRan Inc., Senior Notes | 3.875% | 3/15/23 | 380,000 | 375,432 |
| Freeport-McMoRan Inc., Senior Notes | 4.550% | 11/14/24 | 990,000 | 982,575 |
| Freeport-McMoRan Inc., Senior Notes | 5.400% | 11/14/34 | 280,000 | 256,900 |
| Freeport-McMoRan Inc., Senior Notes | 5.450% | 3/15/43 | 1,580,000 | 1,394,350 |
| Hudbay Minerals Inc., Senior Notes | 7.250% | 1/15/23 | 970,000 | 1,003,756 ^(a) |
| Hudbay Minerals Inc., Senior Notes | 7.625% | 1/15/25 | 380,000 | 396,150 ^(a) |
| Midwest Vanadium Pty Ltd., Senior Secured Notes | 11.500% | 2/15/18 | 1,202,654 | 4,510 ^{*(a)(b)} |
| Northwest Acquisitions ULC/Dominion Finco Inc., Secured Notes | 7.125% | 11/1/22 | 411,000 | 380,175 ^(a) |
| Teck Resources Ltd., Senior Notes | 8.500% | 6/1/24 | 1,970,000 | 2,120,212 ^(a) |
| Teck Resources Ltd., Senior Notes | 6.250% | 7/15/41 | 260,000 | 272,610 |
| Vale Overseas Ltd., Senior Notes | 6.875% | 11/21/36 | 2,220,000 | 2,436,894 |
| Vale Overseas Ltd., Senior Notes | 6.875% | 11/10/39 | 750,000 | 825,937 |
| <i>Total Metals & Mining</i> | | | | <i>20,204,151</i> |
| Paper & Forest Products - 0.7% | | | | |
| Mercer International Inc., Senior Notes | 7.375% | 1/15/25 | 2,330,000 | 2,440,675 ^(a) |
| TOTAL MATERIALS | | | | 38,312,765 |
| REAL ESTATE - 1.1% | | | | |
| Equity Real Estate Investment Trusts (REITs) - 0.6% | | | | |
| CoreCivic Inc., Senior Notes | 4.125% | 4/1/20 | 130,000 | 130,163 |
| CoreCivic Inc., Senior Notes | 4.625% | 5/1/23 | 370,000 | 357,050 |
| CoreCivic Inc., Senior Notes | 4.750% | 10/15/27 | 920,000 | 803,850 |
| GEO Group Inc., Senior Notes | 6.000% | 4/15/26 | 810,000 | 754,312 |
| <i>Total Equity Real Estate Investment Trusts (REITs)</i> | | | | <i>2,045,375</i> |
| Real Estate Management & Development - 0.5% | | | | |
| WeWork Cos. Inc., Senior Notes | 7.875% | 5/1/25 | 1,970,000 | 1,838,700 ^(a) |

TOTAL REAL ESTATE

3,884,075

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.**Schedule of investments (unaudited) (cont d)****February 28, 2019**

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|---|-------------|--------------------------|---------------------------|--------------------------|
| UTILITIES - 1.6% | | | | |
| Electric Utilities - 0.8% | | | | |
| FirstEnergy Corp., Senior Notes | 7.375% | 11/15/31 | 1,260,000 | \$ 1,626,014 |
| Pampa Energia SA, Senior Notes | 7.375% | 7/21/23 | 1,580,000 | 1,512,866 ^(c) |
| <i>Total Electric Utilities</i> | | | | 3,138,880 |
| Gas Utilities - 0.8% | | | | |
| Suburban Propane Partners LP/Suburban Energy Finance Corp., Senior Notes | 5.875% | 3/1/27 | 2,950,000 | 2,795,125 |
| TOTAL UTILITIES | | | | 5,934,005 |
| TOTAL CORPORATE BONDS & NOTES (Cost - \$299,032,222) | | | | 315,676,296 |
| SOVEREIGN BONDS - 6.7% | | | | |
| Argentina - 1.2% | | | | |
| Argentina POM Politica Monetaria, Bonds (Argentina Central Bank 7 Day Repo Reference Rate) | 53.666% | 6/21/20 | 56,620,000 ^{ARS} | 1,574,709 ⁽ⁱ⁾ |
| Argentine Republic Government International Bond, Senior Notes | 5.875% | 1/11/28 | 3,360,000 | 2,633,400 |
| <i>Total Argentina</i> | | | | 4,208,109 |
| Brazil - 1.3% | | | | |
| Brazil Notas do Tesouro Nacional Serie F, Notes | 10.000% | 1/1/21 | 2,466,000 ^{BRL} | 687,068 |
| Brazil Notas do Tesouro Nacional Serie F, Notes | 10.000% | 1/1/23 | 13,700,000 ^{BRL} | 3,858,693 |
| <i>Total Brazil</i> | | | | 4,545,761 |
| Ecuador - 1.3% | | | | |
| Ecuador Government International Bond, Senior Notes | 10.750% | 3/28/22 | 330,000 | 360,509 ^(a) |
| Ecuador Government International Bond, Senior Notes | 9.650% | 12/13/26 | 4,220,000 | 4,411,799 ^(a) |
| <i>Total Ecuador</i> | | | | 4,772,308 |
| Egypt - 0.2% | | | | |

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| | | | | |
|---|--------|---------|-------------------------------|------------------------|
| Egypt Government International Bond, Senior Notes | 7.600% | 3/1/29 | 850,000 | 872,356 ^(a) |
| Indonesia - 0.5% | | | | |
| Indonesia Treasury Bond, Senior Notes | 7.000% | 5/15/22 | 25,087,000,000 ^{IDR} | 1,779,728 |
| Mexico - 0.2% | | | | |
| Mexican Bonos, Bonds | 6.500% | 6/9/22 | 18,070,000 ^{MXN} | 897,099 |
| Russia - 1.1% | | | | |
| Russian Federal Bond - OFZ, Bonds | 7.750% | 9/16/26 | 183,580,000 ^{RUB} | 2,741,337 |
| Russian Federal Bond - OFZ, Bonds | 8.150% | 2/3/27 | 90,000,000 ^{RUB} | 1,370,585 |
| <i>Total Russia</i> | | | | 4,111,922 |

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.**Schedule of investments (unaudited) (cont d)****February 28, 2019**

| SECURITY | RATE | MATURITY DATE | FACE AMOUNT | VALUE |
|--|-------------|--------------------------|---------------------------|---------------------------------|
| Ukraine - 0.4% | | | | |
| Ukraine Government International Bond, Senior Notes | 7.750% | 9/1/20 | 1,500,000 | \$ 1,491,267 ^(a) |
| Uruguay - 0.5% | | | | |
| Uruguay Government International Bond, Senior Notes | 9.875% | 6/20/22 | 47,140,000 ^{UYU} | 1,450,591 ^(c) |
| Uruguay Government International Bond, Senior Notes | 8.500% | 3/15/28 | 13,140,000 ^{UYU} | 357,810 ^(c) |
| <i>Total Uruguay</i> | | | | <i>1,808,401</i> |
| TOTAL SOVEREIGN BONDS | | | | |
| (Cost - \$25,096,617) | | | | 24,486,951 |
| SENIOR LOANS - 1.6% | | | | |
| CONSUMER DISCRETIONARY - 1.1% | | | | |
| Specialty Retail - 1.1% | | | | |
| PetSmart Inc., Term Loan B2 (1 mo. USD LIBOR + 3.000%) | 5.520% | 3/11/22 | 4,794,795 | 4,100,547 ^{(i)(l)(m)} |
| MATERIALS - 0.1% | | | | |
| Containers & Packaging - 0.1% | | | | |
| Reynolds Group Holdings Inc., Term Loan (1 mo. USD LIBOR + 2.750%) | 5.243% | 2/5/23 | 491,171 | 489,725 ^{(i)(l)(m)} |
| REAL ESTATE - 0.3% | | | | |
| Equity Real Estate Investment Trusts (REITs) - 0.3% | | | | |
| Iron Mountain Information Management LLC, Term Loan B (1 mo. USD LIBOR + 1.750%) | 4.243% | 1/2/26 | 992,500 | 975,131 ^{(f)(i)(l)(m)} |
| UTILITIES - 0.1% | | | | |
| Electric Utilities - 0.1% | | | | |
| Panda Temple Power LLC, Second Lien Term Loan (1mo. USDLIBOR +8.000% PIK) | 10.481% | 2/7/23 | 362,931 | 362,326 ^{(i)(k)(l)(m)} |
| TOTAL SENIOR LOANS | | | | |
| (Cost - \$5,849,742) | | | | 5,927,729 |

SHARES

COMMON STOCKS - 1.2%

CONSUMER DISCRETIONARY - 0.0%

Hotels, Restaurants & Leisure - 0.0%

| | | |
|-----------------------|--------|---------------|
| Bossier Escrow Shares | 68,957 | 20,770*(e)(f) |
|-----------------------|--------|---------------|

ENERGY - 1.1%

Energy Equipment & Services - 0.0%

| | | |
|---------------------------------|--------|---------------|
| Hercules Offshore Inc. (Escrow) | 46,103 | 36,414*(e)(f) |
|---------------------------------|--------|---------------|

Oil, Gas & Consumable Fuels - 1.1%

| | | |
|-----------------------|---------|-----------|
| Berry Petroleum Corp. | 230,628 | 2,935,894 |
|-----------------------|---------|-----------|

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.

Schedule of investments (unaudited) (cont d)

February 28, 2019

| SECURITY | SHARES | VALUE | |
|--|-------------|--------------------------|------------------------|
| Oil, Gas & Consumable Fuels - (continued) | | | |
| Blue Ridge Mountain Resources Inc. | 183,339 | \$ 870,860* | |
| MWO Holdings LLC | 442 | 33,685*(e)(f) | |
| <i>Total Oil, Gas & Consumable Fuels</i> | | 3,840,439 | |
| TOTAL ENERGY | | 3,876,853 | |
| UTILITIES - 0.1% | | | |
| Electric Utilities - 0.1% | | | |
| Panda Temple Power LLC | 24,398 | 524,557*(f) | |
| TOTAL COMMON STOCKS (Cost - \$9,343,159) | | 4,422,180 | |
| | RATE | MATURITY DATE | FACE AMOUNT |
| CONVERTIBLE BONDS & NOTES - 0.7% | | | |
| COMMUNICATION SERVICES - 0.7% | | | |
| Interactive Media & Services - 0.1% | | | |
| Twitter Inc., Senior Notes | 1.000% | 9/15/21 | 320,000 |
| Twitter Inc., Senior Notes | 0.250% | 6/15/24 | 160,000 |
| <i>Total Interactive Media & Services</i> | | | 443,307 |
| Media - 0.6% | | | |
| DISH Network Corp., Senior Notes | 2.375% | 3/15/24 | 2,595,000 |
| TOTAL CONVERTIBLE BONDS & NOTES (Cost - \$2,685,282) | | | 2,603,543 |
| U.S. GOVERNMENT & AGENCY OBLIGATIONS - 0.5% | | | |
| U.S. Government Obligations - 0.5% | | | |
| U.S. Treasury Notes (Cost - \$1,712,611) | 1.750% | 3/31/22 | 1,750,000 |

SHARES

PREFERRED STOCKS - 0.4%**FINANCIALS - 0.4%****Banks - 0.1%**

| | | | |
|---|--------|--------|------------------------|
| GMAC Capital Trust I (3 mo. USD LIBOR + 5.785%) | 8.469% | 17,000 | 441,830 ⁽ⁱ⁾ |
|---|--------|--------|------------------------|

Capital Markets - 0.3%

| | | | |
|-------------------------|--------|--------|---------|
| B. Riley Financial Inc. | 6.875% | 39,275 | 996,800 |
|-------------------------|--------|--------|---------|

TOTAL PREFERRED STOCKS

| | | | |
|----------------------|--|--|-----------|
| (Cost - \$1,281,228) | | | 1,438,630 |
|----------------------|--|--|-----------|

| | | MATURITY DATE | FACE AMOUNT | |
|--|--|--------------------------|------------------------|--|
|--|--|--------------------------|------------------------|--|

NON-U.S. TREASURY INFLATION PROTECTED SECURITIES -**0.1%****Argentina - 0.1%**

| | | | | |
|--|--------|--------|---------------------------|---------|
| Bonos de la Nacion Argentina con Ajuste por CER, Bonds | | | | |
| (Cost - \$328,804) | 4.000% | 3/6/20 | 13,542,483 ^{ARS} | 326,985 |

TOTAL INVESTMENTS BEFORE**SHORT-TERM INVESTMENTS**

| | | | | |
|------------------------|--|--|--|-------------|
| (Cost - \$345,329,665) | | | | 356,594,511 |
|------------------------|--|--|--|-------------|

SHORT-TERM INVESTMENTS - 0.9%**SOVEREIGN BONDS - 0.2%**

| | | | | |
|-------------------------|-----------|---------|---------------------------|------------------------|
| Argentina Treasury Bill | (89.597)% | 3/29/19 | 5,572,000 ^{ARS} | 170,447 ⁽ⁿ⁾ |
| Argentina Treasury Bill | (48.791)% | 5/31/19 | 22,870,000 ^{ARS} | 691,857 ⁽ⁿ⁾ |

TOTAL SOVEREIGN BONDS

| | | | | |
|--------------------|--|--|--|---------|
| (Cost - \$863,612) | | | | 862,304 |
|--------------------|--|--|--|---------|

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.**Schedule of investments (unaudited) (cont d)****February 28, 2019**

| SECURITY | RATE | SHARES | VALUE |
|--|-------------|---------------|-----------------------|
| MONEY MARKET FUNDS - 0.7% | | | |
| Dreyfus Government Cash Management, Institutional Shares (Cost - \$2,456,534) | 2.374% | 2,456,534 | \$ 2,456,534 |
| TOTAL SHORT-TERM INVESTMENTS (Cost - \$3,320,146) | | | 3,318,838 |
| TOTAL INVESTMENTS - 98.9% (Cost - \$348,649,811) | | | 359,913,349 |
| Other Assets in Excess of Liabilities - 1.1% | | | 3,823,738 |
| TOTAL NET ASSETS - 100.0% | | | \$ 363,737,087 |

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.
- (b) The maturity principal is currently in default as of February 28, 2019.
- (c) 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.
- (d) Securities traded on a when-issued or delayed delivery basis.
- (e) Security is valued in good faith in accordance with procedures approved by the Board of Directors (Note 1).
- (f) Security is valued using significant unobservable inputs (Note 1).

- (g) Value is less than \$1.
- (h) Security has no maturity date. The date shown represents the next call date.
- (i) Variable rate security. Interest rate disclosed is as of the most recent information available. Certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent and are based on current market conditions. These securities do not indicate a reference rate and spread in their description above.
- (j) Restricted security (Note 2).
- (k) Payment-in-kind security for which the issuer has the option at each interest payment date of making interest payments in cash or additional securities.
- (l) Interest rates disclosed represent the effective rates on senior loans. Ranges in interest rates are attributable to multiple contracts under the same loan.
- (m) 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.
- (n) Rate shown represents yield-to-maturity.

See Notes to Schedule of Investments.

WESTERN ASSET HIGH YIELD DEFINED OPPORTUNITY FUND INC.

Schedule of investments (unaudited) (cont d)

February 28, 2019

Abbreviations used in this schedule:

| | |
|-------|---|
| ARS | Argentine Peso |
| BRL | Brazilian Real |
| CAD | Canadian Dollar |
| CER | Coeficiente de Estabilizacion de Referencia |
| EUR | Euro |
| GBP | British Pound |
| ICE | Intercontinental Exchange |
| IDR | Indonesian Rupiah |
| LIBOR | London Interbank Offered Rate |
| MXN | Mexican Peso |
| OJSC | Open Joint Stock Company |
| PIK | Payment-In-Kind |
| RUB | Russian Ruble |
| USD | United States Dollar |
| UYU | Uruguayan Peso |

At February 28, 2019, the Fund had the following open forward foreign currency contracts:

| Currency Purchased | | Currency Sold | | Counterparty | Settlement Date | Unrealized Appreciation (Depreciation) |
|--------------------|-----------|---------------|-----------|--------------------------|-----------------|--|
| BRL | 3,740,000 | USD | 998,132 | Barclays Bank PLC | 4/17/19 | \$ (5,682) |
| USD | 2,016,390 | BRL | 7,480,000 | Barclays Bank PLC | 4/17/19 | 31,491 |
| USD | 625,348 | CAD | 830,000 | Barclays Bank PLC | 4/17/19 | (6,096) |
| USD | 113,925 | EUR | 100,000 | Barclays Bank PLC | 4/17/19 | (291) |
| USD | 116,066 | EUR | 100,000 | Barclays Bank PLC | 4/17/19 | 1,851 |
| USD | 339,691 | EUR | 300,000 | Barclays Bank PLC | 4/17/19 | (2,954) |
| USD | 775,715 | EUR | 670,000 | Barclays Bank PLC | 4/17/19 | 10,474 |
| USD | 52,522 | GBP | 40,985 | Barclays Bank PLC | 4/17/19 | (1,976) |
| USD | 646,647 | EUR | 557,540 | Goldman Sachs Group Inc. | 4/17/19 | 9,851 |
| Total | | | | | | \$ 36,668 |

Abbreviations used in this table:

| | |
|-----|----------------|
| BRL | Brazilian Real |
|-----|----------------|

CAD Canadian Dollar
EUR Euro
GBP British Pound
USD United States Dollar

This Schedule of Investments is unaudited and is intended to provide information about the Fund's investments 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. 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 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. 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,

Notes to Schedule of Investments (unaudited) (continued)

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.

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)

Notes to Schedule of Investments (unaudited) (continued)

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: | | | | |
| Energy | | \$ 65,285,471 | \$ 0* | \$ 65,285,471 |
| Health Care | | 19,266,659 | 1,430,605 | 20,697,264 |
| Other Corporate Bonds & Notes | | 229,693,561 | | 229,693,561 |
| Sovereign Bonds | | 24,486,951 | | 24,486,951 |
| Senior Loans: | | | | |
| Real Estate | | | 975,131 | 975,131 |
| Other Senior Loans | | 4,952,598 | | 4,952,598 |
| Common Stocks: | | | | |
| Consumer Discretionary | | | 20,770 | 20,770 |
| Energy | \$ 3,806,754 | | 70,099 | 3,876,853 |
| Utilities | | | 524,557 | 524,557 |
| Convertible Bonds & Notes | | 2,603,543 | | 2,603,543 |
| U.S. Government & Agency Obligations | | 1,712,197 | | 1,712,197 |
| Preferred Stocks | 1,438,630 | | | 1,438,630 |
| Non-U.S. Treasury Inflation Protected Securities | | 326,985 | | 326,985 |
| Total Long-Term Investments | 5,245,384 | 348,327,965 | 3,021,162 | 356,594,511 |
| Short-Term Investments : | | | | |
| Sovereign Bonds | | 862,304 | | 862,304 |
| Money Market Funds | 2,456,534 | | | 2,456,534 |
| Total Short-Term Investments | 2,456,534 | 862,304 | | 3,318,838 |
| Total Investments | \$ 7,701,918 | \$ 349,190,269 | \$ 3,021,162 | \$ 359,913,349 |

Notes to Schedule of Investments (unaudited) (continued)

| DESCRIPTION | ASSETS | | | TOTAL |
|---|----------------------------|---|--|----------------|
| | QUOTED PRICES (LEVEL 1) | OTHER SIGNIFICANT OBSERVABLE INPUTS (LEVEL 2) | SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3) | |
| Other Financial Instruments: Forward Foreign Currency Contracts | | \$ 53,667 | | \$ 53,667 |
| Total | \$ 7,701,918 | \$ 349,243,936 | \$ 3,021,162 | \$ 359,967,016 |

| DESCRIPTION | LIABILITIES | | | TOTAL |
|---|----------------------------|---|--|-----------|
| | QUOTED PRICES (LEVEL 1) | OTHER SIGNIFICANT OBSERVABLE INPUTS (LEVEL 2) | SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3) | |
| Other Financial Instruments: Forward Foreign Currency Contracts | | \$ 16,999 | | \$ 16,999 |

See Schedule of Investments for additional detailed categorizations.

* Amount represents less than \$1.

The Fund's policy is to recognize transfers between levels as of the end of the reporting period. At February 28, 2019, securities valued \$2,935,894 were transferred from Level 2 to Level 1 within the fair value hierarchy because of the availability of a quoted price in an active market for an identical investment.

2. Restricted securities

The following Fund investment is restricted as to resale.

| Security | Face Amount | Acquisition Date | Cost | Value at 2/28/2019 | Value Per Unit | Percent of Net Assets |
|---|----------------|---------------------|--------------|-----------------------|-------------------|--------------------------|
| BioScrip Inc., First Lien Notes, 8.224%, due 6/30/22 | \$ 1,369,000 | 6/17 | \$ 1,359,245 | \$ 1,430,605 | \$ 104.50 | 0.39% |

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: April 23, 2019

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: April 23, 2019

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

Date: April 23, 2019