

Neuberger Berman High Yield Strategies Fund Inc.
Form N-CSR
January 07, 2013

As filed with the Securities and Exchange Commission on January 4, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF
REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number: 811-22396

NEUBERGER BERMAN HIGH YIELD STRATEGIES FUND INC.

(Exact Name of the Registrant as Specified in Charter)

c/o Neuberger Berman Management LLC

605 Third Avenue, 2nd Floor

New York, New York 10158-0180

(Address of Principal Executive Offices – Zip Code)

Registrant's telephone number, including area code: (212) 476-8800

Robert Conti

Chief Executive Officer and President

Neuberger Berman High Yield Strategies Fund Inc.

c/o Neuberger Berman Management LLC

605 Third Avenue, 2nd Floor

New York, New York 10158-0180

Arthur C. Delibert, Esq.

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1601 K Street, N.W.

Washington, D.C. 20006-1600

(Names and Addresses of agents for service)

Date of fiscal year end: October 31, 2012

Date of reporting period: October 31, 2012

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget (“OMB”) control number. Please direct

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comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Report to Stockholders.

Neuberger Berman
High Yield Strategies
Fund Inc.

Annual Report
October 31, 2012

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President's Letter

Dear Shareholder,

I am pleased to present the annual report for Neuberger Berman High Yield Strategies Fund Inc. for the 12 months ended October 31, 2012. The report includes a portfolio commentary, a listing of the Fund's investments and its audited financial statements for the reporting period. The Fund seeks high total return (income plus capital appreciation). To pursue that objective, we have assembled a portfolio that consists primarily of high yield debt securities.

I would like to provide an update on the Fund's tender offer activity. The Fund adopted a tender offer program under which if its common shares traded at an average daily discount to net asset value per share ("NAV") of greater than 10% during a 12-week measurement period, the Fund would conduct a tender offer for between 5% and 20% of its outstanding common shares at a price equal to 98% of its NAV determined on the day the tender offer expires. On April 20, 2012, the Fund announced the fourth and last measurement period under its tender offer program. This measurement period commenced on April 23, 2012 and ended on July 16, 2012. For the 12-week measurement period, the Fund traded at an average daily premium to NAV and, accordingly, was not required to conduct a tender offer.

Thank you for your confidence in the Fund. We will do our best to continue earning your trust in the years to come.

Sincerely,

Robert Conti
President and CEO
Neuberger Berman High Yield Strategies Fund Inc.

High Yield Strategies Fund Inc. Portfolio Commentary (Unaudited)

Neuberger Berman High Yield Strategies Fund Inc. generated a 17.24% total return on a net asset value ("NAV") basis for the 12 months ended October 31, 2012 and outperformed its benchmark, the BofA Merrill Lynch U.S. High Yield Master II Constrained Index, which provided a 13.15% return for the period. The use of leverage (typically a performance enhancer in up markets and a detractor during market retreats) was beneficial for performance as well.

The high yield market posted a strong return during the reporting period. Supporting the market were generally positive fundamentals as corporate earnings were typically solid and balance sheets were often flush with cash. Sentiment for the high yield market was also boosted by relatively low defaults. Against this backdrop, demand was mostly robust as investors looked to generate yield in what appears to be an extended period of extremely low interest rates. Overall, the high yield market outperformed equal-duration Treasuries and lower-quality securities performed better than their higher-rated counterparts. For the 12 months ended October 31, 2012, CCC-rated (a relatively low rating) securities in the benchmark and BB-rated (rated higher) securities returned 15.23% and 12.97%, respectively.

For the Fund, sector positioning detracted from relative performance during the reporting period. In particular, underweights, relative to the benchmark, in banking, real estate/homebuilders and insurance were negative for results. This was partially offset by our overweights in printing/publishing and media-broadcast, along with an underweight in aerospace/defense. On the upside, security selection in aggregate was beneficial for the Fund's performance relative to the index. The largest contributions came from our holdings in the telecommunications, technology/electronics and packaging sectors. This was somewhat mitigated by security selection in the utilities, chemicals and energy sectors.

The Fund's quality biases produced mixed results during the reporting period. While an overweight to BB-rated issues and a slight underweight to CCC-rated securities detracted from relative performance, this was offset by security selection in B-rated issues.

We made several adjustments to the portfolio during the reporting period. From a sector perspective, we increased the portfolio's exposures to energy, technology and health care. In contrast, we reduced the portfolio's exposures to utilities, diversified financials and automotive. From a quality perspective, we added to the portfolio's allocation to B-rated issues.

As previously mentioned, the use of leverage enhanced the Fund's performance during the reporting period. Conversely, the Fund's use of derivatives detracted from performance during the fiscal year.

We continue to have a positive outlook for the high yield market as, in our view, many of the factors supporting the market over the last 12 months remain in place. From a fundamentals perspective, we find that corporate balance sheets are generally solid and earnings remain respectable. We also believe the economy will continue expanding at a modest pace, which could keep inflation in check. Furthermore, many corporations have taken advantage of extremely low borrowing costs to extend their maturities at very favorable rates. We believe this will result in below-average high yield defaults in 2013.

In terms of market technicals, we anticipate ongoing robust supply. However, we feel that much of this will continue to be driven by refinancing activity. We anticipate that investor demand will remain strong given the low interest rate

environment. That being said, there could be periods of volatility given numerous macro issues, including the upcoming fiscal cliff and ongoing issues in Europe.

Sincerely,

Ann Benjamin, Tom O'Reilly, Russ Covode,
Portfolio Co-Managers

The portfolio composition, industries and holdings of the Fund are subject to change.

TICKER SYMBOL

High Yield Strategies Fund	NHS
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PORTFOLIO BY MATURITY
DISTRIBUTION

(as a % of Total Investments)

Less than One Year	0.3%
One to less than Five Years	22.9
Five to less than Ten Years	70.6
Ten Years or Greater	6.2
Total	100.0%

PERFORMANCE HIGHLIGHTS¹

	Inception Date	Average Annual Total Return Ended 10/31/2012		
		1 Year	5 Years	Life of Fund
At NAV ²	07/28/2003	17.24%	11.74%	11.26%
At Market Price ³	07/28/2003	13.68%	14.01%	10.83%
Index BofA Merrill Lynch U.S. High Yield Master II Constrained Index ⁴		13.15%	9.28%	9.02%

Closed-end funds, unlike open-end funds, are not continually offered. Generally, there is an initial public offering and, once issued, common shares of closed-end funds are sold in the open market through a stock exchange.

The performance data quoted represent past performance and do not indicate future results. Current performance may be lower or higher than the performance data quoted. For more current performance data, please visit www.nb.com.

The results shown in the table reflect the reinvestment of income dividends and other distributions, if any. The results do not reflect the effect of taxes a shareholder would pay on Fund distributions or on the sale of Fund shares.

Investment return and market price will fluctuate and common shares may trade at prices below NAV. Common shares, when sold, may be worth more or less than their original cost.

Returns would have been lower if Neuberger Berman Management LLC ("Management") had not waived a portion of its investment management fees during the periods shown. Please see Note B in the Notes to Financial Statements for specific information regarding fee waiver arrangements.

Endnotes (Unaudited)

1 The performance information for periods prior to August 6, 2010 is that of Neuberger Berman High Yield Strategies Fund, a predecessor to the Fund.

2 Returns based on the net asset value ("NAV") of the Fund.

3 Returns based on the market price of Fund common shares on the NYSE MKT.

4 Please see "Glossary of Index" starting on page 6 for a description of the index. Please note that the index does not take into account any fees, expenses or tax consequences of investing in the individual securities that it tracks, and that individuals cannot invest directly in any index. Data about the performance of the index are prepared or obtained by Management and reflect the reinvestment of income dividends and other distributions, if any. The Fund may invest in securities not included in the described index and/or may not invest in all securities included in the described index.

For more complete information on Neuberger Berman High Yield Strategies Fund Inc., call Management at (800) 877-9700, or visit our website at www.nb.com.

Glossary of Index (Unaudited)

BofA Merrill Lynch U.S. High Yield Master II Constrained Index: An unmanaged market value-weighted index of all domestic and Yankee high yield bonds, including deferred interest bonds and payment-in-kind securities. Qualifying bonds must have at least one year remaining to maturity, a fixed coupon schedule and a minimum amount outstanding of \$100 million. Qualifying bonds are capitalization weighted provided the total allocation to an individual issuer does not exceed 2%.

Schedule of Investments High Yield Strategies Fund Inc.

PRINCIPAL AMOUNT		VALUE†
Bank Loan Obligations_μ (10.6%)		
Automotive (1.3%)		
\$ 2,977,932	Chrysler Automotive, Term Loan B, 6.00%, due 5/24/17	\$ 3,039,545
625,000	Navistar International, Term Loan B, 7.00%, due 8/15/17	626,563 ^{ε^^}
		3,666,108
Building & Development (1.0%)		
2,745,000	Realty Corporation, Term Loan, 4.46%, due 10/10/16	2,737,643
Business Equipment & Services (0.7%)		
1,105,000	Ceridian Corp., Term Loan, 5.96%, due 5/9/17	1,100,856
905,101	Monitronics, Term Loan, 5.50%, due 3/23/18	909,627
		2,010,483
Ecological Services & Equipment (0.4%)		
980,000	ADS Waste Holdings, Inc., Term Loan B, 5.25%, due 9/28/19	988,820 ^{ε^^}
Electronics—Electrical (0.3%)		
770,122	Sophia LP, Term Loan, 6.25%, due 7/19/18	778,978
Financial Intermediaries (1.1%)		
777,007	First Data Corporation, Term Loan, 5.21%, due 3/24/17	763,410
2,148,000	Springleaf, Term Loan, 5.50%, due 5/10/17	2,117,391
		2,880,801
Health Care (1.3%)		
1,099,380	EMS, Term Loan, 5.25%, due 5/25/18	1,107,031
1,270,400	Pharmaceutical Product Development, Inc., Term Loan, 6.25%, due 12/5/18	1,286,598
1,269,810	United Surgical Partners, Term Loan B, 6.00%, due 4/3/19	1,280,387
		3,674,016
Lodging & Casinos (2.9%)		
4,290,774	Ceasers Entertainment Operating Co., Term Loan B5, 4.46%, due 1/28/18	3,706,628 ^{ε^^}
2,849,000		2,908,345

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	Graton Resort & Casino, Term Loan B, 9.00%, due 8/3/18	
1,496,823	Station Casinos, Term Loan B-2, 4.21%, due 6/17/16	1,427,595
		8,042,568
Nonferrous Metals—Minerals (0.3%)		
753,113	Arch Coal, Term Loan, 5.75%, due 5/16/18	759,032
Oil & Gas (0.4%)		
1,104,408	Chesapeake Energy, Term Loan B, 8.50%, due 12/2/17	1,105,468
Publishing (0.3%)		
1,041,400	Cengage Learning, Term Loan B1, 5.72%, due 7/31/17	944,633
Radio & Television (0.2%)		
555,000	Clear Channel, Term Loan A, 3.61%, due 7/30/14	537,357

See Notes to Schedule of Investments

Schedule of Investments High Yield Strategies Fund Inc. cont'd

PRINCIPAL AMOUNT		VALUE†
Retailers (Except Food & Drug) (0.4%)		
\$ 959,000	Amscan Holdings, Inc., Term Loan, 5.75%, due 7/27/19	\$ 967,151
	Total Bank Loan Obligations (Cost \$28,553,735)	29,093,058
Corporate Debt Securities (125.9%)		
Airlines (1.2%)		
1,085,000	Continental Airlines, Inc., Senior Secured Notes, 6.75%, due 9/15/15	1,135,181ñ
1,271,000	United Airlines, Inc., Senior Secured Notes, 9.88%, due 8/1/13	1,296,420ñ
765,439	United Airlines, Inc., Pass-Through Certificates, Ser. 2009-2, Class A, 9.75%, due 1/15/17	885,996
		3,317,597
Automakers (0.9%)		
945,000	Ford Holdings, Inc., Guaranteed Notes, 9.30%, due 3/1/30	1,326,543
845,000	Ford Motor Co., Senior Unsecured Notes, 9.98%, due 2/15/47	1,173,494
		2,500,037
Banking (3.4%)		
2,470,000	Ally Financial, Inc., Guaranteed Notes, 6.25%, due 12/1/17	2,712,662
185,000	Ally Financial, Inc., Subordinated Notes, 8.00%, due 12/31/18	208,819
4,080,000	Ally Financial, Inc., Guaranteed Notes, 8.00%, due 3/15/20	4,865,808
820,000	Ally Financial, Inc., Guaranteed Notes, 7.50%, due 9/15/20	966,575
486,000	Ally Financial, Inc., Guaranteed Notes, 8.00%, due 11/1/31	578,340
		9,332,204
Building & Construction (0.8%)		
650,000		682,500

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	Beazer Homes USA, Inc., Guaranteed Notes, 9.13%, due 5/15/19	
965,000	D.R. Horton, Inc., Guaranteed Notes, 4.38%, due 9/15/22	967,413
490,000	Standard Pacific Corp., Guaranteed Notes, 8.38%, due 1/15/21	568,400
		2,218,313
Building Materials (2.1%)		
905,000	Masco Corp., Senior Unsecured Notes, 6.13%, due 10/3/16	990,579
310,000	Ply Gem Industries, Inc., Senior Secured Notes, 8.25%, due 2/15/18	330,925
1,990,000	USG Corp., Senior Unsecured Notes, 9.75%, due 1/15/18	2,174,075
2,050,000	USG Corp., Guaranteed Notes, 8.38%, due 10/15/18	2,234,500ñ
		5,730,079
Chemicals (4.7%)		
485,000	Huntsman Int'l LLC, Guaranteed Notes, 8.63%, due 3/15/20	546,838
1,530,000	Huntsman Int'l LLC, Guaranteed Notes, 8.63%, due 3/15/21	1,740,375
725,000	LyondellBasell Industries NV, Senior Unsecured Notes, 6.00%, due 11/15/21	838,281
3,935,000	Momentive Performance Materials, Inc., Senior Secured Notes, 10.00%, due 10/15/20	3,777,600ñ
4,640,000	Momentive Performance Materials, Inc., Secured Notes, 9.00%, due 1/15/21	3,201,600
2,835,000	MPM Escrow LLC/MPM Finance Escrow Corp., Senior Secured Notes, 8.88%, due 10/15/20	2,778,300ñ
		12,882,994
Computer Hardware (0.6%)		
1,505,000	Seagate HDD Cayman, Guaranteed Notes, 7.00%, due 11/1/21	1,572,725

See Notes to Schedule of Investments

Schedule of Investments High Yield Strategies Fund Inc. cont'd

PRINCIPAL AMOUNT		VALUE†
Consumer—Commercial Lease Financing (4.3%)		
\$ 1,915,000	CIT Group, Inc., Senior Unsecured Notes, 6.63%, due 4/1/18	\$ 2,135,225ñ
3,160,000	CIT Group, Inc., Senior Unsecured Notes, 5.50%, due 2/15/19	3,369,350ñ
2,340,000	Int'l Lease Finance Corp., Senior Unsecured Notes, 8.75%, due 3/15/17	2,732,301
1,240,000	Int'l Lease Finance Corp., Senior Unsecured Notes, 8.88%, due 9/1/17	1,460,100
1,965,000	Int'l Lease Finance Corp., Senior Unsecured Notes, 6.25%, due 5/15/19	2,117,781
		11,814,757
Consumer Products (0.1%)		
365,000	Alphabet Holding Co., Inc., Senior Unsecured Notes, 7.75%, due 11/1/17	368,194ñc
Department Stores (2.4%)		
7,069,000	Sears Holdings Corp., Secured Notes, 6.63%, due 10/15/18	6,609,515
Electric—Generation (2.9%)		
572,000	Calpine Corp., Senior Secured Notes, 7.25%, due 10/15/17	606,320ñØØ
670,000	Calpine Corp., Senior Secured Notes, 7.88%, due 7/31/20	733,650ñØØ
565,000	NRG Energy, Inc., Guaranteed Notes, 7.63%, due 1/15/18	617,263
2,045,000	NRG Energy, Inc., Guaranteed Notes, 8.25%, due 9/1/20	2,254,612
3,315,000	NRG Energy, Inc., Guaranteed Notes, 7.88%, due 5/15/21	3,629,925ØØ
		7,841,770
Electric—Integrated (0.7%)		
1,735,000	IPALCO Enterprises, Inc., Senior Secured Notes, 7.25%, due 4/1/16	1,932,358ñ
Electronics (3.1%)		
1,775,000	Ceridian Corp., Guaranteed Notes, 11.25%, due 11/15/15	1,730,625
4,510,125	Ceridian Corp., Guaranteed Notes, 12.25%, due 11/15/15	4,431,198c

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1,230,000	Ceridian Corp., Senior Secured Notes, 8.88%, due 7/15/19	1,303,800ñ
935,000	Freescale Semiconductor, Inc., Senior Secured Notes, 9.25%, due 4/15/18	1,000,450ñ 8,466,073
Energy—Exploration & Production (13.3%)		
1,535,000	Chesapeake Energy Corp., Guaranteed Notes, 6.50%, due 8/15/17	1,629,019
170,000	Chesapeake Energy Corp., Guaranteed Notes, 6.88%, due 8/15/18	178,500
1,250,000	Chesapeake Energy Corp., Guaranteed Notes, 7.25%, due 12/15/18	1,331,250
1,080,000	Chesapeake Energy Corp., Guaranteed Notes, 6.63%, due 8/15/20	1,134,000
1,870,000	Chesapeake Energy Corp., Guaranteed Notes, 6.13%, due 2/15/21	1,893,375
1,025,000	EP Energy LLC/Everest Acquisition Finance, Inc., Guaranteed Notes, 7.75%, due 9/1/22	1,060,875ñ
4,107,000	Everest Acquisition LLC, Senior Unsecured Notes, 9.38%, due 5/1/20	4,538,235ñ
3,895,000	EXCO Resources, Inc., Guaranteed Notes, 7.50%, due 9/15/18	3,661,300ØØ
1,460,000	Forest Oil Corp., Guaranteed Notes, 7.50%, due 9/15/20	1,492,850ñ
2,205,000	Linn Energy LLC, Guaranteed Notes, 6.25%, due 11/1/19	2,205,000ñ
1,255,000	Linn Energy LLC, Guaranteed Notes, 8.63%, due 4/15/20	1,372,656
2,190,000	Linn Energy LLC, Guaranteed Notes, 7.75%, due 2/1/21	2,337,825
930,000	Plains Exploration & Production Co., Guaranteed Notes, 7.63%, due 6/1/18	985,800
85,000	Plains Exploration & Production Co., Guaranteed Notes, 6.13%, due 6/15/19	84,788
845,000	Plains Exploration & Production Co., Guaranteed Notes, 8.63%, due 10/15/19	931,612
1,525,000		1,525,000

	Plains Exploration & Production Co., Guaranteed Notes, 6.50%, due 11/15/20	
805,000	Plains Exploration & Production Co., Guaranteed Notes, 6.63%, due 5/1/21	805,000
2,710,000	Plains Exploration & Production Co., Guaranteed Notes, 6.75%, due 2/1/22	2,723,550
1,430,000	Plains Exploration & Production Co., Guaranteed Notes, 6.88%, due 2/15/23	1,428,212
1,805,000	SandRidge Energy, Inc., Guaranteed Notes, 8.00%, due 6/1/18	1,895,250ñ
645,000	SandRidge Energy, Inc., Guaranteed Notes, 7.50%, due 2/15/23	667,575ñ
2,330,000	WPX Energy, Inc., Senior Unsecured Notes, 6.00%, due 1/15/22	2,493,100
		36,374,772

See Notes to Schedule of Investments

Schedule of Investments High Yield Strategies Fund Inc. cont'd

PRINCIPAL AMOUNT		VALUE†
Food & Drug Retailers (1.1%)		
\$ 675,000	Rite Aid Corp., Guaranteed Notes, 9.50%, due 6/15/17	\$ 693,562
560,000	Rite Aid Corp., Secured Notes, 10.25%, due 10/15/19	639,800
1,442,000	Rite Aid Corp., Senior Secured Notes, 8.00%, due 8/15/20	1,656,858
		2,990,220
Gaming (7.0%)		
1,155,000	Boyd Acquisition Sub LLC/Boyd Acquisition Finance Corp., Guaranteed Notes, 8.38%, due 2/15/18	1,180,987ñ
465,000	Boyd Gaming Corp., Senior Subordinated Notes, 7.13%, due 2/1/16	454,538
725,000	CityCenter Holdings LLC, Senior Secured Notes, 7.63%, due 1/15/16	773,938
1,090,000	CityCenter Holdings LLC, Senior Secured Notes, 7.63%, due 1/15/16	1,160,850ñ
250,271	CityCenter Holdings LLC, Secured Notes, 10.75%, due 1/15/17	264,662c
3,085,000	Graton Economic Development Authority, Senior Secured Notes, 9.63%, due 9/1/19	3,281,669ñ
975,000	MGM Mirage, Inc., Guaranteed Notes, 7.50%, due 6/1/16	1,033,500
730,000	MGM Mirage, Inc., Senior Secured Notes, 9.00%, due 3/15/20	813,950
1,775,000	MGM Resorts Int'l, Guaranteed Notes, 6.75%, due 10/1/20	1,761,687ñ
3,655,000	MGM Resorts Int'l, Guaranteed Notes, 7.75%, due 3/15/22	3,778,356ØØ
400,000	Mohegan Tribal Gaming Authority, Secured Notes, 10.50%, due 12/15/16	377,000ñ
1,920,000	Mohegan Tribal Gaming Authority, Guaranteed Notes, 11.00%, due 9/15/18	1,423,200ñ
890,979	Pinnacle Entertainment, Inc., Guaranteed Notes, 7.75%, due	964,485

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	4/1/22	
1,090,000	Seminole Indian Tribe of Florida, Notes, 7.75%, due 10/1/17	1,188,100ñ
691,000	Wynn Las Vegas LLC, 1st Mortgage, 7.75%, due 8/15/20	775,647
		19,232,569
Gas Distribution (8.0%)		
25,000	Access Midstream Partner L.P., Guaranteed Notes, 5.88%, due 4/15/21	26,000
1,740,000	Access Midstream Partner L.P., Guaranteed Notes, 6.13%, due 7/15/22	1,840,050
1,710,000	AmeriGas Finance LLC, Guaranteed Notes, 6.75%, due 5/20/20	1,838,250
1,825,000	AmeriGas Finance LLC, Guaranteed Notes, 7.00%, due 5/20/22	1,982,406
970,000	El Paso Corp., Senior Unsecured Notes, 7.00%, due 6/15/17	1,108,260
225,000	El Paso Corp., Senior Unsecured Notes, 7.25%, due 6/1/18	259,797
1,145,000	El Paso Corp., Senior Unsecured Global Medium-Term Notes, 7.75%, due 1/15/32	1,366,437
1,315,000	El Paso Energy Corp., Senior Unsecured Global Medium-Term Notes, 7.80%, due 8/1/31	1,565,062
2,700,000	Energy Transfer Equity L.P., Senior Secured Notes, 7.50%, due 10/15/20	3,071,250ØØ
1,990,000	Ferrellgas L.P., Senior Unsecured Notes, 9.13%, due 10/1/17	2,129,300
665,000	Kinder Morgan Finance Co., Guaranteed Notes, 5.70%, due 1/5/16	727,994
2,505,000	MarkWest Energy Partners L.P., Guaranteed Notes, Ser. B, 8.75%, due 4/15/18	2,680,350
1,360,000	Regency Energy Partners L.P., Guaranteed Notes, 6.88%, due 12/1/18	1,462,000
958,000	Suburban Propane Partners L.P./Suburban Energy Finance	1,029,850ñ

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	Corp., Senior Unsecured Notes, 7.50%, due 10/1/18	
	Suburban Propane Partners L.P./Suburban Energy Finance Corp., Senior Unsecured Notes, 7.38%, due 8/1/21	708,340ñ
662,000		
		21,795,346
Health Facilities (5.9%)		
2,455,000	CHS/Community Health Systems, Inc., Senior Secured Notes, 5.13%, due 8/15/18	2,547,062
695,000	Columbia Healthcare Corp., Senior Unsecured Notes, 7.50%, due 12/15/23	695,000
4,000,000	Columbia/HCA Corp., Senior Unsecured Notes, 7.69%, due 6/15/25	4,040,000
545,000	Columbia/HCA Corp., Senior Unsecured Notes, 7.05%, due 12/1/27	515,025
630,000	DaVita, Inc., Guaranteed Notes, 5.75%, due 8/15/22	658,350
230,000	HCA, Inc., Senior Secured Notes, 6.50%, due 2/15/20	254,150
2,090,000	OMEGA Healthcare Investors, Inc., Guaranteed Notes, 6.75%, due 10/15/22	2,278,100
2,225,000	Tenet Healthcare Corp., Senior Secured Notes, 8.88%, due 7/1/19	2,486,438
1,890,000	United Surgical Partners Int'l, Inc., Guaranteed Notes, 9.00%, due 4/1/20	2,069,550
470,000	Universal Health Services, Inc., Senior Secured Notes, 7.13%, due 6/30/16	532,275
		16,075,950

See Notes to Schedule of Investments

Schedule of Investments High Yield Strategies Fund Inc. cont'd

PRINCIPAL AMOUNT		VALUE†
Hotels (0.3%)		
\$ 670,000	Host Hotels & Resorts L.P., Unsubordinated Notes, Ser. W, 5.88%, due 6/15/19	\$ 737,000
180,000	Host Hotels & Resorts L.P., Senior Unsecured Notes, 6.00%, due 10/1/21	208,800
		945,800
Investments & Misc. Financial Services (2.3%)		
3,680,000	Icahn Enterprises L.P., Guaranteed Notes, 7.75%, due 1/15/16	3,845,600
980,000	Icahn Enterprises L.P., Guaranteed Notes, 8.00%, due 1/15/18	1,053,500
1,310,000	Icahn Enterprises L.P., Guaranteed Notes, 8.00%, due 1/15/18	1,408,250ñ
		6,307,350
Leisure (0.5%)		
1,155,000	Cedar Fair L.P., Guaranteed Notes, 9.13%, due 8/1/18	1,306,594
Machinery (1.5%)		
2,655,000	Case New Holland, Inc., Guaranteed Notes, 7.88%, due 12/1/17	3,119,625
910,000	The Manitowoc Co., Inc., Guaranteed Notes, 8.50%, due 11/1/20	1,021,475
		4,141,100
Media—Broadcast (5.1%)		
685,000	AMC Networks, Inc., Guaranteed Notes, 7.75%, due 7/15/21	775,763
4,075,000	Clear Channel Communications, Inc., Senior Unsecured Notes, 5.50%, due 9/15/14	3,810,125
1,100,000	Clear Channel Communications, Inc., Guaranteed Notes, 10.75%, due 8/1/16	814,000
3,215,000	Cumulus Media Holdings, Inc., Guaranteed Notes, 7.75%, due 5/1/19	3,142,662
1,330,000	Sirius XM Radio, Inc., Guaranteed Notes, 8.75%, due	1,509,550ñ

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	4/1/15	
1,080,000	Univision Communications, Inc., Senior Secured Notes, 6.88%, due 5/15/19	1,104,300ñ
375,000	Univision Communications, Inc., Senior Secured Notes, 7.88%, due 11/1/20	397,500ñ
1,160,000	Univision Communications, Inc., Guaranteed Notes, 8.50%, due 5/15/21	1,165,800ñ
1,095,000	XM Satellite Radio, Inc., Guaranteed Notes, 7.63%, due 11/1/18	1,209,975ñ
		13,929,675
Media—Cable (5.6%)		
210,000	CCO Holdings LLC, Guaranteed Notes, 7.88%, due 4/30/18	226,800
70,000	CCO Holdings LLC, Guaranteed Notes, 7.00%, due 1/15/19	75,250
1,040,000	CCO Holdings LLC, Guaranteed Notes, 8.13%, due 4/30/20	1,170,000
270,000	Cequel Communications Escrow 1 LLC/Cequel Communications Escrow Capital Corp., Senior Unsecured Notes, 6.38%, due 9/15/20	273,375ñ
2,020,000	Cequel Communications Holdings I LLC/Cequel Capital Corp., Senior Unsecured Notes, 8.63%, due 11/15/17	2,161,400ñ
270,000	CSC Holdings LLC, Senior Unsecured Notes, 7.63%, due 7/15/18	312,525
2,280,000	CSC Holdings LLC, Senior Unsecured Notes, 6.75%, due 11/15/21	2,536,500ñ
485,000	DISH DBS Corp., Guaranteed Notes, 7.75%, due 5/31/15	545,625
3,265,000	DISH DBS Corp., Guaranteed Notes, 6.75%, due 6/1/21	3,636,394
3,605,000	DISH DBS Corp., Guaranteed Notes, 5.88%, due 7/15/22	3,785,250
530,000	EchoStar DBS Corp., Guaranteed Notes, 7.13%, due 2/1/16	592,275
		15,315,394
Media—Services (1.9%)		

650,000	Clear Channel Worldwide Holdings, Inc., Guaranteed Notes, Ser. B, 9.25%, due 12/15/17	697,125
450,000	Clear Channel Worldwide Holdings, Inc., Guaranteed Notes, Ser. B, 7.63%, due 3/15/20	428,625
3,320,000	WMG Acquisition Corp., Senior Secured Notes, 9.50%, due 6/15/16	3,656,150
135,000	WMG Acquisition Corp., Senior Secured Notes, 9.50%, due 6/15/16	148,331
330,000	WMG Acquisition Corp., Senior Secured Notes, 6.00%, due 1/15/21	330,825
		5,261,056

See Notes to Schedule of Investments

Schedule of Investments High Yield Strategies Fund Inc. cont'd

PRINCIPAL AMOUNT		VALUE†
Medical Products (1.4%)		
\$ 970,000	Biomet, Inc., Guaranteed Notes, 6.50%, due 8/1/20	\$ 1,001,525ñ
410,000	Fresenius Medical Care US Finance II, Inc., Guaranteed Notes, 5.88%, due 1/31/22	436,137ñ
1,520,000	Fresenius Medical Care US Finance, Inc., Guaranteed Notes, 6.50%, due 9/15/18	1,702,400ñ
645,000	Hologic, Inc., Guaranteed Notes, 6.25%, due 8/1/20	683,700ñ
		3,823,762
Metals—Mining Excluding Steel (4.3%)		
625,000	Arch Coal, Inc., Guaranteed Notes, 7.25%, due 10/1/20	553,125
550,000	Arch Coal, Inc., Guaranteed Notes, 7.25%, due 6/15/21	485,375
4,870,000	FMG Resources (August 2006) Pty Ltd., Guaranteed Notes, 7.00%, due 11/1/15	4,918,700ñ
1,385,000	FMG Resources (August 2006) Pty Ltd., Senior Unsecured Notes, 6.00%, due 4/1/17	1,329,600ñ
1,490,000	FMG Resources (August 2006) Pty Ltd., Guaranteed Notes, 8.25%, due 11/1/19	1,490,000ñ
2,005,000	FMG Resources (August 2006) Pty Ltd., Senior Unsecured Notes, 6.88%, due 4/1/22	1,884,700ñ
1,200,000	Peabody Energy Corp., Guaranteed Notes, 6.00%, due 11/15/18	1,245,000
		11,906,500
Packaging (6.9%)		
2,300,000	Berry Plastics Corp., Secured Notes, 9.50%, due 5/15/18	2,501,250ØØ
5,055,000	Berry Plastics Corp., Secured Notes, 9.75%, due 1/15/21	5,737,425
1,040,000	Owens-Brockway Glass Container, Inc., Guaranteed Notes, 7.38%, due 5/15/16	1,190,800
950,000	Reynolds Group Issuer, Inc., Guaranteed Notes, 8.50%, due 5/15/18	945,250
1,970,000	Reynolds Group Issuer, Inc., Senior Secured Notes, 7.88%,	2,137,450

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	due 8/15/19	
3,060,000	Reynolds Group Issuer, Inc., Guaranteed Notes, 9.88%, due 8/15/19	3,205,350
2,205,000	Reynolds Group Issuer, Inc., Senior Secured Notes, 5.75%, due 10/15/20	2,227,050ñ
905,000	Reynolds Group Issuer, Inc., Senior Secured Notes, 6.88%, due 2/15/21	961,562
		18,906,137
Pharmaceuticals (2.7%)		
935,000	Endo Pharmaceuticals Holdings, Inc., Guaranteed Notes, 7.00%, due 7/15/19	1,009,800
540,000	Jaguar Holding Co., Senior Notes, 9.38%, due 10/15/17	548,100ñc
1,445,000	Jaguar Holding Co., Senior Unsecured Notes, 9.50%, due 12/1/19	1,614,787ñ
630,000	Valeant Pharmaceuticals Int'l, Guaranteed Notes, 6.75%, due 10/1/17	675,675ñ
365,000	Valeant Pharmaceuticals Int'l, Senior Notes, 6.38%, due 10/15/20	384,163ñ
3,080,000	VPI Escrow Corp., Guaranteed Notes, 6.38%, due 10/15/20	3,241,700ñ
		7,474,225
Printing & Publishing (6.4%)		
2,965,000	Cengage Learning Acquisitions, Inc., Senior Secured Notes, 11.50%, due 4/15/20	3,179,962ñ
920,000	Gannett Co., Inc., Guaranteed Notes, 9.38%, due 11/15/17	1,023,500
2,180,000	Gannett Co., Inc., Guaranteed Notes, 7.13%, due 9/1/18	2,378,925
885,000	R. R. Donnelley & Sons Co., Senior Unsecured Notes, 8.60%, due 8/15/16	964,650
5,720,000	R. R. Donnelley & Sons Co., Senior Unsecured Notes, 7.25%, due 5/15/18	5,684,250
2,755,000	R. R. Donnelley & Sons Co., Senior Unsecured Notes, 8.25%, due 3/15/19	2,837,650
1,355,000	R. R. Donnelley & Sons Co., Senior Unsecured Notes, 7.63%, due 6/15/20	1,334,675
		17,403,612
Real Estate Dev. & Mgt. (0.4%)		

1,005,000	Realty Corp., Senior Secured Notes, 7.63%, due 1/15/20	1,128,113ñ
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See Notes to Schedule of Investments

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Schedule of Investments High Yield Strategies Fund Inc. cont'd

PRINCIPAL AMOUNT		VALUE†
Software—Services (4.1%)		
\$ 820,000	Fidelity National Information Services, Inc., Guaranteed Notes, 7.88%, due 7/15/20	\$ 916,350
3,435,000	First Data Corp., Guaranteed Notes, 11.25%, due 3/31/16	3,357,712
1,055,000	First Data Corp., Senior Secured Notes, 7.38%, due 6/15/19	1,091,925
1,405,000	First Data Corp., Senior Secured Notes, 6.75%, due 11/1/20	1,405,000
1,420,000	Sophia, L.P., Guaranteed Notes, 9.75%, due 1/15/19	1,517,625
1,810,000	SunGard Data Systems, Inc., Guaranteed Notes, 6.63%, due 11/1/19	1,825,838
515,000	SunGard Data Systems, Inc., Guaranteed Notes, 7.63%, due 11/15/20	559,419
505,000	Syniverse Holdings, Inc., Guaranteed Notes, 9.13%, due 1/15/19	537,825
		11,211,694
Specialty Retail (2.5%)		
685,000	PC Merger Sub, Inc., Senior Notes, 8.88%, due 8/1/20	727,813
4,320,000	Toys "R" Us Property Co. I LLC, Guaranteed Notes, 10.75%, due 7/15/17	4,671,000
1,358,000	Toys "R" Us Property Co. II LLC, Senior Secured Notes, 8.50%, due 12/1/17	1,458,152
		6,856,965
Steel Producers—Products (1.5%)		
920,000	ArcelorMittal, Senior Unsecured Notes, 6.13%, due 6/1/18	916,951
3,060,000	ArcelorMittal, Senior Unsecured Notes, 5.50%, due 8/5/20	2,951,248
210,000	ArcelorMittal, Senior Unsecured Notes, 5.75%, due 3/1/21	202,765
		4,070,964
Support—Services (2.1%)		
2,205,000	ADS Waste Holdings, Inc., Senior Notes, 8.25%, due	2,282,175

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	10/1/20	
730,000	HDTFS, Inc., Guaranteed Notes, 5.88%, due 10/15/20	737,300ñ
990,000	Iron Mountain, Inc., Guaranteed Notes, 7.75%, due 10/1/19	1,116,225
1,240,000	Knowledge Learning Corp., Inc., Guaranteed Notes, 7.75%, due 2/1/15	1,091,200ñ
570,000	RSC Equipment Rental, Inc., Senior Unsecured Notes, 8.25%, due 2/1/21	629,850
		5,856,750
Telecom—Integrated Services (9.1%)		
460,000	CenturyLink, Inc., Senior Unsecured Notes, Ser. S, 6.45%, due 6/15/21	504,290
3,655,000	Citizens Communications Co., Senior Unsecured Notes, 9.00%, due 8/15/31	3,901,712
1,030,000	Integra Telecom Holdings, Inc., Senior Secured Notes, 10.75%, due 4/15/16	1,050,600ñ
4,163,290	Intelsat Bermuda Ltd., Guaranteed Notes, 11.50%, due 2/4/17	4,381,863c
670,000	Intelsat Jackson Holdings SA, Guaranteed Notes, 8.50%, due 11/1/19	752,075
355,000	Level 3 Communications, Inc., Senior Unsecured Notes, 8.88%, due 6/1/19	372,750ñ
1,370,000	Level 3 Financing, Inc., Guaranteed Notes, 8.13%, due 7/1/19	1,462,475
1,225,000	Level 3 Financing, Inc., Guaranteed Notes, 8.63%, due 7/15/20	1,335,250
1,280,000	PAETEC Holding Corp., Senior Secured Notes, 8.88%, due 6/30/17	1,379,200
510,000	PAETEC Holding Corp., Guaranteed Notes, 9.88%, due 12/1/18	582,675
1,475,000	Qwest Communications Int'l, Inc., Guaranteed Notes, 7.13%, due 4/1/18	1,557,998
500,000	Qwest Corp., Senior Unsecured Notes, 6.75%, due 12/1/21	598,014
1,874,000	U.S. West Communications Group, Senior Unsecured Notes, 6.88%, due 9/15/33	1,883,370

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715,000	Windstream Corp., Guaranteed Notes, 7.88%, due 11/1/17	796,331
65,000	Windstream Corp., Guaranteed Notes, 7.00%, due 3/15/19	66,544
460,000	Windstream Corp., Guaranteed Notes, 7.75%, due 10/15/20	495,650
1,610,000	Windstream Corp., Guaranteed Notes, 7.75%, due 10/1/21	1,740,813
2,065,000	Windstream Corp., Guaranteed Notes, 7.50%, due 6/1/22	2,188,900
		25,050,510

See Notes to Schedule of Investments

Schedule of Investments High Yield Strategies Fund Inc. cont'd

PRINCIPAL AMOUNT		VALUE†
Telecom—Wireless (4.8%)		
\$ 3,500,000	Clearwire Communications LLC, Senior Secured Notes, 12.00%, due 12/1/15	\$ 3,727,500ñ
570,000	SBA Telecommunications, Inc., Guaranteed Notes, 5.75%, due 7/15/20	592,800ñ
2,245,000	Sprint Capital Corp., Guaranteed Notes, 6.88%, due 11/15/28	2,295,512ØØ
1,975,000	Sprint Capital Corp., Guaranteed Notes, 8.75%, due 3/15/32	2,330,500
475,000	Sprint Nextel Corp., Guaranteed Notes, 9.00%, due 11/15/18	586,625ñ
1,147,000	Sprint Nextel Corp., Guaranteed Notes, 7.00%, due 3/1/20	1,330,520ñ
410,000	Wind Acquisition Finance SA, Senior Secured Notes, 7.25%, due 2/15/18	399,750ñ
2,035,000	Wind Acquisition Finance SA, Senior Secured Notes, 7.25%, due 2/15/18	1,973,950ñ 13,237,157
	Total Corporate Debt Securities (Cost \$331,802,506)	345,188,831
NUMBER OF SHARES		
Short-Term Investments (0.0%)		
1	State Street Institutional Liquid Reserves Fund Institutional Class (Cost \$1)	1
	Total Investments (136.5%) (Cost \$360,356,242)	374,281,890##
	Liabilities, less cash, receivables and other assets [(26.6%)]	(72,970,408)±
	Liquidation Value of Perpetual Preferred Shares [(9.9%)]	(27,175,000)
	Total Net Assets Applicable to Common Shareholders (100.0%)	\$274,136,482

See Notes to Schedule of Investments

Notes to Schedule of Investments

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

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

Level 1 – quoted prices in active markets for identical investments

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

Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

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

The value of the Fund's investments in debt securities is determined by Management primarily by obtaining valuations from independent pricing services based on readily available bid quotations, or if quotations are not available, by methods which include various considerations based on security type (generally Level 2 inputs). In addition to the consideration of yields or prices of securities of comparable quality, coupon, maturity and type; indications as to values from dealers; and general market conditions, the following is a description of other Level 2 inputs and related valuation techniques used by an independent pricing service to value certain types of debt securities of the Fund:

Corporate Debt Securities. Inputs used to value corporate debt securities generally include relative credit information, observed market movements, sector news, spread to the U.S. Treasury market, and other market information which may include benchmark yields, reported trades, broker-dealer quotes, issuer spreads, benchmark securities, bids, offers, and reference data, such as market research publications, when available ("Other Market Information").

High Yield Securities. Inputs used to value high yield securities generally include a number of observations of equity and credit default swap curves related to the issuer and Other Market Information.

Bank Loans. Inputs used by independent pricing services to value bank loan securities include multiple broker quotes (generally Level 2 inputs).

The value of the Fund's investments in interest rate swap contracts is determined by Management primarily by obtaining valuations from independent pricing services based on references to the underlying rates including the overnight index swap rate and London Interbank Offered Rate ("LIBOR") forward rate to produce the daily settlement price (generally Level 2 inputs).

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

Investments in State Street Institutional Liquid Reserves Fund Institutional Class are valued using the fund's daily calculated net asset value per share (Level 2 inputs).

See Notes to Financial Statements

Notes to Schedule of Investments cont'd

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

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

The following is a summary, categorized by Level, of inputs used to value the Fund's investments as of October 31, 2012:

Asset Valuation Inputs

Investments:	Level 1	Level 2	Level 3§	Total
Bank Loan Obligations [^]	\$ —	\$ 29,093,058	\$ —	29,093,058
Corporate Debt Securities				
Airlines	—	2,431,601	885,996	3,317,597
Automakers	—	2,500,037	—	2,500,037
Banking	—	9,332,204	—	9,332,204
Building & Construction	—	2,218,313	—	2,218,313
Building Materials	—	5,730,079	—	5,730,079
Chemicals	—	12,882,994	—	12,882,994
Computer Hardware	—	1,572,725	—	1,572,725
Consumer—Commercial				
Lease Financing	—	11,814,757	—	11,814,757
Consumer Products	—	368,194	—	368,194
Department Stores	—	6,609,515	—	6,609,515
Electric—Generation	—	7,841,770	—	7,841,770
Electric—Integrated	—	1,932,358	—	1,932,358
Electronics	—	8,466,073	—	8,466,073
Energy—Exploration & Production	—	36,374,772	—	36,374,772
Food & Drug				
Retailers	—	2,990,220	—	2,990,220
Gaming	—	19,232,569	—	19,232,569
Gas Distribution	—	21,795,346	—	21,795,346
Health Facilities	—	16,075,950	—	16,075,950
Hotels	—	945,800	—	945,800
Investments & Misc.				
Financial Services	—	6,307,350	—	6,307,350
Leisure	—	1,306,594	—	1,306,594

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Machinery	—	4,141,100	—	4,141,100
Media—Broadcast	—	13,929,675	—	13,929,675
Media—Cable	—	15,315,394	—	15,315,394

See Notes to Financial Statements

Notes to Schedule of Investments cont'd

Investments:	Level 1	Level 2	Level 3§	Total
		\$	\$	\$
Media—Services	\$ —	5,261,056	—	5,261,056
Medical Products	—	3,823,762	—	3,823,762
Metals—Mining				
Excluding Steel	—	11,906,500	—	11,906,500
Packaging	—	18,906,137	—	18,906,137
Pharmaceuticals	—	7,474,225	—	7,474,225
Printing & Publishing	—	17,403,612	—	17,403,612
Real Estate Dev. & Mgt.	—	1,128,113	—	1,128,113
Software—Services	—	11,211,694	—	11,211,694
Specialty Retail	—	6,856,965	—	6,856,965
Steel				
Producers—Products	—			