

Western Asset High Yield Defined Opportunity Fund Inc.
Form N-CSR
July 26, 2017

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

FORM N-CSR

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

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

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

Robert I. Frenkel, Esq.

Legg Mason & Co., LLC

100 First Stamford Place

Stamford, CT 06902

(Name and address of agent for service)

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

Date of fiscal year end: May 31

Date of reporting period: May 31, 2017

ITEM 1. REPORT TO STOCKHOLDERS.

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

Annual Report

May 31, 2017

WESTERN ASSET

HIGH YIELD DEFINED

OPPORTUNITY FUND INC. (HYI)

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

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Fund objectives

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

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

Letter from the chairman

Dear Shareholder,

At a meeting held in November 2016, the Fund's Board of Directors approved a recommendation from Legg Mason Partners Fund Advisor, LLC, the Fund's investment manager, to change the fiscal year-end of the Fund from August 31 to May 31st. As a result of this change, shareholders are being provided with a short-period annual report for the nine-month period from September 1, 2016 through May 31, 2017. Please read on for a more detailed look at the prevailing economic and market conditions during the Fund's abbreviated reporting period and to learn how those conditions have affected Fund performance.

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

Fund prices and performance,

Market insights and commentaries from our portfolio managers, and

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A host of educational resources.
We look forward to helping you meet your financial goals.

Sincerely,

Jane Trust, CFA

Chairman, President and Chief Executive Officer

June 30, 2017

II Western Asset High Yield Defined Opportunity Fund Inc.

Investment commentary

Economic review

The pace of U.S. economic activity fluctuated during the nine-month period from September 1, 2016 through May 31, 2017 (the reporting period). Looking back, the U.S. Department of Commerce reported that second quarter 2016 U.S. gross domestic product (GDP) growth was 1.4%. GDP growth for the third quarter of 2016 was 3.5%, the strongest reading in two years. However, fourth quarter 2016 GDP growth then moderated to 2.1%. Finally, the U.S. Department of Commerce's final reading for first quarter 2017 GDP growth released after the reporting period ended was 1.4%. The deceleration in growth reflected downturns in private inventory investment and personal consumption expenditures, along with more modest state and local government spending.

Job growth in the U.S. was solid overall and a tailwind for the economy during the reporting period. When the reporting period ended on May 31, 2017, the unemployment rate was 4.3%, as reported by the U.S. Department of Labor. This was the lowest unemployment rate since May 2001. The percentage of longer-term unemployed also declined over the period. In May 2017, 24.0% of Americans looking for a job had been out of work for more than six months, versus 24.9% when the period began.

Looking back, after an extended period of maintaining the federal funds rateⁱⁱ at a historically low range between zero and 0.25%, the Federal Reserve Board (the Fedⁱⁱ) increased the rate at its meeting on December 16, 2015. This marked the first rate hike since 2006. In particular, the U.S. central bank raised the federal funds rate to a range between 0.25% and 0.50%. The Fed then kept rates on hold at each meeting prior to its meeting in mid-December 2016. On December 14, 2016, the Fed raised rates to a range between 0.50% and 0.75%.

After holding rates steady at its meeting that concluded on February 1, 2017, the Fed raised rates to a range between 0.75% and 1.00% at its meeting that ended on March 15, 2017. Finally, at its meeting that concluded on June 14, 2017 after the reporting period ended the Fed raised rates to a range between 1.00% and 1.25%. The Fed also said that it planned to reduce its balance sheet, saying, "The Committee is maintaining its existing policy of reinvesting principal payments from its holdings of agency debt and agency mortgage-backed securities in agency mortgage-backed securities and of rolling over maturing Treasury securities at auction. The Committee currently expects to begin implementing a balance sheet normalization program this year, provided that the economy evolves broadly as anticipated."

As always, thank you for your confidence in our stewardship of your assets.

Sincerely,

Jane Trust, CFA

Chairman, President and Chief Executive Officer

June 30, 2017

Investment commentary (cont d)

All investments are subject to risk including the possible loss of principal. Past performance is no guarantee of future results.

ⁱ Gross domestic product (GDP) is the market value of all final goods and services produced within a country in a given period of time.

ⁱⁱ The federal funds rate is the rate charged by one depository institution on an overnight sale of immediately available funds (balances at the Federal Reserve) to another depository institution; the rate may vary from depository institution to depository institution and from day to day.

ⁱⁱⁱ The Federal Reserve Board (the Fed) is responsible for the formulation of U.S. policies designed to promote economic growth, full employment, stable prices and a sustainable pattern of international trade and payments.

IV Western Asset High Yield Defined Opportunity Fund Inc.

Fund overview

Q. What is the Fund's investment strategy?

A. The Fund's primary investment objective is to provide high income. As a secondary investment objective, the Fund will seek capital appreciation. We believe the extensive credit research and security selection expertise of Western Asset Management Company (Western Asset) will be key factors in driving Fund performance.

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. Currently, the Fund focuses on lower-quality and higher-yielding opportunities in the below investment grade corporate debt markets. Under normal market conditions, the Fund may also invest up to 20% of its net assets in fixed-income securities issued by U.S. or foreign governments, agencies and instrumentalities and/or fixed-income securities that are of investment grade quality. The Fund has a limited term and as a fundamental policy intends to liquidate and distribute substantially all of its net assets to stockholders after making appropriate provisions for any liabilities of the Fund on or about September 30, 2025.

In purchasing securities and other investments for the Fund, Western Asset, the Fund's subadviser, may take full advantage of the entire range of maturities offered by fixed-income securities and may adjust the average maturity or duration¹ of the Fund's portfolio from time to time, depending on its assessment of the relative yields available on securities of different durations and its expectations of future changes in interest rates. The Fund is also permitted purchases of equity securities (including but not limited to common stock, preferred stock, convertible securities, warrants of U.S. and non-U.S. issuers). The Fund may utilize a variety of derivative instruments primarily for hedging and risk management purposes, although the Fund may also use derivative instruments for investment purposes.

At Western Asset, we utilize a fixed-income team approach, with decisions derived from interaction among various investment management sector specialists. The sector teams are comprised of Western Asset's senior portfolio management personnel, research analysts and an in-house economist. Under this team approach, management of client fixed-income portfolios will reflect a consensus of interdisciplinary views within the Western Asset organization. The individuals responsible for development of investment strategy, day-to-day portfolio management, oversight and coordination of the Fund are S. Kenneth Leech, Michael C. Buchanan and Christopher F. Kilpatrick.

Q. What were the overall market conditions during the Fund's reporting period?

A. The overall fixed income market experienced periods of volatility and generated weak results over the nine-month reporting period from September 1, 2016 through May 31, 2017. The fixed income market was volatile at times given signs of generally modest economic growth, uncertainties regarding future Federal Reserve Board (the Fed's) monetary policy, implications of the U.K.'s referendum to leave the European Union (Brexit) and a number of geopolitical issues.

Fund overview (cont d)

Both short- and long-term Treasury yields moved higher during the reporting period as a whole. The yields for the two-year Treasury began the reporting period at 0.80% and ended the period at 1.28%. Their peak of 1.40% occurred on both March 13 and March 14, 2017, and their low of 0.73% occurred on September 29, 2016. The yields for the ten-year Treasury were 1.58% at the beginning of the period and ended the period at 2.21%. Their peak of 2.62% was on March 13, 2017, and their low of 1.54% occurred on September 7, 2016.

Regarding the global credit markets for the nine-month reporting period ended May 31, 2017, the period began with generally robust investor risk appetite as economic data improved, central banks remained highly accommodative and commodity prices stabilized. While there were occasional periods of weakness, such as immediately following the results of the U.S. elections in November 2016 and following the Fed's December 2016 meeting, these proved to be only temporary setbacks. In addition, investor sentiment was buoyed by expectations for improving growth, rising corporate profits and less regulation under President Donald Trump's administration. The market stumbled in March 2017 after the failure to repeal and replace the Affordable Care Act. This triggered skepticism regarding the timing and magnitude of President Trump's pro-growth agenda. However, the market again rallied in April and May 2017 amid generally supportive economic data.

The Bloomberg Barclays U.S. Aggregate Indexⁱⁱⁱ returned -0.73% for the nine-month reporting period from September 1, 2016 through May 31, 2017. Comparatively, riskier fixed-income securities, including high-yield bonds and emerging market debt, produced superior results. Over the reporting period, the Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index^{iv} gained 7.33%. During this period, as measured by the high yield index, lower-quality CCC-rated bonds outperformed higher-quality B-rated securities, returning 14.10% and 7.05%, respectively. Elsewhere, emerging market debt, as measured by the JPMorgan Emerging Markets Bond Index Global^v, returned 2.33% for the nine-month reporting period.

Q. How did we respond to these changing market conditions?

A. A number of adjustments were made to the Fund's portfolio during the reporting period. We reduced the Fund's overall risk exposure given the strong performance of the high-yield market and tighter spreads. This included paring our overweight to securities rated CCC. We also reduced the Fund's underweight to B-rated bonds. We added attractively valued bonds in the primary market, as well as rising star issuers that our credit team believed had a chance of being upgraded to investment grade. From an industry perspective, we pared the Fund's exposure to banks, as they have moved closer to our estimate of fair value, but remained constructive. We increased our allocation to the metals & mining industry given the recovery in commodity prices. In addition, management teams appeared to be focused on improving balance sheets, especially for fallen angels (investment grade holdings that had been downgraded to below investment grade status). We also added to the Fund's Energy sector exposure due to improving pricing and fundamentals. Finally, we added to the Fund's allocations to sovereign debt issued by Argentina and Ecuador as we found them to be attractively valued.

The Fund employed U.S. Treasury futures to manage its yield curve^{vi} positioning and

duration. All told, our Treasury futures trades detracted from performance during the reporting period. A credit default index swap (CDX), which was used to manage the Fund's high-yield corporate bond exposure, also marginally detracted from performance. Finally, currency forwards and options, which were utilized to manage the Fund's currency exposure, contributed to performance. All told, derivatives did not have a material impact to performance.

Performance review

For the nine-month period from September 1, 2016 through May 31, 2017, Western Asset High Yield Defined Opportunity Fund Inc. returned 8.82% based on its net asset value (NAVⁱⁱ) and 7.15% based on its New York Stock Exchange (NYSE) market price per share. The Fund's unmanaged benchmarks, the Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index B Componentⁱⁱⁱ and the Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index Caa Component^{iv}, returned 7.05% and 14.10%, respectively, for the same period. The Lipper High Yield Closed-End Funds Category Average^x returned 8.56% over the same time frame. Please note that Lipper performance returns are based on each fund's NAV.

During the reporting period, the Fund made distributions to shareholders totaling \$0.94 per share*. The performance table shows the Fund's nine-month total return based on its NAV and market price as of May 31, 2017. **Past performance is no guarantee of future results.**

Performance Snapshot as of May 31, 2017

Price Per Share	9-Month
\$16.93 (NAV)	Total Return**
\$15.44 (Market Price)	8.82%
	7.15%

All figures represent past performance and are not a guarantee of future results. Performance figures for periods shorter than one year represent cumulative figures and are not annualized.

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

Total return assumes the reinvestment of all distributions at NAV.

Total return assumes the reinvestment of all distributions in additional shares in accordance with the Fund's Dividend Reinvestment Plan.

Q. What were the leading contributors to performance?

A. The largest contributor to the Fund's absolute performance during the reporting period was the Fund's positioning in a number of sectors. An overweight to the Energy sector was additive for results, as it was one of the top performing sectors during the reporting period. Individual holdings that were positive for returns included overweight positions in Chesapeake Energy Corp., Petrobras and Oasis Petroleum Inc. Prior to the reporting period, we had a backdrop of weakening oil prices and all of these companies were downgraded by Moody's Investors Service. However, they subsequently improved their balance sheets and

*For the tax character of distributions paid during the fiscal period ended May 31, 2017, please refer to page 46 of this report.

Fund overview (cont d)

benefited from recovering oil prices. As a result, several of these companies have been recently upgraded. An overweight to the metals & mining industry was rewarded given its strong results over the reporting period. An example of holdings that added value was an overweight in Murray Energy Corp. The company performed well amid stabilizing commodity prices.

Also from an industry perspective, an overweight to the wireless industry and underweights to the media and retail industries were rewarded. The wireless industry performed well amid consistently solid revenues. The retail industry was negatively impacted by poor fundamental performance and long-term challenges, whereas the media industry was hampered by weak fundamentals.

Elsewhere, within the Communications¹ sector, an overweight to Sprint (Sprint Communications, Inc. and Sprint Corp.) was the largest contributor to results. Sprint's management team made improvements both from an operational and financial standpoint and its debt was upgraded by Moody's in January 2017.

Q. What were the leading detractors from performance?

A. Our ratings biases were the largest detractor from performance during the reporting period. In particular, an underweight to securities rated CCC and an overweight to securities rated B were not rewarded, as lower quality bonds significantly outperformed their higher quality counterparts.

From an industry perspective, overweights to wirelines industry and banks were additive to the Fund's absolute performance. However, they lagged the Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index during the reporting period.

A number of individual holdings were also negative for performance, including an underweight in Scientific Games International, along with our exposure to Sierra Hamilton and our equity position in Blue Ridge Mountain Resources. Scientific Games International performed well due to improving company and industry fundamentals. Therefore, the Fund's underweight position was not rewarded. A position in Sierra Hamilton LLC, an energy consulting company, was negative for performance as the company was downgraded by Moody's Investors Service in January 2017. Blue Ridge Mountain Resources Inc. filed for Chapter 11 in late 2015, emerged from bankruptcy in April 2016, and has gone through restructuring since then. In early April 2017, the company's equity valuation moved lower as a result of updated comparisons with other companies.

Looking for additional information?

The Fund is traded under the symbol **HYI** and its closing market price is available in most newspapers under the NYSE listings. The daily NAV is available on-line under the symbol **XHYIX** on most financial websites. *Barron's* and the *Wall Street Journal's* Monday edition both carry closed-end fund tables that provide additional information. In addition, the Fund issues a quarterly press release that can be found on most major financial websites as well as www.lmcef.com (click on the name of the Fund).

In a continuing effort to provide information concerning the Fund, shareholders may

call 1-888-777-0102 (toll free), Monday

¹ Communications consists of the following industries: Media - Cable, Media - Non-Cable and Telecommunications.

through Friday from 8:00 a.m. to 5:30 p.m. Eastern Time, for the Fund's current NAV, market price and other information.

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

Sincerely,

Western Asset Management Company

June 30, 2017

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

Portfolio holdings and breakdowns are as of May 31, 2017 and are subject to change and may not be representative of the portfolio managers current or future investments. Please refer to pages 10 through 26 for a list and percentage breakdown of the Fund's holdings.

The mention of sector breakdowns is for informational purposes only and should not be construed as a recommendation to purchase or sell any securities. The information provided regarding such sectors is not a sufficient basis upon which to make an investment decision. Investors seeking financial advice regarding the appropriateness of investing in any securities or investment strategies discussed should consult their financial professional. The Fund's top five sector holdings (as a percentage of net assets) as of May 31, 2017 were: Consumer Discretionary (17.2%), Energy (16.5%), Financials (11.4%), Telecommunication Services (11.3%) and Materials (8.5%). The Fund's portfolio composition is subject to change at any time.

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

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

Fund overview (cont d)

- ⁱ Duration is the measure of the price sensitivity of a fixed-income security to an interest rate change of 100 basis points. Calculation is based on the weighted average of the present values for all cash flows.
- ⁱⁱ The Federal Reserve Board (the Fed) is responsible for the formulation of U.S. policies designed to promote economic growth, full employment, stable prices, and a sustainable pattern of international trade and payments.
- ⁱⁱⁱ The Bloomberg Barclays U.S. Aggregate Index is a broad-based bond index comprised of government, corporate, mortgage- and asset-backed issues, rated investment grade or higher, and having at least one year to maturity.
- ^{iv} The Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index is an index of the 2% Issuer Cap component of the Bloomberg Barclays U.S. Corporate High Yield Index, which covers the U.S. dollar-denominated, non-investment grade, fixed-rate, taxable corporate bond market.
- ^v The JPMorgan Emerging Markets Bond Index Global (EMBI Global) tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds and local market instruments.
- ^{vi} The yield curve is the graphical depiction of the relationship between the yield on bonds of the same credit quality but different maturities.
- ^{vii} Net asset value (NAV) is calculated by subtracting total liabilities, including liabilities associated with financial leverage (if any), from the closing value of all securities held by the Fund (plus all other assets) and dividing the result (total net assets) by the total number of the common shares outstanding. The NAV fluctuates with changes in the market prices of securities in which the Fund has invested. However, the price at which an investor may buy or sell shares of the Fund is the Fund's market price as determined by supply of and demand for the Fund's shares.
- ^{viii} The Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index B Component is an index of the 2% Issuer Cap component of the Bloomberg Barclays U.S. Corporate High Yield Index and is comprised of B-rated securities included in this index.
- ^{ix} The Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index Caa Component is an index of the 2% Issuer Cap component of the Bloomberg Barclays U.S. Corporate High Yield Index and is comprised of Caa-rated securities included in this index.
- ^x Lipper, Inc., a wholly-owned subsidiary of Reuters, provides independent insight on global collective investments. Returns are based on the nine-month period ended May 31, 2017, including the reinvestment of all distributions, including returns of capital, if any, calculated among the 7 funds in the Fund's Lipper category.

Fund at a glance (unaudited)

Investment breakdown (%) as a percent of total investments

The bar graph above represents the composition of the Fund's investments as of May 31, 2017 and August 31, 2016 and does not include derivatives, such as forward foreign currency contracts. The Fund is actively managed. As a result, the composition of the Fund's investments is subject to change at any time.
* Represents less than 0.1%.

Spread duration (unaudited)

Economic exposure May 31, 2017

Total Spread Duration

HYI 4.00 years

Benchmark 3.28 years

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

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

Effective duration (unaudited)

Interest rate exposure May 31, 2017

Total Effective Duration

HYI 4.29 years

Benchmark 3.29 years

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

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

Schedule of investments

May 31, 2017

Western Asset High Yield Defined Opportunity Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
Corporate Bonds & Notes 86.0%				
Consumer Discretionary 16.6%				
<i>Auto Components</i> 1.0%				
Adient Global Holdings Ltd., Senior Notes	4.875%	8/15/26	2,070,000	\$ 2,087,467 ^(a)
ZF North America Capital Inc., Senior Notes	4.750%	4/29/25	1,500,000	1,584,375 ^(a)
<i>Total Auto Components</i>				3,671,842
<i>Diversified Consumer Services</i> 0.7%				
Prime Security Services Borrower LLC/Prime Finance Inc., Secured Notes	9.250%	5/15/23	1,390,000	1,523,217 ^(a)
Service Corp. International, Senior Notes	7.500%	4/1/27	1,030,000	1,212,825
<i>Total Diversified Consumer Services</i>				2,736,042
<i>Hotels, Restaurants & Leisure</i> 4.8%				
Aramark Services Inc., Senior Notes	5.000%	4/1/25	630,000	663,075 ^(a)
Bossier Casino Venture Holdco Inc., Senior Secured Bonds (14.000% PIK)	14.000%	2/9/18	1,215,851	1,215,851 ^{(a)(b)(c)(d)}
Brinker International Inc., Senior Notes	5.000%	10/1/24	1,080,000	1,092,150 ^(a)
Carrols Restaurant Group Inc., Secured Notes	8.000%	5/1/22	820,000	880,475
CCM Merger Inc., Senior Notes	6.000%	3/15/22	723,000	748,305 ^(a)
CEC Entertainment Inc., Senior Notes	8.000%	2/15/22	1,200,000	1,266,000
Downstream Development Authority of the Quapaw Tribe of Oklahoma, Senior Secured Notes	10.500%	7/1/19	890,000	872,200 ^(a)
Hilton Worldwide Finance LLC/Hilton Worldwide Finance Corp., Senior Notes	4.625%	4/1/25	1,200,000	1,245,000 ^(a)
Hilton Worldwide Finance LLC/Hilton Worldwide Finance Corp., Senior Notes	4.875%	4/1/27	810,000	840,375 ^(a)
Jack Ohio Finance LLC/Jack Ohio Finance 1 Corp., Senior Secured Notes	6.750%	11/15/21	1,110,000	1,153,012 ^(a)
Landry's Inc., Senior Notes	6.750%	10/15/24	900,000	931,500 ^(a)
Mohegan Tribal Gaming Authority, Senior Notes	7.875%	10/15/24	1,000,000	1,036,250 ^(a)
Scientific Games International Inc., Senior Notes	10.000%	12/1/22	880,000	961,400
Scientific Games International Inc., Senior Secured Notes	7.000%	1/1/22	820,000	877,400 ^(a)
Silversea Cruise Finance Ltd., Senior Secured Notes	7.250%	2/1/25	852,000	914,324 ^(a)
Sugarhouse HSP Gaming Prop Mezz LP/Sugarhouse HSP Gaming Finance Corp., Senior Secured Notes	5.875%	5/15/25	990,000	978,863 ^(a)
Viking Cruises Ltd., Senior Notes	8.500%	10/15/22	2,840,000	2,985,550 ^(a)
<i>Total Hotels, Restaurants & Leisure</i>				18,661,730
<i>Household Durables</i> 0.7%				
Century Communities Inc., Senior Notes	5.875%	7/15/25	1,100,000	1,102,750 ^(a)
Lennar Corp., Senior Notes	4.500%	4/30/24	460,000	466,325
Shea Homes LP/Shea Homes Funding Corp., Senior Notes	6.125%	4/1/25	850,000	875,500 ^(a)

See Notes to Financial Statements.

Western Asset High Yield Defined Opportunity Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
<i>Household Durables continued</i>				
William Lyon Homes Inc., Senior Notes	7.000%	8/15/22	250,000	\$ 260,625
<i>Total Household Durables</i>				2,705,200
<i>Leisure Products 0.3%</i>				
Gibson Brands Inc., Senior Secured Notes	8.875%	8/1/18	1,070,000	965,675 ^(a)
<i>Media 6.4%</i>				
AMC Entertainment Holdings Inc., Senior Notes	6.125%	5/15/27	760,000	787,550 ^(a)
Carmike Cinemas Inc., Secured Notes	6.000%	6/15/23	440,000	469,700 ^(a)
CCO Holdings LLC/CCO Holdings Capital Corp., Senior Notes	5.125%	5/1/27	520,000	533,975 ^(a)
Charter Communications Operating LLC/Charter Communications Operating Capital Corp., Senior Secured Notes	4.908%	7/23/25	3,010,000	3,272,352
Charter Communications Operating LLC/Charter Communications Operating Capital Corp., Senior Secured Notes	6.484%	10/23/45	640,000	768,701
DISH DBS Corp., Senior Notes	5.875%	7/15/22	280,000	299,600
DISH DBS Corp., Senior Notes	5.875%	11/15/24	220,000	235,125
DISH DBS Corp., Senior Notes	7.750%	7/1/26	30,000	35,325
EW Scripps Co., Senior Notes	5.125%	5/15/25	630,000	646,538 ^(a)
iHeartCommunications Inc., Senior Notes (12.000% Cash, 2.000% PIK)	14.000%	2/1/21	2,858,218	703,836 ^(b)
MDC Partners Inc., Senior Notes	6.500%	5/1/24	490,000	496,125 ^(a)
SFR Group SA, Senior Secured Bonds	6.250%	5/15/24	2,730,000	2,876,737 ^(a)
SFR Group SA, Senior Secured Notes	7.375%	5/1/26	4,300,000	4,668,166 ^(a)
Time Warner Cable LLC, Senior Notes	8.250%	4/1/19	550,000	610,464
Univision Communications Inc., Senior Secured Notes	6.750%	9/15/22	1,714,000	1,797,558 ^(a)
Viacom Inc., Senior Notes	4.375%	3/15/43	2,140,000	1,892,325
Virgin Media Finance PLC, Senior Notes	6.375%	4/15/23	1,260,000	1,327,725 ^(a)
Virgin Media Finance PLC, Senior Notes	6.000%	10/15/24	1,750,000	1,850,625 ^(a)
Ziggo Secured Finance BV, Senior Secured Notes	5.500%	1/15/27	1,430,000	1,455,783 ^(a)
<i>Total Media</i>				24,728,210
<i>Multiline Retail 0.1%</i>				
Jo-Ann Stores Holdings Inc., Senior Notes (9.750% Cash or 10.500% PIK)	9.750%	10/15/19	380,000	379,050 ^{(a)(b)}
Neiman Marcus Group LLC, Senior Secured Notes	7.125%	6/1/28	270,000	196,087
<i>Total Multiline Retail</i>				575,137
<i>Specialty Retail 2.4%</i>				
American Greetings Corp., Senior Notes	7.875%	2/15/25	1,230,000	1,316,100 ^(a)
GameStop Corp., Senior Notes	6.750%	3/15/21	730,000	750,988 ^(a)
Guitar Center Inc., Senior Secured Bonds	6.500%	4/15/19	2,730,000	2,364,862 ^(a)

See Notes to Financial Statements.

Schedule of investments (cont d)

May 31, 2017

Western Asset High Yield Defined Opportunity Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
<i>Specialty Retail continued</i>				
Hertz Corp., Senior Notes	5.875%	10/15/20	520,000	\$ 495,300
Hot Topic Inc., Senior Secured Notes	9.250%	6/15/21	660,000	673,200 (a)
PetSmart Inc., Senior Notes	7.125%	3/15/23	1,630,000	1,524,050 (a)
PetSmart Inc., Senior Notes	8.875%	6/1/25	830,000	819,625 (a)
PetSmart Inc., Senior Secured Notes	5.875%	6/1/25	320,000	322,000 (a)
ServiceMaster Co., LLC, Senior Notes	5.125%	11/15/24	940,000	977,224 (a)
<i>Total Specialty Retail</i>				<i>9,243,349</i>
<i>Textiles, Apparel & Luxury Goods 0.2%</i>				
Hanesbrands Inc., Senior Notes	4.875%	5/15/26	640,000	644,800 (a)
Total Consumer Discretionary				63,931,985
<i>Consumer Staples 4.1%</i>				
<i>Beverages 0.7%</i>				
Carolina Beverage Group LLC/Carolina Beverage Group Finance Inc., Secured Notes	10.625%	8/1/18	1,060,000	1,060,000 (a)
Cott Holdings Inc., Senior Notes	5.500%	4/1/25	920,000	944,049 (a)
DS Services of America Inc., Secured Notes	10.000%	9/1/21	714,000	763,087 (a)
<i>Total Beverages</i>				<i>2,767,136</i>
<i>Food & Staples Retailing 0.4%</i>				
Beverages & More Inc., Senior Secured Notes	10.000%	11/15/18	1,550,000	1,478,313 (a)
<i>Food Products 2.2%</i>				
AdvancePierre Foods Holdings Inc., Senior Notes	5.500%	12/15/24	890,000	1,004,587 (a)
Lamb Weston Holdings Inc., Senior Notes	4.625%	11/1/24	1,260,000	1,297,800 (a)
Lamb Weston Holdings Inc., Senior Notes	4.875%	11/1/26	720,000	741,600 (a)
Pilgrim s Pride Corp., Senior Notes	5.750%	3/15/25	720,000	741,600 (a)
Post Holdings Inc., Senior Notes	5.500%	3/1/25	1,180,000	1,239,000 (a)
Simmons Foods Inc., Secured Notes	7.875%	10/1/21	3,140,000	3,351,950 (a)
<i>Total Food Products</i>				<i>8,376,537</i>
<i>Household Products 0.3%</i>				
Central Garden & Pet Co., Senior Notes	6.125%	11/15/23	570,000	612,750
Spectrum Brands Inc., Senior Notes	6.625%	11/15/22	460,000	486,450
<i>Total Household Products</i>				<i>1,099,200</i>
<i>Tobacco 0.5%</i>				
Alliance One International Inc., Secured Notes	9.875%	7/15/21	1,640,000	1,437,050
Alliance One International Inc., Senior Secured Notes	8.500%	4/15/21	560,000	585,200 (a)
<i>Total Tobacco</i>				<i>2,022,250</i>
Total Consumer Staples				15,743,436

See Notes to Financial Statements.

Western Asset High Yield Defined Opportunity Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
Energy 14.8%				
<i>Energy Equipment & Services 1.8%</i>				
Ensco PLC, Senior Notes	4.700%	3/15/21	190,000	\$ 192,850
Ensco PLC, Senior Notes	5.750%	10/1/44	1,130,000	808,492
KCA Deutag UK Finance PLC, Senior Secured Notes	7.250%	5/15/21	440,000	416,240 ^(a)
KCA Deutag UK Finance PLC, Senior Secured Notes	9.875%	4/1/22	1,480,000	1,524,400 ^(a)
Pride International Inc., Senior Notes	6.875%	8/15/20	280,000	299,250
Pride International Inc., Senior Notes	7.875%	8/15/40	1,680,000	1,528,800
Sierra Hamilton LLC/Sierra Hamilton Finance Inc., Senior Secured Notes	12.250%	12/15/18	1,140,000	174,306 ^{*(a)(c)(d)(e)}
Transocean Inc., Senior Notes	9.000%	7/15/23	440,000	462,000 ^(a)
Trinidad Drilling Ltd., Senior Notes	6.625%	2/15/25	1,490,000	1,486,275 ^(a)
<i>Total Energy Equipment & Services</i>				<i>6,892,613</i>
<i>Oil, Gas & Consumable Fuels 13.0%</i>				
Berry Petroleum Co. Escrow			640,000	0 ^{*(c)(d)(f)}
Berry Petroleum Co. Escrow			1,571,000	0 ^{*(c)(d)(f)}
Blue Racer Midstream LLC/Blue Racer Finance Corp., Senior Notes	6.125%	11/15/22	1,920,000	1,982,400 ^(a)
Calumet Specialty Products Partners LP/Calumet Finance Corp., Senior Secured Notes	11.500%	1/15/21	910,000	1,066,975 ^(a)
Carrizo Oil & Gas Inc., Senior Notes	7.500%	9/15/20	780,000	800,475
Cheniere Corpus Christi Holdings LLC, Senior Secured Notes	5.875%	3/31/25	1,110,000	1,196,025
Chesapeake Energy Corp., Senior Notes	6.875%	11/15/20	1,960,000	2,038,400
Chesapeake Energy Corp., Senior Notes	4.875%	4/15/22	3,320,000	3,104,200
Chesapeake Energy Corp., Senior Notes	5.750%	3/15/23	320,000	301,600
Chesapeake Energy Corp., Senior Notes	8.000%	1/15/25	390,000	389,513 ^(a)
Continental Resources Inc., Senior Notes	5.000%	9/15/22	310,000	311,550
Continental Resources Inc., Senior Notes	3.800%	6/1/24	500,000	469,700
Continental Resources Inc., Senior Notes	4.900%	6/1/44	1,090,000	938,076
Covey Park Energy LLC/Covey Park Finance Corp., Senior Notes	7.500%	5/15/25	760,000	780,900 ^(a)
Ecopetrol SA, Senior Notes	5.875%	5/28/45	1,500,000	1,392,600
EP Energy LLC/Everest Acquisition Finance Inc., Senior Notes	9.375%	5/1/20	820,000	754,400
EP Energy LLC/Everest Acquisition Finance Inc., Senior Notes	6.375%	6/15/23	2,080,000	1,500,200
Exterran Energy Solutions LP/EES Finance Corp., Senior Notes	8.125%	5/1/25	730,000	759,200 ^(a)
Holly Energy Partners LP/Holly Energy Finance Corp., Senior Notes	6.000%	8/1/24	300,000	318,375 ^(a)
Kinder Morgan Inc., Medium-Term Notes	7.750%	1/15/32	810,000	1,043,922

See Notes to Financial Statements.

Schedule of investments (cont d)

May 31, 2017

Western Asset High Yield Defined Opportunity Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
<i>Oil, Gas & Consumable Fuels continued</i>				
Magnum Hunter Resources Corp. Escrow			3,530,000	\$ 0 *(c)(d)(f)
MEG Energy Corp., Senior Notes	6.375%	1/30/23	2,600,000	2,242,500 (a)
MEG Energy Corp., Senior Notes	7.000%	3/31/24	590,000	513,300 (a)
Murphy Oil USA Inc., Senior Notes	5.625%	5/1/27	740,000	776,075
Murray Energy Corp., Senior Secured Notes	11.250%	4/15/21	740,000	569,800 (a)
NGL Energy Partners LP/NGL Energy Finance Corp., Senior Notes	7.500%	11/1/23	850,000	864,875 (a)
NGPL PipeCo LLC, Senior Secured Notes	7.768%	12/15/37	790,000	942,075 (a)
Oasis Petroleum Inc., Senior Notes	7.250%	2/1/19	1,490,000	1,490,000
Oasis Petroleum Inc., Senior Notes	6.500%	11/1/21	2,140,000	2,182,800
Oasis Petroleum Inc., Senior Notes	6.875%	1/15/23	1,553,000	1,574,354
Petrobras Global Finance BV, Senior Notes	6.750%	1/27/41	4,540,000	4,292,570
Rice Energy Inc., Senior Notes	7.250%	5/1/23	1,490,000	1,599,887
Rockies Express Pipeline LLC, Senior Notes	7.500%	7/15/38	570,000	641,250 (a)
Rockies Express Pipeline LLC, Senior Notes	6.875%	4/15/40	590,000	643,100 (a)
Sanchez Energy Corp., Senior Notes	7.750%	6/15/21	860,000	814,850
Sanchez Energy Corp., Senior Notes	6.125%	1/15/23	4,020,000	3,557,700
Shelf Drilling Holdings Ltd., Secured Notes	9.500%	11/2/20	738,868	740,715 (a)
Tesoro Logistics LP/Tesoro Logistics Finance Corp., Senior Notes	6.125%	10/15/21	120,000	125,475
Tesoro Logistics LP/Tesoro Logistics Finance Corp., Senior Notes	6.375%	5/1/24	340,000	371,450
Whiting Petroleum Corp., Senior Notes	5.000%	3/15/19	770,000	771,925
Whiting Petroleum Corp., Senior Notes	6.250%	4/1/23	1,750,000	1,750,000
Williams Cos. Inc., Debentures	7.500%	1/15/31	330,000	392,700
Williams Cos. Inc., Senior Notes	3.700%	1/15/23	430,000	425,700
Williams Cos. Inc., Senior Notes	4.550%	6/24/24	530,000	547,225
Williams Cos. Inc., Senior Notes	5.750%	6/24/44	1,620,000	1,697,954
WPX Energy Inc., Senior Notes	7.500%	8/1/20	270,000	286,200
WPX Energy Inc., Senior Notes	6.000%	1/15/22	710,000	720,650
WPX Energy Inc., Senior Notes	8.250%	8/1/23	460,000	506,000
<i>Total Oil, Gas & Consumable Fuels</i>				<i>50,189,641</i>
Total Energy				57,082,254
Financials 10.9%				
<i>Banks 5.9%</i>				
Bank of America Corp., Junior Subordinated Notes	6.500%	10/23/24	1,120,000	1,240,400 (g)(h)
Barclays Bank PLC, Subordinated Notes	10.179%	6/12/21	1,550,000	1,965,373 (a)
Barclays Bank PLC, Subordinated Notes	7.625%	11/21/22	1,950,000	2,209,594
Barclays PLC, Junior Subordinated Bonds	8.250%	12/15/18	340,000	363,800 (g)(h)

See Notes to Financial Statements.

Western Asset High Yield Defined Opportunity Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
<i>Banks continued</i>				
BNP Paribas SA, Junior Subordinated Notes	7.375%	8/19/25	810,000	\$ 891,000 (a)(g)(h)
CIT Group Inc., Senior Notes	5.000%	8/15/22	110,000	119,317
CIT Group Inc., Senior Notes	5.000%	8/1/23	360,000	389,250
Citigroup Inc., Junior Subordinated Bonds	6.300%	5/15/24	3,080,000	3,249,400 (g)(h)
Credit Agricole SA, Junior Subordinated Notes	8.375%	10/13/19	660,000	739,200 (a)(g)(h)
Credit Agricole SA, Junior Subordinated Notes	8.125%	12/23/25	1,330,000	1,541,349 (a)(g)(h)
HSBC Holdings PLC, Junior Subordinated Bonds	6.375%	9/17/24	290,000	303,485 (g)(h)
HSBC Holdings PLC, Junior Subordinated Bonds	6.375%	3/30/25	860,000	907,300 (g)(h)
JPMorgan Chase & Co., Junior Subordinated Bonds	6.000%	8/1/23	30,000	31,969 (g)(h)
JPMorgan Chase & Co., Junior Subordinated Notes	6.100%	10/1/24	1,000,000	1,077,500 (g)(h)
Royal Bank of Scotland Group PLC, Junior Subordinated Notes	8.625%	8/15/21	610,000	669,475 (g)(h)
Royal Bank of Scotland Group PLC, Junior Subordinated Notes, Medium-Term Notes	7.640%	9/30/17	7,000,000	6,667,500 (g)(h)
Royal Bank of Scotland NV, Subordinated Bonds	7.750%	5/15/23	350,000	416,311
<i>Total Banks</i>				<i>22,782,223</i>
<i>Capital Markets 1.0%</i>				
Credit Suisse Group Funding Guernsey Ltd., Senior Notes	4.875%	5/15/45	460,000	498,463
Donnelley Financial Solutions Inc., Senior Notes	8.250%	10/15/24	890,000	936,725
Eagle Holding Co. II LLC, Senior Notes (7.625% Cash or 8.375% PIK)	7.625%	5/15/22	1,090,000	1,127,093 (a)(b)
Goldman Sachs Group Inc., Subordinated Notes	5.150%	5/22/45	1,080,000	1,179,554
<i>Total Capital Markets</i>				<i>3,741,835</i>
<i>Consumer Finance 1.2%</i>				
FirstCash Inc., Senior Notes	5.375%	6/1/24	800,000	821,000 (a)
Navient Corp., Medium-Term Notes, Senior Notes	8.450%	6/15/18	920,000	978,144
Navient Corp., Senior Notes	6.750%	6/25/25	260,000	261,833
TMX Finance LLC/TitleMax Finance Corp., Senior Secured Notes	8.500%	9/15/18	2,630,000	2,511,650 (a)
<i>Total Consumer Finance</i>				<i>4,572,627</i>
<i>Diversified Financial Services 2.5%</i>				
AerCap Ireland Capital DAC/AerCap Global Aviation Trust, Senior Bonds	4.625%	7/1/22	360,000	386,231
ASP AMC Merger Subordinated Inc., Senior Notes	8.000%	5/15/25	1,830,000	1,795,688 (a)
International Lease Finance Corp., Senior Notes	6.250%	5/15/19	130,000	139,836
International Lease Finance Corp., Senior Notes	8.250%	12/15/20	3,140,000	3,721,343
International Lease Finance Corp., Senior Notes	5.875%	8/15/22	310,000	352,590
Park Aerospace Holdings Ltd., Senior Notes	5.250%	8/15/22	1,090,000	1,147,906 (a)
Park Aerospace Holdings Ltd., Senior Notes	5.500%	2/15/24	2,010,000	2,121,806 (a)
<i>Total Diversified Financial Services</i>				<i>9,665,400</i>

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Schedule of investments (cont d)

May 31, 2017

Western Asset High Yield Defined Opportunity Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
<i>Insurance 0.3%</i>				
Fidelity & Guaranty Life Holdings Inc., Senior Notes	6.375%	4/1/21	620,000	\$ 637,825 (a)
Genworth Holdings Inc., Senior Notes	4.900%	8/15/23	760,000	625,100
<i>Total Insurance</i>				<i>1,262,925</i>
Total Financials				42,025,010
<i>Health Care 6.2%</i>				
<i>Biotechnology 0.2%</i>				
AMAG Pharmaceuticals Inc., Senior Notes	7.875%	9/1/23	660,000	641,850 (a)
<i>Health Care Equipment & Supplies 0.5%</i>				
DJO Finance LLC/DJO Finance Corp., Secured Notes	10.750%	4/15/20	260,000	223,600
DJO Finco Inc./DJO Finance LLC/DJO Finance Corp., Secured Notes	8.125%	6/15/21	1,190,000	1,112,650 (a)
Greatbatch Ltd., Senior Notes	9.125%	11/1/23	780,000	826,800 (a)
<i>Total Health Care Equipment & Supplies</i>				<i>2,163,050</i>
<i>Health Care Providers & Services 3.5%</i>				
BioScrip Inc., Senior Notes	8.875%	2/15/21	820,000	692,900
Centene Corp., Senior Notes	5.625%	2/15/21	630,000	659,534
Centene Corp., Senior Notes	6.125%	2/15/24	370,000	402,952
Centene Corp., Senior Notes	4.750%	1/15/25	1,080,000	1,117,800
CHS/Community Health Systems Inc., Senior Notes	8.000%	11/15/19	630,000	635,513
CHS/Community Health Systems Inc., Senior Secured Notes	6.250%	3/31/23	330,000	343,365
DaVita Inc., Senior Notes	5.750%	8/15/22	1,400,000	1,453,375
DaVita Inc., Senior Notes	5.125%	7/15/24	890,000	907,244
DaVita Inc., Senior Notes	5.000%	5/1/25	1,750,000	1,743,437
HCA Inc., Debentures	7.500%	11/15/95	1,000,000	1,001,250
Tenet Healthcare Corp., Senior Notes	8.125%	4/1/22	2,790,000	2,950,425
Universal Hospital Services Inc., Secured Notes	7.625%	8/15/20	1,410,000	1,445,250
<i>Total Health Care Providers & Services</i>				<i>13,353,045</i>
<i>Pharmaceuticals 2.0%</i>				
Valeant Pharmaceuticals International Inc., Senior Notes	5.375%	3/15/20	890,000	832,195 (a)
Valeant Pharmaceuticals International Inc., Senior Notes	7.000%	10/1/20	310,000	297,600 (a)
Valeant Pharmaceuticals International Inc., Senior Notes	6.375%	10/15/20	280,000	264,600 (a)
Valeant Pharmaceuticals International Inc., Senior Notes	7.500%	7/15/21	780,000	725,891 (a)
Valeant Pharmaceuticals International Inc., Senior Notes	6.750%	8/15/21	460,000	414,000 (a)
Valeant Pharmaceuticals International Inc., Senior Notes	7.250%	7/15/22	1,890,000	1,686,825 (a)
Valeant Pharmaceuticals International Inc., Senior Notes	5.875%	5/15/23	840,000	688,275 (a)
Valeant Pharmaceuticals International Inc., Senior Notes	6.125%	4/15/25	2,000,000	1,617,500 (a)
Valeant Pharmaceuticals International Inc., Senior Secured Notes	6.500%	3/15/22	380,000	399,874 (a)

See Notes to Financial Statements.

Western Asset High Yield Defined Opportunity Fund Inc.

	Rate	Maturity Date	Face Amount	Value
Security				
<i>Pharmaceuticals continued</i>				
Valeant Pharmaceuticals International Inc., Senior Secured Notes	7.000%	3/15/24	670,000	\$ 710,207 ^(a)
<i>Total Pharmaceuticals</i>				7,636,967
Total Health Care				23,794,912
Industrials 7.9%				
<i>Aerospace & Defense 1.1%</i>				
CBC Ammo LLC/CBC FinCo Inc., Senior Notes	7.250%	11/15/21	2,900,000	2,936,250 ^(a)
Heligear Acquisition Co., Senior Secured Bonds	10.250%	10/15/19	620,000	637,732 ^(a)
LMI Aerospace Inc., Secured Notes	7.375%	7/15/19	730,000	760,113
<i>Total Aerospace & Defense</i>				4,334,095
<i>Air Freight & Logistics 0.5%</i>				
XPO Logistics Inc., Senior Notes	6.500%	6/15/22	880,000	937,596 ^(a)
XPO Logistics Inc., Senior Notes	6.125%	9/1/23	810,000	857,588 ^(a)
<i>Total Air Freight & Logistics</i>				1,795,184
<i>Airlines 0.3%</i>				
Delta Air Lines Inc., Pass-Through Certificates, Secured Notes	8.021%	8/10/22	881,510	1,006,024
<i>Commercial Services & Supplies 2.0%</i>				
ACCO Brands Corp., Senior Notes	5.250%	12/15/24	670,000	693,450 ^(a)
Garda World Security Corp., Senior Notes	7.250%	11/15/21	540,000	548,100 ^(a)
GFL Environmental Inc., Senior Notes	9.875%	2/1/21	1,000,000	1,092,500 ^(a)
Monitronics International Inc., Senior Notes	9.125%	4/1/20	800,000	768,000
Ritchie Bros. Auctioneers Inc., Senior Notes	5.375%	1/15/25	870,000	902,625 ^(a)
United Rentals North America Inc., Senior Notes	7.625%	4/15/22	751,000	785,734
West Corp., Senior Notes	5.375%	7/15/22	2,990,000	3,051,683 ^(a)
<i>Total Commercial Services & Supplies</i>				7,842,092
<i>Construction & Engineering 0.5%</i>				
Brundage-Bone Concrete Pumping Inc., Senior Secured Notes	10.375%	9/1/21	860,000	907,300 ^(a)
Michael Baker Holdings LLC/Michael Baker Finance Corp., Senior Notes (8.875% Cash or 9.625% PIK)	8.875%	4/15/19	596,164	592,438 ^{(a)(b)}
Michael Baker International LLC/CDL Acquisition Co. Inc., Senior Secured Notes	8.250%	10/15/18	530,000	533,975 ^(a)
<i>Total Construction & Engineering</i>				2,033,713
<i>Electrical Equipment 0.2%</i>				
Interface Grand Master Holdings Inc., Senior Notes (19.000% PIK)	19.000%	8/15/19	719,460	697,876 ^{(b)(c)(d)}
Trionista TopCo GmbH, Senior Subordinated Notes	6.875%	4/30/21	150,000 ^{EUR}	175,868 ^(a)
<i>Total Electrical Equipment</i>				873,744

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Schedule of investments (cont d)

May 31, 2017

Western Asset High Yield Defined Opportunity Fund Inc.

	Rate	Maturity Date	Face Amount	Value
Security				
<i>Machinery 1.4%</i>				
BlueLine Rental Finance Corp/BlueLine Rental LLC, Senior Secured Notes	9.250%	3/15/24	2,610,000	\$ 2,733,975 ^(a)
CTP Transportation Products LLC/CTP Finance Inc., Senior Secured Notes	8.250%	12/15/19	1,040,000	969,800 ^(a)
Park-Ohio Industries Inc., Senior Notes	6.625%	4/15/27	650,000	679,656 ^(a)
Tennant Co., Senior Notes	5.625%	5/1/25	890,000	930,050 ^(a)
<i>Total Machinery</i>				<i>5,313,481</i>
<i>Marine 0.4%</i>				
Navios Maritime Acquisition Corp./Navios Acquisition Finance U.S. Inc., Senior Secured Notes	8.125%	11/15/21	1,670,000	1,477,950 ^(a)
<i>Road & Rail 0.7%</i>				
Flexi-Van Leasing Inc., Senior Notes	7.875%	8/15/18	2,280,000	2,257,200 ^(a)
Jack Cooper Enterprises Inc., Senior Notes (10.500% Cash or 11.250% PIK)	10.500%	3/15/19	3,286,801	443,718 ^{(a)(b)}
<i>Total Road & Rail</i>				<i>2,700,918</i>
<i>Trading Companies & Distributors 0.6%</i>				
Ahern Rentals Inc., Secured Notes	7.375%	5/15/23	370,000	311,725 ^(a)
H&E Equipment Services Inc., Senior Notes	7.000%	9/1/22	1,870,000	1,964,809
<i>Total Trading Companies & Distributors</i>				<i>2,276,534</i>
<i>Transportation 0.2%</i>				
Neovia Logistics Services LLC/Logistics Intermediate Finance Corp., Senior Notes (10.000% PIK)	10.000%	4/1/20	1,007,293	579,193 ^{(a)(b)}
Neovia Logistics Services LLC/SPL Logistics Finance Corp., Senior Secured Notes	8.875%	8/1/20	150,000	120,750 ^(a)
<i>Total Transportation</i>				<i>699,943</i>
Total Industrials				30,353,678
<i>Information Technology 1.7%</i>				
<i>Electronic Equipment, Instruments & Components 0.1%</i>				
Interface Security Systems Holdings Inc./Interface Security Systems LLC, Senior Secured Notes	9.250%	1/15/18	500,000	492,375
<i>Internet Software & Services 0.1%</i>				
Match Group Inc., Senior Notes	6.375%	6/1/24	490,000	535,938
<i>IT Services 0.4%</i>				
Alliance Data Systems Corp., Senior Notes	5.375%	8/1/22	1,080,000	1,098,900 ^(a)
Compiler Finance Subordinated Inc., Senior Notes	7.000%	5/1/21	430,000	217,150 ^(a)
<i>Total IT Services</i>				<i>1,316,050</i>
<i>Software 0.1%</i>				
CDK Global Inc., Senior Notes	4.875%	6/1/27	380,000	384,989 ^(a)
<i>Technology Hardware, Storage & Peripherals 1.0%</i>				
Dell International LLC/EMC Corp., Senior Notes	7.125%	6/15/24	520,000	579,791 ^(a)

See Notes to Financial Statements.

Western Asset High Yield Defined Opportunity Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
<i>Technology Hardware, Storage & Peripherals continued</i>				
Seagate HDD Cayman, Senior Bonds	4.750%	6/1/23	720,000	\$ 739,890
Seagate HDD Cayman, Senior Bonds	4.750%	1/1/25	2,350,000	2,348,790
Seagate HDD Cayman, Senior Bonds	4.875%	6/1/27	210,000	205,927
<i>Total Technology Hardware, Storage & Peripherals</i>				3,874,398
Total Information Technology				6,603,750
Materials 8.5%				
<i>Chemicals 0.4%</i>				
Eco Services Operations LLC/Eco Finance Corp., Senior Notes	8.500%	11/1/22	910,000	964,600 (a)
HIG BBC Intermediate Holdings LLC/HIG BBC Holdings Corp., Senior Notes (10.500% Cash or 11.250% PIK)	10.500%	9/15/18	348,233	349,103 (a)(b)
<i>Total Chemicals</i>				1,313,703
<i>Construction Materials 0.1%</i>				
Summit Materials LLC/Summit Materials Finance Corp., Senior Notes	5.125%	6/1/25	390,000	395,850 (a)
<i>Containers & Packaging 2.0%</i>				
Ardagh Packaging Finance PLC/Ardagh MP Holdings USA Inc., Senior Notes	7.250%	5/15/24	830,000	908,850 (a)
Ardagh Packaging Finance PLC/Ardagh MP Holdings USA Inc., Senior Notes	6.000%	2/15/25	2,180,000	2,278,100 (a)
Flex Acquisition Co. Inc., Senior Notes	6.875%	1/15/25	940,000	986,412 (a)
Pactiv LLC, Senior Bonds	8.375%	4/15/27	2,280,000	2,553,600
Pactiv LLC, Senior Notes	7.950%	12/15/25	410,000	452,538
PaperWorks Industries Inc., Senior Secured Notes	9.500%	8/15/19	840,000	653,100 (a)
<i>Total Containers & Packaging</i>				7,832,600
<i>Metals & Mining 6.0%</i>				
Alcoa Nederland Holding BV, Senior Notes	6.750%	9/30/24	500,000	542,500 (a)
Alcoa Nederland Holding BV, Senior Notes	7.000%	9/30/26	1,130,000	1,243,000 (a)
Anglo American Capital PLC, Senior Notes	3.625%	5/14/20	430,000	437,757 (a)
Anglo American Capital PLC, Senior Notes	4.125%	4/15/21	250,000	258,475 (a)
Anglo American Capital PLC, Senior Notes	4.875%	5/14/25	860,000	896,060 (a)
Anglo American Capital PLC, Senior Notes	4.750%	4/10/27	200,000	207,000 (a)
ArcelorMittal SA, Senior Notes	7.500%	10/15/39	2,020,000	2,272,096
Coeur Mining Inc., Senior Notes	5.875%	6/1/24	1,080,000	1,075,950 (a)
First Quantum Minerals Ltd., Senior Notes	7.250%	4/1/23	760,000	769,500 (a)
First Quantum Minerals Ltd., Senior Notes	7.500%	4/1/25	2,350,000	2,372,031 (a)
FMG Resources (August 2006) Pty Ltd., Senior Secured Notes	9.750%	3/1/22	520,000	