

Invesco Van Kampen High Income Trust II  
Form N-CSRS  
November 07, 2011

OMB APPROVAL

OMB Number: 3235-0570  
Expires: January 31, 2014  
Estimated average burden  
hours per response: 20.6

**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 811-05769  
Invesco Van Kampen High Income Trust II  
(Exact name of registrant as specified in charter)**

1555 Peachtree Street, N.E., Atlanta, Georgia

30309

(Address of principal executive offices)

(Zip code)

Colin Meadows 1555 Peachtree Street, N.E., Atlanta, Georgia 30309

(Name and address of agent for service)

Registrant's telephone number, including area code: (713) 626-1919

Date of fiscal year end: 2/28

Date of reporting period: 8/31/11

Item 1. Reports to Stockholders.

---

**Invesco Van Kampen High Income Trust II**

Semiannual Report to Shareholders § August 31, 2011

NYSE: VLT

|    |   |
|----|---|
| 2  | Trust Performance   |
| 3  | Dividend Reinvestment Plan                                  |
| 4  | Schedule of Investments                                     |
| 14 | Financial Statements  |
| 17 | Notes to Financial Statements                               |
| 23 | Financial Highlights  |
| 25 | Approval of Investment Advisory and Sub-Advisory Agreements |
| 27 | Results of Proxy  |

Unless otherwise noted, all data provided by Invesco.

**NOT FDIC INSURED**

**MAY LOSE VALUE**

**NO BANK GUARANTEE**

**Trust Performance****Performance summary***Cumulative total returns, 2/28/11 to 8/31/11*

|  |        |
|--|--------|
| Trust at NAV   | -4.87% |
| Trust at Market Value  | 1.70   |
| Barclays Capital U.S. Corporate High Yield 2% Issuer Cap Index | -1.57  |
| Market Price Premium to NAV as of 8/31/11                      | 6.20   |

Lipper Inc.

*The performance data quoted represent past performance and cannot guarantee comparable future results; current performance may be lower or higher. Investment return, net asset value and common share market price will fluctuate so that you may have a gain or loss when you sell shares. Please visit [invesco.com/performance](http://invesco.com/performance) for the most recent month-end performance. Performance figures reflect Trust expenses, the reinvestment of distributions (if any) and changes in net asset value (NAV) for performance based on NAV and changes in market price for performance based on market price.*

*Since the Trust is a closed-end management investment company, shares of the Trust may trade at a discount or premium from the NAV. This characteristic is separate and distinct from the risk that NAV could decrease as a result of investment activities and may be a greater risk to investors expecting to sell their shares after a short time. The Trust cannot predict whether shares will trade at, above or below NAV. The Trust should not be viewed as a vehicle for trading purposes. It is designed primarily for risk-tolerant long-term investors.*

The **Barclays Capital U.S. Corporate High Yield 2% Issuer Cap Index** is an unmanaged index that covers U.S. corporate, fixed-rate, non-investment grade debt with at least one year to maturity and at least \$150 million in par outstanding. Index weights for each issuer are capped at 2%.

The Trust is not managed to track the performance of any particular index, including the index(es) defined here, and consequently, the performance of the Trust may deviate significantly from the performance of the index(es).

A direct investment cannot be made in an index. Unless otherwise indicated, index results include reinvested dividends, and they do not reflect sales charges.

**NYSE Symbol****VLT****2 Invesco Van Kampen High Income Trust II**

### **Dividend Reinvestment Plan**

The dividend reinvestment plan (the Plan) offers you a prompt and simple way to reinvest your dividends and capital gains distributions (Distributions) into additional shares of your Trust. Under the Plan, the money you earn from Distributions will be reinvested automatically in more shares of your Trust, allowing you to potentially increase your investment over time. All shareholders in the Trust are automatically enrolled in the Plan when shares are purchased.

#### **Plan benefits**

**n Add to your account:**

You may increase the amount of shares in your Trust easily and automatically with the Plan.

**n Low transaction costs:**

Shareholders who participate in the Plan are able to buy shares at below-market prices when the Trust is trading at a premium to its net asset value (NAV). In addition, transaction costs are low because when new shares are issued by the Trust, there is no brokerage fee, and when shares are bought in blocks on the open market, the per share fee is shared among all Participants.

**n Convenience:**

You will receive a detailed account statement from Computershare Trust Company, N.A. (the Agent) which administers the Plan. The statement shows your total Distributions, date of investment, shares acquired, and price per share, as well as the total number of shares in your reinvestment account. You can also access your account at [invesco.com/us](http://invesco.com/us).

**n Safekeeping:**

The Agent will hold the shares it has acquired for you in safekeeping.

### **How to participate in the Plan**

If you own shares in your own name, you can participate directly in the Plan. If your shares are held in street name in the name of your brokerage firm, bank, or other financial institution you must instruct that entity to participate on your behalf. If they are unable to participate on your behalf, you may request that they reregister your shares in your own name so that you may enroll in the Plan.

### **How to enroll**

To enroll in the Plan, please read the Terms and Conditions in the Plan Brochure. You can obtain a copy of the Plan Brochure and enroll in the Plan by visiting [invesco.com/us](http://invesco.com/us), calling toll-free 800 341 2929 or notifying us in writing at Invesco Closed-End Funds, Computershare Trust Company, N.A. P.O. Box 43078, Providence, RI 02940-3078. Please include your Trust name and account number and ensure that all shareholders listed on the account sign these written instructions. Your participation in the Plan will begin with the next Distribution payable after the Agent receives your authorization, as long as they receive it before the record date, which is generally 10 business days before the Distribution is paid. If your authorization arrives after such record date, your participation in the Plan will begin with the following Distribution.

### **How the Plan works**

If you choose to participate in the Plan, your Distributions will be promptly reinvested for you, automatically increasing your shares. If the Trust is trading at a share price that is equal to its NAV, you will pay that amount for your reinvested shares. However, if the Trust is trading above or below NAV, the price is determined by one of two ways:

1. **Premium:** If the Trust is trading at a premium - a market price that is higher than its NAV - you will pay either the NAV or 95 percent of the market price, whichever is greater. When the Trust trades at a premium, you will pay less for your reinvested shares than an investor purchasing shares on the stock exchange. Keep in mind, a

portion of your price reduction may be taxable because you are receiving shares at less than market price.

2. Discount: If the Trust is trading at a discount - a market price that is lower than NAV - you will pay the market price for your reinvested shares.

### **Costs of the Plan**

There is no direct charge to you for reinvesting Distributions because the Plan's fees are paid by the Trust. If your Trust is trading at or above its NAV, your new shares are issued directly by the Trust and there are no brokerage charges or fees. However, if the Trust is trading at a discount, the shares are purchased on the open market, and you will pay your portion of any per share fees. These per share fees are typically less than the standard brokerage charges for individual transactions because shares are purchased for all Participants in blocks, resulting in lower fees for each individual Participant. Any service or per share fees are added to the purchase price. Per share fees include any applicable brokerage commissions the Agent is required to pay.

### **Tax implications**

The automatic reinvestment of Distributions does not relieve you of any income tax that may be due on Distributions. You will receive tax information annually to help you prepare your federal income tax return.

*Invesco does not offer tax advice. The tax information contained herein is general and is not exhaustive by nature. It was not intended or written to be used, and it cannot be used, by any taxpayer for avoiding penalties that may be imposed on the taxpayer under U.S. federal tax laws. Federal and state tax laws are complex and constantly changing. Shareholders should always consult a legal or tax adviser for information concerning their individual situation.*

### **How to withdraw from the Plan**

You may withdraw from the plan at any time by calling 800 341 2929, visiting [invesco.com/us](http://invesco.com/us) or by writing to Invesco Closed-End Funds, Computershare Trust Company, N.A., P.O. Box 43078, Providence, RI 02940-3078. Simply indicate that you would like to withdraw from the Plan, and be sure to include your Trust name and account number. Also, ensure that all shareholders listed on the account have signed these written instructions. If you withdraw, you have three options with regard to the shares held in the Plan:

1. If you opt to continue to hold your non-certificated whole shares (Investment Plan Book Shares), they will be held by the Agent electronically as Direct Registration Book-Shares (Book-Entry Shares) and fractional shares will be sold at the then-current market price. Proceeds will be sent via check to your address of record after deducting applicable fees.
2. If you opt to sell your shares through the Agent, we will sell all full and fractional shares and send the proceeds via check to your address of record after deducting a \$2.50 service fee and per share fee. Per share fees include any applicable brokerage commissions the Agent is required to pay.
3. You may sell your shares through your financial adviser through the Direct Registration System (DRS). DRS is a service within the securities industry that allows Trust shares to be held in your name in electronic format. You retain full ownership of your shares, without having to hold a share certificate. You should contact your financial adviser to learn more about any restrictions or fees that may apply.

**To obtain a complete copy of the Dividend Reinvestment Plan, please call our Client Services department at 800 341 2929 or visit [invesco.com/us](http://invesco.com/us).**

**Schedule of Investments***August 31, 2011**(Unaudited)*

|   | <b>Principal<br/>Amount</b> | <b>Value</b> |
|---|-----------------------------|--------------|
| <b>U.S. Dollar Denominated Bonds &amp; Notes 125.29%</b>                                      |                             |              |
| Aerospace & Defense 2.45%   |                             |              |
| Alliant Techsystems Inc., Sr. Unsec. Gtd. Sub. Notes,<br>6.88%, 09/15/20                      | \$ 35,000                   | \$ 35,175    |
| BE Aerospace, Inc., Sr. Unsec. Notes, 6.88%, 10/01/20   | 220,000                     | 227,700      |
| Bombardier Inc. (Canada), Sr. Unsec. Notes, 7.75%, 03/15/20 <sup>(a)</sup>                    | 295,000                     | 325,237      |
| Huntington Ingalls Industries, Inc., Sr. Unsec. Gtd. Notes,<br>6.88%, 03/15/18 <sup>(a)</sup> | 65,000                      | 61,263       |
| 7.13%, 03/15/21 <sup>(a)</sup>  | 110,000                     | 103,812      |
| Spirit Aerosystems Inc., Sr. Unsec. Gtd. Global Notes,<br>6.75%, 12/15/20                     | 140,000                     | 140,000      |
| TransDigm Inc., Sr. Unsec. Gtd. Sub. Notes, 7.75%, 12/15/18 <sup>(a)</sup>                    | 55,000                      | 56,375       |
| Triumph Group, Inc., Sr. Unsec. Gtd. Sub. Global Notes,<br>8.00%, 11/15/17                    | 440,000                     | 456,500      |
|   |                             | 1,406,062    |
| Airlines 3.94%  |                             |              |
| American Airlines Inc.,<br>Sr. Sec. Gtd. Notes, 7.50%, 03/15/16 <sup>(a)</sup>                | 110,000                     | 100,925      |
| Series 2011-1, Class B, Sec. Gtd. Pass Through Cdfs.,<br>7.00%, 01/31/18 <sup>(a)</sup>       | 79,472                      | 70,333       |
| Continental Airlines Inc.,<br>Series 2007-1, Class C, Sec. Sub. Global Pass Through Cdfs.,    | 708,111                     | 701,030      |

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

7.34%, 04/19/14

|  |         |         |
|--|---------|---------|
| Series 2009-2, Class B, Sec. Global Pass Through Ctfs.,<br>9.25%, 05/10/17 | 107,332 | 106,527 |
|--|---------|---------|

|  |         |         |
|--|---------|---------|
| Delta Air Lines, Inc.,<br>Sr. Sec. Notes, 9.50%, 09/15/14 <sup>(a)</sup> | 485,000 | 499,550 |
|--|---------|---------|

|   |        |        |
|---|--------|--------|
| Series 2002-1, Class C, Sec. Notes, 12.25%, 03/15/15 <sup>(a)</sup> | 85,000 | 90,312 |
|---|--------|--------|

|   |        |        |
|---|--------|--------|
| Series 2010-1, Class B, Sec. Pass Through Ctfs.,<br>6.38%, 01/02/16 | 85,000 | 77,775 |
|---|--------|--------|

|   |         |        |
|---|---------|--------|
| Series 2010-2, Class B, Sec. Pass Through Ctfs.,<br>6.75%, 11/23/15 | 100,000 | 92,000 |
|---|---------|--------|

|   |        |        |
|---|--------|--------|
| UAL Corp.,<br>Series 2007-1, Class A, Sec. Gtd. Global Pass Through Ctfs.,<br>6.64%, 07/02/22 | 96,088 | 94,106 |
|---|--------|--------|

|  |         |         |
|--|---------|---------|
| Series 2009-2, Class B, Sec. Gtd. Pass Through Ctfs.,<br>12.00%, 01/15/16 <sup>(a)</sup> | 209,199 | 219,659 |
|--|---------|---------|

|   |         |         |
|---|---------|---------|
| US Airways Pass Through Trust Series 1998-1, Class C, Sec.<br>Pass Through Ctfs., 6.82%, 01/30/14 | 224,790 | 206,245 |
|---|---------|---------|

2,258,462

Alternative Carriers 1.70%

|   |         |         |
|---|---------|---------|
| Cogent Communications Group, Inc., Sr. Sec. Gtd. Notes,<br>8.38%, 02/15/18 <sup>(a)</sup> | 250,000 | 262,500 |
|---|---------|---------|

|   |         |         |
|---|---------|---------|
| Level 3 Communications Inc., Sr. Unsec. Notes,<br>11.88%, 02/01/19 <sup>(a)</sup> | 245,000 | 256,025 |
|---|---------|---------|

|  |         |         |
|--|---------|---------|
| Level 3 Escrow, Inc., Sr. Unsec. Notes, 8.13%, 07/01/19 <sup>(a)</sup> | 140,000 | 136,500 |
|--|---------|---------|

|   |         |         |
|---|---------|---------|
| Level 3 Financing, Inc.,<br>Sr. Unsec. Gtd. Global Notes, 9.25%, 11/01/14 | 190,000 | 191,900 |
|---|---------|---------|

|   |         |         |
|---|---------|---------|
| Sr. Unsec. Gtd. Notes, 9.38%, 04/01/19 <sup>(a)</sup> | 125,000 | 124,375 |
|---|---------|---------|

971,300

Aluminum 1.08%

|  |         |         |
|--|---------|---------|
| Century Aluminum Co., Sr. Sec. Gtd. Sub. Notes,<br>8.00%, 05/15/14 | 605,000 | 618,991 |
|--|---------|---------|



Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

Apparel Retail 1.57%

|  |         |         |
|--|---------|---------|
| Express LLC/Express Finance Corp., Sr. Unsec. Gtd. Global Notes, 8.75%, 03/01/18 | 255,000 | 269,662 |
| Gap, Inc. (The), Sr. Unsec. Notes, 5.95%, 04/12/21                               | 275,000 | 261,594 |
| J Crew Group, Inc., Sr. Unsec. Gtd. Global Notes, 8.13%, 03/01/19                | 285,000 | 253,650 |
| Ltd. Brands Inc., Sr. Unsec. Gtd. Notes, 6.63%, 04/01/21                         | 110,000 | 112,200 |
|  |         | 897,106 |

Apparel, Accessories & Luxury Goods 2.10%

|   |         |           |
|---|---------|-----------|
| Hanesbrands Inc., Sr. Unsec. Gtd. Global Notes, 6.38%, 12/15/20   | 220,000 | 217,800   |
| Jones Group/Apparel Group Holdings/Apparel Group USA/Footwear Accessories Retail, Sr. Unsec. Notes, 6.88%, 03/15/19 | 585,000 | 554,287   |
| Quiksilver Inc., Sr. Unsec. Gtd. Global Notes, 6.88%, 04/15/15  | 460,000 | 430,100   |
|   |         | 1,202,187 |

Asset Management & Custody Banks 0.55%

|   |         |         |
|---|---------|---------|
| First Data Corp., Sr. Sec. Gtd. Notes, 7.38%, 06/15/19 <sup>(a)</sup>         | 120,000 | 113,400 |
| Travelport LLC/Travelport Inc., Sr. Unsec. Gtd. Global Notes, 9.00%, 03/01/16 | 250,000 | 203,750 |
|   |         | 317,150 |

Auto Parts & Equipment 1.21%

|   |         |         |
|---|---------|---------|
| Allison Transmission Inc., Sr. Unsec. Gtd Notes, 7.13%, 05/15/19 <sup>(a)</sup> | 330,000 | 311,850 |
| Dana Holding Corp., Sr. Unsec. Gtd. Notes, 6.50%, 02/15/19                      | 80,000  | 79,000  |
| Sr. Unsec. Notes, 6.75%, 02/15/21   | 125,000 | 123,437 |

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|   |         |         |
|---|---------|---------|
| Tenneco Inc.,<br>Sr. Gtd. Global Notes, 6.88%, 12/15/20 | 65,000  | 66,300  |
| Sr. Unsec. Gtd. Global Notes, 7.75%, 08/15/18           | 110,000 | 114,950 |
|   |         | 695,537 |

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

**4 Invesco Van Kampen High Income Trust II**

---

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|  | <b>Principal<br/>Amount</b> | <b>Value</b> |
|--|-----------------------------|--------------|
| Automobile Manufacturers 0.58%   |                             |              |
| Chrysler Group LLC/ Chrysler Group Co. Inc., Sr. Sec. Gtd. Notes, 8.00%, 06/15/19 <sup>(a)</sup> | \$ 200,000                  | \$ 173,000   |
| Ford Motor Co., Sr. Unsec. Global Notes, 7.45%, 07/16/31   | 135,000                     | 148,500      |
| Motors Liquidation Corp., Sr. Unsec. Global Notes, 8.38%, 07/15/49 <sup>(b)</sup>                | 795,000                     | 9,937        |
|  |                             | 331,437      |
| Biotechnology 0.26%  |                             |              |
| Giant Funding Corp., Sr. Sec. Notes, 8.25%, 02/01/18 <sup>(a)</sup>                              | 70,000                      | 70,700       |
| STHI Holding Corp., Sec. Gtd. Notes, 8.00%, 03/15/18 <sup>(a)</sup>                              | 80,000                      | 79,200       |
|  |                             | 149,900      |
| Broadcasting 0.82%   |                             |              |
| Allbritton Communications Co., Sr. Unsec. Global Notes, 8.00%, 05/15/18                          | 155,000                     | 151,125      |
| Clear Channel Communications, Inc., Sr. Sec. Gtd. Global Notes 9.00%, 03/01/21                   | 385,000                     | 317,625      |
|  |                             | 468,750      |
| Building Products 7.11%  |                             |              |
| American Standard Americas, Sr. Sec. Notes, 10.75%, 01/15/16 <sup>(a)</sup>                      | 205,000                     | 171,175      |
| Associated Materials LLC, Sr. Sec. Gtd. Global Notes, 9.13%, 11/01/17                            | 490,000                     | 428,750      |
| Building Materials Corp. of America, Sr. Sec. Gtd. Notes, 7.50%, 03/15/20 <sup>(a)</sup>         | 170,000                     | 174,250      |

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|   |         |           |
|---|---------|-----------|
| Sr. Unsec. Notes, 6.88%, 08/15/18 <sup>(a)</sup>  | 675,000 | 668,250   |
| Gibraltar Industries Inc. Series B, Sr. Unsec. Gtd. Sub. Global Notes, 8.00%, 12/01/15  | 270,000 | 266,625   |
| Nortek Inc.,<br>Sr. Gtd. Notes, 8.50%, 04/15/21 <sup>(a)</sup>  | 805,000 | 696,325   |
| Sr. Unsec. Gtd. Notes, 10.00%, 12/01/18 <sup>(a)</sup>  | 195,000 | 188,175   |
| Ply Gem Industries Inc., Sr. Unsec. Gtd. Sub. Global Notes, 13.13%, 07/15/14  | 145,000 | 144,094   |
| Roofing Supply Group LLC/Roofing Supply Finance Inc., Sr. Sec. Notes, 8.63%, 12/01/17 <sup>(a)</sup>                                  | 510,000 | 497,250   |
| USG Corp.,<br>Sr. Unsec. Gtd. Notes,<br>8.38%, 10/15/18 <sup>(a)</sup>  | 30,000  | 26,400    |
| 9.75%, 08/01/14 <sup>(a)</sup>  | 670,000 | 653,250   |
| Sr. Unsec. Notes, 9.75%, 01/15/18   | 175,000 | 157,281   |
|   |         | 4,071,825 |
| Cable & Satellite 1.55%   |         |           |
| Cablevision Systems Corp., Sr. Unsec. Global Notes, 8.63%, 09/15/17   | 40,000  | 42,750    |
| EH Holding Corp.,<br>Sr. Sec. Gtd. Notes, 6.50%, 06/15/19 <sup>(a)</sup>  | 120,000 | 120,600   |
| Sr. Unsec. Gtd. Notes, 7.63%, 06/15/21 <sup>(a)</sup>   | 70,000  | 70,000    |
| Intelsat Jackson Holdings S.A. (Luxembourg), Sr. Unsec. Gtd. Notes, 7.50%, 04/01/21 <sup>(a)</sup>                                    | 125,000 | 121,875   |
| Kabel BW Erste Beteiligungs GmbH/Kabel Baden-Wurttemberg GmbH & Co. KG (Germany), Sr. Sec. Gtd. Notes, 7.50%, 03/15/19 <sup>(a)</sup> | 525,000 | 532,875   |
|   |         | 888,100   |
| Casinos & Gaming 7.36%  |         |           |
| Ameristar Casinos Inc., Sr. Unsec. Gtd. Notes, 7.50%, 04/15/21 <sup>(a)</sup>   | 140,000 | 143,150   |

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|  |         |           |
|--|---------|-----------|
| Boyd Gaming Corp., Sr. Unsec. Notes, 9.13%, 12/01/18 <sup>(a)</sup>  | 35,000  | 32,900    |
| Caesars Entertainment Operating Co. Inc.,<br>Sr. Sec. Gtd. Global Notes,<br>11.25%, 06/01/17               | 795,000 | 864,562   |
| 12.75%, 04/15/18   | 260,000 | 230,100   |
| Sr. Unsec. Gtd. Global Bonds, 5.63%, 06/01/15  | 295,000 | 213,875   |
| CityCenter Holdings LLC/CityCenter Finance Corp.,<br>Sec. Gtd. PIK Notes, 10.75%, 01/15/17 <sup>(a)</sup>  | 73,890  | 72,320    |
| Sr. Sec. Gtd. Notes, 7.63%, 01/15/16 <sup>(a)</sup>  | 20,000  | 19,850    |
| Mandalay Resort Group, Sr. Unsec. Gtd. Sub. Notes,<br>7.63%, 07/15/13                                      | 105,000 | 101,325   |
| MGM Resorts International,<br>Sr. Unsec. Gtd. Global Notes, 6.63%, 07/15/15                                | 295,000 | 272,138   |
| Sr. Unsec. Gtd. Notes, 10.00%, 11/01/16 <sup>(a)</sup>   | 115,000 | 118,019   |
| Pinnacle Entertainment Inc., Sr. Unsec. Gtd. Global Notes,<br>8.63%, 08/01/17                              | 250,000 | 261,250   |
| Scientific Games Corp., Sr. Unsec. Gtd. Sub. Global Notes,<br>8.13%, 09/15/18                              | 35,000  | 35,350    |
| Scientific Games International Inc., Sr. Unsec. Gtd. Sub. Global<br>Notes, 9.25%, 06/15/19                 | 350,000 | 361,375   |
| Seneca Gaming Corp., Sr. Unsec. Gtd. Notes,<br>8.25%, 12/01/18 <sup>(a)</sup>                              | 90,000  | 90,000    |
| Snoqualmie Entertainment Authority,<br>Sr. Sec. Floating Rate Notes, 4.20%, 02/01/14 <sup>(a)(c)</sup>     | 200,000 | 178,000   |
| Sr. Sec. Notes, 9.13%, 02/01/15 <sup>(a)</sup>   | 405,000 | 392,850   |
| Wynn Las Vegas LLC/Wynn Las Vegas Capital Corp., Sec.<br>Gtd. First Mortgage Global Notes, 7.75%, 08/15/20 | 755,000 | 826,725   |
|  |         | 4,213,789 |
| Coal & Consumable Fuels 0.46%  |         |           |
| Alpha Natural Resources Inc., Sr. Unsec. Gtd. Notes,<br>6.00%, 06/01/19                                    | 65,000  | 64,350    |

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|  |        |         |
|--|--------|---------|
| 6.25%, 06/01/21  | 35,000 | 34,388  |
| Arch Coal Inc., Sr. Unsec. Gtd. Notes, 7.25%, 10/01/20               | 65,000 | 65,812  |
| CONSOL Energy Inc., Sr. Unsec. Gtd. Global Notes,<br>8.25%, 04/01/20 | 90,000 | 97,200  |
|  |        | 261,750 |

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

**5 Invesco Van Kampen High Income Trust II**

---

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|  | <b>Principal<br/>Amount</b> | <b>Value</b> |
|--|-----------------------------|--------------|
| Commodity Chemicals 0.83%  |                             |              |
| Westlake Chemical Corp., Sr. Unsec. Gtd. Notes,<br>6.63%, 01/15/16           | \$ 465,000                  | \$ 477,497   |
| Communications Equipment 0.98%   |                             |              |
| Avaya Inc., Sr. Sec. Gtd. Notes, 7.00%, 04/01/19 <sup>(a)</sup>              | 530,000                     | 484,950      |
| CommScope Inc., Sr. Unsec. Gtd. Notes, 8.25%, 01/15/19 <sup>(a)</sup>        | 75,000                      | 75,375       |
|  |                             | 560,325      |
| Computer & Electronics Retail 0.14%  |                             |              |
| RadioShack Corp., Sr. Gtd. Notes, 6.75%, 05/15/19 <sup>(a)</sup>             | 35,000                      | 32,638       |
| Rent-A-Center, Inc., Sr. Unsec. Gtd Global Notes,<br>6.63%, 11/15/20         | 50,000                      | 48,750       |
|  |                             | 81,388       |
| Computer Hardware 0.24%  |                             |              |
| SunGard Data Systems Inc., Sr. Unsec. Gtd. Global Notes,<br>7.38%, 11/15/18  | 70,000                      | 67,550       |
| 7.63%, 11/15/20  | 70,000                      | 67,900       |
|  |                             | 135,450      |
| Computer Storage & Peripherals 0.63%   |                             |              |
| Seagate HDD Cayman, Sr. Unsec. Gtd. Notes,<br>7.00%, 11/01/21 <sup>(a)</sup> | 85,000                      | 80,963       |
| 7.75%, 12/15/18 <sup>(a)</sup>   | 275,000                     | 277,750      |
|  |                             | 358,713      |

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

Construction & Engineering 1.94%

|   |         |           |
|---|---------|-----------|
| Dycom Investments Inc., Sr. Unsec. Gtd. Sub. Global Notes,<br>7.13%, 01/15/21             | 100,000 | 103,000   |
| Great Lakes Dredge & Dock Corp., Sr. Unsec. Gtd. Notes,<br>7.38%, 02/01/19 <sup>(a)</sup> | 70,000  | 66,850    |
| MasTec Inc., Sr. Unsec. Gtd. Global Notes, 7.63%, 02/01/17                                | 350,000 | 351,750   |
| Tutor Perini Corp., Sr. Unsec. Gtd. Global Notes,<br>7.63%, 11/01/18                      | 660,000 | 589,050   |
|   |         | 1,110,650 |

Construction & Farm Machinery & Heavy Trucks 2.13%

|   |         |           |
|---|---------|-----------|
| Case New Holland Inc., Sr. Unsec. Gtd. Global Notes,<br>7.88%, 12/01/17               | 255,000 | 277,950   |
| CNH America LLC, Sr. Unsec. Gtd. Notes, 7.25%, 01/15/16                               | 150,000 | 159,750   |
| Commercial Vehicle Group Inc., Sr. Sec. Gtd. Notes,<br>7.88%, 04/15/19 <sup>(a)</sup> | 275,000 | 262,625   |
| Manitowoc Co. Inc. (The), Sr. Unsec. Gtd. Notes,<br>8.50%, 11/01/20                   | 145,000 | 145,000   |
| Navistar International Corp., Sr. Unsec. Gtd. Notes,<br>8.25%, 11/01/21               | 260,000 | 269,100   |
| Titan International Inc., Sr. Sec. Gtd. Global<br>Notes 7.88%, 10/01/17               | 100,000 | 105,500   |
|   |         | 1,219,925 |

Construction Materials 2.58%

|  |         |         |
|--|---------|---------|
| Building Materials Corp. of America, Sr. Unsec. Notes,<br>6.75%, 05/01/21 <sup>(a)</sup> | 120,000 | 115,800 |
| Cemex Finance LLC, Sr. Sec. Gtd. Bonds, 9.50%, 12/14/16 <sup>(a)</sup>                   | 410,000 | 357,513 |
| Ply Gem Industries Inc., Sr. Sec. Gtd. Global Notes,<br>8.25%, 02/15/18                  | 370,000 | 321,900 |
| Texas Industries Inc., Sr. Unsec. Gtd. Global Notes,<br>9.25%, 08/15/20                  | 750,000 | 684,375 |



Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|   |           |           |
|---|-----------|-----------|
|   |           | 1,479,588 |
| Consumer Finance 4.07%  |           |           |
| Ally Financial Inc., Sr. Unsec. Gtd. Global Notes,<br>7.50%, 09/15/20                         | 1,210,000 | 1,203,950 |
| 8.00%, 03/15/20   | 100,000   | 102,250   |
| Ford Motor Credit Co. LLC, Sr. Unsec. Notes,<br>5.88%, 08/02/21                               | 200,000   | 201,000   |
| 8.00%, 12/15/16   | 501,000   | 558,615   |
| National Money Mart Co. (Canada), Sr. Unsec. Gtd. Global<br>Notes, 10.38%, 12/15/16           | 250,000   | 264,375   |
|   |           | 2,330,190 |
| Data Processing & Outsourced Services 0.69%   |           |           |
| CoreLogic Inc., Sr. Unsec. Gtd. Notes, 7.25%, 06/01/21 <sup>(a)</sup>                         | 420,000   | 396,900   |
| Department Stores 0.45%   |           |           |
| Sears Holdings Corp., Sr. Sec. Gtd. Notes, 6.63%, 10/15/18 <sup>(a)</sup>                     | 310,000   | 258,850   |
| Distillers & Vintners 0.68%   |           |           |
| CEDC Finance Corp. International Inc., Sr. Sec. Gtd. Notes,<br>9.13%, 12/01/16 <sup>(a)</sup> | 100,000   | 73,500    |
| Constellation Brands Inc., Sr. Unsec. Gtd. Global Notes,<br>7.25%, 05/15/17                   | 295,000   | 313,437   |
|   |           | 386,937   |
| Diversified Banks 0.13%   |           |           |
| RBS Capital Trust II, Jr. Unsec. Gtd. Sub. Global Bonds,<br>6.43%, 12/29/49 <sup>(i)</sup>    | 140,000   | 76,300    |
| Diversified Chemicals 0.14%   |           |           |

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|   |         |         |
|---|---------|---------|
| Huntsman International LLC, Sr. Unsec. Gtd. Sub. Global<br>Notes, 8.63%, 03/15/21 | 75,000  | 78,938  |
| Diversified Commercial & Professional Services 0.19%                              |         |         |
| International Lease Finance Corp., Sr. Unsec. Notes,<br>5.63%, 09/20/13           | 115,000 | 110,688 |

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

**6 Invesco Van Kampen High Income Trust II**

---

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|   | <b>Principal<br/>Amount</b> | <b>Value</b> |
|---|-----------------------------|--------------|
| Diversified Metals & Mining 0.45%   |                             |              |
| Midwest Vanadium Pty Ltd. (Australia), Sr. Sec. Gtd. Notes,<br>11.50%, 02/15/18 <sup>(a)</sup>    | \$ 90,000                   | \$ 84,945    |
| Thompson Creek Metals Co. Inc. (Canada), Sr. Unsec. Gtd.<br>Notes, 7.38%, 06/01/18 <sup>(a)</sup> | 30,000                      | 27,450       |
| Vedanta Resources PLC (United Kingdom), Sr. Unsec. Notes,<br>9.50%, 07/18/18 <sup>(a)</sup>       | 140,000                     | 142,545      |
|   |                             | 254,940      |
| Diversified Support Services 2.19%  |                             |              |
| International Lease Finance Corp., Sr. Unsec. Global Notes,<br>5.75%, 05/15/16                    | 55,000                      | 50,703       |
| 6.25%, 05/15/19   | 90,000                      | 81,675       |
| 8.75%, 03/15/17   | 1,057,000                   | 1,085,407    |
| Mobile Mini Inc., Sr. Unsec. Gtd. Global Notes,<br>7.88%, 12/01/20                                | 35,000                      | 34,125       |
|   |                             | 1,251,910    |
| Electrical Components & Equipment 0.13%   |                             |              |
| Polypore International Inc., Sr. Unsec. Gtd. Global Notes,<br>7.50%, 11/15/17                     | 75,000                      | 75,000       |
| Electronic Manufacturing Services 0.37%   |                             |              |
| Sanmina-SCI Corp., Sr. Unsec. Gtd. Notes, 7.00%, 05/15/19 <sup>(a)</sup>                          | 225,000                     | 210,375      |
| Environmental & Facilities Services 0.59%   |                             |              |
| Clean Harbors Inc., Sr. Sec. Gtd. Global Notes,<br>7.63%, 08/15/16                                | 192,000                     | 203,520      |

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|   |         |         |
|---|---------|---------|
| EnergySolutions Inc./LLC, Sr. Unsec. Gtd. Global Notes,<br>10.75%, 08/15/18                         | 130,000 | 131,950 |
|   |         | 335,470 |
| Food Retail 0.32%   |         |         |
| Simmons Foods Inc., Sec. Notes, 10.50%, 11/01/17 <sup>(a)</sup>                                     | 200,000 | 183,000 |
| Forest Products 0.36%   |         |         |
| Millar Western Forest Products Ltd. (Canada), Sr. Unsec.<br>Notes, 8.50%, 04/01/21 <sup>(a)</sup>   | 250,000 | 195,000 |
| Sino-Forest Corp. (Canada), Sr. Unsec. Gtd. Notes,<br>6.25%, 10/21/17 <sup>(a)</sup>                | 30,000  | 9,750   |
|   |         | 204,750 |
| Gas Utilities 0.77%   |         |         |
| Ferrellgas L.P./Ferrellgas Finance Corp., Sr. Unsec. Global<br>Notes, 6.50%, 05/01/21               | 230,000 | 207,575 |
| Suburban Propane Partners, L.P./Suburban Energy Finance<br>Corp., Sr. Unsec. Notes, 7.38%, 03/15/20 | 225,000 | 231,187 |
|   |         | 438,762 |
| Health Care Equipment 0.59%   |         |         |
| DJO Finance LLC/Corp.,<br>Sr. Unsec. Gtd. Global Notes, 10.88%, 11/15/14                            | 220,000 | 227,700 |
| Sr. Unsec. Gtd. Notes, 7.75%, 04/15/18 <sup>(a)</sup>   | 35,000  | 32,550  |
| Sr. Unsec. Gtd. Sub. Notes, 9.75%, 10/15/17 <sup>(a)</sup>  | 85,000  | 78,625  |
|   |         | 338,875 |
| Health Care Facilities 3.89%  |         |         |
| HCA, Inc., Sr. Sec. Gtd. Global Notes, 7.88%, 02/15/20  | 640,000 | 680,000 |
|   | 425,000 | 419,687 |

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|  |         |           |
|--|---------|-----------|
| Health Management Associates Inc., Sr. Sec. Gtd. Notes,<br>6.13%, 04/15/16                                 |         |           |
| Healthsouth Corp., Sr. Unsec. Gtd. Notes,<br>7.25%, 10/01/18   | 50,000  | 50,125    |
| 7.75%, 09/15/22  | 90,000  | 90,450    |
| 8.13%, 02/15/20  | 70,000  | 70,700    |
| Select Medical Holdings Corp., Sr. Unsec. Floating Rate<br>Global Notes,<br>6.21%, 09/15/15 <sup>(c)</sup> | 135,000 | 124,200   |
| Tenet Healthcare Corp.,<br>Sr. Sec. Gtd. Global Notes, 10.00%, 05/01/18                                    | 350,000 | 387,625   |
| Sr. Unsec. Global Notes,<br>8.00%, 08/01/20  | 60,000  | 58,350    |
| 9.25%, 02/01/15  | 330,000 | 348,975   |
|  |         | 2,230,112 |
| Health Care Services 0.60%   |         |           |
| DaVita Inc., Sr. Unsec. Gtd. Notes, 6.38%, 11/01/18  | 65,000  | 63,456    |
| Radnet Management Inc., Sr. Unsec. Gtd. Global Notes,<br>10.38%, 04/01/18                                  | 220,000 | 215,050   |
| Universal Hospital Services Inc., Sec. Gtd. PIK Global Notes,<br>8.50%, 06/01/15                           | 65,000  | 65,407    |
|  |         | 343,913   |
| Health Care Technology 0.57%   |         |           |
| MedAssets Inc., Sr. Unsec. Gtd. Notes, 8.00%, 11/15/18 <sup>(a)</sup>                                      | 335,000 | 329,138   |
| Home Improvement Retail 0.28%  |         |           |
| Michaels Stores Inc., Sr. Unsec. Gtd. Global Notes,<br>7.75%, 11/01/18                                     | 170,000 | 161,500   |
| Homebuilding 2.04%   |         |           |

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|  |         |         |
|--|---------|---------|
| Beazer Homes USA, Inc., Sr. Unsec. Gtd. Global Notes,<br>6.88%, 07/15/15       | 310,000 | 226,300 |
| 8.13%, 06/15/16  | 210,000 | 148,050 |
| K. Hovnanian Enterprises Inc., Sr. Sec. Gtd. Global Notes,<br>10.63%, 10/15/16 | 590,000 | 528,050 |
| Lennar Corp., Sr. Unsec. Gtd. Global Notes, 6.95%, 06/01/18                    | 110,000 | 101,750 |

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

**7 Invesco Van Kampen High Income Trust II**

---

|  | <b>Principal<br/>Amount</b> | <b>Value</b> |
|--|-----------------------------|--------------|
| Homebuilding (continued)   |                             |              |
| M/I Homes Inc., Sr. Unsec. Gtd. Global Notes, 8.63%, 11/15/18  | \$ 95,000                   | \$ 88,112    |
| Standard Pacific Corp., Sr. Sec. Gtd. Notes, 8.38%, 05/15/18   | 85,000                      | 74,800       |
|  |                             | 1,167,062    |
| Hotels, Resorts & Cruise Lines 0.15%   |                             |              |
| Royal Caribbean Cruises Ltd., Sr. Unsec. Global Notes,<br>7.25%, 03/15/18                                | 50,000                      | 50,875       |
| Wyndham Worldwide Corp., Sr. Unsec. Notes,<br>5.63%, 03/01/21  | 35,000                      | 35,481       |
|  |                             | 86,356       |
| Household Products 0.55%   |                             |              |
| Central Garden & Pet Co., Sr. Gtd. Sub. Notes,<br>8.25%, 03/01/18  | 235,000                     | 230,300      |
| Reynolds Group Issuer Inc./LLC/Luxembourg S.A., Sr. Unsec.<br>Gtd. Notes, 8.25%, 02/15/21 <sup>(a)</sup> | 100,000                     | 85,500       |
|  |                             | 315,800      |
| Housewares & Specialties 0.03%   |                             |              |
| Jarden Corp., Sr. Unsec. Gtd. Notes, 6.13%, 11/15/22   | 20,000                      | 19,900       |
| Independent Power Producers & Energy Traders 1.83%   |                             |              |
| AES Corp. (The), Sr. Unsec. Global Notes, 7.75%, 10/15/15  | 900,000                     | 945,000      |
| AES Red Oak LLC Series A, Sr. Sec. Bonds, 8.54%, 11/30/19  | 100,391                     | 104,657      |
|  |                             | 1,049,657    |

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

Industrial Machinery 1.10%

|   |         |         |
|---|---------|---------|
| Cleaver-Brooks, Inc., Sr. Sec. Notes, 12.25%, 05/01/16 <sup>(a)</sup>       | 305,000 | 306,525 |
| Columbus McKinnon Corp., Sr. Unsec. Gtd. Sub. Global Notes, 7.88%, 02/01/19 | 25,000  | 23,750  |
| SPX Corp., Sr. Unsec. Gtd. Global Notes, 6.88%, 09/01/17                    | 290,000 | 301,600 |
|   |         | 631,875 |

Industrial REIT s 0.75%

|  |         |         |
|--|---------|---------|
| DuPont Fabros Technology L.P., Sr. Unsec. Gtd. Global Notes, 8.50%, 12/15/17 | 400,000 | 428,000 |
|--|---------|---------|

Integrated Telecommunication Services 1.98%

|  |         |           |
|--|---------|-----------|
| Integra Telecom Holdings Inc., Sr. Sec. Notes, 10.75%, 04/15/16 <sup>(a)</sup>                     | 195,000 | 186,225   |
| Intelsat Jackson Holdings S.A. (Luxembourg), Sr. Unsec. Gtd. Notes, 7.25%, 04/01/19 <sup>(a)</sup> | 95,000  | 92,625    |
| 7.25%, 10/15/20 <sup>(a)</sup>   | 880,000 | 853,600   |
|  |         | 1,132,450 |

Internet Software & Services 0.83%

|   |         |         |
|---|---------|---------|
| Equinix Inc., Sr. Unsec. Notes, 7.00%, 07/15/21 | 205,000 | 210,125 |
| 8.13%, 03/01/18                                 | 245,000 | 262,762 |
|   |         | 472,887 |

Investment Banking & Brokerage 1.19%

|   |         |         |
|---|---------|---------|
| Cantor Fitzgerald L.P., Bonds, 7.88%, 10/15/19 <sup>(a)</sup> | 275,000 | 300,011 |
| E*Trade Financial Corp., Sr. Unsec. Notes, 6.75%, 06/01/16    | 90,000  | 92,700  |
| 7.88%, 12/01/15   | 290,000 | 288,550 |



Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|   |         |           |
|---|---------|-----------|
|   |         | 681,261   |
| Leisure Facilities 0.30%  |         |           |
| AMC Entertainment, Inc., Sr. Gtd. Global Sub. Notes,<br>9.75%, 12/01/20   | 105,000 | 101,850   |
| Speedway Motorsports, Inc., Sr. Unsec. Gtd. Global Notes,<br>6.75%, 02/01/19  | 70,000  | 67,200    |
|   |         | 169,050   |
| Leisure Products 0.06%  |         |           |
| Toys R US-Delaware Inc., Sr. Sec. Gtd. Notes,<br>7.38%, 09/01/16 <sup>(a)</sup>   | 35,000  | 34,213    |
| Life Sciences Tools & Services 0.29%  |         |           |
| Patheon Inc. (Canada), Sr. Sec. Gtd. Notes, 8.63%, 04/15/17 <sup>(a)</sup>  | 175,000 | 167,563   |
| Marine 0.37%  |         |           |
| CMA CGM S.A. (France), Sr. Unsec. Notes, 8.50%, 04/15/17 <sup>(a)</sup>   | 150,000 | 77,438    |
| Navios Maritime Acquisition Corp./Navios Acquisition Finance<br>U.S. Inc. (Zambia), Sr. Sec. Gtd. Notes, 8.63%, 11/01/17 <sup>(a)</sup> | 35,000  | 29,400    |
| Stena A.B. (Sweden), Sr. Unsec. Global Notes,<br>7.00%, 12/01/16  | 105,000 | 103,162   |
|   |         | 210,000   |
| Movies & Entertainment 1.90%  |         |           |
| AMC Entertainment, Inc., Sr. Unsec. Gtd. Global Notes,<br>8.75%, 06/01/19   | 455,000 | 456,706   |
| Cinemark USA, Inc., Sr. Unsec. Gtd. Global Notes,<br>8.63%, 06/15/19  | 165,000 | 174,075   |
| NAI Entertainment Holdings LLC, Sr. Sec. Notes,<br>8.25%, 12/15/17 <sup>(a)</sup>   | 445,000 | 458,350   |
|   |         | 1,089,131 |

Multi-Line Insurance 2.85%

|   |         |         |
|---|---------|---------|
| American International Group Inc., Jr. Unsec. Sub. Variable<br>Rate Global Deb., 8.18%, 05/15/58 <sup>(c)</sup> | 75,000  | 74,625  |
| Fairfax Financial Holdings Ltd. (Canada), Sr. Unsec. Notes,<br>5.80%, 05/15/21 <sup>(a)</sup>                   | 135,000 | 131,456 |
| Hartford Financial Services Group Inc., Jr. Unsec. Sub.<br>Variable Rate Deb., 8.13%, 06/15/38 <sup>(c)</sup>   | 260,000 | 263,400 |

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

**8 Invesco Van Kampen High Income Trust II**

---

|   | <b>Principal<br/>Amount</b> | <b>Value</b> |
|---|-----------------------------|--------------|
| Multi-Line Insurance (continued)  |                             |              |
| Liberty Mutual Group Inc.,<br>Jr. Unsec. Gtd. Sub. Bonds, 7.80%, 03/15/37 <sup>(a)</sup>                  | \$ 599,000                  | \$ 566,055   |
| Sr. Unsec. Gtd. Notes, 5.00%, 06/01/21 <sup>(a)</sup>   | 60,000                      | 58,577       |
| Nationwide Mutual Insurance Co., Sub. Notes,<br>9.38%, 08/05/39 <sup>(a)</sup>                            | 435,000                     | 536,813      |
|   |                             | 1,630,926    |
| Multi-Sector Holdings 0.34%   |                             |              |
| Reynolds Group Issuer Inc./LLC/Luxembourg S.A., Sr. Sec.<br>Gtd. Notes,<br>7.13%, 04/15/19 <sup>(a)</sup> | 200,000                     | 193,000      |
| Office Services & Supplies 0.28%  |                             |              |
| IKON Office Solutions, Inc., Sr. Unsec. Notes, 6.75%, 12/01/25  | 105,000                     | 101,587      |
| Interface Inc., Sr. Unsec. Gtd. Global Notes, 7.63%, 12/01/18   | 55,000                      | 56,513       |
|   |                             | 158,100      |
| Oil & Gas Equipment & Services 1.26%  |                             |              |
| Bristow Group, Inc., Sr. Unsec. Gtd. Global Notes,<br>7.50%, 09/15/17                                     | 220,000                     | 226,600      |
| Calfrac Holdings L.P., Sr. Unsec. Notes, 7.50%, 12/01/20 <sup>(a)</sup>                                   | 75,000                      | 73,500       |
| Key Energy Services, Inc., Sr. Unsec. Gtd. Notes,<br>6.75%, 03/01/21                                      | 290,000                     | 285,469      |
| SESI, LLC, Sr. Unsec. Gtd. Notes, 6.38%, 05/01/19 <sup>(a)</sup>  | 135,000                     | 134,325      |
|   |                             | 719,894      |

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

Oil & Gas Exploration & Production 8.47%

|   |         |         |
|---|---------|---------|
| Berry Petroleum Co., Sr. Unsec. Notes, 6.75%, 11/01/20  | 95,000  | 92,863  |
| Chaparral Energy Inc., Sr. Unsec. Gtd. Global Notes, 8.25%, 09/01/21                                  | 350,000 | 334,250 |
| Chesapeake Energy Corp., Sr. Unsec. Gtd. Notes, 6.13%, 02/15/21                                       | 445,000 | 452,231 |
| Cimarex Energy Co., Sr. Unsec. Gtd. Notes, 7.13%, 05/01/17  | 280,000 | 289,450 |
| Continental Resources Inc., Sr. Unsec. Gtd. Global Notes, 7.13%, 04/01/21                             | 80,000  | 82,300  |
| 7.38%, 10/01/20   | 180,000 | 187,875 |
| 8.25%, 10/01/19   | 130,000 | 140,888 |
| EXCO Resources Inc., Sr. Unsec. Gtd. Notes, 7.50%, 09/15/18   | 325,000 | 312,000 |
| Forest Oil Corp., Sr. Unsec. Gtd. Global Notes, 7.25%, 06/15/19                                       | 340,000 | 339,150 |
| McMoRan Exploration Co., Sr. Unsec. Gtd. Notes, 11.88%, 11/15/14                                      | 430,000 | 456,875 |
| Newfield Exploration Co., Sr. Unsec. Sub. Global Notes, 7.13%, 05/15/18                               | 195,000 | 204,262 |
| OGX Petroleo e Gas Participacoes S.A. (Brazil), Sr. Unsec. Gtd. Notes, 8.50%, 06/01/18 <sup>(a)</sup> | 205,000 | 205,229 |
| Petrohawk Energy Corp., Sr. Unsec. Gtd. Global Notes, 7.25%, 08/15/18                                 | 400,000 | 468,000 |
| Sr. Unsec. Gtd. Notes, 6.25%, 06/01/19 <sup>(a)</sup>   | 245,000 | 284,812 |
| Pioneer Natural Resources Co., Sr. Unsec. Notes, 6.65%, 03/15/17                                      | 160,000 | 172,800 |
| Plains Exploration & Production Co., Sr. Unsec. Gtd. Notes, 7.63%, 06/01/18                           | 235,000 | 242,050 |
| Range Resources Corp., Sr. Unsec. Gtd. Sub. Notes, 5.75%, 06/01/21                                    | 305,000 | 308,050 |
| SM Energy Co., Sr. Unsec. Notes, 6.63%, 02/15/19 <sup>(a)</sup>                                       | 135,000 | 135,675 |

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|  |         |           |
|--|---------|-----------|
| Whiting Petroleum Corp., Sr. Unsec. Gtd. Sub. Notes,<br>6.50%, 10/01/18  | 140,000 | 141,575   |
|  |         | 4,850,335 |
| Oil & Gas Refining & Marketing 1.37%   |         |           |
| SunCoke Energy Inc., Sr. Unsec. Gtd. Notes,<br>7.63%, 08/01/19 <sup>(a)</sup>  | 40,000  | 39,400    |
| Tesoro Corp., Sr. Unsec. Gtd. Global Bonds, 6.50%, 06/01/17  | 195,000 | 198,656   |
| United Refining Co., Sr. Sec. Gtd. Global Notes,<br>10.50%, 02/28/18   | 540,000 | 549,450   |
|  |         | 787,506   |
| Oil & Gas Storage & Transportation 3.61%   |         |           |
| Chesapeake Midstream Partners L.P./CHKM Finance Corp., Sr.<br>Unsec. Gtd. Notes, 5.88%, 04/15/21 <sup>(a)</sup>                | 105,000 | 100,800   |
| Copano Energy LLC/Copano Energy Finance Co., Sr. Unsec.<br>Gtd. Notes, 7.13%, 04/01/21   | 445,000 | 445,000   |
| Energy Transfer Equity L.P., Sr. Sec. Gtd. Notes,<br>7.50%, 10/15/20   | 250,000 | 259,062   |
| Inergy L.P./Inergy Finance Corp., Sr. Unsec. Gtd. Notes,<br>6.88%, 08/01/21 <sup>(a)</sup>                                     | 170,000 | 161,713   |
| MarkWest Energy Partners L.P./MarkWest Energy Finance<br>Corp.,<br>Sr. Unsec. Gtd. Notes, 6.50%, 08/15/21                      | 50,000  | 50,438    |
| Series B, Sr. Unsec. Gtd. Global Notes, 8.75%, 04/15/18  | 330,000 | 351,037   |
| Overseas Shipholding Group, Inc., Sr. Unsec. Notes,<br>8.13%, 03/30/18   | 275,000 | 233,750   |
| Regency Energy Partners L.P./Regency Energy Finance Corp.,<br>Sr. Unsec. Gtd. Notes, 6.88%, 12/01/18                           | 205,000 | 210,381   |
| Targa Resources Partners L.P./Targa Resources Partners Finance<br>Corp., Sr. Unsec. Gtd. Notes, 6.88%, 02/01/21 <sup>(a)</sup> | 260,000 | 254,150   |
|  |         | 2,066,331 |

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

**9 Invesco Van Kampen High Income Trust II**

---

|   | <b>Principal<br/>Amount</b> | <b>Value</b> |
|---|-----------------------------|--------------|
| Other Diversified Financial Services 0.82%  |                             |              |
| International Lease Finance Corp.,<br>Sr. Sec. Notes,<br>6.75%, 09/01/16 <sup>(a)</sup> | \$ 175,000                  | \$ 177,078   |
| 7.13%, 09/01/18 <sup>(a)</sup>  | 175,000                     | 177,188      |
| Sr. Unsec. Notes, 8.25%, 12/15/20   | 115,000                     | 117,156      |
|   |                             | 471,422      |
| Packaged Foods & Meats 0.31%  |                             |              |
| Del Monte Foods Co., Sr. Unsec. Gtd. Notes,<br>7.63%, 02/15/19 <sup>(a)</sup>           | 175,000                     | 175,000      |
| Paper Packaging 0.12%   |                             |              |
| Cascades Inc. (Canada), Sr. Unsec. Gtd. Global Notes,<br>7.88%, 01/15/20                | 70,000                      | 68,075       |
| Paper Products 2.42%  |                             |              |
| Boise Cascade LLC, Sr. Unsec. Gtd. Sub. Global Notes,<br>7.13%, 10/15/14                | 465,000                     | 455,700      |
| Clearwater Paper Corp., Sr. Unsec. Gtd. Global Notes,<br>7.13%, 11/01/18                | 210,000                     | 210,000      |
| Mercer International Inc., Sr. Unsec. Gtd. Global Notes,<br>9.50%, 12/01/17             | 205,000                     | 204,744      |
| NewPage Corp., Sr. Sec. Gtd. Global Notes, 11.38%, 12/31/14                             | 215,000                     | 190,812      |
| P.H. Glatfelter Co., Sr. Unsec. Gtd. Global Notes,<br>7.13%, 05/01/16                   | 320,000                     | 324,400      |
|   |                             | 1,385,656    |

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

Personal Products 0.06%

|   |        |        |
|---|--------|--------|
| Elizabeth Arden Inc., Sr. Unsec. Global Notes,<br>7.38%, 03/15/21 | 35,000 | 34,825 |
|---|--------|--------|

Pharmaceuticals 2.36%

|  |         |         |
|--|---------|---------|
| Aptalis Pharma Inc., Sr. Unsec. Gtd. Global Notes,<br>12.75%, 03/01/16 | 255,000 | 266,475 |
|--|---------|---------|

|  |         |         |
|--|---------|---------|
| Elan Finance PLC/Corp. (Ireland), Sr. Unsec. Gtd. Global<br>Notes, 8.75%, 10/15/16 | 145,000 | 148,988 |
|--|---------|---------|

|  |        |        |
|--|--------|--------|
| Endo Pharmaceuticals Holdings Inc., Sr. Unsec. Gtd. Notes,<br>7.00%, 12/15/20 <sup>(a)</sup> | 45,000 | 45,450 |
|--|--------|--------|

|   |         |         |
|---|---------|---------|
| Mylan Inc., Sr. Unsec. Gtd. Notes, 6.00%, 11/15/18 <sup>(a)</sup> | 435,000 | 430,650 |
|---|---------|---------|

|  |         |         |
|--|---------|---------|
| NBTY Inc., Sr. Unsec. Gtd. Global Notes, 9.00%, 10/01/18 | 105,000 | 110,775 |
|--|---------|---------|

|   |        |        |
|---|--------|--------|
| Valeant Pharmaceuticals International, Sr. Unsec. Gtd. Notes,<br>6.75%, 10/01/17 <sup>(a)</sup> | 90,000 | 83,925 |
|---|--------|--------|

|                                |         |         |
|--------------------------------|---------|---------|
| 6.75%, 08/15/21 <sup>(a)</sup> | 265,000 | 233,862 |
|--------------------------------|---------|---------|

|                                |        |        |
|--------------------------------|--------|--------|
| 7.00%, 10/01/20 <sup>(a)</sup> | 35,000 | 31,675 |
|--------------------------------|--------|--------|

1,351,800

Property & Casualty Insurance 0.34%

|  |         |         |
|--|---------|---------|
| XL Group PLC (Ireland) Series E, Jr. Sub. Global Pfd. Bonds,<br>6.50%, 12/29/49 <sup>(c)</sup> | 220,000 | 195,800 |
|--|---------|---------|

Publishing 0.45%

|  |         |         |
|--|---------|---------|
| Nielsen Finance LLC/Co., Sr. Unsec Gtd. Global Notes,<br>7.75%, 10/15/18 | 248,000 | 257,300 |
|--|---------|---------|

Railroads 0.03%

|   |        |        |
|---|--------|--------|
| Kansas City Southern de Mexico S.A. de C.V. (Mexico), Sr.<br>Unsec. Global Notes, 6.13%, 06/15/21 | 15,000 | 15,038 |
|---|--------|--------|

Real Estate Services 0.37%



Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|  |         |           |
|--|---------|-----------|
| CB Richard Ellis Service Inc., Sr. Unsec. Gtd. Global Notes,<br>6.63%, 10/15/20                          | 215,000 | 211,238   |
| Regional Banks 3.73%   |         |           |
| AmSouth Bancorp., Unsec. Sub. Deb., 6.75%, 11/01/25 <sup>(d)</sup>                                       | 75,000  | 62,250    |
| BB&T Capital Trust II, Jr. Unsec. Gtd. Sub. Global Trust Pfd.<br>Capital Securities, 6.75%, 06/07/36     | 170,000 | 169,423   |
| CIT Group Inc., Sec. Gtd. Bonds, 7.00%, 05/02/17 <sup>(a)</sup>  | 750,000 | 733,125   |
| PNC Financial Services Group Inc. Series O, Jr. Unsec. Sub.<br>Variable Rate Pfd. Notes, 6.75%, 12/31/49 | 125,000 | 120,937   |
| Regions Financial Corp.,<br>Sr. Unsec. Notes, 5.75%, 06/15/15  | 210,000 | 198,450   |
| Unsec. Sub. Notes, 7.38%, 12/10/37   | 415,000 | 354,825   |
| Synovus Financial Corp., Unsec. Sub. Global Notes,<br>5.13%, 06/15/17                                    | 310,000 | 266,600   |
| Zions Bancorp., Unsec. Sub. Notes, 6.00%, 09/15/15   | 230,000 | 231,150   |
|  |         | 2,136,760 |
| Research & Consulting Services 0.43%   |         |           |
| FTI Consulting Inc., Sr. Unsec. Gtd. Global Notes,<br>6.75%, 10/01/20                                    | 250,000 | 248,125   |
| Semiconductor Equipment 1.56%  |         |           |
| Amkor Technology Inc.,<br>Sr. Unsec. Global Notes, 7.38%, 05/01/18                                       | 430,000 | 430,000   |
| Sr. Unsec. Notes, 6.63%, 06/01/21 <sup>(a)</sup>   | 130,000 | 121,875   |
| Freescal Semiconductor, Inc., Sr. Unsec. Gtd. Global Notes,<br>8.05%, 02/01/20                           | 225,000 | 216,000   |
| Sensata Technologies B.V. (Netherlands), Sr. Unsec. Gtd.<br>Notes, 6.50%, 05/15/19 <sup>(a)</sup>        | 130,000 | 125,450   |
|  |         | 893,325   |

Semiconductors 0.72%

|  |         |         |
|--|---------|---------|
| Freescale Semiconductor Inc.,<br>Sr. Sec. Gtd. Notes, 9.25%, 04/15/18 <sup>(a)</sup> | 361,000 | 380,855 |
| Sr. Unsec. Gtd. Global Notes, 10.75%, 08/01/20                                       | 30,000  | 31,725  |
|  |         | 412,580 |

Specialized Consumer Services 0.08%

|  |        |        |
|--|--------|--------|
| Carriage Services Inc., Sr. Unsec. Gtd. Global Notes,<br>7.88%, 01/15/15 | 45,000 | 44,663 |
|--|--------|--------|

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

**10 Invesco Van Kampen High Income Trust II**

---

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|  | <b>Principal<br/>Amount</b> | <b>Value</b> |
|--|-----------------------------|--------------|
| Specialized REIT s 1.29%   |                             |              |
| Host Hotels & Resorts L.P.,<br>Sr. Gtd. Global Notes, 6.00%, 11/01/20                                      | \$ 205,000                  | \$ 202,950   |
| Sr. Unsec. Notes, 5.88%, 06/15/19 <sup>(a)</sup>   | 50,000                      | 49,625       |
| MPT Operating Partnership L.P./MPT Finance Corp., Sr.<br>Unsec. Gtd. Notes, 6.88%, 05/01/21 <sup>(a)</sup> | 140,000                     | 134,050      |
| Omega Healthcare Investors Inc., Sr. Unsec. Gtd. Global<br>Notes., 6.75%, 10/15/22                         | 155,000                     | 148,800      |
| Sabra Health Care L.P./Sabra Capital Corp., Sr. Unsec. Gtd.<br>Global Notes, 8.13%, 11/01/18               | 210,000                     | 201,075      |
|  |                             | 736,500      |
| Specialty Chemicals 1.83%  |                             |              |
| Ferro Corp., Sr. Unsec. Notes, 7.88%, 08/15/18   | 270,000                     | 273,713      |
| NewMarket Corp., Sr. Unsec. Gtd. Global Notes,<br>7.13%, 12/15/16  | 415,000                     | 424,078      |
| PolyOne Corp., Sr. Unsec. Notes, 7.38%, 09/15/20   | 340,000                     | 351,475      |
|  |                             | 1,049,266    |
| Steel 1.66%  |                             |              |
| AK Steel Corp., Sr. Unsec. Gtd. Notes, 7.63%, 05/15/20   | 285,000                     | 262,200      |
| APERAM (Luxembourg), Sr. Unsec. Notes,<br>7.38%, 04/01/16 <sup>(a)</sup>                                   | 150,000                     | 142,228      |
| FMG Resources Pty Ltd. (Australia), Sr. Unsec. Gtd. Notes,<br>6.38%, 02/01/16 <sup>(a)</sup>               | 260,000                     | 252,851      |
| 7.00%, 11/01/15 <sup>(a)</sup>   | 35,000                      | 35,306       |
| United States Steel Corp., Sr. Unsec. Notes,   |                             |              |

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|  |         |           |
|--|---------|-----------|
| 7.00%, 02/01/18  | 220,000 | 211,200   |
| 7.38%, 04/01/20  | 50,000  | 47,750    |
|  |         | 951,535   |
| Systems Software 2.14%   |         |           |
| Allen Systems Group Inc., Sec. Gtd. Notes,<br>10.50%, 11/15/16 <sup>(a)</sup>                    | 600,000 | 559,500   |
| Vangent Inc., Sr. Unsec. Gtd. Sub. Global Notes,<br>9.63%, 02/15/15                              | 635,000 | 666,750   |
|  |         | 1,226,250 |
| Textiles 1.30%   |         |           |
| Levi Strauss & Co., Sr. Unsec. Global Notes, 7.63%, 05/15/20                                     | 770,000 | 746,900   |
| Tires & Rubber 0.98%   |         |           |
| Cooper Tire & Rubber Co., Sr. Unsec. Gtd. Notes,<br>8.00%, 12/15/19                              | 425,000 | 427,125   |
| Goodyear Tire & Rubber Co. (The), Sr. Unsec. Gtd Notes,<br>8.25%, 08/15/20                       | 125,000 | 131,875   |
|  |         | 559,000   |
| Trading Companies & Distributors 1.32%   |         |           |
| H&E Equipment Services Inc., Sr. Unsec. Gtd. Global Notes,<br>8.38%, 07/15/16                    | 560,000 | 558,600   |
| Interline Brands, Inc., Sr. Unsec. Gtd. Global Notes,<br>7.00%, 11/15/18                         | 100,000 | 99,500    |
| RSC Equipment Rental Inc./RSC Holdings III LLC, Sr. Unsec.<br>Gtd. Global Notes, 8.25%, 02/01/21 | 105,000 | 98,700    |
|  |         | 756,800   |
| Trucking 1.80%   |         |           |
|  | 420,000 | 407,400   |

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

Avis Budget Car Rental LLC/Avis Budget Finance Inc., Sr.  
Unsec. Gtd. Global Notes, 8.25%, 01/15/19

|   |         |           |
|---|---------|-----------|
| Hertz Corp. (The), Sr. Unsec. Gtd. Notes,<br>6.75%, 04/15/19 <sup>(a)</sup> | 130,000 | 122,850   |
| 7.38%, 01/15/21 <sup>(a)</sup>  | 340,000 | 327,250   |
| 7.50%, 10/15/18 <sup>(a)</sup>  | 175,000 | 174,125   |
|   |         | 1,031,625 |

Wireless Telecommunication Services 7.96%

Clearwire Communications LLC/Clearwire Finance Inc., Sr.  
Sec. Gtd. Notes, 12.00%, 12/01/15<sup>(a)</sup>

Cricket Communications, Inc.,  
Sr. Sec. Gtd. Global Notes, 7.75%, 05/15/16

Sr. Unsec. Gtd. Global Notes, 7.75%, 10/15/20

Sr. Unsec. Notes, 7.75%, 10/15/20<sup>(a)</sup>

Digicel Group Ltd. (Bermuda), Sr. Unsec. Notes,  
8.88%, 01/15/15<sup>(a)</sup>

Digicel Ltd. (Bermuda), Sr. Unsec. Gtd. Notes,  
8.25%, 09/01/17<sup>(a)</sup>

MetroPCS Wireless Inc., Sr. Unsec. Gtd. Notes,  
6.63%, 11/15/20

7.88%, 09/01/18

SBA Telecommunications Inc., Sr. Unsec. Gtd. Global Notes,  
8.25%, 08/15/19

Sprint Capital Corp., Sr. Unsec. Gtd. Global Notes,  
6.90%, 05/01/19

Sprint Nextel Corp., Sr. Unsec. Notes, 8.38%, 08/15/17

VimpelCom (Ireland), Sec. Notes, 6.49%, 02/02/16<sup>(a)</sup>

VimpelCom (Ireland), Sec. Notes, 7.75%, 02/02/21<sup>(a)</sup>

Wind Acquisition Finance S.A. (Luxembourg),  
Sr. Sec. Gtd. Notes,  
7.25%, 02/15/18<sup>(a)</sup>

200,000 190,000

|  |         |            |
|--|---------|------------|
| 11.75%, 07/15/17 <sup>(a)</sup>                                    | 250,000 | 260,000    |
|  |         | 4,559,256  |
| Total U.S. Dollar Denominated Bonds & Notes<br>(Cost \$73,270,825) |         | 71,752,466 |

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

**11 Invesco Van Kampen High Income Trust II**

---

|   | <b>Principal<br/>Amount</b> | <b>Value</b> |
|---|-----------------------------|--------------|
| <b>Non-U.S. Dollar Denominated Bonds &amp; Notes 14.84%</b>   |                             |              |
| Belgium 0.49%   |                             |              |
| Ontex IV S.A. (Belgium), Sr. Unsec. Gtd. Notes,<br>9.00%, 04/15/19 <sup>(a)</sup>                                   | EUR 250,000                 | \$ 281,113   |
| Canada 0.44%  |                             |              |
| Gateway Casinos & Entertainment Ltd. (Canada), Sec. Gtd.<br>Notes, 8.88%, 11/15/17 <sup>(a)</sup>                   | CAD 235,000                 | 250,817      |
| Croatia 0.51%   |                             |              |
| Agrokor D.D. (Croatia), Sr. Unsec. Gtd. Notes,<br>10.00%, 12/07/16 <sup>(a)</sup>                                   | EUR 210,000                 | 294,233      |
| Czech Republic 0.24%  |                             |              |
| CET 21 spol sro (Czech Republic), Sr. Sec. Notes,<br>9.00%, 11/01/17 <sup>(a)</sup>                                 | EUR 100,000                 | 137,234      |
| Germany 1.13%   |                             |              |
| Kabel Deutschland Vertrieb und Service GmbH & Co. K.G.<br>(Germany), Sr. Sec. Notes, 6.50%, 06/29/18 <sup>(a)</sup> | EUR 170,000                 | 240,317      |
| KION Finance S.A. (Germany), Sr. Sec. Gtd Notes,<br>7.88%, 04/15/18 <sup>(a)</sup>                                  | EUR 340,000                 | 407,964      |
|   |                             | 648,281      |
| Ireland 2.47%   |                             |              |
| Ardagh Packaging Finance PLC (Ireland), Sr. Unsec. Gtd.<br>Notes, 9.25%, 10/15/20 <sup>(a)</sup>                    | EUR 405,000                 | 514,329      |
|   | EUR 250,000                 | 343,745      |

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

Bord Gais Eireann (Ireland), Sr. Unsec. Medium-Term Euro  
Notes, 5.75%, 06/16/14

Nara Cable Funding Ltd. (Ireland), Sr. Sec. Notes,  
8.88%, 12/01/18<sup>(a)</sup>

EUR 440,000 554,826

1,412,900

Luxembourg 3.09%

Boardriders S.A. (Luxembourg), Sr. Unsec. Notes,  
8.88%, 12/15/17<sup>(a)</sup>

EUR 100,000 142,982

Cirsa Funding Luxembourg S.A. (Luxembourg), Sr. Unsec.  
Gtd. Notes, 8.75%, 05/15/18<sup>(a)</sup>

EUR 130,000 163,225

Codere Finance Luxembourg S.A. (Luxembourg), Sr. Sec. Gtd.  
Notes, 8.25%, 06/15/15<sup>(a)</sup>

EUR 200,000 268,719

ConvaTec Healthcare S.A. (Luxembourg),  
Sr. Sec. Gtd. Notes, 7.38%, 12/15/17<sup>(a)</sup>

EUR 100,000 130,049

Sr. Unsec. Gtd. Notes, 10.88%, 12/15/18<sup>(a)</sup>

EUR 100,000 128,612

Mark IV Europe Lux SCA (Luxembourg), Sr. Sec. Gtd. Notes,  
8.88%, 12/15/17<sup>(a)</sup>

EUR 300,000 424,633

TMD Friction Finance S.A. (Luxembourg), Sr. Sec. Gtd.  
Bonds, 10.75%, 05/15/17<sup>(a)</sup>

EUR 260,000 379,228

Xefin Lux SCA (Luxembourg), Sr. Sec. Notes,  
8.00%, 06/01/18<sup>(a)</sup>

EUR 100,000 132,743

1,770,191

Netherlands 2.11%

Elster Finance B.V. (Netherlands), Sr. Unsec. Gtd. Notes,  
6.25%, 04/15/18

EUR 220,000 294,800

Goodyear Dunlop Tires Europe B.V. (Netherlands), Sr. Unsec.  
Gtd. Notes, 6.75%, 04/15/19<sup>(a)</sup>

EUR 300,000 404,156

Polish Television Holding B.V. (Netherlands)-REGS, Sr. Sec.  
Medium-Term Euro Notes, 11.25%, 05/15/17<sup>(e)</sup>

EUR 95,000 137,198

Ziggo Bond Co. B.V. (Netherlands), Sr. Sec. Gtd. Notes,  
8.00%, 05/15/18<sup>(a)</sup>

EUR 265,000 374,141



1,210,295

Sweden 0.37%

TVN Finance Corp II A.B. (Sweden), Sr. Unsec. Gtd. Notes,  
10.75%, 11/15/17<sup>(a)</sup>

EUR 140,000

212,245

United Kingdom 3.71%

Bakkavor Finance 2 PLC (United Kingdom), Sr. Sec. Gtd.  
Notes, 8.25%, 02/15/18<sup>(a)</sup>

GBP 200,000

228,956

Exova Ltd. (United Kingdom), Sr. Unsec. Notes,  
10.50%, 10/15/18<sup>(a)</sup>

GBP 200,000

324,750

Kerling PLC (United Kingdom), Sr. Sec. Gtd. Notes,  
10.63%, 02/01/17<sup>(a)</sup>

EUR 180,000

236,674

Odeon & UCI Finco PLC (United Kingdom),  
Sr. Sec. Gtd. Floating Rate Notes, 6.61%, 08/01/18<sup>(a)</sup>

EUR 285,000

387,020

Sr. Sec. Gtd. Notes, 9.00%, 08/01/18<sup>(a)</sup>

GBP 200,000

298,779

Pipe Holdings PLC (United Kingdom), Sr. Sec. Gtd. Bonds,  
9.50%, 11/01/15<sup>(a)</sup>

GBP 200,000

318,265

R&R Ice Cream PLC (United Kingdom), Sr. Sec. Gtd. Notes,  
8.38%, 11/15/17<sup>(a)</sup>

EUR 275,000

327,007

2,121,451

United States 0.28%

CEDC Finance Corp. International Inc., Sr. Sec. Gtd. Notes,  
8.88%, 12/01/16<sup>(a)</sup>

EUR 155,000

157,028

Total Non-U.S. Dollar Denominated Bonds & Notes  
(Cost \$9,071,523)

8,495,788

**Shares****Value****Preferred Stocks 1.62%**

Consumer Finance 0.54%

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|  |        |            |
|--|--------|------------|
| Ally Financial, Inc. Series G 7.00% Pfd. <sup>(a)</sup>            | 410    | \$ 311,997 |
| Industrial REIT s 0.13%  |        |            |
| DuPont Fabros Technology, Inc. Series B, 7.63% Pfd. <sup>(f)</sup> | 2,930  | 72,693     |
| Regional Banks 0.95%   |        |            |
| Zions Bancorp. Series C, 9.50% Pfd. <sup>(f)</sup>                 | 21,400 | 543,560    |
| Total Preferred Stocks (Cost \$853,274)                            |        | 928,250    |
| <b>Common Stocks &amp; Other Equity Interests 0.26%</b>            |        |            |
| Apparel, Accessories & Luxury Goods 0.00%                          |        |            |
| Hosiery Corp. of America, Inc. Class A <sup>(f)</sup>              | 1,000  | 0          |

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

**12 Invesco Van Kampen High Income Trust II**

---

|  | <b>Shares</b> | <b>Value</b>  |
|--|---------------|---------------|
| Automobile Manufacturers 0.26%                                   |               |               |
| General Motors Co. <sup>(f)</sup>                                | 3,168         | \$ 76,127     |
| General Motors Co., Wts. expiring 07/10/16 <sup>(f)</sup>        | 2,880         | 44,035        |
| General Motors Co., Wts. expiring 07/10/19 <sup>(f)</sup>        | 2,880         | 30,413        |
|  |               | 150,575       |
| Total Common Stocks & Other Equity Interests<br>(Cost \$254,363) |               | 150,575       |
| <b>Money Market Funds 0.89%</b>                                  |               |               |
| Liquid Assets Portfolio Institutional Class <sup>(b)</sup>       | 255,912       | 255,912       |
| Premier Portfolio Institutional Class <sup>(b)</sup>             | 255,912       | 255,912       |
| Total Money Market Funds (Cost \$511,824)                        |               | 511,824       |
| TOTAL INVESTMENTS 142.90% (Cost \$83,961,809)                    |               | 81,838,903    |
| OTHER ASSETS LESS LIABILITIES 1.19%                              |               | 680,888       |
| BORROWINGS (44.09)%  |               | (25,250,000)  |
| NET ASSETS 100.00%   |               | \$ 57,269,791 |

## Investment Abbreviations:

|       |                              |
|-------|------------------------------|
| CAD   | Canadian Dollar              |
| Ctfs. | Certificates                 |
| EUR   | Euro                         |
| GBP   | British Pound                |
| Gtd.  | Guaranteed                   |
| Jr.   | Junior                       |
| Pfd.  | Preferred                    |
| PIK   | Payment in Kind              |
| REGS  | Regulation S                 |
| REIT  | Real Estate Investment Trust |
| Sec.  | Secured                      |

|        |                |
|--------|----------------|
| Sr.    | Senior         |
| Sub.   | Subordinated   |
| Unsec. | Unsecured      |
| Unsub. | Unsubordinated |

Notes to Schedule of Investments:

- (a) Security purchased or received in a transaction exempt from registration under the Securities Act of 1933, as amended. The security may be resold pursuant to an exemption from registration under the 1933 Act, typically to qualified institutional buyers. The aggregate value of these securities at August 31, 2011 was \$31,241,993, which represented 54.55% of the Trust's Net Assets.
- (b) Defaulted security. Currently, the issuer is partially or fully in default with respect to interest payments. The aggregate value of these securities at August 31, 2011 was \$9,937, which represented 0.02% of the Trust's Net Assets.
- (c) Interest or dividend rate is redetermined periodically. Rate shown is the rate in effect on August 31, 2011.
- (d) Security has an irrevocable call by the issuer or mandatory put by the holder. Maturity date reflects such call or put.
- (e) Step coupon bond. The interest rate represents the coupon rate at which the bond will accrue at a specified future date.
- (f) Non-income producing security.
- (g) Industry and/or sector classifications used in this report are generally according to the Global Industry Classification Standard, which was developed by and is the exclusive property and a service mark of MSCI Inc. and Standard & Poor's.
- (h) The money market fund and the Fund are affiliated by having the same investment adviser.
- (i) Interest payments have been suspended under European union agreement for 24 months beginning April 30, 2010.

**Portfolio Composition\***

*By credit quality rating*

|           |      |
|-----------|------|
| A         | 0.6% |
| BBB       | 6.6  |
| BB        | 35.1 |
| B         | 45.8 |
| CCC       | 8.0  |
| Non-Rated | 3.3  |
| Cash      | 0.6  |

\* Source: Standard and Poor's. A credit rating is an assessment provided by a nationally recognized statistical rating organization (NRSRO) of the creditworthiness of an issuer with respect to debt obligations, including specific securities, money market instruments or other debts. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest); ratings are subject to change without notice. Non-Rated indicates the debtor was not

rated, and should not be interpreted as indicating low quality. For more information on Standard and Poor's rating methodology, please visit [standardandpoors.com](http://standardandpoors.com) and select "Understanding Ratings" under Rating Resources on the homepage.

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

**13 Invesco Van Kampen High Income Trust II**

---

**Statement of Assets and Liabilities***August 31, 2011**(Unaudited)***Assets:**

|   |               |
|---|---------------|
| Investments, at value (Cost \$83,449,985)                       | \$ 81,327,079 |
| Investments in affiliated money market funds, at value and cost | 511,824       |
| Total investments, at value (Cost \$83,961,809)                 | 81,838,903    |
| Receivable for:   |               |
| Investments sold  | 2,926         |
| Dividends and interest  | 1,820,940     |
| Other assets  | 16,897        |
| Total assets  | 83,679,666    |

**Liabilities:**

|  |            |
|--|------------|
| Payable for:   |            |
| Investments purchased                                  | 858,207    |
| Foreign currencies overdraft, at value (Cost \$10,094) | 10,665     |
| Dividends  | 23,832     |
| Foreign currency contracts closed                      | 12,127     |
| Foreign currency contracts outstanding                 | 104,478    |
| Loan outstanding                                       | 25,250,000 |
| Accrued fees to affiliates                             | 17,749     |
| Accrued other operating expenses                       | 129,489    |
| Accrued interest expense and line of credit fees       | 3,328      |
| Total liabilities                                      | 26,409,875 |

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

Net assets applicable to shares outstanding \$ 57,269,791

**Net assets consist of:**

|  |               |
|--|---------------|
| Shares of beneficial interest              | \$ 91,886,315 |
| Undistributed net investment income (loss) | (123,193)     |
| Undistributed net realized gain (loss)     | (32,266,518)  |
| Unrealized appreciation (depreciation)     | (2,226,813)   |
|  | \$ 57,269,791 |

**Shares outstanding, \$0.01 par value per common share, with an unlimited number of shares authorized:**

|                               |           |
|-------------------------------|-----------|
| Shares outstanding            | 3,770,265 |
| Net asset value per share     | \$ 15.19  |
| Market value per common share | \$ 16.11  |

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

**14 Invesco Van Kampen High Income Trust II**

---

**Statement of Operations***For the six months ended August 31, 2011**(Unaudited)***Investment income:**

|  |              |
|--|--------------|
| Interest                                     | \$ 3,283,294 |
| Dividends                                    | 45,151       |
| Dividends from affiliated money market funds | 609          |
| Total investment income                      | 3,329,054    |

**Expenses:**

|   |           |
|---|-----------|
| Advisory fees                           | 307,946   |
| Administrative services fees            | 25,137    |
| Custodian fees                          | 9,141     |
| Interest and facilities fees            | 100,246   |
| Transfer agent fees                     | 18,500    |
| Trustees and officers fees and benefits | 6,261     |
| Professional services fees              | 230,860   |
| Other                                   | 58,606    |
| Total expenses                          | 756,697   |
| Less: Fees waived                       | (1,084)   |
| Net expenses                            | 755,613   |
| Net investment income                   | 2,573,441 |

**Realized and unrealized gain (loss) from:**

Net realized gain (loss) from:



Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|   |                |
|---|----------------|
| Investment securities   | 2,374,040      |
| Foreign currencies  | 1,397          |
| Foreign currency contracts                                      | (332,500)      |
|   | 2,042,937      |
| Change in net unrealized appreciation (depreciation) of:        |                |
| Investment securities   | (7,421,326)    |
| Foreign currencies  | (13,839)       |
| Foreign currency contracts                                      | 1,551          |
|   | (7,433,614)    |
| Net realized and unrealized gain (loss)                         | (5,390,677)    |
| Net increase (decrease) in net assets resulting from operations | \$ (2,817,236) |

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

**15 Invesco Van Kampen High Income Trust II**

---

**Statement of Changes in Net Assets**

*For the six months ended August 31, 2011, the two months ended February 28, 2011 and the year ended December 31, 2010  
(Unaudited)*

|   | <b>For the six<br/>months ended<br/>August 31,<br/>2011</b> | <b>For the two<br/>months ended<br/>February 28,<br/>2011</b> | <b>For the<br/>year ended<br/>December 31,<br/>2010</b> |
|---|---|---|---|
| <b>Operations:</b>  |   |   |   |
| Net investment income   | \$ 2,573,441  | \$ 896,053  | \$ 6,077,558  |
| Net realized gain   | 2,042,937   | 647,749   | 2,852,360   |
| Change in net unrealized appreciation (depreciation)  | (7,433,614)   | 1,125,554   | (135,837)   |
| Distributions to preferred shareholders from net investment income  |   |   | (20,881)  |
| Net increase (decrease) in net assets applicable to common shares from operations   | (2,817,236)   | 2,669,356   | 8,773,200   |
| Distributions to common shareholders from net investment income   | (2,624,105)   | (874,701)   | (5,853,346)   |
| Net increase (decrease) in net assets from net investment income  | (5,441,341)   | 1,794,655   | 2,919,854   |
| <b>Net assets applicable to common shares:</b>  |   |   |   |
| Beginning of period   | 62,711,132  | 60,916,477  | 57,996,623  |
| End of period (includes undistributed net investment income (loss) of \$(123,193), \$(72,529) and \$(93,956), respectively) | \$ 57,269,791   | \$ 62,711,132   | \$ 60,916,477   |

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

**Statement of Cash Flows***For the six months ended August 31, 2011**(Unaudited)*

|   |                |
|---|----------------|
| Net increase (decrease) in net assets resulting from operations | \$ (2,817,236) |
|---|----------------|

**Adjustments to reconcile the net decrease in net assets resulting from operations to net cash provided by operating activities:**

|  |              |
|--|--------------|
| Purchases of investments                                       | (53,256,780) |
| Proceeds from sales of investments                             | 53,999,401   |
| Amortization of premium  | 90,697       |
| Accretion of discount  | (76,259)     |
| Net realized gain on investments                               | (2,374,040)  |
| Net change in unrealized depreciation on investments           | 7,421,326    |
| Increase in foreign currency contracts                         | 10,576       |
| Increase in dividends and interest receivable and other assets | (88,191)     |
| Decrease in interest payable                                   | (91,777)     |
| Increase in affiliates payable                                 | 46           |
| Decrease in accrued expenses                                   | (81,524)     |
| Net cash provided by operating activities                      | 2,736,239    |

**Cash flows provided by (used in) financing activities:**

|  |             |
|--|-------------|
| Dividends paid                         | (2,624,831) |
| Repayments of bank borrowings          | (750,000)   |
| Change in foreign currencies overdraft | 10,665      |
| Net cash used for financing activities | (3,364,166) |
| Net increase (decrease) in cash        | (627,927)   |

|                                     |         |
|-------------------------------------|---------|
| Cash at the beginning of the period | 627,927 |
| Cash at the end of the period       | \$      |

### Supplemental disclosures of cash flow information

|  |            |
|--|------------|
| Cash paid during the period for interest and facilities fees | \$ 100,246 |
|--|------------|

### Notes to Financial Statements

*August 31, 2011*  
*(Unaudited)*

#### NOTE 1 Significant Accounting Policies

Invesco Van Kampen High Income Trust II (the Trust) is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as a diversified, closed-end management investment company.

The Trust's investment objective is to provide high current income, while seeking to preserve shareholders' capital through investment in a professionally managed diversified portfolio of income producing, fixed income securities.

The following is a summary of the significant accounting policies followed by the Trust in the preparation of its financial statements.

**A. Security Valuations** Securities, including restricted securities, are valued according to the following policy.

A security listed or traded on an exchange (except convertible bonds) is valued at its last sales price or official closing price as of the close of the customary trading session on the exchange where the security is principally traded, or lacking any sales or official closing price on a particular day, the security may be valued at the closing bid price on that day. Securities traded in the over-the-counter market are valued based on prices furnished by independent pricing services or market makers. When such securities are valued by an independent pricing service they may be considered fair valued. Futures contracts are valued at the final settlement price set by an exchange on which they are principally traded. Listed options are valued at the mean between the last bid and ask prices from the exchange on which they are principally traded. Options not listed on an exchange are valued by an independent source at the mean between the last bid and ask prices. For purposes of determining net asset value per share, futures and option contracts generally are valued 15 minutes after the close of the customary trading session of the New York Stock Exchange ( NYSE ).

#### 17 Invesco Van Kampen High Income Trust II

---

Investments in open-end and closed-end registered investment companies that do not trade on an exchange are valued at the end of day net asset value per share. Investments in open-end and closed-end registered investment companies that trade on an exchange are valued at the last sales price or official closing price as of the close of the customary trading session on the exchange where the security is principally traded.

Debt obligations (including convertible bonds) and unlisted equities are fair valued using an evaluated quote provided by an independent pricing service. Evaluated quotes provided by the pricing service may be determined without exclusive reliance on quoted prices, and may reflect appropriate factors such as institution-size trading in similar groups of securities, developments related to specific securities, dividend rate, yield, quality, type of issue, coupon rate, maturity, individual trading characteristics and other market data. Short-term obligations, including commercial paper, having 60 days or less to maturity are recorded at amortized cost which approximates value. Debt securities are subject to interest rate and credit risks. In addition, all debt securities involve some risk of default with respect to interest and/or principal payments.

Foreign securities (including foreign exchange contracts) are converted into U.S. dollar amounts using the applicable exchange rates as of the close of the NYSE. If market quotations are available and reliable for foreign exchange traded equity securities, the securities will be valued at the market quotations. Because trading hours for certain foreign securities end before the close of the NYSE, closing market quotations may become unreliable. If between the time trading ends on a particular security and the close of the customary trading session on the NYSE, events occur that are significant and make the closing price unreliable, the Trust may fair value the security. If the event is likely to have affected the closing price of the security, the security will be valued at fair value in good faith using procedures approved by the Board of Trustees. Adjustments to closing prices to reflect fair value may also be based on a screening process of an independent pricing service to indicate the degree of certainty, based on historical data, that the closing price in the principal market where a foreign security trade is not the current value as of the close of the NYSE. Foreign securities meeting the approved degree of certainty that the price is not reflective of current value will be priced at the indication of fair value from the independent pricing service. Multiple factors may be considered by the independent pricing service in determining adjustments to reflect fair value and may include information relating to sector indices, American Depositary Receipts and domestic and foreign index futures. Foreign securities may have additional risks including exchange rate changes, potential for sharply devalued currencies and high inflation, political and economical upheaval, the relative lack of issuer information, relatively low market liquidity and the potential lack of strict financial and accounting controls and standards.

Securities for which market prices are not provided by any of the above methods may be valued based upon quotes furnished by independent sources. The last bid price may be used to value equity securities. The mean between the last bid and asked prices is used to value debt obligations, including Corporate Loans.

Securities for which market quotations are not readily available or are unreliable are valued at fair value as determined in good faith by or under the supervision of the Trust's officers following procedures approved by the Board of Trustees. Issuer specific events, market trends, bid/ask quotes of brokers and information providers and other market data may be reviewed in the course of making a good faith determination of a security's fair value.

Valuations change in response to many factors including the historical and prospective earnings of the issuer, the value of the issuer's assets, general economic conditions, interest rates, investor perceptions and market liquidity. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

- B. Securities Transactions and Investment Income** Securities transactions are accounted for on a trade date basis. Realized gains or losses on sales are computed on the basis of specific identification of the securities sold. Interest income is recorded on the accrual basis from settlement date. Dividend income (net of withholding tax, if any) is recorded on the ex-dividend date. Bond premiums and discounts are amortized and/or accreted for financial reporting purposes.

The Trust may periodically participate in litigation related to Trust investments. As such, the Trust may receive proceeds from litigation settlements. Any proceeds received are included in the Statement of Operations as realized gain (loss) for investments no longer held and as unrealized gain (loss) for investments still held.

Brokerage commissions and mark ups are considered transaction costs and are recorded as an increase to the cost basis of securities purchased and/or a reduction of proceeds on a sale of securities. Such transaction costs are included in the determination of net realized and unrealized gain (loss) from investment securities reported in the Statement of Operations and the Statement of Changes in Net Assets and the net realized and unrealized gains (losses) on securities per share in the Financial Highlights. Transaction costs are included in the calculation of the Trust's net asset value and, accordingly, they reduce the Trust's total returns. These transaction costs are not considered operating expenses and are not reflected in net investment income reported in the Statement of Operations and Statement of Changes in Net Assets, or the net investment income per share and ratios of expenses and net investment income reported in the Financial Highlights, nor are they limited by any expense limitation arrangements between the Trust and the investment adviser.

- C. Country Determination** For the purposes of making investment selection decisions and presentation in the Schedule of Investments, the investment adviser may determine the country in which an issuer is located and/or credit risk exposure based on various factors. These factors include the laws of the country under which the issuer is organized, where the issuer maintains a principal office, the country in which the issuer derives 50% or more of its total revenues and the country that has the primary market for the issuer's securities, as well as other criteria. Among the other criteria that may be evaluated for making this determination are the country in which the issuer maintains 50% or more of its assets, the type of security, financial guarantees and enhancements, the nature of the collateral and the sponsor organization. Country of issuer and/or credit risk exposure has been determined to be the United States of America, unless otherwise noted.
- D. Distributions** The Trust declares and pays monthly dividends from net investment income to common shareholders. Distributions from net realized capital gain, if any, are generally paid annually and are distributed on a pro rata basis to common and preferred shareholders. The Trust may elect to treat a portion of the proceeds from redemptions as distributions for federal income tax purposes.
- E. Federal Income Taxes** The Trust intends to comply with the requirements of Subchapter M of the Internal Revenue Code necessary to qualify as a regulated investment company and to distribute substantially all of the Trust's taxable earnings to shareholders. As such, the Trust will not be subject to federal income taxes on otherwise taxable income (including net realized capital gain) that is distributed to shareholders. Therefore, no provision for federal income taxes is recorded in the financial statements.

The Trust files tax returns in the U.S. Federal jurisdiction and certain other jurisdictions. Generally, the Trust is subject to examinations by such taxing authorities for up to three years after the filing of the return for the tax period.

- F. Accounting Estimates** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ( GAAP ) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period including estimates and assumptions related to taxation. Actual results could differ from those estimates by a significant amount. In addition, the Trust monitors for material events or transactions that may occur or become known after the period-end date and before the date the financial statements are released to print.
- G. Indemnifications** Under the Trust s organizational documents, each Trustee, officer, employee or other agent of the Trust is indemnified against certain liabilities that may arise out of performance of their duties to the Trust. Additionally, in the normal course of business, the Trust enters into contracts, including the Trust s servicing agreements that contain a variety of indemnification clauses. The Trust s maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred. The risk of material loss as a result of such indemnification claims is considered remote.
- H. Foreign Currency Translations** Foreign currency is valued at the close of the NYSE based on quotations posted by banks and major currency dealers. Portfolio securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at date of valuation. Purchases and sales of portfolio securities (net of foreign taxes withheld on disposition) and income items denominated in foreign currencies are translated into U.S. dollar amounts on the respective dates of such transactions. The Trust does not separately account for the portion of the results of operations resulting from changes in foreign exchange rates on investments and the fluctuations arising from changes in market prices of securities held. The combined results of changes in foreign exchange rates and the fluctuation of market prices on investments (net of estimated foreign tax withholding) are included with the net realized and unrealized gain or loss from investments in the Statement of Operations. Reported net realized foreign currency gains or losses arise from (1) sales of foreign currencies, (2) currency gains or losses realized between the trade and settlement dates on securities transactions, and (3) the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Trust s books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign currency gains and losses arise from changes in the fair values of assets and liabilities, other than investments in securities at fiscal period end, resulting from changes in exchange rates.
- The Trust may invest in foreign securities which may be subject to foreign taxes on income, gains on investments or currency repatriation, a portion of which may be recoverable.
- I. Foreign Currency Contracts** The Trust may enter into foreign currency contracts to manage or minimize currency or exchange rate risk. The Trust may also enter into foreign currency contracts for the purchase or sale of a security denominated in a foreign currency in order to lock in the U.S. dollar price of that security. A foreign currency contract is an obligation to purchase or sell a specific currency for an agreed-upon price at a future date. The use of foreign currency contracts does not eliminate fluctuations in the price of the underlying securities the Trust owns or intends to acquire but establishes a rate of exchange in advance. Fluctuations in the value of these contracts are measured by the difference in the contract date and reporting date exchange rates and are recorded as unrealized appreciation (depreciation) until the contracts are closed. When the contracts are closed, realized gains (losses) are recorded. Realized and unrealized gains (losses) on the contracts are included in the Statement of Operations. The primary risks associated with foreign currency contracts include failure of the counterparty to meet the terms of the contract and the value of the foreign currency changing unfavorably. These risks may be in excess of the amounts reflected in the Statement of Assets and Liabilities.
- J. Cash and Cash Equivalents** For the purposes of the Statement of Cash Flows the Trust defines Cash and Cash Equivalents as cash (including foreign currency), money market funds and other investments held in lieu of cash and excludes investments made with cash collateral received.
- K.**

**Interest and Facilities Fees** Interest and Facilities Fees include interest and related borrowing costs such as commitment fees and other expenses associated with lines of credit.

**NOTE 2 Advisory Fees and Other Fees Paid to Affiliates**

The Trust has entered into a master investment advisory agreement with Invesco Advisers, Inc. (the Adviser or Invesco ). Under the terms of the investment advisory agreement, the Trust pays an advisory fee to the Adviser based on the annual rate 0.70% of the Trust's average daily net assets including bank borrowings entered into to retire preferred shares of the Trust.

Under the terms of a master sub-advisory agreement between the Adviser and each of Invesco Asset Management Deutschland GmbH, Invesco Asset Management Limited, Invesco Asset Management (Japan) Limited, Invesco Australia Limited, Invesco Hong Kong Limited, Invesco Senior Secured Management, Inc. and Invesco Canada Ltd. (collectively, the Affiliated Sub-Advisers ) the Adviser, not the Trust, may pay 40% of the fees paid to the Adviser to any such Affiliated Sub-Adviser(s) that provide(s) discretionary investment management services to the Trust based on the percentage of assets allocated to such Sub-Adviser(s).

The Adviser has contractually agreed, through at least June 30, 2012, to waive advisory fees and/or reimburse expenses to the extent necessary to limit the Trust's expenses (excluding certain items discussed below) to 2.02%. In determining the Adviser's obligation to waive advisory fees and/or reimburse expenses, the following expenses are not taken into account, and could cause the Trust's expenses to exceed the limit reflected above: (1) interest and facilities fees; (2) taxes; (3) dividend expense on short sales; (4) extraordinary or non-routine items; and (5) expenses that the Trust has incurred but did not actually pay because of an expense offset arrangement. Unless the Board of Trustees and Invesco mutually agree to amend or continue the fee waiver agreement, it will terminate on June 30, 2012.

Further, the Adviser has contractually agreed, through at least June 30, 2012, to waive the advisory fee payable by the Trust in an amount equal to 100% of the net advisory fees the Adviser receives from the affiliated money market funds on investments by the Trust of uninvested cash in such affiliated money market funds.

**19 Invesco Van Kampen High Income Trust II**

---



For the six months ended August 31, 2011, the Adviser waived advisory fees of \$1,084.

The Trust has entered into a master administrative services agreement with Invesco pursuant to which the Trust has agreed to pay Invesco for certain administrative costs incurred in providing accounting services to the Trust. For the six months ended August 31, 2011, expenses incurred under this agreement are shown in the Statement of Operations as administrative services fees.

Certain officers and trustees of the Trust are officers and directors of Invesco.

### NOTE 3 Additional Valuation Information

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, under current market conditions. GAAP establishes a hierarchy that prioritizes the inputs to valuation methods giving the highest priority to readily available unadjusted quoted prices in an active market for identical assets (Level 1) and the lowest priority to significant unobservable inputs (Level 3) generally when market prices are not readily available or are unreliable. Based on the valuation inputs, the securities or other investments are tiered into one of three levels. Changes in valuation methods may result in transfers in or out of an investment's assigned level:

Level 1 Prices are determined using quoted prices in an active market for identical assets.

Level 2 Prices are determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk, yield curves, loss severities, default rates, discount rates, volatilities and others.

Level 3 Prices are determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. Unobservable inputs reflect the Trust's own assumptions about the factors market participants would use in determining fair value of the securities or instruments and would be based on the best available information.

The following is a summary of the tiered valuation input levels, as of August 31, 2011. The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

During the six months ended August 31, 2011, there were no significant transfers between investment levels.

|                             | Level 1      | Level 2       | Level 3 | Total         |
|-----------------------------|--------------|---------------|---------|---------------|
| Corporate Bonds             | \$           | \$ 80,248,254 | \$      | \$ 80,248,254 |
| Equity Securities           | 1,278,652    | 311,997       |         | 1,590,649     |
|                             | \$ 1,278,652 | \$ 80,560,251 | \$      | \$ 81,838,903 |
| Foreign Currency Contracts* |              | (104,478)     |         | (104,478)     |
| Total Investments           | \$ 1,278,652 | \$ 80,455,773 | \$      | \$ 81,734,425 |

\* Unrealized appreciation (depreciation).

### NOTE 4 Derivative Investments

The Trust has implemented the required disclosures about derivative instruments and hedging activities in accordance with GAAP. This disclosure is intended to improve financial reporting about derivative instruments and hedging activities by requiring enhanced disclosures to enable investors to better understand their effects on an entity's financial position and financial performance. The enhanced disclosure has no impact on the results of operations reported in the financial statements.

**Value of Derivative Instruments at Period-End**

The table below summarizes the value of the Trust's derivative instruments, detailed by primary risk exposure, held as of August 31, 2011:

| <b>Risk Exposure/Derivative Type</b> | <b>Value</b>  |                    |
|--------------------------------------|---------------|--------------------|
|                                      | <b>Assets</b> | <b>Liabilities</b> |
| Currency risk                        |               |                    |
| Foreign currency contracts           | \$ 0          | \$ (104,478)       |

**Effect of Derivative Instruments for the six months ended August 31, 2011**

The table below summarizes the gains (losses) on derivative instruments, detailed by primary risk exposure, recognized in earnings during the period:

|  | <b>Location of Gain (Loss) on Statement of Operations</b> |
|--|---|
|  | <b>Foreign Currency Contracts*</b>                        |
| Realized Gain (Loss)                             |   |
| Currency risk                                    | \$ (332,500)  |
| Change in Unrealized Appreciation (Depreciation) |   |
| Currency risk                                    | 1,551   |
| Total  | \$ (330,949)  |

\* The average notional value of foreign currency contracts outstanding during the period was \$7,705,475.

| Settlement Date                       | Counterparty    | Open Foreign Currency Contracts |                     |     |           | Value        | Unrealized Appreciation |
|---------------------------------------|-----------------|---------------------------------|---------------------|-----|-----------|--------------|-------------------------|
|                                       |                 | Contract to Deliver             | Contract to Receive |     |           |              |                         |
| 11/17/2011                            | SAL SBAR        | GBP                             | 710,000             | USD | 1,174,616 | \$ 1,151,872 | \$ 22,744               |
| 11/09/2011                            | RBC Dain Rausch | EUR                             | 4,947,000           | USD | 6,975,483 | \$ 7,102,705 | \$ (127,222)            |
| Total open foreign currency contracts |                 |                                 |                     |     |           |              | \$ (104,478)            |

## Currency Abbreviations:

|     |                        |
|-----|------------------------|
| EUR | Euro                   |
| GBP | British Pound Sterling |
| USD | U.S. Dollar            |

**NOTE 5 Trustees and Officers Fees and Benefits**

Trustees and Officers Fees and Benefits include amounts accrued by the Trust to pay remuneration to certain Trustees and Officers of the Trust.

During the six months ended August 31, 2011, the Trust paid legal fees of \$7,147 for services rendered by Skadden, Arps, Slate, Meagher & Flom LLP as counsel to the Independent Trustees. A member of that firm is a Trustee of the Trust.

**NOTE 6 Cash Balances and Borrowings**

The Trust is permitted to temporarily carry a negative or overdrawn balance in its account with The State Street Bank and Trust Company, the custodian bank. To compensate the custodian bank for such overdrafts, the overdrawn Trust may either (1) leave funds as a compensating balance in the account so the custodian bank can be compensated by earning the additional interest; or (2) compensate by paying the custodian bank at a rate agreed upon by the custodian bank and Invesco, not to exceed the contractually agreed upon rate.

The Trust entered into a \$30 million annual revolving credit agreement. This revolving credit agreement is secured by the assets on the Trust. In connection with this agreement, for the six months ended August 31, 2011, the Trust incurred fees of approximately \$100,246 as disclosed on the Statement of Operations. For the six months ended August 31, 2011, the average daily balance of borrowings under the credit agreement was \$25,929,348 with a weighted average interest rate of 0.15%.

**NOTE 7 Tax Information**

The amount and character of income and gains to be distributed are determined in accordance with income tax regulations, which may differ from generally accepted accounting principles. Reclassifications are made to the Trust's capital accounts to reflect income and gains available for distribution (or available capital loss carryforward) under income tax regulations. The tax character of distributions paid during the year and the tax components of net assets will be reported at the Trust's fiscal year-end.

Capital loss carryforward is calculated and reported as of a specific date. Results of transactions and other activity after that date may affect the amount of capital loss carryforward actually available for the Trust to utilize. The ability to utilize capital loss carryforward in the future may be limited under the Internal Revenue Code and related regulations based on the results of future transactions. Under these limitation rules, the Trust is limited to utilizing \$34,365,229 of capital loss carryforward in the fiscal year ending February 29, 2012.

The Trust had a capital loss carryforward as of February 28, 2011 which expires as follows:

| <b>Expiration</b>               | <b>Capital Loss<br/>Carryforward*</b> |
|---------------------------------|---------------------------------------|
| February 29, 2012               | \$ 875,105                            |
| February 28, 2013               | 565,263                               |
| February 28, 2014               | 4,400,827                             |
| February 28, 2015               | 47,559                                |
| February 29, 2016               | 9,476,998                             |
| February 28, 2017               | 18,999,477                            |
| Total capital loss carryforward | \$ 34,365,229                         |

\* Capital loss carryforward as of the date listed above is reduced for limitations, if any, to the extent required by the Internal Revenue Code.

**NOTE 8 Investment Securities**

The aggregate amount of investment securities (other than short-term securities, U.S. Treasury obligations and money market funds, if any) purchased and sold by the Trust during the six months ended August 31, 2011 was \$33,701,238 and \$33,342,408, respectively. Cost of investments on a tax basis includes the adjustments for financial reporting purposes as of the most recently completed Federal income tax reporting period-end.

**Unrealized Appreciation (Depreciation) of Investment Securities on a Tax Basis**

|   |                |
|---|----------------|
| Aggregate unrealized appreciation of investment securities          | \$ 1,208,375   |
| Aggregate unrealized (depreciation) of investment securities        | (3,454,065)    |
| Net unrealized appreciation (depreciation) of investment securities | \$ (2,245,690) |

Cost of investments for tax purposes is \$84,084,593.

**NOTE 9 Common Shares of Beneficial Interest**

Transactions in common shares of beneficial interest were as follows:

|                    | <b>Six Months<br/>Ended<br/>August 31,<br/>2011</b> | <b>Two Months<br/>Ended<br/>February 28,<br/>2011</b> | <b>Year Ended<br/>December 31,<br/>2010</b> |
|--------------------|---|---|---|
| Beginning shares   | 3,770,265   | 3,770,265   | 3,770,265                                   |
| Shares repurchased |   |   |   |
| Ending shares      | 3,770,265   | 3,770,265   | 3,770,265                                   |

**NOTE 10 Preferred Shares of Beneficial Interest**

During the year ended December 31, 2010, the Trust retired all of its outstanding Auction Preferred Shares (APS). The APS were redeemable at the option of the Trust in whole or in part at the liquidation value of \$25,000 per share plus accumulated and unpaid dividends. Historically, the Trust paid annual fees equivalent to 0.25% of the preferred liquidation value for the remarketing efforts associated with the preferred auction. Effective March 19, 2009, the Trust had decreased this amount to 0.15% due to auction failures.

**NOTE 11 Financial Highlights**

The following schedule presents financial highlights for a share of the Trust outstanding throughout the periods indicated.

|   | <b>Six months<br/>ended<br/>August 31,<br/>2011</b> | <b>Two months<br/>ended<br/>February 28,<br/>2011</b> | <b>2010</b> | <b>Year ended December 31,</b> |             |             | <b>2006</b> |
|---|---|---|-------------|--------------------------------|-------------|-------------|-------------|
|   |   |   |             | <b>2009</b>                    | <b>2008</b> | <b>2007</b> |             |
| Net asset value,<br>beginning of<br>period              | \$ 16.63  | \$ 16.16  | \$ 15.38    | \$ 10.45                       | \$ 20.40    | \$ 21.45    | \$ 21.40    |
| Net investment<br>income <sup>(a)</sup>                 | 0.68  | 0.24  | 1.61        | 1.83                           | 2.45        | 2.55        | 2.45        |
| Net realized and<br>unrealized gain<br>(loss)           | (1.42)  | 0.46  | 0.73        | 4.93                           | (9.90)      | (1.00)      | 0.25        |
| Distributions paid<br>to preferred<br>shareholders:     |   |   |             |                                |             |             |             |
| Net investment<br>income                                |   |   | (0.01)      | (0.42)                         | (1.00)      | (0.95)      | (0.85)      |
| Total income<br>(loss) from<br>investment<br>operations | (0.74)  | 0.70  | 2.33        | 6.34                           | (8.45)      | 0.60        | 1.85        |
| Distributions paid<br>to common<br>shareholders:        |   |   |             |                                |             |             |             |
| Net investment<br>income                                | (0.70)  | (0.23)  | (1.55)      | (1.41)                         | (1.50)      | (1.65)      | (1.80)      |
| Net asset value,<br>end of period                       | \$ 15.19  | \$ 16.63  | \$ 16.16    | \$ 15.38                       | \$ 10.45    | \$ 20.40    | \$ 21.45    |
| Market value, end<br>of period                          | \$ 16.11  | \$ 16.52  | \$ 16.02    | \$ 14.48                       | \$ 8.90     | \$ 18.15    | \$ 20.10    |
|   | (4.74)%   | 4.37%   | 15.55%      |                                |             |             |             |

Edgar Filing: Invesco Van Kampen High Income Trust II - Form N-CSRS

|   |           |           |           |           |           |           |           |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Total return at net asset value <sup>(b)</sup>                              |           |           |           |           |           |           |           |
| Total return at market value <sup>(c)</sup>                                 | 1.70%     | 4.59%     | 21.67%    | 83.40%    | (45.03)%  | (1.71)%   | 6.02%     |
| Net assets applicable to common shareholders, end of period (000 s omitted) | \$ 57,270 | \$ 62,711 | \$ 60,916 | \$ 57,997 | \$ 39,414 | \$ 76,998 | \$ 81,081 |
| Portfolio turnover rate <sup>(d)</sup>                                      | 39%       | 18%       | 135%      | 58%       | 46%       | 37%       | 48%       |

**Ratios/supplemental data based on average net assets applicable to common shares:**

Ratio of expenses:

|   |                      |                      |        |        |        |        |        |
|---|----------------------|----------------------|--------|--------|--------|--------|--------|
| With fee waivers and/or expense reimbursements <sup>(e)</sup>   | 2.44% <sup>(f)</sup> | 2.44% <sup>(i)</sup> | 2.57%  | 2.31%  | 1.94%  | 1.84%  | 2.00%  |
| With fee waivers and/or expense reimbursements excluding interest, facilities and maintenance expense <sup>(e)(i)</sup> | 2.12% <sup>(f)</sup> | 1.71% <sup>(i)</sup> | 1.74%  |        |        |        |        |
| Without fee waivers and/or expense reimbursements <sup>(e)</sup>  | 2.44% <sup>(f)</sup> | 2.44% <sup>(i)</sup> | 2.61%  | 2.40%  | 2.04%  | 1.93%  | 2.05%  |
| Ratio of net investment income before preferred share dividends   | 8.32% <sup>(f)</sup> | 8.93% <sup>(i)</sup> | 10.34% | 14.13% | 14.65% | 12.06% | 11.69% |
| Preferred share dividends   |                      |                      | 0.03%  |        |        |        |        |
| Ratio of net investment income after preferred share dividends  | 8.32% <sup>(f)</sup> | 8.93% <sup>(i)</sup> | 10.31% | 10.90% | 8.56%  | 7.61%  | 7.70%  |

**Senior securities:**

|   |           |           |           |            |           |           |           |
|---|-----------|-----------|-----------|------------|-----------|-----------|-----------|
| Total preferred shares outstanding                                    | N/A       | N/A       | N/A       | 176        | 1,296     | 2,616     | 2,616     |
| Total amount of preferred shares outstanding (000 s omitted)          | N/A       | N/A       | N/A       | \$ 4,400   | \$ 32,400 | \$ 65,400 | \$ 65,400 |
| Asset coverage per \$1,000 unit of senior indebtedness <sup>(g)</sup> | \$ 3,268  | \$ 3,412  |           |            |           |           |           |
| Asset coverage per preferred share <sup>(h)</sup>                     | N/A       | N/A       | N/A       | \$ 354,600 | \$ 55,444 | \$ 54,487 | \$ 56,040 |
| Liquidating preference per preferred share                            | N/A       | N/A       | N/A       | \$ 25,000  | \$ 25,000 | \$ 25,000 | \$ 25,000 |
| Total borrowings outstanding (000 s omitted)                          | \$ 25,250 | \$ 26,000 | \$ 26,000 | \$ 28,000  | N/A       | N/A       | N/A       |

(a) Calculated using average shares outstanding.

(b) Includes adjustments in accordance with accounting principles generally accepted in the United States of America and as such, the net asset value for financial reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions. Does not include sales charges and is not annualized for periods less than one year.

(c) Total return assumes an investment at the common share market price at the beginning of the period indicated, reinvestment of all distributions for the period in accordance with the Trust's dividend reinvestment plan, and sale of all shares at the closing common share market price at the end of the period indicated.

(d) Portfolio turnover is not annualized for periods less than one year, if applicable.

(e) Ratios do not reflect the effect of dividend payments to preferred shareholders.

(f) Ratios are annualized and based on average net assets applicable to common shares (000 s omitted) of \$61,506.

(g) Calculated by subtracting the Trust's total liabilities (not including the preferred shares and the borrowings) from the Trust's total assets and dividing by the total number of senior indebtedness units, where one unit equals \$1,000 of senior indebtedness.

(h) Calculated by subtracting the Trust's total liabilities (not including the preferred shares) from the Trust's total assets and dividing this by the number of preferred shares outstanding.

(i) For the years ended December 31, 2010 and prior, ratio does not exclude facilities and maintenance fees.

(j) Ratios are annualized.

N/A=Not Applicable.

## 23 Invesco Van Kampen High Income Trust II

---



**NOTE 12 Legal Proceedings**

*Terms used in the Legal Proceedings Note are defined terms solely for the purpose of this note.*

On January 17, 2011, a Consolidated Amended Shareholder Derivative Complaint entitled *Clifford Rotz, et al. v. Van Kampen Asset Management et al.*, was filed on behalf of Invesco Van Kampen High Income Trust II, Invesco Van Kampen Advantage Municipal Income Trust II, Invesco Van Kampen Municipal Opportunity Trust, Invesco Van Kampen Municipal Trust and Invesco Van Kampen Senior Income Trust (the "Trusts") against Van Kampen Asset Management, Morgan Stanley and certain current and former executive officers of the Trusts (collectively, the "Defendants") alleging that they breached their fiduciary duties to common shareholders by causing the Trusts to redeem Auction Rate Preferred Securities ("ARPS") at their liquidation value. Specifically, the shareholders claim that the Board and officers had no obligation to provide liquidity to the ARPS shareholders, the redemptions were improperly motivated to benefit the prior adviser by preserving business relationships with the ARPS holders, i.e., institutional investors, and the market value and fair value of the ARPS were less than par at the time they were redeemed. The Complaint alleges that the redemption of the ARPS occurred at the expense of the Trusts and their common shareholders. This Complaint amends and consolidates two separate complaints that were filed by Clifford T. Rotz, Jr., Robert Fast and Gene Turban on July 22, 2010, and by Harry Suleski, Leon McDermott, Marilyn Morrison and John Johnson on August 3, 2010. Each of the Trusts initially received a demand letter from the plaintiffs on April 8, 2010. Plaintiffs seek judgment that: 1) orders Defendants to refrain from redeeming any ARPS at their liquidation value using Trust assets; 2) awards monetary damages against all Defendants, individually, jointly or severally, in favor of the Trusts, for all losses and damages allegedly suffered as a result of the redemptions of ARPS at their liquidation value; 3) grants appropriate equitable relief to remedy the Defendants' breaches of fiduciary duties; and 4) awards to Plaintiffs the costs and disbursements of the action. The Board formed a Special Litigation Committee ("SLC") to investigate these claims and to make a recommendation to the Board regarding whether pursuit of these claims is in the best interests of the Trusts. After reviewing the findings of the SLC's, the Board announced on June 24, 2011, that it had adopted the SLC's recommendation to seek dismissal of the action. On October 4, 2011, Invesco filed a motion to dismiss. This matter is pending. The Trust has incurred \$175,574 in expenses relating to these matters during the period ended August 31, 2011.

Management of Invesco and the Trust believe that the outcome of the proceedings described above will have no material adverse effect on the Trust or on the ability of Invesco to provide ongoing services to the Trust.

**NOTE 13 Dividends**

The Fund declared the following dividends from net investment income subsequent to August 31, 2011:

| <b>Declaration Date</b> | <b>Amount Per Share</b> | <b>Record Date</b> | <b>Payable Date</b> |
|-------------------------|-------------------------|--------------------|---------------------|
| September 1, 2011       | \$ 0.116                | September 15, 2011 | September 30, 2011  |
| September 30, 2011      | \$ 0.116                | October 14, 2011   | October 31, 2011    |

## **Approval of Investment Advisory and Sub-Advisory Contracts**

The Board of Trustees (the Board) of Invesco Van Kampen High Income Trust II (the Fund) is required under the Investment Company Act of 1940, as amended, to approve annually the renewal of the investment advisory agreement with Invesco Advisers, Inc. (Invesco Advisers) and the Master Intergroup Sub-Advisory Contract (the sub-advisory contracts) with Invesco Asset Management Deutschland GmbH, Invesco Asset Management Limited, Invesco Asset Management (Japan) Limited, Invesco Australia Limited, Invesco Hong Kong Limited, Invesco Senior Secured Management, Inc. and Invesco Canada Ltd. (collectively, the Affiliated Sub-Advisers). During contract renewal meetings held on May 8, 2011, the Board as a whole, and the disinterested or independent Trustees, who comprise more than 75% of the Board, voting separately, approved the continuance of the Fund's investment advisory agreement and the sub-advisory contracts for another year, effective July 1, 2011. In doing so, the Board considered the process that it follows in reviewing and approving the Fund's investment advisory agreement and sub-advisory contracts and the information that it is provided. The Board determined that the Fund's investment advisory agreement and the sub-advisory contracts are in the best interests of the Fund and its shareholders and the compensation to Invesco Advisers and the Affiliated Sub-Advisers under the agreements is fair and reasonable.

### **The Board's Fund Evaluation Process**

The Board, acting directly and through its committees, meets throughout the year to review the performance of the Invesco Van Kampen funds. Over the course of each year, the Board, acting directly and through its committees, meets with portfolio managers for the funds and other members of management to review the performance, investment objective(s), policies, strategies and limitations and investment risks of the funds. The Board meets regularly and at designated contract renewal meetings each year to conduct a review of the performance, fees, expenses and other matters related to the funds.

During the contract renewal process, the Trustees receive comparative performance and fee data regarding the funds prepared by Invesco Advisers and an independent company, Lipper, Inc. (Lipper). The independent Trustees are assisted in their annual evaluation of the funds' investment advisory agreements by fund counsel.

In evaluating the fairness and reasonableness of the Fund's investment advisory agreement and sub-advisory contracts, the Board considered, among other things, the factors discussed below. The Trustees recognized that the advisory fees for the Invesco Van Kampen funds reflect the results of years of review and negotiation between the Trustees and Van Kampen Asset Management, the funds' predecessor investment adviser. The Trustees' deliberations and conclusions in a particular year may be based in part on their deliberations and conclusions regarding these same arrangements throughout the year and in prior years. The Board noted the willingness of Invesco Advisers personnel to engage in open and candid discussions with the Board. One Trustee may have weighed a particular piece of information differently than another Trustee.

The discussion below is a summary of the Board's evaluation with respect to the Fund's investment advisory agreement as well as a discussion of the material factors and related conclusions that formed the basis for the Board's approval of the Fund's investment advisory agreement and sub-advisory contracts. Unless otherwise stated, this information is current as of May 8, 2011, and may not reflect consideration of factors that became known to the Board after that date, including, for example, changes to the Fund's performance, advisory fees, expense limitations and/or fee waivers.

### **Factors and Conclusions**

#### *A. Nature, Extent and Quality of Services Provided by Invesco Advisers and the Affiliated Sub-Advisers*

The Board reviewed the advisory services provided to the Fund by Invesco Advisers under the Fund's investment advisory agreement, the performance of Invesco Advisers in providing these services, and the credentials and experience of the officers and employees of Invesco Advisers who provide these services. Based on their meetings throughout the year with the Fund's portfolio manager, the Board concluded that these individuals are competent and able to continue to carry out their responsibilities under the Fund's investment advisory agreement or sub-advisory

contracts, as applicable. The Board's review of the qualifications of Invesco Advisers to provide advisory services included the Board's consideration of Invesco Advisers' performance and investment process oversight, independent credit analysis and investment risk management.

In determining whether to continue the Fund's investment advisory agreement, the Board considered the prior relationship between Invesco Advisers (and previously Van Kampen Asset Management) and the Fund, as well as the Board's knowledge of Invesco Advisers' operations, and concluded that it is beneficial to maintain the current relationship, in part, because of such knowledge. The Board also considered services that Invesco Advisers and its affiliates provide to the Invesco Van Kampen funds such as various back office support functions, equity and fixed income trading operations, internal audit and legal and compliance. The Board concluded that the nature, extent and quality of the services provided to the Fund by Invesco Advisers are appropriate and satisfactory and the advisory services are provided in accordance with the terms of the Fund's investment advisory agreement.

The Board reviewed the services provided by the Affiliated Sub-Advisers under the sub-advisory contracts and the credentials and experience of the officers and employees of the Affiliated Sub-Advisers who provide these services. The Board concluded that the sub-advisory contracts benefit the Fund and its shareholders by permitting Invesco Advisers to use the resources and talents of the Affiliated Sub-Advisers in managing the Fund. The Board concluded that the nature, extent and quality of the services provided by the Affiliated Sub-Advisers are appropriate and satisfactory and in accordance with the terms of the Fund's sub-advisory contracts.

#### *B. Fund Performance*

The Board considered Fund performance as a relevant factor in considering whether to approve the investment advisory agreement. The Board did not view Fund performance as a relevant factor in considering whether to approve the sub-advisory contracts for the Fund, as no Affiliated Sub-Adviser currently manages assets of the Fund.

The Board compared the Fund's performance during the past one, three and five calendar years to the performance of funds in the Fund's Lipper performance universe and against the Barclays Capital U.S. Corporate High Yield 2% Issuer Cap Index. The Board noted that the Fund's performance was in the fourth quintile of its performance universe for the one, three and five year periods (the first quintile being the best performing funds and the fifth quintile being the worst performing funds). The Board noted that the Fund's performance was below the performance of the Index for the one year period and above the performance of the Index for the three and five year periods. When considering a fund's performance, the Board places emphasis on trends and longer term returns.

#### *C. Advisory and Sub-Advisory Fees and Fee Waivers*

The Board compared the Fund's contractual advisory fee rate to the contractual advisory fee rates of funds in the Fund's Lipper expense group at a common asset level. The Board noted that the Fund's contractual advisory fee rate was below the

median contractual advisory fee rate of funds in its expense group. The Board also reviewed the methodology used by Lipper in providing expense group information, which includes using audited financial data from the most recent annual report of each fund in the expense group that was publicly available as of the end of the past calendar year and including only one fund per investment adviser. The Board noted that comparative data is as of varying dates, which may affect the comparability of data during times of market volatility.

The Board also compared the Fund's effective fee rate (the advisory fee after advisory fee waivers and before expense limitations/waivers) to the advisory fee rates of other funds advised by Invesco Advisers and its affiliates with investment strategies comparable to those of the Fund. The Board reviewed not only the advisory fees but other fees and expenses (whether paid to Invesco Advisers, its affiliates or others) and the Fund's overall expense ratio.

The Board also considered the fees charged by Invesco Advisers and the Affiliated Sub-Advisers to other client accounts with investment strategies comparable to those of the Fund. The Board noted that Invesco Advisers or the Affiliated Sub-Advisers may charge lower fees to large institutional clients solely for investment management services. Invesco Advisers reviewed with the Board the significantly greater scope of services it provides to the Invesco Van Kampen funds relative to other client accounts. These additional services include provision of administrative services, officers and office space, oversight of service providers, preparation of shareholder reports, efforts to support secondary market trading of the Fund's shares, preparation of financial information and regulatory compliance under the Investment Company Act of 1940, as amended, and stock exchange listing standards, including preparation for, coordinating the solicitation of proxies for, and conducting annual shareholder meetings. The Board noted that sub-advisory fees charged by the Affiliated Sub-Advisers to manage the Invesco Funds and to manage other client accounts were often more comparable. The Board concluded that the aggregate services provided to the Fund were sufficiently different from those provided to institutional clients, and the Board not place significant weight on these fee comparisons.

The Board noted that Invesco Advisers has contractually agreed to waive fees and/or limit expenses of the Fund through at least June 30, 2012 in an amount necessary to limit total annual operating expenses to a specified percentage of average daily net assets for each class of the Fund. The Board also considered the effect this fee waiver would have on the Fund's total estimated expenses.

The Board also considered the services provided by the Affiliated Sub-Advisers pursuant to the sub-advisory contracts, as well as the allocation of fees between Invesco Advisers and the Affiliated Sub-Advisers pursuant to the sub-advisory contracts. The Board noted that Invesco Advisers provides services to sub-advised Invesco Van Kampen funds, including oversight of the Affiliated Sub-Advisers as well as the additional services described above other than day-to-day portfolio management. The Board also noted that the sub-advisory fees have no direct effect on the Fund or its shareholders, as they are paid by Invesco Advisers to the Affiliated Sub-Advisers.

Based upon the information and considerations described above, the Board concluded that the Fund's advisory and sub-advisory fees are fair and reasonable.

#### *D. Economies of Scale and Breakpoints*

The Board considered the extent to which there are economies of scale in the provision of advisory services to the Fund. The Board noted that most closed-end funds do not have fund level breakpoints because closed-end funds generally do not experience substantial asset growth after the initial public offering. The Board noted that although the Fund does not benefit from economies of scale through contractual breakpoints, the Fund does share directly in economies of scale through lower fees charged by third party service providers based on the combined size of the Invesco Van Kampen funds and other clients advised by Invesco Advisers.

#### *E. Profitability and Financial Resources*

The Board reviewed information from Invesco Advisers concerning the costs of the advisory and other services that Invesco Advisers and its affiliates provide to the Fund and the profitability of Invesco Advisers and its affiliates in providing these services. The Board reviewed with Invesco Advisers the methodology used to prepare the profitability information. The Board considered the profitability of Invesco Advisers in connection with managing the Fund and the Invesco Van Kampen funds. The Board noted that Invesco Advisers continues to operate at a net profit from

services Invesco Advisers and its subsidiaries provide to the Fund and the Invesco Van Kampen funds. The Board concluded that the level of profits realized by Invesco Advisers and its affiliates from providing services to the Fund is not excessive given the nature, quality and extent of the services provided to the Invesco Funds. The Board considered whether Invesco Advisers and each Affiliated Sub-Adviser are financially sound and have the resources necessary to perform their obligations under the investment advisory agreement and sub-advisory contracts. The Board concluded that Invesco Advisers and each Affiliated Sub-Adviser have the financial resources necessary to fulfill these obligations.

*F. Collateral Benefits to Invesco Advisers and its Affiliates*

The Board considered various other benefits received by Invesco Advisers and its affiliates from the relationship with the Fund, including the fees received for their provision of administrative services to the Fund. The Board considered the performance of Invesco Advisers and its affiliates in providing these services and the organizational structure employed to provide these services. The Board also considered that the services are required for the operation of the Fund; that Invesco Advisers and its affiliates can provide services, the nature and quality of which are at least equal to those provided by others offering the same or similar services; and that the fees for such services are fair and reasonable in light of the usual and customary charges by others for services of the same nature and quality.

The Board considered that the Fund's uninvested cash and cash collateral from any securities lending arrangements may be invested in money market funds advised by Invesco Advisers pursuant to procedures approved by the Board. The Board noted that Invesco Advisers receives advisory fees from these affiliated money market funds attributable to such investments, although Invesco Advisers has contractually agreed to waive through varying periods the advisory fees payable by the Invesco Van Kampen Funds. The waiver is in an amount equal to 100% of the net advisory fee Invesco Advisers receives from the affiliated money market funds with respect to the Fund's investment in the affiliated money market funds of uninvested cash, but not cash collateral. The Board concluded that the Fund's investment of uninvested cash and cash collateral from any securities lending arrangements in the affiliated money market funds is in the best interests of the Fund and its shareholders.

**26 Invesco Van Kampen High Income Trust II**

---

**Proxy Results**

An Annual Meeting ( Meeting ) of Shareholders of Invesco Van Kampen High Income Trust II was held on June 17, 2011. The Meeting was held for the following purpose:

- (1) Elect four Class I Trustees, each by the holders of Common Shares of the Fund, each of whom will serve for a three year term or until a successor has been duly elected and qualified.

The results of the voting on the above matter were as follows:

| <b>Matter</b>     | <b>Votes For</b> | <b>Votes Withheld</b> |
|-------------------|------------------|-----------------------|
| (1) David C. Arch | 3,290,426        | 97,858                |
| Howard J Kerr     | 3,269,645        | 118,639               |
| Jerry Choate      | 3,287,112        | 101,172               |
| Suzanne Woolsey   | 3,276,277        | 112,007               |

**27 Invesco Van Kampen High Income Trust II**

---

### **Correspondence information**

Send general correspondence to Computershare, P.O. Box 43078, Providence, RI 02940-3078.

### **Invesco privacy policy**

You share personal and financial information with us that is necessary for your transactions and your account records. We take very seriously the obligation to keep that information confidential and private.

Invesco collects nonpublic personal information about you from account applications or other forms you complete and from your transactions with us or our affiliates. We do not disclose information about you or our former customers to service providers or other third parties except to the extent necessary to service your account and in other limited circumstances as permitted by law. For example, we use this information to facilitate the delivery of transaction confirmations, financial reports, prospectuses and tax forms.

Even within Invesco, only people involved in the servicing of your accounts and compliance monitoring have access to your information. To ensure the highest level of confidentiality and security, Invesco maintains physical, electronic and procedural safeguards that meet or exceed federal standards. Special measures, such as data encryption and authentication, apply to your communications with us on our website. More detail is available to you at [invesco.com/privacy](http://invesco.com/privacy).

### **Trust holdings and proxy voting information**

The Trust provides a complete list of its holdings four times in each fiscal year, at the quarter-ends. For the second and fourth quarters, the lists appear in the Trust's semiannual and annual reports to shareholders. For the first and third quarters, the Trust files the lists with the Securities and Exchange Commission (SEC) on Form N-Q. Shareholders can also look up the Trust's Forms N-Q on the SEC website at [sec.gov](http://sec.gov). Copies of the Trust's Forms N-Q may be reviewed and copied at the SEC Public Reference Room in Washington, D.C. You can obtain information on the operation of the Public Reference Room, including information about duplicating fee charges, by calling 202 551 8090 or 800 732 0330, or by electronic request at the following email address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov). The SEC file number for the Trust is 811-05769.

A description of the policies and procedures that the Trust uses to determine how to vote proxies relating to portfolio securities is available without charge, upon request, from our Client Services department at 800 341 2929 or at [invesco.com/proxyguidelines](http://invesco.com/proxyguidelines). The information is also available on the SEC website, [sec.gov](http://sec.gov).

Information regarding how the Trust voted proxies related to its portfolio securities during the 12 months ended June 30, 2011, is available at [invesco.com/proxysearch](http://invesco.com/proxysearch). In addition, this information is available on the SEC website at [sec.gov](http://sec.gov).

Invesco Advisers, Inc. is an investment adviser; it provides investment advisory services to individual and institutional clients and does not sell securities. Invesco Distributors, Inc. is the U.S. distributor for Invesco Ltd.'s retail mutual funds, exchange-traded funds and institutional money market funds. Both are wholly owned, indirect subsidiaries of Invesco Ltd.

ITEM 2. CODE OF ETHICS.

There were no amendments to the Code of Ethics (the Code ) that applies to the Registrant's Principal Executive Officer ( PEO ) and Principal Financial Officer ( PFO ) during the period covered by the report. The Registrant did not grant any waivers, including implicit waivers, from any provisions of the Code to the PEO or PFO during the period covered by this report.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

Not applicable.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Not applicable.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

Not applicable.

ITEM 6. SCHEDULE OF INVESTMENTS.

Investments in securities of unaffiliated issuers is included as part of the reports to stockholders filed under Item 1 of this Form.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable.

ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable.

ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

Not applicable.

ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

None.

ITEM 11. CONTROLS AND PROCEDURES.

- (a) As of September 16, 2011, an evaluation was performed under the supervision and with the participation of the officers of the Registrant, including the Principal Executive Officer ( PEO ) and Principal Financial Officer ( PFO ), to assess the effectiveness of the Registrant's disclosure controls and procedures, as that term is defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the Act ), as amended. Based on that evaluation, the Registrant's officers, including the PEO and PFO, concluded that, as of September 16, 2011, the Registrant's disclosure controls and procedures were reasonably designed to ensure: (1) that information required to be disclosed by the Registrant on Form N-CSR is
-



recorded, processed, summarized and reported within the time periods specified by the rules and forms of the Securities and Exchange Commission; and (2) that material information relating to the Registrant is made known to the PEO and PFO as appropriate to allow timely decisions regarding required disclosure.

- (b) There have been no changes in the Registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act) that occurred during the second fiscal quarter of the period covered by the report that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.

ITEM 12. EXHIBITS.

12(a) (1) Not applicable.

12(a) (2) Certifications of principal executive officer and principal financial officer as required by Rule 30a-2(a) under the Investment Company Act of 1940.

12(a) (3) Not applicable.

12(b) Certifications of principal executive officer and principal financial officer as required by Rule 30a-2(b) under the Investment Company Act of 1940.

---

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Registrant: Invesco Van Kampen High Income  
Trust II

By: /s/ Colin D. Meadows  
Colin D. Meadows  
Principal Executive Officer

Date: November 7, 2011

Pursuant to the requirements of the Securities and Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

By: /s/ Colin D. Meadows  
Colin D. Meadows  
Principal Executive Officer

Date: November 7, 2011

By: /s/ Sheri Morris  
Sheri Morris  
Principal Financial Officer

Date: November 7, 2011

---

EXHIBIT INDEX

- 12(a) (1) Not applicable.
- 12(a) (2) Certifications of principal executive officer and principal financial officer as required by Rule 30a-2(a) under the Investment Company Act of 1940.
- 12(a) (3) Not applicable.
- 12(b) Certifications of principal executive officer and principal financial officer as required by Rule 30a-2(b) under the Investment Company Act of 1940.