

Western Asset High Yield Defined Opportunity Fund Inc.
Form N-CSRS
April 17, 2015

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

FORM N-CSR

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

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

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

Robert I. Frenkel, Esq.

Legg Mason & Co., LLC

100 First Stamford Place

Stamford, CT 06902

(Name and address of agent for service)

Registrant's telephone number, including area code: 1-877-721-1926

Date of fiscal year end: August 31

Date of reporting period: February 28, 2015

ITEM 1. REPORT TO STOCKHOLDERS.

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

Semi-Annual Report

February 28, 2015

WESTERN ASSET

HIGH YIELD DEFINED

OPPORTUNITY FUND INC. (HYI)

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

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Fund objective	

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

Letter from the chairman

Dear Shareholder,

We are pleased to provide the semi-annual report of Western Asset High Yield Defined Opportunity Fund Inc. for the six-month reporting period ended February 28, 2015. Please read on for Fund performance information and a detailed look at prevailing economic and market conditions during the Fund's reporting period.

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

Fund prices and performance,

Market insights and commentaries from our portfolio managers, and

A host of educational resources.

We look forward to helping you meet your financial goals.

Sincerely,

Kenneth D. Fuller

Chairman, President and Chief Executive Officer

March 27, 2015

II Western Asset High Yield Defined Opportunity Fund Inc.

Investment commentary

Economic review

The U.S. economy expanded at a solid pace during the six months ended February 28, 2015 (the reporting period). The U.S. Department of Commerce reported that in the second quarter of 2014, U.S. gross domestic product (GDP) growth was 4.6%. GDP growth was driven by several factors, including an acceleration in personal consumption expenditures (PCE), increased private inventory investment and exports, as well as an upturn in state and local government spending. The economy continued to gain momentum as third quarter GDP growth was 5.0%, its strongest reading since the third quarter of 2003. This was driven by contributions from PCE, exports, nonresidential fixed investment and government spending. After the reporting period ended, the U.S. Department of Commerce reported that fourth quarter 2014 GDP growth was 2.2%. The deceleration in growth primarily reflected an upturn in imports, a downturn in federal government spending and moderating nonresidential fixed investments.

The U.S. manufacturing sector was another tailwind for the economy. Based on the Institute for Supply Management's Purchasing Managers Index (PMI), U.S. manufacturing expanded during all six months of the reporting period (a reading below 50 indicates a contraction, whereas a reading above 50 indicates an expansion). The PMI reached a high of 59.0 in August, its best reading since March 2011. Manufacturing activity then moderated over the balance of the reporting period and the PMI was 52.9 in February 2015.

The improving U.S. job market was one of the factors supporting the overall economy during the reporting period. When the period began, unemployment was 5.9%, as reported by the U.S. Department of Labor. Unemployment generally declined during the reporting period and fell to 5.5% in February 2015, the lowest level since May 2008.

Investment commentary (cont d)

Market review

Q. How did the Federal Reserve Board (Fedⁱⁱ) respond to the economic environment?

A. The Fed took a number of actions as it sought to meet its dual mandate of fostering maximum employment and price stability. As it has since December 2008, the Fed kept the federal funds rate^{iv} at a historically low range between zero and 0.25%. The Fed also ended its asset purchase program that was announced in December 2012. In December 2014, the Fed said that it can be patient in beginning to normalize the stance of monetary policy. Finally, at its meeting that ended on March 18, 2015, after the reporting period ended, the Fed removed patient from its statement regarding when it may raise rates. Rather, the Fed said it anticipates that it will be appropriate to raise the target range for the federal funds rate when it has seen further improvement in the labor market and is reasonably confident that inflation will move back to its 2 percent objective over the medium term.

Q. Did Treasury yields trend higher or lower during the six months ended February 28, 2015?

A. Short-term Treasury yields moved higher, whereas long-term Treasury yields declined during the reporting period. When the reporting period began, the yield on the two-year Treasury was 0.48%. It fell as low as 0.34% on October 15, 2014, before ending the period at 0.63%. The yield on the ten-year Treasury began the period at 2.35%. It peaked at 2.63% on September 18, 2014 and concluded the period at 2.00%.

Q. What factors impacted the spread sectors (non-Treasuries) during the reporting period?

A. The spread sectors generated mixed results during the reporting period. Performance fluctuated with investor sentiment given uncertainties regarding future Fed monetary policy, concerns over global growth and geopolitical issues. The overall bond market, as measured by the Barclays U.S. Aggregate Index^v, gained 2.25% during the six months ended February 28, 2015.

Q. How did the high-yield bond market perform over the six months ended February 28, 2015?

A. The U.S. high-yield bond market, as measured by the Barclays U.S. Corporate High Yield 2% Issuer Cap Index^x, returned -0.08% for the six months ended February 28, 2015. High yield bonds were volatile during the reporting period, and posted positive returns in October 2014, as well as in January and February 2015, while declining in September, November and December 2014. While the underlying fundamentals in the high-yield market remained generally solid and defaults were well below their long-term average, the asset class was dragged down primarily due to sharply falling oil prices.

Q. How did the emerging market debt asset class perform over the reporting period?

A. The JPMorgan Emerging Markets Bond Index Global (EMBI Globalⁱⁱ) returned -2.49% during the six months ended February 28, 2015. The asset class rose during four of the six months of the reporting period. However, this was overshadowed by sharp declines in September

and December 2014. Those setbacks were triggered by a number of factors, including expectations for future Fed rate hikes, concerns over global growth, declining oil prices and weak investor demand.

Performance review

For the six months ended February 28, 2015, Western Asset High Yield Defined Opportunity Fund Inc. returned -2.70% based on its net asset value (NAVⁱⁱⁱ) and -2.58% based on its New York Stock Exchange (NYSE) market price per share. The Fund's unmanaged benchmarks, the Barclays U.S. Corporate High Yield 2% Issuer Cap Index B Component and the Barclays U.S. Corporate High Yield 2% Issuer Cap Index Caa Component^s, returned -0.38% and -3.90%, respectively, over the same time frame. The Lipper High Yield Closed-End Funds Category Average^{xi} returned -2.28% for the same period. Please note that Lipper performance returns are based on each fund's NAV.

During this six-month period, the Fund made distributions to shareholders totaling \$0.66 per share. As of February 28, 2015, the Fund estimates that all of the distributions were sourced from net investment income.* The performance table shows the Fund's six-month total return based on its NAV and market price as of February 28, 2015. **Past performance is no guarantee of future results.**

Performance Snapshot as of February 28, 2015 (unaudited)

	6-Month Total Return**
Price Per Share	
\$18.19 (NAV)	-2.70%
\$16.06 (Market Price)	-2.58%

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

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

Total return assumes the reinvestment of all distributions, including returns of capital, if any, at NAV.

Total return assumes the reinvestment of all distributions, including returns of capital, if any, in additional shares in accordance with the Fund's Dividend Reinvestment Plan.

Looking for additional information?

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

*These estimates are not for tax purposes. The Fund will issue a Form 1099 with final composition of the distributions for tax purposes after year-end. A return of capital is not taxable and results in a reduction in the tax basis of a shareholder's investment. For more information about a distribution's composition, please refer to the Fund's distribution press release or, if applicable, the Section 19 notice located in the press release section of our website, www.lmcef.com.

Investment commentary (cont d)

In a continuing effort to provide information concerning the Fund, shareholders may call 1-888-777-0102 (toll free), Monday through Friday from 8:00 a.m. to 5:30 p.m. Eastern Time, for the Fund's current NAV, market price and other information.

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

Sincerely,

Kenneth D. Fuller

Chairman, President and Chief Executive Officer

March 27, 2015

***RISKS:** The Fund's investments are subject to credit risk, inflation risk and interest rate risk. As interest rates rise, bond prices fall, reducing the value of the Fund's share price. The Fund may invest in lower-rated high-yield bonds, commonly known as junk bonds, which are subject to greater credit risk (risk of default) than higher-rated obligations. Investments in foreign securities involve risks, including the possibility of losses due to changes in currency exchange rates and negative developments in the political, economic, or regulatory structure of specific countries or regions. These risks are greater in emerging markets. The Fund may make significant investments in derivative instruments. Derivative instruments can be illiquid, may disproportionately increase losses, and have a potentially large impact on Fund performance.*

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

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

- ⁱ Gross domestic product (GDP) is the market value of all final goods and services produced within a country in a given period of time.
- ⁱⁱ The Institute for Supply Management's PMI is based on a survey of purchasing executives who buy the raw materials for manufacturing at more than 350 companies. It offers an early reading on the health of the U.S. manufacturing sector.
- ⁱⁱⁱ The Federal Reserve Board (Fed) is responsible for the formulation of policies designed to promote economic growth, full employment, stable prices and a sustainable pattern of international trade and payments.
- ^{iv} The federal funds rate is the rate charged by one depository institution on an overnight sale of immediately available funds (balances at the Federal Reserve) to another depository institution; the rate may vary from depository institution to depository institution and from day to day.
- ^v The Barclays U.S. Aggregate Index is a broad-based bond index comprised of government, corporate, mortgage- and asset-backed issues, rated investment grade or higher, and having at least one year to maturity.
- ^{vi} The Barclays U.S. Corporate High Yield 2% Issuer Cap Index is an index of the 2% Issuer Cap component of the Barclays U.S. Corporate High Yield Index, which covers the U.S. dollar-denominated, non-investment grade, fixed-rate, taxable corporate bond market.
- ^{vii} The JPMorgan Emerging Markets Bond Index Global (EMBI Global) tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds and local market instruments.
- ^{viii} Net asset value (NAV) is calculated by subtracting total liabilities, including liabilities associated with financial leverage (if any) from the closing value of all securities held by the Fund (plus all other assets) and dividing the result (total net assets) by the total number of the common shares outstanding. The NAV fluctuates with changes in the market prices of securities in which the Fund has invested. However, the price at which an investor may buy or sell shares of the Fund is the Fund's market price as determined by supply of and demand for the Fund's shares.
- ^{ix} The Barclays U.S. Corporate High Yield 2% Issuer Cap Index B Component is an index of the 2% Issuer Cap component of the Barclays U.S. Corporate High Yield Index and is comprised of B-rated securities included in this Index.
- ^x The Barclays U.S. Corporate High Yield 2% Issuer Cap Index Caa Component is an index of the 2% Issuer Cap component of the Barclays U.S. Corporate High Yield Index and is comprised of Caa-rated securities included in this Index.
- ^{xi} Lipper, Inc., a wholly-owned subsidiary of Reuters, provides independent insight on global collective investments. Returns are based on the six-month period ended February 28, 2015, including the reinvestment of all distributions, including returns of capital, if any, calculated among the 7 funds in the Fund's Lipper category.

Fund at a glance (unaudited)

Investment breakdown (%) as a percent of total investments

The bar graph above represents the composition of the Fund's investments as of February 28, 2015 and August 31, 2014 and does not include derivatives, such as futures contracts and forward foreign currency contracts. The Fund is actively managed. As a result, the composition of the Fund's investments is subject to change at any time.

Represents less than 0.1%.

Spread duration (unaudited)

Economic exposure February 28, 2015

Total Spread Duration

HYI 3.28 years

Benchmark 3.55 years

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

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

Effective duration (unaudited)

Interest rate exposure February 28, 2015

Total Effective Duration

HYI 3.35 years

Benchmark 3.56 years

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

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

Schedule of investments (unaudited)

February 28, 2015

Western Asset High Yield Defined Opportunity Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
Corporate Bonds & Notes 90.4%				
Consumer Discretionary 17.4%				
<i>Auto Components</i> 0.6%				
Europcar Groupe SA, Senior Notes	11.500%	5/15/17	350,000 ^{EUR}	\$ 443,642 ^(a)
Europcar Groupe SA, Senior Notes	9.375%	4/15/18	1,540,000 ^{EUR}	1,810,210 ^(a)
<i>Total Auto Components</i>				2,253,852
<i>Automobiles</i> 0.3%				
Chrysler Group LLC/CG Co.-Issuer Inc., Secured Notes	8.250%	6/15/21	1,030,000	1,154,888
<i>Diversified Consumer Services</i> 0.6%				
Co-operative Group Holdings 2011 Ltd., Senior Notes	6.875%	7/8/20	100,000 ^{GBP}	167,260 ^(b)
Co-operative Group Holdings 2011 Ltd., Senior Notes	7.500%	7/8/26	280,000 ^{GBP}	479,777
Service Corp. International, Senior Notes	7.500%	4/1/27	1,030,000	1,205,100
StoneMor Partners LP/Cornerstone Family Services of WV, Senior Notes	7.875%	6/1/21	760,000	799,900
<i>Total Diversified Consumer Services</i>				2,652,037
<i>Hotels, Restaurants & Leisure</i> 5.0%				
24 Hour Holdings III LLC, Senior Notes	8.000%	6/1/22	2,800,000	2,415,000 ^(a)
Bossier Casino Venture Holdco Inc.	11.000%	2/9/18	227,097	232,888 ^{(a)(c)(d)}
Bossier Casino Venture Holdco Inc., Senior Secured Bonds	14.000%	2/9/18	1,346,038	1,181,014 ^{(a)(c)(d)(e)}
Caesars Entertainment Resort Properties LLC, Secured Notes	11.000%	10/1/21	1,650,000	1,468,500 ^(a)
Carlson Travel Holdings Inc., Senior Notes	7.500%	8/15/19	420,000	426,300 ^{(a)(e)}
Carrols Restaurant Group Inc., Senior Secured Notes	11.250%	5/15/18	1,130,000	1,214,750
CCM Merger Inc., Senior Notes	9.125%	5/1/19	1,400,000	1,529,500 ^(a)
CEC Entertainment Inc., Senior Notes	8.000%	2/15/22	1,630,000	1,589,250
Cleopatra Finance Ltd., Senior Secured Notes	6.500%	2/15/25	1,070,000	1,068,662 ^(a)
Downstream Development Quapaw, Senior Secured Notes	10.500%	7/1/19	1,090,000	953,750 ^(a)
Gala Electric Casinos Ltd., Secured Notes	11.500%	6/1/19	1,380,000 ^{GBP}	2,270,872 ^(b)
Greektown Holdings LLC/Greektown Mothership Corp., Senior Secured Notes	8.875%	3/15/19	820,000	879,450 ^(a)
Landry's Holdings II Inc., Senior Notes	10.250%	1/1/18	650,000	681,688 ^(a)
Landry's Inc., Senior Notes	9.375%	5/1/20	2,890,000	3,132,037 ^(a)
Nathan's Famous Inc., Senior Secured Notes	10.000%	3/15/20	320,000	320,000 ^(a)
Paris Las Vegas Holding LLC/Harrah's Las Vegas LLC/Flamingo Las Vegas Holding LLC, Senior Secured Notes	8.000%	10/1/20	1,170,000	1,184,625 ^(a)
Rivers Pittsburgh Borrower LP/Rivers Pittsburgh Finance Corp., Senior Secured Notes	9.500%	6/15/19	213,000	226,845 ^(a)
<i>Total Hotels, Restaurants & Leisure</i>				20,775,131

See Notes to Financial Statements.

Western Asset High Yield Defined Opportunity Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
<i>Household Durables 1.3%</i>				
Century Intermediate Holding Co. 2, Senior Notes	9.750%	2/15/19	1,630,000	\$ 1,742,062 ^{(a)(e)}
William Lyon Homes Inc., Senior Notes	8.500%	11/15/20	950,000	1,030,750
William Lyon Homes Inc., Senior Notes	7.000%	8/15/22	970,000	986,975
Woodside Homes Co., LLC/Woodside Homes Finance Inc., Senior Notes	6.750%	12/15/21	1,650,000	1,608,750 ^(a)
<i>Total Household Durables</i>				<i>5,368,537</i>
<i>Media 6.8%</i>				
Altice SA, Senior Secured Notes	7.750%	5/15/22	690,000	714,150 ^(a)
Carmike Cinemas Inc., Secured Notes	7.375%	5/15/19	430,000	457,950
Cerved Group SpA, Senior Secured Notes	6.375%	1/15/20	100,000 ^{EUR}	120,298 ^(a)
Cerved Group SpA, Senior Subordinated Notes	8.000%	1/15/21	150,000 ^{EUR}	184,825 ^(a)
CSC Holdings LLC, Senior Notes	6.750%	11/15/21	450,000	510,188
DISH DBS Corp., Senior Notes	6.750%	6/1/21	2,670,000	2,853,562
DISH DBS Corp., Senior Notes	5.875%	11/15/24	1,310,000	1,306,725
Gibson Brands Inc., Senior Secured Notes	8.875%	8/1/18	1,130,000	1,115,875 ^(a)
iHeartCommunications Inc., Senior Notes	10.000%	1/15/18	1,690,000	1,508,325
New Cotai LLC/New Cotai Capital Corp., Senior Secured Notes	10.625%	5/1/19	1,323,627	1,336,863 ^{(a)(e)}
Nexstar Broadcasting Inc., Senior Notes	6.125%	2/15/22	1,040,000	1,063,400 ^(a)
Numericable-SFR, Senior Secured Bonds	6.000%	5/15/22	2,100,000	2,139,375 ^(a)
Numericable-SFR, Senior Secured Bonds	6.250%	5/15/24	2,090,000	2,147,997 ^(a)
Polish Television Holding BV, Senior Secured Bonds	11.000%	1/15/21	220,000 ^{EUR}	299,738 ^{(a)(e)}
Time Warner Cable Inc., Senior Notes	8.250%	4/1/19	550,000	672,390
Univision Communications Inc., Senior Notes	8.500%	5/15/21	680,000	732,700 ^(a)
Univision Communications Inc., Senior Secured Notes	6.750%	9/15/22	2,514,000	2,740,260 ^(a)
UPC Holding BV, Junior Secured Subordinated Notes	6.375%	9/15/22	140,000 ^{EUR}	171,550 ^(a)
UPCB Finance II Ltd., Senior Notes	6.375%	7/1/20	2,000,000 ^{EUR}	2,352,803 ^(b)
Virgin Media Finance PLC, Senior Notes	6.375%	4/15/23	2,260,000	2,452,100 ^(a)
Virgin Media Finance PLC, Senior Notes	6.000%	10/15/24	1,750,000	1,887,813 ^(a)
Virgin Media Finance PLC, Senior Notes	5.750%	1/15/25	200,000	212,750 ^(a)
WMG Acquisition Corp., Senior Notes	6.750%	4/15/22	1,330,000	1,270,150 ^(a)
<i>Total Media</i>				<i>28,251,787</i>
<i>Multiline Retail 0.6%</i>				
Neiman Marcus Group LLC, Senior Secured Notes	7.125%	6/1/28	270,000	277,425
Neiman Marcus Group Ltd. LLC, Senior Notes	8.750%	10/15/21	2,080,000	2,197,000 ^{(a)(e)}
<i>Total Multiline Retail</i>				<i>2,474,425</i>

See Notes to Financial Statements.

Schedule of investments (unaudited) (cont d)

February 28, 2015

Western Asset High Yield Defined Opportunity Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
<i>Specialty Retail 1.9%</i>				
AA Bond Co., Ltd., Secured Notes	9.500%	7/31/19	280,000 GBP	\$ 476,911 (a)
Edcon Pty Ltd., Senior Secured Notes	9.500%	3/1/18	1,950,000 EUR	1,802,585 (a)
Edcon Pty Ltd., Senior Secured Notes	9.500%	3/1/18	1,120,000 EUR	1,035,331 (b)
Guitar Center Inc., Senior Secured Bonds	6.500%	4/15/19	2,880,000	2,455,200 (a)
Hot Topic Inc., Senior Secured Notes	9.250%	6/15/21	660,000	724,350 (a)
Spencer Spirit Holdings Inc., Senior Notes	9.000%	5/1/18	1,415,000	1,445,069 (a)(e)
<i>Total Specialty Retail</i>				<i>7,939,446</i>
<i>Textiles, Apparel & Luxury Goods 0.3%</i>				
Chinos Intermediate Holdings A Inc., Senior Notes	7.750%	5/1/19	890,000	787,650 (a)(e)
Empire Today LLC/Empire Today Finance Corp., Senior Secured Notes	11.375%	2/1/17	550,000	456,500 (a)
<i>Total Textiles, Apparel & Luxury Goods</i>				<i>1,244,150</i>
Total Consumer Discretionary				72,114,253
<i>Consumer Staples 3.3%</i>				
<i>Beverages 0.7%</i>				
Carolina Beverage Group LLC/Carolina Beverage Group Finance Inc., Secured Notes	10.625%	8/1/18	930,000	925,350 (a)
Cott Beverages Inc., Senior Notes	6.750%	1/1/20	910,000	912,275 (a)
DS Services of America Inc., Secured Notes	10.000%	9/1/21	1,000,000	1,172,500 (a)
<i>Total Beverages</i>				<i>3,010,125</i>
<i>Food & Staples Retailing 0.5%</i>				
Beverages & More Inc., Senior Secured Notes	10.000%	11/15/18	1,340,000	1,264,625 (a)
Family Tree Escrow LLC, Senior Notes	5.750%	3/1/23	950,000	1,004,625 (a)
<i>Total Food & Staples Retailing</i>				<i>2,269,250</i>
<i>Food Products 1.5%</i>				
Boparan Finance PLC, Senior Notes	5.250%	7/15/19	870,000 GBP	1,264,308 (b)
Dole Food Co. Inc., Senior Secured Notes	7.250%	5/1/19	1,280,000	1,302,400 (a)
Hearthside Group Holdings LLC/Hearthside Finance Co., Senior Notes	6.500%	5/1/22	1,240,000	1,249,300 (a)
Simmons Foods Inc., Secured Notes	7.875%	10/1/21	1,550,000	1,553,875 (a)
Wells Enterprises Inc., Senior Secured Notes	6.750%	2/1/20	672,000	687,120 (a)
<i>Total Food Products</i>				<i>6,057,003</i>
<i>Household Products 0.3%</i>				
Spectrum Brands Inc., Senior Notes	6.625%	11/15/22	460,000	505,425
Spectrum Brands Inc., Senior Notes	6.125%	12/15/24	370,000	399,600 (a)
Sun Products Corp., Senior Notes	7.750%	3/15/21	270,000	243,506 (a)
<i>Total Household Products</i>				<i>1,148,531</i>

See Notes to Financial Statements.

Western Asset High Yield Defined Opportunity Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
<i>Tobacco 0.3%</i>				
Alliance One International Inc., Secured Notes	9.875%	7/15/21	1,220,000	\$ 1,033,950
Total Consumer Staples				13,518,859
<i>Energy 13.1%</i>				
<i>Energy Equipment & Services 2.8%</i>				
Atwood Oceanics Inc., Senior Notes	6.500%	2/1/20	3,120,000	3,010,800
CGG, Senior Notes	6.500%	6/1/21	1,480,000	1,217,300
Exterran Partners LP/EXLP Finance Corp., Senior Notes	6.000%	10/1/22	400,000	370,000
FTS International Inc., Senior Secured Notes	6.250%	5/1/22	930,000	734,700 (a)
Hercules Offshore Inc., Senior Notes	7.500%	10/1/21	900,000	265,500 (a)(d)
Hercules Offshore Inc., Senior Notes	6.750%	4/1/22	2,010,000	597,975 (a)(d)
KCA Deutag UK Finance PLC, Senior Secured Notes	7.250%	5/15/21	930,000	702,150 (a)
Key Energy Services Inc., Senior Notes	6.750%	3/1/21	430,000	289,444
Parker Drilling Co., Senior Notes	7.500%	8/1/20	1,370,000	1,191,900
Sierra Hamilton LLC/Sierra Hamilton Finance Inc., Senior Secured Notes	12.250%	12/15/18	1,140,000	1,014,600 (a)
Transocean Inc., Senior Notes	6.800%	3/15/38	2,900,000	2,325,956
<i>Total Energy Equipment & Services</i>				<i>11,720,325</i>
<i>Oil, Gas & Consumable Fuels 10.3%</i>				
Approach Resources Inc., Senior Notes	7.000%	6/15/21	280,000	256,900
Arch Coal Inc., Senior Notes	7.250%	6/15/21	1,530,000	451,350
Berry Petroleum Co., Senior Notes	6.375%	9/15/22	640,000	512,000
Blue Racer Midstream LLC/Blue Racer Finance Corp., Senior Notes	6.125%	11/15/22	730,000	753,725 (a)
California Resources Corp., Senior Notes	5.500%	9/15/21	810,000	743,175 (a)
California Resources Corp., Senior Notes	6.000%	11/15/24	2,440,000	2,186,850 (a)
Calumet Specialty Products Partners LP/Calumet Finance Corp., Senior Notes	9.625%	8/1/20	570,000	609,900
Calumet Specialty Products Partners LP/Calumet Finance Corp., Senior Notes	6.500%	4/15/21	400,000	396,000 (a)
Calumet Specialty Products Partners LP/Calumet Finance Corp., Senior Notes	7.625%	1/15/22	970,000	994,250
Carrizo Oil & Gas Inc., Senior Notes	7.500%	9/15/20	780,000	800,475
Chesapeake Energy Corp., Senior Notes	6.875%	11/15/20	1,240,000	1,368,650
Comstock Resources Inc., Senior Notes	7.750%	4/1/19	1,420,000	887,500
Comstock Resources Inc., Senior Notes	9.500%	6/15/20	890,000	556,250
Crestwood Midstream Partners LP, Senior Notes	6.125%	3/1/22	1,280,000	1,292,800
CrownRock LP/CrownRock Finance Inc., Senior Notes	7.750%	2/15/23	920,000	952,200 (a)
El Paso Corp., Medium-Term Notes	7.800%	8/1/31	810,000	1,004,262
EP Energy LLC/EP Energy Finance Inc., Senior Notes	9.375%	5/1/20	100,000	107,250

See Notes to Financial Statements.

Schedule of investments (unaudited) (cont d)

February 28, 2015

Western Asset High Yield Defined Opportunity Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
<i>Oil, Gas & Consumable Fuels continued</i>				
Globe Luxembourg SCA, Senior Secured Notes	9.625%	5/1/18	3,130,000	\$ 2,678,028 ^(a)
Halcon Resources Corp., Senior Notes	9.750%	7/15/20	2,590,000	2,007,250
Halcon Resources Corp., Senior Notes	8.875%	5/15/21	2,690,000	2,057,850
Kodiak Oil & Gas Corp., Senior Notes	8.125%	12/1/19	1,130,000	1,183,675
Lonestar Resources America Inc., Senior Notes	8.750%	4/15/19	450,000	357,750 ^(a)
Magnum Hunter Resources Corp., Senior Notes	9.750%	5/15/20	3,020,000	2,702,900
MEG Energy Corp., Senior Notes	6.375%	1/30/23	2,010,000	1,919,550 ^(a)
Milagro Oil & Gas Inc., Secured Notes	10.500%	5/15/16	1,360,000	931,600 ^(f)
Murray Energy Corp., Senior Secured Notes	9.500%	12/5/20	870,000	867,825 ^(a)
Murray Energy Corp., Senior Secured Notes	8.625%	6/15/21	740,000	721,500 ^(a)
Natural Resource Partners LP/Natural Resource Partners Finance Corp., Senior Notes	9.125%	10/1/18	940,000	897,700
Natural Resource Partners LP/Natural Resource Partners Finance Corp., Senior Notes	9.125%	10/1/18	340,000	324,700 ^(a)
New Gulf Resources LLC/NGR Finance Corp., Senior Secured Notes	11.750%	5/15/19	1,220,000	963,800
Parsley Energy LLC/Parsley Finance Corp., Senior Notes	7.500%	2/15/22	1,730,000	1,781,900 ^(a)
Quicksilver Resources Inc., Senior Notes	11.000%	7/1/21	1,450,000	155,875
Rice Energy Inc., Senior Notes	6.250%	5/1/22	1,030,000	1,009,400
RSP Permian Inc., Senior Notes	6.625%	10/1/22	2,220,000	2,244,975 ^(a)
Samson Investment Co., Senior Notes	9.750%	2/15/20	1,170,000	403,650
Sanchez Energy Corp., Senior Notes	6.125%	1/15/23	4,220,000	3,892,950
Shelf Drilling Holdings Ltd., Senior Secured Notes	8.625%	11/1/18	750,000	607,500 ^(a)
Summit Midstream Holdings LLC/Summit Midstream Finance Corp., Senior Notes	7.500%	7/1/21	580,000	613,350
Teine Energy Ltd., Senior Notes	6.875%	9/30/22	470,000	420,650 ^(a)
<i>Total Oil, Gas & Consumable Fuels</i>				42,617,915
Total Energy				54,338,240
Financials 9.8%				
<i>Banks 5.9%</i>				
Bank of America Corp., Junior Subordinated	6.500%	10/23/24	650,000	690,422 ^{(g)(h)}
Barclays Bank PLC, Subordinated Notes	10.179%	6/12/21	1,550,000	2,137,281 ^(a)
Barclays Bank PLC, Subordinated Notes	7.625%	11/21/22	1,750,000	2,005,937
Barclays PLC, Junior Subordinated Bonds	8.250%	12/15/18	340,000	363,533 ^{(g)(h)}
Credit Agricole SA, Junior Subordinated Notes	7.875%	1/23/24	600,000	633,110 ^{(a)(g)(h)}
Credit Agricole SA, Subordinated Notes	8.375%	10/13/19	1,320,000	1,574,100 ^{(a)(g)(h)}
HSBC Holdings PLC, Junior Subordinated Bonds	6.375%	9/17/24	640,000	658,880 ^{(g)(h)}
Intesa Sanpaolo SpA, Senior Notes	3.625%	8/12/15	1,490,000	1,506,922 ^(a)
JPMorgan Chase & Co., Junior Subordinated Bonds	6.000%	8/1/23	530,000	542,919 ^{(g)(h)}

See Notes to Financial Statements.

Western Asset High Yield Defined Opportunity Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
<i>Banks continued</i>				
JPMorgan Chase & Co., Junior Subordinated Notes	6.100%	10/1/24	1,000,000	\$ 1,028,750 ^{(g)(h)}
M&T Bank Corp., Junior Subordinated Bonds	6.875%	6/15/16	1,170,000	1,205,100 ^(g)
Novo Banco SA, Senior Notes	5.875%	11/9/15	500,000 EUR	571,135 ^(b)
Royal Bank of Scotland Group PLC, Junior Subordinated Notes, Medium-Term Notes	7.640%	9/30/17	7,000,000	7,735,000 ^{(g)(h)}
Royal Bank of Scotland NV, Subordinated Notes	7.750%	5/15/23	350,000	416,885
Royal Bank of Scotland PLC, Subordinated Notes	13.125%	3/19/22	2,030,000 AUD	1,848,751 ^(h)
Santander Issuances SAU, Notes	5.911%	6/20/16	900,000	933,224 ^(a)
Wells Fargo & Co., Junior Subordinated Bonds	5.875%	6/15/25	470,000	497,025 ^{(g)(h)}
<i>Total Banks</i>				24,348,974
<i>Consumer Finance 0.5%</i>				
SLM Corp., Medium-Term Notes, Senior Notes	8.450%	6/15/18	920,000	1,053,400
Stearns Holdings Inc., Senior Secured Notes	9.375%	8/15/20	520,000	523,900 ^(a)
TMX Finance LLC/TitleMax Finance Corp., Senior Secured Notes	8.500%	9/15/18	460,000	372,600 ^(a)
<i>Total Consumer Finance</i>				1,949,900
<i>Diversified Financial Services 2.3%</i>				
Argos Merger Sub Inc., Senior Notes	7.125%	3/15/23	2,060,000	2,137,250 ^(a)
International Lease Finance Corp., Senior Notes	5.750%	5/15/16	1,000,000	1,043,750
International Lease Finance Corp., Senior Notes	8.750%	3/15/17	1,900,000	2,125,530
International Lease Finance Corp., Senior Notes	8.250%	12/15/20	3,140,000	3,909,300
ZFS Finance USA Trust II, Bonds	6.450%	12/15/65	500,000	527,750 ^{(a)(h)}
<i>Total Diversified Financial Services</i>				9,743,580
<i>Insurance 0.3%</i>				
Fidelity & Guaranty Life Holdings Inc., Senior Notes	6.375%	4/1/21	620,000	655,650 ^(a)
Liberty Mutual Group Inc., Junior Subordinated Bonds	7.800%	3/15/37	720,000	867,600 ^(a)
<i>Total Insurance</i>				1,523,250
<i>Real Estate Management & Development 0.8%</i>				
Greystar Real Estate Partners LLC, Senior Secured Notes	8.250%	12/1/22	1,310,000	1,368,950 ^(a)
Howard Hughes Corp., Senior Notes	6.875%	10/1/21	1,750,000	1,848,437 ^(a)
<i>Total Real Estate Management & Development</i>				3,217,387
Total Financials				40,783,091
<i>Health Care 5.7%</i>				
<i>Health Care Equipment & Supplies 1.1%</i>				
ConvaTec Finance International SA, Senior Notes	8.250%	1/15/19	860,000	871,459 ^{(a)(e)}
ConvaTec Healthcare E SA, Senior Notes	10.875%	12/15/18	1,530,000 EUR	1,818,745 ^(a)
Lantheus Medical Imaging Inc., Senior Notes	9.750%	5/15/17	2,020,000	1,982,125
<i>Total Health Care Equipment & Supplies</i>				4,672,329

See Notes to Financial Statements.

Schedule of investments (unaudited) (cont d)

February 28, 2015

Western Asset High Yield Defined Opportunity Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
<i>Health Care Providers & Services 4.1%</i>				
Acadia Healthcare Co. Inc., Senior Notes	12.875%	11/1/18	474,000	\$ 536,805
CHS/Community Health Systems Inc., Senior Notes	8.000%	11/15/19	1,890,000	2,027,025
Crown Newco 3 PLC, Senior Notes	8.875%	2/15/19	225,000 ^{GBP}	363,797 ^(a)
Crown Newco 3 PLC, Senior Subordinated Notes	8.875%	2/15/19	1,125,000 ^{GBP}	1,818,984 ^(b)
DJO Finance LLC/DJO Finance Corp., Senior Notes	7.750%	4/15/18	340,000	346,800
DJO Finance LLC/DJO Finance Corp., Senior Notes	9.875%	4/15/18	1,900,000	1,976,000
DJO Finance LLC/DJO Finance Corp., Senior Subordinated Notes	9.750%	10/15/17	230,000	236,900
ExamWorks Group Inc., Senior Notes	9.000%	7/15/19	1,670,000	1,778,550
HCA Inc., Debentures	7.500%	11/15/95	1,000,000	1,000,000
IASIS Healthcare LLC/IASIS Capital Corp., Senior Notes	8.375%	5/15/19	2,120,000	2,212,750
Jaguar Holding Co. II/Jaguar Merger Sub Inc., Senior Notes	9.500%	12/1/19	430,000	464,938 ^(a)
Kindred Healthcare Inc., Senior Secured Notes	8.750%	1/15/23	330,000	361,350 ^(a)
Labco SAS, Senior Secured Notes	8.500%	1/15/18	190,000 ^{EUR}	224,845 ^(b)
Tenet Healthcare Corp., Senior Notes	8.125%	4/1/22	1,850,000	2,099,750
Universal Hospital Services Inc., Secured Notes	7.625%	8/15/20	1,770,000	1,517,775
<i>Total Health Care Providers & Services</i>				<i>16,966,269</i>
<i>Pharmaceuticals 0.5%</i>				
JLL/Delta Dutch Newco BV, Senior Notes	7.500%	2/1/22	1,190,000	1,227,188 ^(a)
Valeant Pharmaceuticals International Inc., Senior Notes	5.500%	3/1/23	780,000	791,700 ^(a)
<i>Total Pharmaceuticals</i>				<i>2,018,888</i>
Total Health Care				23,657,486
<i>Industrials 13.6%</i>				
<i>Aerospace & Defense 1.7%</i>				
CBC Ammo LLC/CBC FinCo Inc., Senior Notes	7.250%	11/15/21	1,720,000	1,505,000 ^(a)
Ducommun Inc., Senior Notes	9.750%	7/15/18	800,000	860,000
Erickson Inc., Secured Notes	8.250%	5/1/20	1,745,000	1,430,900
GenCorp Inc., Secured Notes	7.125%	3/15/21	620,000	658,750
Heligear Acquisition Co., Senior Secured Bonds	10.250%	10/15/19	2,000,000	2,007,500 ^{(a)(d)}
LMI Aerospace Inc., Secured Notes	7.375%	7/15/19	580,000	584,350 ^(a)
<i>Total Aerospace & Defense</i>				<i>7,046,500</i>
<i>Air Freight & Logistics 0.4%</i>				
XPO Logistics Inc., Senior Notes	7.875%	9/1/19	1,560,000	1,664,325 ^(a)
<i>Airlines 0.4%</i>				
Air Canada, Pass-Through Trust, Secured Notes	6.625%	5/15/18	460,000	483,667 ^(a)
Delta Air Lines Inc., Pass-Through Certificates, Secured Notes	8.021%	8/10/22	1,145,965	1,331,612
<i>Total Airlines</i>				<i>1,815,279</i>

See Notes to Financial Statements.

Western Asset High Yield Defined Opportunity Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
<i>Building Products 0.6%</i>				
Ashton Woods USA LLC/Ashton Woods Finance Co., Senior Notes	6.875%	2/15/21	1,190,000	\$ 1,065,050 ^(a)
Reliance Intermediate Holdings LP, Senior Secured Notes	9.500%	12/15/19	1,190,000	1,246,525 ^(a)
<i>Total Building Products</i>				<i>2,311,575</i>
<i>Commercial Services & Supplies 2.2%</i>				
Garda World Security Corp., Senior Notes	7.250%	11/15/21	650,000	638,625 ^(a)
JM Huber Corp., Senior Notes	9.875%	11/1/19	680,000	744,600 ^(a)
Monitronics International Inc., Senior Notes	9.125%	4/1/20	2,690,000	2,653,012
Taylor Morrison Communities Inc./Monarch Communities Inc., Senior Notes	7.750%	4/15/20	1,402,000	1,493,130 ^(a)
Taylor Morrison Communities Inc./Monarch Communities Inc., Senior Notes	7.750%	4/15/20	489,000	520,785 ^(a)
United Rentals North America Inc., Senior Notes	7.625%	4/15/22	2,096,000	2,338,738
United Rentals North America Inc., Senior Subordinated Notes	8.375%	9/15/20	390,000	419,250
West Corp., Senior Notes	5.375%	7/15/22	480,000	468,000 ^(a)
<i>Total Commercial Services & Supplies</i>				<i>9,276,140</i>
<i>Construction & Engineering 1.5%</i>				
Astaldi SpA, Senior Bonds	7.125%	12/1/20	580,000 EUR	700,973 ^(a)
Astaldi SpA, Senior Notes	7.125%	12/1/20	130,000 EUR	157,115 ^(b)
Ausdrill Finance Pty Ltd., Senior Notes	6.875%	11/1/19	1,010,000	762,550 ^(a)
Brundage-Bone Concrete Pumping Inc., Senior Secured Notes	10.375%	9/1/21	860,000	889,025 ^(a)
Michael Baker Holdings LLC/Michael Baker Finance Corp., Senior Notes	8.875%	4/15/19	1,280,000	1,203,200 ^{(a)(e)}
Michael Baker International LLC/CDL Acquisition Co. Inc., Senior Secured Notes	8.250%	10/15/18	1,540,000	1,509,200 ^(a)
Modular Space Corp., Secured Notes	10.250%	1/31/19	1,230,000	928,650 ^(a)
<i>Total Construction & Engineering</i>				<i>6,150,713</i>
<i>Electrical Equipment 0.4%</i>				
International Wire Group Holdings Inc., Senior Secured Notes	8.500%	10/15/17	820,000	861,000 ^(a)
NES Rentals Holdings Inc., Senior Secured Notes	7.875%	5/1/18	760,000	773,300 ^(a)
Trionista TopCo GmbH, Senior Subordinated Notes	6.875%	4/30/21	150,000 EUR	181,118 ^(a)
<i>Total Electrical Equipment</i>				<i>1,815,418</i>
<i>Machinery 1.5%</i>				
CTP Transportation Products LLC/CTP Finance Inc., Senior Secured Notes	8.250%	12/15/19	500,000	525,000 ^(a)
Dematic SA/DH Services Luxembourg Sarl, Senior Notes	7.750%	12/15/20	2,310,000	2,431,275 ^(a)
Gardner Denver Inc., Senior Notes	6.875%	8/15/21	450,000	438,750 ^(a)
Global Brass and Copper Inc., Senior Secured Notes	9.500%	6/1/19	1,000,000	1,085,000
KraussMaffei Group GmbH, Senior Secured Notes	8.750%	12/15/20	339,225 EUR	419,687 ^(a)

See Notes to Financial Statements.

Schedule of investments (unaudited) (cont d)

February 28, 2015

Western Asset High Yield Defined Opportunity Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
<i>Machinery continued</i>				
KraussMaffei Group GmbH, Senior Secured Notes	8.750%	12/15/20	122,300 ^{EUR}	\$ 151,308 ^(b)
Onex Wizard Acquisition Co. II SCA, Senior Bonds	7.750%	2/15/23	470,000 ^{EUR}	553,566 ^(a)
SPL Logistics Escrow LLC/SPL Logistics Finance Corp., Senior Secured Notes	8.875%	8/1/20	720,000	761,400 ^(a)
<i>Total Machinery</i>				6,365,986
<i>Marine 1.1%</i>				
Horizon Lines LLC, Senior Secured Notes	11.000%	10/15/16	786,000	791,895 ^(d)
Navios Maritime Acquisition Corp./Navios Acquisition Finance U.S. Inc., Senior Secured Notes	8.125%	11/15/21	2,670,000	2,683,350 ^(a)
Ultrapetrol Bahamas Ltd., Senior Secured Notes	8.875%	6/15/21	1,010,000	999,900
<i>Total Marine</i>				4,475,145
<i>Road & Rail 1.7%</i>				
Flexi-Van Leasing Inc., Senior Notes	7.875%	8/15/18	1,050,000	1,060,500 ^(a)
Florida East Coast Holdings Corp., Senior Notes	9.750%	5/1/20	1,430,000	1,401,400 ^(a)
Florida East Coast Holdings Corp., Senior Secured Notes	6.750%	5/1/19	780,000	806,325 ^(a)
Jack Cooper Holdings Corp., Senior Secured Notes	9.250%	6/1/20	1,000,000	1,035,000 ^(a)
Jurassic Holdings III Inc., Secured Notes	6.875%	2/15/21	1,050,000	913,500 ^(a)
Quality Distribution LLC/QD Capital Corp., Secured Notes	9.875%	11/1/18	1,609,000	1,693,473
<i>Total Road & Rail</i>				6,910,198
<i>Trading Companies & Distributors 0.3%</i>				
H&E Equipment Services Inc., Senior Notes	7.000%	9/1/22	1,110,000	1,146,075
<i>Transportation 1.6%</i>				
Hapag-Lloyd AG, Senior Notes	9.750%	10/15/17	1,420,000	1,491,000 ^(a)
JCH Parent Inc., Senior Notes	10.500%	3/15/19	2,500,000	2,325,000 ^{(a)(e)}
Neovia Logistics Intermediate Holdings LLC/Logistics Intermediate Finance Corp., Senior Notes	10.000%	2/15/18	1,640,000	1,656,400 ^{(a)(e)}
Syncreon Group BV/Syncreon Global Finance U.S. Inc., Senior Notes	8.625%	11/1/21	1,430,000	1,272,700 ^(a)
<i>Total Transportation</i>				6,745,100
<i>Transportation Infrastructure 0.2%</i>				
Aguila 3 SA, Senior Secured Notes	7.875%	1/31/18	720,000	730,800 ^(a)
<i>Total Industrials</i>				56,453,254
<i>Information Technology 3.2%</i>				
<i>Electronic Equipment, Instruments & Components 0.4%</i>				
Interface Security Systems Holdings Inc./Interface Security Systems LLC, Senior Secured Notes	9.250%	1/15/18	1,090,000	1,090,000
Techem GmbH, Senior Secured Notes	6.125%	10/1/19	350,000 ^{EUR}	419,574 ^(a)
<i>Total Electronic Equipment, Instruments & Components</i>				1,509,574

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Western Asset High Yield Defined Opportunity Fund Inc.