

WESTERN ASSET HIGH INCOME FUND II INC.

Form N-Q

March 16, 2015

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED**

**MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number **811-08709**

**Western Asset High Income Fund II Inc.**

(Exact name of registrant as specified in charter)

**620 Eighth Avenue, 49<sup>th</sup> Floor, New York, NY 10018**

(Address of principal executive offices) (Zip code)

**Robert I. Frenkel, Esq.**

**Legg Mason & Co., LLC**

**100 First Stamford Place**

**Stamford, CT 06902**

(Name and address of agent for service)

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

Date of fiscal year end: **April 30**

Date of reporting period: **January 31, 2015**

**ITEM 1. SCHEDULE OF INVESTMENTS.**

**WESTERN ASSET HIGH INCOME FUND II INC.**

FORM N-Q

JANUARY 31, 2015

## WESTERN ASSET HIGH INCOME FUND II INC.

## Schedule of investments (unaudited)

January 31, 2015

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
<b>CORPORATE BONDS &amp; NOTES - 121.2%</b>				
<b>CONSUMER DISCRETIONARY - 24.6%</b>				
<b>Auto Components - 0.4%</b>				
Europcar Groupe SA, Senior Notes	11.500%	5/15/17	380,000 <sup>EUR</sup>	\$ 485,222 <sup>(a)</sup>
Europcar Groupe SA, Senior Notes	9.375%	4/15/18	2,010,000 <sup>EUR</sup>	2,384,296 <sup>(a)</sup>
<i>Total Auto Components</i>				2,869,518
<b>Automobiles - 0.4%</b>				
Chrysler Group LLC/CG Co.-Issuer Inc., Secured Notes	8.250%	6/15/21	2,482,000	2,773,635 <sup>(b)</sup>
<b>Diversified Consumer Services - 0.8%</b>				
Co-operative Group Holdings 2011 Ltd., Senior Notes	6.875%	7/8/20	337,000 <sup>GBP</sup>	532,293 <sup>(c)</sup>
Co-operative Group Holdings 2011 Ltd., Senior Notes	7.500%	7/8/26	500,000 <sup>GBP</sup>	811,802
Service Corp. International, Senior Notes	7.500%	4/1/27	2,090,000	2,361,700 <sup>(b)</sup>
StoneMor Partners LP/Cornerstone Family Services of WV, Senior Bonds	7.875%	6/1/21	1,810,000	1,873,350 <sup>(b)</sup>
<i>Total Diversified Consumer Services</i>				5,579,145
<b>Hotels, Restaurants &amp; Leisure - 5.8%</b>				
24 Hour Holdings III LLC, Senior Notes	8.000%	6/1/22	1,940,000	1,590,800 <sup>(a)</sup>
Bossier Casino Venture Holdco Inc.	11.000%	2/9/18	415,960	405,977 <sup>(a)(d)(e)</sup>
Bossier Casino Venture Holdco Inc., Senior Secured Bonds	14.000%	2/9/18	3,247,150	2,804,239 <sup>(a)(d)(e)(f)</sup>
Boyd Gaming Corp., Senior Notes	9.125%	12/1/18	1,470,000	1,539,825 <sup>(b)</sup>
Caesars Entertainment Resort Properties LLC, Secured Notes	11.000%	10/1/21	1,430,000	1,287,000 <sup>(a)</sup>
Carlson Travel Holdings Inc., Senior Notes	7.500%	8/15/19	1,010,000	1,017,575 <sup>(a)(f)</sup>
Carrols Restaurant Group Inc., Senior Secured Notes	11.250%	5/15/18	2,720,000	2,917,200 <sup>(b)</sup>
CCM Merger Inc., Senior Notes	9.125%	5/1/19	3,360,000	3,645,600 <sup>(a)(b)</sup>
CEC Entertainment Inc., Senior Notes	8.000%	2/15/22	3,760,000	3,675,400
Downstream Development Quapaw, Senior Secured Notes	10.500%	7/1/19	2,580,000	2,425,200 <sup>(a)(b)</sup>
Fontainebleau Las Vegas Holdings LLC/Fontainebleau Las Vegas Capital Corp.,	10.250%	6/15/15	975,000	9,799 <sup>(a)(g)</sup>

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<b>Senior Secured Notes</b>				
Gala Electric Casinos Ltd., Secured Notes	11.500%	6/1/19	1,724,000 <sup>GBP</sup>	2,722,734 <sup>(c)</sup>
Greektown Holdings LLC/Greektown Mothership Corp., Senior Secured Notes	8.875%	3/15/19	1,980,000	2,004,750 <sup>(a)</sup>
Landry's Holdings II Inc., Senior Notes	10.250%	1/1/18	1,530,000	1,583,550 <sup>(a)(b)</sup>
Landry's Inc., Senior Notes	9.375%	5/1/20	6,978,000	7,536,240 <sup>(a)(b)</sup>
MGM Resorts International, Senior Notes	6.625%	12/15/21	310,000	327,050 <sup>(b)</sup>
Paris Las Vegas Holding LLC/Harrah's Las Vegas LLC/Flamingo Las Vegas Holding LLC, Senior Secured Notes	8.000%	10/1/20	5,450,000	5,395,500 <sup>(a)(b)</sup>
Rivers Pittsburgh Borrower LP/Rivers Pittsburgh Finance Corp., Senior Secured Notes	9.500%	6/15/19	514,000	547,410 <sup>(a)(b)</sup>
<i>Total Hotels, Restaurants &amp; Leisure</i>				<i>41,435,849</i>
<b>Household Durables - 1.9%</b>				
Century Intermediate Holding Co. 2, Senior Notes	9.750%	2/15/19	3,860,000	4,110,900 <sup>(a)(b)(f)</sup>
William Lyon Homes Inc., Senior Notes	8.500%	11/15/20	2,980,000	3,196,050 <sup>(b)</sup>
William Lyon Homes Inc., Senior Notes	7.000%	8/15/22	2,320,000	2,354,800
Woodside Homes Co., LLC/Woodside Homes Finance Inc., Senior Notes	6.750%	12/15/21	3,940,000	3,846,425 <sup>(a)(b)</sup>
<i>Total Household Durables</i>				<i>13,508,175</i>
<b>Media - 11.9%</b>				
Altice SA, Senior Notes	7.625%	2/15/25	1,760,000	1,760,000 <sup>(a)</sup>
Altice SA, Senior Secured Notes	7.750%	5/15/22	1,650,000	1,711,875 <sup>(a)</sup>
Carmike Cinemas Inc., Secured Notes	7.375%	5/15/19	1,040,000	1,106,248 <sup>(b)</sup>

**See Notes to Schedule of Investments.**

## WESTERN ASSET HIGH INCOME FUND II INC.

## Schedule of investments (unaudited) (cont d)

January 31, 2015

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
<b>Media - (continued)</b>				
CCO Holdings LLC/CCO Holdings Capital Corp., Senior Notes	8.125%	4/30/20	5,050,000	\$ 5,327,750 <sup>(b)</sup>
Cerved Group SpA, Senior Secured Notes	6.375%	1/15/20	200,000 <sup>EUR</sup>	242,385 <sup>(a)</sup>
Cerved Group SpA, Senior Subordinated Notes	8.000%	1/15/21	300,000 <sup>EUR</sup>	369,510 <sup>(a)</sup>
Clear Channel Worldwide Holdings Inc., Senior Notes	6.500%	11/15/22	900,000	922,500 <sup>(b)</sup>
Clear Channel Worldwide Holdings Inc., Senior Subordinated Notes	7.625%	3/15/20	260,000	271,700 <sup>(b)</sup>
CSC Holdings Inc., Senior Debentures	7.875%	2/15/18	1,500,000	1,683,750 <sup>(b)</sup>
CSC Holdings LLC, Senior Notes	6.750%	11/15/21	230,000	258,463 <sup>(b)</sup>
CSC Holdings LLC, Senior Notes	5.250%	6/1/24	3,150,000	3,169,687 <sup>(a)</sup>
DISH DBS Corp., Senior Notes	7.875%	9/1/19	1,815,000	2,064,563 <sup>(b)</sup>
DISH DBS Corp., Senior Notes	6.750%	6/1/21	2,270,000	2,471,463 <sup>(b)</sup>
DISH DBS Corp., Senior Notes	5.875%	11/15/24	6,090,000	6,135,675 <sup>(a)</sup>
Gibson Brands Inc., Senior Secured Notes	8.875%	8/1/18	2,710,000	2,581,275 <sup>(a)(b)</sup>
iHeartCommunications Inc., Senior Notes	10.000%	1/15/18	2,170,000	1,896,038
MDC Partners Inc., Senior Notes	6.750%	4/1/20	800,000	838,000 <sup>(a)</sup>
New Cotai LLC/New Cotai Capital Corp., Senior Secured Notes	10.625%	5/1/19	2,737,605	2,710,229 <sup>(a)(b)(f)</sup>
Nexstar Broadcasting Inc., Senior Notes	6.125%	2/15/22	2,420,000	2,432,100 <sup>(a)</sup>
Numericable-SFR, Senior Secured Bonds	6.000%	5/15/22	4,980,000	5,100,267 <sup>(a)(b)</sup>
Numericable-SFR, Senior Secured Bonds	6.250%	5/15/24	4,590,000	4,756,387 <sup>(a)</sup>
Polish Television Holding BV, Senior Secured Bonds	11.000%	1/15/21	420,000 <sup>EUR</sup>	567,147 <sup>(a)(f)</sup>
Time Warner Cable Inc., Senior Notes	8.750%	2/14/19	2,500,000	3,135,937 <sup>(b)</sup>
Time Warner Cable Inc., Senior Notes	8.250%	4/1/19	1,336,000	1,655,371 <sup>(b)</sup>
TVN Finance Corp. III AB, Senior Bonds	7.375%	12/15/20	1,258,000 <sup>EUR</sup>	1,578,975 <sup>(a)</sup>
Univision Communications Inc., Senior Notes	8.500%	5/15/21	4,450,000	4,794,875 <sup>(a)(b)</sup>
Univision Communications Inc., Senior Secured Notes	6.875%	5/15/19	1,780,000	1,860,100 <sup>(a)(b)</sup>
Univision Communications Inc., Senior Secured Notes	7.875%	11/1/20	400,000	430,000 <sup>(a)(b)</sup>
UPC Holding BV, Junior Secured Subordinated Notes	6.375%	9/15/22	5,060,000 <sup>EUR</sup>	6,175,565 <sup>(a)</sup>
UPCB Finance II Ltd., Senior Notes	6.375%	7/1/20	3,500,000 <sup>EUR</sup>	4,157,693 <sup>(b)(c)</sup>
Virgin Media Finance PLC, Senior Notes	6.375%	4/15/23	5,420,000	5,799,400 <sup>(a)(b)</sup>
Virgin Media Finance PLC, Senior Notes	6.000%	10/15/24	3,990,000	4,214,437 <sup>(a)(b)</sup>
Virgin Media Finance PLC, Senior Notes	5.750%	1/15/25	200,000	207,500 <sup>(a)</sup>
WMG Acquisition Corp., Senior Notes	6.750%	4/15/22	3,150,000	2,854,687 <sup>(a)</sup>

<i>Total Media</i>				85,241,552
<b>Multiline Retail - 0.5%</b>				
Neiman Marcus Group LLC, Senior Secured Notes	7.125%	6/1/28	660,000	666,600 <sup>(b)</sup>
Neiman Marcus Group Ltd. LLC, Senior Notes	8.750%	10/15/21	2,940,000	3,087,000 <sup>(a)(b)(f)</sup>
<i>Total Multiline Retail</i>				3,753,600
<b>Specialty Retail - 2.5%</b>				
American Greetings Corp., Senior Notes	7.375%	12/1/21	2,480,000	2,641,200 <sup>(b)</sup>
Edcon Pty Ltd., Senior Secured Notes	9.500%	3/1/18	3,550,000 <sup>EUR</sup>	3,255,331 <sup>(a)</sup>
Edcon Pty Ltd., Senior Secured Notes	9.500%	3/1/18	1,220,000 <sup>EUR</sup>	1,118,734 <sup>(c)</sup>
Edcon Pty Ltd., Senior Secured Notes	9.500%	3/1/18	760,000	604,276 <sup>(a)</sup>
Guitar Center Inc., Senior Secured Bonds	6.500%	4/15/19	6,850,000	5,668,375 <sup>(a)</sup>
Hot Topic Inc., Senior Secured Notes	9.250%	6/15/21	1,570,000	1,707,375 <sup>(a)(b)</sup>
Spencer Spirit Holdings Inc., Senior Notes	9.000%	5/1/18	3,408,000	3,467,640 <sup>(a)(b)(f)</sup>
<i>Total Specialty Retail</i>				18,462,931
<b>Textiles, Apparel &amp; Luxury Goods - 0.4%</b>				
Chinos Intermediate Holdings A Inc., Senior Notes	7.750%	5/1/19	2,130,000	1,805,175 <sup>(a)(b)(f)</sup>

**See Notes to Schedule of Investments.**

**WESTERN ASSET HIGH INCOME FUND II INC.****Schedule of investments (unaudited) (cont d)****January 31, 2015**

<b>SECURITY</b>	<b>RATE</b>	<b>MATURITY DATE</b>	<b>FACE AMOUNT</b>	<b>VALUE</b>
<b>Textiles, Apparel &amp; Luxury Goods - (continued)</b>				
Empire Today LLC/Empire Today Finance Corp., Senior Secured Notes	11.375%	2/1/17	1,300,000	\$ 1,040,000 <sup>(a)(b)</sup>
<i>Total Textiles, Apparel &amp; Luxury Goods</i>				<i>2,845,175</i>
<b>TOTAL CONSUMER DISCRETIONARY</b>				<b>176,469,580</b>
<b>CONSUMER STAPLES - 3.7%</b>				
<b>Beverages - 1.0%</b>				
Carolina Beverage Group LLC/Carolina Beverage Group Finance Inc., Secured Notes	10.625%	8/1/18	2,200,000	2,123,000 <sup>(a)(b)</sup>
Cott Beverages Inc., Senior Notes	6.750%	1/1/20	2,140,000	2,118,600 <sup>(a)</sup>
DS Services of America Inc., Secured Notes	10.000%	9/1/21	2,390,000	2,757,463 <sup>(a)</sup>
<i>Total Beverages</i>				<i>6,999,063</i>
<b>Food &amp; Staples Retailing - 0.4%</b>				
Beverages & More Inc., Senior Secured Notes	10.000%	11/15/18	3,220,000	3,014,725 <sup>(a)(b)</sup>
<b>Food Products - 1.7%</b>				
Dole Food Co. Inc., Senior Secured Notes	7.250%	5/1/19	3,070,000	3,089,187 <sup>(a)(b)</sup>
Hearthside Group Holdings LLC/Hearthside Finance Co., Senior Notes	6.500%	5/1/22	2,970,000	2,925,450 <sup>(a)</sup>
Simmons Foods Inc., Secured Notes	7.875%	10/1/21	3,700,000	3,598,250 <sup>(a)</sup>
Virgolino de Oliveira Finance SA, Senior Secured Notes	10.875%	1/13/20	2,700,000	621,000 <sup>(a)</sup>
Wells Enterprises Inc., Senior Secured Notes	6.750%	2/1/20	1,593,000	1,628,843 <sup>(a)(b)</sup>
<i>Total Food Products</i>				<i>11,862,730</i>
<b>Household Products - 0.3%</b>				
Spectrum Brands Inc., Senior Notes	6.125%	12/15/24	1,630,000	1,707,425 <sup>(a)(b)</sup>
Sun Products Corp., Senior Notes	7.750%	3/15/21	590,000	523,625 <sup>(a)</sup>
<i>Total Household Products</i>				<i>2,231,050</i>
<b>Tobacco - 0.3%</b>				
Alliance One International Inc., Secured Notes	9.875%	7/15/21	2,940,000	2,469,600
<b>TOTAL CONSUMER STAPLES</b>				<b>26,577,168</b>



**ENERGY - 17.7%****Energy Equipment & Services - 2.8%**

Atwood Oceanics Inc., Senior Notes	6.500%	2/1/20	5,343,000	4,848,772 <sup>(b)</sup>
CGG, Senior Notes	7.750%	5/15/17	378,000	344,925 <sup>(b)</sup>
CGG, Senior Notes	6.500%	6/1/21	2,520,000	1,940,400
CGG, Senior Notes	6.875%	1/15/22	480,000	376,800
Gulfmark Offshore Inc., Senior Notes	6.375%	3/15/22	1,600,000	1,264,000 <sup>(b)</sup>
Hercules Offshore Inc., Senior Notes	7.500%	10/1/21	1,885,000	655,038 <sup>(a)</sup>
Hercules Offshore Inc., Senior Notes	6.750%	4/1/22	4,225,000	1,457,625 <sup>(a)</sup>
KCA Deutag UK Finance PLC, Senior Secured Notes	7.250%	5/15/21	1,280,000	892,800 <sup>(a)</sup>
Key Energy Services Inc., Senior Notes	6.750%	3/1/21	630,000	381,150
Parker Drilling Co., Senior Notes	7.500%	8/1/20	3,250,000	2,535,000
SESI LLC, Senior Notes	7.125%	12/15/21	2,780,000	2,800,850 <sup>(b)</sup>
Sierra Hamilton LLC/Sierra Hamilton Finance Inc., Senior Secured Notes	12.250%	12/15/18	2,730,000	2,429,700 <sup>(a)(b)</sup>
TMK OAO Via TMK Capital SA, Senior Notes	6.750%	4/3/20	210,000	119,700 <sup>(a)</sup>

*Total Energy Equipment & Services*

20,046,760

**Oil, Gas & Consumable Fuels - 14.9%**

Approach Resources Inc., Senior Notes	7.000%	6/15/21	650,000	526,500
Arch Coal Inc., Senior Notes	7.250%	6/15/21	3,700,000	878,750
Berry Petroleum Co., Senior Notes	6.375%	9/15/22	1,570,000	1,091,150
Blue Racer Midstream LLC/Blue Racer Finance Corp., Senior Notes	6.125%	11/15/22	1,740,000	1,726,950 <sup>(a)</sup>
California Resources Corp., Senior Notes	5.500%	9/15/21	1,920,000	1,622,400 <sup>(a)</sup>
California Resources Corp., Senior Notes	6.000%	11/15/24	5,620,000	4,601,375 <sup>(a)</sup>
Calumet Specialty Products Partners LP/Calumet Finance Corp., Senior Notes	9.625%	8/1/20	1,570,000	1,562,150 <sup>(b)</sup>

**See Notes to Schedule of Investments.**

## WESTERN ASSET HIGH INCOME FUND II INC.

## Schedule of investments (unaudited) (cont d)

January 31, 2015

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
<b>Oil, Gas &amp; Consumable Fuels - (continued)</b>				
Calumet Specialty Products Partners LP/Calumet Finance Corp., Senior Notes	6.500%	4/15/21	520,000	\$ 453,700 <sup>(a)</sup>
Calumet Specialty Products Partners LP/Calumet Finance Corp., Senior Notes	7.625%	1/15/22	2,130,000	1,948,950
Carrizo Oil & Gas Inc., Senior Notes	7.500%	9/15/20	1,140,000	1,117,200 <sup>(b)</sup>
Carrizo Oil & Gas Inc., Senior Notes	7.500%	9/15/20	610,000	597,800 <sup>(a)</sup>
Chesapeake Energy Corp., Senior Notes	6.875%	11/15/20	2,100,000	2,283,750 <sup>(b)</sup>
Comstock Resources Inc., Senior Notes	7.750%	4/1/19	3,370,000	1,735,550
Comstock Resources Inc., Senior Notes	9.500%	6/15/20	2,130,000	1,096,950 <sup>(b)</sup>
CONSOL Energy Inc., Senior Notes	8.250%	4/1/20	2,870,000	2,891,525 <sup>(b)</sup>
Corral Petroleum Holdings AB, Senior Notes	15.000%	12/31/17	4,888,643	4,005,632 <sup>(a)(f)</sup>
Crestwood Midstream Partners LP, Senior Notes	6.125%	3/1/22	2,919,000	2,853,322
EDC Finance Ltd., Senior Notes	4.875%	4/17/20	1,100,000	885,500 <sup>(a)</sup>
El Paso Corp., Medium-Term Notes	7.800%	8/1/31	1,952,000	2,405,475 <sup>(b)</sup>
Enterprise Products Operating LLC, Junior Subordinated Notes	8.375%	8/1/66	285,000	301,493 <sup>(b)(h)</sup>
EP Energy LLC/EP Energy Finance Inc., Senior Notes	9.375%	5/1/20	910,000	921,375 <sup>(b)</sup>
Globe Luxembourg SCA, Senior Secured Notes	9.625%	5/1/18	5,270,000	4,005,200 <sup>(a)(b)</sup>
Halcon Resources Corp., Senior Notes	9.750%	7/15/20	3,793,000	2,550,792 <sup>(e)</sup>
Halcon Resources Corp., Senior Notes	8.875%	5/15/21	8,490,000	5,688,300 <sup>(b)(e)</sup>
Kodiak Oil & Gas Corp., Senior Notes	8.125%	12/1/19	2,720,000	2,781,200 <sup>(b)</sup>
Lonestar Resources America Inc., Senior Notes	8.750%	4/15/19	1,080,000	750,600 <sup>(a)</sup>
LUKOIL International Finance BV, Bonds	6.356%	6/7/17	1,720,000	1,660,540 <sup>(c)</sup>
Magnum Hunter Resources Corp., Senior Notes	9.750%	5/15/20	7,190,000	5,320,600 <sup>(b)</sup>
MEG Energy Corp., Senior Notes	6.375%	1/30/23	5,020,000	4,492,900 <sup>(a)</sup>
Milagro Oil & Gas Inc., Secured Notes	10.500%	5/15/16	3,290,000	2,385,250 <sup>(g)</sup>
Murray Energy Corp., Senior Secured Notes	9.500%	12/5/20	2,090,000	2,063,875 <sup>(a)(b)</sup>
Murray Energy Corp., Senior Secured Notes	8.625%	6/15/21	1,740,000	1,670,400 <sup>(a)(b)</sup>
Natural Resource Partners LP/Natural Resource Partners Finance Corp., Senior Notes	9.125%	10/1/18	2,240,000	2,155,552 <sup>(b)</sup>
New Gulf Resources LLC/NGR Finance Corp., Senior Secured Notes	11.750%	5/15/19	2,910,000	2,007,900

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Novatek Finance Ltd., Notes	6.604%	2/3/21	2,300,000	1,976,850 <sup>(a)</sup>
Pacific Rubiales Energy Corp., Senior Notes	5.375%	1/26/19	2,350,000	1,551,000 <sup>(a)</sup>
Parsley Energy LLC/Parsley Finance Corp., Senior Notes	7.500%	2/15/22	1,130,000	1,124,350 <sup>(a)</sup>
Petrobras Global Finance BV, Senior Notes	7.250%	3/17/44	3,000,000	2,602,470 <sup>(i)</sup>
Puma International Financing SA, Senior Bonds	6.750%	2/1/21	5,600,000	5,594,400 <sup>(a)(b)</sup>
Quicksilver Resources Inc., Senior Notes	11.000%	7/1/21	3,485,000	470,475
Rosneft Finance SA, Senior Notes	7.500%	7/18/16	270,000	264,284 <sup>(a)</sup>
Rosneft Finance SA, Senior Notes	6.625%	3/20/17	230,000	216,200 <sup>(c)</sup>
Rosneft Finance SA, Senior Notes	7.875%	3/13/18	1,390,000	1,294,424 <sup>(a)(b)</sup>
RSP Permian Inc., Senior Notes	6.625%	10/1/22	5,280,000	5,273,400 <sup>(a)</sup>
Samson Investment Co., Senior Notes	9.750%	2/15/20	2,730,000	859,950
Sanchez Energy Corp., Senior Notes	6.125%	1/15/23	9,940,000	8,846,600 <sup>(a)(b)</sup>
Shelf Drilling Holdings Ltd., Senior Secured Notes	8.625%	11/1/18	1,810,000	1,448,000 <sup>(a)</sup>
Summit Midstream Holdings LLC/Summit Midstream Finance Corp., Senior Notes	7.500%	7/1/21	1,370,000	1,448,775 <sup>(b)</sup>
Teine Energy Ltd., Senior Notes	6.875%	9/30/22	1,130,000	909,650 <sup>(a)</sup>
<i>Total Oil, Gas &amp; Consumable Fuels</i>				<i>106,921,434</i>
<b>TOTAL ENERGY</b>				<b>126,968,194</b>
<b>FINANCIALS - 11.4%</b>				
<b>Banks - 6.5%</b>				
Bank of America Corp., Junior Subordinated	6.500%	10/23/24	1,190,000	1,249,127 <sup>(b)(h)(j)</sup>
Barclays Bank PLC, Subordinated Notes	10.179%	6/12/21	3,710,000	5,092,253 <sup>(a)(b)</sup>
Barclays Bank PLC, Subordinated Notes	7.625%	11/21/22	5,000,000	5,587,500 <sup>(b)</sup>
Barclays PLC, Junior Subordinated Bonds	8.250%	12/15/18	800,000	835,455 <sup>(b)(h)(j)</sup>
Citigroup Inc., Junior Subordinated Bonds	6.300%	5/15/24	950,000	958,015 <sup>(h)(j)</sup>
Credit Agricole SA, Junior Subordinated Notes	7.875%	1/23/24	1,350,000	1,398,114 <sup>(a)(h)(j)</sup>
Credit Agricole SA, Subordinated Notes	8.375%	10/13/19	3,180,000	3,704,700 <sup>(a)(b)(h)(j)</sup>
HSBC Holdings PLC, Junior Subordinated Bonds	6.375%	9/17/24	1,560,000	1,601,746 <sup>(b)(h)(j)</sup>

**See Notes to Schedule of Investments.**

**WESTERN ASSET HIGH INCOME FUND II INC.****Schedule of investments (unaudited) (cont d)****January 31, 2015**

<b>SECURITY</b>	<b>RATE</b>	<b>MATURITY DATE</b>	<b>FACE AMOUNT</b>	<b>VALUE</b>
<b>Banks - (continued)</b>				
Intesa Sanpaolo SpA, Senior Notes	3.625%	8/12/15	3,920,000	\$ 3,969,000 <sup>(a)(b)</sup>
JPMorgan Chase & Co., Junior Subordinated Bonds	6.000%	8/1/23	1,270,000	1,288,654 <sup>(b)(h)(j)</sup>
JPMorgan Chase & Co., Junior Subordinated Notes	6.100%	10/1/24	2,410,000	2,470,250 <sup>(b)(h)(j)</sup>
M&T Bank Corp., Junior Subordinated Bonds	6.875%	6/15/16	4,400,000	4,521,000 <sup>(b)(j)</sup>
Novo Banco SA, Senior Notes	5.875%	11/9/15	1,500,000 <sup>EUR</sup>	1,734,647 <sup>(c)</sup>
Royal Bank of Scotland Group PLC, Junior Subordinated Bonds	7.648%	9/30/31	3,530,000	4,236,000 <sup>(b)(h)(j)</sup>
Royal Bank of Scotland Group PLC, Subordinated Notes	6.100%	6/10/23	1,470,000	1,647,916 <sup>(b)</sup>
Royal Bank of Scotland NV, Subordinated Notes	7.750%	5/15/23	650,000	791,382 <sup>(b)</sup>
Royal Bank of Scotland PLC, Subordinated Notes	13.125%	3/19/22	4,860,000 <sup>AUD</sup>	4,411,961 <sup>(c)(h)</sup>
Wells Fargo & Co., Junior Subordinated Bonds	5.875%	6/15/25	1,140,000	1,197,000 <sup>(h)(j)</sup>
<i>Total Banks</i>				<i>46,694,720</i>
<b>Capital Markets - 0.6%</b>				
Credit Suisse Group AG, Junior Subordinated Notes	6.250%	12/18/24	1,350,000	1,304,978 <sup>(a)(h)(j)</sup>
Goldman Sachs Group Inc., Subordinated Notes	6.750%	10/1/37	2,320,000	3,052,412 <sup>(b)</sup>
<i>Total Capital Markets</i>				<i>4,357,390</i>
<b>Consumer Finance - 0.6%</b>				
SLM Corp., Medium-Term Notes, Senior Notes	8.450%	6/15/18	2,230,000	2,526,835 <sup>(b)</sup>
Stearns Holdings Inc., Senior Secured Notes	9.375%	8/15/20	1,250,000	1,234,375 <sup>(a)(b)</sup>
TMX Finance LLC/TitleMax Finance Corp., Senior Secured Notes	8.500%	9/15/18	1,110,000	849,150 <sup>(a)(b)</sup>
<i>Total Consumer Finance</i>				<i>4,610,360</i>
<b>Diversified Financial Services - 1.9%</b>				
International Lease Finance Corp., Senior Notes	5.750%	5/15/16	800,000	832,260 <sup>(b)</sup>
International Lease Finance Corp., Senior Notes	8.750%	3/15/17	3,385,000	3,774,783 <sup>(b)</sup>
International Lease Finance Corp., Senior Notes	8.875%	9/1/17	5,180,000	5,892,250 <sup>(b)</sup>
International Lease Finance Corp., Senior Notes	8.250%	12/15/20	2,160,000	2,656,800 <sup>(b)</sup>
ZFS Finance USA Trust II, Bonds	6.450%	12/15/65	500,000	523,750 <sup>(a)(b)(h)</sup>

<i>Total Diversified Financial Services</i>				13,679,843
<b>Insurance - 0.7%</b>				
Fidelity & Guaranty Life Holdings Inc., Senior Notes	6.375%	4/1/21	1,450,000	1,547,875 <sup>(a)(b)</sup>
Liberty Mutual Group Inc., Junior Subordinated Bonds	7.800%	3/15/37	1,750,000	2,065,000 <sup>(a)(b)</sup>
MetLife Capital Trust IV, Junior Subordinated Notes	7.875%	12/15/37	1,100,000	1,402,500 <sup>(a)(b)</sup>
<i>Total Insurance</i>				5,015,375
<b>Real Estate Management &amp; Development - 1.1%</b>				
Greystar Real Estate Partners LLC, Senior Secured Notes	8.250%	12/1/22	3,110,000	3,187,750 <sup>(a)(b)</sup>
Howard Hughes Corp., Senior Notes	6.875%	10/1/21	4,140,000	4,347,000 <sup>(a)(b)</sup>
<i>Total Real Estate Management &amp; Development</i>				7,534,750
<b>TOTAL FINANCIALS</b>				81,892,438
<b>HEALTH CARE - 7.5%</b>				
<b>Health Care Equipment &amp; Supplies - 0.9%</b>				
ConvaTec Finance International SA, Senior Notes	8.250%	1/15/19	1,610,000	1,626,100 <sup>(a)(b)(f)</sup>
Lantheus Medical Imaging Inc., Senior Notes	9.750%	5/15/17	5,070,000	4,835,513 <sup>(b)</sup>
<i>Total Health Care Equipment &amp; Supplies</i>				6,461,613
<b>Health Care Providers &amp; Services - 5.0%</b>				
Acadia Healthcare Co. Inc., Senior Notes	12.875%	11/1/18	1,248,000	1,410,240 <sup>(b)</sup>
Acadia Healthcare Co. Inc., Senior Notes	6.125%	3/15/21	1,540,000	1,578,500 <sup>(b)</sup>
CHS/Community Health Systems Inc., Senior Notes	8.000%	11/15/19	4,590,000	4,899,825 <sup>(b)</sup>
DJO Finance LLC/DJO Finance Corp., Senior Notes	9.875%	4/15/18	4,390,000	4,411,950 <sup>(b)</sup>

**See Notes to Schedule of Investments.**

## WESTERN ASSET HIGH INCOME FUND II INC.

## Schedule of investments (unaudited) (cont d)

January 31, 2015

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
<b>Health Care Providers &amp; Services - (continued)</b>				
DJO Finance LLC/DJO Finance Corp., Senior Subordinated Notes	9.750%	10/15/17	590,000	\$ 581,150
ExamWorks Group Inc., Senior Notes	9.000%	7/15/19	5,000,000	5,325,000 <sup>(b)</sup>
Fresenius U.S. Finance II Inc., Senior Notes	9.000%	7/15/15	1,020,000	1,053,150 <sup>(a)(b)</sup>
HCA Inc., Debentures	7.500%	11/15/95	2,205,000	2,182,950 <sup>(b)</sup>
IASIS Healthcare LLC/IASIS Capital Corp., Senior Notes	8.375%	5/15/19	3,520,000	3,696,000 <sup>(b)</sup>
Jaguar Holding Co. II/Jaguar Merger Sub Inc., Senior Notes	9.500%	12/1/19	1,020,000	1,095,225 <sup>(a)(b)</sup>
Kindred Healthcare Inc., Senior Secured Notes	8.750%	1/15/23	760,000	817,000 <sup>(a)</sup>
Labco SAS, Senior Secured Notes	8.500%	1/15/18	254,000 <sup>EUR</sup>	299,936 <sup>(a)</sup>
Tenet Healthcare Corp., Senior Notes	8.125%	4/1/22	2,870,000	3,243,100 <sup>(b)</sup>
Tenet Healthcare Corp., Senior Secured Notes	6.000%	10/1/20	2,580,000	2,799,300 <sup>(b)</sup>
Universal Hospital Services Inc., Secured Notes	7.625%	8/15/20	2,860,000	2,516,800
<i>Total Health Care Providers &amp; Services</i>				35,910,126
<b>Pharmaceuticals - 1.6%</b>				
ConvaTec Healthcare E SA, Senior Notes	10.875%	12/15/18	2,500,000 <sup>EUR</sup>	2,991,844 <sup>(b)(c)</sup>
JLL/Delta Dutch Newco BV, Senior Notes	7.500%	2/1/22	2,830,000	2,875,987 <sup>(a)(b)</sup>
Salix Pharmaceuticals Ltd., Senior Notes	6.250%	1/15/21	3,050,000	3,255,875 <sup>(a)</sup>
Valeant Pharmaceuticals International Inc., Senior Notes	5.500%	3/1/23	1,800,000	1,854,000 <sup>(a)</sup>
<i>Total Pharmaceuticals</i>				10,977,706
<b>TOTAL HEALTH CARE</b>				
				53,349,445
<b>INDUSTRIALS - 20.5%</b>				
<b>Aerospace &amp; Defense - 1.9%</b>				
CBC Ammo LLC/CBC FinCo Inc., Senior Notes	7.250%	11/15/21	4,110,000	3,760,650 <sup>(a)(b)</sup>
Ducommun Inc., Senior Notes	9.750%	7/15/18	1,960,000	2,102,100 <sup>(b)</sup>
Erickson Inc., Secured Notes	8.250%	5/1/20	4,854,000	4,392,870 <sup>(b)</sup>
GenCorp Inc., Secured Notes	7.125%	3/15/21	1,490,000	1,574,557 <sup>(b)</sup>
LMI Aerospace Inc., Secured Notes	7.375%	7/15/19	1,400,000	1,396,780 <sup>(a)(b)</sup>
<i>Total Aerospace &amp; Defense</i>				13,226,957
<b>Air Freight &amp; Logistics - 0.3%</b>				

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XPO Logistics Inc., Senior Notes	7.875%	9/1/19	2,050,000	2,137,125 <sup>(a)(b)</sup>
<b>Airlines - 1.8%</b>				
Air Canada, Pass-Through Trust, Secured Notes	6.625%	5/15/18	1,100,000	1,133,440 <sup>(a)</sup>
American Airlines, Pass-Through Trust, Secured Notes	7.000%	1/31/18	1,143,621	1,220,815 <sup>(a)(b)</sup>
Delta Air Lines Inc., Pass-Through Certificates, Secured Notes	8.021%	8/10/22	1,246,030	1,443,775 <sup>(b)</sup>
Delta Air Lines Inc., Pass-Through Certificates, Subordinated Secured Notes	9.750%	12/17/16	503,828	568,066 <sup>(b)</sup>
Heathrow Finance PLC, Senior Secured Notes	7.125%	3/1/17	2,450,000 <sup>GBP</sup>	4,017,579 <sup>(b)(c)</sup>
United Airlines Inc., Pass-Through Certificates	5.983%	4/19/22	4,127,986	4,499,505 <sup>(b)</sup>
<i>Total Airlines</i>				<i>12,883,180</i>
<b>Building Products - 0.5%</b>				
Ashton Woods USA LLC/Ashton Woods Finance Co., Senior Notes	6.875%	2/15/21	2,851,000	2,672,812 <sup>(a)(b)</sup>
Rearden G Holdings EINS GmbH, Senior Notes	7.875%	3/30/20	800,000	768,000 <sup>(a)</sup>
<i>Total Building Products</i>				<i>3,440,812</i>
<b>Commercial Services &amp; Supplies - 3.7%</b>				
Garda World Security Corp., Senior Notes	7.250%	11/15/21	1,530,000	1,499,400 <sup>(a)</sup>
JM Huber Corp., Senior Notes	9.875%	11/1/19	1,490,000	1,627,825 <sup>(a)(b)</sup>
Monitronics International Inc., Senior Notes	9.125%	4/1/20	6,080,000	5,684,800 <sup>(b)</sup>
RSC Equipment Rental Inc./RSC Holdings III LLC, Senior Notes	8.250%	2/1/21	1,600,000	1,738,000 <sup>(b)</sup>
Taylor Morrison Communities Inc./Monarch Communities Inc., Senior Notes	7.750%	4/15/20	4,686,000	4,920,300 <sup>(a)(b)</sup>

**See Notes to Schedule of Investments.**

**WESTERN ASSET HIGH INCOME FUND II INC.****Schedule of investments (unaudited) (cont d)****January 31, 2015**

<b>SECURITY</b>	<b>RATE</b>	<b>MATURITY DATE</b>	<b>FACE AMOUNT</b>	<b>VALUE</b>
<b>Commercial Services &amp; Supplies - (continued)</b>				
Taylor Morrison Communities Inc./Monarch Communities Inc., Senior Notes	7.750%	4/15/20	1,186,000	\$ 1,239,370 <sup>(a)(b)</sup>
Taylor Morrison Communities Inc./Monarch Communities Inc., Senior Notes	5.250%	4/15/21	1,241,000	1,175,848 <sup>(a)(b)</sup>
United Rentals North America Inc., Senior Notes	7.625%	4/15/22	3,018,000	3,334,286 <sup>(b)</sup>
United Rentals North America Inc., Senior Subordinated Notes	8.375%	9/15/20	1,310,000	1,403,665 <sup>(b)</sup>
West Corp., Senior Notes	5.375%	7/15/22	3,850,000	3,696,000 <sup>(a)</sup>
<i>Total Commercial Services &amp; Supplies</i>				<i>26,319,494</i>
<b>Construction &amp; Engineering - 2.8%</b>				
Astaldi SpA, Senior Bonds	7.125%	12/1/20	1,070,000 <sup>EUR</sup>	1,272,578 <sup>(a)</sup>
Astaldi SpA, Senior Notes	7.125%	12/1/20	240,000 <sup>EUR</sup>	285,438 <sup>(c)</sup>
Ausdrill Finance Pty Ltd., Senior Notes	6.875%	11/1/19	2,420,000	1,923,900 <sup>(a)</sup>
Brundage-Bone Concrete Pumping Inc., Senior Secured Notes	10.375%	9/1/21	2,380,000	2,448,425 <sup>(a)(b)</sup>
Empresas ICA SAB de CV, Senior Notes	8.875%	5/29/24	3,237,000	2,286,131 <sup>(a)</sup>
Michael Baker Holdings LLC/Michael Baker Finance Corp., Senior Notes	8.875%	4/15/19	3,110,000	3,032,250 <sup>(a)(b)(f)</sup>
Michael Baker International LLC/CDL Acquisition Co. Inc., Senior Secured Notes	8.250%	10/15/18	3,670,000	3,578,250 <sup>(a)(b)</sup>
Modular Space Corp., Secured Notes	10.250%	1/31/19	2,970,000	2,093,850 <sup>(a)</sup>
Odebrecht Finance Ltd., Senior Notes	4.375%	4/25/25	4,240,000	3,201,200 <sup>(a)(i)</sup>
<i>Total Construction &amp; Engineering</i>				<i>20,122,022</i>
<b>Electrical Equipment - 0.6%</b>				
International Wire Group Holdings Inc., Senior Secured Notes	8.500%	10/15/17	1,970,000	2,053,725 <sup>(a)(b)</sup>
NES Rentals Holdings Inc., Senior Secured Notes	7.875%	5/1/18	1,800,000	1,822,500 <sup>(a)(b)</sup>
Trionista TopCo GmbH, Senior Subordinated Notes	6.875%	4/30/21	150,000 <sup>EUR</sup>	180,653 <sup>(a)</sup>
<i>Total Electrical Equipment</i>				<i>4,056,878</i>
<b>Industrial Conglomerates - 0.4%</b>				



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Leucadia National Corp., Senior Notes	8.125%	9/15/15	2,490,000	2,598,938 <sup>(b)</sup>
<b>Machinery - 2.4%</b>				
CTP Transportation Products LLC/CTP Finance Inc., Senior Secured Notes	8.250%	12/15/19	1,200,000	1,275,000 <sup>(a)(b)</sup>
Dematic SA/DH Services Luxembourg Sarl, Senior Notes	7.750%	12/15/20	5,370,000	5,625,075 <sup>(a)(b)</sup>
Gardner Denver Inc., Senior Notes	6.875%	8/15/21	1,070,000	1,027,200 <sup>(a)(b)</sup>
Global Brass and Copper Inc., Senior Secured Notes	9.500%	6/1/19	2,390,000	2,563,275 <sup>(b)</sup>
KION Finance SA, Senior Secured Notes	6.750%	2/15/20	3,027,000 <sup>EUR</sup>	3,714,947 <sup>(a)</sup>
KraussMaffei Group GmbH, Senior Secured Notes	8.750%	12/15/20	630,000 <sup>EUR</sup>	775,971 <sup>(a)</sup>
KraussMaffei Group GmbH, Senior Secured Notes	8.750%	12/15/20	408,856 <sup>EUR</sup>	503,587 <sup>(c)</sup>
SPL Logistics Escrow LLC/SPL Logistics Finance Corp., Senior Secured Notes	8.875%	8/1/20	1,760,000	1,834,800 <sup>(a)(b)</sup>
<i>Total Machinery</i>				<i>17,319,855</i>
<b>Marine - 1.1%</b>				
Horizon Lines LLC, Senior Secured Notes	11.000%	10/15/16	1,851,000	1,857,941 <sup>(e)</sup>
Navios Maritime Acquisition Corp./Navios Acquisition Finance U.S. Inc., Senior Secured Notes	8.125%	11/15/21	4,110,000	3,914,775 <sup>(a)(b)</sup>
Ultrapetrol Bahamas Ltd., Senior Secured Notes	8.875%	6/15/21	2,150,000	2,203,750
<i>Total Marine</i>				<i>7,976,466</i>
<b>Road &amp; Rail - 2.5%</b>				
Flexi-Van Leasing Inc., Senior Notes	7.875%	8/15/18	2,500,000	2,487,500 <sup>(a)(b)</sup>
Florida East Coast Holdings Corp., Senior Notes	9.750%	5/1/20	3,390,000	3,322,200 <sup>(a)(b)</sup>
Florida East Coast Holdings Corp., Senior Secured Notes	6.750%	5/1/19	1,860,000	1,841,400 <sup>(a)</sup>
Jack Cooper Holdings Corp., Senior Secured Notes	9.250%	6/1/20	5,530,000	5,737,375 <sup>(a)(b)</sup>
Jurassic Holdings III Inc., Secured Notes	6.875%	2/15/21	1,680,000	1,444,800 <sup>(a)</sup>

**See Notes to Schedule of Investments.**

**WESTERN ASSET HIGH INCOME FUND II INC.****Schedule of investments (unaudited) (cont d)****January 31, 2015**

<b>SECURITY</b>	<b>RATE</b>	<b>MATURITY DATE</b>	<b>FACE AMOUNT</b>	<b>VALUE</b>
<b>Road &amp; Rail - (continued)</b>				
Quality Distribution LLC/QD Capital Corp., Secured Notes	9.875%	11/1/18	3,022,000	\$ 3,180,655 <sup>(b)</sup>
<i>Total Road &amp; Rail</i>				<i>18,013,930</i>
<b>Trading Companies &amp; Distributors - 0.4%</b>				
H&E Equipment Services Inc., Senior Notes	7.000%	9/1/22	3,150,000	3,016,125 <sup>(b)</sup>
<b>Transportation - 1.9%</b>				
CMA CGM, Senior Notes	8.500%	4/15/17	3,140,000	3,210,964 <sup>(a)(b)</sup>
Hapag-Lloyd AG, Senior Notes	9.750%	10/15/17	3,490,000	3,629,600 <sup>(a)(b)</sup>
Neovia Logistics Intermediate Holdings LLC/Logistics Intermediate Finance Corp., Senior Notes	10.000%	2/15/18	3,890,000	3,928,900 <sup>(a)(b)(f)</sup>
Syncreon Group BV/Syncreon Global Finance U.S. Inc., Senior Notes	8.625%	11/1/21	3,400,000	3,060,000 <sup>(a)</sup>
<i>Total Transportation</i>				<i>13,829,464</i>
<b>Transportation Infrastructure - 0.2%</b>				
Aguila 3 SA, Senior Secured Notes	7.875%	1/31/18	1,700,000	1,678,750 <sup>(a)(b)</sup>
<b>TOTAL INDUSTRIALS</b>				<b>146,619,996</b>
<b>INFORMATION TECHNOLOGY - 3.9%</b>				
<b>Electronic Equipment, Instruments &amp; Components - 0.5%</b>				
Interface Security Systems Holdings Inc./Interface Security Systems LLC, Senior Secured Notes	9.250%	1/15/18	2,590,000	2,609,425 <sup>(b)</sup>
Techem GmbH, Senior Secured Notes	6.125%	10/1/19	650,000 <sup>EUR</sup>	786,062 <sup>(a)</sup>
<i>Total Electronic Equipment, Instruments &amp; Components</i>				<i>3,395,487</i>
<b>Internet Software &amp; Services - 0.7%</b>				
Ancestry.com Inc., Senior Notes	9.625%	10/15/18	1,390,000	1,313,550 <sup>(a)(f)</sup>
Ancestry.com Inc., Senior Notes	11.000%	12/15/20	2,100,000	2,289,000 <sup>(b)</sup>
Zayo Group LLC/Zayo Capital Inc., Senior Secured Notes	8.125%	1/1/20	1,728,000	1,838,160 <sup>(b)</sup>

<i>Total Internet Software &amp; Services</i>				5,440,710
<b>IT Services - 1.8%</b>				
Compiler Finance Subordinated Inc., Senior Notes	7.000%	5/1/21	2,758,000	2,385,670 <sup>(a)(b)</sup>
First Data Corp., Secured Notes	8.250%	1/15/21	810,000	867,712 <sup>(a)(b)</sup>
First Data Corp., Senior Notes	12.625%	1/15/21	4,760,000	5,658,450 <sup>(b)</sup>
First Data Corp., Senior Subordinated Notes	11.750%	8/15/21	3,535,000	4,087,344 <sup>(b)</sup>
<i>Total IT Services</i>				12,999,176
<b>Semiconductors &amp; Semiconductor Equipment - 0.3%</b>				
Micron Technology Inc., Senior Notes	5.250%	8/1/23	1,880,000	1,885,875 <sup>(a)</sup>
<b>Software - 0.6%</b>				
Activision Blizzard Inc., Senior Notes	5.625%	9/15/21	2,510,000	2,695,112 <sup>(a)(b)</sup>
Audatex North America Inc., Senior Notes	6.000%	6/15/21	1,390,000	1,452,550 <sup>(a)(b)</sup>
<i>Total Software</i>				4,147,662
<b>TOTAL INFORMATION TECHNOLOGY</b>				27,868,910
<b>MATERIALS - 13.3%</b>				
<b>Chemicals - 0.9%</b>				
Eco Services Operations LLC/Eco Finance Corp., Senior Notes	8.500%	11/1/22	1,530,000	1,545,300 <sup>(a)(b)</sup>
HIG BBC Intermediate Holdings LLC/HIG BBC Holdings Corp., Senior Notes	10.500%	9/15/18	1,500,000	1,432,500 <sup>(a)(f)</sup>
KP Germany Erste GmbH, Senior Secured Notes	11.625%	7/15/17	680,000 <sup>EUR</sup>	838,386 <sup>(a)</sup>
KP Germany Erste GmbH, Senior Secured Notes	11.625%	7/15/17	530,000 <sup>EUR</sup>	653,448 <sup>(c)</sup>
PSPC Escrow Corp., Senior Notes	6.500%	2/1/22	2,080,000	2,132,000 <sup>(a)</sup>
<i>Total Chemicals</i>				6,601,634
<b>Construction Materials - 0.4%</b>				
Cemex SAB de CV, Senior Secured Notes	5.700%	1/11/25	810,000	749,250 <sup>(a)</sup>

**See Notes to Schedule of Investments.**

## WESTERN ASSET HIGH INCOME FUND II INC.

## Schedule of investments (unaudited) (cont d)

January 31, 2015

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
<b>Construction Materials - (continued)</b>				
Hardwoods Acquisition Inc., Senior Secured Notes	7.500%	8/1/21	2,540,000	\$ 2,476,500 <sup>(a)</sup>
<i>Total Construction Materials</i>				3,225,750
<b>Containers &amp; Packaging - 3.7%</b>				
Ardagh Finance Holdings SA, Senior Notes	8.625%	6/15/19	2,526,101	2,529,259 <sup>(a)(f)</sup>
Ardagh Packaging Finance PLC, Senior Notes	9.125%	10/15/20	3,170,000	3,376,050 <sup>(a)(b)</sup>
Ardagh Packaging Finance PLC/Ardagh MP Holdings USA Inc., Senior Notes	6.250%	1/31/19	930,000	909,075 <sup>(a)</sup>
Ardagh Packaging Finance PLC/Ardagh MP Holdings USA Inc., Senior Notes	9.125%	10/15/20	1,220,000	1,299,300 <sup>(a)(b)</sup>
Ardagh Packaging Finance PLC/Ardagh MP Holdings USA Inc., Senior Notes	7.000%	11/15/20	871,765	861,957 <sup>(a)(b)</sup>
Ardagh Packaging Finance PLC/Ardagh MP Holdings USA Inc., Senior Notes	6.750%	1/31/21	2,970,000	2,918,025 <sup>(a)</sup>
BWAY Holding Co., Senior Notes	9.125%	8/15/21	3,120,000	3,131,700 <sup>(a)(b)</sup>
Coveris Holdings SA, Senior Notes	7.875%	11/1/19	3,490,000	3,542,350 <sup>(a)(b)</sup>
Pactiv LLC, Senior Bonds	8.375%	4/15/27	3,320,000	3,369,800 <sup>(b)</sup>
Pactiv LLC, Senior Notes	7.950%	12/15/25	920,000	920,000 <sup>(b)</sup>
PaperWorks Industries Inc., Senior Secured Notes	9.500%	8/15/19	2,000,000	1,997,500 <sup>(a)(b)</sup>
Reynolds Group Issuer Inc./Reynolds Group Issuer LLC/Reynolds Group Issuer (Luxembourg) SA, Senior Notes	8.500%	5/15/18	1,340,000	1,373,500 <sup>(b)</sup>
<i>Total Containers &amp; Packaging</i>				26,228,516
<b>Metals &amp; Mining - 7.1%</b>				
Barmenco Finance Pty Ltd., Senior Notes	9.000%	6/1/18	2,530,000	2,416,150 <sup>(a)(b)</sup>
Coeur Mining Inc., Senior Notes	7.875%	2/1/21	2,780,000	2,390,800 <sup>(b)</sup>
CSN Resources SA, Senior Bonds	6.500%	7/21/20	990,000	908,325 <sup>(a)</sup>
Evrax Group SA, Notes	9.500%	4/24/18	680,000	598,400 <sup>(a)(b)</sup>
Evrax Group SA, Notes	6.750%	4/27/18	4,090,000	3,312,900 <sup>(a)(i)</sup>
Evrax Group SA, Senior Notes	9.500%	4/24/18	330,000	290,400 <sup>(c)</sup>
FMG Resources (August 2006) Pty Ltd., Senior Notes	8.250%	11/1/19	1,140,000	1,016,025 <sup>(a)</sup>
FMG Resources (August 2006) Pty Ltd., Senior Notes	6.875%	4/1/22	4,650,000	3,667,687 <sup>(a)(b)</sup>
GTL Trade Finance Inc., Senior Bonds	5.893%	4/29/24	2,996,000	2,943,570 <sup>(a)(i)</sup>

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Midwest Vanadium Pty Ltd., Senior Secured Notes	11.500%	2/15/18	3,070,000	491,200 <sup>(a)(e)(g)</sup>
Mirabela Nickel Ltd., Subordinated Notes	1.000%	9/10/44	32,532	0 <sup>(a)(d)(e)(k)</sup>
Prince Mineral Holding Corp., Senior Secured Notes	12.500%	12/15/19	1,570,000	1,609,250 <sup>(a)(b)</sup>
Rain CII Carbon LLC/CII Carbon Corp., Senior Secured Notes	8.250%	1/15/21	4,490,000	4,478,775 <sup>(a)(b)</sup>
Rio Tinto Finance USA Ltd., Senior Notes	9.000%	5/1/19	1,820,000	2,335,417 <sup>(b)</sup>
Ryerson Inc./Joseph T. Ryerson & Son Inc., Senior Secured Notes	9.000%	10/15/17	3,960,000	4,039,200 <sup>(b)</sup>
Schaeffler Holding Finance BV, Senior Secured Bonds	6.875%	8/15/18	3,230,000	3,391,500 <sup>(a)(f)</sup>
Schaeffler Holding Finance BV, Senior Secured Notes	6.875%	8/15/18	2,040,000 <sup>EUR</sup>	2,429,219 <sup>(a)(f)</sup>
Schaeffler Holding Finance BV, Senior Secured Notes	6.750%	11/15/22	3,330,000	3,579,750 <sup>(a)(b)(f)</sup>
St. Barbara Ltd., Senior Secured Notes	8.875%	4/15/18	1,600,000	1,288,000 <sup>(a)(b)</sup>
Steel Dynamics Inc., Senior Notes	6.125%	8/15/19	1,300,000	1,384,500 <sup>(b)</sup>
Thompson Creek Metals Co. Inc., Senior Secured Notes	9.750%	12/1/17	1,950,000	2,006,063 <sup>(b)</sup>
Vale Overseas Ltd., Notes	8.250%	1/17/34	1,784,000	1,997,325 <sup>(i)</sup>
Vedanta Resources PLC, Senior Notes	6.750%	6/7/16	3,630,000	3,548,325 <sup>(a)</sup>
Vedanta Resources PLC, Senior Notes	6.000%	1/31/19	760,000	684,000 <sup>(a)</sup>
<i>Total Metals &amp; Mining</i>				<i>50,806,781</i>
<b>Paper &amp; Forest Products - 1.2%</b>				
Appvion Inc., Secured Notes	9.000%	6/1/20	4,800,000	3,282,000 <sup>(a)(b)</sup>
Fibria Overseas Finance Ltd., Senior Notes	5.250%	5/12/24	1,340,000	1,353,400 <sup>(b)</sup>
Resolute Forest Products Inc., Senior Notes	5.875%	5/15/23	2,030,000	1,948,800

**See Notes to Schedule of Investments.**

**WESTERN ASSET HIGH INCOME FUND II INC.****Schedule of investments (unaudited) (cont d)****January 31, 2015**

<b>SECURITY</b>	<b>RATE</b>	<b>MATURITY DATE</b>	<b>FACE AMOUNT</b>	<b>VALUE</b>
<b>Paper &amp; Forest Products - (continued)</b>				
Verso Paper Holdings LLC/Verso Paper Inc., Senior Secured Notes	11.750%	1/15/19	1,768,000	\$ 1,423,240 <sup>(b)</sup>
Verso Paper Holdings LLC/Verso Paper Inc., Senior Secured Notes	11.750%	1/15/19	260,000	255,450
<i>Total Paper &amp; Forest Products</i>				8,262,890
<b>TOTAL MATERIALS</b>				95,125,571
<b>TELECOMMUNICATION SERVICES - 13.2%</b>				
<b>Diversified Telecommunication Services - 6.4%</b>				
Axtel SAB de CV, Senior Secured Notes	9.000%	1/31/20	2,544,000	2,442,240 <sup>(a)</sup>
CCOH Safari LLC, Senior Bonds	5.500%	12/1/22	550,000	558,938
CCOH Safari LLC, Senior Bonds	5.750%	12/1/24	900,000	914,625
CenturyLink Inc., Senior Notes	5.800%	3/15/22	6,600,000	6,979,500 <sup>(b)</sup>
Cogent Communications Holdings Inc., Senior Secured Notes	8.375%	2/15/18	3,340,000	3,507,000 <sup>(a)(b)</sup>
Intelsat Jackson Holdings SA, Senior Bonds	5.500%	8/1/23	1,250,000	1,239,062
Intelsat Jackson Holdings SA, Senior Notes	7.250%	10/15/20	6,670,000	7,011,837 <sup>(b)</sup>
Intelsat Luxembourg SA, Senior Bonds	8.125%	6/1/23	2,070,000	2,101,050 <sup>(b)</sup>
Level 3 Financing Inc., Senior Notes	7.000%	6/1/20	750,000	802,500 <sup>(b)</sup>
Level 3 Financing Inc., Senior Notes	8.625%	7/15/20	4,090,000	4,480,595 <sup>(b)</sup>
Level 3 Financing Inc., Senior Notes	6.125%	1/15/21	1,260,000	1,313,550 <sup>(b)</sup>
Level 3 Financing Inc., Senior Notes	5.625%	2/1/23	2,330,000	2,381,726 <sup>(a)</sup>
Verizon Communications Inc., Senior Notes	5.150%	9/15/23	3,550,000	4,073,352 <sup>(b)</sup>
Windstream Corp., Senior Notes	7.750%	10/1/21	520,000	530,400
Windstream Corp., Senior Notes	7.500%	4/1/23	5,780,000	5,758,325 <sup>(b)</sup>
Windstream Corp., Senior Notes	6.375%	8/1/23	910,000	841,750 <sup>(b)</sup>
Ziggo Bond Finance BV, Senior Notes	5.875%	1/15/25	950,000	971,375 <sup>(a)</sup>
<i>Total Diversified Telecommunication Services</i>				45,907,825
<b>Wireless Telecommunication Services - 6.8%</b>				
Altice Financing SA, Senior Secured Notes	5.250%	2/15/23	270,000 <sup>EUR</sup>	305,100 <sup>(a)</sup>
Altice Financing SA, Senior Secured Notes	6.625%	2/15/23	3,120,000	3,200,159 <sup>(a)</sup>
Altice Finco SA, Senior Notes	7.625%	2/15/25	540,000	540,000 <sup>(a)</sup>
Matterhorn Midco & Cy SCA, Senior Notes	7.750%	2/15/20	1,400,000 <sup>EUR</sup>	1,672,965 <sup>(a)</sup>
Sprint Capital Corp., Senior Notes	6.875%	11/15/28	3,530,000	3,265,250 <sup>(b)</sup>
Sprint Capital Corp., Senior Notes	8.750%	3/15/32	8,465,000	8,697,787 <sup>(b)</sup>

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Sprint Communications Inc., Senior Notes	9.000%	11/15/18	7,200,000	8,316,000 <sup>(a)(b)</sup>
Sprint Corp., Senior Notes	7.875%	9/15/23	6,930,000	7,059,937 <sup>(b)</sup>
Syniverse Holdings Inc., Senior Notes	9.125%	1/15/19	2,831,000	2,958,395 <sup>(b)</sup>
T-Mobile USA Inc., Senior Notes	6.542%	4/28/20	1,090,000	1,133,262 <sup>(b)</sup>
T-Mobile USA Inc., Senior Notes	6.633%	4/28/21	140,000	145,880 <sup>(b)</sup>
T-Mobile USA Inc., Senior Notes	6.000%	3/1/23	4,970,000	5,094,250 <sup>(b)</sup>
Vimpel Communications Via VIP Finance Ireland Ltd. OJSC, Senior Notes	9.125%	4/30/18	2,220,000	2,120,100 <sup>(c)</sup>
Vimpel Communications Via VIP Finance Ireland Ltd. OJSC, Senior Notes	7.748%	2/2/21	2,300,000	1,978,000 <sup>(a)</sup>
VimpelCom Holdings BV, Senior Notes	7.504%	3/1/22	1,620,000	1,354,450 <sup>(c)</sup>
VimpelCom Holdings BV, Senior Notes	7.504%	3/1/22	700,000	585,256 <sup>(a)</sup>

*Total Wireless Telecommunication Services*

*48,426,791*

**TOTAL TELECOMMUNICATION SERVICES**