

WESTERN ASSET HIGH INCOME OPPORTUNITY FUND INC.

Form N-Q

February 25, 2011

**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 811-7920

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

55 Water Street, New York, NY  
(Address of principal executive offices)

10041  
(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: September 30

Date of reporting period: December 31, 2010

---

ITEM 1. SCHEDULE OF INVESTMENTS

---

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

FORM N-Q

DECEMBER 31, 2010

---

Edgar Filing: WESTERN ASSET HIGH INCOME OPPORTUNITY FUND INC. - Form N-Q

Schedule of investments (unaudited)

December 31, 2010

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

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
CORPORATE BONDS & NOTES	90.3%			
CONSUMER DISCRETIONARY	21.2%			
<b>Auto Components</b>	<b>0.1%</b>			
Hertz Holdings Netherlands BV, Senior Secured Bonds	8.500%	7/31/15	300,000EUR \$	434,966(a)
<b>Automobiles</b>	<b>1.7%</b>			
Ford Motor Credit Co., LLC, Senior Notes	9.875%	8/10/11	1,000,000	1,041,092
Ford Motor Credit Co., LLC, Senior Notes	7.500%	8/1/12	1,785,000	1,898,535
Ford Motor Credit Co., LLC, Senior Notes	12.000%	5/15/15	1,525,000	1,920,051
Motors Liquidation Co., Senior Notes	7.200%	1/15/11	2,665,000	912,763(b)
Motors Liquidation Co., Senior Notes	7.125%	7/15/13	2,125,000	722,500(b)
Motors Liquidation Co., Senior Notes	8.375%	7/15/33	3,500,000	1,268,750(b)
<i>Total Automobiles</i>				7,763,691
<b>Diversified Consumer Services</b>	<b>1.6%</b>			
Realogy Corp., Senior Notes	10.500%	4/15/14	3,230,000	3,189,625
Sotheby's, Senior Notes	7.750%	6/15/15	1,540,000	1,709,400
Stonemor Operating LLC/Cornerstone Family Services of WV/Osiris Holding, Senior Notes	10.250%	12/1/17	2,340,000	2,474,550
<i>Total Diversified Consumer Services</i>				7,373,575
<b>Hotels, Restaurants &amp; Leisure</b>	<b>7.1%</b>			
Boyd Gaming Corp., Senior Notes	9.125%	12/1/18	570,000	565,725(a)
Boyd Gaming Corp., Senior Subordinated Notes	7.125%	2/1/16	665,000	600,162
CCM Merger Inc., Notes	8.000%	8/1/13	2,255,000	2,204,262(a)
Downstream Development Quapaw, Senior Notes	12.000%	10/15/15	1,695,000	1,680,169(a)
Dunkin Finance Corp., Senior Notes	9.625%	12/1/18	490,000	497,350(a)
El Pollo Loco Inc., Senior Notes	11.750%	11/15/13	2,425,000	1,976,375
El Pollo Loco Inc., Senior Secured Notes	11.750%	12/1/12	945,000	968,625
Fontainebleau Las Vegas Holdings LLC/Fontainebleau Las Vegas Capital Corp.	10.250%	6/15/15	445,000	3,782(a)(b)
Harrah's Operating Co. Inc., Senior Bonds	5.625%	6/1/15	3,732,000	3,144,210
Harrah's Operating Co. Inc., Senior Notes	10.750%	2/1/16	2,954,000	2,843,225
Harrah's Operating Co. Inc., Senior Secured Notes	11.250%	6/1/17	1,220,000	1,378,600
Inn of the Mountain Gods Resort & Casino, Senior Notes	12.000%	11/15/10	3,912,000	2,058,690(b)(c)(d)
Landry's Holdings Inc., Senior Secured Notes	11.500%	6/1/14	990,000	975,150(a)
Landry's Restaurants Inc., Senior Secured Notes	11.625%	12/1/15	1,140,000	1,222,650
Landry's Restaurants Inc., Senior Secured Notes	11.625%	12/1/15	340,000	364,650(a)
MGM MIRAGE Inc., Senior Notes	6.750%	4/1/13	1,810,000	1,808,190
MGM MIRAGE Inc., Senior Notes	5.875%	2/27/14	400,000	371,000
MGM Resorts International, Senior Secured Notes	10.375%	5/15/14	150,000	169,125
MGM Resorts International, Senior Secured Notes	11.125%	11/15/17	360,000	415,800
Mohegan Tribal Gaming Authority, Senior Secured Notes	11.500%	11/1/17	60,000	55,650(a)
Mohegan Tribal Gaming Authority, Senior Subordinated Notes	8.000%	4/1/12	3,660,000	3,074,400
	6.875%	2/15/15	225,000	140,062

Edgar Filing: WESTERN ASSET HIGH INCOME OPPORTUNITY FUND INC. - Form N-Q

Mohegan Tribal Gaming Authority, Senior Subordinated Notes				
NCL Corp. Ltd., Senior Notes	9.500%	11/15/18	1,230,000	1,273,050(a)
NCL Corp. Ltd., Senior Secured Notes	11.750%	11/15/16	2,240,000	2,623,600
Pinnacle Entertainment Inc., Senior Notes	8.625%	8/1/17	715,000	782,925
Pinnacle Entertainment Inc., Senior Subordinated Notes	7.500%	6/15/15	330,000	332,475
Sbarro Inc., Senior Notes	10.375%	2/1/15	1,065,000	484,575
Snoqualmie Entertainment Authority, Senior Secured Notes	4.428%	2/1/14	890,000	765,400(a)(e)
Snoqualmie Entertainment Authority, Senior Secured Notes	9.125%	2/1/15	165,000	157,575(a)
Station Casinos Inc., Senior Notes	6.000%	4/1/12	1,515,000	152(b)(d)
Station Casinos Inc., Senior Notes	7.750%	8/15/16	2,265,000	227(b)(d)
Station Casinos Inc., Senior Subordinated Notes	6.625%	3/15/18	85,000	9(b)(d)
<i>Total Hotels, Restaurants &amp; Leisure</i>				32,937,840
<b>Household Durables 0.4%</b>				
Standard Pacific Corp., Senior Notes	8.375%	1/15/21	1,900,000	1,852,500(a)

*See Notes to Schedule of Investments.*

Edgar Filing: WESTERN ASSET HIGH INCOME OPPORTUNITY FUND INC. - Form N-Q

Schedule of investments (unaudited) (cont d)

December 31, 2010

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

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
<b>Internet &amp; Catalog Retail 0.8%</b>				
Netflix Inc., Senior Notes	8.500%	11/15/17	1,340,000	\$ 1,514,200
QVC Inc., Senior Secured Notes	7.375%	10/15/20	1,990,000	2,094,475(a)
<i>Total Internet &amp; Catalog Retail</i>				3,608,675
<b>Media 5.1%</b>				
Affinity Group Inc., Senior Secured Notes	11.500%	12/1/16	710,000	701,125(a)
CCH II LLC/CCH II Capital Corp., Senior Notes	13.500%	11/30/16	561,225	672,067
CCO Holdings LLC/CCO Holdings Capital Corp., Senior Notes	7.875%	4/30/18	1,860,000	1,934,400
CCO Holdings LLC/CCO Holdings Capital Corp., Senior Notes	8.125%	4/30/20	1,840,000	1,945,800
Cengage Learning Acquisitions Inc., Senior Notes	10.500%	1/15/15	900,000	933,750(a)
Cengage Learning Acquisitions Inc., Senior Subordinated Notes	13.250%	7/15/15	2,100,000	2,226,000(a)
CSC Holdings LLC, Senior Notes	8.500%	6/15/15	190,000	207,100
DISH DBS Corp., Senior Notes	7.875%	9/1/19	1,260,000	1,323,000
EN Germany Holdings BV, Senior Secured Notes	10.750%	11/15/15	1,340,000EUR	1,813,025(a)
Nielsen Finance LLC/Nielsen Finance Co., Senior Notes	7.750%	10/15/18	3,650,000	3,796,000(a)
Nielsen Finance LLC/Nielsen Finance Co., Senior Subordinated Notes, step bond	0.000%	8/1/16	3,010,000	3,175,550
Univision Communications Inc., Senior Notes	8.500%	5/15/21	1,830,000	1,862,025(a)
Univision Communications Inc., Senior Secured Notes	12.000%	7/1/14	565,000	621,500(a)
Univision Communications Inc., Senior Secured Notes	7.875%	11/1/20	1,380,000	1,455,900(a)
UPC Holding BV, Senior Notes	9.875%	4/15/18	675,000	742,500(a)
Virgin Media Finance PLC, Senior Notes	9.125%	8/15/16	537,000	574,590
<i>Total Media</i>				23,984,332
<b>Multiline Retail 0.5%</b>				
Neiman Marcus Group Inc., Senior Secured Notes	7.125%	6/1/28	2,460,000	2,373,900
<b>Specialty Retail 2.5%</b>				
American Greetings Corp., Senior Notes	7.375%	6/1/16	2,885,000	3,004,006
American Greetings Corp., Senior Notes	7.375%	6/1/16	365,000	365,456
American Greetings Corp., Senior Notes	7.375%	6/1/16	290,000	290,363
Michaels Stores Inc., Senior Notes	7.750%	11/1/18	910,000	912,275(a)
Michaels Stores Inc., Senior Subordinated Bonds	11.375%	11/1/16	1,230,000	1,346,850
Michaels Stores Inc., Senior Subordinated Notes, step bond	0.000%	11/1/16	3,580,000	3,562,100
PETCO Animal Supplies Inc., Senior Notes	9.250%	12/1/18	2,280,000	2,413,950(a)
<i>Total Specialty Retail</i>				11,895,000
<b>Textiles, Apparel &amp; Luxury Goods 1.4%</b>				
Express LLC/Express Finance Corp., Senior Notes	8.750%	3/1/18	1,350,000	1,441,125
Giraffe Acquisition Corp., Senior Notes	9.125%	12/1/18	1,730,000	1,812,175(a)
Oxford Industries Inc., Senior Secured Notes	11.375%	7/15/15	2,570,000	2,897,675
Phillips-Van Heusen Corp., Senior Notes	7.375%	5/15/20	520,000	555,100
<i>Total Textiles, Apparel &amp; Luxury Goods</i>				6,706,075

Edgar Filing: WESTERN ASSET HIGH INCOME OPPORTUNITY FUND INC. - Form N-Q

TOTAL CONSUMER DISCRETIONARY				98,930,554
CONSUMER STAPLES	1.2%			
<b>Food Products</b>	<b>1.1%</b>			
Bumble Bee Acquisition Co., Senior Secured Notes	9.000%	12/15/17	780,000	815,100(a)
Bumble Bee Foods LLC, Senior Secured Notes	7.750%	12/15/15	1,512,000	1,736,729
Del Monte Corp., Senior Subordinated Notes	7.500%	10/15/19	700,000	819,875
Simmons Foods Inc., Senior Secured Notes	10.500%	11/1/17	1,290,000	1,383,525(a)
Smithfield Foods Inc., Senior Secured Notes	10.000%	7/15/14	605,000	700,287(a)
<i>Total Food Products</i>				<i>5,455,516</i>
<b>Tobacco</b>	<b>0.1%</b>			
Alliance One International Inc., Senior Notes	10.000%	7/15/16	300,000	309,000
TOTAL CONSUMER STAPLES				5,764,516

*See Notes to Schedule of Investments.*

Edgar Filing: WESTERN ASSET HIGH INCOME OPPORTUNITY FUND INC. - Form N-Q

Schedule of investments (unaudited) (cont d)

December 31, 2010

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

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
ENERGY 15.4%				
<b>Energy Equipment &amp; Services 2.7%</b>				
Basic Energy Services Inc., Senior Secured Notes	11.625%	8/1/14	1,865,000	\$ 2,079,475
Complete Production Services Inc., Senior Notes	8.000%	12/15/16	1,150,000	1,196,000
Frac Tech Services LLC/Frac Tech Finance Inc., Senior Notes	7.125%	11/15/18	1,150,000	1,170,125(a)
GulfMark Offshore Inc., Senior Subordinated Notes	7.750%	7/15/14	1,440,000	1,468,800
Hercules Offshore LLC, Senior Secured Notes	10.500%	10/15/17	1,695,000	1,411,087(a)
Key Energy Services Inc., Senior Notes	8.375%	12/1/14	2,005,000	2,125,300
Parker Drilling Co., Senior Notes	9.125%	4/1/18	1,480,000	1,554,000
Precision Drilling Corp., Senior Notes	6.625%	11/15/20	1,080,000	1,101,600(a)
Trinidad Drilling Ltd., Senior Notes	7.875%	1/15/19	640,000	649,600(a)
<i>Total Energy Equipment &amp; Services</i>				12,755,987
<b>Oil, Gas &amp; Consumable Fuels 12.7%</b>				
Alta Mesa Holdings/Alta Mesa Finance Services Corp., Senior Notes	9.625%	10/15/18	480,000	468,600(a)
Belden & Blake Corp., Secured Notes	8.750%	7/15/12	3,892,000	3,736,320
Berry Petroleum Co., Senior Notes	10.250%	6/1/14	1,155,000	1,331,138
Berry Petroleum Co., Senior Notes	6.750%	11/1/20	150,000	151,125
Calfrac Holdings LP, Senior Notes	7.500%	12/1/20	800,000	812,000(a)
Chesapeake Energy Corp., Senior Notes	7.250%	12/15/18	425,000	442,000
Chesapeake Energy Corp., Senior Notes	6.625%	8/15/20	1,530,000	1,514,700
Compagnie Generale de Geophysique-Veritas, Senior Notes	7.500%	5/15/15	360,000	368,100
Compagnie Generale de Geophysique-Veritas, Senior Notes	9.500%	5/15/16	560,000	613,200
Compagnie Generale de Geophysique-Veritas, Senior Notes	7.750%	5/15/17	410,000	422,300
Concho Resources Inc., Senior Notes	7.000%	1/15/21	1,280,000	1,315,200
CONSOL Energy Inc., Senior Notes	8.250%	4/1/20	1,410,000	1,529,850(a)
Corral Petroleum Holdings AB, Senior Bonds	2.000%	9/18/11	2,675,321	2,488,048(a)(f)
Crosstex Energy LP/Crosstex Energy Finance Corp., Senior Notes	8.875%	2/15/18	350,000	376,688
Energy Transfer Equity LP, Senior Notes	7.500%	10/15/20	1,370,000	1,417,950
Enterprise Products Operating LLP, Junior Subordinated Notes	8.375%	8/1/66	1,270,000	1,365,183(e)
Enterprise Products Operating LLP, Subordinated Notes	7.034%	1/15/68	850,000	883,092(e)
EXCO Resources Inc., Senior Notes	7.500%	9/15/18	2,570,000	2,531,450
Inergy LP/Inergy Finance Corp., Senior Notes	7.000%	10/1/18	970,000	982,125(a)
International Coal Group Inc., Senior Secured Notes	9.125%	4/1/18	1,470,000	1,594,950
Linn Energy LLC/Linn Energy Finance Corp., Senior Notes	8.625%	4/15/20	1,360,000	1,472,200(a)
Linn Energy LLC/Linn Energy Finance Corp., Senior Notes	7.750%	2/1/21	750,000	772,500(a)
	8.750%	4/15/18	480,000	522,000



Edgar Filing: WESTERN ASSET HIGH INCOME OPPORTUNITY FUND INC. - Form N-Q

MarkWest Energy Partners LP/MarkWest Energy Finance Corp., Senior Notes				
MarkWest Energy Partners LP/MarkWest Energy Finance Corp., Senior Notes	6.750%	11/1/20	690,000	693,450
Murray Energy Corp., Senior Secured Notes	10.250%	10/15/15	2,020,000	2,131,100(a)
Offshore Group Investments Ltd., Senior Secured Notes	11.500%	8/1/15	2,960,000	3,226,400(a)
OPTI Canada Inc., Senior Secured Notes	9.000%	12/15/12	1,180,000	1,188,850(a)
OPTI Canada Inc., Senior Secured Notes	9.750%	8/15/13	530,000	532,650(a)
OPTI Canada Inc., Senior Secured Notes	7.875%	12/15/14	345,000	245,381
OPTI Canada Inc., Senior Secured Notes	8.250%	12/15/14	810,000	581,175
Overseas Shipholding Group Inc., Senior Notes	8.125%	3/30/18	1,485,000	1,496,137
Peabody Energy Corp., Senior Notes	7.875%	11/1/26	470,000	512,300
Petroplus Finance Ltd., Senior Notes	6.750%	5/1/14	1,090,000	1,008,250(a)
Petroplus Finance Ltd., Senior Notes	7.000%	5/1/17	780,000	694,200(a)
Plains Exploration & Production Co., Senior Notes	10.000%	3/1/16	1,305,000	1,464,863
Plains Exploration & Production Co., Senior Notes	8.625%	10/15/19	1,195,000	1,314,500
PT Adaro Indonesia, Senior Notes	7.625%	10/22/19	400,000	439,000(a)

*See Notes to Schedule of Investments.*

Edgar Filing: WESTERN ASSET HIGH INCOME OPPORTUNITY FUND INC. - Form N-Q

Schedule of investments (unaudited) (cont d)

December 31, 2010

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

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
<b>Oil, Gas &amp; Consumable Fuels continued</b>				
Quicksilver Resources Inc., Senior Notes	11.750%	1/1/16	2,255,000	\$ 2,638,350
Quicksilver Resources Inc., Senior Notes	9.125%	8/15/19	340,000	374,850
Range Resources Corp., Senior Subordinated Notes	8.000%	5/15/19	100,000	109,375
Regency Energy Partners LP/Regency Energy Finance Corp., Senior Notes	6.875%	12/1/18	1,360,000	1,383,800
SandRidge Energy Inc., Senior Toggle Notes	8.625%	4/1/15	1,870,000	1,923,762(f)
Stone Energy Corp., Senior Notes	8.625%	2/1/17	950,000	969,000
Teekay Corp., Senior Notes	8.500%	1/15/20	2,280,000	2,493,750
Tennessee Gas Pipeline Co., Senior Notes	8.375%	6/15/32	3,270,000	3,862,570
TNK-BP Finance SA, Senior Notes	7.875%	3/13/18	1,525,000	1,736,670(a)
Whiting Petroleum Corp., Senior Subordinated Notes	7.000%	2/1/14	85,000	89,675
Whiting Petroleum Corp., Senior Subordinated Notes	6.500%	10/1/18	1,180,000	1,197,700
<i>Total Oil, Gas &amp; Consumable Fuels</i>				<i>59,418,477</i>
TOTAL ENERGY				72,174,464
<b>FINANCIALS 8.2%</b>				
<b>Capital Markets 0.2%</b>				
Goldman Sachs Group Inc., Subordinated Notes	6.750%	10/1/37	1,100,000	1,128,147
<b>Commercial Banks 2.2%</b>				
BAC Capital Trust VI, Capital Securities, Junior Subordinated Notes	5.625%	3/8/35	830,000	704,940
BankAmerica Institutional Capital A, Junior Subordinated Bonds	8.070%	12/31/26	520,000	527,150(a)
BankAmerica Institutional Capital B, Junior Subordinated Bonds	7.700%	12/31/26	600,000	604,500(a)
CIT Group Inc., Senior Secured Bonds	7.000%	5/1/16	1,130,700	1,137,767
CIT Group Inc., Senior Secured Bonds	7.000%	5/1/17	4,842,981	4,867,196
Credit Agricole SA, Subordinated Notes	8.375%	10/13/19	830,000	856,975(a)(e)(g)
NB Capital Trust II, Junior Subordinated Notes	7.830%	12/15/26	770,000	775,775
NB Capital Trust IV, Junior Subordinated Notes	8.250%	4/15/27	530,000	540,600
<i>Total Commercial Banks</i>				<i>10,014,903</i>
<b>Consumer Finance 2.5%</b>				
Ally Financial Inc., Debentures	0.000%	6/15/15	4,300,000	3,182,000
Ally Financial Inc., Senior Bonds	0.000%	12/1/12	1,800,000	1,632,054
Ally Financial Inc., Senior Notes	8.300%	2/12/15	70,000	77,175
Ally Financial Inc., Senior Notes	7.500%	9/15/20	3,500,000	3,688,125(a)
Ally Financial Inc., Subordinated Notes	8.000%	12/31/18	74,000	78,995
GMAC International Finance BV, Senior Bonds	7.500%	4/21/15	730,000EUR	1,014,519
SLM Corp., Medium-Term Notes	8.000%	3/25/20	970,000	985,079
SLM Corp., Medium-Term Notes, Senior Notes	8.450%	6/15/18	965,000	1,004,364
<i>Total Consumer Finance</i>				<i>11,662,311</i>
<b>Diversified Financial Services 2.5%</b>				
Bankrate Inc., Senior Secured Notes	11.750%	7/15/15	750,000	836,250(a)
	10.250%	8/15/39	1,120,000	1,205,400

Edgar Filing: WESTERN ASSET HIGH INCOME OPPORTUNITY FUND INC. - Form N-Q

Capital One Capital V, Junior Subordinated Notes, Cumulative Trust Preferred Securities				
International Lease Finance Corp., Medium-Term Notes	6.375%	3/25/13	880,000	906,400
International Lease Finance Corp., Medium-Term Notes, Senior Notes	5.625%	9/20/13	1,670,000	1,686,700
International Lease Finance Corp., Notes	5.875%	5/1/13	290,000	294,713
International Lease Finance Corp., Senior Notes	8.875%	9/1/17	3,810,000	4,129,087
International Lease Finance Corp., Senior Notes	8.250%	12/15/20	670,000	690,937
MBNA Capital A, Junior Subordinated Notes	8.278%	12/1/26	1,250,000	1,275,000
Midwest Gaming Borrower LLC/Midwest Finance Corp., Senior Secured Notes	11.625%	4/15/16	520,000	540,800 <sup>(a)</sup>
<i>Total Diversified Financial Services</i>				<i>11,565,287</i>
<b>Insurance 0.7%</b>				
American International Group Inc., Senior Notes	8.250%	8/15/18	1,465,000	1,692,661
American International Group Inc., Senior Notes	6.400%	12/15/20	910,000	956,540

*See Notes to Schedule of Investments.*

Edgar Filing: WESTERN ASSET HIGH INCOME OPPORTUNITY FUND INC. - Form N-Q

Schedule of investments (unaudited) (cont d)

December 31, 2010

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

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
<b>Insurance continued</b>				
MetLife Capital Trust IV, Junior Subordinated Notes	7.875%	12/15/37	590,000	\$ 626,875(a)
<i>Total Insurance</i>				3,276,076
<b>Real Estate Investment Trusts (REITs) 0.1%</b>				
Host Hotels & Resorts, LP, Senior Notes	6.375%	3/15/15	425,000	433,500
<b>TOTAL FINANCIALS</b>				<b>38,080,224</b>
<b>HEALTH CARE 5.2%</b>				
<b>Health Care Equipment &amp; Supplies 0.3%</b>				
Biomet Inc., Senior Notes	10.000%	10/15/17	420,000	460,950
Biomet Inc., Senior Notes	11.625%	10/15/17	370,000	410,700
Biomet Inc., Senior Toggle Notes	10.375%	10/15/17	410,000	449,975(f)
<i>Total Health Care Equipment &amp; Supplies</i>				1,321,625
<b>Health Care Providers &amp; Services 4.9%</b>				
American Renal Holdings, Senior Secured Notes	8.375%	5/15/18	1,130,000	1,163,900(a)
CRC Health Corp., Senior Subordinated Notes	10.750%	2/1/16	4,265,000	4,296,987
Fresenius U.S. Finance II Inc., Senior Notes	9.000%	7/15/15	1,440,000	1,656,000(a)
HCA Inc., Debentures	7.500%	11/15/95	3,920,000	3,136,000
HCA Inc., Senior Secured Notes	7.875%	2/15/20	2,820,000	3,031,500
inVentiv Health Inc., Senior Notes	10.000%	8/15/18	500,000	502,500(a)
Tenet Healthcare Corp., Senior Secured Notes	9.000%	5/1/15	679,000	757,085
Tenet Healthcare Corp., Senior Secured Notes	10.000%	5/1/18	1,950,000	2,281,500
Universal Hospital Services Inc., Senior Secured Notes	3.834%	6/1/15	410,000	377,200(e)
Universal Hospital Services Inc., Senior Secured Notes	8.500%	6/1/15	1,990,000	2,054,675(f)
US Oncology Inc., Senior Secured Notes	9.125%	8/15/17	2,105,000	2,604,938
Vanguard Health Holdings Co., II LLC, Senior Notes	8.000%	2/1/18	1,185,000	1,220,550
<i>Total Health Care Providers &amp; Services</i>				23,082,835
<b>TOTAL HEALTH CARE</b>				<b>24,404,460</b>
<b>INDUSTRIALS 11.9%</b>				
<b>Aerospace &amp; Defense 1.5%</b>				
FGI Operating Co. Inc., Senior Secured Notes	10.250%	8/1/15	1,965,000	2,073,075
Kratos Defense & Security Solutions Inc., Senior Secured Notes	10.000%	6/1/17	1,030,000	1,145,875
Triumph Group Inc., Senior Notes	8.625%	7/15/18	1,580,000	1,734,050
Wyle Services Corp., Senior Subordinated Notes	10.500%	4/1/18	2,105,000	2,057,638(a)
<i>Total Aerospace &amp; Defense</i>				7,010,638
<b>Airlines 2.4%</b>				
Continental Airlines Inc., Pass-Through Certificates	9.250%	5/10/17	170,975	189,141
Continental Airlines Inc., Pass-Through Certificates, Subordinated Secured Notes	8.312%	4/2/11	69,686	70,383
Continental Airlines Inc., Pass-Through Certificates, Subordinated Secured Notes	7.339%	4/19/14	2,074,905	2,074,905
Continental Airlines Inc., Senior Secured Notes	6.750%	9/15/15	960,000	993,600(a)
DAE Aviation Holdings Inc., Senior Notes	11.250%	8/1/15	4,625,000	4,810,000(a)
Delta Air Lines Inc., Pass-Through Certificates	7.711%	9/18/11	90,000	92,250

Edgar Filing: WESTERN ASSET HIGH INCOME OPPORTUNITY FUND INC. - Form N-Q

Delta Air Lines Inc., Pass-Through Certificates	8.954%	8/10/14	23,095	23,903
Delta Air Lines Inc., Pass-Through Certificates, Secured Notes	8.021%	8/10/22	708,367	722,534
Delta Air Lines Inc., Pass-Through Certificates, Subordinated Secured Notes	9.750%	12/17/16	568,131	622,103
Delta Air Lines Inc., Senior Secured Notes	9.500%	9/15/14	588,000	643,125(a)
United Air Lines Inc., Senior Secured Notes	9.875%	8/1/13	910,000	985,075(a)
<i>Total Airlines</i>				<i>11,227,019</i>
<b>Building Products 0.1%</b>				
Ashton Woods USA LLC/Ashton Woods Finance Co., Senior Subordinated Notes, step bond	0.000%	6/30/15	660,400	369,824(a)(d)
USG Corp., Senior Notes	8.375%	10/15/18	320,000	315,200(a)