FRANKLIN TEMPLETON | WESTERN ASSET

Western Asset High Income Fund II Inc. (HIX)

Corporate Credit | Factsheet as of September 30, 2026

Investment Overview

Offers a leveraged portfolio of high-yield corporate debt securities from both the U.S. and non-U.S. corporations, with strategic allocations to emerging markets and derivatives. Seeks high current income with capital appreciation as a secondary objective. Emphasizes team management and extensive credit research expertise to identify attractively priced securities.

Total Returns (%)

	Cumulative			Average Annual					Inception
	3-Mth	6-Mth	YTD	1-Yr	3-Yr	5-Yr	10-Yr	Inception	Date
Market Price Return	-7.34	-4.38	-5.20	-6.14	6.10	-1.46	3.61	6.25	5/28/1998
NAV Returns	-3.32	-0.09	-0.68	0.41	7.54	0.13	3.47	6.34	5/28/1998
Benchmark 1	-2.25	0.46	-0.16	1.49	8.22	3.26	4.58	—	—
Benchmark 2	-1.82	0.60	0.10	1.41	8.03	3.60	5.04	—	—
Benchmark 3	-3.97	-0.10	-1.24	1.76	8.98	1.80	2.68	6.68	—

Calendar Year Total Returns (%)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Market Price Return	13.35	-3.15	15.89	-24.59	13.11	12.00	27.17	-10.00	7.07	25.23
NAV Returns	10.79	3.64	11.11	-19.75	3.07	6.52	19.19	-5.77	9.61	21.61
Benchmark 1	9.58	7.70	12.85	-12.21	3.89	6.83	14.35	-2.57	7.87	15.74
Benchmark 2	8.62	8.19	13.44	-11.18	5.26	7.05	14.32	-2.08	7.50	17.13
Benchmark 3	13.45	5.73	10.45	-16.45	-1.51	5.88	14.42	-4.61	9.32	10.19

Performance shown represents past performance and is no guarantee of future results. *Current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate so shares, when sold, may be worth more or less than the original cost. Returns based on Market Price or NAV, and assume the reinvestment of all distributions at the Dividend Reinvestment Plan Price or NAV, respectively. All returns include the deduction of management fees, operating expenses and all other fund expenses, and do not reflect the deduction of brokerage commissions or taxes that investors may pay on distributions or the sale of shares. When applicable, performance would have been lower if fees had not been waived in various periods. An investor cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expense or sales charges. Returns for periods of less than one year are not annualized. Please visit franklintempleton.com for the most recent month-end performance.*

Gross expenses are the fund's total annual operating expenses as of the fund's annual report available at the time of publication. Actual expenses may be higher and may impact portfolio returns. Net expenses reflect voluntary fee waivers, expense caps and/or reimbursements. Voluntary waivers may be modified or discontinued at any time without notice. **NAV** is total assets less total liabilities divided by the number of shares outstanding. **Market Price**, determined by supply and demand, is the price an investor purchases or sells the fund. The Market Price may differ from a fund's NAV. **Premium / Discount** reflects the difference between the NAV and the Market Price of the fund, and represents the amount that the fund is trading above or below its NAV, expressed as a percentage of the NAV. **Distribution Rate** is calculated by annualizing the most recent distribution amount paid, divided by the closing market price or NAV as of the date indicated. The Distribution Rate calculation includes income, may include return of capital and excludes special distributions. The Distribution Rate is subject to change and is not guaranteed nor a quotation of fund performance. The difference between total assets and net assets, if any, is due primarily to the fund's use of borrowings and other liabilities; netassets do not include borrowings. The fund may employ leverage in the form of loans, preferred stock, reverse repurchase agreementsand/or other instruments. When the fund engages in transactions that have a leveraging effect on the fund's portfolio, the value of thefund will be more volatile and all other risks will tend to be compounded.

Growth of $10,000

Inception through September 30, 2026
Market Price Returns, assuming dividends reinvested



The Growth of $10,000 chart reflects a hypothetical $10,000 investment on Market Price and assumes reinvestment of dividends and capital gains. Fund expense, including management fees and other expenses were deducted.

Fund Overview

NYSE-XNYS Ticker	HIX
NAV Symbol	XHGIX
Listed Exchange	NYSE - XNYS
Fund Inception Date	05/28/1998
NAV	$3.84
Market Price	$3.53
Premium/Discount	-8.07%
Last Distribution Paid	$0.0490
Distribution Rate at Market Price (%)	16.66
Distribution Rate at NAV (%)	15.31
Dividend Frequency, if any	Monthly

Benchmark(s)

1—80% Bloomberg HY (2% constrained), 20% JPM EMBI Global
2—Bloomberg U.S. Corporate High Yield - 2% Issuer Cap Index
3—JP Morgan Emerging Markets Bond Index Global

Fund Characteristics

	Fund
Total Assets	$518.13 Million
Loans	30.30%
Reverse Repurchase Agreements	2.93%
Total Net Assets	$345.93 Million
Average Life	8.90 Years
Effective Duration	5.16 Years
Average Coupon	10.24%

Not FDIC Insured | No Bank Guarantee | May Lose Value

Sector Allocation (% of Total)

	Fund
Consumer Cyclical	17.53
Communications	15.46
Energy	12.36
Finance	9.59
Technology	8.67
Emerging Markets Government	8.57
Structured	7.91
Basic Industry	5.67
Other	16.33
Cash & Cash Equivalents	-2.08

Currency Exposure (% of Total)

	Fund
US Dollar	96.84
Euro	1.77
British Pound	0.89
Uruguayan Peso	0.48
Russian Ruble	0.03

Geographic Allocation (% of Total)

	Fund
United States	67.09
United Kingdom	4.91
Canada	3.48
Other	26.61
Cash & Cash Equivalents	-2.08

Credit Quality Allocation (% of Total)

	Fund
AA	0.16
A	0.43
BBB	15.46
BB	32.23
B	38.25
CCC	10.36
CC	0.34
D	0.40
NR	4.46
Cash & Cash Equivalents	-2.08

Portfolio Data Information

Exposure: Notional exposure figures are estimated and are intended to show the portfolio's direct exposure to securities and indirect exposure, through derivatives. Direct and indirect exposures are subject to change over time and methodologies for calculating indirect exposures vary by derivative type. Portfolio breakdown percentages may not total 100% and may be negative due to rounding, use of derivatives, unsettled trades or other factors.

Credit Quality is a measure of a bond issuer's ability to repay interest and principal in a timely manner. The credit ratings shown are based on each portfolio security's rating as provided by S&P Global Ratings, Moody's Investors Service and/or Fitch Ratings, Inc. and typically range from AAA (highest) to D (lowest), or an equivalent and/or similar rating. For this purpose, if two or more of the agencies have assigned differing ratings to a security, the lowest rating is used. Securities that are unrated by all three agencies are reflected as such. The credit quality of the investments in the portfolio does not apply to the stability or safety of the portfolio. The methodology used for the calculation of credit quality ratings displayed may differ from the methodology for monitoring investment limits, if applicable. **Please note, the portfolio itself has not been rated by an independent rating agency.**

Portfolio Description

Western Asset Management is one of the world's leading global fixed income managers. Founded in 1971, the firm is known for team management and proprietary research, supported by robust risk management and a long-term fundamental value approach.

What should I know before investing?

All investments involve risks, including possible loss of principal. Fixed income securities involve interest rate, credit, inflation and reinvestment risks, and possible loss of principal. As interest rates rise, the value of fixed income securities falls. **Low-rated, high-yield bonds** are subject to greater price volatility, illiquidity and possibility of default. **International investments** are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in **emerging markets. Derivative instruments** can be illiquid, may disproportionately increase losses, and have a potentially large impact on performance. **Leverage** increases the volatility of investment returns and subjects investments to magnified losses and a decline in value.

Glossary

Average Life: An estimate of the number of years to maturity, taking the possibility of early payments into account, for the underlying holdings. **Effective Duration** is a duration calculation for bonds with embedded options. Effective duration takes into account that expected cash flows will fluctuate as interest rates change. Duration measures the sensitivity of price (the value of principal) of a fixed-income investment to a change in interest rates. The higher the duration number, the more sensitive a fixed-income investment will be to interest rate changes. **Average Coupon** is the average interest rate stated on the securities held by a portfolio. **Average Coupon is calculated without the deduction of fees and expenses.**

Important Information

Distributions are not guaranteed and are subject to change.

The Closed-End Funds are not sold or distributed by Franklin Distributors, LLC, or any affiliate of Franklin Templeton, Inc. Unlike open-end funds, shares are not continually offered. Like other public companies, closed-end funds have a one-time initial public offering, and once their shares are first issued, are generally bought and sold through non-affiliated broker/dealers and trade on nationally recognized stock exchanges. Share prices will fluctuate with market conditions and, at the time of sale, may be worth more or less than your original investment. Shares of exchange-traded closed-end funds may trade at a discount or premium to their original offering price, and often trade at a discount to their net asset value. Investment return, market price and net asset value will fluctuate with changes in market conditions. The Funds are subject to investment risks, including the possible loss of principal invested.

Negative Cash Weightings: The negative cash position reflects a temporary position that is a result of a delay in securities settlement transactions.

The **Bloomberg U.S. Corporate High Yield - 2% Issuer Cap Index** measures the performance of U.S. dollar-denominated, non-investment-grade, fixed-rate, taxable corporate bond market. The Index limits the maximum exposure to any one issuer to 2%. The **JP Morgan EMBI Index** 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. The **80% Bloomberg HY (2% constrained), 20% JPM EMBI Global** blended index consists of 80% Bloomberg U.S. Corporate High Yield - 2% Issuer Cap Index and 20% JPMorgan EMBI (Emerging Markets Bond Index) Global.

Source: JP Morgan. Source: Bloomberg Indices. Important data provider notices and terms available at www.franklintempletondatasources.com. All data is subject to change.

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