

**Western Asset High Yield Defined Opportunity Fund Inc.  
Raises \$479.3 Million, Starts Trading on the NYSE**

NEW YORK--(Business Wire)—October 27, 2010 Western Asset High Yield Defined Opportunity Fund Inc. (the "Fund") announced today that pricing has been completed for its initial public offering. The Fund raised approximately \$479.3 million in its common stock offering, assuming full exercise of the underwriters' overallotment option, which may or may not occur. Its shares began trading today on the New York Stock Exchange under the symbol "HYI."

The Fund's primary investment objective is to provide high income. As a secondary investment objective, the Fund will seek capital appreciation. There can be no assurance the Fund will achieve its investment objectives.

The Fund seeks to achieve its investment objectives by investing, under normal market conditions, at least 80% of its net assets in a portfolio of high-yield corporate fixed-income securities with varying maturities. "High-yield" refers to below investment grade quality (also commonly referred to as "junk bonds"). When choosing investments, Western Asset will focus on high-yield securities that exhibit pricing inefficiencies, improving credit conditions that offer income opportunities and the potential for high real yields and capital appreciation.

The Fund has a limited term and as a fundamental policy, the Fund intends to liquidate and distribute substantially all of the Fund's net assets to stockholders, after making appropriate provisions for any liabilities of the Fund, after 15 years, on or about September 30, 2025.

"Current valuations in the high-yield market offer an attractive opportunity for long-term investors. Legg Mason's largest fixed-income manager, Western Asset, has the requisite credit expertise to identify long-term corporate bond potential in today's economy. This is the fifth successful fund offering that seeks to return income to investors over the product's defined life," stated Matt Schiffman, Head of Retail Americas for Legg Mason.

Western Asset High Yield Defined Opportunity Fund Inc. is a newly organized, non-diversified, limited-term, closed-end management investment company which is advised by Legg Mason Partners Fund Advisor, LLC ("LMPFA") and subadvised by Western Asset Management Company ("Western Asset"). LMPFA and Western Asset are wholly owned subsidiaries of Legg Mason, Inc. ("Legg Mason").

The underwriting syndicate was led by BofA Merrill Lynch, Citigroup Global Markets Inc., Morgan Stanley, and Wells Fargo Securities, LLC.

For more information, please contact the Fund at 1-888-777-0102 or visit the Fund's web site at [www.leggmason.com/cef](http://www.leggmason.com/cef).

### **About Legg Mason**

Legg Mason is a global asset management firm with approximately \$674 billion in assets under management as of September 30, 2010. The company provides active asset management in many major investment centers throughout the world. Legg Mason is headquartered in Baltimore, Maryland, and its common stock is listed on the New York Stock Exchange (NYSE: LM).

### **About Western Asset**

Western Asset is one of the world's premier fixed-income managers. With offices in Pasadena, Hong Kong, London, Melbourne, New York, São Paulo, Singapore and Tokyo, Western Asset offers institutional and retail clients a full range of fixed-income products. By devoting all of its resources to fixed income, Western Asset is able to provide a full commitment to its clients in every area of the firm. Western Asset's long performance track record and global presence has them positioned to continue their commitment to excellence in fixed-income management and client service. As of September 30, 2010, Western Asset had approximately \$469 billion in assets under management.

The Fund is a newly organized, non-diversified, limited-term, closed-end management investment company. Investors should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. The prospectus, which contains this and other information about the Fund, should be read carefully before investing. A copy of the prospectus relating to these securities may be obtained by contacting your financial advisor.

All data and commentary provided in this press release are for informational purposes only. Legg Mason and its affiliates do not engage in selling shares of the Fund. The Fund's shares of common stock are traded on the New York Stock Exchange. Similar to stocks, the Fund's share price will fluctuate with market conditions and, at the time of sale, may be worth more or less than the original investment. Shares of closed-end funds often trade at a discount to their net asset value.

This press release contains "forward-looking statements" as defined under the U.S. federal securities laws. Generally, the words "believe," "expect," "intend," "estimate," "anticipate," "project," "will," and similar expressions identify forward-looking statements, which generally are not historical in nature. Forward-looking statements are subject to certain risks and uncertainties that could cause actual future results to differ significantly from the Fund's present expectations or projections indicated in any forward-looking statements. These risks include, but are not limited to, changes in economic and political conditions; regulatory and legal changes; valuation risk; interest rate risk; tax risk; the volume of sales and purchase of shares; the continuation of investment advisory, administration and

other service arrangements; and other risks discussed in the Fund's filings with the Securities and Exchange Commission. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. The Fund undertakes no obligation to publicly update or revise any forward-looking statements made herein. There is no assurance that the Fund's investment objectives will be attained.

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