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Neuberger Berman High Yield Strategies Fund Inc.

Form N-CSRS

July 06, 2015

As filed with the Securities and Exchange Commission on July 2, 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: 811-22396

NEUBERGER BERMAN HIGH YIELD STRATEGIES FUND INC.

(Exact Name of Registrant as specified in charter)

c/o Neuberger Berman Management LLC

605 Third Avenue, 2nd Floor

New York, New York 10158-0180

(Address of Principal Executive Offices – Zip Code)

Registrant's telephone number, including area code: (212) 476-8800

Robert Conti

Chief Executive Officer and President

Neuberger Berman High Yield Strategies Fund Inc.

c/o Neuberger Berman Management LLC

605 Third Avenue, 2nd Floor

New York, New York 10158-0180

Arthur C. Delibert, Esq.

K&L Gates LLP

1601 K Street, N.W.

Washington, D.C. 20006-1600

(Names and Addresses of agents for service)

Date of fiscal year end: October 31

Date of reporting period: April 30, 2015

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940, as amended ("Act") (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles. A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Report to Stockholders.

The following is a copy of the semi-annual report transmitted to stockholders pursuant to Rule 30e-1 under the Act.

Neuberger Berman
High Yield Strategies
Fund Inc.



Semi-Annual Report

April 30, 2015

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Privacy Notice	Located after the Fund’s Report

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President's Letter

Dear Stockholder,

I am pleased to present the semi-annual report for Neuberger Berman High Yield Strategies Fund Inc. for the six months ended April 30, 2015. The report includes a portfolio commentary, a listing of the Fund's investments and its unaudited financial statements for the reporting period.

The Fund seeks high total return (income plus capital appreciation). To pursue that objective, we have assembled a portfolio that consists primarily of high yield debt securities.

On March 31, 2015, Neuberger Berman High Yield Strategies Fund Inc. announced a change in its monthly distribution rate payable to \$0.08 per share of common stock, which represents a \$0.01 reduction per share. The change was reflected in the Fund's April 30, 2015 distribution. The decrease in distribution rate was the result of numerous factors, including the general decline in the absolute level of yields available as well as the degree of credit spread tightening that has occurred in the high yield market.

Thank you for your confidence in the Fund. We will do our best to continue earning your trust in the years to come.

Sincerely,

Robert Conti
President and CEO
Neuberger Berman High Yield Strategies Fund Inc.

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Neuberger Berman High Yield Strategies Fund Inc. Portfolio Commentary

Neuberger Berman High Yield Strategies Fund Inc. generated a 2.08% total return on a net asset value (NAV) basis for the six months ended April 30, 2015 and outperformed its benchmark, the BofA Merrill Lynch U.S. High Yield Master II Constrained Index, which provided a 1.52% return for the period. (Fund performance on a market price basis is provided in the table immediately following this letter.) The use of leverage (typically a performance enhancer in up markets and a detractor during market retreats) was beneficial for performance.

Despite several setbacks, the overall fixed income market posted a positive return over the six month period ended April 30, 2015. Short-term Treasury yields moved higher as the market anticipated a U.S. Federal Reserve (Fed) interest rate hike in 2015. In contrast, longer-term rates declined given a number of flights to quality triggered by geopolitical issues and concerns over global growth. The high yield market experienced periods of elevated volatility during the reporting period, partially due to a sharp decline and subsequent rally in the energy sector. Within the benchmark, CCC-rated securities (a relatively low rating) and BB-rated securities (rated higher) returned -0.67% and 2.38%, respectively.

From a sector perspective, security selection in support services, an underweight, relative to the benchmark, to metals & mining and security selection in gaming and hotels contributed the most to the Fund's performance. Conversely, an underweight to banking, security selection in utilities and an underweight to food/beverage/tobacco detracted the most from performance.

The Fund's lower-quality bias was generally positive for performance.

We made several adjustments to the portfolio during the reporting period. We reduced the Fund's allocation to BB-rated bonds while increasing its exposure to CCC and lower-rated securities. From a sector perspective, we increased the Fund's allocations to gaming and hotels, health care and gas distribution. Conversely, we reduced its exposures to metals & mining and aerospace & defense.

Interest rate swaps, which were used to manage the Fund's interest rate exposure, detracted from performance during the reporting period.

We continue to have a positive outlook for the high yield market. In our view, fundamentals remain largely intact. Corporate balance sheets appear strong overall and many issuers have taken advantage of low interest rates to refinance their debt and push back their maturities. These factors, coupled with what we believe could be continued growth in the U.S., could allow the vast majority of lower-quality companies to meet their debt obligations. Against this backdrop, we think high yield defaults could be approximately 2.5% in 2015, versus a long-term average of 3.8%. Still, there could be periods of heightened volatility as investors react to incoming economic data, shifting Fed monetary policy and geopolitical events. This, in turn, could impact the demand for high yield securities.

Sincerely,

Ann H. Benjamin,* Thomas P. O'Reilly, Russ Covode and Daniel Doyle
Portfolio Co-Managers

* As previously disclosed, Ann Benjamin recently announced she intends to retire on December 31, 2015 after a 35-year career and 18 years at Neuberger Berman.

The portfolio composition, industries and holdings of the Fund are subject to change.

The opinions expressed are those of the Fund's portfolio managers. The opinions are as of the date of this report and are subject to change without notice.

The value of securities owned by the Fund, as well as the market value of shares of the Fund's common stock, may decline in response to certain events, including those directly involving the issuers whose securities are owned by the Fund; conditions affecting the general economy; overall market changes; local, regional, national or global political, social or economic instability; regulatory or legislative developments; price, currency and interest rate fluctuations, including those resulting from changes in central bank policies; and changes in investor sentiment.

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TICKER SYMBOL

High Yield Strategies Fund Inc. NHS

(as a % of Total Investments
(excluding Short-Term Investments))

Less than One Year	2.0%
One to less than Five Years	27.3
Five to less than Ten Years	63.6
Ten Years or Greater	7.1
Total	100.0%

	Inception Date	Average Annual Total Return				
		Six Month Period End 04/30/2015	1 Year	5 Years	10 Years	Life of Fund
At NAV ²	07/28/2003	2.08%	2.56%	10.41%	10.61%	10.70%
At Market Price ³	07/28/2003	-1.15%	-1.23%	7.26%	9.00%	9.12%
Index						
BofA Merrill Lynch U.S. High Yield Master II Constrained Index ⁴		1.52%	2.58%	8.16%	8.29%	8.47%

Closed-end funds, unlike open-end funds, are not continually offered. Generally, there is an initial public offering and, once issued, shares of common stock of closed-end funds are sold in the open market through a stock exchange.

The performance data quoted represent past performance and do not indicate future results. Current performance may be lower or higher than the performance data quoted. For more current performance data, please visit www.nb.com/performance.

The results shown in the table reflect the reinvestment of income dividends and other distributions, if any. The results do not reflect the effect of taxes a stockholder would pay on Fund distributions or on the sale of shares of the Fund's common stock.

The investment return and market price will fluctuate and shares of the Fund's common stock may trade at prices below NAV. Shares of the Fund's common stock, when sold, may be worth more or less than their original cost.

Returns would have been lower if Neuberger Berman Management LLC (Management) had not waived a portion of its investment management fees during certain of the periods shown. Please see the Notes to the Financial Highlights for additional information regarding fee waivers.

Endnotes

- 1 The performance information for periods prior to August 6, 2010 is that of Neuberger Berman High Yield Strategies Fund, a predecessor to the Fund.
- 2 Returns based on the NAV of the Fund.
- 3 Returns based on the market price of shares of the Fund's common stock on the NYSE MKT.
- 4 Please see "Description of Index" on page 5 for a description of the index.
For more complete information on Neuberger Berman High Yield Strategies Fund Inc., call Neuberger Berman Management LLC at (800) 877-9700, or visit our website at www.nb.com.

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Description of Index

BofA Merrill Lynch U.S. High Yield Master II Constrained Index: The index tracks the performance of U.S. dollar-denominated below investment grade corporate debt publicly issued in the U.S. domestic market. In addition to meeting other criteria, qualifying securities must have a below investment grade rating (based on an average of Moody's, S&P and Fitch ratings), and have risk exposure to countries that are members of the FX-G10, Western Europe or territories of the U.S. and Western Europe. Securities in legal default are excluded from the index. Index constituents are capitalization-weighted, provided the total allocation to an individual issuer does not exceed 2%.

Please note that the index does not take into account any fees and expenses or any tax consequences of investing in individual securities that it tracks and that individuals cannot invest directly in any index. Data about the performance of this index are prepared or obtained by Management and include reinvestment of all income dividends and other distributions, if any. The Fund may invest in securities not included in the above described index and generally does not invest in all securities included in the index.

Schedule of Investments High Yield Strategies Fund Inc.
(Unaudited) 4/30/15

PRINCIPAL AMOUNT	VALUE †
Bank Loan Obligations^u (8.9%)	
Aerospace & Defense (0.1%)	
\$ 190,000 Transdigm Inc., First Lien Term Loan D, due 6/4/21	\$ 190,296 ^{e^^}
Automotive (0.2%)	
567,600 Navistar, Inc., First Lien Term Loan B, 5.75%, due 8/17/17	570,086
Business Equipment & Services (1.6%)	
95,000 Acosta Inc., First Lien Term Loan B, due 9/26/21	95,722 ^{e^^}
190,000 Advantage Sales and Marketing, First Lien Term Loan, due 7/23/21	190,570 ^{e^^}
1,920,000 Advantage Sales and Marketing, Second Lien Term Loan, 7.50%, due 7/25/22	1,927,200 ^{e^^}
2,090,000 Presidio, First Lien Term Loan B, 6.25%, due 1/22/22	2,105,675
	4,319,167
Containers & Glass Products (0.0%)	
95,000 Berry Plastics, First Lien Term Loan E, due 1/6/21	95,257 ^{e^^}
Drugs (0.1%)	
190,000 Valeant Pharmaceuticals, First Lien Term Loan F1, due 4/1/22	191,231 ^{e^^}
Electronics - Electrical (0.6%)	
1,184,624 Avago Technologies, First Lien Term Loan B, 3.75%, due 5/6/21	1,189,564
450,000 Riverbed Technology, First Lien Term Loan B, due 2/25/22	454,725 ^{e^^}
	1,644,289
Financial Intermediaries (0.3%)	
896,722 Walter Investment Mgmt, First Lien Term Loan, 4.75%, due 12/18/20	855,626
Health Care (2.8%)	
1,970,000 Tenet Healthcare Corp., Secured Bridge Loan, due 4/1/16	1,970,000 ^{ñf^{e^^}}
5,900,000 Tenet Healthcare Corp., Unsecured Bridge Loan, due 4/1/16	5,900,000 ^{ñf^{e^^}}
	7,870,000
Lodging & Casinos (2.5%)	
1,531,865 Centaur Acquisition, LLC, Second Lien Term Loan, 8.75%, due 2/20/20	1,540,796 ^ñ
1,759,000 Four Seasons Holdings Inc., Second Lien Term Loan, 6.25%, due 12/27/20	1,769,994 ^ñ
3,134,275 Mohegan Tribal Gaming, Term Loan B, 5.50%, due 11/19/19	3,119,167
273,247 Scientific Games Corp., First Lien Term Loan B-2, 6.00%, due 10/1/21	275,979

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190,000 Twin Rivers Casino, First Lien Term Loan B, due 7/10/20 189,951^{q^^}

6,895,887

Publishing (0.2%)

555,000 Tribune Company, First Lien Term Loan, 4.00%, due 12/27/20 557,431^{q^^}

Radio & Television (0.1%)

95,000 Univision Communications Inc., First Lien Term Loan C-3, due 3/1/20 95,030^{q^^}

95,000 Univision Communications Inc., First Lien Term Loan C-4, due 3/1/20 95,052^{q^^}

190,082

See Notes to Schedule of Investments 6

Schedule of Investments High Yield Strategies Fund Inc.
(Unaudited) (cont'd)

PRINCIPAL AMOUNT	VALUE†
Specialty Retail (0.4%)	
\$1,125,000 PetSmart Inc., First Lien Term Loan B1, 5.00%, due 2/18/22	\$ 1,138,309
Total Bank Loan Obligations (Cost \$24,301,673)	24,517,661
Corporate Debt Securities (133.3%)	
Advertising (2.1%)	
1,190,000 Clear Channel Worldwide Holdings, Inc., Guaranteed Notes, Ser. B, 7.63%, due 3/15/20	1,252,475
495,000 Clear Channel Worldwide Holdings, Inc., Guaranteed Notes, Ser. A, 6.50%, due 11/15/22	518,513
1,800,000 Clear Channel Worldwide Holdings, Inc., Guaranteed Notes, Ser. B, 6.50%, due 11/15/22	1,903,500
2,100,000 Nielsen Finance LLC, Guaranteed Notes, 5.00%, due 4/15/22	2,111,550 _n
	5,786,038
Aerospace & Defense (0.3%)	
950,000 Kratos Defense & Security Solutions, Inc., Senior Secured Notes, 7.00%, due 5/15/19	845,500
Auto Parts & Equipment (0.4%)	
985,000 ZF N.A. Capital, Inc., Guaranteed Notes, 4.00%, due 4/29/20	991,156 _n
Automakers (1.1%)	
1,540,000 Chrysler Group LLC/CG Co-Issuer, Inc., Secured Notes, 8.25%, due 6/15/21	1,699,775
545,000 General Motors Co., Senior Unsecured Notes, 6.25%, due 10/2/43	650,255
535,000 General Motors Co., Senior Unsecured Notes, 5.20%, due 4/1/45	565,865
	2,915,895
Beverages (0.5%)	
600,000 Constellation Brands, Inc., Guaranteed Notes, 4.25%, due 5/1/23	617,250
595,000 Constellation Brands, Inc., Guaranteed Notes, 4.75%, due 11/15/24	630,700
	1,247,950
Building & Construction (2.5%)	
155,000 D.R. Horton, Inc., Guaranteed Notes, 4.38%, due 9/15/22	156,550
2,025,000 D.R. Horton, Inc., Guaranteed Notes, 5.75%, due 8/15/23	2,197,125
1,545,000 Lennar Corp., Guaranteed Notes, 4.75%, due 11/15/22	1,562,381
570,000 Ryland Group, Inc., Guaranteed Notes, 5.38%, due 10/1/22	579,975
490,000 Standard Pacific Corp., Guaranteed Notes, 8.38%, due 1/15/21	573,300
1,645,000 Taylor Morrison Communities, Inc./Monarch Communities, Inc., Guaranteed Notes, 5.25%, due 4/15/21	1,649,113 _n
305,000 Taylor Morrison Communities, Inc./Monarch Communities, Inc., Guaranteed Notes, 5.63%, due 3/1/24	301,950 _n

	7,020,394
Building Materials (1.2%)	
545,000 Masco Corp., Senior Unsecured Notes, 5.95%, due 3/15/22	613,125
1,990,000 USG Corp., Senior Unsecured Notes, 9.75%, due 1/15/18	2,303,425 _a
320,000 USG Corp., Guaranteed Notes, 5.50%, due 3/1/25	336,000 _n
	3,252,550

See Notes to Schedule of Investments 7

Schedule of Investments High Yield Strategies Fund Inc.
(Unaudited) (cont'd)

PRINCIPAL AMOUNT**VALUE†****Cable & Satellite Television (7.3%)**

\$2,310,000	Altice SA, Guaranteed Notes, 7.75%, due 5/15/22	\$ 2,333,12
235,000	Altice SA, Guaranteed Notes, 7.63%, due 2/15/25	237,65
1,040,000	CCO Holdings LLC, Guaranteed Notes, 8.13%, due 4/30/20	1,085,96
180,000	CCO Holdings LLC, Guaranteed Notes, 5.25%, due 9/30/22	179,86
1,202,000	Cequel Communications Escrow I LLC/Cequel Communications Escrow Capital Corp., Senior Unsecured Notes, 6.38%, due 9/15/20	1,266,60
389,000	Cequel Communications Escrow I LLC/Cequel Communications Escrow Capital Corp., Senior Unsecured Notes, 5.13%, due 12/15/21	389,56
615,000	CSC Holdings LLC, Senior Unsecured Notes, 7.63%, due 7/15/18	694,95
2,120,000	DISH DBS Corp., Guaranteed Notes, 5.13%, due 5/1/20	2,143,85
1,145,000	DISH DBS Corp., Guaranteed Notes, 6.75%, due 6/1/21	1,212,36
1,955,000	DISH DBS Corp., Guaranteed Notes, 5.88%, due 11/15/24	1,915,90
1,805,000	Numericable Group SA, Senior Secured Notes, 4.88%, due 5/15/19	1,819,65
2,605,000	Numericable Group SA, Senior Secured Notes, 6.00%, due 5/15/22	2,661,98
510,000	Numericable Group SA, Senior Secured Notes, 6.25%, due 5/15/24	524,03
1,110,000	UPCB Finance III Ltd., Senior Secured Notes, 6.63%, due 7/1/20	1,154,12
895,000	Virgin Media Finance PLC, Guaranteed Notes, 6.00%, due 10/15/24	925,76
616,500	Virgin Media Secured Finance PLC, Senior Secured Notes, 5.38%, due 4/15/21	645,01
1,000,000	WideOpenWest Finance LLC/WideOpenWest Capital Corp., Guaranteed Notes, 10.25%, due 7/15/19	1,073,95

20,264,36**Chemicals (2.1%)**

1,130,000	Huntsman Int'l LLC, Guaranteed Notes, 4.88%, due 11/15/20	1,141,30
715,000	Huntsman Int'l LLC, Guaranteed Notes, 8.63%, due 3/15/21	757,90
245,000	Huntsman Int'l LLC, Guaranteed Notes, 5.13%, due 11/15/22	247,60
490,000	NOVA Chemicals Corp., Senior Unsecured Notes, 5.00%, due 5/1/25	516,33
2,190,000	PQ Corp., Secured Notes, 8.75%, due 11/1/18	2,274,86
715,000	US Coatings Acquisition, Inc., Guaranteed Notes, 7.38%, due 5/1/21	775,77

5,713,77**Consumer - Commercial Lease Financing (8.4%)**

1,150,000	AerCap Ireland Capital Ltd./AerCap Global Aviation Trust, Guaranteed Notes, 4.50%, due 5/15/21	1,210,37
2,915,000	Ally Financial, Inc., Guaranteed Notes, 8.00%, due 3/15/20	3,454,27
245,000	Ally Financial, Inc., Senior Unsecured Notes, 5.13%, due 9/30/24	254,18
1,018,000	Ally Financial, Inc., Senior Unsecured Notes, 8.00%, due 11/1/31	1,335,48
1,830,000	CIT Group, Inc., Senior Unsecured Notes, 6.63%, due 4/1/18	1,962,67
755,000	CIT Group, Inc., Senior Unsecured Notes, 5.38%, due 5/15/20	799,35
525,000	CIT Group, Inc., Senior Unsecured Notes, 5.00%, due 8/15/22	539,10

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1,640,000	Int'l Lease Finance Corp., Senior Unsecured Notes, 8.88%, due 9/1/17	1,863,45
2,345,000	Int'l Lease Finance Corp., Senior Unsecured Notes, 6.25%, due 5/15/19	2,591,22
1,340,000	Int'l Lease Finance Corp., Senior Unsecured Notes, 8.63%, due 1/15/22	1,711,85
550,000	Int'l Lease Finance Corp., Senior Unsecured Notes, 5.88%, due 8/15/22	620,12
3,465,000	Navient Corp., Senior Unsecured Medium-Term Notes, 4.88%, due 6/17/19	3,456,33
885,000	Navient Corp., Senior Unsecured Notes, 5.88%, due 3/25/21	880,57
90,000	SLM Corp., Senior Unsecured Medium-Term Notes, 4.63%, due 9/25/17	91,57
1,325,000	SLM Corp., Senior Unsecured Medium-Term Notes, 5.50%, due 1/15/19	1,346,86
430,000	SLM Corp., Senior Unsecured Notes, 5.50%, due 1/25/23	413,87
631,000	SLM Corp., Senior Unsecured Medium-Term Notes, 6.13%, due 3/25/24	613,64
		23,144,98

See Notes to Schedule of Investments 8

Schedule of Investments High Yield Strategies Fund Inc.
(Unaudited) (cont'd)

PRINCIPAL AMOUNT	VALUE†
Discount Stores (0.6%)	
\$ 400,000 Family Tree Escrow LLC, Senior Secured Notes, 5.25%, due 3/1/20	\$ 419,000 _n
1,135,000 Family Tree Escrow LLC, Senior Secured Notes, 5.75%, due 3/1/23	1,191,750 _n
	1,610,750
Electric - Generation (3.4%)	
440,000 Calpine Corp., Senior Secured Notes, 6.00%, due 1/15/22	468,600 _n
475,000 Dynegy, Inc., Guaranteed Notes, 6.75%, due 11/1/19	496,375 _n
890,000 NRG Energy, Inc., Guaranteed Notes, 7.63%, due 1/15/18	985,675
1,775,000 NRG Energy, Inc., Guaranteed Notes, 8.25%, due 9/1/20	1,872,625
3,460,000 NRG Energy, Inc., Guaranteed Notes, 7.88%, due 5/15/21	3,696,664 ₀₀
1,715,000 NRG Energy, Inc., Guaranteed Notes, 6.25%, due 7/15/22	1,785,744
	9,305,683
Electric - Integrated (0.6%)	
1,770,000 RJS Power Holdings LLC, Guaranteed Notes, 5.13%, due 7/15/19	1,743,450 _n
Electronics (0.9%)	
365,000 Amkor Technology, Inc., Senior Unsecured Notes, 6.38%, due 10/1/22	374,125
1,090,000 Flextronics Int'l Ltd., Guaranteed Notes, 5.00%, due 2/15/23	1,160,850
840,000 Freescale Semiconductor, Inc., Senior Secured Notes, 6.00%, due 1/15/22	907,460 _n
	2,442,435
Energy - Exploration & Production (16.5%)	
570,000 Antero Resources Corp., Guaranteed Notes, 5.38%, due 11/1/21	575,700
1,150,000 California Resources Corp., Guaranteed Notes, 5.00%, due 1/15/20	1,092,500
1,590,000 California Resources Corp., Guaranteed Notes, 5.50%, due 9/15/21	1,506,525
690,000 California Resources Corp., Guaranteed Notes, 6.00%, due 11/15/24	649,463
960,000 Chesapeake Energy Corp., Guaranteed Notes, 6.63%, due 8/15/20	988,800
985,000 Chesapeake Energy Corp., Guaranteed Notes, 6.13%, due 2/15/21	989,925
1,995,000 Chesapeake Energy Corp., Guaranteed Notes, 4.88%, due 4/15/22	1,840,387
175,000 Cimarex Energy Co., Guaranteed Notes, 4.38%, due 6/1/24	177,188
3,775,000 Denbury Resources, Inc., Guaranteed Notes, 4.63%, due 7/15/23	3,397,500
3,487,000 EP Energy LLC/Everest Acquisition Finance, Inc., Guaranteed Notes, 9.38%, due 5/1/20	3,731,090
2,665,000 EXCO Resources, Inc., Guaranteed Notes, 7.50%, due 9/15/18	1,885,487 ₀₀
1,310,000 EXCO Resources, Inc., Guaranteed Notes, 8.50%, due 4/15/22	782,725
1,615,000 Halcon Resources Corp., Secured Notes, 8.63%, due 2/1/20	1,679,600 _{n0}
885,000 Kodiak Oil & Gas Corp., Guaranteed Notes, 8.13%, due 12/1/19	939,162
600,000 Laredo Petroleum, Inc., Guaranteed Notes, 5.63%, due 1/15/22	603,750

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360,000	Laredo Petroleum, Inc., Guaranteed Notes, 7.38%, due 5/1/22	385,200
5,625,000	Linn Energy LLC, Guaranteed Notes, 6.25%, due 11/1/19	4,767,187 00
590,000	Linn Energy LLC, Guaranteed Notes, 8.63%, due 4/15/20	535,425
4,406,000	Linn Energy LLC, Guaranteed Notes, 7.75%, due 2/1/21	3,789,160
45,000	Linn Energy LLC, Guaranteed Notes, 6.50%, due 9/15/21	36,675
2,925,000	Newfield Exploration Co., Senior Unsecured Notes, 5.75%, due 1/30/22	3,100,500
2,755,000	Oasis Petroleum, Inc., Guaranteed Notes, 6.88%, due 3/15/22	2,803,212
455,000	Rosetta Resources, Inc., Guaranteed Notes, 5.63%, due 5/1/21	455,569
795,000	Rosetta Resources, Inc., Guaranteed Notes, 5.88%, due 6/1/22	793,013
455,000	Rosetta Resources, Inc., Guaranteed Notes, 5.88%, due 6/1/24	451,588
4,323,000	SandRidge Energy, Inc., Guaranteed Notes, 7.50%, due 3/15/21	2,972,062
895,000	SandRidge Energy, Inc., Guaranteed Notes, 8.13%, due 10/15/22	610,838
2,955,000	SandRidge Energy, Inc., Guaranteed Notes, 7.50%, due 2/15/23	1,942,912
1,235,000	Whiting Petroleum Corp., Guaranteed Notes, 5.00%, due 3/15/19	1,231,912
180,000	Whiting Petroleum Corp., Guaranteed Notes, 6.25%, due 4/1/23	185,742 _n
20,000	WPX Energy, Inc., Senior Unsecured Notes, 6.00%, due 1/15/22	19,650
615,000	WPX Energy, Inc., Senior Unsecured Notes, 5.25%, due 9/15/24	567,338
		45,487,785

See Notes to Schedule of Investments 9

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Schedule of Investments High Yield Strategies Fund Inc.
(Unaudited) (cont'd)

PRINCIPAL AMOUNT	VALUE†
Food & Drug Retailers (1.5%)	
\$ 750,000 Rite Aid Corp., Guaranteed Notes, 9.25%, due 3/15/20	\$ 828,750
1,442,000 Rite Aid Corp., Senior Secured Notes, 8.00%, due 8/15/20	1,522,247
570,000 Rite Aid Corp., Guaranteed Notes, 6.75%, due 6/15/21	603,488
1,105,000 Rite Aid Corp., Guaranteed Notes, 6.13%, due 4/1/23	1,145,056 _n
	4,099,541
Food - Wholesale (0.8%)	
2,340,000 Post Holdings, Inc., Guaranteed Notes, 6.00%, due 12/15/22	2,281,500 _n
Gaming (11.0%)	
900,000 Ameristar Casinos, Inc., Guaranteed Notes, 7.50%, due 4/15/21	951,750
335,000 Eldorado Resorts LLC/Eldorado Capital Corp., Senior Secured Notes, 8.63%, due 6/15/19	350,075 _n
435,000 GLP Capital L.P./GLP Financing II, Inc., Guaranteed Notes, 4.38%, due 11/1/18	450,225
3,635,000 GLP Capital L.P./GLP Financing II, Inc., Guaranteed Notes, 4.88%, due 11/1/20	3,698,612
670,000 GLP Capital L.P./GLP Financing II, Inc., Guaranteed Notes, 5.38%, due 11/1/23	696,800
3,300,000 Graton Economic Development Authority, Senior Secured Notes, 9.63%, due 9/1/19	3,601,125 _n
740,000 Isle of Capri Casinos, Inc., Guaranteed Notes, 8.88%, due 6/15/20	810,300
1,225,000 Isle of Capri Casinos, Inc., Guaranteed Notes, 5.88%, due 3/15/21	1,264,813
1,245,000 MGM Resorts Int'l, Guaranteed Notes, 8.63%, due 2/1/19	1,426,303
265,000 MGM Resorts Int'l, Guaranteed Notes, 6.00%, due 3/15/23	274,275
1,640,000 Mohegan Tribal Gaming Authority, Guaranteed Notes, 11.00%, due 9/15/18	1,635,900 _n
2,930,000 Mohegan Tribal Gaming Authority, Guaranteed Notes, 9.75%, due 9/1/21	3,127,775
1,635,000 MTR Gaming Group, Inc., Secured Notes, 11.50%, due 8/1/19	1,761,712
1,580,000 Peninsula Gaming LLC, Guaranteed Notes, 8.38%, due 2/15/18	1,651,100 _n
730,000 Pinnacle Entertainment, Inc., Guaranteed Notes, 6.38%, due 8/1/21	776,538
750,000 Pinnacle Entertainment, Inc., Guaranteed Notes, 7.75%, due 4/1/22	832,500
890,000 Scientific Games Int'l, Inc., Guaranteed Notes, 6.63%, due 5/15/21	649,700 _n
490,000 Scientific Games Int'l, Inc., Senior Secured Notes, 7.00%, due 1/1/22	510,825 _n
3,890,000 Scientific Games Int'l, Inc., Guaranteed Notes, 10.00%, due 12/1/22	3,607,975 _n
1,810,000 Station Casinos LLC, Guaranteed Notes, 7.50%, due 3/1/21	1,950,275
175,000 Wynn Las Vegas LLC/Wynn Las Vegas Capital Corp., Guaranteed Notes, 4.25%, due 5/30/23	164,500 _n
175,000 Wynn Las Vegas LLC/Wynn Las Vegas Capital Corp., Guaranteed Notes, 5.50%, due 3/1/25	175,000 _n
	30,368,078
Gas Distribution (8.1%)	
570,000 Access Midstream Partners L.P., Senior Unsecured Notes, 4.88%, due 5/15/23	578,305
2,280,000 AmeriGas Finance LLC, Guaranteed Notes, 6.75%, due 5/20/20	2,419,650
2,207,000 AmeriGas Finance LLC, Guaranteed Notes, 7.00%, due 5/20/22	2,361,490
1,200,000 Chesapeake Midstream Partners L.P., Senior Unsecured Notes, 6.13%, due 7/15/22	1,290,000

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680,000	Crestwood Midstream Partners L.P./Crestwood Midstream Finance Corp., Guaranteed Notes, 6.25%, due 4/1/23	710,600 _n
960,000	Energy Transfer Equity L.P., Senior Secured Notes, 7.50%, due 10/15/20	1,080,000
755,000	Energy Transfer Equity L.P., Senior Secured Notes, 5.88%, due 1/15/24	792,750
1,690,000	Ferrellgas L.P./Ferrellgas Finance Corp., Senior Unsecured Notes, 6.75%, due 1/15/22	1,736,475
1,618,000	MarkWest Energy Partners L.P./MarkWest Energy Finance Corp., Guaranteed Notes, 4.50%, due 7/15/23	1,622,045
760,000	MarkWest Energy Partners L.P./MarkWest Energy Finance Corp., Guaranteed Notes, 4.88%, due 12/1/24	786,144
335,000	Rockies Express Pipeline LLC, Senior Unsecured Notes, 6.85%, due 7/15/18	362,638 _n
495,000	Rockies Express Pipeline LLC, Senior Unsecured Notes, 7.50%, due 7/15/38	569,250 _n
630,000	Rockies Express Pipeline LLC, Senior Unsecured Notes, 6.88%, due 4/15/40	686,700 _n
540,000	Sabine Pass Liquefaction LLC, Senior Secured Notes, 5.63%, due 2/1/21	552,263
340,000	Sabine Pass Liquefaction LLC, Senior Secured Notes, 5.63%, due 4/15/23	343,400
965,000	Sabine Pass Liquefaction LLC, Senior Secured Notes, 5.75%, due 5/15/24	974,650
2,610,000	Sabine Pass Liquefaction LLC, Senior Secured Notes, 5.63%, due 3/1/25	2,623,050 _n

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Schedule of Investments High Yield Strategies Fund Inc.
(Unaudited) (cont'd)

PRINCIPAL AMOUNT		VALUE†
\$ 487,000	Suburban Propane Partners L.P./Suburban Energy Finance Corp., Senior Unsecured Notes, 7.38%, due 8/1/21	\$ 523,525
210,000	Suburban Propane Partners L.P./Suburban Energy Finance Corp., Senior Unsecured Notes, 5.75%, due 3/1/25	217,350
35,000	Targa Resources Partners L.P./Targa Resources Partners Finance Corp., Guaranteed Notes, 5.00%, due 1/15/18	36,313 ^ñ
765,000	Targa Resources Partners L.P./Targa Resources Partners Finance Corp., Guaranteed Notes, 4.13%, due 11/15/19	766,912 ^ñ
300,000	Targa Resources Partners L.P./Targa Resources Partners Finance Corp., Guaranteed Notes, 4.25%, due 11/15/23	292,500
295,000	Tesoro Logistics L.P./Tesoro Logistics Finance Corp., Guaranteed Notes, 5.50%, due 10/15/19	311,963 ^ñ
730,000	Tesoro Logistics L.P./Tesoro Logistics Finance Corp., Guaranteed Notes, 6.25%, due 10/15/22	774,712 ^ñ
		22,412,685
Health Facilities (7.9%)		
1,080,000	Amsurg Corp., Guaranteed Notes, 5.63%, due 7/15/22	1,096,416
605,000	CHS/Community Health Systems, Inc., Senior Secured Notes, 5.13%, due 8/1/21	627,688
1,015,000	CHS/Community Health Systems, Inc., Guaranteed Notes, 6.88%, due 2/1/22	1,077,169
1,500,000	Columbia Healthcare Corp., Guaranteed Notes, 7.50%, due 12/15/23	1,702,500
1,500,000	Columbia/HCA Corp., Guaranteed Notes, 7.69%, due 6/15/25	1,710,000
1,160,000	Columbia/HCA Corp., Guaranteed Unsecured Notes, 7.05%, due 12/1/27	1,241,200
1,250,000	DaVita HealthCare Partners, Inc., Guaranteed Notes, 5.13%, due 7/15/24	1,272,031
700,000	DaVita HealthCare Partners, Inc., Guaranteed Notes, 5.00%, due 5/1/25	700,000
665,000	DaVita, Inc., Guaranteed Notes, 5.75%, due 8/15/22	706,563
210,000	HCA, Inc., Senior Secured Notes, 4.75%, due 5/1/23	220,500
440,000	HCA, Inc., Senior Secured Notes, 5.00%, due 3/15/24	469,700
490,000	HCA, Inc., Guaranteed Notes, 5.38%, due 2/1/25	514,500
2,845,000	IASIS Healthcare LLC/IASIS Capital Corp., Guaranteed Notes, 8.38%, due 5/15/19	2,951,687
1,630,000	MPT Operating Partnership L.P./MPT Finance Corp., Guaranteed Notes, 5.50%, due 5/1/24	1,744,100
1,000,000	OMEGA Healthcare Investors, Inc., Guaranteed Notes, 5.88%, due 3/15/24	1,067,500
735,000	Sabra Health Care L.P./Sabra Capital Corp., Guaranteed Notes, 5.50%, due 2/1/21	780,937
910,000	Tenet Healthcare Corp., Senior Secured Notes, 6.25%, due 11/1/18	984,847
390,000	Tenet Healthcare Corp., Senior Unsecured Notes, 6.75%, due 2/1/20	408,525
625,000	Tenet Healthcare Corp., Senior Secured Notes, 6.00%, due 10/1/20	667,188
680,000	Tenet Healthcare Corp., Senior Unsecured Notes, 8.13%, due 4/1/22	742,050
380,000	Tenet Healthcare Corp., Senior Unsecured Notes, 6.88%, due 11/15/31	355,300
625,000	United Surgical Partners Int'l, Inc., Guaranteed Notes, 9.00%, due 4/1/20	671,094
		21,711,495
Health Services (0.5%)		

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620,000	Envision Healthcare Corp., Guaranteed Notes, 5.13%, due 7/1/22	638,600
670,000	Service Corp. Int'l, Senior Unsecured Notes, 5.38%, due 5/15/24	707,688
		1,346,288
Investments & Misc. Financial Services (1.5%)		
1,510,000	Icahn Enterprises L.P./Icahn Enterprises Finance Corp., Guaranteed Notes, 4.88%, due 3/15/19	1,538,539
2,865,000	Walter Investment Management Corp., Guaranteed Notes, 7.88%, due 12/15/21	2,564,175
		4,102,714
Machinery (1.6%)		
2,235,000	Case New Holland Industrial, Inc., Guaranteed Notes, 7.88%, due 12/1/17	2,460,444
950,000	Terex Corp., Guaranteed Notes, 6.00%, due 5/15/21	960,688
870,000	The Manitowoc Co., Inc., Guaranteed Notes, 8.50%, due 11/1/20	930,900
		4,352,032

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Schedule of Investments High Yield Strategies Fund Inc.
(Unaudited) (cont'd)

PRINCIPAL AMOUNT	VALUE†
Media - Diversified (1.2%)	
\$ 840,000 Gannett Co., Inc., Guaranteed Notes, 7.13%, due 9/1/18	\$ 868,350
480,000 Gannett Co., Inc., Guaranteed Notes, 5.13%, due 10/15/19	505,800
865,000 Gannett Co., Inc., Guaranteed Notes, 5.13%, due 7/15/20	906,087
165,000 Gannett Co., Inc., Guaranteed Notes, 4.88%, due 9/15/21	169,538 _n
245,000 Gannett Co., Inc., Guaranteed Notes, 5.50%, due 9/15/24	254,800 _n
550,000 Liberty Media Corp., Senior Unsecured Notes, 8.50%, due 7/15/29	616,000
	3,320,575
Media Content (4.0%)	
652,000 AMC Networks, Inc., Guaranteed Notes, 7.75%, due 7/15/21	710,680
2,050,000 Cumulus Media Holdings, Inc., Guaranteed Notes, 7.75%, due 5/1/19	1,973,125
695,000 iHeartCommunications, Inc., Senior Unsecured Notes, 10.00%, due 1/15/18	608,125
452,000 iHeartCommunications, Inc., Senior Unsecured Notes, 6.88%, due 6/15/18	413,580
525,000 iHeartCommunications, Inc., Senior Secured Notes, 9.00%, due 12/15/19	519,094
3,382,000 iHeartCommunications, Inc., Senior Secured Notes, 11.25%, due 3/1/21	3,449,640
1,665,000 iHeartCommunications, Inc., Senior Unsecured Notes, 7.25%, due 10/15/27	1,323,675
155,000 Sirius XM Radio, Inc., Guaranteed Notes, 4.25%, due 5/15/20	154,225 _n
375,000 Univision Communications, Inc., Senior Secured Notes, 7.88%, due 11/1/20	402,750 _n
1,500,000 Univision Communications, Inc., Senior Secured Notes, 5.13%, due 5/15/23	1,516,875 _n
	11,071,769
Medical Products (2.7%)	
615,000 Alere, Inc., Guaranteed Notes, 6.50%, due 6/15/20	639,600
80,000 DJO Finance LLC/DJO Finance Corp., Secured Notes, 8.75%, due 3/15/18	83,636
895,000 DJO Finance LLC/DJO Finance Corp., Guaranteed Notes, 9.88%, due 4/15/18	938,631
1,600,000 DJO Finco, Inc./DJO Finance LLC/DJO Finance Corp., Secured Notes, 8.13%, due 6/15/21	1,624,000 _n Ø
1,480,000 Fresenius Medical Care US Finance II, Inc., Guaranteed Notes, 4.13%, due 10/15/20	1,505,900 _n
590,000 Fresenius Medical Care US Finance II, Inc., Guaranteed Notes, 5.88%, due 1/31/22	646,050 _n
1,065,000 Fresenius Medical Care US Finance II, Inc., Guaranteed Notes, 4.75%, due 10/15/24	1,112,925 _n
495,000 Mallinckrodt Int'l Finance SA/Mallinckrodt CB LLC, Guaranteed Notes, 4.88%, due 4/15/20	503,044 _n
490,000 Mallinckrodt Int'l Finance SA/Mallinckrodt CB LLC, Guaranteed Notes, 5.50%, due 4/15/25	499,800 _n
	7,553,586
Metals - Mining Excluding Steel (1.3%)	
435,000 Alcoa, Inc., Senior Unsecured Notes, 5.13%, due 10/1/24	469,080
35,000 Alcoa, Inc., Senior Unsecured Notes, 5.95%, due 2/1/37	37,188
2,515,000 CONSOL Energy, Inc., Guaranteed Notes, 5.88%, due 4/15/22	2,320,087
665,000 FMG Resources (August 2006) Pty Ltd., Senior Secured Notes, 9.75%, due 3/1/22	686,612 _n

		3,512,967
Oil Field Equipment & Services (0.5%)		
1,095,000	Transocean, Inc., Guaranteed Notes, 3.00%, due 10/15/17	1,056,675
445,000	Transocean, Inc., Guaranteed Notes, 6.00%, due 3/15/18	443,888
		1,500,563
Packaging (3.7%)		
4,225,000	Berry Plastics Corp., Secured Notes, 9.75%, due 1/15/21	4,636,937 ⁰⁰
890,000	Beverage Packaging Holdings Luxembourg II SA/Beverage Packaging Holdings II Issuer, Inc., Guaranteed Notes, 5.63%, due 12/15/16	901,125 ⁿ
765,000	Beverage Packaging Holdings Luxembourg II SA/Beverage Packaging Holdings II Issuer, Inc., Guaranteed Notes, 6.00%, due 6/15/17	774,562 ⁿ
635,000	Owens-Brockway Glass Container, Inc., Senior Unsecured Notes, 5.00%, due 1/15/22	651,669 ⁿ

See Notes to Schedule of Investments 12

Schedule of Investments High Yield Strategies Fund Inc.
(Unaudited) (cont'd)

PRINCIPAL AMOUNT	VALUE†
\$1,089,000 Reynolds Group Issuer, Inc., Guaranteed Notes, 9.88%, due 8/15/19	\$ 1,160,466
535,000 Reynolds Group Issuer, Inc., Senior Secured Notes, 5.75%, due 10/15/20	559,075
905,000 Reynolds Group Issuer, Inc., Senior Secured Notes, 6.88%, due 2/15/21	950,816
550,000 Reynolds Group Issuer, Inc., Guaranteed Notes, 8.25%, due 2/15/21	585,063
	10,219,713
Pharmaceuticals (4.1%)	
770,000 Endo Finance LLC & Endo Finco, Inc., Guaranteed Notes, 7.00%, due 7/15/19	802,725 _n
355,000 Endo Finance LLC & Endo Finco, Inc., Guaranteed Notes, 7.25%, due 1/15/22	375,413 _n
2,135,000 Endo Finance LLC & Endo Finco, Inc., Guaranteed Notes, 5.38%, due 1/15/23	2,106,978 _n
1,080,000 Jaguar Holding Co. II/Jaguar Merger Sub, Inc., Senior Unsecured Notes, 9.50%, due 12/1/19	1,161,000 _n
195,000 Par Pharmaceutical Cos., Inc., Guaranteed Notes, 7.38%, due 10/15/20	208,406
2,240,000 Valeant Pharmaceuticals Int'l, Inc., Guaranteed Notes, 6.38%, due 10/15/20	2,360,400 _n
750,000 Valeant Pharmaceuticals Int'l, Inc., Guaranteed Notes, 6.75%, due 8/15/18	794,062 _n
1,840,000 Valeant Pharmaceuticals Int'l, Inc., Guaranteed Notes, 5.88%, due 5/15/23	1,883,700 _n
1,680,000 Valeant Pharmaceuticals Int'l, Inc., Senior Unsecured Notes, 6.13%, due 4/15/25	1,738,800 _n
	11,431,484
Printing & Publishing (3.0%)	
2,610,000 R.R. Donnelley & Sons Co., Senior Unsecured Notes, 8.25%, due 3/15/19	3,021,075
1,755,000 R.R. Donnelley & Sons Co., Senior Unsecured Notes, 7.63%, due 6/15/20	2,020,444
950,000 R.R. Donnelley & Sons Co., Senior Unsecured Notes, 7.88%, due 3/15/21	1,090,125
285,000 R.R. Donnelley & Sons Co., Senior Unsecured Notes, 7.00%, due 2/15/22	315,281
605,000 R.R. Donnelley & Sons Co., Senior Unsecured Notes, 6.50%, due 11/15/23	642,813
1,155,000 R.R. Donnelley & Sons Co., Senior Unsecured Notes, 6.00%, due 4/1/24	1,198,312
	8,288,050
Real Estate Dev. & Mgt. (0.3%)	
680,000 Realogy Group LLC, Senior Secured Notes, 7.63%, due 1/15/20	724,200 _n
Recreation & Travel (0.4%)	
535,000 Cedar Fair L.P./Canada's Wonderland Co./Magnum Management Corp., Guaranteed Notes, 5.25%, due 3/15/21	555,063
645,000 NCL Corp. Ltd., Senior Unsecured Notes, 5.25%, due 11/15/19	665,962 _n
	1,221,025
Software - Services (6.7%)	
755,000 First Data Corp., Senior Secured Notes, 7.38%, due 6/15/19	784,634 _n

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1,520,000	First Data Corp., Guaranteed Notes, 11.25%, due 1/15/21	1,710,000
3,855,000	First Data Corp., Guaranteed Notes, 12.63%, due 1/15/21	4,550,827
648,000	First Data Corp., Guaranteed Notes, 10.63%, due 6/15/21	735,279
553,000	First Data Corp., Guaranteed Notes, 11.75%, due 8/15/21	634,568
797,000	Infor Software Parent LLC/Infor Software Parent, Inc., Guaranteed Notes, 7.13% Cash/7.88% PIK, due 5/1/21	798,993 _{nc}
1,615,000	Infor US, Inc., Senior Unsecured Notes, 6.50%, due 5/15/22	1,659,412 _n
815,000	MSCI, Inc., Guaranteed Notes, 5.25%, due 11/15/24	847,600 _n
1,070,000	Nuance Communications, Inc., Guaranteed Notes, 5.38%, due 8/15/20	1,080,700 _n
1,285,000	Sophia Holding Finance L.P./Sophia Holding Finance, Inc., Guaranteed Notes, 9.63% Cash/10.38% PIK, due 12/1/18	1,304,275 _{nc}
1,660,000	Sophia, L.P./Sophia Finance, Inc., Guaranteed Notes, 9.75%, due 1/15/19	1,784,500 _n
1,015,000	SunGard Data Systems, Inc., Guaranteed Notes, 7.63%, due 11/15/20	1,073,362
1,765,000	Syniverse Holdings, Inc., Guaranteed Notes, 9.13%, due 1/15/19	1,659,100
		18,623,250

See Notes to Schedule of Investments 13

Schedule of Investments High Yield Strategies Fund Inc.
(Unaudited) (cont'd)

PRINCIPAL AMOUNT	VALUE†
Specialty Retail (1.5%)	
\$1,545,000 Argos Merger Sub, Inc., Senior Unsecured Notes, 7.13%, due 3/15/23	\$ 1,622,250 _ñ
270,000 L Brands, Inc., Guaranteed Notes, 5.63%, due 10/15/23	300,206
110,000 Michaels FinCo Holdings LLC/Michaels FinCo, Inc., Senior Unsecured Notes, 7.50% Cash/8.25% PIK, due 8/1/18	112,200 _{ñc}
1,685,000 Party City Holdings, Inc., Guaranteed Notes, 8.88%, due 8/1/20	1,821,907
355,000 QVC, Inc., Senior Secured Notes, 5.45%, due 8/15/34	342,536
	4,199,099
Steel Producers - Products (1.5%)	
3,950,000 ArcelorMittal, Senior Unsecured Notes, 7.75%, due 10/15/39	4,078,375_a
Support - Services (6.2%)	
2,000,000 Abengoa Finance SAU, Guaranteed Notes, 8.88%, due 11/1/17	2,085,000 _ñ
360,000 ADT Corp., Senior Unsecured Notes, 4.88%, due 7/15/42	300,600
1,125,000 AECOM Technology Corp., Guaranteed Notes, 5.88%, due 10/15/24	1,165,376 _ñ
2,395,000 Anna Merger Sub, Inc., Senior Unsecured Notes, 7.75%, due 10/1/22	2,448,887 _ñ
3,260,000 APX Group, Inc., Guaranteed Notes, 8.75%, due 12/1/20	3,007,350
1,223,000 IHS, Inc., Guaranteed Notes, 5.00%, due 11/1/22	1,223,000 _ñ
1,295,000 Iron Mountain, Inc., Guaranteed Notes, 7.75%, due 10/1/19	1,372,700
116,000 Iron Mountain, Inc., Guaranteed Notes, 8.38%, due 8/15/21	120,930
3,035,000 Iron Mountain, Inc., Guaranteed Notes, 5.75%, due 8/15/24	3,137,431
743,000 RSC Equipment Rental N.A., Inc., Guaranteed Notes, 8.25%, due 2/1/21	801,511
711,000 ServiceMaster Co., Guaranteed Notes, 7.00%, due 8/15/20	751,883
750,000 United Rental N.A., Inc., Guaranteed Notes, 7.38%, due 5/15/20	808,718
	17,223,386
Tech Hardware & Equipment (0.6%)	
280,000 CommScope Holding Co., Inc., Senior Unsecured Notes, 6.63% Cash/7.38% PIK, due 6/1/20	286,664 _{ñc}
280,000 CommScope, Inc., Guaranteed Notes, 5.00%, due 6/15/21	280,000 _ñ
565,000 CommScope, Inc., Guaranteed Notes, 5.50%, due 6/15/24	569,237 _ñ
455,000 Project Homestake Merger Corp., Guaranteed Notes, 8.88%, due 3/1/23	460,119 _ñ
	1,596,020
Telecom - Satellite (1.5%)	
810,000 Hughes Satellite Systems Corp., Senior Secured Notes, 6.50%, due 6/15/19	888,975
1,085,000 Inmarsat Finance PLC, Guaranteed Notes, 4.88%, due 5/15/22	1,090,425 _ñ
175,000 Intelsat Jackson Holdings SA, Guaranteed Notes, 5.50%, due 8/1/23	164,719
1,225,000 Intelsat Luxembourg SA, Guaranteed Notes, 7.75%, due 6/1/21	1,127,000

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875,000 Intelsat Luxembourg SA, Guaranteed Notes, 8.13%, due 6/1/23 789,140

4,060,259

Telecom - Wireless (7.4%)

1,370,000	Communications Sales & Leasing, Inc., Guaranteed Notes, 8.25%, due 10/15/23	1,405,962 ⁿ
813,000	Crown Castle Int'l Corp., Senior Unsecured Notes, 4.88%, due 4/15/22	848,061
360,000	MetroPCS Wireless, Inc., Guaranteed Notes, 6.63%, due 11/15/20	375,750
455,000	SBA Telecommunications, Inc., Guaranteed Notes, 5.75%, due 7/15/20	476,612
2,535,000	Sprint Capital Corp., Guaranteed Notes, 6.88%, due 11/15/28	2,294,175 ^{oø}
2,662,000	Sprint Capital Corp., Guaranteed Unsecured Notes, 8.75%, due 3/15/32	2,728,550
1,185,000	Sprint Corp., Guaranteed Notes, 7.88%, due 9/15/23	1,189,444
640,000	Sprint Corp., Guaranteed Notes, 7.13%, due 6/15/24	620,800
475,000	Sprint Nextel Corp., Guaranteed Notes, 9.00%, due 11/15/18	540,460 ⁿ
1,945,000	T-Mobile USA, Inc., Guaranteed Notes, 6.54%, due 4/28/20	2,051,878
940,000	T-Mobile USA, Inc., Guaranteed Notes, 6.63%, due 4/28/21	991,700
850,000	T-Mobile USA, Inc., Guaranteed Notes, 6.13%, due 1/15/22	876,562

See Notes to Schedule of Investments 14

Schedule of Investments High Yield Strategies Fund Inc.
(Unaudited) (cont'd)

PRINCIPAL AMOUNT	VALUE †
\$ 605,000 T-Mobile USA, Inc., Guaranteed Notes, 6.73%, due 4/28/22	\$ 637,519
1,055,000 T-Mobile USA, Inc., Guaranteed Notes, 6.00%, due 3/1/23	1,075,098
295,000 T-Mobile USA, Inc., Guaranteed Notes, 6.84%, due 4/28/23	311,963
475,000 T-Mobile USA, Inc., Guaranteed Notes, 6.50%, due 1/15/24	495,781
555,000 T-Mobile USA, Inc., Guaranteed Notes, 6.38%, due 3/1/25	569,979
2,330,000 Wind Acquisition Finance SA, Senior Secured Notes, 4.75%, due 7/15/20	2,330,000 ⁿ
515,000 Wind Acquisition Finance SA, Secured Notes, 7.38%, due 4/23/21	527,231 ⁿ
	20,347,525
Telecom - Wireline Integrated & Services (4.8%)	
485,000 CenturyLink, Inc., Senior Unsecured Notes, Ser. W, 6.75%, due 12/1/23	524,654
1,900,000 CenturyLink, Inc., Senior Unsecured Notes, Ser. P, 7.60%, due 9/15/39	1,900,000
2,084,000 Citizens Communications Co., Senior Unsecured Notes, 9.00%, due 8/15/31	2,193,410 ^o
1,419,000 Embarq Corp., Senior Unsecured Notes, 8.00%, due 6/1/36	1,674,420
1,590,000 Level 3 Financing, Inc., Guaranteed Notes, 8.63%, due 7/15/20	1,725,150
770,000 Telecom Italia Capital SA, Guaranteed Unsecured Notes, 6.00%, due 9/30/34	804,650
445,000 Telecom Italia SpA, Senior Unsecured Notes, 5.30%, due 5/30/24	468,362 ⁿ
2,619,000 U.S. West Communications Group, Senior Unsecured Notes, 6.88%, due 9/15/33	2,640,251
1,255,000 Windstream Corp., Guaranteed Notes, 7.50%, due 6/1/22	1,195,387
	13,126,284
Theaters & Entertainment (1.1%)	
1,829,000 Activision Blizzard, Inc., Guaranteed Notes, 5.63%, due 9/15/21	1,954,744 ⁿ
1,047,000 Regal Entertainment Group, Senior Unsecured Notes, 5.75%, due 3/15/22	1,075,792
	3,030,536
Total Corporate Debt Securities (Cost \$367,330,380)	367,575,718
NUMBER OF SHARES	
Short-Term Investments (4.8%)	
13,269,229 State Street Institutional Liquid Reserves Fund Premier Class (Cost \$13,269,229)	13,269,229
Total Investments (147.0%) (Cost \$404,901,282)	405,362,608[#]
Liabilities, less cash, receivables and other assets [(34.3%)]	(94,549,241) ^b
Liquidation Value of Mandatory Redeemable Preferred Shares [(12.7%)]	(35,000,000)
Total Net Assets Applicable to Common Stockholders (100.0%)	\$ 275,813,367

See Notes to Schedule of Investments 15

Notes to Schedule of Investments (Unaudited)

In accordance with Accounting Standards Codification (“ASC”) 820 “Fair Value Measurement” (“ASC 820”), all investments held by Neuberger Berman High Yield Strategies Fund Inc. (the “Fund”) are carried at the value that Neuberger Berman Management LLC (“Management”) believes the Fund would receive upon selling an investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment under current market conditions. Various inputs, including the volume and level of activity for the asset or liability in the market, are considered in valuing the Fund’s investments, some of which are discussed below. Significant management judgment may be necessary to value investments in accordance with ASC 820.

ASC 820 established a three-tier hierarchy of inputs to create a classification of value measurements for disclosure purposes. The three-tier hierarchy of inputs is summarized in the three broad Levels listed below.

Level 1 – quoted prices in active markets for identical investments

Level 2 – other observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, amortized cost, etc.)

Level 3 – unobservable inputs (including the Fund’s own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing an investment are not necessarily an indication of the risk associated with investing in those securities.

The value of the Fund’s investments in debt securities is determined by Management primarily by obtaining valuations from independent pricing services based on readily available bid quotations, or if quotations are not available, by methods which include various considerations based on security type (generally Level 2 inputs). In addition to the consideration of yields or prices of securities of comparable quality, coupon, maturity and type, indications as to values from dealers, and general market conditions, the following is a description of other Level 2 inputs and related valuation techniques used by independent pricing services to value certain types of debt securities held by the Fund: *Corporate Debt Securities*. Inputs used to value corporate debt securities generally include relative credit information, observed market movements, sector news, spread to the U.S. Treasury market, and other market information, which may include benchmark yields, reported trades, broker-dealer quotes, issuer spreads, benchmark securities, bids, offers, and reference data, such as market research publications, when available (“Other Market Information”).

High Yield Securities. Inputs used to value high yield securities generally include a number of observations of equity and credit default swap curves related to the issuer and Other Market Information.

The value of bank loan obligations is determined by Management primarily by obtaining valuations from independent pricing services based on broker quotes (generally Level 2 or Level 3 inputs depending on the number of quotes available).

The value of interest rate swap contracts is determined by Management primarily by obtaining valuations from independent pricing services based on references to the underlying rates including the overnight index swap rate and London Interbank Offered Rate (“LIBOR”) forward rate to produce the daily settlement price (generally Level 2 inputs).

Management has developed a process to periodically review information provided by independent pricing services for all types of securities.

See Notes to Financial Statements 16

Notes to Schedule of Investments (Unaudited) (cont'd)

Investments in investment companies are valued using the respective fund's daily calculated net asset value per share (Level 2 inputs).

If a valuation is not available from an independent pricing service, or if Management has reason to believe that the valuation received does not represent the amount the Fund might reasonably expect to receive on a current sale in an orderly transaction, Management seeks to obtain quotations from brokers or dealers (generally considered Level 2 or Level 3 inputs depending on the number of quotes available). If such quotations are not readily available, the security is valued using methods the Fund's Board of Directors (the "Board") has approved in the good-faith belief that the resulting valuation will reflect the fair value of the security. Numerous factors may be considered when determining the fair value of a security based on Level 2 or Level 3 inputs, including available analyst, media or other reports, trading in futures or American Depositary Receipts ("ADRs") and whether the issuer of the security being fair valued has other securities outstanding.

Fair value prices are necessarily estimates, and there is no assurance that such a price will be at or close to the price at which the security is next quoted or next trades.

The following is a summary, categorized by Level, of inputs used to value the Fund's investments as of April 30, 2015:

Asset Valuation Inputs

Investments:	Level 1	Level 2	Level 3 [§]	Total
Bank Loan Obligations				
Lodging & Casinos	\$—	5,125,893	\$1,769,994	\$ 6,895,887
Other Bank Loan Obligations [^]	—	17,621,774	—	17,621,774
Total Bank Loan Obligations	—	22,747,667	1,769,994	24,517,661
Corporate Debt Securities [^]	—	367,575,718	—	367,575,718
Short-Term Investments	—	13,269,229	—	13,269,229
Total Investments	\$—	\$403,592,614	\$1,769,994	\$405,362,608

[^]The Schedule of Investments provides information on the industry categorization for the portfolio.

[§]The following is a reconciliation between the beginning and ending balances of investments in which unobservable inputs (Level 3) were used in determining value:

Beginning balance, as of 11/1/14	Accrued discounts/ (premiums)	Change in unrealized appreciation/ (depreciation)	Transfers into Level 3	Transfers out of Level 3	Balance as of 4/30/15	Change in unrealized appreciation/ (depreciation) from investment still held as of 4/30/15

Investments in Securities									
Bank Loan Obligations									
Lodging & Casinos	\$1,763,397	\$—	\$-6,597	\$—	\$—	\$—	\$—	\$-1,769,994	\$6,597
Total	\$1,763,397	\$—	\$-6,597	\$—	\$—	\$—	\$—	\$-1,769,994	\$6,597

These securities categorized as Level 3 are valued based on a single quotation obtained from a dealer. The Fund does not have access to unobservable inputs and therefore cannot disclose inputs used in formulating such quotation.

As of the six months ended April 30, 2015, no securities were transferred from one level (as of October 31, 2014) to another.

See Notes to Financial Statements 17

Notes to Schedule of Investments (Unaudited) (cont'd)

The following is a summary, categorized by Level, of inputs used to value the Fund's derivatives as of April 30, 2015:

Asset Valuation Inputs

	Level 1	Level 2	Level 3	Total
Centrally cleared interest rate swap contracts	\$	\$60,514		\$60,514
Total	\$	\$60,514		\$60,514

Liability Valuation Inputs

	Level 1	Level 2	Level 3	Total
Over the counter interest rate swap contracts	\$	(921,282)		\$(921,282)
Centrally cleared interest rate swap contracts		(310,054)		(310,054)
Total	\$	(1,231,336)		\$(1,231,336)

At April 30, 2015, the cost of investments for U.S. federal income tax purposes was \$404,865,340. Gross unrealized appreciation of investments was \$9,590,378 and gross unrealized depreciation of investments was \$9,093,110, resulting in net unrealized appreciation of \$497,268 based on cost for U.S. federal income tax purposes.

ñ Securities were purchased under Rule 144A of the Securities Act of 1933, as amended (the "1933 Act"), or are private placements and, unless registered under the 1933 Act or exempted from registration, may only be sold to qualified institutional investors. These securities have been deemed by the investment manager to be liquid. At April 30, 2015, these securities amounted to \$105,527,537 or 38.3% of net assets applicable to common stockholders.

Ñ These securities have been deemed by the investment manager to be illiquid. At April 30, 2015 these securities amounted to \$11,180,790 or 4.1% of net assets applicable to common stockholders.

∅∅ All or a portion of this security is segregated in connection with obligations for when-issued security purchase commitments and/or interest rate swap contracts and/or delayed delivery purchase commitments. In addition, the Fund had deposited \$1,764,661 in a segregated account for interest rate swap contracts.

∅ All or a portion of this security was purchased on a when-issued basis. At April 30, 2015 these securities amounted to \$3,007,200 or 1.1% of net assets applicable to common stockholders.

μ Floating rate securities are securities whose yields vary with a designated market index or market rate. These securities are shown at their current rates as of April 30, 2015, and their final maturities.

c Payment-in-kind (PIK) security for which part of the income earned may be paid as additional principal.

f Value of the security was determined using methods the Board has approved in the good-faith belief that the resulting valuation will reflect the fair value of the security.

¢ All or a portion of this security was purchased on a delayed delivery basis.

^^ All or a portion of this security has not settled as of April 30, 2015 and thus does not have an interest rate in effect. Interest rates do not take effect until settlement.

a Step Bond: Coupon rate is a fixed rate for an initial period that either resets at a specific date or may reset in the future contingent upon a rating change made by a rating agency.

b See Note A-10 in the Notes to Financial Statements for the Fund's open positions in derivatives at April 30, 2015.

See Notes to Financial Statements 18

Statement of Assets and Liabilities (Unaudited)

Neuberger Berman

	HIGH YIELD STRATEGIES FUND INC. April 30, 2015
Assets	
Investments in securities, at value * (Note A)-see Schedule of Investments:	
Unaffiliated issuers	\$405,362,608
Cash collateral segregated for interest rate swap contracts	1,764,661
Interest receivable	6,839,620
Receivable for securities sold	2,731,955
Prepaid expenses and other assets	193,197
Total Assets	416,892,041
Liabilities	
Notes payable (Note A)	90,000,000
Mandatory Redeemable Preferred Shares Series B (\$25,000 liquidation value per share; 1,400 shares issued and outstanding) (Note A)	35,000,000
Over the counter interest rate swap contracts, at value (Note A)	921,282
Payable for variation margin on centrally cleared interest rate swap contracts (Note A)	271,013
Distributions payable-preferred shares	80,633
Distributions payable-common stock	28,468
Payable for securities purchased	14,308,575
Payable to investment manager (Note B)	197,663
Payable to administrator (Note B)	16,472
Payable to directors	1,117
Interest payable	114,344
Accrued expenses and other payables	139,107
Total Liabilities	141,078,674
Net Assets applicable to Common Stockholders	\$275,813,367
Net Assets applicable to Common Stockholders consist of:	
Paid-in capital-common stock	\$292,263,935
Distributions in excess of net investment income	199,434
Accumulated net realized gains (losses) on investments	(15,940,506)
Net unrealized appreciation (depreciation) in value of investments	(709,496)
Net Assets applicable to Common Stockholders	\$275,813,367
Shares of Common Stock Outstanding (\$0.0001 par value; 999,999,997,100 shares authorized)	19,540,585
Net Asset Value Per Share of Common Stock Outstanding	\$14.11
* Cost of Investments	\$404,901,282

See Notes to Financial Statements 19

Statement of Operations (Unaudited)

Neuberger Berman

**HIGH YIELD
STRATEGIES
FUND INC.
For the Six
Months
Ended April
30, 2015**

Investment Income:	
Income (Note A):	
Interest income-unaffiliated issuers	\$12,754,314
Expenses:	
Investment management fees (Note B)	1,183,834
Administration fees (Note B)	98,653
Audit fees	31,662
Basic maintenance expense (Note A)	19,836
Custodian and accounting fees	80,448
Insurance expense	6,295
Legal fees	43,308
Stockholder reports	27,187
Stock exchange listing fees	3,328
Stock transfer agent fees	12,317
Interest expense (Note A)	667,856
Distributions to mandatory redeemable preferred shareholders (Note A)	466,581
Directors' fees and expenses	15,959
Miscellaneous	13,985
Total net expenses	2,671,249
Net investment income (loss)	\$10,083,065
Realized and Unrealized Gain (Loss) on Investments (Note A):	
Net realized gain (loss) on:	
Sales of investment securities of unaffiliated issuers	(1,049,248)
Interest rate swap contracts	(839,577)
Change in net unrealized appreciation (depreciation) in value of:	
Unaffiliated investment securities	(4,346,484)
Interest rate swap contracts	603,234
Net gain (loss) on investments	(5,632,075)
Net increase (decrease) in net assets applicable to Common Stockholders resulting from operations	\$4,450,990

See Notes to Financial Statements 20

Statements of Changes in Net Assets

Neuberger Berman

	HIGH YIELD STRATEGIES FUND INC.	
	Six Months Ended April 30, 2015 (Unaudited)	Year Ended October 31, 2014
Increase (Decrease) in Net Assets Applicable to Common Stockholders:		
From Operations (Note A):		
Net investment income (loss)	\$10,083,065	\$21,550,709
Net realized gain (loss) on investments	(1,888,825)	3,566,902
Net increase from payments by affiliates (Note B)	—	11,145
Change in net unrealized appreciation (depreciation) of investments	(3,743,250)	(8,964,065)
Net increase (decrease) in net assets applicable to Common Stockholders resulting from operations	4,450,990	16,164,691
Distributions to Common Stockholders From (Note A):		
Net investment income	(10,356,510)	(21,103,832)
Net Increase (Decrease) in Net Assets Applicable to Common Stockholders	(5,905,520)	(4,939,141)
Net Assets Applicable to Common Stockholders:		
Beginning of period	281,718,887	286,658,028
End of period	\$275,813,367	\$281,718,887
Undistributed net investment income (loss) at end of period	\$199,434	\$472,879

See Notes to Financial Statements 21

Statement of Cash Flows (Unaudited)

Neuberger Berman

**HIGH YIELD
STRATEGIES
FUND INC.**
For the Six
Months Ended
April 30, 201

Increase (decrease) in cash:	
Cash flows from operating activities:	
Net increase in net assets applicable to Common Stockholders resulting from operations	\$4,450,99
Adjustments to reconcile net increase in net assets applicable to Common Stockholders resulting from operations to net cash provided by operating activities:	
Changes in assets and liabilities:	
Purchase of investment securities	(167,251,39
Proceeds from disposition of investment securities	167,317,32
Purchase/sale of short-term investment securities, net	(10,577,21
Increase in net interest payable/receivable on interest rate swap contracts	(43,18
Decrease in receivable for variation margin on centrally cleared interest rate swaps contracts	462,58
Unrealized depreciation of centrally cleared interest rate swap contracts	(59,78
Increase in unamortized upfront payments received (paid) on centrally cleared interest rate swaps contracts	58
Decrease in interest receivable	113,22
Decrease in prepaid expenses and other assets	20,33
Decrease in receivable for securities sold	1,236,85
Increase in cash collateral segregated for interest rate swap contracts	(5,24
Decrease in accumulated unpaid dividends on preferred shares	(1,30
Increase in payable for securities purchased	8,551,11
Decrease in interest payable	(34
Net amortization of discount on investments	499,28
Decrease in accrued expenses and other payables	(19,77
Unrealized depreciation on securities	4,346,48
Unrealized appreciation on interest rate swap contracts	(603,23
Net realized loss from investments	1,049,24
Net realized loss from interest rate swap contracts	839,57
Net cash provided by (used in) operating activities	\$10,326,12
Cash flows from financing activities:	
Cash distributions paid on common stock	(10,366,68
Net cash provided by (used in) in financing activities	(10,366,68
Net increase (decrease) in cash	(40,55
Cash:	
Beginning balance	40,55
Ending balance	\$
Supplemental disclosure	
Description of Index	44

Cash paid for interest

\$668,200

See Notes to Financial Statements 22

Notes to Financial Statements High Yield Strategies Fund Inc. (Unaudited)

Note A—Summary of Significant Accounting Policies:

1 General: The Fund was organized as a Maryland corporation on March 18, 2010, and registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as a non-diversified, closed-end management investment company. Management is the investment manager to the Fund. Neuberger Berman Fixed Income LLC (“NBFI”) is the sub-adviser to the Fund. The Fund’s shares of common stock are listed on the NYSE MKT under the symbol NHS. After the close of business on August 6, 2010, Neuberger Berman High Yield Strategies Fund (“Old NHS”) merged with and into the Fund. After Old NHS merged with and into the Fund, Neuberger Berman Income Opportunity Fund Inc. (“NOX”) merged with and into the Fund. The historical performance and financial statement history prior to August 6, 2010 are those of Old NHS. For periods prior to August 6, 2010, the term the “Fund” will refer to Old NHS.

The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standard Codification Topic 946 “Financial Services—Investment Companies.”

The preparation of financial statements in accordance with U.S. generally accepted accounting principles (“GAAP”) requires Management to make estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates.

2 Portfolio valuation: Investment securities are valued as indicated in the notes following the Schedule of Investments.

3 Securities transactions and investment income: Security transactions are recorded on trade date for financial reporting purposes. Dividend income is recorded on the ex-dividend date. Interest income, including amortization of premium, where applicable, and accretion of discount on securities (adjusted for original issue discount, where applicable) is recorded on the accrual basis. Realized gains and losses from security transactions are recorded on the basis of identified cost and stated separately in the Statement of Operations.

4 Income tax information: It is the policy of the Fund to continue to qualify for treatment as a regulated investment company (“RIC”) by complying with the requirements of the U.S. Internal Revenue Code applicable to RICs and to distribute substantially all of its net investment income and net realized capital gains to its stockholders. To the extent the Fund distributes substantially all of its net investment income and net realized capital gains to stockholders, no federal income or excise tax provision is required.

The Fund has adopted the provisions of ASC 740 “Income Taxes” (“ASC 740”). ASC 740 sets forth a minimum threshold for financial statement recognition of a tax position taken, or expected to be taken, in a tax return. The Fund recognizes interest and penalties, if any, related to unrecognized tax positions as an income tax expense in the Statement of Operations. The Fund is subject to examination by U.S. federal and state tax authorities for returns filed for the tax years for which the applicable statutes of limitations have not yet expired. As of April 30, 2015, the Fund did not have any unrecognized tax positions.

Income distributions and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP. These differences are primarily due to differing treatments of income and gains on various

investment securities held by the Fund, timing differences and differing characterization of distributions made by the Fund.

As determined on October 31, 2014, permanent differences resulting primarily from different book and tax accounting were reclassified at year end. Such differences may be attributed to the tax treatment of one or more of the following: income recognized on interest rate swap contracts, distributions in excess of current earnings and

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non-deductible restructuring costs. These reclassifications had no effect on net income, NAV applicable to common stockholders or net asset value (“NAV”) per share of common stock of the Fund. For the year ended October 31, 2014, the Fund recorded the following permanent reclassifications:

	Accumulated Net
	Undistributed Realized Gains
	Net Investment (Losses) on
	Paid-in Capital Income (Loss) Investments
	\$(1,090,906)
	\$(298,504)
	\$1,389,410

The tax character of distributions paid during the years ended October 31, 2014 and October 31, 2013 was as follows:

		Distributions Paid From:					
		Long-Term		Tax Return of			
Ordinary Income		Capital Gains		Capital		Total	
2014	2013	2014	2013	2014	2013	2014	2013
\$22,040,421	\$21,986,079	\$—	\$—	\$—	\$—	\$22,040,421	\$21,986,079

As of October 31, 2014, the components of distributable earnings (accumulated losses) on a U.S. federal income tax basis were as follows:

Undistributed Ordinary Income	Undistributed Long-Term Capital Gain	Unrealized Appreciation (Depreciation)	Loss Carryforwards and Deferrals	Other Temporary Differences	Total
\$—	\$—	\$3,625,269	\$(14,049,744)	\$(120,573)	\$(10,545,048)

The differences between book basis and tax basis distributable earnings are primarily due to: losses disallowed and recognized on wash sales, delayed settlement compensation on bank loans, distribution payments, mark to market on certain swap contract transactions and capital loss carryforwards.

To the extent the Fund’s net realized capital gains, if any, can be offset by capital loss carryforwards, it is the policy of the Fund not to distribute such gains. The Regulated Investment Company Modernization Act of 2010 (the “Act”) became effective for the Fund on November 1, 2011. The Act modernizes several of the federal income and excise tax provisions related to RICs. Among the changes made are changes to the capital loss carryforward rules allowing for RICs to carry forward capital losses indefinitely and to retain the character of capital loss carryforwards as short-term or long-term (“Post-Enactment”). Rules in effect previously limited the carryforward period to eight years and all carryforwards were considered short-term in character (“Pre-Enactment”). As determined at October 31, 2014, the Fund had unused capital loss carryforwards available for federal income tax purposes to offset net realized capital gains, if any, as follows:

Pre-Enactment		
Expiring in:		
2015	2016	2017
\$4,989,077 ⁽¹⁾	\$4,971,059 ⁽¹⁾	\$4,089,608

(1) The capital loss carryforwards shown above include \$4,989,077 and \$4,971,059 expiring in 2015 and 2016, respectively, which were acquired on August 6, 2010 in the merger with NOX. The use of these losses to offset future gains may be limited.

During the year ended October 31, 2014, the Fund utilized capital loss carryforwards of \$4,953,040.

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5 Foreign taxes: Foreign taxes withheld, if any, represent amounts withheld by foreign tax authorities net of refunds recoverable.

6 Distributions to common stockholders: The Fund earns income, net of expenses, daily on its investments. It is the policy of the Fund to declare and pay monthly distributions to common stockholders. The Fund has adopted a policy to pay common stockholders a stable monthly distribution. The Fund's ability to satisfy its policy will depend on a number of factors, including the stability of income received from its investments, the availability of capital gains, distributions paid on preferred shares, interest paid on notes and the level of Fund expenses. In an effort to maintain a stable monthly distribution amount, the Fund may pay distributions consisting of net investment income, net realized gains and paid-in capital. There is no assurance that the Fund will always be able to pay distributions of a particular size, or that distributions will consist solely of net investment income and net realized capital gains. The composition of the Fund's distributions for the calendar year 2015 will be reported to Fund stockholders on IRS Form 1099-DIV. The Fund may pay distributions in excess of those required by its stable distribution policy to avoid excise tax or to satisfy the requirements of the U.S. Internal Revenue Code. Distributions to common stockholders are recorded on the ex-date. Net realized capital gains, if any, will be offset to the extent of any available capital loss carryforwards. Any such offset will not reduce the level of the stable distribution paid by the Fund. Distributions to preferred stockholders are accrued and determined as described in Note A-8.

On April 30, 2015, the Fund declared a monthly distribution to common stockholders in the amount of \$0.08 per share, payable on May 29, 2015 to stockholders of record on May 15, 2015, with an ex-date of May 13, 2015. Subsequent to April 30, 2015, the Fund declared a monthly distribution to common stockholders in the amount of \$0.08 per share, payable on June 30, 2015 to stockholders of record on June 15, 2015, with an ex-date of June 11, 2015.

7 Expense allocation: Certain expenses are applicable to multiple funds within the complex of related investment companies. Expenses directly attributable to the Fund are charged to the Fund. Expenses borne by the complex of related investment companies, which includes open-end and closed-end investment companies for which Management serves as investment manager, that are not directly attributable to a particular investment company (e.g., the Fund) are allocated among the Fund and the other investment companies or series thereof in the complex on the basis of relative net assets, except where a more appropriate allocation of expenses to each of the investment companies or series thereof in the complex can otherwise be made fairly.

8 Financial leverage: In September 2008, Old NHS entered into a Master Securities Purchase Agreement and a Master Note Purchase Agreement pursuant to which it could issue privately placed notes ("Old NHS PNs") and privately placed perpetual preferred shares ("Old NHS PPS"). In November 2008, Old NHS issued Old NHS PNs with an aggregate principal value of \$45,900,000 and issued 492 Old NHS PPS with an aggregate liquidation preference of \$12,300,000 and used those proceeds to redeem outstanding Money Market Cumulative Preferred Shares.

On August 6, 2010, each of Old NHS and NOX merged with and into the Fund. In connection with the mergers, the Fund issued 1,087 Perpetual Preferred Shares, Series A ("PPS") with an aggregate liquidation preference of \$27,175,000 to preferred stockholders of Old NHS and NOX in exchange for their Old NHS PPS and NOX preferred shares. In connection with the mergers, the Fund also assumed the Old NHS PNs and the notes that NOX had previously issued ("NOX Notes"). On September 30, 2010, the Fund issued privately placed notes ("PNs") with an aggregate principal value of \$82,600,000 to holders of Old NHS PNs and NOX Notes in exchange for their Old NHS PNs and NOX Notes.

In September 2013, the Fund issued privately placed notes ("New PNs") with an aggregate principal value of \$90,000,000 and Mandatory Redeemable Preferred Shares, Series B ("MRPS" and, together with the New PNs, "Private

Securities”) with an aggregate value of \$35,000,000 to holders of the PNs and PPS and used the proceeds to redeem and prepay their PNs and PPS and increase the Fund’s leverage.

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The New PNs and MRPS have a maturity date of September 18, 2023. The interest on the New PNs is accrued daily and paid quarterly. The MRPS have a liquidation preference of \$25,000 per share plus any accumulated unpaid distributions, whether or not earned or declared by the Fund, but excluding interest thereon (“MRPS Liquidation Value”). Distributions on the MRPS are accrued daily and paid quarterly. The PNs and PPS had these same terms. For financial reporting purposes only, the liquidation preference of the MRPS is recognized as a liability in the Statement of Assets and Liabilities.

For the six months ended April 30, 2015, the distribution rates on the MRPS ranged from 2.63% to 2.68% and the interest rates on the New PNs ranged from 1.43% to 1.48%.

The table below sets forth key terms of the MPRS.

Series	Mandatory	Interest Rate	Shares Outstanding	Aggregate	Estimated Fair Value
	Redemption Date			Liquidation Preference	
Series B	9/18/23	2.68%*	1,400	\$35,000,000	\$35,000,000

*Floating rate effective for the six months ended April 30, 2015.

The Fund has paid up front offering and organizational expenses which are being amortized over the life of the New PNs and MRPS. The expenses are included in the interest expense that is reflected in the Statement of Operations.

The Fund may redeem MRPS or prepay the New PNs, in whole or in part, at its option after giving a minimum amount of notice to the relevant holders of the Private Securities but will incur additional expenses if it chooses to so redeem or prepay. The Fund is also subject to certain restrictions relating to the Private Securities. Failure to comply with these restrictions could preclude the Fund from declaring any distributions to common stockholders or repurchasing shares of common stock and/or could trigger the mandatory redemption of MRPS at MRPS Liquidation Value and certain expenses and/or mandatory prepayment of New PNs at par plus accrued but unpaid interest and certain expenses. The holders of MRPS are entitled to one vote per share and will vote with holders of shares of common stock as a single class, except that the holders of MRPS will vote separately as a class on certain matters, as required by law or the Fund’s organizational documents. The holders of MRPS, voting as a separate class, are entitled at all times to elect two Directors of the Fund, and to elect a majority of the Directors of the Fund if the Fund fails to pay distributions on MRPS for two consecutive years.

9 Concentration of credit risk: The Fund will normally invest at least 80% of its total assets in high yield debt securities of U.S. and foreign issuers, which include securities that are rated below investment grade by a rating agency or are unrated debt securities determined to be of comparable quality by the Fund’s investment manager.

Due to the inherent volatility and illiquidity of the high yield securities in which the Fund invests and the real or perceived difficulty of issuers of those high yield securities to meet their payment obligations during economic downturns or because of negative business developments relating to the issuer or its industry in general, the value and/or price of the Fund’s shares of common stock may fluctuate more than would be the case if the Fund did not concentrate in high yield securities.

10 Derivative instruments: During the six months ended April 30, 2015, the Fund’s use of derivatives, as described below, was limited to over the counter (“OTC”) interest rate swap contracts and centrally cleared interest rate swap contracts. The Fund has adopted the provisions of ASC 815 “Derivatives and Hedging” (“ASC 815”). The disclosure

requirements of ASC 815 distinguish between derivatives that qualify for hedge accounting and those that do not. Because investment companies value their derivatives at fair value and recognize changes in fair value through the Statement of Operations, they do not qualify for hedge accounting. Accordingly, even though the Fund's investments in derivatives may represent economic hedges, they are considered non-hedge transactions for purposes of this disclosure.

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Interest rate swaps: The Fund used OTC interest rate swap transactions, with institutions that Management has determined are creditworthy, to reduce the risk that an increase in short-term interest rates could reduce common share net earnings as a result of leverage. Under the terms of the OTC interest rate swap contracts, the Fund agrees to pay the swap counterparty a fixed-rate payment in exchange for the counterparty's paying the Fund a variable-rate payment that is intended to approximate all or a portion of the Fund's variable-rate payment obligations on the Fund's Private Securities, or the Fund agrees to pay the swap counterparty a variable-rate payment that is intended to approximate all or a portion of the Fund's variable-rate payment obligations on the Fund's Private Securities in exchange for the counterparty's paying the Fund a fixed-rate payment. The fixed-rate and variable-rate payment flows are netted against each other, with the difference being paid by one party to the other on a monthly basis. The Fund segregates cash or liquid securities having a value at least equal to the Fund's net payment obligations under any interest rate swap transaction, marked to market daily. There is no guarantee that these interest rate swap transactions will be successful in reducing or limiting risk.

Risks may arise if the counterparty to a swap contract fails to comply with the terms of its contract. The loss incurred by the failure of a counterparty is generally limited to the net interest payment to be received by the Fund and/or the termination value at the end of the contract. Additionally, risks may arise if there is no liquid market for these agreements or from movements in interest rates unanticipated by Management.

Periodic expected interim net interest payments or receipts on the swaps are recorded as an adjustment to unrealized gains/losses, along with the fair value of the future periodic payment streams on the swaps. The unrealized gains/losses associated with the periodic interim net interest payments are reclassified to realized gains/losses in conjunction with the actual net receipt or payment of such amounts. The reclassifications do not impact the Fund's total net assets applicable to common stockholders or its total net increase (decrease) in net assets applicable to common stockholders resulting from operations. At April 30, 2015, the Fund had outstanding OTC interest rate swap contracts as follows:

Swap Counterparty	Notional Amount	Termination Date	Fixed-rate	Rate Type	Accrued	Unrealized	Total Fair
				Variable-rate Payments Received/(Paid) by the Fund	Net Interest Receivable (Payable)		
Citibank, N.A.	\$25,000,000	August 9, 2015	1.120%	.256% ⁽¹⁾	\$(47,994)	\$(57,455)	\$(105,449)
Citibank, N.A.	50,000,000	December 7, 2015	1.883%	.264% ⁽²⁾	(354,730)	(461,103)	(815,833)
					\$(402,724)	\$(518,558)	\$(921,282)

(1)90 day LIBOR at February 5, 2015.

(2)90 day LIBOR at March 4, 2015.

During the six months ended April 30, 2015, the average notional value of OTC interest rate swap contracts was \$92,857,143.

During the six months ended April 30, 2015, the Fund used centrally cleared interest rate swap contracts to reduce the risk that an increase in short-term interest rates could reduce common share net earnings as a result of leverage. The daily change in valuation for centrally cleared swap contracts is recorded as a receivable or payable for variation margin and settled in cash with the centrally clearing party daily. For financial reporting purposes unamortized upfront payments, if any, are netted with unrealized appreciation or depreciation on swap contracts to determine the market

value of swaps as presented in the table below. Certain clearinghouses currently offer clearing for limited types of derivative transactions, principally credit derivatives. In a cleared derivative transaction, a fund typically enters into the transaction with a financial institution counterparty, and performance of the transaction is effectively guaranteed by a central clearinghouse, thereby reducing or eliminating the fund's exposure to the credit risk of the original counterparty. A fund typically will be required to post specified levels of both initial

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and variation margin with the clearinghouse or at the instruction of the clearinghouse; the margin required by a clearinghouse may be greater than the margin the fund would be required to post in an uncleared derivative transaction. At April 30, 2015, the Fund had outstanding centrally cleared interest rate swap contracts as follows:

Swap Counterparty	Notional Amount	Termination Date	Fixed-rate	Rate Type Variable-rate Payments Received/(Paid) by the Fund	Market Value	Unamortized Upfront Payment Received (Paid)	Unrealized Appreciation (Depreciation)	Accrued Net Interest Receivable (Payable)
CME Group, Inc.	\$25,000,000	May 14, 2018	1.371%	.258% ⁽¹⁾	\$(163,191)	\$—	\$(163,191)	\$(146,866)
CME Group, Inc.	20,000,000	April 17, 2019	1.292%	.254% ⁽²⁾	69,013	(584)	68,429	(7,911)
					\$(94,178)	\$(584)	\$(94,762)	\$(154,777)

(1)90 day LIBOR at February 11, 2015.

(2)90 day LIBOR at January 14, 2015.

During the six months ended April 30, 2015, the average notional value of centrally cleared interest rate swap contracts was \$27,857,143.

At April 30, 2015, the Fund had the following derivatives (which did not qualify for hedge accounting under ASC 815), grouped by primary risk exposure:

Asset Derivatives

	Interest Rate Risk	Statement of Assets and Liabilities Location
Centrally Cleared Interest Rate Swap Contracts	\$60,514	Receivable/Payable for variation margin on centrally cleared interest rate swap contracts ⁽²⁾
Total Value-Assets	\$60,514	

Liability Derivatives

	Interest Rate Risk	Statement of Assets and Liabilities Location
OTC Interest Rate Swap Contracts	\$ (921,282)	OTC interest rate swap contracts, at value ⁽¹⁾
Centrally Cleared Interest Rate Swap Contracts	(310,054)	Receivable/Payable for variation margin on centrally cleared interest rate swap contracts ⁽²⁾
Total Value-Liabilities	\$ (1,231,336)	

(1)“OTC Interest Rate Swap Contracts” reflects the appreciation (depreciation) of the interest rate swap contracts plus accrued interest as of April 30, 2015 which is reflected in the Statement of Assets and Liabilities under the caption “Over the counter interest rate swap contracts, at value (Note A).”

(2)“Centrally Cleared Interest Rate Swap Contracts” reflects cumulative unrealized appreciation or (depreciation). Only the current day’s variation margin on centrally cleared interest rate swap contracts is reported within the Statement of Assets and Liabilities as “Receivable/Payable for variation margin on centrally cleared interest rate swap contracts.”

The impact of the use of these derivative instruments on the Statement of Operations during the six months ended April 30, 2015, was as follows:

Realized Gain (Loss)

	Interest Rate Risk	Statement of Operations Location
Interest Rate Swap Contracts	\$(839,577)	Net realized gain (loss)
Total Realized Gain (Loss)	\$(839,577)	on: interest rate swap contracts

Change in Appreciation (Depreciation)

	Interest Rate Risk	Statement of Operations Location
Interest Rate Swap Contracts	\$603,234	Change in net unrealized appreciation
Total Change in Appreciation (Depreciation)	\$603,234	(depreciation) in value of: interest rate swap contracts

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The Fund adopted the provisions of Accounting Standards Update 2011-11 Disclosures about Offsetting Assets and Liabilities (“ASU 2011-11”). ASU 2011-11 is intended to enhance disclosure requirements on the offsetting of financial assets and liabilities. Pursuant to ASU 2011-11, an entity is required to disclose both gross and net information for assets and liabilities related to derivatives, repurchase and reverse repurchase agreements, and securities lending and securities borrowing transactions that are eligible for offset or subject to an enforceable master netting or similar agreement. The Fund’s derivative assets and liabilities at fair value by type are reported gross in the Statement of Assets and Liabilities. The following tables present the Fund’s derivative assets and liabilities by counterparty, net of amounts available for offset under a master netting agreement and net of the related collateral received by the Fund for assets and pledged by the Fund for liabilities as of April 30, 2015.

Description	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities
OTC Interest Rate Swap Contracts	\$(921,282)	\$—	\$(921,282)
Total	\$(921,282)	\$—	\$(921,282)

Gross Amounts Not Offset in the Statement of Assets and Liabilities

Counterparty and Liabilities	Net Amounts of Liabilities Presented in the Statement of Assets	Financial Instruments	Cash Collateral Pledged ^(a)	Net Amount ^(b)
Citibank, N.A.	\$(921,282)	\$—	\$906,589	\$(14,693)
Total	\$(921,282)	\$—	\$906,589	\$(14,693)

(a) Cash collateral received (or pledged) is limited to an amount not to exceed 100% of the net amount of assets (or liabilities) in the tables presented above, for each respective counterparty.

(b) Net Amount represents amounts under-collateralized by the Fund to each counterparty as of April 30, 2015.

11 Indemnifications: Like many other companies, the Fund’s organizational documents provide that its officers (“Officers”) and directors (“Directors”) are indemnified against certain liabilities arising out of the performance of their duties to the Fund. In addition, both in some of its principal service contracts and in the normal course of its business, the Fund enters into contracts that provide indemnifications to other parties for certain types of losses or liabilities. The Fund’s maximum exposure under these arrangements is unknown as this could involve future claims against the Fund.

12 Arrangements with certain non-affiliated service providers: In order to satisfy rating agency requirements and the terms of the Private Securities, the Fund is required to provide the rating agency and holders of Private Securities a report on a monthly basis verifying that the Fund is maintaining eligible assets having a discounted value equal to or greater than the basic maintenance amount, which is the minimum level set by the rating agency as one of the conditions to maintain the AAA rating on the New PNs and the AA rating on the MRPS. “Discounted value” refers to the fact that the rating agency requires the Fund, in performing this calculation, to discount portfolio securities below their face value, at rates determined by the rating agency. The Fund pays State Street Bank and Trust Company (“State Street”) for the preparation of this report, which is reflected in the Statement of Operations under the caption “Basic maintenance expense (Note A).”

Note B—Management Fees, Administration Fees, Distribution Arrangements, and Other Transactions with Affiliates:

The Fund retains Management as its investment manager under a Management Agreement. For such investment management services, the Fund pays Management a monthly fee computed at an annual rate of 0.60% of the Fund's average daily Managed Assets. Managed Assets equal the total assets of the Fund, less liabilities other than

the aggregate indebtedness entered into for purposes of leverage. Management is responsible for developing, implementing and supervising the Fund's investment program and providing certain administrative services to the Fund. Management has retained NBFi to serve as the sub-adviser of the Fund and to manage the Fund's investment portfolio. Management compensates NBFi for its services as sub-adviser. Management pays NBFi a monthly sub-advisory fee calculated at an annual percentage rate of 0.15% of the Fund's average daily Managed Assets.

Several individuals who are Officers and/or Directors of the Fund are also employees of NBFi, Neuberger Berman LLC ("Neuberger") and/or Management.

The Fund retains Management as its administrator under an Administration Agreement. The Fund pays Management an administration fee at the annual rate of 0.05% of its average daily Managed Assets under this agreement. Additionally, Management retains State Street as its sub-administrator under a Sub-Administration Agreement. Management pays State Street a fee for all services received under the agreement.

On June 3, 2014, Management made a voluntary contribution of \$11,145 to the Fund in connection with a payment matter related to the Fund's investment in a State Street money market fund.

Note C—Securities Transactions:

During the six months ended April 30, 2015, there were purchases and sales of long-term securities (excluding interest rate swap contracts) of \$111,541,969 and \$111,185,525, respectively.

Note D—Subsequent Event:

On June 1, 2015, the Fund was served with a lawsuit filed in the United States Bankruptcy Court for the Southern District of New York, entitled *Motors Liquidation Company Avoidance Action Trust vs. JPMorgan Chase Bank, N.A. et al.* and numbered Adv. No. 09-00504 (REG). In addition to the Fund, the lawsuit also names over five hundred other institutional investors as defendants. The lawsuit does not allege any misconduct by the defendants, but seeks to recover payments made by General Motors Corporation (n/k/a Motors Liquidation Company) and its affiliates (collectively, "GM") to the defendants shortly prior to and after GM's Chapter 11 bankruptcy filing on June 1, 2009 (the "Petition Date"). The complaint alleges that GM made the payments to the defendants under a certain term loan agreement, dated as of November 29, 2006, as amended by that first amendment dated as of March 4, 2009 (the "Term Loan Agreement"); that the payments occurred both during the ninety (90) days prior to the Petition Date (the "Preference Period") and after the Petition Date when all amounts due under the Term Loan Agreement were paid in full in connection with GM's postpetition financing (the "Postpetition Transfers"); that the lien purportedly securing the Term Loan Agreement was not perfected as of the Petition Date; and that the lenders under the Term Loan Agreement should therefore have been treated as unsecured creditors rather than paid in full as secured creditors. The plaintiff seeks avoidance of the lien securing the Term Loan Agreement as unperfected under Section 544(a) of the Bankruptcy Code; disgorgement of all amounts paid to the defendants during the Preference Period (plus interest) under Section 547 of the Bankruptcy Code; disgorgement of all amounts paid to the defendants as Postpetition Transfers (plus interest) under Section 549 of the Bankruptcy Code; and disallowance of any bankruptcy claims of the defendants against GM until they repay all such amounts under Section 502(d) of the Bankruptcy Code. The Fund cannot predict the outcome of the lawsuit. If the lawsuit were to be decided or settled in a manner adverse to the Fund, the payment of such judgment or settlement could have an adverse effect on the Fund's net asset value. However, no liability for litigation relating to this matter has been accrued in the financial statements as neither the likelihood nor the amount of any liability can reasonably be determined at this time.

Note E—Unaudited Financial Information:

The financial information included in this interim report is taken from the records of the Fund without audit by an independent registered public accounting firm. Annual reports contain audited financial statements.

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Financial Highlights

High Yield Strategies Fund Inc.

The following table includes selected data for a share of common stock outstanding throughout each period and other performance information derived from the Financial Statements. Per share amounts that round to less than \$0.01 or \$(0.01) per share are presented as \$0.00 or \$(0.00), respectively. Ratios that round to less than 0.00% or (0.00)% per share are presented as 0.00% or (0.00)%, respectively. Net asset amounts with a zero balance, if any, may reflect actual amounts rounding to less than \$0.1 million. A "-" indicates that the line item was not applicable in the corresponding period.

	Six Months Ended April 30,		Year Ended October 31,			Period from January 2010 to October 2010^{^^}
	2015	2014	2013	2012	2011	
Common Stock Net Asset Value, Beginning of Period	\$ 14.42	\$ 14.67	\$ 14.03	\$ 13.00	\$ 13.82	\$ 12.5
Net Investment Income [¢]	0.52	1.10	1.15	1.17	1.34	1.1
Net Gains or Losses on Securities (both realized and unrealized)	(0.30)	(0.27)	0.61	1.03	(0.83)	1.2
Common Stock Equivalent of Distributions to Preferred Shareholders From:						
Net Investment Income [¢]	—	—	(0.04)	(0.05)	(0.05)	(0.0)
Total From Investment Operations Applicable to Common Stockholders	0.22	0.83	1.72	2.15	0.46	2.3
Less Distributions to Common Stockholders From:						
Net Investment Income	(0.53)	(1.08)	(1.08)	(1.12)	(1.28)	(1.0)
Accretive Effect of Tender Offer	—	—	—	—	—	—
Voluntary Contribution from Management	—	0.00	—	—	—	—
Common Stock Net Asset Value, End of Period	\$ 14.11	\$ 14.42	\$ 14.67	\$ 14.03	\$ 13.00	\$ 13.8
Common Stock Market Value, End of Period	\$ 12.47	\$ 13.16	\$ 13.56	\$ 14.18	\$ 13.55	\$ 14.0
Total Return, Common Stock						
Net Asset Value [†]	2.08%**	6.48%	13.18%	17.24%	3.34%	19.7
Total Return, Common Stock Market Value [†]	(1.15)**	5.13%	3.51%	13.68%	6.03%	27.6
Ratios/Supplemental Data^{††}						
Ratios are Calculated Using						
Average Net Assets						
Applicable to Common Stockholders						
Ratio of Gross Expenses [∅]	1.97%*	1.89%	1.73%	1.81%#	1.75%#	2.0
Ratio of Net Expenses [∅]	1.97%*	1.89%	1.73%	1.76%	1.68%	1.9
Ratio of Net Investment Income	7.45%*	7.47%	8.02%	8.79%	9.86%	11.0
Portfolio Turnover Rate	29%**	60%	69%	94%	100%	13
Net Assets Applicable to Common Stockholders, End of Period (000's)	\$275,813	\$281,719	\$286,658	\$274,136	\$253,170	\$267,81

Preferred Shares

Preferred Shares Outstanding, ^{c,c}						
End of Period (000's)	\$ 35,000	\$ 35,000	\$ 35,000	\$ 27,175	\$ 27,175	\$ 27,175
Asset Coverage Per Share [@]	\$222,067	\$226,286	\$229,815	\$277,268	\$257,980	\$271,450
Liquidation Value Per Share	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000

Notes Payable

Notes Payable Outstanding,						
End of Period (000's)	\$ 90,000	\$ 90,000	\$ 90,000	\$ 82,600	\$ 82,600	\$ 82,600
Asset Coverage Per \$1,000 of Notes Payable ^{@@}	\$ 4,454	\$ 4,520	\$ 4,575	\$ 4,649	\$ 4,395	\$ 4,575

See Notes to Financial Highlights 31

Notes to Financial Highlights High Yield Strategies Fund Inc. (Unaudited)

- † Total return based on per share NAV reflects the effects of changes in NAV on the performance of the Fund during each fiscal period. Total return based on per share market value assumes the purchase of shares of common stock at the market price on the first day and sales of common stock at the market price on the last day of the period indicated. Distributions, if any, are assumed to be reinvested at prices obtained under the Fund's distribution reinvestment plan. Results represent past performance and do not indicate future results. Current returns may be lower or higher than the performance data quoted. Investment returns may fluctuate and shares of common stock when sold may be worth more or less than original cost. Total return would have been lower if Management had not waived certain expenses during certain of the periods shown. The voluntary contribution listed in Note B of the Notes to Financial Statements had no impact on the Fund's total returns for the year ended October 31, 2014.
- # Represents the annualized ratios of net expenses to average daily net assets if Management had not waived a portion of the investment management fee.
- § Prior to January 1, 2013, the Fund had an expense offset arrangement in connection with its custodian contract. The impact of expense reductions related to expense offset arrangements, if any, was less than .01%.
- @ Calculated by subtracting the Fund's total liabilities (excluding the liquidation preference of MRPS and accumulated unpaid distributions on MRPS (PPS prior to September 18, 2013 and Old NHS PPS prior to August 6, 2010)) from the Fund's total assets and dividing by the number of MRPS/PPS outstanding.
- @@ Calculated by subtracting the Fund's total liabilities (excluding the liquidation preference of MRPS, the outstanding principal of New PNs (PNs prior to September 18, 2013 and Old NHS PNs prior to August 6, 2010) and accumulated unpaid liabilities on Private Securities (PPS and PNs prior to September 18, 2013; Old NHS PPS and Old NHS PNs prior to August 6, 2010) and New PNs (PNs prior to September 18, 2013 and Old NHS PNs prior to August 6, 2010)) from the Fund's total assets and dividing by the outstanding Notes payable balance.
- †† Expense ratios do not include the effect of distribution payments to PPS stockholders (Old NHS PPS prior to August 6, 2010) outstanding. Income ratios include income earned on assets attributable to MRPS (PPS prior to September 18, 2013 and Old NHS PPS prior to August 6, 2010) outstanding. Income ratios also include the effect of interest expense from the PNs.
- ¢ Calculated based on the average number of shares of common stock outstanding during each fiscal period.
- ¢¢ From November 14, 2008 to August 6, 2010, the Fund had 492 Old NHS PPS outstanding. From August 6, 2010 to September 17, 2013, the Fund had 1,087 PPS outstanding. Since September 18, 2013, the Fund has 1,400 MRPS outstanding (see Note A-8 to Financial Statements).
- Interest expense is included in expense ratios. The annualized ratio of interest expense to average net assets applicable to common stockholders was:

Six Months	Period from					
Ended April 30,	Year Ended October 31,				January 1, 2010 to	Year Ended
2015	2014	2013	2012	2011	October 31, 2010	December 31, 2009
.49%	.46%	.58%	.69%	.61%	.63%	1.05%

* Annualized.

** Not Annualized.

^^^ The Fund's fiscal year end changed from December 31 to October 31.

ØØ Portfolio turnover excludes purchases and sales by NOX (which merged with and into the Fund on August 6, 2010) prior to the merger date.

‡‡ Includes merger related expenses. If such expenses were not included, the annualized ratio of net expenses to average net assets applicable to common stockholders for the period ended October 31, 2010 would have been 1.81%.

The Fund conducted a tender offer and purchased approximately 10% of its outstanding common shares at 98% of the Fund's NAV per share with final payment of \$9.60 per share on May 29, 2009.

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Distribution Reinvestment Plan

Computershare, Inc. (the “Plan Agent”) will act as Plan Agent for stockholders who have not elected in writing to receive dividends and distributions in cash (each a “Participant”), will open an account for each Participant under the Distribution Reinvestment Plan (“Plan”) in the same name as their then-current shares of the Fund’s common stock (“Shares”) are registered, and will put the Plan into effect for each Participant as of the first record date for a dividend or capital gains distribution.

Whenever the Fund declares a dividend or distribution with respect to the Shares, each Participant will receive such dividends and distributions in additional Shares, including fractional Shares acquired by the Plan Agent and credited to each Participant’s account. If on the payment date for a cash dividend or distribution, the net asset value is equal to or less than the market price per Share plus estimated brokerage commissions, the Plan Agent shall automatically receive such Shares, including fractions, for each Participant’s account. Except in the circumstances described in the next paragraph, the number of additional Shares to be credited to each Participant’s account shall be determined by dividing the dollar amount of the dividend or distribution payable on their Shares by the greater of the net asset value per Share determined as of the date of purchase or 95% of the then-current market price per Share on the payment date.

Should the net asset value per Share exceed the market price per Share plus estimated brokerage commissions on the payment date for a cash dividend or distribution, the Plan Agent or a broker-dealer selected by the Plan Agent shall endeavor, for a purchase period lasting until the last business day before the next date on which the Shares trade on an “ex-dividend” basis, but in no event, except as provided below, more than 30 days after the payment date, to apply the amount of such dividend or distribution on each Participant’s Shares (less their pro rata share of brokerage commissions incurred with respect to the Plan Agent’s open-market purchases in connection with the reinvestment of such dividend or distribution) to purchase Shares on the open market for each Participant’s account. No such purchases may be made more than 30 days after the payment date for such dividend or distribution except where temporary curtailment or suspension of purchase is necessary to comply with applicable provisions of federal securities laws. If, at the close of business on any day during the purchase period the net asset value per Share equals or is less than the market price per Share plus estimated brokerage commissions, the Plan Agent will not make any further open-market purchases in connection with the reinvestment of such dividend or distribution. If the Plan Agent is unable to invest the full dividend or distribution amount through open-market purchases during the purchase period, the Plan Agent shall request that, with respect to the uninvested portion of such dividend or distribution amount, the Fund issue new Shares at the close of business on the earlier of the last day of the purchase period or the first day during the purchase period on which the net asset value per Share equals or is less than the market price per Share, plus estimated brokerage commissions, such Shares to be issued in accordance with the terms specified in the third paragraph hereof. These newly issued Shares will be valued at the then-current market price per Share at the time such Shares are to be issued.

For purposes of making the reinvestment purchase comparison under the Plan, (a) the market price of the Shares on a particular date shall be the last sales price on the New York Stock Exchange (or if the Shares are not listed on the New York Stock Exchange, such other exchange on which the Shares are principally traded) on that date, or, if there is no sale on such Exchange (or if not so listed, in the over-the-counter market) on that date, then the mean between the closing bid and asked quotations for such Shares on such Exchange on such date and (b) the net asset value per Share on a particular date shall be the net asset value per Share most recently calculated by or on behalf of the Fund. All dividends, distributions and other payments (whether made in cash or Shares) shall be made net of any applicable withholding tax.

Open-market purchases provided for above may be made on any securities exchange where the Fund's Shares are traded, in the over-the-counter market or in negotiated transactions and may be on such terms as to price, delivery and otherwise as the Plan Agent shall determine. Each Participant's uninvested funds held by the Plan Agent will not bear interest, and it is understood that, in any event, the Plan Agent shall have no liability in connection with any inability to purchase Shares within 30 days after the initial date of such purchase as herein provided, or with the timing of any purchases effected. The Plan Agent shall have no responsibility as to the value of the Shares acquired for each

Participant's account. For the purpose of cash investments, the Plan Agent may commingle each Participant's funds with those of other stockholders of the Fund for whom the Plan Agent similarly acts as agent, and the average price (including brokerage commissions) of all Shares purchased by the Plan Agent as Plan Agent shall be the price per Share allocable to each Participant in connection therewith.

The Plan Agent may hold each Participant's Shares acquired pursuant to the Plan together with the Shares of other stockholders of the Fund acquired pursuant to the Plan in noncertificated form in the Plan Agent's name or that of the Plan Agent's nominee. The Plan Agent will forward to each Participant any proxy solicitation material and will vote any Shares so held for each Participant only in accordance with the instructions set forth on proxies returned by the Participant to the Fund.

The Plan Agent will confirm to each Participant each acquisition made for their account as soon as practicable but not later than 60 days after the date thereof. Although each Participant may from time to time have an undivided fractional interest (computed to three decimal places) in a Share, no certificates for a fractional Share will be issued. However, dividends and distributions on fractional Shares will be credited to each Participant's account. In the event of termination of a Participant's account under the Plan, the Plan Agent will adjust for any such undivided fractional interest in cash at the market value of the Shares at the time of termination, less the pro rata expense of any sale required to make such an adjustment.

Any Share dividends or split Shares distributed by the Fund on Shares held by the Plan Agent for Participants will be credited to their accounts. In the event that the Fund makes available to its stockholders rights to purchase additional Shares or other securities, the Shares held for each Participant under the Plan will be added to other Shares held by the Participant in calculating the number of rights to be issued to each Participant.

The Plan Agent's service fee for handling capital gains and other distributions or income dividends will be paid by the Fund. Participants will be charged their pro rata share of brokerage commissions on all open-market purchases.

Each Participant may terminate their account under the Plan by notifying the Plan Agent in writing. Such termination will be effective immediately if the Participant's notice is received by the Plan Agent not less than ten days prior to any dividend or distribution record date, otherwise such termination will be effective the first trading day after the payment date for such dividend or distribution with respect to any subsequent dividend or distribution. The Plan may be terminated by the Plan Agent or the Fund upon notice in writing mailed to each Participant at least 30 days prior to any record date for the payment of any dividend or distribution by the Fund.

These terms and conditions may be amended or supplemented by the Plan Agent or the Fund at any time or times but, except when necessary or appropriate to comply with applicable law or the rules or policies of the Securities and Exchange Commission or any other regulatory authority, only by mailing to each Participant appropriate written notice at least 30 days prior to the effective date thereof. The amendment or supplement shall be deemed to be accepted by each Participant unless, prior to the effective date thereof, the Plan Agent receives written notice of the termination of their account under the Plan. Any such amendment may include an appointment by the Plan Agent in its place and stead of a successor Plan Agent under these terms and conditions, with full power and authority to perform all or any of the acts to be performed by the Plan Agent under these terms and conditions. Upon any such appointment of any Plan Agent for the purpose of receiving dividends and distributions, the Fund will be authorized to pay to such successor Plan Agent, for each Participant's account, all dividends and distributions payable on Shares held in their name or under the Plan for retention or application by such successor Plan Agent as provided in these terms and conditions.

The Plan Agent shall at all times act in good faith and agrees to use its best efforts within reasonable limits to ensure the accuracy of all services performed under this Agreement and to comply with applicable law, but assumes no responsibility and shall not be liable for loss or damage due to errors unless such error is caused by the Plan Agent's

negligence, bad faith, or willful misconduct or that of its employees. These terms and conditions are governed by the laws of the State of Maryland.

Reinvested dividends and distributions are taxed in the same manner as cash dividends and distributions — i.e., reinvestment in additional Shares does not relieve stockholders of, or defer the need to pay, any income tax that may be payable (or that is required to be withheld) on Fund dividends and distributions. Participants should contact their tax professionals for information on how the Plan impacts their personal tax situation. For additional information about the Plan, please contact the Plan Agent at 1-866-227-2136 or P.O. Box 30170, College Station, TX 77842-3170.

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Directory

Investment Manager and Administrator Stock Transfer Agent

Neuberger Berman Management LLC
605 Third Avenue, 2nd Floor
New York, NY 10158-0180
877.461.1899 or 212.476.8800

Computershare, Inc.
480 Washington Boulevard
Jersey City, NJ 07310

Sub-Adviser

Neuberger Berman Fixed Income LLC
200 South Wacker Drive
Suite 2100
Chicago, IL 60601

Plan Agent

Computershare, Inc.
P.O. Box 30170
College Station, TX 77842-3170

Custodian

State Street Bank and Trust Company
One Lincoln Street
Boston, MA 02111

Overnight correspondence should be sent to:
Computershare, Inc.
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College Station, TX 77845

Legal Counsel

K&L Gates LLP
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Washington, DC 20006-1600

Independent Registered Public Accounting Firm

Ernst & Young LLP
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Boston, MA 02116

Proxy Voting Policies and Procedures

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available, without charge, by calling 800-877-9700 (toll-free) and on the Securities and Exchange Commission's website, at www.sec.gov. Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is also available upon request, without charge, by calling 800-877-9700 (toll-free), on the Securities and Exchange Commission's website at www.sec.gov, and on Management's website at www.nb.com.

Quarterly Portfolio Schedule

The Fund files a complete schedule of portfolio holdings with the Securities and Exchange Commission for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the Securities and Exchange Commission's website at www.sec.gov and may be reviewed and copied at the Securities and Exchange Commission's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling 800-SEC-0330. The information on Form N-Q is available upon request, without charge, by calling 800-877-9700 (toll-free).

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Rev. 12/2010

FACTS WHAT DOES NEUBERGER BERMAN DO WITH YOUR PERSONAL INFORMATION?

Why? Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What? The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and account balances
- income and transaction history
- credit history and credit scores

When you are *no longer* our customer, we continue to share your information as described in this notice.

How? All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Neuberger Berman chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Neuberger Berman share? Can you limit this sharing?	
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes— to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes— information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes— information about your creditworthiness	No	We don't share
For nonaffiliates to market to you	No	We don't share

Questions? Call 800.223.6448

This is not part of the Fund's stockholder report.

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Who we are

Who is providing this notice? Entities within the Neuberger Berman family of companies, mutual funds, and private investment funds.

What we do

How does Neuberger Berman protect my personal information? To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

How does Neuberger Berman collect my personal information? We restrict access to customer information to those employees who need to know such information in order to perform their job responsibilities.

We collect your personal information, for example, when you

- open an account or provide account information
- seek advice about your investments or give us your income information
- give us your contact information

We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.

Why can't I limit all sharing? Federal law gives you the right to limit only

sharing for affiliates' everyday business purposes—information about your creditworthiness

affiliates from using your information to market to you

sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing.

Definitions

Affiliates Companies related by common ownership or control. They can be financial and nonfinancial companies.

Our affiliates include companies with a Neuberger Berman name; financial companies, such as investment advisers, broker dealers; mutual funds, and private investment funds.

Nonaffiliates Companies not related by common ownership or control. They can be financial and nonfinancial companies.

Nonaffiliates we share with can include companies that perform administrative services on our behalf (such as vendors that provide data processing, transaction processing, and printing services) or other companies such as brokers, dealers, or counterparties in connection with servicing your account.

Joint marketing A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

Neuberger Berman doesn't jointly market.

This is not part of the Funds' stockholder report.

Neuberger Berman Management LLC

605 Third Avenue, 2nd Floor

New York, NY 10158-0180

Internal Sales & Services

877.461.1899

www.nb.com

Statistics and projections in this report are derived from sources deemed to be reliable but cannot be regarded as a representation of future results of the Fund. This report is prepared for the general information of stockholders and is not an offer of shares of the Fund.

H0547 06/15



Item 2. Code of Ethics.

The Board of Directors (“Board”) of Neuberger Berman High Yield Strategies Fund Inc. (“Registrant”) has adopted a code of ethics that applies to the Registrant’s principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions (“Code of Ethics”). During the period covered by this Form N-CSR, there were no substantive amendments to the Code of Ethics and there were no waivers from the Code of Ethics granted to the Registrant’s principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions.

The Code of Ethics is filed with the Registrant’s annual report on Form N-CSR. The Code of Ethics is also available, without charge, by calling 1-800-877-9700 (toll-free).

Item 3. Audit Committee Financial Expert.

Not applicable to semi-annual reports on Form N-CSR.

Item 4. Principal Accountant Fees and Services.

Not applicable to semi-annual reports on Form N-CSR.

Item 5. Audit Committee of Listed Registrants.

Not applicable to semi-annual reports on Form N-CSR.

Item 6. Schedule of Investments.

The complete schedule of investments for the Registrant is disclosed in the Registrant’s semi-annual report included as Item 1 of this Form N-CSR.

Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies.

Not applicable to semi-annual reports on Form N-CSR.

Item 8. Portfolio Managers of Closed-End Management Investment Companies.

Not applicable to semi-annual reports on Form N-CSR. There have been no changes in any of the Portfolio Managers since the Registrant’s most recent annual report on Form N-CSR.

Item 9. Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers.

No reportable purchases for the period covered by this report.

Item 10. Submission of Matters to a Vote of Security Holders.

There were no changes to the procedures by which stockholders may recommend nominees to the Board.

Item 11. Controls and Procedures.

Based on an evaluation of the disclosure controls and procedures (as defined in Rule 30a-3(c) under the Act) as of a date within 90 days of the filing date of this report, the Chief Executive Officer and President and the Treasurer and
(a) Principal Financial and Accounting Officer of the Registrant have concluded that such disclosure controls and procedures are effectively designed to ensure that information required to be disclosed by the Registrant on Form N-CSR is accumulated and communicated to the Registrant's management to allow timely decisions regarding required disclosure.

There were no significant changes in the Registrant's internal controls over financial reporting (as defined in Rule
(b) 30a-3(d) under the Act) that occurred during the Registrant's second fiscal quarter of the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Registrant's internal control over financial reporting.

Item 12. Exhibits.

(a)(1) Not applicable for the period covered by this Form N-CSR.

(a)(2) The certifications required by Rule 30a-2(a) under the Act and Section 302 of the Sarbanes-Oxley Act of 2002 ("Sarbanes-Oxley Act") are filed herewith.

(a)(3) Not applicable to the Registrant.

(b) The certification required by Rule 30a-2(b) under the Act and Section 906 of the Sarbanes-Oxley Act is furnished herewith.

The certification furnished pursuant to Rule 30a-2(b) under the Act and Section 906 of the Sarbanes-Oxley Act will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended ("Exchange Act"), or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Registrant specifically incorporates it by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Neuberger Berman High Yield Strategies Fund Inc.

/s/ Robert Conti

By: Robert Conti

Chief Executive Officer and President

Date: July 1, 2015

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

/s/ Robert Conti

By: Robert Conti

Chief Executive Officer and President

Date: July 1, 2015

/s/ John M. McGovern

By: John M. McGovern

Treasurer and Principal Financial
and Accounting Officer

Date: July 1, 2015