

SALOMON BROTHERS HIGH INCOME FUND II INC

Form N-Q

April 04, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-8709

Salomon Brothers High Income Fund II Inc.

(Exact name of registrant as specified in charter)

125 Broad Street, New York, NY 10004

(Address of principal executive offices) (Zip code)

Robert I. Frenkel, Esq.

Legg Mason & Co., LLC

300 First Stamford Place, 4th Floor

Stamford, CT 06902

(Name and address of agent for service)

Registrant's telephone number, including area code: 1-800-725-6666

Date of fiscal year end: April 30

Date of reporting period: January 31, 2006

ITEM 1. SCHEDULE OF INVESTMENTS

**SALOMON BROTHERS HIGH
INCOME FUND II INC.**

FORM N-Q

JANUARY 31, 2006

SALOMON BROTHERS HIGH INCOME FUND II INC.**Schedule of Investments (unaudited)****January 31, 2006**

| FACE | | | |
|--|---|--|-------------------|
| AMOUNT | SECURITY (a) | | VALUE |
| CORPORATE BONDS & NOTES - 78.6% | | | |
| Aerospace & Defense - 2.1% | | | |
| 3,325,000 | Alliant Techsystems Inc., Senior Subordinated Notes, 8.500% due 5/15/11 | | \$ 3,507,875 |
| 4,200,000 | Argo-Tech Corp., Senior Notes, 9.250% due 6/1/11 | | 4,483,500 |
| 3,100,000 | DRS Technologies Inc., Senior Subordinated Notes, 7.625% due 2/1/18 | | 3,162,000 |
| 5,500,000 | L-3 Communications Corp., Senior Subordinated Notes, 7.625% due 6/15/12 | | 5,788,750 |
| 4,000,000 | Sequa Corp., Senior Notes, 9.000% due 8/1/09 | | 4,360,000 |
| | Total Aerospace & Defense | | 21,302,125 |
| Airlines - 0.2% | | | |
| | Continental Airlines Inc., Pass-Through Certificates: | | |
| 792,336 | Series 1998-IC, Series B, 6.541% due 9/15/08 | | 755,040 |
| 1,730,428 | Series 2000-2, Class C, 8.312% due 4/2/11 | | 1,548,710 |
| | Total Airlines | | 2,303,750 |
| Auto Components - 0.6% | | | |
| 2,100,000 | Keystone Automotive Operations Inc., Senior Subordinated Notes, 9.750% due 11/1/13 | | 1,827,000 |
| 1,700,000 | Tenneco Automotive Inc., Senior Secured Notes, Series B, 10.250% due 7/15/13 | | 1,912,500 |
| 2,409,000 | TRW Automotive Inc., Senior Notes, 9.375% due 2/15/13 | | 2,631,832 |
| | Total Auto Components | | 6,371,332 |
| Automobiles - 3.2% | | | |
| | Ford Motor Co.: | | |
| | Debtures: | | |
| 1,050,000 | 6.625% due 10/1/28 | | 729,750 |
| 1,150,000 | 8.900% due 1/15/32 | | 897,000 |
| 25,600,000 | Notes, 7.450% due 7/16/31 | | 19,008,000 |
| 775,000 | Senior Notes, 4.950% due 1/15/08 | | 715,185 |
| | General Motors Corp., Senior Debtures: | | |
| 2,375,000 | 8.250% due 7/15/23 | | 1,745,625 |
| 13,075,000 | 8.375% due 7/15/33 | | 9,740,875 |
| | Total Automobiles | | 32,836,435 |
| Building Products - 1.2% | | | |
| 8,500,000 | Associated Materials Inc., Senior Discount Notes, step bond to yield 16.089% due 3/1/14 | | 4,420,000 |
| 4,175,000 | Nortek Inc., Senior Subordinated Notes, 8.500% due 9/1/14 | | 4,081,062 |
| 5,075,000 | Ply Gem Industries Inc., Senior Subordinated Notes, 9.000% due 2/15/12 | | 4,415,250 |
| | Total Building Products | | 12,916,312 |

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Capital Markets - 0.3%

| | | |
|-----------|--|-----------|
| 3,104,000 | BCP Crystal U.S. Holdings Corp., Senior Subordinated Notes, 9.625% due 6/15/14 | 3,460,960 |
|-----------|--|-----------|

Chemicals - 6.0%

| | | |
|-----------|---|-----------|
| 2,500,000 | Airgas Inc., Senior Subordinated Notes, 9.125% due 10/1/11 | 2,671,875 |
| 2,800,000 | Borden Chemicals & Plastics LP, Notes, 9.500% due 5/1/05 (b)(c)(d)* | 49,000 |
| 2,850,000 | Borden U.S. Finance Corp./Nova Scotia Finance ULC, Second Priority Senior Secured Notes, 9.000% due 7/15/14 (e) | 2,907,000 |
| 3,500,000 | Equistar Chemicals LP, Senior Notes, 10.625% due 5/1/11 | 3,867,500 |
| 8,500,000 | FMC Corp., Senior Debentures, 7.750% due 7/1/11 | 9,136,871 |
| 3,873,000 | Huntsman International LLC, Senior Subordinated Notes: 10.125% due 7/1/09 | 4,023,079 |
| 675,000 | 7.875% due 1/1/15 (e) | 686,813 |
| 3,675,000 | Innophos Inc., Senior Subordinated Notes, 9.625% due 8/15/14 (e) | 3,785,250 |
| 6,950,000 | ISP Chemco Inc., Senior Subordinated Notes, Series B, 10.250% due 7/1/11 | 7,471,250 |

See Notes to Schedule of Investments.

SALOMON BROTHERS HIGH INCOME FUND II INC.**Schedule of Investments (unaudited) (continued)****January 31, 2006**

| FACE | | |
|--|---|-------------------|
| AMOUNT | SECURITY (a) | VALUE |
| Chemicals (continued) | | |
| 1,517,000 | Lyondell Chemical Co., Senior Secured Notes: 9.500% due 12/15/08 | \$ 1,598,539 |
| 1,400,000 | 11.125% due 7/15/12 | 1,578,500 |
| 3,075,000 | Methanex Corp., Senior Notes, 8.750% due 8/15/12 | 3,436,312 |
| 3,550,000 | Millennium America Inc., Senior Notes, 9.250% due 6/15/08 | 3,834,000 |
| 4,250,000 | Nalco Co., Senior Subordinated Notes, 8.875% due 11/15/13 | 4,462,500 |
| 1,325,000 | OM Group Inc., Senior Subordinated Notes, 9.250% due 12/15/11 | 1,331,625 |
| 4,075,000 | Resolution Performance Products LLC, Senior Subordinated Notes, 13.500% due 11/15/10 Rhodia SA: | 4,370,437 |
| 374,000 | Senior Notes, 10.250% due 6/1/10 | 416,075 |
| 4,586,000 | Senior Subordinated Notes, 8.875% due 6/1/11 | 4,700,650 |
| 1,657,000 | Westlake Chemical Corp., Senior Notes, 8.750% due 7/15/11 | 1,818,557 |
| | Total Chemicals | 62,145,833 |
| Commercial Services & Supplies - 1.8% | | |
| 2,100,000 | Allied Security Escrow Corp., Senior Subordinated Notes, 11.375% due 7/15/11 Allied Waste North America Inc.: Senior Notes: | 2,005,500 |
| 1,050,000 | 7.250% due 3/15/15 | 1,065,750 |
| 1,617,000 | Series B, 9.250% due 9/1/12 Senior Secured Notes, Series B: | 1,758,487 |
| 250,000 | 8.500% due 12/1/08 | 264,063 |
| 6,000,000 | 7.375% due 4/15/14 | 5,835,000 |
| 3,200,000 | Brand Services Inc., Senior Notes, 12.000% due 10/15/12 Cenveo Corp.: | 3,376,000 |
| 1,000,000 | Senior Notes, 9.625% due 3/15/12 | 1,077,500 |
| 3,050,000 | Senior Subordinated Notes, 7.875% due 12/1/13 | 2,989,000 |
| | Total Commercial Services & Supplies | 18,371,300 |
| Communications Equipment - 1.2% | | |
| 10,825,000 | Lucent Technologies Inc., Debentures, 6.450% due 3/15/29 | 9,147,125 |
| 3,775,000 | Nortel Networks Ltd., Notes, 6.125% due 2/15/06 | 3,775,000 |
| | Total Communications Equipment | 12,922,125 |
| Computers & Peripherals - 0.4% | | |
| 3,000,000 | Seagate Technology HDD Holdings, Senior Notes, 8.000% due 5/15/09 | 3,153,750 |
| 1,350,000 | SunGard Data Systems Inc., Senior Notes, 9.125% due 8/15/13 (e) | 1,410,750 |
| | Total Computers & Peripherals | 4,564,500 |

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Containers & Packaging - 2.3%

| | | |
|-----------|--|-------------------|
| 3,250,000 | Berry Plastics Corp., Senior Subordinated Notes, 10.750% due 7/15/12 | 3,542,500 |
| 4,575,000 | Graphic Packaging International Corp., Senior Subordinated Notes, 9.500% due 8/15/13 | 4,323,375 |
| 2,275,000 | Jefferson Smurfit Corp., Senior Notes, 8.250% due 10/1/12 | 2,172,625 |
| 3,750,000 | JSG Funding PLC, Senior Notes, 9.625% due 10/1/12 | 3,890,625 |
| 795,000 | Pliant Corp., Senior Secured Second Lien Notes, 11.125% due 9/1/09 (b) | 697,612 |
| 1,975,000 | Radnor Holdings Corp., Senior Notes, 11.000% due 3/15/10 | 1,629,375 |
| 4,950,000 | Smurfit-Stone Container Enterprises Inc., Senior Notes, 8.375% due 7/1/12 | 4,764,375 |
| 550,000 | Stone Container Finance Co. of Canada II, Senior Notes, 7.375% due 7/15/14 Tekni-Plex Inc.: | 493,625 |
| 1,525,000 | Senior Secured Notes, 8.750% due 11/15/13 (e) | 1,403,000 |
| 2,150,000 | Senior Subordinated Notes, Series B, 12.750% due 6/15/10 | 1,263,125 |
| | | <hr/> |
| | Total Containers & Packaging | 24,180,237 |
| | | <hr/> |

See Notes to Schedule of Investments.

SALOMON BROTHERS HIGH INCOME FUND II INC.**Schedule of Investments (unaudited) (continued)****January 31, 2006**

| FACE | | | |
|--|---|--|-------------------|
| AMOUNT | SECURITY (a) | | VALUE |
| Diversified Consumer Services - 0.1% | | | |
| 1,300,000 | Hertz Corp., Senior Notes, 8.875% due 1/1/14 (e) | | \$ 1,348,750 |
| Diversified Financial Services - 4.5% | | | |
| 4,430,000 | Alamosa Delaware Inc.: Senior Discount Notes, step bond to yield 8.908% due 7/31/09 | | 4,834,237 |
| 1,950,000 | Senior Notes, 11.000% due 7/31/10 | | 2,193,750 |
| | Ford Motor Credit Co., Notes: | | |
| 7,975,000 | 6.625% due 6/16/08 | | 7,508,359 |
| 3,075,000 | 7.875% due 6/15/10 | | 2,896,112 |
| 18,450,000 | General Motors Acceptance Corp., Bonds, 8.000% due 11/1/31 | | 18,863,926 |
| 6,299,109 | Iowa Select Farm LP, Senior Secured Notes, 6.500% due 12/1/12 (e) | | 3,149,554 |
| 1,950,000 | Nell AF SARL, Senior Notes, 8.375% due 8/15/15 (e) | | 1,957,313 |
| 6,910,000 | Vanguard Health Holdings Co. I LLC, Senior Discount Notes, step bond to yield 10.051% due 10/1/15 | | 5,078,850 |
| | Total Diversified Financial Services | | 46,482,101 |
| Diversified Telecommunication Services - 3.6% | | | |
| 4,600,000 | AT&T Corp., Senior Notes, 9.750% due 11/15/31 | | 5,704,860 |
| 4,350,000 | Insight Midwest LP/Insight Capital Inc., Senior Notes, 10.500% due 11/1/10 | | 4,605,562 |
| 1,375,000 | Intelsat Bermuda Ltd., Senior Notes, 9.609% due 1/15/12 (e)(f) | | 1,405,938 |
| 3,200,000 | Intelsat Ltd., Senior Discount Notes, step bond to yield 9.848% due 2/1/15 (e) | | 2,128,000 |
| 6,075,000 | MCI Inc., Senior Notes, 8.735% due 5/1/14 | | 6,864,750 |
| 1,355,000 | PanAmSat Corp., Senior Notes, 9.000% due 8/15/14 | | 1,431,219 |
| | Qwest Communications International Inc., Senior Notes: | | |
| 900,000 | 7.500% due 2/15/14 (e) | | 913,500 |
| 365,000 | 7.500% due 2/15/14 | | 370,475 |
| | Qwest Corp.: | | |
| 455,000 | 7.500% due 6/15/23 | | 448,744 |
| 5,678,000 | Debentures, 6.875% due 9/15/33 | | 5,266,345 |
| 7,325,000 | Notes, 8.875% due 3/15/12 | | 8,149,062 |
| 6,000,000 ^{MXN} | Telefonos de Mexico S.A. de C.V., 8.750% due 1/31/16 | | 569,436 |
| | Total Diversified Telecommunication Services | | 37,857,891 |
| Electric Utilities - 2.2% | | | |
| | Edison Mission Energy, Senior Notes: | | |
| 4,575,000 | 7.730% due 6/15/09 | | 4,723,688 |
| 5,175,000 | 9.875% due 4/15/11 | | 6,028,875 |
| 2,925,000 | Mirant Americas Generation LLC, Senior Notes, 9.125% due 5/1/31 (b) | | 3,126,094 |
| | Reliant Energy Inc., Senior Secured Notes: | | |
| 5,325,000 | 9.250% due 7/15/10 | | 5,285,062 |
| 3,975,000 | 9.500% due 7/15/13 | | 3,955,125 |
| | Total Electric Utilities | | 23,118,844 |

Electronic Equipment & Instruments - 0.4%

| | | |
|-----------|--|-----------|
| 1,750,000 | Kinetek Inc., Senior Notes, Series D, 10.750% due 11/15/06 | 1,710,625 |
| 2,325,000 | Muzak LLC/Muzak Finance Corp., Senior Notes, 10.000% due 2/15/09 | 2,069,250 |

Total Electronic Equipment & Instruments

3,779,875

Energy Equipment & Services - 0.3%

| | | |
|-----------|---|-----------|
| 3,175,000 | Hanover Compressor Co., Senior Notes, 9.000% due 6/1/14 | 3,484,563 |
|-----------|---|-----------|

Food & Staples Retailing - 0.5%

| | | |
|-----------|---|-----------|
| 4,725,000 | Jean Coutu Group Inc., Senior Subordinated Notes, 8.500% due 8/1/14 | 4,524,188 |
| 310,000 | Rite Aid Corp., Notes, 7.125% due 1/15/07 | 312,325 |

Total Food & Staples Retailing

4,836,513

See Notes to Schedule of Investments.

SALOMON BROTHERS HIGH INCOME FUND II INC.**Schedule of Investments (unaudited) (continued)****January 31, 2006**

| FACE | | |
|--|---|-------------------|
| AMOUNT | SECURITY (a) | VALUE |
| Food Products - 1.1% | | |
| 2,350,000 | Doane Pet Care Co., Senior Subordinated Notes, 10.625% due 11/15/15 (e) | \$ 2,467,500 |
| 1,600,000 | Dole Food Co. Inc.: Debentures, 8.750% due 7/15/13 | 1,622,000 |
| 1,800,000 | Senior Notes: 7.250% due 6/15/10 | 1,748,250 |
| 1,050,000 | 8.875% due 3/15/11 | 1,069,688 |
| 4,675,000 | Pinnacle Foods Holding Corp., Senior Subordinated Notes, 8.250% due 12/1/13 | 4,523,062 |
| Total Food Products | | 11,430,500 |
| Health Care Equipment & Supplies - 0.3% | | |
| 2,500,000 | Sybron Dental Specialties Inc., Senior Subordinated Notes, 8.125% due 6/15/12 | 2,650,000 |
| Health Care Providers & Services - 3.5% | | |
| 4,425,000 | AmeriPath Inc., Senior Subordinated Notes, 10.500% due 4/1/13 | 4,690,500 |
| 4,450,000 | DaVita Inc., Senior Subordinated Notes, 7.250% due 3/15/15 | 4,500,063 |
| 5,120,000 | Extendicare Health Services Inc., Senior Subordinated Notes, 9.500% due 7/1/10 | 5,459,200 |
| 2,100,000 | HCA Inc., Notes, 6.375% due 1/15/15 | 2,107,012 |
| 4,800,000 | IASIS Healthcare LLC/IASIS Capital Corp., Senior Subordinated Notes, 8.750% due 6/15/14 | 4,938,000 |
| 2,350,000 | InSight Health Services Corp., Senior Subordinated Notes, Series B, 9.875% due 11/1/11 | 1,586,250 |
| 6,000,000 | Tenet Healthcare Corp., Senior Notes: 7.375% due 2/1/13 | 5,490,000 |
| 2,025,000 | 9.875% due 7/1/14 | 2,035,125 |
| 1,525,000 | 6.875% due 11/15/31 | 1,227,625 |
| 4,550,000 | Triad Hospitals Inc., Senior Subordinated Notes, 7.000% due 11/15/13 | 4,612,562 |
| Total Health Care Providers & Services | | 36,646,337 |
| Hotels, Restaurants & Leisure - 7.8% | | |
| 3,055,000 | Ameristar Casinos Inc., Senior Subordinated Notes, 10.750% due 2/15/09 | 3,219,206 |
| 5,000,000 | AMF Bowling Worldwide Inc., Senior Subordinated Notes, 10.000% due 3/1/10 | 5,137,500 |
| 700,000 | Caesars Entertainment Inc., Senior Subordinated Notes: 9.375% due 2/15/07 | 728,875 |
| 4,500,000 | 8.875% due 9/15/08 | 4,882,500 |
| 3,000,000 | 8.125% due 5/15/11 | 3,322,500 |
| 2,725,000 | Carrolls Corp., Senior Subordinated Notes, 9.000% due 1/15/13 | 2,670,500 |
| 6,325,000 | Cinemark Inc., Senior Discount Notes, step bond to yield 9.905% due 3/15/14 | 4,648,875 |
| 4,725,000 | Denny's Holdings Inc., Senior Notes, 10.000% due 10/1/12 | 4,854,937 |
| 2,225,000 | Equinox Holdings Inc., Senior Notes, 9.000% due 12/15/09 | 2,380,750 |
| 4,150,000 | Herbst Gaming Inc., Senior Subordinated Notes, 7.000% due 11/15/14 | 4,160,375 |
| 3,780,000 | Inn of the Mountain Gods Resort & Casino, Senior Notes, 12.000% due 11/15/10 | 3,713,850 |
| 4,800,000 | Isle of Capri Casinos Inc., Senior Subordinated Notes, 7.000% due 3/1/14 | 4,734,000 |
| 3,675,000 | Kerzner International Ltd., Senior Subordinated Notes, 6.750% due 10/1/15 | 3,601,500 |
| 3,850,000 | Las Vegas Sands Corp., Senior Notes, 6.375% due 2/15/15 | 3,691,187 |
| | MGM MIRAGE Inc.: | |

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| | | |
|-----------|--|-----------|
| 1,775,000 | Senior Notes, 6.750% due 9/1/12 | 1,814,938 |
| 6,375,000 | Senior Subordinated Notes, 9.750% due 6/1/07 | 6,725,625 |
| | Mohegan Tribal Gaming Authority, Senior Subordinated Notes: | |
| 1,050,000 | 7.125% due 8/15/14 | 1,089,375 |
| 2,475,000 | 6.875% due 2/15/15 | 2,521,406 |
| 4,700,000 | Pinnacle Entertainment Inc., Senior Subordinated Notes, 8.250% due 3/15/12 | 4,888,000 |

See Notes to Schedule of Investments.

SALOMON BROTHERS HIGH INCOME FUND II INC.**Schedule of Investments (unaudited) (continued)****January 31, 2006**

| FACE | | | |
|--|--|--|-------------------|
| AMOUNT | SECURITY (a) | | VALUE |
| Hotels, Restaurants & Leisure (continued) | | | |
| 2,825,000 | Sbarro Inc., Senior Notes, 11.000% due 9/15/09 | | \$ 2,853,250 |
| 84,000 | Six Flags Inc., Senior Notes: 8.875% due 2/1/10 | | 85,680 |
| 1,500,000 | 9.750% due 4/15/13 | | 1,543,125 |
| 2,225,000 | 9.625% due 6/1/14 | | 2,275,063 |
| 4,300,000 | Starwood Hotels & Resorts Worldwide Inc., Senior Notes, 7.875% due 5/1/12 | | 4,730,000 |
| 475,000 | Station Casinos Inc., Senior Subordinated Notes, 6.875% due 3/1/16 | | 485,094 |
| Total Hotels, Restaurants & Leisure | | | 80,758,111 |
| Household Durables - 1.5% | | | |
| 346,000 | Applica Inc., Senior Subordinated Notes, 10.000% due 7/31/08 | | 337,350 |
| 4,000,000 | Holt Group Inc., Senior Notes, 9.750% due 1/15/06 (b)(c)(d)* | | 0 |
| 4,356,000 | Home Interiors & Gifts Inc., Senior Subordinated Notes, 10.125% due 6/1/08 (g) Interface Inc.: | | 3,506,580 |
| 2,875,000 | Senior Notes, 10.375% due 2/1/10 | | 3,140,937 |
| 1,500,000 | Senior Subordinated Notes, 9.500% due 2/1/14 | | 1,507,500 |
| 4,150,000 | Sealy Mattress Co., Senior Subordinated Notes, 8.250% due 6/15/14 | | 4,305,625 |
| 2,145,000 | Tempur-Pedic Inc./Tempur Production USA Inc., Senior Subordinated Notes, 10.250% due 8/15/10 | | 2,321,963 |
| Total Household Durables | | | 15,119,955 |
| Independent Power Producers & Energy Traders - 4.0% | | | |
| AES Corp., Senior Notes: | | | |
| 1,325,000 | 9.500% due 6/1/09 | | 1,439,281 |
| 1,400,000 | 9.375% due 9/15/10 | | 1,536,500 |
| 4,425,000 | 7.750% due 3/1/14 | | 4,690,500 |
| Calpine Corp.: | | | |
| 1,055,000 | Second Priority Senior Secured Notes, 8.500% due 7/15/10 (b)(e) | | 948,181 |
| 1,575,000 | Senior Secured Notes, 8.750% due 7/15/13 (b)(e) | | 1,409,625 |
| 2,500,000 | Calpine Generating Co. LLC, Senior Secured Notes, 13.216% due 4/1/11 (b) Dynergy Holdings Inc.: | | 2,668,750 |
| 2,000,000 | Second Priority Senior Secured Notes, 9.875% due 7/15/10 (e) | | 2,200,000 |
| Senior Debentures: | | | |
| 4,550,000 | 7.125% due 5/15/18 | | 4,390,750 |
| 8,350,000 | 7.625% due 10/15/26 | | 8,099,500 |
| NRG Energy Inc.: | | | |
| 6,044,000 | Second Priority Senior Secured Notes, 8.000% due 12/15/13 | | 6,769,280 |
| Senior Notes: | | | |
| 1,675,000 | 7.250% due 2/1/14 | | 1,706,407 |
| 5,100,000 | 7.375% due 2/1/16 | | 5,214,750 |
| Total Independent Power Producers & Energy Traders | | | 41,073,524 |

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Industrial Conglomerates - 0.5%

| | | |
|-----------|--|-----------|
| 7,000,000 | KI Holdings Inc., Senior Discount Notes, step bond to yield 10.248% due 11/15/14 | 4,725,000 |
| 2,750,000 | Moll Industries Inc., Senior Subordinated Notes, 10.500% due 7/1/08 (b)(c)(d)* | 0 |

Total Industrial Conglomerates

4,725,000

IT Services - 0.9%

| | | |
|-----------|---|-----------|
| 4,035,000 | Iron Mountain Inc., Senior Subordinated Notes: 8.625% due 4/1/13 | 4,226,662 |
| 1,600,000 | 7.750% due 1/15/15 | 1,632,000 |
| 3,400,000 | Unisys Corp., Senior Notes, 8.000% due 10/15/12 | 3,255,500 |

Total IT Services

9,114,162

See Notes to Schedule of Investments.

SALOMON BROTHERS HIGH INCOME FUND II INC.

Schedule of Investments (unaudited) (continued)

January 31, 2006

| FACE | | |
|-------------------------|---|-------------------|
| AMOUNT | SECURITY (a) | VALUE |
| Machinery - 1.3% | | |
| 450,000 | Case New Holland Inc., Senior Notes, 9.250% due 8/1/11 | \$ 483,750 |
| 2,100,000 | Invensys PLC, Senior Notes, 9.875% due 3/15/11 (e) | 2,163,000 |
| 1,525,000 | Mueller Group Inc., Senior Subordinated Notes, 10.000% due 5/1/12 | 1,624,125 |
| 4,375,000 | Mueller Holdings Inc., Discount Notes, step bond to yield 11.760% due 4/15/14 | 3,368,750 |
| 1,850,000 | NMHG Holding Co., Senior Notes, 10.000% due 5/15/09 | 1,970,250 |
| 4,000,000 | Terex Corp., Senior Subordinated Notes, Series B, 10.375% due 4/1/11 | 4,250,000 |
| | Total Machinery | 13,859,875 |
| Media - 9.5% | | |
| 2,825,000 | AMC Entertainment Inc., Senior Subordinated Notes, 11.000% due 2/1/16 (e) | 2,839,125 |
| 6,435,325 | CanWest Media Inc., Senior Subordinated Notes, 8.000% due 9/15/12 | 6,547,943 |
| | CCH I Holdings LLC: | |
| | Senior Accreting Notes: | |
| 11,525,000 | Step bond to yield 24.967% due 5/15/14 (e) | 5,935,375 |
| 10,000,000 | Step bond to yield 25.221% due 1/15/15 (e) | 4,450,000 |
| 4,245,000 | Senior Secured Notes, 11.000% due 10/1/15 (e) | 3,512,737 |
| 925,000 | Charter Communications Operating LLC, Second Lien Senior Notes, 8.375% due 4/30/14 (e) | 928,469 |
| | CSC Holdings Inc.: | |
| 3,850,000 | Debentures, Series B, 8.125% due 8/15/09 | 3,927,000 |
| 3,400,000 | Senior Notes, Series B, 7.625% due 4/1/11 | 3,421,250 |
| | Dex Media East LLC/Dex Media East Finance Co., Senior Notes: | |
| 1,750,000 | 9.875% due 11/15/09 | 1,898,750 |
| 813,000 | Series B, 12.125% due 11/15/12 | 945,113 |
| 4,500,000 | Dex Media Inc., Discount Notes, step bond to yield 8.110% due 11/15/13 | 3,735,000 |
| 2,344,000 | Dex Media West LLC/Dex Media Finance Co., Senior Subordinated Notes, Series B, 9.875% due 8/15/13 | 2,598,910 |
| 3,022,000 | DIRECTV Holdings LLC/DIRECTV Financing Co. Inc., Senior Notes, 8.375% due 3/15/13 | 3,256,205 |
| | EchoStar DBS Corp., Senior Notes: | |
| 5,661,000 | 9.125% due 1/15/09 | 5,936,974 |
| 9,325,000 | 7.125% due 2/1/16 (e) | 9,243,406 |
| 2,500,000 | Houghton Mifflin Co., Senior Discount Notes, step bond to yield 9.807% due 10/15/13 | 2,056,250 |
| 1,950,000 | Interp National Radio Sales Inc., Senior Subordinated Notes, Series B, 10.000% due 7/1/08 | 1,669,688 |
| 4,875,000 | Mediacom LLC/Mediacom Capital Corp., Senior Notes, 9.500% due 1/15/13 | 4,862,812 |
| 4,825,000 | Nexstar Finance Inc., Senior Subordinated Notes, 7.000% due 1/15/14 | 4,493,281 |
| | R.H. Donnelley Corp.: | |
| | Senior Discount Notes: | |
| 1,000,000 | Series A-1, 6.875% due 1/15/13 (e) | 920,000 |
| 2,200,000 | Series A-2, 6.875% due 1/15/13 (e) | 2,029,500 |
| 4,700,000 | Senior Notes, Series A-3, 8.875% due 1/15/16 (e) | 4,776,375 |
| 900,000 | R.H. Donnelley Finance Corp. I, Senior Subordinated Notes, 10.875% due 12/15/12 (e) | 1,017,000 |
| 3,475,000 | Radio One Inc., Senior Subordinated Notes, Series B, 8.875% due 7/1/11 | 3,670,469 |
| 1,000,000 | Rogers Cable Inc., Senior Secured Notes, 6.250% due 6/15/13 | 992,500 |
| 4,225,000 | Sinclair Broadcast Group Inc., Senior Subordinated Notes, 8.000% due 3/15/12 | 4,298,937 |
| 750,000 | Videotron Ltd., Senior Notes, 6.375% due 12/15/15 (e) | 746,250 |
| | Yell Finance BV: | |

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| | | |
|--------------------|--|-------------------|
| 6,776,000 | Senior Discount Notes, step bond to yield 10.985% due 8/1/11 | 7,030,100 |
| 606,000 | Senior Notes, 10.750% due 8/1/11 | 655,238 |
| | | <hr/> |
| Total Media | | 98,394,657 |
| | | <hr/> |

See Notes to Schedule of Investments.

SALOMON BROTHERS HIGH INCOME FUND II INC.**Schedule of Investments (unaudited) (continued)****January 31, 2006**

| FACE | | | |
|---|---|----|-------------------|
| AMOUNT | SECURITY (a) | | VALUE |
| Metals & Mining - 0.6% | | | |
| 2,225,000 | Aleris International Inc., Senior Secured Notes, 10.375% due 10/15/10 | \$ | 2,458,625 |
| 4,500,000 | Novelis Inc., Senior Notes, 7.500% due 2/15/15 (e) | | 4,275,000 |
| 5,000,000 | Republic Technologies International LLC/RTI Capital Corp., Senior Secured Notes, 13.750% due 7/15/09 (b)(c)(d)* | | 0 |
| | Total Metals & Mining | | 6,733,625 |
| Multiline Retail - 0.6% | | | |
| 2,500,000 | Harry & David Operations, Senior Notes, 9.000% due 3/1/13 | | 2,550,000 |
| 1,675,000 | Neiman Marcus Group Inc., Senior Subordinated Notes, 10.375% due 10/15/15 (e) | | 1,735,719 |
| 1,543,000 | Saks Inc., Notes, 9.875% due 10/1/11 | | 1,689,585 |
| | Total Multiline Retail | | 5,975,304 |
| Office Electronics - 0.4% | | | |
| 4,375,000 | Xerox Capital Trust I Exchange Capital Securities, 8.000% due 2/1/27 | | 4,533,594 |
| Oil, Gas & Consumable Fuels - 5.9% | | | |
| | Chesapeake Energy Corp., Senior Notes: | | |
| 6,250,000 | 6.625% due 1/15/16 | | 6,343,750 |
| 2,725,000 | 6.875% due 11/15/20 (e) | | 2,793,125 |
| 5,127,000 | Cimarex Energy Co., Senior Notes, 9.600% due 3/15/12 | | 5,582,021 |
| | El Paso Corp.: | | |
| | Medium-Term Notes: | | |
| 5,425,000 | 7.800% due 8/1/31 | | 5,723,375 |
| 6,325,000 | 7.750% due 1/15/32 | | 6,720,312 |
| 5,200,000 | Notes, 7.875% due 6/15/12 | | 5,525,000 |
| 2,325,000 | Inergy LP/Inergy Finance Corp., Senior Notes, 8.250% due 3/1/16 (e) | | 2,365,688 |
| 2,275,000 | Massey Energy Co., Senior Notes, 6.625% due 11/15/10 | | 2,320,500 |
| | Pemex Project Funding Master Trust: | | |
| 3,100,000 | 6.125% due 8/15/08 | | 3,165,100 |
| 250,000 | 7.375% due 12/15/14 | | 276,625 |
| 4,575,000 | Plains Exploration & Production Co., Senior Notes, 7.125% due 6/15/14 | | 4,826,625 |
| 2,000,000 | Pogo Producing Co., Senior Subordinated Notes, Series B, 8.250% due 4/15/11 | | 2,097,500 |
| 1,000,000 | Swift Energy Co., Senior Subordinated Notes, 9.375% due 5/1/12 | | 1,082,500 |
| | Williams Cos. Inc.: | | |
| | Notes: | | |
| 3,650,000 | 7.875% due 9/1/21 | | 4,051,500 |
| 3,225,000 | 8.750% due 3/15/32 | | 3,853,875 |
| 3,700,000 | Senior Notes, 7.625% due 7/15/19 | | 4,070,000 |
| | Total Oil, Gas & Consumable Fuels | | 60,797,496 |

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Paper & Forest Products - 1.3%

| | | |
|-----------|---|-----------|
| 3,850,000 | Abitibi-Consolidated Inc., Debentures, 8.850% due 8/1/30 | 3,311,000 |
| 4,375,000 | Appleton Papers Inc., Senior Subordinated Notes, Series B, 9.750% due 6/15/14 | 4,178,125 |
| 4,850,000 | Buckeye Technologies Inc., Senior Subordinated Notes, 8.000% due 10/15/10 | 4,704,500 |
| 1,000,000 | Newark Group Inc., Senior Subordinated Notes, 9.750% due 3/15/14 | 890,000 |
| 1,000,000 | Smurfit Capital Funding PLC, Debentures, 7.500% due 11/20/25 | 900,000 |

Total Paper & Forest Products

13,983,625

Personal Products - 0.4%

| | | |
|-----------|---|-----------|
| 4,350,000 | Playtex Products Inc., Senior Subordinated Notes, 9.375% due 6/1/11 | 4,594,688 |
|-----------|---|-----------|

Pharmaceuticals - 0.3%

| | | |
|-----------|--|-----------|
| 2,025,000 | Leiner Health Products Inc., Senior Subordinated Notes, 11.000% due 6/1/12 | 1,938,938 |
|-----------|--|-----------|

See Notes to Schedule of Investments.

SALOMON BROTHERS HIGH INCOME FUND II INC.

Schedule of Investments (unaudited) (continued)

January 31, 2006

| FACE | | |
|--|---|-------------------|
| AMOUNT | SECURITY (a) | VALUE |
| Pharmaceuticals (continued) | | |
| 1,665,000 | Valeant Pharmaceuticals International, Senior Notes, 7.000% due 12/15/11 | \$ 1,640,025 |
| Total Pharmaceuticals | | 3,578,963 |
| Real Estate - 1.2% | | |
| Host Marriott LP, Senior Notes: | | |
| 2,500,000 | 7.125% due 11/1/13 | 2,584,375 |
| 1,625,000 | Series I, 9.500% due 1/15/07 | 1,692,031 |
| 3,400,000 | Series O, 6.375% due 3/15/15 | 3,374,500 |
| 3,525,000 | MeriStar Hospitality Corp., Senior Notes, 9.125% due 1/15/11 | 3,833,438 |
| 825,000 | MeriStar Hospitality Operating Partnership LP/MeriStar Hospitality Finance Corp., Senior Notes, 10.500% due 6/15/09 | 870,375 |
| Total Real Estate | | 12,354,719 |
| Semiconductors & Semiconductor Equipment - 0.5% | | |
| Amkor Technology Inc.: | | |
| 2,825,000 | Senior Notes, 9.250% due 2/15/08 | 2,782,625 |
| 2,300,000 | Senior Subordinated Notes, 10.500% due 5/1/09 | 2,173,500 |
| Total Semiconductors & Semiconductor Equipment | | 4,956,125 |
| Specialty Retail - 1.4% | | |
| 4,050,000 | Buffets Inc., Senior Subordinated Notes, 11.250% due 7/15/10 | 4,227,187 |
| 2,400,000 | Eye Care Centers of America, Senior Subordinated Notes, 10.750% due 2/15/15 | 2,370,000 |
| 1,600,000 | Finlay Fine Jewelry Corp., Senior Notes, 8.375% due 6/1/12 | 1,428,000 |
| 3,325,000 | Hines Nurseries Inc., Senior Notes, 10.250% due 10/1/11 | 3,300,062 |
| 2,281,000 | Jafra Cosmetics International Inc., Senior Subordinated Notes, 10.750% due 5/15/11 | 2,497,695 |
| 1,425,000 | Toys R Us Inc., Notes, 7.375% due 10/15/18 | 1,050,938 |
| Total Specialty Retail | | 14,873,882 |
| Textiles, Apparel & Luxury Goods - 1.5% | | |
| 3,275,000 | Collins & Aikman Floor Covering Inc., Senior Subordinated Notes, Series B, 9.750% due 2/15/10 | 3,029,375 |
| Levi Strauss & Co., Senior Notes: | | |
| 1,150,000 | 9.280% due 4/1/12 (f) | 1,184,500 |
| 810,000 | 12.250% due 12/15/12 | 923,400 |
| 4,825,000 | 9.750% due 1/15/15 | 5,108,469 |
| 2,950,000 | Simmons Co., Senior Discount Notes, step bond to yield 13.192% due 12/15/14 (e) | 1,681,500 |
| 3,275,000 | Tommy Hilfiger USA Inc., Notes, 6.850% due 6/1/08 | 3,373,250 |
| Total Textiles, Apparel & Luxury Goods | | 15,300,494 |

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Wireless Telecommunication Services - 3.2%

| | | |
|------------|--|------------|
| 1,825,000 | American Tower Corp., Senior Notes, 7.500% due 5/1/12 | 1,920,813 |
| 1,800,000 | American Tower Escrow Corp., Discount Notes, zero coupon bond to yield 9.588% due 8/1/08 | 1,424,250 |
| 2,125,000 | Centennial Communications Corp., Senior Notes, 10.250% due 1/1/13 (e)(f) | 2,183,437 |
| 325,000 | Dobson Cellular Systems Inc., 1st Priority Senior Secured Notes, 8.375% due 11/1/11 | 347,750 |
| 14,050,000 | Nextel Communications Inc., Senior Notes, Series D, 7.375% due 8/1/15 | 14,859,772 |
| 3,564,000 | SBA Communications Corp., Senior Notes, 8.500% due 12/1/12 | 3,956,040 |
| 3,900,000 | UbiquiTel Operating Co., Senior Notes, 9.875% due 3/1/11 | 4,299,750 |
| 3,800,000 | US Unwired Inc., Second Priority Secured Notes, Series B, 10.000% due 6/15/12 | 4,322,500 |

| | |
|--|-------------------|
| Total Wireless Telecommunication Services | 33,314,312 |
|--|-------------------|

TOTAL CORPORATE BONDS & NOTES

| | |
|------------------------|--------------------|
| (Cost - \$817,836,964) | 817,052,394 |
|------------------------|--------------------|

See Notes to Schedule of Investments.

SALOMON BROTHERS HIGH INCOME FUND II INC.

Schedule of Investments (unaudited) (continued)

January 31, 2006

| FACE | | |
|---|--|---------------------|
| AMOUNT | SECURITY (a) | VALUE |
| CONVERTIBLE BOND & NOTE - 0.3% | | |
| Wireless Telecommunication Services - 0.3% | | |
| 2,675,000 | American Tower Corp., Notes, 5.000% due 2/15/10 | |
| | (Cost - \$1,461,515) | \$ 2,661,625 |
| ASSET-BACKED SECURITY - 0.0% | | |
| Diversified Financial Services - 0.0% | | |
| 1,975,400 | Airplanes Pass-Through Trust, Subordinated Notes, Series D, 10.875% due 3/15/12 (b)(c)(d)* | |
| | (Cost - \$2,053,580) | 0 |
| SOVEREIGN BONDS - 9.2% | | |
| Argentina - 0.4% | | |
| | Republic of Argentina: | |
| 250,000 ^{EUR} | 10.250% due 1/26/07 (b) | 92,317 |
| 275,000 ^{EUR} | 8.000% due 2/26/08 (b) | 99,042 |
| 2,410,625 | 4.823% due 8/3/12 | 2,183,337 |
| 300,000 ^{EUR} | 9.000% due 6/20/49 (b) | 106,222 |
| 1,400,000 ^{EUR} | 9.250% due 10/21/49 (b) | 480,810 |
| | Medium-Term Notes: | |
| 600,000 ^{EUR} | 8.125% due 10/4/03 (b) | 206,061 |
| 1,175,000 ^{EUR} | 7.000% due 3/18/04 (b) | 417,821 |
| 525,000 ^{EUR} | 9.000% due 5/24/49 (b) | 186,686 |
| 825,000 ^{EUR} | Series GDP, 0.000% due 12/15/35 | 68,452 |
| | Total Argentina | 3,840,748 |
| Brazil - 1.9% | | |
| | Federative Republic of Brazil: | |
| 2,005,000 | 8.750% due 2/4/25 | 2,295,725 |
| 3,799,000 | Collective Action Securities, 8.000% due 1/15/18 | 4,153,257 |
| 9,773,108 | DCB, Series L, 5.250% due 4/15/12 (f) | 9,748,675 |
| | FLIRB, Series L: | |
| 1,453,846 | 5.188% due 4/15/09 (f) | 1,450,212 |
| 511,538 | 5.188% due 4/15/09 (f) | 510,259 |
| 1,111,860 | NMB, Series L, 5.250% due 4/15/09 (f) | 1,112,527 |
| | Total Brazil | 19,270,655 |
| Bulgaria - 0.1% | | |
| 1,285,000 | Republic of Bulgaria, 8.250% due 1/15/15 (e) | 1,542,000 |
| Chile - 0.2% | | |
| 1,910,000 | Republic of Chile, 5.500% due 1/15/13 | 1,951,144 |

Colombia - 0.5%

| | | |
|-----------|-----------------------|------------------|
| 3,575,000 | Republic of Colombia: | |
| 105,000 | 11.750% due 2/25/20 | 5,112,250 |
| | 10.375% due 1/28/33 | 143,693 |
| | Total Colombia | 5,255,943 |

Ecuador - 0.1%

| | | |
|-----------|---|-----------|
| 1,330,000 | Republic of Ecuador, step bond to yield 10.221% due 8/15/30 (e) | 1,296,750 |
|-----------|---|-----------|

El Salvador - 0.2%

| | | |
|-----------|--------------------------|------------------|
| 1,300,000 | Republic of El Salvador: | |
| 270,000 | 7.750% due 1/24/23 (e) | 1,457,625 |
| | 8.250% due 4/10/32 (e) | 306,450 |
| | Total El Salvador | 1,764,075 |

Mexico - 1.8%

United Mexican States:

See Notes to Schedule of Investments.

SALOMON BROTHERS HIGH INCOME FUND II INC.**Schedule of Investments (unaudited) (continued)****January 31, 2006**

| FACE | | |
|---------------------------|--|-------------------|
| AMOUNT | SECURITY (a) | VALUE |
| Mexico (continued) | | |
| 1,020,000 | 11.375% due 9/15/16 | \$ 1,505,775 |
| 1,410,000 | 8.125% due 12/30/19 | 1,727,250 |
| | Medium-Term Notes, Series A: | |
| 1,050,000 | 6.375% due 1/16/13 | 1,113,525 |
| 2,894,000 | 5.875% due 1/15/14 | 2,984,437 |
| 9,700,000 | 8.000% due 9/24/22 | 11,848,550 |
| | Total Mexico | 19,179,537 |
| Panama - 0.4% | | |
| | Republic of Panama: | |
| 1,285,000 | 9.625% due 2/8/11 | 1,514,373 |
| 550,000 | 7.250% due 3/15/15 | 597,850 |
| 1,689,509 | PDI, 5.563% due 7/17/16 | 1,651,495 |
| | Total Panama | 3,763,718 |
| Peru - 0.7% | | |
| | Republic of Peru: | |
| 90,000 | 9.125% due 2/21/12 | 104,400 |
| 125,000 | 9.875% due 2/6/15 | 155,313 |
| 4,935,000 | 8.750% due 11/21/33 | 5,823,300 |
| 171,500 | FLIRB, 5.000% due 3/7/17 (e)(f) | 164,640 |
| | Global Bonds: | |
| 425,000 | 8.375% due 5/3/16 | 485,562 |
| 550,000 | 7.350% due 7/21/25 | 570,625 |
| | Total Peru | 7,303,840 |
| Philippines - 0.5% | | |
| | Republic of the Philippines: | |
| 1,675,000 | 8.250% due 1/15/14 | 1,795,349 |
| 700,000 | 9.375% due 1/18/17 | 806,715 |
| 1,975,000 | 9.500% due 2/2/30 | 2,315,589 |
| | Total Philippines | 4,917,653 |
| Poland - 0.1% | | |
| 1,120,000 | Republic of Poland, 5.250% due 1/15/14 | 1,133,300 |
| Russia - 0.9% | | |
| | Russian Federation: | |
| 425,000 | 8.250% due 3/31/10 (e) | 452,625 |

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| | | |
|----------------------------|---|------------------|
| 1,100,000 | 11.000% due 7/24/18 (e) | 1,617,000 |
| 6,575,000 | Step bond to yield 5.672% due 3/31/30 (e) | 7,347,563 |
| | | <hr/> |
| | Total Russia | 9,417,188 |
| | | <hr/> |
| South Africa - 0.1% | | |
| | Republic of South Africa: | |
| 575,000 | 9.125% due 5/19/09 | 644,000 |
| 725,000 | 6.500% due 6/2/14 | 783,000 |
| | | <hr/> |
| | Total South Africa | 1,427,000 |
| | | <hr/> |
| Turkey - 0.7% | | |
| | Republic of Turkey: | |
| 500,000 | 11.750% due 6/15/10 | 611,250 |
| 5,875,000 | 7.000% due 6/5/20 | 5,955,781 |
| 335,000 | 11.875% due 1/15/30 | 513,178 |
| | | <hr/> |
| | Total Turkey | 7,080,209 |
| | | <hr/> |

See Notes to Schedule of Investments.

SALOMON BROTHERS HIGH INCOME FUND II INC.**Schedule of Investments (unaudited) (continued)****January 31, 2006**

| FACE | | | |
|--------------------------------------|--|--|-------------------|
| AMOUNT | | SECURITY (a) | VALUE |
| Ukraine - 0.1% | | | |
| 1,010,000 | | Republic of Ukraine, 7.650% due 6/11/13 (e) | \$ 1,073,125 |
| Uruguay - 0.1% | | | |
| 955,000 | | Republic of Uruguay, Benchmark Bonds, 7.500% due 3/15/15 | 1,007,525 |
| Venezuela - 0.4% | | | |
| | | Bolivarian Republic of Venezuela: | |
| 1,175,000 | | 5.375% due 8/7/10 (e) | 1,150,325 |
| 750,000 | | 7.650% due 4/21/25 | 795,937 |
| 1,550,000 | | Collective Action Securities, 10.750% due 9/19/13 | 1,937,500 |
| 425,000 | | Par Bonds, Series A, 6.750% due 3/31/20 | 426,594 |
| | | Total Venezuela | 4,310,356 |
| TOTAL SOVEREIGN BONDS | | | |
| | | (Cost - \$88,283,456) | 95,534,766 |
| SHARES | | | |
| ESCROWED SHARES(d) - 0.0% | | | |
| 8,800,000 | | Breed Technologies Inc. (b)(c)* | 0 |
| 5,500,000 | | Imperial Holly Co. * | 0 |
| 2,025,000 | | Pillowtex Corp. * | 0 |
| 2,648,056 | | Vlasic Foods International Inc. (b)(c)* | 52,961 |
| | | TOTAL ESCROWED SHARES | |
| | | (Cost - \$0) | 52,961 |
| COMMON STOCKS - 4.4% | | | |
| CONSUMER DISCRETIONARY - 2.0% | | | |
| Household Durables - 0.0% | | | |
| 52,472 | | Mattress Discounters Corp. (c)(d)* | 0 |
| Media - 2.0% | | | |
| 141,842 | | Liberty Global Inc., Series A Shares * | 3,035,419 |
| 141,842 | | Liberty Global Inc., Series C Shares * | 2,868,045 |
| 229,356 | | NTL Inc. * | 14,506,767 |
| | | Total Media | 20,410,231 |

| | | |
|--|--|-------------------|
| TOTAL CONSUMER DISCRETIONARY | | 20,410,231 |
| <hr/> | | |
| MATERIALS - 0.1% | | |
| Chemicals - 0.1% | | |
| 93,506 | Applied Extrusion Technologies Inc., Class A Shares (g)* | 841,554 |
| <hr/> | | |
| TELECOMMUNICATION SERVICES - 2.3% | | |
| Diversified Telecommunication Services - 0.9% | | |
| 375,814 | Telewest Global Inc. * | 8,756,466 |
| <hr/> | | |
| Wireless Telecommunication Services - 1.4% | | |
| 482,001 | American Tower Corp., Class A Shares * | 14,913,111 |
| <hr/> | | |
| TOTAL TELECOMMUNICATION SERVICES | | 23,669,577 |
| <hr/> | | |
| UTILITIES - 0.0% | | |
| Independent Power Producers & Energy Traders - 0.0% | | |
| 11,762 | Mirant Corp. * | 329,336 |
| <hr/> | | |
| TOTAL COMMON STOCKS | | |
| (Cost - \$45,512,612) | | 45,250,698 |
| <hr/> | | |
| PREFERRED STOCK(c)(d) - 0.0% | | |
| FINANCIALS - 0.0% | | |
| Diversified Financial Services - 0.0% | | |
| TCR Holdings Corp.: | | |
| 17,552 | Class B Shares * | 17 |
| 9,654 | Class C Shares * | 10 |

See Notes to Schedule of Investments.

SALOMON BROTHERS HIGH INCOME FUND II INC.**Schedule of Investments (unaudited) (continued)****January 31, 2006**

| <u>SHARES</u> | <u>SECURITY (a)</u> | <u>VALUE</u> |
|--|---|--------------------|
| Diversified Financial Services (continued) | | |
| 25,451 | Class D Shares * | \$ 25 |
| 52,657 | Class E Shares * | 53 |
| TOTAL PREFERRED STOCK | | |
| | (Cost - \$6,260) | 105 |
| CONVERTIBLE PREFERRED STOCKS - 0.9% | | |
| TELECOMMUNICATION SERVICES - 0.9% | | |
| Wireless Telecommunication Services - 0.9% | | |
| 6,845 | Alamosa Holdings Inc., Series B, 7.500% (Cost - \$2,104,638) | 9,434,121 |
| WARRANTS | | |
| WARRANTS - 0.1% | | |
| 1,800 | American Tower Corp., Class A Shares, Expires 1/8/08(e)* | 784,627 |
| 18,500 | Bolivarian Republic of Venezuela, Oil-linked payment obligations, Expires 4/15/20* | 592,000 |
| 3,500 | Brown Jordan International Inc., Expires 8/15/07(c)(e)* | 31 |
| 30,928,049 | ContiFinancial Corp., Liquidating Trust, Units of Interest (Represents interest in a trust in the liquidation of ContiFinancial Corp. and its affiliates)(c)* | 93 |
| 2,750 | Leap Wireless International Inc., Expires 4/15/10(c)(d)(e)* | 0 |
| 3,500 | Mattress Discounters Co., Expires 7/15/07(c)(d)(e)* | 0 |
| 2,000 | Mueller Holdings Inc., Expires 4/15/14(d)(e)* | 20 |
| 13,614 | Pillowtex Corp., Expires 11/24/09(c)(d)* | 14 |
| 5,000 | UbiquiTel Inc., Expires 4/15/10(c)(d)(e)* | 50 |
| | United Mexican States: | |
| 2,000 | Series XW05, Expires 11/9/06 | 65,000 |
| 1,625 | Series XW10, Expires 10/10/06* | 69,062 |
| 1,200 | Series XW20, Expires 9/1/06 | 84,000 |
| TOTAL WARRANTS | | |
| | (Cost - \$766,989) | 1,594,897 |
| TOTAL INVESTMENTS BEFORE SHORT-TERM INVESTMENTS | | |
| | (Cost - \$958,026,014) | 971,581,567 |
| FACE | | |
| AMOUNT | | |
| SHORT-TERM INVESTMENTS - 6.5% | | |
| Repurchase Agreements - 6.1% | | |
| \$ 15,000,000 | | 15,000,000 |

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| | | |
|------------|---|------------|
| | Interest in \$592,697,000 joint tri-party repurchase agreement dated 1/31/06 with Banc of America Securities LLC, 4.450% due 2/1/06; Proceeds at maturity- \$15,001,854; (Fully collateralized by various U.S. government agency obligations, 3.250% to 7.125% due 11/15/07 to 2/25/19; Market value- \$15,300,017) | |
| 15,000,000 | Interest in \$588,238,000 joint tri-party repurchase agreement dated 1/31/06 with Deutsche Bank Securities Inc., 4.450% due 2/1/06; Proceeds at maturity - \$15,001,854; (Fully collateralized by various U.S. government agency obligations, 0.000% to 5.365% due 2/13/06 to 9/9/24; Market value - \$15,300,061) | 15,000,000 |
| 15,000,000 | Interest in \$930,833,000 joint tri-party repurchase agreement dated 1/31/06 with Goldman Sachs & Co., 4.440% due 2/1/06; Proceeds at maturity - \$15,001,850; (Fully collateralized by various U.S. Treasury obligations, 0.875% to 4.25% due 1/15/07 to 4/15/32; Market value - \$15,302,517) | 15,000,000 |
| 2,997,000 | Interested in \$386,481,000 joint tri-party repurchase agreement dated 1/31/06 with Greenwich Capital Markets Inc., 4.450% due 2/1/06; Proceeds due at maturity-\$2,997,370; (Fully collateralized by various U.S. government agency & Treasury obligations, 0.000% to 9.375% due 4/15/06 to 4/15/30; Market value - \$3,056,964) | 2,997,000 |

See Notes to Schedule of Investments.

SALOMON BROTHERS HIGH INCOME FUND II INC.

Schedule of Investments (unaudited) (continued)

January 31, 2006

| FACE | | VALUE |
|---|--|-------------------------|
| AMOUNT | SECURITY (a) | |
| Repurchase Agreements (continued) | | |
| \$ 15,000,000 | Interest in \$479,208,000 joint tri-party repurchase agreement dated 1/31/06 with Morgan Stanley, 4.450% due 2/1/06; Proceeds at maturity - \$15,001,854; (Fully collateralized by various U.S. government agency obligations, 0.000% to 6.300% due 8/17/07 to 9/19/25; Market value - \$15,482,563) | \$ 15,000,000 |
| Total Repurchase Agreements | | |
| | (Cost - \$62,997,000) | 62,997,000 |
| | | |
| SHARES | | |
| Securities Purchased from Securities Lending Collateral - 0.4% | | |
| 4,400,321 | State Street Navigator Securities Lending Trust Prime Portfolio (Cost - \$4,400,321) | 4,400,321 |
| TOTAL SHORT-TERM INVESTMENTS | | |
| | (Cost - \$67,397,321) | 67,397,321 |
| TOTAL INVESTMENTS - 100.0% | | |
| | (Cost - \$1,025,423,335#) | \$ 1,038,978,888 |

* Non-income producing security.

Face amount denominated in U.S. dollars, unless otherwise noted.

(a) All securities (except those on loan) are segregated as collateral pursuant to revolving credit facility.

(b) Security is currently in default.

(c) Illiquid security.

(d) Security is valued in good faith at fair value by or under the direction of the Board of Directors (See Note 1).

(e)

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Security is exempt from registration under Rule 144A of the Securities Act of 1933. This security may be resold in transactions that are exempt from registration, normally to qualified institutional buyers. This security has been deemed liquid pursuant to guidelines approved by the Board of Directors, unless otherwise noted.

(f) Variable rate security. Interest rate disclosed is that which is in effect at January 31, 2006.

(g) All or a portion of this security is on loan (See Notes 1 and 2).

Aggregate cost for federal income tax purposes is substantially the same.

Abbreviations used in this schedule:

| | |
|--------------|---------------------------------------|
| DCB | Debt Conversion Bond |
| EUR | Euro |
| FLIRB | Front-Loaded Interest Reduction Bonds |
| GDP | Gross Domestic Product |
| MXN | Mexican Peso |
| NMB | New Money Bond |
| PDI | Past Due Interest |
| S.A. de C.V. | Sociedad Anonima de Capital Variable |

See Notes to Schedule of Investments.

Notes to Schedule of Investments (unaudited)

1. Organization and Significant Accounting Policies

The Salomon Brothers High Income Fund II Inc. (the Fund) was incorporated in Maryland and is registered as a diversified, closed-end management investment company under the Investment Company Act of 1940, as amended, (the 1940 Act).

The following are significant accounting policies consistently followed by the Fund and are in conformity with U.S. generally accepted accounting principles (GAAP).

(a) Investment Valuation. Equity securities for which market quotations are available are valued at the last sale price or official closing price on the primary market or exchange on which they trade. Debt securities are valued at the mean between the bid and asked prices provided by an independent pricing service that are based on transactions in debt obligations, quotations from bond dealers, market transactions in comparable securities and various relationships between securities. Public traded foreign government debt securities are typically traded internationally in the over-the-counter market, and are valued at the mean between the bid and asked prices as of close of that market. When prices are not readily available, or are determined not to reflect fair value, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded, but before the Fund calculates its net asset value, the Fund may value these investments at fair value as determined in accordance with the procedures approved by the Fund's Board of Directors. Short-term obligations with maturities of 60 days or less are valued at amortized cost, which approximates market value.

(b) Repurchase Agreements. When entering into repurchase agreements, it is the Fund's policy that its custodian or a third party custodian take possession of the underlying collateral securities, the market value of which at least equals the principal amount of the repurchase transaction, including accrued interest. To the extent that any repurchase transaction exceeds one business day, the value of the collateral is marked-to-market to ensure the adequacy of the collateral. If the seller defaults, and the market value of the collateral declines or if bankruptcy proceedings are commenced with respect to the seller of the security, realization of the collateral by the Fund may be delayed or limited.

(c) Lending of Portfolio Securities. The Fund has an agreement with its custodian whereby the custodian may lend securities owned by the Fund to brokers, dealers and other financial organizations. In exchange for lending securities under the terms of the agreement with its custodian, the Fund receives a lender's fee. Fees earned by the Fund on securities lending are recorded as securities lending income. Loans of securities by the Fund are collateralized by cash, U.S. government securities or high quality money market instruments that are maintained at all times in an amount at least equal to the current market value of the loaned securities, plus a margin which varies depending on the type of securities loaned. The custodian establishes and maintains the collateral in a segregated account. The Fund has the right under the lending agreement to recover the securities from the borrower on demand.

The Fund maintains the risk of any loss on the securities on loan as well as the potential loss on investments purchased with cash collateral received from securities lending.

(d) Foreign Currency Translation. Investment securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts based upon prevailing exchange rates on the date of valuation. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into U.S. dollar amounts based upon prevailing exchange rates on the respective dates of such transactions.

Foreign security and currency transactions may involve certain considerations and risks not typically associated with those of U.S. dollar denominated transactions as a result of, among other factors, the possibility of lower levels of governmental supervision and regulation of foreign securities markets and the possibility of political or economic instability.

(e) Credit and Market Risk. The Fund invests in high yield and emerging market instruments that are subject to certain credit and market risks. The yields of high yield and emerging market debt obligations reflect, among other things, perceived credit and market risk. The Fund's investment in securities rated below investment grade typically involve risks not associated with higher rated securities including, among others, greater risk related to timely and ultimate payment of interest and principal, greater market price volatility and less liquid secondary market trading. The consequences of political, social, economic or diplomatic changes may have disruptive effects on the market prices of investments held by the Fund. The Fund's investment in non-dollar denominated securities may also result in foreign currency losses caused by devaluations and exchange rate fluctuations.

(f) **Security Transactions.** Security transactions are accounted for on a trade date basis.

2. Investments

At January 31, 2006, the aggregate gross unrealized appreciation and depreciation of investments for federal income tax purposes were substantially as follows:

| | |
|-------------------------------|---------------|
| Gross unrealized appreciation | \$ 68,325,207 |
| Gross unrealized depreciation | (54,769,654) |
| | <hr/> |
| Net unrealized appreciation | \$ 13,555,553 |
| | <hr/> |

At January 31, 2006, the Fund loaned securities having a market value of \$4,299,009. The Fund received cash collateral amounting to \$4,400,321 which was invested into the State Street Navigator Securities Lending Trust Prime Portfolio, a Rule 2a-7 money market fund, registered under the 1940 Act.

3. Loan

At January 31, 2006, the Fund had a \$125,000,000 loan pursuant to a revolving credit and security agreement with Crown Point Capital Company LLC and Citicorp North America, Inc. (CNA), an affiliate of SBAM. In addition, CNA acts as administrative agent of the credit facility. The loan generally bear interest at a variable rate based on the weight average interest rates of the underlying commercial paper or LIBOR plus any applicable margin. Securities held by the Fund are subject to a lien, granted to the lenders, to the extent of the borrowings outstanding and any additional expenses.

ITEM 2. CONTROLS AND PROCEDURES.

- (a) The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act")) are effective as of a date within 90 days of the filing date of this report that includes the disclosure required by this paragraph, based on their evaluation of the disclosure controls and procedures required by Rule 30a-3(b) under the 1940 Act and 15d-15(b) under the Securities Exchange Act of 1934.
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are likely to materially affect the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

Certifications pursuant to Rule 30a-2(a) under the Investment Company Act of 1940, as amended, are attached hereto.

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.

Salomon Brothers High Income Fund II Inc.

By */s/ R. JAY GERKEN*
R. Jay Gerken
Chief Executive Officer

Date March 31, 2006

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.

Salomon Brothers High Income Fund II Inc.

By */s/ R. JAY GERKEN*
R. Jay Gerken
Chief Executive Officer

Date March 31, 2006

By */s/ FRANCES M. GUGGINO*
Frances M. Guggino
Chief Financial Officer

Date March 31, 2006