

SALOMON BROTHERS HIGH INCOME FUND II INC

Form N-Q

April 04, 2006

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**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, 4<sup>th</sup> 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

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**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
<b>CORPORATE BONDS &amp; NOTES - 78.6%</b>			
<b>Aerospace &amp; Defense - 2.1%</b>			
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
	<b>Total Aerospace &amp; Defense</b>		<b>21,302,125</b>
<b>Airlines - 0.2%</b>			
	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
	<b>Total Airlines</b>		<b>2,303,750</b>
<b>Auto Components - 0.6%</b>			
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
	<b>Total Auto Components</b>		<b>6,371,332</b>
<b>Automobiles - 3.2%</b>			
	Ford Motor Co.:		
	Debentures:		
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 Debentures:		
2,375,000	8.250% due 7/15/23		1,745,625
13,075,000	8.375% due 7/15/33		9,740,875
	<b>Total Automobiles</b>		<b>32,836,435</b>
<b>Building Products - 1.2%</b>			
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
	<b>Total Building Products</b>		<b>12,916,312</b>

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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
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**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
<b>Chemicals (continued)</b>		
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
	<b>Total Chemicals</b>	<b>62,145,833</b>
<b>Commercial Services &amp; Supplies - 1.8%</b>		
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
	<b>Total Commercial Services &amp; Supplies</b>	<b>18,371,300</b>
<b>Communications Equipment - 1.2%</b>		
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
	<b>Total Communications Equipment</b>	<b>12,922,125</b>
<b>Computers &amp; Peripherals - 0.4%</b>		
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
	<b>Total Computers &amp; Peripherals</b>	<b>4,564,500</b>

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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
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	<b>Total Containers &amp; Packaging</b>	<b>24,180,237</b>
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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
<b>Diversified Consumer Services - 0.1%</b>			
1,300,000	Hertz Corp., Senior Notes, 8.875% due 1/1/14 (e)		\$ 1,348,750
<b>Diversified Financial Services - 4.5%</b>			
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
	<b>Total Diversified Financial Services</b>		<b>46,482,101</b>
<b>Diversified Telecommunication Services - 3.6%</b>			
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 <sup>MXN</sup>	Telefonos de Mexico S.A. de C.V., 8.750% due 1/31/16		569,436
	<b>Total Diversified Telecommunication Services</b>		<b>37,857,891</b>
<b>Electric Utilities - 2.2%</b>			
	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
	<b>Total Electric Utilities</b>		<b>23,118,844</b>

**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
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**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		
<u>AMOUNT</u>	<u>SECURITY (a)</u>	<u>VALUE</u>
<b>Food Products - 1.1%</b>		
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
<b>Total Food Products</b>		<b>11,430,500</b>
<b>Health Care Equipment &amp; Supplies - 0.3%</b>		
2,500,000	Sybron Dental Specialties Inc., Senior Subordinated Notes, 8.125% due 6/15/12	2,650,000
<b>Health Care Providers &amp; Services - 3.5%</b>		
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
<b>Total Health Care Providers &amp; Services</b>		<b>36,646,337</b>
<b>Hotels, Restaurants &amp; Leisure - 7.8%</b>		
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	Carrols 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
<b>Hotels, Restaurants &amp; Leisure (continued)</b>			
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
<b>Total Hotels, Restaurants &amp; Leisure</b>			<b>80,758,111</b>
<b>Household Durables - 1.5%</b>			
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
<b>Total Household Durables</b>			<b>15,119,955</b>
<b>Independent Power Producers &amp; Energy Traders - 4.0%</b>			
1,325,000	AES Corp., Senior Notes: 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
1,055,000	Calpine Corp.:		
	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) Dynegy Holdings Inc.:		2,668,750
2,000,000	Second Priority Senior Secured Notes, 9.875% due 7/15/10 (e)		2,200,000
4,550,000	Senior Debentures: 7.125% due 5/15/18		4,390,750
8,350,000	7.625% due 10/15/26		8,099,500
6,044,000	NRG Energy Inc.:		
	Second Priority Senior Secured Notes, 8.000% due 12/15/13		6,769,280
1,675,000	Senior Notes: 7.250% due 2/1/14		1,706,407
5,100,000	7.375% due 2/1/16		5,214,750
<b>Total Independent Power Producers &amp; Energy Traders</b>			<b>41,073,524</b>

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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%**

	Iron Mountain Inc., Senior Subordinated Notes:	
4,035,000	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
<b>Machinery - 1.3%</b>		
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
	<b>Total Machinery</b>	<b>13,859,875</b>
<b>Media - 9.5%</b>		
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	Interop 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/>
<b>Total Media</b>		<b>98,394,657</b>
		<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
<b>Metals &amp; Mining - 0.6%</b>			
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
	<b>Total Metals &amp; Mining</b>		<b>6,733,625</b>
<b>Multiline Retail - 0.6%</b>			
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
	<b>Total Multiline Retail</b>		<b>5,975,304</b>
<b>Office Electronics - 0.4%</b>			
4,375,000	Xerox Capital Trust I Exchange Capital Securities, 8.000% due 2/1/27		4,533,594
<b>Oil, Gas &amp; Consumable Fuels - 5.9%</b>			
	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
	<b>Total Oil, Gas &amp; Consumable Fuels</b>		<b>60,797,496</b>

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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
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**Pharmaceuticals - 0.3%**

2,025,000	Leiner Health Products Inc., Senior Subordinated Notes, 11.000% due 6/1/12	1,938,938
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**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
<b>Pharmaceuticals (continued)</b>		
1,665,000	Valeant Pharmaceuticals International, Senior Notes, 7.000% due 12/15/11	\$ 1,640,025
<b>Total Pharmaceuticals</b>		<b>3,578,963</b>
<b>Real Estate - 1.2%</b>		
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
<b>Total Real Estate</b>		<b>12,354,719</b>
<b>Semiconductors &amp; Semiconductor Equipment - 0.5%</b>		
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
<b>Total Semiconductors &amp; Semiconductor Equipment</b>		<b>4,956,125</b>
<b>Specialty Retail - 1.4%</b>		
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
<b>Total Specialty Retail</b>		<b>14,873,882</b>
<b>Textiles, Apparel &amp; Luxury Goods - 1.5%</b>		
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
<b>Total Textiles, Apparel &amp; Luxury Goods</b>		<b>15,300,494</b>

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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	SECURITY (a)	VALUE
AMOUNT		
<b>CONVERTIBLE BOND &amp; NOTE - 0.3%</b>		
<b>Wireless Telecommunication Services - 0.3%</b>		
2,675,000	American Tower Corp., Notes, 5.000% due 2/15/10	
	(Cost - \$1,461,515)	<b>\$ 2,661,625</b>
<b>ASSET-BACKED SECURITY - 0.0%</b>		
<b>Diversified Financial Services - 0.0%</b>		
1,975,400	Airplanes Pass-Through Trust, Subordinated Notes, Series D, 10.875% due 3/15/12 (b)(c)(d)*	
	(Cost - \$2,053,580)	<b>0</b>
<b>SOVEREIGN BONDS - 9.2%</b>		
<b>Argentina - 0.4%</b>		
	Republic of Argentina:	
250,000 <sup>EUR</sup>	10.250% due 1/26/07 (b)	92,317
275,000 <sup>EUR</sup>	8.000% due 2/26/08 (b)	99,042
2,410,625	4.823% due 8/3/12	2,183,337
300,000 <sup>EUR</sup>	9.000% due 6/20/49 (b)	106,222
1,400,000 <sup>EUR</sup>	9.250% due 10/21/49 (b)	480,810
	Medium-Term Notes:	
600,000 <sup>EUR</sup>	8.125% due 10/4/03 (b)	206,061
1,175,000 <sup>EUR</sup>	7.000% due 3/18/04 (b)	417,821
525,000 <sup>EUR</sup>	9.000% due 5/24/49 (b)	186,686
825,000 <sup>EUR</sup>	Series GDP, 0.000% due 12/15/35	68,452
	<b>Total Argentina</b>	<b>3,840,748</b>
<b>Brazil - 1.9%</b>		
	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
	<b>Total Brazil</b>	<b>19,270,655</b>
<b>Bulgaria - 0.1%</b>		
1,285,000	Republic of Bulgaria, 8.250% due 1/15/15 (e)	1,542,000
<b>Chile - 0.2%</b>		
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
	<b>Total Colombia</b>	<b>5,255,943</b>

**Ecuador - 0.1%**

1,330,000	Republic of Ecuador, step bond to yield 10.221% due 8/15/30 (e)	1,296,750
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**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
	<b>Total El Salvador</b>	<b>1,764,075</b>

**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**

<b>FACE</b>		
<b>AMOUNT</b>	<b>SECURITY (a)</b>	<b>VALUE</b>
<b>Mexico (continued)</b>		
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
	<b>Total Mexico</b>	<b>19,179,537</b>
<b>Panama - 0.4%</b>		
	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
	<b>Total Panama</b>	<b>3,763,718</b>
<b>Peru - 0.7%</b>		
	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
	<b>Total Peru</b>	<b>7,303,840</b>
<b>Philippines - 0.5%</b>		
	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
	<b>Total Philippines</b>	<b>4,917,653</b>
<b>Poland - 0.1%</b>		
1,120,000	Republic of Poland, 5.250% due 1/15/14	1,133,300
<b>Russia - 0.9%</b>		
	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/>
	<b>Total Russia</b>	<b>9,417,188</b>
		<hr/>
<b>South Africa - 0.1%</b>		
	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/>
	<b>Total South Africa</b>	<b>1,427,000</b>
		<hr/>
<b>Turkey - 0.7%</b>		
	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/>
	<b>Total Turkey</b>	<b>7,080,209</b>
		<hr/>

See Notes to Schedule of Investments.



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

<b>FACE</b>			
<b>AMOUNT</b>		<b>SECURITY (a)</b>	<b>VALUE</b>
<b>Ukraine - 0.1%</b>			
1,010,000		Republic of Ukraine, 7.650% due 6/11/13 (e)	\$ 1,073,125
<b>Uruguay - 0.1%</b>			
955,000		Republic of Uruguay, Benchmark Bonds, 7.500% due 3/15/15	1,007,525
<b>Venezuela - 0.4%</b>			
		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
		<b>Total Venezuela</b>	<b>4,310,356</b>
<b>TOTAL SOVEREIGN BONDS</b>			
		(Cost - \$88,283,456)	<b>95,534,766</b>
<b>SHARES</b>			
<b>ESCROWED SHARES(d) - 0.0%</b>			
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
		<b>TOTAL ESCROWED SHARES</b>	
		(Cost - \$0)	<b>52,961</b>
<b>COMMON STOCKS - 4.4%</b>			
<b>CONSUMER DISCRETIONARY - 2.0%</b>			
<b>Household Durables - 0.0%</b>			
52,472		Mattress Discounters Corp. (c)(d)*	0
<b>Media - 2.0%</b>			
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
		<b>Total Media</b>	<b>20,410,231</b>

<b>TOTAL CONSUMER DISCRETIONARY</b>		<b>20,410,231</b>
<hr/>		
<b>MATERIALS - 0.1%</b>		
<b>Chemicals - 0.1%</b>		
93,506	Applied Extrusion Technologies Inc., Class A Shares (g)*	<b>841,554</b>
<hr/>		
<b>TELECOMMUNICATION SERVICES - 2.3%</b>		
<b>Diversified Telecommunication Services - 0.9%</b>		
375,814	Telewest Global Inc. *	8,756,466
<hr/>		
<b>Wireless Telecommunication Services - 1.4%</b>		
482,001	American Tower Corp., Class A Shares *	14,913,111
<hr/>		
<b>TOTAL TELECOMMUNICATION SERVICES</b>		<b>23,669,577</b>
<hr/>		
<b>UTILITIES - 0.0%</b>		
<b>Independent Power Producers &amp; Energy Traders - 0.0%</b>		
11,762	Mirant Corp. *	<b>329,336</b>
<hr/>		
<b>TOTAL COMMON STOCKS</b>		
	(Cost - \$45,512,612)	<b>45,250,698</b>
<hr/>		
<b>PREFERRED STOCK(c)(d) - 0.0%</b>		
<b>FINANCIALS - 0.0%</b>		
<b>Diversified Financial Services - 0.0%</b>		
	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>
<b>Diversified Financial Services (continued)</b>		
25,451	Class D Shares *	\$ 25
52,657	Class E Shares *	53
<b>TOTAL PREFERRED STOCK</b>		
	(Cost - \$6,260)	<b>105</b>
<b>VERTIBLE PREFERRED STOCKS - 0.9%</b>		
<b>TELECOMMUNICATION SERVICES - 0.9%</b>		
<b>Wireless Telecommunication Services - 0.9%</b>		
6,845	Alamosa Holdings Inc., Series B, 7.500% (Cost - \$2,104,638)	<b>9,434,121</b>
<b>WARRANTS</b>		
<b>WARRANTS - 0.1%</b>		
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
<b>TOTAL WARRANTS</b>		
	(Cost - \$766,989)	<b>1,594,897</b>
<b>TOTAL INVESTMENTS BEFORE SHORT-TERM INVESTMENTS</b>		
	(Cost - \$958,026,014)	<b>971,581,567</b>
<b>FACE</b>		
<b>AMOUNT</b>		
<b>SHORT-TERM INVESTMENTS - 6.5%</b>		
<b>Repurchase Agreements - 6.1%</b>		
\$ 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**

<b>FACE</b>		<b>VALUE</b>
<b>AMOUNT</b>	<b>SECURITY (a)</b>	
<b>Repurchase Agreements (continued)</b>		
\$ 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
<b>Total Repurchase Agreements</b>		
	(Cost - \$62,997,000)	<b>62,997,000</b>
<b>SHARES</b>		
<b>Securities Purchased from Securities Lending Collateral - 0.4%</b>		
4,400,321	State Street Navigator Securities Lending Trust Prime Portfolio (Cost - \$4,400,321)	<b>4,400,321</b>
<b>TOTAL SHORT-TERM INVESTMENTS</b>		
	(Cost - \$67,397,321)	<b>67,397,321</b>
<b>TOTAL INVESTMENTS - 100.0%</b>		
	(Cost - \$1,025,423,335#)	<b>\$ 1,038,978,888</b>

\* 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:

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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