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Neuberger Berman High Yield Strategies Fund Inc.  
Form N-CSRS  
July 07, 2014

As filed with the Securities and Exchange Commission on July 7, 2014

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF

REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number: 811-21342

NEUBERGER BERMAN HIGH YIELD STRATEGIES FUND INC.

(Exact Name of the Registrant as Specified in Charter)

c/o Neuberger Berman Management LLC

605 Third Avenue, 2nd Floor

New York, New York 10158-0180

(Address of Principal Executive Offices – Zip Code)

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

Robert Conti

Chief Executive Officer and President

Neuberger Berman High Yield Strategies Fund Inc.

c/o Neuberger Berman Management LLC

605 Third Avenue, 2nd Floor

New York, New York 10158-0180

Arthur C. Delibert, Esq.

K&L Gates LLP

1601 K Street, N.W.

Washington, D.C. 20006-1600

(Names and Addresses of agents for service)

Date of fiscal year end: October 31

Date of reporting period: April 30, 2014

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

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Item 1. Report to Stockholders

The following are copies of the Semi-Annual Reports transmitted to shareholders pursuant to Rule 30e-1 under the Investment Company Act of 1940, as amended.

Neuberger Berman  
High Yield Strategies  
Fund Inc.

Semi-Annual Report

April 30, 2014

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Privacy Notice	Located after the Fund's Report

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President's Letter

Dear Shareholder,

I am pleased to present the semi-annual report for Neuberger Berman High Yield Strategies Fund Inc. for the six months ended April 30, 2014. The report includes a portfolio commentary, a listing of the Fund's investments and its unaudited financial statements for the reporting period.

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

On March 3, 2014, Daniel Doyle, CFA, a Neuberger Berman managing director, was named portfolio co-manager of the Fund. He joins portfolio co-managers Ann H. Benjamin, Thomas P. O'Reilly and Russ Covode.

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

Sincerely,

ROBERT CONTI  
PRESIDENT AND CEO  
NEUBERGER BERMAN HIGH YIELD STRATEGIES FUND INC.

Neuberger Berman High Yield Strategies Fund Inc. Portfolio Commentary

Neuberger Berman High Yield Strategies Fund Inc. generated a 5.98% total return on a net asset value (NAV) basis for the six months ended April 30, 2014 and outperformed its benchmark, the BofA Merrill Lynch U.S. High Yield Master II Constrained Index, which provided a 4.76% return for the period. (Fund performance on a market price basis is provided in the table immediately following this letter.) The use of leverage (typically a performance enhancer in up markets and a detractor during market retreats) was beneficial for performance.

The overall fixed income market experienced periods of volatility but generated a modest gain during the six-month reporting period. We believe sentiment was impacted by a number of factors, including mixed global economic data, asset purchase tapering by the U.S. Federal Reserve (Fed) and geopolitical tensions. The high yield market posted positive returns during all six months of the period and significantly outperformed equal-duration Treasuries. Supporting the high yield market were generally robust investor demand, low defaults and corporate profits that often exceeded expectations. For the six months ended April 30, 2014, CCC-rated (a relatively low rating) and lower-rated securities and BB-rated securities (rated higher) in the benchmark returned 5.79% and 4.67%, respectively.

Security selection in the aggregate was a negative for the Fund's performance relative to the index. The largest detractors came from our holdings in the metals & mining, utilities and media-diversified sectors. This was somewhat mitigated by positive security selection in technology & electronics, telecommunications and support services.

Sector positioning, overall, detracted from relative performance during the reporting period. In particular, underweights in banking and paper, along with an overweight in gaming, were negative for results. This was partially offset by our overweights in media-broadcast, printing & publishing and technology & electronics.

The Fund's quality biases produced mixed results during the reporting period. The Fund's initial underweight allocation to BB-rated securities, along with an overweight allocation to CCC-rated securities, contributed positively to performance. While security selection of CCC-rated securities was beneficial, this was more than offset by security selection of B-rated securities.

We made several adjustments to the portfolio during the reporting period. We increased the Fund's allocation to B-rated bonds, moving from an underweight to an overweight position. We reduced the portfolio's allocation to CCC-rated securities, further paring its exposure versus the index. Elsewhere, we increased the Fund's out-of-index allocation to bank loans from approximately 4.3% to 5.6% of the portfolio.

The Fund's use of derivatives detracted from performance during the reporting period.

While spreads have meaningfully tightened since the credit crisis, we continue to have a positive outlook for the high yield market. In our view, fundamentals continue to be solid, with corporate balance sheets that, in our opinion, are by and large flush with cash. Furthermore, numerous companies have taken advantage of low rates to reduce their borrowing costs and extend maturities. Against this backdrop, we anticipate that defaults will remain well below their long-term average. While we believe investor demand should continue to be solid overall, there could be periods of risk aversion. This could be triggered by a number of factors, including uncertainties surrounding the global economy, as well as geopolitical issues.

Sincerely,

ANN H. BENJAMIN, THOMAS P. O'REILLY, RUSS COVODE AND DANIEL DOYLE  
PORTFOLIO CO-MANAGERS

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

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

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

TICKER SYMBOL

High  
Yield  
Strategies  
Fund NHS

PORTFOLIO BY MATURITY

DISTRIBUTION

(as a % of  
Total  
Investments)  
Less  
than  
One  
Year 3.3%  
One  
to  
less  
than  
Five  
Years 19.8  
Five  
to  
less  
than  
Ten  
Years 69.6  
Ten  
Years  
or  
Greater 7.3  
Total 100.0%

**PERFORMANCE HIGHLIGHTS<sup>1</sup>**

	Inception Date	Six Month Period Ended 04/30/2014	Average Annual Total Return Ended 04/30/2014			
			1 Year	5 Years	10 Years	Life of Fund
At NAV <sup>2</sup>	07/28/2003	5.98 %	8.48 %	21.16 %	11.04 %	11.49 %
At Market Price <sup>3</sup>	07/28/2003	5.22 %	5.04 %	21.57 %	10.32 %	10.13 %
Index BofA Merrill Lynch U.S. High Yield Master II Constrained Index <sup>4</sup>		4.76 %	6.29 %	15.78 %	8.69 %	9.04 %

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

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

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

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

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



Endnotes

**1** The performance information for periods prior to August 6, 2010 is that of Neuberger Berman High Yield Strategies Fund, a predecessor to the Fund.

**2** Returns based on the NAV of the Fund.

**3** Returns based on the market price of Fund common shares on the NYSE MKT.

**4** Please see "Description of Index" on page 5 for a description of the index.

For more complete information on Neuberger Berman High Yield Strategies Fund Inc., call Management at (800) 877-9700, or visit our website at [www.nb.com](http://www.nb.com).

Description Index

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

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

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

PRINCIPAL AMOUNT	VALUE†
<b>Bank Loan Obligations<sup>u</sup></b>	
<b>(8.0%)</b>	
All Telecom	
(0.5%)	
	Integra Telecom, Term Loan B, 5.25%, due
\$732,600	2/22/17 734,431
	Level 3 Financing Inc., Term Loan B, 4.00%, due
585,000	1/15/20 585,913
	1,320,344
Automotive	
(0.4%)	
	Navistar, Inc., Term Loan B, 5.75%, due
1,227,600	8/17/11 1,246,014
Building & Development	
(0.2%)	
	Realogy Corporation, Term Loan B, 3.75%, due
560,181	3/5/20 558,501

Chemicals &  
Plastics (0.2%)

	Dupont Performance Coatings, Term Loan B, 4.00%, due	
655,050	2/1/20	52,679

Electronics—Electrical  
(1.6%)

	Avago Technologies, First Lien Term Loan B1, due	
3,030,000	12/16/20	37,999 <sup>e^^</sup>

	Datatel-Sophia LP, Term Loan B-1, 4.00%, due	
726,883	7/19/18	26,658

	Freescall Semiconductor, Term Loan B-4, 4.25%, due	
864,145	2/28/20	62,796 <sup>e^^</sup>
		4,627,453

Equipment  
Leasing (0.2%)

	International Lease Finance Co., Term Loan, 3.50%, due	
655,000	3/6/21	52,341

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Financial Intermediaries (0.2%)

First Data Corporation, Term Loan, 3.65%, due

552,007 3/24/15 50,727

Health Care (1.3%)

CHS/Community Health, Term Loan D, 4.25%, due

718,200 1/27/21 20,663

Multipan, Inc., Term Loan, 4.00%, due

1,625,091 3/31/21 16,088

United Surgical Partners International, Inc., Term Loan B, 4.75%, due

1,536,490 4/3/19 537,766

3,874,517

Lodging & Casinos (0.9%)

Mohegan Tribal Gaming, Term Loan B, 5.50%, due

1,750,613 11/19/19 5,121

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	Station	
	Casinos,	
	Term	
	Loan	
	B,	
	4.25%,	
	due	
954,023	3/2/2019	54,195
		2,729,316
Nonferrous		
Metals—Minerals		
(0.8%)		
	Arch	
	Coal,	
	Term	
	Loan,	
	6.25%,	
	due	
1,059,620	5/16/2018	829,156
	Peabody	
	Energy	
	Corp.,	
	Term	
	Loan,	
	4.25%,	
	due	
1,174,100	9/24/2017	2,421
		2,201,577

See Notes to Schedule of Investments

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

PRINCIPAL AMOUNT		VALUE†
Radio & Television (1.7%)		
\$2,141,039	Clear Channel, Term Loan B, 3.80%, due 1/29/16	\$2,122,648
1,612,000	Clear Channel, Term Loan D, 6.90%, due 1/30/19	1,598,362
997,961	Clear Channel, Term Loan E, 7.65%, due 7/30/19	999,497
243,540	Univision Communications Inc., Term Loan, 4.00%, due 3/1/20	242,208
		4,962,715
	Total Bank Loan Obligations (Cost \$23,088,283)	23,376,184
Corporate Debt Securities (133.4%)		
Aerospace & Defense (0.6%)		
1,810,000	Bombardier, Inc., Senior Unsecured Notes, 6.00%, due 10/15/22	1,841,675 ñ
Airlines (0.4%)		
1,085,000	Continental Airlines, Inc., Senior Secured Notes, 6.75%, due 9/15/15	1,102,631 ñ
Auto Loans (0.2%)		
445,000	General Motors Financial Co., Inc., Guaranteed Notes, 3.25%, due 5/15/18	449,450
165,000	General Motors Financial Co., Inc., Guaranteed Notes, 4.25%, due 5/15/23	161,906
		611,356
Automakers (0.9%)		
1,120,000	Chrysler Group LLC/CG Co-Issuer, Inc., Secured Notes, 8.00%, due 6/15/19	1,226,400
830,000	Ford Motor Co., Senior Unsecured Notes, 9.98%, due 2/15/47	1,251,243
		2,477,643
Building & Construction (2.5%)		
155,000	D.R. Horton, Inc., Guaranteed Notes, 4.38%, due 9/15/22	152,869
2,025,000	D.R. Horton, Inc., Guaranteed Notes, 5.75%, due 8/15/23	2,151,562
790,000	Lennar Corp., Guaranteed Notes, 4.75%, due 12/15/17	835,425
1,545,000	Lennar Corp., Guaranteed Notes, 4.75%, due 11/15/22	1,506,375
570,000	Ryland Group, Inc., Guaranteed Notes, 5.38%, due 10/1/22	564,300
490,000	Standard Pacific Corp., Guaranteed Notes, 8.38%, due 1/15/21	580,650
1,355,000	Taylor Morrison Communities, Inc./Monarch Communities, Inc., Guaranteed Notes, 5.25%, due 4/15/21	1,368,550 ñ
		7,159,731
Building Materials (1.6%)		
1,990,000	USG Corp., Senior Unsecured Notes, 9.75%, due 1/15/18	2,397,950

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2,050,000	USG Corp., Guaranteed Notes, 8.38%, due 10/15/18	2,183,250 ñ
		4,581,200
Chemicals		
(2.0%)		
555,000	Huntsman Int'l LLC, Guaranteed Notes, 8.63%, due 3/15/20	607,725
1,775,000	Huntsman Int'l LLC, Guaranteed Notes, 8.63%, due 3/15/21	1,979,125
2,390,000	PQ Corp., Secured Notes, 8.75%, due 5/1/18	2,605,100 ñ
535,000	US Coatings Acquisition, Inc., Guaranteed Notes, 7.38%, due 5/1/21	587,162 ñ
		5,779,112

See Notes to Schedule of Investments

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

PRINCIPAL AMOUNT	VALUE†
Computer Hardware (0.6%)	
	Seagate HDD Cayman, Guaranteed Notes, 7.00%, due 11/1/2017
\$1,505,000	1,505,000
	Seagate HDD Cayman, Guaranteed Notes, 4.75%, due 6/1/2013
170,000	170,213
	1,857,694
Consumer—Commercial Lease Financing (8.5%)	
	Ally Financial, Inc., Guaranteed Notes, 6.25%, due 12/11/2017
1,540,000	1,719,025
	Ally Financial, Inc., Guaranteed Notes, 8.00%, due 3/15/2020
2,730,000	3,299,887
	CIT Group, Inc., Senior Unsecured Notes, 5.25%, due
1,145,000	1,228,013

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1,830,000	3/15/18 CIT Group, Inc., Senior Unsecured Notes, 6.63%, due 4/1/18
2,150,000	CIT Group, Inc., Senior Unsecured Notes, 3.88%, due 2/19/19
935,000	CIT Group, Inc., Senior Unsecured Notes, 5.38%, due 5/15/20
765,000	Int'l Lease Finance Corp., Senior Unsecured Notes, 8.63%, due 9/15/15
1,640,000	Int'l Lease Finance Corp., Senior Unsecured Notes, 8.88%, due 9/1/17
540,000	Int'l Lease Finance

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	Corp., Senior Unsecured Notes, 3.88%, due 4/15/18
1,420,000	Int'l Lease Finance Corp., Senior Unsecured Notes, 6.25%, due 5/15/19
1,110,000	Int'l Lease Finance Corp., Senior Unsecured Notes, 8.63%, due 1/15/22
1,325,000	SLM Corp., Senior Unsecured Medium-Term Notes, 5.50%, due 1/15/19
3,465,000	SLM Corp., Senior Unsecured Medium-Term Notes, 4.88%, due 6/17/19
2,000,000	SLM Corp., Senior Unsecured Medium-Term Notes,

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6.13%,  
due  
3/25/24

24,680,035

Consumer—Products  
(0.2%)

465,000      Alphabet  
Holding  
Co.,  
Inc.,  
Senior  
Unsecured      c  
Notes,  
7.75%,  
due  
11/1/17

Department Stores  
(0.7%)

2,045,000      Sears  
Holdings  
Corp.,  
Secured  
Notes,  
6.63%,  
due  
10/15/18

Electric—Generation  
(4.3%)

396,000      Calpine  
Corp.,  
Senior  
Secured      ñ  
Notes,  
7.88%,  
due  
7/31/20

345,000      Calpine  
Corp.,  
Senior  
Secured      ñ  
Notes,  
7.50%,  
due  
2/15/21

395,000      Calpine  
Corp.,  
Senior  
Secured      ñ  
Notes,  
6.00%,  
due

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	1/15/22	
	NRG Energy, Inc., Guaranteed Notes, 7.63%, due 1/15/18	1,007,925
890,000		
	NRG Energy, Inc., Guaranteed Notes, 7.63%, due 5/15/19	1,722,027
1,655,000		
	NRG Energy, Inc., Guaranteed Notes, 8.25%, due 9/1/20	2,062,906
2,775,000		
	NRG Energy, Inc., Guaranteed Notes, 7.88%, due 5/15/21	3,836,275
3,460,000		00
	NRG Energy, Inc., Guaranteed Notes, 6.25%, due 7/15/22	1,772,881
1,715,000		ñ
		12,632,730
Electronics (0.9%)		
415,000	ATI Technology, Inc., Senior Unsecured Notes, 6.38%, due 4/16/28	416,788

	10/1/22	
	Flextronics Int'l Ltd., Guaranteed Notes, 5.00%, due 2/15/23	1,095,450
1,090,000		
	Freescale Semiconductor, Inc., Guaranteed Notes, 8.05%, due 2/1/20	450,110
412,000		
	Freescale Semiconductor, Inc., Senior Secured Notes, 6.00%, due 1/15/22	752,400
720,000		
		2,734,748

See Notes to Schedule of Investments

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

PRINCIPAL AMOUNT	VALUE†
Energy—Exploration & Production (15.8%)	
\$1,545,000	Antero Resources Corp., Guaranteed Notes, 5.13%, due 12/1/22 \$1,538,519
540,000	Antero Resources Finance Corp., Guaranteed Notes, 5.38%, due 11/1/21 552,150
1,535,000	Chesapeake Energy Corp., Guaranteed Notes, 6.50%, due 8/15/21 1,521,119
1,060,000	Chesapeake Energy Corp., Guaranteed Notes, 6.63%, due 8/15/21 1,091,175
272,000	Chesapeake Energy Corp., Guaranteed Notes, 6.88%, due 11/15/21 308,720
835,000	Chesapeake Energy

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	Corp., Guaranteed Notes, 6.13%, due 2/15/21	
1,555,000	Chesapeake Energy Corp., Guaranteed Notes, 4.88%, due 4/15/21	2,694,444
500,000	Chesapeake Energy Corp., Guaranteed Notes, 5.75%, due 3/15/21	3,250,000
1,114,000	Concho Resources, Inc., Guaranteed Notes, 5.50%, due 4/1/21	3,952,000
755,000	Denbury Resources, Inc., Guaranteed Notes, 8.25%, due 2/15/20	2,500,000
1,365,000	Denbury Resources, Inc., Guaranteed Notes, 5.50%, due 5/1/22	1,380,356
4,027,000	Energy LLC/EP Energy Finance,	6,641,117



	Inc., Senior Unsecured Notes, 9.38%, due 5/1/20	
2,560,000	EXCO Resources, Inc., Guaranteed Notes, 7.50%, due 9/15/18	2,604,800 ∅∅
1,970,000	EXCO Resources, Inc., Guaranteed Notes, 8.50%, due 4/13/20	1,024,175
5,000,000	Linn Energy LLC, Guaranteed Notes, 7.25%, due 11/1/19	5,168,750 ñ
1,610,000	Linn Energy LLC, Guaranteed Notes, 8.63%, due 4/15/20	1,286,787
4,406,000	Linn Energy LLC, Guaranteed Notes, 7.75%, due 2/14/21	4,214,420
4,315,000	Neuberger Exploration Co., Senior	4,627,187

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	Unsecured Notes, 5.75%, due 1/30/22
625,000	Newfield Exploration Co., Senior Unsecured Notes, 5.63%, due 7/1/24
590,000	Range Resources Corp., Guaranteed Notes, 5.75%, due 6/1/26
1,085,000	Rosetta Resources, Inc., Guaranteed Notes, 5.63%, due 5/1/21
1,245,000	Rosetta Resources, Inc., Guaranteed Notes, 5.88%, due 6/1/22
3,130,000	SandRidge Energy, Inc., Guaranteed Notes, 7.50%, due 3/15/25
135,000	SandRidge Energy, Inc., Guaranteed Notes,

	8.13%, due 10/15/22	
	SandRidge Energy, Inc., Guaranteed Notes, 7.50%, due	
700,000	2/15/23	2,000
	Whiting Petroleum Corp., Guaranteed Notes, 5.00%, due	
910,000	3/15/25	97,775
		46,051,185
<b>Food &amp; Drug Retailers (0.8%)</b>		
	Rite Aid Corp., Guaranteed Notes, 9.25%, due	
750,000	3/15/25	865,000
	Rite Aid Corp., Senior Secured Notes, 8.00%, due	
1,442,000	8/15/25	2,410
		2,448,410
<b>Gaming (8.4%)</b>		
	Ameristar Casinos, Inc., Guaranteed Notes, 7.50%, due	
1,055,000	4/15/24	1,312
435,000	4/15/25	5,225
	Capital	

	L.P./GLP Financing II, Inc., Guaranteed Notes, 4.38%, due 11/1/18	
1,790,000	GLP Capital L.P./GLP Financing II, Int., 848,175 ¨	
	Guaranteed Notes, 4.88%, due 11/1/20	
670,000	GLP Capital L.P./GLP Financing II, Int., 690,100 ¨	
	Guaranteed Notes, 5.38%, due 11/1/23	
3,300,000	Graton Economic Development Authority, Senior Secured Notes, 3,770,250 ¨	
	Notes, 9.63%, due 9/1/19	
780,000	Isle of Capri Casinos, Inc., Guaranteed Notes, 5.88%, due 3/15/21	218,050

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	MGM Resorts Int'l, Guaranteed Notes, 8.63%, due 1,245,000	2/11/19	1,986,219
615,000	MGM Resorts Int'l, Guaranteed Notes, 7.75%, due 3/15/22	7/13/18	00
1,305,000	Mohegan Tribal Gaming Authority, Guaranteed Notes, 11.00%, due 9/15/18	1/10/16	1,708,262
2,630,000	Mohegan Tribal Gaming Authority, Guaranteed Notes, 9.75%, due 9/1/21	2/28/10	2,821,000
1,135,000	MTR Gaming Group, Inc., Secured Notes, 11.50%, due 8/11/19	1/11/19	1,276,875
1,520,000	Peninsula Gaming LLC, Guaranteed Notes, 8.38%, due 2/15/18	1/15/18	1,634,000

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Pinnacle  
Entertainment,  
Inc.,  
Guaranteed  
Notes,  
7.75%,  
due

1,210,000 4/1/21 12,850

PNK  
Finance  
Corp.,  
Guaranteed  
Notes,  
6.38%,  
due

960,000 8/1/20 108,000

Station  
Casinos  
LLC,  
Guaranteed  
Notes,  
7.50%,  
due

1,870,000 3/1/20 100,900

Wynn  
Las  
Vegas  
LLC,  
Unsecured  
Notes,  
7.75%,  
due

1,916,000 8/13/20 107,372

24,435,298

See Notes to Schedule of Investments

Schedule of Investments High Yield Strategies Fund Inc.

(Unaudited) (cont'd)

PRINCIPAL VALUE†  
AMOUNT

Gas  
Distribution  
(5.8%)

\$420,000  
Access  
Midstream  
Partners  
L.P.,  
Guaranteed  
Notes,  
5.88%,  
due  
4/15/21

960,000  
Access  
Midstream  
Partners  
L.P.,  
Guaranteed  
Notes,  
6.13%,  
due  
7/15/22

570,000  
Access  
Midstream  
Partners  
L.P.,  
Guaranteed  
Notes,  
4.88%,  
due  
5/15/23

540,000  
Access  
Midstream  
Partners  
L.P.,  
Guaranteed  
Notes,  
4.88%,  
due  
3/15/24

2,090,000  
AmeriGas  
Finance  
LLC,  
Guaranteed  
Notes,  
6.75%,  
due  
5/20/20 2,072,875

2,207,000 AmeriGas Finance LLC, Guaranteed Notes, 7.00%, due 5/20/22 2,207,000

495,000 El Paso Corp., Senior Secured Floating Rate Medium-Term Notes, 7.80%, due 8/1/31

960,000 Energy Transfer Equity L.P., Senior Secured Notes, 7.50%, due 10/15/20 1,106,400

1,460,000 Ferrellgas L.P./Ferrellgas Finance Corp., Senior Unsecured Notes, 6.75%, due 1/15/22 1,536,650

853,000 MarkWest Energy Partners L.P., Senior Secured Notes, 4.50%, due 7/15/23 831,675

1,500,000 Regency Energy Partners



	L.P./Regency Energy Finance Corp., Guaranteed Notes, 6.88%, due 12/1/18
455,000	Regency Energy Partners L.P./Regency Energy Finance Corp., Guaranteed Notes, 6.50%, due 7/15/21
700,000	Regency Energy Partners L.P./Regency Energy Finance Corp., Guaranteed Notes, 5.88%, due 3/1/22
510,000	Regency Energy Partners L.P./Regency Energy Finance Corp., Guaranteed Notes, 5.50%, due 4/15/23
685,000	Regency Energy Partners L.P./Regency Energy Finance

958,000	Suburban Energy Finance Corp., Senior Unsecured Notes, 4.50%, due 11/1/23	1,480
487,000	Suburban Energy Finance Corp., Senior Unsecured Notes, 7.50%, due 10/1/18	700
	Suburban Energy Finance Corp., Senior Unsecured Notes, 7.38%, due 8/1/21	700
	16,833,571	
Health Facilities (10.3%)		
680,000	CHS/Community Health Systems, Inc., Senior Secured Notes, 5.13%, due 8/15/18	14,850
660,000	CHS/Community Health Systems, Inc., Guaranteed	18,700

	Notes, 8.00%, due 11/15/19	
605,000	CHS/Community Health Systems, Inc., Senior Secured Notes, 5.13%, due 8/1/21	617,100 ñ
1,535,000	CHS/Community Health Systems, Inc., Guaranteed Notes, 6.88%, due 2/1/22	1,590,644 ñ
5,000,000	Columbia/HCA Corp., Senior Unsecured Notes, 7.69%, due 6/15/25	5,525,000
1,160,000	Columbia/HCA Corp., Senior Unsecured Notes, 7.05%, due 12/1/27	1,154,200
1,370,000	DaVita HealthCare Partners, Inc., Guaranteed Notes, 5.75%, due 8/15/24	1,450,487
600,000	HCA Holdings, Inc.,	633,750

	Senior Unsecured Notes, 6.25%, due 2/15/21	
860,000	HCA, Inc., Senior Secured Notes, 6.50%, due 2/15/20	58,900
775,000	HCA, Inc., Senior Secured Notes, 5.00%, due 3/15/24	69,188
3,395,000	IASIS Healthcare LLC/IASIS Capital Corp. Guaranteed Notes, 8.38%, due 5/15/19	3,607,187
1,375,000	Tenet Healthcare Corp., Senior Secured Notes, 6.25%, due 11/1/18	1,521,187
555,000	Tenet Healthcare Corp., Senior Unsecured Notes, 5.00%, due 3/1/19	56,388
670,000		703,500

	Tenet Healthcare Corp., Senior Unsecured Notes, 6.75%, due 2/1/20	
970,000	Tenet Healthcare Corp., Senior Secured Notes, 6.00%, due 10/1/20	1,081,500
4,625,000	Tenet Healthcare Corp., Senior Unsecured Notes, 8.13%, due 4/1/22	5,133,710
1,665,000	Tenet Healthcare Corp., Senior Unsecured Notes, 6.88%, due 11/15/31	1,546,369
1,890,000	United Surgical Partners Int'l, Inc. Guaranteed Notes, 9.00%, due 4/1/20	2,109,712
		30,124,587
Health Services (0.5%)		
839,000		891,438

Emergency  
Medical  
Services  
Corp.,  
Guaranteed  
Notes,  
8.13%,  
due  
6/1/19

670,000    675,000    nØ  
Service  
Corp.  
Int'l,  
Senior  
Notes,  
5.38%,  
due  
5/15/24

1,566,463

See Notes to Schedule of Investments

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

PRINCIPAL AMOUNT		VALUE†
<b>Investments &amp; Misc. Financial Services (1.0%)</b>		
\$1,110,000	Icahn Enterprises L.P./Icahn Enterprises Finance Corp., Guaranteed Notes, 4.88%, due 3/15/19	\$1,125,263 ñ
1,820,000	Walter Investment Management Corp., Guaranteed Notes, 7.88%, due 12/15/21	1,806,350 ñ
		2,931,613
<b>Leisure (0.6%)</b>		
1,155,000	Cedar Fair L.P., Guaranteed Notes, 9.13%, due 8/1/18	1,227,188
535,000	Cedar Fair L.P., Guaranteed Notes, 5.25%, due 3/15/21	543,025
		1,770,213
<b>Machinery (1.5%)</b>		
2,235,000	Case New Holland Industrial, Inc., Guaranteed Notes, 7.88%, due 12/1/17	2,626,125 ∅∅
725,000	Terex Corp., Guaranteed Notes, 6.00%, due 5/15/21	775,750
870,000	The Manitowoc Co., Inc., Guaranteed Notes, 8.50%, due 11/1/20	976,575
		4,378,450
<b>Managed Care (0.3%)</b>		
830,000	MPH Acquisition Holdings LLC, Guaranteed Notes, 6.63%, due 4/1/22	859,050 ñ
<b>Media—Broadcast (4.4%)</b>		
797,000	AMC Networks, Inc., Guaranteed Notes, 7.75%, due 7/15/21	892,640
515,000	AMC Networks, Inc., Guaranteed Notes, 4.75%, due 12/15/22	513,712
1,000,000	CCU Escrow Corp., Senior Secured Notes, 10.00%, due 1/15/18	985,000 ñ
452,000	Clear Channel Communications, Inc., Senior Unsecured Notes, 6.88%, due 6/15/18	433,920
815,000	Clear Channel Communications, Inc., Senior Secured Notes, 9.00%, due 12/15/19	867,975
4,452,000	Clear Channel Communications, Inc., Senior Secured Notes, 11.25%, due 3/1/21	5,014,065
265,000	Clear Channel Communications, Inc., Senior Unsecured Notes, 7.25%, due 10/15/27	234,525
2,200,000	Cumulus Media Holdings, Inc., Guaranteed Notes, 7.75%, due 5/1/19	2,343,000
1,205,000	Univision Communications, Inc., Senior Secured Notes, 6.88%, due 5/15/19	1,287,844 ñ
375,000	Univision Communications, Inc., Senior Secured Notes, 7.88%, due 11/1/20	412,031 ñ
		12,984,712
<b>Media—Cable (7.1%)</b>		
1,075,000	Altice SA, Guaranteed Notes, 7.75%, due 5/15/22	1,120,688 ñ∅
1,040,000	CCO Holdings LLC, Guaranteed Notes, 8.13%, due 4/30/20	1,140,100
655,000	CCO Holdings LLC, Guaranteed Notes, 5.25%, due 9/30/22	655,000
1,727,000	Cequel Communications Escrow I LLC/Cequel Communications Escrow Capital Corp., Senior Unsecured Notes, 6.38%, due 9/15/20	1,809,032 ñ
1,339,000	Cequel Communications Escrow I LLC/Cequel Communications Escrow Capital Corp., Senior Unsecured Notes, 5.13%, due 12/15/21	1,305,525 ñ
615,000	CSC Holdings LLC, Senior Unsecured Notes, 7.63%, due 7/15/18	711,094
1,030,000	DISH DBS Corp., Guaranteed Notes, 4.25%, due 4/1/18	1,076,350
3,040,000	DISH DBS Corp., Guaranteed Notes, 5.13%, due 5/1/20	3,192,000 ∅∅
1,505,000	DISH DBS Corp., Guaranteed Notes, 6.75%, due 6/1/21	1,700,650

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800,000	DISH DBS Corp., Guaranteed Notes, 5.88%, due 7/15/22	863,000
655,000	DISH DBS Corp., Guaranteed Notes, 5.00%, due 3/15/23	668,100
1,805,000	Numericable Group SA, Senior Secured Notes, 4.88%, due 5/15/19	1,823,050 ñØ
2,170,000	Numericable Group SA, Senior Secured Notes, 6.00%, due 5/15/22	2,221,537 ñØ
510,000	Numericable Group SA, Senior Secured Notes, 6.25%, due 5/15/24	522,113 ñØ
1,115,000	UPCB Finance III Ltd., Senior Secured Notes, 6.63%, due 7/1/20	1,190,262 ñ
685,000	Virgin Media Secured Finance PLC, Senior Secured Notes, 5.38%, due 4/15/21	702,125 ñ
		20,700,626

See Notes to Schedule of Investments



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

PRINCIPAL AMOUNT		VALUE†
<b>Media—Diversified (1.5%)</b>		
\$840,000	Gannett Co., Inc., Guaranteed Notes, 7.13%, due 9/1/18	\$882,000
1,740,000	Gannett Co., Inc., Guaranteed Notes, 5.13%, due 10/15/19	1,811,775 ñ
1,130,000	Gannett Co., Inc., Guaranteed Notes, 5.13%, due 7/15/20	1,169,550 ñ
615,000	IAC/InterActiveCorp, Guaranteed Notes, 4.88%, due 11/30/18	642,675
		4,506,000
<b>Media—Services (1.5%)</b>		
1,190,000	Clear Channel Worldwide Holdings, Inc., Guaranteed Notes, Ser. B, 7.63%, due 3/15/20	1,282,225
495,000	Clear Channel Worldwide Holdings, Inc., Guaranteed Notes, Ser. A, 6.50%, due 11/15/22	527,175
1,800,000	Clear Channel Worldwide Holdings, Inc., Guaranteed Notes, Ser. B, 6.50%, due 11/15/22	1,926,000
630,000	Nielsen Finance LLC, Guaranteed Notes, 5.00%, due 4/15/22	631,575 ñ
		4,366,975
<b>Medical Products (0.4%)</b>		
860,000	DJO Finance LLC/DJO Finance Corp., Guaranteed Notes, 9.88%, due 4/15/18	937,400
85,000	Fresenius US Finance II, Inc., Guaranteed Notes, 4.25%, due 2/1/21	85,425 ñ
		1,022,825
<b>Metals—Mining Excluding Steel (3.6%)</b>		
1,315,000	Alpha Natural Resources, Inc., Guaranteed Notes, 9.75%, due 4/15/18	1,236,100
3,285,000	Alpha Natural Resources, Inc., Guaranteed Notes, 6.00%, due 6/1/19	2,496,600
1,615,000	Alpha Natural Resources, Inc., Guaranteed Notes, 6.25%, due 6/1/21	1,191,062
1,735,000	Arch Coal, Inc., Guaranteed Notes, 9.88%, due 6/15/19	1,492,100
1,172,000	Arch Coal, Inc., Guaranteed Notes, 7.25%, due 10/1/20	887,790
1,060,000	Arch Coal, Inc., Guaranteed Notes, 7.25%, due 6/15/21	792,350
1,445,000	CONSOL Energy, Inc., Guaranteed Notes, 5.88%, due 4/15/22	1,488,350 ñ
300,000	FMG Resources (August 2006) Pty Ltd., Guaranteed Notes, 8.25%, due 11/1/19	331,500 ñ
940,000	Walter Energy, Inc., Guaranteed Notes, 8.50%, due 4/15/21	559,300
		10,475,152
<b>Packaging (5.3%)</b>		
5,040,000	Berry Plastics Corp., Secured Notes, 9.75%, due 1/15/21	5,846,400 ∅∅
390,000	Beverage Packaging Holdings Luxembourg II SA/Beverage Packaging Holdings II Issuer, Inc., Guaranteed Notes, 5.63%, due 12/15/16	398,288 ñ
765,000	Beverage Packaging Holdings Luxembourg II SA/Beverage Packaging Holdings II Issuer, Inc., Guaranteed Notes, 6.00%, due 6/15/17	787,950 ñ
2,065,000	Reynolds Group Issuer, Inc., Senior Secured Notes, 7.88%, due 8/15/19	2,266,337
3,650,000	Reynolds Group Issuer, Inc., Guaranteed Notes, 9.88%, due 8/15/19	4,051,500

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535,000	Reynolds Group Issuer, Inc., Senior Secured Notes, 5.75%, due 10/15/20	556,400
905,000	Reynolds Group Issuer, Inc., Senior Secured Notes, 6.88%, due 2/15/21	974,006
550,000	Reynolds Group Issuer, Inc., Guaranteed Notes, 8.25%, due 2/15/21	594,688
		15,475,569
Pharmaceuticals		
(3.1%)		
770,000	Endo Health Solutions, Inc., Guaranteed Notes, 7.00%, due 7/15/19	827,750
1,695,000	Jaguar Holding Co. II/Jaguar Merger Sub, Inc., Senior Unsecured Notes, 9.50%, due 12/1/19	1,872,975 ñ
750,000	Valeant Pharmaceuticals Int'l, Guaranteed Notes, 6.75%, due 8/15/18	811,875 ñ
768,000	Valeant Pharmaceuticals Int'l, Guaranteed Notes, 6.88%, due 12/1/18	810,240 ñ
4,380,000	Valeant Pharmaceuticals Int'l, Guaranteed Notes, 6.38%, due 10/15/20	4,708,500 ñ
		9,031,340

See Notes to Schedule of Investments

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

PRINCIPAL AMOUNT	VALUE†
Printing & Publishing (3.0%)	
\$921,000	R.R. Donnelley & Sons Co., Senior Unsecured Notes, 7.25%, due 5/15/18 \$1,068,360
2,610,000	R.R. Donnelley & Sons Co., Senior Unsecured Notes, 8.25%, due 3/15/19 \$1,059,900
1,755,000	R.R. Donnelley & Sons Co., Senior Unsecured Notes, 7.63%, due 6/15/20 \$1,005,087
950,000	R.R. Donnelley & Sons Co., Senior Unsecured Notes, 7.88%, due 3/15/21 \$1,087,750

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285,000	R.R. Donnelley & Sons Co., Series 2013-500 Unsecured Notes, 7.00%, due 2/15/22
605,000	R.R. Donnelley & Sons Co., Series 2016-763 Unsecured Notes, 6.50%, due 11/15/23
540,000	R.R. Donnelley & Sons Co., Series 2014-050 Unsecured Notes, 6.00%, due 4/1/24
	8,761,410
Railroads (0.4%)	
1,220,000	Florida East Coast Holdings Corp., Series 2013-550 Secured Notes, 6.75%, due 5/1/19
Real Estate Dev. & Mgt. (0.4%)	
1,100,000	Realogy Group LLC,

Senior Secured Notes, 7.63%, due 1/15/20

Software—Services (7.9%)

1,280,000 Ceridian Corp., Guaranteed Notes, 11.25%, due 11/15/2016, 1,280,000

810,125 Ceridian Corp., Guaranteed Notes, 12.25%, due 11/15/2018, 810,125

760,000 Ceridian Corp., Senior Secured Notes, 8.88%, due 7/15/2020, 760,000

755,000 First Data Corp., Senior Secured Notes, 7.38%, due 6/15/2019, 755,000

2,630,000 First Data Corp., Guaranteed Notes, 11.25%, due 1/15/2024, 2,630,000

3,855,000 First Data Corp., Guaranteed

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	Notes, 12.63%, due 1/15/21	
1,135,000	First Data Corp., Guaranteed Notes, 10.63%, due 6/15/28	6,806
850,000	First Data Corp., Guaranteed Notes, 11.75%, due 8/15/20	5,250
4,885,000	Sophia Holding Finance L.P./Sophia Holding Finance, Inc., Guaranteed Notes, 9.63%, due 12/1/18	20,612 <sup>nc</sup>
1,010,000	Sophia, L.P., Guaranteed Notes, 9.75%, due 1/15/19	123,625
1,810,000	SunGard Data Systems, Inc., Guaranteed Notes, 6.63%, due 11/1/19	1,895,975
515,000	SunGard Data Systems,	562,638

	Inc., Guaranteed Notes, 7.63%, due 11/15/20	
810,000	Syniverse Holdings, Inc., Guaranteed Notes, 9.13%, due 1/15/20	898,850
		23,165,945
<b>Specialty Retail (1.5%)</b>		
825,000	L Brands, Inc., Guaranteed Notes, 5.63%, due 10/15/20	800,063
239,000	Limited Brands, Inc., Guaranteed Notes, 6.63%, due 4/1/21	216,381
225,000	Limited Brands, Inc., Guaranteed Notes, 5.63%, due 2/15/21	216,531
1,085,000	Michaels FinCo Holdings LLC / Michaels FinCo, Inc., Senior Unsecured	1,550,000 <sup>nc</sup>

	Notes, 7.50%, due 8/1/18
	Party City Holdings, Inc., Guaranteed Notes, 8.88%, due
1,685,000	8/1/18 2,078,775
	4,360,300

Steel  
Producers—Products  
(2.0%)

	ArcelorMittal, Senior Unsecured Notes, 5.75%, due
3,435,000	8/5/20 4,100
	ArcelorMittal, Senior Unsecured Notes, 7.50%, due
2,200,000	10/15/20 4,500
	5,945,600

See Notes to Schedule of Investments



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

PRINCIPAL AMOUNT		VALUE†
<b>Support—Services</b>		
<b>(5.5%)</b>		
\$355,000	APX Group, Inc., Senior Secured Notes, 6.38%, due 12/1/19	\$361,213
1,840,000	APX Group, Inc., Guaranteed Notes, 8.75%, due 12/1/20	1,876,800
730,000	Hertz Corp., Guaranteed Notes, 5.88%, due 10/15/20	773,800
1,295,000	Iron Mountain, Inc., Guaranteed Notes, 7.75%, due 10/1/19	1,424,500
450,000	Iron Mountain, Inc., Senior Subordinated Notes, 8.38%, due 8/15/21	474,750
2,285,000	Iron Mountain, Inc., Guaranteed Notes, 5.75%, due 8/15/24	2,256,437
4,245,000	ServiceMaster Co., Guaranteed Notes, 8.00%, due 2/15/20	4,579,294
1,555,000	ServiceMaster Co., Guaranteed Notes, 7.00%, due 8/15/20	1,640,525
750,000	United Rental N.A., Inc., Guaranteed Notes, 7.38%, due 5/15/20	830,625
1,610,000	United Rental N.A., Inc., Senior Unsecured Notes, 8.25%, due 2/1/21	1,801,187
		16,019,131
<b>Telecom—Integrated</b>		
<b>Services</b>		
<b>(10.5%)</b>		
485,000	CenturyLink, Inc., Senior Unsecured Notes, Ser. W, 6.75%, due 12/1/23	520,163
4,900,000	CenturyLink, Inc., Senior Unsecured Notes, Ser. P, 7.60%, due 9/15/39	4,805,062
2,569,000	Citizens Communications Co., Senior Unsecured Notes, 9.00%, due 8/15/31	2,658,915 øø
665,000	Frontier Communications Corp., Senior Unsecured Notes, 7.63%, due 4/15/24	689,938
810,000	Hughes Satellite Systems Corp., Senior Secured Notes, 6.50%, due 6/15/19	891,000
1,035,000	Intelsat Jackson Holdings SA, Guaranteed Notes, 8.50%, due 11/1/19	1,107,450
2,280,000	Intelsat Jackson Holdings SA, Guaranteed Notes, 5.50%, due 8/1/23	2,231,550 ñ
1,225,000	Intelsat Luxembourg SA, Guaranteed Notes, 7.75%, due 6/1/21	1,277,063
1,125,000	Intelsat Luxembourg SA, Guaranteed Notes, 8.13%, due 6/1/23	1,181,250
2,231,000	Level 3 Financing, Inc., Guaranteed Notes, 9.38%, due 4/1/19	2,465,255
2,175,000	Level 3 Financing, Inc., Guaranteed Notes, 8.13%, due 7/1/19	2,378,906
1,590,000	Level 3 Financing, Inc., Guaranteed Notes, 8.63%, due 7/15/20	1,780,800
1,650,000	tw telecom holdings, Inc., Guaranteed Notes, 5.38%, due 10/1/22	1,674,750
1,994,000	U.S. West Communications Group, Senior Unsecured Notes, 6.88%, due 9/15/33	1,995,854
1,025,000	Windstream Corp., Guaranteed Notes, 7.88%, due 11/1/17	1,177,469
1,570,000	Windstream Corp., Guaranteed Notes, 7.75%, due 10/1/21	1,699,525
2,065,000	Windstream Corp., Guaranteed Notes, 7.50%, due 6/1/22	2,204,387
		30,739,337
<b>Telecom—Wireless</b>		
<b>(6.5%)</b>		
455,000	SBA Telecommunications, Inc., Guaranteed Notes, 5.75%, due 7/15/20	477,750
2,175,000	Sprint Capital Corp., Guaranteed Notes, 6.88%, due 11/15/28	2,147,812 øø
2,515,000	Sprint Capital Corp., Guaranteed Notes, 8.75%, due 3/15/32	2,813,656
1,605,000	Sprint Corp., Guaranteed Notes, 7.88%, due 9/15/23	1,769,512 ñ
1,640,000	Sprint Corp., Guaranteed Notes, 7.13%, due 6/15/24	1,722,000 ñ
475,000	Sprint Nextel Corp., Guaranteed Notes, 9.00%, due 11/15/18	578,906 ñ
895,000	Sprint Nextel Corp., Senior Unsecured Notes, 7.00%, due 8/15/20	973,313
890,000	T-Mobile USA, Inc., Guaranteed Notes, 6.46%, due 4/28/19	943,400
1,945,000	T-Mobile USA, Inc., Guaranteed Notes, 6.54%, due 4/28/20	2,090,875
870,000	T-Mobile USA, Inc., Guaranteed Notes, 6.25%, due 4/1/21	926,550

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1,300,000	T-Mobile USA, Inc., Guaranteed Notes, 6.63%, due 4/28/21	1,404,000
485,000	T-Mobile USA, Inc., Guaranteed Notes, 6.13%, due 1/15/22	509,856
1,105,000	T-Mobile USA, Inc., Guaranteed Notes, 6.73%, due 4/28/22	1,192,019
650,000	T-Mobile USA, Inc., Guaranteed Notes, 6.84%, due 4/28/23	699,563
645,000	T-Mobile USA, Inc., Guaranteed Notes, 6.50%, due 1/15/24	676,444
		18,925,656
Theaters & Entertainment (0.4%)		
1,205,000	Activision Blizzard, Inc., Guaranteed Notes, 5.63%, due 9/15/21	1,284,831 ñ
	Total Corporate Debt Securities (Cost \$373,045,203)	

See Notes to Schedule of Investments

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

NUMBER OF SHARES		VALUE†
<b>Short-Term</b>		
<b>Investments (4.8%)</b>		
13,979,589	State Street Institutional Liquid Reserves Fund Institutional Class ( <b>Cost \$13,979,589</b> )	\$13,979,589
	<b>Total Investments (146.2%) (Cost \$410,113,075)</b>	426,826,415 ##
	Liabilities, less cash, receivables and other assets [(34.2%)]	(99,814,763 )±
	Liquidation Value of Mandatory Redeemable Preferred Shares [(12.0%)]	(35,000,000 )
	<b>Total Net Assets Applicable to Common Shareholders (100.0%)</b>	<b>\$292,011,652</b>

See Notes to Schedule of Investments

Notes to Schedule of Investments (Unaudited)

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

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

- Level 1 – quoted prices in active markets for identical investments
- Level 2 – other observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, amortized cost, etc.)
- Level 3 – unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

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

The value of the Fund's investments in debt securities is determined by Management primarily by obtaining valuations from independent pricing services based on readily available bid quotations, or if quotations are not available, by methods which include various considerations based on security type (generally Level 2 inputs). In addition to the consideration of yields or prices of securities of comparable quality, coupon, maturity and type; indications as to values from dealers; and general market conditions, the following is a description of other Level 2 inputs and related valuation techniques used by an independent pricing service to value certain types of debt securities of the Fund:

*Corporate Debt Securities.* Inputs used to value corporate debt securities generally include relative credit information, observed market movements, sector news, spread to the U.S. Treasury market, and other market information, which may include benchmark yields, reported trades, broker-dealer quotes, issuer spreads, benchmark securities, bids, offers, and reference data, such as market research publications, when available ("Other Market Information").

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

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

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

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

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

See Notes to Financial Statements

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

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

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

The following is a summary, categorized by Level, of inputs used to value the Fund's investments as of April 30, 2014:

Asset Valuation Inputs

	Level 1	Level 2	Level 3 <sup>§</sup>	Total
Investments:				
Bank Loan Obligations <sup>^</sup>	\$ —	\$23,376,184	\$ —	\$23,376,184
Corporate Debt Securities <sup>^</sup>	—	389,470,642	—	389,470,642
Short-Term Investments	—	13,979,589	—	13,979,589
Total Investments	\$ —	\$426,826,415	\$ —	\$426,826,415

<sup>^</sup> The Schedule of Investments provides information on the industry categorization for the portfolio.

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

Investments in	Beginning balance, as of 11/1/13	Accrued discounts/premiums	Realized gain/(loss)	Change in unrealized appreciation/(depreciation)	Purchases	Sales	Transfers in to Level 3	Transfers out of Level 3	Balance as of 4/30/14	Net change in unrealized appreciation/(depreciation) from investments as of 4/30/14
Securities										
Corporate Debt Securities										

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Assets	\$1508,616	\$ —	\$113,055	\$(89,215)	\$—	\$(1,532,456)	\$—	\$—	\$—	\$—
Liabilities	\$1508,616	\$ —	\$113,055	\$(89,215)	\$—	\$(1,532,456)	\$—	\$—	\$—	\$—

The Fund had no transfers between Levels 1, 2 and 3 during the six months ended April 30, 2014.

Liability Valuation Inputs

The following is a summary, categorized by Level, of inputs used to value the Fund's derivatives as of April 30, 2014:

	Level 1	Level 2	Level 3	Total
Interest rate swap contracts	\$ —	\$(2,218,149)	\$ —	\$(2,218,149)

See Notes to Financial Statements

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

## At April 30, 2014, the cost of investments for U.S. federal income tax purposes was \$410,119,104. Gross unrealized appreciation of investments was \$18,919,547 and gross unrealized depreciation of investments was \$2,212,236, resulting in net unrealized appreciation of \$16,707,311 based on cost for U.S. federal income tax purposes.

ñ Securities were purchased under Rule 144A of the Securities Act of 1933, as amended (the "1933 Act"), or are private placements and, unless registered under the 1933 Act or exempted from registration, may only be sold to qualified institutional investors. These securities have been deemed by the investment manager to be liquid. At April 30, 2014, these securities amounted to \$90,793,750 or 31.1% of net assets applicable to common shareholders.

Ø All or a portion of this security was purchased on a when-issued basis. At April 30, 2014 these securities amounted to \$7,406,356 or 2.5% of net assets applicable to common shareholders.

ØØ All or a portion of this security is segregated in connection with obligations for interest rate swap contracts and delayed delivery purchase commitments. In addition, the Fund had deposited \$2,173,719 in a segregated account for interest rate swap contracts.

μ Floating rate securities are securities whose yields vary with a designated market index or market rate. These securities are shown at their current rates as of April 30, 2014, and their final maturity dates.

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

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

^^ All or a portion of this security has not settled as of April 30, 2014 and thus does not have an interest rate in effect. Interest rates do not take effect until settlement.

± See Note A-10 in the Notes to Financial Statements for the Fund's open positions in derivatives at April 30, 2014.

See Notes to Financial Statements



Statement of Assets and Liabilities (Unaudited)

Neuberger Berman

**HIGH YIELD  
STRATEGIES  
FUND INC.**

April 30, 2014

Assets

Investments in securities, at value\* (Note A)—see Schedule of Investments:

Unaffiliated issues \$26,826,415

Cash 120,300

Deposits with brokers for open swap contracts \$173,719

Interest receivable \$108,162

Receivable for securities sold 616,641

Prepaid expenses and other assets 215,361

Total Assets \$27,060,598

Liabilities

Notes payable (Note A) 90,000,000

Mandatory Redeemable Preferred Shares Series B (\$25,000 liquidation value)

per share; 1,400 shares issued and outstanding) (Note A)	
Interest rate swaps, at value (Note A)	2,218,149
Distributions payable—preferred shares	79,374
Distributions payable—common shares	47,272
Payable for securities purchased	1,323,304
Payable to investment manager (Note B)	205,515
Payable to administrator (Note B)	17,126
Payable to directors	1,536
Interest payable	111,104
Accrued expenses and other payables	136,566
Total Liabilities	4,948,946
Net Assets	292,011,652

applicable  
 to  
 Common  
 Shareholders  
 Net Assets  
 applicable to  
 Common  
 Shareholders  
 consist of:  
 Paid-in  
 capital—common  
 shares \$29,354,841  
 Undistributed  
 net  
 investment  
 income  
 (loss) 697,516  
 Accumulated  
 net  
 realized  
 gains  
 (losses)  
 on  
 investments (16,409,447)  
 Net  
 unrealized  
 appreciation  
 (depreciation)  
 in  
 value  
 of  
 investments 1,458,742  
 Net  
 Assets  
 applicable  
 to  
 Common  
 Shares \$29,101,652  
 Common  
 Shares  
 Outstanding  
 (\$0.0001  
 par  
 value;  
 999,999,997,100  
 shares  
 authorized) 19,510,585  
 Net  
 Asset  
 Value  
 Per

Common  
Share  
Outstanding  
\*Cost

of  
Investments \$410,075

See Notes to Financial Statements

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Statement of Operations (Unaudited)  
Neuberger Berman

**HIGH YIELD  
STRATEGIES  
FUND INC.  
For the Six  
Months Ended  
April 30, 2014**

Investment Income:	
Income (Note A):	
Interest and other income—unaffiliated issuers	\$13,643,739
Foreign taxes withheld (Note A)	( )
Total income	\$13,643,714
Expenses:	
Investment management fees (Note B)	1,229,370
Administration fees (Note B)	102,447
Audit fees	31,414
Basic maintenance expense (Note A)	12,397
Custodian and accounting fees	81,117
Insurance expense	6,235
Legal fees	46,898
Shareholder reports	29,974

Stock  
exchange  
listing  
fees 4,624

Stock  
transfer  
agent  
fees 12,427

Interest  
expense  
(Note  
A) 664,879

Distributions  
to  
mandatory  
redeemable  
preferred  
shareholders  
(Note  
A) 465,423

Directors'  
fees  
and  
expenses 17,751

Miscellaneous 13,832

Total  
net  
expense 2,718,788

Net  
investment  
income  
(loss) \$10,924,926

Realized and  
Unrealized Gain  
(Loss) on  
Investments (Note  
A):

Net realized gain  
(loss) on:

Sales  
of  
investment  
securities  
of  
unaffiliated  
issuers 3,220,546

Interest  
rate  
swap  
contracts (700,855)

Change in net  
 unrealized  
 appreciation  
 (depreciation) in  
 value of:

Unaffiliated  
 investment  
 securities 1,918,873

Interest  
 rate  
 swap  
 contracts 542,050

Net  
 gain  
 (loss) 980,614

on  
 investments

Net  
 increase  
 (decrease)  
 in  
 net  
 assets  
 applicable 15,905,540

to  
 Common  
 Shareholders  
 resulting  
 from  
 operations



See Notes to Financial Statements

## Statements of Changes in Net Assets

Neuberger Berman

HIGH YIELD STRATEGIES  
FUND INC.**Six Months****Ended****April 30,****2014****(Unaudited)****Year Ended****October 31,****2013**Increase (Decrease) in Net  
Assets Applicable to Common  
Shareholders:

From Operations (Note A):

Net  
investment  
income

(\$)(10,924,926)      \$22,485,067

Net  
realized  
gain

(loss)

on  
investments 2,519,691      10,064,753Change  
in  
netunrealized  
appreciation

(depreciation)

of  
investments 2,460,923      1,844,458Distributions to Preferred  
Shareholders From (Note A):Net  
investment  
income

—      (768,900)

Net  
increase  
(decrease)in  
net  
assets  
applicable  
to  
common  
shareholdersresulting  
from

operations 1,105,540      33,625,378



Distributions to Common Shareholders From (Note A):	
Net investment income	(21,103,832)
Net Increase (Decrease) in Net Assets Applicable to Common Shareholders:	
Beginning of period	274,136,482
End of period	\$286,658,028
Undistributed net investment income (loss) at end of period	\$324,506
See Notes to Financial Statements	

Statement of Cash Flows (Unaudited)

Neuberger Berman

**HIGH YIELD  
STRATEGIES  
FUND INC.  
For the Six  
Months Ended  
April 30, 2014**

Increase (decrease)  
in cash:

Cash flows from  
operating  
activities:

Net  
increase  
in  
net  
assets  
applicable  
to

Common  
Shareholders  
resulting  
from  
operations

Adjustments to  
reconcile net  
increase in net  
assets applicable to  
Common  
Shareholders  
resulting from  
operations to net  
cash provided by  
operating  
activities:

Changes in assets  
and liabilities:

Purchase  
of  
investment  
securities

Proceeds  
from  
disposition

(17,768,843)

42,960,170

of  
investment  
securities

Purchase/sale  
of  
short-term  
investment  
securities,  
net (12,587,702)

Decrease  
in  
net  
interest  
payable/receivable  
on  
interest  
rate  
swap  
contracts (6,763)

Decrease  
in  
interest  
receivable 65,215

Decrease  
in  
prepaid  
expenses  
and  
other  
assets 2,065

Decrease  
in  
receivable  
for  
securities  
sold 6,496,162

Decrease  
in  
deposits  
with  
brokers  
for  
open  
swap  
contracts 427,301

Decrease (3,011)  
in  
accumulated  
unpaid  
dividends  
on

Preferred  
 Shares  
 Increase  
 in  
 payable  
 for  
 securities  
 purchases 210,946  
 Decrease  
 in  
 interest  
 payable (4,744)  
 Net  
 amortization  
 of  
 discount  
 on  
 investments 42,240  
 Decrease  
 in  
 accrued  
 expenses  
 and  
 other  
 payables (33,204)  
 Unrealized  
 appreciation  
 on  
 securities (1,918,873)  
 Unrealized  
 appreciation  
 on  
 interest  
 rate  
 swap  
 contracts (542,050)  
 Net  
 realized  
 gain  
 from  
 investments (20,546)  
 Net  
 realized  
 loss  
 from  
 interest  
 rate  
 swap  
 contracts 700,855  
 Net \$10,174,758  
 cash

provided  
by  
operating  
activities

Cash flows from  
financing  
activities:

Cash  
distributions  
paid  
on  
Common  
Shares (10,559,053)

Net  
cash  
used  
in  
financing  
activities (10,559,053)

Net  
increase  
(decrease)  
in  
cash (384,295)

Cash:

Beginning  
balance 504,595

Ending  
balance \$120,300

Supplemental  
disclosure

Cash  
paid  
for  
interest \$669,623

See Notes to Financial Statements

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

Note A—Summary of Significant Accounting Policies:

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

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

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

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

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

The Fund has adopted the provisions of ASC 740 "Income Taxes" ("ASC 740"). ASC 740 sets forth a minimum threshold for financial statement recognition of a tax position taken, or expected to be taken, in a tax return. The Fund recognizes interest and penalties, if any, related to unrecognized tax positions as an income tax expense in the Statement of Operations. The Fund is subject to examination by U.S. federal and state tax authorities for returns filed for the tax years for which the applicable statutes of limitations have not yet expired. As of April 30, 2014, the Fund did not have any unrecognized tax positions.

Income distributions and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP. These differences are primarily due to differing treatments of income and gains on various investment securities held by the Fund, timing differences and differing characterization of distributions made by the Fund.

As determined on October 31, 2013, permanent differences resulting primarily from different book and tax accounting were reclassified at year end. Such differences may be attributed to one or more of the following: income recognized on interest rate swaps, distributions in excess of current earnings and non-deductible

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restructuring costs. These reclassifications had no effect on net income, net asset value ("NAV") applicable to common shareholders or NAV per common share of the Fund. For the year ended October 31, 2013, the Fund recorded the following permanent reclassifications:

<b>Paid-in Capital</b>	<b>Undistributed Net Investment Income (Loss)</b>	<b>Accumulated Net Realized Gains (Losses) on Investments</b>
\$(675,972)	\$(640,573)	\$1,316,545

For tax purposes, distributions of short-term gains are taxable to shareholders as ordinary income.

The tax character of distributions paid during the years ended October 31, 2013 and October 31, 2012 were as follows:

Ordinary Income		Long-Term Capital Gains		Tax Return of Capital		Total	
2013	2012	2013	2012	2013	2012	2013	2012
\$21,986,079	\$22,775,640	\$—	\$—	\$—	\$—	\$21,986,079	\$22,775,640

As of October 31, 2013, the components of distributable earnings (accumulated losses) on a U.S. federal income tax basis were as follows:

<b>Undistributed Ordinary Income</b>	<b>Undistributed Long-Term Gain</b>	<b>Unrealized Appreciation (Depreciation)</b>	<b>Loss Carryforwards and Deferrals</b>	<b>Other Temporary Differences</b>	Total
\$—	\$—	\$12,442,765	\$(19,002,784)	\$(136,794)	\$(6,696,813)

The differences between book basis and tax basis distributable earnings are primarily due to: timing differences of wash sales, delayed settlement compensation on bank loans, distribution payments, income recognized on interest rate swaps and capital loss carryforwards.

To the extent the Fund's net realized capital gains, if any, can be offset by capital loss carryforwards, it is the policy of the Fund not to distribute such gains. The Regulated Investment Company Modernization Act of 2010 (the "Act") became effective for the Fund on November 1, 2011. The Act modernizes several of the federal income and excise tax provisions related to RICs. Among the changes made are changes to the capital loss carryforward rules allowing for RICs to carry forward capital losses indefinitely and to retain the character of capital loss carryforwards as short-term or long-term ("Post-Enactment"). Rules in effect previously limited the carryforward period to eight years and all carryforwards were considered short-term in character ("Pre-Enactment"). As determined at October 31, 2013, the Fund had unused capital loss carryforwards available for federal income tax purposes to offset net realized capital gains, if any, as follows:

Pre-Enactment Expiring in:		
2015	2016	2017
\$9,942,117(1)	\$4,971,059(1)	\$4,089,608

(1) The capital loss carryforwards shown above include \$9,942,117 and \$4,971,059 expiring in 2015 and 2016, respectively, which were acquired on August 6, 2010 in the merger with NOX. The use of these losses to offset future gains may be limited.

During the year ended October 31, 2013, the Fund utilized capital loss carryforwards of \$11,384,160.



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

**6 Distributions to common shareholders:** The Fund earns income, net of expenses, daily on its investments. It is the policy of the Fund to declare and pay monthly distributions to common shareholders. The Fund has adopted a policy to pay common shareholders a stable monthly distribution. The Fund's ability to satisfy its policy will depend on a number of factors, including the stability of income received from its investments, the availability of capital gains, distributions paid on preferred shares, interest paid on notes and the level of Fund expenses. In an effort to maintain a stable monthly distribution amount, the Fund may pay distributions consisting of net investment income, net realized gains and paid-in capital. There is no assurance that the Fund will always be able to pay distributions of a particular size, or that distributions will consist solely of net investment income and net realized capital gains. The composition of the Fund's distributions for the calendar year 2014 will be reported to Fund shareholders on IRS Form 1099-DIV. The Fund may pay distributions in excess of those required by its stable distribution policy to avoid excise tax or to satisfy the requirements of the U.S. Internal Revenue Code. Distributions to common shareholders are recorded on the ex-date. Net realized capital gains, if any, will be offset to the extent of any available capital loss carryforwards. Any such offset will not reduce the level of the stable distribution paid by the Fund. Distributions to preferred shareholders are accrued and determined as described in Note A-8.

On April 30, 2014, the Fund declared a monthly distribution to common shareholders in the amount of \$0.09 per share, payable on May 30, 2014 to shareholders of record on May 15, 2014, with an ex-date of May 13, 2014. Subsequent to April 30, 2014, the Fund declared a monthly distribution to common shareholders in the amount of \$0.09 per share, payable on June 30, 2014 to shareholders of record on June 16, 2014, with an ex-date of June 12, 2014.

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

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

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

In September 2013, the Fund issued privately placed notes ("New PNs") with an aggregate principal value of \$90,000,000 and Mandatory Redeemable Preferred Shares, Series B ("MRPS" and, together with the New PNs, "Private Securities") with an aggregate value of \$35,000,000 to holders of the PNs and PPS and used the proceeds to redeem and prepay their PNs and PPS and increase the Fund's leverage.





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

For the six months ended April 30, 2014, the distribution rate on the MRPS ranged from 2.63% to 2.65% and the interest rate on the New PNs ranged from 1.43% to 1.45%.

The table below sets forth key terms of the MPRS.

Series	Mandatory Redemption Date	Interest Rate	Shares Outstanding	Aggregate Liquidation Preference	Estimated Fair Value
B	9/18/23	2.63%*	1,400	\$ 35,000,000	\$35,000,000

\* Floating rate effective for the six months ended April 30, 2014.

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

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

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

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

**10 Derivative instruments:** During the six months ended April 30, 2014, the Fund's use of derivatives, as described below, was limited to interest rate swap contracts. The Fund has adopted the provisions of ASC 815 "Derivatives and Hedging" ("ASC 815"). The disclosure requirements of ASC 815 distinguish between derivatives that qualify for hedge accounting and those that do not. Because investment companies value their derivatives at fair value and recognize changes in fair value through the Statement of Operations, they do not qualify for hedge accounting. Accordingly, even though the Fund's investments in derivatives may represent economic hedges, they are

considered non-hedge transactions for purposes of this disclosure.

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

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

Periodic expected interim net interest payments or receipts on the swaps are recorded as an adjustment to unrealized gains/losses, along with the fair value of the future periodic payment streams on the swaps. The unrealized gains/losses associated with the periodic interim net interest payments are reclassified to realized gains/losses in conjunction with the actual net receipt or payment of such amounts. The reclassifications do not impact the Fund's total net assets applicable to common shareholders or its total net increase (decrease) in net assets applicable to common shareholders resulting from operations. At April 30, 2014, the Fund had outstanding interest rate swap contracts as follows:

Swap Counterparty	Notional Amount <sup>(1)</sup>	Termination Date	Rate Type		Accrued Net Interest Receivable (Payable)	Unrealized Appreciation (Depreciation)	Total Fair Value
			Fixed-rate Payments Made by the Fund	Variable-rate Payments Received by the Fund			
Citibank, N.A.	\$25,000,000	March 18, 2015	1.677%	.235% <sup>(2)</sup>	\$(42,916)	\$(315,124)	\$(358,040)
Citibank, N.A.	25,000,000	August 9, 2015	1.120%	.237% <sup>(3)</sup>	(49,842)	(261,318)	(311,160)
Citibank, N.A.	50,000,000	December 7, 2015	1.883%	.234% <sup>(4)</sup>	(353,611)	(1,195,338)	(1,548,949)
					\$(446,369)	\$(1,771,780)	\$(2,218,149)

(1) The notional amount at period end is indicative of the volume throughout the period.

(2) 90 day LIBOR at March 14, 2014.

(3) 90 day LIBOR at February 6, 2014.

(4) 90 day LIBOR at March 5, 2014.

At April 30, 2014, the Fund had the following derivatives (which did not qualify for hedge accounting under ASC 815), grouped by primary risk exposure:

#### Liability Derivatives

#### Statement of Assets

Interest Rate and  
Risk

Liabilities Location

Interest Rate Swap Contracts \$(2,218,149) Interest rate swaps,

Total Value \$(2,218,149) at value<sup>(1)</sup>

(1) "Interest Rate Swap Contracts" reflects the appreciation (depreciation) of the interest rate swap contracts plus accrued interest as of April 30, 2014 which is reflected in the Statement of Assets and Liabilities under the caption "Interest rate swaps, at value (Note A)."



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The impact of the use of these derivative instruments on the Statement of Operations during the six months ended April 30, 2014, was as follows:

Realized Gain (Loss)

	Interest Rate Risk	Statement of Operations Location
Interest Rate Swap Contracts	\$(700,855)	Net realized gain (loss)

Total Realized Gain (Loss) \$(700,855) on: interest rate swap contracts

Change in Appreciation (Depreciation)

	Interest Rate Risk	Statement of Operations Location
Interest Rate Swap Contracts	\$542,050	Change in net unrealized appreciation (depreciation) in value of: interest rate swap contracts
Total Change in Appreciation (Depreciation)	\$542,050	

During the current reporting period, the Fund adopted the provisions of Accounting Standards Update 2011-11 Disclosures about Offsetting Assets and Liabilities ("ASU 2011-11"). ASU 2011-11 is intended to enhance disclosure requirements on the offsetting of financial assets and liabilities. Pursuant to ASU 2011-11, an entity is required to disclose both gross and net information for assets and liabilities related to derivatives, repurchase and reverse repurchase agreements, and securities lending and securities borrowing transactions that are eligible for offset or subject to an enforceable master netting or similar agreement. The Fund's derivative assets and liabilities at fair value by type are reported gross in the Statement of Assets and Liabilities. The following tables present the Fund's derivative assets and liabilities by counterparty, net of amounts available for offset under a master netting agreement and net of the related collateral received by the Fund for assets and pledged by the Fund for liabilities as of April 30, 2014.

Description	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities
Swap Contracts	\$(2,218,149)	\$—	\$(2,218,149)
Total	\$(2,218,149)	\$—	\$(2,218,149)

Counterparty	Gross Amounts Not Offset in the Statement of Assets and Liabilities			Net Amount <sup>(b)</sup>
	Net Amounts of Liabilities Presented in the Statement of Assets and	Financial Instruments	Cash Collateral Pledged <sup>(a)</sup>	

**Liabilities**

Citibank, N.A.	\$(2,218,149)	\$—	\$2,173,719	\$(44,430)
Total	\$(2,218,149)	\$—	\$2,173,719	\$(44,430)

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

(b) Net Amount represents amounts under-collateralized by the Fund to each counterparty as of April 30, 2014.

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

**12 Arrangements with certain non-affiliated service providers:** In order to satisfy rating agency requirements and the terms of the Private Securities, the Fund is required to provide the rating agency and holders of Private

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Securities a report on a monthly basis verifying that the Fund is maintaining eligible assets having a discounted value equal to or greater than the basic maintenance amount, which is the minimum level set by the rating agency as one of the conditions to maintain the AAA rating on the New PNs and the AA rating on the MRPS Securities. "Discounted value" refers to the fact that the rating agency requires the Fund, in performing this calculation, to discount portfolio securities below their face value, at rates determined by the rating agency. The Fund pays State Street Bank and Trust Company ("State Street") for the preparation of this report, which is reflected in the Statement of Operations under the caption "Basic maintenance expense (Note A)."

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

The Fund retains Management as its investment manager under a Management Agreement. For such investment management services, the Fund pays Management a monthly fee computed at an annual rate of 0.60% of the Fund's average daily Managed Assets. Managed Assets equal the total assets of the Fund, less liabilities other than the aggregate indebtedness entered into for purposes of leverage. Management is responsible for developing, implementing and supervising the Fund's investment program and providing certain administrative services to the Fund. Management has retained NBFJ to serve as the sub-adviser of the Fund and to manage the Fund's investment portfolio. Management compensates NBFJ for its services as sub-adviser. Management pays NBFJ a monthly sub-advisory fee calculated at an annual percentage rate of 0.15% of the Fund's average daily Managed Assets.

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

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

### Note C—Securities Transactions:

During the six months ended April 30, 2014, there were purchases and sales of long-term securities (excluding interest rate swap contracts) of \$118,149,941 and \$113,957,282, respectively.

### Note D—Capital:

At April 30, 2014 the common shares outstanding and the common shares of the Fund owned by Neuberger, an affiliate of Management, were as follows:

<b>Common Shares Outstanding</b>	<b>Common Shares Owned by Neuberger</b>
19,540,585	—

There were no transactions in common shares for the six months ended April 30, 2014 and for the year ended October 31, 2013.

### Note E—Recent Accounting Pronouncement:

In June 2013, the Financial Accounting Standards Board ("FASB") issued "Accounting Standards Update 2013-08 Financial Services — Investment Companies (Topic 946): Amendments to the Scope, Measurement, and Disclosure Requirements" ("ASU 2013-08"). Effective for interim and annual reporting periods in fiscal years that begin after





December 15, 2013, ASU 2013-08 sets forth a methodology for determining whether an entity should be characterized as an investment company and prescribes fair value accounting for an investment company's non-controlling ownership interest in another investment company. FASB has determined that a fund registered under the 1940 Act automatically meets ASU 2013-08's criteria for an investment company. Although still evaluating the potential impacts of ASU 2013-08 on the Fund's financial statements, Management expects that the impact of the Fund's adoption will be limited to additional financial statement disclosures.

Note F—Unaudited Financial Information:

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



## Financial Highlights

## High Yield Strategies Fund

The following table includes selected data for a share outstanding throughout each period and other performance information derived from the financial statements. Per share amounts that round to less than \$0.01 or \$(0.01) per share are presented as \$0.00 or \$(0.00), respectively. Ratios that round to less than 0.00% or (0.00%) per share are presented as 0.00% or (0.00%), respectively. A "—" indicates that the line item was not applicable in the corresponding period.

	<b>Six Months Ended April 30, 2014 (Unaudited)</b>	Year Ended October 31,			<b>Period from January 1, 2010 to October 31, 2010<sup>^^</sup></b>	Year Ended December 31,	
		2013	2012	2011	2009	2008	
Common Share Net Asset Value, Beginning of Period	\$ 14.67	\$14.03	\$13.00	\$13.82	\$ 12.54	\$7.42	\$13.23
Net Investment Income <sup>¢</sup>	0.56	1.15	1.17				