

NEW AMERICA HIGH INCOME FUND INC  
Form N-CSRS  
September 02, 2014

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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 811-5399

The New America High Income Fund, Inc  
(Exact name of registrant as specified in charter)

33 Broad Street Boston, MA  
(Address of principal executive offices)

02109  
(Zip code)

Ellen E. Terry, 33 Broad St., Boston, MA 02109  
(Name and address of agent for service)

Registrant's telephone number, including area code: 617-263-6400

Date of fiscal year 12/31  
end:

Date of reporting period: 1/1/14 - 6/30/14

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 (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 Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. Section 3507.

**Persons who are to respond to the collection of information  
contained in this form are not required to respond unless the  
form displays a currently valid OMB control number.**

SEC 2569 (5-08)

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Item 1 - Report to Shareholders

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August 12, 2014

**Dear Shareholder,**

The Fund's net asset value (the "NAV") was \$11.05 as of June 30th. The market price for the Fund's shares ended the period at \$10.04, representing a market price discount of 9.1%. During the period the Fund's regular monthly dividend remained at \$.065 per share. The annualized dividend yield for a common stock purchase at the year-end 2013 price of \$9.65 was 8.1%.

High yield bond investors have enjoyed several years of attractive total returns. However, the very low interest rate environment of recent years has resulted in coupons on new issue high yield bonds at historically low levels. While the yield spread between U.S. Treasury securities and high yield bonds, as measured by the J.P. Morgan Global High Yield Index, remains attractive, it is well below the long term average yield spread that investors have required in the past. As discussed in detail below, the Fund's investment advisor believes there are currently fewer attractive investment opportunities in the U.S. high yield bond market than there were earlier in this market cycle. There are positive underpinnings to the market, but valuations are relatively high, coupons are low, and the terms of some new issues are not as favorable to the investor as they are to the issuer. In response to these market conditions, the Fund reduced its leverage and carried more cash during the period than is typical, with the consequence that the Fund's portfolio generated less income during the first half of the year compared with earlier periods.

As always, we remind shareholders that there is no certainty that the dividend will remain at the current level. The dividend can be affected by portfolio results, the cost and amount of leverage, market conditions, how fully invested the portfolio is and operating expenses among other factors. The Fund's leverage has increased the Fund's total return in the recent period of positive high yield market performance. Of course the opposite would be true in an unfavorable high yield market.

As of June 30th, the Fund had borrowed \$90 million through its credit facility (the "Facility") with the Bank of Nova Scotia, a reduction of \$10 million from year-end. Amounts borrowed under the Facility bear interest at an adjustable rate based on a margin above LIBOR. The interest rate on the Facility at the end of the period was 1.05%. While the spread between the cost of leverage and the portfolio's current yield at the end of the period was attractive, there is no guarantee that it will remain at this level. An increase in the cost of the leverage or reduction in the portfolio's yield will reduce the spread and may reduce the income available for the common dividend.

**Total Returns for the Periods Ending  
June 30, 2014**

|   | <b>1 Year</b> | <b>3 Years Cumulative</b> |
|---|---------------|---------------------------|
| New America High Income Fund (Stock Price and Dividends)* | 8.98%         | 22.65%                    |
| New America High Income Fund (NAV and Dividends)          | 15.97%        | 39.55%                    |
| Lipper Closed-End Fund Leveraged High Yield Average       | 16.30%        | 40.92%                    |
| Credit Suisse High Yield Index                            | 11.81%        | 30.98%                    |
| Citigroup 10 Year Treasury Index                          | 2.84%         | 15.68%                    |

Sources: Credit Suisse, Citigroup, Lipper Inc., The New America High Income Fund, Inc.

Past performance is no guarantee of future results. Total return assumes the reinvestment of dividends.

The Credit Suisse High Yield Index and Citigroup 10 Year Treasury Index are unmanaged indices. Unlike the Fund, the indices have no trading activity, expenses or leverage.

\* Because the Fund's shares may trade at either a discount or premium to the Fund's net asset value per share, returns based upon the stock price and dividends will tend to differ from those derived from the underlying change in net asset value and dividends.

*Market Review*

High yield bonds posted solid returns during the six month period as several lingering tailwinds continued to persist in powering results for the asset class, including limited defaults, generally healthy earnings and free cash flow on the part of issuers, and continued low financing costs. Despite the predominantly favorable climate, a recent isolated event, the default of TXU, led to an uptick in the overall default rate.

High yield bonds are enjoying a meaningful amount of technical support as investors' persistent search for yield continues to drive capital into the asset class. This appetite has pushed below investment-grade bond yields to historically low levels and stretched valuations to some extent. From a credit spread perspective, the average spread-to-worst for the J.P. Morgan Global High Yield Index, a measure of the differential in yields between the average below investment grade bond and comparable Treasuries, tightened to 420 basis points during the second quarter, roughly 180 basis points inside of the 20-year average. A basis point equates to one one-hundredth of a percentage point. While still well above the all-time low of 263 basis points achieved in June 2007, we believe that further substantial spread tightening is unlikely for the broad high yield market in 2014. Moreover, the par-weighted average price of this index was slightly above \$105 at the end of June a significant premium that suggests muted capital appreciation potential in the near term. Even with current trading levels suggesting low expectations for further capital appreciation, yields on below investment-grade corporate bonds compare favorably with most fixed income sectors, providing an attractive carry in a fundamentally stable market.

Returns were positive across all major industries and credit quality segments in the second quarter and for the first half, with higher-rated securities edging out CCCs in the second quarter, but slightly under-performing their lower quality counterparts over the first six months. Lingering concerns about the pace of economic growth and questions about the timing and pace of Fed rate policy gained momentum, particularly in the second quarter, leading to another leg down in U.S. Treasury yields. This rate effect was likely the biggest single contributing factor behind the gains in higher-quality, longer-duration bonds relative to the lower-quality CCC-rated category.

According to J.P. Morgan, \$121.2 billion of new high yield bonds came to the market in the second quarter, approximately \$30 billion more than the previous quarter. Although year-to-date issuance is behind last year's record-setting pace, a substantial pickup in merger and acquisition (M&A) financing helped narrow the difference. Underwriters continued to test the limits on new deal terms, keeping our investment team highly cautious and selective. On the other hand, issuers have generally allocated proceeds from recent debt offerings in a prudent manner, with a keen focus on interest expense and leverage.

As expected, Energy Future Holdings (formerly known as TXU) filed for Chapter 11 in April. This U.S. power producer was the subject of the largest-ever leveraged buyout in 2007 and now represents the largest below investment-grade default in history, affecting nearly \$40 billion of loans and bonds. J.P. Morgan's par-weighted U.S. high yield bond default rate increased significantly from 0.61% to 2.15% in April as a result, but the market reaction was largely muted as this event was well telegraphed. Additionally, the default rate is expected to remain relatively stable for the rest of the year due to a minimal amount of near-term debt maturities. The Energy Future Holdings organizational structure is highly complex, with various underlying holding companies. This company's loan and bond prices vary widely based on capital structure position and claims on assets, with some securities still trading above par value even after the bankruptcy filing.

### *Strategy Review*

Merger and acquisition activity has picked up in intensity and we expect it to remain an important theme in the months ahead. There have been several recent cases of high yield companies initiating complex acquisitions that are strategic in nature especially in the broad media space. Many media companies are making acquisitions to diversify their service offerings and/or broaden their geographic presence. We expect this to continue in the medium term and have constructed significant overweight allocations in the cable, wireless communications, and broadcasting sectors from a bottom-up perspective to take advantage of this trend.

In terms of noteworthy activity in the media space, affiliated European cable providers Numericable and Altice recently priced the largest-ever below investment-grade debt deal to finance an acquisition of SFR from Vivendi. On a combined basis, this multi-tranche, multi-currency new deal was \$16.7 billion in size, according to J.P. Morgan more than twice the previous record. Each tranche was several times oversubscribed and subsequently appreciated in the secondary market due to overwhelming demand. The Fund participated in this new deal in meaningful size, increasing the portfolio's overall exposure to these names. We have maintained a favorable view on both Numericable and Altice based on their individual merits for quite some time, although our investment thesis partly hinged on their capacity to unlock value through prudent acquisitions.

SFR is one of the largest mobile and fixed-line telecommunications operators in France, allowing Numericable and Altice to bundle additional service offerings in a key market. While it may take time for the synergies to be recognized, our high yield credit analysts expect this transaction to boost the free cash flow generation and credit profiles of these affiliated cable names. Furthermore, because of the way this deal was structured with an equity component in addition to debt financing leverage and interest coverage remained at reasonable levels.

With valuations somewhat stretched for many U.S. noninvestment-grade bonds particularly higher-rated issues we have methodically expanded our opportunity set to cover European high yield and emerging markets credits. Importantly, our high yield team continues to leverage the T. Rowe Price's global research platform to its fullest extent to uncover attractive investments outside the U.S.

### *Outlook*

With a year-to-date return of nearly 6%, as measured by the Credit Suisse High Yield Index, the asset class is outpacing expectations for coupon-like performance in 2014. We expect capital appreciation potential is limited for the remainder of this year, particularly in the U.S. where most bonds are trading at a premium to par value.

Technical factors have pushed valuations to less compelling levels in certain segments of the market, namely higher-rated bonds. Strong demand for new issues is setting the stage for issuer-friendly deal structures and pricing, increasing the importance of fundamental credit analysis and selectivity. Along these lines, a meaningful number of domestic, BB rated new issues have been priced with coupons in the 4% area. This presents a major imbalance between upside potential and downside risk for the issuers, many of which we do not expect are ever likely to reach investment grade. Higher-rated, longer-duration bonds also appear to be vulnerable to a potential sell-off in U.S. Treasuries. With this in mind, we are maintaining a cautious view on the higher-quality segment of the market.

Although valuations are somewhat stretched, underlying high yield fundamentals remain sound. Most issuers have focused on improving their balance sheets over the past several years rather than

re-leveraging, and taken



advantage of abundant liquidity and low capital costs. Robust equity markets have also contributed, allowing many high yield companies to issue stock, including numerous IPOs of leveraged buyout-related names. A portion of the proceeds from these IPOs is often used to pay down debt.

Following a surge in refinancing activity over the past several years, many issuers have pushed out near-term maturities for an extended period. Based on analysis from J.P. Morgan, roughly \$86 billion of high yield bonds are set to mature in 2014 and 2015, representing less than 5% of the total market. The limited amount of bond maturities over the next two years is highly supportive of the low default environment.

As always, we aim to deliver high current income while seeking to contain volatility inherent in this market. Our team maintains a commitment to credit research and risk-conscious investing that has led to favorable returns for our high yield clients over various market cycles.

Sincerely,

Ellen E. Terry  
President  
The New America High Income Fund, Inc.

Mark Vaselkiv  
Vice President  
T. Rowe Price Associates, Inc.

Paul A. Karpers  
Vice President  
T. Rowe Price Associates, Inc.

*Past performance is no guarantee of future results. The views expressed in this update are as of the date of this letter. These views and any portfolio holdings discussed in the update are subject to change at any time based on market or other conditions. The Fund and T. Rowe Price Associates, Inc. disclaim any duty to update these views, which may not be relied upon as investment advice. In addition, references to specific companies' securities should not be regarded as investment recommendations or indicative of the Fund's portfolio as a whole.*

## The New America High Income Fund, Inc.

| <b>Industry Summary<br/>June 30, 2014 (Unaudited)</b>                      | <b>As a Percent of<br/>Total Investments</b> |
|--|--|
| Energy   | 12.32%                                       |
| Financial  | 7.67%  |
| Cable Operators  | 7.54%  |
| Health Care  | 7.07%  |
| Wireless Communications  | 6.74%  |
| Services   | 6.58%  |
| Metals & Mining  | 5.04%  |
| Broadcasting   | 4.82%  |
| Automotive   | 4.05%  |
| Information Technology   | 3.44%  |
| Gaming   | 2.94%  |
| Container  | 2.68%  |
| Building Products  | 2.68%  |
| Manufacturing  | 2.28%  |
| Other Telecommunications   | 2.22%  |
| Chemicals  | 1.99%  |
| Retail   | 1.98%  |
| Building & Real Estate   | 1.90%  |
| Satellites   | 1.90%  |
| Forest Products  | 1.90%  |
| Consumer Products  | 1.84%  |
| Airlines   | 1.77%  |
| Utilities  | 1.77%  |
| Food/Tobacco   | 1.71%  |
| Entertainment & Leisure  | 1.28%  |
| Supermarkets   | 1.08%  |
| Publishing   | 0.85%  |
| Aerospace & Defense  | 0.54%  |
| Transportation   | 0.50%  |
| Lodging  | 0.40%  |
| Real Estate Investment Trust Securities                                    | 0.34%  |
| Restaurants  | 0.18%  |
| Total Investments  | 100.00%                                      |
| <b>Moody's Investors Service Ratings (1)<br/>June 30, 2014 (Unaudited)</b> | <b>As a Percent of<br/>Total Investments</b> |
| Baa1   | 0.04%  |
| Baa2   | 0.06%  |
| Baa3   | 0.73%  |
| Total Baa  | 0.83%  |
| Ba1  | 5.51%  |
| Ba2  | 8.29%  |
| Ba3  | 13.61%                                       |
| Total Ba   | 27.41%                                       |
| B1   | 19.31%                                       |
| B2   | 10.93%                                       |
| B3   | 17.89%                                       |

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|                   |         |
|-------------------|---------|
| Total B           | 48.13%  |
| Caa1              | 13.76%  |
| Caa2              | 6.58%   |
| Caa3              | 0.69%   |
| Total Caa         | 21.03%  |
| Ca                | 0.22%   |
| Unrated           | 1.66%   |
| Equity            | 0.72%   |
| Total Investments | 100.00% |

(1) SOURCE: Moody's Investors Service, Inc. This table compiles the ratings assigned by Moody's to the Fund's holdings.



## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2014 (Unaudited) Dollar Amounts in Thousands

| Principal Amount/Units                   |     |   | Moody's Rating (Unaudited) | Value (Note 1) |
|--|-----|---|----------------------------|----------------|
| <b>CORPORATE DEBT SECURITIES 126.41%</b> |     |   |                            |                |
| <b>(d)(h)</b>                            |     |   |                            |                |
| <b>Aerospace and Defense .68%</b>        |     |   |                            |                |
| \$                                       | 475 | Ducommun, Inc., Senior Notes, 9.75%, 07/15/18                               | B3                         | \$ 529         |
|  | 500 | Esterline Technologies, Senior Notes, 7%, 08/01/20                          | Ba2                        | 537            |
|  | 325 | Kratos Defense and Security Solutions, Inc., Senior Notes, 7%, 05/15/19 (g) | B3                         | 336            |
|  | 350 | Transdigm, Inc., Subordinated Notes, 6.50%, 07/15/24 (g)                    | Caa1                       | 364            |
|  |     |   |                            | 1,766          |
| <b>Airlines 2.26%</b>                    |     |   |                            |                |
|  | 325 | Air Canada, Senior Notes, 7.75%, 04/15/21 (g)                               | Caa2                       | 346            |
|  | 325 | Allegiant Travel Company, Senior Notes, 5.50%, 07/15/19                     | B1                         | 330            |
|  | 131 | American Airlines, Senior Notes, 4%, 01/15/27 (g)                           | (e)                        | 134            |

|                               |       |   |                                   |                       |
|-------------------------------|-------|---|-----------------------------------|-----------------------|
|                               | 136   | American Airlines, Senior Notes, 5.625%, 01/15/21 (g)             | (e)                               | 143                   |
|                               | 675   | United Continental Holdings, Inc., Senior Notes, 6%, 12/01/20     | B2                                | 704                   |
|                               | 160   | Continental Airlines, Inc., Senior Notes, 7.25%, 05/10/21         | Baa2                              | 188                   |
|                               | 83    | Continental Airlines, Inc., Senior Notes, 9.25%, 11/10/18         | Ba2                               | 93                    |
|                               | 1,525 | United Continental Holdings, Inc., Senior Notes, 6%, 07/15/26     | B2                                | 1,491                 |
|                               | 175   | United Continental Holdings, Inc., Senior Notes, 6%, 07/15/28     | B2                                | 168                   |
|                               | 575   | United Continental Holdings, Inc., Senior Notes, 6.375%, 06/01/18 | B2                                | 621                   |
|                               | 139   | US Airways, Inc., Senior Notes, 4.625%, 12/03/26                  | Baa1                              | 147                   |
| <b>Principal Amount/Units</b> |       |   | <b>Moody's Rating (Unaudited)</b> | <b>Value (Note 1)</b> |
| \$                            | 1,325 | US Airways, Inc., Senior Notes, 6.125%, 06/01/18                  | B3                                | \$ 1,395              |
|                               | 62    | US Airways, Inc., Senior  | Ba2                               | 68                    |

Notes,  
6.75%,  
12/03/22

5,828

**Automotive 5.16%**

|       |   |      |       |
|-------|---|------|-------|
| 125   | Affinia Group, Inc., Senior Notes, 7.75%, 05/01/21                    | Caa2 | 132   |
| 725   | Allison Transmission, Inc., Senior Notes, 7.125% 05/15/19 (g)         | B3   | 776   |
| 175   | American Axle and Manufacturing, Inc., Senior Notes, 5.125%, 02/15/19 | B2   | 184   |
| 350   | American Axle and Manufacturing, Inc., Senior Notes, 6.25%, 03/15/21  | B2   | 376   |
| 375   | American Axle and Manufacturing, Inc., Senior Notes, 6.625%, 10/15/22 | B2   | 411   |
| 600   | Chrysler Group LLC, Senior Notes, 8%, 06/15/19                        | B1   | 652   |
| 2,875 | Chrysler Group LLC, Senior Notes, 8.25%, 06/15/21                     | B1   | 3,249 |
| 700   | Dana Holding Corporation, Senior Notes, 5.375%, 09/15/21              | B2   | 732   |

|     |   |     |     |
|-----|---|-----|-----|
| 475 | General Motors, Senior Notes, 6.25%, 10/02/43 (g)             | Ba1 | 540 |
| 550 | Gestamp Fund Lux S.A., Senior Notes, 5.625%, 05/31/20 (g)     | B1  | 575 |
| 450 | Goodyear Tire & Rubber Company, Senior Notes, 6.50%, 03/01/21 | B1  | 489 |
| 550 | Goodyear Tire & Rubber Company, Senior Notes, 8.25%, 08/15/20 | B1  | 604 |
| 200 | Goodyear Tire & Rubber Company, Senior Notes, 8.75%, 08/15/20 | B1  | 237 |
| 200 | Group 1 Automotive, Inc., Senior Notes, 5%, 06/01/22 (g)      | B1  | 200 |

The accompanying notes are an integral part of these financial statements.



## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2014 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal Amount/Units                     |       |  | Moody's Rating (Unaudited) | Value (Note 1) |
|--|-------|--|----------------------------|----------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |       |  |                            |                |
| \$   | 1,025 | Jaguar Land Rover Automotive Plc, Senior Notes, 5.625%, 02/01/23 (g) | Ba2                        | \$ 1,087       |
|  | 350   | Navistar International Group, Senior Notes, 8.25%, 11/01/21          | B3                         | 367            |
|  | 400   | Penske Auto Group, Inc., Senior Notes, 5.75%, 10/01/22               | B2                         | 419            |
|  | 300   | Pittsburgh Glass Works, LLC, Senior Notes, 8%, 11/15/18 (g)          | B3                         | 326            |
|  | 800   | Schaeffler Finance B.V., Senior Notes, 4.75%, 05/15/21 (g)           | Ba2                        | 820            |
|  | 475   | Schaeffler Finance B.V., Senior Notes, 6.875%, 08/15/18 (g)          | B1                         | 500            |
|  | 325   | Sonic Automotive, Inc., Senior Subordinated Notes, 5%, 05/15/23      | B2                         | 321            |
|  | 300   |  | B2                         | 330            |

|                               |              |   |                                   |                       |
|-------------------------------|--------------|---|-----------------------------------|-----------------------|
|                               |              | Sonic Automotive, Inc., Senior Subordinated Notes, 7%, 07/15/22       |                                   | 13,327                |
| <b>Broadcasting</b>           | <b>6.14%</b> |   |                                   |                       |
|                               | 1,075        | AMC Networks, Inc., Senior Notes, 4.75%, 12/15/22                     | B1                                | 1,074                 |
|                               | 250          | CBS Outdoor Americas Capital LLC, Senior Notes, 5.25%, 02/15/22 (g)   | B1                                | 257                   |
|                               | 250          | CBS Outdoor Americas Capital LLC, Senior Notes, 5.625%, 02/15/24 (g)  | B1                                | 259                   |
|                               | 1,175        | Clear Channel Communications, Inc., Senior Notes, 9%, 12/15/19        | Caa1                              | 1,253                 |
|                               | 700          | Clear Channel Communications, Inc., Senior Notes, 14%, 02/01/21 (c)   | Ca                                | 721                   |
|                               | 75           | Clear Channel Worldwide Holdings, Inc., Senior Notes, 6.50%, 11/15/22 | B1                                | 80                    |
| <b>Principal Amount/Units</b> |              |   | <b>Moody's Rating (Unaudited)</b> | <b>Value (Note 1)</b> |
| \$                            | 850          | Clear Channel Worldwide Holdings, Inc., Senior Notes,                 | B1                                | \$ 916                |

|     |   |     |       |
|-----|---|-----|-------|
|     | 6.50%, 11/15/22   |     |       |
|     | Clear Channel<br>Worldwide<br>Holdings,<br>Inc., Senior<br>Subordinated<br>Notes, |     |       |
| 75  | 7.625%, 03/15/20  | B3  | 80    |
|     | Clear Channel<br>Worldwide<br>Holdings,<br>Inc., Senior<br>Subordinated<br>Notes, |     |       |
| 200 | 7.625%, 03/15/20  | B3  | 216   |
|     | Gannett Co., Inc.,<br>Senior Notes,<br>5.125%, 10/15/19<br>(g)                    | Ba1 | 363   |
|     | Gannett Co., Inc.,<br>Senior Notes,<br>6.375%, 10/15/23<br>(g)                    | Ba1 | 294   |
|     | Lamar Media<br>Corporation,<br>Senior<br>Subordinated<br>Notes,                   |     |       |
| 325 | 5.875%, 02/01/22  | B1  | 348   |
|     | Lin Television<br>Corporation,<br>Senior Notes,                                   |     |       |
| 350 | 8.375%, 04/15/18  | B3  | 367   |
|     | MDC Partners,<br>Inc., Senior Notes,<br>6.75%, 04/01/20<br>(g)                    | B3  | 1,001 |
|     | Polish Television<br>Holding B.V.,<br>Senior Notes,<br>11%, 01/15/21<br>(g)(EUR)  | (e) | 665   |
|     | Sinclair Television<br>Group, Inc.,<br>Senior Notes,<br>6.125%, 10/01/22          | B1  | 629   |
|     | Sirius XM Radio,<br>Inc., Senior Notes,<br>4.25%, 05/15/20<br>(g)                 | B1  | 444   |
| 500 |   | B1  | 525   |

Sirius XM Radio,  
Inc., Senior Notes,  
5.75%, 08/01/21  
(g)

Starz LLC, Senior  
Notes,

725

5%, 09/15/19

Ba2

754

Townsquare  
Radio LLC,  
Senior Notes,

375

9%, 04/01/19 (g)

B3

415

Univision  
Communications,  
Inc.,  
Senior Notes,  
5.125%, 05/15/23  
(g)

2,425

B2

2,567

Univision  
Communications,  
Inc.,  
Senior Notes,  
6.75%, 09/15/22  
(g)

300

B2

332

Univision  
Communications,  
Inc.,  
Senior Notes,  
7.875%, 11/01/20  
(g)

325

B2

358

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2014 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |       |   | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|-------|---|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |       |   |                                  |                   |
|  |       | Univision<br>Communications,<br>Inc.,<br>Senior Notes,<br>8.50%,<br>05/15/21 (g)        | Caa2                             | \$ 1,940          |
| \$   | 1,750 |   |                                  | 15,858            |
| <b>Building and Real Estate 2.42%</b>      |       |   |                                  |                   |
|  |       | CCRE<br>Company,<br>Senior Notes,<br>7.75%,<br>02/15/18 (g)                             | B1                               | 539               |
|  | 500   |   |                                  |                   |
|  |       | Howard<br>Hughes<br>Corporation,<br>Senior Notes,<br>6.875%,<br>10/01/21 (g)            | Ba3                              | 1,257             |
|  | 1,175 |   |                                  |                   |
|  |       | Jefferies<br>LoanCore<br>LLC,<br>Senior Notes,<br>6.875%,<br>06/01/20 (g)               | B2                               | 1,569             |
|  | 1,550 |   |                                  |                   |
|  |       | KB Home,<br>Senior Notes,<br>8%, 03/15/20   | B2                               | 690               |
|  | 600   |   |                                  |                   |
|  |       | Ladder Capital<br>Finance<br>Holdings<br>LLLLP, Senior<br>Notes,<br>7.375%,<br>10/01/17 | Ba3                              | 432               |
|  | 400   |   |                                  |                   |
|  |       | Realology<br>Group LLC,<br>Senior Notes,<br>9%, 01/15/20<br>(g)                         | B3                               | 141               |
|  | 125   |   |                                  |                   |
|  |       | RPG Byty<br>s.r.o., Senior  | Ba2                              | 787               |
|  | 550   |   |                                  |                   |

|                                   |              |  |   |                           |
|-----------------------------------|--------------|--|---|---------------------------|
|                                   |              | Notes,<br>6.75%,<br>05/01/20<br>(g)(EUR)   |   |                           |
|                                   | 750          | William Lyons<br>Homes, Inc.,<br>Senior Notes,<br>8.50%,<br>11/15/20                           | B3  | 836                       |
|                                   |              |  |   | 6,251                     |
| <b>Building Products</b>          | <b>3.41%</b> |  |   |                           |
|                                   | 1,425        | Associated<br>Materials, Inc.,<br>Senior Notes,<br>9.125%,<br>11/01/17                         | Caa1                                      | 1,478                     |
|                                   | 450          | Builders First<br>Source, Inc.,<br>Senior Notes,<br>7.625%,<br>06/01/21 (g)                    | Caa1                                      | 479                       |
|                                   | 1,075        | Building<br>Materials<br>Corporation of<br>America,<br>Senior Notes,<br>6.75%,<br>05/01/21 (g) | Ba3                                       | 1,158                     |
|                                   | 650          | Building<br>Materials<br>Holding<br>Corporation,<br>Senior Notes,<br>9%, 09/15/18<br>(g)       | Caa1                                      | 702                       |
|                                   | 530          | Cemex<br>Finance LLC,<br>Senior Notes,<br>9.375%,<br>10/12/22 (g)                              | (e)                                       | 620                       |
|                                   | 500          | Cemex, S.A.B.<br>de C.V.,<br>Senior<br>Secured<br>Notes,<br>7.25%,<br>01/15/21 (g)             | (e)                                       | 547                       |
| <b>Principal<br/>Amount/Units</b> |              |  | <b>Moody's<br/>Rating<br/>(Unaudited)</b> | <b>Value<br/>(Note 1)</b> |
| \$                                | 625          |  | Caa2                                      | \$ 620                    |

|                        |              |   |      |       |
|------------------------|--------------|---|------|-------|
|                        |              | Euromax International, Senior Notes, 9.50%, 04/01/16        |      |       |
|                        | 575          | Nortek, Inc., Senior Notes, 8.50%, 04/15/21                 | Caa1 | 637   |
|                        | 650          | Nortek, Inc., Senior Notes, 10%, 12/01/18                   | Caa1 | 700   |
|                        | 275          | Springs Industries, Inc., Senior Notes, 6.25%, 06/01/21     | B2   | 281   |
|                        | 375          | RSI Home Products, Inc., Senior Notes, 6.875%, 03/01/18 (g) | B1   | 399   |
|                        | 750          | Summit Materials LLC, Senior Notes, 10.50%, 01/31/20        | Caa1 | 846   |
|                        | 175          | USG Corporation, Senior Notes, 5.875%, 11/01/21 (g)         | B2   | 186   |
|                        | 125          | USG Corporation, Senior Notes, 9.75%, 01/15/18              | Caa2 | 149   |
|                        |              |   |      | 8,802 |
| <b>Cable Operators</b> | <b>9.60%</b> |   |      |       |
|                        | 425          | Adria Bidco B.V., Senior Notes, 7.875%, 11/15/20 (g)(EUR)   | B2   | 628   |
|                        | 750          | Altice Financing S.A., Senior Notes, 7.75%, 05/15/22 (g)    | B3   | 799   |
|                        | 200          |   | B3   | 221   |

|     |   |     |       |
|-----|---|-----|-------|
|     | Altice<br>Financing S.A.,<br>Senior Notes,<br>8.125%,<br>01/15/24 (g)                     |     |       |
| 875 | Altice<br>Financing S.A.,<br>Senior Notes,<br>9%, 06/15/23<br>(g)(EUR)                    | B3  | 1,387 |
| 675 | Altice<br>Financing S.A.,<br>Senior Notes,<br>9.875%,<br>12/15/20 (g)                     | B3  | 778   |
| 500 | B<br>Communications<br>Ltd.,<br>Senior Notes,<br>7.375%,<br>02/15/21 (g)                  | (e) | 539   |
| 475 | Block<br>Communications,<br>Inc.,<br>Senior Notes,<br>7.25%,<br>02/01/20 (g)              | Ba3 | 508   |
| 775 | Cable<br>Communications<br>Systems NV,<br>Senior Notes,<br>7.50%,<br>11/01/20<br>(g)(EUR) | B1  | 1,160 |
| 815 | CCO Holdings,<br>LLC, Senior<br>Notes,<br>5.125%,<br>02/15/23                             | B1  | 821   |
| 75  | CCO Holdings,<br>LLC, Senior<br>Notes,<br>5.25%,<br>03/15/21                              | B1  | 77    |
| 725 | CCO Holdings,<br>LLC, Senior<br>Notes,<br>5.25%,<br>09/30/22                              | B1  | 740   |

The accompanying notes are an integral part of these financial statements.





## The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2014 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |       |   | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|-------|---|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |       |   |                                  |                   |
| \$   | 100   | CCO Holdings,<br>LLC, Senior<br>Notes,<br>5.75%, 09/01/23                                   | B1                               | \$ 102            |
|  | 2,350 | CCO Holdings,<br>LLC, Senior<br>Notes,<br>6.625%,<br>01/31/22                               | B1                               | 2,532             |
|  | 900   | CSC Holdings,<br>LLC, Senior<br>Notes,<br>6.75%, 11/15/21                                   | Ba2                              | 995               |
|  | 650   | Cequel<br>Communications<br>Holdings I,<br>LLC, Senior<br>Notes,<br>5.125%,<br>12/15/21 (g) | B3                               | 648               |
|  | 1,750 | Cequel<br>Communications<br>Holdings I,<br>LLC, Senior<br>Notes,<br>6.375%,<br>09/15/20 (g) | B3                               | 1,859             |
|  | 125   | Cogeco Cable,<br>Inc., Senior<br>Notes,<br>4.875%,<br>05/01/20 (g)                          | (e)                              | 127               |
|  | 800   | Dish DBS<br>Corporation,<br>Senior Notes,<br>5.125%,<br>05/01/20                            | Ba3                              | 841               |
|  | 525   | Dish DBS<br>Corporation,<br>Senior Notes,<br>5.875%,<br>07/15/22                            | Ba3                              | 570               |

|                               |       |  |                                   |                       |
|-------------------------------|-------|--|-----------------------------------|-----------------------|
|                               | 325   | Dish DBS Corporation, Senior Notes, 6.75%, 06/01/21            | Ba3                               | 370                   |
|                               | 500   | Mediacom Broadband LLC, Senior Notes, 6.375%, 04/01/23         | B3                                | 528                   |
|                               | 300   | Midcontinent Communications, Senior Notes, 6.25%, 08/01/21 (g) | B3                                | 312                   |
|                               | 1,675 | Netflix, Inc., Senior Notes, 5.375%, 02/01/21                  | Ba3                               | 1,759                 |
|                               | 500   | Netflix, Inc., Senior Notes, 5.75%, 03/01/24 (g)               | Ba3                               | 525                   |
|                               | 900   | Numericable Group, S.A., Senior Notes, 6.25%, 05/15/24 (g)     | B1                                | 939                   |
|                               | 475   | UPCB Finance Limited, Senior Notes, 6.875%, 01/15/22 (g)       | Ba3                               | 521                   |
|                               | 550   | UPCB Finance Limited, Senior Notes, 7.25%, 11/15/21 (g)        | Ba3                               | 604                   |
|                               | 575   | Videotron Ltee., Senior Notes, 5%, 07/15/22                    | Ba2                               | 590                   |
|                               | 700   | VTR Finance B.V., Senior Notes, 6.875%, 01/15/24 (g)           | B1                                | 746                   |
| <b>Principal Amount/Units</b> |       |  | <b>Moody's Rating (Unaudited)</b> | <b>Value (Note 1)</b> |
| \$                            | 175   | WaveDivision Holdings, LLC, Senior Notes,                      | B3                                | \$ 189                |

|                  |              |   |      |        |
|------------------|--------------|---|------|--------|
|                  | 550          | 8.125%,<br>09/01/20 (g)<br>Wide Open<br>West Finance,<br>LLC,<br>Senior Notes,<br>10.25%,<br>07/15/19 | Caa1 | 618    |
|                  | 800          | Wide Open<br>West Finance,<br>LLC,<br>Senior<br>Subordinated<br>Notes,<br>13.375%,<br>10/15/19        | Caa1 | 930    |
|                  | 550          | Ziggo Bond<br>Company,<br>B.V.,<br>Senior Notes,<br>8%, 05/15/18<br>(g)(EUR)                          | Ba2  | 835    |
|                  |              |   |      | 24,798 |
| <b>Chemicals</b> | <b>2.53%</b> |   |      |        |
|                  | 300          | Axalta Coating<br>Systems<br>Dutch<br>Holding B<br>B.V., Senior<br>Notes,<br>7.375%,<br>05/01/21 (g)  | Caa1 | 327    |
|                  | 875          | Celanese US<br>Holdings LLC,<br>Senior Notes,<br>4.625%,<br>11/15/22                                  | Ba2  | 877    |
|                  | 475          | Ciech Group<br>Financing,<br>Senior Notes,<br>9.50%,<br>11/30/19<br>(g)(EUR)                          | B2   | 741    |
|                  | 525          | Hexion<br>Specialty<br>Chemicals,<br>Inc.,<br>Senior Notes,<br>6.625%,<br>04/15/20                    | B1   | 557    |
|                  | 1,075        |   | Caa1 | 1,115  |

|       |   |      |       |
|-------|---|------|-------|
|       | Hexion Specialty Chemicals, Inc., Senior Notes, 8.875%, 02/01/18    |      |       |
| 350   | Ineos Group Holdings S.A., Senior Notes, 6.125%, 08/15/18 (g)       | B3   | 361   |
| 425   | PolyOne Corporation, Senior Notes, 5.25%, 03/15/23                  | Ba3  | 438   |
| 325   | PolyOne Corporation, Senior Notes, 7.375%, 09/15/20                 | Ba3  | 353   |
| 1,225 | PQ Corporation, Senior Notes, 8.75%, 05/01/18 (g)                   | Caa1 | 1,331 |
| 425   | Rayonier Ameircan Products, Inc., Senior Notes, 5.50%, 06/01/24 (g) | Ba3  | 432   |
|       |   |      | 6,532 |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2014 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal Amount/Units                     |   | Moody's Rating (Unaudited) | Value (Note 1) |
|--|---|----------------------------|----------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |   |                            |                |
| <b>Consumer Products 2.34%</b>             |   |                            |                |
| \$ 525                                     | 24 Hour Holdings III LLC, Senior Notes, 8%, 06/01/22 (g)      | Caa1                       | \$ 524         |
| 1,325                                      | Activision Blizzard, Inc., Senior Notes, 5.625%, 09/15/21 (g) | Ba2                        | 1,433          |
| 350  | Activision Blizzard, Inc., Senior Notes, 6.125%, 09/15/23 (g) | Ba2                        | 386            |
| 160  | Avon Products, Inc., Senior Notes 4.60%, 03/15/20             | Baa3                       | 166            |
| 100  | Boardriders S.A., Senior Notes, 8.875%, 12/15/17 (g)(EUR)     | B3                         | 142            |
| 750  | Hanesbrands, Inc., Senior Notes, 6.375%, 12/15/20             | Ba2                        | 811            |
| 275  | Levi Strauss & Co., Senior Notes, 6.875%, 05/01/22            | Ba3                        | 302            |
| 325  | Pantry, Inc., Senior Notes, 8.375%, 08/01/20                  | Caa1                       | 351            |

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|                               |              |  |                                   |                       |
|-------------------------------|--------------|--|-----------------------------------|-----------------------|
|                               | 275          | Quicksilver Inc., Senior Notes, 7.875%, 08/01/18 (g)             | B2                                | 280                   |
|                               | 575          | Quicksilver Inc., Senior Notes, 10%, 08/01/20                    | Caa2                              | 578                   |
|                               | 225          | Spectrum Brands Escrow, Senior Notes, 6.375%, 11/15/20           | B3                                | 242                   |
|                               | 200          | Spectrum Brands Escrow, Senior Notes, 6.625%, 11/15/22           | B3                                | 216                   |
|                               | 350          | Tempur-Pedic International, Inc., Senior Notes, 6.875%, 12/15/20 | B3                                | 384                   |
|                               | 200          | Wolverine World Wide, Inc., Senior Notes, 6.125%, 10/15/20       | B2                                | 216                   |
|                               |              |  |                                   | 6,031                 |
| <b>Container</b>              | <b>3.41%</b> |  |                                   |                       |
|                               | 375          | AEP Industries, Inc., Senior Notes, 8.25%, 04/15/19              | B3                                | 396                   |
|                               | 248          | ARD Finance S.A., Senior Notes, 11.125%, 06/01/18 (c)(g)         | (e)                               | 263                   |
| <b>Principal Amount/Units</b> |              |  | <b>Moody's Rating (Unaudited)</b> | <b>Value (Note 1)</b> |
| \$                            | 200          | Ardagh Packaging Finance plc,                                    | Caa1                              | \$ 200                |

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|     |  |      |     |
|-----|--|------|-----|
|     | Senior Notes,<br>6%, 06/30/21 (g)  |      |     |
|     | Ardagh Packaging<br>Finance plc,<br>Senior Notes,<br>6.25%, 01/31/19<br>(g)                                | Caa1 | 206 |
| 200 |  |      |     |
|     | Ardagh Packaging<br>Finance plc,<br>Senior Notes,<br>7%, 11/15/20 (g)                                      | Caa1 | 598 |
| 578 |  |      |     |
|     | Ardagh Finance<br>Holdings S.A.,<br>Senior Notes,<br>8.625%, 06/15/19<br>(g)                               | Caa2 | 360 |
| 350 |  |      |     |
|     | Beverage<br>Packaging<br>Holdings<br>(Lux) II S.A.,<br>Senior Notes,<br>5.625%, 12/15/16<br>(g)            | Caa2 | 411 |
| 400 |  |      |     |
|     | Beverage<br>Packaging<br>Holdings<br>(Lux) II S.A.,<br>Senior<br>Subordinated<br>Notes<br>6%, 06/15/17 (g) | Caa2 | 231 |
| 225 |  |      |     |
|     | Bway Holding<br>Company,<br>Senior Notes,<br>10%, 06/15/18   | Caa1 | 448 |
| 425 |  |      |     |
|     | Consolidated<br>Container<br>Company LLC,<br>Senior Notes,<br>10.125%,<br>07/15/20 (g)                     | Caa2 | 709 |
| 700 |  |      |     |
|     | Exopack Holding<br>Corporation,<br>Senior Notes,<br>10%, 06/01/18 (g)                                      | Caa2 | 430 |
| 400 |  |      |     |
|     | Frigoglass<br>Finance B.V.,<br>Senior Notes,<br>8.25%, 05/15/18<br>(g)(EUR)                                | B1   | 939 |
| 650 |  |      |     |
| 350 |  | Ba2  | 403 |



|  |       |   |      |       |
|--|-------|---|------|-------|
|  |       | Greif Inc., Senior Notes, 7.75%, 08/01/19                   |      |       |
|  |       | Reynolds Group Issuer, Inc., Senior Notes, 5.75%, 10/15/20  | B1   | 211   |
|  | 200   |   |      |       |
|  |       | Reynolds Group Issuer, Inc., Senior Notes, 7.125%, 04/15/19 | B1   | 183   |
|  | 175   |   |      |       |
|  |       | Reynolds Group Issuer, Inc., Senior Notes, 9%, 04/15/19     | Caa2 | 1,429 |
|  | 1,350 |   |      |       |
|  |       | Reynolds Group Issuer, Inc., Senior Notes, 9.875%, 08/15/19 | Caa2 | 471   |
|  | 425   |   |      |       |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2014 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |       |  | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|-------|--|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |       |  |                                  |                   |
| \$   | 625   | Sealed Air<br>Corporation,<br>Senior Notes,<br>5.25%,<br>04/01/23 (g)                      | B1                               | \$ 638            |
|  | 249   | Tekni Plex,<br>Inc., Senior<br>Notes,<br>9.75%,<br>06/01/19 (g)                            | B3                               | 279               |
|  |       |  |                                  | 8,805             |
| <b>Energy 15.58%</b>                       |       |  |                                  |                   |
|  | 525   | AmeriGas<br>Finance LLC,<br>Senior Notes,<br>7%, 05/20/22                                  | Ba2                              | 581               |
|  | 725   | Antero<br>Resources<br>Finance<br>Corporation,<br>Senior Notes,<br>5.125%,<br>12/01/22 (g) | B1                               | 740               |
|  | 950   | Antero<br>Resources<br>Finance<br>Corporation,<br>Senior Notes,<br>5.375%,<br>11/01/21     | B1                               | 990               |
|  | 1,375 | Antero<br>Resources<br>Finance<br>Corporation,<br>Senior Notes,<br>6%, 12/01/20            | B1                               | 1,471             |
|  | 550   | Athlon<br>Holdings L.P.,<br>Senior Notes,<br>6%, 05/01/22<br>(g)                           | B3                               | 569               |
|  | 1,075 |  | B3                               | 1,172             |

|                               |       |  |                                   |                       |
|-------------------------------|-------|--|-----------------------------------|-----------------------|
|                               |       | Athlon Holdings L.P., Senior Notes, 7.375%, 04/15/21 (g) |                                   |                       |
|                               | 175   | Baytex Energy Corp., Senior Notes, 5.125%, 06/01/21 (g)  | Ba3                               | 177                   |
|                               | 1,075 | Bill Barrett Corporation, Senior Notes, 7%, 10/15/22     | B1                                | 1,140                 |
|                               | 1,275 | Bill Barrett Corporation, Senior Notes, 7.625%, 10/01/19 | B1                                | 1,377                 |
|                               | 400   | CGG SA, Senior Notes, 6.875%, 01/15/22 (g)               | Ba3                               | 398                   |
|                               | 1,725 | Chesapeake Energy Corp., Senior Notes, 5.75%, 03/15/23   | Ba1                               | 1,923                 |
|                               | 2,125 | Concho Resources, Inc., Senior Notes, 5.50%, 04/01/23    | Ba3                               | 2,284                 |
|                               | 300   | Concho Resources, Inc., Senior Notes, 7%, 01/15/21       | Ba3                               | 331                   |
|                               | 700   | Denbury Resources, Inc., Senior Notes, 5.50%, 05/01/22   | B1                                | 717                   |
| <b>Principal Amount/Units</b> |       |  | <b>Moody's Rating (Unaudited)</b> | <b>Value (Note 1)</b> |
| \$                            | 200   | Exterran Holdings, Inc., Senior Notes,                   | B1                                | \$ 202                |

|       |  |     |       |
|-------|--|-----|-------|
|       | 6%, 04/01/21   |     |       |
|       | Exterran Holdings,<br>Inc.,<br>Senior Notes,<br>6%, 10/01/22 (g)                           | B1  | 556   |
| 550   |  |     |       |
|       | Ferrellgas, L.P.,<br>Senior Notes,<br>6.50%, 05/01/21                                      | B2  | 965   |
| 925   |  |     |       |
|       | Ferrellgas,<br>Partners L.P.,<br>Senior Notes,<br>6.75%, 01/15/22<br>(g)                   | B2  | 551   |
| 525   |  |     |       |
|       | FTS International,<br>Inc., Senior Notes,<br>6.25%, 05/01/22<br>(g)                        | B2  | 359   |
| 350   |  |     |       |
|       | Laredo Petroleum,<br>Inc., Senior Notes,<br>5.625%, 01/15/22                               | B2  | 642   |
| 625   |  |     |       |
|       | Laredo Petroleum,<br>Inc., Senior Notes,<br>7.375%, 05/01/22                               | B3  | 670   |
| 600   |  |     |       |
|       | MarkWest Energy<br>Partners, L.P.,<br>Senior Notes,<br>4.50%, 07/15/23                     | Ba3 | 2,035 |
| 2,000 |  |     |       |
|       | McDermott<br>International,<br>Senior Notes,<br>8%, 05/01/21 (g)                           | B1  | 337   |
| 325   |  |     |       |
|       | Newfield<br>Exploration<br>Company,<br>Senior<br>Subordinated<br>Notes,<br>5.75%, 01/30/22 | Ba1 | 691   |
| 625   |  |     |       |
|       | Niska Gas<br>Storage Canada<br>ULC,<br>Senior Notes,<br>6.50%, 04/01/19<br>(g)             | B3  | 484   |
| 500   |  |     |       |
|       | NuStar Logistics,<br>L.P., Senior<br>Notes,<br>6.75%, 02/01/21                             | Ba1 | 754   |
| 675   |  |     |       |
|       | Parker Drilling<br>Company,  | B1  | 676   |
| 650   |  |     |       |

|       |   |  |       |
|-------|---|--|-------|
|       | Senior Notes,<br>6.75%, 07/15/22<br>(g)                               |  |       |
| 775   | Parsley Energy<br>LLC, Senior Notes<br>7.50%, 2/15/22 (g) Caa2        |  | 827   |
| 1,400 | PDC Energy,<br>Senior Notes,<br>7.75%, 10/15/22 B3                    |  | 1,554 |
| 125   | Penn Virginia<br>Corporation,<br>Senior Notes,<br>6.50%, 05/15/21 B1  |  | 137   |
| 571   | Penn Virginia<br>Corporation,<br>Senior Notes,<br>8.375%, 06/01/20 B1 |  | 645   |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2014 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |     |  | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|-----|--|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |     |  |                                  |                   |
| \$   | 800 | Penn Virginia Corporation, Senior Notes, 8.50%, 05/01/20             | Caa1                             | \$ 892            |
|  | 700 | Range Resources Corporaiton, Senior Subordinated Notes, 5%, 03/15/23 | Ba2                              | 751               |
|  | 450 | Regency Energy Partners, L.P., Senior Notes, 5.875%, 03/01/22        | Ba3                              | 489               |
|  | 125 | Rockies Express Pipeline LLC, Senior Notes, 5.625%, 04/15/20 (g)     | Ba2                              | 129               |
|  | 50  | Rockies Express Pipeline LLC, Senior Notes, 6.85%, 07/15/18 (g)      | Ba2                              | 54                |
|  | 875 | Rosetta Resources, Inc., Senior Notes, 5.875%, 06/01/24              | B1                               | 907               |
|  | 700 | Sabine Pass LNG, L.P., Senior Notes, 6.50%, 11/01/20                 | B1                               | 758               |
|  | 300 | Samson Investment Company, Senior Notes, 10.75%, 02/15/20 (g)        | B3                               | 317               |
|  | 375 |  | Caa1                             | 411               |

|                               |       |  |                                   |                       |
|-------------------------------|-------|--|-----------------------------------|-----------------------|
|                               |       | Seven Generations Energy Ltd., Senior Notes, 8.25%, 05/15/20 (g) |                                   |                       |
|                               | 725   | Seventy Seven Energy Inc., Senior Notes, 6.50%, 07/15/22 (g)     | B2                                | 743                   |
|                               | 975   | SM Energy Company, Senior Notes, 5%, 01/15/24                    | Ba2                               | 975                   |
|                               | 325   | SM Energy Company, Senior Notes, 6.50%, 11/15/21                 | Ba2                               | 353                   |
|                               | 775   | SM Energy Company, Senior Notes, 6.50%, 01/01/23                 | Ba2                               | 843                   |
|                               | 225   | SM Energy Company, Senior Notes, 6.625%, 02/15/19                | Ba2                               | 238                   |
|                               | 175   | Swift Energy Company, Senior Notes, 8.875%, 01/15/20             | B3                                | 186                   |
|                               | 1,525 | Targa Resources Partners L.P., Senior Notes, 4.25%, 11/15/23     | Ba3                               | 1,514                 |
| <b>Principal Amount/Units</b> |       |  | <b>Moody's Rating (Unaudited)</b> | <b>Value (Note 1)</b> |
| \$                            | 800   | Targa Resources Partners L.P., Senior Notes, 5.25%, 05/01/23     | Ba3                               | \$ 836                |
|                               | 625   | Tervita Corporation, Senior Notes, 8%, 11/15/18 (g)              | B3                                | 650                   |

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|                                    |              |   |      |        |
|------------------------------------|--------------|---|------|--------|
|                                    | 675          | Tervita Corporation, Senior Notes, 10.875%, 02/15/18 (g)                          | Caa2 | 687    |
|                                    | 600          | Tesoro Corporation, Senior Notes, 5.125%, 04/01/24                                | Ba2  | 607    |
|                                    | 625          | Western Refining, Inc., Senior Notes, 6.25%, 04/01/21                             | B3   | 653    |
|                                    | 1,200        | WPX Energy, Inc., Senior Notes, 6%, 01/15/22                                      | Ba1  | 1,278  |
|                                    |              |   |      | 40,226 |
| <b>Entertainment &amp; Leisure</b> | <b>1.63%</b> |   |      |        |
|                                    | 525          | Cedar Fair LP, Senior Notes, 5.25%, 03/15/21                                      | B1   | 541    |
|                                    | 500          | DreamWorks Animation SKG, Inc., Senior Notes, 6.875%, 08/15/20 (g)                | Ba3  | 545    |
|                                    | 350          | National CineMedia LLC, Senior Notes, 6%, 04/15/22                                | Ba2  | 366    |
|                                    | 100          | PortAventura Entertainment Barcelona B.V., Senior Notes, 7.25%, 12/01/20 (g)(EUR) | B3   | 144    |
|                                    | 875          | Regal Entertainment Group, Senior Notes, 5.75%, 03/15/22                          | B3   | 906    |
|                                    | 675          |   | B3   | 692    |



|                  |              |  |      |       |
|------------------|--------------|--|------|-------|
|                  |              | Six Flags Entertainment Corporation, Senior Notes, 5.25%, 01/15/21 (g) |      |       |
|                  |              | Vougeot Bidco Plc, Senior Notes, 7.875%, 7/15/20 (g)(GBP)              | B2   | 232   |
|                  | 125          |  |      |       |
|                  |              | WMG Acquisition Corporation, Senior Notes, 6%, 01/15/21 (g)            | B1   | 256   |
|                  | 247          |  |      |       |
|                  |              | WMG Acquisition Corporation, Senior Notes, 6.75%, 04/15/22 (g)         | Caa1 | 526   |
|                  | 525          |  |      |       |
|                  |              |  |      | 4,208 |
| <b>Financial</b> | <b>9.33%</b> |  |      |       |
|                  |              | Aircastle Limited, Senior Notes, 6.25%, 12/01/19                       | Ba3  | 709   |
|                  | 650          |  |      |       |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2014 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal Amount/Units                     |       |  | Moody's Rating (Unaudited) | Value (Note 1) |
|--|-------|--|----------------------------|----------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |       |  |                            |                |
| \$   | 750   | Aircastle Limited, Senior Notes, 7.625%, 04/15/20            | Ba3                        | \$ 870         |
|  | 775   | Ally Financial, Inc., Senior Notes, 7.50%, 09/15/20          | B1                         | 934            |
|  | 625   | American Capital Ltd., Senior Notes, 6.50%, 09/15/18 (g)     | B3                         | 666            |
|  | 250   | A S Company, Senior Notes, 7.875%, 12/15/20 (g)              | Caa2                       | 264            |
|  | 450   | CIT Group, Inc., Senior Notes, 5%, 08/15/22                  | Ba3                        | 468            |
|  | 2,075 | CIT Group, Inc., Senior Notes, 5%, 08/01/23                  | Ba3                        | 2,127          |
|  | 325   | CIT Group, Inc., Senior Notes, 5.375%, 05/15/20              | Ba3                        | 352            |
|  | 475   | CNO Financial Group Inc., Senior Notes, 6.375%, 10/01/20 (g) | Ba2                        | 514            |
|  | 1,200 | Discover Financial Services, Senior Notes, 10.25%, 07/15/19  | Ba1                        | 1,548          |
|  | 350   | General Motors Financial Company, Inc., Senior               | Ba2                        | 354            |

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|                                   |       |  |   |                           |
|-----------------------------------|-------|--|---|---------------------------|
|                                   |       | Notes,<br>3.25%, 05/15/18  |   |                           |
|                                   |       | General Motors<br>Financial<br>Company,<br>Inc., Senior<br>Notes,<br>6.75%, 06/01/18   | Ba2                                       | 228                       |
|                                   | 200   |  |   |                           |
|                                   |       | Harbinger Group,<br>Inc., Senior<br>Notes,<br>7.875%,<br>07/15/19                      | B2  | 903                       |
|                                   | 825   |  |   |                           |
|                                   |       | Icahn<br>Enterprises,<br>Senior Notes,<br>4.875%,<br>03/15/19                          | Ba3                                       | 673                       |
|                                   | 650   |  |   |                           |
|                                   |       | Icahn<br>Enterprises,<br>Senior Notes,<br>6%, 08/01/20                                 | Ba3                                       | 1,287                     |
|                                   | 1,200 |  |   |                           |
|                                   |       | International<br>Lease Finance<br>Corporation,<br>Senior Notes,<br>8.875%,<br>09/01/17 | Ba2                                       | 356                       |
|                                   | 300   |  |   |                           |
|                                   |       | iStar Financial,<br>Inc., Senior<br>Notes,<br>5%, 07/01/19                             | B3  | 526                       |
|                                   | 525   |  |   |                           |
|                                   |       | iStar Financial,<br>Inc., Senior<br>Notes,<br>7.125%,<br>02/15/18                      | B3  | 585                       |
|                                   | 525   |  |   |                           |
|                                   |       | National<br>Financial<br>Partnership,<br>Senior Notes,<br>9%, 07/15/21 (g)             | Caa2                                      | 574                       |
|                                   | 525   |  |   |                           |
|                                   |       | Nationstar<br>Mortgage LLC,<br>Senior Notes,<br>6.50%, 07/01/21                        | B2  | 976                       |
|                                   | 975   |  |   |                           |
| <b>Principal<br/>Amount/Units</b> |       |  | <b>Moody's<br/>Rating<br/>(Unaudited)</b> | <b>Value<br/>(Note 1)</b> |
| \$                                | 525   | Nationstar<br>Mortgage LLC,  | B2  | \$ 525                    |

|     |  |   |      |     |
|-----|--|---|------|-----|
|     |  | Senior Notes,<br>6.50%,<br>06/01/22   |      |     |
| 400 |  | Neuberger<br>Berman Group<br>LLC,<br>Senior Notes,<br>5.625%,<br>03/15/20 (g)             | Ba1  | 423 |
| 425 |  | Neuberger<br>Berman Group<br>LLC,<br>Senior Notes,<br>5.875%,<br>03/15/22 (g)             | Ba1  | 455 |
| 425 |  | Ocwen<br>Financial<br>Corporation,<br>Senior Notes,<br>6.625%,<br>05/15/19 (g)            | B2   | 438 |
| 550 |  | Provident<br>Funding<br>Associates,<br>L.P.,<br>Senior Notes,<br>6.75%,<br>06/15/21 (g)   | Ba3  | 557 |
| 225 |  | Provident<br>Funding<br>Associates,<br>L.P.,<br>Senior Notes,<br>10.125%,<br>02/15/19 (g) | Ba3  | 244 |
| 700 |  | Sberbank,<br>Subordinated<br>Notes,<br>5.125%,<br>10/29/22 (g)                            | Baa3 | 664 |
| 350 |  | Sberbank,<br>Subordinated<br>Notes,<br>5.50%,<br>02/26/24 (g)                             | (e)  | 341 |
| 625 |  | Springleaf<br>Finance<br>Corporation,<br>Senior Medium<br>Term Notes,<br>6.90%,           | B3   | 694 |

|       |  |      |        |
|-------|--|------|--------|
|       | 12/15/17   |      |        |
|       | Synovus<br>Financial<br>Corporation,<br>Subordinate<br>Notes,<br>5.125%,<br>06/15/17           | B2   | 1,407  |
| 1,350 |  |      |        |
|       | Synovus<br>Financial<br>Corporation,<br>Senior Notes,<br>7.875%,<br>02/15/19                   | B1   | 601    |
| 525   |  |      |        |
|       | Towergate<br>Finance plc,<br>Senior Notes,<br>8.50%,<br>02/15/18<br>(g)(GBP)                   | B1   | 350    |
| 200   |  |      |        |
|       | Towergate<br>Finance plc,<br>Senior Notes,<br>10.50%,<br>02/15/19<br>(g)(GBP)                  | Caa2 | 333    |
| 200   |  |      |        |
|       | USI Inc.,<br>Senior Notes,<br>7.75%,<br>01/15/21 (g)   | Caa2 | 437    |
| 425   |  |      |        |
|       | Walter<br>Investment<br>Management<br>Corporation,<br>Senior Notes,<br>7.875%,<br>12/15/21 (g) | B3   | 1,698  |
| 1,625 |  |      |        |
|       |  |      | 24,081 |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2014 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |     |   | <b>Moody's<br/>Rating<br/>(Unaudited)</b> | <b>Value<br/>(Note 1)</b> |
|--|-----|---|---|---------------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |     |   |   |                           |
| <b>Food/Tobacco 2.17%</b>                  |     |   |   |                           |
| \$   | 353 | Bumble Bee<br>Acquisition<br>Company,<br>Senior Notes,<br>9%, 12/15/17<br>(g) | B3  | \$ 376                    |
|  | 600 | Constellation<br>Brands, Inc.,<br>Senior Notes,<br>6%, 05/01/22               | Ba1                                       | 673                       |
|  | 675 | Cott<br>Beverages,<br>Inc., Senior<br>Notes,<br>5.375%,<br>07/01/22 (g)       | B3  | 677                       |
|  | 325 | Darling Escrow<br>Corporation,<br>Senior Notes,<br>5.375%,<br>01/15/22 (g)    | B1  | 337                       |
|  | 200 | Diamond<br>Foods, Inc.,<br>Senior Notes,<br>7%, 03/15/19<br>(g)               | Caa2                                      | 208                       |
|  | 660 | Esal GMBH,<br>Senior Notes,<br>6.25%,<br>02/05/23 (g)                         | (e)                                       | 645                       |
|  | 975 | JBS USA,<br>LLC, Senior<br>Notes,<br>5.875%,<br>07/15/24 (g)                  | Ba3                                       | 975                       |
|  | 255 | JBS<br>Investments<br>GMBH,<br>Senior Notes,<br>7.75%,<br>10/28/20 (g)        | (e)                                       | 273                       |

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|                               |              |  |                       |                       |
|-------------------------------|--------------|--|-----------------------|-----------------------|
|                               | 300          | Post Holdings, Inc., Senior Notes, 6%, 12/15/22 (g)              | B2                    | 306                   |
|                               | 275          | Post Holdings, Inc., Senior Notes, 6.75%, 12/01/21 (g)           | B2                    | 292                   |
|                               | 175          | Post Holdings, Inc., Senior Notes, 7.375%, 02/15/22              | B2                    | 189                   |
|                               | 250          | Post Holdings, Inc., Senior Notes, 7.375%, 02/15/22 (g)          | B2                    | 271                   |
|                               | 350          | Shearers Food, Inc., Senior Notes, 9%, 11/01/19 (g)              | B1                    | 385                   |
|                               |              |  |                       | 5,607                 |
| <b>Forest Products</b>        | <b>2.42%</b> |  |                       |                       |
|                               | 180          | Ainsworth Lumber Company Ltd., Senior Notes, 7.50%, 12/15/17 (g) | B2                    | 189                   |
|                               | 425          | Boise Cascade LLC, Senior Notes, 6.375%, 11/01/20                | B2                    | 457                   |
|                               | 250          | Clearwater Paper Corporation, Senior Notes, 7.125%, 11/01/18     | Ba2                   | 262                   |
|                               | 925          | Cascades, Inc., Senior Notes, 7.875%, 01/15/20                   | Ba3                   | 983                   |
| <b>Principal Amount/Units</b> |              |  | <b>Moody's Rating</b> | <b>Value (Note 1)</b> |

(Unaudited)

|               |              |  |      |        |
|---------------|--------------|--|------|--------|
| \$            | 650          | P.H. Glatfelter<br>Company,<br>Senior Notes,<br>5.375%,<br>10/15/20                    | Ba1  | \$ 678 |
|               | 325          | Graphic<br>Packaging<br>International,<br>Inc., Senior<br>Notes,<br>4.75%,<br>04/15/21 | Ba3  | 333    |
|               | 950          | Mercer<br>International,<br>Inc.,<br>Senior Notes,<br>9.50%,<br>12/01/17               | B3   | 1,019  |
|               | 575          | Potlach<br>Corporation,<br>Senior Notes,<br>7.50%,<br>11/01/19                         | Baa3 | 668    |
|               | 675          | Sappi Papier<br>Holding<br>GmbH,<br>Senior Notes,<br>6.625%,<br>04/15/21 (g)           | Ba2  | 710    |
|               | 575          | Sappi Papier<br>Holding<br>GmbH,<br>Senior Notes,<br>7.75%,<br>07/15/17 (g)            | Ba2  | 638    |
|               | 275          | Sappi Papier<br>Holding<br>GmbH,<br>Senior Notes,<br>8.375%,<br>06/15/19 (g)           | Ba2  | 303    |
|               |              |  |      | 6,240  |
| <b>Gaming</b> | <b>3.75%</b> |  |      |        |
|               | 75           | Boyd Gaming<br>Corporation,<br>Senior Notes,<br>9%, 07/01/20                           | B3   | 83     |
|               | 650          | Caesars<br>Entertainment<br>Operating  | Caa2 | 694    |



|     |   |      |     |
|-----|---|------|-----|
|     | Company,<br>Senior Notes,<br>11%, 10/01/21<br>(g)   |      |     |
|     | Caesars<br>Entertainment<br>Operating<br>Company,<br>Senior Notes,<br>11.25%,<br>06/01/17     | Caa2 | 343 |
| 375 |   |      |     |
|     | Chester<br>Downs and<br>Marina, LLC,<br>Senior Notes,<br>9.25%,<br>02/01/20 (g)               | B3   | 752 |
| 775 |   |      |     |
|     | Cirsa Funding<br>Luxembourg<br>S.A.,<br>Senior Notes,<br>8.75%,<br>05/15/18<br>(g)(EUR)       | B3   | 888 |
| 625 |   |      |     |
|     | Graton<br>Economic<br>Development<br>Authority,<br>Senior Notes,<br>9.625%,<br>09/01/19 (g)   | B3   | 940 |
| 825 |   |      |     |
|     | Intralot<br>Finance<br>Luxembourg<br>S.A.,<br>Senior Notes,<br>9.75%,<br>08/15/18<br>(g)(EUR) | B1   | 355 |
| 225 |   |      |     |
|     | MGM Resorts<br>International,<br>Senior Notes,<br>6.625%,<br>12/15/21                         | B3   | 920 |
| 825 |   |      |     |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2014 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |     |   | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|-----|---|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |     |   |                                  |                   |
| \$   | 625 | MGM Resorts<br>International,<br>Senior Notes,<br>6.75%,<br>10/01/20                          | B3                               | \$ 697            |
|  | 375 | Peninsula<br>Gaming LLC,<br>Senior Notes,<br>8.375%,<br>02/15/18 (g)                          | Caa1                             | 399               |
|  | 625 | Pinnacle<br>Entertainment,<br>Inc.,<br>Senior Notes,<br>6.375%,<br>08/01/21                   | B2                               | 658               |
|  | 725 | Pinnacle<br>Entertainment,<br>Inc.,<br>Senior Notes,<br>7.50%,<br>04/15/21                    | B2                               | 787               |
|  | 600 | Quapaw<br>Downstream<br>Development<br>Authority,<br>Senior Notes,<br>10.50%,<br>07/01/19 (g) | B3                               | 648               |
|  | 289 | Rivers<br>Pittsburgh<br>Borrower, L.P.,<br>Senior Notes,<br>9.50%,<br>06/15/19 (g)            | B3                               | 314               |
|  | 275 | Safari Holding<br>Verwaltungs<br>GmbH,<br>Senior Notes,<br>8.25%,<br>02/15/21<br>(g)(EUR)     | B2                               | 403               |

|                               |              |  |                       |                       |  |
|-------------------------------|--------------|--|-----------------------|-----------------------|--|
|                               | 725          | Station Casinos LLC, Senior Notes, 7.50%, 03/01/21                         | Caa1                  | 792                   |  |
|                               |              |  |                       | 9,673                 |  |
| <b>Health Care</b>            | <b>9.01%</b> |  |                       |                       |  |
|                               | 275          | Aviv Healthcare Properties Ltd. Partnership, Senior Notes, 7.75%, 02/15/19 | Ba3                   | 294                   |  |
|                               | 350          | Capsugel S.A., Senior Notes, 7%, 05/15/19 (g)                              | Caa1                  | 361                   |  |
|                               | 850          | CHS/Community Health Systems, Inc., Senior Notes, 5.125%, 08/01/21 (g)     | Ba2                   | 873                   |  |
|                               | 1,600        | CHS/Community Health Systems, Inc., Senior Notes, 6.875%, 02/01/22 (g)     | B3                    | 1,698                 |  |
|                               | 725          | CHS/Community Health Systems, Inc., Senior Notes, 7.125%, 07/15/20         | B3                    | 788                   |  |
|                               | 475          | CHS/Community Health Systems, Inc., Senior Notes, 8%, 11/15/19             | B3                    | 520                   |  |
|                               | 525          | Davita, Inc., Senior Notes, 6.375%, 11/01/18                               | B1                    | 550                   |  |
| <b>Principal Amount/Units</b> |              |  | <b>Moody's Rating</b> | <b>Value (Note 1)</b> |  |

(Unaudited)

|    |       |   |      |          |
|----|-------|---|------|----------|
| \$ | 975   | Fresenius Medical<br>Care US<br>Finance II, Inc.,<br>Senior Notes,<br>5.625%, 07/31/19<br>(g) | Ba2  | \$ 1,060 |
|    | 250   | Fresenius Medical<br>Care US<br>Finance II, Inc.,<br>Senior Notes,<br>5.875%, 01/31/22<br>(g) | Ba2  | 276      |
|    | 525   | HCA Holdings,<br>Inc., Senior Notes,<br>6.25%, 02/15/21                                       | B3   | 563      |
|    | 1,375 | HCA, Inc., Senior<br>Notes,<br>7.50%, 02/15/22  | B3   | 1,590    |
|    | 375   | Hologic, Inc.,<br>Senior Notes,<br>6.25%, 08/01/20  | B2   | 398      |
|    | 475   | lasis Healthcare<br>Capital<br>8.375%, 05/15/19   | Caa1 | 506      |
|    | 175   | Jaguar Holdings,<br>Inc., Senior Notes,<br>9.375%, 10/15/17<br>(g)                            | Caa1 | 182      |
|    | 700   | Jaguar Holdings,<br>Inc., Senior Notes,<br>9.50%, 12/01/19<br>(g)                             | B3   | 766      |
|    | 275   | JLL/Delta Dutch<br>Newco B.V.,<br>Senior Notes,<br>7.50%, 02/01/22<br>(g)                     | Caa2 | 281      |
|    | 400   | Kindred<br>Healthcare, Inc.,<br>Senior Notes,<br>6.375%, 04/15/22<br>(g)                      | B3   | 404      |
|    | 625   | Kinetic Concepts,<br>Inc., Senior Notes,<br>10.50%, 11/01/18                                  | B3   | 709      |
|    | 275   | Kinetic Concepts,<br>Inc., Senior Notes,<br>12.50%, 11/01/19                                  | Caa1 | 316      |
|    | 475   | MedAssets, Inc.,<br>Senior Notes,   | B3   | 502      |

|     |   |      |     |
|-----|---|------|-----|
|     | 8%, 11/15/18  |      |     |
|     | Medi Partenaires<br>SAS, Senior<br>Notes,<br>7%, 05/15/20 (g)<br>(EUR)                | B2   | 772 |
| 525 |   |      |     |
|     | MPH Intermediate<br>Holding<br>Company 2,<br>Senior Notes,<br>6.625%, 04/01/22<br>(g) | Caa1 | 445 |
| 425 |   |      |     |
|     | MPT Operating<br>Partnership, L.P.,<br>Senior Notes,<br>6.375%, 02/15/22              | Ba1  | 269 |
| 250 |   |      |     |
|     | MPT Operating<br>Partnership, L.P.,<br>Senior Notes,<br>6.875%, 05/01/21              | Ba1  | 574 |
| 525 |   |      |     |
|     | Omega<br>Healthcare<br>Investors, Inc.,<br>Senior Notes,<br>5.875%, 03/15/24          | Ba1  | 709 |
| 675 |   |      |     |
|     | Opal Acquisition,<br>Inc., Senior Note,<br>8.875%, 12/15/21<br>(g)                    | Caa2 | 658 |
| 625 |   |      |     |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2014 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal Amount/Units                     |   |  | Moody's Rating (Unaudited) | Value (Note 1) |
|--|---|--|----------------------------|----------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |   |  |                            |                |
| \$ 300                                     | Par Pharmaceutical, Senior Notes, 7.375%, 10/15/20                        |  | Caa1                       | \$ 325         |
| 600  | Select Medical Corporation, Senior Notes, 6.375%, 06/01/21                |  | B3                         | 629            |
| 1,100                                      | Tenet Healthcare Corporation, Senior Notes, 4.50%, 04/01/21               |  | Ba3                        | 1,114          |
| 525  | Tenet Healthcare Corporation, Senior Notes, 6%, 10/01/20                  |  | Ba3                        | 572            |
| 250  | Truven Health Analytics, Senior Notes, 10.625%, 06/01/20                  |  | Caa2                       | 274            |
| 600  | Universal Hospital Services, Inc., Senior Notes, 7.625%, 08/15/20         |  | B3                         | 628            |
| 1,900                                      | Valeant Pharmaceuticals International, Senior Notes, 6.375%, 10/15/20 (g) |  | B1                         | 2,019          |
| 825  | Valeant Pharmaceuticals International, Senior Notes,                      |  | B1                         | 891            |

|                                     |     |  |   |                           |
|-------------------------------------|-----|--|---|---------------------------|
|                                     |     | 6.75%,<br>08/15/18 (g)   |   |                           |
|                                     |     | Voyage Care<br>BondCo, plc,<br>Senior Notes,<br>6.50%,<br>08/01/18<br>(g)(GBP) | B2  | 179                       |
|                                     | 100 |  |   |                           |
|                                     |     | Wellcare<br>Health Plans,<br>Inc.,<br>Senior Notes,<br>5.75%,<br>11/15/20      | Ba2                                       | 559                       |
|                                     | 525 |  |   |                           |
|                                     |     |  |   | 23,254                    |
| <b>Information Technology 4.38%</b> |     |  |   |                           |
|                                     |     | Alcatel Lucent<br>USA, Inc.,<br>Senior Notes,<br>6.75%,<br>11/15/20 (g)        | B3  | 268                       |
|                                     | 250 |  |   |                           |
|                                     |     | Alcatel Lucent<br>USA, Inc.,<br>Senior Notes,<br>8.875%,<br>01/01/20 (g)       | B3  | 454                       |
|                                     | 400 |  |   |                           |
|                                     |     | Ancestry.com<br>Inc., Senior<br>Notes,<br>9.625%,<br>10/15/18 (g)              | Caa1                                      | 723                       |
|                                     | 700 |  |   |                           |
|                                     |     | Ancestry.com<br>Inc., Senior<br>Notes,<br>11%, 12/15/20                        | B3  | 498                       |
|                                     | 425 |  |   |                           |
|                                     |     | Bankrate, Inc.,<br>Senior Notes,<br>6.125%,<br>08/15/18 (g)                    | B2  | 636                       |
|                                     | 600 |  |   |                           |
| <b>Principal<br/>Amount/Units</b>   |     |  | <b>Moody's<br/>Rating<br/>(Unaudited)</b> | <b>Value<br/>(Note 1)</b> |
|                                     |     | BMC Software<br>Finance, Inc.,<br>Senior Notes,<br>8.125%,<br>07/15/21 (g)     | Caa1                                      | \$ 668                    |
| \$                                  | 650 |  |   |                           |
|                                     |     | Dell, Inc.,<br>Senior Notes,<br>4.625%,<br>04/01/21                            | B1  | 147                       |
|                                     | 150 |  |   |                           |

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|       |   |      |       |
|-------|---|------|-------|
| 375   | Dell, Inc.,<br>Senior Notes,<br>5.65%,<br>04/15/18                                    | B1   | 402   |
| 500   | Dell, Inc.,<br>Senior Notes,<br>5.875%,<br>06/15/19                                   | B1   | 536   |
| 875   | Denali<br>Borrower,<br>Senior Notes,<br>5.625%,<br>10/15/20 (g)                       | Ba2  | 927   |
| 800   | Eagle Midco<br>Inc., Senior<br>Notes,<br>9%, 06/15/18<br>(g)                          | Caa1 | 830   |
| 500   | Epicor<br>Software<br>Corporation,<br>Senior Notes,<br>8.625%,<br>05/01/19            | B3   | 540   |
| 525   | Goodman<br>Networks, Inc.,<br>Senior<br>Secured<br>Notes,<br>12.125%,<br>07/01/18     | B3   | 576   |
| 125   | Goodman<br>Networks, Inc.,<br>Senior<br>Secured<br>Notes,<br>12.375%,<br>07/01/18 (g) | B3   | 137   |
| 1,350 | iGATE<br>Corporation,<br>Senior Notes,<br>4.75%,<br>04/15/19 (g)                      | B1   | 1,374 |
| 425   | Infor Software<br>Parent, Inc.,<br>Senior Notes,<br>7.125%,<br>05/01/21 (g)           | Caa1 | 436   |
| 650   | Infor US, Inc.,<br>Senior Notes,<br>9.375%,   | Caa1 | 725   |



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|                |                |      |        |
|----------------|----------------|------|--------|
|                | 04/01/19       |      |        |
|                | NXP B.V.,      |      |        |
|                | Senior Notes,  |      |        |
|                | 5.75%,         |      |        |
| 400            | 02/15/21 (g)   | B1   | 423    |
|                | NXP B.V.,      |      |        |
|                | Senior Notes,  |      |        |
|                | 5.75%,         |      |        |
| 450            | 03/15/23 (g)   | B1   | 473    |
|                | Sungard Data   |      |        |
|                | Systems, Inc., |      |        |
|                | Senior         |      |        |
|                | Subordinated   |      |        |
|                | Notes,         |      |        |
|                | 6.625%,        |      |        |
| 500            | 11/01/19       | Caa1 | 527    |
|                |                |      | 11,300 |
| <b>Lodging</b> | <b>.51%</b>    |      |        |
|                | Hilton         |      |        |
|                | Worldwide      |      |        |
|                | Finance,       |      |        |
|                | Senior Notes,  |      |        |
|                | 5.625%,        |      |        |
| 850            | 10/15/21 (g)   | B3   | 903    |
|                | Playa Resorts  |      |        |
|                | Holding B.V.,  |      |        |
|                | Senior Notes,  |      |        |
|                | 8%, 08/15/20   |      |        |
| 375            | (g)            | Caa1 | 404    |
|                |                |      | 1,307  |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2014 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |     |   | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|-----|---|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |     |   |                                  |                   |
| <b>Manufacturing 2.90%</b>                 |     |   |                                  |                   |
| \$   | 425 | Accudyne<br>Industries<br>Borrower<br>S.C.A., Senior<br>Notes,<br>7.75%,<br>12/15/20 (g)        | Caa1                             | \$ 455            |
|  | 675 | BC Mountain<br>LLC, Senior<br>Notes,<br>7%, 02/01/21<br>(g)                                     | Caa1                             | 648               |
|  | 525 | CeramTec<br>Group GMBH,<br>Senior Notes,<br>8.25%,<br>08/15/21<br>(g)(EUR)                      | Caa1                             | 797               |
|  | 400 | CNH Capital<br>LLC, Senior<br>Notes,<br>3.625%,<br>04/15/18                                     | Ba1                              | 408               |
|  | 900 | CNH Capital<br>LLC, Senior<br>Notes,<br>6.25%,<br>11/01/16                                      | Ba1                              | 976               |
|  | 250 | Columbus<br>McKinnon<br>Corporation,<br>Senior<br>Subordinated<br>Notes,<br>7.875%,<br>02/01/19 | B1                               | 267               |
|  | 625 | Gardner<br>Denver Inc.,<br>Senior Notes,<br>6.875%,<br>08/15/21 (g)                             | Caa1                             | 660               |

|                            |              |  |      |       |
|----------------------------|--------------|--|------|-------|
|                            | 400          | Manitowoc Company, Inc., Senior Notes, 5.875%, 10/15/22          | B2   | 436   |
|                            | 300          | Manitowoc Company, Inc., Senior Notes, 8.50%, 11/01/20           | B2   | 335   |
|                            | 301          | Mcron Finance Sub LLC, Senior Notes, 8.375%, 05/15/19 (g)        | B1   | 330   |
|                            | 600          | Milacron LLC, Senior Notes, 7.75%, 02/15/21 (g)                  | Caa1 | 656   |
|                            | 175          | Pfleiderer GmH, Senior Notes, 7.875%, 08/01/19 (g)(EUR)          | Caa1 | 238   |
|                            | 1,000        | Terex Corporation, Senior Notes, 6%, 5/15/21                     | B2   | 1,078 |
|                            | 200          | Terex Corporation, Senior Notes, 6.50%, 04/01/20                 | B2   | 217   |
|                            |              |  |      | 7,501 |
| <b>Metals &amp; Mining</b> | <b>6.42%</b> |  |      |       |
|                            | 1,375        | AK Steel Corporation, Senior Notes, 8.375%, 04/01/22             | Caa1 | 1,458 |
|                            | 425          | Aleris Senior Notes, 7.875%, 11/01/20                            | B2   | 444   |
|                            | 600          | Alpha Natural Resources, Inc., Senior Notes, 7.50%, 08/01/20 (g) | B2   | 582   |

| Principal Amount/Units |     |   | Moody's Rating (Unaudited) | Value (Note 1) |
|------------------------|-----|---|----------------------------|----------------|
| \$                     | 100 | ArcelorMittal, Senior Notes, 5.75%, 08/05/20                          | Ba1                        | \$ 107         |
|                        | 575 | ArcelorMittal, Senior Notes, 6%, 03/01/21                             | Ba1                        | 621            |
|                        | 700 | ArcelorMittal, Senior Notes, 6.75%, 02/25/22                          | Ba1                        | 783            |
|                        | 500 | ArcelorMittal, Senior Notes, 10.35%, 06/01/19                         | Ba1                        | 639            |
|                        | 625 | BlueScope Steel (Finance) Limited, Senior Notes, 7.125%, 05/01/18 (g) | Ba3                        | 671            |
|                        | 725 | Consol Energy, Inc., Senior Notes, 5.875%, 04/15/22 (g)               | B1                         | 763            |
|                        | 525 | Consol Energy, Inc., Senior Notes, 8.25%, 04/01/20                    | B1                         | 567            |
|                        | 875 | Eldorado Gold Corporation, Senior Notes, 6.125%, 12/15/20 (g)         | Ba3                        | 884            |
|                        | 625 | First Quantum Minerals Ltd., Senior Notes, 7.25%, 05/15/22 (g)        | B1                         | 650            |
|                        | 650 | Foresight Energy LLC, Senior Notes, 7.875%, 08/15/21 (g)              | Caa1                       | 696            |
|                        | 325 | Imperial Metals Corporation, Senior Notes, 7%, 03/15/19 (g)           | B3                         | 333            |
|                        | 700 | JMC Steel Group, Inc., Senior Notes, 8.25%, 03/15/18 (g)              | Caa1                       | 714            |
|                        | 450 |   | B3                         | 492            |

|       |   |      |       |
|-------|---|------|-------|
|       | Magnetation LLC,<br>Senior Notes,<br>11%, 05/15/18 (g)                        |      |       |
| 725   | Murray Energy<br>Corporation,<br>Senior Notes,<br>8.625%, 06/15/21<br>(g)     | Caa1 | 785   |
| 425   | Novelis, Inc.,<br>Senior Notes,<br>8.75%, 12/15/20                            | B2   | 472   |
| 775   | Ryerson Inc.,<br>Senior Secured<br>Notes,<br>9%, 10/15/17                     | Caa2 | 827   |
| 1,150 | Ryerson Inc.,<br>Senior Secured<br>Notes,<br>11.25%, 10/15/18                 | Caa3 | 1,285 |
| 325   | Steel Dynamics,<br>Senior Notes,<br>6.125%, 08/15/19                          | Ba2  | 353   |
| 275   | SunCoke Energy<br>Partners, L.P.,<br>Senior Notes,<br>7.375%, 02/01/20<br>(g) | B1   | 293   |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2014 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |       |  | Moody's<br>Rating<br>(Unaudited) | Value<br>(Note 1) |
|--|-------|--|----------------------------------|-------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |       |  |                                  |                   |
| \$   | 525   | United States<br>Steel<br>Corporation,<br>Senior Notes,<br>6.875%,<br>04/01/21     | B1                               | \$ 556            |
|  | 500   | Vedanta<br>Resources<br>Plc,<br>Senior Notes,<br>6%, 01/31/19<br>(g)               | Ba3                              | 517               |
|  | 625   | Vedanta<br>Resources<br>Plc,<br>Senior Notes,<br>8.25%,<br>06/07/21 (g)            | Ba3                              | 702               |
|  | 350   | Westmoreland<br>Escrow<br>Corporation,<br>Senior Notes,<br>10.75%,<br>02/01/18 (g) | Caa1                             | 376               |
|  |       |  |                                  | 16,570            |
| <b>Other Telecommunications 2.83%</b>      |       |  |                                  |                   |
|  | 1,300 | Century Link,<br>Inc., Senior<br>Notes,<br>5.625%,<br>04/01/20                     | Ba2                              | 1,379             |
|  | 375   | Century Link,<br>Inc., Senior<br>Notes,<br>6.45%,<br>06/15/21                      | Ba2                              | 408               |
|  | 525   | DuPont<br>Fabros<br>Technology<br>L.P.,<br>Senior Notes,<br>5.875%,                | Ba1                              | 550               |

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|                                   |              |   |   |                           |
|-----------------------------------|--------------|---|---|---------------------------|
|                                   |              | 09/15/21  |   |                           |
|                                   |              | Earthlink Inc.,<br>Senior Notes,<br>7.375%,<br>06/01/20                     | Ba3                                       | 266                       |
| 250                               |              |   |   |                           |
|                                   |              | Earthlink Inc.,<br>Senior Notes,<br>8.875%,<br>05/15/19                     | B3  | 224                       |
| 225                               |              |   |   |                           |
|                                   |              | Equinix, Inc.,<br>Senior Notes,<br>5.375%,<br>04/01/23                      | Ba3                                       | 615                       |
| 600                               |              |   |   |                           |
|                                   |              | Equinix, Inc.,<br>Senior Notes,<br>7%, 07/15/21                             | Ba3                                       | 1,106                     |
| 1,000                             |              |   |   |                           |
|                                   |              | Interxion<br>Holding, NV,<br>Senior Notes,<br>6%, 07/15/20<br>(g)(EUR)      | B2  | 291                       |
| 200                               |              |   |   |                           |
|                                   |              | Level 3<br>Financing,<br>Inc.,<br>Senior Notes,<br>8.625%,<br>07/15/20      | B3  | 729                       |
| 650                               |              |   |   |                           |
|                                   |              | Level 3<br>Communications,<br>Inc.,<br>Senior Notes,<br>8.875%,<br>06/01/19 | Caa2                                      | 219                       |
| 200                               |              |   |   |                           |
|                                   |              | Pacnet<br>Limited, Senior<br>Notes,<br>9%, 12/12/18<br>(g)                  | B2  | 216                       |
| 200                               |              |   |   |                           |
|                                   |              | Telecom Italia,<br>Senior Notes,<br>6.375%,<br>06/24/19<br>(GBP)            | Ba1                                       | 1,301                     |
| 700                               |              |   |   | 7,304                     |
|                                   |              |   |   |                           |
|                                   |              |   | <b>Moody's<br/>Rating<br/>(Unaudited)</b> | <b>Value<br/>(Note 1)</b> |
| <b>Principal<br/>Amount/Units</b> | <b>1.07%</b> |   |   |                           |
| <b>Publishing</b>                 |              |   |   |                           |
| \$                                | 688          | Dex Media<br>Inc.,<br>Senior  | Caa3                                      | \$ 475                    |

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|  |              |  |      |       |
|--|--------------|--|------|-------|
|  |              | Subordinated<br>Notes,<br>14%, 01/29/17<br>(c)   |      |       |
|  | 250          | Harland Clarke<br>Holdings<br>Corporation,<br>Senior Notes,<br>6.875%,<br>03/01/20 (g) | B1   | 264   |
|  | 500          | McGraw Hill<br>Global, Senior<br>Notes,<br>9.75%,<br>04/01/21                          | B2   | 574   |
|  | 525          | Time, Inc.,<br>Senior Notes,<br>5.75%,<br>04/15/22 (g)                                 | B1   | 526   |
|  | 875          | Trader<br>Corporation,<br>Senior Notes,<br>9.875%,<br>08/15/18 (g)                     | B3   | 937   |
|  |              |  |      | 2,776 |
| <b>Real Estate Investment Trust Securities</b> | <b>.43%</b>  |  |      |       |
|  | 1,100        | CBRE<br>Services, Inc.,<br>Senior Notes,<br>5%, 03/15/23                               | Ba1  | 1,108 |
| <b>Restaurants</b>                             | <b>.23%</b>  |  |      |       |
|  | 575          | P.F. Chang's<br>China Bistro,<br>Inc.,<br>Senior Notes,<br>10.25%,<br>06/30/20 (g)     | Caa1 | 589   |
| <b>Retail</b>                                  | <b>2.52%</b> |  |      |       |
|  | 925          | William Carter,<br>Senior Notes,<br>5.25%,<br>08/15/21 (g)                             | Ba2  | 962   |
|  | 525          | DBP Holding<br>Corporation,<br>Senior Notes,<br>7.75%,<br>10/15/20 (g)                 | Caa2 | 455   |
|  | 700          | Guitar Center<br>Inc., Senior<br>Notes,<br>6.50%,04/15/19                              | B3   | 686   |



|     |                |      |     |
|-----|----------------|------|-----|
|     | (g)            |      |     |
|     | Magnolia S.A., |      |     |
|     | Senior Notes,  |      |     |
|     | 9%, 08/01/20   |      |     |
| 400 | (g)(EUR)       | B2   | 582 |
|     | Matalan        |      |     |
|     | Finance Plc,   |      |     |
|     | Senior Notes,  |      |     |
|     | 6.875%,        |      |     |
|     | 06/01/19       |      |     |
| 150 | (g)(GBP)       | B2   | 254 |
|     | New Look       |      |     |
|     | Bondco I plc,  |      |     |
|     | Senior Notes,  |      |     |
|     | 8.375%,        |      |     |
| 925 | 05/14/18 (g)   | B1   | 992 |
|     | 99 Cents Only  |      |     |
|     | Stores, Senior |      |     |
|     | Notes,         |      |     |
| 400 | 11%, 12/15/19  | Caa1 | 444 |
|     | PC Nextco      |      |     |
|     | Holdings, LLC, |      |     |
|     | Senior Notes,  |      |     |
|     | 8.75%,         |      |     |
| 650 | 08/15/19 (g)   | Caa2 | 663 |
|     | J.C. Penney    |      |     |
|     | Corporation,   |      |     |
|     | Inc.,          |      |     |
|     | Senior Notes,  |      |     |
|     | 7.65%,         |      |     |
| 775 | 08/15/16       | Caa2 | 783 |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

**Schedule of Investments June 30, 2014 (Unaudited) Continued** (Dollar Amounts in Thousands)

| Principal<br>Amount/Units                  |              |  | <b>Moody's<br/>Rating<br/>(Unaudited)</b> | <b>Value<br/>(Note 1)</b> |
|--|--------------|--|---|---------------------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |              |  |   |                           |
| \$   | 375          | Sears Holding Corporation, Senior Notes, 6.625%, 10/15/18      | Caa1                                      | \$ 345                    |
|  | 325          | The Men's Warehouse, Inc., Senior Notes, 7%, 07/01/22 (g)      | B2  | 340                       |
|  |              |  |   | 6,506                     |
| <b>Satellites</b>                          | <b>2.42%</b> |  |   |                           |
|  | 775          | Hughes Satellite Systems, Inc., Senior Notes, 6.50%, 06/15/19  | Ba3                                       | 864                       |
|  | 775          | Hughes Satellite Systems, Inc., Senior Notes, 7.625%, 06/15/21 | B3  | 887                       |
|  | 1,250        | Intelsat (Luxembourg) S.A., Senior Notes, 7.75%, 6/01/21       | Caa2                                      | 1,325                     |
|  | 500          | Intelsat (Luxembourg) S.A., Senior Notes, 8.125%, 06/01/23     | Caa2                                      | 540                       |
|  | 1,275        | Intelsat Jackson Holdings Ltd., Senior Notes, 5.50%, 08/01/23  | B3  | 1,265                     |

|                               |              |  |                                   |                       |
|-------------------------------|--------------|--|-----------------------------------|-----------------------|
|                               | 925          | Intelsat Jackson Holdings Ltd., Senior Notes, 6.625%, 12/15/22 | Caa1                              | 965                   |
|                               | 375          | ViaSat, Inc., Senior Notes, 6.875%, 06/15/20                   | B2                                | 404                   |
|                               |              |  |                                   | 6,250                 |
| <b>Services</b>               | <b>8.38%</b> |  |                                   |                       |
|                               | 250          | ACI Worldwide, Inc., Senior Notes, 6.375%, 08/15/20 (g)        | B2                                | 264                   |
|                               | 350          | Aramark Holdings, Senior Notes, 5.75%, 03/15/20                | B3                                | 371                   |
|                               | 250          | Ashtead Capital Inc., Senior Notes, 6.50%, 07/15/22 (g)        | B1                                | 272                   |
|                               | 425          | Blueline Rental Finance, Senior Notes, 7%, 02/01/19 (g)        | B3                                | 455                   |
|                               | 325          | Brakes Capital, Senior Notes, 7.125%, 12/15/18 (g)(GBP)        | B3                                | 568                   |
|                               | 16           | CDW Corporation, Senior Secured Notes, 8%, 12/15/18            | Ba3                               | 17                    |
| <b>Principal Amount/Units</b> |              |  | <b>Moody's Rating (Unaudited)</b> | <b>Value (Note 1)</b> |
| \$                            | 275          | Ceridian Corporation, Senior Notes,                            | B1                                | \$ 310                |

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|  |       |  |      |       |
|--|-------|--|------|-------|
|  |       | 8.875%, 07/15/19<br>(g)  |      |       |
|  |       | Clean Harbors,<br>Incorporated,<br>Senior Notes,<br>5.125%, 06/01/21               | Ba2  | 334   |
|  | 325   |  |      |       |
|  |       | Clean Harbors,<br>Incorporated,<br>Senior Notes,<br>5.25%, 08/01/20                | Ba2  | 258   |
|  | 250   |  |      |       |
|  |       | Corelogic Inc.,<br>Senior Notes,<br>7.25%, 06/01/21                                | B1   | 758   |
|  | 700   |  |      |       |
|  |       | Corrections<br>Corporation of<br>America,<br>Senior Notes,<br>4.625%, 05/01/23     | Ba1  | 443   |
|  | 450   |  |      |       |
|  |       | Deutsche<br>Raststätten<br>6.75%, 12/30/20<br>(g)(EUR)                             | (e)  | 257   |
|  | 175   |  |      |       |
|  |       | Dycom<br>Investments Inc.,<br>Senior<br>Subordinated<br>Notes,<br>7.125%, 01/15/21 | Ba3  | 697   |
|  | 650   |  |      |       |
|  |       | Equiniti Newco<br>plc, Senior Notes,<br>7.125%, 12/15/18<br>(g)(GBP)               | B3   | 178   |
|  | 100   |  |      |       |
|  |       | Europcar Groupe<br>SA, Senior Notes,<br>11.50%, 05/15/17<br>(g)(EUR)               | Caa1 | 708   |
|  | 450   |  |      |       |
|  |       | First Data<br>Corporation,<br>Senior Notes,<br>6.75%, 11/01/20<br>(g)              | B1   | 1,980 |
|  | 1,825 |  |      |       |
|  |       | First Data<br>Corporation,<br>Senior Notes,<br>12.625%,<br>01/15/21                | Caa1 | 3,297 |
|  | 2,675 |  |      |       |
|  |       | First Data<br>Holdings Inc.,<br>Senior Notes,<br>14.50%, 09/24/19<br>(c)(g)        | (e)  | 727   |
|  | 655   |  |      |       |

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|     |   |      |       |
|-----|---|------|-------|
| 175 | FTI Consulting Inc., Senior Notes, 6%, 11/15/22                             | Ba2  | 180   |
| 475 | FTI Consulting Inc., Senior Notes, 6.75%, 10/01/20                          | Ba2  | 507   |
| 125 | Gategroup Finance (Luxembourg) S.A., Senior Notes, 6.75%, 03/01/19 (g)(EUR) | B1   | 182   |
| 950 | HD Supply, Inc., Senior Notes, 7.50%, 07/15/20                              | Caa2 | 1,036 |
| 200 | HD Supply, Inc., Senior Notes, 11.50%, 07/15/20                             | Caa2 | 240   |
| 300 | H&E Equipment Services, Senior Notes, 7%, 09/01/22                          | B3   | 332   |
| 350 | Igloo Holdings Corporation, Senior Notes, 8.25%, 12/15/17 (g)               | Caa2 | 357   |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2014 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal Amount/Units                     |       |  | Moody's Rating (Unaudited) | Value (Note 1) |
|--|-------|--|----------------------------|----------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |       |  |                            |                |
| \$   | 275   | Interline Brands Inc., Senior Notes, 10%, 11/15/18               | Caa2                       | \$ 294         |
|  | 1,175 | Laureate Education, Inc., Senior Notes, 9.25%, 09/01/19 (g)      | Caa1                       | 1,210          |
|  | 825   | Lender Processing Services, Inc., Senior Notes, 5.75%, 04/15/23  | Baa3                       | 888            |
|  | 925   | Outerwall, Inc., Senior Notes, 6%, 03/15/19                      | Ba3                        | 962            |
|  | 900   | Safway Group Holding LLC, Senior Notes, 7%, 05/15/18 (g)         | B3                         | 952            |
|  | 250   | Transunion Holding Company, Inc., Senior Notes, 8.125%, 06/15/18 | Caa1                       | 261            |
|  | 500   | Travelport LLC, Senior Notes, 11.875%, 09/01/16                  | Caa3                       | 509            |
|  | 1,050 | Travelport LLC, Senior Notes, 13.875%, 03/01/16 (c)(g)           | Caa2                       | 1,079          |
|  | 700   |  | B2                         | 751            |

|                                   |              |   |   |                           |
|-----------------------------------|--------------|---|---|---------------------------|
|                                   |              | United Rentals<br>of North<br>America,<br>Inc., Senior<br>Notes,<br>6.125%,<br>06/15/23 |   | 21,634                    |
| <b>Supermarkets</b>               | <b>1.38%</b> |   |   |                           |
|                                   | 475          | BI-LO Holding<br>Finance, LLC,<br>Senior Notes,<br>8.625%,<br>09/15/18 (g)              | Caa1                                      | 482                       |
|                                   | 850          | Rite Aid<br>Corporation,<br>Senior Notes,<br>6.75%,<br>06/15/21                         | Caa1                                      | 920                       |
|                                   | 650          | Rite Aid<br>Corporation,<br>Senior Notes,<br>7.70%,<br>02/15/27                         | Caa1                                      | 732                       |
|                                   | 1,250        | Rite Aid<br>Corporation,<br>Senior Notes,<br>9.25%,<br>03/15/20                         | Caa1                                      | 1,425                     |
|                                   |              |   |   | 3,559                     |
| <b>Transportation</b>             | <b>.64%</b>  |   |   |                           |
|                                   | 1,250        | Aguila 3 S.A.,<br>Senior Notes,<br>7.875%,<br>01/31/18 (g)                              | B2  | 1,324                     |
|                                   | 325          | Watco<br>Companies,<br>LLC,<br>Senior Notes,<br>6.375%,<br>04/01/23 (g)                 | B3  | 331                       |
|                                   |              |   |   | 1,655                     |
| <b>Principal<br/>Amount/Units</b> |              |   | <b>Moody's<br/>Rating<br/>(Unaudited)</b> | <b>Value<br/>(Note 1)</b> |
| <b>Utilities</b>                  | <b>2.25%</b> |   |   |                           |
|                                   | \$ 775       | AES<br>Corporation,<br>Senior Notes,<br>5.50%,<br>03/15/24                              | Ba3                                       | \$ 793                    |

|                                |              |  |     |       |
|--------------------------------|--------------|--|-----|-------|
|                                | 800          | Calpine Corporation, Senior Notes, 7.50%, 02/15/21 (g)                             | B1  | 869   |
|                                | 1,650        | Energy Future Intermediate Holding Company, Escrow Security, 10%, 12/01/20 (a) ESC | (e) | 159   |
|                                | 850          | GenOn Escrow Corporation, Senior Notes, 9.50%, 10/15/18                            | B3  | 933   |
|                                | 2,325        | NRG Energy, Inc., Senior Notes, 6.25%, 07/15/22 (g)                                | B1  | 2,459 |
|                                | 550          | NRG Energy, Inc., Senior Notes, 6.625%, 03/15/23                                   | B1  | 595   |
|                                |              |  |     | 5,808 |
| <b>Wireless Communications</b> | <b>8.21%</b> |  |     |       |
|                                | 775          | Arqiva Broadcasting, Senior Notes, 9.50%, 03/31/20 (g)(GBP)                        | B3  | 1,513 |
|                                | 625          | Bite Finance International, Senior Notes, 7.835%, 02/15/18 (g)(EUR)                | B3  | 866   |
|                                | 950          | Crown Castle International Corporation, Senior Notes, 5.25%, 01/15/23              | B1  | 989   |
|                                | 625          | Digicel Limited, Senior  | B1  | 646   |



|     |   |      |     |
|-----|---|------|-----|
|     | Notes,<br>6%, 04/15/21<br>(g)   |      |     |
|     | Digicel Group<br>Limited, Senior<br>Notes,<br>7.125%,<br>04/01/22 (g)                   | Caa1 | 469 |
| 450 |   |      |     |
|     | Digicel Group<br>Limited, Senior<br>Notes,<br>8.25%,<br>09/30/20 (g)                    | Caa1 | 439 |
| 400 |   |      |     |
|     | Matterhorn<br>Mobile S.A.,<br>Senior Notes,<br>7.75%,<br>02/15/20<br>(g)(EUR)           | Caa1 | 984 |
| 675 |   |      |     |
|     | Millicom<br>International<br>Cellular S.A.,<br>Senior Notes,<br>6.625%,<br>10/15/21 (g) | Ba2  | 220 |
| 205 |   |      |     |
|     | NII Capital<br>Corporation,<br>Senior Notes,<br>7.625,<br>04/01/21                      | Caa2 | 201 |
| 700 |   |      |     |
|     | NII Capital<br>Corporation,<br>Senior Notes,<br>10%, 08/15/16                           | Caa2 | 233 |
| 750 |   |      |     |
|     | NII<br>International<br>Telecom<br>S.C.A.,<br>Senior Notes,<br>11.375%,<br>08/15/19 (g) | B3   | 243 |
| 275 |   |      |     |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

## Schedule of Investments June 30, 2014 (Unaudited) Continued (Dollar Amounts in Thousands)

| Principal Amount/Units                     |  | Moody's Rating (Unaudited) | Value (Note 1) |
|--|--|----------------------------|----------------|
| <b>CORPORATE DEBT SECURITIES continued</b> |  |                            |                |
| \$ 200                                     | Sable International Finance Limited, Senior Notes, 8.75%, 02/01/20 (g) | Ba2                        | \$ 225         |
| 5,075                                      | Sprint Corporation, Senior Notes, 7.125%, 06/15/24 (g)                 | B1                         | 5,405          |
| 1,025                                      | Sprint Nextel Corporation, Senior Notes, 11.50%, 11/15/21              | B1                         | 1,389          |
| 675  | Syniverse Holdings, Inc., Senior Notes, 9.125%, 01/15/19               | Caa1                       | 724            |
| 1,350                                      | T-Mobile, USA, Inc., Senior Notes, 6.25%, 04/01/21                     | Ba3                        | 1,439          |
| 725  | T-Mobile, USA, Inc., Senior Notes, 6.633%, 04/28/21                    | Ba3                        | 785            |
| 875  | T-Mobile, USA, Inc., Senior Notes, 6.731%, 04/28/22                    | Ba3                        | 945            |
| 305  | Vimpelcom Holdings, Senior Notes, 5.20%, 02/13/19 (g)                  | Ba3                        | 305            |

|                                     |       |  |                                   |                       |
|-------------------------------------|-------|--|-----------------------------------|-----------------------|
|                                     | 550   | Vimpelcom Holdings, Senior Notes, 7.504%, 03/01/22 (g)                     | Ba3                               | 595                   |
|                                     | 650   | Vimpelcom Holdings, Senior Notes, 7.748%, 02/02/21 (g)                     | Ba3                               | 710                   |
|                                     | 700   | Wind Acquisition Holdings Finance S.A., Senior Notes, 4.75%, 07/15/20 (g)  | B3                                | 703                   |
|                                     | 1,100 | Wind Acquisition Holdings Finance S.A., Senior Notes, 7.375%, 04/23/21 (g) | Ba3                               | 1,178                 |
|                                     |       |  |                                   | 21,206                |
|                                     |       | <b>Total Corporate Debt Securities</b><br>(Total cost of \$309,047)        |                                   | 326,360               |
| <b>Shares</b>                       |       |  |                                   |                       |
| <b>PREFERRED STOCK .91% (d)(h)</b>  |       |  |                                   |                       |
| <b>Energy .10%</b>                  |       |  |                                   |                       |
|                                     | 2,300 | Penn Virginia Corporation, Convertible, 6% (g)                             | (e)                               | 275                   |
| <b>Financial .44%</b>               |       |  |                                   |                       |
|                                     | 1,125 | Ally Financial, Inc., 7% (g)   | B3                                | 1,132                 |
| <b>Shares</b>                       |       |  | <b>Moody's Rating (Unaudited)</b> | <b>Value (Note 1)</b> |
| <b>Wireless Communications .37%</b> |       |  |                                   |                       |
|                                     | 2,207 | American Tower Corporation, Convertible,                                   | (e)                               | \$ 235                |

|       |   |     |           |
|-------|---|-----|-----------|
|       | 5.25%   |     |           |
|       | Crown Castle<br>International<br>Corp.,<br>Convertible,                       |     |           |
| 7,000 | 4.50%   | (e) | 713       |
|       |   |     | 948       |
|       | <b>Total<br/>Preferred<br/>Stock</b><br>(Total cost of<br>\$2,066)            |     | 2,355     |
|       | <b>TOTAL<br/>INVESTMENTS</b>  |     |           |
|       | <b>127.32% (d)</b><br>(Total cost of<br>\$311,113)                            |     | 328,715   |
|       | <b>CASH AND<br/>OTHER<br/>ASSETS<br/>LESS<br/>LIABILITIES</b><br>(27.32)% (d) |     | (70,543)  |
|       | <b>NET ASSETS</b>   |     |           |
|       | <b>100.00%</b>  |     | \$258,172 |

(a) Denotes income is not being accrued and/or issuer is in bankruptcy proceedings.

(b) Securities are step interest bonds. Interest on these bonds accrues based on the effective interest method which results in a constant rate of interest being recognized.

(c) Pay-In-Kind

(d) Percentages indicated are based on total net assets to common shareholders of \$258,172.

(e) Not rated.

(f) Non-income producing.

(g) Securities are exempt from registration under Rule 144A of the Securities Act of 1933. Such securities may be resold, normally to qualified institutional buyers in transactions exempt from registration. Unless otherwise noted, 144A Securities are deemed to be liquid. See Note 1 of the Note to Schedule of Investments for valuation policy. Total market value of Rule 144A securities amounted to \$151,047 as of June 30, 2014.

(h) All of the Fund's investments and other assets are pledged as collateral in accordance with a credit agreement with The Bank of Nova Scotia.

(EUR) Euro

(GBP) British Pound

ESC Escrow Cusip. Represents a beneficial interest to account for possible future payments by the company. Interest rate and maturity date are those of the original security.

The accompanying notes are an integral part of these financial statements.



## The New America High Income Fund, Inc.

**Statement of Assets and Liabilities****June 30, 2014 (Unaudited)**

(Dollars in thousands, except shares and per share amounts)

**Assets:**

|  |           |
|--|-----------|
| INVESTMENTS IN SECURITIES, at value<br>(Identified<br>cost of \$311,113 see Schedule of Investments<br>and Note 1) | \$328,715 |
| CASH   | 15,282    |
| RECEIVABLES:   |           |
| Investment securities sold   | 619       |
| Interest and dividends   | 5,489     |
| PREPAID EXPENSES   | 39        |
| UNREALIZED GAIN ON CURRENCY AND<br>FORWARD CURRENCY EXCHANGE<br>CONTRACTS (Notes 1 and 8)                          | 42        |
| Total assets   | \$350,186 |

**Liabilities:**

|   |                  |
|---|------------------|
| CREDIT AGREEMENT (Note 4)   | \$ 90,000        |
| PAYABLES:   |                  |
| Investment securities purchased   | 1,277            |
| Dividend on common stock  | 139              |
| Interest on loan (Note 4)   | 58               |
| ACCRUED EXPENSES (Note 3)   | 215              |
| UNREALIZED LOSS ON CURRENCY AND<br>FORWARD CURRENCY EXCHANGE<br>CONTRACTS (Notes 1 and 8) | 325              |
| Total liabilities   | \$ 92,014        |
| <b>Net Assets</b>   | <b>\$258,172</b> |

**Represented By:**

|  |                  |
|--|------------------|
| COMMON STOCK:  |                  |
| \$0.01 par value, 40,000,000 shares authorized,<br>23,368,918 shares issued and outstanding                                  | \$ 234           |
| CAPITAL IN EXCESS OF PAR VALUE   | 268,432          |
| UNDISTRIBUTED NET INVESTMENT INCOME<br>(Note 2)  | 1,760            |
| ACCUMULATED NET REALIZED LOSS FROM<br>SECURITIES TRANSACTIONS (Note 2)   | (29,573)         |
| NET UNREALIZED APPRECIATION ON<br>INVESTMENTS AND FORWARD<br>CURRENCY EXCHANGE CONTRACTS                                     | 17,319           |
| <b>Net Assets Applicable To Common Stock</b><br>(Equivalent to \$11.05 per share, based on<br>23,368,918 shares outstanding) | <b>\$258,172</b> |

**Statement of Operations****For the Year Ended**

**June 30, 2014 (Unaudited)** (Dollars in thousands)

|   |           |
|---|-----------|
| <b>Investment Income:</b> (Note 1)  |           |
| Interest income   | \$ 11,525 |
| Dividend income   | 73        |
| Other income  | 80        |
| Total investment income   | \$ 11,678 |
| <b>Expenses:</b>  |           |
| Cost of leverage:   |           |
| Interest expense (Note 4)   | \$ 515    |
| Loan fees (Note 4)  | 2         |
| Total cost of leverage  | \$ 517    |
| Professional services:  |           |
| Investment Advisor (Note 3)   | \$ 597    |
| Custodian and transfer agent  | 161       |
| Legal   | 159       |
| Audit   | 28        |
| Total professional services   | \$ 945    |
| Administrative:   |           |
| General administrative (Note 7)   | \$ 218    |
| Directors   | 131       |
| Insurance   | 71        |
| Shareholder communications  | 19        |
| Miscellaneous   | 19        |
| NYSE  | 13        |
| Total administrative  | \$ 471    |
| Total expenses  | \$ 1,933  |
| Net investment income   | \$ 9,745  |
| <b>Realized and Unrealized Gain (Loss) on Investment Activities:</b>                    |           |
| Realized gain on investments and currencies,<br>net                                     | \$ 3,362  |
| Change in net unrealized appreciation on<br>investments and other financial instruments | \$ 5,372  |
| Net gain on investments   | \$ 8,734  |
| Net increase in net assets resulting<br>from operations                                 | \$ 18,479 |

The accompanying notes are an integral part of these financial statements.



## The New America High Income Fund, Inc.

**Statements of Changes in Net Assets** (Dollars in thousands, except shares and per share amounts)

|   | <b>Six Months<br/>Ended<br/>June 30, 2014<br/>(Unaudited)</b> | <b>For the<br/>Year Ended<br/>December 31,<br/>2013</b> |
|---|---|---|
| <b>From Operations:</b>   |   |   |
| Net investment income   | \$ 9,745  | \$ 19,478   |
| Realized gain on investments and currencies, net  | 3,362   | 7,454   |
| Change in net unrealized appreciation on investments and other financial instruments  | 5,372   | (4,646)   |
| Net increase in net assets resulting from operations  | \$ 18,479   | \$ 22,286   |
| <b>From Fund Share Transactions:</b>  |   |   |
| Net asset value of 43,738 shares issued to common stockholders for reinvestment of dividends in 2013.                                       |   | 468   |
| <b>Distributions to Common Stockholders:</b>  |   |   |
| From net investment income (\$.33 and \$.86 per share in 2014 and 2013, respectively)   | \$ (7,595)  | \$ (20,097)   |
| Total net increase in net assets  | \$ 10,884   | \$ 2,657  |
| <b>Net Assets Applicable to Common Stock:</b>   |   |   |
| Beginning of period   | \$ 247,288  | \$ 244,631  |
| End of period (Including \$1,760 and \$(1,049) of undistributed net investment income at June 30, 2014 and December 31, 2013, respectively) | \$ 258,172  | \$ 247,288  |

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

**Financial Highlights****Selected Per Share Data and Ratios****For Each Share of Common Stock Outstanding Throughout the Period**

|   | <b>For the<br/>Six Months<br/>Ended<br/>June 30,<br/>2014<br/>(Unaudited)</b> | <b>2013</b>  | <b>For the Years Ended December 31,</b> |               |               |              |
|---|---|--------------|---|---------------|---------------|--------------|
|   |   |              | <b>2012</b>                             | <b>2011</b>   | <b>2010</b>   | <b>2009</b>  |
| <b>NET ASSET VALUE:</b>   |   |              |   |               |               |              |
| Beginning of period   | \$ 10.58  | \$ 10.49     | \$ 9.58                                 | \$ 10.17      | \$ 9.44       | \$ 5.75      |
| <b>NET INVESTMENT INCOME</b>  |   |              |   |               |               |              |
|   | .42   | .83          | .93                                     | 1.03          | 1.06          | 1.06         |
| <b>NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND OTHER FINANCIAL INSTRUMENTS</b> |   |              |   |               |               |              |
|   | .38   | .12          | .96                                     | (.57)         | .73           | 3.65         |
| <b>DISTRIBUTIONS FROM NET INVESTMENT INCOME RELATED TO PREFERRED STOCK: (b)</b>               |   |              |   |               |               |              |
|   |   |              | (.01)                                   | (.01)         | (.03)         | (.12)        |
| <b>TOTAL FROM INVESTMENT OPERATIONS</b>   | <b>.80</b>  | <b>.95</b>   | <b>1.88</b>                             | <b>.45</b>    | <b>1.76</b>   | <b>4.59</b>  |
| <b>DISTRIBUTIONS TO COMMON SHAREHOLDERS:</b>  |   |              |   |               |               |              |
| From net investment income  | (.33)   | (.86)        | (.97)                                   | (1.04)        | (1.03)        | (.90)        |
| <b>TOTAL DISTRIBUTIONS</b>  | <b>(.33)</b>  | <b>(.86)</b> | <b>(.97)</b>                            | <b>(1.04)</b> | <b>(1.03)</b> | <b>(.90)</b> |
| <b>NET ASSET VALUE:</b>   |   |              |   |               |               |              |
| End of period   | \$ 11.05  | \$ 10.58     | \$ 10.49                                | \$ 9.58       | \$ 10.17      | \$ 9.44      |
| <b>PER SHARE MARKET VALUE:</b>  |   |              |   |               |               |              |
| End of period   | \$ 10.04  | \$ 9.65      | \$ 10.45                                | \$ 10.21      | \$ 9.96       | \$ 9.05      |
|   | 7.47%   | .73%         | 12.18%                                  | 13.61%        | 22.02%        | 126.88%      |

TOTAL  
INVESTMENT  
RETURN†

† Total investment return is calculated assuming a purchase of \$1,000 of common stock at the current market value on the first day and a sale at the current market value on the last day of each year reported. Dividends and distributions are assumed for purposes of this calculation to be reinvested at prices obtained under the dividend reinvestment plan. This calculation does not reflect brokerage commissions.

The accompanying notes are an integral part of these financial statements.

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## The New America High Income Fund, Inc.

**Financial Highlights****Selected Per Share Data and Ratios****For Each Share of Common Stock Outstanding Throughout the Period Continued**

|  | <b>For the<br/>Six Months<br/>Ended<br/>June 30, 2014<br/>(Unaudited)</b> | <b>2013</b> | <b>For the Years Ended December 31,</b> |             |             | <b>2009</b> |
|--|---|-------------|---|-------------|-------------|-------------|
|  |   |             | <b>2012</b>                             | <b>2011</b> | <b>2010</b> |             |
| NET ASSETS, END OF PERIOD, APPLICABLE TO COMMON STOCK                    |   |             |   |             |             |             |
| (a)  | \$ 258,172  | \$247,288   | \$244,631                               | \$221,656   | \$234,624   | \$217,224   |
| NET ASSETS, END OF PERIOD, APPLICABLE TO PREFERRED STOCK                 |   |             |   |             |             |             |
| (a)(b)   |   |             |   | \$ 85,425   | \$ 85,425   | \$ 85,425   |
| TOTAL NET ASSETS APPLICABLE TO COMMON AND PREFERRED STOCK, END OF PERIOD |   |             |   |             |             |             |
| (a)(b)   | \$ 258,172  | \$247,288   | \$244,631                               | \$307,081   | \$320,049   | \$302,649   |
| EXPENSE RATIOS:  |   |             |   |             |             |             |
| Ratio of interest expense to average net assets*                         | .41%**  | .43%        | .06%                                    |             |             |             |
| Ratio of preferred   |   |             | .04%                                    | .04%        | .05%        | .04%        |

and other  
leverage  
expenses  
to  
average  
net  
assets\*

|   |         |       |       |       |       |       |
|---|---------|-------|-------|-------|-------|-------|
| Ratio of<br>operating<br>expenses<br>to average<br>net<br>assets* | 1.12%** | 1.23% | 1.38% | 1.42% | 1.92% | 1.55% |
|---|---------|-------|-------|-------|-------|-------|

RATIO OF  
TOTAL  
EXPENSES  
TO  
AVERAGE  
NET  
ASSETS\*

|  |         |       |       |       |       |       |
|--|---------|-------|-------|-------|-------|-------|
|  | 1.53%** | 1.66% | 1.48% | 1.46% | 1.97% | 1.59% |
|--|---------|-------|-------|-------|-------|-------|

RATIO OF  
NET  
INVESTMENT  
INCOME  
TO  
AVERAGE  
NET  
ASSETS\*

|  |         |       |       |        |        |        |
|--|---------|-------|-------|--------|--------|--------|
|  | 7.73%** | 7.82% | 9.07% | 10.10% | 10.66% | 13.59% |
|--|---------|-------|-------|--------|--------|--------|

RATIO OF  
TOTAL  
EXPENSES  
TO  
AVERAGE  
NET  
ASSETS  
APPLICABLE  
TO  
COMMON  
AND  
PREFERRED  
STOCK

|     |  |  |       |       |       |       |
|-----|--|--|-------|-------|-------|-------|
| (b) |  |  | 1.13% | 1.07% | 1.43% | 1.07% |
|-----|--|--|-------|-------|-------|-------|

RATIO OF  
NET  
INVESTMENT  
INCOME  
TO  
AVERAGE  
NET  
ASSETS  
APPLICABLE

|  |  |  |       |       |       |       |
|--|--|--|-------|-------|-------|-------|
|  |  |  | 6.94% | 7.41% | 7.76% | 9.20% |
|--|--|--|-------|-------|-------|-------|

TO  
COMMON  
AND  
PREFERRED  
STOCK

(b)  
PORTFOLIO  
TURNOVER

|      |        |        |        |        |        |        |
|------|--------|--------|--------|--------|--------|--------|
| RATE | 23.54% | 63.65% | 69.91% | 58.91% | 79.02% | 81.05% |
|------|--------|--------|--------|--------|--------|--------|

(a) Dollars in thousands.

(b) In November 2012, the preferred stock was redeemed. See Note 5 to the financial statements.

\* Ratios calculated on the basis of expenses and net investment income applicable to the common shares relative to the average net assets of the common stockholders only.

\*\* Annualized

The accompanying notes are an integral part of these financial statements.

## The New America High Income Fund, Inc.

**Information Regarding  
Senior Securities**

|   | <b>June 30, 2014<br/>(Unaudited)</b> | <b>2013</b>    | <b>2012</b>   | <b>As of December 31,</b> |               |               |
|---|--------------------------------------|----------------|---------------|---------------------------|---------------|---------------|
|   |                                      |                |               | <b>2011</b>               | <b>2010</b>   | <b>2009</b>   |
| <b>TOTAL AMOUNT OUTSTANDING:</b>            |                                      |                |               |                           |               |               |
| Preferred Stock                             |                                      |                |               |                           |               |               |
| Agreement                                   | \$ 100,000,000                       | \$ 100,000,000 | \$ 85,425,000 | \$ 85,425,000             | \$ 85,425,000 | \$ 85,425,000 |
| <b>ASSET COVERAGE:</b>                      |                                      |                |               |                           |               |               |
| Per Preferred Stock Share                   |                                      |                |               |                           |               |               |
| (1)   | \$                                   | \$             | \$            | \$ 89,869                 | \$ 93,664     | \$ 88,572     |
| Per \$1,000 borrowed under Credit Agreement |                                      |                |               |                           |               |               |
| (2)   | \$ 3,869                             | \$ 3,473       | \$ 3,864      |                           |               |               |
| Asset Coverage                              |                                      |                |               |                           |               |               |
| (3)   | 387%                                 | 347%           | 386%          |                           |               |               |
| <b>INVOLUNTARY LIQUIDATION PREFERENCE:</b>  |                                      |                |               |                           |               |               |
| Per Preferred Stock Share                   |                                      |                |               |                           |               |               |
| (4)(5)                                      | \$                                   | \$             | \$            | \$ 25,000                 | \$ 25,000     | \$ 25,000     |
| <b>LIQUIDATION VALUE:</b>                   |                                      |                |               |                           |               |               |
| Per Preferred Stock Share                   |                                      |                |               |                           |               |               |
| (4)(5)                                      | \$                                   | \$             | \$            | \$ 25,000                 | \$ 25,000     | \$ 25,000     |

(1) Calculated by subtracting the Fund's total liabilities from the Fund's total assets and dividing such amount by the number of preferred shares outstanding.

(2) Calculated by subtracting the Fund's total liabilities excluding the amount borrowed under the credit facility, from the Fund's total assets and dividing such amount by the amount borrowed under the credit facility, (per \$1,000 of amount borrowed).

(3) Calculated by subtracting the Fund's total liabilities excluding the amount borrowed under the credit facility, from the Fund's total assets and dividing such amount by the amount borrowed under the credit facility.

(4) Plus accumulated and unpaid dividends.

(5) In January 2008, the Fund repurchased 600 shares of preferred stock at a price of \$25,000 per share. In October 2008, the Fund accepted an unsolicited offer to buy back and retire 1,183 shares of preferred stock at a price of \$16,250 per share. The Fund realized a gain of \$10,351,000 on this transaction. In November 2012, the Fund redeemed all outstanding shares of its preferred stock at the liquidation preference per share of \$25,000. See Note 5 to the financial statements.

The accompanying notes are an integral part of these financial statements.



## The New America High Income Fund, Inc.

**Statement of Cash Flows**

|   | <b>For the<br/>Six Months<br/>Ended<br/>June 30, 2014<br/>(Unaudited)</b> |
|---|---|
| <b>Cash Flows From Operating Activities:</b> (Dollars in thousands)   |   |
| Purchases of portfolio securities   | \$ (885,457)  |
| Sales and maturities of portfolio securities  | 908,941   |
| Interest and dividends received   | 12,409  |
| Other income  | 80  |
| Operating expenses paid   | (1,911)   |
| Net cash provided by operating activities   | \$ 34,062   |
| <b>Cash Flows From Financing Activities:</b>  |   |
| Credit facility reduction   | (10,000)  |
| Common stock dividends  | (10,974)  |
| Net cash used by financing activities   | \$ (20,974)   |
| <b>Net Increase in Cash</b>   | <b>\$ 13,088</b>  |
| <b>Cash at Beginning of Period</b>  | <b>2,194</b>  |
| <b>Cash at End of Period</b>  | <b>\$ 15,282</b>  |
| <b>Reconciliation of Net Increase in Net Assets Resulting from Operations<br/>to Net Cash Provided by Operating Activities:</b> |   |
| Purchases of portfolio securities   | \$ (885,457)  |
| Sales and maturities of portfolio securities  | 908,941   |
| Net increase in net assets resulting from operations  | 18,479  |
| Amortization of interest  | 163   |
| Net realized gain on investments and currencies   | (3,362)   |
| Change in net unrealized appreciation on investments and<br>other financial instruments   | (5,372)   |
| Decrease in interest and dividend receivable  | 648   |
| Decrease in prepaid expenses  | 60  |
| Decrease in accrued expenses and other payables   | (38)  |
| Net cash provided by operating activities   | \$ 34,062   |
| <b>Supplemental Disclosure of Cash Flow Information:</b>  |   |
| Non-cash financing activities not included herein consist<br>of reinvestment of dividend distributions                          | \$  |

The accompanying notes are an integral part of these financial statements.



The New America High Income Fund, Inc.

**Notes to Financial Statements  
June 30, 2014 (Unaudited)**

**(1) Significant Accounting and Other Policies**

The New America High Income Fund, Inc. (the Fund) was organized as a corporation in the state of Maryland on November 19, 1987 and is registered with the Securities and Exchange Commission as a diversified, closed-end investment company under the Investment Company Act of 1940. The Fund commenced operations on February 26, 1988. The investment objective of the Fund is to provide high current income while seeking to preserve stockholders' capital through investment in a professionally managed, diversified portfolio of "high yield" fixed-income securities.

The Fund invests primarily in fixed maturity corporate debt securities that are rated less than investment grade. Risk of loss upon default by the issuer is significantly greater with respect to such securities compared to investment grade securities because these securities are generally unsecured and are often subordinated to other creditors of the issuer and because these issuers usually have high levels of indebtedness and are more sensitive to adverse economic conditions, such as a recession, than are investment grade issuers. In some cases, the collection of principal and timely receipt of interest is dependent upon the issuer attaining improved operating results, selling assets or obtaining additional financing.

The Fund may focus its investments in certain industries, subjecting it to greater risk than a Fund that is more diversified. See the schedule of investments for information on individual securities as well as industry diversification and credit quality ratings.

The Fund's financial statements have been prepared in conformity with accounting principles generally accepted in the United States for investment companies that require the management of the Fund to, among other things, make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts

of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

The following is a summary of significant accounting policies consistently followed by the Fund, which are in conformity with those generally accepted in the investment company industry.

(a) *Valuation of Investments* Except as otherwise described below, the Fund's investments are valued based on quoted bid prices provided by an independent pricing service. Independent pricing services provide prices based primarily on quotations from dealers and brokers, market transactions, data accessed from quotations services, offering sheets obtained from dealers and various relationships among similar securities. Investments whose primary market is on an exchange are valued at the last sale price on the day of valuation. Short-term investments with original maturities of 60 days or less are stated at amortized cost, which approximates the fair value of such investments. Following procedures approved by the Board of Directors, investments for which market quotations are not yet available (primarily fixed-income corporate bonds and notes) are stated at fair market value on the basis of subjective valuations furnished by securities dealers and brokers. Other investments, for which market quotations are not readily available are valued in good faith at fair market value using methods approved by the Board of Directors. Fair value

measurement is further discussed in section (f) of this footnote.

(b) *Foreign Currency* Investment securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at 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 on the respective dates of such transactions.

The Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held.

The New America High Income Fund, Inc.

**Notes to Financial Statements    Continued**  
**June 30, 2014 (Unaudited)**

Such fluctuations are included with the net realized and unrealized gain or loss from investments.

Reported net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transaction, and the difference between the amounts of dividends, interest and foreign withholding taxes recorded on the Fund's books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the fair values of assets and liabilities, other than investments in securities at fiscal period end, resulting from changes in exchange rates.

(c) *Foreign Currency Forward Exchange Contracts* The Fund may enter into foreign currency forward exchange contracts to hedge against foreign currency exchange rate risks on its non-U.S. dollar denominated investment securities. When entering into a forward currency contract, the Fund agrees to receive or deliver a fixed quantity of foreign currency for an agreed upon price on an agreed future date. The Fund's net equity therein, representing unrealized gain or loss on the contracts as measured by the difference between the forward foreign exchange rates at the dates of entry into the contracts and the forward rates at the reporting date, is included in the statement of assets and liabilities. Realized and unrealized gains and losses are included in the statement of operations. These instruments involve market risk, credit risk or both kinds of risks, in excess of the amount recognized in the statement of assets and liabilities. Risks arise from the possible inability of counterparties to meet the terms of their contracts and from movement in currency and securities values and interest rates.

(d) *Securities Transactions and Net Investment Income* Securities transactions are recorded on trade date. Realized gains or losses on sales of securities are calculated on the identified cost basis. Interest income is accrued on a daily basis. Discount on short-term

investments is amortized to investment income. Premiums or discounts on corporate debt securities are amortized based on the interest method for financial reporting purposes. All income on original issue discount and step interest bonds is accrued based on the effective interest method. The Fund does not amortize market premiums or discounts for tax purposes. Dividend payments received in the form of additional securities are recorded on the ex-dividend date in an amount equal to the value of the security on such date.

(e) *Federal Income Taxes* It is the Fund's policy to comply with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders each year. Accordingly, no federal income tax provision is required.

(f) *Fair Value Measurement* The Fund applies ASC 820 "Fair Value Measurements and Disclosures". This standard establishes the definition of fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurements.

The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.

Level 2 Observable inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund's own assumptions about the assumptions a market participant would use in

The New America High Income Fund, Inc.

**Notes to Financial Statements Continued**  
**June 30, 2014 (Unaudited)**

valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

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

A description of the valuation techniques applied to the Fund's major asset and liability categories is as follows.

Debt securities (corporate, convertible & bank debt). The fair value of debt securities is provided by independent pricing services using quotations from dealers and brokers, market transactions, data from quotations services, offering sheets and various relationships between securities. While most corporate bonds are categorized in level 2 of the fair value hierarchy, there may be instances where less observable inputs necessitate a level 3 categorization.

Equity securities (preferred and common stock). Equity securities for which the primary market is on an exchange will be valued at the last sale price on the day of valuation and are categorized in level 1 of the fair value hierarchy. Other equity securities traded in inactive markets or valued by independent pricing services using methods similar to debt securities are categorized in level 2. The fair value of equity securities in which observable inputs are unavailable are categorized in level 3.

Short-term investments. Short-term investments are valued using amortized cost, which approximates fair value. To the extent the inputs are observable and timely the values would be categorized in level 2 of the fair value hierarchy.

Forwards are valued at the unrealized gain or loss on the contract as measured by the difference between the forward exchange rates at the date of entry into the contract and the forward rates at the reporting date. Forwards are categorized in level 2 of the fair value hierarchy.

The following is a summary of the inputs used as of June 30, 2014 in valuing the Fund's investments:

| <b>Level 1</b> | <b>Level 2</b> | <b>Level 3</b> | <b>Total Value<br/>(000's)</b> |
|----------------|----------------|----------------|--------------------------------|
|----------------|----------------|----------------|--------------------------------|

|                                     | <b>Quoted<br/>Prices<br/>(000's)</b> | <b>Significant<br/>Observable<br/>Inputs<br/>(000's)</b> | <b>Significant<br/>Unobservable<br/>Inputs<br/>(000's)</b> |
|-------------------------------------|--------------------------------------|--|--|
| <b>Investments</b>                  |                                      |  |  |
| Debt Securities*                    | \$                                   | \$ 326,360   | \$ 326,360   |
| Preferred Stock                     |                                      |  |  |
| Energy                              | 275                                  |  | 275  |
| Financial                           |                                      | 1,132  | 1,132  |
| Wireless Communications             | 948                                  |  | 948  |
| <b>Total Investments</b>            | <b>\$ 1,223</b>                      | <b>\$ 327,492</b>  | <b>\$ 328,715</b>  |
| Forward Currency Exchange Contracts | \$                                   | \$ (284)   | \$ (284)   |

\* Debt Securities All are level 2. Type of debt and industries are shown on the Schedule of Investments.



## The New America High Income Fund, Inc.

**Notes to Financial Statements Continued**  
**June 30, 2014 (Unaudited)**

The Fund owned no Level 3 securities at June 30, 2014.

The following is a reconciliation of Fund investments using Level 3 inputs for the period:

|  | <b>Equity<br/>Securities</b> |
|--|------------------------------|
| Balance, December 31, 2013                       | \$                           |
| Sales  |                              |
| Change in unrealized appreciation (depreciation) |                              |
| Realized gain (loss)                             |                              |
| Transfers to Level 3 from Level 2                |                              |
| Balance, June 30, 2014                           | \$                           |

Level 1 and Level 2 assets are evaluated on a quarterly basis for changes in listings or delistings on national exchanges.

Transfers between levels are recognized at the value at the end of the reporting period. During the six months ended June 30, 2014, the Fund recognized no transfers to Level 1 from Level 2.

**(2) Tax Matters and Distributions**

At June 30, 2014, the total cost of securities (including temporary cash investments) for federal income tax purposes was approximately \$311,590,000. Aggregate gross unrealized gain on securities in which there was an excess of value over tax cost was approximately \$18,134,000. Aggregate gross unrealized loss on securities in which there was an excess of tax cost over value was approximately \$1,009,000. Net unrealized gain on investments for tax purposes at June 30, 2014 was approximately \$17,125,000.

At December 31, 2013, the Fund had approximate capital loss carryovers available to offset future capital gains, if any, to the extent provided by regulations:

| <b>Carryover Available</b> | <b>Expiration Date</b> |
|----------------------------|------------------------|
| \$ 5,110,000               | December 31, 2016      |
| 26,830,000                 | December 31, 2017      |
| \$ 31,940,000              |                        |

It is the policy of the Fund to reduce future distributions of realized gains to shareholders to the extent of the unexpired capital loss carry forward.

The tax character of distributions paid to common shareholders in 2013 and common and preferred shareholders in 2012 of approximately \$20,097,000 and \$22,638,000, respectively, was from ordinary income.

As of December 31, 2013, the components of distributable earnings on a tax basis were approximately:

|                               |              |
|-------------------------------|--------------|
| Undistributed Ordinary income | \$           |
| Unrealized Gain               | 11,367,000   |
| Capital Losses Carry Forward  | (31,940,000) |

Investments and Currencies

|                |                |
|----------------|----------------|
| Loss Deferrals | (804,000)      |
|                | \$(21,377,000) |

The difference between components of distributable earnings on a tax basis and the amounts reflected in the Statement of Assets and Liabilities are primarily due to market discount adjustments, wash sales and post-October losses. The Fund has recorded several reclassifications in the capital accounts to present undistributed net investment income and accumulated net realized losses on a tax basis. These reclassifications have no impact on the net asset value of the Fund. For the year ended December 31, 2013, permanent differences between book and tax accounting have been reclassified as follows:

Increase (decrease) in:

|  |              |
|--|--------------|
| Undistributed net investment income                        | \$ (679,000) |
| Accumulated net realized loss from securities transactions | \$ 679,000   |

Distributions on common stock are declared based upon annual projections of the Fund's investment company taxable income. The Fund records all dividends and distributions payable to shareholders on the ex-dividend date and declares and distributes income dividends monthly.

The New America High Income Fund, Inc.

**Notes to Financial Statements    Continued**  
**June 30, 2014 (Unaudited)**

The Fund is required to amortize market discounts and premiums for financial reporting purposes. This results in additional interest income in some years and decreased interest income in others for financial reporting purposes only. The Fund does not amortize market discounts or premiums for tax purposes. Therefore, the additional or decreased interest income for financial reporting purposes does not result in additional or decreased common stock dividend income.

The Fund recognizes the tax benefits of uncertain tax positions only where the position is "more likely than not" to be sustained assuming examination by tax authorities. Management has analyzed the Fund's tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for open tax years 2010-2012, or expected to be taken in the Fund's 2013 tax returns. The Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months.

**(3) Investment Advisory Agreement**

T. Rowe Price Associates, Inc. (T. Rowe Price), the Fund's Investment Advisor, earned approximately \$597,000 in management fees during the six months ended June 30, 2014. Management fees paid by the Fund to T. Rowe Price were calculated at 0.50% on the first \$50,000,000 of the Fund's average weekly net assets, 0.40% on the next \$50 million and 0.30% on average weekly net assets in excess of \$100 million. T. Rowe Price's fee is calculated based on assets attributable to the Fund's common stock and senior securities. At June 30, 2014, the fee payable to T. Rowe Price was approximately \$98,000, which was included in accrued expenses on the accompanying statement of assets and liabilities.

**(4) Bank Credit Agreement**

On October 10, 2012 the Fund entered into a credit agreement with The Bank of Nova Scotia pursuant to which the Fund may borrow up to an aggregate amount of \$100,000,000. On November 8, 2012 the Fund borrowed \$85,425,000 through this credit facility to finance the scheduled redemption of all outstanding shares of its auction term preferred stock. On May 14, 2013 the Fund borrowed an additional \$14,575,000 and on May 9, 2014 reduced it by \$10,000,000. The credit facility provides for an initial term of one year and may be extended with respect to amounts outstanding at the end of the initial term for an additional year at the option of the Fund. On October 9, 2013 the Fund extended the term of the facility an additional year. Amounts borrowed under the credit facility bear interest at an adjustable rate based on a margin above LIBOR. The rate paid on these borrowings is approximately 1.05% and will be in effect until July 9, 2014 at which time the rate will be reset. For the six months ended June 30, 2014 the weighted average rate on the loan was approximately 1.06% and the maximum amount borrowed during the period was \$100,000,000. On June 30, 2014 the total amount outstanding on the loan was \$90,000,000.

The Fund pays a commitment fee to The Bank of Nova Scotia at a rate of .15% per annum for any unused portion of borrowings not to exceed \$100,000,000. For the six months ended June 30, 2014 the Fund paid approximately \$2,000 for this commitment.

The Fund has granted to The Bank of Nova Scotia a security interest in the investments and other assets of the Fund in accordance with the Credit Agreement.

**(5) Auction Term Preferred Stock (ATP)**

The Fund announced that on November 9, 2012 it consummated, as provided under the terms of its charter, the scheduled redemption of all outstanding shares of its ATP at the liquidation preference per share of

## The New America High Income Fund, Inc.

**Notes to Financial Statements Continued**  
**June 30, 2014 (Unaudited)**

\$25,000, plus all accrued and unpaid dividends to the date of redemption. As discussed in footnote 4, the aggregate amount of the redemption was financed through a credit facility with The Bank of Nova Scotia.

**(6) Purchases and Sales of Securities**

Purchases and proceeds of sales or maturities of long-term securities during the six months ended June 30, 2014 were approximately:

|                                 |               |
|---------------------------------|---------------|
| Cost of purchases               | \$ 79,314,000 |
| Proceeds of sales or maturities | \$102,437,000 |

**(7) Related Party Transactions**

The Fund paid approximately \$96,000 during the six months ended June 30, 2014 to an officer of the Fund for the provision of certain administrative services.

**(8) Derivative Contracts** (Currency Amounts in Thousands)

**Forward Currency Exchange Contracts** As of June 30, 2014 the Fund had forward currency exchange contracts outstanding as follows:

| Counterparty           | Settlement Date |     | Receive (Deliver) | Asset <sup>(1)</sup> | Liability <sup>(1)</sup> | Unrealized Appreciation (Depreciation) |
|------------------------|-----------------|-----|-------------------|----------------------|--------------------------|--|
| JP Morgan              | 7/10/14         | GBP | 178               | \$ 304               | \$ 298                   | \$ 6                                   |
| Citibank               | 7/10/14         | GBP | 607               | 1,039                | 1,017                    | 22                                     |
| State Street Bank      | 7/10/14         | GBP | 61                | 104                  | 103                      | 1                                      |
| Barclays Capital       | 7/10/14         | GBP | (3,253)           | 5,442                | 5,567                    | (125)                                  |
| Deutsche Bank          | 7/10/14         | GBP | (342)             | 574                  | 584                      | (10)                                   |
| Canadian Imperial Bank | 7/10/14         | GBP | (150)             | 251                  | 257                      | (6)                                    |
| Royal Bank of Canada   | 9/12/14         | EUR | 113               | 155                  | 154                      | 1                                      |
| Royal Bank of Scotland | 9/12/14         | EUR | 225               | 309                  | 307                      | 2                                      |
| Royal Bank of Canada   | 9/12/14         | EUR | 758               | 1,039                | 1,031                    | 8                                      |
| Royal Bank of Scotland | 9/12/14         | EUR | (11,763)          | 15,930               | 16,112                   | (182)                                  |
| Merrill Lynch          | 9/12/14         | EUR | (103)             | 140                  | 141                      | (1)                                    |

**Net unrealized loss on open forward currency exchange contracts** \$ (284)

(1) Forward currency exchange contracts are not shown gross on the statement of assets and Liabilities. The net exposure is reflected.

## The New America High Income Fund, Inc.

**Notes to Financial Statements Continued**  
**June 30, 2014 (Unaudited)**

**Fair Value of Derivative Instruments** The fair value of derivative instruments as of June 30, 2014 was as follows:

|                            | <b>Asset Derivatives</b>   |              |
|----------------------------|--|--------------|
|                            | <b>June 30, 2014</b>   |              |
|                            | <b>Statement of Assets</b>   | <b>Fair</b>  |
|                            | <b>and Liabilities Location</b>  | <b>Value</b> |
| Forward currency contracts | Unrealized gain<br>on currency and<br>forward currency<br>exchange contracts | \$ 40        |
|                            | Unrealized loss<br>on currency and<br>forward currency<br>exchange contracts | (324)        |

The effect of derivative instruments that are included on the Statement of Operations for the six months ended June 30, 2014 was as follows:

**Amount of Realized Gain on Derivatives**

|                            |  |
|----------------------------|--|
|                            | Realized gain on<br>investments and<br>currencies, net |
| Forward currency contracts | \$ 4   |

**Change in Unrealized Depreciation on Derivatives**

|                            |  |
|----------------------------|--|
|                            | Change in<br>net unrealized<br>appreciation on<br>investments and other<br>financial instruments |
| Forward currency contracts | \$ (130)   |

**(9) Subsequent Events**

The Fund has evaluated the need for additional disclosures and/or adjustments resulting from subsequent events through the date the financial statements were issued. Based on this evaluation, no adjustments were required to the financial statements as of June 30, 2014.





The New America High Income Fund, Inc.

**Notes to Financial Statements Continued**  
**Supplemental Information** (Unaudited)

**Availability of Portfolio Holdings**

The Fund provides a complete schedule of its portfolio holdings quarterly. The lists of holdings as of the end of the second and fourth quarters appear in the Fund's semi-annual and annual reports to shareholders, respectively. The schedules of portfolio holdings as of the end of the first and third quarters are filed with the Securities and Exchange Commission (the "SEC") on Form N-Q (the "Forms") within 60 days of the end of the first and third quarters. Shareholders can look up the Forms on the SEC's web site at [www.sec.gov](http://www.sec.gov). The Forms may also be reviewed and copied at the SEC's public reference room in Washington, D.C. You may call the SEC at 1-800-SEC-0330 for information about the SEC's web site and their public reference room. In addition, the Forms may be reviewed on the Fund's web site at [www.newamerica-hyb.com](http://www.newamerica-hyb.com).

**Compliance with CFTC Regulation of Transactions in Commodity Interests**

The Fund does not currently intend to engage in transactions in commodity interests such as futures contracts, options on futures contracts, and swaps. However, the Fund may in the future enter into interest rate transactions, such as swaps, caps, collars and floors for the purpose or with the effect of hedging its portfolio and/or its payment obligations with respect to senior securities. In addition, the Fund has reserved the right, subject to the approval of the Board of Directors, to purchase and sell financial futures contracts and options on such futures contracts for the purpose of hedging its portfolio securities (or portfolio securities which it expects to acquire) against anticipated changes in prevailing interest rates. To the extent it engages in transactions in commodity interests, the Fund expects their use to be limited such that the Fund may claim the exclusion from the definition of the term "commodity pool operator" available under Regulation 4.5 of the Commodity Futures Trading Commission under the Commodity Exchange Act, and will not therefor be subject to regulation as a pool operator under the Commodity Exchange Act.

**Common Stock Transactions**

The Fund may purchase shares of its Common Stock in the open market when the Common Stock trades at a discount to net asset value or at other times if the Fund determines such purchases are advisable. There can be no assurance that the Fund will take such action in the event of a market discount to net asset value or that Fund purchases will reduce a discount.

The New America High Income Fund, Inc.

**Directors**

Robert F. Birch  
Joseph L. Bower  
Bernard J. Korman  
Stuart A. McFarland  
Marguerite A. Piret  
Oleg M. Pohotsky  
Ellen E. Terry

**Officer**

Ellen E. Terry President, Treasurer, Secretary

**Investment Advisor**

T. Rowe Price Associates, Inc.  
100 E. Pratt Street  
Baltimore, Maryland 21202

**Administrator**

The New America High Income Fund, Inc.  
33 Broad Street  
Boston, MA 02109  
(617) 263-6400

**Custodian**

State Street Corporation  
One Lincoln Street  
Boston, MA 02111

**Transfer Agent**

American Stock Transfer & Trust Company  
59 Maiden Lane  
New York, NY 10038  
(866) 624-4105  
Web site: [www.amstock.com](http://www.amstock.com)

Listed: NYSE  
Symbol: HYB  
Web site: [www.newamerica-hyb.com](http://www.newamerica-hyb.com)



American Stock Transfer & Trust Company  
59 Maiden Lane  
New York, NY 10038

**The New  
America  
High Income  
Fund, Inc.**

**Semi-Annual**

**Report**

**June 30, 2014**

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Item 2 - Code of Ethics - Not required in semi-annual filing.

Item 3 - Audit Committee Financial Experts - Not required in a semi-annual filing.

Item 4 - Principal Accountant Fees and Services - Not required in semi-annual filing.

Item 5 - Audit Committee of Listed Registrant - Not required in semi-annual filing.

Item 6 - Schedule of Investments - Included as part of the report to shareholders filed under Item 1 of this Form.

Item 7 - Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies - Not required in semi-annual filing.

Item 8 - Portfolio Managers of Closed-End Management Investment Companies - Not required in semi-annual filing.

Item 9 - Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers - Not applicable.

Item 10 - Submission of Matters to a Vote of Security Holders - Not applicable.

ITEM 11. CONTROLS AND PROCEDURES.

(a) The Fund's principal executive officer and principal financial officer concluded that the Fund disclosure controls and procedures (as defined in Rule 30a-3(c) under the 1940 Act) provide reasonable assurances that information required to be disclosed by the Fund on Form N-CSR is recorded, processed, summarized and reported within the required time periods and that information required to be disclosed by the Fund in the reports that it files or submits on Form N-CSR is accumulated and communicated to the Fund's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure, based on their evaluation of the disclosure controls and procedures as of a date within 90 days of the filing date of this report.

(b) There was no change in the Fund's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the Fund's second fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Fund's internal control over financial reporting.

ITEM 12. EXHIBITS.

- (a)(1) Not Applicable.
- (a)(2) The certifications required by Rule 30a-2(a) under the 1940 Act.
- (a)(3) Not Applicable.
- (b) The certifications required by Rule 30a-2(b) under the 1940 Act.

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.

The New America High Income Fund, Inc.

By: /s/ Ellen E. Terry  
Name: Ellen E. Terry  
Title: President  
Date: September 2, 2014

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.

By: /s/ Ellen E. Terry  
Name: Ellen E. Terry  
Title: President and Treasurer  
Date: September 2, 2014