

Western Asset Investment Grade Defined Opportunity Trust Inc.
Form N-CSR
January 27, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number **811-22294**

Western Asset Investment Grade Defined Opportunity Trust Inc.

(Exact name of registrant as specified in charter)

620 Eighth Avenue, 49th Floor, New York, NY 10018

(Address of principal executive offices) (Zip code)

Robert I. Frenkel, Esq.

Legg Mason & Co., LLC

100 First Stamford Place

Stamford, CT 06902

(Name and address of agent for service)

Registrant's telephone number, including area code: (888)777-0102

Date of fiscal year end: **November 30**

Date of reporting period: **November 30, 2013**

ITEM 1. REPORT TO STOCKHOLDERS.

The Annual Report to Stockholders is filed herewith.

Annual Report

November 30, 2013

WESTERN ASSET

INVESTMENT GRADE

DEFINED OPPORTUNITY

TRUST INC. (IGI)

INVESTMENT PRODUCTS: NOT FDIC INSURED NO BANK GUARANTEE MAY LOSE VALUE

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The Fund's primary investment objective is to provide current income and then to liquidate and distribute substantially all of the Fund's net assets to stockholders on or about December 2, 2024. As a secondary investment objective, the Fund will seek capital appreciation. There can be no assurance the Fund will achieve its investment objectives.

Letter from the chairman

Dear Shareholder,

We are pleased to provide the annual report of Western Asset Investment Grade Defined Opportunity Trust Inc. for the twelve-month reporting period ended November 30, 2013. Please read on for a detailed look at prevailing economic and market conditions during the Fund's reporting period and to learn how those conditions have affected Fund performance.

As always, we remain committed to providing you with excellent service and a full spectrum of investment choices. We also remain committed to supplementing the support you receive from your financial advisor. One way we accomplish this is through our website, www.lmcef.com. Here you can gain immediate access to market and investment information, including:

Fund prices and performance,

Market insights and commentaries from our portfolio managers, and

A host of educational resources.

We look forward to helping you meet your financial goals.

Sincerely,

Kenneth D. Fuller

Chairman, President and Chief Executive Officer

December 27, 2013

II Western Asset Investment Grade Defined Opportunity Trust Inc.

Investment commentary

Economic review

The U.S. economy continued to grow over the twelve months ended November 30, 2013 (the reporting period). Looking back, U.S. gross domestic product (GDP) growth, as reported by the U.S. Department of Commerce, was an anemic 0.1% during the fourth quarter of 2012. This weakness was partially driven by moderating private inventory investment and federal government spending. Economic growth then accelerated, as first quarter 2013 GDP growth was 1.1%, supported by strengthening consumer spending. GDP growth in the second quarter further improved to 2.5%. This was partially due to increases in exports and non-residential fixed investments, along with a smaller decline in federal government spending versus the previous quarter. The U.S. Department of Commerce's final reading for third quarter 2013 GDP growth, released after the reporting period ended, was 4.1%. Stronger growth was driven, in part, by an increase in private inventory investment, a deceleration in imports and accelerating state and local government spending.

The U.S. job market improved during the reporting period, although unemployment remained elevated from a historical perspective. When the period began, unemployment, as reported by the U.S. Department of Labor, was 7.8%. Unemployment fell to 7.7% in February 2013 and edged lower over much of the next seven months to reach 7.2% in September 2013. After rising to 7.3% in October, unemployment then fell to 7.0% in November, its lowest reading since November 2008. Falling unemployment during the period was partially due to a decline in the workforce participation rate, which was 63% in November, close to its lowest level since 1978.

While sales of existing-homes have declined in recent months given rising mortgage rates, home prices continued to move higher. According to the National Association of Realtors (NAR), existing-home sales fell 4.3% on a seasonally adjusted basis in November 2013 versus the previous month and were 1.2% lower than in November 2012. However, the NAR reported that the median existing-home price for all housing types was \$196,300 in November 2013, up 9.4% from November 2012. The inventory of homes available for sale in November 2013 was 0.9% lower than the previous month at a 5.1 month supply at the current sales pace and was 5.0% higher than in November 2012.

The manufacturing sector expanded during the majority of the reporting period, although it experienced a temporary soft patch. Based on the Institute for Supply Management's Purchasing Managers' Index (PMI), manufacturing expanded during the first five months of the reporting period. It then contracted in May 2013, with a PMI of 49.0 (a reading below 50 indicates a contraction, whereas a reading above 50 indicates an expansion). This represented the PMI's lowest reading since June 2009. However, this was a short-term setback, as the PMI rose over the next six months and was 57.3 in November, the best reading since April 2011.

The Federal Reserve Board (Fed) took a number of actions as it sought to meet its dual mandate of fostering maximum employment and price stability. As has been the case since December 2008, the Fed kept

Investment commentary (cont d)

the federal funds rate^{iv} at a historically low range between zero and 0.25%. At its meeting in December 2012, the Fed announced that it would continue purchasing \$40 billion per month of agency mortgage-backed securities (MBS), as well as initially purchasing \$45 billion per month of longer-term Treasuries. At its meeting that ended on June 19, 2013, the Fed did not make any material changes to its official policy statement. However, in a press conference following the meeting, Fed Chairman Bernanke said the Committee currently anticipates that it would be appropriate to moderate the monthly pace of purchases later this year; and if the subsequent data remain broadly aligned with our current expectations for the economy, we would continue to reduce the pace of purchases in measured steps through the first half of next year, ending purchases around midyear. In a surprise to many investors, at its meeting that ended on September 18, 2013, the Fed did not taper its asset purchase program and said that it decided to await more evidence that progress will be sustained before adjusting the pace of its purchases. Fed Chairman Bernanke also brought up the potential for a partial government shutdown on October 1 and the debt ceiling debate as reasons for maintaining its current policy. As expected, at its meeting that concluded on October 30, 2013, the Fed maintained its asset purchase program. Finally, at the Fed s meeting that concluded on December 18, 2013, after the reporting period ended, the Fed announced that it would begin reducing its monthly asset purchases, saying In light of the cumulative progress toward maximum employment and the improvement in the outlook for labor market conditions, the Committee decided to modestly reduce the pace of its asset purchases. Beginning in January, the Committee will add to its holdings of agency mortgage-backed securities at a pace of \$35 billion per month rather than \$40 billion per month, and will add to its holdings of longer-term Treasury securities at a pace of \$40 billion per month rather than \$45 billion per month.

As always, thank you for your confidence in our stewardship of your assets.

Sincerely,

Kenneth D. Fuller

Chairman, President and Chief Executive Officer

December 27, 2013

All investments are subject to risk including the possible loss of principal. Past performance is no guarantee of future results.

ⁱ Gross domestic product (GDP) is the market value of all final goods and services produced within a country in a given period of time.

ⁱⁱ The Institute for Supply Management s PMI is based on a survey of purchasing executives who buy the raw materials for manufacturing at more than 350 companies. It offers an early reading on the health of the manufacturing sector.

ⁱⁱⁱ The Federal Reserve Board (Fed) is responsible for the formulation of policies designed to promote economic growth, full employment, stable prices and a sustainable pattern of international trade and payments.

^{iv} The federal funds rate is the rate charged by one depository institution on an overnight sale of immediately available funds (balances at the Federal Reserve) to another depository institution; the rate may vary from depository institution to depository institution and from day to day.

Fund overview

Q. What is the Fund's investment strategy?

A. The Fund's primary investment objective is to provide current income and then to liquidate and distribute substantially all of the Fund's net assets to stockholders on or about December 2, 2024. As a secondary investment objective, the Fund will seek capital appreciation. There can be no assurance the Fund will achieve its investment objectives.

The Fund seeks to achieve its investment objectives by investing, under normal market conditions, at least 80% of its net assets in investment grade corporate fixed-income securities of varying maturities. The Fund may invest up to 20% of its net assets in corporate fixed-income securities of below investment grade quality at the time of investment and other securities, including obligations of the U.S. government, its agencies or instrumentalities, common stocks, warrants and depositary receipts. While the Fund may invest up to 20% of its net assets in below investment grade securities, the Fund will, under normal market conditions, maintain a portfolio with an overall dollar-weighted average of investment grade credit quality. The Fund may invest up to 20% of its net assets in securities of foreign issuers located anywhere in the world, including issuers located in emerging market countries. Additionally, the Fund may invest up to 20% of its net assets in non-U.S. dollar denominated securities.

The Fund may invest in derivative instruments, such as options contracts, futures contracts, options on futures contracts, indexed securities, credit default swaps and other swap agreements, provided that the Fund's exposure to derivative instruments, as measured by the total notional amount of all such instruments, will not exceed 20% of its net assets.

In purchasing securities and other investments for the Fund, we may take full advantage of the entire range of maturities and durations¹ offered by corporate fixed-income securities and may adjust the average maturity or duration of the Fund's portfolio from time to time, depending on our assessment of the relative yields available on securities of different maturities and durations and our expectations of future changes in interest rates.

The Fund may take on leveraging risk by utilizing certain management techniques, whereby it will segregate liquid assets, enter into offsetting transactions or own positions covering its obligations. To the extent the Fund covers its commitment under such a portfolio management technique, such instrument will not be considered a senior security for the purposes of the Investment Company Act of 1940. However, as a fundamental policy, the Fund will not leverage its capital structure by issuing senior securities such as preferred shares or debt instruments.

At Western Asset Management Company (Western Asset), the Fund's subadviser, we utilize a fixed-income team approach, with decisions derived from interaction among various investment management sector specialists. The sector teams are comprised of Western Asset's senior portfolio management personnel, research analysts and an in-house economist. Under this team approach, management of client fixed-income portfolios will reflect a consensus of interdisciplinary views within the Western Asset organization. The individuals

Fund overview (cont d)

responsible for development of investment strategy, day-to-day portfolio management, oversight and coordination of the Fund are Stephen A. Walsh, Michael C. Buchanan and Ryan K. Brist. It is anticipated that Mr. Walsh will step down as a member of the Fund's portfolio management team effective on or about March 31, 2014 and that S. Kenneth Leech will join the Fund's portfolio management team at that time. Mr. Leech has been employed by Western Asset as an investment professional for more than 20 years.

Q. What were the overall market conditions during the Fund's reporting period?

A. The spread sectors (non-Treasuries) experienced several periods of heightened risk aversion and generated mixed results versus comparable-duration Treasuries over the twelve months ended November 30, 2013. Risk aversion was prevalent at times given shifting economic data, geopolitical issues, signs of shifting monetary policy by the Federal Reserve Board (Fed) and the U.S. government's sixteen-day partial shutdown which ended on October 16, 2013.

Both short- and long-term Treasury yields moved higher during the twelve months ended November 30, 2013. Two-year Treasury yields rose from 0.25% at the beginning of the period to 0.28% at the end of the period. Their peak of 0.52% occurred on September 5, 2013 and they were as low as 0.20% in early May 2013. Ten-year Treasury yields were 1.62% at the beginning of the period and 2.75% at the end of the period. Their peak of 2.98% also occurred on September 5, 2013 and their low of 1.59% took place on December 6, 2012.

All told, the Barclays U.S. Aggregate Indexⁱⁱⁱ returned -1.60% for the twelve months ended November 30, 2013. Comparatively, the Barclays U.S. Credit Index^{iv} returned -1.83% over the same period.

Q. How did we respond to these changing market conditions?

A. A number of adjustments were made to the Fund's portfolio during the reporting period. We increased the Fund's exposure to high-yield bonds. We felt the positive fundamental backdrop for corporate credit and relatively conservative balance sheet management, along with the shorter duration characteristics of high-yield bonds, would be beneficial to the portfolio. This adjustment was positive for the Fund's performance and it helped to generate additional income for shareholders.

From a sector perspective, we slightly increased the Fund's large overweight to the Financials sector. We felt that financial companies would continue to improve their balance sheets and post stable fundamental results during the reporting period. In addition, we felt that the sector was attractively valued.

During the reporting period, U.S. Treasury futures were used to actively manage the Fund's duration and yield curve positioning. One example was when we reduced the Fund's duration below the benchmark heading into the second quarter of 2013 when we felt there was little value in U.S. government bonds. Investors ended up reducing fixed income exposure in general during the quarter in anticipation of the Fed tapering its asset purchase program at its meeting in September 2013. Treasury yields moved significantly higher during the quarter, with the yield on the ten-year Treasury,

for example, moving from 1.87% to 2.52%. The use of Treasury futures contributed to the Fund's performance. In addition, we used currency forwards opportunistically to place a small short on the Japanese yen versus the U.S. dollar. This was done as we believed that Japan's monetary stimulus program would be successful and would pressure its currency. Currency forwards were a positive for the Fund's performance during the reporting period.

Performance review

For the twelve months ended November 30, 2013, Western Asset Investment Grade Defined Opportunity Trust Inc. returned 0.63% based on its net asset value (NAV) and -12.18% based on its New York Stock Exchange (NYSE) market price per share. The Fund's unmanaged benchmark, the Barclays U.S. Credit Index, returned -1.83% for the same period. The Lipper Corporate Debt BBB-Rated Closed-End Funds Category Average^{vii} returned -1.47% over the same time frame. Please note that Lipper performance returns are based on each fund's NAV.

During the twelve-month period, the Fund made distributions to shareholders totaling \$1.27 per share.* The performance table shows the Fund's twelve-month total return based on its NAV and market price as of November 30, 2013. **Past performance is no guarantee of future results.**

Performance Snapshot as of November 30, 2013

Price per share	12-month total return**
\$21.53 (NAV)	0.63%
\$19.59 (Market Price)	-12.18%

All figures represent past performance and are not a guarantee of future results.

** Total returns are based on changes in NAV or market price, respectively. Returns reflect the deduction of all Fund expenses, including management fees, operating expenses, and other Fund expenses. Returns do not reflect the deduction of brokerage commissions or taxes that investors may pay on distributions or the sale of shares.

Total return assumes the reinvestment of all distributions at NAV.

Total return assumes the reinvestment of all distributions in additional shares in accordance with the Fund's Dividend Reinvestment Plan.

Q. What were the leading contributors to performance?

A. The largest contributor to the Fund's relative performance during the reporting period was its allocation to high-yield bonds. This was rewarded given the high-yield market's outperformance versus higher quality and longer-duration investment grade corporate bonds. Overall, sector positioning was positive for performance. In particular, an overweight to Financials was rewarded as it was the best performing sector within the benchmark.

Issue selection of investment-grade corporate bonds also enhanced the Fund's results. Many of the Fund's strongest performers were in the Financials sector, such as our overweights in Citigroup Inc., American International Group, Morgan Stanley and Goldman Sachs Group, Inc. Investment sentiment for these companies strengthened due to continued balance sheet and capital

* Distributions paid by the Fund may be comprised of income, capital gains and/or return of capital. For the character of distributions paid during the fiscal year ended November 30, 2013, please refer to page 23 of this report.

Fund overview (cont d)

ratio improvements, as well as better underlying fundamentals.

Q. What were the leading detractors from performance?

A. The Fund significantly outperformed its benchmark during the reporting period. However, emerging markets had a challenging twelve-month period and the Fund's modest exposure was not rewarded. Examples of individual holdings that detracted from the Fund's performance were our overweights in several emerging market corporate bonds, including the Brazilian energy company Petrobras, Brazilian mining company Vale Overseas Ltd. and Latin American wireless services provider America Movil generated weak results. Elsewhere, within the Metals and Mining sector, our overweight position in gold mining company Barrick Gold was a negative for performance, as the price of gold declined approximately 25% during the reporting period which pressured the company's bond prices.

Looking for additional information?

The Fund is traded under the symbol IGI and its closing market price is available in most newspapers under the NYSE listings. The daily NAV is available on-line under the symbol XIGIX on most financial websites. *Barron's* and the *Wall Street Journal's* Monday edition both carry closed-end fund tables that provide additional information. In addition, the Fund issues a quarterly press release that can be found on most major financial websites as well as www.lmcef.com.

In a continuing effort to provide information concerning the Fund, shareholders may call 1-888-777-0102 (toll free), Monday through Friday from 8:00 a.m. to 5:30 p.m. Eastern Time, for the Fund's current NAV, market price and other information.

Thank you for your investment in Western Asset Investment Grade Defined Opportunity Trust Inc. As always, we appreciate that you have chosen us to manage your assets and we remain focused on achieving the Fund's investment goals.

Sincerely,

Western Asset Management Company

December 13, 2013

RISKS: The Fund's investments are subject to credit risk, inflation risk and interest rate risk. As interest rates rise, bond prices fall, reducing the value of the Fund's holdings. The Fund may invest in lower-rated high-yield bonds which are subject to greater credit risk (risk of default) than higher-rated obligations. The Fund may use derivatives, such as options and futures, which can be illiquid, may disproportionately increase losses and have a potentially large impact on Fund performance. The Fund may invest in securities or engage in transactions that have the economic effects of leverage which can increase the risk and volatility of the Fund.

Portfolio holdings and breakdowns are as of November 30, 2013 and are subject to change and may not be representative of the portfolio managers' current or future investments. Please refer to pages 9 through 19 for a list and percentage breakdown of the Fund's holdings.

The mention of sector breakdowns is for informational purposes only and should not be construed as a recommendation to purchase or sell any securities. The information provided regarding such sectors is not a sufficient basis upon which to make an investment decision. Investors seeking financial advice regarding the appropriateness of investing in any securities or investment strategies discussed should consult their financial professional. The Fund's top five sector holdings (as a percentage of net assets) as of November 30, 2013 were: Financials (38.3%),

Energy (11.3%), Consumer Discretionary (10.4%), Telecommunication Services (10.0%) and Utilities (7.1%). The Fund's portfolio composition is subject to change at any time.

All investments are subject to risk including the possible loss of principal. Past performance is no guarantee of future results. All index performance reflects no deduction for fees, expenses or taxes. Please note that an investor cannot invest directly in an index.

The information provided is not intended to be a forecast of future events, a guarantee of future results or investment advice. Views expressed may differ from those of the firm as a whole.

ⁱ Duration is the measure of the price sensitivity of a fixed-income security to an interest rate change of 100 basis points. Calculation is based on the weighted average of the present values for all cash flows.

ⁱⁱ The Federal Reserve Board (Fed) is responsible for the formulation of policies designed to promote economic growth, full employment, stable prices and a sustainable pattern of international trade and payments.

ⁱⁱⁱ The Barclays U.S. Aggregate Index is a broad-based bond index comprised of government, corporate, mortgage- and asset-backed issues, rated investment grade or higher, and having at least one year to maturity.

^{iv} The Barclays U.S. Credit Index is an index composed of corporate and non-corporate debt issues that are investment grade (rated Baa3/BBB- or higher).

^v The yield curve is the graphical depiction of the relationship between the yield on bonds of the same credit quality but different maturities.

^{vi} Net asset value (NAV) is calculated by subtracting total liabilities and outstanding preferred stock (if any) from the closing value of all securities held by the Fund (plus all other assets) and dividing the result (total investments) by the total number of the common shares outstanding. The NAV fluctuates with changes in the market prices of securities in which the Fund has invested. However, the price at which an investor may buy or sell shares of the Fund is the Fund's market price as determined by supply of and demand for the Fund's shares.

^{vii} Lipper, Inc., a wholly-owned subsidiary of Reuters, provides independent insight on global collective investments. Returns are based on the twelve-month period ended November 30, 2013, including the reinvestment of all distributions, including returns of capital, if any, calculated among the 14 funds in the Fund's Lipper category.

Fund at a glance (unaudited)

Investment breakdown (%) as a percent of total investments

The bar graph above represents the composition of the Fund's investments as of November 30, 2013 and November 30, 2012 and does not include derivatives, such as futures contracts, swap contracts and forward foreign currency contracts. The Fund is actively managed. As a result, the composition of the Fund's investments is subject to change at any time.

Spread duration (unaudited)

Economic exposure November 30, 2013

Total Spread Duration

IGI 7.04 years

Benchmark 6.47 years

Spread duration measures the sensitivity to changes in spreads. The spread over Treasuries is the annual risk-premium demanded by investors to hold non-Treasury securities. Spread duration is quantified as the % change in price resulting from a 100 basis points change in spreads. For a security with positive spread duration, an increase in spreads would result in a price decline and a decline in spreads would result in a price increase. This chart highlights the market sector exposure of the Fund's sectors relative to the selected benchmark sectors as of the end of the reporting period.

Benchmark	Barclays U.S. Credit Index
EM	Emerging Markets
HY	High Yield
IG Credit	Investment Grade Credit
IGI	Western Asset Investment Grade Defined Opportunity Trust Inc.

Effective duration (unaudited)

Interest rate exposure November 30, 2013

Total Effective Duration

IGI 6.63 years

Benchmark 6.68 years

Effective duration measures the sensitivity to changes in relevant interest rates. Effective duration is quantified as the % change in price resulting from a 100 basis points change in interest rates. For a security with positive effective duration, an increase in interest rates would result in a price decline and a decline in interest rates would result in a price increase. This chart highlights the interest rate exposure of the Fund's sectors relative to the selected benchmark sectors as of the end of the reporting period.

Benchmark	Barclays U.S. Credit Index
EM	Emerging Markets
HY	High Yield
IG Credit	Investment Grade Credit
IGI	Western Asset Investment Grade Defined Opportunity Trust Inc.

Schedule of investments

November 30, 2013

Western Asset Investment Grade Defined Opportunity Trust Inc.

	Rate	Maturity Date	Face Amount	Value
Security				
Corporate Bonds & Notes 93.5%				
Consumer Discretionary 10.4%				
<i>Automobiles 1.7%</i>				
Ford Motor Co., Senior Bonds	9.215%	9/15/21	\$ 1,140,000	\$ 1,479,325
Ford Motor Credit Co., LLC, Senior Notes	12.000%	5/15/15	1,000,000	1,164,533
Ford Motor Credit Co., LLC, Senior Notes	8.125%	1/15/20	640,000	805,394
Ford Motor Credit Co., LLC, Senior Notes	4.250%	9/20/22	380,000	385,672
<i>Total Automobiles</i>				<i>3,834,924</i>
<i>Hotels, Restaurants & Leisure 0.5%</i>				
Caesars Entertainment Operating Co. Inc., Senior Secured Notes	11.250%	6/1/17	1,250,000	<i>1,275,000</i>
<i>Household Durables 0.2%</i>				
Toll Brothers Finance Corp., Senior Notes	4.000%	12/31/18	360,000	<i>366,300</i>
<i>Internet & Catalog Retail 0.4%</i>				
QVC Inc., Senior Secured Notes	5.125%	7/2/22	670,000	668,092
QVC Inc., Senior Secured Notes	4.375%	3/15/23	350,000	333,494
<i>Total Internet & Catalog Retail</i>				<i>1,001,586</i>
<i>Media 6.9%</i>				
21st Century Fox America Inc., Senior Notes	6.650%	11/15/37	2,400,000	2,787,142
CCO Holdings LLC/CCO Holdings Capital Corp., Senior Notes	5.750%	1/15/24	900,000	850,500
Comcast Corp., Bonds	6.400%	5/15/38	2,500,000	2,886,790
Comcast Corp., Senior Notes	5.700%	7/1/19	1,500,000	1,755,775
DISH DBS Corp., Senior Notes	7.875%	9/1/19	1,250,000	1,453,125
Time Warner Cable Inc., Senior Notes	8.750%	2/14/19		