



Dear Putnam Shareholder:

At Putnam, we regularly evaluate our mutual funds to ensure that we provide investors and their advisors with the options that they need to create diversified portfolios. As a result of a recent evaluation, we are making some changes to our fund offerings.

Putnam Management has proposed, and your fund's Board of Trustees has approved, merging Putnam High Yield Trust into Putnam High Yield Advantage Fund. Putnam and the Trustees believe that the merger is in the best interest of fund shareholders. The merger does not require a shareholder vote.

Putnam High Yield Advantage Fund, like Putnam High Yield Trust, seeks a high level of income by investing in higher-yielding, lower-rated corporate bonds. Both funds are managed by Paul D. Scanlon, CFA, Norman P. Boucher, and Robert L. Salvin.

We expect to close Putnam High Yield Trust to new investors on or about March 6, 2017, and to complete the fund merger on or about May 8, 2017. It is important to note that the merger is not

expected to be a taxable event for federal income tax purposes, and a Form 1099 will not be generated as long as you remain invested in the fund through the closing of the merger. However, if you make an exchange or a redemption prior to the completion of the merger, it will be considered a taxable event for your 2017 tax return.

You can find additional details in the [prospectus supplement](#). Also, in March we will be mailing you an N-14 prospectus, which contains more information about the merger and Putnam High Yield Advantage Fund. If you have any questions, please contact your financial advisor or call Putnam toll free at 1-800-225-1581.

Sincerely,

A handwritten signature in black ink that reads "Michael J. Woodall". The signature is written in a cursive style with a large, looped initial "M".

Michael J. Woodall
Chief of Operations