

BLACKROCK CORPORATE HIGH YIELD FUND III INC
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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-08497

Name of Fund: BlackRock Corporate High Yield Fund III, Inc. (CYE)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

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Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 02/28/2011

Date of reporting period: 02/28/2011

Item 1 – Report to Stockholders

February 28, 2011

Annual Report

BlackRock Corporate High Yield Fund, Inc. (COY)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

BlackRock Debt Strategies Fund, Inc. (DSU)

BlackRock Floating Rate Income Strategies Fund II, Inc. (FRB)

BlackRock Senior High Income Fund, Inc. (ARK)

**Not FDIC Insured § No
Bank Guarantee § May
Lose Value**

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Dear Shareholder

Over the past 12 months, we have seen a sluggish, stimulus-driven economic recovery at long last gain real traction, accelerate, and transition into a consumption-driven expansion. For the most part, 2010 was plagued with widely fluctuating economic data, but as the year drew to a close, it became clear that cyclical stimulus had beaten out structural problems as economic data releases generally became more positive and financial markets showed signs of continuing improvement. Although the sovereign debt crises and emerging market inflation that troubled the global economy in 2010 remain a challenge, overall investor sentiment considerably improved. Near the end of the period, geopolitical tensions across the Middle East North Africa (MENA) region along with rising oil prices introduced new cause for concern about the future of the global economy. As of this writing, economic news remains fairly positive although we face additional uncertainties related to the aftermath of the devastating earthquake in Japan, with particular focus on the damage to nuclear power plants.

In the United States, strength from the corporate sector and increasing consumer spending have been key drivers of economic growth, while the housing and labor markets have been the heaviest burdens. While housing has yet to show any meaningful sign of improvement, labor statistics have delivered a mixed bag month after month, but became increasingly encouraging toward the end of the period when the unemployment rate fell to its lowest level since April 2009.

Global equity markets experienced uneven growth and high volatility over the course of 2010, but ended the year strong. Following a strong start to 2011, stocks lost their momentum on the back of geopolitical events in the MENA region and a sharp rise in oil prices. Overall, equities posted strong returns for the 12-month period. US stocks outpaced most international markets and small cap stocks outperformed large caps as investors moved into higher-risk assets.

Fixed income markets saw yields trend lower over most of 2010, until the fourth quarter brought an abrupt reversal in sentiment and risk tolerance that drove yields sharply upward (pushing bond prices down) through year end. Improving economic data continued to pressure fixed income yields in 2011; however, escalating geopolitical risks have acted as a counterweight, restoring relative stability to yield movements. Nevertheless, the yield curve remained steep and higher-risk sectors outperformed the fixed income market.

The tax-exempt municipal market enjoyed a powerful rally during the period of low interest rates in 2010; however, when the yield trend reversed, the market was dealt an additional blow as it became evident that the Build America Bond program would expire at year end. In addition, negative headlines regarding fiscal challenges faced by state and local governments damaged investor confidence and further heightened volatility in the municipal market. Tax-exempt mutual funds experienced heavy outflows, resulting in wider quality spreads and further downward pressure on municipal bond prices. These headwinds began to abate as the period came to a close and municipals finally posted gains in February, following a five-month run of negative performance.

Cash investments, as represented by the 3-month Treasury bill, returned only a fraction over 0% for the 12-month period as short-term interest rates remained low. Yields on money market securities remain near all-time lows.

Total returns as of February 28, 2011	6-month	12-month
US large cap equities (S&P 500 Index)	27.73%	22.57%
US small cap equities (Russell 2000 Index)	37.55	32.60
International equities (MSCI Europe, Australasia, Far East Index)	23.77	20.00
3-month Treasury bill (BofA Merrill Lynch 3-Month Treasury Bill Index)	0.07	0.14
US Treasury securities (BofA Merrill Lynch 10-Year US Treasury Index)	(6.04)	4.76
US investment grade bonds (Barclays Capital US Aggregate Bond Index)	(0.83)	4.93
Tax-exempt municipal bonds (Barclays Capital Municipal Bond Index)	(3.51)	1.72

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US high yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index)

10.05

17.34

Past performance is no guarantee of future results. Index performance shown for illustrative purposes only. You cannot invest directly in an index.

While no one can peer into a crystal ball and eliminate the uncertainties presented by the economic landscape and financial markets, BlackRock can offer investors the next best thing: partnership with the world's largest asset management firm and a unique global perspective that allows us to identify trends early and capitalize on market opportunities. For additional market perspective and investment insight, visit www.blackrock.com/shareholdermagazine, where you'll find the most recent issue of our award-winning *Shareholder*® magazine, as well as its quarterly companion newsletter, *Shareholder Perspectives*. As always, we thank you for entrusting BlackRock with your investments, and we look forward to your continued partnership in the months and years ahead.

Sincerely,

Rob Kapito
President, BlackRock Advisors, LLC

THIS PAGE NOT PART OF YOUR FUND REPORT

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Fund Summary as of February 28, 2011

BlackRock Corporate High Yield Fund, Inc.

Investment Objective

BlackRock Corporate High Yield Fund, Inc. s (COY) (the Fund) investment objective is to provide shareholders with current income by investing primarily in a diversified portfolio of fixed income securities, which are rated in the lower rating categories of the established rating services (BB or lower by Standard & Poor s Corporation (S&P) or Ba or lower by Moody s Investors Service, Inc. (Moody s)) or are unrated securities considered by BlackRock to be of comparable quality. The Fund s secondary objective is to provide stockholders with capital appreciation. The Fund invests, under normal market conditions, at least 80% of its assets in high yield debt instruments, including high yield bonds (commonly referred to as junk bonds) and corporate loans which are below investment grade quality. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund s investment objectives will be achieved.

Portfolio Management Commentary

How did the Fund perform?

For the 12 months ended February 28, 2011, the Fund returned 11.66% based on market price and 22.11% based on net asset value (NAV). For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 21.06% based on market price and 21.40% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a premium to NAV to a discount by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

High yield bonds outperformed the broader fixed income market as risk assets rallied during the period. Lower-quality high yield bonds outperformed higher-quality issues. The bank loan sector also posted strong returns, but underperformed high yield. The largest contributor to the Fund s performance was individual security selection, particularly among lower-quality credits and special situations in the automotive sector, including manufacturers of automobiles, auto parts and components. Within the Fund s small allocation to common stocks, its holdings in Delphi boosted returns. The Fund s limited exposure to high-quality, non-investment grade proved beneficial, as did its large allocation to lower-quality credits later in the period.

During the period, the Fund maintained leverage at an average amount between 18% and 20% of its total managed assets, which detracted from relative performance versus competitors that maintained higher levels of leverage, as would be expected when markets are advancing. The Fund s significant holdings in mid-tier speculative grade names for most of the period detracted modestly as they underperformed their lower-quality counterparts. Also having a negative impact was the Fund s exposure to bank loans; however, the Fund continues to hold a number of loans issued by speculative companies where we believe the loans are the most attractive instrument in the company s capital structure.

Describe recent portfolio activity.

Over the period, the Fund shifted its overall positioning from a more conservative stance to that which is more consistent with a gradually improving economy. The Fund reduced its exposure to the automotive sector and increased exposure to lower-quality credits as well as sectors where companies are positioned to benefit from rising commodity prices.

Describe portfolio positioning at period end.

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At period end, the Fund held 85% of its total portfolio in corporate bonds, 7% in floating rate loan interests and 5% in common stocks. Cash positions were negligible for most of the period. The Fund ended the period with leverage at approximately 20% of its total managed assets.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

BlackRock Corporate High Yield Fund, Inc.

Fund Information

Symbol on New York Stock Exchange (NYSE)	COY
Initial Offering Date	June 25, 1993
Yield on Closing Market Price as of February 28, 2011 (\$7.03) ¹	8.71%
Current Monthly Distribution per Share ²	\$0.051
Current Annualized Distribution per Share ²	\$0.612
Leverage as of February 28, 2011 ³	20%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² The distribution rate is not constant and is subject to change.

³ Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

The table below summarizes the changes in the Fund's market price and NAV per share:

	2/28/11	2/28/10	Change	High	Low
Market Price	\$ 7.03	\$ 6.88	2.18%	\$ 7.24	\$ 5.50
Net Asset Value	\$ 7.42	\$ 6.64	11.75%	\$ 7.44	\$ 6.60

The following unaudited charts show the portfolio composition of the Fund's long-term investments and credit quality allocations of the Fund's corporate bond investments:

Portfolio Composition

	2/28/11	2/28/10
Corporate Bonds	85%	82%
Floating Rate Loan Interests	7	13
Common Stocks	5	3
Other Interests	2	2
Preferred Stocks	1	

Credit Quality Allocations⁴

	2/28/11	2/28/10
A	1%	
BBB/Baa	4	3%
BB/Ba	31	30
B	46	46
CCC/Caa	13	12
CC/Ca		1
D		1
Not Rated	5	7

⁴ Using the higher of S&P's or Moody's ratings.

Fund Summary as of February 28, 2011

BlackRock Corporate High Yield Fund III, Inc.

Investment Objective

BlackRock Corporate High Yield Fund III, Inc. s (CYE) (the Fund) primary investment objective is to provide current income by investing primarily in fixed-income securities, which are rated in the lower rating categories of the established rating services (BBB or lower by S&P or Baa or lower by Moody s) or are unrated securities of comparable quality. The Fund s secondary investment objective is to provide capital appreciation. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund s investment objectives will be achieved.

Portfolio Management Commentary

How did the Fund perform?

For the 12 months ended February 28, 2011, the Fund returned 16.99% based on market price and 23.50% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 21.06% based on market price and 21.40% based on NAV. All returns reflect reinvestment of dividends. The Fund s discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

High yield bonds outperformed the broader fixed income market as risk assets rallied during the period. Lower-quality high yield bonds outperformed higher-quality issues. The bank loan sector also posted strong returns, but underperformed high yield. The largest contributor to the Fund s performance was individual security selection, particularly among lower-quality credits and special situations in the automotive sector, including manufacturers of automobiles, auto parts and components. Within the Fund s small allocation to common stocks, its holdings in Delphi boosted returns. The Fund s limited exposure to high-quality, non-investment grade proved beneficial, as did its large allocation to lower-quality credits later in the period.

During the period, the Fund maintained leverage at an average amount between 20% and 22% of its total managed assets, which detracted from relative performance versus competitors that maintained higher levels of leverage, as would be expected when markets are advancing. The Fund s significant holdings in mid-tier speculative grade names for most of the period detracted modestly as they underperformed their lower-quality counterparts. Also having a negative impact was the Fund s exposure to bank loans; however, the Fund continues to hold a number of loans issued by speculative companies where we believe the loans are the most attractive instrument in the company s capital structure.

Describe recent portfolio activity.

Over the period, the Fund shifted its overall positioning from a more conservative stance to that which is more consistent with a gradually improving economy. The Fund reduced its exposure to the automotive sector and increased exposure to lower-quality credits as well as sectors where companies are positioned to benefit from rising commodity prices.

Describe portfolio positioning at period end.

At period end, the Fund held 80% of its total portfolio in corporate bonds, 11% in floating rate loan interests and 5% in common stocks. Cash positions were negligible for most of the period. The Fund ended the period with leverage at approximately 24% of its total

managed assets.

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BlackRock Corporate High Yield Fund III, Inc.**Fund Information**

Symbol on NYSE	CYE
Initial Offering Date	January 30, 1998
Yield on Closing Market Price as of February 28, 2011 (\$7.14) ¹	8.40%
Current Monthly Distribution per Share ²	\$0.05
Current Annualized Distribution per Share ²	\$0.60
Leverage as of February 28, 2011 ³	24%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² The distribution rate is not constant and is subject to change.

³ Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

The table below summarizes the changes in the Fund's market price and NAV per share:

	2/28/11	2/28/10	Change	High	Low
Market Price	\$ 7.14	\$ 6.67	7.05%	\$ 7.24	\$ 5.29
Net Asset Value	\$ 7.56	\$ 6.69	13.00%	\$ 7.58	\$ 6.66

The following unaudited charts show the portfolio composition of the Fund's long-term investments and credit quality allocations of the Fund's corporate bond investments:

Portfolio Composition

	2/28/11	2/28/10
Corporate Bonds	80%	81%
Floating Rate Loan Interests	11	13
Common Stocks	5	4
Preferred Stocks	2	
Other Interests	2	2

Credit Quality Allocations⁴

	2/28/11	2/28/10
BBB/Baa	4%	3%
BB/Ba	31	29
B	46	47
CCC/Caa	14	12
D		1
Not Rated	5	8

⁴ Using the higher of S&P's or Moody's ratings.

Fund Summary as of February 28, 2011

BlackRock Debt Strategies Fund, Inc.

Investment Objective

BlackRock Debt Strategies Fund, Inc.'s (DSU) (the Fund) primary investment objective is to provide current income by investing primarily in a diversified portfolio of US companies' debt instruments, including corporate loans, which are rated in the lower rating categories of the established rating services (BBB or lower by S&P or Baa or lower by Moody's) or unrated debt instruments, which are in the judgment of the investment adviser of equivalent quality. The Fund's secondary objective is to provide capital appreciation. Corporate loans include senior and subordinated corporate loans, both secured and unsecured. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund's investment objectives will be achieved.

Portfolio Management Commentary

How did the Fund perform?

For the 12 months ended February 28, 2011, the Fund returned 12.90% based on market price and 19.92% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 21.06% based on market price and 21.40% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a premium to NAV to a discount by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

High yield bonds outperformed the broader fixed income market as risk assets rallied during the period. Lower-quality high yield bonds outperformed higher-quality issues. The bank loan sector also posted strong returns, but underperformed high yield. While the Fund's average allocation of 41% to high yield contributed to performance on an absolute basis, its average allocation of 52% to bank loans hurt performance relative to its Lipper category competitors, which invest primarily in high yield bonds. Additionally, the Fund maintained leverage at an average amount between 18% and 23% of its total managed assets, which detracted from relative performance versus competitors that maintained higher levels of leverage, as would be expected when markets are advancing. Lastly, the Fund's underexposure to lower-quality, speculative grade credits detracted modestly from performance as lower quality outperformed during the period.

Contributing positively to performance was security selection within the Fund's high yield allocation, particularly among lower-quality credits and special situations in the automotive sector, including manufacturers of automobiles, auto parts and components. The Fund's equity position, although small, boosted returns. In addition, limited exposure to high-quality, non-investment grade proved beneficial.

Describe recent portfolio activity.

Over the period, the Fund shifted its overall positioning from a more conservative stance to that which is more consistent with a gradually improving economy. In particular, the Fund increased its exposure to sectors where companies are positioned to benefit from rising commodity prices. In addition, the Fund increased its leverage during the period.

Describe portfolio positioning at period end.

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At period end, the Fund held 43% of its total portfolio in corporate bonds, 53% in floating rate loan interests and 2% in asset-backed securities. Cash positions were negligible for most of the period. The Fund ended the period with leverage at approximately 20% of its total managed assets.

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BlackRock Debt Strategies Fund, Inc.**Fund Information**

Symbol on NYSE	DSU
Initial Offering Date	March 27, 1998
Yield on Closing Market Price as of February 28, 2011 (\$4.05) ¹	8.00%
Current Monthly Distribution per Share ²	\$0.027
Current Annualized Distribution per Share ²	\$0.324
Leverage as of February 28, 2011 ³	20%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² The distribution rate is not constant and is subject to change.

³ Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

The table below summarizes the changes in the Fund's market price and NAV per share:

	2/28/11	2/28/10	Change	High	Low
Market Price	\$ 4.05	\$ 3.91	3.58%	\$ 4.42	\$ 2.95
Net Asset Value	\$ 4.28	\$ 3.89	10.03%	\$ 4.28	\$ 3.89

The following unaudited charts show the portfolio composition of the Fund's long-term investments and credit quality allocations of the Fund's corporate bond investments:

Portfolio Composition

	2/28/11	2/28/10
Floating Rate Loan Interests	53%	47%
Corporate Bonds	43	49
Asset-Backed Securities	2	
Common Stocks	1	4
Other Interests	1	

Credit Quality Allocations⁴

	2/28/11	2/28/10
BBB/Baa	7%	5%
BB/Ba	29	27
B	45	44
CCC/Caa	11	11
D		1
Not Rated	8	12

⁴ Using the higher of S&P's or Moody's ratings.

Fund Summary as of February 28, 2011

BlackRock Floating Rate Income Strategies Fund II, Inc.

Investment Objective

BlackRock Floating Rate Income Strategies Fund II, Inc. s (FRB) (the Fund) investment objective is to provide shareholders with high current income and such preservation of capital as is consistent with investment in a diversified, leveraged portfolio consisting primarily of floating rate debt securities and instruments. The Fund seeks to achieve its investment objective by investing, under normal market conditions, at least 80% of its assets in floating rate debt securities, including floating or variable rate debt securities that pay interest at rates that adjust whenever a specified interest rate changes and/or which reset on predetermined dates (such as the last day of a month or calendar quarter). The Fund invests a substantial portion of its investments in floating rate debt securities consisting of secured or unsecured senior floating rate loans that are rated below investment grade. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund s investment objective will be achieved.

Portfolio Management Commentary

How did the Fund perform?

For the 12 months ended February 28, 2011, the Fund returned 1.19% based on market price and 14.20% based on NAV. For the same period, the closed-end Lipper Loan Participation Funds category posted an average return of 16.47% based on market price and 12.22% based on NAV. All returns reflect reinvestment of dividends. The Fund s premium to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

The bank loan sector posted strong returns as risk assets rallied during the period. Lower-quality sectors and credits outperformed their higher-quality counterparts and the high yield sector outperformed bank loans. Because the Fund invests primarily in bank loans, the use of leverage had a positive impact on returns (on an absolute basis) as these sectors advanced. Holding a greater allocation to high yield bonds relative to its Lipper category competitors drove the Fund s outperformance.

The Fund maintains a relatively conservative portfolio, weighted toward higher-quality speculative investments, which detracted from relative performance as lower quality outperformed during the period. In addition, the Fund maintains a lower level of leverage (at an average amount between 19% and 23% of its total managed assets) than the average level maintained by its Lipper category competitors, which detracted from performance on a relative basis.

Describe recent portfolio activity.

During the period, the Fund modestly increased its level of risk and use of leverage as market conditions improved. In particular, the Fund increased exposure to lower-quality credits and sectors that are more favorably impacted by rising commodity prices and an improving economy.

Describe portfolio positioning at period end.

At period end, the Fund held 81% of its total portfolio in floating rate loan interests and 15% in corporate bonds, with the remainder in asset-backed securities, common stocks and equity equivalents. Cash positions were negligible for most of the period. The Fund ended the period with leverage at approximately 20% of its total managed assets.

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BlackRock Floating Rate Income Strategies Fund II, Inc.

Fund Information

Symbol on NYSE	FRB
Initial Offering Date	July 30, 2004
Yield on Closing Market Price as of February 28, 2011 (\$14.22) ¹	6.33%
Current Monthly Distribution per Share ²	\$0.075
Current Annualized Distribution per Share ²	\$0.900
Leverage as of February 28, 2011 ³	20%

- 1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.
- 2 The distribution rate is not constant and is subject to change.
- 3 Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

The table below summarizes the changes in the Fund's market price and NAV per share:

	2/28/11	2/28/10	Change	High	Low
Market Price	\$ 14.22	\$ 15.01	(5.26)%	\$ 15.63	\$ 12.80
Net Asset Value	\$ 14.07	\$ 13.16	6.91%	\$ 14.07	\$ 13.03

The following unaudited charts show the portfolio composition of the Fund's long-term investments and credit quality allocations of the Fund's corporate bond investments:

Portfolio Composition

	2/28/11	2/28/10
Floating Rate Loan Interests	81%	73%
Corporate Bonds	15	26
Asset-Backed Securities	3	
Other Interests	1	1

Credit Quality Allocations⁴

	2/28/11	2/28/10
BBB/Baa	7%	6%
BB/Ba	34	34
B	42	38
CCC/Caa	8	10
CC/Ca		1
D		2
Not Rated	9	9

⁴ Using the higher of S&P's or Moody's ratings.

Fund Summary as of February 28, 2011

BlackRock Senior High Income Fund, Inc.

Investment Objective

BlackRock Senior High Income Fund, Inc. s (ARK) (the Fund) investment objective is to provide high current income by investing principally in senior debt obligations of companies, including corporate loans made by banks and other financial institutions and both privately placed and publicly offered corporate bonds and notes. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund s investment objective will be achieved.

Portfolio Management Commentary

How did the Fund perform?

For the 12 months ended February 28, 2011, the Fund returned 15.13% based on market price and 17.13% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 21.06% based on market price and 21.40% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a premium to NAV to a discount by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

High yield bonds outperformed the broader fixed income market as risk assets rallied during the period. Lower-quality high yield bonds outperformed higher-quality issues. The bank loan sector also posted strong returns, but underperformed high yield. While the Fund s average allocation to high yield contributed to performance on an absolute basis, its average allocation to bank loans hurt performance relative to its Lipper category competitors, which invest primarily in high yield bonds. Additionally, the Fund maintained leverage at an average amount between 18% and 22% of its total managed assets, which detracted from relative performance versus competitors that maintained higher levels of leverage, as would be expected when markets are advancing. Lastly, the Fund s underexposure to lower-quality, speculative grade credits detracted modestly from performance as lower quality outperformed during the period.

Contributing positively to performance was security selection within the Fund s high yield allocation, particularly among lower-quality credits and special situations in the automotive sector, including manufacturers of automobiles, auto parts and components. The Fund s equity position, although small, boosted returns. In addition, limited exposure to high-quality, non-investment grade proved beneficial.

Describe recent portfolio activity.

Over the period, the Fund shifted its overall positioning from a more conservative stance to that which is more consistent with a gradually improving economy. In particular, the Fund increased its exposure to sectors where companies are positioned to benefit from rising commodity prices. In addition, the Fund increased its leverage during the period.

Describe portfolio positioning at period end.

At period end, the Fund held 43% of its total portfolio in corporate bonds and 53% in floating rate loan interests, with the remainder in asset-backed securities, common stocks and equity equivalents. Cash positions were negligible for most of the period. The Fund ended the period with leverage at approximately 17% of its total managed assets.

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BlackRock Senior High Income Fund, Inc.**Fund Information**

Symbol on NYSE	ARK
Initial Offering Date	April 30, 1993
Yield on Closing Market Price as of February 28, 2011 (\$4.18) ¹	7.18%
Current Monthly Distribution per Common Share ²	\$0.025
Current Annualized Distribution per Common Share ²	\$0.300
Leverage as of February 28, 2011 ³	17%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

² The distribution rate is not constant and is subject to change.

³ Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

The table below summarizes the changes in the Fund's market price and NAV per share:

	2/28/11	2/28/10	Change	High	Low
Market Price	\$ 4.18	\$ 3.94	6.09%	\$ 4.48	\$ 3.59
Net Asset Value	\$ 4.22	\$ 3.91	7.93%	\$ 4.22	\$ 3.87

The following unaudited charts show the portfolio composition of the Fund's long-term investments and credit quality allocations of the Fund's corporate bond investments:

Portfolio Composition

	2/28/11	2/28/10
Floating Rate Loan Interests	53%	46%
Corporate Bonds	43	52
Asset-Backed Securities	2	
Common Stocks	1	2
Other Interests	1	

Credit Quality Allocations⁴

	2/28/11	2/28/10
BBB/Baa	9%	5%
BB/Ba	31	33
B	49	43
CCC/Caa	3	11
D		1
Not Rated	8	7

⁴ Using the higher of S&P's or Moody's ratings.

The Benefits and Risks of Leveraging

The Funds may utilize leverage to seek to enhance the yield and NAV. However, these objectives cannot be achieved in all interest rate environments.

The Funds may utilize leverage by borrowing through a credit facility. In general, the concept of leveraging is based on the premise that the financing cost of assets to be obtained from leverage, which will be based on short-term interest rates, will normally be lower than the income earned by each Fund on its longer-term portfolio investments. To the extent that the total assets of each Fund (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, each Fund's shareholders will benefit from the incremental net income.

The interest earned on securities purchased with the proceeds from leverage is paid to shareholders in the form of dividends, and the value of these portfolio holdings is reflected in the per share NAV. However, in order to benefit shareholders, the yield curve must be positively sloped; that is, short-term interest rates must be lower than long-term interest rates. If the yield curve becomes negatively sloped, meaning short-term interest rates exceed long-term interest rates, income to shareholders will be lower than if the Funds had not used leverage.

To illustrate these concepts, assume a Fund's capitalization is \$100 million and it issues debt securities for an additional \$30 million, creating a total value of \$130 million available for investment in long-term securities. If prevailing short-term interest rates are 3% and long-term interest rates are 6%, the yield curve has a strongly positive slope. In this case, the Fund pays interest expense on the \$30 million of debt securities based on the lower short-term interest rates. At the same time, the securities purchased by the Fund with assets received from borrowings earn income based on long-term interest rates. In this case, the interest expense of borrowings is significantly lower than the income earned on the Fund's long-term investments, and therefore the shareholders are the beneficiaries of the incremental net income.

If short-term interest rates rise, narrowing the differential between short-term and long-term interest rates, the incremental net income pickup will be reduced or eliminated completely. Furthermore, if prevailing short-term interest rates rise above long-term interest rates of 6%, the yield curve has a negative slope. In this case, the Fund pays interest expense on the higher short-term interest rates whereas the Fund's total portfolio earns income based on lower long-term interest rates.

Furthermore, the value of the Funds' portfolio investments generally varies inversely with the direction of long-term interest rates, although other factors can influence the value of portfolio investments. In contrast, the redemption value of the Funds' borrowings does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Funds' NAV positively or negatively in addition to the impact on Fund performance from leverage from borrowings discussed above.

The use of leverage may enhance opportunities for increased income to the Funds and shareholders, but as described above, it also creates risks as short or long-term interest rates fluctuate. Leverage also will generally cause greater changes in the Funds' NAVs, market prices and dividend rates than comparable portfolios without leverage. If the income derived from securities purchased with assets received from leverage exceeds the cost of leverage, the Funds' net income will be greater than if leverage had not been used. Conversely, if the income from the securities purchased is not sufficient to cover the cost of leverage, the Funds' net income will be less than if leverage had not been used, and therefore the amount available for distribution to shareholders will be reduced. Each Fund may be required to sell portfolio securities at inopportune times or at distressed values in order to comply with regulatory requirements applicable to the use of leverage or as required by the terms of leverage instruments, which may cause a Fund to incur losses. The use of leverage may limit the Funds' ability to invest in certain types of securities or use certain types of hedging strategies. Each Fund will incur expenses in connection with the use of leverage, all of which are borne by shareholders and may reduce income.

Under the Investment Company Act of 1940, the Funds are permitted to borrow through their credit facility up to 33 $\frac{1}{3}$ % of their total managed assets. As of February 28, 2011, the Funds had outstanding leverage from borrowings as a percentage of their total managed assets as follows:

	Percent of Leverage
COY	20%
CYE	24%
DSU	20%

FRB	20%
ARK	17%

Derivative Financial Instruments

The Funds may invest in various derivative instruments, including financial futures contracts, swaps, foreign currency exchange contracts and options, as specified in Note 2 of the Notes to Financial Statements, which may constitute forms of economic leverage. Such instruments are used to obtain exposure to a market without owning or taking physical custody of securities or to hedge market, equity, credit and/or foreign currency exchange rate risks. Such derivative instruments involve risks, including the imperfect correlation between the value of a derivative instrument and the underlying asset, possible default of the counterparty to the transaction or illiquidity of the derivative instrument. The Funds ability to use a derivative instrument

successfully depends on the investment advisor's ability to predict pertinent market movements accurately, which cannot be assured. The use of derivative instruments may result in losses greater than if they had not been used, may require a Fund to sell or purchase portfolio investments at inopportune times or for distressed values, may limit the amount of appreciation a Fund can realize on an investment, may result in lower dividends paid to shareholders or may cause a Fund to hold an investment that it might otherwise sell. The Funds' investments in these instruments are discussed in detail in the Notes to Financial Statements.

Schedule of Investments February 28, 2011

BlackRock Corporate High Yield Fund, Inc. (COY)
 (Percentages shown are based on Net Assets)

Common Stocks	Shares	Value
Auto Components 0.3%		
Dana Holding Corp. (a)	47,900	\$ 904,352
Capital Markets 0.2%		
E*Trade Financial Corp. (a)	26,900	429,862
Chemicals 0.0%		
Wellman Holdings, Inc. (a)	1,425	71
Commercial Banks 0.1%		
CIT Group, Inc. (a)	6,302	273,003
Communications Equipment 0.5%		
Loral Space & Communications Ltd. (a)	18,513	1,400,694
Construction Materials 0.0%		
Nortek, Inc. (a)	2,020	89,890
Containers & Packaging 0.0%		
Smurfit Kappa Plc (a)	3,634	45,133
Diversified Financial Services 0.3%		
Bank of America Corp.	53,000	757,370
Electrical Equipment 0.0%		
Medis Technologies Ltd. (a)	67,974	1,427
Food Products 0.1%		
Zhongpin, Inc. (a)	10,737	199,601
Health Care Equipment & Supplies 0.1%		
Zimmer Holdings, Inc. (a)	5,148	320,926
Household Durables 0.3%		
Beazer Homes USA, Inc.	65,388	304,054
Pulte Group, Inc. (a)	56,704	391,258
		695,312
Machinery 0.2%		
Navistar International Corp. (a)	7,184	445,264
Media 1.0%		
Charter Communications, Inc. (a)	50,616	2,316,694
Clear Channel Outdoor Holdings, Inc., Class A (a)	10,254	151,144

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		2,467,838
Metals & Mining 0.1%		
African Minerals Ltd. (a)	27,300	240,319
Oil, Gas & Consumable Fuels 0.7%		
Alpha Natural Resources, Inc. (a)	11,200	607,264
Marathon Oil Corp.	26,200	1,299,520
		1,906,784
Paper & Forest Products 0.2%		
Ainsworth Lumber Co. Ltd. (a)	36,744	121,402
Ainsworth Lumber Co. Ltd. (a)(b)	41,686	137,730
Western Forest Products, Inc. (a)	147,968	112,703
Western Forest Products, Inc. (a)(b)	41,528	31,631
		403,466
Road & Rail 0.3%		
Dollar Thrifty Automotive Group, Inc. (a)	16,300	865,693
Common Stocks	Shares	Value
Semiconductors & Semiconductor Equipment 0.4%		
Spansion, Inc., Class A (a)	42,792	\$ 901,627
SunPower Corp., Class B (a)	352	5,942
		907,569
Software 0.2%		
Bankruptcy Management Solutions, Inc. (a)	468	1,637
HMH Holdings/EduMedia (a)	82,415	412,075
		413,712
Wireless Telecommunication Services 0.7%		
American Tower Corp., Class A (a)	10,566	570,141
Crown Castle International Corp. (a)	25,463	1,073,266
FiberTower Corp. (a)	76,542	254,119
		1,897,526
Total Common Stocks 5.7%		14,665,812

Corporate Bonds

Par
(000)

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Aerospace & Defense 0.3%			
DynCorp International, Inc., 10.38%, 7/01/17 (b)	USD	230	247,250
Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17		430	484,825
			732,075

Air Freight & Logistics 0.5%			
National Air Cargo Group, Inc.:			
Series 1, 12.38%, 9/02/15		663	663,146
Series 2, 12.38%, 10/08/15		670	669,517
			1,332,663

Airlines 2.9%			
Air Canada, 9.25%, 8/01/15 (b)		970	1,037,900
American Airlines, Inc.:			
10.50%, 10/15/12		870	954,825
Series 2001-2, 7.86%, 4/01/13		390	402,675
Continental Airlines, Inc.:			
6.75%, 9/15/15 (b)		540	554,850
Series 1997-4-B, 6.90%, 7/02/18		382	387,652
Series 2001-1-C, 7.03%, 12/15/12		177	178,186
Series 2010-1-B, 6.00%, 7/12/20		400	399,000
Delta Air Lines, Inc.:			
Series 2010-1-B, 6.38%, 7/02/17		447	444,765
Series B, 9.75%, 12/17/16		879	949,590
United Air Lines, Inc., 12.75%, 7/15/12		1,964	2,194,949
			7,504,392

Auto Components 1.5%			
Allison Transmission, Inc. (b):			
11.00%, 11/01/15		220	239,250
11.25%, 11/01/15 (c)		164	178,760
Delphi International Holdings Unsecured, 12.00%, 10/06/14			
		41	44,741
Exide Technologies, 8.63%, 2/01/18 (b)		340	362,525
Icahn Enterprises LP, 8.00%, 1/15/18		2,995	3,099,825
			3,925,101

Portfolio Abbreviations

To simplify the listings of portfolio holdings in the Schedules of Investments, the names and descriptions of many of the securities have been abbreviated according to the following list:

CAD	Canadian Dollar
EUR	Euro
FKA	Formerly Known As
GBP	British Pound
MSCI	Morgan Stanley Capital International
USD	US Dollar

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (COY)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)	Value
Beverages 0.2%			
Cott Beverages, Inc., 8.13%, 9/01/18	USD	245	\$ 263,681
Crown European Holdings SA, 7.13%, 8/15/18 (b)	EUR	225	330,673
			594,354
Biotechnology 0.2%			
QHP Pharma, 10.25%, 3/15/15 (b)	USD	477	480,405
Building Products 1.2%			
Associated Materials LLC, 9.13%, 11/01/17 (b)		450	486,563
Building Materials Corp. of America (b):			
6.88%, 8/15/18		490	502,250
7.00%, 2/15/20		570	600,637
Momentive Performance Materials, Inc.:			
11.50%, 12/01/16		155	168,175
9.00%, 1/15/21 (b)		1,175	1,249,906
			3,007,531
Capital Markets 0.6%			
American Capital Ltd., 7.96%, 12/31/13 (d)		470	481,313
E*Trade Financial Corp., 3.43%, 8/31/19 (b)(e)(f)		226	349,170
KKR Group Finance Co., 6.38%, 9/29/20 (b)		600	618,195
			1,448,678
Chemicals 3.4%			
American Pacific Corp., 9.00%, 2/01/15		800	786,000
Chemtura Corp., 7.88%, 9/01/18 (b)		490	523,075
Georgia Gulf Corp., 9.00%, 1/15/17 (b)		155	172,437
Hexion U.S. Finance Corp.:			
8.88%, 2/01/18		690	740,887
9.00%, 11/15/20 (b)		340	361,675
Huntsman International LLC (b):			
6.88%, 11/15/13	EUR	260	366,862
8.63%, 3/15/21	USD	460	510,600
Ineos Finance Plc, 9.00%, 5/15/15 (b)		385	422,537
KRATON Polymers LLC, 6.75%, 3/01/19 (b)		115	117,300
MacDermid, Inc., 9.50%, 4/15/17 (b)		1,180	1,256,700
Nalco Co., 6.63%, 1/15/19 (b)		305	315,294
Nexeo Solutions LLC, 8.38%, 3/01/18 (b)(g)		170	172,975
OXEA Finance/Cy SCA (b):			
9.50%, 7/15/17		115	126,213
9.63%, 7/15/17	EUR	385	595,675

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Omnova Solutions, Inc., 7.88%, 11/01/18 (b)	USD	135	138,544
Polymer Group, Inc., 7.75%, 2/01/19 (b)		134	139,528
PolyOne Corp., 7.38%, 9/15/20		200	212,000
Rhodia SA, 6.88%, 9/15/20 (b)		720	737,100
TPC Group LLC, 8.25%, 10/01/17 (b)		310	329,762
Wellman Holdings, Inc., Subordinate Note (e):			
(Second Lien), 10.00%, 1/29/19 (b)		790	687,300
(Third Lien), 5.00%, 1/29/19 (c)		265	103,526
			8,815,990

Commercial Banks 2.8%

CIT Group, Inc.:			
7.00%, 5/01/16		2,125	2,143,594
7.00%, 5/01/17		5,100	5,138,250
			7,281,844

Commercial Services & Supplies 1.7%

ACCO Brands Corp., 10.63%, 3/15/15		695	785,350
Brickman Group Holdings, Inc., 9.13%, 11/01/18 (b)		480	516,000
Casella Waste Systems, Inc., 7.75%, 2/15/19 (b)		350	358,750
International Lease Finance Corp., 8.25%, 12/15/20		298	331,525
Mobile Mini, Inc., 7.88%, 12/01/20 (b)		210	223,650
RSC Equipment Rental, Inc. (b):			
10.00%, 7/15/17		555	638,250
8.25%, 2/01/21		540	571,050

Corporate Bonds		Par (000)		Value
Commercial Services & Supplies (concluded)				
West Corp. (b):				
8.63%, 10/01/18	USD	695	\$	736,700
7.88%, 1/15/19		185		189,856
				4,351,131

Communications Equipment 0.2%

Avaya Inc., 7.00%, 4/01/19 (b)		390	386,100
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Computers & Peripherals 0.3%

EMC Corp., 1.75%, 12/01/13 (e)		460	803,850
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Construction Materials 1.3%

Nortek, Inc.:			
11.00%, 12/01/13		2,029	2,160,861
10.00%, 12/01/18 (b)		1,090	1,163,575
			3,324,436

Consumer Finance 0.7%

Credit Acceptance Corp., 9.13%, 2/01/17		640	689,600
Ford Motor Credit Co. LLC:			
3.05%, 1/13/12 (h)		195	196,987
7.80%, 6/01/12		200	213,289
6.63%, 8/15/17		770	818,955

1,918,831

Containers & Packaging 2.2%

Ardagh Packaging Finance Plc, 7.38%, 10/15/17 (b)	EUR	435	619,791
Ball Corp., 6.75%, 9/15/20	USD	475	497,563
Berry Plastics Corp.:			
8.25%, 11/15/15		125	133,906
9.75%, 1/15/21 (b)		850	852,125
Graham Packaging Co. LP, 8.25%, 10/01/18		230	247,825
Graphic Packaging International, Inc.:			
9.50%, 6/15/17		810	899,100
7.88%, 10/01/18		365	392,375
OI European Group BV, 6.88%, 3/31/17	EUR	152	218,406
Pregis Corp., 12.38%, 10/15/13	USD	535	539,012
Smurfit Kappa Acquisitions (b):			
7.25%, 11/15/17	EUR	465	680,181
7.75%, 11/15/19		440	649,684
			5,729,968

Diversified Consumer Services 1.2%

Service Corp. International, 7.00%, 6/15/17	USD	2,800	2,982,000
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Diversified Financial Services 5.7%

Ally Financial, Inc.:			
7.50%, 12/31/13		350	381,500
2.51%, 12/01/14 (h)		371	364,565
8.30%, 2/12/15		1,080	1,219,050
6.25%, 12/01/17 (b)		710	741,063
8.00%, 3/15/20		1,390	1,565,487
7.50%, 9/15/20 (b)		1,120	1,225,000
8.00%, 11/01/31		930	1,064,850
8.00%, 11/01/31		810	927,768
Axcan Intermediate Holdings, Inc., 12.75%, 3/01/16		410	452,025
FCE Bank Plc, 7.13%, 1/15/13	EUR	550	799,772
Leucadia National Corp., 8.13%, 9/15/15	USD	1,120	1,232,000
Reynolds Group DL Escrow, Inc., 7.75%, 10/15/16 (b)		1,195	1,272,675
Reynolds Group Issuer, Inc. (b):			
7.75%, 10/15/16	EUR	350	511,964
7.13%, 4/15/19	USD	540	553,500
9.00%, 4/15/19		1,580	1,647,150
6.88%, 2/15/21		360	360,900
8.25%, 2/15/21		450	451,125
			14,770,394

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (COY)
(Percentages shown are based on Net Assets)

Corporate Bonds	Par (000)	Value
Diversified Telecommunication Services 4.1%		
Broadview Networks Holdings, Inc., 11.38%, 9/01/12	USD 1,000	\$ 996,250
Frontier Communications Corp.:		
8.25%, 4/15/17	350	386,750
8.50%, 4/15/20	325	360,750
GCI, Inc., 8.63%, 11/15/19	1,100	1,210,000
ITC Deltacom, Inc., 10.50%, 4/01/16	320	351,200
Level 3 Communications, Inc., 6.50%, 10/01/16 (e)	250	356,875
Level 3 Financing, Inc.:		
5.50%, 11/01/14	120	123,900
8.75%, 2/15/17	1,350	1,326,375
Qwest Communications International, Inc.:		
7.50%, 2/15/14	1,890	1,918,350
8.00%, 10/01/15	500	545,625
Series B, 7.50%, 2/15/14	1,385	1,405,775
Qwest Corp., 7.63%, 6/15/15	500	573,750
Windstream Corp.:		
8.13%, 8/01/13	400	440,500
7.88%, 11/01/17	600	651,750
		10,647,850
Electronic Equipment, Instruments & Components 0.7%		
CDW LLC:		
11.00%, 10/12/15	110	119,625
11.50%, 10/12/15 (c)	610	661,850
8.00%, 12/15/18 (b)	520	559,000
NXP BV, 3.05%, 10/15/13 (h)	475	472,625
		1,813,100
Energy Equipment & Services 1.4%		
Bayou Well Services, 0.16%, 12/22/13	575	575,000
Calfrac Holdings LP, 7.50%, 12/01/20 (b)	225	230,625
Compagnie Générale de Géophysique-Veritas:		
7.50%, 5/15/15	910	941,850
7.75%, 5/15/17	235	248,512
Exterran Holdings, Inc., 7.25%, 12/01/18 (b)	405	415,125
Frac Tech Services LLC, 7.13%, 11/15/18 (b)	575	595,125
Precision Drilling Corp., 6.63%, 11/15/20 (b)	105	108,413
Thermon Industries, Inc., 9.50%, 5/01/17	500	541,250
		3,655,900

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Food & Staples Retailing 0.7%		
AmeriQual Group LLC, 9.50%, 4/01/12 (b)	520	514,800
BI-LO LLC, 9.25%, 2/15/19 (b)	305	317,200
Rite Aid Corp.:		
9.75%, 6/12/16	380	427,975
7.50%, 3/01/17	580	583,625

1,843,600

Food Products 0.5%		
B&G Foods, Inc., 7.63%, 1/15/18	200	213,500
Blue Merger Sub Inc., 7.63%, 2/15/19 (b)	240	242,400
Darling International, Inc., 8.50%, 12/15/18 (b)	220	237,325
Reddy Ice Corp., 11.25%, 3/15/15	410	430,500
Smithfield Foods, Inc., 10.00%, 7/15/14	59	69,620

1,193,345

Health Care Equipment & Supplies 1.4%		
DJO Finance LLC, 10.88%, 11/15/14	2,255	2,472,044
Hologic, Inc., 2.00%, 12/15/37 (d)(e)	1,295	1,248,056

3,720,100

Corporate Bonds	Par (000)	Value
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Health Care Providers & Services 5.6%			
Aviv Healthcare Properties LP, 7.75%, 2/15/19 (b)	USD	255	\$ 265,837
ConvaTec Healthcare E SA (b):			
7.38%, 12/15/17	EUR	400	574,062
10.50%, 12/15/18	USD	440	469,700
DaVita, Inc., 6.38%, 11/01/18		360	364,950
Gentiva Health Services Inc., 11.50%, 9/01/18		655	737,694
HCA, Inc.:			
9.13%, 11/15/14		1,645	1,725,194
8.50%, 4/15/19		935	1,047,200
7.25%, 9/15/20		2,145	2,313,919
inVentiv Health, Inc., 10.00%, 8/15/18 (b)		600	616,500
Omnicare, Inc.:			
6.13%, 6/01/13		164	164,615
6.88%, 12/15/15		400	413,000
7.75%, 6/01/20		580	619,150
Priory Group Ltd., 7.00%, 2/15/18 (b)	GBP	124	206,620
Tenet Healthcare Corp.:			
9.00%, 5/01/15	USD	1,717	1,888,700
10.00%, 5/01/18		622	730,850
8.88%, 7/01/19		2,010	2,286,375

14,424,366

Health Care Technology 1.1%		
IMS Health, Inc., 12.50%, 3/01/18 (b)	2,235	2,620,537
MedAssets, Inc., 8.00%, 11/15/18 (b)	150	154,125

2,774,662

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Hotels, Restaurants & Leisure 3.8%			
Boyd Gaming Corp., 9.13%, 12/01/18 (b)		570	598,500
Caesars Entertainment Operating Co., Inc., 10.00%, 12/15/18		3,455	3,247,700
Cirsa Funding Luxembourg SA, 8.75%, 5/15/18	EUR	50	71,758
CityCenter Holdings LLC, 7.63%, 1/15/16 (b)	USD	310	323,175
Diamond Resorts Corp., 12.00%, 8/15/18 (b)		1,100	1,179,750
Enterprise Inns Plc, 6.50%, 12/06/18	GBP	388	572,406
Harrah's Operating Co., Inc., 11.25%, 6/01/17	USD	615	698,025
Inn of the Mountain Gods Resort & Casino (b):			
1.25%, 11/30/20 (c)		961	499,720
8.75%, 11/30/20		427	405,650
Little Traverse Bay Bands of Odawa Indians, 9.00%, 8/31/20 (b)		340	280,500
MGM Mirage, 13.00%, 11/15/13		90	107,775
MGM Resorts International:			
10.38%, 5/15/14		235	263,200
11.13%, 11/15/17		780	898,950
Palace Entertainment Holding LLC, 8.88%, 4/15/17 (b)		110	112,200
Travelport LLC:			
4.94%, 9/01/14 (h)		145	129,413
9.88%, 9/01/14		170	165,962
9.00%, 3/01/16		110	103,950
Tropicana Entertainment LLC, Series WI, 9.63%, 12/15/14 (a)(i)		315	32
			9,658,666

Household Durables 4.1%			
American Standard Americas, 10.75%, 1/15/16 (b)		380	403,750
Ashton Woods USA LLC, 21.57%, 6/30/15 (b)(j)		805	523,250
Beazer Homes USA, Inc.:			
8.13%, 6/15/16		295	299,794
12.00%, 10/15/17		1,425	1,656,562
9.13%, 6/15/18		1,620	1,672,650
Jarden Corp., 7.50%, 1/15/20	EUR	285	410,003
K. Hovnanian Enterprises, Inc., 10.63%, 10/15/16	USD	1,620	1,755,675
Ryland Group, Inc., 6.63%, 5/01/20		625	612,500

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (COY)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)	Value
Household Durables (concluded)			
Standard Pacific Corp.:			
10.75%, 9/15/16	USD	1,285	\$ 1,509,875
8.38%, 5/15/18		420	445,200
8.38%, 5/15/18 (b)		440	466,400
8.38%, 1/15/21 (b)		715	754,325
			10,509,984
IT Services 1.8%			
First Data Corp. (b):			
8.88%, 8/15/20		1,175	1,286,625
8.25%, 1/15/21		1,610	1,601,950
12.63%, 1/15/21		763	799,242
SunGard Data Systems, Inc. (b):			
7.38%, 11/15/18		440	454,300
7.63%, 11/15/20		550	567,875
			4,709,992
Independent Power Producers & Energy Traders 3.2%			
Calpine Construction Finance Co. LP, 8.00%, 6/01/16 (b)			
		1,190	1,291,150
Calpine Corp. (b):			
7.50%, 2/15/21		435	444,788
7.88%, 1/15/23		585	601,087
Energy Future Holdings Corp., 10.00%, 1/15/20 (b)		3,115	3,243,811
Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20		161	168,060
NRG Energy, Inc., 7.63%, 1/15/18 (b)		2,515	2,618,744
			8,367,640
Industrial Conglomerates 2.5%			
Sequa Corp. (b):			
11.75%, 12/01/15		2,190	2,376,150
13.50%, 12/01/15 (c)		3,759	4,162,818
			6,538,968
Insurance 1.0%			
Alliant Holdings I, Inc., 11.00%, 5/01/15 (b)		1,600	1,692,000
CNO Financial Group, Inc., 9.00%, 1/15/18 (b)		316	336,540
USI Holdings Corp., 4.16%, 11/15/14 (b)(h)		630	607,950
			607,950

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		2,636,490
Machinery 1.9%		
AGY Holding Corp., 11.00%, 11/15/14	900	801,000
Navistar International Corp.:		
3.00%, 10/15/14 (e)	1,680	2,347,800
8.25%, 11/01/21	630	697,725
Oshkosh Corp., 8.25%, 3/01/17	90	99,900
Titan International, Inc. (b):		
5.63%, 1/15/17 (e)	220	573,100
7.88%, 10/01/17	430	460,100
		4,979,625

Marine 0.7%		
Horizon Lines, Inc., 4.25%, 8/15/12 (e)	1,985	1,841,087

Media 13.0%		
AMC Entertainment Holdings, Inc., 9.75%, 12/01/20 (b)	470	504,075
Affinion Group, Inc., 7.88%, 12/15/18 (b)	525	502,687
CCH II LLC, 13.50%, 11/30/16	502	608,488
CCO Holdings LLC:		
7.88%, 4/30/18	430	459,025
8.13%, 4/30/20	430	463,863
CMP Susquehanna Corp., 3.44%, 5/15/14 (b)(h)	150	105,738
CSC Holdings, Inc., 8.50%, 4/15/14	370	414,400
Catalina Marketing Corp., 10.50%, 10/01/15 (b)(c)	555	600,787
Cengage Learning Acquisitions, Inc., 10.50%, 1/15/15 (b)	1,345	1,395,437

Corporate Bonds	Par (000)	Value
Media (concluded)		
Checkout Holding Corp., 10.98%, 11/15/15 (b)(f)	USD 805	\$ 519,225
Citadel Broadcasting Corp., 7.75%, 12/15/18 (b)	235	252,038
Clear Channel Communications, Inc., 9.00%, 3/01/21 (b)	235	238,819
Clear Channel Worldwide Holdings, Inc.:		
9.25%, 12/15/17	1,404	1,558,440
Series B, 9.25%, 12/15/17	5,160	5,740,500
Cox Enterprises, Inc.:		
Loan Close 2, 4.00%, 8/15/18	617	617,372
Loan Close 3, 12.00%, 8/15/18	706	705,833
Shares Loan, 4.00%, 8/15/18	728	727,963
DISH DBS Corp., 7.00%, 10/01/13	90	96,750
Gray Television, Inc., 10.50%, 6/29/15	900	956,250
Harland Clarke Holdings Corp.:		
6.00%, 5/15/15 (h)	330	296,175
9.50%, 5/15/15	390	383,175
Interactive Data Corp., 10.25%, 8/01/18 (b)	945	1,058,400
Liberty Global, Inc., 4.50%, 11/15/16 (e)	370	641,025
Liberty Media Corp., 3.13%, 3/30/23 (e)	1,023	1,260,847
Live Nation Entertainment, Inc., 8.13%, 5/15/18 (b)	740	762,200
NAI Entertainment Holdings LLC, 8.25%, 12/15/17 (b)	570	612,750
Nielsen Finance LLC:		
11.63%, 2/01/14	45	52,875

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7.75%, 10/15/18 (b)		2,085	2,254,406
ProQuest LLC, 9.00%, 10/15/18 (b)		460	476,100
ProtoStar I Ltd., 18.00%, 10/15/12 (a)(b)(i)		812	8,118
Rainbow National Services LLC (b):			
8.75%, 9/01/12		410	411,538
10.38%, 9/01/14		1,496	1,557,710
Regal Entertainment Group, 9.13%, 8/15/18		305	326,350
UPC Germany GmbH (b):			
8.13%, 12/01/17		640	686,400
8.13%, 12/01/17	EUR	407	604,468
9.63%, 12/01/19		530	831,028
UPC Holding BV, 9.88%, 4/15/18 (b)	USD	500	555,000
UPCB Finance II Ltd., 6.38%, 7/01/20	EUR	753	1,026,090
Unitymedia GmbH, 9.63%, 12/01/19		158	247,740
Univision Communications, Inc., 7.88%, 11/01/20 (b)	USD	425	455,813
Virgin Media Secured Finance Plc, 7.00%, 1/15/18	GBP	537	940,627
Ziggo Bond Co. BV, 8.00%, 5/15/18 (b)	EUR	343	507,642
Ziggo Finance BV, 6.13%, 11/15/17 (b)		735	1,037,090
			33,461,257

Metals & Mining 4.3%

Drummond Co., Inc.:			
9.00%, 10/15/14 (b)	USD	580	619,150
7.38%, 2/15/16		215	222,525
FMG Resources August 2006 Property Ltd., 7.00%, 11/01/15 (b)		1,460	1,514,750
Foundation PA Coal Co., 7.25%, 8/01/14		1,850	1,887,000
Goldcorp, Inc., 2.00%, 8/01/14 (e)		550	692,313
New World Resources NV, 7.88%, 5/01/18	EUR	627	930,126
Newmont Mining Corp., Series A, 1.25%, 7/15/14 (e)	USD	395	526,831
Novelis, Inc., 8.75%, 12/15/20 (b)		3,235	3,566,587
Ryerson, Inc.:			
7.66%, 11/01/14 (h)		380	364,800
12.00%, 11/01/15		245	263,375
Steel Dynamics, Inc., 7.38%, 11/01/12		200	212,500
Vedanta Resources Plc, 9.50%, 7/18/18 (b)		185	203,963
			11,003,920

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (COY)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)	Value
Multiline Retail 1.8%			
Dollar General Corp., 11.88%, 7/15/17 (c)	USD	4,007	\$ 4,633,094
Oil, Gas & Consumable Fuels 7.5%			
Arch Coal, Inc., 7.25%, 10/01/20		790	839,375
Berry Petroleum Co., 8.25%, 11/01/16		470	496,438
Bill Barrett Corp., 9.88%, 7/15/16		40	44,800
Carrizo Oil & Gas, Inc., 8.63%, 10/15/18 (b)		210	223,125
Chaparral Energy Inc., 8.25%, 9/01/21 (b)		230	234,025
Chesapeake Energy Corp.:			
6.63%, 8/15/20		1,460	1,533,000
6.13%, 2/15/21		870	887,400
2.25%, 12/15/38 (e)		775	709,125
Coffeyville Resources LLC, 9.00%, 4/01/15 (b)		243	264,870
Concho Resources, Inc., 7.00%, 1/15/21		375	392,813
Connacher Oil and Gas Ltd. (b):			
11.75%, 7/15/14		165	178,613
10.25%, 12/15/15		1,075	1,136,812
Consol Energy, Inc., 8.25%, 4/01/20		1,825	2,012,062
Continental Resources, Inc., 7.13%, 4/01/21		340	362,100
Crosstex Energy LP, 8.88%, 2/15/18		165	181,913
Denbury Resources Inc.:			
8.25%, 2/15/20		652	725,350
6.38%, 8/15/21		320	323,200
Energy Transfer Equity LP, 7.50%, 10/15/20		125	135,469
Energy XXI Gulf Coast, Inc. (b):			
9.25%, 12/15/17		390	419,250
7.75%, 6/15/19		480	484,800
Hilcorp Energy I LP, 7.63%, 4/15/21 (b)		710	749,050
Linn Energy LLC (b):			
8.63%, 4/15/20		1,005	1,120,575
7.75%, 2/01/21		545	579,062
MarkWest Energy Partners LP, 6.75%, 11/01/20		240	246,000
Niska Gas Storage US LLC, 8.88%, 3/15/18 (b)		1,730	1,885,700
Oasis Petroleum, Inc., 7.25%, 2/01/19 (b)		210	213,150
Peabody Energy Corp., 6.50%, 9/15/20		505	540,350
Petrohawk Energy Corp.:			
10.50%, 8/01/14		350	402,500
7.88%, 6/01/15		450	477,000
Range Resources Corp., 8.00%, 5/15/19		400	440,500
SM Energy Co., 6.63%, 2/15/19 (b)		260	262,925
Teekay Corp., 8.50%, 1/15/20		610	656,512
United Refining Co., 10.50%, 2/28/18 (b)(g)		240	237,600
			19,395,464

Paper & Forest Products 2.8%

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Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (b)(c)	345	350,280
Boise Paper Holdings LLC:		
9.00%, 11/01/17	310	345,650
8.00%, 4/01/20	140	154,350
Clearwater Paper Corp.:		
10.63%, 6/15/16	370	422,725
7.13%, 11/01/18 (b)	535	555,063
Georgia-Pacific LLC, 8.25%, 5/01/16 (b)	1,525	1,719,437
NewPage Corp., 11.38%, 12/31/14	2,510	2,503,725
Verso Paper Holdings LLC:		
11.50%, 7/01/14	785	865,462
8.75%, 2/01/19 (b)	215	224,675
		7,141,367

Pharmaceuticals 0.9%

Angiotech Pharmaceuticals, Inc., 4.06%, 12/01/13 (h)	845	709,800
Grifols, Inc., 8.25%, 2/01/18 (b)	120	123,300
Novasep Holding SAS, 9.63%, 12/15/16 (b)	EUR 486	543,234

Corporate Bonds	Par (000)	Value
Pharmaceuticals (concluded)		
Valeant Pharmaceuticals International (b):		
6.75%, 10/01/17	USD 350	\$ 362,250
7.00%, 10/01/20	445	460,019
		2,198,603

Professional Services 0.3%

FTI Consulting, Inc., 6.75%, 10/01/20 (b)	850	850,000
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Real Estate Investment Trusts (REITs) 1.0%

iStar Financial, Inc., 5.65%, 9/15/11	1,500	1,500,000
Omega Healthcare Investors, Inc., 6.75%, 10/15/22 (b)	495	499,950
The Rouse Co. LP, 6.75%, 11/09/15	480	502,800
		2,502,750

Real Estate Management & Development 1.9%

CB Richard Ellis Services Inc., 6.63%, 10/15/20	310	319,687
Forest City Enterprises, Inc., 7.63%, 6/01/15	1,325	1,285,250
Realogy Corp. (b):		
11.50%, 4/15/17	725	772,125
7.88%, 2/15/19	2,440	2,449,150
		4,826,212

Road & Rail 2.1%

Avis Budget Car Rental LLC:		
9.63%, 3/15/18	475	530,813
8.25%, 1/15/19	710	753,487
Florida East Coast Railway Corp., 8.13%, 2/01/17 (b)	410	428,450
The Hertz Corp. (b):		

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7.50%, 10/15/18		595	629,956
6.75%, 4/15/19		410	418,200
7.38%, 1/15/21		455	475,475
Hertz Holdings Netherlands BV, 8.50%, 7/31/15 (b)	EUR	1,225	1,838,362
Syncreon Global Ireland Ltd., 9.50%, 5/01/18 (b)	USD	330	342,375
			5,417,118

**Semiconductors & Semiconductor
Equipment 0.3%**

Linear Technology Corp., Series A, 3.00%, 5/01/27 (e)		405	440,944
Spansion LLC, 7.88%, 11/15/17 (b)		260	265,200
			706,144

Specialty Retail 1.6%

Asbury Automotive Group, Inc., 8.38%, 11/15/20 (b)		305	320,250
Claire s Escrow Corp., 8.88%, 3/15/19 (b)(g)		295	296,106
Hillman Group, Inc., 10.88%, 6/01/18		490	539,000
Ltd. Brands, Inc., 8.50%, 6/15/19		745	853,025
PETCO Animal Supplies, Inc., 9.25%, 12/01/18 (b)		415	448,200
Sonic Automotive, Inc., 9.00%, 3/15/18		345	369,150
Toys R US-Delaware, Inc., 7.38%, 9/01/16 (b)		390	410,963
United Auto Group, Inc., 7.75%, 12/15/16		950	980,875
			4,217,569

Transportation Infrastructure 0.2%

Aguila 3 SA, 7.88%, 1/31/18 (b)		398	412,925
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Wireless Telecommunication Services 4.4%

Clearwire Communications LLC (b):			
12.00%, 12/01/15		460	501,400
12.00%, 12/01/17		1,040	1,123,200
Cricket Communications, Inc.:			
10.00%, 7/15/15		715	788,288
7.75%, 5/15/16		336	355,320

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (COY)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)	Value
Wireless Telecommunication Services (concluded)			
Digicel Group Ltd. (b):			
8.88%, 1/15/15	USD	635	\$ 660,400
9.13%, 1/15/15 (c)		1,711	1,781,623
8.25%, 9/01/17		1,135	1,186,075
10.50%, 4/15/18		500	570,000
FiberTower Corp., 9.00%, 1/01/16 (c)		302	258,202
Intelsat Jackson Holdings SA, 7.25%, 10/15/20 (b)		320	328,800
iPCS, Inc., 2.43%, 5/01/13 (h)		760	750,500
MetroPCS Wireless, Inc.:			
7.88%, 9/01/18		480	507,000
6.63%, 11/15/20		700	681,625
NII Holdings, Inc., 3.13%, 6/15/12 (e)		340	338,300
Sprint Capital Corp., 6.88%, 11/15/28		1,460	1,315,825
Syniverse Holdings, Inc., 9.13%, 1/15/19 (b)		240	259,200
			11,405,758
Total Corporate Bonds	103.5%		266,877,299
Floating Rate Loan Interests (h)			
Building Products 0.2%			
Goodman Global, Inc., Term Loan (Second Lien), 9.00%, 10/30/17		500	515,312
Capital Markets 0.1%			
Marsico Parent Co., LLC, Term Loan, 5.31%, 12/15/14		375	304,745
Chemicals 0.1%			
PQ Corp. (FKA Niagara Acquisition, Inc.), Term Facility (First Lien), 3.52% 3.56%, 7/30/14		404	397,208
Construction & Engineering 0.7%			
Safeway Services, LLC, Last Out Term Loan, 15.63%, 12/18/17		1,750	1,750,000
Health Care Providers & Services 0.7%			
Harden Healthcare, Inc.:			
Tranche A Additional Term Loan, 7.75%, 3/02/15		475	465,500

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Tranche A Term Loan, 8.50%, 3/02/15	396	388,178
inVentiv Health, Inc. (FKA Ventive Health, Inc.), Term Loan B, 6.50%, 8/04/16	896	899,418
		1,753,096

Hotels, Restaurants & Leisure 0.8%

Harrah's Operating Co., Inc., Term Loan B-3, 3.30%, 1/28/15	400	371,389
Travelport LLC (FKA Travelport, Inc.), Loan, 8.31%, 3/27/12	1,915	1,709,399
		2,080,788

IT Services 0.4%

First Data Corp.:		
Initial Tranche B-1 Term Loan, 3.01%, 9/24/14	47	44,203
Initial Tranche B-2 Term Loan, 3.01%, 9/24/14	378	358,339
Initial Tranche B-3 Term Loan, 3.01%, 9/24/14	741	701,566
		1,104,108

**Independent Power Producers &
Energy Traders 1.0%**

Texas Competitive Electric Holdings Co., LLC (TXU):		
Initial Tranche B-1 Term Loan, 3.76% 3.80%, 10/10/14	204	172,086
Initial Tranche B-2 Term Loan, 3.76% 3.80%, 10/10/14	295	248,461
Initial Tranche B-3 Term Loan, 3.76% 3.80%, 10/10/14	2,545	2,139,662
		2,560,209

Floating Rate Loan Interests (h)	Par (000)	Value
Media 1.5%		
Cengage Learning Acquisitions, Inc. (Thomson Learning), Tranche 1 Incremental Term Loan, 7.50%, 7/03/14	USD 1,463	\$ 1,469,081
HMH Publishing Co., Ltd., Tranche A Term Loan, 6.01%, 6/12/14	869	825,359
Newsday, LLC, Fixed Rate Term Loan, 10.50%, 8/01/13	1,375	1,461,797
		3,756,237

Metals & Mining 0.1%

Euramax International, Inc., Domestic Term Loan:		
10.00%, 6/29/13	168	161,722
14.00%, 6/29/13	161	155,246
		316,968

Multiline Retail 0.6%

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Hema Holding BV, Mezzanine, 4.41%, 7/05/17	EUR	1,070	1,447,188
Oil, Gas & Consumable Fuels 1.2%			
Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15	USD	2,147	2,200,304
Turbo Beta Ltd., Dollar Facility, 14.50%, 3/15/18		2,245	920,278
			3,120,582
Paper & Forest Products 0.4%			
Verso Paper Finance Holdings LLC, 6.55% 7.30%, 2/01/13 (c)		1,282	1,153,977
Real Estate Investment Trusts (REITs) 0.1%			
iStar Financial, Inc., Term Loan (Second Lien), 1.76%, 6/28/11		225	221,906
Real Estate Management & Development 0.3%			
Realogy Corp.:			
Extended Synthetic Letter of Credit Loan, 0.11%, 10/10/16		124	119,338
Extended Term Loan B, 4.56%, 10/10/16		689	660,582
			779,920
Specialty Retail 0.2%			
Claire's Stores, Inc., Term Loan B, 3.01% 5.00%, 5/29/14		132	128,530
Michaels Stores, Inc., Term Loan B-1, 2.56% 2.63%, 10/31/13		306	305,363
			433,893
Total Floating Rate Loan Interests 8.4%			21,696,137

Other Interests (k)	Beneficial Interest (000)	
Auto Components 2.4%		
Delphi Debtor-in-Possession Holding Co. LLP, Class B Membership Interests	(1)	6,337,403
Media 0.0%		
Adelphia Escrow	700	7
Adelphia Recovery Trust	878	88
		95
Total Other Interests 2.4%		6,337,498

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (COY)
(Percentages shown are based on Net Assets)

Preferred Stocks	Shares	Value
Auto Components 0.1%		
Dana Holding Corp., 4.00% (b)(e)	2,000	\$ 328,250
Automobiles 0.8%		
General Motors Co., 4.75%	42,950	2,185,296
Household Durables 0.1%		
Beazer Homes USA, Inc., 7.50% (e)	5,000	124,750
Media 0.0%		
CMP Susquehanna Radio Holdings Corp., 0.00% (a)(b)(h)	34,982	
Professional Services 0.1%		
Nielsen Holdings NV, 6.25% (a)(e)	4,084	225,386
Total Preferred Stocks 1.1%		2,863,682

Warrants (m)

Health Care Providers & Services 0.0%		
HealthSouth Corp. (Expires 1/16/14)	29,930	1
Media 0.0%		
CMP Susquehanna Radio Holdings Corp. (Expires 3/26/19) (b)	39,975	
New Vision Holdings LLC (Expires 9/30/14)	14,965	150
		150
Oil, Gas & Consumable Fuels 0.0%		
Turbo Cayman Ltd. (No Expiration)	1	
Software 0.0%		
Bankruptcy Management Solutions, Inc. (Expires 9/29/17)	312	3
HMH Holdings/EduMedia (Expires 3/09/17)	9,997	
		3
Total Warrants 0.0%		154

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Total Long-Term Investments
 (Cost \$298,164,834) 121.1% 312,440,582

Short-Term Securities

BlackRock Liquidity Funds, TempCash,
 Institutional Class, 0.18% (n)(o) 1,721,866 1,721,866

Total Short-Term Securities
 (Cost \$1,721,866) 0.7% 1,721,866

Options Purchased

Contracts

Over-the-Counter Call Options 0.0%

Marsico Parent Superholdco LLC, Strike
 Price USD 942.86, Expires 12/01/19,
 Broker Goldman Sachs Bank USA 17

Total Options Purchased
 (Cost \$16,622) 0.0%

Total Investments (Cost \$299,903,322*) 121.8% 314,162,448
Liabilities in Excess of Other Assets (21.8)% (56,253,222)

Net Assets 100.0% \$ 257,909,226

* The cost and unrealized appreciation (depreciation) of investments as of February 28, 2011, as computed for federal income tax purposes were as follows:

Aggregate cost	\$ 300,995,917
Gross unrealized appreciation	\$ 24,446,935
Gross unrealized depreciation	(11,280,404)
Net unrealized appreciation	\$ 13,166,531

(a) Non-income producing security.

(b) Security exempt from registration under Rule 144A of the Securities Act of 1933.

These securities may be resold in transactions exempt from registration to qualified institutional investors.

(c) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.

(d)

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Represents a step-down bond that pays an initial coupon rate for the first period and then a lower coupon rate for the following periods. Rate shown is as of report date.

- (e) Convertible security.
- (f) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (g) When-issued security. Unsettled when-issued transactions were as follows:

Counterparty	Value	Unrealized Appreciation (Depreciation)
Bank of America	\$ 122,100	\$ 2,100
Credit Suisse International	\$ 237,600	\$ 6,134
Credit Suisse International	\$ 296,106	\$ 1,106
Sterne Agee	\$ 50,875	\$ (125)

- (h) Variable rate security. Rate shown is as of report date.
- (i) Issuer filed for bankruptcy and/or is in default of interest payments.
- (j) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown reflects the current yield as of report date.
- (k) Other interests represent beneficial interest in liquidation trusts and other reorganization entities and are non-income producing.
- (l) Amount is less than \$1,000.
- (m) Warrants entitle the Fund to purchase a predetermined number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date, if any.
- (n) Investments in companies considered to be an affiliate of the Fund during the year, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate	Shares Held at February 28, 2010	Net Activity	Shares Held at February 28, 2011	Income
BlackRock Liquidity Funds, TempCash, Institutional Class	4,931,674	(3,209,808)	1,721,866	\$ 4,563

- (o) Represents the current yield as of report date.

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (COY)

For Fund compliance purposes, the Fund's industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by Fund management. This definition may not apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

Foreign currency exchange contracts as of February 28, 2011 were as follows:

Currency Purchased		Currency Sold		Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
USD	191,626	CAD	190,000	Citibank NA	4/14/11	\$ (3,745)
USD	715,231	GBP	454,000	Citibank NA	4/14/11	(22,506)
USD	776,207	GBP	483,000	Deutsche Bank AG	4/14/11	(8,655)
USD	87,672	GBP	54,500	Citibank NA	4/14/11	889
USD	238,419	GBP	148,500	UBS AG	4/14/11	(2,889)
USD	13,138,284	EUR	9,600,500	Citibank NA	4/27/11	(100,425)
USD	411,903	EUR	305,000	Deutsche Bank AG	4/27/11	(8,680)
USD	1,362,593	EUR	995,000	Royal Bank of Scotland	4/27/11	(9,473)
Total						\$ (155,484)

Financial futures contracts sold as of February 28, 2011 were as follows:

Contracts	Issue	Exchange	Expiration	Notional Value	Unrealized Depreciation
93	S&P 500 Index Emini	Chicago Mercantile	March 2011	\$ 5,914,686	\$ (251,679)

Credit default swaps on single-name issues buy protection outstanding as of February 28, 2011 were as follows:

Issuer	Pay Fixed Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrealized Depreciation
iStar Financial, Inc.	5.00%	Morgan Stanley Capital Services, Inc.	9/20/11	\$ 1,500	\$ (112,324)
	5.00%		12/20/11	\$ 475	(21,660)

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K. Hovnanian Enterprises, Inc.		Goldman Sachs International				
K. Hovnanian Enterprises, Inc.	5.00%	Goldman Sachs Bank USA	12/20/13	\$	925	(78,682)
Louisiana-Pacific Corp.	5.00%	JPMorgan Chase Bank NA	3/20/14	\$	500	(114,192)
Harrah's Operating Company, Inc.	5.00%	Deutsche Bank AG	12/20/15	\$	1,200	(167,414)
Republic of Hungary	1.00%	Deutsche Bank AG	12/20/15	\$	280	(5,076)
Israel (State of)	1.00%	Deutsche Bank AG	3/20/16	\$	625	(2,402)
iStar Financial, Inc.	5.00%	Deutsche Bank AG	12/20/16	\$	250	(49,627)
Total					\$	(551,377)

Credit default swaps on single-name issues sold protection outstanding as of February 28, 2011 were as follows:

Issuer	Receive Fixed Rate	Counterparty	Expiration Date	Issuer Credit Rating ¹	Notional Amount (000) ²	Unrealized Appreciation (Depreciation)
iStar Financial, Inc.	5.00%	Deutsche Bank AG	9/20/11	CCC	\$ 250	\$ 26,749
MBIA Insurance Corp.	5.00%	Citibank NA	3/20/12	B	\$ 55	5,218
MBIA Insurance Corp.	5.00%	Deutsche Bank AG	3/20/12	B	\$ 110	9,861
Texas Competitive Electric Holdings Co. LLC	5.00%	Goldman Sachs International	9/20/12	D	\$ 475	(47,954)
MBIA Insurance Corp.	5.00%	Deutsche Bank AG	12/20/12	B	\$ 595	62,089
Advanced Micro Devices, Inc.	5.00%	JPMorgan Chase Bank NA	3/20/15	B+	\$ 550	66,903
Realogy Corp.	5.00%	JPMorgan Chase Bank NA	9/20/15	CC	\$ 125	19,128
Assured Guaranty Ltd.	5.00%	Deutsche Bank AG	12/20/15	A+	\$ 60	469
D.R. Horton, Inc.	1.00%	JPMorgan Chase Bank NA	12/20/15	BB	\$ 275	8,461
M.D.C. Holdings, Inc.	1.00%	Deutsche Bank AG	12/20/15	BBB	\$ 315	3,022
M.D.C. Holdings, Inc.	1.00%	JPMorgan Chase Bank NA	12/20/15	BBB	\$ 315	1,707
M.D.C. Holdings, Inc.	1.00%	Morgan Stanley Capital Services, Inc.	12/20/15	BBB	\$ 500	2,282
Realogy Corp.	5.00%	JPMorgan Chase Bank NA	12/20/15	CC	\$ 700	39,469
ARAMARK Corp.	5.00%	Goldman Sachs International	3/20/16	B	\$ 500	(906)
Chesapeake Energy Corp.	5.00%	Credit Suisse International	3/20/16	BB	\$ 250	4,687
Chesapeake Energy Corp.	5.00%	Goldman Sachs International	3/20/16	BB	\$ 250	2,781
Chesapeake Energy Corp.	5.00%	JPMorgan Chase Bank NA	3/20/16	BB	\$ 250	4,687
Realogy Corp.	5.00%	JPMorgan Chase Bank NA	3/20/16	CC	\$ 125	525
General Motors Co.	5.00%	Deutsche Bank AG	3/20/21	BB	\$ 400	(1,002)
Total					\$	208,176

¹ Using S&P's rating.

² The maximum potential amount the Fund may pay should a negative event take place as defined under the terms of agreement.

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (COY)

Credit default swaps on traded indexes sold protection outstanding as of February 28, 2011 were as follows:

Index	Receive Fixed Rate	Counterparty	Expiration Date	Credit Rating ¹	Notional Amount (000) ²	Unrealized Depreciation
Dow Jones CDX North America High Yield Index Series 10, 10 15%	0.00%	Deutsche Bank AG	6/20/11	CCC	\$ 664	\$ (5,119)
Dow Jones CDX North America High Yield Index Series 9, 10 15%	0.00%	Deutsche Bank AG	12/20/12	CCC	\$ 479	(18,542)
Dow Jones CDX North America High Yield Index Series 15	5.00%	Credit Suisse International	12/20/15	B	\$ 1,825	(5,830)
Total						\$ (29,491)

¹ Using S&P's rating.

² The maximum potential amount the Fund may pay should a negative event take place as defined under the terms of agreement.

Fair Value Measurements Various inputs are used in determining the fair value of investments and derivatives. These inputs are summarized in three broad levels for financial statement purposes as follows:

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments and derivatives)

The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and derivatives and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following tables summarize the inputs used as of February 28, 2011 in determining the fair valuation of the Fund's investments and derivatives:

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Valuation Inputs	Level 1	Level 2	Level 3	Total
Assets:				
Investments in Securities:				
Long-Term Investments:				
Common Stocks	\$ 14,114,299	\$ 139,367	\$ 412,146	\$ 14,665,812
Corporate Bonds		261,794,251	5,083,048	266,877,299
Floating Rate Loan Interests		14,817,901	6,878,236	21,696,137
Other Interest	88	6,337,403	7	6,337,498
Preferred Stocks	2,310,046	553,636		2,863,682
Warrants			154	154
Short-Term Securities	1,721,866			1,721,866
Liabilities:				
Unfunded Loan Commitments			(11,592)	(11,592)
Total	\$ 18,146,299	\$ 283,642,558	\$ 12,361,999	\$ 314,150,856

Derivative Financial Instruments ¹				
Valuation Inputs	Level 1	Level 2	Level 3	Total
Assets:				
Credit contracts		\$ 258,038		\$ 258,038
Foreign currency exchange contracts		889		889
Liabilities:				
Credit contract		(630,730)		(630,730)
Equity contracts	\$ (251,679)			(251,679)
Foreign currency exchange contracts		(156,373)		(156,373)
Total	\$ (251,679)	\$ (528,176)		\$ (779,855)

¹ Derivative financial instruments are financial futures contracts, swaps, foreign currency exchange contracts and options. Financial futures contracts, swaps and foreign currency exchange contracts are shown at the unrealized appreciation/ depreciation on the instrument and options are shown at value.

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock Corporate High Yield Fund, Inc. (COY)

The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used in determining fair value:

	Common Stocks	Corporate Bonds	Floating Rate Loan Interests	Other Interests	Warrants	Unfunded Loan Commitments (Liabilities)	Total
Assets/Liabilities:							
Balance, as of February 28, 2010	\$ 75,096	\$ 3,961,360	\$ 19,218,811	\$ 4,212,670	\$ 150	\$ (51,643)	\$ 27,416,444
Accrued discounts/premiums		27,601	259,504				287,105
Net realized gain (loss)		3,474	304,406	1,359,868			1,667,748
Net change in unrealized appreciation/depreciation ²	(759,245)	(774,415)	401,353	1,659,864		40,051	567,608
Purchases	1,186,185	2,332,077	3,657,874	1,297,125	4		8,473,265
Sales		(98,716)	(12,548,447)	(2,191,925)			(14,839,088)
Transfers in ³		32					32
Transfers out ³	(89,890)	(368,365)	(4,415,265)	(6,337,595)			(11,211,115)
Balance, as of February 28, 2011	\$ 412,146	\$ 5,083,048	\$ 6,878,236	\$ 7	\$ 154	\$ (11,592)	\$ 12,361,999

² Included in the related net change in unrealized appreciation/depreciation on the Statements of Operations. The change in the unrealized appreciation/depreciation on the securities still held on February 28, 2011 was \$(1,980,476).

³ The Fund's policy is to recognize transfers in and transfers out as of the end of the period of the event or the change in circumstances that caused the transfer.

See Notes to Financial Statements.

Schedule of Investments February 28, 2011

BlackRock Corporate High Yield Fund III, Inc. (CYE)

(Percentages shown are based on Net Assets)

Common Stocks	Shares	Value
Capital Markets 0.2%		
E*Trade Financial Corp. (a)	29,600	\$ 473,008
Chemicals 0.1%		
LyondellBasell Industries NV, Class A (a)	3,185	121,285
Wellman Holdings, Inc. (a)	1,522	76
		121,361
Commercial Banks 0.1%		
CIT Group, Inc. (a)	6,855	296,959
Commercial Services & Supplies 0.1%		
Air Lease Corp. (a)(b)	12,900	270,900
Communications Equipment 0.6%		
Loral Space & Communications Ltd. (a)	20,518	1,552,392
Construction Materials 0.0%		
Nortek, Inc. (a)	2,145	95,452
Diversified Financial Services 0.3%		
Bank of America Corp.	57,000	814,530
Citigroup, Inc. (a)	1	5
		814,535
Electrical Equipment 0.0%		
Medis Technologies Ltd. (a)	70,784	1,486
Food Products 0.1%		
Zhongpin, Inc. (a)	11,724	217,949
Health Care Equipment & Supplies 0.1%		
Zimmer Holdings, Inc. (a)	5,620	350,351
Hotels, Restaurants & Leisure 0.0%		
Buffets Restaurants Holdings, Inc. (a)	1,099	4,671
Household Durables 0.3%		
Beazer Homes USA, Inc.	94,500	439,425
Pulte Group, Inc. (a)	61,751	426,082
		865,507

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Machinery 0.2%		
Navistar International Corp. (a)	7,849	486,481
Media 1.3%		
Charter Communications, Inc. (a)	53,805	2,462,655
Clear Channel Outdoor Holdings, Inc., Class A (a)	11,444	168,685
Gray Television, Inc. (a)	114,093	253,286
Sinclair Broadcast Group, Inc., Class A	50,000	647,000
		3,531,626
Metals & Mining 0.1%		
African Minerals Ltd. (a)	31,850	280,372
Oil, Gas & Consumable Fuels 0.7%		
Alpha Natural Resources, Inc. (a)	12,200	661,484
Marathon Oil Corp.	28,600	1,418,560
		2,080,044
Paper & Forest Products 0.4%		
Ainsworth Lumber Co. Ltd. (a)	122,117	403,474
Ainsworth Lumber Co. Ltd. (a)(b)	140,415	463,931
Western Forest Products, Inc. (a)	158,023	120,361
Western Forest Products, Inc. (a)(b)	45,762	34,856
		1,022,622
Road & Rail 0.3%		
Dollar Thrifty Automotive Group, Inc. (a)	17,900	950,669
Semiconductors & Semiconductor Equipment 0.3%		
Spansion, Inc., Class A (a)	45,165	951,626
SunPower Corp., Class B (a)	778	13,133
		964,759
Common Stocks	Shares	Value
Software 0.2%		
Bankruptcy Management Solutions, Inc. (a)	501	\$ 1,754
HMH Holdings/EduMedia (a)	89,670	448,350
TiVo, Inc. (a)	20,295	208,632
		658,736
Wireless Telecommunication Services 0.7%		
American Tower Corp., Class A (a)	11,542	622,806
Crown Castle International Corp. (a)	27,820	1,172,613
FiberTower Corp. (a)	76,542	254,120
		2,049,539
Total Common Stocks 6.1%		17,089,419

Corporate Bonds		Par (000)	
Aerospace & Defense 0.3%			
DynCorp International, Inc., 10.38%, 7/01/17 (b)	USD	230	247,250
Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17		470	529,925
			777,175
Air Freight & Logistics 0.5%			
National Air Cargo Group, Inc.:			
Series 1, 12.38%, 9/02/15		720	720,396
Series 2, 12.38%, 10/08/15		727	727,317
			1,447,713
Airlines 2.9%			
Air Canada, 9.25%, 8/01/15 (b)		1,060	1,134,200
American Airlines, Inc.:			
10.50%, 10/15/12		940	1,031,650
Series 2001-2, 7.86%, 4/01/13		400	413,000
Continental Airlines, Inc.:			
6.75%, 9/15/15 (b)		630	647,325
Series 1997-4-B, 6.90%, 7/02/18 (c)		396	402,010
Series 2001-1-C, 7.03%, 12/15/12		199	199,692
Series 2010-1-B, 6.00%, 7/12/20		500	498,750
Delta Air Lines, Inc.:			
Series 2010-1-B, 6.38%, 7/02/17		500	497,500
Series B, 9.75%, 12/17/16		992	1,071,332
United Air Lines, Inc., 12.75%, 7/15/12		2,062	2,304,696
			8,200,155
Auto Components 1.5%			
Allison Transmission, Inc. (b):			
11.00%, 11/01/15		230	250,125
11.25%, 11/01/15 (d)		177	192,930
Delphi International Holdings, Unsecured, 12.00%, 10/06/14		91	100,214
Exide Technologies, 8.63%, 2/01/18 (b)		370	394,513
Icahn Enterprises LP:			
4.00%, 8/15/13 (b)(e)(f)		255	252,450
8.00%, 1/15/18		3,035	3,141,225
			4,331,457
Beverages 0.2%			
Cott Beverages, Inc., 8.13%, 9/01/18		264	284,130
Crown European Holdings SA, 7.13%, 8/15/18 (b)	EUR	245	360,065
			644,195

Biotechnology 0.2%

QHP Pharma, 10.25%, 3/15/15 (b)	USD	483	487,268
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See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)	Value
Building Products 1.2%			
Associated Materials LLC, 9.13%, 11/01/17 (b)	USD	490	\$ 529,812
Building Materials Corp. of America (b):			
6.88%, 8/15/18		530	543,250
7.00%, 2/15/20		620	653,325
Momentive Performance Materials, Inc.:			
11.50%, 12/01/16		170	184,450
9.00%, 1/15/21 (b)		1,280	1,361,600
			3,272,437
Capital Markets 0.6%			
American Capital Ltd., 7.96%, 12/31/13 (g)		510	522,276
E*Trade Financial Corp. (e)(h):			
3.39%, 8/31/19 (b)		244	376,980
Series A, 3.64%, 8/31/19		7	10,815
KKR Group Finance Co., 6.38%, 9/29/20 (b)		650	669,712
			1,579,783
Chemicals 3.4%			
American Pacific Corp., 9.00%, 2/01/15		880	864,600
Chemtura Corp., 7.88%, 9/01/18 (b)		530	565,775
Georgia Gulf Corp., 9.00%, 1/15/17 (b)		165	183,563
Hexion U.S. Finance Corp.:			
8.88%, 2/01/18		765	821,419
9.00%, 11/15/20 (b)		370	393,587
Huntsman International LLC (b):			
6.88%, 11/15/13	EUR	280	395,082
8.63%, 3/15/21	USD	500	555,000
Ineos Finance Plc, 9.00%, 5/15/15 (b)		420	460,950
KRATON Polymers LLC, 6.75%, 3/01/19 (b)		125	127,500
MacDermid, Inc., 9.50%, 4/15/17 (b)		1,260	1,341,900
Nalco Co., 6.63%, 1/15/19 (b)		335	346,306
Nexeo Solutions LLC, 8.38%, 3/01/18 (b)(i)		185	188,237
OXEA Finance/Cy SCA, 9.50%, 7/15/17 (b)		680	746,300
Omnova Solutions, Inc., 7.88%, 11/01/18 (b)		150	153,938
Polymer Group, Inc., 7.75%, 2/01/19 (b)		144	149,940
PolyOne Corp., 7.38%, 9/15/20		215	227,900
Rhodia SA, 6.88%, 9/15/20 (b)		765	783,169
TPC Group LLC, 8.25%, 10/01/17 (b)		335	356,356
Wellman Holdings, Inc., Subordinate Note (e):			
(Second Lien), 10.00%, 1/29/19		844	734,280
(Third Lien), 5.00%, 1/29/19 (d)		283	110,427
			9,506,229

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Commercial Banks 2.8%

CIT Group, Inc.:		
7.00%, 5/01/16	3,336	3,365,680
7.00%, 5/01/17	4,490	4,523,756
		7,889,436

Commercial Services & Supplies 1.7%

ACCO Brands Corp., 10.63%, 3/15/15	755	853,150
AWAS Aviation Capital Ltd., 7.00%, 10/15/16 (b)	226	232,215
Brickman Group Holdings, Inc., 9.13%, 11/01/18 (b)	525	564,375
Casella Waste Systems, Inc., 7.75%, 2/15/19 (b)	370	379,250
International Lease Finance Corp., 8.25%, 12/15/20	331	368,237
Mobile Mini, Inc., 7.88%, 12/01/20 (b)	230	244,950
RSC Equipment Rental, Inc. (b):		
10.00%, 7/15/17	585	672,750
8.25%, 2/01/21	590	623,925
West Corp. (b):		
8.63%, 10/01/18	755	800,300
7.88%, 1/15/19	195	200,119
		4,939,271

Communications Equipment 0.1%

Avaya Inc., 7.00%, 4/01/19 (b)	430	425,700
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Corporate Bonds	Par (000)	Value
Computers & Peripherals 0.3%		
EMC Corp., 1.75%, 12/01/13 (e)	USD 490	\$ 856,275
Construction Materials 1.4%		
Nortek, Inc.:		
11.00%, 12/01/13	2,395	2,550,178
10.00%, 12/01/18 (b)	1,190	1,270,325
		3,820,503
Consumer Finance 0.7%		
Credit Acceptance Corp., 9.13%, 2/01/17	680	732,700
Ford Motor Credit Co. LLC:		
3.05%, 1/13/12 (f)	215	217,191
7.80%, 6/01/12	200	213,289
6.63%, 8/15/17	840	893,405
		2,056,585
Containers & Packaging 2.2%		
Ardagh Packaging Finance Plc, 7.38%, 10/15/17 (b)	EUR 475	676,783
Ball Corp., 6.75%, 9/15/20	USD 525	549,937
Berry Plastics Corp.:		
8.25%, 11/15/15	135	144,619
9.75%, 1/15/21 (b)	925	927,312
Graham Packaging Co. LP, 8.25%, 10/01/18	250	269,375

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Graphic Packaging International, Inc.:			
9.50%, 6/15/17		840	932,400
7.88%, 10/01/18		400	430,000
OI European Group BV, 6.88%, 3/31/17	EUR	155	222,717
Pregis Corp., 12.38%, 10/15/13	USD	565	569,237
Smurfit Kappa Acquisitions (b):			
7.25%, 11/15/17	EUR	495	724,064
7.75%, 11/15/19		470	693,981
			6,140,425
Diversified Consumer Services 1.1%			
Service Corp. International, 7.00%, 6/15/17	USD	3,000	3,195,000
Diversified Financial Services 6.1%			
Ally Financial, Inc.:			
7.50%, 12/31/13		280	305,200
2.51%, 12/01/14 (f)		394	387,166
8.30%, 2/12/15		1,090	1,230,337
6.25%, 12/01/17 (b)		980	1,022,875
8.00%, 3/15/20		1,900	2,139,875
7.50%, 9/15/20 (b)		1,220	1,334,375
8.00%, 11/01/31		880	1,007,946
8.00%, 11/01/31		1,000	1,145,000
Axcan Intermediate Holdings, Inc., 12.75%, 3/01/16		450	496,125
FCE Bank Plc, 7.13%, 1/15/13	EUR	1,050	1,526,837
Leucadia National Corp., 8.13%, 9/15/15	USD	1,175	1,292,500
Reynolds Group DL Escrow, Inc., 7.75%, 10/15/16 (b)		1,300	1,384,500
Reynolds Group Issuer, Inc. (b):			
7.75%, 10/15/16	EUR	400	585,102
7.13%, 4/15/19	USD	580	594,500
9.00%, 4/15/19		1,720	1,793,100
6.88%, 2/15/21		395	395,988
8.25%, 2/15/21		490	491,225
			17,132,651

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)
(Percentages shown are based on Net Assets)

Corporate Bonds	Par (000)	Value
Diversified Telecommunication Services 4.1%		
Broadview Networks Holdings, Inc., 11.38%, 9/01/12	USD 1,035	\$ 1,031,119
Frontier Communications Corp.:		
8.25%, 4/15/17 (b)	393	434,265
8.50%, 4/15/20	350	388,500
GCI, Inc., 8.63%, 11/15/19	1,200	1,320,000
ITC Deltacom, Inc., 10.50%, 4/01/16	350	384,125
Level 3 Communications, Inc., 6.50%, 10/01/16 (e)	280	399,700
Level 3 Financing, Inc.:		
5.50%, 11/01/14	130	134,225
8.75%, 2/15/17	1,480	1,454,100
Qwest Communications International, Inc.:		
7.50%, 2/15/14	2,020	2,050,300
8.00%, 10/01/15	600	654,750
Series B, 7.50%, 2/15/14	1,450	1,471,750
Qwest Corp., 7.63%, 6/15/15	525	602,438
Windstream Corp.:		
8.13%, 8/01/13	460	506,575
7.88%, 11/01/17	630	684,337
		11,516,184
Electronic Equipment, Instruments & Components 0.7%		
CDW LLC:		
11.00%, 10/12/15	120	130,500
11.50%, 10/12/15 (d)	660	716,100
8.00%, 12/15/18 (b)	570	612,750
NXP BV, 3.05%, 10/15/13 (f)	520	517,400
		1,976,750
Energy Equipment & Services 1.4%		
Bayou Well Services, 0.16%, 12/22/13	625	625,000
Calfrac Holdings LP, 7.50%, 12/01/20 (b)	245	251,125
Compagnie Générale de Géophysique-Veritas:		
7.50%, 5/15/15	985	1,019,475
7.75%, 5/15/17	250	264,375
Exterran Holdings, Inc., 7.25%, 12/01/18 (b)	445	456,125
Frac Tech Services LLC, 7.13%, 11/15/18 (b)	620	641,700
Precision Drilling Corp., 6.63%, 11/15/20 (b)	115	118,738
Thermon Industries, Inc., 9.50%, 5/01/17	555	600,787
		3,977,325
Food & Staples Retailing 0.7%		

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AmeriQual Group LLC, 9.50%, 4/01/12 (b)	560	554,400
BI-LO LLC, 9.25%, 2/15/19 (b)	335	348,400
Rite Aid Corp.:		
9.75%, 6/12/16	410	461,763
7.50%, 3/01/17	670	674,187
		2,038,750

Food Products 0.7%

B&G Foods, Inc., 7.63%, 1/15/18	220	234,850
Blue Merger Sub, Inc., 7.63%, 2/15/19 (b)	1,060	1,070,600
Darling International, Inc., 8.50%, 12/15/18 (b)	240	258,900
Reddy Ice Corp., 11.25%, 3/15/15	440	462,000
Smithfield Foods, Inc., 10.00%, 7/15/14	70	82,600
		2,108,950

Health Care Equipment & Supplies 1.4%

DJO Finance LLC, 10.88%, 11/15/14	2,455	2,691,294
Hologic, Inc., 2.00%, 12/15/37 (e)(g)	1,375	1,325,156
		4,016,450

Corporate Bonds		Par (000)		Value
Health Care Providers & Services 5.6%				
Aviv Healthcare Properties LP, 7.75%, 2/15/19 (b)	USD	280	\$	291,900
ConvaTec Healthcare E SA (b):				
7.38%, 12/15/17	EUR	600		861,093
10.50%, 12/15/18	USD	470		501,725
DaVita, Inc., 6.38%, 11/01/18		400		405,500
Gentiva Health Services Inc., 11.50%, 9/01/18		710		799,638
HCA, Inc.:				
9.13%, 11/15/14		1,785		1,872,019
8.50%, 4/15/19		1,020		1,142,400
7.25%, 9/15/20		2,315		2,497,306
inVentiv Health, Inc., 10.00%, 8/15/18 (b)		650		667,875
Omnicare, Inc.:				
6.13%, 6/01/13		178		178,668
6.88%, 12/15/15		460		474,950
7.75%, 6/01/20		625		667,188
Priory Group Ltd., 7.00%, 2/15/18	GBP	137		228,281
Tenet Healthcare Corp.:				
9.00%, 5/01/15	USD	1,799		1,978,900
10.00%, 5/01/18		644		756,700
8.88%, 7/01/19		2,279		2,592,362
				15,916,505

Health Care Technology 1.1%

IMS Health, Inc., 12.50%, 3/01/18 (b)	2,405	2,819,862
MedAssets, Inc., 8.00%, 11/15/18 (b)	165	169,538
		2,989,400

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Hotels, Restaurants & Leisure 3.7%			
Boyd Gaming Corp., 9.13%, 12/01/18 (b)		625	656,250
Caesars Entertainment Operating Co., Inc., 10.00%, 12/15/18		3,775	3,548,500
Cirsa Funding Luxembourg SA, 8.75%, 5/15/18	EUR	53	76,063
CityCenter Holdings LLC, 7.63%, 1/15/16 (b)	USD	340	354,450
Diamond Resorts Corp., 12.00%, 8/15/18 (b)		1,190	1,276,275
Enterprise Inns Plc, 6.50%, 12/06/18	GBP	425	626,991
Harrah's Operating Co., Inc., 11.25%, 6/01/17	USD	660	749,100
Inn of the Mountain Gods Resort & Casino (b):			
1.25%, 11/30/20 (d)		1,046	543,920
8.75%, 11/30/20		465	441,750
Little Traverse Bay Bands of Odawa Indians, 9.00%, 8/31/20 (b)		380	313,500
MGM Mirage, 13.00%, 11/15/13		110	131,725
MGM Resorts International:			
10.38%, 5/15/14		255	285,600
11.13%, 11/15/17		820	945,050
Palace Entertainment Holding LLC, 8.88%, 4/15/17 (b)		120	122,400
Travelport LLC:			
4.94%, 9/01/14 (f)		160	142,800
9.88%, 9/01/14		190	185,488
9.00%, 3/01/16		120	113,400
Tropicana Entertainment LLC, Series WI, 9.63%, 12/15/14 (a)(j)		305	31
			10,513,293

Household Durables 4.0%			
American Standard Americas, 10.75%, 1/15/16 (b)		410	435,625
Ashton Woods USA LLC, 21.57%, 6/30/15 (b)(k)		880	572,000
Beazer Homes USA, Inc.:			
8.13%, 6/15/16		315	320,119
12.00%, 10/15/17		1,345	1,563,562
9.13%, 6/15/18		1,770	1,827,525
Jarden Corp., 7.50%, 1/15/20	EUR	305	438,775
K. Hovnanian Enterprises, Inc., 10.63%, 10/15/16	USD	1,725	1,869,469
Ryland Group, Inc., 6.63%, 5/01/20		675	661,500

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)
(Percentages shown are based on Net Assets)

Corporate Bonds	Par (000)	Value
Household Durables (concluded)		
Standard Pacific Corp.:		
10.75%, 9/15/16	USD 1,390	\$ 1,633,250
8.38%, 5/15/18	475	503,500
8.38%, 5/15/18 (b)	480	508,800
8.38%, 1/15/21 (b)	780	822,900
		11,157,025
IT Services 1.8%		
First Data Corp. (b):		
8.88%, 8/15/20	1,275	1,396,125
8.25%, 1/15/21	1,758	1,749,210
12.63%, 1/15/21	829	868,377
SunGard Data Systems, Inc. (b):		
7.38%, 11/15/18	480	495,600
7.63%, 11/15/20	600	619,500
		5,128,812
Independent Power Producers & Energy Traders 3.2%		
Calpine Construction Finance Co. LP, 8.00%, 6/01/16 (b)		
	1,260	1,367,100
Calpine Corp. (b):		
7.50%, 2/15/21	475	485,688
7.88%, 1/15/23	645	662,738
Energy Future Holdings Corp., 10.00%, 1/15/20 (b)	3,395	3,535,390
Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20	174	181,630
NRG Energy, Inc., 7.63%, 1/15/18 (b)	2,745	2,858,231
		9,090,777
Industrial Conglomerates 2.5%		
Sequa Corp. (b):		
11.75%, 12/01/15	2,340	2,538,900
13.50%, 12/01/15 (d)	3,954	4,379,067
		6,917,967
Insurance 1.0%		
Alliant Holdings I, Inc., 11.00%, 5/01/15 (b)	1,700	1,797,750
CNO Financial Group, Inc., 9.00%, 1/15/18 (b)	341	363,165
USI Holdings Corp., 4.16%, 11/15/14 (b)(f)	680	656,200

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		2,817,115
Machinery 1.9%		
AGY Holding Corp., 11.00%, 11/15/14	980	872,200
Navistar International Corp.:		
3.00%, 10/15/14 (e)	1,820	2,543,450
8.25%, 11/01/21	630	697,725
Oshkosh Corp., 8.25%, 3/01/17	100	111,000
Titan International, Inc. (b):		
5.63%, 1/15/17 (e)	240	625,200
7.88%, 10/01/17	465	497,550
		5,347,125

Marine 0.7%		
Horizon Lines, Inc., 4.25%, 8/15/12 (e)	2,230	2,068,325

Media 12.8%		
AMC Entertainment Holdings, Inc., 9.75%, 12/01/20 (b)	510	546,975
Affinion Group, Inc., 7.88%, 12/15/18 (b)	570	545,775
CCH II LLC, 13.50%, 11/30/16	543	657,344
CCO Holdings LLC:		
7.88%, 4/30/18	470	501,725
8.13%, 4/30/20	470	507,013
CMP Susquehanna Corp., 3.44%, 5/15/14 (b)	160	112,787
CSC Holdings, Inc., 8.50%, 4/15/14	390	436,800
Catalina Marketing Corp., 10.50%, 10/01/15 (b)(d)	610	660,325

Corporate Bonds	Par (000)	Value
Media (concluded)		
Cengage Learning Acquisitions, Inc., 10.50%, 1/15/15 (b)	USD 1,470	\$1,525,125
Checkout Holding Corp., 10.98%, 11/15/15 (b)(h)	875	564,375
Citadel Broadcasting Corp., 7.75%, 12/15/18 (b)	255	273,488
Clear Channel Communications, Inc., 9.00%, 3/01/21 (b)	255	259,144
Clear Channel Worldwide Holdings, Inc.:		
9.25%, 12/15/17	1,525	1,692,750
Series B, 9.25%, 12/15/17	5,570	6,196,625
Cox Enterprises, Inc.:		
Loan Close 2, 4.00%, 8/15/18	648	648,241
Loan Close 3, 12.00%, 8/15/18	741	741,125
Shares Loan, 4.00%, 8/15/18	764	764,360
DISH DBS Corp., 7.00%, 10/01/13	90	96,750
Gray Television, Inc., 10.50%, 6/29/15	935	993,437
Harland Clarke Holdings Corp.:		
6.00%, 5/15/15 (f)	350	314,125
9.50%, 5/15/15	420	412,650
Interactive Data Corp., 10.25%, 8/01/18 (b)	1,030	1,153,600
Liberty Global, Inc., 4.50%, 11/15/16 (e)	400	693,000
Liberty Media Corp., 3.13%, 3/30/23	1,113	1,371,772
Live Nation Entertainment, Inc., 8.13%, 5/15/18 (b)	805	829,150
NAI Entertainment Holdings LLC, 8.25%, 12/15/17 (b)	620	666,500
Nielsen Finance LLC:		

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11.63%, 2/01/14		117	137,475
7.75%, 10/15/18 (b)		2,145	2,319,281
ProQuest LLC, 9.00%, 10/15/18 (b)		500	517,500
ProtoStar I Ltd., 18.00%, 10/15/12 (a)(b)(j)		850	8,499
Rainbow National Services LLC (b):			
8.75%, 9/01/12		440	441,650
10.38%, 9/01/14		1,582	1,647,257
Regal Entertainment Group, 9.13%, 8/15/18		335	358,450
UPC Germany GmbH (b):			
8.13%, 12/01/17		755	809,738
8.13%, 12/01/17	EUR	441	654,964
9.63%, 12/01/19		570	893,747
UPC Holding BV, 9.88%, 4/15/18 (b)	USD	500	555,000
UPCB Finance II Ltd., 6.38%, 7/01/20	EUR	822	1,120,115
Unitymedia GmbH, 9.63%, 12/01/19		168	263,420
Univision Communications, Inc., 7.88%, 11/01/20 (b)	USD	460	493,350
Virgin Media Secured Finance Plc, 7.00%, 1/15/18	GBP	618	1,082,510
Ziggo Bond Co. BV, 8.00%, 5/15/18 (b)	EUR	388	574,242
Ziggo Finance BV, 6.13%, 11/15/17 (b)		800	1,128,805
			36,170,964

Metals & Mining 4.2%

Drummond Co., Inc.:			
9.00%, 10/15/14 (b)	USD	630	672,525
7.38%, 2/15/16		225	232,875
FMG Resources August 2006 Property Ltd., 7.00%, 11/01/15 (b)		1,580	1,639,250
Foundation PA Coal Co., 7.25%, 8/01/14		1,975	2,014,500
Goldcorp, Inc., 2.00%, 8/01/14 (e)		595	748,956
New World Resources NV, 7.88%, 5/01/18	EUR	655	971,663
Newmont Mining Corp., Series A, 1.25%, 7/15/14 (e)	USD	430	573,512
Novelis, Inc., 8.75%, 12/15/20 (b)		3,525	3,886,312
Ryerson, Inc.:			
7.66%, 11/01/14 (f)		400	384,000
12.00%, 11/01/15		265	284,875
Steel Dynamics, Inc., 7.38%, 11/01/12		205	217,813
Vedanta Resources Plc, 9.50%, 7/18/18 (b)		200	220,500
			11,846,781

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)	Value
Multiline Retail 1.8%			
Dollar General Corp., 11.88%, 7/15/17 (d)	USD	4,351	\$ 5,030,844
Oil, Gas & Consumable Fuels 7.4%			
Arch Coal, Inc., 7.25%, 10/01/20		855	908,437
Berry Petroleum Co., 8.25%, 11/01/16		510	538,688
Bill Barrett Corp., 9.88%, 7/15/16		45	50,400
Carrizo Oil & Gas, Inc., 8.63%, 10/15/18 (b)		230	244,375
Chaparral Energy Inc., 8.25%, 9/01/21 (b)		255	259,463
Chesapeake Energy Corp.:			
6.63%, 8/15/20		1,590	1,669,500
6.13%, 2/15/21		955	974,100
2.25%, 12/15/38 (e)		800	732,000
Coffeyville Resources LLC, 9.00%, 4/01/15 (b)		266	289,940
Concho Resources, Inc., 7.00%, 1/15/21		410	429,475
Connacher Oil and Gas Ltd. (b):			
11.75%, 7/15/14		175	189,438
10.25%, 12/15/15		1,145	1,210,837
Consol Energy, Inc., 8.25%, 4/01/20		1,990	2,193,975
Continental Resources, Inc., 7.13%, 4/01/21		370	394,050
Crosstex Energy LP, 8.88%, 2/15/18 (b)		180	198,450
Denbury Resources Inc.:			
8.25%, 2/15/20		737	819,912
6.38%, 8/15/21		350	353,500
Energy Transfer Equity LP, 7.50%, 10/15/20		135	146,306
Energy XXI Gulf Coast, Inc. (b):			
9.25%, 12/15/17		425	456,875
7.75%, 6/15/19		530	535,300
Hilcorp Energy I LP, 7.63%, 4/15/21 (b)		770	812,350
Linn Energy LLC (b):			
8.63%, 4/15/20		1,100	1,226,500
7.75%, 2/01/21		590	626,875
MarkWest Energy Partners LP, 6.75%, 11/01/20		260	266,500
Niska Gas Storage US LLC, 8.88%, 3/15/18 (b)		1,870	2,038,300
Oasis Petroleum, Inc., 7.25%, 2/01/19 (b)		230	233,450
Peabody Energy Corp., 6.50%, 9/15/20		555	593,850
Petrohawk Energy Corp.:			
10.50%, 8/01/14		370	425,500
7.88%, 6/01/15		460	487,600
Range Resources Corp., 8.00%, 5/15/19		400	440,500
SM Energy Co., 6.63%, 2/15/19 (b)		285	288,206
Teekay Corp., 8.50%, 1/15/20		660	710,325
United Refining Co., 10.50%, 2/28/18 (b)(i)		255	252,450
			20,997,427

Paper & Forest Products 3.0%

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Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (b)(d)		1,162	1,179,907
Boise Paper Holdings LLC:			
9.00%, 11/01/17		330	367,950
8.00%, 4/01/20		165	181,913
Clearwater Paper Corp.:			
10.63%, 6/15/16		390	445,575
7.13%, 11/01/18 (b)		585	606,938
Georgia-Pacific LLC, 8.25%, 5/01/16 (b)		1,600	1,804,000
NewPage Corp., 11.38%, 12/31/14		2,695	2,688,262
Verso Paper Holdings LLC:			
11.50%, 7/01/14		840	926,100
8.75%, 2/01/19 (b)		235	245,575
			8,446,220

Pharmaceuticals 0.8%

Angiotech Pharmaceuticals, Inc., 4.06%, 12/01/13 (f)		890	747,600
Grifols, Inc., 8.25%, 2/01/18 (b)		135	138,712
Novasep Holding SAS, 9.63%, 12/15/16 (b)	EUR	531	593,534
Valeant Pharmaceuticals International (b):			
6.75%, 10/01/17	USD	380	393,300
7.00%, 10/01/20		480	496,200
			2,369,346

Corporate Bonds		Par (000)		Value
Professional Services 0.3%				
FTI Consulting, Inc., 6.75%, 10/01/20 (b)	USD	920	\$	920,000
Real Estate Investment Trusts (REITs) 0.4%				
Omega Healthcare Investors, Inc., 6.75%, 10/15/22 (b)		540		545,400
The Rouse Co. LP, 6.75%, 11/09/15		520		544,700
				1,090,100
Real Estate Management & Development 1.9%				
CB Richard Ellis Services Inc., 6.63%, 10/15/20		335		345,469
Forest City Enterprises, Inc., 7.63%, 6/01/15		1,425		1,382,250
IVG Immobilien AG, 8.00%, 5/29/49 (f)	EUR	100		115,571
Realogy Corp. (b):				
11.50%, 4/15/17	USD	795		846,675
7.88%, 2/15/19		2,655		2,664,956
				5,354,921
Road & Rail 2.1%				
Avis Budget Car Rental LLC:				
9.63%, 3/15/18		510		569,925
8.25%, 1/15/19		775		822,469
Florida East Coast Railway Corp., 8.13%, 2/01/17 (b)		410		428,450
The Hertz Corp. (b):				
7.50%, 10/15/18		645		682,894
6.75%, 4/15/19		445		453,900

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7.38%, 1/15/21		495	517,275
Hertz Holdings Netherlands BV, 8.50%, 7/31/15 (b)	EUR	1,325	1,988,432
Syncreon Global Ireland Ltd., 9.50%, 5/01/18 (b)	USD	360	373,500
			<hr/> 5,836,845

Semiconductors & Semiconductor Equipment 0.3%

Linear Technology Corp., Series A, 3.00%, 5/01/27 (e)		435	473,606
Spansion LLC, 7.88%, 11/15/17 (b)		280	285,600
			<hr/> 759,206

Specialty Retail 1.6%

Asbury Automotive Group, Inc., 8.38%, 11/15/20 (b)		330	346,500
Claire s Escrow Corp., 8.88%, 3/15/19 (b)(i)		325	326,219
Hillman Group, Inc., 10.88%, 6/01/18		530	583,000
Ltd. Brands, Inc., 8.50%, 6/15/19		785	898,825
PETCO Animal Supplies, Inc., 9.25%, 12/01/18 (b)		455	491,400
Sonic Automotive, Inc., 9.00%, 3/15/18		370	395,900
Toys R Us-Delaware, Inc., 7.38%, 9/01/16 (b)		420	442,575
United Auto Group, Inc., 7.75%, 12/15/16		1,025	1,058,312
			<hr/> 4,542,731

Thrifts & Mortgage Finance 0.2%

Radian Group, Inc., 3.00%, 11/15/17 (e)		500	472,500
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Transportation Infrastructure 0.2%

Aguila 3 SA, 7.88%, 1/31/18 (b)		431	447,162
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Wireless Telecommunication Services 4.2%

Clearwire Communications LLC (b):			
12.00%, 12/01/15		490	534,100
12.00%, 12/01/17		1,130	1,220,400
Cricket Communications, Inc.:			
10.00%, 7/15/15		765	843,412
7.75%, 5/15/16		220	232,650
Digicel Group Ltd. (b):			
8.88%, 1/15/15		700	728,000
9.13%, 1/15/15 (d)		1,783	1,856,994
8.25%, 9/01/17		1,180	1,233,100
10.50%, 4/15/18		500	570,000
FiberTower Corp., 9.00%, 1/01/16 (d)		302	258,202
Intelsat Jackson Holdings SA, 7.25%, 10/15/20 (b)		335	344,213
iPCS, Inc., 2.43%, 5/01/13 (f)		815	804,813

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)		Value
Wireless Telecommunication Services (concluded)				
MetroPCS Wireless, Inc.:				
7.88%, 9/01/18	USD	520	\$	549,250
6.63%, 11/15/20		760		740,050
NII Holdings, Inc., 3.13%, 6/15/12 (e)		370		368,150
Sprint Capital Corp., 6.88%, 11/15/28		1,510		1,360,887
Syniverse Holdings, Inc., 9.13%, 1/15/19 (b)		250		270,000
				11,914,221
Total Corporate Bonds	102.9%			290,482,279

Floating Rate Loan Interests (f)

Building Products 0.2%				
Goodman Global, Inc., Term Loan (Second Lien), 9.00%, 10/13/17		625		644,141
Capital Markets 0.1%				
Marsico Parent Co., LLC, Term Loan, 5.31%, 12/15/14		375		304,745
Chemicals 0.4%				
PQ Corp. (FKA Niagara Acquisition, Inc.), Term Facility (First Lien), 3.52% 3.56%, 7/30/14		374		367,921
Styron Sarl, Term Loan B, 6.00%, 7/27/17		700		706,300
				1,074,221
Commercial Services & Supplies 0.7%				
AWAS Finance Luxembourg Sarl, Term Loan B, 7.75%, 6/10/16		530		544,244
Delos Aircraft, Inc., Term Loan 2, 7.00%, 3/17/16		550		554,714
Volume Services America, Inc. (Centerplate), Term Loan B, 10.50% 10.75%, 8/24/16		998		1,007,056
				2,106,014
Construction & Engineering 0.7%				
		2,000		2,000,000

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Safeway Services, LLC, Last Out Term Loan, 15.63%,
12/18/17

Consumer Finance 1.5%

Springleaf Financial Funding Co. (FKA AGFS
Funding Co.), Term Loan, 7.25%, 4/21/15 4,250 4,287,825

Electric Utilities 0.1%

New Development Holdings LLC, Term Loan, 7.00%,
7/03/17 139 140,333

Food Products 0.3%

Advance Pierre Foods, Term Loan, 11.25%, 9/29/17 900 922,500

Health Care Providers & Services 0.7%

Harden Healthcare, Inc.:

Tranche A Additional Term Loan, 7.75%, 3/02/15 499 488,775

Tranche A Term Loan, 8.50%, 2/22/15 450 441,111

inVentiv Health, Inc. (FKA Ventive Health, Inc.),
Term Loan B, 6.50%, 8/04/16 896 899,418

1,829,304

Hotels, Restaurants & Leisure 0.8%

Harrah's Operating Co., Inc., Term Loan B-3, 3.30%,
1/28/15 425 394,601

Travelport LLC (FKA Travelport, Inc.), Loan, 8.31%,
3/27/12 2,097 1,871,141

2,265,742

Household Durables 0.7%

Visant Corp. (FKA Jostens):

Term Loan, 5.25%, 12/22/16 1,000 1,000,000

Tranche B Term Loan, 7.00%, 12/20/16 998 1,006,428

2,006,428

Floating Rate Loan Interests (f) **Par (000)** **Value**

IT Services 0.4%

First Data Corp.:

Initial Tranche B-1 Term Loan, 3.01%, 9/24/14 USD 283 \$ 268,095

Initial Tranche B-2 Term Loan, 3.01%, 9/24/14 407 385,554

Initial Tranche B-3 Term Loan, 3.01%, 9/24/14 593 561,388

1,215,037

Independent Power Producers & Energy Traders 1.0%

Texas Competitive Electric Holdings Co., LLC (TXU):

Initial Tranche B-1 Term Loan, 3.76% 3.80%,
10/10/14 214 180,281

Initial Tranche B-2 Term Loan, 3.76% 3.80%,
10/10/14 254 213,709

2,792 2,347,700

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Initial Tranche B-3 Term Loan, 3.76% 3.80%, 10/10/14		2,741,690
<hr/>		
Media 4.0%		
Cengage Learning Acquisitions, Inc. (Thomson Learning), Tranche 1 Incremental Term Loan, 7.50%, 7/03/14	1,706	1,713,928
HMH Publishing Co., Ltd., Tranche A Term Loan, 6.01%, 6/12/14	943	895,163
Intelsat Jackson Holdings SA (FKA Intel Jackson Holdings Ltd.), Tranche B Term Loan, 5.25%, 4/02/18	7,300	7,349,049
Newsday, LLC, Fixed Rate Term Loan, 10.50%, 8/01/13	1,325	1,408,641
		<hr/> 11,366,781 <hr/>
Metals & Mining 0.1%		
Euramax International, Inc., Domestic Term Loan: 10.00%, 6/29/13	181	174,162
14.00%, 6/29/13	174	167,188
		<hr/> 341,350 <hr/>
Oil, Gas & Consumable Fuels 1.2%		
Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15	2,327	2,385,047
Turbo Beta Ltd., Dollar Facility, 14.50%, 3/15/18	2,351	964,101
		<hr/> 3,349,148 <hr/>
Paper & Forest Products 0.4%		
Verso Paper Finance Holdings LLC, 6.55% 7.30%, 2/01/13 (b)	1,386	1,247,155
Pharmaceuticals 0.2%		
Axcan Intermediate Holdings, Inc., Term Loan, 5.50%, 2/10/17	667	668,333
Real Estate Investment Trusts (REITs) 0.1%		
iStar Financial, Inc., Term Loan (Second Lien), 1.76%, 6/28/11	225	221,906
Real Estate Management & Development 0.3%		
Realogy Corp.: Extended Synthetic Letter of Credit Loan, 0.11%, 10/10/16	134	128,451
Extended Term Loan B, 4.56%, 10/10/16	737	706,364
		<hr/> 834,815 <hr/>
Specialty Retail 0.2%		
Claire's Stores, Inc., Term Loan B, 3.01% 5.00%, 5/29/14	137	133,252
Michaels Stores, Inc., Term Loan B-1, 2.56% 2.63%, 10/31/13	328	327,174

460,426

Wireless Telecommunication Services 0.7%		
Vodafone Americas Finance 2 Inc., Initial Loan, 6.88%, 7/30/15	1,812	1,875,241
Total Floating Rate Loan Interests 14.8%		
		41,903,135

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)
(Percentages shown are based on Net Assets)

Other Interests (1)		Beneficial Interest (000)	Value
Auto Components 2.5%			
Delphi Debtor-in-Possession Holding Co. LLP, Class B Membership Interests	USD	(m\$)	6,999,556
Lear Corp. Escrow		460	12,650
			<u>7,012,206</u>
Hotels, Restaurants & Leisure 0.0%			
Buffets, Inc.		575	6
Media 0.0%			
Adelphia Escrow		750	8
Adelphia Recovery Trust		941	94
			<u>102</u>
Total Other Interests 2.5%			<u>7,012,314</u>

Preferred Stocks		Shares	
Auto Components 0.7%			
Dana Holding Corp., 4.00% (b)(e)		12,700	2,084,388
Automobiles 0.8%			
General Motors Co., 4.75%		45,800	2,330,304
Diversified Financial Services 0.8%			
Citigroup, Inc., 7.50% (a)(e)		16,300	2,192,350
Household Durables 0.1%			
Beazer Homes USA, Inc., 7.50% (e)		10,132	252,793
Media 0.1%			
CMP Susquehanna Radio Holdings Corp., 0.00% (a)(b)(f)		37,314	
TRA Global, Inc. (a)		286,652	463,230
			<u>463,230</u>

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Professional Services 0.1%		
Nielsen Holdings NV, 6.25% (a)(e)	4,500	248,344
Real Estate Investment Trusts (REITs) 0.1%		
MPG Office Trust, Inc., Series A, 7.63% (a)	8,994	166,839
Thriffs & Mortgage Finance 0.1%		
Fannie Mae, Series O (a)	30,000	96,000
Freddie Mac, Series Z (a)	75,961	147,364
		243,364
Total Preferred Stocks 2.8%		7,981,612

Warrants (n)

Containers & Packaging 0.0%		
MDP Acquisitions Plc (Expires 10/01/13)	700	45,176
Health Care Providers & Services 0.0%		
HealthSouth Corp. (Expires 1/16/14)	32,042	
Hotels, Restaurants & Leisure 0.0%		
Buffets Restaurants Holdings, Inc. (Expires 4/29/14)	485	5
Media 0.0%		
CMP Susquehanna Radio Holdings Corp. (Expires 3/26/19) (b)	42,640	1
New Vision Holdings LLC (Expires 9/30/14)	22,447	224
		225
Oil, Gas & Consumable Fuels 0.0%		
Turbo Cayman Ltd. (No Expiration)	1	

Warrants (n)	Shares	Value
Software 0.0%		
Bankruptcy Management Solutions, Inc. (Expires 9/29/17)	334	\$ 4
HMH Holdings/EduMedia (Expires 3/09/17)	11,225	
		4
Total Warrants 0.0%		45,410

Total Long-Term Investments (Cost \$347,503,136) 129.1%		364,514,169
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Short-Term Securities

BlackRock Liquidity Funds, TempFund, Institutional Class, 0.15% (o)(p)	1,845,167	1,845,167
Total Short-Term Securities (Cost \$1,845,167) 0.7%		1,845,167

Options Purchased

Contracts

Over-the-Counter Call Options 0.0% Marsico Parent Superholdco LLC, Strike Price USD 942.86, Expires 12/21/19, Broker Goldman Sachs Bank USA	19	
Total Options Purchased (Cost \$18,578) 0.0%		
Total Investments (Cost \$349,366,881*) 129.8%		366,359,336
Liabilities in Excess of Other Assets (29.8)%		(84,100,809)
Net Assets 100.0%		<u>\$ 282,258,527</u>

* The cost and unrealized appreciation (depreciation) of investments as of February 28, 2011, as computed for federal income tax purposes were as follows:

Aggregate cost	\$ 350,474,137
Gross unrealized appreciation	\$ 27,978,939
Gross unrealized depreciation	(12,093,740)
Net unrealized appreciation	<u>\$ 15,885,199</u>

- (a) Non-income producing security.
- (b) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (c) All or a portion of security has been pledged as collateral in connection with swaps.

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- (d) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
- (e) Convertible security.
- (f) Variable rate security. Rate shown is as of report date.
- (g) Represents a step-down bond that pays an initial coupon rate for the first period and then a lower coupon rate for the following periods. Rate shown is as of report date.
- (h) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (i) When-issued security. Unsettled when-issued transactions were as follows:

Counterparty	Value	Unrealized Appreciation
Credit Suisse International	\$ 252,450	\$ 6,518
Credit Suisse International	\$ 326,219	\$ 1,219
Sterne Agee	\$ 188,237	\$ 2,138

- (j) Issuer filed for bankruptcy and/or is in default of interest payments.

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

- (k) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown reflects the current yield as of report date.
- (l) Other interests represent beneficial interest in liquidation trusts and other reorganization entities and are non-income producing.
- (m) Amount is less than \$1,000.
- (n) Warrants entitle the Fund to purchase a predetermined number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date, if any.
- (o) Investments in companies considered to be an affiliate of the Fund during the year, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate	Shares Held at February 28, 2010	Net Activity	Shares Held at February 28, 2011	Income
BlackRock Liquidity Funds, TempFund, Institutional Class	3,276,755	(1,431,588)	1,845,167	\$ 3,522

- (p) Represents the current yield as of report date.

Foreign currency exchange contracts as of February 28, 2011 were as follows:

Currency Purchased	Currency Sold	Counterparty	Settlement Date	Unrealized Depreciation		
USD	452,842	CAD	449,000	Citibank NA	4/14/11	\$ (8,849)
USD	742,996	GBP	470,000	Citibank NA	4/14/11	(20,741)
USD	845,309	GBP	526,000	Deutsche Bank AG	4/14/11	(9,426)
USD	87,706	GBP	54,500	Royal Bank of Scotland	4/14/11	(855)
USD	261,623	GBP	163,000	UBS AG	4/14/11	(3,248)
USD	12,272,708	EUR	8,968,000	Citibank NA	4/27/11	(93,809)
USD	409,202	EUR	303,000	Deutsche Bank AG	4/27/11	(8,623)
USD	1,481,734	EUR	1,082,000	Royal Bank of Scotland	4/27/11	(10,301)
Total						\$ (155,852)

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Financial futures contracts sold as of February 28, 2011 were as follows:

Contracts	Issue	Exchange	Expiration	Notional Value	Unrealized Depreciation
104	S&P 500 Index Emini	Chicago Mercantile	March 2011	\$ 6,608,302	\$ (287,418)

Credit default swaps on single-name issues buy protection outstanding as of February 28, 2011 were as follows:

Issuer	Pay Fixed Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrealized Depreciation
K. Hovnanian Enterprises, Inc.	5.00%	Goldman Sachs International	12/20/11	\$ 510	\$ (23,256)
K. Hovnanian Enterprises, Inc.	5.00%	Goldman Sachs Bank USA	12/20/13	\$ 1,000	(85,062)
Louisiana-Pacific Corp.	5.00%	JPMorgan Chase Bank NA	3/20/14	\$ 500	(114,192)
Harrah s Operating Company, Inc.	5.00%	Deutsche Bank AG	12/20/15	\$ 1,300	(181,365)
Republic of Hungary	1.00%	Deutsche Bank AG	12/20/15	\$ 300	(5,439)
Israel (State of)	1.00%	Deutsche Bank AG	3/20/16	\$ 675	(2,594)
iStar Financial, Inc.	5.00%	Deutsche Bank AG	12/20/16	\$ 225	(44,665)
Total					\$ (456,573)

Credit default swaps on traded indexes sold protection outstanding as of February 28, 2011 were as follows:

Index	Receive Fixed Rate	Counterparty	Expiration Date	Credit Rating ¹	Notional Amount (000) ²	Unrealized Depreciation
Dow Jones CDX North America High Yield Index Series 10, 10 15%	0.00%	Deutsche Bank AG	6/20/11	CCC	\$ 717	\$ (5,523)
Dow Jones CDX North America High Yield Index Series 9, 10 15%	0.00%	Deutsche Bank AG	12/20/12	CCC	\$ 548	(21,191)

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Dow Jones CDX North America High Yield Index Series 15	5.00%	Credit Suisse International	12/20/15	B	\$	2,000	(6,389)
Total							\$ (33,103)

¹ Using S&P's rating.

² The maximum potential amount the Fund may pay should a negative event take place as defined under the terms of agreement.

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

Credit default swaps on single-name issues sold protection outstanding as of February 28, 2011 were as follows:

Issuer	Receive Fixed Rate	Counterparty	Expiration Date	Issuer Credit Rating ¹	Notional Amount (000) ²	Unrealized Appreciation (Depreciation)
iStar Financial, Inc.	5.00%	Deutsche Bank AG	9/20/11	CCC	\$ 225	\$ 24,074
MBIA Insurance Corp. Texas Competitive Electric Holdings Co. LLC	5.00%	Deutsche Bank AG	3/20/12	B	\$ 120	10,758
MBIA Insurance Corp. Advanced Micro Devices, Inc.	5.00%	Goldman Sachs International	9/20/12	D	\$ 500	(50,478)
Realogy Corp. Assured Guaranty Ltd.	5.00%	Deutsche Bank AG	12/20/12	B	\$ 715	77,277
D.R. Horton, Inc. M.D.C. Holdings, Inc. M.D.C. Holdings, Inc.	5.00%	JPMorgan Chase Bank NA	3/20/15	B+	\$ 600	72,986
Realogy Corp. Chesapeake Energy Corp.	5.00%	JPMorgan Chase Bank NA	9/20/15	CC	\$ 125	19,128
ARAMARK Corp. Chesapeake Energy Corp. Chesapeake Energy Corp.	5.00%	Deutsche Bank AG	12/20/15	A+	\$ 65	509
Realogy Corp. General Motors Co.	1.00%	JPMorgan Chase Bank NA	12/20/15	BB	\$ 300	9,230
Chesapeake Energy Corp.	1.00%	Deutsche Bank AG	12/20/15	BBB	\$ 350	3,358
Chesapeake Energy Corp.	1.00%	JPMorgan Chase Bank NA	12/20/15	BBB	\$ 350	1,897
Chesapeake Energy Corp.	5.00%	JPMorgan Chase Bank NA	12/20/15	CC	\$ 750	42,072
Chesapeake Energy Corp.	5.00%	Credit Suisse International	3/20/16	BB	\$ 275	5,156
Chesapeake Energy Corp.	5.00%	Goldman Sachs International	3/20/16	B	\$ 500	(907)
Chesapeake Energy Corp.	5.00%	Goldman Sachs International	3/20/16	BB	\$ 275	3,059
Chesapeake Energy Corp.	5.00%	JPMorgan Chase Bank NA	3/20/16	BB	\$ 275	5,155
Chesapeake Energy Corp.	5.00%	JPMorgan Chase Bank NA	3/20/16	CC	\$ 150	630
Chesapeake Energy Corp.	5.00%	Deutsche Bank AG	3/20/21	BB	\$ 400	(1,002)
Total						\$ 222,902

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- 1 Using S&P's rating.
- 2 The maximum potential amount the Fund may pay should a negative event take place as defined under the terms of agreement.

Fair Value Measurements Various inputs are used in determining the fair value of investments and derivatives. These inputs are summarized in three broad levels for financial statement purposes as follows:

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments and derivatives)

The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and derivatives and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following tables summarize the inputs used as of February 28, 2011 in determining the fair valuation of the Fund's investments and derivatives:

Valuation Inputs	Level 1	Level 2	Level 3	Total
Assets:				
Investments in Securities:				
Long-Term Investments:				
Common Stocks	\$ 15,904,408	\$ 465,685	\$ 719,326	\$ 17,089,419
Corporate Bonds		284,988,889	5,493,390	290,482,279
Floating Rate Loan Interests		31,579,205	10,323,930	41,903,135
Other Interests	94	6,999,556	12,664	7,012,314
Preferred Stocks	5,089,650	2,428,732	463,230	7,981,612
Warrants		45,176	234	45,410
Short-Term Securities	1,845,167			1,845,167
Unfunded Loan Commitments		2,704		2,704
Liabilities:				
Unfunded Loan Commitments			(25,965)	(25,965)
Total	\$ 22,839,319	\$ 326,509,947	\$ 16,986,809	\$ 366,336,075

Derivative Financial Instruments¹

Valuation Inputs	Level 1	Level 2	Level 3	Total
Assets:				
Credit contracts		\$ 275,289		\$ 275,289
Liabilities:				
Credit contracts		(542,063)		(542,063)
Equity contracts	\$ (287,418)			(287,418)
Foreign currency exchange contracts		(155,852)		(155,852)

Total	\$	(287,418)	\$	(422,626)	\$	(710,044)
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- ¹ Derivative financial instruments are financial futures contracts, swaps, foreign currency exchange contracts and options. Financial futures contracts, swaps and foreign currency exchange contracts are shown at the unrealized appreciation/ depreciation on the instrument and options are shown at value.

See Notes to Financial Statements.

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Schedule of Investments (concluded)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used in determining fair value:

	Common Stocks	Corporate Bonds	Floating Rate Loan Interests	Other Interests	Preferred Stocks	Warrants	Unfunded Loan Commitments Assets	Unfunded Loan Commitments (Liabilities)	Total
Assets/Liabilities:									
Balance, as of February 28, 2010	\$ 79,746	\$ 4,246,019	\$ 21,135,986	\$ 4,699,133	\$ 1	\$ 230	\$ 95	\$ (115,674)	\$ 30,045,536
Accrued discounts/premiums		27,364	244,267						271,631
Net realized gain (loss)		13,371	272,097	1,506,252					1,791,720
Net change in unrealized appreciation/depreciation ²	(460,899)	(821,110)	(120,555)	1,835,429	85		(95)	89,709	522,564
Purchases	1,195,932	2,186,273	6,573,830	1,390,300	463,144	4			11,809,483
Sales		(101,069)	(14,577,393)	(2,431,450)					(17,109,912)
Transfers in ³		313,531		12,650					326,181
Transfers out ³	(95,453)	(370,989)	(3,204,302)	(6,999,650)					(10,670,394)
Balance, as of February 28, 2011	\$ 719,326	\$ 5,493,390	\$ 10,323,930	\$ 12,664	\$ 463,230	\$ 234	\$	\$ (25,965)	\$ 16,986,809

² Included in the related net change in unrealized appreciation/depreciation on the Statements of Operations. The change in the unrealized appreciation/depreciation on the securities still held on February 28, 2011 was \$(1,518,751).

³ The Fund's policy is to recognize transfers in and transfers out as of the end of the period of the event or the change in circumstances that caused the transfer.

See Notes to Financial Statements.

Schedule of Investments February 28, 2011

BlackRock Debt Strategies Fund, Inc. (DSU)
(Percentages shown are based on Net Assets)

Asset-Backed Securities	Par (000)	Value
ARES CLO Funds, Series 2005-10A, Class B, 0.69%, 9/18/17 (a)(b) USD	1,250	\$ 1,100,000
Ballyrock CDO Ltd., Series 2006-1A, Class B, 0.66%, 8/28/19 (a)(b)	1,000	857,500
CSAM Funding, Series 2A, Class B1, 7.05%, 10/15/16	625	646,875
Canaras Summit CLO Ltd., Series 2007-1A, Class B, 0.78%, 6/19/21 (a)(b)	1,225	1,046,811
Gannett Peak CLO Ltd., Class A2 (b):		
Series 2006-1A, 0.66%, 10/27/20 (a)	1,355	1,166,994
Series 2006-1X, 0.66%, 10/27/20	940	791,950
LCM LP, Series 8A, Class C, 3.37%, 1/14/21 (a)(b)	1,850	1,845,375
Portola CLO Ltd., Series 2007-1X, Class B1, 1.76%, 11/15/21	1,245	1,151,625
T2 Income Fund CLO Ltd., Series 2007-1A, Class B, 0.90%, 7/15/19 (a)(b)	1,075	922,275
Total Asset-Backed Securities 2.1%		9,529,405

Common Stocks (c)	Shares	
Airlines 0.1%		
Delta Air Lines, Inc.	23,544	264,635
Chemicals 0.1%		
GEO Specialty Chemicals, Inc.	339,340	130,272
LyondellBasell Industries NV, Class A	5,315	202,395
Wellman Holdings, Inc.	5,373	269
		332,936
Construction Materials 0.0%		
Nortek, Inc.	2,970	132,165
Containers & Packaging 0.1%		
Smurfit Kappa Plc	36,342	451,354
Electrical Equipment 0.0%		
Medis Technologies Ltd.	286,757	6,022
Hotels, Restaurants & Leisure 0.0%		
Buffets Restaurants Holdings, Inc.	2,753	11,700

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HRP PIK Corp., Class B (a)	5,000	50
		11,750
Metals & Mining 0.1%		
Euramax International	2,337	619,384
Paper & Forest Products 1.2%		
Ainsworth Lumber Co. Ltd.	294,149	971,868
Ainsworth Lumber Co. Ltd. (a)	1,335,501	4,412,492
Western Forest Products, Inc. (a)	211,149	160,826
		5,545,186
Semiconductors & Semiconductor Equipment 0.0%		
SunPower Corp., Class B	4,892	82,577
Software 0.2%		
Bankruptcy Management Solutions, Inc.	1,870	6,546
HMH Holdings/EduMedia	159,199	795,995
		802,541
Specialty Retail 0.0%		
Movie Gallery, Inc.	503,737	504
Total Common Stocks 1.8%		8,249,054

Corporate Bonds	Par (000)	Value
Aerospace & Defense 0.7%		
Bombardier, Inc., 7.75%, 3/15/20 (a) USD	1,750	\$ 1,898,750
Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17	1,000	1,127,500
		3,026,250
Airlines 0.7%		
Air Canada, 9.25%, 8/01/15 (a)	1,250	1,337,500
Delta Air Lines, Inc., Series B, 9.75%, 12/17/16	902	973,938
United Air Lines, Inc., 12.75%, 7/15/12	786	877,980
		3,189,418
Auto Components 1.3%		
Icahn Enterprises LP:		
7.75%, 1/15/16	320	330,400
8.00%, 1/15/18	5,260	5,444,100
Venture Holdings Co. LLC (c)(d):		
12.00%, 6/01/09	4,450	
Series B, 9.50%, 7/01/05	1,800	180
		5,774,680

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Beverages 0.1%			
Crown European Holdings SA, 7.13%, 8/15/18 (a)	EUR	410	602,558
Biotechnology 0.1%			
QHP Pharma, 10.25%, 3/15/15 (a)	USD	402	404,913
Building Products 0.9%			
Associated Materials LLC, 9.13%, 11/01/17 (a)		810	875,813
Building Materials Corp. of America, 7.00%, 2/15/20 (a)		1,300	1,369,875
Momentive Performance Materials, Inc., 9.00%, 1/15/21 (a)		1,700	1,808,375
			4,054,063
Capital Markets 0.6%			
American Capital Ltd., 7.96%, 12/31/13		1,175	1,203,282
E*Trade Financial Corp., 4.01%, 8/31/19 (a)(e)(f)		593	916,185
KKR Group Finance Co., 6.38%, 9/29/20 (a)		540	556,376
			2,675,843
Chemicals 3.2%			
American Pacific Corp., 9.00%, 2/01/15		1,490	1,463,925
GEO Specialty Chemicals, Inc. (a): 7.50%, 3/31/15 (e)(g)		4,171	4,170,787
10.00%, 3/31/15		4,106	3,797,680
Hexion U.S. Finance Corp.: 8.88%, 2/01/18		455	488,556
9.00%, 11/15/20 (a)		605	643,569
Huntsman International LLC, 8.63%, 3/15/21 (a)		825	915,750
OXEA Finance/Cy SCA, 9.50%, 7/15/17 (a)		465	510,337
Wellman Holdings, Inc., Subordinate Note (e): (Second Lien), 10.00%, 1/29/19 (a)		2,978	2,590,860
(Third Lien), 5.00%, 1/29/19 (g)		1,002	390,812
			14,972,276
Commercial Banks 2.1%			
CIT Group, Inc.:			
7.00%, 5/01/14		410	417,944
7.00%, 5/01/16		2,655	2,678,231
7.00%, 5/01/17		6,370	6,417,775
			9,513,950
Commercial Services & Supplies 1.7%			
ACCO Brands Corp., 10.63%, 3/15/15		660	745,800
AWAS Aviation Capital Ltd., 7.00%, 10/15/16 (a)		1,024	1,052,160
Brickman Group Holdings, Inc., 9.13%, 11/01/18 (a)		865	929,875
The Geo Group, Inc., 7.75%, 10/15/17		850	906,312
International Lease Finance Corp., 8.25%, 12/15/20		323	359,338

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Debt Strategies Fund, Inc. (DSU)
(Percentages shown are based on Net Assets)

Corporate Bonds		Par (000)	Value
Commercial Services & Supplies (concluded)			
Mobile Mini, Inc., 7.88%, 12/01/20 (a)	USD	375	\$ 399,375
RSC Equipment Rental, Inc., 10.00%, 7/15/17 (a)		970	1,115,500
West Corp. (a):			
8.63%, 10/01/18		1,745	1,849,700
7.88%, 1/15/19		360	369,450
			7,727,510
Communications Equipment 0.1%			
Avaya Inc., 7.00%, 4/01/19 (a)		255	252,450
Construction Materials 1.1%			
Nortek, Inc.:			
11.00%, 12/01/13		2,983	3,177,107
10.00%, 12/01/18 (a)		1,730	1,846,775
			5,023,882
Consumer Finance 0.9%			
Credit Acceptance Corp., 9.13%, 2/01/17		570	614,175
Ford Motor Credit Co. LLC:			
3.05%, 1/13/12 (b)		2,680	2,707,309
6.63%, 8/15/17		900	957,220
			4,278,704
Containers & Packaging 2.6%			
Ardagh Packaging Finance Plc, 7.38%, 10/15/17 (a)	EUR	485	691,031
Ball Corp., 6.75%, 9/15/20	USD	625	654,688
Berry Plastics Corp.:			
8.25%, 11/15/15		2,100	2,249,625
9.75%, 1/15/21 (a)		1,145	1,147,862
Beverage Packaging Holdings Luxembourg II SA, 8.00%, 12/15/16	EUR	260	362,377
Graphic Packaging International, Inc., 9.50%, 6/15/17	USD	975	1,082,250
Smurfit Kappa Acquisitions:			
7.25%, 11/15/17 (a)	EUR	830	1,214,087
7.75%, 11/15/19		2,300	3,396,075
7.75%, 11/15/19 (a)		785	1,159,095
			11,957,090
Diversified Financial Services 3.7%			

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Ally Financial, Inc.:			
5.38%, 6/06/11		436	601,661
7.50%, 12/31/13	USD	90	98,100
8.30%, 2/12/15		1,700	1,918,875
8.00%, 3/15/20		170	191,463
7.50%, 9/15/20 (a)		3,260	3,565,625
8.00%, 11/01/31		2,350	2,690,750
8.00%, 11/01/31		1,530	1,752,451
Archimedes Funding III Ltd., 5.50%, 11/29/11 (a)		2,636	1,186,159
Axcan Intermediate Holdings, Inc., 12.75%, 3/01/16		665	733,162
Preferred Term Securities VI, Ltd. (a)(c)		35,000	1,750
Reynolds Group DL Escrow, Inc., 7.75%, 10/15/16 (a)		1,445	1,538,925
Reynolds Group Issuer, Inc. (a):			
7.75%, 10/15/16	EUR	650	950,791
7.13%, 4/15/19	USD	480	492,000
6.88%, 2/15/21		645	646,613
8.25%, 2/15/21		800	802,000
			17,170,325

Diversified Telecommunication Services 2.1%

Frontier Communications Corp., 8.25%, 4/15/17		856	945,880
ITC Deltacom, Inc., 10.50%, 4/01/16		1,260	1,382,850
Level 3 Financing, Inc., 8.75%, 2/15/17		1,500	1,473,750
Qwest Corp., 8.38%, 5/01/16		4,000	4,775,000
tw telecom holdings, Inc., 8.00%, 3/01/18		920	986,700
			9,564,180

Corporate Bonds		Par (000)		Value
Electronic Equipment, Instruments & Components 0.2%				
CDW LLC, 8.00%, 12/15/18 (a)	USD	820	\$	881,500
Muzak Holdings, LLC, 13.00%, 3/15/10 (c)(d)		2,675		268
				881,768
Energy Equipment & Services 0.5%				
Compagnie Générale de Géophysique-Veritas, 7.50%, 5/15/15		1,385		1,433,475
Frac Tech Services LLC, 7.13%, 11/15/18 (a)		895		926,325
				2,359,800
Food & Staples Retailing 0.5%				
BI-LO LLC, 9.25%, 2/15/19 (a)		545		566,800
Rite Aid Corp., 9.75%, 6/12/16		1,590		1,790,738
				2,357,538
Food Products 0.7%				
B&G Foods, Inc., 7.63%, 1/15/18		900		960,750

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Blue Merger Sub, Inc., 7.63%, 2/15/19 (a)	1,730	1,747,300
Smithfield Foods, Inc., 10.00%, 7/15/14	449	529,820
		3,237,870
Gas Utilities 0.1%		
Targa Resources Partners LP, 6.88%, 2/01/21 (a)	485	480,150
Health Care Equipment & Supplies 0.3%		
DJO Finance LLC, 10.88%, 11/15/14	1,345	1,474,456
Health Care Providers & Services 1.8%		
Aviv Healthcare Properties LP, 7.75%, 2/15/19 (a)	455	474,338
HCA, Inc., 7.88%, 2/15/20	1,620	1,779,975
inVentiv Health, Inc., 10.00%, 8/15/18 (a)	405	416,138
Omnicare, Inc., 6.88%, 12/15/15	1,055	1,089,287
Priory Group Ltd., 7.00%, 2/15/18	GBP 108	179,959
Tenet Healthcare Corp.:		
9.00%, 5/01/15	USD 680	748,000
8.88%, 7/01/19	3,280	3,731,000
		8,418,697
Health Care Technology 0.8%		
IMS Health, Inc., 12.50%, 3/01/18 (a)	2,980	3,494,050
MedAssets, Inc., 8.00%, 11/15/18 (a)	270	277,425
		3,771,475
Hotels, Restaurants & Leisure 1.4%		
Caesars Entertainment Operating Co., Inc., 10.00%, 12/15/18	475	446,500
CityCenter Holdings LLC, 7.63%, 1/15/16 (a)	555	578,588
Diamond Resorts Corp., 12.00%, 8/15/18 (a)	1,040	1,115,400
HRP Myrtle Beach Holdings LLC, 14.67%, 4/01/14 (a)(c)(d)	6,892	689
HRP Myrtle Beach Operations LLC (a)(c)(d):		
7.38%, 4/01/12	5,000	500
11.89%, 4/01/13	5,000	500
Little Traverse Bay Bands of Odawa Indians, 9.00%, 8/31/20 (a)	774	638,550
MGM Resorts International, 11.13%, 11/15/17	1,340	1,544,350
Travelport LLC, 4.94%, 9/01/14 (b)	2,160	1,927,800
Tropicana Entertainment LLC, Series WI, 9.63%, 12/15/14 (c)(d)	530	53
		6,252,930
Household Durables 1.4%		
Beazer Homes USA, Inc.:		
12.00%, 10/15/17	1,700	1,976,250
9.13%, 6/15/18	275	283,938
K. Hovnanian Enterprises, Inc., 10.63%, 10/15/16	1,695	1,836,956
Standard Pacific Corp. (a):		
8.38%, 5/15/18	785	832,100
8.38%, 1/15/21	1,280	1,350,400
		6,279,644

See Notes to Financial Statements.

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ANNUAL REPORT

FEBRUARY 28, 2011

Schedule of Investments (continued)

BlackRock Debt Strategies Fund, Inc. (DSU)
(Percentages shown are based on Net Assets)

Corporate Bonds	Par (000)	Value
IT Services 0.5%		
First Data Corp. (a):		
8.25%, 1/15/21	USD 1,636	\$ 1,627,820
12.63%, 1/15/21	644	674,590
		2,302,410
Independent Power Producers & Energy Traders 3.0%		
Calpine Construction Finance Co. LP, 8.00%, 6/01/16 (a)	1,750	1,898,750
Calpine Corp., 7.50%, 2/15/21 (a)	945	966,263
Energy Future Holdings Corp., 10.00%, 1/15/20 (a)	3,190	3,321,913
Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20	2,515	2,625,288
NRG Energy, Inc.:		
7.63%, 1/15/18 (a)	4,750	4,945,937
8.50%, 6/15/19	250	266,250
		14,024,401
Industrial Conglomerates 1.6%		
Sequa Corp. (a):		
11.75%, 12/01/15	2,850	3,092,250
13.50%, 12/01/15 (g)	4,023	4,455,301
		7,547,551
Insurance 0.5%		
CNO Financial Group, Inc., 9.00%, 1/15/18 (a)	2,014	2,144,910
Machinery 0.5%		
Navistar International Corp., 8.25%, 11/01/21	1,340	1,484,050
Titan International, Inc., 7.88%, 10/01/17 (a)	940	1,005,800
		2,489,850
Media 5.7%		
CCO Holdings LLC, 7.88%, 4/30/18	2,075	2,215,063
CSC Holdings, Inc., 8.50%, 4/15/14	680	761,600
Cengage Learning Acquisitions, Inc., 10.50%, 1/15/15 (a)	2,385	2,474,437
Checkout Holding Corp., 10.98%, 11/15/15 (a)(f)	1,425	919,125
Clear Channel Worldwide Holdings, Inc.:		
9.25%, 12/15/17	639	709,290
Series B, 9.25%, 12/15/17	5,422	6,031,975

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DISH DBS Corp., 7.00%, 10/01/13		3,000	3,225,000
Interactive Data Corp., 10.25%, 8/01/18 (a)		1,715	1,920,800
NAI Entertainment Holdings LLC, 8.25%, 12/15/17 (a)		1,020	1,096,500
Nielsen Finance LLC, 11.63%, 2/01/14		1,239	1,455,825
ProQuest LLC, 9.00%, 10/15/18 (a)		415	429,525
Regal Entertainment Group, 9.13%, 8/15/18		640	684,800
UPC Germany GmbH, 8.13%, 12/01/17 (a)		3,000	3,217,500
Ziggo Finance BV, 6.13%, 11/15/17 (a)	EUR	655	924,209
			<u>26,065,649</u>

Metals & Mining 1.6%

Drummond Co., Inc., 9.00%, 10/15/14 (a)	USD	1,056	1,127,280
FMG Resources August 2006 Property Ltd., 7.00%, 11/01/15 (a)		2,070	2,147,625
Novelis, Inc., 8.75%, 12/15/20 (a)		3,855	4,250,137
RathGibson, Inc., 11.25%, 2/15/14 (c)(d)		4,440	444
			<u>7,525,486</u>

Multiline Retail 0.4%

Dollar General Corp., 11.88%, 7/15/17 (g)		1,775	2,052,344
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Corporate Bonds		Par (000)	Value
Oil, Gas & Consumable Fuels 4.5%			
Chesapeake Energy Corp.:			
6.63%, 8/15/20	USD	2,645	\$ 2,777,250
6.13%, 2/15/21		1,240	1,264,800
Coffeyville Resources LLC, 9.00%, 4/01/15 (a)		436	475,240
Consol Energy, Inc., 8.25%, 4/01/20		1,750	1,929,375
Crosstex Energy LP, 8.88%, 2/15/18		100	110,250
Denbury Resources, Inc.:			
9.75%, 3/01/16		925	1,049,875
8.25%, 2/15/20		670	745,375
6.38%, 8/15/21		570	575,700
El Paso Corp., 7.00%, 6/15/17		1,575	1,759,620
Energy Transfer Equity LP, 7.50%, 10/15/20		240	260,100
Forest Oil Corp., 8.50%, 2/15/14		470	522,875
Hilcorp Energy I LP, 7.63%, 4/15/21 (a)		2,165	2,284,075
Linn Energy LLC (a):			
8.63%, 4/15/20		1,115	1,243,225
7.75%, 2/01/21		1,125	1,195,312
Niska Gas Storage US LLC, 8.88%, 3/15/18 (a)		1,600	1,744,000
Oasis Petroleum, Inc., 7.25%, 2/01/19 (a)		375	380,625
Petrohawk Energy Corp., 7.25%, 8/15/18		855	884,925
Titan Petrochemicals Group Ltd., 8.50%, 3/18/12 (a)		1,760	1,372,800
United Refining Co., 10.50%, 2/28/18 (a)(h)		390	386,100
			<u>20,961,522</u>

Paper & Forest Products 2.7%

Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (a)(g)		4,420	4,485,792
Clearwater Paper Corp., 10.63%, 6/15/16		640	731,200

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Georgia-Pacific LLC, 8.25%, 5/01/16 (a)		2,950	3,326,125
NewPage Corp., 11.38%, 12/31/14		2,615	2,608,463
Verso Paper Holdings LLC:			
11.50%, 7/01/14		550	606,375
Series B, 4.05%, 8/01/14 (b)		890	885,550
			12,643,505

Pharmaceuticals 0.5%

Angiotech Pharmaceuticals, Inc., 4.06%, 12/01/13 (b)		1,335	1,121,400
Novasep Holding SAS, 9.63%, 12/15/16 (a)	EUR	474	529,821
Valeant Pharmaceuticals International (a):			
6.75%, 10/01/17	USD	315	326,025
7.00%, 10/01/20		400	413,500
			2,390,746

Professional Services 0.1%

FTI Consulting, Inc., 6.75%, 10/01/20 (a)		560	560,000
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Real Estate Investment Trusts (REITs) 0.3%

Omega Healthcare Investors, Inc.:			
7.50%, 2/15/20		1,010	1,070,600
6.75%, 10/15/22 (a)		450	454,500
			1,525,100

Real Estate Management & Development 0.8%

Realogy Corp. (a):			
11.50%, 4/15/17		1,295	1,379,175
7.88%, 2/15/19		2,300	2,308,625
			3,687,800

Road & Rail 0.9%

Avis Budget Car Rental LLC, 8.25%, 1/15/19		280	297,150
Florida East Coast Railway Corp., 8.13%, 2/01/17 (a)		370	386,650
The Hertz Corp. (a):			
7.50%, 10/15/18		1,750	1,852,812
6.75%, 4/15/19		730	744,600
7.38%, 1/15/21		810	846,450
			4,127,662

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Debt Strategies Fund, Inc. (DSU)
(Percentages shown are based on Net Assets)

Corporate Bonds	Par (000)	Value
Specialty Retail 0.3%		
United Auto Group, Inc., 7.75%, 12/15/16	USD 1,275	\$ 1,316,438
Textiles, Apparel & Luxury Goods 0.1%		
Phillips-Van Heusen Corp., 7.75%, 11/15/23	410	451,548
Transportation Infrastructure 0.1%		
Aguila 3 SA, 7.88%, 1/31/18 (a)	353	366,238
Wireless Telecommunication Services 2.5%		
Cricket Communications, Inc., 7.75%, 5/15/16	3,050	3,225,375
Digicel Group Ltd. (a):		
9.13%, 1/15/15	3,948	4,111,842
8.25%, 9/01/17	810	846,450
Intelsat Jackson Holdings SA, 7.25%, 10/15/20 (a)	980	1,006,950
Nextel Communications, Inc., Series E, 6.88%, 10/31/13	815	821,622
Sprint Capital Corp.:		
8.38%, 3/15/12	625	663,281
6.88%, 11/15/28	760	684,950
		11,360,470
Total Corporate Bonds 56.2%		259,246,050
Floating Rate Loan Interests (b)		
Aerospace & Defense 0.6%		
Hawker Beechcraft Acquisition Co., LLC:		
Letter of Credit Linked Deposit, 0.20%, 3/26/14	82	73,486
Term Loan, 2.26% 2.30%, 3/26/14	1,454	1,299,411
TransDigm, Inc., Term Loan (First Lien), 5.25%, 2/14/17	1,500	1,508,955
		2,881,852
Airlines 0.4%		
Delta Air Lines, Inc., Credit-Linked Deposit Loan, 0.11% 2.26%, 4/30/12	1,940	1,925,450
Auto Components 0.8%		
Allison Transmission, Inc., Term Loan, 3.02%, 8/07/14	2,148	2,140,345

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Armored Auto Group, Inc. (FKA Viking Acquisition, Inc.), Term Loan, 6.00%, 11/02/16	1,560	1,567,800
		<u>3,708,145</u>

Biotechnology 0.3%

Grifols SA, Term Loan B, 6.00%, 10/01/16	1,405	1,421,392
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Building Products 1.6%

CPG International I, Inc., Term Loan B, 6.00%, 2/03/17	1,200	1,203,756
Goodman Global, Inc.:		
Initial Term Loan (First Lien), 5.75%, 10/13/16	3,242	3,265,683
Term Loan (Second Lien), 9.00%, 10/13/17	1,200	1,236,750
Momentive Performance Materials (Blitz 06-103 GmbH), Tranche B-2B Term Loan, 4.36%, 5/05/15	EUR 1,069	1,435,185
		<u>7,141,374</u>

Capital Markets 1.0%

HarbourVest Partners, Term Loan, 6.25%, 12/17/16	USD 1,975	1,984,875
Nuveen Investments, Inc.:		
Extended Term Loan (First Lien), 3.30%, 11/13/14	968	938,979
Non-Extended Term Loan (First Lien), 5.80% 5.81%, 5/13/17	1,682	1,675,258
		<u>4,599,112</u>

Floating Rate Loan Interests (b)	Par (000)	Value
Chemicals 4.6%		
AZ Chem US, Inc., Term Loan B, 6.75%, 11/18/16	USD 1,187	\$ 1,199,353
CF Industries, Inc., Term Loan B-1, 4.25%, 4/05/15	169	169,669
Chemtura Corp., Term Facility, 5.50%, 8/16/16	1,300	1,310,292
General Chemical Corp., Tranche B Term Loan, 6.75% 7.25%, 9/30/15	2,569	2,607,091
MacDermid, Inc., Tranche C Term Loan, 3.07%, 12/15/13	EUR 692	923,558
Nexeo Solutions LLC, Term Loan B, 5.00%, 8/31/17	USD 1,100	1,103,209
PQ Corp. (FKA Niagara Acquisition, Inc.), Original Term Facility (First Lien), 3.52% 3.56%, 7/30/14	2,925	2,877,464
Solutia, Inc., Term Loan, 4.50%, 3/17/17	1,541	1,543,024
Styron Sarl, Term Loan B, 6.00%, 7/27/17	2,800	2,825,200
Tronox Worldwide LLC, Exit Term Loan, 7.00%, 12/24/15	3,965	3,998,029
Univar, Inc., Term Loan B, 5.00%, 6/30/17	2,400	2,408,251
		<u>20,965,140</u>

Commercial Banks 0.4%

CIT Group, Inc., Tranche 3 Term Loan, 6.25%, 8/11/15	1,950	1,974,781
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Commercial Services & Supplies 2.1%

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ARAMARK Corp.:		
Letter of Credit 1 Facility, 0.11%, 1/26/14	28	27,496
Letter of Credit 2 Facility, 0.11%, 7/26/16	29	28,881
US Term Loan, 2.18%, 1/26/14	342	341,322
US Term Loan B, 3.55%, 7/26/16	438	439,162
AWAS Finance Luxembourg Sarl, Loan, 7.75%, 6/10/16	830	852,306
Altegrity, Inc. (FKA US Investigations Services, Inc.), Tranche D Term Loan, 7.75%, 2/21/15	2,985	3,044,700
Casella Waste Systems, Inc., Term Loan B, 7.00%, 4/09/14	384	384,150
Delos Aircraft, Inc., Term Loan 2, 7.00%, 3/17/16	975	983,357
Quad/Graphics, Inc., Term Loan, 5.50%, 4/20/16	945	940,918
Synagro Technologies, Inc., Term Loan (First Lien), 2.27%, 4/02/16	981	912,557
Volume Services America, Inc. (Centerplate), Term Loan B, 10.50% 10.75%, 8/24/16	1,796	1,812,701
		9,767,550
Communications Equipment 1.4%		
Avaya, Inc.:		
Term Loan B, 3.03%, 10/24/14	1,842	1,785,769
Term Loan B-3, 4.81%, 10/24/17	2,951	2,890,854
CommScope, Inc., Term Loan B, 5.00%, 1/06/18	1,500	1,521,874
		6,198,497
Construction & Engineering 0.6%		
Safway Services, LLC, First Out Tranche Loan, 9.00%, 12/18/17	2,750	2,750,000
Construction Materials 0.1%		
Fairmount Minerals Ltd., Tranche B Term Loan, 6.25% 6.75%, 8/05/16	642	648,785
Consumer Finance 1.1%		
Springleaf Financial Funding Co. (FKA AGFS Funding Co.), Term Loan, 7.25%, 4/21/15	5,000	5,044,500
Containers & Packaging 0.4%		
Berry Plastics Holding Corp., Term Loan C, 2.29% 2.31%, 4/03/15	341	331,776
Graham Packaging Co., LP, Term Loan D, 6.00%, 9/16/16	1,696	1,708,771
		2,040,547

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Debt Strategies Fund, Inc. (DSU)
(Percentages shown are based on Net Assets)

Floating Rate Loan Interests (b)	Par (000)	Value
Diversified Consumer Services 2.6%		
Coinmach Service Corp., Term Loan, 3.26% 3.31%, 11/14/14	USD 4,559	\$ 4,274,515
Laureate Education:		
Closing Date Term Loan, 3.55%, 8/17/14	712	697,097
Delayed Draw Term Loan, 3.55%, 8/15/14	107	104,365
Series A New Term Loan, 7.00%, 8/15/14	4,000	4,023,364
ServiceMaster Co.:		
Closing Date Term Loan, 2.76% 2.81%, 7/24/14	2,665	2,623,789
Delayed Draw Term Loan, 2.77%, 7/24/14	265	261,290
		11,984,420
Diversified Financial Services 1.1%		
Reynolds Group Holdings, Inc., Term Loan E, 4.25%, 2/09/18	3,000	3,015,624
Whitelabel IV SA (Ontex):		
Facility B1, 6.75%, 8/11/17	EUR 565	788,938
Facility B2, 6.75%, 8/11/17	935	1,305,589
		5,110,151
Diversified Telecommunication Services 1.1%		
Hawaiian Telcom Communications, Inc., Term Loan, 9.00%, 10/28/15	USD 3,618	3,679,911
Level 3 Financing, Inc., Tranche A Incremental Term Loan, 2.55%, 3/13/14	1,600	1,560,000
		5,239,911
Electric Utilities 0.7%		
New Development Holdings LLC, Term Loan, 7.00%, 7/03/17	2,962	2,990,658
Electrical Equipment 0.1%		
Generac Acquisition Corp., Term Loan (First Lien), 2.76% 2.80%, 11/10/13	308	306,243
Electronic Equipment, Instruments & Components 0.9%		
CDW LLC (FKA CDW Corp.):		
Extended Term Loan B, 3.51%, 7/15/17	1,793	1,792,843
Non-Extended Term Loan, 4.26%, 10/10/14	2,295	2,289,900
		4,082,743

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Energy Equipment & Services 0.4%

MEG Energy Corp., Tranche D Term Loan, 6.00%, 4/03/16		1,677	1,692,446
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Food & Staples Retailing 2.0%

AB Acquisitions UK Topco 2 Ltd. (FKA Alliance Boots), Facility B1, 3.58%, 7/09/15	GBP	3,000	4,700,150
Pilot Travel Centers LLC, Initial Tranche B Term Loan, 5.25%, 6/30/16	USD	2,146	2,164,113
U.S. Foodservice, Inc., Term Loan B, 2.76%, 7/03/14		2,209	2,132,366
			8,996,629

Food Products 3.6%

Advance Pierre Foods, Term Loan: 11.25%, 9/29/17		1,800	1,845,000
(Second Lien), 7.00%, 9/29/16		2,893	2,912,638
Del Monte Corp., Term Loan B, 4.50%, 2/01/18		5,050	5,081,562
Green Mountain Coffee Roasters, Inc., Term B Facility, 5.50%, 11/09/16		1,200	1,207,875
Michaels Foods Group, Inc. (FKA M-Foods Holdings, Inc.), Term Loan B, 4.25%, 2/25/18		1,159	1,169,152
Pinnacle Foods Finance LLC, Tranche D Term Loan, 6.00%, 4/02/14		1,505	1,516,295

Floating Rate Loan Interests (b)	Par (000)	Value
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Food Products (concluded)

Solveist, Ltd. (Dole):			
Tranche B-1 Term Loan, 5.00% 5.50%, 3/02/17	USD	793	\$ 798,582
Tranche C-1 Term Loan, 5.00% 5.50%, 3/02/17		1,969	1,982,342
			16,513,446

Health Care Equipment & Supplies 0.4%

DJO Finance LLC (FKA ReAble Therapeutics Finance LLC), Term Loan, 3.26%, 5/20/14		1,722	1,709,233
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Health Care Providers & Services 4.7%

CHS/Community Health Systems, Inc.:			
Extended Term Loan, 3.76% 3.81%, 1/25/17		1,440	1,443,462
Non-Extended Delayed Draw Term Loan, 2.51% 2.56%, 7/25/14		125	123,826
Non-Extended Term Loan, 2.51% 2.56%, 7/25/14		2,443	2,423,527
ConvaTec, Inc., Dollar Term Loan, 5.75%, 10/20/16		1,300	1,305,958
DaVita, Inc., Tranche B Term Loan, 4.50%, 10/20/16		2,000	2,014,272
HCA, Inc.:			
Tranche A-1 Term Loan, 1.55%, 11/16/12		4,494	4,469,177
Tranche B-1 Term Loan, 2.56%, 11/18/13		245	244,183
Harden Healthcare, Inc.:			
Tranche A Additional Term Loan, 7.75%, 3/02/15		2,518	2,467,150
Tranche A Term Loan, 8.50%, 2/22/15		720	705,778
		3,473	3,488,344

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inVentiv Health, Inc. (FKA Ventive Health, Inc.), Term Loan B, 6.50%, 7/31/16			
Renal Advantage Holdings, Inc., Tranche B Term Loan, 5.75%, 12/03/16		1,300	1,317,875
Vanguard Health Holding Co. II, LLC (Vanguard Health Systems, Inc.), Initial Term Loan, 5.00%, 1/29/16		1,836	1,847,469
			21,851,021
Health Care Technology 1.0%			
IMS Health, Inc., Tranche B Dollar Term Loan, 5.25%, 2/26/16		2,721	2,743,392
MedAssets, Inc., Term Loan B, 5.25%, 11/15/16		1,600	1,612,000
			4,355,392
Hotels, Restaurants & Leisure 5.1%			
Blackstone UTP Capital LLC, Loan, 7.75%, 11/06/14		2,475	2,524,500
Dunkin' Brands, Inc., Term Loan B-1, 4.25%, 11/09/17		2,900	2,919,920
Gateway Casinos & Entertainment, Ltd., Term Loan B, 6.50% - 7.50%, 5/12/16	CAD	1,100	1,137,165
Harrah's Operating Co., Inc.: Term Loan B-1, 3.30%, 1/28/15	USD	1,424	1,321,694
Term Loan B-2, 3.30%, 1/28/15		1,260	1,167,301
Term Loan B-3, 3.30%, 1/28/15		5,815	5,398,829