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Not Rated

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 the borrowings earn income based on long-term interest rates. In this case, the interest expense of the borrowings is significantly lower than the income earned on the Fund's long-term investments, and therefore the Fund's 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, the yield curve has a negative slope. In this case, the Fund pays 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, 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, each Fund's 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, each Fund's 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 each Fund's 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 % of their total managed assets. As of August 31, 2011, the Funds had outstanding leverage from borrowings as a percentage of their total managed assets as follows:

| | Percent of Leverage |
|-----|--------------------------------|
| COY | 22% |
| CYE | 24% |
| DSU | 26% |
| FRB | 27% |
| ARK | 23% |

Derivative Financial Instruments

The Funds may invest in various derivative financial instruments, including financial futures contracts, foreign currency exchange contracts, options and swaps as specified in Note 2 of the Notes to Financial Statements, which may constitute forms of economic leverage. Such derivative financial instruments are used to obtain exposure to a market without owning or taking physical custody of securities or to hedge market, equity, credit, interest rate and/or foreign currency exchange rate risks. Derivative financial instruments involve risks, including the imperfect correlation between the value of a derivative financial instrument and the underlying asset, possible default of the counterparty to the transaction or illiquidity of the derivative financial instrument. The Funds' ability to use a derivative financial instrument successfully depends on the investment advisor's ability to predict pertinent market movements accurately, which cannot be assured. The use of derivative financial 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 August 31, 2011 (Unaudited)

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

| Common Stocks | Shares | Value |
|--|-------------|------------|
| Auto Components 0.2% | | |
| Dana Holding Corp. (a) | 38,340 | \$ 488,835 |
| Capital Markets 0.1% | | |
| E*Trade Financial Corp. (a) | 26,900 | 332,484 |
| Chemicals 0.0% | | |
| Wellman Holdings, Inc. | 240 | 780 |
| Wellman Inc. (acquired 1/30/09, cost \$277) (a)(b) | 1,185 | 3,851 |
| | | 4,631 |
| Communications Equipment 0.4% | | |
| Loral Space & Communications Ltd. (a) | 18,513 | 1,047,651 |
| Containers & Packaging 0.0% | | |
| Smurfit Kappa Plc (a) | 3,634 | 28,800 |
| Diversified Financial Services 0.8% | | |
| Kcad Holdings I Ltd. | 175,652,403 | 1,982,589 |
| Electrical Equipment 0.0% | | |
| Medis Technologies Ltd. (a) | 67,974 | 748 |
| Media 1.4% | | |
| Belo Corp., Class A | 43,324 | 236,116 |
| Charter Communications, Inc. (a) | 59,916 | 2,988,610 |
| Clear Channel Outdoor Holdings, Inc., Class A (a) | 8,934 | 102,294 |
| | | 3,327,020 |
| Metals & Mining 0.2% | | |
| African Minerals Ltd. (a) | 40,400 | 336,104 |
| Oil, Gas & Consumable Fuels 0.2% | | |
| Marathon Petroleum Corp. | 9,750 | 361,335 |
| Paper & Forest Products 0.1% | | |
| Ainsworth Lumber Co. Ltd. (c) | 41,686 | 85,134 |
| Ainsworth Lumber Co. Ltd. | 36,744 | 75,042 |
| Western Forest Products, Inc. (a) | 147,968 | 99,723 |
| Western Forest Products, Inc. (a)(c) | 41,528 | 27,988 |
| | | 287,887 |
| Semiconductors & Semiconductor Equipment 0.4% | | |
| Spansion, Inc., Class A (a) | 60,342 | 905,733 |
| SunPower Corp., Class B (a) | 123 | 1,458 |
| | | 907,191 |
| Software 0.1% | | |
| Bankruptcy Management Solutions, Inc. (a) | 468 | 2 |
| HMH Holdings/EduMedia (a) | 82,415 | 164,830 |
| | | 164,832 |
| Total Common Stocks 3.9% | | 9,270,107 |

| Corporate Bonds | Par (000) | |
|--|--------------|---------|
| Aerospace & Defense 0.6% | | |
| Huntington Ingalls Industries, Inc. (c): | | |
| 6.88%, 3/15/18 | USD 320 | 300,800 |
| 7.13%, 3/15/21 | 355 | 333,700 |
| Kratos Defense & Security Solutions, Inc., | | |
| 10.00%, 6/01/17 | 716 | 735,690 |

1,370,190

| | Par (000) | Value |
|--|--------------|------------|
| Corporate Bonds | | |
| Air Freight & Logistics 0.5% | | |
| National Air Cargo Group, Inc.: | | |
| Series 1, 12.38%, 9/02/15 | USD 631 | \$ 656,486 |
| Series 2, 12.38%, 8/16/15 | 631 | 656,482 |
| | | 1,312,968 |
| Airlines 3.1% | | |
| Air Canada, 9.25%, 8/01/15 (c) | 820 | 787,200 |
| American Airlines, Inc.: | | |
| 10.50%, 10/15/12 | 870 | 897,188 |
| 7.50%, 3/15/16 (c) | 140 | 126,700 |
| Series 2001-2, 7.86%, 4/01/13 | 390 | 390,000 |
| Series 2011-1-B, 7.00%, 1/31/18 (c) | 368 | 316,099 |
| Continental Airlines, Inc.: | | |
| 6.75%, 9/15/15 (c) | 540 | 526,500 |
| Series 1997-4-B, 6.90%, 7/02/18 | 382 | 376,195 |
| Series 2010-1-B, 6.00%, 1/12/19 | 400 | 370,000 |
| Delta Air Lines, Inc.: | | |
| Series 2010-1-B, 6.38%, 7/02/17 | 447 | 402,300 |
| Series B, 9.75%, 12/17/16 | 678 | 695,312 |
| US Airways Pass-Through Trust, 10.88%, 10/22/14 | 630 | 614,250 |
| United Air Lines, Inc., 12.75%, 7/15/12 | 1,964 | 2,052,547 |
| | | 7,554,291 |
| Auto Components 2.1% | | |
| Allison Transmission, Inc., 11.00%, 11/01/15 (c) | 220 | 231,550 |
| B-Corp Merger Sub, Inc., 8.25%, 6/01/19 (c) | 190 | 176,700 |
| Delphi Corp., 6.13%, 5/15/21 (c) | 150 | 144,750 |
| Ford Motor Co., 7.45%, 7/16/31 | 700 | 767,461 |
| Icahn Enterprises LP, 8.00%, 1/15/18 | 2,995 | 3,024,950 |
| International Automotive Components Group, SL, 9.13%, 6/01/18 (c) | 240 | 235,800 |
| Titan International, Inc., 7.88%, 10/01/17 | 430 | 451,500 |
| | | 5,032,711 |
| Beverages 0.2% | | |
| Cott Beverages, Inc., 8.13%, 9/01/18 | 245 | 253,575 |
| Crown European Holdings SA, 7.13%, 8/15/18 (c) | EUR 225 | 311,900 |
| | | 565,475 |
| Biotechnology 0.1% | | |
| QHP Pharma, 10.25%, 3/15/15 (c) | USD 331 | 336,330 |
| Building Products 1.3% | | |
| Building Materials Corp. of America (c): | | |
| 7.00%, 2/15/20 | 410 | 410,000 |
| 6.75%, 5/01/21 | 1,150 | 1,101,125 |
| Griffon Corp., 7.13%, 4/01/18 (c) | 390 | 368,550 |
| Momentive Performance Materials, Inc.: | | |
| 11.50%, 12/01/16 | 435 | 430,650 |
| 9.00%, 1/15/21 (c) | 905 | 773,775 |
| | | 3,084,100 |
| Capital Markets 1.0% | | |
| American Capital Ltd., 7.96%, 12/31/13 (d) | 470 | 466,701 |
| E*Trade Financial Corp.: | | |
| 12.50%, 11/30/17 (e) | 805 | 925,750 |
| 3.43%, 8/31/19 (c)(f)(g) | 226 | 270,070 |
| KKR Group Finance Co., 6.38%, 9/29/20 (c) | 600 | 638,372 |
| | | 2,300,893 |

Portfolio Abbreviations

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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 |
| ETF | Exchange-Traded Fund |
| EUR | Euro |
| FKA | Formerly Known As |
| GBP | British Pound |
| LIBOR | London Interbank Offered Rate |
| PIK | Payment-In-Kind |
| SPDR | Standard and Poor's Depository Receipts |
| USD | US Dollar |

See Notes to Financial Statements.

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AUGUST 31, 2011

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Schedule of Investments (continued)

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

| | | Par (000) | Value |
|---|-----|--------------|------------|
| Corporate Bonds | | | |
| Chemicals 3.7% | | | |
| American Pacific Corp., 9.00%, 2/01/15 | USD | 800 | \$ 786,000 |
| American Rock Salt Co. LLC, 8.25%, 5/01/18 (c) | | 126 | 116,865 |
| Celanese US Holdings LLC, 5.88%, 6/15/21 | | 900 | 902,250 |
| Chemtura Corp., 7.88%, 9/01/18 (c) | | 345 | 354,487 |
| Hexion U.S. Finance Corp.: | | | |
| 8.88%, 2/01/18 | | 430 | 402,050 |
| 9.00%, 11/15/20 (c) | | 285 | 248,663 |
| Huntsman International LLC (c): | | | |
| 6.88%, 11/15/13 | EUR | 260 | 369,755 |
| 8.63%, 3/15/21 | USD | 155 | 161,781 |
| Ineos Finance Plc, 9.00%, 5/15/15 (c) | | 385 | 389,812 |
| KRATON Polymers LLC, 6.75%, 3/01/19 (c) | | 115 | 110,400 |
| Kinove German Bondco GmbH, 10.00%, 6/15/18 | EUR | 533 | 723,544 |
| Lyondell Chemical Co., 11.00%, 5/01/18 | USD | 1,135 | 1,266,944 |
| Nexeo Solutions LLC, 8.38%, 3/01/18 (c) | | 170 | 175,525 |
| OXEA Finance/Cy SCA (c): | | | |
| 9.50%, 7/15/17 | | 108 | 106,920 |
| 9.63%, 7/15/17 | EUR | 385 | 541,992 |
| Omnova Solutions, Inc., 7.88%, 11/01/18 (c) | USD | 500 | 438,750 |
| PolyOne Corp., 7.38%, 9/15/20 | | 200 | 206,000 |
| TPC Group LLC, 8.25%, 10/01/17 (c) | | 310 | 317,750 |
| Wellman Holdings, Inc., Subordinate Note (f): | | | |
| (Second Lien), 10.00% 1/29/19 (c) | | 790 | 1,098,100 |
| (Third Lien), 5.00%, 1/29/19 (e) | | 272 | 193,182 |
| | | | 8,910,770 |
| Commercial Banks 2.4% | | | |
| CIT Group, Inc.: | | | |
| 7.00%, 5/01/15 | | 510 | 507,450 |
| 7.00%, 5/01/16 | | 1,825 | 1,815,875 |
| 7.00%, 5/01/17 | | 3,030 | 2,992,125 |
| 7.00%, 5/02/17 (c) | | 470 | 464,125 |
| | | | 5,779,575 |
| Commercial Services & Supplies 2.0% | | | |
| ACCO Brands Corp., 10.63%, 3/15/15 | | 695 | 760,156 |
| Aviation Capital Group Corp., 6.75%, 4/06/21 (c) | | 500 | 493,390 |
| Brickman Group Holdings, Inc., 9.13%, 11/01/18 (c) | | 480 | 452,400 |
| Casella Waste Systems, Inc., 7.75%, 2/15/19 (c) | | 610 | 587,125 |
| Clean Harbors, Inc., 7.63%, 8/15/16 (c) | | 320 | 338,400 |
| Mobile Mini, Inc., 7.88%, 12/01/20 (c) | | 335 | 325,788 |
| RSC Equipment Rental, Inc.: | | | |
| 10.00%, 7/15/17 (c) | | 555 | 596,625 |
| 8.25%, 2/01/21 | | 800 | 746,000 |
| WCA Waste Corp., 7.50%, 6/15/19 (c) | | 310 | 310,000 |
| West Corp., 8.63%, 10/01/18 (c) | | 125 | 121,875 |
| | | | 4,731,759 |
| Communications Equipment 0.8% | | | |
| Avaya, Inc.: | | | |
| 9.75%, 11/01/15 | | 410 | 348,500 |
| 10.13%, 11/01/15 (e) | | 600 | 518,250 |

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| | | | | |
|--|-----|------------------|----|--------------|
| 7.00%, 4/01/19 (c) | | 470 | | 423,000 |
| EH Holding Corp. (c): | | | | |
| 6.50%, 6/15/19 | | 340 | | 340,000 |
| 7.63%, 6/15/21 | | 240 | | 238,800 |
| | | | | 1,868,550 |
| Construction & Engineering 0.1% | | | | |
| Abengoa SA, 8.50%, 3/31/16 | EUR | 100 | | 134,313 |
| Boart Longyear Management Ltd., 7.00%, 4/01/21 (c) | USD | 175 | | 173,687 |
| | | | | 308,000 |
| Corporate Bonds | | | | |
| | | Par (000) | | Value |
| Construction Materials 0.2% | | | | |
| Calcipar SA, 6.88%, 5/01/18 (c) | USD | 315 | \$ | 298,463 |
| Xefin Lux SCA, 8.00%, 6/01/18 (c) | EUR | 233 | | 307,928 |
| | | | | 606,391 |
| Consumer Finance 1.2% | | | | |
| Credit Acceptance Corp., 9.13%, 2/01/17 | USD | 640 | | 648,000 |
| Ford Motor Credit Co. LLC: | | | | |
| 3.00%, 1/13/12 (h) | | 195 | | 195,004 |
| 7.80%, 6/01/12 | | 200 | | 206,005 |
| 7.00%, 4/15/15 | | 1,710 | | 1,825,425 |
| 6.63%, 8/15/17 | | 131 | | 137,143 |
| | | | | 3,011,577 |
| Containers & Packaging 1.3% | | | | |
| Ardagh Packaging Finance Plc, 7.38%, 10/15/17 (c) | EUR | 435 | | 585,823 |
| Berry Plastics Corp., 8.25%, 11/15/15 | USD | 125 | | 128,750 |
| GCL Holdings SCA, 9.38%, 4/15/18 (c) | EUR | 244 | | 306,693 |
| Graphic Packaging International, Inc., 7.88%, 10/01/18 | USD | 340 | | 357,000 |
| OI European Group BV, 6.88%, 3/31/17 | EUR | 152 | | 207,431 |
| Pregis Corp., 12.38%, 10/15/13 | USD | 390 | | 358,800 |
| Rock-Tenn Co., 9.25%, 3/15/16 | | 50 | | 52,500 |
| Smurfit Kappa Acquisitions (c): | | | | |
| 7.25%, 11/15/17 | EUR | 465 | | 641,254 |
| 7.75%, 11/15/19 | | 296 | | 406,070 |
| | | | | 3,044,321 |
| Diversified Consumer Services 1.2% | | | | |
| Service Corp. International, 7.00%, 6/15/17 | USD | 2,800 | | 2,926,000 |
| Diversified Financial Services 5.3% | | | | |
| Ally Financial, Inc.: | | | | |
| 7.50%, 12/31/13 | | 350 | | 360,500 |
| 8.30%, 2/12/15 | | 530 | | 556,500 |
| 6.25%, 12/01/17 (c) | | 480 | | 461,720 |
| 8.00%, 3/15/20 | | 320 | | 323,200 |
| 7.50%, 9/15/20 | | 620 | | 609,150 |
| 8.00%, 11/01/31 | | 1,295 | | 1,265,862 |
| 8.00%, 11/01/31 | | 810 | | 779,164 |
| Axcan Intermediate Holdings, Inc., 12.75%, 3/01/16 | | 410 | | 427,425 |
| Boparan Holdings Ltd. (c): | | | | |
| 9.75%, 4/30/18 | EUR | 100 | | 110,624 |
| 9.88%, 4/30/18 | GBP | 130 | | 170,934 |
| FCE Bank Plc: | | | | |
| 7.13%, 1/15/13 | EUR | 550 | | 792,051 |
| 4.75%, 1/19/15 | | 310 | | 405,237 |
| General Motors Financial Co., Inc.: | | | | |
| 6.75%, 6/01/18 (c) | USD | 450 | | 447,750 |
| KION Finance SA, 7.88%, 4/15/18 (c) | EUR | 146 | | 174,075 |
| Leucadia National Corp., 8.13%, 9/15/15 | USD | 1,120 | | 1,202,600 |
| | | 425 | | 434,562 |

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Reynolds Group DL Escrow, Inc.,
8.50%, 10/15/16 (c)

Reynolds Group Issuer, Inc.:

| | | | |
|----------------------------|-----|-------|------------|
| 8.75%, 10/15/16 (c) | EUR | 350 | 487,692 |
| 8.75%, 10/15/16 | | 502 | 699,490 |
| 7.13%, 4/15/19 (c) | USD | 230 | 217,925 |
| 9.00%, 4/15/19 (c) | | 245 | 220,500 |
| 7.88%, 8/15/19 (c) | | 1,010 | 999,900 |
| 9.88%, 8/15/19 (c) | | 415 | 390,100 |
| 8.25%, 2/15/21 (c) | | 680 | 572,900 |
| WMG Acquisition Corp. (c): | | | |
| 9.50%, 6/15/16 | | 110 | 112,200 |
| 11.50%, 10/01/18 | | 535 | 486,850 |
| | | | 12,708,911 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (COY)

(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|--|--------------|------------|
| Corporate Bonds | | |
| Diversified Telecommunication Services 4.5% | | |
| Broadview Networks Holdings, Inc., 11.38%, 9/01/12 | USD 1,000 | \$ 860,000 |
| GCI, Inc., 6.75%, 6/01/21 (c) | 264 | 260,040 |
| ITC Deltacom, Inc., 10.50%, 4/01/16 | 260 | 266,500 |
| Level 3 Escrow, Inc., 8.13%, 7/01/19 (c) | 2,474 | 2,350,300 |
| Level 3 Financing, Inc.: | | |
| 9.25%, 11/01/14 | 77 | 77,963 |
| 8.75%, 2/15/17 | 525 | 514,500 |
| Qwest Communications International, Inc.: | | |
| 7.50%, 2/15/14 | 2,490 | 2,521,125 |
| 8.00%, 10/01/15 | 610 | 651,175 |
| Series B, 7.50%, 2/15/14 | 1,575 | 1,594,687 |
| Qwest Corp., 7.63%, 6/15/15 | 500 | 556,250 |
| Windstream Corp.: | | |
| 8.13%, 8/01/13 | 400 | 425,000 |
| 7.88%, 11/01/17 | 690 | 725,362 |
| | | 10,802,902 |
| Electric Utilities 0.6% | | |
| Tokyo Electric Power Co., Inc., 4.50%, 3/24/14 | EUR 1,100 | 1,351,029 |
| Electronic Equipment, Instruments & Components 0.6% | | |
| CDW LLC: | | |
| 11.00%, 10/12/15 | USD 10 | 10,200 |
| 11.50%, 10/12/15 (e) | 610 | 622,200 |
| 8.00%, 12/15/18 (c) | 380 | 376,200 |
| Elster Finance BV, 6.25%, 4/15/18 (c) | EUR 105 | 138,764 |
| Jabil Circuit, Inc., 8.25%, 3/15/18 | USD 215 | 242,412 |
| | | 1,389,776 |
| Energy Equipment & Services 1.6% | | |
| Antero Resources Finance Corp., 7.25%, 8/01/19 (c) | 150 | 145,875 |
| Calfrac Holdings LP, 7.50%, 12/01/20 (c) | 225 | 218,250 |
| Compagnie Générale de Géophysique-Veritas, 7.75%, 5/15/17 | 235 | 236,175 |
| Exterran Holdings, Inc., 7.25%, 12/01/18 (c) | 405 | 392,850 |
| Frac Tech Services LLC, 7.13%, 11/15/18 (c) | 1,045 | 1,081,575 |
| Key Energy Services, Inc., 6.75%, 3/01/21 | 415 | 406,700 |
| MEG Energy Corp., 6.50%, 3/15/21 (c) | 530 | 530,000 |
| Oil States International, Inc., 6.50%, 6/01/19 (c) | 290 | 290,000 |
| SunCoke Energy, Inc., 7.63%, 8/01/19 (c) | 205 | 201,413 |
| Thermon Industries, Inc., 9.50%, 5/01/17 | 342 | 359,100 |
| | | 3,861,938 |
| Food Products 0.4% | | |
| Darling International, Inc., 8.50%, 12/15/18 (c) | 220 | 238,150 |
| Del Monte Foods Co., 7.63%, 2/15/19 (c) | 275 | 272,937 |
| JBS USA LLC, 7.25%, 6/01/21 (c) | 85 | 77,244 |
| Reddy Ice Corp., 11.25%, 3/15/15 | 410 | 372,075 |
| | | 960,406 |
| Health Care Equipment & Supplies 1.4% | | |
| DJO Finance LLC: | | |
| 10.88%, 11/15/14 | 2,130 | 2,201,888 |

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| | | | |
|--|-----|-------|-----------|
| 12.00%, 10/15/17 | | 1,425 | 1,446,375 |
| 9.13%, 6/15/18 | | 420 | 291,375 |
| Ideal Standard International, 11.75%, 5/01/18 (c) | EUR | 139 | 153,749 |
| Jarden Corp., 7.50%, 1/15/20 | | 285 | 386,886 |
| Ryland Group, Inc., 6.63%, 5/01/20 | USD | 555 | 477,300 |
| Standard Pacific Corp.: | | | |
| 10.75%, 9/15/16 | | 1,285 | 1,272,150 |
| 8.38%, 5/15/18 | | 250 | 219,375 |
| 8.38%, 1/15/21 | | 535 | 460,100 |
| United Rentals North America, Inc., 8.38%, 9/15/20 | | 395 | 360,437 |
| | | | 6,161,109 |
| Household Products 0.1% | | | |
| Ontex IV SA, 7.50%, 4/15/18 (c) | EUR | 130 | 167,137 |

See Notes to Financial Statements.

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AUGUST 31, 2011

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Schedule of Investments (continued)

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

| | | Par (000) | Value |
|---|-----|--------------|------------|
| Corporate Bonds | | | |
| IT Services 2.0% | | | |
| Eagle Parent Canada, Inc., 8.63%, 5/01/19 (c) | USD | 670 | \$ 616,400 |
| First Data Corp. (c): | | | |
| 7.38%, 6/15/19 | | 800 | 752,000 |
| 8.88%, 8/15/20 | | 495 | 490,050 |
| 12.63%, 1/15/21 | | 1,938 | 1,831,410 |
| SunGard Data Systems, Inc.: | | | |
| 7.38%, 11/15/18 | | 540 | 514,350 |
| 7.63%, 11/15/20 | | 550 | 525,250 |
| | | | 4,729,460 |
| Independent Power Producers & Energy Traders 2.8% | | | |
| AES Corp., 7.38%, 7/01/21 (c) | | 785 | 792,850 |
| Calpine Corp. (c): | | | |
| 7.50%, 2/15/21 | | 180 | 181,800 |
| 7.88%, 1/15/23 | | 585 | 596,700 |
| Energy Future Holdings Corp., 10.00%, 1/15/20 | | 3,115 | 3,127,058 |
| Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20 | | 161 | 162,428 |
| NRG Energy, Inc., 7.63%, 1/15/18 (c) | | 1,995 | 1,975,050 |
| | | | 6,835,886 |
| Industrial Conglomerates 2.7% | | | |
| Alba Group Plc & Co., KG, 8.00%, 5/15/18 (c) | EUR | 107 | 149,863 |
| Sequa Corp. (c): | | | |
| 11.75%, 12/01/15 | USD | 2,190 | 2,277,600 |
| 13.50%, 12/01/15 | | 3,759 | 3,984,277 |
| | | | 6,411,740 |
| Insurance 1.3% | | | |
| Alliant Holdings I, Inc., 11.00%, 5/01/15 (c) | | 1,600 | 1,640,000 |
| CNO Financial Group, Inc., 9.00%, 1/15/18 (c) | | 339 | 352,560 |
| Genworth Financial, Inc., 7.63%, 9/24/21 | | 390 | 346,136 |
| MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (c) | | 235 | 225,600 |
| USI Holdings Corp., 4.16%, 11/15/14 (c)(h) | | 630 | 563,850 |
| | | | 3,128,146 |
| Machinery 1.3% | | | |
| AGY Holding Corp., 11.00%, 11/15/14 | | 900 | 788,625 |
| Navistar International Corp.: | | | |
| 3.00%, 10/15/14 (f) | | 1,810 | 1,997,788 |
| 8.25%, 11/01/21 | | 140 | 144,900 |
| Oshkosh Corp., 8.25%, 3/01/17 | | 30 | 30,825 |
| SPX Corp., 6.88%, 9/01/17 | | 160 | 166,800 |
| | | | 3,128,938 |
| Media 14.6% | | | |
| AMC Entertainment, Inc., 9.75%, 12/01/20 | | 160 | 154,400 |
| AMC Networks, Inc., 7.75%, 7/15/21 (c) | | 205 | 212,175 |
| Affinion Group, Inc., 7.88%, 12/15/18 (c) | | 745 | 659,325 |
| CCH II LLC, 13.50%, 11/30/16 | | 2,982 | 3,444,630 |
| CCO Holdings LLC: | | | |
| 7.25%, 10/30/17 | | 40 | 41,250 |
| 7.88%, 4/30/18 | | 100 | 104,000 |
| 6.50%, 4/30/21 | | 721 | 704,777 |
| CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(h) | | 150 | 142,500 |
| CSC Holdings, Inc., 8.50%, 4/15/14 | | 370 | 400,525 |

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| | | |
|--|-------|-----------|
| Catalina Marketing Corp., 10.50%, 10/01/15 (c)(e) | 555 | 555,000 |
| Cengage Learning Acquisitions, Inc., 10.50%, 1/15/15 (c) | 590 | 454,300 |
| Checkout Holding Corp., 10.69%, 11/15/15 (c)(g) | 615 | 362,850 |
| Citadel Broadcasting Corp., 7.75%, 12/15/18 (c) | 355 | 382,513 |
| Clear Channel Communications, Inc., 9.00%, 3/01/21 | 500 | 402,500 |
| Clear Channel Worldwide Holdings, Inc.: | | |
| 9.25%, 12/15/17 | 1,404 | 1,488,240 |
| Series B, 9.25%, 12/15/17 | 5,160 | 5,521,200 |
| Cox Enterprises, Inc.: | | |
| Loan Close 2, 4.00%, 8/15/18 | 630 | 650,077 |
| Loan Close 3, 12.00%, 8/15/18 | 720 | 743,225 |
| Shares Loan, 4.00%, 8/15/18 | 743 | 766,526 |

| Corporate Bonds | Par (000) | Value |
|--|--------------|------------|
| Media (concluded) | | |
| Cumulus Media, Inc., 7.75%, 5/01/19 (c) | USD 120 | \$ 105,300 |
| DISH DBS Corp., 7.00%, 10/01/13 | 90 | 94,388 |
| Gray Television, Inc., 10.50%, 6/29/15 | 900 | 868,500 |
| Harland Clarke Holdings Corp.: | | |
| 6.00%, 5/15/15 (h) | 330 | 245,850 |
| 9.50%, 5/15/15 | 290 | 236,350 |
| Intelsat Luxemburg SA: | | |
| 11.25%, 6/15/16 | 1,010 | 1,055,450 |
| 11.25%, 2/04/17 | 320 | 310,400 |
| 11.50%, 2/04/17 (e) | 360 | 349,650 |
| 11.50%, 2/04/17 (c)(e) | 820 | 796,425 |
| Interactive Data Corp., 10.25%, 8/01/18 (c) | 945 | 1,001,700 |
| The Interpublic Group of Cos., Inc., | | |
| 10.00%, 7/15/17 | 315 | 362,250 |
| Kabel BW Erste Beteiligungs GmbH, 7.50%, | | |
| 3/15/19 (c) | EUR 613 | 862,964 |
| Kabel Deutschland Vertrieb und Service GmbH | | |
| & Co. KG, 6.50%, 6/29/18 (c) | 315 | 443,041 |
| Live Nation Entertainment, Inc., 8.13%, | | |
| 5/15/18 (c) | USD 675 | 649,688 |
| Musketeer GmbH, 9.50%, 3/15/21 | EUR 385 | 553,053 |
| NAI Entertainment Holdings LLC, 8.25%, | | |
| 12/15/17 (c) | USD 570 | 575,700 |
| Nielsen Finance LLC: | | |
| 11.63%, 2/01/14 | 45 | 50,963 |
| 7.75%, 10/15/18 | 2,085 | 2,152,762 |
| Odeon & UCI Finco Plc, 9.00%, 8/01/18 (c) | GBP 189 | 280,725 |
| ProQuest LLC, 9.00%, 10/15/18 (c) | USD 460 | 450,800 |
| ProtoStar I Ltd., 18.00%, 10/15/12 (a)(c)(i) | 812 | 406 |
| Regal Entertainment Group, 9.13%, 8/15/18 | 305 | 308,050 |
| UPC Holding BV, 9.88%, 4/15/18 (c) | 500 | 522,500 |
| UPCB Finance II Ltd., 6.38%, 7/01/20 (c) | EUR 753 | 962,700 |
| Unitymedia GmbH: | | |
| 9.63%, 12/01/19 | 158 | 228,669 |
| 9.63%, 12/01/19 (c) | 530 | 767,056 |
| Unitymedia Hessen GmbH & Co. KG (FKA UPC | | |
| Germany GmbH) (c): | | |
| 8.13%, 12/01/17 | 407 | 587,579 |
| 8.13%, 12/01/17 | USD 540 | 550,800 |
| Virgin Media Secured Finance Plc, 7.00%, 1/15/18 | GBP 537 | 902,222 |
| Ziggo Bond Co. BV, 8.00%, 5/15/18 (c) | EUR 343 | 482,865 |
| Ziggo Finance BV, 6.13%, 11/15/17 (c) | 735 | 1,029,432 |
| | | 34,978,251 |

Metals & Mining 4.2%

Drummond Co., Inc.:

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| | | | |
|---|-----|-------|------------|
| 9.00%, 10/15/14 (c) | USD | 245 | 250,513 |
| 7.38%, 2/15/16 | | 190 | 192,850 |
| FMG Resources August 2006 Property Ltd., 7.00%, 11/01/15 (c) | | 1,140 | 1,137,150 |
| Goldcorp, Inc., 2.00%, 8/01/14 (f) | | 970 | 1,276,763 |
| JMC Steel Group, 8.25%, 3/15/18 (c) | | 185 | 180,838 |
| James River Escrow, Inc., 7.88%, 4/01/19 (c) | | 200 | 181,000 |
| New World Resources NV, 7.88%, 5/01/18 | EUR | 627 | 860,155 |
| Newmont Mining Corp., Series A, 1.25%, 7/15/14 (f) | USD | 1,345 | 1,953,612 |
| Novelis, Inc., 8.75%, 12/15/20 (c) | | 3,235 | 3,404,837 |
| Taseko Mines Ltd., 7.75%, 4/15/19 | | 300 | 284,250 |
| Vedanta Resources PLC, 8.25%, 6/07/21 (c) | | 245 | 233,975 |
| Vulcan Materials Co., 7.50%, 6/15/21 | | 151 | 148,722 |
| | | | 10,104,665 |
| Multiline Retail 1.8% | | | |
| Dollar General Corp., 11.88%, 7/15/17 (e) | | 4,007 | 4,437,753 |
| Oil, Gas & Consumable Fuels 9.7% | | | |
| Alpha Natural Resources, Inc.: | | | |
| 6.00%, 6/01/19 | | 285 | 278,588 |
| 6.25%, 6/01/21 | | 920 | 900,450 |

See Notes to Financial Statements.

Schedule of Investments (continued)

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

| | Par (000) | Value |
|--|--------------|------------|
| Corporate Bonds | | |
| Oil, Gas & Consumable Fuels (concluded) | | |
| Arch Coal, Inc.: | | |
| 7.25%, 10/01/20 | USD 310 | \$ 305,350 |
| 7.25%, 6/15/21 (c) | 785 | 773,225 |
| Berry Petroleum Co., 8.25%, 11/01/16 | 470 | 485,275 |
| Bill Barrett Corp., 9.88%, 7/15/16 | 40 | 43,900 |
| Carrizo Oil & Gas, Inc., 8.63%, 10/15/18 (c) | 120 | 122,400 |
| Chesapeake Energy Corp.: | | |
| 6.63%, 8/15/20 | 876 | 915,420 |
| 6.13%, 2/15/21 | 505 | 512,575 |
| 2.25%, 12/15/38 (f) | 775 | 689,750 |
| Coffeyville Resources LLC, 9.00%, 4/01/15 (c) | 243 | 257,580 |
| Concho Resources, Inc., 7.00%, 1/15/21 | 375 | 384,375 |
| Connacher Oil and Gas Ltd., 8.50%, 8/01/19 (c) | 310 | 251,100 |
| Consol Energy, Inc., 8.25%, 4/01/20 | 1,800 | 1,935,000 |
| Continental Resources, Inc., 7.13%, 4/01/21 | 340 | 350,200 |
| Copano Energy LLC, 7.13%, 4/01/21 | 305 | 303,475 |
| Crosstex Energy LP, 8.88%, 2/15/18 | 165 | 170,775 |
| Denbury Resources, Inc.: | | |
| 8.25%, 2/15/20 | 652 | 687,045 |
| 6.38%, 8/15/21 | 320 | 313,600 |
| EV Energy Partners LP, 8.00%, 4/15/19 (c) | 140 | 137,200 |
| Energy XXI Gulf Coast, Inc. (c): | | |
| 9.25%, 12/15/17 | 390 | 399,750 |
| 7.75%, 6/15/19 | 815 | 766,100 |
| Forbes Energy Services Ltd., 9.00%, 6/15/19 (c) | 335 | 319,088 |
| Hilcorp Energy I LP, 7.63%, 4/15/21 (c) | 710 | 717,100 |
| Linn Energy LLC (c): | | |
| 6.50%, 5/15/19 | 230 | 219,650 |
| 8.63%, 4/15/20 | 1,005 | 1,075,350 |
| 7.75%, 2/01/21 | 395 | 402,900 |
| MarkWest Energy Partners LP, 6.75%, 11/01/20 | 120 | 123,000 |
| Niska Gas Storage US LLC, 8.88%, 3/15/18 (c) | 1,705 | 1,722,050 |
| OGX Petroleo e Gas Participações SA, 8.50%, 6/01/18 (c) | 3,625 | 3,634,062 |
| Oasis Petroleum, Inc., 7.25%, 2/01/19 (c) | 300 | 294,000 |
| Petrohawk Energy Corp.: | | |
| 10.50%, 8/01/14 | 350 | 395,500 |
| 7.88%, 6/01/15 | 450 | 486,000 |
| 7.25%, 8/15/18 | 290 | 338,212 |
| Pioneer Natural Resources Co., 6.88%, 5/01/18 | 95 | 102,901 |
| Precision Drilling Corp., 6.50%, 12/15/21 (c) | 275 | 275,000 |
| Range Resources Corp.: | | |
| 8.00%, 5/15/19 | 400 | 435,000 |
| 5.75%, 6/01/21 | 310 | 311,550 |
| SM Energy Co., 6.63%, 2/15/19 (c) | 260 | 260,000 |
| SandRidge Energy, Inc., 7.50%, 3/15/21 (c) | 835 | 814,125 |
| Teekay Corp., 8.50%, 1/15/20 | 510 | 495,975 |
| | | 23,404,596 |
| Paper & Forest Products 2.5% | | |
| Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(e) | 354 | 247,611 |
| Boise Paper Holdings LLC: | | |
| 9.00%, 11/01/17 | 115 | 122,188 |

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| | | |
|---|-------|-----------|
| 8.00%, 4/01/20 | 140 | 143,150 |
| Clearwater Paper Corp.: | | |
| 10.63%, 6/15/16 | 370 | 405,150 |
| 7.13%, 11/01/18 (c) | 535 | 537,675 |
| Georgia-Pacific LLC, 8.25%, 5/01/16 (c) | 1,525 | 1,741,562 |
| Longview Fibre Paper & Packaging, Inc., 8.00%, 6/01/16 (c) | 315 | 311,850 |
| NewPage Corp., 11.38%, 12/31/14 (i) | 1,935 | 1,702,800 |
| Sappi Papier Holding GmbH, 6.63%, 4/15/21 (c) | 120 | 106,800 |
| Verso Paper Holdings LLC, 11.50%, 7/01/14 | 707 | 749,420 |
| | | 6,068,206 |

| | Par (000) | Value |
|--|--------------|------------|
| Corporate Bonds | | |
| Pharmaceuticals 0.5% | | |
| Capsugel Finance Co. SCA, 9.88%, 8/01/19 (c) | EUR 200 | \$ 275,808 |
| Endo Pharmaceuticals Holdings, Inc., 7.00%, 7/15/19 (c) | USD 170 | 172,125 |
| Valeant Pharmaceuticals International, 6.50%, 7/15/16 (c) | 780 | 741,000 |
| | | 1,188,933 |
| Professional Services 0.3% | | |
| FTI Consulting, Inc., 6.75%, 10/01/20 (c) | 850 | 838,313 |
| Real Estate Investment Trusts (REITs) 1.3% | | |
| FelCor Lodging LP, 6.75%, 6/01/19 (c) | 1,285 | 1,207,900 |
| iStar Financial, Inc., 5.65%, 9/15/11 | 1,500 | 1,488,750 |
| The Rouse Co. LP, 6.75%, 11/09/15 | 480 | 486,000 |
| | | 3,182,650 |
| Real Estate Management & Development 2.2% | | |
| CB Richard Ellis Services, Inc., 6.63%, 10/15/20 | 310 | 303,025 |
| Forest City Enterprises, Inc., 7.63%, 6/01/15 | 1,325 | 1,275,313 |
| Realogy Corp. (c): | | |
| 11.50%, 4/15/17 (h) | 910 | 723,450 |
| 12.00%, 4/15/17 | 90 | 72,000 |
| 7.88%, 2/15/19 | 2,400 | 1,992,000 |
| Shea Homes LP, 8.63%, 5/15/19 (c) | 1,025 | 866,125 |
| | | 5,231,913 |
| Road & Rail 2.0% | | |
| Avis Budget Car Rental LLC: | | |
| 9.63%, 3/15/18 | 475 | 485,688 |
| 8.25%, 1/15/19 | 710 | 686,925 |
| Florida East Coast Railway Corp., 8.13%, 2/01/17 (c) | 410 | 407,950 |
| The Hertz Corp. (c): | | |
| 7.50%, 10/15/18 | 595 | 583,100 |
| 6.75%, 4/15/19 | 410 | 382,325 |
| 7.38%, 1/15/21 | 455 | 434,525 |
| Hertz Holdings Netherlands BV: | | |
| 8.50%, 7/31/15 | EUR 100 | 140,777 |
| 8.50%, 7/31/15 (c) | 1,225 | 1,724,519 |
| | | 4,845,809 |
| Semiconductors & Semiconductor Equipment 0.2% | | |
| Spansion LLC, 7.88%, 11/15/17 (c) | USD 540 | 540,000 |
| Specialty Retail 2.2% | | |
| Asbury Automotive Group, Inc., 8.38%, 11/15/20 | 335 | 329,138 |
| Hillman Group, Inc., 10.88%, 6/01/18 | 490 | 494,900 |
| House of Fraser Plc., 8.88%, 8/15/18 (c) | GBP 259 | 357,378 |
| Limited Brands, Inc., 8.50%, 6/15/19 | USD 745 | 839,056 |
| Phones4u Finance Plc, 9.50%, 4/01/18 (c) | GBP 370 | 462,478 |
| QVC, Inc. (c): | | |
| 7.13%, 4/15/17 | USD 210 | 219,450 |

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| | | |
|---|-------|-----------|
| 7.50%, 10/01/19 | 565 | 608,787 |
| 7.38%, 10/15/20 | 195 | 209,625 |
| Sonic Automotive, Inc., 9.00%, 3/15/18 | 345 | 350,175 |
| Toys R US-Delaware, Inc., 7.38%, 9/01/16 (c) | 390 | 378,300 |
| United Auto Group, Inc., 7.75%, 12/15/16 | 950 | 961,875 |
| | | 5,211,162 |
| Transportation Infrastructure 0.2% | | |
| Aguila 3 SA, 7.88%, 1/31/18 (c) | 398 | 374,120 |
| Wireless Telecommunication Services 3.6% | | |
| Cricket Communications, Inc.: | | |
| 10.00%, 7/15/15 | 715 | 739,131 |
| 7.75%, 5/15/16 | 306 | 309,825 |
| Digicel Group Ltd. (c): | | |
| 8.88%, 1/15/15 | 635 | 635,000 |
| 9.13%, 1/15/15 | 1,711 | 1,710,632 |
| 8.25%, 9/01/17 | 1,135 | 1,135,000 |
| 10.50%, 4/15/18 | 500 | 530,000 |

See Notes to Financial Statements.

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AUGUST 31, 2011

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Schedule of Investments (continued)

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

| | Par (000) | Value |
|--|--------------|--------------------|
| Corporate Bonds | | |
| Wireless Telecommunication Services (concluded) | | |
| FiberTower Corp., 9.00%, 1/01/16 (e) | USD 311 | \$ 193,552 |
| Intelsat Jackson Holdings SA, 7.50%, 4/01/21 (c) | 140 | 135,450 |
| iPCS, Inc., 2.38%, 5/01/13 (h) | 760 | 704,900 |
| MetroPCS Wireless, Inc.: | | |
| 7.88%, 9/01/18 | 340 | 344,675 |
| 6.63%, 11/15/20 | 850 | 794,750 |
| NII Capital Corp., 7.63%, 4/01/21 | 344 | 350,880 |
| Sprint Capital Corp., 6.88%, 11/15/28 | 1,210 | 1,082,950 |
| | | 8,666,745 |
| Total Corporate Bonds 103.0% | | 247,450,167 |
| Floating Rate Loan Interests (h) | | |
| Airlines 0.3% | | |
| Delta Air Lines, Inc., Credit New Term Loan B, 5.50%, 4/20/17 | 675 | 622,127 |
| Building Products 0.2% | | |
| Goodman Global, Inc., Term Loan (Second Lien), 9.00%, 10/30/17 | 500 | 502,500 |
| Capital Markets 0.1% | | |
| Marsico Parent Co., LLC, Term Loan, 5.25%, 12/15/14 | 369 | 206,424 |
| Chemicals 0.1% | | |
| PQ Corp. (FKA Niagara Acquisition, Inc.), Original Term Loan Facility (First Lien), 3.48% 3.51%, 7/30/14 | 313 | 285,907 |
| Construction & Engineering 0.7% | | |
| Safway Services, LLC, Last Out Term Loan, 7.25%, 12/18/17 | 1,750 | 1,750,000 |
| Consumer Finance 1.5% | | |
| Springleaf Financial Funding Co. (FKA AGFS Funding Co.), Term Loan, 5.50%, 5/10/17 | 4,000 | 3,705,000 |
| Diversified Consumer Services 0.0% | | |
| ServiceMaster Co.: | | |
| Closing Date Term Loan, 2.69% 2.76%, 7/24/14 | 77 | 71,408 |
| Delayed Draw Term Loan, 2.72%, 7/24/14 | 8 | 7,111 |
| | | 78,519 |
| Diversified Telecommunication Services 0.2% | | |
| Level 3 Financing, Inc., Incremental Tranche A Term Loan, 2.50%, 3/13/14 | 475 | 438,900 |
| Electronic Equipment, Instruments & Components 0.0% | | |
| CDW LLC (FKA CDW Corp.), Non-Extended Term Loan, 3.71%, 10/10/14 | 110 | 103,400 |
| Energy Equipment & Services 0.6% | | |
| Dynegy Holdings, Inc.: | | |
| Coal Company Term Loan, 9.25%, 8/04/16 | 530 | 519,661 |
| Gas Company Term Loan, 9.25%, 8/04/16 | 970 | 951,079 |
| | | 1,470,740 |

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| Health Care Providers & Services 0.7% | | |
|---|-----|-----------|
| Harden Healthcare, Inc.: | | |
| Tranche A Additional Term Loan, 7.75%, 3/02/15 | 435 | 425,844 |
| Tranche A Term Loan, 8.50%, 3/02/15 | 381 | 373,039 |
| inVentiv Health, Inc. (FKA Ventive Health, Inc.), Term Loan B, 6.50%, 8/04/16 | 801 | 755,846 |
| | | 1,554,729 |

| | Par (000) | Value |
|--|--------------|------------|
| Floating Rate Loan Interests (h) | | |
| Hotels, Restaurants & Leisure 0.4% | | |
| Caesars Entertainment Operating Co., Inc., Term Loan B-3, 3.25%, 1/28/15 | USD 341 | \$ 293,899 |
| Travelport LLC, (FKA Travelport, Inc.), Term Loan, 8.29%, 3/27/12 | 1,251 | 689,203 |
| | | 983,102 |

| | | |
|---|-------|-----------|
| Independent Power Producers & Energy Traders 0.9% | | |
| Texas Competitive Electric Holdings Co., LLC (TXU), Extended Term Loan, 4.71% 4.77%, 10/10/17 | 2,926 | 2,148,176 |

| | | |
|---|-------|-----------|
| Media 3.8% | | |
| Cengage Learning Acquisitions, Inc. (FKA Thomson Learning), Tranche 1 Incremental Term Loan, 7.50%, 7/03/14 | 1,455 | 1,389,525 |
| HMH Publishing Co., Ltd., Tranche A Term Loan, 6.21%, 6/12/14 | 862 | 692,815 |
| Intelsat Jackson Holdings SA (FKA Intelsat Jackson Holdings, Ltd.), Tranche B Term Loan, 5.25%, 4/02/18 | 5,985 | 5,730,637 |
| Newsday LLC, Fixed Rate Term Loan, 10.50%, 8/01/13 | 1,375 | 1,419,688 |
| | | 9,232,665 |

| | | |
|--|-----------|-----------|
| Multiline Retail 0.6% | | |
| Hema Holding BV, Mezzanine, 9.93%, 7/05/17 | EUR 1,097 | 1,407,026 |

| | | |
|--|-----------|-----------|
| Oil, Gas & Consumable Fuels 0.8% | | |
| Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15 | USD 1,829 | 1,810,296 |

| | | |
|---|-------|-----------|
| Paper & Forest Products 0.5% | | |
| Verso Paper Finance Holdings LLC, Term Loan, 6.51% 7.26%, 2/01/13 (e) | 1,326 | 1,140,343 |

| | | |
|---|-------|-----------|
| Real Estate Investment Trusts (REITs) 0.6% | | |
| iStar Financial, Inc., Term Loan, (Second Lien), 5.00%, 6/28/13 | 1,383 | 1,344,124 |

| | | |
|---|-----|---------|
| Real Estate Management & Development 0.3% | | |
| Realogy Corp.: | | |
| Extended Synthetic Letter of Credit Loan, 4.44%, 10/10/16 | 124 | 101,911 |
| Extended Term Loan B, 4.52%, 10/10/16 | 689 | 566,955 |
| | | 668,866 |

| | | |
|--|-----|------------|
| Specialty Retail 0.0% | | |
| Claire s Stores, Inc., Term Loan B, 3.00%, 5/29/14 | 109 | 94,562 |
| Total Floating Rate Loan Interests 12.3% | | 29,547,406 |

| | Beneficial Interest (000) | |
|---|---------------------------------|-----------|
| Other Interests (k) | | |
| Auto Components 2.6% | | |
| Delphi Debtor-in-Possession Holding Co. LLP, Class B Membership Interests (a) | (l) | 6,247,969 |
| Energy Equipment & Services 0.6% | | |

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| | | |
|---|-----|-----------|
| BLK COY (Luxembourg) Investments, S.a.r.l. (Laricina Energy Ltd.) (a)(m) | 35 | 1,549,759 |
| Media 0.0% | | |
| Adelphia Escrow (a) | 700 | 7 |
| Adelphia Recovery Trust (a) | 878 | 88 |
| | | 95 |
| Total Other Interests 3.2% | | 7,797,823 |

See Notes to Financial Statements.

Schedule of Investments (continued)

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

Preferred Securities

| Capital Trusts | Par (000) | Value |
|---|--------------|------------|
| Insurance 0.2% | | |
| Genworth Financial, Inc., 6.15%, 11/15/66 (h) | USD 790 | \$ 474,000 |
| Total Capital Trusts 0.2% | | 474,000 |

| Preferred Stocks | Shares | |
|--|--------|-----------|
| Auto Components 0.3% | | |
| Dana Holding Corp., 4.00% (c)(f) | 6,380 | 718,547 |
| Diversified Financial Services 0.9% | | |
| Ally Financial, Inc., 7.00% (c) | 2,883 | 2,193,693 |
| Media 0.2% | | |
| CMP Susquehanna Radio Holdings Corp., 0.00% (a)(c)(h) | 34,982 | 297,347 |
| Total Preferred Stocks 1.4% | | 3,209,587 |

| Trust Preferreds | | |
|--|--------|-----------|
| Diversified Financial Services 0.7% | | |
| GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (h) | 80,890 | 1,727,002 |
| Total Trust Preferreds 0.7% | | 1,727,002 |
| Total Preferred Securities 2.3% | | 5,410,589 |

| Warrants (n) | | |
|--|--------|-------------|
| Health Care Providers & Services 0.0% | | |
| HealthSouth Corp. (Expires 1/16/14) | 29,930 | |
| Media 0.1% | | |
| Cumulus Media, Inc. (Expires 3/26/19) | 88,351 | 225,781 |
| New Vision Holdings LLC (Expires 9/30/14) | 14,965 | 150 |
| | | 225,931 |
| 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 0.1% | | 225,934 |
| Total Long-Term Investments | | |
| (Cost \$309,796,735) 124.8% | | 299,702,026 |

| Short-Term Securities | | |
|---|-----------|-----------|
| BlackRock Liquidity Funds, TempCash, Institutional Class, 0.11% (o)(p) | 1,965,816 | 1,965,816 |
| Total Short-Term Securities | | |
| (Cost \$1,965,816) 0.8% | | 1,965,816 |

| Options Purchased | Contracts | Value |
|--|-----------|----------|
| Exchange-Traded Call Options 0.0% | 412 | \$ 5,356 |
| E*Trade Financial Corp., Strike Price USD 20.00, Expires 10/22/11 | 412 | \$ 5,356 |
| Exchange-Traded Put Options 0.0% | | |

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| | | |
|---|--------------------------------------|-------------|
| SPDR S&P 500 ETF Trust, Strike Price USD 120.00, Expires 9/17/11 | 131 | 29,478 |
| 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 | 17 | |
| | Notional Amount (000) | |
| Over-the-Counter Call Swaptions 0.1% | | |
| Receive a return based on return of Dow Jones CDX North America High Yield Index Series 16 and pay a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Deutsche Bank Securities Inc. | \$ 10,000 | 100,351 |
| Total Options Purchased (Cost \$244,707) 0.1% | | 135,185 |
| Total Investments Before Options Written (Cost \$312,007,258*) 125.7% | | 301,803,027 |
| Options Written | Contracts | |
| Exchange-Traded Put Options (0.0%) E*Trade Financial Corp., Strike Price USD 13.00, Expires 10/22/11 | 412 | (84,460) |
| | Notional Amount (000) | |
| Over-the-Counter Call Swaptions (0.1%) | | |
| Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International | USD 10,650 | (2,084) |
| Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International | 4,000 | (181,742) |
| | | (183,826) |
| Over-the-Counter Put Swaptions (0.3%) | | |
| Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International | 2,775 | (90,853) |
| Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International | 4,000 | (130,653) |

See Notes to Financial Statements.

Schedule of Investments (continued)

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

| | Notional Amount (000) | Value |
|---|-----------------------------|----------------|
| Options Written | | |
| Over-the-Counter Put Swaptions (concluded) | | |
| Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Morgan Stanley Capital Services | USD 10,000 | \$ (388,255) |
| | | (609,761) |
| Total Options Written | | |
| (Premiums Received \$601,636) (0.4)% | | (878,047) |
| Total Investments, Net of Options Written 125.3% | | 300,924,980 |
| Liabilities in Excess of Other Assets (25.3)% | | (60,682,896) |
| Net Assets 100.0% | | \$ 240,242,084 |

* The cost and unrealized appreciation (depreciation) of investments as of August 31, 2011, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|-----------------|
| Aggregate cost | \$ 313,099,853 |
| Gross unrealized appreciation | \$ 11,308,144 |
| Gross unrealized depreciation | (22,600,970) |
| Net unrealized depreciation | \$ (11,292,826) |

- (a) Non-income producing security.
- (b) Restricted security as to resale. As of report date the Fund held less than 0.1% of its net assets, with a current market value of \$3,851 and an original cost of \$277, in this security.
- (c) 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.
- (d) 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) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
- (f) Convertible security.
- (g) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (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 or private entities.

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- (l) Amount is less than \$500.
- (m) The investment is held by a wholly owned subsidiary of the Fund.
- (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 period, 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 August 31, 2011 | Income |
|--|--|-----------------|--------------------------------------|----------|
| BlackRock Liquidity Funds, TempCash, Institutional Class | 1,721,866 | 243,950 | 1,965,816 | \$ 1,031 |

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

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. These definitions may not apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

Financial futures contracts sold as of August 31, 2011 were as follows:

| Contracts | Issue | Exchange | Expiration | Notional Value | Unrealized Depreciation |
|-----------|------------------------|-----------------------|-------------------|-------------------|----------------------------|
| 347 | S&P 500 Index Emini | Chicago Mercantile | September 2011 | \$ 19,749,027 | \$ (1,378,068) |

Foreign currency exchange contracts as of August 31, 2011 were as follows:

| Currency Purchased | Currency Sold | Counterparty | Settlement Date | Unrealized Appreciation (Depreciation) |
|-----------------------|------------------|---|--------------------|--|
| EUR 293,000 | USD 421,255 | Royal Bank of Scotland | 9/02/11 | \$ (360) |
| USD 192,154 | CAD 190,000 | Citibank NA | 10/07/11 | (1,700) |
| USD 3,596,799 | GBP 2,251,000 | Royal Bank of Scotland | 10/07/11 | (55,827) |
| USD 20,237,444 | EUR 14,117,000 | Citibank NA | 10/26/11 | (28,322) |
| USD 760,967 | EUR 530,000 | Deutsche Bank AG | 10/26/11 | 121 |
| USD 45,787 | EUR 32,000 | Morgan Stanley Capital Services, Inc. | 10/26/11 | (151) |
| USD 420,982 | EUR 293,000 | Royal Bank of Scotland | 10/26/11 | 363 |
| USD 199,829 | EUR 140,000 | UBS AG | 10/26/11 | (1,149) |
| Total | | | | \$ (87,025) |

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Credit default swaps on single-name issues buy protection outstanding as of August 31, 2011 were as follows:

| Issuer | Pay Fixed Rate | Counterparty | Expiration Date | Notional Amount (000) | Unrealized Appreciation (Depreciation) |
|--------------------------|----------------------|---|--------------------|-----------------------------|--|
| iStar Financial, Inc. | 5.00% | Morgan Stanley Capital Services, Inc. | 9/20/11 | \$ 750 | \$ (2,347) |
| iStar Financial, Inc. | 5.00% | Morgan Stanley Capital Services, Inc. | 9/20/11 | \$ 750 | (2,436) |
| Republic of Hungary | 1.00% | Deutsche Bank AG | 12/20/15 | \$ 280 | 5,918 |
| Israel (State of) | 1.00% | Deutsche Bank AG | 3/20/16 | \$ 625 | (6,428) |
| Beazer Homes USA Inc. | 5.00% | Credit Suisse Securities (USA) LLC | 9/20/16 | \$ 125 | (5,472) |
| Beazer Homes USA Inc. | 5.00% | Goldman Sachs & Co. | 9/20/16 | \$ 175 | 11,459 |
| Realogy Corp | 5.00% | Goldman Sachs & Co. | 9/20/16 | \$ 125 | (9,218) |
| iStar Financial, Inc. | 5.00% | Deutsche Bank AG | 12/20/16 | \$ 250 | (20,392) |
| Total | | | | | \$ (28,916) |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (COY)

Credit default swaps on traded indexes buy protection outstanding as of August 31, 2011 were as follows:

| Index | Pay Fixed Rate | Counterparty | Expiration Date | Notional Amount (000) | Unrealized Appreciation (Depreciation) |
|--|----------------|------------------------------------|-----------------|-----------------------|--|
| Dow Jones CDX North America High Yield Index Series 16 | 5.00% | Credit Suisse Securities (USA) LLC | 6/20/16 | \$ 2,100 | |

Credit default swaps on single-name issues sold protection outstanding as of August 31, 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 | B+ | \$ 250 | \$ 1,583 |
| ARAMARK Corp. | 5.00% | Goldman Sachs International | 3/20/16 | B | \$ 500 | (14,585) |
| ARAMARK Corp. | 5.00% | Goldman Sachs International | 6/20/16 | B | \$ 300 | (9,383) |
| ARAMARK Corp. | 5.00% | Goldman Sachs International | 6/20/16 | B | \$ 300 | (11,486) |
| ARAMARK Corp. | 5.00% | Goldman Sachs International | 9/20/16 | B | \$ 350 | (15,369) |
| Total | | | | | | \$ (49,240) |

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

Interest rate swaps outstanding as of August 31, 2011 were as follows:

| Fixed Rate | Floating Rate | Counterparty | Expiration Date | Notional Amount (000) | Unrealized Appreciation |
|----------------------|---------------|------------------|-----------------|-----------------------|-------------------------|
| 3.12% ^(a) | 3-month LIBOR | Deutsche Bank AG | 8/02/21 | \$ 1,320 | \$ 11,812 |
| 3.09% ^(a) | 3-month LIBOR | Deutsche Bank AG | 8/03/21 | \$ 1,330 | 10,135 |

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| | | | | | | |
|----------------------|---------------|------------------------------------|---------|----|-------|--------|
| 3.15% ^(a) | 3-month LIBOR | Credit Suisse Securities (USA) LLC | 8/11/21 | \$ | 1,340 | 13,759 |
| 3.11% ^(a) | 3-month LIBOR | Deutsche Bank AG | 8/11/21 | \$ | 1,340 | 11,386 |
| Total | | | | | \$ | 47,092 |

(a) Pays a fixed interest rate and receives floating rate.

Fair Value Measurements Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs are categorized 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 derivative financial instruments)

The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and does not necessarily correspond to the Fund's perceived risk of investing in those securities. For information about the Fund's policy regarding valuation of investments and derivative financial instruments 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 August 31, 2011 in determining the fair valuation of the Fund's investments and derivative financial instruments:

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|------------------------|---------------|----------------|---------------|----------------|
| Assets: | | | | |
| Investments: | | | | |
| Long-Term Investments: | | | | |
| Common Stocks | \$ 7,032,920 | \$ 85,137 | \$ 2,152,050 | \$ 9,270,107 |
| Corporate Bonds | | 242,319,052 | 5,131,115 | 247,450,167 |
| Floating Rate | | | | |
| Loan Interests | | 23,768,539 | 5,778,867 | 29,547,406 |
| Other Interests | 88 | 6,247,969 | 1,549,766 | 7,797,823 |
| Preferred Securities | | | | |
| | 1,727,002 | 3,386,240 | 297,347 | 5,410,589 |
| Warrants | | | | |
| | | | 225,934 | 225,934 |
| Short-Term Securities | | | | |
| | 1,965,816 | | | 1,965,816 |
| Total | \$ 10,725,826 | \$ 275,806,937 | \$ 15,135,079 | \$ 301,667,842 |

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|---|-----------|-----------|---------|-----------|
| Derivative Financial Instruments¹ | | | | |
| Assets: | | | | |
| Credit contracts | | \$ 18,960 | | \$ 18,960 |
| Equity contracts | \$ 34,834 | 100,351 | | 135,185 |
| Foreign currency exchange contracts | | | | |
| | | 484 | | 484 |
| Interest rate contracts | | | | |
| | | 47,092 | | 47,092 |

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| Liabilities: | | | |
|-------------------------------------|-----------------------|---------------------|-----------------------|
| Credit contracts | | (97,116) | (97,116) |
| Equity contracts | (1,462,528) | (793,587) | (2,256,115) |
| Foreign currency exchange contracts | | (87,509) | (87,509) |
| Total | \$ (1,427,694) | \$ (811,325) | \$ (2,239,019) |

- ¹ Derivative financial instruments are swaps, financial futures contracts, foreign currency exchange contracts and options. Swaps, financial futures contracts, and foreign currency exchange contracts are valued 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, 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 | Preferred Stocks | Warrants | Unfunded Loan Commitments | Total |
|--|---------------------|---------------------|------------------------------------|---------------------|---------------------|-------------------|---------------------------------|----------------------|
| Assets/Liabilities: | | | | | | | | |
| Balance, as of February 28, 2011 | \$ 412,146 | \$ 5,083,048 | \$ 6,878,236 | \$ 7 | | \$ 154 | \$ (11,592) | \$ 12,361,999 |
| Accrued discounts/premiums | | 12,301 | 1,296 | | | | | 13,597 |
| Net realized gain (loss) | | 6,528 | 3,965 | | | | | 10,493 |
| Net change in unrealized appreciation/depreciation ² | (2,000,339) | 624,595 | 1,156,020 | (27,393) | \$ 297,347 | 225,780 | 11,592 | 287,602 |
| Purchases | 3,740,243 | 47,658 | 5,690 | 1,577,152 | | | | 5,370,743 |
| Sales | | (748,753) | (2,574,160) | | | | | (3,322,913) |
| Transfers in ³ | | 105,738 | 1,461,797 | | | | | 1,567,535 |
| Transfers out ³ | | | (1,153,977) | | | | | (1,153,977) |
| Balance, as of August 31, 2011 | \$ 2,152,050 | \$ 5,131,115 | \$ 5,778,867 | \$ 1,549,766 | \$ 297,347 | \$ 225,934 | | \$ 15,135,079 |

² Included in the related net change in unrealized appreciation/depreciation in the Statements of Operations. The change in unrealized appreciation/depreciation on investments still held on August 31, 2011 was \$(992,367).

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

A reconciliation of Level 3 investments and derivative financial instruments is presented when the Fund had a significant amount of Level 3 investments and derivative financial instruments at the beginning and/or end of the period in relation to net assets.

See Notes to Financial Statements.

Schedule of Investments August 31, 2011 (Unaudited)

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

(Percentages shown are based on Net Assets)

| | Shares | Value |
|--|-------------|------------|
| Common Stocks | | |
| Capital Markets 0.1% | | |
| E*Trade Financial Corp. (a) | 29,600 | \$ 365,856 |
| Chemicals 0.0% | | |
| Wellman Holdings, Inc. | 256 | 832 |
| Wellman, Inc. (acquired 1/30/09, cost \$235) (a)(b) | 1,266 | 4,114 |
| | | 4,946 |
| Communications Equipment 0.4% | | |
| Loral Space & Communications Ltd. (a) | 20,518 | 1,161,114 |
| Diversified Financial Services 0.8% | | |
| Kcad Holdings I Ltd. | 184,016,803 | 2,076,998 |
| Electrical Equipment 0.0% | | |
| Medis Technologies Ltd. (a) | 70,784 | 779 |
| Hotels, Restaurants & Leisure 0.0% | | |
| Buffets Restaurants Holdings, Inc. (a) | 1,099 | 2,747 |
| Media 1.4% | | |
| Belo Corp., Class A | 47,382 | 258,232 |
| Charter Communications, Inc. (a) | 63,805 | 3,182,593 |
| Clear Channel Outdoor Holdings, Inc., Class A (a) | 9,964 | 114,088 |
| | | 3,554,913 |
| Metals & Mining 0.1% | | |
| African Minerals Ltd. (a) | 47,050 | 391,428 |
| Oil, Gas & Consumable Fuels 0.2% | | |
| Marathon Petroleum Corp. | 10,600 | 392,836 |
| Paper & Forest Products 0.3% | | |
| Ainsworth Lumber Co. Ltd. (c) | 140,415 | 286,766 |
| Ainsworth Lumber Co. Ltd. | 122,117 | 249,397 |
| Western Forest Products, Inc. (a) | 158,023 | 106,500 |
| Western Forest Products, Inc. (a)(c) | 45,762 | 30,841 |
| | | 673,504 |
| Semiconductors & Semiconductor Equipment 0.4% | | |
| Spansion, Inc., Class A (a) | 64,237 | 964,198 |
| SunPower Corp., Class B (a) | 271 | 3,211 |
| | | 967,409 |
| Software 0.1% | | |
| Bankruptcy Management Solutions, Inc. (a) | 501 | 2 |
| HMH Holdings/EduMedia (a) | 89,669 | 179,338 |
| | | 179,340 |
| Total Common Stocks 3.8% | | 9,771,870 |

| | Par (000) | |
|---|--------------|-----------|
| Corporate Bonds | | |
| Aerospace & Defense 0.6% | | |
| Huntington Ingalls Industries, Inc. (c): | | |
| 6.88%, 3/15/18 | USD 360 | 338,400 |
| 7.13%, 3/15/21 | 400 | 376,000 |
| Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17 | 756 | 776,790 |
| | | 1,491,190 |
| Air Freight & Logistics 0.5% | | |

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| | | |
|---------------------------------|-----|-----------|
| National Air Cargo Group, Inc.: | | |
| Series 1, 12.38%, 9/02/15 | 679 | 705,964 |
| Series 2, 12.38%, 8/16/15 | 686 | 713,156 |
| | | 1,419,120 |

| | Par (000) | Value |
|--|--------------|------------|
| Corporate Bonds | | |
| Airlines 3.1% | | |
| Air Canada, 9.25%, 8/01/15 (c) | USD 900 | \$ 864,000 |
| American Airlines, Inc.: | | |
| 10.50%, 10/15/12 | 940 | 969,375 |
| 7.50%, 3/15/16 (c) | 140 | 126,700 |
| Series 2001-2, 7.86%, 4/01/13 | 400 | 400,000 |
| Series 2011-1-B, 7.00%, 1/31/18 (c) | 407 | 350,272 |
| Continental Airlines, Inc.: | | |
| 6.75%, 9/15/15 (c) | 630 | 614,250 |
| Series 1997-4-B, 6.90%, 7/02/18 (d) | 396 | 390,128 |
| Series 2010-1-B, 6.00%, 1/12/19 | 500 | 462,500 |
| Delta Air Lines, Inc.: | | |
| Series 2010-1-B, 6.38%, 7/02/17 | 500 | 450,000 |
| Series B, 9.75%, 12/17/16 | 765 | 784,455 |
| US Airways Pass-Through Trust, 10.88%, 10/22/14 | 690 | 672,750 |
| United Air Lines, Inc., 12.75%, 7/15/12 | 2,062 | 2,155,175 |
| | | 8,239,605 |
| Auto Components 2.1% | | |
| Allison Transmission, Inc., 11.00%, 11/01/15 (c) | 230 | 242,075 |
| B-Corp Merger Sub, Inc., 8.25%, 6/01/19 (c) | 210 | 195,300 |
| Delphi Corp., 6.13%, 5/15/21 (c) | 170 | 164,050 |
| Ford Motor Co., 7.45%, 7/16/31 | 730 | 800,352 |
| Icahn Enterprises LP: | | |
| 4.00%, 8/15/13 (c)(e)(f) | 255 | 243,219 |
| 8.00%, 1/15/18 | 3,035 | 3,065,350 |
| International Automotive Components Group, | | |
| SL, 9.13%, 6/01/18 (c) | 260 | 255,450 |
| Titan International, Inc., 7.88%, 10/01/17 | 465 | 488,250 |
| | | 5,454,046 |
| Beverages 0.2% | | |
| Cott Beverages, Inc., 8.13%, 9/01/18 | 264 | 273,240 |
| Crown European Holdings SA, 7.13%, 8/15/18 (c) | EUR 245 | 339,625 |
| | | 612,865 |
| Biotechnology 0.1% | | |
| QHP Pharma, 10.25%, 3/15/15 (c) | USD 335 | 341,135 |
| Building Products 1.3% | | |
| Building Materials Corp. of America (c): | | |
| 7.00%, 2/15/20 | 440 | 440,000 |
| 6.75%, 5/01/21 | 1,260 | 1,206,450 |
| Griffon Corp., 7.13%, 4/01/18 (c) | 430 | 406,350 |
| Momentive Performance Materials, Inc.: | | |
| 11.50%, 12/01/16 | 475 | 470,250 |
| 9.00%, 1/15/21 (c) | 985 | 842,175 |
| | | 3,365,225 |
| Capital Markets 1.0% | | |
| American Capital Ltd., 7.96%, 12/31/13 (g) | 510 | 506,420 |
| E*Trade Financial Corp.: | | |
| 12.50%, 11/30/17 (h) | 880 | 1,012,000 |
| 3.39%, 8/31/19 (c)(e)(i) | 244 | 291,580 |
| Series A, 3.65%, 8/31/19 (e)(i) | 7 | 8,365 |
| KKR Group Finance Co., 6.38%, 9/29/20 (c) | 650 | 691,570 |
| | | 2,509,935 |
| Chemicals 3.6% | | |
| American Pacific Corp., 9.00%, 2/01/15 | 880 | 864,600 |
| American Rock Salt Co. LLC, 8.25%, 5/01/18 (c) | 138 | 127,995 |

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| | | | |
|--|-----|-----|---------|
| Celanese US Holdings LLC, 5.88%, 6/15/21 | | 980 | 982,450 |
| Chemtura Corp., 7.88%, 9/01/18 (c) | | 375 | 385,312 |
| Hexion US Finance Corp.: | | | |
| 8.88%, 2/01/18 | | 480 | 448,800 |
| 9.00%, 11/15/20 (c) | | 310 | 270,475 |
| Huntsman International LLC (c): | | | |
| 6.88%, 11/15/13 | EUR | 280 | 398,198 |
| 8.63%, 3/15/21 | USD | 170 | 177,438 |
| Ineos Finance Plc, 9.00%, 5/15/15 (c) | | 420 | 425,250 |
| KRATON Polymers LLC, 6.75%, 3/01/19 (c) | | 125 | 120,000 |

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)

| | Par (000) | Value |
|--|--------------|------------|
| Corporate Bonds | | |
| Chemicals (concluded) | | |
| Kinove German Bondco GmbH, 10.00%, 6/15/18 | EUR 583 | \$ 791,419 |
| Lyondell Chemical Co., 11.00%, 5/01/18 | USD 1,235 | 1,378,569 |
| Nexeo Solutions LLC, 8.38%, 3/01/18 (c) | 185 | 191,012 |
| OXEA Finance/Cy SCA, 9.50%, 7/15/17 (c) | 546 | 540,540 |
| Omnova Solutions, Inc., 7.88%, 11/01/18 (c) | 550 | 482,625 |
| PolyOne Corp., 7.38%, 9/15/20 | 215 | 221,450 |
| TPC Group LLC, 8.25%, 10/01/17 (c) | 335 | 343,375 |
| Wellman Holdings, Inc., Subordinate Note (e): | | |
| (Second Lien), 10.00%, 1/29/19 (c) | 844 | 1,173,160 |
| (Third Lien), 5.00%, 1/29/19 (h) | 290 | 206,060 |
| | | 9,528,728 |
| Commercial Banks 2.5% | | |
| CIT Group, Inc.: | | |
| 7.00%, 5/01/15 | 450 | 447,750 |
| 7.00%, 5/01/16 | 2,876 | 2,862,104 |
| 7.00%, 5/01/17 | 2,765 | 2,730,516 |
| 7.00%, 5/02/17 (c) | 440 | 434,500 |
| | | 6,474,870 |
| Commercial Services & Supplies 2.0% | | |
| ACCO Brands Corp., 10.63%, 3/15/15 | 755 | 825,781 |
| AWAS Aviation Capital Ltd., 7.00%, 10/15/16 (c) | 120 | 115,754 |
| Aviation Capital Group Corp., 6.75%, 4/06/21 (c) | 540 | 532,861 |
| Brickman Group Holdings, Inc., 9.13%, 11/01/18 (c) | 525 | 494,813 |
| Casella Waste Systems, Inc., 7.75%, 2/15/19 (c) | 650 | 625,625 |
| Clean Harbors, Inc., 7.63%, 8/15/16 (c) | 380 | 401,850 |
| Mobile Mini, Inc., 7.88%, 12/01/20 (c) | 365 | 354,963 |
| RSC Equipment Rental, Inc.: | | |
| 10.00%, 7/15/17 (c) | 585 | 628,875 |
| 8.25%, 2/01/21 | 875 | 815,937 |
| WCA Waste Corp., 7.50%, 6/15/19 (c) | 330 | 330,000 |
| West Corp., 8.63%, 10/01/18 (c) | 135 | 131,625 |
| | | 5,258,084 |
| Communications Equipment 0.8% | | |
| Avaya, Inc.: | | |
| 9.75%, 11/01/15 | 520 | 442,000 |
| 10.13%, 11/01/15 (h) | 650 | 561,438 |
| 7.00%, 4/01/19 (c) | 520 | 468,000 |
| EH Holding Corp. (c): | | |
| 6.50%, 6/15/19 | 380 | 380,000 |
| 7.63%, 6/15/21 | 260 | 258,700 |
| | | 2,110,138 |
| Construction & Engineering 0.1% | | |
| Abengoa SA, 8.50%, 3/31/16 | EUR 100 | 134,313 |
| Boart Longyear Management Ltd., 7.00%, 4/01/21 (c) | USD 200 | 198,500 |
| | | 332,813 |
| Construction Materials 0.3% | | |
| Calcipar SA, 6.88%, 5/01/18 (c) | 345 | 326,887 |

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|--|-----|-------|------------|
| 7.13%, 4/15/19 (c) | USD | 245 | 232,138 |
| 9.00%, 4/15/19 (c) | | 265 | 238,500 |
| 7.88%, 8/15/19 (c) | | 1,095 | 1,084,050 |
| 9.88%, 8/15/19 (c) | | 455 | 427,700 |
| 8.25%, 2/15/21 (c) | | 735 | 619,238 |
| WMG Acquisition Corp. (c): | | | |
| 9.50%, 6/15/16 | | 120 | 122,400 |
| 11.50%, 10/01/18 | | 585 | 532,350 |
| | | | 15,732,795 |
| Diversified Telecommunication Services 4.5% | | | |
| Broadview Networks Holdings, Inc., 11.38%, | | | |
| 9/01/12 | | 1,035 | 890,100 |
| GCI, Inc., 6.75%, 6/01/21 (c) | | 288 | 283,680 |
| ITC Deltacom, Inc., 10.50%, 4/01/16 | | 280 | 287,000 |
| Level 3 Escrow, Inc., 8.13%, 7/01/19 (c) | | 2,715 | 2,579,250 |
| Level 3 Financing, Inc.: | | | |
| 9.25%, 11/01/14 | | 84 | 85,050 |
| 8.75%, 2/15/17 | | 565 | 553,700 |
| Qwest Communications International, Inc.: | | | |
| 7.50%, 2/15/14 | | 2,675 | 2,708,437 |
| 8.00%, 10/01/15 | | 720 | 768,600 |
| Series B, 7.50%, 2/15/14 | | 1,660 | 1,680,750 |
| Qwest Corp., 7.63%, 6/15/15 | | 525 | 584,063 |

See Notes to Financial Statements.

Schedule of Investments
(continued)

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

| | | Par (000) | Value |
|--|-----|--------------|------------|
| Corporate Bonds | | | |
| Diversified Telecommunication Services (concluded) | | | |
| Windstream Corp.: | | | |
| 8.13%, 8/01/13 | USD | 460 | \$ 488,750 |
| 7.88%, 11/01/17 | | 743 | 781,079 |
| | | | 11,690,459 |
| Electric Utilities 0.6% | | | |
| Tokyo Electric Power Co., Inc., 4.50%, 3/24/14 | EUR | 1,200 | 1,473,850 |
| Electronic Equipment, Instruments & Components 0.6% | | | |
| CDW LLC: | | | |
| 11.00%, 10/12/15 | USD | 11 | 11,220 |
| 11.50%, 10/12/15 (h) | | 660 | 673,200 |
| 8.00%, 12/15/18 (c) | | 430 | 425,700 |
| Elster Finance BV, 6.25%, 4/15/18 (c) | EUR | 114 | 150,658 |
| Jabil Circuit, Inc., 8.25%, 3/15/18 | USD | 235 | 264,962 |
| | | | 1,525,740 |
| Energy Equipment & Services 1.6% | | | |
| Antero Resources Finance Corp., 7.25%, 8/01/19 (c) | | 165 | 160,462 |
| Calfrac Holdings LP, 7.50%, 12/01/20 (c) | | 245 | 237,650 |
| Compagnie Générale de Géophysique-Veritas, 7.75%, 5/15/17 | | 250 | 251,250 |
| Exterran Holdings, Inc., 7.25%, 12/01/18 (c) | | 445 | 431,650 |
| Frac Tech Services LLC, 7.13%, 11/15/18 (c) | | 1,135 | 1,174,725 |
| Key Energy Services, Inc., 6.75%, 3/01/21 | | 450 | 441,000 |
| MEG Energy Corp., 6.50%, 3/15/21 (c) | | 580 | 580,000 |
| Oil States International, Inc., 6.50%, 6/01/19 (c) | | 320 | 320,000 |
| SunCoke Energy, Inc., 7.63%, 8/01/19 (c) | | 220 | 216,150 |
| Thermon Industries, Inc., 9.50%, 5/01/17 | | 379 | 397,950 |
| | | | 4,210,837 |
| Food Products 0.5% | | | |
| Darling International, Inc., 8.50%, 12/15/18 (c) | | 240 | 259,800 |
| Del Monte Foods Co., 7.63%, 2/15/19 (c) | | 565 | 560,762 |
| JBS USA LLC, 7.25%, 6/01/21 (c) | | 90 | 81,788 |
| Reddy Ice Corp., 11.25%, 3/15/15 | | 440 | 399,300 |
| | | | 1,301,650 |
| Health Care Equipment & Supplies 1.4% | | | |
| DJO Finance LLC: | | | |
| 10.88%, 11/15/14 | | 2,320 | 2,398,300 |
| 7.75%, 4/15/18 (c) | | 100 | 93,000 |
| ExamWorks Group, Inc., 9.00%, 7/15/19 (c) | | 282 | 265,785 |
| Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c) | | 540 | 602,100 |
| Teleflex, Inc., 6.88%, 6/01/19 | | 295 | 292,787 |
| | | | 3,651,972 |
| Health Care Providers & Services 5.9% | | | |
| Aviv Healthcare Properties LP, 7.75%, 2/15/19 (c) | | 415 | 412,925 |
| ConvaTec Healthcare E SA (c): | | | |
| 7.38%, 12/15/17 | EUR | 600 | 775,710 |
| 10.50%, 12/15/18 | USD | 270 | 245,700 |

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|--|-----|-------|-----------|
| Crown Newco 3 Plc, 7.00%, 2/15/18 (c) | GBP | 364 | 531,796 |
| HCA, Inc.: | | | |
| 8.50%, 4/15/19 | USD | 305 | 332,450 |
| 6.50%, 2/15/20 | | 1,230 | 1,243,838 |
| 7.25%, 9/15/20 | | 2,910 | 2,990,025 |
| 7.50%, 2/15/22 | | 1,280 | 1,267,200 |
| IASIS Healthcare LLC, 8.38%, 5/15/19 (c) | | 755 | 660,625 |
| INC Research LLC, 11.50%, 7/15/19 (c) | | 410 | 379,250 |
| inVentiv Health, Inc., 10.00%, 8/15/18 (c) | | 435 | 392,588 |
| Omnicare, Inc.: | | | |
| 6.13%, 6/01/13 | | 15 | 15,150 |
| 6.88%, 12/15/15 | | 88 | 89,760 |
| 7.75%, 6/01/20 | | 625 | 637,500 |

| | Par (000) | Value |
|---|--------------|------------|
| Corporate Bonds | | |
| Health Care Providers & Services (concluded) | | |
| Symbion, Inc., 8.00%, 6/15/16 (c) | USD 345 | \$ 320,850 |
| Tenet Healthcare Corp.: | | |
| 9.00%, 5/01/15 | 1,664 | 1,763,840 |
| 10.00%, 5/01/18 | 779 | 856,900 |
| 8.88%, 7/01/19 | 2,279 | 2,415,740 |
| | | 15,331,847 |
| Health Care Technology 1.3% | | |
| IMS Health, Inc., 12.50%, 3/01/18 (c) | 2,405 | 2,765,750 |
| MedAssets, Inc., 8.00%, 11/15/18 (c) | 535 | 516,275 |
| | | 3,282,025 |
| Hotels, Restaurants & Leisure 1.4% | | |
| Caesars Entertainment Operating Co., Inc., 11.25%, 6/01/17 | 130 | 140,075 |
| Cirsa Funding Luxembourg SA, 8.75%, 5/15/18 | EUR 53 | 66,237 |
| Diamond Resorts Corp., 12.00%, 8/15/18 | USD 1,190 | 1,154,300 |
| El Dorado Resorts LLC, 8.63%, 6/15/19 (c) | 180 | 153,450 |
| Enterprise Inns Plc, 6.50%, 12/06/18 | GBP 324 | 399,721 |
| Little Traverse Bay Bands of Odawa Indians, 9.00%, 8/31/20 (c) | USD 300 | 249,000 |
| MGM Mirage, 13.00%, 11/15/13 | 110 | 126,088 |
| MGM Resorts International: | | |
| 10.38%, 5/15/14 | 255 | 279,862 |
| 11.13%, 11/15/17 | 820 | 914,300 |
| Travelport LLC: | | |
| 4.95%, 9/01/14 (f) | 180 | 137,250 |
| 9.88%, 9/01/14 | 40 | 34,100 |
| 9.00%, 3/01/16 | 120 | 96,300 |
| Tropicana Entertainment LLC, Series WI, 9.63%, 12/15/14 (a)(j) | 305 | 31 |
| | | 3,750,714 |
| Household Durables 2.5% | | |
| American Standard Americas, 10.75%, 1/15/16 (c) | 410 | 332,100 |
| Ashton Woods USA LLC, 5.50%, 6/30/15 (c)(k) | 880 | 631,400 |
| Beazer Homes USA, Inc.: | | |
| 8.13%, 6/15/16 | 315 | 222,075 |
| 12.00%, 10/15/17 | 1,345 | 1,365,175 |
| 9.13%, 6/15/18 | 460 | 319,125 |
| Ideal Standard International, 11.75%, 5/01/18 (c) | EUR 154 | 170,340 |
| Jarden Corp., 7.50%, 1/15/20 | 305 | 414,035 |
| Ryland Group, Inc., 6.63%, 5/01/20 | USD 600 | 516,000 |
| Standard Pacific Corp.: | | |
| 10.75%, 9/15/16 | 1,390 | 1,376,100 |
| 8.38%, 5/15/18 | 270 | 236,925 |

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| 8.38%, 1/15/21 | | 585 | 503,100 |
| United Rentals North America, Inc., 8.38%, 9/15/20 | | 435 | 396,938 |
| | | | 6,483,313 |
| Household Products 0.1% | | | |
| Ontex IV SA, 7.50%, 4/15/18 (c) | EUR | 150 | 192,850 |
| IT Services 2.0% | | | |
| Eagle Parent Canada, Inc., 8.63%, 5/01/19 (c) | USD | 740 | 680,800 |
| First Data Corp. (c): | | | |
| 7.38%, 6/15/19 | | 940 | 883,600 |
| 8.88%, 8/15/20 | | 535 | 529,650 |
| 12.63%, 1/15/21 | | 2,114 | 1,997,730 |
| SunGard Data Systems, Inc.: | | | |
| 7.38%, 11/15/18 | | 590 | 561,975 |
| 7.63%, 11/15/20 | | 600 | 573,000 |
| | | | 5,226,755 |

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

AUGUST 31, 2011

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Schedule of Investments
(continued)

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

| | | Par (000) | Value |
|--|-----|--------------|------------|
| Corporate Bonds | | | |
| Independent Power Producers & Energy Traders 2.8% | | | |
| AES Corp., 7.38%, 7/01/21 (c) | USD | 860 | \$ 868,600 |
| Calpine Corp. (c): | | | |
| 7.50%, 2/15/21 | | 200 | 202,000 |
| 7.88%, 1/15/23 | | 645 | 657,900 |
| Energy Future Holdings Corp., 10.00%, 1/15/20 | | 3,395 | 3,408,142 |
| Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20 | | 174 | 175,544 |
| NRG Energy, Inc., 7.63%, 1/15/18 (c) | | 2,170 | 2,148,300 |
| | | | 7,460,486 |
| Industrial Conglomerates 2.6% | | | |
| Alba Group Plc & Co., KG, 8.00%, 5/15/18 (c) | EUR | 107 | 149,863 |
| Sequa Corp. (c): | | | |
| 11.75%, 12/01/15 | USD | 2,340 | 2,433,600 |
| 13.50%, 12/01/15 | | 3,954 | 4,191,252 |
| | | | 6,774,715 |
| Insurance 1.3% | | | |
| Alliant Holdings I, Inc., 11.00%, 5/01/15 (c) | | 1,700 | 1,742,500 |
| CNO Financial Group, Inc., 9.00%, 1/15/18 (c) | | 367 | 381,680 |
| Genworth Financial, Inc., 7.63%, 9/24/21 | | 430 | 381,637 |
| MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (c) | | 260 | 249,600 |
| USI Holdings Corp., 4.16%, 11/15/14 (c)(f) | | 680 | 608,600 |
| | | | 3,364,017 |
| Machinery 1.3% | | | |
| AGY Holding Corp., 11.00%, 11/15/14 | | 980 | 858,725 |
| Navistar International Corp.: | | | |
| 3.00%, 10/15/14 (e) | | 1,960 | 2,163,350 |
| 8.25%, 11/01/21 | | 140 | 144,900 |
| Oshkosh Corp., 8.25%, 3/01/17 | | 30 | 30,825 |
| SPX Corp., 6.88%, 9/01/17 | | 175 | 182,438 |
| | | | 3,380,238 |
| Media 14.7% | | | |
| AMC Entertainment, Inc., 9.75%, 12/01/20 | | 175 | 168,875 |
| AMC Networks, Inc., 7.75%, 7/15/21 (c) | | 225 | 232,875 |
| Affinion Group, Inc., 7.88%, 12/15/18 (c) | | 815 | 721,275 |
| CCH II LLC, 13.50%, 11/30/16 | | 3,253 | 3,756,867 |
| CCO Holdings LLC: | | | |
| 7.25%, 10/30/17 | | 50 | 51,563 |
| 7.88%, 4/30/18 | | 110 | 114,400 |
| 6.50%, 4/30/21 | | 788 | 770,270 |
| CMP Susquehanna Corp., 3.42%, 5/15/14 (c)(f) | | 160 | 152,000 |
| CSC Holdings, Inc., 8.50%, 4/15/14 | | 390 | 422,175 |
| Catalina Marketing Corp., 10.50%, 10/01/15 (c)(h) | | 610 | 610,000 |
| Cengage Learning Acquisitions, Inc., 10.50%, 1/15/15 (c) | | 645 | 496,650 |
| Checkout Holding Corp., 10.69%, 11/15/15 (c)(i) | | 670 | 395,300 |
| Citadel Broadcasting Corp., 7.75%, 12/15/18 (c) | | 385 | 414,838 |
| Clear Channel Communications, Inc., 9.00%, 3/01/21 | | 545 | 438,725 |

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|---|-------|-----------|
| Clear Channel Worldwide Holdings, Inc.: | | |
| 9.25%, 12/15/17 | 1,525 | 1,616,500 |
| Series B, 9.25%, 12/15/17 | 5,570 | 5,959,900 |
| Cox Enterprises, Inc.: | | |
| Loan Close 2, 4.00%, 8/15/18 | 661 | 682,581 |
| Loan Close 3, 12.00%, 8/15/18 | 756 | 780,386 |
| Shares Loan, 4.00%, 8/15/18 | 780 | 804,851 |
| Cumulus Media, Inc., 7.75%, 5/01/19 (c) | 130 | 114,075 |
| DISH DBS Corp.: | | |
| 7.00%, 10/01/13 | 90 | 94,388 |
| 6.75%, 6/01/21 (c) | 550 | 554,125 |
| Gray Television, Inc., 10.50%, 6/29/15 | 935 | 902,275 |
| Harland Clarke Holdings Corp.: | | |
| 6.00%, 5/15/15 (f) | 350 | 260,750 |
| 9.50%, 5/15/15 | 315 | 256,725 |

| | Par (000) | Value |
|---|--------------|--------------|
| Corporate Bonds | | |
| Media (concluded) | | |
| Intelsat Luxemburg SA: | | |
| 11.25%, 6/15/16 | USD 1,090 | \$ 1,139,050 |
| 11.25%, 2/04/17 | 340 | 329,800 |
| 11.50%, 2/04/17 (h) | 380 | 369,075 |
| 11.50%, 2/04/17 (c)(h) | 910 | 883,837 |
| Interactive Data Corp., 10.25%, 8/01/18 (c) | 1,030 | 1,091,800 |
| The Interpublic Group of Cos., Inc., 10.00%, 7/15/17 | 340 | 391,000 |
| Kabel BW Erste Beteiligungs GmbH, 7.50%, 3/15/19 (c) | EUR 673 | 947,430 |
| Kabel Deutschland Vertrieb und Service GmbH & Co. KG, 6.50%, 6/29/18 (c) | 345 | 485,236 |
| Live Nation Entertainment, Inc., 8.13%, 5/15/18 (c) | USD 735 | 707,437 |
| Musketeer GmbH, 9.50%, 3/15/21 | EUR 425 | 610,513 |
| NAI Entertainment Holdings LLC, 8.25%, 12/15/17 (c) | USD 620 | 626,200 |
| Nielsen Finance LLC: | | |
| 11.63%, 2/01/14 | 117 | 132,503 |
| 7.75%, 10/15/18 | 2,145 | 2,214,712 |
| Odeon & UCI Finco Plc, 9.00%, 8/01/18 (c) | GBP 207 | 307,461 |
| ProQuest LLC, 9.00%, 10/15/18 (c) | USD 500 | 490,000 |
| ProtoStar I Ltd., 18.00%, 10/15/12 (a)(c)(j) | 850 | 425 |
| Regal Entertainment Group, 9.13%, 8/15/18 | 335 | 338,350 |
| UPC Holding BV, 9.88%, 4/15/18 (c) | 500 | 522,500 |
| UPCB Finance II Ltd., 6.38%, 7/01/20 (c) | EUR 822 | 1,050,915 |
| Unitymedia GmbH: | | |
| 9.63%, 12/01/19 | 168 | 243,142 |
| 9.63%, 12/01/19 (c) | 570 | 824,947 |
| Unitymedia Hessen GmbH & Co. KG (FKA UPC Germany GmbH): | | |
| 8.13%, 12/01/17 (c) | 441 | 636,664 |
| 8.13%, 12/01/17 (c) | USD 655 | 668,100 |
| Virgin Media Secured Finance Plc, 7.00%, 1/15/18 | GBP 618 | 1,038,312 |
| Ziggo Bond Co. BV, 8.00%, 5/15/18 (c) | EUR 388 | 546,215 |
| Ziggo Finance BV, 6.13%, 11/15/17 (c) | 800 | 1,120,471 |
| | | 38,488,464 |
| Metals & Mining 4.2% | | |
| Drummond Co., Inc.: | | |
| 9.00%, 10/15/14 (c) | USD 270 | 276,075 |
| 7.38%, 2/15/16 | 200 | 203,000 |
| FMG Resources August 2006 Property Ltd., 7.00%, 11/01/15 (c) | 1,230 | 1,226,925 |

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| Goldcorp, Inc., 2.00%, 8/01/14 (e) | 1,060 | 1,395,225 |
| JMC Steel Group, 8.25%, 3/15/18 (c) | 200 | 195,500 |
| James River Escrow, Inc., 7.88%, 4/01/19 (c) | 220 | 199,100 |
| New World Resources NV, 7.88%, 5/01/18 | EUR 655 | 898,567 |
| Newmont Mining Corp., Series A, 1.25%, 7/15/14 | USD 1,475 | 2,142,438 |
| Novelis, Inc., 8.75%, 12/15/20 (c) | 3,525 | 3,710,062 |
| Taseko Mines Ltd., 7.75%, 4/15/19 | 330 | 312,675 |
| Vedanta Resources Plc, 8.25%, 6/07/21 (c) | 270 | 257,850 |
| Vulcan Materials Co., 7.50%, 6/15/21 | 166 | 163,496 |
| | | 10,980,913 |
| Multiline Retail 1.8% | | |
| Dollar General Corp., 11.88%, 7/15/17 (h) | 4,351 | 4,818,732 |
| Oil, Gas & Consumable Fuels 9.7% | | |
| Alpha Natural Resources, Inc.: | | |
| 6.00%, 6/01/19 | 320 | 312,800 |
| 6.25%, 6/01/21 | 1,010 | 988,537 |
| Arch Coal, Inc.: | | |
| 7.25%, 10/01/20 | 335 | 329,975 |
| 7.25%, 6/15/21 (c) | 860 | 847,100 |
| Berry Petroleum Co., 8.25%, 11/01/16 | 510 | 526,575 |
| Bill Barrett Corp., 9.88%, 7/15/16 | 45 | 49,388 |
| Carrizo Oil & Gas, Inc., 8.63%, 10/15/18 | 130 | 132,600 |

See Notes to Financial Statements.

Schedule of Investments
(continued)

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

| | Par (000) | Value |
|---|--------------|------------|
| Corporate Bonds | | |
| Oil, Gas & Consumable Fuels (concluded) | | |
| Chesapeake Energy Corp.: | | |
| 6.63%, 8/15/20 | USD 956 | \$ 999,020 |
| 6.13%, 2/15/21 | 550 | 558,250 |
| 2.25%, 12/15/38 (e) | 800 | 712,000 |
| Coffeyville Resources LLC, 9.00%, 4/01/15 (c) | 266 | 281,960 |
| Concho Resources, Inc., 7.00%, 1/15/21 | 410 | 420,250 |
| Connacher Oil and Gas Ltd., 8.50%, 8/01/19 (c) | 345 | 279,450 |
| Consol Energy, Inc., 8.25%, 4/01/20 | 1,965 | 2,112,375 |
| Continental Resources, Inc., 7.13%, 4/01/21 | 370 | 381,100 |
| Copano Energy LLC, 7.13%, 4/01/21 | 335 | 333,325 |
| Crosstex Energy LP, 8.88%, 2/15/18 | 180 | 186,300 |
| Denbury Resources, Inc.: | | |
| 8.25%, 2/15/20 | 737 | 776,614 |
| 6.38%, 8/15/21 | 350 | 343,000 |
| EV Energy Partners LP, 8.00%, 4/15/19 (c) | 150 | 147,000 |
| Energy XXI Gulf Coast, Inc. (c): | | |
| 9.25%, 12/15/17 | 425 | 435,625 |
| 7.75%, 6/15/19 | 900 | 846,000 |
| Forbes Energy Services Ltd., 9.00%, 6/15/19 (c) | 365 | 347,662 |
| Hilcorp Energy I LP, 7.63%, 4/15/21 (c) | 770 | 777,700 |
| Linn Energy LLC (c): | | |
| 6.50%, 5/15/19 | 250 | 238,750 |
| 8.63%, 4/15/20 | 1,100 | 1,177,000 |
| 7.75%, 2/01/21 | 430 | 438,600 |
| MarkWest Energy Partners LP, 6.75%, 11/01/20 | 135 | 138,375 |
| Niska Gas Storage US LLC, 8.88%, 3/15/18 (c) | 1,845 | 1,863,450 |
| OGX Petroleo e Gas Participações SA, 8.50%, 6/01/18 (c) | 3,970 | 3,979,925 |
| Oasis Petroleum, Inc., 7.25%, 2/01/19 (c) | 330 | 323,400 |
| Petrohawk Energy Corp.: | | |
| 10.50%, 8/01/14 | 370 | 418,100 |
| 7.88%, 6/01/15 | 460 | 496,800 |
| 7.25%, 8/15/18 | 320 | 373,200 |
| Pioneer Natural Resources Co., 6.88%, 5/01/18 | 100 | 108,317 |
| Precision Drilling Corp., 6.50%, 12/15/21 (c) | 295 | 295,000 |
| Range Resources Corp.: | | |
| 8.00%, 5/15/19 | 400 | 435,000 |
| 5.75%, 6/01/21 | 340 | 341,700 |
| SM Energy Co., 6.63%, 2/15/19 (c) | 285 | 285,000 |
| SandRidge Energy, Inc., 7.50%, 3/15/21 (c) | 915 | 892,125 |
| Teekay Corp., 8.50%, 1/15/20 | 550 | 534,875 |
| | | 25,464,223 |
| Paper & Forest Products 2.7% | | |
| Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (c)(h) | 1,192 | 834,072 |
| Boise Paper Holdings LLC: | | |
| 9.00%, 11/01/17 | 125 | 132,812 |
| 8.00%, 4/01/20 | 165 | 168,712 |
| Clearwater Paper Corp.: | | |
| 10.63%, 6/15/16 | 390 | 427,050 |
| 7.13%, 11/01/18 (c) | 585 | 587,925 |

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|--|--|-------|-----------|
| Georgia-Pacific LLC, 8.25%, 5/01/16 (c) | | 1,600 | 1,827,213 |
| Longview Fibre Paper & Packaging, Inc., 8.00%, 6/01/16 (c) | | 345 | 341,550 |
| NewPage Corp., 11.38%, 12/31/14 (j) | | 2,070 | 1,821,600 |
| Sappi Papier Holding GmbH, 6.63%, 4/15/21 (c) | | 140 | 124,600 |
| Verso Paper Holdings LLC, 11.50%, 7/01/14 | | 756 | 801,360 |
| | | | 7,066,894 |

Pharmaceuticals 0.5%

| | | | |
|---|-----|-----|-----------|
| Capsugel Finance Co. SCA, 9.88%, 8/01/19 (c) | EUR | 200 | 275,808 |
| Endo Pharmaceuticals Holdings, Inc., 7.00%, 7/15/19 (c) | USD | 185 | 187,313 |
| Valeant Pharmaceuticals International, 6.50%, 7/15/16 (c) | | 855 | 812,250 |
| | | | 1,275,371 |

Corporate Bonds

Professional Services 0.3%

| | | | |
|---|-----|-----|------------|
| FTI Consulting, Inc., 6.75%, 10/01/20 (c) | USD | 920 | \$ 907,350 |
|---|-----|-----|------------|

Real Estate Investment Trusts (REITs) 0.7%

| | | | |
|---------------------------------------|--|-------|-----------|
| FelCor Lodging LP, 6.75%, 6/01/19 (c) | | 1,405 | 1,320,700 |
| The Rouse Co. LP, 6.75%, 11/09/15 | | 520 | 526,500 |
| | | | 1,847,200 |

Real Estate Management & Development 2.2%

| | | | |
|--|-----|-------|-----------|
| CB Richard Ellis Services, Inc., 6.63%, 10/15/20 | | 335 | 327,463 |
| Forest City Enterprises, Inc., 7.63%, 6/01/15 | | 1,425 | 1,371,562 |
| IVG Immobilien AG, 8.00%, 5/29/49 (f) | EUR | 100 | 109,174 |
| Realogy Corp.: | | | |
| 11.50%, 4/15/17 (f) | USD | 995 | 791,025 |
| 12.00%, 4/15/17 | | 100 | 80,000 |
| 7.88%, 2/15/19 (c) | | 2,610 | 2,166,300 |
| Shea Homes LP, 8.63%, 5/15/19 (c) | | 1,120 | 946,400 |
| | | | 5,791,924 |

Road & Rail 2.0%

Avis Budget Car Rental LLC:

| | | | |
|--|-----|-------|-----------|
| 9.63%, 3/15/18 | | 510 | 521,475 |
| 8.25%, 1/15/19 | | 775 | 749,812 |
| Florida East Coast Railway Corp., 8.13%, 2/01/17 (c) | | 410 | 407,950 |
| The Hertz Corp. (c): | | | |
| 7.50%, 10/15/18 | | 645 | 632,100 |
| 6.75%, 4/15/19 | | 445 | 414,963 |
| 7.38%, 1/15/21 | | 495 | 472,725 |
| Hertz Holdings Netherlands BV: | | | |
| 8.50%, 7/31/15 | EUR | 110 | 154,855 |
| 8.50%, 7/31/15 (c) | | 1,325 | 1,865,296 |
| | | | 5,219,176 |

Semiconductors & Semiconductor

Equipment 0.3%

Micron Technology, Inc. (c):

| | | | |
|-----------------------------------|-----|-----|---------|
| Series A, 1.50%, 8/01/31 | USD | 285 | 245,100 |
| Series B, 1.88%, 8/01/31 | | 95 | 79,444 |
| Spansion LLC, 7.88%, 11/15/17 (c) | | 580 | 580,000 |
| | | | 904,544 |

Specialty Retail 2.2%

| | | | |
|--|-----|-----|---------|
| Asbury Automotive Group, Inc., 8.38%, 11/15/20 | | 365 | 358,613 |
| Hillman Group, Inc., 10.88%, 6/01/18 | | 530 | 535,300 |
| House of Fraser Plc, 8.88%, 8/15/18 (c) | GBP | 285 | 393,254 |
| Limited Brands, Inc., 8.50%, 6/15/19 | USD | 785 | 884,106 |
| Phones4u Finance Plc, 9.50%, 4/01/18 (c) | GBP | 400 | 499,976 |
| QVC, Inc. (c): | | | |

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| | | | |
|--|-----|-------|-----------|
| 7.13%, 4/15/17 | USD | 230 | 240,350 |
| 7.50%, 10/01/19 | | 625 | 673,438 |
| 7.38%, 10/15/20 | | 210 | 225,750 |
| Sonic Automotive, Inc., 9.00%, 3/15/18 | | 370 | 375,550 |
| Toys R US-Delaware, Inc., 7.38%, 9/01/16 (c) | | 420 | 407,400 |
| United Auto Group, Inc., 7.75%, 12/15/16 | | 1,025 | 1,037,812 |
| | | | 5,631,549 |
| Transportation Infrastructure 0.2% | | | |
| Aguila 3 SA, 7.88%, 1/31/18 (c) | | 431 | 405,140 |
| Wireless Telecommunication Services 3.4% | | | |
| Cricket Communications, Inc.: | | | |
| 10.00%, 7/15/15 | | 765 | 790,819 |
| 7.75%, 5/15/16 | | 200 | 202,500 |
| Digicel Group Ltd. (c): | | | |
| 8.88%, 1/15/15 | | 700 | 700,000 |
| 9.13%, 1/15/15 | | 1,783 | 1,783,000 |
| 8.25%, 9/01/17 | | 1,180 | 1,180,000 |
| 10.50%, 4/15/18 | | 500 | 530,000 |
| FiberTower Corp., 9.00%, 1/01/16 (h) | | 311 | 193,551 |
| Intelsat Jackson Holdings SA, 7.50%, 4/01/21 (c) | | 160 | 154,800 |

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)

| | Par (000) | Value |
|--|--------------|--------------------|
| Corporate Bonds | | |
| Wireless Telecommunication Services (concluded) | | |
| iPCS, Inc., 2.38%, 5/01/13 (f) | USD 815 | \$ 755,912 |
| MetroPCS Wireless, Inc.: | | |
| 7.88%, 9/01/18 | 350 | 354,813 |
| 6.63%, 11/15/20 | 920 | 860,200 |
| NII Capital Corp., 7.63%, 4/01/21 | 381 | 388,620 |
| Sprint Capital Corp., 6.88%, 11/15/28 | 1,270 | 1,136,650 |
| | | 9,030,865 |
| Total Corporate Bonds 103.1% | | 270,079,813 |
| Floating Rate Loan Interests (f) | | |
| Airlines 0.2% | | |
| Delta Air Lines, Inc., Credit New Term Loan B, 5.50%, 4/20/17 | 700 | 645,169 |
| Building Products 0.2% | | |
| Goodman Global, Inc., Term Loan (Second Lien), 9.00%, 10/30/17 | 625 | 628,125 |
| Capital Markets 0.1% | | |
| Marsico Parent Co., LLC, Term Loan, 5.25%, 12/14/14 | 369 | 206,424 |
| Chemicals 0.3% | | |
| PQ Corp. (FKA Niagara Acquisition, Inc.), Original Term Loan Facility (First Lien), 3.48% 3.51%, 7/30/14 | 290 | 264,826 |
| Styron Sarl, Term Loan B, 6.00%, 8/02/17 | 492 | 452,038 |
| | | 716,864 |
| Commercial Services & Supplies 0.8% | | |
| AWAS Finance Luxembourg Sarl, Term Loan B, 5.25%, 6/10/16 | 508 | 489,304 |
| Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16 | 550 | 546,331 |
| Volume Services America, Inc. (Centerplate), Term Loan B, 10.50% 10.75%, 9/16/16 | 993 | 949,495 |
| | | 1,985,130 |
| Construction & Engineering 0.8% | | |
| Safeway Services, LLC, Last Out Term Loan, 7.25%, 12/18/17 | 2,000 | 2,000,000 |
| Consumer Finance 1.8% | | |
| Springleaf Financial Funding Co. (FKA AGFS Funding Co.), Term Loan, 5.50%, 5/10/17 | 5,150 | 4,770,188 |
| Diversified Consumer Services 0.0% | | |
| ServiceMaster Co.: | | |
| Closing Date Term Loan, 2.69% 2.76%, 7/24/14 | 86 | 79,808 |
| Delayed Draw Term Loan, 2.72%, 7/24/14 | 9 | 7,948 |
| | | 87,756 |
| Diversified Telecommunication Services 0.2% | | |
| Level 3 Financing, Inc., Incremental Tranche A Term Loan, 2.50%, 3/13/14 | 500 | 462,000 |

Electronic Equipment, Instruments & Components 0.0%

| | | |
|---|-----|---------|
| CDW LLC (FKA CDW Corp.), Non-Extended Term Loan, 3.71%, 10/10/14 | 120 | 112,800 |
|---|-----|---------|

Energy Equipment & Services 2.1%

| | | |
|--|-------|-----------|
| Dynegy Holdings, Inc.: | | |
| Coal Company Term Loan, 9.25%, 8/04/16 | 1,996 | 1,928,119 |
| Gas Company Term Loan, 9.25%, 8/04/16 | 3,654 | 3,589,727 |
| | | 5,517,846 |

| | Par (000) | Value |
|---|--------------|------------|
| Floating Rate Loan Interests (f) | | |
| Food Products 0.3% | | |
| Advance Pierre Foods, Term Loan (Second Lien), 11.25%, 9/29/17 | USD 900 | \$ 882,000 |
| Health Care Providers & Services 0.6% | | |
| Harden Healthcare, Inc.: | | |
| Tranche A Additional Term Loan, 7.75%, 3/02/15 | 456 | 447,136 |
| Tranche A Term Loan, 8.50%, 3/02/15 | 433 | 423,909 |
| inVentiv Health, Inc. (FKA Ventive Health, Inc.), Term Loan B, 6.50%, 8/04/16 | 801 | 755,846 |
| | | 1,626,891 |
| Hotels, Restaurants & Leisure 0.4% | | |
| Caesars Entertainment Operating Co., Inc., Term Loan B-3, 3.25%, 1/28/15 | 363 | 312,268 |
| Travelport LLC (FKA Travelport, Inc.), Term Loan, 8.29%, 3/27/12 | 1,362 | 750,196 |
| | | 1,062,464 |
| Independent Power Producers & Energy Traders 0.9% | | |
| Texas Competitive Electric Holdings Co., LLC (TXU), Extended Term Loan, 4.71% 4.77%, 10/10/17 | 3,134 | 2,300,562 |
| Media 4.1% | | |
| Cengage Learning Acquisitions, Inc., (FKA Thomson Learning) Tranche 1 Incremental Term Loan, 7.50%, 7/03/14 | 1,698 | 1,621,113 |
| HMH Publishing Co., Ltd., Tranche A Term Loan, 6.21%, 6/12/14 | 935 | 751,410 |
| Intelsat Jackson Holdings SA (FKA Intelsat Jackson Holdings, Ltd.), Tranche B Term Loan, 5.25%, 4/02/18 | 7,282 | 6,972,276 |
| Newsday LLC, Fixed Rate Term Loan, 10.50%, 8/01/13 | 1,325 | 1,368,062 |
| | | 10,712,861 |
| Oil, Gas & Consumable Fuels 0.8% | | |
| Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15 | 1,982 | 1,962,293 |
| Paper & Forest Products 0.5% | | |
| Verso Paper Finance Holdings LLC, Term Loan, 6.51% 7.26%, 2/01/13 (h) | 1,433 | 1,232,420 |
| Pharmaceuticals 0.3% | | |
| Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17 | 995 | 897,490 |
| Real Estate Investment Trusts (REITs) 0.6% | | |
| iStar Financial, Inc., Term Loan (Second Lien), 5.00%, 6/28/13 | 1,524 | 1,480,754 |
| Real Estate Management & Development 0.3% | | |
| Realogy Corp.: | | |
| Extended Synthetic Letter of Credit Loan, 4.44%, 10/10/16 | 133 | 109,694 |
| Extended Term Loan B, 4.52%, 10/10/16 | 737 | 606,247 |
| | | 715,941 |
| Specialty Retail 0.0% | | |

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| | | |
|--|-------|------------|
| Claire's Stores, Inc., Term Loan B, 3.00%, 5/29/14 | 113 | 98,036 |
| Wireless Telecommunication Services 1.2% | | |
| Vodafone Americas Finance 2, Inc.: | | |
| Initial Loan, 6.88%, 8/11/15 | 1,873 | 1,882,436 |
| Term Loan B, 6.25%, 7/11/16 | 1,300 | 1,306,500 |
| | | 3,188,936 |
| Total Floating Rate Loan Interests 16.5% | | 43,292,950 |

See Notes to Financial Statements.

Schedule of Investments (continued)

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

| | Beneficial Interest (000) | Value |
|--|---------------------------------|-----------|
| Other Interests (l) | | |
| Auto Components 2.6% | | |
| Delphi Debtor-in-Possession Holding Co. LLP, Class B Membership Interests (a) | (m\$) | 6,860,756 |
| Lear Corp. Escrow (a) | USD 460 | 9,200 |
| | | 6,869,956 |
| Energy, Equipment & Services 0.6% | | |
| BLK CYE (Luxembourg) Investments, S.a.r.l. (Laricina Energy Ltd.) (a)(n) | 35 | 1,549,759 |
| Hotels, Restaurants & Leisure 0.0% | | |
| Buffets, Inc. (a) | 575 | 6 |
| Media 0.0% | | |
| Adelphia Escrow (a) | 750 | 8 |
| Adelphia Recovery Trust (a) | 941 | 94 |
| | | 102 |
| Total Other Interests 3.2% | | 8,419,823 |

Preferred Securities

| | Par (000) | |
|---|--------------|---------|
| Capital Trusts | | |
| Insurance 0.2% | | |
| Genworth Financial, Inc., 6.15%, 11/15/66 (f) | 865 | 519,000 |
| Total Capital Trusts 0.2% | | 519,000 |

| | Shares | |
|--|---------|-----------|
| Preferred Stocks | | |
| Auto Components 0.7% | | |
| Dana Holding Corp., 4.00% (c)(e) | 17,500 | 1,970,938 |
| Diversified Financial Services 0.9% | | |
| Ally Financial, Inc., 7.00% (c) | 3,234 | 2,460,771 |
| Media 0.3% | | |
| CMP Susquehanna Radio Holdings Corp., 0.00% (a)(c)(f) | 37,314 | 317,169 |
| TRA Global, Inc. (a) | 286,652 | 352,582 |
| | | 669,751 |
| Real Estate Investment Trusts (REITs) 0.1% | | |
| MPG Office Trust, Inc., Series A, 7.63% (a) | 8,994 | 143,364 |
| Thriffs & Mortgage Finance 0.1% | | |
| Fannie Mae, Series O (a) | 30,000 | 90,000 |
| Freddie Mac, Series Z (a) | 75,961 | 169,393 |
| | | 259,393 |
| Total Preferred Stocks 2.1% | | 5,504,217 |

| | | |
|--|--------|-----------|
| Trust Preferreds | | |
| Diversified Financial Services 0.7% | | |
| GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (f) | 87,860 | 1,875,811 |
| Total Trust Preferreds 0.7% | | 1,875,811 |
| Total Preferred Securities 3.0% | | 7,899,028 |

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| Warrants (o) | Shares | Value |
|---|--------|-------------|
| Containers & Packaging 0.0% | | |
| MDP Acquisitions Plc (Expires 10/01/13) | 700 | \$ 28,868 |
| 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) (m) | 485 | 5 |
| Media 0.1% | | |
| Cumulus Media, Inc. (Expires 3/26/19) | 94,241 | 240,834 |
| New Vision Holdings LLC (Expires 9/30/14) | 22,447 | 224 |
| | | 241,058 |
| 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 0.1% | | 269,935 |
| Total Long-Term Investments | | |
| (Cost \$351,137,320) 129.7% | | 339,733,419 |

| Options Purchased | Contracts | |
|--|-----------|--------------------------------------|
| Exchange-Traded Call Options 0.0% | | |
| E*Trade Financial Corp., Strike Price USD 20.00, Expires 10/22/11 | 450 | 5,850 |
| Exchange-Traded Put Options 0.0% | | |
| SPDR S&P 500 ETF Trust, Strike Price USD 120.00, Expires 9/17/11 | 144 | 32,403 |
| 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 | |
| | | Notional Amount (000) |
| Over-the-Counter Call Swaptions 0.1% | | |
| Receive a return based on return of Dow Jones CDX North America High Yield Index Series 16 and pay a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Deutsche Bank Securities Inc. | \$ 10,000 | 100,351 |
| Total Options Purchased | | |
| (Cost \$258,580) 0.1% | | 138,604 |
| Total Investments Before Options Written | | |
| (Cost \$351,395,900*) 129.8% | | 339,872,023 |

| Options Written | Contracts | |
|---|-----------|--------------------------------------|
| Exchange-Traded Put Options 0.0% | | |
| E*Trade Financial Corp., Strike Price USD 13.00, Expires 10/22/11 | 450 | (92,250) |
| | | Notional Amount (000) |
| Over-the-Counter Call Swaptions (0.1)% | | |
| Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International | \$ 11,650 | (2,279) |

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)

| | Notional Amount (000) | Value |
|---|-----------------------------|----------------|
| Options Written | | |
| Over-the-Counter Call Swaptions (concluded) | | |
| Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International | \$ 5,000 | \$ (227,178) |
| | | (229,457) |
| Over-the-Counter Put Swaptions (0.3)% | | |
| Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 9/21/11, Broker Credit Suisse International | 3,050 | (99,856) |
| Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Goldman Sachs International | 5,000 | (163,317) |
| Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Morgan Stanley Capital Services | 10,000 | (388,256) |
| | | (651,429) |
| Total Options Written | | |
| (Premiums Received \$685,688) (0.4)% | | (973,136) |
| Total Investments, Net of Options Written 129.4% | | 338,898,887 |
| Liabilities in Excess of Other Assets (29.4)% | | (76,941,464) |
| Net Assets 100.0% | | \$ 261,957,423 |

* The cost and unrealized appreciation (depreciation) of investments as of August 31, 2011, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|-----------------|
| Aggregate cost | \$ 352,503,156 |
| Gross unrealized appreciation | \$ 11,633,282 |
| Gross unrealized depreciation | (24,264,415) |
| Net unrealized depreciation | \$ (12,631,133) |

- (a) Non-income producing security.
- (b) Restricted security as to resale. As of the report date the Fund held less than 0.1% of its net assets, with a current market value of \$4,114 and an original cost of \$295, in this security.
- (c) 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.
- (d) All or a portion of security has been pledged as collateral in connection with swaps.

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- (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 payment-in-kind security which may pay interest/dividends in additional par/shares.
- (i) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (j) Issuer filed for bankruptcy and/or is in default of interest payments.
- (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 is as of report date.
- (l) Other interests represent beneficial interest in liquidation trusts and other reorganization or private entities.
- (m) Amount is less than \$500.
- (n) The investment is held by a wholly owned subsidiary of the Fund.
- (o) 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.

Investments in companies considered to be an affiliate of the Fund during the period, 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 August 31, 2011 | Income |
|--|--|-----------------|--------------------------------------|--------|
| BlackRock Liquidity Funds, TempCash, Institutional Class | 1,845,167 | (1,845,167) | | \$ 809 |

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. These definitions may not apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

Financial futures contracts sold as of August 31, 2011 were as follows:

| Contracts | Issue | Exchange | Expiration | Notional Value | Unrealized Depreciation |
|-----------|------------------------|-----------------------|-------------------|-------------------|----------------------------|
| 394 | S&P 500 Index Emini | Chicago Mercantile | September 2011 | \$ 22,407,454 | \$ (1,581,236) |

Foreign currency exchange contracts as of August 31, 2011 were as follows:

| Currency Purchased | Currency Sold | Counterparty | Settlement Date | Unrealized Appreciation (Depreciation) |
|-----------------------|------------------|---------------------------|--------------------|--|
| EUR 303,000 | USD 435,632 | Royal Bank of Scotland | 9/02/11 | \$ (372) |
| USD 454,089 | CAD 449,000 | Citibank NA | 10/07/11 | (4,018) |

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| | | | | | | |
|--------------|------------|-----|------------|---------------------------------------|----------|-------------|
| USD | 3,886,811 | GBP | 2,432,500 | Royal Bank of Scotland | 10/07/11 | (60,329) |
| USD | 21,038,797 | EUR | 14,676,000 | Citibank NA | 10/26/11 | (29,445) |
| USD | 662,017 | EUR | 461,000 | Deutsche Bank AG | 10/26/11 | 225 |
| USD | 42,925 | EUR | 30,000 | Morgan Stanley Capital Services, Inc. | 10/26/11 | (142) |
| USD | 435,350 | EUR | 303,000 | Royal Bank of Scotland | 10/26/11 | 376 |
| USD | 481,153 | EUR | 335,000 | UBS AG | 10/26/11 | 241 |
| Total | | | | | | \$ (93,464) |

Credit default swaps on single-name issues buy protection outstanding as of August 31, 2011 were as follows:

| Issuer | Pay Fixed Rate | Counterparty | Expiration Date | Notional Amount (000) | Unrealized Appreciation (Depreciation) |
|-----------------------|----------------|------------------------------------|-----------------|-----------------------|--|
| Republic of Hungary | 1.00% | Deutsche Bank AG | 12/20/15 | \$ 300 | \$ 6,341 |
| Israel (State of) | 1.00% | Deutsche Bank AG | 3/20/16 | \$ 675 | (6,943) |
| Beazer Homes USA Inc. | 5.00% | Credit Suisse Securities (USA) LLC | 9/20/16 | \$ 125 | (5,472) |
| Beazer Homes USA Inc. | 5.00% | Goldman Sachs & Co. | 9/20/16 | \$ 200 | 13,096 |
| Realogy Corp | 5.00% | Goldman Sachs & Co. | 9/20/16 | \$ 150 | (11,061) |
| iStar Financial, Inc. | 5.00% | Deutsche Bank AG | 12/20/16 | \$ 225 | (18,353) |
| Total | | | | | \$ (22,392) |

See Notes to Financial Statements.

Schedule of Investments (continued)

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

Credit default swaps on traded indexes buy protection outstanding as of August 31, 2011 were as follows:

| Index | Pay Fixed Rate | Counterparty | Expiration Date | Notional Amount (000) | Unrealized Appreciation (Depreciation) |
|---|----------------------|--|--------------------|-----------------------------|--|
| Dow Jones CDX North America High Yield Index Series 16 | 5.00% | Credit Suisse Securities (USA) LLC | 6/20/16 | \$ 2,470 | |

Credit default swaps on single-name issues sold protection outstanding as of August 31, 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 | B+ | \$ 225 | \$ 1,425 |
| ARAMARK Corp. | 5.00% | Goldman Sachs International | 3/20/16 | B | \$ 500 | (14,585) |
| ARAMARK Corp. | 5.00% | Goldman Sachs International | 6/20/16 | B | \$ 300 | (9,383) |
| ARAMARK Corp. | 5.00% | Goldman Sachs International | 6/20/16 | B | \$ 300 | (11,486) |
| ARAMARK Corp. | 5.00% | Goldman Sachs International | 9/20/16 | B | \$ 350 | (15,368) |
| Total | | | | | | \$ (49,397) |

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

Interest rate swaps outstanding as of August 31, 2011 were as follows:

| Fixed Rate | Floating Rate | Counterparty | Expiration Date | Notional Amount (000) | Unrealized Appreciation |
|----------------------|------------------|---------------------|--------------------|-----------------------------|----------------------------|
| 3.12% ^(a) | 3-month LIBOR | Deutsche Bank AG | 8/02/21 | \$ 1,445 | \$ 12,931 |
| 3.09% ^(a) | 3-month LIBOR | Deutsche Bank AG | 8/03/21 | \$ 1,455 | 11,087 |

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| | | | | | | |
|----------------------|---------------|------------------------------------|---------|----|-------|--------|
| 3.15% ^(a) | 3-month LIBOR | Credit Suisse Securities (USA) LLC | 8/11/21 | \$ | 1,460 | 14,991 |
| 3.11% ^(a) | 3-month LIBOR | Deutsche Bank AG | 8/11/21 | \$ | 1,460 | 12,406 |
| Total | | | | | \$ | 51,415 |

(a) Pays a fixed interest rate and receives floating rate.

Fair Value Measurements Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs are categorized 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 derivative financial instruments)

The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and does not necessarily correspond to the Fund's perceived risk of investing in those securities. For information about the Fund's policy regarding valuation of investments and derivative financial instruments 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 August 31, 2011 in determining the fair valuation of the Fund's investments and derivative financial instruments:

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|------------------------------|--------------|----------------|---------------|----------------|
| Assets: | | | | |
| Investments: | | | | |
| Long-Term Investments: | | | | |
| Common Stocks | \$ 7,223,819 | \$ 286,769 | \$ 2,261,282 | \$ 9,771,870 |
| Corporate Bonds | | 264,612,199 | 5,467,614 | 270,079,813 |
| Floating Rate Loan Interests | | 33,902,614 | 9,390,336 | 43,292,950 |
| Other Interests | 94 | 6,860,756 | 1,558,973 | 8,419,823 |
| Preferred Securities | 2,278,568 | 4,950,709 | 669,751 | 7,899,028 |
| Warrants | 28,868 | | 241,067 | 269,935 |
| Total | \$ 9,531,349 | \$ 310,613,047 | \$ 19,589,023 | \$ 339,733,419 |

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|---|-----------|------------|---------|------------|
| Derivative Financial Instruments ¹ | | | | |
| Assets: | | | | |
| Credit contracts | | \$ 121,213 | | \$ 121,213 |
| Equity contracts | \$ 38,253 | | | 38,253 |
| Foreign currency exchange contracts | | 842 | | 842 |
| Interest contracts | | 51,415 | | 51,415 |

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| Liabilities: | | | |
|-------------------------------------|----------------|--------------|----------------|
| Credit contracts | | (973,537) | (973,537) |
| Equity contracts | (1,673,486) | | (1,673,486) |
| Foreign currency exchange contracts | | (94,306) | (94,306) |
| Total | \$ (1,635,233) | \$ (894,373) | \$ (2,529,606) |

¹ Derivative financial instruments are swaps, financial futures contracts, foreign currency exchange contracts and options. Swaps, financial futures contracts and foreign currency exchange contracts are valued 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 | Total |
|--|---------------------|---------------------|---------------------------------|---------------------|---------------------|-------------------|---------------------------------|----------------------|
| Assets/Liabilities: | | | | | | | | |
| Balance, as of February 28, 2011 | \$ 719,326 | \$ 5,493,390 | \$ 10,323,930 | \$ 12,664 | \$ 463,230 | \$ 234 | \$ (25,965) | \$ 16,986,809 |
| Accrued discounts/premiums | | 13,213 | 2,203 | | | | | 15,416 |
| Net realized gain (loss) | | 9,167 | 4,032 | | | | | 13,199 |
| Net change in unrealized appreciation/depreciation ² | (2,115,157) | 660,057 | 1,160,510 | (30,843) | | 240,833 | 25,965 | (58,635) |
| Purchases | 3,915,113 | 50,154 | 1,367,709 | 1,577,152 | 206,521 | | | 7,116,649 |
| Sales | (258,000) | (871,154) | (2,707,034) | | | | | (3,836,188) |
| Transfers in ³ | | 112,787 | 1,408,641 | | | | | 1,521,428 |
| Transfers out ³ | | | (2,169,655) | | | | | (2,169,655) |
| Balance, as of August 31, 2011 | \$ 2,261,282 | \$ 5,467,614 | \$ 9,390,336 | \$ 1,558,973 | \$ 669,751 | \$ 241,067 | | \$ 19,589,023 |

² Included in the related net change in unrealized appreciation/depreciation in the Statements of Operations. The change in unrealized appreciation/depreciation on investments still held on August 31, 2011 was \$(1,183,696).

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

A reconciliation of Level 3 investments and derivative financial instruments is presented when the Fund had a significant amount of Level 3 investments and derivative financial instruments at the beginning and/or end of period in relation to net assets.

See Notes to Financial Statements.

Schedule of Investments August 31, 2011 (Unaudited)

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

| | Par (000) | Value |
|--|--------------|--------------|
| Asset-Backed Securities | | |
| Asset-Backed Securities 1.8% | | |
| ARES CLO Funds, Series 2005-10A, Class B, 0.64%, 9/18/17 (a)(b) | USD 1,250 | \$ 1,113,837 |
| Ballyrock CDO Ltd., Series 2006-1A, Class B, 0.67%, 8/28/19 (a)(b) | 1,000 | 785,000 |
| CSAM Funding, Series 2A, Class B1, 7.05%, 10/15/16 | 625 | 594,937 |
| Canaras Summit CLO Ltd., Series 2007-1A, Class B, 0.73%, 6/19/21 (a)(b) | 1,225 | 982,879 |
| Gannett Peak CLO Ltd., Series 2006-1X, Class A2, 0.61%, 10/27/20 (b) | 940 | 702,650 |
| Greyrock CDO Ltd., Series 2005-1X, Class A2L, 0.71%, 11/15/17 (b) | 1,980 | 1,706,958 |
| Portola CLO Ltd., Series 2007-1X, Class B1, 1.74%, 11/15/21 (b) | 1,245 | 1,109,793 |
| T2 Income Fund CLO Ltd., Series 2007-1A, Class B, 0.85%, 7/15/19 (a)(b) | 1,075 | 960,190 |
| Total Asset-Backed Securities 1.8% | | 7,956,244 |

| | Shares | |
|--|-------------|-----------|
| Common Stocks (c) | | |
| Chemicals 0.0% | | |
| GEO Specialty Chemicals, Inc. | 339,340 | 130,273 |
| Wellman Holdings, Inc. | 906 | 2,944 |
| Wellman, Inc. (acquired 1/30/09, cost \$1,027) (d) | 4,467 | 14,518 |
| | | 147,735 |
| Containers & Packaging 0.1% | | |
| Smurfit Kappa Plc | 36,342 | 288,017 |
| Diversified Financial Services 1.3% | | |
| Kcad Holdings I Ltd. | 493,499,609 | 5,570,130 |
| Leucadia National Corp. | 1,445 | 42,816 |
| Preferred Term Securities VI, Ltd. (a) | 35,000 | 1,750 |
| | | 5,614,696 |
| Electrical Equipment 0.0% | | |
| Medis Technologies Ltd. | 286,757 | 3,154 |
| Hotels, Restaurants & Leisure 0.0% | | |
| Buffets Restaurants Holdings, Inc. | 2,753 | 6,883 |
| HRP PIK Corp., Class B (a) | 5,000 | 50 |
| | | 6,933 |
| Metals & Mining 0.2% | | |
| Euramax International | 2,337 | 654,444 |
| Paper & Forest Products 0.7% | | |
| Ainsworth Lumber Co. Ltd. (a) | 1,330,401 | 2,717,045 |
| Ainsworth Lumber Co. Ltd. | 142,549 | 291,124 |
| Western Forest Products, Inc. (a) | 211,149 | 142,304 |
| | | 3,150,473 |
| Semiconductors & Semiconductor Equipment 0.0% | | |

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| | | |
|---------------------------------------|---------|------------|
| SunPower Corp., Class B | 1,707 | 20,228 |
| Software 0.1% | | |
| Bankruptcy Management Solutions, Inc. | 1,870 | 9 |
| HMH Holdings/EduMedia | 159,199 | 318,398 |
| | | 318,407 |
| Specialty Retail 0.0% | | |
| Movie Gallery, Inc. | 503,737 | 1,259 |
| Total Common Stocks 2.4% | | 10,205,346 |

| | Par (000) | Value |
|---|--------------|--------------|
| Corporate Bonds | | |
| Aerospace & Defense 0.8% | | |
| Bombardier, Inc., 7.75%, 3/15/20 (a) | USD 1,750 | \$ 1,911,875 |
| Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17 | 1,364 | 1,401,510 |
| | | 3,313,385 |
| Airlines 0.6% | | |
| Air Canada, 9.25%, 8/01/15 (a) | 1,060 | 1,017,600 |
| Delta Air Lines, Inc., Series B, 9.75%, 12/17/16 | 696 | 713,141 |
| United Air Lines, Inc., 12.75%, 7/15/12 | 786 | 821,019 |
| | | 2,551,760 |
| Auto Components 1.7% | | |
| B-Corp Merger Sub, Inc., 8.25%, 6/01/19 (a) | 170 | 158,100 |
| Delphi Corp., 6.13%, 5/15/21 (a) | 560 | 540,400 |
| Icahn Enterprises LP: | | |
| 7.75%, 1/15/16 | 320 | 323,200 |
| 8.00%, 1/15/18 | 5,260 | 5,312,600 |
| Titan International, Inc., 7.88%, 10/01/17 | 940 | 987,000 |
| Venture Holdings Co. LLC (c)(e): | | |
| 12.00%, 6/01/09 | 4,450 | 445 |
| Series B, 9.50%, 7/01/05 | 1,800 | 180 |
| | | 7,321,925 |
| Beverages 0.1% | | |
| Crown European Holdings SA, 7.13%, 8/15/18 (a) | EUR 410 | 568,352 |
| Biotechnology 0.1% | | |
| QHP Pharma, 10.25%, 3/15/15 (a) | USD 279 | 283,478 |
| Building Products 0.7% | | |
| Building Materials Corp. of America (a): | | |
| 7.00%, 2/15/20 | 940 | 940,000 |
| 6.75%, 5/01/21 | 790 | 756,425 |
| Momentive Performance Materials, Inc., 9.00%, 1/15/21 | 1,315 | 1,124,325 |
| | | 2,820,750 |
| Capital Markets 1.0% | | |
| American Capital Ltd., 7.96%, 12/31/13 (f) | 1,175 | 1,166,752 |
| E*Trade Financial Corp.: | | |
| 12.50%, 11/30/17 (g) | 1,440 | 1,656,000 |
| 3.99%, 8/31/19 (a)(h)(i) | 593 | 708,635 |
| KKR Group Finance Co., 6.38%, 9/29/20 (a) | 540 | 574,535 |
| | | 4,105,922 |
| Chemicals 4.3% | | |
| American Pacific Corp., 9.00%, 2/01/15 | 1,490 | 1,463,925 |
| American Rock Salt Co. LLC, 8.25%, 5/01/18 (a) | 224 | 207,760 |
| Celanese US Holdings LLC, 5.88%, 6/15/21 | 570 | 571,425 |
| GEO Specialty Chemicals, Inc. (a): | | |
| 7.50%, 3/31/15 (g)(i) | 4,171 | 4,170,787 |
| 10.00%, 3/31/15 | 4,106 | 3,797,680 |
| Hexion US Finance Corp.: | | |
| 8.88%, 2/01/18 | 955 | 892,925 |
| 9.00%, 11/15/20 | 670 | 584,575 |
| Huntsman International LLC, 8.63%, 3/15/21 | 275 | 287,031 |

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|---|-------|------------|
| Kinove German Bondco GmbH, 9.63%, 6/15/18 (a) | 800 | 768,000 |
| OXEA Finance/Cy SCA, 9.50%, 7/15/17 (a) | 365 | 361,350 |
| Omnova Solutions, Inc., 7.88%, 11/01/18 | 670 | 587,925 |
| Wellman Holdings, Inc., Subordinate Note (g): | | |
| (Second Lien), 10.00%, 1/29/19 | 2,978 | 4,139,420 |
| (Third Lien), 5.00%, 1/29/19 (i) | 1,027 | 729,265 |
| | | 18,562,068 |

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

| | Par (000) | Value |
|--|--------------|------------|
| Corporate Bonds | | |
| Commercial Banks 2.1% | | |
| CIT Group, Inc.: | | |
| 7.00%, 5/01/14 | USD 229 | \$ 229,789 |
| 7.00%, 5/01/15 | 800 | 796,000 |
| 7.00%, 5/01/16 | 2,655 | 2,641,725 |
| 7.00%, 5/01/17 | 4,534 | 4,477,325 |
| 7.00%, 5/02/17 (a) | 710 | 701,125 |
| | | 8,845,964 |
| Commercial Services & Supplies 1.2% | | |
| ARAMARK Corp., 8.50%, 2/01/15 | 840 | 867,300 |
| AWAS Aviation Capital Ltd., 7.00%, 10/15/16 (a) | 842 | 812,113 |
| Brickman Group Holdings, Inc., 9.13%, 11/01/18 (a) | 865 | 815,263 |
| The Geo Group, Inc., 7.75%, 10/15/17 | 850 | 892,500 |
| Mobile Mini, Inc., 7.88%, 12/01/20 | 640 | 622,400 |
| RSC Equipment Rental, Inc., 10.00%, 7/15/17 (a) | 970 | 1,042,750 |
| West Corp., 8.63%, 10/01/18 | 315 | 307,125 |
| | | 5,359,451 |
| Communications Equipment 0.5% | | |
| Avaya, Inc.: | | |
| 9.75%, 11/01/15 | 360 | 306,000 |
| 10.13%, 11/01/15 (g) | 1,070 | 924,213 |
| 7.00%, 4/01/19 (a) | 255 | 229,500 |
| EH Holding Corp., 6.50%, 6/15/19 (a) | 600 | 600,000 |
| | | 2,059,713 |
| Consumer Finance 0.9% | | |
| Credit Acceptance Corp., 9.13%, 2/01/17 | 570 | 577,125 |
| Ford Motor Credit Co. LLC: | | |
| 3.00%, 1/13/12 (b) | 2,680 | 2,680,054 |
| 7.00%, 4/15/15 | 280 | 298,900 |
| 6.63%, 8/15/17 | 148 | 154,940 |
| | | 3,711,019 |
| Containers & Packaging 1.6% | | |
| Ardagh Packaging Finance Plc, 7.38%, 10/15/17 (a) | EUR 485 | 653,159 |
| Ball Corp., 6.75%, 9/15/20 | USD 625 | 656,250 |
| Berry Plastics Corp., 8.25%, 11/15/15 | 2,100 | 2,163,000 |
| Beverage Packaging Holdings Luxembourg II SA, 8.00%, 12/15/16 | EUR 260 | 291,322 |
| Graphic Packaging International, Inc., 9.50%, 6/15/17 | USD 360 | 391,500 |
| Smurfit Kappa Acquisitions: | | |
| 7.75%, 11/15/19 (a) | EUR 476 | 653,005 |
| 7.75%, 11/15/19 | 1,515 | 2,078,365 |
| | | 6,886,601 |
| Diversified Financial Services 3.5% | | |
| Ally Financial, Inc.: | | |
| 7.50%, 12/31/13 | USD 90 | 92,700 |
| 8.30%, 2/12/15 | 1,330 | 1,396,500 |
| 8.00%, 3/15/20 | 170 | 171,700 |
| 7.50%, 9/15/20 | 1,990 | 1,955,175 |
| 8.00%, 11/01/31 | 3,430 | 3,352,825 |

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| | | | |
|--|-----|-------|------------|
| 8.00%, 11/01/31 | | 1,530 | 1,471,754 |
| Archimedes Funding III Ltd., 5.50%, 11/29/11 (a) | | 2,636 | 553,541 |
| Axcan Intermediate Holdings, Inc., 12.75%, 3/01/16 | | 665 | 693,263 |
| Reynolds Group DL Escrow, Inc., 8.50%, 10/15/16 (a) | | 648 | 662,580 |
| Reynolds Group Issuer, Inc. (a): | | | |
| 8.50%, 10/15/16 | EUR | 521 | 725,964 |
| 8.75%, 10/15/16 | | 650 | 905,714 |
| 7.13%, 4/15/19 | USD | 1,070 | 1,013,825 |
| 7.88%, 8/15/19 | | 610 | 603,900 |
| 6.88%, 2/15/21 | | 920 | 855,600 |
| 8.25%, 2/15/21 | | 615 | 518,138 |
| WMG Acquisition Corp., 9.50%, 6/15/16 (a) | | 200 | 204,000 |
| | | | 15,177,179 |

| | | Par (000) | Value |
|---|-----|--------------|--------------|
| Corporate Bonds | | | |
| Diversified Telecommunication Services 1.5% | | | |
| ITC Deltacom, Inc., 10.50%, 4/01/16 | USD | 1,010 | \$ 1,035,250 |
| Level 3 Escrow, Inc., 8.13%, 7/01/19 (a) | | 2,022 | 1,920,900 |
| Level 3 Financing, Inc.: | | | |
| 4.20%, 2/15/15 (b) | | 1,225 | 1,065,750 |
| 8.75%, 2/15/17 | | 1,200 | 1,176,000 |
| Qwest Communications International, Inc., Series B, 7.50%, 2/15/14 | | 340 | 344,250 |
| tw telecom Holdings, Inc., 8.00%, 3/01/18 | | 690 | 710,700 |
| | | | 6,252,850 |
| Electric Utilities 0.2% | | | |
| IPALCO Enterprises, Inc., 7.25%, 4/01/16 (a) | | 775 | 830,618 |
| Electronic Equipment, Instruments & Components 0.1% | | | |
| CDW LLC, 8.00%, 12/15/18 (a) | | 610 | 603,900 |
| Muzak Holdings, LLC, 13.00%, 3/15/10 (c)(e) | | 2,675 | 268 |
| | | | 604,168 |
| Energy Equipment & Services 0.8% | | | |
| Frac Tech Services LLC, 7.13%, 11/15/18 (a) | | 1,190 | 1,231,650 |
| Key Energy Services, Inc., 6.75%, 3/01/21 | | 740 | 725,200 |
| MEG Energy Corp., 6.50%, 3/15/21 (a) | | 950 | 950,000 |
| Oil States International, Inc., 6.50%, 6/01/19 (a) | | 295 | 295,000 |
| SunCoke Energy, Inc., 7.63%, 8/01/19 (a) | | 185 | 181,762 |
| | | | 3,383,612 |
| Food Products 0.2% | | | |
| Del Monte Foods Co., 7.63%, 2/15/19 (a) | | 915 | 908,137 |
| JBS USA LLC, 7.25%, 6/01/21 (a) | | 145 | 131,769 |
| | | | 1,039,906 |
| Gas Utilities 0.1% | | | |
| Targa Resources Partners LP, 6.88%, 2/01/21 (a) | | 485 | 480,150 |
| Health Care Equipment & Supplies 0.6% | | | |
| DJO Finance LLC: | | | |
| 10.88%, 11/15/14 | | 1,270 | 1,312,862 |
| 7.75%, 4/15/18 (a) | | 770 | 716,100 |
| Teleflex, Inc., 6.88%, 6/01/19 | | 475 | 471,438 |
| | | | 2,500,400 |
| Health Care Providers & Services 2.2% | | | |
| Aviv Healthcare Properties LP, 7.75%, 2/15/19 | | 455 | 452,725 |
| Crown Newco 3 Plc, 7.00%, 2/15/18 (a) | GBP | 108 | 157,786 |
| HCA, Inc.: | | | |
| 6.50%, 2/15/20 | USD | 2,020 | 2,042,725 |
| 7.88%, 2/15/20 | | 1,210 | 1,282,600 |
| 7.25%, 9/15/20 | | 265 | 272,287 |
| inVentiv Health, Inc., 10.00%, 8/15/18 (a) | | 85 | 76,713 |

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| | | |
|---|-------|-----------|
| Omnicare, Inc., 6.88%, 12/15/15 | 1,055 | 1,076,100 |
| Tenet Healthcare Corp.: | | |
| 9.00%, 5/01/15 | 630 | 667,800 |
| 8.88%, 7/01/19 | 3,030 | 3,211,800 |
| | | 9,240,536 |
| Health Care Technology 1.0% | | |
| IMS Health, Inc., 12.50%, 3/01/18 (a) | 3,205 | 3,685,750 |
| MedAssets, Inc., 8.00%, 11/15/18 (a) | 620 | 598,300 |
| | | 4,284,050 |
| Hotels, Restaurants & Leisure 1.1% | | |
| Diamond Resorts Corp., 12.00%, 8/15/18 | 1,040 | 1,008,800 |
| HRP Myrtle Beach Holdings LLC, 14.50%, 4/01/14 (a)(c)(e) | 6,892 | 689 |
| HRP Myrtle Beach Operations LLC (a)(c)(e): | | |
| 5.21%, 4/01/12 | 5,000 | 500 |
| 12.50%, 4/01/13 (h) | 5,000 | 500 |
| Little Traverse Bay Bands of Odawa Indians, 9.00%, 8/31/20 (a) | 609 | 505,470 |

See Notes to Financial Statements.

Schedule of Investments (continued)

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

| | Par (000) | Value |
|---|--------------|--------------|
| Corporate Bonds | | |
| Hotels, Restaurants & Leisure (concluded) | | |
| MGM Resorts International, 11.13%, 11/15/17 | USD 1,340 | \$ 1,494,100 |
| Travelport LLC: | | |
| 4.95%, 9/01/14 (b) | 1,770 | 1,349,625 |
| 9.88%, 9/01/14 | 390 | 332,475 |
| Tropicana Entertainment LLC, Series WI, 9.63%, 12/15/14 (c)(e) | 530 | 53 |
| | | 4,692,212 |
| Household Durables 0.9% | | |
| Beazer Homes USA, Inc.: | | |
| 12.00%, 10/15/17 | 1,700 | 1,725,500 |
| 9.13%, 6/15/18 | 65 | 45,094 |
| Jarden Corp., 7.50%, 5/01/17 | 835 | 853,787 |
| Standard Pacific Corp.: | | |
| 8.38%, 5/15/18 | 220 | 193,050 |
| 8.38%, 1/15/21 | 1,205 | 1,036,300 |
| | | 3,853,731 |
| IT Services 0.8% | | |
| Eagle Parent Canada, Inc., 8.63%, 5/01/19 (a) | 940 | 864,800 |
| First Data Corp. (a): | | |
| 7.38%, 6/15/19 | 1,480 | 1,391,200 |
| 12.63%, 1/15/21 | 1,064 | 1,005,480 |
| | | 3,261,480 |
| Independent Power Producers & Energy Traders 2.4% | | |
| AES Corp.: | | |
| 7.75%, 10/15/15 | 300 | 315,000 |
| 9.75%, 4/15/16 | 1,305 | 1,442,025 |
| 7.38%, 7/01/21 (a) | 410 | 414,100 |
| Calpine Corp., 7.50%, 2/15/21 (a) | 710 | 717,100 |
| Energy Future Holdings Corp., 10.00%, 1/15/20 | 3,190 | 3,202,348 |
| Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20 | 2,515 | 2,537,311 |
| NRG Energy, Inc., 7.63%, 1/15/18 (a) | 1,760 | 1,742,400 |
| | | 10,370,284 |
| Industrial Conglomerates 1.7% | | |
| Sequa Corp. (a): | | |
| 11.75%, 12/01/15 | 2,850 | 2,964,000 |
| 13.50%, 12/01/15 (g) | 4,023 | 4,264,216 |
| | | 7,228,216 |
| Insurance 0.6% | | |
| CNO Financial Group, Inc., 9.00%, 1/15/18 (a) | 1,649 | 1,714,960 |
| Genworth Financial, Inc., 7.63%, 9/24/21 | 700 | 621,270 |
| MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a) | 415 | 398,400 |
| | | 2,734,630 |
| Machinery 0.1% | | |
| Navistar International Corp., 8.25%, 11/01/21 | 310 | 320,850 |
| Media 7.1% | | |
| AMC Networks, Inc., 7.75%, 7/15/21 (a) | 365 | 377,775 |
| CCH II LLC, 13.50%, 11/30/16 | 3,000 | 3,465,000 |
| CCO Holdings LLC: | | |

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| | | |
|--|-------|-----------|
| 7.25%, 10/30/17 | 510 | 525,938 |
| 7.88%, 4/30/18 | 1,075 | 1,118,000 |
| CSC Holdings, Inc., 8.50%, 4/15/14 | 680 | 736,100 |
| Cengage Learning Acquisitions, Inc., 10.50%, 1/15/15 (a) | 1,050 | 808,500 |
| Checkout Holding Corp., 10.97%, 11/15/15 (a)(h) | 1,090 | 643,100 |
| Clear Channel Worldwide Holdings, Inc.: | | |
| 9.25%, 12/15/17 | 639 | 677,340 |
| Series B, 9.25%, 12/15/17 | 5,802 | 6,208,140 |
| DISH DBS Corp.: | | |
| 7.00%, 10/01/13 | 3,000 | 3,146,250 |
| 6.75%, 6/01/21 (a) | 470 | 473,525 |

| | Par (000) | Value |
|--|--------------|------------|
| Corporate Bonds | | |
| Media (concluded) | | |
| Intelsat Luxemburg SA: | | |
| 11.25%, 6/15/16 | USD 460 | \$ 480,700 |
| 11.25%, 2/04/17 | 210 | 203,700 |
| 11.50%, 2/04/17 (g) | 100 | 97,125 |
| Interactive Data Corp., 10.25%, 8/01/18 | 1,715 | 1,817,900 |
| Kabel BW Erste Beteiligungs GmbH, 7.50%, 3/15/19 (a) | 1,040 | 1,024,400 |
| NAI Entertainment Holdings LLC, 8.25%, 12/15/17 (a) | 1,020 | 1,030,200 |
| Nielsen Finance LLC: | | |
| 11.63%, 2/01/14 | 1,239 | 1,403,167 |
| 7.75%, 10/15/18 | 1,235 | 1,275,138 |
| ProQuest LLC, 9.00%, 10/15/18 (a) | 415 | 406,700 |
| Regal Entertainment Group, 9.13%, 8/15/18 | 640 | 646,400 |
| Unitymedia Hessen GmbH & Co. KG (FKA UPC Germany GmbH), 8.13%, 12/01/17 (a) | 2,730 | 2,784,600 |
| Ziggo Finance BV, 6.13%, 11/15/17 (a) | EUR 655 | 917,385 |
| | | 30,267,083 |
| Metals & Mining 1.6% | | |
| Drummond Co., Inc., 9.00%, 10/15/14 (a) | USD 456 | 466,260 |
| FMG Resources August 2006 Property Ltd., 7.00%, 11/01/15 (a) | 1,610 | 1,605,975 |
| JMC Steel Group, 8.25%, 3/15/18 (a) | 335 | 327,463 |
| Novelis, Inc., 8.75%, 12/15/20 | 3,855 | 4,057,387 |
| RathGibson, Inc., 11.25%, 2/15/14 (c)(e) | 4,440 | 222 |
| Vulcan Materials Co., 7.50%, 6/15/21 | 377 | 371,312 |
| | | 6,828,619 |
| Multiline Retail 0.5% | | |
| Dollar General Corp., 11.88%, 7/15/17 (g) | 1,775 | 1,965,813 |
| Oil, Gas & Consumable Fuels 7.1% | | |
| Alpha Natural Resources, Inc.: | | |
| 6.00%, 6/01/19 | 260 | 254,150 |
| 6.25%, 6/01/21 | 815 | 797,681 |
| Arch Coal, Inc.: | | |
| 7.00%, 6/15/19 (a) | 215 | 211,775 |
| 7.25%, 10/01/20 | 655 | 645,175 |
| 7.25%, 6/15/21 (a) | 700 | 689,500 |
| Chesapeake Energy Corp.: | | |
| 6.63%, 8/15/20 | 1,592 | 1,663,640 |
| 6.13%, 2/15/21 | 1,100 | 1,116,500 |
| Coffeyville Resources LLC, 9.00%, 4/01/15 (a) | 436 | 462,160 |
| Consol Energy, Inc.: | | |
| 8.25%, 4/01/20 | 1,750 | 1,881,250 |
| 6.38%, 3/01/21 (a) | 440 | 436,700 |
| Crosstex Energy LP, 8.88%, 2/15/18 | 100 | 103,500 |
| Denbury Resources, Inc.: | | |
| 8.25%, 2/15/20 | 670 | 706,013 |

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| | | |
|--|-------|-----------|
| 6.38%, 8/15/21 | 570 | 558,600 |
| El Paso Corp., 7.00%, 6/15/17 | 1,575 | 1,750,323 |
| Energy XXI Gulf Coast, Inc., 7.75%, 6/15/19 | 1,300 | 1,222,000 |
| Forest Oil Corp., 8.50%, 2/15/14 | 390 | 417,300 |
| Hilcorp Energy I LP, 7.63%, 4/15/21 (a) | 2,165 | 2,186,650 |
| Linn Energy LLC: | | |
| 8.63%, 4/15/20 | 1,115 | 1,193,050 |
| 7.75%, 2/01/21 (a) | 1,970 | 2,009,400 |
| Niska Gas Storage US LLC, 8.88%, 3/15/18 | 1,600 | 1,616,000 |
| OGX Petroleo e Gas Participações SA, 8.50%, 6/01/18 (a) | 3,015 | 3,022,537 |
| Oasis Petroleum, Inc., 7.25%, 2/01/19 (a) | 335 | 328,300 |
| Petrohawk Energy Corp.: | | |
| 10.50%, 8/01/14 | 590 | 666,700 |
| 7.88%, 6/01/15 | 795 | 858,600 |
| 7.25%, 8/15/18 | 525 | 612,281 |
| 6.25%, 6/01/19 (a) | 920 | 1,069,500 |
| Plains Exploration & Production Co., 7.75%, 6/15/15 | 530 | 545,900 |

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

| | Par (000) | Value |
|---|--------------|--------------|
| Corporate Bonds | | |
| Oil, Gas & Consumable Fuels (concluded) | | |
| Range Resources Corp., 5.75%, 6/01/21 | USD 1,230 | \$ 1,236,150 |
| SandRidge Energy, Inc., 7.50%, 3/15/21 (a) | 825 | 804,375 |
| Titan Petrochemicals Group Ltd., 8.50%, 3/18/12 (a) | 1,760 | 1,232,000 |
| | | 30,297,710 |
| Paper & Forest Products 2.5% | | |
| Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (a)(g) | 4,530 | 3,170,991 |
| Clearwater Paper Corp., 10.63%, 6/15/16 | 640 | 700,800 |
| Georgia-Pacific LLC, 8.25%, 5/01/16 (a) | 2,950 | 3,368,923 |
| Longview Fibre Paper & Packaging, Inc., 8.00%, 6/01/16 (a) | 280 | 277,200 |
| NewPage Corp., 11.38%, 12/31/14 | 2,280 | 2,006,400 |
| Verso Paper Holdings LLC: 11.50%, 7/01/14 | 510 | 540,600 |
| Series B, 4.00%, 8/01/14 (b) | 890 | 729,800 |
| | | 10,794,714 |
| Pharmaceuticals 0.4% | | |
| Valeant Pharmaceuticals International, 6.50%, 7/15/16 (a) | 1,935 | 1,838,250 |
| Professional Services 0.1% | | |
| FTI Consulting, Inc., 6.75%, 10/01/20 | 560 | 552,300 |
| Real Estate Investment Trusts (REITs) 0.4% | | |
| FelCor Lodging LP, 6.75%, 6/01/19 (a) | 1,825 | 1,715,500 |
| Real Estate Management & Development 0.9% | | |
| Realogy Corp.: 11.50%, 4/15/17 | 1,620 | 1,287,900 |
| 12.00%, 4/15/17 | 160 | 128,000 |
| 7.88%, 2/15/19 (a) | 2,225 | 1,846,750 |
| Shea Homes LP, 8.63%, 5/15/19 (a) | 610 | 515,450 |
| | | 3,778,100 |
| Road & Rail 1.2% | | |
| Avis Budget Car Rental LLC, 8.25%, 1/15/19 | 1,805 | 1,746,337 |
| Florida East Coast Railway Corp., 8.13%, 2/01/17 (a) | 370 | 368,150 |
| The Hertz Corp. (a): 7.50%, 10/15/18 | 1,750 | 1,715,000 |
| 6.75%, 4/15/19 | 730 | 680,725 |
| 7.38%, 1/15/21 | 810 | 773,550 |
| | | 5,283,762 |
| Specialty Retail 0.3% | | |
| United Auto Group, Inc., 7.75%, 12/15/16 | 1,275 | 1,290,938 |
| Textiles, Apparel & Luxury Goods 0.1% | | |
| Phillips-Van Heusen Corp., 7.75%, 11/15/23 | 410 | 430,411 |
| Transportation Infrastructure 0.1% | | |
| Aguila 3 SA, 7.88%, 1/31/18 (a) | 353 | 331,820 |
| Wireless Telecommunication Services 2.4% | | |
| Cricket Communications, Inc., 7.75%, 5/15/16 | 3,050 | 3,088,125 |
| Digicel Group Ltd. (a): 9.13%, 1/15/15 | 3,948 | 3,948,000 |
| 8.25%, 9/01/17 | 810 | 810,000 |
| | 815 | 809,906 |

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Nextel Communications, Inc., Series E, 6.88%,

10/31/13

Sprint Capital Corp.:

8.38%, 3/15/12

625

643,750

6.88%, 11/15/28

880

787,600

10,087,381

Total Corporate Bonds 58.1%

248,107,661

| | | Par (000) | Value |
|--|-----|--------------|--------------|
| Floating Rate Loan Interests (b) | | | |
| Aerospace & Defense 0.3% | | | |
| TransDigm, Inc., Term Loan (First Lien), 4.00%, 2/14/17 | USD | 1,493 | \$ 1,432,800 |
| Airlines 0.5% | | | |
| Delta Air Lines, Inc., Credit New Term Loan B, 5.50%, 4/20/17 | | 2,375 | 2,188,966 |
| Auto Components 1.5% | | | |
| Allison Transmission, Inc., Term Loan, 2.96%, 8/07/14 | | 3,463 | 3,246,936 |
| Autoparts Holdings, Ltd.: | | | |
| First Lien Term Loan, 6.50%, 7/28/17 | | 1,200 | 1,176,000 |
| Second Lien Term Loan, 10.50%, 1/29/18 | | 1,800 | 1,773,000 |
| | | | 6,195,936 |
| Biotechnology 0.2% | | | |
| Grifols SA, Term Loan B, 6.00%, 6/01/17 | | 905 | 883,280 |
| Building Products 1.6% | | | |
| CPG International I, Inc., Term Loan B, 6.00%, 2/18/17 | | 1,194 | 1,116,390 |
| Goodman Global, Inc.: | | | |
| Initial Term Loan (First Lien), 5.75%, 10/28/16 | | 3,112 | 3,058,537 |
| Term Loan (Second Lien), 9.00%, 10/30/17 | | 1,200 | 1,206,000 |
| Momentive Performance Materials (Blitz 06-103 GmbH), Tranche B-2B Term Loan, 4.79%, 5/05/15 | EUR | 1,064 | 1,370,828 |
| | | | 6,751,755 |
| Capital Markets 0.9% | | | |
| HarbourVest Partners, Term Loan (First Lien), 6.25%, 12/14/16 | USD | 1,812 | 1,757,658 |
| Nuveen Investments, Inc. (First Lien): | | | |
| Extended Term Loan, 3.25%, 11/13/14 | | 418 | 386,706 |
| Non-Extended Term Loan, 5.75% 5.81%, 5/12/17 | | 1,682 | 1,571,220 |
| | | | 3,715,584 |
| Chemicals 4.7% | | | |
| AZ Chemical Co., LLC, New Term Loan, 4.75%, 11/21/16 | | 313 | 301,970 |
| American Rock Salt Holdings LLC, Term Loan B, 5.50%, 4/25/17 | | 2,264 | 2,170,922 |
| Ashland, Inc., Term Loan B, 3.75%, 7/30/18 | | 1,300 | 1,270,984 |
| Chemtura Corp., Exit Term Loan B, 5.50%, 8/27/16 | | 1,300 | 1,271,829 |
| Gentek, Inc., Tranche B Term Loan, 7.00%, 10/06/15 | | 2,046 | 1,909,367 |
| MDI Holdings, LLC (FKA MacDermid, Inc.): | | | |
| Tranche C Term Loan, 3.54%, 4/11/14 | EUR | 647 | 884,136 |
| Nexeo Solutions, LLC, Term Loan B, 5.00%, 9/08/17 | | | |
| | USD | 1,621 | 1,492,608 |
| PQ Corp. (FKA Niagara Acquisition, Inc.), Original Term Loan Facility (First Lien), 3.48% 3.51%, 7/30/14 | | | |
| | | 2,266 | 2,071,177 |
| Styron Sarl, Term Loan B, 6.00%, 8/02/17 | | 2,297 | 2,110,578 |
| Tronox Worldwide LLC, Exit Term Loan, 7.00%, 10/15/15 | | 4,443 | 4,392,695 |
| Univar, Inc., Term Loan B, 5.00%, 6/30/17 | | 2,388 | 2,203,527 |
| | | | 20,079,793 |

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Commercial Services & Supplies 2.3%

ARAMARK Corp.:

| | | |
|--|-------|-----------|
| Letter of Credit 1 Facility, 2.06%, 1/27/14 | 28 | 25,983 |
| Letter of Credit 2 Facility, 3.44%, 7/26/16 | 29 | 26,951 |
| US Term Loan, 2.12%, 1/27/14 | 342 | 322,541 |
| US Term Loan B, 3.50%, 7/26/16 | 438 | 409,811 |
| AWAS Finance Luxembourg Sarl, Term Loan B, 5.25%, 6/10/16 | 796 | 766,268 |
| Adesa, Inc. (KAR Holdings, Inc.), Initial Term Loan B, 5.00%, 5/19/17 | 2,400 | 2,280,000 |
| Altegrity, Inc. (FKA US Investigations Services, Inc.), Tranche D Term Loan, 7.75%, 2/20/15 | 2,789 | 2,713,587 |

See Notes to Financial Statements.

Schedule of Investments (continued)

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

| | Par (000) | Value |
|---|--------------|------------|
| Floating Rate Loan Interests (b) | | |
| Commercial Services & Supplies (concluded) | | |
| Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16 | USD 975 | \$ 968,497 |
| Synagro Technologies, Inc., Term Loan (First Lien), 2.21% 2.23%, 4/02/14 | 878 | 762,601 |
| Volume Services America, Inc. (Centerplate), Term Loan B, 10.50% 10.75%, 9/16/16 | 1,787 | 1,709,091 |
| | | 9,985,330 |
| Communications Equipment 1.3% | | |
| Avaya, Inc.: | | |
| Term Loan B, 3.06%, 10/24/14 | 1,833 | 1,630,246 |
| Term Loan B-3, 4.81%, 10/26/17 | 2,936 | 2,528,791 |
| CommScope, Inc., Term Loan B, 5.00%, 1/14/18 | 1,496 | 1,436,400 |
| | | 5,595,437 |
| Construction & Engineering 0.8% | | |
| BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18 | 875 | 831,250 |
| Safway Services, LLC, First Out Tranche Loan, 9.00%, 12/16/17 | 2,750 | 2,750,000 |
| | | 3,581,250 |
| Consumer Finance 0.9% | | |
| Springleaf Financial Funding Co. (FKA AGFS Funding Co.), Term Loan, 5.50%, 5/10/17 | 4,250 | 3,936,563 |
| Containers & Packaging 0.5% | | |
| Berry Plastics Holding Corp., Term Loan C, 2.21%, 4/03/15 | 340 | 302,104 |
| Graham Packaging Co., LP, Term Loan D, 6.00%, 9/23/16 | 1,687 | 1,670,378 |
| | | 1,972,482 |
| Diversified Consumer Services 2.8% | | |
| Coinmach Service Corp., Term Loan, 3.22% 3.30%, 11/20/14 | 4,536 | 3,946,303 |
| Laureate Education, Extended Term Loan, 5.25%, 8/15/18 | 5,121 | 4,522,566 |
| ServiceMaster Co.: | | |
| Closing Date Term Loan, 2.69% 2.76%, 7/24/14 | 3,215 | 2,970,294 |
| Delayed Draw Term Loan, 2.72%, 7/24/14 | 320 | 295,797 |
| | | 11,734,960 |
| Diversified Financial Services 0.2% | | |
| Reynolds Group Holdings, Inc., Term Loan E, 6.50%, 2/09/18 | 963 | 918,068 |
| Diversified Telecommunication Services 2.5% | | |
| Hawaiian Telcom Communications, Inc., Term Loan, 9.00%, 11/01/15 | 3,618 | 3,613,581 |
| Level 3 Financing, Inc.: | | |
| Add On Term Loan, 11.50%, 3/13/14 | 1,500 | 1,558,755 |
| Term Loan B2, 2.50%, 9/03/18 | 6,000 | 5,655,000 |
| | | 10,827,336 |
| Electrical Equipment 0.1% | | |
| Generac Acquisition Corp., Term Loan (First Lien), 2.69% 2.75%, 11/11/13 | 297 | 277,791 |

| Electronic Equipment, Instruments & Components 1.8% | | | |
|--|-----|--------------|--------------|
| Aeroflex, Inc., Term Loan B, 4.25%, 5/09/18 | | 1,325 | 1,226,725 |
| CDW LLC (FKA CDW Corp.): | | | |
| Extended Term Loan B, 4.25%, 7/14/17 | | 1,781 | 1,615,930 |
| Non-Extended Term Loan, 3.71%, 10/10/14 | | 2,114 | 1,987,038 |
| Sensata Technologies Finance Company, LLC, New Term Loan, 4.00%, 5/11/18 | | 2,760 | 2,653,050 |
| | | | 7,482,743 |
| Floating Rate Loan Interests (b) | | | |
| | | Par (000) | Value |
| Energy Equipment & Services 1.9% | | | |
| CCS Income Trust, Term Loan B, 3.25%, 11/14/14 | USD | 1,168 | \$ 1,035,629 |
| Dynege Holdings, Inc.: | | | |
| Coal Company Term Loan, 9.25%, 8/04/16 | | 1,643 | 1,586,859 |
| Gas Company Term Loan, 9.25%, 8/04/16 | | 3,007 | 2,954,377 |
| MEG Energy Corp., Tranche D Term Loan, 4.00%, 3/16/18 | | 2,700 | 2,581,875 |
| | | | 8,158,740 |
| Food & Staples Retailing 1.7% | | | |
| AB Acquisitions UK Topco 2 Ltd. (FKA Alliance Boots), Facility B1, 3.61%, 7/09/15 | GBP | 3,000 | 4,186,994 |
| US Foodservice, Inc., Term Loan B: 2.71% 2.72%, 7/03/14 | USD | 2,197 | 1,966,712 |
| 5.75%, 3/31/17 | | 1,297 | 1,205,978 |
| | | | 7,359,684 |
| Food Products 2.6% | | | |
| Advance Pierre Foods, Term Loan: (First Lien), 7.00%, 9/30/16 | | 2,878 | 2,782,922 |
| (Second Lien), 11.25%, 9/29/17 | | 1,800 | 1,764,000 |
| Del Monte Corp., Term Loan B, 4.50%, 3/08/18 | | 4,210 | 3,967,925 |
| Pinnacle Foods Finance LLC, Tranche D Term Loan, 6.00%, 4/02/14 | | 1,505 | 1,483,225 |
| Solvest, Ltd. (Dole): | | | |
| Tranche B-1 Term Loan, 5.00% 6.00%, 7/06/18 | | 404 | 389,293 |
| Tranche C-1 Term Loan, 5.00% 6.00%, 7/06/18 | | 751 | 722,972 |
| | | | 11,110,337 |
| Health Care Equipment & Supplies 1.0% | | | |
| Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15 | | 265 | 251,485 |
| DJO Finance LLC (FKA ReAble Therapeutics Finance LLC), Term Loan, 3.22%, 5/20/14 | | 1,713 | 1,598,706 |
| Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18 | | 1,524 | 1,404,667 |
| Immucor, Inc., Term Loan B, 7.25%, 8/17/18 | | 1,100 | 1,060,818 |
| | | | 4,315,676 |
| Health Care Providers & Services 4.1% | | | |
| CHS/Community Health Systems, Inc.: | | | |
| Non-Extended Delayed Draw Term Loan, 2.47% 2.57%, 7/25/14 | | 72 | 67,000 |
| Non-Extended Term Loan, 2.47% 2.57%, 7/25/14 | | 1,423 | 1,319,619 |
| ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16 | | 1,294 | 1,220,198 |
| DaVita, Inc., Term Loan B, 4.50%, 10/20/16 | | 1,990 | 1,930,300 |
| Emergency Medical Services, Term Loan, 5.25%, 5/25/18 | | 1,995 | 1,845,375 |
| HCA, Inc., Tranche B-1 Term Loan: 2.50%, 11/18/13 | | 245 | 236,628 |
| 3.50%, 5/01/18 | | 1,329 | 1,246,767 |
| Harden Healthcare, Inc.: | | | |

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| | | |
|---|-------|------------|
| Tranche A Additional Term Loan, 7.75%, 3/02/15 | 2,303 | 2,256,973 |
| Tranche A Term Loan, 8.50%, 3/02/15 | 692 | 678,253 |
| inVentiv Health, Inc. (FKA Ventive Health, Inc.): | | |
| Incremental Term Loan B3, 6.75%, 5/15/18 | 1,000 | 940,000 |
| Term Loan B, 6.50%, 8/04/16 | 2,713 | 2,558,940 |
| Medpace, Inc., Term Loan, 6.50%, 6/22/17 | 2,000 | 1,900,000 |
| Renal Advantage Holdings, Inc., Tranche B Term Loan, 5.75%, 12/16/16 | 1,294 | 1,266,557 |
| | | 17,466,610 |
| Health Care Technology 0.7% | | |
| IMS Health, Inc., Tranche B Dollar Term Loan, 4.50%, 8/25/17 | 1,990 | 1,908,351 |
| MedAssets, Inc., Term Loan B, 5.25%, 11/16/16 | 945 | 894,444 |
| | | 2,802,795 |

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

| | Par (000) | Value |
|---|--------------|------------|
| Floating Rate Loan Interests (b) | | |
| Hotels, Restaurants & Leisure 4.4% | | |
| Caesars Entertainment Operating Co., Inc.: | | |
| Incremental Term Loan B-4, 9.50%, 10/31/16 | USD 575 | \$ 573,388 |
| Term Loan B-1, 3.25%, 1/28/15 | 1,424 | 1,226,002 |
| Term Loan B-2, 3.22% 3.25%, 1/28/15 | 1,260 | 1,085,566 |
| Term Loan B-3, 3.25%, 1/28/15 | 4,320 | 3,719,182 |
| Dunkin Brands, Inc., New Term Loan B, 4.00%, 11/23/17 | 2,886 | 2,771,309 |
| Golden Living, Term Loan, 5.00%, 5/04/18 | 1,890 | 1,677,375 |
| Las Vegas Sands LLC: | | |
| Delayed Draw Term Loan, 1.72%, 5/23/14 | 193 | 179,088 |
| Term Loan B, 1.72%, 5/23/14 | 1,132 | 1,054,062 |
| Seaworld Parks & Entertainment, Inc. (FKA SW Acquisitions Co., Inc.), Term Loan B, 4.00%, 8/17/17 | 1,794 | 1,731,632 |
| Six Flags Theme Parks, Inc., Tranche B Term Loan (First Lien), 5.25%, 6/30/16 | 2,971 | 2,897,080 |
| VML US Finance LLC (FKA Venetian Macau): | | |
| New Project Term Loan, 4.73%, 5/27/13 | 880 | 870,868 |
| Term B Delayed Draw Project Loan, 4.73%, 5/25/12 | 1,035 | 1,023,828 |
| Term B Funded Project Loan, 4.73%, 5/27/13 | 179 | 176,950 |
| | | 18,986,330 |
| IT Services 3.2% | | |
| Ceridian Corp., US Term Loan, 3.22%, 11/10/14 | 3,069 | 2,623,859 |
| First Data Corp.: | | |
| Initial B-1 Term Loan, 2.97%, 9/24/14 | 147 | 128,976 |
| Initial B-2 Term Loan, 4.22%, 3/23/18 | 6,563 | 5,494,561 |
| Initial B-3 Term Loan, 2.97%, 9/24/14 | 210 | 184,558 |
| infoGROUP, Inc., Term Loan, 5.75%, 5/22/18 | 855 | 784,747 |
| iPayment, Inc., Term Loan B, 5.75%, 5/08/17 | 1,154 | 1,091,594 |
| TransUnion LLC, Replacement Term Loan, 4.75%, 2/12/18 | 3,721 | 3,529,063 |
| | | 13,837,358 |
| Independent Power Producers & Energy Traders 1.5% | | |
| AES Corp., Term Loan B, 4.25%, 6/01/18 | 1,796 | 1,724,578 |
| Calpine Corp., Term Loan B, 4.50%, 4/02/18 | 2,042 | 1,882,709 |
| Texas Competitive Electric Holdings Co., LLC (TXU), Extended Term Loan, 4.71% 4.77%, 10/10/17 | 3,716 | 2,728,033 |
| | | 6,335,320 |
| Industrial Conglomerates 1.1% | | |
| Sequa Corp., Term Loan, 3.50% 3.51%, 12/03/14 | 2,643 | 2,469,176 |
| Tomkins Plc, Term Loan B, 4.25%, 9/29/16 | 2,277 | 2,191,573 |
| | | 4,660,749 |
| Leisure Equipment & Products 0.4% | | |
| EB Sports Corp., Loan, 11.50%, 12/31/15 | 1,641 | 1,575,288 |
| Machinery 0.4% | | |
| Terex Corp.: | | |
| Term Loan, 6.03%, 4/28/17 | EUR 220 | 306,549 |
| Term Loan B, 5.50%, 4/28/17 | USD 1,300 | 1,274,000 |

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FirstLight Power Resources, Inc. (FKA NE Energy, Inc.),

Term B Advance (First Lien), 2.75%, 11/01/13

Multiline Retail 1.4%

Dollar General Corp., Tranche B-2 Term Loan,

2.96% 2.97%, 7/07/14

1,439

1,395,477

Hema Holding BV:

Facility B, 3.43%, 7/06/15

EUR

363

484,352

Facility C, 4.18%, 7/05/16

363

486,956

Facility D, 6.43%, 1/05/17

2,900

3,777,054

6,143,839

Oil, Gas & Consumable Fuels 1.2%

Gibson Energy, Term Loan B, 5.75%, 6/14/18

USD

1,500

1,417,500

Obsidian Natural Gas Trust, Term Loan, 7.00%,

11/02/15

3,651

3,614,688

5,032,188

Paper & Forest Products 0.9%

Verso Paper Finance Holdings LLC, Term Loan,

6.51% 7.26%, 2/01/13 (g)

4,500

3,869,610

See Notes to Financial Statements.

Schedule of Investments (continued)

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

| | Par (000) | Value |
|--|--------------|--------------|
| Floating Rate Loan Interests (b) | | |
| Pharmaceuticals 1.4% | | |
| Aptalis Pharma, Inc., Term Loan, 5.50%, 2/10/17 | USD 1,791 | \$ 1,615,482 |
| Endo Pharmaceuticals Holdings, Inc., Term Loan B, 4.00%, 6/18/18 | 1,500 | 1,467,195 |
| Quintiles Transnational Corp., Term Loan, 5.00%, 6/08/18 | 780 | 723,450 |
| RPI Finance Trust, Term Loan Tranche 2, 4.00%, 5/09/18 | 1,150 | 1,115,500 |
| Warner Chilcott Corp.: | | |
| Term Loan B-1, 4.25%, 3/15/18 | 866 | 830,124 |
| Term Loan B-2, 4.25%, 3/15/18 | 433 | 415,603 |
| | | 6,167,354 |
| Professional Services 0.8% | | |
| Booz Allen Hamilton, Inc., Tranche B Term Loan, 4.00%, 8/03/17 | 1,246 | 1,218,877 |
| Fifth Third Processing Solutions, LLC, Term Loan B (First Lien), 4.50%, 11/03/16 | 2,090 | 2,012,473 |
| | | 3,231,350 |
| Real Estate Investment Trusts (REITs) 0.8% | | |
| iStar Financial, Inc., Term Loan, (Second Lien), 5.00%, 6/28/13 | 3,447 | 3,349,325 |
| Real Estate Management & Development 1.2% | | |
| Realogy Corp.: | | |
| Delayed Draw Term Loan, 3.27%, 10/10/13 | 2,677 | 2,362,243 |
| Extended Synthetic Letter of Credit Loan, 4.44%, 10/10/16 | 396 | 325,890 |
| Extended Term Loan B, 4.52%, 10/10/16 | 3,033 | 2,496,249 |
| | | 5,184,382 |
| Semiconductors & Semiconductor Equipment 0.4% | | |
| Freescale Semiconductor, Inc., Extended Maturity Term Loan, 4.44%, 12/01/16 | 730 | 664,126 |
| Microsemi Corp., Term Loan B, 4.00%, 11/02/17 | 1,294 | 1,234,219 |
| | | 1,898,345 |
| Specialty Retail 3.3% | | |
| Academy Ltd., Term Loan, 6.00%, 8/03/18 | 1,900 | 1,803,575 |
| Burlington Coat Factory Warehouse Corp., Term Loan B, 6.25%, 2/23/17 | 1,407 | 1,326,274 |
| General Nutrition Centers, Inc., Term Loan B, 4.25%, 3/02/18 | 2,175 | 2,052,656 |
| J. Crew Group, Inc., Term Loan B, 4.75%, 3/07/18 | 653 | 581,904 |
| Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18 | 798 | 742,140 |
| Michaels Stores, Inc.: | | |
| Term Loan B-1, 2.50%, 10/31/13 | 980 | 926,500 |
| Term Loan B-2, 4.75%, 7/31/16 | 1,517 | 1,427,915 |
| Petco Animal Supplies, Inc., Term Loan B, 4.50%, 11/24/17 | 2,708 | 2,545,191 |
| Toys R Us Delaware, Inc.: | | |
| Initial Loan, 6.00%, 9/01/16 | 1,907 | 1,786,985 |
| Term Loan, 5.25%, 5/25/18 | 1,147 | 1,064,911 |
| | | 14,258,051 |
| Wireless Telecommunication Services 1.7% | | |
| | 1,493 | 1,398,299 |

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| | | |
|--|-------|-------------|
| MetroPCS Wireless, Inc., Term Loan B, 4.00%, 3/16/18 | | |
| Vodafone Americas Finance 2, Inc., Initial Loan, 6.88%, 8/11/15 | 5,887 | 5,916,228 |
| | | 7,314,527 |
| Total Floating Rate Loan Interests 71.4% | | 304,838,941 |

| | Beneficial Interest (000) | Value |
|--|---------------------------------|-----------|
| Other Interests (j) | | |
| Auto Components 0.0% | | |
| Intermet Liquidating Trust, Class A (c) | USD 833 | \$ 8 |
| Diversified Financial Services 0.3% | | |
| DSU JGW SPV, LLC (J.G. Wentworth LLC Preferred Equity Interests) (c)(k) | 1 | 1,293,079 |
| Hotels, Restaurants & Leisure 0.0% | | |
| Buffets, Inc. (c) | 1,440 | 14 |
| Household Durables 0.4% | | |
| DSU (S-MARTIN) SPV, LLC (Stanley Martin, Class B Membership Units) (c)(k) | 2 | 1,511,219 |
| Media 0.0% | | |
| Adelphia Escrow (c) | 7,500 | 75 |
| Adelphia Preferred Escrow (c) | 5 | |
| Adelphia Recovery Trust (c) | 9,406 | 941 |
| Adelphia Recovery Trust, Series ACC-6B INT (c) | 500 | 2,500 |
| | | 3,516 |
| Metals & Mining 0.8% | | |
| DSU-(R-Gibson) SPV, LLC (RathGibson Acquisition Corp. LLC) (k) | 280 | 3,459,279 |
| Specialty Retail 0.0% | | |
| Movie Gallery, Inc. Default Escrow (c) | 21,700 | 217 |
| Total Other Interests 1.5% | | 6,267,332 |

| | Shares | |
|--|---------|----------------|
| Warrants (l) | | |
| Health Care Providers & Services 0.0% | | |
| HealthSouth Corp. (Expires 1/16/14) | 126,761 | 1 |
| Hotels, Restaurants & Leisure 0.0% | | |
| Buffets Restaurants Holdings, Inc. (Expires 4/29/14) | 1,216 | 12 |
| Media 0.0% | | |
| Charter Communications, Inc. (Expires 11/30/14) | 12,661 | 139,689 |
| Software 0.0% | | |
| Bankruptcy Management Solutions, Inc. (Expires 9/29/17) | 1,247 | 13 |
| HMH Holdings/EduMedia (Expires 3/09/17) | 24,924 | |
| | | 13 |
| Total Warrants 0.0% | | 139,715 |
| Total Investments (Cost \$662,005,427*) 135.2% | | 577,515,239 |
| Liabilities in Excess of Other Assets (35.2)% | | (150,437,744) |
| Net Assets 100.0% | | \$ 427,077,495 |

* The cost and unrealized appreciation (depreciation) of investments as of August 31, 2011, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|----------------|
| Aggregate cost | \$ 657,970,871 |
| Gross unrealized appreciation | \$ 13,206,944 |
| Gross unrealized depreciation | (93,662,576) |

Net unrealized depreciation

\$ (80,455,632)

See Notes to Financial Statements.

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AUGUST 31, 2011

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Schedule of Investments (continued)

BlackRock Debt Strategies Fund, Inc. (DSU)

- (a) 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.
- (b) Variable rate security. Rate shown is as of report date.
- (c) Non-income producing security.
- (d) Restricted security as to resale. As of report date the Fund held less than 0.1% of its net assets, with a current market value of \$14,518 and an original cost of \$1,027, in this security.
- (e) Issuer filed for bankruptcy and/or is in default of interest payments.
- (f) 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.
- (g) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
- (h) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (i) Convertible security.
- (j) Other interests represent beneficial interest in liquidation trusts and other reorganization or private entities.
- (k) The investment is held by a wholly owned subsidiary of the Fund.
- (l) 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.

Investments in companies considered to be an affiliate of the Fund during the period, 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, 2011 | Net Activity | Shares Held at August 31, 2011 | Income |
|--|--|-----------------|--------------------------------------|----------|
| BlackRock Liquidity Funds, TempFund, Institutional Class | 436,377 | (436,377) | | \$ 1,517 |

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. These definitions may not apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

Foreign currency exchange contracts as of August 31, 2011 were as follows:

| Currency Purchased | Currency Sold | Counterparty | Settlement Date | Unrealized Appreciation (Depreciation) |
|-----------------------|------------------|---------------|--------------------|--|
| CAD 908,500 | USD 924,168 | Citibank NA | 10/07/11 | \$ 2,759 |
| USD 918,798 | CAD 908,500 | Citibank NA | 10/07/11 | (8,130) |
| EUR 877,500 | USD 1,257,112 | Citibank NA | 10/26/11 | 2,590 |
| USD 18,545,420 | EUR 12,936,500 | Citibank NA | 10/26/11 | (25,670) |
| USD 72,162 | EUR 50,000 | Deutsche Bank | 10/26/11 | 384 |
| USD 641,964 | EUR 445,000 | UBS AG | 10/26/11 | 3,141 |

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| | | | | | | |
|--------------|-----------|-----|-----------|------------------------|----------|-------------|
| GBP | 2,070 | USD | 3,342 | State Street Bank | 8/11/11 | 19 |
| USD | 454,347 | GBP | 280,000 | Citibank NA | 10/07/11 | (3,598) |
| USD | 3,921,166 | GBP | 2,454,000 | Royal Bank of Scotland | 10/07/11 | (60,862) |
| Total | | | | | | \$ (89,367) |

Fair Value Measurements Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs are categorized 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 derivative financial instruments)

The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and does not necessarily correspond to the Fund's perceived risk of investing in those securities. For information about the Fund's policy regarding valuation of investments and derivative financial instruments and other significant accounting policies, please refer to Note 1 of Notes to Financial Statements.

The following tables summarize the inputs used as of August 31, 2011 in determining the fair valuation of the Fund's investments and derivative financial instruments:

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|------------------------|------------|----------------|---------------|----------------|
| Assets: | | | | |
| Investments: | | | | |
| Long-Term Investments: | | | | |
| Asset-Backed | | | | |
| Securities | | \$ 3,056,906 | \$ 4,899,338 | \$ 7,956,244 |
| Common Stocks | \$ 795,785 | 3,373,248 | 6,036,313 | 10,205,346 |
| Corporate Bonds | | 234,208,641 | 13,899,020 | 248,107,661 |
| Floating Rate | | | | |
| Loan interests | | 267,976,591 | 36,862,350 | 304,838,941 |
| Other Interests | 3,441 | | 6,263,891 | 6,267,332 |
| Warrants | 139,689 | | 26 | 139,715 |
| Liabilities: | | | | |
| Unfunded Loan | | | | |
| Commitments | | (79,684) | | (79,684) |
| Total | \$ 938,915 | \$ 508,535,702 | \$ 67,960,938 | \$ 577,435,555 |

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|--------------------------|---------|-------------|---------|-------------|
| Derivative Financial | | | | |
| Instruments ¹ | | | | |
| Assets: | | | | |
| Foreign currency | | | | |
| exchange contracts | | \$ 8,893 | | \$ 8,893 |
| Liabilities: | | | | |
| Foreign currency | | | | |
| exchange contracts | | (98,260) | | (98,260) |
| Total | | \$ (89,367) | | \$ (89,367) |

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- ¹ Derivative financial instruments are foreign currency exchange contracts, which are valued at the unrealized appreciation/depreciation on the instrument.

See Notes to Financial Statements.

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SEMI-ANNUAL REPORT

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Schedule of Investments (concluded)

BlackRock Debt Strategies Fund, Inc. (DSU)

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

| | Asset-Backed Securities | Common Stocks | Corporate Bonds | Floating Rate Loan Interests | Other Interests | Warrants | Total |
|--|----------------------------|---------------------|----------------------|------------------------------------|---------------------|--------------|----------------------|
| Assets: | | | | | | | |
| Balance, as of February 28, 2011 | \$ 6,393,325 | \$ 926,586 | \$ 12,777,038 | \$ 50,753,656 | \$ 4,757,077 | \$ 26 | \$ 75,607,708 |
| Accrued discounts/premiums | 34,986 | | 256,924 | 65,956 | | | 357,866 |
| Net realized gain (loss) | 62,231 | | 11,620 | 151,989 | | | 225,840 |
| Net change in unrealized appreciation/depreciation ² | (389,979) | (5,389,893) | 976,442 | (4,096,771) | 1,506,819 | | (7,393,382) |
| Purchases | 1,712,700 | 10,499,620 | 25,052 | 14,100,625 | | | 26,337,997 |
| Sales | (1,813,925) | | (148,500) | (14,937,250) | | | (16,899,675) |
| Transfers in ³ | | | 444 | 4,518,093 | | | 4,518,537 |
| Transfers out ³ | (1,100,000) | | | (13,693,948) | (5) | | (14,793,953) |
| Balance, as of August 31, 2011 | \$ 4,899,338 | \$ 6,036,313 | \$ 13,899,020 | \$ 36,862,350 | \$ 6,263,891 | \$ 26 | \$ 67,960,938 |

² Included in the related net change in unrealized appreciation/depreciation in the Statements of Operations. The change in unrealized appreciation/depreciation on investments still held on August 31, 2011 was \$(4,397,797).

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

A reconciliation of Level 3 investments and derivative financial instruments is presented when the Fund had a significant amount of Level 3 investments and derivative financial instruments at the beginning and/or end of the period in relation to net assets.

See Notes to Financial Statements.

Schedule of Investments August 31, 2011 (Unaudited)

BlackRock Floating Rate Income Strategies Fund II, Inc. (FRB)
(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|---|--------------|------------|
| Asset-Backed Securities | | |
| ARES CLO Funds, Series 2005-10A, Class B, 0.64%, 9/18/17 (a)(b) | USD 500 | \$ 445,535 |
| Ballyrock CDO Ltd., Series 2006-1A, Class B, 0.67%, 8/28/19 (a)(b) | 500 | 392,500 |
| Canaras Summit CLO Ltd., Series 2007-1A, Class B, 0.73%, 6/19/21 (a)(b) | 395 | 316,928 |
| Flagship CLO, Series 2006-1A, Class B, 0.60%, 9/20/19 (a)(b) | 1,000 | 807,500 |
| Fraser Sullivan CLO Ltd., Series 2006-2A, Class B, 0.65%, 12/20/20 (a)(b) | 500 | 400,000 |
| Gannett Peak CLO Ltd., Series 2006-1X, Class A2, 0.61%, 10/27/20 (a)(b) | 305 | 227,988 |
| Goldman Sachs Asset Management CLO Plc, Series 2007-1A, Class B, 0.70%, 8/01/22 (a)(b) | 665 | 493,762 |
| Landmark CDO Ltd., Series 2006-8A, Class B, 0.61%, 10/19/20 (a)(b) | 570 | 466,665 |
| MAPS CLO Fund LLC, Series 2005-1A, Class C, 1.20%, 12/21/17 (a)(b) | 300 | 265,770 |
| Portola CLO Ltd., Series 2007-1X, Class B1, 1.74%, 11/15/21 (b) | 405 | 361,017 |
| T2 Income Fund CLO Ltd., Series 2007-1A, Class B, 0.85%, 7/15/19 (a)(b) | 345 | 308,154 |
| Total Asset-Backed Securities 3.3% | | 4,485,819 |

| | Shares | |
|--|--------|---------|
| Common Stocks (c) | | |
| Chemicals 0.0% | | |
| GEO Specialty Chemicals, Inc. (a) | 10,732 | 4,120 |
| Wellman Holdings, Inc. | 181 | 588 |
| | | 4,708 |
| Electrical Equipment 0.0% | | |
| Medis Technologies Ltd. | 13,053 | 144 |
| Semiconductors & Semiconductor Equipment 0.0% | | |
| SunPower Corp., Class B | 1,860 | 22,041 |
| Software 0.1% | | |
| HMH Holdings/EduMedia | 47,227 | 94,454 |
| Total Common Stocks 0.1% | | 121,347 |

| | Par (000) | |
|--|--------------|-----------|
| Corporate Bonds | | |
| Airlines 0.3% | | |
| Air Canada, 9.25%, 8/01/15 (a) | USD 210 | 201,600 |
| Delta Air Lines, Inc., Series B, 9.75%, 12/17/16 | 209 | 213,942 |
| | | 415,542 |
| Auto Components 0.8% | | |
| Icahn Enterprises LP, 7.75%, 1/15/16 | 1,105 | 1,116,050 |
| Capital Markets 0.0% | | |

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| | | |
|--|-----|-----------|
| E*Trade Financial Corp., 3.99%, 8/31/19 (a)(d)(e) | 46 | 54,970 |
| Chemicals 1.5% | | |
| CF Industries, Inc., 6.88%, 5/01/18 | 480 | 544,200 |
| GEO Specialty Chemicals, Inc. (a): | | |
| 7.50%, 3/31/15 (d)(f) | 702 | 702,101 |
| 10.00%, 3/31/15 | 691 | 638,768 |
| Wellman Holdings, Inc., Subordinate Note (Third Lien), | | |
| 5.00%, 1/29/19 (d)(f) | 205 | 145,690 |
| | | 2,030,759 |

| | Par (000) | Value |
|--|--------------|-----------|
| Corporate Bonds | | |
| Commercial Banks 1.1% | | |
| CIT Group, Inc.: | | |
| 7.00%, 5/01/14 | USD 45 | \$ 44,837 |
| 7.00%, 5/01/15 | 170 | 169,150 |
| 7.00%, 5/01/16 | 220 | 218,900 |
| 7.00%, 5/01/17 | 960 | 948,000 |
| 7.00%, 5/02/17 (a) | 150 | 148,125 |
| | | 1,529,012 |
| Commercial Services & Supplies 0.5% | | |
| AWAS Aviation Capital Ltd., 7.00%, 10/15/16 (a) | 472 | 455,665 |
| Brickman Group Holdings, Inc., 9.13%, 11/01/18 (a) | 280 | 263,900 |
| | | 719,565 |
| Consumer Finance 0.5% | | |
| Credit Acceptance Corp., 9.13%, 2/01/17 | 190 | 192,375 |
| Inmarsat Finance Plc, 7.38%, 12/01/17 (a) | 425 | 442,000 |
| | | 634,375 |
| Containers & Packaging 1.2% | | |
| Berry Plastics Corp., 8.25%, 11/15/15 | 900 | 927,000 |
| Graphic Packaging International, Inc., 9.50%, 6/15/17 | 115 | 125,063 |
| OI European Group BV, 6.88%, 3/31/17 | EUR 113 | 154,208 |
| Smurfit Kappa Acquisitions (a): | | |
| 7.25%, 11/15/17 | 175 | 241,332 |
| 7.75%, 11/15/19 | USD 160 | 219,497 |
| | | 1,667,100 |
| Diversified Financial Services 1.7% | | |
| Ally Financial, Inc., 2.53%, 12/01/14 (b) | 1,175 | 1,101,101 |
| Axcan Intermediate Holdings, Inc., 12.75%, 3/01/16 | 85 | 88,612 |
| Reynolds Group DL Escrow, Inc., 8.50%, 10/15/16 (a) | 300 | 306,750 |
| Reynolds Group Issuer, Inc. (a): | | |
| 8.50%, 10/15/16 | EUR 200 | 278,681 |
| 7.13%, 4/15/19 | USD 280 | 265,300 |
| 7.88%, 8/15/19 | 100 | 99,000 |
| 6.88%, 2/15/21 | 210 | 195,300 |
| | | 2,334,744 |
| Diversified Telecommunication Services 0.6% | | |
| ITC Deltacom, Inc., 10.50%, 4/01/16 | 290 | 297,250 |
| Qwest Communications International, Inc.: | | |
| 8.00%, 10/01/15 | 300 | 320,250 |
| Series B, 7.50%, 2/15/14 | 217 | 219,713 |
| | | 837,213 |
| Electronic Equipment, Instruments & Components 0.1% | | |
| CDW LLC, 8.00%, 12/15/18 (a) | 200 | 198,000 |
| Health Care Equipment & Supplies 0.6% | | |
| DJO Finance LLC: | | |
| 10.88%, 11/15/14 | 645 | 666,769 |
| 7.75%, 4/15/18 (a) | 95 | 88,350 |
| | | 755,119 |
| Health Care Providers & Services 1.7% | | |

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| | | |
|---------------------------------------|-----|-----------|
| HCA, Inc.: | | |
| 6.50%, 2/15/20 | 615 | 621,919 |
| 7.25%, 9/15/20 | 255 | 262,012 |
| 7.50%, 2/15/22 | 720 | 712,800 |
| Tenet Healthcare Corp.: | | |
| 9.00%, 5/01/15 | 95 | 100,700 |
| 8.88%, 7/01/19 | 545 | 577,700 |
| | | 2,275,131 |
| Health Care Technology 0.8% | | |
| IMS Health, Inc., 12.50%, 3/01/18 (a) | 980 | 1,127,000 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Floating Rate Income Strategies Fund II, Inc. (FRB)
(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|--|--------------|------------|
| Corporate Bonds | | |
| Hotels, Restaurants & Leisure 0.9% | | |
| Little Traverse Bay Bands of Odawa Indians, 9.00%, 8/31/20 (a) | USD 383 | \$ 317,890 |
| MGM Resorts International, 10.38%, 5/15/14 | 260 | 285,350 |
| Travelport LLC: 4.95%, 9/01/14 (b) | 665 | 507,062 |
| 9.88%, 9/01/14 | 150 | 127,875 |
| | | 1,238,177 |
| IT Services 0.3% | | |
| First Data Corp., 7.38%, 6/15/19 (a) | 440 | 413,600 |
| Independent Power Producers & Energy Traders 1.4% | | |
| Energy Future Holdings Corp., 10.00%, 1/15/20 (a) | 500 | 501,936 |
| Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20 | 1,425 | 1,437,641 |
| | | 1,939,577 |
| Industrial Conglomerates 0.5% | | |
| Sequa Corp., 13.50%, 12/01/15 (a)(f) | 679 | 719,387 |
| Media 3.0% | | |
| AMC Networks, Inc., 7.75%, 7/15/21 (a) | 120 | 124,200 |
| CCH II LLC, 13.50%, 11/30/16 | 550 | 635,250 |
| CSC Holdings, Inc., 8.50%, 4/15/14 | 230 | 248,975 |
| Cengage Learning Acquisitions, Inc., 10.50%, 1/15/15 (a) | 340 | 261,800 |
| Checkout Holding Corp., 10.97%, 11/15/15 (a)(e) | 350 | 206,500 |
| Clear Channel Worldwide Holdings, Inc.: 9.25%, 12/15/17 | 212 | 224,720 |
| Series B, 9.25%, 12/15/17 | 967 | 1,034,690 |
| NAI Entertainment Holdings LLC, 8.25%, 12/15/17 (a) | 330 | 333,300 |
| UnityMedia Hessen GmbH & Co. KG (FKA UPC Germany GmbH), 8.13%, 12/01/17 (a) | 1,000 | 1,020,000 |
| | | 4,089,435 |
| Metals & Mining 0.7% | | |
| FMG Resources August 2006 Property Ltd., 7.00%, 11/01/15 (a) | 445 | 443,888 |
| Novelis, Inc., 8.38%, 12/15/17 | 495 | 511,087 |
| | | 954,975 |
| Multiline Retail 0.2% | | |
| Dollar General Corp., 11.88%, 7/15/17 (f) | 235 | 260,263 |
| Oil, Gas & Consumable Fuels 0.5% | | |
| Alpha Natural Resources, Inc.: 6.00%, 6/01/19 | 225 | 219,938 |
| 6.25%, 6/01/21 | 350 | 342,562 |
| Coffeyville Resources LLC, 9.00%, 4/01/15 (a) | 144 | 152,640 |
| | | 715,140 |
| Paper & Forest Products 0.2% | | |
| Longview Fibre Paper & Packaging, Inc., 8.00%, 6/01/16 (a) | 180 | 178,200 |
| Verso Paper Holdings LLC, Series B, 4.00%, 8/01/14 (b) | 180 | 147,600 |
| | | 325,800 |
| Pharmaceuticals 0.4% | | |

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| | | |
|--|-----|---------|
| Valeant Pharmaceuticals International, 6.50%, 7/15/16 (a) | 530 | 503,500 |
| Professional Services 0.1% | | |
| FTI Consulting, Inc., 6.75%, 10/01/20 | 95 | 93,694 |

| | Par (000) | Value |
|---|--------------|------------|
| Corporate Bonds | | |
| Wireless Telecommunication Services 1.6% | | |
| Cricket Communications, Inc., 7.75%, 5/15/16 | USD 825 | \$ 835,313 |
| Digicel Group Ltd. (a): | | |
| 9.13%, 1/15/15 | 399 | 399,000 |
| 8.25%, 9/01/17 | 265 | 265,000 |
| iPCS, Inc., 2.38%, 5/01/13 (b) | 500 | 463,750 |
| Nextel Communications, Inc., Series E, 6.88%, 10/31/13 | 155 | 154,031 |
| | | 2,117,094 |
| Total Corporate Bonds 21.2% | | 29,065,222 |

| | | |
|--|-----|-----------|
| Floating Rate Loan Interests (b) | | |
| Aerospace & Defense 1.7% | | |
| DynCorp International, Term Loan, 6.25%, 7/05/16 | 515 | 490,356 |
| The SI Organization, Inc., New Tranche B Term Loan, 4.50%, 11/22/16 | 470 | 422,550 |
| TransDigm, Inc., Term Loan (First Lien), 4.00%, 2/14/17 | 945 | 907,440 |
| Wesco Aircraft Hardware Corp., Term Loan B, 4.25%, 4/07/17 | 512 | 494,996 |
| | | 2,315,342 |

| | | |
|---|-------|-----------|
| Airlines 0.9% | | |
| Delta Air Lines, Inc., Credit New Term Loan B, 5.50%, 4/20/17 | 1,275 | 1,175,129 |
| Auto Components 2.5% | | |
| Allison Transmission, Inc., Term Loan, 2.96%, 8/07/14 | 1,961 | 1,838,449 |
| Autoparts Holdings, Ltd., First Lien Term Loan, 6.50%, 7/28/17 | 750 | 735,000 |
| Federal-Mogul Corp.: | | |
| Term Loan B, 2.15% 2.18%, 12/29/14 | 321 | 291,083 |
| Term Loan C, 2.15% 2.18%, 12/28/15 | 164 | 148,410 |
| GPX International Tire Corp., Tranche B: (c)(g) | | |
| 8.37%, 3/31/12 | 549 | |
| 12.00%, 3/31/12 | 9 | |
| UCI International, Inc., Term Loan, 5.50%, 7/26/17 | 398 | 386,558 |
| | | 3,399,500 |

| | | |
|---|-----|---------|
| Automobiles 0.4% | | |
| Ford Motor Co., Tranche B-1 Term Loan, 2.96%, 12/16/13 | 530 | 520,934 |

| | | |
|---|-----|---------|
| Biotechnology 0.3% | | |
| Grifols SA, Term Loan B, 6.00%, 6/01/17 | 410 | 400,160 |

| | | |
|---|---------|-----------|
| Building Products 3.1% | | |
| Armstrong World Industries, Inc., Term Loan B, 4.00%, 3/09/18 | 623 | 585,252 |
| CPG International I, Inc., Term Loan B, 6.00%, 2/18/17 | 945 | 883,809 |
| Goodman Global, Inc., Initial Term Loan (First Lien), 5.75%, 10/28/16 | 2,394 | 2,352,721 |
| Momentive Performance Materials (Blitz 06-103 GmbH), Tranche B-2B Term Loan, 4.79%, 5/05/15 | EUR 341 | 439,940 |

| | | | |
|--|-----|-----|-----------|
| | | | 4,261,722 |
| Capital Markets 1.8% | | | |
| American Capital Ltd., Term Loan B, 7.50%, 12/31/13 | USD | 261 | 253,869 |
| HarbourVest Partners, Term Loan (First Lien), 6.25%, 12/14/16 | | 906 | 878,829 |
| Nuveen Investments, Inc. (First Lien): | | | |
| Extended Term Loan, 3.25%, 11/13/14 | | 459 | 424,282 |
| Non-Extended Term Loan, 5.75% 5.81%, 5/12/17 | | 916 | 855,804 |
| | | | 2,412,784 |

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

AUGUST 31, 2011

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Schedule of Investments (continued)

BlackRock Floating Rate Income Strategies Fund II, Inc. (FRB)
(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|--|--------------|------------|
| Floating Rate Loan Interests (b) | | |
| Chemicals 6.0% | | |
| AZ Chemical Co., LLC, Term Loan B, 4.75%, 11/21/16 | USD 257 | \$ 247,402 |
| American Rock Salt Holdings LLC, Term Loan B, 5.50%, 4/25/17 | 718 | 688,574 |
| Ashland, Inc., Term Loan B, 3.75%, 7/30/18 | 600 | 586,608 |
| Chemtura Corp., Exit Term Loan B, 5.50%, 8/27/16 | 800 | 782,664 |
| Gentek, Inc., Tranche B Term Loan, 7.00%, 10/06/15 | 787 | 734,781 |
| MDI Holdings, LLC (FKA MacDermid, Inc.), Tranche C Term Loan, 3.54%, 4/11/14 | EUR 264 | 361,369 |
| Nexeo Solutions, LLC, Term Loan B, 5.00%, 9/08/17 | USD 623 | 574,080 |
| PQ Corp. (FKA Niagara Acquisition, Inc.), Original Term Facility (First Lien), 3.48% 3.51%, 7/30/14 | 765 | 699,384 |
| Styron Sarl, Term Loan B, 6.00%, 8/02/17 | 959 | 881,164 |
| Tronox Worldwide LLC, Exit Term Loan, 7.00%, 10/15/15 | 1,453 | 1,436,357 |
| Univar, Inc., Term Loan B, 5.00%, 6/30/17 | 1,393 | 1,285,391 |
| | | 8,277,774 |
| Commercial Services & Supplies 3.9% | | |
| ARAMARK Corp.: | | |
| Letter of Credit 1 Facility, 2.06%, 1/27/14 | 9 | 8,436 |
| Letter of Credit 2 Facility, 3.44%, 7/26/16 | 13 | 12,047 |
| US Term Loan, 2.12%, 1/27/14 | 111 | 104,717 |
| US Term Loan B, 3.50%, 7/26/16 | 196 | 183,178 |
| AWAS Finance Luxembourg Sarl, Term Loan B, 5.25%, 6/10/16 | 375 | 360,751 |
| Adesa, Inc. (KAR Holdings, Inc.), Initial Term Loan B, 5.00%, 5/19/17 | 1,350 | 1,282,500 |
| Altegrity, Inc. (FKA US Investigations Services, Inc.), Tranche D Term Loan, 7.75%, 2/20/15 | 930 | 904,529 |
| Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16 | 1,000 | 993,330 |
| Synagro Technologies, Inc., Term Loan (First Lien), 2.21% 2.23%, 4/02/14 | 864 | 749,976 |
| Volume Services America, Inc. (Centerplate), Term Loan B, 10.50% 10.75%, 9/16/16 | 521 | 498,485 |
| West Corp.: | | |
| Term Loan B4, 4.50%, 7/15/16 | 131 | 123,959 |
| Term Loan B5, 4.50%, 7/15/16 | 68 | 64,201 |
| | | 5,286,109 |
| Communications Equipment 1.7% | | |
| Avaya, Inc.: | | |
| Term Loan B, 3.06%, 10/24/14 | 540 | 479,930 |
| Term Loan B-3, 4.81%, 10/26/17 | 1,014 | 873,494 |
| CommScope, Inc., Term Loan B, 5.00%, 1/14/18 | 998 | 957,600 |
| | | 2,311,024 |
| Construction & Engineering 1.0% | | |
| BakerCorp., Inc., Term Loan B, 5.00%, 6/01/18 | 430 | 408,500 |
| Safway Services, LLC, First Out Tranche Loan, 9.00%, 12/16/17 | 900 | 900,000 |
| | | 1,308,500 |

Consumer Finance 1.9%

| | | |
|--|-------|-----------|
| Springleaf Financial Funding Co. (FKA AGFS Funding Co.), Term Loan, 5.50%, 5/10/17 | 2,800 | 2,593,500 |
|--|-------|-----------|

Containers & Packaging 0.8%

| | | |
|--|-----|-----------|
| Anchor Glass Container Corp., Term Loan (First Lien), 6.00%, 3/02/16 | 133 | 131,134 |
| Berry Plastics Holding Corp., Term Loan C, 2.21%, 4/03/15 | 138 | 122,929 |
| Graham Packaging Co., LP: Term Loan C, 6.75%, 4/04/14 | 271 | 268,429 |
| Term Loan D, 6.00%, 9/23/16 | 596 | 589,545 |
| | | 1,112,037 |

| Floating Rate Loan Interests (b) | Par (000) | Value |
|--|------------------|--------------|
| Diversified Consumer Services 3.0% | | |
| Coinmach Service Corp., Term Loan, 3.22% 3.30%, 11/20/14 | USD 1,348 | \$ 1,172,350 |
| Laureate Education, Extended Term Loan, 5.25%, 8/15/18 | 2,039 | 1,800,468 |
| ServiceMaster Co.: | | |
| Closing Date Term Loan, 2.69% 2.76%, 7/24/14 | 1,109 | 1,024,820 |
| Delayed Draw Term Loan, 2.72%, 7/24/14 | 110 | 102,057 |
| | | 4,099,695 |

Diversified Financial Services 0.5%

| | | |
|--|-----|---------|
| Reynolds Group Holdings, Inc., Term Loan E, 6.50%, 2/09/18 | 698 | 665,956 |
|--|-----|---------|

Diversified Telecommunication Services 4.4%

| | | |
|--|-------|-----------|
| Hawaiian Telcom Communications, Inc., Term Loan, 9.00%, 11/01/15 | 700 | 699,125 |
| Integra Telecom Holdings, Inc., Term Loan, 9.25%, 4/15/15 | 792 | 745,470 |
| Level 3 Financing, Inc.: | | |
| Add on Term Loan, 11.50%, 3/13/14 | 625 | 649,481 |
| Incremental Tranche A Term Loan, 2.50%, 3/13/14 | 1,300 | 1,201,200 |
| Term Loan B2, 2.50%, 9/03/18 | 2,000 | 1,885,000 |
| US Telepacific Corp., Term Loan B, 5.75%, 2/23/17 | 898 | 864,308 |
| | | 6,044,584 |

Electronic Equipment, Instruments & Components 2.2%

| | | |
|---|-------|-----------|
| Aeroflex Inc., Term Loan B, 4.25%, 5/09/18 | 775 | 717,518 |
| CDW LLC (FKA CDW Corp.): | | |
| Extended Term Loan B, 4.25%, 7/14/17 | 554 | 502,377 |
| Non-Extended Term Loan, 3.71%, 10/10/14 | 728 | 683,991 |
| Flextronics International Ltd. Delayed Draw: | | |
| Term Loan A-2, 2.44%, 10/01/14 | 24 | 22,649 |
| Term Loan A-3, 2.47%, 10/01/14 | 21 | 19,413 |
| Sensata Technologies Finance Company, LLC, New Term Loan, 4.00%, 5/11/18 | 1,100 | 1,057,375 |
| | | 3,003,323 |

Energy Equipment & Services 2.5%

| | | |
|---|-------|-----------|
| CCS Corporation, Term Loan B, 3.25%, 11/14/14 | 876 | 776,520 |
| Dynegy Holdings, Inc.: | | |
| Coal Company Term Loan, 9.25%, 8/04/16 | 371 | 358,323 |
| Gas Company Term Loan, 9.25%, 8/04/16 | 679 | 667,118 |
| MEG Energy Corp., Tranche D Term Loan, 4.00%, 3/16/18 | 1,750 | 1,673,437 |
| | | 3,475,398 |

Food & Staples Retailing 1.8%

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| | | | |
|---|-----|-------|-----------|
| AB Acquisitions UK Topco 2 Ltd. (FKA Alliance Boots), Facility B1, 3.61%, 7/09/15 | GBP | 675 | 942,074 |
| Bolthouse Farms, Inc., Term Loan (First Lien), 5.50% 5.75%, 2/11/16 | | 285 | 277,703 |
| US Foodservice, Inc. Term Loan B: 2.71% 2.72%, 7/03/14 | USD | 943 | 844,200 |
| 5.75%, 3/31/17 | | 399 | 371,070 |
| | | | 2,435,047 |
| Food Products 4.1% | | | |
| Advance Pierre Foods, Term Loan: (First Lien), 7.00%, 9/30/16 | | 1,032 | 998,182 |
| (Second Lien), 11.25%, 9/29/17 | | 600 | 588,000 |
| Del Monte Corp., Term Loan B, 4.50%, 3/08/18 | | 2,700 | 2,544,750 |
| Michaels Foods Group, Inc. (FKA M-Foods Holdings, Inc.), Term Loan B, 4.25%, 2/23/18 | | 86 | 82,154 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Floating Rate Income Strategies Fund II, Inc. (FRB)
(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|---|--------------|------------|
| Floating Rate Loan Interests (b) | | |
| Food Products (concluded) | | |
| Pinnacle Foods Finance LLC, Tranche D Term Loan, 6.00%, 4/02/14 | USD 631 | \$ 621,894 |
| Solvest, Ltd. (Dole): | | |
| Tranche B-1 Term Loan, 5.00% 6.00%, 7/06/18 | 301 | 289,863 |
| Tranche C-1 Term Loan, 5.00% 6.00%, 7/06/18 | 559 | 538,317 |
| | | 5,663,160 |
| Health Care Equipment & Supplies 1.6% | | |
| Biomet, Inc., Dollar Term Loan, 3.24%, 3/25/15 | 365 | 346,385 |
| DJO Finance LLC (FKA ReAble Therapeutics Finance LLC), Term Loan, 3.22%, 5/20/14 | 498 | 464,558 |
| Iasis Healthcare LLC, Term Loan, 5.00%, 5/03/18 | 852 | 785,544 |
| Immucor, Inc., Term Loan B, 7.25%, 8/17/18 | 570 | 549,696 |
| | | 2,146,183 |
| Health Care Providers & Services 5.5% | | |
| CHS/Community Health Systems, Inc.: | | |
| Extended Term Loan B, 3.72% 3.82%, 1/25/17 | 90 | 82,238 |
| Non-Extended Delayed Draw Term Loan, 2.47% 2.57%, 7/25/14 | 45 | 41,966 |
| Non-Extended Term Loan, 2.47% 2.57%, 7/25/14 | 841 | 779,433 |
| ConvaTec, Inc., Dollar Term Loan, 5.75%, 12/22/16 | 697 | 657,029 |
| DaVita, Inc., Term Loan B, 4.50%, 10/20/16 | 896 | 868,635 |
| Emergency Medical Services, Term Loan, 5.25%, 5/25/18 | 1,052 | 973,331 |
| HCA, Inc.: | | |
| Tranche B-1 Term Loan, 3.50%, 5/01/18 | 311 | 291,390 |
| Tranche B-2 Term Loan, 3.50%, 3/31/17 | 368 | 346,271 |
| Harden Healthcare, Inc.: | | |
| Tranche A Additional Term Loan, 7.75%, 3/02/15 | 608 | 596,182 |
| Tranche A Term Loan, 8.50%, 3/02/15 | 346 | 339,127 |
| inVentiv Health, Inc. (FKA Ventive Health, Inc.): | | |
| Incremental Term Loan B3, 6.75%, 5/15/18 | 400 | 376,000 |
| Term Loan B, 6.50%, 8/04/16 | 948 | 894,172 |
| Medpace, Inc., Term Loan, 6.50%, 6/22/17 | 650 | 617,500 |
| Renal Advantage Holdings, Inc., Tranche B Term Loan, 5.75%, 12/16/16 | 697 | 681,992 |
| | | 7,545,266 |
| Health Care Technology 0.7% | | |
| IMS Health, Inc., Tranche B Dollar Term Loan, 4.50%, 8/25/17 | 640 | 614,169 |
| MedAssets, Inc., Term Loan B, 5.25%, 11/16/16 | 428 | 405,379 |
| | | 1,019,548 |
| Hotels, Restaurants & Leisure 7.7% | | |
| Ameristar Casinos, Inc., Term Loan B, 4.00%, 4/13/18 | 798 | 766,080 |
| Caesars Entertainment Operating Co.: | | |
| Incremental Term Loan B-4, 9.50%, 10/31/16 | 398 | 397,152 |
| Term Loan B-1, 3.22% 3.25%, 1/28/15 | 128 | 110,367 |
| Term Loan B-2, 3.22% 3.25%, 1/28/15 | 165 | 142,157 |

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| | | |
|---|-------|-----------|
| Term Loan B-3, 3.24% 3.25%, 1/28/15 | 2,964 | 2,551,880 |
| Dunkin Brands, Inc., New Term Loan B, 4.00%, 11/23/17 | 1,144 | 1,098,572 |
| Golden Living, Term Loan, 5.00%, 5/04/18 | 935 | 829,812 |
| Las Vegas Sands LLC: | | |
| Delayed Draw Term Loan, 1.72%, 5/23/14 | 111 | 103,087 |
| Term Loan B, 1.72%, 5/23/14 | 439 | 408,907 |
| Penn National Gaming, Inc., Term Loan B, 3.75%, 7/16/18 | 175 | 170,187 |
| Seaworld Parks & Entertainment, Inc. (FKA SW Acquisitions Co., Inc.), Term Loan B, 4.00%, 8/17/17 | 932 | 899,131 |
| Six Flags Theme Parks, Inc., Tranche B Term Loan (First Lien), 5.25%, 6/30/16 | 833 | 812,511 |

| | Par (000) | Value |
|---|--------------|------------|
| Floating Rate Loan Interests (b) | | |
| Hotels, Restaurants & Leisure (concluded) | | |
| Twin River Worldwide Holdings, Inc., Term Loan, 7.75%, 11/05/15 | USD 429 | \$ 425,534 |
| VML US Finance LLC (FKA Venetian Macau): | | |
| New Project Term Loan, 4.73%, 5/27/13 | 318 | 314,743 |
| Term B Delayed Draw Project Loan, 4.73%, 5/25/12 | 521 | 515,575 |
| Term B Funded Project Loan, 4.73%, 5/27/13 | 1,011 | 998,288 |
| | | 10,543,983 |
| Household Durables 0.0% | | |
| Visant Corp. (FKA Jostens), Tranche B Term Loan, 5.25%, 12/22/16 | 24 | 22,200 |
| IT Services 4.8% | | |
| Ceridian Corp., US Term Loan, 3.22%, 11/10/14 | 1,095 | 936,456 |
| First Data Corp.: | | |
| Initial B-1 Term Loan, 2.97%, 9/24/14 | 137 | 120,278 |
| Initial B-2 Loan B, 4.22%, 3/23/18 | 3,438 | 2,878,608 |
| Initial B-3 Term Loan, 2.97%, 9/24/14 | 78 | 68,902 |
| infoGROUP, Inc., Term Loan, 5.75%, 5/22/18 | 377 | 345,614 |
| iPayment, Inc., Term Loan B, 5.75%, 5/08/17 | 601 | 568,539 |
| TransUnion LLC, Replacement Term Loan, 4.75%, 2/12/18 | 1,738 | 1,648,036 |
| | | 6,566,433 |
| Independent Power Producers & Energy Traders 3.6% | | |
| AES Corp., Term Loan B, 4.25%, 6/01/18 | 998 | 958,099 |
| Calpine Corp., Term Loan B, 4.50%, 4/02/18 | 1,994 | 1,838,344 |
| Texas Competitive Electric Holdings Co., LLC (TXU), Extended Term Loan, 4.71% 4.77%, 10/10/17 | 2,910 | 2,136,409 |
| | | 4,932,852 |
| Industrial Conglomerates 2.1% | | |
| Sequa Corp., Term Loan, 3.50% 3.51%, 12/03/14 | 1,671 | 1,561,243 |
| Tomkins Plc, Term Loan B, 4.25%, 9/29/16 | 1,366 | 1,314,944 |
| | | 2,876,187 |
| Insurance 0.7% | | |
| CNO Financial Group, Inc., Term Loan, 6.25%, 9/30/16 | 1,009 | 985,993 |
| Machinery 0.8% | | |
| Navistar Financial Corp., Term Loan B, 4.50%, 12/16/12 | 422 | 410,181 |
| Terex Corp.: | | |
| Term Loan, 6.03%, 4/28/17 | EUR 70 | 97,539 |
| Term Loan B, 5.50%, 4/28/17 | USD 550 | 539,000 |
| | | 1,046,720 |
| Marine 0.3% | | |

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Horizon Lines, LLC:

| | | | |
|--------------------------------------|-----|-----|---------|
| Revolving Loan, 0.50% 6.50%, 8/08/12 | EUR | 285 | 278,310 |
| Term Loan A, 6.25%, 8/08/12 | | 120 | 115,927 |
| | | | 394,237 |

Media 18.4%

| | | | |
|---|-----|-------|-----------|
| AMC Networks, Inc., Term Loan B, 4.00%, 12/31/18 | USD | 900 | 867,375 |
| Acosta, Inc., Term Loan, 4.75%, 3/01/18 | | 1,062 | 1,001,922 |
| Affinion Group, Inc., Tranche B Term Loan, 5.00%, 10/10/16 | | 814 | 733,223 |
| Atlantic Broadband Finance, LLC, Term Loan B, 4.00%, 3/08/16 | | 519 | 490,787 |
| Bresnan Telecommunications Co. LLC, Term Loan B, 4.50%, 12/14/17 | | 1,592 | 1,519,230 |
| Capsugel Healthcare Ltd., Term Loan, 5.25%, 8/01/18 | | 700 | 676,200 |
| Catalina Marketing Corp., Term Loan B, 2.97%, 10/01/14 | | 125 | 114,312 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Floating Rate Income Strategies Fund II, Inc. (FRB)
(Percentages shown are based on Net Assets)

| | | Par (000) | Value |
|---|-----|--------------|------------|
| Floating Rate Loan Interests (b) | | | |
| Media (concluded) | | | |
| Cengage Learning Acquisitions, Inc. (FKA Thomson Learning): | | | |
| Term Loan, 2.50%, 7/03/14 | USD | 1,025 | \$ 847,696 |
| Tranche 1 Incremental Term Loan, 7.50%, 7/03/14 | | 497 | 474,380 |
| Charter Communications Operating, LLC: | | | |
| Term Loan B, 7.25%, 3/06/14 | | 14 | 14,385 |
| Term Loan C, 3.50%, 9/06/16 | | 1,436 | 1,367,001 |
| Clarke American Corp., Term Facility B, 2.72% 2.75%, 6/30/14 | | 530 | 439,985 |
| Clear Channel Communications, Inc., Term Loan B, 3.87%, 1/28/16 | | 1,145 | 856,964 |
| Cumulus Media, Inc., Term Loan, 6.75%, 8/30/18 | | 700 | 655,375 |
| Getty Images, Inc., Initial Term Loan, 5.25%, 11/07/16 | | 258 | 252,314 |
| Gray Television, Inc., Term Loan B, 3.71%, 12/31/14 | | 643 | 588,419 |
| HMH Publishing Co., Ltd., Tranche A Term Loan, 6.21%, 6/12/14 | | 741 | 595,858 |
| Hubbard Broadcasting, Term Loan (Second Lien), 5.25%, 4/28/17 | | 500 | 475,835 |
| Intelsat Jackson Holdings S.A. (FKA Intelsat Jackson Holdings, Ltd.), Tranche B Term Loan, 5.25%, 4/02/18 | | 3,491 | 3,342,872 |
| Interactive Data Corp., Term Loan, 4.50%, 2/12/18 | | 1,546 | 1,462,062 |
| Knology, Inc., Term Loan B, 4.00%, 8/18/17 | | 347 | 328,258 |
| Lavena Holding 3 GmbH (Prosiebensat.1 Media AG), Facility B1, 4.20%, 3/06/15 | EUR | 304 | 338,575 |
| Mediacom Illinois, LLC (FKA Mediacom Communications, LLC), Tranche D Term Loan, 5.50%, 3/31/17 | USD | 491 | 469,144 |
| Newsday LLC, Fixed Rate Term Loan, 10.50%, 8/01/13 | | 1,325 | 1,368,062 |
| Nielsen Finance LLC, Class B Dollar Term Loan, 3.95%, 5/02/16 | | 731 | 687,557 |
| Sinclair Television Group, Inc., New Tranche B Term Loan, 4.00%, 10/28/16 | | 508 | 499,999 |
| Sunshine Acquisition Ltd. (FKA HIT Entertainment), Term Facility, 5.51%, 6/01/12 | | 1,012 | 972,874 |
| UPC Broadband Holding B.V., Term U, 5.44%, 12/31/17 | EUR | 1,210 | 1,625,655 |
| Univision Communications, Inc., Extended First Lien Term Loan, 4.47%, 3/31/17 | | 941 | 809,370 |
| WC Luxco Sarl, New Term Loan B3, 4.25%, 3/15/18 | USD | 251 | 240,612 |
| Weather Channel, Term Loan B, 4.25%, 2/13/17 | | 1,202 | 1,157,561 |
| | | | 25,273,862 |
| Metals & Mining 2.8% | | | |
| Novelis, Inc., Term Loan, 3.75%, 3/10/17 | | 1,522 | 1,437,742 |
| SunCoke Energy, Inc., Term Loan B, 4.00%, 7/26/18 | | 500 | 475,000 |
| Walter Energy, Inc., Term Loan B, 4.00%, 4/02/18 | | 2,063 | 1,970,452 |
| | | | 3,883,194 |
| Multi-Utilities 0.1% | | | |
| | | 174 | 164,529 |

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| | | |
|---|-------|-----------|
| Microsemi Corp., Term Loan B, 4.00%, 11/02/17 | 547 | 522,170 |
| | | 944,968 |
| Software 0.6% | | |
| Rovi Solution Corp., Tranche B, Term Loan, 4.00%, 2/07/18 | 549 | 527,596 |
| Vertafore, Inc., Term Loan B, 5.25%, 7/29/16 | 358 | 340,738 |
| | | 868,334 |
| Specialty Retail 4.8% | | |
| Academy Ltd., Term Loan, 6.00%, 8/03/18 | 900 | 854,325 |
| Burlington Coat Factory Warehouse Corp., Term Loan B, 6.25%, 2/23/17 | 469 | 442,091 |
| General Nutrition Centers, Inc., Term Loan B, 4.25%, 3/02/18 | 1,275 | 1,203,281 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Floating Rate Income Strategies Fund II, Inc. (FRB)
(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|--|--------------|-------------|
| Floating Rate Loan Interests (b) | | |
| Specialty Retail (concluded) | | |
| J. Crew Group, Inc., Term Loan B, 4.75%, 3/07/18 | USD 434 | \$ 386,455 |
| Jo-Ann Stores, Inc., Term Loan B, 4.75%, 3/16/18 | 374 | 347,588 |
| Michaels Stores, Inc.: | | |
| Term Loan B-1, 2.50%, 10/31/13 | 392 | 370,491 |
| Term Loan B-2, 4.75%, 7/31/16 | 711 | 669,049 |
| Petco Animal Supplies, Inc., Term Loan B, 4.50%, 11/24/17 | 1,238 | 1,163,250 |
| Toys R Us Delaware, Inc.: | | |
| Initial Loan, 6.00%, 9/01/16 | 926 | 867,755 |
| Term Loan, 5.25%, 5/25/18 | 299 | 277,803 |
| | | 6,582,088 |
| Wireless Telecommunication Services 1.5% | | |
| MetroPCS Wireless, Inc.: | | |
| Extended Term Loan B, 4.07%, 11/04/16 | 479 | 447,761 |
| Term Loan B, 4.00%, 3/16/18 | 249 | 233,050 |
| Vodafone Americas Finance 2, Inc.: | | |
| Initial Loan, 6.88%, 8/11/15 | 1,070 | 1,075,678 |
| PIK Term Loan B, 6.25%, 7/11/16 | 300 | 301,500 |
| | | 2,057,989 |
| Total Floating Rate Loan Interests 111.7% | | 153,006,467 |

| | Beneficial Interest (000) |
|--|---------------------------------|
| Other Interests (h) | |
| Auto Components 0.7% | |
| Delphi Debtor-in-Possession Holding Co. LLP, Class B Membership Interests (c) | (i) 950,363 |
| Diversified Financial Services 0.2% | |
| FRB JGW SPV, LLC (J.G. Wentworth, LLC Preferred Equity Interests) (c)(j) | (i) 325,070 |
| Total Other Interests 0.9% | 1,275,433 |

| | Shares |
|---|-------------|
| Warrants (k) | |
| Software 0.0% | |
| HMH Holdings/EduMedia (Expires 3/09/17) | 5,330 |
| Total Warrants 0.0% | |
| Total Long-Term Investments | |
| (Cost \$198,471,320) 137.2% | 187,954,288 |

| | |
|---|-----------|
| Short-Term Securities | |
| BlackRock Liquidity Funds, TempFund, Institutional Class, 0.07% (l)(m) | 3,303,074 |
| Total Short-Term Securities | 3,303,074 |
| (Cost \$3,303,074) 2.4% | 3,303,074 |

| | Contracts | Value |
|---|-----------|-------|
| Options Purchased | | |
| Over-the-Counter Call Options 0.0% | | |

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Marsico Parent Superholdco LLC, Strike
 Price USD 942.86, Expires 12/21/19,
 Broker Goldman Sachs Bank USA

Total Options Purchased

(Cost \$10,756) 0.0%

| | | |
|--|----------------|----------------|
| Total Investments (Cost \$201,785,150*) | 139.6% | 191,257,362 |
| Liabilities in Excess of Other Assets | (39.6)% | (54,238,996) |
| Net Assets | 100.0% | \$ 137,018,366 |

* The cost and unrealized appreciation (depreciation) of investments as of August 31, 2011, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|----------------|
| Aggregate cost | \$ 201,107,274 |
| Gross unrealized appreciation | \$ 2,073,939 |
| Gross unrealized depreciation | (11,923,851) |
| Net unrealized depreciation | \$ (9,849,912) |

- (a) 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.
- (b) Variable rate security. Rate shown is as of report date.
- (c) Non-income producing security.
- (d) Convertible security.
- (e) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (f) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
- (g) Issuer filed for bankruptcy and/or is in default of interest payments.
- (h) Other interests represent beneficial interest in liquidation trusts and other reorganization or private entities.
- (i) Amount is less than \$500.
- (j) The investment is held by a wholly owned subsidiary of the Fund.
- (k) 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.
- (l) Investments in companies considered to be an affiliate of the Fund during the period, 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, 2011 | Net Activity | Shares Held at August 31, 2011 | Income |
|--|---|-----------------|---|----------|
| BlackRock Liquidity Funds, TempFund, Institutional Class | 2,714,267 | 588,807 | 3,303,074 | \$ 2,165 |

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

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. These definitions may not

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apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

See Notes to Financial Statements.

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Schedule of Investments (concluded)

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

Foreign currency exchange contracts as of August 31, 2011 were as follows:

| Currency Purchased | | Currency Sold | | Counterparty | Settlement Date | Unrealized Appreciation (Depreciation) |
|--------------------|-----------|---------------|-----------|------------------------|-----------------|--|
| CAD | 1,000,000 | USD | 1,016,913 | Citibank NA | 10/07/11 | \$ 3,370 |
| CAD | 162,863 | USD | 165,000 | Deutsche Bank AG | 10/07/11 | 1,182 |
| USD | 1,158,990 | CAD | 1,146,000 | Citibank NA | 10/07/11 | (10,255) |
| USD | 217,325 | GBP | 135,000 | Citibank NA | 10/07/11 | (1,735) |
| USD | 600,798 | GBP | 376,000 | Royal Bank of Scotland | 10/07/11 | (9,325) |
| EUR | 110,600 | USD | 158,446 | Citibank NA | 10/26/11 | 326 |
| EUR | 145,000 | USD | 206,372 | Deutsche Bank AG | 10/26/11 | 1,783 |
| USD | 3,741,618 | EUR | 2,610,000 | Citibank NA | 10/26/11 | (5,187) |
| USD | 295,736 | EUR | 205,000 | UBS AG | 10/26/11 | 1,447 |
| USD | 565,178 | EUR | 395,000 | Morgan Stanley | 10/26/11 | (1,867) |
| USD | 99,645 | EUR | 70,000 | Citibank NA | 10/26/11 | (844) |
| Total | | | | | | \$ (21,105) |

Fair Value Measurements Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs are categorized 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 derivative financial instruments)

The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and does not necessarily correspond to the Fund's perceived risk of investing in those securities. For information about the Fund's policy regarding valuation of investments and derivative financial instruments 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 August 31, 2011 in determining the fair valuation of the Fund's investments and derivative financial instruments:

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|-------------------------|-----------|--------------|--------------|--------------|
| Assets: | | | | |
| Investments: | | | | |
| Long-Term Investments: | | | | |
| Asset-Backed Securities | | \$ 1,537,282 | \$ 2,948,537 | \$ 4,485,819 |
| Common Stocks | \$ 22,185 | | 99,162 | 121,347 |
| Corporate Bonds | | 27,260,773 | 1,804,449 | 29,065,222 |
| Floating Rate | | | | |

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| | | | | |
|---------------------------|--------------|----------------|---------------|----------------|
| Loan interests | | 140,689,485 | 12,316,982 | 153,006,467 |
| Other Interests | | 950,363 | 325,070 | 1,275,433 |
| Short-Term Securities | 3,303,074 | | | 3,303,074 |
| Liabilities: | | | | |
| Unfunded Loan Commitments | | (48,248) | | (48,248) |
| Total | \$ 3,325,259 | \$ 170,389,655 | \$ 17,494,200 | \$ 191,209,114 |

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|---|---------|-------------|---------|-------------|
| Derivative Financial Instruments ¹ | | | | |
| Assets: | | | | |
| Foreign currency exchange contracts | | \$ 8,108 | | \$ 8,108 |
| Liabilities: | | | | |
| Foreign currency exchange contracts | | (29,213) | | (29,213) |
| Total | | \$ (21,105) | | \$ (21,105) |

¹ Derivative financial instruments are foreign currency exchange contracts, which are valued at the unrealized appreciation/depreciation on the instrument.

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

| | Asset-Backed Securities | Common Stocks | Corporate Bonds | Floating Rate Loan Interests | Other Interests | Unfunded Loan Commitments Assets | Unfunded Loan Commitments (Liabilities) | Total |
|---|-------------------------|---------------|-----------------|------------------------------|-----------------|----------------------------------|---|---------------|
| Assets/Liabilities: | | | | | | | | |
| Balance, as of February 28, 2011 | \$ 4,537,295 | \$ 240,264 | \$ 1,839,313 | \$ 20,965,976 | \$ 299,336 | \$ 2,079 | \$ (5,523) | \$ 27,878,740 |
| Accrued discounts/premiums | 27,075 | | 26,477 | 64,533 | | | | 118,085 |
| Net realized gain (loss) | 5,891 | | 9,404 | 126,679 | | | | 141,974 |
| Net change in unrealized appreciation/depreciation ² | (237,314) | (141,102) | 36,152 | (561,226) | 25,734 | (2,079) | 4,604 | (875,231) |
| Purchases | | | 5,005 | 5,855,248 | | | | 5,860,253 |
| Sales | (944,410) | | (111,902) | (9,519,383) | | | | (10,575,695) |
| Transfers in ³ | | | | 1,536,422 | | | 919 | 1,537,341 |
| Transfers out ³ | (440,000) | | | (6,151,267) | | | | (6,591,267) |
| Balance, as of August 31, 2011 | \$ 2,948,537 | \$ 99,162 | \$ 1,804,449 | \$ 12,316,982 | \$ 325,070 | | | \$ 17,494,200 |

² Included in the related net change in unrealized appreciation/depreciation in the Statements of Operations. The change in unrealized appreciation/depreciation on investments still held on August 31, 2011 was \$(779,472).

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

A reconciliation of Level 3 investments and derivative financial instruments is presented when the Fund had a significant amount of Level 3 investments and derivative financial instruments at the beginning and/or end of the period in relation to net assets.

See Notes to Financial Statements.

Schedule of Investments August 31, 2011 (Unaudited)

BlackRock Senior High Income Fund, Inc. (ARK)
 (Percentages shown are based on Net Assets)

| | Par (000) | Value |
|--|--------------|------------|
| Asset-Backed Securities | | |
| Asset-Backed Securities 2.0% | | |
| ARES CLO Funds, Series 2005-10A, Class B, 0.64%, 9/18/17 (a)(b) | USD 500 | \$ 445,535 |
| CSAM Funding, Series 2A, Class B1, 7.05%, 10/15/16 | 500 | 475,950 |
| Canaras Summit CLO Ltd., Series 2007-1A, Class B, 0.73%, 6/19/21 (a)(b) | 635 | 509,492 |
| Franklin CLO Ltd., Series 6A, Class B, 0.72%, 8/09/19 (a)(b) | 810 | 695,466 |
| Gannett Peak CLO Ltd., Series 2006-1X, Class A2, 0.61%, 10/27/20 (b) | 495 | 370,013 |
| Greyrock CDO Ltd., Series 2005-1X, Class A2L, 0.71%, 11/15/17 (b) | 1,025 | 883,652 |
| Portola CLO Ltd., Series 2007-1X, Class B1, 1.74%, 11/15/21 (b) | 645 | 574,953 |
| T2 Income Fund CLO Ltd., Series 2007-1A, Class B, 0.85%, 7/15/19 (a)(b) | 560 | 500,192 |
| Total Asset-Backed Securities 2.0% | | 4,455,253 |

| | Shares | |
|--|---------|-----------|
| Common Stocks (c) | | |
| Capital Markets 0.1% | | |
| E*Trade Financial Corp. | 27,100 | 334,956 |
| Chemicals 0.0% | | |
| GEO Specialty Chemicals, Inc. | 142,466 | 54,693 |
| Wellman Holdings, Inc. | 1,557 | 5,060 |
| Wellman, Inc. (acquired 1/30/09, cost \$822) (d) | 3,574 | 11,616 |
| | | 71,369 |
| Containers & Packaging 0.1% | | |
| Smurfit Kappa Plc | 18,171 | 144,008 |
| Diversified Financial Services 0.0% | | |
| Leucadia National Corp. | 722 | 21,393 |
| Metals & Mining 0.1% | | |
| Euramax International | 935 | 261,772 |
| Paper & Forest Products 0.6% | | |
| Ainsworth Lumber Co. Ltd. | 190,634 | 389,327 |
| Ainsworth Lumber Co. Ltd. (a) | 421,556 | 860,933 |
| | | 1,250,260 |
| Software 0.1% | | |
| HMH Holdings/EduMedia | 75,676 | 151,352 |
| Total Common Stocks 1.0% | | 2,235,110 |

| | Par (000) | |
|--------------------------------------|--------------|---------|
| Corporate Bonds | | |
| Aerospace & Defense 0.8% | | |
| Bombardier, Inc., 7.75%, 3/15/20 (a) | USD 900 | 983,250 |
| | 692 | 711,030 |

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| | | |
|---|--|-----------|
| Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17 | | 1,694,280 |
|---|--|-----------|

| | | |
|--|-----|-----------|
| Airlines 0.7% | | |
| Air Canada, 9.25%, 8/01/15 (a) | 590 | 566,400 |
| Delta Air Lines, Inc., Series B, 9.75%, 12/17/16 | 348 | 356,571 |
| United Air Lines, Inc., 12.75%, 7/15/12 | 589 | 615,764 |
| | | 1,538,735 |

| Corporate Bonds | Par (000) | Value |
|--|--------------|------------|
| Auto Components 1.6% | | |
| Delphi Corp., 6.13%, 5/15/21 (a) | USD 290 | \$ 279,850 |
| Icahn Enterprises LP: | | |
| 7.75%, 1/15/16 | 160 | 161,600 |
| 8.00%, 1/15/18 | 2,690 | 2,716,900 |
| Titan International, Inc., 7.88%, 10/01/17 | 490 | 514,500 |
| Venture Holdings Co. LLC (c)(e): | | |
| 12.00%, 6/01/09 | 700 | 70 |
| Series B, 9.50%, 7/01/05 | 3,325 | 332 |
| | | 3,673,252 |

| | | |
|---------------------------------|-----|---------|
| Biotechnology 0.1% | | |
| QHP Pharma, 10.25%, 3/15/15 (a) | 149 | 151,349 |

| | | |
|--|-----|---------|
| Building Products 0.4% | | |
| Building Materials Corp. of America (a): | | |
| 7.00%, 2/15/20 | 485 | 485,000 |
| 6.75%, 5/01/21 | 410 | 392,575 |
| | | 877,575 |

| | | |
|--|-----|-----------|
| Capital Markets 0.8% | | |
| American Capital Ltd., 7.96%, 12/31/13 (f) | 600 | 595,788 |
| E*Trade Financial Corp., 12.50%, 11/30/17 (a)(g)(h) | 755 | 868,250 |
| KKR Group Finance Co., 6.38%, 9/29/20 (a) | 280 | 297,907 |
| | | 1,761,945 |

| | | |
|--|-------|------------|
| Chemicals 4.7% | | |
| American Pacific Corp., 9.00%, 2/01/15 | 610 | 599,325 |
| American Rock Salt Co. LLC, 8.25%, 5/01/18 (a) | 116 | 107,590 |
| Celanese US Holdings LLC, 5.88%, 6/15/21 | 300 | 300,750 |
| GEO Specialty Chemicals, Inc. (a): | | |
| 7.50%, 3/31/15 (g)(i) | 1,869 | 1,868,623 |
| 10.00%, 3/31/15 | 1,839 | 1,700,816 |
| Hexion U.S. Finance Corp., 8.88%, 2/01/18 | 345 | 322,575 |
| Huntsman International LLC, 8.63%, 3/15/21 | 150 | 156,563 |
| Kinove German Bondco GmbH, 9.63%, 6/15/18 (a) | 400 | 384,000 |
| Omnova Solutions, Inc., 7.88%, 11/01/18 | 350 | 307,125 |
| OXEA Finance/Cy SCA, 9.50%, 7/15/17 (a) | 240 | 237,600 |
| Wellman Holdings, Inc., Subordinate Note (g): | | |
| (Second Lien), 10.00%, 1/29/19 | 2,383 | 3,312,370 |
| (Third Lien), 5.00%, 1/29/19 (i) | 1,765 | 1,253,274 |
| | | 10,550,611 |

| | | |
|------------------------------|-------|-----------|
| Commercial Banks 1.9% | | |
| CIT Group, Inc.: | | |
| 7.00%, 5/01/14 | 139 | 140,115 |
| 7.00%, 5/01/15 | 450 | 447,750 |
| 7.00%, 5/01/16 | 640 | 636,800 |
| 7.00%, 5/01/17 | 2,571 | 2,538,863 |
| 7.00%, 5/02/17 (a) | 400 | 395,000 |
| | | 4,158,528 |

| | | |
|---|-----|---------|
| Commercial Services & Supplies 1.3% | | |
| ARAMARK Corp., 8.50%, 2/01/15 | 440 | 454,300 |
| AWAS Aviation Capital Ltd., 7.00%, 10/15/16 (a) | 556 | 536,509 |

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| | | |
|--|-----|-----------|
| Brickman Group Holdings, Inc., 9.13%, 11/01/18 (a) | 455 | 428,837 |
| The Geo Group, Inc., 7.75%, 10/15/17 | 450 | 472,500 |
| Mobile Mini, Inc., 7.88%, 12/01/20 | 335 | 325,788 |
| RSC Equipment Rental, Inc., 10.00%, 7/15/17 (a) | 550 | 591,250 |
| West Corp., 8.63%, 10/01/18 | 165 | 160,875 |
| | | 2,970,059 |
| Communications Equipment 0.2% | | |
| Avaya, Inc., 7.00%, 4/01/19 (a) | 200 | 180,000 |
| EH Holding Corp., 6.50%, 6/15/19 (a) | 320 | 320,000 |
| | | 500,000 |

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Senior High Income Fund, Inc. (ARK)
(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|--|--------------|------------|
| Corporate Bonds | | |
| Consumer Finance 0.9% | | |
| Credit Acceptance Corp., 9.13%, 2/01/17 | USD 300 | \$ 303,750 |
| Ford Motor Credit Co. LLC: | | |
| 3.00%, 1/13/12 (b) | 1,340 | 1,340,027 |
| 7.00%, 4/15/15 | 140 | 149,450 |
| 6.63%, 8/15/17 | 300 | 314,068 |
| | | 2,107,295 |
| Containers & Packaging 0.7% | | |
| Ball Corp., 6.75%, 9/15/20 | 325 | 341,250 |
| Berry Plastics Corp., 8.25%, 11/15/15 | 1,100 | 1,133,000 |
| Graphic Packaging International, Inc., 9.50%, 6/15/17 | 185 | 201,187 |
| | | 1,675,437 |
| Diversified Financial Services 3.4% | | |
| Ally Financial, Inc.: | | |
| 8.30%, 2/12/15 | 3,670 | 3,853,500 |
| 8.00%, 11/01/31 | 480 | 461,727 |
| Axcan Intermediate Holdings, Inc., 12.75%, 3/01/16 | 350 | 364,875 |
| Reynolds Group DL Escrow, Inc., 8.75%, 10/15/16 (a) | 850 | 869,125 |
| Reynolds Group Issuer, Inc. (a): | | |
| 7.13%, 4/15/19 | 560 | 530,600 |
| 7.88%, 8/15/19 | 320 | 316,800 |
| 6.88%, 2/15/21 | 480 | 446,400 |
| 8.25%, 2/15/21 | 930 | 783,525 |
| WMG Acquisition Corp., 9.50%, 6/15/16 (a) | 105 | 107,100 |
| | | 7,733,652 |
| Diversified Telecommunication Services 0.4% | | |
| ITC Deltacom, Inc., 10.50%, 4/01/16 | 520 | 533,000 |
| Qwest Communications International, Inc., Series B, 7.50%, 2/15/14 | 180 | 182,250 |
| tw telecom Holdings, Inc., 8.00%, 3/01/18 | 170 | 175,100 |
| | | 890,350 |
| Electric Utilities 0.2% | | |
| IPALCO Enterprises, Inc., 7.25%, 4/01/16 (a) | 405 | 434,065 |
| Electronic Equipment, Instruments & Components 0.1% | | |
| CDW LLC, 8.00%, 12/15/18 (a) | 320 | 316,800 |
| Energy Equipment & Services 0.8% | | |
| Frac Tech Services LLC, 7.13%, 11/15/18 (a) | 625 | 646,875 |
| Key Energy Services, Inc., 6.75%, 3/01/21 | 380 | 372,400 |
| MEG Energy Corp., 6.50%, 3/15/21 (a) | 490 | 490,000 |
| Oil States International, Inc., 6.50%, 6/01/19 (a) | 175 | 175,000 |
| SunCoke Energy, Inc., 7.63%, 8/01/19 (a) | 100 | 98,250 |
| | | 1,782,525 |
| Food Products 0.2% | | |
| Blue Merger Sub, Inc., 7.63%, 2/15/19 (a) | 480 | 476,400 |
| JBS USA LLC, 7.25%, 6/01/21 (a) | 75 | 68,156 |
| | | 544,556 |
| Gas Utilities 0.1% | | |
| Targa Resources Partners LP, 6.88%, 2/01/21 (a) | 250 | 247,500 |
| Health Care Equipment & Supplies 0.4% | | |

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| | | |
|--------------------------------|-----|---------|
| DJO Finance LLC: | | |
| 10.88%, 11/15/14 | 670 | 692,613 |
| 7.75%, 4/15/18 (a) | 30 | 27,900 |
| Teleflex, Inc., 6.88%, 6/01/19 | 250 | 248,125 |
| | | 968,638 |

| Corporate Bonds | Par (000) | Value |
|---|--------------|------------|
| Health Care Providers & Services 3.0% | | |
| Aviv Healthcare Properties LP, 7.75%, 2/15/19 | USD 235 | \$ 233,825 |
| HCA, Inc.: | | |
| 8.50%, 4/15/19 | 65 | 70,850 |
| 6.50%, 2/15/20 | 990 | 1,001,137 |
| 7.88%, 2/15/20 | 1,924 | 2,039,440 |
| 7.25%, 9/15/20 | 525 | 539,437 |
| inVentiv Health, Inc., 10.00%, 8/15/18 (a) | 45 | 40,613 |
| Omnicare, Inc., 6.88%, 12/15/15 | 555 | 566,100 |
| Tenet Healthcare Corp.: | | |
| 10.00%, 5/01/18 | 430 | 473,000 |
| 8.88%, 7/01/19 | 1,680 | 1,780,800 |
| | | 6,745,202 |
| Health Care Technology 1.0% | | |
| IMS Health, Inc., 12.50%, 3/01/18 (a) | 1,730 | 1,989,500 |
| MedAssets, Inc., 8.00%, 11/15/18 (a) | 325 | 313,625 |
| | | 2,303,125 |
| Hotels, Restaurants & Leisure 1.1% | | |
| Diamond Resorts Corp., 12.00%, 8/15/18 | 540 | 523,800 |
| Little Traverse Bay Bands of Odawa Indians, 9.00%, 8/31/20 (a) | 282 | 234,060 |
| MGM Resorts International: | | |
| 10.38%, 5/15/14 | 720 | 790,200 |
| 11.13%, 11/15/17 | 750 | 836,250 |
| Tropicana Entertainment LLC, Series WI, 9.63%, 12/15/14 (c)(e) | 220 | 22 |
| | | 2,384,332 |
| Household Durables 1.1% | | |
| Beazer Homes USA, Inc., 12.00%, 10/15/17 | 1,000 | 1,015,000 |
| Jarden Corp., 7.50%, 5/01/17 | 435 | 444,787 |
| Standard Pacific Corp.: | | |
| 8.38%, 5/15/18 | 145 | 127,238 |
| 8.38%, 1/15/21 | 1,100 | 946,000 |
| | | 2,533,025 |
| IT Services 0.7% | | |
| First Data Corp. (a): | | |
| 7.38%, 6/15/19 | 805 | 756,700 |
| 8.25%, 1/15/21 | 501 | 428,355 |
| 12.63%, 1/15/21 | 333 | 314,685 |
| | | 1,499,740 |
| Independent Power Producers & Energy Traders 2.4% | | |
| AES Corp.: | | |
| 7.75%, 10/15/15 | 155 | 162,750 |
| 9.75%, 4/15/16 | 674 | 744,770 |
| 7.38%, 7/01/21 (a) | 215 | 217,150 |
| Calpine Corp., 7.50%, 2/15/21 (a) | 370 | 373,700 |
| Energy Future Holdings Corp., 10.00%, 1/15/20 | 1,065 | 1,069,123 |
| Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20 | 2,135 | 2,153,939 |
| NRG Energy, Inc., 7.63%, 1/15/18 (a) | 770 | 762,300 |
| | | 5,483,732 |
| Industrial Conglomerates 1.6% | | |

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| | | |
|---|-------|-----------|
| Sequa Corp. (a): | | |
| 11.75%, 12/01/15 | 1,430 | 1,487,200 |
| 13.50%, 12/01/15 (i) | 1,930 | 2,045,776 |
| | | 3,532,976 |
| Insurance 0.6% | | |
| CNO Financial Group, Inc., 9.00%, 1/15/18 (a) | 851 | 885,040 |
| Genworth Financial, Inc., 7.63%, 9/24/21 | 370 | 328,386 |
| MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (a) | 220 | 211,200 |
| | | 1,424,626 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Senior High Income Fund, Inc. (ARK)
(Percentages shown are based on Net Assets)

| | Par (000) | Value |
|--|--------------|------------|
| Corporate Bonds | | |
| Machinery 0.1% | | |
| Navistar International Corp., 8.25%, 11/01/21 | USD 220 | \$ 227,700 |
| Media 7.8% | | |
| AMC Networks, Inc., 7.75%, 7/15/21 (a) | 190 | 196,650 |
| CCH II LLC, 13.50%, 11/30/16 | 1,700 | 1,963,500 |
| CCO Holdings LLC: | | |
| 7.25%, 10/30/17 | 260 | 268,125 |
| 7.88%, 4/30/18 | 565 | 587,600 |
| CSC Holdings, Inc., 8.50%, 4/15/14 | 390 | 422,175 |
| Checkout Holding Corp., 10.97%, 11/15/15 (a)(h) | 570 | 336,300 |
| Clear Channel Worldwide Holdings, Inc.: | | |
| 9.25%, 12/15/17 | 340 | 360,400 |
| Series B, 9.25%, 12/15/17 | 4,526 | 4,842,820 |
| DISH DBS Corp.: | | |
| 7.00%, 10/01/13 | 850 | 891,437 |
| 6.63%, 10/01/14 | 750 | 774,375 |
| 6.75%, 6/01/21 (a) | 270 | 272,025 |
| Interactive Data Corp., 10.25%, 8/01/18 | 900 | 954,000 |
| Kabel BW Erste Beteiligungs GmbH, 7.50%, 3/15/19 (a) | 540 | 531,900 |
| NAI Entertainment Holdings LLC, 8.25%, 12/15/17 (a) | 530 | 535,300 |
| Nielsen Finance LLC: | | |
| 11.63%, 2/01/14 | 636 | 720,270 |
| 7.75%, 10/15/18 | 640 | 660,800 |
| ProQuest LLC, 9.00%, 10/15/18 (a) | 220 | 215,600 |
| Regal Entertainment Group, 9.13%, 8/15/18 | 290 | 292,900 |
| Unitymedia Hessen GmbH & Co. KG (FKA UPC Germany GmbH), 8.13%, 12/01/17 (a) | 1,500 | 1,530,000 |
| Virgin Media Secured Finance Plc, 6.50%, 1/15/18 | 1,250 | 1,331,250 |
| | | 17,687,427 |
| Metals & Mining 1.7% | | |
| Drummond Co., Inc., 9.00%, 10/15/14 (a) | 233 | 238,243 |
| FMG Resources August 2006 Property Ltd., 7.00%, 11/01/15 (a) | 1,080 | 1,077,300 |
| JMC Steel Group, 8.25%, 3/15/18 (a) | 170 | 166,175 |
| Novelis, Inc., 8.75%, 12/15/20 | 2,015 | 2,120,787 |
| RathGibson, Inc., 11.25%, 2/15/14 (c)(e) | 2,175 | 109 |
| Vulcan Materials Co., 7.50%, 6/15/21 | 194 | 191,073 |
| | | 3,793,687 |
| Multiline Retail 0.5% | | |
| Dollar General Corp., 11.88%, 7/15/17 (i) | 948 | 1,049,910 |
| Oil, Gas & Consumable Fuels 6.9% | | |
| Alpha Natural Resources, Inc.: | | |
| 6.00%, 6/01/19 | 135 | 131,962 |
| 6.25%, 6/01/21 | 425 | 415,969 |
| Arch Coal, Inc.: | | |
| 7.00%, 6/15/19 (a) | 115 | 113,275 |
| 7.25%, 10/01/20 | 368 | 362,480 |
| 7.25%, 6/15/21 (a) | 360 | 354,600 |
| Chesapeake Energy Corp.: | | |
| 6.63%, 8/15/20 | 1,122 | 1,172,490 |
| 6.13%, 2/15/21 | 690 | 700,350 |

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| | | |
|---|-----|---------|
| Coffeyville Resources LLC, 9.00%, 4/01/15 (a) | 240 | 254,400 |
| Consol Energy, Inc.: | | |
| 8.25%, 4/01/20 | 900 | 967,500 |
| 6.38%, 3/01/21 (a) | 230 | 228,275 |
| Crosstex Energy LP, 8.88%, 2/15/18 | 55 | 56,925 |
| Denbury Resources, Inc.: | | |
| 8.25%, 2/15/20 | 351 | 369,866 |
| 6.38%, 8/15/21 | 295 | 289,100 |

| | Par (000) | Value |
|---|--------------|------------|
| Corporate Bonds | | |
| Oil, Gas & Consumable Fuels (concluded) | | |
| El Paso Corp., 7.00%, 6/15/17 | USD 825 | \$ 916,836 |
| Energy XXI Gulf Coast, Inc., 7.75%, 6/15/19 | 665 | 625,100 |
| Forest Oil Corp., 8.50%, 2/15/14 | 220 | 235,400 |
| Hilcorp Energy I LP, 7.63%, 4/15/21 (a) | 1,140 | 1,151,400 |
| Linn Energy LLC: | | |
| 8.63%, 4/15/20 (a) | 580 | 620,600 |
| 7.75%, 2/01/21 | 1,025 | 1,045,500 |
| Niska Gas Storage US LLC, 8.88%, 3/15/18 | 815 | 823,150 |
| OGX Petroleo e Gas Participações SA, 8.50%, 6/01/18 (a) | 1,595 | 1,598,987 |
| Oasis Petroleum, Inc., 7.25%, 2/01/19 (a) | 170 | 166,600 |
| Petrohawk Energy Corp.: | | |
| 10.50%, 8/01/14 | 310 | 350,300 |
| 7.88%, 6/01/15 | 415 | 448,200 |
| 7.25%, 8/15/18 | 275 | 320,719 |
| 6.25%, 6/01/19 (a) | 480 | 558,000 |
| Plains Exploration & Production Co., 7.75%, 6/15/15 | 275 | 283,250 |
| Range Resources Corp., 5.75%, 6/01/21 | 645 | 648,225 |
| SandRidge Energy, Inc., 7.50%, 3/15/21 (a) | 435 | 424,125 |
| | | 15,633,584 |
| Paper & Forest Products 1.8% | | |
| Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (a)(i) | 1,425 | 997,380 |
| Clearwater Paper Corp., 10.63%, 6/15/16 | 365 | 399,675 |
| Georgia-Pacific LLC, 8.25%, 5/01/16 (a) | 1,630 | 1,861,473 |
| Longview Fibre Paper & Packaging, Inc., 8.00%, 6/01/16 (a) | 145 | 143,550 |
| Verso Paper Holdings LLC: | | |
| 11.50%, 7/01/14 | 289 | 306,340 |
| Series B, 4.00%, 8/01/14 (b) | 485 | 397,700 |
| | | 4,106,118 |
| Pharmaceuticals 0.4% | | |
| Valeant Pharmaceuticals International, 6.50%, 7/15/16 (a) | 1,015 | 964,250 |
| Professional Services 0.1% | | |
| FTI Consulting, Inc., 6.75%, 10/01/20 | 295 | 290,944 |
| Real Estate Investment Trusts (REITs) 0.4% | | |
| FelCor Lodging LP, 6.75%, 6/01/19 (a) | 950 | 893,000 |
| Real Estate Management & Development 0.1% | | |