BLACKROCK FLOATING RATE INCOME STRATEGIES FUND INC
Form N-CSR
November 10, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-21413

Name of Fund: BlackRock Floating Rate Income Strategies Fund, Inc. (FRA)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Donald C. Burke, Chief Executive Officer, BlackRock Floating Rate Income Strategies Fund, Inc., 800 Scudders Mill Road, Plainsboro, NJ, 08536. Mailing address: P.O. Box 9011, Princeton, NJ, 08543-9011

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

Date of fiscal year end: 08/31/2008

Date of reporting period: 09/01/2007 08/31/2008

Item 1 Report to Stockholders

EQUITIES FIXED INCOME REAL ESTATE LIQUIDITY ALTERNATIVES BLACKROCK SOLUTIONS

Annual Report

AUGUST 31, 2008

BlackRock Defined Opportunity Credit Trust (BHL)

BlackRock Diversified Income Strategies Fund, Inc. (DVF)

BlackRock Floating Rate Income Strategies Fund, Inc. (FRA)

BlackRock Senior Floating Rate Fund, Inc.

BlackRock Senior Floating Rate Fund II, Inc.

Table of Contents

A Letter to Shareholders

Dear Shareholder

It has been a tumultuous year for investors, marked by almost daily headlines related to the beleaguered housing market, rising food and en

and the escalating credit crisis. The news took an extraordinarily heavy tone shortly after the close of this reporting period as the credit crisis

and triggered unprecedented failures and consolidation in the financial sector, stoking fears of a market and economic collapse and promptin

largest government rescue plan since the Great Depression.

Through it all, the Federal Reserve Board (the Fed) has been aggressive in its attempts to restore order in financial markets. Key moves i

slashing the target federal funds rate 325 basis points (3.25%) between September 2007 and April 2008 and providing numerous cash inject

and lending programs. As the credit crisis took an extreme turn for the worse in September, the Fed, in concert with five other global central

interest rates by 50 basis points in a rare move intended to stave off worldwide economic damage from the intensifying financial market turm

U.S. economy managed to grow at a slow-but-positive pace through the second quarter of the year, though the recent events almost certain

a global economic recession.

Against this backdrop, U.S. stocks experienced intense volatility (steep declines and quick recoveries), generally posting losses for the curre

period. Small-cap stocks fared significantly better than their larger counterparts. Non-U.S. markets followed the U.S. on the way down and, n

decelerated at a faster pace than domestic equities a stark reversal of recent years trends, when international stocks generally outpaced U

Treasury securities also traded in a volatile fashion, but rallied overall (yields fell and prices correspondingly rose), as the broader flight-to-qu

persisted. The yield on 10-year Treasury issues, which fell to 3.34% in March, climbed to the 4.20% range in mid-June as investors tempora

out of Treasury issues in favor of riskier assets (such as stocks and other high-quality fixed income sectors), then declined again to 3.83% b

end when credit fears resurfaced. Tax-exempt issues posted positive returns, but problems among municipal bond insurers and the collapse

market for auction rate securities pressured the group throughout the course of the past year. Economic and financial market distress also d

the performance of high yield issues, which were very volatile due to the macro factors noted above.

Overall, severe market instability resulted in mixed results for the major benchmark indexes:

Total Returns as of August 31, 2008	**6-month**	**12-month**
U.S. equities (S&P 500 Index)	(2.57)%	(11.14)%
Small cap U.S. equities (Russell 2000 Index)	8.53	(5.48)
International equities (MSCI Europe, Australasia, Far East Index)	(10.18)	(14.41)
Fixed income (Lehman Brothers U.S. Aggregate Index)	0.18	5.86
Tax-exempt fixed income (Lehman Brothers Municipal Bond Index)	5.12	4.48

High yield bonds (Lehman Brothers U.S. Corporate High Yield 2% Issuer Capped Index)	0.74	(0.66)

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

Through periods of market turbulence, as ever, BlackRock s full resources are dedicated to the management of our clients assets. For our

views on the economy and financial markets, we invite you to visit www.blackrock.com/funds. As always, we thank you for entrusting BlackR

your investments, and we look forward to continuing to serve you in the months and years ahead.

Sincerely,

Rob Kapito
President, BlackRock Advisors, LLC

THIS PAGE NOT PART OF YOUR FUND REPORT

Fund Summary as of August 31, 2008 **BlackRock Defined Opportunity Credit Trust**

Investment Objective

BlackRock Defined Opportunity Credit Trust (BHL) (the Fund) seeks high current income, with a secondary objective of long-term capital appreciation.

Performance

From inception (January 31, 2008) through August 31, 2008, the Fund returned (11.44)% based on market price and 4.79% based on net as
value (NAV). For the same period, the Lipper Loan Participation Funds category posted an average return of (1.70)% on a NAV basis. The
Suisse Leveraged Loan Index returned 0.34% over the same time period. All returns reflect reinvestment of dividends. The Fund s primary a
versus the Lipper peer group was its ability to invest its portfolio and take advantage of historically low valuations among bank loan securities
older competitors came into the period fully invested. The Fund s conservative positioning also was beneficial in a difficult market. The Fund
from a premium to NAV at launch to an 11.5% discount by period-end, which accounts for the difference between performance based on pric
performance based on NAV.

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

Fund Information

Symbol on New York Stock Exchange	BHL
Initial Offering Date	January 31, 2008
Yield on Closing Market Price as of August 31, 2008 ($12.66)[1]	10.66%
Current Monthly Distribution per share of Common Stock[2]	$0.1125
Current Annualized Distribution per share of Common Stock[2]	$1.3500
Leverage as of August 31, 2008[3]	23%

[1] Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.
Past performance does not guarantee future results.
[2] The distribution is not constant and is subject to change.
[3] As a percentage of managed assets, which is the total assets of the Fund (including any assets attributable to any borrowing that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

The table below summarizes the changes in the Fund s market price and net asset value per share:

	8/31/08	High	Low
Market Price	$12.66	$15.33	$12.19
Net Asset Value	$14.31	$14.82	$14.05

The following unaudited chart shows the portfolio composition of the Fund s long-term investments:

Portfolio Composition

Asset Mix	8/31/08
Floating Rate Loan Interests	99%
Corporate Bonds	1

Fund Summary as of August 31, 2008 **BlackRock Diversified Income Strategies Fund, Inc.**

Investment Objective

BlackRock Diversified Income Strategies Fund, Inc. (DVF) (the Fund) seeks to provide investors with a high current income by investing a diversified portfolio of floating rate debt securities and instruments, including floating or variable rate loans, bonds, preferred securities (incl convertible preferred securities), notes or other debt securities or instruments that pay a floating rate of interest.

Performance

For the 12 months ended August 31, 2008, the Fund returned (16.08)% based on market price and (10.17)% based on NAV. For the same p the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of (14.03)% on a NAV basis. All returns refle ment of dividends. During the period, high yield loans which comprised about 47% of the Fund s portfolio as of August 31, 2008 outperfor high yield bonds, which aided relative performance as most of the other funds in the Lipper category invest primarily in high yield bonds. As o 31, 2008, the Fund was more modestly leveraged (28% of total net assets) versus many of its counterparts, which also helped relative perfor a very challenging market. Conversely, high yield floating-rate notes, which the Fund owns, detracted from performance. The Fund s discou which widened from 1.9% to 8.4% over the period, accounts for the difference between performance based on price and performance based
The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other
These views are not intended to be a forecast of future events and are no guarantee of future results.

Fund Information

Symbol on New York Stock Exchange	DVF
Initial Offering Date	January 31, 2005
Yield on Closing Market Price as of August 31, 2008 ($12.77)[1]	12.69%
Current Monthly Distribution per share of Common Stock[2]	$0.135
Current Annualized Distribution per share of Common Stock[2]	$1.620
Leverage as of August 31, 2008[3]	28%

[1] Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.
Past performance does not guarantee future results.
[2] The distribution is not constant and is subject to change.
[3] As a percentage of managed assets, which is the total assets of the Fund (including any assets attributable to any borrowing that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

The table below summarizes the changes in the Fund s market price and net asset value per share:

	8/31/08	8/31/07	Change	High	Low
Market Price	$12.77	$17.16	(25.58)%	$17.40	$11.86
Net Asset Value	$13.94	$17.50	(20.34)%	$18.03	$13.84

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

Portfolio Composition

Asset Mix	8/31/08	8/31/07
Corporate Bonds	50%	60%
Floating Rate Loan Interests	47	38
Preferred Stock		1
Common Stock	3	1

Credit Quality Allocations[4]

Credit Rating	8/31/08	8/31/07
AA/Aa	3%	%
BBB/Baa	1	2
BB/Ba	7	7
B/B	61	62
CCC/Caa	20	19
CC/Ca	2	2
Not Rated	6	8

[4] Using the higher of Standard & Poor s (S&P) or Moody s
Investor Service (Moody s) ratings.

Fund Summary as of August 31, 2008 BlackRock Floating Rate Income Strategies Fund, Inc.

Investment Objective

BlackRock Floating Rate Income Strategies Fund, Inc. (FRA) (the Fund) seeks high current income and such preservation of capital as i
tent with investment in a diversified, leveraged portfolio consisting primarily of floating rate debt securities and instruments.

Performance

For the 12 months ended August 31, 2008, the Fund returned (4.28)% based on market price and (2.56)% based on NAV. For the same peri
the closed-end Lipper Loan Participation Funds category posted an average return of (5.50)% on a NAV basis. All returns reflect reinvestmen
dividends. The Fund s conservative positioning with respect to credit and sector allocation aided relative performance during a year of consi
volatility in credit markets. The Fund s discount to NAV, which widened modestly during the annual period, accounts for the difference betwe
performance based on price and performance based on NAV.

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

Fund Information

Symbol on New York Stock Exchange	FRA
Initital Offering Date	October 31, 2003
Yield on Closing Market Price as of August 31, 2008 ($14.49)[1]	10.34%
Current Monthly Distribution per share of Common Stock[2]	$0.124835
Current Annualized Distribution per share of Common Stock[2]	$1.498020
Leverage as of August 31, 2008[3]	26%

[1] Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.
Past performance does not guarantee future results.
[2] The distribution is not constant and is subject to change.
[3] As a percentage of managed assets, which is the total assets of the Fund (including any assets attributable to any borrowing that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

The table below summarizes the changes in the Fund s market price and net asset value per share:

	8/31/08	8/31/07	Change	High	Low
Market Price	$14.49	$16.70	(13.23)%	$17.53	$13.05
Net Asset Value	$16.12	$18.25	(11.67)%	$18.63	$15.89

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

Portfolio Composition

	8/31/08	8/31/07
Floating Rate Loan Interests	73%	75%
Corporate Bonds	26	24
Common Stocks	1	1

Credit Quality Allocations[4]

Credit Rating	8/31/08	8/31/07
AA/Aa	5%	%
BBB/Baa	11	5
BB/Ba	11	20
B/B	59	58
CCC/Caa	8	10
D		2
Not Rated	6	5

[4] Using the highest of S&P s and Moody s ratings.

Fund Summary as of August 31, 2008 **BlackRock Senior Floating Rate Fund, Inc.**

Investment Objective

BlackRock Senior Floating Rate Fund, Inc. (the Fund) is a continuously offered closed-end fund that seeks high current income and such preservation of capital as is consistent with investment in senior collateralized corporate loans made by banks and other financial institutions

Performance

For the 12 months ended August 31, 2008, the Fund returned (1.32)% based on NAV. For the same period, the closed-end Lipper Loan Part Funds category posted an average return of (5.50)% on a NAV basis. All returns reflect reinvestment of dividends. The year featured conside volatility in credit markets, with periods of downward pressure punctuated by sharp rebounds. In contrast to many of the other funds in the Li category, the Fund did not use leverage, which aided relative performance over the period. The Fund was defensively positioned in its secto and broadly diversified among individual credits, which also proved advantageous. In addition, above-average cash positions, held for oppor purchases during periods of forced selling, benefited performance.

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

Fund Information[1]

Initital Offering Date	November 3, 1989
Yield based on Net Asset Value as of August 31, 2008 ($7.98)[2]	5.86%
Current Monthly Distribution per share of Common Stock[3]	$0.038968
Current Annualized Distribution per share of Common Stock[3]	$0.467616

1 The Fund is a continuously offered closed-end fund that does not trade on an exchange.
2 Yield based on net asset value is calculated by dividing the current annualized distribution per share by the net asset value.
Past performance does not guarantee future results.
3 The distribution is not constant and is subject to change.

The table below summarizes the changes in the Fund s net asset value per share:

	8/31/08	8/31/07	Change	High	Low
Net Asset Value	$7.98	$8.60	(7.21)%	$8.71	$7.81

Expense Example for Continuously Offered Closed-End Funds

	Actual			Hypothetical[5]		
	Beginning Account Value March 1, 2008	Ending Account Value August 31, 2008	Expenses Paid During the Period[4]	Beginning Account Value March 1, 2008	Ending Account Value August 31, 2008	Expenses Pai During the Peri
BlackRock Senior Floating Rate, Inc.	$1,000	$1,037.50	$7.49	$1,000	$1,017.65	$7.41

4 Expenses are equal to the annualized expense ratio of 1.47%, multiplied by the average account value over the period, multiplied by 183/366 (to reflect th period shown). Because the Fund is a feeder fund, the expense table reflects the expenses of both the feeder fund and the Master Senior Floating Rate LLC LLC) in which it invests.
5 Hypothetical 5% annual return before expenses is calculated by pro-rating the number of days in the most recent fiscal half year divided by 366.
See Disclosure of Expenses for Continuously Offered Closed-End Funds on page 9 for further information on how expenses were calculated.

Fund Summary as of August 31, 2008 **BlackRock Senior Floating Rate Fund II, Inc.**

Investment Objective

BlackRock Senior Floating Rate Fund II, Inc. (the Fund is) a continuously offered closed-end fund that seeks high current income and suc preservation of capital as is consistent with investment in senior collateralized corporate loans made by banks and other financial institutions

Performance

For the 12 months ended August 31, 2008, the Fund returned (1.61)% based on NAV. For the same period, the closed-end Lipper Loan Part

Funds category posted an average return of (5.50)% on a NAV basis. All returns reflect reinvestment of dividends. The year featured conside volatility in credit markets, with periods of downward pressure punctuated by sharp rebounds. In contrast to many of the other funds in the Li category, the Fund did not use leverage, which aided relative performance over the period. The Fund was defensively positioned in its secto and broadly diversified among individual credits, which also proved advantageous. In addition, above-average cash positions, held for oppor purchases during periods of forced selling, benefited performance.

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

Fund Information[1]

Initital Offering Date	March 26, 1999
Yield based on Net Asset Value as of August 31, 2008 ($8.67)[2]	5.32%
Current Monthly Distribution per share of Common Stock[3]	$0.038406
Current Annualized Distribution per share of Common Stock[3]	$0.460872

[1] The Fund is a continuously offered closed-end fund that does not trade on an exchange.

[2] Yield based on net asset value is calculated by dividing the current annualized distribution per share by the net asset value. Past performance does not guarantee future results.

[3] The distribution is not constant and is subject to change.

The table below summarizes the changes in the Fund s net asset value per share:

	8/31/08	8/31/07	Change	High	Low
Net Asset Value	$8.67	$9.35	(7.27)%	$9.47	$8.49

Expense Example for Continuously Offered Closed-End Funds

	Actual			Hypothetical[5]		
	Beginning Account Value March 1, 2008	Ending Account Value August 31, 2008	Expenses Paid During the Period[4]	Beginning Account Value March 1, 2008	Ending Account Value August 31, 2008	Expenses P During the Pe
BlackRock Senior Floating Rate II, Inc.	$1,000	$1,036.50	$8.50	$1,000	$1,016.65	$8.42

[4] Expenses are equal to the expense ratio of 1.67%, multiplied by the average account value over the period, multiplied by 183/366 (to reflect the one-half y shown). Because the Fund is a feeder fund, the expense table reflects the expenses of both the feeder fund and the Master Senior Floating Rate LLC (the in which it invests.

[5] Hypothetical 5% annual return before expenses is calculated by pro-rating the number of days in the most recent fiscal half year divided by 366.

See Disclosure of Expenses for Continuously Offered Closed-End Funds on page 9 for further information on how expenses were calculated.

The Benefits and Risks of Leveraging

BlackRock Defined Opportunity Credit Trust, BlackRock Diversified Income Strategies Fund, Inc. and BlackRock Floating Rate Income Strategies Fund, Inc. (each a Fund and collectively, the Funds) may utilize leverage through borrowings or issuance of short-term debt securities. The concept of leveraging is based on the premise that the cost of assets to be obtained from leverage will be based on short-term interest rates, which normally will 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 be the beneficiaries of the incremental yield.

Leverage creates risks for shareholders including the likelihood of greater NAV and market price volatility. In addition, there is the risk that fluctuations in interest rates on borrowings may reduce shareholders yield and negatively impact its NAV and market price. 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.

Under the Investment Company Act of 1940, the Funds are permitted to borrow through a credit facility and the issuance of short-term debt securities up to 33 $^{1}/_{3}$ % of total managed assets. As of August 31, 2008, the Funds had outstanding leverage from credit facility borrowings as a percentage of total managed assets as follows:

	Percent of Leverage
BlackRock Defined Opportunity Credit Trust	23%
BlackRock Diversified Income Strategies Fund, Inc	28%
BlackRock Floating Rate Income Strategies Fund, Inc	26%

Swap Agreements

The Funds may invest in swap agreements, which are over-the-counter contracts in which one party agrees to make periodic payments based on the change in market value of a specified bond, basket of bonds, or index in return for periodic payments based on a fixed or variable interest rate or the change in market value of a different bond, basket of bonds or index. Swap agreements may be used to obtain exposure to a bond or market without owning or taking physical custody of securities. Swap agreements involve the risk that the party with whom the Funds have entered into the swap will default on its obligation to pay the Funds and the risk that the Funds will not be able to meet their obligations to pay the other party to the agreement.

Disclosure of Expenses for Continuously Offered Closed-End Funds

Shareholders of BlackRock Senior Floating Rate Fund, Inc. and BlackRock Senior Floating Rate Fund II, Inc. may incur the following charges: (a) expenses related to transactions, including early withdrawal fees; and (b) operating expenses, including advisory fees, and other Fund expenses. The following example (which is based on a hypothetical investment of $1,000 invested on March 1, 2008 and held through August 31, 2008) is intended to assist shareholders both in calculating expenses based on an investment in each Fund and in comparing these expenses with similar costs of investing in other mutual funds.

The Expense Examples on pages 7 and 8 provide information about actual account values and actual expenses. In order to estimate the expenses a shareholder paid during the period covered by this report, shareholders can divide their account value by $1,000 and then multiply the result by the number under the heading entitled   Expenses Paid During the Period.

The tables also provide information about hypothetical account values and hypothetical expenses based on each Fund s actual expense ratio and an assumed rate of return of 5% per year before expenses. In order to assist shareholders in comparing the ongoing expenses of investing in these Funds and other funds, compare the 5% hypothetical example with the 5% hypothetical examples that appear in other funds shareholder reports.

The expenses shown in the tables are intended to highlight shareholders ongoing costs only and do not reflect any transactional expenses, such as early withdrawal fees. Therefore, the hypothetical example is useful in comparing ongoing expenses only, and will not help shareholders determine the relative total expenses of owning different funds. If these