

BLACKROCK CORPORATE HIGH YIELD FUND III INC
Form N-Q
July 27, 2012
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-08497

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

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock Corporate High Yield Fund III, Inc., 55 East 52nd Street, New York, NY 10055

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

Date of fiscal year end: 02/28/2013

Date of reporting period: 05/31/2012

Item 1 – Schedule of Investments

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Consolidated Schedule of Investments May 31, 2012 (Unaudited)

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

	Par (000)		Value
Asset-Backed Securities			
American Airlines Pass-Through Trust, Series 2011-2, Class A, 8.63%, 4/15/23	USD 1,087	\$	1,141,282
Total Asset-Backed Securities 0.4%			1,141,282
Common Stocks			
	Shares		
Auto Components 2.8%			
Delphi Automotive Plc (a)	13,654		396,387
Delphi Automotive Plc (a)	242,654		7,044,234
			7,440,621
Biotechnology 0.0%			
Ironwood Pharmaceuticals, Inc. (a)	7,130		84,990
Capital Markets 0.2%			
E*Trade Financial Corp. (a)	74,600		633,354
Chemicals 0.2%			
CF Industries Holdings, Inc.	2,200		376,112
Huntsman Corp.	14,000		179,200
			555,312
Commercial Banks 0.3%			
CIT Group, Inc. (a)	22,270		761,411
Communications Equipment 0.3%			
Loral Space & Communications Ltd.	12,778		770,514
Diversified Financial Services 0.6%			
Kcad Holdings I Ltd.	220,203,372		1,745,552
Diversified Telecommunication Services 0.1%			
Level 3 Communications, Inc. (a)	15,380		326,517
Electrical Equipment 0.0%			
Medis Technologies Ltd. (a)	70,784		262
Energy Equipment & Services 1.0%			
Laricina Energy Ltd.	35,294		1,452,287
Osum Oil Sands Corp.	82,000		992,400
Transocean Ltd.	8,600		351,138
			2,795,825
Hotels, Restaurants & Leisure 0.0%			
Buffets Restaurants Holdings, Inc. (a)	1,099		55
Travelport Worldwide Ltd.	76,940		38,470
			38,525
Media 1.6%			
Belo Corp., Class A	23,782		137,460
Charter Communications, Inc. (a)	63,805		4,000,574
Clear Channel Outdoor Holdings, Inc., Class A (a)	9,964		62,773
Common Stocks			
	Shares		Value
Media (concluded)			
DISH Network Corp., Class A	5,900	\$	165,436
			4,366,243
Metals & Mining 0.1%			
African Minerals Ltd. (a)	47,050		273,301
Oil, Gas & Consumable Fuels 0.1%			
African Petroleum Corp. Ltd (a)	102,100		139,238

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Paper & Forest Products 0.2%

Ainsworth Lumber Co. Ltd. (a)	122,117	144,244
Ainsworth Lumber Co. Ltd. (a)(b)	140,415	165,858
Western Forest Products, Inc. (a)	158,023	126,988
Western Forest Products, Inc. (a)	45,762	36,774
		473,864

Road & Rail 0.2%

Dollar Thrifty Automotive Group, Inc. (a)	5,900	481,322
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Semiconductors & Semiconductor Equipment 0.3%

Spansion, Inc., Class A (a)	64,237	693,759
SunPower Corp. (a)	271	1,358
		695,117

Software 0.0%

Bankruptcy Management Solutions, Inc. (a)	501	15
HMH Holdings/EduMedia (a)	89,669	897
		912

Total Common Stocks 8.0%

21,582,880

	Par (000)	
Corporate Bonds		
Aerospace & Defense 0.5%		
Huntington Ingalls Industries, Inc.:		
6.88%, 3/15/18	USD 230	238,050
7.13%, 3/15/21	330	342,375
Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17	846	896,760
		1,477,185
Air Freight & Logistics 0.5%		
National Air Cargo Group, Inc.:		
Series 1, 12.38%, 9/02/15	617	635,499
Series 2, 12.38%, 8/16/15	624	642,631
		1,278,130
Airlines 2.0%		
Continental Airlines, Inc.:		
Series 1997-4, Class B, 6.90%, 7/02/18 (c)	278	277,703

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Consolidated Schedule of Investments (continued)

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

	Par (000)	Value
Corporate Bonds		
Airlines (concluded)		
Continental Airlines, Inc. (concluded):		
Series 2010-1, Class B, 6.00%, 7/12/20	USD 480	\$ 480,955
Delta Air Lines, Inc.:		
Series 2002-1, Class G-1, 6.72%, 7/02/24	611	647,474
Series 2009-1, Class B, 9.75%, 6/17/18	199	213,179
Series 2010-1, Class B, 6.38%, 7/02/17	500	500,000
United Air Lines, Inc., 12.75%, 7/15/12	2,062	2,082,992
US Airways Pass Through Trust:		
Series 2011-1, Class C, 10.88%, 10/22/14	679	699,261
Series 2012-1, Class C, 9.13%, 10/01/15	450	450,000
		5,351,564
Auto Components 2.2%		
Baker Corp. International, Inc., 8.25%, 6/01/19 (b)		
	210	210,000
Dana Holding Corp., 6.75%, 2/15/21	450	481,500
Delphi Corp., 6.13%, 5/15/21	170	181,050
Icahn Enterprises LP:		
4.00%, 8/15/13 (b)(d)(e)	255	254,363
8.00%, 1/15/18	3,035	3,213,306
IDQ Holdings, Inc., 11.50%, 4/01/17 (b)	380	397,100
International Automotive Components Group SL, 9.13%, 6/01/18 (b)		
	40	36,100
Jaguar Land Rover Plc, 8.25%, 3/15/20	GBP 482	728,744
Titan International, Inc., 7.88%, 10/01/17	USD 465	481,275
		5,983,438
Beverages 0.3%		
Crown European Holdings SA:		
7.13%, 8/15/18 (b)	EUR 302	398,629
7.13%, 8/15/18	238	314,152
		712,781
Biotechnology 0.1%		
QHP Royalty Sub LLC, 10.25%, 3/15/15 (b)		
	USD 165	165,106
Building Products 0.7%		
Building Materials Corp. of America (b):		
7.00%, 2/15/20	530	556,500
6.75%, 5/01/21	950	971,375
	475	356,250

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Momentive Performance
Materials, Inc., 11.50%,
12/01/16

1,884,125

	Par (000)	Value
Corporate Bonds		
Capital Markets 1.1%		
American Capital Ltd., 7.96%, 12/31/13 (f)	USD 720	\$ 722,023
E*Trade Financial Corp.: 12.50%, 11/30/17	1,070	1,227,825
2.36%, 8/31/19 (b)(e)(g)	244	205,875
Series A, 2.36%, 8/31/19 (e)(g)	7	5,906
KKR Group Finance Co., 6.38%, 9/29/20 (b)	650	699,614
		2,861,243
Chemicals 4.1%		
American Pacific Corp., 9.00%, 2/01/15	880	875,600
Ashland, Inc., 9.13%, 6/01/17	25	27,438
Basell Finance Co. BV, 8.10%, 3/15/27 (b)	495	584,100
Celanese US Holdings LLC, 5.88%, 6/15/21	1,785	1,860,862
Chemtura Corp., 7.88%, 9/01/18	310	321,625
Hexion US Finance Corp.: 6.63%, 4/15/20 (b)	535	541,687
9.00%, 11/15/20	310	270,475
Huntsman International LLC, 8.63%, 3/15/21	170	190,400
Ineos Finance Plc (b): 8.38%, 2/15/19	890	914,475
7.50%, 5/01/20	440	435,600
INEOS Group Holdings Plc, 8.50%, 2/15/16 (b)	145	130,863
Kinove German Bondco GmbH, 10.00%, 6/15/18	EUR 380	466,440
Kraton Polymers LLC, 6.75%, 3/01/19	USD 125	128,125
LyondellBasell Industries NV, 5.75%, 4/15/24 (b)	2,745	2,813,625
Nexeo Solutions LLC, 8.38%, 3/01/18 (b)	185	177,600
PolyOne Corp., 7.38%, 9/15/20	215	226,825
Solutia, Inc., 7.88%, 3/15/20	620	725,400
TPC Group LLC, 8.25%, 10/01/17	335	351,750
		11,042,890
Commercial Banks 1.6%		
CIT Group, Inc.: 7.00%, 5/02/16 (b)	2,786	2,782,517
5.25%, 3/15/18	550	541,750
5.50%, 2/15/19 (b)	530	515,425
6.00%, 4/01/36	550	494,398
		4,334,090
Commercial Services & Supplies 2.1%		
ARAMARK Corp., 8.50%, 2/01/15	360	368,554
ARAMARK Holdings Corp., 8.63%, 5/01/16 (b)(h)	440	449,904
	540	543,856

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Aviation Capital Group Corp.,
6.75%, 4/06/21 (b)

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

MAY 31, 2012

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Consolidated Schedule of Investments (continued)

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

	Par (000)	Value
Corporate Bonds		
Commercial Services & Supplies (concluded)		
AWAS Aviation Capital Ltd., 7.00%, 10/17/16 (b)	USD 108	\$ 111,361
Brickman Group Holdings, Inc., 9.13%, 11/01/18 (b)	25	24,000
Casella Waste Systems, Inc., 7.75%, 2/15/19	650	637,000
Clean Harbors, Inc., 7.63%, 8/15/16	380	397,100
Covanta Holding Corp., 6.38%, 10/01/22	635	658,418
Iron Mountain, Inc., 7.75%, 10/01/19	340	362,100
Mead Products LLC/ACCO Brands Corp., 6.75%, 4/30/20 (b)	460	472,650
Mobile Mini, Inc., 7.88%, 12/01/20	365	383,250
RSC Equipment Rental, Inc., 8.25%, 2/01/21	875	925,312
Verisure Holding AB: 8.75%, 9/01/18	EUR 184	213,296
8.75%, 12/01/18	100	103,248
West Corp., 8.63%, 10/01/18	USD 135	140,738
		5,790,787
Communications Equipment 1.0%		
Avaya, Inc., 9.75%, 11/01/15	780	643,500
Consolidated Communications Finance Co., 10.88%, 6/01/20 (b)	650	650,000
Frontier Communications Corp., 6.25%, 1/15/13	900	920,250
Hughes Satellite Systems Corp., 6.50%, 6/15/19	380	385,700
		2,599,450
Computers & Peripherals 0.1%		
SanDisk Corp., 1.50%, 8/15/17 (e)	220	218,900
Construction & Engineering 0.2%		
Boart Longyear Management Property Ltd., 7.00%, 4/01/21 (b)	200	206,500
URS Corp., 5.00%, 4/01/22 (b)	350	346,486
		552,986
Construction Materials 1.2%		
HD Supply, Inc. (b): 8.13%, 4/15/19	1,320	1,376,100
11.00%, 4/15/20	1,400	1,445,500
Xefin Lux SCA: 8.00%, 6/01/18 (b)	EUR 254	287,375
8.00%, 6/01/18	200	226,280
		3,335,255

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Consumer Finance 0.9%

Credit Acceptance Corp., 9.13%, 2/01/17	USD	445	478,375
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Corporate Bonds

Consumer Finance (concluded)

		Par (000)	Value
Ford Motor Credit Co. LLC:			
7.80%, 6/01/12	USD	200	\$ 200,000
7.00%, 4/15/15		520	583,700
12.00%, 5/15/15		730	921,625
6.63%, 8/15/17		139	161,399
			2,345,099

Containers & Packaging 1.5%

Ardagh Packaging Finance Plc (b):			
7.38%, 10/15/17	EUR	375	477,598
9.13%, 10/15/20	USD	205	213,200
9.13%, 10/15/20		395	406,850
Berry Plastics Corp.:			
4.35%, 9/15/14 (d)		300	293,625
8.25%, 11/15/15		115	121,613
9.50%, 5/15/18		215	220,375
9.75%, 1/15/21		315	327,600
Beverage Packaging Holdings Luxembourg II SA, 8.00%, 12/15/16	EUR	643	699,661
GCL Holdings SCA, 9.38%, 4/15/18 (b)		267	297,131
Graphic Packaging International, Inc., 7.88%, 10/01/18	USD	375	413,438
OI European Group BV, 6.88%, 3/31/17	EUR	155	197,886
Sealed Air Corp., 8.38%, 9/15/21 (b)	USD	255	280,500
Tekni-Plex, Inc., 9.75%, 6/01/19 (b)		180	178,650
			4,128,127

Diversified Consumer Services 1.5%

Service Corp. International, 7.00%, 6/15/17		3,000	3,337,500
ServiceMaster Co., 8.00%, 2/15/20		655	686,931
			4,024,431

Diversified Financial Services 4.5%

Ally Financial, Inc.:			
7.50%, 12/31/13		280	296,800
8.00%, 11/01/31		3,650	4,106,250
Boparan Holdings Ltd. (b):			
9.75%, 4/30/18	EUR	102	124,862
9.88%, 4/30/18	GBP	145	216,770
CNG Holdings, Inc., 9.38%, 5/15/20 (b)	USD	300	301,500
DPL, Inc., 7.25%, 10/15/21 (b)		1,175	1,277,812
General Motors Financial Co., Inc., 6.75%, 6/01/18		300	322,072
Lehman Brothers Holdings, Inc. (a)(i):			
5.38%, 10/17/12	EUR	150	45,441
4.75%, 1/16/14		760	230,236
1.00%, 2/05/14		1,600	494,600

Consolidated 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 Financial Services (concluded)			
Lehman Brothers Holdings, Inc. (a)(i) (concluded):			
1.00%, 9/22/18	USD	175	\$ 40,031
1.00%, 12/31/49		620	141,825
Leucadia National Corp., 8.13%, 9/15/15		825	921,937
Reynolds Group Issuer, Inc.:			
7.75%, 10/15/16 (f)	EUR	123	156,272
7.75%, 10/15/16		256	325,249
7.13%, 4/15/19 (b)	USD	245	251,738
9.00%, 4/15/19 (b)		100	96,000
7.88%, 8/15/19 (b)		455	481,163
9.88%, 8/15/19 (b)		1,290	1,286,775
6.88%, 2/15/21 (b)		200	203,000
8.50%, 2/15/21 (b)		135	125,213
WMG Acquisition Corp.:			
9.50%, 6/15/16 (b)		120	128,100
11.50%, 10/01/18		585	623,025
			12,196,671
Diversified Telecommunication Services 1.7%			
Broadview Networks Holdings, Inc., 11.38%, 9/01/12			
		1,035	796,950
ITC Deltacom, Inc., 10.50%, 4/01/16			
		280	294,700
Level 3 Financing, Inc.:			
8.13%, 7/01/19		1,675	1,675,000
8.63%, 7/15/20 (b)		950	969,000
Windstream Corp.:			
8.13%, 8/01/13		460	484,150
7.88%, 11/01/17		393	418,545
			4,638,345
Electric Utilities 0.8%			
The Tokyo Electric Power Co., Inc., 4.50%, 3/24/14			
	EUR	1,750	2,142,237
Electronic Equipment, Instruments & Components 0.3%			
CDW LLC/CDW Finance Corp., 8.50%, 4/01/19			
	USD	205	210,638
Elster Finance BV, 6.25%, 4/15/18 (b)			
	EUR	114	145,542
Jabil Circuit, Inc., 8.25%, 3/15/18			
	USD	235	272,600
NXP BV/NXP Funding LLC, 9.75%, 8/01/18 (b)			
		200	225,500
			854,280
Energy Equipment & Services 3.3%			
Antero Resources Finance Corp., 7.25%, 8/01/19 (b)			
		165	167,063
Atwood Oceanics, Inc., 6.50%, 2/01/20			
		140	144,900
Calfrac Holdings LP, 7.50%, 12/01/20 (b)			
		395	371,300

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Compagnie Générale de Géophysique		
Veritas:		
7.75%, 5/15/17	250	257,500
6.50%, 6/01/21	1,255	1,229,900

	Par (000)	Value
Corporate Bonds		
Energy Equipment & Services (concluded)		
Forbes Energy Services Ltd., 9.00%, 6/15/19	USD 365	\$ 338,537
Frac Tech Services LLC, 8.13%, 11/15/18 (b)	1,755	1,737,450
Gulfmark Offshore, Inc., 6.38%, 3/15/22 (b)	155	155,775
Hornbeck Offshore Services, Inc., 5.88%, 4/01/20 (b)	315	308,700
Key Energy Services, Inc., 6.75%, 3/01/21	450	451,687
MEG Energy Corp., 6.50%, 3/15/21 (b)	1,205	1,229,100
Oil States International, Inc., 6.50%, 6/01/19	320	330,400
Peabody Energy Corp.: 6.25%, 11/15/21 (b)	1,405	1,401,487
7.88%, 11/01/26	375	388,125
Precision Drilling Corp.: 6.63%, 11/15/20	155	157,325
6.50%, 12/15/21	295	297,213
		8,966,462
Food & Staples Retailing 0.2%		
Bakkavor Finance 2 Plc, 8.25%, 2/15/18 (j)	GBP 100	125,608
Rite Aid Corp., 9.25%, 3/15/20 (b)	USD 375	359,062
		484,670
Food Products 0.3%		
Darling International, Inc., 8.50%, 12/15/18	115	128,369
Del Monte Corp., 7.63%, 2/15/19	350	339,500
Post Holdings, Inc., 7.38%, 2/15/22 (b)	230	234,025
		701,894
Health Care Equipment & Supplies 2.2%		
Biomet, Inc.: 10.00%, 10/15/17	195	207,431
10.38%, 10/15/17 (h)	2,790	2,969,606
DJO Finance LLC: 10.88%, 11/15/14	519	528,083
8.75%, 3/15/18 (b)	450	452,250
7.75%, 4/15/18	100	80,750
Fresenius Medical Care US Finance II, Inc., 5.88%, 1/31/22 (b)	650	646,750
Fresenius Medical Care US Finance, Inc., 6.50%, 9/15/18 (b)	208	216,840
Fresenius US Finance II, Inc., 9.00%, 7/15/15 (b)	540	616,950
Teleflex, Inc., 6.88%, 6/01/19	295	312,700
		6,031,360
Health Care Providers & Services 5.7%		
Aviv Healthcare Properties LP: 7.75%, 2/15/19	415	431,600

Consolidated Schedule of Investments (continued)

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

	Par (000)	Value
Corporate Bonds		
Health Care Providers & Services (concluded)		
Aviv Healthcare Properties LP (concluded):		
7.75%, 2/15/19 (b)	USD 155	\$ 159,650
ConvaTec Healthcare E SA, 7.38%, 12/15/17 (b)	EUR 494	623,048
Crown Newco 3 Plc, 7.00%, 2/15/18 (b)	GBP 364	532,947
HCA, Inc.:		
8.50%, 4/15/19	USD 135	149,006
6.50%, 2/15/20	1,995	2,107,219
7.88%, 2/15/20	95	104,263
7.25%, 9/15/20	2,600	2,834,000
5.88%, 3/15/22	275	272,938
IASIS Healthcare LLC, 8.38%, 5/15/19	1,565	1,471,100
INC Research LLC, 11.50%, 7/15/19 (b)	410	387,962
inVentiv Health, Inc., 10.00%, 8/15/18 (b)	135	114,075
Omnicare, Inc., 7.75%, 6/01/20	1,005	1,102,987
PSS World Medical, Inc., 6.38%, 3/01/22 (b)	285	287,850
Symbion, Inc., 8.00%, 6/15/16	345	336,375
Tenet Healthcare Corp.:		
10.00%, 5/01/18	459	523,260
6.25%, 11/01/18 (b)	330	333,300
8.88%, 7/01/19	2,504	2,785,700
United Surgical Partners International, Inc., 9.00%, 4/01/20 (b)	290	300,875
Vanguard Health Holding Co. II LLC, 7.75%, 2/01/19 (b)	465	455,700
		15,313,855
Health Care Technology 1.0%		
IMS Health, Inc., 12.50%, 3/01/18 (b)	2,405	2,813,850
Hotels, Restaurants & Leisure 4.0%		
Affinity Gaming LLC/Affinity Gaming Finance Corp., 9.00%, 5/15/18 (b)	290	290,000
Caesars Entertainment Operating Co., Inc.:		
11.25%, 6/01/17	1,090	1,158,125
10.00%, 12/15/18	3,898	2,631,150
Caesars Operating Escrow LLC., 8.50%, 2/15/20 (b)	440	438,350
Carlson Wagonlit BV, 6.88%, 6/15/19 (b)	325	323,375
Diamond Resorts Corp., 12.00%, 8/15/18	1,190	1,282,225

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El Dorado Resorts LLC, 8.63%, 6/15/19 (b)		140		131,250
Enterprise Inns Plc, 6.50%, 12/06/18	GBP	324		381,502
			Par (000)	Value
Corporate Bonds				
Hotels, Restaurants & Leisure (concluded)				
Gategroup Finance Luxembourg SA, 6.75%, 3/01/19	EUR	265	\$	320,300
Little Traverse Bay Bands of Odawa Indians, 9.00%, 8/31/20 (b)	USD	300		273,000
MGM Resorts International: 10.38%, 5/15/14		190		213,750
4.25%, 4/15/15 (e)		800		791,000
11.13%, 11/15/17		1,400		1,568,000
Travelport LLC: 5.11%, 9/01/14 (d)		180		113,850
9.88%, 9/01/14		40		27,900
9.00%, 3/01/16		120		77,400
6.47%, 12/01/16 (b)(h)		412		297,952
Tropicana Entertainment LLC, 9.63%, 12/15/14 (a)(i)		305		
Wynn Las Vegas LLC, 5.38%, 3/15/22 (b)		620		600,625
				10,919,754
Household Durables 1.9%				
Beazer Homes USA, Inc., 12.00%, 10/15/17		1,345		1,449,238
Jarden Corp., 7.50%, 1/15/20	EUR	305		383,921
Libbey Glass, Inc., 6.88%, 5/15/20 (b)	USD	250		250,625
Ryland Group, Inc., 6.63%, 5/01/20		340		341,700
Spie BondCo 3 SCA, 11.00%, 8/15/19	EUR	303		354,990
Standard Pacific Corp.: 10.75%, 9/15/16	USD	1,390		1,622,825
8.38%, 1/15/21		555		593,850
				4,997,149
Household Products 0.5%				
Ontex IV SA, 7.50%, 4/15/18 (b)	EUR	150		177,129
Spectrum Brands Holdings, Inc.: 9.50%, 6/15/18	USD	360		397,800
9.50%, 6/15/18 (b)		590		651,950
				1,226,879
Independent Power Producers & Energy Traders 3.2%				
AES Corp., 7.38%, 7/01/21 (b)		275		297,000
Calpine Corp. (b): 7.25%, 10/15/17		180		189,900
7.50%, 2/15/21		100		104,500
7.88%, 1/15/23		195		206,213
Energy Future Holdings Corp., 10.00%, 1/15/20		1,920		2,040,000
Energy Future Intermediate Holding Co. LLC: 10.00%, 12/01/20		2,714		2,924,335
11.75%, 3/01/22 (b)		1,420		1,448,400
Laredo Petroleum, Inc.: 9.50%, 2/15/19		510		566,100
7.38%, 5/01/22 (b)		425		434,562

Consolidated 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 (concluded)		
QEP Resources, Inc., 5.38%, 10/01/22	USD 333	\$ 325,507
		8,536,517
Industrial Conglomerates 2.5%		
Sequa Corp. (b):		
11.75%, 12/01/15	2,340	2,483,325
13.50%, 12/01/15	3,954	4,196,194
		6,679,519
Insurance 1.0%		
Alliant Holdings I, Inc., 11.00%, 5/01/15 (b)	1,700	1,763,750
CNO Financial Group, Inc., 9.00%, 1/15/18 (b)	367	389,020
Genworth Financial, Inc., 7.63%, 9/24/21	430	417,297
MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (b)	260	223,600
		2,793,667
IT Services 2.4%		
Alliance Data Systems Corp., 6.38%, 4/01/20 (b)	360	358,200
Epicor Software Corp., 8.63%, 5/01/19	570	571,425
First Data Corp.:		
7.38%, 6/15/19 (b)	1,525	1,525,000
8.88%, 8/15/20 (b)	535	571,113
8.25%, 1/15/21 (b)	620	601,400
12.63%, 1/15/21	1,699	1,601,307
SunGard Data Systems, Inc.:		
7.38%, 11/15/18	550	559,625
7.63%, 11/15/20	600	615,000
		6,403,070
Machinery 1.2%		
SPX Corp., 6.88%, 9/01/17	175	190,750
UR Financing Escrow Corp. (b):		
5.75%, 7/15/18	257	261,498
7.38%, 5/15/20	440	451,000
7.63%, 4/15/22	2,157	2,205,532
		3,108,780
Media 13.7%		
Affinion Group, Inc., 7.88%, 12/15/18	815	688,675
AMC Networks, Inc., 7.75%, 7/15/21 (b)	225	249,750
CCH II LLC, 13.50%, 11/30/16	1,542	1,726,598
CCO Holdings LLC:		
7.38%, 6/01/20	270	288,900
6.50%, 4/30/21	498	509,205
Cengage Learning Acquisitions, Inc., 11.50%, 4/15/20 (b)	950	947,625

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Checkout Holding Corp., 10.67%, 11/15/15 (b)(g)		670		261,300
Corporate Bonds				
Media (continued)				
Cinemark USA, Inc., 8.63%, 6/15/19	USD	220	\$	239,250
Clear Channel Communications, Inc., 9.00%, 3/01/21		555		477,300
Clear Channel Worldwide Holdings, Inc.: 9.25%, 12/15/17		1,495		1,599,650
7.63%, 3/15/20 (b)		1,982		1,892,810
Series B, 9.25%, 12/15/17		5,202		5,592,150
Cox Enterprises, Inc. (b): Loan Close 2, 12.00%, 8/15/18		674		679,242
Loan Close 3, 12.00%, 8/15/18		771		776,569
Shares Loan, 12.00%, 8/15/18		795		800,914
CSC Holdings LLC, 8.50%, 4/15/14		390		429,487
DISH DBS Corp., 5.88%, 7/15/22 (b)		610		594,750
Gray Television, Inc., 10.50%, 6/29/15		345		355,350
Harron Communications LP, 9.13%, 4/01/20 (b)		320		335,200
Intelsat Jackson Holdings SA: 11.25%, 6/15/16		883		921,631
7.25%, 10/15/20 (b)		910		903,175
Intelsat Luxemburg SA: 11.25%, 2/04/17		620		609,150
11.50%, 2/04/17 (h)		1,380		1,355,850
Interactive Data Corp., 10.25%, 8/01/18		1,345		1,489,587
The Interpublic Group of Cos., Inc., 10.00%, 7/15/17		340		383,350
Kabel Deutschland Vertrieb und Service GmbH & Co. KG, 6.50%, 6/29/18 (b)	EUR	345		443,656
Lamar Media Corp., 5.88%, 2/01/22 (b)	USD	140		140,875
Live Nation Entertainment, Inc., 8.13%, 5/15/18 (b)		735		767,156
NAI Entertainment Holdings LLC, 8.25%, 12/15/17 (b)		620		675,800
Nielsen Finance LLC: 11.63%, 2/01/14		117		132,941
7.75%, 10/15/18		2,145		2,305,875
Odeon & UCI Finco Plc, 9.00%, 8/01/18 (b)	GBP	207		304,672
ProQuest LLC, 9.00%, 10/15/18 (b)	USD	500		430,000
ProtoStar I Ltd., 18.00%, 10/15/12 (a)(b)(e)(i)		850		425
Truven Health Analytics, Inc., 10.63%, 6/01/20 (b)(j)		510		502,350
Unitymedia GmbH: 9.63%, 12/01/19	EUR	168		219,157
9.63%, 12/01/19 (b)		570		743,570

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Consolidated Schedule of Investments (continued)

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

	Par (000)	Value
Corporate Bonds		
Media (concluded)		
Unitymedia GmbH (concluded):		
9.50%, 3/15/21	EUR 320	\$ 413,486
Unitymedia Hessen GmbH & Co. KG:		
8.13%, 12/01/17 (b)	USD 655	691,025
8.13%, 12/01/17 (b)	EUR 441	572,562
7.50%, 3/15/19	673	846,728
UPC Holding BV, 9.88%, 4/15/18		
(b)	USD 400	432,000
UPCB Finance II Ltd.:		
6.38%, 7/01/20 (b)	EUR 822	978,288
6.38%, 7/01/20	300	357,040
Virgin Media Secured Finance Plc,		
7.00%, 1/15/18	GBP 283	462,329
Ziggo Bond Co. BV, 8.00%,		
5/15/18 (b)	EUR 388	513,346
Ziggo Finance BV, 6.13%,		
11/15/17 (b)	652	846,508
		36,887,257
Metals & Mining 3.9%		
Eco-Bat Finance Plc, 7.75%,		
2/15/17	460	548,883
FMG Resources August 2006 Property		
Ltd. (b):		
6.88%, 2/01/18	USD 370	363,525
6.88%, 4/01/22	525	505,312
Global Brass and Copper, Inc.,		
9.50%, 6/01/19 (b)(j)	300	303,000
Goldcorp, Inc., 2.00%, 8/01/14 (e)	1,060	1,188,525
Kaiser Aluminum Corp., 8.25%,		
6/01/20 (b)	225	226,125
New Gold, Inc., 7.00%, 4/15/20		
(b)	150	153,000
New World Resources NV, 7.88%,		
5/01/18	EUR 655	747,140
Newmont Mining Corp., Series A,		
1.25%, 7/15/14 (e)	USD 1,475	1,836,375
Novelis, Inc., 8.75%, 12/15/20	3,315	3,505,612
Schmolz + Bickenbach		
Luxembourg SA, 9.88%,		
5/15/19	EUR 315	373,918
Taseko Mines Ltd., 7.75%,		
4/15/19	USD 420	399,000
Vedanta Resources Plc, 8.25%,		
6/07/21 (b)	270	233,550
		10,383,965
Multiline Retail 1.7%		
Dollar General Corp., 11.88%,		
7/15/17 (d)	4,351	4,655,614
Oil, Gas & Consumable Fuels 11.3%		
Alpha Appalachia Holdings, Inc.,		
3.25%, 8/01/15 (e)	280	235,900
Alpha Natural Resources, Inc.:		
6.00%, 6/01/19	130	116,350

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6.25%, 6/01/21 440 391,600

	Par (000)	Value
Corporate Bonds		
Oil, Gas & Consumable Fuels (continued)		
Aurora USA Oil & Gas, Inc., 9.88%, 2/15/17 (b)	USD 455	\$ 475,475
Berry Petroleum Co., 6.38%, 9/15/22	410	418,200
BreitBurn Energy Partners LP, 7.88%, 4/15/22 (b)	255	249,900
CCS, Inc., 11.00%, 11/15/15 (b)	570	589,950
Chaparral Energy, Inc., 7.63%, 11/15/22 (b)	220	224,950
Chesapeake Energy Corp.:		
6.63%, 8/15/20	195	183,300
6.88%, 11/15/20	175	165,813
6.13%, 2/15/21	595	559,300
Chesapeake Midstream Partners LP, 6.13%, 7/15/22	275	261,250
Chesapeake Oilfield Operating LLC, 6.63%, 11/15/19 (b)	5	4,325
Coffeyville Resources LLC, 9.00%, 4/01/15 (b)	116	123,540
Concho Resources, Inc.:		
7.00%, 1/15/21	160	171,600
6.50%, 1/15/22	110	114,950
5.50%, 10/01/22	475	466,687
Consol Energy, Inc., 8.25%, 4/01/20	1,965	1,965,000
Continental Resources, Inc., 7.13%, 4/01/21	370	407,000
Copano Energy LLC, 7.13%, 4/01/21	335	345,050
Crosstex Energy LP:		
8.88%, 2/15/18	180	189,000
7.13%, 6/01/22 (b)	150	148,875
Crown Oil Partners IV LP, 15.00%, 3/07/15	591	590,722
Denbury Resources, Inc., 8.25%, 2/15/20	47	50,760
Energy XXI Gulf Coast, Inc.:		
9.25%, 12/15/17	555	596,625
7.75%, 6/15/19	900	909,000
EV Energy Partners LP, 8.00%, 4/15/19	150	151,500
Everest Acquisition LLC/Everest Acquisition Finance, Inc. (b):		
6.88%, 5/01/19	395	404,875
9.38%, 5/01/20	300	307,500
Hilcorp Energy I LP, 7.63%, 4/15/21 (b)	745	778,525
Holly Energy Partners LP, 6.50%, 3/01/20 (b)	155	154,225
Kodiak Oil & Gas Corp., 8.13%, 12/01/19 (b)	420	432,600
Linn Energy LLC:		
6.50%, 5/15/19 (b)	95	92,150
6.25%, 11/01/19 (b)	2,045	1,947,862
8.63%, 4/15/20	225	238,500

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7.75%, 2/01/21

200

204,500

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

MAY 31, 2012

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Consolidated 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)		
MarkWest Energy Partners LP:		
6.75%, 11/01/20	USD 55	\$ 58,438
6.25%, 6/15/22	80	82,000
Newfield Exploration Co., 6.88%, 2/01/20	780	826,800
Northern Oil and Gas, Inc., 8.00%, 6/01/20 (b)	310	308,450
Oasis Petroleum, Inc.:		
7.25%, 2/01/19	330	339,900
6.50%, 11/01/21	290	290,000
Offshore Group Investments Ltd., 11.50%, 8/01/15 (b)	1,080	1,150,200
OGX Petroleo e Gas Participacoes SA (b):		
8.50%, 6/01/18	4,055	3,902,937
8.38%, 4/01/22	700	663,250
PBF Holding Co. LLC, 8.25%, 2/15/20 (b)	295	283,200
PetroBakken Energy Ltd., 8.63%, 2/01/20 (b)	1,195	1,212,925
Petrohawk Energy Corp., 7.25%, 8/15/18	320	364,711
Petroleum Geo-Services ASA, 7.38%, 12/15/18 (b)	575	595,125
Pioneer Natural Resources Co.:		
6.88%, 5/01/18	460	541,357
7.50%, 1/15/20	145	179,298
Plains Exploration & Production Co.:		
6.63%, 5/01/21	585	576,225
6.75%, 2/01/22	55	54,450
Range Resources Corp.:		
8.00%, 5/15/19	345	376,050
5.75%, 6/01/21	985	1,014,550
5.00%, 8/15/22	435	417,600
Samson Investment Co., 9.75%, 2/15/20 (b)	690	686,550
SandRidge Energy, Inc.:		
7.50%, 3/15/21	250	242,500
8.13%, 10/15/22 (b)	255	251,175
SESI LLC:		
6.38%, 5/01/19	325	341,250
7.13%, 12/15/21 (b)	235	256,150
SM Energy Co.:		
6.63%, 2/15/19	130	133,900
6.50%, 11/15/21	265	270,963
Vanguard Natural Resources, 7.88%, 4/01/20	270	266,625
		30,353,938
Paper & Forest Products 1.5%		
Ainsworth Lumber Co. Ltd., 11.00%, 7/29/15 (b)(h)	1,221	989,268

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Consolidated Schedule of Investments (continued)

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

	Par (000)	Value
Corporate Bonds		
Road & Rail (concluded)		
The Hertz Corp.:		
7.50%, 10/15/18	USD 550	\$ 572,688
6.75%, 4/15/19 (b)	290	296,525
7.38%, 1/15/21	415	435,231
Hertz Holdings Netherlands BV:		
8.50%, 7/31/15	EUR 188	247,572
8.50%, 7/31/15 (b)	1,325	1,744,857
		3,851,673
Semiconductors & Semiconductor Equipment 0.2%		
Spansion LLC, 7.88%, 11/15/17	USD 580	556,800
Software 1.0%		
Audatex North America, Inc.,		
6.75%, 6/15/18 (b)	530	545,900
Lawson Software, Inc., 9.38%,		
4/01/19 (b)	1,780	1,833,400
Sophia LP, 9.75%, 1/15/19 (b)		
		458,575
		2,837,875
Specialty Retail 2.9%		
Asbury Automotive Group, Inc.,		
8.38%, 11/15/20	365	392,375
Claire's Stores, Inc., 9.00%,		
3/15/19 (b)	635	635,000
Hillman Group, Inc., 10.88%,		
6/01/18	530	552,525
House of Fraser Funding Plc:		
8.88%, 8/15/18 (b)	GBP 285	382,141
8.88%, 8/15/18	221	296,326
Limited Brands, Inc.:		
8.50%, 6/15/19	USD 785	923,356
5.63%, 2/15/22	160	161,200
Penske Automotive Group, Inc.,		
7.75%, 12/15/16	1,025	1,060,875
Phones4u Finance Plc, 9.50%,		
4/01/18 (b)	GBP 400	536,338
QVC, Inc. (b):		
7.13%, 4/15/17	USD 230	243,800
7.50%, 10/01/19	625	679,687
7.38%, 10/15/20	290	316,100
Sally Holdings LLC:		
6.88%, 11/15/19 (b)	545	580,425
5.75%, 6/01/22	435	439,894
Sonic Automotive, Inc., 9.00%,		
3/15/18	370	399,600
Toys R US-Delaware, Inc., 7.38%,		
9/01/16 (b)	150	151,125
		7,750,767
Textiles, Apparel & Luxury Goods 0.2%		
Levi Strauss & Co., 6.88%,		
5/01/22 (b)	440	436,700
Trading Companies & Distributors 0.2%		
Aircastle Ltd., 6.75%, 4/15/17 (b)	470	465,300

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	Par (000)	Value
Corporate Bonds		
Trading Companies & Distributors (concluded)		
Russel Metals, Inc., 6.00%, 4/19/22 (b)	CAD 175	\$ 172,772
		638,072
Transportation Infrastructure 0.2%		
Aguila 3 SA, 7.88%, 1/31/18 (b)	USD 431	439,620
Wireless Telecommunication Services 4.4%		
Cricket Communications, Inc.:		
7.75%, 5/15/16	110	116,050
7.75%, 10/15/20	70	64,050
Digicel Group Ltd. (b):		
8.88%, 1/15/15	700	689,500
9.13%, 1/15/15	1,783	1,756,255
8.25%, 9/01/17	1,180	1,185,900
10.50%, 4/15/18	500	510,000
iPCS, Inc., 2.59%, 5/01/13 (d)	545	534,100
Matterhorn Mobile Holdings SA, 8.25%, 2/15/20		
	EUR 305	381,847
MetroPCS Wireless, Inc., 6.63%, 11/15/20		
	USD 760	735,300
NII Capital Corp., 7.63%, 4/01/21	621	523,192
Sprint Capital Corp., 6.88%, 11/15/28		
	2,220	1,648,350
Sprint Nextel Corp. (b):		
9.00%, 11/15/18	1,930	2,089,225
7.00%, 3/01/20	1,730	1,742,975
		11,976,744
Total Corporate Bonds 105.3%		283,589,790
Floating Rate Loan Interests (d)		
Airlines 0.2%		
Delta Air Lines, Inc., Credit - New Term Loan B, 5.50%, 4/20/17		
	397	394,592
Auto Components 0.5%		
Federal-Mogul Corp., Term Loan B, 2.18%, 12/29/14		
	948	890,674
Schaeffler AG, Term Loan C2, 6.00%, 1/27/17		
	495	492,525
		1,383,199
Building Products 0.2%		
Goodman Global, Inc., Term Loan (Second Lien), 9.00%, 10/30/17		
	398	401,108
Capital Markets 0.4%		
Nuveen Investments, Inc.:		
Incremental Term Loan, 7.25%, 5/13/17		
	655	653,363
New Second Lien Term Loan, 8.25%, 2/28/19		
	415	417,465
		1,070,828

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Consolidated Schedule of Investments (continued)

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

	Par (000)	Value
Floating Rate Loan Interests (d)		
Chemicals 0.7%		
Ineos US Finance LLC, 6 year Term Loan, 6.50%, 5/04/18	USD 1,150	\$ 1,126,379
PQ Corp., Term Loan B, 3.99%, 7/30/14	290	277,874
Styron Sarl LLC, Term Loan B, 6.00% - 6.75%, 8/02/17	438	390,968
		1,795,221
Commercial Services & Supplies 0.7%		
AWAS Finance Luxembourg Sarl, Term Loan B, 5.25%, 6/10/16	476	473,539
Delos Aircraft, Inc., Term Loan B2, 4.75%, 4/12/16	550	549,313
Volume Services America, Inc., Term Loan B, 10.50% - 11.75%, 9/16/16	985	979,257
		2,002,109
Communications Equipment 0.1%		
Avaya, Inc., Term Loan B1, 3.22%, 10/24/14	254	239,467
Construction & Engineering 0.7%		
Safeway Services LLC, Mezzanine Loan, 15.63%, 12/16/17	2,000	2,000,000
Construction Materials 0.4%		
HD Supply, Inc., Senior Debt B, 7.25%, 10/12/17	1,115	1,119,460
Consumer Finance 1.7%		
Springleaf Finance Corp., Term Loan, 5.50%, 5/10/17	5,085	4,688,777
Diversified Consumer Services 0.1%		
Laureate Education, Inc., Extended Term Loan, 5.25%, 8/15/18	145	138,579
ServiceMaster Co.: Delayed Draw Term Loan, 2.74%, 7/24/14	9	8,275
Term Loan, 2.74% - 2.99%, 7/24/14	85	83,096
		229,950
Diversified Telecommunication Services 0.5%		
Level 3 Financing, Inc.: Term Loan B3, 5.75%, 8/31/18	850	841,959
Tranche A Term Loan, 2.49% - 2.72%, 3/13/14	500	486,460
		1,328,419
Electronic Equipment, Instruments & Components 0.1%		
CDW LLC, Extended Term Loan, 4.00%, 7/14/17	276	263,617
Energy Equipment & Services 2.2%		
Dynegy Midwest Generation LLC, Coal Co. Term Loan, 9.25%,	1,986	2,024,847

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8/04/16

		Par (000)		Value
Floating Rate Loan Interests (d)				
Energy Equipment & Services (concluded)				
Dynegy Power LLC, Gas Co. Term Loan, 9.25%, 8/04/16	USD	3,635	\$	3,745,987
Tervita Corp., Incremental Term Loan, 6.50%, 10/17/14		274		272,941
				6,043,775
Food & Staples Retailing 0.1%				
US Foods, Inc. (FKA U.S. Foodservice, Inc.), Term Loan B, 2.74%, 7/03/14		164		158,735
Food Products 0.3%				
Advance Pierre Foods, Term Loan (Second Lien), 11.25%, 9/29/17		900		904,779
Health Care Equipment & Supplies 0.5%				
Bausch & Lomb, Inc., Term Loan B, 5.25%, 5/17/19		475		466,431
Hupah Finance Inc., Term Loan B, 6.25%, 1/21/19		765		767,394
				1,233,825
Health Care Providers & Services 0.7%				
Harden Healthcare LLC: Term Loan A, 8.50%, 3/02/15		380		372,771
Tranche A Additional Term Loan, 7.75%, 3/02/15		401		393,196
inVentiv Health, Inc., Combined Term Loan, 6.50%, 8/04/16		735		688,358
Wolverine Healthcare, Term Loan B, 6.75%, 6/06/19		375		368,906
				1,823,231
Hotels, Restaurants & Leisure 1.3%				
Caesars Entertainment Operating Co., Inc.:				
Extended Term Loan B6, 5.50%, 1/26/18		200		176,032
Incremental Term Loan B4, 9.50%, 10/31/16		484		486,873
Term Loan B1, 3.24%, 1/28/15		546		498,342
Term Loan B2, 3.24%, 1/28/15		309		282,084
Term Loan B3, 3.24% - 3.47%, 1/28/15		968		883,121
OSI Restaurant Partners LLC: Revolver, 2.54% - 2.72%, 6/14/13		9		9,207
Term Loan B, 2.56%, 6/14/14		95		93,091
Sabre, Inc., Non Extended Initial Term Loan, 2.24%, 9/30/14		100		95,021
Station Casinos, Inc., Term Loan B1, 3.24%, 6/17/16		871		818,501
Travelport LLC: Extended Tranche A Term Loan, 6.47%, 9/28/12		190		74,009

Consolidated Schedule of Investments (continued)

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

	Par (000)	Value
Floating Rate Loan Interests (d)		
Hotels, Restaurants & Leisure (concluded)		
Travelport LLC (concluded):		
Extended Tranche B Term		
Loan, 13.97%, 12/01/16	USD 600	\$ 60,048
		3,476,329
Industrial Conglomerates 0.2%		
Sequa Corp.:		
Incremental Term Loan,		
6.25%, 12/03/14	439	437,803
Term Loan, 3.72%, 12/03/14	155	151,973
		589,776
IT Services 0.3%		
Ceridian Corp., Term Loan, 3.24%,		
11/10/14	114	108,113
First Data Corp., Extended Term		
Loan B, 4.24%, 3/23/18	785	709,161
		817,274
Leisure Equipment & Products 0.2%		
Eastman Kodak Co., DIP Term		
Loan B, 8.50%, 7/19/13	653	652,553
Machinery 0.2%		
Rexnord Corp., Term Loan B,		
5.00%, 4/02/18	594	589,951
Media 5.4%		
Affinion Group, Inc., Term Loan B,		
5.00%, 7/16/15	40	36,682
Cengage Learning Acquisitions, Inc.:		
Non-Extended Term Loan,		
2.49%, 7/03/14	324	292,728
Tranche 1 Incremental Term		
Loan, 7.50%, 7/03/14	1,684	1,611,745
Cequel Communications LLC, Term		
Loan B, 4.00%, 2/14/19	475	462,650
Clear Channel Communications, Inc.:		
Term Loan B, 3.89%, 1/28/16	2,116	1,646,043
Term Loan C, 3.89%, 1/28/16	385	297,045
EMI Music Publishing Ltd., Term		
Loan B, 1.00%, 11/14/17	560	556,500
HMH Publishing Co. Ltd., Term		
Loan, 6.49%, 6/12/14 (a)(i)	923	511,784
Intelsat Jackson Holdings SA,		
Tranche B Term Loan, 5.25%,		
4/02/18	7,227	7,162,246
Interactive Data Corp., Term Loan		
B, 4.50%, 2/12/18	409	401,810
Newsday LLC, Fixed Rate Term		
Loan, 10.50%, 8/01/13	1,325	1,350,679
Univision Communications, Inc.,		
Extended Term Loan, 4.49%,		
3/31/17	335	306,987
		14,636,899

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	Par (000)	Value
Floating Rate Loan Interests (d)		
Metals & Mining 0.2%		
Constellium Holding Co. BV, Term Loan B, 9.25%, 5/25/18	USD 430	\$ 419,250
Oil, Gas & Consumable Fuels 1.3%		
Chesapeake Energy Corp., Unsecured Term Loan, 8.50%, 12/01/17	2,340	2,296,710
Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15	1,089	1,089,016
		3,385,726
Paper & Forest Products 0.5%		
NewPage Corp., DIP Term Loan, 8.00%, 3/07/13	600	604,752
Verso Paper Finance Holdings LLC, Term Loan with PIK option, 6.72% - 7.47%, 2/01/13	1,509	754,284
		1,359,036
Pharmaceuticals 0.5%		
Aptalis Pharma, Inc., Term Loan B, 5.50%, 2/10/17	988	954,913
Pharmaceutical Product Development, Inc., Term Loan B, 6.25%, 12/05/18	419	419,025
		1,373,938
Real Estate Investment Trusts (REITs) 0.5%		
iStar Financial, Inc.: Term Loan A1, 5.00%, 6/28/13	1,290	1,283,768
Term Loan A2, 7.00%, 6/30/14	5	4,987
		1,288,755
Real Estate Management & Development 0.4%		
Realogy Corp.: Extended Letter of Credit Loan, 4.49%, 10/10/16	112	101,861
Extended Term Loan, 4.49%, 10/10/16	737	671,333
Stockbridge SBE Holdings LLC, Term Loan BTerm Loan B, 13.00%, 5/02/17	185	182,225
		955,419
Semiconductors & Semiconductor Equipment 0.0%		
NXP BV, Term Loan A-2, 5.50%, 3/03/17	70	68,734
Software 0.5%		
Lawson Software, Inc., Term Loan B, 6.25%, 4/05/18	1,235	1,232,580
Magic Newco LLC, Second Lien Term Loan, 1.00%, 12/06/19	245	236,628
		1,469,208

Consolidated Schedule of Investments (continued)

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

	Par (000)	Value
Floating Rate Loan Interests (d)		
Specialty Retail 0.1%		
Claire's Stores, Inc., Term Loan B, 2.99% - 3.22%, 5/29/14	USD 387	\$ 360,151
Textiles, Apparel & Luxury Goods 0.4%		
Ascend Performance Materials LLC, Term Loan B, 6.75%, 4/10/18	1,140	1,107,704
Wireless Telecommunication Services 1.3%		
Crown Castle International Corp., Term Loan B, 4.00%, 1/31/19	160	157,206
Vodafone Americas Finance 2, Inc. (h): Term Loan, 6.88%, 8/11/15	1,938	1,967,246
Term Loan B, 6.25%, 7/11/16	1,341	1,360,734
		3,485,186
Total Floating Rate Loan Interests 23.4%		63,116,981

	Beneficial Interest (000)	
Other Interests (m)		
Adelphia Escrow (a)	750	8
Adelphia Recovery Trust (a)	941	94
Buffets, Inc. (a)	575	6
Lear Corp. Escrow (a)	460	3,450
Wellman Holdings, Inc., Litigation Trust Certificate (a)	2,830	28
Total Other Interests 0.0%		3,586

Preferred Securities

	Par (000)	
Capital Trusts		
Insurance 0.2%		
Genworth Financial, Inc., 6.15%, 11/15/66 (d)	865	493,284
Total Capital Trusts 0.2%		493,284

Preferred Stocks

	Shares	
Auto Components 0.8%		
Dana Holding Corp., 4.00% (b)	17,830	2,041,535

Preferred Stocks

	Shares	Value
Diversified Financial Services 1.3%		
Ally Financial, Inc., 7.00% (b)(d)	4,074	\$ 3,493,200
Media 0.1%		

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TRA Global, Inc. (a)	286,652	352,582
Real Estate Investment Trusts (REITs) 0.0%		
MPG Office Trust, Inc., Series A, 7.63% (a)	8,994	128,165
Thriffs & Mortgage Finance 0.1%		
Fannie Mae, 7.00% (a)	30,000	64,500
Freddie Mac, 8.00% (a)	75,961	127,614
		192,114
Total Preferred Stocks 2.3%		6,207,596
Trust Preferred		
Diversified Financial Services 1.0%		
GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (b)	80,390	1,842,539
RBS Capital Funding Trust VII, 6.08%, 12/31/49	60,800	829,920
Total Trust Preferred 1.0%		2,672,459
Total Preferred Securities 3.5%		9,373,339

Warrants (l)

Containers & Packaging 0.0%		
MDP Acquisitions Plc	700	22,924
Health Care Providers & Services 0.0%		
HealthSouth Corp.	32,042	
Hotels, Restaurants & Leisure 0.0%		
Buffets Restaurants Holdings, Inc.	485	
Media 0.1%		
Cumulus Media, Inc. (Issued/Exercisable 9/16/11, 0.01 Share for 1 Warrant, Expires 6/03/30, Strike Price \$2.88)	42,640	250,664
New Vision Holdings LLC, Expires 9/30/14	22	
		250,664
Software 0.0%		
Bankruptcy Management Solutions, Inc., Expires 9/29/17	334	
HMH Holdings/EduMedia (Issued/Exercisable 3/09/10, 19 Shares for 1 Warrant, Expires 3/09/17, Strike Price \$12.26)	11,225	
Total Warrants 0.1%		273,588

Consolidated Schedule of Investments (continued)

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

	Value
Total Long-Term Investments (Cost \$384,248,705) 140.7%	\$ 379,081,446
Short-Term Securities	Shares
BlackRock Liquidity Funds, TempFund, Institutional Class, 0.15% (n)(o)	1,541,301
Total Short-Term Securities (Cost \$1,541,301) 0.6%	1,541,301
Options Purchased	Contracts
Exchange-Traded Put Options 0.1%	
SPDR S&P 500 ETF Trust, Strike Price USD 132.00, Expires 6/16/12	795
	230,948
	Notional Amount (000)
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 (b)	19
Total Options Purchased (Cost \$326,262) 0.1%	230,948
Total Investments Before Options Written (Cost \$386,116,268*) 141.4%	380,853,695
Options Written	Contracts
Exchange-Traded Put Options (0.0)%	
SPDR S&P 500 ETF Trust, Strike Price USD 122.00, Expires 6/16/12	795
	(31,005)
	Notional Amount (000)
Options Written	
Over-the-Counter Put Swaptions (0.0)%	
Sold credit default protection on Dow Jones CDX North America High Yield Index Series 18, Strike Price USD 92, Expires 6/20/12, Broker	USD 1,135 (q) \$ (10,359)

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Credit Suisse International (p)

Total Options Written

(Premiums Received \$94,119) 0.0%	(41,364)
Total Investments, Net of Options Written 141.4%	380,812,331
Liabilities in Excess of Other Assets (41.4)%	