

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.  
Form N-Q  
January 24, 2013

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 52<sup>nd</sup> 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: 11/30/2012

Item 1 Schedule of Investments

## Consolidated Schedule of Investments November 30, 2012 (Unaudited)

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

(Percentages shown are based on Net Assets)

|  | Shares        | Value                  |
|--|---------------|------------------------|
| <b>Common Stocks</b>                               |               |                        |
| <b>Auto Components 0.9%</b>                        |               |                        |
| Dana Holding Corp.                                 | 66,400        | \$ 941,552             |
| Delphi Automotive Plc (a)                          | 45,708        | 1,553,601<br>2,495,153 |
| <b>Biotechnology 0.0%</b>                          |               |                        |
| Ironwood Pharmaceuticals, Inc. (a)                 | 7,130         | 77,004                 |
| <b>Capital Markets 0.7%</b>                        |               |                        |
| American Capital Ltd. (a)                          | 112,659       | 1,349,655              |
| E*Trade Financial Corp. (a)                        | 74,600        | 628,132                |
| Uranium Participation Corp. (a)                    | 35,440        | 181,597<br>2,159,384   |
| <b>Chemicals 0.2%</b>                              |               |                        |
| ADA-ES, Inc. (a)                                   | 1,820         | 29,757                 |
| Huntsman Corp.                                     | 28,000        | 460,320<br>490,077     |
| <b>Commercial Banks 0.5%</b>                       |               |                        |
| CIT Group, Inc. (a)                                | 39,377        | 1,458,918              |
| <b>Communications Equipment 0.4%</b>               |               |                        |
| Loral Space & Communications Ltd.                  | 12,778        | 1,087,025              |
| <b>Diversified Financial Services 0.7%</b>         |               |                        |
| Kcad Holdings I Ltd.                               | 281,902,800   | 2,118,218              |
| <b>Diversified Telecommunication Services 0.2%</b> |               |                        |
| Broadview Networks Holdings, Inc. (a)              | 33,638        | 225,035                |
| Level 3 Communications, Inc. (a)                   | 22,280        | 420,201<br>645,236     |
| <b>Electrical Equipment 0.0%</b>                   |               |                        |
| Medis Technologies Ltd. (a)                        | 70,784        | 212                    |
| <b>Energy Equipment &amp; Services 0.9%</b>        |               |                        |
| Laricina Energy Ltd. (a)                           | 35,294        | 1,510,037              |
| Osum Oil Sands Corp. (a)                           | 82,000        | 1,031,862<br>2,541,899 |
| <b>Health Care Providers &amp; Services 0.0%</b>   |               |                        |
| Health Management Associates, Inc., Class A (a)    | 12,600        | 100,170                |
| <b>Hotels, Restaurants &amp; Leisure 0.0%</b>      |               |                        |
| Travelport Worldwide Ltd.                          | 76,940        | 10,002                 |
| <b>Insurance 0.7%</b>                              |               |                        |
| American International Group, Inc. (a)             | 61,659        | 2,042,763              |
| <b>Media 1.5%</b>                                  |               |                        |
| Belo Corp., Class A                                | 23,782        | 171,231                |
| Charter Communications, Inc., Class A (a)          | 58,545        | 4,147,913              |
|  | <b>Shares</b> | <b>Value</b>           |
| <b>Common Stocks</b>                               |               |                        |
| <b>Media (concluded)</b>                           |               |                        |
| Clear Channel Outdoor Holdings, Inc., Class A (a)  | 9,964         | \$ 64,766<br>4,383,910 |
| <b>Metals &amp; Mining 0.1%</b>                    |               |                        |
| African Minerals Ltd. (a)                          | 47,050        | 186,616                |
| <b>Oil, Gas &amp; Consumable Fuels 0.1%</b>        |               |                        |
| African Petroleum Corp. Ltd. (a)                   | 196,300       | 227,393                |
| <b>Paper &amp; Forest Products 0.4%</b>            |               |                        |
| Ainsworth Lumber Co.<br>Ltd. (a)                   | 122,117       | 399,537                |
| Ainsworth Lumber Co.<br>Ltd. (a)(b)                | 140,415       | 459,404                |
| Western Forest Products,<br>Inc. (a)               | 158,023       | 182,943                |

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|  |        |            |
|--|--------|------------|
| Western Forest Products, Inc. (a)                        | 45,762 | 52,978     |
|  |        | 1,094,862  |
| <b>Semiconductors &amp; Semiconductor Equipment 0.3%</b> |        |            |
| Spansion, Inc., Class A (a)                              | 64,237 | 752,858    |
| SunPower Corp.   | 271    | 1,246      |
|  |        | 754,104    |
| <b>Software 0.1%</b>                                     |        |            |
| Bankruptcy Management Solutions, Inc. (a)                | 501    | 10         |
| HMH Holdings/EduMedia (a)                                | 20,718 | 414,357    |
|  |        | 414,367    |
| <b>Wireless Telecommunication Services 0.2%</b>          |        |            |
| MetroPCS Communications, Inc. (a)                        | 45,260 | 482,019    |
| <b>Total Common Stocks 7.9%</b>                          |        | 22,769,332 |

**Par**

**(000)**

**Corporate Bonds**

**Aerospace & Defense 0.8%**

|  |         |           |
|--|---------|-----------|
| Huntington Ingalls Industries, Inc.:                       |         |           |
| 6.88%, 3/15/18   | USD 230 | 246,675   |
| 7.13%, 3/15/21   | 295     | 318,969   |
| Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17 | 846     | 922,140   |
| Meccanica Holdings USA, Inc., 6.25%, 7/15/19 (b)           | 535     | 519,161   |
| Spirit Aerosystems, Inc., 7.50%, 10/01/17                  | 337     | 360,590   |
|  |         | 2,367,535 |
| <b>Air Freight &amp; Logistics 0.4%</b>                    |         |           |
| National Air Cargo Group, Inc.: Series 1, 12.38%, 9/02/15  | 575     | 579,256   |

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 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        |  | Value                   |
|--|------------|--|-------------------------|
|  | (000)      |  |                         |
| <b>Corporate Bonds</b>   |            |  |                         |
| <b>Air Freight &amp; Logistics (concluded)</b>   |            |  |                         |
| National Air Cargo Group, Inc.<br>(concluded):<br>Series 2, 12.38%, 8/16/15                        | USD 582    |  | \$ 586,228<br>1,165,484 |
| <b>Airlines 1.5%</b>   |            |  |                         |
| American Airlines Pass-Through Trust,<br>Series 2011-2, Class A,<br>8.63%, 4/15/23                 | 672        |  | 685,638                 |
| Continental Airlines, Inc.<br>Pass-Through Trust:<br>Series 1997-4, Class B,<br>6.90%, 7/02/18 (c) | 278        |  | 281,508                 |
| Series 2010-1, Class B,<br>6.00%, 7/12/20  | 444        |  | 453,924                 |
| Delta Air Lines<br>Pass-Through Trust:<br>Series 2002-1, Class G-1,<br>6.72%, 7/02/24              | 611        |  | 671,907                 |
| Series 2009-1, Class B,<br>9.75%, 6/17/18  | 192        |  | 215,077                 |
| Series 2010-1, Class B,<br>6.38%, 7/02/17  | 500        |  | 520,000                 |
| US Airways Pass-Through Trust:<br>Series 2011-1, Class C, 10.88%, 10/22/14                         | 566        |  | 587,419                 |
| Series 2012-1, Class A,<br>6.75%, 12/03/22 (d)   | 500        |  | 500,000                 |
| Series 2012-1, Class C,<br>9.13%, 10/01/15   | 450        |  | 468,000<br>4,383,473    |
| <b>Auto Components 2.0%</b>  |            |  |                         |
| Continental Rubber of<br>America Corp.,<br>4.50%, 9/15/19 (b)                                      | 150        |  | 151,500                 |
| Dana Holding Corp.,<br>6.75%, 2/15/21  | 450        |  | 481,500                 |
| Delphi Corp., 6.13%, 5/15/21   | 170        |  | 187,850                 |
| Icahn Enterprises LP:<br>4.00%, 8/15/13 (b)(e)(f)  | 255        |  | 256,607                 |
| 8.00%, 1/15/18   | 2,805      |  | 2,980,312               |
| IDQ Holdings, Inc.,<br>11.50%, 4/01/17 (b)   | 380        |  | 410,400                 |
| Jaguar Land Rover Plc,<br>8.25%, 3/15/20   | GBP 482    |  | 849,460                 |
| Titan International, Inc.,<br>7.88%, 10/01/17  | USD 465    |  | 489,413<br>5,807,042    |
| <b>Beverages 0.2%</b>  |            |  |                         |
| Crown European Holdings SA:<br>7.13%, 8/15/18  | EUR 138    |  | 197,424                 |
| 7.13%, 8/15/18 (b)   | 198        |  | 283,260<br>480,684      |
|  | <b>Par</b> |  | <b>Value</b>            |

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(000)

**Corporate Bonds**

**Building Products 0.9%**

|   |     |     |            |
|---|-----|-----|------------|
| Building Materials Corp. of America (b):  |     |     |            |
| 7.00%, 2/15/20                            | USD | 530 | \$ 577,700 |
| 6.75%, 5/01/21                            |     | 790 | 865,050    |
| Grohe Holding GmbH, 8.75%, 12/15/17 (e)   | EUR | 100 | 134,282    |
| Momentive Performance<br>Materials, Inc., |     |     |            |
| 8.88%, 10/15/20 (b)                       | USD | 350 | 347,375    |
| USG Corp.,                                |     |     |            |
| 9.75%, 1/15/18                            |     | 610 | 680,150    |
|   |     |     | 2,604,557  |

**Capital Markets 0.9%**

|   |  |       |           |
|---|--|-------|-----------|
| E*Trade Financial Corp.:                      |  |       |           |
| 12.50%, 11/30/17                              |  | 1,070 | 1,204,124 |
| 1.74%, 8/31/19                                |  |       |           |
| (b)(f)(g)                                     |  | 244   | 217,160   |
| Series A,                                     |  |       |           |
| 1.74%, 8/31/19                                |  |       |           |
| (f)(g)  |  | 7     | 6,230     |
| KKR Group Finance Co. LLC, 6.38%, 9/29/20 (b) |  | 650   | 761,175   |
| Nuveen Investments, Inc., 9.13%, 10/15/17 (b) |  | 473   | 469,453   |
|   |  |       | 2,658,142 |

**Chemicals 3.5%**

|  |     |       |            |
|--|-----|-------|------------|
| Basell Finance Co. BV, 8.10%, 3/15/27 (b)    |     | 420   | 567,000    |
| Celanese US Holdings LLC, 5.88%, 6/15/21     |     | 1,655 | 1,849,462  |
| Ciech Group Financing AB, 9.50%, 11/30/19    | EUR | 160   | 216,674    |
| Hexion US Finance Corp., 6.63%, 4/15/20      | USD | 60    | 59,850     |
| Huntsman International LLC, 8.63%, 3/15/21   |     | 170   | 192,525    |
| INEOS Finance Plc,                           |     |       |            |
| 7.50%, 5/01/20 (b)                           |     | 370   | 382,025    |
| Kinove German<br>Bondco GmbH,                |     |       |            |
| 10.00%, 6/15/18                              | EUR | 342   | 482,595    |
| Kraton Polymers LLC,                         |     |       |            |
| 6.75%, 3/01/19                               | USD | 125   | 129,063    |
| LyondellBasell Industries NV, 5.75%, 4/15/24 |     | 2,610 | 3,132,000  |
| Nexo Solutions LLC,                          |     |       |            |
| 8.38%, 3/01/18                               |     | 185   | 175,750    |
| Nufarm Australia Ltd., 6.38%, 10/15/19 (b)   |     | 225   | 232,875    |
| PolyOne Corp.,                               |     |       |            |
| 7.38%, 9/15/20                               |     | 215   | 233,275    |
| Rockwood Specialties<br>Group, Inc.,         |     |       |            |
| 4.63%, 10/15/20                              |     | 385   | 393,663    |
| TPC Group LLC,                               |     |       |            |
| 8.25%, 10/01/17                              |     | 335   | 371,850    |
| Tronox Finance LLC,                          |     |       |            |
| 6.38%, 8/15/20 (b)                           |     | 1,760 | 1,733,600  |
|  |     |       | 10,152,207 |

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

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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     |  | Value      |
|--|---------|--|------------|
|  | (000)   |  |            |
| <b>Corporate Bonds</b>                         |         |  |            |
| <b>Commercial Banks 0.7%</b>                   |         |  |            |
| CIT Group, Inc.:                               |         |  |            |
| 5.25%, 3/15/18                                 | USD 550 |  | \$ 583,687 |
| 5.50%, 2/15/19 (b)                             | 530     |  | 564,450    |
| 5.00%, 8/15/22                                 | 480     |  | 503,264    |
| 6.00%, 4/01/36                                 | 550     |  | 498,721    |
|  |         |  | 2,150,122  |
| <b>Commercial Services &amp; Supplies 2.2%</b> |         |  |            |
| ADS Waste Holdings, Inc.,                      |         |  |            |
| 8.25%, 10/01/20 (b)                            | 279     |  | 291,555    |
| ARAMARK Holdings Corp.,                        |         |  |            |
| 8.63%, 5/01/16 (b)(h)                          | 440     |  | 451,004    |
| Aviation Capital Group Corp.,                  |         |  |            |
| 6.75%, 4/06/21 (b)                             | 540     |  | 560,471    |
| AWAS Aviation Capital Ltd.,                    |         |  |            |
| 7.00%, 10/17/16 (b)                            | 102     |  | 107,407    |
| Brickman Group Holdings, Inc.,                 |         |  |            |
| 9.13%, 11/01/18 (b)                            | 25      |  | 25,625     |
| Casella Waste Systems, Inc.,                   |         |  |            |
| 7.75%, 2/15/19                                 | 333     |  | 320,513    |
| Catalent Pharma Solutions, Inc.,               |         |  |            |
| 7.88%, 10/15/18 (b)                            | 622     |  | 628,220    |
| Clean Harbors, Inc.:                           |         |  |            |
| 5.25%, 8/01/20                                 | 528     |  | 542,520    |
| 5.13%, 6/01/21 (b)(d)                          | 225     |  | 230,063    |
| Covanta Holding Corp.,                         |         |  |            |
| 6.38%, 10/01/22                                | 635     |  | 688,599    |
| EC Finance Plc,                                |         |  |            |
| 9.75%, 8/01/17                                 | EUR 503 |  | 706,511    |
| HDTFS, Inc. (b):                               |         |  |            |
| 5.88%, 10/15/20                                | USD 90  |  | 92,925     |
| 6.25%, 10/15/22                                | 265     |  | 274,606    |
| Mead Products                                  |         |  |            |
| LLC/ACCO Brands Corp.,                         |         |  |            |
| 6.75%, 4/30/20 (b)                             | 76      |  | 78,850     |
| Mobile Mini, Inc.,                             |         |  |            |
| 7.88%, 12/01/20                                | 365     |  | 396,481    |
| RSC Equipment                                  |         |  |            |
| Rental, Inc.,                                  |         |  |            |
| 8.25%, 2/01/21                                 | 468     |  | 524,160    |
| Verisure Holding AB:                           |         |  |            |
| 8.75%, 9/01/18                                 | EUR 184 |  | 254,856    |
| 8.75%, 12/01/18                                | 100     |  | 127,454    |
| West Corp.,                                    |         |  |            |
| 8.63%, 10/01/18                                | USD 135 |  | 139,388    |
|  |         |  | 6,441,208  |
| <b>Communications Equipment 1.4%</b>           |         |  |            |
| Avaya, Inc.,                                   |         |  |            |
| 9.75%, 11/01/15                                | 780     |  | 618,150    |
| Frontier Communications Corp.,                 |         |  |            |
| 6.25%, 1/15/13                                 | 900     |  | 904,500    |
| Zayo Group LLC/Zayo Capital, Inc.:             |         |  |            |
| 8.13%, 1/01/20                                 | 950     |  | 1,037,875  |
| 10.13%, 7/01/20                                | 1,270   |  | 1,422,400  |

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|  |     |              |              |
|--|-----|--------------|--------------|
|  |     |              | 3,982,925    |
| <b>Computers &amp; Peripherals 0.3%</b>        |     |              |              |
| EMC Corp.,                                     |     |              |              |
| 1.75%, 12/01/13 (f)                            |     | 135          | 211,950      |
| NCR Corp.,                                     |     |              |              |
| 5.00%, 7/15/22 (b)                             |     | 280          | 283,500      |
|  |     | <b>Par</b>   |              |
|  |     | <b>(000)</b> | <b>Value</b> |
| <b>Corporate Bonds</b>                         |     |              |              |
| <b>Computers &amp; Peripherals (concluded)</b> |     |              |              |
| SanDisk Corp.,                                 |     |              |              |
| 1.50%, 8/15/17 (f)                             | USD | 285          | \$ 317,063   |
|  |     |              | 812,513      |
| <b>Construction &amp; Engineering 0.2%</b>     |     |              |              |
| Boart Longyear                                 |     |              |              |
| Management Property Ltd.,                      |     |              |              |
| 7.00%, 4/01/21 (b)                             |     | 200          | 198,000      |
| H&E Equipment Services, Inc.,                  |     |              |              |
| 7.00%, 9/01/22 (b)                             |     | 330          | 348,150      |
|  |     |              | 546,150      |
| <b>Construction Materials 2.1%</b>             |     |              |              |
| Buzzi Unicem SpA,                              |     |              |              |
| 6.25%, 9/28/18                                 | EUR | 138          | 188,611      |
| HD Supply, Inc. (b):                           |     |              |              |
| 8.13%, 4/15/19                                 | USD | 1,545        | 1,741,988    |
| 11.00%, 4/15/20                                |     | 1,475        | 1,703,625    |
| 11.50%, 7/15/20                                |     | 1,810        | 1,977,425    |
| Xefin Lux SCA,                                 |     |              |              |
| 8.00%, 6/01/18 (b)                             | EUR | 254          | 341,902      |
|  |     |              | 5,953,551    |
| <b>Consumer Finance 0.2%</b>                   |     |              |              |
| Credit Acceptance Corp.,                       |     |              |              |
| 9.13%, 2/01/17                                 | USD | 445          | 486,163      |
| <b>Containers &amp; Packaging 1.6%</b>         |     |              |              |
| Ardagh Packaging Finance Plc:                  |     |              |              |
| 7.38%, 10/15/17                                | EUR | 200          | 277,798      |
| 7.38%, 10/15/17 (b)                            |     | 375          | 520,870      |
| 7.38%, 10/15/17 (b)                            | USD | 200          | 217,750      |
| 9.13%, 10/15/20 (b)                            |     | 395          | 424,625      |
| 9.13%, 10/15/20 (b)                            |     | 409          | 441,720      |
| Berry Plastics Corp.:                          |     |              |              |
| 4.26%, 9/15/14 (e)                             |     | 300          | 300,000      |
| 8.25%, 11/15/15                                |     | 115          | 120,175      |
| 9.75%, 1/15/21                                 |     | 185          | 210,437      |
| Beverage Packaging                             |     |              |              |
| Holdings Luxembourg II SA,                     |     |              |              |
| 8.00%, 12/15/16                                | EUR | 706          | 922,780      |
| GCL Holdings SCA,                              |     |              |              |
| 9.38%, 4/15/18 (b)                             |     | 267          | 367,648      |
| Graphic Packaging                              |     |              |              |
| International, Inc.,                           |     |              |              |
| 7.88%, 10/01/18                                | USD | 375          | 414,375      |
| OI European                                    |     |              |              |
| Group BV,                                      |     |              |              |
| 6.88%, 3/31/17                                 | EUR | 155          | 209,145      |
| Tekni-Plex, Inc.,                              |     |              |              |
| 9.75%, 6/01/19 (b)                             | USD | 180          | 194,400      |
|  |     |              | 4,621,723    |
| <b>Distributors 0.5%</b>                       |     |              |              |
| VWR Funding, Inc.,                             |     |              |              |
| 7.25%, 9/15/17 (b)                             |     | 1,374        | 1,418,655    |
| <b>Diversified Consumer Services 2.0%</b>      |     |              |              |
| 313 Group, Inc. (b):                           |     |              |              |
| 6.38%, 12/01/19                                |     | 627          | 617,595      |





## Consolidated Schedule of Investments (continued)

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

(Percentages shown are based on Net Assets)

|  | Par       |  | Value      |
|--|-----------|--|------------|
|  | (000)     |  |            |
| <b>Corporate Bonds</b>                             |           |  |            |
| <b>Diversified Consumer Services (concluded)</b>   |           |  |            |
| 313 Group, Inc. (b) (concluded):                   |           |  |            |
| 8.75%, 12/01/20                                    | USD 597   |  | \$ 586,552 |
| Laureate Education, Inc.,                          |           |  |            |
| 9.25%, 9/01/19 (b)                                 | 1,250     |  | 1,275,000  |
| Service Corp. International,                       |           |  |            |
| 7.00%, 6/15/17                                     | 2,780     |  | 3,197,000  |
| ServiceMaster Co.,                                 |           |  |            |
| 8.00%, 2/15/20                                     | 190       |  | 193,325    |
|  |           |  | 5,869,472  |
| <b>Diversified Financial Services 5.2%</b>         |           |  |            |
| Aircastle Ltd.:                                    |           |  |            |
| 6.75%, 4/15/17                                     | 470       |  | 497,025    |
| 6.25%, 12/01/19 (b)                                | 326       |  | 330,890    |
| Ally Financial, Inc.:                              |           |  |            |
| 7.50%, 12/31/13                                    | 280       |  | 296,450    |
| 8.00%, 11/01/31                                    | 2,608     |  | 3,312,160  |
| Citigroup, Inc.,                                   |           |  |            |
| 5.95% (e)(i)                                       | 250       |  | 254,375    |
| CNG Holdings, Inc.,                                |           |  |            |
| 9.38%, 5/15/20 (b)                                 | 472       |  | 480,260    |
| Co-Operative Group Ltd.,                           |           |  |            |
| 5.63%, 7/08/20 (j)                                 | GBP 170   |  | 281,681    |
| DPL, Inc.,   |           |  |            |
| 7.25%, 10/15/21                                    | USD 1,175 |  | 1,239,625  |
| Gala Group Finance Plc,                            |           |  |            |
| 8.88%, 9/01/18                                     | GBP 600   |  | 982,919    |
| General Motors                                     |           |  |            |
| Financial Co., Inc.,                               |           |  |            |
| 6.75%, 6/01/18                                     | USD 300   |  | 338,202    |
| Lehman Brothers                                    |           |  |            |
| Holdings, Inc. (a)(k):                             |           |  |            |
| 5.38%, 10/17/12                                    | EUR 150   |  | 45,883     |
| 4.75%, 1/16/14                                     | 760       |  | 232,476    |
| 1.00%, 2/05/14                                     | 1,600     |  | 484,221    |
| 1.00%, 9/22/18                                     | USD 175   |  | 40,250     |
| 1.00%, 12/31/49                                    | 620       |  | 142,600    |
| Leucadia National Corp.,                           |           |  |            |
| 8.13%, 9/15/15                                     | 825       |  | 932,250    |
| Reynolds Group                                     |           |  |            |
| Issuer, Inc.:                                      |           |  |            |
| 7.75%, 10/15/16                                    | EUR 209   |  | 281,329    |
| 7.13%, 4/15/19                                     | USD 245   |  | 264,600    |
| 9.00%, 4/15/19                                     | 215       |  | 221,450    |
| 7.88%, 8/15/19                                     | 255       |  | 280,500    |
| 9.88%, 8/15/19                                     | 580       |  | 614,800    |
| 5.75%, 10/15/20 (b)                                | 2,085     |  | 2,131,912  |
| Serta Simmons Holdings LLC,                        |           |  |            |
| 8.13%, 10/01/20 (b)                                | 550       |  | 553,438    |
| WMG Acquisition Corp.:                             |           |  |            |
| 11.50%, 10/01/18                                   | 416       |  | 470,080    |
| 6.00%, 1/15/21 (b)                                 | 331       |  | 339,275    |
|  |           |  | 15,048,651 |
| <b>Diversified Telecommunication Services 2.4%</b> |           |  |            |

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|  |     |              |    |              |
|--|-----|--------------|----|--------------|
| Broadview Networks Holdings, Inc.,<br>10.50%, 11/15/17   |     | 518          |    | 517,500      |
| Cequel Communications Escrow 1 LLC/Cequel Communications Escrow Capital Corp.,<br>6.38%, 9/15/20 (b) |     | 475          |    | 488,063      |
|  |     | <b>Par</b>   |    |              |
|  |     | <b>(000)</b> |    | <b>Value</b> |
| <b>Corporate Bonds</b>   |     |              |    |              |
| <b>Diversified Telecommunication Services (concluded)</b>  |     |              |    |              |
| Consolidated Communications Finance Co.,<br>10.88%, 6/01/20 (b)                                      |     |              |    |              |
|  | USD | 345          | \$ | 370,875      |
| ITC Deltacom, Inc.,<br>10.50%, 4/01/16   |     | 252          |    | 269,640      |
| Level 3 Communications, Inc.,<br>8.88%, 6/01/19 (b)  |     | 315          |    | 330,750      |
| Level 3 Financing, Inc.:<br>8.13%, 7/01/19   |     | 1,180        |    | 1,262,600    |
| 7.00%, 6/01/20 (b)   |     | 434          |    | 441,595      |
| 8.63%, 7/15/20   |     | 845          |    | 918,937      |
| OTE Plc,<br>7.25%, 2/12/15 (j)   | EUR | 101          |    | 121,504      |
| Telenet Finance V Luxembourg SCA:<br>6.25%, 8/15/22  |     | 150          |    | 204,934      |
| 6.75%, 8/15/24<br>tw telecom<br>holdings, Inc.,<br>5.38%, 10/01/22 (b)                               | USD | 300          |    | 310,500      |
| Windstream Corp.:<br>8.13%, 8/01/13  |     | 460          |    | 478,400      |
| 7.88%, 11/01/17  |     | 393          |    | 435,248      |
|  |     |              |    | 6,792,067    |
| <b>Electric Utilities 0.7%</b>   |     |              |    |              |
| Mirant Mid Atlantic Pass-Through Trust, Series B,<br>9.13%, 6/30/17                                  |     |              |    |              |
|  |     | 290          |    | 316,817      |
| The Tokyo Electric Power Co., Inc., 4.50%, 3/24/14   | EUR | 1,300        |    | 1,707,040    |
|  |     |              |    | 2,023,857    |
| <b>Electrical Equipment 0.5%</b>   |     |              |    |              |
| Belden, Inc.,<br>5.50%, 9/01/22 (b)  |     |              |    |              |
|  | USD | 370          |    | 374,625      |
| General Cable Corp.,<br>5.75%, 10/01/22 (b)  |     | 610          |    | 622,200      |
| Techem GmbH,<br>6.13%, 10/01/19  | EUR | 300          |    | 412,600      |
|  |     |              |    | 1,409,425    |
| <b>Electronic Equipment, Instruments &amp; Components 0.3%</b>                                       |     |              |    |              |
| Jabil Circuit, Inc.,<br>8.25%, 3/15/18   |     |              |    |              |
|  | USD | 235          |    | 276,125      |
| Micron Technology, Inc.,<br>Series C,<br>2.38%, 5/01/32 (b)(f)                                       |     | 261          |    | 241,099      |
| NXP BV/NXP Funding LLC,<br>9.75%, 8/01/18 (b)  |     | 200          |    | 231,500      |
|  |     |              |    | 748,724      |
| <b>Energy Equipment &amp; Services 3.7%</b>  |     |              |    |              |
| Atwood Oceanics, Inc.,<br>6.50%, 2/01/20   |     |              |    |              |
|  |     | 140          |    | 149,450      |
| Calfrac Holdings LP,<br>7.50%, 12/01/20 (b)  |     | 395          |    | 387,100      |

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|  |       |           |
|--|-------|-----------|
| Compagnie Générale<br>de Géophysique, Veritas:<br>7.75%, 5/15/17 | 250   | 260,000   |
| 6.50%, 6/01/21   | 1,255 | 1,317,750 |
| Forbes Energy<br>Services Ltd.,<br>9.00%, 6/15/19                | 365   | 329,413   |

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 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       |  | Value        |
|--|-----------|--|--------------|
|  | (000)     |  |              |
| <b>Corporate Bonds</b>   |           |  |              |
| <b>Energy Equipment &amp; Services (concluded)</b>   |           |  |              |
| FTS International Services<br>LLC/FTS International<br>Services, Inc.,<br>8.13%, 11/15/18 (b)            | USD 1,182 |  | \$ 1,217,460 |
| Gulfmark Offshore, Inc.,<br>6.38%, 3/15/22 (b)<br>Hornbeck Offshore<br>Services, Inc.,<br>5.88%, 4/01/20 | 155       |  | 158,100      |
| Key Energy<br>Services, Inc.,<br>6.75%, 3/01/21  | 315       |  | 322,875      |
| MEG Energy Corp. (b):<br>6.50%, 3/15/21  | 450       |  | 451,125      |
| 6.38%, 1/30/23   | 1,205     |  | 1,257,719    |
| Oil States<br>International, Inc.,<br>6.50%, 6/01/19   | 450       |  | 466,875      |
| Peabody Energy Corp.:<br>6.25%, 11/15/21   | 320       |  | 340,000      |
| 7.88%, 11/01/26  | 1,405     |  | 1,457,687    |
| Precision Drilling Corp.:<br>6.63%, 11/15/20   | 375       |  | 403,125      |
| 6.50%, 12/15/21  | 75        |  | 79,125       |
| Seadrill Ltd.,<br>5.63%, 9/15/17 (b)   | 295       |  | 308,275      |
|  | 1,660     |  | 1,660,000    |
|  |           |  | 10,566,079   |
| <b>Food &amp; Staples Retailing 0.3%</b>   |           |  |              |
| Bakkavor Finance 2 Plc,<br>8.25%, 2/15/18  | GBP 327   |  | 512,115      |
| Rite Aid Corp.,<br>9.25%, 3/15/20  | USD 375   |  | 382,500      |
|  |           |  | 894,615      |
| <b>Food Products 0.4%</b>  |           |  |              |
| Darling International, Inc.,<br>8.50%, 12/15/18  | 115       |  | 131,819      |
| Del Monte Corp.,<br>7.63%, 2/15/19   | 61        |  | 62,677       |
| Post Holdings, Inc.,<br>7.38%, 2/15/22 (b)   | 520       |  | 555,750      |
| Smithfield Foods, Inc.,<br>6.63%, 8/15/22  | 477       |  | 505,620      |
|  |           |  | 1,255,866    |
| <b>Health Care Equipment &amp; Supplies 2.1%</b>   |           |  |              |
| Biomet, Inc. (b):<br>6.50%, 8/01/20  | 1,523     |  | 1,591,535    |
| 6.50%, 10/01/20  | 2,161     |  | 2,139,390    |
| DJO Finance LLC:<br>8.75%, 3/15/18 (b)   | 379       |  | 413,110      |
| 7.75%, 4/15/18   | 100       |  | 93,250       |
| 9.88%, 4/15/18 (b)   | 450       |  | 451,125      |
| Fresenius Medical<br>Care US Finance, Inc.,  | 208       |  | 233,480      |

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|   |     |              |              |
|---|-----|--------------|--------------|
| 6.50%, 9/15/18 (b)                                      |     |              |              |
| Fresenius US  |     |              |              |
| Finance II, Inc.,                                       |     |              |              |
| 9.00%, 7/15/15 (b)                                      |     | 540          | 622,350      |
| Kinetic Concepts,                                       |     |              |              |
| Inc./KCI USA, Inc.,                                     |     |              |              |
| 12.50%, 11/01/19 (b)                                    |     | 320          | 300,800      |
|   |     | <b>Par</b>   |              |
|   |     | <b>(000)</b> | <b>Value</b> |
| <b>Corporate Bonds</b>                                  |     |              |              |
| <b>Health Care Equipment &amp; Supplies (concluded)</b> |     |              |              |
| Teleflex, Inc.,   |     |              |              |
| 6.88%, 6/01/19  | USD | 295          | \$ 317,862   |
|   |     |              | 6,162,902    |
| <b>Health Care Providers &amp; Services 7.8%</b>        |     |              |              |
| Aviv Healthcare   |     |              |              |
| Properties LP,  |     |              |              |
| 7.75%, 2/15/19  |     | 570          | 598,500      |
| Care UK Health &  |     |              |              |
| Social Care Plc,  |     |              |              |
| 9.75%, 8/01/17  | GBP | 130          | 223,380      |
| CHS/Community Health Systems, Inc.:                     |     |              |              |
| 5.13%, 8/15/18  | USD | 785          | 826,212      |
| 7.13%, 7/15/20  |     | 456          | 482,220      |
| ConvaTec Healthcare E SA,                               |     |              |              |
| 7.38%, 12/15/17 (b)                                     | EUR | 494          | 693,870      |
| Crown Newco 3 Plc:                                      |     |              |              |
| 7.00%, 2/15/18 (b)                                      | GBP | 364          | 612,342      |
| 7.00%, 2/15/18  |     | 100          | 168,226      |
| DaVita HealthCare                                       |     |              |              |
| Partners, Inc.,   |     |              |              |
| (FKA Davita, Inc.),                                     |     |              |              |
| 5.75%, 8/15/22  | USD | 893          | 933,185      |
| HCA, Inc.:  |     |              |              |
| 8.50%, 4/15/19  |     | 135          | 151,538      |
| 6.50%, 2/15/20  |     | 2,045        | 2,295,512    |
| 7.88%, 2/15/20  |     | 95           | 106,756      |
| 7.25%, 9/15/20  |     | 2,410        | 2,687,150    |
| 5.88%, 3/15/22  |     | 220          | 239,250      |
| 4.75%, 5/01/23  |     | 730          | 737,300      |
| Hologic, Inc.,  |     |              |              |
| 6.25%, 8/01/20 (b)                                      |     | 1,897        | 2,015,562    |
| IASIS Healthcare LLC,                                   |     |              |              |
| 8.38%, 5/15/19  |     | 1,538        | 1,453,410    |
| INC Research LLC,                                       |     |              |              |
| 11.50%, 7/15/19 (b)                                     |     | 410          | 414,100      |
| Omnicare, Inc.,   |     |              |              |
| 7.75%, 6/01/20  |     | 1,005        | 1,111,781    |
| PSS World Medical, Inc.,                                |     |              |              |
| 6.38%, 3/01/22  |     | 334          | 392,450      |
| Symbion, Inc.,  |     |              |              |
| 8.00%, 6/15/16  |     | 345          | 355,350      |
| Tenet Healthcare Corp.:                                 |     |              |              |
| 10.00%, 5/01/18   |     | 839          | 956,460      |
| 6.25%, 11/01/18   |     | 330          | 363,000      |
| 8.88%, 7/01/19  |     | 2,624        | 2,938,880    |
| 6.75%, 2/01/20 (b)                                      |     | 525          | 532,219      |
| 4.75%, 6/01/20 (b)                                      |     | 761          | 766,708      |
| Vanguard Health   |     |              |              |
| Holding Co. II LLC,                                     |     |              |              |
| 7.75%, 2/01/19 (b)                                      |     | 465          | 478,950      |
|   |     |              | 22,534,311   |
| <b>Health Care Technology 1.0%</b>                      |     |              |              |
| IMS Health, Inc. (b):                                   |     |              |              |
| 12.50%, 3/01/18   |     | 2,225        | 2,631,062    |
| 6.00%, 11/01/20   |     | 143          | 147,648      |
|   |     |              | 2,778,710    |
| <b>Hotels, Restaurants &amp; Leisure 4.5%</b>           |     |              |              |

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Affinity Gaming  
LLC/Affinity Gaming  
Finance Corp.,  
9.00%, 5/15/18 (b)

174

180,960

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 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       |  | Value        |
|--|-----------|--|--------------|
|  | (000)     |  |              |
| <b>Corporate Bonds</b>   |           |  |              |
| <b>Hotels, Restaurants &amp; Leisure (concluded)</b>                 |           |  |              |
| Caesars Entertainment<br>Operating Co., Inc.:                        |           |  |              |
| 11.25%, 6/01/17  | USD 1,225 |  | \$ 1,316,109 |
| 10.00%, 12/15/18   | 1,464     |  | 933,300      |
| 8.50%, 2/15/20 (b)   | 305       |  | 298,900      |
| 9.00%, 2/15/20 (b)   | 1,393     |  | 1,393,000    |
| Carlson Wagonlit BV,<br>6.88%, 6/15/19 (b)                           | 325       |  | 339,625      |
| Cemex Finance LLC,<br>9.38%, 10/12/22 (b)                            | 625       |  | 673,437      |
| Cirsa Funding<br>Luxembourg SA,<br>8.75%, 5/15/18                    | EUR 480   |  | 596,172      |
| Diamond Resorts Corp.,<br>12.00%, 8/15/18                            | USD 1,190 |  | 1,285,200    |
| El Dorado Resorts LLC,<br>8.63%, 6/15/19 (b)                         | 140       |  | 135,100      |
| Enterprise Inns Plc,<br>6.50%, 12/06/18                              | GBP 324   |  | 477,154      |
| Gategroup Finance<br>Luxembourg SA,<br>6.75%, 3/01/19                | EUR 265   |  | 360,155      |
| Little Traverse Bay<br>Bands of Odawa Indians,<br>9.00%, 8/31/20 (b) | USD 300   |  | 279,000      |
| MGM Resorts International:   |           |  |              |
| 10.38%, 5/15/14  | 190       |  | 212,325      |
| 4.25%, 4/15/15 (f)   | 1,080     |  | 1,099,575    |
| 11.13%, 11/15/17   | 1,400     |  | 1,536,500    |
| MTR Gaming Group, Inc.,<br>11.50%, 8/01/19                           | 151       |  | 158,288      |
| Station Casinos LLC,<br>3.66%, 6/18/18                               | 672       |  | 569,520      |
| Travelport LLC:<br>5.04%, 9/01/14 (e)                                | 180       |  | 126,900      |
| 9.88%, 9/01/14   | 40        |  | 31,400       |
| 9.00%, 3/01/16   | 120       |  | 84,600       |
| 6.31%, 12/01/16<br>(b)(e)(h)   | 426       |  | 315,224      |
| Tropicana Entertainment LLC,<br>9.63%, 12/15/14 (a)(k)               | 305       |  |              |
| Wynn Las Vegas LLC,<br>5.38%, 3/15/22                                | 620       |  | 657,200      |
|  |           |  | 13,059,644   |
| <b>Household Durables 2.3%</b>                                       |           |  |              |
| Algeco Scotsman<br>Global Finance Plc,<br>9.00%, 10/15/18            | EUR 100   |  | 133,957      |
| Beazer Homes<br>USA, Inc.,<br>6.63%, 4/15/18 (b)                     | USD 50    |  | 53,250       |
| Jarden Corp.,<br>7.50%, 1/15/20                                      | EUR 305   |  | 432,368      |



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|  |              |       |              |
|--|--------------|-------|--------------|
| K Hovnanian Enterprises, Inc.:                               |              |       |              |
| 6.00%, 12/01/17 (f)  | USD          | 150   | 171,405      |
| 7.25%, 10/15/20 (b)  |              | 950   | 1,018,875    |
| Libbey Glass, Inc.,  |              |       |              |
| 6.88%, 5/15/20 (b)   |              | 610   | 652,700      |
| PH Holding LLC,  |              |       |              |
| 9.75%, 12/31/17  |              | 345   | 338,100      |
|  | <b>Par</b>   |       |              |
|  | <b>(000)</b> |       | <b>Value</b> |
| <b>Corporate Bonds</b>                                       |              |       |              |
| <b>Household Durables (concluded)</b>                        |              |       |              |
| Pulte Group, Inc.,   |              |       |              |
| 6.38%, 5/15/33   | USD          | 190   | \$ 186,200   |
| The Ryland Group, Inc.,                                      |              |       |              |
| 6.63%, 5/01/20   |              | 340   | 378,250      |
| Spie BondCo 3 SCA,   |              |       |              |
| 11.00%, 8/15/19  | EUR          | 303   | 419,681      |
| Standard Pacific Corp.:                                      |              |       |              |
| 10.75%, 9/15/16  | USD          | 1,290 | 1,580,250    |
| 8.38%, 1/15/21   |              | 970   | 1,110,650    |
| William Lyon Homes, Inc.,                                    |              |       |              |
| 8.50%, 11/15/20 (b)  |              | 300   | 304,500      |
|  |              |       | 6,780,186    |
| <b>Household Products 0.9%</b>                               |              |       |              |
| Ontex IV SA:   |              |       |              |
| 7.50%, 4/15/18   | EUR          | 104   | 142,020      |
| 7.50%, 4/15/18 (b)   |              | 150   | 204,837      |
| 9.00%, 4/15/19   |              | 213   | 282,558      |
| Spectrum Brands Escrow Corp. (b):                            |              |       |              |
| 6.38%, 11/15/20  | USD          | 384   | 398,400      |
| 6.63%, 11/15/22  |              | 250   | 261,875      |
| Spectrum Brands Holdings, Inc.,                              |              |       |              |
| 9.50%, 6/15/18   |              | 950   | 1,081,812    |
| Spectrum Brands, Inc.,                                       |              |       |              |
| 6.75%, 3/15/20 (b)   |              | 96    | 100,080      |
|  |              |       | 2,471,582    |
| <b>Independent Power Producers &amp; Energy Traders 3.1%</b> |              |       |              |
| The AES Corp.,   |              |       |              |
| 7.38%, 7/01/21   |              | 275   | 304,563      |
| Calpine Corp. (b):   |              |       |              |
| 7.25%, 10/15/17  |              | 162   | 173,340      |
| 7.50%, 2/15/21   |              | 90    | 99,450       |
| 7.88%, 1/15/23   |              | 401   | 447,115      |
| Energy Future Holdings Corp.,                                |              |       |              |
| 10.00%, 1/15/20  |              | 1,440 | 1,530,000    |
| Energy Future Intermediate Holding Co. LLC:                  |              |       |              |
| 6.88%, 8/15/17 (b)   |              | 755   | 773,875      |
| 10.00%, 12/01/20   |              | 2,391 | 2,665,965    |
| GenOn REMA LLC:  |              |       |              |
| 9.24%, 7/02/17   |              | 242   | 263,892      |
| Series C   |              |       |              |
| 9.68%, 7/02/26   |              | 305   | 326,350      |
| Laredo Petroleum, Inc.:                                      |              |       |              |
| 9.50%, 2/15/19   |              | 485   | 543,200      |
| 7.38%, 5/01/22   |              | 370   | 400,525      |
| NRG Energy, Inc.,  |              |       |              |
| 6.63%, 3/15/23 (b)   |              | 660   | 683,100      |
| QEP Resources, Inc.:   |              |       |              |
| 5.38%, 10/01/22  |              | 333   | 351,315      |
| 5.25%, 5/01/23   |              | 255   | 267,750      |
|  |              |       | 8,830,440    |
| <b>Industrial Conglomerates 2.1%</b>                         |              |       |              |

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Sequa Corp. (b):  
11.75%, 12/01/15

2,170

2,245,950

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 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       |  | Value                     |
|---|-----------|--|---------------------------|
|   | (000)     |  |                           |
| <b>Corporate Bonds</b>                                  |           |  |                           |
| <b>Industrial Conglomerates (concluded)</b>             |           |  |                           |
| Sequa Corp. (b) (concluded):<br>13.50%, 12/01/15        | USD 3,664 |  | \$ 3,810,571<br>6,056,521 |
| <b>Insurance 0.9%</b>                                   |           |  |                           |
| Alliant Holdings I, Inc.,<br>11.00%, 5/01/15 (b)        | 1,570     |  | 1,620,044                 |
| CNO Financial Group, Inc.,<br>6.38%, 10/01/20 (b)       | 225       |  | 235,125                   |
| Genworth Financial, Inc.,<br>7.63%, 9/24/21             | 430       |  | 464,493                   |
| MPL 2 Acquisition<br>Canco, Inc.,<br>9.88%, 8/15/18 (b) | 260       |  | 242,450                   |
| TMF Group Holding B.V.,<br>9.88%, 12/01/19              | EUR 100   |  | 131,843<br>2,693,955      |
| <b>IT Services 3.0%</b>                                 |           |  |                           |
| Ceridian Corp.,<br>8.88%, 7/15/19 (b)                   | USD 1,480 |  | 1,583,600                 |
| Epicor Software Corp.,<br>8.63%, 5/01/19                | 570       |  | 594,225                   |
| First Data Corp.:<br>7.38%, 6/15/19 (b)                 | 1,580     |  | 1,623,450                 |
| 8.88%, 8/15/20 (b)                                      | 535       |  | 585,825                   |
| 6.75%, 11/01/20 (b)                                     | 1,485     |  | 1,496,137                 |
| 8.25%, 1/15/21 (b)                                      | 236       |  | 235,410                   |
| 12.63%, 1/15/21   | 1,129     |  | 1,188,272                 |
| SunGard Data Systems, Inc.:<br>7.38%, 11/15/18          | 550       |  | 586,438                   |
| 6.63%, 11/01/19 (b)                                     | 805       |  | 821,100<br>8,714,457      |
| <b>Machinery 1.5%</b>                                   |           |  |                           |
| The Manitowoc Co., Inc.,<br>5.88%, 10/15/22             | 475       |  | 475,000                   |
| SPX Corp.,<br>6.88%, 9/01/17                            | 175       |  | 196,000                   |
| Terex Corp.,<br>6.00%, 5/15/21                          | 535       |  | 555,062                   |
| UR Merger Sub Corp.:<br>5.75%, 7/15/18 (b)              | 257       |  | 276,918                   |
| 7.38%, 5/15/20 (b)                                      | 440       |  | 480,700                   |
| 7.63%, 4/15/22 (b)                                      | 1,997     |  | 2,211,677                 |
| 6.13%, 6/15/23  | 190       |  | 195,225<br>4,390,582      |
| <b>Media 10.2%</b>                                      |           |  |                           |
| Affinion Group, Inc.,<br>7.88%, 12/15/18                | 815       |  | 652,000                   |
| AMC Networks, Inc.,<br>7.75%, 7/15/21                   | 225       |  | 255,375                   |
| Cablevision Systems Corp.,<br>5.88%, 9/15/22            | 490       |  | 480,200                   |
| CCO Holdings LLC:<br>6.50%, 4/30/21                     | 308       |  | 332,255                   |

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| 5.25%, 9/30/22  |     | 1,080 | 1,088,100  |
|---|-----|-------|------------|
|   |     | Par   |            |
|   |     | (000) | Value      |
| <b>Corporate Bonds</b>  |     |       |            |
| <b>Media (continued)</b>  |     |       |            |
| Cengage Learning Acquisitions, Inc.,<br>11.50%, 4/15/20 (b)                 | USD | 1,065 | \$ 883,950 |
| Checkout Holding Corp.,<br>13.99%, 11/15/15 (b)(g)                          |     | 670   | 448,900    |
| Cinemark USA, Inc.,<br>8.63%, 6/15/19                                       |     | 220   | 243,100    |
| Clear Channel Communications, Inc.,<br>9.00%, 12/15/19 (b)                  |     | 766   | 694,188    |
| Clear Channel Worldwide Holdings, Inc.:<br>6.50%, 11/15/22 (b)              |     | 621   | 617,895    |
| 6.50%, 11/15/22 (b)<br>Series B,  |     | 1,679 | 1,687,395  |
| 7.63%, 3/15/20  |     | 1,127 | 1,104,460  |
| Cox Enterprises, Inc.:<br>Loan Close 2,<br>12.00%, 8/15/18                  |     | 688   | 687,919    |
| Loan Close 3,<br>4.00%, 8/15/18   |     | 786   | 786,488    |
| Shares Loan,<br>12.00%, 8/15/18   |     | 811   | 811,144    |
| DISH DBS Corp.,<br>5.88%, 7/15/22   |     | 1,010 | 1,081,963  |
| Harron Communications LP,<br>9.13%, 4/01/20 (b)                             |     | 320   | 348,000    |
| Intelsat Jackson Holdings SA (b):<br>7.25%, 10/15/20                        |     | 700   | 745,500    |
| 6.63%, 12/15/22   |     | 170   | 170,000    |
| Intelsat Luxembourg SA:<br>11.25%, 2/04/17                                  |     | 620   | 657,200    |
| 11.50%, 2/04/17   |     | 1,200 | 1,273,500  |
| Interactive Data Corp.,<br>10.25%, 8/01/18                                  |     | 1,345 | 1,506,400  |
| The Interpublic Group of Cos., Inc.,<br>10.00%, 7/15/17                     |     | 340   | 373,575    |
| Kabel Deutschland Vertrieb und Service GmbH & Co. KG,<br>6.50%, 6/29/18 (b) | EUR | 345   | 483,064    |
| Lamar Media Corp.,<br>5.88%, 2/01/22  | USD | 140   | 148,925    |
| Live Nation Entertainment, Inc.,<br>8.13%, 5/15/18 (b)                      |     | 735   | 793,800    |
| NAI Entertainment Holdings LLC,<br>8.25%, 12/15/17 (b)                      |     | 558   | 616,590    |
| Nara Cable Funding Ltd.,<br>8.88%, 12/01/18                                 | EUR | 200   | 252,307    |
| Nielsen Finance LLC:<br>11.63%, 2/01/14                                     | USD | 117   | 130,309    |
| 7.75%, 10/15/18   |     | 1,513 | 1,686,995  |
| Odeon & UCI Finco Plc,<br>9.00%, 8/01/18 (b)                                | GBP | 207   | 340,765    |
| ProQuest LLC,<br>9.00%, 10/15/18 (b)  | USD | 500   | 460,000    |
|   |     | 850   | 425        |

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ProtoStar I Ltd.,  
18.00%, 10/15/13 (a)(b)(k)  
Truven Health Analytics, Inc.,  
10.63%, 6/01/20 (b)

510

545,700

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 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       | Value      |
|--|-----------|------------|
|  | (000)     |            |
| <b>Corporate Bonds</b>   |           |            |
| <b>Media (concluded)</b>   |           |            |
| Unitymedia GmbH:<br>9.63%, 12/01/19  | EUR 168   | \$ 244,187 |
| 9.63%, 12/01/19 (b)  | 570       | 828,492    |
| 9.50%, 3/15/21   | 320       | 476,563    |
| Unitymedia Hessen<br>GmbH & Co. KG:<br>8.13%, 12/01/17 (b)                     | USD 666   | 722,610    |
| 7.50%, 3/15/19   | EUR 794   | 1,132,132  |
| 5.50%, 1/15/23 (b)(d)  | USD 520   | 520,000    |
| Univision<br>Communications, Inc.,<br>6.75%, 9/15/22 (b)                       | 120       | 121,200    |
| UPC Holding BV,<br>9.88%, 4/15/18 (b)  | 400       | 447,500    |
| UPCB Finance II Ltd.:<br>6.38%, 7/01/20  | EUR 300   | 406,747    |
| 6.38%, 7/01/20 (b)   | 822       | 1,114,488  |
| WaveDivision Escrow<br>LLC/WaveDivision<br>Escrow Corp.,<br>8.13%, 9/01/20 (b) | USD 300   | 307,500    |
| Ziggo Bond Co. BV,<br>8.00%, 5/15/18 (b)                                       | EUR 388   | 555,327    |
|  |           | 29,265,133 |
| <b>Metals &amp; Mining 4.1%</b>  |           |            |
| ArcelorMittal:<br>9.50%, 2/15/15   | USD 315   | 350,864    |
| 4.25%, 8/05/15   | 485       | 489,948    |
| 4.25%, 3/01/16   | 125       | 125,545    |
| Eco-Bat Finance Plc,<br>7.75%, 2/15/17   | EUR 460   | 613,210    |
| FMG Resources August<br>2006 Property Ltd. (b):<br>7.00%, 11/01/15             | USD 205   | 209,100    |
| 6.38%, 2/01/16   | 438       | 441,184    |
| 6.88%, 4/01/22   | 75        | 73,125     |
| Global Brass and<br>Copper, Inc.,<br>9.50%, 6/01/19 (b)                        | 300       | 322,500    |
| GoldCorp, Inc.,<br>2.00%, 8/01/14 (f)  | 1,060     | 1,199,788  |
| Kaiser Aluminum Corp.,<br>8.25%, 6/01/20                                       | 225       | 246,375    |
| New Gold, Inc. (b):<br>7.00%, 4/15/20  | 150       | 159,375    |
| 6.25%, 11/15/22  | 300       | 306,750    |
| New World Resources NV,<br>7.88%, 5/01/18                                      | EUR 210   | 279,261    |
| Newmont Mining<br>Corp., Series A,<br>1.25%, 7/15/14 (f)                       | USD 1,475 | 1,783,828  |
| Novelis, Inc.,<br>8.75%, 12/15/20  | 3,065     | 3,432,800  |

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|   |              |              |
|---|--------------|--------------|
| Perstorp Holding AB,<br>8.75%, 5/15/17 (b)                            | 205          | 206,025      |
| Schmolz + Bickenbach<br>Luxembourg SA,<br>9.88%, 5/15/19              | EUR 315      | 334,089      |
| Steel Dynamics, Inc.,<br>6.38%, 8/15/22 (b)                           | USD 245      | 256,025      |
|   | <b>Par</b>   |              |
|   | <b>(000)</b> | <b>Value</b> |
| <b>Corporate Bonds</b>  |              |              |
| <b>Metals &amp; Mining (concluded)</b>                                |              |              |
| Taseko Mines Ltd.,<br>7.75%, 4/15/19                                  | USD 420      | \$ 399,000   |
| Vedanta Resources Plc,<br>8.25%, 6/07/21 (b)                          | 270          | 291,600      |
| Walter Energy, Inc.,<br>9.88%, 12/15/20 (b)                           | 265          | 275,600      |
|   |              | 11,795,992   |
| <b>Multiline Retail 0.4%</b>  |              |              |
| Dollar General Corp.,<br>4.13%, 7/15/17                               | 792          | 831,600      |
| Dufry Finance SCA,<br>5.50%, 10/15/20 (b)                             | 403          | 414,083      |
|   |              | 1,245,683    |
| <b>Oil, Gas &amp; Consumable Fuels 9.9%</b>                           |              |              |
| Access Midstream<br>Partners LP,<br>6.13%, 7/15/22                    | 275          | 291,500      |
| Alpha Appalachia<br>Holdings, Inc.,<br>3.25%, 8/01/15 (f)             | 803          | 759,337      |
| Aurora USA Oil<br>& Gas, Inc.,<br>9.88%, 2/15/17 (b)                  | 680          | 720,800      |
| Berry Petroleum Co.,<br>6.38%, 9/15/22                                | 410          | 422,300      |
| BreitBurn Energy<br>Partners LP,<br>7.88%, 4/15/22 (b)                | 255          | 262,013      |
| Carrizo Oil & Gas, Inc.,<br>7.50%, 9/15/20                            | 240          | 243,600      |
| CCS, Inc.,<br>11.00%, 11/15/15 (b)                                    | 570          | 577,125      |
| Chaparral Energy, Inc.,<br>7.63%, 11/15/22                            | 220          | 226,050      |
| Chesapeake Energy Corp.:<br>7.25%, 12/15/18                           | 15           | 16,125       |
| 6.63%, 8/15/20  | 180          | 188,550      |
| 6.88%, 11/15/20   | 175          | 184,625      |
| 6.13%, 2/15/21  | 595          | 602,437      |
| Concho Resources, Inc.:<br>7.00%, 1/15/21                             | 160          | 176,400      |
| 6.50%, 1/15/22  | 110          | 119,900      |
| 5.50%, 10/01/22   | 475          | 490,437      |
| Continental Resources, Inc.,<br>7.13%, 4/01/21                        | 370          | 417,175      |
| Copano Energy LLC,<br>7.13%, 4/01/21                                  | 240          | 252,900      |
| Crosstex Energy LP,<br>7.13%, 6/01/22 (b)                             | 150          | 153,000      |
| Crown Oil Partners IV LP,<br>15.00%, 3/07/15                          | 603          | 636,508      |
| CVR Refining<br>LLC/Coffeyville Finance, Inc.,<br>6.50%, 11/01/22 (b) | 385          | 379,225      |
| Denbury Resources, Inc.,<br>8.25%, 2/15/20                            | 1,167        | 1,318,710    |
| Energy XXI Gulf Coast, Inc.:  |              |              |

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9.25%, 12/15/17  
7.75%, 6/15/19

555  
900

625,762  
967,500

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 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<br>(000) | Value      |
|---|--------------|------------|
| <b>Corporate Bonds</b>  |              |            |
| <b>Oil, Gas &amp; Consumable Fuels (continued)</b>                    |              |            |
| EP Energy LLC/Everest<br>Acquisition Finance, Inc.:<br>6.88%, 5/01/19 | USD 345      | \$ 373,463 |
| 7.75%, 9/01/22  | 215          | 223,063    |
| EV Energy Partners LP,<br>8.00%, 4/15/19                              | 150          | 157,500    |
| Halcon<br>Resources Corp.,<br>8.88%, 5/15/21 (b)                      | 230          | 238,050    |
| Hilcorp Energy I LP,<br>7.63%, 4/15/21 (b)                            | 260          | 281,450    |
| Holly Energy<br>Partners LP,<br>6.50%, 3/01/20 (b)                    | 155          | 162,750    |
| Kodiak Oil & Gas Corp.,<br>8.13%, 12/01/19                            | 350          | 381,500    |
| Linn Energy LLC:<br>6.50%, 5/15/19                                    | 95           | 96,425     |
| 6.25%, 11/01/19 (b)   | 1,305        | 1,309,894  |
| 8.63%, 4/15/20  | 225          | 245,813    |
| 7.75%, 2/01/21  | 200          | 211,000    |
| MarkWest Energy<br>Partners LP,<br>5.50%, 2/15/23                     | 225          | 236,813    |
| Newfield Exploration Co.,<br>6.88%, 2/01/20                           | 780          | 839,475    |
| Northern Oil and<br>Gas, Inc.,<br>8.00%, 6/01/20                      | 310          | 319,300    |
| Oasis Petroleum, Inc.:<br>7.25%, 2/01/19                              | 265          | 282,225    |
| 6.50%, 11/01/21   | 290          | 305,225    |
| Offshore Group<br>Investments Ltd.,<br>11.50%, 8/01/15                | 692          | 761,200    |
| OGX Petroleo e Gas<br>Participacoes SA (b):<br>8.50%, 6/01/18         | 562          | 488,940    |
| 8.38%, 4/01/22  | 300          | 244,500    |
| PBF Holding Co. LLC,<br>8.25%, 2/15/20 (b)                            | 295          | 309,750    |
| PDC Energy, Inc.,<br>7.75%, 10/15/22 (b)                              | 210          | 212,100    |
| PetroBakken Energy Ltd.,<br>8.63%, 2/01/20 (b)                        | 1,195        | 1,195,000  |
| Petroleum Geo-Services ASA,<br>7.38%, 12/15/18 (b)                    | 575          | 603,750    |
| Plains Exploration &<br>Production Co.,<br>6.88%, 2/15/23             | 1,155        | 1,189,650  |
| Range Resources Corp.:<br>8.00%, 5/15/19                              | 345          | 379,500    |
| 5.75%, 6/01/21  | 985          | 1,046,562  |

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|   |     |              |              |
|---|-----|--------------|--------------|
| 5.00%, 8/15/22                                      |     | 435          | 453,487      |
| Regency Energy Partners LP,                         |     |              |              |
| 5.50%, 4/15/23                                      |     | 370          | 388,500      |
| Sabine Pass Liquefied Natural Gas LP:               |     |              |              |
| 7.50%, 11/30/16                                     |     | 1,520        | 1,641,600    |
| 6.50%, 11/01/20 (b)                                 |     | 325          | 325,000      |
| SandRidge Energy, Inc.:                             |     |              |              |
| 7.50%, 3/15/21                                      |     | 940          | 979,950      |
|   |     | <b>Par</b>   |              |
|   |     | <b>(000)</b> | <b>Value</b> |
| <b>Corporate Bonds</b>                              |     |              |              |
| <b>Oil, Gas &amp; Consumable Fuels (concluded)</b>  |     |              |              |
| SandRidge Energy, Inc. (concluded):                 |     |              |              |
| 8.13%, 10/15/22                                     | USD | 255          | \$ 272,850   |
| 7.50%, 2/15/23                                      |     | 545          | 566,800      |
| SESI LLC:   |     |              |              |
| 6.38%, 5/01/19                                      |     | 325          | 346,125      |
| 7.13%, 12/15/21                                     |     | 235          | 261,438      |
| SM Energy Co.:                                      |     |              |              |
| 6.63%, 2/15/19                                      |     | 130          | 137,475      |
| 6.50%, 11/15/21                                     |     | 265          | 279,575      |
| 6.50%, 1/01/23                                      |     | 390          | 411,450      |
| Tesoro Logistics LP/Tesoro Logistics Finance Corp., |     |              |              |
| 5.88%, 10/01/20 (b)                                 |     | 155          | 161,200      |
| Vanguard Natural Resources,                         |     |              |              |
| 7.88%, 4/01/20                                      |     | 270          | 276,075      |
|   |     |              | 28,628,402   |
| <b>Paper &amp; Forest Products 1.2%</b>             |     |              |              |
| Ainsworth Lumber Co. Ltd.,                          |     |              |              |
| 7.50%, 12/15/17 (b)                                 |     | 355          | 365,650      |
| Boise Paper Holdings LLC:                           |     |              |              |
| 9.00%, 11/01/17                                     |     | 60           | 65,400       |
| 8.00%, 4/01/20                                      |     | 125          | 135,938      |
| Clearwater Paper Corp.:                             |     |              |              |
| 10.63%, 6/15/16                                     |     | 390          | 428,025      |
| 7.13%, 11/01/18                                     |     | 585          | 634,725      |
| Longview Fibre Paper & Packaging, Inc.,             |     |              |              |
| 8.00%, 6/01/16 (b)                                  |     | 345          | 361,387      |
| NewPage Corp.,                                      |     |              |              |
| 11.38%, 12/31/14 (a)(k)                             |     | 2,070        | 993,600      |
| Sappi Papier Holding GmbH (b):                      |     |              |              |
| 8.38%, 6/15/19                                      |     | 200          | 212,000      |
| 6.63%, 4/15/21                                      |     | 140          | 134,400      |
|   |     |              | 3,331,125    |
| <b>Pharmaceuticals 0.9%</b>                         |     |              |              |
| Capsugel Finance Co. SCA:                           |     |              |              |
| 9.88%, 8/01/19                                      | EUR | 100          | 146,962      |
| 9.88%, 8/01/19 (b)                                  |     | 200          | 293,924      |
| Jaguar Holding Co. II/Jaguar Merger Sub, Inc.,      |     |              |              |
| 9.50%, 12/01/19 (b)                                 | USD | 185          | 208,125      |
| Mylan, Inc.,  |     |              |              |
| 6.00%, 11/15/18 (b)                                 |     | 120          | 132,300      |
| Valeant Pharmaceuticals International (b):          |     |              |              |
| 6.50%, 7/15/16                                      |     | 434          | 457,870      |
| 6.88%, 12/01/18                                     |     | 270          | 291,938      |
| 6.38%, 10/15/20                                     |     | 405          | 430,313      |
| 6.75%, 8/15/21                                      |     | 490          | 525,525      |
|   |     |              | 2,486,957    |
| <b>Professional Services 0.0%</b>                   |     |              |              |

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FTI Consulting, Inc.,  
6.75%, 10/01/20

43

45,688

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 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       |  | Value        |
|--|-----------|--|--------------|
|  | (000)     |  |              |
| <b>Corporate Bonds</b>   |           |  |              |
| <b>Real Estate Investment Trusts (REITs) 0.6%</b>                            |           |  |              |
| Felcor Lodging LP,<br>6.75%, 6/01/19   | USD 1,023 |  | \$ 1,076,707 |
| The Rouse Co. LP,<br>6.75%, 11/09/15   | 520       |  | 546,650      |
|  |           |  | 1,623,357    |
| <b>Real Estate Management &amp; Development 2.5%</b>                         |           |  |              |
| CBRE Services, Inc.,<br>6.63%, 10/15/20                                      | 335       |  | 365,988      |
| Crescent Resources<br>LLC/Crescent<br>Ventures, Inc.,<br>10.25%, 8/15/17 (b) | 710       |  | 738,400      |
| Forest City Enterprises, Inc.,<br>7.63%, 6/01/15                             | 426       |  | 427,065      |
| IVG Immobilien AG,<br>8.00% (a)(e)(i)(k)                                     | EUR 300   |  | 202,886      |
| Mattamy Group Corp.,<br>6.50%, 11/15/20 (b)                                  | USD 275   |  | 275,000      |
| Realogy Corp.:<br>11.50%, 4/15/17  | 400       |  | 433,000      |
| 12.00%, 4/15/17  | 100       |  | 108,000      |
| 7.88%, 2/15/19 (b)   | 2,065     |  | 2,188,900    |
| 7.63%, 1/15/20 (b)   | 505       |  | 563,075      |
| 9.00%, 1/15/20 (b)   | 335       |  | 371,850      |
| Shea Homes LP,<br>8.63%, 5/15/19   | 1,250     |  | 1,375,000    |
| The Unique Pub<br>Finance Co. Plc,<br>Series A3,<br>6.54%, 3/30/21           | GBP 100   |  | 151,403      |
|  |           |  | 7,200,567    |
| <b>Road &amp; Rail 0.8%</b>  |           |  |              |
| The Hertz Corp.:<br>7.50%, 10/15/18  | USD 550   |  | 602,250      |
| 6.75%, 4/15/19 (b)   | 290       |  | 313,200      |
| 7.38%, 1/15/21   | 415       |  | 451,312      |
| Hertz Holdings Netherlands BV:<br>8.50%, 7/31/15                             | EUR 88    |  | 124,177      |
| 8.50%, 7/31/15 (b)   | 546       |  | 770,459      |
|  |           |  | 2,261,398    |
| <b>Semiconductors &amp; Semiconductor Equipment 0.2%</b>                     |           |  |              |
| Spansion LLC,<br>7.88%, 11/15/17   | USD 580   |  | 582,900      |
| <b>Software 0.9%</b>   |           |  |              |
| Infor US, Inc.,<br>9.38%, 4/01/19  | 1,530     |  | 1,705,950    |
| Nuance Communications, Inc.,<br>5.38%, 8/15/20 (b)                           | 500       |  | 515,000      |
| Sophia LP,<br>9.75%, 1/15/19 (b)   | 442       |  | 470,730      |
|  |           |  | 2,691,680    |
| <b>Specialty Retail 3.1%</b>   |           |  |              |
|  | 365       |  | 406,063      |

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|  |     |              |              |
|--|-----|--------------|--------------|
| Asbury Automotive Group, Inc.,<br>8.38%, 11/15/20                                      |     |              |              |
| Claire s Stores, Inc.,<br>9.00%, 3/15/19 (b)   |     | 869          | 924,399      |
| House of Fraser Funding Plc:<br>8.88%, 8/15/18 (b)                                     | GBP | 285          | 461,179      |
| 8.88%, 8/15/18   |     | 221          | 357,616      |
|  |     | <b>Par</b>   |              |
|  |     | <b>(000)</b> | <b>Value</b> |
| <b>Corporate Bonds</b>   |     |              |              |
| <b>Specialty Retail (concluded)</b>  |     |              |              |
| Limited Brands, Inc.:<br>8.50%, 6/15/19  | USD | 785          | \$ 957,700   |
| 5.63%, 2/15/22   |     | 160          | 172,800      |
| Michaels Stores, Inc.,<br>7.75%, 11/01/18 (b)  |     | 234          | 253,598      |
| Party City Holdings, Inc.,<br>8.88%, 8/01/20 (b)                                       |     | 1,013        | 1,073,780    |
| Penske Automotive Group, Inc.,<br>5.75%, 10/01/22 (b)                                  |     | 540          | 549,450      |
| Phones4u Finance Plc,<br>9.50%, 4/01/18 (b)  | GBP | 400          | 660,086      |
| QVC, Inc. (b):<br>7.13%, 4/15/17   | USD | 230          | 242,124      |
| 7.50%, 10/01/19  |     | 625          | 688,339      |
| 7.38%, 10/15/20  |     | 290          | 321,493      |
| 5.13%, 7/02/22   |     | 429          | 454,589      |
| Sally Holdings LLC:<br>6.88%, 11/15/19   |     | 545          | 606,312      |
| 5.75%, 6/01/22   |     | 512          | 554,240      |
| Sonic Automotive, Inc.,<br>9.00%, 3/15/18  |     | 370          | 406,537      |
|  |     |              | 9,090,305    |
| <b>Textiles, Apparel &amp; Luxury Goods 0.2%</b>                                       |     |              |              |
| Levi Strauss & Co.,<br>6.88%, 5/01/22  |     | 440          | 461,450      |
| <b>Trading Companies &amp; Distributors 0.8%</b>                                       |     |              |              |
| Air Lease Corp.,<br>4.50%, 1/15/16 (b)   |     | 590          | 594,425      |
| Ashtead Capital, Inc.,<br>6.50%, 7/15/22 (b)   |     | 490          | 521,850      |
| Doric Nimrod Air Finance Alpha Ltd.,<br>Series 2012-1 (b):<br>Class A, 5.13%, 11/30/24 |     | 635          | 658,812      |
| Class B, 6.50%, 5/30/21  |     | 575          | 587,765      |
|  |     |              | 2,362,852    |
| <b>Transportation Infrastructure 0.2%</b>  |     |              |              |
| Aguila 3 SA,<br>7.88%, 1/31/18 (b)   |     | 431          | 456,860      |
| <b>Wireless Telecommunication Services 3.7%</b>  |     |              |              |
| Cricket Communications, Inc.:<br>7.75%, 5/15/16  |     | 110          | 116,325      |
| 7.75%, 10/15/20  |     | 215          | 221,988      |
| Crown Castle International Corp.,<br>5.25%, 1/15/23 (b)                                |     | 640          | 668,800      |
| Digicel Group Ltd. (b):<br>8.25%, 9/01/17  |     | 1,180        | 1,265,550    |
| 8.25%, 9/30/20   |     | 945          | 1,004,062    |
| MetroPCS Wireless, Inc.,<br>6.63%, 11/15/20  |     | 760          | 803,700      |
| NII Capital Corp.,<br>7.63%, 4/01/21   |     | 341          | 235,290      |
| Sprint Capital Corp.,<br>6.88%, 11/15/28   |     | 1,702        | 1,753,060    |

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 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<br>(000) | Value              |
|--|--------------|--------------------|
| <b>Corporate Bonds</b>   |              |                    |
| <b>Wireless Telecommunication Services (concluded)</b>             |              |                    |
| Sprint Nextel Corp. (b):   |              |                    |
| 9.00%, 11/15/18  | USD 2,280    | \$ 2,810,100       |
| 7.00%, 3/01/20   | 1,495        | 1,730,462          |
| <b>Total Corporate Bonds</b>                                       |              | <b>10,609,337</b>  |
|  |              | <b>299,253,866</b> |
| <b>Floating Rate Loan Interests (e)</b>                            |              |                    |
| <b>Airlines 0.1%</b>   |              |                    |
| Delta Air Lines, Inc., Term Loan B, 5.50%, 4/20/17                 | 395          | 396,628            |
| <b>Auto Components 0.8%</b>  |              |                    |
| Federal-Mogul Corp., Term Loan B, 2.15%, 12/29/14                  | 943          | 874,911            |
| Schaeffler AG:   |              |                    |
| Term Loan B, 4.11%, 1/27/15  | EUR 745      | 949,532            |
| Term Loan C2, 6.00%, 1/27/17                                       | USD 395      | 399,815            |
|  |              | 2,224,258          |
| <b>Building Products 0.1%</b>                                      |              |                    |
| Wilsonart International Holdings LLC, Term Loan B, 5.50%, 10/19/19 | 425          | 427,125            |
| <b>Capital Markets 0.6%</b>  |              |                    |
| American Capital Holdings, Term Loan, 5.50%, 8/22/16               | 941          | 952,762            |
| Nuveen Investments, Inc.:  |              |                    |
| Incremental Term Loan, 7.25%, 5/13/17                              | 480          | 482,400            |
| Second Lien Term Loan, 8.25%, 2/28/19                              | 415          | 421,225            |
|  |              | 1,856,387          |
| <b>Chemicals 0.7%</b>  |              |                    |
| ADS Waste Holdings, Inc., Term Loan B, 5.25%, 10/09/19             | 450          | 454,725            |
| INEOS US Finance LLC, 6 Year Term Loan, 6.50%, 5/04/18             | 1,144        | 1,157,295          |
| Styron Sarl LLC, Term Loan B, 8.00%, 8/02/17                       | 393          | 375,931            |
|  |              | 1,987,951          |
| <b>Commercial Services &amp; Supplies 0.3%</b>                     |              |                    |
| AWAS Finance Luxembourg Sarl, Term Loan B, 5.25%, 6/10/16          | 441          | 446,585            |
| Delos Aircraft, Inc., Term Loan B2, 4.75%, 4/12/16                 | 550          | 555,846            |
|  |              | 1,002,431          |
|  | <b>Par</b>   |                    |
|  | <b>(000)</b> | <b>Value</b>       |
| <b>Floating Rate Loan Interests (e)</b>                            |              |                    |
| <b>Communications Equipment 0.7%</b>                               |              |                    |
| Avaya, Inc., Term Loan B1, 3.06%, 10/24/14                         | USD 253      | \$ 238,306         |
| Zayo Group LLC, Term Loan B, 5.25%, 7/02/19                        | 1,819        | 1,829,925          |
|  |              | 2,068,231          |
| <b>Construction &amp; Engineering 0.7%</b>                         |              |                    |
| Safway Services LLC, Mezzanine Loan, 15.63%, 12/16/17              | 2,000        | 2,000,000          |
| <b>Construction Materials 0.4%</b>                                 |              |                    |
| HD Supply, Inc., Senior Debt B, 7.25%, 10/12/17                    | 1,112        | 1,141,063          |
| <b>Consumer Finance 2.2%</b>                                       |              |                    |
| FMG America Finance, Inc., Term Loan, 5.25%, 10/18/17              | 2,280        | 2,285,700          |
| Springleaf Financial Funding Co., Term Loan, 5.50%, 5/10/17        | 4,001        | 3,951,988          |
|  |              | 6,237,688          |
| <b>Diversified Consumer Services 0.1%</b>                          |              |                    |
| Laureate Education, Inc., Extended Term Loan, 5.25%, 6/18/18       | 144          | 142,600            |
| <b>Diversified Financial Services 0.5%</b>                         |              |                    |
| Residential Capital LLC:   |              |                    |

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|   |       |           |
|---|-------|-----------|
| DIP Term Loan A1, 5.00%, 11/18/13   | 1,255 | 1,255,527 |
| DIP Term Loan A2, 6.75%, 11/18/13   | 185   | 185,925   |
|   |       | 1,441,452 |
| <b>Diversified Telecommunication Services 0.5%</b>                                |       |           |
| Level 3 Financing, Inc.:  |       |           |
| 2016 Term Loan B, 4.75%, 2/01/16  | 330   | 330,000   |
| 2019 Term Loan B, 5.25%, 8/01/19  | 270   | 271,687   |
| Term Loan, 4.75%, 8/01/19   | 850   | 854,250   |
|   |       | 1,455,937 |
| <b>Energy Equipment &amp; Services 1.7%</b>                                       |       |           |
| Dynegy Midwest Generation LLC, Coal Co. Term Loan, 9.25%, 8/04/16                 | 1,727 | 1,782,087 |
| Dynegy Power LLC, Gas Co. Term Loan, 9.25%, 8/04/16                               | 2,787 | 2,901,008 |
| Tervita Corp., Incremental Term Loan, 6.50%, 11/14/14                             | 273   | 272,711   |
|   |       | 4,955,806 |
| <b>Food &amp; Staples Retailing 0.0%</b>  |       |           |
| US Foods, Inc. (FKA U.S. Foodservice, Inc.), Extended Term Loan B, 5.75%, 3/31/17 | 74    | 72,776    |

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 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<br>(000) | Value        |
|---|--------------|--------------|
| <b>Floating Rate Loan Interests (e)</b>                           |              |              |
| <b>Food Products 0.1%</b>   |              |              |
| Advance Pierre Foods, Inc., Second Lien Term Loan, 5.75%, 7/10/17 | USD 215      | \$ 216,989   |
| <b>Health Care Equipment &amp; Supplies 0.5%</b>                  |              |              |
| Bausch & Lomb, Inc., Term Loan B, 5.25%, 5/17/19                  | 384          | 388,610      |
| Hupah Finance, Inc., Term Loan B, 6.25% - 7.25%, 1/21/19          | 761          | 767,835      |
| LHP Hospital Group, Inc., Term Loan, 9.00%, 7/03/18               | 284          | 286,420      |
|   |              | 1,442,865    |
| <b>Health Care Providers &amp; Services 0.5%</b>                  |              |              |
| Genesis Healthcare Corp., Term Loan B, 10.75%, 9/25/17            | 190          | 182,875      |
| Harden Healthcare LLC:  |              |              |
| Add on Term Loan A, 7.75%, 3/02/15                                | 374          | 362,247      |
| Term Loan A, 8.50%, 3/02/15                                       | 354          | 347,292      |
| inVentiv Health, Inc., Combined Term Loan, 6.50%, 8/04/16         | 682          | 642,566      |
|   |              | 1,534,980    |
| <b>Hotels, Restaurants &amp; Leisure 2.4%</b>                     |              |              |
| Caesars Entertainment Operating Co., Inc.:                        |              |              |
| Extended Term Loan B6, 5.46%, 1/26/18                             | 139          | 124,531      |
| Incremental Term Loan B3, 3.22%, 1/28/15                          | 75           | 72,656       |
| Incremental Term Loan B4, 9.50%, 10/31/16                         | 341          | 347,930      |
| Term Loan B1, 3.21%, 1/28/15                                      | 540          | 523,125      |
| Term Loan B2, 3.21%, 1/28/15                                      | 430          | 416,563      |
| Harrah s Property Co., Mezzanine Term Loan, 3.20%, 2/13/13        | 4,448        | 3,734,788    |
| Kronos, Inc., Second Lien Term Loan, 9.75%, 4/24/20               | 515          | 515,000      |
| Sabre, Inc., Non-Extended Initial Term Loan, 2.21%, 9/30/14       | 24           | 23,470       |
| Station Casinos, Inc., Term Loan B, 5.50%, 9/07/19                | 1,035        | 1,037,587    |
| Travelport LLC:   |              |              |
| Extended Tranche A Term Loan, 6.31%, 12/01/16                     | 196          | 58,844       |
| Extended Tranche B Term Loan, 13.81%, 12/01/16                    | 645          | 48,341       |
|   |              | 6,902,835    |
|   | <b>Par</b>   |              |
|   | <b>(000)</b> | <b>Value</b> |
| <b>Floating Rate Loan Interests (e)</b>                           |              |              |
| <b>Industrial Conglomerates 0.1%</b>                              |              |              |
| Sequa Corp.:  |              |              |
| Incremental Term Loan, 6.25%, 12/03/14                            | USD 178      | \$ 177,781   |
| Term Loan, 3.46% - 3.61%, 12/03/14                                | 121          | 120,925      |
|   |              | 298,706      |
| <b>IT Services 0.3%</b>   |              |              |
| Ceridian Corp., Extended Term Loan, 5.96%, 5/09/17                | 68           | 68,074       |
| First Data Corp., 2018 Term Loan B, 4.21%, 3/23/18                | 785          | 746,927      |
|   |              | 815,001      |
| <b>Leisure Equipment &amp; Products 0.2%</b>                      |              |              |
| Eastman Kodak Co., DIP Term Loan B, 8.50%, 7/19/13                | 650          | 648,824      |
| <b>Machinery 0.2%</b>   |              |              |
| Rexnord Corp., Term Loan B, 4.50%, 4/02/18                        | 591          | 595,215      |
| <b>Media 3.6%</b>   |              |              |
| Affinion Group, Inc., Term Loan B, 6.50%, 7/16/15                 | 39           | 36,347       |
| Cengage Learning Acquisitions, Inc.:                              |              |              |
| Non-Extended Term Loan, 2.71%, 7/03/14                            | 322          | 245,568      |
| Tranche 1 Incremental, 7.50%, 7/03/14                             | 1,676        | 1,355,162    |
| Cequel Communications LLC, Term Loan B, 4.00%, 2/14/19            | 288          | 288,341      |
| Clear Channel Communications, Inc.:                               |              |              |
| Term Loan B, 3.86%, 1/29/16                                       | 1,278        | 1,036,757    |

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|  |       |            |
|--|-------|------------|
| Term Loan C, 3.86%, 1/29/16  | 428   | 338,743    |
| EMI Music Publishing Ltd., Term Loan B, 5.50%, 6/29/18             | 434   | 438,035    |
| Getty Images, Inc., Term Loan B, 4.75%, 10/18/19                   | 412   | 413,443    |
| Intelsat Jackson Holdings SA, Tranche B Term Loan, 4.50%, 4/02/18  | 5,460 | 5,473,159  |
| Interactive Data Corp., Term Loan B, 4.50%, 2/12/18                | 409   | 411,110    |
| Univision Communications, Inc., Extended Term Loan, 4.46%, 3/31/17 | 268   | 261,413    |
|  |       | 10,298,078 |
| <b>Metals &amp; Mining 0.2%</b>                                    |       |            |
| Constellium Holdco BV, Term Loan B, 9.25%, 5/25/18                 | 429   | 428,925    |

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 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          |  | Value             |
|---|--------------|--|-------------------|
|   | (000)        |  |                   |
| <b>Floating Rate Loan Interests (e)</b>                                 |              |  |                   |
| <b>Oil, Gas &amp; Consumable Fuels 1.2%</b>                             |              |  |                   |
| Chesapeake Energy Corp., Unsecured Term Loan, 5.75%, 12/01/17           | USD 1,440    |  | \$ 1,414,800      |
| Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15                  | 921          |  | 920,626           |
| Samson Investment Co., Second Lien Term Loan, 6.00%, 9/25/18            | 235          |  | 236,469           |
| Vantage Drilling Co., Term Loan, 6.25%, 10/26/17                        | 985          |  | 970,225           |
|   |              |  | 3,542,120         |
| <b>Paper &amp; Forest Products 0.5%</b>                                 |              |  |                   |
| NewPage Corp., DIP Term Loan, 8.75%, 3/07/13                            | 600          |  | 599,628           |
| Verso Paper Finance Holdings LLC, Term Loan, 6.56% - 7.31%, 2/01/13 (h) | 1,562        |  | 780,930           |
|   |              |  | 1,380,558         |
| <b>Pharmaceuticals 0.5%</b>   |              |  |                   |
| Aptalis Pharma, Inc., Term Loan B, 5.50%, 2/10/17                       | 983          |  | 982,196           |
| Pharmaceutical Product Development, Inc., Term Loan B, 6.25%, 12/05/18  | 312          |  | 316,868           |
|   |              |  | 1,299,064         |
| <b>Professional Services 0.1%</b>                                       |              |  |                   |
| Truven Health Analytics, Inc., Term Loan B, 5.75%, 6/01/19              | 374          |  | 373,969           |
| <b>Real Estate Investment Trusts (REITs) 0.3%</b>                       |              |  |                   |
| iStar Financial, Inc., Term Loan, 5.75%, 9/28/17                        | 789          |  | 789,411           |
| <b>Real Estate Management &amp; Development 0.4%</b>                    |              |  |                   |
| Realogy Corp.:  |              |  |                   |
| Extended Letter of Credit Loan, 4.46%, 10/10/16                         | 103          |  | 103,110           |
| Extended Term Loan, 4.46%, 10/10/16                                     | 737          |  | 735,137           |
| Stockbridge SBE Holdings LLC, Term Loan B, 13.00%, 5/02/17              | 185          |  | 182,688           |
|   |              |  | 1,020,935         |
| <b>Road &amp; Rail 0.1%</b>   |              |  |                   |
| Genesee & Wyoming, Inc., Term Loan A, 10.75%, 9/29/17                   | 300          |  | 299,250           |
| <b>Software 0.4%</b>  |              |  |                   |
| Infor US, Inc., Term Loan B2, 5.25%, 4/05/18                            | 1,232        |  | 1,243,308         |
| <b>Textiles, Apparel &amp; Luxury Goods 0.4%</b>                        |              |  |                   |
| Ascend Performance Materials LLC, Term Loan B, 6.75%, 4/10/18           | 1,134        |  | 1,111,614         |
|   | <b>Par</b>   |  |                   |
|   | <b>(000)</b> |  | <b>Value</b>      |
| <b>Floating Rate Loan Interests (e)</b>                                 |              |  |                   |
| <b>Wireless Telecommunication Services 1.2%</b>                         |              |  |                   |
| Vodafone Americas Finance 2, Inc. (h):                                  |              |  |                   |
| Term Loan, 6.88%, 8/11/15   | USD 1,938    |  | \$ 1,976,937      |
| Term Loan B, 6.25%, 7/11/16   | 1,341        |  | 1,377,492         |
|   |              |  | 3,354,429         |
| <b>Total Floating Rate Loan Interests 22.6%</b>                         |              |  | <b>65,007,409</b> |

|  | Beneficial<br>Interest |       |
|--|------------------------|-------|
|  | (000)                  |       |
| <b>Other Interests (l)</b>                           |                        |       |
| <b>Auto Components 0.0%</b>                          |                        |       |
| Lear Corp. Escrow                                    | 460                    | 4,887 |
| <b>Chemicals 0.0%</b>                                |                        |       |
| Wellman Holdings, Inc., Litigation Trust Certificate | 2,830                  | 28    |
| <b>Hotels, Restaurants &amp; Leisure 0.0%</b>        |                        |       |

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|                                   |     |       |
|-----------------------------------|-----|-------|
| Buffets, Inc. (a)                 | 575 | 6     |
| <b>Media 0.0%</b>                 |     |       |
| Adelphia Escrow (a)               | 750 | 8     |
| Adelphia Recovery Trust (a)       | 941 | 94    |
|                                   |     | 102   |
| <b>Total Other Interests 0.0%</b> |     | 5,023 |

**Preferred Securities**

|   |              |         |
|---|--------------|---------|
|   | <b>Par</b>   |         |
|   | <b>(000)</b> |         |
| <b>Capital Trusts 0.2%</b>                    |              |         |
| <b>Insurance 0.2%</b>                         |              |         |
| Genworth Financial, Inc., 6.15%, 11/15/66 (e) | 865          | 581,712 |

|  |               |           |
|--|---------------|-----------|
|  | <b>Shares</b> |           |
| <b>Preferred Stocks</b>                    |               |           |
| <b>Auto Components 0.7%</b>                |               |           |
| Dana Holding Corp., 4.00% (b)(f)           | 17,830        | 2,156,316 |
| <b>Diversified Financial Services 1.3%</b> |               |           |
| Ally Financial, Inc., 7.00% (b)            | 3,733         | 3,634,542 |

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 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)

|  | Shares        | Value          |
|--|---------------|----------------|
| <b>Preferred Securities</b>  |               |                |
| <b>Preferred Stocks</b>  |               |                |
| <b>Real Estate Investment Trusts (REITs) 0.1%</b>  |               |                |
| MPG Office Trust, Inc., Series A, 7.63% (a)  | 8,994         | \$ 179,700     |
| <b>Thriffs &amp; Mortgage Finance 0.1%</b>   |               |                |
| Fannie Mae, Series O, 7.00% (a)  | 30,000        | 81,000         |
| Freddie Mac, Series Z, 8.38% (a)   | 75,961        | 123,057        |
|  |               | 204,057        |
| <b>Total Preferred Stocks 2.2%</b>   |               | 6,174,615      |
| <b>Trust Preferreds 1.0%</b>   |               |                |
| <b>Diversified Financial Services 1.0%</b>   |               |                |
| GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (b)   | 115,590       | 2,999,380      |
| <b>Total Preferred Securities 3.4%</b>   |               | 9,755,707      |
| <b>Warrants (m)</b>  |               |                |
| <b>Containers &amp; Packaging 0.0%</b>   |               |                |
| MDP Acquisitions Plc (Expires 10/10/13)  | 700           | 42,587         |
| <b>Health Care Providers &amp; Services 0.0%</b>   |               |                |
| HealthSouth Corp. (Expires 1/16/14)  | 32,042        | 1              |
| <b>Media 0.0%</b>  |               |                |
| New Vision Holdings LLC, (Expires 9/30/14)   | 22            | 67,341         |
| <b>Software 0.0%</b>   |               |                |
| Bankruptcy Management Solutions, Inc. (Expires 9/28/17)  | 334           |                |
| HMH Holdings/EduMedia (Issued/Exercisable 3/09/10, 19 Shares for 1 Warrant, Expires 6/22/19, Strike Price \$42.27) | 1,164         |                |
| <b>Total Warrants 0.0%</b>   |               | 109,929        |
| <b>Total Long-Term Investments</b>   |               |                |
| (Cost \$389,290,461) 137.7%  |               | 396,901,266    |
|  | <b>Shares</b> | <b>Value</b>   |
| <b>Short-Term Securities</b>   |               |                |
| BlackRock Liquidity Funds, TempFund, Institutional Class, 0.15% (n)(o)   | 1,690,937     | \$ 1,690,937   |
| <b>Total Short-Term Securities</b>   |               |                |
| (Cost \$1,690,937) 0.6%  |               | 1,690,937      |
| <b>Contracts</b>   |               |                |
| <b>Options Purchased</b>   |               |                |
| <b>Over-the-Counter Call Options 0.0%</b>  |               |                |
| Marsico Parent Superholdco LLC, Strike Price USD 942.86, Expires 12/21/19, Broker Goldman Sachs Group, Inc.        | 19            |                |
| <b>Total Options Purchased</b>   |               |                |
| (Cost \$18,578) 0.0%   |               |                |
| <b>Total Investments</b>   |               |                |
| (Cost - \$390,999,976*) 138.3%   |               | 398,592,203    |
| <b>Liabilities in Excess of Other Assets (38.3)%</b>   |               | (110,429,601)  |
| <b>Net Assets 100.0%</b>   |               | \$ 288,162,602 |

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\* As of November 30, 2012, gross unrealized appreciation and gross unrealized depreciation based on cost for federal income tax purposes were as follows:

|                               |    |              |
|-------------------------------|----|--------------|
| Tax cost                      | \$ | 391,959,665  |
| Gross unrealized appreciation | \$ | 20,894,964   |
| Gross unrealized depreciation |    | (14,262,342) |
| Net unrealized appreciation   | \$ | 6,632,622    |

(a) Non-income producing security.

(b) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.

(c) All or a portion of security has been pledged as collateral in connection with swaps.

(d) When-issued security. Unsettled when-issued transactions were as follows:

|                      | <b>Value</b> | <b>Unrealized<br/>Appreciation</b> |
|----------------------|--------------|------------------------------------|
| <b>Counterparty</b>  |              |                                    |
| Citigroup, Inc.      | \$ 500,000   |                                    |
| Goldman Sachs & Co.  | \$ 230,063   | \$ 5,063                           |
| JPMorgan Chase & Co. | \$ 520,000   |                                    |

(e) Variable rate security. Rate shown is as of report date.

(f) Convertible security.

(g) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.

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

(i) Security is perpetual in nature and has no stated maturity date.

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 2012

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## Consolidated Schedule of Investments (continued)

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

- (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 is as of report date.
- (k) Issuer filed for bankruptcy and/or is in default of interest payments.
- (l) Other interests represent beneficial interests in liquidation trusts and other reorganization or private entities.
- (m) Warrants entitle the Fund to purchase a predetermined number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date of the warrants, if any.
- (n) Represents the current yield as of report date.
- (o) Investments in issuers considered to be an affiliate of the Fund during the period ended November 30, 2012, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

|  | Shares                          |                 | Shares                          |        |
|--|---------------------------------|-----------------|---------------------------------|--------|
|  | Held at<br>February 29,<br>2012 | Net<br>Activity | Held at<br>November 30,<br>2012 | Income |
| <b>Affiliate</b>   |                                 |                 |                                 |        |
| BlackRock Liquidity Funds, TempFund, Institutional Class |                                 | 1,690,937       | 1,690,937                       | \$ 694 |

**Portfolio Abbreviations**

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

|        |  |
|--------|--|
| AUD    | Australian Dollar  |
| CAD    | Canadian Dollar  |
| DIP    | Debtor-In-Possession   |
| EBITDA | Earnings Before Interest Taxes Depreciation and Amortization |
| EUR    | Euro   |
| FKA    | Formerly Known As  |
| GBP    | British Pound  |
| USD    | US Dollar  |

## Consolidated Schedule of Investments (continued)

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

Financial futures contracts sold as of November 30, 2012 were as follows:

| Contracts | Issue                | Exchange           | Expiration    | Notional Value | Unrealized Depreciation |
|-----------|----------------------|--------------------|---------------|----------------|-------------------------|
| 59        | S&P 500 E-Mini Index | Chicago Mercantile | December 2012 | \$ 4,172,480   | \$ (53,372)             |

Foreign currency exchange contracts as of November 30, 2012 were as follows:

| Currency Purchased |            | Currency Sold | Counterparty                     | Settlement Date | Unrealized Appreciation (Depreciation) |
|--------------------|------------|---------------|----------------------------------|-----------------|--|
| EUR                | 365,000    | USD           | Royal Bank of Scotland Group Plc | 12/21/12        | \$ 2,512                               |
| GBP                | 110,000    | USD           | Bank of New York Mellon Corp.    | 1/16/13         | (1,255)                                |
| GBP                | 110,000    | USD           | Citigroup, Inc.                  | 1/16/13         | 66                                     |
| USD                | 204,294    | AUD           | UBS AG                           | 1/16/13         | (4,769)                                |
| USD                | 2,883,042  | CAD           | UBS AG                           | 1/16/13         | 47,237                                 |
| USD                | 175,751    | GBP           | Citigroup, Inc.                  | 1/16/13         | (472)                                  |
| USD                | 173,921    | GBP           | Citigroup, Inc.                  | 1/16/13         | 902                                    |
| USD                | 5,136,304  | GBP           | Goldman Sachs Group, Inc.        | 1/16/13         | 2,615                                  |
| USD                | 175,279    | GBP           | JPMorgan Chase & Co.             | 1/16/13         | (944)                                  |
| USD                | 152,888    | GBP           | Royal Bank of Scotland Group Plc | 1/16/13         | (907)                                  |
| USD                | 285,832    | GBP           | UBS AG                           | 1/16/13         | (2,532)                                |
| USD                | 225,809    | GBP           | UBS AG                           | 1/16/13         | (1,679)                                |
| EUR                | 28,000     | USD           | Bank of New York Mellon Corp.    | 1/23/13         | 195                                    |
| EUR                | 286,000    | USD           | Citigroup, Inc.                  | 1/23/13         | 388                                    |
| EUR                | 212,000    | USD           | Citigroup, Inc.                  | 1/23/13         | 4,380                                  |
| EUR                | 730,000    | USD           | Citigroup, Inc.                  | 1/23/13         | 7,191                                  |
| EUR                | 53,000     | USD           | UBS AG                           | 1/23/13         | 1,582                                  |
| USD                | 63,848     | EUR           | Goldman Sachs Group, Inc.        | 1/23/13         | (1,213)                                |
| USD                | 389,499    | EUR           | UBS AG                           | 1/23/13         | (868)                                  |
| USD                | 22,102,369 | EUR           | UBS AG                           | 1/23/13         | 171,546                                |
| <b>Total</b>       |            |               |                                  |                 | \$ 223,975                             |

Credit default swaps - buy protection outstanding as of November 30, 2012 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                | \$ (7,954)                             |
| Israel (State of)             | 1.00%          | Deutsche Bank AG                   | 3/20/17         | \$ 225                | (7,528)                                |
| Israel Government Bond        | 1.00%          | Deutsche Bank AG                   | 3/20/17         | \$ 675                | (22,986)                               |
| K Hovnanian Enterprises, Inc. | 5.00%          | Credit Suisse Securities (USA) LLC | 9/20/17         | \$ 75                 | (426)                                  |
| K Hovnanian Enterprises, Inc. | 5.00%          | Deutsche Bank AG                   | 9/20/17         | \$ 30                 | (135)                                  |
| K Hovnanian Enterprises, Inc. | 5.00%          | JPMorgan Chase & Co.               | 9/20/17         | \$ 30                 | (170)                                  |
| Beazer Homes USA, Inc.        | 5.00%          | JPMorgan Chase & Co.               | 12/20/17        | \$ 75                 | 422                                    |
| <b>Total</b>                  |                |                                    |                 |                       | \$ (38,777)                            |





## Consolidated Schedule of Investments (continued)

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

Credit default swaps - sold protection outstanding as of November 30, 2012 were as follows:

| Issuer                                    | Receive<br>Fixed<br>Rate | Counterparty                       | Expiration<br>Date | Issuer<br>Credit<br>Rating <sup>1</sup> | Notional<br>Amount<br>(000) <sup>2</sup> | Unrealized<br>Appreciation |
|---|--------------------------|------------------------------------|--------------------|---|--|----------------------------|
| Air Lease Corp.                           | 5.00%                    | Goldman Sachs International        | 2/14/13            | NR                                      | \$ 500                                   | \$ 4,246                   |
| CIT Group, Inc.                           | 5.00%                    | Deutsche Bank AG                   | 9/20/15            | BB-                                     | \$ 3,400                                 | 456,210                    |
| Caesars Entertainment Operating Co., Inc. | 5.00%                    | JPMorgan Chase & Co.               | 12/20/15           | B-                                      | \$ 274                                   | 8,599                      |
| ARAMARK Corp.                             | 5.00%                    | Goldman Sachs International        | 3/20/16            | B+                                      | \$ 500                                   | 36,340                     |
| ARAMARK Corp.                             | 5.00%                    | Goldman Sachs International        | 6/20/16            | B+                                      | \$ 300                                   | 21,897                     |
| ARAMARK Corp.                             | 5.00%                    | Goldman Sachs International        | 6/20/16            | B+                                      | \$ 300                                   | 23,451                     |
| ARAMARK Corp.                             | 5.00%                    | Credit Suisse Securities (USA) LLC | 9/20/16            | B+                                      | \$ 125                                   | 13,195                     |
| ARAMARK Corp.                             | 5.00%                    | Deutsche Bank AG                   | 3/20/17            | B+                                      | \$ 200                                   | 11,922                     |
| Crown Castle International Corp.          | 7.25%                    | Deutsche Bank AG                   | 3/20/17            | B+                                      | \$ 470                                   | 66,068                     |
| Ford Motor Co.                            | 5.00%                    | Deutsche Bank AG                   | 3/20/17            | BB+                                     | \$ 1,500                                 | 114,925                    |
| CCO Holdings LLC                          | 8.00%                    | Deutsche Bank AG                   | 9/20/17            | BB-                                     | \$ 1,600                                 | 336,960                    |
| Level 3 Communications, Inc.              | 5.00%                    | Goldman Sachs International        | 6/20/19            | B-                                      | \$ 1,000                                 | 52,307                     |
| <b>Total</b>                              |                          |                                    |                    |   |  | \$ 1,146,120               |

<sup>1</sup> Using Standard & Poor's rating.<sup>2</sup> The maximum potential amount the Fund may pay should a negative credit event take place as defined under the terms of the agreement.

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

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## Consolidated Schedule of Investments (continued)

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

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.

Fair Value Measurements - Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs to valuation techniques are categorized into a disclosure hierarchy consisting of three broad levels for financial reporting purposes as follows:

Level 1 unadjusted price quotations in active markets/exchanges for identical assets and liabilities that the Fund has the ability to access

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 hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Fund's policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. 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 is not necessarily an indication of the risks associated with 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 the Fund's most recent financial statements as contained in its semi-annual report.

The following tables summarize the Fund's investments and derivative financial instruments categorized in the disclosure hierarchy as of November 30, 2012:

|  | Level 1       | Level 2        | Level 3       | Total          |
|--|---------------|----------------|---------------|----------------|
| <b>Assets:</b>                                       |               |                |               |                |
| Investments:   |               |                |               |                |
| Long-Term Investments:                               |               |                |               |                |
| Common Stocks  | \$ 15,260,190 | \$ 2,209,623   | \$ 5,299,519  | \$ 22,769,332  |
| Corporate Bonds                                      |               | 294,031,298    | 5,222,568     | 299,253,866    |
| Floating Rate Loan Interests                         |               | 51,406,737     | 13,600,672    | 65,007,409     |
| Other Interests                                      | 94            |                | 4,929         | 5,023          |
| Preferred Securities                                 | 3,383,137     | 6,372,570      |               | 9,755,707      |
| Warrants   |               | 109,928        | 1             | 109,929        |
| Short-Term Securities                                | 1,690,937     |                |               | 1,690,937      |
| <b>Total</b>   | \$ 20,334,358 | \$ 354,130,156 | \$ 24,127,689 | \$ 398,592,203 |
| <b>Derivative Financial Instruments <sup>1</sup></b> |               |                |               |                |
| <b>Assets:</b>                                       |               |                |               |                |
| Credit contracts                                     |               | \$ 282,636     | \$ 863,484    | \$ 1,146,120   |
| Foreign currency exchange contracts                  |               | 238,614        |               | 238,614        |
| <b>Liabilities:</b>                                  |               |                |               |                |
| Credit contracts                                     |               | (38,777)       |               | (38,777)       |
| Equity contracts                                     | \$ (53,372)   |                |               | (53,372)       |
| Foreign currency exchange contracts                  |               | (14,639)       |               | (14,639)       |

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|              |    |          |    |         |    |         |    |           |
|--------------|----|----------|----|---------|----|---------|----|-----------|
| <b>Total</b> | \$ | (53,372) | \$ | 467,834 | \$ | 863,484 | \$ | 1,277,946 |
|--------------|----|----------|----|---------|----|---------|----|-----------|

<sup>1</sup> 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.

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

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## Consolidated Schedule of Investments (continued)

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

Certain of the Fund's assets and liabilities are held at carrying amount, which approximates fair value for financial reporting purposes. As of November 30, 2012, such assets and liabilities are categorized within the disclosure hierarchy as follows:

|  | Level 1    | Level 2          | Level 3 | Total            |
|--|------------|------------------|---------|------------------|
| <b>Assets:</b>   |            |                  |         |                  |
| Cash   | \$ 26,996  |                  |         | \$ 26,996        |
| Cash pledged as collateral for financial futures contracts | 248,000    |                  |         | 248,000          |
| Cash pledged as collateral for swaps                       | 100,000    |                  |         | 100,000          |
| Foreign currency at value                                  | 16,807     |                  |         | 16,807           |
| <b>Liabilities:</b>  |            |                  |         |                  |
| Cash received as collateral for swaps                      |            | \$ (1,000,000)   |         | (1,000,000)      |
| Loans payable  |            | (115,000,000)    |         | (115,000,000)    |
| <b>Total</b>   | \$ 391,803 | \$ (116,000,000) |         | \$ (115,608,197) |

There were no transfers between Level 1 and Level 2 during the period ended November 30, 2012.

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

|   | Common       | Corporate    | Floating Rate  | Other     | Preferred  |           | Total         |
|---|--------------|--------------|----------------|-----------|------------|-----------|---------------|
|   | Stocks       | Bonds        | Loan Interests | Interests | Securities | Warrants  |               |
| <b>Assets/Liabilities:</b>                                      |              |              |                |           |            |           |               |
| Opening Balance, as of February 29, 2012                        | \$ 4,322,217 | \$ 4,458,734 | \$ 9,295,244   | \$ 4,642  | \$ 352,582 | \$ 1      | \$ 18,433,420 |
| Transfers into Level 3 <sup>1</sup>                             |              |              | 1,249,640      |           |            |           | 1,249,640     |
| Transfers out of Level 3 <sup>1</sup>                           | (38,470)     |              | (130,528)      |           |            |           | (168,998)     |
| Accrued discounts/premiums                                      |              | 702          | 130,907        |           |            |           | 131,609       |
| Net realized gain (loss)  | (937,908)    |              | (371,234)      |           | (87,104)   | (177,871) | (1,574,117)   |
| Net change in unrealized appreciation/depreciation <sup>2</sup> | 799,475      | (233,692)    | 271,612        | 287       | 110,561    | 177,871   | 1,126,114     |
| Purchases   | 1,154,217    | 1,121,399    | 4,581,222      |           |            |           | 6,856,838     |
| Sales   | (12)         | (124,575)    | (1,426,191)    |           | (376,039)  |           | (1,926,817)   |
| <b>Closing Balance, as of November 30, 2012</b>                 | \$ 5,299,519 | \$ 5,222,568 | \$ 13,600,672  | \$ 4,929  |            | \$ 1      | \$ 24,127,689 |

<sup>1</sup> Transfers into and transfers out of Level 3 represent the values as of the beginning of the reporting period.

<sup>2</sup> The change in unrealized appreciation/depreciation on investments still held as of November 30, 2012 was \$(402,578).

## Consolidated Schedule of Investments (continued)

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

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

|   | Credit<br>Contracts |
|---|---------------------|
| <b>Assets:</b>  |                     |
| Opening Balance, as of August 31, 2012                          | \$ 237,861          |
| Transfers into Level 3 <sup>3</sup>                             |                     |
| Transfers out of Level 3 <sup>3</sup>                           |                     |
| Accrued discounts/premiums                                      |                     |
| Net realized gain (loss)  |                     |
| Net change in unrealized appreciation/depreciation <sup>4</sup> | 625,623             |
| Purchases   |                     |
| Issues <sup>5</sup>   |                     |
| Sales   |                     |
| Settlements <sup>6</sup>  |                     |
| <b>Closing Balance, as of November 30, 2012</b>                 | <b>\$ 863,484</b>   |

<sup>3</sup> Transfers into and transfers out of Level 3 represent the values as of the beginning of the reporting period.

<sup>4</sup> The change in unrealized appreciation/depreciation on derivative financial instruments still held as of November 30, 2012 was \$625,623.

<sup>5</sup> Issues represent upfront cash received on certain derivative financial instruments.

<sup>6</sup> Settlements represent periodic contractual cash flows and/or cash flows to terminate certain derivative financial instruments.

The following table summarizes the valuation techniques used and unobservable inputs developed by the BlackRock Global Valuation Methodologies Committee (Global Valuation Committee) to determine the value of certain of the Fund's Level 3 investments and derivative financial instruments as of November 30, 2012. The table does not include Level 3 investments and derivative financial instruments with values derived utilizing transaction prices from recent prior transactions or third party pricing information without adjustment for which such inputs are also unobservable. A significant change in third party pricing information could result in a significantly lower or higher value of such Level 3 investments and derivative financial instruments. The value of Level 3 investments and derivative financial instruments derived using prices from prior transactions and/or third party pricing information is \$12,010,509.

|                              | Value                | Valuation Techniques                                  | Unobservable<br>Inputs <sup>1</sup>           | Range of<br>Unobservable Inputs<br>Utilized | Weighted Average of<br>Unobservable Inputs <sup>2</sup> |
|------------------------------|----------------------|---|---|---|---|
| <b>Assets:</b>               |                      |   |   |   |   |
| Common Stocks                | \$ 4,885,152         | Market Comparable<br>Companies                        | EBITDA Multiple<br>Forward EBITDA<br>Multiple | 6.7x<br>5.4x                                | 6.7x<br>5.4x  |
|                              |                      | Restructure Terms <sup>3</sup><br>Cost                | N/A<br>N/A <sup>4</sup>                       |   |   |
| Corporate Bonds              | 4,605,043            | Market Comparable<br>Companies                        | Yield<br>EBITDA Multiple                      | 9.67% 12.1%<br>6.0x                         | 10.6%<br>6.0x   |
|                              |                      | Discounted Cashflow<br>Restructure Terms <sup>3</sup> | Yield<br>N/A                                  | 12.0%                                       | 12.0%   |
| Floating Rate Loan interests | 3,490,469            | Market Comparable<br>Companies                        | Illiquidity Discount<br>Yield                 | 50%<br>9.64%                                | 50%<br>9.64%  |
|                              |                      | Cost  | N/A <sup>4</sup>                              |   |   |
| <b>Total</b>                 | <b>\$ 12,980,664</b> |   |   |   |   |

<sup>1</sup> A change to the unobservable input may result in a significant change to the value of the investment as follows:

| Unobservable Input      | Impact to Value if Input Increases | Impact to Value if Input Decreases |
|-------------------------|------------------------------------|------------------------------------|
| EBITDA Multiple         | Increase                           | Decrease                           |
| Forward EBITDA Multiple | Increase                           | Decrease                           |

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|                      |          |          |
|----------------------|----------|----------|
| Illiquidity Discount | Decrease | Increase |
| Yield                | Decrease | Increase |

<sup>2</sup> Unobservable inputs are weighted based on the value of the investments included in the range.

<sup>3</sup> Investment is valued based on the company's financial restructuring plan.

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 2012

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## Consolidated Schedule of Investments (concluded)

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

<sup>4</sup> The Fund fair values certain of its Level 3 investments using prior transaction prices (acquisition cost), although the transaction may not have occurred during the current reporting period. In such cases, these investments are generally privately held investments. There may not be a secondary market, and/or there are a limited number of investors. The determination to fair value such investments at cost is based upon factors consistent with the principles of fair value measurement that are reasonably available to the Global Valuation Committee, or its delegate. Valuations are reviewed utilizing available market information to determine if the carrying value should be adjusted. Such market data may include, but is not limited to, observations of the trading multiples of public companies considered comparable to the private companies being valued, financial or operational information released by the company, and/or news or corporate events that affect the investment. Valuations may be adjusted to account for company-specific issues, the lack of liquidity inherent in a nonpublic investment and the fact that comparable public companies are not identical to the investments being fair valued by the Fund.



Item 2 Controls and Procedures

- 2(a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the 1940 Act )) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended.
- 2(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3 Exhibits

Certifications Attached hereto

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BlackRock Corporate High Yield Fund III, Inc.

By: /s/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock Corporate High Yield Fund III, Inc.

Date: January 23, 2013

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of

BlackRock Corporate High Yield Fund III, Inc.

Date: January 23, 2013

By: /s/ Neal J. Andrews  
Neal J. Andrews  
Chief Financial Officer (principal financial officer) of  
BlackRock Corporate High Yield Fund III, Inc.

Date: January 23, 2013