

BLACKROCK CORPORATE HIGH YIELD FUND III INC
Form N-Q
January 26, 2012
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-08497

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

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

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

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

Date of fiscal year end: 02/29/2012

Date of reporting period: 11/30/2011

Item 1 – Schedule of Investments

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Schedule of Investments November 30, 2011 (Unaudited)

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

| Common Stocks | Shares | Value |
|--|---------------|--------------|
| Auto Components 2.7% | | |
| Delphi Debtor-in-Possession Holding Co. LLP (a): | | |
| Class B Membership Interests | 103,994 | \$ 2,113,062 |
| Class B Membership Interests | 242,654 | 4,804,056 |
| | | 6,917,118 |
| Capital Markets 0.3% | | |
| E*Trade Financial Corp. (a) | 74,600 | 684,828 |
| Communications Equipment 0.3% | | |
| Loral Space & Communications Ltd. (a) | 12,778 | 794,153 |
| Computers & Peripherals 0.1% | | |
| Apple, Inc. (a) | 910 | 347,802 |
| Diversified Financial Services 0.8% | | |
| Kcad Holdings I Ltd. | 186,717,876 | 2,108,045 |
| Electrical Equipment 0.0% | | |
| Medis Technologies Ltd. (a) | 70,784 | 425 |
| Hotels, Restaurants & Leisure 0.0% | | |
| Buffets Restaurants Holdings, Inc. (a) | 1,099 | 2,747 |
| Travelport Worldwide Ltd. | 76,940 | 38,470 |
| | | 41,217 |
| Media 1.5% | | |
| Belo Corp., Class A | 47,382 | 277,185 |
| Charter Communications, Inc. (a) | 63,805 | 3,373,370 |
| Clear Channel Outdoor Holdings, Inc., Class A (a) | 9,964 | 112,693 |
| | | 3,763,248 |
| Metals & Mining 0.1% | | |
| African Minerals Ltd. (a) | 47,050 | 331,423 |
| Paper & Forest Products 0.2% | | |
| Ainsworth Lumber Co. Ltd. | 122,117 | 122,123 |
| Ainsworth Lumber Co. Ltd. (b) | 140,415 | 140,422 |
| Western Forest Products, Inc. (a) | 158,023 | 114,650 |
| Western Forest Products, Inc. (a)(b) | 45,762 | 33,201 |
| | | 410,396 |
| Professional Services 0.0% | | |
| Pendrell Corp. (a) | 3,500 | 9,555 |
| Semiconductors & Semiconductor Equipment 0.2% | | |
| Spansion, Inc., Class A (a) | 64,237 | 561,432 |
| SunPower Corp., Class B | 271 | 2,119 |
| | | 563,551 |
| Software 0.1% | | |
| Bankruptcy Management Solutions, Inc. (a) | 501 | 3 |
| | | |
| Common Stocks | Shares | Value |
| Software (concluded) | | |
| HMH Holdings/EduMedia (a) | 89,669 | \$ 134,503 |
| | | 134,506 |
| Total Common Stocks 6.3% | | 16,106,267 |

Corporate Bonds

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| | Par (000) | |
|--|--------------|-----------|
| Aerospace & Defense 0.5% | | |
| Huntington Ingalls Industries, Inc. (b): | | |
| 6.88%, 3/15/18 | USD | 225,400 |
| 7.13%, 3/15/21 | | 323,400 |
| Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17 | | 761,670 |
| | | 1,310,470 |
| Air Freight & Logistics 0.5% | | |
| National Air Cargo Group, Inc.: | | |
| Series 1, 12.38%, 9/02/15 | | 674,488 |
| Series 2, 12.38%, 10/08/15 | | 681,599 |
| | | 1,356,087 |
| Airlines 2.8% | | |
| Air Canada, 9.25%, 8/01/15 (b) | | 700,700 |
| American Airlines Pass-Through Trust, Series 2011-2, Class A, 8.63%, 4/15/23 | | 364,800 |
| American Airlines, Inc.: 10.50%, 10/15/12 (a)(c) | | 758,625 |
| Series 2011-1-B, 7.00%, 1/31/18 (b) | | 313,616 |
| Continental Airlines, Inc.: 6.75%, 9/15/15 (b) | | 612,675 |
| Series 1997-4-B, 6.90%, 1/02/17 (d) | | 388,623 |
| Series 2010-1-B, 6.00%, 1/12/19 | | 460,000 |
| Delta Air Lines, Inc.: Series 2010-1-B, 6.38%, 7/02/17 | | 455,000 |
| Series B, 9.75%, 12/17/16 | | 265,497 |
| US Airways Pass-Through Trust, 10.88%, 10/22/14 | | 676,200 |
| United Air Lines, Inc., 12.75%, 7/15/12 | | 2,144,863 |
| | | 7,140,599 |

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:

| | |
|-------|-------------------------------|
| CAD | Canadian Dollar |
| EUR | Euro |
| FKA | Formerly Known As |
| GBP | British Pound |
| LIBOR | London Interbank Offered Rate |
| USD | US Dollar |

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Schedule of Investments (continued)

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

| | Par (000) | Value |
|---|--------------|------------|
| Corporate Bonds | | |
| Auto Components 1.9% | | |
| Allison Transmission, Inc., 11.00%, 11/01/15 (b) | USD 204 | \$ 214,200 |
| B-Corp Merger Sub, Inc., 8.25%, 6/01/19 (b) | 210 | 191,100 |
| Dana Holding Corp., 6.75%, 2/15/21 | 450 | 451,687 |
| Delphi Corp., 6.13%, 5/15/21 (b) | 170 | 171,275 |
| Icahn Enterprises LP: 4.00%, 8/15/13 (b)(e)(f) | 255 | 239,700 |
| 8.00%, 1/15/18 | 3,035 | 3,095,700 |
| International Automotive Components Group, SL, 9.13%, 6/01/18 (b) | 40 | 38,000 |
| Titan International, Inc., 7.88%, 10/01/17 | 465 | 483,019 |
| | | 4,884,681 |
| Beverages 0.4% | | |
| Cott Beverages, Inc., 8.13%, 9/01/18 | 264 | 282,480 |
| Crown European Holdings SA: 7.13%, 8/15/18 | EUR 238 | 319,801 |
| 7.13%, 8/15/18 (b) | 302 | 405,797 |
| | | 1,008,078 |
| Biotechnology 0.1% | | |
| QHP Pharma, 10.25%, 3/15/15 (b) | USD 273 | 276,404 |
| Building Products 0.8% | | |
| Building Materials Corp. of America (b): 7.00%, 2/15/20 | 440 | 455,400 |
| 6.75%, 5/01/21 | 1,260 | 1,253,700 |
| Momentive Performance Materials, Inc.: 11.50%, 12/01/16 | 475 | 339,625 |
| 9.00%, 1/15/21 | 145 | 103,313 |
| | | 2,152,038 |
| Capital Markets 1.0% | | |
| American Capital Ltd., 7.96%, 12/31/13 (g) | 510 | 512,448 |
| E*Trade Financial Corp.: 12.50%, 11/30/17 (h) | 1,070 | 1,209,100 |
| 3.39%, 8/31/19 (b)(f)(i) | 244 | 216,550 |
| Series A, 3.64%, 8/31/19 (f)(i) | 7 | 6,212 |
| KKR Group Finance Co., 6.38%, 9/29/20 (b) | 650 | 667,774 |
| | | 2,612,084 |
| Chemicals 3.3% | | |
| American Pacific Corp., 9.00%, 2/01/15 | 880 | 852,500 |
| Ashland, Inc., 9.13%, 6/01/17 | 430 | 477,300 |
| Celanese US Holdings LLC, 5.88%, 6/15/21 | 1,785 | 1,816,237 |

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| | | |
|---|-----|---------|
| Chemtura Corp., 7.88%, 9/01/18 | 375 | 383,437 |
| Hexion US Finance Corp., 9.00%, 11/15/20 | 310 | 243,350 |

| Corporate Bonds | Par (000) | Value |
|---|--------------|------------|
| Chemicals (concluded) | | |
| Huntsman International LLC: | | |
| 6.88%, 11/15/13 (b) | EUR 280 | \$ 376,236 |
| 8.63%, 3/15/21 | USD 170 | 172,550 |
| Ineos Finance Plc, 9.00%, 5/15/15 (b) | 165 | 166,238 |
| Kinove German Bondco GmbH, 10.00%, 6/15/18 | EUR 380 | 449,333 |
| KRATON Polymers LLC, 6.75%, 3/01/19 | USD 125 | 115,625 |
| Lyondell Chemical Co., 11.00%, 5/01/18 | 1,638 | 1,765,246 |
| LyondellBasell Industries NV, 6.00%, 11/15/21 (b) | 165 | 168,300 |
| Nexeo Solutions LLC, 8.38%, 3/01/18 (b) | 185 | 180,838 |
| PolyOne Corp., 7.38%, 9/15/20 | 215 | 219,300 |
| Solutia, Inc., 7.88%, 3/15/20 | 620 | 660,300 |
| TPC Group LLC, 8.25%, 10/01/17 | 335 | 334,162 |
| | | 8,380,952 |
| Commercial Banks 2.4% | | |
| CIT Group, Inc.: | | |
| 7.00%, 5/01/15 | 450 | 450,000 |
| 7.00%, 5/02/16 (b) | 3,026 | 2,988,175 |
| 7.00%, 5/01/17 | 1,400 | 1,386,079 |
| 7.00%, 5/02/17 (b) | 1,230 | 1,211,550 |
| | | 6,035,804 |
| Commercial Services & Supplies 2.1% | | |
| ACCO Brands Corp., 10.63%, 3/15/15 | | |
| | 755 | 836,162 |
| AWAS Aviation Capital Ltd., 7.00%, 10/15/16 (b) | | |
| | 114 | 113,904 |
| Aviation Capital Group Corp., 6.75%, 4/06/21 (b) | | |
| | 540 | 500,456 |
| Brickman Group Holdings, Inc., 9.13%, 11/01/18 (b) | | |
| | 70 | 62,300 |
| Casella Waste Systems, Inc., 7.75%, 2/15/19 | | |
| | 650 | 632,125 |
| Clean Harbors, Inc., 7.63%, 8/15/16 | | |
| | 380 | 400,900 |
| Iron Mountain, Inc., 7.75%, 10/01/19 | | |
| | 420 | 433,650 |
| Mobile Mini, Inc., 7.88%, 12/01/20 | | |
| | 365 | 365,000 |
| RSC Equipment Rental, Inc.: | | |
| 10.00%, 7/15/17 (b) | 585 | 639,112 |
| 8.25%, 2/01/21 | 875 | 831,250 |
| WCA Waste Corp., 7.50%, 6/15/19 (b) | | |
| | 330 | 318,450 |
| West Corp., 8.63%, 10/01/18 | | |
| | 135 | 134,663 |
| | | 5,267,972 |
| Communications Equipment 0.3% | | |
| Avaya, Inc., 9.75%, 11/01/15 | | |
| | 520 | 406,900 |
| EH Holding Corp., 6.50%, 6/15/19 (b) | | |
| | 380 | 371,450 |
| | | 778,350 |

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Schedule of Investments (continued)

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

| | | Par (000) | Value |
|---|-----|--------------|------------|
| Corporate Bonds | | | |
| Construction & Engineering 0.1% | | | |
| Abengoa SA, 8.50%, 3/31/16 | EUR | 100 | \$ 127,651 |
| Boart Longyear Management Ltd., 7.00%, 4/01/21 (b) | USD | 200 | 198,000 |
| | | | 325,651 |
| Construction Materials 0.1% | | | |
| Xefin Lux SCA, 8.00%, 6/01/18 (b) | EUR | 254 | 307,170 |
| Consumer Finance 1.7% | | | |
| Credit Acceptance Corp., 9.13%, 2/01/17 | USD | 595 | 608,387 |
| Ford Motor Credit Co. LLC: | | | |
| 3.15%, 1/13/12 (e) | | 215 | 215,323 |
| 7.80%, 6/01/12 | | 200 | 206,037 |
| 7.00%, 4/15/15 | | 2,030 | 2,185,273 |
| 12.00%, 5/15/15 | | 730 | 888,417 |
| 6.63%, 8/15/17 | | 139 | 149,108 |
| Springleaf Finance Corp., 6.90%, 12/15/17 | | 325 | 218,563 |
| | | | 4,471,108 |
| Containers & Packaging 1.2% | | | |
| Ardagh Packaging Finance Plc, 7.38%, 10/15/17 (b) | EUR | 375 | 484,992 |
| Berry Plastics Corp., 8.25%, 11/15/15 | USD | 115 | 121,900 |
| GCL Holdings SCA, 9.38%, 4/15/18 (b) | EUR | 267 | 294,190 |
| Graphic Packaging International, Inc., 7.88%, 10/01/18 | USD | 375 | 399,375 |
| OI European Group BV, 6.88%, 3/31/17 | EUR | 155 | 205,149 |
| Pregis Corp., 12.38%, 10/15/13 | USD | 360 | 334,800 |
| Rock-Tenn Co., 9.25%, 3/15/16 | | 55 | 58,300 |
| Sealed Air Corp., 8.38%, 9/15/21 (b) | | 255 | 272,212 |
| Smurfit Kappa Acquisitions (b): | | | |
| 7.25%, 11/15/17 | EUR | 445 | 609,905 |
| 7.75%, 11/15/19 | | 315 | 427,498 |
| | | | 3,208,321 |
| Diversified Consumer Services 1.3% | | | |
| Service Corp. International, 7.00%, 6/15/17 | USD | 3,000 | 3,210,000 |
| Diversified Financial Services 5.3% | | | |
| Ally Financial, Inc.: | | | |
| 7.50%, 12/31/13 | | 280 | 283,150 |
| 8.30%, 2/12/15 | | 540 | 546,750 |
| 6.25%, 12/01/17 | | 660 | 606,465 |
| 8.00%, 3/15/20 | | 440 | 433,950 |
| 7.50%, 9/15/20 | | 670 | 647,387 |
| 8.00%, 11/01/31 | | 1,330 | 1,263,500 |
| 8.00%, 11/01/31 | | 780 | 718,890 |
| | | 450 | 460,125 |

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| | | | |
|--|-----|--------------|--------------|
| Axcan Intermediate Holdings, Inc., 12.75%, 3/01/16 | | | |
| Boparan Holdings Ltd. (b): | | | |
| 9.75%, 4/30/18 | EUR | 102 | 111,016 |
| 9.88%, 4/30/18 | GBP | 145 | 184,267 |
| | | | |
| | | Par | |
| | | (000) | |
| | | | Value |
| Corporate Bonds | | | |
| Diversified Financial Services (concluded) | | | |
| DPL, Inc., 7.25%, 10/15/21 (b) | USD | 795 | \$ 836,737 |
| FCE Bank Plc, 4.75%, 1/19/15 | EUR | 1,000 | 1,289,952 |
| General Motors Financial Co., Inc., 6.75%, 6/01/18 (b) | USD | 300 | 298,995 |
| Lehman Brothers Holdings, Inc. (c): | | | |
| 5.38%, 10/17/12 | EUR | 150 | 50,389 |
| 5.75%, 5/17/13 | USD | 620 | 159,650 |
| 4.75%, 1/16/14 | EUR | 760 | 255,303 |
| 1.00%, 2/05/14 | | 1,600 | 532,105 |
| 8.80%, 3/01/15 | USD | 175 | 45,063 |
| Leucadia National Corp., 8.13%, 9/15/15 | | 825 | 870,375 |
| Reynolds Group Issuer, Inc.: | | | |
| 8.75%, 10/15/16 (b) | | 418 | 431,585 |
| 8.75%, 10/15/16 (b) | EUR | 345 | 454,305 |
| 8.75%, 10/15/16 | | 566 | 745,323 |
| 7.13%, 4/15/19 (b) | USD | 245 | 239,488 |
| 7.88%, 8/15/19 (b) | | 1,095 | 1,100,475 |
| 8.25%, 2/15/21 (b) | | 420 | 357,000 |
| WMG Acquisition Corp. (b): | | | |
| 9.50%, 6/15/16 | | 120 | 126,000 |
| 11.50%, 10/01/18 | | 585 | 576,225 |
| | | | 13,624,470 |
| Diversified Telecommunication Services 3.8% | | | |
| Broadview Networks Holdings, Inc., 11.38%, 9/01/12 | | 1,035 | 840,938 |
| GCI, Inc., 6.75%, 6/01/21 | | 288 | 275,760 |
| ITC Deltacom, Inc., 10.50%, 4/01/16 | | 280 | 288,750 |
| Level 3 Escrow, Inc., 8.13%, 7/01/19 (b) | | 2,655 | 2,508,975 |
| Level 3 Financing, Inc.: | | | |
| 9.25%, 11/01/14 | | 84 | 85,575 |
| 8.75%, 2/15/17 | | 425 | 422,875 |
| Qwest Communications International, Inc.: | | | |
| 7.50%, 2/15/14 | | 1,300 | 1,308,125 |
| 8.00%, 10/01/15 | | 720 | 768,600 |
| Series B, 7.50%, 2/15/14 | | 1,660 | 1,670,375 |
| Qwest Corp., 7.63%, 6/15/15 | | 525 | 572,250 |
| Windstream Corp.: | | | |
| 8.13%, 8/01/13 | | 460 | 486,450 |
| 7.88%, 11/01/17 | | 393 | 410,685 |
| | | | 9,639,358 |
| Electric Utilities 0.6% | | | |
| Tokyo Electric Power Co., Inc., 4.50%, 3/24/14 | EUR | 1,350 | 1,541,895 |
| Electronic Equipment, Instruments & Components 0.4% | | | |
| CDW LLC: | | | |
| 11.00%, 10/12/15 | USD | 11 | 11,000 |
| 11.50%, 10/12/15 (h) | | 660 | 660,000 |
| Elster Finance BV, 6.25%, 4/15/18 (b) | EUR | 114 | 148,050 |

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| | | | |
|-------------------------------------|-----|-----|----------------------|
| Jabil Circuit, Inc., 8.25%, 3/15/18 | USD | 235 | 266,725 1,085,775 |
|-------------------------------------|-----|-----|----------------------|

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 2011

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Schedule of Investments (continued)

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

| | Par (000) | Value |
|---|--------------|------------|
| Corporate Bonds | | |
| Energy Equipment & Services 3.3% | | |
| Antero Resources Finance Corp., 7.25%, 8/01/19 (b) | USD 165 | \$ 165,000 |
| Calfrac Holdings LP, 7.50%, 12/01/20 (b) | 395 | 381,175 |
| Compagnie Generale de Geophysique - Veritas, 7.75%, 5/15/17 | 250 | 248,750 |
| Exterran Holdings, Inc., 7.25%, 12/01/18 (b) | 350 | 332,500 |
| Forbes Energy Services Ltd., 9.00%, 6/15/19 | 365 | 339,450 |
| Frac Tech Services LLC, 7.63%, 11/15/18 (b) | 1,755 | 1,768,162 |
| Key Energy Services, Inc., 6.75%, 3/01/21 | 450 | 444,938 |
| MEG Energy Corp., 6.50%, 3/15/21 (b) | 905 | 909,525 |
| Oil States International, Inc., 6.50%, 6/01/19 | 320 | 321,600 |
| Peabody Energy Corp., 6.25%, 11/15/21 (b) | 2,630 | 2,649,725 |
| SunCoke Energy, Inc., 7.63%, 8/01/19 (b) | 220 | 215,600 |
| Transocean, Inc., 6.38%, 12/15/21 | 755 | 754,592 |
| | | 8,531,017 |
| Food Products 0.1% | | |
| Darling International, Inc., 8.50%, 12/15/18 | 240 | 264,000 |
| Health Care Equipment & Supplies 1.3% | | |
| DJO Finance LLC: 10.88%, 11/15/14 | 2,320 | 2,186,600 |
| 7.75%, 4/15/18 | 100 | 80,250 |
| ExamWorks Group, Inc., 9.00%, 7/15/19 (b) | 107 | 95,497 |
| Fresenius US Finance II, Inc., 9.00%, 7/15/15 (b) | 540 | 600,750 |
| Teleflex, Inc., 6.88%, 6/01/19 | 295 | 298,319 |
| | | 3,261,416 |
| Health Care Providers & Services 5.6% | | |
| Aviv Healthcare Properties LP, 7.75%, 2/15/19 | 415 | 392,175 |
| ConvaTec Healthcare E SA, 7.38%, 12/15/17 (b) | EUR 494 | 627,279 |
| Crown Newco 3 Plc, 7.00%, 2/15/18 (b) | GBP 364 | 519,683 |
| Fresenius Medical Care US Finance, Inc., 6.50%, 9/15/18 (b) | USD 208 | 215,800 |
| HCA, Inc.: 8.50%, 4/15/19 | 135 | 145,800 |
| 6.50%, 2/15/20 | 1,995 | 1,985,025 |
| 7.88%, 2/15/20 | 95 | 99,988 |

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| | | |
|----------------|-------|-----------|
| 7.25%, 9/15/20 | 2,600 | 2,671,500 |
| 7.50%, 2/15/22 | 770 | 758,450 |

| | Par (000) | Value |
|--|--------------|------------|
| Corporate Bonds | | |
| Health Care Providers & Services (concluded) | | |
| Health Management Associates, Inc., 7.38%, 1/15/20 (b) | USD 400 | \$ 402,500 |
| IASIS Healthcare LLC, 8.38%, 5/15/19 (b) | 755 | 628,537 |
| INC Research LLC, 11.50%, 7/15/19 (b) | 410 | 369,000 |
| inVentiv Health, Inc., 10.00%, 8/15/18 (b) | 435 | 412,162 |
| Omnicare, Inc., 7.75%, 6/01/20 | 1,005 | 1,059,019 |
| Symbion, Inc., 8.00%, 6/15/16 (b) | 345 | 319,125 |
| Tenet Healthcare Corp.: | | |
| 10.00%, 5/01/18 | 779 | 876,375 |
| 6.25%, 11/01/18 (b) | 330 | 325,050 |
| 8.88%, 7/01/19 | 2,279 | 2,484,110 |
| | | 14,291,578 |
| Health Care Technology 1.0% | | |
| IMS Health, Inc., 12.50%, 3/01/18 (b) | 2,405 | 2,681,575 |
| Hotels, Restaurants & Leisure 1.6% | | |
| Caesars Entertainment Operating Co., Inc., 11.25%, 6/01/17 | 130 | 135,200 |
| Diamond Resorts Corp., 12.00%, 8/15/18 | 1,190 | 1,127,525 |
| El Dorado Resorts LLC, 8.63%, 6/15/19 (b) | 140 | 123,550 |
| Enterprise Inns Plc, 6.50%, 12/06/18 | GBP 324 | 349,473 |
| Little Traverse Bay Bands of Odawa Indians, 9.00%, 8/31/20 (b) | USD 300 | 249,000 |
| MGM Mirage, 13.00%, 11/15/13 | 110 | 126,775 |
| MGM Resorts International: | | |
| 10.38%, 5/15/14 | 255 | 285,600 |
| 11.13%, 11/15/17 | 1,000 | 1,118,750 |
| Travelport LLC: | | |
| 4.95%, 9/01/14 (e) | 180 | 89,100 |
| 9.88%, 9/01/14 | 40 | 24,200 |
| 9.00%, 3/01/16 | 120 | 68,550 |
| 6.53%, 12/01/16 (b)(h) | 404 | 296,574 |
| Tropicana Entertainment LLC, Series WI, 9.63%, 12/15/14 (a)(c) | 305 | 30 |
| | | 3,994,327 |
| Household Durables 2.0% | | |
| American Standard Americas, 10.75%, 1/15/16 (b) | 270 | 178,200 |
| Ashton Woods USA LLC, 11.00%, 6/30/15 (b)(j) | 880 | 602,800 |
| Beazer Homes USA, Inc., 12.00%, 10/15/17 | 1,345 | 1,398,800 |
| Jarden Corp., 7.50%, 1/15/20 | EUR 305 | 397,534 |
| Ryland Group, Inc., 6.63%, 5/01/20 | USD 440 | 388,300 |
| Standard Pacific Corp.: | | |
| 10.75%, 9/15/16 | 1,390 | 1,417,800 |
| 8.38%, 1/15/21 | 290 | 267,525 |

Schedule of Investments (continued)

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

| | | Par (000) | Value |
|--|-----|--------------|------------|
| Corporate Bonds | | | |
| Household Durables (concluded) | | | |
| United Rentals North America, Inc., 8.38%, 9/15/20 | USD | 435 | \$ 428,475 |
| | | | 5,079,434 |
| Household Products 0.3% | | | |
| Ontex IV SA, 7.50%, 4/15/18 (b) | EUR | 150 | 179,384 |
| Spectrum Brands Holdings, Inc., 9.50%, 6/15/18 (b) | USD | 590 | 641,625 |
| | | | 821,009 |
| Independent Power Producers & Energy Traders 2.8% | | | |
| AES Corp., 7.38%, 7/01/21 (b) | | 655 | 682,837 |
| Calpine Corp. (b): | | | |
| 7.25%, 10/15/17 | | 210 | 214,200 |
| 7.50%, 2/15/21 | | 200 | 204,000 |
| 7.88%, 1/15/23 | | 645 | 665,963 |
| Energy Future Holdings Corp., 10.00%, 1/15/20 | | 3,395 | 3,479,875 |
| Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20 | | 454 | 467,620 |
| NRG Energy, Inc., 7.63%, 1/15/18 | | 1,605 | 1,580,925 |
| | | | 7,295,420 |
| Industrial Conglomerates 2.6% | | | |
| Sequa Corp. (b): | | | |
| 11.75%, 12/01/15 | | 2,340 | 2,474,550 |
| 13.50%, 12/01/15 | | 3,954 | 4,220,907 |
| | | | 6,695,457 |
| Insurance 1.3% | | | |
| Alliant Holdings I, Inc., 11.00%, 5/01/15 (b) | | 1,700 | 1,742,500 |
| CNO Financial Group, Inc., 9.00%, 1/15/18 (b) | | 367 | 385,350 |
| Genworth Financial, Inc., 7.63%, 9/24/21 | | 430 | 390,050 |
| MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (b) | | 260 | 228,800 |
| USI Holdings Corp., 4.33%, 11/15/14 (b)(e) | | 680 | 615,400 |
| | | | 3,362,100 |
| IT Services 1.6% | | | |
| Eagle Parent Canada, Inc., 8.63%, 5/01/19 (b) | | 570 | 528,675 |
| First Data Corp. (b): | | | |
| 7.38%, 6/15/19 | | 1,130 | 1,062,200 |
| 8.88%, 8/15/20 | | 535 | 535,000 |
| 8.25%, 1/15/21 | | 460 | 397,900 |
| 12.63%, 1/15/21 | | 724 | 597,300 |
| SunGard Data Systems, Inc.: | | | |
| 7.38%, 11/15/18 | | 440 | 433,400 |
| 7.63%, 11/15/20 | | 600 | 594,000 |

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| | | | | |
|--|-----|-------|--------------|--------------|
| | | | | 4,148,475 |
| Machinery 0.6% | | | | |
| AGY Holding Corp., 11.00%, 11/15/14 | | 980 | | 617,400 |
| | | | | |
| Corporate Bonds | | | Par | Value |
| Machinery (concluded) | | | (000) | |
| Navistar International Corp.: 3.00%, 10/15/14 (f) | USD | 520 | \$ | 554,450 |
| 8.25%, 11/01/21 | | 126 | | 131,355 |
| SPX Corp., 6.88%, 9/01/17 | | 175 | | 183,750 |
| | | | | 1,486,955 |
| Media 14.2% | | | | |
| AMC Networks, Inc., 7.75%, 7/15/21 (b) | | 225 | | 237,938 |
| Affinion Group, Inc., 7.88%, 12/15/18 (b) | | 815 | | 678,487 |
| CCH II LLC, 13.50%, 11/30/16 | | 3,253 | | 3,748,736 |
| CCO Holdings LLC: 7.25%, 10/30/17 | | 50 | | 51,063 |
| 7.88%, 4/30/18 | | 110 | | 113,988 |
| 6.50%, 4/30/21 | | 538 | | 518,497 |
| CSC Holdings, Inc., 8.50%, 4/15/14 | | 390 | | 432,413 |
| CCO Holdings LLC, 7.38%, 6/01/20 (k) | | 270 | | 270,000 |
| Cengage Learning Acquisitions, Inc., 10.50%, 1/15/15 (b) | | 255 | | 184,875 |
| Checkout Holding Corp., 7.57%, 11/15/15 (b)(i) | | 670 | | 331,650 |
| Cinemark USA, Inc., 8.63%, 6/15/19 | | 220 | | 236,500 |
| Clear Channel Communications, Inc., 9.00%, 3/01/21 | | 810 | | 668,250 |
| Clear Channel Worldwide Holdings, Inc.: 9.25%, 12/15/17 | | 1,495 | | 1,566,012 |
| Series B, 9.25%, 12/15/17 (d) | | 5,700 | | 5,999,250 |
| Cox Enterprises, Inc. (b): Loan Close 2, 12.00%, 8/15/18 | | 661 | | 675,918 |
| Loan Close 3, 12.00%, 8/15/18 | | 756 | | 772,769 |
| Shares Loan, 12.00%, 8/15/18 | | 780 | | 796,994 |
| DISH DBS Corp.: 7.00%, 10/01/13 | | 90 | | 94,275 |
| 6.75%, 6/01/21 | | 550 | | 536,250 |
| Gray Television, Inc., 10.50%, 6/29/15 | | 935 | | 869,550 |
| Harland Clarke Holdings Corp.: 6.00%, 5/15/15 (e) | | 350 | | 236,250 |
| 9.50%, 5/15/15 | | 315 | | 233,100 |
| Intelsat Luxemburg SA: 11.25%, 6/15/16 | | 1,650 | | 1,716,000 |
| 11.50%, 2/04/17 (b)(h) | | 570 | | 522,975 |
| 11.50%, 2/04/17 (h) | | 1,040 | | 954,200 |
| Interactive Data Corp., 10.25%, 8/01/18 (b) | | 930 | | 995,100 |
| The Interpublic Group of Cos., Inc., 10.00%, 7/15/17 | | 340 | | 389,725 |

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| | | | |
|--|-----|-----|---------|
| Kabel BW Erste Beteiligungs GmbH, 7.50%, 3/15/19 (b) | EUR | 673 | 886,224 |
|--|-----|-----|---------|

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 2011

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Schedule of Investments (continued)

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

| | | Par (000) | | Value |
|--|-----|--------------|----|------------|
| Corporate Bonds | | | | |
| Media (concluded) | | | | |
| Kabel Deutschland Vertrieb und Service GmbH & Co. KG, 6.50%, 6/29/18 (b) | EUR | 345 | \$ | 466,518 |
| Live Nation Entertainment, Inc., 8.13%, 5/15/18 (b) | USD | 735 | | 700,087 |
| Musketeer GmbH, 9.50%, 3/15/21 (b) | EUR | 320 | | 417,084 |
| NAI Entertainment Holdings LLC, 8.25%, 12/15/17 (b) | USD | 620 | | 646,350 |
| Nielsen Finance LLC: 11.63%, 2/01/14 | | 117 | | 133,380 |
| 7.75%, 10/15/18 | | 2,145 | | 2,268,337 |
| Odeon & UCI Finco Plc, 9.00%, 8/01/18 (b) | GBP | 207 | | 297,158 |
| ProQuest LLC, 9.00%, 10/15/18 (b) | USD | 500 | | 400,000 |
| ProtoStar I Ltd., 18.00%, 10/15/12 (a)(b)(c) | | 850 | | 425 |
| UPC Holding BV, 9.88%, 4/15/18 (b) | | 500 | | 515,000 |
| UPCB Finance II Ltd., 6.38%, 7/01/20 (b) | EUR | 822 | | 994,069 |
| Unitymedia GmbH: 9.63%, 12/01/19 | | 168 | | 230,821 |
| 9.63%, 12/01/19 (b) | | 570 | | 783,142 |
| Unitymedia Hessen GmbH & Co. KG (FKA UPC Germany GmbH) (b): 8.13%, 12/01/17 | USD | 655 | | 676,287 |
| 8.13%, 12/01/17 | EUR | 441 | | 607,386 |
| Virgin Media Secured Finance Plc, 7.00%, 1/15/18 | GBP | 618 | | 1,013,212 |
| Ziggo Bond Co. BV, 8.00%, 5/15/18 (b) | EUR | 388 | | 507,018 |
| Ziggo Finance BV, 6.13%, 11/15/17 (b) | | 732 | | 958,998 |
| | | | | 36,332,261 |
| Metals & Mining 3.4% | | | | |
| FMG Resources August 2006 Property Ltd., 6.88%, 2/01/18 (b) | USD | 80 | | 73,400 |
| Goldcorp, Inc., 2.00%, 8/01/14 (f) | | 1,060 | | 1,432,325 |
| New World Resources NV, 7.88%, 5/01/18 | EUR | 655 | | 809,713 |
| Newmont Mining Corp., Series A, 1.25%, 7/15/14 (f) | USD | 1,475 | | 2,295,469 |
| Novelis, Inc., 8.75%, 12/15/20 | | 3,315 | | 3,497,325 |
| Taseko Mines Ltd., 7.75%, 4/15/19 | | 420 | | 380,100 |
| Vedanta Resources Plc, 8.25%, 6/07/21 (b) | | 270 | | 217,350 |
| | | | | 8,705,682 |
| Multiline Retail 1.9% | | | | |
| | | 4,351 | | 4,807,855 |

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Dollar General Corp., 11.88%,
7/15/17 (h)

| Corporate Bonds | Par (000) | Value |
|--|--------------|------------|
| Oil, Gas & Consumable Fuels 10.5% | | |
| Alpha Natural Resources, Inc., 6.25%, 6/01/21 | USD 465 | \$ 444,075 |
| Arch Coal, Inc.: 7.25%, 10/01/20 | 335 | 328,300 |
| 7.25%, 6/15/21 (b) | 860 | 834,200 |
| Berry Petroleum Co., 8.25%, 11/01/16 | 510 | 525,300 |
| Bill Barrett Corp., 9.88%, 7/15/16 | 25 | 27,375 |
| Carrizo Oil & Gas, Inc., 8.63%, 10/15/18 | 130 | 129,025 |
| Chesapeake Energy Corp.: 6.63%, 8/15/20 | 376 | 389,160 |
| 6.13%, 2/15/21 | 550 | 551,375 |
| 2.25%, 12/15/38 (f) | 800 | 678,000 |
| Chesapeake Oilfield Operating LLC, 6.63%, 11/15/19 (b) | 470 | 463,537 |
| Coffeyville Resources LLC, 9.00%, 4/01/15 (b) | 266 | 283,290 |
| Concho Resources, Inc., 7.00%, 1/15/21 | 410 | 426,400 |
| Consol Energy, Inc., 8.25%, 4/01/20 | 1,965 | 2,112,375 |
| Continental Resources, Inc., 7.13%, 4/01/21 | 370 | 399,600 |
| Copano Energy LLC, 7.13%, 4/01/21 | 335 | 335,000 |
| Crosstex Energy LP, 8.88%, 2/15/18 | 180 | 191,700 |
| Crown Oil Partners IV LP, 15.00%, 11/22/14 | 583 | 583,333 |
| Denbury Resources, Inc.: 8.25%, 2/15/20 | 672 | 729,960 |
| 6.38%, 8/15/21 | 350 | 357,000 |
| EV Energy Partners LP, 8.00%, 4/15/19 | 150 | 148,500 |
| Energy XXI Gulf Coast, Inc.: 9.25%, 12/15/17 | 395 | 404,875 |
| 7.75%, 6/15/19 | 900 | 864,000 |
| Hilcorp Energy I LP, 7.63%, 4/15/21 (b) | 745 | 767,350 |
| Kodiak Oil & Gas Corp., 8.13%, 12/01/19 (b) | 325 | 329,875 |
| Linn Energy LLC: 6.50%, 5/15/19 (b) | 170 | 161,500 |
| 8.63%, 4/15/20 | 1,100 | 1,149,500 |
| 7.75%, 2/01/21 | 430 | 430,000 |
| MarkWest Energy Partners LP, 6.75%, 11/01/20 | 135 | 138,881 |
| Niska Gas Storage US LLC, 8.88%, 3/15/18 | 1,285 | 1,252,875 |
| OGX Petroleo e Gas Participacoes SA, 8.50%, 6/01/18 (b) | 4,270 | 4,056,500 |
| Oasis Petroleum, Inc.: 7.25%, 2/01/19 (b) | 330 | 336,600 |
| 6.50%, 11/01/21 | 290 | 282,025 |
| Petrohawk Energy Corp.: | | |

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| | | |
|-----------------|-----|---------|
| 10.50%, 8/01/14 | 370 | 412,088 |
| 7.88%, 6/01/15 | 460 | 489,900 |

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 2011

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Schedule of Investments (continued)

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

| | Par (000) | Value |
|---|--------------|------------|
| Corporate Bonds | | |
| Oil, Gas & Consumable Fuels (concluded) | | |
| Petrohawk Energy Corp. (concluded): | | |
| 7.25%, 8/15/18 | USD 320 | \$ 358,400 |
| Petroleum Geo-Services ASA, | | |
| 7.38%, 12/15/18 (b) | 575 | 572,125 |
| Pioneer Natural Resources Co.: | | |
| 6.88%, 5/01/18 | 460 | 515,572 |
| 7.50%, 1/15/20 | 145 | 168,184 |
| Plains Exploration & Production Co.: | | |
| 6.63%, 5/01/21 | 800 | 808,000 |
| 6.75%, 2/01/22 | 660 | 673,200 |
| Precision Drilling Corp., 6.50%, 12/15/21 (b) | 295 | 295,000 |
| Range Resources Corp.: | | |
| 8.00%, 5/15/19 | 345 | 382,950 |
| 5.75%, 6/01/21 | 985 | 1,051,487 |
| SM Energy Co., 6.63%, 2/15/19 (b) | 130 | 131,300 |
| SandRidge Energy, Inc., 7.50%, 3/15/21 | 915 | 837,225 |
| | | 26,806,917 |
| Paper & Forest Products 2.5% | | |
| Ainsworth Lumber Co. Ltd., | | |
| 11.00%, 7/29/15 (b)(h) | 1,192 | 750,665 |
| Boise Paper Holdings LLC: | | |
| 9.00%, 11/01/17 | 125 | 134,375 |
| 8.00%, 4/01/20 | 165 | 173,662 |
| Clearwater Paper Corp.: | | |
| 10.63%, 6/15/16 | 390 | 432,900 |
| 7.13%, 11/01/18 | 585 | 605,475 |
| Georgia-Pacific LLC, 8.25%, 5/01/16 (b) | 1,600 | 1,758,499 |
| Longview Fibre Paper & Packaging, Inc., 8.00%, 6/01/16 (b) | 345 | 346,725 |
| NewPage Corp., 11.38%, 12/31/14 (a)(c) | 2,070 | 1,443,825 |
| Sappi Papier Holding GmbH, 6.63%, 4/15/21 (b) | 140 | 120,400 |
| Verso Paper Holdings LLC, 11.50%, 7/01/14 | 756 | 771,120 |
| | | 6,537,646 |
| Pharmaceuticals 0.7% | | |
| Capsugel FinanceCo SCA: | | |
| 9.88%, 8/01/19 | EUR 100 | 134,370 |
| 9.88%, 8/01/19 (b) | 200 | 268,740 |
| Endo Pharmaceuticals Holdings, Inc., 7.00%, 7/15/19 (b) | USD 185 | 189,625 |
| Jaguar Holding Co. II / Jaguar Merger Sub, Inc., 9.50%, 12/01/19 (b)(k) | 420 | 422,100 |
| Valeant Pharmaceuticals International, 6.50%, 7/15/16 (b) | 855 | 827,212 |

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| | | | 1,842,047 |
|--|-----|--------------|------------|
| | | Par (000) | Value |
| Corporate Bonds | | | |
| Professional Services 0.4% | | | |
| FTI Consulting, Inc., 6.75%, 10/01/20 | USD | 920 | \$ 928,050 |
| Real Estate Investment Trusts (REITs) 0.7% | | | |
| Felcor Lodging LP, 6.75%, 6/01/19 | | 1,405 | 1,306,650 |
| The Rouse Co. LP, 6.75%, 11/09/15 | | 520 | 520,000 |
| | | | 1,826,650 |
| Real Estate Management & Development 2.2% | | | |
| CB Richard Ellis Services, Inc., 6.63%, 10/15/20 | | 335 | 337,513 |
| Forest City Enterprises, Inc., 7.63%, 6/01/15 | | 1,425 | 1,403,625 |
| IVG Immobilien AG, 8.00%, 12/31/49 (e) | EUR | 100 | 83,309 |
| Realogy Corp.: 11.50%, 4/15/17 | USD | 490 | 373,625 |
| 12.00%, 4/15/17 | | 100 | 75,000 |
| 7.88%, 2/15/19 (b) | | 2,510 | 2,158,600 |
| Shea Homes LP, 8.63%, 5/15/19 (b) | | 1,250 | 1,143,750 |
| | | | 5,575,422 |
| Road & Rail 1.6% | | | |
| Avis Budget Car Rental LLC, 8.25%, 1/15/19 | | 430 | 413,875 |
| Florida East Coast Railway Corp., 8.13%, 2/01/17 | | 410 | 408,462 |
| Hertz Corp.: 7.50%, 10/15/18 | | 645 | 646,612 |
| 6.75%, 4/15/19 | | 110 | 106,700 |
| 7.38%, 1/15/21 | | 495 | 490,050 |
| Hertz Holdings Netherlands BV: 8.50%, 7/31/15 | EUR | 188 | 252,616 |
| 8.50%, 7/31/15 (b) | | 1,325 | 1,780,402 |
| | | | 4,098,717 |
| Semiconductors & Semiconductor Equipment 0.2% | | | |
| Spansion LLC, 7.88%, 11/15/17 (b) | USD | 580 | 591,600 |
| Specialty Retail 2.3% | | | |
| Asbury Automotive Group, Inc., 8.38%, 11/15/20 | | 365 | 361,350 |
| Hillman Group, Inc., 10.88%, 6/01/18 | | 530 | 535,300 |
| House of Fraser Plc, 8.88%, 8/15/18 (b) | GBP | 285 | 348,750 |
| Limited Brands, Inc., 8.50%, 6/15/19 | USD | 785 | 906,675 |
| Phones4u Finance Plc, 9.50%, 4/01/18 (b) | GBP | 400 | 489,497 |
| QVC, Inc. (b): 7.13%, 4/15/17 | USD | 230 | 240,925 |
| 7.50%, 10/01/19 | | 625 | 664,063 |
| 7.38%, 10/15/20 | | 290 | 308,125 |
| Sally Holdings LLC / Sally Capital, Inc., 6.88%, 11/15/19 (b) | | 300 | 306,750 |

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Schedule of Investments (continued)

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

| | Par (000) | Value |
|---|--------------|--------------------|
| Corporate Bonds | | |
| Specialty Retail (concluded) | | |
| Sonic Automotive, Inc., 9.00%, 3/15/18 | USD 370 | \$ 385,725 |
| Toys R US-Delaware, Inc., 7.38%, 9/01/16 (b) | 420 | 415,800 |
| United Auto Group, Inc., 7.75%, 12/15/16 | 1,025 | 1,040,375 |
| | | 6,003,335 |
| Transportation Infrastructure 0.2% | | |
| Aguila 3 SA, 7.88%, 1/31/18 (b) | 431 | 409,450 |
| Wireless Telecommunication Services 4.2% | | |
| Cricket Communications, Inc., 7.75%, 5/15/16 | 110 | 109,725 |
| Crown Castle International Corp., 7.13%, 11/01/19 | 210 | 225,225 |
| Digicel Group Ltd. (b): | | |
| 8.88%, 1/15/15 | 700 | 689,500 |
| 9.13%, 1/15/15 | 1,783 | 1,756,255 |
| 8.25%, 9/01/17 | 1,180 | 1,162,300 |
| 10.50%, 4/15/18 | 500 | 497,500 |
| iPCS, Inc., 2.55%, 5/01/13 (e) | 995 | 905,450 |
| MetroPCS Wireless, Inc., 6.63%, 11/15/20 | 980 | 855,050 |
| NII Capital Corp., 7.63%, 4/01/21 | 381 | 386,715 |
| Sprint Capital Corp., 6.88%, 11/15/28 | 1,950 | 1,360,125 |
| Sprint Nextel Corp., 9.00%, 11/15/18 (b) | 2,720 | 2,740,400 |
| | | 10,688,245 |
| Total Corporate Bonds 99.7% | | 255,683,907 |
| Floating Rate Loan Interests (e) | | |
| Airlines 0.3% | | |
| Delta Air Lines, Inc., Credit New Term Loan B, 5.50%, 4/20/17 | 698 | 664,385 |
| Building Products 0.2% | | |
| Goodman Global Holdings, Inc., (Second Lien), 9.00%, 10/30/17 | 511 | 511,149 |
| Capital Markets 0.0% | | |
| Marsico Parent Co. LLC, Term Loan, 5.25% - 5.44%, 12/14/14 | 117 | 44,155 |
| Chemicals 0.3% | | |
| PQ Corp. (FKA Niagara Acquisition, Inc.), Term Loan B, 3.51% - 3.68%, 7/30/14 | 290 | 271,595 |
| Styron Sarl, LLC, Term Loan B, 6.00%, 8/02/17 | 491 | 422,221 |
| | | 693,816 |
| Commercial Services & Supplies 0.8% | | |
| | 498 | 491,745 |

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AWAS Finance Luxembourg Sarl,
Term Loan B, 5.25%, 6/10/16

| | Par (000) | Value |
|--|--------------|------------|
| Floating Rate Loan Interests (e) | | |
| Commercial Services & Supplies (concluded) | | |
| Delos Aircraft, Inc., Term Loan B2, 7.00%, 3/17/16 | USD 550 | \$ 550,550 |
| Volume Services America, Inc., Term Loan B, 10.50% - 10.75%, 9/16/16 | 990 | 973,912 |
| | | 2,016,207 |
| Construction & Engineering 0.8% | | |
| Safway Services, LLC, Mazzanine Loan, 15.63%, 12/16/17 | 2,000 | 2,000,000 |
| Consumer Finance 1.7% | | |
| Springleaf Financial Funding Co. (FKA AGFS Funding Co.), Term Loan, 5.50%, 5/10/17 | 5,085 | 4,408,085 |
| Diversified Consumer Services 0.0% | | |
| ServiceMaster Co.: Delayed Draw Term Loan, 2.76%, 7/24/14 | 9 | 8,119 |
| Term Loan, 2.75% - 2.83%, 7/24/14 | 86 | 81,524 |
| | | 89,643 |
| Diversified Telecommunication Services 0.5% | | |
| Level 3 Financing, Inc.: Term Loan B3, 5.75%, 8/31/18 | 850 | 822,375 |
| Tranche A Term Loan, 2.65%, 3/13/14 | 500 | 469,375 |
| | | 1,291,750 |
| Electronic Equipment, Instruments & Components 0.1% | | |
| CDW LLC, Term Loan, 3.75%, 10/10/14 | 120 | 115,237 |
| Energy Equipment & Services 2.2% | | |
| Dynegy Holdings, Inc.: Coal Company Term Loan, 9.25%, 8/04/16 | 1,996 | 1,992,760 |
| Gas Company Term Loan, 9.25%, 8/04/16 | 3,654 | 3,680,046 |
| | | 5,672,806 |
| Food Products 0.4% | | |
| Advance Pierre Foods, Inc., Term Loan, (Second Lien), 11.25%, 9/29/17 | 900 | 895,122 |
| Health Care Providers & Services 0.8% | | |
| Harden Healthcare, Inc.: Term Loan A, 8.50%, 3/02/15 | 420 | 412,009 |
| Tranche A Additional Term Loan, 7.75%, 3/02/15 | 443 | 434,584 |
| Health Management Associates, New Term Loan B, 11/16/18 | 395 | 393,191 |
| inVentiv Health, Inc. (FKA Ventive Health, Inc.), Combined Term Loan, 6.50%, 8/04/16 | 799 | 780,599 |
| | | 2,020,383 |

Schedule of Investments (continued)

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

| | Par (000) | Value |
|---|--------------|------------|
| Floating Rate Loan Interests (e) | | |
| Hotels, Restaurants & Leisure 0.2% | | |
| Caesars Entertainment Operating Co., Inc., Term Loan B3, 3.32% - 3.42%, 1/28/15 | USD 362 | \$ 308,659 |
| Travelport LLC, (FKA Travelport, Inc.): Extended Team Loan A, 6.00%, 9/28/12 | 183 | 91,138 |
| Extended Team Loan B, 13.87%, 12/01/16 | 554 | 101,507 |
| | | 501,304 |
| Independent Power Producers & Energy Traders 0.8% | | |
| Texas Competitive Electric Holdings Co., LLC (TXU), Extended Term Loan, 4.75%, 10/10/17 | 3,134 | 2,040,532 |
| Industrial Conglomerates 0.2% | | |
| Sequa Corp., Incremental Term Loan, 7.00%, 12/03/14 | 440 | 438,900 |
| Media 4.2% | | |
| Cengage Learning Acquisitions, Inc. (Thomson Learning), Tranche 1 Incremental Term Loan, 7.50%, 7/03/14 | 1,693 | 1,560,502 |
| HMH Publishing Co., Ltd., Term Loan, 6.44%, 6/12/14 | 931 | 640,046 |
| Intelsat Jackson Holdings SA (FKA Intelsat Jackson Holdings, Ltd.), Tranche B Term Loan, 5.25%, 4/02/18 | 7,264 | 7,166,678 |
| Newsday LLC, Fixed Rate Term Loan, 10.50%, 8/01/13 | 1,325 | 1,363,094 |
| | | 10,730,320 |
| Oil, Gas & Consumable Fuels 0.7% | | |
| Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15 | 1,814 | 1,804,498 |
| Paper & Forest Products 0.5% | | |
| NewPage Corp., DIP Term Loan, 8.00%, 3/07/13 | 600 | 602,250 |
| Verso Paper Finance Holdings LLC, Term Loan, 6.68% - 7.43%, 2/01/13 | 1,457 | 728,691 |
| | | 1,330,941 |
| Pharmaceuticals 0.5% | | |
| Aptalis Pharma, Inc., Term Loan B, 5.50%, 2/10/17 | 993 | 944,116 |
| Pharmaceutical Products Development: Bridge Term Loan, 11/02/12 | 1,550 | |
| Term Loan B, 11/19/18 | 395 | 389,426 |
| | | 1,333,542 |
| Real Estate Investment Trusts (REITs) 0.5% | | |
| | 1,389 | 1,370,536 |

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Istar Financial, Inc., Term Loan A-1,
5.00%, 6/28/13

| | Par (000) | Value |
|---|--------------|------------|
| Floating Rate Loan Interests (e) | | |
| Real Estate Management & Development 0.3% | | |
| Realogy Corp.: | | |
| Extended Letter of Credit Loan C, 4.44%, 10/10/16 | USD 112 | \$ 99,397 |
| Extended Term Loan B, 4.69%, 10/10/16 | 737 | 651,815 |
| | | 751,212 |
| Specialty Retail 0.0% | | |
| Claire's Stores, Inc., Term Loan B, 3.00% - 3.18%, 5/29/14 | 113 | 96,907 |
| Wireless Telecommunication Services 1.2% | | |
| Vodafone Americas Finance 2, Inc.: | | |
| Initial Loan, 6.88%, 8/11/15 | 1,873 | 1,868,388 |
| PIK Term Loan B, 6.25%, 7/11/16 | 1,300 | 1,290,250 |
| | | 3,158,638 |
| Total Floating Rate Loan Interests 17.2% | | 43,980,068 |

| | Beneficial Interest (000) | |
|--|---------------------------------|-----------|
| Other Interests (l) | | |
| Auto Components 0.0% | | |
| Lear Corp. Escrow (a) | 460 | 4,600 |
| Chemicals 0.0% | | |
| Wellman Holdings, Inc., Litigation Trust Certificates | 2,830 | 28 |
| Consumer Finance 0.6% | | |
| BLK CYE (Luxembourg) Investments, S.a.r.l. (Laricina Energy Ltd.) (a)(m) | 35 | 1,487,289 |
| Hotels, Restaurants & Leisure 0.0% | | |
| Buffets, Inc. (a) | 575 | 6 |
| Media 0.0% | | |
| Adelphia Escrow (a) | 750 | 8 |
| Adelphia Recovery Trust (a) | 941 | 94 |
| | | 102 |
| Total Other Interests 0.6% | | 1,492,025 |

Preferred Securities

| | Par (000) | |
|--|--------------|---------|
| Capital Trusts | | |
| Insurances 0.2% | | |
| Genworth Financial, Inc., 6.15%, 11/15/66 (e) | 865 | 483,318 |
| Total Capital Trusts 0.2% | | 483,318 |

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Schedule of Investments (continued)

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

| | Shares | Value |
|--|---------------|--------------|
| Preferred Securities | | |
| Preferred Stocks | | |
| Auto Components 0.9% | | |
| Dana Holding Corp., 4.00% (a)(b) | 19,800 | \$ 2,195,325 |
| Diversified Financial Services 0.9% | | |
| Ally Financial, Inc., 7.00% (b) | 3,334 | 2,335,675 |
| Media 0.1% | | |
| TRA Global, Inc. (a) | 286,652 | 352,582 |
| Real Estate Investment Trusts (REITs) 0.0% | | |
| MPG Office Trust, Inc., Series A, 7.63% (a) | 8,994 | 113,325 |
| Thriffs & Mortgage Finance 0.1% | | |
| Fannie Mae, Series O (a) | 30,000 | 85,500 |
| Freddie Mac, Series Z (a) | 75,961 | 155,720 |
| | | 241,220 |
| Total Preferred Stocks 2.0% | | 5,238,127 |
| Trust Preferreds | | |
| Diversified Financial Services 0.4% | | |
| GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (b) | 53,950 | 1,025,050 |
| Total Trust Preferreds 0.4% | | 1,025,050 |
| Total Preferred Securities 2.6% | | 6,746,495 |
| Warrants (n) | | |
| Containers & Packaging 0.0% | | |
| MDP Acquisitions Plc (Expires 10/10/13) (b) | 700 | 21,808 |
| Health Care Providers & Services 0.0% | | |
| HealthSouth Corp. (Expires 1/16/14) | 32,042 | |
| Hotels, Restaurants & Leisure 0.0% | | |
| Buffets Restaurants Holdings, Inc. (Expires 4/29/14) | 485 | 5 |
| Media 0.1% | | |
| Cumulus Media, Inc. (Expires 3/26/19) | 94,241 | 272,169 |
| New Vision Holdings LLC (Expires 9/30/14) | 22,447 | 224 |
| | | 272,393 |
| Software 0.0% | | |
| Bankruptcy Management Solutions, Inc. (Expires 9/29/17) | 334 | 4 |
| Warrants (n) | | |
| Software (concluded) | Shares | Value |
| HMH Holdings/EduMedia (Expires 3/09/17) | 11,225 | |
| | | \$ 4 |
| Total Warrants 0.1% | | 294,210 |
| Total Long-Term Investments | | |
| (Cost \$337,428,939) 126.5% | | 324,302,972 |

Short-Term Securities

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| | | |
|--|---------|---------|
| BlackRock Liquidity Funds, TempFund, Institutional Class, 0.16% (o)(p) | 175,453 | 175,453 |
| Total Short-Term Securities (Cost \$175,453) 0.1% | | 175,453 |

| | | |
|---|--------------------------------------|-------------|
| Options Purchased | Contracts | |
| Over-the-Counter Call Options 0.0% Marsico Parent Superholdco LLC, Strike Price USD 942.86, Expires 12/21/19, Broker Goldman Sachs Bank USA | 19 | |
| | Notional Amount (000) | |
| Over-the-Counter Call Swaptions 0.0% Receive a return based on return of Dow Jones CDX North America High Yield Index Series 16 and pay a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Deutsche Bank Securities Inc. | \$ 10,000 | 19,188 |
| Total Options Purchased (Cost \$202,578) 0.0% | | 19,188 |
| Total Investments Before Options Written (Cost \$337,806,970*) 126.6% | | 324,497,613 |

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 2011

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Schedule of Investments (continued)

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

| | Notional Amount (000) | Value |
|--|-----------------------------|----------------|
| Options Written | | |
| Over-the-Counter Call Swaptions (0.1)% | | |
| Pay a return based on return of Dow Jones CDX North America High Yield Index Series 17 and receive a floating rate based on 3-month LIBOR, Expires 3/21/2012, Broker Goldman Sachs International | USD 5,000 | \$ (208,625) |
| Over-the-Counter Put Swaptions (0.1)% | | |
| Pay a return based on return of Dow Jones CDX North America High Yield Index Series 16 and receive a floating rate based on 3-month LIBOR, Expires 12/21/11, Broker Deutsche Bank AG | 10,000 | (115,451) |
| Pay a return based on return of Dow Jones CDX North America High Yield Index Series 17 and receive a floating rate based on 3-month LIBOR, Expires 3/21/2012, Broker Goldman Sachs International | 5,000 | (148,738) |
| | | (264,189) |
| Total Options Written | | |
| (Premiums Received \$586,500) (0.2)% | | (472,814) |
| Total Investments, Net of Options Written - 126.4% | | 324,024,799 |
| Liabilities in Excess of Other Assets (26.4)% | | (67,662,448) |
| Net Assets 100.0% | | \$ 256,362,351 |

* The cost and unrealized appreciation (depreciation) of investments as of November 30, 2011, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|-----------------|
| Aggregate cost | \$ 338,914,226 |
| Gross unrealized appreciation | \$ 10,373,014 |
| Gross unrealized depreciation | (24,789,627) |
| Net unrealized depreciation | \$ (14,416,613) |

- (a) Non-income producing security.
- (b) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (c) Issuer filed for bankruptcy and/or is in default of interest payments.
- (d) All or a portion of security has been pledged as collateral in connection with swaps.
- (e) Variable rate security. Rate shown is as of report date.
- (f) Convertible security.

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

| Counterparty | Value | Unrealized Appreciation |
|----------------------|--------------|------------------------------------|
| Bank of America | \$ 270,000 | \$ |
| JPMorgan Chase & Co. | \$ 422,100 | \$ 2,100 |

- (l) Other interests represent beneficial interests in liquidation trusts and other reorganization or private entities.
- (m) Wholly owned subsidiary.
- (n) Warrants entitle the Fund to purchase a predetermined number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date, if any.
- (o) Investments in companies considered to be an affiliate of the Fund during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at February 28, 2011 | Net Activity | Shares Held at November 30, 2011 | Income |
|---|---|-------------------------|---|---------------|
| BlackRock Liquidity Funds, TempFund, Institutional Class | 1,845,167 | (1,669,714) | 175,453 | \$ 1,012 |

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

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Schedule of Investments (continued)

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

Financial futures contracts sold as of November 30, 2011 were as follows:

| Contracts | Issue | Exchange | Expiration | Notional Value | Unrealized Depreciation |
|-----------|---------------------|--------------------|---------------|----------------|-------------------------|
| 365 | S&P 500 Index EMini | Chicago Mercantile | December 2011 | \$ 22,739,500 | \$ (1,432,779) |

Foreign currency exchange contracts as of November 30, 2011 were as follows:

| Currency Purchased | | Currency Sold | Counterparty | Settlement Date | Unrealized Appreciation (Depreciation) | |
|--------------------|------------|---------------|--------------|------------------------|--|------------|
| GBP | 160,000 | USD | 250,695 | Citibank NA | 1/18/12 | \$ 224 |
| USD | 394,099 | CAD | 407,000 | Deutsche Bank AG | 1/18/12 | (4,474) |
| USD | 3,790,272 | GBP | 2,432,000 | Citibank NA | 1/18/12 | (23,689) |
| EUR | 439,000 | USD | 595,199 | Citibank NA | 1/25/12 | (5,007) |
| EUR | 838,000 | USD | 1,145,937 | Deutsche Bank AG | 1/25/12 | (19,330) |
| USD | 20,727,438 | EUR | 15,074,500 | Citibank NA | 1/25/12 | 461,267 |
| USD | 110,834 | EUR | 82,000 | Deutsche Bank AG | 1/25/12 | 593 |
| USD | 211,439 | EUR | 150,000 | Royal Bank of Scotland | 1/25/12 | 9,779 |
| Total | | | | | | \$ 419,363 |

Credit default swaps on single-name issues - buy protection outstanding as of November 30, 2011 were as follows:

| Issuer | Pay Fixed Rate | Counterparty | Expiration Date | Notional Amount (000) | Unrealized Appreciation (Depreciation) |
|------------------------|----------------|-----------------------------|-----------------|-----------------------|--|
| Republic of Hungary | 1.00% | Deutsche Bank AG | 12/20/15 | \$ 300 | \$ 23,287 |
| Israel (State of) | 1.00% | Deutsche Bank AG | 3/20/16 | \$ 675 | 4,171 |
| Realogy Corp. | 5.00% | Goldman Sachs International | 9/20/16 | \$ 150 | 2,333 |
| iStar Financial, Inc. | 5.00% | Deutsche Bank AG | 12/20/16 | \$ 225 | (10,197) |
| Nucor Corp. | 1.00% | Goldman Sachs International | 12/20/16 | \$ 605 | (18,702) |
| Alcoa, Inc. | 5.00% | JPMorgan Chase & Co. | 12/20/16 | \$ 605 | 76,259 |
| Borgwarner, Inc. | 1.00% | JPMorgan Chase & Co. | 12/20/16 | \$ 250 | (7,163) |
| DOW Chemical Co. | 1.00% | JPMorgan Chase & Co. | 12/20/16 | \$ 605 | (19,762) |
| Johnson Controls, Inc. | 1.00% | JPMorgan Chase & Co. | 12/20/16 | \$ 250 | (8,300) |
| Total | | | | | \$ 41,926 |

Credit default swaps on traded indexes - buy protection outstanding as of November 30, 2011 were as follows:

| Index | Pay Fixed Rate | Counterparty | Expiration Date | Notional Amount (000) | Unrealized Depreciation |
|--|----------------|------------------------------------|-----------------|-----------------------|-------------------------|
| Dow Jones CDX North America High Yield Index Series 17 | 5.00% | Credit Suisse Securities (USA) LLC | 12/20/16 | \$ 6,630 | \$ (204,138) |

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| | | | | | | |
|--|-------|------------------------------------|----------|----|-------|--------------|
| Dow Jones CDX North America High Yield Index Series 17 | 5.00% | Credit Suisse Securities (USA) LLC | 12/20/16 | \$ | 4,034 | (174,416) |
| Dow Jones CDX North America High Yield Index Series 17 | 5.00% | Credit Suisse Securities (USA) LLC | 12/20/16 | \$ | 743 | (9,814) |
| Total | | | | | | \$ (388,368) |

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

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Schedule of Investments (continued)

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

Credit default swaps on single-name issues - sold protection outstanding as of November 30, 2011 were as follows:

| Issuer | Receive Fixed Rate | Counterparty | Expiration Date | Issuer Credit Rating ¹ | Notional Amount (000) ² | Unrealized Appreciation (Depreciation) |
|-----------------|--------------------|------------------------------------|-----------------|-----------------------------------|------------------------------------|--|
| CIT Group, Inc. | 5.00% | Deutsche Bank AG | 9/20/15 | B+ | \$ 3,400 | \$ (21,936) |
| Aramark Corp. | 5.00% | Goldman Sachs International | 3/20/16 | B | \$ 500 | (4,478) |
| Aramark Corp. | 5.00% | Goldman Sachs International | 6/20/16 | B | \$ 300 | (5,011) |
| Aramark Corp. | 5.00% | Goldman Sachs International | 6/20/16 | B | \$ 300 | (3,016) |
| Aramark Corp. | 5.00% | Credit Suisse Securities (USA) LLC | 9/20/16 | B | \$ 125 | 2,078 |
| Aramark Corp. | 5.00% | Goldman Sachs International | 9/20/16 | B | \$ 350 | (7,417) |
| Aramark Corp. | 5.00% | Goldman Sachs International | 9/20/16 | B | \$ 125 | 1,589 |
| Ford Motor Co. | 5.00% | Deutsche Bank AG | 12/20/16 | BB+ | \$ 500 | (16,951) |
| Ford Motor Co. | 5.00% | Deutsche Bank AG | 12/20/16 | BB+ | \$ 500 | (21,002) |
| Ford Motor Co. | 5.00% | JPMorgan Chase & Co. | 12/20/16 | BB+ | \$ 500 | (15,817) |
| Total | | | | | | \$ (91,961) |

¹ Using Standard & Poor's (S&P's) rating.

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

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

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)

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and does not necessarily correspond to the Fund's perceived risk of investing in those securities. For information about the Fund's policy regarding valuation of investments and derivative financial instruments and other significant accounting policies, please refer to the Fund's most recent financial statements as contained in its semi-annual report.

The following tables summarize the inputs used as of November 30, 2011 in determining the fair valuation of the Fund's investments:

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|------------------------------|--------------|-------------|--------------|---------------|
| Assets: | | | | |
| Investments: | | | | |
| Long-Term Investments: | | | | |
| Common Stocks | \$ 6,436,283 | \$ 510,318 | \$ 9,159,666 | \$ 16,106,267 |
| Corporate Bonds | | 251,249,351 | 4,434,556 | 255,683,907 |
| Floating Rate Loan Interests | | 34,564,801 | 9,415,267 | 43,980,068 |

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| | | | | |
|------------------------|---------------------|-----------------------|----------------------|-----------------------|
| Other Interests | 95 | | 1,491,930 | 1,492,025 |
| Preferred Securities | 1,379,594 | 5,014,319 | 352,582 | 6,746,495 |
| Warrants | | 293,975 | 234 | 294,210 |
| Short-Term Investments | 175,453 | | | 175,453 |
| Total | \$ 7,991,425 | \$ 291,632,765 | \$ 24,854,235 | \$ 324,478,425 |

| Valuation Inputs | Level 1 | Level 2 | Level 3 | Total |
|---|-----------------------|---------------------|--------------------|-----------------------|
| Derivative Financial Instruments ¹ | | | | |
| Assets: | | | | |
| Credit contracts | | \$ 109,717 | | \$ 109,717 |
| Equity contracts | | 19,188 | | 19,188 |
| Foreign currency exchange contracts | | 471,863 | | 471,863 |
| Liabilities | | | | |
| Credit contracts | | (526,184) | \$ (21,936) | (548,120) |
| Equity contracts | \$ (1,432,779) | (472,814) | | (1,905,593) |
| Foreign currency exchange contracts | | (52,500) | | (52,500) |
| Total | \$ (1,432,779) | \$ (450,730) | \$ (21,936) | \$ (1,905,445) |

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

Schedule of Investments (concluded)

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

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

| | Common Stocks | Corporate Bonds | Floating Rate Loan Interests | Other Interests | Preferred Securities | Warrants | Unfunded Loan Commitments (Liabilities) | Total |
|---|---------------------|---------------------|------------------------------------|---------------------|-------------------------|---------------|--|----------------------|
| Assets/Liabilities: | | | | | | | | |
| Balance, as of February 28, 2011 | \$ 719,326 | \$ 5,493,390 | \$ 10,323,930 | \$ 12,664 | \$ 463,230 | \$ 234 | \$ (25,965) | \$ 16,986,809 |
| Accrued discounts/premiums | | 14,672 | 78,801 | | | | | 93,473 |
| Net realized gain (loss) | 5,353 | (2,113,041) | (91,736) | | | | | (2,199,424) |
| Net change in unrealized appreciation/depreciation ² | 1,279,566 | 2,889,267 | 264,648 | (97,886) | (110,648) | | 25,965 | 4,250,912 |
| Purchases | 7,420,192 | 633,487 | 1,671,221 | 1,577,152 | | | | 11,302,052 |
| Sales | (264,771) | (2,483,219) | (3,109,006) | | | | | (5,856,996) |
| Transfers in ³ | | | 1,199,909 | | | | | 1,199,909 |
| Transfers out ³ | | | (922,500) | | | | | (922,500) |
| Balance, as of November 30, 2011 | \$ 9,159,666 | \$ 4,434,556 | \$ 9,415,267 | \$ 1,491,930 | \$ 352,582 | \$ 234 | | \$ 24,854,235 |

² The change in unrealized appreciation/depreciation on securities still held on November 30, 2011 was \$117,454.

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

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

| | Credit Contracts |
|---|---------------------|
| Liabilities: | |
| Balance, as of February 28, 2011 | \$ |
| Accrued discounts/premiums | 47,895 |
| Net realized gain (loss) | |
| Net change in unrealized appreciation/depreciation ⁴ | (21,936) |
| Purchases | |
| Issuances ⁵ | (267,750) |
| Sales | |
| Settlements ⁶ | 219,855 |
| Transfers in ⁷ | |
| Transfers out ⁷ | |
| Balance, as of November 30, 2011 | \$ (21,936) |

⁴ The change in unrealized appreciation/depreciation on derivative financial instruments still held on November 30, 2011 was \$(21,936).

⁵ Issuances represent upfront cash received on certain derivative financial instruments.

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

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⁷ The Fund's policy is to recognize transfers in and transfers out as of the beginning of the period of the event or the change in circumstances that caused the transfer.

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

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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, 2012

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, 2012

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, 2012

