BLACKROCK CORPORATE HIGH YIELD FUND III INC
Form N-CSRS
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-08497

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

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

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

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

Date of fiscal year end: 02/28/2012

Date of reporting period: 08/31/2011

Item 1 – Report to Stockholders

August 31, 2011

Semi-Annual Report

BlackRock Corporate High Yield Fund, Inc. (COY)

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

BlackRock Debt Strategies Fund, Inc. (DSU)

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

BlackRock Senior High Income Fund, Inc. (ARK)

Not FDIC Insured § No Bank Guarantee § May Lose Value

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Dear Shareholder

Market volatility has been extraordinary in recent months. Government debt and deficit issues in both the US and Europe have taken a toll on investor sentiment while weaker-than-expected US economic data raised concerns of another recession. Political instability and concerns that central banks have nearly exhausted their stimulus measures have further compounded investor uncertainty. Although markets remain volatile and conditions are highly uncertain, BlackRock remains focused on finding opportunities in this environment.

The pages that follow reflect your fund s reporting period ended August 31, 2011. Accordingly, the following discussion is intended to provide you with additional perspective on the performance of your investments during that period.

One year ago, the global economy appeared to solidly be in recovery mode and investors were optimistic given the anticipated second round of quantitative easing from the US Federal Reserve (the Fed). Stock markets rallied despite the ongoing sovereign debt crisis in Europe and inflationary pressures looming over emerging markets. Fixed income markets, however, saw yields move sharply upward (pushing prices down) especially on the long end of the historically steep yield curve. While high yield bonds benefited from the risk rally, most fixed income sectors declined in the fourth quarter. The tax-exempt municipal market faced additional headwinds as it became evident that the Build America Bond program would not be extended and municipal finance troubles abounded.

The new year brought spikes of volatility as political turmoil swept across the Middle East/North Africa region and as prices of oil and other commodities soared. Natural disasters in Japan disrupted industrial supply chains and concerns mounted over US debt and deficit issues. Equities generally performed well early in the year, however, as investors chose to focus on the continuing stream of strong corporate earnings and positive economic data. Credit markets were surprisingly resilient in this environment and yields regained relative stability in 2011. The tax-exempt market saw relief from its headwinds and steadily recovered from its fourth-quarter lows. Equities, commodities and high yield bonds outpaced higher-quality assets as investors increased their risk tolerance.

However, longer-term headwinds had been brewing. Inflationary pressures intensified in emerging economies, many of which were overheating, and the European debt crisis continued to escalate. Markets were met with a sharp reversal in May when political unrest in Greece pushed the nation closer to defaulting on its debt. This development rekindled fears about the broader debt crisis and its further contagion among peripheral European countries. Concurrently, it became evident that the pace of global economic growth had slowed as higher oil prices and supply chain disruptions finally showed up in economic data. By mid-summer, confidence in policymakers was tarnished as the prolonged US debt ceiling debate revealed the degree of polarization in Washington, DC. The downgrade of the US government s credit rating on August 5 was the catalyst for the recent turmoil in financial markets. Extreme volatility persisted as Europe s debt and banking crisis deepened and US economic data continued to weaken. Investors fled from riskier assets, pushing stock and high yield bond indices into negative territory for the six-month period ended August 31, while lower-risk investments including US Treasuries, municipal securities and investment grade corporate bonds posted gains. Twelve-month returns on all asset classes remained positive. Continued low short-term interest rates kept yields on money market securities near their all-time lows.

Sincerely,

Rob Kapito
President, BlackRock Advisors, LLC

BlackRock remains focused on managing risk and finding opportunities in all market environments.

Rob Kapito
President, BlackRock Advisors, LLC

Total Returns as of August 31, 2011

	6-month	**12-month**
US large cap equities (S&P 500 Index)	(7.23)%	18.50%
US small cap equities (Russell 2000 Index)	(11.17)	22.19

International equities (MSCI Europe, Australasia, Far East Index)	(11.12)	10.01
Emerging market equities (MSCI Emerging Markets Index)	(5.11)	9.07
3-month Treasury bill (BofA Merrill Lynch 3-Month Treasury Bill Index)	0.08	0.15
US Treasury securities (BofA Merrill Lynch 10-Year US Treasury Index)	13.04	6.21
US investment grade bonds (Barclays Capital US Aggregate Bond Index)	5.49	4.62
Tax-exempt municipal bonds (Barclays Capital Municipal Bond Index)	6.39	2.66
US high yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index)	(1.57)	8.32

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

Fund Summary as of August 31, 2011

BlackRock Corporate High Yield Fund, Inc.

Investment Objective

BlackRock Corporate High Yield Fund, Inc. s (COY) (the Fund) investment objective is to provide shareholders with current income by investing primarily in a diversified portfolio of fixed income securities, which are rated in the lower rating categories of the established rating services (BB or lower by Standard & Poor s Corporation (S&P s) or Ba or lower by Moody s Investors Service, Inc. (Moody s)) or are unrated securities considered by BlackRock to be of comparable quality. The Fund s secondary objective is to provide stockholders with capital appreciation. The Fund invests, under normal market conditions, at least 80% of its assets in high yield debt instruments, including high yield bonds (commonly referred to as junk bonds) and corporate loans which are below investment grade quality. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund s investment objectives will be achieved.

Portfolio Management Commentary

How did the Fund perform?

For the six months ended August 31, 2011, the Fund returned 4.03% based on market price and (2.99)% based on net asset value (NAV). For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 1.40% based on market price and (2.67)% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

Detracting from performance was the Fund s limited exposure to higher-quality securities, which exhibit greater sensitivity to interest rates than their lower-quality counterparts, and therefore benefited to a greater degree from the rally in US Treasury rates as market volatility increased during the period. Holdings of non-rated credits and securities classified as having equity-correlated risks had a negative impact on Fund returns. Security selection within the automotive, non-captive diversified (industrials) and consumer service sectors also hindered returns. In addition, the Fund s allocation to senior secured bank loans, which underperformed high yield bonds for the period, had a negative impact.

Security selection and trades based on relative valuation contributed positively to overall performance for the period, particularly within the independent energy, media non-cable, electric and metals & mining sectors. The Fund s holdings of lower-quality high yield bonds benefited performance earlier in the period due to favorable liquidity conditions and an improving corporate credit backdrop.

The Fund uses credit default swaps to express a particular view in an individual credit name and as a means of managing risk. It will also utilize credit default swaps on a basket of securities in order to put cash to work or quickly increase or decrease the portfolio s exposure to market movements. The Fund may also use stock futures and options to hedge the equity risk inherent within an individual position or group of positions. Stock futures are an efficient mechanism for reducing risk under certain market conditions. During the period, the use of derivatives had an overall positive impact on Fund returns.

Describe recent portfolio activity.

Over the period, the Fund reduced the overall risk profile by focusing its purchases in higher quality areas of the market and selling some of its riskier holdings. In order to hedge against risks relating to equity market volatility (i.e., reduce equity beta), the Fund established short positions in equity futures contracts. The Fund continued to participate in the new issue market, although cautiously, seeking opportunities in more stable industries from issuers that offer good cash flows, earnings and revenue visibility, as well as attractive downside protection. Additionally, the Fund increased exposure to names in the independent energy sector, while reducing exposure to the wireless sector.

Describe portfolio positioning at period end.

At period end, the Fund held 83% of its total portfolio in corporate bonds, 10% in floating rate loan interests (bank loans) and 3% in common stocks, with the remainder in other interests and preferred securities. The Fund had a negligible cash position. From a sector perspective, the Fund held large exposures to automotive and media non-cable names and continued to limit its exposure to consumer-related sectors including retailers, gaming and technology. The Fund ended the period with leverage at 22% of its total managed assets.

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

Fund Information

Symbol on New York Stock Exchange (NYSE)	COY
Initial Offering Date	June 25, 1993
Yield on Closing Market Price as of August 31, 2011 ($7.01)[1]	8.73%
Current Monthly Distribution per Common Share[2]	$0.051
Current Annualized Distribution per Common Share[2]	$0.612
Leverage as of August 31, 2011[3]	22%

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

2 The distribution rate is not constant and is subject to change.

3 Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

The table below summarizes the changes in the Fund s market price and NAV per share:

	8/31/11	2/28/11	Change	High	Low
Market Price	$ 7.01	$ 7.03	(0.28)%	$ 7.60	$ 6.02
Net Asset Value	$ 6.90	$ 7.42	(7.01)%	$ 7.56	$ 6.79

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

Portfolio Composition

	8/31/11	2/28/11
Corporate Bonds	83%	85%
Floating Rate Loan Interests	10	7
Common Stocks	3	5
Other Interests	2	2
Preferred Securities	2	1

Credit Quality Allocations[4]

	8/31/11	2/28/11
A		1%
BBB/Baa	7%	4
BB/Ba	35	31
B	44	46
CCC/Caa	12	13
D	1	
Not Rated	1	5

4 Using the higher of S&P s or Moody s ratings.

Fund Summary as of August 31, 2011

BlackRock Corporate High Yield Fund III, Inc.

Investment Objective

BlackRock Corporate High Yield Fund III, Inc. s (CYE) (the Fund) primary investment objective is to provide current income by investing primarily in fixed-income securities, which are rated in the lower rating categories of the established rating services (BBB or lower by S&P s or Baa or lower by Moody s) or are unrated securities of comparable quality. The Fund s secondary investment objective is to provide capital appreciation. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund s investment objectives will be achieved.

Portfolio Management Commentary

How did the Fund perform?

For the six months ended August 31, 2011, the Fund returned 0.43% based on market price and (3.35)% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 1.40% based on market price and (2.67)% based on NAV. All returns reflect reinvestment of dividends. The Fund s discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

Detracting from performance was the Fund s limited exposure to higher-quality securities, which exhibit greater sensitivity to interest rates than their lower-quality counterparts, and therefore benefited to a greater degree from the rally in US Treasury rates as market volatility increased during the period. Holdings of non-rated credits and securities classified as having equity-correlated risks had a negative impact on Fund returns. Security selection within the automotive, non-captive diversified (industrials) and consumer service sectors also hindered returns. In addition, the Fund s allocation to senior secured bank loans, which underperformed high yield bonds for the period, had a negative impact.

Security selection and trades based on relative valuation contributed positively to overall performance for the period, particularly within the independent energy, media non-cable, electric and metals & mining sectors. The Fund s holdings of lower-quality high yield bonds benefited performance earlier in the period due to favorable liquidity conditions and an improving corporate credit backdrop.

The Fund uses credit default swaps to express a particular view in an individual credit name and as a means of managing risk. It will also utilize credit default swaps on a basket of securities in order to put cash to work or quickly increase or decrease the portfolio s exposure to market movements. The Fund may also use stock futures and options to hedge the equity risk inherent within an individual position or group of positions. Stock futures are an efficient mechanism for reducing risk under certain market conditions. During the period, the use of derivatives had an overall positive impact on Fund returns.

Describe recent portfolio activity.

Over the period, the Fund reduced the overall risk profile by focusing its purchases in higher quality areas of the market and selling some of its riskier holdings. In order to hedge against risks relating to equity market volatility (i.e., reduce equity beta), the Fund established short positions in equity futures contracts. The Fund continued to participate in the new issue market, although cautiously, seeking opportunities in more stable industries from issuers that offer good cash flows, earnings and revenue visibility, as well as attractive downside protection. Additionally, the Fund increased exposure to names in the independent energy sector, while reducing exposure to the wireless sector.

Describe portfolio positioning at period end.

At period end, the Fund held 80% of its total portfolio in corporate bonds, 13% in floating rate loan interests (bank loans) and 3% in common stocks, with the remainder in other interests and preferred securities. The Fund had a negligible cash position. From a sector perspective, the Fund held large exposures to automotive and media non-cable names and continued to limit its exposure to consumer-related sectors including retailers, gaming and technology. The Fund ended the period with leverage at 24% of its total managed assets.

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BlackRock Corporate High Yield Fund III, Inc.

Fund Information

Symbol on NYSE	CYE
Initial Offering Date	January 30, 1998
Yield on Closing Market Price as of August 31, 2011 ($6.88)[1]	8.72%
Current Monthly Distribution per Common Share[2]	$0.05
Current Annualized Distribution per Common Share[2]	$0.60
Leverage as of August 31, 2011[3]	24%

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

2 The distribution rate is not constant and is subject to change.

3 Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

The table below summarizes the changes in the Fund s market price and NAV per share:

	8/31/11	2/28/11	Change	High	Low
Market Price	$ 6.88	$ 7.14	(3.64)%	$ 7.52	$ 6.08
Net Asset Value	$ 7.01	$ 7.56	(7.28)%	$ 7.70	$ 6.89

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

Portfolio Composition

	8/31/11	2/28/11
Corporate Bonds	80%	80%
Floating Rate Loan Interests	13	11
Common Stocks	3	5
Other Interests	2	2
Preferred Securities	2	2

Credit Quality Allocations[4]

	8/31/11	2/28/11
BBB/Baa	7%	4%
BB/Ba	34	31
B	44	46
CCC/Caa	12	14
Not Rated	3	5

4 Using the higher of S&P s or Moody s ratings.

Fund Summary as of August 31, 2011

BlackRock Debt Strategies Fund, Inc.

Investment Objective

BlackRock Debt Strategies Fund, Inc. s (DSU) (the Fund) primary investment objective is to provide current income by investing primarily in a diversified portfolio of US companies debt instruments, including corporate loans, which are rated in the lower rating categories of the established rating services (BBB or lower by S&P s or Baa or lower by Moody s) or unrated debt instruments, which are in the judgment of the investment adviser of equivalent quality. The Fund s secondary objective is to provide capital appreciation. Corporate loans include senior and subordinated corporate loans, both secured and unsecured. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund s investment objectives will be achieved.

Portfolio Management Commentary

How did the Fund perform?

For the six months ended August 31, 2011, the Fund returned 2.16% based on market price and (3.81)% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 1.40% based on market price and (2.67)% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

The Fund invests in both high yield bonds and floating rate loan interests (i.e., bank loans). Both of these sectors generated negative returns for the period as investors fled riskier assets due to concerns about the debt crisis in Europe and slowing economic growth in the US. Bank loans underperformed high yield bonds as interest rates fell and the Fed signaled that it is likely to maintain low short-term interest rates for an extended period. The Fund s large allocation to bank loans detracted from performance relative to its Lipper category competitors, which invest primarily in high yield bonds. The Fund s positions in common stocks, convertible bonds and preferred securities (approximately 2% of the portfolio) had a negative impact, as did its underexposure to higher-quality, non-investment grade issues.

Conversely, the Fund s heavy exposure to names in energy and metals and mining contributed positively to performance as these sectors are more stable and therefore outperformed the more cyclical sectors when the market declined. Limited exposure to the lower-quality tiers of speculative-grade credits also proved beneficial.

Describe recent portfolio activity.

Over the period, the Fund shifted positioning to a more conservative stance by reducing its holdings in the more cyclical sectors and increasing exposure to sectors exhibiting stable cash flows, earnings visibility, and attractive downside protection.

Describe portfolio positioning at period end.

At period end, the Fund held 53% of its total portfolio in floating rate loan interests (bank loans), 43% in corporate bonds, 2% in common stocks and the remainder in asset-backed securities and other interests. The Fund held a negligible cash position. From a sector perspective, the Fund held large exposures to the paper, chemicals and independent energy sectors, while its exposures to technology, automotive and gaming names were limited. The Fund ended the period with leverage at 26% of its total managed assets.

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BlackRock Debt Strategies Fund, Inc.

Fund Information

Symbol on NYSE	DSU
Initial Offering Date	March 27, 1998
Yield on Closing Market Price as of August 31, 2011 ($3.98)[1]	8.14%
Current Monthly Distribution per Common Share[2]	$0.027
Current Annualized Distribution per Common Share[2]	$0.324
Leverage as of August 31, 2011[3]	26%

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

2 The distribution rate is not constant and is subject to change.

3 Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

The table below summarizes the changes in the Fund s market price and NAV per share:

	8/31/11	2/28/11	Change	High	Low
Market Price	$ 3.98	$ 4.05	(1.73)%	$ 4.43	$ 3.45
Net Asset Value	$ 3.96	$ 4.28	(7.48)%	$ 4.31	$ 3.91

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

Portfolio Composition

	8/31/11	2/28/11
Floating Rate Loan Interests	53%	53%
Corporate Bonds	43	43
Common Stocks	2	1
Asset-Backed Securities	1	2
Other Interests	1	1

Credit Quality Allocations[4]

	8/31/11	2/28/11
BBB/Baa	6%	7%
BB/Ba	30	29
B	46	45
CCC/Caa	9	11
D	1	
Not Rated	8	8

4 Using the higher of S&P s or Moody s ratings.

Fund Summary as of August 31, 2011

BlackRock Floating Rate Income Strategies Fund II, Inc.

Investment Objective

BlackRock Floating Rate Income Strategies Fund II, Inc. s (FRB) (the Fund) investment objective is to provide shareholders with high current income and such preservation of capital as is consistent with investment in a diversified, leveraged portfolio consisting primarily of floating rate debt securities and instruments. The Fund seeks to achieve its investment objective by investing, under normal market conditions, at least 80% of its assets in floating rate debt securities, including floating or variable rate debt securities that pay interest at rates that adjust whenever a specified interest rate changes and/or which reset on predetermined dates (such as the last day of a month or calendar quarter). The Fund invests a substantial portion of its investments in floating rate debt securities consisting of secured or unsecured senior floating rate loans that are rated below investment grade. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund s investment objective will be achieved.

Portfolio Management Commentary

How did the Fund perform?

For the six months ended August 31, 2011, the Fund returned (11.01)% based on market price and (4.85)% based on NAV. For the same period, the closed-end Lipper Loan Participation Funds category posted an average return of (11.93)% based on market price and (5.66)% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a premium to NAV to a discount by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

Floating rate loan interests (i.e., bank loans) suffered along with other risk assets as macroeconomic headwinds intensified and investor confidence waned during the period. Although the bank loan market generally advanced over the first five months of the period, a surge of volatility in August more than reversed those gains. Within the Fund, security selection in consumer services had a negative impact on performance. The Fund s use of leverage hurt returns (on an absolute basis) as the bank loan sector underperformed relative to other fixed income sectors. In addition, the Fund s bias to higher-quality pockets of the loan market proved a disadvantage when the markets corrected in August. Selling in the bank loan market was concentrated in higher-quality loan instruments as they tend to be more liquid and have better pricing transparency.

The Fund maintains a relatively conservative portfolio, weighted toward higher-quality non-investment grade investments. This investment style along with the Fund s bottom-up process for security selection was the largest contributor to performance for the period. Security selection within chemicals along with low exposure and positive selection in media non-cable had a positive impact. From an asset allocation perspective, the Fund s exposure to high yield bonds was beneficial as the sector outperformed bank loans.

Describe recent portfolio activity.

During the period, the Fund maintained its higher-quality bias in terms of structure, overall credit quality and liquidity. Prior to the market correction in August, the Fund reduced exposure to some of the lower-quality holdings and increased the level of cash. While transitioning the overall portfolio to a more conservative stance, Fund management continued to seek investment opportunities across the new-issue market, albeit cautiously, targeting issuers with superior credit fundamentals (i.e., stable income streams and attractive downside protection).

Describe portfolio positioning at period end.

At period end, the Fund held 81% of its total portfolio in floating rate loan interests (bank loans) and 16% in corporate bonds, with the remainder in asset-backed securities, other interests and cash. From a sector perspective, the Fund held large exposures to the non-captive diversified (industrials), chemicals and wireless sectors, while its exposures to consumer products, media non-cable and technology were limited. The Fund ended the period with leverage at 27% of its total managed assets.

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

Fund Information

Symbol on NYSE	FRB
Initial Offering Date	July 30, 2004
Yield on Closing Market Price as of August 31, 2011 ($12.25)[1]	7.15%
Current Monthly Distribution per Common Share[2]	$0.073
Current Annualized Distribution per Common Share[2]	$0.876
Leverage as of August 31, 2011[3]	27%

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

2 The distribution rate is not constant and is subject to change.

3 Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

The table below summarizes the changes in the Fund s market price and NAV per share:

	8/31/11	2/28/11	Change	High	Low
Market Price	$ 12.25	$ 14.22	(13.85)%	$ 14.79	$ 11.79
Net Asset Value	$ 12.96	$ 14.07	(7.89)%	$ 14.12	$ 12.73

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

Portfolio Composition

	8/31/11	2/28/11
Floating Rate Loan Interests	81%	81%
Corporate Bonds	16	15
Asset-Backed Securities	2	3
Other Interests	1	1

Credit Quality Allocations[4]

	8/31/11	2/28/11
BBB/Baa	8%	7%
BB/Ba	33	34
B	46	42
CCC/Caa	7	8
Not Rated	6	9

4 Using the higher of S&P s or Moody s ratings.

Fund Summary as of August 31, 2011

BlackRock Senior High Income Fund, Inc.

Investment Objective

BlackRock Senior High Income Fund, Inc. s (ARK) (the   Fund) investment objective is to provide high current income by investing principally in senior debt obligations of companies, including corporate loans made by banks and other financial institutions and both privately placed and publicly offered corporate bonds and notes. The Fund may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Fund s investment objective will be achieved.

Portfolio Management Commentary

How did the Fund perform?

For the six months ended August 31, 2011, the Fund returned (6.20)% based on market price and (2.18)% based on NAV. For the same period, the closed-end Lipper High Current Yield Funds (Leveraged) category posted an average return of 1.40% based on market price and (2.67)% based on NAV. All returns reflect reinvestment of dividends. The Fund s discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

What factors influenced performance?

The Fund invests in both high yield bonds and floating rate loan interests (i.e., bank loans). Both of these sectors generated negative returns for the period as investors fled riskier assets due to concerns about the debt crisis in Europe and slowing economic growth in the US. Bank loans underperformed high yield bonds as interest rates fell and the Fed signaled that it is likely to maintain low short-term interest rates for an extended period. The Fund s large allocation to bank loans detracted from performance relative to its Lipper category competitors, which invest primarily in high yield bonds. The Fund s positions in common stocks, convertible bonds and preferred securities (approximately 3% of the portfolio) had a negative impact, as did its underexposure to higher-quality, non-investment grade issues.

Conversely, the Fund s heavy exposure to names in energy and metals & mining contributed positively to performance as these sectors are more stable and therefore outperformed the more cyclical sectors when the market declined. Limited exposure to the lower-quality tiers of speculative-grade credits also proved beneficial.

Describe recent portfolio activity.

Over the period, the Fund shifted positioning to a more conservative stance by reducing its holdings in the more cyclical sectors and increasing exposure to sectors exhibiting stable cash flows, earnings visibility, and attractive downside protection.

Describe portfolio positioning at period end.

At period end, the Fund held 54% of its total portfolio in floating rate loan interests (bank loans) and 43% in corporate bonds, with the remainder in asset-backed securities, common stocks and other interests. The Fund held a negligible cash position. From a sector perspective, the Fund held large exposures to the non-captive diversified (industrials), chemicals and independent energy sectors, while its exposures to technology, automotive and electric names were limited. The Fund ended the period with leverage at 23% of its total managed assets.

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BlackRock Senior High Income Fund, Inc.

Fund Information

Symbol on NYSE	ARK
Initial Offering Date	April 30, 1993
Yield on Closing Market Price as of August 31, 2011 ($3.78)[1]	7.94%
Current Monthly Distribution per Common Share[2]	$0.025
Current Annualized Distribution per Common Share[2]	$0.300
Leverage as of August 31, 2011[3]	23%

1 Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

2 The distribution rate is not constant and is subject to change.

3 Represents loan outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 14.

The table below summarizes the changes in the Fund s market price and NAV per share:

	8/31/11	2/28/11	Change	High	Low
Market Price	$ 3.78	$ 4.18	(9.57)%	$ 4.31	$ 3.42
Net Asset Value	$ 3.98	$ 4.22	(5.69)%	$ 4.27	$ 3.90

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

Portfolio Composition

	8/31/11	2/28/11
Floating Rate Loan Interests	54%	53%
Corporate Bonds	43	43
Asset-Backed Securities	1	2
Other Interests	1	1
Common Stocks	1	1

Credit Quality Allocations[4]

	8/31/11	2/28/11
BBB/Baa	8%	9%
BB/Ba	34	31
B	48	49
CCC/Caa	3	3
Not Rated	7	8

4 Using the higher of S&P s or Moody s ratings.

The Benefits and Risks of Leveraging

The Funds may utilize leverage to seek to enhance the yield and NAV. However, these objectives cannot be achieved in all interest rate environments.

The Funds may utilize leverage by borrowing through a credit facility. In general, the concept of leveraging is based on the premise that the financing cost of assets to be obtained from leverage, which will be based on short-term interest rates, will normally be lower than the income earned by each Fund on its longer-term portfolio investments. To the extent that the total assets of each Fund (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, each Fund s shareholders will benefit from the incremental net income.

The interest earned on securities purchased with the proceeds from leverage is paid to shareholders in the form of dividends, and the value of these portfolio holdings is reflected in the per share NAV. However, in order to benefit shareholders, the yield curve must be positively sloped; that is, short-term interest rates must be lower than long-term interest rates. If the yield curve becomes negatively sloped, meaning short-term interest rates exceed long-term interest rates, income to shareholders will be lower than if the Funds had not used leverage.

To illustrate these concepts, assume a Fund s capitalization is $100 million and it issues debt securities for an additional $30 million, creating a total value of $130 million available for investment in long-term securities. If prevailing short-term interest rates are 3% and long-term interest rates are 6%, the yield curve has a strongly positive slope. In this case, the Fund pays interest expense on the $30 million of debt securities based on the lower short-term interest rates. At the same time, the securities purchased by the Fund with assets received from the borrowings earn income based on long-term interest rates. In this case, the interest expense of the borrowings is significantly lower than the income earned on the Fund s long-term investments, and therefore the Fund s shareholders are the beneficiaries of the incremental net income.

If short-term interest rates rise, narrowing the differential between short-term and long-term interest rates, the incremental net income pickup will be reduced or eliminated completely. Furthermore, if prevailing short-term interest rates rise above long-term interest rates, the yield curve has a negative slope. In this case, the Fund pays higher short-term interest rates whereas the Fund s total portfolio earns income based on lower long-term interest rates.

Furthermore, the value of the Funds portfolio investments generally varies inversely with the direction of long-term interest rates, although other factors can influence the value of portfolio investments. In contrast, the redemption value of the Funds borrowings does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Funds NAV positively or negatively in addition to the impact on Fund performance from leverage from borrowings discussed above.

The use of leverage may enhance opportunities for increased income to the Funds, but as described above, it also creates risks as short- or long-term interest rates fluctuate. Leverage also will generally cause greater changes in the Funds NAVs, market prices and dividend rates than comparable portfolios without leverage. If the income derived from securities purchased with assets received from leverage exceeds the cost of leverage, each Fund s net income will be greater than if leverage had not been used. Conversely, if the income from the securities purchased is not sufficient to cover the cost of leverage, each Fund s net income will be less than if leverage had not been used, and therefore the amount available for distribution to shareholders will be reduced. Each Fund may be required to sell portfolio securities at inopportune times or at distressed values in order to comply with regulatory requirements applicable to the use of leverage or as required by the terms of leverage instruments, which may cause a Fund to incur losses. The use of leverage may limit each Fund s ability to invest in certain types of securities or use certain types of hedging strategies. Each Fund will incur expenses in connection with the use of leverage, all of which are borne by shareholders and may reduce income.

Under the Investment Company Act of 1940, the Funds are permitted to borrow through their credit facility up to 33 % of their total managed assets. As of August 31, 2011, the Funds had outstanding leverage from borrowings as a percentage of their total managed assets as follows:

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

Derivative Financial Instruments

The Funds may invest in various derivative financial instruments, including financial futures contracts, foreign currency exchange contracts, options and swaps as specified in Note 2 of the Notes to Financial Statements, which may constitute forms of economic leverage. Such derivative financial instruments are used to obtain exposure to a market without owning or taking physical custody of securities or to hedge market, equity, credit, interest rate and/or foreign currency exchange rate risks. Derivative financial instruments involve risks, including the imperfect correlation between the value of a derivative financial instrument and the underlying asset, possible default of the counterparty to the transaction or illiquidity of the derivative financial instrument. The Funds ability to use a derivative financial instrument successfully depends on the investment advisor s ability to predict pertinent market movements accurately, which cannot be assured. The use of derivative financial instruments may result in losses greater than if they had not been used, may require a Fund to sell or purchase portfolio investments at inopportune times or for distressed values, may limit the amount of appreciation a Fund can realize on an investment, may result in lower dividends paid to shareholders or may cause a Fund to hold an investment that it might otherwise sell. The Funds investments in these instruments are discussed in detail in the Notes to Financial Statements.

Schedule of Investments August 31, 2011 (Unaudited)

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

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

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

				1,370,190

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

Portfolio Abbreviations

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

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

See Notes to Financial Statements.

Schedule of Investments (continued)

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

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

7.00%, 4/01/19 (c)		470		423,000
EH Holding Corp. (c):				
6.50%, 6/15/19		340		340,000
7.63%, 6/15/21		240		238,800
				1,868,550
Construction & Engineering 0.1%				
Abengoa SA, 8.50%, 3/31/16	EUR	100		134,313
Boart Longyear Management Ltd., 7.00%, 4/01/21 (c)	USD	175		173,687
				308,000

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

Reynolds Group DL Escrow, Inc.,			
8.50%, 10/15/16 (c)			
Reynolds Group Issuer, Inc.:			
8.75%, 10/15/16 (c)	EUR	350	487,692
8.75%, 10/15/16		502	699,490
7.13%, 4/15/19 (c)	USD	230	217,925
9.00%, 4/15/19 (c)		245	220,500
7.88%, 8/15/19 (c)		1,010	999,900
9.88%, 8/15/19 (c)		415	390,100
8.25%, 2/15/21 (c)		680	572,900
WMG Acquisition Corp. (c):			
9.50%, 6/15/16		110	112,200
11.50%, 10/01/18		535	486,850
			12,708,911

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (COY)

(Percentages shown are based on Net Assets)

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

7.75%, 4/15/18 (c)		95		88,350
ExamWorks Group, Inc., 9.00%, 7/15/19 (c)		260		245,050
Fresenius US Finance II, Inc., 9.00%, 7/15/15 (c)		500		557,500
Teleflex, Inc., 6.88%, 6/01/19		270		267,975
				3,360,763
Health Care Providers & Services 5.9%				
Aviv Healthcare Properties LP, 7.75%, 2/15/19 (c)		380		378,100
ConvaTec Healthcare E SA (c):				
7.38%, 12/15/17	EUR	400		517,140
10.50%, 12/15/18	USD	240		218,400

Corporate Bonds		Par (000)		Value
Health Care Providers & Services (concluded)				
Crown Newco 3 Plc, 7.00%, 2/15/18 (c)	GBP	331	$	483,584
HCA, Inc.:				
8.50%, 4/15/19	USD	280		305,200
6.50%, 2/15/20		1,125		1,137,656
7.25%, 9/15/20		2,695		2,769,112
7.50%, 2/15/22		1,180		1,168,200
IASIS Healthcare LLC, 8.38%, 5/15/19 (c)		695		608,125
INC Research LLC, 11.50%, 7/15/19 (c)		375		346,875
inVentiv Health, Inc., 10.00%, 8/15/18 (c)		395		356,488
Omnicare, Inc.:				
6.13%, 6/01/13		14		14,140
6.88%, 12/15/15		268		273,360
7.75%, 6/01/20		580		591,600
Symbion, Inc., 8.00%, 6/15/16 (c)		315		292,950
Tenet Healthcare Corp.:				
9.00%, 5/01/15		1,587		1,682,220
10.00%, 5/01/18		752		827,200
8.88%, 7/01/19		2,010		2,130,600
				14,100,950
Health Care Technology 1.3%				
IMS Health, Inc., 12.50%, 3/01/18 (c)		2,235		2,570,250
MedAssets, Inc., 8.00%, 11/15/18 (c)		485		468,025
				3,038,275
Hotels, Restaurants & Leisure 1.5%				
Caesars Entertainment Operating Co., Inc., 11.25%, 6/01/17		150		161,625
Cirsa Funding Luxembourg SA, 8.75%, 5/15/18	EUR	50		62,488
Diamond Resorts Corp., 12.00%, 8/15/18	USD	1,100		1,067,000
El Dorado Resorts LLC, 8.63%, 6/15/19 (c)		165		140,662
Enterprise Inns Plc, 6.50%, 12/06/18	GBP	296		365,178
Little Traverse Bay Bands of Odawa Indians, 9.00%, 8/31/20 (c)	USD	270		224,100
MGM Mirage, 13.00%, 11/15/13		90		103,162
MGM Resorts International:				
10.38%, 5/15/14		235		257,912
11.13%, 11/15/17		780		869,700
Travelport LLC:				
4.95%, 9/01/14 (h)		165		125,812
9.88%, 9/01/14		35		29,838
9.00%, 3/01/16		110		88,275
Tropicana Entertainment LLC, Series WI, 9.63%, 12/15/14 (a)(i)		315		32
				3,495,784
Household Durables 2.6%				
American Standard Americas, 10.75%, 1/15/16 (c)		380		307,800
Ashton Woods USA LLC, 21.44%, 6/30/15 (c)(j)		805		577,587
Beazer Homes USA, Inc.:				
8.13%, 6/15/16		295		207,975

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

See Notes to Financial Statements.

Schedule of Investments (continued)

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

Corporate Bonds		Par (000)		Value
IT Services 2.0%				
Eagle Parent Canada, Inc., 8.63%, 5/01/19 (c)	USD	670	$	616,400
First Data Corp. (c):				
7.38%, 6/15/19		800		752,000
8.88%, 8/15/20		495		490,050
12.63%, 1/15/21		1,938		1,831,410
SunGard Data Systems, Inc.:				
7.38%, 11/15/18		540		514,350
7.63%, 11/15/20		550		525,250
				4,729,460
Independent Power Producers & Energy Traders 2.8%				
AES Corp., 7.38%, 7/01/21 (c)		785		792,850
Calpine Corp. (c):				
7.50%, 2/15/21		180		181,800
7.88%, 1/15/23		585		596,700
Energy Future Holdings Corp., 10.00%, 1/15/20		3,115		3,127,058
Energy Future Intermediate Holding Co. LLC, 10.00%, 12/01/20		161		162,428
NRG Energy, Inc., 7.63%, 1/15/18 (c)		1,995		1,975,050
				6,835,886
Industrial Conglomerates 2.7%				
Alba Group Plc & Co., KG, 8.00%, 5/15/18 (c)	EUR	107		149,863
Sequa Corp. (c):				
11.75%, 12/01/15	USD	2,190		2,277,600
13.50%, 12/01/15		3,759		3,984,277
				6,411,740
Insurance 1.3%				
Alliant Holdings I, Inc., 11.00%, 5/01/15 (c)		1,600		1,640,000
CNO Financial Group, Inc., 9.00%, 1/15/18 (c)		339		352,560
Genworth Financial, Inc., 7.63%, 9/24/21		390		346,136
MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (c)		235		225,600
USI Holdings Corp., 4.16%, 11/15/14 (c)(h)		630		563,850
				3,128,146
Machinery 1.3%				
AGY Holding Corp., 11.00%, 11/15/14		900		788,625
Navistar International Corp.:				
3.00%, 10/15/14 (f)		1,810		1,997,788
8.25%, 11/01/21		140		144,900
Oshkosh Corp., 8.25%, 3/01/17				