

BLACKROCK CORPORATE HIGH YIELD FUND III INC  
Form N-Q  
January 29, 2010  
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: Anne F. Ackerley, Chief Executive Officer, BlackRock Corporate High Yield Fund III, Inc., 55 East 52<sup>nd</sup> Street, New York, NY 10055.

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

Date of fiscal year end: 02/28/2010

Date of reporting period: 11/30/2009

Item 1 Schedule of Investments

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

Schedule of Investments November 30, 2009 (Unaudited)

(Percentages shown are based on Net Assets)

| Industry   | Common Stocks                            | Shares  | Value        |
|--|--|---------|--------------|
| <b>Auto Components - 0.7%</b>                        | Federal-Mogul Corp., Class A (a)         | 76,700  | \$ 1,035,450 |
|  | Lear Corp. (a)                           | 8,985   | 565,979      |
|  |  |         | 1,601,429    |
| <b>Building Products - 0.5%</b>                      | Masonite Worldwide Holdings (a)          | 34,575  | 1,210,125    |
| <b>Capital Markets - 0.2%</b>                        | E*Trade Financial Corp. (a)              | 296,000 | 485,440      |
| <b>Chemicals - 0.1%</b>                              | Solutia, Inc. (a)                        | 14,000  | 150,780      |
|  | Wellman Holdings, Inc. (a)               | 1,522   | 381          |
|  |  |         | 151,161      |
| <b>Communications Equipment - 0.9%</b>               | Loral Space & Communications Ltd. (a)    | 64,095  | 2,122,185    |
| <b>Diversified Financial Services - 0.0%</b>         | Citigroup, Inc.                          | 1       | 4            |
| <b>Diversified Telecommunication Services - 0.2%</b> | Qwest Communications International, Inc. | 150,000 | 547,500      |
| <b>Electrical Equipment - 0.0%</b>                   | Medis Technologies Ltd. (a)              | 70,784  | 4,743        |
|  | SunPower Corp., Class B (a)              | 778     | 13,903       |
|  |  |         | 18,646       |
| <b>Food Products - 0.0%</b>                          | Pilgrim s Pride Corp.                    | 6,334   | 37,877       |
| <b>Hotels, Restaurants &amp; Leisure - 0.0%</b>      | Buffets Restaurants Holdings, Inc. (a)   | 1,099   | 7,693        |
| <b>Household Durables - 0.3%</b>                     | Beazer Homes USA, Inc. (a)               | 129,500 | 556,850      |
|  | Standard-Pacific Corp. (a)               | 15,000  | 47,850       |
|  |  |         | 604,700      |
| <b>Media - 0.2%</b>                                  | Sirius XM Radio, Inc. (a)                | 865,000 | 544,950      |
| <b>Paper &amp; Forest Products - 0.2%</b>            | Ainsworth Lumber Co. Ltd.                | 125,117 | 243,026      |
|  | Ainsworth Lumber Co. Ltd. (a)(b)         | 140,415 | 273,038      |
|  | Western Forest Products, Inc. (a)(b)     | 45,762  | 8,455        |
|  | Western Forest Products, Inc. (a)        | 158,023 | 29,197       |
|  |  |         | 553,716      |
| <b>Software - 0.1%</b>                               | TiVo, Inc. (a)                           | 31,000  | 306,900      |
| <b>Wireless Telecommunication Services - 0.4%</b>    | iPCS, Inc. (a)                           | 33,057  | 793,699      |

| <b>Total Common Stocks - 3.8%</b> |   |     |     | 8,986,025            |
|-----------------------------------|---|-----|-----|----------------------|
| <b>Corporate Bonds</b>            |   |     |     | <b>Par<br/>(000)</b> |
| <b>Airlines - 2.2%</b>            | American Airlines, Inc., 10.50%, 10/15/12 (b)   | USD | 580 | 585,800              |
|                                   | American Airlines Pass-Through Trust, Series 2001-02,<br>7.86%, 4/01/13                                 |     | 400 | 398,000              |
|                                   | Continental Airlines, Inc., Series 1997-4-B, 6.90%,<br>7/02/18 (c)                                      |     | 699 | 639,148              |
|                                   | Continental Airlines, Inc., Series 2001-1-C, 7.03%,<br>12/15/12   |     | 315 | 295,647              |
|                                   | Continental Airlines, Inc., Series 2003-RJ, 7.88%,<br>1/02/20 Delta Air Lines, Inc., 9.50%, 9/15/14 (b) |     | 470 | 380,320              |
|                                   |   |     | 140 | 142,100              |

**BlackRock Corporate High Yield Fund III, Inc. (CYE)**  
 Schedule of Investments November 30, 2009 (Unaudited)

(Percentages shown are based on Net Assets)

| Industry                        | Corporate Bonds   | Par<br>(000) | Value      |
|---------------------------------|---|--------------|------------|
|                                 | Delta Air Lines, Inc., Series B, 9.75%, 12/17/16                                | USD 600      | \$ 600,000 |
|                                 | United Air Lines, Inc., 12.75%, 7/15/12   | 2,100        | 2,136,750  |
|                                 |   |              | 5,177,765  |
| <b>Auto Components - 1.1%</b>   | Allison Transmission, Inc., 11.00%,<br>11/01/15 (b)                             | 416          | 430,560    |
|                                 | Delphi International Holdings Unsecured, 12.00%,<br>10/06/14                    | 91           | 89,282     |
|                                 | The Goodyear Tire & Rubber Co., 7.86%, 8/15/11                                  | 1,450        | 1,486,250  |
|                                 | The Goodyear Tire & Rubber Co., 8.63%, 12/01/11                                 | 552          | 565,110    |
|                                 |   |              | 2,571,202  |
| <b>Automobiles - 0.3%</b>       | Ford Capital BV, 9.50%, 6/01/10   | 785          | 810,512    |
| <b>Biotechnology - 0.3%</b>     | QHP Pharma, 10.25%, 3/15/15 (b)   | 710          | 718,115    |
| <b>Building Products - 0.6%</b> | Associated Materials LLC, 9.88%, 11/15/16 (b)                                   | 440          | 459,800    |
|                                 | Ply Gem Industries, Inc., 11.75%, 6/15/13                                       | 910          | 869,050    |
|                                 |   |              | 1,328,850  |
| <b>Capital Markets - 0.5%</b>   | E*Trade Financial Corp., 3.39%,<br>8/31/19 (b)(d)(e)                            | 244          | 380,945    |
|                                 | E*Trade Financial Corp., Series A, 3.64%, 8/31/19<br>(d)(e)                     | 7            | 10,929     |
|                                 | Marsico Parent Co., LLC, 10.63%, 1/15/16  | 1,073        | 633,070    |
|                                 | Marsico Parent Holdco, LLC, 12.50%, 7/15/16 (b)(f)                              | 461          | 99,161     |
|                                 | Marsico Parent Superholdco, LLC, 14.50%, 1/15/18<br>(b)(f)                      | 318          | 68,400     |
|                                 |   |              | 1,192,505  |
| <b>Chemicals - 2.1%</b>         | American Pacific Corp., 9.00%, 2/01/15  | 880          | 820,600    |
|                                 | ArCo Chemical Co., 9.80%, 2/01/20 (a)   | 85           | 70,125     |
|                                 | Huntsman International LLC, 6.88%,<br>11/15/13 (b)                              | EUR 280      | 380,492    |
|                                 | Huntsman International LLC, 5.50%,<br>6/30/16 (b)                               | USD 545      | 472,787    |
|                                 | Innophos, Inc., 8.88%, 8/15/14  | 825          | 841,500    |
|                                 | Lyondell Chemical Worldwide, Inc., 10.25%, 11/01/10<br>(a)(g)                   | 120          | 99,000     |
|                                 | MacDermid, Inc., 9.50%, 4/15/17 (b)   | 1,260        | 1,247,400  |
|                                 | Wellman Holdings, Inc., Second Lien Subordinate<br>Note, 10.00%, 1/29/19 (b)(d) | 844          | 844,000    |
|                                 | Wellman Holdings, Inc., Third Lien Subordinate Note,<br>5.00%, 1/29/19 (b)(d)   | 262          | 131,000    |

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|  |   |     |     |           |
|--|---|-----|-----|-----------|
|  |   |     |     | 4,906,904 |
| <b>Commercial Banks - 0.1%</b>                       | Glitnir Banki HF, 4.15%, 4/20/10 (a)(b)(g)              |     | 111 | 23,865    |
|  | Glitnir Banki HF, 6.38%, 9/25/12 (a)(b)(g)              |     | 500 | 107,500   |
|  | Glitnir Banki HF, Series EMTN, 5.07%,<br>1/27/10 (a)(g) | EUR | 50  | 15,766    |
|  | Glitnir Banki HF, Series EMTN, 3.00%,<br>6/30/10 (a)(g) |     | 45  | 14,190    |
|  | Glitnir Banki HF, Series GMTN, 4.38%, 2/05/10           |     | 50  | 15,766    |
|  |   |     |     | 177,087   |
| <b>Commercial Services &amp; Supplies -<br/>4.2%</b> | ACCO Brands Corp., 10.63%, 3/15/15 (b)                  | USD | 250 | 269,687   |
|  | Altegrity, Inc., 10.50%, 11/01/15 (b)                   |     | 700 | 602,000   |
|  | ISS Financing, 11.00%, 6/15/14                          | EUR | 277 | 448,512   |
|  | International Lease Finance Corp., 5.63%, 9/20/13       | USD | 135 | 106,244   |
|  | International Lease Finance Corp., 5.65%, 6/01/14       |     | 770 | 586,571   |
|  | RSC Equipment Rental, Inc., 10.00%,<br>7/15/17 (b)      |     | 585 | 630,338   |

**BlackRock Corporate High Yield Fund III, Inc. (CYE)**  
 Schedule of Investments November 30, 2009 (Unaudited)

(Percentages shown are based on Net Assets)

| Industry                                     | Corporate Bonds  |     | Par<br>(000) | Value             |
|--|--|-----|--------------|-------------------|
|  | Scientific Games International, Inc., 9.25%, 6/15/19     | USD | 855          | \$ 888,131        |
|  | Waste Services, Inc., 9.50%, 4/15/14                     |     | 3,000        | 3,075,000         |
|  | West Corp., 9.50%, 10/15/14                              |     | 950          | 926,250           |
|  | West Corp., 11.00%, 10/15/16                             |     | 2,410        | 2,428,075         |
|  |  |     |              | <u>9,960,808</u>  |
| <b>Construction Materials - 1.2%</b>         | Nortek, Inc., 10.00%, 12/01/13 (a)                       |     | 2,145        | 2,198,625         |
|  | Texas Industries, Inc., 7.25%, 7/15/13                   |     | 785          | 759,488           |
|  |  |     |              | <u>2,958,113</u>  |
| <b>Consumer Finance - 0.2%</b>               | Ford Motor Credit Co. LLC, 3.03%, 1/13/12 (h)            |     | 215          | 194,897           |
|  | Ford Motor Credit Co. LLC, 7.80%, 6/01/12                |     | 200          | 199,844           |
|  | Ford Motor Credit Co. LLC, 8.00%, 12/15/16               |     | 180          | 179,270           |
|  |  |     |              | <u>574,011</u>    |
| <b>Containers &amp; Packaging - 4.5%</b>     | Berry Plastics Corp., 4.13%, 9/15/14 (h)                 |     | 1,765        | 1,376,700         |
|  | Berry Plastics Escrow LLC, 8.88%, 9/15/14 (b)            |     | 470          | 428,875           |
|  | Crown European Holdings SA, 6.25%, 9/01/11               | EUR | 75           | 115,994           |
|  | Graphic Packaging International, Inc., 9.50%, 8/15/13    | USD | 65           | 66,625            |
|  | Graphic Packaging International, Inc., 9.50%, 6/15/17    |     | 840          | 886,200           |
|  | Impress Holdings BV, 3.41%, 9/15/13 (b)(h)               |     | 420          | 394,275           |
|  | Owens-Brockway Glass Container, Inc., 8.25%, 5/15/13     |     | 1,000        | 1,020,000         |
|  | Owens-Brockway Glass Container, Inc., 6.75%,<br>12/01/14 | EUR | 155          | 223,430           |
|  | Packaging Dynamics Finance Corp., 10.00%, 5/01/16<br>(b) | USD | 1,355        | 1,002,700         |
|  | Pregis Corp., 12.38%, 10/15/13                           |     | 1,200        | 1,140,000         |
|  | Rock-Tenn Co., 8.20%, 8/15/11                            |     | 2,000        | 2,100,000         |
|  | Smurfit Kappa Acquisitions, 7.25%, 11/15/17              | EUR | 495          | 709,819           |
|  | Smurfit Kappa Acquisitions, 7.75%, 11/15/19              |     | 470          | 682,791           |
|  | Solo Cup Co., 10.50%, 11/01/13 (b)                       | USD | 475          | 499,938           |
|  |  |     |              | <u>10,647,347</u> |
| <b>Diversified Consumer Services - 1.2%</b>  | Service Corp. International, 7.00%, 6/15/17              |     | 3,000        | 2,895,000         |
| <b>Diversified Financial Services - 6.3%</b> | Axcan Intermediate Holdings, Inc., 12.75%, 3/01/16       |     | 520          | 568,100           |
|  | FCE Bank Plc, 7.88%, 2/15/11                             | GBP | 700          | 1,131,410         |
|  | FCE Bank Plc, 7.13%, 1/16/12                             | EUR | 2,850        | 4,086,834         |
|  | FCE Bank Plc, 7.13%, 1/15/13                             |     | 1,050        | 1,474,143         |
|  | GMAC LLC, 7.25%, 3/02/11 (b)                             | USD | 464          | 453,560           |
|  | GMAC LLC, 6.88%, 9/15/11 (b)                             |     | 500          | 481,250           |
|  | GMAC LLC, 6.88%, 8/28/12 (b)                             |     | 600          | 568,500           |
|  | GMAC LLC, 2.46%, 12/01/14 (b)(h)                         |     | 884          | 685,100           |
|  | GMAC LLC, 6.75%, 12/01/14 (b)                            |     | 1,300        | 1,163,500         |

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|   |     |       |         |
|---|-----|-------|---------|
| GMAC LLC, 8.00%, 11/01/31 (b)                                     |     | 1,140 | 977,550 |
| General Motors Acceptance Corp. of Canada Ltd.,<br>6.00%, 5/25/10 | CAD | 300   | 278,889 |

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**BlackRock Corporate High Yield Fund III, Inc. (CYE)**  
 Schedule of Investments November 30, 2009 (Unaudited)

(Percentages shown are based on Net Assets)

| Industry   | Corporate Bonds  | Par<br>(000) | Value        |
|--|--|--------------|--------------|
|  | Leucadia National Corp., 8.13%, 9/15/15                            | USD 1,325    | \$ 1,341,562 |
|  | Reynolds Group DL Escrow, Inc., 7.75%, 10/15/16 (b)                | 1,200        | 1,212,000    |
|  | Reynolds Group DL Escrow, Inc., 7.75%, 10/15/16                    | EUR 400      | 591,609      |
|  |  |              | 15,014,007   |
| <b>Diversified Services - 4.7%</b>                               | Broadview Networks Holdings, Inc., 11.38%, 9/01/12                 | USD 1,035    | 962,550      |
|  | GCI, Inc., 8.63%, 11/15/19 (b)                                     | 1,200        | 1,200,000    |
|  | Nordic Telephone Co. Holdings ApS, 8.88%, 5/01/16 (b)              | 1,445        | 1,517,250    |
|  | Qwest Communications International, Inc., 7.50%, 2/15/14           | 2,020        | 1,999,800    |
|  | Qwest Communications International, Inc., 8.00%, 10/01/15 (b)      | 600          | 600,000      |
|  | Qwest Communications International, Inc., 3.50%, 11/15/25 (d)      | 1,010        | 1,008,738    |
|  | Qwest Communications International, Inc., Series B, 7.50%, 2/15/14 | 1,730        | 1,712,700    |
|  | Qwest Corp., 7.63%, 6/15/15  | 525          | 534,188      |
|  | Qwest Corp., 8.38%, 5/01/16 (b)                                    | 680          | 710,600      |
|  | Windstream Corp., 8.13%, 8/01/13                                   | 1,010        | 1,032,725    |
|  |  |              | 11,278,551   |
| <b>Electric Utilities - 1.1%</b>                                 | NSG Holdings LLC, 7.75%, 12/15/25 (b)                              | 1,030        | 921,850      |
|  | Tenaska Alabama Partners LP, 7.00%, 6/30/21 (b)                    | 1,835        | 1,730,604    |
|  |  |              | 2,652,454    |
| <b>Electronic Equipment, Instruments &amp; Components - 0.1%</b> | Jabil Circuit, Inc., 7.75%, 7/15/16                                | 295          | 303,850      |
| <b>Energy Equipment &amp; Services - 0.6%</b>                    | Compagnie Generale de Geophysique-Veritas, 7.50%, 5/15/15          | 215          | 212,850      |
|  | Compagnie Generale de Geophysique-Veritas, 7.75%, 5/15/17          | 320          | 316,400      |
|  | North American Energy Alliance LLC, 10.88%, 6/01/16 (b)            | 545          | 568,163      |
|  | North American Energy Partners, Inc., 8.75%, 12/01/11              | 375          | 371,250      |
|  |  |              | 1,468,663    |
| <b>Food &amp; Staples Retailing - 0.8%</b>                       | AmeriQual Group LLC, 9.50%, 4/01/12 (b)                            | 800          | 680,000      |
|  | Duane Reade, Inc., 11.75%, 8/01/15 (b)                             | 165          | 177,787      |
|  | Rite Aid Corp., 9.75%, 6/12/16                                     | 410          | 442,800      |
|  | Rite Aid Corp., 10.25%, 10/15/19 (b)                               | 510          | 518,925      |



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|  |   |       |           |
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|  |   |       | 1,819,512 |
| <b>Food Products - 0.3%</b>                        | Smithfield Foods, Inc., 10.00%, 7/15/14 (b)               | 780   | 817,050   |
| <b>Health Care Equipment &amp; Supplies - 1.2%</b> | DJO Finance LLC, 10.88%, 11/15/14                         | 1,670 | 1,757,675 |
|  | Hologic, Inc., 2.00%, 12/15/37 (d)(i)                     | 1,385 | 1,121,850 |
|  |   |       | 2,879,525 |
| <b>Health Care Providers &amp; Services - 1.1%</b> | Community Health Systems, Inc., Series WI, 8.88%, 7/15/15 | 210   | 214,200   |
| 4  |   |       |           |

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**Schedule of Investments November 30, 2009 (Unaudited)**

(Percentages shown are based on Net Assets)

| Industry   | Corporate Bonds  | Par<br>(000) | Value     |
|--|--|--------------|-----------|
|  | LifePoint Hospitals, Inc., 3.50%, 5/15/14 (d)                            | USD 110      | \$ 98,313 |
|  | Tenet Healthcare Corp., 9.00%, 5/01/15 (b)                               | 1,564        | 1,653,930 |
|  | Tenet Healthcare Corp., 10.00%, 5/01/18 (b)                              | 644          | 716,450   |
|  |  |              | 2,682,893 |
| <b>Hotels, Restaurants &amp; Leisure - 2.8%</b>                    | American Real Estate Partners LP, 7.13%, 2/15/13                         | 3,045        | 2,984,100 |
|  | Greektown Holdings, LLC, 10.75%, 12/01/13 (a)(b)(g)                      | 559          | 116,691   |
|  | Inn of the Mountain Gods Resort & Casino, 12.00%,<br>11/15/10 (a)(g)     | 1,550        | 620,000   |
|  | Little Traverse Bay Bands of Odawa Indians, 10.25%,<br>2/15/14 (a)(b)(g) | 1,290        | 322,500   |
|  | MGM Mirage, 11.13%, 11/15/17 (b)   | 820          | 897,900   |
|  | San Pasqual Casino, 8.00%, 9/15/13 (b)                                   | 975          | 918,938   |
|  | Scientific Games Corp., 0.75%, 12/01/24 (d)(i)                           | 280          | 278,250   |
|  | Shingle Springs Tribal Gaming Authority, 9.38%,<br>6/15/15 (b)           | 60           | 43,500    |
|  | Travelport LLC, 4.88%, 9/01/14 (h)                                       | 160          | 134,400   |
|  | Travelport LLC, 9.88%, 9/01/14   | 210          | 210,000   |
|  | Tropicana Entertainment LLC, Series WI, 9.63%,<br>12/15/14 (a)(g)        | 305          | 1,144     |
|  | Virgin River Casino Corp., 9.00%,<br>1/15/12 (a)(g)                      | 940          | 192,700   |
|  |  |              | 6,720,123 |
| <b>Household Durables - 2.3%</b>                                   | Beazer Homes USA, Inc., 12.00%, 10/15/17 (b)                             | 1,100        | 1,188,000 |
|  | Jarden Corp., 8.00%, 5/01/16   | 275          | 283,250   |
|  | K Hovnanian Enterprises, Inc., 10.63%, 10/15/16 (b)                      | 1,820        | 1,856,400 |
|  | KB Home, 6.38%, 8/15/11  | 29           | 29,072    |
|  | KB Home, 9.10%, 9/15/17  | 215          | 223,600   |
|  | Standard Pacific Corp., 6.25%, 4/01/14                                   | 365          | 322,113   |
|  | Standard Pacific Corp., 7.00%, 8/15/15                                   | 375          | 330,938   |
|  | Standard Pacific Escrow LLC, 10.75%,<br>9/15/16 (b)                      | 1,225        | 1,212,750 |
|  |  |              | 5,446,123 |
| <b>IT Services - 1.3%</b>  | Alliance Data Systems Corp., 1.75%,<br>8/01/13 (d)                       | 1,380        | 1,350,675 |
|  | First Data Corp., 9.88%, 9/24/15   | 155          | 137,950   |
|  | First Data Corp., 11.25%, 3/31/16  | 2,070        | 1,707,750 |
|  |  |              | 3,196,375 |
| <b>Independent Power Producers &amp;<br/>Energy Traders - 3.3%</b> | The AES Corp., 8.75%, 5/15/13 (b)  | 1,070        | 1,088,725 |
|  | AES Eastern Energy LP, Series 99-B, 9.67%, 1/02/29                       | 610          | 524,600   |

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|  |  |       |           |
|--|--|-------|-----------|
|  | Calpine Construction Finance Co. LP, 8.00%, 6/01/16<br>(b)           | 1,260 | 1,266,300 |
|  | Energy Future Holdings Corp., 11.25%, 11/01/17 (f)                   | 3,579 | 2,236,737 |
|  | NRG Energy, Inc., 7.25%, 2/01/14                                     | 1,625 | 1,639,219 |
|  | NRG Energy, Inc., 7.38%, 2/01/16                                     | 1,000 | 995,000   |
|  | Texas Competitive Electric Holdings Co. LLC, 10.50%,<br>11/01/16 (f) | 191   | 121,309   |
|  |  |       | 7,871,890 |
| <b>Industrial Conglomerates - 2.4%</b> | Icahn Enterprises LP, 4.00%, 8/15/13 (d)(h)                          | 255   | 213,563   |
|  | Sequa Corp., 11.75%, 12/01/15 (b)                                    | 2,340 | 2,082,600 |

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**Schedule of Investments November 30, 2009 (Unaudited)**

(Percentages shown are based on Net Assets)

| Industry   | Corporate Bonds  | Par<br>(000) | Value        |
|--|--|--------------|--------------|
|  | Sequa Corp., 13.50%, 12/01/15 (b)(f)                             | USD 3,825    | \$ 3,327,680 |
|  |  |              | 5,623,843    |
| <b>Insurance - 0.9%</b>                          | Alliant Holdings I, Inc., 11.00%, 5/01/15 (b)                    | 1,700        | 1,674,500    |
|  | USI Holdings Corp., 4.15%, 11/15/14 (b)(h)                       | 680          | 540,600      |
|  |  |              | 2,215,100    |
| <b>Internet &amp; Catalog Retail - 0.1%</b>      | NetFlix, Inc., 8.50%, 11/15/17 (b)                               | 355          | 363,875      |
| <b>Leisure Equipment &amp; Products - 0.5%</b>   | Brunswick Corp., 11.25%, 11/01/16 (b)                            | 745          | 832,537      |
|  | Easton-Bell Sports, Inc., 9.75%, 12/01/16 (b)(j)                 | 280          | 285,250      |
|  |  |              | 1,117,787    |
| <b>Life Sciences Tools &amp; Services - 0.1%</b> | Bio-Rad Laboratories, Inc., 8.00%, 9/15/16 (b)                   | 175          | 182,437      |
| <b>Machinery - 1.3%</b>                          | AGY Holding Corp., 11.00%, 11/15/14                              | 1,280        | 1,043,200    |
|  | Navistar International Corp., 3.00%,<br>10/15/14 (d)             | 510          | 480,675      |
|  | Navistar International Corp., 8.25%, 11/01/21                    | 1,000        | 982,500      |
|  | RBS Global, Inc., 9.50%, 8/01/14 (b)                             | 218          | 216,910      |
|  | RBS Global, Inc., 8.88%, 9/01/16                                 | 450          | 389,250      |
|  |  |              | 3,112,535    |
| <b>Marine - 1.2%</b>                             | Horizon Lines, Inc., 4.25%, 8/15/12 (d)                          | 2,230        | 1,761,700    |
|  | Navios Maritime Holdings, Inc., 9.50%, 12/15/14                  | 367          | 361,036      |
|  | Navios Maritime Holdings, Inc., 8.88%, 11/01/17 (b)              | 500          | 512,500      |
|  | Trico Shipping AS, 11.88%, 11/01/14 (b)                          | 330          | 334,538      |
|  |  |              | 2,969,774    |
| <b>Media - 11.2%</b>                             | Affinion Group, Inc., 10.13%, 10/15/13                           | 1,945        | 1,983,900    |
|  | CCO Holdings LLC, 8.75%, 11/15/13                                | 555          | 611,194      |
|  | CMP Susquehanna Corp., 3.52%, 5/15/14 (b)(h)                     | 160          | 3,200        |
|  | CSC Holdings, Inc., 8.50%, 4/15/14 (b)                           | 390          | 409,987      |
|  | CSC Holdings, Inc., Series B, 7.63%, 4/01/11                     | 225          | 232,875      |
|  | Cablevision Systems Corp., Series B, 8.00%, 4/15/12              | 1,515        | 1,594,537    |
|  | Catalina Marketing Corp., 10.50%,<br>10/01/15 (b)(f)             | 1,000        | 1,020,000    |
|  | Charter Communications Holdings II, LLC, 13.50%,<br>11/30/16     | 543          | 644,456      |
|  | Charter Communications Operating, LLC, 10.00%,<br>4/30/12 (b)(i) | 500          | 508,750      |
|  |  | 670          | 681,725      |

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|  |       |           |
|--|-------|-----------|
| Charter Communications Operating, LLC, 10.38%,<br>4/30/14 (b)(i) |       |           |
| EchoStar DBS Corp., 7.00%, 10/01/13                              | 90    | 90,000    |
| Harland Clarke Holdings Corp., 6.00%,<br>5/15/15 (h)             | 350   | 287,875   |
| Harland Clarke Holdings Corp., 9.50%, 5/15/15                    | 420   | 394,275   |
| Intelsat Corp., 9.25%, 6/15/16                                   | 1,850 | 1,868,500 |
| Intelsat Subsidiary Holding Co. Ltd., 8.88%, 1/15/15 (b)         | 260   | 262,600   |
| Liberty Global, Inc., 4.50%, 11/15/16 (b)(d)                     | 590   | 583,363   |
| Liberty Media Corp., 3.13%, 3/30/23 (d)                          | 1,113 | 1,111,609 |

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**BlackRock Corporate High Yield Fund III, Inc. (CYE)**  
**Schedule of Investments November 30, 2009 (Unaudited)**

(Percentages shown are based on Net Assets)

| Industry                          | Corporate Bonds  | Par<br>(000) | Value      |
|-----------------------------------|--|--------------|------------|
|                                   | Lighthouse International Co. SA, 8.00%, 4/30/14 (b)    | EUR 177      | \$ 158,135 |
|                                   | Lighthouse International Co. SA, 8.00%, 4/30/14        | 406          | 362,729    |
|                                   | Lions Gate Entertainment, Inc., 10.25%, 11/01/16 (b)   | USD 370      | 359,825    |
|                                   | Local Insight Regatta Holdings, Inc., 11.00%, 12/01/17 | 573          | 343,800    |
|                                   | Network Communications, Inc., 10.75%, 12/01/13         | 30           | 12,075     |
|                                   | Nielsen Finance LLC, 11.63%, 2/01/14                   | 180          | 193,500    |
|                                   | Nielsen Finance LLC, 10.00%, 8/01/14                   | 1,890        | 1,951,425  |
|                                   | ProtoStar I Ltd., 18.00%, 10/15/12 (a)(b)(d)(g)        | 850          | 807,410    |
|                                   | Rainbow National Services LLC, 8.75%, 9/01/12 (b)      | 440          | 446,600    |
|                                   | Rainbow National Services LLC, 10.38%, 9/01/14 (b)     | 1,582        | 1,657,145  |
|                                   | TL Acquisitions, Inc., 10.50%, 1/15/15 (b)             | 3,950        | 3,663,625  |
|                                   | TVN Finance Corp. Plc, 10.75%, 11/15/17                | EUR 300      | 454,969    |
|                                   | UPC Germany GmbH, 8.13%, 12/01/17 (b)                  | USD 600      | 600,000    |
|                                   | UPC Holding BV, 9.88%, 4/15/18 (b)                     | 500          | 520,000    |
|                                   | Unitymedia GmbH, 9.63%, 12/01/19                       | EUR 995      | 1,477,231  |
|                                   | Unitymedia Hessen GmbH, 8.13%, 12/01/17                | 695          | 1,031,835  |
|                                   | Virgin Media, Inc., 6.50%, 11/15/16 (b)(d)             | USD 430      | 499,875    |
|                                   |  |              | 26,829,025 |
| <b>Metals &amp; Mining - 5.3%</b> | Aleris International, Inc., 9.00%, 12/15/14 (a)(g)     | 1,035        | 3,881      |
|                                   | Aleris International, Inc., 10.00%,<br>12/15/16 (a)(g) | 800          | 3,000      |
|                                   | Drummond Co., Inc., 9.00%, 10/15/14 (b)                | 875          | 892,500    |
|                                   | Drummond Co., Inc., 7.38%, 2/15/16 (b)                 | 225          | 212,062    |
|                                   | FMG Finance Property Ltd., 10.00%,<br>9/01/13 (b)      | 535          | 559,075    |
|                                   | FMG Finance Property Ltd., 10.63%,<br>9/01/16 (b)      | 1,295        | 1,411,550  |
|                                   | Foundation PA Coal Co., 7.25%, 8/01/14                 | 1,975        | 1,979,937  |
|                                   | GoldCorp., Inc., 2.00%, 8/01/14 (b)(d)                 | 190          | 223,250    |
|                                   | Murray Energy Corp., 10.25%, 10/15/15 (b)              | 845          | 828,100    |
|                                   | New World Resources NV, 7.38%, 5/15/15                 | EUR 625      | 854,005    |
|                                   | Novelis, Inc., 7.25%, 2/15/15                          | USD 1,975    | 1,782,438  |
|                                   | Novelis, Inc., 11.50%, 2/15/15 (b)                     | 430          | 447,200    |
|                                   | Ryerson, Inc., 7.66%, 11/01/14 (h)                     | 400          | 353,000    |
|                                   | Ryerson, Inc., 12.00%, 11/01/15                        | 265          | 269,638    |
|                                   | Steel Dynamics, Inc., 7.38%, 11/01/12                  | 460          | 458,850    |
|                                   | Teck Resources Ltd., 10.25%, 5/15/16                   | 300          | 339,000    |
|                                   | Teck Resources Ltd., 10.75%, 5/15/19                   | 1,150        | 1,342,625  |
|                                   | Vedanta Resources Plc, 9.50%, 7/18/18 (b)              | 640          | 635,200    |
|                                   |  |              | 12,595,311 |
| <b>Multiline Retail - 0.3%</b>    | Dollar General Corp., 10.63%, 7/15/15                  | 238          | 259,420    |
|                                   | Dollar General Corp., 11.88%, 7/15/17 (f)              | 131          | 146,392    |
|                                   | Saks, Inc., 9.88%, 10/01/11                            | 295          | 305,325    |
|                                   |  |              | 711,137    |

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|   |   |     |         |
|---|---|-----|---------|
| <b>Oil, Gas &amp; Consumable Fuels - 7.0%</b> | Arch Coal, Inc., 8.75%, 8/01/16 (b)             | 310 | 319,300 |
|   | Atlas Energy Operating Co. LLC, 12.13%, 8/01/17 | 500 | 558,750 |

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**BlackRock Corporate High Yield Fund III, Inc. (CYE)**  
 Schedule of Investments November 30, 2009 (Unaudited)

(Percentages shown are based on Net Assets)

| Industry                                  | Corporate Bonds  | Par<br>(000) | Value      |
|---|--|--------------|------------|
|   | Atlas Energy Resources LLC, 10.75%,<br>2/01/18 (b)           | USD 260      | \$ 282,750 |
|   | Berry Petroleum Co., 8.25%, 11/01/16                         | 510          | 497,250    |
|   | Bill Barrett Corp., 9.88%, 7/15/16                           | 240          | 253,200    |
|   | Chesapeake Energy Corp., 2.25%, 12/15/38 (d)                 | 800          | 593,000    |
|   | Connacher Oil and Gas Ltd., 11.75%,<br>7/15/14 (b)           | 175          | 190,750    |
|   | Connacher Oil and Gas Ltd., 10.25%,<br>12/15/15 (b)          | 1,145        | 990,425    |
|   | Corral Finans AB, 5.28%, 4/15/10 (b)(f)                      | 1,709        | 1,410,059  |
|   | EXCO Resources, Inc., 7.25%, 1/15/11                         | 1,460        | 1,452,700  |
|   | Encore Acquisition Co., 6.25%, 4/15/14                       | 2,000        | 1,995,000  |
|   | Forest Oil Corp., 7.25%, 6/15/19                             | 1,120        | 1,061,200  |
|   | Massey Energy Co., 3.25%, 8/01/15 (d)                        | 1,750        | 1,443,750  |
|   | OPTI Canada, Inc., 9.00%, 12/15/12 (b)                       | 1,340        | 1,336,650  |
|   | OPTI Canada, Inc., 8.25%, 12/15/14                           | 540          | 432,000    |
|   | PetroHawk Energy Corp., 10.50%, 8/01/14                      | 555          | 600,788    |
|   | PetroHawk Energy Corp., 7.88%, 6/01/15                       | 460          | 458,850    |
|   | Range Resources Corp., 8.00%, 5/15/19                        | 400          | 418,000    |
|   | Sabine Pass LNG LP, 7.50%, 11/30/16                          | 390          | 323,700    |
|   | SandRidge Energy, Inc., 8.63%, 4/01/15 (f)                   | 120          | 115,200    |
|   | SandRidge Energy, Inc., 9.88%, 5/15/16 (b)                   | 500          | 512,500    |
|   | SandRidge Energy, Inc., 8.00%, 6/01/18 (b)                   | 990          | 933,075    |
|   | Teekay Shipping Corp., 8.88%, 7/15/11                        | 575          | 592,250    |
|   |  |              | 16,771,147 |
| <b>Paper &amp; Forest Products - 4.6%</b> | Ainsworth Lumber Co. Ltd., 11.00%,<br>7/29/15 (b)(f)         | 1,079        | 658,477    |
|   | Boise Paper Holdings LLC, 9.00%, 11/01/17 (b)                | 380          | 387,600    |
|   | Clearwater Paper Corp., 10.63%, 6/15/16 (b)                  | 390          | 429,000    |
|   | Georgia-Pacific Corp., 8.13%, 5/15/11                        | 150          | 157,875    |
|   | Georgia-Pacific LLC, 8.25%, 5/01/16 (b)                      | 1,600        | 1,696,000  |
|   | NewPage Corp., 10.00%, 5/01/12                               | 785          | 506,325    |
|   | NewPage Corp., 11.38%, 12/31/14 (b)                          | 5,810        | 5,722,850  |
|   | Verso Paper Holdings LLC, 11.50%, 7/01/14 (b)                | 335          | 365,150    |
|   | Verso Paper Holdings LLC, Series B, 4.03%, 8/01/14<br>(h)    | 280          | 210,000    |
|   | Verso Paper Holdings LLC, Series B, 9.13%, 8/01/14           | 1,065        | 979,800    |
|   |  |              | 11,113,077 |
| <b>Pharmaceuticals - 1.1%</b>             | Angiotech Pharmaceuticals, Inc., 4.01%, 12/01/13 (h)         | 1,530        | 1,262,250  |
|   | Elan Corp. Plc, 8.75%, 10/15/16 (b)                          | 740          | 695,600    |
|   | Elan Finance Plc, 8.88%, 12/01/13                            | 105          | 102,900    |
|   | Valeant Pharmaceuticals International, 8.38%, 6/15/16<br>(b) | 545          | 561,350    |
|   |  |              | 2,622,100  |



| <b>Real Estate Management Development</b> |   |       |           |
|---|---|-------|-----------|
| <b>- 1.2%</b>                             | Forest City Enterprises, Inc., 7.63%, 6/01/15 | 1,425 | 1,211,250 |
|   | Realty Corp., 10.50%, 4/15/14                 | 540   | 434,700   |
|   | Realty Corp., 12.38%, 4/15/15                 | 2,078 | 1,309,140 |
|   |   |       | 2,955,090 |

|  |   |       |           |
|--|---|-------|-----------|
| <b>Semiconductors &amp; Semiconductor Equipment - 0.9%</b> | Advanced Micro Devices, Inc., 8.13%, 12/15/17 (b) | 930   | 877,687   |
|  | Spansion, Inc., 3.79%, 6/01/13 (a)(b)(g)          | 1,215 | 1,263,600 |
|  |   |       | 2,141,287 |

**BlackRock Corporate High Yield Fund III, Inc. (CYE)**  
**Schedule of Investments November 30, 2009 (Unaudited)**

(Percentages shown are based on Net Assets)

| Industry   | Corporate Bonds  | Par<br>(000) | Value       |
|--|--|--------------|-------------|
| <b>Software - 0.0%</b>                             | BMS Holdings, Inc., 8.35%, 2/15/12 (b)(f)(h)   | USD 436      | \$ 8,717    |
| <b>Specialty Retail - 1.8%</b>                     | Asbury Automotive Group, Inc., 7.63%, 3/15/17  | 350          | 320,250     |
|  | General Nutrition Centers, Inc., 10.75%, 3/15/15   | 1,285        | 1,304,275   |
|  | Group 1 Automotive, Inc., 2.25%, 6/15/36 (d)(i)  | 1,055        | 774,106     |
|  | Limited Brands, Inc., 8.50%, 6/15/19 (b)   | 785          | 828,175     |
|  | United Auto Group, Inc., 7.75%, 12/15/16   | 1,110        | 1,073,925   |
|  |  |              | 4,300,731   |
| <b>Textiles, Apparel &amp; Goods - 1.0%</b>        | Levi Strauss & Co., 8.63%, 4/01/13   | EUR 900      | 1,317,607   |
|  | Quiksilver, Inc., 6.88%, 4/15/15   | USD 1,350    | 1,032,750   |
|  |  |              | 2,350,357   |
| <b>Thrifts &amp; Mortgage Finance - 0.5%</b>       | Residential Capital Corp., 8.38%, 6/30/10  | 2,035        | 1,180,300   |
| <b>Trading Companies &amp; Distributors - 0.2%</b> | United Rentals North America, Inc., 9.25%, 12/15/19  | 570          | 560,025     |
| <b>Wireless Services - 6.0%</b>                    | Cricket Communications, Inc., 9.38%, 11/01/14  | 2,035        | 1,958,687   |
|  | Cricket Communications, Inc., 10.00%, 7/15/15  | 1,390        | 1,348,300   |
|  | Digicel Group Ltd., 8.88%, 1/15/15 (b)   | 1,370        | 1,328,900   |
|  | Digicel Group Ltd., 9.13%, 1/15/15 (b)(f)  | 1,983        | 1,913,595   |
|  | FiberTower Corp., 11.00%, 11/15/12 (d)(f)  | 668          | 565,973     |
|  | iPCS, Inc., 2.41%, 5/01/13 (h)   | 815          | 719,237     |
|  | MetroPCS Wireless, Inc., 9.25%, 11/01/14   | 2,285        | 2,290,712   |
|  | NII Holdings, Inc., 2.75%, 8/15/25 (d)   | 930          | 920,700     |
|  | Nextel Communications, Inc., Series D, 7.38%, 8/01/15  | 130          | 120,250     |
|  | Nextel Communications, Inc., Series E, 6.88%, 10/31/13   | 1,730        | 1,643,500   |
|  | Nextel Communications, Inc., Series F, 5.95%, 3/15/14  | 110          | 99,550      |
|  | Orascom Telecom Finance SCA, 7.88%, 2/08/14 (b)  | 275          | 231,000     |
|  | Sprint Capital Corp., 6.88%, 11/15/28  | 1,520        | 1,140,000   |
|  |  |              | 14,280,404  |
|  | <b>Total Corporate Bonds - 92.0%</b>   |              | 220,073,294 |
|  | <b>Floating Rate Loan Interests (h)</b>  |              |             |
| <b>Aerospace &amp; Defense - 0.2%</b>              | Hawker Beechcraft Acquisition Co. LLC, Letter of Credit Facility Deposit, 0.18% - 2.28%, 3/26/14 | 14           | 10,426      |
|  | Hawker Beechcraft Acquisition Co. LLC, Term Loan, 2.23% - 2.29%, 3/26/14                         | 236          | 176,199     |
|  | Hawker Beechcraft, Term Loan B, 2.23%, 3/26/14   | 275          | 267,781     |

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|                                 |  |       |           |
|---------------------------------|--|-------|-----------|
|                                 |  |       | 454,406   |
| <b>Auto Components - 1.7%</b>   | Allison Transmission, Inc., Term Loan, 2.99% - 3.04%,<br>8/07/14 | 2,272 | 1,988,130 |
|                                 | Dana Holding Corp., Term Advance, 6.50% - 7.25%,<br>1/31/15      | 2,425 | 2,164,733 |
|                                 |  |       | 4,152,863 |
| <b>Automobiles - 0.5%</b>       | Ford Motor Co., Term Loan, 3.24% - 3.29%, 12/15/13               | 1,220 | 1,069,081 |
| <b>Building Products - 1.2%</b> | CPG International I Inc., Term Loan, 5.26%, 2/28/11              | 3,259 | 2,932,688 |
| <b>Capital Markets - 0.1%</b>   | Marsico Parent Co., LLC, Term Loan, 5.00% - 5.06%,<br>12/15/14   | 456   | 286,080   |

**BlackRock Corporate High Yield Fund III, Inc. (CYE)**  
 Schedule of Investments November 30, 2009 (Unaudited)

(Percentages shown are based on Net Assets)

| Industry   | Floating Rate Loan Interests (h)   | Par<br>(000) | Value      |
|--|--|--------------|------------|
| <b>Chemicals - 0.8%</b>  | PQ Corp. (fka Niagara Acquisition, Inc.), Loan (Second Lien), 6.74%, 7/30/15                               | USD 1,175    | \$ 962,661 |
|  | PQ Corp. (fka Niagara Acquisition, Inc.), Original Term Loan (First Lien), 3.49% - 3.54%, 7/30/14          | 741          | 651,750    |
|  | Solutia Inc., Loan, 7.25%, 2/28/14   | 361          | 364,823    |
|  |  |              | 1,979,234  |
| <b>Consumer Finance - 1.0%</b>                                 | DaimlerChrysler Financial Services Americas LLC, Term Loan (First Lien), 4.24%, 8/03/12                    | 2,500        | 2,402,083  |
| <b>Diversified Financial Services - 1.1%</b>                   | CIT Group, Term Loan A, 9.50%, 1/20/2012   | 2,525        | 2,572,344  |
| <b>Diversified Telecommunication Services - 2.2%</b>           | Wind Finance SL SA, Facility (Second Lien), 7.68%, 12/17/14  | EUR 3,460    | 5,225,843  |
| <b>Food &amp; Staples Retailing - 0.5%</b>                     | Rite Aid Corp., Tranche 4, Term Loan, 9.50%, 6/10/15   | USD 1,250    | 1,285,416  |
| <b>Health Care Providers &amp; Services - 2.3%</b>             | HCA Inc., Tranche A-1, Term Loan, 1.78%, 11/17/12  | 5,010        | 4,651,734  |
|  | Rotech Healthcare Inc., Term Loan, 6.28%, 9/26/11  | 1,056        | 881,862    |
|  |  |              | 5,533,596  |
| <b>Hotels, Restaurants &amp; Leisure - 1.2%</b>                | Travelport LLC (fka Travelport Inc.), Loan, 8.28%, 3/27/12   | 3,119        | 2,775,966  |
| <b>IT Services - 0.1%</b>                                      | First Data Corp., Initial Tranche B-1, Term Loan, 2.99% - 3.04%, 9/24/14                                   | 348          | 289,751    |
| <b>Independent Power Producers &amp; Energy Traders - 1.5%</b> | Texas Competitive Electric Holdings Co., LLC (TXU), Initial Tranche B-1 Term Loan, 3.75% - 3.78%, 10/10/14 | 217          | 161,240    |
|  | Texas Competitive Electric Holdings Co., LLC (TXU), Initial Tranche B-2 Term Loan, 3.74% - 3.78%, 10/10/14 | 1,310        | 975,449    |
|  | Texas Competitive Electric Holdings Co., LLC (TXU), Initial Tranche B-3 Term Loan, 3.74% - 3.78%, 10/10/14 | 3,430        | 2,533,436  |
|  |  |              | 3,670,125  |
| <b>Machinery - 0.3%</b>  | Accuride, Debtor In Possession Term Loan, 10.00%, 10/07/10   | 182          | 182,000    |
|  | Navistar Financial Corp., Tranche A Term Loan, 2.25%, 3/27/10  | 499          | 490,594    |

|                     |   |       |           |
|---------------------|---|-------|-----------|
| <b>Media - 2.8%</b> | Affinion Group Holdings, Inc., Loan, 8.27%, 3/01/12   | 419   | 371,916   |
|                     | Cengage Learning Acquisitions, Inc. (Thomson Learning), Tranche 1 Incremental Term Loan, 7.50%, 7/03/14 | 1,728 | 1,700,043 |
|                     | HMH Publishing Co. Ltd., Mezzanine, 17.50%, 11/14/14  | 545   | 109,029   |
|                     | HMH Publishing Co. Ltd., Tranche A Term Loan, 5.28%, 6/12/14  | 2,648 | 2,247,197 |
|                     | New Vision Exit, Term Loan, 13.00%, 10/01/12  | 61    | 60,971    |
|                     | Newsday, LLC, Fixed Rate Term Loan, 10.50%, 8/01/13   | 1,200 | 1,256,000 |
|                     | Protostar Ltd., Debtor in Possession Term Loan, 18.00%, 1/15/10   | 170   | 170,261   |
|                     |   |       |           |

**BlackRock Corporate High Yield Fund III, Inc. (CYE)**  
 Schedule of Investments November 30, 2009 (Unaudited)

(Percentages shown are based on Net Assets)

| Industry   | Floating Rate Loan Interests (h)   | Par<br>(000)                             | Value      |
|--|--|--|------------|
|  | Virgin Media Investment Holdings Ltd., C Facility,<br>3.58%, 7/17/13                                     | GBP 255                                  | \$ 389,550 |
|  | World Color Press Inc. and World Color (USA) Corp.<br>(fka Quebecor World Inc.), Advance, 9.00%, 7/23/12 | USD 499                                  | 500,345    |
|  |  |  | 6,805,312  |
| <b>Multiline Retail - 0.1%</b>                       | The Neiman Marcus Group Inc., Term Loan, 2.24% -<br>2.32%, 4/06/13                                       | 129                                      | 109,667    |
| <b>Oil, Gas &amp; Consumable Fuels - 0.7%</b>        | Turbo Beta Ltd., Dollar Facility, 14.50%, 3/15/18  | 2,278                                    | 1,708,698  |
| <b>Paper &amp; Forest Products - 0.2%</b>            | Verso Paper Finance Holdings LLC, Loan, 6.53% -<br>7.28%, 2/01/13  | 1,275                                    | 458,938    |
| <b>Real Estate Management Development<br/>- 0.2%</b> | Realogy Corp., Initial Term B Loan, 3.29%, 10/10/13  | 401                                      | 339,929    |
|  | Realogy Corp., Synthetic Letter of Credit, 3.15%,  | 129                                      | 109,113    |
|  |  |  | 449,042    |
| <b>Specialty Retail - 0.4%</b>                       | Claire's Stores, Term Loan B, 3.03%, 5/29/14   | 279                                      | 217,494    |
|  | New Look Group Plc, 9.57%, 11/30/15 (f)  | GBP 500                                  | 760,853    |
|  |  |  | 978,347    |
|  | <b>Total Floating Rate Loan Interests - 19.1%</b>  |  | 45,812,074 |
|  | <b>Preferred Stocks</b>  | <b>Shares</b>                            |            |
| <b>Capital Markets - 0.0%</b>                        | Marsico Parent Superholdco, LLC, 16.75% (b)  | 72                                       | 16,200     |
| <b>Diversified Financial Services - 0.2%</b>         | GMAC, Inc., 7.00% (b)  | 590                                      | 356,968    |
| <b>Media - 0.0%</b>                                  | CMP Susquehanna Radio Holdings Corp., 0.00%<br>(a)(b)(h)   | 37,314                                   |            |
|  | <b>Total Preferred Securities - 0.2%</b>   |  | 373,168    |
|  | <b>Other Interests (k)</b>   | <b>Beneficial<br/>Interest<br/>(000)</b> |            |
| <b>Auto Components - 2.3%</b>                        | Delphi Debtor in Possession Hold Co. LLP, Class B<br>Membership Interests                                | USD 1                                    | 5,484,761  |
|  | Lear Corp. Escrow  | 895                                      | 9          |

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|  |  |                     |               |
|--|--|---------------------|---------------|
|  |  | 5,484,770           |               |
| <b>Hotels, Restaurants &amp; Leisure - 0.0%</b>    | Buffets, Inc.  | 575                 | 58            |
| <b>Media - 0.0%</b>                                | Adelphia Escrow                                      | 750                 | 75            |
|  | Adelphia Recovery Trust                              | 941                 | 3,762         |
|  | New Vision LLC Holdings                              | 5                   | 40,876        |
|  |  | 44,713              |               |
| <b>Total Other Interests - 2.3%</b>                |  | 5,529,541           |               |
|  |  | <b>Warrants (I)</b> | <b>Shares</b> |
| <b>Auto Components - 0.1%</b>                      | Lear Corp. (expires 11/09/14)                        | 3,505               | 215,586       |
| <b>Containers &amp; Packaging -</b>                | MDP Acquisitions Plc (expires 10/01/13)              | 700                 | 29,410        |
| <b>Health Care Providers &amp; Services - 0.0%</b> | HealthSouth Corp. (expires 1/16/14)                  | 32,042              |               |
| <b>Hotels, Restaurants &amp; Leisure - 0.0%</b>    | Buffets Restaurants Holdings, Inc. (expires 4/29/14) | 485                 | 5             |

**BlackRock Corporate High Yield Fund III, Inc. (CYE)**  
**Schedule of Investments November 30, 2009 (Unaudited)**

(Percentages shown are based on Net Assets)

| Industry                                      | Warrants (l)  | Shares           | Value          |
|---|---|------------------|----------------|
| <b>Media - 0.0%</b>                           | CMP Susquehanna Radio Holdings Corp. (expires 3/26/19) (b)  | 42,640           |                |
|   | New Vision Holdings LLC (expires 9/30/14)   | 22,447           | \$ 224         |
|   |   |                  | 224            |
| <b>Oil, Gas &amp; Consumable Fuels - 0.0%</b> | Turbo Cayman Ltd. (No Expiration)   | 1                |                |
|   | <b>Total Warrants - 0.1%</b>  |                  | 245,225        |
|   | <b>Total Long-Term Investments</b><br>(Cost - \$294,595,440) - 117.5%                                       |                  | 281,019,327    |
|   | <b>Short-Term Securities</b>  |                  |                |
|   | BlackRock Liquidity Funds, TempFund, Institutional Class, 0.16% (m)(n)                                      | 2,205,050        | 2,205,050      |
|   | <b>Total Short-Term Securities</b><br>(Cost - \$2,205,050) - 0.9%   |                  | 2,205,050      |
|   | <b>Options Purchased</b>  | <b>Contracts</b> |                |
| <b>Over-the-Counter Call Options</b>          | Marsico Parent Superholdco LLC, Strike Price USD 942.86, Expires 12/21/19, Broker Goldman Sachs Group, Inc. | 19               | 19,000         |
|   | <b>Total Options Purchased</b><br>(Cost - \$18,578) - 0.0%  |                  | 19,000         |
|   | <b>Total Investments (Cost - \$296,819,068*) - 118.4%</b>   |                  | 283,243,377    |
|   | <b>Liabilities in Excess of Other Assets - (18.4)%</b>  |                  | (43,933,742)   |
|   | <b>Net Assets - 100.0%</b>  |                  | \$ 239,309,635 |

\* The cost and unrealized appreciation (depreciation) of investments as of November 30, 2009, as computed for federal income tax purposes, were as follows:

Aggregate cost \$ 298,489,789

Gross  
unrealized  
appreciation \$ 14,635,346



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|                               |                 |
|-------------------------------|-----------------|
| Gross unrealized depreciation | (29,881,758)    |
| Net unrealized depreciation   | \$ (15,246,412) |

- (a) Non-income producing security.
- (b) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (c) All, or a portion of the security has been pledged as collateral in connection with swaps.
- (d) Convertible security.
- (e) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (f) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.
- (g) Issuer filed for bankruptcy and/or is in default of interest payments.
- (h) Variable rate security. Rate shown is as of report date.
- (i) 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.
- (j) When-issued security. Unsettled when-issued transactions were as follows:

| Counterparty           | Value      | Unrealized Appreciation |
|------------------------|------------|-------------------------|
| JPMorgan Chase Bank NA | \$ 258,250 | \$ 8,708                |

- (k) Other interests represent beneficial interest in liquidation trusts and other reorganization entities and are non-income producing.

**BlackRock Corporate High Yield Fund III, Inc. (CYE)**  
**Schedule of Investments November 30, 2009 (Unaudited)**

- (l) 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.
- (m) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Co. Act of 1940, were as follows:

| Affiliate   | Net<br>Activity | Income   |
|---|-----------------|----------|
| BlackRock Liquidity Funds, TempFund,<br>Institutional Class | \$ 2,205,050    | \$ 5,422 |
| BlackRock Liquidity Series, LLC Cash<br>Sweep Series        | \$ (8,370,522)  | \$ 2,506 |

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

For Fund compliance purposes, the Fund's industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Fund management. This definition may not apply for purposes of this report which may combine industry sub-classifications for reporting ease.

Foreign currency exchange contracts as of November 30, 2009 were as follows:

| Currency<br>Purchased | Currency<br>Sold | Counterparty        | Settlement<br>Date | Unrealized<br>Appreciation<br>(Depreciation) |
|-----------------------|------------------|---------------------|--------------------|--|
| USD 562,065           | CAD 584,000      | Goldman Sachs & Co. | 1/27/10            | \$ 8,726                                     |
| USD 20,119,998        | EUR 13,526,500   | Citibank NA         | 1/20/10            | (187,043)                                    |
| USD 1,807,027         | GBP 1,109,000    | Citibank NA         | 1/27/10            | (16,680)                                     |
| <b>Total</b>          |                  |                     |                    | <b>\$ (194,997)</b>                          |

Credit default swaps on single-name issues - buy protection outstanding as of November 30, 2009 were as follows:

| Issuer | Pay Fixed<br>Rate | Counterparty | Expiration | Notional<br>Amount<br>(000) | Unrealized<br>Appreciation<br>(Depreciation) |
|--------|-------------------|--------------|------------|-----------------------------|--|
|--------|-------------------|--------------|------------|-----------------------------|--|

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|                               |       |                             |               |     |       |    |           |
|-------------------------------|-------|-----------------------------|---------------|-----|-------|----|-----------|
| Beazer Homes USA, Inc.        | 5.00% | Credit Suisse International | December 2011 | USD | 500   | \$ | 5,647     |
| K Hovnanian Enterprises, Inc. | 5.00% | Goldman Sachs International | December 2011 | USD | 510   |    | (6,833)   |
| K Hovnanian Enterprises, Inc. | 5.00% | Goldman Sachs Bank USA      | December 2013 | USD | 1,000 |    | (23,699)  |
| Louisiana-Pacific Corp.       | 5.00% | JPMorgan Chase Bank NA      | March 2014    | USD | 500   |    | (127,726) |
| Macy's, Inc.                  | 8.05% | Goldman Sachs Bank USA      | March 2014    | USD | 600   |    | (127,550) |
| Masco Corp.                   | 5.85% | Goldman Sachs Bank USA      | March 2014    | USD | 750   |    | (103,524) |
| Mohawk Industries, Inc.       | 4.70% | Goldman Sachs Bank USA      | March 2014    | USD | 750   |    | (71,105)  |
| Tyson Foods, Inc.             | 4.25% | Goldman Sachs Bank USA      | March 2014    | USD | 400   |    | (25,136)  |

**BlackRock Corporate High Yield Fund III, Inc. (CYE)**  
**Schedule of Investments November 30, 2009 (Unaudited)**

| Issuer                  | Pay Fixed Rate | Counterparty                | Expiration     | Notional Amount (000) | Unrealized Appreciation (Depreciation) |
|-------------------------|----------------|-----------------------------|----------------|-----------------------|--|
| Centex Corp.            | 1.00%          | Deutsche Bank               | June 2014      | USD 250               | \$ (5,815)                             |
| First Data Corp.        | 5.00%          | Credit Suisse International | June 2014      | USD 250               | (20,816)                               |
| Brunswick Corp.         | 5.00%          | Goldman Sachs Bank USA      | September 2014 | USD 200               | (11,291)                               |
| Centex Corp.            | 1.00%          | Deutsche Bank               | September 2014 | USD 188               | 342                                    |
| Ford Motor Co.          | 5.00%          | Deutsche Bank               | September 2014 | USD 400               | 5,416                                  |
| Ford Motor Co.          | 5.00%          | Deutsche Bank               | September 2014 | USD 400               | (308)                                  |
| Limited Brands, Inc.    | 1.00%          | Goldman Sachs Bank USA      | September 2014 | USD 850               | (3,636)                                |
| Limited Brands, Inc.    | 1.00%          | JPMorgan Chase Bank NA      | September 2014 | USD 100               | (353)                                  |
| Pulte Homes, Inc.       | 1.00%          | JPMorgan Chase Bank NA      | September 2014 | USD 375               | 9,607                                  |
| Boston Scientific Corp. | 1.00%          | Goldman Sachs Bank USA      | December 2014  | USD 525               | 6,321                                  |
| <b>Total</b>            |                |                             |                |                       | <b>\$ (500,459)</b>                    |

Credit default swaps on single-name issues - sold protection outstanding as of November 30, 2009 were as follows:

| Issuer            | Receive Fixed Rate | Counterparty           | Expiration     | Rating <sup>1</sup> | Notional Amount (000) <sup>2</sup> | Unrealized Depreciation |
|-------------------|--------------------|------------------------|----------------|---------------------|------------------------------------|-------------------------|
| D.R. Horton, Inc. | 1.00%              | JPMorgan Chase Bank NA | September 2014 | BB-                 | USD 188                            | \$ (5,095)              |

<sup>1</sup> Using Standard & Poor's rating of the issuer.

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

Credit default swaps on traded indexes - buy protection outstanding as of November 30, 2009 were as follows:

| Issuer | Pay Fixed Rate | Counterparty | Expiration | Notional Amount (000) | Unrealized Appreciation |
|--------|----------------|--------------|------------|-----------------------|-------------------------|
|--------|----------------|--------------|------------|-----------------------|-------------------------|

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|  |       |                             |               |     |       |    |        |
|--|-------|-----------------------------|---------------|-----|-------|----|--------|
| Dow Jones CDX North America High Yield | 5.00% | Credit Suisse International | December 2014 | USD | 1,213 | \$ | 14,691 |
|--|-------|-----------------------------|---------------|-----|-------|----|--------|

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Currency Abbreviations:

**CAD** Canadian Dollar  
**EUR** Euro  
**GBP** British Pound  
**USD** US Dollar

**BlackRock Corporate High Yield Fund III, Inc. (CYE)**  
**Schedule of Investments November 30, 2009 (Unaudited)**

Fair Value Measurements - Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 - 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)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to the Fund's most recent financial statements as contained in its semi-annual report.

The following table summarizes the inputs used as of November 30, 2009 in determining the fair valuation of the Fund's investments:

| Valuation Inputs             | Investments in<br>Securities |
|------------------------------|------------------------------|
|                              | Assets                       |
| <b>Level 1</b>               |                              |
| Long-Term Investments:       |                              |
| Common Stocks                | \$ 8,712,606                 |
| Short-Term Securities        | 2,205,050                    |
| <b>Total Level 1</b>         | <b>10,917,656</b>            |
| <b>Level 2</b>               |                              |
| Long-Term Investments:       |                              |
| Common Stocks                | 273,038                      |
| Corporate Bonds              | 217,598,402                  |
| Floating Rate Loan Interests | 24,446,388                   |
| Preferred Stocks             | 373,168                      |
| Warrants                     | 245,001                      |
| <b>Total Level 2</b>         | <b>242,935,997</b>           |
| <b>Level 3</b>               |                              |
| Long-Term Investments:       |                              |
| Common Stocks                | 381                          |
| Corporate Bonds              | 2,474,892                    |
| Floating Rate Loan Interests | 21,365,686                   |
| Other Interests              | 5,529,541                    |
| Warrants                     | 224                          |

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|               |            |
|---------------|------------|
| Total Level 3 | 29,370,724 |
|---------------|------------|

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|              |                       |
|--------------|-----------------------|
| <b>Total</b> | <b>\$ 283,224,377</b> |
|--------------|-----------------------|

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**BlackRock Corporate High Yield Fund III, Inc. (CYE)**  
**Schedule of Investments November 30, 2009 (Unaudited)**

| Valuation Inputs | Other Financial Instruments <sup>1</sup> |                     |
|------------------|--|---------------------|
|                  | Assets                                   | Liabilities         |
| Level 1          |  |                     |
| Level 2          | \$ 69,750                                | \$ (736,610)        |
| Level 3          |  |                     |
| <b>Total</b>     | <b>\$ 69,750</b>                         | <b>\$ (736,610)</b> |

<sup>1</sup> Other financial instruments are swaps, foreign currency exchange contracts and options purchased. Swaps and foreign currency exchange contracts are shown at the unrealized appreciation/depreciation on the instrument and options purchased are shown at market value.

The following is a reconciliation of investments for unobservable inputs (Level 3) used in determining fair value:

| Investments in Securities                                   |               |                     |                              |                     |               |                      |
|---|---------------|---------------------|------------------------------|---------------------|---------------|----------------------|
|   | Common Stocks | Corporate Bonds     | Floating Rate Loan Interests | Other Interests     | Warrants      | Total                |
| Balance as of February 28, 2009                             | \$ 381        | \$ 1,607,922        | \$ 16,334,395                | \$ 3,837            |               | \$ 17,946,535        |
| Accrued discounts/premiums                                  |               |                     |                              |                     |               |                      |
| Realized gain (loss)  |               | (9,745)             | (5,563,953)                  |                     |               | (5,573,698)          |
| Change in unrealized appreciation/depreciation <sup>2</sup> | (7,693)       | 327,176             | 20,637,491                   | 4                   |               | 20,956,978           |
| Net purchase (sales)  |               | 3,000               | (10,547,910)                 |                     |               | (10,544,910)         |
| Net transfer in/out of Level 3                              | 7,693         | 546,539             | 505,663                      | 5,525,700           | \$ 224        | 6,585,819            |
| <b>Balance as of November 30, 2009</b>                      | <b>\$ 381</b> | <b>\$ 2,474,892</b> | <b>\$ 21,365,686</b>         | <b>\$ 5,529,541</b> | <b>\$ 224</b> | <b>\$ 29,370,724</b> |

<sup>2</sup> The change in unrealized appreciation/depreciation on securities still held at November 30, 2009 was \$10,375,722.



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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 13(a)-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/ Anne F. Ackerley  
Anne F. Ackerley  
Chief Executive Officer of  
BlackRock Corporate High Yield Fund III, Inc.

Date: January 22, 2010

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/ Anne F. Ackerley  
Anne F. Ackerley  
Chief Executive Officer (principal executive officer) of  
BlackRock Corporate High Yield Fund III, Inc.

Date: January 22, 2010

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

Date: January 22, 2010