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BLACKROCK FLOATING RATE INCOME STRATEGIES FUND, INC.

Form N-CSR

November 03, 2014

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 811-21413

Name of Fund: BlackRock Floating Rate Income Strategies Fund, Inc. (FRA)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock Floating Rate Income Strategies Fund, 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: 08/31/2014

Date of reporting period: 08/31/2014

Item 1 – Report to Stockholders

AUGUST 31, 2014

**ANNUAL REPORT**

BlackRock Defined Opportunity Credit Trust (BHL)

BlackRock Floating Rate Income Strategies Fund, Inc. (FRA)

BlackRock Limited Duration Income Trust (BLW)

**Not FDIC Insured   May Lose Value   No Bank Guarantee**

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Shareholder Letter

Dear Shareholder,

The latter part of 2013 was a strong period for most risk assets such as equities and high yield bonds, despite the mixed tone of economic and financial news and uncertainty as to when and by how much the U.S. Federal Reserve would begin to gradually reduce (or taper) its asset purchase programs. Stock markets rallied in September when the Fed defied investors' expectations with its decision to delay tapering. The momentum was disrupted temporarily, however, when the U.S. debt ceiling debate led to a partial government shutdown, roiling financial markets globally until a compromise was struck in mid-October. The remainder of 2013 was generally positive for developed market stocks, while fixed income and emerging market investments struggled as Fed tapering became increasingly imminent. When the central bank ultimately announced its tapering plans in mid-December, equity investors reacted positively, as this action signaled the Fed's perception of real improvement in the economy.

Most asset classes moved higher in 2014 despite the pull back in Fed stimulus. The year got off to a rocky start, however, as a number of developing economies showed signs of stress while facing the onset of diminishing global liquidity. These risks, combined with disappointing U.S. economic data, caused equities to decline in January while bond markets found renewed strength from investors seeking relatively safer assets. Although these headwinds persisted, equities were back on the rise in February as investors were relieved by a one-year extension of the U.S. debt ceiling and market-friendly comments from the Fed's new Chairwoman, Janet Yellen. While it was clear that U.S. economic data had softened, investors were assuaged by increasing evidence that the trend was temporary and weather-related, and continued to take on risk with the expectation that growth would pick up later in the year.

In the months that followed, interest rates trended lower and bond prices climbed higher in the modest growth environment. Financial markets exhibited a remarkably low level of volatility despite rising geopolitical risks and mixed global economic news. Tensions in Russia and Ukraine and signs of decelerating growth in China caused some turbulence, but markets were resilient as investors focused on signs of improvement in the U.S. recovery, stronger corporate earnings and increased merger-and-acquisition activity. Importantly, investors were comforted by reassurance from the Fed that no changes to short-term interest rates were on the horizon.

In the ongoing low-rate environment, investors looked to equities as a source of yield, pushing major indices to record levels. As stock prices continued to move higher, investors soon became wary of stretched valuations and a new theme emerged. Stocks that had experienced significant price appreciation in 2013, particularly growth and momentum names, broadly declined as investors fled to stocks with cheaper valuations. This rotation resulted in the strongest performers of 2013 struggling most in 2014, and vice versa. Especially hard hit were U.S. small cap and European stocks, where earnings growth had not kept pace with recent market gains. In contrast, emerging market stocks benefited from the trend after having suffered heavy selling pressure earlier in the year.

However, asset prices tend to be more vulnerable to bad news when investors believe valuations are high. Consequently, markets came under pressure in July as geopolitical turmoil intensified in Gaza, Iraq and Ukraine and financial troubles boiled over in Argentina and Portugal. Investors regained confidence in August and, although volatility ticked up, markets rebounded as low rates and an improving U.S. economy trumped full valuations and lingering geopolitical risks. Concurrently, a slowdown in Europe's recovery fueled hopes for further monetary accommodation from the European Central Bank, driving global equities higher. Additionally, lower yields on European sovereign bonds made U.S. Treasuries more appealing by comparison, contributing to the persistence of low rates in the United States.

Despite a host of challenges, most asset classes generated solid returns for the six- and 12-month periods ended August 31, 2014, with equities generally outperforming fixed income. Emerging market equities delivered impressive

gains. Developed markets also performed well, although the expensive U.S. small cap stocks lagged in 2014. Most fixed income assets produced positive results even as the Fed reduced its open-market purchases. Tax-exempt municipal bonds benefited from a favorable supply-and-demand environment. Short-term interest rates remained near zero, keeping yields on money market securities close to historic lows.

At BlackRock, we believe investors need to think globally, extend their scope across a broad array of asset classes and be prepared to move freely as market conditions change over time. We encourage you to talk with your financial advisor and visit [blackrock.com](http://blackrock.com) for further insight about investing in today's world.

Sincerely,

**Rob Kapito**

President, BlackRock Advisors, LLC

*Asset prices pushed higher over the period despite modest global growth, geopolitical risks and a shift toward tighter U.S. monetary policy.*

**Rob Kapito**

President, BlackRock Advisors, LLC

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**Total Returns as of August 31, 2014**

|   | <b>6-month</b> | <b>12-month</b> |
|---|----------------|-----------------|
| U.S. large cap equities (S&P 500® Index)  | 8.84 %         | 25.25 %         |
| U.S. small cap equities (Russell 2000® Index)                                     | (0.06 )        | 17.68           |
| International equities (MSCI Europe, Australasia, Far East Index)                 | 1.24           | 16.44           |
| Emerging market equities (MSCI Emerging Markets Index)                            | 14.52          | 19.98           |
| 3-month Treasury bills (BofA Merrill Lynch 3-Month U.S. Treasury Bill Index)      | 0.02           | 0.05            |
| U.S. Treasury securities (BofA Merrill Lynch 10-Year U.S. Treasury Index)         | 4.35           | 7.07            |
| U.S. investment grade bonds (Barclays U.S. Aggregate Bond Index)                  | 2.74           | 5.66            |
| Tax-exempt municipal bonds (S&P Municipal Bond Index)                             | 4.21           | 10.55           |
| U.S. high yield bonds (Barclays U.S. Corporate High Yield 2% Issuer Capped Index) | 2.89           | 10.57           |

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

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Fund Summary as of August 31, 2014 **BlackRock Defined Opportunity Credit Trust**  
**Fund Overview**

**BlackRock Defined Opportunity Credit Trust s (BHL) (the Fund )** primary investment objective is to provide high current income, with a secondary objective of long-term capital appreciation. The Fund seeks to achieve its investment objectives by investing substantially all of its assets in loan and debt instruments and loan-related and debt-related instruments (collectively credit securities ). The Fund invests, under normal market conditions, at least 80% of its assets in any combination of the following credit securities: (i) senior secured floating rate and fixed rate loans; (ii) second lien or other subordinated or unsecured floating rate and fixed rate loans or debt; (iii) credit securities that are rated below investment grade quality; and (iv) investment grade corporate bonds. 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 12-month period ended August 31, 2014, the Fund returned 6.75% based on market price and 5.98% based on NAV. For the same period, the closed-end Lipper Loan Participation Funds category posted an average return of 1.03% based on market price and 6.55% 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?**

Selection among individual credits had a positive impact on performance. The Fund was broadly diversified across more than 300 issuers, many of which contributed positively to returns. Notably, the largest contributors were Caesars Entertainment Resort Properties LLC (gaming), First Data Corp. (software), La Quinta Intermediate Holdings (lodging) and HD Supply, Inc. (industrial distribution). The Fund s preference for B-rated loans over BB-rated loans proved beneficial as the BB-rated segment underperformed during the period.

The Fund s limited exposure to CCC and lower-rated as well as less liquid loan credits represented a missed opportunity for additional gains, as these segments performed well during the period.

**Describe recent portfolio activity.**

During the period, the Fund maintained its overall focus on the higher quality segments of the loan market in terms of loan structure, liquidity and overall credit quality. With the average loan trading recently at or just above par (i.e., with limited or no upside), the Fund has concentrated its investments in strong companies with stable cash flows and high quality collateral, with the ability to meet interest obligations and ultimately return principal. The Fund has been actively participating in the new-issue market, where the more appealing investment opportunities have been emerging. As we expect modest growth and improving economic conditions, in the latter half of the period the Fund modestly increased exposure to CCC-rated loans and reduced exposure to fixed-coupon high yield bonds as valuations in that market moved closer to fair value.

**Describe portfolio positioning at period end.**

At period end, the Fund held 95% of its total portfolio in floating rate loan interests (bank loans), with the remainder in corporate bonds and other interests. The Fund maintained a concentration in higher coupon B-rated loans of select issuers while limiting exposure to low coupon BB-rated loans. Additionally, the Fund favored CCC-rated loans, while maintaining generally low exposure to lower quality, less liquid loans.

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.





**BlackRock Defined Opportunity Credit Trust**

**Fund Information**

|  |                  |
|--|------------------|
| Symbol on New York Stock Exchange ( NYSE )   | BHL              |
| Initial Offering Date  | January 31, 2008 |
| Current Distribution Rate on Closing Market Price as of August 31, 2014 (\$13.84) <sup>1</sup> | 5.25%            |
| Current Monthly Distribution per Common Share <sup>2</sup>                                     | \$0.0605         |
| Current Annualized Distribution per Common Share <sup>2</sup>                                  | \$0.7260         |
| Economic Leverage as of August 31, 2014 <sup>3</sup>   | 30%              |

Current distribution rate on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. The current distribution rate may consist of income, net realized gains and/or a tax return of capital. Past performance does not guarantee future results.

<sup>1</sup>

The monthly distribution per common share, declared on October 1, 2014, was decreased to \$0.0583 per share. The current distribution rate on closing market price, current monthly distribution per common share and current annualized distribution per common share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to change in the future.

<sup>2</sup>

Represents bank borrowings 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 10.

<sup>3</sup>

**Market Price and Net Asset Value Per Share Summary**

|                 | <b>8/31/14</b> | <b>8/31/13</b> | <b>Change</b> | <b>High</b> | <b>Low</b> |
|-----------------|----------------|----------------|---------------|-------------|------------|
| Market Price    | \$13.84        | \$13.77        | 0.51 %        | \$14.20     | \$13.48    |
| Net Asset Value | \$14.41        | \$14.44        | (0.21)%       | \$14.56     | \$14.32    |

**Market Price and Net Asset Value History For the Past Five Years**

**Overview of the Fund's Long-Term Investments**

| <b>Portfolio Composition</b> | <b>8/31/14</b> | <b>8/31/13</b> |
|------------------------------|----------------|----------------|
| Floating Rate Loan Interests | 95%            | 94%            |
| Corporate Bonds              | 2              | 3              |
| Asset-Backed Securities      | 2              | 2              |
| Common Stocks                | 1              | 1              |

**Credit Quality Allocation<sup>4</sup>**

|         | <b>8/31/14</b> | <b>8/31/13<sup>5</sup></b> |
|---------|----------------|----------------------------|
| BBB/Baa | 6 %            | 7 %                        |
| BB/Ba   | 43             | 40                         |

|         |    |    |
|---------|----|----|
| B       | 44 | 43 |
| CCC/Caa | 4  | 4  |
| N/R     | 3  | 6  |

For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either Standard & Poor's ( S&P ) or Moody's Investors Service ( Moody's ) if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used.

<sup>4</sup>Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

<sup>5</sup>Information has been revised to conform to current year presentation.

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Fund Summary as of August 31, 2014 **BlackRock Floating Rate Income Strategies Fund, Inc.**

## **Fund Overview**

**BlackRock Floating Rate Income Strategies Fund, Inc. s (FRA) (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 12-month period ended August 31, 2014, the Fund returned 1.33% based on market price and 6.45% based on NAV. For the same period, the closed-end Lipper Loan Participation Funds category posted an average return of 1.03% based on market price and 6.55% 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?**

Selection among individual credits had a positive impact on performance. The Fund was broadly diversified across more than 300 issuers, many of which contributed positively to returns. Notably, the largest contributors were Caesars Entertainment Resort Properties LLC (gaming), First Data Corp. (software), La Quinta Intermediate Holdings (lodging) and HD Supply, Inc. (industrial distribution). The Fund s preference for B-rated loans over BB-rated loans proved beneficial as the BB-rated segment underperformed during the period.

The Fund s limited exposure to CCC and lower-rated as well as less liquid loan credits represented a missed opportunity for additional gains, as these segments performed well during the period.

### **Describe recent portfolio activity.**

During the period, the Fund maintained its overall focus on the higher quality segments of the loan market in terms of loan structure, liquidity and overall credit quality. With the average loan trading recently at or just above par (i.e., with limited or no upside), the Fund has concentrated its investments in strong companies with stable cash flows and high quality collateral, with the ability to meet interest obligations and ultimately return principal. The Fund has been actively participating in the new-issue market, where the more appealing investment opportunities have been emerging. As we expect modest growth and improving economic conditions, in the latter half of the period the Fund modestly increased exposure to CCC-rated loans and reduced exposure to fixed-coupon high yield bonds as valuations in that market moved closer to fair value.

### **Describe portfolio positioning at period end.**

At period end, the Fund held 94% of its total portfolio in floating rate loan interests (bank loans), with the remainder in corporate bonds and other interests. The Fund maintained a concentration in higher coupon B-rated loans of select issuers while limiting exposure to low coupon BB-rated loans. Additionally, the Fund favored CCC-rated loans, while maintaining generally low exposure to lower quality, less liquid loans.

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.  
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**BlackRock Floating Rate Income Strategies Fund, Inc.****Fund Information**

|  |                  |
|--|------------------|
| Symbol on NYSE   | FRA              |
| Initial Offering Date  | October 31, 2003 |
| Current Distribution Rate on Closing Market Price as of August 31, 2014 (\$14.26) <sup>1</sup> | 5.89%            |
| Current Monthly Distribution per Common Share <sup>2</sup>                                     | \$0.07           |
| Current Annualized Distribution per Common Share <sup>2</sup>                                  | \$0.84           |
| Economic Leverage as of August 31, 2014 <sup>3</sup>   | 29%              |

<sup>1</sup> Current distribution rate on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. The current distribution rate may consist of income, net realized gains and/or a tax return of capital. Past performance does not guarantee future results.

<sup>2</sup> The monthly distribution per common share, declared on October 1, 2014, was decreased to \$0.0674 per share. The current distribution rate on closing market price, current monthly distribution per common share and current annualized distribution per common share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to change in the future.

<sup>3</sup> Represents bank borrowings 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 10.

**Market Price and Net Asset Value Per Share Summary**

|                 | <b>8/31/14</b> | <b>8/31/13</b> | <b>Change</b> | <b>High</b> | <b>Low</b> |
|-----------------|----------------|----------------|---------------|-------------|------------|
| Market Price    | \$14.26        | \$14.96        | (4.68)%       | \$15.02     | \$14.11    |
| Net Asset Value | \$15.38        | \$15.36        | 0.13 %        | \$15.54     | \$15.26    |

**Market Price and Net Asset Value History For the Past Five Years****Overview of the Fund's Long-Term Investments**

| <b>Portfolio Composition</b> | <b>8/31/14</b> | <b>8/31/13</b> |
|------------------------------|----------------|----------------|
| Floating Rate Loan Interests | 94%            | 92%            |
| Corporate Bonds              | 3              | 4              |
| Asset-Backed Securities      | 2              | 3              |
| Common Stocks                | 1              | 1              |

**Credit Quality Allocation<sup>4</sup>**

|         | <b>8/31/14</b> | <b>8/31/13<sup>5</sup></b> |
|---------|----------------|----------------------------|
| BBB/Baa | 6 %            | 7 %                        |
| BB/Ba   | 43             | 39                         |

|         |    |    |
|---------|----|----|
| B       | 43 | 44 |
| CCC/Caa | 4  | 4  |
| N/R     | 4  | 6  |

For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below<sup>4</sup> investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

<sup>5</sup>Information has been revised to conform to current year presentation.

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Fund Summary as of August 31, 2014 **BlackRock Limited Duration Income Trust**  
**Fund Overview**

**BlackRock Limited Duration Income Trust s (BLW) (the Fund )** investment objective is to provide current income and capital appreciation. The Fund seeks to achieve its investment objective by investing primarily in three distinct asset classes:

intermediate duration, investment grade corporate bonds, mortgage-related securities, asset-backed securities and US Government and agency securities;

senior, secured floating rate loans made to corporate and other business entities; and

US dollar-denominated securities of US and non-US issuers rated below investment grade and, to a limited extent, non-US dollar denominated securities of non-US issuers rated below investment grade.

The Fund s portfolio normally has an average portfolio duration of less than five years (including the effect of anticipated leverage), although it may be longer from time to time depending on market conditions. 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 12-month period ended August 31, 2014, the Fund returned 6.89% based on market price and 10.77% based on NAV. For the same period, the closed-end Lipper High Yield Funds (Leveraged) category posted an average return of 15.47% based on market price and 14.60% 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?**

In a generally positive environment for fixed income markets, high yield credit and bank loans performed well. In particular, the strong macroeconomic backdrop and market fundamentals that gave rise to net negative supply supported further spread tightening, particularly in asset-backed securities ( ABS ). The largest contributors to the Fund s performance were its positions in high yield, bank loans and investment grade industrials. Exposure to non-US dollar positions also had a positive impact on performance, as did commercial mortgage-backed securities ( CMBS ), non-agency adjustable-rate mortgages and collateralized mortgage obligations ( CMOs ). In addition, the Fund s ABS and equity positions enhanced results.

Based on the view that short-term rates would remain low, the Fund maintained a high level of leverage to augment income generation throughout the period.

Conversely, the principal detractor from the Fund s performance over the past 12 months was the Fund s derivatives exposure to manage duration.

#### **Describe recent portfolio activity.**

The Fund s allocations remained consistent throughout the 12-month period, with its largest position in high yield, followed by allocations to bank loans and investment grade corporate credit and securitized credits, including CMBS and ABS.

#### **Describe portfolio positioning at period end.**

At period end, the Fund maintained diversified exposure to non-government spread sectors including high yield and investment grade corporate credit, CMBS and ABS, as well as agency and non-agency residential mortgage-backed securities.

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.

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**BlackRock Limited Duration Income Trust****Fund Information**

|  |               |
|--|---------------|
| Symbol on NYSE   | BLW           |
| Initial Offering Date  | July 30, 2003 |
| Current Distribution Rate on Closing Market Price as of August 31, 2014 (\$16.81) <sup>1</sup> | 7.10%         |
| Current Monthly Distribution per Common Share <sup>2</sup>                                     | \$0.0995      |
| Current Annualized Distribution per Common Share <sup>2</sup>                                  | \$1.1940      |
| Economic Leverage as of August 31, 2014 <sup>3</sup>   | 31%           |

<sup>1</sup> Current distribution rate on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. The current distribution rate may consist of income, net realized gains and/or a tax return of capital. Past performance does not guarantee future results.

<sup>2</sup> The distribution rate is not constant and is subject to change.

Represents reverse repurchase agreements outstanding as a percentage of total managed assets, which is the total assets of the Fund (including any assets attributable to borrowing) 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 10.

**Market Price and Net Asset Value Per Share Summary**

|                 | <b>8/31/14</b> | <b>8/31/13</b> | <b>Change</b> | <b>High</b> | <b>Low</b> |
|-----------------|----------------|----------------|---------------|-------------|------------|
| Market Price    | \$16.81        | \$16.89        | (0.47)%       | \$17.62     | \$16.15    |
| Net Asset Value | \$18.09        | \$17.54        | 3.14 %        | \$18.31     | \$17.54    |

**Market Price and Net Asset Value History For the Past Five Years****Overview of the Fund's Long-Term Investments**

| <b>Portfolio Composition</b>                | <b>8/31/14</b> | <b>8/31/13</b> |
|---|----------------|----------------|
| Corporate Bonds                             | 42%            | 44%            |
| Floating Rate Loan Interests                | 32             | 36             |
| Preferred Securities                        | 8              | 1              |
| Non-Agency Mortgage-Backed Securities       | 7              | 8              |
| Asset-Backed Securities                     | 5              | 6              |
| U.S. Government Sponsored Agency Securities | 4              | 4              |
| Common Stocks                               | 1              | 1              |
| Foreign Agency Obligations                  | 1              | -              |

**Credit Quality Allocation<sup>4</sup> \_ 8/31/14 8/31/13<sup>5</sup>**

|                      |     |     |
|----------------------|-----|-----|
| AAA/Aaa <sup>6</sup> | 6 % | 4 % |
| AA/Aa                | 2   | 2   |
| A                    | 3   | 5   |
| BBB/Baa              | 15  | 13  |
| BB/Ba                | 32  | 27  |
| B                    | 31  | 32  |
| CCC/Caa              | 7   | 7   |
| D                    |     | 1   |
| N/R                  | 4   | 9   |

For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa<sup>4</sup> or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

<sup>5</sup>Information has been revised to conform to current year presentation.

The investment advisor evaluates the credit quality of not-rated investments based upon certain factors including, but not limited to, credit ratings for similar investments and financial analysis of sectors, individual investments and/or issuer. Using this approach, the investment advisor has deemed U.S. Government Sponsored Agency Securities and U.S. Treasury Obligations as AAA/Aaa.<sup>6</sup>

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### The Benefits and Risks of Leveraging **BlackRock Limited Duration Income Trust**

The Funds may utilize leverage to seek to enhance the yield and net asset value ( NAV ) of their common shares ( Common Shares ). However, these objectives cannot be achieved in all interest rate environments.

In general, the concept of leveraging is based on the premise that the financing cost of leverage, which will be based on short-term interest rates, will normally be lower than the income earned by a Fund on its longer-term portfolio investments purchased with the proceeds from leverage. To the extent that the total assets of the Fund (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, the 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.

To illustrate these concepts, assume a Fund's capitalization is \$100 million and it utilizes leverage for an additional \$30 million, creating a total value of \$130 million available for investment in longer-term income securities. If prevailing short-term interest rates are 3% and longer-term interest rates are 6%, the yield curve has a strongly positive slope. In this case, the Fund's financing costs on the \$30 million of proceeds obtained from leverage are based on the lower short-term interest rates. At the same time, the securities purchased by the Fund with the proceeds from leverage earn income based on longer-term interest rates. In this case, the Fund's financing cost of leverage are significantly lower than the income earned on the Fund's longer-term investments acquired from leverage proceeds, and therefore the holders of Common Shares ( Common Shareholders ) are the beneficiaries of the incremental net income.

However, in order to benefit shareholders, the return on assets purchased with leverage proceeds must exceed the ongoing costs associated with the leverage. If interest and other costs of leverage exceed the Fund's return on assets purchased with leverage proceeds, income to shareholders will be lower than if the Fund had not used leverage. Furthermore, the value of the Fund's 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 value of the Fund's obligations under its leverage arrangement generally does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Fund's NAVs positively or negatively. Changes in the future direction of interest rates are very difficult to predict accurately, and there is no assurance that a Fund's intended leveraging strategy will be successful.

Leverage also will generally cause greater changes in the Funds' NAVs, market prices and dividend rates than comparable portfolios without leverage. In a declining market, leverage is likely to cause a greater decline in the net asset value and market price of a Fund's shares than if the Fund were not leveraged. In addition, the 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 the Fund to incur losses. The use of leverage may limit the Fund's ability to invest in certain types of securities or use certain types of hedging strategies. The Fund will incur expenses in connection with the use of leverage, all of which are borne by shareholders and may reduce income to the shares.

Each Fund may utilize leverage through a credit facility or reverse repurchase agreements as described in the Notes to Financial Statements.

Under the Investment Company Act of 1940, as amended (the 1940 Act ), each Fund is permitted to issue debt up to 33% of its total managed assets. A Fund may voluntarily elect to limit its leverage to less than the maximum amount permitted under the 1940 Act. In addition, a Fund may also be subject to certain asset coverage, leverage or portfolio composition requirements imposed by its credit facility, which may be more stringent than those imposed by the 1940 Act.

If a Fund segregates or designates on its books and records cash or liquid assets having values not less than the value of the Fund's obligations under the reverse repurchase agreement (including accrued interest), then such transaction will not be considered a senior security and will not be subject to the foregoing limitations and requirements under the 1940 Act.

### Derivative Financial Instruments

The Funds may invest in various derivative financial instruments, including financial futures contracts, forward foreign currency exchange contracts, options and swaps, as specified in Note 4 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 and/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.

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**BlackRock Defined Opportunity Credit Trust (BHL)**  
(Percentages shown are based on Net Assets)

Schedule of Investments August 31, 2014

| <b>Common Stocks (a)</b>   | <b>Shares</b> | <b>Value</b> |
|--|---------------|--------------|
| <b>Diversified Consumer Services 0.2%</b>  |               |              |
| Cengage Thomson Learning   | 8,922         | \$ 282,533   |
| <b>Software 0.4%</b>   |               |              |
| HMH Holdings/EduMedia  | 24,355        | 467,616      |
| <b>Total Common Stocks 0.6%</b>  |               | 750,149      |
| <hr/>  |               |              |
|  | <b>Par</b>    |              |
| <b>Asset-Backed Securities (b)(c)</b>  | <b>(000)</b>  |              |
| ALM Loan Funding, Series 2013-7RA, Class C, 3.68%, 4/24/24                         | USD 500       | 477,941      |
| ALM XIV Ltd., Series 2014-14A:   |               |              |
| Class B, 3.18%, 7/28/26  | 563           | 553,845      |
| Class C, 3.68%, 7/28/26  | 713           | 676,305      |
| Atlas Senior Loan Fund Ltd., 3.94%, 10/15/26 (d)                                   | 250           | 237,200      |
| Atrium CDO Corp., Series 9A, Class D, 3.74%, 2/28/24                               | 250           | 238,982      |
| Carlyle Global Market Strategies CLO Ltd., Series 2012-4A, Class D, 4.73%, 1/20/25 | 250           | 250,833      |
| Fraser Sullivan CLO VII Ltd., Series 2012-7A, Class C, 4.23%, 4/20/23              | 215           | 213,336      |
| North End CLO Ltd., Series 2013-1A, Class D, 3.73%, 7/17/25                        | 250           | 236,452      |
| Octagon Investment Partners XVII Ltd., Series 2013-1A, Class D, 3.43%, 10/25/25    | 250           | 233,424      |
| Octagon Investment Partners XX Ltd., Series 2014-1A, Class C, 3.04%, 8/12/26       | 250           | 245,275      |
| Symphony CLO Ltd., Series 2012-10A, Class D, 5.48%, 7/23/23                        | 350           | 350,483      |
| <b>Total Asset-Backed Securities 2.8%</b>  |               | 3,714,076    |
| <hr/>  |               |              |
| <b>Corporate Bonds</b>   |               |              |
| <b>Airlines 0.7%</b>   |               |              |
| American Airlines Pass-Through Trust, Series 2013-2, Class C, 6.00%, 1/15/17 (c)   | 250           | 258,750      |
| Delta Air Lines Pass-Through Trust, Series 2009-1, Class B, 9.75%, 12/17/16        | 46            | 51,702       |
| US Airways Pass-Through Trust, Series 2012-2, Class C, 5.45%, 6/03/18              | 590           | 600,325      |
|  |               | 910,777      |
| <b>Auto Components 0.2%</b>  |               |              |
| Icahn Enterprises LP/Icahn Enterprises Finance Corp.:                              |               |              |
| 3.50%, 3/15/17   | 164           | 165,025      |
| 4.88%, 3/15/19   | 105           | 107,887      |
|  |               | 272,912      |
| <b>Chemicals 0.1%</b>  |               |              |
| INEOS Finance PLC, 8.38%, 2/15/19 (c)  | 110           | 119,350      |
| <b>Commercial Services &amp; Supplies 0.3%</b>                                     |               |              |
| Avis Budget Car Rental LLC/Avis Budget Finance, Inc., 2.98%, 12/01/17 (b)          | 68            | 67,660       |
| AWAS Aviation Capital Ltd., 7.00%, 10/17/16 (c)                                    | 250           | 255,594      |
| United Rentals North America, Inc., 5.75%, 7/15/18                                 | 80            | 84,200       |

|  | 407,454      |              |
|--|--------------|--------------|
|  | <b>Par</b>   | <b>Value</b> |
|  | <b>(000)</b> |              |
| <b>Corporate Bonds</b>   |              |              |
| <b>Communications Equipment 0.4%</b>                                 |              |              |
| Avaya, Inc., 7.00%, 4/01/19 (c)                                      | USD 101      | \$ 100,495   |
| Zayo Group LLC/Zayo Capital, Inc., 8.13%, 1/01/20                    | 380          | 409,925      |
|  |              | 510,420      |
| <b>Diversified Financial Services 0.3%</b>                           |              |              |
| Ally Financial, Inc., 2.91%, 7/18/16 (b)                             | 275          | 280,363      |
| Reynolds Group Issuer, Inc., 7.13%, 4/15/19                          | 120          | 124,650      |
|  |              | 405,013      |
| <b>Diversified Telecommunication Services 0.3%</b>                   |              |              |
| Level 3 Financing, Inc. (c):   |              |              |
| 3.82%, 1/15/18 (b)   | 228          | 229,140      |
| 6.13%, 1/15/21   | 127          | 133,985      |
|  |              | 363,125      |
| <b>Hotels, Restaurants &amp; Leisure 0.4%</b>                        |              |              |
| Caesars Entertainment Operating Co., Inc., 9.00%, 2/15/20            | 642          | 514,166      |
| <b>Independent Power and Renewable Electricity Producers 0.1%</b>    |              |              |
| Calpine Corp., 6.00%, 1/15/22 (c)                                    | 80           | 86,200       |
| <b>Media 0.2%</b>  |              |              |
| NAI Entertainment Holdings/NAI Entertainment Holdings Finance Corp., |              |              |
| 5.00%, 8/01/18 (c)   | 96           | 98,640       |
| Numericable Group SA, 6.00%, 5/15/22 (c)                             | 200          | 206,000      |
|  |              | 304,640      |
| <b>Oil, Gas &amp; Consumable Fuels 0.1%</b>                          |              |              |
| EP Energy LLC/Everest Acquisition Finance, Inc., 6.88%, 5/01/19      | 145          | 152,975      |
| <b>Road &amp; Rail 0.2%</b>  |              |              |
| Florida East Coast Holdings Corp., 6.75%, 5/01/19 (c)                | 196          | 206,780      |
| <b>Wireless Telecommunication Services 0.0%</b>                      |              |              |
| T-Mobile USA, Inc., 6.13%, 1/15/22                                   | 50           | 51,813       |
| <b>Total Corporate Bonds 3.3%</b>                                    |              | 4,305,625    |
| <hr/>  |              |              |
| <b>Floating Rate Loan Interests (b)</b>                              |              |              |
| <b>Aerospace &amp; Defense 1.7%</b>                                  |              |              |
| DigitalGlobe, Inc., Term Loan B, 3.75%, 1/31/20                      | 509          | 506,274      |
| TASC, Inc., 2nd Lien Term Loan, 12.00%, 5/30/21                      | 275          | 269,500      |
| Transdigm, Inc.:   |              |              |
| Term Loan C, 3.75%, 2/28/20  | 222          | 220,120      |
| Term Loan D, 3.75%, 6/04/21  | 200          | 198,584      |
| TransUnion LLC, Term Loan, 4.00%, 4/09/21                            | 1,087        | 1,082,295    |
|  |              | 2,276,773    |
| <b>Air Freight &amp; Logistics 0.5%</b>                              |              |              |
| CEVA Group PLC, Synthetic LC, 6.50%, 3/19/21                         | 166          | 160,225      |
| CEVA Intercompany BV, Dutch Term Loan, 6.50%, 3/19/21                | 175          | 170,543      |
| CEVA Logistics Canada ULC, Canadian Term Loan, 6.50%, 3/19/21        | 30           | 29,404       |
| CEVA Logistics U.S. Holdings, Inc., Term Loan, 6.50%, 3/19/21        | 241          | 235,233      |
|  |              | 595,405      |

**Portfolio Abbreviations**

|                                |              |                               |              |                                     |
|--------------------------------|--------------|-------------------------------|--------------|-------------------------------------|
| Asset-Backed Security          | <b>EUR</b>   | Euro                          | <b>PIK</b>   | Payment-In-Kind                     |
| American Depositary Shares     | <b>GBP</b>   | British Pound                 | <b>REMIC</b> | Real Estate Mortgage Investment Con |
| Canadian Dollar                | <b>LIBOR</b> | London Interbank Offered Rate | <b>SGD</b>   | Singapore Dollar                    |
| Collateralized Loan Obligation | <b>OIS</b>   | Overnight Indexed Swap        | <b>USD</b>   | U.S. Dollar                         |
| Debtor-In-Possession           | <b>OTC</b>   | Over-the-Counter              |              |                                     |

See Notes to Financial Statements.

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**BlackRock Defined Opportunity Credit Trust (BHL)**  
(Percentages shown are based on Net Assets)

Schedule of Investments (continued)

|   | <b>Par<br/>(000)</b> | <b>Value</b> |
|---|----------------------|--------------|
| <b>Floating Rate Loan Interests (b)</b>                                 |                      |              |
| <b>Airlines 0.8%</b>  |                      |              |
| Delta Air Lines, Inc., 2018 Term Loan B1, 3.25%, 10/18/18               | USD 324              | \$ 320,573   |
| Northwest Airlines, Inc.:   |                      |              |
| 2.18%, 3/10/17  | 178                  | 173,753      |
| 1.56%, 9/10/18  | 245                  | 233,803      |
| US Airways Group, Inc., Term Loan B1, 3.50%, 5/23/19                    | 257                  | 254,826      |
|   |                      | 982,955      |
| <b>Auto Components 4.5%</b>   |                      |              |
| Affinia Group Intermediate Holdings, Inc., Term Loan B2, 4.75%, 4/27/20 | 293                  | 294,212      |
| Armored Autogroup, Inc., Term Loan B, 6.00%, 11/04/16                   | 57                   | 57,434       |
| Autoparts Holdings Ltd.:  |                      |              |
| 1st Lien Term Loan, 6.50%, 7/28/17                                      | 625                  | 624,485      |
| 2nd Lien Term Loan, 10.50%, 1/29/18                                     | 238                  | 228,990      |
| Dayco Products LLC, Term Loan B, 5.25%, 12/12/19                        | 358                  | 358,200      |
| FPC Holdings, Inc., 1st Lien Term Loan, 5.25%, 11/19/19                 | 328                  | 324,741      |
| Gates Global, Inc., Term Loan B, 4.25%, 7/05/21                         | 2,010                | 1,994,202    |
| The Goodyear Tire & Rubber Co., 2nd Lien Term Loan, 4.75%, 4/30/19      | 1,150                | 1,153,232    |
| Transtar Holding Co., 1st Lien Term Loan, 5.75%, 10/09/18               | 481                  | 478,508      |
| UCI International, Inc., Term Loan B, 5.50%, 7/26/17                    | 338                  | 337,433      |
|   |                      | 5,851,437    |
| <b>Automobiles 0.3%</b>   |                      |              |
| Chrysler Group LLC:   |                      |              |
| 2018 Term Loan B, 3.25%, 12/31/18                                       | 190                  | 187,582      |
| Term Loan B, 3.50%, 5/24/17   | 199                  | 199,201      |
|   |                      | 386,783      |
| <b>Banks 0.3%</b>   |                      |              |
| Redtop Acquisitions Ltd.:   |                      |              |
| 1st Lien Term Loan, 4.50%, 12/03/20                                     | 259                  | 258,268      |
| 2nd Lien Term Loan, 8.25%, 6/03/21                                      | 70                   | 71,043       |
|   |                      | 329,311      |
| <b>Building Products 3.1%</b>   |                      |              |
| Continental Building Products LLC, 1st Lien Term Loan, 4.00%, 8/28/20   | 373                  | 370,594      |
| CPG International, Inc., Term Loan, 4.75%, 9/30/20                      | 974                  | 973,623      |
| GYP Holdings III Corp., 1st Lien Term Loan, 4.75%, 4/01/21              | 319                  | 315,210      |
| Interline Brands, Inc., 2021 Term Loan, 4.00%, 3/17/21                  | 394                  | 389,336      |
| Nortek, Inc., Term Loan, 3.75%, 10/30/20                                | 480                  | 477,998      |
| Ply Gem Industries, Inc., Term Loan, 4.00%, 2/01/21                     | 224                  | 220,299      |
| Quikrete Holdings, Inc., 1st Lien Term Loan, 4.00%, 9/28/20             | 402                  | 399,688      |
| Wilsonart LLC:  |                      |              |
| Incremental Term Loan B2, 4.00%, 10/31/19                               | 109                  | 107,991      |
| Term Loan B, 4.00%, 10/31/19  | 788                  | 777,496      |
|   |                      | 4,032,235    |
| <b>Capital Markets 0.5%</b>   |                      |              |
| Affinion Group, Inc.:   |                      |              |
| 2nd Lien Term Loan, 8.50%, 10/12/18                                     | 212                  | 210,417      |



|  |              |              |
|--|--------------|--------------|
| Term Loan B, 6.75%, 4/30/18  | 301          | 297,706      |
| American Capital Holdings, Inc., 2017 Term Loan, 3.50%, 8/22/17            | 195          | 194,263      |
|  |              | 702,386      |
|  | <b>Par</b>   | <b>Value</b> |
|  | <b>(000)</b> |              |
| <b>Floating Rate Loan Interests (b)</b>                                    |              |              |
| <b>Chemicals 5.0%</b>  |              |              |
| Allnex (Luxembourg) & Cy SCA, Term Loan B1, 4.50%, 10/03/19                | USD 254      | \$ 253,873   |
| Allnex USA, Inc., Term Loan B2, 4.50%, 10/03/19                            | 132          | 131,722      |
| Axalta Coating Systems US Holdings, Inc., Term Loan, 3.75%, 2/01/20        | 473          | 469,535      |
| CeramTec Acquisition Corp., Term Loan B2, 4.25%, 8/28/20                   | 27           | 26,758       |
| Chemtura Corp., Term Loan B, 3.50%, 8/27/16                                | 324          | 323,809      |
| Chromaflo Technologies Corp.:  |              |              |
| 1st Lien Term Loan, 4.50%, 12/02/19  | 259          | 257,730      |
| 2nd Lien Term Loan, 8.25%, 5/30/20   | 110          | 109,450      |
| Evergreen Acqco 1 LP, Term Loan, 5.00%, 7/09/19                            | 476          | 475,788      |
| INEOS US Finance LLC:  |              |              |
| 3 Year Term Loan, 2.20%, 5/04/15   | 88           | 87,737       |
| 6 Year Term Loan, 3.75%, 5/04/18   | 194          | 192,691      |
| MacDermid, Inc., 1st Lien Term Loan, 4.00%, 6/07/20                        | 461          | 459,337      |
| Minerals Technology, Inc., Term Loan B, 4.00%, 5/09/21                     | 500          | 499,375      |
| Momentive Performance Materials, Inc., DIP Term Loan B, 4.00%, 4/15/15     | 100          | 99,875       |
| Nexeo Solutions LLC, Term Loan B, 5.00%, 9/08/17                           | 581          | 578,082      |
| OXEA Finance LLC:  |              |              |
| 2nd Lien Term Loan, 8.25%, 7/15/20   | 315          | 315,526      |
| Term Loan B2, 4.25%, 1/15/20   | 581          | 578,435      |
| Royal Adhesives and Sealants LLC, 1st Lien Term Loan, 5.50%, 7/31/18       | 156          | 155,887      |
| Solenis International LP:  |              |              |
| 1st Lien Term Loan, 4.25%, 7/02/21   | 355          | 352,561      |
| 2nd Lien Term Loan, 7.75%, 7/02/22   | 390          | 386,490      |
| Tata Chemicals North America, Inc., Term Loan B, 3.75%, 8/07/20            | 134          | 131,979      |
| Tronox Pigments (Netherlands) BV, 2013 Term Loan, 4.00%, 3/19/20           | 406          | 404,954      |
| Univar, Inc., Term Loan B, 5.00%, 6/30/17                                  | 222          | 222,330      |
|  |              | 6,513,924    |
| <b>Commercial Services &amp; Supplies 5.2%</b>                             |              |              |
| ADS Waste Holdings, Inc., Term Loan, 3.75%, 10/09/19                       | 736          | 724,912      |
| ARAMARK Corp.:   |              |              |
| Extended Synthetic Line of Credit 2, 3.65%, 7/26/16                        | 14           | 13,753       |
| Extended Synthetic Line of Credit 3, 3.65%, 7/26/16                        | 9            | 9,301        |
| Term Loan E, 3.25%, 9/07/19  | 664          | 656,611      |
| AWAS Finance Luxembourg 2012 SA, Term Loan, 3.50%, 7/16/18                 | 279          | 278,443      |
| Brand Energy & Infrastructure Services, Inc., Term Loan B, 4.75%, 11/26/20 | 868          | 866,878      |
| Catalent Pharma Solutions, Inc., Term Loan, 6.50%, 12/29/17                | 67           | 67,454       |
| Connolly Corp.:  |              |              |
| 1st Lien Term Loan, 5.00%, 5/14/21   | 675          | 677,956      |
| 2nd Lien Term Loan, 8.00%, 5/14/22   | 325          | 326,219      |
| KAR Auction Services, Inc., Term Loan B2, 3.50%, 3/11/21                   | 309          | 306,782      |
| Koosharem LLC, Exit Term Loan, 7.50%, 4/29/20                              | 550          | 550,687      |
| Livingston International, Inc.:  |              |              |
| 1st Lien Term Loan, 5.00%, 4/16/19   | 307          | 305,175      |
| 2nd Lien Term Loan, 9.00%, 4/20/20   | 200          | 198,362      |
| Spin Holdco, Inc., Term Loan B, 4.25%, 11/14/19                            | 924          | 915,709      |

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|   |     |           |
|---|-----|-----------|
| US Ecology, Inc., Term Loan, 3.75%, 6/17/21 | 225 | 225,000   |
| West Corp., Term Loan B10, 3.25%, 6/30/18   | 598 | 591,691   |
|   |     | 6,714,933 |

See Notes to Financial Statements.

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**BlackRock Defined Opportunity Credit Trust (BHL)**  
**(Percentages shown are based on Net Assets)**

Schedule of Investments (continued)

|  |     | <b>Par<br/>(000)</b> | <b>Value</b>           |
|--|-----|----------------------|------------------------|
| <b>Floating Rate Loan Interests (b)</b>                              |     |                      |                        |
| <b>Communications Equipment 2.7%</b>                                 |     |                      |                        |
| Amaya Holdings BV:   |     |                      |                        |
| 1st Lien Term Loan, 5.00%, 8/01/21                                   | USD | 190                  | \$ 188,147             |
| 2nd Lien Term Loan, 8.00%, 8/01/22                                   |     | 1,325                | 1,340,741              |
| Applied Systems, Inc.:   |     |                      |                        |
| 1st Lien Term Loan, 4.25%, 1/25/21                                   |     | 184                  | 183,615                |
| 2nd Lien Term Loan, 7.50%, 1/23/22                                   |     | 85                   | 85,510                 |
| Avaya, Inc., Extended Term Loan B3,<br>4.66%, 10/26/17               |     | 345                  | 333,911                |
| CommScope, Inc., Term Loan B3, 2.66%<br>- 2.73%, 1/21/17             |     | 157                  | 157,576                |
| Zayo Group LLC/Zayo Capital, Inc., Term<br>Loan B, 4.00%, 7/02/19    |     | 1,235                | 1,229,305<br>3,518,805 |
| <b>Construction &amp; Engineering 0.4%</b>                           |     |                      |                        |
| BakerCorp International, Inc., Term Loan,<br>4.25%, 2/14/20          |     | 300                  | 293,633                |
| Centaur Acquisition LLC, 2nd Lien Term<br>Loan, 8.75%, 2/15/20       |     | 280                  | 283,500<br>577,133     |
| <b>Construction Materials 1.5%</b>                                   |     |                      |                        |
| Filtration Group Corp., 1st Lien Term<br>Loan, 4.50%, 11/21/20       |     | 219                  | 219,009                |
| HD Supply, Inc., Term Loan B, 4.00%,<br>6/28/18                      |     | 1,604                | 1,595,200              |
| McJunkin Red Man Corp., Term Loan,<br>5.00%, 11/08/19                |     | 149                  | 148,875<br>1,963,084   |
| <b>Containers &amp; Packaging 1.1%</b>                               |     |                      |                        |
| Ardagh Holdings USA, Inc., Incremental<br>Term Loan, 4.00%, 12/17/19 |     | 209                  | 208,254                |
| Berry Plastics Holding Corp., Term Loan<br>E, 3.75%, 1/06/21         |     | 629                  | 620,016                |
| BWAY Holding Co., Inc., Term Loan B,<br>5.50%, 8/14/20               |     | 345                  | 346,439                |
| CD&R Millennium Holdco 6 Sarl, 1st Lien<br>Term Loan, 4.50%, 7/31/21 |     | 25                   | 24,836                 |
| Rexam PLC, 1st Lien Term Loan, 4.25%,<br>5/02/21                     |     | 170                  | 169,787                |
| Tekni-Plex, Inc., Term Loan B, 4.75%,<br>8/25/19                     |     | 111                  | 110,609<br>1,479,941   |
| <b>Distributors 1.5%</b>   |     |                      |                        |
| ABC Supply Co., Inc., Term Loan, 3.50%,<br>4/16/20                   |     | 1,141                | 1,129,722              |

|  |     |              |              |
|--|-----|--------------|--------------|
| American Tire Distributors Holdings, Inc.,<br>Term Loan B, 5.75%, 6/01/18      |     | 329          | 329,289      |
| Crossmark Holdings, Inc., 1st Lien Term<br>Loan, 4.50%, 12/20/19               |     | 231          | 228,871      |
| VWR Funding, Inc., Term Loan, 3.41%,<br>4/03/17                                |     | 276          | 274,251      |
|  |     |              | 1,962,133    |
| <b>Diversified Consumer Services 2.5%</b>                                      |     |              |              |
| Allied Security Holdings LLC:<br>1st Lien Term Loan, 4.25%, 2/12/21            |     | 655          | 649,212      |
| 2nd Lien Term Loan, 8.00%, 8/13/21   |     | 91           | 89,963       |
| Bright Horizons Family Solutions, Inc.,<br>Term Loan B, 3.75% - 5.00%, 1/30/20 |     | 635          | 630,960      |
| Fitness International LLC, Term Loan B,<br>5.50%, 7/01/20                      |     | 250          | 248,958      |
| Garda World Securities Corp.:<br>Delayed Draw Term Loan, 4.00%,<br>11/06/20    |     | 68           | 67,945       |
| Term Loan B, 4.00%, 11/06/20   |     | 268          | 265,602      |
| ROC Finance LLC, Term Loan, 5.00%,<br>6/20/19                                  |     | 248          | 240,527      |
| ServiceMaster Co., 2014 Term Loan B, 4.25%, 7/01/21                            |     | 610          | 604,968      |
| Weight Watchers International, Inc., Term<br>Loan B2, 4.00%, 4/02/20           |     | 627          | 492,601      |
|  |     |              | 3,290,736    |
|  |     | <b>Par</b>   | <b>Value</b> |
|  |     | <b>(000)</b> |              |
| <b>Floating Rate Loan Interests (b)</b>  |     |              |              |
| <b>Diversified Financial Services 1.3%</b>                                     |     |              |              |
| AssuredPartners Capital, Inc., 1st Lien Term Loan,<br>4.50%, 3/31/21           | USD | 335          | \$ 333,466   |
| Reynolds Group Holdings, Inc., Dollar Term Loan,<br>4.00%, 12/01/18            |     | 745          | 743,366      |
| RPI Finance Trust, Term Loan B3, 3.25%, 11/09/18                               |     | 86           | 86,388       |
| SAM Finance Luxembourg Sarl, Term Loan,<br>4.25%, 12/17/20                     |     | 592          | 591,101      |
|  |     |              | 1,754,321    |
| <b>Diversified Telecommunication Services 4.2%</b>                             |     |              |              |
| Consolidated Communications, Inc., Term Loan B,<br>4.25%, 12/23/20             |     | 689          | 689,270      |
| Hawaiian Telcom Communications, Inc., Term<br>Loan B, 5.00%, 6/06/19           |     | 521          | 522,979      |
| Integra Telecom, Inc.:<br>2nd Lien Term Loan, 9.75%, 2/22/20                   |     | 255          | 258,825      |
| Term Loan B, 5.25%, 2/22/19  |     | 459          | 459,045      |
| Level 3 Financing, Inc.:<br>2019 Term Loan, 4.00%, 8/01/19                     |     | 220          | 218,946      |
| 2020 Term Loan B, 4.00%, 1/15/20   |     | 2,160        | 2,149,200    |
| Syniverse Holdings, Inc., Term Loan B, 4.00%,<br>4/23/19                       |     | 446          | 441,520      |
| US Telepacific Corp., Term Loan B, 5.75%, 2/23/17                              |     | 728          | 727,534      |
|  |     |              | 5,467,319    |

**Electric Utilities 1.1%**

|  |     |           |
|--|-----|-----------|
| American Energy Marcellus LLC, 1st Lien Term Loan, 5.25%, 8/04/20              | 400 | 399,879   |
| American Energy Utica LLC:<br>2nd Lien Delayed Draw Term Loan, 11.00%, 9/30/18 | 51  | 53,229    |
| 2nd Lien Term Loan, 5.50%, 9/30/18   | 231 | 247,609   |
| Incremental 2nd Lien Term Loan, 11.00%, 9/30/18                                | 51  | 53,237    |
| Energy Future Intermediate Holding Co LLC, DIP Term Loan, 4.25%, 6/19/16       | 325 | 325,325   |
| Sandy Creek Energy Associates LP, Term Loan B, 5.00%, 11/06/20                 | 293 | 294,575   |
|  |     | 1,373,854 |

**Electrical Equipment 1.5%**

|   |       |           |
|---|-------|-----------|
| Southwire Co., Term Loan, 3.25%, 2/10/21                                      | 264   | 262,553   |
| Texas Competitive Electric Holdings Co. LLC:<br>DIP Term Loan, 3.75%, 5/05/16 | 581   | 584,740   |
| Extended Term Loan, 4.65%, 10/10/17 (a)(e)                                    | 1,505 | 1,163,787 |
|   |       | 2,011,080 |

**Electronic Equipment, Instruments & Components 0.5%**

|                                    |     |         |
|------------------------------------|-----|---------|
| CDW LLC, Term Loan, 3.25%, 4/29/20 | 653 | 644,353 |
|------------------------------------|-----|---------|

**Energy Equipment & Services 0.5%**

|   |     |         |
|---|-----|---------|
| Dynegy Holdings, Inc., Term Loan B2, 4.00%, 4/23/20     | 257 | 256,919 |
| MEG Energy Corp., Refinancing Term Loan, 3.75%, 3/31/20 | 358 | 356,802 |
|   |     | 613,721 |

**Food & Staples Retailing 1.7%**

|  |     |     |           |
|--|-----|-----|-----------|
| Alliance Boots Holdings Ltd., Term Loan B1, 3.48%, 7/09/15 | GBP | 672 | 1,113,533 |
| New Albertson's, Inc., Term Loan, 4.75%, 6/27/21           | USD | 335 | 333,010   |
| Rite Aid Corp., 2nd Lien Term Loan, 5.75%, 8/21/20         |     | 235 | 237,545   |
| Supervalu, Inc., Refinancing Term Loan B, 4.50%, 3/21/19   |     | 510 | 506,112   |
|  |     |     | 2,190,200 |

See Notes to Financial Statements.

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**BlackRock Defined Opportunity Credit Trust (BHL)**  
**(Percentages shown are based on Net Assets)**

Schedule of Investments (continued)

|  |     | <b>Par<br/>(000)</b> | <b>Value</b> |
|--|-----|----------------------|--------------|
| <b>Floating Rate Loan Interests (b)</b>                                |     |                      |              |
| <b>Food Products 3.6%</b>  |     |                      |              |
| AdvancePierre Foods, Inc., Term Loan,<br>5.75%, 7/10/17                | USD | 199                  | \$ 199,753   |
| CTI Foods Holding Co. LLC, 1st Lien Term<br>Loan, 4.50%, 6/29/20       |     | 258                  | 257,297      |
| Del Monte Foods, Inc., 1st Lien Term Loan,<br>4.25% - 5.50%, 2/18/21   |     | 393                  | 388,521      |
| Diamond Foods, Inc., Term Loan, 4.25%,<br>8/20/18                      |     | 682                  | 677,215      |
| Dole Food Co., Inc., Term Loan B, 4.50% -<br>5.75%, 11/01/18           |     | 598                  | 595,514      |
| GFA Brands, Inc., Term Loan B, 4.50%,<br>7/09/20                       |     | 109                  | 109,036      |
| H.J. Heinz Co., Term Loan B1, 3.25%,<br>6/07/19                        |     | 74                   | 74,023       |
| Hearthside Group Holdings LLC, Term<br>Loan, 4.50%, 6/02/21            |     | 470                  | 470,296      |
| Performance Food Group Co., 2nd Lien<br>Term Loan, 6.25%, 11/14/19     |     | 374                  | 374,628      |
| Pinnacle Foods Finance LLC:<br>Incremental Term Loan H, 3.25%, 4/29/20 |     | 124                  | 122,489      |
| Term Loan G, 3.25%, 4/29/20  |     | 605                  | 597,539      |
| Reddy Ice Corp.:<br>1st Lien Term Loan, 6.75% - 7.75%,<br>5/01/19      |     | 563                  | 537,546      |
| 2nd Lien Term Loan, 10.75%, 11/01/19                                   |     | 270                  | 237,600      |
|  |     |                      | 4,641,457    |
| <b>Health Care Equipment &amp; Supplies 6.8%</b>                       |     |                      |              |
| Arysta LifeScience Corp.:  |     |                      |              |
| 1st Lien Term Loan, 4.50%, 5/29/20                                     |     | 931                  | 928,468      |
| 2nd Lien Term Loan, 8.25%, 11/30/20                                    |     | 380                  | 383,089      |
| Biomet, Inc., Term Loan B2, 3.66% - 3.73%, 7/25/17                     |     | 707                  | 704,907      |
| Capsugel Holdings US, Inc., Term Loan B,<br>3.50%, 8/01/18             |     | 467                  | 461,270      |
| DJO Finance LLC, 2017 Term Loan,<br>4.25%, 9/15/17                     |     | 975                  | 973,735      |
| Fresenius SE & Co. KGaA:   |     |                      |              |
| Incremental Term Loan B, 2.46%, 6/30/19                                | EUR | 119                  | 156,658      |
| Term Loan B, 2.23%, 8/07/19  | USD | 615                  | 614,581      |
| The Hologic, Inc., Term Loan B, 3.25%,<br>8/01/19                      |     | 760                  | 755,518      |
| Iasis Healthcare LLC, Term Loan B2,<br>4.50%, 5/03/18                  |     | 95                   | 95,083       |
| Immucor, Inc., Refinancing Term Loan B2,<br>5.00%, 8/17/18             |     | 802                  | 801,896      |

|  |              |              |
|--|--------------|--------------|
| Kinetic Concepts, Inc., Term Loan E1,<br>4.00%, 5/04/18                    | 119          | 118,569      |
| Leonardo Acquisition Corp., Term Loan,<br>4.25%, 1/31/21                   | 509          | 504,274      |
| Millennium Laboratories, Inc., Term Loan<br>B, 5.25%, 4/16/21              | 575          | 575,541      |
| National Vision, Inc.:   |              |              |
| 1st Lien Term Loan, 4.00%, 3/12/21   | 638          | 626,252      |
| 2nd Lien Term Loan, 6.75%, 3/07/22   | 120          | 118,000      |
| Onex Carestream Finance LP, 2nd Lien<br>Term Loan, 9.50%, 12/07/19         | 135          | 135,982      |
| Ortho-Clinical Diagnostics, Inc., Term Loan<br>B, 4.75%, 6/30/21           | 920          | 919,614      |
|  |              | 8,873,437    |
| <b>Health Care Providers &amp; Services 7.4%</b>                           |              |              |
| Amedisys, Inc., 2nd Lien Term Loan,<br>8.50%, 6/25/20                      | 335          | 326,625      |
| American Renal Holdings, Inc., 1st Lien<br>Term Loan, 4.50%, 9/20/19       | 652          | 646,588      |
| Amsurg Corp., 1st Lien Term Loan B,<br>3.75%, 7/16/21                      | 300          | 299,625      |
| Ardent Medical Services, Inc., Term Loan,<br>6.75%, 7/02/18                | 243          | 242,871      |
| CHG Buyer Corp., Term Loan, 4.25%,<br>11/19/19                             | 394          | 393,123      |
| CHS/Community Health Systems, Inc.,<br>Term Loan D, 4.25%, 1/27/21         | 1,955        | 1,959,183    |
| ConvaTec, Inc., Term Loan, 4.00%,<br>12/22/16                              | 540          | 537,865      |
|  | <b>Par</b>   | <b>Value</b> |
|  | <b>(000)</b> |              |
| <b>Floating Rate Loan Interests (b)</b>                                    |              |              |
| <b>Health Care Providers &amp; Services (concluded)</b>                    |              |              |
| DaVita HealthCare Partners, Inc., Term Loan B,<br>3.50%, 6/24/21           | USD 2,215    | \$ 2,207,934 |
| Envision Acquisition Co. LLC, 1st Lien Term Loan,<br>5.75%, 11/04/20       | 238          | 239,391      |
| Envision Healthcare Corp., Term Loan, 4.00%,<br>5/25/18                    | 424          | 423,052      |
| Genesis HealthCare Corp., Term Loan B, 10.00%,<br>9/25/17                  | 269          | 272,554      |
| HCA, Inc., Extended Term Loan B4, 2.98%,<br>5/01/18                        | 233          | 232,510      |
| Ikaria, Inc.:  |              |              |
| 1st Lien Term Loan, 5.00%, 2/12/21   | 255          | 255,390      |
| 2nd Lien Term Loan, 8.75%, 2/14/22   | 70           | 70,788       |
| inVentiv Health, Inc., Incremental Term Loan B3,<br>7.75% - 8.50%, 5/15/18 | 218          | 216,405      |
| MPH Acquisition Holdings LLC, Term Loan,<br>4.00%, 3/31/21                 | 524          | 520,206      |
| National Mentor Holdings, Inc., Term Loan B,<br>4.75%, 1/31/21             | 190          | 189,229      |

|   |       |           |
|---|-------|-----------|
| Surgery Center Holdings, Inc., 1st Lien Term Loan, 5.25%, 7/09/20                   | 226   | 225,888   |
| Surgical Care Affiliates, Inc., Class C, Incremental Term Loan, 4.00%, 6/29/18      | 421   | 419,172   |
|   |       | 9,678,399 |
| <b>Health Care Technology 0.9%</b>  |       |           |
| IMS Health, Inc., Term Loan, 3.50%, 3/17/21   | 758   | 747,867   |
| MedAssets, Inc., Term Loan B, 4.00%, 12/13/19                                       | 438   | 434,316   |
|   |       | 1,182,183 |
| <b>Hotels, Restaurants &amp; Leisure 12.0%</b>                                      |       |           |
| Bally Technologies, Inc., Term Loan B, 4.25%, 11/25/20                              | 321   | 320,894   |
| Belmond Interfin Ltd., Term Loan B, 4.00%, 3/21/21                                  | 479   | 475,008   |
| Boyd Gaming Corp., Term Loan B, 4.00%, 8/14/20                                      | 261   | 258,670   |
| Bronco Midstream Funding LLC, Term Loan B, 5.00%, 8/17/20                           | 699   | 699,620   |
| Caesars Entertainment Operating Co., Inc.:<br>Extended Term Loan B6, 6.95%, 3/01/17 | 393   | 368,531   |
| Term Loan B7, 9.75%, 3/01/17  | 341   | 329,683   |
| Caesars Entertainment Resort Properties LLC,<br>Term Loan B, 7.00%, 10/12/20        | 1,006 | 987,498   |
| CCM Merger, Inc., Term Loan B, 4.50%, 7/18/21                                       | 385   | 384,037   |
| Dave & Buster's, Inc., Term Loan, 4.50%, 7/25/20                                    | 190   | 189,478   |
| Diamond Resorts Corporation, Term Loan, 5.50%, 5/09/21                              | 550   | 552,750   |
| ESH Hospitality, Inc., Term Loan, 5.00%, 6/24/19                                    | 100   | 100,875   |
| Four Seasons Holdings, Inc., 2nd Lien Term Loan, 6.25%, 12/28/20                    | 330   | 330,825   |
| Hilton Worldwide Finance LLC, Term Loan B2, 3.50%, 10/26/20                         | 1,883 | 1,870,811 |
| Intrawest ULC, Term Loan, 5.50%, 11/26/20   | 368   | 369,991   |
| La Quinta Intermediate Holdings LLC, Term Loan B, 4.00%, 4/14/21                    | 2,477 | 2,472,768 |
| Las Vegas Sands LLC, Term Loan B, 3.25%, 12/19/20                                   | 597   | 595,257   |
| MGM Resorts International, Term Loan B, 3.50%, 12/20/19                             | 786   | 780,272   |
| Pinnacle Entertainment, Inc., Term Loan B2, 3.75%, 8/13/20                          | 410   | 408,158   |
| Playa Resorts Holding BV, Term Loan B, 4.00%, 8/06/19                               | 407   | 404,890   |
| RHP Hotel Properties LP, Term Loan B, 3.75%, 1/15/21                                | 295   | 294,923   |
| Sabre, Inc.:<br>Incremental Term Loan, 4.00%, 2/19/19                               | 114   | 113,888   |
| Term Loan B, 4.00%, 2/19/19   | 315   | 313,624   |
| Station Casinos LLC, Term Loan B, 4.25%, 3/02/20                                    | 1,148 | 1,142,922 |



See Notes to Financial Statements.

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**BlackRock Defined Opportunity Credit Trust (BHL)**  
**(Percentages shown are based on Net Assets)**

Schedule of Investments (continued)

|   |     | <b>Par<br/>(000)</b> | <b>Value</b> |
|---|-----|----------------------|--------------|
| <b>Floating Rate Loan Interests (b)</b>                                   |     |                      |              |
| <b>Hotels, Restaurants &amp; Leisure (concluded)</b>                      |     |                      |              |
| Travelport Finance (Luxembourg) Sarl,<br>2014 Term Loan B, 6.00%, 9/02/21 | USD | 765                  | \$ 768,190   |
| Travelport LLC:   |     |                      |              |
| 2nd Lien Term Loan 1, 9.50%, 1/29/16                                      |     | 250                  | 254,251      |
| Refinancing Term Loan, 6.25%, 6/26/19                                     |     | 210                  | 213,624      |
| Twin River Management Group, Inc.,<br>Term Loan B, 5.25%, 7/10/20         |     | 265                  | 265,220      |
| Wendy's International, Inc., Term Loan B,<br>3.25%, 5/15/19               |     | 368                  | 367,264      |
|   |     |                      | 15,633,922   |
| <b>Household Products 1.1%</b>  |     |                      |              |
| Bass Pro Group LLC, Term Loan, 3.75%,<br>11/20/19                         |     | 634                  | 631,383      |
| Prestige Brands, Inc., Term Loan, 3.75%,<br>1/31/19                       |     | 301                  | 300,568      |
| Spectrum Brands, Inc.:  |     |                      |              |
| Term Loan A, 3.00%, 9/07/17   |     | 204                  | 203,430      |
| Term Loan C, 3.50%, 9/04/19   |     | 341                  | 338,678      |
|   |     |                      | 1,474,059    |
| <b>Independent Power and Renewable Electricity Producers 0.4%</b>         |     |                      |              |
| Calpine Corp., Term Loan B1, 4.00%,<br>4/01/18                            |     | 211                  | 210,410      |
| La Frontera Generation LLC, Term Loan,<br>4.50%, 9/30/20                  |     | 309                  | 309,366      |
|   |     |                      | 519,776      |
| <b>Industrial Conglomerates 0.8%</b>                                      |     |                      |              |
| Sequa Corp., Term Loan B, 5.25%,<br>6/19/17                               |     | 1,039                | 1,016,731    |
| <b>Insurance 2.4%</b>   |     |                      |              |
| Alliant Holdings I, Inc., Term Loan B,<br>4.25%, 12/20/19                 |     | 414                  | 411,394      |
| Asurion LLC:  |     |                      |              |
| 2nd Lien Term Loan, 8.50%, 3/03/21  |     | 155                  | 159,805      |
| Term Loan B1, 5.00%, 5/24/19  |     | 455                  | 456,523      |
| CNO Financial Group, Inc.:  |     |                      |              |
| Term Loan B1, 3.00%, 9/28/16  |     | 267                  | 265,418      |
| Term Loan B2, 3.75%, 9/20/18  |     | 518                  | 513,429      |
| Cooper Gay Swett & Crawford Ltd.:   |     |                      |              |
| 1st Lien Term Loan, 5.00%, 4/16/20  |     | 416                  | 386,694      |
| 2nd Lien Term Loan C, 8.25%, 10/16/20                                     |     | 200                  | 180,000      |
| Sedgwick, Inc.:   |     |                      |              |
| 1st Lien Term Loan, 3.75%, 3/01/21  |     | 459                  | 451,013      |
| 2nd Lien Term Loan, 6.75%, 2/28/22  |     | 260                  | 258,700      |
|   |     |                      | 3,082,976    |

**Internet Software & Services 1.5%**

|   |     |           |
|---|-----|-----------|
| Dealertrack Technologies, Inc., Term Loan B, 3.50%, 2/28/21 | 420 | 415,572   |
| Go Daddy Operating Co. LLC, Term Loan B, 4.75%, 5/13/21     | 575 | 573,131   |
| Interactive Data Corp., 2014 Term Loan, 4.75%, 5/02/21      | 450 | 451,125   |
| W3 Co.:   |     |           |
| 1st Lien Term Loan, 5.75%, 3/13/20                          | 405 | 401,839   |
| 2nd Lien Term Loan, 9.25%, 9/11/20                          | 155 | 151,520   |
|   |     | 1,993,187 |

**IT Services 3.9%**

|  |       |           |
|--|-------|-----------|
| First Data Corp.:  |       |           |
| 2018 Extended Term Loan, 3.66%, 3/23/18                                  | 2,845 | 2,812,510 |
| 2018 Term Loan, 3.66%, 9/24/18   | 295   | 292,327   |
| Genpact International, Inc., Term Loan B, 3.50%, 8/30/19                 | 430   | 428,115   |
| InfoGroup, Inc., Term Loan, 7.50%, 5/25/18                               | 245   | 229,928   |
| SunGard Availability Services Capital, Inc., Term Loan B, 6.00%, 3/31/19 | 349   | 345,742   |

**Floating Rate Loan Interests (b)****IT Services (concluded)**

|  | Par<br>(000) | Value      |
|--|--------------|------------|
| SunGard Data Systems, Inc.:                  |              |            |
| Term Loan C, 3.91%, 2/28/17                  | 350          | \$ 349,562 |
| Term Loan E, 4.00%, 3/08/20                  | 126          | 126,132    |
| Vantiv LLC, 2014 Term Loan B, 3.75%, 5/12/21 | 460          | 459,655    |
|  |              | 5,043,971  |

**Leisure Products 0.4%**

|  |     |         |
|--|-----|---------|
| Bauer Performance Sports Ltd., Term Loan B, 4.00%, 4/15/21 | 364 | 361,915 |
| FGI Operating Co. LLC, Term Loan, 5.50%, 4/19/19           | 204 | 204,797 |
|  |     | 566,712 |

**Machinery 3.8%**

|  |         |         |
|--|---------|---------|
| Alliance Laundry Systems LLC:                            |         |         |
| 2nd Lien Term Loan, 9.50%, 12/10/19                      | 131     | 131,727 |
| Refinancing Term Loan, 4.25%, 12/10/18                   | 357     | 357,135 |
| Faenza Acquisition GmbH:                                 |         |         |
| Term Loan B1, 4.25%, 8/31/20                             | 271     | 269,862 |
| Term Loan B3, 4.25%, 8/28/20                             | 81      | 81,238  |
| Gardner Denver, Inc., Term Loan:                         |         |         |
| 4.25%, 7/30/20   | 885     | 883,290 |
| 4.75%, 7/30/20   | EUR 126 | 165,958 |
| Generac Power Systems, Inc., Term Loan B, 3.25%, 5/31/20 | USD 326 | 322,131 |
| Intelligrated, Inc., 1st Lien Term Loan, 4.50%, 7/30/18  | 393     | 389,322 |
| Mirror Bidco Corp., Term Loan, 4.25%, 12/28/19           | 561     | 557,621 |

|   |       |           |
|---|-------|-----------|
| Navistar International Corp., Term Loan B, 5.75%,<br>8/17/17          | 206   | 207,375   |
| Rexnord LLC, 1st Lien Term Loan B, 4.00%,<br>8/21/20                  | 567   | 563,079   |
| Silver II US Holdings LLC, Term Loan, 4.00%,<br>12/13/19              | 657   | 654,320   |
| STS Operating, Inc., Term Loan, 4.75%, 2/19/21                        | 155   | 154,678   |
| Wabash National Corp., Term Loan B, 4.50%,<br>5/08/19                 | 262   | 262,288   |
|   |       | 5,000,024 |
| <b>Media 14.9%</b>  |       |           |
| Acosta, Inc., Term Loan B, 4.25%, 3/02/18                             | 45    | 44,886    |
| Activision Blizzard, Inc., Term Loan B, 3.25%,<br>10/12/20            | 589   | 588,795   |
| Advanstar Communications, Inc., 2nd Lien Term<br>Loan, 9.50%, 6/06/20 | 255   | 254,362   |
| CBS Outdoor Americas Capital LLC, Term Loan B,<br>3.00%, 1/31/21      | 170   | 168,810   |
| Cengage Learning Acquisitions, Inc.:<br>0.00%, 7/03/15 (a)(e)         | 591   |           |
| 1st Lien Term Loan, 7.00%, 3/31/20                                    | 1,372 | 1,379,847 |
| Charter Communications Operating LLC:<br>Term Loan E, 3.00%, 7/01/20  | 460   | 452,487   |
| Term Loan G, 4.25%, 7/24/21   | 935   | 940,264   |
| Clear Channel Communications, Inc.:<br>Term Loan B, 3.81%, 1/29/16    | 292   | 290,083   |
| Term Loan D, 6.91%, 1/30/19   | 1,564 | 1,539,858 |
| Cumulus Media Holdings, Inc., 2013 Term Loan,<br>4.25%, 12/23/20      | 550   | 548,117   |
| Getty Images, Inc., Term Loan B, 4.75%, 10/18/19                      | 45    | 42,387    |
| Gray Television, Inc., 2014 Term Loan B, 3.75%,<br>6/10/21            | 285   | 283,504   |
| Hemisphere Media Holdings LLC, Term Loan B,<br>5.00%, 7/30/20         | 456   | 455,628   |
| Hubbard Radio LLC, Term Loan B, 4.50%, 4/29/19                        | 367   | 365,508   |
| IMG Worldwide Holdings LLC:<br>1st Lien Term Loan, 5.25%, 5/06/21     | 515   | 509,531   |
| 2nd Lien Term Loan, 8.25%, 5/01/22                                    | 205   | 200,900   |
| Intelsat Jackson Holdings SA, Term Loan B2,<br>3.75%, 6/30/19         | 983   | 977,444   |

See Notes to Financial Statements.

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**BlackRock Defined Opportunity Credit Trust (BHL)**  
(Percentages shown are based on Net Assets)

Schedule of Investments (continued)

|   |     | <b>Par<br/>(000)</b> | <b>Value</b> |
|---|-----|----------------------|--------------|
| <b>Floating Rate Loan Interests (b)</b>                                       |     |                      |              |
| <b>Media (concluded)</b>  |     |                      |              |
| Liberty Cablevision of Puerto Rico LLC, 1st Lien<br>Term Loan, 4.50%, 1/07/22 | USD | 350                  | \$ 349,783   |
| Lions Gate Entertainment Corp., 2nd Lien Term<br>Loan, 5.00%, 7/17/20         |     | 150                  | 150,626      |
| Live Nation Entertainment, Inc., 2020 Term Loan<br>B1, 3.50%, 8/17/20         |     | 114                  | 113,510      |
| MCC Iowa LLC:   |     |                      |              |
| Term Loan I, 2.63%, 6/30/17   |     | 250                  | 248,750      |
| Term Loan J, 3.75%, 6/30/21   |     | 125                  | 124,323      |
| Media General, Inc., Delayed Draw Term Loan B,<br>4.25%, 7/31/20              |     | 390                  | 390,601      |
| Mediacom Communications Corp., Term Loan F,<br>2.63%, 3/31/18                 |     | 254                  | 249,911      |
| Mediacom Illinois LLC, Term Loan G, 3.75%,<br>6/13/21                         |     | 310                  | 306,900      |
| Mediacom LLC, Term Loan E, 3.13%, 10/23/17                                    |     | 480                  | 477,600      |
| NEP/NCP Holdco, Inc., Incremental Term Loan,<br>4.25%, 1/22/20                |     | 527                  | 522,688      |
| Numericable U.S. LLC:   |     |                      |              |
| Term Loan B1, 4.50%, 5/21/20  |     | 509                  | 510,268      |
| Term Loan B2, 4.50%, 5/21/20  |     | 440                  | 441,451      |
| Salem Communications Corp., Term Loan B,<br>4.50%, 3/13/20                    |     | 385                  | 382,443      |
| SBA Senior Finance II LLC, Term Loan B1, 3.25%,<br>3/24/21                    |     | 710                  | 702,680      |
| Sinclair Television Group, Inc., Term Loan B,<br>3.00%, 4/09/20               |     | 370                  | 364,300      |
| Tribune Co., 2013 Term Loan, 4.00%, 12/27/20                                  |     | 844                  | 842,658      |
| Univision Communications, Inc., Term Loan C4,<br>4.00%, 3/01/20               |     | 522                  | 518,499      |
| UPC Financing Partnership, Term Loan AG,<br>3.85%, 3/31/21                    | EUR | 281                  | 369,992      |
| Virgin Media Investment Holdings Ltd.:  |     |                      |              |
| Term Loan B, 3.50%, 6/07/20   | USD | 780                  | 769,127      |
| Term Loan E, 4.25%, 6/30/23   | GBP | 650                  | 1,076,983    |
| WideOpenWest Finance LLC, Term Loan B,<br>4.75%, 4/01/19                      | USD | 510                  | 510,668      |
| Ziggo BV:   |     |                      |              |
| Term Loan B1A, 3.25%, 1/15/22   |     | 425                  | 416,644      |
| Term Loan B2A, 1.25% - 3.25%, 1/15/22   |     | 264                  | 258,462      |
| Term Loan B3, 0.50%, 1/15/22  |     | 207                  | 202,792      |
|   |     |                      | 19,344,070   |
| <b>Metals &amp; Mining 1.8%</b>   |     | 100                  | 101,625      |

|   |     |              |              |
|---|-----|--------------|--------------|
| Ameriforge Group, Inc., 2nd Lien Term Loan, 8.75%, 12/19/20                   |     |              |              |
| API Heat Transfer, Inc., Term Loan, 5.25%, 5/03/19                            |     | 366          | 365,281      |
| FMG Resources Property Ltd., Term Loan B, 3.75%, 6/30/19                      |     | 543          | 540,420      |
| Novelis, Inc., Term Loan, 3.75%, 3/10/17                                      |     | 784          | 781,326      |
| Windsor Financing LLC, Term Loan B, 6.25%, 12/05/17                           |     | 599          | 607,892      |
|   |     |              | 2,396,544    |
| <b>Multiline Retail 2.0%</b>  |     |              |              |
| 99¢ Only Stores, Term Loan, 4.50%, 1/11/19                                    |     | 451          | 450,043      |
| BJ's Wholesale Club, Inc.:  |     |              |              |
| 1st Lien Term Loan, 4.50%, 9/26/19  |     | 538          | 535,043      |
| 2nd Lien Term Loan, 8.50%, 3/26/20  |     | 200          | 201,900      |
| Hudson's Bay Co., 1st Lien Term Loan, 4.75%, 11/04/20                         |     | 430          | 433,054      |
| The Neiman Marcus Group, Inc., 2020 Term Loan, 4.25%, 10/25/20                |     | 984          | 975,523      |
|   |     |              | 2,595,563    |
|   |     | <b>Par</b>   | <b>Value</b> |
|   |     | <b>(000)</b> |              |
| <b>Floating Rate Loan Interests (b)</b>                                       |     |              |              |
| <b>Oil, Gas &amp; Consumable Fuels 3.3%</b>                                   |     |              |              |
| Arch Coal, Inc., Term Loan B, 6.25%, 5/16/18                                  | USD | 428          | \$ 416,149   |
| Drillships Ocean Ventures Inc., Term Loan B, 5.50%, 7/18/21                   |     | 675          | 676,971      |
| EP Energy LLC/Everest Acquisition Finance, Inc., Term Loan B3, 3.50%, 5/24/18 |     | 440          | 435,965      |
| Fieldwood Energy LLC:   |     |              |              |
| 1st Lien Term Loan, 3.88%, 9/28/18  |     | 313          | 311,524      |
| 2nd Lien Term Loan, 8.38%, 9/30/20  |     | 135          | 137,926      |
| Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15                        |     | 199          | 199,224      |
| Offshore Group Investment Ltd., Term Loan B, 5.75%, 3/28/19                   |     | 45           | 44,643       |
| Panda Patriot LLC, Term Loan B1, 6.75%, 12/19/20                              |     | 325          | 331,500      |
| Panda Temple II Power LLC, Term Loan B, 7.25%, 4/03/19                        |     | 360          | 367,200      |
| Power Buyer LLC, 2nd Lien Term Loan, 8.25%, 11/06/20                          |     | 105          | 102,375      |
| Seventy Seven Operating LLC, Term Loan B, 3.75%, 6/25/21                      |     | 250          | 249,895      |
| Southcross Energy Partners LP, 1st Lien Term Loan, 5.25%, 8/04/21             |     | 270          | 271,520      |
| Southcross Holdings Borrower LP, Term Loan B, 6.00%, 7/16/21                  |     | 215          | 215,806      |
| Western Refining, Inc., Term Loan B, 4.25%, 11/12/20                          |     | 333          | 332,492      |
| WTG Holdings III Corp.:   |     |              |              |
| 1st Lien Term Loan, 4.75%, 1/15/21  |     | 134          | 133,821      |

|   |       |           |
|---|-------|-----------|
| 2nd Lien Term Loan, 8.50%, 1/15/22                                      | 30    | 29,950    |
|   |       | 4,256,961 |
| <b>Personal Products 0.1%</b>   |       |           |
| Prestige Brands, Inc., Term Loan B2, 4.50%,<br>4/28/21                  | 100   | 100,500   |
| <b>Pharmaceuticals 6.5%</b>   |       |           |
| Akorn, Inc.:  |       |           |
| Incremental Term Loan, 4.50%, 4/16/21                                   | 160   | 160,200   |
| Term Loan B, 4.50%, 4/16/21   | 410   | 410,513   |
| Amneal Pharmaceuticals LLC, Term Loan, 4.75% -<br>6.00%, 11/01/19       | 278   | 277,728   |
| Catalent Pharma Solutions, Inc., Term Loan B,<br>4.50%, 5/20/21         | 815   | 815,513   |
| CCC Information Services, Inc., Term Loan,<br>4.00%, 12/20/19           | 212   | 210,252   |
| Endo Luxembourg Finance Co. I Sarl, 2014 Term<br>Loan B, 3.25%, 2/28/21 | 359   | 356,633   |
| Grifols Worldwide Operations USA, Inc., Term<br>Loan B, 3.16%, 2/27/21  | 1,247 | 1,237,374 |
| JLL/Delta Dutch Newco BV, Term Loan, 4.25%,<br>3/11/21                  | 365   | 362,036   |
| Mallinckrodt International Finance SA:                                  |       |           |
| Term Loan, 3.50%, 7/17/21   | 330   | 328,941   |
| Term Loan B, 3.50%, 3/19/21   | 529   | 526,164   |
| Par Pharmaceutical Cos, Inc., Term Loan B2,<br>4.00%, 9/30/19           | 848   | 840,964   |
| Pharmaceutical Product Development LLC, Term<br>Loan B, 4.00%, 12/05/18 | 986   | 985,515   |
| Quintiles Transnational Corp., Term Loan B3,<br>3.75%, 6/08/18          | 577   | 571,789   |
| Valeant Pharmaceuticals International, Inc., Term<br>Loan B:            |       |           |
| Series C2, 3.75%, 12/11/19  | 524   | 523,026   |
| Series D2, 3.75%, 2/13/19   | 568   | 565,743   |
| Series E, 3.75%, 8/05/20  | 326   | 325,079   |
|   |       | 8,497,470 |

See Notes to Financial Statements.

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**BlackRock Defined Opportunity Credit Trust (BHL)**  
(Percentages shown are based on Net Assets)

Schedule of Investments (continued)

|  |     | <b>Par<br/>(000)</b> | <b>Value</b> |
|--|-----|----------------------|--------------|
| <b>Floating Rate Loan Interests (b)</b>                            |     |                      |              |
| <b>Professional Services 2.9%</b>                                  |     |                      |              |
| Advantage Sales & Marketing, Inc.:                                 |     |                      |              |
| 1st Lien Term Loan, 4.25%, 7/23/21                                 | USD | 455                  | \$ 450,108   |
| 2nd Lien Term Loan, 7.50%, 7/25/22                                 |     | 360                  | 360,076      |
| Delayed Draw Term Loan, 0.50%, 7/23/21                             |     | 15                   | 15,004       |
| Ceridian LLC:  |     |                      |              |
| Term Loan B1, 4.16%, 5/09/17                                       |     | 651                  | 650,332      |
| Term Loan B2, 4.50%, 9/14/20                                       |     | 515                  | 514,152      |
| Emdeon Business Services LLC, Term Loan B2,<br>3.75%, 11/02/18     |     | 720                  | 715,697      |
| Intertrust Group Holding BV, 2nd Lien Term Loan,<br>8.00%, 4/16/22 |     | 275                  | 274,142      |
| SIRVA Worldwide, Inc., Term Loan, 7.50%,<br>3/27/19                |     | 425                  | 433,117      |
| Truven Health Analytics, Inc., Term Loan B,<br>4.50%, 6/06/19      |     | 393                  | 390,992      |
|  |     |                      | 3,803,620    |
| <b>Real Estate Management &amp; Development 1.3%</b>               |     |                      |              |
| CityCenter Holdings LLC, Term Loan B, 4.25%,<br>10/16/20           |     | 523                  | 522,043      |
| Realty Corp.:  |     |                      |              |
| Extended Letter of Credit, 4.40%, 10/10/16                         |     | 41                   | 40,298       |
| Term Loan B, 3.75%, 3/05/20  |     | 1,188                | 1,182,195    |
|  |     |                      | 1,744,536    |
| <b>Road &amp; Rail 0.8%</b>  |     |                      |              |
| The Hertz Corp., Term Loan B2, 3.00%, 3/11/18                      |     | 330                  | 323,812      |
| Road Infrastructure Investment LLC:                                |     |                      |              |
| 1st Lien Term Loan, 4.25%, 3/31/21                                 |     | 464                  | 458,814      |
| 2nd Lien Term Loan, 7.75%, 9/21/21                                 |     | 225                  | 222,188      |
|  |     |                      | 1,004,814    |
| <b>Semiconductors &amp; Semiconductor Equipment 1.6%</b>           |     |                      |              |
| Avago Technologies Cayman Ltd., Term Loan B,<br>3.75%, 5/06/21     |     | 1,070                | 1,068,299    |
| Freescale Semiconductor, Inc.:                                     |     |                      |              |
| Term Loan B4, 4.25%, 2/28/20                                       |     | 532                  | 529,614      |
| Term Loan B5, 5.00%, 1/15/21                                       |     | 164                  | 164,275      |
| NXP BV, Term Loan D, 3.25%, 1/11/20                                |     | 328                  | 324,413      |
|  |     |                      | 2,086,601    |
| <b>Software 4.1%</b>   |     |                      |              |
| BMC Software Finance, Inc., Term Loan, 5.00%,<br>9/10/20           |     | 538                  | 535,906      |
| Evertec Group LLC, Term Loan B, 3.50%, 4/17/20                     |     | 243                  | 238,305      |
| GCA Services Group, Inc.:  |     |                      |              |
| 2nd Lien Term Loan, 9.25%, 10/22/20                                |     | 176                  | 176,294      |
| Term Loan B, 4.25% - 5.50%, 11/01/19                               |     | 406                  | 403,930      |



|   |     |              |              |
|---|-----|--------------|--------------|
| Infor US, Inc.:   |     |              |              |
| Term Loan B3, 3.75%, 6/03/20  |     | 197          | 194,534      |
| Term Loan B5, 3.75%, 6/03/20  |     | 985          | 976,397      |
| IQOR US, Inc., Term Loan B, 6.00%, 4/01/21                          |     | 203          | 190,117      |
| Kronos Worldwide, Inc., 2014 Term Loan, 4.75%, 2/18/20              |     | 115          | 114,856      |
| Kronos, Inc., 2nd Lien Term Loan, 9.75%, 4/30/20                    |     | 409          | 419,459      |
| Mitchell International, Inc.:                                       |     |              |              |
| 1st Lien Term Loan, 4.50%, 10/12/20                                 |     | 508          | 506,663      |
| 2nd Lien Term Loan, 8.50%, 10/11/21                                 |     | 350          | 352,408      |
| Regit Eins GmbH, 1st Lien Term Loan, 6.00%, 6/30/21                 |     | 265          | 259,037      |
| RP Crown Parent LLC, 2013 Term Loan, 6.00%, 12/21/18                |     | 216          | 211,921      |
| Sophia LP, 2014 Term Loan B, 4.00%, 7/19/18                         |     | 665          | 661,976      |
| Websense, Inc., 2nd Lien Term Loan, 8.25%, 12/24/20                 |     | 115          | 114,281      |
|   |     |              | 5,356,084    |
|   |     | <b>Par</b>   | <b>Value</b> |
|   |     | <b>(000)</b> |              |
| <b>Floating Rate Loan Interests (b)</b>                             |     |              |              |
| <b>Specialty Retail 4.5%</b>  |     |              |              |
| Academy Ltd., Term Loan, 4.50%, 8/03/18                             | USD | 521          | \$ 519,599   |
| Equinox Holdings, Inc., Repriced Term Loan B, 4.25%, 1/31/20        |     | 245          | 243,759      |
| General Nutrition Centers, Inc., Term Loan, 3.25%, 3/04/19          |     | 330          | 325,498      |
| The Gymboree Corp., Initial Term Loan, 5.00%, 2/23/18               |     | 77           | 61,357       |
| Harbor Freight Tools USA, Inc., 1st Lien Term Loan, 4.75%, 7/26/19  |     | 452          | 451,741      |
| Jo-Ann Stores, Inc., Term Loan, 4.00%, 3/16/18                      |     | 369          | 360,034      |
| Leslie's Poolmart, Inc., Term Loan, 4.25%, 10/16/19                 |     | 551          | 547,392      |
| Michaels Stores, Inc.:  |     |              |              |
| Incremental 2014 Term Loan B2, 4.00%, 1/28/20                       |     | 665          | 660,844      |
| Term Loan B, 3.75%, 1/28/20   |     | 518          | 511,576      |
| Party City Holdings, Inc., Term Loan, 4.00%, 7/27/19                |     | 948          | 939,479      |
| Petco Animal Supplies, Inc., Term Loan, 4.00%, 11/24/17             |     | 775          | 772,974      |
| Things Remembered, Inc., Term Loan B, 8.00%, 5/24/18                |     | 393          | 391,246      |
| Toys 'R Us-Delaware, Inc., Term Loan B3, 5.25%, 5/25/18             |     | 37           | 31,232       |
|   |     |              | 5,816,731    |
| <b>Textiles, Apparel &amp; Luxury Goods 2.1%</b>                    |     |              |              |
| ABG Intermediate Holdings 2 LLC, 1st Lien Term Loan, 5.50%, 5/27/21 |     | 499          | 497,503      |
| Ascend Performance Materials LLC, Term Loan B, 6.75%, 4/10/18       |     | 530          | 522,192      |
| J. Crew Group, Inc., Term Loan B, 4.00%, 3/05/21                    |     | 469          | 459,350      |
| Kate Spade & Co., Term Loan B, 4.00%, 4/09/21                       |     | 505          | 497,900      |
| Nine West Holdings, Inc.:   |     |              |              |
| Guarantee Term Loan, 6.25%, 1/08/20                                 |     | 185          | 184,075      |
| Term Loan B, 4.75%, 10/08/19  |     | 215          | 215,269      |
| Polymer Group, Inc., 1st Lien Term Loan, 5.25%, 12/19/19            |     | 347          | 348,234      |
|   |     |              | 2,724,523    |
| <b>Thriffs &amp; Mortgage Finance 0.3%</b>                          |     |              |              |
| IG Investment Holdings LLC, 1st Lien Term Loan, 5.25%, 10/31/19     |     | 443          | 443,436      |
| <b>Wireless Telecommunication Services 0.5%</b>                     |     |              |              |
| LTS Buyer LLC, 1st Lien Term Loan, 4.00%, 4/13/20                   |     | 604          | 600,379      |
| <b>Total Floating Rate Loan Interests 134.1%</b>                    |     |              | 174,711,488  |

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**Non-Agency Mortgage Backed Securities 0.2%**

**Commercial Mortgage-Backed Securities 0.2%**

|  |     |         |
|--|-----|---------|
| Hilton USA Trust, Series 2013-HLT, Class EFX, 5.61%, 11/05/30 (b)(c) | 304 | 311,025 |
|--|-----|---------|

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**Investment Companies**

**Shares**

**Capital Markets 0.0%**

|  |       |               |
|--|-------|---------------|
| Eaton Vance Floating-Rate Income Trust | 12    | 179           |
| Eaton Vance Senior Income Trust        | 3,347 | 22,325        |
| <b>Total Investment Companies 0.0%</b> |       | <b>22,504</b> |

See Notes to Financial Statements.

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**BlackRock Defined Opportunity Credit Trust (BHL)**  
(Percentages shown are based on Net Assets)

Schedule of Investments (continued)

| <b>Warrants (f)</b>  | <b>Shares</b>     | <b>Value</b>         |
|--|-------------------|----------------------|
| <b>Software 0.0%</b>   |                   |                      |
| HMH Holdings/EduMedia (Issued/Exercisable 3/09/10, 19 Shares for 1 Warrant, Expires 6/22/19, Strike Price \$42.27) | 691               | \$ 3,214             |
| <b>Total Long-Term Investments</b>   |                   |                      |
| (Cost \$183,616,880) 141.0%  |                   | 183,818,081          |
| <br><b>Short-Term Securities</b>   | <br><b>Shares</b> | <br><b>Value</b>     |
| BlackRock Liquidity Funds, TempFund, Institutional Class, 0.03% (g)(h)   | 2,958,501         | \$ 2,958,501         |
| <b>Total Short-Term Securities</b>   |                   |                      |
| (Cost \$2,958,501) 2.3%  |                   | 2,958,501            |
| <b>Total Investments (Cost \$186,575,381) 143.3%</b>   |                   | <b>186,776,582</b>   |
| <b>Liabilities in Excess of Other Assets (43.3)%</b>   |                   | <b>(56,425,771 )</b> |
| <b>Net Assets 100.0%</b>   |                   | <b>\$130,350,811</b> |

**Notes to Schedule of Investments**

- (a) Non-income producing security.  
(b) Variable rate security. Rate shown is as of report date.  
(c) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.  
(d) When-issued security. Unsettled when-issued transactions were as follows:

| <b>Counterparty</b>            | <b>Value</b> | <b>Unrealized<br/>Appreciation</b> |
|--------------------------------|--------------|------------------------------------|
| Deutsche Bank Securities, Inc. | \$237,200    |                                    |

- (e) Issuer filed for bankruptcy and/or is in default of principal and/or interest payments.  
(f) Warrants entitle the Fund to purchase a predetermined number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date, if any.  
(g) Investments in issuers considered to be an affiliate of the Fund during the year ended August 31, 2014, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

| <b>Affiliate</b>  | <b>Shares<br/>Held at<br/>August 31,<br/>2013</b> | <b>Net<br/>Activity</b> | <b>Shares<br/>Held at<br/>August 31,<br/>2014</b> | <b>Income</b> |
|---|---|-------------------------|---|---------------|
| BlackRock Liquidity Funds,<br>TempFund, Institutional Class | 1,298,269   | 1,660,232               | 2,958,501   | \$199         |

- (h) Represents the current yield as of report date.  
Forward foreign currency exchange contracts outstanding as of August 31, 2014 were as follows:

| <b>Currency Purchased</b> | <b>Currency Sold</b> | <b>Counterparty</b>  | <b>Settlement Date</b> | <b>Unrealized Appreciation</b> |
|---------------------------|----------------------|----------------------|------------------------|--------------------------------|
| USD 658,896               | EUR 487,000          | Citibank N.A.        | 10/21/14               | \$ 18,814                      |
| USD 2,098,271             | GBP 1,228,000        | Bank of America N.A. | 10/21/14               | 60,399                         |
| <b>Total</b>              |                      |                      |                        | <b>\$ 79,213</b>               |

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 the investment advisor. These definitions may not apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

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

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

Level 2 other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments and derivative financial instruments)

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

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Fund's policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period.

The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and derivative financial instruments, please refer to Note 2 of the Notes to Financial Statements.

See Notes to Financial Statements.

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**BlackRock Defined Opportunity Credit Trust (BHL)**

## Schedule of Investments (concluded)

The following tables summarize the Fund's investments and derivative financial instruments categorized in the disclosure hierarchy as of August 31, 2014:

|                                       | Level 1            | Level 2              | Level 3             | Total                |
|---------------------------------------|--------------------|----------------------|---------------------|----------------------|
| <b>Assets:</b>                        |                    |                      |                     |                      |
| Investments:                          |                    |                      |                     |                      |
| Long-Term Investments:                |                    |                      |                     |                      |
| Common Stocks                         | \$467,616          | \$282,533            |                     | \$750,149            |
| Asset-Backed Securities               |                    | 2,792,496            | \$921,580           | 3,714,076            |
| Corporate Bonds                       |                    | 4,305,625            |                     | 4,305,625            |
| Floating Rate Loan Interests          |                    | 161,112,379          | 13,599,109          | 174,711,488          |
| Non-Agency Mortgage-Backed Securities |                    | 311,025              |                     | 311,025              |
| Investment Companies                  | 22,504             |                      |                     | 22,504               |
| Warrants                              |                    | 3,214                |                     | 3,214                |
| Short-Term Securities                 | 2,958,501          |                      |                     | 2,958,501            |
| <b>Liabilities:</b>                   |                    |                      |                     |                      |
| Unfunded Floating Rate Loan Interests |                    | (6,142 )             | (85 )               | (6,227 )             |
| <b>Total</b>                          | <b>\$3,448,621</b> | <b>\$168,801,130</b> | <b>\$14,520,604</b> | <b>\$186,770,355</b> |

<sup>1</sup> Derivative financial instruments are forward foreign currency exchange contracts, which are valued at the unrealized appreciation/depreciation on the instrument.

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of August 31, 2014, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

|  | Level 1           | Level 2                | Level 3 | Total                  |
|--|-------------------|------------------------|---------|------------------------|
| <b>Assets:</b>                                 |                   |                        |         |                        |
| Cash   | \$103,115         |                        |         | \$103,115              |
| Cash pledged as collateral for OTC derivatives | 400,000           |                        |         | 400,000                |
| Foreign currency at value                      | 8,309             |                        |         | 8,309                  |
| <b>Liabilities:</b>                            |                   |                        |         |                        |
| Bank borrowings payable                        |                   | \$(55,000,000 )        |         | (55,000,000 )          |
| <b>Total</b>                                   | <b>\$ 511,424</b> | <b>\$ (55,000,000)</b> |         | <b>\$ (54,488,576)</b> |

There were no transfers between Level 1 and 2 during the year ended August 31, 2014.

A reconciliation of Level 3 investments is presented when the Fund had a significant amount of Level 3 investments at the beginning and/or end of the period in relation to net assets. The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used in determining fair value:

|                | Asset-Backed Securities | Floating Rate Loan Interests | Unfunded Floating Rate Loan Interests (Liabilities) | Total |
|----------------|-------------------------|------------------------------|---|-------|
| <b>Assets:</b> |                         |                              |   |       |

|  |                  |                     |                 |                     |
|--|------------------|---------------------|-----------------|---------------------|
| Opening Balance, as of August 31, 2013   | \$4,422,403      | \$21,940,408        |                 | \$26,362,811        |
| Transfers into Level 3 <sup>2</sup>  |                  | 3,987,570           |                 | 3,987,570           |
| Transfers out of Level 3 <sup>3</sup>  | (2,313,207)      | (5,463,652 )        |                 | (7,776,859 )        |
| Accrued discounts/premiums   | 5,033            | 64,461              |                 | 69,494              |
| Net realized gain  | 115,902          | 205,915             |                 | 321,817             |
| Net change in unrealized appreciation/depreciation <sup>4,5</sup>  | (120,391 )       | (101,369 )          | \$ (85 )        | (221,845 )          |
| Purchases  | 922,435          | 6,650,836           |                 | 7,573,271           |
| Sales  | (2,110,595)      | (13,685,060)        |                 | (15,795,655)        |
| <b>Closing Balance, as of August 31, 2014</b>  | <b>\$921,580</b> | <b>\$13,599,109</b> | <b>\$ (85 )</b> | <b>\$14,520,604</b> |
| Net change in unrealized appreciation/depreciation on investments still held at August 31, 2014 <sup>5</sup> | \$(1,143 )       | \$(40,697 )         | \$ (85 )        | \$(41,925 )         |

As of August 31, 2013, the Fund used observable inputs in determining the value of certain investments. As of August 31, 2014, the Fund used significant unobservable inputs in determining the value of the same investments.

<sup>2</sup> As a result, investments with a beginning of period value of \$3,987,570 transferred from Level 2 to Level 3 in the disclosure hierarchy.

As of August 31, 2013, the Fund used significant unobservable inputs in determining the value of certain investments. As of August 31, 2014, the Fund used observable inputs in determining the value of the same investments. As a result, investments with a beginning of period value of \$7,776,859 transferred from Level 3 to Level 2 in the disclosure hierarchy.

<sup>4</sup> Included in the related net change in unrealized appreciation/depreciation in the Statements of Operations.

Any difference between Net change in unrealized appreciation/depreciation and Net change in unrealized appreciation/depreciation on investments still held at August 31, 2014 is generally due to investments no longer held or categorized as Level 3 at period end.

The Fund's investments that are categorized as Level 3 were valued utilizing third party pricing information without adjustment. Such valuations are based on unobservable inputs. A significant change in third party information inputs could result in a significantly lower or higher value of such Level 3 investments.

See Notes to Financial Statements.

Consolidated Schedule of Investments **BlackRock Floating Rate Income Strategies Fund, Inc. (FRA)**  
 August 31, 2014 **(Percentages shown are based on Net Assets)**

| <b>Common Stocks (a)</b>                                 | <b>Shares</b> | <b>Value</b>     |
|--|---------------|------------------|
| <b>Chemicals 0.0%</b>                                    |               |                  |
| GEO Specialty Chemicals, Inc.                            | 23,849        | \$ 23,133        |
| <b>Diversified Consumer Services 0.2%</b>                |               |                  |
| Cengage Thomson Learning                                 | 37,579        | 1,190,014        |
| <b>Diversified Financial Services 0.2%</b>               |               |                  |
| Kcad Holdings I Ltd.                                     | 217,833,983   | 1,487,806        |
| <b>Electrical Equipment 0.0%</b>                         |               |                  |
| Medis Technologies Ltd.                                  | 260,833       | 3                |
| <b>Paper &amp; Forest Products 0.4%</b>                  |               |                  |
| Ainsworth Lumber Co. Ltd.                                | 393,892       | 981,741          |
| Ainsworth Lumber Co. Ltd. (b)                            | 346,000       | 862,375          |
|  |               | 1,844,116        |
| <b>Semiconductors &amp; Semiconductor Equipment 0.0%</b> |               |                  |
| SunPower Corp.   | 1,860         | 71,089           |
| <b>Software 0.4%</b>                                     |               |                  |
| HMH Holdings/EduMedia                                    | 116,627       | 2,239,238        |
| <b>Total Common Stocks 1.2%</b>                          |               | <b>6,855,399</b> |

| <b>Asset-Backed Securities (b)(c)</b>  | <b>Par<br/>(000)</b> |           |
|--|----------------------|-----------|
| ALM Loan Funding:  |                      |           |
| Series 2013-7RA, Class C, 3.68%, 4/24/24   | USD 1,075            | 1,027,573 |
| Series 2013-7RA, Class D, 5.23%, 4/24/24   | 900                  | 836,231   |
| Series 2013-8A, Class B, 2.98%, 1/20/26  | 1,150                | 1,130,001 |
| ALM XIV Ltd., Series 2014-14A:   |                      |           |
| Class B, 3.18%, 7/28/26  | 563                  | 553,845   |
| Class C, 3.68%, 7/28/26  | 713                  | 676,305   |
| Atlas Senior Loan Fund Ltd., 3.94%, 10/15/26 (d)                                   | 860                  | 815,968   |
| Atrium CDO Corp., Series 9A, Class D, 3.74%, 2/28/24                               | 1,100                | 1,051,523 |
| Benefit Street Partners CLO II Ltd., Series 2013-IIA, Class C, 3.73%,<br>7/15/24   | 650                  | 611,924   |
| Carlyle Global Market Strategies CLO Ltd.:   |                      |           |
| Series 2012-4A, Class D, 4.73%, 1/20/25  | 700                  | 702,332   |
| Series 2013-1A, Class C, 4.23%, 2/14/25  | 250                  | 245,189   |
| Cent CLO LP, Series 2013-17A, Class C, 3.74%, 1/30/25                              | 500                  | 472,956   |
| CIFC Funding Ltd., Series 2014-3A, Class C1, 2.95%, 7/22/26                        | 250                  | 242,449   |
| Fraser Sullivan CLO VII Ltd., Series 2012-7A, Class C, 4.23%,<br>4/20/23           | 950                  | 942,650   |
| Madison Park Funding XI Ltd., Series 2013-11A, Class D, 3.73%,<br>10/23/25         | 370                  | 352,920   |
| North End CLO Ltd., Series 2013-1A, Class D, 3.73%, 7/17/25                        | 750                  | 709,356   |
| Octagon Investment Partners XVII Ltd., Series 2013-1A, Class D,<br>3.43%, 10/25/25 | 1,000                | 933,696   |
| Octagon Investment Partners XX Ltd., Series 2014-1A, Class C,                      | 250                  | 245,275   |

|  |              |              |
|--|--------------|--------------|
| 3.04%, 8/12/26   |              |              |
| OZLM Funding Ltd., Series 2012-2A, Class C, 4.59%, 10/30/23                      | 500          | 501,371      |
| OZLM VII Ltd., Series 2014-7A, Class C, 3.86%, 7/17/26                           | 250          | 235,108      |
| Regatta Funding LP, Series 2013-2A, Class C, 4.23%, 1/15/25                      | 500          | 486,500      |
| Symphony CLO Ltd., Series 2012-10A, Class D, 5.48%, 7/23/23                      | 1,500        | 1,502,070    |
| Voya CLO Ltd., Series 2014-3A, Class C, 3.83%, 7/25/26                           | 250          | 237,600      |
| <b>Total Asset-Backed Securities 2.5%</b>  |              | 14,512,842   |
|  | <b>Par</b>   | <b>Value</b> |
|  | <b>(000)</b> |              |
| <b>Corporate Bonds</b>   |              |              |
| <b>Airlines 0.7%</b>   |              |              |
| American Airlines Pass-Through Trust, Series 2013-2, Class C, 6.00%, 1/15/17 (b) | USD 1,140    | \$ 1,179,900 |
| Delta Air Lines Pass-Through Trust, Series 2009-1, Class B, 9.75%, 12/17/16      | 183          | 206,809      |
| US Airways Pass-Through Trust, Series 2012-2, Class C, 5.45%, 6/03/18            | 2,605        | 2,650,587    |
|  |              | 4,037,296    |
| <b>Auto Components 0.2%</b>  |              |              |
| Icahn Enterprises LP/Icahn Enterprises Finance Corp.:                            |              |              |
| 3.50%, 3/15/17   | 717          | 721,481      |
| 4.88%, 3/15/19   | 460          | 472,650      |
|  |              | 1,194,131    |
| <b>Capital Markets 0.2%</b>  |              |              |
| Blackstone CQP Holdco LP, 9.30%, 3/18/19   | 822          | 838,055      |
| E*Trade Financial Corp., 0.00%, 8/31/19 (b)(e)(f)                                | 129          | 278,559      |
|  |              | 1,116,614    |
| <b>Chemicals 0.6%</b>  |              |              |
| GEO Specialty Chemicals, Inc., 7.50%, 12/17/16 (b)                               | 1,559        | 3,928,902    |
| <b>Commercial Services &amp; Supplies 0.3%</b>                                   |              |              |
| Avis Budget Car Rental LLC/Avis Budget Finance, Inc., 2.98%, 12/01/17 (c)        | 295          | 293,525      |
| AWAS Aviation Capital Ltd., 7.00%, 10/17/16 (b)                                  | 1,012        | 1,035,969    |
| United Rentals North America, Inc., 5.75%, 7/15/18                               | 350          | 368,375      |
|  |              | 1,697,869    |
| <b>Communications Equipment 0.4%</b>   |              |              |
| Avaya, Inc., 7.00%, 4/01/19 (b)  | 390          | 388,050      |
| Zayo Group LLC/Zayo Capital, Inc., 8.13%, 1/01/20                                | 1,470        | 1,585,762    |
|  |              | 1,973,812    |
| <b>Construction &amp; Engineering 0.1%</b>                                       |              |              |
| Safway Group Holding LLC/Safway Finance Corp., 7.00%, 5/15/18 (b)                | 335          | 352,588      |
| <b>Diversified Financial Services 0.4%</b>                                       |              |              |
| Ally Financial, Inc.:  |              |              |
| 2.91%, 7/18/16 (c)   | 1,375        | 1,401,814    |
| 7.50%, 9/15/20   | 160          | 191,400      |
| 8.00%, 11/01/31  | 685          | 885,544      |
|  |              | 2,478,758    |
| <b>Hotels, Restaurants &amp; Leisure 0.5%</b>                                    |              |              |
| Caesars Entertainment Operating Co., Inc., 9.00%, 2/15/20                        | 2,530        | 2,026,166    |
| Travelport LLC/Travelport Holdings, Inc., 6.36%, 3/01/16 (b)(c)                  | 676          | 675,960      |
| Tropicana Entertainment LLC/Tropicana Finance Corp., 9.63%, 12/15/14 (a)(g)      | 120          |              |
|  |              | 2,702,126    |
| <b>Independent Power and Renewable Electricity Producers 0.1%</b>                |              |              |



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|  |     |            |
|--|-----|------------|
| Calpine Corp., 6.00%, 1/15/22 (b)  | 349 | 376,048    |
| <b>Media 0.2%</b>  |     |            |
| NAI Entertainment Holdings/NAI Entertainment Holdings Finance Corp.,<br>5.00%, 8/01/18 (b) | 514 | 528,135    |
| Numericable Group SA, 6.00%, 5/15/22 (b)   | 842 | 867,260    |
|  |     | 1,395,395  |
| <b>Oil, Gas &amp; Consumable Fuels 0.1%</b>  |     |            |
| EP Energy LLC/Everest Acquisition Finance, Inc., 6.88%, 5/01/19                            | 635 | 669,925    |
| <b>Road &amp; Rail 0.2%</b>  |     |            |
| Florida East Coast Holdings Corp., 6.75%, 5/01/19 (b)                                      | 884 | 932,620    |
| <b>Wireless Telecommunication Services 0.0%</b>  |     |            |
| T-Mobile USA, Inc., 6.13%, 1/15/22   | 225 | 233,156    |
| <b>Total Corporate Bonds 4.0%</b>  |     | 23,089,240 |

See Notes to Financial Statements.

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**BlackRock Floating Rate Income Strategies Fund, Inc. (FRA)**

Consolidated Schedule of Investments (continued) (Percentages shown are based on Net Assets)

|   | <b>Par<br/>(000)</b> | <b>Value</b> |
|---|----------------------|--------------|
| <b>Floating Rate Loan Interests (c)</b>                                 |                      |              |
| <b>Aerospace &amp; Defense 1.7%</b>                                     |                      |              |
| DigitalGlobe, Inc., Term Loan B, 3.75%, 1/31/20                         | USD 2,212            | \$ 2,202,046 |
| TASC, Inc., 2nd Lien Term Loan, 12.00%, 5/30/21                         | 1,175                | 1,151,500    |
| Transdigm, Inc.:  |                      |              |
| Term Loan C, 3.75%, 2/28/20   | 887                  | 880,481      |
| Term Loan D, 3.75%, 6/04/21   | 825                  | 819,159      |
| TransUnion LLC, Term Loan, 4.00%, 4/09/21                               | 4,778                | 4,756,141    |
|   |                      | 9,809,327    |
| <b>Air Freight &amp; Logistics 0.5%</b>                                 |                      |              |
| CEVA Group PLC, Synthetic LC, 6.50%, 3/19/21                            | 738                  | 712,044      |
| CEVA Intercompany BV, Dutch Term Loan, 6.50%, 3/19/21                   | 776                  | 757,901      |
| CEVA Logistics Canada ULC, Canadian Term Loan, 6.50%, 3/19/21           | 134                  | 130,673      |
| CEVA Logistics U.S. Holdings, Inc., Term Loan, 6.50%, 3/19/21           | 1,071                | 1,045,381    |
|   |                      | 2,645,999    |
| <b>Airlines 0.8%</b>  |                      |              |
| Delta Air Lines, Inc., 2018 Term Loan B1, 3.25%, 10/18/18               | 1,429                | 1,414,987    |
| Northwest Airlines, Inc., Term Loan:                                    |                      |              |
| 2.18%, 3/10/17  | 783                  | 761,143      |
| 1.56%, 9/10/18  | 1,077                | 1,026,733    |
| US Airways Group, Inc., Term Loan B1, 3.50%, 5/23/19                    | 1,139                | 1,127,115    |
|   |                      | 4,329,978    |
| <b>Auto Components 4.5%</b>   |                      |              |
| Affinia Group Intermediate Holdings, Inc., Term Loan B2, 4.75%, 4/27/20 | 1,286                | 1,291,264    |
| Armored Autogroup, Inc., Term Loan B, 6.00%, 11/04/16                   | 244                  | 244,096      |
| Autoparts Holdings Ltd.:  |                      |              |
| 1st Lien Term Loan, 6.50%, 7/28/17                                      | 2,788                | 2,786,165    |
| 2nd Lien Term Loan, 10.50%, 1/29/18                                     | 1,079                | 1,040,500    |
| Dayco Products LLC, Term Loan B, 5.25%, 12/12/19                        | 1,587                | 1,587,025    |
| FPC Holdings, Inc., 1st Lien Term Loan, 5.25%, 11/19/19                 | 1,551                | 1,534,403    |
| Gates Global, Inc., Term Loan B, 4.25%, 7/05/21                         | 8,820                | 8,750,675    |
| The Goodyear Tire & Rubber Co., 2nd Lien Term Loan, 4.75%, 4/30/19      | 5,015                | 5,029,092    |
| GPX International Tire Corp., Term Loan (a)(g):                         |                      |              |
| PIK, 13.00%, 12/31/49 (h)   | 18                   |              |
| 12.25%, 12/31/49  | 1,097                |              |
| Transtar Holding Co., 1st Lien Term Loan, 5.75%, 10/09/18               | 2,089                | 2,078,369    |
| UCI International, Inc., Term Loan B, 5.50%, 7/26/17                    | 1,448                | 1,446,139    |
|   |                      | 25,787,728   |
| <b>Automobiles 0.3%</b>   |                      |              |
| Chrysler Group LLC, Term Loan B:  |                      |              |
| 2018, 3.25%, 12/31/18   | 823                  | 814,502      |
| 3.50%, 5/24/17  | 873                  | 871,503      |
|   |                      | 1,686,005    |
| <b>Banks 0.3%</b>   |                      |              |
| Redtop Acquisitions Ltd.:   |                      |              |
| 1st Lien Term Loan, 4.50%, 12/03/20                                     | 1,159                | 1,157,239    |

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|  |              |              |
|--|--------------|--------------|
| 2nd Lien Term Loan, 8.25%, 6/03/21                                     | 308          | 314,619      |
|  |              | 1,471,858    |
| <b>Building Products 3.1%</b>  |              |              |
| Continental Building Products LLC, 1st Lien Term Loan, 4.00%, 8/28/20  | 1,625        | 1,613,708    |
| CPG International, Inc., Term Loan, 4.75%, 9/30/20                     | 4,282        | 4,281,989    |
| GYP Holdings III Corp., 1st Lien Term Loan, 4.75%, 4/01/21             | 1,411        | 1,393,819    |
|  | <b>Par</b>   |              |
|  | <b>(000)</b> | <b>Value</b> |
| <b>Floating Rate Loan Interests (c)</b>                                |              |              |
| <b>Building Products (concluded)</b>                                   |              |              |
| Interline Brands, Inc., 2021 Term Loan, 4.00%, 3/17/21                 | USD 1,751    | \$ 1,729,833 |
| Nortek, Inc., Term Loan, 3.75%, 10/30/20                               | 2,090        | 2,081,285    |
| Ply Gem Industries, Inc., Term Loan, 4.00%, 2/01/21                    | 1,017        | 998,688      |
| Quikrete Holdings, Inc., 1st Lien Term Loan, 4.00%, 9/28/20            | 1,763        | 1,751,744    |
| Wilsonart LLC:   |              |              |
| Incremental Term Loan B2, 4.00%, 10/31/19                              | 502          | 495,777      |
| Term Loan B, 4.00%, 10/31/19   | 3,403        | 3,357,813    |
|  |              | 17,704,656   |
| <b>Capital Markets 0.6%</b>  |              |              |
| Affinion Group, Inc.:  |              |              |
| 2nd Lien Term Loan, 8.50%, 10/12/18                                    | 1,010        | 1,001,309    |
| Term Loan B, 6.75%, 4/30/18  | 1,366        | 1,352,238    |
| American Capital Holdings, Inc., 2017 Term Loan, 3.50%, 8/22/17        | 870          | 865,691      |
|  |              | 3,219,238    |
| <b>Chemicals 4.9%</b>  |              |              |
| Allnex (Luxembourg) & Cy SCA, Term Loan B1, 4.50%, 10/03/19            | 1,105        | 1,103,369    |
| Allnex USA, Inc., Term Loan B2, 4.50%, 10/03/19                        | 573          | 572,485      |
| Axalta Coating Systems US Holdings, Inc., Term Loan, 3.75%, 2/01/20    | 2,088        | 2,074,290    |
| CeramTec Acquisition Corp., Term Loan B2, 4.25%, 8/28/20               | 117          | 116,413      |
| Chemtura Corp., Term Loan B, 3.50%, 8/27/16                            | 1,264        | 1,263,104    |
| Chromaflo Technologies Corp., 1st Lien Term Loan, 4.50%, 12/02/19      | 1,144        | 1,139,959    |
| Evergreen Acqco 1 LP, Term Loan, 5.00%, 7/09/19                        | 2,059        | 2,060,106    |
| INEOS US Finance LLC:  |              |              |
| 3 Year Term Loan, 2.20%, 5/04/15                                       | 380          | 380,194      |
| 6 Year Term Loan, 3.75%, 5/04/18                                       | 861          | 854,755      |
| MacDermid, Inc., 1st Lien Term Loan, 4.00%, 6/07/20                    | 2,014        | 2,005,224    |
| Minerals Technology, Inc., Term Loan B, 4.00%, 5/09/21                 | 2,250        | 2,247,187    |
| Momentive Performance Materials, Inc., DIP Term Loan B, 4.00%, 4/15/15 | 450          | 449,437      |
| Nexeo Solutions LLC, Term Loan B, 5.00%, 9/08/17                       | 2,454        | 2,442,451    |
| OXEA Finance LLC:  |              |              |
| 2nd Lien Term Loan, 8.25%, 7/15/20                                     | 1,365        | 1,367,280    |
| Term Loan B2, 4.25%, 1/15/20   | 2,531        | 2,521,384    |
| Royal Adhesives and Sealants LLC, 1st Lien Term Loan, 5.50%, 7/31/18   | 681          | 682,006      |
| Solenis International LP:  |              |              |
| 1st Lien Term Loan, 4.25%, 7/02/21                                     | 1,545        | 1,534,386    |
| 2nd Lien Term Loan, 7.75%, 7/02/22                                     | 1,725        | 1,709,475    |
| Tata Chemicals North America, Inc., Term Loan B, 3.75%, 8/07/20        | 584          | 576,799      |
| Tronox Pigments (Netherlands) BV, 2013 Term Loan, 4.00%, 3/19/20       | 1,756        | 1,752,905    |
| Univar, Inc., Term Loan B, 5.00%, 6/30/17                              | 984          | 984,553      |
|  |              | 27,837,762   |
| <b>Commercial Services &amp; Supplies 4.9%</b>                         |              |              |
| ADS Waste Holdings, Inc., Term Loan, 3.75%, 10/09/19                   | 3,234        | 3,184,871    |

ARAMARK Corp.:

|  |       |           |
|--|-------|-----------|
| Extended Synthetic Line of Credit 2, 3.65%, 7/26/16        | 46    | 45,783    |
| Extended Synthetic Line of Credit 3, 3.65%, 7/26/16        | 32    | 31,958    |
| Term Loan E, 3.25%, 9/07/19                                | 2,928 | 2,897,874 |
| AWAS Finance Luxembourg 2012 SA, Term Loan, 3.50%, 7/16/18 | 1,158 | 1,153,552 |

See Notes to Financial Statements.

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## BlackRock Floating Rate Income Strategies Fund, Inc. (FRA)

Consolidated Schedule of Investments (continued) (Percentages shown are based on Net Assets)

|  |     | Par<br>(000) | Value        |
|--|-----|--------------|--------------|
| <b>Floating Rate Loan Interests (c)</b>                                    |     |              |              |
| <b>Commercial Services &amp; Supplies (concluded)</b>                      |     |              |              |
| Brand Energy & Infrastructure Services, Inc., Term Loan B, 4.75%, 11/26/20 | USD | 3,809        | \$ 3,804,848 |
| Connolly Corp.:  |     |              |              |
| 1st Lien Term Loan, 5.00%, 5/14/21   |     | 3,000        | 3,013,140    |
| 2nd Lien Term Loan, 8.00%, 5/14/22   |     | 1,500        | 1,505,625    |
| KAR Auction Services, Inc., Term Loan B2, 3.50%, 3/11/21                   |     | 1,355        | 1,345,881    |
| Koosharem LLC, Exit Term Loan, 7.50%, 4/29/20                              |     | 2,400        | 2,403,000    |
| Livingston International, Inc., 1st Lien Term Loan, 5.00%, 4/16/19         |     | 1,346        | 1,338,833    |
| Spin Holdco, Inc., Term Loan B, 4.25%, 11/14/19                            |     | 4,052        | 4,017,324    |
| US Ecology, Inc., Term Loan, 3.75%, 6/17/21                                |     | 950          | 950,000      |
| West Corp., Term Loan B10, 3.25%, 6/30/18                                  |     | 2,606        | 2,576,857    |
|  |     |              | 28,269,546   |
| <b>Communications Equipment 3.1%</b>                                       |     |              |              |
| Amaya Holdings BV:   |     |              |              |
| 1st Lien Term Loan, 5.00%, 8/01/21   |     | 835          | 826,859      |
| 2nd Lien Term Loan, 8.00%, 8/01/22   |     | 5,815        | 5,884,082    |
| Applied Systems, Inc.:   |     |              |              |
| 1st Lien Term Loan, 4.25%, 1/25/21   |     | 801          | 798,972      |
| 2nd Lien Term Loan, 7.50%, 1/23/22   |     | 380          | 382,280      |
| Avaya, Inc., Extended Term Loan B3, 4.66%, 10/26/17                        |     | 1,515        | 1,467,479    |
| CommScope, Inc., Term Loan B3, 2.66% - 2.73%, 1/21/17                      |     | 693          | 695,216      |
| Telesat Canada, Term Loan A, 4.37%, 3/24/17                                | CAD | 2,250        | 2,048,653    |
| Zayo Group LLC/Zayo Capital, Inc., Term Loan B, 4.00%, 7/02/19             | USD | 5,461        | 5,437,506    |
|  |     |              | 17,541,047   |
| <b>Construction &amp; Engineering 0.2%</b>                                 |     |              |              |
| BakerCorp International, Inc., Term Loan, 4.25%, 2/14/20                   |     | 1,421        | 1,392,124    |
| <b>Construction Materials 1.5%</b>   |     |              |              |
| Filtration Group Corp., 1st Lien Term Loan, 4.50%, 11/21/20                |     | 965          | 965,633      |
| HD Supply, Inc., Term Loan B, 4.00%, 6/28/18                               |     | 7,189        | 7,149,787    |
| McJunkin Red Man Corp., Term Loan, 5.00%, 11/08/19                         |     | 660          | 660,012      |
|  |     |              | 8,775,432    |
| <b>Containers &amp; Packaging 1.1%</b>                                     |     |              |              |
| Ardagh Holdings USA, Inc., Incremental Term Loan, 4.00%, 12/17/19          |     | 923          | 917,308      |
| Berry Plastics Holding Corp., Term Loan E, 3.75%, 1/06/21                  |     | 2,748        | 2,709,687    |
| BWAY Holding Co., Inc., Term Loan B, 5.50%, 8/14/20                        |     | 1,510        | 1,516,297    |
| CD&R Millennium Holdco 6 Sarl, 1st Lien Term Loan, 4.50%, 7/31/21          |     | 150          | 149,016      |
| Rexam PLC, 1st Lien Term Loan, 4.25%, 5/02/21                              |     | 775          | 774,031      |
| Tekni-Plex, Inc., Term Loan B, 4.75%, 8/25/19                              |     | 507          | 504,475      |
|  |     |              | 6,570,814    |
| <b>Distributors 1.5%</b>   |     |              |              |

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|   |              |              |
|---|--------------|--------------|
| ABC Supply Co., Inc., Term Loan, 3.50%, 4/16/20                             | 4,997        | 4,946,216    |
| American Tire Distributors Holdings, Inc., Term Loan B, 5.75%, 6/01/18      | 1,452        | 1,451,867    |
| Crossmark Holdings, Inc., 1st Lien Term Loan, 4.50%, 12/20/19               | 1,015        | 1,003,136    |
| VWR Funding, Inc., Term Loan, 3.41%, 4/03/17                                | 1,192        | 1,185,156    |
|   |              | 8,586,375    |
| <b>Diversified Consumer Services 2.5%</b>                                   |              |              |
| Allied Security Holdings LLC:   |              |              |
| 1st Lien Term Loan, 4.25%, 2/12/21  | 2,883        | 2,859,454    |
| 2nd Lien Term Loan, 8.00%, 8/13/21  | 417          | 413,829      |
| Bright Horizons Family Solutions, Inc., Term Loan B, 3.75% - 5.00%, 1/30/20 | 2,783        | 2,763,508    |
|   | <b>Par</b>   |              |
|   | <b>(000)</b> | <b>Value</b> |
| <b>Floating Rate Loan Interests (c)</b>                                     |              |              |
| <b>Diversified Consumer Services (concluded)</b>                            |              |              |
| Fitness International LLC, Term Loan B, 5.50%, 7/01/20                      | USD 1,105    | \$ 1,100,392 |
| Garda World Securities Corp.:   |              |              |
| Delayed Draw Term Loan, 4.00%, 11/06/20                                     | 299          | 296,783      |
| Term Loan B, 4.00%, 11/06/20  | 1,169        | 1,160,151    |
| ROC Finance LLC, Term Loan, 5.00%, 6/20/19                                  | 1,072        | 1,039,079    |
| ServiceMaster Company, 2014 Term Loan B, 4.25%, 7/01/21                     | 2,680        | 2,657,890    |
| Weight Watchers International, Inc., Term Loan B2, 4.00%, 4/02/20           | 2,805        | 2,203,131    |
|   |              | 14,494,217   |
| <b>Diversified Financial Services 1.3%</b>                                  |              |              |
| AssuredPartners Capital, Inc., 1st Lien Term Loan, 4.50%, 3/31/21           | 1,495        | 1,488,153    |
| Reynolds Group Holdings, Inc., Dollar Term Loan, 4.00%, 12/01/18            | 3,261        | 3,252,263    |
| RPI Finance Trust, Term Loan B3, 3.25%, 11/09/18                            | 389          | 388,745      |
| SAM Finance Luxembourg Sarl, Term Loan, 4.25%, 12/17/20                     | 2,582        | 2,577,997    |
|   |              | 7,707,158    |
| <b>Diversified Telecommunication Services 4.3%</b>                          |              |              |
| Consolidated Communications, Inc., Term Loan B, 4.25%, 12/23/20             | 3,033        | 3,032,312    |
| Hawaiian Telcom Communications, Inc., Term Loan B, 5.00%, 6/06/19           | 2,717        | 2,728,368    |
| Integra Telecom, Inc.:  |              |              |
| 2nd Lien Term Loan, 9.75%, 2/22/20  | 1,125        | 1,141,875    |
| Term Loan B, 5.25%, 2/22/19   | 2,015        | 2,013,875    |
| Level 3 Financing, Inc.:  |              |              |
| 2019 Term Loan, 4.00%, 8/01/19  | 1,085        | 1,079,803    |
| 2020 Term Loan B, 4.00%, 1/15/20  | 9,510        | 9,462,450    |
| Syniverse Holdings, Inc., Term Loan B, 4.00%, 4/23/19                       | 1,939        | 1,919,653    |
| U.S. Telepacific Corp., Term Loan B, 5.75%, 2/23/17                         | 3,058        | 3,055,641    |

|  |       |            |
|--|-------|------------|
|  |       | 24,433,977 |
| <b>Electric Utilities 1.1%</b>   |       |            |
| American Energy Marcellus LLC, 1st Lien Term Loan, 5.25%, 8/04/20              | 1,754 | 1,755,768  |
| American Energy Utica LLC:<br>2nd Lien Delayed Draw Term Loan, 11.00%, 9/30/18 | 218   | 228,887    |
| 2nd Lien Term Loan, 5.50%, 9/30/18   | 1,020 | 1,091,733  |
| Incremental 2nd Lien Term Loan, 11.00%, 9/30/18                                | 218   | 228,919    |
| Energy Future Intermediate Holding Co LLC, DIP Term Loan, 4.25%, 6/19/16       | 1,425 | 1,426,425  |
| Sandy Creek Energy Associates LP, Term Loan B, 5.00%, 11/06/20                 | 1,285 | 1,291,219  |
|  |       | 6,022,951  |
| <b>Electrical Equipment 1.5%</b>   |       |            |
| Southwire Co., Term Loan, 3.25%, 2/10/21                                       | 1,177 | 1,169,105  |
| Texas Competitive Electric Holdings Co. LLC:<br>DIP Term Loan, 3.75%, 5/05/16  | 2,557 | 2,571,720  |
| Extended Term Loan, 4.65%, 10/10/17 (a)(g)                                     | 6,610 | 5,111,381  |
|  |       | 8,852,206  |
| <b>Electronic Equipment, Instruments &amp; Components 0.5%</b>                 |       |            |
| CDW LLC, Term Loan, 3.25%, 4/29/20   | 2,860 | 2,821,475  |
| <b>Energy Equipment &amp; Services 0.6%</b>                                    |       |            |
| Dynegy Holdings, Inc., Term Loan B2, 4.00%, 4/23/20                            | 1,822 | 1,818,193  |
| MEG Energy Corp., Refinancing Term Loan, 3.75%, 3/31/20                        | 1,577 | 1,571,527  |
|  |       | 3,389,720  |

See Notes to Financial Statements.

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## BlackRock Floating Rate Income Strategies Fund, Inc. (FRA)

Consolidated Schedule of Investments (continued) (Percentages shown are based on Net Assets)

|   |     | Par<br>(000) | Value        |
|---|-----|--------------|--------------|
| <b>Floating Rate Loan Interests (c)</b>                           |     |              |              |
| <b>Food &amp; Staples Retailing 1.5%</b>                          |     |              |              |
| Alliance Boots Holdings Ltd., Term Loan B1, 3.48%, 7/09/15        | GBP | 2,428        | \$ 4,021,091 |
| New Albertson's, Inc., Term Loan, 4.75%, 6/27/21                  | USD | 1,475        | 1,466,239    |
| Rite Aid Corp., 2nd Lien Term Loan, 5.75%, 8/21/20                |     | 1,040        | 1,051,263    |
| Supervalu, Inc., Refinancing Term Loan B, 4.50%, 3/21/19          |     | 2,226        | 2,209,371    |
|   |     |              | 8,747,964    |
| <b>Food Products 3.5%</b>   |     |              |              |
| AdvancePierre Foods, Inc., Term Loan, 5.75%, 7/10/17              |     | 879          | 882,216      |
| CTI Foods Holding Co. LLC, 1st Lien Term Loan, 4.50%, 6/29/20     |     | 1,126        | 1,123,198    |
| Del Monte Foods, Inc., 1st Lien Term Loan, 4.25% - 5.50%, 2/18/21 |     | 1,731        | 1,711,459    |
| Diamond Foods, Inc., Term Loan, 4.25%, 8/20/18                    |     | 3,001        | 2,980,752    |
| Dole Food Co., Inc., Term Loan B, 4.50% - 5.75%, 11/01/18         |     | 2,624        | 2,613,371    |
| GFA Brands, Inc., Term Loan B, 4.50%, 7/09/20                     |     | 490          | 490,663      |
| H.J. Heinz Co., Term Loan B1, 3.25%, 6/07/19                      |     | 312          | 310,896      |
| Hearthside Group Holdings LLC, Term Loan, 4.50%, 6/02/21          |     | 2,160        | 2,161,361    |
| Performance Food Group Co., 2nd Lien Term Loan, 6.25%, 11/14/19   |     | 1,459        | 1,462,763    |
| Pinnacle Foods Finance LLC:                                       |     |              |              |
| Incremental Term Loan H, 3.25%, 4/29/20                           |     | 531          | 524,255      |
| Term Loan G, 3.25%, 4/29/20                                       |     | 2,638        | 2,603,563    |
| Reddy Ice Corp.:  |     |              |              |
| 1st Lien Term Loan, 6.75% - 7.75%, 5/01/19                        |     | 2,464        | 2,352,941    |
| 2nd Lien Term Loan, 10.75%, 11/01/19                              |     | 1,195        | 1,051,600    |
|   |     |              | 20,269,038   |
| <b>Health Care Equipment &amp; Supplies 6.8%</b>                  |     |              |              |
| Arysta LifeScience Corp.:   |     |              |              |
| 1st Lien Term Loan, 4.50%, 5/29/20                                |     | 4,069        | 4,059,579    |
| 2nd Lien Term Loan, 8.25%, 11/30/20                               |     | 1,675        | 1,688,618    |
| Biomet, Inc., Term Loan B2, 3.66% - 3.73%, 7/25/17                |     | 3,100        | 3,093,242    |
| Capsugel Holdings US, Inc., Term Loan B, 3.50%, 8/01/18           |     | 2,049        | 2,025,620    |
| DJO Finance LLC, 2017 Term Loan, 4.25%, 9/15/17                   |     | 4,271        | 4,264,653    |
| Fresenius SE & Co. KGaA:  |     |              |              |
| Incremental Term Loan B, 2.46%, 6/30/19                           | EUR | 527          | 691,907      |
| Term Loan B, 2.23%, 8/07/19                                       | USD | 2,690        | 2,686,313    |
| The Hologic, Inc., Term Loan B, 3.25%, 8/01/19                    |     | 3,303        | 3,281,633    |
| iasis Healthcare LLC, Term Loan B2, 4.50%, 5/03/18                |     | 432          | 432,335      |
| Immucor, Inc., Refinancing Term Loan B2, 5.00%, 8/17/18           |     | 3,536        | 3,533,201    |
| Kinetic Concepts, Inc., Term Loan E1, 4.00%, 5/04/18              |     | 526          | 523,680      |
| Leonardo Acquisition Corp., Term Loan, 4.25%, 1/31/21             |     | 2,199        | 2,180,242    |
| Millennium Laboratories, Inc., Term Loan B, 5.25%, 4/16/21        |     | 2,625        | 2,627,467    |
| National Vision, Inc.:  |     |              |              |
| 1st Lien Term Loan, 4.00%, 3/12/21                                |     | 2,754        | 2,705,049    |
| 2nd Lien Term Loan, 6.75%, 3/07/22                                |     | 530          | 521,165      |



|  |     |              |              |
|--|-----|--------------|--------------|
| Onex Carestream Finance LP, 2nd Lien Term Loan, 9.50%,<br>12/07/19               |     | 640          | 647,341      |
| Ortho-Clinical Diagnostics, Inc., Term Loan B, 4.75%, 6/30/21                    |     | 4,010        | 4,008,316    |
|  |     |              | 38,970,361   |
| <b>Health Care Providers &amp; Services 7.6%</b>                                 |     |              |              |
| Amedisys, Inc., 2nd Lien Term Loan, 8.50%, 6/25/20                               |     | 1,470        | 1,433,250    |
| American Renal Holdings, Inc., 1st Lien Term Loan, 4.50%,<br>9/20/19             |     | 2,854        | 2,831,272    |
|  |     | <b>Par</b>   | <b>Value</b> |
|  |     | <b>(000)</b> |              |
| <b>Floating Rate Loan Interests (c)</b>  |     |              |              |
| <b>Health Care Providers &amp; Services (concluded)</b>                          |     |              |              |
| Amsurg Corp., 1st Lien Term Loan B, 3.75%, 7/16/21                               | USD | 1,305        | \$ 1,303,369 |
| Ardent Medical Services, Inc., Term Loan, 6.75%, 7/02/18                         |     | 1,063        | 1,063,131    |
| CHG Buyer Corp., Term Loan, 4.25%, 11/19/19                                      |     | 1,726        | 1,721,778    |
| CHS/Community Health Systems, Inc., Term Loan D, 4.25%,<br>1/27/21               |     | 8,622        | 8,639,349    |
| ConvaTec, Inc., Term Loan, 4.00%, 12/22/16                                       |     | 2,339        | 2,330,750    |
| DaVita HealthCare Partners, Inc., Term Loan B, 3.50%,<br>6/24/21                 |     | 9,715        | 9,684,009    |
| Envision Acquisition Co. LLC, 1st Lien Term Loan, 5.75%,<br>11/04/20             |     | 1,037        | 1,042,348    |
| Envision Healthcare Corp., Term Loan, 4.00%, 5/25/18                             |     | 1,912        | 1,906,961    |
| Genesis HealthCare Corp., Term Loan B, 10.00%, 9/25/17                           |     | 1,209        | 1,227,575    |
| HCA, Inc.:   |     |              |              |
| Extended Term Loan B4, 2.98%, 5/01/18  |     | 1,130        | 1,126,496    |
| Term Loan B5, 2.91%, 3/31/17   |     | 821          | 819,796      |
| Ikaria, Inc.:  |     |              |              |
| 1st Lien Term Loan, 5.00%, 2/12/21   |     | 1,147        | 1,149,253    |
| 2nd Lien Term Loan, 8.75%, 2/14/22   |     | 315          | 318,544      |
| inVentiv Health, Inc., Incremental Term Loan B3, 7.75% -<br>8.50%, 5/15/18       |     | 1,099        | 1,092,090    |
| MPH Acquisition Holdings LLC, Term Loan, 4.00%, 3/31/21                          |     | 2,310        | 2,294,186    |
| National Mentor Holdings, Inc., Term Loan B, 4.75%, 1/31/21                      |     | 818          | 816,674      |
| Surgery Center Holdings, Inc., 1st Lien Term Loan, 5.25%,<br>7/09/20             |     | 990          | 988,794      |
| Surgical Care Affiliates, Inc., Class C Incremental Term Loan,<br>4.00%, 6/29/18 |     | 1,846        | 1,839,426    |
|  |     |              | 43,629,051   |
| <b>Health Care Technology 0.9%</b>   |     |              |              |
| IMS Health, Inc., Term Loan, 3.50%, 3/17/21                                      |     | 3,362        | 3,316,200    |
| MedAssets, Inc., Term Loan B, 4.00%, 12/13/19                                    |     | 1,918        | 1,901,707    |
|  |     |              | 5,217,907    |
| <b>Hotels, Restaurants &amp; Leisure 11.8%</b>                                   |     |              |              |
| Bally Technologies, Inc., Term Loan B, 4.25%, 11/25/20                           |     | 1,409        | 1,406,708    |
| Belmond Interfin Ltd., Term Loan B, 4.00%, 3/21/21                               |     | 2,105        | 2,088,056    |
| Boyd Gaming Corp., Term Loan B, 4.00%, 8/14/20                                   |     | 1,154        | 1,144,856    |
| Bronco Midstream Funding LLC, Term Loan B, 5.00%, 8/17/20                        |     | 3,056        | 3,059,673    |
| Caesars Entertainment Operating Co., Inc.:                                       |     |              |              |
| Extended Term Loan B6, 6.95%, 3/01/17  |     | 1,534        | 1,436,916    |
| Term Loan B7, 9.75%, 3/01/17   |     | 1,347        | 1,301,028    |
|  |     | 3,928        | 3,854,611    |

|   |        |            |
|---|--------|------------|
| Caesars Entertainment Resort Properties LLC, Term Loan B, 7.00%, 10/12/20 |        |            |
| CCM Merger, Inc., Term Loan B, 4.50%, 7/18/21                             | 1,700  | 1,695,750  |
| Dave & Buster s, Inc., Term Loan, 4.50%, 7/25/20                          | 825    | 822,731    |
| Diamond Resorts Corporation, Term Loan, 5.50%, 5/09/21                    | 2,350  | 2,361,750  |
| ESH Hospitality, Inc., Term Loan, 5.00%, 6/24/19                          | 440    | 443,850    |
| Four Seasons Holdings, Inc., 2nd Lien Term Loan, 6.25%, 12/28/20          | 1,435  | 1,438,588  |
| Hilton Worldwide Finance LLC, Term Loan B2, 3.50%, 10/26/20               | 8,275  | 8,220,386  |
| Intrawest ULC, Term Loan, 5.50%, 11/26/20                                 | 1,612  | 1,619,960  |
| La Quinta Intermediate Holdings LLC, Term Loan B, 4.00%, 4/14/21          | 10,836 | 10,817,761 |
| Las Vegas Sands LLC, Term Loan B, 3.25%, 12/19/20                         | 2,488  | 2,480,236  |
| MGM Resorts International, Term Loan B, 3.50%, 12/20/19                   | 3,465  | 3,440,273  |

See Notes to Financial Statements.

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## BlackRock Floating Rate Income Strategies Fund, Inc. (FRA)

Consolidated Schedule of Investments (continued) (Percentages shown are based on Net Assets)

|  |     | Par<br>(000) | Value        |
|--|-----|--------------|--------------|
| <b>Floating Rate Loan Interests (c)</b>                                |     |              |              |
| <b>Hotels, Restaurants &amp; Leisure (concluded)</b>                   |     |              |              |
| Pinnacle Entertainment, Inc., Term Loan B2, 3.75%, 8/13/20             | USD | 1,795        | \$ 1,785,690 |
| Playa Resorts Holding BV, Term Loan B, 4.00%, 8/06/19                  |     | 1,767        | 1,757,817    |
| RHP Hotel Properties LP, Term Loan B, 3.75%, 1/15/21                   |     | 1,285        | 1,284,666    |
| Sabre, Inc.:   |     |              |              |
| Incremental Term Loan, 4.00%, 2/19/19                                  |     | 506          | 505,066      |
| Term Loan B, 4.00%, 2/19/19  |     | 1,389        | 1,381,906    |
| Station Casinos LLC, Term Loan B, 4.25%, 3/02/20                       |     | 5,049        | 5,028,855    |
| Travelport Finance (Luxembourg) Sarl, 2014 Term Loan B, 6.00%, 9/02/21 |     | 3,345        | 3,358,949    |
| Travelport LLC:  |     |              |              |
| 2nd Lien Term Loan 1, 9.50%, 1/29/16                                   |     | 1,057        | 1,076,210    |
| Refinancing Term Loan, 6.25%, 6/26/19                                  |     | 1,080        | 1,095,813    |
| Twin River Management Group, Inc., Term Loan B, 5.25%, 7/10/20         |     | 1,135        | 1,135,942    |
| Wendy's International, Inc., Term Loan B, 3.25%, 5/15/19               |     | 1,635        | 1,630,012    |
|  |     |              | 67,674,059   |
| <b>Household Products 1.1%</b>   |     |              |              |
| Bass Pro Group LLC, Term Loan, 3.75%, 11/20/19                         |     | 2,755        | 2,742,244    |
| Prestige Brands, Inc., Term Loan, 3.75%, 1/31/19                       |     | 1,313        | 1,313,352    |
| Spectrum Brands, Inc.:   |     |              |              |
| Term Loan A, 3.00%, 9/07/17  |     | 902          | 900,284      |
| Term Loan C, 3.50%, 9/04/19  |     | 1,465        | 1,456,602    |
|  |     |              | 6,412,482    |
| <b>Independent Power and Renewable Electricity Producers 0.4%</b>      |     |              |              |
| Calpine Corp., Term Loan B1, 4.00%, 4/01/18                            |     | 916          | 915,037      |
| La Frontera Generation LLC, Term Loan, 4.50%, 9/30/20                  |     | 1,414        | 1,415,890    |
|  |     |              | 2,330,927    |
| <b>Industrial Conglomerates 0.8%</b>                                   |     |              |              |
| Sequa Corp., Term Loan B, 5.25%, 6/19/17                               |     | 4,524        | 4,425,008    |
| <b>Insurance 2.4%</b>  |     |              |              |
| Alliant Holdings I, Inc., Term Loan B, 4.25%, 12/20/19                 |     | 1,792        | 1,781,094    |
| Asurion LLC:   |     |              |              |
| 2nd Lien Term Loan, 8.50%, 3/03/21                                     |     | 675          | 695,925      |
| Term Loan B1, 5.00%, 5/24/19   |     | 2,760        | 2,766,953    |

|  |     |              |              |
|--|-----|--------------|--------------|
| CNO Financial Group, Inc.:                                 |     |              |              |
| Term Loan B1, 3.00%, 9/28/16                               |     | 1,170        | 1,165,250    |
| Term Loan B2, 3.75%, 9/20/18                               |     | 2,261        | 2,241,670    |
| Cooper Gay Swett & Crawford Ltd., 1st                      |     |              |              |
| Lien Term Loan, 5.00%, 4/16/20                             |     | 1,827        | 1,698,691    |
| Sedgwick, Inc.:  |     |              |              |
| 1st Lien Term Loan, 3.75%, 3/01/21                         |     | 2,025        | 1,990,339    |
| 2nd Lien Term Loan, 6.75%, 2/28/22                         |     | 1,155        | 1,149,225    |
|  |     |              | 13,489,147   |
| <b>Internet Software &amp; Services 1.4%</b>               |     |              |              |
| Dealertrack Technologies, Inc., Term Loan                  |     |              |              |
| B, 3.50%, 2/28/21  |     | 1,856        | 1,837,017    |
| Go Daddy Operating Co. LLC, Term Loan                      |     |              |              |
| B, 4.75%, 5/13/21  |     | 2,550        | 2,541,712    |
| Interactive Data Corp., 2014 Term Loan,                    |     |              |              |
| 4.75%, 5/02/21   |     | 2,000        | 2,005,000    |
| W3 Co., 1st Lien Term Loan, 5.75%,                         |     |              |              |
| 3/13/20  |     | 1,773        | 1,759,268    |
|  |     |              | 8,142,997    |
| <b>IT Services 3.8%</b>                                    |     |              |              |
| First Data Corp.:  |     |              |              |
| 2018 Extended Term Loan, 3.66%, 3/23/18                    |     | 12,519       | 12,378,640   |
| 2018 Term Loan, 3.66%, 9/24/18                             |     | 1,150        | 1,139,581    |
| Genpact International, Inc., Term Loan B,                  |     |              |              |
| 3.50%, 8/30/19   |     | 1,856        | 1,848,306    |
| InfoGroup, Inc., Term Loan, 7.50%, 5/25/18                 |     |              |              |
|  |     | 1,015        | 952,136      |
|  |     |              |              |
|  |     | <b>Par</b>   | <b>Value</b> |
|  |     | <b>(000)</b> |              |
| <b>Floating Rate Loan Interests (c)</b>                    |     |              |              |
| <b>IT Services (concluded)</b>                             |     |              |              |
| SunGard Availability Services Capital, Inc., Term Loan B,  |     |              |              |
| 6.00%, 3/31/19   | USD | 1,596        | \$ 1,580,535 |
| SunGard Data Systems, Inc.:                                |     |              |              |
| Term Loan C, 3.91%, 2/28/17                                |     | 1,515        | 1,513,106    |
| Term Loan E, 4.00%, 3/08/20                                |     | 567          | 565,421      |
| Vantiv LLC, 2014 Term Loan B, 3.75%, 5/12/21               |     |              |              |
|  |     | 2,025        | 2,023,481    |
|  |     |              | 22,001,206   |
| <b>Leisure Products 0.4%</b>                               |     |              |              |
| Bauer Performance Sports Ltd., Term Loan B, 4.00%, 4/15/21 |     |              |              |
|  |     | 1,616        | 1,608,510    |
| FGI Operating Co. LLC, Term Loan, 5.50%, 4/19/19           |     |              |              |
|  |     | 879          | 882,523      |
|  |     |              | 2,491,033    |
| <b>Machinery 3.9%</b>                                      |     |              |              |
| Alliance Laundry Systems LLC:                              |     |              |              |
| 2nd Lien Term Loan, 9.50%, 12/10/19                        |     | 573          | 576,307      |
| Refinancing Term Loan, 4.25%, 12/10/18                     |     | 1,579        | 1,578,777    |
| Faenza Acquisition GmbH:                                   |     |              |              |
| Term Loan B1, 4.25%, 8/31/20                               |     | 1,177        | 1,174,076    |
| Term Loan B3, 4.25%, 8/28/20                               |     | 354          | 353,437      |
| Gardner Denver, Inc., Term Loan:                           |     |              |              |
| 4.25%, 7/30/20   |     | 3,883        | 3,875,594    |
| 4.75%, 7/30/20   | EUR | 545          | 717,932      |
| Generac Power Systems, Inc., Term Loan B, 3.25%, 5/31/20   |     |              |              |
|  | USD | 1,445        | 1,428,284    |

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|   |       |            |
|---|-------|------------|
| Intelligrated, Inc., 1st Lien Term Loan, 4.50%, 7/30/18                           | 1,965 | 1,946,611  |
| Mirror Bidco Corp., Term Loan, 4.25%, 12/28/19                                    | 2,428 | 2,411,467  |
| Navistar International Corp., Term Loan B, 5.75%, 8/17/17                         | 904   | 911,871    |
| Rexnord LLC, 1st Lien Term Loan B, 4.00%, 8/21/20                                 | 2,415 | 2,398,601  |
| Silver II US Holdings LLC, Term Loan, 4.00%, 12/13/19                             | 2,902 | 2,888,886  |
| STS Operating, Inc., Term Loan, 4.75%, 2/19/21                                    | 688   | 688,564    |
| Wabash National Corp., Term Loan B, 4.50%, 5/08/19                                | 1,155 | 1,155,575  |
|   |       | 22,105,982 |
| <b>Media 14.5%</b>  |       |            |
| Acosta, Inc., Term Loan B, 4.25%, 3/02/18   | 194   | 194,506    |
| Activision Blizzard, Inc., Term Loan B, 3.25%, 10/12/20                           | 2,576 | 2,575,447  |
| Advanstar Communications, Inc., 2nd Lien Term Loan, 9.50%,<br>6/06/20             | 1,125 | 1,122,187  |
| CBS Outdoor Americas Capital LLC, Term Loan B, 3.00%,<br>1/31/21                  | 750   | 744,750    |
| Cengage Learning Acquisitions, Inc., 1st Lien Term Loan:<br>0.00%, 7/03/15 (a)(g) | 781   |            |
| 0.00%, 7/03/15 (a)(g)   | 1,708 |            |
| 7.00%, 3/31/20  | 6,035 | 6,071,326  |
| Charter Communications Operating LLC:<br>Term Loan E, 3.00%, 7/01/20              | 2,015 | 1,980,240  |
| Term Loan G, 4.25%, 7/24/21   | 4,100 | 4,123,083  |
| Clear Channel Communications, Inc.:<br>Term Loan B, 3.81%, 1/29/16                | 1,455 | 1,270,569  |
| Term Loan D, 6.91%, 1/30/19   | 6,875 | 6,768,851  |
| Cumulus Media Holdings, Inc., 2013 Term Loan, 4.25%,<br>12/23/20                  | 2,374 | 2,366,263  |
| Getty Images, Inc., Term Loan B, 4.75%, 10/18/19                                  | 195   | 184,097    |
| Gray Television, Inc., 2014 Term Loan B, 3.75%, 6/10/21                           | 1,240 | 1,233,490  |
| Hemisphere Media Holdings LLC, Term Loan B, 5.00%, 7/30/20                        | 1,991 | 1,990,865  |
| Hubbard Radio LLC, Term Loan B, 4.50%, 4/29/19                                    | 1,468 | 1,462,030  |
| IMG Worldwide Holdings LLC:<br>1st Lien Term Loan, 5.25%, 5/06/21                 | 2,300 | 2,275,574  |
| 2nd Lien Term Loan, 8.25%, 5/01/22  | 915   | 896,700    |

See Notes to Financial Statements.

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## BlackRock Floating Rate Income Strategies Fund, Inc. (FRA)

Consolidated Schedule of Investments (continued) (Percentages shown are based on Net Assets)

|  |     | Par<br>(000) | Value        |
|--|-----|--------------|--------------|
| <b>Floating Rate Loan Interests (c)</b>                                    |     |              |              |
| <b>Media (concluded)</b>   |     |              |              |
| Intelsat Jackson Holdings SA, Term Loan B2, 3.75%, 6/30/19                 | USD | 4,313        | \$ 4,289,301 |
| Liberty Cablevision of Puerto Rico LLC, 1st Lien Term Loan, 4.50%, 1/07/22 |     | 1,490        | 1,489,076    |
| Lions Gate Entertainment Corp., 2nd Lien Term Loan, 5.00%, 7/17/20         |     | 645          | 647,690      |
| Live Nation Entertainment, Inc., 2020 Term Loan B1, 3.50%, 8/17/20         |     | 496          | 493,521      |
| MCC Iowa LLC:  |     |              |              |
| Term Loan I, 2.63%, 6/30/17  |     | 1,080        | 1,074,600    |
| Term Loan J, 3.75%, 6/30/21  |     | 525          | 522,154      |
| Media General, Inc., Delayed Draw Term Loan B, 4.25%, 7/31/20              |     | 1,712        | 1,715,855    |
| Mediacom Communications Corp., Term Loan F, 2.63%, 3/31/18                 |     | 1,117        | 1,097,649    |
| Mediacom Illinois LLC, Term Loan G, 3.75%, 6/13/21                         |     | 1,360        | 1,346,400    |
| NEP/NCP Holdco, Inc., Incremental Term Loan, 4.25%, 1/22/20                |     | 2,290        | 2,271,182    |
| Numericable U.S. LLC:  |     |              |              |
| Term Loan B1, 4.50%, 5/21/20   |     | 2,236        | 2,242,760    |
| Term Loan B2, 4.50%, 5/21/20   |     | 1,934        | 1,940,292    |
| Salem Communications Corp., Term Loan B, 4.50%, 3/13/20                    |     | 1,695        | 1,682,751    |
| SBA Senior Finance II LLC, Term Loan B1, 3.25%, 3/24/21                    |     | 3,050        | 3,018,554    |
| Sinclair Television Group, Inc., Term Loan B, 3.00%, 4/09/20               |     | 1,871        | 1,840,931    |
| Tribune Co., 2013 Term Loan, 4.00%, 12/27/20                               |     | 3,700        | 3,692,945    |
| Univision Communications, Inc., Term Loan C4, 4.00%, 3/01/20               |     | 2,282        | 2,266,534    |
| UPC Financing Partnership, Term Loan AG, 3.85%, 3/31/21                    | EUR | 1,272        | 1,675,795    |
| Virgin Media Investment Holdings Ltd.:                                     |     |              |              |
| Term Loan B, 3.50%, 6/07/20  | USD | 3,415        | 3,367,395    |
| Term Loan E, 4.25%, 6/30/23  | GBP | 2,840        | 4,705,587    |
| WideOpenWest Finance LLC, Term Loan B, 4.75%, 4/01/19                      | USD | 2,220        | 2,224,352    |
| Ziggo BV:  |     |              |              |
| Term Loan B1A, 3.25%, 1/15/22  |     | 1,879        | 1,842,173    |
| Term Loan B2A, 3.25%, 1/15/22  |     | 1,166        | 1,142,792    |
| Term Loan B3, 0.50%, 1/15/22   |     | 918          | 899,896      |
|  |     |              | 82,750,163   |
| <b>Metals &amp; Mining 1.8%</b>  |     |              |              |
| API Heat Transfer, Inc., Term Loan, 5.25%, 5/03/19                         |     | 1,619        | 1,616,979    |
| FMG Resources August 2006 Property Ltd., Term Loan B, 3.75%, 6/30/19       |     | 2,397        | 2,386,732    |
| Novelis, Inc., Term Loan, 3.75%, 3/10/17                                   |     | 3,401        | 3,389,754    |
| Windsor Financing LLC, Term Loan B, 6.25%, 12/05/17                        |     | 2,598        | 2,637,316    |
|  |     |              | 10,030,781   |
| <b>Multiline Retail 2.0%</b>   |     |              |              |
| 99¢ Only Stores, Term Loan, 4.50%, 1/11/19                                 |     | 1,969        | 1,964,771    |
| BJ's Wholesale Club, Inc.:   |     |              |              |

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|   |     |              |              |
|---|-----|--------------|--------------|
| 1st Lien Term Loan, 4.50%, 9/26/19  |     | 2,355        | 2,341,536    |
| 2nd Lien Term Loan, 8.50%, 3/26/20  |     | 870          | 878,265      |
| Hudson's Bay Co., 1st Lien Term Loan, 4.75%, 11/04/20                         |     | 1,882        | 1,895,194    |
| The Neiman Marcus Group, Inc., 2020 Term Loan, 4.25%, 10/25/20                |     | 4,297        | 4,261,672    |
|   |     |              | 11,341,438   |
| <b>Oil, Gas &amp; Consumable Fuels 3.2%</b>                                   |     |              |              |
| Arch Coal, Inc., Term Loan B, 6.25%, 5/16/18                                  |     | 1,877        | 1,824,247    |
| Drillships Ocean Ventures Inc., Term Loan B, 5.50%, 7/18/21                   |     | 2,910        | 2,918,497    |
| EP Energy LLC/Everest Acquisition Finance, Inc., Term Loan B3, 3.50%, 5/24/18 |     | 1,920        | 1,902,394    |
|   |     | <b>Par</b>   |              |
|   |     | <b>(000)</b> | <b>Value</b> |
| <b>Floating Rate Loan Interests (c)</b>                                       |     |              |              |
| <b>Oil, Gas &amp; Consumable Fuels (concluded)</b>                            |     |              |              |
| Fieldwood Energy LLC:   |     |              |              |
| 1st Lien Term Loan, 3.88%, 9/28/18  | USD | 1,360        | \$ 1,354,877 |
| 2nd Lien Term Loan, 8.38%, 9/30/20  |     | 590          | 602,785      |
| Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15                        |     | 885          | 887,307      |
| Offshore Group Investment Ltd., Term Loan B, 5.75%, 3/28/19                   |     | 185          | 184,102      |
| Panda Patriot LLC, Term Loan B1, 6.75%, 12/19/20                              |     | 1,435        | 1,463,700    |
| Panda Temple II Power LLC, Term Loan B, 7.25%, 4/03/19                        |     | 1,560        | 1,591,200    |
| Power Buyer LLC, 2nd Lien Term Loan, 8.25%, 11/06/20                          |     | 470          | 458,250      |
| Seventy Seven Operating LLC, Term Loan B, 3.75%, 6/25/21                      |     | 1,125        | 1,124,527    |
| Southcross Energy Partners LP, 1st Lien Term Loan, 5.25%, 8/04/21             |     | 1,175        | 1,181,615    |
| Southcross Holdings Borrower LP, Term Loan B, 6.00%, 7/16/21                  |     | 950          | 953,563      |
| Western Refining, Inc., Term Loan B, 4.25%, 11/12/20                          |     | 1,463        | 1,458,993    |
| WTG Holdings III Corp., 1st Lien Term Loan, 4.75%, 1/15/21                    |     | 602          | 599,718      |
|   |     |              | 18,505,775   |
| <b>Personal Products 0.1%</b>   |     |              |              |
| Prestige Brands, Inc., Term Loan B2, 4.50%, 4/28/21                           |     | 450          | 452,250      |
| <b>Pharmaceuticals 6.6%</b>   |     |              |              |
| Akorn, Inc.:  |     |              |              |
| Incremental Term Loan, 4.50%, 4/16/21   |     | 700          | 700,875      |
| Term Loan B, 4.50%, 4/16/21   |     | 1,790        | 1,792,238    |
| Amneal Pharmaceuticals LLC, Term Loan, 4.75% - 6.00%, 11/01/19                |     | 1,226        | 1,224,978    |
| Catalent Pharma Solutions, Inc.:  |     |              |              |
| Term Loan, 6.50%, 12/29/17  |     | 292          | 293,277      |
| Term Loan B, 4.50%, 5/20/21   |     | 3,550        | 3,552,236    |
| CCC Information Services, Inc., Term Loan, 4.00%, 12/20/19                    |     | 916          | 909,464      |
| Endo Luxembourg Finance Co. I Sarl, 2014 Term Loan B, 3.25%, 2/28/21          |     | 1,576        | 1,565,223    |
| Grifols Worldwide Operations USA, Inc., Term Loan B, 3.16%, 2/27/21           |     | 5,481        | 5,439,495    |
| JLL/Delta Dutch Newco BV, Term Loan, 4.25%, 3/11/21                           |     | 1,595        | 1,582,049    |
| Mallinckrodt International Finance SA, Term Loan:                             |     |              |              |
| 3.50%, 7/17/21  |     | 1,440        | 1,435,378    |
| B, 3.50%, 3/19/21   |     | 2,319        | 2,308,171    |
| Par Pharmaceutical Cos, Inc., Term Loan B2, 4.00%, 9/30/19                    |     | 3,732        | 3,699,541    |

|   |       |            |
|---|-------|------------|
| Pharmaceutical Product Development LLC, Term Loan B,<br>4.00%, 12/05/18 | 4,334 | 4,330,786  |
| Quintiles Transnational Corp., Term Loan B3, 3.75%, 6/08/18             | 2,647 | 2,623,501  |
| Valeant Pharmaceuticals International, Inc.:                            |       |            |
| Series C2 Term Loan B, 3.75%, 12/11/19                                  | 2,303 | 2,296,210  |
| Series D2 Term Loan B, 3.75%, 2/13/19                                   | 2,533 | 2,525,026  |
| Series E Term Loan B, 3.75%, 8/05/20                                    | 1,436 | 1,431,213  |
|   |       | 37,709,661 |
| <b>Professional Services 2.9%</b>                                       |       |            |
| Advantage Sales & Marketing, Inc.:                                      |       |            |
| 1st Lien Term Loan, 4.25%, 7/23/21                                      | 1,969 | 1,948,874  |
| 2nd Lien Term Loan, 7.50%, 7/25/22                                      | 1,580 | 1,580,332  |
| Delayed Draw Term Loan, 4.25%, 7/23/21                                  | 66    | 64,962     |
| Ceridian LLC:   |       |            |
| Term Loan B1, 4.16%, 5/09/17  | 2,821 | 2,816,632  |
| Term Loan B2, 4.50%, 9/14/20  | 2,230 | 2,227,684  |
| Emdeon Business Services LLC, Term Loan B2, 3.75%,<br>11/02/18          | 3,241 | 3,220,638  |

See Notes to Financial Statements.

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## BlackRock Floating Rate Income Strategies Fund, Inc. (FRA)

Consolidated Schedule of Investments (continued) (Percentages shown are based on Net Assets)

|  | <b>Par<br/>(000)</b> | <b>Value</b> |
|--|----------------------|--------------|
| <b>Floating Rate Loan Interests (c)</b>                            |                      |              |
| <b>Professional Services (concluded)</b>                           |                      |              |
| Intertrust Group Holding BV, 2nd Lien Term Loan, 8.00%,<br>4/16/22 | USD 1,175            | \$ 1,171,334 |
| SIRVA Worldwide, Inc., Term Loan, 7.50%, 3/27/19                   | 1,837                | 1,873,485    |
| Truven Health Analytics, Inc., Term Loan B, 4.50%, 6/06/19         | 1,642                | 1,634,136    |
|  |                      | 16,538,077   |
| <b>Real Estate Management &amp; Development 1.3%</b>               |                      |              |
| CityCenter Holdings LLC, Term Loan B, 4.25%, 10/16/20              | 2,296                | 2,292,450    |
| Realogy Corp.:   |                      |              |
| Extended Letter of Credit, 4.40%, 10/10/16                         | 115                  | 114,742      |
| Term Loan B, 3.75%, 3/05/20  | 5,212                | 5,185,491    |
|  |                      | 7,592,683    |
| <b>Road &amp; Rail 0.8%</b>  |                      |              |
| The Hertz Corp., Term Loan B2, 3.00%, 3/11/18                      | 1,455                | 1,427,719    |
| Road Infrastructure Investment LLC:                                |                      |              |
| 1st Lien Term Loan, 4.25%, 3/31/21                                 | 2,035                | 2,012,862    |
| 2nd Lien Term Loan, 7.75%, 9/21/21                                 | 975                  | 962,812      |
|  |                      | 4,403,393    |
| <b>Semiconductors &amp; Semiconductor Equipment 1.6%</b>           |                      |              |
| Avago Technologies Cayman Ltd., Term Loan B, 3.75%,<br>5/06/21     | 4,695                | 4,687,535    |
| Freescale Semiconductor, Inc.:                                     |                      |              |
| Term Loan B4, 4.25%, 2/28/20                                       | 2,344                | 2,334,375    |
| Term Loan B5, 5.00%, 1/15/21                                       | 710                  | 711,859      |
| NXP BV, Term Loan D, 3.25%, 1/11/20                                | 1,419                | 1,405,792    |
|  |                      | 9,139,561    |
| <b>Software 4.0%</b>   |                      |              |
| BMC Software Finance, Inc., Term Loan, 5.00%, 9/10/20              | 2,357                | 2,349,372    |
| Evertec Group LLC, Term Loan B, 3.50%, 4/17/20                     | 1,059                | 1,040,762    |
| GCA Services Group, Inc.:  |                      |              |
| 2nd Lien Term Loan, 9.25%, 10/22/20                                | 780                  | 781,303      |
| Term Loan B, 4.25% - 5.50%, 11/01/19                               | 1,773                | 1,762,606    |
| Infor US, Inc.:  |                      |              |
| Term Loan B3, 3.75%, 6/03/20                                       | 851                  | 841,359      |
| Term Loan B5, 3.75%, 6/03/20                                       | 4,008                | 3,972,948    |
| IQOR US, Inc., Term Loan B, 6.00%, 4/01/21                         | 891                  | 832,892      |
| Kronos Worldwide, Inc., 2014 8Term Loan, 4.75%, 2/18/20            | 509                  | 509,361      |
| Kronos, Inc., 2nd Lien Term Loan, 9.75%, 4/30/20                   | 1,787                | 1,831,296    |
| Mitchell International, Inc.:                                      |                      |              |
| 1st Lien Term Loan, 4.50%, 10/12/20                                | 2,195                | 2,190,518    |
| 2nd Lien Term Loan, 8.50%, 10/11/21                                | 1,600                | 1,611,008    |
| Regit Eins GmbH, 1st Lien Term Loan, 6.00%, 6/30/21                | 1,160                | 1,133,900    |
| RP Crown Parent LLC, 2013 Term Loan, 6.00%, 12/21/18               | 925                  | 910,068      |
| Sophia LP, 2014 Term Loan B, 4.00%, 7/19/18                        | 2,912                | 2,897,917    |
|  |                      | 22,665,310   |

**Specialty Retail 4.5%**

|  |       |           |
|--|-------|-----------|
| Academy Ltd., Term Loan, 4.50%, 8/03/18                            | 2,273 | 2,265,792 |
| Equinox Holdings, Inc., Repriced Term Loan B, 4.25%, 1/31/20       | 1,053 | 1,048,077 |
| General Nutrition Centers, Inc., Term Loan, 3.25%, 3/04/19         | 1,454 | 1,435,150 |
| The Gymboree Corp., Initial Term Loan, 5.00%, 2/23/18              | 161   | 127,366   |
| Harbor Freight Tools USA, Inc., 1st Lien Term Loan, 4.75%, 7/26/19 | 1,970 | 1,968,999 |
| Jo-Ann Stores, Inc., Term Loan, 4.00%, 3/16/18                     | 1,733 | 1,690,688 |
| Leslie's Poolmart, Inc., Term Loan, 4.25%, 10/16/19                | 2,377 | 2,360,816 |

**Floating Rate Loan Interests (c)****Specialty Retail (concluded)**

|   | Par<br>(000) | Value        |
|---|--------------|--------------|
| Michaels Stores, Inc.:                                  |              |              |
| Incremental 2014 Term Loan B2, 4.00%, 1/28/20           | USD 2,920    | \$ 2,901,750 |
| Term Loan B, 3.75%, 1/28/20                             | 2,253        | 2,226,495    |
| Party City Holdings, Inc., Term Loan, 4.00%, 7/27/19    | 4,158        | 4,118,111    |
| Petco Animal Supplies, Inc., Term Loan, 4.00%, 11/24/17 | 3,370        | 3,359,181    |
| Things Remembered, Inc., Term Loan B, 8.00%, 5/24/18    | 1,706        | 1,697,022    |
| Toys 'R Us-Delaware, Inc.:                              |              |              |
| Incremental Term Loan B2, 5.25%, 5/25/18                | 785          | 659,560      |
| Term Loan B3, 5.25%, 5/25/18                            | 163          | 136,615      |
|   |              | 25,995,622   |

**Textiles, Apparel & Luxury Goods 2.1%**

|   |       |            |
|---|-------|------------|
| ABG Intermediate Holdings 2 LLC, 1st Lien Term Loan, 5.50%, 5/27/21 | 2,145 | 2,139,263  |
| Ascend Performance Materials LLC, Term Loan B, 6.75%, 4/10/18       | 2,298 | 2,263,945  |
| J. Crew Group, Inc., Term Loan B, 4.00%, 3/05/21                    | 2,060 | 2,018,208  |
| Kate Spade & Co., Term Loan B, 4.00%, 4/09/21                       | 2,225 | 2,193,716  |
| Nine West Holdings, Inc.:   |       |            |
| Guarantee Term Loan, 6.25%, 1/08/20                                 | 810   | 805,950    |
| Term Loan B, 4.75%, 10/08/19  | 950   | 951,188    |
| Polymer Group, Inc., 1st Lien Term Loan, 5.25%, 12/19/19            | 1,526 | 1,533,825  |
|   |       | 11,906,095 |

**Thriffs & Mortgage Finance 0.3%**

|   |       |           |
|---|-------|-----------|
| IG Investment Holdings LLC, 1st Lien Term Loan, 5.25%, 10/31/19 | 1,931 | 1,931,411 |
|---|-------|-----------|

**Wireless Telecommunication Services 0.5%**

|   |       |                    |
|---|-------|--------------------|
| LTS Buyer LLC, 1st Lien Term Loan, 4.00%, 4/13/20 | 2,663 | 2,647,574          |
| <b>Total Floating Rate Loan Interests 133.3%</b>  |       | <b>762,866,549</b> |

**Non-Agency Mortgage-Backed Securities****Commercial Mortgage-Backed Securities 0.3%**

|  |       |           |
|--|-------|-----------|
| Hilton USA Trust, Series 2013-HLT, Class EFX, 5.61%, 11/05/30 (b)(c) | 1,336 | 1,366,874 |
|--|-------|-----------|

**Investment Companies****Capital Markets 0.0%**

|  | Shares |               |
|--|--------|---------------|
| Eaton Vance Floating-Rate Income Trust | 54     | 806           |
| Eaton Vance Senior Income Trust        | 13,945 | 93,013        |
| <b>Total Investment Companies 0.0%</b> |        | <b>93,819</b> |

**Other Interests (i)**

|   | <b>Beneficial<br/>Interest<br/>(000)</b> |           |
|---|--|-----------|
| <b>Auto Components 0.0%</b>   |  |           |
| Internet Liquidating Trust, Class A                                       | USD256                                   | 3         |
| <b>Diversified Financial Services 0.1%</b>                                |  |           |
| J.G. Wentworth LLC Preferred Equity (Acquired 11/18/13, cost \$1,177,928) |  |           |
| (a)(j)(k)   | 17                                       | 231,434   |
| <b>Household Durables 0.3%</b>  |  |           |
| Stanley Martin, Class B Membership Units (k)                              | 1  | 1,858,750 |
| <b>Total Other Interests 0.4%</b>   |  | 2,090,187 |

See Notes to Financial Statements.

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## BlackRock Floating Rate Income Strategies Fund, Inc. (FRA)

Consolidated Schedule of Investments (continued) (Percentages shown are based on Net Assets)

|  | Shares        | Value         |
|--|---------------|---------------|
| <b>Preferred Securities</b>  |               |               |
| <b>Preferred Stock 0.0%</b>  |               |               |
| <b>Diversified Financial Services 0.0%</b>   |               |               |
| Ally Financial, Inc., Series A, 8.50% (c)(I)   | 4,976         | \$ 135,695    |
| <b>Trust Preferreds 0.3%</b>   |               |               |
| <b>Diversified Financial Services 0.3%</b>   |               |               |
| GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (c)   | 71,644        | 1,918,919     |
| <b>Total Preferred Securities 0.3%</b>   |               | 2,054,614     |
| <b>Warrants (m)</b>  |               |               |
| <b>Chemicals 0.0%</b>  |               |               |
| GEO Specialty Chemicals, Inc., (Expires 3/31/15)   | 143,928       | 138,171       |
| <b>Software 0.0%</b>   |               |               |
| HMH Holdings/EduMedia (Issued/Exercisable 3/09/10, 19 Shares for 1 Warrant, Expires 6/22/19, Strike Price \$42.27) | 2,406         | 11,191        |
| <b>Total Warrants 0.0%</b>   |               | 149,362       |
| <b>Total Long-Term Investments</b>   |               |               |
| (Cost \$817,221,311) 142.0%  |               | 813,078,886   |
| <b>Short-Term Securities</b>   | <b>Shares</b> | <b>Value</b>  |
| BlackRock Liquidity Funds, TempFund, Institutional Class, 0.03% (n)(o)   | 3,456,864     | \$3,456,864   |
| <b>Total Short-Term Securities</b>   |               |               |
| (Cost \$3,456,864) 0.6%  |               | 3,456,864     |
| <b>Options Purchased</b>   |               |               |
| (Cost \$43,022) 0.0%   |               |               |
| <b>Total Investments (Cost \$820,721,197) 142.6%</b>   |               | 816,535,750   |
| <b>Liabilities in Excess of Other Assets (42.6)%</b>   |               | (244,072,329) |
| <b>Net Assets 100.0%</b>   |               | \$572,463,421 |

## Notes to Consolidated Schedule of Investments

- (a) Non-income producing security.
- (b) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (c) Variable rate security. Rate shown is as of report date.
- (d) When-issued security. Unsettled when-issued transactions were as follows:

| Counterparty                   | Value     | Unrealized<br>Appreciation |
|--------------------------------|-----------|----------------------------|
| Deutsche Bank Securities, Inc. | \$815,968 |                            |

- (e) Zero-coupon bond.
- (f) Convertible security.
- (g) Issuer filed for bankruptcy and/or is in default of principal and/or interest payments.
- (h) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares and/or in cash. Rates shown are the current rate and possible payment rates.
- (i) Other interests represent beneficial interests in liquidation trusts and other reorganization or private entities.
- (j) Restricted security as to resale. As of report date, the Fund held restricted securities with a current value of \$231,434 and an original cost of \$1,177,928 which was less than 0.05% of its net assets.
- (k) Security is held by a wholly owned subsidiary. See Note 1 of the Notes to Financial Statements for details on the wholly owned subsidiary.
- (l) Security is perpetual in nature and has no stated maturity date.
- (m) Warrants entitle the Fund to purchase a predetermined number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date, if any.
- (n) Investments in issuers considered to be an affiliate of the Fund during the year ended August 31, 2014, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

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| <b>Affiliate</b>  | <b>Shares<br/>Held at<br/>August 31,<br/>2013</b> | <b>Net<br/>Activity</b> | <b>Shares<br/>Held at<br/>August 31, 2014</b> | <b>Income</b> |
|---|---|-------------------------|---|---------------|
| BlackRock Liquidity Funds, TempFund,<br>Institutional Class | 907,643   | 2,549,221               | 3,456,864                                     | \$677         |

- (o) Represents the current yield as of report date.  
See Notes to Financial Statements.

## BlackRock Floating Rate Income Strategies Fund, Inc. (FRA)

## Consolidated Schedule of Investments (continued)

Forward foreign currency exchange contracts outstanding as of August 31, 2014 were as follows:

| Currency Purchased |           | Currency Sold |           | Counterparty         | Settlement Date | Unrealized Appreciation |
|--------------------|-----------|---------------|-----------|----------------------|-----------------|-------------------------|
| USD                | 2,851,888 | CAD           | 3,072,000 | UBS AG               | 10/21/14        | \$ 29,736               |
| USD                | 2,488,112 | EUR           | 1,839,000 | Citibank N.A.        | 10/21/14        | 71,044                  |
| USD                | 7,842,887 | GBP           | 4,590,000 | Bank of America N.A. | 10/21/14        | 225,759                 |
| <b>Total</b>       |           |               |           |                      |                 | <b>\$ 326,539</b>       |

OTC options purchased as of August 31, 2014 were as follows:

| Description                    | Counterparty        | Put/Call | Strike Price | Expiration Date | Contracts | Market Value |
|--------------------------------|---------------------|----------|--------------|-----------------|-----------|--------------|
| Marsico Parent Superholdco LLC | Goldman Sachs & Co. | Call     | USD 942.86   | 12/14/19        | 44        |              |

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

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

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

**Level 2** other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

**Level 3** unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

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

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Fund's policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments and derivatives financial instruments is based on the pricing transparency of the investment and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and derivatives financial instruments, please refer to Note 2 of the Notes to Financial

Statements.

The following tables summarize the Fund's investments and derivatives financial instruments categorized in the disclosure hierarchy as of August 31, 2014:

|                              | Level 1             | Level 2              | Level 3             | Total                |
|------------------------------|---------------------|----------------------|---------------------|----------------------|
| <b>Assets:</b>               |                     |                      |                     |                      |
| Investments:                 |                     |                      |                     |                      |
| Long-Term Investments:       |                     |                      |                     |                      |
| Common Stocks                | \$3,292,068         | \$2,052,389          | \$1,510,942         | \$6,855,399          |
| Asset-Backed Securities      |                     | 13,353,662           | 1,159,180           | 14,512,842           |
| Corporate Bonds              |                     | 18,322,283           | 4,766,957           | 23,089,240           |
| Floating Rate Loan Interests |                     | 704,178,051          | 58,688,498          | 762,866,549          |
| Non-Agency                   |                     |                      |                     |                      |
| Mortgage-Backed Securities   |                     | 1,366,874            |                     | 1,366,874            |
| Investment Companies         | 93,819              |                      |                     | 93,819               |
| Other Interests              | 231,434             |                      | 1,858,753           | 2,090,187            |
| Preferred Securities         | 2,054,614           |                      |                     | 2,054,614            |
| Warrants                     |                     | 11,191               | 138,171             | 149,362              |
| Short-Term Securities        | 3,456,864           |                      |                     | 3,456,864            |
| <b>Liabilities:</b>          |                     |                      |                     |                      |
| Unfunded Floating Rate Loan  |                     |                      |                     |                      |
| Interests                    |                     | (27,119 )            | (374 )              | (27,493 )            |
| <b>Total</b>                 | <b>\$ 9,128,799</b> | <b>\$739,257,331</b> | <b>\$68,122,127</b> | <b>\$816,508,257</b> |

Derivative financial instruments are forward foreign currency exchange contracts, which are valued at the unrealized appreciation/depreciation on the instrument.

See Notes to Financial Statements.

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## BlackRock Floating Rate Income Strategies Fund, Inc. (FRA)

## Consolidated Schedule of Investments (concluded)

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of August 31, 2014, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

|                           | Level 1           | Level 2                | Level 3 | Total                  |
|---------------------------|-------------------|------------------------|---------|------------------------|
| <b>Assets:</b>            |                   |                        |         |                        |
| Cash                      | \$280,710         |                        |         | \$280,710              |
| Foreign currency at value | 26,789            |                        |         | 26,789                 |
| <b>Liabilities:</b>       |                   |                        |         |                        |
| Bank borrowings payable   |                   | \$(235,000,000)        |         | (235,000,000)          |
| <b>Total</b>              | <b>\$ 307,499</b> | <b>\$(235,000,000)</b> |         | <b>\$(234,692,501)</b> |

There were no transfers between Level 1 and Level 2 during the year ended August 31, 2014.

A reconciliation of Level 3 investments is presented when the Fund had a significant amount of Level 3 investments at the beginning and/or end of the year in relation to net assets. The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used in determining fair value:

|  | Common<br>Stocks | Asset-Backed<br>Securities | Corporate<br>Bonds | Floating<br>Rate Loan<br>Interests | Other<br>Interests | Unfunded<br>Floating<br>Rate<br>Loan<br>Interests<br>(Liabilities)Warrants | Total         |
|--|------------------|----------------------------|--------------------|------------------------------------|--------------------|--|---------------|
| Beginning Balance, as of<br>August 31, 2013  | \$1,119,143      | \$21,081,133               | \$4,187,534        | \$86,976,283                       | \$2,150,980        | \$113,703  | \$115,628,780 |
| Transfers into Level 3 <sup>1</sup>  |                  |                            |                    | 17,936,055                         |                    |  | 17,936,055    |
| Transfers out of Level 3 <sup>2</sup>  |                  | (10,743,038)               |                    | (23,415,465)                       |                    |  | (34,158,503)  |
| Net change   |                  | 23,566                     | 86,305             | 204,952                            |                    |  | 314,823       |
| Realized gain (loss)   |                  | 575,570                    | (1,224,001)        | 326,795                            |                    |  | (321,636)     |
| Change in unrealized<br>appreciation/<br>depreciation <sup>3,4</sup>   | 391,799          | (562,157 )                 | 1,840,655          | (485,928 )                         | 3,538,800          | \$(374)  | 24,468        |
| Net change   |                  | 1,158,935                  | 825,762            | 28,630,114                         |                    |  | 30,614,803    |
| Ending Balance, as of<br>August 31, 2014   | \$1,510,942      | \$1,159,180                | \$4,766,957        | \$58,688,498                       | \$1,858,753        | \$(374)  | \$68,122,125  |
| Change in unrealized<br>appreciation/depreciation<br>on investments still held<br>as of August 31, 2014 <sup>4</sup> | \$391,798        | \$(117 )                   | \$603,310          | \$(134,297 )                       | \$492,693          | \$(374)  | \$24,468      |
|  |                  |                            |                    |                                    |                    |  | \$1,377,483   |

As of August 31, 2013, the Fund used observable inputs in determining the value of certain investments. As of August 31, 2014, the Fund used significant unobservable inputs in determining the value of the same investments. As a result, investments with a beginning of period value of \$17,936,055 transferred from Level 2 to Level 3 in the disclosure hierarchy.

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As of August 31, 2013, the Fund used significant unobservable inputs in determining the value of certain investments. As of August 31, 2014, the Fund used observable inputs in determining the value of the same investments. As a result, investments with a beginning of period value of \$34,158,503 transferred from Level 3 to Level 2 in the disclosure hierarchy.

<sup>3</sup>Included in the related net change in unrealized appreciation/depreciation in the Statements of Operations.

Any difference between Net change in unrealized appreciation/depreciation and Net change in unrealized

<sup>4</sup>appreciation/depreciation on investments still held at August 31, 2014 is generally due to investments no longer held or categorized as Level 3 at period end.

The following table summarizes the valuation techniques used and unobservable inputs utilized by the BlackRock Global Valuation Methodologies Committee (the Global Valuation Committee) to determine the value of certain of the Fund's Level 3 investments as of August 31, 2014. The table does not include Level 3 investments with values based upon unadjusted third party pricing information in the amount of \$58,988,343. A significant change in such third party pricing information could result in a significantly lower or higher value of such Level 3 investments.

|                              | Value       | Valuation Techniques             | Unobservable Inputs   | Range of Unobservable Inputs Utilized |
|------------------------------|-------------|----------------------------------|---|---------------------------------------|
| <b>Assets:</b>               |             |                                  |   |                                       |
| Common Stocks                | \$1,510,939 | Market Comparable Companies      | Last 12 Months EBITDA Multiple <sup>6</sup>                 | 6.50x                                 |
|                              |             |                                  | Illiquidity Discount <sup>7</sup>                           | 17.50%                                |
|                              |             |                                  | Offshore Last 12 Months EBITDA Multiple <sup>6</sup>        | 6.19x                                 |
|                              |             |                                  | Offshore Current Fiscal Year EBITDA Multiple <sup>6</sup>   | 7.25x                                 |
|                              |             |                                  | Onshore Last 12 Months EBITDA Multiple <sup>6</sup>         | 5.18x                                 |
|                              |             |                                  | Onshore Current Fiscal Year EBITDA Multiple <sup>6</sup>    | 4.75x                                 |
|                              |             |                                  | Discontinued Operations Expected Sale Proceeds <sup>6</sup> | \$150 <sup>8</sup>                    |
| Corporate Bonds              | 3,928,902   | Market Comparable Companies      | Last 12 Months EBITDA Multiple <sup>6</sup>                 | 6.50x                                 |
|                              |             |                                  | Illiquidity Discount <sup>7</sup>                           | 17.50%                                |
| Floating Rate Loan Interests | 1,697,022   | Market Comparable Yield Analysis | Yield <sup>7</sup>  | 8.25%                                 |
| Other Interests <sup>5</sup> | 1,858,750   | Market Comparable Companies      | Tangible Book Value Multiple <sup>6</sup>                   | 1.35x                                 |
| Warrants                     | 138,171     | Market Comparable Companies      | Last 12 Months EBITDA Multiple <sup>6</sup>                 | 6.50x                                 |

Illiquidity Discount<sup>7</sup> 17.50%

**Total** \$9,133,784

<sup>5</sup> For the year ended August 31, 2014, the valuation technique for an investment classified as other interests changed to a market approach. The investment was previously valued utilizing an income approach. Market information became available for this investment which is considered to be a more relevant measure of fair value for this investment.

<sup>6</sup> Increase in unobservable input may result in a significant increase to value, while a decrease in the unobservable input may result in a significant decrease to value.

<sup>7</sup> Decrease in unobservable input may result in a significant increase to value, while an increase in the unobservable input may result in a significant decrease to value.

<sup>8</sup> Amount is stated in millions.

See Notes to Financial Statements.

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**BlackRock Limited Duration Income Trust (BLW)**  
**(Percentages shown are based on Net Assets)**

Consolidated Schedule of Investments August 31, 2014

| <b>Common Stocks</b>                       | <b>Shares</b> | <b>Value</b>     |
|--|---------------|------------------|
| <b>Auto Components 0.0%</b>                |               |                  |
| Lear Corp.                                 | 807           | \$ 81,612        |
| <b>Chemicals 0.0%</b>                      |               |                  |
| LyondellBasell Industries NV, Class A      | 37            | 4,231            |
| <b>Construction &amp; Engineering 0.0%</b> |               |                  |
| USI United Subcontractors                  | 6,454         | 122,626          |
| <b>Diversified Consumer Services 0.2%</b>  |               |                  |
| Cengage Thomson Learning (a)               | 38,155        | 1,208,254        |
| <b>Diversified Financial Services 0.4%</b> |               |                  |
| Kcad Holdings I Ltd. (a)                   | 384,412,912   | 2,625,540        |
| <b>Household Durables 0.0%</b>             |               |                  |
| Berkline Benchcraft Equity LLC (a)         | 3,155         |                  |
| <b>Software 0.4%</b>                       |               |                  |
| HMH Holdings/EduMedia (a)                  | 128,441       | 2,466,067        |
| <b>Total Common Stocks 1.0%</b>            |               | <b>6,508,330</b> |

| <b>Asset-Backed Securities</b>   | <b>Par<br/>(000)</b> |           |
|--|----------------------|-----------|
| <b>Asset-Backed Securities 6.9%</b>  |                      |           |
| ACAS CLO Ltd. (b)(c):  |                      |           |
| Series 2013-1A, Class D, 3.83%, 4/20/25  | USD 750              | 721,875   |
| Series 2014-1A, Class C, 3.15%, 7/18/26  | 1,500                | 1,459,318 |
| Adirondack Park CLO Ltd., Series 2013-1A, Class D, 3.88%, 4/15/24<br>(b)(c)                  | 1,750                | 1,681,871 |
| Aircraft Lease Securitisation Ltd., Series 2007-1A, Class G3, 0.42%,<br>5/10/32 (b)(c)       | 594                  | 581,911   |
| ALM Loan Funding, Series 2013-7RA (b)(c):  |                      |           |
| Class C, 3.68%, 4/24/24  | 1,210                | 1,156,617 |
| Class D, 5.23%, 4/24/24  | 1,040                | 966,312   |
| ALM XIV Ltd., Series 2014-14A, Class C, 3.68%, 7/28/26 (b)(c)                                | 3,140                | 2,980,488 |
| AmeriCredit Automobile, Receivables 2014-3, AMCAR 2014-3 C,<br>2.58%, 9/08/20                | 3,750                | 3,752,925 |
| Atrium CDO Corp., Series 9A, Class D, 3.74%, 2/28/24 (b)(c)                                  | 1,100                | 1,051,523 |
| Battalion CLO IV Ltd., Series 2013-4A, Class C, 3.58%, 10/22/25<br>(b)(c)                    | 500                  | 464,488   |
| Benefit Street Partners CLO II Ltd., Series 2013-IIA, Class C, 3.73%,<br>7/15/24 (b)(c)      | 750                  | 706,066   |
| Carlyle Global Market Strategies CLO Ltd., Series 2013-1A, Class C,<br>4.23%, 2/14/25 (b)(c) | 250                  | 245,189   |
| CarMax Auto Owner Trust, Series 2012-3, Class D, 2.29%, 4/15/19                              | 2,530                | 2,560,798 |
| Cent CLO, Series 2014-21A, Class C, 3.73%, 7/27/26 (b)(c)                                    | 1,000                | 947,580   |
| Central Park CLO Ltd., Series 2011-1A, Class D, 3.43%, 7/23/22 (b)(c)                        | 500                  | 492,902   |
| CIFC Funding 2014-IV, Ltd., Series 2014-4A, Class C1, 3.14%,<br>10/17/26 (b)(c)(d)           | 2,850                | 2,750,250 |

|  |       |           |
|--|-------|-----------|
| CIFC Funding Ltd., Series 2014-3A, Class D, 3.55%, 7/22/26 (b)(c)                    | 420   | 392,812   |
| Countrywide Asset-Backed Certificates, Series 2007-7, Class 2A2, 0.32%, 10/25/47 (b) | 1,114 | 1,101,451 |
| Credit Suisse ABS Repackaging Trust, Series 2013-A, Class B, 2.50%, 1/25/30 (c)      | 2,549 | 2,456,036 |
| Fraser Sullivan CLO VII Ltd., Series 2012-7A, Class C, 4.23%, 4/20/23 (b)(c)         | 1,090 | 1,081,567 |
| Gramercy Park CLO, Ltd., Series 2012-1AR, Class CR, 4.28%, 7/17/23 (b)(c)            | 5,000 | 4,965,875 |
| GSAA Trust, Series 2007-3, Class 1A2, 0.33%, 3/25/47 (b)                             | 2,736 | 1,500,117 |
| Halcyon Loan Advisors Funding Ltd., Series 2013-1A, Class C, 3.73%, 4/15/25 (b)(c)   | 1,000 | 942,366   |
| Jamestown CLO IV Ltd., Series 2014-4A, Class C, 3.73%, 7/15/26 (b)(c)                | 1,165 | 1,096,658 |

|  | <b>Par<br/>(000)</b> | <b>Value</b> |
|--|----------------------|--------------|
| <b>Asset-Backed Securities</b>   |                      |              |
| <b>Asset-Backed Securities (concluded)</b>   |                      |              |
| Madison Park Funding Ltd., Series 2012-10A, Class D, 4.48%, 1/20/25 (b)(c)               | USD 700              | \$ 699,978   |
| Madison Park Funding XI Ltd., Series 2013-11A, Class D, 3.73%, 10/23/25 (b)(c)           | 420                  | 400,612      |
| Octagon Investment Partners XVI Ltd., Series 2013-1A, Class D, 3.58%, 7/17/25 (b)(c)     | 2,000                | 1,885,838    |
| OZLM Funding Ltd., Series 2012-2A, Class C, 4.59%, 10/30/23 (b)(c)                       | 500                  | 501,371      |
| OZLM VII Ltd., Series 2014-7A, Class C, 3.86%, 7/17/26 (b)(c)                            | 780                  | 733,535      |
| OZLM VIII, Ltd., Series 2014-8A, Class B, 3.28%, 10/17/26 (b)(c)(d)                      | 2,500                | 2,435,250    |
| Regatta Funding LP, Series 2013-2A, Class C, 4.23%, 1/15/25 (b)(c)                       | 500                  | 486,500      |
| World Financial Network Credit Card Master Trust, Series 2012-C, Class B, 3.57%, 8/15/22 | 3,000                | 3,116,616    |
|  |                      | 46,316,695   |
| <b>Interest Only Asset-Backed Securities 0.2%</b>  |                      |              |
| Sterling Bank Trust, Series 2004-2, Class Note, 2.08%, 3/30/30 (c)                       | 7,331                | 531,478      |
| Sterling Coofs Trust, Series 2004-1, Class A, 2.00%, 4/15/29                             | 8,622                | 592,773      |
|  |                      | 1,124,251    |
| <b>Total Asset-Backed Securities 7.1%</b>  |                      | 47,440,946   |

**Corporate Bonds**

**Aerospace 0.0%**

|   |         |         |
|---|---------|---------|
| Telefonica SA, Series TIT, 6.00%, 7/24/17 (e) | EUR 200 | 268,650 |
|---|---------|---------|

**Aerospace & Defense 0.7%**

|   |         |           |
|---|---------|-----------|
| DigitalGlobe, Inc., 5.25%, 2/01/21 (c)(f)           | USD 928 | 918,720   |
| Huntington Ingalls Industries, Inc., 7.13%, 3/15/21 | 570     | 619,875   |
| Meccanica Holdings USA, Inc., 6.25%, 7/15/19 (c)    | 339     | 369,510   |
| Transdigm, Inc. (c):                                |         |           |
| 6.00%, 7/15/22 (f)                                  | 1,795   | 1,826,413 |
| 6.50%, 7/15/24                                      | 835     | 855,875   |
|   |         | 4,590,393 |

**Airlines 3.0%**

|   |     |         |
|---|-----|---------|
| Air Canada Pass-Through Trust, Series 2013-1, Class C, 6.63%, 5/15/18 (c) | 651 | 677,398 |
|---|-----|---------|

|  |         |            |
|--|---------|------------|
| American Airlines Pass-Through Trust, Series 2013-2 (f):                               |         |            |
| Class A, 4.95%, 7/15/24  | 3,647   | 3,929,157  |
| Class B, 5.60%, 1/15/22  | 708     | 734,972    |
| Class C, 6.00%, 1/15/17 (c)  | 2,600   | 2,691,000  |
| Continental Airlines Pass-Through Trust, Series 2012-3, Class C, 6.13%,<br>4/29/18 (f) | 2,090   | 2,215,400  |
| Continental Airlines, Inc., 6.75%, 9/15/15 (c)(f)                                      | 1,350   | 1,352,160  |
| Delta Air Lines Pass-Through Trust, Series 2009-1, Class B, 9.75%, 6/17/18             | 217     | 245,069    |
| United Airlines Pass-Through Trust, Series 2014-2, Class B, 4.63%, 3/03/24             | 2,300   | 2,300,000  |
| US Airways Pass-Through Trust, Class C:  |         |            |
| Series 2011-1, 10.88%, 10/22/14  | 615     | 624,067    |
| Series 2012-1, 9.13%, 10/01/15 (f)   | 1,754   | 1,850,027  |
| Virgin Australia Trust, Series 2013-1 (c):   |         |            |
| Class A, 5.00%, 4/23/25  | 744     | 787,193    |
| Class B, 6.00%, 4/23/22 (f)  | 1,553   | 1,626,295  |
| Class C, 7.13%, 10/23/18 (f)   | 1,121   | 1,170,966  |
|  |         | 20,203,704 |
| <b>Auto Components 1.1%</b>  |         |            |
| Affinia Group, Inc., 7.75%, 5/01/21 (f)  | 1,095   | 1,127,850  |
| Autodis SA, 6.50%, 2/01/19   | EUR 100 | 137,394    |
| Brighthouse Group PLC, 7.88%, 5/15/18  | GBP 100 | 174,731    |

See Notes to Financial Statements.

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**BlackRock Limited Duration Income Trust (BLW)**  
(Percentages shown are based on Net Assets)

Consolidated Schedule of Investments (continued)

|  |     | <b>Par<br/>(000)</b> | <b>Value</b> |
|--|-----|----------------------|--------------|
| <b>Corporate Bonds</b>   |     |                      |              |
| <b>Auto Components (concluded)</b>                                       |     |                      |              |
| Icahn Enterprises LP/Icahn Enterprises Finance Corp., 4.88%, 3/15/19 (f) | USD | 2,058                | \$ 2,114,595 |
| Jaguar Land Rover Automotive PLC, 8.25%, 3/15/20                         | GBP | 554                  | 1,020,893    |
| Pittsburgh Glass Works LLC, 8.00%, 11/15/18 (c)                          | USD | 207                  | 220,972      |
| Rhino Bondco SpA, 7.25%, 11/15/20  | EUR | 110                  | 153,640      |
| Schaeffler Holding Finance BV:<br>2.75%, 5/15/19                         |     | 405                  | 533,561      |
| 6.88% (6.88% Cash or 7.63% PIK), 8/15/18 (c)(f)(g)                       | USD | 1,085                | 1,143,319    |
| 6.88%, 8/15/18 (g)   | EUR | 375                  | 519,339      |
| Titan International, Inc., 6.88%, 10/01/20                               | USD | 555                  | 557,775      |
|  |     |                      | 7,704,069    |
| <b>Auto Parts 0.0%</b>   |     |                      |              |
| PetroLogistics LP/PetroLogistics Finance Corp., 6.25%, 4/01/20           |     | 223                  | 245,858      |
| <b>Automobiles 0.9%</b>  |     |                      |              |
| Chrysler Group LLC/CG Co-Issuer, Inc. (f):<br>8.00%, 6/15/19             |     | 1,087                | 1,169,232    |
| 8.25%, 6/15/21   |     | 1,165                | 1,301,887    |
| Ford Motor Co., 4.25%, 11/15/16 (e)                                      |     | 434                  | 878,308      |
| General Motors Co., 3.50%, 10/02/18 (f)                                  |     | 2,478                | 2,530,657    |
|  |     |                      | 5,880,084    |
| <b>Banks 0.9%</b>  |     |                      |              |
| Banco Espirito Santo SA:<br>4.75%, 1/15/18                               | EUR | 100                  | 131,841      |
| 4.00%, 1/21/19   |     | 100                  | 129,255      |
| CIT Group, Inc. (f):<br>5.00%, 5/15/17                                   | USD | 890                  | 940,063      |
| 5.50%, 2/15/19 (c)   |     | 1,370                | 1,477,887    |
| HSBC Holdings PLC, 6.25%, 3/19/18  | EUR | 1,000                | 1,541,171    |
| Nordea Bank AB, 4.50%, 3/26/20   |     | 1,020                | 1,539,333    |
|  |     |                      | 5,759,550    |
| <b>Beverages 0.1%</b>  |     |                      |              |
| Constellation Brands, Inc., 7.25%, 5/15/17                               | USD | 82                   | 92,143       |
| Crown European Holdings SA, 4.00%, 7/15/22                               | EUR | 260                  | 353,755      |
|  |     |                      | 445,898      |
| <b>Building Products 1.0%</b>  |     |                      |              |
| American Builders & Contractors Supply Co., Inc., 5.63%, 4/15/21 (c)     | USD | 190                  | 193,325      |
| BMBG Bond Finance SCA, 5.20%, 10/15/20 (b)                               | EUR | 200                  | 266,364      |
| Builders FirstSource, Inc., 7.63%, 6/01/21 (c)(f)                        | USD | 890                  | 930,050      |
| Building Materials Corp. of America, 6.75%, 5/01/21 (c)(f)               |     | 770                  | 825,825      |
| Cemex Finance LLC, 6.00%, 4/01/24 (c)(f)                                 |     | 1,045                | 1,086,800    |
| CPG Merger Sub LLC, 8.00%, 10/01/21 (c)(f)                               |     | 1,030                | 1,081,500    |
| Ply Gem Industries, Inc., 6.50%, 2/01/22 (c)                             |     | 745                  | 737,550      |
| USG Corp., 9.75%, 1/15/18 (f)  |     | 1,390                | 1,636,725    |
|  |     |                      | 6,758,139    |
| <b>Cable Television Services 0.1%</b>                                    |     |                      |              |

|  |     |              |              |
|--|-----|--------------|--------------|
| SBA Communications Corp., 4.88%, 7/15/22 (c)                             |     | 710          | 699,350      |
| <b>Capital Markets 1.0%</b>  |     |              |              |
| American Capital Ltd., 6.50%, 9/15/18 (c)(f)                             |     | 975          | 1,023,750    |
| Blackstone CQP Holdco LP, 9.30%, 3/18/19                                 |     | 953          | 972,188      |
| E*Trade Financial Corp., 0.00%, 8/31/19 (c)(e)(h)                        |     | 249          | 537,684      |
| The Goldman Sachs Group, Inc., 3.30%, 5/03/15 (f)                        |     | 3,285        | 3,347,037    |
| SteelRiver Transmission Co. LLC, 4.71%, 6/30/17 (c)(f)                   |     | 1,050        | 1,105,306    |
|  |     |              | 6,985,965    |
|  |     | <b>Par</b>   | <b>Value</b> |
|  |     | <b>(000)</b> |              |
| <b>Corporate Bonds</b>   |     |              |              |
| <b>Chemicals 0.8%</b>  |     |              |              |
| Ashland, Inc., 3.88%, 4/15/18 (f)  | USD | 675          | \$ 691,031   |
| Chemtura Corp., 5.75%, 7/15/21   |     | 200          | 208,000      |
| Huntsman International LLC:  |     |              |              |
| 8.63%, 3/15/21   |     | 655          | 718,862      |
| 5.13%, 4/15/21   | EUR | 331          | 456,446      |
| INEOS Group Holdings SA:   |     |              |              |
| 6.13%, 8/15/18 (c)   | USD | 680          | 702,100      |
| 6.50%, 8/15/18   | EUR | 122          | 166,948      |
| LSB Industries, Inc., 7.75%, 8/01/19                                     | USD | 301          | 328,843      |
| Rockwood Specialties Group, Inc., 4.63%, 10/15/20 (f)                    |     | 1,193        | 1,240,720    |
| U.S. Coatings Acquisition, Inc./Axalta Coating Systems Dutch Holding BV: |     |              |              |
| 5.75%, 2/01/21   | EUR | 200          | 278,557      |
| 7.38%, 5/01/21 (c)   | USD | 398          | 433,820      |
|  |     |              | 5,225,327    |
| <b>Commercial Services &amp; Supplies 1.4%</b>                           |     |              |              |
| AA Bond Co., Ltd., 9.50%, 7/31/43  | GBP | 306          | 563,760      |
| ADS Waste Holdings, Inc., 8.25%, 10/01/20                                | USD | 292          | 310,980      |
| ARAMARK Corp., 5.75%, 3/15/20 (f)  |     | 712          | 745,820      |
| Aviation Capital Group Corp., 4.63%, 1/31/18 (c)(f)                      |     | 1,000        | 1,047,678    |
| Bilbao Luxembourg SA, 10.50% (10.50% Cash or 11.25% PIK), 12/01/18 (g)   | EUR | 100          | 142,202      |
| Brand Energy & Infrastructure Services, Inc., 8.50%, 12/01/21 (c)(f)     | USD | 617          | 641,680      |
| Covanta Holding Corp., 6.38%, 10/01/22                                   |     | 100          | 107,250      |
| Mobile Mini, Inc., 7.88%, 12/01/20                                       |     | 915          | 988,200      |
| Modular Space Corp., 10.25%, 1/31/19 (c)(f)                              |     | 1,253        | 1,299,987    |
| United Rentals North America, Inc. (f):                                  |     |              |              |
| 5.75%, 7/15/18   |     | 494          | 519,935      |
| 7.63%, 4/15/22   |     | 1,518        | 1,703,955    |
| 5.75%, 11/15/24  |     | 1,039        | 1,088,353    |
|  |     |              | 9,159,800    |
| <b>Communications Equipment 2.1%</b>                                     |     |              |              |
| ADC Telecommunications, Inc., 3.50%, 7/15/15 (e)                         |     | 6,670        | 6,736,700    |
| Alcatel-Lucent USA, Inc. (c)(f):   |     |              |              |
| 4.63%, 7/01/17   |     | 800          | 812,000      |
| 6.75%, 11/15/20  |     | 2,150        | 2,273,625    |
| Avaya, Inc., 7.00%, 4/01/19 (c)  |     | 437          | 434,815      |
| CommScope, Inc. (c):   |     |              |              |
| 5.00%, 6/15/21   |     | 215          | 218,225      |
| 5.50%, 6/15/24   |     | 221          | 224,868      |
| Zayo Group LLC/Zayo Capital, Inc. (f):                                   |     |              |              |

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|  |     |       |            |
|--|-----|-------|------------|
| 8.13%, 1/01/20   |     | 1,800 | 1,941,750  |
| 10.13%, 7/01/20  |     | 1,460 | 1,660,750  |
|  |     |       | 14,302,733 |
| <b>Construction &amp; Engineering 0.3%</b>                           |     |       |            |
| BlueLine Rental Finance Corp., 7.00%, 2/01/19 (c)                    |     | 165   | 174,488    |
| Novafives SAS:   |     |       |            |
| 4.21%, 6/30/20 (b)   | EUR | 100   | 131,986    |
| 4.50%, 6/30/21   |     | 100   | 133,300    |
| Officine MaccaFerri SpA, 5.75%, 6/01/21                              |     | 150   | 200,147    |
| Safway Group Holding LLC/Safway Finance Corp., 7.00%, 5/15/18 (c)(f) | USD | 1,138 | 1,197,745  |
| Weekley Homes LLC/Weekley Finance Corp., 6.00%, 2/01/23              |     | 320   | 316,800    |
|  |     |       | 2,154,466  |
| <b>Construction Materials 1.3%</b>                                   |     |       |            |
| HD Supply, Inc. (f):   |     |       |            |
| 8.13%, 4/15/19   |     | 4,285 | 4,670,650  |
| 11.00%, 4/15/20  |     | 770   | 891,275    |
| 7.50%, 7/15/20   |     | 2,696 | 2,898,200  |
|  |     |       | 8,460,125  |

See Notes to Financial Statements.

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**BlackRock Limited Duration Income Trust (BLW)**  
**(Percentages shown are based on Net Assets)**

Consolidated Schedule of Investments (continued)

|  |     | <b>Par<br/>(000)</b> | <b>Value</b> |
|--|-----|----------------------|--------------|
| <b>Corporate Bonds</b>   |     |                      |              |
| <b>Consumer Finance 0.7%</b>   |     |                      |              |
| Ford Motor Credit Co. LLC (f):   |     |                      |              |
| 3.88%, 1/15/15   | USD | 2,475                | \$ 2,505,940 |
| 7.00%, 4/15/15   |     | 400                  | 415,880      |
| Hyundai Capital America, 3.75%, 4/06/16 (c)(f)                             |     | 1,285                | 1,338,041    |
| IVS F. SpA, 7.13%, 4/01/20   | EUR | 235                  | 330,417      |
| Springleaf Finance Corp.:  |     |                      |              |
| 7.75%, 10/01/21  |     | 52                   | 59,020       |
| 8.25%, 10/01/23  |     | 94                   | 108,805      |
|  |     |                      | 4,758,103    |
| <b>Containers &amp; Packaging 0.4%</b>                                     |     |                      |              |
| Ardagh Packaging Finance PLC/Ardagh Holdings USA, Inc.:                    |     |                      |              |
| 6.00%, 6/30/21 (c)   |     | 380                  | 376,200      |
| 4.25%, 1/15/22   | EUR | 320                  | 415,208      |
| Beverage Packaging Holdings Luxembourg II SA, 6.00%,<br>6/15/17 (c)(f)     | USD | 1,560                | 1,583,400    |
| Crown Americas LLC/Crown Americas Capital Corp. III, 6.25%,<br>2/01/21 (f) |     | 144                  | 153,720      |
| SGD Group SAS, 5.63%, 5/15/19  | EUR | 100                  | 133,384      |
|  |     |                      | 2,661,912    |
| <b>Distributors 0.1%</b>   |     |                      |              |
| VWR Funding, Inc., 7.25%, 9/15/17 (f)                                      | USD | 874                  | 922,070      |
| <b>Diversified Consumer Services 0.3%</b>                                  |     |                      |              |
| APX Group, Inc.:   |     |                      |              |
| 6.38%, 12/01/19  |     | 76                   | 77,140       |
| 8.75%, 12/01/20  |     | 357                  | 355,215      |
| Garda World Security Corp., 7.25%, 11/15/21 (c)                            |     | 275                  | 281,531      |
| Laureate Education, Inc., 9.25%, 9/01/19 (c)(f)                            |     | 1,020                | 1,045,500    |
|  |     |                      | 1,759,386    |
| <b>Diversified Financial Services 2.6%</b>                                 |     |                      |              |
| Aircastle Ltd., 6.25%, 12/01/19 (f)  |     | 367                  | 397,278      |
| Ally Financial, Inc. (f):  |     |                      |              |
| 8.30%, 2/12/15   |     | 2,460                | 2,533,800    |
| 8.00%, 11/01/31  |     | 3,146                | 4,065,952    |
| Carlson Travel Holdings, Inc., 7.50%, 8/15/19 (c)(g)                       |     | 204                  | 209,610      |
| CE Energy AS, 7.00%, 2/01/21   | EUR | 150                  | 204,730      |
| Co-Operative Group Holdings, 6.88%, 7/08/20 (i)                            | GBP | 190                  | 336,720      |
| General Motors Financial Co., Inc., 2.63%, 7/10/17 (f)                     | USD | 2,760                | 2,772,508    |
| Jefferies Finance LLC/JFIN Co-Issuer Corp. (c):                            |     |                      |              |
| 7.38%, 4/01/20 (f)   |     | 585                  | 611,325      |
| 6.88%, 4/15/22   |     | 456                  | 457,140      |
| Leucadia National Corp., 8.13%, 9/15/15 (f)                                |     | 1,870                | 1,993,887    |
| Reynolds Group Issuer, Inc.:   |     |                      |              |
| 7.13%, 4/15/19 (f)   |     | 1,294                | 1,344,143    |
| 9.00%, 4/15/19   |     | 790                  | 829,500      |

|   |     |              |              |
|---|-----|--------------|--------------|
| 9.88%, 8/15/19  |     | 307          | 340,386      |
| 5.75%, 10/15/20 (f)   |     | 800          | 836,000      |
| 6.88%, 2/15/21  |     | 210          | 224,963      |
|   |     |              | 17,157,942   |
| <b>Diversified Telecommunication Services 3.7%</b>                  |     |              |              |
| CenturyLink, Inc.:  |     |              |              |
| 6.45%, 6/15/21  |     | 155          | 169,725      |
| Series V, 5.63%, 4/01/20 (f)  |     | 751          | 794,182      |
| Level 3 Communications, Inc., 8.88%, 6/01/19 (f)                    |     | 735          | 793,800      |
| Level 3 Financing, Inc.:  |     |              |              |
| 3.82%, 1/15/18 (b)(c)   |     | 411          | 413,055      |
| 8.13%, 7/01/19 (f)  |     | 3,083        | 3,337,347    |
| 7.00%, 6/01/20  |     | 495          | 533,363      |
| 6.13%, 1/15/21 (c)(f)   |     | 1,682        | 1,774,510    |
| Telecom Italia SpA:   |     |              |              |
| 6.13%, 11/15/16 (e)   | EUR | 300          | 468,883      |
| 6.38%, 6/24/19  | GBP | 200          | 360,677      |
| 4.88%, 9/25/20  | EUR | 220          | 317,192      |
| 4.50%, 1/25/21  |     | 270          | 382,321      |
| 5.88%, 5/19/23  | GBP | 450          | 785,808      |
|   |     | <b>Par</b>   |              |
|   |     | <b>(000)</b> | <b>Value</b> |
| <b>Corporate Bonds</b>  |     |              |              |
| <b>Diversified Telecommunication Services (concluded)</b>           |     |              |              |
| Telenet Finance V Luxembourg SCA:                                   |     |              |              |
| 6.25%, 8/15/22  | EUR | 271          | \$ 386,347   |
| 6.75%, 8/15/24  |     | 397          | 583,447      |
| Verizon Communications, Inc., 3.65%, 9/14/18 (f)                    | USD | 13,000       | 13,865,969   |
| Windstream Corp.:   |     |              |              |
| 7.75%, 10/15/20   |     | 41           | 44,178       |
| 6.38%, 8/01/23  |     | 5            | 5,013        |
|   |     |              | 25,015,817   |
| <b>Electric Utilities 0.3%</b>                                      |     |              |              |
| ContourGlobal Power Holdings SA, 7.13%,<br>6/01/19 (c)              |     |              |              |
|   |     | 728          | 733,460      |
| Homer City Generation LP (g):                                       |     |              |              |
| 8.14% (8.14% Cash or 8.64% PIK), 10/01/19                           |     | 345          | 369,150      |
| 8.73% (8.73% Cash or 9.23% PIK), 10/01/26                           |     | 599          | 634,940      |
| Mirant Mid Atlantic Pass-Through Trust, Series B,<br>9.13%, 6/30/17 |     |              |              |
|   |     | 403          | 434,350      |
|   |     |              | 2,171,900    |
| <b>Electrical Equipment 0.1%</b>                                    |     |              |              |
| Belden, Inc., 5.50%, 4/15/23  |     |              |              |
|   | EUR | 140          | 191,771      |
| Techem Energy Metering Service GmbH & Co.,<br>7.88%, 10/01/20       |     |              |              |
|   |     | 106          | 154,599      |
|   |     |              | 346,370      |
| <b>Energy Equipment &amp; Services 0.7%</b>                         |     |              |              |
| Calfrac Holdings LP, 7.50%, 12/01/20 (c)(f)                         |     |              |              |
|   |     | 503          | 534,437      |
| CGG SA, 7.75%, 5/15/17  |     | 111          | 112,388      |
| MEG Energy Corp. (c)(f):  |     |              |              |
| 6.50%, 3/15/21  |     | 244          | 257,420      |
| 7.00%, 3/31/24  |     | 864          | 939,600      |

|  |     |       |           |
|--|-----|-------|-----------|
| <b>Peabody Energy Corp. (f):</b>   |     |       |           |
| 6.00%, 11/15/18  |     | 1,004 | 1,034,120 |
| 6.25%, 11/15/21  |     | 583   | 580,814   |
| Precision Drilling Corp., 5.25%, 11/15/24 (c)  |     | 522   | 522,000   |
| Rain CII Carbon LLC/CII Carbon Corp., 8.25%,<br>1/15/21 (c)(f)                             |     | 535   | 561,750   |
| Transocean, Inc., 6.00%, 3/15/18 (f)   |     | 230   | 255,941   |
|  |     |       | 4,798,470 |
| <b>Food &amp; Staples Retailing 0.6%</b>   |     |       |           |
| Brakes Capital, 7.13%, 12/15/18  | GBP | 1,255 | 2,109,741 |
| Premier Foods Finance PLC, 5.56%, 3/15/20 (b)  |     | 115   | 186,144   |
| <b>R&amp;R Ice Cream PLC:</b>  |     |       |           |
| 9.25%, 5/15/18   | EUR | 314   | 421,451   |
| 4.75%, 5/15/20   |     | 150   | 197,092   |
| 5.50%, 5/15/20   | GBP | 105   | 171,712   |
| Rite Aid Corp., 9.25%, 3/15/20 (f)   | USD | 1,095 | 1,226,400 |
|  |     |       | 4,312,540 |
| <b>Food Products 0.3%</b>  |     |       |           |
| <b>Boparan Finance PLC:</b>  |     |       |           |
| 5.25%, 7/15/19   | GBP | 100   | 158,991   |
| 4.38%, 7/15/21   | EUR | 105   | 132,455   |
| 5.50%, 7/15/21   | GBP | 115   | 181,152   |
| <b>Findus Bondco SA:</b>   |     |       |           |
| 9.13%, 7/01/18   | EUR | 187   | 266,594   |
| 9.50%, 7/01/18   | GBP | 100   | 179,296   |
| <b>Smithfield Foods, Inc.:</b>   |     |       |           |
| 5.88%, 8/01/21 (c)   | USD | 193   | 206,510   |
| 6.63%, 8/15/22   |     | 783   | 861,300   |
| Univeg Holding BV, 7.88%, 11/15/20   | EUR | 135   | 175,609   |
|  |     |       | 2,161,907 |
| <b>Gas Utilities 0.2%</b>  |     |       |           |
| Targa Resources Partners LP/Targa Resources<br>Partners Finance Corp., 7.88%, 10/15/18 (f) | USD | 1,515 | 1,581,281 |

See Notes to Financial Statements.

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**BlackRock Limited Duration Income Trust (BLW)**  
 (Percentages shown are based on Net Assets)

Consolidated Schedule of Investments (continued)

|  |     | <b>Par<br/>(000)</b> | <b>Value</b> |
|--|-----|----------------------|--------------|
| <b>Corporate Bonds</b>   |     |                      |              |
| <b>Health Care Equipment &amp; Supplies 0.3%</b>                                   |     |                      |              |
| 3AB Optique Developpement SAS, 5.63%, 4/15/19                                      | EUR | 170                  | \$ 215,553   |
| Biomet, Inc., 6.50%, 10/01/20 (f)  | USD | 418                  | 445,693      |
| DJO Finance LLC/DJO Finance Corp., 8.75%, 3/15/18 (f)                              |     | 413                  | 438,813      |
| IDH Finance PLC, 6.00%, 12/01/18   | GBP | 113                  | 195,101      |
| Teleflex, Inc., 6.88%, 6/01/19 (f)   | USD | 675                  | 713,812      |
|  |     |                      | 2,008,972    |
| <b>Health Care Providers &amp; Services 2.1%</b>                                   |     |                      |              |
| Acadia Healthcare Co., Inc., 5.13%, 7/01/22 (c)                                    |     | 240                  | 242,400      |
| Amsurg Corp., 5.63%, 7/15/22 (c)   |     | 1,016                | 1,038,860    |
| Aviv Healthcare Properties LP/Aviv Healthcare Capital Corp.,<br>7.75%, 2/15/19 (f) |     | 995                  | 1,052,212    |
| CHS/Community Health Systems, Inc. (f):  |     |                      |              |
| 5.13%, 8/15/18   |     | 490                  | 509,600      |
| 6.88%, 2/01/22 (c)   |     | 1,604                | 1,704,250    |
| Crown Newco 3 PLC, 7.00%, 2/15/18  | GBP | 335                  | 579,509      |
| DaVita HealthCare Partners, Inc., 5.13%, 7/15/24 (f)                               | USD | 1,093                | 1,108,712    |
| HCA Holdings, Inc., 7.75%, 5/15/21   |     | 285                  | 310,650      |
| HCA, Inc.:   |     |                      |              |
| 3.75%, 3/15/19 (f)   |     | 786                  | 791,895      |
| 6.50%, 2/15/20   |     | 160                  | 179,000      |
| 5.88%, 3/15/22   |     | 82                   | 89,175       |
| 4.75%, 5/01/23   |     | 108                  | 108,945      |
| 5.00%, 3/15/24   |     | 335                  | 341,281      |
| Hologic, Inc., 6.25%, 8/01/20 (f)  |     | 1,289                | 1,359,895    |
| Kindred Healthcare, Inc., 6.38%, 4/15/22 (c)                                       |     | 186                  | 187,860      |
| Tenet Healthcare Corp.:  |     |                      |              |
| 6.25%, 11/01/18  |     | 264                  | 287,760      |
| 5.00%, 3/01/19 (c)   |     | 911                  | 922,388      |
| 4.75%, 6/01/20   |     | 520                  | 529,100      |
| 6.00%, 10/01/20  |     | 811                  | 879,935      |
| 8.13%, 4/01/22 (f)   |     | 898                  | 1,033,822    |
| Voyage Care Bondco PLC, 6.50%, 8/01/18   | GBP | 355                  | 607,034      |
|  |     |                      | 13,864,283   |
| <b>Home Building 0.1%</b>  |     |                      |              |
| Weyerhaeuser Real Estate Co. (c):  |     |                      |              |
| 4.38%, 6/15/19   | USD | 500                  | 500,000      |
| 5.88%, 6/15/24   |     | 340                  | 346,800      |
|  |     |                      | 846,800      |
| <b>Hotels, Restaurants &amp; Leisure 4.9%</b>                                      |     |                      |              |
| Caesars Entertainment Operating Co., Inc., 9.00%, 2/15/20 (f)                      |     | 5,255                | 4,207,956    |
| CDW LLC/CDW Finance Corp., 6.00%, 8/15/22  |     | 280                  | 295,050      |
| Cirsa Funding Luxembourg SA, 8.75%, 5/15/18  | EUR | 540                  | 734,367      |
| Enterprise Funding Ltd., Series ETI, 3.50%, 9/10/20 (e)                            | GBP | 100                  | 168,920      |
| Enterprise Inns PLC, 6.50%, 12/06/18   |     | 926                  | 1,641,682    |

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|   |     |              |              |
|---|-----|--------------|--------------|
| Gamenet SpA, 7.25%, 8/01/18   | EUR | 100          | 135,350      |
| GLP Capital LP/GLP Financing II, Inc., 4.38%, 11/01/18  | USD | 357          | 370,388      |
| Greektown Holdings LLC/Greektown Mothership Corp., 8.88%,<br>3/15/19 (c)                          |     | 485          | 497,125      |
| Intralot Finance Luxembourg SA, 9.75%, 8/15/18  | EUR | 480          | 714,263      |
| MCE Finance Ltd., 5.00%, 2/15/21 (c)(f)   | USD | 941          | 936,295      |
| Six Flags Entertainment Corp., 5.25%, 1/15/21 (c)(f)  |     | 576          | 583,200      |
| Snai SpA, 7.63%, 6/15/18  | EUR | 205          | 290,235      |
| Spirit Issuer PLC (b):  |     |              |              |
| Series A1, 1.10%, 12/28/28  | GBP | 550          | 780,970      |
| Series A2, 3.25%, 12/28/31  |     | 1,800        | 2,808,975    |
| Series A5, 5.47%, 12/28/34  |     | 4,500        | 7,283,911    |
| Series A6, 2.35%, 12/28/36  |     | 2,670        | 4,244,217    |
| Station Casinos LLC, 7.50%, 3/01/21 (f)   | USD | 2,245        | 2,424,600    |
|   |     | <b>Par</b>   |              |
|   |     | <b>(000)</b> | <b>Value</b> |
| <b>Corporate Bonds</b>  |     |              |              |
| <b>Hotels, Restaurants &amp; Leisure (concluded)</b>  |     |              |              |
| Travelport LLC/Travelport Holdings, Inc.,<br>11.88%, 9/01/16 (c)                                  | USD | 78           | \$ 77,628    |
| Tropicana Entertainment LLC/Tropicana<br>Finance Corp., 9.63%, 12/15/14 (a)(j)                    |     | 375          |              |
| The Unique Pub Finance Co. PLC:   |     |              |              |
| Series A3, 6.54%, 3/30/21   | GBP | 1,288        | 2,250,533    |
| Series A4, 5.66%, 6/30/27   |     | 791          | 1,323,695    |
| Vougeot Bidco PLC, 7.88%, 7/15/20   |     | 218          | 378,213      |
| Wynn Macau Ltd., 5.25%, 10/15/21 (c)(f)   | USD | 428          | 435,490      |
|   |     |              | 32,583,063   |
| <b>Household Durables 1.3%</b>  |     |              |              |
| Ashton Woods USA LLC/Ashton Woods<br>Finance Co., 6.88%, 2/15/21 (c)                              |     | 510          | 503,625      |
| Beazer Homes USA, Inc.:   |     |              |              |
| 6.63%, 4/15/18  |     | 910          | 962,325      |
| 5.75%, 6/15/19  |     | 523          | 519,078      |
| Berklene/Benchcraft LLC, 1.00%, 11/03/14<br>(a)(j)  |     | 200          |              |
| Brookfield Residential Properties, Inc., 6.50%,<br>12/15/20 (c)(f)                                |     | 925          | 981,656      |
| Brookfield Residential Properties,<br>Inc./Brookfield Residential US Corp., 6.13%,<br>7/01/22 (c) |     | 259          | 268,389      |
| K. Hovnanian Enterprises, Inc., 7.25%,<br>10/15/20 (c)(f)   |     | 2,130        | 2,289,750    |
| KB Home, 7.25%, 6/15/18 (f)   |     | 880          | 968,000      |
| Spie BondCo 3 SCA, 11.00%, 8/15/19  | EUR | 248          | 363,353      |
| Standard Pacific Corp., 8.38%, 1/15/21 (f)  | USD | 1,000        | 1,175,000    |
| Taylor Morrison Communities, Inc./Monarch<br>Communities, Inc., 5.25%, 4/15/21 (c)                |     | 597          | 602,970      |
|   |     |              | 8,634,146    |
| <b>Household Products 0.2%</b>  |     |              |              |
| Ontex IV SA, 9.00%, 4/15/19   | EUR | 353          | 497,790      |
| Spectrum Brands, Inc.:  |     |              |              |

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|   |     |       |           |
|---|-----|-------|-----------|
| 6.38%, 11/15/20   | USD | 250   | 268,750   |
| 6.63%, 11/15/22   |     | 285   | 308,513   |
|   |     |       | 1,075,053 |
| <b>Independent Power and Renewable Electricity Producers 0.9%</b> |     |       |           |
| The AES Corp., 7.75%, 10/15/15 (f)                                |     | 534   | 567,375   |
| Baytex Energy Corp. (c):  |     |       |           |
| 5.13%, 6/01/21  |     | 170   | 170,212   |
| 5.63%, 6/01/24  |     | 61    | 61,000    |
| Calpine Corp.:  |     |       |           |
| 6.00%, 1/15/22 (c)  |     | 143   | 154,083   |
| 5.38%, 1/15/23  |     | 1,099 | 1,109,990 |
| 5.88%, 1/15/24 (c)  |     | 438   | 468,660   |
| 5.75%, 1/15/25  |     | 1,162 | 1,173,620 |
| NRG Energy, Inc.:   |     |       |           |
| 7.63%, 1/15/18 (f)  |     | 913   | 1,028,038 |
| 6.25%, 5/01/24 (c)  |     | 536   | 553,420   |
| NRG REMA LLC:   |     |       |           |
| Series B, 9.24%, 7/02/17  |     | 63    | 67,548    |
| Series C, 9.68%, 7/02/26 (f)                                      |     | 589   | 642,010   |
|   |     |       | 5,995,956 |
| <b>Insurance 1.6%</b>   |     |       |           |
| Allied World Assurance Co., Ltd., 7.50%,<br>8/01/16 (f)           |     | 3,000 | 3,342,546 |
| CNO Financial Group, Inc., 6.38%, 10/01/20<br>(c)(f)              |     | 304   | 325,280   |
| Forethought Financial Group, Inc., 8.63%,<br>4/15/21 (c)(f)       |     | 750   | 861,186   |
| Galaxy Bidco Ltd., 6.38%, 11/15/20                                | GBP | 100   | 165,808   |
| Hockey Merger Sub 2, Inc., 7.88%, 10/01/21<br>(c)                 | USD | 255   | 268,388   |
| MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18<br>(c)              |     | 595   | 635,162   |
| Muenchener Rueckversicherungs AG, 6.00%,<br>5/26/41 (b)           | EUR | 400   | 637,358   |
| Pension Insurance Corp. PLC, 6.50%, 7/03/24                       | GBP | 125   | 213,844   |

See Notes to Financial Statements.

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**BlackRock Limited Duration Income Trust (BLW)**  
**(Percentages shown are based on Net Assets)**

Consolidated Schedule of Investments (continued)

|  |     | <b>Par<br/>(000)</b> | <b>Value</b> |
|--|-----|----------------------|--------------|
| <b>Corporate Bonds</b>   |     |                      |              |
| <b>Insurance (concluded)</b>   |     |                      |              |
| Prudential Holdings LLC, 8.70%, 12/18/23 (c)(f)                          | USD | 2,871                | \$ 3,658,321 |
| TMF Group Holding BV, 9.88%, 12/01/19                                    | EUR | 310                  | 441,010      |
|  |     |                      | 10,548,903   |
| <b>Internet Software &amp; Services 0.3%</b>                             |     |                      |              |
| Cerved Group SpA:  |     |                      |              |
| 6.38%, 1/15/20   |     | 100                  | 140,264      |
| 8.00%, 1/15/21   |     | 100                  | 145,323      |
| IAC/InterActiveCorp, 4.88%, 11/30/18 (f)                                 | USD | 695                  | 721,063      |
| Interactive Data Corp., 5.88%, 4/15/19 (c)                               |     | 741                  | 738,221      |
|  |     |                      | 1,744,871    |
| <b>IT Services 2.1%</b>  |     |                      |              |
| Ceridian Corp., 8.88%, 7/15/19 (c)(f)                                    |     | 1,395                | 1,562,400    |
| Ceridian HCM Holding, Inc., 11.00%, 3/15/21 (c)                          |     | 1,004                | 1,147,070    |
| Ceridian LLC/Comdata, Inc., 8.13%, 11/15/17 (c)                          |     | 655                  | 663,843      |
| Epicor Software Corp., 8.63%, 5/01/19 (f)                                |     | 1,260                | 1,351,350    |
| First Data Corp.:  |     |                      |              |
| 7.38%, 6/15/19 (c)(f)  |     | 1,775                | 1,894,812    |
| 6.75%, 11/01/20 (c)(f)   |     | 813                  | 880,072      |
| 11.75%, 8/15/21  |     | 713                  | 843,123      |
| SunGard Data Systems, Inc., 6.63%, 11/01/19 (f)                          |     | 1,040                | 1,089,400    |
| The Western Union Co., 2.88%, 12/10/17 (f)                               |     | 4,000                | 4,136,072    |
| WEX, Inc., 4.75%, 2/01/23 (c)(f)   |     | 550                  | 528,000      |
|  |     |                      | 14,096,142   |
| <b>Machinery 0.1%</b>  |     |                      |              |
| Amsted Industries, Inc., 5.00%, 3/15/22 (c)                              |     | 298                  | 300,235      |
| Galapagos Holding SA, 7.00%, 6/15/22                                     | EUR | 100                  | 128,527      |
| Galapagos SA, 5.38%, 6/15/21   |     | 100                  | 132,709      |
|  |     |                      | 561,471      |
| <b>Media 5.1%</b>  |     |                      |              |
| Adria Bidco BV, 7.88%, 11/15/20  |     | 140                  | 196,692      |
| Altice Financing SA, 6.50%, 1/15/22 (c)                                  | USD | 850                  | 894,625      |
| Altice SA:   |     |                      |              |
| 7.25%, 5/15/22   | EUR | 400                  | 557,288      |
| 7.75%, 5/15/22 (c)(f)  | USD | 1,050                | 1,115,625    |
| AMC Networks, Inc., 7.75%, 7/15/21 (f)                                   |     | 865                  | 954,744      |
| CBS Outdoor Americas Capital LLC/CBS Outdoor Americas Capital Corp. (c): |     |                      |              |
| 5.25%, 2/15/22   |     | 105                  | 107,363      |
| 5.63%, 2/15/24   |     | 165                  | 169,950      |
| Cengage Learning Acquisitions, Inc., 11.50%, 4/15/20 (a)(j)              |     | 509                  |              |
| Clear Channel Communications, Inc.:                                      |     |                      |              |
| 9.00%, 12/15/19  |     | 345                  | 357,075      |
| 9.00%, 3/01/21   |     | 966                  | 1,002,225    |
| Clear Channel Worldwide Holdings, Inc.:                                  |     |                      |              |

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|   |       |           |
|---|-------|-----------|
| 7.63%, 3/15/20  | 677   | 724,390   |
| 6.50%, 11/15/22 (f)   | 965   | 1,027,725 |
| 6.50%, 11/15/22   | 213   | 227,910   |
| Columbus International, Inc., 7.38%, 3/30/21 (c)(f)                     | 1,375 | 1,497,031 |
| DIRECTV Holdings LLC/DIRECTV Financing Co., Inc., 3.13%,<br>2/15/16 (f) | 3,000 | 3,099,441 |
| DISH DBS Corp. (f):   |       |           |
| 7.13%, 2/01/16  | 200   | 213,500   |
| 4.25%, 4/01/18  | 1,330 | 1,361,587 |
| DreamWorks Animation SKG, Inc., 6.88%, 8/15/20 (c)                      | 305   | 323,300   |
| Gannett Co., Inc.:  |       |           |
| 5.13%, 10/15/19 (c)   | 197   | 201,925   |
| 5.13%, 7/15/20  | 218   | 222,905   |
| 6.38%, 10/15/23 (c)   | 304   | 323,000   |
| Gray Television, Inc., 7.50%, 10/01/20 (f)                              | 428   | 451,540   |
| Inmarsat Finance PLC, 4.88%, 5/15/22 (c)(f)                             | 825   | 827,062   |
| Intelsat Jackson Holdings SA:   |       |           |
| 7.25%, 10/15/20 (f)   | 1,660 | 1,776,200 |
| 5.50%, 8/01/23  | 515   | 513,069   |
| Intelsat Luxembourg SA, 6.75%, 6/01/18                                  | 800   | 838,000   |

|  | <b>Par<br/>(000)</b> | <b>Value</b> |
|--|----------------------|--------------|
| <b>Corporate Bonds</b>   |                      |              |
| <b>Media (concluded)</b>   |                      |              |
| Level 3 Escrow II, Inc., 5.38%, 8/15/22 (c)  | USD 1,055            | \$ 1,060,275 |
| Live Nation Entertainment, Inc., 7.00%, 9/01/20 (c)  | 185                  | 199,338      |
| The McClatchy Co., 9.00%, 12/15/22   | 330                  | 371,250      |
| MDC Partners, Inc., 6.75%, 4/01/20 (c)   | 733                  | 765,985      |
| Midcontinent Communications & Midcontinent Finance Corp.,<br>6.25%, 8/01/21 (c)            | 245                  | 252,963      |
| NAI Entertainment Holdings/NAI Entertainment Holdings<br>Finance Corp., 5.00%, 8/01/18 (c) | 345                  | 354,488      |
| Nielsen Finance LLC/Nielsen Finance Co., 5.00%, 4/15/22 (c)                                | 330                  | 333,300      |
| Numericable Group SA:  |                      |              |
| 4.88%, 5/15/19 (c)(f)  | 1,770                | 1,792,125    |
| 5.38%, 5/15/22   | EUR 110              | 153,192      |
| 6.00%, 5/15/22 (c)(f)  | USD 1,530            | 1,575,900    |
| 5.63%, 5/15/24   | EUR 260              | 361,704      |
| 6.25%, 5/15/24 (c)(f)  | USD 510              | 525,937      |
| RCN Telecom Services LLC/RCN Capital Corp., 8.50%, 8/15/20<br>(c)                          | 580                  | 619,150      |
| Sinclair Television Group, Inc., 5.63%, 8/01/24 (c)  | 386                  | 385,035      |
| Sirius XM Holdings, Inc., 5.75%, 8/01/21 (c)(f)  | 424                  | 440,960      |
| Sterling Entertainment Corp., 10.00%, 12/15/19   | 1,175                | 1,198,500    |
| Townsquare Radio LLC/Townsquare Radio, Inc., 9.00%,<br>4/01/19 (c)                         | 789                  | 858,037      |
| Unitymedia Hessen GmbH & Co. KG/Unitymedia NRW GmbH,<br>7.50%, 3/15/19                     | 1,440                | 1,522,800    |
| Virgin Media Secured Finance PLC, 6.00%, 4/15/21   | GBP 1,274            | 2,212,852    |
| VTR Finance BV, 6.88%, 1/15/24 (c)   | USD 512              | 549,120      |
|  |                      | 34,517,083   |

**Metals & Mining 1.6%**



|   |     |       |            |
|---|-----|-------|------------|
| ArcelorMittal (f):  |     |       |            |
| 4.25%, 8/05/15  |     | 738   | 753,683    |
| 6.13%, 6/01/18  |     | 612   | 666,315    |
| Constellium NV:   |     |       |            |
| 4.63%, 5/15/21  | EUR | 195   | 266,469    |
| 5.75%, 5/15/24 (c)  | USD | 358   | 372,320    |
| Eco-Bat Finance PLC, 7.75%, 2/15/17                                     | EUR | 495   | 666,665    |
| Global Brass & Copper, Inc., 9.50%, 6/01/19 (f)                         | USD | 695   | 781,006    |
| Kaiser Aluminum Corp., 8.25%, 6/01/20 (f)                               |     | 510   | 569,288    |
| Novelis, Inc., 8.75%, 12/15/20 (f)                                      |     | 2,375 | 2,627,344  |
| Peabody Energy Corp., 6.50%, 9/15/20                                    |     | 408   | 410,550    |
| Perstorp Holding AB, 8.75%, 5/15/17 (c)                                 |     | 290   | 309,575    |
| Ryerson, Inc./Joseph T Ryerson & Son, Inc., 9.00%, 10/15/17             |     | 160   | 170,400    |
| Steel Dynamics, Inc., 6.38%, 8/15/22 (f)                                |     | 555   | 593,850    |
| ThyssenKrupp AG, 3.13%, 10/25/19  | EUR | 400   | 549,751    |
| Wise Metals Group LLC/Wise Alloys Finance Corp., 8.75%, 12/15/18 (c)(f) | USD | 2,156 | 2,328,480  |
|   |     |       | 11,065,696 |
| <b>Multiline Retail 0.3%</b>  |     |       |            |
| Debenhams PLC, 5.25%, 7/15/21   | GBP | 225   | 369,799    |
| Dufry Finance SCA, 4.50%, 7/15/22                                       | EUR | 135   | 185,087    |
| Hema Bondco I BV, 6.25%, 6/15/19  |     | 205   | 271,887    |
| The Neiman Marcus Group Ltd., 8.00%, 10/15/21 (c)(f)                    | USD | 856   | 923,410    |
|   |     |       | 1,750,183  |
| <b>Oil, Gas &amp; Consumable Fuels 4.5%</b>                             |     |       |            |
| Access Midstream Partners LP/ACMP Finance Corp.:                        |     |       |            |
| 4.88%, 5/15/23  |     | 455   | 478,887    |
| 4.88%, 3/15/24  |     | 209   | 219,764    |
| American Energy-Permian Basin LLC/AEPB Finance Corp. (c):               |     |       |            |
| 7.13%, 11/01/20   |     | 338   | 327,860    |
| 7.38%, 11/01/21   |     | 289   | 281,775    |
| Antero Resources Finance Corp., 5.38%, 11/01/21 (f)                     |     | 774   | 797,220    |

See Notes to Financial Statements.

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**BlackRock Limited Duration Income Trust (BLW)**  
**(Percentages shown are based on Net Assets)**

Consolidated Schedule of Investments (continued)

|   |     | <b>Par<br/>(000)</b> | <b>Value</b> |
|---|-----|----------------------|--------------|
| <b>Corporate Bonds</b>  |     |                      |              |
| <b>Oil, Gas &amp; Consumable Fuels (concluded)</b>                                |     |                      |              |
| Athlon Holdings LP/Athlon Finance Corp.:  |     |                      |              |
| 7.38%, 4/15/21  | USD | 254                  | \$ 275,590   |
| 6.00%, 5/01/22 (c)  |     | 230                  | 236,900      |
| Bonanza Creek Energy, Inc., 6.75%, 4/15/21  |     | 95                   | 99,750       |
| Chaparral Energy, Inc., 7.63%, 11/15/22   |     | 305                  | 327,494      |
| Cimarex Energy Co., 4.38%, 6/01/24  |     | 206                  | 214,498      |
| Concho Resources, Inc., 5.50%, 4/01/23 (f)  |     | 1,365                | 1,457,137    |
| CONSOL Energy, Inc., 5.88%, 4/15/22 (c)(f)  |     | 1,653                | 1,727,385    |
| El Paso LLC:  |     |                      |              |
| 7.80%, 8/01/31  |     | 116                  | 143,840      |
| 7.75%, 1/15/32  |     | 556                  | 696,390      |
| Energy Transfer Equity LP, 5.88%, 1/15/24 (f)                                     |     | 875                  | 924,219      |
| Energy XXI Gulf Coast, Inc., 6.88%, 3/15/24 (c)                                   |     | 278                  | 282,865      |
| EnQuest PLC, 7.00%, 4/15/22 (c)   |     | 428                  | 430,140      |
| EP Energy LLC/Everest Acquisition Finance, Inc., 6.88%, 5/01/19 (f)               |     | 450                  | 474,750      |
| Hilcorp Energy I LP/Hilcorp Finance Co., 5.00%, 12/01/24 (c)(f)                   |     | 520                  | 518,700      |
| Kinder Morgan Energy Partners LP, 4.15%, 2/01/24                                  |     | 640                  | 650,506      |
| Kinder Morgan Finance Co. LLC, 6.00%, 1/15/18 (c)(f)                              |     | 1,285                | 1,431,169    |
| Kinder Morgan, Inc. (c):  |     |                      |              |
| 5.00%, 2/15/21  |     | 302                  | 323,140      |
| 5.63%, 11/15/23   |     | 306                  | 337,365      |
| Laredo Petroleum, Inc., 7.38%, 5/01/22  |     | 515                  | 563,925      |
| Lightstream Resources Ltd., 8.63%, 2/01/20 (c)                                    |     | 379                  | 392,265      |
| Linn Energy LLC/Linn Energy Finance Corp.:  |     |                      |              |
| 8.63%, 4/15/20 (f)  |     | 1,083                | 1,156,102    |
| 7.75%, 2/01/21  |     | 215                  | 228,975      |
| Memorial Production Partners LP/Memorial Production Finance Corp., 7.63%, 5/01/21 |     | 344                  | 356,900      |
| NGPL PipeCo LLC, 9.63%, 6/01/19 (c)   |     | 353                  | 385,653      |
| Oasis Petroleum, Inc.:  |     |                      |              |
| 7.25%, 2/01/19  |     | 380                  | 399,000      |
| 6.50%, 11/01/21   |     | 410                  | 437,675      |
| Petrobras Global Finance BV, 3.00%, 1/15/19 (f)                                   |     | 768                  | 756,764      |
| Range Resources Corp.:  |     |                      |              |
| 6.75%, 8/01/20 (f)  |     | 815                  | 872,050      |
| 5.75%, 6/01/21  |     | 161                  | 171,868      |
| RKI Exploration & Production LLC/RKI Finance Corp., 8.50%, 8/01/21 (c)            |     | 143                  | 153,725      |
| Rose Rock Midstream LP/Rose Rock Finance Corp., 5.63%, 7/15/22 (c)                |     | 376                  | 383,520      |

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|  |     |              |              |
|--|-----|--------------|--------------|
| Rosetta Resources, Inc., 5.63%, 5/01/21        |     | 379          | 388,001      |
| Sabine Pass Liquefaction LLC (f):              |     |              |              |
| 5.63%, 4/15/23                                 |     | 754          | 784,160      |
| 5.75%, 5/15/24 (c)                             |     | 456          | 474,240      |
| Sabine Pass LNG LP, 7.50%, 11/30/16 (f)        |     | 3,110        | 3,378,237    |
| Sanchez Energy Corp., 6.13%, 1/15/23 (c)       |     | 681          | 704,835      |
| SandRidge Energy, Inc.:                        |     |              |              |
| 8.75%, 1/15/20                                 |     | 79           | 82,950       |
| 7.50%, 3/15/21                                 |     | 225          | 236,250      |
| 7.50%, 2/15/23 (f)                             |     | 921          | 957,840      |
| Seventy Seven Energy, Inc., 6.50%, 7/15/22 (c) |     | 258          | 265,740      |
| SM Energy Co., 6.63%, 2/15/19                  |     | 60           | 62,700       |
| Southern Star Central Corp., 5.13%, 7/15/22    |     |              |              |
| (c)(f)   |     | 935          | 946,687      |
| Summit Midstream Holdings LLC/Summit           |     |              |              |
| Midstream Finance Corp., 7.50%, 7/01/21        |     | 636          | 699,600      |
| Tesoro Logistics LP/Tesoro Logistics Finance   |     |              |              |
| Corp., 5.88%, 10/01/20 (f)                     |     | 176          | 184,360      |
| Ultra Petroleum Corp., 5.75%, 12/15/18 (c)     |     | 425          | 438,813      |
| Whiting Petroleum Corp., 5.00%, 3/15/19 (f)    |     | 1,426        | 1,504,430    |
|  |     |              | 30,024,609   |
| <b>Paper &amp; Forest Products 0.0%</b>        |     |              |              |
| NewPage Corp., 11.38%, 12/31/14 (a)(j)         |     | 3,177        |              |
| Pfleiderer GmbH, 7.88%, 8/01/19                | EUR | 100          | 130,410      |
|  |     |              | 130,410      |
|  |     | <b>Par</b>   | <b>Value</b> |
|  |     | <b>(000)</b> |              |
| <b>Corporate Bonds</b>                         |     |              |              |
| <b>Pharmaceuticals 1.1%</b>                    |     |              |              |
| Capsugel SA, 7.00% (7.00% Cash or 7.75%        |     |              |              |
| PIK), 5/15/19 (c)(g)                           | USD | 156          | \$ 159,510   |
| Endo Finance LLC/Endo Finco, Inc. (c):         |     |              |              |
| 7.25%, 1/15/22                                 |     | 121          | 131,134      |
| 5.38%, 1/15/23                                 |     | 230          | 229,425      |
| Grifols Worldwide Operations Ltd., 5.25%,      |     |              |              |
| 4/01/22 (c)                                    |     | 759          | 779,873      |
| Jaguar Holding Co. I, 9.38%, 10/15/17 (c)(g)   |     | 268          | 275,705      |
| Mallinckrodt International Finance SA, 5.75%,  |     |              |              |
| 8/01/22 (c)                                    |     | 830          | 847,638      |
| Salix Pharmaceuticals Ltd., 6.00%, 1/15/21     |     |              |              |
| (c)  |     | 140          | 151,900      |
| Valeant Pharmaceuticals International, Inc.    |     |              |              |
| (c):   |     |              |              |
| 6.75%, 8/15/18 (f)                             |     | 2,214        | 2,368,980    |
| 6.88%, 12/01/18 (f)                            |     | 1,210        | 1,259,912    |
| 6.38%, 10/15/20 (f)                            |     | 613          | 641,351      |
| 7.50%, 7/15/21                                 |     | 335          | 365,150      |
| 5.63%, 12/01/21                                |     | 520          | 528,450      |
|  |     |              | 7,739,028    |
| <b>Professional Services 0.1%</b>              |     |              |              |
| Truven Health Analytics, Inc., 10.63%,         |     |              |              |
| 6/01/20 (f)                                    |     | 540          | 580,500      |

**Real Estate Investment Trusts (REITs) 0.5%**

|  |       |                        |
|--|-------|------------------------|
| Felcor Lodging LP, 6.75%, 6/01/19 (f)                        | 820   | 865,100                |
| iStar Financial, Inc.:                                       |       |                        |
| 4.00%, 11/01/17  | 435   | 432,825                |
| 5.00%, 7/01/19   | 305   | 305,000                |
| Rayonier AM Products, Inc., 5.50%, 6/01/24<br>(c)            | 64    | 62,720                 |
| Ventas Realty LP/Ventas Capital Corp.,<br>4.75%, 6/01/21 (f) | 1,300 | 1,432,891<br>3,098,536 |

**Real Estate Management & Development 0.9%**

|  |           |                        |
|--|-----------|------------------------|
| Realogy Corp. (c):   |           |                        |
| 7.63%, 1/15/20 (f)   | 1,837     | 2,002,330              |
| 9.00%, 1/15/20   | 301       | 336,368                |
| Realogy Group LLC/Realogy Co-Issuer<br>Corp., 4.50%, 4/15/19 (c) | 759       | 759,000                |
| Rialto Holdings LLC/Rialto Corp., 7.00%,<br>12/01/18 (c)         | 220       | 228,800                |
| RPG Byty Sro, 6.75%, 5/01/20                                     | EUR 220   | 297,741                |
| Shea Homes LP/Shea Homes Funding Corp.,<br>8.63%, 5/15/19 (f)    | USD 2,110 | 2,278,800<br>5,903,039 |

**Road & Rail 1.1%**

|   |           |                      |
|---|-----------|----------------------|
| Asciano Finance Ltd., 3.13%, 9/23/15 (c)(f)                 | 3,400     | 3,463,305            |
| EC Finance PLC, 5.13%, 7/15/21                              | EUR 180   | 240,562              |
| Florida East Coast Holdings Corp., 6.75%,<br>5/01/19 (c)(f) | USD 1,170 | 1,234,350            |
| The Hertz Corp.:  |           |                      |
| 7.50%, 10/15/18   | 540       | 563,625              |
| 6.75%, 4/15/19  | 405       | 424,744              |
| 5.88%, 10/15/20   | 435       | 447,506              |
| 7.38%, 1/15/21 (f)  | 675       | 722,250              |
| Watco Cos. LLC/Watco Finance Corp.,<br>6.38%, 4/01/23 (c)   | 319       | 326,178<br>7,422,520 |

**Semiconductors & Semiconductor Equipment 0.4%**

|   |     |                      |
|---|-----|----------------------|
| Micron Technology, Inc., 5.50%, 2/01/25 (c) | 840 | 850,500              |
| NXP BV/NXP Funding LLC (c)(f):              |     |                      |
| 3.75%, 6/01/18                              | 950 | 954,750              |
| 5.75%, 2/15/21                              | 560 | 588,000<br>2,393,250 |

See Notes to Financial Statements.

**BlackRock Limited Duration Income Trust (BLW)**  
**(Percentages shown are based on Net Assets)**

Consolidated Schedule of Investments (continued)

|  | <b>Par<br/>(000)</b> | <b>Value</b> |
|--|----------------------|--------------|
| <b>Corporate Bonds</b>   |                      |              |
| <b>Software 0.7%</b>   |                      |              |
| Infor Software Parent LLC/Infor Software Parent, Inc., 7.13% (7.13% Cash or 7.88% PIK), 5/01/21 (c)(g) | USD 744              | \$ 757,020   |
| Infor US, Inc., 9.38%, 4/01/19 (f)   | 2,000                | 2,200,000    |
| Nuance Communications, Inc., 5.38%, 8/15/20 (c)(f)   | 1,715                | 1,723,575    |
|  |                      | 4,680,595    |
| <b>Specialty Retail 0.4%</b>   |                      |              |
| Magnolia BC SA, 9.00%, 8/01/20   | EUR 274              | 362,744      |
| New Look Bondco I PLC, 8.75%, 5/14/18  | GBP 100              | 175,976      |
| Party City Holdings, Inc., 8.88%, 8/01/20  | USD 374              | 412,335      |
| PC Nextco Holdings LLC/PC Nextco Finance, Inc., 8.75% (8.75% Cash or 9.50% PIK), 8/15/19 (c)(g)        | 252                  | 258,930      |
| QVC, Inc., 7.50%, 10/01/19 (c)(f)  | 410                  | 427,983      |
| Sally Holdings LLC/Sally Capital, Inc., 5.50%, 11/01/23 (f)  | 508                  | 535,940      |
| THOM Europe SAS, 7.38%, 7/15/19  | EUR 230              | 295,409      |
| Twin Set-Simona Barbieri SpA, 6.08%, 7/15/19 (b)   | 212                  | 268,139      |
|  |                      | 2,737,456    |
| <b>Textiles, Apparel &amp; Luxury Goods 0.2%</b>   |                      |              |
| Levi Strauss & Co., 6.88%, 5/01/22   | USD 380              | 413,250      |
| Springs Industries, Inc., 6.25%, 6/01/21   | 645                  | 648,225      |
| The William Carter Co., 5.25%, 8/15/21   | 346                  | 361,570      |
|  |                      | 1,423,045    |
| <b>Trading Companies &amp; Distributors 0.2%</b>   |                      |              |
| Ashtead Capital, Inc., 6.50%, 7/15/22 (c)(f)   | 1,054                | 1,146,225    |
| <b>Transportation Infrastructure 1.9%</b>  |                      |              |
| Aguila 3 SA, 7.88%, 1/31/18 (c)  | 848                  | 881,920      |
| Federal Express Corp. 2012 Pass-Through Trust, 2.63%, 1/15/18 (c)(f)                                   | 917                  | 930,306      |
| JCH Parent, Inc., 10.50% (10.25% Cash or 11.25% PIK), 3/15/19 (c)(g)                                   | 878                  | 873,610      |
| Penske Truck Leasing Co. LP/PTL Finance Corp. (c)(f):  |                      |              |
| 3.13%, 5/11/15   | 3,372                | 3,428,086    |
| 3.38%, 3/15/18   | 6,155                | 6,458,565    |
|  |                      | 12,572,487   |
| <b>Wireless Telecommunication Services 2.0%</b>  |                      |              |
| Digicel Ltd., 6.00%, 4/15/21 (c)(f)  | 2,073                | 2,135,190    |
| The Geo Group, Inc., 5.88%, 1/15/22  | 340                  | 347,650      |
| Phones4u Finance PLC, 9.50%, 4/01/18   | GBP 207              | 351,383      |
| Sprint Communications, Inc. (c)(f):  |                      |              |
| 9.00%, 11/15/18  | USD 2,020            | 2,401,275    |
| 7.00%, 3/01/20   | 1,141                | 1,272,215    |
| Sprint Corp. (c):  |                      |              |
| 7.88%, 9/15/23   | 1,215                | 1,303,087    |
| 7.13%, 6/15/24   | 515                  | 525,300      |
| T-Mobile USA, Inc.:  |                      |              |
| 6.63%, 4/28/21 (f)   | 1,380                | 1,452,450    |
| 6.13%, 1/15/22   | 75                   | 77,719       |

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|   |     |              |                             |
|---|-----|--------------|-----------------------------|
| 6.73%, 4/28/22 (f)  |     | 1,455        | 1,535,025                   |
| 6.50%, 1/15/24  |     | 535          | 556,400                     |
| Wind Acquisition Finance SA:  |     |              |                             |
| 4.00%, 7/15/20  | EUR | 695          | 917,761                     |
| 4.20%, 7/15/20 (b)  |     | 320          | 422,041                     |
|   |     |              | 13,297,496                  |
| <b>Total Corporate Bonds</b>  |     |              | <b>59.6%</b><br>398,933,627 |
|   |     | <b>Par</b>   | <b>Value</b>                |
| <b>Floating Rate Loan Interests (b)</b>                                 |     | <b>(000)</b> |                             |
| <b>Aerospace &amp; Defense 0.8%</b>                                     |     |              |                             |
| DigitalGlobe, Inc., Term Loan B, 3.75%, 1/31/20                         | USD | 1,284        | \$ 1,277,973                |
| TASC, Inc., 2nd Lien Term Loan, 12.00%, 5/30/21                         |     | 1,375        | 1,347,500                   |
| Transdigm, Inc.:  |     |              |                             |
| Term Loan C, 3.75%, 2/28/20   |     | 650          | 645,686                     |
| Term Loan D, 3.75%, 6/04/21   |     | 300          | 297,876                     |
| TransUnion LLC, Term Loan, 4.00%, 4/09/21                               |     | 1,576        | 1,568,832                   |
|   |     |              | 5,137,867                   |
| <b>Air Freight &amp; Logistics 0.4%</b>                                 |     |              |                             |
| CEVA Group PLC, Synthetic Line of Credit, 6.50%, 3/19/21                |     | 678          | 654,402                     |
| CEVA Intercompany BV, Dutch Term Loan, 6.50%, 3/19/21                   |     | 713          | 696,546                     |
| CEVA Logistics Canada ULC, Canadian Term Loan, 6.50%, 3/19/21           |     | 123          | 120,094                     |
| CEVA Logistics U.S. Holdings, Inc., Term Loan, 6.50%, 3/19/21           |     | 984          | 960,754                     |
|   |     |              | 2,431,796                   |
| <b>Airlines 0.1%</b>  |     |              |                             |
| Northwest Airlines, Inc.:   |     |              |                             |
| 2.18%, 3/10/17  |     | 451          | 438,922                     |
| 1.56%, 9/10/18  |     | 621          | 592,016                     |
| US Airways Group, Inc., Term Loan B1, 3.50%, 5/23/19                    |     | 7            | 6,732                       |
|   |     |              | 1,037,670                   |
| <b>Auto Components 1.7%</b>   |     |              |                             |
| Affinia Group Intermediate Holdings, Inc., Term Loan B2, 4.75%, 4/27/20 |     | 741          | 743,702                     |
| Autoparts Holdings Ltd.:  |     |              |                             |
| 1st Lien Term Loan, 6.50%, 7/28/17                                      |     | 961          | 960,747                     |
| 2nd Lien Term Loan, 10.50%, 1/29/18                                     |     | 1,250        | 1,205,212                   |
| Dayco Products LLC, Term Loan B, 5.25%, 12/12/19                        |     | 856          | 855,700                     |
| Gates Global, Inc., Term Loan B, 4.25%, 7/05/21                         |     | 3,340        | 3,313,748                   |
| The Goodyear Tire & Rubber Co., 2nd Lien Term Loan, 4.75%, 4/30/19      |     | 2,985        | 2,993,388                   |
| Transtar Holding Co., 1st Lien Term Loan, 5.75%, 10/09/18               |     | 1,248        | 1,242,188                   |
|   |     |              | 11,314,685                  |
| <b>Banks 0.1%</b>   |     |              |                             |
| Redtop Acquisitions Ltd.:   |     |              |                             |
| 1st Lien Term Loan, 4.50%, 12/03/20                                     |     | 418          | 417,202                     |
| 2nd Lien Term Loan, 8.25%, 6/03/21                                      |     | 353          | 360,290                     |
|   |     |              | 777,492                     |
| <b>Beverages 0.0%</b>   |     |              |                             |
| Le-Nature s, Inc., Tranche B Term Loan, 3/01/2011 (a)(j)                |     | 1,000        |                             |
| <b>Building Products 1.0%</b>   |     |              |                             |
|   |     | 863          | 857,103                     |

|   |       |           |
|---|-------|-----------|
| Continental Building Products LLC, 1st Lien Term Loan, 4.00%,<br>8/28/20  |       |           |
| CPG International, Inc., Term Loan, 4.75%, 9/30/20                        | 1,639 | 1,638,972 |
| GYP Holdings III Corp., 1st Lien Term Loan, 4.75%, 4/01/21                | 943   | 930,854   |
| Momentive Performance Materials, Inc., DIP Term Loan B,<br>4.00%, 4/15/15 | 375   | 374,531   |
| Ply Gem Industries, Inc., Term Loan, 4.00%, 2/01/21                       | 1,147 | 1,125,972 |
| United Subcontractors, Inc., Term Loan, 4.24%, 6/30/15                    | 172   | 162,963   |
| Wilsonart LLC:  |       |           |
| Incremental Term Loan B2, 4.00%, 10/31/19                                 | 766   | 755,937   |
| Term Loan B, 4.00%, 10/31/19  | 808   | 796,934   |
|   |       | 6,643,266 |

See Notes to Financial Statements.

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**BlackRock Limited Duration Income Trust (BLW)**  
**(Percentages shown are based on Net Assets)**

Consolidated Schedule of Investments (continued)

|  | <b>Par<br/>(000)</b> | <b>Value</b> |
|--|----------------------|--------------|
| <b>Floating Rate Loan Interests (b)</b>                                    |                      |              |
| <b>Capital Markets 0.2%</b>  |                      |              |
| Affinion Group, Inc.:  |                      |              |
| 2nd Lien Term Loan, 8.50%, 10/12/18  | USD 633              | \$ 627,070   |
| Term Loan B, 6.75%, 4/30/18  | 524                  | 518,584      |
| American Capital Holdings, Inc., 2017 Term Loan, 3.50%, 8/22/17            | 576                  | 572,709      |
|  |                      | 1,718,363    |
| <b>Chemicals 1.5%</b>  |                      |              |
| Evergreen Acqco 1 LP, Term Loan, 5.00%, 7/09/19                            | 769                  | 769,573      |
| INEOS US Finance LLC, 6 Year Term Loan, 3.75%, 5/04/18                     | 662                  | 657,124      |
| MacDermid, Inc., 1st Lien Term Loan, 4.00%, 6/07/20                        | 663                  | 660,262      |
| Minerals Technology, Inc., Term Loan B, 4.00%, 5/09/21                     | 1,325                | 1,323,344    |
| Nexeo Solutions LLC, Term Loan B, 5.00%, 9/08/17                           | 1,258                | 1,251,851    |
| OXEA Finance LLC:  |                      |              |
| 2nd Lien Term Loan, 8.25%, 7/15/20   | 705                  | 706,177      |
| Term Loan B2, 4.25%, 1/15/20   | 675                  | 672,369      |
| Royal Adhesives and Sealants LLC, 1st Lien Term Loan, 5.50%, 7/31/18       | 773                  | 774,564      |
| Solenis International LP:  |                      |              |
| 1st Lien Term Loan, 4.25%, 7/02/21   | 520                  | 516,428      |
| 2nd Lien Term Loan, 7.75%, 7/02/22   | 1,050                | 1,040,550    |
| Tata Chemicals North America, Inc., Term Loan B, 3.75%, 8/07/20            | 658                  | 650,121      |
| Tronox Pigments (Netherlands) BV, 2013 Term Loan, 4.00%, 3/19/20           | 932                  | 929,665      |
|  |                      | 9,952,028    |
| <b>Commercial Services &amp; Supplies 1.6%</b>                             |                      |              |
| ADS Waste Holdings, Inc., Term Loan, 3.75%, 10/09/19                       | 1,012                | 996,745      |
| AWAS Finance Luxembourg 2012 SA, Term Loan, 3.50%, 7/16/18                 | 1,193                | 1,188,910    |
| Brand Energy & Infrastructure Services, Inc., Term Loan B, 4.75%, 11/26/20 | 1,567                | 1,565,087    |
| Catalent Pharma Solutions, Inc.:   |                      |              |
| Term Loan, 6.50%, 12/29/17   | 216                  | 217,025      |
| Term Loan B, 4.50%, 5/20/21  | 625                  | 625,394      |
| Connolly Corp.:  |                      |              |
| 1st Lien Term Loan, 5.00%, 5/14/21   | 1,175                | 1,180,146    |
| 2nd Lien Term Loan, 8.00%, 5/14/22   | 1,000                | 1,003,750    |
| Koosharem LLC, Exit Term Loan, 7.50%, 4/29/20                              | 1,875                | 1,877,344    |
| Livingston International, Inc., 1st Lien Term Loan, 5.00%, 4/16/19         | 338                  | 336,200      |
| Spin Holdco, Inc., Term Loan B, 4.25%, 11/14/19                            | 1,778                | 1,762,816    |
|  |                      | 10,753,417   |
| <b>Communications Equipment 1.6%</b>                                       |                      |              |
| Amaya Holdings BV:   |                      |              |
| 1st Lien Term Loan, 5.00%, 8/01/21   | 975                  | 965,494      |
| 2nd Lien Term Loan, 8.00%, 8/01/22   | 3,960                | 4,007,045    |
| Applied Systems, Inc.:   |                      |              |
| 1st Lien Term Loan, 4.25%, 1/25/21   | 328                  | 327,529      |
| 2nd Lien Term Loan, 7.50%, 1/23/22   | 265                  | 266,590      |
| Avaya, Inc., Extended Term Loan B3, 4.66%, 10/26/17                        | 760                  | 736,612      |
| CommScope, Inc., Term Loan B3, 2.66%, 1/21/17                              | 434                  | 435,847      |



|  |     |              |              |
|--|-----|--------------|--------------|
| Telesat Canada, Term Loan A, 4.37%, 3/24/17                            | CAD | 1,652        | 1,503,711    |
| Zayo Group LLC/Zayo Capital, Inc., Term Loan B, 4.00%, 7/02/19         | USD | 2,752        | 2,740,595    |
|  |     |              | 10,983,423   |
| <b>Construction &amp; Engineering 0.1%</b>                             |     |              |              |
| Centaur Acquisition LLC, 2nd Lien Term Loan, 8.75%, 2/15/20            |     | 710          | 718,875      |
|  |     | <b>Par</b>   | <b>Value</b> |
|  |     | <b>(000)</b> |              |
| <b>Floating Rate Loan Interests (b)</b>                                |     |              |              |
| <b>Construction Materials 0.4%</b>                                     |     |              |              |
| Filtration Group Corp., 1st Lien Term Loan, 4.50%, 11/21/20            | USD | 502          | \$ 502,726   |
| HD Supply, Inc., Term Loan B, 4.00%, 6/28/18                           |     | 1,869        | 1,858,338    |
| McJunkin Red Man Corp., Term Loan, 5.00%, 11/08/19                     |     | 377          | 377,150      |
|  |     |              | 2,738,214    |
| <b>Containers &amp; Packaging 0.2%</b>                                 |     |              |              |
| Ardagh Holdings USA, Incremental Term Loan, 4.00%, 12/17/19            |     | 384          | 381,799      |
| Berry Plastics Holding Corp., Term Loan E, 3.75%, 1/06/21              |     | 996          | 981,820      |
| CD&R Millennium Holdco 6 Sarl, 1st Lien Term Loan, 4.50%, 7/31/21      |     | 50           | 49,672       |
|  |     |              | 1,413,291    |
| <b>Distributors 0.4%</b>   |     |              |              |
| ABC Supply Co., Inc., Term Loan, 3.50%, 4/16/20                        |     | 2,089        | 2,067,882    |
| American Tire Distributors Holdings, Inc., Term Loan B, 5.75%, 6/01/18 |     | 200          | 199,500      |
| VWR Funding, Inc., Term Loan, 3.41%, 4/03/17                           |     | 453          | 450,555      |
|  |     |              | 2,717,937    |
| <b>Diversified Consumer Services 0.7%</b>                              |     |              |              |
| Allied Security Holdings LLC, 1st Lien Term Loan, 4.25%, 2/12/21       |     | 516          | 511,858      |
| Fitness International LLC, Term Loan B, 5.50%, 7/01/20                 |     | 600          | 597,498      |
| Garda World Securities Corp.:  |     |              |              |
| Delayed Draw Term Loan, 4.00%, 11/06/20                                |     | 76           | 75,358       |
| Term Loan B, 4.00%, 11/06/20   |     | 297          | 294,580      |
| ROC Finance LLC, Term Loan, 5.00%, 6/20/19                             |     | 625          | 606,129      |
| ServiceMaster Company, 2014 Term Loan B, 4.25%, 7/01/21                |     | 1,090        | 1,081,007    |
| Weight Watchers International, Inc., Term Loan B2, 4.00%, 4/02/20      |     | 1,656        | 1,301,234    |
|  |     |              | 4,467,664    |
| <b>Diversified Financial Services 0.4%</b>                             |     |              |              |
| Reynolds Group Holdings, Inc., Dollar Term Loan, 4.00%, 12/01/18       |     | 1,509        | 1,505,417    |
| RPI Finance Trust, Term Loan B3, 3.25%, 11/09/18                       |     | 447          | 446,337      |
| SAM Finance Luxembourg Sarl, Term Loan, 4.25%, 12/17/20                |     | 1,119        | 1,117,629    |
|  |     |              | 3,069,383    |
| <b>Diversified Telecommunication Services 1.6%</b>                     |     |              |              |
| Consolidated Communications, Inc., Term Loan B, 4.25%, 12/23/20        |     | 2,227        | 2,226,207    |
| Hawaiian Telcom Communications, Inc., Term Loan B, 5.00%, 6/06/19      |     | 1,724        | 1,731,749    |
| Integra Telecom, Inc.:   |     |              |              |
| 2nd Lien Term Loan, 9.75%, 2/22/20                                     |     | 1,270        | 1,289,050    |
| Term Loan B, 5.25%, 2/22/19  |     | 1,160        | 1,159,953    |
| Level 3 Financing, Inc., 2020 Term Loan B, 4.00%, 1/15/20              |     | 3,365        | 3,348,175    |
| US Telepacific Corp., Term Loan B, 5.75%, 2/23/17                      |     | 988          | 987,169      |
|  |     |              | 10,742,303   |
| <b>Electric Utilities 0.4%</b>   |     |              |              |
| American Energy Marcellus LLC, 1st Lien Term Loan, 5.25%, 8/04/20      |     | 571          | 571,255      |
| American Energy Utica LLC:   |     |              |              |
| 2nd Lien Delayed Draw Term Loan, 11.00%, 9/30/18                       |     | 489          | 513,665      |
| Incremental 2nd Lien Term Loan, 11.00%, 9/30/18                        |     | 489          | 513,737      |

|  |     |                      |
|--|-----|----------------------|
| Sandy Creek Energy Associates LP, Term Loan B, 5.00%, 11/06/20 | 836 | 839,538<br>2,438,195 |
|--|-----|----------------------|

See Notes to Financial Statements.

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**BlackRock Limited Duration Income Trust (BLW)**  
(Percentages shown are based on Net Assets)

Consolidated Schedule of Investments (continued)

|  |     | <b>Par<br/>(000)</b> | <b>Value</b> |
|--|-----|----------------------|--------------|
| <b>Floating Rate Loan Interests (b)</b>                            |     |                      |              |
| <b>Electrical Equipment 1.0%</b>                                   |     |                      |              |
| Texas Competitive Electric Holdings Co. LLC:                       |     |                      |              |
| DIP Term Loan, 3.75%, 5/05/16                                      | USD | 866                  | \$ 871,433   |
| Extended Term Loan, 4.65%, 10/10/17 (a)(j)                         |     | 7,640                | 5,907,859    |
|  |     |                      | 6,779,292    |
| <b>Electronic Equipment, Instruments &amp; Components 0.1%</b>     |     |                      |              |
| CDW LLC, Term Loan, 3.25%, 4/29/20                                 |     | 839                  | 828,138      |
| <b>Energy Equipment &amp; Services 0.2%</b>                        |     |                      |              |
| Dynegy Holdings, Inc., Term Loan B2, 4.00%,<br>4/23/20             |     | 1,099                | 1,096,845    |
| <b>Food &amp; Staples Retailing 0.3%</b>                           |     |                      |              |
| New Albertson's, Inc., Term Loan, 4.75%, 6/27/21                   |     | 630                  | 626,258      |
| Rite Aid Corp., 2nd Lien Term Loan, 5.75%,<br>8/21/20              |     | 240                  | 242,599      |
| Supervalu, Inc., Refinancing Term Loan B, 4.50%,<br>3/21/19        |     | 902                  | 895,428      |
|  |     |                      | 1,764,285    |
| <b>Food Products 1.3%</b>  |     |                      |              |
| Del Monte Foods, Inc., 1st Lien Term Loan,<br>4.25%, 2/18/21       |     | 642                  | 634,420      |
| Diamond Foods, Inc., Term Loan, 4.25%, 8/20/18                     |     | 1,502                | 1,492,128    |
| Dole Food Co., Inc., Term Loan B, 4.50%,<br>11/01/18               |     | 1,053                | 1,048,302    |
| Hearthside Group Holdings LLC, Term Loan,<br>4.50%, 6/02/21        |     | 675                  | 675,425      |
| Performance Food Group Co., 2nd Lien Term<br>Loan, 6.25%, 11/14/19 |     | 1,040                | 1,042,099    |
| Pinnacle Foods Finance LLC, Term Loan G,<br>3.25%, 4/29/20         |     | 1,038                | 1,024,353    |
| Reddy Ice Corp.:   |     |                      |              |
| 1st Lien Term Loan, 6.75%, 5/01/19                                 |     | 1,471                | 1,405,163    |
| 2nd Lien Term Loan, 10.75%, 11/01/19                               |     | 1,380                | 1,214,400    |
|  |     |                      | 8,536,290    |
| <b>Health Care Equipment &amp; Supplies 2.0%</b>                   |     |                      |              |
| Arysta LifeScience Corp.:  |     |                      |              |
| 1st Lien Term Loan, 4.50%, 5/29/20                                 |     | 1,470                | 1,466,782    |
| 2nd Lien Term Loan, 8.25%, 11/30/20                                |     | 530                  | 534,309      |
| Biomet, Inc., Term Loan B2, 3.73%, 7/25/17                         |     | 1,157                | 1,154,749    |
| Capsugel Holdings US, Inc., Term Loan B, 3.50%,<br>8/01/18         |     | 543                  | 536,800      |
| DJO Finance LLC, 2017 Term Loan, 4.25%,<br>9/15/17                 |     | 1,697                | 1,693,943    |
| The Hologic, Inc., Term Loan B, 3.25%, 8/01/19                     |     | 1,308                | 1,300,105    |
| Immucor, Inc., Refinancing Term Loan B2, 5.00%,<br>8/17/18         |     | 633                  | 632,649      |

|  |     |              |              |
|--|-----|--------------|--------------|
| Millennium Laboratories, Inc., Term Loan B,<br>5.25%, 4/16/21                    |     | 1,825        | 1,826,716    |
| National Vision, Inc.:   |     |              |              |
| 1st Lien Term Loan, 4.00%, 3/12/21   |     | 1,252        | 1,229,370    |
| 2nd Lien Term Loan, 6.75%, 3/07/22   |     | 340          | 334,332      |
| Onex Carestream Finance LP, 2nd Lien Term<br>Loan, 9.50%, 12/07/19               |     | 406          | 410,724      |
| Ortho-Clinical Diagnostics, Inc., Term Loan B,<br>4.75%, 6/30/21                 |     | 2,175        | 2,174,087    |
|  |     |              | 13,294,566   |
| <b>Health Care Providers &amp; Services 2.5%</b>                                 |     |              |              |
| Amedisys, Inc., 2nd Lien Term Loan, 8.50%,<br>6/25/20                            |     | 1,360        | 1,326,000    |
| American Renal Holdings, Inc., 1st Lien Term<br>Loan, 4.50%, 9/20/19             |     | 844          | 837,626      |
| Amsurg Corp., 1st Lien Term Loan B, 3.75%,<br>7/16/21                            |     | 460          | 459,425      |
| Ardent Medical Services, Inc., Term Loan, 6.75%,<br>7/02/18                      |     | 440          | 439,916      |
| Care UK Health & Social Care PLC, 5.56%,<br>7/15/19                              | GBP | 191          | 309,162      |
| CHS/Community Health Systems, Inc., Term Loan<br>D, 4.25%, 1/27/21               | USD | 3,985        | 3,993,144    |
| ConvaTec, Inc., Term Loan, 4.00%, 12/22/16                                       |     | 1,169        | 1,165,375    |
|  |     | <b>Par</b>   | <b>Value</b> |
|  |     | <b>(000)</b> |              |
| <b>Floating Rate Loan Interests (b)</b>  |     |              |              |
| <b>Health Care Providers &amp; Services (concluded)</b>                          |     |              |              |
| DaVita HealthCare Partners, Inc., Term Loan B, 3.50%, 6/24/21                    | USD | 2,845        | \$ 2,835,924 |
| Envision Acquisition Co. LLC, 1st Lien Term Loan, 5.75%,<br>11/04/20             |     | 898          | 902,704      |
| Genesis HealthCare Corp., Term Loan B, 10.00%, 9/25/17                           |     | 1,014        | 1,028,714    |
| Ikaria, Inc.:  |     |              |              |
| 1st Lien Term Loan, 5.00%, 2/12/21   |     | 510          | 510,779      |
| 2nd Lien Term Loan, 8.75%, 2/14/22   |     | 270          | 273,038      |
| inVentiv Health, Inc., Incremental Term Loan B3, 7.75%,<br>5/15/18               |     | 231          | 229,682      |
| MPH Acquisition Holdings LLC, Term Loan, 4.00%, 3/31/21                          |     | 778          | 772,929      |
| National Mentor Holdings, Inc., Term Loan B, 4.75%, 1/31/21                      |     | 579          | 577,647      |
| Surgery Center Holdings, Inc., 1st Lien Term Loan, 4.25%,<br>7/09/20             |     | 405          | 404,894      |
| Surgical Care Affiliates, Inc., Class C Incremental Term Loan,<br>4.00%, 6/29/18 |     | 594          | 591,773      |
|  |     |              | 16,658,732   |
| <b>Health Care Technology 0.1%</b>   |     |              |              |
| IMS Health, Inc., Term Loan, 3.50%, 3/17/21                                      |     | 628          | 619,941      |
| <b>Hotels, Restaurants &amp; Leisure 4.6%</b>                                    |     |              |              |
| Bally Technologies, Inc., Term Loan B, 4.25%, 11/25/20                           |     | 505          | 503,728      |
| Bronco Midstream Funding LLC, Term Loan B, 5.00%, 8/17/20                        |     | 1,239        | 1,240,660    |
| Caesars Entertainment Operating Co., Inc.:                                       |     |              |              |
| Extended Term Loan B6, 6.95%, 3/01/17  |     | 981          | 919,319      |
| Term Loan B7, 9.75%, 3/01/17   |     | 1,821        | 1,758,498    |

|   |       |            |
|---|-------|------------|
| Caesars Entertainment Resort Properties LLC, Term Loan B, 7.00%, 10/12/20 | 1,989 | 1,952,297  |
| Caesars Growth Properties Holdings LLC, Term Loan, 6.25%, 5/08/21         | 2,350 | 2,294,610  |
| CCM Merger, Inc., Term Loan B, 4.50%, 7/18/21                             | 790   | 788,025    |
| Dave & Buster's, Inc., Term Loan, 4.50%, 7/25/20                          | 290   | 289,202    |
| Diamond Resorts Corp., Term Loan, 5.50%, 5/09/21                          | 1,825 | 1,834,125  |
| ESH Hospitality, Inc., Term Loan, 5.00%, 6/24/19                          | 340   | 342,975    |
| Four Seasons Holdings, Inc., 2nd Lien Term Loan, 6.25%, 12/28/20          | 585   | 586,462    |
| Hilton Worldwide Finance LLC, Term Loan B2, 3.50%, 10/26/20               | 1,818 | 1,806,234  |
| Intrawest ULC, Term Loan, 5.50%, 11/26/20                                 | 612   | 614,985    |
| La Quinta Intermediate Holdings LLC, Term Loan B, 4.00%, 4/14/21          | 4,891 | 4,883,117  |
| Las Vegas Sands LLC, Term Loan B, 3.25%, 12/19/20                         | 647   | 644,861    |
| MGM Resorts International, Term Loan B, 3.50%, 12/20/19                   | 1,070 | 1,062,249  |
| Pinnacle Entertainment, Inc., Term Loan B2, 3.75%, 8/13/20                | 730   | 726,050    |
| Playa Resorts Holding BV, Term Loan B, 4.00%, 8/06/19                     | 720   | 715,965    |
| Sabre, Inc.:  |       |            |
| Incremental Term Loan, 4.00%, 2/19/19                                     | 397   | 396,131    |
| Term Loan B, 4.00%, 2/19/19   | 561   | 558,643    |
| Station Casinos LLC, Term Loan B, 4.25%, 3/02/20                          | 2,342 | 2,331,996  |
| Travelport Finance (Luxembourg) Sarl, 2014 Term Loan B, 4.00%, 9/02/21    | 1,200 | 1,205,004  |
| Travelport LLC/Travelport Holdings, Inc.:                                 |       |            |
| 2nd Lien PIK Term Loan 2, 4.00%, 12/01/16                                 | 1,055 | 1,055,361  |
| 2nd Lien Term Loan 1, 9.50%, 1/29/16                                      | 1,178 | 1,200,207  |
| Refinancing Term Loan, 6.25%, 6/26/19                                     | 1,236 | 1,254,053  |
|   |       | 30,964,757 |
| <b>Household Products 0.2%</b>  |       |            |
| Bass Pro Group LLC, Term Loan, 3.75%, 11/20/19                            | 1,150 | 1,144,402  |

See Notes to Financial Statements.

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**BlackRock Limited Duration Income Trust (BLW)**  
**(Percentages shown are based on Net Assets)**

Consolidated Schedule of Investments (continued)

|  |     | <b>Par<br/>(000)</b> | <b>Value</b> |
|--|-----|----------------------|--------------|
| <b>Floating Rate Loan Interests (b)</b>                                  |     |                      |              |
| <b>Independent Power and Renewable Electricity Producers 0.4%</b>        |     |                      |              |
| Calpine Corp., Term Loan B1, 4.00%, 4/01/18                              | USD | 1,048                | \$ 1,047,155 |
| Energy Future Intermediate Holding Co LLC, DIP Term Loan, 4.25%, 6/19/16 |     | 830                  | 830,830      |
| La Frontera Generation LLC, Term Loan, 4.50%, 9/30/20                    |     | 994                  | 995,227      |
|  |     |                      | 2,873,212    |
| <b>Industrial Conglomerates 0.3%</b>                                     |     |                      |              |
| Sequa Corp., Term Loan B, 5.25%, 6/19/17                                 |     | 2,349                | 2,297,406    |
| <b>Insurance 1.0%</b>  |     |                      |              |
| Asurion LLC:   |     |                      |              |
| 2nd Lien Term Loan, 8.50%, 3/03/21                                       |     | 445                  | 458,795      |
| Term Loan B1, 5.00%, 5/24/19   |     | 1,496                | 1,499,980    |
| CNO Financial Group, Inc., Term Loan B2, 3.75%, 9/20/18                  |     | 1,308                | 1,297,326    |
| Cooper Gay Swett & Crawford Ltd.:  |     |                      |              |
| 1st Lien Term Loan, 5.00%, 4/16/20                                       |     | 1,049                | 975,942      |
| 2nd Lien Term Loan C, 8.25%, 10/16/20                                    |     | 500                  | 450,000      |
| Sedgwick, Inc.:  |     |                      |              |
| 1st Lien Term Loan, 3.75%, 3/01/21                                       |     | 1,102                | 1,083,411    |
| 2nd Lien Term Loan, 6.75%, 2/28/22                                       |     | 665                  | 661,675      |
|  |     |                      | 6,427,129    |
| <b>Internet Software &amp; Services 0.5%</b>                             |     |                      |              |
| Dealertrack Technologies, Inc., Term Loan B, 3.50%, 2/28/21              |     | 1,169                | 1,156,990    |
| Go Daddy Operating Co. LLC, Term Loan B, 4.75%, 5/13/21                  |     | 805                  | 802,384      |
| Interactive Data Corp., 2014 Term Loan, 4.75%, 5/02/21                   |     | 1,450                | 1,453,625    |
|  |     |                      | 3,412,999    |
| <b>IT Services 2.1%</b>  |     |                      |              |
| Ceridian LLC:  |     |                      |              |
| Term Loan B1, 4.16%, 5/09/17   |     | 988                  | 986,806      |
| Term Loan B2, 4.50%, 9/14/20   |     | 551                  | 550,539      |
| First Data Corp.:  |     |                      |              |
| 2018 Extended Term Loan, 3.66%, 3/23/18                                  |     | 7,249                | 7,167,649    |
| 2018 Term Loan, 3.66%, 9/24/18   |     | 1,640                | 1,625,142    |
| InfoGroup, Inc., Term Loan, 7.50%, 5/25/18                               |     | 754                  | 707,469      |
| SunGard Availability Services Capital, Inc., Term Loan B, 6.00%, 3/31/19 |     | 798                  | 790,267      |
| SunGard Data Systems, Inc.:  |     |                      |              |
| Term Loan C, 3.91%, 2/28/17  |     | 705                  | 704,119      |
| Term Loan E, 4.00%, 3/08/20  |     | 379                  | 378,397      |
| Vantiv LLC, 2014 Term Loan B, 3.75%, 5/12/21                             |     | 950                  | 949,287      |
|  |     |                      | 13,859,675   |
| <b>Leisure Products 0.1%</b>   |     |                      |              |
| Bauer Performance Sports Ltd., Term Loan B, 4.00%, 4/15/21               |     | 422                  | 420,406      |
| <b>Machinery 1.0%</b>  |     |                      |              |
| Alliance Laundry Systems LLC, Refinancing Term Loan, 4.25%, 12/10/18     |     | 1,063                | 1,063,401    |

|  |     |              |              |
|--|-----|--------------|--------------|
| Gardner Denver, Inc.:  |     |              |              |
| 4.25%, 7/30/20   |     | 838          | 836,518      |
| 4.75%, 7/30/20   | EUR | 221          | 291,368      |
| Intelligrated, Inc., 1st Lien Term Loan, 4.50%, 7/30/18            | USD | 1,081        | 1,070,636    |
| Navistar International Corp., Term Loan B, 5.75%, 8/17/17          |     | 525          | 529,494      |
| Rexnord LLC, 1st Lien Term Loan B, 4.00%, 8/21/20                  |     | 1,316        | 1,307,084    |
| Silver II US Holdings LLC, Term Loan, 4.00%, 12/13/19              |     | 571          | 568,579      |
| Wabash National Corp., Term Loan B, 4.50%, 5/08/19                 |     | 908          | 908,178      |
|  |     |              | 6,575,258    |
|  |     | <b>Par</b>   | <b>Value</b> |
| <b>Floating Rate Loan Interests (b)</b>                            |     | <b>(000)</b> |              |
| <b>Media 4.8%</b>  |     |              |              |
| Activision Blizzard, Inc., Term Loan B, 3.25%, 10/12/20            | USD | 1,090        | \$ 1,089,147 |
| Advanstar Communications, Inc., 2nd Lien Term Loan, 9.50%, 6/06/20 |     | 465          | 463,837      |
| Cengage Learning Acquisitions, Inc., 1st Lien Term Loan:           |     |              |              |
| 0.00%, 7/03/15 (a)(j)  |     | 2,005        |              |
| 7.00%, 3/31/20   |     | 2,434        | 2,448,601    |
| Charter Communications Operating LLC:                              |     |              |              |
| Term Loan E, 3.00%, 7/01/20  |     | 1,173        | 1,153,113    |
| Term Loan G, 3.50%, 7/24/21  |     | 1,435        | 1,443,079    |
| Clear Channel Communications, Inc.:                                |     |              |              |
| Term Loan B, 3.81%, 1/29/16  |     | 316          | 314,122      |
| Term Loan D, 6.91%, 1/30/19  |     | 4,063        | 4,000,009    |
| Cumulus Media Holdings, Inc., 2013 Term Loan, 4.25%, 12/23/20      |     | 1,341        | 1,336,872    |
| Getty Images, Inc., Term Loan B, 4.75%, 10/18/19                   |     | 208          | 196,269      |
| Hemisphere Media Holdings LLC, Term Loan B, 5.00%, 7/30/20         |     | 886          | 886,050      |
| IMG Worldwide Holdings LLC:  |     |              |              |
| 1st Lien Term Loan, 5.25%, 5/06/21                                 |     | 995          | 984,433      |
| 2nd Lien Term Loan, 8.25%, 5/01/22                                 |     | 1,065        | 1,043,700    |
| Intelsat Jackson Holdings SA, Term Loan B2, 3.75%, 6/30/19         |     | 2,514        | 2,500,321    |
| Lions Gate Entertainment Corp., 2nd Lien Term Loan, 5.00%, 7/17/20 |     | 395          | 396,647      |
| Media General, Inc., Delayed Draw Term Loan B, 4.25%, 7/31/20      |     | 696          | 697,502      |
| Mediacom Communications Corp., Term Loan F, 2.63%, 3/31/18         |     | 778          | 764,434      |
| NEP/NCP Holdco, Inc., Incremental Term Loan, 4.25%, 1/22/20        |     | 1,659        | 1,645,222    |
| Numericable U.S. LLC:  |     |              |              |
| Term Loan B1, 4.50%, 5/21/20                                       |     | 1,106        | 1,109,278    |
| Term Loan B2, 4.50%, 5/21/20                                       |     | 957          | 959,677      |
| Salem Communications Corp., Term Loan B, 4.50%, 3/13/20            |     | 997          | 989,572      |
| Tribune Co., 2013 Term Loan, 4.00%, 12/27/20                       |     | 1,083        | 1,081,317    |
| Univision Communications, Inc., Term Loan C4, 4.00%, 3/01/20       |     | 2,423        | 2,406,786    |
| UPC Financing Partnership, Term Loan AG, 3.85%, 3/31/21            | EUR | 442          | 582,097      |
| Virgin Media Investment Holdings Ltd.:                             |     |              |              |
| Term Loan B, 3.50%, 6/07/20  | USD | 410          | 404,285      |
| Term Loan E, 4.25%, 6/30/23  | GBP | 790          | 1,308,948    |
| WideOpenWest Finance LLC, Term Loan B, 4.75%, 4/01/19              | USD | 730          | 731,630      |
| Ziggo BV:  |     |              |              |

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|   |       |            |
|---|-------|------------|
| Term Loan B1A, 2.50%, 1/15/22   | 489   | 479,000    |
| Term Loan B2A, 2.50%, 1/15/22   | 333   | 326,723    |
| Term Loan B3, 2.75%, 1/15/22  | 548   | 537,342    |
|   |       | 32,280,013 |
| <b>Metals &amp; Mining 0.8%</b>   |       |            |
| Ameriforge Group, Inc., 2nd Lien Term Loan, 8.75%, 12/19/20               | 255   | 259,144    |
| FMG Resources (August 2006) Property Ltd., Term Loan B,<br>3.75%, 6/30/19 | 1,391 | 1,384,662  |
| Novelis, Inc., Term Loan, 3.75%, 3/10/17                                  | 2,001 | 1,994,615  |
| Windsor Financing LLC, Term Loan B, 6.25%, 12/05/17                       | 1,511 | 1,533,758  |
|   |       | 5,172,179  |

See Notes to Financial Statements.

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**BlackRock Limited Duration Income Trust (BLW)**  
(Percentages shown are based on Net Assets)

Consolidated Schedule of Investments (continued)

|   |     | <b>Par<br/>(000)</b> | <b>Value</b> |
|---|-----|----------------------|--------------|
| <b>Floating Rate Loan Interests (b)</b>                                       |     |                      |              |
| <b>Multiline Retail 0.5%</b>  |     |                      |              |
| BJ's Wholesale Club, Inc.:  |     |                      |              |
| 1st Lien Term Loan, 4.50%, 9/26/19  | USD | 586                  | \$ 582,728   |
| 2nd Lien Term Loan, 8.50%, 3/26/20  |     | 575                  | 580,462      |
| Hudson's Bay Co., 1st Lien Term Loan, 4.75%, 11/04/20                         |     | 948                  | 954,582      |
| The Neiman Marcus Group, Inc., 2020 Term Loan, 4.25%, 10/25/20                |     | 1,643                | 1,629,024    |
|   |     |                      | 3,746,796    |
| <b>Oil, Gas &amp; Consumable Fuels 1.7%</b>                                   |     |                      |              |
| Arch Coal, Inc., Term Loan B, 6.25%, 5/16/18                                  |     | 1,499                | 1,456,888    |
| Drillships Ocean Ventures Inc., Term Loan B, 5.50%, 7/18/21                   |     | 1,005                | 1,007,935    |
| EP Energy LLC/Everest Acquisition Finance, Inc., Term Loan B3, 3.50%, 5/24/18 |     | 1,127                | 1,116,335    |
| Fieldwood Energy LLC:   |     |                      |              |
| 1st Lien Term Loan, 3.88%, 9/28/18  |     | 466                  | 464,629      |
| 2nd Lien Term Loan, 8.38%, 9/30/20  |     | 420                  | 429,101      |
| Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15                        |     | 899                  | 900,956      |
| Offshore Group Investment Ltd., Term Loan B, 5.75%, 3/28/19                   |     | 187                  | 186,168      |
| Panda Patriot LLC, Term Loan B1, 6.75%, 12/19/20                              |     | 1,645                | 1,677,900    |
| Panda Temple II Power LLC, Term Loan B, 7.25%, 4/03/19                        |     | 900                  | 918,000      |
| Power Buyer LLC, 2nd Lien Term Loan, 8.25%, 11/06/20                          |     | 275                  | 268,125      |
| Seventy Seven Operating LLC, Term Loan B, 3.75%, 6/25/21                      |     | 450                  | 449,811      |
| Southcross Energy Partners LP, 1st Lien Term Loan, 5.25%, 8/04/21             |     | 460                  | 462,590      |
| Southcross Holdings Borrower LP, Term Loan B, 6.00%, 7/16/21                  |     | 370                  | 371,387      |
| Western Refining, Inc., Term Loan B, 4.25%, 11/12/20                          |     | 1,015                | 1,012,363    |
| WTG Holdings III Corp.:   |     |                      |              |
| 1st Lien Term Loan, 4.75%, 1/15/21  |     | 299                  | 297,381      |
| 2nd Lien Term Loan, 8.50%, 1/15/22  |     | 160                  | 159,733      |
|   |     |                      | 11,179,302   |
| <b>Pharmaceuticals 1.4%</b>   |     |                      |              |
| Akorn, Inc.:  |     |                      |              |
| Incremental Term Loan, 3.50%, 4/16/21   |     | 410                  | 410,513      |
| Term Loan B, 4.50%, 4/16/21   |     | 885                  | 886,106      |
| Endo Luxembourg Finance Co. I Sarl, 2014 Term Loan B, 3.25%, 2/28/21          |     | 853                  | 847,003      |
| Grifols Worldwide Operations USA, Inc., Term Loan B, 3.16%, 2/27/21           |     | 2,100                | 2,083,737    |
| Mallinckrodt International Finance SA, Term Loan B, 3.50%, 3/19/21            |     | 793                  | 789,246      |
| Par Pharmaceutical Cos, Inc., Term Loan B2, 4.00%, 9/30/19                    |     | 1,649                | 1,634,154    |
| Pharmaceutical Product Development LLC, Term Loan B, 4.00%, 12/05/18          |     | 1,392                | 1,390,774    |
| Valeant Pharmaceuticals International, Inc.:                                  |     |                      |              |

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|   |     |           |
|---|-----|-----------|
| Series C2, Term Loan B, 3.75%, 12/11/19 | 478 | 476,251   |
| Series E, Term Loan B, 3.75%, 8/05/20   | 721 | 717,950   |
|   |     | 9,235,734 |

**Professional Services 0.7%**

Advantage Sales & Marketing, Inc.:

|  |     |         |
|--|-----|---------|
| 1st Lien Term Loan, 4.25%, 7/23/21                             | 469 | 464,474 |
| 2nd Lien Term Loan, 7.50%, 7/25/22                             | 605 | 605,127 |
| Delayed Draw Term Loan, 3.25%, 7/23/21                         | 16  | 15,482  |
| Emdeon Business Services LLC, Term Loan B2, 3.75%,<br>11/02/18 | 610 | 606,461 |

**Floating Rate Loan Interests (b)**

**Professional Services (concluded)**

|   | <b>Par<br/>(000)</b> | <b>Value</b> |
|---|----------------------|--------------|
| Intertrust Group Holding BV, 2nd Lien Term Loan, 8.00%, 4/16/22 | USD 850              | \$ 847,348   |
| SIRVA Worldwide, Inc., Term Loan, 7.50%, 3/27/19                | 1,057                | 1,077,757    |
| Truven Health Analytics, Inc., Term Loan B, 4.50%, 6/06/19      | 1,166                | 1,160,480    |
|   |                      | 4,777,129    |

**Real Estate Management & Development 0.5%**

|   |       |           |
|---|-------|-----------|
| CityCenter Holdings LLC, Term Loan B, 4.25%, 10/16/20 | 941   | 939,677   |
| Realogy Corp.:  |       |           |
| Extended Letter of Credit, 4.40%, 10/10/16            | 47    | 47,149    |
| Term Loan B, 3.75%, 3/05/20                           | 2,101 | 2,090,457 |
|   |       | 3,077,283 |

**Road & Rail 0.2%**

Road Infrastructure Investment LLC:

|                                    |       |           |
|------------------------------------|-------|-----------|
| 1st Lien Term Loan, 4.25%, 3/31/21 | 1,012 | 1,001,498 |
| 2nd Lien Term Loan, 7.75%, 9/21/21 | 675   | 666,562   |
|                                    |       | 1,668,060 |

**Semiconductors & Semiconductor Equipment 0.6%**

|   |       |           |
|---|-------|-----------|
| Avago Technologies Cayman Ltd., Term Loan B, 3.75%, 5/06/21 | 2,680 | 2,675,739 |
| Freescale Semiconductor, Inc.:                              |       |           |
| Term Loan B4, 4.25%, 2/28/20                                | 720   | 716,744   |
| Term Loan B5, 5.00%, 1/15/21                                | 377   | 378,330   |
|   |       | 3,770,813 |

**Software 1.7%**

|  |       |           |
|--|-------|-----------|
| BMC Software Finance, Inc., Term Loan, 5.00%, 9/10/20  | 811   | 808,643   |
| Evertec Group LLC, Term Loan B, 3.50%, 4/17/20         | 460   | 452,294   |
| GCA Services Group, Inc.:                              |       |           |
| 2nd Lien Term Loan, 9.25%, 10/22/20                    | 560   | 560,935   |
| Term Loan B, 4.25%, 11/01/19                           | 551   | 547,779   |
| Infor US, Inc., Term Loan B5, 3.75%, 6/03/20           | 1,111 | 1,101,067 |
| IQOR US, Inc., Term Loan B, 6.00%, 4/01/21             | 610   | 570,350   |
| Kronos Worldwide, Inc., 2014 Term Loan, 4.75%, 2/18/20 | 234   | 234,706   |
| Kronos, Inc., 2nd Lien Term Loan, 9.75%, 4/30/20       | 1,837 | 1,882,449 |
| Mitchell International, Inc.:                          |       |           |
| 1st Lien Term Loan, 4.50%, 10/12/20                    | 632   | 630,511   |
| 2nd Lien Term Loan, 8.50%, 10/11/21                    | 1,200 | 1,208,256 |
| Regit Eins GmbH, 1st Lien Term Loan, 6.00%, 6/30/21    | 1,020 | 997,050   |
| RP Crown Parent LLC, 2013 Term Loan, 6.00%, 12/21/18   | 909   | 893,389   |
| Sophia LP, 2014 Term Loan B, 4.00%, 7/19/18            | 850   | 845,411   |
| Websense, Inc., 2nd Lien Term Loan, 8.25%, 12/24/20    | 560   | 556,500   |

|  |             |            |
|--|-------------|------------|
|  |             | 11,289,340 |
| <b>Specialty Retail</b>  | <b>0.9%</b> |            |
| Academy Ltd., Term Loan, 4.50%, 8/03/18                              | 1,456       | 1,451,643  |
| Michaels Stores, Inc., Incremental 2014 Term Loan B2, 4.00%, 1/28/20 | 1,200       | 1,192,500  |
| Party City Holdings, Inc., Term Loan, 4.00%, 7/27/19                 | 2,437       | 2,414,154  |
| Petco Animal Supplies, Inc., Term Loan, 4.00%, 11/24/17              | 893         | 890,068    |
| Toys 'R Us-Delaware, Inc., Term Loan B3, 5.25%, 5/25/18              | 242         | 202,995    |
|  |             | 6,151,360  |

See Notes to Financial Statements.

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**BlackRock Limited Duration Income Trust (BLW)**  
(Percentages shown are based on Net Assets)

Consolidated Schedule of Investments (continued)

|  | <b>Par<br/>(000)</b> | <b>Value</b>       |
|--|----------------------|--------------------|
| <b>Floating Rate Loan Interests (b)</b>  |                      |                    |
| <b>Textiles, Apparel &amp; Luxury Goods 0.5%</b>                                       |                      |                    |
| Ascend Performance Materials LLC, Term Loan B, 6.75%, 4/10/18                          | USD 1,246            | \$ 1,227,618       |
| J. Crew Group, Inc., Term Loan B, 4.00%, 3/05/21                                       | 638                  | 625,498            |
| Nine West Holdings, Inc.:  |                      |                    |
| Guarantee Term Loan, 6.25%, 1/08/20  | 555                  | 552,225            |
| Term Loan B, 4.75%, 10/08/19   | 440                  | 440,550            |
| Polymer Group, Inc., 1st Lien Term Loan, 5.25%, 12/19/19                               | 714                  | 717,734            |
|  |                      | 3,563,625          |
| <b>Thriffs &amp; Mortgage Finance 0.1%</b>   |                      |                    |
| IG Investment Holdings LLC, 1st Lien Term Loan, 5.25%, 10/31/19                        | 857                  | 857,310            |
| <b>Wireless Telecommunication Services 0.2%</b>  |                      |                    |
| LTS Buyer LLC, 1st Lien Term Loan, 4.00%, 4/13/20                                      | 1,535                | 1,525,554          |
| <b>Total Floating Rate Loan Interests 45.5%</b>  |                      | <b>304,903,700</b> |
| <b>Foreign Agency Obligations</b>  |                      |                    |
| Cyprus Government International Bond, 4.63%, 2/03/20                                   | EUR 1,000            | 1,307,380          |
| Iceland Government International Bond:   |                      |                    |
| 4.88%, 6/16/16   | USD 580              | 605,546            |
| 5.88%, 5/11/22   | 3,030                | 3,448,155          |
| <b>Total Foreign Agency Obligations 0.8%</b>   |                      | <b>5,361,081</b>   |
| <b>Non-Agency Mortgage-Backed Securities</b>   |                      |                    |
| <b>Collateralized Mortgage Obligations 2.5%</b>  |                      |                    |
| Countrywide Alternative Loan Trust, Series 2005-54CB, Class 3A4, 5.50%, 11/25/35       | 5,164                | 4,835,563          |
| Countrywide Home Loan Mortgage Pass-Through Trust:                                     |                      |                    |
| Series 2005-17, Class 1A6, 5.50%, 9/25/35  | 1,284                | 1,251,798          |
| Series 2006-17, Class A2, 6.00%, 12/25/36  | 2,798                | 2,587,868          |
| Series 2007-HY5, Class 3A1, 5.05%, 9/25/37 (b)   | 1,855                | 1,731,011          |
| GSR Mortgage Loan Trust, Series 2005-AR5, Class 2A3, 2.57%, 10/25/35 (b)               | 1,847                | 1,665,446          |
| Hilton USA Trust, Series 2013-HLT, Class EFX, 5.61%, 11/05/30 (b)(c)                   | 4,162                | 4,258,180          |
| Morgan Stanley Reremic Trust, Series 2010-R4, Class 4A, REMIC, 0.46%, 2/26/37 (b)(c)   | 664                  | 660,411            |
|  |                      | 16,990,277         |
| <b>Commercial Mortgage-Backed Securities 7.7%</b>                                      |                      |                    |
| Banc of America Commercial Mortgage Trust, Series 2007-4, Class A4, 5.95%, 2/10/51 (b) | 1,687                | 1,861,842          |
| Commercial Mortgage Pass-Through Certificates (b)(c):                                  |                      |                    |
| Series 2013-LC13, Class D, 5.22%, 8/10/46  | 3,530                | 3,462,471          |
| Series 2014-KYO, Class F, 3.66%, 6/11/27   | 1,855                | 1,845,078          |
| Commercial Mortgage Trust, Series 2013-LC6:  |                      |                    |
| Class B, 3.74%, 1/10/46  | 1,110                | 1,117,904          |
| Class D, 4.43%, 1/10/46 (b)(c)   | 1,330                | 1,254,836          |

|  |     |              |                   |
|--|-----|--------------|-------------------|
| Credit Suisse Commercial Mortgage Trust, Series 2006-C5, Class AM, 5.34%, 12/15/39           |     | 1,850        | 1,989,170         |
| Credit Suisse Mortgage Capital Certificates (b):   |     |              |                   |
| Series 2007-C2, Class A2, 5.45%, 1/15/49   |     | 5            | 4,974             |
| Series 2007-C5, Class AAB, 5.62%, 9/15/40  |     | 1,160        | 1,229,154         |
| Series 2014-SURF, Class E, 3.26%, 2/15/29 (c)  |     | 1,000        | 1,002,559         |
| Greenwich Capital Commercial Funding Corp., Series 2006-GG7, Class AM, 6.01%, 7/10/38 (b)    |     | 1,610        | 1,729,322         |
| GS Mortgage Securities Corp. II, Series 2013-GC10, Class B, 3.68%, 2/10/46 (c)               |     | 1,995        | 1,995,375         |
|  |     | <b>Par</b>   | <b>Value</b>      |
|  |     | <b>(000)</b> |                   |
| <b>Non-Agency Mortgage-Backed Securities</b>   |     |              |                   |
| <b>Commercial Mortgage-Backed Securities (concluded)</b>                                     |     |              |                   |
| GS Mortgage Securities Trust (b):  |     |              |                   |
| Series 2006-GG6, Class AM, 5.62%, 4/10/38  | USD | 3,680        | \$ 3,878,683      |
| Series 2014-GSFL, Class D, 4.06%, 7/15/31 (c)  |     | 1,140        | 1,138,873         |
| JPMBB Commercial Mortgage Securities Trust, Series 2013-C15, Class D, 5.25%, 11/15/45 (b)(c) |     | 1,400        | 1,390,179         |
| JPMorgan Chase Commercial Mortgage Securities Corp.:   |     |              |                   |
| Series 2004-LN2, Class A2, 5.12%, 7/15/41  |     | 297          | 298,293           |
| Series 2007-CB18, Class A4, 5.44%, 6/12/47   |     | 2,075        | 2,243,747         |
| Series 2007-CB19, Class A4, 5.89%, 2/12/49 (b)   |     | 2,140        | 2,337,760         |
| Series 2012-LC9, Class XA, 2.08%, 12/15/47 (b)   |     | 14,813       | 1,466,400         |
| LB-UBS Commercial Mortgage Trust (b):  |     |              |                   |
| Series 2007-C2, Class AM, 5.49%, 2/15/40   |     | 2,500        | 2,666,797         |
| Series 2007-C6, Class A4, 5.86%, 7/15/40   |     | 4,469        | 4,752,872         |
| Merrill Lynch Mortgage Trust, Series 2007-C1, Class A1A, 6.01%, 6/12/50 (b)                  |     | 1,501        | 1,613,697         |
| Talisman Finance PLC, Series 6, Class A, 0.38%, 10/22/16 (b)                                 | EUR | 1,619        | 2,064,047         |
| Titan Europe PLC, Series 2007-1X, Class A, 0.81%, 1/20/17 (b)                                | GBP | 2,548        | 4,018,889         |
| Wachovia Bank Commercial Mortgage Trust, Series 2007-C33, Class A4, 6.14%, 2/15/51 (b)       | USD | 2,030        | 2,201,632         |
| WF-RBS Commercial Mortgage Trust:  |     |              |                   |
| Series 2012-C8, Class B, 4.31%, 8/15/45  |     | 1,085        | 1,141,373         |
| Series 2012-C8, Class C, 5.04%, 8/15/45 (b)  |     | 1,395        | 1,494,124         |
| Series 2014-C20, Class XA, 1.41%, 5/15/47 (b)  |     | 14,954       | 1,181,732         |
| Windermere XI Cmb PLC, Series XI-X, Class A, 0.81%, 4/24/17 (b)                              | GBP | 46           | 75,828            |
|  |     |              | 51,457,611        |
| <b>Interest Only Commercial Mortgage-Backed Securities 0.3%</b>                              |     |              |                   |
| WF-RBS Commercial Mortgage Trust, Series 2012-C9, Class XA, 2.39%, 11/15/45 (b)(c)           | USD | 16,543       | 1,943,274         |
| <b>Total Non-Agency Mortgage-Backed Securities 10.5%</b>                                     |     |              | <b>70,391,162</b> |

**U.S. Government Sponsored Agency Securities****Collateralized Mortgage Obligations 1.0%**

## Freddie Mac Mortgage-Backed Securities:

|   |  |       |           |
|---|--|-------|-----------|
| Series 3986, Class M, REMIC, 4.50%, 9/15/41 |  | 2,411 | 2,629,557 |
| Series K032, Class A2, 3.31%, 5/25/23 (b)   |  | 3,500 | 3,655,516 |
|   |  |       | 6,285,073 |

**Interest Only Collateralized Mortgage Obligations 0.8%**

|   |        |            |
|---|--------|------------|
| Fannie Mae Mortgage-Backed Securities, Series 2012-M9, Class X1,<br>4.23%, 12/25/17 (b) | 19,723 | 2,122,936  |
| Freddie Mac Mortgage-Backed Securities, Class X1 (b):<br>Series K707, 1.69%, 12/25/18   | 42,627 | 2,470,667  |
| Series K710, 1.91%, 5/25/19   | 13,258 | 943,567    |
|   |        | 5,537,170  |
| <b>Mortgage-Backed Securities 3.5%</b>  |        |            |
| Fannie Mae Mortgage-Backed Securities (f):<br>3.50%, 8/01/26                            | 7,542  | 7,986,635  |
| 5.00%, 7/01/20 8/01/23  | 5,598  | 5,981,355  |
| Freddie Mac Mortgage-Backed Securities, 4.50%, 4/01/25 (f)                              | 8,905  | 9,575,323  |
|   |        | 23,543,313 |
| <b>Total U.S. Government Sponsored Agency Securities 5.3%</b>                           |        | 35,365,556 |

See Notes to Financial Statements.

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**BlackRock Limited Duration Income Trust (BLW)**  
**(Percentages shown are based on Net Assets)**

Consolidated Schedule of Investments (continued)

|   | <b>Beneficial<br/>Interest<br/>(000)</b> | <b>Value</b> |
|---|--|--------------|
| <b>Other Interests (k)</b>  |  |              |
| <b>Auto Components 0.0%</b>   |  |              |
| Lear Corp. Escrow   | USD,000                                  | \$ 8,750     |
| <b>Construction Materials 0.0%</b>  |  |              |
| USI Senior Holdings   | 6  |              |
| <b>Diversified Financial Services 0.0%</b>  |  |              |
| J.G. Wentworth LLC Preferred Equity Interests (Acquired 11/18/13, cost \$969,589) (a)(l)(m) | 14                                       | 191,652      |
| <b>Total Other Interests 0.0%</b>   |  | 200,402      |
| <hr/>   |  |              |
| <b>Preferred Securities</b>   |  |              |
|   | <b>Par<br/>(000 )</b>                    |              |
| <b>Capital Trusts</b>   |  |              |
| <b>Banks 0.5%</b>   |  |              |
| Wachovia Capital Trust III, 5.57% (b)(f)(n)   | 3,365                                    | 3,297,700    |
| <b>Capital Markets 0.5%</b>   |  |              |
| Credit Suisse Group AG, 6.25% (b)(c)(f)(n)  | 1,445                                    | 1,437,775    |
| The Goldman Sachs Group, Inc., Series L, 5.70% (b)(f)(n)                                    | 1,920                                    | 1,982,085    |
|   |  | 3,419,860    |
| <b>Diversified Financial Services 4.4%</b>  |  |              |
| Bank of America Corp. (b)(f)(n):  |  |              |
| Series U, 5.20%   | 1,250                                    | 1,204,688    |
| Series V, 5.13%   | 3,470                                    | 3,434,190    |
| Barclays PLC, 8.00% (b)(n)  | 600                                      | 851,529      |
| Citigroup, Inc. (b)(f)(n):  |  |              |
| 5.90%   | 5,000                                    | 5,015,650    |
| 5.95%   | 1,370                                    | 1,381,987    |
| JPMorgan Chase & Co. (b)(f)(n):   |  |              |
| Series U, 6.13%   | 6,690                                    | 6,840,525    |
| Series V, 5.00%   | 3,000                                    | 2,974,968    |
| Macquarie Bank Ltd., 10.25%, 6/20/57 (b)  | 1,450                                    | 1,653,000    |
| Morgan Stanley, Series H, 5.45% (b)(f)(n)   | 1,426                                    | 1,450,955    |
| Societe Generale SA, 6.00% (b)(c)(f)(n)   | 4,825                                    | 4,607,875    |
|   |  | 29,415,367   |
| <b>Insurance 3.5%</b>   |  |              |
| The Allstate Corp., 6.13%, 5/15/67 (b)(f)   | 3,000                                    | 3,195,000    |
| AXA SA, 6.46% (b)(c)(f)(n)  | 1,625                                    | 1,724,531    |
| Genworth Holdings, Inc., 6.15%, 11/15/66 (b)(f)   | 1,850                                    | 1,628,000    |
| Hartford Financial Services Group, Inc., 8.13%, 6/15/68 (b)(f)                              | 2,500                                    | 2,943,750    |
| Liberty Mutual Group, Inc. (c)(f):  |  |              |
| 7.00%, 3/07/67 (b)  | 1,575                                    | 1,673,438    |
| 7.80%, 3/07/87  | 1,500                                    | 1,770,000    |
| Prudential Financial, Inc., 5.63%, 6/15/43 (b)(f)   | 3,250                                    | 3,485,625    |
| Swiss Re Capital I LP, 6.85% (b)(c)(f)(n)   | 3,000                                    | 3,157,500    |

|   |       |            |
|---|-------|------------|
| Voya Financial, Inc., 5.65%, 5/15/53 (b)(f) | 3,500 | 3,561,250  |
|   |       | 23,139,094 |
| <b>Total Capital Trusts 8.9%</b>            |       | 59,272,021 |

| <b>Preferred Stocks</b>                            | <b>Shares</b> | <b>Value</b> |
|--|---------------|--------------|
| <b>Capital Markets 0.8%</b>                        |               |              |
| The Goldman Sachs Group, Inc., Series J, 5.50% (b) | 202,526       | \$ 4,957,837 |
| SCE Trust III, 5.75% (b)                           | 21,200        | 563,496      |
|  |               | 5,521,333    |
| <b>Consumer Finance 0.0%</b>                       |               |              |
| Ally Financial, Inc., Series A, 8.50% (b)          | 8,657         | 236,076      |
| <b>Diversified Financial Services 0.5%</b>         |               |              |
| Morgan Stanley, 6.88% (b)                          | 120,000       | 3,241,200    |
| <b>Total Preferred Stocks 1.3%</b>                 |               | 8,998,609    |

|  |         |            |
|--|---------|------------|
| <b>Trust Preferreds 0.5%</b>                       |         |            |
| <b>Diversified Financial Services 0.5%</b>         |         |            |
| GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (b) | 124,413 | 3,332,288  |
| <b>Total Preferred Securities 10.7%</b>            |         | 71,602,918 |

|  |       |             |
|--|-------|-------------|
| <b>Warrants (o) 0.0%</b>   |       |             |
| <b>Software 0.0%</b>   |       |             |
| HMH Holdings/EduMedia (Issued/Exercisable 3/09/10, 19 Shares for 1 Warrant, Expires 6/22/19, Strike Price \$42.27) | 3,100 | 14,419      |
| <b>Total Long-Term Investments</b>   |       |             |
| (Cost \$927,830,032) 140.5%  |       | 940,722,141 |

|  |           |               |
|--|-----------|---------------|
| <b>Short-Term Securities</b>   |           |               |
| BlackRock Liquidity Funds, TempFund, Institutional Class, 0.03% (p)(q) | 7,390,390 | 7,390,390     |
| <b>Total Short-Term Securities</b>                                     |           |               |
| (Cost \$7,390,390) 1.1%  |           | 7,390,390     |
| <b>Options Purchased</b>   |           |               |
| (Cost \$246,671) 0.0%  |           | 2,762         |
| <b>Total Investments Before Options Written</b>                        |           |               |
| (Cost \$935,467,093) 141.6%  |           | 948,115,293   |
| <b>Options Written</b>   |           |               |
| (Premiums Received \$187,000) (0.0)%                                   |           | (175,052 )    |
| <b>Total Investments, Net of Options Written 141.6%</b>                |           | 947,940,241   |
| <b>Liabilities in Excess of Other Assets (41.6)%</b>                   |           | (278,557,844) |
| <b>Net Assets 100.0%</b>   |           | \$669,382,397 |

#### Notes to Consolidated Schedule of Investments

- (a) Non-income producing security.
- (b) Variable rate security. Rate shown is as of report date.
- (c) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified



institutional investors.

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| <b>Counterparty</b>                | <b>Value</b> | <b>Unrealized<br/>Appreciation</b> |
|------------------------------------|--------------|------------------------------------|
| Bank of America N.A.               | \$2,435,250  |                                    |
| Morgan Stanley & Co. LLC           | \$2,750,250  |                                    |
| See Notes to Financial Statements. |              |                                    |

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## BlackRock Limited Duration Income Trust (BLW)

## Consolidated Schedule of Investments (continued)

- (e) Convertible security.
- (f) All or a portion of security has been pledged as collateral in connection with outstanding reverse repurchase agreements.
- (g) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares and/or in cash. Rates shown are the current rate and possible payment rates.
- (h) Zero-coupon bond.
- (i) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown is as of report date.
- (j) Issuer filed for bankruptcy and/or is in default of principal and/or interest payments.
- (k) Other interests represent beneficial interests in liquidation trusts and other reorganization or private entities.
- (l) Restricted security as to resale. As of report date, the Fund held restricted securities with a current value of \$191,652 and an original cost of \$969,589 which was less than 0.05% of its net assets.
- (m) Security is held by a wholly owned subsidiary. See Note 1 of the Notes to Financial Statements for details on the wholly owned subsidiary.
- (n) Security is perpetual in nature and has no stated maturity date.
- (o) Warrants entitle the Fund to purchase a predetermined number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date, if any.
- (p) Investments in issuers considered to be an affiliate of the Fund during the year ended August 31, 2014, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

| Affiliate  | Shares Held at August 31, 2013 | Net Activity | Shares Held at August 31, 2014 | Income  |
|--|--------------------------------|--------------|--------------------------------|---------|
| BlackRock Liquidity Funds, TempFund, Institutional Class | 1,184,093                      | 6,206,297    | 7,390,390                      | \$2,538 |

- (q) Represents the current yield as of the report date.  
Reverse repurchase agreements outstanding as of August 31, 2014 were as follows:

| Counterparty                       | Interest Rate | Trade Date | Maturity Date <sup>1</sup> | Face Value   | Face Value Including Accrued Interest |
|------------------------------------|---------------|------------|----------------------------|--------------|---------------------------------------|
| Credit Suisse Securities (USA) LLC | 0.40%         | 3/07/13    | Open                       | \$ 1,503,125 | \$ 1,512,177                          |
| Credit Suisse Securities (USA) LLC | 0.35%         | 3/22/13    | Open                       | 1,496,075    | 1,503,755                             |
| Credit Suisse Securities (USA) LLC | 0.35%         | 4/03/13    | Open                       | 243,800      | 245,021                               |
| Credit Suisse Securities (USA) LLC | 0.35%         | 4/03/13    | Open                       | 5,701,069    | 5,729,614                             |
| Credit Suisse Securities (USA) LLC | 0.35%         | 4/03/13    | Open                       | 1,233,600    | 1,239,777                             |
| Credit Suisse Securities (USA) LLC | 0.35%         | 4/03/13    | Open                       | 1,277,250    | 1,283,645                             |
| Credit Suisse Securities (USA) LLC | 0.35%         | 4/03/13    | Open                       | 2,861,250    | 2,875,576                             |
| Credit Suisse Securities (USA) LLC | 0.35%         | 4/03/13    | Open                       | 3,119,100    | 3,134,717                             |
| Credit Suisse Securities (USA) LLC | 0.35%         | 4/03/13    | Open                       | 3,213,750    | 3,229,841                             |
| Credit Suisse Securities (USA) LLC | 0.35%         | 4/03/13    | Open                       | 3,695,000    | 3,713,501                             |
| Credit Suisse Securities (USA) LLC | 0.40%         | 5/30/13    | Open                       | 720,960      | 724,637                               |

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|                                |                               |            |            |
|--------------------------------|-------------------------------|------------|------------|
| Barclays Capital, Inc.         | 0.44% <del>6</del> /21/13Open | 1,109,299  | 1,115,223  |
| Barclays Capital, Inc.         | 0.60% <del>6</del> /24/13Open | 1,731,221  | 1,743,744  |
| Barclays Capital, Inc.         | 0.60% <del>6</del> /24/13Open | 488,876    | 492,412    |
| BNP Paribas Securities Corp.   | 0.34% <del>8</del> /18/13Open | 13,065,000 | 13,107,940 |
| Barclays Capital, Inc.         | 0.60% <del>8</del> /27/13Open | 1,189,125  | 1,195,844  |
| Barclays Capital, Inc.         | 0.60% <del>0</del> /15/13Open | 893,525    | 898,305    |
| Barclays Capital, Inc.         | 0.60% <del>0</del> /16/13Open | 803,937    | 808,225    |
| Barclays Capital, Inc.         | 0.60% <del>0</del> /17/13Open | 728,012    | 731,883    |
| Barclays Capital, Inc.         | 0.60% <del>0</del> /17/13Open | 682,594    | 686,223    |
| Barclays Capital, Inc.         | 0.60% <del>0</del> /17/13Open | 875,600    | 880,255    |
| Barclays Capital, Inc.         | 0.60% <del>0</del> /17/13Open | 1,215,287  | 1,221,749  |
| Barclays Capital, Inc.         | 0.60% <del>0</del> /21/13Open | 676,000    | 679,538    |
| Barclays Capital, Inc.         | 0.60% <del>0</del> /22/13Open | 845,434    | 849,858    |
| Barclays Capital, Inc.         | 0.60% <del>0</del> /22/13Open | 1,023,231  | 1,028,586  |
| Barclays Capital, Inc.         | 0.60% <del>0</del> /22/13Open | 788,400    | 792,526    |
| Barclays Capital, Inc.         | 0.60% <del>1</del> /15/13Open | 2,067,975  | 2,077,970  |
| Barclays Capital, Inc.         | 0.60% <del>1</del> /15/13Open | 1,356,788  | 1,363,345  |
| Barclays Capital, Inc.         | 0.60% <del>1</del> /15/13Open | 1,283,400  | 1,289,603  |
| Barclays Capital, Inc.         | 0.55% <del>1</del> /18/13Open | 1,313,488  | 1,319,247  |
| Deutsche Bank Securities, Inc. | 0.60% <del>1</del> /27/13Open | 1,227,000  | 1,232,644  |
| Deutsche Bank Securities, Inc. | 0.60% <del>1</del> /27/13Open | 1,538,000  | 1,545,075  |
| Deutsche Bank Securities, Inc. | 0.60% <del>1</del> /27/13Open | 2,602,000  | 2,613,969  |
| Deutsche Bank Securities, Inc. | 0.60% <del>1</del> /27/13Open | 834,000    | 837,836    |
| Deutsche Bank Securities, Inc. | 0.60% <del>2</del> /12/13Open | 723,000    | 726,169    |
| Deutsche Bank Securities, Inc. | 0.60% <del>2</del> /12/13Open | 564,000    | 566,472    |
| Deutsche Bank Securities, Inc. | 0.60% <del>2</del> /12/13Open | 549,000    | 551,406    |
| Deutsche Bank Securities, Inc. | 0.60% <del>2</del> /12/13Open | 727,000    | 730,187    |
| Deutsche Bank Securities, Inc. | 0.60% <del>2</del> /12/13Open | 1,323,000  | 1,328,799  |
| Deutsche Bank Securities, Inc. | 0.59% <del>2</del> /16/13Open | 412,000    | 413,749    |
| Deutsche Bank Securities, Inc. | 0.58% <del>2</del> /18/13Open | 996,000    | 1,000,108  |

See Notes to Financial Statements.

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## BlackRock Limited Duration Income Trust (BLW)

Consolidated Schedule of Investments (continued)

Reverse repurchase agreements outstanding as of August 31, 2014 were as follows (continued):

| Counterparty                   | Interest Rate | Trade Date | Maturity Date <sup>1</sup> | Face Value   | Face Value Including Accrued Interest |
|--------------------------------|---------------|------------|----------------------------|--------------|---------------------------------------|
| Deutsche Bank Securities, Inc. | 0.60%         | 2/18/13    | Open                       | \$ 1,030,000 | \$ 1,034,395                          |
| Deutsche Bank Securities, Inc. | 0.60%         | 2/18/13    | Open                       | 1,222,000    | 1,227,214                             |
| Deutsche Bank Securities, Inc. | 0.50%         | 2/27/13    | Open                       | 1,416,000    | 1,420,818                             |
| Deutsche Bank Securities, Inc. | 0.55%         | 2/27/13    | Open                       | 973,000      | 976,642                               |
| Deutsche Bank Securities, Inc. | 0.55%         | 2/27/13    | Open                       | 296,000      | 297,108                               |
| Deutsche Bank Securities, Inc. | 0.58%         | 2/27/13    | Open                       | 1,450,000    | 1,455,723                             |
| Deutsche Bank Securities, Inc. | 0.58%         | 2/27/13    | Open                       | 593,000      | 595,341                               |
| Deutsche Bank Securities, Inc. | 0.58%         | 2/27/13    | Open                       | 945,000      | 948,730                               |
| Deutsche Bank Securities, Inc. | 0.58%         | 2/27/13    | Open                       | 357,000      | 358,409                               |
| Deutsche Bank Securities, Inc. | 0.58%         | 2/27/13    | Open                       | 1,228,000    | 1,232,847                             |
| Deutsche Bank Securities, Inc. | 0.60%         | 2/27/13    | Open                       | 1,898,000    | 1,905,750                             |
| Deutsche Bank Securities, Inc. | 0.60%         | 2/27/13    | Open                       | 820,000      | 823,348                               |
| Barclays Capital, Inc.         | 0.35%         | 2/28/14    | Open                       | 3,109,000    | 3,114,592                             |
| Barclays Capital, Inc.         | 0.35%         | 2/28/14    | Open                       | 3,202,000    | 3,207,759                             |
| Barclays Capital, Inc.         | 0.35%         | 2/28/14    | Open                       | 1,929,000    | 1,932,470                             |
| Barclays Capital, Inc.         | 0.60%         | 2/28/14    | Open                       | 935,000      | 937,883                               |
| Deutsche Bank Securities, Inc. | 0.55%         | 2/28/14    | Open                       | 474,000      | 475,340                               |
| Deutsche Bank Securities, Inc. | 0.55%         | 2/28/14    | Open                       | 2,862,000    | 2,870,089                             |
| Deutsche Bank Securities, Inc. | 0.55%         | 2/28/14    | Open                       | 1,073,000    | 1,076,033                             |
| Deutsche Bank Securities, Inc. | 0.55%         | 3/10/14    | Open                       | 349,000      | 349,933                               |
| HSBC Securities (USA), Inc.    | 0.38%         | 3/10/14    | Open                       | 6,339,571    | 6,351,282                             |
| Barclays Capital, Inc.         | 0.60%         | 3/11/14    | Open                       | 629,879      | 631,706                               |
| Deutsche Bank Securities, Inc. | 0.60%         | 3/20/14    | Open                       | 686,000      | 687,887                               |
| Deutsche Bank Securities, Inc. | 0.55%         | 4/16/14    | Open                       | 500,000      | 501,047                               |
| Deutsche Bank Securities, Inc. | 0.55%         | 4/16/14    | Open                       | 1,500,000    | 1,503,140                             |
| Deutsche Bank Securities, Inc. | 0.55%         | 4/16/14    | Open                       | 1,000,000    | 1,002,093                             |
| Deutsche Bank Securities, Inc. | 0.55%         | 4/16/14    | Open                       | 800,000      | 801,674                               |
| Deutsche Bank Securities, Inc. | 0.55%         | 4/16/14    | Open                       | 2,100,000    | 2,104,395                             |
| Deutsche Bank Securities, Inc. | 0.55%         | 4/16/14    | Open                       | 500,000      | 501,047                               |
| Deutsche Bank Securities, Inc. | 0.55%         | 4/16/14    | Open                       | 500,000      | 501,047                               |
| Deutsche Bank Securities, Inc. | 0.55%         | 4/16/14    | Open                       | 1,300,000    | 1,302,721                             |
| Deutsche Bank Securities, Inc. | 0.55%         | 4/16/14    | Open                       | 900,000      | 901,884                               |
| Deutsche Bank Securities, Inc. | 0.55%         | 4/16/14    | Open                       | 2,000,000    | 2,004,186                             |
| Deutsche Bank Securities, Inc. | 0.55%         | 4/16/14    | Open                       | 1,200,000    | 1,202,512                             |
| Deutsche Bank Securities, Inc. | 0.55%         | 4/16/14    | Open                       | 500,000      | 501,047                               |
| Deutsche Bank Securities, Inc. | 0.55%         | 4/16/14    | Open                       | 600,000      | 601,256                               |
| Deutsche Bank Securities, Inc. | 0.55%         | 4/16/14    | Open                       | 100,000      | 100,209                               |
| Deutsche Bank Securities, Inc. | 0.58%         | 4/16/14    | Open                       | 500,000      | 501,104                               |
| Deutsche Bank Securities, Inc. | 0.58%         | 4/16/14    | Open                       | 1,600,000    | 1,603,532                             |
| Deutsche Bank Securities, Inc. | 0.58%         | 4/16/14    | Open                       | 2,400,000    | 2,405,297                             |
| Deutsche Bank Securities, Inc. | 0.58%         | 4/16/14    | Open                       | 1,500,000    | 1,503,311                             |

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|                                |                               |           |           |
|--------------------------------|-------------------------------|-----------|-----------|
| Deutsche Bank Securities, Inc. | 0.60% <sup>4</sup> /16/14Open | 500,000   | 501,142   |
| Barclays Capital, Inc.         | 0.60% <sup>4</sup> /17/14Open | 611,000   | 612,354   |
| Barclays Capital, Inc.         | 0.60% <sup>4</sup> /17/14Open | 1,633,000 | 1,636,620 |
| Barclays Capital, Inc.         | 0.60% <sup>4</sup> /17/14Open | 278,000   | 278,616   |
| Barclays Capital, Inc.         | 0.60% <sup>4</sup> /17/14Open | 960,000   | 962,128   |
| Barclays Capital, Inc.         | 0.60% <sup>4</sup> /17/14Open | 502,000   | 503,113   |
| Deutsche Bank Securities, Inc. | 0.55% <sup>4</sup> /21/14Open | 899,000   | 900,817   |
| Deutsche Bank Securities, Inc. | 0.55% <sup>4</sup> /21/14Open | 593,000   | 594,199   |
| Deutsche Bank Securities, Inc. | 0.55% <sup>4</sup> /21/14Open | 768,000   | 769,553   |
| Deutsche Bank Securities, Inc. | 0.55% <sup>4</sup> /21/14Open | 2,075,000 | 2,079,195 |
| Deutsche Bank Securities, Inc. | 0.55% <sup>4</sup> /21/14Open | 848,000   | 849,714   |
| Deutsche Bank Securities, Inc. | 0.55% <sup>4</sup> /21/14Open | 945,000   | 946,910   |
| Deutsche Bank Securities, Inc. | 0.55% <sup>4</sup> /21/14Open | 1,498,000 | 1,501,028 |
| Deutsche Bank Securities, Inc. | 0.55% <sup>4</sup> /21/14Open | 1,014,000 | 1,016,050 |
| Deutsche Bank Securities, Inc. | 0.55% <sup>4</sup> /21/14Open | 1,539,000 | 1,542,111 |
| Deutsche Bank Securities, Inc. | 0.58% <sup>4</sup> /21/14Open | 1,244,000 | 1,246,652 |
| Deutsche Bank Securities, Inc. | 0.58% <sup>4</sup> /21/14Open | 142,000   | 142,303   |
| Deutsche Bank Securities, Inc. | 0.58% <sup>4</sup> /21/14Open | 705,000   | 706,503   |
| Deutsche Bank Securities, Inc. | 0.58% <sup>4</sup> /21/14Open | 467,000   | 467,996   |
| Deutsche Bank Securities, Inc. | 0.58% <sup>4</sup> /21/14Open | 1,180,000 | 1,182,516 |
| Deutsche Bank Securities, Inc. | 0.58% <sup>4</sup> /21/14Open | 200,000   | 200,426   |
| Deutsche Bank Securities, Inc. | 0.58% <sup>4</sup> /21/14Open | 3,194,000 | 3,200,809 |
| HSBC Securities (USA), Inc.    | 0.55% <sup>5</sup> /09/14Open | 1,125,643 | 1,127,621 |
| Deutsche Bank Securities, Inc. | 0.55% <sup>5</sup> /13/14Open | 412,000   | 412,692   |

See Notes to Financial Statements.

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## BlackRock Limited Duration Income Trust (BLW)

## Consolidated Schedule of Investments (continued)

Reverse repurchase agreements outstanding as of August 31, 2014 were as follows (continued):

| Counterparty                   | Interest Rate | Trade Date | Maturity Date <sup>1</sup> | Face Value   | Face Value Including Accrued Interest |
|--------------------------------|---------------|------------|----------------------------|--------------|---------------------------------------|
| Deutsche Bank Securities, Inc. | 0.55%         | 5/13/14    | Open                       | \$ 2,377,000 | \$ 2,380,995                          |
| Deutsche Bank Securities, Inc. | 0.58%         | 5/13/14    | Open                       | 580,000      | 581,028                               |
| Deutsche Bank Securities, Inc. | 0.58%         | 5/13/14    | Open                       | 2,227,000    | 2,230,947                             |
| Deutsche Bank Securities, Inc. | 0.58%         | 5/13/14    | Open                       | 1,460,000    | 1,462,587                             |
| Deutsche Bank Securities, Inc. | 0.58%         | 5/13/14    | Open                       | 2,194,000    | 2,197,888                             |
| Deutsche Bank Securities, Inc. | 0.58%         | 5/13/14    | Open                       | 1,370,000    | 1,372,428                             |
| Deutsche Bank Securities, Inc. | 0.58%         | 5/13/14    | Open                       | 166,000      | 166,294                               |
| Deutsche Bank Securities, Inc. | 0.58%         | 5/13/14    | Open                       | 1,573,000    | 1,575,788                             |
| Deutsche Bank Securities, Inc. | 0.58%         | 5/13/14    | Open                       | 804,000      | 805,425                               |
| Deutsche Bank Securities, Inc. | 0.58%         | 5/13/14    | Open                       | 973,000      | 974,724                               |
| Deutsche Bank Securities, Inc. | 0.58%         | 5/13/14    | Open                       | 1,178,000    | 1,180,088                             |
| Deutsche Bank Securities, Inc. | 0.58%         | 5/13/14    | Open                       | 627,000      | 628,111                               |
| Deutsche Bank Securities, Inc. | 0.59%         | 5/13/14    | Open                       | 392,000      | 392,707                               |
| Deutsche Bank Securities, Inc. | 0.59%         | 5/13/14    | Open                       | 810,000      | 811,460                               |
| Deutsche Bank Securities, Inc. | 0.59%         | 5/13/14    | Open                       | 827,000      | 828,491                               |
| Deutsche Bank Securities, Inc. | 0.59%         | 5/13/14    | Open                       | 841,000      | 842,516                               |
| Deutsche Bank Securities, Inc. | 0.60%         | 5/13/14    | Open                       | 933,000      | 934,711                               |
| Deutsche Bank Securities, Inc. | 0.60%         | 5/13/14    | Open                       | 1,049,000    | 1,050,923                             |
| UBS Securities LLC             | (0.50)%       | 5/13/14    | Open                       | 980,000      | 978,503                               |
| UBS Securities LLC             | 0.34%         | 5/13/14    | Open                       | 3,277,000    | 3,280,404                             |
| UBS Securities LLC             | 0.35%         | 5/13/14    | Open                       | 1,693,000    | 1,694,811                             |
| UBS Securities LLC             | 0.45%         | 5/13/14    | Open                       | 811,000      | 812,115                               |
| UBS Securities LLC             | 0.55%         | 5/13/14    | Open                       | 2,171,000    | 2,174,648                             |
| UBS Securities LLC             | 0.55%         | 5/13/14    | Open                       | 2,326,000    | 2,329,909                             |
| UBS Securities LLC             | 0.55%         | 5/13/14    | Open                       | 371,000      | 371,623                               |
| UBS Securities LLC             | 0.55%         | 5/13/14    | Open                       | 788,000      | 789,324                               |
| UBS Securities LLC             | 0.60%         | 5/13/14    | Open                       | 2,880,000    | 2,885,280                             |
| Barclays Capital, Inc.         | 0.40%         | 5/14/14    | Open                       | 3,311,000    | 3,315,010                             |
| Barclays Capital, Inc.         | 0.60%         | 5/14/14    | Open                       | 317,000      | 317,326                               |
| Deutsche Bank Securities, Inc. | 0.40%         | 5/23/14    | Open                       | 3,352,000    | 3,355,762                             |
| Deutsche Bank Securities, Inc. | 0.60%         | 5/27/14    | Open                       | 700,000      | 701,132                               |
| Barclays Capital, Inc.         | 0.60%         | 5/28/14    | Open                       | 2,594,000    | 2,598,150                             |
| Barclays Capital, Inc.         | 0.60%         | 5/28/14    | Open                       | 1,699,000    | 1,701,718                             |
| Barclays Capital, Inc.         | 0.60%         | 5/28/14    | Open                       | 1,244,000    | 1,245,990                             |
| RBC Capital Markets LLC        | 0.65%         | 5/30/14    | Open                       | 362,520      | 363,135                               |
| Deutsche Bank Securities, Inc. | 0.55%         | 6/02/14    | Open                       | 1,985,000    | 1,987,760                             |
| Deutsche Bank Securities, Inc. | 0.58%         | 6/05/14    | Open                       | 553,000      | 553,784                               |
| Deutsche Bank Securities, Inc. | 0.58%         | 6/05/14    | Open                       | 659,000      | 659,934                               |
| Deutsche Bank Securities, Inc. | 0.58%         | 6/05/14    | Open                       | 748,000      | 749,061                               |
| Deutsche Bank Securities, Inc. | 0.58%         | 6/05/14    | Open                       | 1,319,000    | 1,320,870                             |
| Deutsche Bank Securities, Inc. | 0.55%         | 6/09/14    | Open                       | 1,643,000    | 1,645,109                             |

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|                                |                                 |           |           |
|--------------------------------|---------------------------------|-----------|-----------|
| Deutsche Bank Securities, Inc. | 0.55% <del>6</del> /09/14Open   | 1,773,000 | 1,775,275 |
| Deutsche Bank Securities, Inc. | 0.55% <del>6</del> /09/14Open   | 487,000   | 487,625   |
| Deutsche Bank Securities, Inc. | 0.55% <del>6</del> /09/14Open   | 1,451,000 | 1,452,862 |
| Deutsche Bank Securities, Inc. | 0.55% <del>6</del> /09/14Open   | 978,000   | 979,255   |
| Deutsche Bank Securities, Inc. | 0.58% <del>6</del> /11/14Open   | 984,000   | 985,300   |
| Deutsche Bank Securities, Inc. | 0.58% <del>6</del> /11/14Open   | 1,502,000 | 1,503,984 |
| Deutsche Bank Securities, Inc. | 0.58% <del>6</del> /11/14Open   | 985,000   | 986,301   |
| Deutsche Bank Securities, Inc. | 0.58% <del>6</del> /11/14Open   | 3,193,000 | 3,197,218 |
| Deutsche Bank Securities, Inc. | 0.58% <del>6</del> /11/14Open   | 1,305,000 | 1,306,724 |
| Deutsche Bank Securities, Inc. | 0.58% <del>6</del> /11/14Open   | 1,341,000 | 1,342,772 |
| Deutsche Bank Securities, Inc. | 0.58% <del>6</del> /11/14Open   | 1,106,000 | 1,107,461 |
| Deutsche Bank Securities, Inc. | 0.58% <del>6</del> /11/14Open   | 1,610,000 | 1,612,127 |
| Deutsche Bank Securities, Inc. | 0.58% <del>6</del> /11/14Open   | 1,033,000 | 1,034,365 |
| Deutsche Bank Securities, Inc. | 0.58% <del>6</del> /11/14Open   | 1,195,000 | 1,196,579 |
| Deutsche Bank Securities, Inc. | 0.58% <del>6</del> /11/14Open   | 1,569,000 | 1,571,073 |
| Deutsche Bank Securities, Inc. | 0.58% <del>6</del> /11/14Open   | 1,017,000 | 1,018,344 |
| Deutsche Bank Securities, Inc. | 0.58% <del>6</del> /11/14Open   | 1,089,000 | 1,090,439 |
| Deutsche Bank Securities, Inc. | 0.58% <del>6</del> /11/14Open   | 1,648,000 | 1,650,177 |
| Deutsche Bank Securities, Inc. | 0.58% <del>6</del> /11/14Open   | 1,146,000 | 1,147,514 |
| Deutsche Bank Securities, Inc. | 0.58% <del>6</del> /11/14Open   | 1,561,000 | 1,563,062 |
| RBC Capital Markets LLC        | 0.65% <del>6</del> /11/14Open   | 644,520   | 645,463   |
| Barclays Capital, Inc.         | (1.75)% <del>6</del> /25/14Open | 518,870   | 517,155   |
| Deutsche Bank Securities, Inc. | 0.55% <del>6</del> /25/14Open   | 433,200   | 433,650   |
| Deutsche Bank Securities, Inc. | 0.55% <del>6</del> /27/14Open   | 754,000   | 754,760   |

See Notes to Financial Statements.

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## BlackRock Limited Duration Income Trust (BLW)

Consolidated Schedule of Investments (continued)

Reverse repurchase agreements outstanding as of August 31, 2014 were as follows (concluded):

| Counterparty                   | Interest Rate | Maturity Date | Trade Date | Face Value           | Face Value Including Accrued Interest |
|--------------------------------|---------------|---------------|------------|----------------------|---------------------------------------|
| Barclays Capital, Inc.         | 0.60%         | 02/14         | Open       | \$ 3,045,000         | \$ 3,048,096                          |
| Barclays Capital, Inc.         | 0.60%         | 02/14         | Open       | 1,288,000            | 1,289,309                             |
| Barclays Capital, Inc.         | 0.60%         | 02/14         | Open       | 4,544,000            | 4,548,620                             |
| Deutsche Bank Securities, Inc. | 0.58%         | 07/14         | Open       | 776,728              | 777,429                               |
| Deutsche Bank Securities, Inc. | 0.58%         | 09/14         | Open       | 2,689,875            | 2,692,215                             |
| Deutsche Bank Securities, Inc. | 0.58%         | 09/14         | Open       | 843,000              | 843,733                               |
| Deutsche Bank Securities, Inc. | 0.58%         | 09/14         | Open       | 992,307              | 993,170                               |
| Deutsche Bank Securities, Inc. | 0.58%         | 10/14         | Open       | 1,292,544            | 1,293,627                             |
| Deutsche Bank Securities, Inc. | 0.59%         | 11/14         | Open       | 468,000              | 468,399                               |
| Deutsche Bank Securities, Inc. | 0.59%         | 11/14         | Open       | 892,925              | 893,686                               |
| UBS Securities LLC             | 0.65%         | 11/14         | Open       | 411,750              | 412,114                               |
| Barclays Capital, Inc.         | 0.60%         | 15/14         | Open       | 1,208,000            | 1,208,966                             |
| Deutsche Bank Securities, Inc. | 0.58%         | 21/14         | Open       | 1,129,950            | 1,130,715                             |
| Deutsche Bank Securities, Inc. | 0.58%         | 21/14         | Open       | 4,113,313            | 4,116,096                             |
| Deutsche Bank Securities, Inc. | 0.58%         | 21/14         | Open       | 1,196,615            | 1,197,425                             |
| Deutsche Bank Securities, Inc. | 0.58%         | 21/14         | Open       | 1,561,875            | 1,562,932                             |
| Deutsche Bank Securities, Inc. | 0.58%         | 22/14         | Open       | 783,929              | 784,447                               |
| HSBC Securities (USA), Inc.    | 0.55%         | 23/14         | Open       | 2,410,417            | 2,411,890                             |
| Deutsche Bank Securities, Inc. | 0.60%         | 28/14         | Open       | 2,298,000            | 2,299,341                             |
| Deutsche Bank Securities, Inc. | 0.60%         | 29/14         | Open       | 1,106,954            | 1,107,581                             |
| Deutsche Bank Securities, Inc. | 0.58%         | 30/14         | Open       | 3,006,000            | 3,007,598                             |
| Deutsche Bank Securities, Inc. | 0.59%         | 30/14         | Open       | 672,000              | 672,363                               |
| BNP Paribas Securities Corp.   | 0.59%         | 12/14         | Open       | 643,000              | 643,211                               |
| BNP Paribas Securities Corp.   | 0.59%         | 12/14         | Open       | 855,000              | 855,280                               |
| Citigroup Global Markets, Inc. | 0.16%         | 18/14         | 16/14      | 22,830,000           | 22,831,421                            |
| Barclays Capital, Inc.         | 0.60%         | 25/14         | Open       | 494,000              | 494,033                               |
| Deutsche Bank Securities, Inc. | 0.59%         | 28/14         | Open       | 843,000              | 843,055                               |
| <b>Total</b>                   |               |               |            | <b>\$293,230,556</b> | <b>\$293,889,726</b>                  |

<sup>1</sup>Certain agreements have no stated maturity and can be terminated by either party at any time.

Financial futures contracts outstanding as of August 31, 2014 were as follows:

| Contracts Sold | Issue                     | Exchange               | Expiration    |     | Notional Value | Unrealized Depreciation |
|----------------|---------------------------|------------------------|---------------|-----|----------------|-------------------------|
| (261)          | 5-Year U.S. Treasury Note | Chicago Board of Trade | December 2014 | USD | 31,016,180     | \$ (38,884)             |
| (153)          | 10-Year U.S. Treasury     | Chicago Board of Trade | December 2014 | USD | 19,244,531     | (4,922 )                |



|              |                                       |                              |                  |     |            |                   |
|--------------|---------------------------------------|------------------------------|------------------|-----|------------|-------------------|
| (94)         | Note<br>Long U.S.<br>Treasury<br>Bond | Chicago<br>Board of<br>Trade | December<br>2014 | USD | 13,168,813 | (49,756)          |
| <b>Total</b> |                                       |                              |                  |     |            | <b>\$(93,562)</b> |

Forward foreign currency exchange contracts outstanding as of August 31, 2014 were as follows:

| Currency Purchased | Currency Sold  | Counterparty                    | Settlement Date | Unrealized Appreciation (Depreciation) |
|--------------------|----------------|---------------------------------|-----------------|--|
| EUR 257,000        | USD 344,120    | State Street Bank and Trust Co. | 10/21/14        | \$(6,335 )                             |
| GBP 400,000        | USD 671,028    | State Street Bank and Trust Co. | 10/21/14        | (7,226 )                               |
| USD 1,520,636      | CAD 1,638,000  | UBS AG                          | 10/21/14        | 15,856                                 |
| USD 266,479        | EUR 197,000    | Barclays Bank PLC               | 10/21/14        | 7,554                                  |
| USD 41,665         | EUR 31,000     | BNP Paribas S.A.                | 10/21/14        | 920                                    |
| USD 6,746          | EUR 5,000      | Citibank N.A.                   | 10/21/14        | 174                                    |
| USD 29,438,872     | EUR 21,762,000 | JPMorgan Chase Bank N.A.        | 10/21/14        | 836,242                                |
| USD 42,197,808     | GBP 24,696,000 | Bank of America N.A.            | 10/21/14        | 1,214,671                              |
| <b>Total</b>       |                |                                 |                 | <b>\$2,061,856</b>                     |

OTC options purchased as of August 31, 2014 were as follows:

| Description                    | Counterparty        | Put/Call | Strike Price | Expiration Date | Market Contract Value |
|--------------------------------|---------------------|----------|--------------|-----------------|-----------------------|
| Marsico Parent Superholdco LLC | Goldman Sachs & Co. | Call     | USD942.86    | 12/14/19        | 46                    |

See Notes to Financial Statements.

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**BlackRock Limited Duration Income Trust (BLW)**

Consolidated Schedule of Investments (continued)

OTC interest rate swaptions purchased as of August 31, 2014 were as follows:

| Description                | Counterparty                | Pay/Floating<br>Fixed Rate | Receive/Floating<br>Fixed Rate | Index         | Expiration<br>Date | Notional<br>Amount<br>(000) | Market<br>Value |
|----------------------------|-----------------------------|----------------------------|--------------------------------|---------------|--------------------|-----------------------------|-----------------|
| 10-Year Interest Rate Swap | Credit Suisse International | Pay                        | Receive                        | 3-month LIBOR | 9/02/15            | USD 18,700                  | \$ 2,762        |
| 10-Year Interest Rate Swap | Credit Suisse International | Pay                        | Receive                        | 3-month LIBOR | 9/02/15            | USD 112,200                 |                 |
| <b>Total</b>               |                             |                            |                                |               |                    |                             | <b>\$2,762</b>  |

OTC interest rate swaptions written as of August 31, 2014 were as follows:

| Description                | Counterparty                | Pay/Floating<br>Fixed Rate | Receive/Floating<br>Fixed Rate | Index         | Expiration<br>Date | Notional<br>Amount<br>(000) | Market<br>Value    |
|----------------------------|-----------------------------|----------------------------|--------------------------------|---------------|--------------------|-----------------------------|--------------------|
| 10-Year Interest Rate Swap | Credit Suisse International | Pay                        | Receive                        | 3-month LIBOR | 9/02/15            | USD 18,700                  | \$ (175,052)       |
| 10-Year Interest Rate Swap | Credit Suisse International | Pay                        | Receive                        | 3-month LIBOR | 9/02/15            | USD 18,700                  |                    |
| <b>Total</b>               |                             |                            |                                |               |                    |                             | <b>\$(175,052)</b> |

OTC credit default swaps buy protection outstanding as of August 31, 2014 were as follows:

| Issuer                                     | Pay<br>Fixed<br>Rate | Counterparty     | Expiration<br>Date | Notional<br>Amount<br>(000) | Market<br>Value | Premiums<br>Paid | Unrealized<br>Depreciation |
|--|----------------------|------------------|--------------------|-----------------------------|-----------------|------------------|----------------------------|
| Australia & New Zealand Banking Group Ltd. | 1.00%                | Deutsche Bank AG | 9/20/17            | USD 1                       | \$(12)          | \$ 9             | \$ (21 )                   |
| Westpac Banking Corp.                      | 1.00%                | Deutsche Bank AG | 9/20/17            | USD 1                       | (12)            | 10               | (22 )                      |
| <b>Total</b>                               |                      |                  |                    |                             | \$(24)          | \$ 19            | \$ (43 )                   |

OTC interest rate swaps outstanding as of August 31, 2014 were as follows:

| Fixed<br>Rate       | Floating<br>Rate | Counterparty     | Expiration<br>Date | Notional<br>Amount<br>(000) | Market<br>Value | Premiums<br>Received | Unrealized<br>Depreciation |
|---------------------|------------------|------------------|--------------------|-----------------------------|-----------------|----------------------|----------------------------|
| 11.15% <sup>1</sup> | 1-Day OIS        | Deutsche Bank AG | 1/04/16            | BRL 56,933                  | \$(22,965)      | \$ (872 )            | \$ (22,093 )               |

<sup>1</sup> Fund pays the floating rate and receives the fixed rate.

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

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

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

**Level 2** other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

**Level 3** unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments and derivative financial instruments)

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

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Fund's policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and derivative financial instruments, please refer to Note 2 of the Notes to Financial Statements.

See Notes to Financial Statements.

## BlackRock Limited Duration Income Trust (BLW)

## Consolidated Schedule of Investments (continued)

The following tables summarize the Fund's investments and derivative financial instruments categorized in the disclosure hierarchy as of August 31, 2014:

|   | Level 1              | Level 2               | Level 3              | Total                 |
|---|----------------------|-----------------------|----------------------|-----------------------|
| <b>Assets:</b>                              |                      |                       |                      |                       |
| Investments:                                |                      |                       |                      |                       |
| Long-Term Investments:                      |                      |                       |                      |                       |
| Common Stocks                               | \$2,551,910          | \$1,208,254           | \$2,748,166          | \$6,508,330           |
| Asset-Backed Securities                     |                      | 33,022,541            | 14,418,405           | 47,440,946            |
| Corporate Bonds                             |                      | 390,026,239           | 8,907,388            | 398,933,627           |
| Floating Rate Loan Interests                |                      | 271,706,309           | 33,197,391           | 304,903,700           |
| Foreign Agency Obligations                  |                      | 5,361,081             |                      | 5,361,081             |
| Non-Agency Mortgage-Backed Securities       |                      | 70,391,162            |                      | 70,391,162            |
| U.S. Government Sponsored Agency Securities |                      | 35,365,556            |                      | 35,365,556            |
| Other Interests                             | 191,652              |                       | 8,750                | 200,402               |
| Preferred Securities                        | 12,330,897           | 59,272,021            |                      | 71,602,918            |
| Warrants                                    |                      | 14,419                |                      | 14,419                |
| Short-Term Securities                       | 7,390,390            |                       |                      | 7,390,390             |
| Option Purchased:                           |                      |                       |                      |                       |
| Interest rate contracts                     |                      | 2,762                 |                      | 2,762                 |
| <b>Liabilities:</b>                         |                      |                       |                      |                       |
| Unfunded Floating Rate Loan Interests       |                      |                       |                      |                       |
|   |                      | (2,345)               | (175)                | (2,520)               |
| <b>Total</b>                                | <b>\$ 22,464,849</b> | <b>\$ 866,367,999</b> | <b>\$ 59,279,925</b> | <b>\$ 948,112,773</b> |

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

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of August 31, 2014, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

|  | Level 1   | Level 2 | Level 3 | Total     |
|--|-----------|---------|---------|-----------|
| <b>Assets:</b>   |           |         |         |           |
| Cash   | \$144,995 |         |         | \$144,995 |
| Cash pledged as collateral for OTC derivatives               | 90,000    |         |         | 90,000    |
| Cash pledged as collateral for reverse repurchase agreements | 8,000     |         |         | 8,000     |
| Cash pledged for financial futures contracts                 | 655,500   |         |         | 655,500   |
| Foreign currency at value                                    | 1,365,114 |         |         | 1,365,114 |

**Liabilities:**

|   |              |                  |                  |
|---|--------------|------------------|------------------|
| Cash received for reverse repurchase agreements |              | \$ (502,000 )    | (502,000 )       |
| Reverse repurchase agreements                   |              | (293,889,726)    | (293,889,726)    |
| <b>Total</b>                                    | \$ 2,263,609 | \$ (294,391,726) | \$ (292,128,117) |

There were no transfers between Level 1 and Level 2 during the year ended August 31, 2014.

See Notes to Financial Statements.

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## BlackRock Limited Duration Income Trust (BLW)

## Consolidated Schedule of Investments (concluded)

A reconciliation of Level 3 investments is presented when the Fund had a significant amount of Level 3 investments at the beginning and/or end of the period in relation to net assets. The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used in determining fair value:

|   | Common<br>Stocks | Asset-Backed<br>Securities | Corporate<br>Bonds | Floating Rate<br>Loan Interests | Other<br>Interests | Unfunded<br>Floating<br>Rate<br>Loan<br>Interests<br>(Liabilities) |
|---|------------------|----------------------------|--------------------|---------------------------------|--------------------|--|
| as of                                   |                  |                            |                    |                                 |                    |  |
| Level 3 <sup>1</sup>                    | \$3,050,139      | \$ 26,050,547              | \$7,930,102        | \$ 42,689,763                   | \$ 537,766         |  |
| Level 3 <sup>2</sup>                    |                  | (11,045,689)               |                    | 11,515,493                      |                    |  |
|   |                  |                            |                    | (7,974,147)                     |                    |  |
| ms                                      |                  | (1,070,633)                | (162)              | 125,940                         |                    |  |
|   |                  | 143,052                    | 1,798              | 300,100                         |                    |  |
| realized<br>depreciation <sup>3,4</sup> | (301,973)        | 994,556                    | 19,523             | (329,985)                       | 2,508,765          | \$ (175)   |
|   |                  | 12,821,462                 | 957,925            | 16,027,358                      |                    |  |
|   |                  | (13,474,890)               | (1,798)            | (29,157,131)                    | (3,037,781)        |  |
| as of                                   |                  |                            |                    |                                 |                    |  |
| realized<br>depreciation on<br>held at  | \$2,748,166      | \$ 14,418,405              | \$8,907,388        | \$ 33,197,391                   | \$ 8,750           | \$ (175)   |
|   | \$ 800,426       | \$ 1,004,471               | \$ 21,250          | \$ (181,906)                    | \$ 3,750           | \$ (175)   |

As of August 31, 2013, the Fund used observable inputs in determining the value of certain investments. As of August 31, 2014, the Fund used significant unobservable inputs in determining the value of the same investments. As a result, investments with a beginning of period value of \$11,515,493 transferred from Level 2 to Level 3 in the disclosure hierarchy.

As of August 31, 2013, the Fund used significant unobservable inputs in determining the value of certain investments. As of August 31, 2014, the Fund used observable inputs in determining the value of the same investments. As a result, investments with a beginning of period value of \$19,019,836 transferred from Level 3 to Level 2 in the disclosure hierarchy.

<sup>3</sup>Included in the related net change in unrealized appreciation/depreciation in the Consolidated Statement of Operations.

<sup>4</sup>Any difference between Net change in unrealized appreciation/depreciation and Net change in unrealized appreciation/depreciation on investments still held at August 31, 2014 is generally due to investments no longer held or categorized as Level 3 at period end.

The Fund's investments that are categorized as Level 3 were valued utilizing third party pricing information without adjustment. Such valuations are based on unobservable inputs. A significant change in third party information inputs could result in a significantly lower or higher value of such Level 3 investments.

See Notes to Financial Statements.



## Statements of Assets and Liabilities

|  | <b>BlackRock<br/>Defined<br/>Opportunity<br/>Credit Trust<br/>(BHL)</b> | <b>BlackRock<br/>Floating Rate<br/>Income<br/>Strategies<br/>Fund, Inc.<br/>(FRA)<sup>1</sup></b> | <b>BlackRock<br/>Limited<br/>Duration<br/>Income Trust<br/>(BLW)<sup>1</sup></b> |
|--|---|---|--|
| <b>August 31, 2014</b>   |   |   |  |
| <b>Assets</b>  |   |   |  |
| Investments at value unaffiliated                                      | \$ 183,818,081  | \$ 813,078,886  | \$ 940,724,903   |
| Investments at value affiliated  | 2,958,501   | 3,456,864   | 7,390,390  |
| Cash   | 103,115   | 280,710   | 144,995  |
| Cash pledged as collateral for OTC derivatives                         | 400,000   |   | 90,000   |
| Cash pledged for financial futures contracts                           |   |   | 655,500  |
| Cash pledged as collateral for reverse repurchase agreements           |   |   | 8,000  |
| Investments sold receivable  | 1,253,625   | 3,878,942   | 14,071,086   |
| Interest receivable  | 1,024,933   | 4,416,975   | 9,830,889  |
| Unrealized appreciation on forward foreign currency exchange contracts | 79,213  | 326,539   | 2,075,417  |
| Foreign currency at value <sup>4</sup>                                 | 8,309   | 26,789  | 1,365,114  |
| Swaps receivable   |   |   | 581,992  |
| Variation margin receivable on financial futures contracts             |   |   | 27,271   |
| Dividends receivable   |   |   | 1,696  |
| Principal paydowns receivable  |   |   | 219  |
| Swap premiums paid   |   |   | 19   |
| Deferred offering costs  |   | 68,634  | 73,890   |
| Prepaid expenses   | 4,123   | 9,383   | 10,970   |
| Other assets   |   | 38,072  | 265,932  |
| Total assets   | 189,649,900   | 825,581,794   | 977,318,283  |
| <b>Liabilities</b>   |   |   |  |
| Reverse repurchase agreements  |   |   | 293,889,726  |
| Bank borrowings payable  | 55,000,000  | 235,000,000   |  |
| Investments purchased payable  | 3,896,704   | 16,841,567  | 11,530,473   |
| Investment advisory fees payable                                       | 153,128   | 507,130   | 450,114  |
| Income dividends payable   | 72,153  | 121,913   | 91,406   |
| Interest expense payable   | 39,177  | 175,044   |  |
| Unrealized depreciation on unfunded floating rate loan interests       | 6,227   | 27,493  | 2,520  |
| Officers and Directors fees payable                                    | 2,521   | 11,126  | 335,602  |
| Options written at value <sup>5</sup>                                  |   |   | 175,052  |
| Swaps payable  |   |   | 563,947  |
| Cash received as collateral for reverse repurchase agreements          |   |   | 502,000  |
| Unrealized depreciation on OTC derivatives                             |   |   | 22,136   |



|  |                       |                       |                       |
|--|-----------------------|-----------------------|-----------------------|
| Unrealized depreciation on forward foreign currency exchange contracts |                       |                       | 13,561                |
| Variation margin payable on financial futures contracts                |                       |                       | 8,156                 |
| Swap premiums received   |                       |                       | 872                   |
| Offering costs payable   |                       | 85,136                | 87,615                |
| Other accrued expenses payable   | 129,179               | 348,964               | 262,706               |
| Total liabilities  | 59,299,089            | 253,118,373           | 307,935,886           |
| <b>Net Assets</b>  | <b>\$ 130,350,811</b> | <b>\$ 572,463,421</b> | <b>\$ 669,382,397</b> |

**Net Assets Consist of**

|   |                       |                       |                       |
|---|-----------------------|-----------------------|-----------------------|
| Paid-in capital <sup>6,7,8</sup>                                | \$ 128,319,712        | \$ 660,033,945        | \$ 703,327,827        |
| Undistributed net investment income                             | 466,939               | (680,740)             | 553,777               |
| Undistributed net realized gain (accumulated net realized loss) | 1,290,059             | (82,882,076)          | (49,298,832)          |
| Net unrealized appreciation/depreciation                        | 274,101               | (4,007,708)           | 14,799,625            |
| <b>Net Assets</b>   | <b>\$ 130,350,811</b> | <b>\$ 572,463,421</b> | <b>\$ 669,382,397</b> |
| Net asset value per share                                       | \$ 14.41              | \$ 15.38              | \$ 18.09              |

<sup>1</sup> Consolidated Statement of Assets and Liabilities.

|   |                |                |                |
|---|----------------|----------------|----------------|
| <sup>2</sup> Investments at cost unaffiliated | \$ 183,616,880 | \$ 817,264,333 | \$ 928,076,703 |
| <sup>3</sup> Investments at cost affiliated   | \$ 2,958,501   | \$ 3,456,864   | \$ 7,390,390   |
| <sup>4</sup> Foreign currency at cost         | \$ 8,395       | \$ 27,113      | \$ 1,381,613   |
| <sup>5</sup> Premiums received                |                |                | \$ 187,000     |
| <sup>6</sup> Par value per share              | \$ 0.001       | \$ 0.100       | \$ 0.001       |
| <sup>7</sup> Shares outstanding               | 9,044,041      | 37,232,488     | 37,003,854     |
| <sup>8</sup> Shares authorized                | unlimited      | 200 million    | unlimited      |

See Notes to Financial Statements.

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## Statements of Operations

|   | <b>BlackRock<br/>Defined<br/>Opportunity<br/>Credit Trust<br/>(BHL)</b> | <b>BlackRock<br/>Floating Rate<br/>Income<br/>Strategies<br/>Fund, Inc.<br/>(FRA)<sup>1</sup></b> | <b>BlackRock<br/>Limited<br/>Duration<br/>Income Trust<br/>(BLW)<sup>1</sup></b> |
|---|---|---|--|
| <b>Year Ended August 31, 2014</b>                           |   |   |  |
| <b>Investment Income</b>                                    |   |   |  |
| Interest  | \$ 9,365,568  | \$ 40,992,000   | \$ 53,823,335  |
| Dividends unaffiliated                                      | 104,306   | 16,174  | 422,173  |
| Dividends affiliated  | 199   | 677   | 2,538  |
| Foreign taxes withheld                                      |   | (1,570)   |  |
| Total income  | 9,470,073   | 41,007,281  | 54,248,046   |
| <b>Expenses</b>   |   |   |  |
| Investment advisory   | 1,778,964   | 5,893,034   | 5,269,157  |
| Professional  | 105,408   | 105,897   | 225,378  |
| Custodian   | 83,766  | 243,446   | 202,146  |
| Accounting services   | 32,487  | 105,222   | 91,744   |
| Transfer agent  | 22,705  | 64,012  | 80,545   |
| Printing  | 15,247  | 27,052  | 24,520   |
| Officer and Directors                                       | 12,657  | 55,853  | 106,213  |
| Registration  | 8,936   | 5,972   | 12,378   |
| Offering  |   | 35,746  | 38,485   |
| Miscellaneous   | 27,852  | 58,139  | 115,534  |
| Total expenses excluding interest<br>expense and income tax | 2,088,022   | 6,594,373   | 6,166,100  |
| Interest expense  | 428,915   | 1,916,702   | 1,419,902  |
| Income tax  |   | 10,078  |  |
| Total expenses  | 2,516,937   | 8,521,153   | 7,586,002  |
| Less fees waived by Manager                                 | (386)   | (1,253)   | (5,339)  |
| Less fees paid indirectly                                   | (36)  | (317)   | (60)   |
| Total expenses after fees waived and<br>paid indirectly     | 2,516,515   | 8,519,583   | 7,580,603  |
| Net investment income                                       | 6,953,558   | 32,487,698  | 46,667,443   |
| <b>Realized and Unrealized Gain (Loss)</b>                  |   |   |  |
| Net realized gain (loss) from:                              |   |   |  |
| Investments   | 2,102,360   | 3,543,152   | 15,733,912   |
| Financial futures contracts                                 |   |   | (2,449,414)  |
| Foreign currency transactions                               | (311,361)   | (1,101,777)   | (6,067,164)  |
| Swaps   | (235,758)   | (1,835,061)   | (2,923,102)  |
|   | 1,555,241   | 606,314   | 4,294,232  |
| Net change in unrealized<br>appreciation/depreciation on:   |   |   |  |
| Investments   | (1,265,286)   | 522,652   | 12,152,705   |
| Financial futures contracts                                 |   |   | (213,832)  |
| Foreign currency translations                               | 67,453  | 374,645   | 2,661,973  |
| Options written   |   |   | 11,948   |

|   |                     |                      |                      |
|---|---------------------|----------------------|----------------------|
| Swaps   | (5,672)             | (77,863)             | (8,034)              |
| Unfunded floating rate loan interests                       | (10,929)            | (48,169)             | (10,908)             |
|   | (1,214,434)         | 771,265              | 14,593,852           |
| Net realized and unrealized gain                            | 340,807             | 1,377,579            | 18,888,084           |
| <b>Net Increase in Net Assets Resulting from Operations</b> | <b>\$ 7,294,365</b> | <b>\$ 33,865,277</b> | <b>\$ 65,555,527</b> |

<sup>1</sup> Consolidated Statement of Operations.  
See Notes to Financial Statements.

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## Statements of Changes in Net Assets

## BlackRock Defined Opportunity Credit Trust (BHL)

|  | <b>Year Ended August 31,</b> |                |
|--|------------------------------|----------------|
|  | <b>2014</b>                  | <b>2013</b>    |
| <b>Increase (Decrease) in Net Assets:</b>            |                              |                |
| <b>Operations</b>                                    |                              |                |
| Net investment income                                | \$ 6,953,558                 | \$ 7,859,267   |
| Net realized gain                                    | 1,555,241                    | 3,251,344      |
| Net change in unrealized appreciation/depreciation   | (1,214,434)                  | (578,700)      |
| Net increase in net assets resulting from operations | 7,294,365                    | 10,531,911     |
| <b>Dividends to Shareholders From<sup>1</sup></b>    |                              |                |
| Net investment income                                | (7,542,730)                  | (7,633,968)    |
| <b>Capital Share Transactions</b>                    |                              |                |
| Reinvestment of dividends                            |                              | 246,640        |
| <b>Net Assets</b>                                    |                              |                |
| Total increase (decrease) in net assets              | (248,365)                    | 3,144,583      |
| Beginning of year                                    | 130,599,176                  | 127,454,593    |
| End of year  | \$ 130,350,811               | \$ 130,599,176 |
| Undistributed net investment income, end of year     | \$ 466,939                   | \$ 1,357,213   |

<sup>1</sup> Dividends for annual periods determined in accordance with federal income tax regulations.  
See Notes to Financial Statements.

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## Consolidated Statements of Changes in Net Assets

BlackRock Floating Rate Income  
Strategies Fund, Inc. (FRA)

## Year Ended August 31,

|  | 2014           | 2013           |
|--|----------------|----------------|
| <b>Increase (Decrease) in Net Assets:</b>                          |                |                |
| <b>Operations</b>  |                |                |
| Net investment income  | \$ 32,487,698  | \$ 35,052,895  |
| Net realized gain  | 606,314        | 14,417,374     |
| Net change in unrealized appreciation/depreciation                 | 771,265        | (1,626,772)    |
| Net increase in net assets resulting from operations               | 33,865,277     | 47,843,497     |
| <b>Dividends to Shareholders From<sup>1</sup></b>                  |                |                |
| Net investment income  | (33,203,943)   | (34,814,179)   |
| <b>Capital Share Transactions</b>                                  |                |                |
| Proceeds issued resulting from reorganization                      |                | 280,530,144    |
| Reinvestment of dividends  |                | 1,252,625      |
| Net increase in net assets derived from capital share transactions |                | 281,782,769    |
| <b>Net Assets</b>  |                |                |
| Total increase in net assets                                       | 661,334        | 294,812,087    |
| Beginning of year  | 571,802,087    | 276,990,000    |
| End of year  | \$ 572,463,421 | \$ 571,802,087 |
| Undistributed net investment income (loss), end of year            | \$ (680,740)   | \$ 1,191,768   |

<sup>1</sup> Dividends for annual periods determined in accordance with federal income tax regulations.  
See Notes to Financial Statements.

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## Consolidated Statements of Changes in Net Assets

## BlackRock Limited Duration Income Trust (BLW)

|  | <b>Year Ended August 31,</b> |                |
|--|------------------------------|----------------|
|  | <b>2014</b>                  | <b>2013</b>    |
| <b>Increase (Decrease) in Net Assets:</b>            |                              |                |
| <b>Operations</b>                                    |                              |                |
| Net investment income                                | \$ 46,667,443                | \$ 48,146,073  |
| Net realized gain                                    | 4,294,232                    | 15,966,288     |
| Net change in unrealized appreciation/depreciation   | 14,593,852                   | (7,037,223)    |
| Net increase in net assets resulting from operations | 65,555,527                   | 57,075,138     |
| <b>Dividends to Shareholders From<sup>1</sup></b>    |                              |                |
| Net investment income                                | (45,292,717)                 | (51,220,576)   |
| <b>Capital Share Transactions</b>                    |                              |                |
| Reinvestment of dividends                            |                              | 873,743        |
| <b>Net Assets</b>                                    |                              |                |
| Total increase in net assets                         | 20,262,810                   | 6,728,305      |
| Beginning of year                                    | 649,119,587                  | 642,391,282    |
| End of year  | \$ 669,382,397               | \$ 649,119,587 |
| Undistributed net investment income, end of year     | \$ 553,777                   | \$ 3,778,403   |

<sup>1</sup> Dividends for annual periods determined in accordance with federal income tax regulations.  
See Notes to Financial Statements.

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## Statements of Cash Flows

|   | <b>BlackRock<br/>Defined<br/>Opportunity<br/>Credit Trust<br/>(BHL)</b> | <b>BlackRock<br/>Floating Rate<br/>Income<br/>Strategies<br/>Fund, Inc.<br/>(FRA)<sup>1</sup></b> | <b>BlackRock<br/>Limited<br/>Duration<br/>Income Trust<br/>(BLW)<sup>1</sup></b> |
|---|---|---|--|
| <b>Year Ended August 31, 2014</b>   |   |   |  |
| <b>Cash Provided by Operating Activities</b>  |   |   |  |
| Net increase in net assets resulting from operations  | \$ 7,294,365  | \$ 33,865,277   | \$ 65,555,527  |
| Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by operating activities: |   |   |  |
| (Increase) decrease in interest receivable  | 26,236  | 239,244   | (260,667)  |
| (Increase) decrease in swaps receivable   | 8,407   | 54,103  | (493,493)  |
| Decrease in cash pledged for centrally cleared swaps  | 60,000  | 260,000   |  |
| Increase in cash pledged for financial futures contracts  |   |   | (489,000)  |
| Decrease in cash pledged as collateral for reverse repurchase agreements  |   |   | 1,042,000  |
| (Increase) decrease in cash pledged as collateral for OTC derivatives   | (400,000)   | 960,000   | 600,000  |
| Increase in other assets  |   | (38,072)  | (47,965)   |
| (Increase) decrease in prepaid expenses   | (775)   | (6,528)   | 7,446  |
| Increase in variation margin receivable on financial futures contracts  |   |   | (23,132)   |
| Increase in dividends receivable  |   |   | (26)   |
| Decrease in swap premiums paid  |   |   | 7  |
| Increase in investment advisory fees payable  | 3,352   | 12,038  | 17,151   |
| Increase in interest expense payable  | 3,080   | 13,039  | 206,329  |
| Increase (decrease) in other accrued expenses payable   | (7,158)   | (107,376)   | 49,062   |
| Increase in swaps payable   |   |   | 563,945  |
| Increase in variation margin payable on financial futures contracts   |   |   | 8,156  |
| Increase in Officer s and Directors fees payable  | 278   | 1,432   | 71,156   |
| Decrease in swap premiums received  | (208,963)   | (1,249,424)   | (2,070,003)  |
| Decrease in variation margin payable on centrally cleared swaps   | (2)   | (7)   |  |
| Increase in cash received as collateral for reverse repurchase agreements   |   |   | 502,000  |
| Net realized gain on investments  | (1,934,632)   | (2,621,021)   | (11,832,955)   |

|  |               |               |               |
|--|---------------|---------------|---------------|
| Net unrealized (gain) loss on investments, options written, swaps, foreign currency translations and unfunded floating rate loan interests | 1,214,434     | (822,545)     | (14,759,719)  |
| Amortization of premium and accretion of discount on investments   | (402,368)     | (2,029,741)   | 1,207,053     |
| Premiums received from options written   |               |               | 187,000       |
| Proceeds from sales of long-term investments   | 109,567,484   | 473,101,887   | 548,002,956   |
| Purchases of long-term investments   | (112,922,468) | (489,616,854) | (555,483,260) |
| Net proceeds from purchases of short-term securities   | (1,660,232)   | (2,549,221)   | (6,206,297)   |
| Net cash provided by operating activities  | 641,038       | 9,466,231     | 26,353,271    |
| <b>Cash Used for Financing Activities</b>  |               |               |               |
| Proceeds from bank borrowings  | 79,000,000    | 328,000,000   |               |
| Payments on bank borrowings  | (73,000,000)  | (307,000,000) |               |
| Net borrowing of reverse repurchase agreements   |               |               | 20,336,197    |
| Payments for offering costs  |               | (19,244)      | (24,760)      |
| Amortization of deferred offering costs  |               | 35,746        | 38,485        |
| Cash dividends paid to shareholders  | (7,535,457)   | (33,189,137)  | (45,283,581)  |
| Decrease in bank overdraft   |               |               | (444,474)     |
| Net cash used for financing activities   | (1,535,457)   | (12,172,635)  | (25,378,133)  |
| <b>Cash Impact from Foreign Exchange Fluctuations</b>  |               |               |               |
| Cash impact from foreign exchange fluctuations   | \$ 318        | \$ (304)      | \$ (12,615)   |
| <b>Cash and Foreign Currency</b>   |               |               |               |
| Net increase in cash and foreign currency  | (894,101)     | (2,706,708)   | 962,523       |
| Cash and foreign currency at beginning of period   | 1,005,525     | 3,014,207     | 547,586       |
| Cash and foreign currency at end of period   | \$ 111,424    | \$ 307,499    | \$ 1,510,109  |
| <b>Supplemental Disclosure of Cash Flow Information</b>  |               |               |               |
| Cash paid during the period for interest   | \$ 425,835    | \$ 1,903,663  | \$ 1,213,573  |

1 Consolidated Statement of Cash Flows.  
See Notes to Financial Statements.



## Financial Highlights

## BlackRock Defined Opportunity Credit Trust (BHL)

## Year Ended August 31,

|   | 2014     | 2013               | 2012               | 2011     | 2010     |
|---|----------|--------------------|--------------------|----------|----------|
| <b>Per Share Operating Performance</b>  |          |                    |                    |          |          |
| Net asset value, beginning of year  | \$ 14.44 | \$ 14.12           | \$ 13.17           | \$ 13.55 | \$ 12.53 |
| Net investment income <sup>1</sup>  | 0.77     | 0.87               | 0.85               | 0.86     | 0.85     |
| Net realized and unrealized gain (loss)   | 0.03     | 0.30               | 0.90               | (0.45)   | 0.87     |
| Net increase from investment operations   | 0.80     | 1.17               | 1.75               | 0.41     | 1.72     |
| Dividends from net investment income <sup>2</sup>                                   | (0.83)   | (0.85)             | (0.80)             | (0.79)   | (0.70)   |
| Net asset value, end of year  | \$ 14.41 | \$ 14.44           | \$ 14.12           | \$ 13.17 | \$ 13.55 |
| Market price, end of year   | \$ 13.84 | \$ 13.77           | \$ 13.94           | \$ 12.65 | \$ 12.86 |
| <b>Total Return<sup>3</sup></b>   |          |                    |                    |          |          |
| Based on net asset value  | 5.98%    | 8.52%              | 13.94%             | 2.93%    | 14.39%   |
| Based on market price   | 6.75%    | 4.82%              | 17.12%             | 4.17%    | 23.33%   |
| <b>Ratio to Average Net Assets</b>  |          |                    |                    |          |          |
| Total expenses  | 1.92%    | 1.92%              | 1.91%              | 2.02%    | 1.91%    |
| Total expenses after fees waived and paid indirectly                                | 1.92%    | 1.92%              | 1.91%              | 2.02%    | 1.90%    |
| Total expenses after fees waived and paid indirectly and excluding interest expense | 1.60%    | 1.58% <sup>4</sup> | 1.61% <sup>4</sup> | 1.71%    | 1.65%    |
| Net investment income   | 5.31%    | 6.04%              | 6.24%              | 6.10%    | 6.40%    |

**Supplemental Data**

|   |            |            |            |            |            |
|---|------------|------------|------------|------------|------------|
| Net assets,<br>end of year<br>(000)                               | \$ 130,351 | \$ 130,599 | \$ 127,455 | \$ 118,897 | \$ 122,062 |
| Borrowings<br>outstanding,<br>end of year<br>(000)                | \$ 55,000  | \$ 49,000  | \$ 55,000  | \$ 43,000  | \$ 24,000  |
| Average<br>borrowings<br>outstanding,<br>during the year<br>(000) | \$ 47,110  | \$ 47,384  | \$ 39,007  | \$ 36,369  | \$ 24,633  |
| Portfolio<br>turnover rate  | 59%        | 85%        | 53%        | 91%        | 102%       |
| Asset<br>coverage, end<br>of year per<br>\$1,000                  | \$ 3,370   | \$ 3,665   | \$ 3,317   | \$ 3,765   | \$ 6,086   |

<sup>1</sup> Based on average shares outstanding.

<sup>2</sup> Dividends for annual periods determined in accordance with federal income tax regulations.

<sup>3</sup> Total returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

<sup>4</sup> For the years ended August 31, 2013 and August 31, 2012, the total expense ratio after fees waived and paid indirectly and excluding interest expense and borrowing costs was 1.57% and 1.52%, respectively.

See Notes to Financial Statements.

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## Financial Highlights

## BlackRock Floating Rate Income Strategies Fund, Inc. (FRA)

Year Ended August 31

|  | 2014 <sup>1</sup> | 2013 <sup>1</sup>    | 2012 <sup>1</sup>    |
|--|-------------------|----------------------|----------------------|
| <b>Per Share Operating Performance</b>   |                   |                      |                      |
| Net asset value, beginning of year   | \$ 15.36          | \$ 14.98             | \$ 14.04             |
| Net investment income <sup>2</sup>   | 0.87              | 0.99                 | 0.97                 |
| Net realized and unrealized gain (loss)  | 0.04              | 0.42                 | 0.90                 |
| Net increase from investment operations  | 0.91              | 1.41                 | 1.87                 |
| Dividends and distributions from: <sup>3</sup>   |                   |                      |                      |
| Net investment income  | (0.89)            | (1.03)               | (0.93)               |
| Net realized gain  |                   |                      |                      |
| Total dividends and distributions  | (0.89)            | (1.03)               | (0.93)               |
| Net asset value, end of year   | \$ 15.38          | \$ 15.36             | \$ 14.98             |
| Market price, end of year  | \$ 14.26          | \$ 14.96             | \$ 15.20             |
| <b>Total Return<sup>4</sup></b>  |                   |                      |                      |
| Based on net asset value   | 6.45%             | 9.68%                | 13.91%               |
| Based on market price  | 1.33%             | 5.28%                | 21.74%               |
| <b>Ratio to Average Net Assets</b>   |                   |                      |                      |
| Total expenses   | 1.48%             | 1.54% <sup>5</sup>   | 1.67% <sup>6</sup>   |
| Total expenses after fees waived and paid indirectly   | 1.48%             | 1.52% <sup>5</sup>   | 1.67% <sup>6</sup>   |
| Total expenses after fees waived and paid indirectly and excluding interest expense and income tax | 1.15%             | 1.15% <sup>5,7</sup> | 1.35% <sup>6,7</sup> |
| Net investment income  | 5.65%             | 6.49%                | 6.67%                |
| <b>Supplemental Data</b>   |                   |                      |                      |
| Net assets, end of year (000)  | \$ 572,463        | \$ 571,802           | \$ 276,990           |
| Borrowings outstanding, end of year (000)  | \$ 235,000        | \$ 214,000           | \$ 117,000           |
| Average borrowings outstanding, during the year (000)  | \$ 210,521        | \$ 201,830           | \$ 88,197            |
| Portfolio turnover rate  | 58%               | 88%                  | 53%                  |
| Asset coverage, end of year per \$1,000  | \$ 3,436          | \$ 3,672             | \$ 3,367             |

<sup>1</sup> Consolidated Financial Highlights.

<sup>2</sup> Based on average shares outstanding.

<sup>3</sup> Dividends and distributions for annual periods determined in accordance with federal income tax regulations.

Total returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

<sup>5</sup> Includes reorganization costs. Without these costs, total expenses, total expenses after fees waived and paid indirectly and total expenses after fees waived and paid indirectly and excluding interest expense would have been 1.52%, 1.52% and 1.15%, respectively.

<sup>6</sup> Includes reorganization costs. Without these costs, total expenses, total expenses after fees waived and paid indirectly and total expenses after fees waived and paid indirectly and excluding interest expense would have been 1.61%, 1.61% and 1.29%, respectively.

<sup>7</sup> For the years ended August 31, 2013 and August 31, 2012, the total expense ratio after fees waived and paid indirectly, excluding interest expense and borrowing costs, was 1.14% and 1.26%, respectively.

See Notes to Financial Statements.



## Financial Highlights

## BlackRock Limited Duration Income Trust (BLW)

## Year Ended August 31,

|   | 2014 <sup>1</sup> | 2013 <sup>1</sup> | 2012 <sup>1</sup> | 2011       | 2010       |
|---|-------------------|-------------------|-------------------|------------|------------|
| <b>Per Share Operating Performance</b>  |                   |                   |                   |            |            |
| Net asset value, beginning of year  | \$ 17.54          | \$ 17.38          | \$ 16.52          | \$ 16.79   | \$ 14.95   |
| Net investment income <sup>2</sup>  | 1.26              | 1.30              | 1.31              | 1.34       | 1.12       |
| Net realized and unrealized gain (loss)   | 0.51              | 0.25              | 0.88              | (0.37)     | 1.62       |
| Net increase from investment operations   | 1.77              | 1.55              | 2.19              | 0.97       | 2.74       |
| Dividends from net investment income <sup>3</sup>                                   | (1.22)            | (1.39)            | (1.33)            | (1.24)     | (0.90)     |
| Net asset value, end of year  | \$ 18.09          | \$ 17.54          | \$ 17.38          | \$ 16.52   | \$ 16.79   |
| Market price, end of year   | \$ 16.81          | \$ 16.89          | \$ 18.00          | \$ 16.01   | \$ 16.76   |
| <b>Total Return<sup>4</sup></b>   |                   |                   |                   |            |            |
| Based on net asset value  | 10.77%            | 9.13%             | 13.86%            | 5.85%      | 19.00%     |
| Based on market price   | 6.89%             | 1.47%             | 21.68%            | 2.77%      | 26.04%     |
| <b>Ratio to Average Net Assets</b>  |                   |                   |                   |            |            |
| Total expenses  | 1.14%             | 1.12%             | 1.05%             | 1.01%      | 0.82%      |
| Total expenses after fees waived and paid indirectly                                | 1.14%             | 1.12%             | 1.05%             | 1.00%      | 0.81%      |
| Total expenses after fees waived and paid indirectly and excluding interest expense | 0.92%             | 0.90%             | 0.89%             | 0.87%      | 0.73%      |
| Net investment income   | 7.00%             | 7.34%             | 7.82%             | 7.75%      | 6.90%      |
| <b>Supplemental Data</b>  |                   |                   |                   |            |            |
| Net assets, end of year (000)   | \$ 669,382        | \$ 649,120        | \$ 642,391        | \$ 609,818 | \$ 619,381 |
| Borrowings outstanding, end of year (000)   | \$ 293,890        | \$ 273,347        | \$ 296,476        | \$ 244,120 | \$ 123,233 |
|   | \$ 291,249        | \$ 301,214        | \$ 242,396        | \$ 191,303 | \$ 44,160  |

|   |          |          |          |                   |                   |
|---|----------|----------|----------|-------------------|-------------------|
| Average borrowings outstanding, during the year (000) |          |          |          |                   |                   |
| Portfolio turnover rate                               | 57%      | 71%      | 54%      | 106% <sup>5</sup> | 248% <sup>6</sup> |
| Asset coverage, end of year per \$1,000               | \$ 3,278 | \$ 3,375 | \$ 3,167 | \$ 3,498          | \$ 6,026          |

<sup>1</sup> Consolidated Financial Highlights.

<sup>2</sup> Based on average shares outstanding.

<sup>3</sup> Dividends for annual periods determined in accordance with federal income tax regulations.

<sup>4</sup> Total returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

<sup>5</sup> Includes mortgage dollar roll transactions. Excluding these transactions, the portfolio turnover rate would have been 87%.

<sup>6</sup> Includes mortgage dollar roll transactions. Excluding these transactions, the portfolio turnover rate would have been 113%.

See Notes to Financial Statements.

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Notes to Financial Statements

**1. Organization:**

BlackRock Defined Opportunity Credit Trust ( BHL ), BlackRock Floating Rate Income Strategies Fund, Inc. ( FRA ) and BlackRock Limited Duration Income Trust ( BLW ) (collectively, the Funds or individually as a Fund ) are registered under the 1940 Act, as diversified, closed-end management investment companies. BHL and BLW are organized as Delaware statutory trusts. FRA is organized as a Maryland corporation. The Boards of Directors and Boards of Trustees of the Funds are collectively referred to throughout this report as the Board of Directors or the Board, and the directors/trustees thereof are collectively referred to throughout this report as Directors . The Funds determine and make available for publication the NAVs of their Common Shares on a daily basis.

**Reorganizations:** The Board and shareholders of FRA and the Board and shareholders of each of BlackRock Diversified Strategies Fund, Inc. ( DVF ) and BlackRock Floating Rate Income Strategies Fund II, Inc., ( FRB ) (individually, a Target Fund and collectively the Target Funds ) approved the reorganizations of each Target Fund into FRA pursuant to which FRA acquired substantially all of the assets and substantially all of the liabilities of each Target Fund in exchange for an equal aggregate value of newly-issued shares of FRA.

Each Common Shareholder of a Target Fund received shares of FRA in an amount equal to the aggregate net asset value of such Common Shareholder's Target Fund shares, as determined at the close of business on October 5, 2012, less the costs of the Target Fund's reorganization. Cash was distributed for any fractional shares.

The reorganizations were accomplished by a tax-free exchange of Common Shares of FRA in the following amounts and at the following conversion ratios:

| Target Fund | Shares Prior to Reorganization | Conversion Ratio | Shares of FRA |
|-------------|--------------------------------|------------------|---------------|
| FRB         | 10,585,281                     | 0.91462449       | 9,681,549     |
| DVF         | 12,405,453                     | 0.72423797       | 8,984,499     |

Each Target Fund's net assets and composition of net assets on October 5, 2012, the valuation date of the reorganization, were as follows:

|  | Target Funds    |                 |
|--|-----------------|-----------------|
|  | FRB             | DVF             |
| Net assets   | \$145,503,247   | \$135,026,897   |
| Paid-in capital  | \$199,203,523   | \$228,382,425   |
| Undistributed (distributions in excess of) net investment income | \$(164,508 )    | \$(88,960 )     |
| Accumulated net realized loss                                    | \$(54,909,880 ) | \$(89,378,206 ) |
| Net unrealized appreciation (depreciation)                       | \$1,374,112     | \$(3,888,362 )  |

For financial reporting purposes, assets received and shares issued by FRA were recorded at fair value. However, the cost basis of the investments received from the Target Funds were carried forward to align ongoing reporting of FRA's realized and unrealized gains and losses with amounts distributable to shareholders for tax purposes.

The net assets of the FRA before the acquisition were \$278,016,037. The aggregate net assets of FRA immediately after the acquisition amounted to \$558,546,181. Each Target Fund's fair value and cost of investments prior to the reorganization were as follows:

| Target Fund | Fair Value of Investments | Cost of Investments |
|-------------|---------------------------|---------------------|
| FRB         | \$220,588,307             | \$219,010,017       |
| DVF         | \$206,051,284             | \$209,710,937       |

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The purpose of these transactions was to combine three funds managed by the Manager with the same or substantially similar (but not identical) investment objectives, investment policies, strategies, risks and restrictions. Each reorganization was a tax-free event and was effective on October 8, 2012.

Assuming the acquisition had been completed on September 1, 2012, the beginning of the fiscal reporting period of FRA, the pro forma results of operations for the year ended August 31, 2013 are as follows:

Net investment income: \$36,549,895

Net realized and change in unrealized gain/loss on investments: \$15,835,377

Net increase/decrease in net assets resulting from operations: \$52,385,271

Because the combined investment portfolios have been managed as a single integrated portfolio since the acquisition was completed, it is not practicable to separate the amounts of revenue and earnings of the Target Funds that have been included in FRA's Statement of Operations since October 8, 2012.

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Notes to Financial Statements (continued)

Reorganization costs incurred in connection with the reorganization were expensed by FRA. BlackRock Advisors, LLC (the Manager ) reimbursed FRA \$100,000, which was shown as fees reimbursed by Manager in the Statements of Operations.

**Basis of Consolidation:** The accompanying consolidated financial statements of FRA and BLW include the accounts of FRA Subsidiary, LLC and BLW Subsidiary, LLC (the Taxable Subsidiaries ), which are wholly owned taxable subsidiaries of the respective Fund. The Taxable Subsidiaries enable the Funds to hold investments in an operating company and satisfy Regulated Investment Company ( RIC ) tax requirements. Income earned and gains realized on the investments held by the Taxable Subsidiaries are taxable to such subsidiary. A tax provision for income, if any, is shown as income tax in the Consolidated Statements of Operations for the Funds. A tax provision for realized and unrealized gains, if any, is included as a reduction of realized and/or unrealized gain (loss) in the Consolidated Statement of Operations for the Funds. The Funds may invest up to 25% of its total assets in the Taxable Subsidiaries. The net assets of the Taxable Subsidiaries at August 31, 2014 were \$2,285,549 and \$272,159 or 0.4% and 0.0% of FRA s and BLW s consolidated net assets, respectively. Intercompany accounts and transactions, if any, have been eliminated. The Taxable Subsidiaries are subject to the same investment policies and restrictions that apply to the Funds.

**2. Significant Accounting Policies:**

The Funds financial statements are prepared in conformity with accounting principles generally accepted in the United States of America ( U.S. GAAP ), which may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates. Each Fund is considered an investment company under U.S. GAAP and follows the accounting and reporting guidance applicable to investment companies. The following is a summary of significant accounting policies followed by the Funds:

**Valuation:** U.S. GAAP defines fair value as the price the Funds would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. The Funds determine the fair values of their financial instruments at market value using independent dealers or pricing services under policies approved by the Board. The BlackRock Global Valuation Methodologies Committee (the Global Valuation Committee ) is the committee formed by management to develop global pricing policies and procedures and to provide oversight of the pricing function for the Funds for all financial instruments.

Bond investments are valued on the basis of last available bid prices or current market quotations provided by dealers or pricing services. Floating rate loan interests are valued at the mean of the bid prices from one or more brokers or dealers as obtained from a pricing service. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrixes, market transactions in comparable investments, various relationships observed in the market between investments and calculated yield measures. Asset-backed and mortgage-backed securities are valued by independent pricing services using models that consider estimated cash flows of each tranche of the security, establish a benchmark yield and develop an estimated tranche-specific spread to the benchmark yield based on the unique attributes of the tranche. Financial futures contracts traded on exchanges are valued at their last sale price. Swap agreements are valued utilizing quotes received daily by the Funds pricing service or through brokers, which are derived using daily swap curves and models that incorporate a number of market data factors, such as discounted cash flows, trades and values of the underlying reference instruments. Certain centrally cleared swaps are valued at the price determined by the relevant exchange or clearinghouse. Investments in open-end registered investment companies are valued at NAV each business day.

Municipal investments (including commitments to purchase such investments on a when-issued basis) are valued on the basis of prices provided by dealers or pricing services. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrixes, market transactions in comparable investments and information with respect to various relationships between investments.

Equity investments traded on a recognized securities exchange or the NASDAQ Stock Market ( NASDAQ ) are valued at the last reported sale price that day or the NASDAQ official closing price, if applicable. For equity investments traded on more than one exchange, the last reported sale price on the exchange where the stock is primarily traded is used. Equity investments traded on a recognized exchange for which there were no sales on that day are valued at the last available bid (long positions) or ask (short positions) price.

Securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars using exchange rates determined as of the close of business on the New York Stock Exchange ( NYSE ). Forward foreign currency exchange contracts are valued at the mean between the bid and ask prices and are determined as of the close of business on the NYSE. Interpolated values are derived when the settlement date of the contract is an interim date for which quotations are not available.



Notes to Financial Statements (continued)

Exchange-traded options are valued at the mean between the last bid and ask prices at the close of the options market in which the options trade. An exchange-traded option for which there is no mean price is valued at the last bid (long positions) or ask (short positions) price. If no bid or ask price is available, the prior day's price will be used, unless it is determined that the prior day's price no longer reflects the fair value of the option. Over-the-counter (OTC) options are valued by an independent pricing service using a mathematical model, which incorporates a number of market data factors, such as the trades and prices of the underlying instruments.

In the event that the application of these methods of valuation results in a price for an investment that is deemed not to be representative of the market value of such investment, or if a price is not available, the investment will be valued by the Global Valuation Committee, or its delegate, in accordance with a policy approved by the Board as reflecting fair value (Fair Value Assets). When determining the price for Fair Value Assets, the Global Valuation Committee, or its delegate, seeks to determine the price that each Fund might reasonably expect to receive from the current sale of that asset in an arms-length transaction. Fair value determinations shall be based upon all available factors that the Global Valuation Committee, or its delegate, deems relevant consistent with the principles of fair value measurement, which include the market approach, income approach and/or in the case of recent investments, the cost approach, as appropriate. The market approach generally consists of using comparable market transactions. The income approach generally is used to discount future cash flows to present value and is adjusted for liquidity as appropriate. These factors include but are not limited to: (i) attributes specific to the investment or asset; (ii) the principal market for the investment or asset; (iii) the customary participants in the principal market for the investment or asset; (iv) data assumptions by market participants for the investment or asset, if reasonably available; (v) quoted prices for similar investments or assets in active markets; and (vi) other factors, such as future cash flows, interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks, recovery rates, liquidation amounts and/or default rates. Due to the inherent uncertainty of valuations of such investments, the fair values may differ from the values that would have been used had an active market existed. The Global Valuation Committee, or its delegate, employs various methods for calibrating valuation approaches for investments where an active market does not exist, including regular due diligence of the Funds' pricing vendors, regular reviews of key inputs and assumptions, transactional back-testing or disposition analysis to compare unrealized gains and losses to realized gains and losses, reviews of missing or stale prices and large movements in market values and reviews of any market related activity. The pricing of all Fair Value Assets is subsequently reported to the Board or a committee thereof on a quarterly basis.

Generally, trading in foreign instruments is substantially completed each day at various times prior to the close of business on the NYSE. Occasionally, events affecting the values of such instruments may occur between the foreign market close and the close of business on the NYSE that may not be reflected in the computation of the Fund's net assets. If events (e.g., a company announcement, market volatility or a natural disaster) occur during such periods that are expected to materially affect the value of such instruments, those instruments may be Fair Value Assets and be valued at their fair value, as determined in good faith by the Global Valuation Committee, or its delegate, using a pricing service and/or policies approved by the Board.

**Foreign Currency:** The Funds' books and records are maintained in U.S. dollars. Purchases and sales of investment securities are recorded at the rates of exchange prevailing on the respective date of such transactions. Generally, when the U.S. dollar rises in value against a foreign currency, the Funds' investments denominated in that currency will lose value because that currency is worth fewer U.S. dollars; the opposite effect occurs if the U.S. dollar falls in relative value.

The Funds do not isolate the portion of the results of operations arising as a result of changes in the foreign exchange rates from the changes in the market prices of investments held or sold for financial reporting purposes. Accordingly, the effects of changes in foreign currency exchange rates on investments are not segregated in the Statements of Operations from the effects of changes in market prices of those investments but are included as a component of net realized and unrealized gain (loss) from investments. The Funds report realized currency gains (losses) on foreign currency related transactions as components of net realized gain (loss) for financial reporting purposes, whereas such components are generally treated as ordinary income for federal income tax purposes.

**Segregation and Collateralization:** In cases where a Fund enters into certain investments (e.g., financial futures contracts, forward foreign currency exchange contracts, options written and swaps) or certain borrowings (e.g., reverse repurchase transactions) that would be senior securities for 1940 Act purposes, the Fund may segregate or designate on its books and records cash or liquid securities having a market value at least equal to the amount of the Fund's future obligations under such investments or borrowings. Doing so allows the investment or borrowings to be excluded from treatment as a senior security. Furthermore, if required by an exchange or counterparty agreement, the Fund may be required to deliver/deposit cash and/or securities to/with an exchange, or broker-dealer or custodian as collateral for certain investments or obligations.

**Investment Transactions and Investment Income:** For financial reporting purposes, investment transactions are recorded on the dates the transactions are entered into (the trade dates). Realized gains and losses on investment transactions are determined on

the identified cost basis. Dividend income is recorded on the ex-dividend date. Dividends from foreign securities where the ex-dividend date may have passed are subsequently recorded when the Fund is informed of the ex-dividend date. Under the applicable foreign tax laws, a withholding tax at various rates may be imposed on capital gains, dividends and interest. Upon notification from issuers, some of the dividend income received from a real estate investment trust may be redesignated as a reduction of cost of the related investment and/or realized gain. Interest income, including amortization and accretion of premiums and discounts on debt securities, is recognized on the accrual basis.

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Notes to Financial Statements (continued)

**Dividends and Distributions:** Dividends from net investment income are declared and paid monthly. Distributions of capital gains are recorded on the ex-dividend date. The character and timing of dividends and distributions are determined in accordance with federal income tax regulations, which may differ from U.S. GAAP.

**Deferred Compensation Plan:** Under the Deferred Compensation Plan (the Plan) approved by each Fund's Board, the independent Directors (Independent Directors) may defer a portion of their annual complex-wide compensation. Deferred amounts earn an approximate return as though equivalent dollar amounts had been invested in common shares of certain other BlackRock Closed-End Funds selected by the Independent Directors. This has the same economic effect for the Independent Directors as if the Independent Directors had invested the deferred amounts directly in certain other BlackRock Closed-End Funds.

The Plan is not funded and obligations thereunder represent general unsecured claims against the general assets of each Fund. Deferred compensation liabilities are included in officer's and directors' fees payable in the Statements of Assets and Liabilities and will remain as a liability of the Funds until such amounts are distributed in accordance with the Plan.

**Recent Accounting Standard:** In June 2014, the Financial Accounting Standards Board issued guidance to improve the financial reporting of reverse repurchase agreements and other similar transactions. The guidance will require expanded disclosure for entities that enter into reverse repurchase agreements and similar transactions accounted for as secured borrowings. It is effective for financial statements with fiscal years beginning on or after December 15, 2014 and interim periods within those fiscal years. Management is evaluating the impact, if any, of this guidance on the Funds' financial statement disclosures.

**Other:** Expenses directly related to a Fund are charged to that Fund. Other operating expenses shared by several funds are pro-rated among those funds on the basis of relative net assets or other appropriate methods.

The Funds have an arrangement with the custodian whereby fees may be reduced by credits earned on uninvested cash balances, which, if applicable, are shown as fees paid indirectly in the Statements of Operations. The custodian imposes fees on overdrawn cash balances, which can be offset by accumulated credits earned or may result in additional custody charges.

### 3. Securities and Other Investments:

**Asset-Backed and Mortgage-Backed Securities:** The Funds may invest in asset-backed securities. Asset-backed securities are generally issued as pass-through certificates, which represent undivided fractional ownership interests in an underlying pool of assets, or as debt instruments, which are also known as collateralized obligations, and are generally issued as the debt of a special purpose entity organized solely for the purpose of owning such assets and issuing such debt. Asset-backed securities are often backed by a pool of assets representing the obligations of a number of different parties. The yield characteristics of certain asset-backed securities may differ from traditional debt securities. One such major difference is that all or a principal part of the obligations may be prepaid at any time because the underlying assets (i.e., loans) may be prepaid at any time. As a result, a decrease in interest rates in the market may result in increases in the level of prepayments as borrowers, particularly mortgagors, refinance and repay their loans. An increased prepayment rate with respect to an asset-backed security subject to such a prepayment feature will have the effect of shortening the maturity of the security. In addition, the Funds may subsequently have to reinvest the proceeds at lower interest rates. If the Funds have purchased such an asset-backed security at a premium, a faster than anticipated prepayment rate could result in a loss of principal to the extent of the premium paid.

The Funds may purchase certain mortgage pass-through securities. There are a number of important differences among the agencies and instrumentalities of the U.S. government that issue mortgage-related securities and among the securities that they issue. For example, mortgage-related securities guaranteed by Ginnie Mae are guaranteed as to the timely payment of principal and interest by Ginnie Mae and such guarantee is backed by the full faith and credit of the United States. However, mortgage-related securities issued by Freddie Mac and Fannie Mae, including Freddie Mac and Fannie Mae guaranteed mortgage pass-through certificates, which are solely the obligations of Freddie Mac and Fannie Mae, are not backed by or entitled to the full faith and credit of the United States, but are supported by the right of the issuer to borrow from the Treasury.

**Collateralized Debt Obligations:** Certain Funds may invest in collateralized debt obligations (CDOs), which include collateralized bond obligations (CBOs) and collateralized loan obligations (CLOs). CBOs and CLOs are types of asset-backed securities. A CDO is an entity that is backed by a diversified pool of debt securities (CBOs) or syndicated bank loans (CLOs). The cash flows of the CDO can be split into multiple segments, called tranches, which will vary in risk profile and yield. The riskiest segment is the subordinated or equity tranche. This tranche bears the greatest risk of defaults from the underlying assets in the CDO and serves to protect the other, more senior, tranches from default in all but the most severe circumstances. Since it is shielded from defaults by the more junior tranches, a senior tranche will typically have higher credit ratings and lower yields than their underlying securities, and often receive investment grade ratings from one or more of the nationally recognized rating agencies. Despite the

protection from the more junior tranches, senior tranches can experience substantial losses due to actual defaults, increased sensitivity to future defaults and the disappearance of one or more protecting tranches as a result of changes in the credit profile of the underlying pool of assets.

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## Notes to Financial Statements (continued)

**Multiple Class Pass-Through Securities:** Certain Funds may invest in multiple class pass-through securities, including collateralized mortgage obligations ( CMOs ) and commercial mortgage-backed securities. These multiple class securities may be issued by Ginnie Mae, U.S. government agencies or instrumentalities or by trusts formed by private originators of, or investors in, mortgage loans. In general, CMOs are debt obligations of a legal entity that are collateralized by, and multiple class pass-through securities represent direct ownership interests in, a pool of residential or commercial mortgage loans or mortgage pass-through securities (the Mortgage Assets ), the payments on which are used to make payments on the CMOs or multiple pass-through securities. Classes of CMOs include interest only ( IOs ), principal only ( POs ), planned amortization classes and targeted amortization classes. IOs and POs are stripped mortgage-backed securities representing interests in a pool of mortgages, the cash flow from which has been separated into interest and principal components. IOs receive the interest portion of the cash flow while POs receive the principal portion. IOs and POs can be extremely volatile in response to changes in interest rates. As interest rates rise and fall, the value of IOs tends to move in the same direction as interest rates. POs perform best when prepayments on the underlying mortgages rise since this increases the rate at which the principal is returned and the yield to maturity on the PO. When payments on mortgages underlying a PO are slower than anticipated, the life of the PO is lengthened and the yield to maturity is reduced. If the underlying Mortgage Assets experience greater than anticipated pre-payments of principal, the Fund may not fully recoup its initial investment in IOs.

**Stripped Mortgage-Backed Securities:** Certain Funds may invest in stripped mortgage-backed securities issued by the U.S. government, its agencies and instrumentalities. Stripped mortgage-backed securities are usually structured with two classes that receive different proportions of the interest (IOs) and principal (POs) distributions on a pool of Mortgage Assets. The Funds also may invest in stripped mortgage-backed securities that are privately issued.

**Zero-Coupon Bonds:** Certain Funds may invest in zero-coupon bonds, which are normally issued at a significant discount from face value and do not provide for periodic interest payments. Zero-coupon bonds may experience greater volatility in market value than similar maturity debt obligations which provide for regular interest payments.

**Capital Trusts and Trust Preferred Securities:** Certain Funds may invest in capital trusts and/or trust preferred securities. These securities are typically issued by corporations, generally in the form of interest-bearing notes with preferred securities characteristics, or by an affiliated business trust of a corporation, generally in the form of beneficial interests in subordinated debentures or similarly structured securities. The securities can be structured as either fixed or adjustable coupon securities that can have either a perpetual or stated maturity date. For trust preferred securities, the issuing bank or corporation will pay interest to the trust, which will then be distributed to holders of the trust preferred securities as a dividend. Dividends can be deferred without creating an event of default or acceleration, although maturity cannot take place unless all cumulative payment obligations have been met. The deferral of payments does not affect the purchase or sale of these securities in the open market. Payments on these securities are treated as interest rather than dividends for federal income tax purposes. These securities generally are rated below that of the issuing company's senior debt securities and are freely callable at the issuer's option.

**Preferred Stock:** Certain Funds may invest in preferred stock. Preferred stock has a preference over common stock in liquidation (and generally in receiving dividends as well) but is subordinated to the liabilities of the issuer in all respects. As a general rule, the market value of preferred stock with a fixed dividend rate and no conversion element varies inversely with interest rates and perceived credit risk, while the market price of convertible preferred stock generally also reflects some element of conversion value. Because preferred stock is junior to debt securities and other obligations of the issuer, deterioration in the credit quality of the issuer will cause greater changes in the value of a preferred stock than in a more senior debt security with similar stated yield characteristics. Unlike interest payments on debt securities, preferred stock dividends are payable only if declared by the issuer's board of directors. Preferred stock also may be subject to optional or mandatory redemption provisions.

**Floating Rate Loan Interests:** The Funds may invest in floating rate loan interests. The floating rate loan interests held by the Funds are typically issued to companies (the borrower ) by banks, other financial institutions, and privately and publicly offered corporations (the lender ). Floating rate loan interests are generally non-investment grade, often involve borrowers whose financial condition is troubled or uncertain and companies that are highly leveraged. The Funds may invest in obligations of borrowers who are in bankruptcy proceedings. Floating rate loan interests may include fully funded term loans or revolving lines of credit. Floating rate loan interests are typically senior in the corporate capital structure of the borrower. Floating rate loan interests generally pay interest at rates that are periodically determined by reference to a base lending rate plus a premium. The base lending rates are generally the lending rate offered by one or more European banks, such as the London Interbank Offered Rate ( LIBOR ), the prime rate offered by one or more U.S. banks or the certificate of deposit rate. Floating rate loan interests may involve foreign borrowers, and investments may be denominated in foreign currencies. The Funds consider these investments to be investments in debt securities for purposes of its investment policies.

When the Funds purchase a floating rate loan interest they may receive a facility fee and when they sell a floating rate loan interest they may pay a facility fee. On an ongoing basis, the Funds may receive a commitment fee based on the undrawn portion of the underlying line of credit amount of a floating rate loan interest. Facility and commitment fees are typically amortized to income over the term of the loan or term of the commitment, respectively. Consent and amendment fees are recorded to income as earned. Prepayment penalty fees, which may be received by the Funds upon the prepayment of a floating rate loan interest by a borrower, are recorded as realized gains. The Funds may invest in multiple series or tranches of a loan. A different series or tranche may have varying terms and carry different associated risks.

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## Notes to Financial Statements (continued)

Floating rate loan interests are usually freely callable at the borrower's option. The Funds may invest in such loans in the form of participations in loans ( Participations ) or assignments ( Assignments ) of all or a portion of loans from third parties. Participations typically will result in the Funds having a contractual relationship only with the lender, not with the borrower. The Funds will have the right to receive payments of principal, interest and any fees to which they are entitled only from the lender selling the Participation and only upon receipt by the lender of the payments from the borrower. In connection with purchasing Participations, the Funds generally will have no right to enforce compliance by the borrower with the terms of the loan agreement, nor any rights of offset against the borrower, and the Funds may not benefit directly from any collateral supporting the loan in which they have purchased the Participation. As a result, the Funds will assume the credit risk of both the borrower and the lender that is selling the Participation. The Funds' investment in loan participation interests involves the risk of insolvency of the financial intermediaries who are parties to the transactions. In the event of the insolvency of the lender selling the Participation, the Funds may be treated as a general creditor of the lender and may not benefit from any offset between the lender and the borrower. Assignments typically result in the Funds having a direct contractual relationship with the borrower, and the Funds may enforce compliance by the borrower with the terms of the loan agreement.

In connection with floating rate loan interests, the Funds may also enter into unfunded floating rate loan interests ( commitments ). In connection with these commitments, the Funds earn a commitment fee, typically set as a percentage of the commitment amount. Such fee income, which is included in interest income in the Statements of Operations, is recognized ratably over the commitment period. Unfunded floating rate loan interests are marked-to-market daily, and any unrealized appreciation or depreciation is included in the Statements of Assets and Liabilities and Statements of Operations. As of August 31, 2014, the Funds had the following unfunded floating rate loan interests:

|     | <b>Borrower</b>   | <b>Unfunded<br/>Floating Rate<br/>Loan Interest</b> | <b>Value of<br/>Underlying<br/>Floating Rate<br/>Loan Interest</b> | <b>Unrealized<br/>Depreciation</b> |
|-----|---|---|--|------------------------------------|
| BHL | Allied Security Holdings<br>LLC, 1st Lien Delayed Draw<br>Term Loan | \$ 233,913  | \$ 232,014   | \$ (2,298)                         |
|     | Allied Security Holdings<br>LLC, 2nd Lien Delayed<br>Draw Term Loan | \$ 34,243   | \$ 33,943  | \$ (362)                           |
|     | Polymer Group, Inc.,<br>Delayed Draw Term Loan                      | \$ 33,987   | \$ 33,902  | \$ (85)                            |
|     | Ziggo BV, Term Loan B2A   | \$ 12,047   | \$ 11,810  | \$ (163)                           |
| FRA | Ziggo BV, Term Loan B3  | \$ 246,556  | \$ 241,709   | \$ (3,319)                         |
|     | Allied Security Holdings<br>LLC, 1st Lien Delayed Draw<br>Term Loan | \$1,030,266   | \$1,021,900  | \$ (10,128)                        |
|     | Allied Security Holdings<br>LLC, 2nd Lien Delayed<br>Draw Term Loan | \$ 157,518  | \$ 156,140   | \$ (1,666)                         |
|     | Polymer Group, Inc.,<br>Delayed Draw Term Loan                      | \$ 149,697  | \$ 149,323   | \$ (374)                           |
|     | Ziggo BV, Term Loan B2A   | \$ 53,089   | \$ 52,045  | \$ (716)                           |
|     | Ziggo BV, Term Loan B3  | \$1,086,547   | \$1,065,186  | \$ (14,609)                        |
| BLW | Allied Security Holdings<br>LLC, 1st Lien Delayed Draw<br>Term Loan | \$ 183,551  | \$ 182,060   | \$ (2,345)                         |
|     | Polymer Group, Inc.,<br>Delayed Draw Term Loan                      | \$ 70,049   | \$ 69,874  | \$ (175)                           |

**Forward Commitments and When-Issued Delayed Delivery Securities:** The Funds may purchase securities on a when-issued basis and may purchase or sell securities on a forward commitment basis. Settlement of such transactions normally occurs within a month or more after the purchase or sale commitment is made. The Funds may purchase securities under such conditions with the intention of actually acquiring them, but may enter into a separate agreement to sell the securities before the settlement date. Since the value of securities purchased may fluctuate prior to settlement, the Funds may be required to pay more at settlement than the security is worth. In addition, the Funds are not entitled to any of the interest earned prior to settlement. When purchasing a security on a delayed delivery basis, the Funds assume the rights and risks of ownership of the security, including the risk of price and yield fluctuations. In the event of default by the counterparty, the Funds' maximum amount of loss is the unrealized appreciation of unsettled when-issued transactions, which is shown in the Schedules of Investments.

**Reverse Repurchase Agreements:** Certain Funds may enter into reverse repurchase agreements with qualified third party broker-dealers. In a reverse repurchase agreement, the Funds sell securities to a bank or broker-dealer and agree to repurchase the same securities at a mutually agreed upon date and price. During the term of the reverse repurchase agreement, the Funds continue to receive the principal and interest payments on the securities sold. Certain agreements have no stated maturity and can be terminated by either party at any time. Interest on the value of the reverse repurchase agreements issued and outstanding is based upon competitive market rates determined at the time of issuance. The Funds may utilize reverse repurchase agreements when it is anticipated that the interest income to be earned from the investment of the proceeds of the transaction is greater than the interest expense of the transaction. Reverse repurchase agreements involve leverage risk and also the risk that the market value of the securities to be repurchased may decline below the repurchase price.

For financial reporting purposes, cash received in exchange for securities delivered plus accrued interest due to the counterparty is recorded as a liability in the Statements of Assets and Liabilities at face value including accrued interest. Due to the short term nature of the reverse repurchase agreements, face value approximates fair value. Interest payments made by the Funds to the counterparties are recorded as a component of interest expense in the Statements of Operations. In periods of increased demand for the security, the Funds may receive a fee for use of the security by the counterparty, which may result in interest income to the Funds.

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## Notes to Financial Statements (continued)

For the year ended August 31, 2014, the daily weighted average interest rate for BLW from reverse repurchase agreements was 0.49%.

Reverse repurchase transactions are entered into by the Funds under Master Repurchase Agreements (MRA), which permit the Funds, under certain circumstances, including an event of default (such as bankruptcy or insolvency), to offset payables and/or receivables under the MRA with collateral held and/or posted to the counterparty and create one single net payment due to or from the Funds. With reverse repurchase transactions, typically the Funds and the counterparties are permitted to sell, re-pledge, or use the collateral associated with the transaction. Bankruptcy or insolvency laws of a particular jurisdiction may impose restrictions on or prohibitions against such a right of offset in the event of the MRA counterparty's bankruptcy or insolvency. Pursuant to the terms of the MRA, the Funds receive or post securities as collateral with a market value in excess of the repurchase price to be paid or received by the Funds upon the maturity of the transaction. Upon a bankruptcy or insolvency of the MRA counterparty, the Funds are considered an unsecured creditor with respect to excess collateral and, as such, the return of excess collateral may be delayed.

The following table is a summary of BLW's open reverse repurchase agreements by counterparty which are subject to offset under an MRA on a net basis as of August 31, 2014:

| Counterparty                          | Reverse<br>Repurchase<br>Agreements | Fair Value of<br>Non-cash<br>Collateral<br>Pledged Including<br>Accrued Interest <sup>1</sup> | Cash<br>Collateral<br>Pledged/Received | Net<br>Amount |
|---------------------------------------|-------------------------------------|---|--|---------------|
| Barclays Capital, Inc.                | \$ 53,276,150                       | \$ (53,276,150)   |  |               |
| BNP Paribas Securities Corp.          | 14,606,431                          | (14,606,431)  |  |               |
| Citigroup Global Markets, Inc.        | 22,831,421                          | (22,831,421)  |  |               |
| Credit Suisse Securities (USA)<br>LLC | 25,192,261                          | (25,192,261)  |  |               |
| Deutsche Bank Securities, Inc.        | 151,355,341                         | (151,355,341)   |  |               |
| HSBC Securities (USA), Inc.           | 9,890,793                           | (9,890,793)   |  |               |
| RBC Capital Markets LLC               | 1,008,598                           | (1,008,598)   |  |               |
| UBS Securities LLC                    | 15,728,731                          | (15,728,731)  |  |               |
| <b>Total</b>                          | <b>\$293,889,726</b>                | <b>\$(293,889,726)</b>  |  |               |

Net collateral with a value of \$325,193,863 has been pledged/received in connection with open reverse repurchase agreements. Excess of net collateral pledged to the individual counterparty is not shown for financial reporting purposes.

In the event the counterparty of securities under an MRA files for bankruptcy or becomes insolvent, the Fund's use of the proceeds from the agreement may be restricted while the counterparty, or its trustee or receiver, determines whether or not to enforce the Fund's obligation to repurchase the securities.

#### 4. Derivative Financial Instruments:

The Funds engage in various portfolio investment strategies using derivative contracts both to increase the returns of the Funds and/or to economically hedge their exposure to certain risks such as credit risk, equity risk, interest rate risk or foreign currency exchange rate risk. These contracts may be transacted on an exchange or OTC.

**Financial Futures Contracts:** The Funds purchase and/or sell financial futures contracts and options on financial futures contracts to gain exposure to, or economically hedge against, changes in interest rates (interest rate risk). Financial futures contracts are agreements between the Funds and a counterparty to buy or sell a specific quantity of an underlying instrument at a specified price and at a specified date. Depending on the terms of the particular contract, financial futures contracts are settled either through physical delivery of the underlying instrument on the settlement date or by payment of a cash settlement amount on the settlement date.

Upon entering into a financial futures contract, the Funds are required to deposit initial margin with the broker in the form of cash or securities in an amount that varies depending on a contract's size and risk profile. The initial margin deposit must then be maintained at an established level over the life of the contract. Securities deposited as initial margin are designated on the Schedules of Investments and cash deposited, if any, is recorded on the Statements of Assets and Liabilities as cash pledged for financial futures contracts. Pursuant to the contract, the Funds agree to receive from or pay to the broker an amount of cash equal to the daily fluctuation in value of the contract. Such receipts or payments are known as variation margin. Variation margin is recorded by the Funds as unrealized appreciation or depreciation and, if applicable, as a receivable or payable for variation margin in the Statements of Assets and Liabilities.

When the contract is closed, the Funds record a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. The use of financial futures contracts involves the risk of an imperfect correlation in the movements in the price of financial futures contracts, interest or foreign currency exchange rates and the underlying assets.

**Forward Foreign Currency Exchange Contracts:** The Funds enter into forward foreign currency exchange contracts as an economic hedge against either specific transactions or portfolio instruments or to obtain exposure to, or hedge exposure away from, foreign currencies (foreign currency exchange rate risk). A forward foreign currency exchange contract is an agreement between two parties to buy and sell a currency at a set exchange rate on a future date.

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Notes to Financial Statements (continued)

Forward foreign currency exchange contracts, when used by the Funds, help to manage the overall exposure to the currencies in which some of the investments held by the Funds are denominated. The contract is marked-to-market daily and the change in market value is recorded by the Funds as an unrealized gain or loss. When the contract is closed, the Funds record a realized gain or loss equal to the difference between the value at the time it was opened and the value at the time it was closed. The use of forward foreign currency exchange contracts involves the risk that the value of a forward foreign currency exchange contract changes unfavorably due to movements in the value of the referenced foreign currencies.

**Options:** The Funds purchase and write call and put options to increase or decrease their exposure to underlying instruments: including equity risk, and/or interest rate risk and/or, in the case of options written, to generate gains from options premiums. A call option gives the purchaser (holder) of the option the right (but not the obligation) to buy, and obligates the seller (writer) to sell (when the option is exercised) the underlying instrument at the exercise or strike price at any time or at a specified time during the option period. A put option gives the holder the right to sell and obligates the writer to buy the underlying instrument at the exercise or strike price at any time or at a specified time during the option period. When the Funds purchase (write) an option, an amount equal to the premium paid (received) by the Funds is reflected as an asset (liability). The amount of the asset (liability) is subsequently marked-to-market to reflect the current market value of the option purchased (written). When an instrument is purchased or sold through an exercise of an option, the related premium paid (or received) is added to (or deducted from) the basis of the instrument acquired or deducted from (or added to) the proceeds of the instrument sold. When an option expires (or the Funds enter into a closing transaction), the Funds realize a gain or loss on the option to the extent of the premiums received or paid (or gain or loss to the extent the cost of the closing transaction exceeds the premiums received or paid). When the Funds write a call option, such option is covered, meaning that the Funds hold the underlying instrument subject to being called by the option counterparty. When the Funds write a put option, such option is covered by cash in an amount sufficient to cover the obligation.

Options on swaps (swaptions) are similar to options on securities except that instead of selling or purchasing the right to buy or sell a security, the writer or purchaser of the swaptions is granting or buying the right to enter into a previously agreed upon interest rate or credit default swap agreement (interest rate risk and/or credit risk) at any time before the expiration of the option.

The Funds also purchase or sell listed or OTC foreign currency options, foreign currency futures and related options on foreign currency futures as a short or long hedge against possible variations in foreign exchange rates or to gain exposure to foreign currencies (foreign currency exchange rate risk). When foreign currency is purchased or sold through an exercise of a foreign currency option, the related premium paid (or received) is added to (or deducted from) the basis of the foreign currency acquired or deducted from (or added to) the proceeds of the foreign currency sold (receipts from the foreign currency purchased). Such transactions may be effected with respect to hedges on non-U.S. dollar denominated instruments owned by the Funds but not yet delivered, or committed or anticipated to be purchased by the Funds.

In purchasing and writing options, the Funds bear the risk of an unfavorable change in the value of the underlying instrument or the risk that the Funds may not be able to enter into a closing transaction due to an illiquid market. Exercise of a written option could result in the Funds purchasing or selling a security when it otherwise would not, or at a price different from the current market value.

Transactions in options written for the year ended August 31, 2014 were as follow:

|  | <b>BLW</b>       |                                       |                             |                  |                                       |                             |
|--|------------------|---------------------------------------|-----------------------------|------------------|---------------------------------------|-----------------------------|
|  | <b>Calls</b>     |                                       |                             | <b>Puts</b>      |                                       |                             |
|  | <b>Contracts</b> | <b>Notional<br/>(000)<sup>1</sup></b> | <b>Premium<br/>Received</b> | <b>Contracts</b> | <b>Notional<br/>(000)<sup>1</sup></b> | <b>Premium<br/>Received</b> |
| Outstanding options, beginning of year |                  |                                       |                             |                  |                                       |                             |
| Options written                        |                  | \$18,700                              | \$93,500                    |                  | \$18,700                              | \$93,500                    |
| Options exercised                      |                  |                                       |                             |                  |                                       |                             |

|                      |          |          |          |          |
|----------------------|----------|----------|----------|----------|
| Options expired      |          |          |          |          |
| Options closed       |          |          |          |          |
| Outstanding          |          |          |          |          |
| options, end of year | \$18,700 | \$93,500 | \$18,700 | \$93,500 |

<sup>1</sup>Amount shown is in the currency in which the transaction was denominated.

**Swaps:** The Funds enter into swap agreements in which the Funds and a counterparty agree either to make periodic net payments on a specified notional amount or a net payment upon termination. Swap agreements are privately negotiated in the OTC market and may be entered into as a bilateral contract ( OTC swaps ) or centrally cleared ( centrally cleared swaps ). Swaps are marked-to-market daily and changes in value are recorded as unrealized appreciation (depreciation).

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Notes to Financial Statements (continued)

For OTC swaps, any upfront premiums paid are recorded as assets and any upfront fees received are recorded as liabilities and are shown as swap premiums paid and swap premiums received, respectively, in the Statements of Assets and Liabilities and amortized over the term of the OTC swap. Payments received or made by the Funds for OTC swaps are recorded in the Statements of Operations as realized gains or losses, respectively. When an OTC swap is terminated, the Funds will record a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Funds' basis in the contract, if any. Generally, the basis of the contract is the premium received or paid.

In a centrally cleared swap, immediately following execution of the swap agreement, the swap agreement is novated to a central counterparty (the CCP) and the Fund's counterparty on the swap agreement becomes the CCP. The Fund is required to interface with the CCP through a broker. Upon entering into a centrally cleared swap, the Funds are required to deposit initial margin with the broker in the form of cash or securities in an amount that varies depending on the size and risk profile of the particular swap. Securities deposited as initial margin are designated on the Schedule of Investments and cash deposited is recorded on the Statements of Assets and Liabilities as cash pledged for centrally cleared swaps. The daily change in valuation of centrally cleared swaps is recorded as a receivable or payable for variation margin in the Statements of Assets and Liabilities. Payments received from (paid to) the counterparty, including at termination, are recorded as realized gain (loss) in the Statements of Operations.

Swap transactions involve, to varying degrees, elements of interest rate, credit and market risk in excess of the amounts recognized in the Statements of Assets and Liabilities. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparty to the agreements may default on its obligation to perform or disagree as to the meaning of the contractual terms in the agreements, and that there may be unfavorable changes in interest rates and/or market values associated with these transactions.

**Credit default swaps** The Funds enter into credit default swaps to manage their exposure to the market or certain sectors of the market, to reduce their risk exposure to defaults of corporate and/or sovereign issuers or to create exposure to corporate and/or sovereign issuers to which they are not otherwise exposed (credit risk). The Funds may either buy or sell (write) credit default swaps on single-name issuers (corporate or sovereign), a combination or basket of single-name issuers or traded indexes. Credit default swaps on single-name issuers are agreements in which the protection buyer pays fixed periodic payments to the seller in consideration for a guarantee from the protection seller to make a specific payment should a negative credit event take place with respect to the referenced entity (e.g., bankruptcy, failure to pay, obligation accelerators, repudiation, moratorium or restructuring). Credit default swaps on traded indexes are agreements in which the buyer pays fixed periodic payments to the seller in consideration for a guarantee from the seller to make a specific payment should a write-down, principal or interest shortfall or default of all or individual underlying securities included in the index occur. As a buyer, if an underlying credit event occurs, the Funds will either (i) receive from the seller an amount equal to the notional amount of the swap and deliver the referenced security or underlying securities comprising the index, or (ii) receive a net settlement of cash equal to the notional amount of the swap less the recovery value of the security or underlying securities comprising the index. As a seller (writer), if an underlying credit event occurs, the Funds will either pay the buyer an amount equal to the notional amount of the swap and take delivery of the referenced security or underlying securities comprising the index or pay a net settlement of cash equal to the notional amount of the swap less the recovery value of the security or underlying securities comprising the index.

**Interest rate swaps** The Funds enter into interest rate swaps to gain or reduce exposure to interest rates or to manage duration, the yield curve or interest rate risk by economically hedging the value of the fixed rate bonds, which may decrease when interest rates rise (interest rate risk). Interest rate swaps are agreements in which one party pays a stream of interest payments, either fixed or floating, for another party's stream of interest payments, either fixed or floating, on the same notional amount for a specified period of time.

The following is a summary of the Funds' derivative financial instruments categorized by risk exposure:

Fair Values of Derivative Financial Instruments as of August 31, 2014

|   | Value             |                        |                   |                        |                   |                        |
|---|-------------------|------------------------|-------------------|------------------------|-------------------|------------------------|
|   | BHL               | FRA                    | BLW               |                        |                   |                        |
| Statements of Assets and Liabilities Location           | Derivative Assets | Derivative Liabilities | Derivative Assets | Derivative Liabilities | Derivative Assets | Derivative Liabilities |
| Interest rate contracts                                 |                   |                        |                   |                        | \$2,762           | \$291,                 |
| Net unrealized appreciation/depreciation <sup>1</sup> ; |                   |                        |                   |                        |                   |                        |
| Unrealized depreciation on OTC swaps;                   |                   |                        |                   |                        |                   |                        |
| Swap premiums received;                                 |                   |                        |                   |                        |                   |                        |
| Investments at value                                    |                   |                        |                   |                        |                   |                        |

|                    |   |          |   |           |   |             |        |
|--------------------|---|----------|---|-----------|---|-------------|--------|
|                    | unaffiliated <sup>2</sup> ; Options<br>written at value |          |   |           |   |             |        |
|                    | Unrealized  |          |   |           |   |             |        |
| Foreign currency   | appreciation/depreciation                               |          |   |           |   |             |        |
| exchange contracts | on forward foreign                                      | \$79,213 | — | \$326,539 |   | 2,075,417   | 13,5   |
|                    | currency  |          |   |           |   |             |        |
|                    | exchange contracts                                      |          |   |           |   |             |        |
|                    | Unrealized appreciation                                 |          |   |           |   |             |        |
| Credit contracts   | on OTC swaps;   | —        | — | —         | — | 19          | 43     |
|                    | Swap premiums paid                                      |          |   |           |   |             |        |
| <b>Total</b>       |   | \$79,213 | — | \$326,539 |   | \$2,078,198 | \$305, |

<sup>1</sup> Includes cumulative appreciation/depreciation on financial futures contracts as reported in the Schedules of Investments. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

<sup>2</sup> Includes options purchased at value as reported in the schedules of Investments.

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Notes to Financial Statements (continued)

**The Effect of Derivative Financial Instruments in the Statements of Operations**  
**Year Ended August 31, 2014**

|  | Net Realized Gain (Loss) From |                |                 | Net Change in Unrealized Appreciation/Depreciation on |            |              |
|--|-------------------------------|----------------|-----------------|---|------------|--------------|
|  | BHL                           | FRA            | BLW             | BHL   | FRA        | BLW          |
| Interest rate contracts:                     |                               |                |                 |   |            |              |
| Financial futures contracts                  |                               |                | \$ (2,449,414)  |   |            | \$ (213,000) |
| Options <sup>1</sup>                         |                               |                | 226,821         |   |            | (226,821)    |
| Foreign currency exchange contracts:         |                               |                |                 |   |            |              |
| Forward foreign currency exchange contracts: |                               |                |                 |   |            |              |
| Options/translations                         | \$ (359,592)                  | \$ (1,197,962) | (6,154,412)     | \$ 65,895   | \$ 369,481 | 2,730,000    |
| Options:                                     | (235,758)                     | (1,835,061)    | (3,149,923)     | (5,672)   | (77,863)   | 14,000       |
|  | \$ (595,350)                  | \$ (3,033,023) | \$ (11,526,928) | \$ 60,223   | \$ 291,618 | \$ 2,322,000 |

<sup>1</sup> Options purchased are included in the net realized gain (loss) from investments and net change in unrealized appreciation/depreciation on investments.

For the year ended August 31, 2014, the average quarterly balances of outstanding derivative financial instruments were as follows:

|   | BHL          | FRA           | BLW           |
|---|--------------|---------------|---------------|
| Financial future contracts:                   |              |               |               |
| Average number of contracts purchased         |              |               | 60            |
| Average number of contracts sold              |              |               | 326           |
| Average notional value of contracts purchased |              |               | \$ 13,209,381 |
| Average notional value of contracts sold      |              |               | \$ 40,255,529 |
| Forward foreign currency exchange contracts:  |              |               |               |
| Average number of contracts-USD purchased     | 3            | 4             | 8             |
| Average number of contracts-USD sold          | 1            | 1             | 2             |
| Average U.S. dollar amounts purchased         | \$ 4,671,630 | \$ 17,112,925 | \$ 83,495,526 |
| Average U.S. dollar amounts sold              | \$ 107,641   | \$ 414,983    | \$ 5,084,047  |
| Options:                                      |              |               |               |
|   |              | 44            | 46            |

|   |             |              |              |
|---|-------------|--------------|--------------|
| Average number of option contracts purchased            |             |              |              |
| Average notional amount of option contracts purchased   |             | \$ 41,486    | \$ 43,372    |
| Average number of swaption contracts purchased          |             |              | 1            |
| Average number of swaption contracts written            |             |              | 1            |
| Average notional amount of swaption contracts purchased |             |              | \$65,450,000 |
| Average notional amount of swaption contracts written   |             |              | \$18,700,000 |
| Credit default swaps:                                   |             |              |              |
| Average number of contracts-buy protection              |             |              | 2            |
| Average number of contracts-sell protection             | 6           | 9            | 21           |
| Average notional amount-buy protection                  |             |              | \$ 1,000     |
| Average notional amount-sell protection                 | \$1,333,588 | \$ 6,816,927 | \$ 9,163,190 |
| Interest rate swaps:                                    |             |              |              |
| Average number of contracts-receives fixed rate         |             |              | 1            |
| Average notional amount-receives fixed rate             |             |              | \$ 6,358,441 |

**Counterparty Credit Risk:** A derivative contract may suffer a mark-to-market loss if the value of the contract decreases due to an unfavorable change in the market rates or values of the underlying instrument. Losses can also occur if the counterparty does not perform under the contract.

A Fund's risk of loss from counterparty credit risk on OTC derivatives is generally limited to the aggregate unrealized gain netted against any collateral held by such Fund. For OTC options purchased, each Fund bears the risk of loss of the amount of the premiums paid plus the positive change in market values net of any collateral held by such Fund should the counterparty fail to perform under the contracts. Options written by the Funds do not typically give rise to counterparty credit risk, as options written generally obligate the Funds, and not the counterparty, to perform.

With exchange-traded purchased options and futures, there is less counterparty credit risk to the Funds since the exchange or clearinghouse, as counterparty to such instruments, guarantees against a possible default. The clearinghouse stands between the buyer and the seller of the contract; therefore, credit risk is limited to failure of the clearinghouse. While offset rights may exist under applicable law, the Funds do not have a contractual right of offset against a clearing broker or clearinghouse in the event of a default (including the bankruptcy or insolvency) of the clearing broker or clearinghouse. Additionally, credit risk exists in exchange-traded futures with respect to initial and variation margin that is held in a clearing broker's customer accounts. While clearing brokers are required to segregate customer margin from their own assets, in the event that a clearing broker becomes insolvent or goes into bankruptcy and at that time there is a shortfall in the aggregate amount of margin held by the clearing broker for all its clients, typically the shortfall would be allocated on a pro rata basis across all the clearing broker's customers, potentially resulting in losses to the Funds.

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## Notes to Financial Statements (continued)

In order to better define their contractual rights and to secure rights that will help the Funds mitigate their counterparty risk, the Funds may enter into an International Swaps and Derivatives Association, Inc. Master Agreement ( ISDA Master Agreement ) or similar agreement with its counterparties. An ISDA Master Agreement is a bilateral agreement between each Fund and a counterparty that governs certain OTC derivatives and typically contains, among other things, collateral posting terms and netting provisions in the event of a default and/or termination event. Under an ISDA Master Agreement, each Fund may, under certain circumstances, offset with the counterparty certain derivative financial instruments payables and/or receivables with collateral held and/or posted and create one single net payment. The provisions of the ISDA Master Agreement typically permit a single net payment in the event of default including the bankruptcy or insolvency of the counterparty. Bankruptcy or insolvency laws of a particular jurisdiction may restrict or prohibit the right of offset in bankruptcy, insolvency or other events. In addition, certain ISDA Master Agreements allow counterparties to terminate derivative contracts prior to maturity in the event the Funds' net assets decline by a stated percentage or the Funds fail to meet the terms of its ISDA Master Agreements. The result would cause the Funds to accelerate payment of any net liability owed to the counterparty.

**Collateral Requirements:** For derivatives traded under an ISDA Master Agreement, the collateral requirements are typically calculated by netting the mark-to-market amount for each transaction under such agreement and comparing that amount to the value of any collateral currently pledged by the Funds and the counterparty.

Cash collateral that has been pledged to cover obligations of the Funds and cash collateral received from the counterparty, if any, is reported separately on the Statements of Assets and Liabilities as cash pledged as collateral and cash received as collateral, respectively. Non-cash collateral pledged by the Funds, if any, is noted in the Schedules of Investments. Generally, the amount of collateral due from or to a party has to exceed a minimum transfer amount threshold (e.g., \$500,000) before a transfer is required, which is determined at the close of business of the Funds. Any additional required collateral is delivered to/pledged by the Funds on the next business day. Typically, the Funds and counterparties are not permitted to sell, re-pledge or use the collateral they receive. To the extent amounts due to the Funds from their counterparties are not fully collateralized, the Funds bear the risk of loss from counterparty non-performance. Likewise, to the extent the Funds have delivered collateral to a counterparty and stand ready to perform under the terms of their agreement with such counterparty, the Funds bear the risk of loss from a counterparty in the amount of the value of the collateral in the event the counterparty fails to return such collateral.

For financial reporting purposes, the Funds do not offset derivative assets and derivative liabilities that are subject to netting arrangements, if any, in the Statements of Assets and Liabilities.

As of August 31, 2014, the Funds' derivative assets and liabilities (by type) are as follows:

| <b>BHL</b>  | <b>Assets</b> | <b>Liabilities</b> |
|---|---------------|--------------------|
| <b>Derivative Financial Instruments:</b>  |               |                    |
| Forward foreign currency exchange contracts   | \$79,213      |                    |
| Derivatives not subject to a Master Netting Agreement or similar agreement<br>( MNA ) |               |                    |
| Total derivative assets and liabilities subject to an MNA                             | \$ 79,213     |                    |
| <hr/>   |               |                    |
| <b>FRA</b>  | <b>Assets</b> | <b>Liabilities</b> |
| <b>Derivative Financial Instruments:</b>  |               |                    |
| Forward foreign currency exchange contracts   | \$326,539     |                    |
| Derivatives not subject to an MNA or similar agreement                                |               |                    |
| Total derivative assets and liabilities subject to an MNA                             | \$ 326,539    |                    |
| <hr/>   |               |                    |
| <b>BLW</b>  | <b>Assets</b> | <b>Liabilities</b> |
| <b>Derivative Financial Instruments:</b>  |               |                    |
| Financial futures contracts   | \$ 27,271     | \$ 8,156           |
| Forward foreign currency exchange contracts   | 2,075,417     | 13,561             |

|  |              |            |
|--|--------------|------------|
| Options <sup>1</sup>   | 2,762        | 175,052    |
| Swaps OTC  | 19           | 23,008     |
| Total derivative assets and liabilities in the Statement of Assets and Liabilities | \$ 2,105,469 | 219,777    |
| Derivatives not subject to an MNA or similar agreement                             | (27,271)     | (8,156)    |
| Total derivative assets and liabilities subject to an MNA                          | \$ 2,078,198 | \$ 211,621 |

<sup>1</sup> Includes options purchased at value which is included in Investments at value unaffiliated in the Statements of Assets and Liabilities and reported in the Schedules of Investments.

<sup>2</sup> Includes unrealized appreciation/depreciation on OTC swaps and swap premiums paid/received in the Statements of Assets and Liabilities.

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## Notes to Financial Statements (continued)

The following table presents the Funds' derivative assets and liabilities by counterparty net of amounts available for offset under an MNA and net of the related collateral received and pledged by the Funds as of August 31, 2014:

| <b>BHL</b>                  |  |   |                                     |                                 |  |
|-----------------------------|--|---|-------------------------------------|---------------------------------|--|
| <b>Counterparty</b>         | <b>Derivative Assets Subject to an MNA by Counterparty</b> | <b>Derivatives Available for Offset</b>             | <b>Non-cash Collateral Received</b> | <b>Cash Collateral Received</b> | <b>Net Amount of Derivative Assets<sup>1</sup></b> |
| Bank of America N.A.        | \$ 60,399  |   |                                     |                                 | \$ 60,399  |
| Citibank N.A.               | 18,814   |   |                                     |                                 | 18,814   |
| <b>Total</b>                | <b>\$ 79,213</b>   |   |                                     |                                 | <b>\$ 79,213</b>                                   |
| <b>FRA</b>                  |  |   |                                     |                                 |  |
| <b>Counterparty</b>         | <b>Derivative Assets Subject to an MNA by Counterparty</b> | <b>Derivatives Available for Offset</b>             | <b>Non-cash Collateral Received</b> | <b>Cash Collateral Received</b> | <b>Net Amount of Derivative Assets<sup>1</sup></b> |
| Bank of America N.A.        | \$ 225,759   |   |                                     |                                 | \$ 225,759   |
| Citibank N.A.               | 71,044   |   |                                     |                                 | 71,044   |
| UBS AG                      | 29,736   |   |                                     |                                 | 29,736   |
| <b>Total</b>                | <b>\$ 326,539</b>  |   |                                     |                                 | <b>\$ 326,539</b>                                  |
| <b>BLW</b>                  |  |   |                                     |                                 |  |
| <b>Counterparty</b>         | <b>Derivative Assets Subject to an MNA by Counterparty</b> | <b>Derivatives Available for Offset<sup>2</sup></b> | <b>Non-cash Collateral Received</b> | <b>Cash Collateral Received</b> | <b>Net Amount of Derivative Assets<sup>1</sup></b> |
| Bank of America N.A.        | \$ 1,214,671   |   |                                     |                                 | \$ 1,214,671                                       |
| Barclays Bank PLC           | 7,554  |   |                                     |                                 | 7,554  |
| BNP Paribas S.A.            | 920  |   |                                     |                                 | 920  |
| Citibank N.A.               | 174  |   |                                     |                                 | 174  |
| Credit Suisse International | 2,762  | \$ (2,762)  |                                     |                                 |  |
| Deutsche Bank AG            | 19   | (19)  |                                     |                                 |  |
| JPMorgan Chase Bank N.A.    | 836,242  |   |                                     |                                 | 836,242  |
| UBS AG                      | 15,856   |   |                                     |                                 | 15,856   |
| <b>Total</b>                | <b>\$ 2,078,198</b>  | <b>\$ (2,781)</b>                                   |                                     |                                 | <b>\$ 2,075,417</b>                                |

<sup>1</sup> Net amount represents the net amount receivable from the counterparty in the event of default.

<sup>2</sup> The amount of derivatives available for offset is limited to the amount of the assets and/or liabilities that are subject to an MNA.

<sup>3</sup>Excess of the collateral pledged to the individual counterparty is not shown for financial reporting purposes.

<sup>4</sup>Net amount represents the net amount payable due to the counterparty in the event of default.

**5. Investment Advisory Agreement and Other Transactions with Affiliates:**

The PNC Financial Services Group, Inc. is the largest stockholder and an affiliate, for 1940 Act purposes, of BlackRock, Inc. ( BlackRock ).

Each Fund entered into an Investment Advisory Agreement with the Manager, the Funds' investment advisor, an indirect, wholly owned subsidiary of BlackRock, to provide investment advisory and administration services. The Manager is responsible for the management of each Fund's portfolio and provides the necessary personnel, facilities, equipment and certain other services to the operations of each Fund. For such services, each Fund pays the Manager a monthly fee based on a percentage of each Fund's average daily net assets at the following annual rates, plus the proceeds of any outstanding borrowings used for leverage as follows:

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|     |       |
|-----|-------|
| BHL | 1.00% |
| FRA | 0.75% |
| BLW | 0.55% |

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**Notes to Financial Statements (continued)**

The Manager voluntarily agreed to waive its investment advisory fees by the amount of investment advisory fees each Fund pays to the Manager indirectly through its investment in affiliated money market funds. However, the Manager does not waive its investment advisory fees by the amount of investment advisory fees paid in connection with each Fund's investment in other affiliated investment companies, if any. These amounts are shown as fees waived by Manager in the Statements of Operations.

The Manager provides investment management and other services to the Taxable Subsidiaries. The Manager does not receive separate compensation from the Taxable Subsidiaries for providing investment management or administrative services. However, each Fund pays the Manager based on the Fund's net assets, which includes the assets of the Taxable Subsidiaries.

Prior to July 1, 2014, BlackRock Financial Management, Inc. ( BFM ), an affiliate of the Manager, served as a sub-advisor to each Fund pursuant to sub-advisory agreements with the Manager, and received for its services a monthly fee from the Manager at an annual rate equal to a percentage of the investment advisory fees paid by each Fund to the Manager under the Investment Advisory Agreements. Effective July 1, 2014, the sub-advisory agreements between the Manager and BFM, with respect to each Fund, expired.

Certain officers and/or Directors of the Funds are officers and/or Directors of BlackRock or its affiliates. The Funds reimburse the Manager for a portion of the compensation paid to the Funds' Chief Compliance Officer, which is included in officer and Directors in the Statements of Operations.

The Funds may purchase securities from, or sell securities to, an affiliated fund provided the affiliation is due solely to having a common investment advisor, common officers, or common trustees. For the year ended August 31, 2014, the purchase and sale transactions with an affiliated fund in compliance with Rule 17a-7 under the 1940 Act were as follows:

|           | BHL       | FRA         | BLW         |
|-----------|-----------|-------------|-------------|
| Purchases | \$462,075 | \$2,040,625 |             |
| Sales     |           |             | \$7,169,073 |

**6. Purchases and Sales:**

Purchases and sales of investments, including paydowns and excluding short-term securities, for the year ended August 31, 2014, were as follows:

|           | BHL           | FRA           | BLW           |
|-----------|---------------|---------------|---------------|
| Purchases | \$108,919,391 | \$472,504,295 | \$547,978,742 |
| Sales     | \$108,511,931 | \$467,418,855 | \$558,531,465 |

**7. Income Tax Information:**

It is each Fund's policy to comply with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies, and to distribute substantially all of their taxable income to their shareholders. Therefore, no federal income tax provision is required, except with respect to any taxes related to the Taxable Subsidiaries.

Each Fund files U.S. federal and various state and local tax returns. No income tax returns are currently under examination. The statute of limitations on each Fund's U.S. federal tax returns remains open for each of the four years ended August 31, 2014. The statutes of limitations on each Fund's state and local tax returns may remain open for an additional year depending upon the jurisdiction.

Management has analyzed tax laws and regulations and their application to the Funds' facts and circumstances and does not believe that there are any uncertain tax positions that require recognition of a tax liability.

U.S. GAAP requires that certain components of net assets be adjusted to reflect permanent differences between financial and tax reporting. These reclassifications have no effect on net assets or net asset values per share. As of August 31, 2014, the following permanent differences attributable to the accounting for swap agreements, amortization methods on fixed income securities, foreign currency transactions and non-deductible expenses were reclassified to the following accounts:

|   | <b>BHL</b>   | <b>FRA</b>     | <b>BLW</b>     |
|---|--------------|----------------|----------------|
| Paid-in capital   |              | \$(35,746 )    | \$(38,485 )    |
| Undistributed net investment income                             | \$ (301,102) | \$ (1,156,263) | \$ (4,599,352) |
| Undistributed net realized gain (accumulated net realized loss) | \$ 301,102   | \$ 1,192,009   | \$ 4,637,837   |

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## Notes to Financial Statements (continued)

The tax character of distributions paid during the fiscal years ended August 31, 2014 and August 31, 2013 were as follows:

|                 |         | BHL         | FRA          | BLW          |
|-----------------|---------|-------------|--------------|--------------|
| Ordinary income | 8/31/14 | \$7,542,730 | \$33,203,943 | \$45,292,717 |
|                 | 8/31/13 | 7,633,968   | 34,814,179   | 51,220,576   |
| <b>Total</b>    | 8/31/14 | \$7,542,730 | \$33,203,943 | \$45,292,717 |
|                 | 8/31/13 | \$7,633,968 | \$34,814,179 | \$51,220,576 |

As of August 31, 2014, the tax components of accumulated net earnings (losses) were as follows:

|  | BHL         | FRA            | BLW            |
|--|-------------|----------------|----------------|
| Undistributed ordinary income              | \$ 998,736  | \$ 1,902,969   | \$ 4,821,267   |
| Undistributed long-term capital gains      | 1,286,571   |                |                |
| Capital loss carryforwards                 |             | (80,943,972)   | (47,790,149)   |
| Net unrealized gains (losses) <sup>1</sup> | (254,208)   | (8,529,521)    | 9,023,452      |
| <b>Total</b>                               | \$2,031,099 | \$(87,570,524) | \$(33,945,430) |

The differences between book-basis and tax-basis net unrealized gains (losses) were attributable primarily to the tax deferral of losses on wash sales, amortization and accretion methods of premiums and discounts on fixed income securities, the accrual of income on securities in default, the realization for tax purposes of unrealized gains/losses on certain futures and foreign currency contracts, the timing and recognition of partnership income, the accounting for swap agreements, dividends recognized for tax purposes, the deferral of compensation to Directors and investments in wholly owned subsidiaries.

As of August 31, 2014, the Funds had capital loss carryforwards available to offset future realized capital gains through the indicated expiration dates as follows:

| Expires August 31, | FRA          | BLW           |
|--------------------|--------------|---------------|
| 2015               | \$ 169,958   |               |
| 2016               | 20,623,334   | \$ 284,006    |
| 2017               | 30,228,590   | 9,996,868     |
| 2018               | 27,716,009   | 37,509,275    |
| 2019               | 2,206,081    |               |
| <b>Total</b>       | \$80,943,972 | \$ 47,790,149 |

During the year ended August 31, 2014, the Funds utilized the following amounts of their respective capital loss carryforward:

|  | BHL       | FRA         | BLW          |
|--|-----------|-------------|--------------|
|  | \$572,418 | \$3,798,307 | \$10,972,097 |

As of August 31, 2014, gross unrealized appreciation and depreciation based on cost for federal income tax purposes were as follows:

|          | BHL           | FRA           | BLW           |
|----------|---------------|---------------|---------------|
| Tax cost | \$187,024,477 | \$823,020,859 | \$938,952,218 |

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|   |              |                |               |
|---|--------------|----------------|---------------|
| Gross unrealized appreciation                 | \$ 1,164,357 | \$ 9,303,132   | \$ 28,610,126 |
| Gross unrealized depreciation                 | (1,412,252)  | (15,788,241)   | (19,447,051)  |
| Net unrealized appreciation<br>(depreciation) | \$ (247,895) | \$ (6,485,109) | \$ 9,163,075  |

**8. Borrowings:**

BHL and FRA are party to a senior committed secured, 360-day rolling line of credit facility and a separate security agreement (the SSB Agreement ) with State Street Bank and Trust Company ( SSB ). SSB may elect to terminate its commitment upon 360-days written notice to the Funds. As of August 31, 2014, the Funds have not received any notice to terminate. The Funds have granted a security interest in substantially all of their assets to SSB.

The SSB Agreement allows for the following maximum commitment amounts:

|     | <b>Commitment<br/>Amounts</b> |
|-----|-------------------------------|
| BHL | \$ 64,000,000                 |
| FRA | \$280,000,000                 |

Advances will be made by SSB to the Funds, at the Funds option of (a) the higher of (i) 0.80% above the Fed Funds rate and (ii) 0.80% above the Overnight LIBOR or (b) 0.80% above 7-day, 30-day, 60-day or 90-day LIBOR.

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Notes to Financial Statements (continued)

In addition, the Funds pay a facility fee and utilization fee (based on the daily unused portion of the commitments). The commitment fees are waived if the Funds meet certain conditions. The fees associated with each of the agreements are included in the Statements of Operations as borrowing costs. Advances to the Funds as of August 31, 2014 are shown in the Statements of Assets and Liabilities as bank borrowings payable. Based on the short-term nature of the borrowings under the line of credit and the variable interest rate, the carrying amount of the borrowings approximates fair value.

The Funds may not declare dividends or make other distributions on shares or purchase any such shares if, at the time of the declaration, distribution or purchase, asset coverage with respect to the outstanding short-term borrowings is less than 300%.

For the year ended August 31, 2014, the daily weighted average interest rates for Funds with loans under the revolving credit agreements were as follows:

|     | <b>Daily<br/>Weighted<br/>Average<br/>Interest Rate</b> |
|-----|---|
| BHL | 0.91%   |
| FRA | 0.91%   |

**9. Concentration, Market and Credit Risk:**

In the normal course of business, the Funds invest in securities and enter into transactions where risks exist due to fluctuations in the market (market risk) or failure of the issuer of a security to meet all its obligations (issuer credit risk). The value of securities held by the Funds may decline in response to certain events, including those directly involving the issuers whose securities are owned by the Funds; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency and interest rate and price fluctuations. Similar to issuer credit risk, the Funds may be exposed to counterparty credit risk, or the risk that an entity with which the Funds have unsettled or open transactions may fail to or be unable to perform on its commitments. The Funds manage counterparty credit risk by entering into transactions only with counterparties that they believe have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Financial assets, which potentially expose the Funds to market, issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of the Funds' exposure to market, issuer and counterparty credit risks with respect to these financial assets is generally approximated by their value recorded in the Statements of Assets and Liabilities, less any collateral held by the Funds.

The Funds invest a significant portion of their assets in fixed-income securities and/or use derivatives tied to the fixed-income markets. See the Schedules of Investments for these securities and/or derivatives. Changes in market interest rates or economic conditions, including the Federal Reserve's decision in December 2013 to taper its quantitative easing policy, may affect the value and/or liquidity of such investments. Interest rate risk is the risk that prices of bonds and other fixed-income securities will increase as interest rates fall and decrease as interest rates rise. The Funds may be subject to a greater risk of rising interest rates due to the current period of historically low rates.

The Funds invest a significant portion of their assets in securities backed by commercial or residential mortgage loans or in issuers that hold mortgage and other asset-backed securities. Please see the Schedules of Investments for these securities. Changes in economic conditions, including delinquencies and/or defaults on assets underlying these securities, can affect the value, income and/or liquidity of such positions.

**10. Capital Share Transactions:**

BHL and BLW are authorized to issue an unlimited number of shares, par value \$0.001, all of which were initially classified as Common Shares. FRA is authorized to issue 200 million shares, par value \$0.10, all of which were initially classified as Common Shares. The Board is authorized, however, to reclassify any unissued Common Shares without approval of Common Shareholders.

For the years shown, shares issued and outstanding increased by the following amounts as a result of dividend reinvestment:

|     | — Year —<br>Ended<br>August 31,<br>2014 | Year Ended<br>August 31,<br>2013 |
|-----|---|----------------------------------|
|     | —                                       | —                                |
| BHL |   | 16,935                           |
| FRA |   | 18,747,801 <sup>1</sup>          |
| BLW |   | 49,145                           |

<sup>1</sup>Includes 18,666,048 shares issued from the reorganization.

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Notes to Financial Statements (concluded)

During the current reporting period, FRA and BLW each filed a final prospectus with the U.S. Securities and Exchange Commission ( SEC ) allowing them to issue an additional 3,050,000 and 3,750,000 Common Shares, respectively, through an equity shelf program (a Shelf Offering ). Under the Shelf Offering, FRA and BLW, subject to market conditions, may raise additional equity capital from time to time in varying amounts and utilizing various offering methods at a net price at or above FRA and BLW's net asset value ( NAV ) per Common Share (calculated within 48 hours of pricing). Please see Additional Information Shelf Offering Program for additional information about the Shelf Offering.

Costs incurred by FRA and BLW in connection with the Shelf Offering are recorded as a deferred charge and amortized over 12 months.

**11. Subsequent Events:**

Management's evaluation of the impact of all subsequent events on the Funds' financial statements was completed through the date the financial statements were issued and the following items were noted:

Each Fund paid a net investment income dividend in the following amounts per share on September 30, 2014 to Common Shareholders of record on September 15, 2014:

|     | <b>Common Dividend<br/>Per Share</b> |
|-----|--------------------------------------|
| BHL | \$0.0605                             |
| FRA | \$0.0700                             |
| BLW | \$0.0995                             |

Additionally, the Funds declared a net investment income dividend on October 1, 2014 payable to Common Shareholders of record on October 15, 2014 as follows:

|     | <b>Common Dividend<br/>Per Share</b> |
|-----|--------------------------------------|
| BHL | \$0.0583                             |
| FRA | \$0.0674                             |
| BLW | \$0.0995                             |

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Report of Independent Registered Public Accounting Firm

**To the Shareholders and Board of Directors of BlackRock Floating Rate Income Strategies Fund, Inc. and to the Shareholders and Board of Trustees of BlackRock Defined Opportunity Credit Trust and BlackRock Limited Duration Income Trust:**

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of BlackRock Defined Opportunity Credit Trust (the Fund ) as of August 31, 2014, and its related statements of operations and cash flows for the year then ended, its statements of changes in net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended. We have also audited the accompanying consolidated statements of assets and liabilities, including the consolidated schedules of investments, of BlackRock Floating Rate Income Strategies Fund, Inc., and BlackRock Limited Duration Income Trust, (collectively with the Fund mentioned above, the Funds ), as of August 31, 2014, and their related consolidated statements of operations and consolidated cash flows for the year then ended, their consolidated statements of changes in net assets for each of the two years in the period then ended, and their consolidated financial highlights for the years ended August 31, 2014, August 31, 2013, and August 31, 2012, and financial highlights for each of the other periods presented. These financial statements and financial highlights are the responsibility of the Funds management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Funds are not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of August 31, 2014, by correspondence with the custodian, brokers and agent banks; where replies were not received from brokers or agent banks, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of BlackRock Defined Opportunity Credit Trust as of August 31, 2014, the results of its operations and its cash flows for the year then ended, the changes in its net assets for each of the two years in the period then ended, and its financial highlights for each of the periods presented, and the consolidated financial positions of BlackRock Floating Rate Income Strategies Fund, Inc., and BlackRock Limited Duration Income Trust, as of August 31, 2014, the consolidated results of their operations and their consolidated cash flows for the year then ended, the consolidated changes in their net assets for each of the two years in the period then ended, and their consolidated financial highlights for the years ended August 31, 2014, August 31, 2013, and August 31, 2012, and financial highlights for each of the other periods presented, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP  
 Boston, Massachusetts  
 October 24, 2014

Important Tax Information (Unaudited)

The following information is provided with respect to the ordinary income distributions paid by the Funds during the fiscal year ended August 31, 2014.

|  | <b>BHL</b> | <b>FRA</b> | <b>BLW</b> |
|--|------------|------------|------------|
| Qualified Dividend Income for Individuals <sup>1</sup><br>September 2013-August 2014                                     | 2.14%      |            | 3.26%      |
| Dividends Qualifying for the Dividends<br>Received Deduction for Corporations <sup>1</sup><br>September 2013-August 2014 | 2.14%      |            | 2.73%      |
| Interest-Related Dividends for Non-U.S.<br>Residents <sup>2</sup>  |            |            |            |

|                              |        |        |        |
|------------------------------|--------|--------|--------|
| September 2013-December 2013 | 88.60% | 88.31% | 79.98% |
| January 2014-August 2014     | 79.71% | 80.40% | 79.73% |

<sup>1</sup> The Fund hereby designates the percentage indicated above or the maximum amount allowable by law.

<sup>2</sup> Represents the portion of the taxable ordinary income dividends eligible for exemption from U.S. withholding tax for nonresident aliens and foreign corporations.

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## Disclosure of Investment Advisory Agreements

The Board of Directors or Trustees, as applicable (each, a Board, collectively, the Boards, and the members of which are referred to as Board Members ) of BlackRock Defined Opportunity Credit Trust ( BHL ), BlackRock Floating Rate Income Strategies Fund, Inc. ( FRA ) and BlackRock Limited Duration Income Trust ( BLW and together with BHL and FRA, each a Fund, and, collectively, the Funds ) met in person on May 9, 2014 (the May Meeting ) and June 5-6, 2014 (the June Meeting ) to consider the approval of each Fund s investment advisory agreement (each, an Advisory Agreement, and, collectively, the Advisory Agreements ) with BlackRock Advisors, LLC (the Manager ), each Fund s investment advisor. At the June Meeting, it was noted that the sub-advisory agreement among the Manager, BlackRock Financial Management, Inc. and each Fund would expire effective July 1, 2014. It was also noted that the non-renewal of each Fund s sub-advisory agreement would not result in any change in the nature or quality of services provided to such Fund, or in the portfolio management team that serves such Fund. The Manager is referred to herein as BlackRock.

## Activities and Composition of the Board

Each Board consists of eleven individuals, nine of whom are not interested persons of such Fund as defined in the Investment Company Act of 1940 (the 1940 Act ) (the Independent Board Members ). The Board Members are responsible for the oversight of the operations of the Funds and perform the various duties imposed on the directors of investment companies by the 1940 Act. The Independent Board Members have retained independent legal counsel to assist them in connection with their duties. The Chairman of each Board is an Independent Board Member. Each Board has established six standing committees: an Audit Committee, a Governance and Nominating Committee, a Compliance Committee, a Performance Oversight Committee, an Executive Committee, and a Leverage Committee, each of which is chaired by an Independent Board Member and composed of Independent Board Members (except for the Executive Committee and the Leverage Committee, each of which also has one interested Board Member).

## The Advisory Agreements

Pursuant to the 1940 Act, the Boards are required to consider the continuation of the Advisory Agreements on an annual basis. The Boards have four quarterly meetings per year, each extending over two days, and a fifth one-day meeting to consider specific information surrounding the consideration of renewing the Advisory Agreements. In connection with this process, the Boards assessed, among other things, the nature, scope and quality of the services provided to the Funds by BlackRock, its personnel and its affiliates, including, as applicable, investment management, administrative, and shareholder services; oversight of fund service providers; marketing services; risk oversight; compliance and assistance in meeting applicable legal and regulatory requirements.

The Boards, acting directly and through their respective committees, consider at each of their meetings, and from time to time as appropriate, factors that are relevant to their annual consideration of the renewal of the Advisory Agreements, including the services and support provided by BlackRock to the Funds and their shareholders. Among the matters the Boards considered were: (a) investment performance for one-year, three-year, five-year and/or since inception periods, as applicable, against peer funds, and applicable benchmarks, if any, as well as senior management s and portfolio managers analysis of the reasons for any over-performance or underperformance against their peers and/or benchmark, as applicable; (b) fees, including advisory, administration, if applicable, and other amounts paid to BlackRock and its affiliates by the Funds for services such as call center; (c) Fund operating expenses and how BlackRock allocates expenses to the Funds; (d) the resources devoted to, risk oversight of, and compliance reports relating to, implementation of the Funds investment objective, policies and restrictions, and meeting new regulatory requirements; (e) the Funds compliance with their Code of Ethics and other compliance policies and procedures; (f) the nature, cost and character of non-investment management services provided by BlackRock and its affiliates; (g) BlackRock s and other service providers internal controls and risk and compliance oversight mechanisms; (h) BlackRock s implementation of the proxy voting policies approved by the Boards; (i) execution quality of portfolio transactions; (j) BlackRock s implementation of the Funds valuation and liquidity procedures; (k) an analysis of management fees for products with similar investment objectives across the open-end fund, closed-end fund and institutional account product channels, as applicable; (l) BlackRock s compensation methodology for its investment professionals and the incentives it creates; and (m) periodic updates on BlackRock s business.

The Boards have engaged in an ongoing strategic review with BlackRock of opportunities to consolidate funds and of BlackRock s commitment to investment performance. BlackRock also furnished information to the Boards in response to specific questions. These questions covered issues such as: BlackRock s profitability; investment performance; subadvisory and advisory relationships with other clients (including mutual funds sponsored by third parties); investment professional investment in funds they manage; and management fee levels and breakpoints. The Boards further discussed with BlackRock: BlackRock s management structure; portfolio turnover; BlackRock s portfolio manager compensation and performance accountability; marketing support for the Funds; services provided to the Funds by BlackRock affiliates; and BlackRock s oversight of relationships with third party service providers.



**Board Considerations in Approving the Advisory Agreements**

**The Approval Process:** Prior to the May Meeting, the Boards requested and received materials specifically relating to the Advisory Agreements. The Boards are continuously engaged in a process with their independent legal counsel and BlackRock to review the nature and scope of the information provided to better assist their deliberations. The materials provided in connection with the May Meeting included (a) information independently compiled and prepared by Lipper, Inc. ( Lipper ) on Fund fees and expenses as compared with a peer group of funds as determined by Lipper ( Expense Peers ) and the investment performance of the Funds as compared with a peer group of funds as determined by Lipper<sup>1</sup> and, with respect to BHL and FRA, a customized

<sup>1</sup> Funds are ranked by Lipper in quartiles, ranging from first to fourth, where first is the most desirable quartile position and fourth is the least desirable.

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Disclosure of Investment Advisory Agreements (continued)

peer group selected by BlackRock, as well as the investment performance of BLW as compared with its custom benchmark; (b) information on the profits realized by BlackRock and its affiliates pursuant to the Advisory Agreements and a discussion of fall-out benefits to BlackRock and its affiliates; (c) a general analysis provided by BlackRock concerning investment management fees charged to other clients, such as institutional clients and open-end funds, under similar investment mandates, as applicable; (d) review of non-management fees; (e) the existence, impact and sharing of potential economies of scale; (f) a summary of aggregate amounts paid by each Fund to BlackRock and (g) if applicable, a comparison of management fees to similar BlackRock closed-end funds, as classified by Lipper.

At the May Meeting, the Boards reviewed materials relating to their consideration of the Advisory Agreements. As a result of the discussions that occurred during the May Meeting, and as a culmination of the Boards' year-long deliberative process, the Boards presented BlackRock with questions and requests for additional information. BlackRock responded to these requests with additional written information in advance of the June Meeting.

At the June Meeting, each Board, including the Independent Board Members, unanimously approved the continuation of the Advisory Agreements between the Manager and its Fund for a one-year term ending June 30, 2015. In approving the continuation of the Advisory Agreements, the Boards considered: (a) the nature, extent and quality of the services provided by BlackRock; (b) the investment performance of the Funds and BlackRock; (c) the advisory fee and the cost of the services and profits to be realized by BlackRock and its affiliates from their relationship with the Funds; (d) the Funds' costs to investors compared to the costs of Expense Peers and performance compared to the relevant performance comparison as previously discussed; (e) economies of scale; (f) fall-out benefits to BlackRock and its affiliates as a result of its relationship with the Funds; and (g) other factors deemed relevant by the Board Members.

The Boards also considered other matters they deemed important to the approval process, such as payments made to BlackRock or its affiliates relating to securities lending, services related to the valuation and pricing of Fund portfolio holdings, direct and indirect benefits to BlackRock and its affiliates from their relationship with the Funds and advice from independent legal counsel with respect to the review process and materials submitted for the Boards' review. The Boards noted the willingness of BlackRock personnel to engage in open, candid discussions with the Boards. The Boards did not identify any particular information as determinative, and each Board Member may have attributed different weights to the various items considered.

**A. Nature, Extent and Quality of the Services Provided by BlackRock:** The Boards, including the Independent Board Members, reviewed the nature, extent and quality of services provided by BlackRock, including the investment advisory services and the resulting performance of the Funds. Throughout the year, each Board compared its Fund's performance to the performance of a comparable group of closed-end funds and/or the performance of a relevant benchmark, as applicable. The Boards met with BlackRock's senior management personnel responsible for investment activities, including the senior investment officers. Each Board also reviewed the materials provided by its Fund's portfolio management team discussing the Fund's performance and the Fund's investment objective, strategies and outlook.

The Boards considered, among other factors, with respect to BlackRock: the number, education and experience of investment personnel generally and their Funds' portfolio management teams; investments by portfolio managers in the funds they manage; portfolio trading capabilities; use of technology; commitment to compliance; credit analysis capabilities; risk analysis and oversight capabilities; and the approach to training and retaining portfolio managers and other research, advisory and management personnel. The Boards engaged in a review of BlackRock's compensation structure with respect to the Funds' portfolio management teams and BlackRock's ability to attract and retain high-quality talent and create performance incentives.

In addition to advisory services, the Boards considered the quality of the administrative and other non-investment advisory services provided to the Funds. BlackRock and its affiliates provide the Funds with certain services (in addition to any such services provided to the Funds by third parties) and officers and other personnel as are necessary for the operations of the Funds. In particular, BlackRock and its affiliates provide the Funds with the following administrative services including, among others: (i) preparing disclosure documents, such as the prospectus and the statement of additional information in connection with the initial public offering, periodic shareholder reports, and with respect to FRA and BLW, registration statements in connection with each Fund's equity shelf program, and periodic shareholder reports; (ii) preparing communications with analysts to support secondary market trading of the Funds; (iii) oversight of daily accounting and pricing; (iv) preparing periodic filings with regulators and stock exchanges; (v) overseeing and coordinating the activities of other service providers; (vi) organizing Board meetings and preparing the materials for such Board meetings; (vii) providing legal and compliance support; (viii) furnishing analytical and other support to assist the Board in its consideration of strategic issues such as the merger or consolidation of certain closed-end funds; and (ix) performing other administrative functions necessary for the operation of the Funds, such as tax reporting, fulfilling regulatory filing requirements and call center services. The Boards reviewed the structure and duties of BlackRock's fund administration, shareholder services, legal and compliance departments and considered BlackRock's policies and procedures for assuring

compliance with applicable laws and regulations.

**B. The Investment Performance of the Funds and BlackRock:** Each Board, including the Independent Board Members, also reviewed and considered the performance history of its Fund. In preparation for the May Meeting, the Boards worked with their independent legal counsel, BlackRock and Lipper to develop a template for, and were provided with reports independently prepared by Lipper, which included a comprehensive analysis of each Fund's performance. The Boards also reviewed a narrative and statistical analysis of the Lipper data that was prepared by BlackRock, which analyzed various factors that affect Lipper's rankings. In connection with its review, each Board received and reviewed information regarding the investment performance, based on net asset value (NAV), of its Fund as compared to other funds in that Fund's applicable Lipper category, and with respect to BHL and FRA, the customized peer group selected by BlackRock, and with respect to BLW, the investment performance of BLW as compared with its custom benchmark.

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Disclosure of Investment Advisory Agreements (continued)

The Boards were provided with a description of the methodology used by Lipper to select peer funds and periodically meets with Lipper representatives to review its methodology. Each Board and its Performance Oversight Committee regularly review, and meet with Fund management to discuss, the performance of its Fund throughout the year.

The Board of BHL noted that for each of the one-, three- and five-year periods reported, BHL ranked in the fourth quartile against its Customized Lipper Peer Group. BlackRock believes that the Customized Lipper Peer Group is an appropriate performance metric for BHL.

The Board of FRA noted that for the one-, three- and five-year periods reported, FRA ranked in the second, third and fourth quartiles, respectively, against its Customized Lipper Peer Group. BlackRock believes that the Customized Lipper Peer Group is an appropriate performance metric for FRA. The Board of FRA also noted the Fund's improved performance during the one-year period.

The Board of each of BHL and FRA and BlackRock reviewed and discussed the reasons for its respective Fund's underperformance during the applicable periods. The Board of each of BHL and FRA was informed that, among other things, the two factors with the greatest impact on performance relative to each Fund's peers during these periods were each Fund's leverage utilization and higher quality investment style. Each of BHL and FRA obtains leverage through a contractual bank line, which limits its ability to obtain leverage beyond 33% of Fund assets. This generally causes each Fund to lag during favorable market periods. The investment style of each Fund tends to be higher quality in terms of the average borrower, the structure, terms and conditions of the loans, and the liquidity of the deals the team invests in. Over time, each Fund's management believes this will lead to better risk-adjusted returns, but in strong risk periods when markets and/or lower-quality loan instruments are rising, it can exaggerate the degree of underperformance.

BlackRock and the Board of each of BHL and FRA also discussed BlackRock's strategy for improving its respective Fund's performance and BlackRock's commitment to providing the resources necessary to assist the Fund's portfolio managers in seeking to improve the Fund's performance.

The Board of BLW noted that for each of the one-, three- and five-year periods reported, BLW's performance exceeded its customized benchmark. BlackRock believes that performance relative to the customized benchmark is an appropriate performance metric for BLW.

**C. Consideration of the Advisory/Management Fees and the Cost of the Services and Profits to be Realized by BlackRock and its Affiliates from their Relationship with the Funds:** The Board, including the Independent Board Members, reviewed its Fund's contractual management fee rate compared with the other funds in its Lipper category. The contractual management fee rate represents a combination of the advisory fee and any administrative fees, before taking into account any reimbursements or fee waivers. The Board also compared the Fund's total expense ratio, as well as its actual management fee rate, to those of other funds in its Lipper category. The total expense ratio represents a fund's total net operating expenses, excluding any investment related expenses. The total expense ratio gives effect to any expense reimbursements or fee waivers that benefit a fund, and the actual management fee rate gives effect to any management fee reimbursements or waivers that benefit a fund. The Boards considered the services provided and the fees charged by BlackRock and its affiliates to other types of clients with similar investment mandates, as applicable, including institutional accounts.

The Boards received and reviewed statements relating to BlackRock's financial condition. The Boards were also provided with a profitability analysis that detailed the revenues earned and the expenses incurred by BlackRock for services provided to the Funds. The Boards reviewed BlackRock's profitability with respect to the Funds and other funds the Boards currently oversee for the year ended December 31, 2013 compared to available aggregate profitability data provided for the prior two years. The Boards reviewed BlackRock's profitability with respect to certain other fund complexes managed by the Manager and/or its affiliates. The Boards reviewed BlackRock's assumptions and methodology of allocating expenses in the profitability analysis, noting the inherent limitations in allocating costs among various advisory products. The Boards recognized that profitability may be affected by numerous factors including, among other things, fee waivers and expense reimbursements by the Manager, the types of funds managed, precision of expense allocations and business mix. As a result, calculating and comparing profitability at individual fund levels is difficult.

The Boards noted that, in general, individual fund or product line profitability of other advisors is not publicly available. The Boards reviewed BlackRock's overall operating margin, in general, compared to that of certain other publicly-traded asset management firms. The Boards considered the differences between BlackRock and these other firms, including the contribution of technology at BlackRock, BlackRock's expense management, and the relative product mix.

In addition, the Boards considered the cost of the services provided to the Funds by BlackRock, and BlackRock's and its affiliates' profits relating to the management of the Funds and the other funds advised by BlackRock and its affiliates. As part of its analysis, the Boards reviewed BlackRock's methodology in allocating its costs to the management of the Funds. The Boards also considered whether BlackRock has the financial resources necessary to attract and retain high quality investment management personnel to perform its obligations under the Advisory Agreements and to continue to provide the high quality of services that is expected by the Boards. The Boards further considered factors including but not limited to BlackRock's commitment of time, assumption of risk and liability profile in servicing the Funds in contrast to what is required of BlackRock with respect to other products with similar investment objectives across the open-end fund, ETF, closed-end fund and institutional account product channels, as applicable.

The Board of BHL noted that BHL's contractual management fee rate ranked in the third quartile, and that the actual management fee rate and total expense ratio each ranked in the third quartile, relative to the Expense Peers. The Board of BHL determined that BHL's total expense ratio was appropriate in light of the median total expense ratio paid by the Fund's Expense Peers.

The Board of each of FRA and BLW noted that its respective Fund's contractual management fee rate ranked in the first quartile, and that the actual management fee rate and total expense ratio each ranked in the first quartile, relative to the Fund's Expense Peers.

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Disclosure of Investment Advisory Agreements (concluded)

**D. Economies of Scale:** Each Board, including the Independent Board Members, considered the extent to which economies of scale might be realized as the assets of its Fund increase. Each Board also considered the extent to which its Fund benefits from such economies and whether there should be changes in the advisory fee rate or breakpoint structure in order to enable the Fund to participate in these economies of scale, for example through the use of breakpoints in the advisory fee based upon the asset level of the Fund.

Based on the Boards' review and consideration of the issue, the Boards concluded that most closed-end funds do not have fund level breakpoints because closed-end funds generally do not experience substantial growth after the initial public offering. They are typically priced at scale at a fund's inception. The Board of each of FRA and BLW noted that although its respective Fund may from time-to-time make additional share offerings pursuant to its equity shelf program, the growth of the Fund's assets will occur primarily through the appreciation of its investment portfolio.

**E. Other Factors Deemed Relevant by the Board Members:** The Boards, including the Independent Board Members, also took into account other ancillary or "fall-out" benefits that BlackRock or its affiliates may derive from their respective relationships with the Funds, both tangible and intangible, such as BlackRock's ability to leverage its investment professionals who manage other portfolios and risk management personnel, an increase in BlackRock's profile in the investment advisory community, and the engagement of BlackRock's affiliates as service providers to the Funds, including securities lending and cash management services. The Boards also considered BlackRock's overall operations and its efforts to expand the scale of, and improve the quality of, its operations. The Boards also noted that BlackRock may use and benefit from third party research obtained by soft dollars generated by certain registered fund transactions to assist in managing all or a number of its other client accounts. The Boards further noted that it had considered the investment by BlackRock's funds in exchange traded funds (i.e., ETFs) without any offset against the management fees payable by the funds to BlackRock.

In connection with its consideration of the Advisory Agreements, the Boards also received information regarding BlackRock's brokerage and soft dollar practices. The Boards received reports from BlackRock which included information on brokerage commissions and trade execution practices throughout the year.

The Boards noted the competitive nature of the closed-end fund marketplace, and that shareholders are able to sell their Fund shares in the secondary market if they believe that their Fund's fees and expenses are too high or if they are dissatisfied with the performance of their Fund.

The Boards also considered the various notable initiatives and projects BlackRock performed in connection with its closed-end fund product line. These initiatives included completion of the refinancing of auction rate preferred securities; developing equity shelf programs; efforts to eliminate product overlap with fund mergers; ongoing services to manage leverage that has become increasingly complex; share repurchases and other support initiatives for certain BlackRock funds; and continued communications efforts with shareholders, fund analysts and financial advisers. With respect to the latter, the Independent Board Members noted BlackRock's continued commitment to supporting the secondary market for the common shares of its closed-end funds through a comprehensive secondary market communication program designed to raise investor and analyst awareness and understanding of closed-end funds. BlackRock's support services included, among other things: continuing communications concerning the refinancing efforts related to auction rate preferred securities; sponsoring and participating in conferences; communicating with closed-end fund analysts covering the BlackRock funds throughout the year; providing marketing and product updates for the closed-end funds; and maintaining and enhancing its closed-end fund website.

## Conclusion

Each Board, including the Independent Board Members, unanimously approved the continuation of the Advisory Agreements between the Manager and its Fund for a one-year term ending June 30, 2015. Based upon their evaluation of all of the aforementioned factors in their totality, the Boards, including the Independent Board Members, were satisfied that the terms of the Advisory Agreements were fair and reasonable and in the best interest of the Funds and their shareholders. In arriving at their decision to approve the Advisory Agreements, the Boards did not identify any single factor or group of factors as all-important or controlling, but considered all factors together, and different Board Members may have attributed different weights to the various factors considered. The Independent Board Members were also assisted by the advice of independent legal counsel in making this determination. The contractual fee arrangements for the Funds reflect the results of several years of review by the Board Members and predecessor Board Members, and discussions between such Board Members (and predecessor Board Members) and BlackRock. As a result, the Board Members' conclusions may be based in part on their consideration of these arrangements in prior years.



### Automatic Dividend Reinvestment Plans

Pursuant to each Fund's Dividend Reinvestment Plan (the "Reinvestment Plan"), Common Shareholders are automatically enrolled to have all distributions of dividends and capital gains reinvested by Computershare Trust Company, N.A. (the "Reinvestment Plan Agent") in the respective Fund's shares pursuant to the Reinvestment Plan. Shareholders who do not participate in the Reinvestment Plan will receive all distributions in cash paid by check and mailed directly to the shareholders of record (or if the shares are held in street name or other nominee name, then to the nominee) by the Reinvestment Plan Agent, which serves as agent for the shareholders in administering the Reinvestment Plan.

After the Funds declare a dividend or determine to make a capital gain distribution, the Reinvestment Plan Agent will acquire shares for the participants' accounts, depending upon the following circumstances, either (i) through receipt of unissued but authorized shares from the Funds ( "newly issued shares" ) or (ii) by purchase of outstanding shares on the open market or on the Fund's primary exchange ( "open-market purchases" ). If, on the dividend payment date, the net asset value per share ( "NAV" ) is equal to or less than the market price per share plus estimated brokerage commissions (such condition often referred to as a "market premium" ), the Reinvestment Plan Agent will invest the dividend amount in newly issued shares acquired on behalf of the participants. The number of newly issued shares to be credited to each participant's account will be determined by dividing the dollar amount of the dividend by the NAV on the date the shares are issued. However, if the NAV is less than 95% of the market price on the dividend payment date, the dollar amount of the dividend will be divided by 95% of the market price on the dividend payment date. If, on the dividend payment date, the NAV is greater than the market price per share plus estimated brokerage commissions (such condition often referred to as a "market discount" ), the Reinvestment Plan Agent will invest the dividend amount in shares acquired on behalf of the participants in open-market purchases. If the Reinvestment Plan Agent is unable to invest the full dividend amount in open-market purchases, or if the market discount shifts to a market premium during the purchase period, the Reinvestment Plan Agent will invest any un-invested portion in newly issued shares. Investments in newly issued shares made in this manner would be made pursuant to the same process described above and the date of issue for such newly issued shares will substitute for the dividend payment date.

Participation in the Reinvestment Plan is completely voluntary and may be terminated or resumed at any time without penalty by notice if received and processed by the Reinvestment Plan Agent prior to the dividend record date. Additionally, the Reinvestment Plan Agent seeks to process notices received after the record date but prior to the payable date and such notices often will become effective by the payable date. Where late notices are not processed by the applicable payable date, such termination or resumption will be effective with respect to any subsequently declared dividend or other distribution.

The Reinvestment Plan Agent's fees for the handling of the reinvestment of dividends and distributions will be paid by each Fund. However, each participant will pay a pro rata share of brokerage commissions incurred with respect to the Reinvestment Plan Agent's open market purchases in connection with the reinvestment of dividends and distributions. The automatic reinvestment of dividends and distributions will not relieve participants of any federal income tax that may be payable on such dividends or distributions.

Each Fund reserves the right to amend or terminate the Reinvestment Plan. There is no direct service charge to participants in the Reinvestment Plan. However, each Fund reserves the right to amend the Reinvestment Plan to include a service charge payable by the participants. Participants that request a sale of shares are subject to a \$2.50 sales fee and a \$0.15 per share fee. Per share fees include any applicable brokerage commissions the Reinvestment Plan Agent is required to pay. All correspondence concerning the Reinvestment Plan should be directed to Computershare Trust Company, N. A. through the internet at <http://www.computershare.com/blackrock>, or in writing to Computershare, P. O. Box 30170, College Station, TX 77842-3170, Telephone: (800) 699-1236. Overnight correspondence should be directed to the Reinvestment Plan Agent at Computershare, 211 Quality Circle, Suite 210, College Station, TX 77845.



Officers and Directors

| Business<br>Birth<br>at Directors <sup>2</sup> | Position(s)<br>Held with<br>Funds  | Length<br>of Time<br>Served as<br>a Director <sup>3</sup> | Principal Occupation(s) During Past Five Years  | Number of BlackRock-<br>Advised Registered<br>Investment Companies<br>( RICs ) Consisting of<br>Investment Portfolios<br>( Portfolios ) Overseen | Pu<br>Dir                  |
|--|--|---|---|--|----------------------------|
|  | Chairman of the Board and Director   | Since 2007  | Trustee, Aircraft Finance Trust from 1999 to 2009; Director, The Guardian Life Insurance Company of America since 1998; Director, Arch Chemical (chemical and allied products) from 1999 to 2011; Trustee, Educational Testing Service from 1997 to 2009 and Chairman thereof from 2005 to 2009; Senior Advisor, The Fremont Group since 2008 and Director thereof since 1996; Faculty Member/Adjunct Lecturer, Harvard University since 2007; President and Chief Executive Officer, The Conference Board, Inc. (global business research organization) from 1995 to 2007. | 82 RICs consisting of 82 Portfolios  | No                         |
| Robards  | Vice Chairperson of the Board, Chairperson of the Audit Committee and Director | Since 2007  | Partner of Robards & Company, LLC (financial advisory firm) since 1987; Co-founder and Director of the Cooke Center for Learning and Development (a not-for-profit organization) since 1987; Director of Care Investment Trust, Inc. (health care real estate investment trust) from 2007 to 2010; Investment Banker at Morgan Stanley from 1976 to 1987.   | 82 RICs consisting of 82 Portfolios  | At<br>(m<br>de<br>Gr<br>Co |
|  | Director and Member of the Audit Committee                                     | Since 2011  | Chief Financial Officer of Lazard Group LLC from 2001 to 2011; Chief Financial Officer of Lazard Ltd from 2004 to 2011; Director, Support Our Aging Religious (non-profit) since 2009; Director, National Advisory Board of Church Management at Villanova University since 2010; Trustee, Domestic Church Media Foundation since 2012.   | 82 RICs consisting of 82 Portfolios  | No                         |
| Buzzi <sup>4</sup>                             | Director and Member of the Audit Committee                                     | Since 2007  | Editor of and Consultant for The Journal of Portfolio Management since 2006; Professor of Finance, EDHEC Business School since 2011; Professor in the Practice of Finance and Becton Fellow, Yale University School of Management from 2006 to 2011; Adjunct Professor of Finance and Becton Fellow, Yale University from 1994 to 2006.   | 115 RICs consisting of 237 Portfolios  | No                         |
|  | Director   | Since 2007  | President of Economics Studies, Inc. (private economic consulting firm) since 1987; Chair, Board of Trustees, McLean Hospital from 2000 to 2008 and Trustee Emeritus thereof since 2008; Member   | 82 RICs consisting of 82 Portfolios  | Th<br>Co<br>(pu            |

of the Board of Partners Community Healthcare, Inc. from 2005 to 2009; Member of the Corporation of Partners HealthCare since 1995; Trustee, Museum of Fine Arts, Boston since 1992; Member of the Visiting Committee to the Harvard University Art Museum since 2003; Director, Catholic Charities of Boston since 2009.

|              |  |            |  |                                     |   |
|--------------|--|------------|--|-------------------------------------|---|
| <b>ynn</b>   | Director and Member of the Audit Committee | Since 2007 | Chief Financial Officer of JPMorgan & Co., Inc. from 1990 to 1995.   | 82 RICs consisting of 82 Portfolios | No  |
| <b>arris</b> | Director                                   | Since 2007 | Trustee, Ursinus College since 2000; Director, Ducks Unlimited, Inc. (conservations) since 2013; Director, Troemner LLC (scientific equipment) since 2000; Director of Delta Waterfowl Foundation from 2010 to 2012; President and Chief Executive Officer, VWR Scientific Products Corporation from 1990 to 1999. | 82 RICs consisting of 82 Portfolios | Bl<br>Ke<br>Co<br>(bu<br>de<br>co         |
| <b>bbard</b> | Director                                   | Since 2007 | Dean, Columbia Business School since 2004; Faculty member, Columbia Business School since 1988.  | 82 RICs consisting of 82 Portfolios | AD<br>inf<br>se<br>Me<br>Lif<br>Co<br>(in |

Officers and Directors (continued)

| Name, Address <sup>1</sup><br>and Year of Birth<br>Independent Directors <sup>2</sup> (concluded) | Length<br>of Time<br>Position(s)<br>Held<br>with<br>Funds <sup>3</sup><br>Director <sup>3</sup> | Principal Occupation(s) During<br>Past Five Years   | Number of<br>BlackRock-<br>Advised<br>Registered<br>Investment<br>Companies<br>( RICs ) Consisting<br>of<br>Investment<br>Portfolios<br>( Portfolios )<br>Overseen | Public<br>Directorships |
|---|---|---|--|-------------------------|
| W. Carl Kester<br>1951  | Director<br>since<br>2007<br>Member<br>of<br>the<br>Audit<br>Committee                          | George Fisher Baker Jr. Professor<br>of Business Administration,<br>Harvard Business School since<br>2008; Deputy Dean for Academic<br>Affairs from 2006 to 2010;<br>Chairman of the Finance Unit,<br>2005 to 2006; Senior Associate<br>Dean and Chairman of the MBA<br>Program from 1999 to 2005;<br>Member of the faculty of Harvard<br>Business School since 1981. | 82 RICs consisting<br>of<br>82 Portfolios  | None                    |

<sup>1</sup> The address of each Director is c/o BlackRock, Inc., Park Avenue Plaza, 55 East 52nd Street, New York, NY 10055.

<sup>2</sup> Independent Directors serve until their resignation, removal or death, or until December 31 of the year in which they turn 74. The maximum age limitation may be waived as to any Director by action of a majority of the Directors upon finding good cause thereof. In 2013, the Board of Directors unanimously approved extending the mandatory retirement age for James T. Flynn by one additional year which the Board believed would be in the best interest of shareholders. Mr. Flynn can serve until December 31 of the year in which he turns 75. Mr. Flynn turns 75 in 2014.

<sup>3</sup> Date shown is the earliest date a person has served for the Funds covered by this annual report. Following the combination of Merrill Lynch Investment Managers, L.P. ( MLIM ) and BlackRock, Inc. ( BlackRock ) in September 2006, the various legacy MLIM and legacy BlackRock fund boards were realigned and consolidated into three new fund boards in 2007. As a result, although the chart shows certain Directors as joining the Funds board in 2007, those Directors first became members of the boards of other legacy MLIM or legacy BlackRock funds as follows: Richard E. Cavanagh, 1994; Frank J. Fabozzi, 1988; Kathleen F. Feldstein, 2005; James T. Flynn, 1996; Jerrold B. Harris, 1999; R. Glenn Hubbard, 2004; W. Carl Kester, 1995 and Karen P. Robards, 1998.

<sup>4</sup> Dr. Fabozzi is also a board member of the BlackRock Equity-Liquidity Complex.

**Interested Directors<sup>5</sup>**

|                              |                  |   |   |      |
|------------------------------|------------------|---|---|------|
| <b>Paul L. Audet</b><br>1953 | Director<br>2011 | Senior Managing Director of BlackRock and Head of U.S. Mutual Funds since 2011; Head of BlackRock's Real Estate business from 2008 to 2011; Member of BlackRock's Global Operating and Corporate Risk Management Committees since 2008; Head of BlackRock's Global Cash Management business from 2005 to 2010; Acting Chief Financial Officer of BlackRock from 2007 to 2008; Chief Financial Officer of BlackRock from 1998 to 2005. | 144 RICs<br>consisting of<br>330 Portfolios | None |
| <b>Henry Gabbay</b><br>1947  | Director<br>2007 | Consultant, BlackRock from 2007 to 2008; Managing Director, BlackRock from 1989 to 2007; Chief Administrative Officer, BlackRock Advisors, LLC from 1998 to 2007; President of BlackRock Funds and BlackRock Allocation Target Shares from 2005 to 2007; Treasurer of certain closed-end funds in the BlackRock fund complex from 1989 to 2006.   | 144 RICs<br>consisting of<br>330 Portfolios | None |

<sup>5</sup> Mr. Audet is an interested person, as defined in the 1940 Act, of the Funds based on his position with BlackRock and its affiliates as well as his ownership of BlackRock securities. Mr. Gabbay is an interested person of the Funds based on his former positions with BlackRock and its affiliates as well as his ownership of BlackRock and The PNC Financial Services Group, Inc. securities. Mr. Audet and Mr. Gabbay are also Directors of two complexes of BlackRock registered open-end funds, the BlackRock Equity-Liquidity Complex and the BlackRock Equity-Bond Complex. Interested Directors of the BlackRock Closed-End Complex serve until their resignation, removal or death, or until December 31 of the year in which they turn 72. The maximum age limitation may be waived as to any Director by action of a majority of the Directors upon finding a good cause thereof.

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## Officers and Directors (concluded)

| Name, Address <sup>1</sup><br>and Year of Birth<br>Officers <sup>2</sup> | Position(s)<br>Held<br>with Length of<br>Funds Time Served                              | Principal Occupation(s) During Past Five Years  |
|--|---|---|
| <b>John M. Perlowski</b><br>1964   | President since<br>and 2011<br>Chief<br>Executive<br>Officer                            | Managing Director of BlackRock since 2009; Global Head of BlackRock Fund Services since 2009; Managing Director and Chief Operating Officer of the Global Product Group at Goldman Sachs Asset Management, L.P. from 2003 to 2009; Treasurer of Goldman Sachs Mutual Funds from 2003 to 2009 and Senior Vice President thereof from 2007 to 2009; Director of Goldman Sachs Offshore Funds from 2002 to 2009; Director of Family Resource Network (charitable foundation) since 2009. |
| <b>Brendan Kyne</b><br>1977  | Vice Since<br>President 2009  | Managing Director of BlackRock, Inc. since 2010; Director of BlackRock, Inc. from 2008 to 2009; Head of Americas Product Development for BlackRock since 2013, Head of Product Development and Management for BlackRock's U.S. Retail Group from 2009 to 2013 and Co-head thereof from 2007 to 2009; Vice President of BlackRock, Inc. from 2005 to 2008.   |
| <b>Robert W. Crothers</b><br>1981  | Vice Since<br>President 2012  | Director of BlackRock since 2011; Vice President of BlackRock from 2008 to 2010.  |
| <b>Neal Andrews</b><br>1966  | Chief Since<br>Financial 2007<br>Officer  | Managing Director of BlackRock since 2006; Senior Vice President and Line of Business Head of Fund Accounting and Administration at PNC Global Investment Servicing (U.S.) Inc. from 1992 to 2006.  |
| <b>Jay Fife</b><br>1970  | Treasurer since<br>2007   | Managing Director of BlackRock since 2007; Director of BlackRock in 2006; Assistant Treasurer of the MLIM and Fund Asset Management, L.P. advised funds from 2005 to 2006; Director of MLIM Fund Services Group from 2001 to 2006.  |
| <b>Charles Park</b><br>1967  | Chief Since<br>Compliance 2014<br>Officer<br>and<br>Anti-Money<br>Laundering<br>Officer | Chief Compliance Officer of BlackRock Advisors, LLC and the BlackRock-advised Funds in the Equity-Bond Complex, the Equity-Liquidity Complex and the Closed-End Complex since 2014; Principal of and Chief Compliance Officer for iShares <sup>®</sup> Delaware Trust Sponsor LLC since 2012 and BlackRock Fund Advisors ( BFA ) since 2006; Chief Compliance Officer for the BFA-advised iShares   |

exchange traded funds since 2006; Chief Compliance Officer for BlackRock Asset Management International Inc. since 2012.

**Janey Ahn**  
1975

Secretary  
Since  
2012

Director of BlackRock since 2009; Vice President of BlackRock from 2008 to 2009. Assistant Secretary of the Funds from 2008 to 2012.

<sup>1</sup> The address of each Officer is c/o BlackRock, Inc., Park Avenue Plaza, 55 East 52nd Street, New York, NY 10055.

<sup>2</sup> Officers of the Funds serve at the pleasure of the Boards.

Effective June 6, 2014, Brian Kindelan resigned as Chief Compliance Officer and Anti-Money Laundering Officer of the Funds and Charles Park became Chief Compliance Officer and Anti-Money Laundering Officer of the Funds.

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**Investment Advisor**  
BlackRock Advisors,  
LLC  
Wilmington, DE  
19809

**Custodian and  
Accounting Agent**  
State Street Bank  
and Trust Company  
Boston, MA 02110

**Transfer Agent  
Common Shares**  
Computershare Trust  
Company, N.A.  
Canton, MA 02021

**Independent  
Registered  
Public  
Accounting Firm**  
Deloitte & Touche  
LLP  
Boston, MA  
02116

**Legal Counsel**  
Skadden, Arps,  
Slate,  
Meagher & Flom  
LLP  
New York, NY  
10036

**Address of the  
Funds**  
100 Bellevue  
Parkway  
Wilmington, DE  
19809

Additional Information

**Proxy Results**

The Annual Meeting of Shareholders was held on July 30, 2014 for shareholders of record on June 3, 2014 to elect director nominees for each Fund. There were no broker non-votes with regard to any of the Funds.

Approved the Class I Directors as follows:

| <b>Paul L. Audet</b> |                       |                | <b>Michael J. Castellano</b> |                       |                | <b>R. Glenn Hubbard</b> |                       |                |
|----------------------|-----------------------|----------------|------------------------------|-----------------------|----------------|-------------------------|-----------------------|----------------|
| <b>Votes For</b>     | <b>Votes Withheld</b> | <b>Abstain</b> | <b>Votes For</b>             | <b>Votes Withheld</b> | <b>Abstain</b> | <b>Votes For</b>        | <b>Votes Withheld</b> | <b>Abstain</b> |
| 7,416,467            | 142,354               | 0              | 7,402,377                    | 156,444               | 0              | 7,415,524               | 143,297               | 0              |
| 28,167,427           | 322,726               | 0              | 28,175,187                   | 314,966               | 0              | 28,141,719              | 348,434               | 0              |

**W. Carl Kester**

|     | <b>Votes For</b> | <b>Votes Withheld</b> | <b>Abstain</b> |
|-----|------------------|-----------------------|----------------|
| BHL | 7,415,524        | 143,297               | 0              |
| BLW | 28,170,791       | 319,362               | 0              |

For the Funds listed above, Directors whose term of office continued after the Annual Meeting of Shareholders because they were not up for election are Richard E. Cavanagh, Frank J. Fabozzi, Kathleen F. Feldstein, James T. Flynn, Henry Gabbay, Jerrold B. Harris and Karen P. Robards.

Approved the Directors as follows:

| <b>Paul L. Audet</b> |                       |                | <b>Michael J. Castellano</b> |                       |                | <b>Richard E. Cavanagh</b> |                       |                |
|----------------------|-----------------------|----------------|------------------------------|-----------------------|----------------|----------------------------|-----------------------|----------------|
| <b>Votes For</b>     | <b>Votes Withheld</b> | <b>Abstain</b> | <b>Votes For</b>             | <b>Votes Withheld</b> | <b>Abstain</b> | <b>Votes For</b>           | <b>Votes Withheld</b> | <b>Abstain</b> |
| 27,450,782           | 701,572               | 0              | 27,447,363                   | 704,991               | 0              | 27,444,576                 | 707,778               | 0              |

| <b>Frank J. Fabozzi</b> |                       |                | <b>Kathleen F. Feldstein</b> |                       |                | <b>James T. Flynn</b> |                       |                |
|-------------------------|-----------------------|----------------|------------------------------|-----------------------|----------------|-----------------------|-----------------------|----------------|
| <b>Votes For</b>        | <b>Votes Withheld</b> | <b>Abstain</b> | <b>Votes For</b>             | <b>Votes Withheld</b> | <b>Abstain</b> | <b>Votes For</b>      | <b>Votes Withheld</b> | <b>Abstain</b> |
| 27,441,098              | 711,256               | 0              | 27,425,007                   | 727,347               | 0              | 27,429,118            | 723,236               | 0              |

| <b>Henry Gabbay</b> |                       |                | <b>Jerrold B. Harris</b> |                       |                | <b>R. Glenn Hubbard</b> |                       |                |
|---------------------|-----------------------|----------------|--------------------------|-----------------------|----------------|-------------------------|-----------------------|----------------|
| <b>Votes For</b>    | <b>Votes Withheld</b> | <b>Abstain</b> | <b>Votes For</b>         | <b>Votes Withheld</b> | <b>Abstain</b> | <b>Votes For</b>        | <b>Votes Withheld</b> | <b>Abstain</b> |

|            |         |   |            |         |   |            |         |   |
|------------|---------|---|------------|---------|---|------------|---------|---|
| 27,443,465 | 708,889 | 0 | 27,432,760 | 719,594 | 0 | 27,436,136 | 716,218 | 0 |
|------------|---------|---|------------|---------|---|------------|---------|---|

**W. Carl Kester**

**Karen P. Robards**

| <b>W. Carl Kester</b> |                       |                | <b>Karen P. Robards</b> |                       |                |
|-----------------------|-----------------------|----------------|-------------------------|-----------------------|----------------|
| <b>Votes For</b>      | <b>Votes Withheld</b> | <b>Abstain</b> | <b>Votes For</b>        | <b>Votes Withheld</b> | <b>Abstain</b> |
| 27,435,400            | 716,954               | 0              | 27,442,063              | 710,291               | 0              |

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Additional Information (continued)

**Fund Certification**

Certain Funds are listed for trading on the NYSE and have filed with the NYSE their annual chief executive officer certification regarding compliance with the NYSE's listing standards. The Funds filed with the SEC

the certification of their chief executive officer and chief financial officer required by section 302 of the Sarbanes-Oxley Act.

**Dividend Policy**

Each Fund's dividend policy is to distribute all or a portion of its net investment income to its shareholders on a monthly basis. In order to provide shareholders with a more stable level of dividend distributions, the dividends paid by the Funds for any particular month may be more or less than the amount of net investment income earned by the Funds during such month. The portion of dividend distributions that exceeds a Fund's current and accumulated earnings and profits, which are measured on a tax basis, will constitute a nontaxable return of capital. Dividend

distributions in excess of a Fund's taxable income and net capital gains, but not in excess of a Fund's earnings and profits, will be taxable to shareholders as ordinary income and will not constitute a nontaxable return of capital. The Funds' current accumulated but undistributed net investment income, if any, is disclosed in the Statements of Assets and Liabilities, which comprises part of the financial information included in this report.

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Additional Information (continued)

**General Information**

The Funds do not make available copies of their Statements of Additional Information because the Funds' shares are not continuously offered, which means that the Statement of Additional Information of each Fund has not been updated after completion of the respective Fund's offerings and the information contained in each Fund's Statement of Additional Information may have become outdated.

During the period, there were no material changes in the Funds' investment objectives or policies or to the Funds' charters or by-laws that would delay or prevent a change of control of the Funds that were not approved by shareholders or in the principal risk factors associated with investment in the Funds. There have been no changes in the persons who are primarily responsible for the day-to-day management of the Funds' portfolios.

Quarterly performance, semi-annual and annual reports and other information regarding the Funds may be found on BlackRock's website, which can be accessed at <http://www.blackrock.com>. This reference to BlackRock's website is intended to allow investors public access to information regarding the Funds and does not, and is not intended to, incorporate BlackRock's website in this report.

**Electronic Delivery**

Electronic copies of most financial reports are available on the Funds' web-sites or shareholders can sign up for e-mail notifications of quarterly statements, annual and semi-annual reports by enrolling in the Funds' electronic delivery program.

**Shareholders Who Hold Accounts with Investment Advisors, Banks or Brokerages:**

Please contact your financial advisor to enroll. Please note that not all investment advisors, banks or brokerages may offer this service.

**Householding**

The Funds will mail only one copy of shareholder documents, including annual and semi-annual reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is commonly called "householding" and is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be householded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please call the Funds at (800) 882-0052.

**Availability of Quarterly Schedule of Investments**

The Funds file their complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Funds' Forms N-Q are available on the SEC's website at <http://www.sec.gov> and may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on how to access documents on the SEC's website without charge may be obtained by calling (800) SEC-0330. The Funds' Forms N-Q may also be obtained upon request and without charge by calling (800) 882-0052.

**Availability of Proxy Voting Policies and Procedures**

A description of the policies and procedures that the Funds use to determine how to vote proxies relating to portfolio securities is available (1) without charge, upon request, by calling (800) 882-0052; (2) at <http://www.blackrock.com>; and (3) on the SEC's website at <http://www.sec.gov>.

**Availability of Proxy Voting Record**

Information about how the Funds voted proxies relating to securities held in the Funds' portfolios during the most recent 12-month period ended June 30 is available upon request and without charge (1) at <http://www.blackrock.com> or by calling (800) 882-0052 and (2) on the SEC's website at <http://www.sec.gov>.

**Availability of Fund Updates**

Edgar Filing: BLACKROCK FLOATING RATE INCOME STRATEGIES FUND, INC. - Form N-CSR

BlackRock will update performance and certain other data for the Funds on a monthly basis on its website in the Closed-end Funds section of <http://www.blackrock.com> as well as certain other material information as necessary from time to time. Investors and others are advised to periodically check the website for updated performance information and the release of other material information about the Funds. This reference to BlackRock's website is intended to allow investors public access to information regarding the Funds and does not, and is not intended to, incorporate BlackRock's website in this report.

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Additional Information (concluded)  
**Shelf Offering Program**

From time-to-time, each Fund may seek to raise additional equity capital through an equity shelf program (a Shelf Offering ). In a Shelf Offering, a Fund may, subject to market conditions, raise additional equity capital by issuing new Common Shares from time to time in varying amounts at a net price at or above the Fund's net asset value ( NAV ) per Common Share (calculated within 48 hours of pricing). While any such Shelf Offering may allow a Fund to pursue additional investment opportunities without the need to sell existing portfolio investments, it could also entail risks including that the issuance of additional Common Shares may limit the extent to which the Common Shares are able to trade at a premium to NAV in the secondary market.

On May 2, 2014, BLW and FRA each filed a final prospectus with the SEC in connection with its Shelf Offering. This report and the prospectuses of BLW and FRA are not offers to sell BLW or FRA Common Shares or solicitations of an offer to buy BLW or FRA Common Shares in any jurisdiction where such offers or sales are not permitted. The prospectuses of BLW and FRA contain important information about such Funds, including their investment objectives, risks, charges and expenses. Investors of BLW and FRA are urged to read the prospectuses of BLW and FRA carefully and in their entirety before investing. Copies of the final prospectuses for BLW and FRA can be obtained from BlackRock at <http://www.blackrock.com>.

**BlackRock Privacy Principles**

BlackRock is committed to maintaining the privacy of its current and former fund investors and individual clients (collectively, Clients ) and to safeguarding their non-public personal information. The following information is provided to help you understand what personal information BlackRock collects, how we protect that information and why in certain cases we share such information with select parties.

If you are located in a jurisdiction where specific laws, rules or regulations require BlackRock to provide you with additional or different privacy-related rights beyond what is set forth below, then BlackRock will comply with those specific laws, rules or regulations.

BlackRock obtains or verifies personal non-public information from and about you from different sources, including the following: (i) information we receive from you or, if applicable, your financial intermediary, on applications, forms or other documents; (ii) information about your transactions with us, our affiliates, or others; (iii) information we receive from a consumer reporting agency; and (iv) from visits to our websites.

BlackRock does not sell or disclose to non-affiliated third parties any non-public personal information about its Clients, except as permitted by law or as is necessary to respond to regulatory requests or to service Client accounts. These non-affiliated third parties are required to protect the confidentiality and security of this information and to use it only for its intended purpose.

We may share information with our affiliates to service your account or to provide you with information about other BlackRock products or services that may be of interest to you. In addition, BlackRock restricts access to non-public personal information about its Clients to those BlackRock employees with a legitimate business need for the information. BlackRock maintains physical, electronic and procedural safeguards that are designed to protect the non-public personal information of its Clients, including procedures relating to the proper storage and disposal of such information.

This report is intended for existing shareholders. It is not a prospectus. Past performance results shown in this report should not be considered a representation of future performance. The Funds have leveraged their Common Shares, which creates risks for Common Shareholders, including the likelihood of greater volatility of net asset value and market price of the Common Shares, and the risk that fluctuations in short-term interest rates may reduce the Common Shares' yield. Statements and other information herein are as dated and are subject to change.

CEFT-BK3-8/14-AR

Item 2 – Code of Ethics – The registrant (or the “Fund”) has adopted a code of ethics, as of the end of the period covered by this report, applicable to the registrant’s principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. During the period covered by this report, there have been no amendments to or waivers granted under the code of ethics. A copy of the code of ethics is available without charge at [www.blackrock.com](http://www.blackrock.com).

Item 3 – Audit Committee Financial Expert – The registrant’s board of directors (the “board of directors”), has determined that (i) the registrant has the following audit committee financial experts serving on its audit committee and (ii) each audit committee financial expert is independent:

Michael Castellano

Frank J. Fabozzi  
James T. Flynn  
W. Carl Kester  
Karen P. Robards

The registrant’s board of directors has determined that W. Carl Kester and Karen P. Robards qualify as financial experts pursuant to Item 3(c)(4) of Form N-CSR.

Prof. Kester has a thorough understanding of generally accepted accounting principles, financial statements and internal control over financial reporting as well as audit committee functions. Prof. Kester has been involved in providing valuation and other financial consulting services to corporate clients since 1978. Prof. Kester’s financial consulting services present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the registrant’s financial statements.

Ms. Robards has a thorough understanding of generally accepted accounting principles, financial statements and internal control over financial reporting as well as audit committee functions. Ms. Robards has been President of Robards & Company, a financial advisory firm, since 1987. Ms. Robards was formerly an investment banker for more than 10 years where she was responsible for evaluating and assessing the performance of companies based on their financial results. Ms. Robards has over 30 years of experience analyzing financial statements. She also is a member of the audit committee of one publicly held company and a non-profit organization.

Under applicable securities laws, a person determined to be an audit committee financial expert will not be deemed an “expert” for any purpose, including without limitation for the purposes of Section 11 of the Securities Act of 1933, as a result of being designated or identified as an audit committee financial expert. The designation or identification as an audit committee financial expert does not impose on such person any duties, obligations, or liabilities greater than the duties, obligations, and liabilities imposed on such person as a member of the audit committee and board of directors in the absence of such designation or identification. The designation or identification of a person as an audit committee financial expert does not affect the duties, obligations, or liability of any other member of the audit committee or board of directors.

Item 4 –Principal Accountant Fees and Services

The following table presents fees billed by Deloitte & Touche LLP (“D&T”) in each of the last two fiscal years for the services rendered to the Fund:

| <u>Entity Name</u>                                   | <u>(a) Audit Fees</u> |                    | <u>(b) Audit-Related Fees<sup>1</sup></u> |                    | <u>(c) Tax Fees<sup>2</sup></u> |                    | <u>(d) All Other Fees<sup>3</sup></u> |                    |
|--|-----------------------|--------------------|---|--------------------|---------------------------------|--------------------|---------------------------------------|--------------------|
|  | <u>Current</u>        | <u>Previous</u>    | <u>Current</u>                            | <u>Previous</u>    | <u>Current</u>                  | <u>Previous</u>    | <u>Current</u>                        | <u>Previous</u>    |
|  | <u>Fiscal Year</u>    | <u>Fiscal Year</u> | <u>Fiscal Year</u>                        | <u>Fiscal Year</u> | <u>Fiscal Year</u>              | <u>Fiscal Year</u> | <u>Fiscal Year</u>                    | <u>Fiscal Year</u> |
| BlackRock Floating Rate Income Strategies Fund, Inc. | <u>End</u>            | <u>End</u>         | <u>End</u>                                | <u>End</u>         | <u>End</u>                      | <u>End</u>         | <u>End</u>                            | <u>End</u>         |
|  | \$67,688              | \$66,638           | \$0                                       | \$0                | \$24,800                        | \$21,800           | \$0                                   | \$0                |

The following table presents fees billed by D&T that were required to be approved by the registrant’s audit committee (the “Committee”) for services that relate directly to the operations or financial reporting of the Fund and that are rendered on behalf of BlackRock Advisors, LLC (“Investment Adviser” or “BlackRock”) and entities controlling, controlled by, or under common control with BlackRock (not including any sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by another investment adviser) that provide ongoing services to the Fund (“Fund Service Providers”):

|   | <u>Current Fiscal Year End</u> | <u>Previous Fiscal Year End</u> |
|---|--------------------------------|---------------------------------|
| <b>(b) Audit-Related Fees<sup>1</sup></b> | \$0                            | \$0                             |
| <b>(c) Tax Fees<sup>2</sup></b>           | \$0                            | \$0                             |
| <b>(d) All Other Fees<sup>3</sup></b>     | \$2,555,000                    | \$2,865,000                     |

<sup>1</sup> The nature of the services includes assurance and related services reasonably related to the performance of the audit of financial statements not included in Audit Fees.

<sup>2</sup> The nature of the services includes tax compliance, tax advice and tax planning.

<sup>3</sup> Aggregate fees borne by BlackRock in connection with the review of compliance procedures and attestation thereto performed by D&T with respect to all of the registered closed-end funds and some of the registered open-end funds advised by BlackRock.

(e)(1) Audit Committee Pre-Approval Policies and Procedures:

The Committee has adopted policies and procedures with regard to the pre-approval of services. Audit, audit-related and tax compliance services provided to the registrant on an annual basis require specific pre-approval by the Committee. The Committee also must approve other non-audit services provided to the registrant and those non-audit services provided to the Investment Adviser and Fund Service Providers that relate directly to the operations and the financial reporting of the registrant. Certain of these non-audit services that the Committee believes are (a) consistent with the SEC’s auditor independence rules and (b) routine and recurring services that will not impair the independence of the independent accountants may be approved by the Committee without consideration on a specific case-by-case basis (“general pre-approval”). The term of any general pre-approval is 12 months from the date of the pre-approval, unless the Committee provides for a different period. Tax or other non-audit services provided to the registrant which have a direct impact on the operations or financial reporting of the registrant will only be deemed pre-approved provided that any individual project does not exceed \$10,000 attributable to the registrant or \$50,000 per project. For this purpose, multiple projects will be aggregated to determine if they exceed the previously mentioned cost levels.

Any proposed services exceeding the pre-approved cost levels will require specific pre-approval by the Committee, as will any other services not subject to general pre-approval (e.g.,

3



unanticipated but permissible services). The Committee is informed of each service approved subject to general pre-approval at the next regularly scheduled in-person board meeting. At this meeting, an analysis of such services is presented to the Committee for ratification. The Committee may delegate to the Committee Chairman the authority to approve the provision of and fees for any specific engagement of permitted non-audit services, including services exceeding pre-approved cost levels.

(e)(2) None of the services described in each of Items 4(b) through (d) were approved by the Committee pursuant to the de minimis exception in paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

(f) Not Applicable

(g) The aggregate non-audit fees paid to the accountant for services rendered by the accountant to the registrant, the Investment Adviser and the Fund Service Providers were:

| <u>Entity Name</u>                                   | <u>Current Fiscal Year End</u> | <u>Previous Fiscal Year End</u> |
|--|--------------------------------|---------------------------------|
| BlackRock Floating Rate Income Strategies Fund, Inc. | \$24,800                       | \$21,800                        |

Additionally, SSAE 16 Review (Formerly, SAS No. 70) fees for the current and previous fiscal years of \$2,555,000 and \$2,865,000, respectively, were billed by D&T to the Investment Adviser.

(h) The Committee has considered and determined that the provision of non-audit services that were rendered to the Investment Adviser, and the Fund Service Providers that were not pre-approved pursuant to paragraph (c)(7)(ii) of Rule 2-01 of Regulation S-X is compatible with maintaining the principal accountant's independence.

#### Item 5 – Audit Committee of Listed Registrants

The following individuals are members of the registrant's separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934 (15 U.S.C.

(a) 78c(a)(58)(A)):

Michael Castellano  
 Frank J. Fabozzi  
 James T. Flynn  
 W. Carl Kester  
 Karen P. Robards

(b) Not Applicable

#### Item 6 – Investments

(a) The registrant's Schedule of Investments is included as part of the Report to Stockholders filed under Item 1 of this Form.

(b) Not Applicable due to no such divestments during the semi-annual period covered since the previous Form N-CSR filing.

Item 7 – Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies – The board of directors has delegated the voting of proxies for the Fund’s portfolio securities to the Investment Adviser pursuant to the Investment Adviser’s proxy voting guidelines. Under these guidelines, the Investment Adviser will vote proxies related to Fund securities in the best interests of the Fund and its stockholders. From time to time, a vote may present a conflict between the interests of the Fund’s stockholders, on the one hand, and those of the Investment Adviser, or any affiliated person of the Fund or the Investment Adviser, on the other. In such event, provided that the Investment Adviser’s Equity Investment Policy Oversight Committee, or a sub-committee thereof (the “Oversight Committee”) is aware of the real or potential conflict or material non-routine matter and if the Oversight Committee does not reasonably believe it is able to follow its general voting guidelines (or if the particular proxy matter is not addressed in the guidelines) and vote impartially, the Oversight Committee may retain an independent fiduciary to advise the Oversight Committee on how to vote or to cast votes on behalf of the Investment Adviser’s clients. If the Investment Adviser determines not to retain an independent fiduciary, or does not desire to follow the advice of such independent fiduciary, the Oversight Committee shall determine how to vote the proxy after consulting with the Investment Adviser’s Portfolio Management Group and/or the Investment Adviser’s Legal and Compliance Department and concluding that the vote cast is in its client’s best interest notwithstanding the conflict. A copy of the Fund’s Proxy Voting Policy and Procedures are attached as Exhibit 99.PROXYPOL. Information on how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge, (i) at [www.blackrock.com](http://www.blackrock.com) and (ii) on the SEC’s website at <http://www.sec.gov>.

Item 8 – Portfolio Managers of Closed-End Management Investment Companies – as of August 31, 2014.

(a)(1) The registrant is managed by a team of investment professionals comprised of Leland Hart, Managing Director at BlackRock, and C. Adrian Marshall, Director at BlackRock. Each is jointly responsible for the day-to-day management of the registrant’s portfolio, which includes setting the registrant’s overall investment strategy, overseeing the management of the registrant and/or selection of its investments. Messrs. Hart and Marshall have been members of the registrant’s portfolio management team since 2009.

| <b>Portfolio Manager</b> | <b>Biography</b>  |
|--------------------------|---|
| Leland Hart              | Managing Director of BlackRock since 2009; Partner of R3 Capital Partners ("R3") in 2009; Managing Director of R3 from 2008 to 2009; Managing Director of Lehman Brothers from 2006 to 2008; Executive Director of Lehman Brothers from 2003 to 2006. |
| C. Adrian Marshall       | Director of BlackRock since 2007; Vice President of BlackRock from 2004 to 2007.  |

(a)(2)

As of August 31, 2014:

| (i) Name of Portfolio Manager | (ii) Number of Other Accounts Managed and Assets by Account Type |                                  |                      | (iii) Number of Other Accounts and Assets for Which Advisory Fee is Performance-Based Other |                                  |                |
|-------------------------------|--|----------------------------------|----------------------|---|----------------------------------|----------------|
|                               | Registered   | Other Pooled Investment Vehicles | Other Accounts       | Registered  | Other Pooled Investment Vehicles | Other Accounts |
|                               | Companies  |                                  |                      | Companies   |                                  |                |
|                               |  |                                  |                      |   |                                  |                |
| Leland Hart                   | 6<br>\$4.64 Billion  | 21<br>\$1.25 Billion             | 13<br>\$1.91 Billion | 0<br>\$0  | 4<br>\$5.75 Million              | 0<br>\$0       |
| C. Adrian Marshall            | 6<br>\$4.64 Billion  | 21<br>\$1.25 Billion             | 13<br>\$1.91 Billion | 0<br>\$0  | 4<br>\$5.75 Million              | 0<br>\$0       |

(iv) *Portfolio Manager Potential Material Conflicts of Interest*

BlackRock has built a professional working environment, firm-wide compliance culture and compliance procedures and systems designed to protect against potential incentives that may favor one account over another. BlackRock has adopted policies and procedures that address the allocation of investment opportunities, execution of portfolio transactions, personal trading by employees and other potential conflicts of interest that are designed to ensure that all client accounts are treated equitably over time. Nevertheless, BlackRock furnishes investment management and advisory services to numerous clients in addition to the Fund, and BlackRock may, consistent with applicable law, make investment recommendations to other clients or accounts (including accounts which are hedge funds or have performance or higher fees paid to BlackRock, or in which portfolio managers have a personal interest in the receipt of such fees), which may be the same as or different from those made to the Fund. In addition, BlackRock, Inc. its affiliates and significant shareholders and any officer, director, shareholder or employee may or may not have an interest in the securities whose purchase and sale BlackRock recommends to the Fund. BlackRock, Inc. or any of its affiliates or significant shareholders, or any officer, director, shareholder, employee or any member of their families may take different actions than those recommended to the Fund by BlackRock with respect to the same securities. Moreover, BlackRock may refrain from rendering any advice or services concerning securities of companies of which any of BlackRock, Inc.'s (or its affiliates' or significant shareholders') officers, directors or employees are directors or officers, or companies as to which BlackRock, Inc. or any of its affiliates or significant shareholders or the officers, directors and employees of any of them has any substantial economic interest or possesses material non-public information. Certain portfolio managers also may manage accounts whose investment strategies may at times be opposed to the strategy utilized for a fund. It should also be noted that Messrs. Hart and Marshall may be managing hedge fund and/or long only accounts, or may be part of a team managing hedge fund and/or long only accounts, subject to incentive fees. Messrs. Hart and Marshall may therefore be entitled to receive a portion of any incentive fees earned on such accounts.

As a fiduciary, BlackRock owes a duty of loyalty to its clients and must treat each client fairly. When BlackRock purchases or sells securities for more than one account, the trades must be allocated in a manner consistent with its fiduciary duties. BlackRock attempts to allocate investments in a fair and equitable manner among client accounts, with no account receiving preferential treatment. To this end, BlackRock, Inc. has adopted policies that are intended to ensure reasonable efficiency in client transactions and provide BlackRock with sufficient flexibility to allocate investments in a manner that is consistent with the particular investment discipline and client base, as appropriate.

(a)(3)

As of August 31, 2014:

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## **Portfolio Manager Compensation Overview**

The discussion below describes the portfolio managers' compensation as of August 31, 2014.

BlackRock's financial arrangements with its portfolio managers, its competitive compensation and its career path emphasis at all levels reflect the value senior management places on key resources. Compensation may include a variety of components and may vary from year to year based on a number of factors. The principal components of compensation include a base salary, a performance-based discretionary bonus, participation in various benefits programs and one or more of the incentive compensation programs established by BlackRock.

**Base compensation.** Generally, portfolio managers receive base compensation based on their position with the firm.

## **Discretionary Incentive Compensation**

Discretionary incentive compensation is a function of several components: the performance of BlackRock, Inc., the performance of the portfolio manager's group within BlackRock, the investment performance, including risk-adjusted returns, of the firm's assets under management or supervision by that portfolio manager relative to predetermined benchmarks, and the individual's performance and contribution to the overall performance of these portfolios and BlackRock. In most cases, these benchmarks are the same as the benchmark or benchmarks against which the performance of the Funds or other accounts managed by the portfolio managers are measured. Among other things, BlackRock's Chief Investment Officers make a subjective determination with respect to each portfolio manager's compensation based on the performance of the Funds and other accounts managed by each portfolio manager relative to the various benchmarks. Performance of fixed income funds is measured on a pre-tax and/or after-tax basis over various time periods including 1-, 3- and 5- year periods, as applicable. With respect to these portfolio managers, such benchmarks for the Fund and other accounts are: a combination of market-based indices (e.g., S&P Leveraged All Loan Index), certain customized indices and certain fund industry peer groups.

**Distribution of Discretionary Incentive Compensation.** Discretionary incentive compensation is distributed to portfolio managers in a combination of cash and BlackRock, Inc. restricted stock units which vest ratably over a number of years. For some portfolio managers, discretionary incentive compensation is also distributed in deferred cash awards that notionally track the returns of select BlackRock investment products they manage and that vest ratably over a number of years. The BlackRock, Inc. restricted stock units, upon vesting, will be settled in BlackRock, Inc. common stock. Typically, the cash portion of the discretionary incentive compensation, when combined with base salary, represents more than 60% of total compensation for the portfolio managers. Paying a portion of discretionary incentive compensation in BlackRock, Inc. stock puts compensation earned by a portfolio manager for a given year "at risk" based on BlackRock's ability to sustain and improve its performance over future periods. Providing a portion of

discretionary incentive compensation in deferred cash awards that notionally track the BlackRock investment products they manage provides direct alignment with investment product results.

*Long-Term Incentive Plan Awards* — From time to time long-term incentive equity awards are granted to certain key employees to aid in retention, align their interests with long-term shareholder interests and motivate performance.

Equity awards are generally granted in the form of BlackRock, Inc. restricted stock units that, once vested, settle in BlackRock, Inc. common stock. Messrs. Hart and Marshall have unvested long-term incentive awards.

*Deferred Compensation Program* — A portion of the compensation paid to eligible United States-based BlackRock employees may be voluntarily deferred at their election for defined periods of time into an account that tracks the performance of certain of the firm's investment products. Any portfolio manager who is either a managing director or director at BlackRock with compensation above a specified threshold is eligible to participate in the deferred compensation program.

**Other Compensation Benefits.** In addition to base salary and discretionary incentive compensation, portfolio managers may be eligible to receive or participate in one or more of the following:

*Incentive Savings Plans* — BlackRock, Inc. has created a variety of incentive savings plans in which BlackRock, Inc. employees are eligible to participate, including a 401(k) plan, the BlackRock Retirement Savings Plan (RSP), and the BlackRock Employee Stock Purchase Plan (ESPP). The employer contribution components of the RSP include a company match equal to 50% of the first 8% of eligible pay contributed to the plan capped at \$5,000 per year, and a company retirement contribution equal to 3-5% of eligible compensation up to the Internal Revenue Service limit (\$260,000 for 2014). The RSP offers a range of investment options, including registered investment companies and collective investment funds managed by the firm. BlackRock, Inc. contributions follow the investment direction set by participants for their own contributions or, absent participant investment direction, are invested into a target date fund that corresponds to, or is closest to, the year in which the participant attains age 65. The ESPP allows for investment in BlackRock, Inc. common stock at a 5% discount on the fair market value of the stock on the purchase date. Annual participation in the ESPP is limited to the purchase of 1,000 shares of common stock or a dollar value of \$25,000 based on its fair market value on the purchase date. All of the eligible portfolio managers are eligible to participate in these plans.

(a)(4) *Beneficial Ownership of Securities* – As of August 31, 2014.

**Portfolio Manager Dollar Range of Equity Securities of the Fund Beneficially Owned**

|                    |                     |
|--------------------|---------------------|
| Leland Hart        | \$100,001-\$500,000 |
| C. Adrian Marshall | \$10,001-\$50,000   |

(b) Not Applicable

Item 9 – Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers – Not Applicable due to no such purchases during the period covered by this report.

Item 10 – Submission of Matters to a Vote of Security Holders – There have been no material changes to these procedures.

Item 11 – Controls and Procedures

(a) – The registrant’s principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant’s disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the “1940 Act”)) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended.

(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 second fiscal quarter of the period covered by this report that have materially affected, or are reasonably likely to materially affect, the registrant’s internal control over financial reporting.

Item 12 – Exhibits attached hereto

(a)(1) – Code of Ethics – See Item 2

(a)(2) – Certifications – Attached hereto

(a)(3) – Not Applicable

(b) – 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 Floating Rate Income Strategies Fund, Inc.

By: /s/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock Floating Rate Income Strategies Fund, Inc.

Date: November 3, 2014

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

By: /s/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock Floating Rate Income Strategies Fund, Inc.

Date: November 3, 2014

By: /s/ Neal J. Andrews  
Neal J. Andrews  
Chief Financial Officer (principal financial officer) of  
BlackRock Floating Rate Income Strategies Fund, Inc.

Date: November 3, 2014