TAKE TWO INTERACTIVE SOFTWARE INC
Form 4
September 16, 2008

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

OMB Number:	3235-0287
Expires:	January 31, 2005
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
BROWN GROVER C

(Last) (First) (Middle)

C/O TAKE-TWO INTERACTIVE SOFTWARE, INC., 622 BROADWAY

(Street)

NEW YORK,, NY 10012

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
TAKE TWO INTERACTIVE SOFTWARE INC [TTWO]

3. Date of Earliest Transaction (Month/Day/Year)
09/12/2008

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director
_____ 10% Owner
_____ Officer (give title below)
_____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	09/12/2008		A		1,770 (1)	A	$ 0	19,246	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BROWN GROVER C C/O TAKE-TWO INTERACTIVE SOFTWARE, INC. 622 BROADWAY NEW YORK,, NY 10012	X			

Signatures

/s/ Grover C. Brown	09/16/2008
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Represents the acquisition of shares pursuant to a quarterly grant of restricted common stock pursuant to the Director compensation program approved by the Board of Directors of the Issuer on June 14, 2007. The shares of restricted stock vest in three equal annual installments commencing on the first anniversary of the grant date. As provided by the terms of such program, (i) the grant date is the fifth trading day following the filing of the Issuer's Quarterly Report on Form 10-Q; and (ii) the number of shares was determined based on a grant value of $41,250 and a price of $23.294 per share, the average of the closing prices on the ten trading days prior to the date of grant.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. idth="61%"> due 7/15/2011 (h) 1,525 1,581,917

Health Care Equipment & Supplies 0.7% Biomet, Inc., 11.625% due 10/15/2017 (h) 800 787,000 LVB Acquisition Merger, Inc. (h):
10% due 10/15/2017 600 620,250 10.375% due 10/15/2017 (g) 600 584,742

1,991,992

Health Care Providers & Services 0.8% Community Health Systems, Inc. Series WI, 8.875% due 7/15/2015 1,315 1,290,344 Universal Hospital Services, Inc.: 8.288% due 6/01/2015 (b) 460 432,400 8.50% due 6/01/2015 (g) 500 489,201

2,211,945

Hotels, Restaurants & Leisure 8.1% American Real Estate Partners LP, 7.125% due 2/15/2013 3,000 2,850,000 CCM Merger, Inc., 8% due 8/01/2013 (h) 4,475 3,915,625 Harrah s Operating Co., Inc. (h): 10.75% due 2/01/2016 7,266 6,303,255 10.75% due 2/01/2018 (g) 2,130 1,695,149 Little Traverse Bay Bands of Odawa Indians, 10.25% due 2/15/2014 (h) 1,210 1,211,513 Pinnacle Entertainment, Inc., 7.50% due 6/15/2015 (h) 1,350 1,039,500 Shingle Springs Tribal Gaming Authority, 9.375% due 6/15/2015 (h) 690 614,100 Snoqualmie Entertainment Authority, 6.936% due 2/01/2014 (b)(h) 500 432,500

See Notes to Financial Statements.
6 BLACKROCK SENIOR HIGH INCOME FUND, INC.

FEBRUARY 29, 2008

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

Corporate Bonds		Par (000)	Value
Hotels, Restaurants & Leisure (concluded)			
Station Casinos, Inc., 7.75% due 8/15/2016		$ 1,000	$ 832,500
Tropicana Entertainment LLC Series WI, 9.625% due 12/15/2014		895	429,600
Tunica-Biloxi Gaming Authority, 9% due 11/15/2015 (h)		1,500	1,485,000
Universal City Florida Holding Co. I, 7.989% due 5/01/2010 (b)		2,450	2,355,062
			23,163,804
Household Durables 0.3%			
Jarden Corp., 7.50% due 5/01/2017		970	849,963
Independent Power Producers & Energy Traders 2.0%			
Energy Future Holding Corp., 11.25% due 11/01/2017 (g)(h)		1,500	1,427,828

Texas Competitive Electric Holdings Co. LLC (h):			
10.25% due 11/01/2015		3,220	3,139,500
10.50% due 11/01/2016 (g)		1,200	1,127,619
			5,694,947
Leisure Equipment & Products 1.3%			
Quiksilver, Inc., 6.875% due 4/15/2015		3,525	2,784,750
True Temper Sports, Inc., 8.375% due 9/15/2011		1,750	892,500
			3,677,250
Machinery 2.4%			
Ahern Rentals, Inc., 9.25% due 8/15/2013		2,700	2,119,500
ESCO Corp., 8.866% due 12/15/2013 (b)(h)		1,540	1,362,900
Invensys Plc, 9.875% due 3/15/2011 (h)		1,838	1,938,619
RBS Global, Inc., 8.875% due 9/01/2016		835	709,750
Titan International, Inc., 8% due 1/15/2012		770	743,050
			6,873,819
Marine 0.1%			
Navios Maritime Holdings, Inc., 9.50% due 12/15/2014		395	380,188
Media 6.1%			
Affinion Group, Inc.:			
10.125% due 10/15/2013		120	117,600
11.50% due 10/15/2015		395	363,400
Cablevision Systems Corp. Series B, 9.644% due 4/01/2009 (b)		3,175	3,175,000
Charter Communications Holdings LLC:			
10% due 4/01/2009		1,750	1,509,375
11.125% due 1/15/2011		1,319	804,590
10% due 5/15/2011		660	399,300
Idearc, Inc., 8% due 11/15/2016		1,960	1,156,400
Mediacom LLC, 9.50% due 1/15/2013		1,875	1,640,625
NTL Cable Plc, 8.75% due 4/15/2014		350	299,250
Paxson Communications Corp., 7.508% due 1/15/2012 (b)(h)		1,325	1,099,750
R.H. Donnelley Corp., 8.875% due 10/15/2017 (h)		800	468,000
Rainbow National Services LLC, 8.75% due 9/01/2012 (h)		5,250	5,381,250
Windstream Regatta Holdings, Inc., 11% due 12/01/2017 (h)		1,244	970,320
			17,384,860
		Par	

Corporate Bonds		(000)	Value
Metals & Mining 4.5%			
Aleris International, Inc., 9% due 12/15/2014 (g)		$ 1,295	$ 942,856
Freeport-McMoRan Copper & Gold, Inc., 8.394%			
due 4/01/2015 (b)		5,430	5,219,587
Indalex Holding Corp. Series B, 11.50%			
due 2/01/2014		1,731	1,367,490
RathGibson, Inc., 11.25% due 2/15/2014		2,225	2,124,875
Ryerson, Inc., 10.614% due 11/01/2014 (b)(h)		3,360	3,108,000
			12,762,808
Oil, Gas & Consumable Fuels 3.6%			
Chaparral Energy, Inc., 8.50% due 12/01/2015		1,500	1,275,000
Compton Petroleum Finance Corp., 7.625%			
due 12/01/2013		1,475	1,371,750
Peabody Energy Corp., 7.375% due 11/01/2016		4,530	4,688,550
Sabine Pass LNG LP, 7.50% due 11/30/2016		2,985	2,925,300
			10,260,600
Paper & Forest Products 7.2%			
Abitibi-Consolidated, Inc., 8.491%			
due 6/15/2011 (b)		3,275	1,703,000
Ainsworth Lumber Co. Ltd. (b):			
8.58% due 10/01/2010		4,575	3,294,000
8.83% due 4/01/2013		2,500	1,550,000
Bowater, Inc., 7.991% due 3/15/2010 (b)		7,400	5,365,000
Domtar Corp., 7.125% due 8/15/2015		1,775	1,668,500
NewPage Corp., 9.489% due 5/01/2012 (b)		5,175	5,071,500
Verso Paper Holdings LLC Series B, 6.989%			
due 8/01/2014 (b)		2,300	1,955,000
			20,607,000
Pharmaceuticals 1.3%			
Elan Finance Plc:			
7.065% due 11/15/2011 (b)		2,325	2,133,187
7.75% due 11/15/2011		1,650	1,555,125
			3,688,312
Real Estate Management & Development 1.4%			
Realogy Corp., 11% due 4/15/2014 (g)		6,000	3,840,000
Road & Rail 0.6%			
Atlantic Express Transportation Corp., 12.455%			
due 4/15/2012 (b)		1,000	650,000

Swift Transportation Co., Inc. 10.815%			
due 5/15/2015 (b)(h)		2,430	1,044,900
			1,694,900
Semiconductors & Semiconductor Equipment 1.1%			
Avago Technologies Finance Pte. Ltd., 10.626%			
due 6/01/2013 (b)		766	760,255
Freescale Semiconductor, Inc., 9.125%			
due 12/15/2014 (g)		1,140	866,400
Spansion, Inc., 6.201% due 6/01/2013 (b)(h)		2,180	1,591,400
			3,218,055
Specialty Retail 0.8%			
Michaels Stores, Inc., 10% due 11/01/2014		1,780	1,555,275
United Auto Group, Inc., 7.75% due 12/15/2016		915	782,325
			2,337,600

See Notes to Financial Statements.

BLACKROCK SENIOR HIGH INCOME FUND, INC.

FEBRUARY 29, 2008

7

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

Corporate Bonds		Par (000)	Value
Wireless Telecommunication Services 0.7%			
iPCS, Inc., 5.364% due 5/01/2013 (b)		$ 630	$ 504,000
Nordic Telephone Co. Holdings ApS, 8.875%			
due 5/01/2016 (h)		1,200	1,182,000
Orascom Telecom Finance SCA, 7.875%			
due 2/08/2014 (h)		395	368,812
			2,054,812
Total Corporate Bonds (Cost $224,194,753) 67.6%			189,442,244

Floating Rate Loan Interests			
Aerospace & Defense 2.0%			
Hawker Beechcraft Acquisition Co. LLC:			
Letter of Credit, 4.73% due 3/31/2014		431	397,357
Term Loan, 6.83% due 3/26/2014		5,054	4,660,812
IAP Worldwide Services, Inc. Term Loan, 11.125% due 12/31/2012		893	736,344
			5,794,513
Airlines 0.4%			
Delta Air Lines Credit Linked Deposit:			
4.436% due 4/30/2012		69	58,438
6.832% due 4/30/2012		1,181	1,004,062
Auto Components 1.7%			
Allison Transmission Term Loan, 5.92% 7.90% due 8/07/2014		2,250	1,980,626
Goodyear Tire & Rubber Co., 2nd Lien Term Loan, 6.43% due 4/30/2014		1,000	908,750
Intermet Corp.:			
Term Loan B, 10.146% due 11/08/2010		447	397,943
Letter of Credit, 8.045% due 11/08/2010		648	576,852
Metaldyne Corp.:			
DF Loan 5.17% due 1/11/2012		392	295,538
5.17% 8.25% due 1/11/2012		58	43,462
United Components, Inc. Term Loan D, 5.10% 6.38% due 6/30/2012		878	781,185
			4,984,356
Biotechnology 0.3%			
Talecris Biotherapeutics, Inc. First Lien Term Loan, 6.57% 6.63% due 12/06/2013		997	797,985
Chemicals 3.5%			
Huish Detergents, Inc. Tranche B Term Loan, 6.83% due 4/15/2014		995	804,706
Huntsman ICI Holdings B Dollar Loan, 4.875% due 4/19/2014		1,121	1,063,277
ISP Chemco Term Loan B, 4.875% 6.438% due 5/25/2014		995	893,634
Rockwood Specialties Group, Inc. Tranche E Term Loan, 4.744% due 7/30/2012		1,552	1,453,707
Wellman, Inc. First Lien Term Loan, 7.239% due 2/10/2009 (d)(e)		8,000	5,712,000

		9,927,324

Floating Rate Loan Interests	Par (000)	Value
Commercial Services & Supplies 6.4%		
ARAMARK Corp.:		
Letter of Credit, 4.22% due 1/24/2014	$ 263	$ 243,703
Term Loan, 6.705% due 1/24/2014	4,146	3,836,050
Euramax International Plc:		
First Lien Term Loan, 10.55% due 6/29/2012	1,624	1,375,417
Second Lien Term Loan, 10.55% due 6/29/2013	2,500	1,707,790
John Maneely Co. Term Loan, 6.345% 7.693% due 12/08/2013	1,123	972,270
Metokote Corp. Second Lien Term Loan, 6.13% 6.25% due 11/27/2011	647	562,702
NES Rentals Holdings, Inc. Second Lien Term Loan, 10.625% due 7/12/2013	1,726	1,501,370
Waste Services, Inc. Tranche E, 7.40% due 3/31/2011	7,000	6,510,334
West Corp. Term Loan B-2, 5.465% 6.093% due 10/24/2013	1,975	1,675,336
		18,384,972
Communications Equipment 1.0%		
Alltel Corp., Term Loan B, 5.866% due 5/18/2015	3,250	2,946,051
Computers & Peripherals 0.7%		
Intergraph Corp. Term Loan, 5.09% 5.125% due 5/29/2014	419	375,775
Reynolds and Reynolds Co. First Lien Term Loan, 6.843% due 10/31/2012	1,810	1,584,070
		1,959,845
Construction Materials 0.3%		
Headwaters, Inc. Term Loan B-1, 5.17% 6.89% due 4/30/2011	781	742,188
Containers & Packaging 1.6%		
Anchor Glass Container Corp. Term Loan, 7.08% due 5/03/2013	1,113	1,035,284
Graham Packaging Co. LP Term Loan, 6.813% 7.75% due 10/07/2011	1,985	1,796,921
Graphic Packaging International Corp. Term Loan B, 5.331% 6.729% due 5/16/2014	957	856,958

Solo Cup Co. Term Loan, 6.59% 8.38% due 2/27/2011	920	838,150
		4,527,313
Distributors 0.4%		
Keystone Automotive Operations, Inc. 6.64% 7.45% due 1/12/2012	1,485	1,170,675
Diversified Financial Services 0.7%		
Chrysler Financial Corp. First Lien Term Loan, 9% due 8/03/2012	3,500	3,039,432
J.G. Wentworth LLC First Lien Term Loan, 7.093% due 4/15/2014	3,200	2,128,000
		5,167,432
Diversified Telecommunication Services 0.9%		
Winstar Communications Debtor In Possession, 6.366% due 12/31/2006 (c)	1,703	2,617,658

See Notes to Financial Statements.

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

Floating Rate Loan Interests	Par (000)	Value
Electrical Equipment 0.2%		
Generac Power Systems, Inc. First Lien Term Loan, 7.203% due 11/10/2013	$ 735	$605,850
Energy Equipment & Services 1.0%		
Dresser, Inc.:		
Term Loan B, 5.565% 5.622% due 5/04/2014	1,473	1,356,546
Second Lien Term Loan, 8.82% due 5/04/2015	1,000	867,500
MEG Energy Corp.:		
Delayed Draw Term Loan, 6.73% due 4/03/2013	164	147,938
Term Loan, 6.83% due 4/03/2013	491	446,301
		2,818,285

Food & Staples Retailing 1.5%		
Bolthouse Farms, Inc. Second Lien Term Loan, 10.33% due 12/01/2013	750	682,500
Dole Food Co., Inc.:		
Credit Linked Deposit, 4.247% due 4/12/2013	229	192,633
Term Loan B, 5.125% 7.125% due 4/12/2013	507	425,840
Term Loan C, 6.313% 7.125% due 4/12/2013	1,691	1,419,465
Eight O Clock Coffee First Lien Term Loan, 7.625% due 7/21/2012	967	927,869
McJunkin Corp., 8.08% due 1/31/2014	495	466,538
Pierre Foods, Inc. Term Loan B, 6.97% due 6/30/2010	1,402	918,285
Sturm Foods, Inc. First Lien Term Loan, 5.813% due 1/30/2014	248	182,786
		5,215,916
Food Products 0.6%		
Jetro Holdings, Inc. Term Loan, 7.19% due 5/11/2014	969	862,188
Health Care Equipment & Supplies 1.0%		
Biomet, Inc. Term Loan, 7.858% due 12/28/2014	1,995	1,906,721
ReAble Therapeutics Finance LLC Term Loan, 7.83% due 5/20/2014	1,000	940,000
		2,846,721
Health Care Providers & Services 0.8%		
Community Health Systems, Inc. Term Loan B, 5.335% due 6/18/2014	1,904	1,739,832
Sterigenics International, Inc. Term Loan B, 7.25% 7.76% due 11/30/2013	489	439,720
		2,179,552
Hotels, Restaurants & Leisure 4.0%		
Cedar Fair LP Term Loan, 5.122% due 8/30/2012	2,955	2,740,763
Greenwood Racing, Inc. Term Loan, 5.38% due 11/28/2011	743	679,388
Harrah s Operating Company, Inc. Term Loan B2, 6.244% due 1/28/2015	1,000	916,071
Las Vegas Sands LLC Term Loan B, 6.58% due 5/04/2014	1,194	1,060,421
OSI Restaurant Partners, Inc. Incremental Term Loan, 5.437% due 5/15/2014	1,202	976,431
QCE LLC First Lien Term Loan, 7% 7.125% due 5/05/2013	985	833,028

Floating Rate Loan Interests		Par (000)	Value
Hotels, Restaurants & Leisure (concluded)			
Venetian Macau US Finance Co. LLC:			
Delay Draw Term Loan, 7.08% due 5/25/2012		$ 1,500	$1,355,114
Term Loan B, 7.08% due 5/25/2013		3,000	2,710,227
			11,271,443
IT Services 5.4%			
Activant Solutions Term Loan, 6.75% 7.50% due 5/02/2013		1,638	1,384,431
Alliance Data Systems Term Loan, 8.058% due 12/15/2014		3,000	2,790,000
Audio Visual Services Corp.:			
Second Lien Term Loan, 8.77% due 8/28/2014		500	460,000
Term Loan B, 5.52% due 2/28/2014		1,995	1,795,500
First Data Corp.:			
Term Loan B1, 7.58% 7.634% due 9/24/2014		748	679,179
Term Loan B2, 7.58% due 9/24/2014		1,000	906,944
Term Loan B3, 7.58% due 9/24/2014		1,000	907,000
RedPrairie Corp.:			
Term Loan, 6.125% 8% due 7/31/2012		692	609,154
Term Loan, 8.188% due 7/20/2012		297	252,450
SunGard Data Systems, Inc. Term Loan B:			
5.128% due 2/28/2014		5,500	5,065,731
5.128% due 2/28/2014		481	443,156
			15,293,545
Independent Power Producers & Energy Traders 1.0%			
TXU Corp.:			
Term Loan B-2, 6.596% due 10/10/2014		998	909,803
Term Loan B-3, 6.596% due 10/10/2014		1,995	1,818,851
			2,728,654
Insurance 0.2%			
Alliant Holdings I Inc., 7.83% due 10/23/2014		499	443,888
Leisure Equipment & Products 0.6%			
Fender Musical Instruments Corp.:			
Delay Draw Term Loan, 6.97% due 5/25/2014		667	560,467
Term Loan, 7.08% 7.16% due 5/25/2014		1,328	1,115,330

		1,675,797
Machinery 3.9%		
Harrington Holdings, Inc. Term Loan, 7.08%		
due 1/15/2014	993	873,400
Invensys Plc Term Loan A:		
5.128% due 12/15/2010	1,529	1,472,059
6.604% due 1/15/2011	1,721	1,617,353
Lincoln Industrial Second Lien Term Loan, 10.87%		
due 12/18/2014	1,000	900,000
Maxim Crane Term Loan B, 5.144% 7%		
due 6/29/2014	995	865,650
Navistar International Transportation Corp.:		
Revolving Credit, 4.794% 6.501%		
due 6/30/2012	1,067	950,667
Term Loan, 6.501% due 6/30/2012	2,933	2,614,333
OshKosh Truck Corp. Term Loan B, 6.90%		
due 12/06/2013	1,975	1,838,808
		11,132,270

See Notes to Financial Statements.

BLACKROCK SENIOR HIGH INCOME FUND, INC.

FEBRUARY 29, 2008

9

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

Floating Rate Loan Interests	Par (000)	Value
Media 13.9%		
Affinion Group, Inc. Term Loan, 9.266%		
due 3/01/2012	$ 2,000	$1,640,000
Cequel Communications LLC:		
Second Lien Term Loan, 9.239%		
due 5/04/2014	4,789	3,603,761
Term Loan, 5.07% 6.646% due 11/05/2013	1,639	1,370,078
Charter Communications, Inc. Term Loan, 5.26%		
due 4/30/2014	6,000	5,267,142
ClientLogic Holding Corp. Term Loan,		
5.622% 7.343% due 1/30/2014	973	769,034
Ellis Communications Term Loan, 10%		

due 12/30/2011	4,000	3,740,000
GateHouse Media Operating, Inc.:		
Delay Draw Term Loan, 5.09% 6.45%		
due 8/28/2014	606	428,904
Term Loan, 5.09% due 8/28/2014	1,500	1,062,000
HMH Publishing First Lien:		
Bridge Term Loan, 9.141% due 5/15/2009	364	347,727
Tranche A Term Loan, 9.141%		
due 6/12/2014	2,636	2,372,727
Hanley-Wood LLC Term Loan, 6.305% 6.979%		
due 3/07/2014	995	745,628
Idearc, Inc. Term Loan B, 6.83% due 11/15/2014	2,970	2,443,443
Insight Midwest Holdings LLC Term Loan B		
6.73% due 4/03/2014	3,375	3,021,681
Knology, Inc. Term Loan, 6.953% due 3/15/2012	746	626,850
Mediacom Broadband Group Tranche D1:		
4.87% 4.95% due 1/31/2015	1,978	1,695,853
Mediacom Communications Term Loan C,		
4.87% 4.95% due 1/31/2015	2,542	2,189,147
Nielsen Finance LLC Term Loan,		
5.346% due 8/09/2013	3,456	3,044,388
Penton Media Term Loan, 5.372% 5.375%		
due 2/15/2013	744	588,056
Thomson Learning Inc. Term Loan, 5.62% 7.33%		
due 6/30/2014	1,496	1,304,628
Univision Communications, Inc. Initial Term Loan,		
5.375% 5.494% due 9/30/2014	3,866	3,234,611
		39,495,658
Multi-Utilities 0.2%		
Brand Energy & Infrastructure Services, Inc. Letter of		
Credit, 4.75% due 2/07/2014	500	465,000
Multiline Retail 1.0%		
Neiman Marcus Group, Inc. Term Loan,		
4.931% 6.90% due 4/06/2013	3,000	2,769,108
Oil, Gas & Consumable Fuels 1.8%		
Big West Oil LLC:		
Delay Draw Term Loan, 5.375% due 5/15/2014	125	114,375
Term Loan, 5.50% due 5/15/2014	445	407,175
Petroleum Geo-Services ASA Term Loan, 6.58%		
due 6/28/2015	995	923,691
SandRidge Energy, Inc. Term Loan, 8.354%		
due 4/01/2014	1,000	905,000
Scorpion Drilling Ltd. Second Lien Term Loan,		
12.406% due 5/08/2014	2,000	2,060,000
Western Refining Inc. Term Loan, 4.994%		
due 5/30/2014	924	831,536

		5,241,777
Floating Rate Loan Interests	**Par (000)**	**Value**
Paper & Forest Products 0.3%		
Boise Cascade Holdings LLC First Lien Tranche B Term Loan, 7.50% due 2/22/2014	$ 1,000	$ 983,750
Pharmaceuticals 0.9%		
Cardinal Health 409 Inc., 7.08% due 4/10/2014	2,985	2,462,625
Real Estate Management & Development 2.1%		
LNR Property Corp. Term Loan B, 6.36% due 7/12/2011	4,400	3,586,000
Realogy Corp. Letter of Credit, 2.994% due 10/10/2013	2,985	2,496,206
		6,082,206
Road & Rail 0.4%		
Swift Transportation Co., Inc. Term Loan, 6.50% due 5/10/2014	1,686	1,300,363
Specialty Retail 1.0%		
ADESA, Inc. Term Loan, 7.08% due 10/18/2013	1,990	1,778,065
Burlington Coat Factory Warehouse Corp. Term Loan, 5.34% due 4/15/2013	494	413,674
Claire s Stores Term Loan B, 5.994% 7.58% due 5/24/2014	744	583,221
		2,774,960
Trading Companies & Distributors 0.3%		
United Rentals, Inc.:		
Term Loan, 5.10% due 2/14/2011	727	689,129
Tranche B Credit Linked Deposit, 4.50% due 2/14/2011	306	290,631
		979,760
Wireless Telecommunication Services 1.4%		
Centennial Cellular Operating Co. Term Loan, 6.83% due 2/09/2011	2,750	2,604,250
IPC Systems Tranche B1 Term Loan, 7.093% due 5/25/2014	995	784,391
NG Wireless Term Loan, 5.872% 7.593%		

due 7/31/2014	610	579,144
		3,967,785
Total Floating Rate Loan Interests (Cost $205,725,977) 63.4%		183,679,913

Common Stocks	**Shares**	
Chemicals 0.1%		
GEO Specialty Chemicals, Inc. (d)	142,466	142,466
Containers & Packaging 0.1%		
Smurfit Kappa Plc	18,171	261,206
Hotels, Restaurants & Leisure 0.1%		
Lodgian, Inc. (d)	41,866	374,701
Total Common Stocks (Cost $2,818,960) 0.3%		778,373

Warrants (i)		
Wireless Telecommunication Services 0.1%		
American Tower Corp. (expires 8/01/2008)	600	324,000
Total Warrants (Cost $39,036) 0.1%		324,000

See Notes to Financial Statements.

Schedule of Investments (concluded) **(Percentages shown are based on Net Assets)**

Other Interests (d)	**Beneficial Interest**	**Value**

Explanation of Responses:

Auto Components 0.0%		
Cambridge Industries, Inc. (Litigation Trust Certificates)	$ 4,130,972	$ 41
Media 0.0%		
Adelphia Preferred Escrow	2,500	0
Adelphia Recovery Trust Series ACC-6B INT	250,000	25
		25
Total Other Interests (Cost $25) 0.0%		66

Short-Term Securities	Par (000)	Value
Federal Home Loan Bank, 1.46% due 3/03/2008	$ 1,900	$ 1,900,000
Total Short-Term Securities (Cost $1,900,000) 0.7%		1,900,000
Total Investments (Cost $434,678,751*) 132.1%		376,124,596
Liabilities in Excess of Other Assets (32.1%)		(91,432,637)
Net Assets 100.0%		$ 284,691,959

* The cost and unrealized appreciation (depreciation) of investments as of February 29, 2008, as computed for federal income tax purposes, were as follows:

Aggregate cost	$ 434,696,407
Gross unrealized appreciation	$ 4,105,587
Gross unrealized depreciation	(62,677,398)
Net unrealized depreciation	$ (58,571,811)

(a) Convertible security.
(b) Floating rate security. Rate is as of report date.
(c) As a result of bankruptcy proceedings, the company did not repay the principal amount of security upon maturity. The security is non-income producing.
(d) Non-income producing security.
(e) Issuer filed for bankruptcy or is in default of interest payments.
(f) Other interests represent beneficial interest in liquidation trusts and other reorganization entities and are non-income producing.
(g) Represents a pay-in-kind security which may pay interest/dividends in additional face/shares.
(h) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified

institutional investors. Unless otherwise indicated, these securities are not considered to be illiquid.

(i) 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.

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

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

Affiliate	**Net Activity**	**Interest Income**
BlackRock Liquidity Series, LLC Cash Sweep Series	$(4,850,625)	$186,240

Swaps outstanding as of February 29,2008 were as follows:

	Notional Amount (000)	**Unrealized Appreciation (Depreciation)**
Sold credit default protection on D.R.Horton, Inc. and receive 4.65% Broker, Lehman Brothers Expires March 2009	$2,000	$ (4,726)
Sold credit default protection on Ford Motor Credit Company and receive 2.05% Broker, Deutsche Bank AG Expires March 2010	$5,000	(632,485)
Sold credit default protection on LCDX Index and receive 2.25% Broker, JPMorgan Chase Expires June 2012	$1,500	(16,512)
Sold credit default protection on LCDX Index and receive 2.25% Broker, UBS AG Expires December 2012	$1,500	8,238
Total		$(645,485)

See Notes to Financial Statements.

BLACKROCK SENIOR HIGH INCOME FUND, INC.

FEBRUARY 29, 2008

11

Statement of Assets and Liabilities

As of February 29, 2008

Assets	
Investments at value unaffiliated (identified cost $434,678,751)	$ 376,124,596
Unrealized appreciation on swaps	8,238
Cash	454,483
Collateral received for swap contracts	600,000
Interest receivable	6,554,887
Investments sold receivable	5,020,833
Swaps receivable	79,321
Commitment fees receivable	2,938
Prepaid expenses and other assets	22,575
Total assets	388,867,871
Liabilities	
Loan payable	91,500,000
Swap premiums received	235,973
Unrealized depreciation on swaps	653,723
Unrealized depreciation on unfunded loan commitments	131,411
Investments purchased payable	11,020,442
Income dividends payable	229,644
Investment advisory fees payable	161,123
Interest on loans payable	71,190
Swaps payable	9,867
Other affiliates payable	2,626
Other accrued expenses payable	159,913
Total liabilities	104,175,912

Net Assets

Net Assets	$ 284,691,959

Net Assets Consist of

Par value $.10 per share (56,433,838 shares issued and outstanding)	$ 5,643,384
Paid-in capital in excess of par	479,369,238
Undistributed net investment income	754,758
Accumulated net realized loss	(141,744,370)
Net unrealized depreciation	(59,331,051)
Net Assets, $5.04 net asset value per share of Common Stock	$ 284,691,959

See Notes to Financial Statements.

Statement of Operations

For the Year Ended February 29, 2008

Investment Income

Interest (including $186,240 from affiliates)	$ 39,027,617
Facility and other fees	215,739
Total income	39,243,356

Expenses

Investment advisory	2,202,644
Borrowing costs	182,906
Accounting services	127,354
Professional fees	106,307
Printing	57,815
Custodian	37,008
Directors	33,076
Registration	20,652
Transfer agent	697
Miscellaneous	64,706
Total expenses excluding interest expense	2,833,165

Interest expense	6,102,999
Total expenses	8,936,164
Net investment income	30,307,192
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) from:	
Investments	(2,138,800)
Swaps	402,752
	(1,736,048)
Net change in unrealized appreciation/depreciation on:	
Investments	(59,758,654)
Unfunded loan commitments	(129,698)
Swaps	(616,895)
	(60,505,247)
Total realized and unrealized loss	(62,241,295)
Net Decrease in Net Assets Resulting from Operations	$ (31,934,103)

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets:	**For the Year Ended February 29, 2008**	**For the Year Ended February 28, 2007**
Operations		
Net investment income	$ 30,307,192	$ 31,844,209
Net realized loss	(1,736,048)	(1,583,297)
Net change in unrealized appreciation/depreciation	(60,505,247)	11,083,827
Net increase (decrease) in net assets resulting from operations	(31,934,103)	41,344,739
Dividends to Shareholders from		

Net investment income	(31,809,845)	(31,608,871)
Capital Share Transactions		
Net increase in net assets resulting from reinvestment of dividends	986,870	2,023,099
Net Assets		
Total increase (decrease) in net assets	(62,757,078)	11,758,967
Beginning of year	347,449,037	335,690,070
End of year	$ 284,691,959	$ 347,449,037
End of year undistributed net investment income	$ 754,758	$ 2,511,696

See Notes to Financial Statements.

BLACKROCK SENIOR HIGH INCOME FUND, INC.

FEBRUARY 29, 2008

13

Statement of Cash Flows

For the Year Ended February 29, 2008

Cash Provided by Operating Activities	
Net decrease in net assets resulting from operations	$ (31,934,103)
Adjustments to reconcile net decrease in net assets resulting from operations to net cash provided by operating activities:	
Decrease in receivables	522,088
Increase in prepaid expenses and other assets	(16,717)
Decrease in other liabilities	(19,646)
Swap premium paid	(396,333)
Swap premium received	641,294
Net realized and unrealized loss	63,363,757
Amortization of premium and discount on investments	(212,725)
Cash collateral on swaps	(600,000)
Proceeds from sales and paydowns of long-term investments	241,622,780
Purchases of long-term investments	(204,892,920)
Net proceeds from sales of short-term investments	2,950,625

Net cash provided by operating activities	71,028,100
Cash Used for Financing Activities	
Cash receipts from loan	174,000,000
Cash payments on loan	(214,500,000)
Cash dividends paid	(30,593,331)
Net cash used for financing activities	(71,093,331)
Cash	
Net decrease in cash	(65,231)
Cash at beginning of year	519,714
Cash at end of year	$ 454,483
Cash Flow Information	
Cash paid for interest	$ 6,117,455
Non-Cash Financing Activities	
Capital shares issued in reinvestment of dividends paid to shareholders	$ 986,870

See Notes to Financial Statements.

Financial Highlights

	For the Year Ended February 29,	For the Year Ended February 28,	For the Year Ended February 29,

	2008	2007	2006	2005	2004
Per Share Operating Performance					
Net asset value, beginning of year	$ 6.17	$ 6.00	$ 6.28	$ 6.10	$ 4.82
Net investment income[1]	.54	.57	.55	.57	.62
Net realized and unrealized gain (loss)	(1.11)	.16	(.27)	.16	1.30
Net increase (decrease) from investment operations	(.57)	.73	.28	.73	1.92
Dividends from net investment income	(.56)	(.56)	(.56)	(.55)	(.64)
Net asset value, end of year	$ 5.04	$ 6.17	$ 6.00	$ 6.28	$ 6.10
Market price, end of year	$ 4.91	$ 6.53	$ 5.88	$ 6.21	$ 6.11
Total Investment Return[2]					
Based on net asset value	(9.76%)	12.82%	5.07%	12.88%	41.49%
Based on market price	(16.94%)	21.84%	4.13%	11.44%	25.34%
Ratios to Average Net Assets					
Total expenses, excluding interest expense	.86%	.90%	.91%	.91%	.90%
Total expenses	2.70%	3.03%	2.39%	1.69%	1.42%
Net investment income	9.16%	9.42%	9.23%	9.28%	11.23%
Supplemental Data					
Net assets, end of year (000)	$ 284,692	$ 347,449	$ 335,690	$ 349,791	$ 339,950
Portfolio turnover	48%	62%	48%	54%	64%
Amount of loan outstanding, end of year (000)	$ 91,500	$ 132,000	$ 141,700	$ 147,500	$ 132,297
Average amount of loan outstanding during the year (000)	$ 109,978	$ 131,575	$ 128,461	$ 137,934	$ 112,037
Asset coverage, end of year, per $1,000 of loan outstanding	$ 4,112	$ 3,632	$ 3,369	$ 3,371	$ 3,570

1 Based on average shares outstanding.

2 Total investment returns based on market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns exclude the effects of sales charges.

See Notes to Financial Statements.

BLACKROCK SENIOR HIGH INCOME FUND, INC.

FEBRUARY 29, 2008

15

Notes to Financial Statements

1. Significant Accounting Policies:

BlackRock Senior High Income Fund, Inc. (the Fund) is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as a non-diversified, closed-end management investment company. The Fund s financial statements are prepared in conformity with accounting principles generally accepted in the United States of America, which may require the use of management accruals and estimates. Actual results may differ from these estimates. The Fund determines and makes available for publication the net asset value of its Common Stock on a daily basis.

The following is a summary of significant accounting policies followed by the Fund:

Valuation of Investments: The Fund values most of its corporate bond investments on the basis of last available bid price or current market quotations provided by dealers or pricing services selected under the supervision of the Board of Directors (the Board). In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, market transactions in comparable investments, various relationships observed in the market between investments, and calculated yield measures based on valuation technology commonly employed in the market for such investments.

Floating rate loans are valued in accordance with guidelines established by the Board. Floating rate loan interests are valued at the mean between the last available bid prices from one or more brokers or dealers as obtained from Loan Pricing Corporation (LPC). For the limited number of floating rate loans for which no reliable price quotes are available, such floating rate loans will be valued by LPC through the use of pricing matrixes to determine valuations. If the pricing service does not provide a value for a floating rate loan, BlackRock Advisors, LLC (the Advisor), an indirect, wholly owned subsidiary of BlackRock, Inc., will value the floating rate loan at fair value, which is intended to approximate market value.

Equity investments traded on a national securities exchange or on the NASDAQ Global Market System are valued at the last reported sale price that day or the NASDAQ official closing price if applicable. Equity investments traded on a national exchange for which there were no sales on that day and equity investments traded on over-the-counter (OTC) markets for which market quotations are readily available are valued at the last available bid price. Effective September 4, 2007, 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 and previously were valued at the last sales price as of the close of the options trading on applicable exchanges. OTC options quotations are provided by dealers or pricing services selected under the supervision of the Board.

Considerations utilized by dealers or pricing services in valuing OTC options include, but are not limited to, volatility factors of the underlying security, price movement of the underlying security in relation to the strike price and the time left until expiration of the option. Swap agreements are valued by quoted fair values received daily by the Fund s pricing service. Short-term securities may be valued at amortized cost.

In the event that application of these methods of valuation results in a price for an investment which is deemed not to be representative of the market value of such investment, the investment will be valued by, under the direction of, or in accordance with, a method approved by the Board as reflecting fair value (Fair Value Assets). When determining the price for Fair Value Assets, the Advisor and/or sub-advisor seeks to determine the price that the Fund might reasonably expect to receive from the current sale of that asset in an arm s-length transaction. Fair value determinations shall be based upon all available factors that the Advisor and/or sub-advisor deems relevant. The pricing of all Fair Value Assets is subsequently reported to the Board or a committee thereof.

Floating Rate Loans: The Fund invests in floating rate loans, which are generally non-investment grade, made by banks, other financial institutions and privately and publicly offered corporations. Floating rate loans 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 (i) the lending rate offered by one or more European banks, such as LIBOR (London InterBank Offered Rate), (ii) the prime rate offered by one or more U.S. banks or (iii) the certificate of deposit rate. The Fund considers these investments to be investments in debt securities for purposes of its investment policies.

The Fund earns and/or pays facility and other fees on floating rate loans. Other fees earned/paid include commitment, amendment, consent, commissions and prepayment penalty fees. Facility, amendment and consent fees are typically amortized as premium and/or accreted as discount over the term of the loan. Commitment, commission and various other fees are recorded as income. Prepayment penalty fees are recorded as gains or losses. When the Fund buys a floating rate loan it may receive a facility fee and when it sells a floating rate loan it may pay a facility fee. On an ongoing basis, the Fund may receive a commitment fee based on the undrawn portion of the underlying line of credit portion of a floating rate loan. In certain circumstances, the Fund may receive a prepayment penalty fee upon the prepayment of a floating rate loan by a borrower. Other fees received by the Fund may include covenant waiver fees and covenant modification fees.

The Fund may invest in multiple series or tranches of a loan. A different series or tranche may have varying terms and carry different associated risks.

Notes to Financial Statements (continued)

Floating rate loans are usually freely callable at the issuer s option. The Fund may invest in such loans in the form of participations in loans (Participations) and assignments of all or a portion of loans from third parties. Participations typically will result in the Fund having a contractual relationship only with the lender, not with the borrower. The Fund will have the right to receive payments of principal, interest and any fees to which it is 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 Fund generally will have no right to enforce compliance by the borrower with the terms of the loan agreement relating to the loans, nor any rights of offset against the borrower, and the Fund may not benefit directly from any collateral supporting the loan in which it has purchased the Participation.

As a result, the Fund will assume the credit risk of both the borrower and the lender that is selling the Participation. The Fund s investments in loan participation interests involve 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 Fund may be treated as a general creditor of the lender and may not benefit from any offset between the lender and the borrower.

Derivative Financial Investments: The Fund may engage in various portfolio investment strategies to increase the return of the Fund and to hedge, or protect, its exposure to interest rate movements and movements in the securities markets. Losses may arise if the value of the contract decreases due to an unfavorable change in the price of the underlying security, or if the counterparty does not perform under the contract.

Credit Default Swaps The Fund may invest in credit default swaps, which are OTC contracts in which one party pays fixed periodic payments to a counterparty in consideration for a guarantee from the counterparty to make a specific payment should a negative credit event take place. These periodic payments received or made by the Fund are recorded in the accompanying Statement of Operations as realized gains or losses, respectively. Gains or losses are also realized upon termination of the swap agreements. Swaps are marked-to-market daily and changes in value are recorded as unrealized appreciation (depreciation). Risks arise from the possible inability of the counterparties to meet the terms of their contracts. The Fund is exposed to credit loss in the event of non-performance by the other party to the swap.

The Fund may utilize credit default swaps for the purpose of reducing the interest rate sensitivity of the portfolio and decreasing the Fund s exposure to interest rate risk.

Income Taxes: It is the Fund s policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders. Therefore, no federal income tax provision is required.

Effective August 31, 2007, the Fund implemented Financial Accounting Standards Board (FASB) Interpretation No. 48, Accounting for Uncertainty in Income Taxes an interpretation of FASB Statement No. 109 (FIN 48). FIN 48 prescribes the minimum recognition threshold a tax position must meet in connection with accounting for uncertainties in income tax positions taken or expected to be taken by an entity, including investment companies, before being measured and recognized in the financial statements. The Advisor has evaluated the application of FIN 48 to the Fund, and has determined that the adoption of FIN 48 did not have a material impact on the Fund s financial statements. The Fund files U.S. and various state and local tax returns. No income tax returns are currently under examination. The statute of limitations on the Fund s U.S. federal tax return remains open for the years ended February 28, 2005 through February 28, 2007. The statutes of limitations on the Fund s state and local tax returns may remain open for an additional year depending upon the jurisdiction.

Investment Transactions and Investment Income: Investment transactions are recorded on the dates the transactions are entered into (the trade dates). Realized gains and losses on security transactions are determined on the identified cost basis. Interest income is recognized on the accrual basis. The Fund amortizes all premiums and discounts on debt securities.

Dividends and Distributions: Dividends from net investment income are declared and paid monthly. Distributions of capital gains are recorded on the ex-dividend dates.

Recent Accounting Pronouncements: In September 2006, Statement of Financial Accounting Standards No. 157, Fair Value Measurements (FAS 157), was issued and is effective for fiscal years beginning after November 15, 2007. FAS 157 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. The impact on the Fund s financial statement disclosures, if any, is currently being assessed.

In addition, in February 2007, Statement of Financial Accounting Standards No. 159, The Fair Value Option for Financial Assets and Financial Liabilities (FAS 159), was issued and is effective for fiscal years beginning after November 15, 2007. FAS 159 permits entities to choose to measure many financial instruments and certain other items at fair value that are not currently required to be measured at fair value. FAS 159 also establishes presentation and disclosure requirements designed to facilitate comparisons between entities that choose different measurement attributes for similar types of assets and liabilities. The impact on the Fund s financial statement disclosures, if any, is currently

Notes to Financial Statements (continued)

Segregation: In cases in which the 1940 Act and the interpretive positions of the Securities and Exchange Commission (SEC) require that the Fund segregate assets in connection with certain investments (e.g., swaps), the Fund will, consistent with certain interpretive letters issued by the SEC, designate on its books and records cash or other liquid debt securities having a market value at least equal to the amount that would otherwise be required to be physically segregated.

Deferred Compensation and BlackRock Closed-End Share Equivalent Investment Plan: Under the deferred compensation plan approved by the Fund s Board, non-interested Directors (Independent Directors) 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 other certain BlackRock Closed-End Funds selected by the Independent Directors. This has approximately the same economic effect for the Independent Directors as if the Independent Directors had invested the deferred amounts directly in other certain BlackRock Closed-End Funds.

The deferred compensation plan is not funded and obligations thereunder represent general unsecured claims against the general assets of the Fund. Each Fund may, however, elect to invest in common shares of other certain BlackRock Closed-End Funds selected by the Independent Directors in order to match its deferred compensation obligations.

Investments to cover the Fund s deferred compensation liability are included in other assets on the Statement of Assets and Liabilities.

Other: Expenses that are directly related to one of the Funds are charged to that Fund. Other operating expenses are pro-rated to certain Funds on the basis of relative net assets.

2. Investment Advisory Agreement and Other Transactions with Affiliates:

The Fund entered into an Investment Advisory Agreement with the Advisor to provide investment advisory and administration services. Merrill Lynch & Co., Inc. (Merrill Lynch) and The PNC Financial Services Group Inc. are principal owners of BlackRock, Inc.

The Advisor is responsible for the management of the Fund s portfolio and provides the necessary personnel, facilities, equipment and certain other services necessary to the operations of the Fund. For such services, the Fund pays the Advisor a monthly fee at an annual rate of 0.50% of the average daily value of the Fund s net assets plus the proceeds of any outstanding borrowings used for leverage. In addition, the Advisor has entered into a separate sub-advisory agreement with BlackRock Financial Management, Inc. (BFM), an affiliate of the Advisor, under which the Advisor pays BFM for services it provides, a monthly fee that is a percentage of the investment advisory fee paid by the Fund to the

Advisor. For the year ended February 29, 2008, the Fund reimbursed the Advisor $6,388 for certain accounting services, which is included in accounting services expenses in the Statement of Operations.

Certain officers and/or directors of the Fund are officers and/or directors of BlackRock, Inc. or its affiliates.

3. Investments:

Purchases and sales (including paydowns) of investments, excluding short-term securities, for the year ended February 29, 2008 were $201,656,484 and $245,236,267, respectively.

4. Capital Stock Transactions:

The Fund is authorized to issue 200,000,000 shares of capital stock, par value $0.10 per share, all of which were initially classified as Common Stock. The Board is authorized, however, to classify and reclassify any unissued shares of capital stock without approval of the holders of Common Stock.

Shares issued and outstanding during the years ended February 29, 2008 and February 28, 2007 increased by 159,689 and 332,841, respectively, as a result of dividend reinvestment.

5. Commitments:

The Fund may invest in floating rate loans. In connection with these investments, the Fund may, with its Advisor, also enter into unfunded corporate loans (commitments). Commitments may obligate the Fund to furnish temporary financing to a borrower until permanent financing can be arranged. At February 29, 2008, the Fund had outstanding commitments of approximately $1,335,000. In connection with these commitments, the Fund earns a commitment fee, typically set as a percentage of the commitment amount. Such fee income, which is classified in the Statement of Operations as facility and other fees, is recognized ratably over the commitment period. As of February 29, 2008, the Fund had the following unfunded loan commitments:

Borrower	Unfunded Commitment (000)	Value of Underlying Loans (000)
Big West Oil	$425	$389
Las Vegas Sands	$300	$267
MEG Energy Corp	$336	$303
NG Wireless	$140	$133
Univision Communications	$134	$112

Notes to Financial Statements (concluded)

6. Short-Term Borrowings:

The Fund is a party to a revolving credit and security agreement funded by a commercial paper asset securitization program with Citicorp North America, Inc. (Citicorp), as Agent, certain secondary backstop lenders and certain asset securitization conduits, as lenders (the Lenders). On May 16, 2007, the agreement was renewed for one year and has a maximum limit of $175,000,000. Under the Citicorp administered program, the conduits will fund advances to the Fund through highly rated commercial paper. The Fund has granted a security interest in substantially all of its assets to, and in favor of, the Lenders as security for its obligations to the Lenders. The interest rate on the Fund borrowings is based on the interest rate carried by the commercial paper plus a program fee. In addition, the Fund pays a liquidity fee to the secondary backstop lenders and the agent. The weighted average annual interest rate was 5.53% for the year ended February 29, 2008.

7. Distributions to Shareholders:

No provision is made for U.S. federal income taxes as it is the Fund s intention to continue to qualify for and elect the tax treatment applicable to regulated investment companies under Subchapter M of the Internal Revenue Code of 1986, as amended, and to make the requisite distributions to their respective shareholders, which will be sufficient to relieve them from federal income and excise taxes.

Reclassifications: U.S. generally accepted accounting principles require that certain components of net assets be adjusted to reflect permanent differences between financial and tax reporting. Accordingly, during the current year, $12,651,261 has been reclassified between paid-in capital in excess of par and accumulated net realized loss, and $254,285 has been reclassified between undistributed net investment income and accumulated net realized loss as a result of permanent differences attributable to expiration of capital loss carryforwards, accounting for swap agreements, and amortization methods on fixed income securities. These reclassifications have no effect on net assets or net asset values per share.

The tax character of distributions paid during the fiscal years ended February 29, 2008 and February 28, 2007 was as follows:

	2/29/2008	**2/28/2007**
Distributions paid from:		
Ordinary income	$ 31,809,845	$ 31,608,871
Total taxable distributions	$ 31,809,845	$ 31,608,871

As of February 29, 2008, the components of accumulated losses on a tax basis were as follows:

Undistributed net ordinary income	$ 759,364
Undistributed net long-term capital gains	
Total undistributed net earnings	759,364
Capital loss carryforward	(140,160,979)*
Net unrealized losses	(60,919,048)**
Total net accumulated losses	$ (200,320,663)

* On February 29, 2008, the Fund had a net capital loss carryforward of $140,160,979, of which $25,658,795 expires in 2009, $54,958,583 expires in 2010, $30,706,546 expires in 2011, $22,345,071 expires in 2012, $4,906,362 expires in 2014 and $1,585,622 expires in 2015. This amount will be available

to offset like amounts of any future taxable gains.
** The difference between book-basis and tax-basis net unrealized gains is attributable primarily to the tax deferral of losses on wash sales, the book/tax differences in the accrual of income on securities in default, the deferral of post-October capital losses for tax purposes, accounting for swap agreements and other book/tax temporary differences.

8. Subsequent Event:

The Fund paid a net investment income dividend in the amount of $0.047000 per share on March 31, 2008 to shareholders of record on March 14, 2008.

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of BlackRock Senior High Income Fund, Inc.:

We have audited the accompanying statement of assets and liabilities, of BlackRock Senior High Income Fund, Inc. (the Fund), including the schedule of investments as of February 29, 2008, and the related statements of operations and cash flows for the year then ended, the 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. These financial statements and financial highlights are the responsibility of the Fund s 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 Fund is 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 Fund s 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 February 29, 2008, by correspondence with the custodian and financial intermediaries; where replies were not received from financial intermediaries, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of BlackRock Senior High Income Fund, Inc. as of February 29, 2008, 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 the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP
Princeton, New Jersey

April 29, 2008

Important Tax Information (Unaudited)

The following information is provided with respect to the ordinary income distributions paid by BlackRock Senior High Income Fund, Inc. for t
year ended February 29, 2008:

Interest-Related Dividends for Non-U.S. Residents

Month(s) Paid:	March 2007	73.86%*
	April 2007 January 2008	84.46%*
	February 2008	100.00%*

* Represents the portion of the taxable ordinary income dividends eligible for exemption from U.S. withholding tax for nonresident aliens and foreign corporations.

Automatic Dividend Reinvestment Plan

How the Plan Works The Fund offers a Dividend Reinvestment Plan (the Plan) under which income and capital gains dividends paid by the Fund are automatically reinvested in additional shares of Common Stock of the Fund. The Plan is administered on behalf of the shareholders by The Bank of New York Mellon (the Plan Agent). Under the Plan, whenever the Fund declares a dividend, participants in the Plan will receive the equivalent in shares of Common Stock of the Fund. The Plan Agent will acquire the shares for the participant s account either (i) through receipt of additional unissued but authorized shares of the Fund (newly issued shares) or (ii) by purchase of outstanding shares of Common Stock on the open market on the New York Stock Exchange or elsewhere. If, on the dividend payment date, the Fund s net asset value per share is equal to or less than the market price per share plus estimated brokerage commissions (a condition often referred to as a market premium), the Plan Agent will invest the dividend amount in newly issued shares. If the Fund s net asset value per share is greater than the market price per share (a condition often referred to as a market discount), the Plan Agent will invest the dividend amount by purchasing on the open market additional shares. If the 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 Plan Agent will invest any uninvested portion in newly issued shares. The shares acquired are credited to each shareholder s account. The amount credited is determined by dividing the dollar amount of the dividend by either (i) when the shares are newly issued, the net asset value per share on the date the shares are issued or (ii) when shares are purchased in the open market, the average purchase price per share.

Participation in the Plan Participation in the Plan is automatic, that is, a shareholder is automatically enrolled in the Plan when he or she purchases shares of Common Stock of the Fund unless the shareholder specifically elects not to participate in the Plan. Shareholders, who elect not to participate, will receive all dividend distributions in cash. Shareholders, who do not wish to participate in the Plan, must advise the Plan Agent in writing (at the address set forth below) that they elect not to participate in the Plan. Participation in the Plan is completely voluntary and may be terminated or resumed at any time without penalty by writing to the Plan Agent.

Benefits of the Plan The Plan provides an easy, convenient way for shareholders to make additional, regular investments in the Fund. The Plan promotes a long-term strategy of investing at a lower cost. All shares acquired pursuant to the Plan receive voting rights. In addition, if the market price plus commissions of the Fund s shares is above the net asset value, participants in the Plan will receive shares of the Fund for less than they could otherwise purchase them and with a cash value greater than the value of any cash distribution they would have received. However, there may not be enough shares available in the market to make distributions in shares at prices below the net asset value. Also, since the Fund does not redeem shares, the price on resale may be more or less than the net asset value.

Plan Fees There are no enrollment fees or brokerage fees for participating in the Plan. The Plan Agent s service fees for handling the reinvestment of distributions are paid for by the Fund. However, brokerage commissions may be incurred when the Fund purchases shares on the open market and shareholders will pay a pro rata share of any such commissions.

Tax Implications The automatic reinvestment of dividends and distributions will not relieve participants of any federal, state or local income tax that may be payable (or required to be withheld) on such dividends. Therefore, income and capital gains may still be realized even though shareholders do not receive cash. Participation in the Plan generally will not affect the tax-exempt status of exempt interest dividends paid by the Fund. If, when the Fund s shares are trading at a market premium, the Fund issues shares pursuant to the Plan that have a greater fair market value than the amount of cash reinvested, it is possible that all or a portion of the discount from the market value (which may not exceed 5% of the fair market value of the Fund s shares) could be viewed as a taxable distribution. If the discount is viewed as a taxable distribution, it is also possible that the taxable character of this discount would be allocable to all the shareholders, including shareholders who do not participate in the Plan. Thus, shareholders who do not participate in the Plan might be required to report as ordinary income a portion of their distributions equal to their allocable share of the discount.

Contact Information All correspondence concerning the Plan, including any questions about the Plan, should be directed to the Plan Agent at The Bank of New York Mellon, One Wall Street, New York, NY 10286, Telephone: (800) 432-8224.

Officers and Directors

Name, Address and Year of Birth	Position(s) Held with Fund	Length of Time Served as a Director**	Principal Occupation(s) During Past 5 Years	Number of BlackRock-Advised Fun and Portfolic Overseen
Non-Interested Directors*				
G. Nicholas Beckwith, III 40 East 52nd Street New York, NY 10022 1945	Director	Since 2007	Chairman and Chief Executive Officer, Arch Street Management, LLC (Beckwith Family Foundation) and various Beckwith property companies since 2005; Chairman of the Board of Directors, University of Pittsburgh Medical Center since 2002; Board of Directors, Shady Side Hospital Foundation since 1977; Board of Directors, Beckwith Institute for Innovation In Patient Care since 1991; Member, Advisory	112 Funds 109 Portfolios

			Council on Biology and Medicine, Brown University since 2002; Trustee, Claude Worthington Benedum Foundation (charitable foundation) since 1989; Board of Trustees, Chatham College since 1981; Board of Trustees, University of Pittsburgh since 2002; Emeritus Trustee, Shady Side Academy since 1977; Formerly Chairman and Manager, Penn West Industrial Trucks LLC (sales, rental and servicing of material handling equipment) from 2005 to 2007; Formerly Chairman, President and Chief Executive Officer, Beckwith Machinery Company (sales, rental and servicing of construction and equipment) from 1985 to 2005; Formerly Board of Directors, National Retail Properties (REIT) from 2006 to 2007.	
Richard E. Cavanagh 40 East 52nd Street New York, NY 10022 1946	Director and Chair of the Board of Directors	Since 2007	Trustee, Aircraft Finance Trust since 1999; Director, The Guardian Life Insurance Company of America since 1998; Chairman and Trustee, Educational Testing Service since 1997; Director, The Fremont Group since 1996; Formerly President and Chief Executive Officer of The Conference Board, Inc. (global business research organization) from 1995 to 2007.	113 Funds 110 Portfolios
Kent Dixon 40 East 52nd Street New York, NY 10022 1937	Director and Member of the Audit Committee	Since 2007	Consultant/Investor since 1988.	113 Funds 110 Portfolios
Frank J. Fabozzi 40 East 52nd Street New York, NY 10022 1948	Director and Member of the Audit Committee	Since 2007	Consultant/Editor of The Journal of Portfolio Management since 2006; Professor in the Practice of Finance and Becton Fellow, Yale University, School of Management, since 2006; Formerly Adjunct Professor of Finance and Becton Fellow, Yale University from 1994 to 2006.	113 Funds 110 Portfolios
Kathleen F. Feldstein 40 East 52nd Street New York, NY 10022 1941	Director	Since 2007	President of Economics Studies, Inc. (private economic consulting firm) since 1987; Chair, Board of Trustees, McLean Hospital since 2000; Member of the Board of Partners Community Healthcare, Inc. since 2005; Member of the Board of Partners HealthCare since 1995; Member of the Board of Sherrill House (healthcare) since 1990; Trustee, Museum of Fine Arts, Boston since 1992; Member of the Visiting Committee to the Harvard University Art Museum since 2003; Trustee, The Committee for Economic Development (research organization) since 1990; Member of the Advisory Board to the International School of Business, Brandeis University since 2002; Formerly Director of Bell South (communications) from 1998 to 2006; Formerly Director of Ionics (water purification) from 1992 to 2005; Formerly Director of John Hancock Financial Services from 1994 to 2003; Formerly Director of Knight Ridder (media) from 1998 to 2006.	113 Funds 110 Portfolios

Officers and Directors (continued)

Name, Address and Year of Birth	Position(s) Held with Fund	Length of Time Served as a Director**	Principal Occupation(s) During Past 5 Years	Number of BlackRock-Advised Funds and Portfolios Overseen	Pub Dire
Non-Interested Directors* (concluded)					
James T. Flynn 40 East 52nd Street New York, NY 10022 1939	Director, and Member of the Audit Committee	Since 2007	Formerly Chief Financial Officer of JP Morgan & Co., Inc. from 1990 to 1995.	112 Funds 109 Portfolios	Non
Jerrold B. Harris 40 East 52nd Street New York, NY 10022 1942	Director	Since 2007	Trustee, Ursinus College since 2000; Director, Troenmer LLC (scientific equipment) since 2000.	112 Funds 109 Portfolios	Blac Cap
R. Glenn Hubbard 40 East 52nd Street New York, NY 10022 1958	Director	Since 2007	Dean of Columbia Business School since 2004; Columbia faculty member since 1988; Formerly Co-Director of Columbia Business School s Entrepreneurship Program from 1997 to 2004; Visiting Professor at the John F. Kennedy School of Government at Harvard University and the Harvard Business School since 1985 and at the University of Chicago since 1994; Formerly Chairman of the U.S. Council of Economic Advisers under the President of the United States from 2001 to 2003.	113 Funds 110 Portfolios	ADF infor KKF Corp Duk (rea Metr Insu (insu Infor Serv (me
W. Carl Kester 40 East 52nd Street New York, NY 10022 1951	Director and Member of the Audit Committee	Since 2007	Mizuho Financial Group Professor of Finance, Harvard Business School. Deputy Dean for Academic Affairs since 2006; Unit Head, Finance, Harvard Business School, from 2005 to 2006; Senior Associate Dean and Chairman of the MBA Program of Harvard Business School, from 1999 to 2005; Member of the faculty of Harvard Business School since 1981; Independent Consultant since 1978.	112 Funds 109 Portfolios	Non
Karen P. Robards 40 East 52nd Street New York, NY 10022 1950	Director and Chair of the Audit Committee	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; Formerly Director of Enable Medical Corp. from 1996 to 2005; Formerly an investment banker at Morgan Stanley from 1976 to 1987.	112 Funds 109 Portfolios	ArtiC (me Care Trus (hea

Robert S. Salomon, Jr. 40 East 52nd Street New York, NY 10022 1936	Director, and Member of the Audit Committee	Since 2007	Formerly Principal of STI Management LLC (investment adviser) from 1994 to 2005.	112 Funds 109 Portfolios	Non

* Directors serve until their resignation, removal or death, or until December 31 of the year in which they turn 72.
** Following the combination of Merrill Lynch Investment Managers, L. . (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 Fund s board in 2007, those directors first became a member of the board of directors of other legacy MLIM or legacy BlackRock Funds as follows: G. Nicholas Beckwith, III since 1999; Richard E. Cavanagh since 1994; Kent Dixon since 1988; Frank J. Fabozzi since 1988; Kathleen F. Feldstein since 2005; James T. Flynn since 1996; Jerrold B. Harris since 1999; R. Glenn Hubbard since 2004; W. Carl Kester since 1998; Karen . Robards since 1998 and Robert S. Salomon, Jr. since 1996.

BLACKROCK SENIOR HIGH INCOME FUND, INC.

FEBRUARY 29, 2008

23

Officers and Directors (concluded)

Name, Address and Year of Birth	Position(s) Held with Fund	Length of Time Served as a Director	Principal Occupation(s) During Past 5 Years	Number of BlackRock-Advised Funds and Portfolios Overseen	Public Directorships
Interested Directors*					
Richard S. Davis 40 East 52nd Street New York, NY 10022 1945	Director	Since 2007	Managing Director, BlackRock, Inc. since 2005; Formerly Chief Executive Officer, State Street Research & Management Company from 2000 to 2005; Formerly Chairman of the Board of Trustees, State Street Research Mutual Funds from 2000 to 2005; Formerly Chairman, SSR Realty from 2000 to 2004.	185 Funds 292 Portfolios	None
Henry Gabbay 40 East 52nd Street New York, NY 10022	Director	Since 2007	Consultant, BlackRock, Inc. since 2007; Formerly Managing Director, BlackRock, Inc. from 1989 to 2007; Formerly Chief Administrative Officer, BlackRock Advisors, LLC from 1998 to 2007; Formerly President	184 Funds 291 Portfolios	None

1947			of BlackRock Funds and BlackRock Bond Allocation Target Shares from 2005 to 2007; Formerly Treasurer of certain closed-end funds in the BlackRock fund complex from 1989 to 2006.

* Messrs. Davis and Gabbay are both interested persons, as defined in the Investment Company Act of 1940, of the Fund bas their positions with BlackRock, Inc. and its affiliates. Directors serve until their resignation, removal or death, or until December 31 o year in which they turn 72.

Name, Address and Year of Birth	Position(s) Held with Fund	Length of Time Served	Principal Occupation(s) During Past 5 Years
Fund Officers*			
Donald C. Burke 40 East 52nd Street New York, NY 10022 1960	Fund President and Chief Executive Officer	Since 2007	Managing Director of BlackRock, Inc. since 2006; Formerly Managing Director of Merrill Lynch Investment Managers, L ("MLIM") and Fund Asset Management, L ("FAM") in 2006; First Vice President there from 1997 to 2005; Treasurer thereof from 1999 to 2006 and Vice President thereof from 1990 to 1997.
Anne F. Ackerley 40 East 52nd Street New York, NY 10022 1962	Vice President	Since 2007	Managing Director of BlackRock, Inc. since 2000 and First Vice President and Chief Operating Off Mergers and Acquisitions Group from 1997 to 2000; First Vice President and Chief Operating Officer of Pub Finance Group thereof from 1995 to 1997; First Vice President of Emerging Markets Fixed Income Researc Merrill Lynch & Co., Inc. from 1994 to 1995.
Neal J. Andrews 40 East 52nd Street New York, NY 10022 1966	Chief Financial Officer	Since 2007	Managing Director of BlackRock, Inc. since 2006; Formerly Senior Vice President and Line of Busi Head of Fund Accounting and Administration at PFPC Inc. from 1992 to 2006.
Jay M. Fife 40 East 52nd Street New York, NY 10022 1970	Treasurer	Since 2007	Managing Director of BlackRock, Inc. since 2007 and Director in 2006; Formerly Assistant Treasur the MLIM/FAM advised funds from 2005 to 2006; Director of MLIM Fund Services Group from 2001 to 2006.
Brian P. Kindelan 40 East 52nd Street	Chief Compliance	Since 2007	Chief Compliance Officer of the Funds since 2007; Managing Director and Senior Counsel thereof 2005; Director and Senior Counsel of BlackRock Advisors, Inc. from 2001 to 2004 and Vice President an Senior

New York, NY 10022 1959	Officer		Counsel thereof from 1998 to 2000; Senior Counsel of The PNC Bank Corp. from 1995 to 1998.
Howard Surloff 40 East 52nd Street New York, NY 10022 1965	Secretary	Since 2007	Managing Director of BlackRock, Inc. and General Counsel of U.S. Funds at BlackRock, Inc. since 2006; Formerly General Counsel (U.S.) of Goldman Sachs Asset Management, L from 1993 to 2006.

* Officers of the Fund serve at the pleasure of the Board of Directors.

Custodian	Transfer Agent	Accounting Agent	Independent Registered Public Accounting Firm	Legal Counsel
The Bank of New York Mellon New York, NY 10286	The Bank of New York Mellon New York, NY 10286	State Street Bank and Trust Company Princeton, NJ 08540	Deloitte & Touche LLP Princeton, NJ 08540	Skadden, Arps, Sl Meagher & Flom L New York, NY 100

Additional Information

Fund Certification

The Fund is listed for trading on the New York Stock Exchange (NYSE) and has filed wih the NYSE its annual chief executive officer certification regarding compliance with the NYSE s listing standards. The Fund filed

with the Securities and Exchange Commission (SEC) the certification of its chief executive officer and chief financial officer required by section 302 of the Sarbanes-Oxley Act.

Availability of Quarterly Schedule of Investments

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund s 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 the operation of the Public Reference Room may be obtained by calling (800) SEC-0330. The Fund s Forms N-Q may also be obtained upon request and without charge by calling (800) 441-7762.

Electronic Delivery

Electronic copies of most financial reports are available on the Fund s website or shareholders can sign up for e-mail notifications of quarterly statements, annual and semi-annual reports by enrolling in the Fund s 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.

General Information

The Fund does not make available copies of its Statements of Additional Information because the Fund s shares are not continuously offered, which means that the Statement of Additional Information of the Fund has not been updated after completion of the Fund s offering and the information contained in the Fund s Statement of Additional Information may have become outdated.

The Fund 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 it 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 contact the Fund at (800) 441-7762.

During the period, there were no material changes in the Fund s investment objective or policies or to the Fund s character or by-laws that were not approved by the shareholders or in the principal risk factors associated with investment in the Fund. There have been no changes in the persons who are primarily responsible for the day-to-day management of the Fund s portfolios.

Quarterly performance, semi-annual and annual reports and other information regarding the Fund 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 Fund and does not, and is not intended to, incorporate BlackRock s website into this report.

Additional Information (concluded)

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 transmitted to shareholders only. It is not a prospectus. Past performance results shown in this report should not be considered a representation of future performance. The Fund leverages its Common Stock, which creates risk for Common Stock shareholders, including the likelihood of greater volatility of net asset value and market price of Common Stock shares, and the risk that fluctuations in short-term interest rates may reduce the Common Stock s yield. Statements and other information herein are as dated and are subject to change.

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available (1) without charge, upon request, by calling toll-free (800) 441-7762; (2) at www.blackrock.com; and (3) on the Securities and Exchange Commission s website at http://www.sec.gov. Information about how the Fund voted proxies relating to securities held in the Fund s portfolio during the most recent 12-month period ended June 30 is available upon request and without charge (1) at www.blackrock.com or by calling (800) 441-7762 and (2) on the Securities and Exchange Commission s website at http://www.sec.gov.

BlackRock Senior High Income Fund, Inc.

100 Bellevue Parkway

Wilmington, DE 19809

#16651-2/08

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 and principal accounting officer, 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.

Item 3 Audit Committee Financial Expert The registrant's board of directors or trustees, as applicable (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:
Kent Dixon (term began effective November 1, 2007)
Frank J. Fabozzi (term began effective November 1, 2007)
James T. Flynn (term began effective November 1, 2007)
Ronald W. Forbes (term ended effective November 1, 2007)
W. Carl Kester (term began effective November 1, 2007)
Karen P. Robards (term began effective November 1, 2007)
Robert S. Salomon, Jr. (term began effective November 1, 2007)
Richard R. West (term ended effective November 1, 2007)

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.

Item 4 Principal Accountant Fees and Services

	(a) Audit Fees		**(b) Audit-Related Fees[1]**		**(c) Tax Fees[2]**		**(d) All Other Fees[3]**	
Entity Name	**Current Fiscal Year End**	**Previous Fiscal Year End**	**Current Fiscal Year End**	**Previous Fiscal Year End**	**Current Fiscal Year End**	**Previous Fiscal Year End**	**Current Fiscal Year End**	**Previous Fiscal Year End**
BlackRock Senior High Income Fund, Inc.	$46,300	$41,300	$0	$8,000	$6,100	$6,100	$1,049	$0

1 The nature of the services include assurance and related services reasonably related to the performance of the audit of financial statements not included in Audit Fees.
2 The nature of the services include tax compliance, tax advice and tax planning.
3 The nature of the services include a review of compliance procedures and attestation thereto.

(e)(1) Audit Committee Pre-Approval Policies and Procedures:
The registrant s audit committee (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 registrant s affiliated 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 operation 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 for all of the registrants the Committee oversees. 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., 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 one or more of its members 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 audit committee pursuant to paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

(f) Not Applicable

(g) Affiliates Aggregate Non-Audit Fees:

Entity Name	Current Fiscal Year End	Previous Fiscal Year End
BlackRock Senior High Income Fund, Inc.	$294,649	$3,047,017

(h) The registrant s audit committee has considered and determined that the provision of non-audit services that were rendered to the registrant s investment adviser (not including any non-affiliated sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by the registrant s investment adviser), and any entity controlling, controlled by, or under common control with the investment adviser that provides ongoing services to the registrant 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.

Regulation S-X Rule 2-01(c)(7)(ii) $287,500, 0%

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 Exchange Act (15 U.S.C. 78c(a)(58)(A)):

Kent Dixon (term began effective November 1, 2007)
Frank J. Fabozzi (term began effective November 1, 2007)
James T. Flynn (term began effective November 1, 2007)
Ronald W. Forbes (term ended effective November 1, 2007)
W. Carl Kester (term began effective November 1, 2007)
Cynthia A. Montgomery (term ended effective November 1, 2007)
Jean Margo Reid (term ended effective November 1, 2007)
Karen P. Robards (term began effective November 1, 2007)
Robert S. Salomon, Jr. (term began effective November 1, 2007)
Roscoe S. Suddarth (not reappointed to audit committee effective November 1, 2007; retired effective December 31, 2007)
Richard R. West (term ended effective November 1, 2007)

Item 6 Schedule of Investments The registrant s Schedule of Investments is included as part of the Report to Stockholders filed under Item 1 of this form

Item 7 Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies The registrant has delegated the voting of proxies relating to Fund portfolio securities to its investment adviser, BlackRock Advisors, LLC and its sub-adviser, as applicable. The Proxy Voting Policies and Procedures of the adviser and sub-adviser are attached hereto as Exhibit 99.PROXYPOL.

Information about how the Fund voted proxies relating to securities held in the Fund s portfolio during the most recent 12 month period ended June 30 is available without charge (1) at www.blackrock.com and (2) on the Commission s web site at http://www.sec.gov.

Item 8 Portfolio Managers of Closed-End Management Investment Companies as of February 29, 2008.

(a)(1) BlackRock Senior High Income Fund, Inc. is managed by a team of investment professionals comprised of Mark J. Williams, Managing Director at BlackRock and Kevin J. Booth, CFA, Managing Director at BlackRock. Each is a member of BlackRock s fixed income portfolio management group. Mr. Williams is responsible for setting overall investment strategy and overseeing management of the Fund. Mr. Booth is responsible for the day-to-day management of the Fund s portfolio and the selection of its investments. Mr. Williams has been a member of the Fund s management team since 2006. Mr. Booth has been a member of the Fund s management team since 2001.

Mr. Williams is the head of BlackRock s bank loan group and a member of the Investment Strategy Group. His primary responsibility is originating and evaluating bank loan investments for the firm's collateralized bond obligations. He is also involved in the evaluation and sourcing of mezzanine investments. Prior to joining BlackRock in 1998, Mr. Williams spent eight years with PNC Bank's New York office and was a founding member of the bank's Leveraged Finance Group. In that capacity he was responsible for structuring proprietary middle market leveraged deals and sourcing and evaluating broadly syndicated leveraged loans in the primary and secondary markets for PNC Bank's investment portfolio. From 1984 until 1990, Mr. Williams worked in PNC Bank's Philadelphia office in a variety of marketing and corporate finance positions.

Kevin Booth is co-head of the high yield team within BlackRock s Fixed Income Portfolio Management Group. His primary responsibilities are managing portfolios and directing investment strategy. He specializes in hybrid high yield portfolios, consisting of leveraged bank loans, high yield bonds, and distressed obligations. Prior to joining BlackRock, Mr. Booth was a Managing Director (Global Fixed Income) of Merrill Lynch Investment Managers (MLIM) in 2006, a Director from 1998 to 2006 and was a Vice President of MLIM from 1991 to 1998. He has been a portfolio manager with BlackRock or MLIM since 1992, and was a member of MLIM s bank loan group from 2000 to 2006.

(a)(2) As of February 29, 2008:

	(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**		
(i) Name of Portfolio Manager	**Other Registered Investment Companies**	**Other Pooled Investment Vehicles**	**Other Accounts**	**Other Registered Investment Companies**	**Other Pooled Investment Vehicles**	**Other Accounts**
Mark Williams	10	18	1	0	13	0
	$3.85 Billion	$6.39 Billion	$142.6 Million	$0	$5.04 Billion	$0
Kevin Booth	24	11	8	0	4	3
	$10.3 Billion	$4.11 Billion	$1.94 Billion	$0	$2.14 Billion	$408.7 Million

(iv) Potential Material Conflicts of Interest

BlackRock, Inc. and its affiliates (collectively, herein 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, its affiliates and any officer, director, stockholder or employee may or may not have an interest in the securities whose purchase and sale BlackRock recommends to the Fund. BlackRock, or any of its affiliates, or any officer, director, stockholder, 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 s (or its affiliates) officers, directors or employees are directors or officers, or companies as to which BlackRock or any of its affiliates or the officers, directors and employees of any of them has any substantial economic interest or possesses material non-public information. Each portfolio manager also may manage accounts whose investment strategies may at times be opposed to the strategy utilized for the Fund. In this connection, it should be noted that certain portfolio managers, including Messrs. Booth and Williams, currently manage certain accounts that are subject to performance fees. In addition, certain portfolio managers may assist in managing certain hedge funds and may be entitled to receive a portion of any incentive fees earned on such funds and a portion of such incentive fees may be voluntarily or involuntarily deferred. Additional portfolio managers may in the future manage other such accounts or funds and may be entitled to receive incentive fees.

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 has adopted a policy that is intended to ensure that investment opportunities are allocated fairly and equitably among client accounts over time. This policy also seeks to achieve 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.

(a)(3) As of February 29, 2008:

Portfolio Manager Compensation Overview

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 such as its Long-Term Retention and Incentive Plan and Restricted Stock Program.

Base compensation. Generally, portfolio managers receive base compensation based on their seniority and/or their position with the firm. Senior portfolio managers who perform additional management functions within the portfolio management group or within BlackRock may receive additional compensation for serving in these other capacities.

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 seniority, role within the portfolio management team, teamwork and contribution to the overall performance of these portfolios and BlackRock. In most cases, including for the portfolio managers of the Fund, these benchmarks are the same as the benchmark or benchmarks against which the performance of the Fund or other accounts managed by the portfolio managers are measured. BlackRock s Chief Investment Officers determine the benchmarks against which the performance of funds and other accounts managed by each portfolio manager is compared and the period of time over which performance is evaluated. With respect to the portfolio managers, such benchmarks include the following:

Portfolio Manager	Applicable Benchmarks
Kevin Booth	A combination of market-based indices (e.g., The Lehman Brothers U.S. Corporate High Yield 2% Issuer Cap Index), certain customized indices and certain fund industry peer groups.
Mark Williams	A combination of market-based indices (e.g., Credit Suisse Leveraged Loan Index, LIBOR), certain customized indices and certain fund industry peer groups.

BlackRock s Chief Investment Officers make a subjective determination with respect to the portfolio managers compensation based on the performance of the funds and other accounts managed by each portfolio manager relative to the various benchmarks noted above. Performance is measured on both a pre-tax and after-tax basis over various time periods including 1, 3, 5 and 10-year periods, as applicable.

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. The BlackRock, Inc. restricted stock units, if properly vested, will be settled in BlackRock, Inc. common stock. Typically, the cash bonus, when combined with base salary, represents more than 60% of total compensation for the portfolio managers. Paying a portion of annual bonuses in stock puts compensation earned by a portfolio manager for a given year at risk based on the Company s ability to sustain and improve its performance over future periods.

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

Long-Term Retention and Incentive Plan (LTIP) The LTIP is a long-term incentive plan that seeks to reward certain key employees. Prior to 2006, the plan provided for the grant of awards that were expressed as an amount of cash that, if properly vested and subject to the attainment of certain performance goals, will be settled in cash and/or in BlackRock, Inc. common stock. Beginning in 2006, awards are granted under the LTIP in the form of BlackRock, Inc. restricted stock units that, if properly vested and subject to the attainment of certain performance goals, will be settled in BlackRock, Inc. common stock. Each portfolio manager has received awards under the LTIP.

Deferred Compensation Program A portion of the compensation paid to eligible BlackRock employees may be voluntarily deferred into an account that tracks the performance of certain of the firm s investment products. Each participant in the deferred compensation program is permitted to allocate his deferred amounts among various options, including to certain of the firm s hedge funds and other proprietary mutual funds. Each portfolio manager has participated in the deferred compensation program.

Options and Restricted Stock Awards A portion of the annual compensation of certain employees is mandatorily deferred into BlackRock restricted stock units. Prior to the mandatory deferral into restricted stock units, the Company granted stock options to key employees, including certain portfolio managers who may still hold unexercised or unvested options. BlackRock, Inc. also granted restricted stock awards designed to reward certain key employees as an incentive to contribute to the long-term success of BlackRock. These awards vest over a period of years. Mr. Williams has been granted stock options and/or restricted stock in prior years.

Incentive Savings Plans BlackRock, Inc. has created a variety of incentive savings plans in which BlackRock 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 6% of eligible pay contributed to the plan capped at $4,000 per year, and a company retirement contribution equal to 3% of eligible compensation, plus an additional contribution of 2% for any year in which BlackRock has positive net operating income. The RSP offers a range of investment options, including registered investment companies managed by the firm. Company contributions follow the investment direction set by participants for their own contributions or, absent employee investment direction, are invested into a balanced portfolio. The ESPP allows for investment in BlackRock 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 or a dollar value of $25,000. Each portfolio manager is eligible to participate in these plans.

(a)(4) *Beneficial Ownership of Securities.* As of February 29, 2008, the portfolio managers beneficially owned stock issued by the Fund in the ranges set forth below:

Portfolio Manager	Dollar Range
Kevin Booth	$10,001 to $50,000
Mark Williams	None

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 The registrant s Nominating and Governance Committee will consider nominees to the Board recommended by shareholders when a vacancy becomes available. Shareholders who wish to recommend a nominee should send nominations which include biographical information and set forth the qualifications of the proposed nominee to the registrant s Secretary. There have been no material changes to these procedures.

Item 11 Controls and Procedures

11(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.

11(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

12(a)(1) Code of Ethics See Item 2

12(a)(2) Certifications Attached hereto

12(a)(3) Not Applicable

12(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 Senior High Income Fund, Inc.

By: /s/ Donald C. Burke
Donald C. Burke
Chief Executive Officer of
BlackRock Senior High Income Fund, Inc.

Date: April 23, 2008

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/ Donald C. Burke
Donald C. Burke
Chief Executive Officer (principal executive officer) of
BlackRock Senior High Income Fund, Inc.

Date: April 23, 2008

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

Date: April 23, 2008