

MASSMUTUAL PARTICIPATION INVESTORS

Form N-30D

June 10, 2005

MASSMUTUAL
PARTICIPATION
INVESTORS

[LOGO]

REPORT FOR THE THREE
MONTHS ENDED 3/31/05

ADVISER

Babson Capital Management LLC
1500 Main Street
Springfield, Massachusetts 01115

MASSMUTUAL PARTICIPATION INVESTORS
c/o Babson Capital Management LLC
1500 Main Street, Suite 600
Springfield, Massachusetts 01115
(413) 226-1516

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

KPMG LLP
Boston, Massachusetts 02110

COUNSEL TO THE TRUST

Ropes & Gray LLP
Boston, Massachusetts 02110

[LOGO]

MPV
LISTED
NYSE

CUSTODIAN

Citibank, N.A.
New York, New York 10043

TRANSFER AGENT & REGISTRAR

Shareholder Financial Services, Inc.
P.O. Box 173673
Denver, Colorado 80217-3673
1-800-647-7374

Internet website: www.babsoncapital.com/mpv

INVESTMENT OBJECTIVE AND POLICY

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MassMutual Participation Investors (the "Trust") is a closed-end management investment company, first offered to the public in 1988, whose shares are traded on the New York Stock Exchange under the trading symbol "MPV". The Trust's share price can be found in the financial section of most newspapers as "MassPrt" or "MassMuPrt" under the New York Stock Exchange listings.

The Trust's investment objective is to maximize total return by providing a high level of current income, the potential for growth of income, and capital appreciation. The Trust's principal investments are privately placed, below-investment grade, long-term corporate debt obligations purchased directly from their issuers, which tend to be smaller companies. At least half of these investments normally include equity features such as warrants, conversion rights, or other equity features that provide the Trust with the opportunity to realize capital gains. The Trust will also invest in publicly traded debt securities (including high yield securities), again with an emphasis on those with equity features, and in convertible preferred stocks and, subject to certain limitations, readily marketable equity securities. In addition, the Trust may temporarily invest in high quality, readily marketable securities.

Babson Capital Management LLC manages the Trust on a total return basis. The Trust distributes substantially all of its net income to shareholders each year. Accordingly, the Trust pays dividends to shareholders quarterly in January, May, August, and November. All registered shareholders are automatically enrolled in the Dividend Reinvestment and Cash Purchase Plan unless cash distributions are requested.

FORM N-Q

MassMutual Participation Investors files its complete schedule of portfolio holdings with the U.S. Securities and Exchange Commission for the first and third quarters of each fiscal year on Form N-Q. This information is available (i) on the U.S. Securities and Exchange Commission's website at <http://www.sec.gov>; and (ii) at the U.S. Securities and Exchange Commission's Public Reference Room in Washington, DC (which information on their operation may be obtained by calling 1-800-SEC-0330). A complete schedule of portfolio holdings as of each quarter-end is available upon request by calling, toll-free, 866-399-1516.

PROXY VOTING POLICIES & PROCEDURES; PROXY VOTING RECORD

The Trustees of MassMutual Participation Investors have delegated proxy voting responsibilities relating to the voting of securities held by the Trust to Babson Capital Management LLC. A description of Babson Capital's proxy voting policies and procedures is available (1) without charge, upon request, by calling, toll-free 866-399-1516; (2) on MassMutual Participation Investors' website: <http://www.babsoncapital.com/mpv>; and (3) on the U.S. Securities and Exchange Commission ("SEC") website at <http://www.sec.gov>. Information regarding how the Trust voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available (1) on MassMutual Participation Investors' website: <http://www.babsoncapital.com/mpv>; and (2) on the SEC's website at <http://www.sec.gov>.

TO OUR SHAREHOLDERS

April 30, 2005

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We are pleased to present the March 31, 2005 Quarterly Report of MassMutual Participation Investors (the "Trust"). At the Trust's Annual Shareholders Meeting, which was held on April 22, 2005, shareholders re-elected Jack A. Laughery and Corine Norgaard as Trustees, each for a three-year term. As a result of the resignation of Steven Kandarian as a Trustee prior to the Annual Meeting, the size of the Board was reduced from eight to seven members.

The Board of Trustees declared a quarterly dividend to 24 cents per share, payable on May 16, 2005 to shareholders of record on May 2, 2005. The Trust had previously paid a 24 cent per share dividend for the preceding quarter (plus a special year-end dividend of 12 cents per share).

U.S. equity markets, as measured by several broad market indices declined during the quarter. Large stocks, as approximated by the Dow Jones Industrial Average, decreased 2.06%. Smaller stocks, as approximated by the Russell 2000 Index, decreased 5.34%. U.S. fixed income markets, as measured by selected indices, also posted negative returns for the quarter. The Lehman Brothers Government/Credit Index and the Lehman Brothers U.S. Corporate High Yield Index decreased 0.67% and 1.61%, respectively, for the quarter.

During the quarter ended March 31, 2005, net assets of the Trust increased to \$111,110,593 or \$11.46 per share compared to \$107,610,007 or \$11.13 per share on December 31, 2004, which translates into a 2.96% return for the quarter, based on the change in the Trust's net assets assuming the reinvestment of all dividends. Long term, the Trust returned 23.58%, 11.61%, and 14.16% for the 1-, 5-, and 10-year time periods ended March 31, respectively, based on the change in the Trust's net assets assuming the reinvestment of all dividends. The Trust earned 23 cents per share of net investment income for the quarter, compared to 22 cents per share in the previous quarter.

During the quarter, the Trust made private placement investments in two new issuers and closed one "follow-on" investment, totaling approximately \$2.4 million. The follow-on investment purchased by the Trust was in Augusta Sportswear Holding Co. The two new issuers the Trust invested in were Connor Sport Court International, Inc. and Terra Renewal Services, Inc. The weighted average coupon of these investments was 11.4%. (A BRIEF DESCRIPTION OF THESE INVESTMENTS CAN BE FOUND IN THE SCHEDULE OF INVESTMENTS.)

Thank you for your continued interest in and support of MassMutual Participation Investors.

Sincerely,

/s/ Roger W. Crandall

Roger W. Crandall
President

PORTFOLIO COMPOSITION AS OF 03/31/05*

Public High Yield Debt 24%

Public Equity 2%

Cash & Short Term Investments 10%

Private/Restricted Equity 16%

Private Investment Grade Debt 3%

Private High Yield Debt 45%

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*BASED ON MARKET VALUE OF TOTAL INVESTMENTS

CONSOLIDATED STATEMENT OF
ASSETS AND LIABILITIES

MASSMUTUAL PARTICIPATION INVESTORS

March 31, 2005
(Unaudited)

ASSETS:

| | |
|---|---------------|
| Investments | |
| (See Consolidated Schedule of Investments) | |
| Corporate restricted securities at fair value (Cost - \$93,491,200) | \$ 93,148,786 |
| Corporate public securities at market value (Cost - \$26,873,388) | 27,884,318 |
| Short-term securities at cost plus earned discount which approximates market value | 9,053,505 |
| | 130,086,609 |
| Cash | 1,950,755 |
| Interest receivable | 2,384,638 |
| Receivable for investments sold | 140,082 |
| Other assets | 18,978 |
| | \$134,581,062 |
| | ===== |

LIABILITIES:

| | |
|----------------------------|------------|
| Management fee payable | \$ 249,456 |
| Note payable | 12,000,000 |
| Revolving Credit Agreement | 10,500,000 |
| Interest payable | 292,538 |
| Accrued expenses | 97,899 |
| Accrued taxes payable | 330,576 |
| | 23,470,469 |

NET ASSETS:

| | |
|---|---------------|
| Common shares, par value \$.01 per share; an unlimited number authorized | 96,964 |
| Additional paid-in capital | 89,919,670 |
| Retained net realized gain on investments, prior years | 19,858,001 |
| Undistributed net investment income | 2,653,553 |
| Accumulated net realized loss on investments | (1,844,725) |
| Net unrealized appreciation of investments | 427,130 |
| | 111,110,593 |
| TOTAL NET ASSETS | 111,110,593 |
| TOTAL LIABILITIES AND NET ASSETS | \$134,581,062 |
| | ===== |

| | |
|--------------------------------------|-----------|
| COMMON SHARES ISSUED AND OUTSTANDING | 9,696,389 |
| | ===== |

| | |
|---------------------------|----------|
| NET ASSET VALUE PER SHARE | \$ 11.46 |
| | ===== |

SEE NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

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CONSOLIDATED STATEMENT OF
ASSETS AND LIABILITIES

MASSMUTUAL PARTICIPATION INVESTORS

For the three months ended March 31, 2005
(Unaudited)

| | |
|---|--------------|
| INVESTMENT INCOME: | |
| Interest | \$ 2,832,256 |
| Dividends | 1,269 |
| | ----- |
| TOTAL INVESTMENT INCOME | 2,833,525 |
| | ----- |
| EXPENSES: | |
| Management fees | 249,456 |
| Interest | 253,785 |
| Trustees' fees and expenses | 30,600 |
| Transfer agent/registrar's expenses | 6,600 |
| Reports to shareholders | 30,000 |
| Professional fees | 57,600 |
| Other | 12,758 |
| | ----- |
| TOTAL EXPENSES | 640,799 |
| | ----- |
| NET INVESTMENT INCOME (\$0.23 PER SHARE) | 2,192,726 |
| NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS: | |
| Realized loss on investments before taxes | (362,607) |
| Net change in unrealized depreciation of investments | 1,687,535 |
| Provision for taxes | (322,812) |
| | ----- |
| NET GAIN ON INVESTMENTS | 1,002,116 |
| | ----- |
| NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS | \$ 3,194,842 |
| | ===== |

SEE NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

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CONSOLIDATED STATEMENT OF
ASSETS AND LIABILITIES

MASSMUTUAL PARTICIPATION INVESTORS

For the three months ended March 31, 2005
(Unaudited)

| | |
|---|--------------|
| NET DECREASE IN CASH: | |
| Cash flows from operating activities: | |
| Interest and dividends received | \$ 2,126,220 |
| Interest expense paid | (75,071) |
| Operating expenses paid | (454,745) |
| Income taxes paid | (408,655) |
| | ----- |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 1,187,749 |
| Cash flows from investing activities: | |
| Purchases/Proceeds/Maturities from short-term portfolio securities, net | (3,426,104) |
| Purchases of portfolio securities | (8,776,805) |
| Proceeds from disposition of portfolio securities | 13,772,241 |

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| | |
|---|--------------|
| NET CASH PROVIDED BY INVESTING ACTIVITIES | 1,569,332 |
| NET CASH PROVIDED BY OPERATING AND INVESTING ACTIVITIES | 2,757,081 |
| Cash flows from financing activities: | |
| Receipts for shares issued on reinvestment of dividends | 305,744 |
| Cash dividends paid from net investment income | (3,482,121) |
| NET CASH USED FOR FINANCING ACTIVITIES | (3,176,377) |
| NET DECREASE IN CASH | (419,296) |
| Cash - beginning of year | 2,370,051 |
| CASH - END OF PERIOD | \$ 1,950,755 |
| RECONCILIATION OF NET INCREASE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING AND INVESTING ACTIVITIES: | |
| NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS | \$ 3,194,842 |
| Increase in investments | (1,315,212) |
| Increase in interest receivable | (517,303) |
| Decrease in receivable for investments sold | 1,388,593 |
| Increase in other assets | (18,978) |
| Increase in management fee payable | 7,784 |
| Increase in interest payable | 178,714 |
| Decrease in accrued expenses | (75,516) |
| Decrease in accrued taxes payable | (85,843) |
| TOTAL ADJUSTMENTS TO NET ASSETS FROM OPERATIONS | (437,761) |
| NET CASH PROVIDED BY OPERATING AND INVESTING ACTIVITIES | \$ 2,757,081 |

SEE NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

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CONSOLIDATED STATEMENTS OF
CHANGES IN NET ASSETS

MASSMUTUAL PARTICIPATION INVESTORS

For the three months ended March 31, 2005 and the year ended December 31, 2004

| | For the three months ended 03/31/2005 (Unaudited) | For the year ended 12/31/2004 |
|---|--|-------------------------------------|
| INCREASE IN NET ASSETS: OPERATIONS: | | |
| Net investment income | \$ 2,192,726 | \$ 9,713,437 |
| Net realized (loss) gain on investments before taxes | (362,607) | 1,196,570 |
| Net change in unrealized depreciation of investments | 1,687,535 | 12,493,998 |

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| | | |
|---|----------------------|----------------------|
| Provision for taxes | (322,812) | (504,437) |
| Net increase in net assets resulting from operations | 3,194,842 | 22,899,568 |
| Net increase in shares of beneficial interest transactions (common shares issued: 2005 - 23,830; 2004 - 81,587) | 305,744 | 927,073 |
| Dividends to shareholders from: | | |
| Net investment income (2004 - \$1.10 per share) | -- | (10,613,225) |
| TOTAL INCREASE IN NET ASSETS | 3,500,586 | 13,213,416 |
| NET ASSETS, BEGINNING OF YEAR | 107,610,007 | 94,396,591 |
| NET ASSETS, END OF PERIOD/YEAR | <u>\$111,110,593</u> | <u>\$107,610,007</u> |
| | ===== | ===== |

SEE NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

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CONSOLIDATED SELECTED FINANCIAL HIGHLIGHTS MASSMUTUAL PARTICIPATION INVESTORS

Selected data for each common share outstanding:

| | For the three months ended 3/31/2005 (Unaudited) | For the years ended | | |
|--|--|---------------------|----------|--------|
| | | 2004 | 2003 | 2002 |
| | ----- | ----- | ----- | ----- |
| Net asset value: | | | | |
| Beginning of year | \$ 11.13 | \$ 9.84 | \$ 8.78 | \$ 9.1 |
| | ----- | ----- | ----- | ----- |
| Net investment income | 0.23 | 1.00 | 0.80 | 0.8 |
| Net realized and unrealized gain (loss) on investments | 0.10 | 1.36 | 1.21 | (0.3 |
| | ----- | ----- | ----- | ----- |
| Total from investment operations | 0.33 | 2.36 | 2.01 | 0.5 |
| | ----- | ----- | ----- | ----- |
| Dividends from net investment income to common shareholders | -- | (1.10) | (0.96) | (0.8 |
| Dividends from net realized gain on investments to common shareholders | -- | -- | -- | -- |
| Change from issuance of shares | -- | 0.03 | 0.01 | -- |
| | ----- | ----- | ----- | ----- |
| Total distributions | -- | (1.07) | (0.95) | (0.8 |
| | ----- | ----- | ----- | ----- |
| Net asset value: | | | | |
| End of period/year | \$ 11.46 | \$ 11.13 | \$ 9.84 | \$ 8.7 |
| | ----- | ----- | ----- | ----- |
| Per share market value: | | | | |
| End of period/year | \$ 12.20 | \$ 13.31 | \$ 11.65 | \$ 9.4 |
| | ===== | ===== | ===== | ===== |

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| | | | | |
|--|-----------|-----------|----------|---------|
| Total investment return | | | | |
| Market value | (8.34)%* | 25.77% | 35.50% | 12.5 |
| Net asset value ** | 2.96%* | 25.14% | 23.72% | 5.7 |
| Net assets (in millions): | | | | |
| End of period/year | \$ 111.11 | \$ 107.61 | \$ 94.40 | \$ 83.5 |
| Ratio of operating expenses to average net assets | 0.35%* | 1.63% | 1.65% | 1.2 |
| Ratio of interest expense to average net assets | 0.23%* | 0.89% | 0.97% | 1.0 |
| Ratio of total expenses to average net assets | 0.58%* | 2.52% | 2.62% | 2.3 |
| Ratio of net investment income to average net assets | 2.00%* | 9.60% | 8.55% | 9.4 |
| Portfolio turnover | 7.18%* | 51.25% | 55.08% | 35.3 |

* Percentages represent results for the period and are not annualized.

** Net asset value return represents portfolio returns based on change in the net asset value assuming dividends and distributions which differs from the total investment return based on market value of the net asset value and the market value of the shares outstanding; past performance in no guarantee.

SEE NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

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CONSOLIDATED SCHEDULE OF INVESTMENTS

MASSMUTUAL PARTICIPATION INVESTORS

March 31, 2005
(Unaudited)

| | Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|---|---|---------------------|
| CORPORATE RESTRICTED SECURITIES - 83.83% (A) | | |
| PRIVATE PLACEMENT INVESTMENTS - 76.80% | | |
| A T I ACQUISITION COMPANY | | |
| A for-profit post-secondary school serving students in Texas, Florida and Arizona. | | |
| 12% Senior Subordinated Note due 2012 | \$ 1,125,000 | 04/08/04 |
| Warrant, exercisable until 2012, to purchase common stock at \$.01 per share (B) | 1,230 shs. | 04/08/04 |
| A W C HOLDING COMPANY | | |
| A manufacturer and distributor of aluminum and vinyl windows and doors in the Southwest and Southeast regions of the U.S. | | |
| 12% Senior Subordinated Note due 2012 | \$ 1,125,000 | 05/18/04 |
| Limited Partnership Interest of AWC Investment, LLC (B) | 132 uts. | 05/18/04 |

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ADORN, INC.

A manufacturer of wall panels, cabinets, moldings and
countertops for houses and recreational vehicles.

| | | |
|---|--------------|----------|
| 12.5% Subordinated Note due 2010 | \$ 1,125,000 | 02/29/00 |
| Warrant, exercisable until 2010, to purchase common stock at \$.02 per share (B) | 192 shs. | 02/29/00 |

AMERICA'S BODY COMPANY, INC./LCP HOLDING CO.

A designer and manufacturer of commercial work vehicles.

| | | |
|---|----------|----------|
| 12% Preferred Stock Series C (B) | 197 shs. | 12/16/03 |
| Warrant, exercisable until 2007, to purchase common stock at \$.01 per share (B) | 40 shs. | * |

AMERICAN HOSPICE MANAGEMENT HOLDING LLC

A for-profit hospice care provider in the United States.

| | | |
|---------------------------------------|--------------|----------|
| 12% Senior Subordinated Note due 2010 | \$ 1,125,000 | 01/22/04 |
| Preferred Class A Unit (B) | 1,337 uts. | 01/22/04 |
| Common Class B Unit (B) | 1,610 uts. | 01/22/04 |

AUGUSTA SPORTSWEAR HOLDING CO.

A manufacturer and distributor of athletic apparel,
activewear and team uniforms.

| | | |
|---|------------|----------|
| 12% Senior Subordinated Note due 2012 | \$ 893,000 | 12/31/04 |
| Common Stock (B) | 261 shs. | ** |
| Warrant, exercisable until 2012, to purchase common stock at \$.01 per share (B) | 73 shs. | 12/31/04 |

*11/02/98 and 12/24/03.

**12/31/04 and 03/31/05.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL PARTICIPATION INVESTORS

March 31, 2005

(Unaudited)

| CORPORATE RESTRICTED SECURITIES (A) (CONTINUED) | Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|---|---|---------------------|
|---|---|---------------------|

BEACON MEDICAL PRODUCTS, INC.

A designer, manufacturer and marketer of medical air and
gas distribution systems.

| | | |
|--|------------|----------|
| Senior Secured Floating Rate Revolving Credit Facility due 2007 | \$ 131,792 | 04/09/02 |
|--|------------|----------|

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| | | |
|--|--------------|----------|
| Senior Secured Tranche A Floating Rate Note due 2008 | \$ 466,242 | 04/09/02 |
| 12% Senior Secured Note due 2010 | \$ 412,112 | 04/09/02 |
| Limited Partnership Interest of Riverside Capital | | |
| Appreciation Fund IV, L.P. (B) | 6.38% int. | 04/09/02 |
| Warrant, exercisable until 2010, to purchase common stock at \$.01 per share (B) | 794 shs. | 04/09/02 |
| | | |
| BETA BRANDS LTD | | |
| A manufacturer of hard candy and chocolate-coated products sold primarily to the Canadian market. | | |
| 5% Promissory Note due 2009 (B) | \$ 96,698 | 03/31/04 |
| Warrant, exercisable until 2009, to purchase common stock at \$.01 per share (B) | 2,421 shs. | 03/31/04 |
| | | |
| BETTER MINERALS & AGGREGATES | | |
| A producer of high grade industrial and specialty silica sands. | | |
| 14% Redeemable Preferred Stock (B) | 499 shs. | 09/30/99 |
| Convertible Preferred Stock Series A and B, convertible into common stock at \$9.26 per share (B) | 62,997 shs. | 12/19/96 |
| Common Stock (B) | 10,013 shs. | 09/30/99 |
| Warrants, exercisable until 2005 and 2010, to purchase common stock at \$.01 per share (B) | 5,700 shs. | * |
| | | |
| BRAMPTON FASTENER CO. LTD | | |
| A value-added national distributor of maintenance, repair and operating supplies such as fasteners, electrical components and tools. | | |
| 8% Senior Secured Term A Note due 2009 | \$ 420,000 | 12/31/04 |
| 12% Senior Secured Term B Note due 2009 | \$ 430,000 | 12/31/04 |
| Limited Partnership Interest of Brafasco Investors LLC (B) | 44,000 uts. | 12/31/04 |
| Preferred Stock (B) | 155 shs. | 12/31/04 |
| Warrant of G C-Sun Holdings L.P., exercisable until 2008, to purchase common stock at \$.01 per share (B) | 469 shs. | 03/02/00 |
| | | |
| C & M CONVEYOR, INC. | | |
| A manufacturer and supplier of material handling systems to the corrugated sheet and container industry. | | |
| 9.5% Senior Secured Term Note due 2007 | \$ 569,277 | 09/13/02 |
| 11% Senior Subordinated Note due 2010 | \$ 478,916 | 09/13/02 |
| Common Stock (B) | 180,723 shs. | 09/13/02 |
| Warrant, exercisable until 2010, to purchase common stock at \$.01 per share (B) | 78,386 shs. | 09/13/02 |

*12/19/96 and 09/30/99.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL PARTICIPATION INVESTORS

March 31, 2005

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(Unaudited)

| CORPORATE RESTRICTED SECURITIES (A) (CONTINUED) | Shares, Units, Warrants, Ownership or Principal Amount ----- | Acquisition Date ----- |
|--|--|------------------------------|
| | | |
| CAINS FOODS, L.P. | | |
| A producer of mayonnaise and sauce products for both the retail and food service markets. | | |
| Limited Partnership Interest (B) | 58 uts. | 09/29/95 |
| | | |
| CAPESUCCESS LLC | | |
| A provider of diversified staffing services. | | |
| Preferred Membership Interests (B) | 806 uts. | 04/29/00 |
| Common Membership Interests (B) | 10,421 uts. | 04/29/00 |
| | | |
| CAPITAL SPECIALTY PLASTICS, INC. | | |
| A producer of desiccant strips used for packaging pharmaceuticals products. | | |
| Common Stock (B) | 55 shs. | * |
| | | |
| CHEMED CORPORATION | | |
| An operator in the residential and commercial repair-and maintenance service industry through two wholly owned subsidiaries, Roto-Rooter and Service America | | |
| Common Stock | 10,500 shs. | 02/24/04 |
| | | |
| COEUR, INC. | | |
| A producer of proprietary, disposable power injection syringes. | | |
| Senior Secured Floating Rate Revolving Credit Facility due 2010 | \$ 25,363 | 02/02/05 |
| 8.75% Senior Secured Term Note due 2010 | \$ 326,087 | 04/30/03 |
| 11.5% Senior Subordinated Note due 2011 | \$ 242,754 | 04/30/03 |
| Common Stock (B) | 72,463 shs. | 04/30/03 |
| Warrant, exercisable until 2010, to purchase common stock at \$.01 per share (B) | 50,099 shs. | 04/30/03 |
| | | |
| COINING CORPORATION OF AMERICA LLC | | |
| A manufacturer of close tolerance parts and metal stampings. | | |
| Senior Secured Floating Rate Revolving Credit Facility due 2006 | \$ 80,247 | 01/07/02 |
| Senior Secured Floating Rate Tranche A Note due 2007 | \$ 552,469 | 06/26/01 |
| 13% Senior Secured Tranche B Note due 2006 | \$ 370,370 | 06/26/01 |
| Limited Partnership Interest (B) | 3.65% int. | 06/26/01 |
| Warrant, exercisable until 2008, to purchase common stock at \$.01 per share (B) | 61,163 shs. | 06/26/01 |

*12/30/97 and 05/29/99.

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March 31, 2005
(Unaudited)

| CORPORATE RESTRICTED SECURITIES (A) (CONTINUED) | Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|--|---|---------------------|
| | ----- | ----- |
| | | |
| COLIBRI HOLDINGS CORPORATION | | |
| A manufacturer and distributor of wild bird feeders and accessories. | | |
| 12.5% Senior Subordinated Note due 2008 | \$ 843,750 | 09/22/00 |
| 28% Preferred Stock (B) | 38 shs. | 11/02/01 |
| 20% Preferred Stock (B) | 35 shs. | 03/09/04 |
| Common Stock (B) | 756 shs. | 09/22/00 |
| Warrant, exercisable until 2008, to purchase common stock at \$.01 per share (B) | 446 shs. | 09/22/00 |
| | | |
| CONNOR SPORT COURT INTERNATIONAL, INC. | | |
| A designer and manufacturer of outdoor and indoor synthetic sports flooring and other temporary flooring products. | | |
| 12% Senior Subordinated Note due 2012 | \$ 1,059,417 | * |
| Limited Partnership Interest (B) | 103,135 uts. | ** |
| Warrant, exercisable until 2012, to purchase common stock at \$.01 per share (B) | 92 shs. | * |
| | | |
| CORVEST GROUP, INC. | | |
| A manufacturer and distributor of promotional products. | | |
| 12% Senior Subordinated Note due 2007 | \$ 2,045,455 | *** |
| Common Stock (B) | 30 shs. | *** |
| Limited Partnership Interest (B) | 10.23% int. | *** |
| Warrant, exercisable until 2007, to purchase common stock at \$.01 per share (B) | 171 shs. | *** |
| | | |
| DELSTAR HOLDING CORPORATION | | |
| A manufacturer of plastic netting for a wide variety of industries. | | |
| Convertible Preferred Stock, convertible into common stock at \$10 per share (B) | 1,758 shs. | 10/05/01 |
| Convertible Preferred Stock, convertible into common stock at \$11.89 per share (B) | 206 shs. | 09/16/04 |
| | | |
| DEXTER MAGNETICS TECHNOLOGIES, INC. | | |
| A designer, fabricator, assembler and distributor of industrial magnets and subassemblies in North America and Europe. | | |
| 12% Senior Subordinated Note due 2006 | \$ 81,522 | 07/19/01 |
| Common Stock (B) | 310 shs. | 07/19/01 |
| Warrant, exercisable until 2006, to purchase common stock at \$.01 per share (B) | 157 shs. | 07/19/01 |

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*08/12/04 and 01/18/05.
 **08/12/04 and 01/14/05.
 ***03/05/99 and 03/24/99.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL PARTICIPATION INVESTORS

March 31, 2005
 (Unaudited)

| CORPORATE RESTRICTED SECURITIES (A) (CONTINUED) | Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|--|---|---------------------|
| | ----- | ----- |
| DIRECTED ELECTRONICS, INC. | | |
| A designer and distributor of brand name automotive security systems, audio products and installation accessories. | | |
| Class B Common Stock (B) | 19,394 shs. | 12/22/99 |
| Limited Partnership Interest (B) | 4.61% int. | 12/22/99 |
| Warrant, exercisable until 2007, to purchase common stock at \$.01 per share (B) | 25,713 shs. | 12/22/99 |
| | | |
| DIVERSCO, INC./DHI HOLDINGS, INC. | | |
| A contract provider of janitorial and equipment maintenance services and temporary production labor to industrial customers. | | |
| Membership Interests of MM/Lincap Diversco Investments Ltd. LLC (B) | 13.57% int. | 08/27/98 |
| Preferred Stock (B) | 1,639 shs. | 12/14/01 |
| Warrants, exercisable until 2011, to purchase common stock of DHI Holdings, Inc. at \$.01 per share (B) | 6,676 shs. | * |
| | | |
| DWYER GROUP, INC. | | |
| A franchiser of a variety of home repair services. | | |
| 14% Senior Subordinated Note due 2011 | \$ 984,375 | 10/30/03 |
| Common Stock (B) | 3,656 shs. | ** |
| Warrant, exercisable until 2011, to purchase common stock at \$.01 per share (B) | 1,077 shs. | 10/30/03 |
| | | |
| E X C ACQUISITION CORPORATION | | |
| A manufacturer of pre-filled syringes and pump systems used for intravenous drug delivery. | | |
| 15% Senior Subordinated Note due 2012 | \$ 1,142,078 | 06/28/04 |
| Warrant, exercisable until 2014, to purchase common stock at \$.01 per share (B) | 11 shs. | 06/28/04 |
| | | |
| EAGLE PACK PET FOODS, INC. | | |
| A manufacturer of premium pet food sold through | | |

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| | | |
|--|------------|----------|
| independent pet stores. | | |
| 14% Senior Subordinated Note due 2011 | \$ 562,500 | 09/24/04 |
| Warrant, exercisable until 2011, to purchase common stock at \$.01 per share (B) | 2,163 shs. | 09/24/04 |

EAGLE WINDOW & DOOR HOLDING CO.

A manufacturer of wood and aluminum-clad wood windows and doors.

| | | |
|--|--------------|----------|
| 12% Senior Subordinated Note due 2010 | \$ 1,000,000 | 05/06/02 |
| Common Stock (B) | 125 shs. | 05/06/02 |
| Warrant, exercisable until 2010, to purchase common stock at \$.01 per share (B) | 232 shs. | 05/06/02 |

*10/24/96 and 08/28/98.

**10/30/03 and 01/02/04.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL PARTICIPATION INVESTORS

March 31, 2005
(Unaudited)

| | Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|---|---|---------------------|
| CORPORATE RESTRICTED SECURITIES (A) (CONTINUED) | ----- | ----- |
| EAST RIVER VENTURES I, L.P. | | |
| An acquirer of controlling or substantial interests in other entities. | | |
| Limited Partnership Interest (B) | 0.04% int. | 01/01/01 |
| ENZYMATIC THERAPY, INC. | | |
| A manufacturer and distributor of branded natural medicines and nutritional supplements. | | |
| 13% Senior Subordinated Note due 2006 (B) | \$ 843,750 | 09/17/02 |
| Limited Partnership Interest (B) | 0.70% int. | 03/30/00 |
| Warrant, exercisable until 2009, to purchase common stock at \$.01 per share (B) | 253 shs. | 03/30/00 |
| EURO-PRO CORPORATION | | |
| A designer, marketer and distributor of floor care, steam cleaning and small kitchen products and appliances. | | |
| 13.25% Senior Subordinated Note due 2011 | \$ 1,125,000 | 09/09/03 |
| Warrant, exercisable until 2011, to purchase common stock at \$.01 per share (B) | 23,229 shs. | 09/09/03 |
| EVANS CONSOLES, INC. | | |
| A designer and manufacturer of consoles and control center systems. | | |

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| | | |
|--|--------------|----------|
| 10% Senior Secured Note due 2006 | \$ 68,418 | 05/06/04 |
| Limited Partnership Interest of CM Equity Partners (B) | 1.21% int. | 02/11/98 |
| Common Stock (B) | 45,000 shs. | 05/06/04 |
| | | |
| HIGHGATE CAPITAL LLC | | |
| An acquirer of controlling or substantial interests in manufacturing and marketing entities. | | |
| Series A Preferred Units (B) | 0.30% int. | 07/21/94 |
| | | |
| HOME DECOR HOLDING COMPANY | | |
| A designer, manufacturer and marketer of framed art and wall decor products. | | |
| 12.5% Senior Subordinated Note due 2012 | \$ 1,081,731 | * |
| Common Stock (B) | 33 shs. | * |
| Warrant, exercisable until 2012, to purchase common stock at \$.01 per share (B) | 106 shs. | * |
| | | |
| HUSSEY SEATING CORPORATION | | |
| A manufacturer of spectator seating products. | | |
| Senior Secured Floating Rate Revolving Note due 2006 | \$ 1,054,767 | 06/12/96 |
| Senior Secured Floating Rate Note due 2006 | \$ 216,563 | ** |
| 12% Senior Subordinated Note due 2006 | \$ 675,000 | 03/31/03 |
| Common Stock (B) | 2,860 shs. | 03/12/04 |

*06/30/04 and 08/19/04.
**06/12/96 and 08/03/01.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL PARTICIPATION INVESTORS

March 31, 2005
(Unaudited)

| | Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|---|---|---------------------|
| CORPORATE RESTRICTED SECURITIES (A) (CONTINUED) | ----- | ----- |
| | | |
| INTEGRATION TECHNOLOGY SYSTEMS, INC. | | |
| A manufacturer of steel protective computer and network systems for the industrial and office environments. | | |
| 16.5% Senior Secured Note due 2006 | \$ 922,049 | 03/01/04 |
| Common Stock (B) | 130 shs. | 06/01/00 |
| | | |
| JASON, INC. | | |
| A diversified manufacturing company serving various industrial markets. | | |
| 13% Senior Subordinated Note due 2008 | \$ 510,187 | 08/04/00 |
| 14% Cumulative Redeemable Preferred Stock Series A (B) | 153 shs. | 08/04/00 |
| Limited Partnership Interest of Saw Mill Capital | | |

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| | | |
|--|-------------|----------|
| Fund II, L.P. (B) | 1.30% int. | 08/03/00 |
| Warrants, exercisable until 2008 and 2009, to purchase common stock at \$.01 per share (B) | 26,931 shs. | 08/04/00 |
| JUSTRITE MANUFACTURING ACQUISITION CO. | | |
| A manufacturer of safety products such as storage cabinets and containers. | | |
| 12% Senior Subordinated Note due 2011 | \$ 843,750 | 12/15/04 |
| Warrant, exercisable until 2011, to purchase common stock at \$.01 per share (B) | 593 shs. | 12/15/04 |
| KEEPSAKE QUILTING, INC. | | |
| A seller of quilting fabrics, books, patterns, kits and notions to consumers. | | |
| Senior Secured Floating Rate Revolving Note due 2005 | \$ 20,967 | 06/16/00 |
| Senior Secured Floating Rate Tranche A Note due 2007 | \$ 348,581 | 06/16/00 |
| 12% Senior Secured Tranche B Note due 2008 | \$ 314,509 | 06/16/00 |
| Limited Partnership Interest of Riverside XVI Holding Company, L.P. (B) | 3.02% int. | 06/12/00 |
| Warrant, exercisable until 2008, to purchase common stock at \$.01 per share (B) | 633 shs. | 06/12/00 |
| KELE AND ASSOCIATES, INC. | | |
| A distributor of building automation control products. | | |
| 12% Senior Subordinated Note due 2012 | \$ 969,643 | 02/27/04 |
| Common Stock (B) | 18 shs. | 02/27/04 |
| Warrant, exercisable until 2012, to purchase common stock at \$.01 per share (B) | 6 shs. | 02/27/04 |
| KENAN-ADVANTAGE TRANSPORT COMPANY | | |
| A transporter of light petroleum, petrochemicals, lubricants and residual fuels. | | |
| 12.5% Senior Subordinated Note due 2009 | \$ 962,170 | 04/30/01 |
| Preferred Stock (B) | 163 shs. | 04/30/01 |
| Warrant, exercisable until 2009, to purchase common stock at \$.01 per share (B) | 142 shs. | 04/30/01 |

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL PARTICIPATION INVESTORS

March 31, 2005
(Unaudited)

| | Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|---|---|---------------------|
| CORPORATE RESTRICTED SECURITIES (A) (CONTINUED) | ----- | ----- |

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KEYSTONE NORTH AMERICA, INC.

An operator of funeral homes in North America.

| | | |
|------------------|-------------|----------|
| Common Stock (B) | 28,577 shs. | 02/08/05 |
|------------------|-------------|----------|

LANCASTER LABORATORIES, INC.

A laboratory testing operation in the United States.

| | | |
|------------------|--------------|----------|
| Common Stock (B) | 455,739 shs. | 09/25/00 |
|------------------|--------------|----------|

LIH INVESTORS, L.P.

A manufacturer and marketer of a broad line of external accessories for new and used sport utility vehicles, trucks and vans.

| | | |
|--|--------------|---|
| 12.5% Senior Subordinated Note due 2008 | \$ 2,036,000 | * |
| Common Stock (B) | 3,057 shs. | * |
| Warrant, exercisable until 2006, to purchase common stock at \$.11 per share (B) | 8,245 shs. | * |

MAVERICK ACQUISITION COMPANY

A manufacturer of capsules that cover the cork and neck of wine bottles.

| | | |
|--|------------|----------|
| Senior Secured Floating Rate Revolving Note due 2009 | \$ 13,433 | 02/17/05 |
| Senior Secured Floating Rate Tranche A Note due 2010 | \$ 447,762 | 09/03/04 |
| 12% Senior Secured Tranche B Note due 2011 | \$ 179,104 | 09/03/04 |
| Limited Partnership Interest (B) | 4.48% int. | 09/03/04 |
| Warrant, exercisable until 2011, to purchase common stock at \$.01 per share (B) | 243 shs. | 09/03/04 |

MAXON CORPORATION

A manufacturer of industrial combustion equipment and related shut-off valves and control valves.

| | | |
|--|--------------|----------|
| 12% Senior Subordinated Note due 2012 | \$ 549,837 | 09/30/04 |
| 8.75% Senior Subordinated Note due 2012 | \$ 732,065 | 09/30/04 |
| Common Stock (B) | 218,099 shs. | 09/30/04 |
| Warrant, exercisable until 2012, to purchase common stock at \$.01 per share (B) | 87,755 shs. | 09/30/04 |

MEDASSIST, INC.

A provider of patient eligibility and accounts receivable management services to hospitals and physician practices.

| | | |
|--|--------------|----------|
| 12% Senior Subordinated Note due 2011 | \$ 1,125,000 | 05/01/03 |
| 8% Preferred Stock (B) | 44 shs. | 10/28/04 |
| Common Stock (B) | 13,863 shs. | 10/28/04 |
| Warrant, exercisable until 2013, to purchase common stock at \$.01 per share (B) | 44,054 shs. | 05/01/03 |

*12/23/98 and 01/28/99.

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March 31, 2005
(Unaudited)

| CORPORATE RESTRICTED SECURITIES (A) (CONTINUED) | Shares, Units, Warrants, Ownership or Principal Amount ----- | Acquisition Date ----- |
|---|--|------------------------------|
| | | |
| MOSS, INC. | | |
| A manufacturer and distributor of large display and exhibit structures. | | |
| Senior Secured Floating Rate Revolving Note due 2007 | \$ 57,660 | 03/24/05 |
| Senior Secured Floating Rate Tranche A Note due 2007 | \$ 486,355 | 09/21/00 |
| 12% Senior Secured Tranche B Note due 2008 | \$ 192,200 | 09/21/00 |
| Limited Partnership Interest of Riverside Capital Appreciation Fund I, L.P. (B) | 21.37% int. | * |
| Warrant, exercisable until 2008, to purchase common stock at \$100 per share (B) | 264 shs. | 09/21/00 |
| | | |
| MUSTANG VENTURES COMPANY | | |
| A natural gas gathering and processing operation located in Oklahoma and Texas. | | |
| Warrant, exercisable until 2012, to purchase common stock at \$.01 per share (B) | 8,752 shs. | 12/11/02 |
| | | |
| NEFF MOTIVATION, INC. | | |
| A manufacturer and distributor of customized awards and sportswear to schools. | | |
| 12.5% Senior Subordinated Note due 2011 | \$ 562,500 | 01/31/03 |
| Warrant, exercisable until 2011, to purchase common stock at \$.01 per share (B) | 112 shs. | 01/31/03 |
| | | |
| NONNI'S FOOD COMPANY | | |
| A producer and distributor of premium biscotti and bagel chips in North America | | |
| 12.25% Senior Subordinated Note due 2012 | \$ 986,538 | 03/29/04 |
| 10% Preferred Stock (B) | 135 shs. | 03/29/04 |
| Common Stock (B) | 3,418 shs. | 03/29/04 |
| Warrant, exercisable until 2012, to purchase common stock at \$.01 per share (B) | 4,565 shs. | 03/29/04 |
| | | |
| NPC, INC. | | |
| A manufacturer of flexible connectors and equipment used in the installation of sewers and storm drain pipelines. | | |
| Senior Secured Floating Rate Revolving Note due 2006 | \$ 186,513 | 06/25/99 |
| Senior Secured Floating Rate Note due 2006 | \$ 1,075,424 | 06/25/99 |
| 12% Senior Secured Tranche B Note due 2007 | \$ 559,322 | 06/25/99 |
| Limited Partnership Interest of Riverside XIII Holding Company L.P. (B) | 1.93% int. | 06/11/99 |
| Warrant, exercisable until 2007, to purchase common stock at \$.01 per share (B) | 115 shs. | 06/25/99 |

*09/20/00 and 05/23/02.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL PARTICIPATION INVESTORS

March 31, 2005
(Unaudited)

| CORPORATE RESTRICTED SECURITIES (A) (CONTINUED) | Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|---|---|---------------------|
| NYLONCRAFT, INC. | | |
| A supplier of engineered plastic components for the automotive industry. | | |
| 9% Senior Secured Note due 2009 | \$ 464,286 | 01/28/02 |
| 11.5% Senior Subordinated Note due 2012 | \$ 857,143 | 01/28/02 |
| Common Stock (B) | 178,571 shs. | 01/28/02 |
| Warrant, exercisable until 2012, to purchase common stock at \$.01 per share (B) | 138,928 shs. | 01/28/02 |
| OLYMPIC SALES, INC. | | |
| A boat retailer in Washington state, Oregon and California and British Columbia. | | |
| 12% Senior Subordinated Note due 2006 | \$ 1,387,000 | 08/07/98 |
| 12% Senior Subordinated Note due 2008 | \$ 244,154 | 02/09/00 |
| Limited Partnership Interest of Riverside VIII, VIII-A and VIII-B Holding Company, L.P. (B) | 795,964 uts. | * |
| Warrants, exercisable until 2007 and 2008, to purchase common stock at \$.01 per share (B) | 15,166 shs. | ** |
| PARADIGM PACKAGING, INC. | | |
| A manufacturer of plastic bottles and closures for the nutritional, pharmaceutical, personal care and food packaging markets. | | |
| 12% Senior Subordinated Note due 2008 | \$ 1,125,000 | 12/19/00 |
| Membership Interests of MM/Lincap PPI Investments, Inc., LLC (B) | 1.28% int. | 12/21/00 |
| P H I HOLDING COMPANY | | |
| A retailer of mid-priced gift items, home and garden decor, accessories and other similar consumer products. | | |
| 12.5% Senior Subordinated Note due 2010 | \$ 1,125,000 | 10/25/02 |
| Warrant, exercisable until 2010, to purchase common stock at \$.02 per share (B) | 186 shs. | 10/25/02 |
| PRECISION DYNAMICS, INC. | | |
| A manufacturer of custom-designed solenoid valves and controls. | | |
| Senior Secured Floating Rate Revolving Credit | | |

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| | | |
|---|------------|----------|
| Facility due 2005 | \$ 366,750 | 07/22/96 |
| Senior Secured Floating Rate Term Note due 2005 | \$ 142,625 | 07/22/96 |
| 12% Senior Secured Term Note due 2005 | \$ 163,000 | 07/22/96 |
| 8% Preferred Stock | 228 shs. | 07/22/96 |
| Common Stock (B) | 299 shs. | 07/22/96 |
| Warrant, exercisable until 2005, to purchase common stock at \$.01 per share (B) | 162 shs. | 07/22/96 |

*08/07/98, 02/23/99, 12/22/99 and 02/25/03.
**08/07/98 and 02/29/00.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL PARTICIPATION INVESTORS

March 31, 2005
(Unaudited)

| | Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|---|---|---------------------|
| CORPORATE RESTRICTED SECURITIES (A) (CONTINUED) | ----- | ----- |
| PROCESS CHEMICALS LLC | | |
| A specialty chemical company that manufactures processed chemicals for the fertilizer, asphalt and concrete industries. | | |
| Common Membership Interests | 1 uts. | * |
| PROTEIN GENETICS, INC. | | |
| A producer of bovine artificial insemination products, related breeding and healthcare products and specialty genetics sold to the dairy and beef industries. | | |
| 9.8% Redeemable Exchangeable Preferred Stock (B) | 332 shs. | 08/12/94 |
| Common Stock (B) | 867 shs. | ** |
| PW EAGLE, INC. - O.T.C. | | |
| An extruder of small and medium diameter plastic pipe and tubing in the United States. | | |
| Warrant, exercisable until 2007, to purchase common stock at \$.01 per share (B) | 101,236 shs. | 09/16/99 |
| QUALIS AUTOMOTIVE LLC | | |
| A distributor of aftermarket automotive brake and chassis products. | | |
| 12% Senior Subordinated Note due 2012 | \$ 937,500 | 05/28/04 |
| Common Stock (B) | 187,500 shs. | 05/28/04 |
| Warrant, exercisable until 2012, to purchase common stock at \$.01 per share (B) | 199,969 shs. | 05/28/04 |
| QUALSERV CORPORATION | | |
| A provider of foodservice equipment and supplies, to major restaurant chains and their franchisees. | | |
| 14% Senior Subordinated Note due 2012 | \$ 997,487 | 07/09/04 |

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| | | |
|---|------------|----------|
| Limited Partnership Interest (B) | 4.90% int. | 07/09/04 |
| Warrant, exercisable until 2012, to purchase common stock at \$.01 per share (B) | 280 shs. | 07/09/04 |

RIVER RANCH FRESH FOODS LLC

A supplier of fresh produce to the retail and foodservice channels.

| | | |
|---|-------------|----------|
| 13% Senior Subordinated Note due 2011 | \$ 975,000 | 09/29/04 |
| Limited Partnership Interest (B) | 21,499 uts. | 09/29/04 |
| Warrant, exercisable until 2011, to purchase common stock at \$.01 per share (B) | 12,481 shs. | 09/29/04 |

*07/31/97 and 01/04/99.

**11/14/01 and 08/12/94.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL PARTICIPATION INVESTORS

March 31, 2005
(Unaudited)

| | Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|---|---|---------------------|
| CORPORATE RESTRICTED SECURITIES (A) (CONTINUED) | ----- | ----- |
| ROYAL BATHS MANUFACTURING COMPANY | | |
| A manufacturer and distributor of acrylic and cultured marble bathroom products. | | |
| 12.5% Senior Subordinated Note due 2011 | \$ 562,500 | 11/14/03 |
| Warrant, exercisable until 2011, to purchase common stock at \$.01 per share (B) | 74 shs. | 11/14/03 |
| SAFETY SPEED CUT MANUFACTURING COMPANY, INC. | | |
| A manufacturer of vertical panel saws and routers for the wood working industry. | | |
| Senior Secured Floating Rate Tranche A Note due 2007 | \$ 659,549 | 06/02/99 |
| 12% Senior Secured Tranche B Note due 2007 | \$ 646,089 | 06/02/99 |
| Class B Common Stock (B) | 846 shs. | 06/02/99 |
| SAVAGE SPORTS HOLDING, INC. | | |
| A manufacturer of sporting firearms. | | |
| 12% Senior Subordinated Note due 2012 | \$ 814,655 | 09/10/04 |
| Common Stock (B) | 310 shs. | 09/10/04 |
| Warrant, exercisable until 2012, to purchase common stock at \$.01 per share (B) | 71 shs. | 09/10/04 |

SELIG ACQUISITION CORPORATION

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A manufacturer of container sealing materials for bottles used in consumer products.

| | | |
|--|--------------|----------|
| 12% Senior Subordinated Note due 2009 | \$ 1,125,000 | 06/13/02 |
| Warrant, exercisable until 2009, to purchase common stock at \$.01 per share (B) | 1,064 shs. | 06/13/02 |

SHELTER ACQUISITION, INC.

A distributor of roofing supplies and products throughout the Midwest.

| | | |
|--|--------------|----------|
| 12.5% Senior Subordinated Note due 2008 | \$ 803,571 | 08/01/02 |
| Common Stock (B) | 477,411 shs. | * |
| Warrant, exercisable until 2009, to purchase common stock at \$.01 per share (B) | 139,470 shs. | 08/01/02 |

SNYDER INDUSTRIES, INC.

A manufacturer of proprietary rotationally molded polyethylene containers.

| | | |
|--|--------------|----------|
| 12.25% Senior Subordinated Note due 2008 | \$ 2,250,000 | 12/06/99 |
| Warrant, exercisable until 2007, to purchase common stock at \$.01 per share (B) | 369 shs. | 12/06/99 |

SPECIALTY FOODS GROUP, INC.

A manufacturer and distributor of branded meat products.

| | | |
|--|------------|----------|
| Limited Partnership Interest of MHD Holdings LLC (B) | 0.76% int. | 08/29/00 |
|--|------------|----------|

*08/01/02, 01/17/03 and 12/31/04.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL PARTICIPATION INVESTORS

March 31, 2005
(Unaudited)

| | Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|---|---|---------------------|
| CORPORATE RESTRICTED SECURITIES (A) (CONTINUED) | ----- | ----- |

STRATEGIC EQUIPMENT & SUPPLY CORPORATION, INC.

A provider of kitchen and restaurant design, equipment fabrication and installation services.

| | | |
|--|-------------|----------|
| Warrant, exercisable until 2008, to purchase common stock at \$.01 per share (B) | 61,862 shs. | 01/14/00 |
|--|-------------|----------|

SYNVENTIVE EQUITY LLC

A manufacturer of hot runner systems used in the plastic injection molding process.

| | | |
|--|-------------|----------|
| 12% Senior Subordinated Note due 2007 | \$ 975,000 | 08/21/03 |
| Limited Partnership Interest (B) | 1.05% int. | 08/20/03 |
| Warrant, exercisable until 2011, to purchase common stock at \$.01 per share (B) | 45,942 shs. | 08/21/03 |

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TERRA RENEWAL SERVICES, INC.

A provider of wastewater residual management and required environmental reporting, permitting, nutrient management planning and record keeping to companies involved in poultry and food processing.

| | | |
|--|------------|----------|
| Senior Secured Floating Rate Term A Note due 2010 | \$ 179,688 | 03/01/05 |
| Senior Secured Floating Rate Term B Note due 2012 | \$ 210,937 | 03/01/05 |
| 12% Senior Subordinated Note due 2013 | \$ 585,937 | 03/01/05 |
| Limited Partnership Interest of Saw Mill Capital Fund V, L.P. (B) | 236 uts. | 03/01/05 |
| Warrant, exercisable until 2015, to purchase common stock at \$.01 per share (B) | 37 shs. | 03/01/05 |

THE TRANZONIC COMPANIES

A producer of commercial and industrial supplies, such as safety products, janitorial supplies, work apparel, washroom and restroom supplies and sanitary care products.

| | | |
|--|--------------|----------|
| 13% Senior Subordinated Note due 2009 | \$ 1,356,000 | 02/05/98 |
| Common Stock (B) | 315 shs. | 02/04/98 |
| Warrant, exercisable until 2006, to purchase common stock at \$.01 per share (B) | 222 shs. | 02/05/98 |

TIDEWATER HOLDINGS, INC.

An operator of a barge transportation line on the Columbia/Snake River system.

| | | |
|---|----------|----------|
| 17% Preferred Stock (B) | 280 shs. | 12/23/02 |
| Convertible Preferred Stock, convertible into common stock at \$1,000 per share (B) | 560 shs. | 07/25/96 |
| Warrant, exercisable until 2008, to purchase common stock at \$.01 per share (B) | 237 shs. | 07/25/96 |

TOMAH HOLDINGS, INC.

A manufacturer of specialty chemicals.

| | | |
|---------------------------------------|------------|----------|
| 16% Senior Subordinated Note due 2011 | \$ 773,875 | 12/08/03 |
| 16% Preferred Stock Series A (B) | 20 shs. | 12/08/03 |
| Common Stock (B) | 2,789 shs. | 12/08/03 |

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL PARTICIPATION INVESTORS

March 31, 2005
(Unaudited)

| CORPORATE RESTRICTED SECURITIES (A) (CONTINUED) | Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|---|---|---------------------|
|---|---|---------------------|

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TRONAIR, INC.

A designer, engineer and manufacturer of ground support equipment for the business, commuter and commercial aviation markets.

| | | |
|--|--------------|----------|
| 10.5% Senior Secured Term Note due 2008 | \$ 676,983 | 01/20/00 |
| 12% Senior Subordinated Note due 2010 | \$ 758,100 | 01/20/00 |
| Common Stock (B) | 129,960 shs. | 01/20/00 |
| Warrant, exercisable until 2010, to purchase common stock at \$1 per share (B) | 148,912 shs. | 01/20/00 |

TRUSTILE DOORS, INC.

A manufacturer and distributor of interior doors.

| | | |
|--|------------|----------|
| 12.5% Senior Subordinated Note due 2010 | \$ 562,500 | 04/11/03 |
| Warrant, exercisable until 2010, to purchase common stock at \$.01 per share (B) | 3,060 shs. | 04/11/03 |

TUBULAR TEXTILE MACHINERY

A designer, manufacturer, seller and servicer of finishing machinery for the knit and woven segments of the global textile industry.

| | | |
|--|--------------|----------|
| 12% Senior Subordinated Note due 2014 | \$ 705,457 | 05/28/04 |
| 8.75% Senior Secured Note due 2011 | \$ 409,310 | 05/28/04 |
| Common Stock (B) | 385,233 shs. | 05/28/04 |
| Warrant, exercisable until 2012, to purchase common stock at \$.01 per share (B) | 116,521 shs. | 05/28/04 |

TVI, INC.

A retailer of used clothing in the United States, Canada and Australia.

| | | |
|------------------|--------------|----------|
| Common Stock (B) | 187,500 shs. | 05/02/00 |
|------------------|--------------|----------|

U S M HOLDINGS CORPORATION

A provider of facility maintenance services to retail and corporate clients with multiple locations.

| | | |
|--|------------|----------|
| 12% Senior Subordinated Note due 2011 | \$ 947,368 | 08/06/03 |
| Preferred Stock (B) | 1,771 shs. | 08/06/03 |
| Common Stock (B) | 546 shs. | 08/06/03 |
| Warrant, exercisable until 2011, to purchase common stock at \$.01 per share (B) | 502 shs. | 08/06/03 |

U-LINE CORPORATION

A manufacturer of high-end, built-in, undercounter icemaking, wine storage and refrigeration appliances.

| | | |
|--|------------|----------|
| 12.5% Senior Subordinated Note due 2012 | \$ 996,500 | 04/30/04 |
| 10% Junior Subordinated Note due 2012 | \$ 33,705 | 04/30/04 |
| Common Stock (B) | 96 shs. | 04/30/04 |
| Warrant, exercisable until 2012, to purchase common stock at \$.01 per share (B) | 122 shs. | 04/30/04 |

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL PARTICIPATION INVESTORS

March 31, 2005
(Unaudited)

| CORPORATE RESTRICTED SECURITIES (A) (CONTINUED) | Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|---|---|---------------------|
| | ----- | ----- |
| VICTORY VENTURES LLC | | |
| An acquirer of controlling or substantial interests in other entities. | | |
| Series A Preferred Units (B) | 0.03% int. | 12/02/96 |
| VITALITY FOODSERVICE, INC. | | |
| A non-carbonated beverage dispensing company focused on the foodservice industry. | | |
| 13% Senior Subordinated Note due 2011 | \$ 999,153 | 09/24/04 |
| Common Stock (B) | 12,585 shs. | 09/24/04 |
| Warrant, exercisable until 2011, to purchase common stock at \$.01 per share (B) | 12,593 shs. | 09/24/04 |
| VITEX PACKAGING GROUP, INC. | | |
| A manufacturer of specialty packaging, primarily envelopes and tags used on tea bags and medical and food products. | | |
| 12.5% Senior Subordinated Note due 2012 | \$ 900,000 | 07/19/04 |
| Limited Partnership Interest Class A (B) | 219,375 uts. | 07/19/04 |
| Limited Partnership Interest Class B (B) | 96,848 uts. | 07/19/04 |
| WALLS INDUSTRIES, INC. | | |
| A provider of branded workwear and sporting goods apparel. | | |
| 10% Senior Subordinated Lien Note due 2009 | \$ 532,895 | 07/12/04 |
| 14% Senior Subordinated Note due 2012 | \$ 552,631 | 07/12/04 |
| Limited Partnership Interest (B) | 0.20% int. | 07/12/04 |
| Warrant, exercisable until 2014, to purchase common stock at \$.01 per share (B) | 2,133 shs. | 07/12/04 |
| WASHINGTON INVENTORY SERVICES, INC. | | |
| A provider of physical inventory taking and other related services to retailers. | | |
| 12.5% Senior Subordinated Note due 2011 | \$ 569,524 | 11/03/00 |
| Senior Preferred Stock (B) | 2,484 shs. | 11/01/00 |
| Class B Common Stock (B) | 4,743 shs. | 11/01/00 |
| Warrant, exercisable until 2011, to purchase common stock at \$.01 per share (B) | 2,107 shs. | 11/03/00 |
| WEASLER HOLDINGS LLC | | |
| A manufacturer of mechanical power transmission components for the agricultural, lawn and turf industries. | | |

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| | | |
|---|------------|----------|
| Limited Partnership Interest (B) | 0.82% int. | 02/03/03 |
| Warrant, exercisable until 2010, to purchase common stock at \$.01 per share (B) | 136 shs. | 02/04/03 |

TOTAL PRIVATE PLACEMENT INVESTMENTS

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL PARTICIPATION INVESTORS
March 31, 2005
(Unaudited)

| CORPORATE RESTRICTED SECURITIES (A) (CONTINUED) | Interest Rate ---- | Due Date ---- | Shares or Principal Amount ----- | Cost ---- |
|---|--------------------------|---------------------|---|------------------|
| RULE 144A SECURITIES - 7.03%: | | | | |
| BONDS - 6.65% | | | | |
| A E P Industries, Inc. | 7.875% | 03/15/13 | \$ 75,000 | \$ 75,000 |
| A E S Corporation | 8.750 | 05/15/13 | 425,000 | 477,220 |
| A E S Corporation | 9.000 | 05/15/15 | 175,000 | 175,000 |
| Activant Solutions, Inc. | 9.010 | 04/01/10 | 400,000 | 400,000 |
| BCP Caylux Holding Lux SCA | 9.625 | 06/15/14 | 355,000 | 355,000 |
| Blockbuster, Inc. | 9.000 | 09/01/12 | 275,000 | 277,140 |
| Bombardier Capital, Inc. | 6.125 | 06/29/06 | 500,000 | 509,380 |
| Bombardier, Inc. | 6.300 | 05/01/14 | 500,000 | 440,310 |
| Cablevision Systems Corporation | 6.669 | 04/01/09 | 450,000 | 450,000 |
| Charter Communications Op LLC | 8.000 | 04/30/12 | 500,000 | 498,750 |
| Douglas Dynamics LLC | 7.750 | 01/15/12 | 325,000 | 327,020 |
| GulfMark Offshore, Inc. | 7.750 | 07/15/14 | 300,000 | 298,720 |
| Intelsat Bermuda, Ltd. | 7.805 | 01/15/12 | 225,000 | 225,000 |
| Intelsat Bermuda, Ltd. | 8.250 | 01/15/13 | 250,000 | 250,000 |
| Interactive Health LLC | 7.250 | 04/01/11 | 500,000 | 412,040 |
| Jostens I H Corporation | 7.625 | 10/01/12 | 325,000 | 325,000 |
| Magnachip Semiconductor | 8.000 | 12/15/14 | 50,000 | 50,000 |
| Markwest Energy | 6.875 | 11/01/14 | 250,000 | 250,000 |
| Metaldyne Corporation | 10.000 | 11/01/13 | 340,000 | 342,130 |
| PQ Corporation | 7.500 | 02/15/13 | 175,000 | 175,000 |
| Siebe PLC | 6.500 | 01/15/10 | 350,000 | 308,000 |
| T C W Lev Income Trust LP | 8.410 | 09/30/04 | 942,858 | 942,850 |
| Texas Genco LLC | 6.875 | 12/15/14 | 350,000 | 350,000 |
| Universal City Florida | 7.493 | 05/01/10 | 100,000 | 100,000 |
| Universal City Florida | 8.375 | 05/01/10 | 100,000 | 100,000 |
| TOTAL BONDS | | | \$ 8,237,858 | 8,113,590 |
| CONVERTIBLE BONDS - 0.38% | | | | |
| Cymer, Inc. | 3.500% | 02/15/09 | \$ 450,000 | \$ 450,000 |
| TOTAL CONVERTIBLE BONDS | | | \$ 450,000 | 450,000 |
| WARRANTS - 0.00% | | | | |
| Winsloew Furniture, Inc. (B) | | | 700 | \$ |

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| | |
|---------------------------------------|--------------|
| TOTAL WARRANTS | 7 |
| TOTAL RULE 144A SECURITIES | 8,563,60 |
| TOTAL CORPORATE RESTRICTED SECURITIES | \$ 93,491,20 |

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL PARTICIPATION INVESTORS
March 31, 2005
(Unaudited)

| | Interest Rate | Due Date | Principal Amount | Cost |
|--|------------------|-------------|---------------------|-----------|
| CORPORATE PUBLIC SECURITIES - 25.10%:(A) | | | | |
| BONDS - 22.24% | | | | |
| Abitibi-Consolidated, Inc. | 7.750% | 06/15/11 | \$ 500,000 | \$ 517,76 |
| Activant Solutions, Inc. | 10.500 | 06/15/11 | 325,000 | 326,02 |
| Aearo Co. | 8.250 | 04/15/12 | 225,000 | 225,00 |
| Allied Waste NA | 7.875 | 04/15/13 | 500,000 | 513,75 |
| American Media Operation, Inc. | 8.875 | 01/15/11 | 475,000 | 475,69 |
| Appleton Papers, Inc. | 8.125 | 06/15/11 | 250,000 | 250,00 |
| Argo Tech Corporation | 9.250 | 06/01/11 | 425,000 | 425,00 |
| Arrow Electronics, Inc. | 7.000 | 01/15/07 | 500,000 | 523,17 |
| C S C Holdings, Inc. | 7.625 | 04/01/11 | 250,000 | 251,05 |
| Cadmus Communications Corporation | 8.375 | 06/15/14 | 350,000 | 350,00 |
| Chemed Corporation | 8.750 | 02/24/11 | 600,000 | 600,00 |
| Chesapeake Energy Corporation | 7.000 | 08/15/14 | 150,000 | 150,00 |
| Cincinnati Bell, Inc. | 8.375 | 01/15/14 | 550,000 | 503,75 |
| Collins & Aikman Products Co. | 10.750 | 12/31/11 | 450,000 | 462,12 |
| Del Monte Corporation | 8.625 | 12/15/12 | 200,000 | 200,00 |
| Dollar Financial Group | 9.750 | 11/15/11 | 325,000 | 325,00 |
| Dominos, Inc. | 8.250 | 07/01/11 | 109,000 | 108,21 |
| Electronic Data Systems Corporation | 7.125 | 10/15/09 | 500,000 | 506,00 |
| Esterline Technologies | 7.750 | 06/15/13 | 175,000 | 175,00 |
| Ford Motor Credit Co. | 5.800 | 01/12/09 | 500,000 | 499,07 |
| G F S I, Inc. | 9.625 | 03/01/07 | 375,000 | 337,54 |
| Gencorp, Inc. | 9.500 | 08/15/13 | 130,000 | 130,00 |
| General Motors Accept Corporation | 5.850 | 01/14/09 | 500,000 | 503,53 |
| General Nutrition Center | 8.500 | 12/01/10 | 425,000 | 425,00 |
| Goodyear Tire & Rubber Co. | 7.857 | 08/15/11 | 350,000 | 327,25 |
| Houghton Mifflin Co. | 9.875 | 02/01/13 | 500,000 | 528,07 |
| Huntsman LLC | 11.625 | 10/15/10 | 163,000 | 161,06 |
| Intrawest Corporation | 7.500 | 10/15/13 | 250,000 | 250,00 |
| K 2, Inc. | 7.375 | 07/01/14 | 150,000 | 150,61 |
| Koppers Inc. | 9.875 | 10/15/13 | 250,000 | 250,00 |
| Leucadia National Corporation | 7.000 | 08/15/13 | 350,000 | 357,12 |
| Liberty Media Corporation | 5.700 | 05/15/13 | 500,000 | 475,80 |
| Lodgenet Entertainment Corporation | 9.500 | 06/15/13 | 375,000 | 375,00 |
| Lyondell Chemical Co. | 9.500 | 12/15/08 | 450,000 | 459,53 |
| M G M Mirage, Inc. | 6.000 | 10/01/09 | 225,000 | 228,08 |
| M S X International, Inc. | 11.000 | 10/15/07 | 175,000 | 173,50 |
| Majestic Star Casino LLC | 9.500 | 10/15/10 | 250,000 | 250,00 |
| Manitowoc Company, Inc. | 7.125 | 11/01/13 | 100,000 | 100,00 |
| Mediacom LLC | 9.500 | 01/15/13 | 750,000 | 746,10 |
| Moog, Inc. | 6.250 | 01/15/15 | 60,000 | 60,00 |
| Nalco Co. | 7.750 | 11/15/11 | 250,000 | 250,00 |

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| | | | | |
|---|--------|----------|---------|---------|
| Neff Corporation | 10.250 | 06/01/08 | 90,000 | 89,000 |
| Nextel Communications Corporation | 7.375 | 08/01/15 | 400,000 | 410,340 |
| North American Energy Partners | 8.750 | 12/01/11 | 200,000 | 200,000 |
| Northwest Airlines Corporation | 8.970 | 01/02/15 | 643,112 | 643,112 |
| Numatics, Inc. | 9.625 | 04/01/08 | 375,000 | 376,820 |
| O E D Corp/Diamond Jo Company Guarantee | 8.750 | 04/15/12 | 500,000 | 492,980 |

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL PARTICIPATION INVESTORS
March 31, 2005
(Unaudited)

| CORPORATE PUBLIC SECURITIES - (A) (Continued) | Interest Rate | Due Date | Principal Amount | Cost |
|--|------------------|-------------|---------------------|------------|
| | ----- | ----- | ----- | ----- |
| Offshore Logistics, Inc. | 6.125% | 06/15/13 | \$ 350,000 | \$ 350,000 |
| Pacific Energy Partners | 7.125 | 06/15/14 | 250,000 | 252,170 |
| Pinnacle Foods Group | 8.250 | 12/01/13 | 225,000 | 225,000 |
| Pliant Corporation | 0.000 | 06/15/09 | 675,000 | 587,340 |
| Primedia, Inc. | 8.000 | 05/15/13 | 500,000 | 513,750 |
| Quintiles Transnational Corporation | 10.000 | 10/01/13 | 250,000 | 250,000 |
| Rayovac Corporation | 8.500 | 10/01/13 | 175,000 | 175,000 |
| Rent-A-Center, Inc. | 7.500 | 05/01/10 | 250,000 | 250,000 |
| Rent-Way, Inc. | 11.875 | 06/15/10 | 450,000 | 471,530 |
| Rhodia SA | 10.250 | 06/01/10 | 250,000 | 252,660 |
| Rhodia SA | 8.875 | 06/01/11 | 250,000 | 249,830 |
| Rogers Wireless, Inc. | 7.250 | 12/15/12 | 90,000 | 90,000 |
| Rogers Wireless, Inc. | 8.000 | 12/15/12 | 90,000 | 90,000 |
| Rogers Wireless, Inc. | 7.500 | 03/15/15 | 60,000 | 60,000 |
| Service Corporation International | 6.000 | 12/15/05 | 21,000 | 21,070 |
| Sheridan Acquisition Corporation | 10.250 | 08/15/11 | 225,000 | 222,000 |
| Sports Club Co. | 11.375 | 03/15/06 | 100,000 | 97,000 |
| Tekni-Plex, Inc. | 12.750 | 06/15/10 | 500,000 | 483,500 |
| Telex Communications, Inc. | 11.500 | 10/15/08 | 250,000 | 250,000 |
| Tenet Healthcare Corporation | 6.375 | 12/01/11 | 250,000 | 241,250 |
| Tenet Healthcare Corporation | 9.875 | 07/01/14 | 350,000 | 341,850 |
| Triton P C S, Inc. | 8.500 | 06/01/13 | 500,000 | 500,000 |
| Tyco International Group SA | 6.375 | 10/15/11 | 150,000 | 148,500 |
| United Rentals, Inc. | 7.750 | 11/15/13 | 325,000 | 325,000 |
| Utilicorp United, Inc. | 9.950 | 02/01/11 | 500,000 | 551,880 |
| Vicorp Restaurants Inc | 10.500 | 04/15/11 | 300,000 | 296,370 |
| Vought Aircraft Industries | 8.000 | 07/15/11 | 650,000 | 649,320 |
| Warner Music Group | 7.375 | 04/15/14 | 125,000 | 125,000 |
| Williams Scotsman, Inc. | 9.875 | 06/01/07 | 250,000 | 246,250 |
| Wornick Co. | 10.875 | 07/15/11 | 350,000 | 350,000 |
| | | | ----- | ----- |
| TOTAL BONDS | | | \$ 24,856,112 | 24,803,400 |
| | | | ===== | ----- |

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL PARTICIPATION INVESTORS
March 31, 2005
(Unaudited)

Shares or

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| CORPORATE PUBLIC SECURITIES (A) (CONTINUED) | Interest Rate | Due Date | Principal Amount | Cost |
|---|------------------------|-------------|----------------------------------|--------------|
| | ----- | ----- | ----- | ----- |
| COMMON STOCK - 2.41% | | | | |
| Distributed Energy Systems | | | 14,000 | \$ 177,07 |
| Dolby Laboratories, Inc. (B) | | | 100 | 1,80 |
| H C I Direct, Inc. (B) | | | 500 | -- |
| Rent-Way, Inc. (B) | | | 46,432 | 458,12 |
| Transmontaigne, Inc. (B) | | | 277,771 | 909,17 |
| Shamir Optical Industry Ltd (B) | | | 1,700 | 23,80 |
| | | | ----- | ----- |
| TOTAL COMMON STOCK | | | | 1,569,98 |
| | | | | ----- |
| CONVERTIBLE BONDS - 0.45% | | | | |
| Leucadia National Corporation | 3.750% | 04/15/14 | \$ 500,000 | \$ 500,00 |
| | | | ----- | ----- |
| TOTAL CONVERTIBLE BONDS | | | \$ 500,000 | 500,00 |
| | | | ===== | ----- |
| TOTAL CORPORATE PUBLIC SECURITIES | | | | \$ 26,873,38 |
| | | | | ----- |
| SHORT-TERM SECURITIES: | | | | |
| | Interest Rate/Yield | Due Date | Shares or Principal Amount | Cost |
| | ----- | ----- | ----- | ----- |
| COMMERCIAL PAPER - 8.15% | | | | |
| Alcoa, Inc. | 2.801% | 04/06/05 | \$ 1,131,000 | \$ 1,130,56 |
| Campbell Soup Company | 2.781 | 04/07/05 | 1,887,000 | 1,886,12 |
| Countrywide Home Loans, Inc. | 2.852 | 04/05/05 | 2,090,000 | 2,089,33 |
| Detroit Edison Company | 2.802 | 04/04/05 | 2,225,000 | 2,224,48 |
| Whirlpool Corporation | 2.772 | 04/01/05 | 1,723,000 | 1,723,00 |
| | | | ----- | ----- |
| TOTAL SHORT-TERM SECURITIES | | | \$ 9,056,000 | \$ 9,053,50 |
| | | | ===== | ----- |
| TOTAL INVESTMENTS | 117.08% | | | \$129,418,09 |
| | | | | ===== |
| Other Assets | 4.04 | | | |
| Liabilities | (21.12) | | | |
| | ----- | | | |
| TOTAL NET ASSETS | 100.00% | | | |
| | ===== | | | |

(A) In each of the convertible note, warrant, convertible preferred and common stock investments, agreed to provide certain registration rights.

(B) Non-income producing security.

SEE NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL PARTICIPATION INVESTORS

March 31, 2005
(Unaudited)

Fair Value/

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| INDUSTRY CLASSIFICATION: (Cont.) | Market Value ----- | INDUSTRY CLASSIFICATION: (|
|--|-----------------------|----------------------------|
| AEROSPACE - 1.52% | | BUILDINGS & REAL ESTATE - |
| Argo Tech Corporation | \$ 456,875 | A W C Holding Company |
| Bombardier, Inc. | 420,000 | Adorn, Inc. |
| Esterline Technologies | 182,000 | Eagle Window & Door Holdin |
| Vought Aircraft Industries | 640,250 | Shelter Acquisition, Inc. |
| | ----- | TruStile Doors, Inc. |
| | 1,699,125 | |
| | ----- | |
| AIRLINES - 0.37% | | CARGO TRANSPORT - 2.48% |
| Northwest Airlines Corporation | 407,026 | Kenan-Advantage Transport |
| | ----- | Tidewater Holdings, Inc. |
| AUTOMOBILE - 8.60% | | |
| America's Body Company, Inc./LCP Holding Co. | 1,750,000 | CHEMICAL, PLASTICS |
| Collins & Aikman Products Co. | 370,125 | & RUBBER - 2.70% |
| Gencorp, Inc. | 144,950 | Capital Specialty Plastics |
| Goodyear Tire & Rubber Co. | 337,750 | Huntsman LLC |
| Jason, Inc. | 1,031,221 | Koppers, Inc. |
| LIH Investors, L.P. | 2,681,166 | Lyondell Chemical Co. |
| Metaldyne Corporation | 309,400 | PQ Corporation |
| Nyloncraft, Inc. | 1,790,518 | Process Chemicals LLC |
| Qualis Automotive LLC | 1,137,268 | Rhodia SA |
| | ----- | Tomah Holdings, Inc. |
| | 9,552,398 | |
| | ----- | |
| BEVERAGE, DRUG & FOOD - 4.93% | | |
| Beta Brands Ltd | -- | CONSUMER PRODUCTS - 8.36% |
| Cains Foods, L.P. | 250,288 | Appleton Papers, Inc. |
| Del Monte Corporation | 216,500 | Augusta Sportswear Holding |
| Dominos, Inc. | 113,905 | Colibri Holdings Corporati |
| Eagle Pack Pet Foods, Inc. | 561,294 | Euro-Pro Corporation |
| Nonni's Food Company | 1,168,600 | G F S I, Inc. |
| Pinnacle Foods Group | 192,375 | H C I Direct, Inc. |
| River Ranch Fresh Foods LLC | 1,096,447 | K 2, Inc. |
| Specialty Foods Group, Inc. | 67,845 | Maverick Acquisition Compa |
| Vicorp Restaurants, Inc. | 306,000 | Neff Motivation, Inc. |
| Vitality Foodservice, Inc. | 1,134,840 | Rayovac Corporation |
| Wornick Co. | 365,750 | Royal Baths Manufacturing |
| | ----- | Savage Sports Holding, Inc |
| | 5,473,844 | The Tranzonic Companies |
| | ----- | Walls Industries, Inc. |
| BROADCASTING - 2.58% | | Winsloew Furniture, Inc. |
| C S C Holdings, Inc. | 260,000 | |
| Cablevision Systems Corporation | 477,000 | CONTAINERS, PACKAGING |
| Charter Communications Op LLC | 497,500 | & GLASS - 6.81% |
| Liberty Media Corporation | 471,265 | A E P Industries, Inc. |
| Lodgenet Entertainment Corporation | 408,750 | Paradigm Packaging, Inc. |
| Mediacom LLC | 748,125 | Pliant Corporation |
| | ----- | Selig Acquisition Corporat |
| | 2,862,640 | Snyder Industries, Inc. |
| | ----- | Tekni-Plex, Inc. |
| | | Vitex Packaging, Inc. |

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL PARTICIPATION INVESTORS

March 31, 2005
(Unaudited)

| INDUSTRY CLASSIFICATION: (Cont.) | Fair Value/ Market Value | INDUSTRY CLASSIFICATION: (Cont.) |
|--|-----------------------------|----------------------------------|
| | ----- | |
| DISTRIBUTION - 4.64% | | FINANCIAL SERVICES - 3.09% |
| Brampton Fastener Co. Ltd | \$ 898,850 | BCP Caylux Holding Lux SCA |
| Corvest Group, Inc. | 1,965,370 | Bombardier Capital, Inc. |
| Kele and Associates, Inc. | 1,229,813 | Dollar Financial Group |
| QualServ Corporation | 1,065,296 | East River Ventures I, L.P. |
| Strategic Equipment & Supply Corporation, Inc. | -- | Ford Motor Credit Co. |
| | ----- | General Motors Acceptance |
| | 5,159,329 | Highgate Capital LLC |
| | ----- | Leucadia National Corporat |
| DIVERSIFIED/CONGLOMERATE, | | T C W Leveraged Income Tru |
| MANUFACTURING - 3.44% | | Victory Ventures LLC |
| Activant Solutions, Inc. | 754,125 | Williams Scotsman, Inc. |
| Coining of America LLC | 1,101,237 | |
| Dexter Magnetics Technologies, Inc. | 580,514 | HEALTHCARE, EDUCATION & |
| Douglas Dynamics LLC | 318,500 | CHILDCARE - 4.60% |
| Evans Consoles, Inc. | 68,418 | A T I Acquisition Company |
| Justrite Manufacturing Acquisition Co. | 837,513 | American Hospice Managemen |
| Tyco International Group SA | 160,132 | Interactive Health LLC |
| | ----- | MedAssist, Inc. |
| | 3,820,439 | Quintiles Transnational Co |
| | ----- | Shamir Optical Industry Lt |
| DIVERSIFIED/CONGLOMERATE, | | Tenet Healthcare Corporati |
| SERVICE - 8.18% | | |
| Abitibi-Consolidated, Inc. | 490,000 | HOME & OFFICE FURNISHINGS, |
| Allied Waste NA | 498,750 | HOUSEWARES, AND DURABLE |
| CapeSuccess LLC | 2,512 | CONSUMER PRODUCTS - 3.63% |
| Chemed Corporation | 1,455,540 | Connor Sport Court Interna |
| Diversco, Inc./DHI Holdings, Inc. | 1,044,048 | Home Decor Holding Company |
| Dwyer Group, Inc. | 1,339,471 | Hussey Seating Corporation |
| Keystone North America, Inc. | 173,177 | U-Line Corporation |
| Lancaster Laboratories, Inc. | 810,076 | |
| Moss, Inc. | 969,788 | LEISURE, AMUSEMENT, |
| M S X International, Inc. | 175,000 | ENTERTAINMENT - 1.99% |
| Service Corporation International | 21,000 | Intrawest Corporation |
| U S M Holdings Corporation | 1,146,404 | Keepsake Quilting, Inc. |
| Universal City Florida | 205,500 | M G M Mirage, Inc. |
| Washington Inventory Services, Inc. | 754,330 | Majestic Star Casino LLC |
| | ----- | O E D Corp/Diamond Jo Comp |
| | 9,085,596 | Warner Music Group |
| | ----- | |
| ELECTRONICS - 3.93% | | |
| A E S Corporation | 655,750 | |
| Arrow Electronics, Inc. | 518,707 | |
| Directed Electronics, Inc. | 1,134,748 | |
| Distributed Energy Systems | 47,600 | |
| Electronic Data Systems Corporation | 537,419 | |
| Precision Dynamics, Inc. | 802,810 | |
| Siebe PLC | 320,250 | |

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| | |
|-------------------------------|-----------|
| Texas Genco LLC | 350,875 |
| | ----- |
| | 4,368,159 |
| | ----- |
| FARMING & AGRICULTURE - 0.00% | |
| Protein Genetics, Inc. | -- |
| | ----- |

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL PARTICIPATION INVESTORS

March 31, 2005
(Unaudited)

| INDUSTRY CLASSIFICATION: (Cont.) | Fair Value/ Market Value | INDUSTRY CLASSIFICATION: (|
|--|-----------------------------|-----------------------------|
| | ----- | |
| MACHINERY - 11.96% | | RETAIL STORES - 5.82% |
| Aearo Co. | \$ 237,375 | Blockbuster, Inc. |
| C & M Conveyor, Inc. | 1,208,603 | General Nutrition Center |
| Integration Technology Systems, Inc. | 907,967 | Neff Corporation |
| Manitowoc Company, Inc. | 103,000 | Olympic Sales, Inc. |
| Maxon Corporation | 1,473,276 | P H I Holding Company |
| NPC, Inc. | 1,929,694 | Rent-A-Center, Inc. |
| Numatics, Inc. | 341,250 | Rent-Way, Inc. |
| PW Eagle, Inc. | 413,144 | Sports Club Co. |
| Safety Speed Cut Manufacturing Company, Inc. | 1,596,093 | TVI, Inc. |
| Synventive Equity LLC | 1,864,482 | United Rentals, Inc. |
| Tronair, Inc. | 1,583,498 | |
| Tubular Textile Machinery | 1,368,660 | |
| Weasler Holdings LLC | 264,936 | |
| | ----- | TECHNOLOGY - 0.63% |
| | 13,291,978 | Convera Corporation |
| | ----- | Cymer, Inc. |
| MEDICAL DEVICES/BIOTECH - 2.74% | | Delstar Holding Corporation |
| Beacon Medical Products, Inc. | 1,179,253 | Dolby Laboratories, Inc. |
| Coeur, Inc. | 674,085 | Magnachip Semiconductor |
| E X C Acquisition Corporation | 1,187,761 | |
| | ----- | TELECOMMUNICATIONS - 2.18% |
| | 3,041,099 | Cincinnati Bell, Inc. |
| | ----- | Intelsat Bermuda, Ltd. |
| MINING, STEEL, IRON | | Nextel Communications Corp |
| & NON PRECIOUS METALS - 0.05% | | Rogers Wireless, Inc. |
| Better Minerals & Aggregates | 54,525 | Telex Communications, Inc. |
| | ----- | Triton P C S, Inc. |
| OIL AND GAS - 3.52% | | |
| Chesapeake Energy Corporation | 154,500 | UTILITIES - 1.01% |
| GulfMark Offshore, Inc. | 309,000 | Bill Barrett Corporation |
| Mustang Ventures Company | 451,727 | Markwest Energy |
| North American Energy Partners | 180,000 | Moog, Inc. |
| Offshore Logistics, Inc. | 332,500 | Nalco Co. |
| Pacific Energy Partners | 258,750 | Utilicorp United, Inc. |
| Transmontaigne, Inc. | 2,222,168 | |
| | ----- | |
| | 3,908,645 | |
| | ----- | |
| PHARMACEUTICALS - 0.46% | | |
| Enzymatic Therapy, Inc. | 509,066 | |

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| | | |
|---|-----------------------------|--|
| PUBLISHING/PRINTING - 2.20% American Media Operation, Inc. | ----- 489,250 | WASTE MANAGEMENT/ POLLUTION - 1.06% |
| Cadmus Communications Corporation | 365,750 | Terra Renewal Services, In |
| Houghton Mifflin Co. | 515,000 | |
| Jostens I H Corporation | 321,750 | TOTAL CORPORATE RESTRICTED |
| Primedia, Inc. | 510,000 | AND PUBLIC SECURITIES - 1 |
| Sheridan Acquisition Corporation | 239,063 | |
| | ----- 2,440,813 ----- | |

SEE NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MASSMUTUAL PARTICIPATION INVESTORS
 (Unaudited)

1. HISTORY

MassMutual Participation Investors (the "Trust") was organized as a Massachusetts business trust under the laws of the Commonwealth of Massachusetts pursuant to a Declaration of Trust dated April 7, 1988.

The Trust is a diversified closed-end management investment company. Babson Capital Management LLC, formerly David L. Babson & Company Inc. ("Babson Capital"), a wholly owned indirect subsidiary of Massachusetts Mutual Life Insurance Company ("MassMutual"), acts as its investment adviser. The Trust's investment objective is to maximize total return by providing a high level of current income, the potential for growth of such income, and capital appreciation, by investing primarily in a portfolio of privately placed below investment grade, long-term corporate debt obligations purchased directly from their issuers, at least half of which normally will include equity features.

On January 27, 1998, the Board of Trustees authorized the formation of a wholly owned subsidiary of the Trust ("MMPI Subsidiary Trust") for the purpose of holding certain investments. The results of the MMPI Subsidiary Trust are consolidated in the accompanying financial statements. Footnote 2.D below discusses the Federal tax consequences of the MMPI Subsidiary Trust.

2. Significant Accounting Policies

The following is a summary of significant accounting policies followed consistently by the Trust in the preparation of its consolidated financial statements in conformity with accounting principles generally accepted in the United States of America.

A. Valuation of Investments:

Valuation of a security in the Trust's portfolio is made on the basis of market price whenever market quotations are readily available and all securities of the same class held by the Trust can be readily sold in such market.

Nearly all securities which are acquired by the Trust directly from the issuers and shares into which such securities may be converted or which may be purchased on the exercise of warrants will be subject to legal or contractual delays in, or restrictions on, resale and will therefore be

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"restricted securities". Generally speaking, as contrasted with open-market sales of unrestricted securities, which may be effected immediately if the market is adequate, absent an exemption from registration, restricted securities can be sold only in a public offering for which a registration statement is in effect under the Securities Act of 1933.

The value of restricted securities, and of any other assets for which there are no reliable market quotations, is the fair value as determined in good faith by the Trust's Board of Trustees the ("Trustees"). Each restricted security is valued by the Trustees as of the time of its acquisition and at least quarterly thereafter. The Trustees have established guidelines to aid in the valuation of each security. Generally, restricted securities are initially valued at cost or less at the time of acquisition by the Trust. Values greater or less than cost are thereafter used for restricted securities in appropriate circumstances. Among the factors ordinarily considered are the existence of restrictions upon the sale of a security held by the Trust; an estimate of the existence and the extent of a market for the security; the extent of any discount at which the security was acquired; the estimated period of time during which the security will not be freely marketable; the estimated expenses of registering or otherwise qualifying the security for public sale; estimated underwriting commissions if underwriting would be required to effect a sale; in the case of a convertible security, whether or not it would trade on the basis of its stock equivalent; in the case of a debt obligation which would trade independently of any equity equivalent, the current yields on comparable securities; the estimated amount of the floating supply of such securities available for purchase; the proportion of the issue held by the Trust; changes in the financial condition and prospects of the issuer; the existence of merger proposals or tender offers affecting the issuer; and any other factors affecting fair value, all in accordance with the Investment Company Act of 1940, as amended. In making valuations, opinions of counsel may be relied upon as to whether or not securities are restricted securities and as to the legal requirements for public sale.

When market quotations are readily available for unrestricted securities of an issuer, restricted securities of the same class are generally valued at a discount from the market price of such unrestricted securities. The Trustees, however, consider all factors in fixing any discount, including the filing of a registration statement for such securities under the Securities Act of 1933 and any other developments which are likely to increase the probability that the securities may be publicly sold by the Trust without restriction.

The Trust's Board of Trustees meets at least once in each quarter to value the Trust's portfolio securities as of the close of business on the last business day of the preceding quarter. This valuation requires the approval of a majority of the Trustees of the Trust, including a majority of the Trustees who

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MASSMUTUAL PARTICIPATION INVESTORS
(CONTINUED)

are not interested persons of the Trust or of Babson Capital, the Trust's investment adviser. In making valuations, the Trustees will consider Babson Capital's reports analyzing each portfolio security in accordance with the relevant factors referred to above. Babson Capital has agreed to provide such reports to the Trust at least quarterly.

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The consolidated financial statements include private placement restricted securities valued at \$85,334,802 (76.80% of net assets) as of March 31, 2005 whose values have been determined by the Board of Trustees in the absence of readily ascertainable market values. Due to the inherent uncertainty of valuation, those values may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material.

The values for corporate public securities are stated at the last reported sales price or at prices based upon quotations obtained from brokers and dealers as of March 31, 2005, subject to discount where appropriate, and are approved by the Trustees.

Short-term securities with more than sixty days to maturity are valued at fair value and short-term securities having a maturity of sixty days or less are valued at amortized cost, which approximates market value.

B. Accounting for Investments:

Investment transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date. Interest income is recorded on the accrual basis. The Trust does not accrue income when payment is delinquent and when management believes payment is questionable.

Discounts and premiums on securities purchased are amortized, over the lives of the respective securities. Realized gains and losses on investment transactions and unrealized appreciation and depreciation of investments are reported for financial statement and federal income tax purposes on the identified cost method.

C. Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

D. Federal Income Taxes:

No provision for federal income taxes on net investment income and short-term capital gains is considered necessary for the Trust because it is a "regulated investment company" under the Internal Revenue Code, and intends to maintain this qualification by, among other things, distributing substantially all of its net taxable income to its shareholders. In any year when net long-term capital gains are realized by the Trust, management, after evaluating the prevailing economic conditions, will recommend that Trustees either designate the net realized long-term gains as undistributed and pay the federal capital gains taxes thereon, or distribute all or a portion of such net gains.

The Trust is taxed as a regulated investment company and is therefore limited as to the amount of non-qualified income that it may receive as the result of operating a trade or business, e.g. the Trust's pro rata share of income allocable to the Trust by a partnership operating company. The Trust's violation of this limitation could result in the loss of its status as a regulated investment company, thereby subjecting all of its net income and capital gains to corporate taxes prior to distribution to its shareholders. The Trust, from time-to-time, identifies investment opportunities in the securities of entities that could cause such trade or

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business income to be allocable to the Trust. The MMPI Subsidiary Trust (described in Footnote 1, above) was formed in order to allow investment in such securities without adversely affecting the Trust's status as a regulated investment company.

The MMPI Subsidiary Trust is not taxed as a regulated investment company. Accordingly, prior to the Trust's receiving any distributions from the MMPI Subsidiary Trust, all of the MMPI Subsidiary Trust's taxable income and realized gains, including non-qualified income and realized gains, is subject to taxation at prevailing corporate tax rates. For the three months ended March 31, 2005 the MMPI Subsidiary Trust has accrued tax expense on net realized and unrealized gains of \$81,426 and \$241,386, respectively.

E. Distributions to Shareholders:

The Trust records distributions to shareholders from net investment income and net realized gains, if any, on the exdividend date. The Trust's net investment income dividend is declared four times per year, in April, July, October and December. The Trust's net realized capital gain distribution, if any, is declared in December.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MASSMUTUAL PARTICIPATION INVESTORS
(CONTINUED)

3. INVESTMENT ADVISORY AND ADMINISTRATIVE SERVICES FEE

Under an Investment Advisory and Administrative Services Contract (the "Contract") with the Trust, Babson Capital has agreed to use its best efforts to present to the Trust a continuing and suitable investment program consistent with the investment objectives and policies of the Trust. Babson Capital has further agreed that it will request each issuer of securities which MassMutual is prepared to purchase in a negotiated private placement, and which would be consistent with the investment objectives and policies of the Trust, to also offer such securities to the Trust. Babson Capital will use its best efforts to insure that issuers accede to such requests. MassMutual has agreed that, subject to such orders of the Securities and Exchange Commission as may apply, it will invest concurrently with the Trust in any such investment. Babson Capital represents the Trust in any negotiations with issuers, investment banking firms, securities brokers or dealers and other institutions or investors relating to the Trust's investments. Under the contract, Babson Capital provides administration of the day-to-day operations of the Trust and provides the Trust with office space and office equipment, accounting and bookkeeping services, and necessary executive, clerical and secretarial personnel for the performance of the foregoing services.

For its services under the Contract, Babson Capital is paid a quarterly fee equal to .225% of the value of the Trust's net assets as of the last business day of each fiscal quarter, an amount approximately equivalent to .90% on an annual basis. A majority of the Trustees, including a majority of the Trustees who are not interested persons of the Trust or of Babson Capital, approve the valuation of the Trust's net assets as of such day.

4. SENIOR SECURED INDEBTEDNESS:

A. NOTE PAYABLE

MassMutual holds the Trust's \$12,000,000 Senior Fixed Rate Convertible Note

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(the "Note") issued by the Trust in 1995. The Note, as amended, is due December 13, 2011 and accrues interest at 5.80% per annum. MassMutual, at its option, can convert the principal amount of the Note into common shares. The dollar amount of principal would be converted into an equivalent dollar amount of common shares based upon the average price of the common shares for ten business days prior to the notice of conversion. For the three months ended March 31, 2005, the Trust incurred total interest expense on the Note of \$174,000.

The Trust may redeem the Note, in whole or in part, at the principal amount proposed to be redeemed together with the accrued and unpaid interest thereon through the redemption date plus a Make Whole Premium. The Make Whole Premium equals the excess of (i) the present value of the scheduled payments of principal and interest which the Trust would have paid but for the proposed redemption, discounted at the rate of interest of U.S. Treasury obligations whose maturity approximates that of the Note plus 0.50% over (ii) the principal of the Notes proposed to be redeemed.

B. REVOLVING CREDIT AGREEMENT

The Trust entered into a \$15,000,000 Revolving Credit Agreement with Fleet National Bank (the "Agent Bank") dated May 29, 1997, which had a stated maturity on May 31, 2004. The maturity date of this loan was extended to May 31, 2007, and its terms amended and restated pursuant to the First Amended and Restated Revolving Credit Agreement (the "Revolver") dated May 27, 2004, between the Trust and the Agent Bank.

The Revolver bears interest payable quarterly in arrears at a per annum rate that varies depending upon whether the Trust requests a Base Rate Loan or LIBOR Rate Loan. Interest on Base Rate loans equals the higher of: (i) the annual "Base Rate" as set periodically by the Agent Bank and (ii) the most recent Federal Funds Effective Rate plus .50% per annum. Per annum interest on LIBOR Rate Loans equals .60% plus the London Inter Bank Offered Rate ("LIBOR") rate, divided by 1 minus LIBOR Reserve Rate. The Trust also incurs expense on the undrawn portion of the total Revolver at a rate of .25% per annum.

As of March 31, 2005, there was \$10,500,000 in outstanding loans against the Revolver and the average blended rate of interest attributable to the Revolver was 2.93%. For the three months ended March 31, 2005, the Trust incurred total interest expense on the Revolver of \$77,011, plus \$2,774 related to the undrawn portion.

5. PURCHASES AND SALES OF INVESTMENTS

| | For the three months ended 3/31/2005 | |
|---------------------------------|---|---|
| | Cost of Investments Acquired | Proceeds from Sales or Maturities |
| Corporate restricted securities | \$ 7,454,659 | \$ 9,829,745 |
| Corporate public securities | 1,322,144 | 2,553,902 |
| Short-term securities | 104,800,104 | 101,374,000 |

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JOHN T. DAVITT, JR.
MARY ELLEN WESNESKI

COMPTROLLER
CHIEF COMPLIANCE
OFFICER

* MEMBER OF THE AUDIT COMMITTEE

DIVIDEND REINVESTMENT AND CASH PURCHASE PLAN

MassMutual Participation Investors offers a Dividend Reinvestment and Cash Purchase Plan. The Plan provides a simple and automatic way for shareholders to add to their holdings in the Trust through the receipt of dividend shares issued by the Trust or through the reinvestment of cash dividends in Trust shares purchased in the open market. The dividends of each shareholder will be automatically reinvested in the Trust by Shareholder Financial Services Inc., the Transfer Agent, in accordance with the Plan, unless such shareholder elects not to participate by providing written notice to the Transfer Agent. A shareholder may terminate his or her participation by notifying the Transfer Agent in writing.

Participating shareholders may also make additional contributions to the Plan from their own funds. Such contributions may be made by personal check or other means in an amount not less than \$100 nor more than \$5,000 per quarter.

Whenever the Trust declares a dividend payable in cash or shares, the Transfer Agent, acting on behalf of each participating shareholder, will take the dividend in shares only if the net asset value is lower than the market price plus an estimated brokerage commission as of the close of business on the valuation day. The valuation day is the last day preceding the day of dividend payment. When the dividend is to be taken in shares, the number of shares to be received is determined by dividing the cash dividend by the net asset value as of the close of business on the valuation date or, if greater than net asset value, 95% of the closing share price. If the net asset value of the shares is higher than the market value plus an estimated commission, the Transfer Agent, consistent with obtaining the best price and execution, will buy shares on the open market at current prices promptly after the dividend payment date.

The reinvestment of dividends does not, in any way, relieve participating shareholders of any federal, state or local tax. For federal income tax purposes, the amount reportable in respect of a dividend received in newly issued shares of the Trust will be the fair market value of the shares received, which will be reportable as ordinary income and/or capital gains.

As compensation for its services, the Transfer Agent receives a fee of 5% of any dividend and cash contribution (in no event in excess of \$2.50 per distribution per shareholder.)

Any questions regarding the Plan should be addressed to Shareholder Financial Services, Inc., Agent for MassMutual Participation Investors' Dividend Reinvestment and Cash Purchase Plan, P.O. Box 173673, Denver CO 80217-3673.

