

MASSMUTUAL PARTICIPATION INVESTORS

Form N-Q

November 24, 2008

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

FORM N-Q

Quarterly Schedule of Portfolio Holdings of  
Registered Management Investment Company

Investment Company Act file number 811-05531

MassMutual Participation Investors

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(Exact name of registrant as specified in charter)

1500 Main Street, Suite 600, Springfield, MA 01115

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(Address of principal executive offices) (Zip code)

Patricia J. Walsh, Vice President and Secretary,  
1500 Main Street, Suite 2800, Springfield, MA 01115

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(Name and address of agent for service)

Registrant's telephone number, including area code: 413-226-1000

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Date of fiscal year end: 12/31

\_\_\_\_\_

Date of reporting period: 09/30/08

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ITEM 1. SCHEDULE OF INVESTMENTS.

## Edgar Filing: MASSMUTUAL PARTICIPATION INVESTORS - Form N-Q

CONSOLIDATED SCHEDULE OF INVESTMENTS  
 September 30, 2008  
 (Unaudited)

MassMutual Participation Investors

	Principal Amount Shares, Units or Ownership Percentage -----	Acquisition Date -----
CORPORATE RESTRICTED SECURITIES - 83.50%: (A)		
PRIVATE PLACEMENT INVESTMENTS - 79.98%		
A H C HOLDING COMPANY, INC.		
A designer and manufacturer of boilers and water heaters for the commercial sector.		
15% Senior Subordinated Note due 2015	\$ 1,253,897	11/21/07
Limited Partnership Interest (B)	7.93% int.	11/21/07
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 preferred stock at \$.01 per share (B)	7 shs.	11/16/07
Warrant, exercisable until 2012, to purchase common stock at \$.02 per share (B)	1,230 shs.	04/08/04
A W X HOLDINGS CORPORATION		
A provider of aerial equipment rental, sales and repair services to non-residential construction operating in the State of Indiana.		
10.5% Senior Secured Term Note due 2014	\$ 420,000	05/15/08
13% Senior Subordinated Note due 2015	\$ 420,000	05/15/08
Common Stock (B)	60,000 shs.	05/15/08
Warrant, exercisable until 2015, to purchase common stock at \$.01 per share (B)	21,099 shs.	05/15/08
ADVANCED TECHNOLOGIES HOLDINGS		
A provider of factory maintenance services to industrial companies.		
15% Senior Subordinated Note due 2013	\$ 1,096,623	12/27/07
Preferred Stock (B)	546 shs.	12/27/07
AERO HOLDINGS, INC.		
A provider of geospatial services to corporate and government clients.		
10.5% Senior Secured Term Note due 2014	\$ 930,000	03/09/07
14% Senior Subordinated Note due 2015	\$ 720,000	03/09/07
Common Stock (B)	150,000 shs.	03/09/07
Warrant, exercisable until 2015, to purchase common stock at \$.01 per share (B)	37,780 shs.	03/09/07

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)  
 September 30, 2008  
 (Unaudited)

CORPORATE RESTRICTED SECURITIES: (A) (Continued)	Principal Amount Shares, Units or Ownership Percentage -----	Acquisition Date -----
ALL CURRENT HOLDING COMPANY		
A specialty re-seller of essential electrical parts and components primarily serving wholesale di		
12% Senior Subordinated Note due 2015	\$ 603,697	09/26/08
Common Stock (B)	713 shs.	09/26/08
Warrant, exercisable until 2018, to purchase common stock at \$.01 per share (B)	507 shs.	09/26/08
AMERICAN HOSPICE MANAGEMENT HOLDING LLC		
A for-profit hospice care provider in the United States.		
12% Senior Subordinated Note due 2013	\$ 1,687,503	*
Preferred Class A Unit (B)	1,706 uts.	**
Preferred Class B Unit (B)	808 uts.	06/09/08
Common Class B Unit (B)	16,100 uts.	01/22/04
Common Class D Unit (B)	3,690 uts.	09/12/06
ARROW TRU-LINE HOLDINGS, INC.		
A manufacturer of hardware for residential and commercial overhead garage doors in North America.		
12% Senior Subordinated Note due 2012	\$ 861,702	05/18/05
Common Stock (B)	263 shs.	05/18/05
Warrant, exercisable until 2012, to purchase common stock at \$.01 per share (B)	69 shs.	05/18/05
BRAVO SPORTS HOLDING CORPORATION		
A designer and marketer of niche branded consumer products including canopies, trampolines, in-li urethane wheels.		
12.5% Senior Subordinated Note due 2014	\$ 1,207,902	06/30/06
Preferred Stock Class A (B)	465 shs.	06/30/06
Common Stock (B)	1 sh.	06/30/06
Warrant, exercisable until 2014, to purchase common stock at \$.01 per share (B)	164 shs.	06/30/06
C D N T, INC.		
A value-added converter and distributor of specialty pressure sensitive adhesives, foams, films,		
10.5% Senior Secured Term Note due 2014	\$ 429,070	08/07/08
12.5% Senior Subordinated Note due 2015	\$ 429,070	08/07/08
Common Stock (B)	41,860 shs.	08/07/08
Warrant, exercisable until 2018, to purchase common stock at \$.01 per share (B)	32,914 shs.	08/07/08

\* 01/22/04 and 06/09/08.

\*\* 01/22/04 and 09/12/06.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2008

MassMutual Participation Investors

(Unaudited)

CORPORATE RESTRICTED SECURITIES: (A) (Continued)	Principal Amount Shares, Units or Ownership Percentage -----	Acquisition Date -----
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 pharmaceutical products.		
Common Stock (B)	55 shs.	*
COEUR, INC.		
A producer of proprietary, disposable power injection syringes.		
8.75% Senior Secured Term Note due 2010	\$ 141,304	04/30/03
11.5% Senior Subordinated Note due 2011	\$ 242,754	04/30/03
Common Stock (B)	72,464 shs.	04/30/03
Warrant, exercisable until 2010, to purchase common stock at \$.01 per share (B)	50,099 shs.	04/30/03
CONNECTICUT ELECTRIC, INC.		
A supplier and distributor of electrical products sold into the retail and wholesale markets.		
12% Senior Subordinated Note due 2014	\$ 1,267,387	01/12/07
Limited Liability Company Unit Class A (B)	82,613 uts.	01/12/07
Limited Liability Company Unit Class C (B)	59,756 uts.	01/12/07
CONNOR SPORT COURT INTERNATIONAL, INC.		
A designer and manufacturer of outdoor and indoor synthetic sports flooring and other temporary f		
Preferred Stock Series B-2 (B)	9,081 shs.	07/05/07
Preferred Stock Series C (B)	4,757 shs.	07/05/07
Common Stock (B)	380 shs.	07/05/07
Limited Partnership Interest (B)	4.43% int.	**
COREPHARMA LLC		
A manufacturer of oral dose generic pharmaceuticals targeted at niche applications.		
12% Senior Subordinated Note due 2013	\$ 1,350,000	08/04/05
Warrant, exercisable until 2013, to purchase common stock at \$.001 per share (B)	10 shs.	08/04/05

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

\*\* 08/12/04 and 01/14/05.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)  
September 30, 2008  
(Unaudited)

CORPORATE RESTRICTED SECURITIES: (A) (Continued)	Principal Amount Shares, Units or Ownership Percentage -----	Acquisition Date -----
<b>CRANE RENTAL CORPORATION</b>		
A crane rental company.		
13% Senior Subordinated Note due 2015	\$ 1,215,000	08/21/08
Common Stock (B)	135,000 shs.	08/21/08
Warrant, exercisable until 2016, to purchase common stock at \$.01 per share (B)	72,037 shs.	08/21/08
<b>DAVIS-STANDARD LLC</b>		
A manufacturer, assembler, and installer of a broad range of capital equipment that is used in the processing of plastic materials.		
12% Senior Subordinated Note due 2014	\$ 978,261	10/30/06
Limited Partnership Interest (B)	0.97% int.	10/30/06
Warrant, exercisable until 2014, to purchase preferred stock at \$.01 per share (B)	26 shs.	10/30/06
Warrant, exercisable until 2014, to purchase common stock at \$.01 per share (B)	18 shs.	10/30/06
<b>DIVERSCO, INC./DHI HOLDINGS, INC.</b>		
A contract provider of janitorial and equipment maintenance services and temporary production labor 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.	*
<b>DUNCAN SYSTEMS, INC.</b>		
A distributor of windshields and side glass for the recreational vehicle market.		
10% Senior Secured Term Note due 2013	\$ 308,571	11/01/06
13% Senior Subordinated Note due 2014	\$ 488,572	11/01/06
Common Stock (B)	102,857 shs.	11/01/06
Warrant, exercisable until 2014, to purchase common stock at \$.01 per share (B)	32,294 shs.	11/01/06
<b>DWYER GROUP, INC.</b>		
A franchiser of a variety of home repair services.		
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

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

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

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)  
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CORPORATE RESTRICTED SECURITIES: (A) (Continued)	Principal Amount Shares, Units or Ownership Percentage	Acquisition Date
<b>E S P HOLDCO, INC.</b>		
A manufacturer of power protection technology for commercial office equipment, primarily supplying network.		
14% Senior Subordinated Note due 2015	\$ 1,186,688	01/08/08
Common Stock (B)	349 shs.	01/08/08
<b>E X C ACQUISITION CORPORATION</b>		
A manufacturer of pre-filled syringes and pump systems used for intravenous drug delivery.		
Warrant, exercisable until 2014, to purchase common stock at \$.01 per share (B)	11 shs.	06/28/04
<b>ELECTRA BICYCLE COMPANY LLC</b>		
A designer and marketer of branded leisure bicycles.		
15.5% Senior Secured Term Note A due 2009	\$ 36,437	04/12/07
10.5% Senior Secured Term Note B due 2012	\$ 360,729	04/12/07
12% Senior Secured Term Note C due 2012	\$ 291,498	04/12/07
Limited Liability Company Unit Series F	36,913 uts.	04/12/07
Limited Liability Company Unit Series G	2,852 uts.	04/12/07
<b>ENZYMATIC THERAPY, INC.</b>		
A manufacturer and distributor of branded natural medicines and nutritional supplements.		
Limited Partnership Interest (B)	0.70% int.	03/30/00
Warrant, exercisable until 2009, to purchase common stock at \$.01 per share (B)	15,415 shs.	03/30/00
<b>EVANS CONSOLES, INC.</b>		
A designer and manufacturer of consoles and control center systems.		
Common Stock (B)	45,000 shs.	05/06/04
<b>F H S HOLDINGS LLC</b>		
A national provider of customized disease management services to large self-insured employers.		
12% Senior Subordinated Note due 2014	\$ 1,265,625	06/01/06
Preferred Unit (B)	84 uts.	06/01/06
Common Unit Class B (B)	734 shs.	06/01/06

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)  
 September 30, 2008  
 (Unaudited)

CORPORATE RESTRICTED SECURITIES: (A) (Continued)	Principal Amount Shares, Units or Ownership Percentage -----	Acquisition Date -----
<b>FLUTES, INC.</b>		
An independent manufacturer of micro fluted corrugated sheet material for the food and consumer p		
10% Senior Secured Term Note due 2013	\$ 524,791	04/13/06
14% Senior Subordinated Note due 2014	\$ 317,177	04/13/06
Common Stock (B)	62,535 shs.	04/13/06
Warrant, exercisable until 2014, to purchase common stock at \$.01 per share (B)	17,680 shs.	04/13/06
<b>FOWLER HOLDING, INC.</b>		
A provider of site development services to residential homebuilders and developers in the Raleigh		
12% Senior Subordinated Note due 2013	\$ 1,252,174	02/03/06
Common Stock (B)	98 shs.	02/03/06
Warrant, exercisable until 2013, to purchase common stock at \$.01 per share (B)	135 shs.	02/03/06
<b>FUEL SYSTEMS HOLDING CORPORATION</b>		
An independent North American supplier of fuel tanks for a wide variety of commercial vehicles.		
12% Senior Subordinated Note due 2014	\$ 1,237,500	01/31/06
Preferred Stock (B)	16,792 shs.	06/12/08
Common Stock (B)	112,500 shs.	01/31/06
Warrant, exercisable until 2016, to purchase common stock at \$.01 per share (B)	73,275 shs.	01/31/06
<b>GOLDEN COUNTY FOODS HOLDING, INC.</b>		
A manufacturer of frozen appetizers and snacks.		
12% Senior Subordinated Note due 2015	\$ 1,012,500	11/01/07
8% Series A Convertible Preferred Stock, convertible into 4.25% of the fully diluted common shares (B)	77,643 shs.	11/01/07
<b>GQ HOLDINGS LLC</b>		
A developer and distributor of tools, equipment, and supplies to the natural and engineered stone		
15% Senior Subordinated Note due 2015	\$ 1,217,159	06/27/08
Common Stock (B)	3,867 shs.	06/27/08

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)  
 September 30, 2008

MassMutual Participation Investors

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(Unaudited)

CORPORATE RESTRICTED SECURITIES: (A) (Continued)	Principal Amount Shares, Units or Ownership Percentage -----	Acquisition Date -----
H M HOLDING COMPANY		
A designer, manufacturer, and importer of promotional and wood furniture.		
12% Senior Subordinated Note due 2013 (D)	\$ 1,170,000	02/10/06
Preferred Stock (B)	21 shs.	*
Common Stock (B)	180 shs.	02/10/06
Warrant, exercisable until 2013, to purchase common stock at \$.02 per share (B)	67 shs.	02/10/06
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 \$.02 per share (B)	106 shs.	**
HOSPITALITY MINTS HOLDING COMPANY		
A manufacturer of individually-wrapped imprinted promotional mints.		
12% Senior Subordinated Note due 2016	\$ 1,098,837	08/19/08
Common Stock (B)	251 shs.	08/19/08
Warrant, exercisable until 2016, to purchase common stock at \$.01 per share (B)	65 shs.	08/19/08
INSURANCE CLAIMS MANAGEMENT, INC.		
A third party administrator providing auto and property claim administration services for insurance		
Common Stock (B)	37 shs.	02/27/07
Warrant, exercisable until 2011, to purchase common stock at \$.01 per share (B)	11 shs.	02/27/07
INTEGRATION TECHNOLOGY SYSTEMS, INC.		
A manufacturer of steel protective computer and network systems for the industrial and office environment		
12% Senior Secured Note due on demand	\$ 25,055	03/01/04
Common Stock (B)	130 shs.	06/01/00

\* 09/18/07 and 06/27/08.

\*\* 06/30/04 and 08/19/04.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)



## Edgar Filing: MASSMUTUAL PARTICIPATION INVESTORS - Form N-Q

September 30, 2008

(Unaudited)

CORPORATE RESTRICTED SECURITIES: (A) (Continued)	Principal Amount Shares, Units or Ownership Percentage -----	Acquisition Date -----
JASON, INC.		
A diversified manufacturing company serving various industrial markets.		
13% Senior Subordinated Note due 2010	\$ 510,187	08/04/00
Limited Partnership Interest of		
Saw Mill Capital Fund II, L.P. (B)	1.30% int.	08/03/00
Warrant, exercisable until 2010, 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)	594 shs.	12/15/04
K H O F HOLDINGS, INC.		
A manufacturer of premium disposable tableware products serving both the foodservice and consumer		
14% Senior Subordinated Note due 2014	\$ 1,250,794	10/15/07
Common Stock (B)	116,827 shs.	10/15/07
K N B HOLDINGS CORPORATION		
A designer, manufacturer and marketer of products for the custom framing market.		
13.5% Senior Subordinated Note due 2013	\$ 1,319,800	05/25/06
Common Stock (B)	71,053 shs.	05/25/06
Warrant, exercisable until 2013, to purchase common stock at \$.01 per share (B)	43,600 shs.	05/25/06
K P I HOLDINGS, INC.		
Pace Industries, a subsidiary of Leggett & Platt, is the largest player in the U.S. non-automotive		
13% Senior Subordinated Note due 2014	\$ 1,115,217	07/16/08
Common Stock (B)	235 shs.	07/15/08
Warrant, exercisable until 2018, to purchase common stock at \$.01 per share (B)	51 shs.	07/16/08
K W P I HOLDINGS CORPORATION		
A manufacturer and distributor of vinyl windows and patio doors throughout the northwestern United States		
12% Senior Subordinated Note due 2014	\$ 1,227,000	03/14/07
Common Stock (B)	123 shs.	03/13/07
Warrant, exercisable until 2017, to purchase common stock at \$.01 per share (B)	89 shs.	03/14/07

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)  
 September 30, 2008  
 (Unaudited)

MassMutual Participation Investors

CORPORATE RESTRICTED SECURITIES: (A) (Continued)	Principal Amount Shares, Units or Ownership Percentage -----	Acquisition Date -----
<b>K-TEK HOLDING CORPORATION</b>		
A manufacturer of instrumentation for liquid and bulk solids level detection for process and storage		
14% Senior Secured Note due 2015	\$ 1,169,454	12/20/07
Preferred Stock (B)	192,314 shs.	12/20/07
Common Stock (B)	54,326 shs.	12/20/07
<b>M V I HOLDING, INC.</b>		
A manufacturer of large precision machined metal components used in equipment which services a variety of the oil & gas, mining, and defense markets.		
13% Senior Subordinated Note due 2016	\$ 642,857	09/12/08
Common Stock (B)	32 shs.	09/12/08
Warrant, exercisable until 2018, to purchase common stock at \$.01 per share (B)	35 shs.	09/12/08
<b>MAIL COMMUNICATIONS GROUP, INC.</b>		
A provider of mail processing and handling services, lettershop services, and commercial printing		
12.5% Senior Subordinated Note due 2014	\$ 516,177	05/04/07
Limited Liability Company Unit (B)	12,763 uts.	*
Warrant, exercisable until 2014, to purchase common stock at \$.01 per share (B)	1,787 shs.	05/04/07
<b>MAVERICK ACQUISITION COMPANY</b>		
A manufacturer of capsules that cover the cork and neck of wine bottles.		
7.19% Senior Secured Tranche A Note due 2010 (C)	\$ 210,124	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
<b>MEDSYSTEMS HOLDINGS LLC</b>		
A manufacturer of enteral feeding products, such as feeding tubes and other products related to a patient's		
13% Senior Subordinated Note due 2015	\$ 607,878	08/29/08
Preferred Unit (B)	66 uts.	08/29/08
Common Unit Class A (B)	671 uts.	08/29/08
Common Unit Class B (B)	250 uts.	08/29/08

\* 05/04/07 and 01/02/08.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)  
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CORPORATE RESTRICTED SECURITIES: (A) (Continued)	Principal Amount Shares, Units or Ownership Percentage -----	Acquisition Date -----
 MEGTEC HOLDINGS, INC.		
A supplier of industrial and environmental products and services to a broad array of industries, converting, pharmaceutical, electronic, chemical, wood processing, and coal mining industries.		
12% Senior Subordinated Note due 2016	\$ 1,144,068	09/24/08
Preferred Stock (B)	56 shs.	09/24/08
Limited Partnership Interest (B)	205,932 int.	09/16/08
Warrant, exercisable until 2018, to purchase common stock at \$.01 per share (B)	18 shs.	09/24/08
 MICROGROUP, INC.		
A manufacturer of precision parts and assemblies, and a value-added supplier of metal tubing and		
12% Senior Subordinated Note due 2013	\$ 1,421,795	*
Common Stock (B)	238 shs.	*
Warrant, exercisable until 2013, to purchase common stock at \$.02 per share (B)	87 shs.	*
 MILWAUKEE GEAR COMPANY		
A manufacturer of high-precision custom gears and gear drives used by original equipment manufactu		
industries.		
13% Senior Subordinated Note due 2014	\$ 1,246,154	07/21/08
Preferred Stock (B)	139 shs.	07/21/08
Common Stock (B)	9 shs.	07/21/08
Warrant, exercisable until 2014, to purchase common stock at \$.01 per share (B)	6 shs.	07/21/08
 MOMENTUM HOLDING CO.		
A designer and supplier of upholstery fabric to commercial furniture manufacturers and architectu		
Limited Partnership Interest (B)	11.24% int.	08/04/06
Warrant, exercisable until 2014, to purchase common stock at \$.02 per share (B)	586 shs.	08/04/06
 MONESSEN HOLDING CORPORATION		
A designer and manufacturer of a broad line of gas, wood, and electric hearth products and access		
14% Senior Subordinated Note due 2014	\$ 1,439,663	07/25/08
Warrant, exercisable until 2014, to purchase common stock at \$.02 per share (B)	81 shs.	03/31/06

\* 08/12/05 and 09/11/06.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)  
 September 30, 2008  
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CORPORATE RESTRICTED SECURITIES:(A) (Continued)	Principal Amount Shares, Units or Ownership Percentage	Acquisition Date
	-----	-----
<b>MORTON INDUSTRIAL GROUP, INC.</b>		
A manufacturer of highly engineered metal fabricated components.		
12% Senior Subordinated Note due 2014 (D)	\$ 1,292,246	08/25/06
30% Convertible Preferred Stock (B)	41,289 shs.	07/28/08
<b>NABCO, INC.</b>		
A producer of explosive containment vessels in the United States.		
14% Senior Subordinated Note due 2014	\$ 403,451	02/24/06
Limited Liability Company Unit (B)	437 uts.	*
Warrant, exercisable until 2016, to purchase common stock at \$.01 per share (B)	68 shs.	02/24/06
<b>NAVIS GLOBAL</b>		
A designer, manufacturer, seller and servicer of finishing machinery for the knit and woven segments.		
12% Senior Subordinated Note due 2014 (D)	\$ 705,457	05/28/04
8.75% Senior Secured Note due 2011 (D)	\$ 327,478	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
<b>NESCO HOLDINGS CORPORATION</b>		
A sales and leasing company that provides equipment to the electric utility, telecommunications, and other industries.		
12% Senior Subordinated Note due 2015	\$ 1,125,000	08/02/07
Common Stock (B)	225,000 shs.	08/02/07
Warrant, exercisable until 2015, to purchase common stock at \$.01 per share (B)	63,191 shs.	08/02/07
<b>NETSHAPE TECHNOLOGIES, INC.</b>		
A manufacturer of powder metal and metal injection molded precision components used in industrial machinery.		
12% Senior Subordinated Note due 2014	\$ 810,000	02/02/07
Limited Partnership Interest of Saw Mill PCG Partners LLC (B)	1.38% int.	02/01/07
Warrant, exercisable until 2014, to purchase common stock at \$.01 per share (B)	48 shs.	02/02/07

\* 02/24/06 and 06/22/07.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)  
September 30, 2008  
(Unaudited)

CORPORATE RESTRICTED SECURITIES: (A) (Continued)	Principal Amount Shares, Units or Ownership Percentage -----	Acquisition Date -----
<b>NYLONCRAFT, INC.</b>		
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
<b>OAKRIVER TECHNOLOGY, INC.</b>		
Designs, engineers and assembles high precision automated process equipment for the medical device defibrillators and stents.		
10% Senior Secured Note due 2012	\$ 298,260	01/03/06
13% Senior Subordinated Note due 2013	\$ 392,709	01/03/06
Common Stock (B)	184,176 shs.	01/03/06
Warrant, exercisable until 2013, to purchase common stock at \$.01 per share (B)	43,073 shs.	01/03/06
<b>OLYMPIC SALES, INC.</b>		
A boat retailer in Washington state, Oregon, California and British Columbia.		
12% Senior Subordinated Note due 2008 (D)	\$ 511,000	08/07/98
12% Senior Subordinated Note due 2008 (D)	\$ 244,154	02/09/00
Limited Partnership Interest of Riverside VIII, VIII-A and VIII-B Holding Company, L.P.	10.66% int.	*
Warrants, exercisable until 2008, to purchase common stock at \$.01 per share (B)	15,166 shs.	**
<b>ONTARIO DRIVE &amp; GEAR LTD.</b>		
A manufacturer of all-wheel drive, off-road amphibious vehicles and related accessories.		
Limited Liability Company Unit (B)	1,942 uts.	01/17/06
Warrant, exercisable until 2013, to purchase common stock at \$.01 per share (B)	328 shs.	01/17/06
<b>P A S HOLDCO LLC</b>		
An independent provider of maintenance, repair and overhaul services to the aerospace gas turbine		
14% Senior Subordinated Note due 2014	\$ 1,194,205	07/03/06
Preferred Unit (B)	202 uts.	07/03/06
Preferred Unit (B)	36 uts.	07/03/06
Common Unit Class I (B)	78 uts.	07/03/06
Common Unit Class L (B)	17 uts.	07/03/06

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\* 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 (CONTINUED)

September 30, 2008

MassMutual Participation Investors

(Unaudited)

CORPORATE RESTRICTED SECURITIES: (A) (Continued)	Principal Amount Shares, Units or Ownership Percentage -----	Acquisition Date -----
P I I HOLDING CORPORATION		
A manufacturer of plastic film and bags for the general industrial, medical, and food industries.		
12% Senior Subordinated Note due 2013	\$ 1,215,000	03/31/06
Preferred Stock (B)	19 shs.	03/31/06
Common Stock (B)	12 shs.	03/31/06
Warrant, exercisable until 2013, to purchase common stock at \$.01 per share (B)	7 shs.	03/31/06
PACIFIC CONSOLIDATED HOLDINGS LLC		
A manufacturer of rugged, mobile liquid and gaseous oxygen and nitrogen generating systems used in and medical sectors.		
12% Senior Subordinated Note due 2012	\$ 690,683	04/27/07
Limited Liability Company Unit (B)	928,962 uts.	04/27/07
PARADIGM PACKAGING, INC.		
A manufacturer of plastic bottles and closures for the nutritional, pharmaceutical, personal care and medical sectors.		
12% Senior Subordinated Note due 2011	\$ 1,125,000	12/19/00
Membership Interests of MM/Lincap PPI Investments, Inc., LLC (B)	1.28% int.	12/21/00
POSTLE ALUMINUM COMPANY LLC		
A manufacturer and distributor of aluminum extruded products.		
12% Senior Subordinated Note due 2014	\$ 1,080,000	10/02/06
Limited Liability Company Unit	733 uts.	10/02/06
Warrant, exercisable until 2016, to purchase common stock at \$.01 per share (B)	182 shs.	10/02/06
POWER SERVICES HOLDING COMPANY		
A provider of industrial motor repair services, predictive and preventative maintenance, and performance serving the petrochemical, mining, power generation, metals, and paper industries.		
12% Senior Subordinated Note due 2016	\$ 1,255,814	02/11/08
Limited Partnership Interest (B)	94,092 int.	02/11/08
Warrant, exercisable until 2016, to purchase common stock at \$.01 per share (B)	700 shs.	02/11/08
PROTEIN GENETICS, INC.		

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A producer of bovine artificial insemination products, related breeding and healthcare products a dairy and beef industries.

9.8% Redeemable Exchangeable Preferred Stock (B)	332 shs.	08/12/94
Common Stock (B)	867 shs.	*

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

### CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2008

MassMutual Participation Investors

(Unaudited)

	Principal Amount Shares, Units or Ownership Percentage	Acquisition Date
CORPORATE RESTRICTED SECURITIES: (A) (Continued)	-----	-----
<b>QUALIS AUTOMOTIVE LLC</b>		
A distributor of aftermarket automotive brake and chassis products.		
12% Senior Subordinated Note due 2012	\$ 937,500	05/28/04
Common Stock	187,500 shs.	05/28/04
Warrant, exercisable until 2012, to purchase common stock at \$.01 per share	199,969 shs.	05/28/04
<b>QUALSERV CORPORATION</b>		
A provider of foodservice equipment and supplies to major restaurant chains and their franchisees		
Limited Partnership Interest (B)	4.90% int.	07/09/04
<b>R A J MANUFACTURING HOLDINGS LLC</b>		
A designer and manufacturer of women's swimwear sold under a variety of licensed brand names.		
12.5% Senior Subordinated Note due 2014	\$ 1,200,277	12/15/06
Limited Liability Company Unit (B)	1,497 uts.	12/15/06
Warrant, exercisable until 2014, to purchase common stock at \$.01 per share (B)	2 shs.	12/15/06
<b>R E I DELAWARE HOLDING, INC.</b>		
An engineer and manufacturer of highly complex, close tolerance components, assemblies, tooling a primarily for aerospace, medical and defense/radar markets.		
12% Senior Subordinated Note due 2016	\$ 1,350,000	01/18/08
Warrant, exercisable until 2018, to purchase common stock at \$.01 per share (B)	3 shs.	01/18/08
<b>RADIAC ABRASIVES, INC.</b>		
A manufacturer of bonded abrasive and super abrasive grinding wheels in the United States.		
12% Senior Subordinated Note due 2014	\$ 1,196,809	02/10/06
Common Stock (B)	153,191 shs.	02/10/06
Warrant, exercisable until 2016, to purchase common stock at \$.01 per share (B)	69,647 shs.	02/10/06

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### 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.

Class B Common Stock (B)	846 shs.	06/02/99
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### CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2008

MassMutual Participation Investors

(Unaudited)

	Principal Amount Shares, Units or Ownership Percentage	Acquisition Date
CORPORATE RESTRICTED SECURITIES: (A) (Continued)	-----	-----
<b>SAVAGE SPORTS HOLDING, INC.</b>		
A manufacturer of sporting firearms.		
12% Senior Subordinated Note due 2012	\$ 814,655	09/10/04
Common Stock (B)	324 shs.	*
Warrant, exercisable until 2012, to purchase common stock at \$.01 per share (B)	71 shs.	09/10/04
<b>SMART SOURCE HOLDINGS LLC</b>		
A short-term computer rental company.		
12% Senior Subordinated Note due 2015	\$ 1,176,924	**
Limited Liability Company Unit (B)	328 uts.	**
Warrant, exercisable until 2015, to purchase common stock at \$.01 per share (B)	83 shs.	**
<b>SPECIALTY FOODS GROUP, INC.</b>		
A manufacturer and distributor of branded meat products.		
Limited Partnership Interest of MHD Holdings LLC (B)	0.76% int.	08/29/00
<b>STANTON CARPET HOLDING CO.</b>		
A designer and marketer of high and mid-priced decorative carpets and rugs.		
12.13% Senior Subordinated Note due 2014	\$ 1,185,366	08/01/06
Common Stock (B)	165 shs.	08/01/06
Warrant, exercisable until 2014, to purchase common stock at \$.02 per share (B)	55 shs.	08/01/06
<b>SYNTERACT HOLDINGS CORPORATION</b>		
A provider of outsourced clinical trial management services to pharmaceutical and biotechnology c		
14% Senior Subordinated Note due 2016	\$ 1,350,000	09/02/08
Warrant, exercisable until 2018, to purchase		



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preferred stock at \$.01 per share (B)	678 shs.	09/02/08
Warrant, exercisable until 2018, to purchase common stock at \$.01 per share (B)	6,778 shs.	09/02/08

T H I ACQUISITION, INC.

A machine servicing company providing value-added steel services to long steel products.

12% Senior Subordinated Note due 2016	\$ 1,350,000	01/14/08
Warrant, exercisable until 2016, to purchase common stock at \$.01 per share (B)	5 shs.	01/14/08

\* 09/10/04 and 10/05/07.

\*\* 08/31/07 and 03/06/08.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)  
September 30, 2008  
(Unaudited)

CORPORATE RESTRICTED SECURITIES: (A) (Continued)	Principal Amount Shares, Units or Ownership Percentage -----	Acquisition Date -----
<b>TANGENT RAIL CORPORATION</b>		
A manufacturer of rail ties and provider of specialty services to the North American railroad industry.		
13% Senior Subordinated Note due 2015	\$ 1,173,909	10/14/05
Common Stock	1,167 shs.	10/14/05
Warrant, exercisable until 2015, to purchase common stock at \$.01 per share	631 shs.	09/30/08
<b>TERRA RENEWAL LLC</b>		
A provider of wastewater residual management and required environmental reporting, permitting, and record keeping to companies involved in poultry and food processing.		
6.74% Senior Secured Tranche B Note due 2012 (C)	\$ 14,838	*
7.05% Senior Secured Tranche B Note due 2012 (C)	\$ 851,552	*
8.25% Senior Secured Tranche B Note due 2012 (C)	\$ 824	09/30/08
12% Senior Subordinated Note due 2014	\$ 664,062	**
Limited Partnership Interest of		
Saw Mill Capital Fund V, L.P. (B)	2.27% int.	03/01/05
Warrant, exercisable until 2016, to purchase common stock at \$.01 per share (B)	41 shs.	04/28/06
<b>TORRENT GROUP HOLDINGS, INC.</b>		
A contractor specializing in the sales and installation of engineered drywells for the retention of nuisance water flow.		
12.5% Senior Subordinated Note due 2013	\$ 1,185,366	10/26/07
Series A Preferred Stock (B)	219 shs.	10/26/07

TOTAL E & S, INC.

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A manufacturer of a wide variety of equipment used in the oil and gas industry.		
10.5% Senior Secured Term Note due 2013	\$ 486,487	03/02/07
13% Senior Subordinated Note due 2014	\$ 341,971	03/02/07
Common Stock (B)	71,542 shs.	03/02/07
Warrant, exercisable until 2014 to purchase common stock at \$.01 per share (B)	19,733 shs.	03/02/07

### TRANSPAC HOLDING COMPANY

A designer, importer, and wholesaler of home decor and seasonal gift products.		
12% Senior Subordinated Note due 2015	\$ 938,651	10/31/07
Common Stock (B)	110 shs.	10/31/07
Warrant, exercisable until 2015, to purchase common stock at \$.01 per share (B)	50 shs.	10/31/07

\* 04/28/06 and 12/21/06.

\*\* 04/28/06 and 09/13/06.

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### CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2008 MassMutual Participation Investors  
(Unaudited)

	Principal Amount Shares, Units or Ownership Percentage	Acquisition Date
CORPORATE RESTRICTED SECURITIES:(A) (Continued)	-----	-----
<b>TRANSTAR HOLDING COMPANY</b>		
A distributor of aftermarket automotive transmission parts.		
12% Senior Subordinated Note due 2014	\$ 918,000	08/31/05
Common Stock (B)	571 shs.	*
Warrant, exercisable until 2013, to purchase common stock at \$.02 per share (B)	46 shs.	08/31/05
 <b>TRANZONIC COMPANIES (THE)</b>		
A producer of commercial and industrial supplies, such as safety products, janitorial supplies, w supplies and sanitary care products.		
13% Senior Subordinated Note due 2010	\$ 1,356,000	02/05/98
Common Stock (B)	315 shs.	02/04/98
Warrant, exercisable until 2009, to purchase common stock at \$.01 per share (B)	222 shs.	02/05/98
 <b>TRUCK BODIES &amp; EQUIPMENT INTERNATIONAL</b>		
A designer and manufacturer of accessories for heavy and medium duty trucks, primarily dump bodie flat-bed bodies, landscape bodies and other accessories.		
12% Senior Subordinated Note due 2013 (D)	\$ 1,222,698	**
Common Stock (B)	393 shs.	**
Warrant, exercisable until 2013, to purchase common stock at \$.02 per share (B)	81 shs.	**

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TRUSTILE DOORS, INC.

A manufacturer and distributor of interior doors.

Warrant, exercisable until 2010, to purchase common stock at \$.01 per share (B)	3,060 shs.	04/11/03
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U M A ENTERPRISES, INC.

An importer and wholesaler of home decor products.

15% Senior Subordinated Note due 2015	\$ 890,956	02/08/08
Convertible Preferred Stock (B)	470 shs.	02/08/08

U-LINE CORPORATION

A manufacturer of high-end, built-in, undercounter ice making, wine storage and refrigeration app

12.5% Senior Subordinated Note due 2012	\$ 996,500	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

\* 08/31/05 and 04/30/07.

\*\* 07/19/05 and 12/22/05.

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2008

(Unaudited)

	Principal Amount Shares, Units or Ownership Percentage	Acquisition Date
CORPORATE RESTRICTED SECURITIES: (A) (Continued)		
VICTORY VENTURES LLC		
An acquirer of controlling or substantial interests in other entities.		
Series A Preferred Units (B)	1 ut.	12/02/96
VISIONEERING, INC.		
A designer and manufacturer of tooling and fixtures for the aerospace industry.		
10.5% Senior Secured Term Loan due 2013	\$ 458,824	05/17/07
13% Senior Subordinated Note due 2014	\$ 370,588	05/17/07
Common Stock (B)	70,588 shs.	05/17/07
Warrant, exercisable until 2014, to purchase common stock at \$.01 per share (B)	20,003 shs.	05/17/07
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)	14,006 shs.	*
Warrant, exercisable until 2011, to purchase common stock at \$.01 per share (B)	12,593 shs.	09/24/04

VITEX PACKAGING GROUP, INC.

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A manufacturer of specialty packaging, primarily envelopes and tags used on tea bags.

12.5% Senior Subordinated Note due 2012	\$ 900,000	07/19/04
14.5% PIK Note due 2010	\$ 181,280	06/30/07
Limited Liability Company Unit Class A (B)	219,375 uts.	07/19/04
Limited Liability Company Unit Class B (B)	96,848 uts.	07/19/04

### WAGGIN' TRAIN HOLDINGS LLC

A producer of premium quality meat dog treats.

14% Senior Subordinated Note due 2014	\$ 1,140,441	11/15/07
Limited Liability Company Unit Class B (B)	224 uts.	11/15/07
Limited Liability Company Unit Class C (B)	224 uts.	11/15/07

### WALLS INDUSTRIES, INC.

A provider of branded workwear and sporting goods apparel.

Limited Partnership Interest (B)	0.20% int.	07/12/04
Common Stock (B)	2,133 shs.	12/21/07

\* 09/24/04 and 12/22/06.

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### CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2008

MassMutual Participation Investors

(Unaudited)

	Principal Amount Shares, Units or Ownership Percentage	Acquisition Date
CORPORATE RESTRICTED SECURITIES: (A) (Continued)	-----	-----

### WELLBORN FOREST HOLDING CO.

A manufacturer of semi-custom kitchen and bath cabinetry.

12.13% Senior Subordinated Note due 2014	\$ 911,250	11/30/06
Common Stock (B)	101 shs.	11/30/06
Warrant, exercisable until 2014, to purchase common stock at \$.01 per share (B)	51 shs.	11/30/06

### WORKPLACE MEDIA HOLDING CO.

A direct marketer specializing in providing advertisers with access to consumers in the workplace

13% Senior Subordinated Note due 2015	\$ 613,692	05/14/07
Limited Partnership Interest (B)	12.26% int.	05/14/07
Warrant, exercisable until 2015, to purchase common stock at \$.02 per share (B)	47 shs.	05/14/07

### XALOY SUPERIOR HOLDINGS, INC.

A provider of melt processing components and ancillary equipment for both plastic injection molding

15% Senior Subordinated Note due 2015	\$ 1,200,000	09/08/08
Common Stock (B)	150 shs.	09/08/08

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TOTAL PRIVATE PLACEMENT INVESTMENTS (E)

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 CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)  
 September 30, 2008  
 (Unaudited)

CORPORATE RESTRICTED SECURITIES: (A) (Continued)	Interest Rate	Due Date	Shares or Principal Amount	Cost
	-----	-----	-----	-----
RULE 144A SECURITIES - 3.52%:				
BONDS - 3.52%				
Cenveo Corporation	10.500%	08/15/16	\$ 45,000	\$ 45,000
Charter Communications Op LLC	8.000	04/30/12	750,000	736,87
Compucom Systems, Inc.	12.500	10/01/15	670,000	648,85
Douglas Dynamics LLC	7.750	01/15/12	485,000	462,11
G F S I, Inc. (C)	10.500	06/01/11	375,000	360,50
Intergen NV	9.000	06/30/17	375,000	371,95
Nortek, Inc.	10.000	12/01/13	100,000	98,95
Packaging Dynamics Corporation of America	10.000	05/01/16	975,000	969,81
Ryerson, Inc.	12.000	11/01/15	30,000	30,00
Ticketmaster	10.750	08/01/16	250,000	250,00
TRW Automotive, Inc.	7.250	03/15/17	500,000	440,00
Tunica-Biloxi Gaming Authority	9.000	11/15/15	540,000	556,37
				-----
TOTAL BONDS				4,970,45
CONVERTIBLE PREFERRED STOCK - 0.00%				
ETEX Corporation (B)			194	17
				-----
TOTAL CONVERTIBLE PREFERRED STOCK				17
PREFERRED STOCK - 0.00%				
TherOX, Inc. (B)			26	1,03
				-----
TOTAL PREFERRED STOCK				1,03
COMMON STOCK - 0.00%				
Touchstone Health Partnership (B)			292	1,06
				-----
TOTAL COMMON STOCK				1,06
				-----
TOTAL RULE 144A SECURITIES				4,972,72
				-----
TOTAL CORPORATE RESTRICTED SECURITIES				\$110,193,40
				-----

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2008

MassMutual Participation Investors

(Unaudited)

CORPORATE PUBLIC SECURITIES - 15.95%: (A)	Interest Rate	Due Date	Principal Amount	Cost
BONDS - 14.64%				
Appleton Papers, Inc.	8.125%	06/15/11	\$ 250,000	\$ 250,000
Aramark Corporation (C)	6.301	02/01/15	100,000	100,000
Boyd Gaming Corporation	7.125	02/01/16	150,000	146,620
C R H America, Inc.	5.300	10/15/13	500,000	418,430
Cincinnati Bell, Inc.	8.375	01/15/14	550,000	503,750
Clayton Williams Energy, Inc.	7.750	08/01/13	375,000	357,000
Countrywide Alternative Loan Trust (C)	3.508	11/20/35	979,837	719,700
Electronic Data Systems Corporation	7.125	10/15/09	500,000	501,530
Ford Motor Credit Co.	7.375	10/28/09	525,000	523,680
Gencorp, Inc.	9.500	08/15/13	130,000	130,000
General Motors Acceptance Corporation	5.850	01/14/09	750,000	740,600
Goodyear Tire & Rubber Co.	9.000	07/01/15	64,000	65,190
Hughes Network Systems	9.500	04/15/14	525,000	534,870
Indymac INDX Mortgage Loan Trust	3.417	11/25/36	998,668	716,880
Inergy LP	8.250	03/01/16	75,000	75,000
Intelsat Bermuda Ltd	9.250	06/15/16	690,000	715,880
Interline Brands, Inc.	8.125	06/15/14	830,000	824,230
Iron Mountain, Inc.	8.750	07/15/18	500,000	514,110
Majestic Star Casino LLC	9.500	10/15/10	250,000	250,000
Manitowoc Company, Inc.	7.125	11/01/13	100,000	100,000
Mariner Energy, Inc.	8.000	05/15/17	400,000	402,490
Mediacom Broadband LLC	8.500	10/15/15	750,000	765,190
Neiman Marcus Group, Inc.	10.375	10/15/15	600,000	600,000
NOVA Chemicals Corporation (C)	5.953	11/15/13	515,000	511,530
O E D Corp/Diamond Jo Company Guarantee	8.750	04/15/12	500,000	492,980
Petrohawk Energy Corporation	9.125	07/15/13	750,000	761,460
Pliant Corporation (C)	11.850	06/15/09	809,482	817,340
Quebecor Media, Inc.	7.750	03/15/16	575,000	551,380
Quicksilver Resources, Inc.	7.125	04/01/16	600,000	583,120
Range Resources Corporation	7.250	05/01/18	25,000	25,000
Rental Service Corporation	9.500	12/01/14	500,000	506,300
Rogers Wireless, Inc.	7.500	03/15/15	560,000	591,880
Sheridan Acquisition Corporation	10.250	08/15/11	225,000	222,000
Steel Dynamics, Inc.	6.750	04/01/15	100,000	100,000
Stewart & Stevenson LLC	10.000	07/15/14	750,000	770,760
Tenneco, Inc.	8.625	11/15/14	500,000	501,090

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2008

(Unaudited)

CORPORATE PUBLIC SECURITIES: (A) (Continued)	Interest Rate	Due Date	Principal Amount	Cost
Tenneco, Inc.	8.125%	11/15/15	\$ 50,000	\$ 50,000
Tesoro Petroleum Corporation	6.500	06/01/17	250,000	250,000

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Texas Industries, Inc.	7.250	07/15/13	35,000	35,000
Titan International, Inc.	8.000	01/15/12	70,000	70,000
Transdigm, Inc.	7.750	07/15/14	150,000	151,250
Tube City IMS Corporation	9.750	02/01/15	1,000,000	991,240
United Components, Inc.	9.375	06/15/13	535,000	535,760
United Rentals, Inc.	7.750	11/15/13	325,000	325,000
Virgin Media Finance PLC	9.125	08/15/16	790,000	813,000
Vought Aircraft Industries	8.000	07/15/11	650,000	647,990
Warner Music Group Corporation	7.375	04/15/14	125,000	125,000
TOTAL BONDS				20,384,380
COMMON STOCK - 1.15%				
CKX, Inc. (B)			52,500	422,620
Directed Electronics, Inc. (B)			195,118	982,860
Distributed Energy Systems Corporation (B)			14,000	177,070
El Paso Corporation (B)			35,000	435,270
EnerNOC, Inc. (B)			23,500	648,410
ITC^DeltaCom, Inc. (B)			94,588	827,640
Intrepid Potash, Inc. (B)			185	5,920
TOTAL COMMON STOCK				3,499,810
CONVERTIBLE BONDS - 0.16%				
Citadel Broadcasting Corporation	4.000%	02/15/11	250,000	194,060
TOTAL CONVERTIBLE BONDS				194,060
TOTAL CORPORATE PUBLIC SECURITIES				\$ 24,078,260

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2008

MassMutual Participation Investors

(Unaudited)

SHORT-TERM SECURITIES:	Interest Rate/Yield*	Due Date	Principal Amount	Cost
	-----	-----	-----	-----
COMMERCIAL PAPER - 8.30%				
Clorox Company	6.007 %	10/01/08	\$ 832,000	\$ 832,000
Computer Sciences Corporation	5.506	10/02/08	2,503,000	2,502,610
Dominion Resources, Inc.	6.087	10/03/08	2,536,000	2,535,140
Duke Energy Carolinas LLC	6.007	10/06/08	1,753,000	1,751,530
Textron, Inc.	6.007	10/07/08	2,509,000	2,506,490
TOTAL SHORT-TERM SECURITIES				\$ 10,127,790
TOTAL INVESTMENTS				107.75%
Other Assets				3.34
Liabilities				(11.09)
TOTAL NET ASSETS				100.00%

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- (A) In each of the convertible note, warrant, and common stock investments, the issuer has agreed certain registration rights.
- (B) Non-income producing security.
- (C) Variable rate security; rate indicated is as of 09/30/08.
- (D) Defaulted security; interest not accrued.
- (E) Illiquid security. At September 30, 2008, the values of these securities amounted to \$97,551, of net assets.
- \* Effective yield at purchase
- PIK - Payment-in-kind

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)  
 September 30, 2008  
 (Unaudited)

INDUSTRY CLASSIFICATION:	Fair Value/ Market Value	
	-----	
<b>AEROSPACE - 2.92%</b>		
Gencorp, Inc.	\$ 128,050	BUILDINGS & REAL ESTATE -
Hughes Network Systems	509,250	K W P I Holdings Corporati
P A S Holdco LLC	1,349,721	Texas Industries, Inc.
Transdigm, Inc.	141,000	TruStile Doors, Inc.
Visioneering, Inc.	874,977	
Vought Aircraft Industries	565,500	
	-----	
	3,568,498	<b>CHEMICAL, PLASTICS &amp; RUBBER</b>
	-----	Capital Specialty Plastics
		NOVA Chemicals Corporation
<b>AUTOMOBILE - 5.87%</b>		
Fuel Systems Holding Corporation	618,750	
Goodyear Tire & Rubber Co.	63,360	
Jason, Inc.	757,707	<b>CONSUMER PRODUCTS - 7.42%</b>
Nyloncraft, Inc.	1,083,929	Aero Holdings, Inc.
Ontario Drive & Gear Ltd.	697,484	Bravo Sports Holding Corpo
Qualis Automotive LLC	1,024,174	G F S I, Inc.
Tenneco, Inc.	440,250	K N B Holdings Corporation
Titan International, Inc.	67,900	Momentum Holding Co.
Transtar Holding Company	1,572,202	R A J Manufacturing Holdin
TRW Automotive, Inc.	395,000	Royal Baths Manufacturing
United Components, Inc.	444,050	The Tranzonic Companies
	-----	Walls Industries, Inc.
	7,164,806	
	-----	
<b>BEVERAGE, DRUG &amp; FOOD - 2.84%</b>		
Aramark Corporation	87,500	<b>CONTAINERS, PACKAGING &amp; GL</b>
Golden County Foods Holding, Inc.	912,026	Flutes, Inc.
Hospitality Mints Holding Company	1,299,277	Maverick Acquisition Compa
Specialty Foods Group, Inc.	--	P I I Holding Corporation
Vitality Foodservice, Inc.	1,170,851	Packaging Dynamics Corpora
	-----	Paradigm Packaging, Inc.
	3,469,654	Pliant Corporation
	-----	Vitex Packaging Group, Inc
<b>BROADCASTING &amp; ENTERTAINMENT - 2.48%</b>		
Charter Communications Op LLC	671,250	
Citadel Broadcasting Corporation	193,438	



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CKX, Inc.	323,400	DISTRIBUTION - 0.71%
Mediacom Broadband LLC	618,750	Duncan Systems, Inc.
Virgin Media Finance PLC	661,625	QualServ Corporation
Workplace Media Holding Co.	552,323	
	-----	
	3,020,786	
	-----	

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)  
 September 30, 2008  
 (Unaudited)

MassMutual Participation Investors

INDUSTRY CLASSIFICATION: (Continued)	Fair Value/ Market Value	
	-----	
DIVERSIFIED/CONGLOMERATE, MANUFACTURING - 10.32%		FARMING & AGRICULTURE - 1.0%
A H C Holdings Company, Inc.	\$ 1,291,167	Protein Genetics, Inc.
Arrow Tru-Line Holdings, Inc.	828,882	Waggin' Train Holdings LLC
C D N T, Inc.	874,696	
Douglas Dynamics LLC	397,700	
Evans Consoles, Inc.	541,417	FINANCIAL SERVICES - 0.87%
K P I Holdings, Inc.	1,297,449	Ford Motor Credit Co.
MEGTEC Holdings, Inc.	1,298,034	General Motors Acceptance
Milwaukee Gear Company	1,348,615	Highgate Capital LLC
Nortek, Inc.	89,000	Victory Ventures LLC
Postle Aluminum Company LLC	1,168,983	
Radiac Abrasives, Inc.	1,543,963	
Truck Bodies & Equipment International	611,349	
Xaloy Superior Holdings, Inc.	1,303,367	HEALTHCARE, EDUCATION & CH
	-----	A T I Acquisition Company
	12,594,622	American Hospice Management
	-----	F H S Holdings LLC
DIVERSIFIED/CONGLOMERATE, SERVICE - 9.12%		Synteract Holdings Corpora
A W X Holdings Corporation	868,355	Touchstone Health Partners
Advanced Technologies Holdings	1,321,819	
C R H America, Inc.	455,690	
CapeSuccess LLC	--	
Crane Rental Corporation	1,309,986	HOME & OFFICE FURNISHINGS, AND DURABLE CONSUMER PRODU
Diversco, Inc./DHI Holdings, Inc.	633,325	Connor Sport Court Interna
Dwyer Group, Inc.	769,804	H M Holding Company
Fowler Holding, Inc.	939,131	Home Decor Holding Company
GQ Holdings LLC	1,275,258	Justrite Manufacturing Acq
Insurance Claims Management, Inc.	75,728	K H O F Holdings, Inc.
Interline Brands, Inc.	821,700	Monessen Holding Corporati
Iron Mountain, Inc.	507,500	Stanton Carpet Holding Co.
Mail Communications Group, Inc.	755,540	Transpac Holdings Company
Nesco Holdings Corporation	1,390,124	U M A Enterprises, Inc.
	-----	U-Line Corporation
	11,123,960	Wellborn Forest Holding Co
	-----	
ELECTRONICS - 1.46%		
Connecticut Electric, Inc.	1,073,724	
Directed Electronics, Inc.	195,118	
Distributed Energy Systems Corporation	210	
Electronic Data Systems Corporation	508,060	
	-----	

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1,777,112

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)  
September 30, 2008  
(Unaudited)

INDUSTRY CLASSIFICATION: (Continued)	Fair Value/ Market Value	
	-----	
LEISURE, AMUSEMENT, ENTERTAINMENT - 2.81%		MINING, STEEL, IRON & NON
Boyd Gaming Corporation	\$ 103,875	METALS - 1.87%
Electra Bicycle Company LLC	791,224	Ryerson, Inc.
Majestic Star Casino LLC	112,500	Steel Dynamics, Inc.
O E D Corp/Diamond Jo Company Guarantee	455,000	T H I Acquisition, Inc.
Savage Sports Holding, Inc.	1,144,104	Tube City IMS Corporation
Ticketmaster	235,000	
Tunica-Biloxi Gaming Authority	496,800	
Warner Music Group Corporation	92,813	
	-----	MORTGAGE-BACKED SECURITIES
	3,431,316	Countrywide Alternative Lo
	-----	Indymac INDX Mortgage Loan
MACHINERY - 10.08%		
Davis-Standard LLC	1,785,356	
E S P Holdco, Inc.	1,283,785	
Integration Technology Systems, Inc.	--	NATURAL RESOURCES - 0.24%
K-Tek Holdings Corporation	1,290,808	Appleton Papers, Inc.
M V I Holding, Inc.	646,651	Conveo Corporation
Manitowoc Company, Inc.	93,000	Intrepid Potash, Inc.
Morton Industrial Group, Inc.	1,200,181	Range Resources Corporatio
Navis Global	663,833	
NetShape Technologies, Inc.	963,563	
Pacific Consolidated Holdings LLC	632,592	
Power Services Holding Company	1,288,502	OIL & GAS - 1.85%
R E I Delaware Holding, Inc.	1,278,304	Clayton Williams Energy, I
Safety Speed Cut Manufacturing Company, Inc.	510,588	Mariner Energy, Inc.
Stewart & Stevenson LLC	656,250	Quicksilver Resources, Inc
	-----	Tesoro Petroleum Corporati
	12,293,413	Total E & S, Inc.
	-----	
MEDICAL DEVICES/BIOTECH - 3.21%		PHARMACEUTICALS - 1.36%
Coeur, Inc.	611,106	CorePharma LLC
E X C Acquisition Corporation	105,249	Enzymatic Therapy, Inc.
ETEX Corporation	--	
MedSystems Holdings LLC	653,790	
MicroGroup, Inc.	1,898,307	
OakRiver Technology, Inc.	644,446	
TherOX, Inc.	--	
	-----	PUBLISHING/PRINTING - 0.58
	3,912,898	Quebecor Media, Inc.
	-----	Sheridan Acquisition Corpo
		RETAIL STORES - 1.05%
		Neiman Marcus Group, Inc.
		Olympic Sales, Inc.

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Rental Service Corporation  
United Rentals, Inc.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2008

MassMutual Participation Investors

(Unaudited)

INDUSTRY CLASSIFICATION: (Continued)	Fair Value/ Market Value	
	-----	
TECHNOLOGY - 1.99%		UTILITIES - 1.31%
Compucom Systems, Inc.	\$ 601,325	El Paso Corporation
EnerNOC, Inc.	242,990	Inergy LP
Smart Source Holdings LLC	1,586,675	Intergen NV
	-----	Petrohawk Energy Corporati
	2,430,990	
	-----	
TELECOMMUNICATIONS - 2.07%		WASTE MANAGEMENT / POLLUTI
All Current Holding Company	651,965	Terra Renewal LLC
Cincinnati Bell, Inc.	478,500	Torrent Group Holdings, In
Intelsat Bermuda Ltd.	641,700	
ITC^DeltaCom, Inc.	184,447	
Rogers Wireless, Inc.	569,233	
	-----	
	2,525,845	Total Corporate Restricted
	-----	Public Securities - 99.45%
TRANSPORTATION - 1.83%		
NABCO, Inc.	201,725	
Tangent Rail Corporation	2,027,190	
	-----	
	2,228,915	
	-----	

See Notes to Consolidated Financial Statements

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### INCOME TAX INFORMATION

The aggregate cost of investments is substantially the same for financial reporting and federal income tax purposes as of September 30, 2008. The net unrealized depreciation of investments for financial reporting and federal tax purposes as of September 30, 2008 is \$12,967,074 and consists of \$7,394,739 appreciation and \$20,361,813 depreciation.

### FAIR VALUE MEASUREMENTS

Effective January 1, 2008, the Trust adopted FASB Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("FAS 157"). FAS 157 clarifies the definition of fair value, establishes a framework for measuring fair values and requires additional disclosures about the use of fair value measurements. FAS 157 requires companies to provide expanded information about the assets and liabilities measured at fair value and the potential effect of these fair valuations of an entity's financial performance.

Various inputs are used in determining the value of the Trust's investments. Using the hierarchy established under FAS 157, these inputs are summarized in the three broad levels listed below:

Level 1: quoted prices in active markets for identical securities

Level 2: other significant observable inputs (including quoted prices for similar securities, interest rates, prepayments speeds, credit risk, etc.)

Level 3: significant unobservable inputs (including the Trust's own assumptions in determining the fair value of investments)

The inputs and methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used to value the Trust's net assets as of September 30, 2008:

ASSETS	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3
Restricted Securities	\$101,851,295	\$ --	\$ 4,299,675	\$97,551,620
Public Securities	19,453,296	1,398,263	18,055,033	--
Short-term Securities	10,127,791	--	10,127,791	--
<b>TOTAL</b>	<b>\$131,432,382</b>	<b>\$1,398,263</b>	<b>32,482,499</b>	<b>\$97,551,620</b>

Following is a reconciliation of Level 3 assets for which significant unobservable inputs were used to determine fair value:

ASSETS	RESTRICTED SECURITIES	PUBLIC SECURITIES	SHORT-TERM SECURITIES	TOTAL
Beginning balance at 12/31/2007	\$94,083,138	\$ --	\$ --	\$94,083,138
Total gains or losses (realized/unrealized) included in earnings*	(4,629,851)	--	--	(4,629,851)

Purchases, sales,  
issuances & settlements

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(net)	8,098,333	--	--	8,098,333
-----				
ENDING BALANCE				
AT 9/30/08	\$97,551,620	\$ --	\$ --	\$97,551,620

\*The amount of total gains or losses for the period included in earnings attributable to the change in unrealized gains or losses relating to Level 3 assets still held at 9/30/08 is (\$6,182,251).

ITEM 2. CONTROLS AND PROCEDURES.

(a) The principal executive officer and principal financial officer of the Registrant evaluated the effectiveness of the Registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the "Act") as of a date within 90 days of the filing date of this report and based on that evaluation have concluded that such disclosure controls and procedures are effective to provide reasonable assurance that material information required to be disclosed by the Registrant on Form N-Q is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

(b) There were no changes in the Registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act) that occurred during the Registrant's last fiscal quarter that has materially affected, or are reasonably likely to materially affect, the Registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

Certifications pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 (17 CFR 270.30a-2(a)) are attached hereto as an exhibit.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) MassMutual Participation Investors  
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By (Signature and Title)\* /s/ Clifford M. Noreen  
-----

Clifford M. Noreen, President

Date November 24, 2008  
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Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

By (Signature and Title)\* /s/ Clifford M. Noreen  
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Clifford M. Noreen, President

Date November 24, 2008  
-----

By (Signature and Title)\* /s/ James M. Roy  
-----

James M. Roy, Vice President and  
Chief Financial Officer

Date November 24, 2008  
-----

\* PRINT THE NAME AND TITLE OF EACH SIGNING OFFICER UNDER HIS OR HER SIGNATURE.