



**TAX INFORMATION
DIVIDENDS FOR 2004**

Dear Shareholders:

We are pleased to inform shareholders of MassMutual Participation Investors (the "Trust") that a quarterly dividend of \$.24 per-share was paid on January 14, 2005 to shareholders of record on December 31, 2004. The \$.24 per-share is from net investment income. In addition to the \$.24 per-share quarterly dividend, the Trust declared a special year-end dividend of \$.12 per-share also paid on January 14, 2005 to shareholders of record on December 31, 2004. The \$.12 per-share year-end dividend is also from net investment income.

The January 14th distributions represent 2004 calendar year dividends for federal income tax purposes and are included on IRS Form 1099-Div. The entire \$.36 per-share distribution represents ordinary income for Federal income tax purposes.

The dividends declared and paid during 2004 and the January 14, 2005 dividends resulted in the Trust's distribution of substantially all of its net investment income for the calendar year 2004. These dividends are included on your IRS Form 1099-Div for 2004. No portion of the Trust's distributions are being made out of capital gains. Since the Trust did not have taxable net long-term capital gains in 2004, shareholders will not receive IRS Form 2439, Notice to Shareholders of Undistributed Long-Term Capital Gains.

The following table summarizes, for federal income tax purposes, the cash dividends paid by the Trust for the calendar year 2004:

<u>Record Date</u>	<u>Payment Date</u>	<u>Cash Dividend Per Share</u>	<u>Ordinary Income</u>
5/7/04	5/17/04	\$.21	\$.21
7/30/04	8/13/04	.24	.24
7/30/04	8/13/04	.05	.05
11/01/04	11/15/04	.24	.24
12/31/04	1/14/05	.24	.24
12/31/04	1/14/05	.12	.12
		<u>\$1.10</u>	<u>\$1.10</u>

The entire \$1.10 per-share cash dividend declared in 2004 is included as ordinary income on your IRS Form 1099-Div for 2004. Of this amount, approximately \$.2086 per share represents qualified dividends. For shareholders who are individuals, qualified dividends are taxed as long-term capital gains, generally at a tax rate of 15%. Qualified dividends are reported in Box 1b on IRS Form 1099-DIV for 2004. The \$1.10 per-share dividend consists of the following components: \$1.0620 per-share is from net investment income from 2004 and \$.0380 per share is from undistributed net investment income from 2003. The undistributed net investment income from 2003 was distributed in the May 2004 dividend.

Roger W. Crandall
President

January 2005