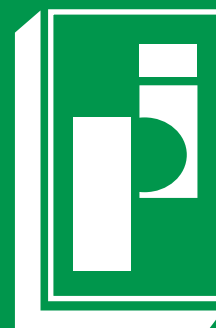


Barings Participation Investors

Report for the
Three Months Ended March 31, 2019



Beginning on January 1, 2021, as permitted by regulations adopted by the U.S. Securities and Exchange Commission, paper copies of the Fund's annual and semi-annual shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports. Instead, the reports will be made available on the Fund's website <http://www.baring.com/MPV>, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the Fund electronically anytime by contacting your financial intermediary (such as a broker-dealer or bank).

You may elect to receive all future reports in paper free of charge. If you invest through a financial intermediary, you can contact your financial intermediary to request that you continue to receive paper copies of your shareholder reports. Your election to receive reports in paper will apply to all funds held in your account.

Adviser

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Charlotte, NC 28202

Independent Registered Public Accounting Firm

KPMG LLP
Boston, Massachusetts 02110

Counsel to the Trust

Ropes & Gray LLP
Boston, Massachusetts 02111

Custodian

State Street Bank and Trust Company
Boston, Massachusetts 02110

Transfer Agent & Registrar

DST Systems, Inc.
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Kansas City, Missouri 64121-9086
1-800-647-7374

Internet Website

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Barings Participation Investors
c/o Barings LLC
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Springfield, Massachusetts 01115
(413) 226-1516

Investment Objective and Policy

Barings 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 under either the New York Stock Exchange listings or Closed-End Fund Listings.

The Trust's investment objective is to maintain a portfolio of securities providing a current yield and, when available, an opportunity for capital gains. The Trust's principal investments are privately placed, below investment grade, long-term debt obligations including bank loans and mezzanine debt instruments. Such direct placement securities may, in some cases, be accompanied by equity features such as common stock, preferred stock, warrants, conversion rights, or other equity features. The Trust typically purchases these investments, which are not publicly tradable, directly from their issuers in private placement transactions. These investments are typically made to small or middle market companies. In addition, the Trust may invest, subject to certain limitations, in marketable debt securities (including high yield and/or investment grade securities) and marketable common stock. Below investment grade or high yield securities have predominantly speculative characteristics with respect to the capacity of the issuer to pay interest and repay capital.

The Trust distributes substantially all of its net income to shareholders each year. Accordingly, the Trust pays dividends to shareholders 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

The Trust files its complete schedule of portfolio holdings with the U.S. Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-Q. This information is available (i) on the SEC's website at <http://www.sec.gov>; and (ii) at the SEC'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 the Trust have delegated proxy voting responsibilities relating to the voting of securities held by the Trust to Barings LLC ("Barings"). A description of Barings' proxy voting policies and procedures is available (1) without charge, upon request, by calling, toll-free 866-399-1516; (2) on the Trust's website at www.barings.com/mpv; and (3) on the SEC's 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 the Trust's website at www.barings.com/mpv; and (2) on the SEC's website at <http://www.sec.gov>.

Legal Matters

The Trust has entered into contractual arrangements with an investment adviser, transfer agent and custodian (collectively "service providers") who each provide services to the Trust. Shareholders are not parties to, or intended beneficiaries of, these contractual arrangements, and these contractual arrangements are not intended to create any shareholder right to enforce them against the service providers or to seek any remedy under them against the service providers, either directly or on behalf of the Trust.

Under the Trust's Bylaws, any claims asserted against or on behalf of the Trust, including claims against Trustees and officers must be brought in courts located within the Commonwealth of Massachusetts.

The Trust's registration statement and this shareholder report are not contracts between the Trust and its shareholders and do not give rise to any contractual rights or obligations or any shareholder rights other than any rights conferred explicitly by federal or state securities laws that may not be waived.



TO OUR SHAREHOLDERS

April 30, 2019

We are pleased to present the March 31, 2019 Quarterly Report of Barings Participation Investors (the "Trust").

The Board of Trustees declared a quarterly dividend of \$0.27 per share, payable on May 17, 2019 to shareholders of record on May 6, 2019. The Trust paid a \$0.27 per share dividend for the preceding quarter. The Trust earned \$0.28 per share of net investment income for the first quarter of 2019, compared to \$0.25 per share in the previous quarter.

During the first quarter, the net assets of the Trust increased to \$143,396,463 or \$13.60 per share compared to \$138,749,101 or \$13.18 per share on December 31, 2018. This translates to a 3.2% total return for the quarter, based on the change in the Trust's net assets assuming the reinvestment of all dividends. Longer term, the Trust returned 5.6%, 8.8%, 9.1%, 11.7% and 12.0% for the 1, 3, 5, 10, and 25-year periods, respectively, based on the change in the Trust's net assets assuming the reinvestment of all dividends.

The Trust's share price increased during the quarter, from \$15.05 per share as of December 31, 2018 to \$15.36 per share as of March 31, 2019, which resulted in a total return for the quarter of 2.1%. The Trust's market price of \$15.05 per share equates to a 12.9% premium over the March 31, 2019 net asset value per share of \$13.60. The Trust's average quarter-end premium for the 3, 5 and 10-year periods was 6.5%, 3.1% and 8.3%, respectively. U.S. equity markets, as approximated by the Russell 2000 Index, increased 14.6% for the quarter. U.S. fixed income markets, as approximated by the Bloomberg Barclays U.S. Corporate High Yield Index and the Credit Suisse Leverage Loan Index, increased 7.3% and 3.8% for the quarter, respectively.

The Trust closed three new private placement investments and seven add-on investments to existing portfolio companies during the first quarter. The total amount invested by the Trust in these transactions was \$4,275,275. Of note, all of the new platform investments were floating rate term loans. Over the past couple of years, the Trust has increasingly invested in term loans with floating interest rates. As interest rates rise, we expect interest income to increase due to the base interest rates on the floating rate loans resetting quarterly. Please note that the Trust's own senior term loan is fixed rate and therefore, increases in base interest rates will not impact the Trust's cost of borrowing.

Middle market merger and acquisition activity slowed during the first quarter of 2019 after a strong second half of 2018. The lower M&A activity coupled with continued hyper-competitive market conditions led to aggressive credit terms including increased leverage and lower pricing. As a result of these factors, the Trust's new investment activity was lower than recent quarters. It continues to be difficult to source traditional mezzanine opportunities as both the all-senior and second lien structures continue to be more prevalent in the middle market. As always, we continue to be selective in our investment choices and maintain our underwriting discipline.

The Trust's current portfolio continues to exhibit sound credit quality. Realization activity continued through the first quarter with three private investment exits during the quarter, all of which resulted in favorable results. In addition, one company fully prepaid its debt held by the Trust. The Trust was also the beneficiary of one of its equity investments paying a dividend during the quarter. We remain cautiously optimistic about realization activity over the next few quarters as there are several companies in which the Trust has outstanding investments that are in the process of being sold.

The Trust was able to maintain its \$0.27 per share quarterly dividend in the first quarter. While the Trust's expansion of its target investment criteria in 2017 has allowed for increased private debt investment opportunities, and as a result, more stable recurring investment income, recurring investment income fell slightly short of fully funding this quarter's dividend. As has occurred from time to time in the past, the slight shortfall was covered with earnings carry forwards and other non-recurring income.

(Continued)

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

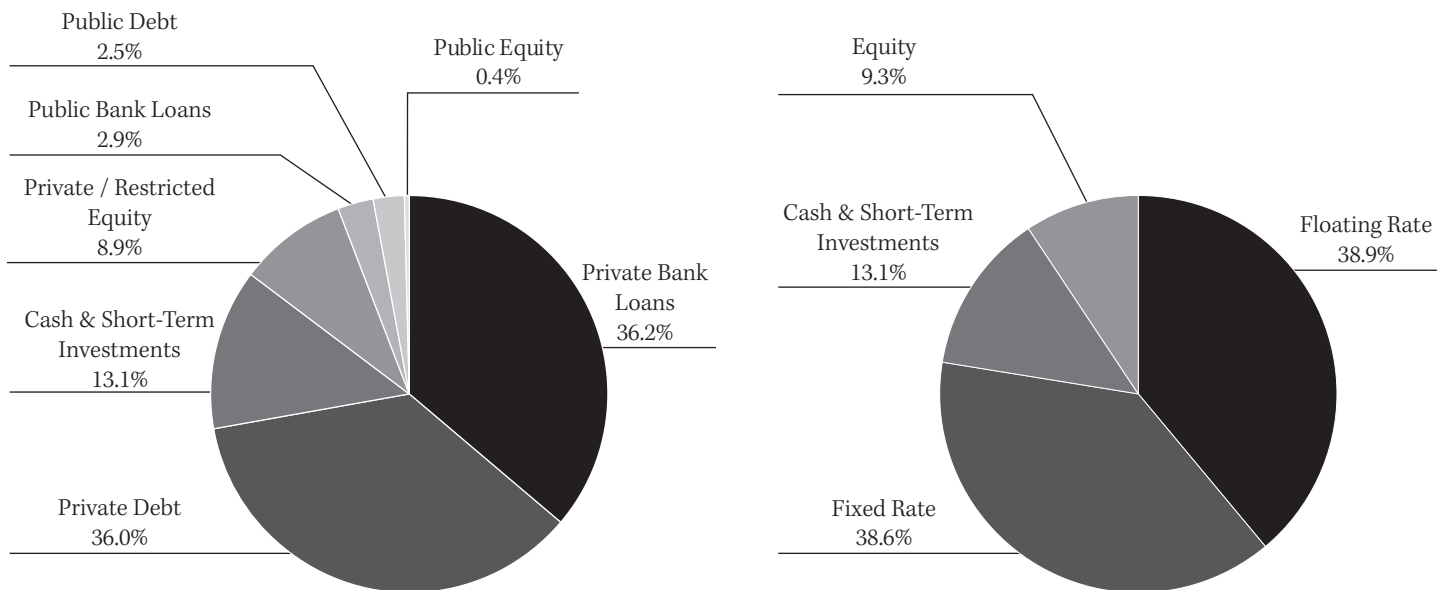
Sincerely,



Robert M. Shettle

President

Portfolio Composition as of 3/31/19*



* Based on market value of total investments

Cautionary Notice: Certain statements contained in this report may be "forward looking" statements. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they are made and which reflect management's current estimates, projections, expectations or beliefs, and which are subject to risks and uncertainties that may cause actual results to differ materially. These statements are subject to change at any time based upon economic, market or other conditions and may not be relied upon as investment advice or an indication of the Trust's trading intent. References to specific securities are not recommendations of such securities, and may not be representative of the Trust's current or future investments. We undertake no obligation to publicly update forward looking statements, whether as a result of new information, future events, or otherwise.

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**March 31, 2019****(Unaudited)**

Assets:	
Investments	
(See Consolidated Schedule of Investments)	
Corporate restricted securities at fair value (Cost - \$124,429,456)	\$ 120,082,066
Corporate restricted securities at market value (Cost - \$8,335,820)	7,986,159
Corporate public securities at market value (Cost - \$9,544,307)	9,138,062
Total investments (Cost - \$142,309,583)	137,206,287
Cash	20,662,501
Interest receivable	1,486,319
Receivable for investments sold	3,002
Other assets	4,269
Total assets	159,362,378
Liabilities:	
Note payable	15,000,000
Tax payable	464,749
Investment advisory fee payable	322,642
Interest payable	27,267
Accrued expenses	151,257
Total liabilities	15,965,915
Commitments and Contingencies (See Note 8)	
Total net assets	\$ 143,396,463
Net Assets:	
Common shares, par value \$.01 per share	\$ 105,430
Additional paid-in capital	141,694,832
Total distributable earnings	1,596,201
Total net assets	\$ 143,396,463
Common shares issued and outstanding (14,787,750 authorized)	10,543,007
Net asset value per share	\$ 13.60

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENT OF OPERATIONS

For the three months ended March 31, 2019

(Unaudited)

Investment Income:

Interest	\$ 3,553,449
Dividends	21,151
Other	26,013
	<hr/>
Total investment income	3,600,613

Expenses:

Investment advisory fees	322,642
Interest	153,375
Professional fees	86,565
Trustees' fees and expenses	60,000
Reports to shareholders	36,000
Custodian fees	6,000
Other	22,674
	<hr/>
Total expenses	687,256

Investment income - net	<hr/>
	2,913,357

Net realized and unrealized gain on investments:

Net realized gain on investments before taxes	311,009
Income tax benefit	400
	<hr/>
Net realized gain on investments after taxes	311,409
Net increase (decrease) in unrealized appreciation (depreciation) of investments before taxes	1,185,634
Net increase (decrease) in unrealized appreciation (depreciation) of investments after taxes	1,185,634
	<hr/>
Net gain on investments	1,497,043
	<hr/>
Net increase in net assets resulting from operations	\$ 4,410,400

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended March 31, 2019

(Unaudited)

Net increase in cash:

Cash flows from operating activities:

Purchases of portfolio securities	\$ (6,149,787)
Proceeds from disposition of portfolio securities	11,179,075
Interest, dividends and other income received	2,796,952
Interest expense paid	(153,375)
Operating expenses paid	(459,977)
Income taxes paid	(382,057)

Net cash provided by operating activities	<u>6,830,831</u>
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Cash flows from financing activities:

Cash dividends paid from net investment income	(2,842,263)
Receipts for shares issued on reinvestment of dividends	236,962

Net cash used for financing activities	<u>(2,605,301)</u>
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Net increase in cash	4,225,530
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Cash - beginning of period	<u>16,436,971</u>
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Cash - end of period	<u><u>\$ 20,662,501</u></u>
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Reconciliation of net increase in net assets to net cash provided by operating activities:

Net increase in net assets resulting from operations	<u>\$ 4,410,400</u>
Decrease in investments	3,974,153
Increase in interest receivable	(301,671)
Increase in receivable for investments sold	(3,002)
Increase in other assets	(2,026)
Decrease in tax payable	(382,457)
Increase in investment advisory fee payable	10,457
Increase in accrued expenses	63,447
Decrease in payable for investments purchased	(938,470)
Total adjustments to net assets from operations	<u>2,420,431</u>
Net cash provided by operating activities	<u><u>\$ 6,830,831</u></u>

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

	For the three months ended 3/31/2019 (Unaudited)	For the year ended 12/31/2018
Increase in net assets:		
Operations:		
Investment income - net	\$ 2,913,357	\$ 10,797,239
Net realized gain on investments after taxes	311,409	2,674,681
Net change in unrealized appreciation (depreciation) of investments after taxes	<u>1,185,634</u>	<u>(9,832,362)</u>
Net increase in net assets resulting from operations	4,410,400	3,639,558
Increase from common shares issued on reinvestment of dividends		
Common shares issued (2019 - 16,108; 2018 - 68,737)	236,962	971,512
Dividends to shareholders from:		
Distributable earnings to Common Stock Shareholders (2019 - \$0.00 per share; 2018 - \$1.08 per share)	<u>-</u>	<u>(11,342,034)</u>
Total increase / (decrease) in net assets	4,647,362	(6,730,964)
Net assets, beginning of period/year	<u>138,749,101</u>	<u>145,480,065</u>
Net assets, end of period/year	<u>\$ 143,396,463</u>	<u>\$ 138,749,101</u>

See Notes to Consolidated Financial Statements

CONSOLIDATED SELECTED FINANCIAL HIGHLIGHTS**Selected data for each share of beneficial interest outstanding:**

	For the three months ended 3/31/2019 (Unaudited)	For the years ended December 31,			
		2018	2017	2016	2015
Net asset value:					
Beginning of period/year	\$ 13.18	\$ 13.91	\$ 13.15	\$ 13.10	\$ 13.35
Net investment income (a)	0.28	1.03	1.09	1.00	0.95
Net realized and unrealized gain (loss) on investments	0.14	(0.68)	0.75	0.13	(0.12)
Total from investment operations	0.42	0.35	1.84	1.13	0.83
Dividends from net investment income to common shareholders	-	(1.08)	(1.08)	(1.08)	(1.08)
Dividends from realized gain on investments to common shareholders	-	-	-	-	-
Increase from dividends reinvested	0.00 (b)	(0.00) (b)	(0.00) (b)	(0.00) (b)	(0.00) (b)
Total dividends	0.00	(1.08)	(1.08)	(1.08)	(1.08)
Net asset value: End of period/year	\$ 13.60	\$ 13.18	\$ 13.91	\$ 13.15	\$ 13.10
Per share market value:					
End of period/year	\$ 15.36	\$ 15.05	\$ 14.10	\$ 14.20	\$ 13.75
Total investment return					
Net asset value (c)	3.19%	2.53%	14.29%	8.75%	6.23%
Market value (c)	2.07%	15.02%	7.21%	11.45%	12.66%
Net assets (in millions):					
End of period/year	\$ 143.40	\$ 138.75	\$ 145.48	\$ 136.61	\$ 135.35
Ratio of total expenses to average net assets (d)	1.96% (e)	2.76%	3.23%	2.26%	2.17%
Ratio of operating expenses to average net assets	1.52% (e)	1.56%	1.49%	1.35%	1.49%
Ratio of interest expense to average net assets	0.44% (e)	0.42%	0.43%	0.44%	0.44%
Ratio of income tax expense to average net assets	0.00% (e)	0.78%	1.31%	0.47%	0.24%
Ratio of net investment income to average net assets	8.30% (e)	7.47%	7.92%	7.45%	6.95%
Portfolio turnover	4%	48%	24%	31%	30%

(a) Calculated using average shares.

(b) Rounds to less than \$0.01 per share.

(c) Net asset value return represents portfolio returns based on change in the Trust's net asset value assuming the reinvestment of all dividends and distributions which differs from the total investment return based on the Trust's market value due to the difference between the Trust's net asset value and the market value of its shares outstanding; past performance is no guarantee of future results.

(d) Total expenses include income tax expense.

(e) Annualized.

Senior borrowings:

Total principal amount (in millions)	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
Asset coverage per \$1,000 of indebtedness	\$ 10,560	\$ 10,250	\$ 10,699	\$ 10,107	\$ 10,023

See Notes to Consolidated Financial Statements

CONSOLIDATED SCHEDULE OF INVESTMENTS

March 31, 2019

(Unaudited)

	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
Corporate Restricted Securities - 89.31%: (A)				
Private Placement Investments - 83.74%: (C)				
1A Smart Start, Inc.				
A designer, distributor and lessor of ignition interlock devices ("IIDs"). IIDs are sophisticated breathalyzers wired to a vehicles ignition system.				
10.75% Second Lien Term Loan due 12/22/2022 (LIBOR + 8.250%)	\$ 1,725,000	12/21/17	\$ 1,699,920	\$ 1,665,790
ABC Industries, Inc.				
A manufacturer of mine and tunneling ventilation products in the U.S.				
13% Senior Subordinated Note due 07/31/2019	\$ 109,335	08/01/12	108,484	109,317
Preferred Stock Series A (B)	125,000 shs.	08/01/12	125,000	264,022
Warrant, exercisable until 2022, to purchase common stock at \$.02 per share (B)	22,414 shs.	08/01/12	42,446	44,543
			<u>275,930</u>	<u>417,882</u>
Accelerate Learning				
A provider of standards-based, digital science education content of K-12 schools.				
7.1% Term Loan due 12/31/2024 (LIBOR + 4.500%)	\$ 1,086,387	12/19/18	1,065,666	1,054,183
Advanced Manufacturing Enterprises LLC				
A designer and manufacturer of large, custom gearing products for a number of critical customer applications.				
Limited Liability Company Unit (B)	1,945 uts.	*	207,911	-
* 12/07/12, 07/11/13 and 06/30/15.				
AFC - Dell Holding Corporation				
A distributor and provider of inventory management services for "C-Parts" used by OEMs in their manufacturing and production facilities.				
13% (1% PIK) Senior Subordinated Note due 02/28/2022	\$ 1,551,152	*	1,537,657	1,545,171
Preferred Stock (B)	1,174 shs.	**	117,405	112,250
Common Stock (B)	363 shs.	**	363	-
			<u>1,655,425</u>	<u>1,657,421</u>
* 03/27/15 and 11/16/18.				
** 03/27/15 and 11/15/18.				
AM Conservation Holding Corp.				
A supplier of energy efficiency ("EE") products, including lighting, shower heads and aerators, and weatherization products such as door seals and weather stripping.				
11.5% (1.5% PIK) Senior Subordinated Note due 04/30/2023	\$ 1,568,182	10/31/16	1,550,505	1,589,568
11.5% (1.25% PIK) Senior Subordinated Note due 04/30/2023	\$ 206,039	10/06/17	202,776	208,444
Common Stock (B)	156,818 shs.	10/31/16	156,818	199,395
			<u>1,910,099</u>	<u>1,997,407</u>

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)**March 31, 2019****(Unaudited)**

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
AMS Holding LLC				
A leading multi-channel direct marketer of high-value collectible coins and proprietary-branded jewelry and watches.				
Limited Liability Company Unit Class A Preferred (B)(F)	114 uts.	10/04/12	\$ 113,636	\$ 175,955
API Technologies Corp.				
A designer, developer and manufacturer of electronic systems, subsystems, modules and secure communications for technically demanding defense, aerospace and commercial applications in the U.S. and internationally.				
Limited Liability Company Unit	0.40% int.	04/20/16	240,741	486,450
ASC Holdings, Inc.				
A manufacturer of capital equipment used by corrugated box manufacturers.				
13% (1% PIK) Senior Subordinated Note due 05/18/2021	\$ 765,698	11/19/15	758,662	612,559
Limited Liability Company Unit (B)	111,100 uts.	11/18/15	111,100	-
			869,762	612,559
Audio Precision				
A provider of high-end audio test and measurement sensing instrumentation software and accessories.				
8.1% Term Loan due 07/27/2024 (LIBOR + 5.500%)	\$ 1,795,500	10/30/18	1,762,194	1,702,379
Aurora Parts & Accessories LLC				
A distributor of aftermarket over-the-road semi-trailer parts and accessories sold to customers across North America.				
14% Junior Subordinated Note due 08/17/2022	\$ 11,231	08/30/18	11,231	11,195
11% Senior Subordinated Note due 02/17/2022	\$ 1,515,400	08/17/15	1,499,647	1,478,849
Preferred Stock (B)	210 shs.	08/17/15	209,390	133,507
Common Stock (B)	210 shs.	08/17/15	210	-
			1,720,478	1,623,551
Avantech Testing Services LLC				
A manufacturer of custom Non-Destructive Testing ("NDT") systems and provider of NDT and inspections services primarily to the oil country tubular goods market.				
15% (3.75% PIK) Senior Subordinated Note due 03/31/2021 (D)	\$ 6,777	07/31/14	6,650	-
Limited Liability Company Unit (B)(F)	45,504 uts.	*	-	-
Limited Liability Company Unit Class C Preferred (B)(F)	78,358 uts.	09/29/17	484,578	-
			491,228	-

* 07/31/14 and 10/14/15.

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)**March 31, 2019****(Unaudited)**

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
BBB Industries LLC				
A supplier of re-manufactured parts to the North American automotive aftermarket.				
10.98% Second Lien Term Loan due 06/26/2026 (LIBOR + 8.500%)	\$ 1,725,000	08/02/18	\$ 1,677,492	\$ 1,647,449
BCC Software, Inc.				
A provider of software and data solutions which enhance mail processing to help direct mail marketers realize discounts from the U.S. Postal Service, avoid penalties associated with mailing errors, and improve the accuracy and efficiency of marketing campaigns.				
12% (1% PIK) Senior Subordinated Note due 04/11/2023	\$ 1,905,970	*	1,874,777	1,892,185
Preferred Stock Series A (B)	27 shs.	*	272,163	272,200
Common Stock Class A (B)	783 shs.	*	861	209,053
* 10/11/17 and 01/28/19.			<u>2,147,801</u>	<u>2,373,438</u>
BDP International, Inc.				
A provider of transportation and related services to the chemical and life sciences industries.				
7.85% Term Loan due 12/14/2024 (LIBOR + 5.250%)	\$ 2,458,838	12/18/18	2,411,977	2,386,139
BEI Precision Systems & Space Company, Inc.				
A provider of advanced design, manufacturing, and testing for custom optical encoder-based positioning systems, precision accelerometers, and micro scanners.				
12% (1% PIK) Senior Subordinated Note due 04/28/2024	\$ 1,477,082	04/28/17	1,453,782	1,432,102
Limited Liability Company Unit (B)(F)	2,893 uts.	*	289,269	195,364
* 04/28/17 and 02/07/19.			<u>1,743,051</u>	<u>1,627,466</u>
Blue Wave Products, Inc.				
A distributor of pool supplies.				
13% (1% PIK) Senior Subordinated Note due 09/30/2019	\$ 210,968	10/12/12	209,304	210,316
Common Stock (B)	51,064 shs.	10/12/12	51,064	103,085
Warrant, exercisable until 2022, to purchase common stock at \$.01 per share (B)	20,216 shs.	10/12/12	20,216	40,811
			<u>280,584</u>	<u>354,212</u>
BlueSpire Holding, Inc.				
A marketing services firm that integrates strategy, technology, and content to deliver customized marketing solutions for clients in the senior living, financial services and healthcare end markets.				
Common Stock (B)	2,956 shs.	06/30/15	937,438	-

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)**March 31, 2019****(Unaudited)**

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
Brown Machine LLC				
A designer and manufacturer of thermoforming equipment used in the production of plastic packaging containers within the food and beverage industry.				
7.75% Term Loan due 10/04/2024 (LIBOR + 5.250%)	\$ 715,482	10/03/18	\$ 707,269	\$ 695,283
Cadence, Inc.				
A full-service contract manufacturer ("CMO") and supplier of advanced products, technologies, and services to medical device, life science, and industrial companies.				
7% Lien Term Loan due 04/30/2025 (LIBOR + 4.500%)	\$ 807,764	05/14/18	793,599	776,231
Cadent, LLC				
A provider of advertising solutions driven by data and technology.				
7.73% Term Loan due 09/07/2023 (LIBOR + 5.250%)	\$ 1,023,473	09/04/18	1,014,343	1,018,356
CHG Alternative Education Holding Company				
A leading provider of publicly-funded, for profit pre-K-12 education services targeting special needs children at therapeutic day schools and "at risk" youth through alternative education programs.				
13.5% (1.5% PIK) Senior Subordinated Note due 06/19/2020	\$ 806,943	01/19/11	803,556	803,822
14% (2% PIK) Senior Subordinated Note due 06/19/2020	\$ 214,540	08/03/12	213,794	212,258
Common Stock (B)	375 shs.	01/19/11	37,500	28,614
Warrant, exercisable until 2021, to purchase common stock at \$.01 per share (B)	295 shs.	01/19/11	29,250	22,492
			<u>1,084,100</u>	<u>1,067,186</u>
Clarion Brands Holding Corp.				
A portfolio of six over-the-counter (OTC) pharmaceutical brands whose products are used to treat tinnitus or ringing of the ear, excessive sweating, urinary tract infections, muscle pain, and skin conditions.				
Limited Liability Company Unit (B)	1,853 uts.	07/18/16	189,267	243,063
Claritas Holdings, Inc.				
A market research company that provides market segmentation insights to customers engaged in direct-to-consumer and business-to-business marketing activities.				
8.6% Term Loan due 12/31/2023 (LIBOR +6.000%)	\$ 1,647,285	12/20/18	1,608,380	1,640,115
Clubessential LLC				
A leading SaaS platform for private clubs and resorts.				
12.3% Senior Subordinated Note due 01/12/2024 (LIBOR +9.500%)	\$ 1,787,305	01/16/18	1,757,606	1,775,345

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

March 31, 2019

(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
CORA Health Services, Inc.				
A provider of outpatient rehabilitation therapy services.				
11% (1% PIK) Term Loan due 05/05/2025	\$ 1,676,933	05/01/18	\$ 1,178,237	\$ 1,172,511
Preferred Stock Series A (B)	758 shs.	06/30/16	38,258	96,970
Common Stock Class A (B)	3,791 shs.	06/30/16	3,791	79,417
			<u>1,220,286</u>	<u>1,348,898</u>
Del Real LLC				
A manufacturer and distributor of fully-prepared fresh refrigerated Hispanic entrees as well as side dishes that are typically sold on a heat-and-serve basis at retail grocers.				
11% Senior Subordinated Note due 04/06/2023	\$ 1,420,588	10/07/16	1,400,685	1,345,040
Limited Liability Company Unit (B)(F)	349,848 uts.	*	357,017	141,934
			<u>1,757,702</u>	<u>1,486,974</u>
* 10/07/16, 07/25/18 and 03/13/19.				
Discovery Education, Inc.				
A provider of standards-based, digital education content for K-12 schools.				
7.35% Term Loan due 04/30/2024 (LIBOR + 4.750%)	\$ 1,921,590	04/20/18	1,889,049	1,846,358
DPL Holding Corporation				
A distributor and manufacturer of aftermarket undercarriage parts for medium and heavy duty trucks and trailers.				
Preferred Stock (B)	25 shs.	05/04/12	252,434	270,378
Common Stock (B)	25 shs.	05/04/12	28,048	-
			<u>280,482</u>	<u>270,378</u>
DuBois Chemicals, Inc.				
A provider of consumable, value-added specialty cleaning chemical solutions to the industrial, transportation paper and water markets.				
10.5% Second Lien Term Loan due 08/31/2025 (LIBOR + 8.000%)	\$ 1,725,000	09/19/18	1,709,055	1,673,250
Dunn Paper				
A provider of specialty paper for niche product applications.				
11.25% Second Lien Term Loan due 08/26/2023 (LIBOR + 8.750%)	\$ 1,725,000	09/28/16	1,702,872	1,716,375
ECG Consulting Group				
A healthcare management consulting company who provides strategic, financial, operational, and technology related consulting services to healthcare providers.				
11.5% (0.5% PIK) Senior Subordinated Note due 06/20/2025	\$ 571,255	06/20/18	560,593	575,803
11.5% (0.5% PIK) Senior Subordinated Note due 06/20/2025	\$ 1,331,904	11/21/14	1,318,536	1,331,904
Limited Liability Company Unit (F)	230 uts.	11/19/14	36,199	112,648
			<u>1,915,328</u>	<u>2,020,355</u>

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)**March 31, 2019****(Unaudited)**

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
Electronic Power Systems				
A provider of electrical testing services for apparatus equipment and protection & controls infrastructure.				
7.6% Term Loan due 12/21/2024 (LIBOR + 5.000%)	\$ 1,765,951	12/21/18	\$ 1,740,601	\$ 1,727,307
Common Stock (B)	52 shs.	12/28/18	52,176	52,180
			<u>1,792,777</u>	<u>1,779,487</u>
Elite Sportwear Holding, LLC				
A designer and manufacturer of gymnastics, competitive cheerleading and swimwear apparel in the U.S. and internationally.				
11.5% (1% PIK) Senior Subordinated Note due 01/14/2022 (D)	\$ 1,588,640	10/14/16	1,568,694	1,429,776
Limited Liability Company Unit (B)(F)	101 uts.	10/14/16	159,722	-
			<u>1,728,416</u>	<u>1,429,776</u>
English Color & Supply LLC				
A distributor of aftermarket automotive paint and related products to collision repair shops, auto dealerships and fleet customers through a network of stores in the Southern U.S.				
11.5% (0.5% PIK) Senior Subordinated Note due 12/31/2023	\$ 1,338,963	06/30/17	1,317,878	1,319,265
Limited Liability Company Unit (B)(F)	397,695 uts.	06/30/17	397,695	286,249
			<u>1,715,573</u>	<u>1,605,514</u>
E.S.P. Associates, P.A.				
A professional services firm providing engineering, surveying and planning services to infrastructure projects.				
12% (1% PIK) Senior Subordinated Note due 10/04/2023	\$ 693,682	04/04/18	681,790	707,555
Limited Liability Company Unit (B)	229 uts.	04/04/18	228,955	198,110
			<u>910,745</u>	<u>905,665</u>
F F C Holding Corporation				
A leading U.S. manufacturer of private label frozen novelty and ice cream products.				
Limited Liability Company Unit Series A Preferred (B)	171 uts.	09/27/10	58,345	96,543
Limited Liability Company Unit Series B Preferred (B)	34 uts.	12/27/18	34,050	119,175
Limited Liability Company Unit Common (B)	171 uts.	09/27/10	17,073	78,047
			<u>109,468</u>	<u>293,765</u>
F G I Equity LLC				
A manufacturer of a broad range of filters and related products that are used in commercial, light industrial, healthcare, gas turbine, nuclear, laboratory, clean room, hotel, educational system, and food processing settings.				
Limited Liability Company Unit Class B-1 (B)	65,789 uts.	12/15/10	56,457	536,884
Limited Liability Company Unit Class B-2 (B)	8,248 uts.	12/15/10	7,078	67,309
Limited Liability Company Unit Class B-3 (B)	6,522 uts.	08/30/12	13,844	54,918
Limited Liability Company Unit Class C (B)	1,575 uts.	12/20/10	8,832	75,028
			<u>86,211</u>	<u>734,139</u>

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

March 31, 2019

(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
GD Dental Services LLC				
A provider of convenient "onestop" general, specialty, and cosmetic dental services with 21 offices located throughout South and Central Florida.				
Limited Liability Company Unit Preferred (B)	76 uts.	10/05/12	\$ 75,920	\$ -
Limited Liability Company Unit Common (B)	767 uts.	10/05/12	767	-
			<u>76,687</u>	<u>-</u>
GlobalTranz				
A provider of freight brokerage, utilizing a proprietary technology platform that provides multimodal transportation and logistics solutions by connecting shippers with carriers.				
10.5% Second Lien Term Loan due 10/16/2026 (LIBOR + 8.000%)	\$ 1,725,000	10/15/18	<u>1,700,528</u>	<u>1,673,027</u>
gloProfessional Holdings, Inc.				
A marketer and distributor of premium mineral-based cosmetics, cosmeceuticals and professional hair care products to the professional spa and physician's office channels.				
14% (2% PIK) Senior Subordinated Note due 11/30/2021 (D)	\$ 1,326,283	03/27/13	935,653	1,259,969
Preferred Stock (B)	295 shs.	03/29/19	295,276	295,276
Common Stock (B)	1,181 shs.	03/27/13	<u>118,110</u>	<u>9,539</u>
			<u>1,349,039</u>	<u>1,564,784</u>
GraphPad Software, Inc.				
A provider of data analysis, statistics and graphing software solution for scientific research applications, with a focus on the life sciences and academic end-markets.				
8.6% Term Loan due 12/21/2022 (LIBOR + 6.000%)	\$ 2,434,188	12/19/17	<u>2,395,887</u>	<u>2,349,619</u>
GTI Holding Company				
A designer, developer, and marketer of precision specialty hand tools and handheld test instruments.				
12% Senior Subordinated Note due 05/22/2023	\$ 727,865	02/05/14	708,453	727,865
Common Stock (B)	1,046 shs.	*	104,636	116,102
Warrant, exercisable until 2027, to purchase common stock at \$.01 per share (B)	397 shs.	02/05/14	<u>36,816</u>	<u>44,066</u>
* 02/05/14 and 11/22/17.			<u>849,905</u>	<u>888,033</u>
Handi Quilter Holding Company (Premier Needle Arts)				
A designer and manufacturer of long-arm quilting machines and related components for the consumer quilting market.				
Limited Liability Company Unit Preferred (B)	372 uts.	*	371,644	490,860
Limited Liability Company Unit Common Class A (B)	3,594 uts.	12/19/14	-	14,964
*12/19/14 and 04/29/16.			<u>371,644</u>	<u>505,824</u>

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)**March 31, 2019****(Unaudited)**

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
Happy Floors Acquisition, Inc.				
A wholesale importer and value-added distributor of premium European flooring tile to residential and commercial end markets.				
11.5% (1% PIK) Senior Subordinated Note due 01/01/2023	\$ 998,872	07/01/16	\$ 986,496	\$ 1,008,860
Common Stock (B)	150 shs.	07/01/16	149,500	154,950
			<u>1,135,996</u>	<u>1,163,810</u>
Hartland Controls Holding Corporation				
A manufacturer and distributor of electronic and electromechanical components.				
14% (2% PIK) Senior Subordinated Note due 08/14/2020	\$ 1,157,173	02/14/14	1,151,677	1,157,173
12% Senior Subordinated Note due 08/14/2020	\$ 431,250	06/22/15	429,984	431,250
Common Stock (B)	821 shs.	02/14/14	822	350,753
			<u>1,582,483</u>	<u>1,939,176</u>
Healthline Media, Inc.				
A consumer health platform that offers a variety of health-based articles and information for consumers.				
7.61% Term Loan due 11/20/2023 (LIBOR + 4.750%)	\$ 1,649,772	11/20/18	1,618,764	1,591,775
HHI Group, LLC				
A developer, marketer, and distributor of hobby-grade radio control products.				
14% (2% PIK) Senior Subordinated Note due 11/26/2020	\$ 1,692,576	01/17/14	1,684,548	1,692,576
Limited Liability Company Unit (B)(F)	102 uts.	01/17/14	101,563	63,815
			<u>1,786,111</u>	<u>1,756,391</u>
Hollandia Produce LLC				
A hydroponic greenhouse producer of branded root vegetables.				
11% (3.25% PIK) Senior Subordinated Note due 03/31/2021	\$ 1,458,180	*	1,446,858	1,449,216
10.49% Term Loan due 12/12/2020 (LIBOR + 8.000%)	\$ 109,916	04/06/18	109,916	108,712
10.49% Term Loan due 12/11/2020 (LIBOR + 8.000%)	\$ 146,780	04/06/18	146,780	145,173
* 12/30/15 and 12/23/16.			<u>1,703,554</u>	<u>1,703,101</u>
Holley Performance Products				
A provider of automotive aftermarket performance products.				
7.74% Term Loan due 10/17/2024 (LIBOR + 5.000%)	\$ 2,458,838	10/24/18	2,424,072	2,409,661

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

March 31, 2019

(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
HOP Entertainment LLC				
A provider of post production equipment and services to producers of television shows and motion pictures.				
Limited Liability Company Unit Class F (B)(F)	47 uts.	10/14/11	\$ -	-
Limited Liability Company Unit Class G (B)(F)	114 uts.	10/14/11	-	-
Limited Liability Company Unit Class H (B)(F)	47 uts.	10/14/11	-	-
Limited Liability Company Unit Class I (B)(F)	47 uts.	10/14/11	-	-
			-	-
			-	-
Impact Confections				
An independent manufacturer and marketer of confectionery products including Warheads® brand sour candies, Melster® brand classic candies, and co-manufactured/private label classic candies.				
15%(15% PIK) Senior Subordinated Note due 11/10/2020 (D)	\$ 1,092,190	11/10/14	1,084,388	-
Common Stock (B)	2,300 shs.	11/10/14	230,000	-
			1,314,388	-
JMH Investors LLC				
A developer and manufacturer of custom formulations for a wide variety of foods.				
Limited Liability Company Unit (B)(F)	1,038,805 uts.	12/05/12	232,207	-
Limited Liability Company Unit Class A-1 (B)(F)	159,048 uts.	10/31/16	159,048	381,954
Limited Liability Company Unit Class A-2 (B)(F)	1,032,609 uts.	10/31/16	-	280,333
			391,255	662,287
K P I Holdings, Inc.				
The largest player in the U.S. non-automotive, non-ferrous die casting segment.				
Limited Liability Company Unit Class C Preferred (B)	40 uts.	06/30/15	-	93,021
Common Stock (B)	353 shs.	07/15/08	285,619	246,535
			285,619	339,556
LAC Acquisition LLC				
A provider of center-based applied behavior analysis treatment centers for children diagnosed with autism spectrum disorder.				
8.55% Term Loan due 10/01/2024 (LIBOR + 5.750%)	\$ 1,773,334	10/01/18	846,197	817,478
Limited Liability Company Unit Class A (F)	22,222 uts.	10/01/18	22,222	18,667
			868,419	836,145
Manhattan Beachwear Holding Company				
A designer and distributor of women's swimwear.				
12.5% Senior Subordinated Note due 05/30/2022 (D)	\$ 419,971	01/15/10	404,121	398,972
15% (2.5% PIK) Senior Subordinated Note due 05/30/2022 (D)	\$ 115,253	10/05/10	114,604	109,490
Common Stock (B)	35 shs.	10/05/10	35,400	17,017
Common Stock Class B (B)	118 shs.	01/15/10	117,647	56,554
Warrant, exercisable until 2023, to purchase common stock at \$.01 per share (B)	104 shs.	10/05/10	94,579	50,050
			766,351	632,083

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)**March 31, 2019****(Unaudited)**

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
Master Cutlery LLC				
A designer and marketer of a wide assortment of knives and swords.				
13% Senior Subordinated Note due 04/17/2020	\$ 896,315	04/17/15	\$ 894,034	\$ 62,742
Limited Liability Company Unit	5 uts.	04/17/15	678,329	-
			<u>1,572,363</u>	<u>62,742</u>
Merex Holding Corporation				
A provider of after-market spare parts and components, as well as maintenance, repair and overhaul services for "out of production" or "legacy" aerospace and defense systems that are no longer effectively supported by the original equipment manufacturers.				
16% Senior Subordinated Note due 03/03/2022 (D)	\$ 454,295	09/22/11	449,013	408,866
15% PIK Senior Subordinated Note due 04/30/2022 (D)	\$ 23,839	08/18/15	23,839	19,071
15% PIK Senior Subordinated Note due 03/03/2022 (D)	\$ 39,795	01/03/19	39,795	39,795
14% PIK Senior Subordinated Note due 03/03/2022	\$ 73,612	*	73,612	72,800
Common Stock Class A (B)	83,080 shs.	**	170,705	-
			<u>756,964</u>	<u>540,532</u>
* 10/21/16, 01/27/17 and 10/13/17.				
** 08/18/15, 10/20/16 and 01/27/17.				
MES Partners, Inc.				
An industrial service business offering an array of cleaning and environmental services to the Gulf Coast region of the U.S.				
12% (1% PIK) Senior Subordinated Note due 09/30/2021	\$ 1,131,786	09/30/14	1,121,888	1,127,211
12% Senior Subordinated Note due 09/30/2021	\$ 304,052	02/28/18	299,599	302,823
Common Stock Class B (B)	259,252 shs.	*	244,163	40,043
			<u>1,665,650</u>	<u>1,470,077</u>
* 09/30/14 and 02/28/18.				
MeTEOR Education LLC				
A leading provider of classroom and common area design services, furnishings, equipment and instructional support to K-12 schools.				
12% Senior Subordinated Note due 06/20/2023	\$ 915,819	03/09/18	900,325	895,853
Limited Liability Company Unit (B)(F)	182 uts.	03/09/18	183,164	105,508
			<u>1,083,489</u>	<u>1,001,361</u>

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)**March 31, 2019****(Unaudited)**

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
Midwest Industrial Rubber, Inc.				
A supplier of industrial maintenance, repair, and operations ("MRO") products, specializing in the fabrication and distribution of lightweight conveyor belting and related conveyor components and accessories.				
12% (1% PIK) Senior Subordinated Note due 12/02/2022	\$ 1,590,231	12/02/16	\$ 1,568,594	\$ 1,590,697
Preferred Stock (B)	1,711 shs.	12/02/16	171,116	181,562
Common Stock (B)	242 shs.	12/02/16	242	-
			<u>1,739,952</u>	<u>1,772,259</u>
Motion Controls Holdings				
A manufacturer of high performance mechanical motion control and linkage products.				
14.25% (1.75% PIK) Senior Subordinated Note due 08/15/2020	\$ 290,527	11/30/10	289,598	290,527
Limited Liability Company Unit Class B-1 (B)(F)	75,000 uts.	11/30/10	-	49,252
Limited Liability Company Unit Class B-2 (B)(F)	6,801 uts.	11/30/10	-	4,466
			<u>289,598</u>	<u>344,245</u>
New Mountain Learning, LLC				
A leading provider of blended learning solutions to the K-12 and post-secondary school market.				
8.1% Term Loan due 03/16/2024 (LIBOR + 5.500%)	\$ 1,693,422	03/15/18	1,664,469	1,574,623
NSi Industries Holdings, Inc.				
A manufacturer and distributor of electrical components and accessories to small to mid-sized electrical wholesalers.				
12.75% (1.75% PIK) Senior Subordinated Note due 05/17/2023	\$ 1,959,064	*	1,929,785	1,936,233
Common Stock (B)	207 shs.	05/17/16	207,000	316,938
* 06/30/16 and 03/11/19.			<u>2,136,785</u>	<u>2,253,171</u>
PANOS Brands LLC				
A marketer and distributor of branded consumer foods in the specialty, natural, better-for-you, "free from" healthy and gluten-free categories.				
12% (1% PIK) Senior Subordinated Note due 08/17/2022	\$ 1,775,705	02/17/17	1,754,694	1,769,381
Common Stock Class B (B)	380,545 shs.	*	380,545	517,837
* 01/29/16 and 02/17/17.			<u>2,135,239</u>	<u>2,287,218</u>
PB Holdings LLC				
A designer, manufacturer and installer of maintenance and repair parts and equipment for industrial customers.				
7.48% Term Loan due 02/28/2024 (LIBOR + 5.000%)	\$ 947,136	03/06/19	798,682	804,893

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)**March 31, 2019****(Unaudited)**

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
Pegasus Transtech Corporation				
A provider of end-to-end document, driver and logistics management solutions, which enable its customers (carriers, brokers, and drivers) to operate more efficiently, reduce manual overhead, enhance compliance, and shorten cash conversion cycles.				
11.25% Term Loan due 11/16/2022	\$ 190,568	11/14/17	\$ 186,410	\$ 182,529
8.75% Term Loan due 11/17/2024 (LIBOR + 6.250%)	\$ 2,084,362	11/14/17	1,904,825	1,867,684
			<u>2,091,235</u>	<u>2,050,213</u>
Petroplex Inv Holdings LLC				
A leading provider of acidizing services to E&P customers in the Permian Basin.				
Limited Liability Company Unit	0.40% int.	*	175,339	19,358
* 11/29/12 and 12/20/16.				
Polytex Holdings LLC				
A manufacturer of water based inks and related products serving primarily the wall covering market.				
13.9% (1% PIK) Senior Subordinated Note due 12/31/2020	\$ 1,069,985	07/31/14	1,064,183	534,992
Limited Liability Company Unit	148,096 uts.	07/31/14	148,096	-
Limited Liability Company Unit Class F	36,976 uts.	*	24,802	-
			<u>1,237,081</u>	<u>534,992</u>
* 09/28/17 and 02/15/18.				
PPC Event Services				
A special event equipment rental business.				
14% (2% PIK) Senior Subordinated Note due 05/28/2023	\$ 1,220,465	11/20/14	1,214,080	1,220,466
Limited Liability Company Unit (B)	3,450 uts.	11/20/14	172,500	327,636
Limited Liability Company Unit Series A-1 (B)	339 uts.	03/16/16	42,419	33,907
			<u>1,428,999</u>	<u>1,582,009</u>
Randy's Worldwide Automotive				
A designer and distributor of automotive aftermarket parts.				
Common Stock (B)	118 shs.	05/12/15	118,476	323,632
ReelCraft Industries, Inc.				
A designer and manufacturer of heavy-duty reels for diversified industrial, mobile equipment OEM, auto aftermarket, government/military and other end markets.				
10.5% (0.5% PIK) Senior Subordinated Note due 02/28/2023	\$ 1,441,431	11/13/17	1,441,431	1,457,580
Limited Liability Company Unit Class B	293,617 uts.	11/13/17	184,688	326,416
			<u>1,626,119</u>	<u>1,783,996</u>

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)**March 31, 2019****(Unaudited)**

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
REVSpring, Inc.				
A provider of accounts receivable management and revenue cycle management services to customers in the healthcare, financial and utility industries.				
10.75% Second Lien Term Loan due 10/11/2026 (LIBOR + 8.250%)	\$ 1,725,000	10/11/18	\$ 1,676,296	\$ 1,647,586
Rock-it Cargo				
A provider of specialized international logistics solutions to the music touring, performing arts, live events, fine art and specialty industries.				
7.1% Term Loan due 06/22/2024 (LIBOR + 4.500%)	\$ 2,452,675	07/30/18	2,398,184	2,400,124
ROI Solutions				
Call center outsourcing and end user engagement services provider.				
7.8% Term Loan due 07/31/2024 (LIBOR + 5.000%)	\$ 1,631,288	07/31/18	638,586	610,000
Ruffalo Noel Levitz				
A provider of enrollment management, student retention and career services, and fundraising management for colleges and universities.				
8.69% Term Loan due 05/29/2022 (LIBOR + 6.000%)	\$ 1,260,698	01/08/19	1,243,056	1,241,275
Sandvine Corporation				
A provider of active network intelligence solutions.				
10.5% Second Lien Term Loan due 11/02/2026 (LIBOR + 8.000%)	\$ 1,725,000	11/01/18	1,684,089	1,656,399
Sara Lee Frozen Foods				
A provider of frozen bakery products, desserts and sweet baked goods.				
7% Lien Term Loan due 07/31/2024 (LIBOR + 4.500%)	\$ 1,529,455	07/27/18	1,498,887	1,469,341
Signature Systems Holding Company				
A seller and installer of a variety of modular surfaces, industrial matting and related products used for ground protection.				
Common Stock (B)	76 shs.	03/15/13	75,509	383,142
Warrant, exercisable until 2023, to purchase common stock A at \$.01 per share (B)	31 shs.	03/15/13	28,316	156,534
			<u>103,825</u>	<u>539,676</u>

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)**March 31, 2019****(Unaudited)**

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
SMB Machinery Holdings, Inc.				
A reseller of used, rebuilt and refurbished packaging and processing equipment, primarily serving the bottling and food manufacturing industries.				
14% (2% PIK) Senior Subordinated Note due 10/18/2019 (D)	\$ 738,694	10/18/13	\$ 726,147	\$ -
Common Stock (B)	841 shs.	10/18/13	84,100	-
			<u>810,247</u>	<u>-</u>
Specified Air Solutions				
A manufacturer and distributor of heating, dehumidification and other air quality solutions.				
10.5% (0.5% PIK) Senior Subordinated Note due 06/19/2024	\$ 1,226,445	12/19/18	1,212,820	1,234,285
Limited Liability Company Unit	831,904 uts.	02/20/19	536,793	667,368
			<u>1,749,613</u>	<u>1,901,653</u>
SR Smith LLC				
A manufacturer of mine and tunneling ventilation products in the United States.				
11% Senior Subordinated Note due 03/27/2022	\$ 1,084,565		* 1,077,381	1,079,933
Limited Liability Company Unit Series A	1,072 uts.		* 1,060,968	1,375,462
* 03/27/17 and 08/07/18.			<u>2,138,349</u>	<u>2,455,395</u>
Strahman Holdings Inc.				
A manufacturer of industrial valves and wash down equipment for a variety of industries, including chemical, petrochemical, polymer, pharmaceutical, food processing, beverage and mining.				
Preferred Stock Series A (B)	158,967 shs.	12/13/13	158,967	340,335
Preferred Stock Series A-2 (B)	26,543 shs.	09/10/15	29,994	56,826
			<u>188,961</u>	<u>397,161</u>
Sunrise Windows Holding Company				
A manufacturer and marketer of premium vinyl windows exclusively selling to the residential remodeling and replacement market.				
16% Senior Subordinated Note due 05/28/2020 (D)	\$ 1,812,109		* 1,358,229	1,359,082
Common Stock (B)	38 shs.	12/14/10	38,168	-
Warrant, exercisable until 2020, to purchase common stock at \$.01 per share (B)	37 shs.	12/14/10	37,249	-
* 12/14/10, 08/17/12 and 03/31/16.			<u>1,433,646</u>	<u>1,359,082</u>

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)**March 31, 2019****(Unaudited)**

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
Sunvair Aerospace Group Inc.				
An aerospace maintenance, repair, and overhaul provider servicing landing gears on narrow body aircraft.				
12% (1% PIK) Senior Subordinated Note due 07/31/2021 (D)	\$ 1,405,417	07/31/15	\$ 1,394,480	\$ 1,264,876
Common Stock (B)	68 shs.	*	104,986	9,799
* 07/31/15 and 11/08/17.			<u>1,499,466</u>	<u>1,274,675</u>
Team Drive-Away Holdings LLC				
An asset-light provider of over the road driveaway services for class 8 trucks and specialized equipment.				
Limited Liability Company Unit	95,800 uts.	10/15/15	67,186	187,289
Therma-Stor Holdings LLC				
A designer and manufacturer of dehumidifiers and water damage restoration equipment for residential and commercial applications.				
10.5% (0.5% PIK) Senior Subordinated Note due 11/30/2023	\$ 1,374,868	11/30/17	1,374,868	1,355,936
Limited Liability Company Unit (B)	19,696 uts.	11/30/17	3,172	19,696
			<u>1,378,040</u>	<u>1,375,632</u>
Torrent Group Holdings, Inc.				
A contractor specializing in the sales and installation of engineered drywells for the retention and filtration of stormwater and nuisance water flow.				
15% (7.5% PIK) Senior Subordinated Note due 12/05/2020	\$ 49,056	12/05/13	98,825	49,056
Warrant, exercisable until 2023, to purchase common stock at \$.01 per share (B)	28,079 shs.	12/05/13	-	22,240
			<u>98,825</u>	<u>71,296</u>
Trident Maritime Systems				
A leading provider of turnkey marine vessel systems and solutions for government and commercial new ship construction as well as repair, refurbishment, and retrofit markets worldwide.				
8.1% Term Loan due 04/30/2024 (LIBOR + 5.500%)	\$ 2,446,513	05/14/18	2,399,147	2,345,418
Tristar Global Energy Solutions, Inc.				
A hydrocarbon and decontamination services provider serving refineries worldwide.				
12.5% (1.5% PIK) Senior Subordinated Note due 07/31/2020	\$ 1,182,564	01/23/15	1,175,480	1,138,857

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)**March 31, 2019****(Unaudited)**

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
Trystar, Inc.				
A niche manufacturer of temporary power distribution products for the power rental, industrial, commercial utility and back-up emergency markets.				
7.6% Term Loan due 10/01/2023 (LIBOR + 5.000%)	\$ 2,293,522	09/28/18	\$ 2,257,445	\$ 2,217,482
Limited Liability Company Unit (B)(F)	47 uts.	09/28/18	46,562	48,096
			<u>2,304,007</u>	<u>2,265,578</u>
U.S. Legal Support, Inc.				
A provider of court reporting, record retrieval and other legal supplemental services.				
8.38% Term Loan due 11/12/2024 (LIBOR + 5.750%)	\$ 2,142,391	*	1,790,505	1,757,811
* 11/29/18 and 03/25/19.				
U.S. Oral Surgery Management				
An operator of oral surgery practices providing medically necessary treatments.				
7.5% Term Loan due 12/31/2023 (LIBOR + 5.000%)	\$ 2,462,305	01/04/19	1,027,489	1,025,854
U.S. Retirement and Benefit Partners, Inc.				
A leading independent provider of outsourced benefit design and administration and retirement services, primarily to K-12 school districts, employee unions, and governmental agencies.				
11.35% Second Lien Term Loan due 02/14/2023 (LIBOR + 8.750%)	\$ 1,725,000	03/05/18	1,578,896	1,544,375
UBEO, LLC				
A dealer and servicer of printers and copiers to medium sized businesses.				
11% Term Loan due 10/03/2024	\$ 1,725,000	11/05/18	1,339,504	1,313,255
Velocity Technology Solutions, Inc.				
A provider of outsourced hosting services for enterprise resource planning software applications and information technology infrastructure to mid and large-sized enterprises.				
8.6% Lien Term Loan due 12/07/2023 (LIBOR + 6.000%)	\$ 2,073,750	12/07/17	2,057,526	2,023,013
VP Holding Company				
A provider of school transportation services for special-needs and homeless children in Massachusetts and Connecticut.				
8.1% Lien Term Loan due 05/22/2024 (LIBOR + 5.500%)	\$ 2,452,153	05/17/18	1,714,545	1,623,015

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)**March 31, 2019****(Unaudited)**

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
Westminster Acquisition LLC				
A manufacturer of premium, all-natural oyster cracker products sold under the Westminster and Olde Cape Cod brands.				
12% (1% PIK) Senior Subordinated Note due 02/03/2021	\$ 384,019	08/03/15	\$ 381,183	\$ 337,199
Limited Liability Company Unit (B)(F)	370,241 uts.	08/03/15	370,241	192,275
			<u>751,424</u>	<u>529,474</u>
Whitebridge Pet Brands Holdings, LLC				
A manufacturer and marketer of branded, all-natural treats and foods for dogs and cats.				
11.5% (0.5% PIK) Senior Subordinated Note due 08/18/2021	\$ 1,495,677	04/18/17	1,481,990	1,485,872
Limited Liability Company Unit Class A (B)(F)	123 uts.	04/18/17	148,096	147,042
Limited Liability Company Unit Class B (B)(F)	123 uts.	04/18/17	-	-
			<u>1,630,086</u>	<u>1,632,914</u>
Wolf-Gordon, Inc.				
A designer and specialty distributor of wallcoverings and related building products, including textiles, paint, and writeable surfaces.				
Common Stock (B)	157 shs.	01/22/16	62,178	228,573
WP Supply Holding Corporation				
A distributor of fresh fruits and vegetables to grocery wholesalers and foodservice distributors in the upper Midwest.				
14.5% (2.5% PIK) Senior Subordinated Note due 06/12/2020	\$ 1,022,435	11/03/11	1,022,376	1,009,031
Common Stock (B)	1,500 shs.	11/03/11	150,000	79,343
			<u>1,172,376</u>	<u>1,088,374</u>
York Wall Holding Company				
A designer, manufacturer and marketer of wall covering products for both residential and commercial wall coverings.				
Preferred Stock Series A (B)	2,936 shs.	02/05/19	293,616	293,626
Common Stock (B)	2,046 shs.	*	200,418	155,958
* 03/04/15 and 02/07/18			<u>494,034</u>	<u>449,584</u>
Total Private Placement Investments (E)			<u>\$ 124,429,456</u>	<u>\$ 120,082,066</u>

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

March 31, 2019

(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Interest Rate	Maturity Date	Principal Amount	Cost	Market Value	
Rule 144A Securities - 5.57%:						
Bonds - 5.57%						
Acrisure, LLC	7.000%	11/15/25	\$ 385,000	\$ 352,833	\$ 346,500	
Alliance Residential Company	7.500	05/01/25	357,000	369,708	371,726	
Altice Financing S.A.	7.500	05/15/26	308,000	308,000	303,996	
Amsted Industries	5.375	09/15/24	185,000	185,000	182,225	
Avantor Inc.	6.000	10/01/24	313,000	313,000	324,738	
Boyne USA, Inc.	7.250	05/01/25	129,000	129,000	138,030	
CVR Partners, L.P.	9.250	06/15/23	385,000	378,489	403,288	
Enterprise Merger Sub Inc.	8.750	10/15/26	773,000	734,200	688,936	
Financial & Risk US Holdings, Inc.	6.250	05/15/26	116,000	116,000	117,595	
First Quantum Minerals Ltd.	7.500	04/01/25	500,000	482,681	478,750	
First Quantum Minerals Ltd.	7.250	04/01/23	385,000	381,085	376,338	
Intelsat Connect Finance	9.500	02/15/23	385,000	376,981	340,841	
Jonah Energy LLC	7.250	10/15/25	385,000	332,041	204,050	
LBC Tank Terminals Holding Netherlands B.V.	6.875	05/15/23	511,000	518,379	482,895	
Mattamy Group Corp.	6.500	10/01/25	385,000	377,827	377,897	
New Gold Inc.	6.250	11/15/22	500,000	501,677	440,000	
OPE KAG Finance Sub	7.875	07/31/23	385,000	396,392	372,488	
Sinclair Broadcast Group, Inc.	5.875	03/15/26	157,000	157,000	158,177	
Sinclair Television Group, Inc.	5.125	02/15/27	385,000	385,000	368,637	
Suncoke Energy	7.500	06/15/25	385,000	380,079	389,812	
Topaz Marine S.A.	9.125	07/26/22	500,000	500,000	506,421	
Vine Oil & Gas, LP	8.750	04/15/23	385,000	359,448	306,075	
VRX Escrow Corp.	6.125	04/15/25	140,000	140,000	138,600	
Warrior Met Coal, Inc.	8.000	11/01/24	161,000	161,000	168,144	
Total Bonds				8,335,820	7,986,159	
Common Stock - 0.00%						
TherOX, Inc. (B)			2	-	-	
Touchstone Health Partnership (B)			292	-	-	
Total Common Stock				-	-	
Total Rule 144A Securities				8,335,820	7,986,159	
Corporate Public Securities - 6.37%: (A)						
	LIBOR Spread	Interest Rate	Maturity Date	Principal Amount	Cost	Market Value
Bank Loans - 3.20%						
Argon Medical Devices, Inc.	8.000%	10.499%	01/23/26	\$ 500,000	\$ 503,750	\$ 492,500
BMC Software Finance, Inc.	4.250	6.851	10/02/25	498,750	494,110	487,862
Confie Seguros Holding II Co.	8.500	11.126	11/02/25	446,131	437,709	437,766
Edelman Financial Services	6.750	9.537	07/20/26	128,178	127,592	128,498
Fieldwood Energy LLC	7.250	9.749	04/11/23	977,612	940,680	824,860

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

March 31, 2019

(Unaudited)

Corporate Public Securities: (A) (Continued)	LIBOR Spread	Interest Rate	Maturity Date	Principal Amount	Cost	Market Value
Gulf Finance, LLC	5.250%	7.859%	08/25/23	\$ 250,258	\$ 248,705	\$ 198,642
ION Trading Technologies Sarl	4.000	6.651	11/21/24	273,603	267,385	264,955
PowerSchool	6.750	9.488	08/01/26	500,000	495,408	488,750
PS Logistics LLC	4.750	7.249	03/01/25	497,500	501,967	494,391
Schenectady International Group Inc.	4.750	7.351	10/15/25	306,554	295,048	305,788
STS Operating, Inc.	8.000	10.499	04/25/26	500,000	505,000	468,750
Total Bank Loans					4,817,354	4,592,762
Bonds - 2.73%						
AMC Entertainment Holdings Inc.		6.125	05/15/27	385,000	375,227	347,944
Anchorage Capital Group, L.L.C.	7.250	10.037	01/15/29	500,000	517,187	499,185
Brunswick Corporation		7.125	08/01/27	500,000	503,365	554,824
Dish DBS Corporation		7.750	07/01/26	385,000	413,653	334,950
Laredo Petroleum, Inc.		5.625	01/15/22	385,000	372,797	351,794
Laredo Petroleum, Inc.		6.250	03/15/23	385,000	385,821	343,613
M/I Homes, Inc.		5.625	08/01/25	385,000	367,598	368,638
Oasis Petroleum Inc.		6.875	03/15/22	424,000	409,786	428,240
PBF Holding Company LLC		7.250	06/15/25	385,000	397,080	395,202
William Lyon Homes		7.000	08/15/22	284,000	284,000	284,710
Total Bonds					4,026,514	3,909,100
Common Stock - 0.09%						
Jupiter Resources Inc.				41,472	200,439	129,600
Total Common Stock					200,439	129,600
Preferred Stock - 0.35%						
B. Riley Financial Inc.				20,000	500,000	506,600
Total Preferred Stock					500,000	506,600
Total Corporate Public Securities					\$ 9,544,307	\$ 9,138,062
Total Investments		95.68%			\$142,309,583	\$137,206,287
Other Assets		15.45				22,156,091
Liabilities		(11.13)				(15,965,915)
Total Net Assets		100.00%				\$143,396,463

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

(B) Non-income producing security.

(C) Security valued at fair value using methods determined in good faith by or under the direction of the Board of Trustees.

(D) Defaulted security; interest not accrued.

(E) Illiquid security. As of March 31, 2019 the values of these securities amounted to \$120,082,066 or 83.74% of net assets.

(F) Held in PI Subsidiary Trust

PIK - Payment-in-kind

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

March 31, 2019

(Unaudited)

Industry Classification: (Continued)	Fair Value/ Market Value		Fair Value/ Market Value
Financial & Risk US Holdings, Inc.	\$ 117,595	INDUSTRIAL OTHER - 7.89%	
U.S. Retirement and Benefit Partners, Inc.	<u>1,544,375</u>	AFC - Dell Holding Corporation	\$ 1,657,421
	<u>3,580,519</u>	Brunswick Corporation	554,824
FOOD & BEVERAGE - 6.64%		E.S.P. Associates, P.A.	905,665
Del Real LLC	1,486,974	Hartland Controls Holding Corporation	1,939,176
F F C Holding Corporation	293,765	Midwest Industrial Rubber, Inc.	1,772,259
Hollandia Produce LLC	1,703,101	PB Holdings LLC	804,893
Impact Confections	-	SMB Machinery Holdings, Inc.	-
JMH Investors LLC	662,287	Specified Air Solutions	1,901,653
PANOS Brands LLC	2,287,218	STS Operating, Inc.	468,750
Sara Lee Frozen Foods	1,469,341	UBEO, LLC	<u>1,313,255</u>
Westminster Acquisition LLC	529,474		<u>11,317,896</u>
WP Supply Holding Corporation	<u>1,088,374</u>		
	<u>9,520,534</u>	MEDIA & ENTERTAINMENT - 2.94%	
HEALTHCARE - 6.45%		AMC Entertainment Holdings Inc.	347,944
Argon Medical Devices, Inc.	492,500	BlueSpire Holding, Inc.	-
Avantor Inc.	324,738	Boyne USA, Inc.	138,030
Cadence, Inc.	776,231	Cadent, LLC	1,018,356
CORA Health Services, Inc.	1,348,898	Discovery Education, Inc.	1,846,358
ECG Consulting Group	2,020,355	Dish DBS Corporation	334,950
Enterprise Merger Sub Inc.	688,936	HOP Entertainment LLC	-
GD Dental Services LLC	-	Sinclair Broadcast Group, Inc.	158,177
Healthline Media, Inc.	1,591,775	Sinclair Television Group, Inc.	<u>368,637</u>
LAC Acquisition LLC	836,145		<u>4,212,452</u>
TherOX, Inc.	-		
Touchstone Health Partnership	-	METALS & MINING - 1.55%	
U.S. Oral Surgery Management	1,025,854	Alliance Residential Company	371,726
VRX Escrow Corp.	<u>138,600</u>	First Quantum Minerals Ltd.	855,088
	<u>9,244,032</u>	New Gold Inc.	440,000
HOME CONSTRUCTION - 0.72%		Suncoke Energy	389,812
Mattamy Group Corp.	377,897	Warrior Met Coal, Inc.	<u>168,144</u>
M/I Homes, Inc.	368,638		<u>2,224,770</u>
William Lyon Homes	<u>284,710</u>		
	<u>1,031,245</u>	MIDSTREAM - 0.14%	
INDEPENDENT - 1.59%		Gulf Finance, LLC	<u>198,642</u>
Fieldwood Energy LLC	824,860		
Jonah Energy LLC	204,050	OIL FIELD SERVICES - 0.58%	
Jupiter Resources Inc.	129,600	Avantech Testing Services LLC	-
Laredo Petroleum, Inc.	695,407	Petroplex Inv Holdings LLC	19,358
Oasis Petroleum Inc.	<u>428,240</u>	Topaz Marine S.A.	506,421
	<u>2,282,157</u>	Vine Oil & Gas, LP	<u>306,075</u>
			<u>831,854</u>

See Notes to Consolidated Financial Statements

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)**March 31, 2019****(Unaudited)**

Industry Classification: (Continued)	Fair Value/ Market Value		Fair Value/ Market Value
PACKAGING - 0.91%			
ASC Holdings, Inc.	\$ 612,559	ION Trading Technologies Sarl	\$ 264,955
Brown Machine LLC	695,283	PowerSchool	488,750
	<u>1,307,842</u>	REVSpring, Inc.	1,647,586
		Ruffalo Noel Levitz	1,241,275
PAPER - 1.20%		U.S. Legal Support, Inc.	1,757,811
Dunn Paper	<u>1,716,375</u>	Sandvine Corporation	1,656,399
		Velocity Technology Solutions, Inc.	<u>2,023,013</u>
PHARMACEUTICALS - 0.17%			<u>21,074,337</u>
Clarion Brands Holding Corp.	<u>243,063</u>		
		TELECOMMUNICATIONS - 0.21%	
REFINING - 2.09%		Altice Financing S.A.	<u>303,996</u>
MES Partners, Inc.	1,470,077		
PBF Holding Company LLC	395,202	TRANSPORTATION SERVICES - 7.46%	
Tristar Global Energy Solutions, Inc.	<u>1,138,857</u>	BDP International, Inc.	2,386,139
	<u>3,004,136</u>	GlobalTranz	1,673,027
		OPE KAG Finance Sub	372,488
TECHNOLOGY - 14.70%		Pegasus Transtech Corporation	2,050,213
1A Smart Start, Inc.	1,665,790	Rock-it Cargo	2,400,124
Audio Precision	1,702,379	Team Drive-Away Holdings LLC	187,289
BCC Software, Inc.	2,373,438	VP Holding Company	<u>1,623,015</u>
BMC Software Finance, Inc.	487,862		<u>10,692,295</u>
Claritas Holdings, Inc.	1,640,115		
Clubessential LLC	1,775,345	Total Investments - 95.68%	
GraphPad Software, Inc.	<u>2,349,619</u>	(Cost - \$142,309,583)	<u><u>\$ 137,206,287</u></u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

1. History

Barings 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. Barings LLC ("Barings"), a wholly-owned indirect subsidiary of Massachusetts Mutual Life Insurance Company ("MassMutual"), acts as its investment adviser. The Trust's investment objective is to maintain a portfolio of securities providing a current yield and, when available, an opportunity for capital gains. The Trust's principal investments are privately placed, below investment grade, long-term debt obligations including bank loans and mezzanine debt instruments. Such direct placement securities may, in some cases, be accompanied by equity features such as common stock, preferred stock, warrants, conversion rights, or other equity features. The Trust typically purchases these investments, which are not publicly tradable, directly from their issuers in private placement transactions. These investments are typically made to small or middle market companies. In addition, the Trust may invest, subject to certain limitations, in marketable debt securities (including high yield and/or investment grade securities) and marketable common stock. Below investment grade or high yield securities have predominantly speculative characteristics with respect to the capacity of the issuer to pay interest and repay capital.

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

The Trustees have determined that the Trust is an investment company in accordance with Accounting Standards Codification ("ASC") 946, Financial Services – Investment Companies, for the purpose of financial reporting.

A. Fair Value Measurements:

Under U.S. GAAP, fair value represents the price that should be received to sell an asset (exit price) in an orderly transaction between willing market participants at the measurement date.

Determination of Fair Value

The determination of the fair value of the Trust's investments is the responsibility of the Trust's Board of Trustees (the

"Trustees"). The Trustees have adopted procedures for the valuation of the Trust's securities and have delegated responsibility for applying those procedures to Barings. Barings has established a Pricing Committee which is responsible for setting the guidelines used in following the procedures adopted by the Trustees ensuring that those guidelines are being followed. Barings considers all relevant factors that are reasonably available, through either public information or information available to Barings, when determining the fair value of a security. The Trustees meet at least once each quarter to approve the value of 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 are not interested persons of the Trust or of Barings. In approving valuations, the Trustees will consider reports by Barings analyzing each portfolio security in accordance with the procedures and guidelines referred to above, which include the relevant factors referred to below. Barings has agreed to provide such reports to the Trust at least quarterly. The consolidated financial statements include private placement restricted securities valued at \$120,082,066 (83.74% of net assets) as of March 31, 2019 the values of which have been estimated by the Trustees based on the process described above in the absence of readily ascertainable market values. Due to the inherent uncertainty of valuation, those estimated 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.

Following is a description of valuation methodologies used for assets recorded at fair value.

Corporate Public Securities at Market Value – Bank Loans, Corporate Bonds, Preferred Stocks and Common Stocks

The Trust uses external independent third-party pricing services to determine the fair values of its Corporate Public Securities. At March 31, 2019, 100% of the carrying value of these investments was from external pricing services. In the event that the primary pricing service does not provide a price, the Trust utilizes the pricing provided by a secondary pricing service.

Public debt securities generally trade in the over-the-counter market rather than on a securities exchange. The Trust's pricing services use multiple valuation techniques to determine fair value. In instances where significant market activity exists, the pricing services may utilize a market based approach through which quotes from market makers are used to determine fair value. In instances where significant market activity may not exist or is limited, the pricing services also utilize proprietary valuation models which may consider market characteristics such as benchmark yield curves, option adjusted spreads, credit spreads, estimated default rates, coupon rates, anticipated timing of principal underlying prepayments, collateral, and other unique security features in order to estimate the relevant cash flows, which are then discounted to calculate the fair value.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**(Unaudited)**

The Trust's investments in bank loans are normally valued at the bid quotation obtained from dealers in loans by an independent pricing service in accordance with the Trust's valuation policies and procedures approved by the Trustees.

Public equity securities listed on an exchange or on the NASDAQ National Market System are valued at the last quoted sales price of that day.

At least annually, Barings conducts reviews of the primary pricing vendors to validate that the inputs used in that vendors' pricing process are deemed to be market observable as defined in the standard. While Barings is not provided access to proprietary models of the vendors, the reviews have included on-site walk-throughs of the pricing process, methodologies and control procedures for each asset class and level for which prices are provided. The reviews also include an examination of the underlying inputs and assumptions for a sample of individual securities across asset classes, credit rating levels and various durations. In addition, the pricing vendors have an established challenge process in place for all security valuations, which facilitates identification and resolution of prices that fall outside expected ranges. Barings believes that the prices received from the pricing vendors are representative of prices that would be received to sell the assets at the measurement date (exit prices) and are classified appropriately in the hierarchy.

Corporate Restricted Securities at Fair Value – Bank Loans, Corporate Bonds

The fair value of certain notes is determined using an internal model that discounts the anticipated cash flows of those notes using a specific discount rate. Changes to that discount rate are driven by changes in general interest rates, probabilities of default and credit adjustments. The discount rate used within the models to discount the future anticipated cash flows is considered a significant unobservable input. Increases/(decreases) in the discount rate would result in a (decrease)/increase to the notes' fair value.

The fair value of certain distressed notes is based on an enterprise waterfall methodology which is discussed in the equity security valuation section below.

Corporate Restricted Securities at Fair Value – Common Stock, Preferred Stock and Partnerships & LLC's

The fair value of equity securities is determined using an enterprise waterfall methodology. Under this methodology, the enterprise value of the company is first estimated and that value is then allocated to the company's outstanding debt and equity securities based on the documented priority of each class of securities in the capital structure. Generally, the waterfall proceeds from senior debt, to senior and junior subordinated debt, to preferred stock, then finally common stock.

To estimate a company's enterprise value, the company's trailing twelve months earnings before interest, taxes, depreciation and amortization ("EBITDA") is multiplied by a valuation multiple.

Both the company's EBITDA and valuation multiple are considered significant unobservable inputs. Increases/(decreases) to the company's EBITDA and/or valuation multiple would result in increases/(decreases) to the equity value.

Short-Term Securities

Short-term securities with more than sixty days to maturity are valued at fair value, using external independent third-party services. Short-term securities, of sufficient credit quality, having a maturity of sixty days or less are valued at amortized cost, which approximates fair value.

New Accounting Pronouncement

In August 2018, the Financial Accounting Standards Board issued Accounting Standards Update No. 2018-13, Fair Value Measurement (Topic 820) – Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement ("ASU 2018-13"), which simplifies the disclosure requirements on fair value measurement. ASU 2018-13 is effective for annual periods beginning after December 15, 2019, and early adoption is permitted. The Trust early adopted, and applied, ASU 2018-13 for the year ended December 31, 2018. The adoption of this accounting guidance did not have a material impact on the Trust's financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**(Unaudited)****Fair Value Hierarchy**

The Trust categorizes its investments measured at fair value in three levels, based on the inputs and assumptions used to determine fair value. These levels are as follows:

Level 1 – quoted prices in active markets for identical securities

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

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

The following table summarizes the levels in the fair value hierarchy into which the Trust's financial instruments are categorized as of March 31, 2019.

The fair values of the Trust's investments disaggregated into the three levels of the fair value hierarchy based upon the lowest level of significant input used in the valuation as of March 31, 2019 are as follows:

Assets:	Total	Level 1	Level 2	Level 3
Restricted Securities				
Corporate Bonds	\$ 56,855,165	\$ -	\$ 7,986,159	\$ 48,869,006
Bank Loans	57,124,245	-	-	57,124,245
Common Stock - U.S.	4,059,196	-	-	4,059,196
Preferred Stock	2,997,378	-	-	2,997,378
Partnerships and LLCs	7,032,241	-	-	7,032,241
Public Securities				
Bank Loans	4,592,762	-	3,300,084	1,292,678
Corporate Bonds	3,909,100	-	3,909,100	-
Common Stock - U.S.	129,600	-	129,600	-
Preferred Stock	506,600	506,600	-	-
Total	\$ 137,206,287	\$ 506,600	\$ 15,324,943	\$ 121,374,744

See information disaggregated by security type and industry classification in the Consolidated Schedule of Investments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**(Unaudited)****Quantitative Information about Level 3 Fair Value Measurements**

The following table represents quantitative information about Level 3 fair value measurements as of March 31, 2019.

	Fair Value	Valuation Technique	Unobservable Inputs	Range	Weighted**
Bank Loans	\$8,110,320	Broker Quote	Single Broker	97.0% to 99.8%	98.5%
	\$50,306,603	Discounted Cash Flows	Discount Rate	5.5% to 13.0%	7.5%
Corporate Bonds	\$41,368,817	Discounted Cash Flows	Discount Rate	7.1% to 20.1%	12.2%
	\$7,500,189	Market Approach	Valuation Multiple	5.1x to 9.5x	7.0x
			EBITDA	\$0.5 million to \$15.9 million	\$7.4 million
Equity Securities*	\$14,088,815	Market Approach	Valuation Multiple	5.1x to 14.7x	8.6x
			EBITDA	\$0.5 million to \$287.2 million	\$30.8 million

* Including partnerships and LLC's

** The weighted averages disclosed in the table above were weighted by relative fair value

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

Assets:	Beginning balance at 12/31/2018	Included in earnings	Purchases	Sales	Prepayments	Transfers into Level 3	Transfers out of Level 3	Ending balance at 3/31/2019
Restricted Securities								
Corporate Bonds	\$ 49,613,537	\$ 647,142	\$ 1,238,451	\$ (2,401,521)	\$ (228,603)	\$ -	\$ -	\$ 48,869,006
Bank Loans	56,358,155	(83,791)	3,175,660	(286,154)	(2,039,625)	-	-	57,124,245
Common Stock - U.S.	4,250,108	315,372	126	(506,410)	-	-	-	4,059,196
Preferred Stock	2,197,761	170,936	628,681	-	-	-	-	2,997,378
Partnerships and LLCs	7,372,814	(230,380)	227,281	(337,474)	-	-	-	7,032,241
Public Securities								
Bank Loans	1,648,460	22,129	-	-	(2,021)	493,750	(869,640)	1,292,678
Common Stock - U.S.	141,005	-	-	-	-	-	(141,005)	-
	\$ 121,581,840	\$ 841,408	\$ 5,270,199	\$ (3,531,559)	\$ (2,270,249)	\$ 493,750	\$ (1,010,645)	\$ 121,374,744

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

(Unaudited)

Income, Gains and Losses on Level 3 assets included in Net Increase in Net Assets resulting from Operations for the year are presented in the following accounts on the Statement of Operations:

	Net Increase in Net Assets Resulting from Operations	Change in Unrealized Gains & (Losses) in Net Assets from assets still held
Interest (Amortization)	\$ 79,285	\$ -
Net realized gain on investments before taxes	351,109	-
Net change in unrealized appreciation of investments before taxes	411,014	1,034,463

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, including the amortization of premiums and accretion of discounts on bonds held using the yield-to-maturity method. The Trust does not accrue income when payment is delinquent and when management believes payment is questionable.

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 U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and the differences could be material.

D. Federal Income Taxes:

The Trust has elected to be taxed as a "regulated investment company" under the Internal Revenue Code, and intends to maintain this qualification and to distribute 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 business income to be allocable to the Trust. The PI 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 PI Subsidiary Trust is not taxed as a regulated investment company. Accordingly, prior to the Trust receiving any distributions from the PI Subsidiary Trust, all of the PI Subsidiary Trust's taxable income and realized gains, including non-qualified income and realized gains, is subject to taxation at prevailing corporate tax rates.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of the existing assets and liabilities and their respective tax basis. As of March 31, 2019, the PI Subsidiary Trust has no deferred tax liability.

E. Distributions to Shareholders:

The Trust records distributions to shareholders from net investment income and net realized gains, if any, on the ex-dividend 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.

3. Investment Advisory and Administrative Services

Contract

A. Services:

Under an Investment Advisory and Administrative Services Contract (the "Contract") with the Trust, Barings 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. Barings 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, Barings also 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.

B. Fee:

For its services under the Contract, Barings is paid a quarterly investment advisory fee equal to 0.225% of the value of the Trust's net assets as of the last business day of each fiscal quarter, an amount approximately equivalent to 0.90% on an annual basis. A majority of the Trustees, including a majority

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**(Unaudited)**

of the Trustees who are not interested persons of the Trust or of Barings, approve the valuation of the Trust's net assets as of such day.

4. Senior Indebtedness

MassMutual holds the Trust's \$15,000,000 Senior Fixed Rate Convertible Note (the "Note") issued by the Trust on December 13, 2011. The Note is due December 13, 2023 and accrues interest at 4.09% 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, 2019, the Trust incurred total interest expense on the Note of \$153,375.

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 the 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 Note proposed to be redeemed.

5. Purchases and Sales of Investments

	For the three months ended 3/31/19	
	Cost of Investments Acquired	Proceeds from Sales or Maturities
Corporate restricted securities	\$ 5,211,317	\$ 8,463,494
Corporate public securities	-	2,715,581

The aggregate cost of investments is substantially the same for financial reporting and Federal income tax purposes as of March 31, 2019. The net unrealized depreciation of investments for financial reporting and Federal tax purposes as of March 31, 2019 is \$(5,103,296) and consists of \$6,075,041 appreciation and \$11,178,337 depreciation.

Net unrealized depreciation of investments on the Statement of Assets and Liabilities reflects the balance net of a deferred tax liability of \$nil on net unrealized losses on the PI Subsidiary Trust.

6. Quarterly Results of Investment Operations

	March 31, 2019	
	Amount	Per Share
Investment income	\$ 3,600,613	
Net investment income	2,913,357	\$ 0.28
Net realized and unrealized gain on investments (net of taxes)	1,497,043	0.14

7. Investment Risks

In the normal course of its business, the Trust trades various financial instruments and enters into certain investment activities with investment risks. These risks include: (i) market risk, (ii) volatility risk and (iii) credit, counterparty and liquidity risk. It is the Trust's policy to identify, measure and monitor risk through various mechanisms including risk management strategies and credit policies. These include monitoring risk guidelines and diversifying exposures across a variety of instruments, markets and counterparties. There can be no assurance that the Trust will be able to implement its credit guidelines or that its risk monitoring strategies will be successful.

8. Commitments and Contingencies

During the normal course of business, the Trust may enter into contracts and agreements that contain a variety of representations and warranties. The exposure, if any, to the Trust under these arrangements is unknown as this would involve future claims that may or may not be made against the Trust and which have not yet occurred. The Trust has no history of prior claims related to such contracts and agreements.

At March 31, 2019, the Trust had the following unfunded commitments:

<u>Investment</u>	<u>Unfunded Amount</u>
US Oral Surgery Management	\$ 1,386,563
ROI Solutions LLC	961,561
Lighthouse Autism Center	888,889
VP Holding Company	693,100
Cora Health Services, Inc.	498,696
UBEO, LLC	352,841
US Legal Support, Inc.	310,988
Specified Air Solutions	300,174
Pegasus TransTech Corporation	136,944
ProcessBarron	129,745
U.S. Retirement & Benefit Partners	117,300
Polytex Holdings LLC	14,274

THIS PRIVACY NOTICE IS BEING PROVIDED ON BEHALF OF BARINGS LLC AND ITS AFFILIATES: BARINGS SECURITIES LLC; BARINGS AUSTRALIA PTY LTD; BARINGS JAPAN LIMITED; BARINGS INVESTMENT ADVISERS (HONG KONG) LIMITED; BARINGS FUNDS TRUST; BARINGS GLOBAL SHORT DURATION HIGH YIELD FUND; BARINGS BDC, INC.; BARINGS CORPORATE INVESTORS AND BARINGS PARTICIPATION INVESTORS (TOGETHER, FOR PURPOSES OF THIS PRIVACY NOTICE, “BARINGS”).

When you use Barings you entrust us not only with your hard-earned assets but also with your personal and financial data. We consider your data to be private and confidential, and protecting its confidentiality is important to us. Our policies and procedures regarding your personal information are summarized below.

We may collect non-public personal information about you from:

- Applications or other forms, interviews, or by other means;
- Consumer or other reporting agencies, government agencies, employers or others;
- Your transactions with us, our affiliates, or others; and
- Our Internet website.

We may share the financial information we collect with our financial service affiliates, such as insurance companies, investment companies and securities broker-dealers. Additionally, so that we may continue to offer you products and services that best meet your investment needs and to effect transactions that you request or authorize, we may disclose the information we collect, as described above, to companies that perform administrative or marketing services on our behalf, such as transfer agents, custodian banks, service providers or printers and mailers that assist us in the distribution of investor materials or that provide operational support to Barings. These companies are required to protect this information and will use this information only for the services for which we hire them, and are not permitted to use or share this information for any other purpose. Some of these companies may perform such services in jurisdictions other than the United States. We may share some or all of the information we collect with other financial institutions with whom we jointly market products. This may be done only if it is permitted by the state in which you live. Some disclosures may be limited to your name, contact and transaction information with us or our affiliates.

Any disclosures will be only to the extent permitted by federal and state law. Certain disclosures may require us to get an “opt-in” or “opt-out” from you. If this is required, we will do so before information is shared. Otherwise, we do not share any personal information about our customers or former customers unless authorized by the customer or as permitted by law.

We restrict access to personal information about you to those employees who need to know that information to provide products and services to you. We maintain physical, electronic and procedural safeguards that comply with legal standards to guard your personal information. As an added measure, we do not include personal or account information in non-secure e-mails that we send you via the Internet without your prior consent. We advise you not to send such information to us in non-secure e-mails.

This joint notice describes the privacy policies of Barings, the Funds and Barings Securities LLC. It applies to all Barings and the Funds accounts you presently have, or may open in the future, using your social security number or federal taxpayer identification number - whether or not you remain a shareholder of our Funds or as an advisory client of Barings. As mandated by rules issued by the Securities and Exchange Commission, we will be sending you this notice annually, as long as you own shares in the Funds or have an account with Barings.

Barings Securities LLC is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). Investors may obtain information about SIPC including the SIPC brochure by contacting SIPC online at www.sipc.org or calling (202)-371-8300. Investors may obtain information about FINRA including the FINRA Investor Brochure by contacting FINRA online at www.finra.org or by calling (800) 289-9999.

April 2019

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Christopher D. Hanscom
Treasurer

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Chief Compliance Officer

Jill Dinerman
Assistant Secretary

DIVIDEND REINVESTMENT AND CASH PURCHASE PLAN

Barings Participation Investors (the "Trust") offers a Dividend Reinvestment and Cash Purchase Plan (the "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 DST Systems, 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. Cash contributions must be received by the Transfer Agent at least five days (but no more than 30 days) before the payment date of a dividend or distribution.

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 DST Systems, Inc., Transfer Agent for Barings Participation Investors' Dividend Reinvestment and Cash Purchase Plan, P.O. Box 219086, Kansas City, MO 64121-9086.



Barings
Participation Investors