

MASSMUTUAL CORPORATE INVESTORS

Form N-30D

December 02, 2002

MassMutual

CORPORATE
INVESTORS

[LOGO]

REPORT for the NINE
MONTHS ENDED 9/30/02

MassMutual Corporate Investors
c/o David L. Babson & Company Inc.
1500 Main Street, Suite 1100
Springfield, Massachusetts 01115
(413) 226-1516

Adviser
David L. Babson & Company Inc.
Auditor
Deloitte & Touche, LLP
New York, New York 10281
Custodian
Citibank, N.A.
Transfer Agent & Registrar
Shareholder Financial Services, Inc.
P.O. Box 173673
Denver, Colorado 80217-3673
1-800-647-7374

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MCI
LISTED
NYSE
THE NEW YORK STOCK EXCHANGE

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Internet website: www.massmutual.com/mci

Investment Objective and Policy

MassMutual Corporate Investors, a closed-end investment company, was offered to the public in September 1971 and its shares are listed on the New York Stock Exchange. The share price of Corporate Investors can be found in the financial section of most newspapers as "MassCp" or "MassMuInv" under the New York Stock Exchange listings. The trading symbol is "MCI".

The Trust's investment objective is to maintain a portfolio of securities providing a fixed yield and at the same time offering an opportunity for capital gains. The principal investments are long-term corporate debt obligations and occasionally preferred stocks purchased directly from issuers. These provide a fixed yield and potential capital gains through warrants, conversion rights, or other equity features which are a prerequisite to every private placement purchased.

The Trust holds investments in a number of companies that are not publicly traded at this time. Capital gains may be realized on holdings of private companies through various methods, including directly negotiated sales, put options and initial public offerings of stock.

The Trust pays quarterly dividends and intends to distribute substantially all of its net income to shareholders each year. All distributions are paid in cash unless the shareholder elects to participate in the Dividend Reinvestment and Share Purchase Plan.

Dividends are distributed in January, May, August, and November.

To Our Shareholders

October 31, 2002

We are pleased to present the September 30, 2002 Quarterly Report of MassMutual Corporate Investors. The Board of Trustees declared a quarterly dividend of 36 cents per share, payable on November 14, 2002 to shareholders of record on October 31, 2002. A dividend of 43 cents per share was paid in the previous quarter.

The financial markets continued to decline during the third quarter. For the quarter, the Dow Jones Industrial Average declined 17.43%, the sharpest quarterly decline since the fourth quarter of 1987. The S&P 500 and Russell 2000 Indices had similar drops, declining 17.27% and 21.40%, respectively, during the third quarter.

Fixed income markets continue to be mixed with higher quality indices up for the quarter. On one hand, the Lehman Intermediate Government/Credit Bond Index and the Lehman Government/Credit Bond Index both posted solid increases of 4.53% and 5.70%, respectively, for the quarter. On the other hand, high yield indices were down significantly. For example, the Merrill Lynch High Yield Master II Index declined 3.02% for the third quarter.

For the quarter ended September 30, 2002, the Trust earned 38 cents per share compared to 43 cents per share in the previous quarter. Net assets of the Trust as of September 30th were \$173,375,477 or \$19.71 per share compared to

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\$179,984,179 or \$20.51 per share on June 30, 2002. This translated into a negative 1.84% return for the quarter, based on change in net assets with reinvestment of dividends.

During the quarter, two new private placement securities, totaling approximately \$4.5 million were added to the Trust's portfolio. The Trust purchased the securities of C&M Conveyor and Shelter Acquisition, Inc. The weighted average coupon of these investments was 11.1%. (A brief description of these investments can be found in the Schedule of Investments.)

As noted in past press releases, quarterly earnings of the Trust have been declining. The decline in earnings is generally attributable to a decline in interest rates and to the weak economic environment which has adversely impacted the ability of some borrowers to pay their obligations. Due to this decline in earnings, the Trustees voted to reduce the Trust's dividend to 36 cents per share.

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

Sincerely,

Robert E. Joyal
President

CONSOLIDATED STATEMENTS OF
ASSETS AND LIABILITIES

MASSMUTUAL CORPORATE INVESTORS

September 30, 2002 and 2001
(Unaudited)

| | 2002 |
|--|----------------|
| | ----- |
| ASSETS: | |
| Investments | |
| (See Consolidated Schedule of Investments) | |
| Corporate restricted securities at fair value | |
| (Cost 2002 - \$206,926,192; 2001 - \$198,902,417) | \$ 170,590,994 |
| Corporate public securities at market value | |
| (Cost 2002 - \$21,171,711; 2001 - \$28,367,221) | 13,036,174 |
| Short-term securities at cost plus earned discount which | |
| approximates market value | 5,866,950 |
| | ----- |
| | 189,494,118 |
| Cash | |
| Interest and dividends receivable, net | 4,579,194 |
| Receivable for investments sold 169,795 1,573,265 | |
| Other assets | 6,994 |
| | ----- |
| TOTAL ASSETS | \$ 194,417,521 |
| | ===== |
| LIABILITIES: | |
| Payable for investments purchased | \$ 81,306 |
| Management fee payable | 652,757 |
| Note payable | 20,000,000 |

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| | |
|--------------------------|-------------------|
| Interest payable | 187,711 |
| Accrued expenses | 71,669 |
| Accounts payable | 48,601 |
| TOTAL LIABILITIES | 21,042,044 |

NET ASSETS:

| | |
|---|--------------|
| Common shares, par value \$1.00 per share; an unlimited number authorized | 8,796,351 |
| Additional paid-in capital | 100,416,972 |
| Retained net realized gain on investments, prior years | 100,353,354 |
| Undistributed net investment income | 4,582,680 |
| Undistributed net realized gain on investments | 3,696,855 |
| Net unrealized depreciation of investments | (44,470,735) |

TOTAL NET ASSETS 173,375,477

TOTAL LIABILITIES AND NET ASSETS \$ 194,417,521

COMMON SHARES ISSUED AND OUTSTANDING 8,796,351

NET ASSET VALUE PER SHARE \$ 19.71

See Notes to Financial Statements.

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CONSOLIDATED STATEMENTS OF OPERATIONS MASSMUTUAL CORPORATE INVESTORS

For the nine months ended September 30, 2002 and 2001
(Unaudited)

| | 2002 |
|--|---------------|
| | ----- |
| INVESTMENT INCOME: | |
| Interest | \$ 13,782,580 |
| Dividends | 431,769 |
| | ----- |
| TOTAL INCOME | 14,214,349 |
| | ----- |
| EXPENSES: | |
| Management fees | 2,014,780 |
| Trustees' fees and expenses | 85,873 |
| Transfer Agent/Registrar's expenses | 26,000 |
| Interest | 1,136,445 |
| Reports to shareholders | 75,600 |
| Audit and legal | 74,050 |
| Other | 109,321 |
| | ----- |
| TOTAL EXPENSES | 3,522,069 |
| | ----- |
| NET INVESTMENT INCOME (2002 - \$1.22 PER SHARE; 2001 - \$1.30 PER SHARE) | 10,692,280 |
| | ----- |
| NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS: | |
| Net realized gain on investments | 3,159,106 |

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| | |
|--|--------------|
| NET CASH USED FOR FINANCING ACTIVITIES | (10,490,682) |
| | ----- |
| NET DECREASE IN CASH | (2,112,490) |
| Cash - beginning of year | 2,279,910 |
| | ----- |
| CASH - END OF PERIOD | \$ 167,420 |
| | ===== |
| | |
| RECONCILIATION OF NET INCREASE IN NET ASSETS TO NET CASH FROM OPERATING AND INVESTING ACTIVITIES: | |
| NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS | \$ 4,652,748 |
| | ----- |
| Decrease in investments | 3,966,495 |
| (Increase) decrease in interest and dividends receivable, net | (381,712) |
| Decrease (increase) in receivable for investments sold | 63,519 |
| Increase in other assets | (6,994) |
| Increase in payable for investments purchased | 81,306 |
| (Decrease) increase in management fee payable | (5,662) |
| Increase (decrease) in accounts payable | 38,118 |
| Decrease in accrued expenses | (29,626) |
| Decrease in accrued taxes | -- |
| | ----- |
| TOTAL ADJUSTMENTS TO NET ASSETS FROM OPERATIONS | 3,725,444 |
| | ----- |
| NET CASH PROVIDED BY OPERATING AND INVESTING ACTIVITIES | \$ 8,378,192 |
| | ===== |

See Notes to Financial Statements.

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| | |
|---|--------------------------------|
| CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS | MASSMUTUAL CORPORATE INVESTORS |
|---|--------------------------------|

For the nine months ended September 30, 2002 and 2001
(Unaudited)

| | |
|--|---------|
| | 20 |
| | ----- |
| DECREASE IN NET ASSETS: | |
| OPERATIONS: | |
| Net investment income | \$ 10,6 |
| Net realized gain on investments | 3,1 |
| Net change in unrealized depreciation of investments | (9,1 |
| | ----- |
| Net increase in net assets resulting from operations | 4,6 |
| Net increase in shares of beneficial interest transactions | 1,4 |
| Dividends to shareholders from: | |
| Net investment income (2002 - \$.72 per share; 2001 - \$.94 per share) | (6,3 |
| Net realized gains on investments (2002 - \$.18 per share; 2001 - \$.00 per share) | (1,5 |
| | ----- |
| TOTAL DECREASE IN NET ASSETS | (1,7 |

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| | | |
|--|----|---------|
| Per share market value: | | |
| End of period | \$ | 23.20 |
| | | ===== |
| Total investment return: | | |
| Market value | | 7.51%* |
| Net asset value | | 2.62%* |
| Net assets (in millions): | | |
| End of period | \$ | 173.38 |
| Ratio of operating expenses to average net assets | | 1.34%* |
| Ratio of interest expenses to average net assets | | 0.64%* |
| Ratio of total expenses to average net assets | | 1.98%* |
| Ratio of net investment income to average net assets | | 6.01%* |
| Portfolio turnover | | 22.24%* |

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

See Notes to Financial Statements.

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CONSOLIDATED SCHEDULE OF INVESTMENTS

MASSMUTUAL CORPORATE INVESTORS

September 30, 2002
(Unaudited)

| | Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|--|---|---------------------|
| | ----- | ----- |
| CORPORATE RESTRICTED SECURITIES - 98.39% (A) | | |
| PRIVATE PLACEMENT INVESTMENTS - 96.66% | | |
| ADORN, INC. | | |
| A manufacturer of wall panels, cabinets, moldings and countertops for houses and recreational vehicles. | | |
| 12.5% Subordinated Note due 2010 | \$ 2,125,000 | 2/29/00 |
| Warrant, exercisable until 2010, to purchase common stock at \$.02 per share (B) | 364 shs. | 2/29/00 |

ADVENTURE ENTERTAINMENT CORPORATION

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An owner and operator of themed family entertainment centers.

| | | |
|--|------------|----------|
| 19% Senior Subordinated Note due 2004 (B) | \$ 207,048 | 12/9/99 |
| 7% Redeemable Preferred Stock (B) | 2,188 shs. | 10/31/97 |
| Warrant, exercisable until 2005, to purchase common stock at \$.01 per share (B) | 6,447 shs. | 10/31/97 |

ALPHA SHIRT COMPANY

A domestic distributor of imprintable apparel and other related items.

| | | |
|--|--------------|---------|
| 12% Senior Subordinated Note due 2007 | \$ 3,181,500 | 4/30/99 |
| Common Stock (B) | 1,060 shs. | 4/30/99 |
| Warrant, exercisable until 2007, to purchase common stock at \$.01 per share (B) | 576 shs. | 4/30/99 |

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

A designer and manufacturer of commercial work vehicles.

| | | |
|--|--------------|---------|
| 12% Senior Subordinated note Due 2007 | \$ 3,500,000 | 11/2/98 |
| Warrant, exercisable until 2007, to purchase common stock at \$.01 per share (B) | 58 shs. | 11/2/98 |

AMES TRUE TEMPER, INC.

A leading manufacturer and distributor of non-powered lawn and garden tools and accessories in North America.

| | | |
|--|--------------|---------|
| 13% Senior Subordinated Note due 2010 | \$ 1,888,889 | 1/14/02 |
| 10% Preferred Stock | 153 shs. | 2/28/02 |
| Class A Common Stock (B) | 2,105 shs. | 2/28/02 |
| Warrant, exercisable until 2010, to purchase common stock at \$.01 per share (B) | 5,018 shs. | 1/14/02 |

BEACON MEDICAL PRODUCTS, INC.

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

| | | |
|--|--------------|--------|
| Senior Secured Floating Rate Revolving Credit Facility due 2007 | \$ 62,847 | 4/9/02 |
| Senior Secured Tranche A Floating Rate Note due 2008 | \$ 1,133,307 | 4/9/02 |
| 12% Senior Secured Note due 2010 | \$ 721,196 | 4/9/02 |
| Limited Partnership Interest of Riverside Capital Appreciation Fund IV, L.P. (B) | 152,329 int. | 4/9/02 |
| Warrant, exercisable until 2010, to purchase common stock at \$.01 per share (B) | 1,390 shs. | 4/9/02 |

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.)

MASSMUTUAL CORPORATE INVESTORS

September 30, 2002
(Unaudited)

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| | Shares, Units, Warrants, Ownership or Principal Amount ----- | Acquisition Date ----- |
|--|--|------------------------------|
| CORPORATE RESTRICTED SECURITIES (A) (Continued) | | |
| BETA BRANDS, INC. - T.S.E. A manufacturer of hard candy and chocolate-coated products sold primarily to the Canadian market. | | |
| Senior Secured Tranche A Floating Rate Note due 2004 (B) | \$ 2,127,412 | 12/23/97 |
| 17.75% Senior Secured Tranche B Note due 2005 (B) | \$ 802,824 | 12/23/97 |
| Preference Shares (B) | 360,018 shs. | 2/14/02 |
| Limited Partnership Interests of CM Equity Partners (B) | 6.27% int. | 12/22/97 |
| Warrant, exercisable until 2005, to purchase common stock at \$.81 per share (B) | 214,419 shs. | 12/23/97 |
| BETTER MINERALS & AGGREGATES A producer of high grade industrial and specialty silica sands. | | |
| 14% Redeemable Preferred Stock | 964 shs. | 9/30/99 |
| Convertible Preferred Stock Series A and B, convertible into common stock at \$9.26 per share (B) | 126,003 shs. | 12/19/96 |
| Common Stock (B) | 20,027 shs. | 9/30/99 |
| Warrants, exercisable until 2005 and 2010, to purchase common stock at \$.01 per share (B) | 11,399 shs. | * |
| C & K MANUFACTURING AND SALES COMPANY A manufacturer and distributor of branded packaging and supply products. | | |
| Senior Secured Floating Rate Revolving Credit Facility due 2002 (B) | \$ 652,244 | 8/29/96 |
| Senior Secured Series A Floating Rate Term Note due 2002 (B) | \$ 2,141,158 | 8/29/96 |
| 12% Series B Term Note due 2004 | \$ 522,900 | 8/29/96 |
| Membership Interests (B) | 5.63% int. | 8/29/96 |
| Warrant, exercisable until 2004, to purchase membership interests at \$.01 per interest (B) | 36 int. | 8/29/96 |
| C & M CONVEYOR, INC. A manufacturer and supplier of material handling systems to the corrugated sheet and container industry. | | |
| 9.5% Senior Secured Term Note due 2007 | \$ 1,233,434 | 9/13/02 |
| 11% Senior Subordinated Note due 2010 | \$ 838,102 | 9/13/02 |
| Common Stock (B) | 316,265 shs. | 9/13/02 |
| Warrant, exercisable until 2010, to purchase common stock at \$.01 per share (B) | 137,175 shs. | 9/13/02 |

*12/19/96 and 9/30/99.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.)

MASSMUTUAL CORPORATE INVESTORS

September 30, 2002
(Unaudited)

| | Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|---|---|---------------------|
| CORPORATE RESTRICTED SECURITIES (A) (Continued) | | |
| CAINS FOODS, L.P. | | |
| A producer of mayonnaise and sauce products for both the retail and food service markets. | | |
| 8% Junior Subordinated Convertible Note due 2004, convertible into partnership points at \$1,388.89 per point | \$ 108,108 | 9/29/95 |
| Warrant, exercisable until 2006, to purchase partnership points at \$.01 per point (B) | 39 pts. | 9/29/95 |
| CAPESUCCESS LLC | | |
| A provider of diversified staffing services. | | |
| Common Stock (B) | 6,855 shs. | 4/29/00 |
| Preferred Membership Interests (B) | 1,882 int. | 4/29/00 |
| Common Membership Interests (B) | 24,318 int. | 4/29/00 |
| CAPITOL SPECIALTY PLASTICS, INC. | | |
| A producer of desiccant strips used for packaging pharmaceuticals products. | | |
| Common Stock (B) | 109 shs. | * |
| CHAPARRAL RESOURCES, INC. - O.T.C. | | |
| An international oil and gas exploration and production company. | | |
| Common Stock (B) | 164 shs. | 12/3/97 |
| COINING CORPORATION OF AMERICA | | |
| A manufacturer of close tolerance parts and metal stampings. | | |
| Senior Secured Floating Rate Revolving Credit Facility due 2006 | \$ 43,210 | 1/7/02 |
| Senior Secured Floating Rate Tranche A Note due 2007 | \$ 1,339,506 | 6/26/01 |
| 12% Senior Secured Tranche B Note due 2008 | \$ 648,148 | 6/26/01 |
| Limited Partnership Interest (B) | 324 shs. | 6/26/01 |
| Warrant, exercisable until 2008, to purchase common stock at \$.01 per share (B) | 107,036 shs. | 6/26/01 |

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COLIBRI HOLDINGS CORPORATION

A manufacturer and distributor of wild bird feeders and accessories.

| | | |
|--|--------------|---------|
| 12.5% Senior Subordinated Note due 2008 | \$ 1,593,750 | 9/22/00 |
| 28% Preferred Stock | 71 shs. | 11/2/01 |
| Common Stock (B) | 1,429 shs. | 9/22/00 |
| Warrant, exercisable until 2008, to purchase common stock at \$.01 per share (B) | 843 shs. | 9/22/00 |

*12/30/97 and 5/29/99.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.)

MASSMUTUAL CORPORATE INVESTORS

September 30, 2002
(Unaudited)

| | Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|--|---|---------------------|
| | ----- | ----- |

CORPORATE RESTRICTED SECURITIES (A) (Continued)

CONSUMER PRODUCT ENTERPRISES, INC.

A manufacturer of colored acrylic felt for consumer use.

| | | |
|--|--------------|---------|
| Senior Secured Floating Rate Revolving Credit Note due 2003 | \$ 384,500 | 12/8/95 |
| 10.75% Senior Secured Term Note due 2003 | \$ 613,774 | 12/8/95 |
| Senior Secured Floating Rate Term Note due 2003 | \$ 311,445 | 12/8/95 |
| 12% Senior Subordinated Note due 2005 | \$ 800,575 | 12/8/95 |
| Common Stock (B) | 184,560 shs. | 12/8/95 |
| Warrant, exercisable until 2005, to purchase common stock at \$.01 per share (B) | 138,420 shs. | 12/8/95 |

CORVEST GROUP, INC.

A manufacturer and distributor of promotional products.

| | | |
|--|--------------|---|
| 12% Senior Subordinated Note due 2007 | \$ 3,863,636 | * |
| Common Stock (B) | 56 shs. | * |
| Limited Partnership Interest (B) | 19.32% int. | * |
| Warrant, exercisable until 2007, to purchase common stock at \$.01 per share (B) | 183 shs. | * |

DELSTAR HOLDINGS CORP.

A manufacturer of plastic netting for a wide variety of industries.

| | | |
|---|------------|---------|
| Convertible Preferred Stock, convertible into common stock at \$12.16 per share (B) | 3,514 shs. | 10/5/01 |
|---|------------|---------|

DEXTER MAGNETICS TECHNOLOGIES, INC.

A designer, fabricator, assembler and distributor of

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industrial magnets and subassemblies in North America and Europe.

| | | |
|--|--------------|---------|
| 12% Senior Subordinated Note due 2006 | \$ 1,231,884 | 7/19/01 |
| Common Stock (B) | 585 shs. | 7/19/01 |
| Warrant, exercisable until 2006, to purchase common stock at \$.01 per share (B) | 297 shs. | 7/19/01 |

DHD HEALTHCARE, INC.

A designer, manufacturer and distributor of plastic, non-invasive medical devices used for respiratory care.

| | | |
|--|--------------|--------|
| Senior Secured Floating Rate Tranche A Note due 2008 | \$ 1,320,702 | 2/8/01 |
| 12% Senior Secured Tranche B Note due 2009 | \$ 574,220 | 2/8/01 |
| Limited Partnership Interests of Riverside Capital Appreciation Fund III, L.P. (B) | 2.81% int. | 2/8/01 |
| Warrant, exercisable until 2008, to purchase common stock at \$.01 per share (B) | 927 shs. | 2/8/01 |

*3/5/99 and 3/24/99.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.)

MASSMUTUAL CORPORATE INVESTORS

September 30, 2002
(Unaudited)

| Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|---|---------------------|
|---|---------------------|

CORPORATE RESTRICTED SECURITIES (A) (Continued)

DIRECTED ELECTRONICS, INC.

A designer and distributor of brand name automotive security systems, audio products and installation accessories.

| | | |
|--|--------------|----------|
| 12% Senior Subordinated Note due 2007 | \$ 3,355,267 | 12/22/99 |
| 8% Convertible Class B Subordinated Promissory Note due 2008 | \$ 89,442 | 12/22/99 |
| Class B Common Stock (B) | 26,097 shs. | 12/22/99 |
| Limited Partnership Interest | 8.70% int. | 12/22/99 |
| Warrant, exercisable until 2007, to purchase common stock at \$.01 per share (B) | 45,255 shs. | 12/22/99 |

DIVERSCO, INC./DHI HOLDINGS, INC.

A contract provider of janitorial and equipment maintenance services and temporary production labor to industrial customers.

| | | |
|---|------------|----------|
| Membership Interests of MM/Lincap Diversco Investments Ltd. LLC (B) | 3.48% int. | 8/27/98 |
| Preferred Stock (B) | 3,278 shs. | 12/14/01 |

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Warrants, exercisable until 2003 &
2011, to purchase common stock of
DHI Holdings, Inc. at \$.01 per share (B) 13,352 shs. *

DT INDUSTRIES, INC.

A designer and manufacturer of automated production
systems used to assemble, test or package industrial and
consumer products.

7.16% Convertible Preferred Stock, convertible into
common stock at \$14 per share (B) 20,000 shs. 6/12/97
Common Stock (B) 178,876 shs. 6/21/02

EAGLE WINDOW & Door Holdings Co.

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

12% Senior Subordinated Note due 2010 \$ 1,900,000 5/6/02
Common Stock (B) 225 shs. 5/6/02
Warrant, exercisable until 2010, to purchase
common stock at \$.01 per share (B) 441 shs. 5/6/02

EAST RIVER VENTURES I, L.P.

An acquirer of controlling or substantial interests in other
entities.

Limited Partnership Interest 32,191 int. 1/1/01

*10/24/96 and 8/28/98.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.)

MASSMUTUAL CORPORATE INVESTORS

September 30, 2002
(Unaudited)

Shares, Units,
Warrants,
Ownership or
Principal Amount Acquisition
Date

CORPORATE RESTRICTED SECURITIES (A) (Continued)

ENZYMATIC THERAPY, INC.

A manufacturer and distributor of branded natural
medicines and nutritional supplements.

12% Senior Subordinated Note due 2009 (B) \$ 1,593,750 3/30/00
Limited Partnership Interest (B) 1.43% int. 3/30/00
Warrant, exercisable until 2009, to purchase
common stock at \$.01 per share (B) 478 shs. 3/30/00

EVANS CONSOLES, INC.

A designer and manufacturer of consoles and control

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center systems.

| | | |
|--|--------------|---------|
| Senior Secured Tranche A Floating Rate Note due 2005 | \$ 999,800 | 3/2/98 |
| 8.85% Senior Secured Tranche A Note due 2005 | \$ 999,800 | 3/2/98 |
| 11.75% Senior Secured Tranche B Note due 2006 | \$ 700,000 | 3/2/98 |
| Senior Secured Floating Rate Revolving Credit Facility due 2005 | \$ 890,000 | 3/2/98 |
| Common Stock (B) | 26,906 shs. | 2/11/98 |
| Limited Partnership Interests of CM Equity Partners (B) | 126,445 int. | 2/11/98 |
| Warrant, exercisable until 2006, to purchase common stock at \$.01 per share (B) | 34,783 shs. | 3/2/98 |

EVOLVE SOFTWARE, INC.

A provider of software for automating professional services organizations.

| | | |
|------------------|----------|---------|
| Common Stock (B) | 175 shs. | 4/20/01 |
|------------------|----------|---------|

EXAMINATION MANAGEMENT SERVICES, INC.

A national full-service evidence provider to the insurance industry and a provider of occupational health testing.

| | | |
|--|--------------|---------|
| 12% Senior Subordinated Note due 2007 | \$ 2,109,637 | 3/16/99 |
| Limited Partnership Interest (B) | 5.27% int. | 3/2/99 |
| Warrant, exercisable until 2007, to purchase common stock at \$.01 per share (B) | 77,233 shs. | 3/16/99 |

FAIRMARKET, INC.

A developer and deliverer of e-business selling and marketing solutions for retailer, distributors and manufacturers.

| | | |
|------------------|----------|---------|
| Common Stock (B) | 217 shs. | 4/20/01 |
|------------------|----------|---------|

FASTENERS FOR RETAIL, INC.

A designer and marketer of low-cost fasteners for point of purchase displays and signage in retail environments.

| | | |
|--|--------------|----------|
| 12.5% Senior Subordinated Note due 2007 | \$ 3,650,000 | 12/22/99 |
| Class B common Stock (B) | 600 shs. | 12/22/99 |
| Warrant, exercisable until 2007, to purchase common stock at \$.02 per share (B) | 589 shs. | 12/22/99 |

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.)

MASSMUTUAL CORPORATE INVESTORS

September 30, 2002
(Unaudited)

| | |
|---|---------------------|
| Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|---|---------------------|

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CORPORATE RESTRICTED SECURITIES (A) (Continued)

G C-SUN HOLDINGS, L.P.

A value-added national distributor of maintenance, repair and operating supplies such as fasteners, electrical components and tools.

| | | |
|--|--------------|--------|
| 12% Senior Subordinated Note due 2008 | \$ 1,725,000 | 3/2/00 |
| Warrant, exercisable until 2008, to purchase common stock at \$.01 per share (B) | 880 shs. | 3/2/00 |

GRAND EXPEDITIONS, INC.

A luxury travel tour operation provider.

| | | |
|--|--------------|---------|
| 15% Senior Subordinated Note due 2010 (B) | \$ 2,125,000 | 6/21/01 |
| Warrant, exercisable until 2010, to purchase common stock at \$.01 per share (B) | 10,018 shs. | 6/21/01 |

HAMILTON FUNERAL SERVICES CENTERS, INC.

The largest privately held owner and operator of funeral homes in the United States.

| | | |
|--|--------------|---|
| 16.5% Senior Subordinated Note due 2007 (B) | \$ 3,802,712 | * |
| Warrant, exercisable until 2007, to purchase common stock at \$1 per share (B) | 338,280 shs. | * |

HIGHGATE CAPITAL LLC

An acquirer of controlling or substantial interests in manufacturing and marketing entities.

| | | |
|------------------------------|--------------|---------|
| Series A Preferred Units (B) | 100,000 uts. | 7/21/94 |
|------------------------------|--------------|---------|

HUSSEY SEATING COMPANY

A manufacturer of spectator seating products.

| | | |
|--|--------------|---------|
| Senior Secured Floating Rate Revolving Note due 2006 | \$ 1,282,500 | 6/12/96 |
| Senior Secured Floating Rate Note due 2006 | \$ 1,001,250 | ** |
| Preferred Stock | 13,500 shs. | 8/3/01 |
| Warrant, exercisable until 2006, to purchase common stock at \$.01 per share (B) | 4,771 shs. | *** |

IBEAM BROADCASTING CORPORATION

A provider of an Internet broadcast network that delivers streaming media with viewing and listening quality.

| | | |
|------------------|----------|---------|
| Common Stock (B) | 461 shs. | 4/20/01 |
|------------------|----------|---------|

INTEGRATION TECHNOLOGY SYSTEMS, INC.

A manufacturer of steel protective computer and network systems for the industrial and office environments.

| | | |
|----------------------------------|--------------|--------|
| 11% Senior Secured Note due 2007 | \$ 1,737,191 | 6/1/00 |
| Common Stock (B) | 228 shs. | 6/1/00 |

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*1/25/99 and 7/16/99.
 **6/12/96 and 8/3/01.
 ***6/12/96 and 1/19/00.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL CORPORATE INVESTORS

September 30, 2002
 (Unaudited)

| | Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|--|---|---------------------|
| | ----- | ----- |
| CORPORATE RESTRICTED SECURITIES (A) (Continued) | | |
| JACKSON PRODUCTS, INC. | | |
| A manufacturer and distributor of a variety of industrial and highway safety products. | | |
| Common Stock (B) | 226 shs. | 8/16/95 |
| Warrant, exercisable until 2005, to purchase common stock at \$.01 per share (B) | 1,042 shs. | 8/16/95 |
| JASON, INC. | | |
| A diversified manufacturing company serving various industrial markets. | | |
| 13% Senior Subordinated Note due 2008 | \$ 963,687 | 8/4/00 |
| 14% Cumulative Redeemable Preferred Stock Series A | 289 shs. | 8/4/00 |
| Limited Partnership Interests of | | |
| Saw Mill Capital Fund II L.P. (B) | 2.52% int. | 8/3/00 |
| Warrants, exercisable until 2008 and 2009, to purchase common stock at \$.01 per share (B) | 50,870 shs. | 8/4/00 |
| KEEPSAKE QUILTING, INC. | | |
| A seller of quilting fabrics, books, patterns, kits and notions to consumers. | | |
| Senior Secured Floating Rate | | |
| Revolving Note Due 2005 | \$ 91,432 | |
| Senior Secured Floating Rate Tranche A | | |
| Note due 2007 | \$ 1,114,543 | 6/16/00 |
| 12% Senior Secured Tranche B Note due 2008 | \$ 550,392 | 6/16/00 |
| Limited Partnership Interests of | | |
| Riverside XVI Holding Company L.P. (B) | 5.29% int. | 6/12/00 |
| Warrant, exercisable until 2008, to purchase common stock at \$.01 per share (B) | 1,108 shs. | 6/12/00 |
| KENAN-ADVANTAGE TRANSPORT COMPANY | | |
| A transporter of light petroleum, petrochemicals, lubricants, and residual fuels. | | |
| 12.5% Senior Subordinated Note due 2009 | \$ 1,817,435 | 4/30/01 |
| Preferred Stock (B) | 307 shs. | 4/30/01 |

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| | | |
|---|----------|---------|
| Warrant, exercisable until 2009, to purchase common stock at \$.01 per share (B) | 269 shs. | 4/30/01 |
|---|----------|---------|

LANCASTER LABORATORIES, INC.

One of the largest laboratory testing operations in the United States.

| | | |
|---|--------------|---------|
| 12% Senior Subordinated Note due 2007 | \$ 1,669,643 | 9/25/00 |
| Common Stock (B) | 455,357 shs. | 9/25/00 |
| Warrant, exercisable until 2007, to purchase common stock at \$.01 per share (B) | 405,485 shs. | 9/25/00 |

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL CORPORATE INVESTORS

September 30, 2002
(Unaudited)

| | |
|---|---------------------|
| Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
| ----- | ----- |

CORPORATE RESTRICTED SECURITIES (A) (Continued)

LIH INVESTORS, L.P.

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

| | | |
|---|--------------|---|
| 12.5% Senior Subordinated Note due 2006 | \$ 3,845,000 | * |
| Common Stock (B) | 58,001 shs. | * |
| Warrant, exercisable until 2006, to purchase common stock at \$.11 per share (B) | 108,404 shs. | * |

MAXTEC INTERNATIONAL CORP.

A manufacturer and distributor of remote control operating systems for overhead cranes.

| | | |
|---|-------------|---------|
| Senior Floating Rate Revolving Credit Facility due 2002 | \$ 461,536 | 6/28/95 |
| Common Stock (B) | 76,923 shs. | 6/28/95 |
| Warrant, exercisable until 2005, to purchase common stock at \$.01 per share (B) | 39,563 shs. | 6/28/95 |

MERIT INDUSTRIES, INC.

A designer and manufacturer of coin-operated video and dart games.

| | | |
|--|--------------|---------|
| 15% Senior Subordinated Note due 2006 | \$ 2,753,515 | 8/19/98 |
| Limited Partnership Interests of Riverside X Holding Company L.P. (B) | 6.30% int. | ** |
| Warrant, exercisable until 2006, to purchase | | |

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limited partnership interests at \$.01 per share (B) 1,855 int. 8/19/98

MOSS, INC.

A manufacturer and distributor of large display and exhibit structures.

| | | |
|--|--------------|---------|
| Senior Secured Floating Rate Revolving Note due 2005 | \$ 184,910 | 9/21/00 |
| Senior Secured Tranche A Floating Rate Note due 2007 | \$ 1,344,800 | 9/21/00 |
| 12% Senior Secured Tranche B Note due 2008 | \$ 420,250 | 9/21/00 |
| Limited Partnership Interest of Riverside Capital Appreciation Fund I L.P. (B) | 6.23% int. | 9/20/00 |
| Warrant, exercisable until 2008, to purchase common stock at \$100 per share (B) | 463 shs. | 9/21/00 |

*12/23/98 and 1/28/99.

**8/12/98 and 3/3/00.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.)

MASSMUTUAL CORPORATE INVESTORS

September 30, 2002

(Unaudited)

| | |
|---|---------------------|
| Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
| ----- | ----- |

CORPORATE RESTRICTED SECURITIES (A) (Continued)

NEXELL THERAPEUTICS, INC.

A provider of cell therapy technology to the medical community.

| | | |
|---|--------------|----------|
| 3% Cumulative Convertible Preferred Stock Series B, due 2008, convertible into common stock at \$2.75 per share | 3,875 shs. | 11/24/99 |
| Warrant, exercisable until 2008, to purchase common stock at \$12 per share (B) | 184,525 shs. | 11/24/99 |

NPC, INC.

A manufacturer of flexible connectors and equipment used in the installation of sewers and storm drain pipelines.

| | | |
|--|--------------|---------|
| Senior Secured Floating Rate Revolving Note due 2006 | \$ 373,728 | 6/25/99 |
| Senior Secured Floating Rate Note due 2006 | \$ 2,509,322 | 6/25/99 |
| 12% Senior Secured Tranche B Note due 2007 | \$ 978,814 | 6/25/99 |
| Limited Partnership Interests of Riverside XIII Holding Company L.P. (B) | 4.45% int. | 6/11/99 |
| Warrant, exercisable until 2007, to purchase common stock at \$.01 per share (B) | 201 shs. | 6/25/99 |

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NYLONCRAFT, INC.

A supplier of engineered plastic components for the automotive industry.

| | | |
|--|--------------|---------|
| 9% Senior Secured Note due 2009 | \$ 812,500 | 1/28/02 |
| 11.5% Senior Subordinated Note due 2012 | \$ 1,500,000 | 1/28/02 |
| Common Stock (B) | 312,500 shs. | 1/28/02 |
| Warrant, exercisable until 2012, to purchase common stock at \$.01 per share (B) | 243,223 shs. | 1/28/02 |

OLYMPIC BOAT CENTERS, INC.

An operator of boat dealerships in Washington state, Wisconsin, Minnesota and British Columbia.

| | | |
|--|--------------|--------|
| 12% Senior Subordinated Note due 2006 | \$ 2,774,000 | 8/7/98 |
| 12% Senior Subordinated Note due 2008 | \$ 307,071 | 2/9/00 |
| Limited Partnership Interest of Riverside VIII Holding Company L.P. (B) | 8.31% int. | * |
| Warrants, exercisable until 2007 and 2008, to purchase common stock at \$.01 per share (B) | 25,793 shs. | ** |

PARADIGM PACKAGING, INC.

A manufacturer of plastic bottles and closures for the nutritional, pharmaceutical, personal care and food packaging markets.

| | | |
|--|--------------|----------|
| 12% Senior Subordinated Note due 2008 | \$ 2,125,000 | 12/19/00 |
| Membership Interests of MM/Lincap PPI Investments, Inc., LLC (B) | 265,625 int. | 12/21/00 |

*8/7/98, 2/23/99 and 12/22/99.

**8/7/98 and 2/9/00.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.)

MASSMUTUAL CORPORATE INVESTORS

September 30, 2002
(Unaudited)

| | |
|---|---------------------|
| Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
| ----- | ----- |

CORPORATE RESTRICTED SECURITIES (A) (Continued)

PGT INDUSTRIES, INC.

A manufacturer of residential windows and patio doors and a provider of custom patio rooms and porch enclosures.

| | | |
|--|--------------|---------|
| 12% Senior Subordinated Notes due 2009 | \$ 1,965,000 | 1/29/01 |
| Common Stock (B) | 115 shs. | 1/29/01 |
| Warrant, exercisable until 2009, to purchase | | |

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common stock at \$.01 per share (B) 325 shs. 1/29/01

PHARMACEUTICAL BUYERS, INC.

A group purchasing organization which specializes in arranging and negotiating contracts for the purchase of pharmaceutical goods and medical equipment.

| | | |
|---|------------|----------|
| 10.5% Senior Secured Note due 2005 | \$ 310,982 | 11/30/95 |
| 10.5% Senior Secured Convertible Note due 2005, convertible into common stock at \$50,000 per share | \$ 195,000 | 11/30/95 |
| Common Stock (B) | 6 shs. | 11/30/95 |

PLASSEIN PACKAGING, INC.

A manufacturer of flexible packaging products.

| | | |
|--|--------------|----------|
| 13% Senior Subordinated Note due 2007 (B) | \$ 763,608 | 8/15/00 |
| 12% Junior Subordinated Note due 2008 (B) | \$ 658,905 | 8/15/00 |
| 15% Junior Subordinated Note due 2008 (B) | \$ 73,494 | 11/14/01 |
| Convertible Preferred Stock, convertible into common stock at \$1 per share (B) | 288,256 shs. | 8/15/00 |
| Common Stock (B) | 446,960 shs. | 8/15/00 |
| Warrants, exercisable until 2007 and 2008, to purchase common stock at \$.01 per share (B) | 482,594 shs. | * |

POLYMER TECHNOLOGIES, INC./POLI-TWINE WESTERN, INC.

A leading manufacturer of polypropylene twine for the hay bailing marketplace.

| | | |
|--|-------------|---------|
| 8% Senior Subordinated Note due 2010 | \$ 743,750 | 9/27/02 |
| Preferred Series A Stock | 1062 shs. | 9/27/02 |
| Preferred Series B Stock | 239 shs. | 9/27/02 |
| Common Stock (B) | 159375 shs. | 9/27/02 |
| Warrant, exercisable until 2010, to purchase common stock at \$.01 per share (B) | 800293 shs. | 9/27/02 |

PRECISION DYNAMICS, INC.

A manufacturer of custom-designed solenoid valves and controls

| | | |
|--|--------------|---------|
| Senior Secured Floating Rate Revolving Credit Facility due 2003 | \$ 896,500 | 7/22/96 |
| Senior Secured Floating Rate Term Note due 2003 | \$ 1,532,200 | 7/22/96 |
| 12% Senior Secured Term Note due 2004 | \$ 489,000 | 7/22/96 |
| 8% Preferred Stock | 374 shs. | 7/22/96 |
| Common Stock (B) | 599 shs. | 7/22/96 |
| Warrant, exercisable until 2004, to purchase common stock at \$.01 per share (B) | 322 shs. | 7/22/96 |

*8/15/00 and 11/14/01.

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September 30, 2002
(Unaudited)

| | Shares, Units, Warrants, Ownership or Principal Amount ----- | Acquisition Date ----- |
|---|--|------------------------------|
| CORPORATE RESTRICTED SECURITIES (A) (Continued) | | |
| PREMIUM FOODS GROUP | | |
| A manufacturer and distributor of branded meat products. | | |
| 12% Senior Subordinated Note due 2008 | \$ 1,821,000 | 8/29/00 |
| Limited Partnership Interests of MHD Holdings, LLC (B) | 1.79% int. | 8/29/00 |
| Warrant, exercisable until 2008, to purchase common stock at \$.01 per share (B) | 7,052 shs. | 8/29/00 |
| PROCESS CHEMICALS LLC | | |
| A specialty chemical company that manufactures processed chemicals for the fertilizer, asphalt and concrete industries. | | |
| 6% Redeemable Preferred Membership Interests | 2,525 int. | * |
| Common Membership Interests | 9,863 int. | * |
| PROGRESSIVE SOFTWARE HOLDINGS | | |
| A designer and manufacturer of point-of-sale monitors and keyboards used by retailers and restaurants. | | |
| Common Stock (B) | 729,946 shs. | 7/9/02 |
| Warrant, exercisable until 2005, to purchase common stock at \$2.03 per share (B) | 218,182 shs. | 5/26/98 |
| PROTEIN GENETICS, INC. | | |
| A producer of bovine artificial insemination products, related breeding and healthcare products and specialty genetics sold to the dairy and beef industries. | | |
| 9.8% Redeemable Exchangeable Preferred Stock | 1,004 shs. | 8/12/94 |
| Common Stock (B) | 2,046 shs. | ** |
| PW EAGLE, INC. - O.T.C. | | |
| An extruder of small and medium diameter plastic pipe and tubing in the United States. | | |
| 14% Senior Subordinated Note due 2007 | \$ 3,503,535 | 9/16/99 |
| Warrant, exercisable until 2007, to purchase common stock at \$.01 per share (B) | 197,040 shs. | 9/16/99 |
| RK POLYMERS LLC | | |
| A producer of styrenic block copolymers and highly engineered synthetic elastomers. | | |
| 13% Senior Subordinated Notes due 2011 | \$ 2,125,000 | 2/28/01 |
| Warrant, exercisable until 2011, to purchase common stock at \$.01 per share (B) | 212 shs. | 2/28/01 |

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*7/31/97 and 1/4/99.
 **11/14/01 and 8/12/94.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL CORPORATE INVESTORS

September 30, 2002
 (Unaudited)

| | Shares, Units, Warrants, Ownership or Principal Amount ----- | Acquisition Date ----- |
|---|--|------------------------------|
| CORPORATE RESTRICTED SECURITIES (A) (Continued) | | |
| SABEX 2002, INC. | | |
| A Canadian specialty pharmaceutical company which manufactures and distributes generic injectable drugs and eye products. | | |
| 12% Senior Subordinated Note due 2009 | \$ 2,125,000 | 4/19/02 |
| Warrant, exercisable until 2009, to purchase common stock at \$.01 per share (B) | 51,088 shs. | 4/19/02 |
| SAFETY SPEED CUT MANUFACTURING COMPANY, INC. | | |
| A manufacturer of vertical panel saws and routers for the wood working industry. | | |
| Senior Secured Floating Rate Tranche A Note due 2007 | \$ 2,331,970 | 6/2/99 |
| 12% Senior Secured Tranche B Note Due 2007 | \$ 1,130,652 | 6/2/99 |
| Class B Common Stock (B) | 1,480 shs. | 6/2/99 |
| SELIG ACQUISITION CORPORATION | | |
| A manufacturer of container sealing materials for bottles used in consumer products. | | |
| 12% Senior Subordinated Note due 2009 | \$ 2,125,000 | 6/13/02 |
| Warrant, exercisable until 2009, to purchase common stock at \$.01 per share (B) | 2,011 shs. | 6/13/02 |
| SHELTER ACQUISITION, INC. | | |
| A distributor of roofing supplied and products throughout the Midwest. | | |
| 12.5% Senior Subordinated Note due 2008 | \$ 1,517,857 | 8/1/02 |
| Common Stock (B) | 607,143 shs. | 8/1/02 |
| Warrant, exercisable until 2009, to purchase common stock at \$.01 per share (B) | 263,444 shs. | 8/1/02 |
| SNYDER INDUSTRIES, INC. | | |

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A manufacturer of proprietary rotationally molded polyethylene containers.

| | | |
|--|--------------|---------|
| 12.25% Senior Subordinated Note due 2007 | \$ 3,125,000 | 12/6/99 |
| Warrant, exercisable until 2007, to purchase common stock at \$.01 per share (B) | 513 shs. | 12/6/99 |

SPECTAGUARD ACQUISITION LLC

The tenth largest provider of security officers in the United States.

| | | |
|--|--------------|--------|
| 14% Senior Subordinated Note due 2008 | \$ 2,073,901 | 3/1/00 |
| Preferred LLC Interests (B) | 109 int. | 3/1/00 |
| Common LLC Interests (B) | 100,179 int. | 3/1/00 |
| Warrant, exercisable until 2008, to purchase common stock at \$.01 per share (B) | 257,000 shs. | 3/1/00 |

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL CORPORATE INVESTORS

September 30, 2002
(Unaudited)

| | Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|---|---|---------------------|
| | ----- | ----- |
| CORPORATE RESTRICTED SECURITIES (A) (Continued) | | |
| STAR INTERNATIONAL, INC. | | |
| A manufacturer of commercial cooking appliances. | | |
| 11% Senior Secured Note due 2004 | \$ 2,282,975 | 1/25/00 |
| 9.65% Senior Secured Note due 2004 | \$ 469,254 | 5/27/94 |
| 10.5% Subordinated Note due 2004 | \$ 716,418 | 5/27/94 |
| Common Stock (B) | 4,310 shs. | 5/27/94 |
| Warrant, exercisable until 2004, to purchase common stock at \$.01 per share (B) | 4,621 shs. | * |
| STRATEGIC EQUIPMENT & SUPPLY PARTNERS, INC. | | |
| A provider of kitchen and restaurant design, equipment fabrication and installation services. | | |
| 12% Senior Subordinated Note due 2008 | \$ 3,875,000 | 1/14/00 |
| Warrant, exercisable until 2008, to purchase common stock at \$.01 per share (B) | 106,539 shs. | 1/14/00 |
| TELEX COMMUNICATIONS, INC. | | |
| A designer, manufacturer and marketer of sophisticated audio, wireless and multimedia communications equipment. | | |
| Preferred Stock Series B (B) | 17,707 | 3/20/02 |

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THE TRANZONIC COMPANIES

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

| | | |
|--|--------------|--------|
| 12.5% Senior Subordinated Note due 2007 | \$ 2,712,000 | 2/5/98 |
| Common Stock (B) | 630 shs. | 2/4/98 |
| Warrant, exercisable until 2006, to purchase common stock at \$.01 per share (B) | 444 shs. | 2/5/98 |

THERMA-TRU CORPORATION

A manufacturer of residential exterior entry door systems.

| | | |
|--|--------------|--------|
| 12.25% Senior Subordinated Note due 2009 | \$ 1,236,000 | 5/9/00 |
| Limited Partnership Interest of KT Holding Company L.P. (B) | 0.52% int. | 5/5/00 |
| Warrant, exercisable until 2009, to purchase common stock at \$.01 per share (B) | 739 shs. | 5/9/00 |

TIDEWATER HOLDINGS, INC.

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

| | | |
|---|------------|---------|
| Convertible Preferred Stock, convertible into common stock at \$1,000 per share (B) | 1,120 shs. | 7/25/96 |
| Warrant, exercisable until 2008, to purchase common stock at \$.01 per share (B) | 474 shs. | 7/25/96 |

*5/27/94 and 1/25/00.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.)

MASSMUTUAL CORPORATE INVESTORS

September 30, 2002
(Unaudited)

| Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
|---|---------------------|
| ----- | ----- |

CORPORATE RESTRICTED SECURITIES (A) (Continued)

TINNERMAN-PALNUT ENGINEERED COMPONENTS

A manufacturer of precision engineered metal and plastic fasteners and assembly components.

| | | |
|--|--------------|---------|
| 12.75% Senior Subordinated Note due 2008 | \$ 1,875,000 | 12/6/01 |
| Membership Interests (B) | 250,000 int. | 12/6/01 |

TRANSMONTAIGNE OIL COMPANY - A.S.E.

An independent petroleum products marketing company.

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Common Stock (B) 333,326 shs. *

TRONAIR, INC.

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

| | | |
|--|--------------|---------|
| 10.5% Senior Secured Term Note due 2008 | \$ 2,368,750 | 1/20/00 |
| 12% Senior Subordinated Note due 2010 | \$ 1,326,500 | 1/20/00 |
| Common Stock (B) | 227,400 shs. | 1/20/00 |
| Warrant, exercisable until 2010, to purchase common stock at \$.01 per share (B) | 260,563 shs. | 1/20/00 |

TRUSEAL TECHNOLOGIES, INC.

A manufacturer of sealant systems for the North American window and door market.

| | | |
|--|--------------|---------|
| 12.25% Senior Subordinated Note due 2006 | \$ 2,675,000 | 6/23/97 |
| Limited Partnership Interest (B) | 10.04% int. | 6/17/97 |
| Warrant, exercisable until 2006, to purchase limited partnership interests at \$.01 per unit (B) | 1,258 uts. | 6/23/97 |

TVI, INC.

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

| | | |
|------------------------------------|--------------|--------|
| 15.971% Subordinated Note due 2008 | \$ 1,986,349 | 5/2/00 |
| Common Stock (B) | 354,167 shs. | 5/2/00 |

USFLOW CORPORATION

A distributor of industrial pipes, valves and fittings.

| | | |
|--|--------------|----------|
| 12.5% Senior Subordinated Note due 2007 (B) | \$ 3,463,000 | 12/14/99 |
| Class B Common Stock (B) | 664 shs. | 12/14/99 |
| Warrant, exercisable until 2007, to purchase common stock at \$.01 per share (B) | 565 shs. | 12/14/99 |

*3/28/91, 12/18/91, 9/30/92, 9/30/93, 9/30/94, 3/31/95 and 5/9/95.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.)

MASSMUTUAL CORPORATE INVESTORS

September 30, 2002
(Unaudited)

| | |
|---|---------------------|
| Shares, Units, Warrants, Ownership or Principal Amount | Acquisition Date |
| ----- | ----- |

CORPORATE RESTRICTED SECURITIES (A) (Continued)

VICTORY VENTURES LLC

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An acquirer of controlling or substantial interests in other entities.

| | | |
|------------------------------|------------|---------|
| Series A Preferred Units (B) | 0.13% int. | 12/2/96 |
|------------------------------|------------|---------|

VITEX PACKAGING, INC.

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

| | | |
|--|--------------|----------|
| 12% Senior Subordinated Note due 2008 | \$ 2,045,265 | 12/18/00 |
| Limited Partnership Interests of Riverside VI Holding Company L.P. (B) | 4.80% int. | * |
| Limited Partnership Interests of Riverside Capital Appreciation Fund II L.P. (B) | 0.75% int. | 12/18/00 |
| Warrant, exercisable until 2008, to purchase common stock at \$.01 per share (B) | 308 shs. | ** |

WASHINGTON INVENTORY SERVICES, INC.

A provider of physical inventory taking and other related services to retailers.

| | | |
|--|--------------|---------|
| 12.5% Senior Subordinated Note due 2008 | \$ 1,646,881 | 11/3/00 |
| Senior Preferred Stock (B) | 4,692 shs. | 11/1/00 |
| Class B Common Stock (B) | 8,959 shs. | 11/1/00 |
| Warrant, exercisable until 2008, to purchase common stock at \$.01 per share (B) | 3,979 shs. | 11/3/00 |

WICOR AMERICAS, INC.

A manufacturer of cellulose based insulation products, systems and services for electrical transformer equipment manufacturers.

| | | |
|---|--------------|---------|
| 20% Senior Subordinated Secured Note due 2009 | \$ 2,196,069 | 11/9/01 |
|---|--------------|---------|

TOTAL PRIVATE PLACEMENT INVESTMENTS

**12/30/97 and 9/9/99.

**1/2/98 and 12/18/00.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.)

MASSMUTUAL CORPORATE INVESTORS

September 30, 2002
(Unaudited)

| | Interest Rate | Due Date | Shares or Principal Amount |
|--|------------------|-------------|----------------------------------|
|--|------------------|-------------|----------------------------------|

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CORPORATE RESTRICTED SECURITIES (A) (CONTINUED)

RULE 144A SECURITIES - 1.73%: (A)

BONDS - 0.18%

| | | | |
|-------------------------------|---------|----------|------------|
| Cuddy International Corp. (B) | 10.750% | 12/01/07 | \$ 233,313 |
| JohnsonDiversey, Inc. | 9.625 | 05/15/12 | 210,000 |
| | | | ----- |
| Total Bonds | | | \$ 443,313 |
| | | | ===== |

CONVERTIBLE BONDS - 1.55%

| | | | |
|-------------------------------|--------|----------|--------------|
| Advanced Micro Devices, Inc. | 4.750% | 02/01/22 | \$ 500,000 |
| Cymer, Inc. | 3.500 | 02/15/09 | 850,000 |
| Echostar Communications, Inc. | 4.875 | 01/01/07 | 400,000 |
| FEI Company | 5.750 | 08/15/08 | 375,000 |
| General Semiconductor, Inc. | 5.750 | 12/15/06 | 65,000 |
| Hyperion Solutions Corp. | 4.500 | 03/15/05 | 200,000 |
| Invitrogen Corp. | 2.250 | 12/15/06 | 425,000 |
| Sanmina-SCI Corp. | 0.000 | 09/12/20 | 1,090,000 |
| Triquint Semiconductor, Inc. | 4.000 | 03/01/07 | 225,000 |
| Viropharma, Inc. | 6.000 | 03/01/07 | 215,000 |
| | | | ----- |
| TOTAL CONVERTIBLE BONDS | | | \$ 4,345,000 |
| | | | ===== |

Common Stock - 0.00%

| | | | |
|-----------------------------|--|--|----|
| Jordan Telecom Products (B) | | | 70 |
| Total Common Stock | | | |

Warrants - 0.00%

| | | | |
|---------------------------|--|--|-----|
| Winsloew Escrow Corp. (B) | | | 900 |
| Total Warrants | | | |

Total Rule 144A Securities

Total Corporate Restricted Securities

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.)

MASSMUTUAL CORPORATE INVESTORS

September 30, 2002
(Unaudited)

| | | |
|----------|------|-----------|
| Interest | Due | Shares or |
| Rate | Date | Principal |
| | | Amount |

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CORPORATE PUBLIC SECURITIES - 7.52%: (A)

BONDS - 2.30%

| Derby Cycle Corp. (B) | 10.000% | 05/15/08 | \$ 340,300 |
|--------------------------------|---------|----------|--------------|
| G F S I, Inc. | 9.625 | 03/01/07 | 145,000 |
| Isle of Capri Casinos, Inc. | 9.000 | 03/15/12 | 450,000 |
| L L S Corp. (B) | 11.625 | 08/01/09 | 500,000 |
| Neff Corp. | 10.250 | 06/01/08 | 230,000 |
| Numatics, Inc. | 9.625 | 04/01/08 | 550,000 |
| Remington Products Co. | 11.000 | 05/15/06 | 600,000 |
| Sports Club Co. | 11.375 | 03/15/06 | 600,000 |
| Telex Communications, Inc. (B) | 0.000 | 11/15/06 | 373,182 |
| United Refining Co. | 10.750 | 06/15/07 | 1,365,000 |
| Winsloew Escrow Corp. | 12.750 | 08/15/07 | 900,000 |
| | | | ----- |
| TOTAL BONDS | | | \$ 6,053,482 |
| | | | ===== |

COMMON STOCK - 1.96%

| | | | |
|---------------------------------------|--|--|---------|
| Computer Horizons Corp. (B) | | | 32,068 |
| EOS International, Inc. (B) | | | 100,000 |
| Florist Transworld Delivery, Inc. (B) | | | 29,374 |
| H C I Direct, Inc. (B) | | | 1,000 |
| Key3media Group, Inc. (B) | | | 195,000 |
| PepsiAmericas, Inc. | | | 92,145 |
| Proton Energy Systems, Inc. (B) | | | 26,000 |
| Rent-Way, Inc. (B) | | | 92,866 |
| Suprema Specialties, Inc. (B) | | | 32,500 |
| Supreme Industries, Inc. (B) | | | 105,202 |
| T G C Industries (B) | | | 6,361 |
| Titan Corp. (B) | | | 58,052 |
| Vina Technologies, Inc. (B) | | | 572 |
| W E C Company, Inc. (B) | | | 5,938 |
| | | | |
| TOTAL COMMON STOCK | | | |

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.)

MASSMUTUAL CORPORATE INVESTORS

September 30, 2002
(Unaudited)

Shares or

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| | Interest Rate ---- | Due Date ---- | Principal Amount ----- |
|--|--------------------------------|---------------------|------------------------------|
| CORPORATE PUBLIC SECURITIES: (A) (Continued) | | | |
| CONVERTIBLE BONDS - 2.98% | | | |
| B E A Systems, Inc. | 4.000% | 12/15/06 | \$ 525,000 |
| Charter Communications, Inc. | 4.750 | 06/01/06 | 660,000 |
| Commscope, Inc. | 4.000 | 12/15/06 | 185,000 |
| Corning Inc. | 0.000 | 11/08/15 | 795,000 |
| Cypress Semiconductor Corp. | 4.000 | 02/01/05 | 210,000 |
| Echostar Communications | 4.875 | 01/01/07 | 1,000,000 |
| FEI Company | 5.500 | 08/15/08 | 1,160,000 |
| Hyperion Solutions Corp. | 4.500 | 03/15/05 | 50,000 |
| Mediacom Communications Corp. | 5.250 | 07/01/06 | 1,045,000 |
| Nextel Communications | 4.750 | 07/01/07 | 870,000 |
| S C I Systems, Inc. | 3.000 | 03/15/07 | 800,000 |
| Sanmina-SCI Corp. | 0.000 | 09/12/20 | 1,190,000 |
| | | | ----- |
| TOTAL CONVERTIBLE BONDS | | | \$ 8,490,000 ===== |
| CONVERTIBLE PREFERRED STOCK - 0.28% | | | |
| Lucent Technologies Capital Trust I | | | 2,200 |
| TOTAL CONVERTIBLE PREFERRED STOCK | | | |
| TOTAL CORPORATE PUBLIC SECURITIES | | | |
| | Interest Rate/Yield ---- | Due Date ---- | Principal Amount ----- |
| SHORT-TERM SECURITIES: | | | |
| COMMERCIAL PAPER - 3.39% | | | |
| Conagra Foods, Inc. | 1.810% | 10/02/02 | \$ 975,000 |
| Pearson Holdings, Inc. | 1.920 | 10/09/02 | 1,510,000 |
| Sears Roebuck Acceptance | 1.900 | 10/01/02 | 1,300,000 |
| Washington Mutual Insurance Corp. | 1.850 | 10/01/02 | 2,085,000 |
| | | | ----- |
| TOTAL SHORT-TERM SECURITIES | | | \$ 5,870,000 ===== |
| TOTAL INVESTMENTS | 109.30% | | |
| Other Assets | 2.84 | | |
| Liabilities | (12.14) | | |
| | ----- | | |
| TOTAL NET ASSETS | 100.00% | | |
| | ===== | | |

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

(B) Non-income producing security.

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See Notes to Financial Statements.

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL CORPORATE INVESTORS

September 30, 2002
(Unaudited)

INDUSTRY CLASSIFICATION

| CORPORATE RESTRICTED SECURITIES: | Fair Value at 9/30/02 |
|---|--------------------------|
| <hr/> | |
| AUTOMOBILE - 5.68% | |
| America's Body Co., Inc./LCP Holding Co. | \$ 3,322,398 |
| LIH Investors, L.P. | 3,900,988 |
| Nyloncraft, Inc. | 2,618,487 |
| | <hr/> |
| | 9,841,873 |
| <hr/> | |
| BEVERAGE, FOOD & TOBACCO - 2.41% | |
| Beta Brands, Inc. | 1,475,584 |
| Cains Foods, L.P. | 112,865 |
| Premium Foods Group | 2,599,301 |
| | <hr/> |
| | 4,187,750 |
| <hr/> | |
| BROADCASTING & ENTERTAINMENT - 0.17% | |
| Echostar Communications, Inc. | 301,500 |
| | <hr/> |
| BUILDINGS & REAL ESTATE - 10.26% | |
| Adorn, Inc. | 2,220,025 |
| Eagle Window & Door Holdings Co. | 2,156,860 |
| PGT Industries, Inc. | 2,283,443 |
| Shelter Acquisition, Inc. | 2,008,384 |
| Strategic Equipment & Supply Partners, Inc. | 3,617,227 |
| Therma-Tru Corporation | 2,042,029 |
| Truseal Technologies, Inc. | 3,469,776 |
| | <hr/> |
| | 17,797,744 |
| <hr/> | |
| CARGO TRANSPORT - 1.95% | |
| Kenan-Advantage Transport Company | 2,113,124 |
| Tidewater Holdings, Inc. | 1,275,008 |
| | <hr/> |
| | 3,388,132 |
| <hr/> | |
| CHEMICAL, PLASTICS & RUBBER - 2.80% | |
| Delstar Holdings Corp. | 35 |
| Process Chemicals LLC | 2,684,638 |
| RK Polymers LLC | 2,167,480 |
| | <hr/> |
| | 4,852,153 |
| <hr/> | |
| CONSUMER PRODUCTS - 11.54% | |

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| | |
|------------------------------------|-----------|
| Alpha Shirt Company | 4,791,672 |
| Colibri Holdings Corporation | 2,097,661 |
| Consumer Product Enterprises, Inc. | 684,003 |
| Corvest Group, Inc. | 4,023,104 |
| Dexter Magnetic Technologies, Inc. | 1,746,797 |
| G C-Sun Holdings, L.P. | 1,293,759 |
| Keepsake Quilting, Inc. | 2,069,290 |
| The Tranzonic Companies | 3,306,124 |

20,012,410

Fair Value
at 9/30/02

CORPORATE RESTRICTED SECURITIES: (CONT.)

CONTAINERS, PACKAGING & GLASS - 6.30%

| | |
|---------------------------------------|-----------|
| C & K Manufacturing and Sales Company | \$ 66,326 |
| Capitol Specialty Plastics, Inc. | 403 |
| Paradigm Packaging, Inc. | 2,369,223 |
| Plassein Packaging, Inc. | 664,132 |
| Selig Acquisition Corporation | 2,143,754 |
| Snyder Industries, Inc. | 3,166,820 |
| Vitex Packaging, Inc. | 2,504,404 |

10,915,062

DIVERSIFIED/CONGLOMERATE, MANUFACTURING - 14.72%

| | |
|--|-----------|
| D T Industries, Inc. | 843,527 |
| Evans Consoles, Inc. | 2,763,447 |
| Highgate Capital LLC | 358,415 |
| Hussey Seating Company | 2,986,304 |
| Jackson Products, Inc. | 307,282 |
| Jason, Inc. | 1,882,168 |
| Maxtec International Corp. | 633,143 |
| NPC, Inc. | 3,943,147 |
| P W Eagle, Inc. | 3,833,197 |
| Safety Speed Cut Manufacturing Company, Inc. | 3,630,691 |
| Tinnerman-Palnut Engineered Components | 2,115,917 |
| Wicor Americas, Inc. | 2,221,872 |

25,519,110

DIVERSIFIED/CONGLOMERATE, SERVICE - 8.71%

| | |
|---|-----------|
| Diversco, Inc./DHI Holdings, Inc. | 696,034 |
| Examination Management Services, Inc. | 3,684,819 |
| Hamilton Funeral Services Centers, Inc. | 950,678 |
| Lancaster Laboratories, Inc. | 2,091,626 |
| Pharmaceutical Buyers, Inc. | 1,037,156 |
| Sabex 2002, Inc. | 2,175,063 |
| SpectaGuard Acquisition LLC | 2,274,252 |
| Washington Inventory Services, Inc. | 2,184,970 |

15,094,598

ELECTRONICS - 7.00%

| | |
|--------------------------------|-----------|
| Advance Micro Devices, Inc. | 295,000 |
| Coining Corporation of America | 2,253,812 |
| Directed Electronics, Inc. | 4,268,733 |
| Evolve Software, Inc. | 19 |
| Fairmarket, Inc. | 228 |
| Hyperion Solutions Corp. | 186,500 |

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| | |
|--------------------------------------|------------|
| IBEAM Broadcasting Corporation | -- |
| Integration Technology Systems, Inc. | 1,870,553 |
| Precision Dynamics, Inc. | 2,727,710 |
| Progressive Software Holdings | 14,599 |
| Sanmina-SCI Corp. | 348,800 |
| Triquint Semiconductor, Inc. | 167,344 |
| | ----- |
| | 12,133,298 |
| | ----- |

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONT.) MASSMUTUAL CORPORATE INVESTORS

September 30, 2002
(Unaudited)

INDUSTRY CLASSIFICATION (CONTINUED)

| CORPORATE RESTRICTED SECURITIES: (CONT.) | Fair Value at 9/30/02 |
|--|--------------------------|
| | ----- |
| FARMING & AGRICULTURE - 0.49% | |
| Cuddy International Corp. | \$ 97,991 |
| Polymer Technologies, Inc./ | |
| Poli-Twine Western, Inc. | 701,913 |
| Protein Genetics, Inc. | 50,175 |
| | ----- |
| | 850,079 |
| | ----- |
| HEALTHCARE, EDUCATION & CHILDCARE - 5.27% | |
| Beacon Medical Products, Inc. | 2,034,715 |
| DHD Healthcare, Inc. | 2,048,156 |
| Enzymatic Therapy, Inc. | 1,168,755 |
| Nexell Therapeutics | 3,825,307 |
| Viropharma, Inc. | 66,112 |
| | ----- |
| | 9,143,045 |
| | ----- |
| HOME & OFFICE FURNISHINGS, HOUSEWARES, AND DURABLE CONSUMER PRODUCTS - 5.61% | |
| Fasteners for Retail, Inc. | 4,691,099 |
| JohnsonDiversey, Inc. | 210,000 |
| Moss, Inc. | 1,052,853 |
| Star International, Inc. | 3,780,994 |
| | ----- |
| | 9,734,946 |
| | ----- |
| LEISURE, AMUSEMENT, ENTERTAINMENT - 5.16% | |
| Adventure Entertainment Corporation | 20,705 |
| Grand Expeditions, Inc. | 850,100 |
| Merit Industries, Inc. | 4,008,827 |
| Olympic Boat Centers, Inc. | 4,064,131 |
| | ----- |
| | 8,943,763 |
| | ----- |
| MACHINERY - 2.90% | |
| Ames Tru Temper, Inc. | 2,084,625 |
| C & M Conveyor, Inc. | 2,296,989 |

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| | |
|---|---------------|
| Cymer, Inc. | 650,250 |
| | ----- |
| | 5,031,864 |
| | ----- |
| MINING, STEEL, IRON & NON PRECIOUS METALS - 1.20% | |
| Better Minerals & Aggregates | 2,074,497 |
| | ----- |
| | Fair Value |
| | at 9/30/02 |
| | ----- |
| CORPORATE RESTRICTED SECURITIES: (CONT.) | |
| MISCELLANEOUS - 1.66% | |
| CapeSuccess LLC | \$ 7,747 |
| East River Ventures I, L.P. | 27,481 |
| General Semiconductor, Inc. | 57,038 |
| Invitrogen Corp. | 337,875 |
| USFlow Corp. | 2,430,748 |
| Victory Ventures LLC | 2 |
| Winsloew Escrow Corp. | 8,888 |
| | ----- |
| | 2,869,779 |
| | ----- |
| OIL AND GAS - 0.96% | |
| Chaparral Resources, Inc. | 205 |
| TransMontaigne Oil Company | 1,659,964 |
| | ----- |
| | 1,660,169 |
| | ----- |
| PERSONAL TRANSPORTATION - 2.14% | |
| Tronair, Inc. | 3,719,572 |
| | ----- |
| RETAIL STORES - 1.29% | |
| TVI, Inc. | 2,228,662 |
| | ----- |
| TELECOMMUNICATIONS - 0.01% | |
| Jordan Telecom Products | -- |
| Telex Communications, Inc. | 17,707 |
| | ----- |
| | 17,707 |
| | ----- |
| TECHNOLOGY - 0.16% | |
| F E I Company | 273,281 |
| | ----- |
| TOTAL CORPORATE RESTRICTED SECURITIES - 98.39% | \$170,590,994 |
| | ===== |

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

MASSMUTUAL CORPORATE INVESTORS

1. HISTORY

MassMutual Corporate Investors (the "Trust") is a closed-end, non-diversified investment company. David L. Babson & Company Inc. ("Babson"), a majority

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owned subsidiary of Massachusetts Mutual Life Insurance Company, ("MassMutual"), acts as its investment adviser.

The Trust commenced operations in 1971 as a Delaware corporation. Pursuant to an Agreement and Plan of Reorganization dated November 14, 1985, approved by shareholders, the Trust was organized as a Massachusetts business trust under the laws of the Commonwealth of Massachusetts, effective November 28, 1985.

On January 27, 1998, the Board of Trustees authorized the formation of a wholly-owned subsidiary ("MMCI Subsidiary Trust") for the purpose of holding certain investments. The results of MMCI Subsidiary Trust have been consolidated in the accompanying financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

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

A. VALUATION OF INVESTMENTS:

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

Nearly all securities which are acquired by the Trust directly from the issuers and shares into which such securities may be converted or which may be purchased on the exercise of warrants attached to such securities will be subject to legal or contractual delays in or restrictions on resale and will therefore be "restricted securities". Generally speaking, as contrasted with open-market sales of unrestricted securities which may be effected immediately if the market is adequate, restricted securities can be sold only in a directly negotiated transaction to a limited number of purchasers or in a public offering for which a registration statement is in effect under the Securities Act of 1933.

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

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may be relied upon as to whether or not securities are restricted securities and as to the legal requirements for public sale.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

MASSMUTUAL CORPORATE INVESTORS

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

The Board of Trustees of the Trust meets at least once in each quarter to value the Trust's portfolio securities as of the close of business on the last business day of the preceding quarter. This valuation requires the approval of a majority of the Trustees of the Trust, including a majority of the Trustees who are not interested persons of the Trust (otherwise than as Trustees) or of Babson. In making valuations, the Trustees will consider reports by Babson analyzing each portfolio security in accordance with the relevant factors referred to above. Babson has agreed to provide such reports to the Trust at least quarterly.

The financial statements include restricted securities valued at \$170,590,994 (98.39% of net assets) as of September 30, 2002 (\$165,661,462 at September 30, 2001) whose values have been estimated by the Board of Trustees 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.

The values for corporate public securities are stated at the last reported sales price or at prices based upon quotations obtained from brokers and dealers as of September 30, 2002, subject to discount where appropriate, and are approved by the Trustees.

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

B. ACCOUNTING FOR INVESTMENTS:

Investment transactions are accounted for on trade date. Dividend income is recorded on the ex-dividend date. Interest income is recorded on the accrual basis.

The Trust has elected to accrue, for financial reporting purposes, certain premiums and discounts which are required to be accrued for federal income tax purposes.

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.

The Trust does not accrue income when payment is delinquent and when management believes payment is questionable.

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C. USE OF ESTIMATES:

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

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

MASSMUTUAL CORPORATE INVESTORS

D. FEDERAL INCOME TAXES:

No provision for federal taxes on net investment income and short-term capital gains is considered necessary because 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 to the Trustees either to designate the net realized long-term gains as undistributed and to pay the federal capital gains taxes thereon or to distribute all or a portion of such net gains.

3. MANAGEMENT FEE

Under an investment services contract, Babson has agreed to invest for MassMutual Life Insurance Company's ("MassMutual") general account concurrently with the Trust in each restricted security purchased by the Trust. Babson, in addition to originating and sharing in the purchase of such securities, 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. Babson provides a continuing review of the investment operations of the Trust. Babson also 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.

Under the investment services contract, as amended July 1, 1988, the Trust pays Babson a quarterly base rate (the "Base Fee Rate") of 5/16 of 1% of the value of the Trust's net assets as of the end of each fiscal quarter, approximately equivalent to 1.25% of the net asset value of the Trust on an annual basis, plus or minus a quarterly performance adjustment (the "Performance Adjustment") of up to 1/16 of 1% approximately equivalent to .25% on an annual basis.

The Performance Adjustment is based on the Trust's performance as compared to a benchmark rate of return (the "Target Rate") equal to 5.0 percentage points plus an unweighted, arithmetic average of the rates of return on the Standard & Poor's Industrial Stock Price Index and the Lehman Brothers Intermediate Credit Bond Index (formerly called the Lehman Brothers Intermediate Corporate Bond Index) over a rolling three-year period (the "Measurement Period") comprising the twelve quarters ending on the last day of each quarter (the "Valuation Date"). The Performance Adjustment is equal to 5% of the difference between the Trust's actual rate of return over the Measurement Period and the Target Rate. If the Trust's actual rate of return exceeds the

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Target Rate, the Base Fee Rate is increased by an amount equal to the Performance Adjustment; if the Trust's actual rate of return is less than the Target Rate, the Base Fee Rate is reduced by the Performance Adjustment. The advisory fee payable by the Trust is equal to the Base Fee Rate (as adjusted by the Performance Adjustment) times the net asset value of the Trust as of the Valuation Date. The Performance Adjustment for the quarters ended March 31, June 30, and September 30, 2002 was:

| | PERFORMANCE ADJUSTMENT | AMOUNT |
|--------------------|---------------------------|-----------|
| March 31, 2002 | 0.0625% | \$114,090 |
| June 30, 2002 | 0.0625% | \$112,914 |
| September 30, 2002 | 0.0625% | \$108,793 |

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

MASSMUTUAL CORPORATE INVESTORS

4. SENIOR SECURED INDEBTEDNESS

A. NOTE PAYABLE

MassMutual holds the Trust's \$20,000,000 Senior Fixed Rate Convertible Note (the "Note") issued by the Trust in 1995. The Note, as amended, is due November 15, 2007 and accrues at 7.39% per annum. The Noteholder, 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 each of the periods ended September 30, 2002 and 2001, the Trust incurred total interest expense on the Note of \$1,108,500.

B. REVOLVING CREDIT AGREEMENT

The Trust entered into a Revolving Credit Agreement with Fleet National Bank as of June 29, 2000, in the principal amount of \$25,000,000, maturing on May 31, 2005. The interest rate on the outstanding revolving loan is determined for periods of one, three or six months (as selected by the Trust) and is set at an annual rate equal to LIBOR (London Interbank Offered Rate) plus 0.37%. The Trust also agreed to pay an up-front fee equal to 0.10% on the total commitment. The facility fee is 0.15% per annum of the total commitment.

As of September 30, 2002 and 2001, there were no outstanding loans drawn against the revolving credit facility. For each of the periods ended September 30, 2002 and 2001, the Trust incurred \$27,945 in expense related to the undrawn portion.

5. PURCHASES AND SALES OF INVESTMENTS

| | FOR THE NINE MONTHS ENDED 9/30/2002 | FOR THE NINE MONTHS ENDED 9/30/2001 |
|---------------------------------|---|---|
| | COST OF INVESTMENTS ACQUIRED | |
| Corporate restricted securities | \$35,185,507 | \$21,320,129 |
| Corporate public securities | 12,288,203 | 11,208,303 |
| Short-term securities | 380,034,855 | 444,023,760 |

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PROCEEDS FROM SALES OR MATURITIES

| | | |
|---------------------------------|--------------|--------------|
| Corporate restricted securities | \$28,894,611 | \$30,300,978 |
| Corporate public securities | 12,549,536 | 12,010,376 |
| Short-term securities | 384,834,518 | 441,415,049 |

The aggregate cost of investments was the same for financial reporting and federal income tax purposes as of September 30, 2002. The net unrealized depreciation of investments for financial reporting and federal tax purposes as of September 30, 2002 is \$44,470,735 and consists of \$11,142,640 appreciation and \$55,613,375 depreciation.

The aggregate cost of investments was the same for financial reporting and federal income tax purposes as of September 30, 2001. The net unrealized depreciation of investments for financial reporting and federal tax purposes as of September 30, 2001 is \$43,336,348 and consists of \$12,877,181 appreciation and \$56,213,529 depreciation.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

MASSMUTUAL CORPORATE INVESTORS

6. Quarterly Results of Investment Operations

| | AMOUNT | PER SHARE | AMOUNT | PER SHARE |
|--|--------------------|-----------|--------------------|-----------|
| | ----- | ----- | ----- | ----- |
| | MARCH 31, 2002 | | MARCH 31, 2001 | |
| | ----- | | ----- | |
| Investment income | \$4,810,387 | | \$4,901,417 | |
| Net investment income | 3,587,006 | \$0.41 | 3,729,498 | \$0.43 |
| Net realized and unrealized gain (loss) on investments | 2,640,053 | 0.30 | (1,686,474) | (0.18) |
| | JUNE 30, 2002 | | JUNE 30, 2001 | |
| | ----- | | ----- | |
| Investment income | 4,866,101 | | 5,051,877 | |
| Net investment income | 3,767,012 | 0.43 | 3,844,565 | 0.44 |
| Net realized and unrealized (loss) gain on investments | (2,039,467) | (0.23) | 2,449,657 | 0.29 |
| | SEPTEMBER 30, 2002 | | SEPTEMBER 30, 2001 | |
| | ----- | | ----- | |
| Investment income | 4,537,861 | | 4,875,161 | |
| Net investment income | 3,338,262 | 0.38 | 3,737,511 | 0.43 |
| Net realized and unrealized loss on investments | (6,640,118) | (0.75) | (7,180,355) | (0.82) |

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TRUSTEES

Donald E. Benson*
Richard G. Dooley
Donald Glickman
Martin T. Hart*
Steven A. Kandarian
Jack A. Laughery
Corine T. Norgaard*
Stuart H. Reese

*Member of the Audit Committee

OFFICERS

| | |
|-------------------------|---|
| Stuart H. Reese, | Chairman |
| Richard G. Dooley, | Vice Chairman |
| Robert E. Joyal, | President |
| Charles C. McCobb, Jr., | Vice President & Chief Financial Officer |
| Stephen L. Kuhn, | Vice President & Secretary |
| Roger W. Crandall, | Vice President |
| Michael P. Hermsen, | Vice President |
| Mary Wilson Kibbe, | Vice President |
| Michael L. Klofas, | Vice President |
| Richard C. Morrison, | Vice President |
| Clifford M. Noreen, | Vice President |
| Richard E. Spencer, II, | Vice President |
| Mark B. Ackerman, | Treasurer |

DIVIDEND REINVESTMENT AND SHARE PURCHASE PLAN

MassMutual Corporate Investors offers a Dividend Reinvestment and Share Purchase Plan. The Plan provides a simple 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. A shareholder may join the Plan by filling out and mailing an authorization card to Shareholder Financial Services, Inc., the Transfer Agent. Participating shareholders will continue to participate until they notify the Transfer Agent, in writing, of their desire to terminate participation. Unless a shareholder elects to participate in the Plan, he or she will, in effect, have elected to receive dividends and distributions in cash.

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 \$10 nor more than \$5,000 per quarter.

Whenever the Trust declares a dividend payable in cash or shares, the Transfer Agent, acting on behalf of each participating shareholder, will take the

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

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

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

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