April 23, 2020

Barings Participation Investors Holds April 2020 Annual Meeting

CHARLOTTE, N.C., April 23, 2020 /PRNewswire/ -- The Board of Trustees of Barings Participation Investors (the "Trust") met on April 23, 2020. The Trust also conducted its 2020 Annual Meeting of Shareholders.

The Trust's Trustees determined that the Trust's March 31, 2020 net asset value ("NAV") is $137,864,088 or $13.00 per share based on 10,601,700 shares outstanding. The Trust's March 31, 2019 NAV was $143,396,463 or $13.60 based on 10,543,007 shares outstanding. The Trust reported a NAV of $146,082,130 or $13.80 per share as of December 31, 2019, based on 10,587,228 shares outstanding. All figures other than December 31, 2019 figures are unaudited.

The Trust's net investment income for the quarter ended March 31, 2020 was $2,809,141 or $0.27 per share which included approximately $0.05 per share in past due interest received, compared to $2,913,357 or $0.28 per share for the quarter ended March 31, 2019. For the previous year ended December 31, 2019, net investment income was $10,575,403 or $1.00 per share.

The Board of Trustees declared a quarterly dividend of $0.20 per share payable on May 15, 2020 to shareholders of record on May 4, 2020. This dividend represents a 26% reduction from the quarterly dividends for the past year and reflects an assessment of current market conditions. As has been mentioned in prior reports and investor communications, recurring investment income alone has generally not been sufficient to fully fund the current dividend rate, which has been supplemented by non-recurring income and earnings carry forwards. Recurring investment income has generally been below the dividend rate since 2013 due principally to the reduction in the number of higher yielding junior debt investment opportunities to replace prepayments and realizations in the portfolio, combined with generally lower investment returns available due to declining interest rates and market dynamics in recent years.

During the quarter ended March 31, 2020 net capital gains of 1,272,557 or $0.12 per share were realized by the Trust, compared to net capital gains of $311,009 or $0.03 per share for the quarter ended March 31, 2019. For the previous quarter ended December 31, 2019, net capital losses were $350,798 or $0.03 per share. The final determination of the source and tax characteristics of these distributions will depend upon the Trust's investment experience during its fiscal year and will be made after the Trust's year end.

The Board of Trustees also approved the continuance of the Trust's current Investment Services Contract with Barings LLC.

At the Annual Meeting, shareholders elected Michael Brown, Barbara Ginader and Maleyne Syracuse as Trustees for three-year terms.

The market price of Barings Participation Investors as of March 31, 2020 was $11.64, which equates to a 10.53% discount to the March 31, 2020 NAV per share. The Trust's average quarter-end premium for the 3, 5 and 10-year periods was 8.24%, 6.22% and 8.89%, respectively.

Barings Participation Investors is a closed-end management investment company advised by Barings LLC. Its shares are traded on the New York Stock Exchange under the trading symbol ("MPV").

Per share amounts are rounded to the nearest cent.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

About Barings
Barings is a $335+ billion* global financial services firm dedicated to meeting the evolving investment and capital needs of our clients and customers. Through active asset management and direct origination, we provide innovative solutions and access to differentiated opportunities across public and private capital markets. A subsidiary of MassMutual, Barings maintains a strong global presence with business and investment professionals located across North America, Europe and Asia Pacific.

*As of December 31, 2019

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