

DECEMBER 31, 2011

value-based absolute returns



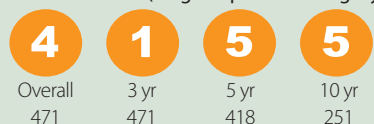
LIPPER  
FUND AWARDS 2010  
UNITED STATES

2010 Best Large Cap Value  
Fund over 3 Years

### Lipper Leader

as of 12/31/11 (Period/# Funds in Category)<sup>4</sup>

TOTAL RETURN (Large Cap Value Category)



PRESERVATION (Equity Asset Class)



4 Stars Overall  
among Large  
Value Funds

as of 12/31/11

As of 12/31/11 Morningstar rating of 4 stars overall, and 2, 5, and 5 stars for the 3-, 5- and 10-year periods among 1127, 1127, 996, and 571 Large Value Funds

### Morningstar Ranks in Large Value Funds Category<sup>TM</sup>

as of 12/31/11

3 yr 4<sup>th</sup> quartile of 1127 funds

5 yr 1<sup>st</sup> quartile of 996 funds

10 yr 1<sup>st</sup> quartile of 571 funds

### #1 Large Cap Value Fund 2008, 2004 & 2002

Ranked by Morningstar

Fund of the Year  
2008 - Large Cap  
Smart Money.com

### Forester Funds

800-388-0365

www.forestervalue.com



## Forester Value Fund

The Forester Value Fund is a diversified, no-load mutual fund for investors seeking long-term investment returns, with added emphasis on capital protection in unfavorable market conditions. The fund's objective is maximum long-term capital growth.

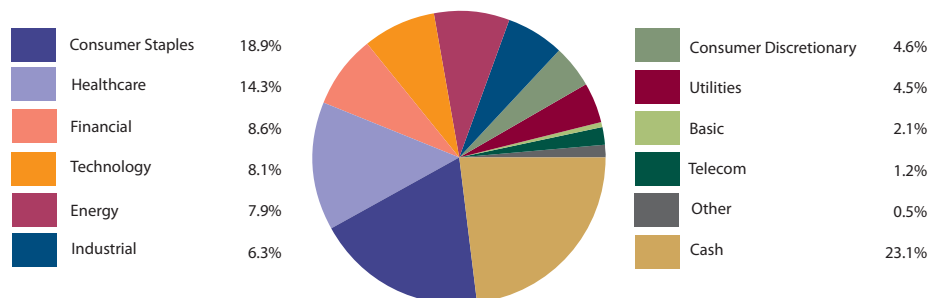
TOTAL RETURN AVERAGE ANNUALIZED (%) AS OF 12/31/11

FUND INCEPTION DATE: 9/10/99

	YTD	1 year	3 years	5 years	10 years	Since Inception
<b>Forester Value Fund (N shares)</b>	<b>-0.25</b>	<b>-0.25</b>	<b>7.25</b>	<b>3.26</b>	<b>5.07</b>	<b>4.94</b>
S&P 500 TR	2.11	2.11	14.11	-0.25	2.92	1.25
Russell Top 200 Value	1.12	1.12	8.97	-3.68	2.31	1.47
Morningstar Long-Short Cat.	-2.81	-2.81	6.27	-0.21	4.56	
Fund's Morningstar Return			Low	High	Above Ave.	Above Ave.
Fund's Morningstar Risk			Low	Low	Low	Low

Performance data quoted represents past performance and does not guarantee future results. Investment returns and principal value will fluctuate, and when sold, your investment may be worth more or less than its original cost. Performance current to the most recent month-end may be lower or higher than performance quoted and can be obtained by calling 800-388-0365. Performance for periods less than one year is not annualized.

### PORTFOLIO SECTOR DIVERSIFICATION<sup>3</sup>



### TOP TEN HOLDINGS<sup>3</sup>

Altria Group, Inc.	3.3%
Chevron Corp.	3.1%
Microsoft Corp.	3.0%
Exxon Mobil Corp	2.9%
Bristol Myers Squibb Co.	2.8%
CVS Caremark	2.7%
Travelers Companies, Inc.	2.7%
Kraft Foods, Inc.	2.6%
Wal-Mart Stores, Inc.	2.4%
Honeywell International Inc	2.3%

### FUND INFORMATION

Symbol (N share / I share)	FVALX / FVILX
NAV (N share / I share)	\$11.99/ \$12.24
Number of Holdings	42
P/E	11.69
Yield (before fees)	2.69%
Weighted Average Market Cap (bil)	\$86.0
Expense Ratio (N share / I share)	1.25% / 0.99%
Total Assets (mil)	\$233
Min. Inv. (N share / I share)	\$2,500 / \$25,000
Sales Load	None
12b-1 Fee (N share / I share)	0.25% / 0%

### MPT STATISTICS (3 year)

Alpha/Beta	-0.91% / .58	3 Year Up/Down Capture	53% / 54%
Standard Deviation	12.51%	R2	76.17

A Lipper Fund Award is awarded to one fund in each Lipper classification for achieving the strongest trend of consistent risk-adjusted performance against its classification peers over a three, five or ten-year period, if applicable. Although Lipper makes reasonable efforts to ensure the accuracy and reliability of the data contained herein, the accuracy is not guaranteed by Lipper. Lipper Analytical Services, Inc. is an independent mutual fund research and rating service. Past performance does not guarantee future results.

For more complete information on the Forester Funds, including charges and expenses, obtain a prospectus by calling 800-388-0365. The prospectus should be read carefully before investing.

Not FDIC-Insured  
May Lose Value  
No Bank Guarantee

*value-based absolute returns*



**Tom Forester, CFA,**  
Portfolio Manager,  
President and Chief  
Investment Officer  
of Forester Capital  
Management, Ltd.

The Forester Value Fund has been managed since its inception by Thomas H. Forester, CFA. He has extensive money management experience. From May 1997 through January, 1999, Mr. Forester was an officer and portfolio manager with Dreman Value Advisors, Inc. and its successor firm, Scudder Investments Inc. where he managed over \$1.4 billion in value assets. He previously was an officer and portfolio manager from 1995 to 1997 with Peregrine Capital Management Inc., a subsidiary of Wells Fargo and an officer and portfolio manager for Thomas White International from 1992 to 1995.

Mr. Forester, CFA, holds an MBA from the Kellogg School at Northwestern University and a BA degree in economics (with honors) from the University of Colorado (1981). He also studied at the London Business School.

Mr. Forester has appeared on CNBC and in articles in *The Wall Street Journal*, *New York Times*, *Forbes*, *Fortune*, *Barron's*, *Money*, *SmartMoney*, *Washington Post*, *USA Today*, *Investment News*, *Investor's Business Daily* and *Marketwatch*.



**Forester Value Fund**

## ABOUT THE INVESTMENT ADVISOR

The Fund is managed by Forester Capital Management, Ltd., which selects the Fund's investments and handles its business affairs under the direction of the Fund's board of directors. Forester Capital was incorporated in 1999 and its address is: 100 Field Drive, Lake Forest, IL 60045.

## ABOUT OUR STRATEGY

Our decisions are grounded in a fundamental belief that Low P/E stocks outperform over the long-term. The fund invests in stocks of large U.S. companies that it believes are undervalued and have great appreciation potential. At times, the fund is positioned defensively when the manager believes that the overall stock market is highly valued or that market conditions warrant it.

The Fund generally purchases a stock only at a price deemed significantly below the intrinsic value of the company—Forester Capital's estimate of the amount a buyer would pay to own the entire company—after performing its own fundamental analysis of the company.

## ABOUT OUR PROCESS



### Step 1 Investable Universe

Market capitalization above \$5 billion  
Price/Earnings ratio below sector average

**Focus on < 200 companies to perform indepth analysis**

### Step 2 Business Analysis

Fundamental research to identify companies with:  
Solid balance sheet  
Good competitive position  
Historical EPS growth  
Historical dividend growth

**Identification of 70-80 high quality value companies**

### Step 3 Security Selection

Determine future growth potential  
Research competitive advantages  
Identify potential catalysts for reaching fair value

**40-50 highest conviction value stocks**

### Step 4 Portfolio Construction

Individual positions of 1% to 3.5%  
Sector limit of 25%  
Valuation overlay of sector weights

*This process has historically led to strong performance with lower risk.*

<sup>1</sup> The S&P 500 Total Return Index is an unmanaged indicator of stock market performance and is adjusted for reinvestment of dividends.

<sup>2</sup> Russell Top 200 Value Index measures the performance of the especially large cap segment of the U.S. equity universe represented by stocks in the largest 200 by market cap that exhibit value characteristics. It includes Russell Top 200 companies with lower price-to-book ratios and lower forecasted growth values.

<sup>3</sup> Portfolio holdings and distributions are subject to change and are not recommendations to buy and sell any security.

<sup>4</sup> Lipper scores for Total Return and Preservation reflect the fund's historical risk-adjusted returns, adjusted for volatility, relative to peers. The overall calculations are based on an equal-weighted average of percentile ranks for the Total Return and Preservation metrics over 3-, 5- and 10-year periods (if applicable.) The highest 20% of funds in each classification are named Lipper Leaders for Total Return or Preservation, the next 20% receive a score of 4, the middle 20% are scored 3, the next 20% are scored 2 and the lowest 20% are scored 1. These scores are subject to change every month. Lipper ratings are not intended to predict future results, and Lipper does not guarantee the accuracy of this information. More information is available at [www.lipperleaders.com](http://www.lipperleaders.com). LIPPER and LIPPER Corporate Marks are proprietary trademarks of Lipper, a Thomson Reuters Company. © 2009 THOMSON REUTERS. All rights reserved. Any copying, republication or redistribution of Lipper Content is expressly prohibited without the prior written consent of Lipper.

<sup>5</sup> Morningstar proprietary ratings reflect risk-adjusted performance for the stated period. Only the top 10% of funds in a given category receive a five-star rating. The next 22.5% receive four stars, the next 35% receive three stars, and the next 22.5% receive two stars. Subject to change every month, a fund's rating is based on its 3-, 5-, and (when available) 10-year average annual total returns (with fee adjustments) in excess of 90-day Treasury bill returns, and a risk factor that reflects fund performance below 90-day Treasury bill returns. The overall rating is the weighted average of the three time periods.