

DECEMBER 31, 2011

the art of value investing



**3 Stars Overall
among World
Allocation Funds**

as of 12/31/11

As of 12/31/11, Overall Morningstar Rating of 3 stars and 2, 5 and 3 stars for the 3-, 5- and 10-year periods among 232, 232, 146 and 79 world allocation funds respectively.⁵

Morningstar Ranks in World Allocation Funds Category™

as of 12/31/11

3 yr 4th quartile of 232 funds
5 yr 1st quartile of 146 funds
10 yr 3rd quartile of 79 funds

Lipper Leader

as of 12/31/11 (Period/# Funds)⁴

TOTAL RETURN (Int'l Multi-Cap Core Value Cat.)

3 Overall 306
2 3 yr 306
5 5 yr 547

PRESERVATION (Equity Asset Class)

5 Overall 10210
5 3 yr 10210
5 5 yr 8217
5 10 yr 4769

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.

Forester Funds

800-388-0365

www.forestervalue.com



Forester Discovery Fund

The Forester Discovery Fund is a diversified, no-load mutual fund for investors seeking long-term growth of capital by investing primarily in common stocks from countries outside of the United States, with added emphasis on capital protection in unfavorable market conditions. The fund's objective is maximum long-term capital growth.

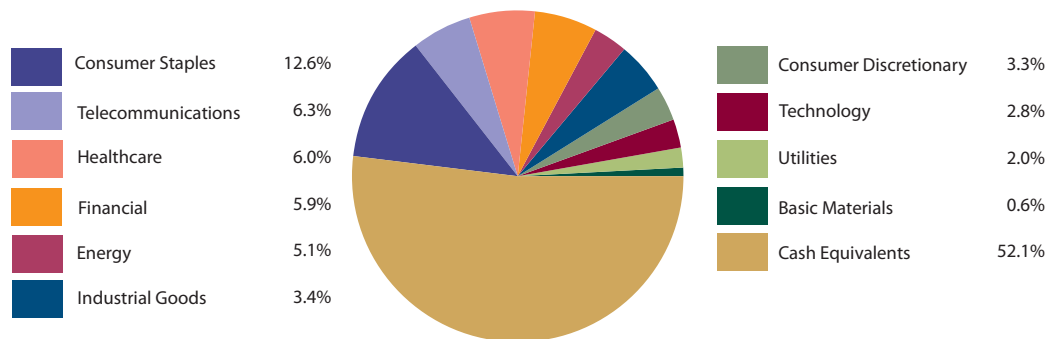
TOTAL RETURN AVERAGE ANNUALIZED (%) AS OF 12/31/11

FUND INCEPTION DATE: 9/10/99

	YTD	1 year	3 years	5 years	10 years	Since Inception
Forester Discovery Fund	-2.73	-2.73	5.42	5.61	3.72	3.28
MSCI EAFE Net ¹	-12.14	-12.14	7.65	-4.72	4.67	1.66
S&P 500 TR ²	2.11	2.11	14.11	-0.25	2.92	1.25

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 DIVERSIFICATION³



TOP TEN HOLDINGS³

Imperial Tobacco Group PLC	3.0%
Fomento Economico Mexicano SAB	2.8%
Diageo PLC	2.8%
Unilever PLC	2.5%
Novartis AG	2.4%
Nippon Teleg & Tel Corp	2.2%
Royal Dutch Shell PLC	2.2%
AstraZeneca PLC	2.1%
BT Group PLC	2.1%
National Grid PLC	2.0%

FUND INFORMATION

Symbol	INTLX
CUSIP	34623P100
NSCC Number	4949
NAV	\$12.41
Number of Holdings	31
P/E	10.7
Yield (before fees)	3.70%
Weighted Ave Market Cap (bil)	\$68.0
Expense Ratio	1.35%
Inception Date	9/10/1999
Total Assets (mil)	\$22M
Minimum Investment	\$2,500
Sales Load	None
12b-1 Fee	None

Not FDIC-Insured
May Lose Value
No Bank Guarantee

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

The Forester Discovery 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
Discovery 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 generally invests at least 65% of its net assets in the common stocks of non-U.S. companies that it believes are undervalued and have great appreciation potential. These companies may operate in both developed countries and emerging markets. 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 fewer than 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.

¹ MSCI EAFE, Morgan Stanley Country Index-Europe, Australasia, Far East is an aggregate index of 21 individual country indices. A market capitalization weighted index, it is broadly accepted as a benchmark of non-American shares.

² The S&P 500 Total Return Index is an unmanaged indicator of stock market performance and is adjusted for reinvestment of dividends.

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

⁴ 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. 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.

⁵ 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.