



# Forester Value Fund

Class I Shares (FVILX)  
Class N Shares (FVALX)  
Class R Shares (FVRLX)

**SEMI-ANNUAL REPORT**  
SEPTEMBER 30, 2016  
(UNAUDITED)

This report is submitted for the general information of shareholders of The Forester Funds. It is not authorized for distribution to prospective investors unless accompanied or preceded by an effective Prospectus for the Funds, which contains more information concerning the Funds' investment policies, as well as fees and expenses and other pertinent information. Read the Prospectus carefully before you invest or send money.



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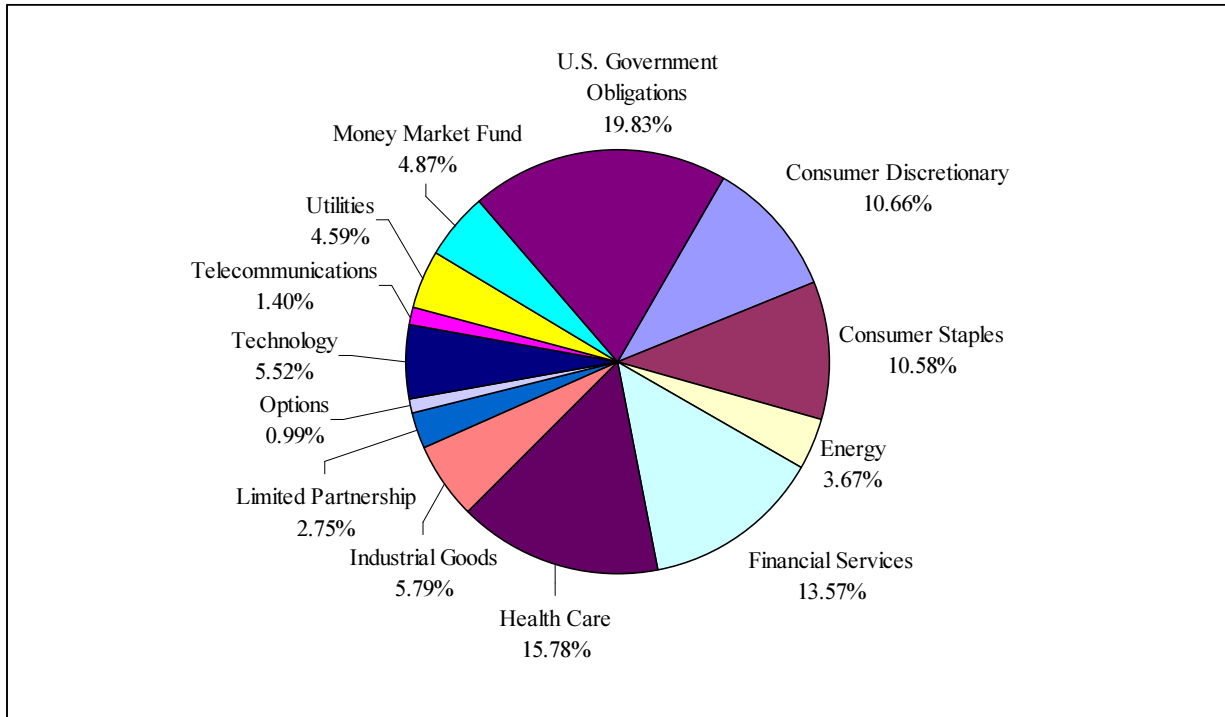
# THE FORESTER VALUE FUND

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## PORTFOLIO ILLUSTRATION SEPTEMBER 30, 2016 (UNAUDITED)

The following chart gives a visual breakdown of the Fund by the industry sectors the underlying securities represent as a percentage of the portfolio of investments.



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## SCHEDULE OF INVESTMENTS SEPTEMBER 30, 2016 (UNAUDITED)

<u>Shares</u>	<u>Value</u>
<b>COMMON STOCKS - 69.94%</b>	
<b>Consumer Discretionary - 10.42%</b>	
3,700 AutoZone, Inc. *	\$ 2,842,858
33,704 Newell Brands, Inc.	1,774,853
114,800 J. C. Penney Co., Inc. *	1,058,456
28,000 Michael Kors Holdings, Ltd. (United Kingdom) *	1,310,120
31,350 Target Corp.	2,153,118
	9,139,405
<b>Consumer Staples - 10.33%</b>	
68,500 ConAgra Foods, Inc.	3,227,035
24,580 CVS Health Corp.	2,187,374
35,400 The Kroger Co.	1,050,672
34,800 Tyson Foods, Inc. Class A	2,598,516
	9,063,597
<b>Energy - 3.59%</b>	
29,500 BP Plc.	1,037,220
11,910 Chevron Corp.	1,225,777
20,300 Conocophillips	882,441
	3,145,438
<b>Financial Services - 13.27%</b>	
34,040 Allstate Corp.	2,354,887
28,630 Aon Corp. (United Kingdom)	3,220,589
23,620 Travelers Companies, Inc.	2,705,671
78,160 US Bancorp, Inc.	3,352,282
	11,633,429
<b>Health Care - 15.43%</b>	
8,550 Amgen, Inc.	1,426,226
14,900 Gilead Sciences, Inc.	1,178,888
27,000 Johnson & Johnson	3,189,510
34,100 Mylan, Inc. (United Kingdom) *	1,299,892
95,154 Pfizer, Inc.	3,222,866
22,930 UnitedHealth Group, Inc.	3,210,200
	13,527,582
<b>Industrial Goods - 5.66%</b>	
4,720 3M Co.	831,806
7,500 Fedex Corp.	1,310,100
24,220 Honeywell International, Inc.	2,823,810
	4,965,716

\* Non-income producing security during the period.

*The accompanying notes are an integral part of these financial statements.*

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SCHEDULE OF INVESTMENTS (CONTINUED)  
SEPTEMBER 30, 2016 (UNAUDITED)

<u>Shares</u>	<u>Value</u>	
<b>Technology - 5.40%</b>		
38,700      Microsoft Corp.	\$ 2,229,120	
63,740      Oracle Corp.	2,503,707	
	4,732,827	
<b>Telecommunications - 1.36%</b>		
29,450      AT&T, Inc.	1,195,965	
<b>Utilities - 4.48%</b>		
19,410      American Electric Power Co, Inc.	1,246,316	
52,300      Southern Co.	2,682,990	
	3,929,306	
TOTAL FOR COMMON STOCKS (Cost \$33,567,296) - 69.94%		
	61,333,265	
<b>LIMITED PARTNERSHIP - 2.68%</b>		
53,800      Spectra Energy Partners, LP	2,350,522	
	2,350,522	
<b>PUT OPTIONS PURCHASED - 0.96% *</b>		
Underlying Security		
Expiration Date/Exercise Price		
Shares Subject		
to Put		
10,000	S&P 500 Index 10/21/2016 Put @ \$2,040.00	27,800
10,000	S&P 500 Index 10/21/2016 Put @ \$2,100.00	78,000
50,000	S&P 500 Index 11/18/2016 Put @ \$2,050.00	740,000
		845,800
TOTAL FOR PUT OPTIONS PURCHASED (Premiums Paid \$2,104,099) - 0.96%		
	845,800	

\* Non-income producing security during the period.  
The accompanying notes are an integral part of these financial statements.

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SCHEDULE OF INVESTMENTS (CONTINUED)  
SEPTEMBER 30, 2016 (UNAUDITED)

<u>Shares</u>		<u>Value</u>
<b>U.S. GOVERNMENT OBLIGATION - 19.38%</b>		
17,000,000	U.S. Government Treasury Bill, 11/17/2016, 0.47%	<u>\$ 16,996,277</u>
TOTAL FOR U.S. GOVERNMENT OBLIGATION (Cost \$16,989,407) - 19.38%		<u>16,996,277</u>
<b>MONEY MARKET FUND - 4.76%</b>		
4,173,214	Morgan Stanley Institutional Liquidity Funds - Treasury Securities Portfolio - 0.15% **	<u>4,173,214</u>
TOTAL FOR MONEY MARKET FUND (Cost \$4,173,214) - 4.76%		<u>4,173,214</u>
<b>TOTAL INVESTMENTS (Cost \$59,133,622) - 97.72%</b>		<b>85,699,078</b>
<b>OTHER ASSETS IN EXCESS OF LIABILITIES, NET - 2.28%</b>		<u>1,994,654</u>
<b>NET ASSETS - 100.00%</b>		<u><u>\$ 87,693,732</u></u>

\*\* Variable rate security; the coupon rate shown represents the yield at September 30, 2016.  
*The accompanying notes are an integral part of these financial statements.*

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# THE FORESTER VALUE FUND

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## STATEMENT OF ASSETS AND LIABILITIES SEPTEMBER 30, 2016 (UNAUDITED)

Assets:	
Investments in Securities, at Value (Cost \$59,133,622)	\$ 85,699,078
Cash	1,000
Receivables:	
Shareholder Subscriptions	17,785
Portfolio Securities Sold	3,949,613
Dividends and Interest	33,551
Total Assets	<u>89,701,027</u>
Liabilities:	
Shareholder Redemptions	2,604
Portfolio Securities Purchased	1,923,228
Due to Advisor	66,097
Administrative Fees	7,718
Distribution Fees	7,648
Total Liabilities	<u>2,007,295</u>
Net Assets	<u>\$ 87,693,732</u>
Net Assets Consist of:	
Paid In Capital	\$ 80,739,777
Accumulated Undistributed Net Investment Income	366,582
Accumulated Realized Loss on Investments	(19,978,083)
Unrealized Appreciation in Value of Investments	26,565,456
Net Assets	<u>\$ 87,693,732</u>
Class I Shares:	
Net Assets	\$ 52,660,346
Shares outstanding (250,000,000 shares authorized with \$0.0001 par value)	4,455,812
Net asset value, offering price, and redemption price per share	\$ 11.82
Class N Shares:	
Net Assets	\$ 33,293,423
Shares outstanding (250,000,000 shares authorized with \$0.0001 par value)	2,891,730
Net asset value, offering price, and redemption price per share	\$ 11.51
Class R Shares:	
Net Assets	\$ 1,739,963
Shares outstanding (250,000,000 shares authorized with \$0.0001 par value)	147,445
Net asset value, offering price, and redemption price per share	\$ 11.80

*The accompanying notes are an integral part of these financial statements.*

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# THE FORESTER VALUE FUND

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## STATEMENT OF OPERATIONS FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2016 (UNAUDITED)

Investment Income:	
Dividends	\$ 781,209
Interest	56,565
Total Investment Income	<u>837,774</u>
Expenses:	
Advisory Fees	431,282
Distribution (12b-1) Fees	49,337
Administration Fees	50,336
Total Expenses	<u>530,955</u>
Net Investment Income	<u>306,819</u>
Realized and Unrealized Gain (Loss) on Investments and Options:	
Realized Gain (Loss) on:	
Investments	6,036,289
Options	(5,671,141)
	<u>365,148</u>
Net Change in Unrealized Appreciation (Depreciation) on:	
Investments	(6,365,867)
Options	(196,059)
	<u>(6,561,926)</u>
Net Realized and Unrealized Loss on Investments and Options	<u>(6,196,778)</u>
Net Decrease in Net Assets Resulting from Operations	<u><u>\$ (5,889,959)</u></u>

*The accompanying notes are an integral part of these financial statements.*



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# THE FORESTER VALUE FUND

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## STATEMENTS OF CHANGES IN NET ASSETS

	(Unaudited)	
	Six Months	Year Ended
	Ended	Year Ended
	9/30/2016	3/31/2016
Increase (Decrease) in Net Assets From Operations:		
Net Investment Income	\$ 306,819	\$ 524,319
Net Realized Gain on Investments and Options	365,148	6,818,014
Unrealized Depreciation on Investments and Options	(6,561,926)	(9,932,008)
Net Decrease in Net Assets Resulting from Operations	<u>(5,889,959)</u>	<u>(2,589,675)</u>
Distributions to Shareholders:		
Net Investment Income:		
Class I Shares	-	(395,030)
Class N Shares	-	(146,221)
Class R Shares	-	(5,948)
Total Distributions Paid to Shareholders	<u>-</u>	<u>(547,199)</u>
Capital Share Transactions	<u>(8,995,615)</u>	<u>(23,142,057)</u>
Total Decrease	(14,885,574)	(26,278,931)
Net Assets:		
Beginning of Period	<u>102,579,306</u>	<u>128,858,237</u>
End of Period (Including Undistributed Net Investment Income of \$366,582 and \$59,763, respectively)	<u>\$ 87,693,732</u>	<u>\$102,579,306</u>

*The accompanying notes are an integral part of these financial statements.*

# THE FORESTER VALUE FUND-CLASS I

## FINANCIAL HIGHLIGHTS

Selected data for a share outstanding throughout the period:

	(Unaudited) Six Months Ended 9/30/2016	Years Ended				
		3/31/2016	3/31/2015	3/31/2014	3/31/2013	3/31/2012
Net Asset Value, at Beginning of Period	\$ 12.57	\$ 12.86	\$ 12.77	\$ 12.33	\$ 12.42	\$ 12.60
Income From Investment Operations:						
Net Investment Income *	0.05	0.07	0.08	0.11	0.13	0.13
Net Gain (Loss) on Securities (Realized and Unrealized)	(0.80)	(0.28)	0.07	0.45	(0.07)	(0.26)
Total from Investment Operations	(0.75)	(0.21)	0.15	0.56	0.06	(0.13)
Distributions:						
Net Investment Income	-	(0.08)	(0.06)	(0.12)	(0.15)	(0.05)
Realized Gains	-	-	-	-	-	-
Total from Distributions	-	(0.08)	(0.06)	(0.12)	(0.15)	(0.05)
Net Asset Value, at End of Period	\$ 11.82	\$ 12.57	\$ 12.86	\$ 12.77	\$ 12.33	\$ 12.42
Total Return **	(5.97)% (b)	(1.60)%	1.16%	4.56%	0.56%	(1.02)%
Ratios/Supplemental Data:						
Net Assets at End of Period (Thousands)	\$ 52,660	\$ 62,964	\$ 77,464	\$ 33,952	\$ 29,750	\$ 45,411
Ratio of Expenses to Average Net Assets	0.99% (a)	0.99%	0.99%	0.99%	0.99%	0.99%
Ratio of Net Investment Income to Average Net Assets	0.74% (a)	0.59%	0.63%	0.89%	1.10%	1.08%
Portfolio Turnover	8.39% (b)	5.73%	13.72%	6.91%	2.84%	35.30%

\* Per share net investment income has been determined on the basis of average shares outstanding during the year.

\*\* Assumes reinvestment of dividends.

(a) Annualized.

(b) Not annualized.

The accompanying notes are an integral part of these financial statements.

# THE FORESTER VALUE FUND-CLASS N

## FINANCIAL HIGHLIGHTS

Selected data for a share outstanding throughout the period:

	(Unaudited) Six Months Ended 9/30/2016	Years Ended				
		3/31/2016	3/31/2015	3/31/2014	3/31/2013	3/31/2012
Net Asset Value, at Beginning of Period	\$ 12.26	\$ 12.54	\$ 12.50	\$ 12.08	\$ 12.16	\$ 12.41
Income From Investment Operations:						
Net Investment Income *	0.03	0.04	0.05	0.08	0.10	0.10
Net Gain (Loss) on Securities (Realized and Unrealized)	(0.78)	(0.27)	0.07	0.43	(0.05)	(0.28)
Total from Investment Operations	(0.75)	(0.23)	0.12	0.51	0.05	(0.18)
Distributions:						
Net Investment Income	-	(0.05)	(0.08)	(0.09)	(0.13)	(0.07)
Realized Gains	-	-	-	-	-	-
Total from Distributions	-	(0.05)	(0.08)	(0.09)	(0.13)	(0.07)
Net Asset Value, at End of Period	\$ 11.51	\$ 12.26	\$ 12.54	\$ 12.50	\$ 12.08	\$ 12.16
Total Return **	(6.12)% (b)	(1.86)%	0.96%	4.25%	0.45%	(1.45)%
Ratios/Supplemental Data:						
Net Assets at End of Period (Thousands)	\$ 33,293	\$ 37,732	\$ 49,709	\$ 99,266	\$ 116,935	\$ 190,031
Ratio of Expenses to Average Net Assets	1.25% (a)	1.25%	1.25%	1.25%	1.25%	1.25%
Ratio of Net Investment Income to Average Net Assets	0.48% (a)	0.33%	0.36%	0.63%	0.83%	0.79%
Portfolio Turnover	8.39% (b)	5.73%	13.72%	6.91%	2.84%	35.30%

\* Per share net investment income has been determined on the basis of average shares outstanding during the year.

\*\* Assumes reinvestment of dividends.

(a) Annualized.

(b) Not annualized.

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# THE FORESTER VALUE FUND-CLASS R

## FINANCIAL HIGHLIGHTS

Selected data for a share outstanding throughout the period:

	(Unaudited) Six Months Ended 9/30/2016	Years Ended				
		3/31/2016	3/31/2015	3/31/2014	3/31/2013	3/31/2012
Net Asset Value, at Beginning of Period	\$ 12.58	\$ 12.85	\$ 12.80	\$ 12.37	\$ 12.35	\$ 12.51
Income From Investment Operations:						
Net Investment Income *	0.01	0.01	0.01	0.05	0.07	0.07
Net Gain (Loss) on Securities (Realized and Unrealized)	(0.79)	(0.24)	0.07	0.44	0.02	(0.21)
Total from Investment Operations	(0.78)	(0.23)	0.08	0.49	0.09	(0.14)
Distributions:						
Net Investment Income	-	(0.04)	(0.03)	(0.06)	(0.07)	(0.02)
Realized Gains	-	-	-	-	-	-
Total from Distributions	-	(0.04)	(0.03)	(0.06)	(0.07)	(0.02)
Net Asset Value, at End of Period	\$ 11.80	\$ 12.58	\$ 12.85	\$ 12.80	\$ 12.37	\$ 12.35
Total Return **	(6.20)% (b)	(1.82)%	0.60%	3.98%	0.77%	(1.12)%
Ratios/Supplemental Data:						
Net Assets at End of Period (Thousands)	\$ 1,740	\$ 1,884	\$ 1,686	\$ 1,979	\$ 2,459	\$ 2,229
Ratio of Expenses to Average Net Assets	1.50% (a)	1.50%	1.50%	1.50%	1.50%	1.50%
Ratio of Net Investment Income to Average Net Assets	0.22% (a)	0.08%	0.12%	0.37%	0.59%	0.55%
Portfolio Turnover	8.39% (b)	5.73%	13.72%	6.91%	2.84%	35.30%

\* Per share net investment income has been determined on the basis of average shares outstanding during the year.

\*\* Assumes reinvestment of dividends.

(a) Annualized.

(b) Not annualized.

The accompanying notes are an integral part of these financial statements.

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# THE FORESTER VALUE FUND

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## NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2016 (UNAUDITED)

### 1.) ORGANIZATION

The Forester Funds, Inc. (the "Company") is an open-end diversified investment company currently offering two series of shares: The Forester Value Fund and The Forester Discovery Fund. The Company was incorporated as a Maryland corporation on April 7, 1999. The accompanying financial statements are those of the Forester Value Fund (the "Fund"). The Fund currently offers three classes of shares, Class I shares, Class N shares and Class R shares. Each class of shares commenced operations on the following dates: Class I shares June 5, 2009, Class N shares September 10, 1999 and Class R shares December 29, 2010. Each class differs as to administrative and distribution fees, such that Class I shares have no distribution fees but there is a higher minimum initial investment required. See Note 4 to the financial statements for further information regarding the fees for each Class of shares offered by the Fund.

The objective of the Fund is to seek long-term growth of capital.

### 2.) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*The following is a summary of the significant accounting policies followed by the Fund in the preparation of their financial statements. The Fund is an investment company that follows the accounting and reporting guidance of Accounting Standards Codification Topic 946 applicable to investment companies.*

**Security Valuation** - All investments in securities are recorded at their estimated fair value, as described in Note 3.

**Federal Income Taxes** - The Fund intends to comply with the requirements of the Internal Revenue Code necessary to qualify as a regulated investment company and as such will not be subject to federal income taxes on otherwise taxable income (including net realized capital gains) which are distributed to shareholders.

In addition, U.S. Generally Accepted Accounting Principles ("GAAP") requires management of the Fund to analyze all open tax years, fiscal years 2013-2016, as defined by IRS statute of limitations for all major industries, including federal tax authorities and certain state tax authorities. As of and during the year ended March 31, 2016, the Fund did not have a liability for any unrecognized tax benefits. The Fund has no examination in progress and is not aware of any tax positions for which it is reasonably possible that the total tax amounts of unrecognized tax benefits will significantly change.

**Security Transactions, Investment Income and Distributions to Shareholders** - As is common in the industry, security transactions are accounted for on the trade date (the date the securities are purchased or sold). Interest income is recorded on the accrual basis. Income or loss from limited partnerships is reclassified in the components of net assets upon receipt of K-1's. Discounts and premiums are amortized over the useful lives of the respective securities. Dividend income and distributions to shareholders are recorded on the ex-dividend date. Withholding taxes on foreign dividends have been provided for in accordance with the company's understanding of the applicable country's tax rules and rates.

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## NOTES TO FINANCIAL STATEMENTS (CONTINUED) SEPTEMBER 30, 2016 (UNAUDITED)

**Use of Estimates in Financial Statements** - The preparation of financial statements in conformity with GAAP 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 increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates and assumptions.

**Short Sales** - The Fund may sell a security it does not own in anticipation of a decline in the fair value of that security. When the Fund sells a security short, it must borrow the security sold short and deliver it to the broker-dealer through which it made the short sale. A gain, limited to the price at which the Fund sold the security short, or a loss, unlimited in size, will be recognized upon the termination of a short sale.

**Option Writing** - When the Fund writes an option, an amount equal to the premium received by the Fund is recorded as a liability and is subsequently adjusted to the current fair value of the option written. Premiums received from writing options that expire unexercised are treated by the Fund on the expiration date as realized gains from investments. The difference between the premium and the amount paid on effecting a closing purchase transaction, including brokerage commissions, is also treated as a realized gain, or, if the premium is less than the amount paid for the closing transaction, as a realized loss. If a call option is exercised, the premium is added to the proceeds from the sale of the underlying security or currency in determining whether the Fund has realized a gain or loss. If a put option is exercised, the premium reduces the cost basis of the securities purchased by the Fund. The Fund as a writer of an option bears the market risk of an unfavorable change in the price of the security underlying the written option.

**Share class accounting** – Investment income, common expenses and realized/unrealized gains (losses) on investments are allocated to the three classes of shares of the Fund on the basis of the daily net assets of each class. Fees relating to a specific class are charged directly to that share class.

**Subsequent Event** - Management has evaluated the impact of all subsequent events on the Fund through the issuance of these financial statements and has noted no such events requiring disclosure.

### 3.) SECURITIES VALUATIONS

#### *Processes and Structure*

The Fund's Board of Directors has adopted guidelines for valuing securities including in circumstances in which market quotes are not readily available and has delegated to the Adviser the responsibility for determining fair value prices, subject to review by the Board of Directors.

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## NOTES TO FINANCIAL STATEMENTS (CONTINUED) SEPTEMBER 30, 2016 (UNAUDITED)

### *Hierarchy of Fair Value Inputs*

The Fund utilizes various methods to measure the fair value of most of their investments on a recurring basis. GAAP establishes a hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The three levels of inputs are as follows:

- *Level 1.* Unadjusted quoted prices in active markets for identical assets or liabilities that the company has the ability to access.
- *Level 2.* Observable inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data.
- *Level 3.* Unobservable inputs for the asset or liability to the extent that relevant observable inputs are not available, representing the company's own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

### *Fair Value Measurements*

A description of the valuation techniques applied to the Fund's major categories of assets and liabilities measured at fair value on a recurring basis follows:

*Equity securities (common stocks and limited partnerships)* - Securities traded on a national securities exchange (or reported on the NASDAQ national market) are stated at the last reported sales price on the day of valuation. To the extent these securities are actively traded, and valuation adjustments are not applied, they are categorized in level 1 of the fair value hierarchy. Certain foreign securities may be fair valued using a pricing service that considers the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments such as American Depositary

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 SEPTEMBER 30, 2016 (UNAUDITED)

Receipts, financial futures, Exchange Traded Funds, and the movement of the certain indexes of securities based on a statistical analysis of the historical relationship and that are categorized in level 2. Preferred stock and other equities traded on inactive markets or valued by reference to similar instruments are also categorized in level 2.

*Short term investments* - Short term investments are valued using amortized cost, which approximates fair value. These securities will be categorized in level 1 of the fair value hierarchy.

*U.S. government obligations* - U.S. government obligations are normally valued using a model that incorporates market observable data, such as reported sales of similar securities, broker quotes, yields, bids, offers, and reference data. Certain securities are valued principally using dealer quotations. U.S. government obligations are categorized in level 1 or level 2 of the fair value hierarchy, depending on the inputs used and market activity levels for specific securities. US Treasury Bills are included in level 1 of the fair value hierarchy.

*Derivative instruments (put and call options)* – Options are valued at the last sales prices on the valuation date if the last sales price is between the closing bid and asked prices. Otherwise, options are valued at the closing bid price. These securities will be categorized in level 2 of the fair value hierarchy if valued at other than closing price. The S&P 500 Mini options held in the Fund are priced at the mean between the bid and ask price in accordance with pricing procedures determined by the Fund's Board of Directors, and categorized in level 2 of the fair value hierarchy.

The following table summarizes the inputs used to value the Fund's assets measured at fair value as of September 30, 2016:

<i>Categories</i>	<b>Financial Instruments—Assets</b>			
	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Fair Value</i>
Common Stocks	\$ 61,333,265	\$ -	\$ -	\$ 61,333,265
Limited Partnership	2,350,522	-	-	2,350,522
Put Options Purchased	-	845,800	-	845,800
U.S. Government Obligation	16,996,277	-	-	16,996,277
Money Market Fund	4,173,214	-	-	4,173,214
	<u>\$ 84,853,278</u>	<u>\$ 845,800</u>	<u>\$ -</u>	<u>\$ 85,699,078</u>

The Fund did not hold any Level 3 assets during the six months ended September 30, 2016. There were no significant transfers into or out of level 1 or level 2 during the period. It is the Fund's policy to recognize transfers into and out of level 1 and level 2 at the end of the reporting period.



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## NOTES TO FINANCIAL STATEMENTS (CONTINUED) SEPTEMBER 30, 2016 (UNAUDITED)

### 4.) TRANSACTIONS WITH AFFILIATES

**Investment Advisory Agreement** - Forester Capital Management, Ltd. (the "Advisor") provided the Fund with investment management services under an Investment Advisory Agreement. The Advisor furnished all investment advice, office space and certain administrative services, and personnel needed by the Fund. The Advisor receives a management fee of 0.89% of the Fund's average daily net assets for Class I, Class N and Class R. For the six months ended September 30, 2016, the Advisor earned a management fee of \$264,169 for Class I, \$158,589 for Class N, and \$8,524 for Class R. The Fund owes the Advisor \$66,097 for management fees as of September 30, 2016.

**Administrative Fee** - The Fund pays the Advisor an administration fee for all other normal operating expenses of 0.10% for Class I, 0.11% for Class N and Class R. For the six months ended September 30, 2016, the Advisor earned a fee of \$29,682 for Class I, \$19,601 for Class N and \$1,053 for Class R. The Fund owes the Advisor \$7,718 at September 30, 2016 for administrative fees.

**Distribution Agreement and Plan** - The Fund has adopted a Distribution Plan pursuant to which the Fund paid broker-dealers for distributing Class N and Class R shares of the Fund. This expense is limited to 0.25% of Class N average net assets and 0.50% of Class R average net assets. For the six months ended September 30, 2016, the Fund accrued \$44,548 for Class N and \$4,789 for Class R. The Fund owes the Advisor \$7,648 at September 30, 2016 for distribution fees.

**Related Party** - Thomas Forester is the control person of the Advisor and also serves as a director and officer of the Company. Mr. Forester receives benefits from the Advisor resulting from management fees paid to the Advisor by the Fund.

### 5.) INVESTMENT TRANSACTIONS

For the six months ended September 30, 2016, purchases and sales of investment securities, other than short-term investments and U.S. Government Securities, aggregated \$5,731,695 and \$16,224,588, respectively. Purchases and sales or maturities of U.S. Government Securities aggregated \$21,949,162 and \$23,997,951, respectively. Purchases and sales of options aggregated \$9,457,899 and \$4,045,399, respectively.

### 6.) DERIVATIVE TRANSACTIONS

The Fund had no outstanding written options at September 30, 2016.

As of September 30, 2016, the Statement of Assets and Liabilities included the following financial derivative instrument fair values:

<u>Assets</u>	<u>Equity Contracts</u>
Put options purchased, at value	\$ 845,800
Total Assets	<u>\$ 845,800</u>

# THE FORESTER VALUE FUND

## NOTES TO FINANCIAL STATEMENTS (CONTINUED) SEPTEMBER 30, 2016 (UNAUDITED)

For the six months ended September 30, 2016, financial derivative instruments had the following effect on the Statement of Operations:

<u>Net change in unrealized depreciation on:</u>	<u>Equity Contracts</u>	<u>Total</u>
Put options purchased	\$ (196,059)	\$ (196,059)
	<u>\$ (196,059)</u>	<u>\$ (196,059)</u>

<u>Net realized gain (loss) on:</u>	<u>Equity Contracts</u>	<u>Total</u>
Put options purchased	\$ (5,671,141)	\$ (5,671,141)
	<u>\$ (5,671,141)</u>	<u>\$ (5,671,141)</u>

### 7.) CAPITAL SHARE TRANSACTIONS

As of September 30, 2016, there were 5,000,000,000 shares of capital stock for the Company with a par value of \$0.0001 authorized. The total par value and paid in capital totaled \$80,739,777. Transactions in capital stock were as follows:

	<u>Six months ended September 30, 2016</u>		<u>Year ended March 31, 2016</u>	
<b>CLASS I SHARES</b>	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
Shares sold	259,083	\$ 3,185,167	1,115,210	\$ 13,917,575
Shares issued in reinvestment of dividends	-	-	24,424	298,212
Shares redeemed	<u>(814,470)</u>	<u>(9,922,327)</u>	<u>(2,153,487)</u>	<u>(26,964,560)</u>
Net decrease	<u>(555,387)</u>	<u>\$(6,737,160)</u>	<u>(1,013,853)</u>	<u>\$(12,748,773)</u>

	<u>Six months ended September 30, 2016</u>		<u>Year ended March 31, 2016</u>	
<b>CLASS N SHARES</b>	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
Shares sold	131,758	\$ 1,581,026	740,086	\$ 9,055,000
Shares issued in reinvestment of dividends	-	-	11,523	137,244
Shares redeemed	<u>(318,740)</u>	<u>(3,815,123)</u>	<u>(1,637,769)</u>	<u>(19,810,534)</u>
Net decrease	<u>(186,982)</u>	<u>\$(2,234,097)</u>	<u>(886,160)</u>	<u>\$(10,618,290)</u>

	<u>Six months ended September 30, 2016</u>		<u>Year ended March 31, 2016</u>	
<b>CLASS R SHARES</b>	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
Shares sold	34,710	\$ 431,108	83,110	\$ 1,027,995
Shares issued in reinvestment of dividends	-	-	486	5,948
Shares redeemed	<u>(37,027)</u>	<u>(455,466)</u>	<u>(64,998)</u>	<u>(808,937)</u>
Net increase (decrease)	<u>(2,317)</u>	<u>\$(24,358)</u>	<u>18,598</u>	<u>\$ 225,006</u>

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# THE FORESTER VALUE FUND

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## NOTES TO FINANCIAL STATEMENTS (CONTINUED) SEPTEMBER 30, 2016 (UNAUDITED)

### 8.) TAX MATTERS

Income and long-term capital gain distributions are determined in accordance with Federal income tax regulations, which may differ from accounting principles generally accepted in the United States. The Fund's tax basis capital gains and losses and undistributed ordinary income are determined only at the end of each fiscal year. As of March 31, 2016 the Fund's most recent fiscal year-end, components of distributable earnings on a tax basis were as follows:

Undistributed ordinary income	\$ 59,763
Post-October Capital Loss Deferrals	(891,884)
Net Unrealized Appreciation	34,083,299
Capital loss carryforwards:	
Expiring 3/31/18	(731,668)
Expiring 3/31/19	(932,573)
Indefinite-short term	<u>(18,743,023)</u>
Total Distributable Earnings	<u>\$ 12,843,914</u>

The undistributed ordinary income and capital gains (losses) shown may differ from corresponding accumulated net investment income and accumulated net realized gain (loss) reported on the statement of assets and liabilities due to certain temporary book/tax differences due to the tax deferral of losses on wash sales, and the treatment of 1256 contracts.

Under current tax law, net capital losses realized after October 31<sup>st</sup> and net ordinary losses incurred after December 31<sup>st</sup> may be deferred and treated as occurring on the first day of the following year. The Fund's carryforward losses, post-October losses and post-December losses are determined only at the end of each fiscal year. As of March 31, 2016 the Fund elected to defer capital losses in the amounts of \$891,884. The capital loss carry forward will be used to offset any capital gains realized by the Fund in future years through the expiration date. The Fund will not make distributions from capital gains while a capital loss carry forward remains.

As of September 30, 2016 the tax basis components of unrealized appreciation (depreciation) and cost of investment securities (not including options) were as follows:

Gross unrealized appreciation on investment securities	\$28,286,699
Gross unrealized depreciation on investment securities	<u>(569,266)</u>
Net unrealized appreciation on investment securities	<u>\$ 27,717,433</u>
Tax cost of investment securities, including short-term investments *	<u>\$ 57,981,645</u>

\*The difference between the book cost and tax cost of investments represents disallowed wash sales and mark-to-market on 1256 contracts for tax purposes.

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# THE FORESTER VALUE FUND

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## NOTES TO FINANCIAL STATEMENTS (CONTINUED) SEPTEMBER 30, 2016 (UNAUDITED)

The tax character of distributions paid during the year ended March 31, 2016 is as follows:

Ordinary income:	March 31, 2016
Class I Shares	\$ 395,030
Class N Shares	146,221
Class R Shares	5,948
Total	<u>\$ 547,199</u>

On December 28, 2015 distributions of \$0.08214, \$0.04557, and \$0.03562 per share were paid to Class I shareholders, Class N shareholders, and Class R shareholders, respectively, aggregating \$547,199 paid to shareholders of record on the same date, from net investment income.

No distributions were paid during the six months ended September 30, 2016 for any share classes of the Fund.

### **9.) COMMITMENTS AND CONTINGENCIES**

In the normal course of business, the Fund may enter into contracts that may contain a variety of representations and warranties and provide general indemnifications. The Fund's maximum exposure under these arrangements is dependent on future claims that may be made against the Fund and, therefore, cannot be estimated; however, management considers the risk of loss from such claims to be remote.

### **10.) CONTROL OWNERSHIP**

The beneficial ownership, either directly or indirectly, of more than 25% of the voting securities of a fund creates a presumption of control of the fund, under Section 2(a)(9) of the Investment Company Act of 1940, as amended. As of September 30, 2016, UBS Financial Services, Inc., for the benefit of others, in aggregate, owned approximately 39% of the Fund and may be deemed to control the Fund.

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# THE FORESTER VALUE FUND

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## EXPENSE ILLUSTRATION SEPTEMBER 30, 2016 (UNAUDITED)

### Expense Example

As a shareholder of the Forester Value Fund, you incur ongoing costs which typically consist of management fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period, April 1, 2016 through September 30, 2016.

### Actual Expenses

The first line of the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

### Hypothetical Example for Comparison Purposes

The second line of the table below provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in this Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

#### The Forester Value Fund - Class I

	Beginning Account Value	Ending Account Value	Expenses Paid During the Period*
	<u>April 1, 2016</u>	<u>September 30, 2016</u>	<u>April 1, 2016 through September 30, 2016</u>
Actual	\$1,000.00	\$940.33	\$4.82
Hypothetical (5% Annual Return before expenses)	\$1,000.00	\$1,020.10	\$5.01

\* Expenses are equal to the Fund's annualized expense ratio of .99%, multiplied by the average account value over the period, multiplied by 183/365 (to reflect the one-half year period).

#### The Forester Value Fund - Class N

	Beginning Account Value	Ending Account Value	Expenses Paid During the Period*
	<u>April 1, 2016</u>	<u>September 30, 2016</u>	<u>April 1, 2016 through September 30, 2016</u>
Actual	\$1,000.00	\$938.83	\$6.08
Hypothetical (5% Annual Return before expenses)	\$1,000.00	\$1,018.80	\$6.33

\* Expenses are equal to the Fund's annualized expense ratio of 1.25%, multiplied by the average account value over the period, multiplied by 183/365 (to reflect the one-half year period).

#### The Forester Value Fund - Class R

	Beginning Account Value	Ending Account Value	Expenses Paid During the Period*
	<u>April 1, 2016</u>	<u>September 30, 2016</u>	<u>April 1, 2016 through September 30, 2016</u>
Actual	\$1,000.00	\$938.00	\$7.29
Hypothetical (5% Annual Return before expenses)	\$1,000.00	\$1,017.55	\$7.59

\* Expenses are equal to the Fund's annualized expense ratio of 1.50%, multiplied by the average account value over the period, multiplied by 183/365 (to reflect the one-half year period).

# THE FORESTER VALUE FUND

## DIRECTORS & OFFICERS SEPTEMBER 30, 2016 (UNAUDITED)

The following table provides information regarding each Director who is not an “interested person” of the Company, as defined in the Investment Company Act of 1940.

<u>Name, Address, Age</u>	<u>Position(s) Held with the Fund</u>	<u>Term of Office and Length of Time Served</u>	<u>Number of Portfolios Overseen</u>	<u>Principal Occupation During Past Five Years and Current Directorships</u>
Michael B. Kelley 100 Field Dr., Ste 330 Lake Forest, IL 60045 Age: 56	Director	Indefinite; Since Inception	2	Mr. Kelley has been a National Account Executive for Concept Amenities since March, 2009. Prior to that he was a National Account Executive for American Hotel Supply for more than five years
Stanley Simpson 100 Field Dr., Ste 330 Lake Forest, IL 60045 Age: 58	Director	Indefinite; Since March 2007	2	Stanley Simpson has been a commodities trader on the Chicago Mercantile Exchange for more than five years.
Barry Meyer 100 Field Dr., Ste 330 Lake Forest, IL 60045 Age: 57	Director	Indefinite; Since March 2007	2	Barry Meyer has been President of Arcspec, a distributor of commercial construction materials for more than five years.

The following table provides information regarding each Director who is an “interested person” of the Company, as defined in the Investment Company Act of 1940, and each officer of the Trust.

<u>Name, Address, Age</u>	<u>Position(s) Held with the Fund</u>	<u>Term of Office and Length of Time Served</u>	<u>Number of Portfolios Overseen</u>	<u>Principal Occupation During Past Five Years and Current Directorships</u>
Thomas H. Forester <sup>1</sup> 100 Field Dr., Ste 330 Lake Forest, IL 60045 Age: 57	Director; President; Treasurer	Indefinite; Since Inception	2	Mr. Forester has been the President of the Advisor since 2/99, Officer and Portfolio Manager with Dreman Value Advisors from 5/97 - 1/99.

<sup>1</sup> Mr. Forester is considered "Interested" Director of the Fund as defined in the Investment Company Act of 1940, as amended, because he is affiliated with the Adviser.

Each Director, except Mr. Forester, was paid a total fee of \$5,000 for the six months ended September 30, 2016, by the Adviser.

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# THE FORESTER VALUE FUND

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## ADDITIONAL INFORMATION (CONTINUED) SEPTEMBER 30, 2016 (UNAUDITED)

**Portfolio Holdings** – The Fund files a complete schedule of investments with the SEC for the first and third quarter of each fiscal year on Form N-Q. The Fund's first and third fiscal quarters end on June 30 and December 31. The Form N-Q filing must be made within 60 days of the end of the quarter, and the Fund's first Form N-Q was filed with the SEC on February 25, 2005. The Fund's Forms N-Q are available on the SEC's website at <http://sec.gov>, or they may be reviewed and copied at the SEC's Public Reference Room in Washington, DC (call 1-800-732-0330 for information on the operation of the Public Reference Room). You may also obtain copies by calling the Fund at 1-800-388-0365, free of charge.

**Proxy Voting** - A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities and information regarding how the Fund voted proxies during the 12-month period ended June 30, are available without charge upon request by (1) calling the Fund at 1-800-388-0365 and (2) from Fund documents filed with the Securities and Exchange Commission ("SEC") on the SEC's website at [www.sec.gov](http://www.sec.gov). A review of how the Fund voted on company proxies can be obtained at our transfer agent's website, [www.mutualss.com](http://www.mutualss.com).

**Additional Information** - The Fund's Statement of Additional Information ("SAI") includes additional information about the trustees and is available, without charge, upon request. You may call toll-free 1-800-388-0365 to request a copy of the SAI or to make shareholder inquiries.

