


# Managers Special Equity Fund












**OBJECTIVE:** The Fund's investment objective is to achieve long-term capital appreciation by investing in a diversified portfolio of equity securities of small- and medium-sized companies.

ASSET CLASS	STYLE	BENCHMARKS	ADVISOR	SUBADVISORS																	
	<table border="1"> <tr> <td></td> <td>VALUE</td> <td>CORE</td> <td>GROWTH</td> </tr> <tr> <td>LARGE</td> <td></td> <td></td> <td></td> </tr> <tr> <td>MID</td> <td></td> <td></td> <td></td> </tr> <tr> <td>SMALL</td> <td></td> <td></td> <td style="text-align: center;">■</td> </tr> </table>		VALUE	CORE	GROWTH	LARGE				MID				SMALL			■	Style box placement is based on Fund objective	Russell 2000® Growth Index	Managers Investment Group LLC	Ranger Investment Management, L.P. Lord, Abnett & Co. LLC Smith Asset Management Group L.P. Federated MDTA LLC
		VALUE	CORE	GROWTH																	
LARGE																					
MID																					
SMALL			■																		

FUND FACTS	Ticker	Cusip	Inception	Expense Ratio Gross/Net <sup>1</sup>	Minimum Investment	Maximum Sales Load	12b-1 Fees
FUND — Managers Class	MGSEX	561717208	06/01/84	1.62%/1.45%	\$2,000 (\$1,000 IRA)	—	—
FUND — Institutional Class	MSEIX	561717752	05/03/04	1.37%/1.20%	\$2,500,000 (\$2,500,000 IRA)	—	—

AVERAGE ANNUAL RETURNS (%) <sup>2</sup> (as of 06/30/10)					
	YTD	1 Yr	5 Yr	10 Yr	Since Incpt. <sup>3</sup>
MGSEX	-2.40	19.11	-3.28	-1.68	—
MSEIX	-2.30	19.34	-3.07	—	-0.60
Russell 2000® Growth Index	-2.31	17.96	1.14	-1.72	—

CALENDAR YEAR PERFORMANCE (%)							
	'09	'08	'07	'06	'05	'04	'03
MGSEX	30.78	-43.49	-0.60	11.28	4.00	15.18	42.50
Russell 2000® Growth Index	34.47	-38.54	7.05	13.35	4.15	14.31	48.54
Russell 2000® Index	27.17	-33.79	-1.57	18.37	4.55	18.33	47.25

SECTOR WEIGHTINGS (%)				
%	SECTOR	Fund	Russell 2000® Growth	
	Information Technology	27.4	26.1	
	Consumer Discretionary	22.5	17.7	
	Health Care	18.6	21.5	
	Industrials	12.5	16.7	
	Financials	6.9	4.9	
	Energy	4.2	4.0	
	Consumer Staples	2.4	3.2	
	Materials	2.3	4.4	
	Telecommunication Services	0.1	1.4	
	Utilities	0.0	0.1	
	Cash & Other	3.1	0.0	

TOP TEN HOLDINGS (%) <sup>4</sup>		
COMPANY	% of Net Assets	
SXC Health Solutions <sup>5</sup>	1.8	
Rovi	1.8	
Steven Madden <sup>5</sup>	1.6	
Aruba Networks <sup>5</sup>	1.3	
99 Cents Only <sup>5</sup>	1.3	
HMS Holdings	1.2	
NuVasive <sup>5</sup>	1.2	
Ariba	1.1	
Rosetta Resources	1.0	
IBERIABANK	1.0	
TOTAL %	13.3	

<sup>1</sup> Annual expense ratio as of 07/01/10. Managers Investment Group LLC (the "Investment Manager") has contractually agreed, through at least May 1, 2012, to waive management fees and/or reimburse Fund expenses in order to limit Total Annual Fund Operating Expenses After Fee Waiver and Expense Reimbursements (exclusive of taxes, interest, shareholder servicing fees, brokerage commissions, acquired fund fees and expenses, and extraordinary items) to 1.19% of the Fund's average daily net assets, subject to later reimbursement by the Fund in certain circumstances.

<sup>2</sup> Returns for periods greater than one year are annualized.

<sup>3</sup> Since the inception of Institutional Class shares on 05/03/04.

*The performance data shown represents past performance. Past performance is not a guarantee of future results. Current performance may be lower or higher than the performance data quoted. The investment return and the principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. For performance information through the most recent month end, please call 800.835.3879 or visit our Web site at [www.managersinvest.com](http://www.managersinvest.com).*

From time to time the Fund's advisor has waived fees or reimbursed expenses, which may have resulted in higher returns.

<sup>4</sup> Mention of a specific security should not be considered a recommendation to buy or a solicitation to sell that security. Holdings are subject to change.

<sup>5</sup> Held by more than one portfolio manager.

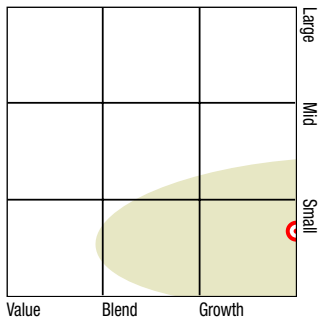
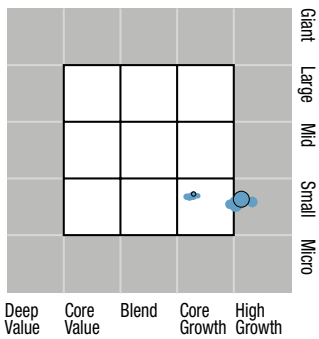
**SECOND QUARTER 2010**

OBJECTIVE: The Fund's investment objective is to achieve long-term capital appreciation by investing in a diversified portfolio of equity securities of small- and medium-sized companies.

CHARACTERISTICS <sup>1</sup>	Net Assets (Mil.\$)	# Holdings	Weighted Avg. Market Cap (Bil.\$)	Weighted Avg. P/E <sup>2</sup>	Weighted Avg. P/B <sup>2</sup>	Trailing 5-yr EPS Growth (%)	Trailing 5-yr Revenue Growth (%)
Fund	189.0	289	1.4	18.1	2.3	16.4	17.0
Russell 2000 <sup>®</sup> Growth Index	—	1,291	1.0	17.4	2.4	10.6	13.2

CHARACTERISTICS <sup>1,3</sup>	Upside Capture Ratio <sup>4</sup>	Downside Capture Ratio <sup>4</sup>	Sortino Ratio	Standard Deviation <sup>5</sup>	Tracking Error <sup>4</sup>	Beta <sup>4</sup>	Information Ratio <sup>4</sup>	R-Squared <sup>4</sup>	Sharpe Ratio
Fund	72.2	99.8	-0.7	22.4	4.1	0.9	-1.4	97.7	-0.6

<sup>1</sup> Characteristics derived from FactSet. <sup>2</sup> Uses harmonic average and excludes negative value. <sup>3</sup> Calculated for a three-year period. <sup>4</sup> Relative to primary benchmark. <sup>5</sup> Annualized.

MORNINGSTAR OWNERSHIP ZONE <sup>1</sup>	MORNINGSTAR STYLE TRAIL <sup>1</sup>	DEFINITIONS
		<p><b>Upside Capture Ratio:</b> A statistical measure used to evaluate how well a Fund has performed relative to an index during periods when that index has risen.</p> <p><b>Downside Capture Ratio:</b> A statistical measure used to evaluate how well or poorly a Fund has performed relative to an index during periods when that index has fallen.</p> <p><b>Sharpe Ratio:</b> A ratio that measures the total risk-adjusted return of a Fund.</p> <p><b>Sortino Ratio:</b> A ratio that measures the downside risk-adjusted return of a Fund.</p> <p><b>Standard Deviation:</b> A measure of the dispersion of a set of data from its mean.</p> <p><b>Beta:</b> A measure of the volatility or systematic risk of a Fund in comparison to the market as a whole.</p> <p><b>R-Squared:</b> A statistical measure that represents the percentage of a Fund's movements that can be explained by movements in a benchmark index.</p> <p><b>Information Ratio:</b> A ratio of portfolio returns above the returns of a benchmark (usually an index) to the volatility of those returns.</p> <p><b>Tracking Error:</b> A divergence between the price behavior of a Fund and the price behavior of a benchmark.</p>

<sup>1</sup> Chart reflects actual holdings of the Fund's Institutional Class shares (MSEIX) as of 05/31/10.

## Disclosures

**Investors should carefully consider the Fund's investment objectives, risks, charges, and expenses before investing. For this and other information, please call 800.835.3879 or visit [www.managersinvest.com](http://www.managersinvest.com) for a free prospectus. Read it carefully before investing or sending money.**

The Fund is subject to risks associated with investments in small-capitalization companies, such as erratic earnings patterns, competitive conditions, limited earnings history, and a reliance on one or a limited number of products.

The Russell 2000<sup>®</sup> Growth Index measures the performance of the Russell 2,000 companies with higher price-to-book ratios and higher forecasted growth values.

Unlike the Fund, the Russell 2000<sup>®</sup> Growth Index is unmanaged, not available for investment, and does not incur expenses.

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The Morningstar Ownership Zone<sup>™</sup> provides detail about a portfolio's equity investment style by showing the range of stock sizes and styles. A portfolio's Ownership Zone<sup>™</sup> is derived by plotting each stock in the fund's portfolio within the proprietary Morningstar Style Box<sup>™</sup>. The shaded area represents the center 75% of the fund's assets, and it provides an intuitive visual representation of the area of the market in which the fund invests. A "centroid" plot in the middle of

the Ownership Zone represents the weighted average of all the fund's holdings. A fund that is concentrated will have a small ownership zone relative to the area of the style box, and broadly diversified fund will have an ownership zone that stretches across many sizes and style. Over a period of time, the shape and location of a fund's ownership zone may vary.