

# Sentinel International Equity Fund

# le

2Q10 June 30, 2010

## Share Class Symbol CUSIP

|   |       |           |
|---|-------|-----------|
| A | SWRLX | 817270887 |
| C | SWFCX | 817270689 |
| I | SIEX  | 81728B775 |

## Objective

Seeks growth of capital by investing in common stocks of established non-U.S. companies, or U.S. companies that conduct their business mainly outside the United States, selected for their growth prospects as well as valuation considerations.

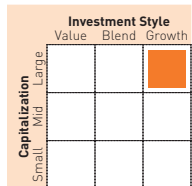
## Lipper Category

International Large-Cap Core

## Morningstar Category

Foreign Large Blend

## Morningstar Style Box<sup>1</sup>



## Morningstar Ratings<sup>2</sup>

|         | Class A | Class A-LW | Cat. size |
|---------|---------|------------|-----------|
| Overall | ★★★★    | ★★★★       | 655       |
| 3 year  | ★★★★    | ★★★★       | 655       |
| 5 year  | ★★★     | ★★★★       | 473       |
| 10 year | ★★★★    | ★★★★       | 260       |

## A Disciplined Approach to International Investing

### Rigorous Process

The management team follows a rigorous process that includes identifying themes, and thorough analysis of qualitative and quantitative factors.

### Risk Management

The team understands the risks inherent with international investing and they seek to manage volatility through diversification and an ongoing review of each holding.

### Experience

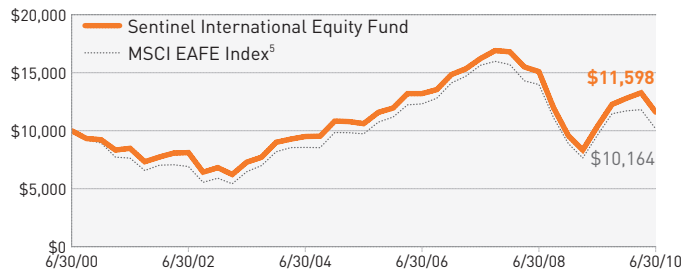
Kate Schapiro leads a team that has lived overseas and understands the global marketplace. She and co-manager Stacey Ho have 49 years of combined experience.

## Performance (as of June 30, 2010)

|                              | Class A shares       |                       | Class C shares <sup>3</sup> |                       | Class I shares <sup>4</sup> | MSCI EAFE Index <sup>5</sup> |
|------------------------------|----------------------|-----------------------|-----------------------------|-----------------------|-----------------------------|------------------------------|
|                              | Without Sales Charge | With Max Sales Charge | Without Sales Charge        | With Max Sales Charge | Without Sales Charge        |                              |
| Cumulative YTD               | -9.44%               | -13.94%               | -10.18%                     | -11.08%               | -9.24%                      | -13.23%                      |
| Average Annual Total Returns |                      |                       |                             |                       |                             |                              |
| 1 year                       | 11.96                | 6.33                  | 10.41                       | 9.41                  | 12.51                       | 5.92                         |
| 3 years                      | -10.57               | -12.09                | -11.67                      | -11.67                | -10.28                      | -13.38                       |
| 5 years                      | 1.80                 | 0.76                  | 0.55                        | 0.55                  | 2.00                        | 0.88                         |
| 10 years                     | 1.49                 | 0.98                  | 0.18                        | 0.18                  | 1.59                        | 0.16                         |
| Since inception              | 6.79                 | 6.47                  | 5.54                        | 5.54                  | 6.85                        | 5.36                         |
| Fund inception date 3/1/93   |                      |                       |                             |                       |                             |                              |

## Growth of a \$10,000 Investment (Class A shares without sales charge)

June 30, 2000 - June 30, 2010



The graph is for illustrative purposes only and reflects the hypothetical growth of a \$10,000 investment with all distributions reinvested. Past performance does not predict future results. Performance shown in the graph and calendar year total returns reflects expenses and management fees, but does not reflect sales charges. If performance had included the appropriate sales charge, returns would be lower.

## Calendar-Year Total Returns

|                              | 2000   | 2001    | 2002    | 2003   | 2004   | 2005   | 2006   | 2007   | 2008    | 2009   |
|------------------------------|--------|---------|---------|--------|--------|--------|--------|--------|---------|--------|
| Class A at NAV               | -9.29% | -16.16% | -11.84% | 32.04% | 20.26% | 10.43% | 24.17% | 13.18% | -43.02% | 33.78% |
| MSCI EAFE Index <sup>5</sup> | -14.17 | -21.44  | -15.94  | 38.59  | 20.25  | 13.54  | 26.34  | 11.17  | -43.38  | 31.78  |

## Important Disclosure

Data shown is historical performance for each share class and reflects reinvested distributions. With Max Sales Charge performance data includes the maximum 5% sales charge for Class A shares and the 1% CDSC for Class C shares. Class I shares do not impose a sales charge. Only eligible investors may purchase Class I shares, as described in the Prospectus. Investment return and principal value will vary so that you may have a gain or loss when you sell shares. Past performance does not guarantee future results; current performance may be higher or lower than data quoted. International securities are subject to political influences, currency fluctuations and economic cycles that may be unrelated to those affecting the domestic financial markets and may experience wider price fluctuations than the securities held by other Sentinel funds. For performance current to the most recent month-end, visit [www.sentinelinvestments.com](http://www.sentinelinvestments.com).

Certain Sentinel Funds have adopted a redemption fee. For the International Equity Fund, a fee of 2% will be assessed on the redemption of shares held for 30 calendar days or less.

The following are total annual operating expense ratios for Sentinel International Equity Fund Class A, C, & I shares; A - 1.60%, C - 3.10%, I - 1.34%. All expense ratio data is sourced from the Prospectus dated March 30, 2010.

- The Morningstar style box provides a graphical representation of the investment style of stocks and mutual funds.
- Morningstar ratings reflect historical risk-adjusted performance as of June 30, 2010 and are subject to change every month. Ratings are based on a risk-adjusted return measure that accounts for variations in monthly performance (including the effects of sales charges, loads and redemption fees) emphasizing downward variations and rewarding consistent performance. Ten percent of the funds in a category receive five stars, 22.5% four stars, 35% three stars, 22.5% two stars and 10% one star. The Overall Rating reflects a weighted average of a fund's 3-, 5- and 10-year (if applicable) risk adjusted performance. Morningstar Load-Waived Ratings supplement Morningstar Ratings for Class A shares by recalculating measures that are load-adjusted without the effects of the front-end sales charge. Load Waived ratings should only be considered by investors who are not subject to the Fund's front-end sales charge.
- Performance of the Class C shares prior to May 4, 1998 is based on the performance of the Fund's Class A shares, adjusted to reflect that Class C shares do not charge a front-end sales charge but may be subject to a contingent deferred sales charge, and adjusted for Class C's higher expenses. The "since inception" performance data for Class C shares is calculated from March 1, 1993, which was the inception date of the Fund.
- Performance of the Class I shares prior to their inception on August 27, 2007 is based on the performance of the Fund's Class A shares, restated to reflect that Class I shares are not subject to a sales charge.
- The Morgan Stanley Capital International (MSCI) Europe, Australasia, Far East (EAFE) Index is an unmanaged, free float-adjusted, market capitalization-weighted index that is designed to measure the equity market performance of developed markets, excluding the U.S. and Canada. The Fund uses the net version of the Index, which reflects reinvested dividends which have been subject to the maximum non-U.S. tax rate applicable. An investment cannot be made directly in an index.

## Fund Facts (Class A shares)

|  |          |
|--|----------|
| Inception                                    | 3/1/93   |
| Total net assets (millions) <sup>1</sup>     | \$143.44 |
| Min. initial investment                      | \$1,000  |
| Number of holdings                           | 70       |
| Wtd median mkt cap (millions)                | \$33,111 |
| Total annual operating expenses <sup>2</sup> | 1.60%    |
| Total annual turnover <sup>3</sup>           | 17%      |
| Cash and equivalents                         | 2.92%    |

## Key Statistics (Class A Shares)

Based on a trailing 3-year period

|                                 |         |
|---------------------------------|---------|
| Alpha <sup>4</sup>              | 3.10%   |
| Benchmark <sup>5</sup>          | 0.00%   |
| Beta <sup>6</sup>               | 0.99    |
| Benchmark <sup>5</sup>          | 1.00    |
| Standard deviation <sup>7</sup> | 25.09%  |
| Benchmark <sup>5</sup>          | 24.87%  |
| Sharpe ratio <sup>8</sup>       | -0.37   |
| Benchmark <sup>5</sup>          | -0.50   |
| R-squared <sup>9</sup>          | 96.76%  |
| Benchmark <sup>5</sup>          | 100.00% |

## About the Management Team

### Katherine Schapiro, CFA

Lead Portfolio Manager  
· 4 years with Sentinel  
· 29 years of investment experience

### Stacey Ho, CFA

Co-Portfolio Manager  
· 20 years of investment experience

### Lawrence Lee Jr., CFA

Equity Analyst  
· 4 years with Sentinel  
· 17 years of investment experience

**NOT FDIC INSURED**

**MAY LOSE VALUE**

**NO BANK GUARANTEE**

**Consider a fund's objectives, risks, charges and expenses carefully before investing. The prospectus contains this and other information about the Fund and is available from your financial advisor or Sentinel. Please read the prospectus carefully before you invest.**

Sentinel Investments is the unifying brand name for Sentinel Financial Services Company, Sentinel Asset Management, Inc., and Sentinel Administrative Services, Inc.

Sentinel Funds are distributed by Sentinel Financial Services Company, One National Life Drive, Montpelier, VT 05604, 800.233.4332, sentinelinvestments.com.

## Top 10 Countries

(% of the total net assets as of June 30, 2010)

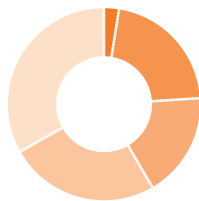
|                 |              |
|-----------------|--------------|
| Japan           | 14.8%        |
| United Kingdom  | 13.3         |
| Hong Kong/China | 11.8         |
| Switzerland     | 10.2         |
| Germany         | 9.8          |
| France          | 8.8          |
| Singapore       | 3.8          |
| Spain           | 3.7          |
| Australia       | 3.1          |
| South Korea     | 2.8          |
| <b>Total</b>    | <b>82.1%</b> |

## Top 10 Holdings

(% of the total net assets as of June 30, 2010)

|   |              |
|---|--------------|
| Fresenius SE                            | 3.2%         |
| Nestle SA                               | 3.0          |
| Singapore Technologies Engineering Ltd. | 2.7          |
| WPP PLC                                 | 2.2          |
| Li & Fung Ltd.                          | 2.2          |
| China Life Insurance                    | 2.2          |
| Standard Chartered PLC                  | 2.0          |
| Uni-Charm Corp.                         | 2.0          |
| Komatsu Ltd.                            | 1.8          |
| Danone S.A.                             | 1.8          |
| <b>Total</b>                            | <b>23.1%</b> |

## Market Capitalization\*



|               |       |
|---------------|-------|
| ● <\$3b       | 2.5%  |
| ● \$3b-\$12b  | 21.5% |
| ● \$12b-\$25b | 17.6% |
| ● \$25b-\$50b | 25.2% |
| ● >\$50b      | 33.2% |

## Sector Allocation\*

|                            | Sentinel International Equity Fund | MSCI EAFE Index |
|----------------------------|------------------------------------|-----------------|
| Financials                 | 16.5%                              | 24.3%           |
| Consumer Staples           | 14.1                               | 10.6            |
| Industrials                | 13.9                               | 12.2            |
| Consumer Discretionary     | 11.2                               | 10.4            |
| Information Technology     | 10.7                               | 5.2             |
| Materials                  | 9.8                                | 10.6            |
| Health Care                | 9.2                                | 8.4             |
| Energy                     | 6.7                                | 7.1             |
| Telecommunication Services | 2.6                                | 5.6             |
| Utilities                  | 2.3                                | 5.5             |

\*Due to rounding, values may not total 100%.

## Important Disclosure

All data as of June 30, 2010 unless otherwise noted. The composition of the Fund's holdings is subject to change.

1. Total net assets of all share classes.
  2. Expense ratio before custodian credits and reimbursements. Source: Prospectus dated March 30, 2010.
  3. Total annual turnover quoted from November 30, 2009 annual report.
  4. Alpha measures the difference between a fund's actual returns and its expected performance, given its level of risk (as measured by beta).
  5. Benchmark index used is MSCI EAFE Index.
  6. Beta is a measure of a fund's sensitivity to market movements. A portfolio with a beta greater than 1 is more volatile than the market, and a portfolio with a beta less than 1 is less volatile than the market.
  7. Standard deviation is a statistical measure of the volatility of the fund's returns.
  8. Sharpe ratio uses standard deviation and excess return to determine reward per unit of risk.
  9. R-squared measures the degree to which a fund's behavior is related to an external benchmark index.
- Sources: FactSet, Morningstar

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For more than 75 years, Sentinel Investments has offered sound investment solutions built around core asset strengths, a disciplined investment philosophy and a foundation of independent fundamental research. We see our role as stewards of your investment capital, seeking competitive returns in strong market environments and superior relative performance in down markets. We are committed to quality, consistency and sustainable results, measured in years, rather than days, weeks or months.