

EVERGREEN MANAGED INCOME FUND

Form N-Q

September 27, 2004

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OMB APPROVAL

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

## FORM N-Q

# QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-21331

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Evergreen Managed Income Fund

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(Exact name of registrant as specified in charter)

200 Berkeley Street  
Boston, Massachusetts 02116

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(Address of principal executive offices) (Zip code)

Michael H. Koonce, Esq.  
200 Berkeley Street  
Boston, Massachusetts 02116

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(Name and address of agent for service)

Registrant's telephone number, including area code: (617) 210-3200

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Date of fiscal year end: Registrant is making a quarterly filing for 1 of its series, Evergreen Managed Income Fund, for the quarter ended July 31, 2004. This 1 series has an October 31 fiscal year end.

Date of reporting July 31, 2004

FORM N-Q QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT INVESTMENT COMPANY

period:

**Item 1 Schedule of Investments****EVERGREEN MANAGED INCOME FUND  
SCHEDULE OF INVESTMENTS**

July 31, 2004 (unaudited)

|                                                                      | Principal<br>Amount | Value             |
|----------------------------------------------------------------------|---------------------|-------------------|
| <b>COLLATERALIZED MORTGAGE OBLIGATIONS 5.6%</b>                      |                     |                   |
| FHLMC:                                                               |                     |                   |
| Ser. 1500, Class 1500, 4.17%, 05/15/2023                             | \$ 3,676,317        | \$ 3,723,471      |
| Ser. 2390, Class FD, 1.83%, 12/15/2031                               | 404,283             | 407,145           |
| Ser. 2411 Class F, 1.93%, 02/15/2032                                 | 274,306             | 276,699           |
| FNMA:                                                                |                     |                   |
| Ser. 2000-45, Class F, 1.90%, 12/25/2030                             | 2,835,384           | 2,845,477         |
| Ser. 2001-24, Class FC, 2.05%, 04/25/2031                            | 932,285             | 938,131           |
| Ser. 2001-37, Class F, 1.95%, 08/25/2031                             | 1,025,260           | 1,035,011         |
| Ser. 2001-62, Class FC, 2.10%, 11/25/2031                            | 1,285,275           | 1,296,746         |
| Ser. 2001-T10, Class A2, 7.50%, 12/25/2041                           | 1,149,293           | 1,235,895         |
| Ser. 2002-95, Class FK, 1.95%, 01/25/2033                            | 10,022,212          | 10,154,591        |
| Ser. 2003-W6, Class 3A, 6.50%, 09/25/2042                            | 1,303,402           | 1,365,472         |
| Ser. 2003-W6, Class F, 1.80%, 09/25/2042                             | 12,129,639          | 12,195,623        |
| Ser. 2003-W8, Class 3F2, 1.80%, 05/25/2042                           | 2,124,936           | 2,129,696         |
| Ser. G92-53, Class FA, 2.22%, 09/25/2022                             | 1,845,445           | 1,875,405         |
| GNMA:                                                                |                     |                   |
| Ser. 1997-13, Class F, 1.94%, 09/16/2027                             | 5,382,944           | 5,415,616         |
| Ser. 2000-12, Class FA, 1.94%, 09/16/2024                            | 448,665             | 449,149           |
| <i>Total Collateralized Mortgage Obligations (cost \$45,192,586)</i> |                     | <u>45,344,127</u> |
| <b>CORPORATE BONDS 68.2%</b>                                         |                     |                   |
| <b>CONSUMER DISCRETIONARY 18.0%</b>                                  |                     |                   |
| <b>Auto Components 3.4%</b>                                          |                     |                   |
| Arvinmeritor, Inc., 8.75%, 03/01/2012 p                              | 6,000,000           | 6,510,000         |
| Collins & Aikman Products Co.:                                       |                     |                   |
| 10.75%, 12/31/2011                                                   | 2,335,000           | 2,393,375         |
| 11.50%, 04/15/2006 p                                                 | 1,906,000           | 1,891,705         |
| Dana Corp., 9.00%, 08/15/2011                                        | 6,000,000           | 7,110,000         |
| Dura Operating Corp., Ser. B, 8.625%, 04/15/2012 p                   | 2,190,000           | 2,179,050         |
| RJ Tower Corp., 12.00%, 06/01/2013 p                                 | 4,400,000           | 4,070,000         |
| Tenneco Automotive, Inc., Ser. B, 10.25%, 07/15/2013 p               | 3,275,000           | 3,749,875         |
|                                                                      |                     | <u>27,904,005</u> |
| <b>Automobiles 0.6%</b>                                              |                     |                   |
| Meritor Automotive, Inc., 6.80%, 02/15/2009 p                        | 4,499,000           | 4,543,990         |

**Hotels, Restaurants & Leisure 4.6%**

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|                                                           | Principal<br>Amount | Value      |
|-----------------------------------------------------------|---------------------|------------|
| Ameristar Casinos, Inc., 10.75%, 02/15/2009               | 6,000,000           | 6,780,000  |
| Equinox Holdings, Inc., 9.00%, 12/15/2009 144A þ          | 4,635,000           | 4,681,350  |
| Friendly Ice Cream Corp., 8.375%, 06/15/2012 þ            | 1,385,000           | 1,343,450  |
| Inn of The Mountain Gods MTN, 12.00%, 11/15/2010          | 3,000,000           | 3,375,000  |
| John Q. Hammons Hotels LP, Ser. B, 8.875%, 05/15/2012     | 6,000,000           | 6,637,500  |
| La Quinta Corp., 8.875%, 03/15/2011                       | 4,000,000           | 4,430,000  |
| Premier Entertainment Biloxi LLC, 10.75%, 02/01/2012 144A | 3,000,000           | 3,180,000  |
| Venetian Casino Resort LLC, 11.00%, 06/15/2010            | 6,000,000           | 6,870,000  |
|                                                           |                     | <hr/>      |
|                                                           |                     | 37,297,300 |
|                                                           |                     | <hr/>      |

**Household Durables 2.7%**

|                                                      |           |            |
|------------------------------------------------------|-----------|------------|
| Ames True Temper, Inc., 10.00%, 07/15/2012 144A      | 1,825,000 | 1,829,562  |
| Amscan Holdings, Inc., 8.75%, 05/01/2014 144A        | 985,000   | 987,463    |
| K. Hovnanian Enterprises, Inc., 6.375%, 12/15/2014 þ | 1,600,000 | 1,504,000  |
| Meritage Corp., 9.75%, 06/01/2011                    | 6,000,000 | 6,660,000  |
| Technical Olympic USA, Inc., 10.375%, 07/01/2012     | 6,000,000 | 6,375,000  |
| WCI Communities, Inc., 10.625%, 02/15/2011           | 4,000,000 | 4,450,000  |
|                                                      |           | <hr/>      |
|                                                      |           | 21,806,025 |
|                                                      |           | <hr/>      |

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**EVERGREEN MANAGED INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

July 31, 2004 (unaudited)

|                                                                        | Principal<br>Amount | Value        |
|------------------------------------------------------------------------|---------------------|--------------|
| <b>CORPORATE BONDS (continued)</b>                                     |                     |              |
| <b>CONSUMER DISCRETIONARY (continued)</b>                              |                     |              |
| <b>Media 3.1%</b>                                                      |                     |              |
| Cablevision Systems Corp., 8.00%, 04/15/2012 144A þ                    | \$ 4,360,000        | \$ 4,305,500 |
| Charter Communications Holdings LLC, 8.625%, 04/01/2009                | 2,000,000           | 1,520,000    |
| Cinemark, Inc., Sr. Disc. Note, Step Bond, 0.00%,<br>03/15/2014 144A + | 2,975,000           | 1,978,375    |
| Dex Media East LLC:<br>9.875%, 11/15/2009                              | 4,000,000           | 4,540,000    |
| 12.125%, 11/15/2012                                                    | 3,000,000           | 3,570,000    |
| Emmis Operations Co., 6.875%, 05/15/2012 144A                          | 3,000,000           | 2,947,500    |
| Loews Cineplex Entertainment Corp., 9.00%, 08/01/2014 144A             | 825,000             | 816,750      |
| PaNamSat Corp., 8.50%, 02/01/2012                                      | 1,400,000           | 1,622,250    |
| Young Broadcasting, Inc., 8.50%, 12/15/2008 þ                          | 4,000,000           | 4,210,000    |
|                                                                        |                     | <hr/>        |
|                                                                        |                     | 25,510,375   |
|                                                                        |                     | <hr/>        |

**Specialty Retail 3.2%**

|                                                         |           |           |
|---------------------------------------------------------|-----------|-----------|
| Aearo Co., 8.25%, 04/15/2012 144A                       | 720,000   | 738,000   |
| American Achievement Corp., 8.25%, 04/01/2012           | 1,845,000 | 1,900,350 |
| Cole National Group, Inc., 8.875%, 05/15/2012           | 3,065,000 | 3,356,175 |
| General Nutrition Centers, Inc., 8.50%, 12/01/2010 144A | 3,500,000 | 3,561,250 |
| Group 1 Automotive, Inc., 8.25%, 08/15/2013             | 3,000,000 | 3,135,000 |

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|                                                         | Principal<br>Amount | Value      |
|---------------------------------------------------------|---------------------|------------|
| Michaels Stores, Inc., 9.25%, 07/01/2009 þ              | 2,088,000           | 2,288,970  |
| Tempur-Pedic, Inc., 10.25%, 08/15/2010                  | 4,250,000           | 4,807,812  |
| Warnaco Group, Inc., 8.875%, 06/15/2013                 | 6,000,000           | 6,555,000  |
|                                                         |                     | <hr/>      |
|                                                         |                     | 26,342,557 |
|                                                         |                     | <hr/>      |
| <b>Textiles, Apparel &amp; Luxury Goods 0.4%</b>        |                     |            |
| Finlay Fine Jewelry Corp., 8.375%, 06/01/2012 144A      | 2,900,000           | 3,059,500  |
|                                                         |                     | <hr/>      |
| <b>CONSUMER STAPLES 4.3%</b>                            |                     |            |
| <b>Food &amp; Staples Retailing 0.8%</b>                |                     |            |
| Duane Reade, Inc., 9.75%, 08/01/2011 144A               | 2,000,000           | 2,005,000  |
| Rite Aid Corp., 8.125%, 05/01/2010                      | 4,000,000           | 4,210,000  |
|                                                         |                     | <hr/>      |
|                                                         |                     | 6,215,000  |
|                                                         |                     | <hr/>      |
| <b>Food Products 1.4%</b>                               |                     |            |
| Chiquita Brands International, Inc., 10.56%, 03/15/2009 | 4,000,000           | 4,355,000  |
| Del Monte Foods Co., 8.625%, 12/15/2012                 | 1,233,000           | 1,350,135  |
| Seminis Vegetable Seeds, Inc., 10.25%, 10/01/2013 144A  | 4,945,000           | 5,439,500  |
|                                                         |                     | <hr/>      |
|                                                         |                     | 11,144,635 |
|                                                         |                     | <hr/>      |
| <b>Personal Products 1.2%</b>                           |                     |            |
| Playtex Products, Inc.:                                 |                     |            |
| 8.00%, 03/01/2011 144A                                  | 3,800,000           | 3,961,500  |
| 9.375%, 06/01/2011 þ                                    | 6,000,000           | 6,075,000  |
|                                                         |                     | <hr/>      |
|                                                         |                     | 10,036,500 |
|                                                         |                     | <hr/>      |
| <b>Tobacco 0.9%</b>                                     |                     |            |
| Commonwealth Brands, Inc., 10.625%, 09/01/2008 144A     | 4,000,000           | 4,220,000  |
| North Atlantic Trading, Inc., 9.25%, 03/01/2012 þ       | 3,150,000           | 3,102,750  |
|                                                         |                     | <hr/>      |
|                                                         |                     | 7,322,750  |
|                                                         |                     | <hr/>      |
| <b>ENERGY 10.0%</b>                                     |                     |            |
| <b>Energy Equipment &amp; Services 4.0%</b>             |                     |            |
| Dresser, Inc., 9.375%, 04/15/2011                       | 6,000,000           | 6,525,000  |
| Grant Prideco, Inc., 9.625%, 12/01/2007 þ               | 6,000,000           | 6,690,000  |
| Gulfmark Offshore, Inc., 7.75%, 07/15/2014 144A         | 1,675,000           | 1,628,938  |
| Lone Star Technologies, Inc., 9.00%, 06/01/2011 þ       | 6,000,000           | 6,330,000  |
| NRG Energy, Inc., 8.00%, 12/15/2013 144A                | 2,150,000           | 2,209,125  |
| Parker Drilling Co., Ser. B, 10.125%, 11/15/2009        | 3,000,000           | 3,172,500  |
| SESI LLC, 8.875%, 05/15/2011 þ                          | 6,000,000           | 6,510,000  |
|                                                         |                     | <hr/>      |
|                                                         |                     | 33,065,563 |

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EVERGREEN MANAGED INCOME FUND  
SCHEDULE OF INVESTMENTS continued

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July 31, 2004 (unaudited)

|                                                                                    | Principal<br>Amount | Value             |
|------------------------------------------------------------------------------------|---------------------|-------------------|
| <b>CORPORATE BONDS (continued)</b>                                                 |                     |                   |
| <b>ENERGY (continued)</b>                                                          |                     |                   |
| <b>Oil &amp; Gas 6.0%</b>                                                          |                     |                   |
| El Paso Energy Corp., 6.75%, 05/15/2009 þ                                          | \$ 6,000,000        | \$ 5,565,000      |
| El Paso Energy Partners LP, 8.50%, 06/01/2011                                      | 2,680,000           | 2,948,000         |
| El Paso Production Holding Co., 7.75%, 06/01/2013                                  | 6,000,000           | 5,745,000         |
| Evergreen Resources, Inc., 5.875%, 03/15/2012 144A                                 | 580,000             | 593,050           |
| Exco Resources, Inc., 7.25%, 01/15/2011                                            | 900,000             | 936,000           |
| Gulfterra Energy Partners LP, Ser. B, 6.25%, 06/01/2010                            | 4,515,000           | 4,627,875         |
| Overseas Shipholding Group, Inc., 8.25%, 03/15/2013 þ                              | 6,000,000           | 6,360,000         |
| Petroleum Helicopters, Inc., 9.375%, 05/01/2009                                    | 4,000,000           | 4,260,000         |
| Premcor Refining Group, Inc.:                                                      |                     |                   |
| 6.75%, 05/01/2014 þ                                                                | 3,350,000           | 3,391,875         |
| 9.50%, 02/01/2013 þ                                                                | 2,650,000           | 3,087,250         |
| Semco Energy, Inc., 7.75%, 05/15/2013                                              | 4,000,000           | 4,220,000         |
| Tesoro Petroleum Corp., 9.625%, 04/01/2012 þ                                       | 6,000,000           | 6,885,000         |
|                                                                                    |                     | <u>48,619,050</u> |
| <b>FINANCIALS 4.2%</b>                                                             |                     |                   |
| <b>Capital Markets 0.3%</b>                                                        |                     |                   |
| Affinity Group, Inc., 9.00%, 02/15/2012 144A                                       | 2,245,000           | <u>2,337,606</u>  |
| <b>Consumer Finance 0.4%</b>                                                       |                     |                   |
| Metris Companies, Inc., 10.125%, 07/15/2006                                        | 3,500,000           | <u>3,447,500</u>  |
| <b>Diversified Financial Services 0.8%</b>                                         |                     |                   |
| Nalco Finance Holdings LLC, Sr. Disc. Note, Step Bond, 0.00%,<br>02/01/2014 144A + | 5,065,000           | 3,469,525         |
| Qwest Capital Funding, Inc., 7.00%, 08/03/2009                                     | 3,500,000           | <u>3,097,500</u>  |
|                                                                                    |                     | <u>6,567,025</u>  |
| <b>Insurance 0.7%</b>                                                              |                     |                   |
| Crum & Forster Holdings Corp., 10.375%, 06/15/2013 þ                               | 5,000,000           | <u>5,450,000</u>  |
| <b>Real Estate 2.0%</b>                                                            |                     |                   |
| Host Marriott LP, Ser. J, 7.125%, 11/01/2013 REIT þ                                | 3,525,000           | 3,525,000         |
| Omega Healthcare Investors, Inc.:                                                  |                     |                   |
| 6.95%, 08/01/2007 REIT                                                             | 6,000,000           | 6,097,500         |
| 7.00%, 04/01/2014 REIT 144A                                                        | 550,000             | 526,625           |
| Thornburg Mortgage, Inc., 8.00%, 05/15/2013 REIT                                   | 6,000,000           | 6,150,000         |
|                                                                                    |                     | <u>16,299,125</u> |
| <b>HEALTH CARE 4.3%</b>                                                            |                     |                   |
| <b>Health Care Equipment &amp; Supplies 1.2%</b>                                   |                     |                   |

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|                                                          | Principal<br>Amount | Value      |
|----------------------------------------------------------|---------------------|------------|
| Norcross Safety Products LLC, Ser. B, 9.875%, 08/15/2011 | 6,000,000           | 6,510,000  |
| Universal Hospital Services, Inc., 10.125%, 11/01/2011   | 2,920,000           | 2,956,500  |
|                                                          |                     | 9,466,500  |
| <b>Health Care Providers &amp; Services 2.3%</b>         |                     |            |
| Genesis Healthcare Corp., 8.00%, 10/15/2013              | 2,500,000           | 2,637,500  |
| IASIS Healthcare Corp., 8.75%, 06/15/2014 144A           | 2,075,000           | 2,168,375  |
| Pacificare Health Systems, Inc., 10.75%, 06/01/2009      | 3,900,000           | 4,446,000  |
| Select Medical Corp., 9.50%, 06/15/2009                  | 3,877,000           | 4,167,775  |
| Team Health, Inc., 9.00%, 04/01/2012 144A þ              | 2,400,000           | 2,340,000  |
| Tenet Healthcare Corp., 9.875%, 07/01/2014 144A þ        | 3,300,000           | 3,444,375  |
|                                                          |                     | 19,204,025 |
| <b>Pharmaceuticals 0.8%</b>                              |                     |            |
| Alpharma, Inc., 8.625%, 05/01/2011 144A                  | 6,000,000           | 6,225,000  |
| <b>INDUSTRIALS 7.5%</b>                                  |                     |            |
| <b>Aerospace &amp; Defense 0.4%</b>                      |                     |            |
| Argo Tech Corp., 9.25%, 06/01/2011 144A                  | 665,000             | 701,575    |
| Da Lite Screen Co., Inc., 9.50%, 05/15/2011              | 2,500,000           | 2,628,125  |
|                                                          |                     | 3,329,700  |
|                                                          |                     | [3]        |

**EVERGREEN MANAGED INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

July 31, 2004 (unaudited)

|                                                                                   | Principal<br>Amount | Value        |
|-----------------------------------------------------------------------------------|---------------------|--------------|
| <b>CORPORATE BONDS (continued)</b>                                                |                     |              |
| <b>INDUSTRIALS (continued)</b>                                                    |                     |              |
| <b>Building Products 0.4%</b>                                                     |                     |              |
| Maax Corp., 9.75%, 06/15/2012 144A                                                | \$ 2,900,000        | \$ 3,023,250 |
| <b>Commercial Services &amp; Supplies 5.2%</b>                                    |                     |              |
| Allied Waste North America, Inc.:                                                 |                     |              |
| 6.50%, 11/15/2010 þ                                                               | 1,800,000           | 1,791,000    |
| Ser. B, 7.375%, 04/15/2014 þ                                                      | 6,000,000           | 5,775,000    |
| American Color Graphics, Inc., 10.00%, 06/15/2010                                 | 3,000,000           | 2,760,000    |
| Cenveo Corp., 7.875%, 12/01/2013 þ                                                | 3,290,000           | 3,018,575    |
| Clean Harbors, Inc., 11.25%, 07/15/2012 144A                                      | 2,000,000           | 2,070,000    |
| Geo Group, Inc., 8.25%, 07/15/2013                                                | 6,000,000           | 6,120,000    |
| Hines Nurseries, Inc., 10.25%, 10/01/2011                                         | 1,095,000           | 1,188,075    |
| JohnsonDiversey Holdings, Inc., Sr. Disc. Note, Step Bond,<br>0.00%, 05/15/2013 + | 6,000,000           | 4,680,000    |

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|                                                            | Principal<br>Amount | Value      |
|------------------------------------------------------------|---------------------|------------|
| NationsRent, Inc., 9.50%, 10/15/2010 144A                  | 6,000,000           | 6,390,000  |
| Service Corp. International, 6.75%, 04/01/2016 144A        | 1,835,000           | 1,740,956  |
| United Rentals North America, Inc., 7.75%, 11/15/2013 p    | 6,175,000           | 6,005,188  |
| Williams Scotsman, Inc., 9.875%, 06/01/2007 p              | 920,000             | 915,400    |
|                                                            |                     | <hr/>      |
|                                                            |                     | 42,454,194 |
|                                                            |                     | <hr/>      |
| <b>Machinery 1.4%</b>                                      |                     |            |
| Case New Holland, Inc.:                                    |                     |            |
| 9.25%, 08/01/2011 144A                                     | 6,000,000           | 6,525,000  |
| Terex Corp., 7.375%, 01/15/2014 144A                       | 3,000,000           | 3,037,500  |
| Wolverine Tube, Inc., Ser. B, 10.50%, 04/01/2009 p         | 1,550,000           | 1,681,750  |
|                                                            |                     | <hr/>      |
|                                                            |                     | 11,244,250 |
|                                                            |                     | <hr/>      |
| <b>Marine 0.1%</b>                                         |                     |            |
| Horizon Lines LLC, 9.00%, 11/01/2012 144A                  | 1,085,000           | 1,131,112  |
|                                                            |                     | <hr/>      |
| <b>INFORMATION TECHNOLOGY 1.7%</b>                         |                     |            |
| <b>Internet Software &amp; Services 0.8%</b>               |                     |            |
| UGS Corp., 10.00%, 06/01/2012 p                            | 5,740,000           | 6,113,100  |
|                                                            |                     | <hr/>      |
| <b>IT Services 0.5%</b>                                    |                     |            |
| Stratus Technologies, Inc., 10.375%, 12/01/2008 144A       | 4,500,000           | 4,387,500  |
|                                                            |                     | <hr/>      |
| <b>Semiconductors &amp; Semiconductor Equipment 0.4%</b>   |                     |            |
| Amkor Technology, Inc., 7.75%, 05/15/2013 p                | 3,500,000           | 3,010,000  |
|                                                            |                     | <hr/>      |
| <b>MATERIALS 11.7%</b>                                     |                     |            |
| <b>Chemicals 4.8%</b>                                      |                     |            |
| Acetex Corp., 10.875%, 08/01/2009                          | 6,000,000           | 6,600,000  |
| Equistar Chemicals LP, 10.625%, 05/01/2011 p               | 5,700,000           | 6,355,500  |
| Huntsman Advanced Materials LLC, 11.00%, 07/15/2010 144A   | 2,650,000           | 3,021,000  |
| Huntsman International LLC, 11.50%, 07/15/2012 144A        | 5,000,000           | 5,087,500  |
| Lyondell Chemical Co., 9.50%, 12/15/2008 p                 | 3,000,000           | 3,153,750  |
| Millennium America, Inc.:                                  |                     |            |
| 9.25%, 06/15/2008 p                                        | 2,000,000           | 2,170,000  |
| 9.25%, 06/15/2008 144A                                     | 2,000,000           | 2,170,000  |
| OM Group, Inc., 9.25%, 12/15/2011 p                        | 6,000,000           | 6,165,000  |
| Terra Capital, Inc., 11.50%, 06/01/2010                    | 4,000,000           | 4,400,000  |
|                                                            |                     | <hr/>      |
|                                                            |                     | 39,122,750 |
|                                                            |                     | <hr/>      |
| <b>Containers &amp; Packaging 2.7%</b>                     |                     |            |
| Graphic Packaging International, Inc., 9.50%, 08/15/2013 p | 6,000,000           | 6,630,000  |
| Owens-Brockway Glass Container, Inc.:                      |                     |            |
| 8.25%, 05/15/2013 p                                        | 4,300,000           | 4,525,750  |
| 8.75%, 11/15/2012 p                                        | 4,050,000           | 4,475,250  |
| Stone Container Corp., 9.75%, 02/01/2011                   | 6,000,000           | 6,660,000  |
|                                                            |                     | <hr/>      |
|                                                            |                     | 22,291,000 |
|                                                            |                     | <hr/>      |

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**EVERGREEN MANAGED INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

July 31, 2004 (unaudited)

|                                                            | Principal<br>Amount | Value             |
|------------------------------------------------------------|---------------------|-------------------|
| <b>CORPORATE BONDS (continued)</b>                         |                     |                   |
| <b>MATERIALS (continued)</b>                               |                     |                   |
| <b>Metals &amp; Mining 2.5%</b>                            |                     |                   |
| Alaska Steel Corp., 7.75%, 06/15/2012                      | \$ 1,600,000        | \$ 1,488,000      |
| Foundation Pennsylvania Coal Co., 7.25%, 08/01/2014 144A   | 3,255,000           | 3,295,688         |
| Freeport-McMoRan Copper & Gold, Inc., 6.875%, 02/01/2014 p | 2,455,000           | 2,270,875         |
| Massey Energy Co., 6.625%, 11/15/2010 p                    | 2,695,000           | 2,762,375         |
| Oregon Steel Mills, Inc., 10.00%, 07/15/2009 p             | 3,000,000           | 3,210,000         |
| Peabody Energy Corp., 5.875%, 04/15/2016                   | 2,130,000           | 1,975,575         |
| U.S. Steel Corp., 10.75%, 08/01/2008 p                     | 4,433,000           | 5,153,362         |
|                                                            |                     | <u>20,155,875</u> |
| <b>Paper &amp; Forest Products 1.7%</b>                    |                     |                   |
| Buckeye Technologies, Inc., 8.50%, 10/01/2013              | 5,000,000           | 5,162,500         |
| Georgia Pacific Corp.:                                     |                     |                   |
| 8.00%, 01/15/2024 p                                        | 1,670,000           | 1,749,325         |
| 8.125%, 05/15/2011                                         | 6,000,000           | 6,765,000         |
|                                                            |                     | <u>13,676,825</u> |
| <b>TELECOMMUNICATION SERVICES 5.3%</b>                     |                     |                   |
| <b>Diversified Telecommunication Services 1.4%</b>         |                     |                   |
| Consolidated Communications, Inc., 9.75%, 04/01/2012 144A  | 6,000,000           | 6,030,000         |
| Insight Midwest LP:                                        |                     |                   |
| 9.75%, 10/01/2009 p                                        | 2,305,000           | 2,397,200         |
| 10.50%, 11/01/2010                                         | 2,305,000           | 2,472,113         |
|                                                            |                     | <u>10,899,313</u> |
| <b>Wireless Telecommunications Services 3.9%</b>           |                     |                   |
| American Tower Corp., 9.375%, 02/01/2009 p                 | 6,000,000           | 6,435,000         |
| Centennial Communications Corp., 10.125%, 06/15/2013       | 6,000,000           | 6,210,000         |
| Dobson Communications Corp., 10.875%, 07/01/2010 p         | 3,500,000           | 3,062,500         |
| MetroPCS, Inc., 10.75%, 10/01/2011 p                       | 6,000,000           | 6,270,000         |
| Nxtel Communications, Inc., 7.375%, 08/01/2015 p           | 6,000,000           | 6,330,000         |
| Rural Cellular Corp.:                                      |                     |                   |
| 8.25%, 03/15/2012 144A                                     | 580,000             | 597,400           |
| 9.75%, 01/15/2010 p                                        | 3,325,000           | 3,075,625         |
|                                                            |                     | <u>31,980,525</u> |
| <b>UTILITIES 1.2%</b>                                      |                     |                   |

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|                                                     | Principal<br>Amount | Value       |
|-----------------------------------------------------|---------------------|-------------|
| <b>Multi-Utilities &amp; Unregulated Power 1.2%</b> |                     |             |
| AES Corp., 9.50%, 06/01/2009 þ                      | 2,830,000           | 3,084,700   |
| Reliant Resources, Inc.:                            |                     |             |
| 9.25%, 07/15/2010 þ                                 | 3,000,000           | 3,210,000   |
| 9.50%, 07/15/2013                                   | 3,000,000           | 3,240,000   |
|                                                     |                     | <hr/>       |
|                                                     |                     | 9,534,700   |
|                                                     |                     | <hr/>       |
| <i>Total Corporate Bonds (cost \$543,662,671)</i>   |                     | 554,218,125 |
|                                                     |                     | <hr/>       |

**FOREIGN BONDS-CORPORATE**  
(PRINCIPAL AMOUNT DENOMINATED IN CURRENCY INDICATED) **23.4%**

**CONSUMER DISCRETIONARY 2.1%**

|                                                |           |           |
|------------------------------------------------|-----------|-----------|
| <b>Auto Components 0.2%</b>                    |           |           |
| TRW Automotive, Inc., 10.125%, 02/15/2013, EUR | 970,000   | 1,349,644 |
|                                                |           | <hr/>     |
| <b>Automobiles 0.7%</b>                        |           |           |
| Gie Psa Tresorerie, 5.875%, 09/27/2011, EUR    | 3,000,000 | 3,934,859 |
| Renault SA, 6.125%, 06/26/2009, EUR            | 1,000,000 | 1,309,334 |
|                                                |           | <hr/>     |
|                                                |           | 5,244,193 |
|                                                |           | <hr/>     |
| <b>Hotels, Restaurants &amp; Leisure 0.5%</b>  |           |           |
| Sodexho Alliance SA, 5.875%, 03/25/2009, EUR   | 3,300,000 | 4,239,809 |
|                                                |           | <hr/>     |
|                                                |           | [5]       |

**EVERGREEN MANAGED INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

July 31, 2004 (unaudited)

|                                                  | Principal<br>Amount | Value        |
|--------------------------------------------------|---------------------|--------------|
| <b>FOREIGN BONDS-CORPORATE (continued)</b>       |                     |              |
| <b>CONSUMER DISCRETIONARY (continued)</b>        |                     |              |
| <b>Internet &amp; Catalog Retail 0.3%</b>        |                     |              |
| Great University Stores, 6.375%, 07/16/2009, GBP | \$ 1,500,000        | \$ 2,769,111 |
|                                                  |                     | <hr/>        |
| <b>Multi-line Retail 0.2%</b>                    |                     |              |
| Woolworths Group plc, 8.75%, 11/15/2006, GBP     | 1,000,000           | 1,905,561    |
|                                                  |                     | <hr/>        |
| <b>Specialty Retail 0.2%</b>                     |                     |              |
| LVMH Moet Hennessy, 6.125%, 06/25/2008, EUR      | 1,500,000           | 1,960,843    |
|                                                  |                     | <hr/>        |

**CONSUMER STAPLES 1.4%**

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|                                                                     | Principal<br>Amount | Value      |
|---------------------------------------------------------------------|---------------------|------------|
| <b>Beverages 0.2%</b>                                               |                     |            |
| Canandaigua Brands, Inc., 8.50%, 11/15/2009, GBP                    | 750,000             | 1,446,634  |
| <b>Food &amp; Staples Retailing 0.9%</b>                            |                     |            |
| Big Food Group, 9.75%, 06/30/2012, GBP                              | 500,000             | 891,657    |
| Casino Guichard Perrachon SA:                                       |                     |            |
| 5.25%, 04/28/2010, EUR                                              | 2,000,000           | 2,507,742  |
| 6.00%, 03/06/2008, EUR                                              | 2,000,000           | 2,580,289  |
| McDonald's Corp., 5.625%, 10/07/2009, EUR                           | 1,000,000           | 1,300,431  |
|                                                                     |                     | 7,280,119  |
| <b>Tobacco 0.3%</b>                                                 |                     |            |
| Imperial Tobacco, 6.50%, 11/13/2008, GBP                            | 1,500,000           | 2,764,336  |
| <b>ENERGY 0.6%</b>                                                  |                     |            |
| <b>Oil &amp; Gas 0.6%</b>                                           |                     |            |
| Pemex Project Funding Master Trust, 6.625%,<br>04/04/2010, EUR 144A | 2,500,000           | 3,190,472  |
| Transco plc, 7.00%, 12/15/2008, AUD                                 | 2,000,000           | 1,437,888  |
|                                                                     |                     | 4,628,360  |
| <b>FINANCIALS 14.6%</b>                                             |                     |            |
| <b>Capital Markets 1.3%</b>                                         |                     |            |
| General Electric Capital Corp., FRN, 2.17%, 03/31/2008, EUR         | 1,750,000           | 2,100,330  |
| Goldman Sachs Group, Inc., 5.125%, 04/24/2013, EUR                  | 1,250,000           | 1,548,841  |
| Lehman Brothers Holdings, Inc., FRN, 2.47%, 04/05/2011, EUR         | 1,000,000           | 1,200,995  |
| Merrill Lynch & Co., Inc., FRN, 2.32%, 02/09/2006, EUR              | 2,350,000           | 2,827,876  |
| Morgan Stanley, 4.375%, 03/01/2010, EUR                             | 2,500,000           | 3,042,791  |
|                                                                     |                     | 10,720,833 |
| <b>Commercial Banks 6.5%</b>                                        |                     |            |
| Banco Santander, 4.00%, 09/10/2010, EUR                             | 7,000,000           | 8,447,808  |
| BSCH Issuances, Ltd., 5.125%, 07/06/2009, EUR                       | 4,500,000           | 5,707,928  |
| Eurofima, 6.50%, 08/22/2011, AUD                                    | 7,000,000           | 5,022,920  |
| European Investment Bank:                                           |                     |            |
| 4.00%, 04/15/2009, SEK                                              | 5,000,000           | 651,117    |
| 6.00%, 08/14/2013, AUD                                              | 10,180,000          | 7,066,328  |
| 8.00%, 10/21/2013, ZAR                                              | 30,000,000          | 4,259,378  |
| HBOS Treasury Services plc, FRN, 2.21%, 03/14/2008, EUR             | 3,000,000           | 3,610,022  |
| Kredit Wiederaufbau, 3.50%, 04/17/2009, EUR                         | 2,000,000           | 2,398,260  |
| Royal Bank of Canada, FRN, 4.48%, 04/08/2010, GBP                   | 5,430,000           | 9,875,520  |
| Unicredito Italiano SpA:                                            |                     |            |
| 6.10%, 02/28/2012, EUR                                              | 3,000,000           | 3,990,082  |
| FRN, 2.20%, 10/23/2008 EUR                                          | 1,000,000           | 1,201,560  |
|                                                                     |                     | 52,230,923 |
| <b>Consumer Finance 1.5%</b>                                        |                     |            |
| International Lease Finance Corp., 4.125%, 10/09/2008, EUR          | 3,000,000           | 3,644,671  |

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|                                                          | Principal<br>Amount | Value      |
|----------------------------------------------------------|---------------------|------------|
| National Grid Group Finance, 6.125%, 08/23/2011, EUR     | 3,100,000           | 4,091,383  |
| Nationwide Building Society, FRN, 2.20%, 11/01/2008, EUR | 1,423,000           | 1,711,320  |
| Toyota Credit Canada, Inc., 4.75%, 12/30/2008, CAD       | 4,000,000           | 3,045,598  |
|                                                          |                     | <hr/>      |
|                                                          |                     | 12,492,972 |
|                                                          |                     | <hr/>      |

[6]

**EVERGREEN MANAGED INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

July 31, 2004 (unaudited)

|  | Principal<br>Amount | Value |
|--|---------------------|-------|
|  |                     | <hr/> |

**FOREIGN BONDS-CORPORATE (continued)**

**FINANCIALS (continued)**

**Diversified Financial Services 2.1%**

|                                                           |              |              |
|-----------------------------------------------------------|--------------|--------------|
| BAT International Finance plc, 4.875%, 02/25/2009, EUR    | \$ 2,000,000 | \$ 2,465,874 |
| Cedulas, 3.25%, 06/19/2010, EUR                           | 6,000,000    | 6,986,523    |
| Household Financial Corp., 5.125%, 06/24/2009, EUR        | 3,000,000    | 3,800,774    |
| JSG Funding plc, 10.125%, 10/01/2012, EUR                 | 1,630,000    | 2,159,120    |
| Network Rail Finance plc MTN, FRN, 2.09%, 02/27/2007, EUR | 1,300,000    | 1,564,186    |
|                                                           |              | <hr/>        |
|                                                           |              | 16,976,477   |
|                                                           |              | <hr/>        |

**Insurance 0.2%**

|                                                 |           |           |
|-------------------------------------------------|-----------|-----------|
| Aegon NV, 4.625%, 04/16/2008, EUR               | 1,000,000 | 1,243,284 |
| Travelers Insurance Co., 6.00%, 04/07/2009, AUD | 1,000,000 | 693,151   |
|                                                 |           | <hr/>     |
|                                                 |           | 1,936,435 |
|                                                 |           | <hr/>     |

**Thriffs & Mortgage Finance 3.0%**

|                                     |            |            |
|-------------------------------------|------------|------------|
| Nykredit:                           |            |            |
| 4.00%, 10/01/2020, DKK              | 76,170,000 | 11,900,407 |
| 6.00%, 10/01/2022, DKK              | 32,609,736 | 5,575,593  |
| Realkredit Danmark:                 |            |            |
| 4.00%, 10/01/2020, DKK              | 24,830,000 | 3,879,982  |
| 6.00%, 10/01/2022, DKK              | 10,922,342 | 1,860,698  |
| Totalkredit, 6.00%, 07/01/2022, DKK | 6,174,723  | 1,053,707  |
|                                     |            | <hr/>      |
|                                     |            | 24,270,387 |
|                                     |            | <hr/>      |

**INDUSTRIALS 1.9%**

**Aerospace & Defense 0.3%**

|                                         |           |           |
|-----------------------------------------|-----------|-----------|
| Bombardier, Inc, 5.75%, 02/22/2008, EUR | 2,000,000 | 2,279,875 |
|                                         |           | <hr/>     |

**Commercial Services & Supplies 0.5%**

|                                             |           |           |
|---------------------------------------------|-----------|-----------|
| Agbar International, 6.00%, 11/12/2009, EUR | 3,290,000 | 4,344,322 |
|                                             |           | <hr/>     |

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|                                                           | Principal<br>Amount | Value       |
|-----------------------------------------------------------|---------------------|-------------|
| <b>Construction &amp; Engineering 0.3%</b>                |                     |             |
| ABB International Finance, Ltd, 11.00%, 01/15/2008, EUR   | 2,000,000           | 2,842,204   |
| <b>Electrical Equipment 0.3%</b>                          |                     |             |
| Fimep SA, 11.00%, 02/15/2013, EUR                         | 1,550,000           | 2,204,573   |
| <b>Industrial Conglomerates 0.3%</b>                      |                     |             |
| Tyco International Group, 5.50%, 11/19/2008, EUR          | 2,000,000           | 2,538,180   |
| <b>Machinery 0.2%</b>                                     |                     |             |
| Harsco Corp., 7.25%, 10/27/2010, GBP                      | 1,000,000           | 1,939,033   |
| <b>INFORMATION TECHNOLOGY 0.8%</b>                        |                     |             |
| <b>Electronic Equipment &amp; Instruments 0.5%</b>        |                     |             |
| Siemens Financieringsmaatsch, 5.75%, 07/04/2011, EUR      | 3,000,000           | 3,948,394   |
| <b>Office Electronics 0.3%</b>                            |                     |             |
| Xerox Corp., 9.75%, 01/15/2009, EUR                       | 1,800,000           | 2,472,118   |
| <b>TELECOMMUNICATION SERVICES 1.4%</b>                    |                     |             |
| <b>Diversified Telecommunication Services 1.4%</b>        |                     |             |
| France Telecom, 2.37%, 01/23/2007, EUR                    | 2,018,000           | 2,430,163   |
| Sogerim SA, 1.00%, 04/20/2011, EUR                        | 4,500,000           | 6,166,760   |
| Telecom Italia SpA., 2.45%, 10/29/2007, EUR               | 2,000,000           | 2,406,200   |
|                                                           |                     | 11,003,123  |
| <b>UTILITIES 0.6%</b>                                     |                     |             |
| <b>Electric Utilities 0.6%</b>                            |                     |             |
| Electricidade De Portugal, 6.40%, 10/29/2009, EUR         | 2,000,000           | 2,675,935   |
| International Endesa BV, 4.375%, 06/18/2009, EUR          | 2,000,000           | 2,457,453   |
|                                                           |                     | 5,133,388   |
| <i>Total Foreign Bonds-Corporate (cost \$187,073,354)</i> |                     | 190,921,847 |

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**EVERGREEN MANAGED INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

July 31, 2004 (unaudited)

|                                                                                                      | Principal<br>Amount | Value         |
|------------------------------------------------------------------------------------------------------|---------------------|---------------|
| <b>FOREIGN BONDS-GOVERNMENT</b><br><b>(PRINCIPAL AMOUNT DENOMINATED IN CURRENCY INDICATED) 13.9%</b> |                     |               |
|                                                                                                      | \$ 21,230,000       | \$ 15,322,748 |

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|                                                            | Principal<br>Amount | Value       |
|------------------------------------------------------------|---------------------|-------------|
| Australia, 6.25%, 04/15/2015, AUD                          |                     |             |
| Canada:                                                    |                     |             |
| 4.40%, 03/15/2008, CAD                                     | 5,000,000           | 3,814,861   |
| 4.50%, 04/17/2008, CAD                                     | 4,000,000           | 3,040,180   |
| Hungary, 7.00%, 08/12/2005, HUF                            | 2,053,000,000       | 9,565,267   |
| New Zealand:                                               |                     |             |
| 6.00%, 11/15/2011, NZD                                     | 12,000,000          | 7,504,953   |
| 6.50%, 04/15/2013, NZD                                     | 10,916,000          | 7,027,547   |
| Norway, 6.50%, 05/15/2013, NOK                             | 85,030,000          | 14,036,718  |
| Poland, 8.50%, 11/12/2006, PLN                             | 33,000,000          | 9,221,321   |
| Sweden:                                                    |                     |             |
| 3.83%, 12/01/2015, SEK                                     | 47,830,000          | 7,556,323   |
| 5.25%, 03/15/2011, SEK                                     | 75,000,000          | 10,317,936  |
| 6.75%, 05/05/2014, SEK                                     | 69,900,000          | 10,637,242  |
| United Kingdom, 6.16%, 08/23/2011, GBP                     | 3,250,000           | 14,866,329  |
|                                                            |                     | <hr/>       |
| <i>Total Foreign Bonds-Government (cost \$114,260,034)</i> |                     | 112,911,425 |
|                                                            |                     | <hr/>       |

**MORTGAGE-BACKED SECURITIES 27.5%**

|                                 |            |            |
|---------------------------------|------------|------------|
| FHLMC:                          |            |            |
| 2.24%, 12/15/2021               | 514,143    | 515,092    |
| 2.71%, 06/01/2023               | 863,880    | 870,314    |
| 3.16%, 06/01/2031               | 2,520,593  | 2,605,969  |
| 3.625%, 12/01/2022-10/01/2024   | 130,453    | 132,470    |
| 3.71%, 08/01/2030               | 1,760,784  | 1,841,032  |
| 3.79%, 10/01/2017               | 17,211     | 17,427     |
| 3.89%, 12/01/2026               | 250,676    | 251,324    |
| 3.94%, 05/01/2019               | 23,843     | 23,964     |
| 4.03%, 07/01/2030               | 383,705    | 393,205    |
| 4.04%, 03/01/2018               | 462,353    | 468,403    |
| 4.11%, 10/01/2030               | 1,939,699  | 2,016,872  |
| 4.12%, 10/01/2022               | 418,495    | 424,674    |
| 4.125%, 12/01/2018              | 112,583    | 115,083    |
| 4.19%, 08/01/2017               | 50,678     | 51,274     |
| 4.59%, 01/01/2030               | 340,577    | 348,583    |
| 4.62%, 05/01/2025               | 114,369    | 115,078    |
| 4.68%, 10/01/2033               | 1,405,445  | 1,462,102  |
| 5.07%, 06/01/2018               | 513,650    | 528,247    |
| 5.11%, 09/01/2032               | 4,180,639  | 4,357,140  |
| 5.50%, TBA #                    | 5,000,000  | 5,132,810  |
| 5.72%, 06/01/2028               | 351,758    | 356,431    |
| 5.79%, 06/01/2035               | 459,491    | 463,480    |
| 6.18%, 01/01/2027               | 617,460    | 631,481    |
| 8.50%, 03/01/2030               | 304,886    | 337,138    |
| FNMA:                           |            |            |
| 2.53%, 04/01/2028               | 3,465,735  | 3,609,788  |
| 2.54%, 06/01/2033               | 4,242,577  | 4,416,085  |
| 2.64%, 06/01/2040-12/01/2040 ## | 13,364,799 | 13,570,053 |
| 2.66%, 04/01/2034               | 6,761,658  | 7,028,053  |
| 3.05%, 12/01/2017               | 1,729,943  | 1,774,311  |
| 3.39%, 04/01/2034               | 3,552,986  | 3,629,317  |
| 3.65%, 11/01/2023               | 472,910    | 487,711    |
| 3.72%, 07/01/2032               | 5,545,563  | 5,741,159  |
| 3.96%, 08/01/2033               | 8,777,327  | 8,769,913  |
| 4.07%, 03/01/2035               | 11,384,633 | 11,840,908 |
| 4.19%, 10/01/2032               | 1,826,039  | 1,880,061  |
| 4.22%, 04/01/2034               | 10,523,620 | 10,865,967 |
| 4.23%, 04/01/2034               | 6,765,636  | 7,044,930  |

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**EVERGREEN MANAGED INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

July 31, 2004 (unaudited)

|                                                              | Principal<br>Amount | Value        |
|--------------------------------------------------------------|---------------------|--------------|
| <b>MORTGAGE-BACKED SECURITIES (continued)</b>                |                     |              |
| FNMA: (continued)                                            |                     |              |
| 4.50%, 12/01/2016-05/01/2033                                 | \$ 5,573,165        | \$ 5,586,526 |
| 4.625%, 01/01/2017                                           | 139,770             | 140,457      |
| 4.73%, 07/01/2033                                            | 10,574,102          | 10,967,656   |
| 4.86%, 12/01/2034                                            | 3,888,840           | 4,031,786    |
| 4.88%, 10/01/2033                                            | 1,106,147           | 1,124,418    |
| 4.90%, 06/01/2033                                            | 7,376,630           | 7,676,305    |
| 4.93%, 01/01/2034                                            | 1,376,673           | 1,419,703    |
| 4.95%, 04/01/2025                                            | 601,623             | 620,123      |
| 4.98%, 03/01/2033                                            | 815,800             | 843,652      |
| 4.99%, 12/01/2031-04/01/2034                                 | 5,260,537           | 5,437,012    |
| 5.02%, 03/01/2034                                            | 6,220,764           | 6,463,763    |
| 5.11%, 12/01/2022                                            | 55,734              | 58,062       |
| 5.23%, 03/01/2034                                            | 4,190,664           | 4,296,871    |
| 5.28%, 04/01/2033                                            | 10,554,209          | 11,078,310   |
| 5.30%, 09/01/2032                                            | 2,233,170           | 2,313,267    |
| 5.55%, 09/01/2024                                            | 13,910              | 13,905       |
| 5.575%, 03/01/2032                                           | 395,749             | 411,060      |
| 5.63%, 02/01/2031                                            | 92,511              | 94,085       |
| 6.00%, 05/01/2021-04/01/2033                                 | 3,388,720           | 3,481,155    |
| 6.18%, 02/01/2032                                            | 546,831             | 577,254      |
| 6.25%, 04/01/2021                                            | 10,430              | 10,660       |
| 6.32%, 11/01/2024                                            | 956,488             | 1,005,086    |
| 6.39%, 01/01/2033                                            | 2,897,093           | 3,029,739    |
| 6.45%, 06/01/2031                                            | 417,306             | 429,989      |
| 6.50%, 11/01/2032                                            | 3,703,462           | 3,881,471    |
| 7.00%, 05/01/2032-09/01/2032                                 | 12,304,836          | 13,009,914   |
| 7.50%, 07/01/2032                                            | 981,041             | 1,059,715    |
| 8.00%, 06/01/2030                                            | 368,022             | 402,590      |
| GNMA:                                                        |                     |              |
| 3.00%, 11/20/2030-10/20/2031                                 | 6,645,293           | 6,598,273    |
| 3.25%, 02/20/2029                                            | 2,896,354           | 2,872,633    |
| 3.375%, 01/20/2027-03/20/2028                                | 1,222,330           | 1,228,502    |
| 3.50%, 10/20/2030-02/20/2031                                 | 2,730,634           | 2,745,179    |
| 4.00%, 09/20/2030-11/20/2030                                 | 2,517,880           | 2,547,610    |
| 4.50%, 10/20/2029                                            | 5,487,817           | 5,591,564    |
| 6.50%, 06/15/2028                                            | 256,710             | 269,280      |
| 9.50%, 12/15/2009-04/15/2011                                 | 6,836,566           | 7,741,483    |
| <i>Total Mortgage-Backed Securities (cost \$223,072,254)</i> |                     | 223,176,907  |

**YANKEE OBLIGATIONS-CORPORATE 4.4%****CONSUMER DISCRETIONARY 0.7%****Media 0.7%**

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|                                                          | Principal<br>Amount | Value     |
|----------------------------------------------------------|---------------------|-----------|
| IMAX Corp., 9.625%, 12/01/2010 144A p                    | 6,000,000           | 5,640,000 |
| <b>ENERGY 0.5%</b>                                       |                     |           |
| <b>Oil &amp; Gas 0.5%</b>                                |                     |           |
| Chesapeake Energy Corp., 9.00%, 08/15/2012               | 4,000,000           | 4,565,000 |
| <b>FINANCIALS 0.4%</b>                                   |                     |           |
| <b>Diversified Financial Services 0.4%</b>               |                     |           |
| Ship Finance International, Ltd., 8.50%, 12/15/2013 144A | 3,455,000           | 3,334,075 |
| <b>HEALTH CARE 0.6%</b>                                  |                     |           |
| <b>Pharmaceuticals 0.6%</b>                              |                     |           |
| Jean Coutu Group, Inc., 8.50%, 08/01/2014 144A           | 5,000,000           | 4,981,250 |

[9]

**EVERGREEN MANAGED INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

July 31, 2004 (unaudited)

|                                                         | Principal<br>Amount | Value        |
|---------------------------------------------------------|---------------------|--------------|
| <b>YANKEE OBLIGATIONS-CORPORATE (continued)</b>         |                     |              |
| <b>INDUSTRIALS 0.2%</b>                                 |                     |              |
| <b>Transportation Infrastructure 0.2%</b>               |                     |              |
| Sea Containers, Ltd., 10.50%, 05/15/2012                | \$ 1,520,000        | \$ 1,523,800 |
| <b>INFORMATION TECHNOLOGY 0.4%</b>                      |                     |              |
| <b>Electronic Equipment &amp; Instruments 0.4%</b>      |                     |              |
| Celestica, Inc., 7.875%, 07/01/2011 p                   | 3,175,000           | 3,262,313    |
| <b>MATERIALS 1.1%</b>                                   |                     |              |
| <b>Containers &amp; Packaging 0.9%</b>                  |                     |              |
| Crown European Holdings SA, 10.875%, 03/01/2013         | 6,000,000           | 6,915,000    |
| Stone Container Finance Co., 7.375%, 07/15/2014 144A    | 675,000             | 683,437      |
|                                                         |                     | 7,598,437    |
| <b>Metals &amp; Mining 0.1%</b>                         |                     |              |
| Gerdau Ameristeel Corp., 10.375%, 07/15/2011 p          | 497,000             | 556,640      |
| <b>Paper &amp; Forest Products 0.1%</b>                 |                     |              |
| Millar Western Forest Products, Ltd., 7.75%, 11/15/2013 | 655,000             | 671,375      |

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|                                                               | Principal<br>Amount | Value      |
|---------------------------------------------------------------|---------------------|------------|
| <b>TELECOMMUNICATION SERVICES 0.5%</b>                        |                     |            |
| <b>Diversified Telecommunication Services 0.3%</b>            |                     |            |
| Northern Telecom, Ltd., 6.875%, 09/01/2023 p                  | 3,000,000           | 2,662,500  |
| <b>Wireless Telecommunications Services 0.2%</b>              |                     |            |
| Rogers Wireless, Inc., 6.375%, 03/01/2014                     | 1,390,000           | 1,303,125  |
| <i>Total Yankee Obligations-Corporate (cost \$36,363,378)</i> |                     | 36,098,515 |

|                                                          | Shares      | Value          |
|----------------------------------------------------------|-------------|----------------|
| <b>SHORT-TERM INVESTMENTS 21.0%</b>                      |             |                |
| <b>MUTUAL FUND SHARES 21.0%</b>                          |             |                |
| Evergreen Institutional Money Market Fund ø              | 35,017,043  | 35,017,043     |
| Navigator Prime Portfolio pp                             | 135,905,588 | 135,905,588    |
| <i>Total Short-Term Investments (cost \$170,922,631)</i> |             | 170,922,631    |
| <b>Total Investments (cost \$1,320,546,908) 164.0%</b>   |             | 1,333,593,577  |
| <b>Other Assets and Liabilities (64.0%)</b>              |             | (520,392,296)  |
| <b>Net Assets 100.0%</b>                                 |             | \$ 813,201,281 |

|      |                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 144A | Security that may be sold to qualified institutional buyers under Rule 144A of the Securities Act of 1933, as amended. This security has been determined to be liquid under guidelines established by the Board of Trustees.                                                                                                                                                                                                             |
| +    | Security initially issued in zero coupon form which converts to coupon form at a specified rate and date. An effective interest rate is applied to recognize interest income daily for the bond. This rate is based on total expected interest to be earned over the life of the bond which consists of the aggregate coupon-interest payments and discount at acquisition. The rate shown is the stated rate at the current period end. |
|      | No market quotation available. Valued at fair value as determined in good faith under procedures established by the Board of Trustees.                                                                                                                                                                                                                                                                                                   |
| p    | All or a portion of this security is on loan.                                                                                                                                                                                                                                                                                                                                                                                            |
| pp   | Represents investment of cash collateral received from securities on loan.                                                                                                                                                                                                                                                                                                                                                               |
| #    | When-issued or delayed delivery security.                                                                                                                                                                                                                                                                                                                                                                                                |
| ##   | All or a portion of this security has been segregated for when-issued or delayed delivery securities.                                                                                                                                                                                                                                                                                                                                    |
| ø    | Evergreen Investment Management Company, LLC is the investment advisor to both the Fund and the money market fund.                                                                                                                                                                                                                                                                                                                       |

[10]

**EVERGREEN MANAGED INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

July 31, 2004 (unaudited)

**Summary of Abbreviations**  
AUD Australian Dollar

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## Summary of Abbreviations

|       |                                          |
|-------|------------------------------------------|
| CAD   | Canadian Dollar                          |
| DKK   | Danish Kroner                            |
| EUR   | Euro                                     |
| FHLMC | Federal Home Loan Mortgage Corp.         |
| FNMA  | Federal National Mortgage Association    |
| FRN   | Floating Rate Note                       |
| GBP   | Pound Sterling                           |
| GNMA  | Government National Mortgage Association |
| HUF   | Hungarian Fount                          |
| MTN   | Medium Term Note                         |
| NOK   | Norwegian Krone                          |
| NZD   | New Zealand Dollar                       |
| PLN   | Polish Zloty                             |
| REIT  | Real Estate Investment Trust             |
| SEK   | Swedish Krona                            |
| ZAR   | South African Rand                       |

The following table shows the percent of total investments by geographic location as of July 31, 2004:

|                |        |
|----------------|--------|
| United States  | 77.4%  |
| Canada         | 3.1%   |
| United Kingdom | 3.0%   |
| Sweden         | 2.1%   |
| France         | 2.1%   |
| Denmark        | 1.8%   |
| Luxembourg     | 1.7%   |
| Australia      | 1.2%   |
| Spain          | 1.2%   |
| New Zealand    | 1.1%   |
| Norway         | 1.1%   |
| Hungary        | 0.7%   |
| Poland         | 0.7%   |
| Netherlands    | 0.7%   |
| Italy          | 0.6%   |
| Cayman Islands | 0.4%   |
| Switzerland    | 0.4%   |
| Portugal       | 0.2%   |
| Germany        | 0.2%   |
| Ireland        | 0.2%   |
| Bermuda        | 0.1%   |
|                | <hr/>  |
|                | 100.0% |
|                | <hr/>  |

At July 31, 2004, the Fund had forward foreign currency exchange contracts outstanding as follows:

Forward Foreign Currency Exchange Contracts to Sell:

| Exchange<br>Date | Contracts to<br>Deliver | U.S. Value at<br>July 30, 2004 | In Exchange<br>for U.S. \$ | Unrealized<br>Gain |
|------------------|-------------------------|--------------------------------|----------------------------|--------------------|
| <hr/>            | <hr/>                   | <hr/>                          | <hr/>                      | <hr/>              |
| 10/7/2004        | 19,800,000 GBP          | \$35,799,821                   | \$35,976,798               | \$176,977          |

On July 31, 2004, the aggregate cost of securities for federal income tax purposes was \$1,320,685,207. The gross unrealized appreciation and depreciation on securities based on tax cost was \$22,880,288 and \$9,971,918, respectively, with a net unrealized appreciation of \$12,908,370.

[11]

## Item 2 Controls and Procedures

- (a) The registrant's Principal Executive Officer and Principal Financial Officer have evaluated the registrant's disclosure controls and procedures within 90 days of this filing and have concluded that the registrant's disclosure controls and procedures were effective, as of that date, in ensuring that information required to be disclosed by the registrant in this Form N-Q was recorded, processed, summarized, and reported timely.

## Item 3 Exhibits

File the exhibits listed below as part of this Form. Letter or number the exhibits in the sequence indicated.

- (a) Separate certifications for the registrant's Principal Executive Officer and Principal Financial Officer, as required by Rule 30a-3(d) under the Investment Company Act of 1940, are attached as EX-99.CERT.

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Evergreen Managed Income Fund

By: /s/ Dennis H. Ferro

Dennis H. Ferro  
Principal Executive Officer

Date: September 22, 2004

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Dennis H. Ferro

Dennis H. Ferro  
Principal Executive Officer

Date: September 22, 2004

By: /s/ Carol A. Kosel

Carol A. Kosel  
Principal Financial Officer

Date: September 22, 2004