

EVERGREEN MANAGED INCOME FUND

Form N-CSRS

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-21331

Evergreen Managed Income Fund

(Exact name of registrant as specified in charter)

200 Berkeley Street
Boston, Massachusetts 02116

(Address of principal executive offices) (Zip code)

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

(Name and address of agent for service)

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

Date of fiscal year end: Registrant is making a semiannual filing for 1 of its series, Evergreen Managed Income Fund, for the year ended April 30, 2005. This 1 series has an October 31, 2005 fiscal year end.

Date of reporting period: April 30, 2005

Item 1 - Reports to Stockholders.

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The fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The fund's Form N-Q will be available on the SEC's Web site at <http://www.sec.gov>. In addition, the fund's Form N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling 800.SEC.0330.

A description of the fund's proxy voting policies and procedures, as well as information regarding how the fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30, is available by visiting our Web site at EvergreenInvestments.com or by visiting the SEC's Web site at <http://www.sec.gov>. The fund's proxy voting policies and procedures are also available without charge, upon request, by calling 800.343.2898.

Mutual Funds:

NOT FDIC INSURED

MAY LOSE VALUE

NOT BANK GUARANTEED

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LETTER TO SHAREHOLDERS

June 2005

Dennis H. Ferro
President and Chief
Executive Officer

Dear Shareholder,

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We are pleased to provide the semiannual report for the Evergreen Managed Income Fund, which covers the six-month period ended April 30, 2005.

For investors in the Evergreen Managed Income Fund, the beginning of the reporting period coincided with a dramatic turnaround in the financial markets. Towards the beginning of the reporting period, the markets had been held back by uncertainty surrounding oil prices, the war on terrorism, monetary policy and the presidential election. Yet as clarity emerged concerning many of these issues, the markets finally responded favorably to the steady fundamentals, climbing higher in the waning weeks of 2004. However, typical of the recent trends, the financial markets resumed their volatile patterns upon entering 2005, a trend that would continue for the balance of the reporting period. Throughout this environment, the portfolio team for the fund based their investment decisions on the fundamentals supporting income opportunities within the high yield, international and adjustable rate segments of the fixed income market.

Economic growth had begun to moderate towards the end of the reporting period, and monthly economic reports were sending mixed signals to investors. For example, solid retail sales would be accompanied by weakness in consumer confidence. While the markets were sometimes perplexed by these incongruities, our investment strategy committee believed that this phenomenon was characteristic of the economy's transition from recovery to expansion. Despite this moderation in demand, the Federal Reserve (Fed) continued to raise its target for the federal funds rate. After three years of monetary stimulus, policymakers were on a path towards

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LETTER TO SHAREHOLDERS continued

more moderate levels of economic growth. At times, the fixed income markets viewed the Fed with suspicion, fearing that monetary policy would ultimately constrain growth, yet we maintained our belief that the Fed's policy stance would continue to be one of less stimulation, rather than more restriction.

During periods of volatility within the fixed income markets, monetary policymakers seemingly went out of their way to assuage market anxiety. Fed Chairman Alan Greenspan was especially transparent in his public statements, yet market interest rates remained quite volatile, only to begin a gradual descent during the last two months of the reporting period. As the long-end of the Treasury Bond yield curve continued to decline, a debate ensued as to whether it signaled poor times ahead, or the market's belief that inflation was under control. In addition, Chairman Greenspan's biggest concern appeared to be the fact that despite the Fed's tighter stance, long-term market yields continued to decline. In testimony to congressional banking committees, he noted that it was a "conundrum" and warned of "complacency" within the fixed income markets. The infamous wordsmith achieved his desired objective for only a short while, though, and long-term yields once again resumed their decline.

Throughout the investment period, our portfolio teams for the fund maintained their focus on the fundamentals within their respective segments of the fixed income markets. For example, our high yield team emphasized income opportunities within the sectors benefiting from global demand, including Energy and Consumer

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LETTER TO SHAREHOLDERS continued

Discretionary. The international team bought corporate and sovereign debt from commodity-rich countries such as Australia and New Zealand. Finally, within the adjustable rate portion of the fund, security selection played a large role in relation to performance, as income distributed to shareholders enhanced the total return component.

In this environment, we encourage investors to maintain a diversified strategy, including fixed income investments, for their long-term portfolios.

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Please visit our Web site, EvergreenInvestments.com, for more information about our funds and other investment products available to you. Thank you for your continued support of Evergreen Investments.

Sincerely,

Dennis H. Ferro

President and Chief Executive Officer
Evergreen Investment Company, Inc.

Special Notice to Shareholders:

Please visit our Web site at EvergreenInvestments.com for statements from President and Chief Executive Officer, Dennis Ferro, and Chairman of the Board of the Evergreen Funds, Michael S. Scofield, addressing recent SEC actions involving the Evergreen Funds.

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FINANCIAL HIGHLIGHTS

(For a common share outstanding throughout each period)

	Six Months Ended April 30, 2005 (unaudited)	Year Ended October 31,	
		2004	2003 ¹
Net asset value, beginning of period	\$ 20.19	\$ 19.38	\$ 19.10 ²
Income from investment operations			
Net investment income (loss)	0.82	1.62	0.38
Net realized and unrealized gains or losses on securities, foreign currency related transactions and interest rate swap transactions	(0.58)	0.94	0.46
Distributions to preferred shareholders from net investment income ³	(0.12)	(0.13)	(0.02)
Total from investment operations	0.12	2.43	0.82
Distributions to common shareholders from			
Net investment income	(0.73)	(1.62)	(0.39)
Offering costs charged to capital for:			
Common shares	0	0	(0.04)
Preferred shares	0	0	(0.11)
Total offering costs	0	0	(0.15)
Net asset value, end of period	\$ 19.58	\$ 20.19	\$ 19.38

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Market value, end of period	\$ 17.17	\$ 18.49	\$ 18.15
<hr/>			
Total return ⁴			
Based on market value	(3.36%)	11.23%	(7.35%)
<hr/>			
Ratios and supplemental data			
Net assets of common shareholders, end of period (in thousands)	\$823,558	\$849,127	\$814,948
Liquidation value of preferred shares, end of period (in thousands)	\$400,269	\$400,165	\$400,098
Asset coverage ratio, end of period	297%	312%	304%
Ratios to average net assets applicable to common shareholders			
Expenses including waivers/reimbursements and excluding expense reductions	1.11% ⁵	1.12%	0.95% ⁵
Expenses excluding waivers/reimbursements and expense reductions	1.11% ⁵	1.12%	0.95% ⁵
Net investment income (loss) ⁶	8.12% ⁵	7.69%	5.43% ⁵
Portfolio turnover rate	44%	78%	8%

¹For the period from June 25, 2003 (commencement of operations), to October 31, 2003.

²Initial public offering price of \$20.00 per share less underwriting discount of \$0.90 per share.

³Distributions to preferred shareholders per common share are based on average common shares outstanding during the period.

⁴Total return is calculated assuming a purchase of common stock on the first day and a sale on the last day of the period reported.

Dividends and distributions are assumed for the purposes of these calculations to be reinvested at prices obtained under the Fund's Automatic Dividend Reinvestment Plan. Total return does not reflect brokerage commissions or sales charges.

⁵Annualized

⁶The net investment income (loss) ratio reflects distributions to preferred shareholders.

See Notes to Financial Statements

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SCHEDULE OF INVESTMENTS

April 30, 2005 (unaudited)

	Principal Amount	Value
<hr/>		
AGENCY MORTGAGE-BACKED COLLATERALIZED MORTGAGE OBLIGATIONS 4.7%		
FIXED-RATE 0.3%		
FNMA, Ser. 2001-25, Class Z, 6.00%, 06/25/2031	\$2,654,753	\$ 2,717,677
<hr/>		
FLOATING-RATE 4.4%		
FHLMC:		
Ser. 0196, Class A, 3.80%, 12/15/2021	393,122	393,509
Ser. 1500, Class FD, 4.15%, 05/15/2023	9,274,957	9,505,718
Ser. 2247, Class FC, 3.55%, 08/15/2030	2,005,631	2,020,238
Ser. 2390, Class FD, 3.40%, 12/15/2031	314,934	317,309
Ser. 2411, Class F, 3.50%, 02/15/2032	217,070	219,406
FNMA:		

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Ser. 2000-45, Class F, 3.47%, 12/25/2030	1,904,781	1,916,172
Ser. 2001-24, Class FC, 3.62%, 04/25/2031	659,149	663,427
Ser. 2001-37, Class F, 3.52%, 08/25/2031	738,184	745,331
Ser. 2001-62, Class FC, 3.67%, 11/25/2031	956,654	967,542
Ser. 2002-77, Class FV, 3.47%, 12/18/2032	2,787,357	2,814,729
Ser. 2002-95, Class FK, 3.52%, 01/25/2033	7,731,772	7,829,501
Ser. 2003-W8, Class 3F2, 3.37%, 05/25/2042	1,608,316	1,617,129
Ser. G92-53, Class FA, 3.78%, 09/25/2022	3,598,445	3,654,574
GNMA, Ser. 1997-13, Class F, 3.50%, 09/16/2027	3,773,368	3,798,586

36,463,171

*Total Agency Mortgage-Backed Collateralized Mortgage Obligations
(cost \$38,956,626)*

39,180,848

AGENCY MORTGAGE-BACKED PASS THROUGH SECURITIES 28.9%

FIXED-RATE 4.0%

FHLMC:

5.50%, TBA #	3,000,000	3,072,186
6.00%, TBA #	950,000	975,234
8.50%, 03/01/2030	229,357	250,620

FNMA:

5.50%, TBA #	475,000	486,133
6.00%, 04/01/2033	1,962,721	2,018,201
6.00%, TBA #	10,500,000	10,782,187
6.50%, 11/01/2032	2,550,450	2,659,296
6.50%, TBA #	470,000	488,800
7.00%, 09/01/2031 - 08/01/2032	4,992,561	5,274,871
7.50%, 07/01/2032	394,797	425,701
8.00%, 06/01/2030	293,801	320,424

GNMA:

6.50%, 06/15/2028	205,074	215,170
9.50%, 12/15/2009 - 04/15/2011	5,481,416	6,041,638

33,010,461

See Notes to Financial Statements

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SCHEDULE OF INVESTMENTS continued

April 30, 2005 (unaudited)

**Principal
Amount** **Value**

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AGENCY MORTGAGE-BACKED PASS THROUGH SECURITIES continued**FLOATING-RATE 24.9%**

FHLMC:

3.08%, 12/01/2033	\$22,050,080	\$ 22,411,922
3.38%, 12/01/2026	230,022	229,989
3.42%, 10/01/2017	16,311	16,460
3.43%, 06/01/2033	5,595,503	5,647,760
3.50%, 12/01/2022	61,001	60,963
3.73%, 06/01/2023	824,984	842,298
3.75%, 06/01/2031	1,932,644	1,983,125
3.83%, 03/01/2018 - 05/01/2019	384,548	387,496
3.875%, 10/01/2024	56,512	58,087
3.93%, 08/01/2017	48,073	48,244
3.99%, 10/01/2022	394,941	398,137
4.00%, 12/01/2018	106,782	108,782
4.11%, 10/01/2033	725,925	737,731
4.12%, 01/01/2030	329,149	337,375
4.17%, 07/01/2030	372,011	380,494
4.22%, 05/01/2025	107,974	108,282
4.24%, 06/01/2018	373,257	378,459
4.28%, 08/01/2030	1,404,557	1,468,900
4.31%, 10/01/2030	1,485,863	1,567,577
4.53%, 10/01/2033	1,007,523	1,063,699
4.77%, 09/01/2032	2,790,841	2,915,501
4.91%, 08/01/2032	7,840,396	8,129,064
5.28%, 06/01/2035	277,931	283,299
5.57%, 06/01/2028	282,174	284,880
6.00%, 01/01/2027	547,457	563,954

FNMA:

3.21%, 07/01/2044	4,704,319	4,770,321
3.27%, 09/01/2041	3,000,000	3,042,615
3.28%, 03/01/2033	1,024,158	1,032,966
3.42%, 06/01/2040 - 12/01/2040	10,561,163	10,751,747
3.43%, 12/01/2017	1,474,221	1,503,968
3.54%, 02/01/2035	13,180,553	13,624,474
3.56%, 02/01/2035	2,899,401	2,940,282
3.75%, 12/01/2016	24,321	24,368
3.93%, 10/01/2034	4,019,621	4,160,139
4.00%, 01/01/2017	133,249	133,191
4.02%, 04/01/2028	3,088,679	3,159,158
4.03%, 10/01/2032	1,342,888	1,378,701
4.14%, 04/01/2034	7,871,723	8,099,059
4.15%, 03/01/2035	9,338,609	9,675,640
4.17%, 07/01/2032	4,662,648	4,859,793
4.21%, 02/01/2035	1,435,851	1,496,573
4.51%, 05/01/2033 - 04/01/2034	9,532,413	9,738,712
4.54%, 02/01/2035	3,348,123	3,436,279

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4.63%, 07/01/2033

6,490,412

6,788,522

See Notes to Financial Statements

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SCHEDULE OF INVESTMENTS continued

April 30, 2005 (unaudited)

	Principal Amount	Value
AGENCY MORTGAGE-BACKED PASS THROUGH SECURITIES continued		
FLOATING-RATE continued		
FNMA:		
4.80%, 10/01/2033	\$ 472,609	\$ 480,495
4.87%, 06/01/2033	4,359,788	4,415,690
4.87%, 08/01/2034 ##	12,072,989	12,228,368
4.96%, 04/01/2034	2,704,699	2,806,774
4.97%, 01/01/2034	1,349,350	1,379,185
4.98%, 03/01/2033	515,800	523,321
4.99%, 12/01/2031	1,468,826	1,498,452
5.01%, 12/01/2034	3,505,261	3,642,142
5.02%, 03/01/2034	4,558,872	4,682,736
5.11%, 12/01/2022	48,413	48,904
5.12%, 04/01/2025	482,873	494,849
5.19%, 03/01/2034	3,143,261	3,210,559
5.24%, 04/01/2033	3,838,277	4,027,411
5.55%, 09/01/2024	13,626	13,656
5.58%, 03/01/2032 - 09/01/2032	1,792,982	1,870,162
5.61%, 04/01/2031	1,809,593	1,857,212
5.69%, 06/01/2031	393,129	406,387
5.70%, 02/01/2032	203,978	206,615
6.00%, 05/01/2021 - 08/01/2021	110,550	112,295
6.21%, 11/01/2024	860,234	903,350
6.25%, 04/01/2021	7,440	7,645
6.36%, 01/01/2033	2,346,869	2,422,890
GNMA:		
3.00%, 02/20/2031	1,105,258	1,125,462
3.25%, 02/20/2029	2,157,649	2,198,386
3.375%, 01/20/2027 - 03/20/2028	988,269	1,010,982
3.50%, 09/20/2030 - 02/20/2031	2,456,379	2,508,307
4.00%, 11/20/2030 - 10/20/2031	4,117,898	4,188,686
4.125%, 10/20/2029 - 11/20/2030	5,756,549	5,861,709
		205,161,616

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Total Agency Mortgage-Backed Pass Through Securities
(cost \$238,293,242)

238,172,077

**AGENCY REPERFORMING MORTGAGE-BACKED PASS
 THROUGH SECURITIES 1.9%**

FNMA:

Ser. 2001-T10, Class A2, 7.50%, 12/25/2041	856,315	907,232
Ser. 2002-T6, Class A4, 4.24%, 03/25/2041	3,146,214	3,172,921
Ser. 2003-W2, Class 2A8, 5.67%, 07/25/2042	700,000	716,625
Ser. 2003-W6, Class 3A, 6.50%, 09/25/2042	2,102,097	2,220,256
Ser. 2003-W6, Class F, 3.37%, 09/25/2042	8,958,451	9,009,962

Total Agency Reperforming Mortgage-Backed Pass Through Securities
(cost \$16,049,295)

16,026,996
