SBI Mutual Fund



SBI Mutual Fund, one of the leading mutual funds in the country, with over 20 years of rich experience in fund management, was founded with a vision - To reach out to the smallest of the small investor and provide them with alternate investment options to help achieve their financial goals. It is India's largest bank sponsored mutual fund and has an enviable track record in judicious investments and consistent wealth creation.

SBI Mutual Fund is a joint venture between the State Bank of India and Société Générale Asset Management, one of the world's leading fund management companies.

Today, SBI Mutual Fund is among the largest AMC in the country managing assets of over Rs. 25,878 Crores* as on July 31st, 2007 across 40 active schemes (*Source: Association of Mutual Funds in India (www.amfiindia.com)). The trust reposed by 3.8 million investors is a testimony to our fund management expertise.

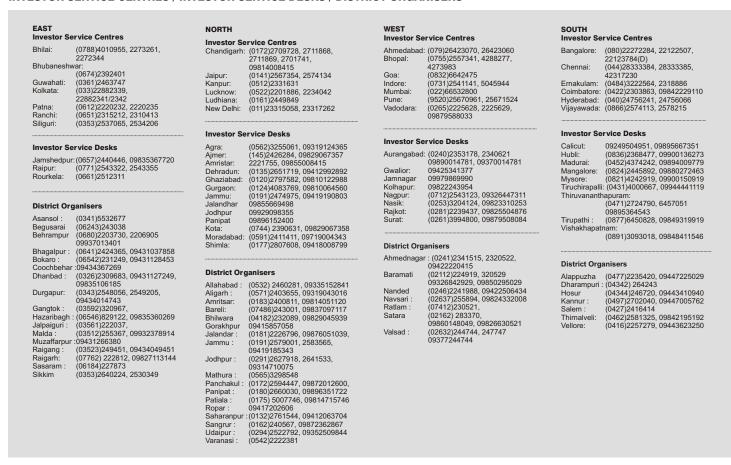
Schemes of the Mutual Fund have consistently outperformed benchmark indices and have emerged as the preferred investment for millions of investors.

The fund serves its vast family of investors by reaching out to them through network of over 100 collection branches including 28 investor service centres, 26 investor service desks and 52 district organizers.

For more details:

Visit Us at www.sbimf.com | Call us on 1800 22 30 40 | SMS 'SIP' to 6161 | Write to us at partnerforlife@sbimf.com

INVESTOR SERVICE CENTRES / INVESTOR SERVICE DESKS / DISTRICT ORGANISERS



Risk Factors: Mutual Funds and Securities Investments are subject to market risks and there is no assurance or quarantee that the objectives of the scheme(s) will be achieved. As with any other investment in securities, the NAV of the Magnums / Units issued under the scheme can go up or down depending on the factors and forces affecting the securities market. Past performance of the Sponsor/AMC/Mutual Fund/Scheme and their affiliates do not indicate the future performance of the schemes of the Mutual Fund. Investment Objective: SBI Magnum Taxqain Scheme 1993 (an open-ended equity linked savings scheme, the objectives of the scheme are a) Deliver the benefit of investment in a portfolio of equity shares, while offering tax rebate on such investments made in the scheme under section 80C of the Income Tax Act, 1961 b) Distribute income periodically depending on distributable surplus), Magnum Equity Fund (an open ended equity scheme, the objective of the scheme is to provide the investor Long Term capital appreciation by investing in high growth companies along with the liquidity of an open ended scheme through investments primarily in equities and the balance in debt and money market instruments), Magnum Multiplier Plus 1993 (an open ended equity scheme, the objective of the scheme is to provide the investor with long term capital appreciation/dividends along with the liquidity of an open-ended scheme), Magnum Global Fund (an open-ended equity scheme, the objective of the scheme is to provide the investors maximum growth opportunity through well researched investments in Indian equities, PCD's, and FCD's from selected industries with high growth potential and Bonds) and Magnum Sector Funds Umbrella - Contra Fund (an open ended equity scheme, the objective of the scheme is to invest in undervalued scrips, which may be currently out of favour but are likely to show attractive growth in the long term) are only the names of the schemes and do not in any manner indicate either the quality of the schemes, their future prospects and returns. Statutory Details: SBI Mutual Fund has been set up as a Trust under The Indian Trusts Act, 1882. State Bank of India ('SBI'), the sponsor is not responsible or liable for any loss resulting from the operation of the schemes beyond the initial contribution made by it of an amount of Rs. 5 facs towards setting up of the Mutual Fund. Asset Management Company-SBI Funds Management Private Limited (A joint venture with SBI and Société Générale Asset Management) Trustee Company: SBI Mutual Fund Trustee Company Private Limited. Please read the offer document of the schemes carefully before investing.



Corporate Office: 191 Maker Tower 'F' Cuffe Parade Mumbai - 400 005 Tel: 2218 0221-27 For more details log on to www.sbimf.com Or write to us at partnerforlife@sbimf.com

A joint venture between SBI and Société Genéralé Asset Management



Plan your dreams today

What would you like to do if you had lots of money?

Pop comes the list of wants, which is endless - A house, a car, a new computer, a mobile phone, a vacation house, holiday abroad, a bigger car, a laptop, ipod, gaming station, new wardrobe, study abroad...

Dreams are good, they are our hope to look forward to in life. But a common man is afraid to dream because dreams mean huge one time investment, which are simply not possible at a short notice. Whatever, your dreams are, they are important to us and we can help you achieve them through SIP.

Hand holding you to your dreams.

SBIMF, with its expertise and experience of over 20 years not only helps you reach out to your dreams through Systematic Investment Plan (SIP) - be it education, marriage, vacation home, but it also takes away the anxiety of being caught unprepared.

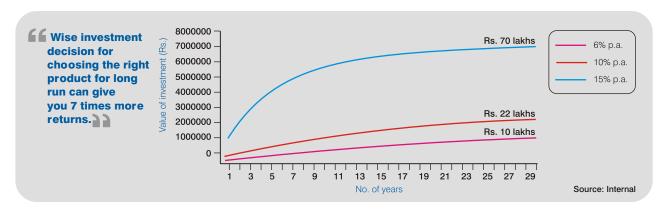
What is SIP?

As simple as the word, SIP is an investment technique that allows you to invest a fixed amount in Mutual Fund Scheme of your choice. It lets you invest small amounts of money on a predetermined basis with a lot flexibility and convenience. This gives you a combination of two powerful investing strategies: Compounding and Rupee-Cost-Averaging

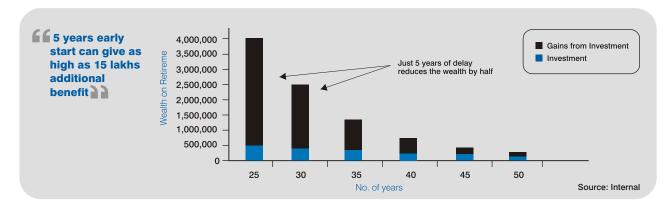
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Benefits of SIP

- Disciplined Investing approach: Some of you may opt for stock options by timing the market to accrue wealth. However, timing the market calls for market knowledge, research, technical analysis and a lot of time from your end. Further it could also be risky. But through disciplined, regular investments you can stop worrying about when abd how much to invest. In a way, it eliminates the need to actively tracking the market. And SIP helps you to achieve just that.
- Takes advantage of Rupee Cost Averaging: Capitalizes on periodic dips in the stock market and gets more units at lower NAV thus lowering your average unit cost resulting in higher returns.
- Simple, Convenient and easy to monitor: You do not have to take time from your schedule to make your investments. With a completed application form, one can just submit post-dated cheques or avail the Magnum Easy Pay (auto debit)** facility and relax. You can monitor your progress of investment through periodic statement of accounts.
- Benefits of Compounding: The key to building wealth is to start investing early and to keep investing regularly. A small amount of money invested regularly can grow to a large sum. This helps in creating a substantial amount of wealth which includes your own contribution plus returns compounded over the years. For example the following graph demonstrates the effect of returns on monthly investments of Rs 1000 per month for a period of 30 years.



• Power of starting early. Helps create wealth: The earlier one starts regular savings, the easier it is for wealth. The graph below shows the impact of starting at various stages in life. Rs 1000 was invested on a monthly basis till the retirement age of 60 years. The rate of return on investment was assumed at 10% p.a. It can be seen that even a five year delay can make a significant reduction in overall creation of wealth.



How does a SIP operate?

An investor can invest a fixed amount every month for 6 months or more through post-dated cheques or through Magnum Easy Pay (auto debit) facility in select centres.* Investors must indicate their choice on their application form in the box provided for the purpose. The post-dated cheques must be dated the 5th/15th/25th of every month and drawn in favour of the Scheme. Entry into SIP can be on any date. 'Subsequent post-dated cheques are to be dated 5th/15th/25th of every month.'

The application along with the post-dated cheques should be mailed to or submitted to any of the SBIMF designated Investor Service Centres/Investor Service Desks or CAMS Investor Service Centres/CAMS Transaction Points (details mentioned overleaf). The amount will be invested in the Scheme at the closing NAV of the date of realization of the cheque.

Achieve your Financial Goals through SBI MF's SIP

Investing Systematically in Equity Schemes have generally outperformed for long term investments than any other asset classes like Fixed deposits, Government Securities and Small savings etc.

SBI MF Systematic Investment Plan is an effective tool for financial planning. A quick glance at the table below can show how the SBI MF's SIP can work for you.

Our Schemes of Success...

Comparison of returns - SIP in some of our funds that have performed consistently well over a period of time vs Benckmark (BSE 100)

Fund Name	1 Year	SIP Ret 3 Years	urns* (Compounded A	nnualised) (as on 29th June 2007) Since Inception
Magnum Equity Fund	39.71%	44.84%	45.63%	18.59%
BSE -100	41.44%	43.78%	35.70%	N.A.
Magnum Multiplier Plus -1993	44.91%	53.43%	57.71%	22.07%
BSE -100	41.44%	43.78%	35.70%	N.A.
Magnum Taxgain Scheme	38.91%	55.97%	68.20%	29.01%
BSE -100	41.44%	43.78%	35.70%	15.12%
MSFU Contra Fund	40.11%	56.54%	64.79%	48.25%
BSE -100	41.44%	43.78%	35.70%	18.03%
Magnum Global Fund	37.85%	57.38%	64.99%	29.35%
BSE -100	41.44%	43.78%	35.70%	10.88%

Please note that past performance may or may not be sustained in future. Returns upto 1 year are absolute and over 1 year are Compounded Annualised Growth Returns (CAGR). Load and taxes are not considered for computation of returns. Minimum investment of Rs 1000/- per month. Source: mfiexplorer

Date of Inception : Magnum Equity Fund (1/1/1991) NAV (as on 29-06-2007) Rs. 30.61

Magnum Mutiplier Plus -1993 (28/2/199) NAV (as on 29-06-2007) Rs. 59.71 Magnum Taxgain (31/3/1993) NAV (as on 29-06-2007) Rs. 48.14 Date of Inception :

Magnum Sector Fund Umbrella Contra Fund (14/07/1999) NAV (as on 29-06-2007) Rs. 41.97 Magnum Global Fund (30/09/1994)NAV (as on 29-06-2007) Rs. 46.54 Date of Inception :

Secret to Wealth Creation

- Plan your SIP investments. Frequent intervals i.e. monthly, quarterly or semiannually increase chances of buying units when price are low.
- Chart out a long term investment plan. SIP works best for long term investment periods and helps the long term investor reap good returns over a period of time. Long term investors tend to profit from the appreciation markets tend to show in the long term.
- Diversify your investments. Since, Mutual Fund investments are diversified it not only reduces risk but also helps in optimizing returns.

It is time, not the timing that matters

Your investment would be worth Rs 2, 73,475 in June 2007 if you had invested Rs 1000 every month in Magnum Sector Funds Umbrella Contra Fund (Growth) during the last 5 years (July 2002 June 2007) i.e. your investment is Rs 60000 and the balance are your returns.

Date of Inception: Magnum Sector Fund Umbrella Contra Fund 14/07/1999. Date of first installment - June 03 2002 value of SIP is computed using accumulated units multiplied by NAV as on June 1 2007. The data assumes the investment of Rs. 1000/- on 1st day of every month or the subsequent working day. Load and taxes are not considered for computation of returns. Please note that past performance may or may not be sustained in future