

S.M.I.L.E. The rewards of smart investing are here!

—Sundaram BNP Paribas— S.M.I.L.E Fund

Investing is a marathon. Run it with a SMILE

An open-end equity scheme

S.M.I.L.E Fund: Small and Medium Indian Leading Equities Fund

Mid- and small-cap stocks tend to outpace large-caps over the long term. It is this space that Sundaram BNP Paribas S.M.I.L.E Fund taps to seek wealth creation. The fund's aggressive approach to the most dynamic set of stocks does involve higher risk, but this is compensated by the excess returns over the benchmark.

The fund comfortably outpaces the benchmark since launch in February 2005. (Past performance may or may not be sustained in the future). There is another aspect to this track record.

The flexibility to invest up to 35% in large-cap stocks serves as a useful anchor for the portfolio, especially when market conditions are challenging. Sundaram BNP Paribas S.M.I.L.E Fund is a portfolio that provides investors a window to invest in mid- and small-cap stocks with the comfort of a large-cap exposure as a more stable component.

Sundaram BNP Paribas S.M.I.L.E Fund is underpinned by the acclaimed credentials of Sundaram BNP Paribas Mutual Fund in dedicated funds in the large-cap and mid-cap category. *Investing is a marathon. Run it with a S.M.I.L.E.*

Call your investment advisor or SMS 56767

★★★★★
Five-Stars Rating
Value Research

January 2010

CPR~1
CRISIL Ranking

December 2009

★★★★★
Four-Stars Rating
Morningstar

December 2009

Growth Option

SMS: SFUND to 56767

Toll Free Number: 1800 425 1000

Email: service@sundarambnpparibas.in

Website: www.sundarambnpparibas.in



SUNDARAM BNP PARIBAS
MUTUAL
UNEARTHING OPPORTUNITIES

Sundaram BNP Paribas S.M.I.L.E Fund

Investing is a marathon. Run it with a SMILE



- **Positioning:** Aggressively managed multi-cap fund
 - **Approach:** Generate capital appreciation by taking active sector, stock, trading and cash calls
 - **Style:** A dynamically managed fund playing the mid-and small-cap spaces with the cushion of an up to 35% in large-cap stocks
 - **Benchmark:** CNX Mid-Cap Index
 - **Cap-curve:** Bias towards mid-and small-cap stocks cap stocks (at least 65%); large-cap stocks: up to 35%.
 - **Definition:** Mid- & Small-cap stocks shall include 51st stock onwards by market-cap in the NSE.
- ✓ The Growth Option of the fund provides annualised returns of 24.9 per cent since launch; outpaces CNX Mid-Cap Index by 5.5 percentage points on an annual basis.
 - ✓ A monthly SIP of Rs.1000 since launch – a total investment of Rs.58,000 – is now worth Rs 99,530.
 - ✓ Dividend paid-out of 120.0% (Rs.12.0 for every unit of Rs.10) since launch in Feb 2005. (Refer disclaimer for detailed dividend payout history). Dividend is on a face value of Rs.10 per unit. After payment of dividend the NAV will fall to the extent of payout.
 - ✓ A beta of 1.0 as compared to benchmark indicates excess returns attributable to the quality of sector and stock selection. (Beta indicates the extent to which trends in the NAV are influenced by movement in the benchmark)
 - ✓ Track record of a fund house with acclaimed record for several years in a row.
 - ✓ Suitability: Investments are suitable for investors with a three- to five- year horizon.

Source for performance & dividend information: Fact Sheet

Fund Positioning: Diversified Multi-Cap Fund

Aggressive focus on mid- & small-cap stocks + cushion of up to 35% in large caps

Track Record	Annual Return		Excess Returns
	Fund	CNX Mid Cap Index	
Growth option			
Since Inception	24.9	19.5	5.5
Last 3 years	16.0	10.9	5.2
Last 2 years	5.6	-0.7	6.3
Last 1 year	125.8	114.5	11.3

Past performance may or may not be sustained in future. Returns in percentage on compounded annual basis as of January 29, 2010 have been computed using NAV of Growth Option.

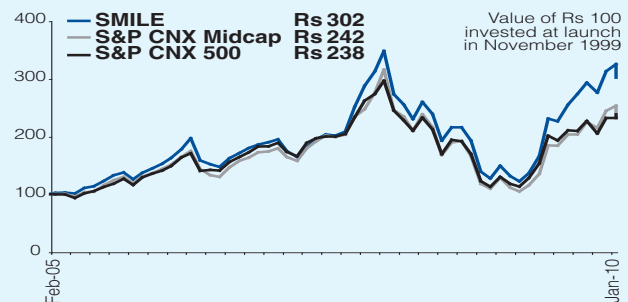
Performance comparison

Also outpacing average of mid-cap funds & all equity funds and broad market on a long-term basis.

Basis for comparison/period	One Year	Two Years	Three Years
Sundaram BNP Paribas S.M.I.L.E Fund	125.8	5.6	16.0
All-equity funds	82.9	-4.2	6.2
Large-cap funds	81.8	-1.2	9.1
Mid-cap funds	121.1	-6.9	5.4
Multi-cap funds	96.7	-4.5	6.0
BSE Sensex	73.6	-3.7	5.1
S&P CNX Nifty	69.8	-2.5	6.1
S&P CNX 500	88.1	-2.2	7.0
CNX Mid Cap (Benchmark)	114.5	-0.7	10.9

Data Source: Value Research / Bloomberg; Analysis: In-house. Returns in percentage on compounded annual basis as of January 29, 2010 have been computed using NAV of Growth Option; YTD: Year To Date. Past performance may or may not be sustained in future.

Consistently ahead of the benchmark



Past performance may or may not be sustained in future.

Mutual Fund Investments are subject to market risks. Please read the Statement of Additional Information (SAI) and Scheme Information Document (SID) carefully before investing. Copy of the SAI, SID, key information memorandum and application form may also be obtained from the offices/investor service centres of Sundaram BNP Paribas Asset Management, its distributors and at www.sundarambnp-paribas.in

Fund Facts: Name: Sundaram BNP Paribas S.M.I.L.E Fund (S.M.I.L.E denotes Small and Medium Indian Leading Equities). Type: An open-ended equity scheme. Investment Objective: To primarily achieve capital appreciation by investing in diversified stocks that are generally termed as small and mid-caps and by investing in other equities. Asset Allocation: Equity instruments – small-cap and mid-cap stocks (including investments in ADRs and GDRs). At least 65% • Other Equities (including investment in ADRs and GDRs). Not exceeding 35% • Equity Futures & Options including those of indices. Not exceeding 25% • Money market instruments. Not exceeding 15%. Exposure in derivative shall not exceed 25% of the portfolio. Equity Investments may also include overseas securities, up to a maximum of 35% of the net assets. Benchmark: CNX Mid-Cap Index. Minimum Investment Amount: Rs 5,000. Entry load: There is no entry load. Exit Load: 1% if redeemed within 12 months from date of allotment for Regular Plan & Institutional Plan. There is no exit load for bonus units and dividend re-investment. NAV publication/sale/redemption is available on business days. The Trustee reserves the right to change the exit load structure prospectively. Please ascertain the applicable load structure before investing. Disclaimers: Value Research Rating: Value Research Fund Ratings are a composite measure of historical risk-adjusted returns. In the case of equity and hybrid funds this rating is based on the weighted-average monthly returns for the past three- and five-year periods. These ratings do not take into consideration any entry or exit load. Five-stars indicate that a fund is in the top 10 per cent of its category in terms of historical risk-adjusted returns. The number of schemes in the relevant category of Equity Diversified is 155. These fund ratings are as on January 31, 2010 Value Research Ratings are published in Monthly Mutual Fund Performance Report and Mutual Fund Insight. The Ratings are subject to change every month. The Rating is based on primary data provided by respective funds. Value Research does not guarantee the accuracy.

Dividend History			
Record Date	%	Rs. per unit	Record Date NAV
14/10/05	10.0	1.00	13.0045
10/03/06	10.0	1.00	15.5295
23/02/07	20.0	2.00	15.5046
07/12/07	60.0	6.00	23.8655
31/07/09	20.0	2.00	14.0713
Total	120.0	12.00	

Dividend is declared on the face value of Rs 10 per unit. After declaration and payment of dividend (including re-investment), the ex-dividend NAV will decline to the extent of the dividend payment.

Past performance is no guarantee of future result. Source: Value Research. Morningstar Disclaimer: © 2009 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. Source: Morningstar. CRISIL CPR Rankings: For equity funds, the criteria used in computing the CRISIL Composite Performance Rank are Superior Return Score, based on NAVs over the two-year period as on December 31, 2009. Concentration and Liquidity of the scheme. The methodology does not take into account the entry and exit loads levied by the scheme. In the case of liquid funds, NAV performance over one year is considered apart from other portfolio parameters. The CRISIL CPR is an indication of the performance that can be expected from the scheme in future. CRISIL CPR - 1: The composite performance of Sundaram BNP Paribas S.M.I.L.E Fund is 'Very Good' in the Small- and Mid-Cap Schemes Category, and ranks within the top 10% of the 21 schemes ranked in this category. Past performance is no guarantee of future result. Ranking Source: CRISIL Fund Services, CRISIL Limited. Comparison with multi-cap funds: The returns for the multi-cap funds is based on the average of returns of a sub-category created by Sundaram BNP Paribas Asset Management from the broad category of funds classified as equity diversified by Value Research. This sub-category includes funds that consistently invest across the cap curve. The number of schemes in the multi-cap category is given in the accompanying table. This comparison does not reflect the effect of objectives, style, asset allocation, entry load, exit load and less & expenses. This is not intended for ranking purposes and does not also constitute ranking. This is only meant for comparison purposes. Comparison with mid-cap funds: The returns for the mid-cap funds is based on the average of returns of a sub-category created by Sundaram BNP Paribas Asset Management from the broad category of funds classified as equity diversified by Value Research. This sub-category includes funds that consistently invest in mid-cap stocks. The number of schemes in the mid-cap category is given in the accompanying table. This comparison does not reflect the effect of objectives, style, asset allocation, entry load, exit load and less & expenses. This is not intended for ranking purposes and does not also constitute ranking. This is only meant for comparison purposes. Comparison with all equity funds returns: The returns for all equity diversified funds comprise all funds classified in Equity Diversified and Tax-Planning categories by Value Research. The funds in the two categories have been considered together and there has been no separate sub-classification by Sundaram BNP Paribas Asset Management. The number of schemes covered for different periods is given in the accompanying table. This comparison does not reflect the effect of objectives, style, asset allocation, entry load, exit load and less & expenses. This is not intended for ranking purposes and does not also constitute ranking. This is only meant for comparison purposes.

Number of schemes	1 Year	2 Years	3 Years
All-equity funds	363	310	238
Large-cap funds	16	16	16
Mid-cap funds	23	21	17
Multi-cap funds	28	26	25

Comparison with large-cap funds: The returns for the large-cap funds is based on the average of returns of a sub-category created by Sundaram BNP Paribas Asset Management from the broad category of funds classified as equity diversified by Value Research. This sub-category includes funds that consistently invest at least 65%-90% in large-cap stocks. The funds have been chosen in good faith based on the allocation to the top 50 stocks by market cap and the consistency in maintaining such a profile. The number of schemes in the large-cap category is given in the accompanying table. This comparison does not reflect the effect of objectives, style, asset allocation, entry load, exit load and less & expenses. This is not intended for ranking purposes and does not also constitute ranking. This is only meant for comparison purposes. The average of returns for the combined universe of the two Value Research categories, the large-cap funds sub-category and ELSS category has been sourced from the Value Research Daily Performance Report. The average returns are as on January 31, 2010 and is based on compounded annual returns (computed using NAV of the Growth Option and/or NAV adjusted dividend reinvestment) for more than one year. Past performance is no guarantee of future result. Scheme-Specific Risk Factors: Small- and mid-cap stocks are generally more illiquid. Change in Government policy in general and changes in tax benefits applicable to mutual funds may impact the returns to investors. Tax-free status for long-term capital gains and dividend will depend on the fund investing at least 65% in equity to qualify in accordance with provisions of the Income-Tax Act. If and to the extent, the portfolio includes overseas stocks, investors will be exposed to country risk, currency risk, geo-political risk, legal restrictions and regulation changes in geography other than India. General Risk Factors: All mutual funds and securities investments are subject to market risks, and there can be no assurance or guarantee that fund's objectives will be achieved. NAV may go up or down, depending on the factors and forces affecting the securities market. Main types are market risk, liquidity risk, credit risk and systemic risks. At times, liquidity of investments may be impaired. There is uncertainty of dividend distribution and risk of capital loss. Past performance of the Sponsor/Asset Management Company/Fund does not indicate the future performance. Investors in the schemes are not being offered any guaranteed or indicated returns. Sundaram BNP Paribas S.M.I.L.E (Small & Medium Indian Leading Equities) Fund is only the name of the scheme and does not in any manner indicate either quality or future prospects and returns. General Disclaimer: This document is issued by Sundaram BNP Paribas Asset Management Company Ltd, an investment manager registered with the Securities and Exchange Board of India. This document is produced for information purposes only. It does not constitute a prospectus or offer document or Scheme Information Document or an offer or solicitation to buy any securities or other investment. Information and opinion contained in this document are published for the assistance of the recipient only and are not to be relied upon as authoritative or taken as a substitution for exercise of judgement by any recipient. For detailed version, visit www.sundarambnp-paribas.in. Statutory: Mutual Fund: Sundaram BNP Paribas Mutual Fund is a trust under Indian Trusts Act, 1882 Sponsors: Liability for sponsors is limited to Rs 1 lakh. Sponsors: Sundaram Finance Ltd & BNP Paribas Asset Management. Investment Manager: Sundaram BNP Paribas Asset Management Company Ltd. Trustee: Sundaram BNP Paribas Trustee Company Ltd.

Artwork: Spark Creations-044 45570041