

# Stock Funds Prospectus

November 1, 2009

Balanced Fund

Dividend Growth Fund

Global Dividend Growth Fund

Large Cap Growth Fund

Mid Cap Growth Fund

International Growth Fund

Small Cap Growth Fund

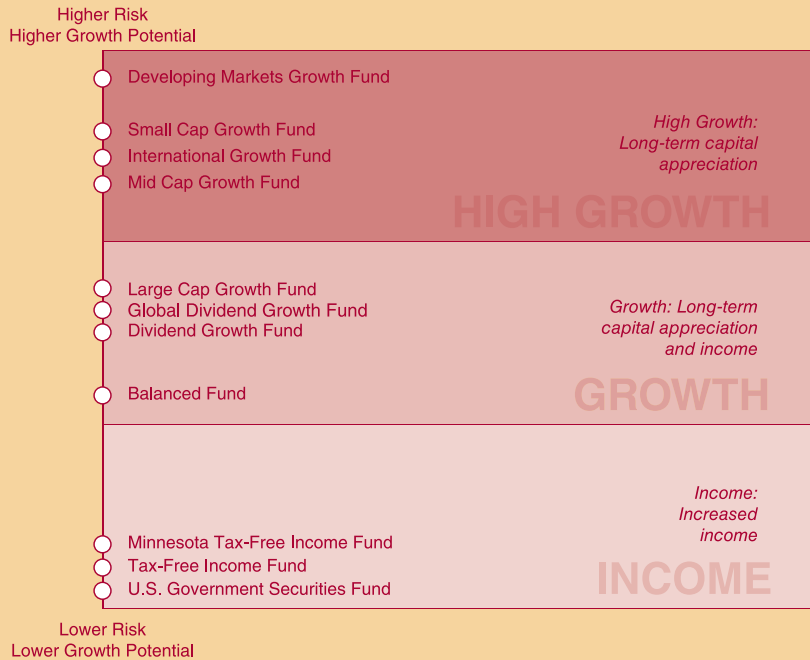
Developing Markets Growth Fund



Sit Mutual Funds

# A Family of No-Load Funds

***Each Sit Fund is no-load, which means that you pay no sales charges.  
The Stock Funds (excluding the Balanced Fund) charge a 30-day redemption fee to discourage short-term trading of the Funds which should benefit long-term shareholders.***



***Be sure to read this Prospectus before you invest and keep it on file for future reference.  
If you have a question about any part of the Prospectus, please call 1-800-332-5580  
or visit our website at [www.sitfunds.com](http://www.sitfunds.com).***



## Sit Mutual Funds

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## Stock Funds Prospectus

NOVEMBER 1, 2009

BALANCED FUND

DIVIDEND GROWTH FUND

GLOBAL DIVIDEND GROWTH FUND

LARGE CAP GROWTH FUND

MID CAP GROWTH FUND

INTERNATIONAL GROWTH FUND

SMALL CAP GROWTH FUND

DEVELOPING MARKETS GROWTH FUND

*The Securities and Exchange Commission has not approved or disapproved these securities or passed upon the adequacy of this prospectus. Any representation to the contrary is a criminal offense.*

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# Introduction

**Sit Mutual Funds are a family of no-load mutual funds offering a selection of Funds to investors. Each Fund has a distinctive investment objective and risk/reward profile.**

**Each Fund currently offers its shares in one class except the Dividend Growth and Global Dividend Growth Funds which offer their shares in two classes (Class I and Class S). Different expenses apply to the Class I and Class S shares of these Funds. This Prospectus relates to each class.**

## **THE SIT STOCK FUNDS CONSIST OF:**

### *Domestic Growth Stock Funds*

- > Balanced Fund
- > Dividend Growth Fund
- > Large Cap Growth Fund
- > Mid Cap Growth Fund
- > Small Cap Growth Fund

### *International Growth Stock Funds*

- > Global Dividend Growth Fund
- > International Growth Fund
- > Developing Markets Growth Fund

This Prospectus describes the eight stock funds that are a part of the Sit Mutual Fund family. The descriptions on the following pages may help you choose the Fund or Funds that best fit your investment goals. Keep in mind, however, that no Fund can guarantee it will meet its investment objective, and no Fund should be relied upon as a complete investment program.

The Fund Summaries section describes the principal strategies used by the Funds in trying to achieve their objectives, and highlights the risks involved with these strategies. It also provides you with information about the performance, fees and expenses of the Funds.

# Fund Summaries

## BALANCED FUND

### INVESTMENT OBJECTIVE

The Fund seeks long-term capital growth consistent with preservation of principal and seeks to provide shareholders with regular income.

### PRINCIPAL INVESTMENT STRATEGIES

The Fund seeks to achieve its objective by investing in a diversified portfolio of stocks and bonds. In seeking to achieve the Fund's long-term capital growth objective, the Fund invests in common stocks of growth companies. To provide shareholders with regular income, the Fund invests in fixed-income securities and/or common stocks selected primarily for their dividend payment potential.

Between 35% and 65% of the Fund's assets will be invested in common stocks and between 35% and 65% in fixed-income securities. The Fund's allocation of assets will vary over time in response to the Adviser's evaluation of present and anticipated market and economic conditions.

The equity portion of the Fund's portfolio is invested primarily in the common stocks of growth companies with a capitalization of \$5 billion or more at the time of purchase.

## *BALANCED FUND CONTINUED*

In selecting equity securities for the Fund, the Adviser invests in growth-oriented companies it believes exhibit the potential for superior growth. The Adviser believes that a company's earnings growth is the primary determinant of its potential long-term return and evaluates a company's potential for above average long-term earnings and revenue growth. Several factors are considered in the Adviser's evaluation of a company, including:

- > unique product or service,
- > growing product demand,
- > dominant and growing market share,
- > management experience and capabilities, and
- > strong financial condition.

When selling equity securities for the Fund, the Adviser considers several factors, including changes in a company's fundamentals and anticipated earnings.

The fixed-income portion of the Fund's portfolio is invested primarily in a diversified portfolio of debt securities that may include the following securities:

- > mortgage-backed securities (including collateralized mortgage obligations), such as securities issued by Government National Mortgage Association (GNMA securities are backed by the full faith and credit of the U.S. government), Federal Home Loan Mortgage Corporation (FHLMC) and Federal National Mortgage Association (FNMA) (FHLMC and FNMA securities are backed by the credit of the issuing governmental agency),
- > asset-backed securities collateralized by assets such as automobile and credit card receivables, utilities, manufactured (mobile) home loans, home improvement loans and home equity loans,
- > obligations of the U.S. government, its agencies and instrumentalities,
- > corporate debt securities,
- > taxable municipal securities, and
- > short-term debt obligations, including commercial paper and bank instruments, such as certificates of deposit, time deposits, and bankers' acceptances.

The Fund invests primarily in debt securities that, at the time of purchase, are either rated investment-grade (BBB or above by Standard & Poor's or Baa or above by Moody's Investor Services), or, if unrated, determined to be of comparable quality by the Adviser. Unrated securities will not exceed 20% of the fixed-income portion of the Fund's portfolio.

## *BALANCED FUND CONTINUED*

In selecting fixed-income securities for the Fund, the Adviser seeks fixed-income securities providing maximum total return. In making purchase and sales decisions for the Fund, the Adviser considers its economic outlook and interest rate forecast, as well as its evaluation of a fixed-income security's credit quality, yield, maturity, and liquidity. Based upon its economic outlook, the Adviser attempts to shift the fixed-income sector concentrations of the portfolio. Based upon its interest rate forecast, the Adviser attempts to shift the fixed-income portfolio's average effective duration, seeking to maintain an average effective duration for the fixed-income portion of the Fund's portfolio of 3 to 7 years. For additional information about duration, please see the duration discussion in the section titled "Additional Information."

### **R I S K S**

You could lose money by investing in the Fund. The principal risks of investing in the Fund are Stock Market Risk, Management Risk, Growth Style Investing Risk, Interest Rate Risk, Prepayment and Extension Risk, Credit Risk, Income Risk and Call Risk. See pages 15-16 for a discussion of these risks.

# DIVIDEND GROWTH FUND

## INVESTMENT OBJECTIVE

The Fund primarily seeks to provide current income that exceeds the dividend yield of the S&P 500 Index and that grows over a period of years. Secondly the Fund seeks long-term capital appreciation.

## PRINCIPAL INVESTMENT STRATEGIES

The Fund seeks to achieve its objectives by investing, under normal market conditions, at least 80% of its net assets in dividend-paying common stocks. The Fund may invest the balance of its assets in preferred stocks, convertible bonds, and U.S. Treasury securities.

The Adviser invests in dividend paying growth-oriented companies it believes exhibit the potential for growth and growing dividend payments. The Adviser believes that a company's earnings growth is a primary determinant of its potential long-term return, and that a record of increasing dividend payments is a strong indicator of financial health and growth prospects. By investing in dividend paying stocks it is anticipated that the holdings will tend to be in large to medium-sized companies (companies with market capitalizations in excess of \$2 billion). The Adviser considers several factors in its evaluation of a company's potential for above average long-term earnings, revenue, and dividend growth, including:

- > a record of paying dividends,
- > strong prospects for growing dividend payments indicated in part by growing earnings and cash flow,
- > unique product or service,
- > growing product demand,
- > dominant and growing market share,
- > management experience and capabilities, and
- > strong financial condition.

Since stocks that pay dividends tend to be less volatile and may not experience the same capital appreciation as stocks that don't pay dividends, the Fund's diversified portfolio of dividend paying stocks is expected to have lower volatility than that of the S&P 500 Index, but with a higher dividend yield and greater prospects for dividend growth.

The Fund may invest up to 20% of its net assets in securities of issuers domiciled outside the U.S.

When selling equity securities for the Fund, the Adviser considers several factors, including changes in a company's fundamentals, anticipated earnings, anticipated dividend payments and financial position.

## **R I S K S**

You could lose money by investing in the Fund. The principal risks of investing in the Fund are Stock Market Risk, Management Risk, Growth Style Investing Risk, Interest Rate Risk, Credit Risk, Dividend Paying Company Risk and Foreign Securities Risk. See pages 15-16 for a discussion of these risks.

# GLOBAL DIVIDEND GROWTH FUND

## **I N V E S T M E N T O B J E C T I V E**

The Fund seeks to provide current income that exceeds the dividend yield of a composite index (comprised of 60% S&P 500 Index and 40% MSCI EAFE Index) and that grows over a period of years. Secondarily the Fund seeks long-term capital appreciation.

## **P R I N C I P A L I N V E S T M E N T S T R A T E G I E S**

The Fund seeks to achieve its objectives by investing, under normal market conditions, at least 80% of its net assets in dividend-paying common stocks issued by U.S. and foreign companies. The Fund may invest the balance of its assets in preferred stocks, convertible bonds, and U.S. Treasury securities.

The Fund's diversified portfolio is designed to have lower volatility than that of a composite index comprised of 60% S&P 500 Index and 40% MSCI EAFE Index (the "Composite Index"), but with a higher yield and greater prospects for dividend growth.

The Adviser invests in dividend paying growth-oriented companies it believes exhibit the potential for growth and growing dividend payments. The Adviser believes that a company's earnings growth is a primary determinant of its potential long-term return, and that a record of increasing dividend payments is a strong indicator of financial health and growth prospects. By investing in dividend paying stocks it is anticipated that the holdings will tend to be in large to medium-sized companies (companies with market capitalization in excess of \$2 billion).

The Adviser considers several factors in its evaluation of a company's potential for above average long-term earnings, revenue, and dividend growth, including:

- > a record of paying dividends,
- > strong prospects for growing dividend payments indicated in part by growing earnings and cash flow,
- > unique product or service,
- > growing product demand,
- > dominant and growing market share,
- > management experience and capabilities, and
- > strong financial condition.

Since stocks that pay dividends tend to be less volatile and may not experience the same capital appreciation as stocks that don't pay dividends, the Fund's diversified portfolio of dividend paying stocks is expected to have lower volatility than that of the Composite Index, but with a higher dividend yield and greater prospects for dividend growth.

The Fund diversifies its investments among a number of different countries throughout the world, but not fewer than three countries. Under normal market conditions, the Fund will invest significantly (at least 40% of its net assets) in companies outside the U.S.

When selling equity securities for the Fund, the Adviser considers several factors, including changes in the company's fundamentals, anticipated earnings, anticipated dividend payments and financial position.

## **R I S K S**

You could lose money by investing in the Fund. The principal risks of investing in the Fund are Stock Market Risk, Management Risk, Growth Style Investing Risk, Interest Rate Risk, Credit Risk, Dividend Paying Company Risk, Foreign Securities Risk, Risk of International Investing, Currency Risk, Political and Economic Risk, Foreign Tax Risk, Risk of Investment Restrictions, Foreign Securities Market Risk, Liquidity Risk, Information Risk, Risk of Developing Markets, and Risk of Foreign Currency Hedging Transactions. See pages 15-19 for a discussion of these risks.

# LARGE CAP GROWTH FUND

## INVESTMENT OBJECTIVE

The Fund seeks to maximize long-term capital appreciation.

## PRINCIPAL INVESTMENT STRATEGIES

The Fund seeks to achieve its objective by investing, under normal market conditions, at least 80% of its net assets in the common stocks of companies with capitalizations of \$5 billion or more at the time of purchase.

The Adviser invests in domestic growth-oriented companies it believes exhibit the potential for superior growth. The Fund focuses on “blue chip” stocks issued by companies with long records of earnings and revenue growth. The Adviser believes that a company’s earnings growth is the primary determinant of its potential long-term return and evaluates a company’s potential for above average long-term earnings and revenue growth. Several factors are considered in the Adviser’s evaluation of a company, including:

- > unique product or service,
- > growing product demand,
- > dominant and growing market share,
- > management experience and capabilities, and
- > strong financial condition.

When selling equity securities for the Fund, the Adviser considers several factors, including changes in a company’s fundamentals and anticipated earnings.

## RISKS

You could lose money by investing in the Fund. The principal risks of investing in the Fund are Stock Market Risk, Management Risk, and Growth Style Investing Risk. See page 15 for a discussion of these risks.

# MID CAP GROWTH FUND

## INVESTMENT OBJECTIVE

The Fund seeks to maximize long-term capital appreciation.

## PRINCIPAL INVESTMENT STRATEGIES

The Fund seeks to achieve its objective by investing, under normal market conditions, at least 80% of its net assets in the common stocks of companies with capitalizations of \$2 billion to \$15 billion at the time of purchase.

The Adviser invests in domestic growth-oriented medium to small companies it believes exhibit the potential for superior growth. The Adviser believes that a company's earnings growth is the primary determinant of its potential long-term return and evaluates a company's potential for above average long-term earnings and revenue growth. Several factors are considered in the Adviser's evaluation of a company, including:

- > unique product or service,
- > growing product demand,
- > dominant and growing market share,
- > management experience and capabilities, and
- > strong financial condition.

When selling equity securities for the Fund, the Adviser considers several factors, including changes in a company's fundamentals and anticipated earnings.

## RISKS

You could lose money by investing in the Fund. The principal risks of investing in the Fund are Stock Market Risk, Management Risk, Growth Style Investing Risk, and Smaller Company Risk. See pages 15-16 for a discussion of these risks.

# INTERNATIONAL GROWTH FUND

## INVESTMENT OBJECTIVE

The Fund seeks long-term growth.

## PRINCIPAL INVESTMENT STRATEGIES

The Fund seeks to achieve its objective by investing, under normal market conditions, at least 90% of its net assets in common stocks of companies domiciled outside the United States.

In selecting investments for the Fund, the Adviser begins by selecting countries or regions in which to invest. In making its selections, the Adviser considers several factors affecting the economy and equity market of foreign countries and regions, including:

- > economic trends,
- > earnings outlook,
- > liquidity within the market,
- > fiscal and monetary policy,
- > currency exchange rate expectations,
- > market sentiment, and
- > social and political trends.

After the country and regional allocations are determined, the Adviser seeks industries and sectors that it believes have earnings growth prospects that are greater than the average.

Within the selected industries and sectors, the Adviser invests in foreign growth-oriented companies it believes exhibit the potential for superior growth. The Adviser believes that a company's earnings growth is the primary determinant of its potential long-term return and evaluates a company's potential for above average long-term earnings and revenue growth.

Several factors are considered in the Adviser's evaluation of a company, including:

- > unique product or service,
- > growing product demand,
- > dominant and growing market share,
- > management experience and capabilities, and
- > strong financial condition.

When selling equity securities for the Fund, the Adviser considers several factors, including changes in a company's fundamentals and anticipated earnings.

## *INTERNATIONAL GROWTH FUND CONTINUED*

The Fund invests in common stocks of issuers domiciled in at least three foreign countries. As of September 30, 2009, the Fund was invested in common stocks of companies domiciled in 26 foreign countries. Up to 50% of the Fund's total assets may be invested in equity securities of small- to medium-sized emerging growth companies in developed markets (such as Germany and Japan) and developing markets (such as Thailand and Brazil). Small companies generally have a capitalization of under \$3.0 billion, and medium-sized companies generally have capitalizations between \$2 and \$15 billion. Emerging growth companies are small- and medium-sized companies that the Adviser believes have a potential for earnings growth over time that is above the growth rate of more established companies or are early in their life cycles.

The Fund may invest in securities representing underlying international securities such as sponsored American Depository Receipts, European Depository Receipts and Global Depository Receipts.

In order to hedge against adverse movements in currency exchange rates, the Fund may from time to time enter into forward foreign currency exchange contracts.

### **R I S K S**

You could lose money by investing in the Fund. The principal risks of investing in the Fund are Stock Market Risk, Management Risk, Growth Style Investing Risk, Smaller Company Risk, Risk of International Investing, Currency Risk, Political and Economic Risk, Foreign Tax Risk, Risk of Investment Restrictions, Foreign Securities Market Risk, Liquidity Risk, Information Risk, Risk of Developing Markets and Risk of Foreign Currency Hedging Transactions. See pages 15-19 for a discussion of these risks.

# SMALL CAP GROWTH FUND

## INVESTMENT OBJECTIVE

The Fund seeks to maximize long-term capital appreciation.

## PRINCIPAL INVESTMENT STRATEGIES

The Fund seeks to achieve its objective by investing, under normal market conditions, at least 80% of its net assets in common stocks of companies with capitalizations at the time of purchase of up to \$3.0 billion, or up to the market capitalization of the largest company included in the Russell 2000 Index measured at the end of the previous twelve months. The Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3000 Index (which is made up of the 3,000 largest U.S. companies based on total market capitalization). As of September 30, 2009, the market capitalization of the largest company included in the Russell 2000 Index measured at the end of the previous twelve months was \$4.1 billion.

The Adviser invests in domestic growth-oriented small companies it believes exhibit the potential for superior growth. The Adviser believes that a company's earnings growth is the primary determinant of its potential long-term return and evaluates a company's potential for above average long-term earnings and revenue growth. Several factors are considered in the Adviser's evaluation of a company, including:

- > unique product or service,
- > growing product demand,
- > dominant and growing market share,
- > management experience and capabilities, and
- > strong financial condition.

When selling equity securities for the Fund, the Adviser considers several factors, including changes in a company's fundamentals and anticipated earnings.

## RISKS

You could lose money by investing in the Fund. The principal risks of investing in the Fund are Stock Market Risk, Management Risk, Growth Style Investing Risk, Smaller Company Risk and Liquidity Risk. See pages 15-17 for a discussion of these risks.

# DEVELOPING MARKETS GROWTH FUND

## INVESTMENT OBJECTIVE

The Fund seeks to maximize long-term capital appreciation.

## PRINCIPAL INVESTMENT STRATEGIES

The Fund seeks to achieve its objective by investing, under normal market conditions, at least 80% of its net assets in common stocks of companies domiciled or operating in a developing market.

Developing markets are those countries that:

- > have emerging stock markets as defined by the International Finance Corporation,
- > have low- to middle-income economies according to the World Bank, or
- > have similar developing characteristics, for example, countries in the MSCI EM Index and Hong Kong are considered to be developing.

As of September 30, 2009, the Fund held investments in Hong Kong, Philippines, South Korea, Taiwan, Thailand, Brazil, Mexico, South Africa, Australia, China, Singapore, Israel, Russia, India, Indonesia, Czech Republic, Poland, Peru, Chile, Spain and Luxembourg. The Fund also held investments in companies domiciled in Great Britain, which have substantial business activities in developing markets.

In selecting investments for the Fund, the Adviser begins by selecting countries or regions in which to invest. In making its selections, the Adviser considers several factors affecting the economy and equity market of foreign countries and regions, including:

- > economic trends,
- > earnings outlook,
- > liquidity within the market,
- > fiscal and monetary policy,
- > currency exchange rate expectations,
- > investment valuation,
- > market sentiment, and
- > social and political trends.

## *DEVELOPING MARKETS GROWTH FUND CONTINUED*

After the country and regional allocations are determined, the Adviser seeks industries and sectors that appear to have strong earnings growth prospects. Within the selected industries and sectors, the Adviser invests in foreign growth-oriented companies it believes exhibit the potential for superior growth. The Adviser believes that a company's earnings growth is the primary determinant of its potential long-term return and evaluates a company's potential for above average long-term earnings and revenue growth. Several factors are considered in the Adviser's evaluation of a company, including:

- > unique product or service,
- > growing product demand,
- > regional or country dominance and growing market share,
- > management experience and capabilities, and
- > strong financial condition.

When selling equity securities for the Fund, the Adviser considers several factors, including changes in a company's fundamentals and anticipated earnings.

The Fund invests in small, medium and large sized companies. Small companies generally have capitalizations of under \$3.0 billion, and large companies generally have a capitalization greater than \$5 billion. The Fund may invest in securities representing underlying international securities such as sponsored American Depository Receipts, European Depository Receipts and Global Depository Receipts.

In order to hedge against adverse movements in currency exchange rates, the Fund may from time to time enter into forward foreign currency exchange contracts.

### **R I S K S**

You could lose money by investing in the Fund. The principal risks of investing in the Fund are Stock Market Risk, Management Risk, Growth Style Investing Risk, Smaller Company Risk, Risk of International Investing, Currency Risk, Political and Economic Risk, Foreign Tax Risk, Risk of Investment Restrictions, Foreign Securities Market Risk, Liquidity Risk, Information Risk, Risk of Developing Markets and Risk of Foreign Currency Hedging Transactions. See pages 15-19 for a discussion of these risks.

## PRINCIPAL INVESTMENT RISKS

All investments carry some degree of risk which will affect the value of a Fund's investments, investment performance, and price of its shares. **It is possible to lose money by investing in the Funds.**

The principal risks of investing in the Funds include:

### RISKS THAT APPLY TO ALL FUNDS

- > **Stock Market Risk:** The value of the stocks in which a Fund invests may go up or down in response to the activities of individual companies, the stock market and general economic conditions. Stock prices may decline over short or extended periods.
- > **Management Risk:** A strategy used by the investment management team may not produce the intended results.
- > **Growth Style Investing Risk:** Different types of stocks tend to shift into and out of favor with stock market investors depending on market and economic conditions. The Funds invest in growth style stocks. The Funds' performance may at times be better or worse than the performance of funds that focus on other types of stocks or that have a broader investment style.

### RISKS THAT APPLY PRIMARILY TO THE BALANCED FUND

- > **Prepayment and Extension Risk:** Declining interest rates may compel borrowers to prepay mortgages and debt obligations underlying the mortgage-backed securities and asset-backed securities owned by the Fund. The proceeds received by the Fund from prepayments will likely be reinvested at interest rates lower than the original investment, thus resulting in a reduction of income to the Fund. Likewise, rising interest rates could reduce prepayments and extend the life of securities with lower interest rates, which may increase the sensitivity of the Fund's value to rising interest rates.
- > **Income Risk:** The income you earn from the Fund may decline due to declining interest rates.
- > **Call Risk:** Many bonds may be redeemed ("called") at the option of the issuer before their stated maturity date. In general, an issuer will call its bonds if they can be refinanced by issuing new bonds which bear a lower interest rate. The Fund would then be forced to invest the unanticipated proceeds at lower interest rates, resulting in a decline in the Fund's income.

**RISKS THAT APPLY PRIMARILY TO THE BALANCED, DIVIDEND GROWTH, AND GLOBAL DIVIDEND GROWTH FUNDS**

- > **Interest Rate Risk:** Due to the Fund's investments in fixed-income securities, an increase in interest rates may lower the Fund's value and the overall return on your investment. The magnitude of this decrease is often greater for longer-term fixed-income securities than shorter-term securities.
- > **Credit Risk:** The issuers or guarantors of fixed-income securities owned by the Fund may default on the payment of principal or interest or on other obligations to the Fund, causing the value of the Fund to decrease.

**RISKS THAT APPLY PRIMARILY TO THE DIVIDEND GROWTH AND GLOBAL DIVIDEND GROWTH FUNDS**

- > **Dividend Paying Company Risk:** The Fund's income objective may limit its ability to appreciate during a broad market advance because dividend paying stocks may not experience the same capital appreciation as non-dividend paying stocks. In addition, stocks held by the Fund may reduce or stop paying dividends which could affect the Fund's ability to generate income.
- > **Foreign Securities Risk:** The foreign securities the Fund may purchase are subject to risks not typically associated with domestic investing which may adversely affect the Fund's investment including changes in currency exchange rates, political and economic instability, different financial reporting standards and taxes, and less liquidity.

**RISK THAT APPLIES PRIMARILY TO THE MID CAP GROWTH, INTERNATIONAL GROWTH, SMALL CAP GROWTH, AND DEVELOPING MARKETS GROWTH FUNDS**

- > **Smaller Company Risk:** Stocks of smaller companies may be subject to more abrupt or erratic market movements than stocks of larger, more established companies. Small companies may have limited product lines or financial resources, or may be dependent upon a small or inexperienced management group. In addition, small cap stocks typically are traded in lower volume, and their issuers typically are subject to greater degrees of change in their earnings and prospects.

**RISK THAT APPLIES PRIMARILY TO THE SMALL CAP GROWTH FUND**

- > **Liquidity Risk:** Certain securities may be difficult to sell at the time and price that the Adviser would like to sell. The Adviser may have to lower the selling price, sell other securities instead or forego an investment opportunity, any of which could have a negative effect on Fund performance. During unusual market conditions, unusually high volume of redemption requests or other reasons, the Fund may not be able to pay redemption proceeds within the time periods described in this Prospectus.

**RISKS THAT APPLY PRIMARILY TO THE GLOBAL DIVIDEND GROWTH, INTERNATIONAL GROWTH AND DEVELOPING MARKETS GROWTH FUNDS**

- > **Risk of International Investing:** International investing involves risks not typically associated with domestic investing. These risks are indicated below. The Funds may be subject to greater volatility than mutual funds that invest principally in domestic securities because of the risks of investing in international securities and because the Funds may invest substantial portions of the Funds' assets in a small number of countries.
- > **Currency Risk:** The value of the Funds' securities computed in U.S. dollars will vary with increases and decreases in exchange rates. A decline in the value of any particular currency against the U.S. dollar will cause a decline in the U.S. dollar value of a Fund's holdings of securities denominated in that currency.
- > **Political and Economic Risk:** Investing in securities of non-U.S. companies may entail additional risks due to the potential political, social and economic instability of certain countries, changes in international trade patterns, the possibility of the imposition of exchange controls, expropriation, limits on removal of currency or other assets and nationalization of assets.
- > **Foreign Tax Risk:** Each Fund's income from foreign issuers may be subject to non-U.S. withholding taxes. In some countries, the Funds also may be subject to taxes on trading profits and, on certain securities transactions, transfer or stamp duties tax. To the extent foreign income taxes are paid by a Fund, U.S. shareholders may be entitled to a credit or deduction for U.S. tax purposes. See "Taxes – Foreign Tax Credits," below, and the Statement of Additional Information for details.

- > **Risk of Investment Restrictions:** Some countries, particularly developing markets, restrict to varying degrees foreign investment in their securities markets. In some circumstances, these restrictions may limit or preclude investment in certain countries or may increase the cost of investing in securities of particular companies.
- > **Foreign Securities Market Risk:** Securities of many non-U.S. companies may be less liquid and their prices more volatile than securities of comparable U.S. companies. Securities of companies traded in many countries outside the U.S., particularly developing markets countries, may be subject to further risks due to the inexperience of local brokers and financial institutions, the possibility of permanent or temporary termination of trading, and greater spreads between bid and asked prices for securities. In addition, non-U.S. stock exchanges and brokers are subject to less governmental regulation, and commissions may be higher than in the United States. Also, there may be delays in the settlement of non-U.S. stock exchange transactions.
- > **Liquidity Risk:** Certain securities of non-U.S. companies may be difficult to sell at the time and price that the Adviser would like to sell. The Adviser may have to lower the selling price, sell other securities instead or forego an investment opportunity, any of which could have a negative effect on Fund performance. During unusual market conditions, unusually high volume of redemption requests or other reasons, the Fund may not be able to pay redemption proceeds within the time periods described in this Prospectus.
- > **Information Risk:** Non-U.S. companies generally are not subject to uniform accounting, auditing and financial reporting standards or to other regulatory requirements that apply to U.S. companies. As a result, less information may be available to investors concerning non-U.S. issuers. Accounting and financial reporting standards in developing markets may be especially lacking.
- > **Risk of Developing Markets:** Investing in securities of issuers in developing markets involves exposure to economic infrastructures that are generally less diverse and mature than, and to political systems that can be expected to have less stability than, those of developed countries. Other characteristics of developing market countries that may affect investment in their markets include certain governmental policies that may restrict investment by foreigners and the absence of developed legal structures governing private and foreign investments and private property. The typical small size of the

markets for securities issued by issuers located in developing markets and the possibility of low or nonexistent volume of trading in those securities may also result in a lack of liquidity and in price volatility of those securities. In addition, issuers in developing markets typically are subject to a greater degree of change in earnings and business prospects than are companies in developed markets.

- > Risk of Foreign Currency Hedging Transactions: If the Adviser's forecast of exchange rate movements is incorrect, the Funds may realize losses on their foreign currency transactions. In addition, the Funds' hedging transactions may prevent the Funds from realizing the benefits of a favorable change in the value of foreign currencies.

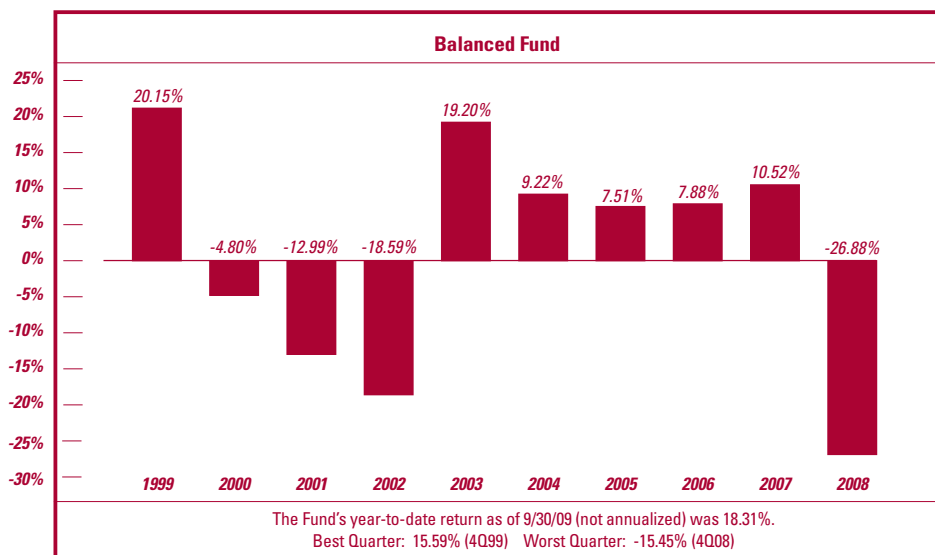
## PORTFOLIO HOLDINGS

Each Funds' portfolio holdings are included in that Fund's annual and semi-annual financial reports that are mailed to shareholders of record. Additionally, a complete portfolio holdings report is filed quarterly with the SEC on Form N-Q and is available on the SEC website at [www.sec.gov](http://www.sec.gov) or upon request from a Sit Investor Service Representative. A complete description of the Funds' portfolio holdings disclosure policies is available in the Funds' Statement of Additional Information.

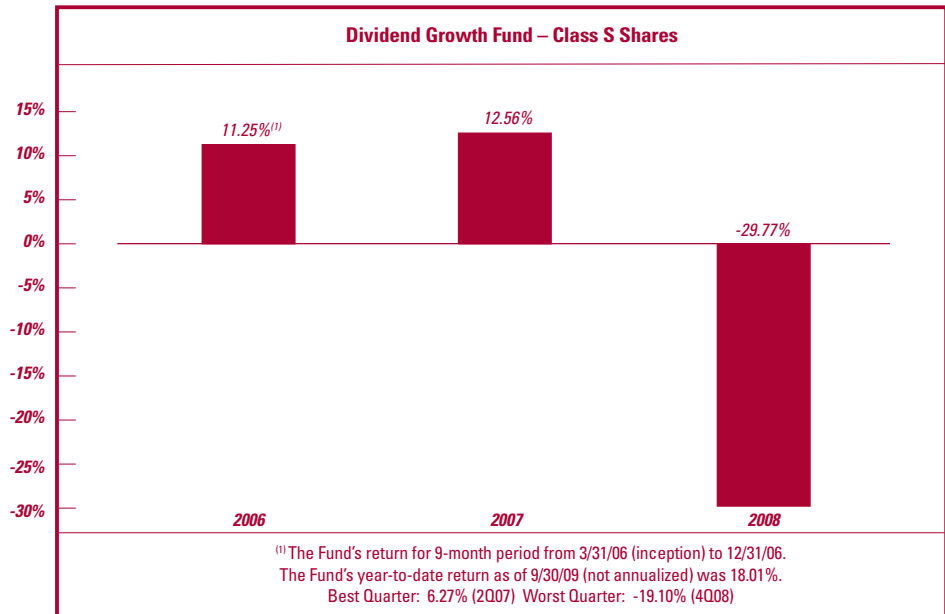
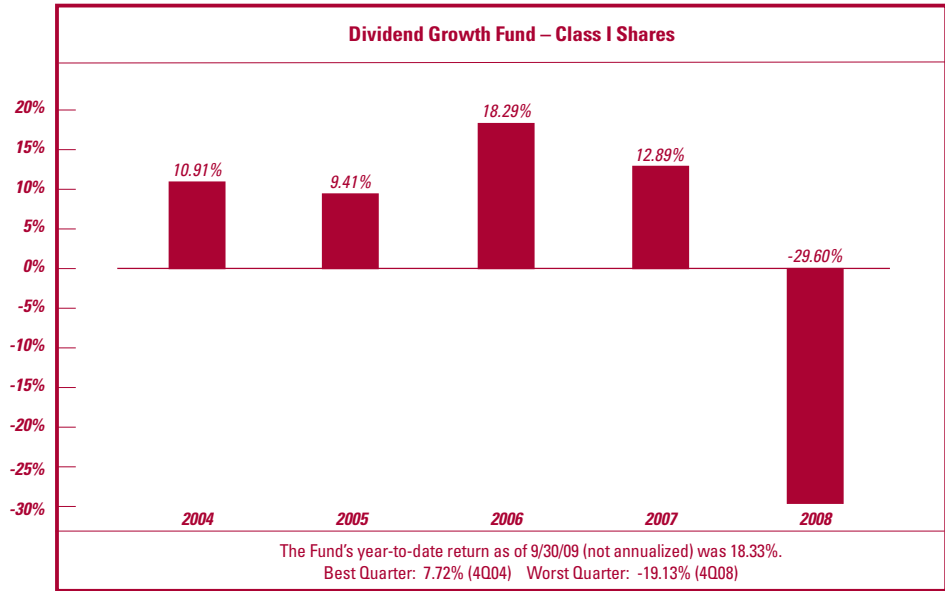
## PERFORMANCE

The following bar charts show the Funds' annual total returns for calendar years ended 12/31. This information illustrates how each Fund's performance has varied over time, which is one indication of the risks of investing in a Fund. A Fund's past performance does not necessarily indicate how it will perform in the future. The bar charts assume that all distributions have been reinvested. Fund performance may be materially different by the time you receive this Prospectus. For more current performance information, call 800-332-5580 or visit [www.sitfunds.com](http://www.sitfunds.com).

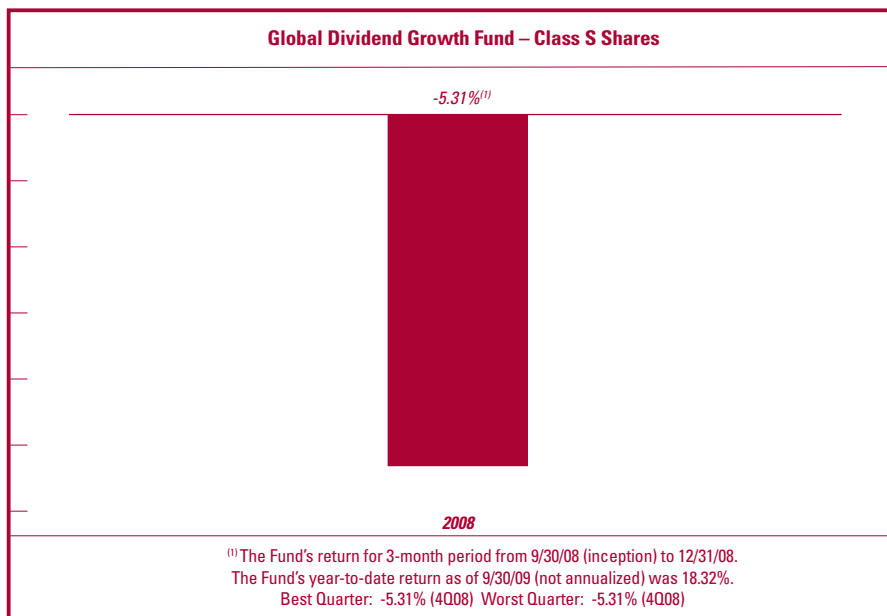
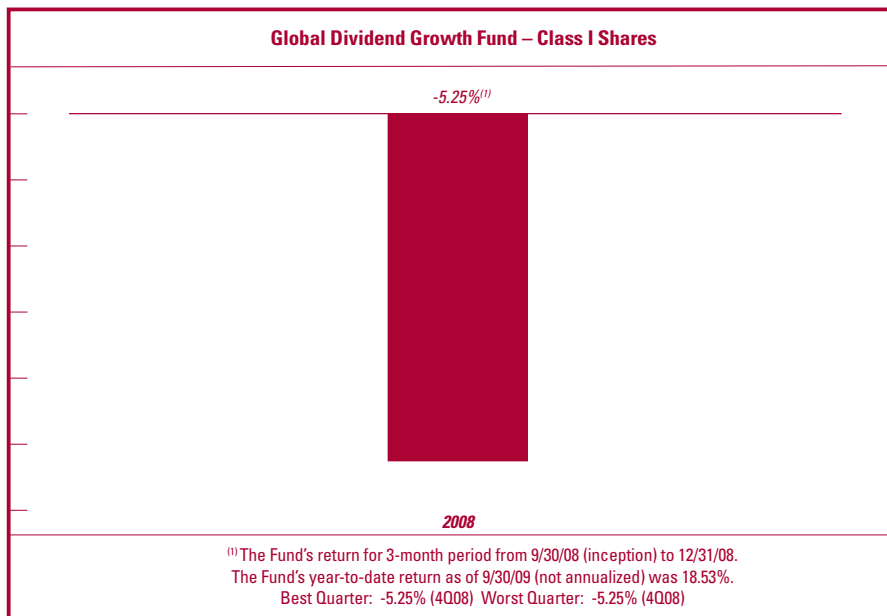
### ANNUAL TOTAL RETURNS for calendar years ended 12/31



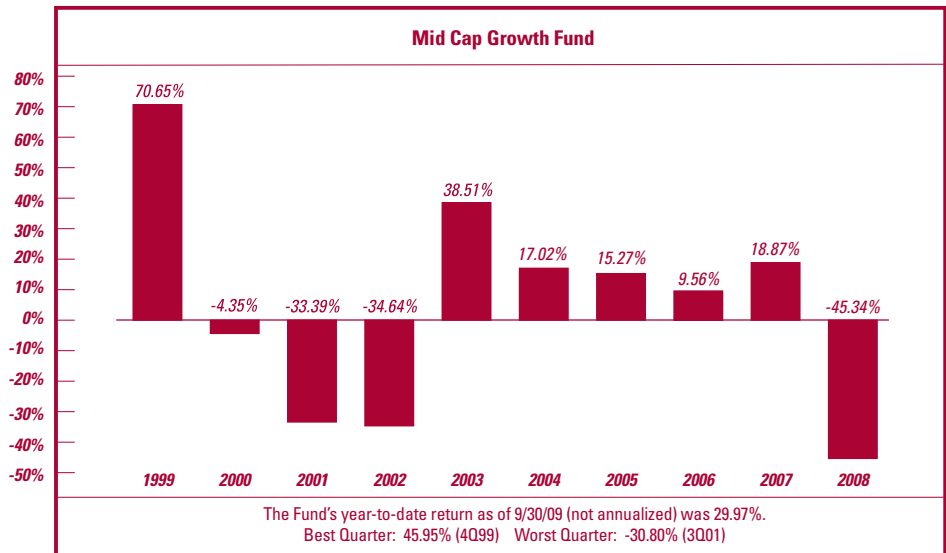
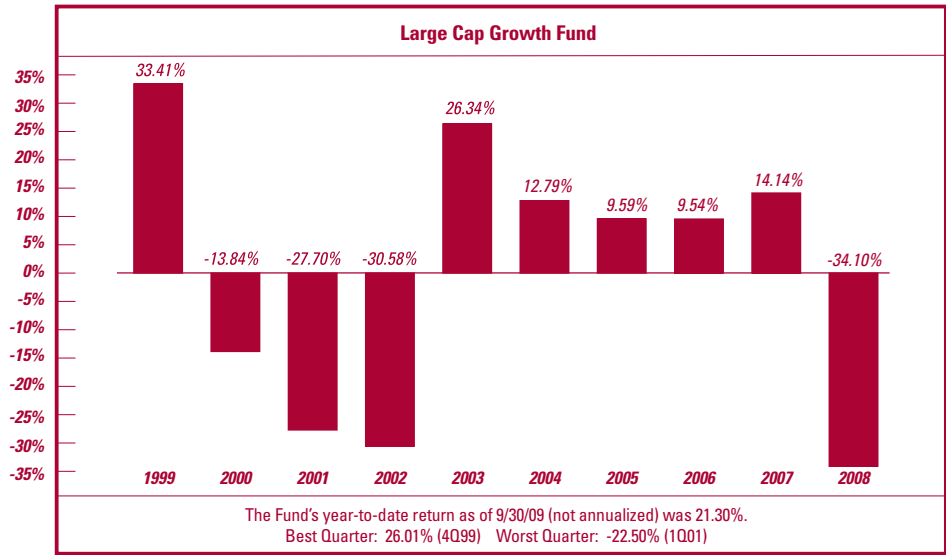
ANNUAL TOTAL RETURNS (continued)



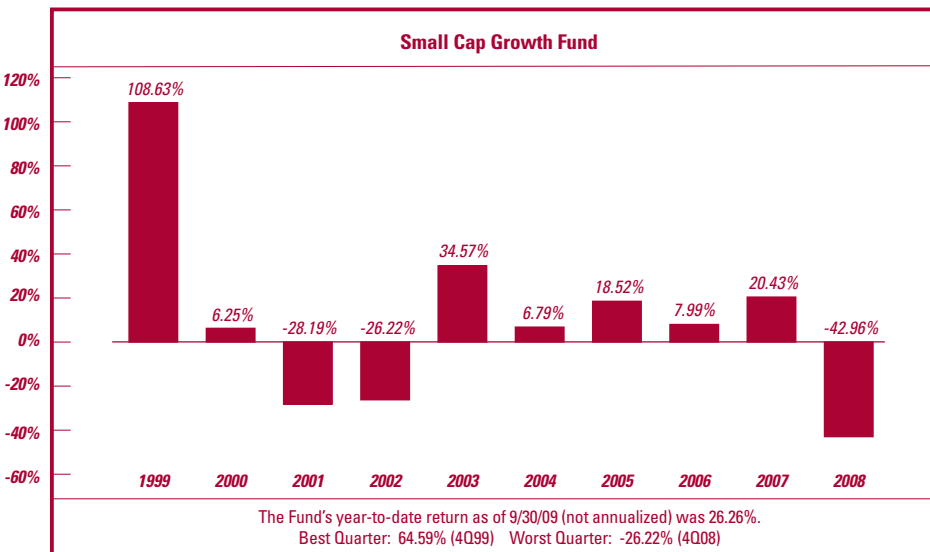
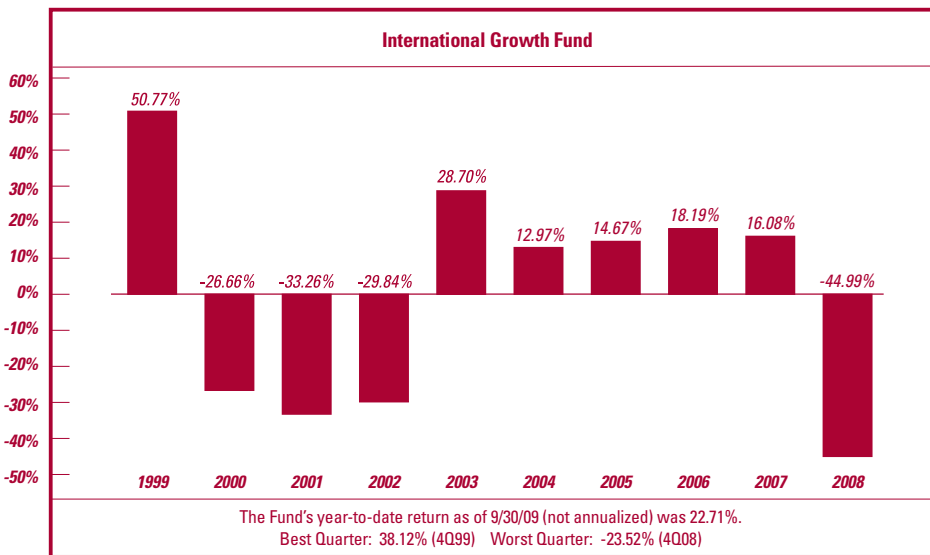
**ANNUAL TOTAL RETURNS (continued)**

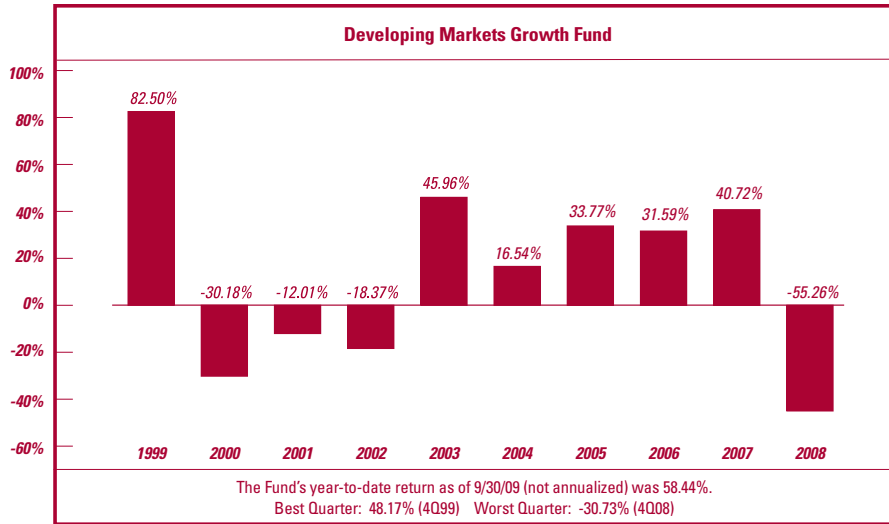


ANNUAL TOTAL RETURNS (continued)



**ANNUAL TOTAL RETURNS (continued)**





**AVERAGE ANNUAL TOTAL RETURNS for periods ended 12/31/08**

The following tables show the Funds’ average annual total returns before and after taxes and the change in value of a broad-based market index over various periods ended December 31, 2008. The index information is intended to permit you to compare each Fund’s performance to a broad measure of market performance. The after-tax returns are intended to show the impact of federal income taxes on an investment in a Fund. The highest individual federal marginal income tax rate in effect during the specified period is assumed, and the state and local tax impact is not reflected.

A Fund’s “Return After Taxes on Distributions” shows the effect of taxable distributions (dividends and capital gain distributions), but assumes that you still hold the Fund shares at the end of the period and so do not have any taxable gain or loss on your investment in the Fund.

A Fund’s “Return After Taxes on Distributions and Sale of Fund Shares” shows the effect of both taxable distributions and any taxable gain or loss that would be realized if the Fund shares were purchased at the beginning and sold at the end of the specified period.

The Funds’ past performance, before and after taxes, is not an indication of how the Funds will perform in the future. Your actual after-tax returns depend on your own tax situation and may differ from those shown. After-tax returns reflect past tax effects and are not predictive of future tax effects. After-tax returns are not relevant to investors who hold their Fund shares in a tax-deferred account (including a 401(k) or IRA account).

## AVERAGE ANNUAL TOTAL RETURNS (continued)

Balanced Fund	1 Year	5 Years	10 Years
<i>Return before taxes</i>	-26.88%	0.47%	-0.11%
<i>Return after taxes on distributions</i>	-27.48%	-0.11%	-0.96%
<i>Return after taxes on distributions and sale of Fund shares</i>	-23.04%	0.18%	-0.46%
Lehman Aggregate Bond Index <sup>(1)(2)</sup>	5.24%	4.65%	5.63%
S&P 500 Index <sup>(1)(3)</sup>	-37.00%	-2.19%	-1.38%

<sup>(1)</sup> Reflects no deduction for fees, expenses or taxes.

<sup>(2)</sup> An unmanaged index which measures the performance of approximately 6,000 publicly traded bonds with an approximate average maturity of 10 years.

<sup>(3)</sup> An unmanaged index which measures the performance of 500 widely held common stocks of large-cap companies.

Sit Dividend Growth Fund (Class I)	1 Year	5 Years	Since Inception (12/31/03)
<i>Return before taxes</i>	-29.60%	2.67%	2.67%
<i>Return after taxes on distributions</i>	-30.28%	1.97%	1.97%
<i>Return after taxes on distributions and sale of Fund shares</i>	-25.13%	2.31%	2.31%
S&P 500 Index <sup>(1)(2)</sup>	-37.00%	-2.19%	-2.19%

<sup>(1)</sup> Reflects no deduction for fees, expenses or taxes.

<sup>(2)</sup> An unmanaged index which measures the performance of 500 widely held common stocks of large-cap companies.

Sit Dividend Growth Fund (Class S)	1 Year	5 Years	Since Inception (3/31/06)
<i>Return before taxes</i>	-29.77%	n/a	-4.55%
<i>Return after taxes on distributions</i>	-30.42%	n/a	-5.45%
<i>Return after taxes on distributions and sale of Fund shares</i>	-25.28%	n/a	-3.78%
S&P 500 Index <sup>(1)(2)</sup>	-37.00%	n/a	-10.42%

<sup>(1)</sup> Reflects no deduction for fees, expenses or taxes.

<sup>(2)</sup> An unmanaged index which measures the performance of 500 widely held common stocks of large-cap companies.

**Sit Global Dividend Growth Fund.** The Fund was formed on September 30, 2008 and thus cannot report average annual total returns for periods ended December 31, 2008.

Large Cap Growth Fund	1 Year	5 Years	10 Years
<i>Return before taxes</i>	-34.10%	0.37%	-2.93%
<i>Return after taxes on distributions</i>	-34.17%	0.30%	-3.27%
<i>Return after taxes on distributions and sale of Fund shares</i>	-28.98%	0.33%	-2.40%
Russell 1000 <sup>®</sup> Growth Index <sup>(1)(2)</sup>	-38.44%	-3.42%	-4.27%

<sup>(1)</sup> Reflects no deduction for fees, expenses or taxes.

<sup>(2)</sup> An unmanaged index that measures the performance of those Russell 1000 companies (the largest 1,000 U.S. companies by capitalization) with higher price-to-book ratios and higher forecasted growth values.

## AVERAGE ANNUAL TOTAL RETURNS (continued)

<b>Mid Cap Growth Fund</b>	<b>1 Year</b>	<b>5 Years</b>	<b>10 Years</b>
<i>Return before taxes</i>	-45.34%	-0.81%	-0.56%
<i>Return after taxes on distributions</i>	-45.43%	-0.93%	-1.18%
<i>Return after taxes on distributions and sale of Fund shares</i>	-38.54%	-0.63%	-0.35%
Russell Midcap® Growth Index <sup>(1)(2)</sup>	-44.32%	-2.23%	-0.19%

<sup>(1)</sup> Reflects no deduction for fees, expenses or taxes.

<sup>(2)</sup> An unmanaged index that measures the performance of those Russell Midcap® companies with higher price-to-book ratios and higher forecasted growth values. The companies are also included in the Russell 1000® Growth Index.

<b>International Growth Fund</b>	<b>1 Year</b>	<b>5 Years</b>	<b>10 Years</b>
<i>Return before taxes</i>	-44.99%	-0.45%	-4.19%
<i>Return after taxes on distributions</i>	-45.13%	-0.58%	-4.45%
<i>Return after taxes on distributions and sale of Fund shares</i>	-38.25%	-0.35%	-3.40%
MSCI EAFE Growth Index <sup>(1)(2)</sup>	-42.70%	1.43%	-1.30%

<sup>(1)</sup> Reflects no deduction for fees, expenses or taxes.

<sup>(2)</sup> An unmanaged index that measures the performance of over 1,100 international companies within the stock markets of Europe, Australasian and Far East.

<b>Small Cap Growth Fund</b>	<b>1 Year</b>	<b>5 Years</b>	<b>10 Years</b>
<i>Return before taxes</i>	-42.96%	-1.25%	4.03%
<i>Return after taxes on distributions</i>	-42.96%	-1.25%	3.99%
<i>Return after taxes on distributions and sale of Fund shares</i>	-36.52%	-1.06%	3.51%
Russell 2000® Growth Index <sup>(1)(2)</sup>	-38.54%	-2.35%	-0.76%

<sup>(1)</sup> Reflects no deduction for fees, expenses or taxes.

<sup>(2)</sup> An unmanaged index that measures the performance of those Russell 2000® companies with higher price-to-book ratios and higher forecasted growth values.

<b>Developing Markets Growth Fund</b>	<b>1 Year</b>	<b>5 Years</b>	<b>10 Years</b>
<i>Return before taxes</i>	-55.26%	5.25%	5.61%
<i>Return after taxes on distributions</i>	-55.68%	4.99%	5.47%
<i>Return after taxes on distributions and sale of Fund shares</i>	-46.97%	4.57%	4.94%
MSCI Emerging Markets Index <sup>(1)(2)</sup>	-54.48%	5.07%	6.61%

<sup>(1)</sup> Reflects no deduction for fees, expenses or taxes.

<sup>(2)</sup> An unmanaged index which measures the performance of over 1,000 international emerging companies representing the stock markets of over 25 countries.

## FEES AND EXPENSES

This table describes the fees and expenses that you may pay if you buy and hold shares of the Funds. All Sit Mutual Funds are no-load so you will not pay sales charges (loads) or exchange fees when you buy or sell shares of the Funds. However, shares of each Fund, except the Balanced Fund, held for less than 30 calendar days are subject to a redemption fee of 2.00%, based on the redeemed shares' market value.

### Shareholder Fees (fees paid directly from your investment)

	Contingent Redemption Fee (only shares held less than 30 days)
Balanced	none
Dividend Growth – Class I shares	2.00%
Dividend Growth – Class S shares	2.00%
Global Dividend Growth – Class I shares	2.00%
Global Dividend Growth – Class S shares	2.00%
Large Cap Growth	2.00%
Mid Cap Growth	2.00%
International Growth	2.00%
Small Cap Growth	2.00%
Developing Markets Growth	2.00%

### Annual Fund Operating Expenses as a % of average net assets (expenses that are deducted from Fund assets)

	Management Fees	Distribution (12b-1) Fees	Other Expenses	Acquired Fund Fees & Expenses <sup>(2)</sup>	Total Annual Fund Operating Expenses
Balanced	1.00%	None	None	.05%	1.05%
Dividend Growth – Class I shares	1.00%	None	None	.01%	1.01%
Dividend Growth – Class S shares	1.00%	0.25%	None	.01%	1.26%
Global Dividend Growth – Class I shares	1.25%	None	None	.01%	1.26%
Global Dividend Growth – Class S shares	1.25%	0.25%	None	.01%	1.51%
Large Cap Growth	1.00%	None	None	.00%	1.00%
Mid Cap Growth	1.25% <sup>(1)</sup>	None	None	.00%	1.25% <sup>(1)</sup>
International Growth	1.85% <sup>(1)</sup>	None	None	.01%	1.86% <sup>(1)</sup>
Small Cap Growth	1.50%	None	None	.00%	1.50%
Developing Markets Growth	2.00%	None	None	.01%	2.01%

<sup>(1)</sup> Management fee represents contractual fee and does **not** reflect the Adviser's voluntary waiver of fees. Actual expenses are **lower** than those shown in the table because of voluntary fee waivers by the Adviser. As a result of the fee waiver, actual management fees paid by the Mid Cap Growth and International Growth Funds were 1.15% and 1.50%, respectively, of the Fund's average daily net assets at June 30, 2009. After December 31, 2010, these voluntary fee waivers may be terminated at any time by the Adviser.

<sup>(2)</sup> Reflects the pro-rata share of the fees and expenses of the acquired funds in which the Fund invests. These indirect expenses are not included in the Funds' expense ratios reported in the "Financial Highlights" section of this Prospectus and in the Funds' annual reports.

**EXAMPLE**

This example is intended to help you compare the cost of investing in each Fund (before any fee waiver) with the cost of investing in other mutual funds. It assumes that you invest \$10,000 in a Fund for the time periods indicated (with reinvestment of all dividends and distributions), that your investment has a 5% return each year, that the Fund's operating expenses remain the same, and that you redeem all of your shares at the end of those periods. Although your actual costs and returns may differ, based on these assumptions your costs would be:

	1-Year	3-Years	5-Years	10-Years
Balanced	\$108	\$336	\$582	\$1,288
Dividend Growth – Class I shares	\$104	\$323	\$560	\$1,241
Dividend Growth – Class S shares	\$129	\$402	\$695	\$1,530
Global Dividend Growth – Class I shares	\$129	\$402	\$695	\$1,530
Global Dividend Growth – Class S shares	\$155	\$481	\$829	\$1,812
Large Cap Growth	\$103	\$320	\$555	\$1,229
Mid Cap Growth	\$128	\$399	\$690	\$1,518
International Growth	\$191	\$590	\$1,014	\$2,195
Small Cap Growth	\$154	\$477	\$824	\$1,801
Developing Markets Growth	\$206	\$636	\$1,093	\$2,355

**EARLY REDEMPTION FEE**

Each Fund except the Balanced Fund charges a redemption fee on shares held for less than 30 calendar days. The fee is retained by the Fund for the benefit of its long-term shareholders. It is charged to discourage short-term trading of the Fund by market timers or other investors who do not share the long-term strategy of the Fund, and to reduce the expenses of long-term shareholders by reducing the trading costs and other costs associated with short-term investments in the Fund. The Balanced Fund has not been susceptible to short-term trading and therefore does not charge a redemption fee.

The "first-in, first out" (FIFO) method is used to determine the holding period; this means that if you bought shares on different days, the shares purchased first will be redeemed first for the purpose of determining whether the fee applies.

A redemption fee will not be charged on shares acquired by reinvestment of dividends or distributions from a Fund.

# Fund Management

## INVESTMENT ADVISER

Sit Investment Associates, Inc. (the “Adviser”), 3300 IDS Center, 80 South Eighth Street, Minneapolis, Minnesota 55402, is the Funds’ investment adviser. The Adviser was founded in 1981 and provides investment management services for both public and private clients. As of September 30, 2009, the Adviser and its affiliates had approximately \$8.4 billion in assets under management, including approximately \$1.7 billion for the Sit Mutual Funds.

Under Investment Management Agreements between each Fund and the Adviser (the “Agreements”), the Adviser manages each Fund’s business and investment activities, subject to the authority of the board of directors. A discussion regarding the basis of the board of directors’ approval of the Agreements is available in the Stock Funds Semi-Annual Report dated December 31, 2009. The Agreements require the Adviser to bear each Fund’s expenses, except fees paid under a distribution plan adopted pursuant to Rule 12b-1 under the Investment Company Act of 1940 for Class S shares of Sit Dividend Growth and Global Dividend Growth Funds, interest, brokerage commissions and transaction charges, acquired fund fees and expenses, and certain extraordinary expenses. Each Fund pays the Adviser a monthly fee for its services. During their most recent fiscal year, after taking into account voluntary fee waivers, the Funds paid the following advisory fees to the Adviser:

	<b>Advisory fee as a % of Fund average daily net assets</b>
Balanced Fund	1.00%
Dividend Growth Fund – Class I shares	1.00%
Dividend Growth Fund – Class S shares	1.00%
Global Dividend Growth Fund – Class I shares	1.25%
Global Dividend Growth Fund – Class S shares	1.25%
Large Cap Growth Fund	1.00%
Mid Cap Growth Fund	1.15% <sup>(1)</sup>
International Growth Fund	1.50% <sup>(1)</sup>
Small Cap Growth Fund	1.50%
Developing Markets Growth Fund	2.00%

<sup>(1)</sup> Net of voluntary fee waivers. The contractual fees (without waivers) for the Mid Cap Growth and International Growth Funds are 1.25% and 1.85% per year, respectively, of the Fund’s average daily net assets. After December 31, 2010, these voluntary fee waivers may be terminated at any time by the Adviser.

## PORTFOLIO MANAGEMENT

The Funds' investment decisions are made by a team of portfolio managers and analysts who are jointly responsible for the day-to-day management of the Funds. The portfolio management team is led by Roger J. Sit, Chairman, President, Chief Executive Officer and Global Chief Investment Officer of the Adviser.

The following table lists the individual team members that are primarily responsible for managing each Fund's investments.

<b>Portfolio Manager/ Title with Fund unless noted</b>	<b>Role on Management Team</b>	<b>Experience with: • Management Team • Adviser • Industry</b>	<b>Past 5 Years' Business Experience</b>
<b>B A L A N C E D</b>			
Roger J. Sit Chairman and President	Chief Investment Officer	1 yr 7 m 11 yrs 11 m 19 yrs 5 m	Chairman, President, CEO and Global CIO of the Adviser; Chairman and CEO of Sit Investment Fixed Income Advisors, Inc. ("SF"); Chairman of SIA Securities Corp. (the "Distributor").
Bryce A. Doty Vice President – Investments	Senior Portfolio Manager	13 yrs 10 m 13 yrs 11 m 19 yrs 5 m	Senior Vice President and Senior Portfolio Manager of SF.
John M. Bernstein Vice President – Research and Investment Management of the Adviser	Portfolio Manager	1 yr 4 m 14 yrs 7 m 16 yrs 10 m	Vice President – Research and Investment Management of the Adviser; Equity Research Analyst of the Adviser 2001 – 2009.

<b>Portfolio Manager Title with Fund unless noted</b>	<b>Role on Management Team</b>	<b>Experience with: • Management Team • Adviser • Industry</b>	<b>Past 5 Years' Business Experience</b>
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**DIVIDEND GROWTH**


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Roger J. Sit Chairman and President	Chief Investment Officer	5 yrs 10 m 11 yrs 11 m 19 yrs 5 m	See page 31.
Kent L. Johnson Vice President – Investments	Portfolio Manager	5 yrs 10 m 20 yrs 9 m 20 yrs 9 m	Sr. Vice President – Equity Investments of the Adviser.
Michael J. Stellmacher Vice President – Research and Investment Management of the Adviser	Portfolio Manager	5 yrs 10 m 8 yrs 9 m 18 yrs 8 m	Vice President – Research and Investment Management of the Adviser.

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**GLOBAL DIVIDEND GROWTH**


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Roger J. Sit Chairman and President	Chief Investment Officer	1 yr 1 m 11 yrs 11 m 19 yrs 5 m	See page 31.
Kent L. Johnson Vice President – Investments	Portfolio Manager	1 yr 1 m 20 yrs 9 m 20 yrs 9 m	See above.
Michael J. Stellmacher Vice President – Research and Investment Management of the Adviser	Portfolio Manager	1 yr 1 m 8 yrs 9 m 18 yrs 8 m	See above.
Tasha M. Murdoff Vice President – Research and Investment Management of the Adviser	Portfolio Manager	1 yrs 1 m 13 yrs 11 m 13 yrs 11 m	Vice President – Research and Investment Management of the Adviser; Equity Research Analyst of the Adviser 2005 – 2009.
Raymond E. Sit Vice President – Research & Investment Management of the Adviser	Portfolio Manager	1 yr 1 m 15 yrs 2 m 17 yrs 2 m	Vice President – Research & Investment Management of the Adviser.

<b>Portfolio Manager Title with Fund unless noted</b>	<b>Role on Management Team</b>	<b>Experience with: • Management Team • Adviser • Industry</b>	<b>Past 5 Years' Business Experience</b>
<b>LARGE CAP GROWTH</b>			
Roger J. Sit Chairman and President	Chief Investment Officer	11 yrs 11 m 11 yrs 11 m 19 yrs 5 m	See page 31.
Ronald D. Sit Vice President – Investments	Portfolio Manager	25 yrs 4 m 25 yrs 4 m 25 yrs 4 m	Vice President – Equity Investments of the Adviser.
Michael J. Stellmacher Vice President – Research and Investment Management of the Adviser	Portfolio Manager	1 yrs 7 m 8 yrs 9 m 18 yrs 8 m	See page 32.
<b>MID CAP GROWTH</b>			
Roger J. Sit Chairman and President	Chief Investment Officer	1 yrs 7 m 11 yrs 11 m 19 yrs 5 m	See page 31.
Kent L. Johnson Vice President – Investments	Portfolio Manager	6 yrs 0 m 20 yrs 9 m 20 yrs 9 m	See page 32.
Matthew T. Loucks Vice President – Research and Investment Management of the Adviser	Portfolio Manager	4 yrs 7 m 4 yrs 8 m 14 yrs 3 m	Vice President – Research and Investment Management of the Adviser; Equity Research Analyst of the Adviser 2005 – 2009.
Robert W. Sit Vice President – Investments	Portfolio Manager	11 yrs 10 m 18 yrs 3 m 18 yrs 3 m	Vice President – Equity Investments of the Adviser.
<b>INTERNATIONAL GROWTH</b>			
Roger J. Sit Chairman and President	Chief Investment Officer	11 yrs 11 m 11 yrs 11 m 19 yrs 5 m	See page 31.
Janet K. Kinzler Vice President – Research and Investment Management of the Adviser	Portfolio Manager	8 yrs 2 m 8 yrs 2 m 16 yrs 2 m	Vice President – Research and Investment Management of the Adviser; Equity Research Analyst of the Adviser 2001 – 2009.
Tasha M. Murdoff Vice President – Research and Investment Management of the Adviser	Portfolio Manager	5 yrs 0 m 13 yrs 11 m 13 yrs 11 m	See page 32.

<b>Portfolio Manager Title with Fund unless noted</b>	<b>Role on Management Team</b>	<b>Experience with: • Management Team • Adviser • Industry</b>	<b>Past 5 Years' Business Experience</b>
<b>S M A L L C A P G R O W T H</b>			
Roger J. Sit Chairman and President	Chief Investment Officer	1 yrs 7 m 11 yrs 11 m 19 yrs 5 m	See page 31.
Kent L. Johnson Vice President – Investments	Portfolio Manager	6 yrs 0 m 20 yrs 9 m 20 yrs 9 m	See page 32.
Matthew T. Loucks Vice President – Research and Investment Management of the Adviser	Portfolio Manager	4 yrs 7 m 4 yrs 8 m 14 yrs 3 m	See page 33.
Robert W. Sit Vice President – Investments	Portfolio Manager	11 yrs 10 m 18 yrs 3 m 18 yrs 3 m	See page 33.
Michael J. Stellmacher Vice President – Research and Investment Management of the Adviser	Portfolio Manager	8 yrs 9 m 8 yrs 9 m 18 yrs 8 m	See page 32.
<b>D E V E L O P I N G M A R K E T S G R O W T H</b>			
Roger J. Sit Chairman and President	Chief Investment Officer	11 yrs 11 m 11 yrs 11 m 19 yrs 5 m	See page 31.
Raymond E. Sit Vice President – Research & Investment Management of the Adviser	Portfolio Manager	15 yrs 2 m 15 yrs 2 m 17 yrs 2 m	See page 32.

The Statement of Additional Information provides additional information about the Portfolio Managers' compensation, other accounts managed by the Portfolio Managers, and the Portfolio Managers' ownership of securities in the Fund, if any.

## DISTRIBUTOR

SIA Securities Corp. (the “Distributor”), an affiliate of the Adviser, is the distributor for the Funds. The Distributor markets the Funds’ shares only to certain institutional and individual investors and all other sales of the Funds’ shares are made by each Fund.

The Distributor or the Adviser may enter into agreements under which various financial institutions and brokerage firms provide administrative services for customers who are beneficial owners of shares of the Funds. The Distributor or Adviser may compensate these firms for the services provided, with compensation based on the aggregate assets of customers that are invested in the Funds.

## CUSTODIAN AND TRANSFER AGENT

PFPC Trust Company, located at 8800 Tincum Boulevard, Third Floor, Philadelphia, PA 19153, is the Custodian for the Funds. The Custodian holds the Funds’ securities and cash, receives and pays for securities purchased, delivers against payment for securities sold, receives and collects income from investments and performs other administrative duties.

PNC Global Investment Servicing, located at 101 Sabin Street, Pawtucket, RI 02860, is the Transfer Agent for the Funds. The Transfer Agent processes purchase orders, redemption orders and handles all related shareholder accounting services.

# Shareholder Information

## SHARE PRICE

Your price for purchasing, selling, or exchanging shares is based on the Fund's net asset value ("NAV") per share, which is calculated as of the close of regular trading on the New York Stock Exchange ("NYSE") (generally 3:00 p.m. Central time) every day the exchange is open. The NAV per share of the Funds will fluctuate. A Fund's NAV per share is calculated by adding the total value of the Fund's investments and other assets (including accrued income), subtracting its liabilities, and dividing by the number of outstanding shares of the Fund.

The boards of directors have adopted procedures for valuing investments and have delegated to the Adviser the daily valuation of such investments. Pursuant to the procedures, exchange-listed securities are normally valued at closing sale prices. In certain situations, the Adviser may use the fair value of a security if prices are unavailable or are deemed unreliable, or if events occur after the close of a securities market (usually a foreign market) and before a Fund values its assets that would materially affect net asset value. In addition, for foreign equity securities that meet certain criteria, the Directors have approved the use of a fair value service that values such securities to reflect market trading that occurs after the close of the applicable foreign markets of comparable securities or other instruments that have a strong correlation to the fair-valued securities. The Adviser expects to fair value domestic securities in limited circumstances, such as when the securities are subject to restrictions on resale. A security that is fair valued may be valued at a price higher or lower than actual market quotations or the value determined by other mutual funds using their own fair valuation procedures. Fair value pricing involves subjective judgments and it is possible that the fair value determined for a security may be different than the value that could be realized upon the sale of that security. Because foreign securities trade on days when Fund shares are not priced, the value of foreign securities held by a Fund can change on days when Fund shares cannot be redeemed, and since Developing Markets Growth Fund and International Growth Fund invest primarily in such foreign securities, and the Global Dividend Growth Fund may invest in such foreign securities, the value of these international Funds' shares may change on days when you will be unable to purchase or redeem their shares.

Short-term debt securities maturing in less than 60 days are valued at amortized cost. The amortized cost method of valuation initially values a security at its purchase cost, then consistently adjusts the cost value by amortizing/accreting any discount or premium paid until the security's maturity without regard to fluctuating interest rates.

## WHEN ORDERS ARE EFFECTIVE

Purchase, exchange, and sale orders are received and may be accepted by Sit Mutual Funds only on days the NYSE is open. **Purchase, exchange, and sale orders received by the Funds or their agents prior to the close of the NYSE (generally 3:00 p.m. Central time) are processed at the NAV per share calculated for that business day, except purchases made to an existing account via Automated Clearing House, "ACH," electronic transfer of funds. ACH purchases are invested at the net asset value per share on the next business day (or, if the next business day is a bank holiday, then two business days) after your telephone call to the Funds if you call the Funds prior to the close of the NYSE.** Your bank account will be debited within 1 to 2 business days.

**If your purchase, exchange, or sale order is received after the close of the NYSE, the purchase, exchange or sale will be made at the net asset value calculated on the next day the NYSE is open.**

## INVESTING THROUGH FINANCIAL INTERMEDIARIES

There is no charge to invest, exchange, or sell shares when you make transactions directly through Sit Mutual Funds.

The Funds may authorize certain institutions acting as financial intermediaries (including banks, trust companies, brokers and investment advisers) to accept purchase, redemption and exchange orders from their customers on behalf of the Funds. These authorized intermediaries also may designate other intermediaries to accept such orders, if approved by the Funds. A Fund will be deemed to have received an order when the order is received by the authorized intermediary in good form, and the order will be priced at the Fund's per share NAV next determined, provided that the authorized intermediary forwards the order (and payment for any purchase order) to the Funds (or their transfer agent) within agreed-upon time periods. Investors purchasing shares through a financial intermediary should read their account agreements carefully. A financial intermediary's requirements may differ from those listed in this Prospectus. A financial intermediary also may impose account charges, such as asset allocation fees, account maintenance fees and other charges.

The Dividend Growth and Global Dividend Growth Funds offer two classes of shares: Class I and Class S. Class I shares are not available for accounts maintained by financial intermediaries, except in limited circumstances. The ability of the Dividend Growth and Global Dividend Growth Funds to monitor account balances through the omnibus account of a financial intermediary for purposes such as converting between share classes may be significantly limited or absent.

# CLASS I AND CLASS S SHARES: DIVIDEND GROWTH FUND AND GLOBAL DIVIDEND GROWTH FUND

## CLASS I AND CLASS S SHARES

The Dividend Growth and Global Dividend Growth Funds offer shares in two classes: Class I shares and Class S shares. Different investment minimums and expenses apply to each share class, and as a result, the investment performance of each will differ. Please refer to the sections titled “Purchasing Shares,” below, and “Fees and Expenses,” above, for more information.

Shareholders of any Sit Mutual Fund as of the inception date of the Dividend Growth or Global Dividend Growth Funds (March 31, 2006 and September 30, 2008 respectively), employees, officers or directors of the Adviser, its affiliates or the Funds, and family members of such employees, officers or directors, are entitled to purchase that Fund’s Class I shares with a minimum investment of \$5,000 rather than the \$100,000 minimum investment requirement applicable to all other investors.

## DISTRIBUTION PLAN – CLASS S SHARES

The issuer of both the Dividend Growth and Global Dividend Growth Funds, Sit Mutual Funds, Inc., has adopted on behalf of each Fund’s Class S shares a distribution plan (the “Distribution Plan”) pursuant to Rule 12b-1 under the Investment Company Act of 1940, which allows Class S shares to pay distribution fees for the sale and distribution of its shares. Under the Distribution Plan, Class S shares may pay as compensation up to an annual rate of 0.25% of the average daily net asset value of Class S shares to the Distributor or other qualified recipient under the Distribution Plan. As these fees are paid out of the Class S assets on an on-going basis, over time these fees will increase the cost of your investment and may cost you more than paying other types of sales charges.

## CONVERTING SHARES

A conversion between class shares is a non-taxable event.

**Self-directed conversions.** You may convert Class S shares into Class I shares at any time if your account balance in the Fund is at least \$100,000. You may call an investor service representative or mail a request to the Funds.

**Automatic Conversions.** Each of the Funds conduct periodic reviews of account balances and may convert an eligible investor's Class S shares into Class I shares. The Fund will notify the investor in writing before any automatic conversion into Class I shares. You may instruct the Fund if you do not want to convert to the lower-cost Class I shares. If an investor no longer meets the requirements for Class I shares, the Fund may convert the investor's Class I shares into Class S shares. A decline in the investor's account balance because of redemptions may result in such a conversion. The Fund will notify the investor in writing before any automatic conversion into Class S shares.

## OTHER ACCOUNT POLICIES

### PURCHASE RESTRICTIONS

The Funds may reject or restrict any purchase or exchange order at any time, when, in the judgment of management, it is in the best interests of the Funds. For example, see the discussion regarding "Excessive Trading in Fund Shares" below.

### EXCESSIVE TRADING IN FUND SHARES

The Funds discourage excessive short-term trading that could be disruptive to the management of a Fund. When large dollar amounts are involved, a Fund may have difficulty implementing long-term investment strategies, because it cannot predict how much cash it will have to invest. Excessive trading also may force a Fund to sell portfolio securities at disadvantageous times to raise the cash needed to satisfy a redemption request, and may increase brokerage expenses. These factors may hurt a Fund's performance and its shareholders.

The Funds may, in the Funds' discretion, reject any purchase or exchange order from a shareholder if the Funds determine that the shareholder's short-term trading activity is excessive. The Funds' Boards of Directors have approved policies and procedures designed to discourage excessive trading in Fund shares. For example, the Funds (except for the Balanced Fund) impose a redemption fee on shares held for less than 30 calendar days (see "Early Redemption Fee" in the "Fees and Expenses" section above). Additionally, the Funds monitor purchase orders and investigate orders that exceed certain thresholds and attempt to confirm that the investment is not being made for a short-term. The Funds have the right to modify the market timing policy at any time without advance notice. The Funds seek to apply market timing policies and procedures uniformly to all shareholders. The Funds make reasonable efforts to apply these policies and procedures to shareholders who own shares through omnibus accounts; however, it should be noted that the ability of the Funds to monitor and limit excessive short-term trading of shareholders investing in a Fund through the omnibus account of a financial intermediary may be significantly

limited or absent where the intermediary maintains the underlying shareholder accounts. Despite our efforts to discourage market timing, there is no guarantee that the Funds or their agents will be able to identify market timers or curtail their trading practices.

#### **ACCOUNTS WITH BALANCES BELOW THE MINIMUM REQUIRED INVESTMENT**

The minimum investment in the Dividend Growth and Global Dividend Growth Funds is \$100,000 with respect to Class I shares and \$5,000 with respect to Class S shares. The minimum investment in all other Funds is \$5,000. The minimum investment requirement is applied at the omnibus account level for shares purchased through a financial intermediary. If your account balance in a Fund falls below the minimum as a result of selling or exchanging shares, the Fund has the right to redeem your shares and send you the proceeds. Before redeeming your account, the Fund will mail you a notice of its intention to redeem, which will give you an opportunity to make an additional investment. If you do not increase the value of your account to at least the minimum within 30 days of the date the notice was mailed, the Fund may redeem your account.

#### **INVESTOR SERVICE FEES**

Investor Services Representatives can provide many services to you. You will be charged a fee for some customized services, such as researching historical account statements and mailings via overnight delivery services. A schedule of services with applicable fees, if any, is available upon request.

#### **CUSTOMER IDENTIFICATION PROGRAM**

Federal law requires the Funds to obtain, verify and record identifying information, which may include the name, residential or business street address, date of birth (for an individual), social security or taxpayer identification number or other identifying information for each investor who opens an account with the Funds. Applications without this information, or without an indication that a social security or taxpayer identification number has been applied for, may not be accepted. After acceptance, to the extent permitted by applicable law or its customer identification program, the Funds reserve the right to: (a) place limits on account transactions until the investor's identity is verified; (b) refuse an investment in the Funds; or (c) involuntarily redeem an investor's shares and close an account in the event that an investor's identity is not verified. The Funds and their agents will not be responsible for any loss in an investor's account resulting from the investor's delay in providing all required identifying information or from closing an account and redeeming an investor's shares when an investor's identity is not verified.

## PURCHASING SHARES

### Min. Investment

All Funds (except Dividend Growth and Global Dividend Growth Fund Class I shares)

Dividend Growth and Global Dividend Growth Fund Class I shares

### TO OPEN AN ACCOUNT

\$5,000 per Fund  
\$2,000 per Fund for IRA accounts (Traditional, Roth, Simple and SEP), and for Coverdell Education Savings accounts.

\$100,000

### TO ADD TO AN ACCOUNT

\$100

\$100

### By Mail

Mail a completed account application and your check payable to:

Sit Mutual Funds  
P.O. Box 9763  
Providence, RI 02940

Certain checks and other instruments are not accepted without prior approval such as:

- third party checks
- traveler checks
- credit card checks
- money orders
- starter checks

Prospectuses and account applications may be viewed and printed from our website, [www.sitfunds.com](http://www.sitfunds.com).

Mail a completed investment slip for a particular fund (which you received in your account statement) or a letter of instruction with a check payable to:

Sit Mutual Funds  
P.O. Box 9763  
Providence, RI 02940

A letter of instruction must include your account number, the name(s) of the registered owner(s) and the Fund(s) that you want to purchase.

Certain checks and other instruments are not accepted without prior approval such as:

- third party checks
- traveler checks
- credit card checks
- money orders
- starter checks

### By Telephone

Fax a completed account application to Sit Mutual Funds at 612-342-2111, and then call us at 1-800-332-5580 for a new account number and bank wiring instructions.

Instruct your bank to wire your investment to us using the wire instructions we have given you. Your bank may charge a wire fee. Mail the original signed account application to:

Sit Mutual Funds  
P.O. Box 9763  
Providence, RI 02940

**Note for IRA Accounts:** An IRA account cannot be opened over the telephone.

**Payment by Wire.** Instruct your bank to wire your investment to the Sit Mutual Funds using the wire instructions on the back of the prospectus. Call us at 1-800-332-5580 and notify us of the wire.

**Payment by ACH.** Call us at 1-800-332-5580 to request that a purchase be made electronically from your bank account. The shares purchased will be priced on the next business day following your telephone request made prior to the close of the NYSE.

Before using the ACH feature, you must set up the ACH option on your initial account application or a Change of Account Options Form.

### Automatically

You cannot make an initial purchase automatically.

You may set up an Automatic Investment Plan on your initial account application or on a Change of Account Options Form. The Plan will invest in the selected Fund electronically from your bank account (via ACH) on any day the Funds are open.

Please see page 43 for additional general rules for purchasing and selling shares.

## SELLING SHARES

### By Mail

#### TO EXCHANGE SHARES

You may sell shares of one Sit Fund and purchase shares of another Sit Fund by mailing a letter of instruction signed by all registered owners of the account to:

Sit Mutual Funds  
P.O. Box 9763  
Providence, RI 02940

A letter of instruction must include your account number, the name(s) and the number of shares or dollar amount of the Fund(s) you want to sell and the name(s) of the Fund(s) you want to purchase.

#### TO SELL SHARES

Mail a written request that includes:

- Account number,
- Names and signatures of all registered owners exactly as they appear on the account,
- Name of Fund and number of shares or dollar amount you want to sell.
- Medallion signature guarantee(s) if you have requested that the proceeds from the sale be:
  - paid to anyone other than the registered account owners,
  - paid by check and mailed to an address other than the registered address, or
  - sent via bank wire (currently an \$8 fee) to a bank different than the bank authorized by you on your account application.
- Supporting legal documents, if required (see "General Rules" on following page)
- Method of payment (check, wire transfer, or ACH, see "General Rules" on following page)

**Note for IRA Accounts:** Mail a signed IRA Distribution Form to Sit Mutual Funds.

### By Telephone

You may sell shares of one Sit Fund and purchase shares of another Sit Fund by calling us at 1-800-332-5580. If you call after business hours, you will need your Personal Identification Number to use the automatic telephone system.

Call us at 1-800-332-5580 and request a sale of shares.

Before selling shares by telephone, you must set up the option on your initial account application or a Change of Account Options Form. Proceeds from the sale will be sent as directed on your application by check, bank wire or ACH. The Funds' bank charges a wire fee to send the proceeds via bank wire (currently \$8).

**Note for IRA Accounts:** A sale of shares from an IRA account cannot be made over the telephone. Mail a completed IRA Distribution Form to Sit Mutual Funds.

### Automatically

You may set up an Automatic Exchange Plan on your initial account application or on a Change of Account Options Form. The Plan will sell shares of one Sit Fund and invest in another Sit Fund automatically on any day the Funds are open.

Shares may be sold through the Automatic Withdrawal Plan (minimum \$100) if the Special Services section of the initial account application is complete.

You may add this option by completing a Change of Account Options Form, and this option will begin within 10 days of the Funds' receipt of the form.

Proceeds from the sale will be sent as directed on your account application, by check or ACH.

Please see page 43 for additional general rules for purchasing and selling shares.

# GENERAL RULES FOR PURCHASING & SELLING SHARES

## PURCHASING SHARES

Shares may be purchased on any day the NYSE is open with a minimum initial investment of \$5,000 per Fund except for Class I shares of Dividend Growth and Global Dividend Growth Funds, which have a minimum initial investment of \$100,000.

IRA accounts (regular, Roth and SEP) require a minimum initial investment of \$2,000 per Fund except for Class I shares of Dividend Growth and Global Dividend Growth Funds which have a minimum initial investment of \$100,000.

Additional investments in any account must be at least \$100.

## EXCHANGING SHARES

You may sell shares of one or more Sit Funds and use the proceeds to buy shares of another Sit Fund.

Before making an exchange, please read the prospectus and consider the investment objective of the Fund you are purchasing.

You may exchange shares by mail, telephone or an automatic exchange plan as described on page 42. You may also exchange shares of the Sit Funds on our website at [www.sitfunds.com](http://www.sitfunds.com).

An exchange of shares is a sale for federal income tax purposes and you may have a taxable capital gain or loss.

## SELLING SHARES

Your sale proceeds will be paid as soon as possible, generally not later than 7 days after the Funds' receipt of your request to sell. However, if you purchased shares with nonguaranteed funds, such as a personal check, and you sell shares, your sale proceeds payment will be delayed until your check clears, which may take 15 days.

**Other Documents:** Under certain circumstances, sales of shares may require additional legal documentation, such as sales by estates, trusts, guardianships, custodianships, corporations, pension and profit sharing plans and other organizations.

**Medallion Signature Guarantee:** A medallion signature guarantee assures that a signature is genuine and protects shareholders from unauthorized account transactions. A medallion signature guarantee may be obtained from a bank, brokerage firm, or other financial institution that is participating in a medallion program recognized by the Securities Transfer Association. A notary public stamp cannot be substituted for a medallion signature guarantee.

## RECEIPT OF SALE PROCEEDS

You may receive proceeds from the sales of your shares in one of three ways:

**(1) By Mail**

Your check will generally be mailed to the address of record within 7 days after receipt of your request.

**(2) By Wire**

Your bank account will generally be credited within 1 to 2 business days after receipt of your request. The Funds' bank charges a wire fee (currently \$8) which will be deducted from the balances of your account or from the amount being wired if your account has been completely redeemed. The recipient bank may also charge a wire fee.

**(3) By ACH**

Your bank account will generally be credited within 1 to 2 business days after receipt of your request.

## DIVIDENDS AND DISTRIBUTIONS

The Balanced, Dividend Growth and Global Dividend Growth Funds distribute quarterly dividends from their net investment income. Each of the other Funds distributes an annual dividend from its net investment income. Net investment income includes dividends on stocks and interest earned on bonds or other debt securities less operating expenses.

Capital gains, if any, are distributed at least once a year by each Fund. A capital gain occurs if a Fund sells portfolio securities for more than its cost. If you buy Fund shares just before a distribution, in effect, you “buy the distribution.” You will pay the full price for the shares and then receive a portion of that price back as a taxable distribution.

Dividend and capital gain distributions are automatically reinvested in additional shares of the Fund paying the distribution at the net asset value per share on the distribution date. However, you may request that distributions be automatically reinvested in another Sit Mutual Fund, or paid in cash. These requests may be made on the application, Change of Account Options form, or by written notice to Sit Mutual Funds. You will receive a quarterly statement reflecting the dividend payment and, if applicable, the reinvestment of dividends. If cash payment is requested, an ACH transfer will be initiated, or a check normally will be mailed within five business days after the payable date. If the check cannot be delivered because of an incorrect mailing address, the undelivered distributions and all future distributions will automatically be reinvested in Fund shares. No interest will accrue on uncashed distribution, dividend, or sales proceeds checks.

## TAXES

Some of the tax consequences of investing in the Funds are discussed below. More information about taxes is in the Statement of Additional Information. However, because everyone’s tax situation is unique, always consult your tax professional about federal, state and local tax consequences.

## TAXES ON DISTRIBUTIONS

Each Fund pays its shareholders distributions from its net investment income and any net capital gains that it has realized. For most investors, these distributions will be taxable, whether paid in cash or reinvested (unless your investment is in an IRA or other tax-advantaged account). You will be notified annually of the tax status of distributions to you.

Distributions paid from a Fund's net investment income will be taxable as ordinary income or as qualified dividend income. Under current tax laws, ordinary income is taxed at higher rates than qualified dividend income and long-term capital gains. Generally, dividends that a Fund receives from domestic corporations and from foreign corporations whose stock is readily tradable on an established securities market in the U.S. or which are domiciled in countries on a list established by the Internal Revenue Service will qualify for qualified dividend treatment when paid out to investors. Under current law, for taxable years beginning on or after January 1, 2011, the tax rates applicable to ordinary income will apply to dividend income and the tax rates applicable to long-term capital gains will revert to the higher applicable rates under prior law.

Distributions paid from a Fund's net short-term capital gains, if any, are taxable as ordinary income. Distributions paid from a Fund's long-term capital gains, if any, are taxable as long-term capital gains, regardless of how long you have held your shares. The composition of distributions in any year will depend upon a variety of market and other conditions and cannot be predicted accurately.

## TAXES ON TRANSACTIONS

The sale or exchange of your shares in a Fund is a taxable transaction, and you may incur a capital gain or loss on the transaction. If you held the shares for more than one year, this gain or loss would be a long-term gain or loss. A gain or loss on shares held for one year or less is considered short-term and is taxed at the same rates as ordinary income.

## FOREIGN TAX CREDITS

The International Growth, Developing Markets Growth, and Global Dividend Growth Funds may be required to pay withholding and other taxes imposed by foreign countries. If a Fund has more than 50% of its total assets invested in securities of foreign corporations at the end of its taxable year, it may make an election that will permit you either to claim a foreign tax credit with respect to foreign taxes paid by the Fund or to deduct those amounts as an itemized deduction on your tax return. If a Fund makes this election, you will be notified and provided with sufficient information to calculate the amount you may deduct as foreign taxes paid or take into account when determining your foreign tax credit.

## RETIREMENT AND OTHER TAX-DEFERRED ACCOUNTS

Taxes on current income can be deferred by investing in Individual Retirement Accounts (IRAs), 401(k), pension, profit sharing, employee benefit, deferred compensation and other qualified retirement plans.

The Funds are available for your tax-deferred retirement plan with a \$2,000 minimum investment per Fund (except for Class I shares of Dividend Growth and Global Dividend Growth Funds, which have a minimum initial investment of \$100,000), and subsequent contributions of at least \$100. Such retirement plans must have a qualified plan sponsor or trustee. Tax-deferred retirement plans include 401(k), profit sharing, and money purchase plans as well as IRA, Roth IRA and SEP-IRAs. You should contact the Funds for specific plan documentation. IRA accounts with balances under \$10,000 will be charged an annual \$15 IRA custodial fee. Account balance minimum and custodial fee amount is subject to change with a 30-day written notice.

The federal tax laws governing these tax-deferred plans must be complied with to avoid adverse tax consequences. You should consult your tax adviser before investing.

## MAILING OF REGULATORY DOCUMENTS

The Funds' practice is to "household," or consolidate shareholder mailings of regulatory documents such as prospectuses, shareholder reports, and proxies to shareholders at a common address. This means that a single copy of these regulatory documents is sent to the address of record. If at any time you wish to receive multiple copies of the regulatory documents at your address, you may contact the Funds and the Funds will mail separate regulatory documents to each of your individual accounts within 30 days of your call.

## PRIVACY POLICY

The Funds take their shareholders' personal privacy seriously. In order to provide financial products and services, the Funds may collect nonpublic personal information about their shareholders from the following sources:

- > information we receive from account documentation, including applications, contracts, and other forms which may include (but is not limited to) information such as a shareholder's name, address, tax identification number or social security number, assets and income;
- > information about shareholder transactions and communications with the Funds, their affiliates, agents or others which may include (but is not limited to) account numbers, balances, and transaction requests made through transfer agents, custodians or third party intermediaries.

The Funds do not disclose any nonpublic personal information about their shareholders or former shareholders to anyone outside the Fund's organization except as necessary in order to provide services to their shareholders as permitted by law. For example, we may disclose nonpublic personal information about a shareholder to a non-affiliated company assisting the Funds in servicing accounts such as providing transfer agent services. To safeguard their shareholder's personal information, The Funds insist that their service providers limit access to personal information to authorized employees and agents and maintain appropriate safeguards.

The Funds restrict access to their shareholders' nonpublic personal information to those employees who need to know that information to provide products or services to their shareholders. The Funds maintain physical, electronic and procedural safeguards that comply with federal standards to guard its clients' nonpublic personal information.

This privacy policy does not apply to a shareholder's relationship with other financial service providers, such as broker dealers, custodians or other third party intermediaries.

# Additional Information

## OTHER SECURITIES, INVESTMENT PRACTICES, AND POLICIES

The principal investment strategies and risk factors of each Fund are outlined in the section entitled “Fund Summaries.” Below are brief discussions of certain other investment practices of the Funds. Each Fund may invest in securities and use investment strategies that are not described in this Prospectus but are described in the Statement of Additional Information.

Each Fund with a name suggesting the types of securities in which it will invest (including Large Cap Growth Fund, Mid Cap Growth Fund, Small Cap Growth Fund, Dividend Growth Fund, Developing Markets Growth Fund, and Global Dividend Growth Fund (with respect to investing in dividend paying stocks)) has a non-fundamental policy requiring the Fund, under normal market conditions, to invest at least 80% of its net assets plus the amount of any borrowings for investment purposes in the types of securities suggested by the Fund’s name. The Funds subject to this non-fundamental policy have adopted policies to provide shareholders with at least 60 days prior notice of any change in this policy. Balanced Fund, International Growth Fund, and Global Dividend Growth Fund (with respect to investing in global stocks) do not have this non-fundamental policy.

### DURATION

The Balanced Fund attempts to maintain an average effective duration of 3 to 7 years for the fixed-income portion of its portfolio. Duration measures how much the value of a security is expected to change with a given change in interest rates. Effective duration is one means used to measure interest rate risk. The longer a security’s effective duration, the more sensitive its price to changes in interest rates. For example, if interest rates rise by 1%, the market value of a security with an effective duration of 2 years would decrease by 2%, with all other factors being constant. The Adviser uses several methods to compute duration estimates appropriate for particular securities held in the Balanced Fund’s portfolio. Duration estimates are based on assumptions by the Adviser and subject to a number of limitations. Duration is most useful when interest rate changes are small and occur equally in short-term and long-term securities. In addition, it is difficult to calculate duration precisely for bonds with prepayment options, such as mortgage-related securities, because the calculation requires assumptions about prepayment rates.

## PORTFOLIO TURNOVER

The Funds may trade securities frequently, resulting, from time to time, in an annual portfolio turnover rate of over 100%. However, historically the Funds' turnover rates have been less than 100%. The "Financial Highlights" section of this Prospectus shows each Fund's historical portfolio turnover rate. A high portfolio turnover rate generally will result in greater brokerage commission expenses borne by a Fund which may decrease a Fund's yield. A portfolio turnover rate in excess of 100% may result in higher amounts of realized short-term capital gain subject to the payment of taxes as ordinary income by shareholders.

## SECURITIES RATINGS

When debt securities are rated by one or more independent rating agencies, the Adviser uses these ratings to determine bond quality. Investment-grade debt securities are those that are rated within the four highest rating categories, which are AAA, AA, A, and BBB by Standard & Poor's and Fitch Ratings, and Aaa, Aa, A and Baa by Moody's Investor Services. If a debt security's credit quality rating is downgraded after a Fund's purchase, the Adviser will consider whether any action, such as selling the security, is warranted.

## TEMPORARY DEFENSIVE INVESTING

For temporary defensive purposes in periods of unusual market conditions, each Fund may invest all of its total assets in cash or short-term debt securities including certificates of deposit, bankers' acceptances and other bank obligations, corporate and direct U.S. obligation bonds, notes, bills, commercial paper, repurchase agreements and other taxable obligations including shares of the Sit Money Market Fund. Investing in these temporary investments will generate income that is taxable to investors in the Funds and may reduce a Fund's yield and prevent a Fund from achieving its investment objective.

## FINANCIAL HIGHLIGHTS

The tables that follow present performance information about the shares of each Fund. This information is intended to help you understand each Fund's financial performance for the past five years (or, if shorter, the period of the Fund's operations). Some of this information reflects financial results for a single Fund share. The total returns in the tables represent the rate that you would have earned or lost on an investment in a Fund, assuming you reinvested all of your dividends and distributions. This information has been derived from the Funds' financial statements, which were audited by KPMG LLP, an independent registered public accounting firm, whose report, along with the Funds' financial statements, is included in the Funds' annual report, which is available upon request.

**BALANCED FUND**

	Fiscal Years Ended June 30,				
	2009	2008	2007	2006	2005
<b>Net Asset Value:</b>					
Beginning of period	\$16.32	\$16.93	\$15.14	\$14.53	\$13.80
<b>Operations:</b>					
Net investment income <sup>(1)</sup>	.41	.38	.34	.28	.26
Net realized and unrealized gains (losses) on investments	(3.32)	(.66)	1.78	.59	.73
Total from operations	(2.91)	(.28)	2.12	.87	.99
<b>Distributions to Shareholders:</b>					
From net investment income	(.45)	(.33)	(.33)	(.26)	(.26)
From net realized gains	—	—	—	—	—
Total distributions	(.45)	(.33)	(.33)	(.26)	(.26)
<b>Net Asset Value:</b>					
End of period	\$12.96	\$16.32	\$16.93	\$15.14	\$14.53
Total investment return <sup>(2)</sup>	(17.84%)	(1.72%)	14.24%	6.03%	7.28%
Net assets at end of period (000s omitted)	\$10,349	\$12,939	\$12,529	\$11,617	\$12,251
<b>Ratios:</b>					
Expenses to average daily net assets <sup>(3)</sup>	1.00%	1.00%	1.00%	1.00%	1.00%
Net investment income to average daily net assets	3.12%	2.22%	2.13%	1.84%	1.84%
Portfolio turnover rate (excluding short-term securities)	30.26%	54.96%	41.63%	50.00%	36.32%

<sup>(1)</sup> The net investment income (loss) per share is based on average shares outstanding for the period.

<sup>(2)</sup> Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of distributions at net asset value.

<sup>(3)</sup> In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

## DIVIDEND GROWTH FUND – CLASS I SHARES

	Fiscal Years Ended June 30,				
	2009	2008	2007	2006	2005
<b>Net Asset Value:</b>					
Beginning of period	\$13.11	\$14.42	\$12.26	\$11.18	\$10.14
<b>Operations:</b>					
Net investment income (loss) <sup>(1)</sup>	.23	.23	.24	.25	.21
Net realized and unrealized gains (losses) on investments	(3.09)	(.63)	2.35	1.20	1.01
Total from operations	(2.86)	(.40)	2.59	1.45	1.22
<b>Distributions to Shareholders:</b>					
From net investment income	(.26)	(.22)	(.23)	(.23)	(.18)
From net realized gains	(.39)	(.69)	(.20)	(.14)	—
Total distributions	(.65)	(.91)	(.43)	(.37)	(.18)
<b>Net Asset Value:</b>					
End of period	\$9.60	\$13.11	\$14.42	\$12.26	\$11.18
Total investment return <sup>(2)</sup>	(21.59%)	(3.06%)	21.48%	13.20%	12.12%
Net assets at end of period (000s omitted)	\$28,305	\$41,239	\$37,674	\$24,137	\$14,196
<b>Ratios:</b>					
Expenses to average daily net assets <sup>(3)</sup>	1.00%	1.00%	1.00%	1.00%	1.00%
Net investment income (loss) to average daily net assets	2.35%	1.68%	1.81%	2.09%	1.94%
Portfolio turnover rate (excluding short-term securities)	69.10% <sup>(4)</sup>	38.86% <sup>(4)</sup>	34.02% <sup>(4)</sup>	41.28% <sup>(4)</sup>	54.89%

<sup>(1)</sup> The net investment income (loss) per share is based on average shares outstanding for the period.

<sup>(2)</sup> Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of distributions at net asset value.

<sup>(3)</sup> In addition to the fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

<sup>(4)</sup> The turnover rate presented is for the entire Fund.

## DIVIDEND GROWTH FUND – CLASS S SHARES

	Fiscal Years Ended June 30,			Three Months Ended June 30, 2006
	2009	2008	2007	
<b>Net Asset Value:</b>				
Beginning of period	\$13.08	\$14.39	\$12.26	\$12.28
<b>Operations:</b>				
Net investment income (loss) <sup>(1)</sup>	.21	.20	.21	.05
Net realized and unrealized gains (losses) on investments	(3.09)	(.63)	2.33	(.02)
Total from operations	(2.88)	(.43)	2.54	.03
<b>Distributions to Shareholders:</b>				
From net investment income	(.23)	(.19)	(.21)	(.05)
From net realized gains	(.39)	(.69)	(.20)	—
Total distributions	(.62)	(.88)	(.41)	(.05)
<b>Net Asset Value:</b>				
End of period	\$9.58	\$13.08	\$14.39	\$12.26
Total investment return <sup>(2)</sup>	(21.79%)	(3.27%)	21.02%	0.27%
Net assets at end of period (000s omitted)	\$15,730	\$14,300	\$2,823	\$48
<b>Ratios:</b>				
Expenses to average daily net assets <sup>(3)</sup>	1.25%	1.25%	1.25%	1.25% <sup>(5)</sup>
Net investment income (loss) to average daily net assets	2.10%	1.43%	1.56%	1.84% <sup>(5)</sup>
Portfolio turnover rate (excluding short-term securities)	69.10% <sup>(4)</sup>	38.86% <sup>(4)</sup>	34.02% <sup>(4)</sup>	41.28% <sup>(4)</sup>

<sup>(1)</sup> The net investment income (loss) per share is based on average shares outstanding for the period.

<sup>(2)</sup> Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of distributions at net asset value.

<sup>(3)</sup> In addition to the fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

<sup>(4)</sup> The turnover rate presented is for the entire Fund.

<sup>(5)</sup> Percentages are adjusted to an annual rate.

## GLOBAL DIVIDEND GROWTH FUND – CLASS I

Nine Months  
Ended  
June 30, 2009

**Net Asset Value:**

Beginning of period	\$10.00
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**Operations:**

Net investment income (loss) <sup>(1)</sup>	.15
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Net realized and unrealized gains (losses) on investments	(.36)
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Total from operations	.21
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**Distributions to Shareholders:**

From net investment income	(.09)
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From net realized gains	—
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Total distributions	(.09)
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**Net Asset Value:**

End of period	\$9.70
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Total investment return <sup>(2)</sup>	(2.06%)
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Net assets at end of period (000s omitted)	\$2,290
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**Ratios:**

Expenses to average daily net assets <sup>(3)</sup>	1.25% <sup>(5)</sup>
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Net investment income (loss) to average daily net assets	2.30% <sup>(5)</sup>
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Portfolio turnover rate (excluding short-term securities)	17.69% <sup>(4)</sup>
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<sup>(1)</sup> The net investment income (loss) per share is based on average shares outstanding for the period.

<sup>(2)</sup> Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of distributions at net asset value.

<sup>(3)</sup> In addition to the fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

<sup>(4)</sup> The turnover rate presented is for the entire Fund.

<sup>(5)</sup> Percentages are adjusted to an annual rate.

## GLOBAL DIVIDEND GROWTH FUND – CLASS S

Nine Months  
Ended  
June 30, 2009

**Net Asset Value:**

Beginning of period	\$10.00
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**Operations:**

Net investment income (loss) <sup>(1)</sup>	.13
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Net realized and unrealized gains (losses) on investments	(.36)
--	-------

Total from operations	(.23)
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**Distributions to Shareholders:**

From net investment income	(.07)
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From net realized gains	—
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Total distributions	(.07)
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**Net Asset Value:**

End of period	\$9.70
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Total investment return <sup>(2)</sup>	(2.18%)
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Net assets at end of period (000s omitted)	\$740
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**Ratios:**

Expenses to average daily net assets <sup>(3)</sup>	1.50% <sup>(5)</sup>
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Net investment income (loss) to average daily net assets	2.05% <sup>(5)</sup>
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Portfolio turnover rate (excluding short-term securities)	17.69% <sup>(4)</sup>
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<sup>(1)</sup> The net investment income (loss) per share is based on average shares outstanding for the period.

<sup>(2)</sup> Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of distributions at net asset value.

<sup>(3)</sup> In addition to the fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

<sup>(4)</sup> The portfolio turnover rate presented is for the entire Fund.

<sup>(5)</sup> Percentages are adjusted to an annual rate.

## LARGE CAP GROWTH FUND

	Fiscal Years Ended June 30,				
	2009	2008	2007	2006	2005
<b>Net Asset Value:</b>					
Beginning of period	\$43.41	\$43.99	\$37.60	\$34.27	\$31.96
<b>Operations:</b>					
Net investment income (loss) <sup>(1)</sup>	.28	.20	.24	.17	.16
Net realized and unrealized gains (losses) on investments	(11.05)	(.65)	6.43	3.23	2.27
Total from operations	(10.77)	(.45)	6.67	3.40	2.43
<b>Distributions to Shareholders:</b>					
From net investment income	(.22)	(.13)	(.28)	(.07)	(.12)
From net realized gains	—	—	—	—	—
Total distributions	(.22)	(.13)	(.28)	(.07)	(.12)
<b>Net Asset Value:</b>					
End of period	\$32.42	\$43.41	\$43.99	\$37.60	\$34.27
Total investment return <sup>(2)</sup>	(24.77%)	(1.03%)	17.79%	9.91%	7.62%
Net assets at end of period (000s omitted)	\$324,071	\$287,695	\$125,741	\$101,873	\$69,660
<b>Ratios:</b>					
Expenses to average daily net assets <sup>(3)</sup>	1.00%	1.00%	1.00%	1.00%	1.00%
Net investment income (loss) to average daily net assets	0.85%	0.46%	0.59%	0.46%	0.49%
Portfolio turnover rate (excluding short-term securities)	27.98%	21.97%	27.80%	23.71%	23.22%

<sup>(1)</sup> The net investment income (loss) per share is based on average shares outstanding for the period.

<sup>(2)</sup> Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of distributions at net asset value.

<sup>(3)</sup> In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

## MID CAP GROWTH FUND

	Fiscal Years Ended June 30,				
	2009	2008	2007	2006	2005
<b>Net Asset Value:</b>					
Beginning of period	\$14.83	\$15.71	\$13.01	\$11.28	\$10.23
<b>Operations:</b>					
Net investment income (loss) <sup>(1)</sup>	(.03)	(.07)	(.04)	—	(.07)
Net realized and unrealized gains (losses) on investments	(4.81)	(.31)	2.74	1.73	1.12
Total from operations	(4.84)	(.38)	2.70	1.73	1.05
<b>Distributions to Shareholders:</b>					
From net investment income	—	—	—	—	—
From net realized gains	(.09)	(.50)	—	—	—
Total distributions	(.09)	(.50)	—	—	—
<b>Net Asset Value:</b>					
End of period	\$9.90	\$14.83	\$15.71	\$13.01	\$11.28
Total investment return <sup>(2)</sup>	(32.51%)	(2.63%)	20.75%	15.34%	10.26%
Net assets at end of period (000s omitted)	\$127,477	\$210,880	\$205,256	\$191,541	\$199,449
<b>Ratios:<sup>(3)</sup></b>					
Expenses (without waiver) <sup>(4)</sup>	1.25%	1.25%	1.25%	1.25%	1.25%
Expenses (with waiver) <sup>(4)</sup>	1.15%	1.15%	1.15%	1.15%	1.15%
Net investment income (loss) (without waiver)	(0.40%)	(0.52%)	(0.41%)	(0.13%)	(0.76%)
Net investment income (loss) (with waiver)	(0.30%)	(0.42%)	(0.31%)	(0.03%)	(0.66%)
Portfolio turnover rate (excluding short-term securities)	18.07%	34.61%	40.08%	32.48%	39.74%

<sup>(1)</sup> The net investment income (loss) per share is based on average shares outstanding for the period.

<sup>(2)</sup> Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of distributions at net asset value.

<sup>(3)</sup> The ratio information is calculated based on average daily net assets. Total Fund expenses are limited to 1.25% of average daily net assets. However, during the periods above, the investment adviser voluntarily absorbed expenses that were otherwise payable by the Fund.

<sup>(4)</sup> In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

## INTERNATIONAL GROWTH FUND

	Fiscal Years Ended June 30,				
	2009	2008	2007	2006	2005
<b>Net Asset Value:</b>					
Beginning of period	\$17.80	\$18.70	\$15.48	\$12.31	\$11.24
<b>Operations:</b>					
Net investment income (loss) <sup>(1)</sup>	.13	.15	.20	.14	.07
Net realized and unrealized gains (losses) on investments	(6.95)	(.85)	3.17	3.10	1.03
Total from operations	(6.82)	(.70)	3.37	3.24	1.10
Capital share payments <sup>(5)</sup>	.10	—	—	—	—
<b>Distributions to Shareholders:</b>					
From net investment income	(.18)	(.20)	(.15)	(.07)	(.03)
From net realized gains	—	—	—	—	—
Total distributions	(.18)	(.20)	(.15)	(.07)	(.03)
<b>Net Asset Value:</b>					
End of period	\$10.90	\$17.80	\$18.70	\$15.48	\$12.31
Total investment return <sup>(2)</sup>	(37.71%)	(3.82%)	21.87%	26.37%	9.80%
Net assets at end of period (000s omitted)	\$21,009	\$37,714	\$39,511	\$34,700	\$29,152
<b>Ratios:</b> <sup>(3)</sup>					
Expenses (without waiver) <sup>(4)</sup>	1.85%	1.85%	1.85%	1.85%	1.85%
Expenses (with waiver) <sup>(4)</sup>	1.50%	1.50%	1.50%	1.50%	1.50%
Net investment income (loss) (without waiver)	0.74%	0.43%	0.84%	0.60%	0.21%
Net investment income (loss) (with waiver)	1.09%	0.78%	1.19%	0.95%	0.56%
Portfolio turnover rate (excluding short-term securities)	33.12%	16.83%	17.25%	20.21%	28.27%

<sup>(1)</sup> The net investment income (loss) per share is based on average shares outstanding for the period.

<sup>(2)</sup> Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of distributions at net asset value.

<sup>(3)</sup> The ratio information is calculated based on average daily net assets. Total Fund expenses are limited to 1.85% of average daily net assets. However, during the periods above, the investment adviser voluntarily absorbed expenses that were otherwise payable by the Fund.

<sup>(4)</sup> In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

<sup>(5)</sup> The Fund received proceeds during the year from market timing settlements as described in footnote 4 to the financial statements published in the June 30, 2009 Stock Funds Annual Report.

## SMALL CAP GROWTH FUND

	Fiscal Years Ended June 30,				
	2009	2008	2007	2006	2005
<b>Net Asset Value:</b>					
Beginning of period	\$37.44	\$40.14	\$33.46	\$27.74	\$25.29
<b>Operations:</b>					
Net investment loss <sup>(1)</sup>	(.16)	(.37)	(.27)	(.23)	(.27)
Net realized and unrealized gains (losses) on investments	(11.39)	(2.33)	6.95	5.95	2.72
Total from operations	(11.55)	(2.70)	6.68	5.72	2.45
<b>Distributions to Shareholders:</b>					
From net investment income	—	—	—	—	—
From net realized gains	—	—	—	—	—
Total distributions	—	—	—	—	—
<b>Net Asset Value:</b>					
End of period	\$25.89	\$37.44	\$40.14	\$33.46	\$27.74
Total investment return <sup>(2)</sup>	(30.85%)	(6.73%)	19.96%	20.62%	9.69%
Net assets at end of period (000s omitted)	\$58,352	\$93,527	\$105,800	\$106,977	\$180,545
<b>Ratios:</b>					
Expenses to average daily net assets <sup>(3)</sup>	1.50%	1.50%	1.50%	1.50%	1.50%
Net income (loss) to average daily net assets	(0.61%)	(0.93%)	(0.79%)	(0.67%)	(1.08%)
Portfolio turnover rate (excluding short-term securities)	26.19%	37.20%	38.79%	54.73%	33.75%

<sup>(1)</sup> The net investment income (loss) per share is based on average shares outstanding for the period.

<sup>(2)</sup> Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of distributions at net asset value.

<sup>(3)</sup> In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

## DEVELOPING MARKETS GROWTH FUND

	Fiscal Years Ended June 30,				
	2009	2008	2007	2006	2005
<b>Net Asset Value:</b>					
Beginning of period	\$25.97	\$24.94	\$17.38	\$12.97	\$9.89
<b>Operations</b>					
Net investment income (loss) <sup>(1)</sup>	.04	(.07)	.05	.04	.06
Net realized and unrealized gains (losses) on investments	(9.15)	1.41	7.56	4.43	3.04
Total from operations	(9.11)	1.34	7.61	4.47	3.10
<b>Capital share payments<sup>(4)</sup></b>	.09	—	—	—	—
<b>Distributions to Shareholders:</b>					
From net investment income	—	(.04)	(.05)	(.06)	(.02)
From net realized gains	(.82)	(.27)	—	—	—
Total distributions	(.82)	(.31)	(.05)	(.06)	(.02)
<b>Net Asset Value:</b>					
End of period	\$16.13	\$25.97	\$24.94	\$17.38	\$12.97
Total investment return <sup>(2)</sup>	(33.73%)	5.26%	43.82%	34.47%	31.32%
Net assets at end of period (000s omitted)	\$13,203	\$23,195	\$18,430	\$13,057	\$10,575
<b>Ratios:</b>					
Expenses to average daily net assets <sup>(3)</sup>	2.00%	2.00%	2.00%	2.00%	2.00%
Net investment income (loss) to average daily net assets	0.24%	(0.27%)	0.25%	0.24%	0.55%
Portfolio turnover rate (excluding short-term securities)	13.56%	9.40%	16.25%	27.38%	29.54%

<sup>(1)</sup> The net investment income (loss) per share is based on average shares outstanding for the period.

<sup>(2)</sup> Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of distributions at net asset value.

<sup>(3)</sup> In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

<sup>(4)</sup> The Fund received proceeds during the year from market timing settlements as described in footnote 4 to the financial statements published in the June 30, 2009 Stock Funds Annual Report.



## FOR MORE INFORMATION

For more information about the Funds, the following documents are available free upon request:

### **Statement of Additional Information**

The SAI contains more details about the Funds and their investment policies.

The SAI is incorporated in this Prospectus by reference.

### **Annual/ Semi-Annual Report**

The Funds' Annual and Semi-Annual Reports include a discussion of the market conditions and investment strategies that significantly affected the Funds' performance.

To request a copy of the documents listed above, or to obtain more information about the Funds:

#### **By Telephone:**

(800) 332-5580 or  
(612) 334-5888

#### **By E-Mail:**

[info@sitinvest.com](mailto:info@sitinvest.com)

#### **On The Internet:**

Visit our website at  
[www.sitfunds.com](http://www.sitfunds.com)

Visit the SEC website at  
[www.sec.gov](http://www.sec.gov)

#### **By Regular Mail:**

Sit Mutual Funds  
P.O. Box 9763  
Providence, RI 02940

#### **By Express Mail:**

Sit Mutual Funds  
101 Sabin Street  
Pawtucket, RI 02860

#### **To Wire Money For A Purchase:**

PNC Bank, Pittsburgh, PA  
ABA #031000053  
Account #86-0690-5556  
Sit Mutual Funds  
For Further Credit: (shareholder name)  
Account Number: (fund name  
and account #)

*The SAI and the Funds' reports may also be reviewed at the Public Reference Room of the Securities and Exchange Commission in Washington, D.C. You can get copies free from the EDGAR database on the SEC's Website listed above, or by mail, for a fee, by calling the SEC at 1-202-551-8090, by making an electronic request at the following email address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov), or by writing the SEC's Public Reference Section, 100 F Street N.E., Washington, D.C. 20549.*



**Sit Mutual Funds**

1940 Act File Nos. 811-03342; 811-03343; 811-06373