



February 27, 2017

T. Rowe Price To Acquire U.S. High Yield Fixed Income Fund And Portfolio Team From Henderson Global Investors

BALTIMORE, Feb. 27, 2017 /PRNewswire/ -- T. Rowe Price Group, Inc. (NASDAQ-GS: TROW) today announced that it had entered into an agreement to acquire the Henderson High Yield Opportunities Fund (Class I ticker: HYOIX, "the Henderson fund") from Henderson Global Investors (North America) Inc. The transaction will be concluded through the reorganization of that fund into a newly formed mutual fund, the T. Rowe Price U.S. High Yield Fund. The transaction is expected to close in late May 2017, subject to shareholder approvals.

The new T. Rowe Price fund will have an investment program substantially similar to the existing Henderson fund, which focuses on total return through investments in U.S. high yield bonds. The new fund will also complement our strong, existing high yield strategy, which focuses on high current income and invests in both domestic and international bonds. To protect the interests of our existing clients, the T. Rowe Price Global High Yield strategy, with \$29.4 billion in assets as of December 31, 2016 and led by industry veteran Mark Vaselkiv, has been closed to new investors since 2012.

The Henderson fund is managed by Kevin Loomer, a former T. Rowe Price high yield investment professional who worked for T. Rowe Price for 11 years before leaving the firm in 2007 to lead the high yield team at another investment management firm. Loomer and his team (four analysts and a trader) have an outstanding performance track record, including a history of top decile performance since inception[1], and 5-star Morningstar ratings for the Fund's A and I shares (Overall Morningstar Rating for Class A and I shares among 602 High Yield Bond funds as of 12/31/2016 based on risk-adjusted returns).

Upon completion of the transaction, Loomer will report to Ted Wiese, head of fixed income for T. Rowe Price. The portfolio management team will remain in a separate office, based in Philadelphia, PA, and trading and research will remain fully separate and distinct from T. Rowe Price's existing platforms.

QUOTES

Ted Wiese, head of fixed income for T. Rowe Price:

- | "Client demand for high yield strategies remains strong, so this acquisition provides an additional high yield investment opportunity for our clients, while further strengthening our global fixed income franchise. In acquiring the Henderson fund, we are also gaining a strategy with an exceptional performance record that has been managed by the same portfolio management team since its inception."
- | "The Henderson fund and its team complement our highly regarded global high yield franchise, headed by veteran Mark Vaselkiv. Its outstanding performance history under the current team allows us to offer attractive high yield investment options for investors to whom the T. Rowe Price High Yield Bond Fund is closed."

ABOUT T. ROWE PRICE

Founded in 1937, Baltimore-based T. Rowe Price Group, Inc. (troweprice.com) is a global investment management organization with \$810.8 billion in assets under management as of December 31, 2016. The organization provides a broad array of mutual funds, subadvisory services, and separate account management for individual and institutional investors, retirement plans, and financial intermediaries. The company also offers sophisticated investment planning and guidance tools. T. Rowe Price's disciplined, risk-aware investment approach focuses on diversification, style consistency, and fundamental research.

ABOUT HENDERSON GLOBAL INVESTORS (NORTH AMERICA) INC.

Henderson Global Investors (North America) Inc. is the U.S. subsidiary of Henderson Global Investors, a London-based global investment management firm established in 1934. With \$124.7 billion in assets under management as of December 31, 2016, offices in 16 countries and around 1000 employees worldwide, Henderson Global Investors follows a client-led philosophy while providing its clients with access to skilled investment professionals representing a broad range of asset classes.

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A Registration Statement for the T. Rowe Price US High Yield Fund has been filed with the Securities and Exchange Commission but is not yet effective. Information contained herein is subject to completion or amendment. Fund securities may not be sold nor may offers to buy be accepted prior to the time the Registration Statement becomes effective. This information shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any state in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

Morningstar rated the Henderson High Yield Opportunities Fund Class A and Class I 5 stars out of 603 High yield Bond funds for the 3-year period ending 12/31/2016. The Morningstar Rating TM for funds, or "star rating", is calculated for funds with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star.

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Investors should consider the investment objectives, risks, fees, and expenses of any T. Rowe Price fund before investing. This and other information is available in the fund's prospectus and summary prospectus which should be read carefully before investing and are available at www.troweprice.com

All investments are subject to risk, including the possible loss of principal. Fixed-income securities are subject to credit risk, liquidity risk, call risk, and interest-rate risk. As interest rates rise, bond prices generally fall. Investments in high-yield ("junk") bonds involve greater risk of price volatility, illiquidity, and default than higher-rated debt securities.

T. Rowe Price mutual funds are distributed by T. Rowe Price Investment Services, Inc. The Henderson High Yield Opportunity Fund is distributed by an unaffiliated broker-dealer. Information on the fund, including a fund prospectus, is available at www.henderson.com.

[1] The Henderson High Yield Opportunity Fund was ranked 99 (out of 730 funds), 8/664, and 5/640 for the 1-year, 3-year, and since inception (04/30/2013) time periods respectively as of 12/31/2016 in the Morningstar High Yield Bond category. Rankings are based on total returns.

To view the original version on PR Newswire, visit: <http://www.prnewswire.com/news-releases/t-rowe-price-to-acquire-us-high-yield-fixed-income-fund-and-portfolio-team-from-henderson-global-investors-300414180.html>

SOURCE T. Rowe Price Group, Inc.

