



T. Rowe Price Launches Interactive Online "Personal Guide" To Saving For College

BALTIMORE (November 2, 2005) – As a part of its efforts to help people better plan for the college education of a child, grandchild, friend, or other family member, T. Rowe Price has launched an interactive and easy to use Saving for College Personal Guide on its web site. The guide can be accessed for free at www.troweprice.com/personalguides.

The Guide uses a step-by-step approach to help users understand and consider the various college savings options – including 529 plans, Education Savings Accounts, UGMA/UTMA accounts, and taxable accounts – and determine an investment approach that suits their time horizon and risk tolerance. The Guide also enables users to test various scenarios, create, save and print Personalized Action Plans, and sign up for email reminders that encourage them to return to the Guide periodically to update their Plans.

“With average tuition costs for college rising faster than inflation and wages, it has become important that families start saving early for college,” said Stuart Ritter, financial planner at T. Rowe Price. “Although there’s no single college savings option that’s perfect for everyone, for people who want to understand their choices, estimate college tuition in the future, and create a Personalized Action Plan, the Guide is a great way to get started.”

Through different interactive sections, the Guide enables individuals and families to learn:

- **Potential Future Cost of College:** Factoring in the years until college starts, investors can estimate future college expenses by applying a chosen inflation rate to the current costs at a specific school or the national averages for public or private institutions.
- **Potential Accumulated Savings:** By entering monthly contributions and any initial investments, as well as an anticipated rate of return and their state and federal tax rates, investors can estimate the amount that would potentially be available for college in several types of accounts, including 529 plans, Education Savings Accounts, UGMA/UTMA accounts, and taxable accounts. In addition, investors can choose to follow a pathway that enables them to estimate how much they would need to invest to reach their college savings goal.
- **Most Appropriate Account Types to Consider:** Based on the level of importance investors place on seven different factors, the interactive Guide suggests which account type might be most suitable. Considerations include desire for tax-advantaged growth, control of withdrawals, financial aid impact, ability to change beneficiary, importance to gift and/or estate planning strategy, and availability of 529 plan state tax deductions. A summary table details the characteristics of the factors as they relate to each account type and helps investors learn about the advantages and disadvantages of the different options.

For investors who have determined an investment goal and would like to open an account with T. Rowe Price, the Guide facilitates the process by providing links to online applications for each account type.

Founded in 1937, Baltimore-based T. Rowe Price (Nasdaq: TROW) is a global investment management firm with \$257.6 billion in assets under management as of September 30, 2005. The firm provides a broad array of mutual funds, sub-advisory services, and separate account management for individual and institutional investors, retirement plans, and financial intermediaries. The company also offers a variety of sophisticated investment planning and guidance tools. T. Rowe Price’s disciplined, risk-aware investment approach focuses on diversification, style consistency, and fundamental research.