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## T. Rowe Price Launches Retirement Income 2020 Fund

### New managed-payout fund designed to help retirees address the retirement income challenge

BALTIMORE, June 27, 2017 /PRNewswire/ --

#### NEWS

T. Rowe Price (NASDAQ-GS: TROW) today made the Retirement Income 2020 Fund publicly available. The fund is designed for individual investors who are approaching retirement and would like to generate ongoing income from their accumulated retirement savings. This is accomplished through a managed-payout structure, which pays out monthly dividends based on an annual distribution rate. The fund serves as a complement to T. Rowe Price's existing lineup of target date Retirement Funds, which began in 2002 and have long held a leading place in the industry.

#### T. ROWE PRICE RETIREMENT INCOME 2020 FUND DETAILS

- | The Retirement Income 2020 Fund will invest in other T. Rowe Price funds that represent various asset classes and sectors. The fund's allocation between T. Rowe Price stock and bond funds will change over time in relation to its 2020 target retirement date.
- | The fund is designed for individual investors who are at or nearing retirement age, but dividend payments will be made to all shareholders of the fund, regardless of age or retirement status.
- | The managed-payout structure of the fund allows for monthly dividend payments mid-month.
- | The fund's annual payout will be calculated September 30 of each year as 5% of the average monthly net asset value over the trailing five years. The calculation is intended to reduce the effects of market volatility on the income payments. Shareholders generally will receive notice of the anticipated fund-level monthly payout amounts for the upcoming calendar year prior to year-end.
- | The fund will have an identical investment profile to the existing T. Rowe Price Retirement 2020 Fund. This includes the same asset allocation, glide path, and underlying funds.
- | The fund is intended initially for individual investor accounts including IRAs and is not intended at this time to be used in defined contribution retirement plan accounts.
- | The Retirement Income 2020 Fund will be co-managed by Jerome Clark and Wyatt Lee, who currently co-manage many other T. Rowe Price Retirement Funds.
- | Mr. Clark has 25 years of investment experience with T. Rowe Price, while Mr. Lee has 18 years of investment experience with the firm.
- | The fund's net expense ratio is 0.74% and will initially be offered only with an Investor Class. Operating expenses will be capped at 0.25% at least through April 30, 2019.

#### QUOTE

Sebastien Page, head of T. Rowe Price's Asset Allocation Group:

"One of the biggest conundrums retirees face is striking the proper balance between receiving payouts from their savings and managing their asset depletion. We believe that this type of managed-payout fund could be a good choice for well-prepared retirees trying to navigate these competing priorities."

T. Rowe Price has offered asset allocation services to clients for over 25 years and manages \$255.2 billion in asset allocation portfolios as of March 31, 2017.

[Download a prospectus](#) or obtain one by calling 1-800-541-8803. The prospectus includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

T. Rowe Price Investment Services, Inc., distributor, T. Rowe Price mutual funds.

## ABOUT T. ROWE PRICE

Founded in 1937, Baltimore-based T. Rowe Price Group, Inc. ([troweprice.com](http://troweprice.com)), is a global investment management organization with \$861.6 billion in assets under management as of March 31, 2017. 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 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. For more information, visit [troweprice.com](http://troweprice.com) or our [Twitter](#), [YouTube](#), [LinkedIn](#), and [Facebook](#) sites.

The principal value of the fund is not guaranteed at any time, including at or after the target date, which is the approximate year an investor plans to retire (assumed to be age 65) and likely stop making new investments in the fund. If an investor plans to retire significantly earlier or later than age 65, the fund may not be an appropriate investment even if the investor is retiring on or near the target date. The fund's allocations among a broad range of underlying T. Rowe Price stock and bond funds will change over time. Diversification cannot assure a profit or protect against loss in a declining market. The fund emphasizes potential capital appreciation during the early phases of retirement asset accumulation, balances the need for appreciation with the need for income as retirement approaches, and focuses on supporting an income stream over a long-term postretirement withdrawal horizon. The fund is not designed for a lump-sum redemption at the target date and does not guarantee a particular level of income. The fund maintains a substantial allocation to equities both prior to and after the target date, which can result in greater volatility over shorter time horizons. There is no guarantee that the fund will provide adequate income at and through your retirement. The fund's monthly cash distributions will reduce the amount of assets available for investment by the fund. In certain years, achieving the targeted annual payout rate through twelve equal monthly dividend payments may result in a drawdown on investment principal and some distributions may be treated in part as a return of capital. For all of these reasons, there is no guarantee of principal for investors and no guarantee that the fund will provide a fixed or stable level of cash distributions at any time or over any particular period of time. Any fund redemptions, including redemptions made prior to the target date, will proportionately reduce the amount of future cash distributions to be received from the fund.

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