The T. Rowe Price Retirement Funds are now available through your retirement plan. The funds are one-step options that make it convenient for you to invest for retirement. Each fund is professionally managed and periodically adjusted with a specific target retirement date in mind. The Retirement Funds are designed to help you meet your changing needs up to and throughout retirement in a single investment option.
Plan ahead: retire happy

You know the kind of lifestyle you dream of having in retirement. You also know, however, that reaching your retirement goals is not a given: You have to plan ahead.

With good information and some help, getting where you want to go may be easier than you think. That’s where the T. Rowe Price Retirement Funds come in. The Retirement Funds are one-step, professionally managed, and periodically adjusted investment options that make it convenient to save for retirement. A Retirement Fund also allows you to pursue your retirement investing goals through a single investment option up to and throughout retirement.

Diversification

A combination of stocks, bonds, and other securities that may reduce the overall impact of risk on your retirement account.

Growth potential

A mix that includes stocks can help you seek meaningful returns over time.

Periodic adjustments

Automatic rebalancing among stocks and bonds helps the funds’ allocations stay on track.

Achieve balance: funds adjust over time

When retirement is still a long way off, it makes sense to choose a more aggressive investment strategy because investing over a longer time horizon can help weather the market’s ups and downs. As retirement nears and the goal changes to preserving savings, investors commonly adjust their portfolios so that they are more conservative.

Knowing when and how to make these adjustments can be a challenge. That’s why many investors may prefer to choose a Retirement Fund. When you invest in a Retirement Fund, your investment portfolio is automatically adjusted over time.

A Retirement Fund geared toward a longer time horizon, such as 30 years or more, has a more aggressive risk/return potential, which gradually becomes more conservative over time.

As the chart below shows, the Retirement Funds’ allocations are actively managed for approximately 30 years after their target retirement dates before arriving at their final 20% stock, 80% bond ratio. This strategy can help your savings continue working for you in retirement.

Actively managed through your retirement years

The principal value of the Retirement Funds 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 funds may not be an appropriate investment even if the investor is retiring on or near the target date. The funds’ allocations among a broad range of underlying T. Rowe Price stock and bond funds will change over time. The funds emphasize potential capital appreciation during the early phases of retirement asset accumulation, balance the need for appreciation with the need for income as retirement approaches, and focus on supporting an income stream over a long-term post-retirement withdrawal horizon. The funds are not designed for a lump-sum redemption at the target date and do not guarantee a particular level of income. The funds maintain a substantial allocation to equities both prior to and after the target date, which can result in greater volatility over shorter time horizons.
Mix it up: each fund invests in a number of funds

The Retirement Funds are made up of other T. Rowe Price mutual funds. That means, whichever fund you choose, you get a mix of different investments investing in hundreds or thousands of securities—in large and small companies, both foreign and domestic.

More about the Retirement Balanced Fund

This fund is intended for investors who seek income and relative stability from bonds, plus some capital appreciation potential from stocks. It is the most conservative of the T. Rowe Price Retirement Funds, investing in a diversified portfolio of about 60% bonds and 40% stocks. Like the other Retirement Funds, this fund will have exposure to risks of many areas of the market. Unlike the other Retirement Funds, the Retirement Balanced Fund’s investment allocation does not shift over time.

Stay on track: the benefits of investing in a Retirement Fund

T. Rowe Price Retirement Funds are professional investment solutions designed for people who feel they don’t have the time or experience to select an investment portfolio. Each is a mutual fund composed of other mutual funds, offering:

- **One-step convenience**, so you don’t need to mix and match them with other options.
- **Professional diversification** that may help reduce the impact of the market’s ups and downs on your account.
- **Stock exposure** that has the potential to help your retirement account outpace inflation and maintain its buying power throughout retirement.
- **Automatic rebalancing** among stocks and bonds helps the funds’ allocations stay on track.

* Diversification cannot assure a profit or protect against loss in a declining market.
Determine your path: is a Retirement Fund right for you?

1. I consider myself a beginner investor. (true/false)
2. I review my investments online or in the newspaper less than once a month. (true/false)
3. I have not developed a long-term retirement investment strategy. (true/false)
4. I would prefer an investment option that is premixed and diversified. (true/false)
5. I do not want to spend time learning about different investment opportunities. (true/false)
6. I am not confident in my ability to make investment choices. (true/false)

If you answered “true” more frequently, a T. Rowe Price Retirement Fund might be appropriate for you.

If you answered “false” more frequently, it may be more appropriate if you create your own portfolio from the other options available through your plan.

Choose a fund

You can pick the fund with the target date that most closely matches the year in which you will turn 65. Or use the chart below to select a fund based on the year you were born:

The Retirement Funds are from T. Rowe Price, an industry leader in helping retirement plan participants reach their savings goals. You can benefit from T. Rowe Price’s disciplined approach to investing and its focus on consistent, long-term results.

Call 1-800-638-7780 to request a prospectus, which includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.