



June 30, 2014

T. Rowe Price Closes Capital Appreciation Fund to New Investors

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NEWS

T. Rowe Price (NASDAQ-GS: TROW) announced that it closed its [Capital Appreciation Fund](#)—along with similar portfolios for institutional clients—for the first time in order to maintain the integrity of the fund's investment strategy and to protect the interests of existing shareholders. While the fund is closed to new investors, additional investments from existing fund shareholders and direct rollovers from qualified retirement plans into new T. Rowe Price IRAs will still be accepted.

The Capital Appreciation Fund, which launched in 1986, seeks long term capital appreciation and to provide comparable returns to the S&P 500 Index with less inherent risk than the all-equity index. Typically, the fund invests about 60% of its assets in stocks and the remainder in a diversified mix of bonds and cash reserves. Through this approach, the fund has posted positive absolute returns in every calendar year since its inception except for two (1990 and 2008).

The pace of inflows has increased dramatically in recent years. With \$32.3 billion in total assets in the U.S. Capital Appreciation Strategy as of March 31, 2014, including \$20.4 billion in the Capital Appreciation Fund, assets have risen by \$15.6 billion since December 31, 2010. The strategy had \$5.4 billion in net flows during that time, including \$3.9 billion into the mutual fund. To ensure that additional strong flows do not overwhelm the portfolio manager's ability to meet the fund's investment objectives, the decision was made to close the fund to new investors as of market close on Monday, June 30, 2014.

QUOTE

David Giroux, portfolio manager of the T. Rowe Price Capital Appreciation Fund

"The market has experienced a significant rally over the past five years and the Capital Appreciation Fund's assets have risen considerably, due to both market appreciation and inflows. If flows were to continue at this pace, it could eventually strain our ability to invest efficiently and result in a less effective investment strategy. We are committed to investing in a manner consistent with the fund's objectives."

IMPORTANT INFORMATION

Capital Appreciation Fund

Total Return by Calendar Years

Calendar Years	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
T. Rowe Price Capital Appreciation Fund (Net of fees)	8.50%	5.74%	21.21%	21.42%	-1.25%	21.59%	9.36%	15.66%	3.80%	22.57%	16.82%	16.20%	5.77%	7.07%
Calendar Years	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
T. Rowe Price Capital Appreciation Fund (Net of fees)	22.17%	10.26%	0.54%	25.47%	15.29%	6.85%	14.54%	4.56%	-27.17%	33.05%	14.07%	3.19%	14.70%	22.43%

The fund's annualized returns for the one-, five-, and 10-year periods ended March 31, 2014 were **16.9%**, **18.6%**, and **8.97%**, respectively.

[Click here](#) for the Capital Appreciation Fund's most recent performance. Current performance may be higher or lower than the quoted past performance, which cannot guarantee future results. Share price, principal value, and return will vary, and you may have a gain or loss when you sell your shares. The fund's prospectus, which is available at troweprice.com or by calling 1-800-638-7890, includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

The fund's expense ratio as of its fiscal year ended December 31, 2013, was 0.71%.

The fund is subject to the inherent volatility of common stock investing. The value approach carries the risk that the market will not recognize a security's intrinsic value for a long time, or that a stock judged to be undervalued may actually be appropriately priced. Concentrating assets in a limited number of companies involves greater risk than investing in a more broadly diversified portfolio.

Figures include changes in principal value, reinvested dividends, and capital gain distributions.

T. Rowe Price Investment Services, Inc., Distributor.

About T. Rowe Price

Founded in 1937, Baltimore-based T. Rowe Price is a global investment management organization with \$711.4 billion in assets under management as of March 31, 2014. 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, Twitter (twitter.com/troweprice), YouTube (youtube.com/trowepricegroup), LinkedIn (linkedin.com/company/t.-rowe-price), or Facebook (fb.com/troweprice).

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