T. ROWE PRICE INTRODUCES AFRICA & MIDDLE EAST FUND

BALTIMORE (September 10, 2007) – T. Rowe Price Associates announced today that it is expanding its international fund lineup with a new fund focusing on the emerging markets of Africa and the Middle East.

The T. Rowe Price Africa & Middle East Fund is a no-load fund that seeks long-term capital growth by investing primarily in stocks of companies located or with primary operations in these regions. The primary markets the fund invests in include Bahrain, Egypt, Jordan, Kenya, Lebanon, Morocco, Nigeria, Oman, Qatar, South Africa, and United Arab Emirates.

Other potential markets as they develop include: Algeria, Botswana, Ghana, Kuwait, Mauritius, Namibia, Tunisia, and Zimbabwe. (This fund will not invest in Israel, which is well represented in the firm’s Emerging Europe & Mediterranean Fund.)

The political and economic risks in the region make these markets susceptible to extreme volatility and sudden and possibly severe price declines. In addition, the fund has a high risk/reward profile since it can invest in small- and mid-cap stocks in emerging markets and has a relatively concentrated portfolio which will typically consist of 25 to 50 companies.

The fund is managed by emerging markets veteran Christopher Alderson, who has 18 years of emerging markets experience with T. Rowe Price and has led the emerging markets equity team for the past 10 years. While acknowledging the risks, Mr. Alderson observes that “these markets offer significant long-term growth potential and diversification benefits for investors who are willing to accept more risk by placing a portion of their assets in a very aggressive portfolio. There are also many attractive companies with sustainable growth and reasonable valuations.”

Financial companies, for example, represent the largest sector exposure, as commercial banks are benefiting from rapidly growing economies. “Many of these companies are experiencing significant revenue growth as demand for both retail and business credit increases,” Mr. Alderson says. “Significant reform of banking and pension markets in many states should further encourage loan growth in both the Middle East and Africa.”

The fund also expects to focus on companies currently benefiting from greater infrastructure spending, particularly in the Middle East, and also from growth in wireless communications as rapid subscriber gains are generating rising revenues.

Taking a regional view, Mr. Alderson observes that Africa is generally benefiting from its oil and gas reserves, an increase in real commodity prices, debt forgiveness, and increasing political stability combined with economic reforms. He notes that excluding South Africa – the continent’s largest economy – growth in sub-Saharan Africa has averaged 7% over the last five years, fueled by the boom in commodity prices. “Africa is the forgotten continent,” he says, “but the region includes some of the fastest-growing economies in the world.

“While oil producers such as Nigeria are the most visible beneficiaries,” Mr. Alderson says, “countries exporting precious metals, bulk commodities, and agricultural produce have all benefited from higher commodity prices. The other major positive change in the region is the reduction in many countries’ debt obligations, due to cancellation on favorable terms by creditor Western governments and global institutions.”

The boom in oil prices in recent years has also produced strong economies with substantial current account surpluses in the Gulf Cooperation Council (GCC) countries, which include Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates.

“Their economic fundamentals remain strong,” Mr. Alderson notes, “with real GDP growth of 6% in 2006 and substantial current account surpluses.” In addition, these governments are now opening up their economies to reduce their dependence on oil prices, led by Dubai with several high-profile projects in infrastructure, financial services, and tourism.

“In sum, the region provides opportunities,” Mr. Alderson adds, “but only for those prepared for long-term investing with a significant tolerance for risk.”

The Africa & Middle East Fund completes the regional coverage of T. Rowe Price’s emerging market fund lineup. The minimum initial investment is $2,500 or $1,000 for Individual Retirement Accounts and gifts or transfers to minors (UGMA/UTMA) accounts. As with other

T. Rowe Price international equity funds, this fund will impose a 2% redemption fee, payable to the fund, on shares purchased and held for 90 days or less.

Founded in 1937, Baltimore-based T. Rowe Price (NASDAQ: TROW) is a global investment management organization with $379.8 billion in assets under management as of June 30, 2007, of which about 15% is invested internationally. The organization provides a broad array of mutual funds, sub-advisory services, and separate account management for individual and institutional investors, financial intermediaries, and retirement plans. It 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.

For more information about any T. Rowe Price mutual fund, call 1-800-638-5660 or visit troweprice.com to request a prospectus, which includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

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