



T. Rowe Price Closes Mid-Cap Growth and Mid-Cap Value Funds to New Investors

BALTIMORE, June 1, 2010 /PRNewswire via COMTEX News Network/ -- T. Rowe Price Group (Nasdaq: TROW) announced that it closed its Mid-Cap Growth and Mid-Cap Value Funds to maintain the integrity of the funds' investment strategies and to protect the interests of existing shareholders. The mutual funds will continue to accept additional investments from existing shareholders and direct rollovers from qualified retirement plans into new IRAs offered through T. Rowe Price.

"We have a history of closing funds when we believe it is in the best interests of our funds' shareholders," said Edward C. Bernard, chairman of the T. Rowe Price mutual funds. "Given the pace of cash flows into these funds, we believe it is prudent to take this action now in order to manage the assets responsibly and maintain the integrity of the funds' investment programs."

The Mid-Cap Growth Fund (RPMGX), which had \$18 billion in assets as of April 30, 2010, seeks long-term growth of capital by investing in the stocks of medium-sized companies with the potential for above-average earnings growth. Since the fund reopened to new investors in December 2008, its assets have risen by \$8.7 billion, including nearly \$1.6 billion in new cash flows.

"While we are pleased with the fund's performance, cash inflows continuing at their recent pace could eventually compromise our ability to invest in the types of higher quality mid-cap growth stocks that have been the hallmark of the fund since its inception," said Brian W. H. Berghuis, portfolio manager of the Mid-Cap Growth Fund.

Similarly, the assets of Mid-Cap Value Fund (TRMCX) have risen \$3.7 billion, including \$1 billion in new cash flows, since it reopened to new investors in May 2009. With a total of \$8.8 billion in assets as of April 30, 2010, the fund seeks long-term growth of capital by investing in the stocks of medium-sized companies that appear to be undervalued.

"Flows into the Mid-Cap Value Fund have been significant over the past year. We need to ensure that the pace of new subscriptions does not, at some stage, impair our ability to invest effectively. So it is appropriate for the fund to close at this time," said David J. Wallack, portfolio manager of the Mid-Cap Value Fund.

The Mid-Cap Growth Fund last closed to new investors in December 2003 and the Mid-Cap Value Fund last closed to new investors in February 2005. Both funds closed for similar reasons in the past.

The funds' prospectuses, which are available at www.troweprice.com/prospectus or by calling 1-800-541-8803, include investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing. T. Rowe Price Investment Services, Inc., distributor.

Founded in 1937, Baltimore-based T. Rowe Price (www.troweprice.com) is a global investment management organization with \$419.0 billion in assets under management as of March 31, 2010. 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.

SOURCE T. Rowe Price Group

Copyright (C) 2010 PR Newswire. All rights reserved