



June 1, 2015

## T. Rowe Price Closes Health Sciences Fund To New Investors

BALTIMORE, June 1, 2015 /PRNewswire/ -- T. Rowe Price (NASDAQ-GS: TROW) announced that it closed its Health Sciences Fund and similar portfolios for institutional clients at 4 p.m. ET today. The decision to close the fund was made 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, it will continue to accept additional investments from existing shareholders and from participants in an employer-sponsored retirement plan for which the fund serves as an investment option. New IRAs may also be opened through a direct rollover from an employer-sponsored retirement plan.

T. Rowe Price Health Sciences Fund, which launched on December 29, 1995, seeks long-term capital appreciation from the stocks of companies involved in health care, medicine, and life sciences. It has been managed since February 15, 2013, by Taymour Tamaddon, who has been an investment professional at T. Rowe Price since 2004. The Health Sciences Fund received an Overall Morningstar Rating<sup>TM</sup> of five stars as of April 30, 2015.<sup>1</sup> Its ticker symbol is PRHSX.

This is the first time the Health Sciences Fund has closed to new investors. The pace of inflows into the fund has increased dramatically in recent years. With \$14.8 billion in total assets in the Health Sciences Strategy as of April 30, 2015-including \$14.1 billion in the Health Sciences Fund-assets have risen by \$5.9 billion since the end of 2013. The strategy had nearly \$1.8 billion of inflows during that time, including \$1.1 billion this year through April 30. Closing the fund to new investors will help ensure that additional inflows do not overwhelm the portfolio manager's ability to meet the fund's investment objective.

T. Rowe Price has a history of closing funds to maintain the integrity of an investment strategy and to protect the interests of existing shareholders. Other T. Rowe Price mutual funds that are currently closed to new investors are the Capital Appreciation Fund, High Yield Fund, Mid-Cap Growth Fund, Mid-Cap Value Fund, New Horizons Fund, and Small-Cap Stock Fund.

### QUOTE

Taymour Tamaddon, portfolio manager of the T. Rowe Price Health Sciences Fund

"The health care sector has appreciated significantly over the past three years, which, along with inflows, has resulted in the Health Sciences Fund's assets increasing materially. We are committed to investing in a manner consistent with the fund's objective, and if flows were to continue at the current pace, it could eventually strain our ability to invest efficiently and result in a less effective investment strategy."

### IMPORTANT INFORMATION

Morningstar rated the Health Sciences Fund among 123, 123, 117, and 97 health funds for the overall rating and the 3-, 5-, and 10-year periods (as applicable) ended April, 30, 2015, respectively. Morningstar Ratings<sup>TM</sup> are based on risk-adjusted returns. The Overall Morningstar Rating<sup>TM</sup> is derived from a weighted average of the performance figures associated with a fund's 3-, 5-, and 10-year (if applicable) Morningstar Rating<sup>TM</sup> metrics.

*The T. Rowe Price Health Sciences Fund has posted an average annual total return of 16.12% since inception on December 29, 1995, through March 31, 2015. Its annualized returns for the 1-, 5-, and 10-year periods ended March 31, 2015, were 41.92%, 28.92%, and 19.57%, respectively. Investors should note that the fund's short-term performance is highly unusual and unlikely to be sustained.*

Click [here](#) for the Health Sciences 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](http://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, 2014, was 0.77%.

*Due to the fund's concentration in health sciences companies, its share price will be more volatile than that of more diversified funds. Further, these firms are often dependent on government funding and regulation and are vulnerable to product liability lawsuits and competition from low-cost generic products.*

*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 Group, Inc., is a global investment management organization with \$772.7 billion in assets under management as of March 31, 2015. 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 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), Twitter ([twitter.com/troweprice](https://twitter.com/troweprice)), YouTube ([youtube.com/trowepricegroup](https://youtube.com/trowepricegroup)), LinkedIn ([linkedin.com/company/t.-rowe-price](https://linkedin.com/company/t.-rowe-price)), or Facebook ([fb.com/troweprice.com](https://fb.com/troweprice.com)).

[1] For funds with at least a 3-year history, a Morningstar Rating™ is based on a risk-adjusted return measure (including the effects of sales charges, loads, and redemption fees) with emphasis on downward variations and consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% 4 stars, the next 35% 3 stars, the next 22.5% 2 stars, and the bottom 10% 1 star. Each share class is counted as a fraction of 1 fund within this scale and rated separately. Morningstar Rating™ is for the retail share class only; other classes may have different performance characteristics. ©2015 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

The mutual fund referred to in this press release is offered and sold only to persons residing in the United States and is offered by prospectus only. The prospectus includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing. [Download a prospectus.](#)

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