

**March 12, 2013**

**2012 Dividend Reclassifications – Correction for Real Assets Fund**

Real Assets Fund previously reported a return of capital of \$0.032510862. Based on information subsequently available, all of the distributions from the T. Rowe Price Real Assets Fund in 2012 have been determined to be taxable ordinary dividends, 49% of which represent qualifying dividend income. A corrected Form 1099-DIV is being sent to shareholders to report these changes.

Below is a summary of 2012 dividend reclassifications previously reported for the T. Rowe Price Funds, except for the Real Assets Fund.

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A portion of the 2012 dividends paid by the Price funds will be reclassified for 1099 purposes. A reclassification means that the tax character of the dividend on the shareholder's 1099 mailed in January is different than the character shown on the statement which reported the dividend when it was paid. Tax character means whether the dividend is from taxable or tax-exempt income, short-term or long-term gain, or return of capital.

<b>2012 Reclassifications</b>					
<b>T. Rowe Price Fund</b>	<b>DST#</b>	<b>2012 Payment Date</b>	<b>Per Share Amount to Reclassify</b>	<b><u>Tax Character</u></b>	
				<b>Before Reclassification</b>	<b>After Reclassification</b>
Emerging Markets Bond	110	12/31/2012	\$0.036655406	Income Dividend	Long-Term Capital Gain
Emerging Markets Local Currency Bond	192	1/31/2012	\$0.016058624	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	2/29/2012	\$0.016492862	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	3/30/2012	\$0.018001479	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	4/30/2012	\$0.015925053	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	5/31/2012	\$0.016610241	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	6/29/2012	\$0.016824928	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	7/31/2012	\$0.015778121	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	8/31/2012	\$0.017503140	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	9/28/2012	\$0.014195413	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	10/31/2012	\$0.017249449	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	11/30/2012	\$0.018030540	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond	192	11/30/2012	\$0.005449655	Income Dividend	Long-Term Capital Gain
Emerging Markets Local Currency Bond – Advisor Class	292	1/31/2012	\$0.015727982	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond – Advisor Class	292	2/29/2012	\$0.016173340	Income Dividend	Return of Capital

2012 Reclassifications					
T. Rowe Price Fund	DST#	2012 Payment Date	Per Share Amount to Reclassify	Tax Character	
				Before Reclassification	After Reclassification
Emerging Markets Local Currency Bond – Advisor Class	292	3/30/2012	\$0.017669354	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond – Advisor Class	292	4/30/2012	\$0.015607607	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond – Advisor Class	292	5/31/2012	\$0.016267322	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond – Advisor Class	292	6/29/2012	\$0.016523398	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond – Advisor Class	292	7/31/2012	\$0.015458659	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond – Advisor Class	292	8/31/2012	\$0.017144462	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond – Advisor Class	292	9/28/2012	\$0.013913586	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond – Advisor Class	292	10/31/2012	\$0.016895349	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond – Advisor Class	292	11/30/2012	\$0.017689571	Income Dividend	Return of Capital
Emerging Markets Local Currency Bond – Advisor Class	292	11/30/2012	\$0.005449655	Income Dividend	Long-Term Capital Gain
Institutional International Bond	167	1/31/2012	\$0.004799733	Income Dividend	Return of Capital
Institutional International Bond	167	2/29/2012	\$0.005259920	Income Dividend	Return of Capital
Institutional International Bond	167	3/30/2012	\$0.005429891	Income Dividend	Return of Capital
Institutional International Bond	167	4/30/2012	\$0.004708483	Income Dividend	Return of Capital
Institutional International Bond	167	5/31/2012	\$0.004795151	Income Dividend	Return of Capital
Institutional International Bond	167	6/29/2012	\$0.004757868	Income Dividend	Return of Capital
Institutional International Bond	167	7/31/2012	\$0.004604153	Income Dividend	Return of Capital
Institutional International Bond	167	8/31/2012	\$0.005349580	Income Dividend	Return of Capital
Institutional International Bond	167	9/28/2012	\$0.004357181	Income Dividend	Return of Capital
Institutional International Bond	167	10/31/2012	\$0.004967675	Income Dividend	Return of Capital
Institutional International Bond	167	11/30/2012	\$0.004721842	Income Dividend	Return of Capital
Emerging Markets Local Multi-Sector Account Portfolio	324	03/30/2012	\$0.003250476	Income Dividend	Return of Capital
Emerging Markets Local Multi-Sector Account Portfolio	324	04/30/2012	\$0.003563512	Income Dividend	Return of Capital
Emerging Markets Local Multi-Sector Account Portfolio	324	05/31/2012	\$0.003605777	Income Dividend	Return of Capital
Emerging Markets Local Multi-Sector Account Portfolio	324	06/29/2012	\$0.003601784	Income Dividend	Return of Capital
Emerging Markets Local Multi-Sector Account Portfolio	324	07/31/2012	\$0.003457604	Income Dividend	Return of Capital
Emerging Markets Local Multi-Sector Account Portfolio	324	08/31/2012	\$0.003946882	Income Dividend	Return of Capital
Emerging Markets Local Multi-Sector Account Portfolio	324	09/28/2012	\$0.003223724	Income Dividend	Return of Capital
Emerging Markets Local Multi-Sector Account Portfolio	324	10/31/2012	\$0.003802680	Income Dividend	Return of Capital
Emerging Markets Local Multi-Sector Account Portfolio	324	11/30/2012	\$0.003996618	Income Dividend	Return of Capital

2012 Reclassifications					
T. Rowe Price Fund	DST#	2012 Payment Date	Per Share Amount to Reclassify	<u>Tax Character</u>	
				Before Reclassification	After Reclassification
Real Estate	122	3/29/12	\$0.018264103	Income Dividend	Return of Capital
Real Estate	122	6/28/12	\$0.016603730	Income Dividend	Return of Capital
Real Estate	122	9/27/12	\$0.018264103	Income Dividend	Return of Capital
Real Estate	122	12/14/12	\$0.023245222	Income Dividend	Return of Capital
Real Estate - Advisor Class	222	3/29/12	\$0.016603730	Income Dividend	Return of Capital
Real Estate - Advisor Class	222	6/28/12	\$0.014943357	Income Dividend	Return of Capital
Real Estate - Advisor Class	222	9/27/12	\$0.014943357	Income Dividend	Return of Capital
Real Estate - Advisor Class	222	12/14/12	\$0.021584849	Income Dividend	Return of Capital

**Explanation of Returns of Capital**

A tax return of capital occurs when a fund pays out more than its taxable income and gains. Funds listed above pay dividends based on financial accounting income. Taxable income was less than financial accounting income primarily due to currency losses.

The dollar amount of return of capital for each shareholder is reported in Box 3, Nontaxable Distributions, of Form 1099-DIV, mailed in January. Shareholders must reduce the basis of all shares held in the fund on the payment date listed above by the amount reported in Box 3.

Note that we are not distributing losses to shareholders, but we are instructing them of the portion of their dividend which is not taxable.

**Explanation of Reclassification for Real Estate Fund**

*For Real Estate Fund, a portion of the Fund's dividends received from REIT's was reclassified as a return of capital causing a similar reclassification of a portion of the dividends paid by the fund. Forms 1099-DIV was mailed in February.*

**Explanation of Long-Term Capital Gain Reclassifications**

For Emerging Markets Bond Fund and Emerging Markets Local Currency Bond Fund currency losses resulted in the funds over distributing their taxable ordinary income. However, these two funds had undistributed long-term capital gains so that the excess distributions, or portion thereof, were considered to come from long-term capital gains.

## **Section 1250 Gains**

For the following funds a portion of the long-term capital gain paid in December was derived from Section 1250 property and are subject to a maximum tax rate of 25%. Section 1250 gains are typically due to investments in real estate investment trusts (REITs). Section 1250 gains are reported in Box 2b of Form 1099-DIV

<b>TRP Fund</b>	<b>DST Number</b>	<b>2012 Payment Date</b>	<b>Total LTCG Paid Per Share</b>	<b>Percentage of LTCG Subject to 25% Rate</b>	<b><u>Per Share Long-Term Gain After Reclassification</u></b>	
					<b>15%</b>	<b>25%</b>
Global Real Estate	173/273	12/19/2012	\$0.04	25.4307%	\$0.029827720	\$0.010172280
Mid-Cap Value	115/215/415	12/17/2012	\$1.10	0.15312%	\$1.098315680	\$0.001684320
Small-Cap Stock	65/265	12/17/2012	\$2.42	0.03219%	\$2.419221002	\$0.000778998
Small-Cap Value	46/246	12/17/2012	\$0.77	0.21717%	\$0.768327560	\$0.001672440