

# Retirement plan investments

## March 31, 2008 quarterly update

**Share Class R-2**

The following funds are offered without a sales charge to eligible retirement plans. Returns assume all distributions are reinvested and reflect applicable fees and expenses. Class R-2 shares became available for purchase on May 15, 2002. Class R-2 share returns prior to that date are hypothetical based on Class A share returns without a sales charge, adjusted for typical additional estimated expenses. This material must be preceded or accompanied by the current prospectuses for the funds being offered.

**Figures shown are past results for Class R-2 shares at net asset value and are not predictive of future results. Current and future results may be lower or higher than those shown here. Share prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity. Although the cash-equivalent funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the funds. For current information and month-end results, investors should visit [AmericanFundsRetirement.com](http://AmericanFundsRetirement.com).**

Average annual total returns as of 3/31/08 <sup>1</sup>	Fund began	Fund's lifetime	10 years	5 years	1 year	Net expense ratio <sup>1</sup>	Gross expense ratio <sup>1</sup>
<b>Growth funds</b>							
AMCAP Fund®	5/1/67	10.95%	5.56%	9.13%	-6.02%	1.47%	1.53%
EuroPacific Growth Fund®	4/16/84	12.86	8.97	22.25	5.51	1.57	1.61
The Growth Fund of America®	12/1/73 <sup>2</sup>	14.03	8.46	13.69	0.04	1.40	1.42
The New Economy Fund®	12/1/83	10.85	4.10	14.38	-5.71	1.56	1.67
New Perspective Fund®	3/13/73	12.70	8.69	18.58	4.79	1.53	1.60
New World Fund <sup>SM</sup>	6/17/99	12.56	N/A	28.06	17.53	1.76	1.90
SMALLCAP World Fund®	4/30/90	10.24	6.83	21.72	-2.49	1.77	1.93
<b>Growth-and-income funds</b>							
American Mutual Fund®	2/21/50	11.16	4.61	9.69	-6.61	1.41	1.49
Capital World Growth and Income Fund <sup>SM</sup>	3/26/93	13.13	10.55	20.79	5.03	1.53	1.59
Fundamental Investors <sup>SM</sup>	8/1/78 <sup>2</sup>	12.89	7.03	16.39	1.33	1.40	1.46
The Investment Company of America®	1/1/34	11.70	5.22	10.68	-5.42	1.39	1.44
Washington Mutual Investors Fund <sup>SM</sup>	7/31/52	11.53	4.21	10.28	-5.99	1.41	1.47
<b>Equity-income funds</b>							
Capital Income Builder®	7/30/87	10.41	7.56	13.01	-0.49	1.41	1.45
The Income Fund of America®	12/1/73 <sup>2</sup>	11.25	5.97	10.57	-6.03	1.39	1.44
<b>Balanced fund</b>							
American Balanced Fund®	7/26/75 <sup>2</sup>	10.67	6.12	8.76	-1.25	1.39	1.41
<b>Bond funds</b>							
American High-Income Trust <sup>SM</sup>	2/19/88	7.69	4.47	7.43	-5.56	1.47	1.69
The Bond Fund of America <sup>SM</sup>	5/28/74	8.01	4.37	4.03	-0.40	1.40	1.51
Capital World Bond Fund®	8/4/87	7.05	6.33	7.84	11.12	1.67	1.96
Intermediate Bond Fund of America®	2/19/88	5.11	3.76	2.12	2.66	1.45	1.62
Short-Term Bond Fund of America <sup>SM 3</sup>	10/2/06	3.81	N/A	N/A	3.88	1.42	2.10
U.S. Government Securities Fund <sup>SM</sup>	10/17/85	5.97	4.33	2.92	6.81	1.48	1.73
<b>Cash-equivalent funds</b>							
The Cash Management Trust of America® <sup>4</sup>	11/3/76	5.28	2.47	2.00	3.38	1.43	1.54
The U.S. Treasury Money Fund of America <sup>SM 4</sup>	2/1/91	2.58	2.13	1.68	2.63	1.48	1.59

<sup>1</sup> The funds' investment adviser and the business manager for Washington Mutual Investors Fund are waiving a portion of their management fees, and the investment adviser has reimbursed certain expenses. Results shown here reflect the waivers and reimbursements, without which the results would have been lower. The net expense ratios (shown first) reflect the waivers and/or reimbursements; the gross expense ratios do not. The waivers and/or reimbursements may be discontinued at any time, but are expected to continue at current levels until further review, which will be conducted with the funds' boards as circumstances warrant. Expense ratios are for each fund's most recent fiscal year-end. The expense ratio for Short-Term Bond Fund of America is annualized. Please see each fund's most recent shareholder report for details.

<sup>2</sup> Capital Research and Management Company began managing the fund on this date.

<sup>3</sup> Class R-2 shares of Short-Term Bond Fund of America were first sold on December 8, 2006; results prior to that date are hypothetical, based on Class A

share returns without a sales charge, and adjusted for estimated additional expenses of 0.78% a year. Please see each fund's most recent shareholder report for the actual date of first sale and the prospectus for more information on specific expenses.

<sup>4</sup> The annualized seven-day SEC yield for The Cash Management Trust of America was 1.17% and for The U.S. Treasury Money Fund of America was 0.33% as of 3/31/08. The yield takes into account certain expenses reimbursed and management fees waived by the investment adviser. Without them, the yield would have been 1.15% for The Cash Management Trust of America and 0.30% for The U.S. Treasury Money Fund of America. The yields for these funds more accurately reflect the funds' current earnings than do their total returns.

N/A = Not applicable.

**Please see target date funds and important legal information on the back.**

# Retirement plan investments

## March 31, 2008 quarterly update (continued)

Share Class R-2

The following target date funds are offered without a sales charge to eligible retirement plans. Class R-2 share returns assume all distributions are reinvested and reflect applicable fees and expenses. This material must be preceded or accompanied by the current prospectus for the American Funds Target Date Retirement Series.<sup>1</sup>

**investors may lose money. Investing for short periods makes losses more likely. Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity. For current information and month-end results, investors should visit [AmericanFundsRetirement.com](http://AmericanFundsRetirement.com).**

Figures shown are past results for Class R-2 shares at net asset value and are not predictive of future results. Current and future results may be lower or higher than those shown here. Share prices and returns will vary, so

Average annual total returns as of 3/31/08 <sup>2</sup>	Fund began	Fund's lifetime	10 years	5 years	1 year	Net expense ratio <sup>2</sup>	Gross expense ratio <sup>2</sup>
<b>Target date funds</b>							
American Funds 2050 Target Date Retirement Fund®	2/1/07	-0.25%	N/A	N/A	-0.19%	1.50%	1.98%
American Funds 2045 Target Date Retirement Fund®	2/1/07	-0.27	N/A	N/A	-0.31	1.50	2.57
American Funds 2040 Target Date Retirement Fund®	2/1/07	-0.27	N/A	N/A	-0.31	1.50	2.01
American Funds 2035 Target Date Retirement Fund®	2/1/07	-0.22	N/A	N/A	-0.25	1.50	1.85
American Funds 2030 Target Date Retirement Fund®	2/1/07	-0.38	N/A	N/A	-0.44	1.50	1.77
American Funds 2025 Target Date Retirement Fund®	2/1/07	-0.42	N/A	N/A	-0.49	1.50	1.75
American Funds 2020 Target Date Retirement Fund®	2/1/07	-0.08	N/A	N/A	-0.19	1.49	1.70
American Funds 2015 Target Date Retirement Fund®	2/1/07	0.53	N/A	N/A	0.41	1.49	1.71
American Funds 2010 Target Date Retirement Fund®	2/1/07	0.23	N/A	N/A	0.07	1.48	1.74

<sup>1</sup> Target date fund objectives and the portfolios' underlying American Funds are subject to the portfolio counselors' discretion and will evolve over time. The funds' allocation strategy does not guarantee that investors' goals will be met. To see the underlying funds of each target date fund, refer to either the prospectus or shareholder report, or visit [AmericanFundsRetirement.com](http://AmericanFundsRetirement.com).

<sup>2</sup> The target date funds' investment adviser is waiving its management fees and has reimbursed certain expenses. Investment results shown reflect the waiver and the reimbursements, without which the results would have been lower. The net expense ratios (shown first) reflect the waiver and the reimbursements; the gross expense ratios do not. The waiver and the reimbursements may be discontinued at any time, but are expected to continue at current levels until further review, which will be conducted with the funds' boards as circumstances warrant. Expense ratios are for each fund's most recent fiscal year-end. Expense ratios for the target date funds include the weighted average expenses of the underlying funds and are annualized for the current fiscal year. Please see the funds' most recent shareholder report for details.

N/A = Not applicable.

### Important legal information

Equity investments are subject to market fluctuations. Investing outside the United States (especially in developing countries) involves certain risks, such as currency fluctuations, political instability, differing securities regulations and periods of illiquidity, as more fully described in the funds' prospectuses. Small-company stocks entail additional risks, and they can fluctuate in price more than larger company stocks.

Lower rated bonds are subject to greater fluctuations in value and risk of loss of income and principal.

The return of principal in bond funds and for the bond holdings in New World Fund, Capital Income Builder, The Income Fund of America, American Balanced Fund and the funds in the Target Date Retirement Series is not guaranteed. Fund shares are subject to the same interest rate, inflation and credit risks that are associated with the underlying bonds owned by the fund. Bond prices and a bond fund's share price will generally move in the opposite direction of interest rates.

Shares of U.S. Government Securities Fund are not guaranteed by the U.S. government.

Diversification does not eliminate the risk of investing; losses are possible in diversified portfolios.

**Investors should carefully consider the objectives, risks, charges and expenses of the American Funds and, if applicable, any other investments in their plan. This and other important information is contained in the funds' prospectuses, which are available from their plan's financial professional and on the Web. It's important that investors read the prospectuses carefully before investing.**

### The Capital Group Companies

American Funds      Capital Research and Management      Capital International      Capital Guardian      Capital Bank and Trust