American Funds®

The right choice for the long term®

A class of their own

The American Funds Target Date Retirement Series®

Our series of nine funds features a diversified mix of the American Funds targeted to investors' expected retirement dates

Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so investors may lose money.

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 representative and on the Web at AmericanFundsRetirement.com. It's important that investors read the prospectuses carefully before investing. Investors should also consider consulting with their personal tax adviser.

This is a multi-page document that is meant to be read in its entirety.

Overview

Each of the nine portfolios can utilize a different mix of the American Funds. Based on their target retirement date, the portfolios incorporate varying degrees of risk and are diversified among growth, growth-and-income, equity-income/balanced and bond funds. Over time, each target date fund will increasingly emphasize income-oriented investment objectives.

Managing risk over time

Each of these funds is designed to balance investors' needs for both returns and stability. This is accomplished by moving from a higher percentage of growth funds to a higher percentage of income-oriented funds over time.

As you can see from the chart below, there's still a meaningful proportion of growth and growth-and-income funds as the portfolios shift toward a more income-oriented strategy during investors' retirement years. Since many individuals will spend 20 to 30 years in retirement, we believe an equity component is sensible, particularly in the early years of retirement.

The funds are designed to reduce risk as investors get closer to and pass their retirement dates. In addition, our Portfolio Oversight Committee will monitor the underlying fund allocations in each of the nine portfolios and may make changes in response to market conditions.

The benefits of the American Funds Series

- Target date funds help investors choose a single investment option as their overall retirement portfolio.
- Our investment professionals draw on their expertise to manage the portfolios using existing American Funds.
- Our series continues the American Funds tradition of seeking long-term value while managing risk.
- The target date portfolios are actively managed to become more income-focused over time.
- We are committed to keeping our investment management fees as low as possible.

Investment strategy for target date portfolios

The series qualifies under new pension law

The American Funds Target Date Retirement Series meets the Department of Labor's requirements for a qualified default investment under the Pension Protection Act of 2006. Specifically, target date funds are designed for retirement plans offering automatic enrollment, for investors who don't choose their own funds, and for those who want to actively select a single investment option that automatically adjusts its allocations over time.

Financial advisers can help investors create a customized strategy

Target date funds may not be the best choice for every individual. A financial adviser can play a key role in determining when a target date fund may be the right choice for investors seeking a total retirement portfolio in one fund. In addition, investors can always benefit from a financial adviser who helps them see the bigger picture and take into account factors such as risk tolerance, their other assets and their overall financial needs.

Investments aligned with investors' time horizons

The series consists of nine target date fund portfolios, each with a retirement date ranging from 2010 through 2050 in five-year increments. Each fund serves as a single diversified retirement portfolio that is aligned with the year closest to the date investors expect to retire.

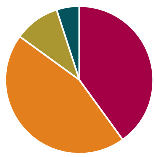
The target date funds seek to help young investors keep up with the cost of living over time through a higher equity component. For those investors closer to retirement, the funds seek to protect their savings through a more income-oriented focus since they may not have time to recoup their losses in a volatile market. These are two of the major challenges facing investors saving for retirement.

The series is available through tax-deferred retirement plans in Class A and all Class R shares, and through IRAs in Class A shares.

American Funds Target Date Retirement Funds	For investors planning to retire in this approximate time period
2050	2048–2052
2045	2043–2047
2040	2038–2042
2035	2033–2037
2030	2028–2032
2025	2023–2027
2020	2018–2022
2015	2013–2017
2010	2008–2012

2050

American Funds 2050 Target Date Retirement Fund℠*†

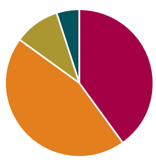


Appropriate for investors who plan to retire in or near 2050.

Growth 40%	Growth and income 45%	Equity income/Balanced 10%	Bond 5%
AMCAP Fund®	American Mutual Fund®	American Balanced Fund®	U.S. Government Securities Fund℠
EuroPacific Growth Fund®	Capital World Growth and Income Fund℠	Capital Income Builder®	
The Growth Fund of America®	Fundamental Investors℠	The Income Fund of America®	
The New Economy Fund®	The Investment Company of America®		
New Perspective Fund®	Washington Mutual Investors Fund℠		
New World Fund℠			
SMALLCAP World Fund®			

2045

American Funds 2045 Target Date Retirement Fund℠*†

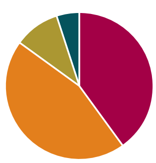


Appropriate for investors who plan to retire in or near 2045.

Growth 40%	Growth and income 45%	Equity income/Balanced 10%	Bond 5%
AMCAP Fund®	American Mutual Fund®	American Balanced Fund®	U.S. Government Securities Fund℠
EuroPacific Growth Fund®	Capital World Growth and Income Fund℠	Capital Income Builder®	
The Growth Fund of America®	Fundamental Investors℠	The Income Fund of America®	
The New Economy Fund®	The Investment Company of America®		
New Perspective Fund®	Washington Mutual Investors Fund℠		
New World Fund℠			
SMALLCAP World Fund®			

2040

American Funds 2040 Target Date Retirement Fund℠*†

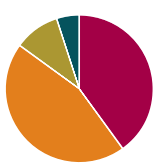


Appropriate for investors who plan to retire in or near 2040.

Growth 40%	Growth and income 45%	Equity income/Balanced 10%	Bond 5%
AMCAP Fund®	American Mutual Fund®	American Balanced Fund®	U.S. Government Securities Fund℠
EuroPacific Growth Fund®	Capital World Growth and Income Fund℠	Capital Income Builder®	
The Growth Fund of America®	Fundamental Investors℠	The Income Fund of America®	
The New Economy Fund®	The Investment Company of America®		
New Perspective Fund®	Washington Mutual Investors Fund℠		
New World Fund℠			
SMALLCAP World Fund®			

2035

American Funds 2035 Target Date Retirement Fund℠*†



Appropriate for investors who plan to retire in or near 2035.

Growth 40%	Growth and income 45%	Equity income/Balanced 10%	Bond 5%
AMCAP Fund®	American Mutual Fund®	American Balanced Fund®	U.S. Government Securities Fund℠
EuroPacific Growth Fund®	Capital World Growth and Income Fund℠	Capital Income Builder®	
The Growth Fund of America®	Fundamental Investors℠	The Income Fund of America®	
The New Economy Fund®	The Investment Company of America®		
New Perspective Fund®	Washington Mutual Investors Fund℠		
New World Fund℠			
SMALLCAP World Fund®			

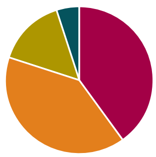
* Initial allocation and underlying funds as of February 1, 2007. Allocation percentages and underlying funds are subject to the Portfolio Oversight Committee's discretion and will evolve over time.

† Although the underlying funds in each of these target date portfolios have the same initial allocation, the portfolios closest to their specified retirement date will begin to change their allocations sooner than those further from their retirement date, according to the Retirement Series' investment strategy.

Most investments carry some degree of risk. For example, equity investments are subject to market fluctuations. Investing outside the United States (especially in developing countries) involves certain risks, such as currency fluctuations, as does investing in smaller companies, as more fully described in the prospectus. 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 in a fund's bond holdings is not guaranteed. Fund shares are subject to the same interest rate, inflation and credit risks that are associated with the bonds owned by the underlying fund. Fund shares of the 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.

2030

American Funds 2030 Target Date Retirement Fund℠*

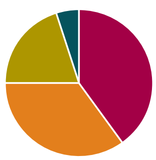


Appropriate for investors who plan to retire in or near 2030.

Growth 40%	Growth and income 40%	Equity income/Balanced 15%	Bond 5%
AMCAP Fund®	American Mutual Fund®	American Balanced Fund®	U.S. Government Securities Fund℠
EuroPacific Growth Fund®	Capital World Growth and Income Fund℠	Capital Income Builder®	
The Growth Fund of America®	Fundamental Investors℠	The Income Fund of America®	
The New Economy Fund®	The Investment Company of America®		
New Perspective Fund®	Washington Mutual Investors Fund℠		
New World Fund℠			
SMALLCAP World Fund®			

2025

American Funds 2025 Target Date Retirement Fund℠*

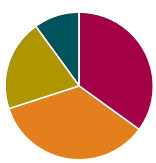


Appropriate for investors who plan to retire in or near 2025.

Growth 40%	Growth and income 35%	Equity income/Balanced 20%	Bond 5%
AMCAP Fund®	American Mutual Fund®	American Balanced Fund®	U.S. Government Securities Fund℠
EuroPacific Growth Fund®	Capital World Growth and Income Fund℠	Capital Income Builder®	
The Growth Fund of America®	Fundamental Investors℠	The Income Fund of America®	
The New Economy Fund®	The Investment Company of America®		
New Perspective Fund®	Washington Mutual Investors Fund℠		
New World Fund℠			
SMALLCAP World Fund®			

2020

American Funds 2020 Target Date Retirement Fund℠*

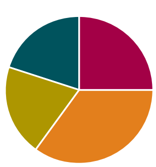


Appropriate for investors who plan to retire in or near 2020.

Growth 35%	Growth and income 35%	Equity income/Balanced 20%	Bond 10%
AMCAP Fund®	American Mutual Fund®	American Balanced Fund®	U.S. Government Securities Fund℠
EuroPacific Growth Fund®	Capital World Growth and Income Fund℠	Capital Income Builder®	
The Growth Fund of America®	Fundamental Investors℠	The Income Fund of America®	
The New Economy Fund®	The Investment Company of America®		
New Perspective Fund®	Washington Mutual Investors Fund℠		
New World Fund℠			
SMALLCAP World Fund®			

2015

American Funds 2015 Target Date Retirement Fund℠*

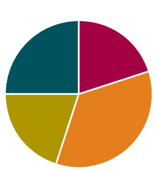


Appropriate for investors who plan to retire in or near 2015.

Growth 25%	Growth and income 35%	Equity income/Balanced 20%	Bond 20%
AMCAP Fund®	American Mutual Fund®	American Balanced Fund®	The Bond Fund of America℠
EuroPacific Growth Fund®	Capital World Growth and Income Fund℠	Capital Income Builder®	Capital World Bond Fund®
The Growth Fund of America®	Fundamental Investors℠	The Income Fund of America®	U.S. Government Securities Fund℠
New Perspective Fund®	The Investment Company of America®		
New World Fund℠	Washington Mutual Investors Fund℠		
SMALLCAP World Fund®			

2010

American Funds 2010 Target Date Retirement Fund℠*



Appropriate for investors who plan to retire in or near 2010.

Growth 20%	Growth and income 35%	Equity income/Balanced 20%	Bond 25%
AMCAP Fund®	American Mutual Fund®	American Balanced Fund®	American High-Income Trust℠
EuroPacific Growth Fund®	Capital World Growth and Income Fund℠	Capital Income Builder®	The Bond Fund of America℠
The Growth Fund of America®	Fundamental Investors℠	The Income Fund of America®	Capital World Bond Fund®
New Perspective Fund®	The Investment Company of America®		U.S. Government Securities Fund℠
New World Fund℠	Washington Mutual Investors Fund℠		
SMALLCAP World Fund®			

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As of 10/07

The American Funds difference

The underlying funds in the Target Date Retirement Series are the same American Funds that have helped our investors save for retirement for 75 years. The investment professionals on the Portfolio Oversight Committee manage the Retirement Series by carefully selecting the underlying funds for each portfolio. Since 1931, we've applied a consistent philosophy and consistent approach to generate consistent results for our investors.

Our strengths include:

A long-term, value-oriented approach

We seek to buy securities at reasonable prices relative to their prospects and hold them for the long term. Instead of asking "Where will this *stock* be in three to six *months*?" we ask "Where will this *company* be in five to 10 *years*?"

An extensive global research effort

Our investment professionals travel the world to find the best investment opportunities and gain a comprehensive understanding of companies and markets.

The multiple portfolio counselor system

Our unique method of portfolio management, developed nearly 50 years ago, blends teamwork with individual accountability and has provided American Funds with a sustainable method of achieving fund objectives.

Experienced investment professionals

Our portfolio counselors have an average of 24 years of investment experience, providing a wealth of knowledge and experience that few organizations have.

A commitment to low management fees

At American Funds, we strive to keep our funds' investment management fees as low as possible so that overall costs to retirement plan investors — including management fees, recordkeeping and other administrative costs — can remain reasonable.

Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so investors may lose money.

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 representative and on the Web at AmericanFundsRetirement.com. It's important that investors read the prospectuses carefully before investing. Investors should also consider consulting with their personal tax adviser.