

A Hypothetical Illustration for BUS-121, Financial Planning and Money Management

PREPARED BY

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This report is not complete unless all pages, as noted below, are included. Please read the information in the 'Important Disclosures' found at the beginning of this report.

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

Important Disclosures

Figures shown are past results and are not predictive of results in future periods. Current and future results may be lower or higher than those shown. Share prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. For more current information and month-end results, visit americanfunds.com.

Regular investing does not ensure a profit or protect against loss. Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the fund prospectuses, summary prospectuses, CollegeAmerica Program Description and ABLEAmerica Program Description, which should be obtained from a financial professional and should be read carefully before investing. Market indexes are unmanaged and, therefore, have no expenses. Investors cannot invest directly in an index. Results for the Lipper indexes do not reflect sales charges. There have been periods when the fund has lagged the index.

This illustration must be preceded or accompanied by the fund's current summary prospectus or prospectus, which details charges, expenses, investment objectives and operating policies. American Funds Distributors, Inc., member FINRA.

Investment results assume all distributions are reinvested and reflect applicable fees and expenses. Expense ratios are as of each fund's prospectus available at the time of publication. For the funds and/or share classes listed below, the investment adviser is currently reimbursing a portion of the funds' fees or expenses, without which the results would have been lower and net expense ratios higher.

- American Funds Corporate Bond Fund: all share classes (through at least 8/1/20)
- American Funds Tax-Exempt Fund of New York: all share classes (through at least 10/1/20)
- American Funds Mortgage Fund: Class R-2E and R-5E shares (through at least 11/1/20)
- Short-Term Bond Fund of America: Class F-3 shares (through at least 11/1/20)
- American Funds Retirement Income Portfolio - Conservative: Class R-2E and R-5 shares (through at least 1/1/21)
- American Funds Retirement Income Portfolio - Moderate: Class R-5E, R-5 and R-6 (through at least 1/1/21)
- American Funds Retirement Income Portfolio - Enhanced: Class R-5 and R-6 shares (through at least 1/1/21)
- American Funds Preservation Portfolio: Class R-2E shares (through at least 1/1/21)
- American Funds Tax-Exempt Preservation Portfolio: all share classes (through at least 1/1/21)

The investment adviser may elect at its discretion to extend, modify or terminate the reimbursements at that time. Please see each fund's most recent prospectus for details.

For the funds listed below, the fund's transfer agent is currently waiving a portion of the funds' other expenses, without which the results would have been lower and net expense ratios higher.

- American Funds Developing World Growth and Income Fund and American Funds Inflation Linked Bond Fund: Class F-3 shares (through at least 2/1/21)

The transfer agent may elect at its discretion to extend, modify or terminate the waiver at that time. Please see each fund's most recent prospectus for details.

Virginia529SM, as program administrator of ABLEAmerica, is currently waiving the fee owed to it as compensation for its oversight and administration of ABLEAmerica. This waiver will be in effect for Class ABLE-A shares through at least December 1, 2019 for American Funds U.S. Government Money Market Fund and January 1, 2020 for the Portfolio Fund Series. Subject to the terms of its contractual arrangement with the investment adviser, Virginia529SM may elect to extend, modify or terminate the waiver at that time.

Standardized Average Annual Total Returns for Quarter Ended 9/30/2020

Returns for periods of less than one year are not annualized

Inception Max. Initial Sales

Security Name	Inception Date	Max. Initial Sales Charge/CDSC	1 Year	5 Years	10 Years	Since Inception
American Balanced Fund A (ABALX)	7/26/1975	5.75% Front	2.79%	8.20%	9.17%	10.37%

Gross Charges and Expenses

Fund Name	Sales Charge	Max CDSC	Max Redem Fee	Total Gross Operating Expense
American Balanced Fund A (ABALX)	5.75%	1.00%	0.00%	0.59%

The fund does not assess redemption fees. However, shareholders redeeming shares may be subject to the fund's Purchase Blocking Policy as described in the prospectus.

The illustration included herein does not reflect the effects of taxes in some or all of the investments.

- Cumulative Volume Discount Reflected Where Applicable in This Illustration.
- NOTE: Systematic Accumulation Plans cannot assure a profit or protect against loss in declining markets.

Class A shares are subject to an up-front maximum sales charge of 5.75% for equity, Target Date, Retirement Income and most Portfolio Series funds, 3.75% for most fixed income funds and American Funds Tax-Aware Conservative Growth and Income Portfolio, and 2.50% for Intermediate Bond Fund of America, Short-Term Bond Fund of America, American Funds Short-Term Tax-Exempt Bond Fund, Limited Term Tax-Exempt Bond Fund of America, American Funds Preservation Portfolio and American Funds Tax-Exempt Preservation Portfolio. Data prior to 6/30/2020, returns reflect deduction of the maximum sales charge: 5.75% for equity funds and most Portfolio Series funds and 3.75% for most fixed income funds maximum sales charges. The sales charge declines for accounts and aggregated investments (\$25,000 for equity and target date funds, \$100,000 for most bond funds, \$500,000 for Intermediate Bond Fund of America, Short Term Bond Fund of America, American Funds Short-Term Tax-Exempt Bond Fund, and Limited Term Tax-Exempt Bond Fund of America). There is no initial sales charge on purchases of \$1 million or more. A 1% contingent deferred sales charge (CDSC) may be assessed if a redemption occurs within 18 months of purchase. Results on the following pages reflect deduction of the CDSC if the investment is \$1 million or more and a withdrawal is selected within 18 months of purchase. Certain withdrawals before age 59 1/2 may be subject to income tax and, if applicable, to a 10% federal penalty.

- The A/529-A share 1, 5, and 10-year return for each fund is based on the MOP value.
- The "Average annual return on the investment" is based on the initial investment and the breakpoint chosen.

If the results shown on the following pages do not reflect deduction of an initial sales charge (i.e. they are at net asset value), please note that they would have been lower if the sales charge had been deducted.

The return of principal for bond funds and for funds with significant underlying bond holdings is not guaranteed. Fund shares are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings.

American Balanced Fund A (ABALX)

Date	Initial Investment	Initial Sales Charge	Net Amount Invested	Shares Purchased
10/01/1980	\$100.00	5.75%	\$94	11.050

\$100 initial investment on 10/01/1980. Dividends and capital gains are reinvested. Subsequent investments from 11/01/1980 to 09/30/2020 every month starting at \$100.00 and increasing by \$10.00, every twelve months, on the first day of the month. The initial investment is subject to a 5.75% sales charge. Subsequent investments are subject to a sales charge of up to 5.75%. The effects of income and capital gains taxes are not demonstrated.

Date	Investment(s)	Dividend Income	Total Dividend Income	Capital Gains	Shares Held	Total Value
12/31/1980	300	5	5	0	34	294
12/31/1981	1,220	75	79	0	175	1,479
12/31/1982	1,340	181	260	0	342	3,447
12/31/1983	1,460	315	575	0	500	5,451
12/31/1984	1,580	446	1,021	512	753	7,578
12/31/1985	1,700	567	1,587	389	999	11,642
12/31/1986	1,820	754	2,342	2,335	1,423	15,414
12/31/1987	1,940	1,041	3,382	781	1,755	17,774
12/31/1988	2,060	1,179	4,561	646	2,113	22,098
12/31/1989	2,180	1,523	6,084	1,382	2,551	29,101
12/31/1990	2,300	1,726	7,810	755	2,991	30,868
12/31/1991	2,420	1,971	9,781	426	3,407	41,053
12/31/1992	2,540	2,163	11,944	987	3,868	47,503
12/31/1993	2,660	2,431	14,375	1,937	4,417	55,519
12/31/1994	2,780	2,587	16,963	233	4,866	58,388
12/31/1995	2,900	2,838	19,801	2,462	5,468	77,368
12/31/1996	3,020	3,183	22,984	4,953	6,231	90,665
12/31/1997	3,140	3,626	26,611	8,598	7,210	113,047
12/31/1998	3,260	4,168	30,779	7,987	8,184	128,981
12/31/1999	3,380	4,753	35,531	11,240	9,480	136,705
12/31/2000	3,500	5,463	40,994	5,798	10,484	162,180
12/31/2001	3,620	6,030	47,025	3,328	11,299	179,083
12/31/2002	3,740	4,970	51,995	272	11,883	171,346
12/31/2003	3,860	4,490	56,485	0	12,419	214,729
12/31/2004	3,980	4,550	61,035	5,698	13,220	237,962
12/31/2005	4,100	5,384	66,418	4,590	13,998	249,443
12/31/2006	4,220	6,705	73,123	5,898	14,895	283,306
12/31/2007	4,340	7,888	81,011	6,780	15,863	306,311
12/31/2008	4,460	8,787	89,798	2,226	16,770	231,093
12/31/2009	4,580	7,029	96,828	0	17,583	285,017
12/31/2010	4,700	6,445	103,273	0	18,246	327,157
12/31/2011	4,820	7,423	110,696	0	18,913	344,407

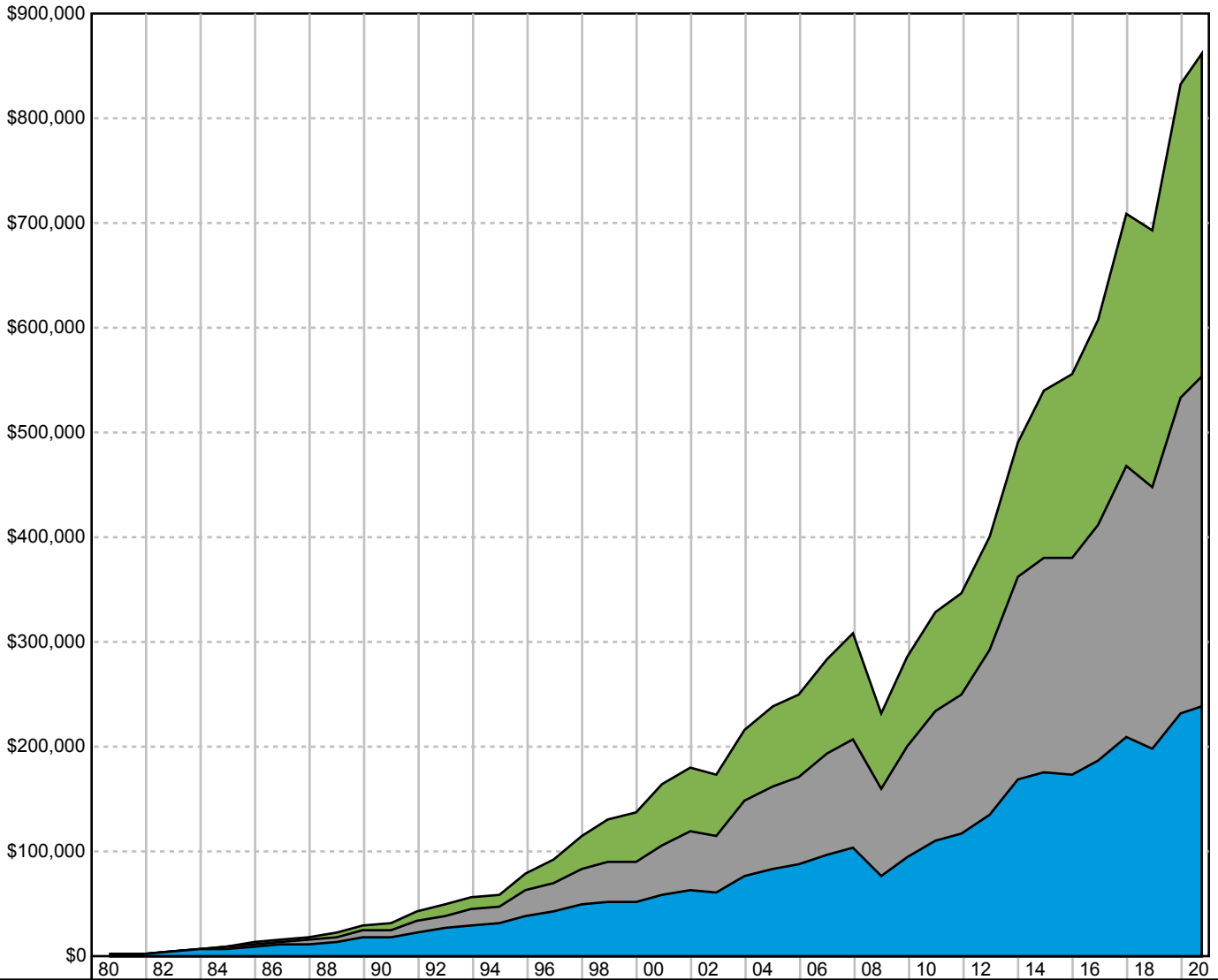
Date	Investment(s)	Dividend Income	Total Dividend Income	Capital Gains	Shares Held	Total Value
12/31/2012	4,940	7,299	117,995	0	19,528	398,377
12/31/2013	5,060	7,523	125,518	0	20,083	490,424
12/31/2014	5,180	7,833	133,351	29,524	21,784	539,151
12/31/2015	5,300	8,844	142,194	20,846	23,235	553,695
12/31/2016	5,420	10,392	152,587	14,576	24,465	606,971
12/31/2017	5,540	12,042	164,628	24,531	26,031	706,752
12/31/2018	5,660	13,771	178,399	26,949	27,830	692,971
12/31/2019	5,780	15,390	193,789	16,894	29,201	832,232
09/30/2020	4,410	8,843	202,632	4,326	29,846	861,665
Total	141,210	202,632	202,632	217,860	29,846	861,665

Average annual return on the investment for the period 10/01/1980 - 09/30/2020 : 9.12%

10/1/1980 - 9/30/2020

Total Ending Amount: \$861,665

American Balanced Fund A (ABALX) : \$100 initial investment on 10/01/1980. Dividends and capital gains are reinvested. Subsequent investments from 11/01/1980 to 09/30/2020 every month starting at \$100.00 and increasing by \$10.00, every twelve months, on the first day of the month. The initial investment is subject to a 5.75% sales charge. Subsequent investments are subject to a sales charge of up to 5.75%. The effects of income and capital gains taxes are not demonstrated.



- From Capital Gains (Ending value: \$308,288)
- From Income (Ending value: \$315,668)
- From Principal (Ending value: \$237,710)

This graph must be accompanied by the underlying Hypo illustration(s).