



Annual Meeting

Bill Stromberg
PRESIDENT AND CEO

T. ROWE PRICE GROUP, INC.

Forward Looking Statements

This presentation, and other statements that T. Rowe Price may make, may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act, with respect to T. Rowe Price's future financial or business performance, strategies, or expectations.

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We caution investors not to rely unduly on any forward-looking statements and urge you to carefully consider the risks described in our most recent Form 10-K filed with the Securities and Exchange Commission.

A Global Asset Management Firm – Focused on Client Success

As of March 31, 2019

Founded in **1937**

Independent Investment Organization

- Focused solely on investment management and related services

1.08 trillion USD
in assets under management¹

Alignment of Interests

- Publicly owned company with substantial employee ownership

603 investment
professionals worldwide

Financial Strength

- No outstanding debt and maintain substantial cash reserves

Local presence in **16** countries

Global Investment Platform

- Full range of Equity, Fixed Income, and Asset Allocation solutions

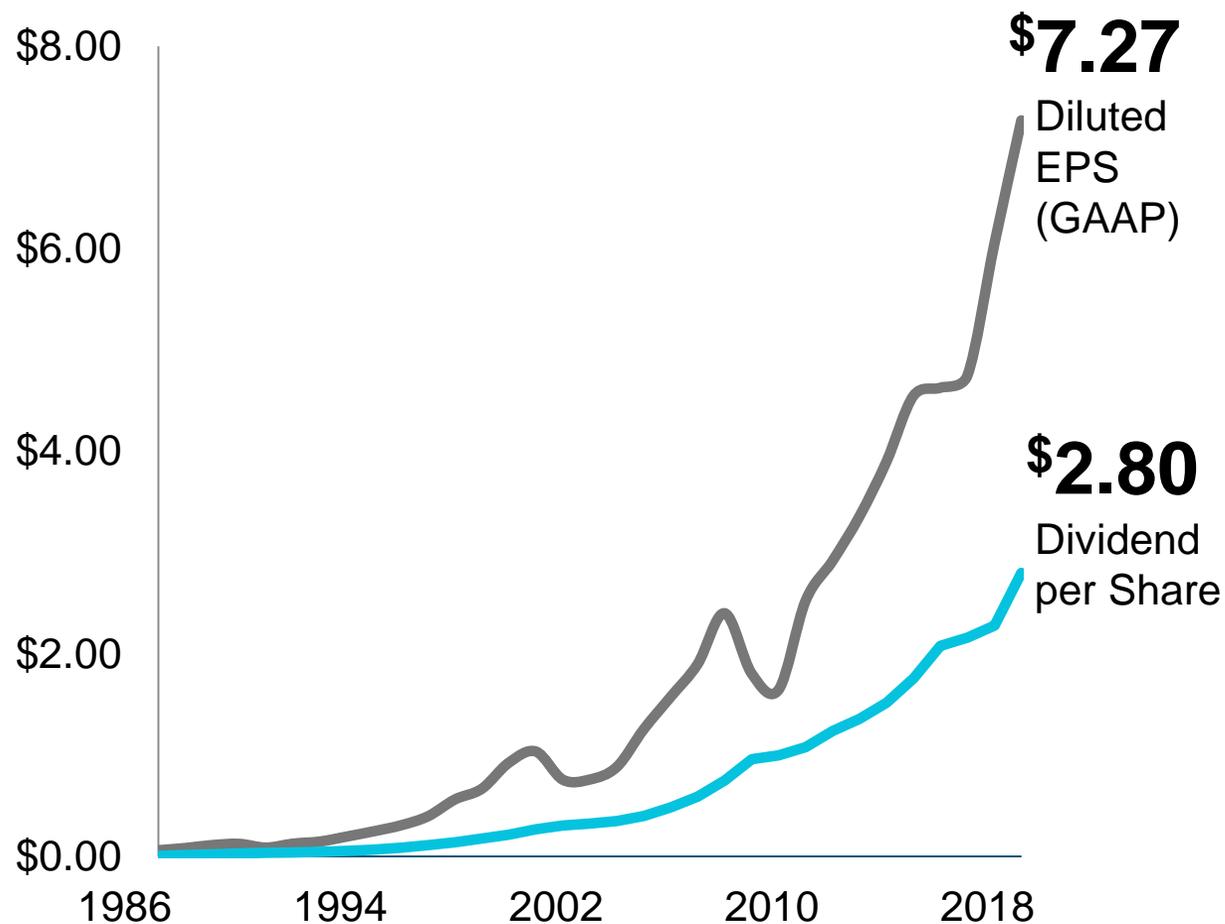
7,102 associates worldwide

Stable Investment Leadership

- Global Equity and Fixed Income leaders average 23 years tenure at T. Rowe Price

¹Firmwide AUM includes assets managed by T. Rowe Price Associates, Inc. and its investment advisory affiliates.

Consistent Results and Long-term Orientation



	March 31, 2019			
	5 years	10 years	20 years	30 years
Net revenues	8%	11%	9%	13%
Diluted EPS (GAAP)	13%	18%	13%	16%
Dividends	13%	11%	15%	18%
Annualized total stock return	7%	16%	12%	18%

Past performance cannot guarantee future results.

Left chart: Data is since April 2, 1986 IPO through December 31, 2018.

Right chart: Compound annualized growth for periods ended March 31, 2019.

Culture is Central to Our Long-term Success



Investment Excellence

The heart of everything we do



Clients First

We succeed if our clients succeed



Collegiality and Collaboration

Leveraging our best ideas creates competitive advantage



Trust and Mutual Respect

Essential for a strong community



Long-Term Time Horizon

A true competitive advantage

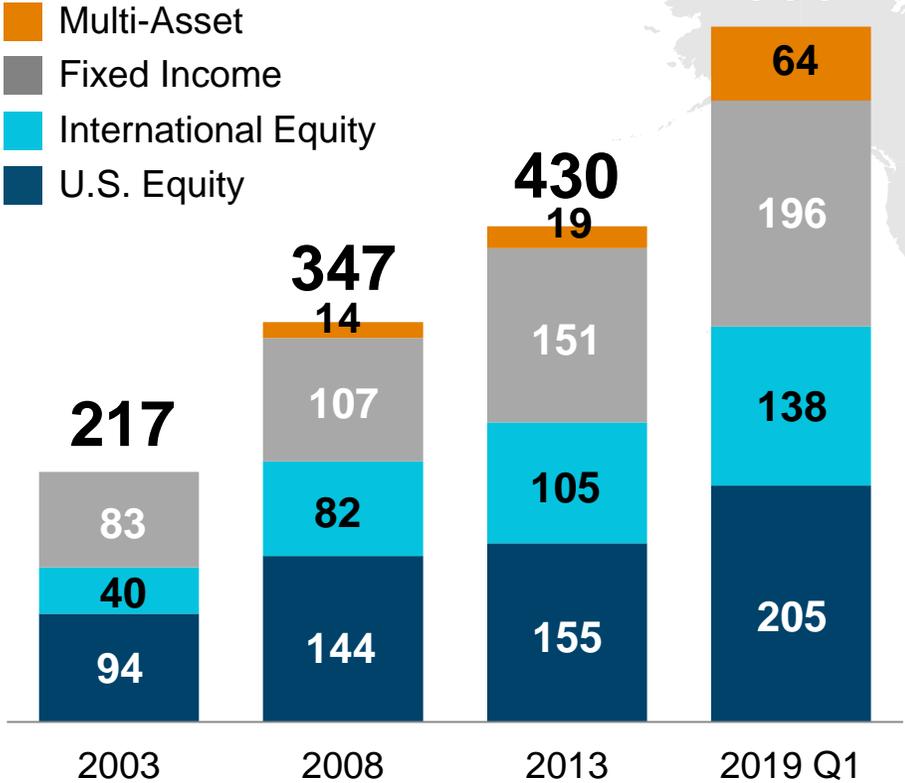
Performance-driven and collaborative

Collaborative Global Investment Platform a Competitive Edge

As of March 31, 2019

Investment Professional Headcount

2003–2019

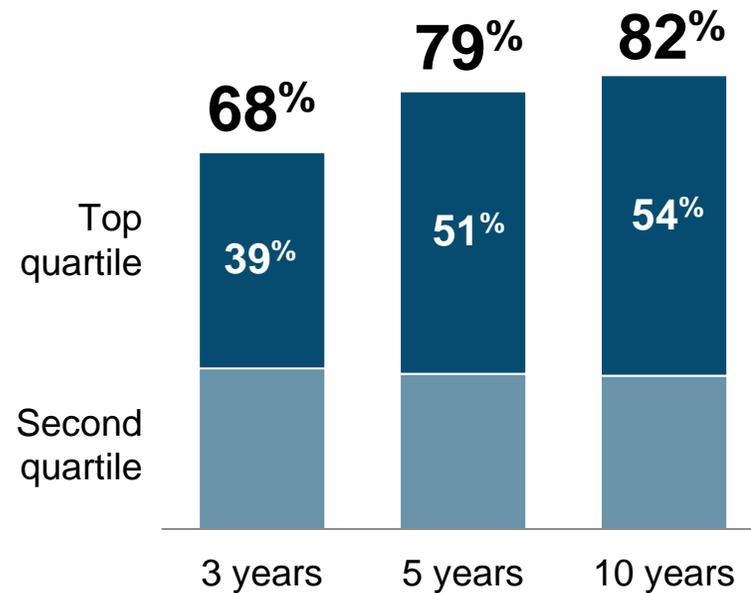


603 Investment Professionals Worldwide

Investment Performance is Critical to Our Success

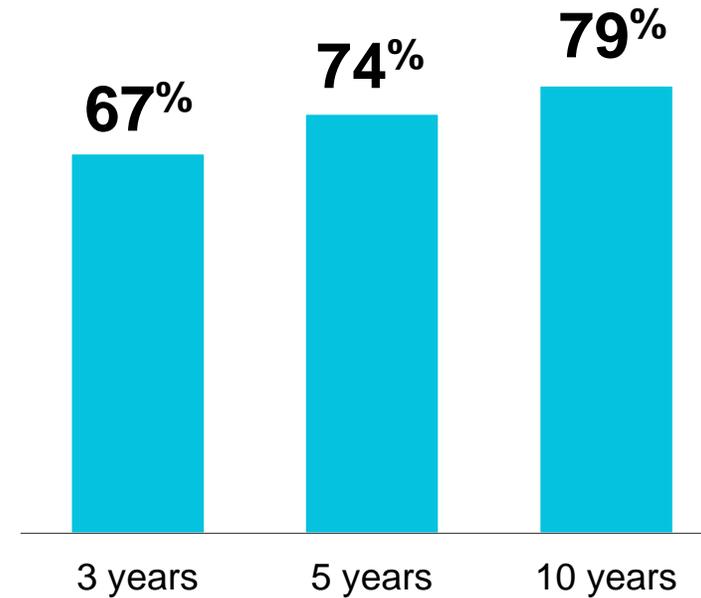
U.S. mutual funds outperforming active peers

Morningstar median rankings¹



Composites outperforming benchmarks

Composite net returns²



Past performance cannot guarantee future results. As of March 31, 2019.

¹Primary share class only. Excludes passive and fund categories not ranked by Morningstar. Source: Morningstar.

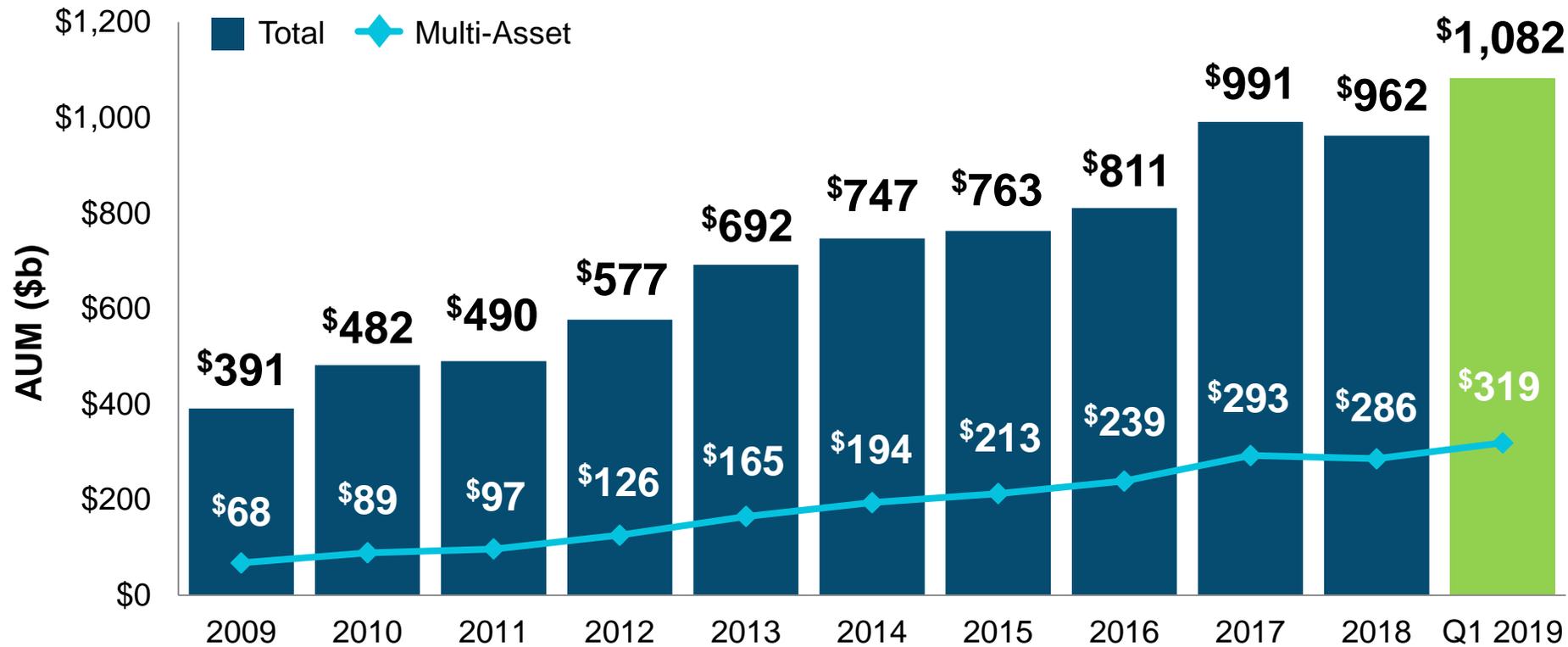
²Composite net returns are calculated using the highest applicable separate account fee schedule. All composites compared to official GIPS composite primary benchmark.

Consistent AUM Growth Over Time

Driven by Market Returns + Alpha + Net Cash Inflows

T. Rowe Price Group, Inc.

Assets Under Management 2009–Q1 2019



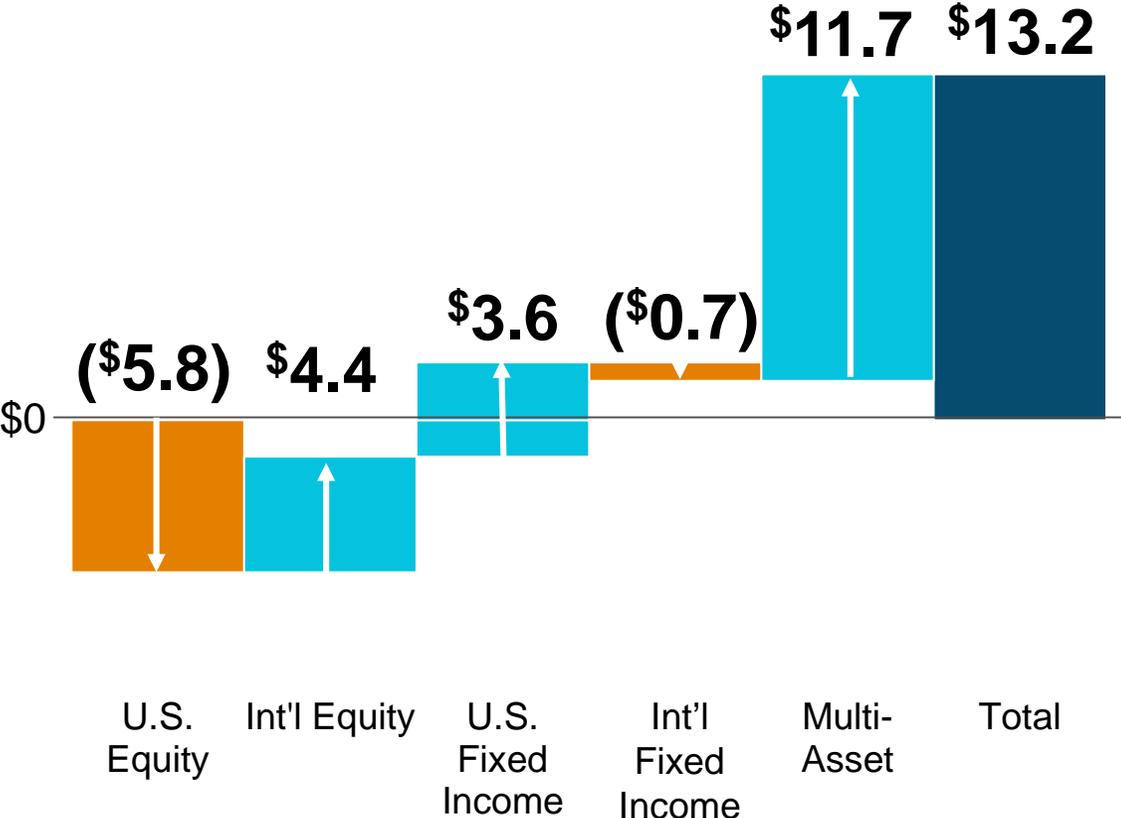
AUM 10 YR CAGR

- Total AUM
12%
- Multi-Asset
18%

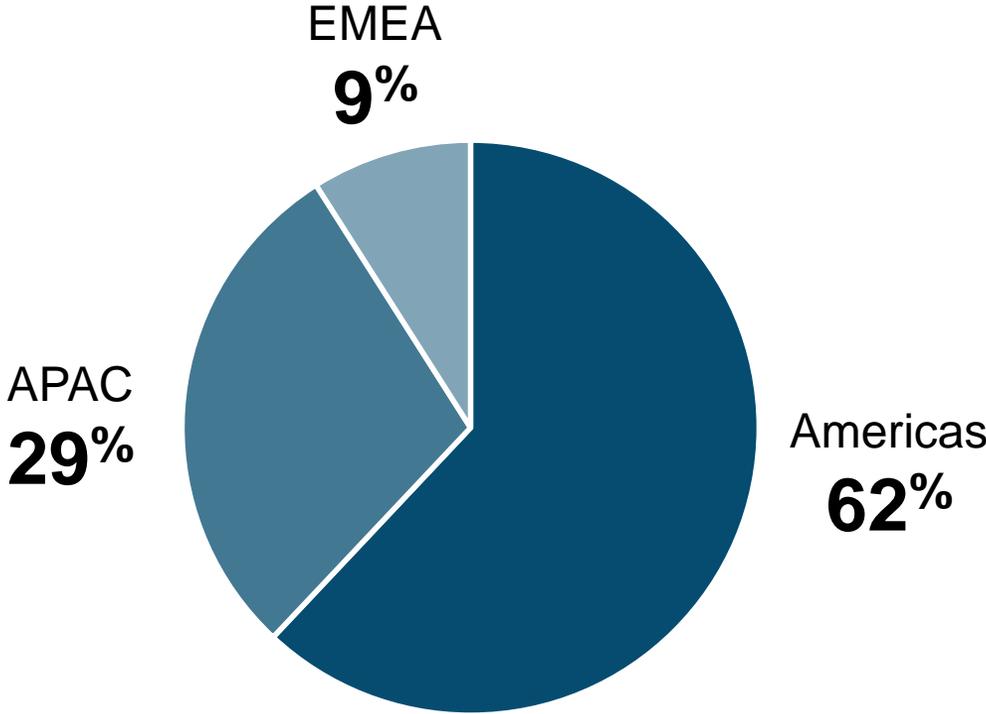
Diversified Organic Growth of \$13.2b in 2018

Net Flows for Q119 were \$5.4 billion

Net flows by asset class (\$b)



Net flows by client geography



Data is for the year ended December 31, 2018. Figures represent net flows for the firm. The assets for the firm's global strategies are included in their respective international asset class.

Attractive Revenue and Earnings Growth in 2018

Adjusted Earnings per Share grew 8% in Q119

As of December 31, 2018

As of March 31, 2019

	2017	2018	Change	1Q18	1Q19	Change
Net Revenues (m)	\$4,793	\$5,373	11%	\$1,328	\$1,327	0%
Adjusted Earnings per Share*	\$5.43	\$7.15	32%	\$1.74	\$1.87	8%
Regular Dividends per Share	\$2.28	\$2.80	23%	\$.70	\$.76	9%

33 Consecutive Years of Increased Dividends

*See the reconciliation to the comparable U.S. GAAP measures in appendix.

Balance Sheet Remains Strong

Allows for Consistent Investment in Capabilities Through Market Cycles

As of December 31, 2019.

Balance Sheet Items (At 12/31 unless noted, \$m)	2013	2018*	March 31, 2019*
Cash and Discretionary Investments	\$1,392	\$3,022	\$3,378
Seed Capital Investments	\$628	\$1,119	\$1,116
Long-Term Debt	\$0	\$0	\$0
Stockholders' Equity	\$4,818	\$6,124	\$6,311
Cash and Investments Per Outstanding Share	\$11.96	\$17.39	\$19.01

* This display does not include the non-controllable interest of our seed investments which we normally consolidate due to our ownership.

¹ Excludes investments for supplemental savings plan liability and other investments.

Regularly Return Capital to Stockholders

As of December 31, 2018

	1 Year (\$millions)	5 Years (\$millions)	10 Years (\$millions)
Recurring	\$695	\$2,796	\$4,394
Special	-	<u>524</u>	<u>781</u>
Total Dividends	\$695	\$3,320	\$5,175
Share Repurchases	<u>1,099</u>	<u>3,638</u>	<u>4,574</u>
Total	<u>\$1,794</u>	<u>\$6,958</u>	<u>\$9,749</u>
Percent of Earnings	98%	99%	90%

Data are for periods ended December 31, 2018.
¹U.S. GAAP net income attributable to T. Rowe Price Group.

Industry Challenges Continue

- **Passive investments** continuing to take share from active
- Continued downward pressure on **management fees**
- Institutional and intermediary clients demanding **new vehicle types and fee structures**
- Aging population shifting demand from equities to **income-oriented solutions**
- Maturing U.S. market with faster growth occurring **outside the U.S.**
- **Digital technology** reshaping client engagement
- **Regulatory requirements** increasing in all regions
- A **volatile equity market** after an extended bull market, amidst ongoing **geopolitical concerns**

We Continue to Invest in Product, Distribution & Technology

Product

- Dynamic Credit strategy launched in January
- 12 new products and 25 new share classes launched across trusts, SICAVs, OEICs, etc. in Q119
- Extensive work continues on semi-transparent ETFs

Distribution

- Ongoing investments across broker-dealer and defined contribution channels in U.S.
- Expanding APAC and EMEA intermediary and institutional presence; brand awareness is growing

Technology

- Developing advanced data science practice to intelligently augment our investment processes
- Increasing our digital client interactions and making the client experience better
- Implementing a cloud-first systems deployment model

Committed to Our Communities



Investing for the Long Term

- The T. Rowe Price Foundation has granted \$121m since its inception in 1981
- In 2018, the Foundation executed \$10m in grants; \$6m in matching gifts for associates and \$4m in direct grants



Building Financial Capability

- “Money Confident Kids”: aids in improving financial behaviors
- Online games and materials target kids, parents, and educators
- Has reached 11m people since 2009 inception



Promoting a Culture of Giving Back

- Associates volunteered 40,000 hours in 2018
- Associates donated \$13.1m to the community in 2018
- 350+ associates serve on charitable boards



Helping Communities Thrive

- \$10.6M corporate support of communities since 2009, including:
 - \$6.4m community sponsorships
 - \$4.1m community memberships

“Money Confident Kids” is available to residents of the United States and Australia only.

What You Can Expect From Us

We Will Strive to:

- Remain a high-integrity, client-focused firm
- Provide excellent investment performance and client service
- Stay true to our core values
- Maintain a strong financial position
- Consistently reinvest to strengthen and broaden our capabilities
- Attract and retain diverse talent
- Deliver attractive long-term value to our stockholders
- Invest in the communities where we work

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Reconciliation Between GAAP and Adjusted (Non-GAAP) EPS

	2017	2018	1Q18	1Q19
Diluted Earnings per Common Share, GAAP Basis	\$5.97	\$7.27	\$1.77	\$2.09
Non-GAAP Adjustments:				
Consolidated T. Rowe Price Investment Products	(.24)	.12	.01	(.16)
Other non-operating income	(.46)	(.30)	(.04)	(.07)
Non-operating income of investments designated as an economic hedge of the SSP Plan less compensation expense	—	—	—	.01
Insurance recoveries related to Dell appraisal rights matter	(.12)	(.05)	—	—
Impact of U.S. tax reform	.28	.08	—	—
Impact of Maryland state tax legislation	—	.03		
Adjusted diluted earnings per common share	\$5.43	\$7.15	\$1.74	\$1.87