Forward-looking statements

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We caution investors not to rely unduly on any forward-looking statements and urge you to carefully consider the risks and other factors described in our most recent annual, quarterly, and current reports on Form 10-K, Form 10-Q, and Form 8-K, filed with the Securities and Exchange Commission.
Culture is central to our long-term success

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**
Our vision—we are executing on a longer-term plan

- Premier active asset manager
- Integrated investment solutions provider
- More global and diversified asset manager
- Global partner for retirement-oriented investors
- Strong process orientation and system of internal controls
- Destination of choice for top talent
- More adaptive and agile company
- Strong financial results and balance sheet
Investment performance remains strong

<table>
<thead>
<tr>
<th>U.S. mutual funds</th>
<th>Outperforming Morningstar median&lt;sup&gt;1&lt;/sup&gt;</th>
<th>Top Morningstar quartile&lt;sup&gt;1&lt;/sup&gt;</th>
<th>Outperforming benchmark&lt;sup&gt;2&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3 years</td>
<td>5 years</td>
<td>10 years</td>
</tr>
<tr>
<td>Asset Class</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S. Equity</td>
<td>81%</td>
<td>87%</td>
<td>83%</td>
</tr>
<tr>
<td>Global and</td>
<td>70%</td>
<td>71%</td>
<td>94%</td>
</tr>
<tr>
<td>International Equity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed Income</td>
<td>51%</td>
<td>59%</td>
<td>69%</td>
</tr>
<tr>
<td>Multi-Asset</td>
<td>74%</td>
<td>85%</td>
<td>84%</td>
</tr>
<tr>
<td>Overall</td>
<td>68%</td>
<td>75%</td>
<td>81%</td>
</tr>
</tbody>
</table>


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

<sup>2</sup>Primary share class only. Excludes passive and institutional funds that are clones of retail funds. Mutual funds are measured against the most appropriate style benchmark used for portfolio manager evaluation, which may not always be the prospectus benchmark. Source: Morningstar.
Diversified organic growth of $11.1b YTD through October

Net flows by asset class ($b)

- U.S. Equity: ($1.5)
- Int’l. Equity: $1.4
- U.S. Fixed Income: $3.6
- Int’l. Fixed Income: ($0.1)
- Multi-Asset: $7.7
- Total: $11.1

Net flows by client geography

- Americas: 65%
- APAC: 22%
- EMEA: 13%

Data as of October 31, 2019.
Figures represent net flows for the firm. The assets for the firm’s global strategies are included in their respective international asset classes.
Assets under management ended November at $1.181T.
We continue to execute on our strategic priorities

1. Investment Capabilities
   - Increased investment professional headcount to 645\(^1\) worldwide to further strengthen our research platform and continue to develop investment capabilities
   - Executed on our product roadmap with the launch of new strategies, including Dynamic Credit, Europe Select Equity, and Global Government Bond, and new vehicles, including the Global Focused Growth ITM; additional products are under evaluation or in the pipeline for launch, including China Equity
   - Received preliminary exemptive relief from the SEC on the application for our semi-transparent active ETF
   - Continued to advance ESG capabilities internally; first sustainable SICAV funds\(^2\) launch expected in 2020

2. Distribution Capabilities
   - Continued to invest across defined contribution investment-only and broker-dealer channels in U.S.
   - Further expanded APAC and EMEA intermediary and institutional presence, growing brand awareness
   - Maintained high client satisfaction in Individual Investors and Retirement Plan Services businesses
   - Enhanced digital offering to both enhance client experience and generate long-term efficiencies

3. Technology and Operations
   - Continued to modernize tech platforms across investments, trading, middle office, and performance
   - Furthered progress with application decommissioning, execution of multitiered storage strategy, and reduction of physical and virtual servers to manage expenses

\(^1\)Investment professional headcount as of September 30, 2019.
\(^2\)These funds will be registered for marketing in the targeted countries for distribution in Europe initially.

The vehicles/products referred to on this page are not all authorized for sale in the U.S., and this information is not intended to be a solicitation for these vehicles/products. All vehicles/products are subject to market risk, including possible loss of principal. This material is provided for information only and is not intended to be an endorsement, offer, or solicitation for the sale of any product or service.
## Investment capabilities
Expanding our product lineup globally

<table>
<thead>
<tr>
<th>Year</th>
<th>Global Equity</th>
<th>Global Fixed Income</th>
<th>Multi-Asset</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td> Global Equity Dividend</td>
<td> Asia Credit</td>
<td> Retirement Blend Trusts</td>
</tr>
<tr>
<td></td>
<td> SMAs: Large-Cap Core, Equity Income,</td>
<td></td>
<td> Multi-Strategy Total Return</td>
</tr>
<tr>
<td></td>
<td>International Core, Australia</td>
<td></td>
<td> Custom Target Date Funds</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td> Global Focused Growth ITM</td>
<td> Dynamic Credit</td>
<td> Target Allocation Active Models</td>
</tr>
<tr>
<td></td>
<td> Europe Select Equity</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td> China Evolution Equity (Small/Mid)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020+</td>
<td> Semi-Transparent Active ETFs</td>
<td> Low Duration Credit</td>
<td> Multi-Asset Global Income</td>
</tr>
<tr>
<td></td>
<td> US Select Value</td>
<td></td>
<td> Income Models</td>
</tr>
<tr>
<td></td>
<td> Sustainable Funds Range</td>
<td></td>
<td> Macro and Absolute Return Strategies (MARS)</td>
</tr>
<tr>
<td></td>
<td> China Growth</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td> Global Select (Core)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The strategies and capabilities listed are not available in all jurisdictions nor to all investors. There is no guarantee that the capabilities and strategies currently under evaluation will be launched.
Investment capabilities
ETFs are another vehicle to meet client needs

- Deliver a new way for investors to access our alpha generation and offer certain benefits relative to other wrappers for taxable investors.

- Expand our distribution reach by allowing us to engage with investors who primarily or exclusively use ETFs.

- Establish the foundation for the future as we work to build an ETF business that cuts across multiple asset classes and broadens our investor base.
Investment capabilities
The T. Rowe Price Semi-Transparent Active ETF Model

Our approach aims to provide the benefits of a traditional ETF and will utilize industry-recognized, transparent ETF processes, giving market makers the information needed to facilitate efficient trading and shielding our investment IP.

Pricing signals from proxy basket:
- Updated proxy holdings disclosed quarterly on a lag
- INAV of current portfolio disseminated at 15-second intervals
- Relative risk metrics of proxy/current

What's Next?
- Preliminary exemptive relief from the SEC
- Final exemptive relief from the SEC
- 19b-4 Trade Rule filing
- SEC approval of 19b-4
- T. Rowe Price Semi-Transparent Active ETFs launch in market
## Distribution capabilities

The U.S. intermediary channel, EMEA, and APAC continue to be growth drivers.

<table>
<thead>
<tr>
<th>U.S. Intermediary</th>
<th>EMEA</th>
<th>APAC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continued broker-dealer field territory expansion</td>
<td>Launched European Select Equity and Global Government Bond strategies</td>
<td>Saw strong sales and flows momentum, largely driven by the Japanese ITMs</td>
</tr>
<tr>
<td>Built out hybrid teams in Wealth and DCIO</td>
<td>Increased client activity and expanded sales coverage in Italy and UK advisory</td>
<td>Expanded global consultant relations team with further dedicated APAC coverage</td>
</tr>
<tr>
<td>Scaled the retirement advisory relationships team</td>
<td>Saw significant improvement in brand rankings in a number of regions and surveys</td>
<td>Continued build of marketing team and further invested in brand</td>
</tr>
<tr>
<td>Further invested in distribution enablement to improve client coverage and sales productivity</td>
<td>Expanded client implementation management (CIM) team to EMEA</td>
<td>Expanded CIM team to APAC</td>
</tr>
<tr>
<td>Expanded value-added services, including portfolio construction</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
We are continuing to invest for the long term

Non-GAAP operating expense growth\textsuperscript{1}

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019 Projected</th>
<th>2020 Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth</td>
<td>8.9%</td>
<td>4%–5%</td>
<td>6%–9%</td>
</tr>
</tbody>
</table>

\textsuperscript{1}See the reconciliation between 2018 GAAP operating expenses and 2018 non-GAAP operating expenses in the Appendix. See the firm’s 2018 Annual Report on Form 10-K for further information.
Our investments span across the firm

**Investments**
Continuing to build out investment teams globally, with a focus on attracting, developing, and retaining world-class talent to sustain and improve the competitiveness of our strategies.

**Distribution**
Expanding our global footprint to further strengthen our regional relationships and bring our investment strategies to new and existing clients through their preferred markets, channels, and vehicles.

**Technology**
Continuing to modernize the infrastructure of the firm, further enhancing client experience and enabling distribution.

**Globalized shared services**
Expanding our shared services functions globally, particularly in EMEA and APAC, to support the growth, governance, and regulatory needs in these regions.

**Research**
Paying for all research globally effective January 1, 2020; 2020 will be the final year of our three-year rollout.

**Compliance with new regulation**
While we became compliant with GDPR and CCPA in 2019, the regulatory landscape is ever changing requiring continued investment.
We continue to execute a consistent, opportunistic buyback approach

Over the 5 years ended September 30, 2019

10% decline in common stock outstanding from 261m to 235m

47.6m shares repurchased at $81.79 weighted average price per share

10x average P/E over 12-month earnings ended 9/30/19

3.6% dividend yield of repurchases

¹Weighted average repurchase price per share for 5 years ended September 30, 2019, divided by 12-month GAAP diluted earnings per share ended 9/30/19.
²Twelve-month rolling dividend per share over weighted average price per share of repurchases over the last 5 years.
Appendix
## Non-GAAP operating expenses reconciliation

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>FY17/FY18 Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Expenses, GAAP basis</td>
<td>$2,746.1</td>
<td>$3,011.2</td>
<td>9.7%</td>
</tr>
<tr>
<td>Non-GAAP Adjustments:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses of consolidated T. Rowe Price</td>
<td>(6.7)</td>
<td>(6.5)</td>
<td></td>
</tr>
<tr>
<td>investment products, net of elimination of its related management and administrative fees(^1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensation expense related to market</td>
<td>(11.7)</td>
<td>5.6</td>
<td></td>
</tr>
<tr>
<td>valuation changes in supplemental savings plan liability(^2)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recoveries (nonrecurring charge) related to Dell appraisal rights matter(^3)</td>
<td>50.0</td>
<td>15.2</td>
<td></td>
</tr>
<tr>
<td>Adjusted Operating Expenses</td>
<td>$2,777.7</td>
<td>$3,025.5</td>
<td>8.9%</td>
</tr>
</tbody>
</table>

\(^1\) The non-GAAP adjustments add back the management fees that we earn from the consolidated T. Rowe Price investment products and subtract the investment income and operating expenses of these products that have been included in our U.S. GAAP consolidated statements of income. We believe that the consolidated T. Rowe Price investment products may impact the reader's ability to understand our core operating results.

\(^2\) This non-GAAP adjustment removes the impact of market movements on the supplemental savings plan liability and related investments designated as economic hedges of the liability beginning July 1, 2017. Amounts deferred under the supplemental savings plan are adjusted for appreciation (depreciation) of hypothetical investments chosen by the employees. Since we economically hedge the exposure to these market movements, we believe it is useful to offset the non-operating investment income earned on the hedges against the related compensation expense to increase comparability period to period.

\(^3\) In the second quarter of 2016, we recognized a nonrecurring charge of $166.2 million related to our decision to compensate certain clients in regard to the Dell appraisal rights matter. We also recognized an offset to this charge during the fourth quarter of 2016 for related insurance recoveries totaling $100 million. In the first quarter of 2017, we recognized additional insurance recoveries of $50 million as a reduction in operating expenses from claims that were filed in relation to the matter. During 2018, we recognized an additional reduction in operating expenses of $15.2 million upon recovering a portion of the payments we made to our clients in 2016. We believe it is useful to readers of our consolidated statements of income to adjust for these charges and nonrecurring recoveries in arriving at adjusted operating expenses and net income attributable to T. Rowe Price Group and diluted earnings per share.