UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2010

Commission File Number: 000-32191

T. ROWE PRICE GROUP, INC.
(Exact name of registrant as specified in its charter)

Maryland	**52-2264646**
(State of incorporation)	(I.R.S. Employer Identification No.)

100 East Pratt Street, Baltimore, Maryland 21202
(Address, including Zip Code, of principal executive offices)

(410) 345-2000
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days. ☑ **Yes** o No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months. ☑ **Yes** o No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑	Accelerated filer o	Non-accelerated filer o (Do not check if a smaller reporting Company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). o Yes ☑ **No**

The number of shares outstanding of the issuer's common stock ($.20 par value), as of the latest practicable date, April 21, 2010, is 259,561,112**.**

The exhibit index is at Item 6 on page 15.

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements.

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(in millions, except share data)

	12/31/2009	3/31/2010
ASSETS		
Cash and cash equivalents	$ 743.3	$ 764.1
Accounts receivable and accrued revenue	246.2	259.0
Investments in sponsored mutual funds	677.5	702.9
Debt securities held by savings bank subsidiary	182.6	181.4
Other investments	45.7	191.5
Property and equipment	512.8	518.9
Goodwill	665.7	665.7
Other assets	136.5	108.9
Total assets	$ 3,210.3	$ 3,392.4
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Accounts payable and accrued expenses	$ 79.9	$ 77.8
Accrued compensation and related costs	53.3	82.9
Income taxes payable	33.6	64.6
Customer deposits at savings bank subsidiary	161.3	160.2
Total liabilities	328.1	385.5
Commitments and contingent liabilities		
Stockholders' equity		
Preferred stock, undesignated, $.20 par value — authorized and unissued 20,000,000 shares	—	—
Common stock, $.20 par value — authorized 750,000,000; issued 258,534,000 shares in 2009 and 259,423,000 in 2010	51.7	51.9
Additional capital in excess of par value	488.5	518.4
Retained earnings	2,240.1	2,323.1
Accumulated other comprehensive income	101.9	113.5
Total stockholders' equity	2,882.2	3,006.9
Total liabilities and stockholders' equity	$ 3,210.3	$ 3,392.4

The accompanying notes are an integral part of these statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in millions, except per-share amounts)

	Three months ended	
	3/31/2009	3/31/2010
Revenues		
Investment advisory fees	$ 306.8	$ 471.8
Administrative fees	77.4	83.6
Investment income of savings bank subsidiary	1.5	1.7
Total revenues	385.7	557.1
Interest expense on savings bank deposits	1.2	0.9
Net revenues	384.5	556.2
Operating expenses		
Compensation and related costs	175.4	207.7
Advertising and promotion	22.7	23.5
Depreciation and amortization of property and equipment	16.7	15.4
Occupancy and facility costs	25.4	25.7
Other operating expenses	33.7	45.2
Total operating expenses	273.9	317.5
Net operating income	110.6	238.7
Non-operating investment income (loss)	(36.0)	5.3
Income before income taxes	74.6	244.0
Provision for income taxes	26.4	91.0
Net income	$ 48.2	$ 153.0
Earnings per share on common stock		
Basic	$ .19	$ .59
Diluted	$ .19	$ .57
Dividends declared per share	$ .25	$ .27

The accompanying notes are an integral part of these statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	Three months ended 3/31/2009	Three months ended 3/31/2010
Cash flows from operating activities		
Net income	$ 48.2	$ 153.0
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization of property and equipment	16.7	15.4
Stock-based compensation expense	20.6	20.1
Intangible asset amortization	.1	.1
Other than temporary impairments of investments in sponsored mutual funds	35.6	—
Other changes in assets and liabilities	18.2	68.1
Net cash provided by operating activities	139.4	256.7
Cash flows from investing activities		
Investment in UTI Asset Management Company Limited	—	(143.6)
Investments in sponsored mutual funds	—	(7.8)
Dispositions of sponsored mutual funds	3.0	2.0
Investments in debt securities held by savings bank subsidiary	(30.4)	(11.9)
Proceeds from debt securities held by savings bank subsidiary	12.9	13.3
Additions to property and equipment	(30.8)	(25.0)
Other investing activity	(2.0)	(1.4)
Net cash used in investing activities	(47.3)	(174.4)
Cash flows from financing activities		
Repurchases of common stock	(50.9)	(32.7)
Common share issuances under stock-based compensation plans	6.4	30.6
Excess tax benefits from share-based compensation plans	1.3	11.7
Dividends	(63.9)	(70.0)
Change in savings bank subsidiary deposits	17.7	(1.1)
Net cash used in financing activities	(89.4)	(61.5)
Cash and cash equivalents		
Net change during period	2.7	20.8
At beginning of year	619.1	743.3
At end of period	$ 621.8	$ 764.1

The accompanying notes are an integral part of these statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(shares in thousands; dollars in millions)

	Common shares outstanding	Common stock	Additional capital in excess of par value	Retained earnings	Accumulated other comprehensive income	Total stockholders' equity
Balances at December 31, 2009	258,534	$ 51.7	$ 488.5	$ 2,240.1	$ 101.9	$ 2,882.2
Common stock-based compensation plans activity						
Shares issued upon option exercises	1,432	0.3	30.3			30.6
Restricted shares issued	122	.0	.0			.0
Shares issued on vesting of restricted stock units	1	.0	.0			.0
Net tax benefits			12.1			12.1
Stock-based compensation expense			20.1			20.1
Common shares repurchased	(666)	(0.1)	(32.6)			(32.7)
Comprehensive income						
Net income				153.0		
Net unrealized holding gains					11.6	
Total comprehensive income						164.6
Dividends				(70.0)		(70.0)
Balances at March 31, 2010	259,423	$ 51.9	$ 518.4	$ 2,323.1	$ 113.5	$ 3,006.9

The accompanying notes are an integral part of these statements.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 — THE COMPANY AND BASIS OF PREPARATION.

T. Rowe Price Group derives its consolidated revenues and net income primarily from investment advisory services that its subsidiaries provide to individual and institutional investors in the sponsored T. Rowe Price mutual funds and other investment portfolios. We also provide our investment advisory clients with related administrative services, including mutual fund transfer agent, accounting and shareholder services; participant recordkeeping and transfer agent services for defined contribution retirement plans; discount brokerage; and trust services.

Investment advisory revenues depend largely on the total value and composition of assets under our management. Accordingly, fluctuations in financial markets and in the composition of assets under management impact our revenues and results of operations.

These unaudited condensed consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States, which require the use of estimates and reflect all adjustments that are, in the opinion of management, necessary to a fair statement of our results for the interim periods presented. All such adjustments are of a normal recurring nature. Actual results may vary from our estimates.

The unaudited interim financial information contained in these condensed consolidated financial statements should be read in conjunction with the consolidated financial statements contained in our 2009 Annual Report.

NOTE 2 — INFORMATION ABOUT RECEIVABLES, REVENUES, AND SERVICES.

Accounts receivable from our sponsored mutual funds for advisory fees and advisory-related administrative services aggregate $130.1 million at December 31, 2009, and $136.9 million at March 31, 2010.

Revenues (in millions) from advisory services provided under agreements with our sponsored mutual funds and other investment clients include:

	Three months ended	
	3/31/2009	3/31/2010
Sponsored mutual funds in the U.S.		
Stock and blended asset	$ 162.0	$ 262.8
Bond and money market	49.7	62.6
	211.7	325.4
Other portfolios	95.1	146.4
Total investment advisory fees	$ 306.8	$ 471.8

The following table summarizes the various investment portfolios and assets under management (in billions) on which we earn advisory fees.

	Average during the first quarter			
	2009	2010	12/31/2009	3/31/2010
Sponsored mutual funds in the U.S.				
Stock and blended asset	$ 109.9	$ 175.6	$ 172.7	$ 185.9
Bond and money market	47.4	61.7	60.0	63.6
	157.3	237.3	232.7	249.5
Other portfolios	107.5	159.6	158.6	169.5
	$ 264.8	$ 396.9	$ 391.3	$ 419.0

Investors that we serve are primarily domiciled in the United States of America; investment advisory clients outside the United States account for 12% of our assets under management at March 31, 2010.

Fees for advisory-related administrative services provided to our sponsored mutual funds during the first three months of the year were $61.7 million in 2009 and $65.6 million in 2010.

NOTE 3 – INVESTMENTS IN SPONSORED MUTUAL FUNDS.

These investments (in millions) include:

	Aggregate cost	Unrealized holding Gains	Unrealized holding Losses	Aggregate fair value
December 31, 2009				
Stock and blended asset funds	$ 278.6	$ 125.7	$ —	$ 404.3
Bond funds	238.9	34.3	—	273.2
	$ 517.5	$ 160.0	$ —	$ 677.5
March 31, 2010				
Stock and blended asset funds	$ 285.1	$ 142.6	$ —	$ 427.7
Bond funds	238.9	36.3	—	275.2
	$ 524.0	$ 178.9	$ —	$ 702.9

NOTE 4 – DEBT SECURITIES HELD BY AND CUSTOMER DEPOSITS AT SAVINGS BANK SUBSIDIARY.

Our savings bank subsidiary holds investments in marketable debt securities, including mortgage- and other asset-backed securities, which are accounted for as available-for-sale. The following table (in millions) details the components of these investments.

	12/31/2009		3/31/2010	
	Fair value	Unrealized holding gains (losses)	Fair value	Unrealized holding gains (losses)
Investments with temporary impairment (40 securities in 2010) of				
Less than 12 months	$ 14.4	$ (.3)	$ 14.8	$ (.2)
12 months or more	9.8	(.8)	8.7	(.8)
Total	24.2	(1.1)	23.5	(1.0)
Investments with unrealized holding gains	158.4	4.4	157.9	4.5
Total debt securities	$ 182.6	$ 3.3	$ 181.4	$ 3.5
Aggregate cost	$ 179.3		$ 177.9	

The unrealized losses in these investments were generally caused by changes in interest rates and market liquidity, and not by changes in credit quality. We intend to hold these securities to their maturities, which generally correlate to the maturities of our customer deposits, and believe it is more-likely-than not that we will not be required to sell any of these securities before recovery of their amortized cost. Accordingly, impairment of these investments is considered temporary.

The estimated fair value of our customer deposit liability, based on discounting expected cash outflows at maturity dates that range up to five years, using current interest rates offered for deposits with the same dates of maturity, was $164.9 million at December 31, 2009, and $163.8 million at March 31, 2010.

NOTE 5 – OTHER INVESTMENTS.

These investments (in millions) include:

	12/31/2009	3/31/2010
Cost method investments		
10% interest in Daiwa SB Investments Ltd.(Japan)	$ 13.6	$ 13.6
Other investments	27.8	28.8
Equity method investments		
26% interest in UTI Asset Management Company Limited (India)	—	145.6
Other investments	1.6	2.0
Sponsored mutual fund investments held as trading	1.8	1.5
INR non-deliverable forward contract	.9	—
Total other investments	$ 45.7	$ 191.5

On January 20, 2010, we purchased a 26% equity interest in UTI Asset Management Company and an affiliate from existing stockholders for 6.5 billion Indian rupees (INR) or $142.4 million, plus transaction costs of $3.2 million of which $2.0 million were paid in 2009.

In conjunction with our signing of the definitive UTI purchase agreements in November 2009, we entered into a series of rolling non-deliverable forward contracts to economically hedge the foreign currency exchange rate exposure relating to the UTI acquisition price. We recognized non-operating investment income of $2.2 million in January 2010 in the valuation and settlement of these contracts.

NOTE 6 – FAIR VALUE MEASUREMENTS.

We determine the fair value of our investments using broad levels of inputs as defined by related accounting standards:

Level 1 – quoted prices in active markets for identical securities.

Level 2 – observable inputs other than level 1 quoted prices including, but not limited to, quoted prices for similar securities, interest rates, prepayment speeds, and credit risk. These inputs are based on market data obtained from independent sources.

Level 3 – unobservable inputs reflecting our own assumptions based on the best information available. We do not value any investments using level 3 inputs.

These levels are not necessarily an indication of the risk or liquidity associated with the investments. There were no transfers in or out of the levels. The following table summarizes our investments (in millions) that are recognized in our balance sheet using fair value measurements determined based on the differing levels of inputs.

	Level 1	Level 2
December 31, 2009		
Cash equivalents	$ 676.5	
Investments in sponsored mutual funds		
Held as available-for-sale	677.5	
Held as trading	1.8	
Debt securities held by savings bank subsidiary	—	$ 182.6
INR non-deliverable forward contract	.9	—
Total	$ 1,356.7	$ 182.6
March 31, 2010		
Cash equivalents	$ 687.9	
Investments in sponsored mutual funds		
Held as available-for-sale	702.9	
Held as trading	1.5	
Debt securities held by savings bank subsidiary	—	$ 181.4
Total	$ 1,392.3	$ 181.4

NOTE 7 – STOCK-BASED COMPENSATION.

Stock-based grants.

The following table summarizes the status of and changes in our stock option grants during the first three months of 2010.

	Options	Weighted-average exercise price
Outstanding at beginning of year	39,269,159	$ 38.10
Semiannual grants	2,820,750	$ 49.60
Reload grants	32,597	$ 53.97
Exercised	(1,707,372)	$ 26.55
Forfeited	(197,200)	$ 44.81
Expired	(27,178)	$ 57.06
Outstanding at end of period	40,190,756	$ 39.37
Exercisable at end of period	21,714,306	$ 34.03

The following table summarizes the status of and changes in our nonvested restricted shares and restricted stock units during the first three months of 2010.

	Restricted shares	Restricted stock units	Weighted-average fair value
Nonvested at beginning of year	587,919	310,951	$ 46.19
Granted to employees	122,050	64,125	$ 49.63
Vested	(625)	(1,250)	$ 49.89
Forfeited	—	(8,500)	$ 46.87
Nonvested at end of period	709,344	365,326	$ 46.78

Future stock-based compensation expense.

The following table presents the compensation expense (in millions) to be recognized over the remaining vesting periods of the stock-based awards outstanding at March 31, 2010. Estimated future compensation expense will change to reflect future option grants, including reloads; future awards of unrestricted shares, restricted shares, and restricted stock units; changes in estimated forfeitures; and adjustments for actual forfeitures.

Second quarter 2010	$ 22.0
Third quarter 2010	21.4
Fourth quarter 2010	16.5
2011	51.7
2012 through 2015	47.2
Total	$ 158.8

NOTE 8 – EARNINGS PER SHARE CALCULATIONS.

The reconciliation (in millions) of our net income to net income allocated to our common stockholders and the weighted average shares (in millions) that are used in calculating the basic and the diluted earnings per share on our common stock follow.

	Three months ended	
	3/31/2009	3/31/2010
Net income	$ 48.2	$ 153.0
Less: net income allocated to outstanding restricted stock and stock units	(.2)	(.6)
Net income allocated to common stockholders	$ 48.0	$ 152.4
Weighted average common shares		
Outstanding	255.4	258.2
Outstanding assuming dilution	259.0	266.2

Weighted average common shares outstanding assuming dilution reflects the potential additional dilution, determined using the treasury stock method that could occur if outstanding stock options were exercised. The weighted average common shares outstanding assuming dilution for the first quarter of 2010 excludes the effect of 11.4 million outstanding stock options with an average exercise price of $52.73 that, when taken together with related unrecognized compensation expense, are out-of-the-money.

NOTE 9 – INVESTMENT GAINS AND OTHER COMPREHENSIVE INCOME.

The following table reconciles our net unrealized holding gains (in millions) for the first three months of 2010 to that recognized in other comprehensive income.

	Investments in sponsored mutual funds	Debt securities held by savings bank subsidiary	Total
Net unrealized holding gains	$ 19.6	$ .2	$ 19.8
Net gains realized in non-operating investment income on dispositions	(.7)	—	(.7)
Net unrealized holding gains recognized in other comprehensive income, before taxes	18.9	.2	19.1
Deferred income taxes	(7.4)	(.1)	(7.5)
Net unrealized holding gains recognized in other comprehensive income	$ 11.5	$ .1	$ 11.6

The components of accumulated other comprehensive income (in millions) at March 31, 2010, are presented below.

Net unrealized holding gains on	
Investments in sponsored mutual funds	$ 178.9
Debt securities held by savings bank subsidiary	3.5
	182.4
Deferred income taxes	(68.9)
	$ 113.5

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders
T. Rowe Price Group, Inc.:

We have reviewed the condensed consolidated balance sheet of T. Rowe Price Group, Inc. and subsidiaries as of March 31, 2010, the related condensed consolidated statements of income and cash flows for the three- month periods ended March 31, 2009 and 2010, and the related condensed consolidated statement of stockholders' equity for the three-month period ended March 31, 2010. These condensed consolidated financial statements are the responsibility of the Company's management.

We conducted our reviews in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the condensed consolidated financial statements referred to above for them to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of T. Rowe Price Group, Inc. and subsidiaries as of December 31, 2009, and the related consolidated statements of income, cash flows, and stockholders' equity for the year then ended (not presented herein); and in our report dated February 5, 2010, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 2009, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

/s/ KPMG LLP

Baltimore, Maryland
April 23, 2010

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

GENERAL.

Our revenues and net income are derived primarily from investment advisory services provided to individual and institutional investors in our sponsored mutual funds and other managed investment portfolios. Investment advisory clients outside the United States account for 12% of our assets under management at March 31, 2010.

We manage a broad range of U.S., international and global stock, bond, and money market mutual funds and other investment portfolios, which meet the varied needs and objectives of individual and institutional investors. Investment advisory revenues depend largely on the total value and composition of assets under our management. Accordingly, fluctuations in financial markets and in the composition of assets under management affect our revenues and results of operations.

We remain debt-free with substantial liquidity and resources that allows us to take advantage of attractive growth opportunities, invest in key capabilities including investment professionals and technologies and, most importantly, provide our clients with strong investment management expertise and service both now and in the future.

On January 20, 2010, we purchased a 26% equity interest in UTI Asset Management Company and an affiliate from existing stockholders for 6.5 billion Indian rupees (INR) or $142.4 million.

BACKGROUND.

A strong March recovery following the selloff in late January and early February advanced equity markets in the U.S. during the first quarter of 2010. Ongoing investor concerns over the strength and sustainability of the global economic recovery continued to put pressure on markets at times during the quarter. While stronger than expected corporate earnings helped drive the markets higher, economic conditions, including continued weakness in the housing and labor markets, low inflation, and stable inflation expectations led the Federal Reserve to maintain record low interest rates to help boost economic growth. The Federal Reserve kept the target funds rate in the range of 0% to .25% and reassured investors that the exceptionally low levels would likely remain for some time.

In this volatile environment, the major U.S. stock indexes reached their highest levels in about 18 months in the first quarter of 2010. The S&P 500 Index of large-cap companies in leading industries of the U.S. economy returned 5.4%, while the NASDAQ Composite Index, which is heavily weighted with technology companies, was up 5.7% (excluding dividends).

Though non-U.S equities rose during the first quarter 2010, a stronger U.S. dollar versus other currencies reduced overseas returns in dollar terms. Greece's weak financial situation and rising interest rates in China and elsewhere weighed heavily on the equity markets of several countries. Emerging markets, led by countries in emerging Europe and the Middle East, continued to outperform developed nations. The MSCI Emerging Markets Index returned 2.5% for the quarter versus ..9% for the MSCI EAFE Index, which measures the performance of mostly large-cap stocks in Europe, Australasia and the Far East.

The yield on the benchmark 10-year U.S. Treasury was 3.84%, virtually unchanged from the rate at the end of 2009 as low demand at the March auction pushed the curve up at the end of the first quarter after dropping 26 basis points from year-end in early February. On the shortest end of the yield curve, the annual yield for one-month treasury bills was .15%, up from .04% at the end of 2009. Returns for other fixed income securities were generally positive, with the higher-yield issues producing the strongest gains. The Credit Suisse High Yield Index gained 4.5% in the first quarter, while the J.P. Morgan Emerging Markets Index Plus gained 3.6%, and the Barclays Capital U.S. Aggregate Index gained 1.8%. The Barclays Capital Global Aggregate Ex-US Dollar Bond Index lost 1.7%, due to a rising dollar against other currencies.

In this financial markets environment, investors entrusted record quarterly net inflows of $10.3 billion to our management during the first quarter of 2010. Assets under our management totaled a record $419.0 billion at March 31, 2010, up 7.1% from the beginning of the year.

The changes (in billions) in 2010 have occurred as follows.

	Quarter ended 3/31/2010
Assets under management at beginning of period	$ 391.3
Net cash inflows	
Sponsored mutual funds distributed in the U.S.	6.1
Other investment portfolios	4.2
	10.3
Market valuation changes and income	17.4
Change during the period	27.7
Assets under management at end of period	$ 419.0

Assets under management at March 31, 2010, include $311.7 billion in stock and blended asset investment portfolios and $107.3 billion in fixed income investment portfolios. The investment portfolios that we manage consist of $249.5 billion in the T. Rowe Price mutual funds distributed in the United States and $169.5 billion in other investment portfolios, including separately managed accounts, sub-advised funds, and other sponsored investment portfolios including common trust funds and mutual funds offered to investors outside the U.S. and through variable annuity life insurance plans.

We incur significant expenditures to attract new investment advisory clients and additional investments from our existing clients. These efforts involve costs that generally precede any future revenues that we might recognize from additions to our assets under management.

RESULTS OF OPERATIONS -First quarter 2010 versus first quarter 2009.

Investment advisory revenues increased 53.8%, or $165.0 million, to $471.8 million in the first quarter of 2010 as average assets under our management increased $132.1 billion to $396.9 billion. The average annualized fee rate earned on our assets under management was 48.2 basis points during the first quarter of 2010, up from the 47.0 basis points earned in the first quarter of 2009, and virtually unchanged from the rate earned in the year 2009. The change from the 2009 quarter is a result of higher equity market valuations increasing the percentage of our assets under management being attributable to higher fee equity portfolios. In the first quarter of 2010, we waived certain money market advisory fees totaling $6.8 million in order to maintain a yield above 0% for fund investors, and anticipate that such fee waivers could continue for the remainder of 2010.

Net revenues increased $171.7 million, or 44.7%, to $556.2 million. Operating expenses were up $43.6 million to $317.5 million in the first quarter of 2010, up 15.9% from the comparable 2009 quarter. Overall, net operating income of $238.7 million for the first quarter of 2010 was more than double the $110.6 million earned in the first quarter 2009. The significant market recovery over the last twelve months, which increased our assets under management and advisory revenue, resulted in our first quarter 2010 operating margin increasing to 42.9% from 28.8% in the comparable 2009 quarter. Non-operating investment income in the 2010 quarter was $5.3 million, a significant change from the investment losses incurred in the first quarter of 2009 when we recognized $35.6 million in non-cash charges for the other than temporary impairment of certain of the firm’s investments in sponsored mutual funds. Net income increased $104.8 million from the 2009 quarter to $153.0 million, and diluted earnings per share on our common stock is $.57, an increase of $.38 from $.19 earned in the first quarter of 2009.

Investment advisory revenues earned from the T. Rowe Price mutual funds distributed in the U.S. increased 53.7%, or $113.7 million, to $325.4 million. Average mutual fund assets under management in the first quarter of 2010 were $237.3 billion, an increase of 50.9% from the average for the 2009 quarter. Mutual fund assets at March 31, 2010 were $249.5 billion, an increase of 7.2% or $16.8 billion from the end of 2009, and $12.2 billion higher than the first quarter 2010 average.

Net inflows to the mutual funds were $6.1 billion during the first quarter of 2010, including $2.4 billion that originated in our target-date Retirement Funds. Our stock funds had net inflows of $3.4 billion. The Value, Mid-Cap Value, Mid-Cap Growth, and Equity Index 500 funds each added at least $400 million for a total of $2.0 billion in net investments. The New Income Fund accounted for $1.0 billion of the $3.0 billion of net inflows added by our bond funds. Our money market funds had net outflows of $300 million. Higher market valuations and income increased our mutual fund assets under management by $10.7 billion during the first quarter of 2010.

Investment advisory revenues earned on the other investment portfolios that we manage increased $51.3 million, or 53.9%, to $146.4 million. Average assets in these portfolios were $159.6 billion during the first quarter of 2010, an increase of $52.1 billion or 48.5% from the 2009 quarter. Net inflows of $4.2 billion, primarily from institutional investors located outside the United States and third-party financial intermediaries, and $6.7 billion in higher market valuations and income increased assets under management in these portfolios by $10.9 billion in the first quarter of 2010.

Administrative fees increased $6.2 million from the first quarter of 2009 to $83.6 million. This change includes a $4.0 million increase in 12b-1 distribution and service fees recognized on higher assets under management in the Advisor and R classes of our sponsored mutual funds. Changes in administrative fees are generally offset by a similar change in the related operating expenses that are incurred to distribute Advisor and R class fund shares through third party intermediaries and to provide services to the funds and their investors.

Our largest expense, compensation and related costs, increased $32.3 million, or 18.4% compared to the first quarter of 2009. The largest part of the increase is attributable to a $28.4 million increase in our annual variable compensation programs, which are based on our operating results and other factors such as our relative risk-adjusted investment performance, our growth in assets under management and net investor inflows, and the high quality of our investor services. Our salaries decreased $4.1 million from the 2009 quarter due to a 9.7% decrease in our average headcount from the comparable quarter, offset by base salary increases effective at the beginning of the year. At March 31, 2010, we employed 4,779 associates. Other employee benefits and related employment expenses account for the remainder of the change.

Advertising and promotion expenditures were up $.8 million, compared to the first quarter of 2009. We currently estimate that our advertising and promotion expenditures for the second quarter of 2010 will be about $10 million more than the comparable 2009 quarter and spending for the full year 2010 could increase up to 30% from 2009. We vary our level of spending based on market conditions and investor demand as well as our efforts to expand our investor base in the United States and abroad.

Occupancy and facility costs together with depreciation and amortization expense were down $1.0 million as we continued to manage infrastructure costs prudently.

Other operating expenses increased $11.5 million, or 34.1% from the comparable 2009 quarter, including an increase of $4.0 million in distribution and service expenses recognized on higher assets under management in our Advisor and R classes of mutual fund shares that are sourced from financial intermediaries. These costs are offset by an equal increase in our administrative revenues recognized from the 12b-1 fees discussed above. The remaining increase is a result of other operating costs, including travel costs, consulting fees and other professional services, incurred to meet increasing business demands.

Our non-operating investment activity, which includes interest income as well as the recognition of investment gains and losses, resulted in a net gain of $5.3 million in the first quarter of 2010 versus a net loss of $36.0 million in the comparable 2009 period. This change of $41.3 million is primarily attributable to $35.6 million of other than temporary impairments recognized on our investments in sponsored mutual funds in the first quarter of 2009. The increase also includes $2.2 million in gains recognized in 2010 for the settlement and valuation of a series of non-deliverable forward contracts used to economically hedge the foreign currency exposure associated with the UTI acquisition price. Our equity share in the earnings of UTI from acquisition date to the end of the first quarter 2010 was not significant.

The first quarter 2010 provision for income taxes as a percentage of pretax income is 37.3%, up slightly from the 37.1% for the year 2009. We presently estimate that our effective tax rate for the full year 2010 will be 37.8%.

CAPITAL RESOURCES AND LIQUIDITY.

Operating activities during the first three months of 2010 provided cash flows of $256.7 million, up $117.3 million from 2009, including a $104.8 million increase in net income and a $49.9 million increase in the addback representing timing differences in the cash settlement of our assets and liabilities. These increases are offset by the impact of $35.6 million in other than temporary impairments of our investments in sponsored mutual funds that were experienced in the first quarter of 2009 and did not reoccur in the 2010 quarter. Our interim operating cash outflows do not include bonus compensation that is accrued throughout the year before being substantially paid out in December.

Net cash used in investing activities totaled $174.4 million, up $127.1 million from the 2009 period, primarily from the purchase of a 26% equity interest in UTI for $142.4 million plus related transaction costs incurred in the 2010 period of $1.2 million. In the first quarter of 2009, we made $18.5 million more investments in debt securities held by our savings bank due to the increase in our customer deposits during the same period.

Net cash used in financing activities was $61.5 million in the first quarter of 2010, down $27.9 million from the 2009 period, including a decrease of $18.2 million expended for common stock repurchases. The first quarter of 2010 also saw a $24.2 million increase in the cash proceeds from option exercises due to higher market valuations of our common stock experienced in the 2010 period compared to 2009. Lastly, we had net customer deposits of $17.7 million into our savings bank during the first quarter of 2009 compared with outflows of $1.1 million in the 2010 quarter.

Our cash and mutual fund investments at March 31, 2010, were nearly $1.5 billion, and we have no debt. Given the availability of these financial resources, we do not maintain an available external source of liquidity. We anticipate property and equipment expenditures for the full year 2010 to be about $150 million and expect to fund them from our cash balances.

NEW ACCOUNTING STANDARDS.

We have considered all other newly issued accounting guidance that is applicable to our operations and the preparation of our consolidated statements, including that which we have not yet adopted. We do not believe that any such guidance will have a material effect on our financial position or results of operation.

FORWARD-LOOKING INFORMATION.

From time to time, information or statements provided by or on behalf of T. Rowe Price, including those within this report, may contain certain forward-looking information, including information or anticipated information relating to: our revenues, net income and earnings per share on common stock; changes in the amount and composition of our assets under management; our expense levels and possible expense savings; our estimated effective income tax rate; and our expectations regarding financial markets, future transactions and investments, and other conditions. Readers are cautioned that any forward-looking information provided by or on behalf of T. Rowe Price is not a guarantee of future performance. Actual results may differ materially from those in forward-looking information because of various factors including, but not limited to, those discussed below and in Item 1A, Risk Factors, of our Form 10-K Annual Report for 2009. Further, forward-looking statements speak only as of the date on which they are made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which it is made or to reflect the occurrence of unanticipated events.

Our future revenues and results of operations will fluctuate primarily due to changes in the total value and composition of assets under our management. Such changes result from many factors including, among other things: cash inflows and outflows in the T. Rowe Price mutual funds and other managed investment portfolios; fluctuations in global financial markets that result in appreciation or depreciation of the assets under our management; our introduction of new mutual funds and investment portfolios; and changes in retirement savings trends relative to participant-directed investments and defined contribution plans. The ability to attract and retain investors' assets under our management is dependent on investor sentiment and confidence; the relative investment performance of the Price mutual funds and other managed investment portfolios as compared to competing offerings and market indexes; the ability to maintain our investment management and administrative fees at appropriate levels; competitive conditions in the mutual fund, asset management, and broader financial services sectors; and our level of success in implementing our strategy to expand our business. Our revenues are substantially dependent on fees earned under contracts with the Price funds and could be adversely affected if the independent directors of one or more of the Price funds terminated or significantly altered the terms of the investment management or related administrative services agreements. Non-operating investment income (loss) will also fluctuate primarily due to the size of our investments and changes in their market valuations.

Our future results are also dependent upon the level of our expenses, which are subject to fluctuation for the following or other reasons: changes in the level of our advertising expenses in response to market conditions, including our efforts to expand our investment advisory business to investors outside the United States and to further penetrate our distribution channels within the United States; variations in the level of total compensation expense due to, among other things, bonuses, stock option grants, other incentive awards, changes in our employee count and mix, and competitive factors; any goodwill impairment that may arise; fluctuation in foreign currency exchange rates applicable to our investment in and the costs of our international operations; expenses and capital costs, such as technology assets, depreciation, amortization, and research and development, incurred to maintain and enhance our administrative and operating services infrastructure; unanticipated costs that may be incurred to protect investor accounts and the goodwill of our clients; and disruptions of services, including those provided by third parties, such as facilities, communications, power, and the mutual fund transfer agent and accounting systems.

Our business is also subject to substantial governmental regulation, and changes in legal, regulatory, accounting, tax, and compliance requirements may have a substantial effect on our operations and results, including but not limited to effects on costs that we incur and effects on investor interest in mutual funds and investing in general, or in particular classes of mutual funds or other investments.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

There has been no material change in the information provided in Item 7A of the Form 10-K Annual Report for 2009.

Item 4. Controls and Procedures.

Our management, including our principal executive and principal financial officers, has evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2010. Based on that evaluation, our principal executive and principal financial officers have concluded that our disclosure controls and procedures as of March 31, 2010, are effective at the reasonable assurance level to ensure that the information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, including this Form 10-Q quarterly report, is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission’s rules and forms, and to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Our management, including our principal executive and principal financial officers, has evaluated any change in our internal control over financial reporting that occurred during the first quarter of 2010, and has concluded that there was no change during the first quarter of 2010 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, various claims against us arise in the ordinary course of business, including employment-related claims. In the opinion of management, after consultation with counsel, the likelihood that an adverse determination in one or more pending claims would have a material adverse effect on our financial position or result of operations is remote.

Item 1A. Risk Factors.

There has been no material change in the information provided in Item 1A of our Form 10-K Annual Report for 2009.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

(c) Repurchase activity during the first quarter of 2010 conducted pursuant to the Board of Directors’ June 5, 2008, authorization follows.

Month	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Maximum Number of Shares that May Yet Be Purchased Under the Program
January	8,399	$ 49.02	8,399	12,400,711
February	657,205	$ 49.19	657,205	11,743,506
March	—	—	—	11,743,506
Total	665,604	$ 49.19	665,604	

Item 5. Other Information.

On April 23, 2010, we issued a press release reporting our results of operations for the first quarter of 2010. A copy of that press release is furnished herewith as Exhibit 99. This information shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933.

Item 6. Exhibits.

The following exhibits required by Item 601 of Regulation S-K are furnished herewith.

3(i).1 Charter of T. Rowe Price Group, Inc., as Amended by Articles of Amendment dated April 10, 2008. (Incorporated by reference from Form 10-Q Report for the quarterly period ended March 31, 2008; Accession No. 0000950133-08-001597).

3(ii) Amended and Restated By-Laws of T. Rowe Price Group, Inc. as of February 12, 2009. (Incorporated by reference from Form 8-K Current Report as of February 17, 2009; Accession No. 0000950133-09-000369).

10.19 Policy for Recoupment of Incentive Compensation. (Incorporated by reference from Form 8-K Current Report as of April 14, 2010; Accession No.0000950123-10-035398).

14 Code of Ethics for Principal Executive Officer and Senior Financial Officers of T. Rowe Price Group, Inc. under the Sarbanes-Oxley Act of 2002.

15 Letter from KPMG LLP, independent registered public accounting firm, re unaudited interim financial information.

31(i).1 Rule 13a-14(a) Certification of Principal Executive Officer.

31(i).2 Rule 13a-14(a) Certification of Principal Financial Officer.

32 Section 1350 Certifications.

99 Press release issued April 23, 2010, reporting our results of operations for the first quarter of 2010.

101 The following series of unaudited XBRL-formatted documents are collectively included herewith as Exhibit 101. The financial information is extracted from T. Rowe Price Group’s unaudited condensed consolidated interim financial statements and notes that are included in this Form 10-Q Report.

101.INS XBRL Instance Document (File name: trow-20100331.xml)

101.SCH XBRL Taxonomy Extension Schema Document (File name: trow-20100331.xsd)

101.CAL XBRL Taxonomy Calculation Linkbase Document (File name: trow-20100331_cal.xml)

101.LAB XBRL Taxonomy Label Linkbase Document (File name: trow-20100331_lab.xml)

101.PRE XBRL Taxonomy Presentation Linkbase Document (File name: trow-20100331_pre.xml)

101.DEF XBRL Taxonomy Definition Linkbase Document (File name: trow-20100331_def.xml)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized on April 23, 2010.

T. Rowe Price Group, Inc.
by: /s/ Kenneth V. Moreland
Vice President and Chief Financial Officer

Exhibit 14

CODE OF ETHICS FOR PRINCIPAL EXECUTIVE AND SENIOR FINANCIAL OFFICERS OF T. ROWE PRICE GROUP, INC. UNDER THE SARBANES-OXLEY ACT OF 2002

I. General Statement. This Code of Ethics **(**the **"Group S-O Code")** has been designed to bring T. Rowe Price Group, Inc. **("Group")** into compliance with the applicable requirements of the Sarbanes-Oxley Act of 2002 **(**the **"Act")** and rules promulgated by the Securities and Exchange Commission thereunder (the "Regulations"). The Group S-O Code applies solely to the Principal Executive Officer, Principal Financial Officer, Principal Accounting Officer or Controller of, or persons performing similar functions for, Group **("Covered Officers")**. A list of Covered Officers is attached as **Exhibit A**.

Group has also maintained a comprehensive Code of Ethics and Conduct **(**the **"Group Code")** since 1972, which applies to all officers, directors and employees of Group and its affiliates.

As mandated by the Act, the Price Funds have also adopted a Code **(**the **"Price Funds S-O Code")**, similar to the Group S-O Code, which applies solely to the principal executive and senior financial officers of the Price Funds. The **"Price Funds"** include each mutual fund that is managed, sponsored and distributed by affiliates of Group**.** The investment managers to the Price Funds will be referred to as the **"Price Fund Advisers".** The Group S-O Code and the Price Funds S-O Code will be referred to collectively as the **"S-O Codes"**.

The Group S-O Code has been adopted by Group in accordance with the Act and Regulations thereunder, and will be administered in conformity with the disclosure requirements of Section 229.406 of the Code of Federal Regulations. The S-O Codes are attachments to the Group Code. In many respects the S-O Codes are supplementary to the Group Code, but the Group Code is administered separately from the S-O Codes, as the S-O Codes are from each other.

II. Purpose of the Group S-O Code. The purpose of the Group S-O Code, as mandated by the Act and the Regulations is to establish standards that are reasonably designed to deter wrongdoing and to promote:

Ethical Conduct. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships.

Disclosure. Full, fair, accurate, timely and understandable disclosure in reports and documents that Group files with, or submits to, the SEC and in other public communications made by Group.

Compliance. Compliance with applicable governmental laws, rules and regulations.

Reporting of Violations. The prompt internal reporting of violations of the Group S-O Code to an appropriate person or persons identified in the Group S-O Code.

Accountability. Accountability for adherence to the Group S-O Code.

III. Covered Officers Should Handle Ethically Actual and Apparent Conflicts of Interest.

Overview. Each Covered Officer owes a duty to Group to adhere to a high standard of honesty and business ethics and should be sensitive to situations that may give rise to actual as well as apparent conflicts of interest.

A “conflict of interest” occurs when a Covered Officer’s private interest interferes with the interests of, or his or her service to, Group. For example, a conflict of interest would arise if a Covered Officer, or a member of his or her family, receives improper personal benefits as a result of his or her position with Group.

Certain conflicts of interest covered by the Group S-O Code may already be subject to provisions regulating conflicts of interest in the Investment Company Act of 1940 **(“Investment Company Act”)**, the Investment Advisers Act of 1940 **(“Investment Advisers Act”)** and the Group Code. The compliance programs and procedures of Group and its affiliates are designed to prevent, or identify and correct, violations of these provisions.

Although typically not presenting an opportunity for improper personal benefit, conflicts may arise from, or as a result of, the contractual relationship between a Price Fund and its Price Fund Adviser of which the Covered Officers may also be officers or employees. As a result, the Group S-O Code recognizes that the Covered Officers may, in the normal course of their duties (whether formally for the Price Funds or for the Price Fund Advisers or for both), be involved in establishing policies and implementing decisions which will have different effects on these entities. The participation of the Covered Officers in such activities is inherent in the contractual relationship between each Price Fund and its respective Price Fund Adviser

Other conflicts of interest are covered by the Group S-O Code, even if these conflicts of interest are not addressed by or subject to provisions in the Investment Company Act and the Investment Advisers Act.

Whenever a Covered Officer is confronted with a conflict of interest situation where he or she is uncertain as to the appropriate action to be taken, he or she should discuss the matter with the Chairperson of Group’s Ethics Committee or another member of the Committee.

Handling of Specific Types of Conflicts. Each Covered Officer (and close family member) must not:

> **Entertainment.** Accept entertainment from any company with which Group or any of its affiliates (including any Price Fund) has current or prospective business dealings, including portfolio companies, unless such entertainment is in full compliance with the policy on entertainment as set forth in the Group Code.
>
> **Gifts.** Accept any gifts, except as permitted by the Group Code.
>
> **Improper Personal Influence.** Use his or her personal influence or personal relationships improperly to influence corporate decisions and financial reporting to the detriment of Group or of its affiliates.
>
> **Taking Action at the Expense of Group.** Cause Group or any affiliate to take action, or fail to take action, for the personal benefit of the Covered Officer rather than for the benefit of Group or its affiliates.
>
> **Misuse of Inside Information Regarding Group.** Use material, non-public information about Group in violation of the Group Code and/or applicable law.
>
> **Outside Business Activities.** Engage in any outside business activity that detracts from a Covered Officer’s ability to devote appropriate time and attention to his or her responsibilities to Group.
>
> **Service Providers.** Excluding Group and its affiliates, have any ownership interest in, or any consulting or employment relationship with, any of the service providers of Group or any of its affiliates, except that an ownership interest in public companies is permitted.
>
> **Receipt of Payments.** Have a direct or indirect financial interest in commissions, transaction charges or other payments paid to or by a vendor in connection with any transaction with Group or its affiliates.

Service as a Director or Trustee. Serve as a director, trustee or officer of any public or private company or a non-profit organization that issues securities eligible for purchase by any client of an affiliate of Group, unless approval is obtained as required by the Group Code.

IV. Covered Officers' Specific Obligations and Accountabilities.

A. Disclosure Requirements and Controls. Each Covered Officer must familiarize himself or herself with the disclosure requirements of the federal proxy rules (Schedule 14A), shareholder reports, Forms 8-K, 10-K and 10-Q, etc. applicable to Group and the disclosure controls and procedures of Group.

B. Compliance with Applicable Law. It is the responsibility of each Covered Officer to promote compliance with all laws, rules and regulations applicable to Group and its affiliates. Each Covered Officer should, to the extent appropriate within his or her area of responsibility, consult with other officers and employees of Group and its affiliates and take other appropriate steps with the goal of promoting full, fair, accurate, timely and understandable disclosure in the reports and documents Group files with, or submits to, the SEC, and in other public communications made by Group.

C. Fair Disclosure. Each Covered Officer must not knowingly misrepresent, or cause others to misrepresent, facts about Group and its affiliates to others, whether within or outside the Price organization, including to Group's directors and auditors, and to governmental regulators and self-regulatory organizations.

D. Initial and Annual Affirmations. Each Covered Officer must:

1. Upon adoption of the Group S-O Code (or thereafter as applicable, upon becoming a Covered Officer), affirm in writing that he or she has received, read, and understands the Group S-O Code.

2. Annually affirm that he or she has complied with the requirements of the Group S-O Code.

E. Reporting of Material Violations of the Group S-O Code. If a Covered Officer becomes aware of any material violation of the Group S-O Code or laws and governmental rules and regulations applicable to the operations of Group or its affiliates, he or she must promptly report the violation **("Report")** to the Chief Legal Counsel of Group **("CLC")**. Failure to report a material violation will be considered itself a violation of the Group S-O Code.

It is Group's policy that no retaliation or other adverse action will be taken against any Covered Officer or other employee of Group or its affiliates based upon any lawful actions of the Covered Officer or employee with respect to a Report made in good faith.

F. Annual Disclosures. Each Covered Officer must report, at least annually, all affiliations or other relationships as called for in the "Annual Questionnaire for Executive Officers and/or Employee Directors/Trustees of Group and the Price Funds."

G. Complaints Regarding Accounting Matters. The Audit Committee of Group has established procedures **("Procedures")** for the submission and disposition of complaints submitted by employees, including Covered Officers, regarding the reporting of questionable accounting or auditing matters relating to Group. Under these Procedures, Covered Officers and employees may anonymously and confidentially submit complaints to the CLC. Covered Officers, as supervisors, are obligated to report any questionable accounting, internal accounting control or auditing matters and may do so pursuant to these Procedures. Employees will also be reminded of these Procedures on an annual basis.

V. Administration of the Group S-O Code. The Ethics Committee is responsible for the general administration of the Group S-O Code and applying its provisions to specific situations in which questions are presented.

A. Waivers and Interpretations. The Chairperson of the Ethics Committee has the authority to interpret the Group S-O Code in any particular situation and to grant waivers where justified, subject to the approval of the Audit Committee of Group. All material interpretations concerning Covered Officers will be reported to the Audit Committee of Group at its next meeting. Waivers, including implicit waivers, to Covered Officers will be publicly disclosed as required by Form 8-K and Section 229.406 of the Code of Federal Regulations. Pursuant to the definition in the Regulations, an implicit waiver means Group's failure to take action within a reasonable period of time regarding a material departure from a provision of the Group S-O Code that has been made known to an "executive officer" (as defined in Rule 3b-7 under the Securities Exchange Act of 1934) of Group. An executive officer of Group includes its president and any vice-president in charge of a principal business unit, division or function.

B. Violations/Investigations. The following procedures will be followed in investigating and enforcing the Group S-O Code:

1. The CLC will take or cause to be taken appropriate action to investigate any potential or actual violation reported to him or her.

2. The CLC, after consultation if deemed appropriate with Corporate Counsel to Group **("CC")**, will make a recommendation to Group's Board regarding the action to be taken with regard to each material violation. Such action could include any of the following: a letter of censure or suspension, a fine, a suspension of trading privileges or termination of officership or employment. In addition, the violator may be required to surrender any profit realized (or loss avoided) from any activity that is in violation of the Group S-O Code.

VI. Amendments to the Group S-O Code. Except as to the contents of **Exhibit A**, the Group S-O Code may not be materially amended except in written form, which is specifically approved or ratified by a majority vote of Group's Board, including a majority of its independent directors.

VII. Confidentiality. All reports and records prepared or maintained pursuant to the Group S-O Code will be considered confidential and shall be maintained and protected accordingly. Except as otherwise required by law, the Group S-O Code or as necessary in connection with investigations under the Group S-O Code, such matters shall not be disclosed to anyone other than the members of Group's Board, members of the Ethics Committee, the CC and the CLC and authorized persons on his or her staff.

Preparation Date: 9/30/03

Adoption Date: 10/20/03

Exhibit A

Persons Covered by the Group S-O Code of Ethics
(exhibit effective March 1, 2010)

James A. C. Kennedy, Chief Executive Officer and President

Kenneth V. Moreland, Chief Financial Officer

Jessica M. Hiebler, Principal Accounting Officer

Timothy S. Dignan, Controller and Assistant Treasurer

Exhibit 15 Letter from KPMG LLP, independent registered public accounting firm, **re unaudited interim financial information**

T. Rowe Price Group, Inc.
100 East Pratt Street
Baltimore, Maryland 21202

Re: Registration Statements on Form S-8: No. 33-7012, No. 33-72568, No. 333-20333, No. 333-90967, No. 333-59714, No. 333-120882, No. 333-120883 and No. 333-142092

With respect to the subject registration statements, we acknowledge our awareness of the use therein of our report dated April 23, 2010 related to our review of interim financial information.

Pursuant to Rule 436 under the Securities Act of 1933 (the Act), such report is not considered part of a registration statement prepared or certified by an independent registered public accounting firm, or a report prepared or certified by an independent registered public accounting firm within the meaning of sections 7 and 11 of the Act.

/s/ KPMG LLP

Baltimore, Maryland
April 23, 2010

Exhibit 31(i).1 **Rule 13a-14(a) Certification of Principal Executive Officer**

I, James A. C. Kennedy, certify that:

1. I have reviewed this Form 10-Q Quarterly Report for the quarterly period ended March 31, 2010, of T. Rowe Price Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

April 23, 2010

/s/ James A.C. Kennedy
Chief Executive Officer and President

Exhibit 31(i).2 **Rule 13a-14(a) Certification of Principal Financial Officer**

I, Kenneth V. Moreland, certify that:

1. I have reviewed this Form 10-Q Quarterly Report for the quarterly period ended March 31, 2010, of T. Rowe Price Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

April 23, 2010

/s/ Kenneth V. Moreland
Vice President and Chief Financial Officer

Exhibit 32 **Section 1350 Certifications**

We certify, to the best of our knowledge, based upon a review of the Form 10-Q Quarterly Report for the quarterly period ended March 31, 2010, of T. Rowe Price Group, Inc., that:

(1) The Form 10-Q Quarterly Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Form 10-Q Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of T. Rowe Price Group, Inc.

April 23, 2010

/s/ James A.C. Kennedy
Chief Executive Officer and President

/s/ Kenneth V. Moreland
Vice President and Chief Financial Officer

A signed original of this written statement has been provided to T. Rowe Price Group, Inc. and will be retained by T. Rowe Price Group, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

T. Rowe Price INVEST WITH CONFIDENCE
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T. ROWE PRICE GROUP REPORTS FIRST QUARTER 2010 RESULTS

Assets Under Management Reach Record Level of $419 Billion

BALTIMORE (April 23, 2010) — T. Rowe Price Group, Inc. (NASDAQ-GS: TROW) today reported its first quarter 2010 results, including net revenues of $556.2 million, net income of $153.0 million, and diluted earnings per common share of $.57. On a comparable basis, net revenues were $384.5 million in the first quarter of 2009 when net income was $48.2 million and diluted earnings per common share was $.19.

Assets under management totaled a record $419.0 billion at March 31, 2010, an increase of $27.7 billion from $391.3 billion at December 31, 2009, and up $150.2 billion from $268.8 billion at March 31, 2009. At March 31, 2010, assets under management include $249.5 billion in the T. Rowe Price mutual funds distributed in the United States and $169.5 billion in other managed investment portfolios. Record quarterly net cash inflows in the first quarter of 2010 totaled $10.3 billion, while higher market valuations and income added $17.4 billion to assets under management.

Financial Highlights

Total investment advisory revenues were $471.8 million in the first quarter of 2010, an increase of 53.8%, or $165.0 million, from the comparable 2009 quarter. Relative to the prior year's quarter, investment advisory revenues earned from the T. Rowe Price mutual funds distributed in the U.S. increased 53.7%, or $113.7 million, to $325.4 million. Average mutual fund assets under management in the first quarter of 2010 were $237.3 billion, an increase of 50.9% from the average for the 2009 quarter. Mutual fund assets at March 31, 2010 were $249.5 billion, an increase of 7.2% or $16.8 billion from the end of 2009, and $12.2 billion higher than the first quarter 2010 average.

Net inflows to the mutual funds were $6.1 billion during the first quarter of 2010. Our stock funds had net inflows of $3.4 billion. The Value, Mid-Cap Value, Mid-Cap Growth, and Equity Index 500 funds each added at least $400 million for a total of $2.0 billion in net investments. The New Income Fund accounted for $1.0 billion of the $3.0 billion of net inflows added by the bond funds. Money market funds had net outflows of $300 million. Higher market valuations and income increased mutual fund assets under management by $10.7 billion during the first quarter of 2010.

Investment advisory revenues earned from other managed investment portfolios were $146.4 million in the 2010 quarter, an increase of $51.3 million from the comparable 2009 quarter. Average assets in these portfolios were $159.6 billion during the first quarter of 2010, an increase of $52.1 billion or 48.5% from the 2009 quarter. Net inflows of $4.2 billion, primarily from institutional investors located outside the United States and third-party financial intermediaries, and $6.7 billion in higher market valuations and income increased assets under management in these portfolios by $10.9 billion in the first quarter of 2010. Investors outside the United States account for 12% of the firm's assets under management at March 31, 2010.

The target-date retirement investment portfolios continue to be a significant source of assets under management. During the first quarter of 2010, net inflows of $2.4 billion originated in these portfolios. Assets in the target-date retirement portfolios were $48.3 billion at March 31, 2010, accounting for 12% of the firm's assets under management and 19% of its mutual fund assets.

Operating expenses were $317.5 million in the first quarter of 2010, up $43.6 million from the 2009 quarter. Compensation and related costs increased $32.3 million or 18.4% from the comparable 2009 quarter. The increase is primarily a result of a higher interim accrual for our 2010 annual variable compensation programs, which are based on operating results and other factors such as the relative risk-adjusted investment performance, the growth in assets under management and net investor inflows, and the high quality of investor services. At March 31, 2010, the firm employed 4,779 associates, down 8.6% from a year-ago and virtually unchanged from the end of 2009.

Advertising and promotion expenditures were $23.5 million in the first quarter of 2010, up slightly from the 2009 quarter and relatively flat compared to the fourth quarter of 2009. The firm estimates that its advertising and promotion expenditures for the second quarter of 2010 will increase about $10 million from the comparable 2009 quarter and spending for the full year 2010 could increase up to 30% from 2009. The firm varies its level of spending based on market conditions and investor demand as well as its efforts to expand the investor base.

Other operating expenses increased $11.5 million, or 34.1% from the first quarter of 2009, including $4.0 million of higher distribution and service expenses recognized on greater assets under management that are sourced from financial intermediaries. These distribution and service expenses are offset by an equal increase in our administrative revenues recognized from 12b-1 fees. Additionally, travel costs, consulting fees and other professional services have risen to meet increased business demands.

Non-operating investment activity in the first quarter of 2010 resulted in a net gain of $5.3 million versus a net loss of $36.0 million in the comparable 2009 period. The 2009 period included a non-cash charge of $35.6 million for the other than temporary impairment of certain of the firm's investments in sponsored mutual funds.

The first quarter 2010 provision for income taxes as a percentage of pretax income is 37.3%, up slightly from the 37.1% for the year 2009. The firm presently estimates that the effective tax rate for 2010 will be about 37.8%.

Management Commentary

James A.C. Kennedy, the company's chief executive officer and president, commented: "The firm's investment advisory results relative to our peers remain strong, with 90% of the T. Rowe Price funds across their share classes outperforming their comparable Lipper averages on a total return basis for the 5-year period ended March 31, 2010, 83% outperforming for the three-year period, 77% outperforming for the 10-year period, and 73% outperforming for the one-year period. In addition, T. Rowe Price stock, bond and blended asset funds that ended the quarter with an overall rating of four or five stars from Morningstar account for more than 76% of our rated funds' assets under management.

"Our first quarter results were achieved during a period of strong market performance that further extended the rally that started a year ago, and saw the U.S. equity market in March reach an 18-month high. Assets under management at the firm hit a record level at the end of the quarter, while average assets under management for the quarter nearly reached their fourth quarter of 2007 high. With the tailwind of both net new client inflows and market gains, our net revenues and net income also continue in strong recovery mode, although they remain below their year-end 2007 peak.

"We remain debt-free with substantial liquidity, including cash and mutual fund investment holdings of nearly $1.5 billion that supports our ability to take advantage of attractive growth opportunities and continue investing in key capabilities and talent. On January 20, 2010, the firm completed the previously announced acquisition of a 26% equity interest in UTI Asset Management Company and an affiliate from existing stockholders for 6.5 billion Indian Rupees (INR) or $142.4 million, plus transaction costs of $3.2 million.

"In the first quarter we also expended $33 million to repurchase 666,000 shares of our common stock. Based on current strategic projects and plans, the company's capital expenditures for all of 2010 are estimated to be about $150 million, including $25 million invested in facilities and technology equipment in the first quarter of the year. These cash expenditures are funded from our available liquid resources.

Market Commentary

"Global fiscal and monetary stimulus have done a great deal to restore confidence in the stability of the world's economies. Investors have also become more confident about the prospects for a sustained — albeit gradual — economic recovery, and companies and consumers are repairing their balance sheets. Valuations, while no longer as compelling as they had been, are reasonable. Although there is still plenty of uncertainty, we remain positive on the market's prospects and believe that equity markets continue to offer attractive opportunities for the long-term investor."

Closing Comment

In closing, Mr. Kennedy said, "We remain focused on serving our clients, and are thankful for the confidence they continue to place in us — as evidenced by our level of assets under management, as well as by this quarter's record cash flows. We will continue to invest strategically in our client, investment, risk management, and technology capabilities, while closely managing our costs and creating efficiencies. With our solid reputation, our broad pool of talented associates, our globally diversified investment and distribution capabilities, and our healthy balance sheet, the long-term outlook for T. Rowe Price remains strong."

Other Matters

The financial results presented in this release are unaudited. The firm expects that it will file its Form 10-Q Quarterly Report for the first quarter of 2010 with the U.S. Securities and Exchange Commission later today. The Form 10-Q will include additional information on the firm's unaudited financial results at March 31, 2010.

Certain statements in this press release may represent "forward-looking information," including information relating to anticipated changes in revenues, net income and earnings per common share, anticipated changes in the amount and composition of assets under management, anticipated expense levels and expense savings, estimated tax rates, and expectations regarding financial results, future transactions, investments, capital expenditures, and other market conditions. For a discussion concerning risks and other factors that could affect future results, see the firm's 2009 Form 10-K reports.

Founded in 1937, Baltimore-based T. Rowe Price is a global investment management organization that provides a broad array of mutual funds, sub-advisory services, and separate account management for individual and institutional investors, retirement plans, and financial intermediaries. The organization also offers a variety of sophisticated investment planning and guidance tools. T. Rowe Price's disciplined, risk-aware investment approach focuses on diversification, style consistency, and fundamental research. More information is available at www.troweprice.com.

Unaudited Condensed Consolidated Statements of Income
(in millions, except per-share amounts)

	Three months ended 3/31/09	Three months ended 3/31/10
Revenues		
Investment advisory fees	$ 306.8	$ 471.8
Administrative fees	77.4	83.6
Investment income of savings bank subsidiary	1.5	1.7
Total revenues	385.7	557.1
Interest expense on savings bank deposits	1.2	0.9
Net revenues	384.5	556.2
Operating expenses		
Compensation and related costs	175.4	207.7
Advertising and promotion	22.7	23.5
Depreciation and amortization of property and equipment	16.7	15.4
Occupancy and facility costs	25.4	25.7
Other operating expenses	33.7	45.2
Total operating expenses	273.9	317.5
Net operating income	110.6	238.7
Non-operating investment income (loss)	(36.0)	5.3
Income before income taxes	74.6	244.0
Provision for income taxes	26.4	91.0
Net income	$ 48.2	$ 153.0
Earnings per share on common stock		
Basic	$ 0.19	$ 0.59
Diluted	$ 0.19	$ 0.57
Dividends declared per share	$ 0.25	$ 0.27
Weighted average shares		
Outstanding	255.4	258.2
Outstanding assuming dilution	259.0	266.2

	Three months ended 3/31/2009	Three months ended 3/31/2010
Investment Advisory Revenues (in millions)		
Sponsored mutual funds in the U.S.		
Stock and blended asset	$ 162.0	$ 262.8
Bond and money market	49.7	62.6
Total	211.7	325.4
Other portfolios	95.1	146.4
Total	$ 306.8	$ 471.8

	Average during the first quarter 2009	Average during the first quarter 2010	12/31/2009	3/31/2010
Assets Under Management (in billions)				
Sponsored mutual funds in the U.S.				
Stock and blended asset	$ 109.9	$ 175.6	$ 172.7	$ 185.9
Bond and money market	47.4	61.7	60.0	63.6
Total	157.3	237.3	232.7	249.5
Other portfolios	107.5	159.6	158.6	169.5
Total	$ 264.8	$ 396.9	$ 391.3	$ 419.0
Stock and blended asset portfolios			$ 290.4	$ 311.7
Fixed income portfolios			100.9	107.3
Total			$ 391.3	$ 419.0

	Three months ended 3/31/2009	Three months ended 3/31/2010
Condensed Consolidated Cash Flows Information (in millions)		
Cash provided by operating activities	$ 139.4	$ 256.7
Cash used in investing activities, including $(25.0) for additions to property and equipment and $(143.6) for investment in UTI Asset Management Company Limited in 2010	(47.3)	(174.4)
Cash used in financing activities, including common stock repurchases of $(32.7) and dividends paid of $(70.0) in 2010	(89.4)	(61.5)
Net change in cash during the period	$ 2.7	$ 20.8

	12/31/2009	3/31/2010
Condensed Consolidated Balance Sheet Information (in millions)		
Cash and cash equivalents	$ 743.3	$ 764.1
Investments in sponsored mutual funds	677.5	702.9
Other investments	45.7	191.5
Property and equipment	512.8	518.9
Goodwill	665.7	665.7
Accounts receivable and other assets	565.3	549.3
Total assets	3,210.3	3,392.4
Total liabilities	328.1	385.5
Stockholders' equity, 259.4 common shares outstanding in 2010, including net unrealized holding gains of $113.5 in 2010	$ 2,882.2	$ 3,006.9