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, 2004**

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 and 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 or 15(d) 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.

[X] Yes [ ] No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

[X] Yes [ ] No

Indicate the number of shares outstanding of the issuer’s common stock ($.20 par value), as of the latest practicable date. **126,688,754 shares at April 23, 2004.**

Exhibit index is at Item 6(a) on page 13.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

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

	12/31/2003	03/31/2004
ASSETS		
Cash and cash equivalents	$ 236,533	$ 306,919
Accounts receivable	121,295	132,905
Investments in sponsored mutual funds	162,283	166,036
Debt securities held by savings bank subsidiary	110,962	111,280
Property and equipment	201,094	199,423
Goodwill	665,692	665,692
Other assets	48,718	51,768
	$1,546,577	$1,634,023
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Accounts payable and accrued expenses	$ 60,589	$ 46,254
Accrued compensation and related costs	36,893	47,727
Dividends payable	23,739	24,012
Customer deposits at savings bank subsidiary	96,276	96,078
	217,497	214,071
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 500,000,000 shares; issued 124,932,884 shares in 2003 and 126,484,379 shares in 2004	24,987	25,297
Additional capital in excess of par value	131,425	165,160
Retained earnings	1,143,913	1,197,255
Accumulated other comprehensive income	28,755	32,240
Total stockholders' equity	1,329,080	1,419,952
	$1,546,577	$1,634,023

See the accompanying notes to the condensed consolidated financial statements.

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

	Three months ended	
	03/31/2003	03/31/2004
Revenues		
Investment advisory fees	$164,389	$245,009
Administrative fees and other income	54,145	60,465
Investment income of savings bank subsidiary	980	1,002
Total revenues	219,514	306,476
Interest expense on savings bank deposits	796	825
Net revenues	218,718	305,651
Operating expenses		
Compensation and related costs	92,147	109,780
Advertising and promotion	16,345	21,059
Depreciation and amortization of property and equipment	11,851	10,128
Occupancy and facility costs	16,521	15,658
Other operating expenses	17,410	26,165
	154,274	182,790
Net operating income	64,444	122,861
Other investment income (loss)	(1,645)	1,153
Other interest and credit facility expenses	500	332
Net non-operating income (loss)	(2,145)	821
Income before income taxes	62,299	123,682
Provision for income taxes	23,525	46,343
Net income	$ 38,774	$ 77,339
Earnings per share		
Basic	$ 0.32	$ 0.61
Diluted	$ 0.31	$ 0.58
Dividends declared per share	$ 0.17	$ 0.19
Weighted average shares outstanding	122,442	126,096
Weighted average shares outstanding assuming dilution	125,519	133,777

See the accompanying notes to the condensed consolidated financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Three months ended	
	03/31/2003	03/31/2004
Cash flows from operating activities		
Net income	$ 38,774	$ 77,339
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization of property and equipment	11,851	10,128
Other changes in assets and liabilities	27,761	3,256
Net cash provided by operating activities	78,386	90,723
Cash flows from investing activities		
Change in investments in debt securities by savings bank subsidiary	(6,318)	695
Additions to property and equipment	(5,287)	(8,714)
Other investment activity	182	1,251
Net cash used in investing activities	(11,423)	(6,768)
Cash flows from financing activities		
Repurchases of common stock	(19,963)	—
Stock options exercised	1,360	10,353
Debt principal repaid	(11,000)	—
Dividends paid to stockholders	(20,845)	(23,724)
Savings bank subsidiary deposits	4,939	(198)
Net cash used in financing activities	(45,509)	(13,569)
Cash and cash equivalents		
Net increase during period	21,454	70,386
At beginning of year	111,418	236,533
At end of period	$132,872	$306,919

See the accompanying notes to the condensed consolidated financial statements.

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

	Common stock	Additional capital in excess of par value	Retained earnings	Accumulated other comprehensive income	Total stockholders' equity
Balance at December 31, 2003, 124,932,884 common shares	$24,987	$131,425	$1,143,913	$28,755	$1,329,080
Comprehensive income					
Net income			77,339		
Change in unrealized security holding gains, net of taxes				3,485	
Total comprehensive income					80,824
1,551,495 common shares issued under stock-based compensation plans	310	33,735			34,045
Dividends declared			(23,997)		(23,997)
Balance at March 31, 2004, 126,484,379 common shares	$25,297	$165,160	$1,197,255	$32,240	$1,419,952

See the accompanying notes to the condensed consolidated financial 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. The investors that we serve are primarily domiciled in the United States of America.

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 and reflect all adjustments which 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.

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 2003 Annual Report.

STOCK OPTION GRANTS.

Our stock-based compensation plans are accounted for using the intrinsic value based method. The exercise price of each option granted is equivalent to the market price of the common stock at the date of grant. Accordingly, no compensation expense related to stock option grants has been recognized in the condensed consolidated statements of income.

Accounting principles require us to make the following disclosures as if the fair value based method of accounting had been applied to our stock option grants after 1994.

	Three months ended	
	03/31/2003	**03/31/2004**
Net income, as reported	$38,774	$ 77,339
Additional stock-option based compensation expense using the fair value based method	(9,373)	(13,328)
Related income tax benefits	2,761	4,291
Pro forma net income	$32,162	$ 68,302
Earnings per share		
Basic - as reported	$ 0.32	$ 0.61
Basic - pro forma	$ 0.26	$ 0.54
Diluted - as reported	$ 0.31	$ 0.58
Diluted - pro forma	$ 0.26	$ 0.51

NOTE 2 - INFORMATION ABOUT REVENUES AND SERVICES.

Revenues (in thousands) from advisory services provided under agreements with sponsored U.S. mutual funds and other investment clients for the three months ended March 31 include:

	2003	2004
Sponsored mutual funds in the U.S.		
Stock	$ 89,504	$142,481
Bond and money market	29,283	33,027
	118,787	175,508
Other portfolios	45,602	69,501
	$164,389	$245,009

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

	Average during first 3 months			
	2003	2004	12/31/2003	03/31/2004
Sponsored mutual funds in the U.S.				
Stock	$ 59.7	$ 93.2	$ 88.4	$ 95.3
Bond and money market	27.1	29.6	29.1	29.9
	86.8	122.8	117.5	125.2
Other portfolios	53.1	74.7	72.5	75.8
	$139.9	$197.5	$190.0	$201.0

Fees for advisory-related administrative services provided to our sponsored mutual funds were $41,916,000 and $44,632,000 in the first quarter of 2003 and 2004, respectively. Accounts receivable from the mutual funds aggregate $70,127,000 at December 31, 2003 and $74,326,000 at March 31, 2004. All services to the sponsored U.S. mutual funds are provided under contracts which are subject to periodic review and approval by each of the funds’ boards and, with respect to investment advisory contracts, also by the funds’ shareholders.

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors and Stockholders of
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, 2004, the related condensed consolidated statements of income and cash flows for the three-month periods ended March 31, 2004 and 2003, and the related condensed consolidated statement of stockholders' equity for the three-month period ended March 31, 2004. These condensed consolidated financial statements are the responsibility of the Company's management.

We conducted our reviews in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States of America, 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 accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheet of T. Rowe Price Group, Inc. and subsidiaries as of December 31, 2003, 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 January 29, 2004, 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, 2003, 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 26, 2004

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 U.S. individual and institutional investors in our sponsored mutual funds and other managed investment portfolios. Investors outside the United States account for 4% of our assets under management at March 31, 2004.

We manage a broad range of U.S. and international 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 impact our revenues and results of operations.

Total assets under our management were $201 billion at March 31, 2004, including $145 billion in equity securities and $56 billion in bond and money market holdings. Net cash inflows to our investment portfolios were $6.4 billion in the first quarter of 2004. Net market appreciation and income added nearly $4.7 billion during the same period. After continuing the advance of late 2003 into early 2004, the U.S. equity markets declined during the middle of the first quarter before recovering to end the quarter with mixed results near the levels of year-end 2003. The broad S&P 500 rose just over 1% during the first quarter of 2004, while the Dow Industrials and NASDAQ indices fell less than 1%.

RESULTS OF OPERATIONS - Three months ended March 31, 2004 versus 2003.

Total revenues increased $87 million to $306.5 million and net revenues increased 40% or $86.9 million to $305.7 million. Net income increased more than $38.5 million to $77.3 million, almost doubling the $38.8 million reported for first quarter of 2003. Diluted earnings per share increased 87% from $.31 to $.58.

Investment advisory revenues earned from the T. Rowe Price mutual funds distributed in the United States increased $56.7 million as average fund assets under management during the first quarter increased $36 billion to $123 billion from nearly $87 billion in the 2003 period. Mutual fund assets ended March 2004 at $125.2 billion, up nearly 7%, or $7.8 billion, from the beginning of the year. Stock funds led the increase with $4.3 billion of net cash inflows and $2.8 billion of net market appreciation. Investors in the Mid-Cap Value, Equity Income, Growth Stock, Mid-Cap Growth, and Capital Appreciation funds accounted for $2.6 billion or 55% of the net inflows to the funds.

Investment advisory revenues earned on the other investment portfolios that we manage increased $23.9 million to $69.5 million in the 2004 quarter. Average assets for the 2004 period were $74.7 billion, $21.6 billion higher than the first quarter 2003 average. Quarter-end assets in these portfolios were $75.8 billion, up $3.3 billion since the beginning of the year. Net inflows to these portfolios were $1.7 billion during the 2004 quarter due to third-party distribution efforts and additions from institutional investors. Market valuation and income during the first quarter added $1.6 billion.

Administrative revenues and other income increased $6.3 million from the first quarter of 2003 to $60.5 million. This increase is primarily attributable to increases in retail transfer agent revenues on increased investor activity and 12b-1 distribution fees received on greater assets in our Advisor class of mutual fund shares. These revenue increases are generally offset by similar increases in the expenses that we incur to provide the services and distribute the Advisor shares through third parties. Commissions earned on higher investor transaction volumes in our discount brokerage service accounted for $1.7 million of the increase.

Operating expenses in the first quarter of 2004 were $28.5 million more than in the same period last year. Our largest expense, compensation and related costs including bonuses, increased 19% or $17.6 million from the first quarter of 2003. Base salaries for our associates were increased modestly at the beginning of 2004. At March 31, 2004, we employed 3,879 associates, up 5.5% over the last twelve months. Additionally, we have increased bonus accruals for 2004 based on our higher expectations of results for this year versus 2003.

First quarter advertising and promotion expenditures were up $4.7 million compared to the 2003 quarter when weaker financial markets made investors more cautious and less active. We expect that advertising and promotion expenditures in the second quarter of 2004 will be up $4 million versus the comparable 2003 period while spending for all of 2004 could be up 20-25% versus 2003. We vary our promotional spending based on market conditions and investor demand as well as our efforts to expand our investor base in the United States and abroad.

Other operating expenses in the first quarter of 2004 increased about $8.8 million primarily due to professional fees and information services as well as the distribution expense to third parties of our Advisor class of mutual fund shares distribution, which offset the corresponding administrative revenues recognized from the 12b-1 fees discussed above.

Depreciation and amortization expense and our occupancy and facility costs were down $2.6 million in the aggregate. Capital additions in recent periods have been less than depreciation expense and the net book value of our property and equipment has dropped below $200 million.

Overall, net operating income increased more than 90% to almost $123 million from $64.4 million in the 2003 quarter.

Our net non-operating results, which include the recognition of investment gains and losses as well as interest income and credit facility expenses, improved from a loss of $2.1 million in the 2003 quarter to a gain of $.8 million this year. During the first quarter of 2003, we recognized $1.9 million of other than temporary impairments among our mutual fund investment holdings.

CAPITAL RESOURCES AND LIQUIDITY.

During the first quarter of 2004, stockholders' equity increased $91 million to more than $1.4 billion.

On April 5, 2004, we reduced our unused committed credit facilities by $80 million to $500 million expiring in June 2005. Our only borrowing under the facilities, $300 million in August 2000, was fully repaid in July 2003.

Our mutual fund investment holdings of $166 million at March 31, 2004 include an aggregate gain of $48.3 million, before income taxes, that is included in stockholders' equity as part of accumulated other comprehensive income and has not been recognized in our statements of income. Our investment portfolio includes less than $10,000 of aggregate unrecognized holding losses at March 31, 2004.

Operating activities provided cash flows of $91 million in the first quarter of 2004, up more than $12 million from 2003. Cash from our operating activities was used to fund $7 million of net investing activities and $14 million of net financing activities in the first quarter of 2004.

Net cash expended in investing activities decreased $5 million versus the 2003 quarter primarily due to the investment of greater net depositor inflows made at our savings bank subsidiary last year. Net cash used in financing activities decreased $32 million versus the 2003 quarter, as we did not repurchase any common shares in 2004 versus $20 million of repurchases in 2003. Additionally, we repaid $11 million of debt in the first quarter of last year and had retired all of our debt by November 2003.

FORWARD-LOOKING INFORMATION.

From time to time, information or statements provided by or on behalf of T. Rowe Price, including those within this Quarterly Report, may contain certain forward-looking information, including information or anticipated information relating to changes in our revenues and net income, changes in the amount and composition of our assets under management, our expense levels, and our expectations regarding financial markets 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 as a result of various factors, including but not limited to those discussed below. 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 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 the financial markets around the world 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 favoring 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 indices; 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 determined to terminate or significantly alter the terms of the investment management or related administrative services agreements.

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, changes in our employee count and mix, and competitive factors; any goodwill impairment that may arise; fluctuation in foreign currency exchange rates applicable to 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 2003 Form 10-K Annual Report.

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, 2004. Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed in this Form 10-Q quarterly report has been appropriately recorded, processed, summarized and reported. Based on that evaluation, our principal executive and principal financial officers have concluded that our disclosure controls and procedures are effective at the reasonable assurance level.

Our management, including our principal executive and principal financial officers, has evaluated any changes in our internal control over financial reporting that occurred during the quarterly period ended March 31, 2004, and has concluded that there was no change during the quarterly period ended March 31, 2004 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.

On September 16, 2003, a purported class action (T.K. Parthasarathy, et al., including Woodbury, v. T. Rowe Price International Funds, Inc., et al.) was filed in the Circuit Court, Third Judicial Circuit, Madison County, Illinois, against T. Rowe Price International and the T. Rowe Price International Funds with respect to the T. Rowe Price International Stock Fund. Two unrelated fund groups were also named as defendants. On November 19, 2003, a purported class action (John Bilski v. T. Rowe Price International Funds, Inc., et al.) was filed in the United States District Court, Southern District of Illinois, against T. Rowe Price International and the T. Rowe Price International Funds with respect to the T. Rowe Price New Asia Fund. Two unrelated fund groups were also named as defendants.

The basic allegations in the two complaints are that the T. Rowe Price defendants do not make appropriate value adjustments to the foreign securities of the T. Rowe Price International Stock and New Asia Funds prior to calculating the funds' daily share prices, thereby benefiting market timing traders at the expense of the long-term mutual fund shareholders.

In the view of the T. Rowe Price funds and T. Rowe Price International, the allegations set forth in the complaints are factually and legally inaccurate and wholly without merit. T. Rowe Price will defend these cases vigorously.

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, it is unlikely that there will be any adverse determination in one or more pending claims that would have a material adverse effect on our financial position or results of operations.

Item 4. Submission of Matters to a Vote of Security Holders.

The annual meeting of our stockholders was held on April 8, 2004. The proxy statement and solicitation pertaining to this meeting were previously filed with the Commission. Shares eligible to vote were 125,526,209 at the record date of February 6, 2004.

The eleven nominees for the Board of Directors were elected to hold office until the next annual meeting of stockholders and until their respective successors are elected and qualify. The tabulation of votes was:

Nominee	For	Withheld
Edward C. Bernard	104,940,559	6,538,097
James T. Brady	107,251,450	4,227,206
D. William J. Garrett	107,818,048	3,660,608
Donald B. Hebb, Jr.	105,350,273	6,128,383
James A.C. Kennedy	104,856,376	6,622,280
James S. Riepe	106,049,163	5,429,493
George A. Roche	106,020,724	5,457,932
Brian C. Rogers	106,192,018	5,286,638
Dr. Alfred Sommer	107,841,668	3,636,988
Dwight S. Taylor	108,359,504	3,119,152
Anne Marie Whittemore	106,923,364	4,555,292

The appointment of KPMG LLP as the company's independent accountant for 2004 was approved by a vote of 107,181,208 for; 3,692,911 against; and 604,537 abstentions. Our stockholders also approved the 2004 Stock Incentive Plan and corollary amendment of the 2001 Stock Incentive Plan by a vote of 61,590,602 for; 39,059,832 against; and 1,176,826 abstentions. Broker non-votes on this item were 9,651,396.

Item 5. Other Information.

The Nasdaq Stock Market recently adopted amendments to its listing qualifications to require Nasdaq-listed companies to adopt a code of conduct for all directors, officers and employees. While T. Rowe Price Group has maintained a code of ethics for many years, we recently revised our Code of Ethics and Conduct to ensure consistency with the NASDAQ requirements. A copy is available, at no charge, from our Corporate Secretary at 100 East Pratt Street, Baltimore, Maryland 21202.

Item 6. Exhibits and Reports on Form 8-K.

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

3 (i)	Amended and Restated Charter of T. Rowe Price Group, Inc. as of March 9, 2001. (Incorporated by reference from Form 10-K for 2000; Accession No. 0001113169-01-000003.)
3 (ii)	Amended and Restated By-Laws of T. Rowe Price Group, Inc. as of December 12, 2002. (Incorporated by reference from Form 10-K for 2002; Accession No. 0000950133-03-000699.)
4	$500,000,000 Five-Year Credit Agreement among T. Rowe Price Associates, Inc., the several lenders, and JPMorgan Chase Bank, as administrative agent. (Incorporated by reference from Form 10-Q Report for the quarterly period ended June 30, 2000; Accession No. 0000080255-00-000425.)
10	1998 Director Stock Option Plan, as Amended and Restated effective April 7, 2004.
15	Letter from KPMG LLP, independent accountants, re unaudited interim financial information.
31.1	Rule 13a-14(a) Certification of Principal Executive Officer.
31.2	Rule 13a-14(a) Certification of Principal Financial Officer.
32	Section 1350 Certifications.

(b) Reports on Form 8-K were made on:

January 30, 2004 of a press release dated the same day announcing our financial results for the fourth quarter and year ended December 31, 2003. (Accession No. 0000950133-04-000210)

April 8, 2004 of a press release dated the same day reporting estimates of certain preliminary first quarter 2004 results and prepared remarks from the 2004 annual meeting of our stockholders. (Accession No. 0000950133-04-001323)

April 27, 2004 of a press release dated the same day announcing our financial results for the first quarter of 2004. (Accession No. 0000950133-04-001568)

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 27, 2004.

T. Rowe Price Group, Inc.

/s/ George A. Roche, Chairman and President
/s/ Kenneth V. Moreland, Vice President and Chief Financial Officer
/s/ Joseph P. Croteau, Vice President and Treasurer (Chief Accounting Officer)

Exhibit 10

T. ROWE PRICE GROUP, INC.
1998 DIRECTOR STOCK OPTION PLAN
As Amended and Restated Effective April 7, 2004*

1. PURPOSES OF THE DIRECTOR PLAN:

T. Rowe Price Group, Inc.** (the "Company") has adopted the 1998 Director Stock Option Plan (the "Director Plan") to provide for the issuance of options to purchase shares of the Company's Common Stock, par value $.20 per share (the "Stock") as a means of long-term compensation for members of the Board of Directors of the Company (the "Board") in order to provide Non-Employee Directors with an equity interest in the Company in order to attract and retain well-qualified individuals to serve as Non-Employee Directors and to further align the interests of Non-Employee Directors of the Company with those of the stockholders of the Company. For purposes of this Plan, Non-Employee Directors are persons who are members of the Board and are not employees of the Company or any of its affiliates or subsidiaries.

2. ADMINISTRATION:

The Director Plan shall be administered by the Board; provided that any decision regarding the price, timing, or amount of options to be granted hereunder shall require the affirmative vote of a majority of the members of the Board who are not participants in the Director Plan. Such disinterested majority shall also have the right to make discretionary awards of options in addition to the grants specified in Section 5(b).

3. STOCK SUBJECT TO OPTION:

The Company has reserved an aggregate of 404,116 authorized but unissued shares of Stock for issuance and delivery under the Director Plan, which amount includes 4,116 shares carried over from the 1995 Director Stock Option Plan (the "1995 Director Plan") that remained available for grant upon its expiration on April 30, 2002, and which amount is subject to further adjustment as provided in paragraph 6 hereof; provided that, shares tendered as consideration for the exercise of any option and shares subject to the unexercised portion of any outstanding option which expires, is canceled, or is terminated for any reason may again be subject to awards under the Director Plan.

4. ELIGIBILITY:

The individuals who shall be eligible to participate in the Director Plan shall be all Non-Employee Directors of the Company. Except for the issuance of replenishment options pursuant to Section 5(c)(iii), no individual shall be granted an option under this Director Plan unless such individual is a member of the Board on the applicable grant date.

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*All references herein to a number of shares of Stock have been adjusted to reflect the 2-for-1 stock split that was effected April 30, 1998.

**T. Rowe Price Group, Inc. is the successor to T. Rowe Price Associates, Inc., pursuant to a share exchange consummated on December 28, 2000, and has assumed all obligations of T. Rowe Price Associates, Inc. with respect to this plan and options outstanding hereunder.

5. TERMS AND CONDITIONS OF OPTIONS:

Options under the Director Plan are intended to be non-statutory stock options not qualifying under any section of the Internal Revenue Code of 1986, as amended (the “Code”). All stock options granted under the Director Plan shall be subject to the following provisions:

(a) **Option Price**. The exercise price per share with respect to each option shall be 100% of the fair market value of the Stock on the date the option is granted. For purposes hereof, fair market value shall be the last reported sale price in the Nasdaq National Market (or any other recognized securities market on which the stock is traded if not then traded on the Nasdaq National Market) on the date of grant, or the next succeeding business day on which the Nasdaq National Market (or such other market) is open for business and reports an actual transaction in the Company’s Stock. If the Stock is not then traded on any recognized market, fair market value shall be as determined by the Board in accordance with applicable Federal income tax and securities regulations.

(b) **Option Grants**.

(i) Each Non-Employee Director in office on April 7, 2004, shall be granted options semi-annually, as of the close of business on the third business day following the earnings release for the first and third fiscal quarter of each year, as to 2,500 shares of Stock on each such grant date.

(ii) Each person first elected or appointed as a Non-Employee Director after April 7, 2004, shall be granted, as of the close of business on the date of the first regular meeting of the Board held on or after the date of such Non-Employee Director’s election or appointment, an option to purchase 10,000 shares of Stock and, as of the close of business on the third business day following the earnings release for the first and third fiscal quarter of each succeeding year, an option to purchase 2,500 shares of Stock.

(c) **Exercise of Options**.

(i) Each option granted under this Director Plan shall become exercisable in full one year after the initial grant (irrespective of whether the Non-Employee Director is then a member of the Board) or upon the Non-Employee Director’s earlier death, but shall not be exercisable as to any shares prior thereto. Except as provided in paragraph (ii) below, full payment for shares acquired shall be made in cash, by certified check or other means acceptable to the Company at or prior to the time that an option, or any part thereof, is exercised. The participant will have no rights as a stockholder with respect to any option granted under this Director Plan until shares of Stock as to which the option has been exercised are issued by the Company.

(ii) Shares of the Company’s Stock with a value equal to the exercise price or a combination of cash and Stock with a value equal to the exercise price may be used as payment for shares acquired.

(iii) Until further action by the Board suspending or limiting the issuance of replenishment options (as herein referred to), in the event that a Non-Employee Director exercises all or any part of a stock option (the “Original Option”) granted hereunder or under the 1995 Director Stock Option Plan through the surrender of shares of Stock in full or partial payment of the exercise price hereunder, the Non-Employee Director automatically will receive an option (a “replenishment option”) to purchase a number of shares equal to the number of shares surrendered priced at the closing price of the Company’s Stock on the date of exercise and exercisable in full until the date the Original Option would otherwise have terminated under Section 5(d) below. Upon the exercise of a replenishment option with stock, the Non-Employee Director will not become entitled to receive an additional replenishment option.

(d) **Term of Option**. Options shall terminate and no longer be exercisable on the earlier to occur of the expiration of: (i) ten (10) years after the date such option was granted (or the grant date of the Original Option, as applicable) or (ii) five (5) years after the Non-Employee Director ceases to be a member of the Board for any reason.

(e) **Options Nonassignable and Nontransferable**. Options granted under the Director Plan are not transferable by the Non-Employee Director otherwise than by will or the laws of descent and distribution and are exercisable during the Non-Employee Director’s lifetime only by the Non-Employee Director; except that with the consent of the Board, this Option may be transferred to a family member or a trust, partnership or the like for the benefit of the Non-Employee Director or such family members. No assignment or transfer of this option, or of the rights represented thereby, whether voluntary or involuntary, by operation of law or otherwise, except by will or the laws of descent and distribution, shall vest in the assignee or transferee any interest or right herein whatsoever, but immediately upon any attempt to assign or transfer this option, the same shall terminate and be of no force or effect.

6. ADJUSTMENTS UPON CHANGES IN CAPITALIZATION:

The aggregate number of shares of stock on which option awards under the Director Plan may be granted to persons participating under the Director Plan, the number of shares thereof covered by each award, the price per share thereof in each award, and any numerical limitations contained herein relating to awards shall be proportionately adjusted for any increase or decrease in the number of issued shares of Stock of the Company resulting from a subdivision or consolidation of shares or other capital adjustment, or the payment of a stock dividend or other increase or decrease in such shares, effected without receipt of consideration by the Company; provided, however, that any fractional shares resulting from any such adjustment shall be eliminated. In the case of other changes in the Company’s capitalization, adjustments shall be made to the extent determined by the Board as necessary or appropriate to reflect the transaction and as permitted under applicable securities and tax laws.

If the Company shall be a party to any merger or consolidation (whether or not the Company is the surviving or resulting entity), then automatically following the transaction and without further action on the part of the company or the successor, any award granted shall pertain to and apply solely to the securities or other form of consideration to which a holder of the number of shares of Stock subject to the award would have been entitled in the transaction.

7. EFFECTIVE DATE OF THE DIRECTOR PLAN:

The Director Plan was adopted by the Board on February 2, 1998 and became effective on April 16, 1998, upon its approval by the stockholders of the Company on that date. The Director Plan as amended and restated herein, was adopted by the Board effective as of April 7, 2004.

8. TERMINATION DATE:

No options may be granted under the Director Plan after December 31, 2007. Subject to paragraph 5(d), options granted before December 31, 2007 under the Director Plan may be exercised after that date in accordance with their terms.

9. AMENDMENT:

This Director Plan may be amended, suspended, terminated or restated, in whole or in part, at any time by the Board; provided, however, that any provisions of this Plan regarding the amount and price of options to be awarded to Non-Employee Directors and the timing of awards, or that which may be deemed to set forth a formula that determines the amount, price, and timing of awards may not be amended more than once every six months, other than to comport with any changes in the Code, the Employee Retirement Income Security Act of 1974, as amended, or the rules under such statutes; and, provided further, however, that no such amendment shall become effective without the approval of the stockholders of the Company to the extent stockholder approval is required in order to comply with Rule 16b-3 of the Securities Exchange Act of 1934.

10. COMPLIANCE WITH LAWS AND REGULATIONS:

The grant, holding and vesting of all options under the Director Plan shall be subject to any and all requirements and restrictions that may, in the opinion of the Board, be necessary or advisable for the purposes of complying with any statute, rule or regulation of any governmental authority, or any agreement, policy or rule of any stock exchange or other regulatory organization governing any market on which the Stock is traded.

11. MISCELLANEOUS:

(a) **Expenses**. The Company shall bear all expenses and costs in connection with the administration of the Director Plan.

(b) **Applicable Law**. The validity, interpretation and administration of this Plan and any rules, regulations, determinations or decisions made hereunder, and the rights of any and all persons having or claiming to have any interest herein or hereunder, shall be determined exclusively in accordance with the laws of the State of Maryland, without regard to the choice of the laws provisions thereof.

(c) **Headings**. The headings herein are for reference purposes only and shall not affect the meaning or interpretation of the Director Plan.

(d) **Notices**. All notices or other communications made or given pursuant to this Director Plan shall be in writing and shall be sufficiently made or given if hand-delivered or mailed by certified mail, addressed to any Non-Employee Director at the address contained in the records of the Company or to the Company at its principal office.

(e) **Federal Securities Law Requirement**. Awards granted hereunder shall be subject to all conditions required under Rule 16b-3 to qualify the award for any exception from the provisions of Section 16(b) of the Securities Exchange Act of 1934 available under that Rule.

Exhibit 15 Letter from KPMG LLP, independent accountants, 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. 033-07012, No. 033-37573, No. 033-72568, No. 033-58749, No. 333-20333, No. 333-90967 and No. 333-59714.

With respect to the subject registration statements, we acknowledge our awareness of the use therein of our report dated April 26, 2004 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 accountant, or a report prepared or certified by an accountant within the meaning of sections 7 and 11 of the Act.

/s/ KPMG LLP

Baltimore, Maryland
April 26, 2004

Exhibit 31.1 **Rule 13a-14(a) Certification of Principal Executive Officer**

I, George A. Roche, certify that:

1. I have reviewed this Form 10-Q Quarterly Report for the period ended March 31, 2004 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)) 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) 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

   (c) 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:

   (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 27, 2004

/s/ George A. Roche
President and Chief Executive Officer

Exhibit 31.2 **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 period ended March 31, 2004 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)) 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) 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

   (c) 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:

   (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 27, 2004

/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, 2004 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 and incorporated by reference 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 27, 2004

/s/ George A. Roche, Principal Executive Officer

/s/ Kenneth V. Moreland, Principal 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.