UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the quarterly period ended: SEPTEMBER 30, 2001.

Commission file number: 000-32191.

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

State of incorporation: MARYLAND.

I.R.S. Employer Identification No.: 52-2264646.

Address and Zip Code of principal executive offices: 100 EAST PRATT STREET, BALTIMORE, MARYLAND 21202.

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

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. Yes [X]. No [ ].

Indicate the number of shares outstanding of the issuer's common stock ($.20 par value), as of the latest practicable date. 123,457,658 SHARES AT OCTOBER 22, 2001.

Exhibit index is at Item 6(a) on pages 15-16.

PART I. FINANCIAL INFORMATION.
ITEM 1. FINANCIAL STATEMENTS.

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

	12/31/00	09/30/01
ASSETS		
Cash and cash equivalents	$ 80,526	$ 181,126
Accounts receivable	131,041	103,718
Investments in sponsored mutual funds	190,406	115,901
Other investments	59,801	75,337
Property and equipment	255,660	249,685
Goodwill	694,985	672,922
Other assets	57,040	23,605
	$1,469,459	$1,422,294
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Accounts payable and accrued expenses	$ 56,877	$ 41,623
Accrued compensation and related costs	66,356	87,169
Income taxes payable	13,220	44,411
Dividends payable	18,366	18,550
Customer deposits at savings bank subsidiary	10,932	22,843
Debt and accrued interest	312,277	140,477
Minority interests in consolidated subsidiaries	366	--
Total liabilities	478,394	355,073
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 122,439,232 shares in 2000 and 123,582,130 shares in 2001	24,488	24,716
Capital in excess of par value	80,855	87,588
Retained earnings	852,775	948,164
Accumulated other comprehensive income	32,947	6,753
Total stockholders' equity	991,065	1,067,221
	$1,469,459	$1,422,294

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		Nine months ended	
	09/30/00	09/30/01	09/30/00	09/30/01
Revenues				
Investment advisory fees	$ 239,206	$ 189,289	$ 699,740	$ 588,265
Administrative fees	57,557	51,161	175,582	166,999
Investment and other income	6,941	3,168	45,395	30,966
	303,704	243,618	920,717	786,230
Expenses				
Compensation and related costs	98,912	91,219	284,544	292,076
Advertising and promotion	15,547	10,315	61,728	47,437
Occupancy and equipment	27,078	27,952	80,424	89,419
International investment research fees	5,961	--	36,665	--
Goodwill amortization	4,276	7,230	4,649	21,690
Interest expense	3,608	2,438	3,730	11,256
Other operating expenses	33,810	19,208	83,176	69,810
	189,192	158,362	554,916	531,688
Income before income taxes and minority interests	114,512	85,256	365,801	254,542
Provision for income taxes	42,800	34,858	137,595	104,037
Income from consolidated companies	71,712	50,398	228,206	150,505
Minority interests in consolidated subsidiaries	2,529	--	14,650	(357)
Net income	$ 69,183	$ 50,398	$ 213,556	$ 150,862
Basic earnings per share	$ .57	$ .41	$ 1.77	$ 1.23
Diluted earnings per share	$ .53	$ .39	$ 1.65	$ 1.17
Dividends declared per share	$ .13	$ .15	$ .39	$ .45
Weighted average shares outstanding	121,425	123,283	120,926	123,041
Weighted average shares outstanding-assuming dilution	130,500	129,284	129,415	129,272

See the accompanying notes to the condensed consolidated financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Nine months ended 09/30/00	Nine months ended 09/30/01
Cash flows from operating activities		
Net income	$ 213,556	$ 150,862
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization of property and equipment	29,966	38,440
Minority interests in consolidated subsidiaries	14,650	(357)
Amortization of goodwill	4,649	21,690
Other changes in assets and liabilities	30,261	101,693
Net cash provided by operating activities	293,082	312,328
Cash flows from investing activities		
Acquisition of minority interests in T. Rowe Price International	(783,194)	--
Investments in sponsored mutual funds	(8,699)	(32,568)
Dispositions of sponsored mutual funds	67,038	84,927
Other investments	(13,228)	(30,678)
Distributions from other investments	576	12,568
Additions to property and equipment	(66,544)	(37,148)
Net cash used in investing activities	(804,051)	(2,899)
Cash flows from financing activities		
Purchases of stock	--	(6,221)
Receipts relating to stock issuances	12,293	10,770
Proceeds of bank borrowing	300,000	--
Debt principal repayments	--	(170,000)
Dividends paid to stockholders	(47,065)	(55,289)
Savings bank subsidiary deposits	--	11,911
Other activities	(1,047)	--
Net cash provided by (used in) financing activities	264,181	(208,829)
Cash and cash equivalents		
Net change during period	(246,788)	100,600
At beginning of year	358,472	80,526
At end of period	$ 111,684	$ 181,126

See the accompanying notes to the condensed consolidated financial statements.

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

	Common stock - par value	Capital in excess of par value	Retained earnings	Accumulated other comprehensive income	Total stockholders' equity
Balance at end of 2000, 122,439,232 common shares	$ 24,488	$ 80,855	$ 852,775	$ 32,947	$ 991,065
Comprehensive income					
Net income			150,862		
Change in unrealized security holding gains, including ($10,188) for the third quarter				(26,194)	
Total comprehensive income					124,668
1,440,398 common shares issued under stock-based compensation plans	288	15,980			16,268
297,500 common shares repurchased	(60)	(9,247)			(9,307)
Dividends declared			(55,473)		(55,473)
Balance at September 30, 2001, 123,582,130 common shares	$ 24,716	$ 87,588	$ 948,164	$ 6,753	$1,067,221

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.

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 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 2000 Annual Report. Certain 2000 amounts have been reclassified to conform to the 2001 presentation.

NOTE 2 - INFORMATION ABOUT REVENUES AND SERVICES.

Our revenues (in thousands) from advisory services provided under agreements with our sponsored mutual funds and other investment clients for the nine months ended September 30 were:

	2000	2001
Sponsored mutual funds		
Stock and blended		
Domestic	$321,830	$280,657
International	111,492	74,869
Bond and money market	69,709	72,422
	503,031	427,948
Other portfolios	196,709	160,317
Total investment advisory fees	$699,740	$588,265

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

	Average during first 9 months			
	2000	2001	12/31/00	09/30/01
Sponsored mutual funds				
Stock and blended				
Domestic	$ 73.0	$ 63.5	$ 68.0	$ 54.0
International	20.5	13.9	16.3	10.5
Bond and money market	21.7	22.7	22.0	23.4
	115.2	100.1	106.3	87.9
Other portfolios	64.4	56.7	60.4	52.5
	$ 179.6	$ 156.8	$ 166.7	$ 140.4

Fees for advisory-related administrative services provided to the funds were $131,232,000 and $131,012,000 for the first nine months of 2000 and 2001, respectively. Accounts receivable from the funds totaled $70,537,000 at December 31, 2000 and $52,786,000 at September 30, 2001.

NOTE 3 - DEBT.

On April 2, 2001, the interest rate on our yen-denominated debt was reduced to 1.09% for the next twelve months.

During the first nine months of 2001, we reduced our U.S. dollar-denominated debt by $170,000,000. On October 10, 2001, we further reduced this debt by $5,000,000 and the interest rate on the balance of $120,000,000 was lowered to 2.92% for the next 34 days.

NOTE 4 - COMMON STOCK.

On September 21, 2001, we granted options to acquire about 4 million of our common shares to certain of our officers and employees at a price of $25.70.

At September 30, 2001, accounts payable and accrued expenses includes $3,086,000 related to the pending settlement of the repurchase of 110,000 common shares. During the first three days of October 2001, we repurchased an additional 175,500 common shares at an aggregate price of $5,047,000.

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

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

We have reviewed the accompanying condensed consolidated balance sheet of T. Rowe Price Group, Inc. and its subsidiaries as of September 30, 2001, the related condensed consolidated statements of income for the three-month and nine-month periods ended September 30, 2001, and the related condensed consolidated statements of cash flows and stockholders' equity for the nine-month period ended September 30, 2001. These condensed consolidated financial statements are the responsibility of the company's management.

We conducted our review 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 review, 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.

/s/ KPMG LLP

Baltimore, Maryland
October 18, 2001

REPORT OF INDEPENDENT ACCOUNTANTS

To the Stockholders and Board of Directors of
T. Rowe Price Group, Inc.

We have reviewed the accompanying condensed consolidated statements of income for the three-month and nine-month periods ended September 30, 2000, and the related condensed consolidated statements of cash flows for the nine-month period ended September 30, 2000. These financial statements are the responsibility of the company's management.

We conducted our review 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 review, we are not aware of any material modifications that should be made to the accompanying condensed consolidated interim financial statements 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 as of December 31, 2000, 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 23, 2001, 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, 2000, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

/s/ PricewaterhouseCoopers LLP

Baltimore, Maryland
October 25, 2000, except for the
final paragraph above for which
the date is July 19, 2001

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

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 investment portfolios.

We manage a broad range of domestic and international stock, bond, and money market mutual funds and other investment portfolios that 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 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 of $140.4 billion at September 30, 2001 are down $18.2 billion from June 30, 2001 and $26.3 billion from the beginning of 2001. Assets under management at September 30, 2001 include $75.8 billion in domestic stock portfolios and $22.4 billion in international stock portfolios. The financial market declines this year have pushed asset valuations lower and are the primary cause of assets under management falling. We expect that our fourth quarter revenues and operating results will be adversely affected.

RESULTS OF OPERATIONS - THREE MONTHS ENDED SEPTEMBER 30, 2001 VERSUS 2000.

Net income decreased $18.8 million, or 27%, to $50.4 million and diluted earnings per share fell $.14 to $.39. Total revenues declined 20% from $304 million to $244 million.

Investment advisory revenues earned from the T. Rowe Price mutual funds decreased $34 million, or 20%, as average fund assets under management were $95.9 billion during the 2001 quarter, $21 billion or 18% less than in the 2000 period. Mutual fund assets totaled $87.9 billion at September 30, 2001, down $8.0 billion from the third quarter 2001 average and down $13.1 billion from June 30, 2001. Lower stock market valuations, especially those sustained after the September 11, 2001 terrorist attacks in the United States, pushed fund assets down $12.9 billion during the third quarter of 2001. Net redemptions by fund investors during the 2001 quarter were $257 million. Stock funds had net investor redemptions of $725 million, including $640 million from the international funds and $85 million from the domestic funds. Money market and bond fund investors added $468 million during the 2001 quarter.

Assets in the other investment portfolios that we manage declined $5.1 billion during the 2001 quarter to $52.5 billion, pushing advisory fees down $11 million from the 2000 period. In addition, performance-related fees were $1.7 million during the 2001 third quarter, $4.9 million lower than in the comparable 2000 quarter. We earn performance fees primarily on venture capital investments that we manage and, though recurring, these fees will vary significantly as market conditions and investment portfolios change.

Administrative revenues from discount brokerage commissions fell $1.9 million versus the 2000 period due to lower transaction volume and lower average commission rates arising from the shift to Internet trading. Revenues from other services that we provide to the T. Rowe Price funds and their shareholders declined $4.5 million and were mostly offset by a similar reduction of the costs that we incurred in providing these services.

Investment and other income declined $3.8 million from the 2000 period, of which $3.2 million is attributable to smaller average cash balances and lower interest rates in 2001 after the T. Rowe Price International acquisition in August 2000. We expect that investment income in future quarterly periods will generally be lower than that of prior-year comparable periods.

Operating expenses declined $30.8 million, or 16%, from last year's third quarter to $158.4 million. Lower compensation and related costs, which were down $7.7 million over the comparable 2000 quarter, were attributable primarily to a reduction in our performance-based bonus expense and decreased use of temporary personnel by our information technology operations. As of September 30, 2001, we employed 3,830 associates, down almost 200 from the end of 2000. Advertising and promotion expenses decreased $5.2 million from the 2000 quarter to $10.3 million. We have reduced our spending as financial market declines have made investors more cautious and less active. We expect that our advertising and promotion expenditures for the fourth quarter will rise sequentially from the third quarter 2001 and approximate spending in the first quarter of this year. Occupancy and equipment expenses were about $28 million, only 3% higher than in the 2000 third quarter. The transition of our international operations in seven foreign countries to T. Rowe Price operating and investment systems was completed in June 2001. For the first time in several years, no facilities expansion is currently underway. The next planned move will occur in late third quarter 2002 when our Tampa service center relocates to a new leased facility.

The T. Rowe Price International acquisition in August 2000 has resulted in the realignment of our operating costs to include greater operating expenses associated with new employees and facilities and has added interest expense on the acquisition indebtedness. However, the international investment research fees and minority interests in Price International's net income have been eliminated. Results now include a quarterly charge of $7 million, or just over $.05 per share, for the amortization of goodwill arising from the acquisition. As a result of the issuance of Statement of Financial Accounting Standards No. 142, the recurring quarterly charge amortizing goodwill will end after this year. In subsequent years, the carrying amount of goodwill will be evaluated for impairment on an annual basis.

Other operating expenses decreased $14.6 million from the third quarter of 2000. As the international transition and several technology initiatives have been brought to a close, we have substantially reduced other quarterly operating expenses.

We expect that fourth quarter operating expenses will rise from the third quarter level of this year primarily due to increased advertising and promotion expense.

The 2001 provision for income taxes as a percentage of pretax income is higher due to the amortization of goodwill that is not deductible in determining our income tax expense.

RESULTS OF OPERATIONS - NINE MONTHS ENDED SEPTEMBER 30, 2001 VERSUS 2000.

Net income decreased $62.7 million, or 29%, to $150.9 million and diluted earnings per share fell from $1.65 to $1.17. Total revenues declined nearly 15% from $921 million to $786 million.

Investment advisory revenues earned from the T. Rowe Price mutual funds decreased $75.1 million as average fund assets under management were $100.1 billion during the 2001 period, $15.1 billion less than in the 2000 period. Declines in financial market valuations reduced fund assets $18.6 billion during the first nine months of 2001. Net subscriptions by fund investors were $282 million in the 2001 period. Domestic stock funds had net investor subscriptions of $1.0 billion while money market and bond fund investors added $600 million. International stock funds had net outflows of $1.3 billion.

Assets in the other investment portfolios that we manage fell $7.9 billion during the first nine months of 2001, and our advisory fees thereon were down $24.3 million. In addition, performance-related fees were $12.1 million lower in the 2001 period.

Administrative revenues fell $8.6 million due almost entirely to lower discount brokerage commissions.

Investment income declined $14.4 million to $31 million, with smaller cash and bond fund holdings in 2001 accounting for $13.8 million of the decline. Gains from our venture capital investments in 2000 that did not recur in the 2001 period were mostly offset by $11.3 million of greater realized gains from dispositions of our available-for-sale mutual fund holdings in 2001.

Operating expenses declined 4% from $555 million in the 2000 period to $532 million, primarily due to reductions in advertising and promotion and other operating expenses.

CAPITAL RESOURCES AND LIQUIDITY.

During the first nine months of 2001, we generated net cash flows from operating activities of $312 million, including the effect of a change in federal law that moved the due date of the third quarter 2001 estimated tax payment from September 17 to October 1. We used our cash balances to reduce outstanding borrowings by $170 million during the first nine months of 2001, and by an additional $5 million in October. We also used $55 million to pay dividends during the first nine months of 2001 and $14 million to repurchase our common shares through October 3. We expect that available cash balances and those generated from operating activities in the last quarter of this year will be used to further reduce borrowings and to pay accrued bonuses before year end. Depending on market conditions, we may also repurchase additional common shares.

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 on Form 10-Q, may contain certain "forward-looking information," including information relating to anticipated changes in our revenues and earnings, anticipated changes in the amount and composition of assets under management, our anticipated 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 will fluctuate due to many factors, including: the total value and composition of assets under our management; cash inflows and outflows in the T. Rowe Price mutual funds and other managed investment portfolios; fluctuations in worldwide financial markets, including those in emerging countries, resulting in appreciation or depreciation of assets under our management; the relative investment performance of the Price mutual funds and other managed investment portfolios as compared to competing offerings and market indices; the extent to which we earn performance-based investment advisory fees; the expense ratios of the Price mutual funds; investor sentiment and investor confidence; 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; our introduction of new mutual funds and investment portfolios; our ability to contract with the Price mutual funds for payment for investment advisory-related administrative services provided to the funds and their shareholders; the continuation of trends in the retirement plan marketplace favoring defined contribution plans and participant-directed investments; the amount and timing of income recognized on our venture capital and other investments; and our level of success in implementing our strategy to significantly expand our international 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 operating results are also dependent upon the level of our operating expenses, which are subject to fluctuation for the following or other reasons: changes in the level of advertising expenses in response to market conditions, expansion of marketing efforts both within the U.S. and internationally, and other factors; variations in the level of compensation expense due to, among other things, performance-based bonuses, changes in our employee count and mix, and competitive factors; changes in our operating expenses resulting from our acquisition of the minority interests in T. Rowe Price International, including goodwill amortization or impairment charges, interest expense, and other costs of providing our international investment advisory services; 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, including Internet capabilities; 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 system.

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.

Since December 31, 2000, there has been no material adverse change in the information provided in Item 7A of the 2000 Form 10-K Annual Report.

PART II. OTHER INFORMATION.

ITEM 1. LEGAL PROCEEDINGS.

On July 6, 1998, T. Rowe Price International (formerly Rowe Price-Fleming International), the T. Rowe Price International Stock Fund and the fund's five directors were named as defendants in Migdal v. Rowe Price-Fleming International, Inc., et al., filed in the United States District Court for the District of Maryland. The Complaint sought to invalidate the advisory agreement between Rowe Price-Fleming and the International Stock Fund, and sought recovery of an unspecified amount of advisory fees paid by the International Stock Fund to Rowe Price-Fleming. Plaintiffs alleged that the International Stock Fund did not have a sufficient number of independent directors, as required by the Investment Company Act of 1940, as amended, because its independent directors serve on multiple boards of directors within the T. Rowe Price mutual fund complex and receive substantial compensation in the form of director fees. On October 12, 1998, the plaintiffs filed an Amended Complaint adding as a plaintiff Linda B. Rohrbaugh, a shareholder in the T. Rowe Price Growth Stock Fund. The Amended Complaint also added as defendants the T. Rowe Price Growth Stock Fund, T. Rowe Price Associates and certain of its subsidiaries which provided services to the funds, as well as five directors of the T. Rowe Price Growth Stock Fund. On January 21, 1999, the Amended Complaint was dismissed with leave for plaintiffs to re-file. On February 16, 1999, the plaintiffs filed a Second Amended Complaint, but the fund directors were excluded as defendants. The Second Amended Complaint alleged a claim under Section 36(b) of the Investment Company Act of 1940. The Complaint sought to invalidate the advisory and service agreements negotiated between the corporate defendants and certain T. Rowe Price funds based on a claim that (i) the fees paid to the corporate defendants were excessive and (ii) the advisory agreements were not negotiated at arm's length because each of the boards of directors of the Price funds was not independent as required under the Investment Company Act of 1940. On March 19, 1999, we and the other defendants filed a Motion to Dismiss the Second Amended Complaint. In an order dated March 20, 2000, our motion was granted and the case dismissed with prejudice. On April 6, 2000, the plaintiffs filed a Notice of Appeal of the Dismissal of the case. On May 1, 2001, the United States Court of Appeals (Fourth Circuit) affirmed the District Court's judgment.

From time to time, claims arise in the ordinary course of our business, including employment-related claims. After consulting with counsel, we believe it unlikely that any adverse determination in one or more pending claims would have a material adverse effect on our financial condition or results of operations.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) The following exhibits required to be filed by Item 601 of Regulation S-K are filed herewith and incorporated by reference herein. Exhibits 10.06 through 10.12 are compensatory plan arrangements.

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)	By-Laws of T. Rowe Price Group, Inc. as of June 30, 2000. (Incorporated by reference from Form 424B3; Accession No. 0001113169-00-000003.)
4	$500,000,000 Five-Year Credit Agreement among T. Rowe Price Associates, Inc., the several lenders, and The Chase Manhattan 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.)
10.01	Representative Investment Management Agreement with each of the T. Rowe Price mutual funds. (Incorporated by reference from Form N-1A/A; Accession No. 0001046404-97-000008.)
10.02	Transfer Agency and Service Agreement dated as of January 1,2001 between T. Rowe Price Services, Inc. and each of the T. Rowe Price Funds. (Incorporated by reference from Form 485BPOS; Accession No. 0000775688-01-500030.)
10.03	Agreement dated January 1, 2001 between T. Rowe Price Retirement Plan Services, Inc. and certain of the T. Rowe Price Funds. (Incorporated by reference from Form 485BPOS; Accession No. 0000775688-01-500030.)

10.04	Representative Underwriting Agreement between each of the T. Rowe Price mutual funds and T. Rowe Price Investment Services, Inc. (Incorporated by reference from Form 485APOS; Accession No. 0000775688-00-000003.)
10.05	Amended, Restated, and Consolidated Office Lease dated as of May 22, 1997 between 100 East Pratt Street Limited Partnership and T. Rowe Price Associates, Inc. (Incorporated by reference from Form 10-K for 1997; Accession No. 0000080255-98-000358.)
10.06	1995 Director Stock Option Plan. (Incorporated by reference from Form DEF 14A; Accession No. 0000933259-95-000009.)
10.07	1998 Director Stock Option Plan. (Incorporated by reference from Form DEF 14A; Accession No. 0000080255-98-000355.)
10.08	1990 Stock Incentive Plan. (Incorporated by reference from Form S-8 Registration Statement [File No. 33-37573].)
10.09	1993 Stock Incentive Plan. (Incorporated by reference from Form S-8 Registration Statement [File No. 33-72568].)
10.10	1996 Stock Incentive Plan. (Incorporated by reference from Form DEF 14A; Accession No. 0001006199-96-000031.)
10.11	2001 Stock Incentive Plan. (Incorporated by reference from Form DEF 14A; Accession No. 0001113169-01-000002.)
10.12	Executive Incentive Compensation Plan. (Incorporated by reference from Form DEF 14A; Accession No. 0000933259-95-000009.)
15	Letter from KPMG LLP, independent accountants, re unaudited interim financial information.

(b) Reports on Form 8-K: A filing was made during the third quarter of 2001 reporting the change in our certifying independent accountant from PricewaterhouseCoopers LLP to KPMG LLP on September 6, 2001. (Accession No. 0000950133-01-502540.)

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 October 23, 2001.

T. Rowe Price Group, Inc.

/s/ Cristina Wasiak, Managing Director and Chief Financial Officer
/s/ Joseph P. Croteau, CPA, Vice President and Treasurer
(Principal Accounting Officer)

EXHIBIT 15

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

Ladies and Gentlemen:

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 October 18,2001 related to our review of interim financial information.

Pursuant to Rule 436(c) under the Securities Act of 1933, 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.

Very truly yours,

/s/ KPMG LLP

Baltimore, Maryland
October 19, 2001