

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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 26, 2024

T. Rowe Price Group, Inc.

(Exact name of registrant as specified in its charter)

Maryland

(State of
incorporation)

000-32191

(Commission
File Number)

52-2264646

(IRS Employer
Identification No.)

100 East Pratt Street, Baltimore, Maryland 21202

(Address of principal executive offices)

(Zip Code)

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

N/A

(Former Name of Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value \$0.20	TROW	The NASDAQ Stock Market LLC (Nasdaq Global Select Market)

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Section 2 - Financial Information.

Item 2.02. Results of Operations and Financial Condition.

On July 26, 2024 we issued an earnings release reporting our results of operations for the three and six months ended June 30, 2024. A copy of this earnings release is attached hereto as Exhibit 99.1 and is incorporated by reference.

The information in this Current Report on Form 8-K and the Exhibits attached hereto shall not be deemed to be "filed" for the purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

Section 7 Regulation FD

Item 7.01. Regulation FD Disclosure

On July 26, 2024, the Company will hold an investor conference call and webcast to discuss the Company's earnings results for the three and six months ended June 30, 2024. A copy of supplemental materials used during the earnings call is furnished as Exhibit 99.2 to this Form 8-K. All information in Exhibits 99.2 is presented as of the particular date or dates referenced therein, and the Company does not undertake any obligation to, and disclaims any duty to, update any of the information provided.

Section 9 - Financial Statements and Exhibits.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 Earnings Release dated July 26, 2024
99.2 Earnings Release Supplement

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

T. Rowe Price Group, Inc.

By: /s/ Jennifer B. Dardis
Jennifer B. Dardis
Vice President, Chief Financial Officer and Treasurer
Date: July 26, 2024

NEWS RELEASE
T. ROWE PRICE GROUP REPORTS SECOND QUARTER 2024 RESULTS

BALTIMORE (July 26, 2024) - T. Rowe Price Group, Inc. (NASDAQ-GS: TROW) today reported its results for the second quarter of 2024.

- **Quarter-end assets under management of \$1.57 trillion**
- **Net client outflows of \$3.7 billion**
- **Diluted earnings per common share (EPS) of \$2.11**
- **Adjusted diluted EPS of \$2.26**
- **Returned \$396 million to stockholders from the recurring quarterly dividend and stock repurchases**

Rob Sharps, chief executive officer and president, commented, "We are making steady progress with flows and investment performance. Our sales pipeline is healthy, redemption pressure is stabilizing, and our associates are driving our strategic initiatives forward. Notably, our ETF business is growing quickly, with \$5.3 billion in AUM as of June 30. We continue to be on track to substantially reduce net outflows this year."

Financial Highlights

(in millions, except per-share data)	Three months ended				
	6/30/2024	6/30/2023	Change ⁽¹⁾	3/31/2024	Change ⁽¹⁾
U.S. GAAP basis					
Investment advisory fees	\$ 1,585.6	\$ 1,430.8	10.8 %	\$ 1,554.0	2.0 %
Capital allocation-based income ⁽²⁾	\$ 0.1	\$ 38.7	n/m	\$ 47.1	n/m
Net revenues	\$ 1,733.3	\$ 1,610.2	7.6 %	\$ 1,750.2	(1.0)%
Operating expenses	\$ 1,168.6	\$ 1,076.7	8.5 %	\$ 1,163.6	0.4 %
Net operating income	\$ 564.7	\$ 533.5	5.8 %	\$ 586.6	(3.7)%
Non-operating income (loss)	\$ 80.3	\$ 106.2	n/m	\$ 188.9	n/m
Net income attributable to T. Rowe Price	\$ 483.4	\$ 476.4	1.5 %	\$ 573.8	(15.8)%
Diluted earnings per common share	\$ 2.11	\$ 2.06	2.4 %	\$ 2.49	(15.3)%
Weighted average common shares outstanding assuming dilution	223.5	225.2	(0.8)%	224.2	(0.3)%
Adjusted basis⁽³⁾					
Operating expenses	\$ 1,105.8	\$ 1,026.2	7.8 %	\$ 1,071.4	3.2 %
Operating expenses, excluding accrued carried interest related compensation	\$ 1,097.3	\$ 1,010.5	8.6 %	\$ 1,052.9	4.2 %
Net operating income	\$ 654.9	\$ 596.6	9.8 %	\$ 692.4	(5.4)%
Non-operating income (loss)	\$ 34.7	\$ 31.8	9.1 %	\$ 28.5	n/m
Net income attributable to T. Rowe Price	\$ 519.7	\$ 466.5	11.4 %	\$ 548.5	(5.3)%
Diluted earnings per common share	\$ 2.26	\$ 2.02	11.9 %	\$ 2.38	(5.0)%
Assets under management (in billions)					
Average assets under management	\$ 1,534.0	\$ 1,357.4	13.0 %	\$ 1,484.4	3.3 %
Ending assets under management	\$ 1,569.1	\$ 1,399.4	12.1 %	\$ 1,542.2	1.7 %
Investment advisory annualized effective fee rate in basis points (bps)	41.6	42.3	(0.7)	42.1	(0.5)

⁽¹⁾ n/m - the percentage change is not meaningful.

⁽²⁾ Capital allocation-based income represents the change in accrued carried interest.

⁽³⁾ See the reconciliation to the comparable U.S. GAAP measures at the end of this earnings release.

Assets Under Management

During Q2 2024, assets under management (AUM) increased \$26.9 billion to \$1.57 trillion. The components of the change in AUM, by asset class, are shown in the table below.

(in billions)	Three months ended 6/30/2024				Total
	Equity	Fixed income, including money market	Multi-asset ⁽¹⁾	Alternatives ⁽²⁾	
Assets under management at beginning of period	\$ 802.9	\$ 170.9	\$ 520.6	\$ 47.8	\$ 1,542.2
Net cash flows prior to manager-driven distributions	(14.9)	7.8	1.6	2.9	(2.6)
Manager-driven distributions	—	—	—	(1.1)	(1.1)
Net cash flows	(14.9)	7.8	1.6	1.8	(3.7)
Net market appreciation (depreciation) and income ⁽³⁾	22.3	1.2	6.9	0.2	30.6
Change during the period	7.4	9.0	8.5	2.0	26.9
Assets under management at June 30, 2024	\$ 810.3	\$ 179.9	\$ 529.1	\$ 49.8	\$ 1,569.1

⁽¹⁾ The underlying AUM of the multi-asset portfolios have been aggregated and presented in this category and not reported in the equity and fixed income columns.

⁽²⁾ The alternatives asset class includes strategies authorized to invest more than 50% of its holdings in private credit, leveraged loans, mezzanine, real assets/CRE, structured products, stressed/distressed, non-investment grade CLOs, special situations, business development companies, or that have absolute return as its investment objective. Generally, only those strategies with longer than daily liquidity are included. Unfunded capital commitments as of June 30, 2024 were \$11.3 billion and \$12.0 billion as of March 31, 2024, and are not reflected in fee basis AUM above.

⁽³⁾ Includes net distributions not reinvested of \$0.7 billion.

Investors domiciled outside the United States accounted for 8.6% of the firm's AUM at June 30, 2024, 8.5% at March 31, 2024 and 8.6% at December 31, 2023.

The firm provides participant accounting and plan administration for retirement plans that invest in the firm's U.S. mutual funds and collective investment trusts, as well as funds managed outside of the firm's complex. As of June 30, 2024, the firm's assets under administration were \$273 billion, of which \$157 billion were assets we manage.

The firm offers non-discretionary advisory services through model delivery and multi-asset solutions for providers to implement. The firm records the revenue earned on these services in administrative fees. The assets under advisement in these portfolios, predominantly in the United States, were \$15.7 billion at June 30, 2024.

Financial Results Highlights

Net Revenues

(in millions)	Three months ended				
	6/30/2024	6/30/2023	Change	3/31/2024	Change
Investment advisory fees					
Equity	\$ 948.9	\$ 862.3	10.0 %	\$ 949.6	(0.1)%
Fixed income, including money market	100.2	100.0	0.2 %	100.6	(0.4)%
Multi-asset	444.8	391.3	13.7 %	429.7	3.5 %
Alternatives	91.7	77.2	18.8 %	74.1	23.8 %
Total investment advisory fees	1,585.6	1,430.8	10.8 %	1,554.0	2.0 %
Capital allocation-based income ⁽¹⁾	0.1	38.7	n/m	47.1	n/m
Administrative, distribution, and servicing fees	147.6	140.7	4.9 %	149.1	(1.0)%
Net revenues	\$ 1,733.3	\$ 1,610.2	7.6 %	\$ 1,750.2	(1.0)%
Average AUM (in billions):					
Equity	\$ 790.4	\$ 703.4	12.4 %	\$ 770.4	2.6 %
Fixed income, including money market	174.8	170.4	2.6 %	169.5	3.1 %
Multi-asset	520.1	439.0	18.5 %	497.0	4.6 %
Alternatives	48.7	44.6	9.2 %	47.5	2.5 %
Average AUM	\$ 1,534.0	\$ 1,357.4	13.0 %	\$ 1,484.4	3.3 %
Investment advisory annualized effective fee rate (bps)	41.6	42.3	(0.7)	42.1	(0.5)

⁽¹⁾The Capital allocation-based income represents the change in accrued carried interest. The percentage change is not meaningful (n/m).

Net revenues in Q2 2024 were \$1.7 billion, an increase of 7.6% from Q2 2023 and a decrease of 1.0% from Q1 2024. Performance-based fees earned were \$16.8 million in Q2 2024, \$10.5 million in Q2 2023, and \$17.6 million in Q1 2024.

- The investment advisory annualized effective fee rate of 41.6 basis points in Q2 2024 decreased from 42.3 basis points earned in Q2 2023 and 42.1 basis points earned in Q1 2024. In comparison to prior periods, client flows and transfers drove a mix shift in assets under management toward lower fee products and asset classes leading to an unfavorable impact on the annualized effective fee rate.
- Capital allocation-based income in Q2 2024 of \$0.1 million includes \$27.0 million in additional accrued carried interest, offset by \$26.9 million in acquisition-related, non-cash amortization and impairments. Comparatively, the Q2 2023 amount of \$38.7 million includes \$51.0 million in additional accrued carried interest, partially offset by \$12.3 million in acquisition-related, non-cash amortization and impairments. The decreases from prior periods were primarily the result of overall lower market returns.

A portion of the capital allocation-based income is passed through as compensation and recognized in compensation and related costs with the unpaid amount reported as non-controlling interest on the consolidated balance sheet. For detail of the quarterly change in accrued carried interest, which is reported as part of investments on the consolidated balance sheet, and related non-controlling interest, see the applicable tables at the end of this release.

Operating Expenses

(in millions)	Three months ended					
	6/30/2024	6/30/2023	Change ⁽¹⁾		3/31/2024	Change ⁽¹⁾
Compensation, benefits, and related costs	\$ 635.8	\$ 591.0		7.6 %	\$ 629.3	1.0 %
Acquisition-related retention agreements	13.1	13.6		(3.7)%	13.5	(3.0)%
Capital allocation-based income compensation ⁽²⁾	(2.4)	10.6		n/m	13.2	n/m
Supplemental savings plan	14.6	33.0		n/m	53.0	n/m
Total compensation and related costs	661.1	648.2		2.0 %	709.0	(6.8)%
Distribution and servicing	87.7	67.8		29.4 %	81.9	7.1 %
Advertising and promotion	33.3	22.9		45.4 %	25.3	31.6 %
Product and recordkeeping related costs	73.0	77.7		(6.0)%	75.0	(2.7)%
Technology, occupancy, and facility costs	160.9	154.7		4.0 %	149.9	7.3 %
General, administrative, and other	108.7	100.0		8.7 %	92.6	17.4 %
Change in fair value of contingent consideration	—	(23.2)		n/m	—	n/m
Acquisition-related amortization and impairment costs	43.9	28.6		53.5 %	29.9	46.8 %
Total operating expenses	\$ 1,168.6	\$ 1,076.7		8.5 %	\$ 1,163.6	0.4 %
Total adjusted operating expenses⁽³⁾	\$ 1,105.8	\$ 1,026.2		7.8 %	\$ 1,071.4	3.2 %

⁽¹⁾ n/m - the percentage change is not meaningful.

⁽²⁾ Capital allocation-based income compensation represents the change in accrued carried interest compensation.

⁽³⁾ See the reconciliation to the comparable U.S. GAAP measures at the end of this earnings release.

Operating expenses were \$1,168.6 million, an increase of 8.5% from Q2 2023 and 0.4% from Q1 2024. On a non-GAAP basis, adjusted operating expenses in Q2 2024 were \$1,105.8 million, a 7.8% increase from Q2 2023 and a 3.2% increase from Q1 2024.

- Compensation, benefits, and related costs in Q2 2024 of \$635.8 million increased \$44.8 million from Q2 2023 and \$6.5 million from Q1 2024. The increase from Q2 2023 was primarily due to a higher interim bonus accrual and higher salaries and related benefits, which were partially offset by higher capitalized labor. Compared to Q1 2024, the increase was primarily due to a higher interim bonus accrual. The firm employed 7,929 associates at June 30, 2024, an increase of 0.3% from 7,903 associates at June 30, 2023, and an increase of 0.6% from 7,878 associates at March 31, 2024.
- Distribution and servicing costs in Q2 2024 of \$87.7 million increased \$19.9 million from Q2 2023 and \$5.8 million from Q1 2024. The increases from prior periods were primarily driven by higher average assets under management distributed through intermediaries.

- Advertising and promotion expenses in Q2 2024 of \$33.3 million increased \$10.4 million from Q2 2023 and \$8.0 million from Q1 2024. The increase from Q2 2023 was primarily due to higher media spend and continued investment in the firm's brand. The increase from Q1 2024 was primarily due to the timing of advertising and promotion spend.
- Technology, occupancy, and facility costs in Q2 2024 of \$160.9 million increased \$6.2 million from Q2 2023 and \$11.0 million from Q1 2024. The increases from prior periods were primarily due to higher costs from the firm's ongoing investment in its technology capabilities, including hosted solutions and depreciation. The first quarter of 2024 also included a non-recurring cost benefit related to the firm's new UK facility.
- General, administrative, and other costs in Q2 2024 of \$108.7 million increased \$8.7 million from Q2 2023 and \$16.1 million from Q1 2024. The increases from prior periods were primarily driven by higher professional fees and travel and entertainment. Compared to Q2 2023, the increases were partially offset by lower research fee expense as the firm changed its approach to paying for research beginning in Q1 2024, consistent with regulations and general industry practice.

Non-operating income (loss)

(in millions)	Three months ended		
	6/30/2024	6/30/2023	3/31/2024
Net gains (losses) from non-consolidated T. Rowe Price investment products			
Cash and discretionary investments			
Dividend income	\$ 33.6	\$ 25.5	\$ 27.8
Market-related gains (losses) and equity in earnings (losses)	0.1	6.3	0.2
Total net gains (losses) from cash and discretionary investments	33.7	31.8	28.0
Seed capital investments			
Dividend income	0.3	0.4	—
Market-related gains (losses) and equity in earnings (losses)	15.3	14.4	23.5
Investments used to hedge the supplemental savings plan liability	14.8	33.6	49.7
Total net gains (losses) from non-consolidated T. Rowe Price investment products	64.1	80.2	101.2
Other investment income (loss)	13.9	8.9	20.3
Net gains (losses) on investments	78.0	89.1	121.5
Net gains (losses) on consolidated sponsored investment products	8.5	24.4	72.3
Other gains (losses), including foreign currency gains (losses)	(6.2)	(7.3)	(4.9)
Non-operating income (loss)	\$ 80.3	\$ 106.2	\$ 188.9

On a non-GAAP basis, non-operating income (loss) consists of investment gains/losses generated from the firm's cash and discretionary investment portfolio.

Income taxes

The firm's GAAP effective tax rate for Q2 2024 and Q2 2023 was 24.8%. These quarterly rates were the result of an overall year-to-date rate of 24.1% for 2024 and 26.7% for 2023. The following reconciles the statutory federal income tax rate to the firm's effective tax rate for the six months ended June 30, 2024 and 2023:

	Six months ended	
	6/30/2024	6/30/2023
Statutory U.S. federal income tax rate	21.0 %	21.0 %
State income taxes for current year, net of federal income tax benefits ⁽¹⁾	2.7	2.9
Net (income) losses attributable to redeemable non-controlling interests ⁽²⁾	(0.4)	(0.3)
Net excess tax losses (benefits) from stock-based compensation plans activity	(0.3)	(0.3)
Valuation allowances	0.5	3.6
Other items	0.6	(0.2)
Effective income tax rate	24.1 %	26.7 %

⁽¹⁾ State income tax benefits are reflected in the total benefits for net income attributable to redeemable non-controlling interests and stock-based compensation plans activity.

⁽²⁾ Net income attributable to redeemable non-controlling interest represents the portion of earnings held in the firm's consolidated investment products, which are not taxable to the firm despite being included in pre-tax income.

The firm's non-GAAP effective tax rate for Q2 2024 was 24.6%, compared with 25.8% for Q2 2023. The quarterly rates were the result of an overall year-to-date rate of 24.3% for 2024 and 27.9% for 2023. The decrease in the firm's effective tax rate is primarily due to lower valuation allowances recognized in 2024. In 2023, valuation allowances were recognized against cumulative UK-based deferred tax assets.

The firm estimates that its effective tax rate for the full year 2024 will be in the range of 23.5% to 26.5% on a U.S. GAAP basis, and 23.5% to 25.5% on a non-GAAP basis.

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 second quarter of 2024 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 June 30, 2024.

Certain statements in this earnings release may represent "forward-looking information," including information relating to anticipated changes in revenues, our operations, expenses, earnings, liquidity, cash flows and capital expenditures, industry or market conditions, amount or composition of assets under management, regulatory developments, changes in our effective fee rate, demand for and pricing of our products, new products and services, effective tax rates, net income and earnings per common share, future transactions, our strategic initiatives, general economic conditions, dividends, stock repurchases, and other market conditions. For a discussion concerning risks and other factors that could affect future results, see the firm's 2023 Annual Report on Form 10-K.

Founded in 1937, T. Rowe Price (NASDAQ - GS: TROW) helps individuals and institutions around the world achieve their long-term investment goals. As a large global asset management company known for investment excellence, retirement leadership, and independent proprietary research, the firm is built on a culture of integrity that puts client

interests first. Clients rely on the award-winning firm for its retirement expertise and active management of equity, fixed income, alternatives, and multi-asset investment capabilities. T. Rowe Price has \$1.57 trillion in assets under management as of June 30, 2024, and serves millions of clients globally. News and other updates can be found on **Facebook**, **Instagram**, **LinkedIn**, **X**, **YouTube**, and **troweprice.com/newsroom**.

Webcast Information

Chief Executive Officer and President, Rob Sharps and Chief Financial Officer, Jen Dardis will provide an update on business performance, review financial results, and answer questions on a webcast to be held on Friday, July 26, 2024 from 8:00 - 8:45 AM (Eastern Time). Eric Veiel, Head of Global Investments will join for the Q&A. To access the webcast or to obtain dial in instructions to ask a question, please visit: investors.troweprice.com.

Supplemental materials will be available on the company's investor relations website shortly before the start of the call. A replay of the webcast will be available on the company's investor relations website shortly after the event.

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

	Three months ended			Six months ended	
	6/30/2024	6/30/2023	3/31/2024	6/30/2024	6/30/2023
Revenues					
Investment advisory fees	\$ 1,585.6	\$ 1,430.8	\$ 1,554.0	\$ 3,139.6	\$ 2,822.6
Capital allocation-based income	0.1	38.7	47.1	47.2	55.6
Administrative, distribution, and servicing fees	147.6	140.7	149.1	296.7	269.6
Net revenues	1,733.3	1,610.2	1,750.2	3,483.5	3,147.8
Operating expenses					
Compensation, benefits, and related costs	635.8	591.0	629.3	1,265.1	1,184.3
Acquisition-related retention agreements	13.1	13.6	13.5	26.6	27.8
Capital allocation-based income compensation	(2.4)	10.6	13.2	10.8	14.1
Supplemental savings plan	14.6	33.0	53.0	67.6	75.5
Total compensation and related costs	661.1	648.2	709.0	1,370.1	1,301.7
Distribution and servicing	87.7	67.8	81.9	169.6	139.3
Advertising and promotion	33.3	22.9	25.3	58.6	48.7
Product and recordkeeping related costs	73.0	77.7	75.0	148.0	149.8
Technology, occupancy, and facility costs	160.9	154.7	149.9	310.8	301.3
General, administrative, and other	108.7	100.0	92.6	201.3	207.5
Change in fair value of contingent consideration	—	(23.2)	—	—	(72.8)
Acquisition-related amortization and impairment costs	43.9	28.6	29.9	73.8	54.6
Total operating expenses	1,168.6	1,076.7	1,163.6	2,332.2	2,130.1
Net operating income	564.7	533.5	586.6	1,151.3	1,017.7
Non-operating income (loss)					
Net gains (losses) on investments	78.0	89.1	121.5	199.5	183.0
Net gains (losses) on consolidated sponsored investment products	8.5	24.4	72.3	80.8	69.8
Other gains (losses), including foreign currency gains (losses)	(6.2)	(7.3)	(4.9)	(11.1)	(11.2)
Total non-operating income (loss)	80.3	106.2	188.9	269.2	241.6
Income before income taxes	645.0	639.7	775.5	1,420.5	1,259.3
Provision for income taxes	159.7	158.5	182.1	341.8	336.4
Net income	485.3	481.2	593.4	1,078.7	922.9
Less: net income (loss) attributable to redeemable non-controlling interests	1.9	4.8	19.6	21.5	25.0
Net income attributable to T. Rowe Price	483.4	476.4	573.8	1,057.2	897.9
Less: net income allocated to outstanding restricted stock and stock unit holders	12.9	11.6	15.8	28.7	22.1
Net income allocated to T. Rowe Price common stockholders	\$ 470.5	\$ 464.8	\$ 558.0	\$ 1,028.5	\$ 875.8
Earnings per share					
Basic	\$ 2.11	\$ 2.07	\$ 2.50	\$ 4.61	\$ 3.90
Diluted	\$ 2.11	\$ 2.06	\$ 2.49	\$ 4.60	\$ 3.89
Weighted-average common shares					
Outstanding	223.0	224.4	223.6	223.3	224.4
Outstanding assuming dilution	223.5	225.2	224.2	223.8	225.2

Summary of Adjusted Basis⁽¹⁾

(in millions, except per-share data)	Three months ended			Six months ended	
	6/30/2024	6/30/2023	3/31/2024	6/30/2024	6/30/2023
Operating expenses	\$ 1,105.8	\$ 1,026.2	\$ 1,071.4	\$ 2,177.2	\$ 2,048.7
Operating expenses, excluding accrued carried interest related compensation	\$ 1,097.3	\$ 1,010.5	\$ 1,052.9	\$ 2,150.2	\$ 2,024.4
Net operating income	\$ 654.9	\$ 596.6	\$ 692.4	\$ 1,347.3	\$ 1,124.6
Non-operating income (loss)	\$ 34.7	\$ 31.8	\$ 28.5	\$ 63.2	\$ 62.6
Net income attributable to T. Rowe Price	\$ 519.7	\$ 466.5	\$ 548.5	\$ 1,068.2	\$ 855.9
Diluted earnings per common share	\$ 2.26	\$ 2.02	\$ 2.38	\$ 4.64	\$ 3.71

⁽¹⁾ See the reconciliation to the comparable U.S. GAAP measures at the end of this earnings release.

Assets Under Management

(in billions)	Six months ended 6/30/2024				
	Equity	Fixed income, including money market	Multi-asset ⁽¹⁾	Alternatives ⁽²⁾	Total
Assets under management at beginning of period	\$ 743.6	\$ 170.0	\$ 483.0	\$ 47.9	\$ 1,444.5
Net cash flows prior to manager-driven distributions	(27.7)	8.0	7.1	3.0	(9.6)
Manager-driven distributions	—	—	—	(2.1)	(2.1)
Net cash flows ⁽³⁾	(27.7)	8.0	7.1	0.9	(11.7)
Net market appreciation and gains ⁽⁴⁾	94.4	1.9	39.0	1.0	136.3
Change during the period	66.7	9.9	46.1	1.9	124.6
Assets under management at June 30, 2024	\$ 810.3	\$ 179.9	\$ 529.1	\$ 49.8	\$ 1,569.1

⁽¹⁾ The underlying AUM of the multi-asset portfolios have been aggregated and presented in this category and not reported in the equity and fixed income columns.

⁽²⁾ The alternatives asset class includes strategies authorized to invest more than 50% of its holdings in private credit, leveraged loans, mezzanine, real assets/CRE, structured products, stressed/distressed, non-investment grade CLOs, special situations, business development companies, or that have absolute return as its investment objective. Generally, only those strategies with longer than daily liquidity are included. Unfunded capital commitments as of June 30, 2024 were \$11.3 billion and \$11.6 billion as of December 31, 2023 and are not reflected in fee basis AUM above.

⁽³⁾ Alternatives net cash flows include \$2.1 billion in outflows that represent investment manager-driven distributions.

⁽⁴⁾ Includes net distributions not reinvested of \$0.9 billion.

Net Revenues

(in millions)	Six months ended		
	6/30/2024	6/30/2023	% Change
Investment advisory fees			
Equity	\$ 1,898.5	\$ 1,696.2	11.9 %
Fixed income, including money market	200.8	202.4	(0.8)%
Multi-asset	874.5	777.3	12.5 %
Alternatives	165.8	146.7	13.0 %
Total investment advisory fees	\$ 3,139.6	\$ 2,822.6	11.2 %
Average AUM (in billions):			
Equity	\$ 780.4	\$ 695.2	12.3 %
Fixed income, including money market	172.1	170.0	1.2 %
Multi-asset	508.6	430.7	18.1 %
Alternatives	48.1	44.3	8.6 %
Average AUM	\$ 1,509.2	\$ 1,340.2	12.6 %

⁽¹⁾ The percentage change is not meaningful (n/m).

Non-Operating Income (Loss)

(in millions)	Six months ended	
	6/30/2024	6/30/2023
Net gains (losses) from non-consolidated T. Rowe Price investment products		
Cash and discretionary investments		
Dividend income	\$ 61.4	\$ 45.7
Market-related gains (losses) and equity in earnings (losses)	0.3	16.9
Total net gains (losses) from cash and discretionary investments	61.7	62.6
Seed capital investments		
Dividend income	0.3	0.9
Market-related gains (losses) and equity in earnings (losses)	38.8	29.5
Investments used to hedge the supplemental savings plan liability	64.5	78.3
Total net gains (losses) from non-consolidated T. Rowe Price investment products	165.3	171.3
Other investment income (loss)	34.2	11.7
Net gains (losses) on investments	199.5	183.0
Net gains (losses) on consolidated sponsored investment portfolios	80.8	69.8
Other gains (losses), including foreign currency gains (losses)	(11.1)	(11.2)
Non-operating income (loss)	\$ 269.2	\$ 241.6

The following table summarizes the cash flows for the six months ended 2024 that are attributable to T. Rowe Price Group, our consolidated sponsored investment products, and the related eliminations required.

(in millions)	Six months ended			
	6/30/2024			
	Cash flow attributable to T. Rowe Price	Cash flow attributable to consolidated T. Rowe Price investment products	Elims	As reported
Cash flows from operating activities				
Net income (loss)	\$ 1,057.2	\$ 75.9	\$ (54.4)	\$ 1,078.7
Adjustments to reconcile net income (loss) to net cash provided by operating activities				
Depreciation, amortization and impairments of property, equipment and software	126.3	—	—	126.3
Amortization and impairment of acquisition-related assets and retention agreements	124.1	—	—	124.1
Stock-based compensation expense	112.6	—	—	112.6
Net (gains) losses recognized on investments	(267.8)	—	54.4	(213.4)
Net redemptions in sponsored investment products used to economically hedge supplemental savings plan liability	15.1	—	—	15.1
Net change in trading securities held by consolidated sponsored investment products	—	(218.0)	—	(218.0)
Other changes	302.9	(1.5)	(11.8)	289.6
Net cash provided by (used in) operating activities	1,470.4	(143.6)	(11.8)	1,315.0
Net cash provided by (used in) investing activities	(75.7)	(13.1)	(4.6)	(93.4)
Net cash provided by (used in) financing activities	(746.4)	154.5	16.4	(575.5)
Effect of exchange rate changes on cash and cash equivalents of consolidated sponsored investment products	—	(1.1)	—	(1.1)
Net change in cash and cash equivalents during period	648.3	(3.3)	—	645.0
Cash and cash equivalents at beginning of year	2,066.6	77.2	—	2,143.8
Cash and cash equivalents at end of period	\$ 2,714.9	\$ 73.9	\$ —	\$ 2,788.8

Unaudited Condensed Consolidated Balance Sheet Information (in millions)

	As of	
	6/30/2024	12/31/2023
Cash and cash equivalents	\$ 2,714.9	\$ 2,066.6
Accounts receivable and accrued revenue	846.9	807.9
Investments	2,758.9	2,554.7
Assets of consolidated sponsored investment products	1,929.6	1,959.3
Operating lease assets	229.4	241.1
Property, equipment and software, net	884.5	806.6
Goodwill and intangible assets	3,085.1	3,150.1
Other assets	640.5	692.5
Total assets	13,089.8	12,278.8
Supplemental savings plan liability	941.7	895.0
Total other liabilities, includes \$65.1 at June 30, 2024, and \$54.2 at December 31, 2023, from consolidated sponsored investment products	1,325.1	1,092.6
Non-controlling interests*	894.3	786.1
Stockholders' equity attributable to T. Rowe Price Group, Inc., 222.6 common shares outstanding at June 30, 2024 and 223.9 common shares outstanding at December 31, 2023	\$ 9,928.7	\$ 9,505.1

* This includes both redeemable and non-redeemable non-controlling interest in consolidated entities.

The following tables detail changes in our investments in affiliated private investment funds - carried interest and non-controlling interest in consolidated entities.

Investments in affiliated private investment funds - carried interest	Three months ended			Six months ended	
	6/30/2024	6/30/2023	3/31/2024	6/30/2024	6/30/2023
Balance at beginning of period	\$ 514.3	\$ 483.8	\$ 519.9	\$ 519.9	\$ 467.8
Capital allocation-based income:					
Change in accrued carried interest	27.0	51.0	59.5	86.5	80.2
Acquisition-related amortization and impairments	(26.9)	(12.3)	(12.4)	(39.3)	(24.6)
Net distributions	(17.1)	(8.3)	(52.7)	(69.8)	(9.2)
Balance at end of period	\$ 497.3	\$ 514.2	\$ 514.3	\$ 497.3	\$ 514.2

Non-controlling interests (NCI) in consolidated entities	Three months ended			Six months ended	
	6/30/2024	6/30/2023	3/31/2024	6/30/2024	6/30/2023
Balance at beginning of period	\$ 205.4	\$ 194.4	\$ 192.0	\$ 192.0	\$ 190.7
Capital allocation-based income compensation:					
Change in accrued carried interest compensation	8.5	15.7	18.5	27.0	24.3
Acquisition-related amortization and impairments	(10.9)	(5.1)	(5.3)	(16.2)	(10.2)
Net contributions (distributions)	2.3	(2.9)	0.2	2.5	(2.7)
Balance at end of period	\$ 205.3	\$ 202.1	\$ 205.4	\$ 205.3	\$ 202.1

Non-GAAP Information and Reconciliation

The firm believes the non-GAAP financial measures below provide relevant and meaningful information to investors about its core operating results. These measures have been established in order to increase transparency for the purpose of evaluating the firm's core business, for comparing current results with prior period results, and to enable more appropriate comparison with industry peers. However, non-GAAP financial measures should not be considered as a substitute for financial measures calculated in accordance with U.S. GAAP and may be calculated differently by other companies.

The following schedules reconcile U.S. GAAP financial measures to non-GAAP financial measures for the three months ended June 30, 2024 and 2023 and March 31, 2024.

U.S. GAAP Basis (FS line item)	Three months ended 6/30/2024					
	Operating expenses	Net operating income	Non-operating income (loss)	Provision (benefit) for income taxes ⁽⁵⁾	Net income attributable to T. Rowe Price	Diluted earnings per share ⁽⁶⁾
Non-GAAP adjustments:						
Acquisition-related:						
Investment and NCI amortization and impairments ⁽¹⁾ (Capital allocation-based income and Compensation and related costs)	10.9	16.0	—	3.5	12.5	0.05
Acquisition-related retention arrangements ⁽¹⁾ (Compensation and related costs)	(13.1)	13.1	—	2.9	10.2	0.04
Intangible assets amortization and impairments ⁽¹⁾	(43.9)	43.9	—	9.6	34.3	0.15
Total acquisition-related	(46.1)	73.0	—	16.0	57.0	0.24
Supplemental savings plan liability ⁽²⁾ (Compensation and related costs)	(14.6)	14.6	(14.8)	—	(0.2)	—
Consolidated T. Rowe Price investment products ⁽³⁾	(2.1)	2.6	(8.5)	(0.9)	(3.1)	(0.01)
Other non-operating income ⁽⁴⁾	—	—	(22.3)	(4.9)	(17.4)	(0.08)
Adjusted Non-GAAP Basis	\$ 1,105.8	\$ 654.9	\$ 34.7	\$ 169.9	\$ 519.7	\$ 2.26

U.S. GAAP Basis (FS line item)	Three months ended 6/30/2023					
	Operating expenses	Net operating income	Non-operating income (loss)	Provision (benefit) for income taxes ⁽⁵⁾	Net income attributable to T. Rowe Price	Diluted earnings per share ⁽⁶⁾
Non-GAAP adjustments:						
Acquisition-related:						
Investment and NCI amortization and impairments ⁽¹⁾ (Capital allocation-based income and Compensation and related costs)	5.1	7.2	—	0.1	7.1	0.03
Acquisition-related retention arrangements ⁽¹⁾ (Compensation and related costs)	(13.6)	13.6	—	(0.1)	13.7	0.06
Contingent consideration ⁽¹⁾	23.2	(23.2)	—	2.5	(25.7)	(0.11)
Intangible assets amortization and impairments ⁽¹⁾	(28.6)	28.6	—	0.4	28.2	0.12
Total acquisition-related	(13.9)	26.2	—	2.9	23.3	0.10
Supplemental savings plan liability ⁽²⁾ (Compensation and related costs)	(33.0)	33.0	(33.6)	0.2	(0.8)	—
Consolidated T. Rowe Price investment products ⁽³⁾	(3.6)	3.9	(24.4)	0.5	(16.2)	(0.07)
Other non-operating income ⁽⁴⁾	—	—	(16.4)	(0.2)	(16.2)	(0.07)
Adjusted Non-GAAP Basis	\$ 1,026.2	\$ 596.6	\$ 31.8	\$ 161.9	\$ 466.5	\$ 2.02

	Three months ended 3/31/2024					
U.S. GAAP Basis (FS line item)	Operating expenses	Net operating income	Non-operating income (loss)	Provision (benefit) for income taxes ⁽⁵⁾	Net income attributable to T. Rowe Price	Diluted earnings per share ⁽⁶⁾
U.S. GAAP Basis (FS line item)	\$ 1,163.6	\$ 586.6	\$ 188.9	\$ 182.1	\$ 573.8	\$ 2.49
Non-GAAP adjustments:						
Acquisition-related:						
Investment and NCI amortization and impairments ⁽¹⁾ (Capital allocation-based income and Compensation and related costs)	5.3	7.1	—	2.0	5.1	0.02
Acquisition-related retention arrangements ⁽¹⁾ (Compensation and related costs)	(13.5)	13.5	—	3.8	9.7	0.04
Intangible assets amortization and impairments ⁽¹⁾	(29.9)	29.9	—	8.3	21.6	0.10
Total acquisition-related	(38.1)	50.5	—	14.1	36.4	0.16
Supplemental savings plan liability ⁽²⁾ (Compensation and related costs)	(53.0)	53.0	(49.7)	0.9	2.4	0.01
Consolidated T. Rowe Price investment products ⁽³⁾	(1.1)	2.3	(72.3)	(14.0)	(36.4)	(0.16)
Other non-operating income ⁽⁴⁾	—	—	(38.4)	(10.7)	(27.7)	(0.12)
Adjusted Non-GAAP Basis	\$ 1,071.4	\$ 692.4	\$ 28.5	\$ 172.4	\$ 548.5	\$ 2.38

The following schedules reconcile certain U.S. GAAP financial measures for the six months ended June 30, 2024 and 2023.

	Six months ended 6/30/2024					
U.S. GAAP Basis (FS line item)	Operating expenses	Net operating income	Non-operating income (loss)	Provision (benefit) for income taxes ⁽⁵⁾	Net income attributable to T. Rowe Price	Diluted earnings per share ⁽⁶⁾
U.S. GAAP Basis (FS line item)	\$ 2,332.2	\$ 1,151.3	\$ 269.2	\$ 341.8	\$ 1,057.2	\$ 4.60
Non-GAAP adjustments:						
Acquisition-related:						
Investment and NCI amortization and impairments ⁽¹⁾ (Capital allocation-based income and Compensation and related costs)	16.2	23.1	—	5.5	17.6	0.08
Acquisition-related retention arrangements ⁽¹⁾ (Compensation and related costs)	(26.6)	26.6	—	6.6	20.0	0.08
Intangible assets amortization and impairments ⁽¹⁾	(73.8)	73.8	—	18.0	55.8	0.24
Total acquisition-related	(84.2)	123.5	—	30.1	93.4	0.40
Supplemental savings plan liability ⁽²⁾ (Compensation and related costs)	(67.6)	67.6	(64.5)	0.8	2.3	0.01
Consolidated T. Rowe Price investment products ⁽³⁾	(3.2)	4.9	(80.8)	(14.8)	(39.6)	(0.17)
Other non-operating income ⁽⁴⁾	—	—	(60.7)	(15.6)	(45.1)	(0.20)
Adjusted Non-GAAP Basis	\$ 2,177.2	\$ 1,347.3	\$ 63.2	\$ 342.3	\$ 1,068.2	\$ 4.64

	Six months ended 6/30/2023					
U.S. GAAP Basis (FS line item)	Operating expenses	Net operating income	Non-operating income (loss)	Provision (benefit) for income taxes ⁽⁵⁾	Net income attributable to T. Rowe Price	Diluted earnings per share ⁽⁶⁾
Non-GAAP adjustments:	\$ 2,130.1	\$ 1,017.7	\$ 241.6	\$ 336.4	\$ 897.9	\$ 3.89
Acquisition-related:						
Investment and NCI amortization and impairments ⁽¹⁾ (Capital allocation-based income and Compensation and related costs)	10.2	14.4	—	1.6	12.8	0.06
Acquisition-related retention arrangements ⁽¹⁾ (Compensation and related costs)	(27.8)	27.8	—	3.0	24.8	0.11
Contingent consideration ⁽¹⁾	72.8	(72.8)	—	(8.0)	(64.8)	(0.28)
Intangible assets amortization and impairments ⁽¹⁾	(54.6)	54.6	—	6.0	48.6	0.21
Transaction costs ⁽²⁾ (General, admin and other)	—	—	—	—	—	—
Total acquisition-related	0.6	24.0	—	2.6	21.4	0.10
Supplemental savings plan liability ⁽²⁾ (Compensation and related costs)	(75.5)	75.5	(78.3)	(0.3)	(2.5)	(0.01)
Consolidated T. Rowe Price investment products ⁽³⁾	(6.5)	7.4	(69.8)	(4.1)	(33.3)	(0.14)
Other non-operating income ⁽⁴⁾	—	—	(30.9)	(3.3)	(27.6)	(0.13)
Adjusted Non-GAAP Basis	\$ 2,048.7	\$ 1,124.6	\$ 62.6	\$ 331.3	\$ 855.9	\$ 3.71

⁽¹⁾ These non-GAAP adjustments remove the impact of acquisition-related amortization and costs including intangible assets and acquired assets amortization and impairments, contingent consideration liability fair value remeasurements, amortization and impairments of acquired investments and non-controlling interest basis differences, and amortization of compensation-related arrangements. Management believes adjusting for these charges helps the reader's ability to understand the firm's core operating results and to increase comparability period to period.

⁽²⁾ This non-GAAP adjustment removes the compensation expense impact from market valuation changes in the supplemental savings plan liability and the related net gains (losses) on investments designated as economic hedges against the related liability. Amounts deferred under the supplemental savings plan are adjusted for appreciation (depreciation) of hypothetical investments chosen by participants. The firm uses T. Rowe Price investment products to economically hedge the exposure to these market movements. Management believes it is useful to offset the non-operating investment income (loss) recognized on the economic hedges against the related compensation expense and remove the net impact to help the reader's ability to understand the firm's core operating results and to increase comparability period to period.

⁽³⁾ These non-GAAP adjustments remove the impact the consolidated sponsored investment products have on the firm's U.S. GAAP consolidated statements of income. Specifically, the firm adds back the operating expenses and subtracts the investment income of the consolidated sponsored investment products. The adjustment to operating expenses represents the operating expenses of the consolidated products, net of the elimination of related management and administrative fees. The adjustment to net income attributable to T. Rowe Price represents the net income of the consolidated products, net of redeemable non-controlling interests. Management believes the consolidated sponsored investment products may impact the reader's ability to understand the firm's core operating results.

⁽⁴⁾ This non-GAAP adjustment represents the other non-operating income (loss) and the net gains (losses) earned on the firm's investment portfolio that are not designated as economic hedges of the supplemental savings plan liability and that are not part of the cash and discretionary investment portfolio. Management retains in its non-GAAP measures the investment gains recognized on the cash and discretionary investments as these assets and related income (loss) are considered part of the firm's core operations. Management believes adjusting for the remaining non-operating income (loss) helps the reader's ability to understand the firm's core operating results and increases comparability to prior years. Additionally, management does not emphasize the impact of this portion of non-operating income (loss) when managing and evaluating the firm's performance.

⁽⁵⁾ The income tax impacts were calculated in order to achieve an overall year-to-date non-GAAP effective tax rate of 24.3% in 2024 and 27.9% in 2023. As such, the non-GAAP effective tax rate for the three months ended June 30, 2024 and 2023 was 24.6% and 25.8%, respectively.

⁽⁶⁾ This non-GAAP measure was calculated by applying the two-class method to adjusted net income attributable to T. Rowe Price Group and dividing by the weighted-average common shares outstanding assuming dilution. The calculation of adjusted net income allocated to common stockholders is as follows:

	Three months ended			Six months ended	
	6/30/2024	6/30/2023	3/31/2024	6/30/2024	6/30/2023
Adjusted net income attributable to T. Rowe Price	\$ 519.7	\$ 466.5	\$ 548.5	\$ 1,068.2	\$ 855.9
Less: adjusted net income allocated to outstanding restricted stock and stock unit holders	13.9	11.4	15.2	29.1	21.0
Adjusted net income allocated to common stockholders	\$ 505.8	\$ 455.1	\$ 533.3	\$ 1,039.1	\$ 834.9



T. Rowe Price

Q2 2024

Earnings Release Supplement

T. Rowe Price Group, Inc.
July 26, 2024

A copy of this presentation, which includes additional information, is available at investors.troweprice.com.
Data as of June 30, 2024, unless otherwise noted.
All figures are USD, unless otherwise noted.



Forward-Looking Statement

This presentation, and other statements that T. Rowe Price may make, may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act, with respect to T. Rowe Price's future financial or business performance, strategies, or expectations. Forward-looking statements are typically identified by words or phrases such as "trend," "potential," "opportunity," "pipeline," "believe," "comfortable," "expect," "anticipate," "current," "intention," "estimate," "position," "assume," "outlook," "continue," "remain," "maintain," "sustain," "seek," "achieve," and similar expressions, or future or conditional verbs such as "will," "would," "should," "could," "may," and similar expressions. Forward-looking statements in this presentation may include, without limitation, information concerning future results of our operations, revenues, expenses, earnings, liquidity, cash flows and capital expenditures, industry or market conditions, amount or composition of assets under management, flows into our investment funds, regulatory developments, changes in our effective fee rate, demand for and pricing of our products, new products and services, future transactions, our strategic initiatives, general economic conditions, dividends, stock repurchases, and other aspects of our business. T. Rowe Price cautions that forward-looking statements are subject to numerous assumptions, risks, and uncertainties, which change over time. Actual results could differ materially from those anticipated in forward-looking statements, and future results could differ materially from historical performance. Forward-looking statements speak only as of the date they are made, and T. Rowe Price assumes no duty to and does not undertake to update forward-looking statements.

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

Financial Highlights

Key Metric	Q2 2023	Q1 2024	Q2 2024
AUM and Flows			
Net Flows	(\$20.0B)	(\$8.0B)	(\$3.7B)
Assets Under Management (AUM) ¹	\$1.40T	\$1.54T	\$1.57T
Average AUM	\$1.36T	\$1.48T	\$1.53T
Investment Advisory Annualized Effective Fee Rate	42.3bps	42.1bps	41.6bps
GAAP Basis			
Net Revenues	\$1,610.2M	\$1,750.2M	\$1,733.3M
Operating Expenses	\$1,076.7M	\$1,163.6M	\$1,168.6M
Diluted GAAP Earnings per Share (EPS)	\$2.06	\$2.49	\$2.11
Non-GAAP Basis			
Adjusted Operating Expenses ²	\$1,026.2M	\$1,071.4M	\$1,105.8M
Adjusted EPS ²	\$2.02	\$2.38	\$2.26
Dividends			
Dividend per share	\$1.22	\$1.24	\$1.24

The financial results presented in this earnings release supplement are unaudited.

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

² For the reconciliation between GAAP and adjusted (non-GAAP) expenses and EPS, see the current earnings release.

Investment Performance Overview

% of Funds/ Composites	U.S. Funds Outperforming Morningstar Median ^{1,2}				U.S. Funds Outperforming Morningstar Passive Peer Median ^{1,3}				Composites Outperforming Benchmarks ⁴			
	1 year	3 years	5 years	10 years	1 year	3 years	5 years	10 years	1 year	3 years	5 years	10 years
Equity	61%	59%	57%	69%	58%	49%	51%	53%	61%	32%	48%	66%
Fixed Income	56%	53%	54%	66%	64%	55%	53%	58%	61%	36%	53%	65%
Multi-Asset	84%	47%	69%	76%	92%	49%	74%	58%	NA	NA	NA	NA
All Funds	68%	54%	60%	70%	72%	50%	58%	56%	61%	34%	50%	66%

% of AUM	U.S. Funds Outperforming Morningstar Median ^{1,2}				U.S. Funds Outperforming Morningstar Passive Peer Median ^{1,3}				Composites Outperforming Benchmarks ⁴			
	1 year	3 years	5 years	10 years	1 year	3 years	5 years	10 years	1 year	3 years	5 years	10 years
Equity	74%	50%	54%	82%	72%	41%	31%	50%	62%	39%	42%	63%
Fixed Income	69%	70%	61%	82%	83%	68%	68%	70%	53%	23%	41%	47%
Multi-Asset	93%	56%	90%	93%	96%	59%	95%	94%	NA	NA	NA	NA
All Funds	78%	53%	63%	85%	78%	46%	49%	62%	61%	36%	41%	60%

Past performance is not a reliable indicator of future performance.

The investment performance reflects that of the T. Rowe Price-sponsored mutual funds, ETFs and composites.

¹ Source: © 2024 Morningstar, Inc. All rights reserved. Please see page 15 for more information.

² Primary share class only. Excludes T. Rowe Price passive funds and fund categories not ranked by Morningstar.

³ Primary share class only. Excludes T. Rowe Price passive funds, ETFs and institutional funds that are a clone of a retail fund. Funds are measured against the most appropriate strategy benchmark used for portfolio manager evaluation, which may not always be the regulatory benchmark.

⁴ Net returns for composites are calculated using the highest applicable separate account fee schedule and compared to official GIPS composite primary benchmark. Excludes money market composites.

Assets Under Management

U.S. \$ billions



Firmwide AUM includes assets managed by T. Rowe Price Associates, Inc., and its investment advisory affiliates. OHA's fee-basis AUM of \$46.9B acquired on December 29, 2021, is reflected in 2021 ending AUM. All periods after 2021 reflect the related activity. Other acquisition of AUM is detailed in our quarterly releases and 10Qs. Distributions, net of reinvestments, are included in the market change figure. Manager-driven distributions related to our alternative products by year: 2022: \$2.6B, 2023: \$2.6B, YTD: \$2.1B

Assets Under Management and Net Flows

U.S. \$ billions

Asset Class



Client Type



Geography

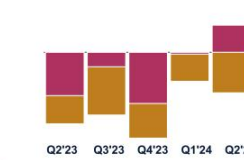


Net Flows



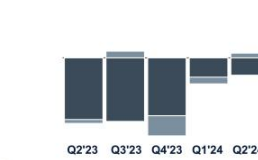
Equity	\$ (19.5)	\$ (19.7)	\$ (22.7)	\$ (12.8)	\$ (14.9)
FI	(1.9)	1.0	(6.0)	0.2	7.8
MA	1.6	0.4	—	5.5	1.6
Alts	(0.2)	0.9	0.4	(0.9)	1.8

Net Flows



Inst.	\$ (12.2)	\$ (4.0)	\$ (14.4)	\$ (0.5)	\$ 7.6
Retail	(7.6)	(13.4)	(13.9)	(7.5)	(11.3)
APAC, EMEA, Canada	(1.1)	2.2	(10.5)	(2.1)	1.5

Net Flows



U.S.	\$ (18.9)	\$ (19.6)	\$ (17.8)	\$ (5.9)	\$ (5.2)
APAC, EMEA, Canada	(1.1)	2.2	(10.5)	(2.1)	1.5

Firmwide AUM includes assets managed by T. Rowe Price Associates, Inc., and its investment advisory affiliates. Numbers may not add up due to rounding. Institutional includes defined contribution assets, including those through intermediaries and our full-service recordkeeping business. Retail includes our direct-marketed business and financial intermediaries.

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Assets Under Management

As of June 30, 2024

- Retirement assets are 67% of AUM
- U.S. defined contribution AUM of \$688B
- Target date AUM of \$453B
- Alternative AUM includes private markets (\$19B), CLOs (\$19B), and liquid strategies (\$12B)
- \$11.3B in unfunded capital commitments compared to \$11.6B at December 31, 2023.

Net Flows

Q2 2024

- Outflows largely concentrated in US equity strategies
- Alternative flows are net of \$1.1B in manager-driven distributions
- Target date retirement inflows of \$3.7B in Q2 2024.

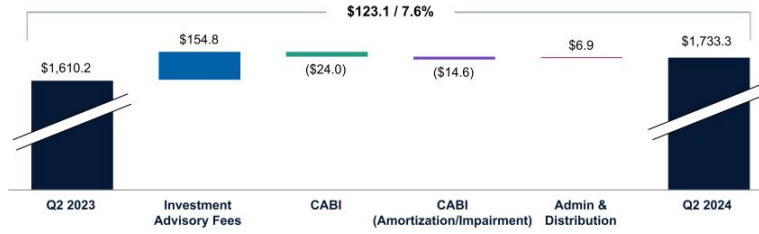
Firmwide flows by quarter (\$B)

Q2'23	Q3'23	Q4'23	Q1'24	Q2'24
(20.0)	(17.4)	(28.3)	(8.0)	(3.7)

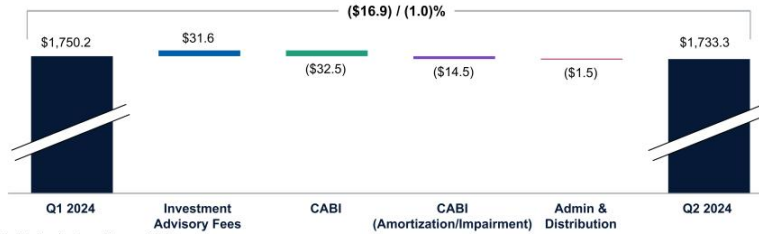
Quarterly Net Revenues

U.S. \$ millions

Q2 2024 compared to Q2 2023



Q2 2024 compared to Q1 2024



Capital allocation-based income (CABI)

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- Investment advisory fees represent about **90%** of net revenue in the periods presented
- Q2 2024 investment advisory revenue was **\$1,585.6M**
- CABI was **\$27M** in Q2 2024 compared to **\$51M** in Q2 2023

Quarterly Adjusted Operating Expenses

U.S. \$ millions

Q2 2024 compared to Q2 2023



Q2 2024 compared to Q1 2024



For the reconciliation between GAAP and adjusted (non-GAAP) expenses, see the current earnings release. Capital allocation-based income (CABI) compensation represents the portion of CABI (carried interest) that is passed through to certain associates as compensation.

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Basis for Operating Expense Guidance

U.S. \$ millions

	Six months ended		
	6/30/2024	6/30/2023	Change (%)
Adjusted Operating Expenses	\$2,177.2	\$2,048.7	6.3%
Adjusted CABI Compensation	(27.0)	(24.3)	n/m
Adjusted Operating Expenses, ex CABI Compensation	\$2,150.2	\$2,024.4	6.2%

Quarterly Operating Income and Net Income

U.S. \$ millions, (except EPS)

Operating Income

U.S. GAAP	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Operating Income	\$533.5	\$581.3	\$387.2	\$586.6	\$564.7
Operating Margin ¹	33.1%	34.8%	23.6%	33.5%	32.6%



Net Income

U.S. GAAP	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Net Income	\$476.4	\$453.2	\$437.6	\$573.8	\$483.4
Diluted EPS	\$2.06	\$1.97	\$1.90	\$2.49	\$2.11



¹ Operating margin is equal to operating income divided by net revenues; adjusted operating margin is equal to adjusted operating income divided by adjusted net revenues. See the GAAP to adjusted (non-GAAP) operating income and operating margin reconciliation on page 13. For the reconciliation between GAAP and adjusted (non-GAAP) net income and EPS, see the current earnings release.

Capital Management

U.S. \$ millions

Capital Returned to Stockholders

Data through 6/30/2024



Cash and Investments¹

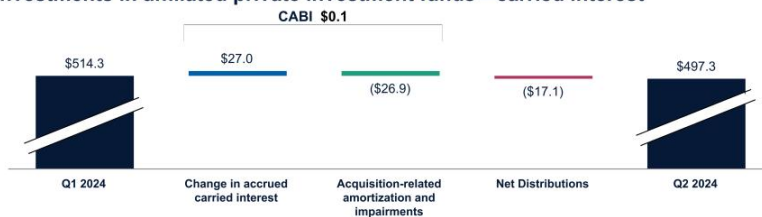
	Q2 2023	Q4 2023	Q2 2024
Cash and Cash Equivalents	\$2,249.7	\$2,066.6	\$2,714.9
Discretionary Investments	484.8	463.7	469.7
Cash and Discretionary Investments	\$2,734.5	\$2,530.3	\$3,184.6
Redeemable Seed Capital	\$1,182.2	\$1,370.9	\$1,338.6
Investments Used to Hedge the Supplemental Savings Plan Liability	\$820.3	\$894.6	\$943.3

¹ Cash and investments includes our cash and investments in T. Rowe Price products. This display does not include the non-controllable interest of our seed investments, which we normally consolidate due to our ownership. Capital returned to stockholders numbers may not add up due to rounding.

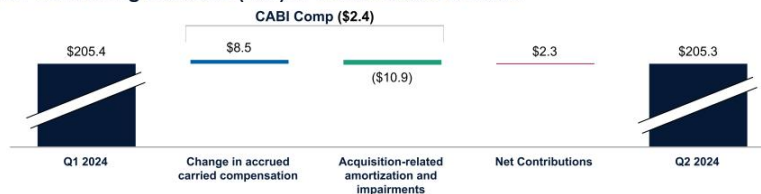
Quarterly Capital Allocation-Based Income (carried interest)

U.S. \$ millions, unless otherwise noted

Investments in affiliated private investment funds—carried interest



Non-controlling interests (NCI) in consolidated entities



At the end of each reporting period, accrued carried interest reflects what would be due from each investment fund as if the fair value of the underlying investments were realized as of such date, regardless of whether the amounts have been realized. The change in accrued carried interest reflects amounts that are (1) realized and distributed by the fund, (2) market-related adjustments that are recognized as capital allocation-based income in the income statement, and (3) acquisition-related amortization. The change in accrued carried interest will fluctuate quarter to quarter. Approximately \$2.2M of the 40%-50% of accrued carried interest recognized in compensation expense was not allocated to non-controlling interest holders, therefore, not categorized as CABI-related compensation.

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- As of 6/30/2024, about \$19B of alternative fee-basis assets under management are eligible to earn carried interest.
- In general, 50%-60% of accrued carried interest is expected to be retained in operating income with the remainder recognized as compensation expense.
- Absolute performance of the following indices are an indicator of changes in accrued carried interest.

Q2 2024 returns

ICE Bank of America U.S. High Yield Index: 1.1%

Credit Suisse Leveraged Loan Index: 1.9%

Past performance is not a reliable indicator of future performance.
Sources: ICE Data Indices, LLC, and CREDIT SUISSE GROUP AG and/or its affiliates



Non-GAAP Reconciliation

Non-GAAP Net Revenues and Operating Income Reconciliation

U.S. \$ millions

	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Net Revenues, GAAP Basis	\$1,610.2	\$1,670.7	\$1,642.0	\$1,750.2	\$1,733.3
Non-GAAP Adjustments ¹ :					
Consolidated Investment Products	0.3	0.7	0.5	1.2	0.5
Investment and NCI Amortization and Impairments	12.3	25.8	10.9	12.4	26.9
Net Revenues, Non-GAAP Basis	\$1,622.8	\$1,697.2	\$1,653.4	\$1,763.8	\$1,760.7
Operating Income, GAAP Basis	\$533.5	\$581.3	\$387.2	\$586.6	\$564.7
Non-GAAP Adjustments ¹ :					
Acquisition-Related Adjustments	26.2	67.4	51.3	50.5	73.0
Consolidated Investment Products	3.9	1.4	2.3	2.3	2.6
Supplemental Savings Plan Liability	33.0	(14.2)	61.9	53.0	14.6
Operating Income, Non-GAAP Basis	\$596.6	\$635.9	\$502.7	\$692.4	\$654.9
Operating Margin, GAAP Basis ²	33.1 %	34.8 %	23.6 %	33.5 %	32.6 %
Operating Margin, as Adjusted ²	36.8 %	37.5 %	30.4 %	39.3 %	37.2 %

¹ For a description of the non-GAAP adjustments, see the related earnings releases and/or prior 10Q or 10Ks filed with the SEC.
² Operating margin is equal to operating income divided by net revenues.



Appendix



Additional Information

Investment performance overview (slide 4)

¹ Source: © 2024 Morningstar, Inc. All rights reserved. The information contained herein: 1) is proprietary to Morningstar and/or its content providers; 2) may not be copied or distributed; and 3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

² Source: Morningstar. Primary share class only. Excludes money market mutual funds, funds with an operating history of less than one year, T. Rowe Price passive funds, and T. Rowe Price funds that are clones of other funds. The top chart reflects the percentage of T. Rowe Price funds with 1 year, 3 year, 5 year, and 10 year track record that outperformed the Morningstar category median. The bottom chart reflects the percentage of T. Rowe Price funds AUM that has outperformed for the time periods indicated. Total AUM included for this analysis includes \$326B for 1 year, \$323B for 3 years, \$323B for 5 years, and \$322B for 10 years.

³ Passive Peer Median was created by T. Rowe Price using data from Morningstar. Primary share class only. Excludes money market mutual funds, funds with an operating history of less than one year, funds with fewer than three peers, T. Rowe Price passive funds, and T. Rowe Price funds that are clones of other funds. This analysis compares T. Rowe Price active funds with the applicable universe of passive/index open-end funds and ETFs of peer firms. The top chart reflects the percentage of T. Rowe Price funds with 1 year, 3 year, 5 year, and 10 year track record that outperformed the passive peer universe. The bottom chart reflects the percentage of T. Rowe Price funds AUM that has outperformed for the time periods indicated. Total AUM included for this analysis includes \$309B for 1 year, \$306B for 3 years, \$269B for 5 years, and \$261B for 10 years.

⁴ Composite net returns are calculated using the highest applicable separate account fee schedule. Excludes money market composites. All composites compared to official GIPS composite primary benchmark. The top chart reflects the percentage of T. Rowe Price composites with 1 year, 3 year, 5 year, and 10 year track record that outperformed their benchmarks. The bottom chart reflects the percentage of T. Rowe Price composite AUM that has outperformed for the time periods indicated. Total AUM included for this analysis includes \$1,401B for 1 year, \$1,396B for 3 years, \$1,389B for 5 years, and \$1,340B for 10 years.

Capital Allocation Based Income (slide 11)

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- TRPA – T. Rowe Price Associates, Inc.
- TRPIM – T. Rowe Price Investment Management, Inc.

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