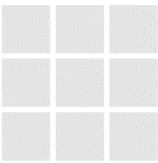




T. Rowe Price Group Update
ANNUAL MEETING

Bill Stromberg, President and CEO
April 2017



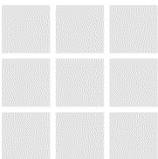
Forward-Looking Information

Statements

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, expenses, earnings, liquidity, cash flow and capital expenditures, industry or market conditions, amount or composition of assets under management, regulatory developments, demand for and pricing of our products and other aspects of our business or general economic conditions. 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.



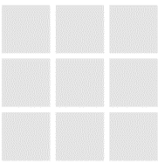
Our Values Support Our Vision: *To Be a Premier Global Asset Management Firm*

ENDURING VALUES

- Act With Integrity
- Put Clients First
- Pursue Excellence With Passion and Humility
- Embrace Collaboration and Diversity
- Be Disciplined and Risk Aware

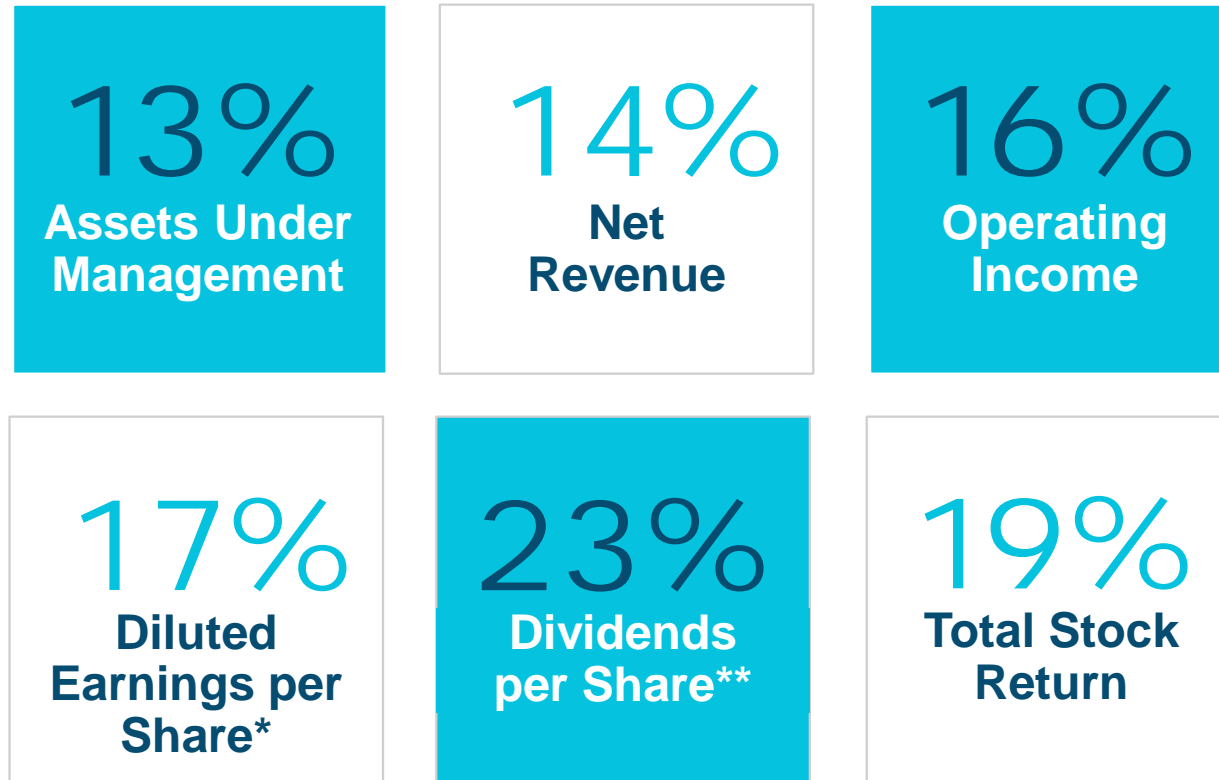


“**IF YOU TAKE CARE OF YOUR CLIENTS, YOUR CLIENTS WILL TAKE CARE OF YOU.** –Thomas Rowe Price, Jr.



The Firm Has Enjoyed Financial Success Since Our 1986 IPO

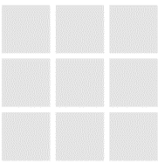
Annualized Growth Rates Since IPO



*U.S. GAAP

**Split adjusted

Numbers through December 31, 2016.



Many Factors Have Contributed to This Healthy Growth



Consistently Strong
Investment
Performance



Mutual Fund
Industry Growth



Defined Contribution
Evolution



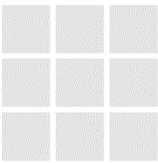
New Intermediary
Distribution Practices



Early Entrant
Into Retirement
Date Funds



Our Unique
Culture



U.S. Domiciled Mutual Fund Investment Performance

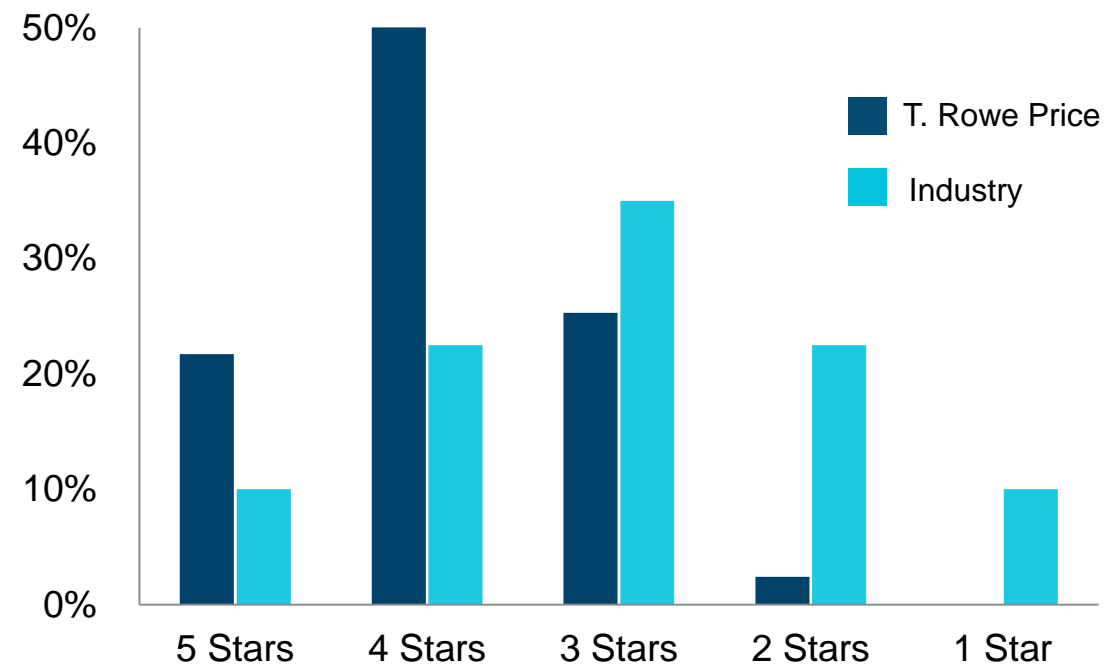
Excellent Long-Term Results vs. Competitors

As of March 31, 2017

% BY LIPPER QUARTILES

Quartile	1 Year	3 Years	5 Years	10 Years	15 Years
1st	36%	55%	58%	60%	50%
2nd	32%	26%	23%	29%	33%
3rd	25%	13%	15%	8%	15%
4th	7%	6%	4%	3%	2%

% OF FUNDS BY MORNINGSTAR CATEGORY

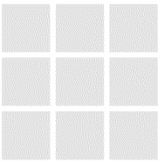


Important Disclosure

Past performance cannot guarantee future results. Not all funds outperformed for all periods. Results will vary and may be negative for other periods. Any reference to a ranking provides no guarantee for future performance results and is not constant over time. These T. Rowe Price funds are not registered for sale outside the U.S., and this information is not intended to be a solicitation for these funds. All funds are subject to market risk, including possible loss of principal. The ratings are provided for information only and are not intended to be an endorsement, offer or solicitation for the sale of any product or service. Additional information available upon request.

Lipper rankings consist of all share classes. Source: Lipper Inc.

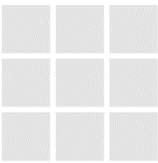
Morningstar ratings are for all share classes; other classes may have different performance characteristics. Each share class is counted as a fraction of one fund within this scale and rated separately. ©2017 Morningstar, Inc. All Rights Reserved.



Culture Is Central to Our Long-Term Success

Performance-Driven and Collaborative

Investment Excellence	<ul style="list-style-type: none">▪ The heart of everything we do
Clients First	<ul style="list-style-type: none">▪ We succeed if our clients succeed
Collegiality and Collaboration	<ul style="list-style-type: none">▪ Leveraging our best ideas creates competitive advantage
Trust and Mutual Respect	<ul style="list-style-type: none">▪ Essential for a strong community
Long-Term Time Horizon	<ul style="list-style-type: none">▪ Few firms truly operate this way



In Recent Years, New Realities Have Emerged *And the Marketplace Is Evolving Quickly*



Aging Investors
Seeking Lower-Risk
Income-Oriented
Solutions



Clients
Demanding New
Vehicles and Pricing
Structures



Millennials
Reshaping Digital
Technology



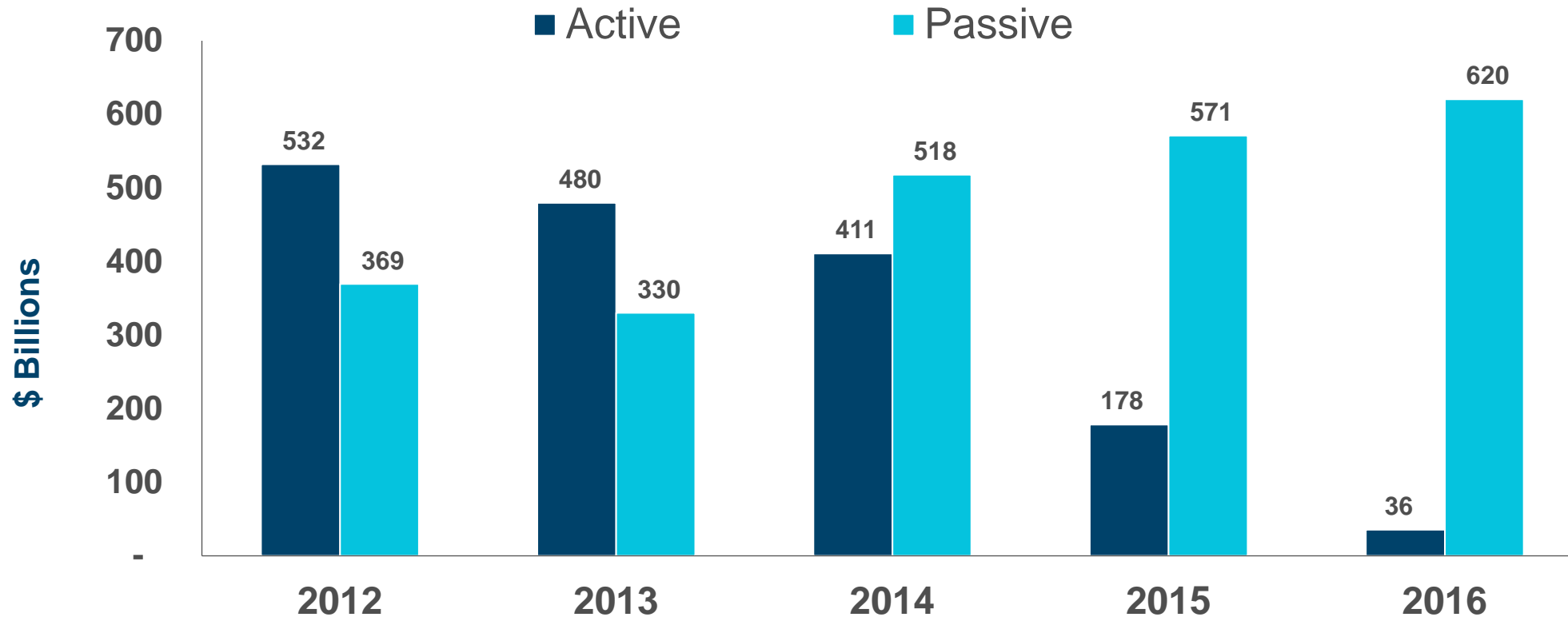
Regulatory Change
Accelerating



Passive and Alternative
Investments Taking
Share From Active

Passive Net Flows Grow While Active Net Flows Shrink

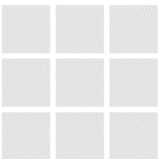
Net Flows to Funds (Worldwide)



Note: Includes mutual funds and ETFs for U.S. and globally, including local (e.g., OEICs) and cross-border (e.g., SICAVs). Money market funds are excluded. To avoid double-counting of AUM, this view excludes fund of funds, but includes the components. In total these data reflect \$27.0 trillion of AUM as of February 2017. This fund data reflects ~40% of global professionally managed AUM and is indicative of global retail and intermediary opportunities.¹

¹ Based on data from Strategic Insight. Data are from Simfund Enterprise's Global dataset which includes a global universe of US, European, Asian, Cross-border and Latin American funds. Fund of funds are excluded from these data to avoid double-counting of underlying funds. Money market funds are also excluded. Funds are designated as Active vs. Passive using SI's "Index Fund" variable.

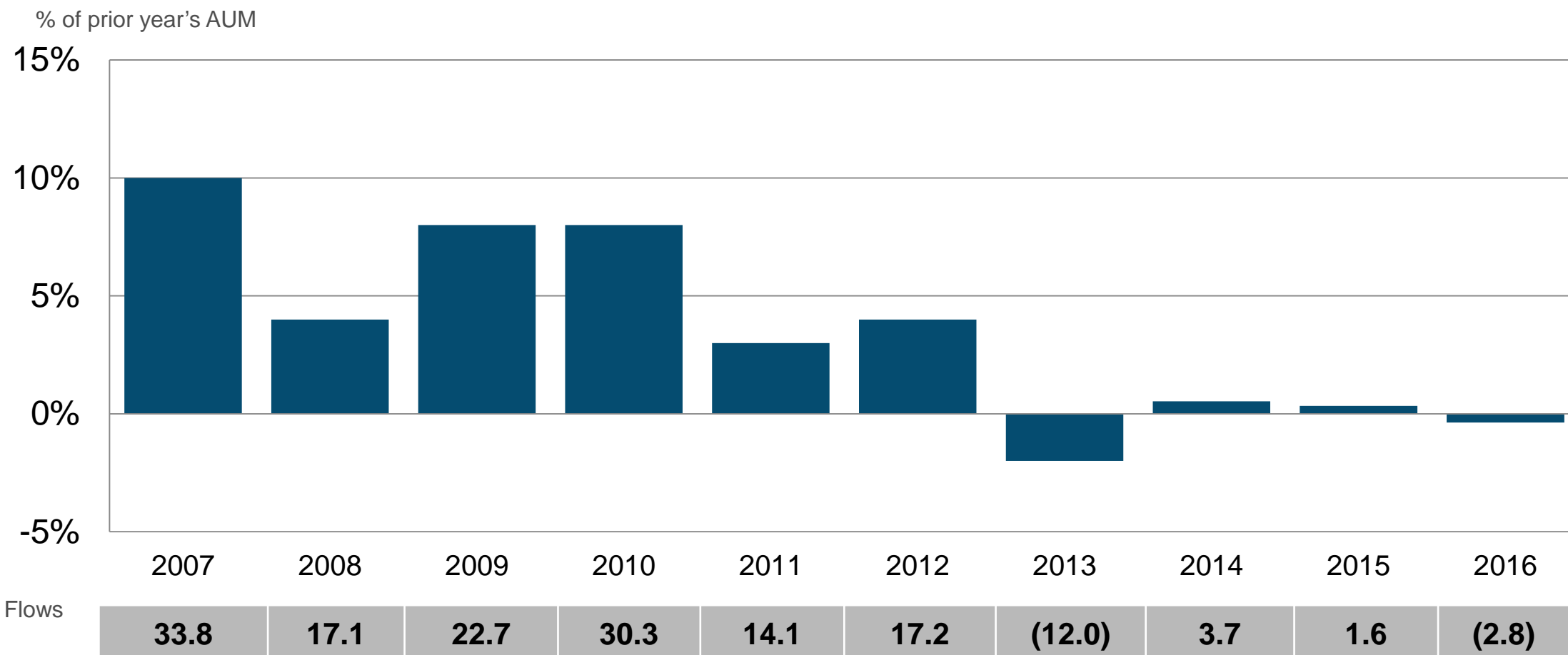
Source: Strategic Insight Simfund. The data, analyses, information, and opinions contained therein is provided solely for informational purposes, and is not warranted or represented to be correct, accurate, or timely. **Past performance cannot guarantee future results.**



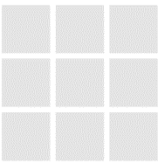
TRP Organic Growth Also Much Harder to Achieve in Recent Years

Headwinds From Growth in Passive, Alternatives, and Capacity Constraints

As of December 31, 2016

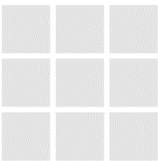


Net Flows YTD Through Q1'17 Were \$0.7 billion.



In 2016, We Began Executing on a Longer-Term Strategic Plan to:

- Maintain our position as a premier active asset manager
- Build into a more globally diversified asset manager
- Become more of an integrated investment solutions provider
- Be recognized as a global partner for retirement-oriented investors
- Develop into a more agile company
- Remain a destination of choice for top talent
- Deliver strong financial results for stockholders



Significant Investments in Products, Distribution, and Technology

Goal Is to Grow and Diversify While Seeking Increased Efficiency

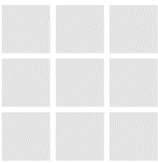
Products	Distribution	Technology
<ul style="list-style-type: none">■ Solutions beyond target date portfolios■ High-performing but not-yet-scaled strategies	<ul style="list-style-type: none">■ Financial advisors■ International intermediaries■ Traditional institutional investors	<ul style="list-style-type: none">■ Client experience and digital transformation■ Operating scale



Some Early Successes From Our Strategic Initiatives

- New Products and Vehicles
 - T. Rowe Price ActivePlus Portfolios
 - Retail Separately Managed Accounts and Model Portfolios
- Acquisition of the Henderson High Yield Opportunities Fund and Team
- Agreement With Schwab to Distribute Our Funds NTF (no transaction fee)
- Client Experience and Digital Transformation Lab
- New York City Technology Development Center
- Significant Influx of Talent Across the Firm

We Are Highly Focused on Continued Execution of Our Integrated Strategic Plan



2016 Revenues and Earnings Reflect Modest Market Returns

2017 Off to a Solid Start, Led by Strong Market Returns

As of December 31, 2016

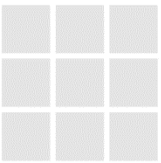
	2015	2016	Change
Net Revenues (M)	\$4,201	\$4,223	1%
Adjusted Earnings per Share*	\$4.39	\$4.49	2%
Regular Dividends per Share	\$2.08	\$2.16	4%

As of March 31, 2017

	1Q16	1Q17	Change
	\$994	\$1,114	12%
	\$1.01	\$1.18	17%
	\$0.54	\$0.57	6%

31 Consecutive Years of Increased Dividends

*See the reconciliation to the comparable U.S. GAAP measures in appendix.



Balance Sheet Remains Strong

A Position of Strength in Good Times and Bad

Balance Sheet Items (At 12/31 unless noted, \$m)	2006	2011	2016*	1Q17*
Cash and Discretionary Investments	\$1,156	\$1,451	\$1,906	\$2,166
Seed Capital Investments	\$172	\$216	\$1,264	\$1,344
Long-Term Debt	\$0	\$0	\$0	\$0
Stockholders' Equity	\$2,427	\$3,421	\$5,009	\$5,000

* This display does not include the noncontrollable interest of our seed investments which we normally consolidate due to our ownership.



We Continued to Return Capital to Stockholders

As of December 31, 2016

	1 Year (millions)	5 Years (millions)
Dividends	\$541	\$3,063*
Share Repurchases	<u>677</u>	<u>2,230</u>
Total	<u>\$1,218</u>	<u>\$5,293</u>
Percent of Earnings	100%	95%

*25.5% were Special Dividends



We Will Continue to Invest in Our Communities



Investing for the Long Term

Established in 1981, the T. Rowe Price Foundation continues to be a meaningful grant-making organization.

- Funding from T. Rowe Price Group since inception—\$125 million.
- Total Foundation grants since inception—\$101 million.
 - More than \$9 million granted in 2016, including \$3.4 million in direct grants and a record \$6.2 million in matching associate donations.



Promoting a Culture of Giving Back

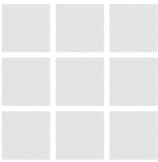
62% of associates volunteered more than 45,000 hours, and donated over \$7.5 million to the community in 2016.



Helping Communities Thrive

Since 2009, >\$7 million of corporate support for communities through sponsorships and memberships.

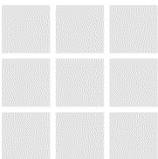
- Exceeded \$4 million in sponsorships of Corporate Social Responsibility programs and associate board service.
- Exceeded \$3 million in corporate memberships of community organizations.



What You Can Expect From Us

We Will Strive to:

- Remain a high-integrity, client-focused firm
- Provide excellent investment performance and client service
- Stay true to our core values
- Maintain a strong financial position
- Consistently reinvest to strengthen and broaden our capabilities
- Deliver attractive long-term value to our stockholders
- Invest in the communities where we work



Important Disclosure

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THANK YOU

Reconciliation Between GAAP and Adjusted (Non-GAAP) EPS

	2015	2016	1Q16	1Q17
Diluted Earnings per Common Share, GAAP Basis	\$4.63	\$4.75	\$1.18	\$1.54
Non-GAAP Adjustments:				
Consolidated Sponsored Investment Portfolios	(0.01)	(0.16)	(0.03)	(0.08)
Non-operating Income, Excluding Impact of Consolidated Sponsored Investment Portfolios	(0.23)	(0.25)	(0.14)	(0.16)
Non-recurring Charge, Net of Insurance Recovery, Related to Dell Appraisal Rights Matter	-	0.15	-	(0.12)
Adjusted diluted earnings per common share	<u>\$4.39</u>	<u>\$4.49</u>	<u>\$1.01</u>	<u>\$1.18</u>