

REFINITIV

DELTA REPORT

10-Q

TROW - PRICE T ROWE GROUP INC

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

| | |
|--------------|------|
| TOTAL DELTAS | 1118 |
| CHANGES | 341 |
| DELETIONS | 423 |
| ADDITIONS | 354 |

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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, 2023** **March 31, 2024**
OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number: 000-32191

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

Maryland
(State of incorporation)

52-2264646
(I.R.S. Employer Identification No.)

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

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

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|-------------------|---|
| Common Stock, \$.20 par value per share | TROW | The NASDAQ Stock Market LLC |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

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

Large accelerated filer ☒ Accelerated filer ☐
Non-accelerated filer ☐ Smaller reporting company ☐
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. ☐

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

The number of shares outstanding of the issuer's common stock (\$.20 par value), as of the latest practicable date,
October 24, 2023, **April 23, 2024**, is **223,470,324**, **223,299,903**.

The exhibit index is at Item 6 on page **43**, **38**.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

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

| | | 9/30/2023 | 12/31/2022 | | |
|--|---|-------------|------------|-----------|------------|
| | | 3/31/2024 | | 3/31/2024 | 12/31/2023 |
| ASSETS | ASSETS | | | | |
| Cash and cash equivalents | Cash and cash equivalents | | | | |
| Cash and cash equivalents | Cash and cash equivalents | \$ 2,578.7 | \$ 1,755.6 | | |
| Accounts receivable and accrued revenue | Accounts receivable and accrued revenue | 752.0 | 748.7 | | |
| Investments | Investments | 2,503.6 | 2,539.2 | | |
| Assets of consolidated sponsored investment products (\$1,105.2 million at September 30, 2023 and \$1,375.6 million at December 31, 2022, related to variable interest entities) | | 1,778.3 | 1,603.4 | | |
| Assets of consolidated sponsored investment products (\$1,229.2 million at March 31, 2024 and \$1,204.4 million at December 31, 2023, related to variable interest entities) | | | | | |
| Operating lease assets | Operating lease assets | 250.5 | 279.4 | | |
| Property, equipment and software, net | Property, equipment and software, net | 799.1 | 755.7 | | |
| Intangible assets, net | Intangible assets, net | 542.4 | 629.8 | | |
| Goodwill | Goodwill | 2,642.8 | 2,642.8 | | |
| Other assets | Other assets | 709.4 | 688.7 | | |
| Total assets | Total assets | \$ 12,556.8 | \$11,643.3 | | |
| LIABILITIES | LIABILITIES | | | | |
| LIABILITIES | LIABILITIES | | | | |
| Accounts payable and accrued expenses | Accounts payable and accrued expenses | \$ 395.2 | \$ 406.7 | | |
| Liabilities of consolidated sponsored investment products (\$35.8 million at September 30, 2023 and \$39.1 million at December 31, 2022, related to variable interest entities) | | 83.8 | 89.1 | | |
| Accounts payable and accrued expenses | | | | | |

| | | | |
|---|--|---------|---------|
| Accounts payable and accrued expenses | | | |
| Liabilities of consolidated sponsored investment products (\$27.7 million at March 31, 2024 and \$35.2 million at December 31, 2023, related to variable interest entities) | | | |
| Operating lease liabilities | Operating lease liabilities | 309.4 | 329.6 |
| Accrued compensation and related costs | Accrued compensation and related costs | 734.8 | 228.0 |
| Supplemental savings plan liability | | | |
| Supplemental savings plan liability | | | |
| Supplemental savings plan liability | Supplemental savings plan liability | 786.6 | 761.2 |
| Contingent consideration liability | Contingent consideration liability | 23.0 | 95.8 |
| Income taxes payable | Income taxes payable | 42.4 | 46.0 |
| Total liabilities | Total liabilities | 2,375.2 | 1,956.4 |
| Commitments and contingent liabilities | Commitments and contingent liabilities | | |
| Commitments and contingent liabilities | | | |
| Redeemable non-controlling interests | | | |
| Redeemable non-controlling interests | | | |
| Redeemable non-controlling interests | Redeemable non-controlling interests | 560.2 | 656.7 |
| STOCKHOLDERS' EQUITY | | | |
| STOCKHOLDERS' EQUITY | | | |
| STOCKHOLDERS' EQUITY | | | |
| Preferred stock, undesignated, \$.20 par value – authorized and unissued 20,000,000 shares | Preferred stock, undesignated, \$.20 par value – authorized and unissued 20,000,000 shares | — | — |
| Common stock, \$.20 par value—authorized 750,000,000; issued 223,540,000 shares at September 30, 2023 and 224,310,000 at December 31, 2022 | | 44.7 | 44.9 |
| Preferred stock, undesignated, \$.20 par value – authorized and unissued 20,000,000 shares | | | |

| | | | |
|---|---|-------------|------------|
| Preferred stock, undesignated, \$.20 par value – authorized and unissued 20,000,000 shares | | | |
| Common stock, \$.20 par value— authorized 750,000,000; issued 223,494,000 shares at March 31, 2024 and 223,938,000 at December 31, 2023 | | | |
| Additional capital in excess of par value | Additional capital in excess of par value | 482.0 | 437.9 |
| Retained earnings | Retained earnings | 8,919.4 | 8,409.7 |
| Accumulated other comprehensive loss | Accumulated other comprehensive loss | (46.2) | (53.0) |
| Total stockholders' equity attributable to T. Rowe Price Group, Inc. | Total stockholders' equity attributable to T. Rowe Price Group, Inc. | 9,399.9 | 8,839.5 |
| Non-controlling interests in consolidated entities | Non-controlling interests in consolidated entities | 221.5 | 190.7 |
| Total stockholders' equity | Total stockholders' equity | 9,621.4 | 9,030.2 |
| Total liabilities, redeemable non- controlling interests, and stockholders' equity | Total liabilities, redeemable non- controlling interests, and stockholders' equity | \$ 12,556.8 | \$11,643.3 |

The accompanying notes are an integral part of these statements.

Page 2

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

| | | Three months ended | | Nine months ended | |
|--------------------------|--------------------------|--------------------|------------|-------------------|------------|
| | | 9/30/2023 | 9/30/2022 | 9/30/2023 | 9/30/2022 |
| Revenues | Revenues | | | | |
| Revenues | | | | | |
| Revenues | | | | | |
| Investment advisory fees | | | | | |
| Investment advisory fees | | | | | |
| Investment advisory fees | Investment advisory fees | \$ 1,463.9 | \$ 1,442.0 | \$ 4,286.5 | \$ 4,600.8 |

| | | | | | |
|---|---|---------|---------|---------|---------|
| Capital allocation-based income | Capital allocation-based income | 66.1 | 1.1 | 121.7 | (80.8) |
| Capital allocation-based income | | | | | |
| Capital allocation-based income | | | | | |
| Administrative, distribution, and servicing fees | Administrative, distribution, and servicing fees | 140.7 | 145.1 | 410.3 | 444.2 |
| Administrative, distribution, and servicing fees | | | | | |
| Administrative, distribution, and servicing fees | | | | | |
| Net revenues | | | | | |
| Net revenues | | | | | |
| Net revenues | Net revenues | 1,670.7 | 1,588.2 | 4,818.5 | 4,964.2 |
| Operating expenses | Operating expenses | | | | |
| Operating expenses | | | | | |
| Operating expenses | | | | | |
| Compensation and related costs | | | | | |
| Compensation and related costs | | | | | |
| Compensation and related costs | Compensation and related costs | 636.4 | 588.1 | 1,938.1 | 1,633.1 |
| Distribution and servicing | Distribution and servicing | 74.9 | 69.9 | 214.2 | 231.5 |
| Distribution and servicing | | | | | |
| Distribution and servicing | | | | | |
| Advertising and promotion | | | | | |
| Advertising and promotion | | | | | |
| Advertising and promotion | Advertising and promotion | 21.1 | 24.3 | 69.8 | 69.1 |
| Product and recordkeeping related costs | Product and recordkeeping related costs | 73.1 | 75.6 | 222.9 | 232.3 |
| Product and recordkeeping related costs | | | | | |
| Product and recordkeeping related costs | | | | | |
| Technology, occupancy, and facility costs | | | | | |
| Technology, occupancy, and facility costs | | | | | |
| Technology, occupancy, and facility costs | Technology, occupancy, and facility costs | 159.7 | 143.6 | 461.0 | 411.8 |
| General, administrative, and other | General, administrative, and other | 85.7 | 114.9 | 293.2 | 310.1 |
| General, administrative, and other | | | | | |
| General, administrative, and other | | | | | |
| Change in fair value of contingent consideration | | | | | |
| Change in fair value of contingent consideration | | | | | |
| Change in fair value of contingent consideration | Change in fair value of contingent consideration | — | (29.9) | (72.8) | (125.7) |
| Acquisition-related amortization and impairment costs | Acquisition-related amortization and impairment costs | 38.5 | 27.1 | 93.1 | 81.4 |

| | | | | | |
|--|--|---------|---------|---------|---------|
| Acquisition-related amortization and impairment costs | | | | | |
| Acquisition-related amortization and impairment costs | | | | | |
| Total operating expenses | | | | | |
| Total operating expenses | | | | | |
| Total operating expenses | Total operating expenses | 1,089.4 | 1,013.6 | 3,219.5 | 2,843.6 |
| Net operating income | Net operating income | 581.3 | 574.6 | 1,599.0 | 2,120.6 |
| Net operating income | | | | | |
| Net operating income | | | | | |
| Non-operating income (loss) | | | | | |
| Non-operating income (loss) | | | | | |
| Non-operating income (loss) | Non-operating income (loss) | | | | |
| Net gains (losses) on investments | Net gains (losses) on investments | 30.7 | (41.5) | 213.7 | (301.3) |
| Net gains (losses) on consolidated investment products | | (24.4) | (41.7) | 45.4 | (247.7) |
| Other losses | | (3.5) | 0.4 | (14.7) | (12.2) |
| Net gains (losses) on investments | | | | | |
| Net gains (losses) on investments | | | | | |
| Net gains (losses) on consolidated sponsored investment products | | | | | |
| Net gains (losses) on consolidated sponsored investment products | | | | | |
| Net gains (losses) on consolidated sponsored investment products | | | | | |
| Other gains (losses), including foreign currency gains (losses) | | | | | |
| Other gains (losses), including foreign currency gains (losses) | | | | | |
| Other gains (losses), including foreign currency gains (losses) | | | | | |
| Total non-operating income (loss) | | | | | |
| Total non-operating income (loss) | | | | | |
| Total non-operating income (loss) | Total non-operating income (loss) | 2.8 | (82.8) | 244.4 | (561.2) |
| Income before income taxes | Income before income taxes | 584.1 | 491.8 | 1,843.4 | 1,559.4 |
| Income before income taxes | | | | | |
| Income before income taxes | | | | | |
| Provision for income taxes | | | | | |
| Provision for income taxes | | | | | |
| Provision for income taxes | Provision for income taxes | 144.9 | 134.0 | 481.3 | 399.4 |
| Net income | Net income | 439.2 | 357.8 | 1,362.1 | 1,160.0 |
| Net income | | | | | |
| Net income | | | | | |
| Less: net income (loss) attributable to redeemable non-controlling interests | Less: net income (loss) attributable to redeemable non-controlling interests | (14.0) | (26.6) | 11.0 | (131.9) |

| | | | | | |
|--|---|----|-------|----|---------|
| Less: net income (loss) attributable to redeemable non-controlling interests | | | | | |
| Less: net income (loss) attributable to redeemable non-controlling interests | | | | | |
| Net income attributable to T. Rowe Price Group | | | | | |
| Net income attributable to T. Rowe Price Group | | | | | |
| Net income attributable to T. Rowe Price Group | Net income attributable to T. Rowe Price Group | \$ | 453.2 | \$ | 384.4 |
| | | | | \$ | 1,351.1 |
| | | | | \$ | 1,291.9 |
| Earnings per share on common stock of T. Rowe Price Group | Earnings per share on common stock of T. Rowe Price Group | | | | |
| Earnings per share on common stock of T. Rowe Price Group | | | | | |
| Earnings per share on common stock of T. Rowe Price Group | | | | | |
| Basic | | | | | |
| Basic | | | | | |
| Basic | Basic | \$ | 1.98 | \$ | 1.67 |
| | | | | \$ | 5.88 |
| | | | | \$ | 5.57 |
| Diluted | Diluted | \$ | 1.97 | \$ | 1.66 |
| | | | | \$ | 5.86 |
| | | | | \$ | 5.54 |
| Diluted | | | | | |
| Diluted | | | | | |

The accompanying notes are an integral part of these statements.

Page 3

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in millions)

| | | Three months ended | | | | Three months ended | |
|---|---|--------------------|-----------|-------------------|------------|--------------------|-----------|
| | | ended | | Nine months ended | | | |
| | | 9/30/2023 | 9/30/2022 | 9/30/2023 | 9/30/2022 | 3/31/2024 | 3/31/2023 |
| Net income | Net income | \$ 439.2 | \$ 357.8 | \$ 1,362.1 | \$ 1,160.0 | | |
| Other comprehensive income (loss) | Other comprehensive income (loss) | | | | | | |
| Currency translation adjustments | Currency translation adjustments | | | | | | |
| Currency translation adjustments | | | | | | | |
| Currency translation adjustments | | | | | | | |
| Consolidated T. Rowe Price investment products - variable interest entities | Consolidated T. Rowe Price investment products - variable interest entities | (10.8) | (31.8) | 7.7 | (73.9) | | |

| | | | | | |
|--|--|----------------|----------------|------------------|------------------|
| Reclassification (gains) losses recognized in non-operating income upon deconsolidation of certain T. Rowe Price investment products | | (0.7) | — | (0.7) | (6.9) |
| Total currency translation adjustments of consolidated T. Rowe Price investment products - variable interest entities | | (11.5) | (31.8) | 7.0 | (80.8) |
| Consolidated T. Rowe Price investment products - variable interest entities | | | | | |
| Consolidated T. Rowe Price investment products - variable interest entities | | | | | |
| Equity method investments | Equity method investments | 8.4 | 0.7 | 8.4 | (1.9) |
| Equity method investments | | | | | |
| Equity method investments | | | | | |
| Other comprehensive income (loss) before income taxes | | | | | |
| Other comprehensive income (loss) before income taxes | | | | | |
| Other comprehensive income (loss) before income taxes | Other comprehensive income (loss) before income taxes | (3.1) | (31.1) | 15.4 | (82.7) |
| Net deferred tax (expense) benefits | Net deferred tax (expense) benefits | 0.8 | 2.9 | (0.9) | 8.1 |
| Total other comprehensive income (loss) | Total other comprehensive income (loss) | (2.3) | (28.2) | 14.5 | (74.6) |
| Total comprehensive income | Total comprehensive income | 436.9 | 329.6 | 1,376.6 | 1,085.4 |
| Total comprehensive income | | | | | |
| Total comprehensive income | | | | | |
| Less: comprehensive income (loss) attributable to redeemable non-controlling interests | Less: comprehensive income (loss) attributable to redeemable non-controlling interests | (17.9) | (45.7) | 18.7 | (176.5) |
| Total comprehensive income attributable to T. Rowe Price Group | Total comprehensive income attributable to T. Rowe Price Group | <u>\$454.8</u> | <u>\$375.3</u> | <u>\$1,357.9</u> | <u>\$1,261.9</u> |

The accompanying notes are an integral part of these statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

| | | Nine months ended | | Three months ended | |
|--|--|-------------------|-----------|--------------------|-----------|
| | | 9/30/2023 | 9/30/2022 | 3/31/2024 | 3/31/2023 |
| Cash flows from operating activities | Cash flows from operating activities | | | | |
| Net income | Net income | \$1,362.1 | \$1,160.0 | | |
| Net income | Net income | | | | |
| Adjustments to reconcile net income to net cash provided by operating activities | Adjustments to reconcile net income to net cash provided by operating activities | | | | |
| Depreciation, amortization and impairment of property, equipment and software | Depreciation, amortization and impairment of property, equipment and software | | | | |
| Depreciation, amortization and impairment of property, equipment and software | Depreciation, amortization and impairment of property, equipment and software | | | | |
| Depreciation, amortization and impairment of property, equipment and software | Depreciation, amortization and impairment of property, equipment and software | 181.6 | 166.0 | | |
| Amortization and impairment of acquisition-related assets and retention arrangements | Amortization and impairment of acquisition-related assets and retention arrangements | 165.6 | 158.4 | | |
| Fair value remeasurement of contingent consideration liability | Fair value remeasurement of contingent consideration liability | (72.8) | (125.7) | | |
| Stock-based compensation expense | Stock-based compensation expense | 169.7 | 185.7 | | |
| Net (gains) losses recognized on investments | Net (gains) losses recognized on investments | (300.4) | 384.5 | | |
| Stock-based compensation expense | Stock-based compensation expense | | | | |
| Stock-based compensation expense | Stock-based compensation expense | | | | |
| Net gains recognized on investments | Net gains recognized on investments | | | | |

| | | | |
|---|---|---------|---------|
| Net redemptions in sponsored investment products used to economically hedge supplemental savings plan liability | Net redemptions in sponsored investment products used to economically hedge supplemental savings plan liability | 101.3 | 33.8 |
| Net change in securities held by consolidated sponsored investment products | Net change in securities held by consolidated sponsored investment products | (779.9) | 291.0 |
| Other changes in assets and liabilities | Other changes in assets and liabilities | 549.3 | 240.9 |
| Net cash provided by operating activities | Net cash provided by operating activities | 1,376.5 | 2,494.6 |
| Cash flows from investing activities | Cash flows from investing activities | | |
| Cash flows from investing activities | | | |
| Cash flows from investing activities | | | |
| Purchases of sponsored investment products | | | |
| Purchases of sponsored investment products | | | |
| Purchases of sponsored investment products | Purchases of sponsored investment products | (35.8) | (47.7) |
| Dispositions of sponsored investment products | Dispositions of sponsored investment products | 370.7 | 160.8 |
| Net cash of sponsored investment products on deconsolidation | Net cash of sponsored investment products on deconsolidation | (35.6) | (8.7) |
| Additions to property, equipment and software | Additions to property, equipment and software | (226.0) | (177.2) |
| Other investing activity | Other investing activity | (35.2) | 3.3 |
| Net cash provided by (used in) investing activities | | 38.1 | (69.5) |
| Net cash used in investing activities | | | |
| Cash flows from financing activities | Cash flows from financing activities | | |
| Cash flows from financing activities | | | |

| | | | |
|--|--|---------|-----------|
| Cash flows from financing activities | | | |
| Repurchases of common stock | | | |
| Repurchases of common stock | | | |
| Repurchases of common stock | Repurchases of common stock | (141.2) | (727.9) |
| Common share issuances under stock-based compensation plans | Common share issuances under stock-based compensation plans | 25.5 | 13.8 |
| Dividends paid to common stockholders of T. Rowe Price | Dividends paid to common stockholders of T. Rowe Price | (842.0) | (832.4) |
| Net distributions to non-controlling interests in consolidated entities | | (3.2) | (8.4) |
| Net subscriptions (redemptions) from redeemable non-controlling interest holders | | 343.7 | (61.8) |
| Net contributions to non-controlling interests in consolidated entities | | | |
| Net subscriptions from redeemable non-controlling interest holders | | | |
| Net cash used in financing activities | Net cash used in financing activities | (617.2) | (1,616.7) |
| Effect of exchange rate changes on cash and cash equivalents of consolidated T. Rowe Price investment products | Effect of exchange rate changes on cash and cash equivalents of consolidated T. Rowe Price investment products | (1.8) | 11.8 |
| Effect of exchange rate changes on cash and cash equivalents of consolidated T. Rowe Price investment products | | | |
| Effect of exchange rate changes on cash and cash equivalents of consolidated T. Rowe Price investment products | | | |
| Net change in cash and cash equivalents during period | Net change in cash and cash equivalents during period | 795.6 | 820.2 |
| Cash and cash equivalents at beginning of period, including \$119.1 million at December 31, 2022, and \$101.1 million at December 31, 2021, held by consolidated sponsored investment products | | 1,874.7 | 1,624.2 |

| | | |
|---|-----------|-----------|
| Cash and cash equivalents at end of period, including \$91.6 million at September 30, 2023, and \$78.1 million at September 30, 2022, held by consolidated sponsored investment products | \$2,670.3 | \$2,444.4 |
| Net change in cash and cash equivalents during period | | |
| Net change in cash and cash equivalents during period | | |
| Cash and cash equivalents at beginning of period, including \$77.2 million at December 31, 2023, and \$119.1 million at December 31, 2022, held by consolidated sponsored investment products | | |
| Cash and cash equivalents at end of period, including \$87.4 million at March 31, 2024, and \$92.1 million at March 31, 2023, held by consolidated sponsored investment products | | |

The accompanying notes are an integral part of these statements.

Page 5

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

| | Three months ended 9/30/2023 | | | | | | | | |
|--|------------------------------|--------------|---|-------------------|---------------------|--|--|----------------------------|--------------------------------------|
| | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ⁽¹⁾ | Total stockholders' equity attributable to T. Rowe Price Group, Inc. | Non-controlling interests in consolidated entities | Total stockholders' equity | Redeemable non-controlling interests |
| Balances at June 30, 2023 | 224,281 | \$ 44.8 | \$ 520.6 | \$8,746.2 | \$(47.8) | \$ 9,263.8 | \$ 202.1 | \$ 9,465.9 | \$ 985.2 |
| Net income | — | — | — | 453.2 | — | 453.2 | 19.9 | 473.1 | (14.0) |
| Other comprehensive income, net of tax | — | — | — | — | 1.6 | 1.6 | — | 1.6 | (3.9) |
| Dividends declared (\$1.22 per share) | — | — | — | (279.9) | — | (279.9) | — | (279.9) | — |
| | Three months ended 3/31/2024 | | | | | | | | |
| | Three months | | | | | | | | |

| | | | | | | | | | | | Total stockholders' equity attributable to T. Rowe Price Group, Inc. | | | | Non-controlling interests in consolidated entities | | Stockholders' equity | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--------------|---|-------------------|--|------|----------------------|--|--|
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ₍₁₎ | Inc. | | | |
| | | | | | | | | | | | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI | | | | |

| | | | | | | | | | | |
|---|--|---------|----------|-----------|----------|------------|----------|------------|----------|------|
| Net shares issued upon vesting of restricted stock units | Net shares issued upon vesting of restricted stock units | 11 | — | (0.3) | — | — | (0.3) | — | (0.3) | — |
| Net shares issued upon vesting of restricted stock units | | | | | | | | | | |
| Net shares issued upon vesting of restricted stock units | | | | | | | | | | |
| Stock-based compensation expense | Stock-based compensation expense | — | — | 62.8 | — | — | 62.8 | — | 62.8 | — |
| Stock-based compensation expense | | | | | | | | | | |
| Stock-based compensation expense | | | | | | | | | | |
| Restricted stock units issued as dividend equivalents | | | | | | | | | | |
| Common shares repurchased | | | | | | | | | | |
| Net contributions to non-controlling interests in consolidated entities | | | | | | | | | | |
| Net subscriptions into T. Rowe Price investment products | | | | | | | | | | |
| Common shares repurchased | (1,941) | (0.3) | (224.2) | — | — | (224.5) | — | (224.5) | — | |
| Net distributions from non-controlling interests in consolidated entities | — | — | — | — | — | — | (1.9) | (1.9) | — | |
| Net subscriptions into T. Rowe Price investment products | — | — | — | — | — | — | — | — | — | 19.2 |
| Net consolidations of T. Rowe Price investment products | — | — | — | — | — | — | — | — | — | 42.7 |
| Balances at September 30, 2022 | 223,920 | \$ 44.8 | \$ 499.3 | \$8,419.9 | \$(56.5) | \$ 8,907.5 | \$ 207.0 | \$ 9,114.5 | \$ 580.8 | |
| Balances at March 31, 2023 | | | | | | | | | | |
| Balances at March 31, 2023 | | | | | | | | | | |
| Balances at March 31, 2023 | | | | | | | | | | |

(1) Accumulated other comprehensive income

The accompanying notes are an integral part of these statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(shares in thousands; dollars in millions)

| | Nine months ended 9/30/2023 | | | | | | | | | | |
|---|-------------------------------|--------------|---|-------------------|---------------------|---|------------------------------------|--|------------|----------------------------|--------------------------------------|
| | | | | | | Total stockholders' equity | | Non-controlling interests in consolidated entities | | Total Stockholders' equity | Redeemable non-controlling interests |
| | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ⁽¹⁾ | attributable to T. Rowe Price Group, Inc. | | | | | |
| | | | | | | Rowe Price | interests in consolidated entities | | | | |
| | | | | | | | | | | | |
| | Balances at December 31, 2022 | 224,310 | \$ 44.9 | \$ 437.9 | \$ 8,409.7 | \$ (53.0) | \$ 8,839.5 | \$ 190.7 | \$ 9,030.2 | \$ 656.7 | |
| Net income | — | — | — | 1,351.1 | — | 1,351.1 | 34.0 | 1,385.1 | 11.0 | | |
| Other comprehensive income, net of tax | — | — | — | — | 6.8 | 6.8 | — | 6.8 | 7.7 | | |
| Dividends declared (\$3.66 per share) | — | — | — | (841.1) | — | (841.1) | — | (841.1) | — | | |
| Shares issued upon option exercises | 486 | 0.1 | 28.4 | — | — | 28.5 | — | 28.5 | — | | |
| Restricted shares issued, net of shares withheld for taxes | 57 | — | — | — | — | — | — | — | — | | |
| Net shares issued upon vesting of restricted stock units | 85 | — | (3.2) | — | — | (3.2) | — | (3.2) | — | | |
| Stock-based compensation expense | — | — | 169.7 | — | — | 169.7 | — | 169.7 | — | | |
| Restricted stock units issued as dividend equivalents | — | — | 0.3 | (0.3) | — | — | — | — | — | | |
| Common shares repurchased | (1,398) | (0.3) | (151.1) | — | — | (151.4) | — | (151.4) | — | | |
| Net distributions to non-controlling interests in consolidated entities | — | — | — | — | — | — | (3.2) | (3.2) | — | | |
| Net subscriptions into T. Rowe Price investment products | — | — | — | — | — | — | — | — | 345.0 | | |
| Net deconsolidations of T. Rowe Price investment products | — | — | — | — | — | — | — | — | (460.2) | | |
| Balances at September 30, 2023 | 223,540 | \$ 44.7 | \$ 482.0 | \$ 8,919.4 | \$ (46.2) | \$ 9,399.9 | \$ 221.5 | \$ 9,621.4 | \$ 560.2 | | |

| | Nine months ended 9/30/2022 | | | | | | | | | | |
|---|-------------------------------|--------------|---|-------------------|---------------------|---|------------------------------------|--|------------|----------------------------|--------------------------------------|
| | | | | | | Total stockholders' equity | | Non-controlling interests in consolidated entities | | Total Stockholders' equity | Redeemable non-controlling interests |
| | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI ⁽¹⁾ | attributable to T. Rowe Price Group, Inc. | | | | | |
| | | | | | | Rowe Price | interests in consolidated entities | | | | |
| | | | | | | | | | | | |
| | Balances at December 31, 2021 | 229,175 | \$ 45.8 | \$ 919.8 | \$ 8,083.6 | \$ (26.5) | \$ 9,022.7 | \$ 248.7 | \$ 9,271.4 | \$ 982.3 | |
| Net income | — | — | — | 1,291.9 | — | 1,291.9 | (33.3) | 1,258.6 | (131.9) | | |
| Other comprehensive income (loss), net of tax | — | — | — | — | (30.0) | (30.0) | — | (30.0) | (44.6) | | |
| Dividends declared (\$3.60 per share) | — | — | — | (832.7) | — | (832.7) | — | (832.7) | — | | |
| Shares issued upon option exercises | 372 | 0.1 | 17.7 | — | — | 17.8 | — | 17.8 | — | | |
| Net shares issued upon vesting of restricted stock units | 72 | — | (3.9) | — | — | (3.9) | — | (3.9) | — | | |
| Stock-based compensation expense | — | — | 185.7 | — | — | 185.7 | — | 185.7 | — | | |
| Restricted stock units issued as dividend equivalents | 9 | — | 0.2 | (0.2) | — | — | — | — | — | | |
| Common shares repurchased | (5,708) | (1.1) | (620.2) | (122.7) | — | (744.0) | — | (744.0) | — | | |
| Net distributions to non-controlling interests in consolidated entities | — | — | — | — | — | — | (8.4) | (8.4) | — | | |
| Net redemptions from T. Rowe Price investment products | — | — | — | — | — | — | — | — | (49.6) | | |
| Net deconsolidations of T. Rowe Price investment products | — | — | — | — | — | — | — | — | (175.4) | | |
| Balances at September 30, 2022 | 223,920 | \$ 44.8 | \$ 499.3 | \$ 8,419.9 | \$ (56.5) | \$ 8,907.5 | \$ 207.0 | \$ 9,114.5 | \$ 580.8 | | |

⁽¹⁾Accumulated other comprehensive income.

The accompanying notes are an integral part of these statements.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
NOTE 1 – THE COMPANY AND BASIS OF PREPARATION.

T. Rowe Price Group, Inc. ("T. Rowe Price", "us", or "we") derives its consolidated revenues and net income primarily from investment advisory services that its subsidiaries provide to individual and institutional investors that invest in the T. Rowe Price U.S. mutual funds ("U.S. mutual funds"), subadvised funds, separately managed accounts, collective a broad range of investment trusts, solutions across equity, fixed income, multi-asset, and other sponsored products. The other sponsored products include: open-ended investment products offered to investors outside the U.S., products offered through variable annuity life insurance plans in the U.S., affiliated private investment funds, and collateralized loan obligations, alternative capabilities. We also provide certain investment advisory clients with related administrative services, including distribution, mutual fund transfer agent, accounting, and shareholder services; participant recordkeeping and transfer agent services for defined contribution retirement plans; brokerage; trust services; and non-discretionary advisory services through model delivery. Additionally, we derive revenue from our interests

The investment solutions are provided in general partners a number of certain vehicles, including the T. Rowe Price U.S. mutual funds ("U.S. mutual funds"), subadvised funds, separately managed accounts, collective investment trusts, and other T. Rowe Price products. The other T. Rowe Price products include: open-ended investment products offered to investors outside the U.S., products offered through variable annuity life insurance plans in the U.S., affiliated private investment funds that are entitled to a disproportionate allocation of income through capital allocation-based arrangements also known as carried interest, and collateralized loan obligations.

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.

BASIS OF PRESENTATION.

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

The unaudited interim financial information contained in these condensed consolidated financial statements should be read in conjunction with the consolidated financial statements contained in our 2022 2023 Annual Report.

NEWLY ISSUED BUT NOT YET ADOPTED ACCOUNTING GUIDANCE.

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-07 - *Segment Reporting (Topic 280) - Improvements to Reportable Segment Disclosures*. As required by the guidance, we will adopt the annual disclosures of significant segment expenses that are regularly provided to the chief operating decision maker in our 2024 year-end reporting. Interim segment reporting will become effective under the amendment on January 1, 2025.

In December 2023, the FASB issued Accounting Standards Update No. 2023-09 - *Income Taxes (Topic 740) - Improvements to Income Tax Disclosures*, which requires public entities, on an annual basis, to provide disclosure of specific categories in the rate reconciliation, as well as disclosure of income taxes paid disaggregated by jurisdiction. This amendment is effective for the firm on January 1, 2025. We are currently evaluating the impact of adopting this standard and have not yet determined our transition approach.

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

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

Our revenues are derived primarily from investment advisory services provided to individual and institutional investors through the use of U.S. mutual funds, subadvised funds, separately managed accounts, collective investment trusts, and other sponsored products. The other sponsored products include: open-ended investment products offered to investors outside the U.S., products offered through variable annuity life insurance plans in the U.S., affiliated private investment funds, and collateralized loan obligations.

We also provide certain investment advisory clients with related administrative services, including distribution, mutual fund transfer agent, accounting, and shareholder services; participant recordkeeping and transfer agent services for defined contribution retirement plans; brokerage; trust services; and non-discretionary advisory services through model delivery.

Additionally, we derive revenue from our interests in general partners of certain affiliated private investment funds that are entitled to a disproportionate allocation of income through capital allocation-based arrangements also known as carried interest.

We manage a broad mix of equity, fixed income, multi-asset, and alternative classes and solutions 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 our management. Accordingly, fluctuations in financial markets and in the composition of assets under management affect our revenues.

Net revenues earned for in the three- first quarter of 2024 and nine-month periods ended September 30, 2023 and 2022, 2023, are included in the table below along with details of investment advisory revenues earned from clients by their underlying asset class. We also included average assets under management by asset class, on which we earn the investment advisory revenues.

| (in millions) | Three months ended | | Nine months ended | |
|--|--------------------|------------|-------------------|------------|
| | 9/30/2023 | 9/30/2022 | 9/30/2023 | 9/30/2022 |
| Investment advisory fees | | | | |
| Equity | \$ 885.0 | \$ 897.0 | \$ 2,581.2 | \$ 2,924.0 |
| Fixed income, including money market | 100.9 | 107.6 | 303.3 | 324.1 |
| Multi-asset | 405.5 | 367.2 | 1,182.8 | 1,149.3 |
| Alternatives | 72.5 | 70.2 | 219.2 | 203.4 |
| Total investment advisory fees | \$ 1,463.9 | \$ 1,442.0 | \$ 4,286.5 | \$ 4,600.8 |
| Capital allocation-based income | 66.1 | \$ 1.1 | 949.6 | 121.7 |
| Total administrative, distribution, and servicing fees | 140.7 | 145.1 | 100.6 | 410.3 |
| Net revenues | \$ 1,670.7 | \$ 1,588.2 | \$ 4,295.7 | \$ 4,986.8 |
| Alternatives | | | 74.1 | 69.5 |
| Average AUM (in billions): | | | \$ 1,554.0 | \$ 1,391.8 |
| Total investment advisory fees | | | \$ 725.0 | \$ 724.9 |
| Equity | \$ 725.0 | \$ 724.9 | \$ 47.1 | \$ 705.3 |
| Capital allocation-based income | | | 169.6 | 175.1 |
| Fixed income, including money market | 169.0 | 173.0 | 149.1 | 128.9 |
| Total administrative, distribution, and servicing fees | | | 406.7 | 438.5 |
| Multi-asset | 453.8 | 406.7 | 1,750.2 | 1,537.6 |
| Net revenues | | | 42.9 | 44.8 |
| Alternatives | 45.8 | 42.9 | 44.8 | 42.4 |
| Average AUM (in billions): | \$ 1,393.6 | \$ 1,347.5 | \$ 1,358.2 | \$ 1,437.1 |
| Equity | | | \$ 770.4 | \$ 687.0 |
| Fixed income, including money market | | | 169.5 | 169.6 |
| Multi-asset | | | 497.0 | 422.2 |
| Alternatives | | | 47.5 | 44.1 |
| Average AUM | | | \$ 1,484.4 | \$ 1,322.9 |

Page 7

Total net revenues earned from our sponsored products, primarily our sponsored U.S. mutual funds and collective investment trusts, aggregate **\$1,387.5 million** **\$1,443.6 million** and **\$1,311.2 million** **\$1,268.0 million** for the three months ended **September 30, 2023** **March 31, 2024** and **2022**, respectively. For the nine months ended **September 30, 2023** and **2022**, total net revenues earned from our sponsored products aggregate **\$3,979.9 million** and **\$4,069.7 million**, **2023**, respectively. Accounts receivable from our sponsored products aggregate to **\$488.2 million** **\$582.2 million** at **September 30, 2023** **March 31, 2024** and **\$492.4 million** **\$533.9 million** at **December 31, 2022** **December 31, 2023**.

Investors that we serve are primarily domiciled in the U.S.; investment advisory clients outside the U.S. account for **9.2%**, **8.9%**, **8.5%** and **9.1%** **8.6%** of our assets under management at **September 30, 2023**, **June 30, 2023**, **March 31, 2024** and **December 31, 2022** **December 31, 2023**, respectively.

Page 8

NOTE 3 – INVESTMENTS.

The carrying values of our investments that are not part of the consolidated sponsored investment products are as follows:

| (in millions) | (in millions) | 9/30/2023 | 12/31/2022 | (in millions) | 3/31/2024 | 12/31/2023 |
|-----------------------------------|-----------------------------------|-----------|------------|---------------|-----------|------------|
| Investments held at fair value | Investments held at fair value | | | | | |
| Investments held at fair value | | | | | | |
| Investments held at fair value | | | | | | |
| T. Rowe Price investment products | T. Rowe Price investment products | | | | | |
| T. Rowe Price investment products | | | | | | |
| Discretionary investments | | | | | | |
| Discretionary investments | | | | | | |

| | | | |
|---|---|----------|----------|
| Discretionary investments | Discretionary investments | \$ 259.3 | \$ 242.0 |
| Seed capital | Seed capital | 240.2 | 195.1 |
| Supplemental savings plan liability | Supplemental savings plan liability | | |
| economic hedges | economic hedges | 698.4 | 760.7 |
| Investment partnerships and other investments | Investment partnerships and other investments | 75.5 | 87.1 |
| Investments in affiliated collateralized loan obligations | Investments in affiliated collateralized loan obligations | 7.6 | 6.4 |
| Equity method investments | Equity method investments | | |
| T. Rowe Price investment products | T. Rowe Price investment products | | |

T. Rowe Price investment products

T. Rowe Price investment products

Discretionary investments

Discretionary investments

| | | | |
|---|---|-------|-------|
| Discretionary investments | Discretionary investments | 3.7 | 199.6 |
| Seed capital | Seed capital | 82.5 | 125.7 |
| Supplemental savings plan liability | Supplemental savings plan liability | | |
| economic hedges | economic hedges | 19.2 | — |
| 23% Investment in UTI Asset Management Company Limited (India) | 23% Investment in UTI Asset Management Company Limited (India) | 170.0 | 158.8 |
| Investments in affiliated private investment funds - carried interest | Investments in affiliated private investment funds - carried interest | 578.2 | 467.8 |
| Investments in affiliated private investment funds - seed/co-investment | Investments in affiliated private investment funds - seed/co-investment | 246.8 | 173.8 |
| Other investment partnerships and investments | Other investment partnerships and investments | 1.3 | 2.4 |

Other investment partnerships and investments

Other investment partnerships and investments

| | | | |
|------------------|------------------|--|--|
| Held to maturity | Held to maturity | | |
|------------------|------------------|--|--|

| | | | |
|---|---|-----------|-----------|
| Investments in affiliated collateralized loan obligations | | | |
| Investments in affiliated collateralized loan obligations | | | |
| Investments in affiliated collateralized loan obligations | Investments in affiliated collateralized loan obligations | 102.5 | 109.6 |
| Certificates of deposit | Certificates of deposit | 17.4 | 9.2 |
| U.S. Treasury note | U.S. Treasury note | 1.0 | 1.0 |
| Total | Total | \$2,503.6 | \$2,539.2 |

The investment partnerships are carried held at fair value are valued using net asset value ("NAV") per share as a practical expedient. Our interests in these partnerships are generally not redeemable and are subject to significant transferability restrictions. The underlying investments of these partnerships have contractual terms through 2029, though we may receive distributions of liquidating assets over a longer term. The investment strategies of these partnerships include growth equity, buyout, venture capital, and real estate.

During the three- and nine-months three months ended September 30, 2023 March 31, 2024, net gains on investments included \$46.1 million \$64.5 million of net unrealized losses and \$28.9 million of net unrealized gains respectively, related to investments held at fair value that were still held at September 30, 2023 March 31, 2024. For the same periods period of 2022, 2023, net losses gains on investments included \$35.3 million and \$258.7 \$46.7 million of net unrealized losses gains related to investments held at fair value that were still held at September 30, 2022 March 31, 2023.

During the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, certain sponsored investment products in which we provided initial seed capital at the time of formation were deconsolidated, as we no longer had a controlling interest. Depending on our ownership interest, we are now reporting report our residual interests in these sponsored investment products as either an equity method investment or an investment held at fair value. Additionally, during the nine months ended September 30, 2023 and 2022, certain sponsored investment products were consolidated, as we regained a controlling interest. The net impact of these changes on our unaudited condensed consolidated balance sheets and statements of income as of the dates the portfolios products were deconsolidated or reconsolidated is detailed below.

| (in millions) | Three months ended | |
|--|--------------------|-----------|
| | 3/31/2024 | 3/31/2023 |
| Net increase (decrease) in assets of consolidated sponsored investment products | \$ (35.4) | \$ (2.4) |
| Net increase (decrease) in liabilities of consolidated sponsored investment products | \$ — | \$ (0.1) |
| Net increase (decrease) in redeemable non-controlling interests | \$ (28.1) | \$ — |

| (in millions) | Three months ended | | Nine months ended | |
|--|--------------------|-----------|-------------------|------------|
| | 9/30/2023 | 9/30/2022 | 9/30/2023 | 9/30/2022 |
| Net increase (decrease) in assets of consolidated sponsored investment products | \$ (568.7) | \$ 24.2 | \$ (650.1) | \$ (289.6) |
| Net increase (decrease) in liabilities of consolidated sponsored investment products | \$ (10.4) | \$ — | \$ (43.5) | \$ (15.0) |
| Net increase (decrease) in redeemable non-controlling interests | \$ (466.1) | \$ 42.9 | \$ (460.2) | \$ (175.2) |
| Gains recognized upon deconsolidation | \$ 0.7 | \$ — | \$ 0.7 | \$ 6.9 |

The gains recognized upon deconsolidation were the result of reclassifying currency translation adjustments accumulated on certain sponsored investment products with non-USD functional currencies from accumulated other comprehensive income (loss) to non-operating income (loss).

INVESTMENTS IN AFFILIATED COLLATERALIZED LOAN OBLIGATIONS.

There is debt associated with our long-term investments in affiliated collateralized loan obligations ("CLOs"). This debt is carried at \$96.1 million \$84.3 million at September 30, 2023 March 31, 2024 and \$103.0 million \$89.4 million at December 31, 2022 December 31, 2023, and is reported in accounts payable and accrued expenses in our unaudited condensed consolidated balance sheets. The debt includes outstanding repurchase agreements of \$65.7 \$64.2 million (equivalent to \$69.5 million \$69.3 million at September 30, 2023 March 31, 2024 and \$71.3 million \$72.3 million at December 31, 2022 December 31, 2023 at the respective EUR spot rates) that are collateralized by the CLO investments. The debt also includes outstanding note facilities of \$25.2 \$13.9 million (equivalent to \$26.6 million \$15.0 million at September 30, 2023 March 31, 2024 and \$31.7 million \$17.1

million at December 31, 2022 December 31, 2023, at the respective EUR spot rates) that are collateralized by first priority security interests in the assets of a consolidated subsidiary that is party to the notes. These note facilities bear interest at rates based on EURIBOR plus the initial margin, which equals all-in rates ranging from 1.15% to 12.52% 12.84% as of September 30, 2023 March 31, 2024. The debt matures on various dates through 2035 or if the investments are paid back in full or cancelled, whichever is sooner.

VARIABLE INTEREST ENTITIES.

Our investments at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 include interests in variable interest entities that we do not consolidate as we are not deemed the primary beneficiary. Our maximum risk of loss related to our involvement with these entities is as follows:

| (in millions) | (in millions) | 9/30/2023 | 12/31/2022 | (in millions) | 3/31/2024 | 12/31/2023 |
|------------------------------|------------------------------|------------------|-----------------|---------------|-----------|------------|
| Investment carrying values | Investment carrying values | \$ 989.6 | \$ 762.2 | | | |
| Unfunded capital commitments | Unfunded capital commitments | 123.9 | 84.7 | | | |
| Accounts receivable | Accounts receivable | 97.4 | 91.5 | | | |
| | | <u>\$1,210.9</u> | <u>\$ 938.4</u> | | | |
| | \$ | | | | | |

The unfunded capital commitments, totaling \$123.9 million \$92.0 million at September 30, 2023 March 31, 2024 and \$84.7 million \$94.1 million at December 31, 2022 December 31, 2023, relate primarily to the affiliated private investment funds and the investment partnerships in which we have an existing investment. In addition to such amounts, a percentage of prior distributions may be called under certain circumstances.

INVESTMENTS IN AFFILIATED FUNDS, FUNDS - CARRIED INTEREST.

Certain of the investments in affiliated funds represent interests in general partners of affiliated private investment funds and that are entitled to a disproportionate allocation of income or carried interest. These The entities holding such interests are considered variable interest entities and are consolidated as T. Rowe Price was determined to be the primary beneficiary.

The total assets, liabilities and non-controlling interests of these consolidated variable interest entities are as follows:

Page 11

| (in millions) | (in millions) | 9/30/2023 | 12/31/2022 | (in millions) | 3/31/2024 | 12/31/2023 |
|--------------------------|--------------------------|-----------|------------|---------------|-----------|------------|
| Assets | Assets | \$ 621.7 | \$ 526.2 | | | |
| Liabilities | Liabilities | \$ 0.2 | \$ 15.8 | | | |
| Non-controlling interest | Non-controlling interest | \$ 221.5 | \$ 190.7 | | | |

NOTE 4 – FAIR VALUE MEASUREMENTS.

We determine the fair value of our cash equivalents and investments held at fair value using the following broad levels of inputs as defined by related accounting standards:

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

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

Page 10

Level 3 – unobservable inputs reflecting our own assumptions based on the best information available. The inputs into the determination of fair value require significant management judgment or estimation. Investments in this category generally include investments for which there is not an actively-traded market.

These levels are not necessarily an indication of the risk or liquidity associated with our investments. The following table summarizes our investments and liabilities that are recognized in our unaudited condensed consolidated balance sheets using fair value measurements determined based on the differing levels of inputs. This table excludes investments held by the consolidated sponsored investment products which are presented separately on our unaudited condensed consolidated balance sheets and are detailed in Note 5.

| | | 9/30/2023 | | | 12/31/2022 | | | | | 3/31/2024 | | | 12/31/2023 | | |
|---|---|-----------|---------|---------|------------|---------|---------|---------------|--|-----------|---------|---------|------------|---------|---------|
| (in millions) | (in millions) | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 | (in millions) | | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| T. Rowe Price investment products | T. Rowe Price investment products | | | | | | | | | | | | | | |
| Cash equivalents held in money market funds | Cash equivalents held in money market funds | | | | | | | | | | | | | | |
| Cash equivalents held in money market funds | Cash equivalents held in money market funds | | | | | | | | | | | | | | |
| Cash equivalents held in money market funds | Cash equivalents held in money market funds | \$2,080.7 | \$ — | \$ — | \$1,412.0 | \$ — | \$ — | | | | | | | | |
| Discretionary investments | Discretionary investments | 259.3 | — | — | 242.0 | — | — | | | | | | | | |
| Seed capital | Seed capital | 194.5 | 45.7 | — | 161.0 | 34.1 | — | | | | | | | | |
| Supplemental savings plan liability economic hedges | Supplemental savings plan liability economic hedges | 698.4 | — | — | 760.7 | — | — | | | | | | | | |
| Other investments | Other investments | 0.6 | — | — | 0.6 | 0.1 | — | | | | | | | | |
| Investments in affiliated collateralized loan obligations | Investments in affiliated collateralized loan obligations | — | 7.6 | — | — | 6.4 | — | | | | | | | | |
| Total | Total | \$3,233.5 | \$53.3 | \$ — | \$2,576.3 | \$40.6 | \$ — | | | | | | | | |
| Contingent consideration liability | Contingent consideration liability | \$ — | \$ — | \$23.0 | \$ — | \$ — | \$95.8 | | | | | | | | |
| Contingent consideration liability | Contingent consideration liability | | | | | | | | | | | | | | |
| Contingent consideration liability | Contingent consideration liability | | | | | | | | | | | | | | |

The fair value hierarchy level table above does not include the investment partnerships and other investments for which fair value is estimated using their NAV per share as a practical expedient. The carrying value of these investments as disclosed in Note 3 were \$74.9 million \$67.1 million at September 30, 2023 March 31, 2024, and \$86.4 million \$69.0 million at December 31, 2022 December 31, 2023.

Contingent Consideration

As part of the purchase consideration for our acquisition of OHA in December 2021, there was contingent consideration in the amount of up to \$900 million, payable in cash, that may be due as part of an earnout payment starting in 2025 and ending in 2027 upon satisfying or exceeding certain defined revenue targets. These defined revenue targets will be evaluated on a cumulative basis beginning at the end of 2024, with the ability to extend two additional years if the defined revenue targets are not achieved. About 22% of the earnout is conditioned upon continued service with T. Rowe Price and was excluded from the purchase consideration and deemed compensatory. The fair value of the earnout deemed compensatory is remeasured each reporting period and recognized over the related service period. The amount recorded as compensation expense for the three- and nine-months three months ended September 30, 2023 March 31, 2024 was immaterial.

| | | Contingent Consideration Liability | | | |
|--|--|------------------------------------|-----------|--------------------|-----------|
| | | Three months ended | | Nine months ended | |
| | | Three months ended | | Three months ended | |
| | | Three months ended | | Three months ended | |
| (in millions) | | | | | |
| (in millions) | | | | | |
| (in millions) | (in millions) | 9/30/2023 | 9/30/2022 | 9/30/2023 | 9/30/2022 |
| Balance at beginning of period | Balance at beginning of period | \$ 23.0 | \$ 161.2 | \$ 95.8 | \$ 306.3 |
| Measurement period adjustment | | — | — | — | (49.3) |
| Balance at beginning of period | | | | | |
| Balance at beginning of period | | | | | |
| Unrealized gains, included in earnings | | | | | |
| Unrealized gains, included in earnings | | | | | |
| Unrealized gains, included in earnings | Unrealized gains, included in earnings | — | (29.9) | (72.8) | (125.7) |
| Balance at end of period | Balance at end of period | \$ 23.0 | \$ 131.3 | \$ 23.0 | \$ 131.3 |
| Balance at end of period | | | | | |
| Balance at end of period | | | | | |

In addition, simultaneously with the OHA acquisition, a Value Creation Agreement was entered into whereby certain employees of OHA will receive incentive payments in the aggregate equal to 10% of the appreciated value of the

The sponsored investment products that we consolidate in our unaudited condensed consolidated financial statements are generally those products we provided initial seed capital at the time of their formation and have a controlling interest. Our U.S. mutual funds and certain other sponsored products are considered voting interest entities, while those regulated outside the U.S. are considered variable interest entities.

[illegible]

| | | | | | | | |
|--|--|---------|---------|---------|--------|---------|---------|
| Cash and cash equivalents at beginning of year | Cash and cash equivalents at beginning of year | 16.2 | 102.9 | 119.1 | 7.3 | 93.8 | 101.1 |
| Cash and cash equivalents at end of period | Cash and cash equivalents at end of period | \$ 27.4 | \$ 64.2 | \$ 91.6 | \$ 0.2 | \$ 77.9 | \$ 78.1 |

The For the three months ended March 31, 2024, the net cash provided by or used in financing activities during includes \$19.4 million of net redemptions we made from the nine consolidated sponsored investment products and dividends received. For the three months ended September 30, 2023 and 2022 includes \$397.7 million and \$22.3 million March 31, 2023, respectively, the net cash provided by or used in financing activities included \$4.4 million of net subscriptions we made into the consolidated sponsored investment products, net of dividends received. These cash flows were eliminated in consolidation.

FAIR VALUE MEASUREMENTS.

We determine the fair value of investments held by consolidated sponsored investment products using the following broad levels of inputs as defined by related accounting standards:

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

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

Level 3 – unobservable inputs reflecting our own assumptions based on the best information available. The inputs into the determination of fair value require significant management judgment or estimation. Investments in this category generally include investments for which there is not an actively-traded market.

These levels are not necessarily an indication of the risk or liquidity associated with these investment holdings. The following table summarizes the investment holdings held by our consolidated sponsored investment products using fair value measurements determined based on the differing levels of inputs.

| | | 9/30/2023 | 12/31/2022 | | | | |
|-------------------------|-------------------------|-----------|------------|---------|---------|------------|-----------|
| | | 3/31/2024 | | | | | |
| | | 3/31/2024 | | | | | |
| | | 3/31/2024 | | | | 12/31/2023 | |
| (in millions) | (in millions) | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| Assets | Assets | | | | | | |
| Assets | | | | | | | |
| Assets | | | | | | | |
| Cash equivalents | | | | | | | |
| Cash equivalents | | | | | | | |
| Cash equivalents | Cash equivalents | \$ 15.7 | \$ 11.7 | \$ — | \$ 4.4 | \$ 20.6 | \$ — |
| Equity securities | Equity securities | 232.9 | 197.6 | — | 136.7 | 167.8 | — |
| Equity securities | | | | | | | |
| Equity securities | | | | | | | |
| Fixed income securities | | | | | | | |
| Fixed income securities | | | | | | | |
| Fixed income securities | Fixed income securities | — | 1,183.5 | — | — | 1,051.1 | — |
| Other investments | Other investments | 3.7 | 19.8 | — | 3.3 | 30.1 | 71.8 |
| | | \$252.3 | \$1,412.6 | \$— | \$— | \$144.4 | \$1,269.6 |
| | | | | | | | \$71.8 |
| Other investments | | | | | | | |
| Other investments | | | | | | | |
| | | — | | | | | |
| | | \$ | | | | | |
| | | — | | | | | |
| | | \$ | | | | | |
| | | — | | | | | |
| | | \$ | | | | | |

| | | | | | | | |
|-------------|-------------|----------|-----------|-----|----------|-----------|------|
| Liabilities | Liabilities | \$ (1.5) | \$ (19.2) | \$— | \$ (0.9) | \$ (19.1) | \$ — |
| Liabilities | | | | | | | |
| Liabilities | | | | | | | |

During the three months ended September 30, 2023, certain sponsored investment products in which we provided initial seed capital at the time of formation were deconsolidated, as we no longer had a controlling interest. The residual interest is now reported as an equity method investment, and as such, the underlying investment holdings in these products previously classified as level 3 were removed from the fair value measurements table at September 30, 2023 above.

Page 15 14

NOTE 6 - GOODWILL AND INTANGIBLE ASSETS.

Goodwill and intangible assets consist of the following:

| (in millions) | (in millions) | 9/30/2023 | 12/31/2022 | (in millions) | 3/31/2024 | 12/31/2023 |
|---|---|-----------|------------|---------------|-----------|------------|
| Goodwill | Goodwill | \$2,642.8 | \$2,642.8 | | | |
| Indefinite-lived intangible assets - trade name | Indefinite-lived intangible assets - trade name | 117.1 | 117.1 | | | |
| Indefinite-lived intangible assets - investment advisory agreements | Indefinite-lived intangible assets - investment advisory agreements | 65.6 | 65.6 | | | |
| Definite-lived intangible assets - investment advisory agreements | Definite-lived intangible assets - investment advisory agreements | 359.7 | 447.1 | | | |
| Total | Total | \$3,185.2 | \$3,272.6 | | | |

Amortization and impairment expense for the definite-lived investment advisory agreements intangible assets was \$35.0 \$25.5 million and \$87.4 \$26.0 million for the three- three months ended March 31, 2024 and nine-months ended September 30, 2023, respectively. For the three- and nine-months ended September 30, 2022, amortization expense for the definite-lived investment advisory agreements intangible assets was \$27.1 million and \$81.4 millions, 2023, respectively. Estimated amortization expense for the definite-lived investment advisory agreements intangible assets for the remainder of 2023 five succeeding years is \$26.8 million, \$89.2 million for 2024, \$87.8 million for 2025, \$70.8 million for 2026, and \$48.7 million for 2027. a follows:

| | |
|----------------|---------|
| (in millions) | |
| Remaining 2024 | \$ 64.5 |
| 2025 | 84.7 |
| 2026 | 67.6 |
| 2027 | 46.0 |
| 2028 | 14.3 |

We evaluate the carrying amount of goodwill in our unaudited condensed consolidated balance sheets for possible impairment on an annual basis in the fourth quarter of each year or if triggering events occur that require us to evaluate for impairment earlier. We did not record any impairment charges for goodwill in either No triggering events arose during the three or nine months ended September 30, 2023 March 31, 2024.

NOTE 7 – STOCK-BASED COMPENSATION.

STOCK OPTIONS.

The following table summarizes the status of, and changes in, our stock options during the nine months ended September 30, 2023 March 31, 2024.

| | Options | Weighted-average exercise price |
|-----------------------------------|-----------|---------------------------------|
| Outstanding at December 31, 2022 | 2,218,506 | \$ 74.31 |
| Exercised | (621,808) | \$ 71.26 |
| Outstanding at September 30, 2023 | 1,596,698 | \$ 75.50 |
| Exercisable at September 30, 2023 | 1,596,698 | \$ 75.50 |

| | Options | Weighted-average exercise price |
|----------------------------------|-----------|---------------------------------|
| Outstanding at December 31, 2023 | 1,476,104 | \$ 75.39 |
| Exercised | (348,728) | \$ 76.47 |
| Expired | (1,768) | \$ 76.75 |
| Outstanding at March 31, 2024 | 1,125,608 | \$ 75.06 |
| Exercisable at March 31, 2024 | 1,125,608 | \$ 75.06 |

Page 15

RESTRICTED SHARES AND STOCK UNITS.

The following table summarizes the status of, and changes in, our nonvested restricted shares and restricted stock units during the nine months ended September 30, 2023 March 31, 2024.

| | Restricted shares | Restricted stock units | Weighted-average fair value |
|--|-------------------|------------------------|-----------------------------|
| Nonvested at December 31, 2022 | 8,715 | 5,901,600 | \$142.37 |
| Nonvested at December 31, 2023 | | | |
| Time-based grants | 56,740 | 42,316 | \$110.07 |
| Dividend equivalents granted to non-employee directors | — | 2,996 | \$108.48 |
| Dividend equivalents granted to non-employee directors | | | |

| | | | | |
|--|-----------|---------------|------------------|-----------------|
| Dividend equivalents granted to non-employee directors | | | | |
| Vested | Vested | (8,715) | (99,933) | \$110.78 |
| Forfeited | Forfeited | — | (121,871) | \$140.97 |
| Nonvested at September 30, 2023 | | <u>56,740</u> | <u>5,725,108</u> | <u>\$142.43</u> |
| Nonvested at March 31, 2024 | | | | |

Nonvested at September 30, 2023 March 31, 2024, includes performance-based restricted stock units of 320,326 334,548. These nonvested performance-based restricted stock units include 105,106 108,775 units for which the performance period has lapsed, and the performance threshold has been met.

FUTURE STOCK-BASED COMPENSATION EXPENSE.

The following table presents the compensation expense to be recognized over the remaining vesting periods of the stock-based awards outstanding at September 30, 2023 March 31, 2024. Estimated future compensation expense will change to reflect future grants of restricted stock awards and units, future option grants, changes in the probability of performance thresholds being met, and adjustments for actual forfeitures.

| | |
|---------------------|-----------------|
| (in millions) | |
| Fourth quarter 2023 | \$ 51.0 |
| 2024 | 122.5 |
| 2025 through 2029 | 97.1 |
| Total | <u>\$ 270.6</u> |

| | |
|---------------------|-----------------|
| (in millions) | |
| Second quarter 2024 | \$ 58.2 |
| Third quarter 2024 | 57.2 |
| Fourth quarter 2024 | 50.2 |
| 2025 | 118.8 |
| 2026 through 2029 | 88.4 |
| Total | <u>\$ 372.8</u> |

NOTE 8 – EARNINGS PER SHARE CALCULATIONS.

The following table presents the reconciliation of net income attributable to T. Rowe Price to net income allocated to our common stockholders and the weighted-average shares that are used in calculating the basic and diluted earnings per share on our common stock. Weighted-average common shares outstanding assuming dilution reflects the potential dilution, determined using the treasury stock method, that could occur if outstanding stock options were exercised and non-participating stock awards vested. No outstanding stock options had an anti-dilutive impact on the diluted earnings per common share calculation in the periods presented.

| | Three months ended | | | | Nine months ended | |
|--|--|-----------|-----------|------------|-------------------|--|
| (in millions) | (in millions) | 9/30/2023 | 9/30/2022 | 9/30/2023 | 9/30/2022 | |
| (in millions) | | | | | | |
| (in millions) | | | | | | |
| Net income attributable to T. Rowe Price | | | | | | |
| Net income attributable to T. Rowe Price | | | | | | |
| Net income attributable to T. Rowe Price | Net income attributable to T. Rowe Price | \$ 453.2 | \$ 384.4 | \$ 1,351.1 | \$ 1,291.9 | |

| | | | | | |
|---|---|----------|----------|------------|------------|
| Less: net income allocated to outstanding restricted stock and stock unit holders | Less: net income allocated to outstanding restricted stock and stock unit holders | 10.6 | 9.2 | 32.7 | 29.6 |
| Less: net income allocated to outstanding restricted stock and stock unit holders | | | | | |
| Less: net income allocated to outstanding restricted stock and stock unit holders | | | | | |
| Net income allocated to common stockholders | | | | | |
| Net income allocated to common stockholders | | | | | |
| Net income allocated to common stockholders | Net income allocated to common stockholders | \$ 442.6 | \$ 375.2 | \$ 1,318.4 | \$ 1,262.3 |
| Weighted-average common shares | Weighted-average common shares | | | | |
| Weighted-average common shares | | | | | |
| Outstanding | | | | | |
| Outstanding | | | | | |
| Outstanding | Outstanding | 224.1 | 225.3 | 224.3 | 226.7 |
| Outstanding assuming dilution | Outstanding assuming dilution | 224.8 | 226.3 | 225.1 | 228.0 |
| Outstanding assuming dilution | | | | | |
| Outstanding assuming dilution | | | | | |

NOTE 9 – OTHER COMPREHENSIVE INCOME AND ACCUMULATED OTHER COMPREHENSIVE LOSS.

The changes in currency translation adjustments included in accumulated other comprehensive loss for the three months ended September 30, 2023, March 31, 2024 and 2022 2023 are presented in the table below.

| Three months ended 3/31/2024 | | | | | | | | | | | Three months ended 3/31/2023 | | |
|---------------------------------|---------------------------------|--|----------------------------|--|--|------------------------------|--|---------------------------|--|--|--|----------------------------|--|
| | Three months ended 9/30/2023 | | | | | Three months ended 9/30/2022 | | | | | | | |
| (in millions) | | | | | | | | | | | | | |
| (in millions) | | | | | | | | | | | | | |
| | | Consolidated T. Rowe Price investment products - | | | Consolidated T. Rowe Price investment products - | | | | Consolidated T. Rowe Price investment products - | | Consolidated T. Rowe Price investment products - | | |
| | | Equity method investments | variable interest entities | Total currency translation adjustments | Equity method investments | variable interest entities | Total currency translation adjustments | Equity method investments | products - variable interest entities | Total currency translation adjustments | Equity method investments | variable interest entities | Total currency translation adjustments |
| (in millions) | (in millions) | | | | | | | | | | | | |
| Balances at beginning of period | Balances at beginning of period | \$ (50.5) | \$ 2.7 | \$ (47.8) | \$ (39.9) | \$ (7.5) | \$ (47.4) | | | | | | |

| | | | | | | | |
|---|---|-----------|----------|-----------|-----------|-----------|-----------|
| Other comprehensive income (loss) before reclassifications and income taxes | Other comprehensive income (loss) before reclassifications and income taxes | 8.4 | (6.9) | 1.5 | 0.7 | (12.7) | (12.0) |
| Reclassification adjustments recognized in non-operating income | | — | (0.7) | (0.7) | — | — | — |
| Net deferred tax benefits (income taxes) | | | | | | | |
| Net deferred tax benefits (income taxes) | | | | | | | |
| | | 8.4 | (7.6) | 0.8 | 0.7 | (12.7) | (12.0) |
| Net deferred tax benefits (income taxes) | Net deferred tax benefits (income taxes) | (1.0) | 1.8 | 0.8 | (0.1) | 3.0 | 2.9 |
| Other comprehensive income (loss) | Other comprehensive income (loss) | 7.4 | (5.8) | 1.6 | 0.6 | (9.7) | (9.1) |
| Balances at end of period | Balances at end of period | \$ (43.1) | \$ (3.1) | \$ (46.2) | \$ (39.3) | \$ (17.2) | \$ (56.5) |

The other comprehensive income (loss) in the table above excludes \$3.9 million and \$19.1 million of other comprehensive losses related to redeemable non-controlling interests held in our consolidated products of \$1.6 million for the three months ended September 30, 2023 March 31, 2024, and 2022.

The changes in each component of accumulated other comprehensive loss, including reclassification adjustments for the nine months ended September 30, 2023 and 2022, are presented in the table below.

| (in millions) | Nine months ended 9/30/2023 | | | Nine months ended 9/30/2022 | | |
|---|-----------------------------|--|--|-----------------------------|--|--|
| | Consolidated T. Rowe | | | Consolidated T. Rowe | | |
| | Equity method investments | Price investment products - variable interest entities | Total currency translation adjustments | Equity method investments | Price investment products - variable interest entities | Total currency translation adjustments |
| Balances at beginning of period | \$ (50.5) | \$ (2.5) | \$ (53.0) | \$ (36.7) | \$ 10.2 | \$ (26.5) |
| Other comprehensive income (loss) before reclassifications and income taxes | 8.4 | — | 8.4 | (1.9) | (29.3) | (31.2) |
| Reclassification adjustments recognized in non-operating income | — | (0.7) | (0.7) | — | (6.9) | (6.9) |
| | 8.4 | (0.7) | 7.7 | (1.9) | (36.2) | (38.1) |
| Net deferred tax benefits (income taxes) | (1.0) | 0.1 | (0.9) | (0.7) | 8.8 | 8.1 |
| Other comprehensive income (loss) | 7.4 | (0.6) | 6.8 | (2.6) | (27.4) | (30.0) |
| Balances at end of period | \$ (43.1) | \$ (3.1) | \$ (46.2) | \$ (39.3) | \$ (17.2) | \$ (56.5) |

The other comprehensive income (loss) in the table above excludes net gains of \$7.7 million for 2023 period and net losses of \$44.6 million \$6.1 million for the 2022 period of other comprehensive income (loss) three months ended March 31, 2023 related to redeemable non-controlling interests held in our consolidated products.

NOTE 10 – COMMITMENTS AND CONTINGENCIES.

COMMITMENTS.

T. Rowe Price has committed \$412 \$397 million to fund OHA products over the next four three years.

CONTINGENCIES.

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

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

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

Results of Review of Interim Financial Information

We have reviewed the condensed consolidated balance sheet of T. Rowe Price Group, Inc. and subsidiaries (the Company) as of September 30, 2023 March 31, 2024, the related condensed consolidated statements of income, comprehensive income, and stockholders' equity, for the three-month and nine-month periods ended September 30, 2023 and 2022, the related condensed consolidated statements of cash flows for the nine-month three-month periods ended September 30, 2023 March 31, 2024 and 2022, 2023 and the related notes (collectively, the consolidated interim financial information). Based on our reviews, we are not aware of any material modifications that should be made to the consolidated interim financial information for it to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheet of the Company as of December 31, 2022 December 31, 2023, and the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows for the year then ended (not presented herein); and in our report dated February 15, 2023 February 16, 2024, 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, 2022 December 31, 2023, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Basis for Review Results

This consolidated interim financial information is the responsibility of the Company's management. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our reviews in accordance with the standards of the PCAOB. A review of consolidated interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, 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.

/s/ KPMG LLP
Baltimore, Maryland
October 27, 2023 April 26, 2024

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

OVERVIEW.

Our revenues and net income are derived primarily from investment advisory services provided to individual and institutional investors in U.S. mutual funds, subadvised funds, separately managed accounts, collective a broad range of investment trusts, solutions across equity, fixed income, multi-asset, and other sponsored products. The other sponsored products include: open-ended investment products offered to investors outside the U.S., products offered through variable annuity life insurance plans in the U.S., affiliated private investment funds, and collateralized loan obligations. alternative capabilities. We also provide certain investment advisory clients with related administrative services, including distribution, mutual fund transfer agent, accounting, and shareholder services; participant recordkeeping and transfer agent services for defined contribution retirement plans; brokerage; trust services; and non-discretionary advisory services through model delivery. Additionally, we derive revenue from our interests in general partners of certain affiliated private investment funds that are entitled to a disproportionate allocation of income through capital allocation-based arrangements also known as carried interest.

We manage a broad mix of equity, fixed income, multi-asset, alternative and money market asset classes and solutions 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 our management. Accordingly, fluctuations in financial markets and in the composition of assets under management affect our revenues and results of operations.

We incur significant expenditures to develop new products and services and improve and expand our capabilities and distribution channels in order to attract new investment advisory clients and additional investments from our existing clients. These efforts often involve costs that precede any future revenues that we may recognize from an increase to our assets under management.

The general trend to passive investing investment management industry has been persistent evolving and accelerated in recent years, which has negatively impacted our industry participants are facing several challenging trends including passive investments taking market share from traditional active strategies; continued downward fee pressure; demand for new investment vehicles to meet client inflows. However, over the long term we expect well-executed active management to play needs; and an important role for investors. ever-changing regulatory landscape. In this regard, we have ample liquidity and resources that allow us to take advantage of attractive growth opportunities. We are investing in key capabilities, including investment professionals, distribution professionals, technologies, and new product offerings in order to provide our clients with strong investment management expertise and service.

On April 20, 2023, we completed our acquisition of Retiree, Inc., a fintech firm that offers innovative retirement income planning software. The terms of the transaction are not material.

MARKET TRENDS.

U.S. stocks declined produced strong first-quarter gains that lifted several broad indexes to all-time highs. The market was driven by investors' optimism about the corporate profit potential stemming from advances in artificial intelligence (AI). Investors were also encouraged by the third quarter outcome of 2023, the Federal Reserve's most recent monetary policy meeting. Although the U.S. economy remained resilient and second-quarter corporate earnings reports were mostly favorable, the equity market was affected by higher energy costs and U.S. Treasury yields rising to multi-year highs amid concerns that elevated inflation could force the Federal Reserve to maintain a restrictive monetary policy for some time. The central bank raised kept short-term interest rates steady throughout the Fed Funds target rate quarter, policymakers in late July, but not at its September policy meeting. However, investors reacted negatively to policymakers' March maintained their December 2023 projections in September that one more for three quarter-point interest rate increase is likely before cuts by the end of the year, and that there could be fewer rate cuts 2024 despite recent upticks in 2024 than previously expected. inflation readings.

Developed non-U.S. equity markets fell appreciated in U.S. dollar terms, as the U.S but total returns to U.S. investors were hurt by a stronger dollar strengthened versus other major non-U.S. currencies. In Europe, equity markets were largely negative in dollar terms. Developed mostly positive, as investors hoped that easing inflation pressures would enable major central banks to begin reducing short-term interest rates later this year. Asian markets declined but generally held up better, were widely mixed: Japanese shares fell slightly in dollar terms but rose slightly in local currency terms, as led the yen weakened and central bank officials kept interest rates very low. region with a gain exceeding 11%, while Hong Kong stocks dropped almost 12%.

Emerging equity markets generally declined, rose but outperformed equities trailed stocks in developed non-U.S. markets in dollar terms. In the emerging Europe, Middle East, and Africa (EMEA) region, market performance was widely mixed. Turkish stocks led the region, surging shares advanced as investors were encouraged that the central bank raised continued to raise interest rates to fight elevated inflation and took other steps to gradually return to more orthodox policymaking. Markets inflation. In Asia, several markets produced gains, but Chinese stocks fell slightly, as the property market remained in emerging Asia and distress. In Latin America, were largely negative. a few markets rose sharply, but stocks in regional heavyweight Brazil fell 7%.

Returns of several major equity market indexes were as follows: follows for the three months ended:

| Index | Three months ended | Nine months ended |
|---|--------------------|-------------------|
| | 9/30/2023 | 9/30/2023 |
| S&P 500 Index | (3.3)% | 13.1% |
| NASDAQ Composite Index ⁽¹⁾ | (4.1)% | 26.3% |
| Russell 2000 Index | (5.1)% | 2.5% |
| MSCI EAFE (Europe, Australasia, and Far East) Index | (4.1)% | 7.6% |
| MSCI Emerging Markets Index | (2.8)% | 2.2% |
| Index | 3/31/2024 | |
| S&P 500 Index | 10.6% | |
| NASDAQ Composite Index ⁽¹⁾ | 9.1% | |
| Russell 2000 Index | 5.2% | |
| MSCI EAFE (Europe, Australasia, and Far East) Index | 5.9% | |
| MSCI Emerging Markets Index | 2.4% | |

(1) Returns exclude dividends

Global bond returns were mostly negative mixed in U.S. dollar terms in the third quarter, first quarter of 2024. In the U.S., Treasury bill yields increased, as even though the Federal Reserve lifted the Fed Funds fed funds target rate to remained in the 5.25% to 5.50% range in late July and as investors prepared for possibly one more Fed interest rate increase by the end range. Yields of the year. Intermediate- Treasuries with intermediate- and long-term U.S. Treasury yields maturities rose more significantly to a greater degree due in part to a U.S. sovereign credit rating downgrade from Fitch Ratings some recent upticks in August, increased Treasury Department borrowing in the third quarter, and concerns about a possible October 1 federal government shutdown, which was narrowly averted, inflation readings. The 10-year U.S. Treasury note yield increased from 3.81% 3.88% to 4.59% 4.20% during the quarter, reaching its highest levels in about 16 years. quarter.

In the U.S. investment-grade bond universe, sector performance was mostly negative, mixed. Mortgage-backed and Treasury securities performed worst. Corporate bonds and U.S. Treasury securities also fared poorly, held up somewhat better but still posted mild losses. Asset-backed securities outperformed with rose slightly, while non-agency commercial mortgage-backed securities produced a slight positive total return, solid gain. Tax-free municipal bonds fared worse held up slightly better than the broad taxable bond market, as municipal yields generally increased more than U.S. Treasury yields, market. High yield corporate bonds produced slight positive total returns gains and strongly outperformed the broad investment-grade market.

Bonds in developed non-U.S. markets declined in U.S. dollar terms, returns to U.S. investors were hurt by rising terms. In Europe, longer-term bond yields generally increased while major European currencies weakened versus the dollar. While the European Central Bank and the Bank of England held short-term interest rates steady, Switzerland's central bank surprised investors in various countries as well as weaker non-U.S. currencies versus the greenback, March with a quarter-point rate cut. In Europe, Japan, long-term government bond yields rose in parallel with U.S. Treasury yields increased and were also pressured higher by signs that the rate of inflation, while decreasing, remains elevated. In Japan, government bond yields remained very low, as yen fell to 34-year lows versus the dollar, even though the Bank of Japan continued decided in March to lift its highly stimulative monetary policy. However, long-term yields rose to levels unseen in about 10 years as policymakers expressed a willingness to conduct "with greater flexibility" their yield curve control policy, benchmark interest rate out of negative territory. Emerging markets bonds also depreciated in U.S. dollar terms. Bonds were mixed: Dollar-denominated issues produced gains, but bonds denominated in local currencies generally fared worse than dollar-denominated issues, declined, as most emerging many developing markets currencies declined depreciated versus the greenback. U.S. dollar.

Returns for several major bond market indexes were as follows: follows for the three months ended:

| Index | Three months ended | Nine months ended |
|--|--------------------|-------------------|
| | 9/30/2023 | 9/30/2023 |
| Bloomberg U.S. Aggregate Bond Index | (3.2)% | (1.2)% |
| JPMorgan Global High Yield Index | 0.8% | 6.2% |
| Bloomberg Municipal Bond Index | (4.0)% | (1.4)% |
| Bloomberg Global Aggregate Ex-U.S. Dollar Bond Index | (4.0)% | (3.2)% |
| JPMorgan Emerging Markets Bond Index Plus | (3.4)% | (0.2)% |
| ICE Bank of America U.S. High Yield Index | 0.5% | 6.0% |
| Credit Suisse Leveraged Loan Index | 3.4% | 9.9% |

| Index | 3/31/2024 |
|--|-----------|
| Bloomberg U.S. Aggregate Bond Index | (0.8)% |
| JPMorgan Global High Yield Index | 2.2% |
| Bloomberg Municipal Bond Index | (0.4)% |
| Bloomberg Global Aggregate Ex-U.S. Dollar Bond Index | (3.2)% |
| JPMorgan Emerging Markets Bond Index Plus | 2.3% |
| ICE Bank of America U.S. High Yield Index | 1.5% |
| Credit Suisse Leveraged Loan Index | 2.5% |

ASSETS UNDER MANAGEMENT.(1)

Assets under management ended the third first quarter of 2023 2024 at \$1,346.5 billion \$1,542.2 billion, a decrease of \$52.9 billion from June 30, 2023 and an increase of \$71.8 billion \$97.7 billion from the end of 2022. December 31, 2023. The decrease increase in assets under management during the third first quarter of 2023 2024 was driven by market depreciation, appreciation and income, net of distributions not reinvested, of \$35.5 billion and \$105.7 billion, offset by net cash outflows of \$17.4 billion \$8.0 billion.

For the nine months ended September 30, 2023, the increase in assets under management was driven by market appreciation, net of distributions not reinvested, of \$125.3 billion, offset by net cash outflows of \$53.5 billion.

The following tables detail changes in our assets under management, by asset class, during the three- and nine-month periods ended September 30, 2023: first quarter of 2024:

| | (in billions) | Three months ended 9/30/2023 | | | | | Nine months ended 9/30/2023 | | | | |
|---|---|------------------------------|--|----------------------------|-----------------------------|------------|-----------------------------|--|----------------------------|-----------------------------|------------|
| | | Equity | Fixed income, including money market | Multi-asset ⁽²⁾ | Alternatives ⁽³⁾ | Total | Equity | Fixed income, including money market | Multi-asset ⁽²⁾ | Alternatives ⁽³⁾ | Total |
| (in billions) | (in billions) | | | | | | | | | | |
| (in billions) | (in billions) | | | | | | | | | | |
| Assets under management at beginning of period | Assets under management at beginning of period | \$ 732.2 | \$ 169.3 | \$ 453.2 | \$ 44.7 | \$ 1,399.4 | \$ 664.2 | \$ 167.0 | \$ 400.1 | \$ 43.4 | \$ 1,274.7 |
| Assets under management at beginning of period | Assets under management at beginning of period | | | | | | | | | | |
| Net cash flows prior to manager-driven distributions | Net cash flows prior to manager-driven distributions | | | | | | | | | | |
| Net cash flows prior to manager-driven distributions | Net cash flows prior to manager-driven distributions | | | | | | | | | | |
| Net cash flows prior to manager-driven distributions | Net cash flows prior to manager-driven distributions | | | | | | | | | | |
| Manager-driven distributions | Manager-driven distributions | | | | | | | | | | |
| Manager-driven distributions | Manager-driven distributions | | | | | | | | | | |
| Net cash flows ⁽⁴⁾ | Net cash flows ⁽⁴⁾ | (19.7) | 1.0 | 0.4 | 0.9 | (17.4) | (62.7) | (0.8) | 9.1 | 0.9 | (53.5) |
| Net market appreciation (depreciation) and gains(losses) ⁽⁵⁾ | Net market appreciation (depreciation) and gains(losses) ⁽⁵⁾ | (22.5) | (1.0) | (13.1) | 1.1 | (35.5) | 88.5 | 3.1 | 31.3 | 2.4 | 125.3 |
| Net cash flows ⁽⁴⁾ | Net cash flows ⁽⁴⁾ | | | | | | | | | | |
| Net cash flows ⁽⁴⁾ | Net cash flows ⁽⁴⁾ | | | | | | | | | | |
| Net market appreciation (depreciation) and income ⁽³⁾ | Net market appreciation (depreciation) and income ⁽³⁾ | | | | | | | | | | |
| Net market appreciation (depreciation) and income ⁽³⁾ | Net market appreciation (depreciation) and income ⁽³⁾ | | | | | | | | | | |
| Net market appreciation (depreciation) and income ⁽³⁾ | Net market appreciation (depreciation) and income ⁽³⁾ | | | | | | | | | | |
| Change during the period | Change during the period | (42.2) | — | (12.7) | 2.0 | (52.9) | 25.8 | 2.3 | 40.4 | 3.3 | 71.8 |
| Assets under management at September 30, 2023 | Assets under management at September 30, 2023 | \$ 690.0 | \$ 169.3 | \$ 440.5 | \$ 46.7 | \$ 1,346.5 | \$ 690.0 | \$ 169.3 | \$ 440.5 | \$ 46.7 | \$ 1,346.5 |
| Change during the period | Change during the period | | | | | | | | | | |
| Change during the period | Change during the period | | | | | | | | | | |
| Assets under management at March 31, 2024 | Assets under management at March 31, 2024 | | | | | | | | | | |
| Assets under management at March 31, 2024 | Assets under management at March 31, 2024 | | | | | | | | | | |
| Assets under management at March 31, 2024 | Assets under management at March 31, 2024 | | | | | | | | | | |

⁽¹⁾ Includes fee basis assets under management.

⁽²⁾ The underlying assets under management of the multi-asset portfolios have been aggregated and presented in this category and not reported in the equity and fixed income columns.

⁽³⁾ 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, or have absolute return as its investment objective. Generally, only those strategies with longer than daily liquidity are included. Unfunded capital commitments as of September 30, 2023 March 31, 2024 were \$12.3 billion \$12.0 billion and are not reflected in fee basis AUM above.

Alternatives net cash flows for the three- and nine-month periods ended September 30, 2023 includes \$0.8 billion and \$1.6 billion, respectively, in outflows that represent investment manager-driven distributions. Includes net distributions not reinvested for the three- and nine-month periods ended September 30, first quarter of 2023 2024 of \$0.2 billion and \$0.6 billion, respectively.

Investment advisory clients outside the United States account for 9.2% 8.5% of our assets under management at September 30, 2023, 8.9% March 31, 2024 and 8.6% at June 30, 2023, and 9.1% at December 31, 2022 December 31, 2023.

Assets under management in our target date retirement products, which are included in the multi-asset totals shown above, were \$371.8 billion \$443.0 billion at September 30, 2023 March 31, 2024, compared with \$380.0 billion \$408.4 billion at June 30, 2023 and \$334.2 billion at December 31, 2022 December 31, 2023. Net flows into these portfolios were \$2.9 billion and \$12.8 billion \$6.8 billion in the three- and nine-month periods ended September 30, 2023, first quarter of 2024.

We also provide strategic investment advice solutions for certain portfolios. These advice solutions, which the vast majority is overseen by our multi-asset division, may include strategic asset allocation, and in certain portfolios, asset selection and/or tactical asset allocation overlays. We also offer advice solutions through retail separately managed accounts and separately managed accounts model delivery. As of September 30, 2023 March 31, 2024, total assets in these solutions were \$453 billion \$537 billion, of which \$444 billion \$525 billion are included in our reported assets under management in the tables above.

We provide participant accounting and plan administration for retirement plans that invest in the firm's U.S. mutual funds, collective investment trusts and funds outside of the firm's complex. As of September 30, 2023 March 31, 2024, our assets under administration were \$234 billion \$266 billion, of which nearly \$141 billion \$156 billion are assets we manage.

INVESTMENT PERFORMANCE⁽¹⁾

Strong investment performance and brand awareness is a key driver to attracting and retaining assets—and to our long-term success. Our performance disclosures include specific asset classes, assets under management weighted performance, mutual fund performance against passive peers and composite performance against benchmarks. The following tables present investment performance for the one-, three-, five-, and 10-years ended September 30, 2023 March 31, 2024. Past performance is no guarantee of future results.

| % of U.S. mutual funds that outperformed Morningstar median ^{(2),(3)} | | | | | |
|---|--------|---------|---------|----------|--|
| | 1 year | 3 years | 5 years | 10 years | |
| Equity | 49% | 50% | 70% | 73% | |
| AUM Weighted Performance | 60% | 59% | 73% | 68% | |
| % of U.S. mutual funds AUM that outperformed Morningstar median ^{(2),(3)} | 73% | 58% | 86% | 88% | |
| All Funds | 61% | 56% | 76% | 75% | |
| % of U.S. mutual funds that outperformed passive peer median ^{(2),(4)} | 64% | 47% | 70% | 83% | |
| Equity | 55% | 62% | 90% | 81% | |
| Fixed Income | 1 year | 3 years | 5 years | 10 years | |
| Multi-Asset | 93% | 88% | 96% | 87% | |
| Equity | 49% | 36% | 53% | 56% | |
| All Funds | 71% | 60% | 79% | 86% | |
| Fixed Income | 47% | 53% | 57% | 57% | |
| % of U.S. mutual funds AUM that outperformed passive peer median ^{(2),(4)} | 76% | 63% | 90% | 60% | |
| All Funds | 59% | 49% | 56% | 75% | |
| % of composites that outperformed benchmarks ⁽⁵⁾ | 65% | 26% | 51% | 52% | |
| Equity | 49% | 71% | 73% | 68% | |
| Fixed Income | 1 year | 3 years | 5 years | 10 years | |
| Multi-Asset | 96% | 92% | 97% | 95% | |
| Equity | 35% | 33% | 56% | 66% | |
| All Funds | 73% | 49% | 66% | 65% | |
| Fixed Income | 49% | 51% | 51% | 74% | |
| % of Composites AUM that outperformed benchmarks ⁽⁵⁾ | 41% | 40% | 54% | 69% | |
| | 1 year | 3 years | 5 years | 10 years | |
| Equity | 44% | 34% | 46% | 52% | |
| Fixed Income | 52% | 51% | 51% | 66% | |
| All Composites | 46% | 37% | 47% | 54% | |

| % of U.S. mutual funds that outperformed Morningstar median ^{(2),(3)} | | | | |
|---|--------|---------|---------|----------|
| | 1 year | 3 years | 5 years | 10 years |
| Equity | 55% | 45% | 53% | 68% |
| Fixed Income | 53% | 51% | 56% | 65% |
| Multi-Asset | 84% | 50% | 72% | 78% |
| All Funds | 65% | 48% | 60% | 70% |
| % of U.S. mutual funds that outperformed passive peer median ^{(2),(4)} | | | | |
| | 1 year | 3 years | 5 years | 10 years |
| Equity | 53% | 40% | 51% | 54% |
| Fixed Income | 68% | 50% | 50% | 57% |
| Multi-Asset | 92% | 37% | 74% | 58% |
| All Funds | 72% | 42% | 58% | 56% |
| % of composites that outperformed benchmarks ⁽⁵⁾ | | | | |
| | 1 year | 3 years | 5 years | 10 years |
| Equity | 58% | 31% | 51% | 64% |
| Fixed Income | 55% | 31% | 52% | 69% |
| All Composites | 57% | 31% | 51% | 66% |

AUM Weighted Performance

| % of U.S. mutual funds AUM that outperformed Morningstar median ^{(2),(3)} | | | | |
|---|--------|---------|---------|----------|
| | 1 year | 3 years | 5 years | 10 years |
| Equity | 69% | 40% | 53% | 82% |
| Fixed Income | 49% | 63% | 66% | 80% |
| Multi-Asset | 93% | 69% | 90% | 96% |
| All Funds | 73% | 49% | 63% | 85% |
| % of U.S. mutual funds AUM that outperformed passive peer median ^{(2),(4)} | | | | |
| | 1 year | 3 years | 5 years | 10 years |
| Equity | 66% | 32% | 37% | 53% |
| Fixed Income | 85% | 71% | 68% | 69% |
| Multi-Asset | 96% | 71% | 95% | 94% |
| All Funds | 74% | 43% | 54% | 64% |
| % of composites AUM that outperformed benchmarks ⁽⁵⁾ | | | | |
| | 1 year | 3 years | 5 years | 10 years |
| Equity | 61% | 34% | 41% | 62% |
| Fixed Income | 50% | 24% | 43% | 48% |
| All Composites | 59% | 33% | 41% | 60% |

As of **September 30, 2023** **March 31, 2024**, **74** **69** of **125** **(59.2%)** **130** **(53.1%)** of the firm's rated U.S. mutual funds (across primary share classes) received an overall rating of 4 or 5 stars. By comparison, 32.5% of Morningstar's fund population is given a rating of 4 or 5 stars⁽⁵⁾. In addition, **73%** **65%**⁽⁶⁾ of AUM in the firm's rated U.S. mutual funds (across primary share classes) ended **September 30, 2023** **March 31, 2024** with an overall rating of 4 or 5 stars.

⁽¹⁾ The investment performance reflects that of T. Rowe Price sponsored mutual funds and composites AUM and not of OHA's products.

⁽²⁾ Source: © **2023** **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.

⁽³⁾ 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-, 3-, 5-, and 10-year track record that are outperforming 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 **\$303B** **\$327B** for 1 year, **\$303B**

~~\$326B~~ for 3 years, ~~\$302B~~ ~~\$326B~~ for 5 years, and ~~\$300B~~ ~~\$323B~~ for 10 years.

(4) 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 to 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-, 3-, 5-, and 10-year track record that are outperforming 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 ~~\$289B~~ ~~\$310B~~ for 1 year, ~~\$256B~~ ~~\$310B~~ for 3 years, ~~\$252B~~ ~~\$273B~~ for 5 years, and ~~\$240B~~ ~~\$265B~~ for 10 years.

(5) Composite net returns are calculated using the highest applicable separate account fee schedule. Excludes money market composites. All composites compared with the official GIPS composite primary benchmark. The top chart reflects the percentage of T. Rowe Price composites with 1-, 3-, 5-, and 10-year track record that are outperforming 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 ~~\$1.185B~~ ~~\$1.377B~~ for 1 year, ~~\$1.180B~~ ~~\$1.372B~~ for 3 years, ~~\$1.174B~~ ~~\$1.365B~~ for 5 years, and ~~\$1.133B~~ ~~\$1.317B~~ for 10 years.

(6) The Morningstar Rating™ for funds is calculated for funds with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. Morningstar gives its best ratings of 5 or 4 stars to the top 32.5% of all funds (of the 32.5%, 10% get 5 stars and 22.5% get 4 stars). The Overall Morningstar Rating™ is derived from a weighted average of the performance figures associated with a fund's 3-, 5-, and 10-year (if applicable) Morningstar Rating™ metrics.

Page 25 23

RESULTS OF OPERATIONS.

The following table and discussion sets forth information regarding our consolidated financial results for the ~~three-~~ first quarter of 2024 and nine-month periods ended September 30, 2023 and 2022 2023 on a U.S. GAAP basis and a non-GAAP basis. The non-GAAP basis adjusts for the impact of our consolidated sponsored investment products, the impact of market movements on the supplemental savings plan liability and related economic hedges, investment income related to certain other investments, acquisition-related amortization and costs, impairment charges, and certain nonrecurring charges and gains.

| | | Q3 2023 vs. Q3 2022 | | | | Nine months ended | | | | YTD 2023 vs. YTD 2022 | |
|--|--|---------------------|------------|-----------|-------------------------|-------------------|------------|------------|-----------|-----------------------|-------------------------|
| | | Three months ended | | | | | | | | | |
| | | Three months ended | | | | | | | | | |
| | | Three months ended | | | | | | | | | |
| (in millions, except per-share data) | | | | | | | | | | | |
| (in millions, except per-share data) | | | | | | | | | | | |
| (in millions, except per-share data) | (in millions, except per-share data) | | | | | | | | | | |
| | | 9/30/2023 | 9/30/2022 | \$ change | % change ⁽¹⁾ | | | 9/30/2023 | 9/30/2022 | \$ change | % change ⁽¹⁾ |
| <u>U.S. GAAP basis</u> | <u>U.S. GAAP basis</u> | | | | | | | | | | |
| <u>U.S. GAAP basis</u> | <u>U.S. GAAP basis</u> | | | | | | | | | | |
| <u>U.S. GAAP basis</u> | | | | | | | | | | | |
| <u>U.S. GAAP basis</u> | | | | | | | | | | | |
| Investment advisory fees | | | | | | | | | | | |
| Investment advisory fees | | | | | | | | | | | |
| Investment advisory fees | Investment advisory fees | \$ 1,463.9 | \$ 1,442.0 | \$ 21.9 | 1.5 % | \$ 4,286.5 | \$ 4,600.8 | \$ (314.3) | (6.8) % | | |
| Capital allocation-based income ⁽²⁾ | Capital allocation-based income ⁽²⁾ | \$ 66.1 | \$ 1.1 | \$ 65.0 | n/m | \$ 121.7 | \$ (80.8) | \$ 202.5 | n/m | | |
| Capital allocation-based income ⁽²⁾ | | | | | | | | | | | |
| Capital allocation-based income ⁽²⁾ | | | | | | | | | | | |
| Net revenues | | | | | | | | | | | |
| Net revenues | | | | | | | | | | | |
| Net revenues | Net revenues | \$ 1,670.7 | \$ 1,588.2 | \$ 82.5 | 5.2 % | \$ 4,818.5 | \$ 4,964.2 | \$ (145.7) | (2.9) % | | |
| Operating expenses | Operating expenses | \$ 1,089.4 | \$ 1,013.6 | \$ 75.8 | 7.5 % | \$ 3,219.5 | \$ 2,843.6 | \$ 375.9 | 13.2 % | | |
| Operating expenses | | | | | | | | | | | |

| | | | | | | | | | | | | | | | | | |
|--|--|----|---------|----|---------|----|-------|-------|---|----|---------|----|---------|----|---------|--------|---|
| Operating expenses | | | | | | | | | | | | | | | | | |
| Net operating income | | | | | | | | | | | | | | | | | |
| Net operating income | | | | | | | | | | | | | | | | | |
| Net operating income | Net operating income | \$ | 581.3 | \$ | 574.6 | \$ | 6.7 | 1.2 | % | \$ | 1,599.0 | \$ | 2,120.6 | \$ | (521.6) | (24.6) | % |
| Non-operating income (loss) | Non-operating income (loss) | \$ | 2.8 | \$ | (82.8) | \$ | 85.6 | n/m | | \$ | 244.4 | \$ | (561.2) | \$ | 805.6 | n/m | |
| Non-operating income (loss) | | | | | | | | | | | | | | | | | |
| Non-operating income (loss) | | | | | | | | | | | | | | | | | |
| Net income attributable to T. Rowe Price | | | | | | | | | | | | | | | | | |
| Net income attributable to T. Rowe Price | | | | | | | | | | | | | | | | | |
| Net income attributable to T. Rowe Price | Net income attributable to T. Rowe Price | \$ | 453.2 | \$ | 384.4 | \$ | 68.8 | 17.9 | % | \$ | 1,351.1 | \$ | 1,291.9 | \$ | 59.2 | 4.6 | % |
| Diluted earnings per common share | Diluted earnings per common share | \$ | 1.97 | \$ | 1.66 | \$ | 0.31 | 18.7 | % | \$ | 5.86 | \$ | 5.54 | \$ | 0.32 | 5.8 | % |
| Diluted earnings per common share | | | | | | | | | | | | | | | | | |
| Diluted earnings per common share | | | | | | | | | | | | | | | | | |
| Weighted average common shares outstanding assuming dilution | | | | | | | | | | | | | | | | | |
| Weighted average common shares outstanding assuming dilution | | | | | | | | | | | | | | | | | |
| Weighted average common shares outstanding assuming dilution | Weighted average common shares outstanding assuming dilution | | 224.8 | | 226.3 | \$ | (1.5) | (0.7) | % | | 225.1 | | 228.0 | \$ | (2.9) | (1.3) | % |
| Adjusted non-GAAP basis⁽³⁾ | Adjusted non-GAAP basis⁽³⁾ | | | | | | | | | | | | | | | | |
| Adjusted non-GAAP basis⁽³⁾ | | | | | | | | | | | | | | | | | |
| Operating expenses | | | | | | | | | | | | | | | | | |
| Operating expenses | | | | | | | | | | | | | | | | | |
| Operating expenses | Operating expenses | \$ | 1,061.3 | \$ | 1,028.2 | \$ | 33.1 | 3.2 | % | \$ | 3,110.0 | \$ | 3,014.6 | \$ | 95.4 | 3.2 | % |
| Net operating income | Net operating income | \$ | 635.9 | \$ | 573.7 | \$ | 62.2 | 10.8 | % | \$ | 1,760.5 | \$ | 1,991.4 | \$ | (230.9) | (11.6) | % |
| Net operating income | | | | | | | | | | | | | | | | | |
| Net operating income | | | | | | | | | | | | | | | | | |
| Non-operating income (loss) | | | | | | | | | | | | | | | | | |
| Non-operating income (loss) | | | | | | | | | | | | | | | | | |
| Non-operating income (loss) | Non-operating income (loss) | \$ | 28.7 | \$ | (3.7) | \$ | 32.4 | n/m | | \$ | 91.3 | \$ | (58.1) | \$ | 149.4 | n/m | |
| Net income attributable to T. Rowe Price | Net income attributable to T. Rowe Price | \$ | 499.5 | \$ | 430.6 | \$ | 68.9 | 16.0 | % | \$ | 1,355.4 | \$ | 1,465.2 | \$ | (109.8) | (7.5) | % |

| | | | | | | | | | | | | | | | | | |
|--|--|----|---------|----|---------|----|-------|------|---|----|---------|----|---------|----|--------|-------|---|
| Net income attributable to T. Rowe Price | | | | | | | | | | | | | | | | | |
| Net income attributable to T. Rowe Price | | | | | | | | | | | | | | | | | |
| Diluted earnings per common share | | | | | | | | | | | | | | | | | |
| Diluted earnings per common share | | | | | | | | | | | | | | | | | |
| Diluted earnings per common share | Diluted earnings per common share | \$ | 2.17 | \$ | 1.86 | \$ | 0.31 | 16.7 | % | \$ | 5.88 | \$ | 6.28 | \$ | (0.40) | (6.4) | % |
| <u>Assets under management</u> | | | | | | | | | | | | | | | | | |
| (in billions) | <u>Assets under management</u> (in billions) | | | | | | | | | | | | | | | | |
| <u>Assets under management</u> (in billions) | | | | | | | | | | | | | | | | | |
| <u>Assets under management</u> (in billions) | | | | | | | | | | | | | | | | | |
| Average assets under management | | | | | | | | | | | | | | | | | |
| Average assets under management | | | | | | | | | | | | | | | | | |
| Average assets under management | Average assets under management | \$ | 1,393.6 | \$ | 1,347.5 | \$ | 46.1 | 3.4 | % | \$ | 1,358.2 | \$ | 1,437.1 | \$ | (78.9) | (5.5) | % |
| Ending assets under management | Ending assets under management | \$ | 1,346.5 | \$ | 1,230.0 | \$ | 116.5 | 9.5 | % | \$ | 1,346.5 | \$ | 1,230.0 | \$ | 116.5 | 9.5 | % |
| Ending assets under management | | | | | | | | | | | | | | | | | |
| Ending assets under management | | | | | | | | | | | | | | | | | |

(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 the Results of Operations section of this Management's Discussion and Analysis.

Results Overview - Quarter ended September 30, 2023 March 31, 2024

Net revenues consist of investment advisory revenues; administrative, distribution, and servicing fees; and capital allocation-based income. Approximately 90% of our net revenues are related to investment advisory fees. Total net revenues were **\$1,670.7 million** **\$1,750.2 million** in the **third first** quarter of **2023, 2024**, a **5.2%** **13.8%** increase compared with **\$1,588.2 million** **\$1,537.6 million** in the **third first** quarter of **2022, 2023**. The increase was primarily driven by a **\$65.0 million increase in accrued carried interest from investments in affiliated investment funds** and a **1.5%** **an 11.7%** increase in investment advisory fee revenue as higher overall markets increased average assets under management by **3.4%** **12.2%** and a **\$30.2 million increase in accrued carried interest from investments in affiliated funds**.

Investment advisory fees are generally earned based on the value and composition of our assets under management, which change based on fluctuations in financial markets and net cash flows. As our average assets under management increase or decrease in a given period, the level of our investment advisory fee revenue for that same period generally fluctuates in a similar manner. Our annualized effective fee rates can be impacted by market or cash flow related shifts among asset **and share** classes, **vehicles**, price changes in existing products, and asset level changes in products with tiered-fee structures.

Capital allocation-based income will fluctuate quarter-to-quarter to reflect the adjustment to accrued carried interest for the change in value of **the certain** affiliated funds, assuming the funds' underlying investments were realized as of the end of the period, regardless of whether the funds' underlying investments have been realized.

Operating expenses on a U.S. GAAP basis were **\$1,089.4 million** **\$1,163.6 million** in the **third first** quarter of **2023, 2024**, a **7.5%** **10.5%** increase **over** over the comparable **2022 2023** period. On a non-GAAP basis, operating expenses were **\$1,061.3 million** **\$1,071.4 million**, a **3.2%** **4.8%** increase over the comparable **2022 2023** period.

In comparison to the **third first** quarter of **2022, 2023**, about **50% 45%** of the increase in U.S. GAAP operating expenses **is were** driven by **the remeasurement of the contingent consideration liability**, as the 2023 quarter reflected a \$49.6 million reduction in the liability compared to no change in the contingent consideration liability and a smaller decrease in supplemental savings plan liability in the **third first** quarter of 2023, compared to a decrease in the contingent consideration liability and a more significant decline in the supplemental savings plan liability in the 2022 period.

2024. Also contributing to the increase in U.S. GAAP operating expenses and the primary drivers of **the increase in** non-GAAP operating expenses **over the prior year** were higher salaries **compensation** and related benefits including severance related to the July work-force action, and an increase in accrued carried interest-related compensation along with higher costs associated with ongoing investments in our technology capabilities. These increases were partially offset by lower general, administrative and other costs due to a non-recurring recovery of costs that were incurred in Q3 2022. **accrued carried interest related compensation**.

Operating margin in the **third first** quarter of **2023 2024** was **34.8% 33.5%** on a U.S. GAAP basis, compared to **36.2% 31.5%** earned in the **2022 2023** quarter. The **decrease increase** in our U.S. GAAP operating margin for the **third first** quarter of **2023 2024** compared to the **2022 2023** period was **primarily** driven by **net revenue growth outpacing** operating expense growth outpacing net revenue growth. The drivers of operating expense growth are further discussed above.

Diluted earnings per share was **\$1.97 \$2.49** for the **third first** quarter of **2023 2024** as compared to **\$1.66 \$1.83** for the **third first** quarter of **2022, 2023**. The increase was primarily driven by **higher operating income**, **higher** net investment gains, **recognized in the third quarter of 2023 as and a lower effective tax rate** compared to **net investment losses** recognized in the third quarter of 2022, as market returns in the third quarter of 2023 were stronger than those in the 2022 period. These gains were partially offset by higher tax rate.

On a non-GAAP basis, diluted earnings per share was **\$2.17 \$2.38** for the **third first** quarter of **2023 2024** as compared to **\$1.86 \$1.69** for the **third first** quarter of **2022, 2023**. The increase **is largely attributable was primarily due** to higher adjusted operating income in the third quarter of 2023 as well as net investment gains recognized on our cash investment strategy as compared to net investment losses recognized in the third quarter of 2022. These increases were partially offset by **and a higher lower** effective tax rate compared to the 2022 period.

Results Overview - Year-to-Date ended September 30, 2023

Net revenues consist of investment advisory revenues; administrative, distribution, and servicing fees; and capital allocation-based income. Approximately 90% of our net revenues for the nine months ended September 30, 2023 are related to investment advisory fees. Total net revenues were \$4,818.5 million in the nine months ended September 30, 2023, a 2.9% decrease compared with \$4,964.2 million in the 2022 period. The decrease was primarily driven by a 6.8% decline in investment advisory fee revenue as average assets under management declined by 5.5%. This decrease was partially offset by a \$202.5 million increase in accrued carried interest from investments in affiliated investment funds. The change in accrued carried interest in the nine months ended September 30, 2023 increased net revenues by \$121.7 million compared with an \$80.8 million reduction in the 2022 period.

Operating expenses were \$3,219.5 million in the nine months ended September 30, 2023 compared with \$2,843.6 million in the 2022 period. On a non-GAAP basis, our operating expenses for the nine months ended September 30, 2023 increased 3.2% to \$3,110.0 million compared to the 2022 period.

In comparison to the nine months ended September 30, 2022, about 60% of the increase in U.S. GAAP operating expenses was due to the increase in the supplemental savings plan liability in the nine months ended September 30, 2023, compared to a significant decrease in the supplemental savings plan liability in the 2022 period.

Also contributing to the increase in U.S. GAAP operating expenses and the primary drivers of non-GAAP operating expenses were higher accrued carried interest-related compensation along with higher salaries and related benefits including severance and higher costs related to the ongoing investments in our technology capabilities. These increases were partially offset by lower distribution and servicing costs due to lower average assets under management, lower employee-related costs, including stock-based compensation expense and lower general, administrative and other costs.

Page 27

Operating margin in the nine months ended September 30, 2023 was 33.2%, compared to 42.7% earned in the 2022 period. The decrease in our operating margin for the nine months ended September 30, 2023 compared to the 2022 period was primarily driven by operating expense growth outpacing net revenue growth. The drivers of operating expense growth are discussed above.

Diluted earnings per share was \$5.86 for the nine months ended September 30, 2023 as compared to \$5.54 for the nine months ended September 30, 2022. The 5.8% increase was primarily driven by net investment gains of \$244.4 million recognized in the nine months ended September 30, 2023, as compared to net investment losses of \$561.2 million recognized in the comparable 2022 period, as market returns in the 2023 year-to-date period were stronger than those in the 2022 period. Lower average shares outstanding also contributed to the increase. These increases were partially offset by lower operating income and a higher effective tax rate.

On a non-GAAP basis, adjusted diluted earnings per share was \$5.88 for the nine months ended September 30, 2023 as compared to \$6.28 for the 2022 period. The 6.4% decrease was largely attributable to lower adjusted operating income as well as a higher effective tax rate in the nine months ended September 30, 2023. These decreases were offset slightly by net investment gains recognized on our cash investment strategy compared to net losses in the 2022 period.

Net revenues

| | | Three months ended | | | | Q3 2023 vs. Q3 2022 | | Nine months ended | | | | YTD 2023 vs. YTD 2022 | |
|--|--|--------------------|-----------|-----------|----------|---------------------|--|-------------------|------------|------------|----------|-----------------------|--|
| | | Three months ended | | | | | | | | | | | |
| | | Three months ended | | | | | | | | | | | |
| | | Three months ended | | | | | | | | | | | |
| (in millions) | | | | | | | | | | | | | |
| (in millions) | | | | | | | | | | | | | |
| (in millions) | (in millions) | 9/30/2023 | 9/30/2022 | \$ change | % change | | | 9/30/2023 | 9/30/2022 | \$ change | % change | | |
| Investment advisory fees | Investment advisory fees | | | | | | | | | | | | |
| Investment advisory fees | | | | | | | | | | | | | |
| Investment advisory fees | | | | | | | | | | | | | |
| Equity | | | | | | | | | | | | | |
| Equity | | | | | | | | | | | | | |
| Equity | Equity | \$ 885.0 | \$ 897.0 | \$ (12.0) | (1.3) % | | | \$ 2,581.2 | \$ 2,924.0 | \$ (342.8) | (11.7) % | | |
| Fixed income | Fixed income | 100.9 | 107.6 | (6.7) | (6.2) % | | | 303.3 | 324.1 | (20.8) | (6.4) % | | |
| Fixed income | | | | | | | | | | | | | |
| Fixed income | | | | | | | | | | | | | |
| Multi-asset | | | | | | | | | | | | | |
| Multi-asset | | | | | | | | | | | | | |
| Multi-asset | Multi-asset | 405.5 | 367.2 | 38.3 | 10.4 % | | | 1,182.8 | 1,149.3 | 33.5 | 2.9 % | | |
| Alternatives | Alternatives | 72.5 | 70.2 | 2.3 | 3.3 % | | | 219.2 | 203.4 | 15.8 | 7.8 % | | |
| Alternatives | | | | | | | | | | | | | |
| Alternatives | | | | | | | | | | | | | |
| | | 1,554.0 | | | | | | | | | | | |
| | | 1,554.0 | | | | | | | | | | | |
| | | 1,554.0 | | | | | | | | | | | |
| | | 1,463.9 | 1,442.0 | 21.9 | 1.5 % | | | 4,286.5 | 4,600.8 | (314.3) | (6.8) % | | |
| Capital allocation-based income | Capital allocation-based income | 66.1 | 1.1 | 65.0 | n/m | | | 121.7 | (80.8) | 202.5 | n/m | | |
| Capital allocation-based income | | | | | | | | | | | | | |
| Capital allocation-based income | | | | | | | | | | | | | |
| Administrative, distribution, and servicing fees | | | | | | | | | | | | | |
| Administrative, distribution, and servicing fees | | | | | | | | | | | | | |
| Administrative, distribution, and servicing fees | Administrative, distribution, and servicing fees | | | | | | | | | | | | |
| Administrative fees | Administrative fees | 119.4 | 123.1 | (3.7) | (3.0) % | | | 347.7 | 372.7 | (25.0) | (6.7) % | | |
| Administrative fees | | | | | | | | | | | | | |
| Administrative fees | | | | | | | | | | | | | |
| Distribution and servicing fees | Distribution and servicing fees | \$ 21.3 | 22.0 | (0.7) | (3.2) % | | | 62.6 | 71.5 | (8.9) | (12.4) % | | |
| | | \$ 140.7 | 145.1 | (4.4) | (3.0) % | | | 410.3 | 444.2 | (33.9) | (7.6) % | | |
| Distribution and servicing fees | | | | | | | | | | | | | |
| Distribution and servicing fees | | | | | | | | | | | | | |
| | | 149.1 | | | | | | | | | | | |
| | | 149.1 | | | | | | | | | | | |
| | | 149.1 | | | | | | | | | | | |
| Net revenues | | | | | | | | | | | | | |

Administrative, distribution, and servicing fees in the **third first** quarter of **2023 2024** were **\$140.7 million \$149.1 million**, a **decrease an increase** of **\$4.4 million \$20.2 million**, or **3.0% 15.7%**, from the comparable **2022 2023** quarter. The **decrease increase** in the **third first** quarter of **2023 2024** is primarily **due driven** by higher fees related to **lower** transfer agent **servicing activities services** provided to the T. Rowe Price mutual funds.

For the nine months ended September 30, 2023, these fees were \$410.3 million, a decrease of \$33.9 million, or 7.6%, from the 2022 period. The decrease in the nine months ended September 30, 2023 was primarily due to lower transfer agent servicing activities provided to the T. Rowe Price mutual funds and lower 12b-1 revenue as a result of lower assets under management in the related U.S. mutual fund share classes. These lower 12b-1 revenues are offset by decreases in the costs incurred with third-party intermediaries who distribute these share classes.

Our net revenues reflect the elimination of advisory and administrative fee revenue earned from our consolidated sponsored investment products. The corresponding expenses recognized by these products, and consolidated in our financial statements, were also eliminated from operating expenses. For the **third first** quarter, we eliminated net revenue of **\$0.7 million \$1.2 million** in **2023 2024** and **\$0.5 million \$0.6 million** in 2022. For the nine months ended September 30, we eliminated net revenue of **\$1.6 million in 2023 and \$2.1 million in 2022, 2023.**

Capital allocation-based income in the **third first** quarter of **2023 2024** increased net revenues by **\$66.1 million \$47.1 million**. The **third first** quarter of **2023 2024** amount represents an increase of **\$91.9 million \$59.5 million** in accrued carried interest from investments in affiliated investment funds, partially offset by **\$25.8 million \$12.4 million** in non-cash acquisition-related **amortization and impairments, amortization**. Comparatively, capital allocation-based income in the **third first** quarter of **2022 2023** increased net revenues by **\$1.1 million \$16.9 million**, which consists of **market-related increases of an increase in** accrued carried interest from investments in affiliated investment funds of **\$14.3 million \$29.2 million**, partially offset by **\$13.2 million \$12.3 million** in non-cash amortization. The increase in accrued carried interest in the **2023 2024** quarter **as compared to the 2022 2023** quarter was largely driven by stronger **absolute and** relative performance.

For the nine months ended September 30, 2023, capital allocation-based income increased net revenues by \$121.7 million. This amount represents an increase of \$172.1 million in accrued carried interest from investments in affiliated investment funds, partially offset by \$50.4 million in non-cash acquisition-related amortization and impairments. Comparatively, capital allocation-based income reduced net revenues for the nine months ended September 30, 2022 by \$80.8 million. This amount represents \$41.1 million in market-related reductions of accrued carried interest from investments in affiliated investment funds plus \$39.7 million in non-cash acquisition-related amortization.

A portion of the capital allocation-based income is passed through to certain associates as compensation and the related expense is recognized in compensation and related costs with the unpaid amount reported as non-controlling interest on the consolidated balance sheet.

Page **29 26**

Operating expenses

| | | Three months ended | | | | Q3 2023 vs. Q3 2022 | | | | Nine months ended | | | | YTD 2023 vs. YTD 2022 | | | |
|--|--|--------------------|-----------|-----------|----------|---------------------|--|--|--|-------------------|------------|-----------|----------|-----------------------|--|--|--|
| | | Three months ended | | | | | | | | | | | | | | | |
| | | Three months ended | | | | | | | | | | | | | | | |
| | | Three months ended | | | | | | | | | | | | | | | |
| (in millions) | | | | | | | | | | | | | | | | | |
| (in millions) | | | | | | | | | | | | | | | | | |
| (in millions) | (in millions) | 9/30/2023 | 9/30/2022 | \$ change | % change | | | | | 9/30/2023 | 9/30/2022 | \$ change | % change | | | | |
| Compensation, benefits and related costs | Compensation, benefits and related costs | \$ 617.0 | \$ 595.6 | \$ 21.4 | 3.6 % | | | | | \$ 1,801.3 | \$ 1,781.3 | \$ 20.0 | 1.1 % | | | | |
| Compensation, benefits and related costs | | | | | | | | | | | | | | | | | |
| Compensation, benefits and related costs | | | | | | | | | | | | | | | | | |
| Acquisition-related retention agreements | | | | | | | | | | | | | | | | | |
| Acquisition-related retention agreements | | | | | | | | | | | | | | | | | |
| Acquisition-related retention agreements | Acquisition-related retention agreements | 13.7 | 17.1 | (3.4) | (19.9) % | | | | | 41.5 | 54.3 | (12.8) | (23.6) % | | | | |

| | | | | | | | | | | |
|---|--|--------|--------|--------|-----------|--|---------|---------|--------|----------|
| Capital allocation-based income compensation | Capital allocation-based income compensation | 19.9 | 0.1 | 19.8 | n/m | | 34.0 | (33.3) | 67.3 | n/m |
| Capital allocation-based income compensation | | | | | | | | | | |
| Capital allocation-based income compensation | | | | | | | | | | |
| Supplemental savings plan ⁽¹⁾ | | | | | | | | | | |
| Supplemental savings plan ⁽¹⁾ | | | | | | | | | | |
| Supplemental savings plan ⁽¹⁾ | Supplemental savings plan ⁽¹⁾ | (14.2) | (24.7) | 10.5 | n/m | | 61.3 | (169.2) | 230.5 | n/m |
| Total compensation and related costs | Total compensation and related costs | 636.4 | 588.1 | 48.3 | 8.2 % | | 1,938.1 | 1,633.1 | 305.0 | 18.7 % |
| Total compensation and related costs | | | | | | | | | | |
| Total compensation and related costs | | | | | | | | | | |
| Distribution and servicing | | | | | | | | | | |
| Distribution and servicing | | | | | | | | | | |
| Distribution and servicing | Distribution and servicing | 74.9 | 69.9 | 5.0 | 7.2 % | | 214.2 | 231.5 | (17.3) | (7.5) % |
| Advertising and promotion | Advertising and promotion | 21.1 | 24.3 | (3.2) | (13.2) % | | 69.8 | 69.1 | 0.7 | 1.0 % |
| Advertising and promotion | | | | | | | | | | |
| Advertising and promotion | | | | | | | | | | |
| Product and recordkeeping related costs | | | | | | | | | | |
| Product and recordkeeping related costs | | | | | | | | | | |
| Product and recordkeeping related costs | Product and recordkeeping related costs | 73.1 | 75.6 | (2.5) | (3.3) % | | 222.9 | 232.3 | (9.4) | (4.0) % |
| Technology, occupancy, and facility costs | Technology, occupancy, and facility costs | 159.7 | 143.6 | 16.1 | 11.2 % | | 461.0 | 411.8 | 49.2 | 11.9 % |
| Technology, occupancy, and facility costs | | | | | | | | | | |
| Technology, occupancy, and facility costs | | | | | | | | | | |
| General, administrative, and other | | | | | | | | | | |
| General, administrative, and other | | | | | | | | | | |
| General, administrative, and other | General, administrative, and other | 85.7 | 114.9 | (29.2) | (25.4) % | | 293.2 | 310.1 | (16.9) | (5.4) % |
| Change in fair value of contingent consideration | Change in fair value of contingent consideration | — | (29.9) | 29.9 | (100.0) % | | (72.8) | (125.7) | 52.9 | (42.1) % |
| Acquisition-related amortization | Acquisition-related amortization | 38.5 | 27.1 | 11.4 | 42.1 % | | 93.1 | 81.4 | 11.7 | 14.4 % |
| Change in fair value of contingent consideration | | | | | | | | | | |
| Change in fair value of contingent consideration | | | | | | | | | | |
| Acquisition-related amortization and impairment costs | | | | | | | | | | |

| | | | | | | | | | | | | | | | | | |
|---|--------------------------|----|---------|----|---------|----|------|-----|---|----|---------|----|---------|----|-------|------|---|
| Acquisition-related amortization and impairment costs | | | | | | | | | | | | | | | | | |
| Acquisition-related amortization and impairment costs | | | | | | | | | | | | | | | | | |
| Total operating expenses | Total operating expenses | \$ | 1,089.4 | \$ | 1,013.6 | \$ | 75.8 | 7.5 | % | \$ | 3,219.5 | \$ | 2,843.6 | \$ | 375.9 | 13.2 | % |
| Total operating expenses | | | | | | | | | | | | | | | | | |
| Total operating expenses | | | | | | | | | | | | | | | | | |

(1) The impact of the market on the supplemental savings plan liability drives the expense recognized each period.

Compensation, benefits, and related costs were \$617.0 million \$629.3 million in the third first quarter of 2023, 2024, an increase of \$21.4 million \$36.0 million, or 3.6% 6.1%, compared to the 2022 2023 quarter. The increase was primarily due to a higher interim bonus accrual and higher salaries and related benefits, including severance related primarily due to the July work-force action base salary increases in the third quarter of 2023, January 2024. These increases were partially offset by higher labor capitalization and lower stock-based compensation in the third first quarter of 2023, 2024.

For the nine months ended September 30, 2023, these costs were \$1,801.3 million, an increase of \$20.0 million, or 1.1%, compared to the 2022 period. The increase in the nine months ended September 30, 2023 was primarily due to higher salaries and related benefits, resulting from base salary increases in July 2022 and January 2023, and severance related to the July work-force actions. These increases were offset by lower stock-based compensation expense, lower temporary personnel, and higher labor capitalization.

The firm employed 7,842 7,878 associates at September 30, 2023 March 31, 2024, a decrease of 0.3% 0.4% from the end of 2022, 2023, and a decrease an increase of 1.9% 0.5% from September 30, 2022 March 31, 2023.

Distribution and servicing costs were \$74.9 million \$81.9 million for the third first quarter of 2023, 2024, an increase of \$5.0 million \$10.4 million, or 7.2% 14.5%, from the \$69.9 million \$71.5 million recognized in the 2022 2023 quarter. The increase from 2022 2023 was primarily driven by higher costs incurred to distribute certain products through certain U.S. intermediaries.

For the nine months ended September 30, 2023, these costs were \$214.2 million, a decrease of \$17.3 million, or 7.5%, compared with the 2022 period. The decrease in the nine months ended September 30, 2023 was primarily driven by lower intermediaries and higher average assets under management in certain U.S. mutual fund and SICAV share classes, management.

The costs in this expense category primarily include amounts paid to third-party intermediaries that source the assets of certain share classes of our U.S. mutual funds and our international products, such as our Japanese ITMs and SICAVs. These costs are were offset entirely by the distribution revenue we earn and report in net revenues: 12b-1 revenue is recognized in administrative, distribution, and servicing fees for the Advisor and R share classes of the U.S. mutual funds and investment advisory fee revenue for our international products.

Advertising and promotion costs were \$21.1 million in the third quarter of 2023, a decrease of \$3.2 million, or 13.2%, compared to the \$24.3 million recognized in the 2022 quarter. For the nine months ended September 30, 2023, these costs were \$69.8 million, an increase of \$0.7 million, or 1.0%, compared with the 2022 period.

Page 30

Product and recordkeeping related costs were \$73.1 million in the third quarter of 2023, a decrease of \$2.5 million, or 3.3%, compared to the \$75.6 million in the 2022 quarter. For the nine months ended September 30, 2023, these costs were \$222.9 million, a decrease of \$9.4 million, or 4.0%, compared with the 2022 period. The decrease in both periods were primarily due to lower recordkeeping related costs.

Technology, occupancy, and facility costs were \$159.7 million \$149.9 million in the third first quarter of 2023, 2024, an increase of \$16.1 million \$3.3 million, or 11.2% 2.3%, compared to the \$143.6 million \$146.6 million recognized in the 2022 2023 quarter. For the nine months ended September 30, 2023, these costs were \$461.0 million, an increase of \$49.2 million, or 11.9%, compared with the 2022 period. The increase for both periods was primarily related to higher costs from the firm's ongoing investment in its technology capabilities, including depreciation and hosted solution licenses, and depreciation. The nine months ended was also impacted slightly offset by increased office facility costs, mainly a non-recurring cost benefit realized in the first quarter of 2024 related to rent expense associated with a the firm's new London office that has been recognizing throughout the year, and that we began occupying in late September. UK facility.

General, administrative, and other expenses were \$85.7 million \$92.6 million in the third first quarter of 2023, 2024, a decrease of \$29.2 million \$14.9 million, or 25.4% 13.9%, compared to the \$114.9 million \$107.5 million recognized in the 2022 2023 quarter. For the nine months ended September 30, 2023, these costs were \$293.2 million, a decrease of \$16.9 million, or 5.4%, compared with the 2022 period. The decrease in both periods were was primarily due to a non-recurring recovery of costs that were incurred in Q3 2022 that more than offset increases in professional fees lower research fee expense as the firm changed its approach to paying for research, consistent with regulations and information services, general industry practice.

Change in fair value of contingent consideration. The change in our contingent consideration relates to an represents the earnout arrangement as part of related to our acquisition of OHA in which additional purchase price may be due upon satisfying or exceeding certain defined revenue targets. Every reporting period, we record the potential amount due under this arrangement at fair value. For During the three months ended, first quarter of 2024, there was no change in the fair value of the contingent consideration liability at September 30, 2023, while in 2022 liability. During the first quarter of 2023, the liability was reduced by \$29.9 million \$49.6 million. During the nine months ended September 30, 2023 and 2022, we recognized reductions in the fair value of the contingent consideration liability of \$72.8 million and \$125.7 million, respectively. Challenging market conditions have reduced revenue expectations used in the fair value determinations.

Acquisition-related amortization and impairment costs. As part of the purchase accounting for our acquisitions, we identified and separately recognized at fair value certain intangible assets. During the third first quarter of 2023 2024 and 2022, 2023,

we recognized \$38.5 million \$29.9 million and \$27.1 million \$26.0 million, respectively, in amortization related to the definite-lived intangible assets. During the nine months ended September 30, 2023 and 2022, we recognized \$93.1 million and \$81.4 million, respectively, in amortization. Immaterial impairment costs were recognized during Q3 the first quarter of 2024 and 2023. Should conditions that led us to recognize the impairment charges deteriorate, additional impairments may be recognized in future periods.

Non-operating income (loss)

Non-operating income for the third first quarter of 2023 2024 was \$2.8 million as \$188.9 million compared to non-operating loss of \$82.8 million \$135.4 million in the 2022 2023 quarter. The following table details the components of non-operating income (loss) for both the three- first quarter of 2024 and nine-month periods ended September 30, 2023 and 2022, 2023.

| | | Three months ended | | Nine months ended | |
|--|------------------------------------|--------------------|-----------|--------------------|-----------|
| | | Three months ended | | Three months ended | |
| | | Three months ended | | Three months ended | |
| | | Three months ended | | Three months ended | |
| (in millions) | | | | | |
| (in millions) | | | | | |
| (in millions) | (in millions) | 9/30/2023 | 9/30/2022 | 9/30/2023 | 9/30/2022 |
| Net gains (losses) | Net gains (losses) | | | | |
| from non-consolidated | from non-consolidated | | | | |
| T. Rowe Price | T. Rowe Price | | | | |
| investment products | investment products | | | | |
| Net gains (losses) from non-consolidated T. Rowe Price investment products | | | | | |
| Net gains (losses) from non-consolidated T. Rowe Price investment products | | | | | |
| Cash and discretionary investments | | | | | |
| Cash and discretionary investments | | | | | |
| Cash and discretionary investments | Cash and discretionary investments | | | | |
| Dividend income | Dividend income | \$ 30.3 | \$ 11.5 | \$ 76.0 | \$ 15.1 |
| Dividend income | | | | | |
| Dividend income | | | | | |
| Market-related gains (losses) and equity in earnings (losses) | | | | | |
| Market-related gains (losses) and equity in earnings (losses) | | | | | |

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|---|---|-------------|---------------|--------------|----------------|
| Market-related gains (losses) and equity in earnings (losses) | Market-related gains (losses) and equity in earnings (losses) | 2.2 | (15.2) | 19.1 | (73.2) |
| Total cash and discretionary investments | Total cash and discretionary investments | 32.5 | (3.7) | 95.1 | (58.1) |
| Total cash and discretionary investments | | | | | |
| Total cash and discretionary investments | | | | | |
| Seed capital investments | | | | | |
| Seed capital investments | | | | | |
| Seed capital investments | Seed capital investments | | | | |
| Dividend income | Dividend income | 0.3 | 0.2 | 1.2 | 0.6 |
| Dividend income | | | | | |
| Dividend income | | | | | |
| Market-related gains (losses) and equity in earnings (losses) | Market-related gains (losses) and equity in earnings (losses) | (4.5) | (14.1) | 25.0 | (77.5) |
| Net gains recognized upon deconsolidation | | 0.7 | — | 0.7 | 6.8 |
| Market-related gains (losses) and equity in earnings (losses) | | | | | |
| Market-related gains (losses) and equity in earnings (losses) | | | | | |
| Investments used to hedge the supplemental savings plan liability | | | | | |
| Investments used to hedge the supplemental savings plan liability | | | | | |
| Investments used to hedge the supplemental savings plan liability | Investments used to hedge the supplemental savings plan liability | (19.7) | (26.3) | 58.6 | (178.0) |
| Total net gains (losses) from non-consolidated T. Rowe Price investment products | Total net gains (losses) from non-consolidated T. Rowe Price investment products | 9.3 | (43.9) | 180.6 | (306.2) |
| Total net gains (losses) from non-consolidated T. Rowe Price investment products | | | | | |
| Total net gains (losses) from non-consolidated T. Rowe Price investment products | | | | | |
| Other investment income | | | | | |
| Other investment income | | | | | |
| Other investment income | Other investment income | 21.4 | 2.4 | 33.1 | 4.9 |
| Net gains (losses) on investments | Net gains (losses) on investments | 30.7 | (41.5) | 213.7 | (301.3) |
| Net gains (losses) on consolidated sponsored investment portfolios | | (24.4) | (41.7) | 45.4 | (247.7) |
| Other income (losses), including foreign currency losses | | (3.5) | 0.4 | (14.7) | (12.2) |
| Net gains (losses) on investments | | | | | |
| Net gains (losses) on investments | | | | | |

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|--|--|----|--------|----|--------|----|------|----|---------|
| Net income (loss) attributable to our interest in the consolidated T. Rowe Price investment products | Net income (loss) attributable to our interest in the consolidated T. Rowe Price investment products | \$ | (11.8) | \$ | (17.0) | \$ | 25.6 | \$ | (122.1) |
| Net income (loss) attributable to our interest in the consolidated T. Rowe Price investment products | | | | | | | | | |
| Net income (loss) attributable to our interest in the consolidated T. Rowe Price investment products | | | | | | | | | |
| Net income (loss) attributable to redeemable non-controlling interests (unrelated third-party investors) | Net income (loss) attributable to redeemable non-controlling interests (unrelated third-party investors) | | (14.0) | | (26.6) | | 11.0 | | (131.9) |
| | | \$ | (25.8) | \$ | (43.6) | \$ | 36.6 | \$ | (254.0) |
| Net income (loss) attributable to redeemable non-controlling interests (unrelated third-party investors) | | | | | | | | | |
| Net income (loss) attributable to redeemable non-controlling interests (unrelated third-party investors) | | | | | | | | | |
| | | \$ | | | | | | | |
| | | \$ | | | | | | | |
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Page 32 28

Provision for income taxes

The following table reconciles the statutory federal income tax rate to our effective tax rate on a U.S. GAAP basis for both the ~~three~~ three months ended March 31, 2024 and ~~nine-~~ months ended September 30, 2023 and 2022: 2023:

| | | Three months ended | | | | Nine months ended | | | |
|--|--|--------------------|-----------|-----------|-----------|--|-----------|-----------|-----------|
| | | 9/30/2023 | 9/30/2022 | 9/30/2023 | 9/30/2022 | 9/30/2023 | 9/30/2022 | 9/30/2023 | 9/30/2022 |
| Three months ended | | | | | | | | | |
| Three months ended | | | | | | | | | |
| Three months ended | | | | | | | | | |
| Three months ended | | | | | | | | | |
| 3/31/2024 | | | | | | | | 3/31/2024 | 3/31/2023 |
| Statutory U.S. federal income tax rate | Statutory U.S. federal income tax rate | 21.0 % | 21.0 % | 21.0 % | 21.0 % | Statutory U.S. federal income tax rate | | 21.0 % | 21.0 % |

| | | | | | | | | | |
|---|---|--------|--------|--------|--------|---------------------------|--------|--|--------|
| State income taxes for current year, net of federal income tax benefits ⁽¹⁾ | State income taxes for current year, net of federal income tax benefits ⁽¹⁾ | 3.3 | 3.4 | 3.0 | 3.5 | | | | |
| State income taxes for current year, net of federal income tax benefits ⁽¹⁾ | | | | | | | | | |
| State income taxes for current year, net of federal income tax benefits ⁽¹⁾ | | | | | | | | | |
| Net (income) losses attributable to redeemable non-controlling interests ⁽²⁾ | Net (income) losses attributable to redeemable non-controlling interests ⁽²⁾ | 0.1 | 2.5 | (0.2) | 1.6 | | | | |
| Net excess tax benefits from stock-based compensation plans activity | Net excess tax benefits from stock-based compensation plans activity | (0.4) | (0.5) | (0.3) | (0.5) | | | | |
| Valuation allowance | | | | | | | | | |
| Other items, including valuation allowances | Other items, including valuation allowances | 0.8 | 0.8 | 2.6 | — | | | | |
| Effective income tax rate | Effective income tax rate | 24.8 % | 27.2 % | 26.1 % | 25.6 % | Effective income tax rate | | | |
| | | | | | | | 23.5 % | | 28.7 % |

⁽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 interests 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 non-GAAP effective tax rate primarily adjusts for the impact of the consolidated investment products, including the net income attributable to the redeemable non-controlling interests. Our non-GAAP effective tax rate was 24.8% 23.9% in the third first quarter of 2023 2024 compared with 24.4% 30.3% in third first quarter of 2022. For the nine months ended September 30, 2023, our non-GAAP effective tax rate was 26.8%, compared with 24.2% in the 2022 period. 2023.

Our 2023 The first quarter of 2024 U.S. GAAP and non-GAAP effective tax rates were unfavorably impacted by losses in certain foreign jurisdictions in which no associated tax benefit was recognized in the income tax provision. The effective tax rate for the nine months ended September 30, 2023 was also unfavorably impacted by increases in valuation allowances recognized against certain foreign-based deferred tax assets, as it was determined in decreased compared to the first quarter of 2023 that these due to lower valuation allowances recognized. In the first quarter of 2023, valuation allowances were recognized against cumulative UK-based deferred tax assets were more likely not to be realized. The 2024 rate was also favorably impacted by changes in state income apportionment rules in certain jurisdictions.

We currently estimate that our effective tax rate for the full year 2023, 2024, on a U.S. GAAP basis, will be in the range of 26% 23% to 30% 27%. On a non-GAAP basis, the range is 26.5% 23% to 29.5% 26%.

Our effective tax rate will continue to experience volatility in future periods as the tax benefits recognized from stock-based compensation are impacted by market fluctuations in our stock price and the timing of option exercises. The rate also experiences volatility from the remeasurement of the contingent consideration liability, as well as changes in deferred tax asset valuation allowances, primarily in foreign jurisdictions, based on the sufficiency of taxable income in future periods. Our U.S. GAAP rate will also be impacted by changes in the proportion of net income that is attributable to our redeemable non-controlling interests and non-controlling interests reflected in permanent equity.

NON-GAAP INFORMATION AND RECONCILIATION.

We believe the non-GAAP financial measures below provide relevant and meaningful information to investors about our core operating results. These measures have been established in order to increase transparency for the purpose of evaluating our 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 a substitute for financial measures calculated in accordance with U.S. GAAP and may be calculated differently by other companies.

The following schedules reconcile certain U.S. GAAP financial measures for the three months ended September 30, 2023, March 31, 2024 and 2022, 2023.

| | | Three months ended 9/30/2023 | | | | | |
|--|--|------------------------------|-----------|----------------------|--------------|----------------------|--|
| | | Provision | | | | | |
| | | Net | Non- | (benefit) | Net income | Diluted | |
| | | Operating | operating | for | attributable | earnings | |
| | | expenses | income | income | to T. Rowe | per | |
| | | | (loss) | taxes ⁽⁶⁾ | Price | share ⁽⁷⁾ | |
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|---|---|------------|----------|---------|----------|----------|---------|
| Intangible assets amortization and impairments ⁽¹⁾ | Intangible assets amortization and impairments ⁽¹⁾ | (38.5) | 38.5 | — | 11.7 | 26.8 | 0.12 |
| Intangible assets amortization and impairments ⁽¹⁾ | | | | | | | |
| Intangible assets amortization and impairments ⁽¹⁾ | | | | | | | |
| Total acquisition-related non-GAAP adjustments | | (41.6) | 67.4 | — | 20.5 | 46.9 | 0.20 |
| Supplemental savings plan liability ⁽³⁾ (Compensation and related costs) | | 14.2 | (14.2) | 19.7 | 1.7 | 3.8 | 0.02 |
| Consolidated T. Rowe Price investment products ⁽⁴⁾ | | (0.7) | 1.4 | 24.4 | 3.6 | 8.2 | 0.03 |
| Other non-operating income ⁽⁵⁾ | | — | — | (18.2) | (5.6) | (12.6) | (0.05) |
| Total acquisition-related | | | | | | | |
| Total acquisition-related | | | | | | | |
| Total acquisition-related | | | | | | | |
| Supplemental savings plan liability ⁽²⁾ (Compensation and related costs) | | | | | | | |
| Consolidated T. Rowe Price investment products ⁽³⁾ | | | | | | | |
| Other non-operating income ⁽⁴⁾ | | | | | | | |
| Adjusted Non-GAAP Basis | Adjusted Non-GAAP Basis | \$ 1,061.3 | \$ 635.9 | \$ 28.7 | \$ 165.1 | \$ 499.5 | \$ 2.17 |

| | Three months ended 9/30/2022 | | | | | |
|---|------------------------------|----------------------|-----------------------------|---|--|---|
| | Operating expenses | Net operating income | Non-operating income (loss) | Provision (benefit) for income taxes ⁽⁶⁾ | Net income attributable to T. Rowe Price | Diluted earnings per share ⁽⁷⁾ |
| | | | | | | |
| U.S. GAAP Basis (FS line item) | \$ 1,013.6 | \$ 574.6 | \$ (82.8) | \$ 134.0 | \$ 384.4 | \$ 1.66 |
| Non-GAAP adjustments: | | | | | | |
| Acquisition-related non-GAAP adjustments: | | | | | | |
| Investment and NCI amortization and impairments ⁽¹⁾ (Capital allocation-based income and Compensation and related costs) | 5.6 | 7.6 | — | 1.4 | 6.2 | 0.03 |
| Acquisition-related retention arrangements ⁽¹⁾ (Compensation and related costs) | (17.1) | 17.1 | — | 3.0 | 14.1 | 0.06 |
| Contingent consideration ⁽¹⁾ | 29.9 | (29.9) | — | (3.8) | (26.1) | (0.11) |
| Intangible assets amortization and impairments ⁽¹⁾ | (27.1) | 27.1 | — | 5.1 | 22.0 | 0.09 |
| Transaction costs ⁽²⁾ (General, admin and other) | (0.1) | 0.1 | — | — | 0.1 | — |
| Total acquisition-related non-GAAP adjustments | (8.8) | 22.0 | — | 5.7 | 16.3 | 0.07 |
| Supplemental savings plan liability ⁽³⁾ (Compensation and related costs) | 24.7 | (24.7) | 26.3 | 0.1 | 1.5 | 0.01 |
| Consolidated T. Rowe Price investment products ⁽⁴⁾ | (1.3) | 1.8 | 41.7 | (0.3) | 17.2 | 0.07 |
| Other non-operating income ⁽⁵⁾ | — | — | 11.1 | (0.1) | 11.2 | 0.05 |
| Adjusted Non-GAAP Basis | \$ 1,028.2 | \$ 573.7 | \$ (3.7) | \$ 139.4 | \$ 430.6 | \$ 1.86 |

| | | Nine months ended 9/30/2022 | | | | | | | | | | | |
|---|--------------------------------|------------------------------|------------|------------|----------------------|------------|----------------------|------------------------------|---------------------------------|-------------------------|----------------------|---------|--|
| | | Provision | | | | | | | | | | | |
| | | Net | | Non- | (benefit) | Net income | Diluted | | | | | | |
| | | Operating | operating | income | income | to T. Rowe | earnings | | | | | | |
| | | expenses | income | (loss) | taxes ⁽⁶⁾ | Price | share ⁽⁷⁾ | | | | | | |
| | | Three months ended 3/31/2023 | | | | | | Three months ended 3/31/2023 | | | | | |
| | | Operating | | | | | Net | | | | Net income | Diluted | |
| | | expenses | | | | | operating | Non-operating | Provision (benefit) | attributable to T. Rowe | earnings per | | |
| | | | | | | | income | income (loss) | for income taxes ⁽⁵⁾ | Price | share ⁽⁸⁾ | | |
| U.S. GAAP Basis (FS line item) | U.S. GAAP Basis (FS line item) | \$ 2,843.6 | \$ 2,120.6 | \$ (561.2) | \$ 399.4 | \$ 1,291.9 | \$ 5.54 | | | | | | |
| Non-GAAP adjustments: | Non-GAAP adjustments: | | | | | | | | | | | | |
| Acquisition-related non-GAAP adjustments: | | | | | | | | | | | | | |
| Acquisition-related: | | | | | | | | | | | | | |
| Acquisition-related: | | | | | | | | | | | | | |
| Acquisition-related: | | | | | | | | | | | | | |
| Investment and NCI amortization and impairments ⁽¹⁾ (Capital allocation-based income and Compensation and related costs) | | | | | | | | | | | | | |
| Investment and NCI amortization and impairments ⁽¹⁾ (Capital allocation-based income and Compensation and related costs) | | | | | | | | | | | | | |

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|---|---|------------|------------|-----------|----------|------------|---------|
| Investment and NCI amortization and impairments ⁽¹⁾ (Capital allocation-based income and Compensation and related costs) | Investment and NCI amortization and impairments ⁽¹⁾ (Capital allocation-based income and Compensation and related costs) | 16.9 | 22.8 | — | 6.5 | 16.3 | 0.07 |
| Acquisition-related retention arrangements ⁽¹⁾ (Compensation and related costs) | Acquisition-related retention arrangements ⁽¹⁾ (Compensation and related costs) | (54.3) | 54.3 | — | 15.4 | 38.9 | 0.17 |
| Contingent consideration ⁽¹⁾ | Contingent consideration ⁽¹⁾ | 125.7 | (125.7) | — | (35.7) | (90.0) | (0.40) |
| Intangible assets amortization and impairments ⁽¹⁾ | Intangible assets amortization and impairments ⁽¹⁾ | (81.4) | 81.4 | — | 23.1 | 58.3 | 0.25 |
| Transaction costs ⁽²⁾ (General, admin and other) | | (0.9) | 0.9 | — | 0.2 | 0.7 | — |
| Total acquisition-related non-GAAP adjustments | | 6.0 | 33.7 | — | 9.5 | 24.2 | 0.09 |
| Supplemental savings plan liability ⁽³⁾ (Compensation and related costs) | | 169.2 | (169.2) | 178.0 | 2.5 | 6.3 | 0.03 |
| Consolidated T. Rowe Price investment products ⁽⁴⁾ | | (4.2) | 6.3 | 247.7 | 34.7 | 87.4 | 0.38 |
| Other non-operating income ⁽⁵⁾ | | — | — | 77.4 | 22.0 | 55.4 | 0.24 |
| Total acquisition-related | | | | | | | |
| Total acquisition-related | | | | | | | |
| Total acquisition-related | | | | | | | |
| Supplemental savings plan liability ⁽²⁾ (Compensation and related costs) | | | | | | | |
| Consolidated T. Rowe Price investment products ⁽³⁾ | | | | | | | |
| Other non-operating income ⁽⁴⁾ | | | | | | | |
| Adjusted Non-GAAP Basis | Adjusted Non-GAAP Basis | \$ 3,014.6 | \$ 1,991.4 | \$ (58.1) | \$ 468.1 | \$ 1,465.2 | \$ 6.28 |

(1) These non-GAAP adjustments remove the impact of acquisition-related amortization and costs including amortization of intangible assets the recurring and acquired assets amortization and impairments, contingent consideration liability fair value remeasurements, of the contingent consideration liability, amortization and impairments of acquired investment 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 our core operating results and to increase comparability period to period.

- (2) This non-GAAP adjustment removes acquisition-related transactions costs. Management believes adjusting for these charges helps the reader's ability to understand our core operating results and to increase comparability period to period.
- (3) (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 an economic hedge against the related liability. Amounts deferred under the supplemental savings plan are adjusted for appreciation (depreciation) of hypothetical investments chosen by participants. We use 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) realized on the economic hedges against the related compensation expense and remove the net impact to help the reader's ability to understand our core operating results and to increase comparability period to period.

- (4) (3) These non-GAAP adjustments remove the impact that the consolidated T. Rowe Price investment products have on our U.S. GAAP consolidated statements of income. Specifically, we add back the operating expenses and subtracts subtract the investment income of the consolidated T. Rowe Price 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 T. Rowe Price investment products may impact the reader's ability to understand our core operating results.
- (4) (4) This non-GAAP adjustment represents the other non-operating income (loss) and the net gains (losses) earned on our non-consolidated 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 We retain in our non-GAAP measures the investment gains recognized on the non-consolidated cash and discretionary investments as these assets and related income (loss) are considered part of our core operations. Management believes adjusting for these non-operating income (loss) items helps the reader's ability to understand our core operating results and increases comparability to prior years. Additionally, management does not emphasize the impact of the portion of non-operating income (loss) removed when managing and evaluating our performance.
- (5) (5) The income tax impacts were calculated in order to achieve an overall year-to-date non-GAAP effective tax rate of 26.8% in 2023 and 24.2% in 2022. As such, the non-GAAP effective tax rate for the three months ended September 30, 2023 March 31, 2024 and 2022 2023 was 24.8% 23.9% and 24.4% 30.3%, respectively. We estimate that our effective tax rate for the full-year 2023 on a non-GAAP basis will be in the range of 26.5% to 29.5%.
- (7) (6) This non-GAAP measure was calculated by applying the two-class method to adjusted net income attributable to T. Rowe Price divided 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 | | Nine months ended | |
|---|---|--------------------|-----------|-------------------|-----------|
| | | 9/30/2023 | 9/30/2022 | 9/30/2023 | 9/30/2022 |
| | | Three months ended | | | |
| | | Three months ended | | | |
| | | Three months ended | | | |
| | | 3/31/2024 | | | |
| | | 3/31/2024 | | | |
| | | 3/31/2024 | | | |
| Adjusted net income attributable to T. Rowe Price | | | | | |
| Adjusted net income attributable to T. Rowe Price | | | | | |
| Adjusted net income attributable to T. Rowe Price | Adjusted net income attributable to T. Rowe Price | \$ | \$ | \$ | \$ |
| | | 499.5 | 430.6 | 1,355.4 | 1,465.2 |

| | | | | | |
|--|--|----------|----------|------------|------------|
| Less: adjusted net income allocated to outstanding restricted stock and stock unit holders | Less: adjusted net income allocated to outstanding restricted stock and stock unit holders | 11.7 | 10.7 | 32.8 | 34.1 |
| Less: adjusted net income allocated to outstanding restricted stock and stock unit holders | | | | | |
| Less: adjusted net income allocated to outstanding restricted stock and stock unit holders | | | | | |
| Adjusted net income allocated to common stockholders | Adjusted net income allocated to common stockholders | \$ 487.8 | \$ 419.9 | \$ 1,322.6 | \$ 1,431.1 |
| Adjusted net income allocated to common stockholders | | | | | |
| Adjusted net income allocated to common stockholders | | | | | |

CAPITAL RESOURCES AND LIQUIDITY.

Sources of Liquidity.

We have ample liquidity, including cash and investments in T. Rowe Price products, as follows:

| (in millions) | (in millions) | 9/30/2023 | 12/31/2022 | (in millions) | 3/31/2024 | 12/31/2023 |
|---|---|-----------|------------|---------------|-----------|------------|
| Cash and cash equivalents | Cash and cash equivalents | \$2,578.7 | \$1,755.6 | | | |
| Discretionary investments | Discretionary investments | 486.3 | 449.7 | | | |
| Total cash and discretionary investments | Total cash and discretionary investments | 3,065.0 | 2,205.3 | | | |
| Redeemable seed capital investments | Redeemable seed capital investments | 1,167.4 | 1,120.3 | | | |
| Investments used to hedge the supplemental savings plan liability | Investments used to hedge the supplemental savings plan liability | 783.9 | 760.7 | | | |
| Total cash and investments in T. Rowe Price products | Total cash and investments in T. Rowe Price products | \$5,016.3 | \$4,086.3 | | | |

Our discretionary investment portfolio is comprised of short duration bond funds, which typically yield higher than money market rates. Our subsidiaries outside the United States held cash and discretionary investments of \$789.3 million \$708.0 million at September 30, 2023 March 31, 2024 and \$809.1 million \$699.0 million at December 31, 2022 December 31, 2023. Given the availability of our financial resources and cash expected to be generated through future operations, we do not maintain an available external source of additional liquidity.

Our seed capital investments are redeemable, although we generally expect to be invested for several years for the products to build an investment performance history and until unrelated third-party investors substantially reduce our relative ownership percentage.

The cash and investment presentation on the unaudited condensed consolidated balance sheet is based on the accounting treatment for the cash equivalent or investment item. The following table details how T. Rowe Price's interests in cash and investments relate to where they are presented on the unaudited condensed consolidated balance sheet as of September 30, 2023 March 31, 2024.

| | | Net assets of consolidated T. Rowe Price investment products ⁽¹⁾ | | | | | | | | |
|--|--|---|-------------|-------------------------|------------|---------------|---------------------------|-------------|---|-------|
| (in millions) | (in millions) | Cash and cash equivalents | Investments | products ⁽¹⁾ | Total | (in millions) | Cash and cash equivalents | Investments | Net assets of consolidated T. Rowe Price investment products ⁽¹⁾ | Total |
| Cash and discretionary investments | Cash and discretionary investments | \$ 2,578.7 | \$ 263.0 | \$ 223.3 | \$ 3,065.0 | | | | | |
| Seed capital investments | Seed capital investments | — | 322.7 | 844.7 | 1,167.4 | | | | | |
| Investments used to hedge the supplemental savings plan liability | Investments used to hedge the supplemental savings plan liability | — | 717.6 | 66.3 | 783.9 | | | | | |
| Total cash and investments in T. Rowe Price products attributable to T. Rowe Price | Total cash and investments in T. Rowe Price products attributable to T. Rowe Price | 2,578.7 | 1,303.3 | 1,134.3 | 5,016.3 | | | | | |
| Investments in affiliated private investment funds ⁽²⁾ | Investments in affiliated private investment funds ⁽²⁾ | — | 825.0 | — | 825.0 | | | | | |
| Investments in CLOs | Investments in CLOs | — | 110.1 | — | 110.1 | | | | | |
| Investment in UTI and other investments | Investment in UTI and other investments | — | 265.2 | — | 265.2 | | | | | |
| Total cash and investments attributable to T. Rowe Price | Total cash and investments attributable to T. Rowe Price | 2,578.7 | 2,503.6 | 1,134.3 | 6,216.6 | | | | | |

| | | | | | |
|---|--------------------------------------|-----------|-----------|-----------|-----------|
| Redeemable non-controlling interests | Redeemable non-controlling interests | — | — | 560.2 | 560.2 |
| As reported on unaudited condensed consolidated balance sheet at September 30, 2023 | | | | | |
| | | \$2,578.7 | \$2,503.6 | \$1,694.5 | \$6,776.8 |
| As reported on unaudited condensed consolidated balance sheet at March 31, 2024 | | | | | |

(a) The consolidated T. Rowe Price investment products are generally those products we provided seed capital at the time of their formation and we have a controlling interest. These products generally represent U.S. mutual funds as well as those funds regulated outside the U.S. The \$1,134.3 million \$1,369.4 million represents the total value at September 30, 2023 March 31, 2024 of our interest in the consolidated T. Rowe Price investment products. The total net assets of the T. Rowe Price investment products at September 30, 2023 March 31, 2024 of \$1,694.5 million \$2,046.1 million includes assets of \$1,778.3 million \$2,117.2 million, less liabilities of \$83.8 million \$71.1 million as reflected in our unaudited condensed consolidated balance sheets.

(b) Includes \$221.5 million \$205.4 million of non-controlling interests in consolidated entities and represents the portion of these investments, held by third parties, that we cannot sell in order to obtain cash for general operations.

Our unaudited condensed consolidated balance sheet reflects the cash and cash equivalents, investments, other assets and liabilities of those sponsored investment products we consolidate, as well as redeemable non-controlling

Page 37

interests for the portion of these sponsored investment products that are held by unrelated third-party investors. Although we can redeem our net interest in these sponsored investment products at any time, we cannot directly access or sell the assets held by the products to obtain cash for general operations. Additionally, the assets of these sponsored investment products are not available to our general creditors. Our interest in these sponsored investment products was generally used as initial seed capital and is recategorized as discretionary when it is determined by management that the seed capital is no longer needed. We assess the discretionary investment products and, when we decide to liquidate our interest, we seek to do so in a way as to not impact the product and, ultimately, the unrelated third-party investors.

Uses of Liquidity

We increased our quarterly recurring dividend per common share in February 2023 2024 by 1.7% 1.6% to \$1.22 \$1.24 per common share from \$1.20 \$1.22 per common share. Further, we expended \$151.4 million \$80.1 million in the first nine months quarter of 2023 2024 to repurchase 1,398 717 thousand shares of our outstanding common stock, at an average price of \$107.78 \$111.11 per share. These dividends and repurchases were expended using existing cash balances and cash generated from operations. While opportunistic in our approach to stock buybacks, we will generally repurchase our common stock over time to offset the dilution created by our equity-based compensation plans.

Since the end of 2020, 2021, we have returned nearly \$5.8 billion \$3.7 billion to stockholders through stock repurchases and regular quarterly dividends, and a special dividend, as follows:

| | | | | Total cash returned to |
|-----------------------------|--------------------|------------------|-------------------|------------------------|
| (in millions) | Recurring dividend | Special dividend | Stock repurchases | stockholders |
| 2021 | \$ 1,003.7 | \$ 699.8 | \$ 1,136.0 | \$ 2,839.5 |
| 2022 | 1,108.8 | — | 855.3 | 1,964.1 |
| Nine months ended 9/30/2023 | 841.1 | — | 150.6 | 991.7 |
| Total | \$ 2,953.6 | \$ 699.8 | \$ 2,141.9 | \$ 5,795.3 |

| | | | | Total cash returned to |
|------------------------------|---------|--------------------|-------------------|------------------------|
| (in millions) | Page 32 | Recurring dividend | Stock repurchases | stockholders |
| 2022 | | \$ 1,108.8 | \$ 855.3 | \$ 1,964.1 |
| 2023 | | 1,121.9 | 254.3 | 1,376.2 |
| Three months ended 3/31/2024 | | 285.0 | 80.1 | 365.1 |
| Total | | \$ 2,515.7 | \$ 1,189.7 | \$ 3,705.4 |

We anticipate property, equipment, software and other capital expenditures, including internal labor capitalization, for the full-year 2023 2024 to be about \$332 million \$485 million of which approximately 60% 50% is planned for technology initiatives. initiatives with the remaining primarily related to the build out of our new Baltimore headquarters. We expect to fund our anticipated capital expenditures with operating cash flows and other available resources.

Cash Flows

The following table summarizes the cash flows for the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, that are attributable to T. Rowe Price, our consolidated sponsored investment products, and the related eliminations required in preparing the statement.

| | | Nine months ended | | | | | | | | | | | | | | | | | |
|---|---|-----------------------------------|-----------------------------------|----------|-----------|-----------------------------------|-----------------------------------|---------|-----------|---------------|-----------------------------------|---|-------|-------------|-----------------------------------|---|-------|-------------|--|
| | | 9/30/2023 | | | | 9/30/2022 | | | | | | | | | | | | | |
| | | Three months ended | | | | | | | | | | | | | | | | | |
| | | 3/31/2024 | | | | | | | | 3/31/2024 | | | | | | | | | |
| (in millions) | (in millions) | Cash flow attributable to | | | | Cash flow attributable to | | | | (in millions) | Cash flow attributable to T. Rowe | Cash flow attributable to consolidated sponsored investment | Elims | As reported | Cash flow attributable to T. Rowe | Cash flow attributable to consolidated sponsored investment | Elims | As reported | |
| | | Cash flow attributable to T. Rowe | consolidated sponsored investment | As | reported | Cash flow attributable to T. Rowe | consolidated sponsored investment | As | reported | | | | | | | | | | |
| | | Price | products | Elims | reported | Price | products | Elims | reported | | | | | | | | | | |
| Cash flows from operating activities | Cash flows from operating activities | | | | | | | | | | | | | | | | | | |
| Net income (loss) | Net income (loss) | \$1,351.1 | \$ 36.6 | \$(25.6) | \$1,362.1 | \$1,291.9 | \$ (254.0) | \$122.1 | \$1,160.0 | | | | | | | | | | |
| Net income (loss) | | | | | | | | | | | | | | | | | | | |
| Net income (loss) | | | | | | | | | | | | | | | | | | | |
| Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities | Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities | | | | | | | | | | | | | | | | | | |
| Depreciation, amortization and impairments of property, equipment and software | | | | | | | | | | | | | | | | | | | |
| Depreciation, amortization and impairments of property, equipment and software | | | | | | | | | | | | | | | | | | | |
| Depreciation, amortization and impairments of property, equipment and software | Depreciation, amortization and impairments of property, equipment and software | 181.6 | — | — | 181.6 | 166.0 | — | — | 166.0 | | | | | | | | | | |
| Amortization and impairment of acquisition-related assets and retention agreements | Amortization and impairment of acquisition-related assets and retention agreements | 165.6 | — | — | 165.6 | 158.4 | — | — | 158.4 | | | | | | | | | | |

| | | | | | | | | | |
|---|---|---------|---------|---------|---------|-----------|--------|---------|-----------|
| Fair value remeasurement of contingent liability | Fair value remeasurement of contingent liability | (72.8) | — | — | (72.8) | (125.7) | — | — | (125.7) |
| Stock-based compensation expense | Stock-based compensation expense | 169.7 | — | — | 169.7 | 185.7 | — | — | 185.7 |
| Stock-based compensation expense | | | | | | | | | |
| Stock-based compensation expense | | | | | | | | | |
| Net (gains) losses recognized on investments | Net (gains) losses recognized on investments | (326.0) | — | 25.6 | (300.4) | 506.6 | — | (122.1) | 384.5 |
| Total non-cash adjustments | | | | | | | | | |
| Net redemptions in sponsored investment products used to economically hedge supplemental savings plan liability | Net redemptions in sponsored investment products used to economically hedge supplemental savings plan liability | 101.3 | — | — | 101.3 | 33.8 | — | — | 33.8 |
| Net change in trading securities held by consolidated sponsored investment products | Net change in trading securities held by consolidated sponsored investment products | — | (779.9) | — | (779.9) | — | 291.0 | — | 291.0 |
| Other changes | Other changes | 546.8 | 11.8 | (9.3) | 549.3 | 236.1 | 21.0 | (16.2) | 240.9 |
| Net cash provided by (used in) operating activities | Net cash provided by (used in) operating activities | 2,117.3 | (731.5) | (9.3) | 1,376.5 | 2,452.8 | 58.0 | (16.2) | 2,494.6 |
| Net cash provided by (used in) investing activities | Net cash provided by (used in) investing activities | (333.3) | (35.6) | 407.0 | 38.1 | (54.7) | (8.7) | (6.1) | (69.5) |
| Net cash provided by (used in) financing activities | Net cash provided by (used in) financing activities | (960.9) | 741.4 | (397.7) | (617.2) | (1,554.9) | (84.1) | 22.3 | (1,616.7) |
| Effect of exchange rate changes on cash and cash equivalents of consolidated sponsored investment products | Effect of exchange rate changes on cash and cash equivalents of consolidated sponsored investment products | — | (1.8) | — | (1.8) | — | 11.8 | — | 11.8 |
| Net change in cash and cash equivalents during period | Net change in cash and cash equivalents during period | 823.1 | (27.5) | — | 795.6 | 843.2 | (23.0) | — | 820.2 |

| | | | | | | | | | |
|--|--|-----------|---------|------|-----------|-----------|---------|------|-----------|
| Cash and cash equivalents at beginning of year | Cash and cash equivalents at beginning of year | 1,755.6 | 119.1 | — | 1,874.7 | 1,523.1 | 101.1 | — | 1,624.2 |
| Cash and cash equivalents at end of period | Cash and cash equivalents at end of period | \$2,578.7 | \$ 91.6 | \$ — | \$2,670.3 | \$2,366.3 | \$ 78.1 | \$ — | \$2,444.4 |

Page 39 34

Operating Activities

Operating activities attributable to T. Rowe Price Group during the first nine months quarter of 2023 2024 provided cash flows of \$2,117.3 million \$739.5 million, a decrease an increase of \$335.5 million \$66.8 million from the \$2,452.8 million provided \$672.7 million during the comparable 2022 2023 period. The decrease is increase was primarily attributable to lower non-cash adjustments as the 2023 period included driven by a \$152.3 million increase in net investment gains of \$326.0 million compared with net investment losses of \$506.6 million in the 2022 period. The reduction in non-cash adjustments income. This was offset in part by a higher reduction of operating cash flows of \$17.9 million from non-cash items and by a \$64.3 million decrease in timing differences related to the cash settlement of our assets and liabilities, which increased liabilities. The details of our net cash flow provided by operating activities by \$310.7 million. non-cash adjustments are detailed in the table above. Additionally, in 2023, 2024, we had made \$3.3 million in more net proceeds of \$101.3 million from investments in certain investment products that economically hedge our supplemental savings plan liability compared to net proceeds of \$33.8 million in the same period of 2022. liability. The remaining change in reported cash flows from operating activities was primarily attributable to the net change in trading securities held in our consolidated investment products' underlying portfolios, and to change in fair value of the contingent consideration liability. portfolios.

Our interim operating cash flows do does not include the cash impact of variable compensation that is accrued throughout the year before being substantially paid out in December. Our non-cash adjustments include unrealized investment gain/losses, depreciation and amortization, fair value remeasurement of the contingent consideration liability remeasurement, and other non-cash items.

Investing Activities

Net cash used in investing activities that are were attributable to T. Rowe Price Group totaled \$333.3 million \$34.4 million in the first nine months of 2023, an increase of \$278.6 million from the the 2022 period. 2024 compared with \$52.0 million in 2023. During the 2023 period, we reinvested the majority of \$370.7 million in 2024, net proceeds from the sale of certain investments of our discretionary investments along with additional operating cash \$65.3 million were higher compared to make \$442.8 million into new investments in order to rebalance the asset allocation of our discretionary investment portfolio. This resulted in net new investment activity in \$9.3 million during the 2023 period of \$72.1 million compared with \$119.2 million in proceeds from net dispositions in the comparable 2022 period. The majority of the net new investments were seed capital provided to sponsored investment products that In 2024, we consolidate. increased our property and equipment expenditures by \$41.8 million and decreased our other investing activity by \$3.4 million. We eliminate our our investments capital in those sponsored investment products we consolidate in preparing our unaudited condensed consolidated statements of cash flows.

In addition, we increased our property, equipment and software expenditures by \$48.8 million and had higher other investing activities of \$38.5 million. The remaining \$26.9 million change in reported cash flows from investing activities of \$2.4 million is primarily related to the net cash removed from our balance sheet from consolidating and deconsolidating investment products.

Financing Activities

Net cash used in financing activities attributable to T. Rowe Price were \$960.9 million Group totaled \$355.2 million in the first nine months of 2023 2024 compared with \$1,554.9 million \$282.2 million in the 2022 period. 2023. During the first nine months of 2023, 2024, we repurchased 1.4 million used \$83.1 million to repurchase 0.7 million shares for \$151.4 million compared to 5.7 million \$8.2 million to repurchase 25 thousand shares for \$744.0 million in 2023. The \$4.3 million increase in dividends paid in 2024 is a result of the comparable 2022 period. 1.6% increase in our quarterly dividend per share in 2024. In addition, cash flow related to common stock issued under stock compensation plans increased by \$6.2 million during 2024 compared to 2023. The remaining decrease change in reported cash flows used from financing activities is primarily attributable to \$343.7 million a \$50.6 million increase in net subscriptions received from redeemable non-controlling interest holders of our consolidated investment products during the first nine months of 2023 as compared to \$61.8 million in net redemptions in the comparable 2022 period. 2024.

CRITICAL ACCOUNTING POLICIES.

The preparation of financial statements often requires the selection of specific accounting methods and policies from among several acceptable alternatives. Further, significant estimates and judgments may be required in selecting and applying those methods and policies in the recognition of the assets and liabilities in our unaudited condensed consolidated balance sheets, the revenues and expenses in our unaudited condensed consolidated statements of income, and the information that is contained in our significant accounting policies and notes to unaudited condensed consolidated financial statements. Making these estimates and judgments requires the analysis of information concerning events that may not yet be complete and of facts and circumstances that may change over time. Accordingly, actual amounts or future results can differ materially from those estimates that we include currently in our unaudited condensed consolidated financial statements, significant accounting policies, and notes.

There have been no material changes in the critical accounting policies previously identified in our 2022 2023 Annual Report on Form 10-K.

Page 40

NEWLY-ISSUED BUT NOT YET ADOPTED ACCOUNTING GUIDANCE.

See Note 1 - The Company and Basis of Preparation note within Item 1. Financial Statements for a discussion of newly issued but not yet adopted accounting guidance.

Page 35

FORWARD-LOOKING INFORMATION.

From time to time, information or statements provided by or on behalf of T. Rowe Price, including those within this report, may contain certain forward-looking information, including information or anticipated information relating to: our operations, revenues, liquidity, net income, and earnings per share of common stock; changes in the amount and composition of our assets under management; our expenses, expense levels; our tax rate; legal or regulatory developments; geopolitical instability; interest rates and currency fluctuations; and our expectations regarding financial markets, future transactions, strategic initiatives, dividends, stock repurchases, investments, new products and services, capital expenditures, changes in our effective fee rate, and other industry or market conditions. Readers are cautioned that any forward-looking information provided by or on behalf of T. Rowe Price is not a guarantee of future performance. Actual results may differ materially from those in forward-looking information because of various factors including, but not limited to, those discussed below and in Item 1A, Risk Factors, included in our Form 10-K Annual Report for 2022, 2023. Further, forward-looking statements speak only as of the date on which they are made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which it is made or to reflect the occurrence of unanticipated events.

Our future revenues and results of operations will fluctuate primarily due to changes in the total value and composition of assets under our management. Such changes result from many factors, including, among other things: client-related cash inflows and outflows in the U.S. mutual funds, subadvised funds, separately managed accounts, collective investment trusts, and other investment our products, performance fees, capital allocation-based income, fluctuations in global financial markets that result in appreciation or depreciation of the assets under our management, our introduction of new mutual funds and investment products, and changes in retirement savings trends relative to participant-directed investments and defined contribution plans, and the impact of the coronavirus outbreak. plans.

The ability to attract and retain investors' assets under our management is dependent on investor sentiment and confidence; the relative investment performance of the T. Rowe Price mutual funds and other managed investment products as compared with competing offerings and market indexes; the ability to maintain our investment management and administrative fees at appropriate levels; the impact of changes in interest rates and inflation; competitive conditions in the mutual fund, asset management, and broader financial services sectors; our level of success in implementing our strategy to expand our business, including our establishment of T. Rowe Price Investment Management as a separate registered investment adviser, business; and our ability to attract and retain key personnel. Our revenues are substantially dependent on fees earned under contracts with the T. Rowe Price funds and could be adversely affected if the independent directors of one or more of the T. Rowe Price funds terminated or significantly altered the terms of the investment management or related administrative services agreements. Non-operating investment income will also fluctuate primarily due to the size of our investments, changes in their market valuations, and any other-than-temporary impairments that may arise or, in the case of our equity method investments, our proportionate share of the investees' investees' net income.

Our future results are also dependent upon the level of our expenses, which are subject to fluctuation for the following or other reasons: changes in the level of our advertising and promotion expenses in response to market conditions, including our efforts to expand our investment advisory business to investors outside the U.S. and to further penetrate our distribution channels within the U.S.; the pace and level of spending to support key strategic priorities, including the integration of OHA with and into our business; priorities; variations in the level of total compensation expense due to, among other things, bonuses, restricted stock units and other equity grants, other incentive awards, our supplemental savings plan, changes in our employee count and mix, and competitive factors; any goodwill, intangible asset or other asset impairment that may arise; fluctuation in foreign currency exchange rates applicable to the costs of our international operations; expenses and capital costs, such as technology assets, depreciation, amortization, and research and development, incurred to maintain and enhance our administrative and operating services infrastructure; the timing of the assumption of all third party research payments, 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 fund and product recordkeeping, facilities, communications, power, and the mutual fund transfer agent and accounting systems, systems, as a result of extreme events, cyberattacks or otherwise.

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

Page 41

limited to, effects on costs that we incur and effects on investor interest in T. Rowe Price sponsored investment products and investing in general or in particular classes of mutual funds or other investments.

Page 36

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

There has been no material change in our market risks from those provided in Item 7A of the Form 10-K Annual Report for 2022, 2023.

Item 4. Controls and Procedures.

Our management, including our principal executive and principal financial officers, has evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2023 March 31, 2024. Based on that evaluation, our principal executive and principal financial officers have concluded that our disclosure controls and procedures as of September 30, 2023 March 31, 2024, are effective at the reasonable assurance level to ensure that the information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, including this Form 10-Q quarterly report, is recorded, processed, summarized, and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms, and to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Our management, including our principal executive and principal financial officers, has evaluated any change in our internal control over financial reporting that occurred during the third first quarter of 2023, 2024, and has concluded that there was no change during the third first quarter of 2023 2024 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

For information about our legal proceedings, please see our Commitments and Contingencies footnote to our unaudited condensed consolidated financial statements in Part 1.1 of this Form 10-Q.

Item 1A. Risk Factors.

There have been no material changes in the information provided in Item 1A of our Form 10-K Annual Report for 2022, 2023.

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

(c) Repurchase activity during the third first quarter of 2023 2024 is as follows:

| Month | Total Number of Shares Purchased | Average Price Paid per Share | Total Number of Shares Purchased as | | |
|-----------------|----------------------------------|------------------------------|-------------------------------------|--|--|
| | | | Month | Total Number of Shares Purchased as Part of Publicly Announced Program | Maximum Number of Shares that May Yet Be Purchased Under the Program |
| July January | 24,840 | \$118.88 | 108.26 | 274,914 | 8,354,638 |
| August February | 314,929 | \$112.14 | 108.84 | 304,011 | 8,050,627 |
| September March | 687,082 | \$106.22 | 117.28 | 673,247 | 7,377,380 |
| Total | 1,026,851 | \$108.34 | 110.84 | 977,258 | 716,634 |

Shares repurchased by us in a quarter may include repurchases conducted pursuant to publicly announced board authorization, outstanding shares surrendered to us to pay the exercise price in connection with swap exercises of employee stock options, and shares withheld to cover the minimum tax withholding obligation associated with the vesting of restricted stock awards. Of the total number of shares purchased during the third first quarter of 2023, 49,593 2024, 92,328 were related to shares surrendered in connection with employee stock option exercises and no shares were withheld to cover tax withholdings associated with the vesting of restricted stock awards.

Page 42 37

The following table details the changes in and status of the Board of Directors' outstanding publicly announced board authorizations.

| Authorization Dates | | | | | 1/1/2024 | Total Number of Shares Purchased | Maximum Number of Shares that May Yet Be Purchased at 3/31/2024 |
|------------------------|------------------------|-----------|-------------------------------------|--|----------|-------------------------------------|---|
| Authorization Dates | Authorization Dates | 7/1/2023 | Total Number of Shares Purchased | Maximum Number of Shares that May Yet Be Purchased at 9/30/2023 | | | |
| March 2020 | March 2020 | 8,354,638 | (977,258) | 7,377,380 | | | |
| March 2020 | | | | | | | |
| March 2020 | | | | | | | |

Item 3. Defaults Upon Senior Securities.

Not applicable.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Not applicable.

Item 6. Exhibits.

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

| | |
|---------|---|
| 3(i) | Charter of T. Rowe Price Group, Inc., as reflected by Articles of Restatement dated June 20, 2018. (Incorporated by reference from Form 10-Q Quarterly Report filed on July 25, 2018.) |
| 3(ii) | Amended and Restated By-Laws of T. Rowe Price Group, Inc. as of February 9, 2021. (Incorporated by reference from Form 10-K Annual Report filed on February 11, 2021.) |
| 10.01 | T. Rowe Price, Inc. 1986 Employee Stock Purchase Plan, Restated as of April 26, 2017, as amended. (Incorporated by reference from Form S-8 registration statement filed on August 2, 2023.) |
| 10.02 | Supplemental Savings Plan (Incorporated by reference from Form S-8 registration statement filed on August 2, 2023.) |
| 15 | Report from KPMG LLP, independent registered public accounting firm, re unaudited interim financial information. |
| 31(i).1 | Rule 13a-14(a) Certification of Principal Executive Officer. |
| 31(i).2 | Rule 13a-14(a) Certification of Principal Financial Officer. |
| 32 | Section 1350 Certifications. |
| 101 | The following series of unaudited XBRL-formatted documents are collectively included herewith as Exhibit 101. The financial information is extracted from T. Rowe Price Group's unaudited condensed consolidated interim financial statements and notes that are included in this Form 10-Q Report. |
| 101.INS | XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document. |
| 101.SCH | XBRL Taxonomy Extension Schema Document |
| 101.CAL | XBRL Taxonomy Calculation Linkbase Document |
| 101.LAB | XBRL Taxonomy Label Linkbase Document |
| 101.PRE | XBRL Taxonomy Presentation Linkbase Document |
| 101.DEF | XBRL Taxonomy Definition Linkbase Document |

Page 43 38

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 27, 2023** **April 26, 2024**.

T. Rowe Price Group, Inc.

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

Page 44 39

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

October 27, 2023 **April 26, 2024**

T. Rowe Price Group, Inc.
Baltimore, Maryland

Re: Registration Statements No. 33-7012, No. 333-59714, No. 333-120882, No. 333-120883, No. 333-142092, No. 333-167317, No. 333-180904, No. 333-199560, No. 333-212705, No. 333-217483, No. 333-238319, and No. 333-238319, 333-273601.

With respect to the subject registration statements, we acknowledge our awareness of the use therein of our report dated October 27, 2023 April 26, 2024 related to our review of interim financial information.

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

/s/ KPMG LLP

Baltimore, Maryland

EXHIBIT 31(i).1

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

I, Robert W. Sharps, certify that:

1. I have reviewed this Form 10-Q Quarterly Report for the quarterly period ended September 30, 2023 March 31, 2024 of T. Rowe Price Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

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

October 27, 2023 April 26, 2024

/s/ Robert W. Sharps
Chief Executive Officer and President

EXHIBIT 31(i).2

Rule 13a-14(a) Certification of Principal Financial Officer

I, Jennifer B. Dardis, certify that:

1. I have reviewed this Form 10-Q Quarterly Report for the quarterly period ended September 30, 2023 March 31, 2024 of T. Rowe Price Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

October 27, 2023 April 26, 2024

/s/ Jennifer B. Dardis
Vice President, Chief Financial Officer and Treasurer

EXHIBIT 32

Section 1350 Certifications

We certify, to the best of our knowledge, based upon a review of the Form 10-Q Quarterly Report for the quarterly period ended ~~September 30, 2023~~ March 31, 2024, of T. Rowe Price Group, Inc., that:

- (1) The Form 10-Q Quarterly Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Form 10-Q Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of T. Rowe Price Group, Inc.

~~October 27, 2023~~ April 26, 2024

/s/ Robert W. Sharps
Chief Executive Officer and President

/s/ Jennifer B. Dardis
Vice President, Chief Financial Officer and Treasurer

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