

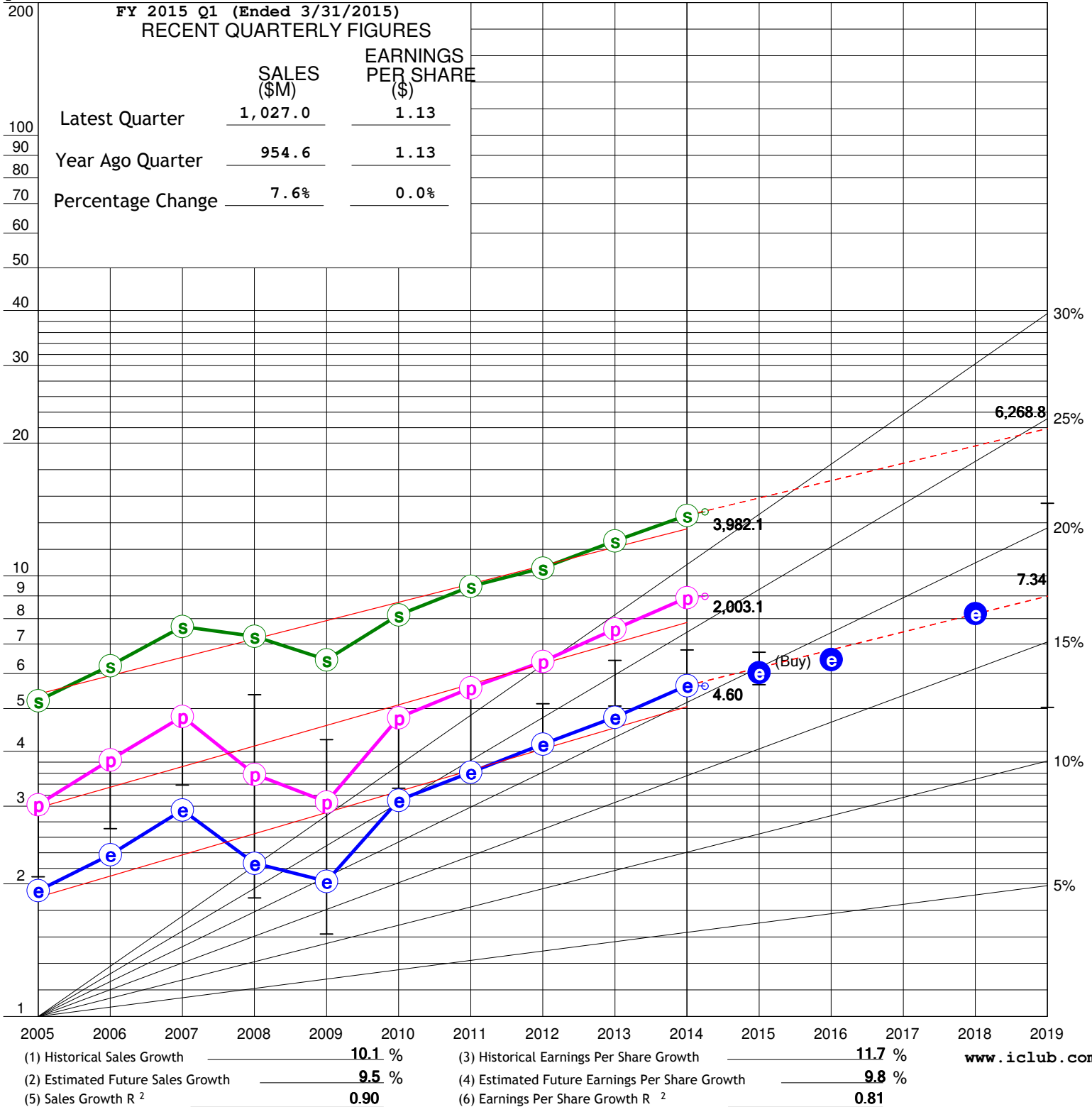


Stock Study

Company	T. Rowe Price Q1 2105	Price Date	05/18/15
Study by	Kathy Emmo	Data Date	05/18/15
Sector	Financial Services	Last Judgment	05/19/15
Industry	Asset Management	Data Source	BI
Preferred(\$M)	0.0	Reference	Morningsta
Diluted(M Shares)	265.7	% Insiders	6.7
Debt(\$M)	0.0	% Institutions	76.1
% Debt to Tot.Cap.	0.0	Quality	

1 Growth Analysis

NAS: TROW



2 QUALITY ANALYSIS

Company **T. Rowe Price Q1 2105**

(TROW)

05/18/15

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	5 YEAR AVG.	TREND UP / DOWN
A % Pre-tax Profit on Sales	44.9	47.3	48.3	37.6	36.8	45.2	45.5	47.5	48.8	50.3	47.5	UP
B % ROE (Beginning Yr)	NMF	24.6	26.2	17.3	17.2	22.6	22.9	25.1	26.1	25.0	24.3	UP
C % Debt to Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	EVEN

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE (P/E) 82.13 (17.9) 52-WEEK HIGH (P/E) 87.59 (19.1) 52-WEEK LOW (P/E) 73.94 (16.1)

Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield
1 2010	65.4	43.0	2.53	25.9	17.0	1.080	42.8	2.5
2 2011	71.3	44.7	2.92	24.4	15.3	1.240	42.4	2.8
3 2012	67.0	54.5	3.39	19.8	16.1	1.360	40.2	2.5
4 2013	84.0	66.2	3.90	21.5	17.0	1.520	39.0	2.3
5 2014	88.6	71.8	4.60	19.3	15.6	1.760	38.3	2.5
6 AVERAGE		56.0		22.2	16.2		40.5	
AVERAGE P/E RATIO		19.2	PROJECTED P/E RATIO		16.3	TTM EPS		4.59
CURRENT P/E RATIO		17.9	PEG RATIO		1.7	FTM EPS		5.03
RELATIVE VALUE		93.2%	PROJ. RELATIVE VALUE		85.0% 77.3%	AVG TTM + FTM EPS		4.81

4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS -- NEXT 5 YEARS

Selected High P/E ~~22.2~~ 26.0 X Estimated High Earnings/Share 7.34 = Forecast High Price \$ 190.8

B FUTURE LOW PRICE ANALYSIS -- NEXT 5 YEARS

(a) Sel. Low P/E 16.2 (as adj.) X Estimated Low Earnings/Share 4.60 = \$ 74.5

(b) Average 5-Year Low Price = 56.0

(c) Recent Severe Low Price = 66.2

(d) Price Dividend Will Support = Present Divd. + High Yield = 2.080 + 0.028 = 75.0

Selected Estimated Low Price 65.7

C PRICE RANGES

Forecast High Price 190.8 - Estimated Low Price 65.7 = Range 125.1 25% of Range = 31.3

BUY (Lower 25% of Range) = 65.7 to 97.0

MAYBE (Middle 50% of Range) = 97.0 to 159.5

SELL (Upper 25% of Range) = 159.5 to 190.8

Current Price 82.130 is in the Buy Range

D REWARD/RISK ANALYSIS (Potential Gain vs. Risk of Loss)

(Forecast High Price 190.8 - Current Price 82.130) + (Current Price 82.130 - Estimated Low Price 65.7) = 6.6 To 1

5 TOTAL RETURN ANALYSIS

A CURRENT YIELD

Present Full Year's Dividend \$ 2.080 ÷ Current Price of Stock \$ 82.130 = 2.5 % Present Yield or % Returned on Purchase Price

B AVERAGE YIELD - USING FORECAST HIGH P/E

Avg. % Payout 40.5 ÷ Forecast High P/E 26.0 = Avg. Yield 1.6

AVERAGE YIELD - USING FORECAST AVERAGE P/E

Avg. % Payout 40.5 ÷ Forecast Avg P/E 21.1 = Avg. Yield 1.9

C % COMPOUND ANNUAL TOTAL RETURN - USING FORECAST HIGH P/E

Average Yield 1.6 % + Annual Appreciation 18.4 % = Compound Annual Total Return 19.9 %

D % PROJECTED AVERAGE RETURN - USING FORECAST AVERAGE P/E

Average Yield 1.9 % + Annual Appreciation 13.5 % = Projected Average Total Return 15.4 %