

T. ROWE PRICE NDQ-TROW

RECENT PRICE **182.49** P/E RATIO **15.5** (Trailing: 18.2 Median: 17.0) RELATIVE P/E RATIO **0.70** DIV'D YLD **2.4%**

VALUE LINE

TIMELINESS 3 Lowered 11/27/20
SAFETY 1 Raised 2/10/17
TECHNICAL 3 Lowered 3/19/21
BETA 1.05 (1.00 = Market)

High: 65.4 71.3 66.9 84.0 88.6 87.2 79.0 106.1 127.4
 Low: 42.8 44.7 54.5 66.2 71.8 65.9 63.0 65.3 84.6

LEGENDS
 — 14.0 x Earnings p sh
 ... Relative Price Strength
 Options: Yes
 Shaded area indicates recession



Target Price Range	2024	2025	2026
	320		
	200		
	160		
	120		
	100		
	80		
	60		
	40		
	18		

18-Month Target Price Range
 Low-High Midpoint (% to Mid)
 \$99-\$215 \$157 (-15%)

2024-26 PROJECTIONS
 Price Gain Ann'l Total
 High 225 (+25%) 8%
 Low 180 (Nil) 2%

Institutional Decisions
 2Q2020 3Q2020 4Q2020
 to Buy 401 399 441
 to Sell 412 406 409
 Hlds(000) 154459 157685 158258

Percent shares traded
 30
 20
 10

% TOT. RETURN 3/21	THIS STOCK	VL ARITH. INDEX
1 yr.	80.5	99.7
3 yr.	72.5	51.6
5 yr.	168.3	100.0

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	© VALUE LINE PUB. LLC 24-26	
5.74	6.85	8.42	8.24	7.22	9.15	10.85	11.76	13.29	15.25	16.77	17.25	19.55	22.57	23.88	27.30	33.40	35.60	Net Revenues per sh	41.20
1.80	2.17	2.74	2.15	1.93	2.84	3.34	3.75	4.34	5.14	5.39	5.57	6.86	8.13	9.87	10.45	13.00	13.60	"Cash Flow" per sh	15.90
1.58	1.90	2.40	1.82	1.65	2.53	2.92	3.36	3.90	4.55	4.63	4.84	6.13	7.01	8.70	9.58	12.00	12.50	Earnings per sh ^{AB}	14.50
.49	.56	.68	1.20	1.00	1.08	1.24	1.36	1.52	1.76	2.08	2.16	2.28	2.80	3.04	3.60	4.32	4.50	Div's Decl'd per sh ^C	5.10
.20	.36	.55	.56	.52	.46	.33	.30	.40	.48	.60	.61	.76	.71	.87	.95	.95	1.00	Cap'l Spending per sh	1.20
7.73	9.16	10.50	9.69	11.15	12.74	13.51	14.96	18.38	20.66	19.01	20.46	23.76	25.72	30.19	31.80	33.20	35.35	Book Value per sh	44.30
263.36	264.96	264.61	256.86	258.53	258.76	253.27	257.02	262.07	261.11	250.47	244.78	245.11	238.07	235.21	227.94	220.00	215.00	Common Shs Outst'g ^D	210.00
20.0	21.8	22.0	27.6	24.2	20.8	20.2	18.5	19.3	17.9	16.7	14.7	13.1	15.6	12.4	13.7	<i>Bold figures are Value Line estimates</i>		Avg Ann'l P/E Ratio	15.0
1.06	1.18	1.17	1.66	1.61	1.32	1.27	1.18	1.08	.94	.84	.77	.66	.84	.66	.65			Relative P/E Ratio	.85
1.5%	1.4%	1.3%	2.4%	2.5%	2.1%	2.1%	2.2%	2.0%	2.2%	2.7%	3.0%	2.8%	2.6%	2.8%	2.8%			Avg Ann'l Div'd Yield	2.5%

CAPITAL STRUCTURE as of 12/31/20

Total Debt None

Leases, Uncapitalized Annual rentals \$26.6 mill.

No Defined Benefit Pension Plan

Pfd Stock None

Common Stock 227,946,081 shs. as of 2/8/21

MARKET CAP: \$35.2 billion (Large Cap)

2747.1	3022.5	3484.2	3982.1	4200.6	4222.9	4793.0	5372.6	5617.9	6206.7	7350	7650	Net Revenues (\$mill)	8650
47.3%	47.8%	49.6%	50.3%	48.2%	45.8%	46.0%	46.6%	45.9%	46.0%	46.5%	46.5%	Operating Margin	51.0%
72.0	80.9	90.6	111.7	126.3	133.4	143.6	159.5	190.8	200.0	220	240	Depreciation (\$mill)	300
773.2	883.6	1047.7	1229.6	1223.0	1231.0	1537.7	1776.3	2131.3	2183.6	2640	2690	Net Profit (\$mill)	3045
38.2%	38.4%	38.4%	38.6%	38.9%	36.0%	36.9%	25.8%	23.2%	24.5%	25.0%	26.0%	Income Tax Rate	27.0%
28.1%	29.2%	30.1%	30.9%	29.1%	29.2%	32.1%	33.1%	37.9%	35.1%	35.9%	35.1%	Net Profit Margin	33.2%
1790.8	2171.1	3193.7	3583.7	2885.7	2388.3	3219.2	3603.5	4260.9	3850.0	3750	3725	Working Cap'l (\$mill)	3550
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3420.7	3846.1	4818.1	5395.2	4762.0	5008.6	5824.4	6124.3	7102.1	7000.0	7300	7600	Shr. Equity (\$mill)	9300
22.6%	23.0%	21.7%	22.8%	25.7%	24.6%	26.4%	29.0%	30.0%	31.0%	35.0%	35.5%	Return on Total Cap'l	32.5%
22.6%	23.0%	21.7%	22.8%	25.7%	24.6%	26.4%	29.0%	30.0%	31.0%	35.0%	35.5%	Return on Shr. Equity	32.5%
13.3%	14.0%	13.5%	14.2%	14.5%	13.8%	16.7%	17.7%	19.7%	19.5%	25.0%	20.5%	Retained to Com Eq	21.0%
41%	39%	38%	38%	44%	44%	37%	39%	34%	26%	36%	36%	All Div'ds to Net Prof	35%

CURRENT POSITION 2018 2019 12/31/20
 (\$MILL.)

Cash Assets 3878.6 4721.6 5402.5
 Receivables 549.6 646.6 863.1
 Current Assets 4428.2 5368.2 6265.6
 Accts Payable 228.5 214.5 187.7
 Other 596.2 892.8 1202.6
 Current Liab. 824.7 1107.3 1390.3

BUSINESS: T. Rowe Price Group, Inc. provides investment advisory and administrative services to the Price family of no-load mutual funds, sponsored investment products, and private accounts. Assets under management (AUM) totaled \$1,470.5 trillion at 12/31/20, compared to \$1,206.8 trillion at 12/31/19. Of the total funds under investment at 12/31/20, equity portfolios accounted for

61% of AUM, multi-asset (28%), and fixed-income (11%). Investment advisory fees provided 91% of revenues. Officers and Directors own 1.0% of common stock; The Vanguard Group, 8.4%; BlackRock, 7.7% (3/21 Proxy). Chairman and CEO: William J. Stromberg, Inc.: MD. Address: 100 East Pratt Street, Baltimore, MD 21202. Tel.: 410-345-2000. Internet: www.troweprice.com.

ANNUAL RATES Past Past Est'd '18-'20
 of change (per sh) 10 Yrs. 5 Yrs. to 24-26

Sales 10.5% 10.5% 8.0%
 "Cash Flow" 14.0% 13.5% 8.0%
 Earnings 14.0% 13.0% 8.0%
 Dividends 11.0% 12.0% 9.5%
 Book Value 10.0% 8.0% 8.5%

T. Rowe Price Group closed 2020 on a solid note. During the early stages of 2020, as the COVID-19 pandemic grew, economic activity slowed and uncertainty became more prevalent. However, as the year progressed, the economy began to recover. During the December period, the company reported earnings of \$2.89 a share, besting our estimate of \$2.61, and above the \$2.24 logged in the year-earlier period. Revenues came in at \$1.7 billion, surpassing *Value Line* and consensus estimates, and besting the prior-year period. The top- and bottom-line beats reflected strong market gains with the rollout of coronavirus vaccines and clarity on the outcome of the U.S. Presidential election. Net inflows of \$2.2 billion were driven by international equity and U.S. fixed income. However, the company did experience outflows in U.S. equities. It closed the year with approximately \$1.5 trillion in total assets under management, a key barometer for T.Rowe Price Group. **The outlook for 2021 remains bright.** We expect solid earnings growth this year. The asset manager has its eyes set on obtaining approval for its foreign-owned en-

terprise, T.Rowe Price Investment Consulting (Shanghai) Co., Ltd. Leadership plans to open a Shanghai investment office this year to expand its research coverage of Chinese companies, which ought to bear fruit over the long haul. What's more, its healthy finances put the company in an optimal position on the acquisition front. All told, assuming the financial markets hold up fairly well during 2021, we anticipate the top line to reach \$7.3 billion. As for the bottom line, we're calling for share net to advance roughly 25%, to \$12.00 a share. **The quarterly dividend was hiked 20% to \$1.08 a share.** Furthermore, our 3- to 5-year projections call for steady increases over that time frame. The payout ratio during that period ought to be in the neighborhood of 35%. **T.Rowe's stock holds an Average rank for Timeliness (3).** Also, capital gains potential out to 2024-2026 is nothing to write home about. Though, it is worth noting the dividend yield is solid. All told, conservative accounts may want to consider these shares. *Gabriel Muenzer*

Cal-endar	QUARTERLY NET REVENUES (\$ mill.)				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2018	1328.0	1345.0	1394.6	1305.0	5372.6
2019	1327.3	1395.2	1426.7	1468.7	5617.9
2020	1462.6	1415.4	1595.8	1732.9	6206.7
2021	1800	1825	1850	1875	7350
2022	1875	1900	1925	1950	7650

Cal-endar	EARNINGS PER SHARE ^{AB}				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2018	1.77	1.85	2.03	1.36	7.01
2019	2.09	2.15	2.23	2.24	8.70
2020	1.41	2.55	2.73	2.89	9.58
2021	2.93	2.95	3.02	3.10	12.00
2022	3.05	3.10	3.15	3.20	12.50

Cal-endar	QUARTERLY DIVIDENDS PAID ^C				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2017	.57	.57	.57	.57	2.28
2018	.70	.70	.70	.70	2.80
2019	.76	.76	.76	.76	3.04
2020	.90	.90	.90	.90	3.60
2021	1.08				

(A) Diluted EPS. Excludes nonrec. gain (losses): '16, (\$0.06); '17, (\$0.16); '18, \$0.25. Quarters may not sum due to change in shares out. Next earnings report due late July. (B) Pro forma stock option expense under SFAS No. 123 (fair value) would have reduced net income by \$0.15 a share in '05, to \$1.43 a share. (C) Div'd paid March, June, Sept., and Dec. (D) In mill. Two \$0.24 a share div'd in 1Q '08 due to change in payout schedule. Special div'd of \$1.00/shr paid Q4 '12; \$2.00/shr paid Q2 '15.