T. ROWE PRICE NDQ-TROW

RECENT PRICE **76.96** | P/E RATIO **19.7** (Trailing: 20.7 Median: 21.0) | RELATIVE P/E RATIO **1.06** | DIV'D YLD **2.1%** | **VALUE LINE**

TIMELINESS 3 Lowered 4/5/13
SAFETY 3 Lowered 5/22/09
TECHNICAL 3 Lowered 7/19/13
BETA 1.20 (1.00 = Market)

2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	105	(+35%)	*10%*
Low	70	(-10%)	*Nil*

Insider Decisions

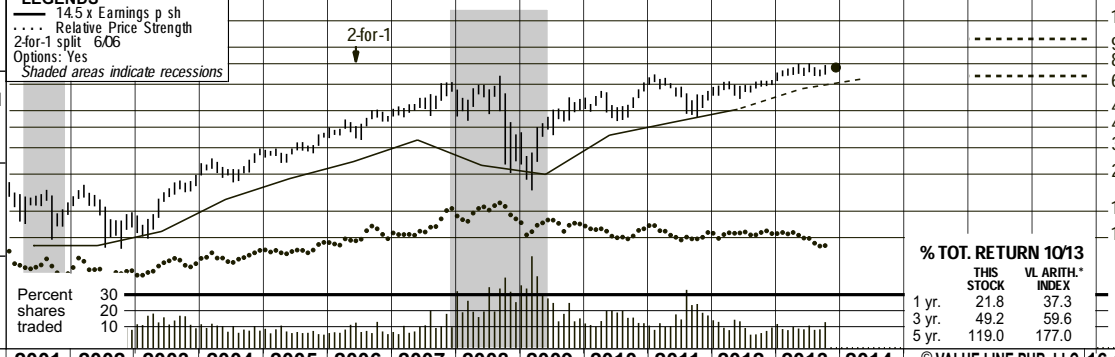
	D	J	F	M	A	M	J	J	A
to Buy	0	0	0	0	0	0	0	0	0
Options	7	0	3	2	2	1	0	0	0
to Sell	1	0	1	1	1	0	0	0	0

Institutional Decisions

	4Q2012	1Q2013	2Q2013
to Buy	288	288	295
to Sell	274	285	286
Hld's(000)	178855	181065	181114

	High:	21.3	23.8	31.7	37.7	48.5	65.5	70.2	55.5	65.4	71.3	66.9	80.3
	Low:	10.6	11.9	21.9	27.1	34.9	44.6	24.3	20.1	42.8	44.7	54.5	66.2

LEGENDS
14.5 x Earnings p sh
Relative Price Strength
2-for-1 split 6/06
Options: Yes
Shaded areas indicate recessions



Target Price Range

2016	2017	2018
128	96	80
64	48	40
32	24	16	12

% TOT. RETURN 10/13

	THIS STOCK	VL ARITH.* INDEX
1 yr.	21.8	37.3
3 yr.	49.2	59.6
5 yr.	119.0	177.0

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
3.19	3.69	4.31	4.95	4.17	3.76	3.98	4.93	5.74	6.85	8.42	8.24	7.22	9.15	10.85	11.76	*13.05*	*14.15*	Net Revenues per sh	*17.50*
.73	.86	1.13	1.32	1.12	1.00	1.09	1.46	1.80	2.17	2.74	2.15	1.93	2.84	3.34	3.75	*4.20*	*4.70*	"Cash Flow" per sh	*6.45*
.56	.67	.93	1.04	.76	.76	.89	1.26	1.58	1.90	2.40	1.82	1.65	2.53	2.92	3.36	*3.80*	*4.25*	Earnings per sh [AB]	*6.00*
.14	.18	.22	.27	.31	.33	.35	.40	.49	.56	.68	1.20	1.00	1.08	1.24	1.36	*1.52*	*1.64*	Div'ds Decl'd per sh [C]	*2.00*
.30	.24	.32	.35	.17	.11	.13	.17	.20	.36	.55	.56	.52	.46	.33	.30	*.45*	*.45*	Cap'l Spending per sh	*.50*
2.06	2.56	3.21	4.05	4.38	4.62	5.32	6.55	7.73	9.16	10.50	9.69	11.15	12.74	13.51	14.96	*17.60*	*18.85*	Book Value per sh	*22.15*
236.39	240.37	240.22	244.88	246.18	245.30	249.87	259.22	263.36	264.96	264.61	256.86	258.53	258.76	253.27	257.02	*264.00*	*268.00*	Common Shs Outst'g [D]	*280.00*
23.9	25.3	18.6	19.3	22.9	21.2	20.4	20.8	20.0	21.8	22.0	27.6	24.2	20.8	20.2	18.5	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*14.5*
1.38	1.32	1.06	1.25	1.17	1.16	1.16	1.10	1.06	1.18	1.17	1.66	1.61	1.32	1.27	1.18			Relative P/E Ratio	*.95*
1.0%	1.0%	1.2%	1.3%	1.8%	2.0%	1.9%	1.5%	1.5%	1.4%	1.3%	2.4%	2.5%	2.1%	2.1%	2.2%			Avg Ann'l Div'd Yield	*2.3%*
995.6	1277.0	1512.2	1815.0	2228.3	2116.3	1867.4	2367.2	2747.1	3022.5	*3450*	*3790*	Net Revenues ($mill)	*4900*
41.2%	44.3%	46.1%	45.9%	47.1%	43.0%	41.1%	46.4%	47.3%	47.8%	*49.0%*	*50.0%*	Operating Margin	*53.0%*
45.3	40.0	42.3	46.5	53.4	61.7	65.2	62.6	72.0	80.9	*88.0*	*95.0*	Depreciation ($mill)	*120*
227.5	337.3	430.9	529.6	670.6	490.8	433.6	672.2	773.2	883.6	*1020*	*1160*	Net Profit ($mill)	*1680*
37.8%	36.8%	36.6%	38.3%	37.7%	38.4%	37.1%	37.2%	38.2%	38.4%	*38.0%*	*38.5%*	Income Tax Rate	*40.0%*
22.9%	26.4%	28.5%	29.2%	30.1%	23.2%	23.2%	28.4%	28.1%	29.2%	*29.6%*	*30.6%*	Net Profit Margin	*34.3%*
398.9	742.2	1072.3	1327.2	1537.5	1137.1	1500.2	1683.8	1790.8	2171.1	*2800*	*2600*	Working Cap'l ($mill)	*2250*
--	--	--	--	--	--	--	--	--	--	*Nil*	*Nil*	Long-Term Debt ($mill)	*Nil*
1329.1	1697.3	2036.1	2426.9	2777.1	2488.8	2882.2	3296.5	3420.7	3846.1	*4640*	*5050*	Shr. Equity ($mill)	*6200*
17.1%	19.9%	21.2%	21.8%	24.1%	19.7%	15.0%	20.4%	22.6%	23.0%	*22.0%*	*23.0%*	Return on Total Cap'l	*27.0%*
17.1%	19.9%	21.2%	21.8%	24.1%	19.7%	15.0%	20.4%	22.6%	23.0%	*22.0%*	*23.0%*	Return on Shr. Equity	*27.0%*
10.8%	14.2%	15.3%	15.7%	17.7%	7.2%	6.1%	11.9%	13.3%	14.0%	*13.5%*	*14.5%*	Retained to Com Eq	*18.0%*
37%	29%	28%	28%	27%	64%	59%	41%	41%	39%	*39%*	*38%*	All Div'ds to Net Prof	*33%*

CAPITAL STRUCTURE as of 9/30/13

Total Debt None

Leases, Uncapitalized Annual rentals $31.0 mill.

No Defined Benefit Pension Plan

Pfd Stock None

Common Stock 260,907,929 shs.
as of 10/22/13

MARKET CAP: $20.1 billion (Large Cap)

CURRENT POSITION ($MILL.)	2011	2012	9/30/13
Cash Assets	1662.4	2019.2	3001.1
Receivables	304.5	353.9	365.6
Current Assets	1966.9	2373.1	3366.7
Accts Payable	82.9	89.7	97.3
Other	93.2	112.3	356.0
Current Liab.	176.1	202.0	453.3

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Net Revenues	9.5%	8.5%	*9.0%*
"Cash Flow"	11.0%	8.0%	*12.0%*
Earnings	13.0%	8.5%	*12.5%*
Dividends	15.0%	16.5%	*8.5%*
Book Value	12.0%	8.5%	*8.5%*

Calendar	QUARTERLY NET REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	556.2	577.4	586.1	647.5	2367.2
2011	682.4	713.7	679.4	671.6	2747.1
2012	728.7	736.8	769.7	787.3	3022.5
2013	815.7	854.3	884.4	*895.6*	*3450*
2014	*920*	*940*	*960*	*970*	*3790*

Calendar	EARNINGS PER SHARE [AB] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.57	.59	.64	.72	2.53
2011	.72	.76	.71	.73	2.92
2012	.75	.79	.94	.88	3.36
2013	.91	.92	1.00	*.97*	*3.80*
2014	*1.01*	*1.06*	*1.08*	*1.10*	*4.25*

Calendar	QUARTERLY DIVIDENDS PAID [C] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.25	.25	.25	.25	1.00
2010	.27	.27	.27	.27	1.08
2011	.31	.31	.31	.31	1.24
2012	.34	.34	.34	.34	1.36
2013	.38	.38	.38		

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 totaled $576.8 billion at 12/31/12, compared to $489.5 billion at 12/31/11. Of the total funds under investment at 12/31/12, equity and blended asset portfolios accounted for 73% and fixed-income portfolios were 27%. Investment advisory fees provided 86% of revenues. Has around 5,100 employees. Officers and Directors own 4.6% of common stock (3/13 Proxy). Chairman: Brian Rogers. CEO: James Kennedy. Incorporated: Maryland. Address: 100 East Pratt Street, Baltimore, Maryland 21202. Tel.: 410-345-2000. Web: www.troweprice.com.

T. Rowe Price appears to be headed for a prosperous 2013. In fact, share net climbed some 14% through the first nine months, versus the prior-year figure. That can be traced, in part, to a 15% rise in investment advisory fees (which account for the largest portion of net revenues, by far). This figure was supported by a 14% rise in average assets under management (AUM), given strength in the U.S. equity markets (thanks to some positive corporate earnings reports). What's more, the company's administrative fees, the second-biggest component of net revenues, increased almost 4% for the period, made possible by transfer agent servicing activities and defined contribution recordkeeping services for the mutual funds and their investors. Unfortunately, net cash outflows were above expectations, as a small number of big-time institutional clients adjusted their investment strategies. In spite of that, we think the bottom line will advance about 13%, to $3.80 a share, for the entire year. Regarding 2014, earnings per share stand to grow at a similar pace, to $4.25, if the financial markets hold up reasonably well.

We are optimistic about the money manager's operating performance out to 2016-2018. Many T. Rowe mutual funds have consistently outshined their respective benchmarks over the 3-, 5-, and 10-year time periods. If that trend holds, AUM will probably rise. One popular category should continue to be target-date retirement portfolios. These products, now comprising roughly 15% of AUM, automatically adjust asset allocations as investors get older. Lastly, given the strong balance sheet, boasting a huge amount of cash and zero debt, the company is capable of bolstering its market positions via business combinations.

The stock does not stand out for relative price action in the year ahead or during the 2016-2018 horizon. Indeed, it is only an Average (3) selection for Timeliness. Furthermore, long-term capital appreciation potential is not impressive, when measured against the *Value Line* median. But one appealing quality is the current dividend, and the likelihood of additional, steady increases in the payout.

Frederick L. Harris, III November 15, 2013

(A) Based on diluted shares. Incl. option expense beginning 1/1/06. Quarters may not equal total due to change in shares out. Next earnings report due Jan. **(B)** Pro forma stock option expense under SFAS No. 123 (fair value) would have reduced net income by $40.3 million ($0.15 a share) in 2005, to $1.43 a share. **(C)** Div'd paid March, June, Sept., Dec. Two $0.24 a share div'd payments in 1Q '08 due to change in payout schedule. Special div'd of $1.00/shr paid in Q4 '12. **(D)** In mill., adjusted for stock split.

Company's Financial Strength	A+
Stock's Price Stability	65
Price Growth Persistence	100
Earnings Predictability	60

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