



T.RowePrice

Q1 2025

# Earnings Release Supplement

T. Rowe Price Group, Inc.  
May 2, 2025

A copy of this presentation, which includes additional information, is available at [investors.troweprice.com](https://investors.troweprice.com).  
Data as of March 31, 2025, unless otherwise noted.  
All figures are USD, unless otherwise noted.



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# Financial Highlights

Key Metric	Q1 2024	Q4 2024	Q1 2025
<b>AUM, Flows, &amp; Investment Advisory Effective Fee Rate (EFR)</b>			
Net Flows	(\$8.0B)	(\$19.3B)	(\$8.6B)
Assets Under Management (AUM) <sup>1</sup>	\$1.54T	\$1.61T	\$1.57T
Average AUM	\$1.48T	\$1.64T	\$1.62T
EFR without Performance-Based Fees	41.6 bps	40.5 bps	40.0 bps
EFR with Performance-Based Fees	42.1 bps	40.9 bps	40.3 bps
<b>GAAP Basis</b>			
Net Revenues	\$1,750.2M	\$1,824.5M	\$1,763.9M
Operating Expenses	\$1,163.6M	\$1,256.1M	\$1,167.6M
Diluted Earnings per Share (EPS)	\$2.49	\$1.92	\$2.15
<b>Non-GAAP Basis</b>			
Adjusted Operating Expenses <sup>2</sup>	\$1,071.4M	\$1,222.6M	\$1,135.1M
Adjusted EPS <sup>2</sup>	\$2.38	\$2.12	\$2.23
<b>Dividends</b>			
Dividend per share	\$1.24	\$1.24	\$1.27

The financial results presented in this earnings release supplement are unaudited.

<sup>1</sup> Firmwide AUM includes assets managed by T. Rowe Price Associates, Inc., and its investment advisory affiliates.

<sup>2</sup> For the reconciliation between GAAP and adjusted (non-GAAP) expenses and EPS, see the current earnings release.

# Investment Performance Overview

As of March 31, 2025

% of Funds/ Composites	U.S. Funds Outperforming Morningstar Median <sup>1,2</sup>				U.S. Funds Outperforming Morningstar Passive Peer Median <sup>1,3</sup>				Composites Outperforming Benchmarks <sup>4</sup>			
	1 year	3 years	5 years	10 years	1 year	3 years	5 years	10 years	1 year	3 years	5 years	10 years
<b>Equity</b>	56%	57%	58%	67%	37%	53%	55%	50%	22%	40%	34%	58%
<b>Fixed Income</b>	64%	50%	65%	62%	55%	52%	77%	62%	59%	39%	68%	75%
<b>Multi-Asset</b>	62%	75%	72%	76%	16%	63%	71%	55%	NA	NA	NA	NA
<b>All</b>	61%	61%	65%	68%	34%	56%	66%	55%	38%	39%	48%	64%

% of AUM	U.S. Funds Outperforming Morningstar Median <sup>1,2</sup>				U.S. Funds Outperforming Morningstar Passive Peer Median <sup>1,3</sup>				Composites Outperforming Benchmarks <sup>4</sup>			
	1 year	3 years	5 years	10 years	1 year	3 years	5 years	10 years	1 year	3 years	5 years	10 years
<b>Equity</b>	69%	69%	60%	86%	41%	50%	39%	49%	24%	41%	35%	48%
<b>Fixed Income</b>	74%	62%	72%	79%	53%	57%	92%	73%	72%	35%	71%	54%
<b>Multi-Asset</b>	34%	91%	92%	94%	7%	91%	95%	94%	NA	NA	NA	NA
<b>All</b>	61%	73%	68%	87%	34%	60%	57%	61%	33%	40%	41%	49%

**Past performance is not a guarantee nor a reliable indicator of future results.**

The investment performance reflects that of the T. Rowe Price-sponsored mutual funds, ETFs, and composites.

<sup>1</sup> Source: © 2025 Morningstar, Inc. All rights reserved. Please see page 16 for more information.

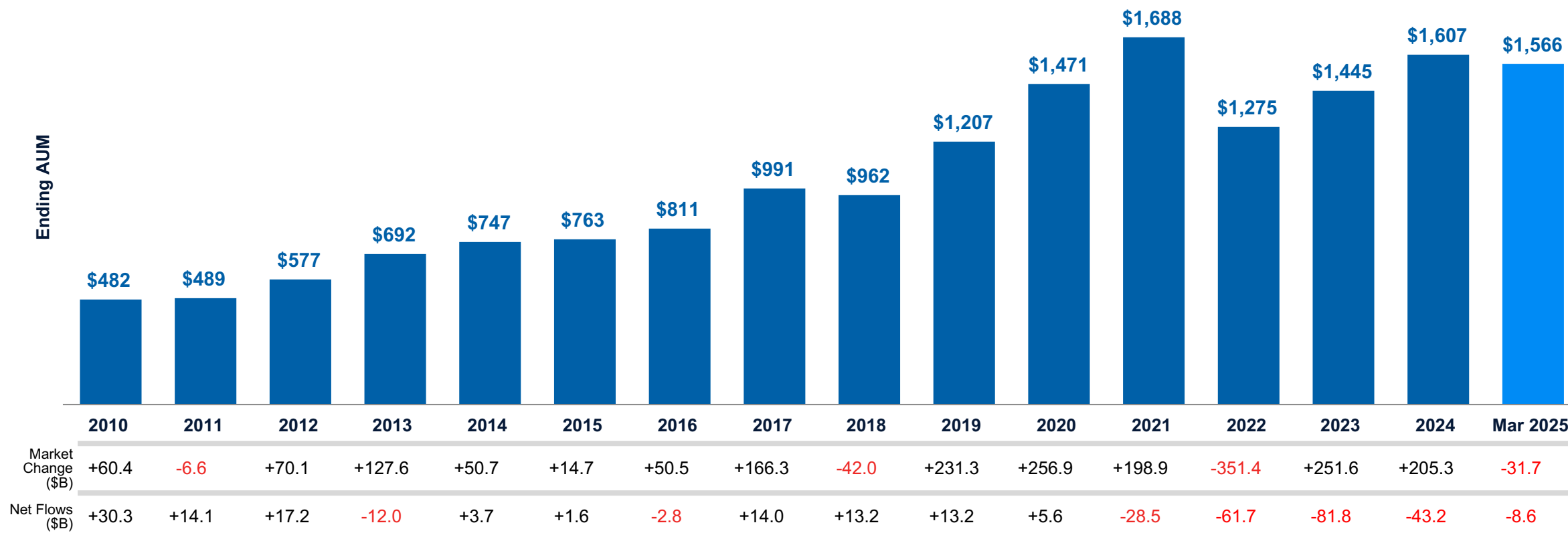
<sup>2</sup> Primary share class only. Excludes T. Rowe Price passive funds, funds that are clones of other funds, and fund categories not ranked by Morningstar.

<sup>3</sup> Primary share class only. Excludes T. Rowe Price passive funds and funds that are clones of other funds. Funds are measured against the most appropriate strategy benchmark used for portfolio manager evaluation, which may not always be the regulatory benchmark.

<sup>4</sup> Net returns for composites are calculated using the highest applicable separate account fee schedule and compared to official GIPS composite primary benchmark. Excludes money market composites.

# Assets Under Management

U.S. \$ billions



Firmwide AUM includes assets managed by T. Rowe Price Associates, Inc., and its investment advisory affiliates.

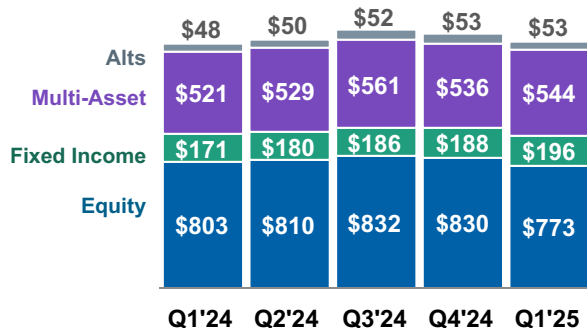
OHA's fee-basis AUM of \$46.9B acquired on December 29, 2021, is reflected in 2021 ending AUM. All periods after 2021 reflect the related activity. Other acquisition of AUM is detailed in our quarterly releases and 10Qs. Distributions, net of reinvestments, are included in the market change figure. Manager-driven distributions related to our alternative products by year: 2022: \$2.6B, 2023: \$2.6B, 2024: \$3.7B, YTD 2025: \$0.7B

# Assets Under Management and Net Flows

U.S. \$ billions

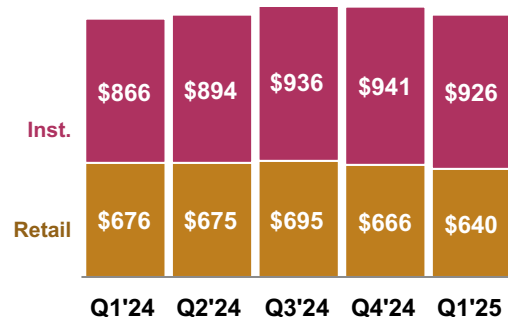
## Asset Class

### Assets Under Management



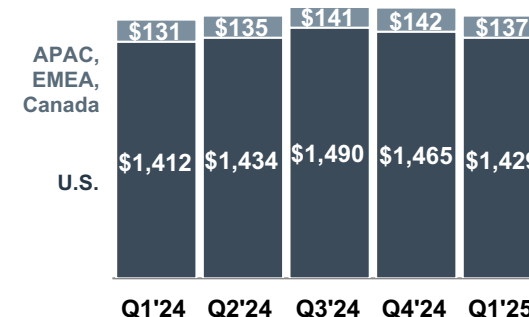
## Client Type

### Assets Under Management

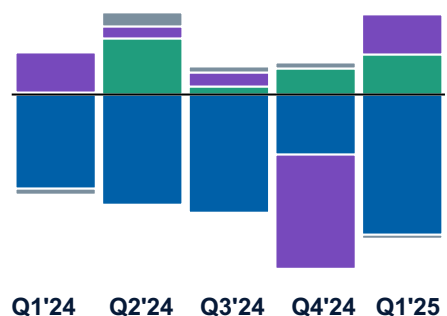


## Geography

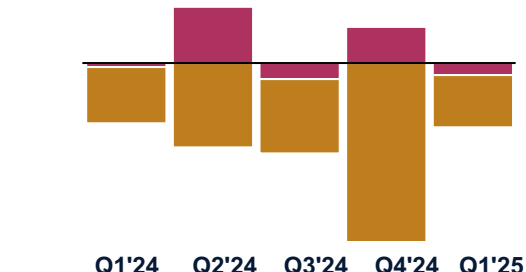
### Assets Under Management



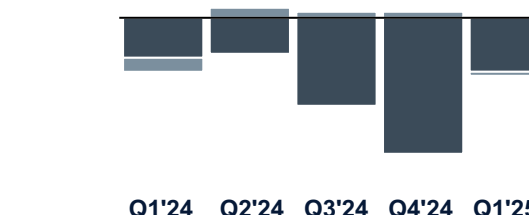
## Net Flows



## Net Flows



## Net Flows



	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25
Equity	\$(12.8)	\$(14.9)	\$(16.1)	\$(8.2)	\$(19.2)
FI	0.2	7.8	1.1	3.5	5.4
MA	5.5	1.6	1.9	(15.5)	5.5
Alts	(0.9)	1.8	0.9	0.9	(0.3)

	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25
Inst.	\$(0.5)	7.6	2.2	4.9	\$(1.7)
Retail	(7.5)	(11.3)	(10.0)	(24.2)	(6.9)

	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25
U.S.	\$(5.9)	\$(5.2)	\$(13.1)	\$(20.2)	\$(8.0)
APAC, EMEA, Canada	(2.1)	1.5	0.9	0.9	(0.6)

## Assets Under Management

As of March 31, 2025

- Retirement assets are 66% of AUM<sup>1</sup>
- U.S. defined contribution AUM of \$713B
- Target date AUM of \$484B
- Alternative AUM includes private markets (\$20B), CLOs (\$20B), and liquid strategies (\$13B)
- \$17.1B in unfunded capital commitments compared to \$16.2B at December 31, 2024

## Net Flows

Q1 2025

- Outflows largely concentrated in U.S. equities
- Target date inflows of \$6.3B in Q1 2025
- Alternatives flows are net of \$0.7B in manager-driven distributions

### Firmwide flows by quarter (\$B)

	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25
<b>Total</b>	<b>(8.0)</b>	<b>(3.7)</b>	<b>(12.2)</b>	<b>(19.3)</b>	<b>(8.6)</b>

Firmwide AUM includes assets managed by T. Rowe Price Associates, Inc., and its investment advisory affiliates.

Institutional includes defined contribution assets, including assets sourced from intermediaries and the firm's full-service recordkeeping business. Retail includes our direct-marketed business and financial intermediaries

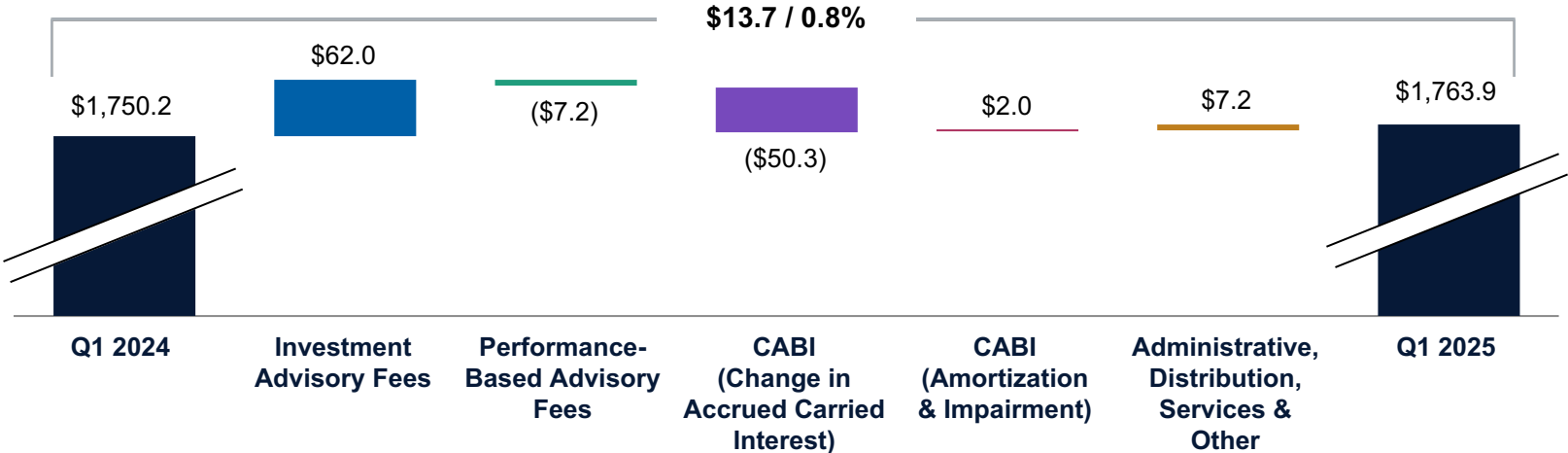
Unfunded capital commitments will transition to fee basis assets under management or assets under advisement as capital is called and deployed.

<sup>1</sup> See page 15 for further details on retirement assets.

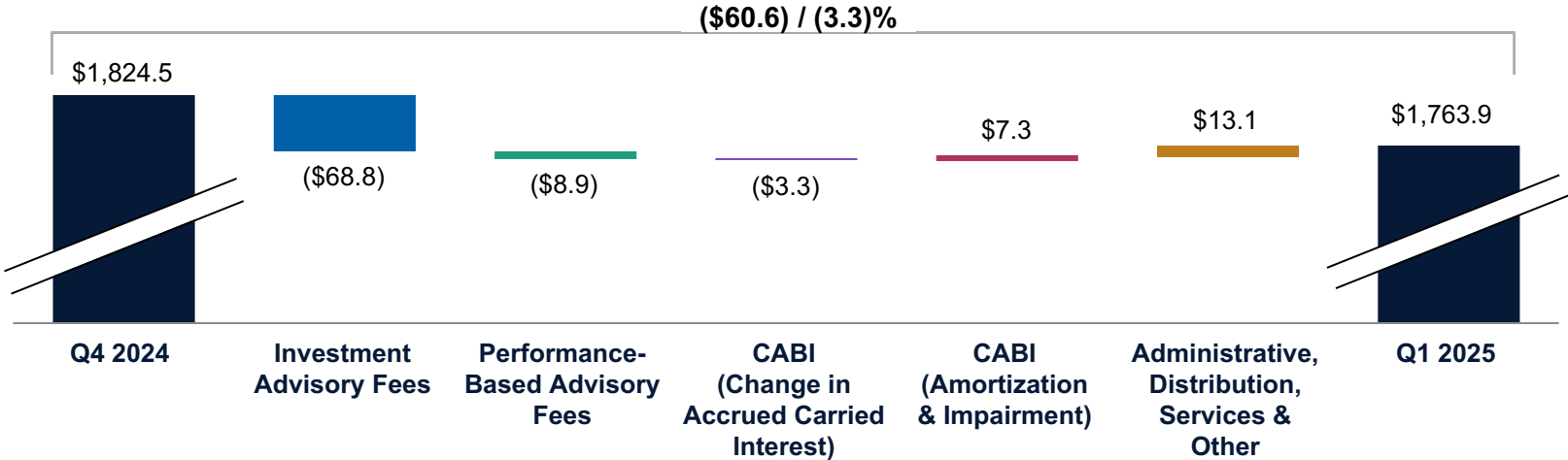
# Quarterly Net Revenues

U.S. \$ millions

## Q1 2025 compared to Q1 2024



## Q1 2025 compared to Q4 2024



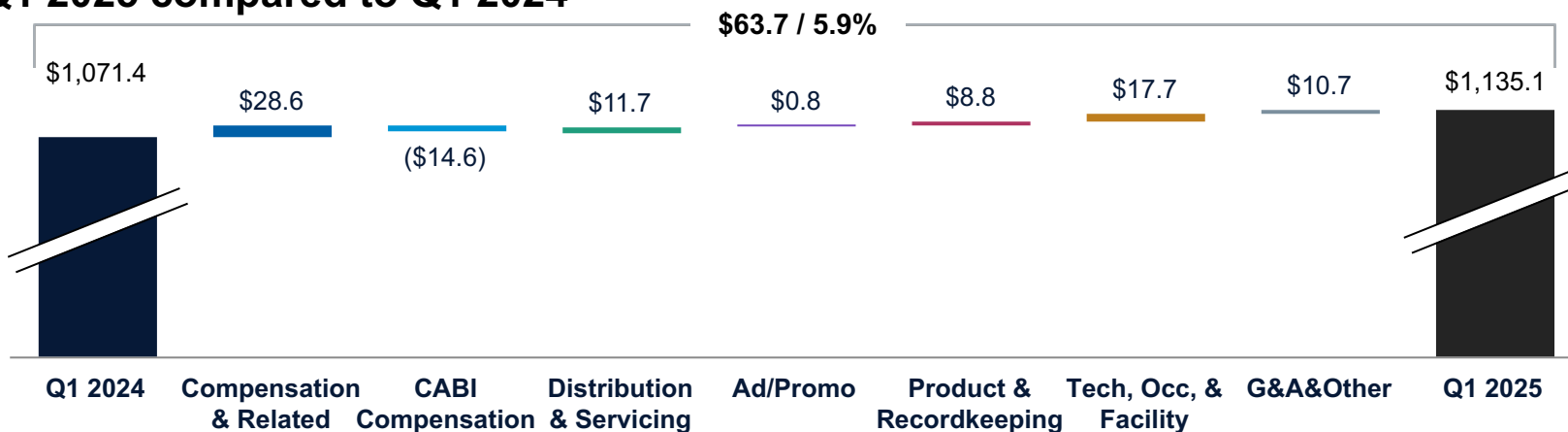
Capital allocation-based income (CABI)

- Investment advisory fees represent about **90%** of net revenue in the periods presented
- Q1 2025 investment advisory revenue was **\$1,598.4M**
- CABI (change in accrued carried interest) was **\$9M** in Q1 2025 compared to **\$60M** in Q1 2024 and **\$13M** in Q4 2024

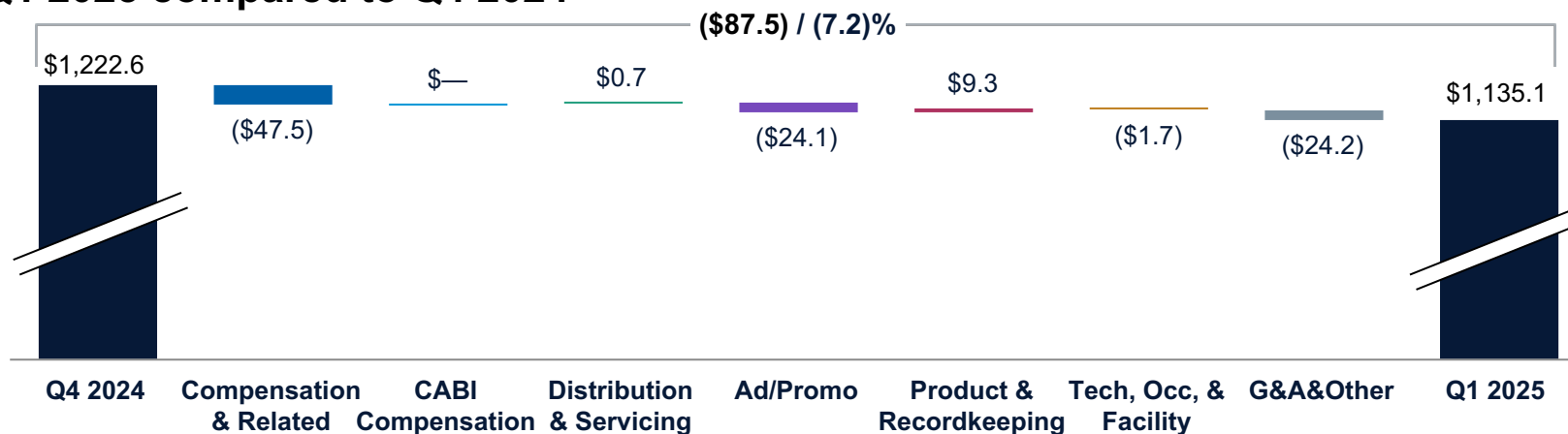
# Quarterly Adjusted Operating Expenses

U.S. \$ millions

## Q1 2025 compared to Q1 2024



## Q1 2025 compared to Q4 2024



## Basis for Operating Expense Guidance

U.S. \$ millions

	Three months ended		
	3/31/2025	3/31/2024	Change (%)
Adjusted Operating Expenses	\$1,135.1	\$1,071.4	5.9%
Adjusted CABI Compensation	(3.9)	(18.5)	n/m
Adjusted Operating Expenses, ex CABI Compensation	\$1,131.2	\$1,052.9	7.4%

For the reconciliation between GAAP and adjusted (non-GAAP) expenses, see the current earnings release.

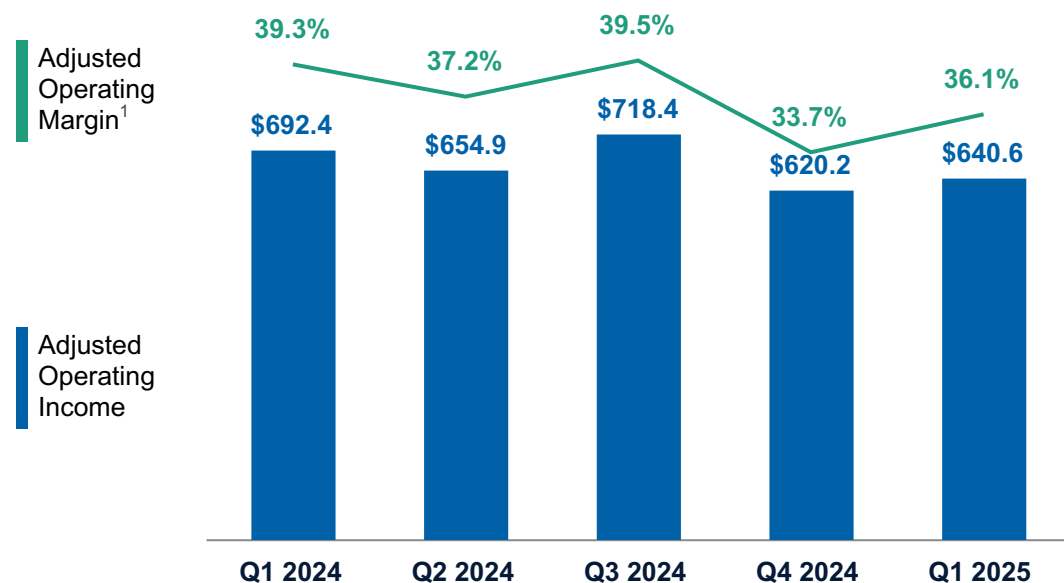
Capital allocation-based income (CABI) compensation represents the portion of CABI (carried interest) that is passed through to certain associates as compensation.

# Quarterly Operating Income and Net Income

U.S. \$ millions, (except EPS)

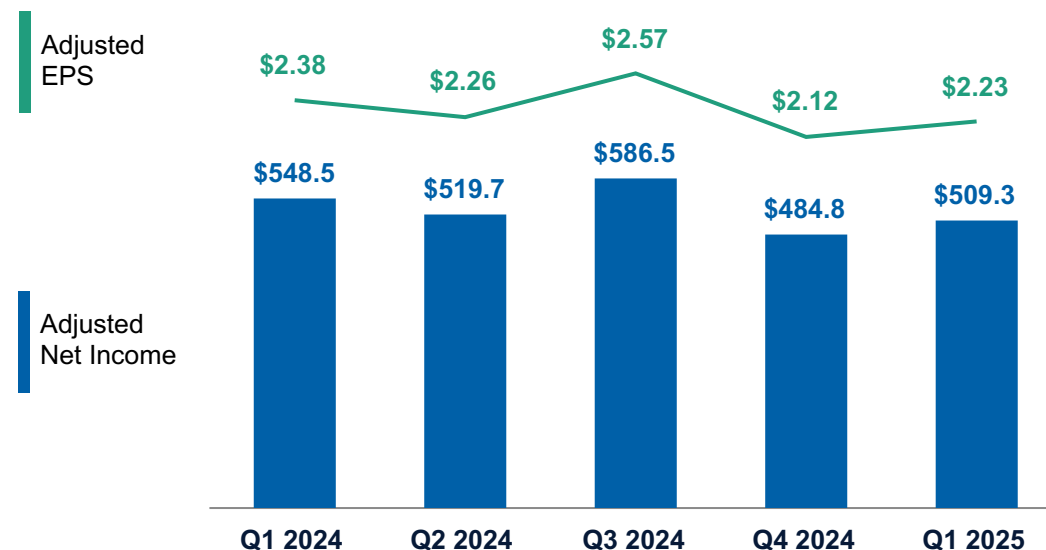
## Operating Income

U.S. GAAP	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Operating Income	\$586.6	\$564.7	\$613.6	\$568.4	\$596.3
Operating Margin <sup>1</sup>	33.5%	32.6%	34.4%	31.2%	33.8%



## Net Income

U.S. GAAP	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Net Income	\$573.8	\$483.4	\$603.0	\$439.9	\$490.5
Diluted EPS	\$2.49	\$2.11	\$2.64	\$1.92	\$2.15



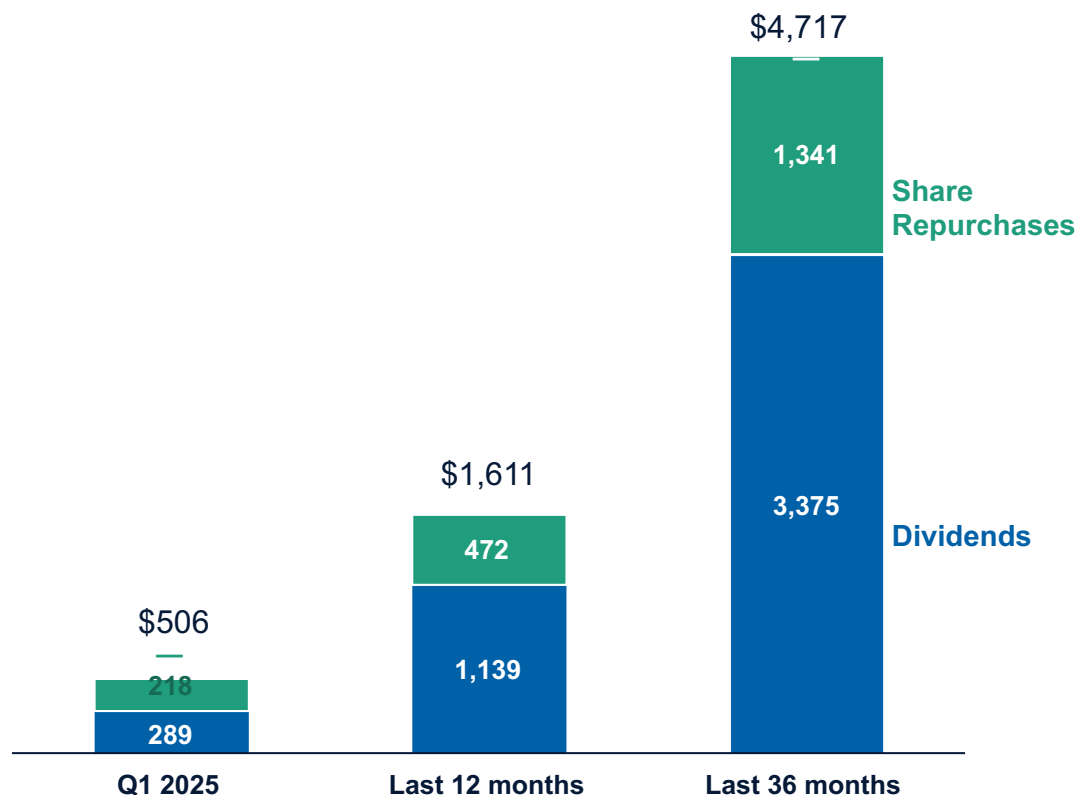
<sup>1</sup> Operating margin is equal to operating income divided by net revenues; adjusted operating margin is equal to adjusted operating income divided by adjusted net revenues. See the GAAP to adjusted (non-GAAP) operating income and operating margin reconciliation on page 13. For the reconciliation between GAAP and adjusted (non-GAAP) net income and EPS, see the current earnings release.

# Capital Management

U.S. \$ millions

## Capital Returned to Stockholders

Data through 3/31/2025



## Cash and Investments<sup>1</sup>

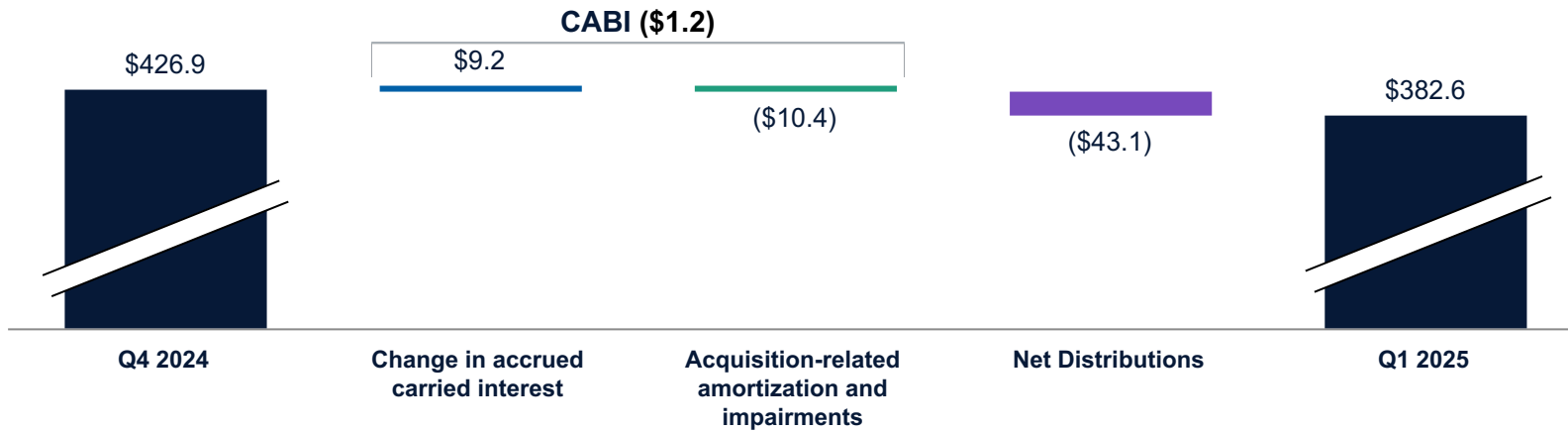
	Q1 2024	Q4 2024	Q1 2025
Cash and Cash Equivalents	\$2,416.5	\$2,649.8	\$2,836.7
Discretionary Investments	\$477.5	\$457.1	\$460.4
Cash and Discretionary Investments	\$2,894.0	\$3,106.9	\$3,297.1
Redeemable Seed Capital	\$1,418.7	\$1,262.3	\$1,331.9
Investments used to Hedge Deferred Compensation Liabilities	\$929.0	\$1,110.9	\$1,054.4

<sup>1</sup> Cash and investments includes our cash and investments in T. Rowe Price sponsored products. This display does not include the non-controlling interest of our seed investments, which we normally consolidate due to our ownership. Capital returned to stockholders may not add up due to rounding.

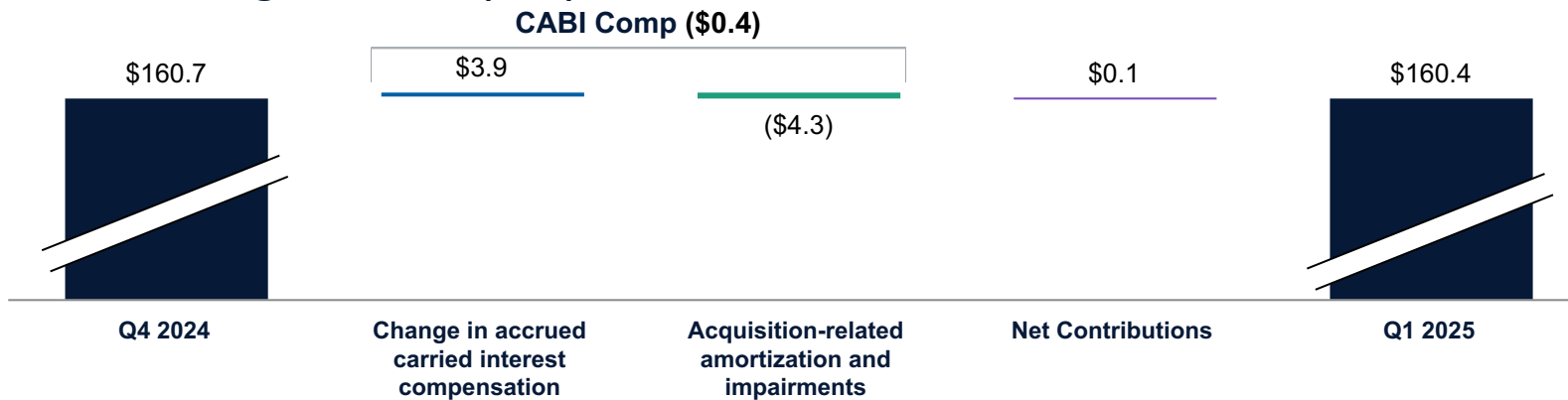
# Quarterly Capital Allocation-Based Income (carried interest)

U.S. \$ millions, unless otherwise noted

## Investments in affiliated private investment funds—carried interest



## Non-controlling interests (NCI) in consolidated entities



- As of 3/31/2025, \$19B of alternatives fee-basis assets under management are eligible to earn carried interest
- In general, 50%-60% of accrued carried interest is expected to be retained in operating income, with the remainder recognized as compensation expense
- Absolute performance of the following indices are an indicator of changes in accrued carried interest

### Q1 2025 returns<sup>1</sup>

ICE Bank of America U.S. High Yield Index:	0.9%
S&P UBS Leveraged Loan Index:	0.6%

At the end of each reporting period, accrued carried interest reflects what would be due from each investment fund as if the fair value of the underlying investments were realized as of such date, regardless of whether the amounts have been realized.

The change in the carrying value of accrued carried interest reflects amounts that are (1) market-related adjustments recognized as capital allocation-based income in the income statement, (2) acquisition-related amortization and impairments, and (3) realized and distributed by the fund. The change in accrued carried interest will fluctuate quarter to quarter.

Approximately \$0.7M of the 40%-50% of accrued carried interest recognized in compensation expense was not allocated to non-controlling interest holders, therefore, not categorized as CABI-related compensation.

**Past performance is not a guarantee nor a reliable indicator of future results.**

<sup>1</sup>See the slide 16 for additional legal notices and disclaimers



# Non-GAAP Reconciliation

# Non-GAAP Net Revenues and Operating Income Reconciliation

U.S. \$ millions

	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Net Revenues, GAAP Basis	\$1,750.2	\$1,733.3	\$1,785.6	\$1,824.5	\$1,763.9
Non-GAAP Adjustments <sup>1</sup> :					
Consolidated Investment Products	1.2	0.5	1.3	0.6	1.4
Investment Amortization and Impairments	12.4	26.9	30.5	17.7	10.4
Net Revenues, Non-GAAP Basis	\$1,763.8	\$1,760.7	\$1,817.4	\$1,842.8	\$1,775.7
Operating Income, GAAP Basis	\$586.6	\$564.7	\$613.6	\$568.4	\$596.3
Non-GAAP Adjustments <sup>1</sup> :					
Acquisition-Related Adjustments	50.5	73.0	59.0	56.0	49.0
Consolidated Investment Products	2.3	2.6	2.4	2.5	2.5
Deferred Compensation Liabilities	53.0	14.6	43.4	(6.7)	(7.2)
Operating Income, Non-GAAP Basis	\$692.4	\$654.9	\$718.4	\$620.2	\$640.6
Operating Margin, GAAP Basis <sup>2</sup>	33.5 %	32.6 %	34.4 %	31.2 %	33.8 %
Operating Margin, as Adjusted <sup>2</sup>	39.3 %	37.2 %	39.5 %	33.7 %	36.1 %

<sup>1</sup> For a description of the non-GAAP adjustments, see the related earnings releases and/or prior 10Q or 10Ks filed with the SEC.

<sup>2</sup> Operating margin is equal to operating income divided by net revenues.



# Appendix

# Assets Under Management – by Account Type

U.S. \$ billions

	2022	2023	2024	Mar-25
U.S. Defined Contribution – Investment only	\$410.2	\$486.2	\$565.2	\$554.8
U.S. Retirement Plan Sponsors - Full-service recordkeeping	132.4	141.2	154.2	157.9
<b>Total U.S. Defined Contribution (DC)</b>	<b>542.6</b>	<b>627.4</b>	<b>719.4</b>	<b>712.7</b>
Other retirement accounts	304.3	341.4	349.1	327.8
<b>Total U.S. DC and Other Retirement</b>	<b>846.9</b>	<b>968.8</b>	<b>1,068.5</b>	<b>1,040.5</b>
Other accounts	427.8	475.7	538.1	525.8
<b>Total AUM at end of period</b>	<b>\$1,274.7</b>	<b>\$1,444.5</b>	<b>\$1,606.6</b>	<b>\$1,566.3</b>

Full-service recordkeeping and plan administration services provided to:

- **\$280 billion** in assets under administration as of March 31, 2025
- **Over 8,600** U.S. retirement plans
- **About 2.4 million** plan participants

# Additional Information

Figures may not total due to rounding.

## Investment performance overview (slide 4)

<sup>1</sup> Source: © 2025 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. Past performance is no guarantee of future results.

<sup>2</sup> 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 year, 3 year, 5 year, and 10 year track record that outperformed 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 \$307B for 1 year, \$300B for 3 years, \$299B for 5 years, and \$298B for 10 years.

<sup>3</sup> 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 a retail fund. This analysis compares T. Rowe Price active funds with 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 year, 3 year, 5 year, and 10 year track record that outperformed 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 \$290B for 1 year, \$284B for 3 years, \$245B for 5 years, and \$237B for 10 years.

<sup>4</sup> Composite net returns are calculated using the highest applicable separate account fee schedule. Excludes money market composites. All composites compared to official GIPS composite primary benchmark. The top chart reflects the percentage of T. Rowe Price composites with 1 year, 3 year, 5 year, and 10 year track record that outperformed 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 \$1,391B for 1 year, \$1,385B for 3 years, \$1,380B for 5 years, and \$1,338B for 10 years.

## Capital Allocation Based Income (slide 11)

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# Important Information

Referenced in the earnings call:

The following entities may be referenced in the earnings supplement or the earnings call:

- TRPA – T. Rowe Price Associates, Inc.
- TRPIM – T. Rowe Price Investment Management, Inc.

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