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Morningstar Manager of the Year Award

Mid-Cap Growth Manager Receives Morningstar Domestic Stock-Fund Manager of the Year Award. Morningstar has selected Brian Berghuis, manager of the T. Rowe Price Mid-Cap Growth Fund, as Morningstar's Domestic-Stock Fund Manager of the Year. Established in 1988, the award recognizes portfolio managers who demonstrate excellent investment skill and the courage to differ from the consensus to benefit investors. To qualify for the award, Morningstar considered the recent and long-term performance of the managers' funds and their record of aligning their interests with shareholders'. The Manager of the Year award winners are chosen based on Morningstar's proprietary research and in-depth evaluation by its senior analysts.

Berghuis, who has spent 19 of 21 years in his investment career at T. Rowe Price has served as the Mid-Cap Growth Fund's portfolio manager since its 1992 inception. Upon being notified of the award, he was quick to stress that it has been a team effort: "While it is gratifying to be recognized, it really reflects the hard work of our research team-one of the largest and most respected in the industry-which is the foundation of our effort. I also want to acknowledge portfolio manager John Wakeman, who has worked with me on the fund and our other mid-cap portfolios for 12 years." "Berghuis' record is an indication of his stock-picking prowess. He didn't throw his investing discipline out the window to chase hot Internet stocks. Like other T. Rowe Price managers, he has done an excellent job of staying focused on fundamentals and risk. Moreover, he is a strong voice for corporate governance," according to Kuna Kapoor, director of mutual fund analysis for Morningstar, Inc.*

T. Rowe Price has provided generations of investors with a consistent, disciplined investment approach for nearly 70 years. Our approach has resulted in 75% or more of our individual investor funds outperforming their Lipper averages for the 1-, 5-, and 10-year periods ended 12/31/04. In addition, all of our individual investor funds have lower expenses compared to their Lipper category. All funds are subject to market risk. Results will vary for other time periods, and past performance cannot guarantee future results. Investors in this fund should note that its performance may fluctuate more than funds invested in larger-cap stocks.

* Morningstar, January 2005