

SMALL-CAP STOCK FUND

Quarterly Fund Update as of 3/31/2012

OBJECTIVE	INVESTMENT STRATEGY	BENEFITS AND RISKS	INVESTOR PROFILE
<p>The fund seeks long-term growth of capital through investments in stocks of small companies believed to be undervalued or to have growth prospects.</p> <p>Not FDIC-insured. May lose value. No bank guarantee.</p>	<ul style="list-style-type: none"> The fund seeks to temper the generally higher risk of small-company stocks by investing in both growth- and value-oriented securities. Reliance on T. Rowe Price's intensive in-house small-cap research to help uncover opportunities missed by others. Invests in a broad range of stocks to help reduce the volatility inherent with small-company investing. 	<ul style="list-style-type: none"> Exposure to small-cap stocks which: <ul style="list-style-type: none"> Offer greater capital appreciation potential than large-company stocks Have the flexibility to respond more quickly to changes in the marketplace—provides an edge to potentially increase earnings faster Small companies tend to be riskier than large companies. 	<ul style="list-style-type: none"> For investors seeking exposure to the rapid growth potential of small-caps but with less volatility than a pure small-cap growth fund. Appropriate complement to a portfolio of large-company funds.
			INVESTMENT STYLE
			Small Blend

FUND MANAGEMENT



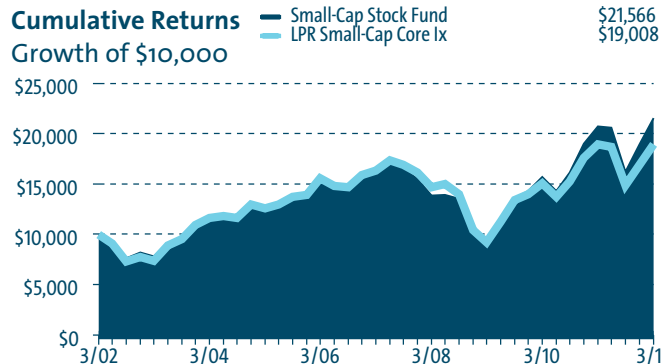
Gregory A. McCrickard is a portfolio manager for T. Rowe Price and a vice president of T. Rowe Price Group, Inc. He is chairman of the Investment Advisory Committee for the Small-Cap Stock Fund and a member of the advisory committees for the Mid-Cap Value and Small-Cap Value Funds. Prior to joining the firm in 1986, he was a trust officer at Wachovia Bank. Mr. McCrickard earned a B.A. from the University of Virginia and an M.B.A. from the Tuck School of Business at Dartmouth. He has earned the Chartered Financial Analyst designation.

KEY FUND DATA

Symbol:	OTCFX
CUSIP:	779572106
Sales Charge:	None
Redemption Fee:	None
12b-1 Fee:	None
Assets (millions): ¹	\$7,263.8
Inception Date:	June 1, 1956
Expense Ratio: ²	0.92%
Small-Cap Core Funds Expense Ratio: ³	1.37%
Fund Manager Tenure: ⁴	19 years
Morningstar Small Blend Category Average:	5 years
Portfolio Holdings Turnover:	22%
Morningstar Small Blend Category Average:	68%

- Applies to all share classes.
- As of 12/31/2010.
- Lipper expenses are based on fiscal year-end data available as of March 31, 2012.
- Number of years managing the fund.

RETURNS



Average Annual Returns

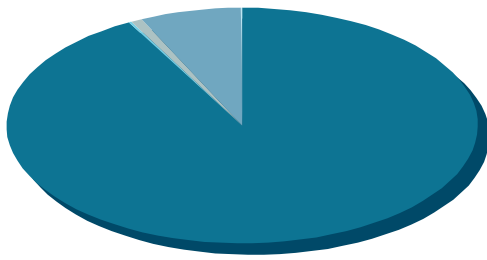
	Small-Cap Stock Fund	LPR Small-Cap Core Ix
3 Months	13.47%	11.92%
1 Year	3.89	0.01
3 Years	31.99	27.15
5 Years	5.83	2.99
10 Years	7.99	6.63

Current performance may be higher or lower than the quoted past performance, which cannot guarantee future results. Share price, principal value, and return will vary, and you may have a gain or loss when you sell your shares. The performance information shown does not reflect the deduction of any redemption fee; if it did, the performance would be lower. To obtain the most recent month-end performance, please visit our website or contact a T. Rowe Price representative at 1-877-804-2315.

The average annual total return figures include changes in principal value, reinvested dividends, and capital gain distributions. Periods less than one year are not annualized.

SMALL-CAP STOCK FUND

ASSET ALLOCATION



92.0% Equities	0.2% Bonds
0.8% Convertibles	6.9% Cash
0.1% Other	

SECTOR DIVERSIFICATION

Industrials & Business Services	18.2%
Information Technology	17.6
Financials	16.1
Consumer Discretionary	14.2
Health Care	10.6
Energy	4.9
Materials	4.7
Utilities	3.6
Consumer Staples	1.9
Telecommunication Services	1.0

About T. Rowe Price

- Founded in 1937
- Commitment to fundamental in-house research with 191 dedicated analysts
- Portfolio managers have an average tenure of 15 years with the company
- Strict adherence to investment style
- Solid performance with a risk-aware investment approach
- Experienced in international investing with offices in London, Hong Kong, Singapore, Buenos Aires, and Baltimore

Definitions

Alpha – The premium an investment earned above a set benchmark, adjusted for risk. An alpha of 1.0 means a fund has outperformed its benchmark on a risk adjusted basis by 1%. A negative alpha of 1.0 means a fund has underperformed its benchmark on a risk adjusted basis by 1%.

Annualized Standard Deviation – This indicates the volatility of a portfolio's total returns as measured against its mean performance. Unlike alpha and beta, which are relative to a benchmark index, standard deviation is an absolute measure. In general, the higher the standard deviation, the greater the volatility or risk.

Beta – A measure of market risk of an investment option that shows how responsive the investment is to a given market index, such as the Standard & Poor's 500 Index. By definition, the beta of the benchmark is 1.00. An investment with a beta of 1.10 is expected to perform 10% better than the index in up markets and 10% worse in down markets. Usually, higher betas represent riskier investments.

Information Ratio – A measure of the significance or quality of alpha. A larger number is better — either a very strong alpha score or a consistent alpha with low standard deviation.

R-squared – Measures the percentage of a fund's movement that is explained by movements in the benchmark index. R-squared helps to indicate the accuracy of a fund's alpha and beta.

Sharpe Ratio – A measure of the risk-adjusted return of a portfolio. Generally, the larger the number, the better the portfolio's historical risk-adjusted return.

Tracking Error – The standard deviation of monthly excess returns of the portfolio over the benchmark.

Earnings Growth – A company's expected earnings per share growth rate for a given time period based on the forecast from the Institutional Broker's Estimate System, which is commonly referred to as IBES.

Price to Book – A valuation measure that compares a stock's market price to its book value, i.e., the company's net worth divided by the number of outstanding shares.

Price to Earnings – The price-to-earnings ratio shows the "multiple" of earnings at which a stock is selling. It is calculated by dividing a stock's current price by its current earnings per share. A high multiple means that investors are optimistic about future growth and have bid up the stock's price.

Return on Equity – A measure of how well a company used reinvested earnings to generate additional earnings, equal to a fiscal year's after-tax income (after preferred stock dividends but before common stock dividends) divided by shareholders' equity.

PORTFOLIO CHARACTERISTICS

	Fund	Russell 2000 Index
Earnings Growth*† (Five-Year Estimate)	13.2%	12.0%
Price to Earnings*† (12 Months forward)	17.9x	17.2x
Price to Book*	2.5x	2.2x
Return on Equity*† (Last 12 Months)	12.4%	10.9%
Investment-Weighted Median Market Cap (Millions)	\$1,546	\$1,269

*Investment Weighted Median

†Statistic is based on the companies in the fund's portfolio and is not a projection of future fund performance.

TOP 10 HOLDINGS

Acuity Brands <i>Electrical Equipment</i>	1.3%
Brunswick Corp/DE <i>Leisure Equipment & Products</i>	1.3
Valmont Industries <i>Machinery</i>	1.1
AMERIGROUP <i>Health Care Providers & Services</i>	1.1
Regeneron Pharmaceuticals <i>Biotechnology</i>	1.1
Rockwood Holdings <i>Chemicals</i>	1.0
Oasis Petroleum <i>Oil, Gas & Consumable Fuels</i>	0.9
ANN INC <i>Specialty Retail</i>	0.9
Signature Bank <i>Commercial Banks</i>	0.8
Zumiez <i>Specialty Retail</i>	0.8
Percent of Total Net Assets	10.1%
Total Portfolio Holdings	325

The information shown does not reflect any ETFs that may be held in the portfolio.

RISK MEASURES (FIVE YEARS)

	Fund	Russell 2000 Index
Annualized Std. Deviation	23.61%	24.47%
Beta	0.96	1.00
Alpha	3.56%	0.00%
Sharpe Ratio	0.20	0.04
Information Ratio	1.36	0.00
R-squared	0.99	1.00
Tracking Error	2.85%	0.00%

Figures are calculated using monthly data and are net of fees.

Source for Morningstar Data: © 2012 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.

Certain numbers in this report may not equal stated totals due to rounding.

T. Rowe Price Investment Services, Inc., Distributor.

