



ANNUAL REPORT

December 31, 2019

T. ROWE PRICE

Institutional Large-Cap Growth Fund

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HIGHLIGHTS

- The Institutional Large-Cap Growth Fund generated a 28.49% gain for 2019 but underperformed its benchmark, the Russell 1000 Growth Index.
- Within the portfolio, our positioning in information technology stocks hurt relative results. On the positive side, an underweight to consumer staples stocks and effective stock selection in the consumer discretionary sector boosted the fund's relative returns.
- The fund's top four sector allocations remained information technology, communication services, consumer discretionary, and health care—areas that we believe offer above-average growth prospects.
- Overall, we are cautious but optimistic that sufficient market drivers are still in place and think more volatile market conditions could produce potentially attractive buying opportunities for long-term investors. However, with all the fits and starts, trade and interest rates remain the two key market factors to watch.

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Dear Investor

Stocks posted strong gains in 2019 as most major U.S. indexes hit record highs in a broad-based rally that more than offset 2018's losses. Large- and mid-cap growth stocks were the strongest performers, with the S&P 500 and Nasdaq benchmarks recording their best year since 2013. U.S. shares outpaced their global counterparts, although most non-U.S. indexes also finished with solid double-digit gains.

Technology shares performed best within the S&P 500, helped by strong gains from industry giants Apple and Microsoft, and financial stocks also outperformed the broader market. Fixed income securities produced solid gains during the period as well—with corporate bonds leading the way—as longer-term Treasury yields fell to historic lows in late summer before partially rebounding.

In a sign that public markets have retained discipline, investors expressed skepticism about certain private-equity valuation levels when compared with their prospects for financial profitability. Relatively few initial public offerings (IPOs) saw their prices appreciate during the year, and one high-profile IPO candidate (WeWork) decided to withdraw its offering altogether after its valuation was dramatically reduced in the weeks before its proposed IPO.

Although the year opened with concerns that an escalating U.S.-China trade dispute could lead to a recession, global central banks played a key role in supporting markets. Fed policymakers delivered quarter-percentage-point rate cuts in July, September, and October and took steps to maintain liquidity in short-term lending markets. Other central banks also acted to address flagging growth, including the European Central Bank, which lowered its benchmark deposit rate deeper into negative territory and announced that it was restarting its quantitative easing program.

The pivot to a more accommodative monetary policy was a marked change from 2018, when the Fed raised rates four times, and appeared to be successful in reenergizing the economy. After contracting earlier in 2019, key U.S. manufacturing indicators showed signs of stabilizing by year-end, and the labor market remained strong, with solid payroll gains and an unemployment rate hovering near a 50-year low. With this more encouraging economic backdrop, it was not a surprise that in December Fed officials seemed satisfied that monetary policy was properly positioned to support continued growth and forecast no additional rate moves in 2020.

Besides central bank policy, investors also closely followed developments in the U.S.-China trade dispute. Stocks stumbled in May and August after the U.S. announced new tariffs on some Chinese imports and China retaliated with new tariffs of its own. However, investors generally took an optimistic view of trade negotiations, which limited the trade war's toll on markets, and in December the two countries announced a "phase one" agreement to reduce some existing tariffs and cancel the imposition of new ones.

With monetary policy worldwide largely committed to ensuring market liquidity and some global economic indicators showing signs of improvement, there are reasons to be optimistic in 2020. However, we caution investors not to expect the outsized gains of the past year. If the post-World War II era is to be a guide, the S&P 500 has on average generated mid-single-digit returns in the fourth year of a presidential cycle.

Further market advances will likely hinge on a resumption in earnings growth, which stalled in 2019, and there is no shortage of global risks in the year ahead. Unresolved trade issues, tensions in the Middle East, and policy debates on taxes, health care, and wealth disparity leading up to the U.S. presidential election all have the potential to cause market volatility.

In addition to these risks, T. Rowe Price analysts will be closely following how disruptive forces such as innovation, technological change, and automation could impact a growing number of global industries. In an uncertain environment, with a wide dispersion of returns possible, we believe that in-depth fundamental research that integrates environmental, social, and governance considerations will be critical to successfully assess opportunities and risks. I am confident our strategic investing approach will continue to serve our shareholders well.

Thank you for your continued confidence in T. Rowe Price.

Sincerely,



Robert Sharps
Group Chief Investment Officer

INVESTMENT OBJECTIVE

The fund seeks to provide long-term capital appreciation through investments in common stocks of growth companies.

FUND COMMENTARY

How did the fund perform in the past 12 months?

The Institutional Large-Cap Growth Fund returned 28.49% for the 12 months ended December 31, 2019. The fund underperformed its benchmark, the Russell 1000 Growth Index, as well as its peer group as represented by the Lipper Large-Cap Growth Funds Index. *(Past performance cannot guarantee future results.)*

PERFORMANCE COMPARISON

Periods Ended 12/31/19	Total Return	
	6 Months	12 Months
Institutional Large-Cap Growth Fund	8.78%	28.49%
Russell 1000 Growth Index	12.27	36.39
Lipper Large-Cap Growth Funds Index	9.76	33.56

What factors influenced the fund's performance?

For the 12-month period, unfavorable stock selection in the information technology (IT) and industrials and business services sectors drove relative underperformance. On the positive side, a beneficial underweight to the consumer staples sector and positive stock choices in the consumer discretionary sector were the primary contributors to relative results.

Throughout the year, stock choices in the IT sector weighed on the fund's relative results as international trade developments had a mixed impact on several technology firms that are dependent on global supply chains. An underweight to tech giant **Apple** was a significant drag on relative performance as its shares rose a remarkable 89% in 2019. It's worth noting, however, that the rise in the stock was driven by multiple expansion and not by earnings growth. While our view that several of our other large holdings will generate more durable growth is largely intact, we have adopted a more constructive view on Apple. Thus, we began to narrow our underweight in the fourth quarter ahead of the 5G iPhone cycle slated for the fall of 2020, which could surprise on the upside given the step-up in technology. (Please refer to the fund's portfolio of investments for a complete list of our holdings and the amount each represents in the portfolio.)

Within industrials and business services, shares of **Boeing** traded lower after a series of negative events, including the investigation of its 737 MAX jet involved in two tragic crashes, an extended recertification timeline for the 737 MAX, a production halt in order to manage growing inventory, and the departure of its CEO. The production halt and extended recertification timeline are expected to push out the anticipated ramp up in profitability. We remain overweight but trimmed Boeing during the year given the extended timeline and heightened risk.

On the positive side, an underweight to the consumer staples sector helped relative results. Many consumer staples businesses continued to struggle during the period due to shifting consumer preferences, rising competition from private-label names, and operational missteps. We remain significantly underweight to the sector, where attractive growth opportunities are difficult to find.

Effective stock selection in the consumer discretionary sector also boosted relative returns, led by the fund's position in **Alibaba Group Holding**. Shares gained 54% during the period as continued user growth fueled better-than-expected topline results in its core e-commerce business. Shares received an additional boost following strong demand for its Hong Kong initial public offering, with proceeds expected to be deployed strategically to fund cloud and entertainment initiatives, as well as fend off domestic e-commerce competitors. Overall, we continue to like Alibaba Group Holding as we think its fundamentals are strengthening and feel that the stock could generate significant returns in the long term with its asset-light platform, which is both scalable and cash flow generative.

Our stake in hotel company **Hilton Worldwide Holdings** also helped relative performance within the consumer discretionary sector. Shares jumped higher after the company delivered strong earnings results that beat expectations, led by revenue per available room share growth in the U.S. We trimmed our position on strength in the second half of the year; however, we continue to like the company as we feel it operates a high-quality business with a dominant position in a secular growth industry.

How is the fund positioned?

Our four largest sector allocations continue to be IT, communication services, consumer discretionary, and health care. These segments—which make up about 88% of the portfolio's net assets—are areas where we can find innovative companies that offer above-average growth prospects. As shown in the Sector Diversification chart, our allocation to information technology and communication services stocks increased over the year, while our consumer discretionary and health care allocations largely remained the same.

SECTOR DIVERSIFICATION

	Percent of Net Assets	
	6/30/19	12/31/19
Information Technology	29.9%	32.6%
Communication Services	18.6	20.5
Consumer Discretionary	19.9	19.7
Health Care	14.9	15.2
Industrials and Business Services	9.4	6.5
Utilities	1.2	2.0
Financials	3.5	1.7
Energy	0.4	0.5
Consumer Staples	0.9	0.4
Materials	0.0	0.0
Real Estate	0.0	0.0
Other and Reserves	1.3	0.9
Total	100.0%	100.0%

Historical weightings reflect current industry/sector classifications.

As far as our positioning in individual stocks, **Facebook** continues to be a core holding in the portfolio and was the fund's largest purchase in 2019. We remain positive on the social media giant, which generated very strong absolute returns of over 56% during the year, as the public relations fallout from negative headlines surrounding the company's data and content policies has not led to an exodus of users or advertisers. In our view, Facebook's share of consumer time spent on mobile devices, coupled with its ad monetization and targeting capabilities, should help it generate advertising-led revenue growth over the next several years. We also like the company's opportunity to monetize Instagram and the WhatsApp messaging service's long-term potential.

We also added shares of **Global Payments**, a U.S.-centric merchant acquirer that should benefit from industry consolidation and growing preferences for making electronic payments. The company reported solid earnings results during the first half of the year, but shares then weakened due to concerns about a meaningful deceleration in the merchant business of Total System Services (TSS), which Global Payments acquired in mid-September. We took advantage of the weakness to increase our stake, as we believe that Global Payments will be able to produce better results with the TSS assets.

As for sales, we moderated our exposure to managed care companies in the health care sector to help manage volatility risk. However, we remain overweight, as over time we expect the group to benefit from industry consolidation and an increasing focus on providing cost-effective solutions. We also trimmed our exposure to therapeutics companies in 2019; the

fund remains underweight in pharmaceuticals and biotechnology given the relatively meager pipelines and ongoing pressure on drug prices.

What is portfolio management's outlook?

Overall, we are cautious but optimistic that sufficient market drivers are still in place and think more volatile market conditions could produce potentially attractive buying opportunities for long-term investors. However, with all the fits and starts, trade and interest rates remain the two key market factors to watch. Furthermore, as the U.S. presidential election campaigns gain momentum and controversial policy issues are debated, political headline risk may become more of a concern.

In this environment, we will continue to rely on our expertise to navigate the market, focusing on investing in high-quality companies. Leveraging the rigorous research and unique insights from our talented analyst platform gives us an important edge as we sift through the noise and identify companies with attractive growth prospects.

As always, we maintain a disciplined adherence to our rigorous process, which is rooted in bottom-up, fundamental research. In addition to uncovering underappreciated idiosyncratic stories, this approach also helps prepare us to take advantage of the market's tendency to overshoot on both the downside and the upside. Potential market overreactions often provide opportunities to trim positions into strength and add to our highest-conviction ideas on weakness.

The views expressed reflect the opinions of T. Rowe Price as of the date of this report and are subject to change based on changes in market, economic, or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

T. Rowe Price Institutional Large-Cap Growth Fund

Supplement to Prospectus and Summary Prospectus Dated May 1, 2019

At a meeting held on October 29, 2019, the fund's Board of Directors approved certain changes to the fund, as set out below, effective May 1, 2020. The summary prospectus and prospectus will be updated to reflect the changes on or about May 1, 2020.

The fund's name will change to T. Rowe Price Large-Cap Growth Fund and all of its outstanding shares will be designated as I Class shares. The name of the corporation of which the fund is a series will change from T. Rowe Price Institutional Equity Funds, Inc. to T. Rowe Price Equity Funds, Inc.

The fund's annual investment management fee will be the lesser of the current management fee of 0.55% of the fund's average daily net assets and a "combined fee." The combined fee will consist of two components – an individual fund fee, equal to 0.26% of the fund's average daily net assets, and a group fee. The group fee will be calculated based on the combined net assets of certain mutual funds sponsored by T. Rowe Price Associates, Inc. applied to a graduated fee schedule, with rates ranging from 0.48% for the first \$1 billion of assets to 0.265% for assets in excess of \$650 billion. The fund's group fee will be determined by applying the group fee rate to the fund's average daily net assets. As of October 31, 2019, the effective annual group fee rate was 0.29%. Assuming such group fee rate is in effect on May 1, 2020, the fund's annual investment management fee rate would be 0.55% on such date.

The date of this supplement is February 11, 2020.

E139-041 2/11/20

RISKS OF STOCK INVESTING

As with all stock and bond mutual funds, a fund's share price can fall because of weakness in the stock or bond markets, a particular industry, or specific holdings. Stock markets can decline for many reasons, including adverse political or economic developments, changes in investor psychology, or heavy institutional selling. The prospects for an industry or company may deteriorate because of a variety of factors, including disappointing earnings or changes in the competitive environment. In addition, the investment manager's assessment of companies held in a fund may prove incorrect, resulting in losses or poor performance even in rising markets. Funds investing in stocks with a dividend orientation may have somewhat lower potential for price appreciation than those concentrating on rapidly growing firms. Also, a company may reduce or eliminate its dividend.

BENCHMARK INFORMATION

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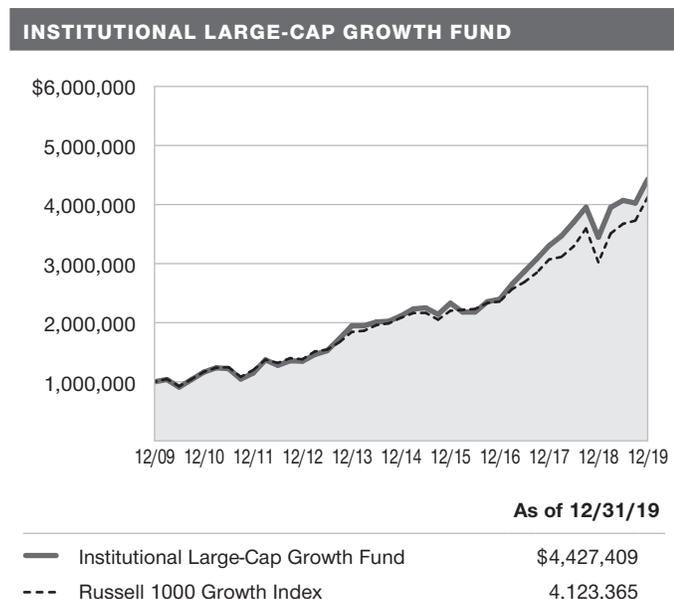
TWENTY-FIVE LARGEST HOLDINGS

	Percent of Net Assets 12/31/19
Alphabet	8.3%
Microsoft	7.7
Amazon.com	7.5
Facebook	6.3
Visa	5.2
Boeing	4.4
Apple	3.4
Alibaba Group Holding	2.7
Global Payments	2.6
Tencent Holdings	2.3
Stryker	2.2
Intuit	2.0
Cigna	2.0
Intuitive Surgical	2.0
Becton, Dickinson & Company	1.8
HCA Healthcare	1.7
Salesforce.com	1.7
UnitedHealth Group	1.7
Vertex Pharmaceuticals	1.6
Dollar General	1.4
Aptiv	1.4
ASML Holding	1.4
PayPal Holdings	1.3
Netflix	1.3
Splunk	1.3
Total	75.2%

Note: The information shown does not reflect any exchange-traded funds (ETFs), cash reserves, or collateral for securities lending that may be held in the portfolio.

GROWTH OF \$1 MILLION

This table shows the value of a hypothetical \$1 million investment in the fund over the past 10 fiscal year periods or since inception (for funds lacking 10-year records). The result is compared with benchmarks, which include a broad-based market index and may also include a peer group average or index. Market indexes do not include expenses, which are deducted from fund returns as well as mutual fund averages and indexes.



AVERAGE ANNUAL COMPOUND TOTAL RETURN

Periods Ended 12/31/19	1 Year	5 Years	10 Years
Institutional Large-Cap Growth Fund	28.49%	15.90%	16.04%

The fund's performance information represents only past performance and is not necessarily an indication of future results. Current performance may be lower or higher than the performance data cited. Share price, principal value, and return will vary, and you may have a gain or loss when you sell your shares. For the most recent month-end performance, please contact a T. Rowe Price representative at 1-800-638-8790.

This table shows how the fund would have performed each year if its actual (or cumulative) returns for the periods shown had been earned at a constant rate. Average annual total return figures include changes in principal value, reinvested dividends, and capital gain distributions. Returns do not reflect taxes that the shareholder may pay on distributions or the redemption of shares. When assessing performance, investors should consider both short- and long-term returns.

EXPENSE RATIO

Institutional Large-Cap Growth Fund	0.56%
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The expense ratio shown is as of the fund's most recent prospectus. This number may vary from the expense ratio shown elsewhere in this report because it is based on a different time period and, if applicable, includes acquired fund fees and expenses but does not include fee or expense waivers.

FUND EXPENSE EXAMPLE

As a mutual fund shareholder, you may incur two types of costs: (1) transaction costs, such as redemption fees or sales loads, and (2) ongoing costs, including management fees, distribution and service (12b-1) fees, and other fund expenses. The following example is intended to help you understand your ongoing costs (in dollars) of investing in the fund and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the most recent six-month period and held for the entire period.

Actual Expenses

The first line of the following table (Actual) provides information about actual account values and actual expenses. You may use the information on this line, together with your account balance, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number on the first line under the heading "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information on the second line of the table (Hypothetical) is based on hypothetical account values and expenses derived from the fund's actual expense ratio and an assumed 5% per year rate of return before expenses (not the fund's actual return). You may compare the ongoing costs of investing in the fund with other funds by contrasting this 5% hypothetical example and the 5% hypothetical examples that appear in the shareholder reports of the other funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

You should also be aware that the expenses shown in the table highlight only your ongoing costs and do not reflect any transaction costs, such as redemption fees or sales loads. Therefore, the second line of the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. To the extent a fund charges transaction costs, however, the total cost of owning that fund is higher.

INSTITUTIONAL LARGE-CAP GROWTH FUND

	Beginning Account Value 7/1/19	Ending Account Value 12/31/19	Expenses Paid During Period* 7/1/19 to 12/31/19
Actual	\$1,000.00	\$1,087.80	\$2.95
Hypothetical (assumes 5% return before expenses)	1,000.00	1,022.38	2.85

*Expenses are equal to the fund's annualized expense ratio for the 6-month period (0.56%), multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (184), and divided by the days in the year (365) to reflect the half-year period.

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

	Year Ended 12/31/19	12/31/18	12/31/17	12/31/16	12/31/15
NET ASSET VALUE					
Beginning of period	\$ 35.70	\$ 36.91	\$ 29.24	\$ 28.89	\$ 27.48
Investment activities					
Net investment income ^{(1) (2)}	0.09	0.17	0.08	0.07	0.02
Net realized and unrealized gain/loss	10.06	1.45	11.01	0.76	2.75
Total from investment activities	10.15	1.62	11.09	0.83	2.77
Distributions					
Net investment income	(0.18)	(0.10)	(0.09)	(0.07)	(0.01)
Net realized gain	(1.62)	(2.73)	(3.33)	(0.41)	(1.35)
Total distributions	(1.80)	(2.83)	(3.42)	(0.48)	(1.36)
NET ASSET VALUE					
End of period	\$ 44.05	\$ 35.70	\$ 36.91	\$ 29.24	\$ 28.89

Ratios/Supplemental Data

Total return^{(2) (3)}	28.49%	4.32%	37.82%	2.85%	10.08%
Ratios to average net assets: ⁽²⁾					
Gross expenses before waivers/payments by Price Associates	0.56%	0.56%	0.56%	0.56%	0.56%
Net expenses after waivers/payments by Price Associates	0.56%	0.56%	0.56%	0.56%	0.56%
Net investment income	0.22%	0.42%	0.24%	0.24%	0.06%
Portfolio turnover rate	26.6%	33.4%	36.1%	36.8%	39.5%
Net assets, end of period (in millions)	\$ 16,410	\$ 16,109	\$ 15,812	\$ 12,398	\$ 13,592

⁽¹⁾ Per share amounts calculated using average shares outstanding method.

⁽²⁾ See Note 5 for details of expense-related arrangements with Price Associates.

⁽³⁾ Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable.

The accompanying notes are an integral part of these financial statements.

T. ROWE PRICE INSTITUTIONAL LARGE-CAP GROWTH FUND

December 31, 2019

PORTFOLIO OF INVESTMENTS†	Shares	\$ Value
(Cost and value in \$000s)		
COMMON STOCKS 98.5%		
Communication Services 20.5%		
Entertainment 2.8%		
Netflix (1)	672,174	217,495
Spotify Technology (1)	1,197,029	179,016
Tencent Music Entertainment Group, ADR (1)	5,086,108	59,711
		456,222
Interactive Media & Services 17.7%		
Alphabet, Class A (1)	727,580	974,513
Alphabet, Class C (1)	287,534	384,439
Facebook, Class A (1)	5,050,149	1,036,543
IAC/InterActiveCorp (1)	553,449	137,870
Tencent Holdings, ADR	7,971,788	382,725
		2,916,090
Total Communication Services		3,372,312
Consumer Discretionary 19.0%		
Auto Components 1.4%		
Aptiv	2,489,093	236,389
		236,389
Hotels, Restaurants & Leisure 1.7%		
Hilton Worldwide Holdings	1,227,809	136,176
Las Vegas Sands	337,227	23,282
Restaurant Brands International	1,247,807	79,573
Wynn Resorts	325,007	45,134
		284,165
Internet & Direct Marketing Retail 11.5%		
Alibaba Group Holding, ADR (1)	2,086,308	442,506
Amazon.com (1)	668,000	1,234,357
Booking Holdings (1)	85,342	175,270
Uber Technologies (1)	1,141,261	33,941
		1,886,074
Multiline Retail 1.5%		
Dollar General	1,519,473	237,007
		237,007

	Shares	\$ Value
(Cost and value in \$000s)		
Specialty Retail 1.4%		
Carvana (1)	508,400	46,798
Ross Stores	1,588,869	184,976
		231,774
Textiles, Apparel & Luxury Goods 1.5%		
Lululemon Athletica (1)	418,800	97,024
NIKE, Class B	1,453,075	147,211
		244,235
Total Consumer Discretionary		3,119,644
Consumer Staples 0.4%		
Tobacco 0.4%		
Philip Morris International	699,732	59,540
Total Consumer Staples		59,540
Energy 0.5%		
Oil, Gas & Consumable Fuels 0.5%		
Concho Resources	1,038,466	90,939
Total Energy		90,939
Financials 1.7%		
Capital Markets 1.7%		
Charles Schwab	2,233,204	106,211
Intercontinental Exchange	1,115,133	103,206
TD Ameritrade Holding	1,284,200	63,825
Total Financials		273,242
Health Care 15.2%		
Biotechnology 2.0%		
Alexion Pharmaceuticals (1)	572,729	61,941
Vertex Pharmaceuticals (1)	1,194,287	261,489
		323,430
Health Care Equipment & Supplies 5.9%		
Becton Dickinson & Company	1,107,210	301,128
Intuitive Surgical (1)	549,617	324,906
Stryker	1,683,502	353,435
		979,469
Health Care Providers & Services 6.7%		
Centene (1)	1,815,456	114,138

T. ROWE PRICE INSTITUTIONAL LARGE-CAP GROWTH FUND

	Shares	\$ Value
(Cost and value in \$000s)		
Cigna	1,607,644	328,747
HCA Healthcare	1,916,194	283,232
Humana	253,571	92,939
UnitedHealth Group	939,057	276,064
		1,095,120
Life Sciences Tools & Services 0.6%		
Avantor (1)	5,326,956	96,684
		96,684
Total Health Care		2,494,703
Industrials & Business Services 6.5%		
Aerospace & Defense 4.4%		
Boeing	2,217,804	722,472
		722,472
Industrial Conglomerates 0.5%		
Honeywell International	425,734	75,355
		75,355
Professional Services 0.7%		
CoStar Group (1)	192,955	115,445
		115,445
Road & Rail 0.9%		
JB Hunt Transport Services	646,099	75,451
Norfolk Southern	416,670	80,888
		156,339
Total Industrials & Business Services		1,069,611
Information Technology 32.2%		
IT Services 10.0%		
Fidelity National Information Services	682,443	94,921
Global Payments	2,341,831	427,525
Okta (1)	276,068	31,850
PayPal Holdings (1)	2,021,565	218,673
Stripe, Class B, Acquisition Date: 12/17/19, Cost \$6,740 (1)(2)(3)	429,606	6,740
Visa, Class A	4,567,606	858,253
		1,637,962

	Shares	\$ Value
(Cost and value in \$000s)		
Semiconductors & Semiconductor Equipment 3.0%		
Advanced Micro Devices (1)	2,738,300	125,578
ASML Holding	766,097	226,719
Marvell Technology Group	5,111,474	135,761
		488,058
Software 15.8%		
Intuit	1,283,810	336,268
Microsoft	8,001,195	1,261,789
Paycom Software (1)	124,799	33,042
salesforce.com (1)	1,740,115	283,012
ServiceNow (1)	595,739	168,189
Splunk (1)	1,435,615	215,012
VMware, Class A (1)	1,162,989	176,530
Workday, Class A (1)	727,292	119,603
Zoom Video Communications, Class A (1)	38,825	2,642
		2,596,087
Technology Hardware, Storage & Peripherals 3.4%		
Apple	1,892,240	555,656
		555,656
Total Information Technology		5,277,763
Utilities 2.0%		
Electric Utilities 1.3%		
NextEra Energy	873,608	211,553
		211,553
Multi-Utilities 0.7%		
Sempra Energy	727,082	110,138
		110,138
Total Utilities		321,691
Total Miscellaneous Common Stocks(4) 0.5%		79,920
Total Common Stocks (Cost \$9,003,714)		16,159,365

	Shares	\$ Value
(Cost and value in \$000s)		
CONVERTIBLE PREFERRED STOCKS 1.1%		
Consumer Discretionary 0.7%		
Automobiles 0.3%		
Rivian Automotive, Series D, Acquisition Date: 12/23/19, Cost \$48,920 (1)(2)(3)	4,553,218	48,920
		48,920
Internet & Direct Marketing Retail 0.4%		
Airbnb, Series D, Acquisition Date: 4/16/14, Cost \$15,993 (1)(2)(3)	392,823	46,746
Airbnb, Series E, Acquisition Date: 7/14/15, Cost \$21,553 (1)(2)(3)	231,515	27,550
		74,296
Total Consumer Discretionary		123,216
Information Technology 0.4%		
Communications Equipment 0.1%		
Magic Leap, Series C, Acquisition Date: 1/20/16, Cost \$16,738 (1)(2)(3)	726,712	16,739
Magic Leap, Series D, Acquisition Date: 10/12/17, Cost \$5,850 (1)(2)(3)	216,680	5,265
		22,004

	Shares	\$ Value
(Cost and value in \$000s)		
Software 0.3%		
Aurora Innovation, Series B, Acquisition Date: 3/1/19, Cost \$14,738 (1)(2)(3)	1,594,980	14,738
Uipath, Series D-1, Acquisition Date: 4/26/19, Cost \$22,196 (1)(2)(3)	564,041	22,196
Uipath, Series D-2, Acquisition Date: 4/26/19, Cost \$3,727 (1)(2)(3)	94,713	3,727
		40,661
Total Information Technology		62,665
Total Convertible Preferred Stocks (Cost \$149,715)		185,881
SHORT-TERM INVESTMENTS 0.6%		
Money Market Funds 0.6%		
T. Rowe Price Government Reserve Fund, 1.59% (5)(6)	104,478,155	104,478
Total Short-Term Investments (Cost \$104,478)		104,478
Total Investments in Securities		
100.2% of Net Assets (Cost \$9,257,907)	\$	16,449,724

- ‡ Shares are denominated in U.S. dollars unless otherwise noted.
- (1) Non-income producing
- (2) Security cannot be offered for public resale without first being registered under the Securities Act of 1933 and related rules ("restricted security"). Acquisition date represents the day on which an enforceable right to acquire such security is obtained and is presented along with related cost in the security description. The fund has registration rights for certain restricted securities. Any costs related to such registration are borne by the issuer. The aggregate value of restricted securities (excluding 144A holdings) at period-end amounts to \$192,621 and represents 1.2% of net assets.
- (3) See Note 2. Level 3 in fair value hierarchy.
- (4) The identity of certain securities has been concealed to protect the fund while it completes a purchase or selling program for the securities.
- (5) Seven-day yield
- (6) Affiliated Companies
- ADR American Depositary Receipts

Affiliated Companies

(\$000s)

The fund may invest in certain securities that are considered affiliated companies. As defined by the 1940 Act, an affiliated company is one in which the fund owns 5% or more of the outstanding voting securities, or a company that is under common ownership or control. The following securities were considered affiliated companies for all or some portion of the year ended December 31, 2019. Net realized gain (loss), investment income, change in net unrealized gain/loss, and purchase and sales cost reflect all activity for the period then ended.

Affiliate	Net Realized Gain (Loss)	Change in Net Unrealized Gain/Loss	Investment Income
T. Rowe Price Government Reserve Fund	\$ —#	\$ —	\$ 7,356+

Supplementary Investment Schedule

Affiliate	Value 12/31/18	Purchase Cost	Sales Cost	Value 12/31/19
T. Rowe Price Government Reserve Fund	\$ 352,278	\$ □	\$ □	104,478^

Capital gain distributions from mutual funds represented \$0 of the net realized gain (loss).

+ Investment income comprised \$7,356 of dividend income and \$0 of interest income.

□ Purchase and sale information not shown for cash management funds.

^ The cost basis of investments in affiliated companies was \$104,478.

The accompanying notes are an integral part of these financial statements.

T. ROWE PRICE INSTITUTIONAL LARGE-CAP GROWTH FUND

December 31, 2019

STATEMENT OF ASSETS AND LIABILITIES

(\$000s, except shares and per share amounts)

Assets	
Investments in securities, at value (cost \$9,257,907)	\$ 16,449,724
Receivable for investment securities sold	154,449
Receivable for shares sold	36,060
Dividends receivable	4,054
Other assets	97
Total assets	<u>16,644,384</u>
Liabilities	
Payable for shares redeemed	223,831
Investment management fees payable	7,651
Payable for investment securities purchased	2,768
Due to affiliates	16
Payable to directors	13
Other liabilities	297
Total liabilities	<u>234,576</u>
NET ASSETS	<u>\$ 16,409,808</u>
Net Assets Consist of:	
Total distributable earnings (loss)	\$ 7,152,884
Paid-in capital applicable to 372,526,715 shares of \$0.0001 par value capital stock outstanding; 2,000,000,000 shares of the Corporation authorized	<u>9,256,924</u>
NET ASSETS	<u>\$ 16,409,808</u>
NET ASSET VALUE PER SHARE	<u>\$ 44.05</u>

The accompanying notes are an integral part of these financial statements.

STATEMENT OF OPERATIONS

(\$000s)

	Year Ended 12/31/19
Investment Income (Loss)	
Income	
Dividend	\$ 138,904
Other	11
Total income	138,915
Expenses	
Investment management	98,225
Shareholder servicing	53
Prospectus and shareholder reports	376
Custody and accounting	448
Registration	241
Directors	57
Legal and audit	46
Miscellaneous	250
Total expenses	99,696
Net investment income	39,219
Realized and Unrealized Gain / Loss	
Net realized gain on securities	3,246,509
Change in net unrealized gain/loss on securities	1,018,007
Net realized and unrealized gain / loss	4,264,516
INCREASE IN NET ASSETS FROM OPERATIONS	\$ 4,303,735

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS

(\$000s)

	Year Ended	
	12/31/19	12/31/18 ⁽¹⁾
Increase (Decrease) in Net Assets		
Operations		
Net investment income	\$ 39,219	\$ 73,956
Net realized gain	3,246,509	1,487,172
Change in net unrealized gain / loss	1,018,007	(810,723)
Increase in net assets from operations	4,303,735	750,405
Distributions to shareholders		
Decrease in net assets from distributions	(654,809)	(1,190,742)
Capital share transactions*		
Shares sold	3,543,842	3,796,097
Distributions reinvested	603,393	1,121,739
Shares redeemed	(7,494,927)	(4,181,122)
Increase (decrease) in net assets from capital share transactions	(3,347,692)	736,714
Net Assets		
Increase during period	301,234	296,377
Beginning of period	16,108,574	15,812,197
End of period	\$ 16,409,808	\$ 16,108,574
*Share information		
Shares sold	85,827	93,361
Distributions reinvested	13,865	31,125
Shares redeemed	(178,448)	(101,606)
Increase (decrease) in shares outstanding	(78,756)	22,880

⁽¹⁾ Pursuant to the SEC's Disclosure Update and Simplification rule, certain prior year amounts have been reclassified to conform to current year presentation.

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

T. Rowe Price Institutional Equity Funds, Inc. (the corporation) is registered under the Investment Company Act of 1940 (the 1940 Act). The Institutional Large-Cap Growth Fund (the fund) is a nondiversified, open-end management investment company established by the corporation. The fund seeks to provide long-term capital appreciation through investments in common stocks of growth companies.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation The fund is an investment company and follows accounting and reporting guidance in the Financial Accounting Standards Board (FASB) *Accounting Standards Codification* Topic 946 (ASC 946). The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), including, but not limited to, ASC 946. GAAP requires the use of estimates made by management. Management believes that estimates and valuations are appropriate; however, actual results may differ from those estimates, and the valuations reflected in the accompanying financial statements may differ from the value ultimately realized upon sale or maturity. Certain prior year amounts in the accompanying financial statements and financial highlights have been restated to conform to current year presentation.

Investment Transactions, Investment Income, and Distributions Investment transactions are accounted for on the trade date basis. Income and expenses are recorded on the accrual basis. Realized gains and losses are reported on the identified cost basis. Income tax-related interest and penalties, if incurred, are recorded as income tax expense. Dividends received from mutual fund investments are reflected as dividend income; capital gain distributions are reflected as realized gain/loss. Dividend income and capital gain distributions are recorded on the ex-dividend date. Non-cash dividends, if any, are recorded at the fair market value of the asset received. Distributions to shareholders are recorded on the ex-dividend date. Income distributions, if any, are declared and paid annually. A capital gain distribution may also be declared and paid by the fund annually.

In-Kind Redemptions In accordance with guidelines described in the fund's prospectus, and when considered to be in the best interest of all shareholders, the fund may distribute portfolio securities rather than cash as payment for a redemption of fund shares (in-kind redemption). Gains and losses realized on in-kind redemptions are not recognized for tax purposes and are reclassified from undistributed realized gain (loss) to paid-in capital. During the year ended December 31, 2019, the fund realized \$2,490,886,000 of net gain on \$4,242,447,000 of in-kind redemptions.

New Accounting Guidance Effective January 1, 2019, the fund adopted FASB guidance that shortened the amortization period for certain callable debt securities held at a premium. Adoption had no effect on the fund's net assets or results of operations.

Indemnification In the normal course of business, the fund may provide indemnification in connection with its officers and directors, service providers, and/or private company investments. The fund's maximum exposure under these arrangements is unknown; however, the risk of material loss is currently considered to be remote.

NOTE 2 - VALUATION

The fund's financial instruments are valued and its net asset value (NAV) per share is computed at the close of the New York Stock Exchange (NYSE), normally 4 p.m. ET, each day the NYSE is open for business. However, the NAV per share may be calculated at a time other than the normal close of the NYSE if trading on the NYSE is restricted, if the NYSE closes earlier, or as may be permitted by the SEC.

Fair Value The fund's financial instruments are reported at fair value, which GAAP defines as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The T. Rowe Price Valuation Committee (the Valuation Committee) is an internal committee that has been delegated certain responsibilities by the fund's Board of Directors (the Board) to ensure that financial instruments are appropriately priced at fair value in accordance with GAAP and the 1940 Act. Subject to oversight by the Board, the Valuation Committee develops and oversees pricing-related policies and procedures and approves all fair value determinations. Specifically, the Valuation Committee establishes procedures to value securities; determines pricing techniques, sources, and persons eligible to effect fair value pricing actions; oversees the selection, services, and performance of pricing vendors; oversees valuation-related business continuity practices; and provides guidance on internal controls and valuation-related matters. The Valuation Committee reports to the Board and has representation from legal, portfolio management and trading, operations, risk management, and the fund's treasurer.

Various valuation techniques and inputs are used to determine the fair value of financial instruments. GAAP establishes the following fair value hierarchy that categorizes the inputs used to measure fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical financial instruments that the fund can access at the reporting date

Level 2 – inputs other than Level 1 quoted prices that are observable, either directly or indirectly (including, but not limited to, quoted prices for similar financial instruments in active markets, quoted prices for identical or similar financial instruments in inactive markets, interest rates and yield curves, implied volatilities, and credit spreads)

Level 3 – unobservable inputs

Observable inputs are developed using market data, such as publicly available information about actual events or transactions, and reflect the assumptions that market participants would use to price the financial instrument. Unobservable inputs are those for which market data are not available and are developed using the best information available about the assumptions that market participants would use to price the financial instrument. GAAP requires valuation techniques to maximize the use of relevant observable inputs and minimize the use of unobservable inputs. When multiple inputs are used to derive fair value, the financial instrument is assigned to the level within the fair value hierarchy based on the lowest-level input that is significant to the fair value of the financial instrument. Input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level but rather the degree of judgment used in determining those values.

Valuation Techniques Equity securities listed or regularly traded on a securities exchange or in the over-the-counter (OTC) market are valued at the last quoted sale price or, for certain markets, the official closing price at the time the valuations are made. OTC Bulletin Board securities are valued at the mean of the closing bid and asked prices. A security that is listed or traded on more than one exchange is valued at the quotation on the exchange determined to be the primary market for such security. Listed securities not traded on a particular day are valued at the mean of the closing bid and asked prices. Actively traded equity securities listed on a domestic exchange generally are categorized in Level 1 of the fair value hierarchy. OTC Bulletin Board securities, certain preferred securities, and equity securities traded in inactive markets generally are categorized in Level 2 of the fair value hierarchy.

Investments in mutual funds are valued at the mutual fund's closing NAV per share on the day of valuation and are categorized in Level 1 of the fair value hierarchy. Assets and liabilities other than financial instruments, including short-term receivables and payables, are carried at cost, or estimated realizable value, if less, which approximates fair value.

Thinly traded financial instruments and those for which the above valuation procedures are inappropriate or are deemed not to reflect fair value are stated at fair value as determined in good faith by the Valuation Committee. The objective of any fair value pricing determination is to arrive at a price that could reasonably be expected from a current sale. Financial instruments fair valued by the Valuation Committee are primarily private placements, restricted securities, warrants, rights, and other securities that are not publicly traded.

Subject to oversight by the Board, the Valuation Committee regularly makes good faith judgments to establish and adjust the fair valuations of certain securities as events occur and circumstances warrant. For instance, in determining the fair value of an equity investment with limited market activity, such as a private placement or a thinly traded public company stock, the Valuation Committee considers a variety of factors, which may include, but are not limited to, the issuer's business prospects, its financial standing and performance, recent investment transactions in the issuer, new rounds of financing, negotiated transactions of significant size between other investors in the company, relevant market valuations of peer companies, strategic events affecting the company, market liquidity for the issuer, and general economic conditions and events. In consultation with the investment and pricing teams, the Valuation Committee will determine an appropriate valuation technique based on available information, which may include both observable and unobservable inputs. The Valuation Committee typically will afford greatest weight to actual prices in arm's length transactions, to the extent they represent orderly transactions between market participants, transaction information can be reliably obtained, and prices are deemed representative of fair value. However, the Valuation Committee may also consider other valuation methods such as market-based valuation multiples; a discount or premium from market value of a similar, freely traded security of the same issuer; or some combination. Fair value determinations are reviewed on a regular basis and updated as information becomes available, including actual purchase and sale transactions of the issue. Because any fair value determination involves a significant amount of judgment, there is a degree of subjectivity inherent in such pricing decisions, and fair value prices determined by the Valuation Committee could differ from those of other market participants. Depending on the relative significance of unobservable inputs, including the valuation technique(s) used, fair valued securities may be categorized in Level 2 or 3 of the fair value hierarchy.

Valuation Inputs The following table summarizes the fund's financial instruments, based on the inputs used to determine their fair values on December 31, 2019 (for further detail by category, please refer to the accompanying Portfolio of Investments):

(\$000s)	Level 1	Level 2	Level 3	Total Value
Assets				
Common Stocks	\$ 16,152,625	\$ —	\$ 6,740	\$ 16,159,365
Convertible Preferred Stocks	—	—	185,881	185,881
Short-Term Investments	104,478	—	—	104,478
Total	\$ 16,257,103	\$ —	\$ 192,621	\$ 16,449,724

Following is a reconciliation of the fund's Level 3 holdings for the year ended December 31, 2019. Gain (loss) reflects both realized and change in unrealized gain/loss on Level 3 holdings during the period, if any, and is included on the accompanying Statement of Operations. The change in unrealized gain/loss on Level 3 instruments held at December 31, 2019, totaled \$4,568,000 for the year ended December 31, 2019. During the year, transfers out of Level 3 include securities acquired as a result of a corporate action.

(\$000s)	Beginning Balance 1/1/19	Gain (Loss) During Period	Total Purchases	Transfers Out of Level 3	Ending Balance 12/31/19
Investment in Securities					
Common Stocks	\$ 694	\$ —	\$ 6,740	\$ (694)	\$ 6,740
Convertible Preferred Stocks	147,144	4,568	89,581	(55,412)	185,881
Total	\$ 147,838	\$ 4,568	\$ 96,321	\$ (56,106)	\$ 192,621

NOTE 3 - OTHER INVESTMENT TRANSACTIONS

Consistent with its investment objective, the fund engages in the following practices to manage exposure to certain risks and/or to enhance performance. The investment objective, policies, program, and risk factors of the fund are described more fully in the fund's prospectus and Statement of Additional Information.

Restricted Securities The fund invests in securities that are subject to legal or contractual restrictions on resale. Prompt sale of such securities at an acceptable price may be difficult and may involve substantial delays and additional costs.

Other Purchases and sales of portfolio securities other than short-term securities aggregated \$4,602,659,000 and \$8,236,219,000, respectively, for the year ended December 31, 2019.

NOTE 4 - FEDERAL INCOME TAXES

No provision for federal income taxes is required since the fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code and distribute to shareholders all of its taxable income and gains. Distributions determined in accordance with federal income tax regulations may differ in amount or character from net investment income and realized gains for financial reporting purposes.

The fund files U.S. federal, state, and local tax returns as required. The fund's tax returns are subject to examination by the relevant tax authorities until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return but which can be extended to six years in certain circumstances. Tax returns for open years have incorporated no uncertain tax positions that require a provision for income taxes.

Financial reporting records are adjusted for permanent book/tax differences to reflect tax character but are not adjusted for temporary differences. The permanent book/tax adjustments have no impact on results of operations or net assets and relate primarily to redemptions in kind and a tax practice that treats a portion of the proceeds from each redemption of capital shares as a distribution of taxable net investment income or realized capital gain. For the year ended December 31, 2019, the following reclassification was recorded:

(\$000s)	
Total distributable earnings (loss)	\$ (2,674,892)
Paid-in capital	2,674,892

Distributions during the years ended December 31, 2019 and December 31, 2018, were characterized for tax purposes as follows:

(\$000s)		December 31	
		2019	2018
Ordinary income	\$	65,480	\$ 260,869
Long-term capital gain		589,329	929,873
Total distributions	\$	654,809	\$ 1,190,742

At December 31, 2019, the tax-basis cost of investments and components of net assets were as follows:

(\$000s)	
Cost of investments	\$ 9,284,968
Unrealized appreciation	\$ 7,260,566
Unrealized depreciation	(95,810)
Net unrealized appreciation (depreciation)	7,164,756
Undistributed ordinary income	2,482
Capital loss carryforwards	(14,354)
Paid-in capital	9,256,924
Net assets	\$ 16,409,808

The difference between book-basis and tax-basis net unrealized appreciation (depreciation) is attributable to the deferral of losses from wash sales for tax purposes. The fund intends to retain realized gains to the extent of available capital loss carryforwards. Net realized capital losses may be carried forward indefinitely to offset future realized capital gains. All or a portion of the capital loss carryforwards may be from losses realized between November 1 and the fund's fiscal year-end, which are deferred for tax purposes until the subsequent year but recognized for financial reporting purposes in the year realized. During the year ended December 31, 2019, the fund utilized \$60,722,000 of capital loss carryforwards.

NOTE 5 - RELATED PARTY TRANSACTIONS

The fund is managed by T. Rowe Price Associates, Inc. (Price Associates), a wholly owned subsidiary of T. Rowe Price Group, Inc. (Price Group). The investment management agreement between the fund and Price Associates provides for an annual investment management fee equal to 0.55% of the fund's average daily net assets. The fee is computed daily and paid monthly.

In addition, the fund has entered into service agreements with Price Associates and a wholly owned subsidiary of Price Associates, each an affiliate of the fund (collectively, Price). Price Associates provides certain accounting and administrative services to the fund. T. Rowe Price Services, Inc. provides shareholder and administrative services in its capacity as the fund's transfer and dividend-disbursing agent. For the year ended December 31, 2019, expenses incurred pursuant to these service agreements were \$70,000 for Price Associates and \$47,000 for T. Rowe Price Services, Inc. All amounts due to and due from Price, exclusive of investment management fees payable, are presented net on the accompanying Statement of Assets and Liabilities.

The fund may invest its cash reserves in certain open-end management investment companies managed by Price Associates and considered affiliates of the fund: the T. Rowe Price Government Reserve Fund or the T. Rowe Price Treasury Reserve Fund, organized as money market funds, or the T. Rowe Price Short-Term Fund, a short-term bond fund (collectively, the Price Reserve Funds). The Price Reserve Funds are offered as short-term investment options to mutual funds, trusts, and other accounts managed by Price Associates or its affiliates and are not available for direct purchase by members of the public. Cash collateral from securities lending is invested in the T. Rowe Price Short-Term Fund. The Price Reserve Funds pay no investment management fees.

The fund may participate in securities purchase and sale transactions with other funds or accounts advised by Price Associates (cross trades), in accordance with procedures adopted by the fund's Board and Securities and Exchange Commission rules, which require, among other things, that such purchase and sale cross trades be effected at the independent current market price of the security. During the year ended December 31, 2019, the fund had no purchases or sales cross trades with other funds or accounts advised by Price Associates.

NOTE 6 - SUBSEQUENT EVENT

At a meeting held October 29, 2019, the fund's Board approved certain changes to the fund effective May 1, 2020 (the Restructure). Under the Restructure, the fund's outstanding shares will be re-designated as I Class shares; the fund's name will change to the T. Rowe Price Large-Cap Growth Fund; and the fund will also offer Investor Class shares, which will be available to retail investors. Each class will have exclusive voting rights on matters related solely to that class; separate voting rights on matters that relate to both classes; and, in all other respects, the same rights and obligations as the other class.

In addition, the Board approved an amendment to the fund's investment management agreement. The annual investment management fee rate will be the lesser of the current management fee rate of 0.55% and a "combined fee rate." The combined fee rate is an individual fund fee rate, equal to 0.26% of the fund's average daily net assets, and a group fee. The group fee rate will be calculated based on the combined net assets of certain mutual funds sponsored by Price Associates applied to a graduated fee schedule, with rates ranging from 0.48% for the first \$1 billion of assets to 0.265% for assets in excess of \$650 billion. The fund's group fee will be determined by applying the group fee rate to the fund's average daily net assets. At December 31, 2019, the effective annual group fee rate was 0.29%. The amendment to the fund's investment management agreement will be effective May 1, 2020.

Report of Independent Registered Public Accounting Firm

**To the Board of Directors of T. Rowe Price Institutional Equity Funds, Inc. and
Shareholders of T. Rowe Price Institutional Large-Cap Growth Fund**

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments, of T. Rowe Price Institutional Large-Cap Growth Fund (one of the funds constituting T. Rowe Price Institutional Equity Funds, Inc., referred to hereafter as the “Fund”) as of December 31, 2019, the related statement of operations for the year ended December 31, 2019, the statement of changes in net assets for each of the two years in the period ended December 31, 2019, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2019 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2019, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2019 and the financial highlights for each of the five years in the period ended December 31, 2019 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2019 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
Baltimore, Maryland
February 14, 2020

We have served as the auditor of one or more investment companies in the T. Rowe Price group of investment companies since 1973.

TAX INFORMATION (UNAUDITED) FOR THE TAX YEAR ENDED 12/31/19

We are providing this information as required by the Internal Revenue Code. The amounts shown may differ from those elsewhere in this report because of differences between tax and financial reporting requirements.

The fund's distributions to shareholders included \$789,694,000 from long-term capital gains, subject to a long-term capital gains tax rate of not greater than 20%.

For taxable non-corporate shareholders, \$39,220,000 of the fund's income represents qualified dividend income subject to long-term capital gains tax rate of not greater than 20%.

For corporate shareholders, \$39,220,000 of the fund's income qualifies for the dividends-received deduction.

INFORMATION ON PROXY VOTING POLICIES, PROCEDURES, AND RECORDS

A description of the policies and procedures used by T. Rowe Price funds and portfolios to determine how to vote proxies relating to portfolio securities is available in each fund's Statement of Additional Information. You may request this document by calling 1-800-225-5132 or by accessing the SEC's website, sec.gov.

The description of our proxy voting policies and procedures is also available on our corporate website. To access it, please visit the following Web page:

<https://www.troweprice.com/corporate/en/utility/policies.html>

Scroll down to the section near the bottom of the page that says, "Proxy Voting Policies." Click on the Proxy Voting Policies link in the shaded box.

Each fund's most recent annual proxy voting record is available on our website and through the SEC's website. To access it through T. Rowe Price, visit the website location shown above, and scroll down to the section near the bottom of the page that says, "Proxy Voting Records." Click on the Proxy Voting Records link in the shaded box.

HOW TO OBTAIN QUARTERLY PORTFOLIO HOLDINGS

Effective for reporting periods on or after March 1, 2019, a fund, except a money market fund, files a complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. Prior to March 1, 2019, a fund, including a money market fund, filed a complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. A money market fund files detailed month-end portfolio holdings information on Form N-MFP with the SEC each month and posts a complete schedule of portfolio holdings on its website (troweprice.com) as of each month-end for the previous six months. A fund's Forms N-PORT, N-MFP, and N-Q are available electronically on the SEC's website (sec.gov).

ABOUT THE FUND'S DIRECTORS AND OFFICERS

Your fund is overseen by a Board of Directors (Board) that meets regularly to review a wide variety of matters affecting or potentially affecting the fund, including performance, investment programs, compliance matters, advisory fees and expenses, service providers, and business and regulatory affairs. The Board elects the fund's officers, who are listed in the final table. At least 75% of the Board's members are independent of the Boards of T. Rowe Price Associates, Inc. (T. Rowe Price), and its affiliates; "inside" or "interested" directors are employees or officers of T. Rowe Price. The business address of each director and officer is 100 East Pratt Street, Baltimore, Maryland 21202. The Statement of Additional Information includes additional information about the fund directors and is available without charge by calling a T. Rowe Price representative at 1-800-638-5660.

INDEPENDENT DIRECTORS^(a)

Name (Year of Birth) Year Elected [Number of T. Rowe Price Portfolios Overseen]	Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years
Teresa Bryce Bazemore (1959) 2018 [189]	President, Radian Guaranty (2008 to 2017); Chief Executive Officer, Bazemore Consulting LLC (2018 to present); Director, Chimera Investment Corporation (2017 to present); Director, Federal Home Loan Bank of Pittsburgh (2017 to present)
Ronald J. Daniels (1959) 2018 [189]	President, The Johns Hopkins University ^(b) and Professor, Political Science Department, The Johns Hopkins University (2009 to present); Director, Lyndhurst Holdings (2015 to present)
Bruce W. Duncan (1951) 2013 [189]	Chief Executive Officer and Director (January 2009 to December 2016), Chairman of the Board (January 2016 to present), and President (January 2009 to September 2016), First Industrial Realty Trust, an owner and operator of industrial properties; Chairman of the Board (2005 to September 2016) and Director (1999 to September 2016), Starwood Hotels & Resorts, a hotel and leisure company; Member, Investment Company Institute Board of Governors (2017 to present); Member, Independent Directors Council Governing Board (2017 to present); Senior Advisor, KKR (November 2018 to present); Director, Boston Properties (May 2016 to present); Director, Marriott International, Inc. (September 2016 to present)
Robert J. Gerrard, Jr. (1952) 2012 [189]	Advisory Board Member, Pipeline Crisis/Winning Strategies, a collaborative working to improve opportunities for young African Americans (1997 to January 2016); Chairman of the Board, all funds (July 2018 to present)
Paul F. McBride (1956) 2013 [189]	Advisory Board Member, Vizzia Technologies (2015 to present); Board Member, Dunbar Armored (2012 to 2018)
Cecilia E. Rouse, Ph.D. (1963) 2012 [189]	Dean, Woodrow Wilson School (2012 to present); Professor and Researcher, Princeton University (1992 to present); Director, MDRC, a nonprofit education and social policy research organization (2011 to present); Member, National Academy of Education (2010 to present); Research Associate of Labor Studies Program at the National Bureau of Economic Research (2011 to 2015); Board Member, National Bureau of Economic Research (2011 to present); Chair of Committee on the Status of Minority Groups in the Economic Profession of the American Economic Association (2012 to 2018); Vice President (2015 to 2016) and Board Member, American Economic Association (2018 to present)
John G. Schreiber (1946) 2001 [189]	Owner/President, Centaur Capital Partners, Inc., a real estate investment company (1991 to present); Cofounder, Partner, and Cochairman of the Investment Committee, Blackstone Real Estate Advisors, L.P. (1992 to 2015); Director, Blackstone Mortgage Trust, a real estate finance company (2012 to 2016); Director and Chairman of the Board, Brixmor Property Group, Inc. (2013 to present); Director, Hilton Worldwide (2007 to present); Director, Hudson Pacific Properties (2014 to 2016); Director, Invitation Homes (2014 to 2017); Director, JMB Realty Corporation (1980 to present)
Mark R. Tercek ^(c) (1957) 2009 [0]	President and Chief Executive Officer, The Nature Conservancy (2008 to present)

^(a)All information about the independent directors was current as of February 19, 2019, unless otherwise indicated, except for the number of portfolios overseen, which is current as of the date of this report.

^(b)William J. Stromberg, president and chief executive officer of T. Rowe Price Group, Inc., the parent company of the Price Funds' investment advisor, has served on the Board of Trustees of Johns Hopkins University since 2014 and is a member of the Johns Hopkins University Board's Compensation Committee.

^(c)Effective February 15, 2019, Mr. Tercek resigned from his role as independent director of the Price Funds.

INSIDE DIRECTORS

Name (Year of Birth) Year Elected* [Number of T. Rowe Price Portfolios Overseen]	Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years
David Oestreicher (1967) 2018 [189]	Chief Legal Officer, Vice President, and Secretary, T. Rowe Price Group, Inc.; Director, Vice President, and Secretary, T. Rowe Price Investment Services, Inc., T. Rowe Price Retirement Plan Services, Inc., T. Rowe Price Services, Inc., and T. Rowe Price Trust Company; Vice President and Secretary, T. Rowe Price, T. Rowe Price Hong Kong (Price Hong Kong), and T. Rowe Price International; Vice President, T. Rowe Price Japan (Price Japan) and T. Rowe Price Singapore (Price Singapore); Principal Executive Officer and Executive Vice President, all funds
Robert W. Sharps, CFA, CPA** (1971) 2017 [189]	Director and Vice President, T. Rowe Price; Vice President, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company; President, Institutional Equity Funds

*Each inside director serves until retirement, resignation, or election of a successor.

**Mr. Sharps replaced Edward A. Wiese as director of the domestic fixed income Price Funds effective January 1, 2019.

OFFICERS

Name (Year of Birth) Position Held With Institutional Equity Funds	Principal Occupation(s)
Francisco M. Alonso (1978) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Brian W.H. Berghuis, CFA (1958) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Darrell N. Braman (1963) Vice President and Secretary	Vice President, Price Hong Kong, Price Singapore, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price International, T. Rowe Price Retirement Plan Services, Inc., and T. Rowe Price Services, Inc.
Alan S. Dupski, CPA (1982) Assistant Treasurer	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Mark S. Finn, CFA, CPA (1963) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
John R. Gilner (1961) Chief Compliance Officer	Chief Compliance Officer and Vice President, T. Rowe Price; Vice President, T. Rowe Price Group, Inc., and T. Rowe Price Investment Services, Inc.
Gary J. Greb (1961) Vice President	Vice President, T. Rowe Price, T. Rowe Price International, and T. Rowe Price Trust Company
Ann M. Holcomb, CFA (1972) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Paul J. Krug, CPA (1964) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
John D. Linehan, CFA (1965) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company

Unless otherwise noted, officers have been employees of T. Rowe Price or T. Rowe Price International for at least 5 years.

OFFICERS (CONTINUED)

Name (Year of Birth) Position Held With Institutional Equity Funds	Principal Occupation(s)
Catherine D. Mathews (1963) Principal Financial Officer, Vice President, and Treasurer	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Heather K. McPherson, CPA (1967) Executive Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Joshua Nelson (1977) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price International, and T. Rowe Price Trust Company
Curt J. Organt, CFA (1968) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Jason B. Polun, CFA (1974) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Larry J. Puglia, CFA, CPA (1960) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
John W. Ratzesberger (1975) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Shannon H. Rauser (1987) Assistant Secretary	Assistant Vice President, T. Rowe Price
Taymour R. Tamaddon, CFA (1976) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Ken D. Uematsu, CFA (1966) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
J. David Wagner, CFA (1974) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
John F. Wakeman (1962) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Megan Warren (1968) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price Retirement Plan Services, Inc., T. Rowe Price Services, Inc., and T. Rowe Price Trust Company; formerly, Executive Director, JPMorgan Chase (to 2017)
Thomas H. Watson (1977) Executive Vice President	Director and Vice President, T. Rowe Price Trust Company; Vice President, T. Rowe Price and T. Rowe Price Group, Inc.

Unless otherwise noted, officers have been employees of T. Rowe Price or T. Rowe Price International for at least 5 years.

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