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Disclosure of Company-Run Stress Test Results

State Street Corporation (State Street; or the Company), like other companies governed by the provisions of Section 165 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), is required to conduct Company-run stress tests semi-annually and to disclose summary results of those Company-run stress tests under the severely adverse scenario. State Street provides these disclosures on its website, at www.statestreet.com/stockholder under "Investor Relations".

Under the Final Rule, "Supervisory and Company-Run Stress Test Requirements for Covered Companies," as used in this disclosure and applied to State Street, a stress test represents a process to assess the potential impact of scenarios (representing hypothetical economic conditions) on State Street's consolidated earnings, losses and capital over a defined period (known as a "planning horizon"), taking into account State Street's current condition, risks, exposures, strategies and activities. The results of a stress test represent estimates based upon projected hypothetical economic conditions for purposes of the stress test. The prescribed hypothetical economic conditions do not represent State Street's projections, and the estimates representing the results of the stress test are not forecasts of expected revenues, losses, regulatory capital ratios or other results. Further, because the methodologies, models and tools used by State Street to project estimates of revenues, losses, regulatory capital ratios and other results under stress tests are proprietary to State Street, the results of Company-run stress tests may differ from the results of stress tests performed on State Street under the same hypothetical scenarios by other parties, including by the Board of Governors of the Federal Reserve System (Federal Reserve). Stress test results are not presented in accordance with U.S. generally accepted accounting principles (GAAP).

State Street's historical consolidated financial information is available in reports filed with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended December 31, 2012.

State Street has a robust enterprise stress testing program that executes multiple stress tests per year and dates back to 2009. State Street's stress testing program involves cross-functional participants from business units, risk management, and corporate functions. The program considers geographic, business unit-specific, market, and corporate-wide risks. State Street has developed various tools and methodologies to execute stress tests structured around significant risks facing the Company. The stress testing program is overseen by a Board of Directors (Board) and management oversight structure. In addition, State Street has a separate model governance framework designed to validate all material analytical models used by State Street in the stress tests.

The Comprehensive Capital Analysis and Review (CCAR) is a supervisory assessment by the Federal Reserve of the capital planning processes and capital adequacy of large, complex bank holding companies (BHCs), like State Street. The CCAR is one of the primary mechanisms used by the Federal Reserve for developing supervisory assessments of capital adequacy at large, complex BHCs. Each of the BHCs, including State Street, are required to submit capital plans to the Federal Reserve to support an evaluation by the Federal Reserve of the BHC's capital adequacy during periods of hypothetical economic and financial market stress.

For the 2013 CCAR analysis, State Street executed Company-run tests incorporating stress impacts to estimate revenues, losses, provisions for loan losses, and the resultant changes in regulatory capital and related capital ratios. To execute the stress tests, State Street applied multiple macroeconomic scenarios and parameters, including those prescribed by the Federal Reserve, to State Street's internal stress testing methodologies, models, and tools.

Consistent with Section 165 of the Dodd-Frank Act, the following results are based on the hypothetical Severely Adverse scenario (Severely Adverse Scenario) provided by the Federal Reserve in connection with the 2013 CCAR, the results of which were announced by the Federal Reserve on March 7, 2013. The Severely Adverse Scenario involves a substantial U.S. recession with an increasing unemployment rate and a weakening U.S. housing market during the planning horizon running from September 30, 2012 to December 31, 2014. Equity prices also decline over the planning horizon and market volatility increases substantially. The Severely Adverse Scenario also includes recessions in the Euro zone, UK and Japan. The Severely Adverse Scenario, along with the Supervisory Baseline and Supervisory Adverse scenarios, is set out and further described in the document entitled "2013 Supervisory Scenarios for Annual Stress Tests Required under the Dodd-Frank Act Stress Testing Rules and the Capital Plan Rule" published on the Federal Reserve website on November 15, 2012, http://www.federalreserve.gov/bankinforeg/bcreg20121115a1.pdf.

In State Street's application of the Severely Adverse Scenario, estimated revenues, losses, and regulatory capital ratio impacts are applied to State Street's baseline forecast to arrive at projections in the stress scenario. Estimates are based on actual positions and balances as of September 30, 2012 and are forecasted over the nine-quarter planning horizon from Q4 2012 through Q4 2014.

Impacts to regulatory capital ratios incorporate the capital actions prescribed by Section 165 of the Dodd-Frank Act, (Dodd-Frank prescribed capital actions) including:

- For the fourth quarter of 2012, the actual capital actions (*e.g.,* stock dividends and stock repurchases) occurring during that period; and
- For each of the second through ninth quarters in the stress period planning horizon,
    - common stock dividends equal to the quarterly average dollar amount of common stock dividends paid in 2012;
    - payments on any other instrument that is eligible for inclusion in the numerator of a regulatory capital ratio equal to the stated dividend, interest, or principal due on such instrument during the quarter; and
    - an assumption of no redemption or repurchase of any capital instrument that is eligible for inclusion in the numerator of a regulatory capital ratio.

As noted above, the results of a stress test represent estimates based upon projected hypothetical economic conditions for purposes of the stress test. The prescribed hypothetical economic conditions do not represent State Street's projections, and the estimates representing the results of the stress test are not forecasts of expected revenues, losses, regulatory capital ratios or other results. Further, because the methodologies, models and tools used by State Street to project estimates of revenues, losses, regulatory capital ratios and other results under stress tests are proprietary to State Street, the results of Company-run stress tests may differ from the results of stress tests performed on State Street under the same hypothetical scenarios by other parties, including by the Federal Reserve. Stress test results are not presented in accordance with GAAP. A summary of the Company-run stress test results under the Severely Adverse Scenario with Dodd-Frank prescribed capital actions follows.

Pre-provision net revenue

Pre-provision net revenue (PPNR) is calculated as net interest income plus non-interest income minus non-interest expense. Non-interest expense calculations incorporate losses related to operational risk events such as processing errors and increased litigation.

Fee revenue, representing a material portion of non-interest income, was impacted by declining equity and fixed-income markets along with general de-risking of customer activities similar to that observed in historical recessions. Net interest revenue reflects global interest rate forecasts consistent with the Severely Adverse Scenario. Pre-provision net revenue was also impacted by an increase in expenses due to operational and other losses.

Provision for loan losses
The primary driver of loan losses was the commercial real estate (CRE) loans acquired in 2008 pursuant to an indemnified repurchase agreement with an affiliate of Lehman Brothers. The CRE loan portfolio does not represent a continuing business line for State Street.

Realized Gains/Losses on Securities (AFS/HTM)
Gains/losses on securities incorporate other-than-temporary impairment (OTTI), representing other-than-temporary reductions in the market value of securities from the applicable book value due to credit impairment. For the Severely Adverse Scenario, OTTI was calculated based on econometric models to develop loan-level performance assumptions for each security. Collateral performance assumptions (e.g., default rates, recovery rates, prepayment rates) were used as inputs to generate security-level cash flows.

Other Losses
Based on the Severely Adverse Scenario, State Street assumed that losses would arise due to credit risk to financial counterparties and to municipal holdings. State Street assumed significant financial sector deterioration leading to counterparty credit losses.

Impact to Regulatory Capital Ratios
State Street is subject to the Basel I minimum capital requirements established by the Federal Reserve, and must meet the regulatory capital thresholds for "well capitalized" to maintain its status as a financial holding company. Although State Street satisfied all minimum regulatory capital ratio requirements in the Company-run stress test, the stress scenario projections suggest a decline in regulatory capital ratios in the Severely Adverse Scenario.

The change in after-tax net income and the assumed level of common stock dividends under the Dodd-Frank prescribed capital actions were the primary drivers of equity capital as defined under GAAP. The projected changes in equity capital then drove the changes in regulatory capital which were calculated by taking into account appropriate deductions, goodwill and other intangible assets, and disallowed deferred tax assets.

The Company-run stress test results also reflect an increased level of risk weighted assets (RWA) in the Severely Adverse Scenario as a result of downgrades in the investment portfolio.

Summary of Stressed Capital Ratio Results in the Company-Run Stress Test under the Severely Adverse Scenario with Dodd-Frank Prescribed Capital Actions described above

Projected capital ratios through Q4 2014 under the Severely Adverse Scenario

	Regulatory Minimum Ratios (1)	Actual	Stressed Capital Ratios	
		September 30, 2012	December 31, 2014	Minimum (2)
Tier 1 Common Ratio	5.0%	17.8%	12.4%	11.9%
Tier 1 Risk-Based Capital Ratio	4.0	19.8	14.0	13.4
Total Risk-Based Capital Ratio	8.0	21.3	16.1	15.1
Tier 1 Leverage Ratio	3.0 or 4.0	7.6	6.8	6.2

(1) Regulatory minimum ratios as prescribed by the CCAR 2013 Instructions, "Comprehensive Capital Analysis and Review 2013 Summary Instructions and Guidance" published on the Federal Reserve website on November 9, 2012. State Street is subject to the market risk rule and is therefore subject to a minimum Tier 1 Leverage Ratio of 3.0 percent.

(2) Represents the projected minimum quarter-end ratio at any point during the nine quarter planning horizon of the Severely Adverse Scenario.

Projected losses, revenue, and net income before taxes through Q4 2014 under the Severely Adverse Scenario		
	$ Billions	% of Projected Average Assets (1)
Pre-provision Net Revenue	1.3	0.7%
Other Revenue	-	
Less		
Provisions	0.2	
Realized Gains/Losses on Securities (AFS/HTM)	0.4	
Trading and Counterparty Losses	-	
Other Losses/Gains	0.7	
Net Income Before Taxes	**0.1**	**0.0%**

(1) Represents average assets over the entire nine-quarter planning horizon.

Projected loan losses, by type of loan, for Q4 2012–Q4 2014 under the Severely Adverse Scenario		
	$ Billions	Portfolio Loss Rates (%) (1)
Loan Losses	0.2	1.0%
First Lien Mortgages, Domestic	-	
Junior Liens and HELOCs, Domestic	-	
Commercial and Industrial	-	
Commercial Real Estate	0.1	34.4%
Credit Cards	-	
Other Consumer	-	
Other Loans	0.0	0.1%

(1) Percentage of the average amount of the identified type of loans over the entire nine-quarter planning horizon represented by projected aggregate loan losses.

The primary drivers of results under the Severely Adverse Scenario with Dodd-Frank prescribed capital actions in the Company-run stress test were the projections of revenue and losses which affected pre-provision net revenue. In addition, estimates of provisions, realized losses on securities, other losses, and risk-weighted assets were material components impacting projected regulatory capital ratios.

Stress Test Results for State Street Bank and Trust

In accordance with Section 165 of the Dodd-Frank Act, State Street also conducted a stress test of State Street Bank and Trust Company (SSBT), which is the principal banking subsidiary of State Street Corporation, under the Severely Adverse Scenario with Dodd-Frank prescribed capital actions over the same nine-quarter planning horizon. State Street used the same tools, methodologies, and processes in its stress test of SSBT as for the Company. The most significant causes of change in SSBT's projected regulatory capital ratios under that stress test were consistent with the causes of change in the

Company's projected regulatory capital ratios under the same scenario. In addition, SSBT's projected regulatory capital ratios reflect an assumed quarterly dividend to the Company of 100% of SSBT's net income during the nine-quarter planning horizon.

Summary of Stressed Capital Ratio Results for SSBT in the Company-run stress test under the Severely Adverse Scenario with Dodd-Frank Prescribed Capital Actions

Projected Capital Ratios through Q4 2014 under the Severely Adverse Scenario			
	Actual	Stressed Capital Ratios	
	September 30, 2012	December 31, 2014	Minimum (1)
Tier 1 Common Ratio (%)	18.0	9.5	9.5
Tier 1 Risk-Based Capital Ratio (%)	18.0	9.5	9.5
Total Risk-based Capital Ratio (%)	19.9	11.9	11.9
Tier 1 Leverage Ratio (%)	6.8	4.5	4.5

(1) Represents the projected minimum quarter-end ratio at any point during the nine-quarter planning horizon of the Severely Adverse Scenario. SSBT regulatory capital ratios include an assumed 100% dividend to the Company.