

State Street's FXConnect's Daily Trading Volume Surpasses \$40 Billion

Boston, 6 July 2005 — State Street Global Markets, the investment research and trading arm of State Street Corporation (NYSE:STT), announced today that its FXConnect multi-bank electronic trading system has surpassed \$40 billion in daily trading volume*. FXConnect is available via State Street's Global Link network.

"FXConnect's value proposition for real-money managers is evident, and we remain the dominant force in the online electronic foreign exchange marketplace," said Simon Wilson-Taylor, managing director and worldwide head of Global Link for State Street. "Our customers truly understand and value our unique business model, and this high-volume mark is a testament to their continued support."

Launched in 1996, FXConnect became the first multi-bank trading platform for foreign exchange in March 2000. It remains the market leader, demonstrating State Street's continuing commitment to enhance the platform to meet the growing needs of its customer base.

"With continuing uncertainty about the future ownership and direction of many platforms within the FX marketplace, our customers are comforted to see State Street's leadership in this area," said Stan Shelton, executive vice president and head of State Street Global Markets. "Our stable, well managed platform that improves fund performance, reduces operational and compliance risks and embeds industry best practice in its workflow is, quite understandably, the platform of choice for the investment industry."

FXConnect is offered via State Street's Global Link network, which delivers unique fact-based research, decision support tools and trading technology to clients around the world:

- FXConnect is used by asset managers who control 63% of the of the world's total managed assets
- 48 banks in 138 dealing room locations worldwide provide liquidity to FXConnect
- 92% of transactions completed on FXConnect are spot and outright forward transactions
- GTSS, FXConnect's post-trade confirmation matching and settlement product is matching nearly 20,000 trades per week

Notes to editors:

*Foreign exchange trading volume is variable from period to period, with often wide swings depending on several factors, and foreign exchange trading volume is not necessarily indicative of derived revenue.

About State Street Global Markets:

State Street Global Markets provides specialized investment research and trading in foreign exchange, equities, fixed income and derivatives. Its goal is to enhance and preserve portfolio values for asset managers and asset owners. From its unique position at the crossroads of the global markets, it creates and unlocks value for its clients with original flow-based research, innovative portfolio strategies, trade process optimization, and global connectivity across multiple asset classes and markets.

About Global Link:

State Street's Global Link network delivers unique fact-based research, decision support tools and trading technology for five asset classes to clients around the world. Global Link is currently used by companies who manage 75% of the world's professionally managed assets, including 19 of the world's 20 largest asset management companies. It offers world market research and analytics for equities, fixed income and foreign exchange and secure, real-time trade execution services across multiple asset classes. More information about Global Link can be found at www.globallink.com.

About State Street:

State Street Corporation (NYSE: STT) is the world's leading specialist in providing institutional investors with investment servicing, investment management and investment research and trading. With \$9.5 trillion in assets under custody and \$1.4 trillion in assets under management as of March 31, 2005, State Street operates in 25 countries and more than 100 markets worldwide. For more information, visit State Street's Web site at www.statestreet.com.

This news announcement may contain forward-looking statements as defined by United States securities laws, including statements about business environment and financial outlook. Those statements are based on current expectations and involve a number of risks and uncertainties, including those relating to the pace of cross-border investment activity, economic and political uncertainties, the extent of volatility in currency markets, the pace at which State Street clients use services, competitors' activities, and the dynamics of the markets State Street serves. Other important factors that could cause actual results to differ materially from those which may be indicated by any forward-looking statements are set forth in State Street's 2004 annual report on Form 10-K and subsequent SEC filings. State Street encourages investors to read the Corporation's 2004 Form 10-K, particularly the factors that may affect financial results, and its subsequent SEC filings for additional information with respect to any forward-looking statements and prior to making any investment decision. The forward-looking statements contained in this news release speak only as of the date hereof, July 6, 2005, and the Corporation will not undertake efforts to revise those forward-looking statements to reflect events after this date.