One Lincoln Street
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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 (the Dodd-Frank Act), is required to conduct stress tests semi-annually and to disclose the results to investors under the severely adverse scenario. State Street provides these disclosures on its corporate website, at www.statestreet.com/stockholder under "Investor Relations."

Under the Final Rule, "Supervisory and Company-Run Stress Test Requirements for Covered Companies", and as applied by State Street, a stress test represents a process to assess the potential impact of scenarios (representing hypothetical economic conditions) on State Street's consolidated results of operations and regulatory capital over a defined period (known as a "planning horizon"), taking into account State Street's current financial condition, risks, exposures, strategies and activities. The results of a stress test represent estimates of potential outcomes based on hypothetical economic conditions. The hypothetical economic conditions do not represent State Street's projections of expected economic conditions, and the estimates representing the results of the stress test are not forecasts of expected revenues, losses, regulatory capital ratios or other results for any future period. 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 in material respects from the results of stress tests performed on State Street by other parties, including, as applicable, the Board of Governors of the Federal Reserve System (the Federal Reserve).

Additional financial and other information about State Street and its principal business activities can be found in its 2013 Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings, referred to as SEC filings, with the Securities and Exchange Commission (the SEC), which we make available on the "Investor Relations" section of our corporate website at www.statestreet.com. We encourage you to review our SEC filings.The information presented below may differ, in presentation, form, content or otherwise, from similar information, or disclosures on similar topics, presented in our SEC filings. Differences could occur, for example, because our SEC filings are based on applicable SEC rules and U.S. generally accepted accounting principles (GAAP), which may differ from the regulatory standards or requirements for Company-run stress tests under Section 165 of the Dodd-Frank Act. In addition, the information presented in this Disclosure may also differ, and may not be comparable to, similar disclosures made by other companies.

Background to Comprehensive Capital Analysis and Review (CCAR) and Dodd-Frank Stress Tests

The Comprehensive Capital Analysis and Review is a supervisory assessment by the Federal Reserve of the capital planning processes and capital adequacy of large, complex bank holding companies (BHCs) including State Street. Each BHC covered under the final rule is required to submit a capital plan 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. BHCs are also required to publicly disclose the summary results (under the supervisory severely adverse scenario) between March 15 and March 31 of each year for the annual CCAR stress test.

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The following results are based on the supervisory severely adverse scenario provided by the Federal Reserve in connection with the 2014 CCAR. The supervisory 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 October 1, 2013 to December 31, 2015. Equity prices also decline over the planning horizon and market volatility increases. The scenario also includes recessions in the Eurozone, U.K., developing Asia and Japan. The supervisory severely adverse scenario, along with the supervisory baseline and supervisory adverse scenarios, is set forth and described in the document entitled "2014 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 1, 2013, http://www.federalreserve.gov/bankinforeg/bcreg20131101a1.pdf.

In State Street's application of the supervisory severely adverse scenario, estimated loss, revenue, and regulatory capital ratio impacts are considered relative to State Street's baseline forecast to arrive at projections under the stress scenario's hypothetical macroeconomic factors described above. Estimates are applied to actual positions and balances as of September 30, 2013 and are forecasted over the nine-quarter planning horizon from the fourth quarter of 2013 through the fourth quarter of 2015.

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 2013, the actual capital actions (*e.g.,* common 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 2013;
    - 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

A summary of our Company-run stress test results under the supervisory severely adverse scenario with Dodd-Frank prescribed capital actions follows.

Stress Testing Framework

State Street has a robust company-wide stress testing program that executes multiple stress tests per year. Our stress testing program is structured around what we determine to be the top material risks incurred by State Street, which are the end product of the corporate-wide material risk identification program. These top material risks serve as an organizing principle for much of our risk management framework, as well as reporting, including the "risk dashboard" provided to the Board of Directors (the Board).

In connection with the focus on our top risks, each stress test incorporates idiosyncratic loss events tailored to State Street's unique risk profile. Due to the nature of our business model and our consolidated statement of condition, our risks differ from those of a traditional commercial bank.

The stress testing program is overseen by management and our Board of Directors. In addition, State Street has a separate model governance framework designed to validate all material analytical models used in the stress tests.

As mentioned above, in the normal course of our global business activities, we are exposed to a variety of risks, some inherent in the financial services industry, others more specific to our business activities. State Street's risk management framework focuses on material risks, which include the following:

- credit and counterparty risk;
- liquidity risk, funding and liquidity management;
- operational risk, including execution, technology, business practice and fiduciary risks;
- market risk, including market risk associated with our trading activities and market risk associated with our non-trading, or asset-and-liability management, activities, which is primarily composed of interest-rate risk;
- model risk; and
- business risk, including reputational risk.

These material risks, as well as certain of the factors underlying each of these risks could affect our businesses, our consolidated results of operations, and our consolidated financial condition.

For the 2014 CCAR, State Street executed Company-run tests incorporating stress impacts to estimate its 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 its internal stress testing methodologies, models, and tools. The following section describes the methodologies used to execute these stress tests, focusing on the supervisory severely adverse scenario.

General Description of Methodologies

Pre-provision net revenue
Pre-provision net revenue (PPNR) is calculated as projected net interest revenue plus non-interest revenue minus non-interest expense. Consistent with GAAP, PPNR projections of non-interest expense incorporate projected losses related to operational risk events such as processing errors and increased litigation expenses.

Fee revenue, including servicing, management, securities finance, trading, and processing and other revenue, was affected by declining equity markets and increasing fixed-income markets along with general client de-risking activities, similar to historical financial recessions. The decline in fee revenue was partially offset by a reduction in expenses associated with those fees as well as a reduction in expenses directly tied to changes in State Street's profitability. State Street's net interest revenue projections were developed using global interest rate forecasts consistent with the supervisory severely adverse scenario. PPNR was also affected by an estimated increase in expenses due to operational losses that were consistent with the macroeconomic scenario and other stress losses.

Loan Loss Provisions
The primary drivers of loan losses in the supervisory severely adverse scenario were senior secured bank loans and corporate and insurance loans. These losses were calculated by linking the scenario's macroeconomic factors to stressed probability of default (PD) models to calculate a stressed loss. Loan loss provisions were driven by the stressed loan losses, realized in the quarter in which they were projected to occur, and an increase in general provisions associated with the increased risk in the loan portfolio. The senior secured bank loan portfolio represents a new asset class for State Street in 2013 and was not part of prior CCAR and Dodd-Frank stress test results.

Realized Gains/Losses on Securities (AFS/HTM)
Pursuant to GAAP, other-than-temporary impairment (OTTI) projections incorporate projected other-than-temporary changes in credit expectations. For the supervisory severely adverse scenario, OTTI was projected for structured securities using forecasts from externally sourced econometric models. These models utilize the relevant stressed macroeconomic factors (e.g., real gross domestic product (GDP), housing price index and unemployment) to develop loan-level collateral performance assumptions for each security. Collateral performance assumptions (e.g., default rates, recovery rates and prepayment rates) were used as inputs to generate projected security-level cash flows.

For non-structured securities, State Street utilized a macroeconomic factor-driven approach to stress OTTI for corporate bonds, municipal bonds and sovereign bonds. This approach explicitly linked the supervisory severely adverse scenario's macroeconomic factors such as GDP, equity market performance and unemployment to stressed PD models.

Trading and Counterparty Losses
For the 2014 CCAR, the Federal Reserve required eight BHCs, including State Street, to incorporate the default of their largest counterparty under the prescribed supervisory scenarios. The identification of the largest counterparty and the stressed loss estimation are applicable only to securities financing transactions and derivatives exposures. These BHCs were instructed to calculate the largest counterparty by net stressed loss by applying the global market shocks released by the Federal Reserve in November 2013, http://www.federalreserve.gov/bankinforeg/CCAR-2014-Severely-Adverse-Market-Shocks-data.xlsx, to the September 30, 2013 exposures and assuming a 10% recovery rate.

Available for Sale (AFS) Mark-to-Market (MTM) on the Investment Portfolio
AFS MTM is the unrealized gain or loss composed of the difference between the fair value and amortized cost of AFS securities. Under Basel III, the AFS MTM, which is a component of accumulated other comprehensive income (AOCI), will be reflected in regulatory capital according to a phase-in schedule beginning on January 1, 2014. For the 2014 CCAR, State Street derived the stressed AOCI included in capital using a static price matrix designed to mimic the experience of its investment portfolio securities in the second half of 2008, applied to its investment portfolio securities as of September 30, 2013. State Street also applied the impact of forecasted interest rate movements over the nine-quarter stress horizon. State Street also estimated impacts to AOCI as a result of non-credit OTTI on held-to-maturity (HTM) securities projected in the stress scenario.

For the 2014 CCAR, 20% of AOCI is reflected in capital calculations for 2014 and 40% of AOCI is reflected in capital calculations for 2015.

Risk-Weighted Assets
For the 2014 CCAR, State Street was required to calculate Basel I risk-weighted assets (RWA) and Basel III standardized RWA. The revised capital framework will require State Street to report Basel III standardized RWA beginning in 2015.

Under Basel I, stressed RWA were impacted by downgrades of asset securitizations in the investment portfolio and changes in balance sheet growth relative to baseline expectations. RWA for asset securitizations were developed using the macroeconomic factors defined by the supervisory severely adverse scenario. Potential balance sheet changes under stress, including delay in reinvestment, changes in client-driven balances, and reduced viability of growth strategies, were also incorporated into the calculation of stressed RWA.

Under the Basel III standardized approach, stressed RWA were impacted by the Simplified Supervisory Formula Approach (SSFA). In applying the SSFA, State Street used a forecasting approach consistent with its process for calculating OTTI in order to calculate RWA impacts under stress. As with the Basel I methodology, the Basel III RWA methodology incorporated potential balance sheet changes under stress.

State Street also calculated impacts on market risk RWA in accordance with the new market risk capital rule, which requires banking organizations with significant trading activities, including State Street, to adjust their capital requirements to account for the market risks of those activities. This approach incorporated a volatility factor and revenue impacts to capture changes in market risk RWA.

Impact to Regulatory Capital Ratios
A BHC that is an advanced approaches banking organization is required to use the advanced approaches capital rules under Basel III to calculate its minimum regulatory capital ratios if it has conducted a satisfactory parallel run. Under the revised capital framework, a BHC must be notified that it has completed its parallel run by September 30 of a given year in order to be required to estimate its capital ratios using the advanced approaches for the capital plan or stress test cycle that beings on October 1 of that year.

State Street was notified by the Federal Reserve on February 21, 2014 that we had completed our parallel run and will be required to begin using the advanced approaches framework as provided in the Federal Reserve's July 2013 Basel III final rule in the determination of our risk-based capital requirements beginning with the second quarter of 2014. However, this notice was not effective for the 2014 CCAR, so the advanced approaches were not applicable for that purpose. For the 2014 CCAR, State Street reported Basel I regulatory capital ratios for Q4 2013 and was subject to transition provisions for the 2014 projection quarters. These transition provisions required State Street to use Basel I RWA and Basel III capital for the 2014 regulatory capital ratios. For 2015, State Street was required to report Basel III regulatory capital ratios in accordance with the revised capital framework, using Basel III standardized RWA. In addition, the Basel I Tier 1 Common ratio is also required to be reported throughout the entire planning horizon.

Under the supervisory severely adverse scenario, the stress projections indicated a decline in regulatory capital ratios. However, State Street exceeded all regulatory capital ratio minimum requirements in the 2014 Dodd-Frank stress test. The change in after-tax net income and the level of Dodd-Frank prescribed capital actions were the primary drivers of equity capital as defined by GAAP. The projected changes in equity capital drove the changes in regulatory capital, which were calculated by taking into account the AOCI in capital under Basel III, foreign exchange translation, disallowed deferred tax assets, and appropriate deductions, including goodwill and other intangible assets. This, combined with the stress to RWA, contributed to the change in regulatory capital ratios under stress.

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

Projected Stressed Regulatory Capital Ratios through Q4 2015 under the Supervisory Severely Adverse Scenario

	Regulatory Minimum Ratios (1)	Actual	Stressed Capital Ratios	
		September 30, 2013	December 31, 2015	Minimum (2)
Tier 1 Common Ratio	5.0%	15.5%	14.1%	11.7%
Common Equity Tier 1 Capital Ratio	4.5	N/A	9.0	8.4
Tier 1 Risk-based Capital Ratio	6.0	17.3	9.6	9.0
Total Risk-based Capital Ratio	8.0	19.8	11.3	10.7
Tier 1 Leverage Ratio	4.0	7.2	6.1	5.7

(1) Regulatory minimum ratios as prescribed by the CCAR 2014 Instructions, "Comprehensive Capital Analysis and Review 2014 Summary Instructions and Guidance" published on the Federal Reserve website on November 1, 2013.
(2) Represents the projected minimum quarter-end ratio at any point during the nine quarter planning horizon of the supervisory severely adverse scenario.

Projected losses, revenue, and net income before taxes for Q4 2013 through Q4 2015 under the Supervisory Severely Adverse scenario

	$ Billions	% of Projected Average Assets (1)
Pre-provision Net Revenue	3.3	1.6%
Other Revenue	-	
Less		
Provisions	0.1	
Realized Gains/Losses on Securities (AFS/HTM)	0.2	
Trading and Counterparty Losses	1.7	
Other Losses/Gains	0.0	
Net Income Before Taxes	1.2	0.6%

(1) Average assets are averaged over the nine quarter planning horizon.

Projected Loan Losses, by type of loan, for Q4 2013 through Q4 2015 under the Supervisory Severely Adverse Scenario		
	$ Billions	Portfolio Loss Rates (%)(1)
Loan Losses	0.1	0.6%
First Lien Mortgages, Domestic	-	
Junior Liens and HELOCs, Domestic	-	
Commercial and Industrial	-	
Commercial Real Estate	-	
Credit Cards	-	
Other Consumer	-	
Other Loans	0.1	0.6%

(1) Percentage of average balance of the identified type of loans represented by projected aggregate loan losses. Average balances are averaged over the nine-quarter planning horizon.

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), the principal banking subsidiary of State Street, under the supervisory scenarios and the internally-developed BHC stress scenario. The stress regulatory capital ratios incorporated Dodd-Frank prescribed capital actions which assumed a quarterly dividend to State Street Corporation of 100% of SSBT's eligible earnings during the nine-quarter planning horizon.

Although the SSBT stress test was conducted for each stress scenario, disclosure is only required under the supervisory severely adverse scenario. State Street used the same tools, methodologies, and processes in its stress test of SSBT as for the Company. However, the regulatory capital ratios differ between stress tests because the baseline forecast and capital actions differ. These differences, combined with all of the stress assumptions for revenue and losses consistent with the Company's stress test, drive the change in regulatory capital.

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

Projected Stressed SSBT Capital Ratios through Q4 2015 under the Supervisory Severely Adverse Scenario			
	Actual	Stressed Capital Ratios	
	September 30, 2013	December 31, 2015	Minimum (1)
Tier 1 Common Ratio	16.1%	12.9%	12.0%
Common Equity Tier 1 Capital Ratio	N/A	8.0	8.0
Tier 1 Risk-based Capital Ratio	16.1	8.0	8.0
Total Risk-based Capital Ratio	18.8	9.1	9.1
Tier 1 Leverage Ratio	6.5	4.9	4.9

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