STATE STREET

Contacts:

State Street Investor Relations
Anthony Ostler
+1 617-664-3477

State Street Communications
Carolyn Cichon
+1 617-664-8672

GE Asset Management Communications
Chris Linehan
+1 203-708-3193

State Street Agrees to Acquire GE Asset Management

Will add new alternatives capabilities and strengthen fundamental equity and active fixed income teams, while establishing State Street Global Advisors (SSGA) as a leader in outsourced chief investment officer (OCIO) services

Total purchase price of up to $485 million – transaction expected to be accretive to operating-basis EPS for the first full 12–month period following the close of the transaction

Boston, March 30, 2016 – State Street Corporation (NYSE: STT) , announced today that it has agreed to acquire GE Asset Management (GEAM), a leading asset manager, from GE (NYSE: GE). The transaction is expected to increase SSGA's assets under management by approximately $100 billion upon closing and add new alternatives capabilities, while strengthening existing fundamental equity and active fixed income teams.

"This transaction reflects our view of GEAM as a very high quality organization with strong cultural alignment with SSGA. It is also reflective of our desire to allocate capital to higher growth and return businesses," said Jay Hooley, chairman and chief executive officer of State Street Corporation. "We believe this will help accelerate our strategic plan to extend our capabilities in key areas for our clients."

Under the agreement, State Street will acquire GEAM in a cash transaction with a total purchase price of up to $485 million, subject to adjustments. Pending regulatory approvals and other customary closing conditions, the transaction is expected to be finalized early in the third quarter of 2016. State Street expects the transaction to be accretive to operating-basis earnings per share for the first full 12–month period following closing.

GEAM has more than $100 billion in assets under management for more than 100 institutional clients, including corporate and public retirement plan sponsors, foundations, endowments, sovereign wealth funds and insurance companies. GEAM and its predecessor organizations have been managing investments for GE's US pension and other benefit plans for over 80 years.

"As defined benefit plans – both private and public – undergo change, GEAM's skills coupled with SSGA's existing capabilities will position us well to provide effective solutions and outcomes to these investors, " said Ron O'Hanley, president and chief executive officer of SSGA. "GEAM will bring new alternatives capabilities in direct private equity and real estate to SSGA while enhancing our existing active fundamental equity, active fixed income and hedge fund teams. In addition, GEAM's OCIO and Insurance platforms significantly strengthen our capabilities in these fast growing areas."

"State Street's acquisition of GEAM will combine the proven capabilities of two leading asset management firms with great track records and complementary investment offerings, and create a unique opportunity to expand these areas of our businesses together as we leverage each other's considerable investment experience and expertise," said Dmitri Stockton, chairman, president and chief executive officer of GE Asset Management. "In addition, SSGA's significant experience managing retirement assets will ensure we are well positioned to continue to deliver superior results in the management of assets on behalf of GE benefit plan participants."

"GE benefit plan trusts have been servicing clients of State Street for more than 25 years, and today's announcement demonstrates the strength of our relationship and the value we can provide to our clients across both of our asset servicing and asset management businesses," O'Hanley added.

State Street Projected Transaction Financial Metrics:

- Excluding restructuring charges, the transaction is expected to be accretive to operating-basis EPS for the first full twelve–month period following the close of the transaction.
- Targeted client asset retention rate: greater than 90 percent.
- IRR expected to exceed our target 11% hurdle rate, assuming achievement of planned synergies.
- In the first full twelve-month period following the close of the transaction, fee revenue from the transaction is expected to be approximately $270 million to $300 million.
- Total projected merger and integration costs: $70-$80 million through 2018.
- It is estimated that the transaction would result in a reduction of 40-50 bps to State Street Corporation's fully phased-in risk-based capital ratios under both standardized and advanced approaches and of approximately 15-20 bps to its fully phased-in tier 1 leverage and supplementary leverage ratios.
- We anticipate issuing preferred shares prior to the close of the transaction to offset the impact on our leverage ratios and, with that issuance, do not expect the closing of the transaction to have any material impact on our common stock repurchase program.

About State Street Corporation:

State Street Corporation (NYSE: STT) is the world's leading provider of financial services to institutional investors including investment servicing, investment management and investment research and trading. With $28 trillion in assets under custody and administration and $2 trillion* in assets under management as of December 31, 2015, State Street operates globally in more than 100 geographic markets and employs 32,356 worldwide. For more information, visit State Street's website at www.statestreet.com.

About State Street Global Advisors:

For nearly four decades, State Street Global Advisors has been committed to helping our clients, and those who rely on them, achieve financial security. We partner with many of the world’s largest, most sophisticated investors and financial intermediaries to help them reach their goals through a rigorous, research-driven investment process spanning both indexing and active disciplines. With trillions* in assets, our scale and global reach offer clients access to markets, geographies and asset classes, and allow us to deliver thoughtful insights and innovative solutions.

State Street Global Advisors is the investment management arm of State Street Corporation.

**Assets under management were $2.24 trillion as of December 31, 2015. AUM reflects approx. $22.0 billion (as of December 31, 2015) with respect to which State Street Global Markets, LLC (SSGM) serves as marketing agent; SSGM and State Street Global Advisors are affiliated.*

About GE Asset Management:

GE Asset Management Incorporated (GEAM) is a global asset manager with $110 billion in assets under management (as of December 31, 2015). GEAM and its predecessor organizations have been managing investments for GE’s U.S. pension and other benefit plans for over 80 years. In 1988, the firm began offering investment management products and services to investors outside GE, and today manages portfolios for more than 100 institutional clients—including corporate and public retirement plan sponsors, foundations, endowments, sovereign wealth funds, insurance companies, and GE affiliates. GEAM also manages portfolios for GE employees and other individual investors through its mutual fund platform. Investment offerings cover all major asset classes, including U.S. and international equities, fixed income and alternative assets. Assets are invested side-by-side with the corresponding GE benefit plan portfolios and managed by the same investment professionals, aligning GEAM’s interests with those of its clients.

STATE STREET

State Street Corporation's Forward-Looking Statements:

This news release contains forward-looking statements as defined by United States securities laws, including statements relating to our goals and expectations regarding our planned acquisition of GEAM, including: benefits to, and effects on, our business, capabilities and opportunities; our targets to transition, and plans to integrate, GEAM, including the effects of synergies; and the transaction's effects on our results of operations, financial condition and capital ratios. Forward-looking statements are often, but not always, identified by such forward-looking terminology as "outlook," "expect," "objective," "intend," "plan," "forecast," "believe," "anticipate," "estimate," "seek," "may," "will," "trend," "target," "strategy" and "goal," or similar statements or variations of such terms. These statements are not guarantees of future performance, are inherently uncertain, are based on current assumptions that are difficult to predict and involve a number of risks and uncertainties. Therefore, actual outcomes and results may differ materially from what is expressed in those statements, and those statements should not be relied upon as representing our expectations or beliefs as of any date subsequent to March 30, 2016.

Important factors that may affect future results and outcomes include, but are not limited to:

- our ability to complete acquisitions, joint ventures and divestitures, including the ability to obtain regulatory approvals, the ability to arrange financing as required and the ability to satisfy closing conditions;
- the risks that our acquired businesses and joint ventures will not achieve their anticipated financial and operational benefits or will not be integrated successfully, or that the integration will take longer than anticipated, that expected synergies will not be achieved or unexpected negative synergies or liabilities will be experienced, that client and deposit retention goals will not be met, that other regulatory or operational challenges will be experienced, and that disruptions from the transaction will harm our relationships with our clients, our employees or regulators;
- the financial strength and continuing viability of the counterparties with which we or our clients do business and to which we have investment, credit or financial exposure, including, for example, the direct and indirect effects on counterparties of the sovereign-debt risks in the U.S., Europe and other regions;
- increases in the volatility of, or declines in the level of, our net interest revenue, changes in the composition or valuation of the assets recorded in our consolidated statement of condition (and our ability to measure the fair value of investment securities) and the possibility that we may change the manner in which we fund those assets;
- the liquidity of the U.S. and international securities markets, particularly the markets for fixed-income securities and inter-bank credits, and the liquidity requirements of our clients;

- the level and volatility of interest rates, the valuation of the U.S. dollar relative to other currencies in which we record revenue or accrue expenses and the performance and volatility of securities, credit, currency and other markets in the U.S. and internationally;
- the credit quality, credit-agency ratings and fair values of the securities in our investment securities portfolio, a deterioration or downgrade of which could lead to other-than-temporary impairment of the respective securities and the recognition of an impairment loss in our consolidated statement of income;
- our ability to attract deposits and other low-cost, short-term funding, the relative portion of our deposits that are determined to be operational under regulatory guidelines and our ability to deploy deposits in a profitable manner consistent with our liquidity requirements and risk profile;
- the manner and timing with which the Federal Reserve and other U.S. and foreign regulators implement changes to the regulatory framework applicable to our operations, including implementation of the Dodd-Frank Act, the Basel III final rule and European legislation (such as the Alternative Investment Fund Managers Directive and Undertakings for Collective Investment in Transferable Securities Directives); among other consequences, these regulatory changes impact the levels of regulatory capital we must maintain, acceptable levels of credit exposure to third parties, margin requirements applicable to derivatives, and restrictions on banking and financial activities. In addition, our regulatory posture and related expenses have been and will continue to be affected by changes in regulatory expectations for global systemically important financial institutions applicable to, among other things, risk management, capital planning and compliance programs, and changes in governmental enforcement approaches to perceived failures to comply with regulatory or legal obligations;
- adverse changes in the regulatory ratios that we are required or will be required to meet, whether arising under the Dodd-Frank Act or the Basel III final rule, or due to changes in regulatory positions, practices or regulations in jurisdictions in which we engage in banking activities, including changes in internal or external data, formulae, models, assumptions or other advanced systems used in the calculation of our capital ratios that cause changes in those ratios as they are measured from period to period; increasing requirements to obtain the prior approval of the Federal Reserve or our other U.S. and non-U.S. regulators for the use, allocation or distribution of our capital or other specific capital actions or programs, including acquisitions, dividends and stock purchases, without which our growth plans, distributions to shareholders, share repurchase programs or other capital initiatives may be restricted;
- changes in law or regulation, or the enforcement of law or regulation, that may adversely affect our business activities or those of our clients or our counterparties, and the products or services that we sell, including additional or increased taxes or assessments thereon, capital adequacy requirements, margin requirements and changes that expose us to risks related to the adequacy of our controls or compliance programs; financial market disruptions or economic recession, whether in the U.S., Europe, Asia or other regions;

- our ability to promote a strong culture of risk management, operating controls, compliance oversight and governance that meet our expectations and those of our clients and our regulators;
- the results of, and costs associated with, governmental or regulatory inquiries and investigations, litigation and similar claims, disputes, or proceedings;
- the potential for losses arising from our investments in sponsored investment funds;
- the possibility that our clients will incur substantial losses in investment pools for which we act as agent, and the possibility of significant reductions in the liquidity or valuation of assets underlying those pools;
- our ability to anticipate and manage the level and timing of redemptions and withdrawals from our collateral pools and other collective investment products;
- the credit agency ratings of our debt and depository obligations and investor and client perceptions of our financial strength;
- adverse publicity, whether specific to State Street or regarding other industry participants or industry-wide factors, or other reputational harm; our ability to control operational risks, data security breach risks and outsourcing risks, our ability to protect our intellectual property rights,
- the possibility of errors in the quantitative models we use to manage our business and the possibility that our controls will prove insufficient, fail or be circumvented;
- our ability to expand our use of technology to enhance the efficiency, accuracy and reliability of our operations and our dependencies on information technology and our ability to control related risks, including cyber-crime and other threats to our information technology infrastructure and systems and their effective operation both independently and with external systems, and complexities and costs of protecting the security of our systems and data;
- our ability to grow revenue, manage expenses, attract and retain highly skilled people and raise the capital necessary to achieve our business goals and comply with regulatory requirements and expectations;
- changes or potential changes to the competitive environment, including changes due to regulatory and technological changes, the effects of industry consolidation and perceptions of State Street as a suitable service provider or counterparty;
- changes or potential changes in the amount of compensation we receive from clients for our services, and the mix of services provided by us that clients choose;
- our ability to recognize emerging needs of our clients and to develop products that are responsive to such trends and profitable to us, the performance of and demand for the products and services we offer, and the potential for new products and services to impose additional costs on us and expose us to increased operational risk;
- changes in accounting standards and practices; and
- changes in tax legislation and in the interpretation of existing tax laws by U.S. and non-U.S. tax authorities that affect the amount of taxes due.

Other important factors that could cause actual results to differ materially from those indicated by any forward-looking statements are set forth in our 2015 Annual Report on Form 10-K and our subsequent SEC filings. We encourage investors to read these filings, particularly the sections on risk factors, for additional information with respect to any forward-looking statements and prior to making any investment decision. The forward-looking statements contained in this presentation speak only as of the date hereof, March 30, 2016, and we do not undertake efforts to revise those forward-looking statements to reflect events after that date.