

## PRESS RELEASE

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*FOR IMMEDIATE RELEASE*

### Cofunds Signs Heads Of Agreement With IFDS To Form Strategic Alliance

**London, 27<sup>th</sup> November, 2002,**

Cofunds announced today that they have signed heads of agreement with International Financial Data Services ('IFDS'), the number one UK retail fund administrator, relating to the formation of a strategic alliance between the two companies.

IFDS is a 50/50 joint venture between State Street Corporation and DST Systems, Inc, who also jointly own Boston Financial Data Services ('BFDS') a leading provider of administration services to mutual fund companies in the US. Under the current proposals, IFDS and BFDS would become shareholders in Cofunds.

The proposed transaction is subject to due diligence and regulatory consents and completion is targeted for the end of the year.

**Clive Boothman, CEO of Cofunds says:**

*"This development offers not only capital investment, but also access to the very considerable intellectual and technological resources of IFDS, the UK's leading fund administrator. Importantly, it also maintains the independent model, which has been Cofunds' trademark. It is a perfect fit."*

**Charlie Eppinger, CEO of IFDS adds:**

*"We work closely with Cofunds' existing shareholders and we look forward to the proposed relationship with Cofunds. Our experience in the UK and US makes us well aware of the central role that fund supermarkets play and we have seen the success of the platform's independent, intermediary focused model. We believe our expertise and advanced range of servicing and support technologies should enhance Cofunds' market position."*

IFDS and BFDS would join four existing shareholders, the leading fund management groups Jupiter, Gartmore, M&G and Threadneedle.

Ends

**For further information, please call:**

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**Notes for Editors:**

Cofunds was advised in the transaction by Hawkpoint Partners and Eversheds, IFDS was advised by CMS Cameron McKenna.

**Cofunds Limited** launched in January 2001 as the independent fundmarket for intermediaries. It is an independent company, providing a one-stop fundmarket that provides flexible, reliable, convenient administration and management services for intermediaries and their clients. It does not offer investment management or advice, nor does it compete with intermediaries by offering its services direct to the end client. Cofunds exists to serve the needs of Fund Managers, intermediaries and their clients.

Cofunds is regulated by the FSA.

Cofunds offers a choice of 620 funds from 45 fund management groups, which are:

Aberdeen, Aegon, Artemis, AXA, Baring, Britannic, BWD Rensburg, Close, Credit Suisse, Dresdner, DWS, Edinburgh, F&C, First State, Friends Provident, Framlington, Gartmore, Govett, Henderson, HSBC, Insight, Invesco Perpetual, Investec, ISIS, JP Morgan Fleming, Jupiter, Lazard, Legal & General, LeggMason, Liontrust, Lloyd George, M&G, Martin Currie, Merrill Lynch, MFS, Morley, New Star, Newton, Norwich Union, Old Mutual, Rathbones, Rothschild, Sarasin, Schroders, SG Asset Management, Standard Life, and Threadneedle.

**IFDS:****Overview of IFDS, BFDS, State Street and DST**

- **International Financial Data Services ("IFDS")**, headquartered in Essex, England (private company, [www.ifdsgroup.com](http://www.ifdsgroup.com)) is a 50/50 joint venture between State Street Corporation ("State Street") and DST Systems Inc. ("DST"). IFDS launched in 1995 (previously European Data Services) provides leading edge shareholder record keeping systems and services to the global collective investment industry. IFDS has 1,200 employees in three locations (UK, Canada and Luxembourg) and currently supports over 50 fund companies (including in the UK Gartmore and Jupiter) and manages over 12 million accounts in 10 countries.
- **State Street**, headquartered in Boston, MA (NYSE: STT, \$13.1 billion market capitalisation, [www.statestreet.com](http://www.statestreet.com)), is a world leader in investment servicing and investment management with \$5.7 trillion of assets under custody and \$700 billion of assets under management. State Street's non-US revenues have grown from 24% of total revenue in 1996 to 27% in 2001. One of State Street's strategic priorities is to provide back-office (custody and fund administration) as well as middle-office (trade management and activity record keeping) outsourcing services to the largest investment management companies in the US and Europe. On 5<sup>th</sup> November 2002, State Street announced a \$1.5 billion acquisition of Deutsche Bank's Global Securities Servicing business, which has EUR 2.2 trillion in assets under custody.
- **DST Systems, Inc**, headquartered in Kansas City, MO (NYSE: DST, \$3.8 billion market capitalisation, [www.dstsystems.com](http://www.dstsystems.com)), is a leading provider of shareholder record keeping services and proprietary systems to the US mutual fund industry. DST is a leading transfer agent in the mutual fund industry, servicing more than 78 million mutual fund accounts on its shareholder record keeping systems.