

PRESS RELEASE

FOR IMMEDIATE RELEASE

State Street Announces Expanded Shareholder Services with Launch of Leading-Edge Shareholder Record-Keeping System

iFAST System Goes Live with US Retail Mutual Fund Companies

Luxembourg, 4th July 2001, State Street Corporation (NYSE:STT) announced today that the iFAST system, a technology solution of International Financial Data Services, is operational in its Luxembourg transfer agency facility and is actively servicing retail shareholder accounts. The iFAST shareholder record keeping system is a multi-lingual, multi-currency leading-edge technology platform designed specifically to meet the global retail servicing requirements of non-U.S. domiciled collective investment funds.

The iFAST system is fully Internet-enabled and features automated workflow distribution, which tracks the progress of workflow and leverages resources to ensure the most efficient service. The system is also equipped with NSCC FundServe capabilities.

Timothy Caverly, Managing Director of State Street Bank Luxembourg, commented: "As the multiple retail aspects of the European mutual fund marketplace continue to unfold, distributors are looking for standard web-based tools to support their clients. Through State Street's full servicing capabilities, we can provide the complete range of accounting and shareholder services and the scalable global platform that is needed for large-scale distribution of retail and institutional investment fund products to world markets."

Luxembourg is the world's second largest mutual fund market and Europe's largest cross-border investment center. State Street has maintained a strong and committed presence in the Luxembourg market for more than 10 years. Today, the company employs more than 450 investment professionals in Luxembourg.

The iFAST system is also available as a remote service from International Financial, whereby clients perform the administrative processes using International Financial's state-of-the-art technologies.

Commented Charles H. Eppinger, president and chief operating officer of International Financial Data Services: "The global collective fund industry is facing a time of unprecedented change. This affects both distribution and customer servicing. Our multi-national systems provide flexible solutions for our clients and their distributors to meet their complete investor record keeping needs. We have recently installed systems in France and Japan and are very pleased to be working with State Street in Luxembourg."

INTERNATIONAL FINANCIAL DATA SERVICES

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Notes for Editors:

International Financial Data Services (International Financial) is a joint venture between Boston-based **State Street Corporation** (NYSE: STT), a world leader in financial services providing investment servicing, investment management, trading services and investment research, and **DST Systems Inc** (NYSE: DST), a Kansas City-based leader in the design, development and operation of proprietary shareholder accounting software systems.

International Financial is today recognised as the worlds leading provider of ASP (Application Service Provision) and BPO (Business Process Outsourcing) solutions to the global collective investment industry. Supporting over 11.5 million accounts for over 50 organisations, and with over 1,200 experienced staff based in three locations (Canada, Luxembourg & United Kingdom).

For more information visit the International Financial web site

www.ifdsgroup.com

Or DST's web site

www.dstsystems.com

Or State Street's web site

www.statestreet.com

With \$5.8 trillion in assets under custody and \$703 billion under management, **State Street Corporation** is the world's leading specialist in meeting the needs of sophisticated global investors. Offices are located in the United States, Canada, Chile, Cayman Islands, Netherlands Antilles, Ireland, United Kingdom, Netherlands, France, Belgium, Luxembourg, Switzerland, Germany, Czech Republic, United Arab Emirates, Russia, People's Republic of China, Taiwan, South Korea, Japan, Singapore and Australia. State Street Corporation's common stock is traded on the New York Stock Exchange under the symbol STT. For more information, please visit the company's website at www.statestreet.com.