

STATE STREET CORPORATION
REVISED HISTORICAL SELECTED FINANCIAL INFORMATION

March 5, 2019

On March 5, 2019, State Street Corporation announced that during the first quarter of 2019, it plans to change its accounting method under the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 323, Investments – Equity Method and Joint Ventures, for investments in low income housing tax credit (LIHTC) investments from the equity method of accounting to the proportional amortization method of accounting. Prior periods will be revised to reflect this change in accounting.

While both methods of accounting are acceptable under U.S. generally accepted accounting principles (GAAP), the Company believes the proportional amortization method is preferable because it more fairly represents the economics of LIHTC investments, which are made primarily for the purpose of receiving tax credits and other tax benefits. In addition, this method aligns to the method typically used by the companies within the Company's industry which have similar investments. In addition to a change in the timing of the recognition of income on LIHTC investments, amortization of the LIHTC investments will be recorded fully within the "Income tax expense (benefit)" line instead of the "Processing fees and other" line on the consolidated statements of operations.

All prior periods presented herein have been revised for this change in accounting method. Under the applicable bank regulatory rules, we are not required to and, accordingly, did not revise previously-filed reported capital metrics and ratios.

In addition, during the first quarter of 2019 the Company will reclassify certain immaterial revenues and expenses related to an affiliated entity from a net presentation to a gross presentation. Previously reported amounts for quarterly periods in 2018 have been reclassified to conform to the 2019 presentation. This reclassification does not affect periods prior to 2018.

The following pages provide revised selected historical financial information, as well as a reconciliation of such information to show the impact of the change in accounting on each historical period presented.

**STATE STREET CORPORATION
REVISED HISTORICAL SELECTED FINANCIAL INFORMATION**

March 5, 2019

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STATE STREET CORPORATION
REVISED HISTORICAL SELECTED FINANCIAL INFORMATION
RECONCILIATION OF CHANGE IN ACCOUNTING PRINCIPLE

Refer to Cover Page for details on the change in accounting method.

Consolidated Statement of Condition

(Dollars in millions)	March 31, 2018			June 30, 2018			September 30, 2018			December 31, 2018		
	Originally Reported	Change in Accounting	Revised	Originally Reported	Change in Accounting	Revised	Originally Reported	Change in Accounting	Revised	Originally Reported	Change in Accounting	Revised
Assets:												
Other assets	\$ 33,995	\$ (33)	\$ 33,962	\$ 39,554	\$ (32)	\$ 39,522	\$ 38,201	\$ (31)	\$ 38,170	\$ 34,434	\$ (30)	\$ 34,404
Total assets	250,286	(33)	250,253	248,308	(32)	248,276	234,007	(31)	233,976	244,626	(30)	244,596
Liabilities and stockholders' equity:												
Accrued expenses and other liabilities	\$ 22,340	\$ 16	\$ 22,356	\$ 24,496	\$ 18	\$ 24,514	\$ 28,222	\$ 20	\$ 28,242	\$ 24,209	\$ 23	\$ 24,232
Retained earnings	19,311	(49)	19,262	19,856	(50)	19,806	20,387	(51)	20,336	20,606	(53)	20,553
Total liabilities and stockholders' equity	250,286	(33)	250,253	248,308	(32)	248,276	234,007	(31)	233,976	244,626	(30)	244,596

(Dollars in millions)	December 31, 2017			December 31, 2016			December 31, 2015		
	Originally Reported	Change in Accounting	Revised	Originally Reported	Change in Accounting	Revised	Originally Reported	Change in Accounting	Revised
Assets:									
Other assets	\$ 31,018	\$ (33)	\$ 30,985	\$ 38,328	\$ (9)	\$ 38,319	\$ 33,903	\$ (6)	\$ 33,897
Total assets	238,425	(33)	238,392	242,698	(9)	242,689	245,155	(6)	245,149
Liabilities and stockholders' equity:									
Accrued expenses and other liabilities	\$ 15,606	\$ 14	\$ 15,620	\$ 16,901	\$ 17	\$ 16,918	\$ 14,643	\$ 15	\$ 14,658
Retained earnings	18,856	(47)	18,809	17,459	(26)	17,433	16,049	(21)	16,028
Total liabilities and stockholders' equity	238,425	(33)	238,392	242,698	(9)	242,689	245,155	(6)	245,149

STATE STREET CORPORATION
REVISED HISTORICAL SELECTED FINANCIAL INFORMATION
RECONCILIATION OF CHANGE IN ACCOUNTING PRINCIPLE (Continued)

Refer to Cover Page for details on the change in accounting method.

(Dollars in millions, except per share amounts, or where otherwise noted)	1Q18 Reported	Change in Acctg	Other Adj	1Q18 Revised	2Q18 Reported	Change in Acctg	Other Adj	2Q18 Revised	3Q18 Reported	Change in Acctg	Other Adj	3Q18 Revised	4Q18 Reported	Change in Acctg	Other Adj	4Q18 Revised
Fee revenue:																
Servicing fees	\$ 1,421	\$ —	\$ —	\$ 1,421	\$ 1,381	\$ —	\$ —	\$ 1,381	\$ 1,333	\$ —	\$ —	\$ 1,333	\$ 1,286	\$ —	\$ —	\$ 1,286
Management fees	472			472	465			465	474			474	440			440
Foreign exchange trading services	304			304	315			315	288			288	294			294
Securities finance	141			141	154			154	128			128	120			120
Processing fees and other	40	25	12	77	43	26	11	80	57	26	12	95	149	25	12	186
Total fee revenue	2,378	25	12	2,415	2,358	26	11	2,395	2,280	26	12	2,318	2,289	25	12	2,326
Net interest income:																
Interest income	857			857	907			907	916			916	982			982
Interest expense	214			214	248			248	244			244	285			285
Net interest income	643	—	—	643	659	—	—	659	672	—	—	672	697	—	—	697
Gains (losses) related to investment securities, net	(2)			(2)	9			9	(1)			(1)	—			—
Total revenue	3,019	25	12	3,056	3,026	26	11	3,063	2,951	26	12	2,989	2,986	25	12	3,023
Provision for loan losses	—			—	2			2	5			5	8			8
Expenses:																
Compensation and employee benefits	1,249			1,249	1,125			1,125	1,103			1,103	1,303			1,303
Information systems and communications	315			315	321			321	332			332	356			356
Transaction processing services	242		12	254	246		11	257	236		12	248	214		12	226
Occupancy	120			120	124			124	110			110	146			146
Acquisition and restructuring costs	—			—	—			—	—			—	24			24
Amortization of other intangible assets	50			50	48			48	47			47	81			81
Other	280			280	295			295	251			251	350			350
Total expenses	2,256	—	12	2,268	2,159	—	11	2,170	2,079	—	12	2,091	2,474	—	12	2,486
Income before income tax expense	763	25	—	788	865	26	—	891	867	26	—	893	504	25	—	529
Income tax expense	102	27	—	129	131	27	—	158	102	27	—	129	65	27	—	92
Net income	\$ 661	\$ (2)	\$ —	\$ 659	\$ 734	\$ (1)	\$ —	\$ 733	\$ 765	\$ (1)	\$ —	\$ 764	\$ 439	\$ (2)	\$ —	\$ 437

STATE STREET CORPORATION
REVISED HISTORICAL SELECTED FINANCIAL INFORMATION
RECONCILIATION OF CHANGE IN ACCOUNTING PRINCIPLE (Continued)

(Dollars in millions, except per share amounts, or where otherwise noted)	1Q18 Reported	Change in Acctg	Other Adj	1Q18 Revised	2Q18 Reported	Change in Acctg	Other Adj	2Q18 Revised	3Q18 Reported	Change in Acctg	Other Adj	3Q18 Revised	4Q18 Reported	Change in Acctg	Other Adj	4Q18 Revised
Adjustments to net income:																
Dividends on preferred stock	\$ (55)	\$ —	\$ —	\$ (55)	\$ (36)	\$ —	\$ —	\$ (36)	\$ (55)	\$ —	\$ —	\$ (55)	\$ (41)	\$ —	\$ —	\$ (41)
Earnings allocated to participating securities	(1)			(1)	—			—	(1)			(1)	—			—
Net income available to common shareholders	<u>\$ 605</u>	<u>\$ (2)</u>	<u>\$ —</u>	<u>\$ 603</u>	<u>\$ 698</u>	<u>\$ (1)</u>	<u>\$ —</u>	<u>\$ 697</u>	<u>\$ 709</u>	<u>\$ (1)</u>	<u>\$ —</u>	<u>\$ 708</u>	<u>\$ 398</u>	<u>\$ (2)</u>	<u>\$ —</u>	<u>\$ 396</u>
Earnings per common share:																
Basic	\$ 1.65	\$ (.01)	\$ —	\$ 1.64	\$ 1.91	\$ —	\$ —	\$ 1.91	\$ 1.89	\$ —	\$ —	\$ 1.89	\$ 1.05	\$ (.01)	\$ —	\$ 1.04
Diluted	1.62	—	—	1.62	1.88	—	—	1.88	1.87	—	—	1.87	1.04	(.01)	—	1.03
Average common shares outstanding (in thousands):																
Basic	367,439			367,439	365,619			365,619	374,963			374,963	379,741			379,741
Diluted	372,619			372,619	370,410			370,410	379,383			379,383	383,651			383,651
Cash dividends declared per common share	\$.42			\$.42	\$.42			\$.42	\$.47			\$.47	\$.47			\$.47
Closing price per share of common stock (as of quarter end)	99.73			99.73	93.09			93.09	83.78			83.78	63.07			63.07
Financial ratios:																
Pre-tax margin	25.3%	0.6%	(0.1)%	25.8%	28.6%	0.6%	(0.1)%	29.1%	29.4%	0.6%	(0.1)%	29.9%	16.9%	0.7%	(0.1)%	17.5%
Pre-tax margin, excluding notable items ⁽¹⁾	25.3	0.6	(0.1)	25.8	31.1	0.6	(0.1)	31.6	29.4	0.6	(0.1)	29.9	27.6	0.7	(0.1)	28.2
Effective tax rate	13.5	2.9	—	16.4	15.1	2.6	—	17.7	11.8	2.7	—	14.5	12.7	4.7	—	17.4

⁽¹⁾ Notable items include acquisition and restructuring costs, gains on sales, and other notable items. Refer to Reconciliations of non-GAAP financial information.

STATE STREET CORPORATION
REVISED HISTORICAL SELECTED FINANCIAL INFORMATION
RECONCILIATION OF CHANGE IN ACCOUNTING PRINCIPLE (Continued)

Refer to Cover Page for details on the change in accounting method.

(Dollars in millions, except per share amounts, or where otherwise noted)	2015 Reported	Change in Acctg	2015 Revised	2016 Reported	Change in Acctg	2016 Revised	2017 Reported	Change in Acctg	2017 Revised	2018 Reported	Change in Acctg	Other Adj	2018 Revised
Fee revenue:													
Servicing fees	\$ 5,153	\$ —	\$ 5,153	\$ 5,073	\$ —	\$ 5,073	\$ 5,365	\$ —	\$ 5,365	\$ 5,421	\$ —	\$ —	\$ 5,421
Management fees	1,174		1,174	1,292		1,292	1,616		1,616	1,851			1,851
Foreign exchange trading services	1,146		1,146	1,099		1,099	1,071		1,071	1,201			1,201
Securities finance	496		496	562		562	606		606	543			543
Processing fees and other	309	73	382	90	84	174	247	96	343	289	102	47	438
Total fee revenue	8,278	73	8,351	8,116	84	8,200	8,905	96	9,001	9,305	102	47	9,454
Net interest income:													
Interest income	2,488		2,488	2,512		2,512	2,908		2,908	3,662			3,662
Interest expense	400		400	428		428	604		604	991			991
Net interest income	2,088	—	2,088	2,084	—	2,084	2,304	—	2,304	2,671	—	—	2,671
Gains (losses) related to investment securities, net	(6)		(6)	7		7	(39)		(39)	6			6
Total revenue	10,360	73	10,433	10,207	84	10,291	11,170	96	11,266	11,982	102	47	12,131
Provision for loan losses	12		12	10		10	2		2	15			15
Expenses:													
Compensation and employee benefits	4,061		4,061	4,353		4,353	4,394		4,394	4,780			4,780
Information systems and communications	1,022		1,022	1,105		1,105	1,167		1,167	1,324			1,324
Transaction processing services	793		793	800		800	838		838	938		47	985
Occupancy	444		444	440		440	461		461	500			500
Acquisition and restructuring costs	25		25	209		209	266		266	24			24
Amortization of other intangible assets	197		197	207		207	214		214	226			226
Other	1,508		1,508	963		963	929		929	1,176			1,176
Total expenses	8,050	—	8,050	8,077	—	8,077	8,269	—	8,269	8,968	—	47	9,015
Income before income tax expense	2,298	73	2,371	2,120	84	2,204	2,899	96	2,995	2,999	102	—	3,101
Income tax expense (benefit)	318	80	398	(22)	89	67	722	117	839	400	108	—	508
Net income from non-controlling interest	—	—	—	1	—	1	—	—	—	—	—	—	—
Net income	\$ 1,980	\$ (7)	\$ 1,973	\$ 2,143	\$ (5)	\$ 2,138	\$ 2,177	\$ (21)	\$ 2,156	\$ 2,599	\$ (6)	\$ —	\$ 2,593

STATE STREET CORPORATION
REVISED HISTORICAL SELECTED FINANCIAL INFORMATION
RECONCILIATION OF CHANGE IN ACCOUNTING PRINCIPLE (Continued)

(Dollars in millions, except per share amounts, or where otherwise noted)	2015 Reported	Change in Acctg	2015 Revised	2016 Reported	Change in Acctg	2016 Revised	2017 Reported	Change in Acctg	2017 Revised	2018 Reported	Change in Acctg	Other Adj	2018 Revised
Adjustments to net income:													
Dividends on preferred stock	\$ (130)	\$ —	\$ (130)	\$ (173)	\$ —	\$ (173)	\$ (182)	\$ —	\$ (182)	\$ (188)	\$ —	\$ —	\$ (188)
Earnings allocated to participating securities	(2)		(2)	(2)		(2)	(2)		(2)	(1)			(1)
Net income available to common shareholders	\$ 1,848	\$ (7)	\$ 1,841	\$ 1,968	\$ (5)	\$ 1,963	\$ 1,993	\$ (21)	\$ 1,972	\$ 2,410	\$ (6)	\$ —	\$ 2,404
Earnings per common share:													
Basic	\$ 4.53	\$ (.02)	\$ 4.51	\$ 5.03	\$ (.02)	\$ 5.01	\$ 5.32	\$ (.06)	\$ 5.26	\$ 6.48	\$ (.02)	\$ —	\$ 6.46
Diluted	4.47	(.02)	4.45	4.97	(.01)	4.96	5.24	(.05)	5.19	6.40	(.01)	—	6.39
Average common shares outstanding (in thousands):													
Basic	407,856		407,856	391,485		391,485	374,793		374,793	371,983			371,983
Diluted	413,638		413,638	396,090		396,090	380,213		380,213	376,476			376,476
Cash dividends declared per common share	\$ 1.32		\$ 1.32	\$ 1.44		\$ 1.44	\$ 1.60		\$ 1.60	\$ 1.78			\$ 1.78
Closing price per share of common stock (as of quarter end)	66.36		66.36	77.72		77.72	97.61		97.61	63.07			63.07
Financial ratios:													
Pre-tax margin	22.2%	0.5%	22.7%	20.8%	0.6%	21.4%	26.0%	0.6%	26.6%	25.0%	0.7%	(0.1)%	25.6%
Pre-tax margin, excluding notable items ⁽¹⁾	26.1	0.5	26.6	25.6	0.6	26.2	28.1	0.6	28.7	28.3	0.6	(0.1)	28.8
Effective tax rate	13.8	3.0	16.8	(1.0)	4.0	3.0	24.9	3.0	27.9	13.3	3.0	—	16.3

⁽¹⁾ Notable items include acquisition and restructuring costs, gains on sales, and other notable items. Refer to Reconciliations of pre-tax margin excluding notable items for details.

STATE STREET CORPORATION
REVISED HISTORICAL SELECTED FINANCIAL INFORMATION
REVISED - 4-YEAR SUMMARY OF RESULTS

(Dollars in millions, except per share amounts, or where otherwise noted)

	2015	2016	2017	2018
Year ended December 31:				
Total fee revenue ⁽¹⁾	\$ 8,351	\$ 8,200	\$ 9,001	\$ 9,454
Net interest income	2,088	2,084	2,304	2,671
Gains (losses) related to investment securities, net	(6)	7	(39)	6
Total revenue ⁽¹⁾	10,433	10,291	11,266	12,131
Provision for loan losses	12	10	2	15
Total expenses ⁽¹⁾	8,050	8,077	8,269	9,015
Income before income tax expense	2,371	2,204	2,995	3,101
Income tax expense ⁽¹⁾	398	67	839	508
Net income from non-controlling interest	—	1	—	—
Net income ⁽¹⁾	1,973	2,138	2,156	2,593
Net income available to common shareholders ⁽¹⁾	\$ 1,841	\$ 1,963	\$ 1,972	\$ 2,404
Per Common Share:				
Diluted earnings per common share ⁽¹⁾	\$ 4.45	\$ 4.96	\$ 5.19	\$ 6.39
Average diluted common shares outstanding (in thousands)	413,638	396,090	380,213	376,476
Cash dividends declared per common share	\$ 1.32	\$ 1.44	\$ 1.60	\$ 1.78
Closing price per share of common stock (at year end)	66.36	77.72	97.61	63.07
Balance Sheet, as of December 31:				
Investment securities	\$ 100,022	\$ 97,167	\$ 97,579	\$ 87,062
Average total interest-earning assets	220,456	199,184	191,235	185,637
Total assets ⁽¹⁾	245,149	242,689	238,392	244,596
Deposits	191,627	187,163	184,896	180,360
Long-term debt	11,497	11,430	11,620	11,093
Total shareholders' equity ⁽¹⁾	21,082	21,193	22,270	24,737
Ratios and Other Metrics:				
Return on average common equity	9.8%	10.5%	10.6%	12.2%
Pre-tax margin ⁽¹⁾	22.7	21.4	26.6	25.6
Pre-tax margin, excluding notable items ⁽²⁾	26.6	26.2	28.7	28.8
Net interest margin, fully taxable-equivalent basis	1.03	1.13	1.29	1.47
Common equity tier 1 ratio ⁽³⁾	12.5	11.7	12.3	12.1
Tier 1 capital ratio ⁽³⁾	15.3	14.8	15.5	16.0
Total capital ratio ⁽³⁾	17.4	16.0	16.5	16.8
Tier 1 leverage ratio ⁽³⁾	6.9	6.5	7.3	7.2
Supplementary leverage ratio ⁽³⁾	6.2	5.9	6.5	6.3
Assets under custody and/or administration (in trillions)	\$ 27.51	\$ 28.77	\$ 33.12	\$ 31.62
Assets under management (in trillions)	2.25	2.47	2.78	2.51

⁽¹⁾ Refer to Reconciliation of Change in Accounting Principle.

⁽²⁾ Notable items include acquisition and restructuring costs, gains on sales, and other notable items. Refer to Reconciliations of pre-tax margin excluding notable items for details.

⁽³⁾ The capital ratios presented are calculated in conformity with the applicable regulatory guidance in effect as of each period end. Effective January 1, 2018, the applicable final rules are in effect and the ratios are calculated based on fully phased-in CET1, tier 1, total capital and supplementary leverage numbers. We did not revise previously-filed reported capital metrics and ratios.

STATE STREET CORPORATION
REVISED HISTORICAL SELECTED FINANCIAL INFORMATION
REVISED - CONSOLIDATED FINANCIAL HIGHLIGHTS

(Dollars in millions, except per share amounts, or where otherwise noted)	Quarters			
	1Q18	2Q18	3Q18	4Q18
Income Statement				
Fee revenue ⁽¹⁾⁽²⁾	\$ 2,415	\$ 2,395	\$ 2,318	\$ 2,326
Net interest income ⁽¹⁾	643	659	672	697
Gains (losses) related to investment securities, net	(2)	9	(1)	—
Total revenue ⁽²⁾	3,056	3,063	2,989	3,023
Provision for loan losses	—	2	5	8
Total expenses ⁽²⁾⁽³⁾	2,268	2,170	2,091	2,486
Income before income tax expense ⁽²⁾	788	891	893	529
Income tax expense ⁽²⁾	129	158	129	92
Net income ⁽²⁾	659	733	764	437
Net income available to common shareholders ⁽²⁾	\$ 603	\$ 697	\$ 708	\$ 396
Per Common Share:				
Diluted earnings per common share ⁽²⁾	\$ 1.62	\$ 1.88	\$ 1.87	\$ 1.03
Average diluted common shares outstanding (in thousands)	372,619	370,410	379,383	383,651
Cash dividends declared per common share	\$.42	\$.42	\$.47	\$.47
Closing price per share of common stock (as of quarter end)	99.73	93.09	83.78	63.07
At quarter-end:				
Total assets ⁽²⁾	\$ 250,253	\$ 248,276	\$ 233,976	\$ 244,596
Investment securities	85,462	86,942	86,669	87,062
Deposits	191,517	186,663	168,198	180,360
Long-term debt	10,944	10,387	10,335	11,093
Total shareholders' equity ⁽²⁾	22,350	22,521	24,502	24,737
Securities On Loan (dollars in billions):				
Average securities on loan	\$ 397	\$ 406	\$ 386	\$ 362
End-of-period securities on loan	405	404	386	351
Ratios and Other Metrics:				
Return on average common equity	12.8%	14.7%	14.0%	7.5%
Pre-tax margin ⁽²⁾	25.8	29.1	29.9	17.5
Pre-tax margin, excluding notable items ⁽²⁾⁽⁴⁾	25.8	31.6	29.9	28.2
Net interest margin, fully taxable-equivalent basis	1.40	1.46	1.48	1.55
Common equity tier 1 ratio ⁽⁵⁾	12.1	12.4	14.1	12.1
Tier 1 capital ratio ⁽⁵⁾	15.4	15.7	17.9	16.0
Total capital ratio ⁽⁵⁾	16.4	16.4	18.7	16.9
Tier 1 leverage ratio ⁽⁵⁾	6.9	7.1	8.1	7.2
Supplementary leverage ratio ⁽⁵⁾	6.0	6.2	7.1	6.3
Assets under custody and/or administration (in billions)	\$ 33,284	\$ 33,867	\$ 33,996	\$ 31,620
Assets under management (in billions)	2,729	2,723	2,810	2,511

⁽¹⁾ Approximately \$15 million of swap costs in 1Q18 were reclassified from processing fees and other revenue within fee revenue to net interest income to conform to current presentation.

⁽²⁾ Refer to Reconciliation of Change in Accounting Principle.

⁽³⁾ 2Q18 includes repositioning charges of approximately \$77 million, including approximately \$61 million within compensation and employee benefits expense and \$16 million within occupancy expense. 4Q18 expenses include repositioning charges of approximately \$247 million, including approximately \$198 million within compensation and employee benefits expense, \$25 million within occupancy expense and \$24 million of business exit costs.

⁽⁴⁾ Notable items include acquisition and restructuring costs, gains on sales, and other notable items. Refer to Reconciliations of non-GAAP Financial Information pages for details.

⁽⁵⁾ The capital ratios presented are calculated in conformity with the applicable regulatory guidance in effect as of each period end. Effective January 1, 2018, the applicable final rules are in effect and the ratios are calculated based on fully phased-in CET1, tier 1, total capital and supplementary leverage numbers. We did not revise previously-filed reported capital metrics and ratios.

STATE STREET CORPORATION
REVISED HISTORICAL SELECTED FINANCIAL INFORMATION
REVISED - CONSOLIDATED RESULTS OF OPERATIONS

(Dollars in millions, except per share amounts, or where otherwise noted)	Quarters			
	1Q18	2Q18	3Q18	4Q18
Fee revenue:				
Servicing fees	\$ 1,421	\$ 1,381	\$ 1,333	\$ 1,286
Management fees	472	465	474	440
Foreign exchange trading services	304	315	288	294
Securities finance	141	154	128	120
Processing fees and other ⁽¹⁾	77	80	95	186
Total fee revenue ⁽¹⁾⁽²⁾	2,415	2,395	2,318	2,326
Net interest income:				
Interest income	857	907	916	982
Interest expense ⁽²⁾	214	248	244	285
Net interest income ⁽²⁾	643	659	672	697
Gains (losses) related to investment securities, net	(2)	9	(1)	—
Total revenue ⁽¹⁾	3,056	3,063	2,989	3,023
Provision for loan losses	—	2	5	8
Expenses:				
Compensation and employee benefits	1,249	1,125	1,103	1,303
Information systems and communications	315	321	332	356
Transaction processing services ⁽¹⁾	254	257	248	226
Occupancy	120	124	110	146
Acquisition and restructuring costs	—	—	—	24
Amortization of other intangible assets	50	48	47	81
Other	280	295	251	350
Total expenses ⁽¹⁾	2,268	2,170	2,091	2,486
Income before income tax expense ⁽¹⁾	788	891	893	529
Income tax expense ⁽¹⁾	129	158	129	92
Net income⁽¹⁾	\$ 659	\$ 733	\$ 764	\$ 437

STATE STREET CORPORATION
REVISED HISTORICAL SELECTED FINANCIAL INFORMATION
REVISED - CONSOLIDATED RESULTS OF OPERATIONS (Continued)

(Dollars in millions, except per share amounts, or where otherwise noted)	Quarters			
	1Q18	2Q18	3Q18	4Q18
Adjustments to net income:				
Dividends on preferred stock	\$ (55)	\$ (36)	\$ (55)	\$ (41)
Earnings allocated to participating securities	(1)	—	(1)	—
Net income available to common shareholders ⁽¹⁾	\$ 603	\$ 697	\$ 708	\$ 396
Earnings per common share:				
Basic ⁽¹⁾	\$ 1.64	\$ 1.91	\$ 1.89	\$ 1.04
Diluted ⁽¹⁾	1.62	1.88	1.87	1.03
Average common shares outstanding (in thousands):				
Basic	367,439	365,619	374,963	379,741
Diluted	372,619	370,410	379,383	383,651
Cash dividends declared per common share	\$.42	\$.42	\$.47	\$.47
Closing price per share of common stock (as of quarter end)	99.73	93.09	83.78	63.07
Financial ratios:				
Effective tax rate ⁽¹⁾	16.4%	17.7%	14.5%	17.4%
Return on average common equity	12.8	14.7	14.0	7.5
Return on tangible common equity ⁽³⁾	20.1	21.1	19.4	20.6
Pre-tax margin ⁽¹⁾	25.8	29.1	29.9	17.5
Pre-tax margin, excluding notable items ⁽¹⁾⁽⁴⁾	25.8	31.6	29.9	28.2

⁽¹⁾ Refer to Reconciliation of Change in Accounting Principle.

⁽²⁾ Approximately \$15 million of swap costs in 1Q18 were reclassified from processing fees and other revenue within fee revenue to net interest income to conform to current presentation.

⁽³⁾ Return on tangible common equity is calculated by dividing year-to-date annualized net income available to common shareholders (GAAP-basis) by tangible common equity.

⁽⁴⁾ Notable items include acquisition and restructuring costs, gains on sales, and other notable items. Refer to Reconciliations of non-GAAP Financial Information pages for details.

STATE STREET CORPORATION
REVISED HISTORICAL SELECTED FINANCIAL INFORMATION
REVISED - CONSOLIDATED STATEMENT OF CONDITION

(Dollars in millions, except per share amounts)	As Of			
	March 31, 2018	June 30, 2018	September 30, 2018	December 31, 2018
Assets:				
Cash and due from banks	\$ 2,546	\$ 3,886	\$ 4,145	\$ 3,597
Interest-bearing deposits with banks	79,418	76,366	63,618	73,040
Securities purchased under resale agreements	5,136	3,583	4,195	4,679
Trading account assets	1,178	1,160	1,001	860
Investment securities:				
Investment securities available-for-sale	44,304	47,348	46,102	45,148
Investment securities held-to-maturity ⁽¹⁾	41,158	39,594	40,567	41,914
Total investment securities	85,462	86,942	86,669	87,062
Loans and leases, net ⁽²⁾	29,528	24,069	23,312	25,722
Premises and equipment, net ⁽³⁾	2,194	2,189	2,193	2,214
Accrued interest and fees receivable	3,183	3,086	3,196	3,203
Goodwill	6,068	5,973	6,016	7,446
Other intangible assets	1,578	1,500	1,461	2,369
Other assets ⁽⁷⁾	33,962	39,522	38,170	34,404
Total assets⁽⁷⁾	\$ 250,253	\$ 248,276	\$ 233,976	\$ 244,596
Liabilities:				
Deposits:				
Non-interest-bearing	\$ 57,025	\$ 52,316	\$ 41,893	\$ 44,804
Interest-bearing -- U.S.	55,094	57,407	63,661	66,235
Interest-bearing -- Non-U.S.	79,398	76,940	62,644	69,321
Total deposits ⁽⁴⁾	191,517	186,663	168,198	180,360
Securities sold under repurchase agreements	2,020	3,088	1,690	1,082
Other short-term borrowings	1,066	1,103	1,009	3,092
Accrued expenses and other liabilities ⁽⁷⁾	22,356	24,514	28,242	24,232
Long-term debt	10,944	10,387	10,335	11,093
Total liabilities ⁽⁷⁾	227,903	225,755	209,474	219,859
Shareholders' equity:				
Preferred stock, no par, 3,500,000 shares authorized:				
Series C, 5,000 shares issued and outstanding	491	491	491	491
Series D, 7,500 shares issued and outstanding	742	742	742	742
Series E, 7,500 shares issued and outstanding	728	728	728	728
Series F, 7,500 shares issued and outstanding	742	742	742	742
Series G, 5,000 shares issued and outstanding	493	493	493	493
Series H, 5,000 shares issued and outstanding	—	—	494	494
Common stock, \$1 par, 750,000,000 shares authorized ⁽⁵⁾	504	504	504	504
Surplus	9,796	9,820	10,418	10,061
Retained earnings ⁽⁷⁾	19,262	19,806	20,336	20,553
Accumulated other comprehensive income (loss)	(1,074)	(1,488)	(1,711)	(1,356)
Treasury stock, at cost ⁽⁶⁾	(9,334)	(9,317)	(8,735)	(8,715)
Total shareholders' equity ⁽⁷⁾	22,350	22,521	24,502	24,737
Total liabilities and equity⁽⁷⁾	\$ 250,253	\$ 248,276	\$ 233,976	\$ 244,596

⁽¹⁾ Fair value of investment securities held-to-maturity

⁽²⁾ Allowance for loan losses

⁽³⁾ Accumulated depreciation for premises and equipment

⁽⁴⁾ Average total deposits

⁽⁵⁾ Common stock shares issued

⁽⁶⁾ Treasury stock shares

⁽⁷⁾ Refer to Reconciliation of Change in Accounting Principle

	1Q18	2Q18	3Q18	4Q18
	\$ 40,483	\$ 38,805	\$ 39,591	\$ 41,351
	54	55	60	67
	4,005	3,999	4,110	4,152
	165,010	162,795	159,578	158,345
	503,879,642	503,879,642	503,879,642	503,879,642
	138,472,445	138,052,038	124,390,135	123,932,918

STATE STREET CORPORATION
REVISED HISTORICAL SELECTED FINANCIAL INFORMATION
REVISED - RECONCILIATIONS OF NON-GAAP FINANCIAL INFORMATION

In addition to presenting State Street's financial results in conformity with U.S. generally accepted accounting principles, or GAAP, management also presents certain financial information on a basis that excludes or adjusts one or more items from GAAP. This latter basis is a non-GAAP presentation. In general, our non-GAAP financial results adjust selected GAAP-basis financial results to exclude the impact of revenue and expenses outside of State Street's normal course of business or other notable items, such as acquisition and restructuring charges, repositioning charges and gains/losses on sales. Management believes that this presentation of financial information facilitates an investor's further understanding and analysis of State Street's financial performance and trends with respect to State Street's business operations from period to period, including providing additional insight into our underlying margin and profitability. In addition, Management may also provide additional non-GAAP measures. For example, we present capital ratios, calculated under regulatory standards scheduled to be effective in the future or other standards, that management uses in evaluating State Street's business and activities and believes may similarly be useful to investors.

Non-GAAP financial measures should be considered in addition to, not as a substitute for or superior to, financial measures determined in conformity with GAAP.

(Dollars in millions)	Quarters					% Change	
	1Q18	2Q18	3Q18	4Q18	1Q19	1Q19 vs. 1Q18	1Q19 vs. 4Q18
Fee Revenue:							
Total fee revenue, GAAP-basis ⁽¹⁾⁽²⁾	\$ 2,415	\$ 2,395	\$ 2,318	\$ 2,326	\$ —	— %	— %
Add: legal and related	—	—	—	8	—		
Total fee revenue, excluding notable items	<u>\$ 2,415</u>	<u>\$ 2,395</u>	<u>\$ 2,318</u>	<u>\$ 2,334</u>	<u>\$ —</u>	—	—
Total Revenue:							
Total revenue, GAAP-basis ⁽¹⁾	\$ 3,056	\$ 3,063	\$ 2,989	\$ 3,023	\$ —	— %	— %
Add: legal and related	—	—	—	8	—		
Total revenue, excluding notable items	<u>\$ 3,056</u>	<u>\$ 3,063</u>	<u>\$ 2,989</u>	<u>\$ 3,031</u>	<u>\$ —</u>	—	—
Expenses:							
Total expenses, GAAP-basis ⁽¹⁾	\$ 2,268	\$ 2,170	\$ 2,091	\$ 2,486	\$ —	— %	— %
Less: Notable expense items:							
Acquisition and restructuring costs	—	—	—	(24)	—		
Repositioning charges ⁽³⁾	—	(77)	—	(247)	—		
Legal and related	—	—	—	(42)	—		
Total expenses, excluding notable items	<u>\$ 2,268</u>	<u>\$ 2,093</u>	<u>\$ 2,091</u>	<u>\$ 2,173</u>	<u>\$ —</u>	—	—
Fee Operating Leverage, GAAP-Basis:							
Total fee revenue, GAAP-basis ⁽¹⁾⁽²⁾	\$ 2,415	\$ 2,395	\$ 2,318	\$ 2,326	\$ —	— %	— %
Total expenses, GAAP-basis ⁽¹⁾	2,268	2,170	2,091	2,486	—	—	—
Fee operating leverage, GAAP-basis						— pts	— pts
Fee Operating Leverage, excluding notable items:							
Total fee revenue, excluding notable items (as reconciled above)	\$ 2,415	\$ 2,395	\$ 2,318	\$ 2,334	\$ —	— %	— %
Total expenses, excluding notable items (as reconciled above)	2,268	2,093	2,091	2,173	—	—	—
Fee operating leverage, excluding notable items						— pts	— pts
Operating Leverage, GAAP-Basis:							
Total revenue, GAAP-basis ⁽¹⁾	\$ 3,056	\$ 3,063	\$ 2,989	\$ 3,023	\$ —	— %	— %
Total expenses, GAAP-basis ⁽¹⁾	2,268	2,170	2,091	2,486	—	—	—
Operating leverage, GAAP-basis						— pts	— pts
Operating Leverage, excluding notable items:							
Total revenue, excluding notable items (as reconciled above)	\$ 3,056	\$ 3,063	\$ 2,989	\$ 3,031	\$ —	— %	— %
Total expenses, excluding notable items (as reconciled above)	2,268	2,093	2,091	2,173	—	—	—
Operating leverage, excluding notable items						— pts	— pts

STATE STREET CORPORATION
REVISED HISTORICAL SELECTED FINANCIAL INFORMATION
REVISED - RECONCILIATIONS OF NON-GAAP FINANCIAL INFORMATION (Continued)

(Dollars in millions, except per Earnings per share, or where otherwise noted)	Quarters					% Change	
	1Q18	2Q18	3Q18	4Q18	1Q19	1Q19 vs. 1Q18	1Q19 vs. 4Q18
Net Income Available to Common Shareholders:							
Net Income Available to Common Shareholders, GAAP-basis ⁽¹⁾	\$ 603	\$ 697	\$ 708	\$ 396	\$ —	— %	— %
Less: Notable items							
Acquisition and restructuring costs	—	—	—	24	—		
Repositioning charges ⁽³⁾	—	77	—	247	—		
Legal and related	—	—	—	50	—		
Tax impact of notable items	—	(16)	—	(73)	—		
Net Income Available to Common Shareholders, excluding notable items	<u>\$ 603</u>	<u>\$ 758</u>	<u>\$ 708</u>	<u>\$ 644</u>	<u>\$ —</u>	—	—
Diluted Earnings per Share:							
Diluted earnings per share, GAAP-basis ⁽¹⁾	\$ 1.62	\$ 1.88	\$ 1.87	\$ 1.03	\$ —	— %	— %
Less: Notable items							
Acquisition and restructuring costs	—	—	—	.04	—		
Repositioning charges ⁽³⁾	—	.16	—	.48	—		
Legal and related	—	—	—	.12	—		
Diluted earnings per share, excluding notable items	<u>\$ 1.62</u>	<u>\$ 2.04</u>	<u>\$ 1.87</u>	<u>\$ 1.67</u>	<u>\$ —</u>	—	—
Pre-tax Margin:							
Pre-tax margin, GAAP-basis ⁽¹⁾	25.8 %	29.1 %	29.9 %	17.5 %	— %	— % pts	— % pts
Less: Notable items							
Acquisition and restructuring costs	—	—	—	0.8	—		
Repositioning charges ⁽³⁾	—	2.5	—	8.2	—		
Legal and related	—	—	—	1.7	—		
Pre-tax margin, excluding notable items	<u>25.8 %</u>	<u>31.6 %</u>	<u>29.9 %</u>	<u>28.2 %</u>	<u>— %</u>	— pts	— pts

⁽¹⁾ Refer to Reconciliation of Change in Accounting Principle.

⁽²⁾ Approximately \$15 million of swap costs in 1Q18 were reclassified from processing fees and other revenue within fee revenue to net interest income to conform to current presentation.

⁽³⁾ Includes charges in 4Q18 that were previously disclosed as "Business exit: Channel Islands."

STATE STREET CORPORATION
REVISED HISTORICAL SELECTED FINANCIAL INFORMATION
REVISED - RECONCILIATION OF PRE-TAX MARGIN EXCLUDING NOTABLE ITEMS

(Dollars in millions)	2015	2016	2017	2018
Total revenue, GAAP-basis ⁽¹⁾	\$ 10,433	\$ 10,291	\$ 11,266	\$ 12,131
Less: Gain on sale	(165)	(53)	(56)	—
Add: Impact of tax legislation	—	—	20	—
Add: Legal and related	—	43	—	8
Total revenue, excluding notable items	10,268	10,281	11,230	12,139
Provision for loan losses	12	10	2	15
Total expenses, GAAP-basis ⁽¹⁾	8,050	8,077	8,269	9,015
Less:				
Acquisition and restructuring costs	(25)	(209)	(266)	(24)
Legal and related	(432)	(56)	—	(42)
Repositioning charges ⁽²⁾	(73)	11	—	(324)
Acceleration of deferred cash awards	—	(249)	—	—
Total expenses, excluding notable items	\$ 7,520	\$ 7,574	\$ 8,003	\$ 8,625
Income before income tax expense, GAAP-basis ⁽¹⁾	\$ 2,371	\$ 2,204	\$ 2,995	\$ 3,101
Income before income tax expense, excluding notable items	2,736	2,697	3,225	3,499
Pre-tax margin, GAAP-basis ⁽¹⁾	22.7%	21.4%	26.6%	25.6%
Pre-tax margin, excluding notable items	26.6	26.2	28.7	28.8

⁽¹⁾ Refer to Reconciliation of Change in Accounting Principle.

⁽²⁾ Includes charges in 2015 and 2016 that were previously disclosed as "severance costs associated with staffing realignment" and charges in 2018 that were previously disclosed as "Business exit: Channel Islands."

STATE STREET CORPORATION
REVISED HISTORICAL SELECTED FINANCIAL INFORMATION
REVISED - RECONCILIATION OF TANGIBLE COMMON EQUITY RATIO

The tangible common equity, or TCE, ratio is a capital ratio that management believes provides context useful in understanding and assessing State Street's capital adequacy. The TCE ratio is calculated by dividing consolidated total common shareholders' equity by consolidated total assets, after reducing both amounts by goodwill and other intangible assets net of related deferred taxes. Total assets reflected in the TCE ratio also exclude cash balances on deposit at the Federal Reserve Bank and other central banks in excess of required reserves. The TCE ratio is not required by GAAP or by banking regulations, but is a metric used by management to evaluate the adequacy of State Street's capital levels. Since there is no authoritative requirement to calculate the TCE ratio, our TCE ratio is not necessarily comparable to similar capital measures disclosed or used by other companies in the financial services industry. Tangible common equity and adjusted tangible assets are non-GAAP financial measures and should be considered in addition to, not as a substitute for or superior to, financial measures determined in accordance with GAAP or other applicable requirements. Reconciliations with respect to the calculation of the TCE ratios are provided within the Reconciliation of Tangible Common Equity Ratio within this package.

The following table presents the calculation of State Street's ratios of tangible common equity to total tangible assets.

(Dollars in millions)	Quarters			
	1Q18	2Q18	3Q18	4Q18
Consolidated total assets⁽¹⁾	\$ 250,253	\$ 248,276	\$ 233,976	\$ 244,596
Less:				
Goodwill	6,068	5,973	6,016	7,446
Other intangible assets	1,578	1,500	1,461	2,369
Cash balances held at central banks in excess of required reserves	62,901	64,640	51,707	62,867
Adjusted assets	179,706	176,163	174,792	171,914
Plus related deferred tax liabilities	477	465	461	464
Total tangible assets	A \$ 180,183	A \$ 176,628	A \$ 175,253	A \$ 172,378
Consolidated total common shareholders' equity⁽¹⁾	\$ 19,154	\$ 19,325	\$ 20,812	\$ 21,047
Less:				
Goodwill	6,068	5,973	6,016	7,446
Other intangible assets	1,578	1,500	1,461	2,369
Adjusted equity	11,508	11,852	13,335	11,232
Plus related deferred tax liabilities	477	465	461	464
Total tangible common equity	B \$ 11,985	B \$ 12,317	B \$ 13,796	B \$ 11,696
Tangible common equity ratio	B/A 6.7%	B/A 7.0%	B/A 7.9%	B/A 6.8%
GAAP-basis:				
Net income available to common shareholders ⁽¹⁾	\$ 603	\$ 697	\$ 708	\$ 396
Return on tangible common equity	20.1%	21.1%	19.4%	20.6%

⁽¹⁾ Refer to Reconciliation of Change in Accounting Principle.