

**STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM
March 31, 2020**

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This financial information should be read in conjunction with State Street's news release dated April 17, 2020.

**STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM
4-YEAR SUMMARY OF RESULTS**

(Dollars in millions, except per share amounts, or where otherwise noted)	2016	2017	2018	2019
Year ended December 31:				
Total fee revenue	\$ 8,200	\$ 9,001	\$ 9,454	\$ 9,147
Net interest income	2,084	2,304	2,671	2,566
Other income	7	(39)	6	43
Total revenue	10,291	11,266	12,131	11,756
Provision for credit losses	10	2	15	10
Total expenses	8,077	8,269	9,015	9,034
Income before income tax expense	2,204	2,995	3,101	2,712
Income tax expense	67	839	508	470
Net income from non-controlling interest	1	—	—	—
Net income	2,138	2,156	2,593	2,242
Net income available to common shareholders	\$ 1,963	\$ 1,972	\$ 2,404	\$ 2,009
Per common share:				
Diluted earnings per common share	\$ 4.96	\$ 5.19	\$ 6.39	\$ 5.38
Average diluted common shares outstanding (in thousands)	396,090	380,213	376,476	373,666
Cash dividends declared per common share	\$ 1.44	\$ 1.60	\$ 1.78	\$ 1.98
Closing price per share of common stock (at year end)	77.72	97.61	63.07	79.10
Average balance sheet:				
Investment securities	\$ 100,738	\$ 95,779	\$ 88,070	\$ 91,768
Total assets	229,727	219,450	223,385	223,334
Total deposits	170,485	163,808	161,408	158,262
Ratios and other metrics:				
Return on average common equity	10.4%	10.5%	12.1%	9.4%
Pre-tax margin	21.4	26.6	25.6	23.1
Pre-tax margin, excluding notable items ⁽¹⁾	26.2	28.7	28.8	25.8
Net interest margin, fully taxable-equivalent basis	1.13	1.29	1.47	1.42
Common equity tier 1 ratio ⁽²⁾⁽³⁾	11.7	12.3	12.1	11.7
Tier 1 capital ratio ⁽²⁾⁽³⁾	14.8	15.5	16.0	14.5
Total capital ratio ⁽²⁾⁽³⁾	16.0	16.5	16.9	15.6
Tier 1 leverage ratio ⁽²⁾⁽³⁾	6.5	7.3	7.2	6.9
Supplementary leverage ratio ⁽²⁾⁽³⁾	5.9	6.5	6.3	6.1
Assets under custody and/or administration (in trillions)	\$ 28.77	\$ 33.12	\$ 31.62	\$ 34.36
Assets under management (in trillions)	2.47	2.78	2.51	3.12

⁽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.

⁽²⁾ 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.

⁽³⁾ Under the applicable bank regulatory rules, we are not required to and, accordingly, did not revise previously-filed reported capital metrics and ratios following the change in accounting for LIHTC.

**STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM
CONSOLIDATED FINANCIAL HIGHLIGHTS**

(Dollars in millions, except per share amounts, or where otherwise noted)	Quarters					% Change	
	1Q19	2Q19	3Q19	4Q19	1Q20	1Q20 vs. 1Q19	1Q20 vs. 4Q19
Income statement							
Fee revenue	\$ 2,260	\$ 2,260	\$ 2,259	\$ 2,368	\$ 2,399	6.2 %	1.3 %
Net interest income	673	613	644	636	664	(1.3)	4.4
Other income	(1)	—	—	44	2	nm	nm
Total revenue	2,932	2,873	2,903	3,048	3,065	4.5	0.6
Provision for credit losses ⁽¹⁾	4	1	2	3	36	nm	nm
Total expenses ⁽²⁾	2,293	2,154	2,180	2,407	2,255	(1.7)	(6.3)
Income before income tax expense	635	718	721	638	774	21.9	21.3
Income tax expense	127	131	138	74	140	10.2	89.2
Net income	508	587	583	564	634	24.8	12.4
Net income available to common shareholders	\$ 452	\$ 537	\$ 528	\$ 492	\$ 580	28.3	17.9
Per common share:							
Diluted earnings per common share	\$ 1.18	\$ 1.42	\$ 1.42	1.35	\$ 1.62	37.3	20.0
Average diluted common shares outstanding (in thousands)	381,703	377,577	370,595	365,851	357,993	(6.2)	(2.1)
Cash dividends declared per common share	\$.47	\$.47	\$.52	\$.52	\$.52	10.6	—
Closing price per share of common stock (as of quarter end)	65.81	56.06	59.19	79.10	53.27	(19.1)	(32.7)
Average for the quarter:							
Investment securities	\$ 88,273	\$ 89,930	\$ 93,588	\$ 95,186	\$ 97,560	10.5	2.5
Total assets	219,560	221,514	223,273	228,886	251,181	14.4	9.7
Total deposits	155,343	156,570	157,226	163,829	180,160	16.0	10.0
Securities on loan (dollars in billions):							
Average securities on loan	\$ 368	\$ 389	\$ 388	\$ 376	\$ 378	2.7	0.5
End-of-period securities on loan	398	396	397	380	388	(2.5)	2.1
Ratios and other metrics:							
Return on average common equity	8.7%	10.1%	9.7%	9.0%	10.9%	220 bps	190 bps
Pre-tax margin	21.7	25.0	24.8	20.9	25.3	360	440
Pre-tax margin, excluding notable items ⁽³⁾	22.5	25.4	26.4	29.1	25.6	310	(350)
Net interest margin, fully taxable-equivalent basis	1.54	1.38	1.42	1.36	1.30	(24)	(6)
Common equity tier 1 ratio ⁽⁴⁾	12.1	12.3	12.2	11.7	11.1	(100)	(60)
Tier 1 capital ratio ⁽⁴⁾	15.9	15.9	15.9	14.5	13.3	(260)	(120)
Total capital ratio ⁽⁴⁾	16.7	16.6	16.5	15.6	14.4	(230)	(120)
Tier 1 leverage ratio ⁽⁴⁾	7.4	7.6	7.4	6.9	6.1	(130)	(80)
Supplementary leverage ratio ⁽⁴⁾	6.6	6.7	6.6	6.1	5.4	(120)	(70)
Assets under custody and/or administration (in billions)	\$ 32,643	\$ 32,754	\$ 32,899	\$ 34,358	\$ 31,864	(2.4)%	(7.3)%
Assets under management (in billions)	2,805	2,918	2,953	3,116	2,689	(4.1)	(13.7)

⁽¹⁾ In accordance with ASU 2016-13, the provision for credit losses for 1Q20 includes the provision on funded and unfunded commitments as well as HTM securities. The provision for credit losses on unfunded commitments of (\$4 million), \$4 million, zero and \$3 million for 1Q19, 2Q19, 3Q19 and 4Q19, respectively, is included within other expenses.

⁽²⁾ 4Q19 expenses include legal and related charges of approximately \$140 million, repositioning charges of approximately \$110 million, including approximately \$98 million within compensation and employee benefits expense and \$12 million within occupancy expense.

⁽³⁾ 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.

⁽⁴⁾ 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.

^{nm} Not meaningful

**STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM
CONSOLIDATED RESULTS OF OPERATIONS**

	Quarters					% Change	
	1Q19	2Q19	3Q19	4Q19	1Q20	1Q20 vs. 1Q19	1Q20 vs. 4Q19
(Dollars in millions, except per share amounts, or where otherwise noted)							
Fee revenue:							
Servicing fees	\$ 1,251	\$ 1,252	\$ 1,272	\$ 1,299	\$ 1,287	2.9%	(0.9)%
Management fees	420	441	445	465	449	6.9	(3.4)
Foreign exchange trading services	280	273	284	274	459	63.9	67.5
Securities finance	118	126	116	111	92	(22.0)	(17.1)
Software and processing fees	191	168	142	219	112	(41.4)	(48.9)
Total fee revenue	2,260	2,260	2,259	2,368	2,399	6.2	1.3
Net interest income:							
Interest income	1,027	1,007	1,001	906	868	(15.5)	(4.2)
Interest expense	354	394	357	270	204	(42.4)	(24.4)
Net interest income	673	613	644	636	664	(1.3)	4.4
Other income:							
Gains (losses) related to investment securities, net	(1)	—	—	—	2	nm	—
Other income	—	—	—	44	—	—	(100.0)
Total other income	(1)	—	—	44	2	nm	nm
Total revenue	2,932	2,873	2,903	3,048	3,065	4.5	0.6
Provision for credit losses ⁽¹⁾	4	1	2	3	36	nm	nm
Expenses:							
Compensation and employee benefits	1,229	1,084	1,083	1,145	1,208	(1.7)	5.5
Information systems and communications	362	365	376	362	385	6.4	6.4
Transaction processing services	242	245	254	242	254	5.0	5.0
Occupancy	116	115	113	126	109	(6.0)	(13.5)
Acquisition and restructuring costs	9	12	27	29	11	22.2	(62.1)
Amortization of other intangible assets	60	59	59	58	58	(3.3)	—
Other	275	274	268	445	230	(16.4)	(48.3)
Total expenses	2,293	2,154	2,180	2,407	2,255	(1.7)	(6.3)
Income before income tax expense	635	718	721	638	774	21.9	21.3
Income tax expense	127	131	138	74	140	10.2	89.2
Net income	\$ 508	\$ 587	\$ 583	\$ 564	\$ 634	24.8	12.4

**STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM
CONSOLIDATED RESULTS OF OPERATIONS (Continued)**

	Quarters					% Change	
	1Q19	2Q19	3Q19	4Q19	1Q20	1Q20 vs. 1Q19	1Q20 vs. 4Q19
(Dollars in millions, except per share amounts, or where otherwise noted)							
Adjustments to net income:							
Dividends on preferred stock ⁽²⁾⁽³⁾	\$ (55)	\$ (50)	\$ (55)	\$ (72)	\$ (53)	(3.6)%	(26.4)%
Earnings allocated to participating securities	(1)	—	—	—	(1)	—	nm
Net income available to common shareholders	<u>\$ 452</u>	<u>\$ 537</u>	<u>\$ 528</u>	<u>\$ 492</u>	<u>\$ 580</u>	28.3	17.9
Per common share:							
Basic earnings	\$ 1.20	\$ 1.44	\$ 1.44	\$ 1.36	\$ 1.64	36.7	20.6
Diluted earnings	1.18	1.42	1.42	1.35	1.62	37.3	20.0
Average common shares outstanding (in thousands):							
Basic	377,915	373,773	366,732	361,439	353,746	(6.4)	(2.1)
Diluted	381,703	377,577	370,595	365,851	357,993	(6.2)	(2.1)
Cash dividends declared per common share	\$.47	\$.47	\$.52	\$.52	\$.52	10.6	—
Closing price per share of common stock (as of quarter end)	65.81	56.06	59.19	79.10	53.27	(19.1)	(32.7)
Financial ratios:							
Effective tax rate	20.1%	18.1%	19.2%	11.6%	18.1%	(200) bps	650 bps
Return on average common equity	8.7	10.1	9.7	9.0	10.9	220	190
Return on tangible common equity ⁽⁴⁾	15.0	15.8	16.3	16.3	18.7	370	240
Pre-tax margin	21.7	25.0	24.8	20.9	25.3	360	440
Pre-tax margin, excluding notable items ⁽⁵⁾	22.5	25.4	26.4	29.1	25.6	310	(350)

⁽¹⁾ In accordance with ASU 2016-13, the provision for credit losses for 1Q20 includes the provision on funded and unfunded commitments as well as HTM securities. The provision for credit losses on unfunded commitments of (\$4 million), \$4 million, zero and \$3 million for 1Q19, 2Q19, 3Q19 and 4Q19, respectively, is included within other expenses.

⁽²⁾ We redeemed all outstanding Series C noncumulative perpetual preferred stock on March 16, 2020 at a redemption price of \$500 million (\$100,000 per share equivalent to \$25.00 per depositary share) plus accrued and unpaid dividends. The difference between the redemption value and the net carrying value of approximately \$9 million resulted in an EPS impact of approximately (\$.03) per share in 2020.

⁽³⁾ We redeemed all outstanding Series E noncumulative perpetual preferred stock on December 15, 2019 at a redemption price of \$750 million (\$100,000 per share equivalent to \$25.00 per depositary share) plus accrued and unpaid dividends. The difference between the redemption value and the net carrying value of approximately \$22 million resulted in an EPS impact of approximately (\$.06) per share in 2019.

⁽⁴⁾ 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.

⁽⁵⁾ Notable items include acquisition and restructuring costs and other notable items. Refer to Reconciliations of non-GAAP Financial Information pages for details.

^{nm} Denotes not meaningful

**STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM
CONSOLIDATED STATEMENT OF CONDITION**

(Dollars in millions, except per share amounts)	As of					% Change	
	March 31, 2019 ⁽¹⁾	June 30, 2019 ⁽¹⁾	September 30, 2019	December 31, 2019	March 31, 2020	1Q20 vs. 1Q19	1Q20 vs. 4Q19
Assets:							
Cash and due from banks	\$ 4,000	\$ 3,110	\$ 3,598	\$ 3,302	\$ 4,932	23.3%	49.4%
Interest-bearing deposits with banks	53,864	62,534	62,324	68,965	147,735	174.3	114.2
Securities purchased under resale agreements	1,522	1,732	3,041	1,487	1,037	(31.9)	(30.3)
Trading account assets	856	894	839	914	872	1.9	(4.6)
Investment securities:							
Investment securities available-for-sale	49,002	53,242	54,757	53,815	55,843	14.0	3.8
Investment securities held-to-maturity purchased under money market liquidity facility ⁽²⁾	—	—	—	—	26,808	100.0	100.0
Investment securities held-to-maturity ⁽³⁾	41,145	39,236	39,119	41,782	41,150	—	(1.5)
Total investment securities	90,147	92,478	93,876	95,597	123,801	37.3	29.5
Loans	23,381	25,421	27,009	26,309	32,379	38.5	23.1
Allowance for loan losses ⁽⁴⁾	70	72	71	74	97	38.6	31.1
Loans, net	23,311	25,349	26,938	26,235	32,282	38.5	23.0
Premises and equipment, net ⁽⁵⁾	2,230	2,244	2,306	2,282	2,225	(0.2)	(2.5)
Accrued interest and fees receivable	3,277	3,202	3,258	3,231	3,274	(0.1)	1.3
Goodwill	7,549	7,565	7,500	7,556	7,506	(0.6)	(0.7)
Other intangible assets	2,208	2,155	2,077	2,030	1,963	(11.1)	(3.3)
Other assets	39,368	40,277	38,849	34,011	36,900	(6.3)	8.5
Total assets	\$ 228,332	\$ 241,540	\$ 244,606	\$ 245,610	\$ 362,527	58.8	47.6
Liabilities:							
Deposits:							
Non-interest-bearing	\$ 35,295	\$ 34,278	\$ 33,719	\$ 34,031	\$ 69,404	96.6	103.9
Interest-bearing -- U.S.	62,988	68,964	72,260	77,504	110,106	74.8	42.1
Interest-bearing -- Non-U.S.	64,188	67,352	64,907	70,337	77,594	20.9	10.3
Total deposits ⁽⁶⁾	162,471	170,594	170,886	181,872	257,104	58.2	41.4
Securities sold under repurchase agreements	1,420	1,829	1,330	1,102	5,373	278.4	387.6
Short-term borrowings under money market liquidity facility	—	—	—	—	25,665	100.0	100.0
Other short-term borrowings	947	4,939	7,073	839	4,835	410.6	476.3
Accrued expenses and other liabilities	27,274	27,350	28,653	24,857	30,151	10.5	21.3
Long-term debt	11,182	11,374	11,455	12,509	15,538	39.0	24.2
Total liabilities	203,294	216,086	219,397	221,179	338,666	66.6	53.1
Shareholders' equity:							
Preferred stock, no par, 3,500,000 shares authorized:							
Series C, 5,000 shares issued and outstanding	491	491	491	491	—	(100.0)	(100.0)
Series D, 7,500 shares issued and outstanding	742	742	742	742	742	—	—
Series E, 7,500 shares issued and outstanding	728	728	728	—	—	(100.0)	—
Series F, 7,500 shares issued and outstanding	742	742	742	742	742	—	—
Series G, 5,000 shares issued and outstanding	493	493	493	493	493	—	—
Series H, 5,000 shares issued and outstanding	494	494	494	494	494	—	—
Common stock, \$1 par, 750,000,000 shares authorized ⁽⁷⁾⁽⁸⁾	504	504	504	504	504	—	—
Surplus	10,082	10,109	10,117	10,132	10,155	0.7	0.2
Retained earnings	20,911	21,274	21,612	21,918	22,315	6.7	1.8
Accumulated other comprehensive income (loss)	(1,180)	(874)	(985)	(876)	(920)	(22.0)	5.0
Treasury stock, at cost ⁽⁹⁾	(8,969)	(9,249)	(9,729)	(10,209)	(10,664)	18.9	4.5
Total shareholders' equity	25,038	25,454	25,209	24,431	23,861	(4.7)	(2.3)
Total liabilities and equity	\$ 228,332	\$ 241,540	\$ 244,606	\$ 245,610	\$ 362,527	58.8	47.6
⁽¹⁾ Certain previously reported amounts presented in this earnings release addendum have been reclassified to conform to current-period presentation.							
⁽²⁾ Fair value of investment securities held-to-maturity purchased under money market liquidity facility \$ — \$ — \$ — \$ — \$ 26,808							
⁽³⁾ Fair value of investment securities held-to-maturity 40,971 39,473 39,535 42,157 42,201							
⁽⁴⁾ Total allowance for credit losses including off-balance sheet commitments 83 88 86 91 124							
⁽⁵⁾ Accumulated depreciation for premises and equipment 3,937 4,091 4,235 4,367 4,459							
⁽⁶⁾ Average total deposits 155,343 156,570 157,226 163,829 180,160							
⁽⁷⁾ Common stock shares issued 503,879,642 503,879,642 503,879,642 503,879,642 503,879,642							
⁽⁸⁾ Total common shares outstanding 376,720,715 372,572,622 363,623,285 357,389,416 351,943,858							

**STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM**

AVERAGE STATEMENT OF CONDITION - RATES EARNED AND PAID - FULLY TAXABLE-EQUIVALENT BASIS⁽¹⁾

The following table presents average rates earned and paid, on a fully taxable-equivalent basis, on consolidated average interest-earning assets and average interest-bearing liabilities for the quarters indicated. Tax-equivalent adjustments were calculated using a federal income tax rate of 21%, adjusted for applicable state income taxes, net of related federal benefit.

(Dollars in millions; fully-taxable equivalent basis)	Quarters										% Change	
	1Q19		2Q19		3Q19		4Q19		1Q20		1Q20 vs. 1Q19	1Q20 vs. 4Q19
	Average balance	Average rates	Average balance	Average rates	Average balance	Average rates	Average balance	Average rates	Average balance	Average rates	Average balance	Average balance
Assets:												
Interest-bearing deposits with banks	\$ 48,856	0.99%	\$ 48,074	0.91%	\$ 45,791	0.85%	\$ 51,284	0.69%	\$ 67,120	0.49%	37.4%	30.9%
Securities purchased under resale agreements ⁽²⁾	2,775	14.33	1,975	18.30	3,149	12.75	2,124	14.00	1,805	14.38	(35.0)	(15.0)
Trading account assets	866	—	892	—	880	—	897	—	915	—	5.7	2.0
Investment securities:												
U.S. Treasury and federal agencies:												
Direct obligations	15,427	1.79	13,960	1.83	13,614	1.83	14,017	1.83	14,102	1.79	(8.6)	0.6
Mortgage-and asset-backed securities	39,216	3.06	41,905	2.83	44,357	2.71	44,009	2.60	43,947	2.66	12.1	(0.1)
State and political subdivisions ⁽³⁾	1,914	3.43	1,909	3.34	1,839	3.27	1,815	3.20	1,782	3.05	(6.9)	(1.8)
Other investments:												
Asset-backed securities	9,078	2.47	9,335	2.54	9,913	2.39	10,593	2.28	10,645	1.94	17.3	0.5
Collateralized mortgage-backed securities and obligations	980	3.78	918	3.69	871	3.31	818	2.95	741	2.69	(24.4)	(9.4)
Investment securities held-to-maturity purchased under money market liquidity facility	—	—	—	—	—	—	—	—	2,111	1.52	100.0	100.0
Other debt investments and equity securities ⁽³⁾	21,658	1.04	21,903	1.05	22,994	1.04	23,934	1.07	24,232	1.00	11.9	1.2
Total investment securities	88,273	2.30	89,930	2.23	93,588	2.16	95,186	2.08	97,560	2.03	10.5	2.5
Loans ⁽⁴⁾	23,056	3.49	23,824	3.33	23,926	3.24	25,461	2.86	28,468	2.62	23.5	11.8
Other interest-earning assets	15,286	2.89	15,104	3.02	13,990	3.02	12,295	2.13	10,764	1.70	(29.6)	(12.5)
Total interest-earning assets	179,112	2.34	179,799	2.26	181,324	2.20	187,247	1.93	206,632	1.70	15.4	10.4
Cash and due from banks	3,078	—	4,011	—	3,114	—	3,358	—	3,856	—	25.3	14.8
Other assets	37,370	—	37,704	—	38,835	—	38,281	—	40,693	—	8.9	6.3
Total assets	\$ 219,560	—	\$ 221,514	—	\$ 223,273	—	\$ 228,886	—	\$ 251,181	—	14.4	9.7
Liabilities:												
Interest-bearing deposits:												
U.S.	\$ 64,531	0.83%	\$ 66,502	0.91%	\$ 67,170	0.83%	\$ 71,910	0.64%	\$ 80,247	0.50%	24.4	11.6
Non-U.S. ⁽⁵⁾	59,775	0.26	61,303	0.39	61,355	0.21	62,737	(0.04)	64,340	(0.20)	7.6	2.6
Total interest-bearing deposits ⁽⁵⁾	124,306	0.56	127,805	0.66	128,525	0.53	134,647	0.32	144,587	0.19	16.3	7.4
Securities sold under repurchase agreements	1,773	2.66	1,488	2.19	1,998	1.45	1,208	1.18	1,773	0.55	—	46.8
Short-term borrowings under money market liquidity facility	—	—	—	—	—	—	—	—	2,187	1.11	100.0	100.0
Other short-term borrowings	1,157	1.34	2,041	1.22	1,788	1.68	1,110	1.17	2,960	1.32	155.8	166.7
Long-term debt	10,955	3.89	11,228	3.78	11,415	3.48	12,286	3.34	13,288	2.64	21.3	8.2
Other interest-bearing liabilities	4,642	5.31	3,979	6.47	3,691	7.62	4,106	4.85	3,434	3.55	(26.0)	(16.4)
Total interest-bearing liabilities	142,833	1.00	146,541	1.08	147,417	0.96	153,357	0.70	168,229	0.49	17.8	9.7
Non-interest bearing deposits	31,037	—	28,765	—	28,701	—	29,182	—	35,573	—	14.6	21.9
Other liabilities	20,921	—	21,188	—	21,935	—	21,140	—	23,052	—	10.2	9.0
Preferred shareholders' equity	3,690	—	3,690	—	3,690	—	3,541	—	2,861	—	(22.5)	(19.2)
Common shareholders' equity	21,079	—	21,330	—	21,530	—	21,666	—	21,466	—	1.8	(0.9)
Total liabilities and shareholders' equity	\$ 219,560	—	\$ 221,514	—	\$ 223,273	—	\$ 228,886	—	\$ 251,181	—	14.4	9.7
Excess of rate earned over rate paid	—	1.34%	—	1.18%	—	1.24%	—	1.23%	—	1.21%	—	—
Net interest margin	—	1.54%	—	1.38%	—	1.42%	—	1.36%	—	1.30%	—	—
Net interest income, fully taxable-equivalent basis	\$ 678	—	\$ 618	—	\$ 648	—	\$ 640	—	\$ 668	—	—	—
Tax-equivalent adjustment	(5)	—	(5)	—	(4)	—	(4)	—	(4)	—	—	—
Net interest income, GAAP-basis ⁽⁵⁾	\$ 673	—	\$ 613	—	\$ 644	—	\$ 636	—	\$ 664	—	—	—

⁽¹⁾ Average rates earned and paid on interest-earning assets and interest-bearing liabilities include the impact of hedge activities associated with our asset and liability management activities where applicable.

⁽²⁾ Reflects the impact of balance sheet netting under enforceable netting agreements of approximately \$59 billion, \$75 billion, \$118 billion and \$94 billion in the first, second, third and fourth quarters of 2019, respectively, and approximately \$124 billion in the first quarter of 2020. Excluding the impact of netting, the average interest rates would be approximately 0.64%, 0.47%, 0.33% and 0.31% in the first, second, third and fourth quarters of 2019, respectively, and approximately 0.21% in the first quarter of 2020.

⁽³⁾ State and political subdivisions consists of municipal bonds and clipper tax exempt bonds. Other debt investments and equity securities consists of non-U.S. government and agency securities, corporate bonds, covered bonds and other.

⁽⁴⁾ Average loans are presented on a gross basis. We adopted ASU 2016-13 on January 1, 2020. Allowance for Credit Losses. Prior to 2020, we recognized Allowance for loan losses. Average loans net of allowance for loan losses amount to approximately \$23.0 million, \$23.8 million, \$23.9 million and \$25.4 million in the first, second, third and fourth quarters of 2019, respectively, and net of ECL of approximately \$28.4 million in the first quarter of 2020.

⁽⁵⁾ Average rates includes the impact of FX swap expense of approximately \$39 million, \$59 million, \$37 million and \$18 million in the first, second, third and fourth quarters of 2019, respectively, and approximately (\$2) million in the first quarter of 2020. Average rates for total interest-bearing deposits excluding the impact of FX swap expense were approximately 0.43%, 0.47%, 0.42% and 0.27% for the first, second, third and fourth quarters of 2019, respectively, and approximately 0.19% for the first quarter of 2020.

**STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM
ASSETS UNDER CUSTODY AND/OR ADMINISTRATION**

	Quarters					% Change	
	1Q19	2Q19	3Q19	4Q19	1Q20	1Q20 vs. 1Q19	1Q20 vs. 4Q19
(Dollars in billions)							
Assets Under Custody and/or Administration							
By Product Classification:							
Mutual funds	\$ 8,586	\$ 8,645	\$ 8,687	\$ 9,221	\$ 8,056	(6.2)%	(12.6)%
Collective funds, including ETFs	9,436	9,272	9,224	9,796	8,662	(8.2)	(11.6)
Pension products	6,513	6,542	6,817	6,924	6,730	3.3	(2.8)
Insurance and other products	8,108	8,295	8,171	8,417	8,416	3.8	—
Total Assets Under Custody and/or Administration	\$ 32,643	\$ 32,754	\$ 32,899	\$ 34,358	\$ 31,864	(2.4)	(7.3)
By Financial Instrument:							
Equities	\$ 18,924	\$ 18,504	\$ 18,243	\$ 19,301	\$ 16,267	(14.0)	(15.7)
Fixed-income	9,831	10,089	10,413	10,766	11,096	12.9	3.1
Short-term and other investments	3,888	4,161	4,243	4,291	4,501	15.8	4.9
Total Assets Under Custody and/or Administration	\$ 32,643	\$ 32,754	\$ 32,899	\$ 34,358	\$ 31,864	(2.4)	(7.3)
By Geographic Location ⁽¹⁾ :							
Americas	\$ 23,979	\$ 23,989	\$ 23,888	\$ 25,018	\$ 22,787	(5.0)	(8.9)
Europe/Middle East/Africa	6,875	6,937	7,091	7,325	7,112	3.4	(2.9)
Asia/Pacific	1,789	1,828	1,920	2,015	1,965	9.8	(2.5)
Total Assets Under Custody and/or Administration	\$ 32,643	\$ 32,754	\$ 32,899	\$ 34,358	\$ 31,864	(2.4)	(7.3)
Assets Under Custody⁽²⁾							
By Product Classification:							
Mutual funds	\$ 7,966	\$ 8,012	\$ 8,060	\$ 8,447	\$ 7,416	(6.9)	(12.2)
Collective funds, including ETFs	7,445	7,614	7,668	8,216	7,191	(3.4)	(12.5)
Pension products	5,307	5,236	5,457	5,554	5,395	1.7	(2.9)
Insurance and other products	3,851	3,909	3,893	3,978	3,810	(1.1)	(4.2)
Total Assets Under Custody	\$ 24,569	\$ 24,771	\$ 25,078	\$ 26,195	\$ 23,812	(3.1)	(9.1)
By Geographic Location ⁽¹⁾ :							
Americas	\$ 18,784	\$ 18,911	\$ 19,048	\$ 19,838	\$ 17,701	(5.8)	(10.8)
Europe/Middle East/Africa	4,462	4,515	4,615	4,858	4,666	4.6	(4.0)
Asia/Pacific	1,323	1,345	1,415	1,499	1,445	9.2	(3.6)
Total Assets Under Custody	\$ 24,569	\$ 24,771	\$ 25,078	\$ 26,195	\$ 23,812	(3.1)	(9.1)

⁽¹⁾ Geographic mix is generally based on the domicile of the entity servicing the funds and is not necessarily representative of the underlying asset mix.

⁽²⁾ Assets under custody are a component of assets under custody and/or administration presented above.

**STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM
ASSETS UNDER MANAGEMENT**

(Dollars in billions)	Quarters					% Change	
	1Q19	2Q19	3Q19	4Q19	1Q20	1Q20 vs. 1Q19	1Q20 vs. 4Q19
Assets Under Management							
By Asset Class and Investment Approach:							
Equity:							
Active	\$ 85	\$ 86	\$ 84	\$ 88	\$ 68	(20.0)%	(22.7)%
Passive ⁽¹⁾	1,694	1,757	1,747	1,903	1,493	(11.9)	(21.5)
Total Equity	1,779	1,843	1,831	1,991	1,561	(12.3)	(21.6)
Fixed-Income:							
Active	88	93	92	89	89	1.1	—
Passive	341	357	367	379	369	8.2	(2.6)
Total Fixed-Income	429	450	459	468	458	6.8	(2.1)
Cash ⁽²⁾	314	319	336	324	364	15.9	12.3
Multi-Asset-Class Solutions:							
Active	22	23	23	24	21	(4.5)	(12.5)
Passive	125	132	134	133	120	(4.0)	(9.8)
Total Multi-Asset-Class Solutions	147	155	157	157	141	(4.1)	(10.2)
Alternative Investments ⁽³⁾ :							
Active	21	21	22	21	20	(4.8)	(4.8)
Passive ⁽¹⁾	115	130	148	155	145	26.1	(6.5)
Total Alternative Investments	136	151	170	176	165	21.3	(6.3)
Total Assets Under Management	\$ 2,805	\$ 2,918	\$ 2,953	\$ 3,116	\$ 2,689	(4.1)	(13.7)
By Geographic Location:							
North America	\$ 1,899	\$ 1,965	\$ 1,999	\$ 2,115	\$ 1,847	(2.7)	(12.7)
Europe/Middle East/Africa	447	471	476	493	416	(6.9)	(15.6)
Asia/Pacific	459	482	478	508	426	(7.2)	(16.1)
Total Assets Under Management	\$ 2,805	\$ 2,918	\$ 2,953	\$ 3,116	\$ 2,689	(4.1)	(13.7)

⁽¹⁾ 1Q19 and 2Q19 have been revised to reflect a reclassification of \$14 billion in assets from Passive equity to Passive alternative assets.

⁽²⁾ Includes both floating- and constant-net-asset-value portfolios held in commingled structures or separate accounts.

⁽³⁾ Includes real estate investment trusts, currency and commodities, including SPDR® Gold Shares and SPDR® Gold MiniSharesSM Trust, for which we are not the investment manager but act as the marketing agent.

Exchange-Traded Funds⁽¹⁾

By Asset Class:

Alternative Investments	\$ 45	\$ 48	\$ 56	\$ 56	\$ 59	31.1 %	5.4 %
Cash	8	9	9	9	18	125.0	100.0
Equity	535	548	553	618	474	(11.4)	(23.3)
Fixed-Income	73	77	80	85	78	6.8	(8.2)
Total Exchange-Traded Funds	\$ 661	\$ 682	\$ 698	\$ 768	\$ 629	(4.8)	(18.1)

⁽¹⁾ Exchange-traded funds are a component of assets under management presented above.

**STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM
INDUSTRY FLOW DATA BY ASSET CLASS**

(Dollars in billions)	Quarters				
	1Q19	2Q19	3Q19	4Q19	1Q20
North America - ICI Market Data⁽¹⁾⁽²⁾⁽³⁾					
Long Term Funds ⁽²⁾	\$ 41.8	\$ (38.2)	\$ (51.6)	\$ (51.2)	\$ (347.1)
Money Market	54.0	137.0	224.5	168.7	765.4
ETF	45.7	65.4	84.8	126.5	58.3
Total ICI Flows	\$ 141.5	\$ 164.2	\$ 257.7	\$ 244.0	\$ 476.6
Europe - Broadridge Market Data⁽¹⁾⁽⁴⁾⁽⁵⁾					
Long Term Funds ⁽⁴⁾	\$ 5.7	\$ 27.5	\$ 49.4	\$ 143.9	\$ 130.7
Money Market	(9.0)	1.6	78.9	(12.1)	30.8
Total Broadridge Flows	\$ (3.3)	\$ 29.1	\$ 128.3	\$ 131.8	\$ 161.5

⁽¹⁾ Industry data is provided for illustrative purposes only. It is not intended to reflect State Street's or its clients' activity and is indicative of only selected segments of the entire industry.

⁽²⁾ Source: Investment Company Institute (ICI). ICI data includes long term funds, ETFs and money market funds, as well as funds not registered under the Investment Company Act of 1940. Mutual fund data represents estimates of net new cash flow, which is new sales minus redemptions combined with net exchanges, while exchange-traded fund (ETF) data represents net issuance, which is gross issuance less gross redemptions. Data for mutual funds that invest primarily in other mutual funds and ETFs that invest primarily in other ETFs were excluded from the series. ICI classifies mutual funds and ETFs based on language in the fund prospectus. The long term fund flows reported by ICI are composed of North America Market flows mainly in Equities, Hybrids and Fixed Income Asset Classes.

⁽³⁾ 1Q20 represents the three month period from January 2020 through March 2020, the last date for which information is available with March 2020 estimates.

⁽⁴⁾ Source: © Copyright 2020, Broadridge Financial Solutions, Inc.

Funds of funds have been excluded from Broadridge data (to avoid double counting). Therefore, a market total is the sum of all the investment categories excluding the three funds of funds categories (inhouse, ex-house and hedge). Broadridge data includes funds for long term funds and money market funds. Broadridge's long term funds data are also segmented by passive and active funds which includes ETFs. ETFs are included in Broadridge's database on mutual funds, but this excludes exchange-traded commodity products that are not mutual funds. The long term fund flows reported by Broadridge are composed of EMEA Market flows mainly in Equities, Fixed Income, and Multi Asset Classes.

⁽⁵⁾ 1Q20 represents the rolling three month period from December 2019 through February 2020, the last date for which information is available.

**STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM
INVESTMENT PORTFOLIO HOLDINGS BY ASSET CLASS**

Ratings

(Dollars in billions, or where otherwise noted)	UST/AGY	AAA	AA	A	BBB	<BBB	NR	Fair Value	% Total	Net Unrealized Pre-tax MTM Gain/ (Loss) (In millions) ⁽¹⁾	Fixed Rate/ Floating Rate ⁽²⁾
Available-for-sale investment securities:											
Government & agency securities	24%	18%	35%	12%	9%	—%	3%	\$ 21.4	38.3%	\$ 289	100% / 0%
Asset-backed securities	—	89	11	—	—	—	—	5.9	10.6	(177)	0% / 100%
Student loans	—	58	42	—	—	—	—	0.5	0.8	(12)	
Credit cards	—	100	—	—	—	—	—	0.1	0.2	(5)	
Auto & equipment	—	74	26	—	—	—	—	0.9	1.7	(6)	
Non-U.S. residential mortgage backed securities	—	94	6	—	—	—	—	1.7	3.0	(18)	
Collateralized loan obligation	—	100	—	—	—	—	—	2.7	4.8	(136)	
Other	—	—	100	—	—	—	—	0.1	0.2	(1)	
Mortgage-backed securities	100	—	—	—	—	—	—	15.6	28.0	530	99% / 1%
Agency MBS	100	—	—	—	—	—	—	15.6	28.0	530	
Non-agency MBS	—	100	—	—	—	—	—	—	—	—	
CMBS	97	3	—	—	—	—	—	2.8	5.0	(9)	23% / 73%
Corporate bonds	—	—	10	38	51	—	—	4.4	7.9	(46)	98% / 2%
Covered bonds	—	100	—	—	—	—	—	0.5	0.8	3	14% / 86%
Municipal bonds	—	24	71	5	—	—	—	0.8	1.5	41	100% / 0%
Clipper tax-exempt bonds	—	12	60	22	6	—	—	0.9	1.7	—	0% / 100%
Other	—	89	11	—	—	—	—	3.4	6.2	13	96% / 4%
Total available-for-sale portfolio	42%	23%	18%	8%	8%	—%	1%	\$ 55.8	100.0%	\$ 644	82% / 18%
Fair Value	\$ 23.5	\$ 13.0	\$ 10.0	\$ 4.5	\$ 4.2	\$ 0.1	\$ 0.5				

	UST/AGY	AAA	AA	A	BBB	<BBB	NR	Amortized Cost	% Total	Net Unrealized Pre-tax MTM Gain/ (Loss) (In millions) ⁽¹⁾	Fixed Rate/ Floating Rate ⁽²⁾
Held-to-maturity investment securities:											
Government & agency securities	97%	3%	—%	—%	—%	—%	—%	\$ 9.5	14.0%	\$ 171	100% / 0%
Asset-backed securities	—	26	66	2	4	1	—	4.4	6.5	(105)	0% / 100%
Student loans	—	26	70	—	3	1	—	4.1	6.0	(147)	
Other	—	30	21	29	9	11	—	0.3	0.5	42	
Mortgage-backed securities	100	—	—	—	—	—	—	23.9	35.2	868	99% / 1%
Agency MBS	100	—	—	—	—	—	—	23.8	35.1	853	
Non-agency MBS	—	—	6	13	17	50	14	0.1	0.2	15	
CMBS	85	15	—	—	—	—	—	3.4	4.8	117	77% / 23%
Held-to-maturity under money market liquidity facility	—	—	1	—	—	—	99	26.8	39.5	(4)	100% / 0%
Total held-for-maturity portfolio	53%	3%	5%	—%	—%	—%	39%	\$ 68.0	100.0%	\$ 1,047	92% / 8%
Amortized Cost	\$ 35.9	\$ 1.9	\$ 3.2	\$ 0.1	\$ 0.2	\$ 0.1	\$ 26.6				

⁽¹⁾ At March 31, 2020, the after-tax unrealized MTM gain/(loss) includes after-tax unrealized gain on securities available-for-sale of \$477 million, after-tax unrealized gain on securities held-to-maturity of \$775 million and after-tax unrealized loss primarily related to securities previously transferred from available-for-sale to held-to-maturity of (\$20) million.

⁽²⁾ At March 31, 2020, fixed-to-floating rate securities had a book value of approximately \$271 million or .22% of the total portfolio.

**STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM
INVESTMENT PORTFOLIO NON-U.S. INVESTMENTS**

FV for AFS and AC for HTM

(Dollars in billions)	FV for AFS and AC for HTM	Average Rating	Gov't/Agency ⁽¹⁾⁽²⁾	ABS FRMBS	ABS All Other	Corporate Bonds	Covered Bonds	Other	MMLF
Germany	\$ 3.2	AA	\$ 2.6	\$ —	\$ 0.6	\$ 0.1	\$ —	\$ —	\$ —
Canada	3.2	AAA	2.9	—	—	0.2	—	—	0.1
United Kingdom	3.2	AAA	2.1	0.5	0.2	0.3	—	—	—
France	2.4	AA	1.3	—	0.6	0.2	0.2	—	0.1
Australia	2.4	AAA	0.7	1.0	—	0.2	—	0.6	—
Japan	2.2	AA	1.4	—	—	—	—	—	0.8
Spain	1.6	BBB	1.4	0.1	0.1	—	—	—	—
Austria	1.4	AA	1.4	—	—	—	—	—	—
Netherlands	1.3	AA	0.6	0.3	—	0.4	—	—	—
Belgium	1.2	AA	1.1	—	—	—	0.2	—	—
Ireland	1.2	A	1.2	—	—	—	—	—	—
Italy	1.1	A	0.7	0.1	0.3	—	—	—	—
Finland	1.0	AA	0.9	—	—	—	—	—	—
Hong Kong	0.6	AA	0.6	—	—	—	—	—	—
Other	1.3	AA	0.5	—	—	0.2	0.1	—	0.4
Total Non-U.S. Investments⁽³⁾	\$ 27.3		\$ 19.4	\$ 2.0	\$ 1.8	\$ 1.6	\$ 0.5	\$ 0.6	\$ 1.4
U.S. Investments	96.5								
Total Portfolio	\$ 123.8								

⁽¹⁾ Sovereign debt is reflected in the government / agency column.

⁽²⁾ As of March 31, 2020, the fair value included \$6.0 billion of supranational and non-U.S. agency bonds.

⁽³⁾ Country of collateral used except for corporates where country of issuer is used.

**STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM
ALLOWANCE FOR CREDIT LOSSES**

(Dollars in millions)	Quarters					% Change	
	1Q19	2Q19	3Q19	4Q19	1Q20	1Q20 vs. 1Q19	1Q20 vs. 4Q19
Allowance for credit losses:							
Beginning balance ⁽¹⁾	\$ 83	\$ 83	\$ 88	\$ 86	\$ 93	12.0%	8.1%
Provision for credit losses (funded commitments)	4	1	2	3	29	nm	nm
Provision for credit losses (unfunded commitments) ⁽²⁾	(4)	4	—	3	3	nm	nm
Provision for credit losses (held-to-maturity securities)	—	—	—	—	4	nm	nm
Total provision	—	5	2	6	36	nm	nm
Charge-offs	—	—	(2)	(1)	(5)	nm	nm
Other ⁽³⁾	—	—	(2)	—	—	nm	nm
Ending balance ⁽⁴⁾	<u>\$ 83</u>	<u>\$ 88</u>	<u>\$ 86</u>	<u>\$ 91</u>	<u>\$ 124</u>	49.4	36.3
Allowance for credit losses:							
Loans	\$ 70	\$ 72	\$ 71	\$ 74	\$ 97	38.6	31.1
Held-to-maturity securities	—	—	—	—	4	nm	nm
Unfunded (Off-Balance Sheet) Commitments	13	16	15	17	22	69.2	29.4
All Other	—	—	—	—	1	nm	nm
Ending balance ⁽⁴⁾	<u>\$ 83</u>	<u>\$ 88</u>	<u>\$ 86</u>	<u>\$ 91</u>	<u>\$ 124</u>	49.4	36.3

⁽¹⁾ We adopted ASU 2016-13 on January 1, 2020, Allowance for Credit Losses. Prior to 2020, we recognized allowance for loan losses under an incurred loss model. Upon adoption, we increased the allowance and reduced retained earnings by approximately \$2.6 million. As such, the ending balance for 4Q19 will not agree to the opening balance for 1Q20.

⁽²⁾ Prior to the adoption of ASU 2016-13, the provision for unfunded commitments was recorded within Other expenses in the consolidated statement of income. Upon adoption of ASU 2016-13 in 1Q20, the provision for all assets within scope is recorded within Provision for credit losses in the consolidated statement of income.

⁽³⁾ Consists primarily of FX translation.

⁽⁴⁾ The allowance for credit losses on unfunded commitments is included within Other liabilities in the Consolidated Statement of Condition.

^{nm} Not meaningful

STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM
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, gains/losses on sales, as well as, for selected comparisons, seasonal items. For example, we sometimes present expenses on a basis we may refer to as "expenses ex-notable items", which exclude notable items and, to provide additional perspective on both prior year quarter and sequential quarter comparisons, also exclude seasonal items. 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. Additionally, we may present revenue and expense measures on a constant currency basis to identify the significance of changes in foreign currency exchange rates (which often are variable) in period-to-period comparisons. This presentation represents the effects of applying prior period weighted average foreign currency exchange rates to current period results.

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	
	1Q19	2Q19	3Q19	4Q19	1Q20	1Q20 vs. 1Q19	1Q20 vs. 4Q19
Fee Revenue:							
Total fee revenue, GAAP-basis	\$ 2,260	\$ 2,260	\$ 2,259	\$ 2,368	\$ 2,399	6.2 %	1.3 %
Add: legal and related	—	—	—	—	—		
Total fee revenue, excluding notable items	<u>\$ 2,260</u>	<u>\$ 2,260</u>	<u>\$ 2,259</u>	<u>\$ 2,368</u>	<u>\$ 2,399</u>	6.2	1.3
Total Revenue:							
Total revenue, GAAP-basis	\$ 2,932	\$ 2,873	\$ 2,903	\$ 3,048	\$ 3,065	4.5 %	0.6 %
Add: legal and related	—	—	—	—	—		
Less: other income	—	—	—	(44)	—		
Total revenue, excluding notable items	<u>\$ 2,932</u>	<u>\$ 2,873</u>	<u>\$ 2,903</u>	<u>\$ 3,004</u>	<u>\$ 3,065</u>	4.5	2.0
Expenses:							
Total expenses, GAAP-basis	\$ 2,293	\$ 2,154	\$ 2,180	\$ 2,407	\$ 2,255	(1.7)%	(6.3)%
Less: Notable expense items:							
Acquisition and restructuring costs ⁽¹⁾	(9)	(12)	(27)	(29)	(11)		
Repositioning charges	—	—	—	(110)	—		
Legal and related	(14)	—	(18)	(140)	—		
Total expenses, excluding notable items	<u>\$ 2,270</u>	<u>\$ 2,142</u>	<u>\$ 2,135</u>	<u>\$ 2,128</u>	<u>\$ 2,244</u>	(1.1)	5.5
Fee Operating Leverage, GAAP-Basis:							
Total fee revenue, GAAP-basis	\$ 2,260	\$ 2,260	\$ 2,259	\$ 2,368	\$ 2,399	6.2 %	1.3 %
Total expenses, GAAP-basis	2,293	2,154	2,180	2,407	2,255	(1.7)	(6.3)
Fee operating leverage, GAAP-basis						790 bps	760 bps
Fee Operating Leverage, excluding notable items:							
Total fee revenue, excluding notable items (as reconciled above)	\$ 2,260	\$ 2,260	\$ 2,259	\$ 2,368	\$ 2,399	6.2 %	1.3 %
Total expenses, excluding notable items (as reconciled above)	2,270	2,142	2,135	2,128	2,244	(1.1)	5.5
Fee operating leverage, excluding notable items						730 bps	(420) bps
Operating Leverage, GAAP-Basis:							
Total revenue, GAAP-basis	\$ 2,932	\$ 2,873	\$ 2,903	\$ 3,048	\$ 3,065	4.5 %	0.6 %
Total expenses, GAAP-basis	2,293	2,154	2,180	2,407	2,255	(1.7)	(6.3)
Operating leverage, GAAP-basis						620 bps	690 bps
Operating Leverage, excluding notable items:							
Total revenue, excluding notable items (as reconciled above)	\$ 2,932	\$ 2,873	\$ 2,903	\$ 3,004	\$ 3,065	4.5 %	2.0 %
Total expenses, excluding notable items (as reconciled above)	2,270	2,142	2,135	2,128	2,244	(1.1)	5.5
Operating leverage, excluding notable items						560 bps	(350) bps

STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM
RECONCILIATIONS OF NON-GAAP FINANCIAL INFORMATION (Continued)

(Dollars in millions, except per Earnings per share, or where otherwise noted)	Quarters					% Change	
	1Q19	2Q19	3Q19	4Q19	1Q20	1Q20 vs. 1Q19	1Q20 vs. 4Q19
Net Income Available to Common Shareholders:							
Net Income Available to Common Shareholders, GAAP-basis	\$ 452	\$ 537	\$ 528	\$ 492	\$ 580	28.3 %	17.9 %
Less: Notable items							
Acquisition and restructuring costs ⁽¹⁾	9	12	27	29	11		
Repositioning charges	—	—	—	110	—		
Legal and related	14	—	18	140	—		
Other income	—	—	—	(44)	—		
Preferred securities redemption ⁽²⁾	—	—	—	22	9		
Tax impact of notable items	(2)	(3)	(12)	(25)	(3)		
Net Income Available to Common Shareholders, excluding notable items	<u>\$ 473</u>	<u>\$ 546</u>	<u>\$ 561</u>	<u>\$ 724</u>	<u>\$ 597</u>	26.2	(17.5)
Diluted Earnings per Share:							
Diluted earnings per share, GAAP-basis	\$ 1.18	\$ 1.42	\$ 1.42	\$ 1.35	\$ 1.62	37.3 %	20.0 %
Less: Notable items							
Acquisition and restructuring costs ⁽¹⁾	0.02	0.03	0.06	0.06	0.02		
Repositioning charges	—	—	—	0.22	—		
Legal and related	0.04	—	0.03	0.38	—		
Other income	—	—	—	(0.09)	—		
Preferred securities redemption ⁽²⁾⁽³⁾	—	—	—	0.06	0.03		
Diluted earnings per share, excluding notable items	<u>\$ 1.24</u>	<u>\$ 1.45</u>	<u>\$ 1.51</u>	<u>\$ 1.98</u>	<u>\$ 1.67</u>	34.7	(15.7)
Pre-tax Margin:							
Pre-tax margin, GAAP-basis	21.7%	25.0%	24.8%	20.9%	25.3%	360 bps	440 bps
Less: Notable items							
Acquisition and restructuring costs ⁽¹⁾	0.3	0.4	1.0	1.0	0.3		
Repositioning charges	—	—	—	3.6	—		
Legal and related	0.5	—	0.6	4.7	—		
Other income	—	—	—	(1.1)	—		
Pre-tax margin, excluding notable items	<u>22.5%</u>	<u>25.4%</u>	<u>26.4%</u>	<u>29.1%</u>	<u>25.6%</u>	310	(350)
Return on Average Common Equity:							
Return on average common equity, GAAP-basis	8.7%	10.1%	9.7%	9.0%	10.9%	220 bps	190 bps
Less: Notable items							
Acquisition and restructuring costs ⁽¹⁾	0.2	0.2	0.5	0.5	0.2		
Repositioning charges	—	—	—	2.0	—		
Legal and related	0.2	—	0.3	2.6	—		
Other income	—	—	—	(0.8)	—		
Preferred securities redemption ⁽²⁾⁽³⁾	—	—	—	0.4	0.2		
Tax impact of notable items	—	—	(0.2)	(0.4)	(0.1)		
Return on average common equity, excluding notable items	<u>9.1%</u>	<u>10.3%</u>	<u>10.3%</u>	<u>13.3%</u>	<u>11.2%</u>	210	(210)

⁽¹⁾ Acquisition and restructuring costs of approximately \$11 million in 1Q20, consisting of acquisition costs primarily related to CRD.

⁽²⁾ We redeemed all outstanding Series C noncumulative perpetual preferred stock on March 16, 2020 at a redemption price of \$500 million (\$100,000 per share equivalent to \$25.00 per depositary share) plus accrued and unpaid dividends. The difference between the redemption value and the net carrying value of approximately \$9 million resulted in an EPS impact of approximately (\$.03) per share in 2020.

⁽³⁾ We redeemed all outstanding Series E noncumulative perpetual preferred stock on December 15, 2019 at a redemption price of \$750 million (\$100,000 per share equivalent to \$25.00 per depositary share) plus accrued and unpaid dividends. The difference between the redemption value and the net carrying value of approximately \$22 million resulted in an EPS impact of approximately (\$.06) per share in 2019.

STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM
RECONCILIATION OF PRE-TAX MARGIN EXCLUDING NOTABLE ITEMS

(Dollars in millions)	2016 ⁽¹⁾	2017	2018 ⁽¹⁾	2019
Total revenue:				
Total revenue, GAAP-basis	\$ 10,291	\$ 11,266	\$ 12,131	\$ 11,756
Less: Gain on sale	(53)	(56)	—	—
Add: Impact of tax legislation	—	20	—	—
Add: Legal and related	43	—	8	—
Less: Other income	—	—	—	(44)
Total revenue, excluding notable items	<u>10,281</u>	<u>11,230</u>	<u>12,139</u>	<u>11,712</u>
Provision for credit losses	10	2	15	10
Total expenses:				
Total expenses, GAAP-basis	8,077	8,269	9,015	9,034
Less:				
Acquisition and restructuring costs	(209)	(266)	(24)	(77)
Legal and related	(56)	—	(42)	(172)
Repositioning charges ⁽¹⁾	11	—	(324)	(110)
Acceleration of deferred cash awards	(249)	—	—	—
Total expenses, excluding notable items	<u>7,574</u>	<u>8,003</u>	<u>8,625</u>	<u>8,675</u>
Income before income tax expense, excluding notable items	<u>\$ 2,697</u>	<u>\$ 3,225</u>	<u>\$ 3,499</u>	<u>\$ 3,027</u>
Income before income tax expense, GAAP-basis	\$ 2,204	\$ 2,995	\$ 3,101	\$ 2,712
Pre-tax margin, excluding notable items	26.2%	28.7%	28.8%	25.8%
Pre-tax margin, GAAP-basis	21.4	26.6	25.6	23.1

⁽¹⁾ Includes charges in 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
EARNINGS RELEASE ADDENDUM
RECONCILIATION OF NOTABLE ITEMS**

(Dollars in millions)	Quarters					% Change	
	1Q19	2Q19	3Q19	4Q19	1Q20	1Q20 vs. 1Q19	1Q20 vs. 4Q19
Total revenue:							
Total revenue, GAAP-basis	\$ 2,932	\$ 2,873	\$ 2,903	\$ 3,048	\$ 3,065	4.5%	0.6%
Add: legal and related	—	—	—	—	—		
Less: other income	—	—	—	(44)	—		
Total revenue, excluding notable items	2,932	2,873	2,903	3,004	3,065	4.5	2.0
Total expenses:							
Total expenses, GAAP basis	\$ 2,293	\$ 2,154	\$ 2,180	\$ 2,407	\$ 2,255	(1.7)	(6.3)
Less: Notable expense items:							
Repositioning charges:							
Compensation and employee benefits	—	—	—	(98)	—	—	(100.0)
Occupancy	—	—	—	(12)	—	—	(100.0)
Repositioning charges	—	—	—	(110)	—	—	(100.0)
Acquisition and restructuring costs	(9)	(12)	(27)	(29)	(11)	22.2	(62.1)
Legal and related	(14)	—	(18)	(140)	—	(100.0)	(100.0)
Total expenses, excluding notable items	2,270	2,142	2,135	2,128	2,244	(1.1)	5.5
CRD expenses	(41)	(46)	(56)	(58)	(58)	41.5	—
CRD related expenses: intangible asset amortization costs	(15)	(17)	(17)	(16)	(17)	13.3	6.3
Total expenses, excluding notable items and CRD and CRD related expenses	2,214	2,079	2,062	2,054	2,169	(2.0)	5.6
Seasonal expenses	(137)	—	—	—	(151)	10.2	—
Total expenses, excluding notable items, seasonal items, CRD and CRD related expenses	2,077	2,079	2,062	2,054	2,018	(2.8)	(1.8)
Net Income Available to Common Shareholders, GAAP-basis	\$ 452	\$ 537	\$ 528	\$ 492	\$ 580	28.3	17.9
Notable items as reconciled above: pre-tax	23	12	45	235	11		
Tax impact on notable items as reconciled above	(2)	(3)	(12)	(25)	(3)		
Preferred security cost	—	—	—	22	9		
Net Income Available to Common Shareholders, excluding notable items	473	546	561	724	597	26.2	(17.5)

^{nm} Denotes not meaningful

STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM
RECONCILIATIONS OF CONSTANT CURRENCY FX IMPACTS

GAAP-Basis Quarter Comparison (Dollars in millions)	Reported			Currency Translation Impact		Excluding Currency Impact		% Change Constant Currency	
	1Q19	4Q19	1Q20	1Q20 vs. 1Q19	1Q20 vs. 4Q19	1Q20 vs. 1Q19	1Q20 vs. 4Q19	1Q20 vs. 1Q19	1Q20 vs. 4Q19
GAAP-Basis Results:									
Fee revenue:									
Servicing fees	\$ 1,251	\$ 1,299	\$ 1,287	\$ (6)	\$ (2)	\$ 1,293	\$ 1,289	3.4%	(0.8)%
Management fees	420	465	449	(3)	(2)	452	451	7.6	(3.0)
Foreign exchange trading services	280	274	459	—	—	459	459	63.9	67.5
Securities finance	118	111	92	—	—	92	92	(22.0)	(17.1)
Software and processing fees	191	219	112	(1)	(1)	113	113	(40.8)	(48.4)
Total fee revenue	2,260	2,368	2,399	(10)	(5)	2,409	2,404	6.6	1.5
Net interest income	673	636	664	(5)	(3)	669	667	(0.6)	4.9
Total other income	(1)	44	2	—	—	2	2	nm	nm
Total revenue	\$ 2,932	\$ 3,048	\$ 3,065	\$ (15)	\$ (8)	\$ 3,080	\$ 3,073	5.0	0.8
Expenses:									
Compensation and employee benefits	\$ 1,229	\$ 1,145	\$ 1,208	\$ (12)	\$ (6)	\$ 1,220	\$ 1,214	(0.7)	6.0
Information systems and communications	362	362	385	(1)	—	386	385	6.6	6.4
Transaction processing services	242	242	254	(1)	—	255	254	5.4	5.0
Occupancy	116	126	109	(1)	(1)	110	110	(5.2)	(12.7)
Acquisition and restructuring costs	9	29	11	—	—	11	11	22.2	(62.1)
Amortization of other intangible assets	60	58	58	—	—	58	58	(3.3)	—
Other	275	445	230	(1)	—	231	230	(16.0)	(48.3)
Total expenses	\$ 2,293	\$ 2,407	\$ 2,255	\$ (16)	\$ (7)	\$ 2,271	\$ 2,262	(1.0)	(6.0)

^{nm} Denotes not meaningful

STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM
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				
	1Q19	2Q19	3Q19	4Q19	1Q20
Consolidated total assets	\$ 228,332	\$ 241,540	\$ 244,606	\$ 245,610	\$ 362,527
Less:					
Goodwill	7,549	7,565	7,500	7,556	7,506
Other intangible assets	2,208	2,155	2,077	2,030	1,963
Cash balances held at central banks in excess of required reserves	44,294	52,847	57,330	65,812	144,955
Adjusted assets	174,281	178,973	177,699	170,212	208,103
Plus related deferred tax liabilities	464	464	462	475	476
Total tangible assets	A \$ 174,745	\$ 179,437	\$ 178,161	\$ 170,687	\$ 208,579
Consolidated total common shareholders' equity	\$ 21,348	\$ 21,764	\$ 21,519	\$ 21,469	\$ 21,390
Less:					
Goodwill	7,549	7,565	7,500	7,556	7,506
Other intangible assets	2,208	2,155	2,077	2,030	1,963
Adjusted equity	11,591	12,044	11,942	11,883	11,921
Plus related deferred tax liabilities	464	464	462	475	476
Total tangible common equity	B \$ 12,055	\$ 12,508	\$ 12,404	\$ 12,358	\$ 12,397
Tangible common equity ratio	B/A 6.9%	7.0%	7.0%	7.2%	5.9%
GAAP-basis:					
Net income available to common shareholders	\$ 452	\$ 537	\$ 528	\$ 492	\$ 580
Return on tangible common equity	15.0%	15.8%	16.3%	16.3%	18.7%

**STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM
REGULATORY CAPITAL**

(Dollars in millions)	Quarters									
	1Q19		2Q19		3Q19		4Q19		1Q20	
	Basel III Advanced Approaches ⁽¹⁾	Basel III Standardized Approach ⁽²⁾	Basel III Advanced Approaches ⁽¹⁾	Basel III Standardized Approach ⁽²⁾	Basel III Advanced Approaches ⁽¹⁾	Basel III Standardized Approach ⁽²⁾	Basel III Advanced Approaches ⁽¹⁾	Basel III Standardized Approach ⁽²⁾	Basel III Advanced Approaches ⁽¹⁾	Basel III Standardized Approach ⁽²⁾
RATIOS:										
Common equity tier 1 capital	12.1%	11.5%	12.3%	11.5%	12.2%	11.3%	11.7%	11.7%	11.1%	10.7%
Tier 1 capital	15.9	15.0	15.9	14.9	15.9	14.6	14.5	14.6	13.3	12.9
Total capital	16.7	15.9	16.6	15.5	16.5	15.3	15.6	15.7	14.4	14.1
Tier 1 leverage	7.4	7.4	7.6	7.6	7.4	7.4	6.9	6.9	6.1	6.1
Supporting Calculations:										
Common equity tier 1 capital	\$ 11,899	\$ 11,899	\$ 12,367	\$ 12,367	\$ 12,229	\$ 12,229	\$ 12,213	\$ 12,213	\$ 12,115	\$ 12,115
Total risk-weighted assets	98,023	103,643	100,699	107,972	100,327	108,701	104,364	104,005	109,268	112,740
Common equity tier 1 risk-based capital ratio	12.1%	11.5%	12.3%	11.5%	12.2%	11.3%	11.7%	11.7%	11.1%	10.7%
Tier 1 capital	\$ 15,589	\$ 15,589	\$ 16,058	\$ 16,058	\$ 15,919	\$ 15,919	\$ 15,175	\$ 15,175	\$ 14,586	\$ 14,586
Total risk-weighted assets	98,023	103,643	100,699	107,972	100,327	108,701	104,364	104,005	109,268	112,740
Tier 1 risk-based capital ratio	15.9%	15.0%	15.9%	14.9%	15.9%	14.6%	14.5%	14.6%	13.3%	12.9%
Total capital	\$ 16,386	\$ 16,460	\$ 16,672	\$ 16,748	\$ 16,530	\$ 16,612	\$ 16,275	\$ 16,360	\$ 15,770	\$ 15,877
Total risk-weighted assets	98,023	103,643	100,699	107,972	100,327	108,701	104,364	104,005	109,268	112,740
Total risk-based capital ratio	16.7%	15.9%	16.6%	15.5%	16.5%	15.3%	15.6%	15.7%	14.4%	14.1%
Tier 1 capital	\$ 15,589	\$ 15,589	\$ 16,058	\$ 16,058	\$ 15,919	\$ 15,919	\$ 15,175	\$ 15,175	\$ 14,586	\$ 14,586
Adjusted quarterly average assets	210,099	210,099	212,127	212,127	213,997	213,997	219,624	219,624	239,861	239,861
Tier 1 leverage ratio	7.4%	7.4%	7.6%	7.6%	7.4%	7.4%	6.9%	6.9%	6.1%	6.1%

⁽¹⁾ CET1, tier 1 capital, total capital and tier 1 leverage ratios for each period above were calculated in conformity with the advanced approaches provisions of the Basel III final rule.

⁽²⁾ CET1, tier 1 capital, total capital and tier 1 leverage ratios for each period above were calculated in conformity with the standardized approach provisions of the Basel III final rule.

STATE STREET CORPORATION
EARNINGS RELEASE ADDENDUM
RECONCILIATIONS OF SUPPLEMENTARY LEVERAGE RATIOS

In 2014, U.S. banking regulators issued final rules implementing a supplementary leverage ratio, or SLR, for certain bank holding companies, like State Street, and their insured depository institution subsidiaries, like State Street Bank. We refer to these final rules as the SLR final rule. Under the SLR final rule, which was implemented as of January 1, 2018, (i) State Street Bank must maintain an SLR of at least 6% to be well capitalized under the U.S. banking regulators' Prompt Corrective Action framework and (ii) if State Street maintains an SLR of at least 5%, it is not subject to limitations on distribution and discretionary bonus payments under the SLR final rule. Beginning with reporting for March 31, 2015, State Street was required to include SLR disclosures with its other Basel disclosures.

The following tables reconcile our estimated pro forma fully-phased in SLR ratios in conformity with the SLR final rule, as described, to our SLR ratios calculated in conformity with applicable regulatory requirements as of the dates indicated.

As of March 31, 2020 (Dollars in millions)		State Street Corporation	State Street Bank
Tier 1 Capital	A	\$ 14,586	\$ 17,343
On-and off-balance sheet leverage exposure		279,651	275,814
Less: regulatory deductions		(9,275)	(8,837)
Total assets for SLR	B	270,376	266,977
Supplementary Leverage Ratio	A/B	5.4 %	6.5 %
As of December 31, 2019 (Dollars in millions)		State Street Corporation	State Street Bank
Tier 1 Capital	C	15,175	16,617
On-and off-balance sheet leverage exposure		257,124	253,500
Less: regulatory deductions		(9,262)	(8,837)
Total assets for SLR	D	247,862	244,663
Supplementary Leverage Ratio	C/D	6.1 %	6.8 %
As of September 30, 2019 (Dollars in millions)		State Street Corporation	State Street Bank
Tier 1 Capital	E	15,919	17,466
On-and off-balance sheet leverage exposure		251,304	247,529
Less: regulatory deductions		(9,276)	(8,845)
Total assets for SLR	F	242,028	238,684
Supplementary Leverage Ratio	E/F	6.6 %	7.3 %
As of June 30, 2019 (Dollars in millions)		State Street Corporation	State Street Bank
Tier 1 Capital	G	16,058	17,611
On-and off-balance sheet leverage exposure		248,690	245,118
Less: regulatory deductions		(9,387)	(8,980)
Total assets for SLR	H	239,303	236,138
Supplementary Leverage Ratio	G/H	6.7 %	7.5 %
As of March 31, 2019 (Dollars in millions)		State Street Corporation	State Street Bank
Tier 1 Capital	I	\$ 15,589	\$ 17,196
On-and off-balance sheet leverage exposure		245,449	242,506
Less: regulatory deductions		(9,461)	(9,017)
Total assets for SLR	J	235,988	233,489
Supplementary Leverage Ratio	I/J	6.6 %	7.4 %