



STATE STREET

For Immediate Release

News Release

ABF Pan Asia Bond Index Exchange Traded Fund Now Available to Japanese Investors

TOKYO, July 21, 2005 — State Street Corporation (NYSE: STT), the world's leading provider of services to institutional investors, announced today that Japan's Financial Services Agency has received State Street's notification to sell the ABF Pan Asia Bond Index Fund (PAIF), an open-ended listed bond fund, as a security through brokers in Japan. PAIF, which is domiciled in Singapore and listed on the Stock Exchange of Hong Kong, is the first exchange-traded Asian bond fund as well as the first fixed income exchange-traded fund (ETF) to be made available in Japan.

PAIF is a key component of the Asian Bond Fund 2 (ABF2), an initiative developed by the Executives' Meeting of East-Asia and Pacific Central Banks (EMEAP), a group of 11 Asian central banks and monetary authorities.

PAIF invests in domestic currency sovereign and quasi-sovereign bonds from eight EMEAP economies – China, Hong Kong, Indonesia, Korea, Malaysia, Philippines, Singapore and Thailand. The fund is managed by State Street Global Advisors Singapore Limited. State Street Global Advisors is a world leader in the ETF market, managing 46 ETFs worldwide with more than US\$82 billion in assets (as of June 30, 2005). PAIF represents the firm's first fixed-income ETF. In the Asia-Pacific region, State Street Global Advisors has a

significant presence and is a global leader in the management of fixed-income assets, with more than US\$550 billion under management in global fixed income products (including cash, as of March 31, 2005).

An ETF is a listed security designed to track the performance of an established index or predetermined basket of securities. It is commonly viewed as a hybrid security, combining some of the characteristics of an ordinary share with those of a managed fund. ETFs provide investors with an inexpensive, efficient method of gaining broad-based exposure to entire markets of different countries and specific sectors as easily and quickly as on a single stock investing basis. The low cost, tradable structure also enables investors to use ETFs for a variety of purposes, including equitising cash flows, asset allocation, or short-term management of surplus cash. Investors may also use ETFs as a hedging tool or in transition management.

About State Street

State Street Corporation (NYSE: STT) is the world's leading specialist in providing institutional investors with investment servicing, investment management and investment research and trading. With \$9.6 trillion in assets under custody and \$1.4 trillion in assets under management, as of June 30, 2005, State Street operates in 25 countries and more than 100 markets worldwide. For more information, visit State Street's Web site at www.statestreet.com.

About State Street Global Advisors

State Street Global Advisors, the investment management group of State Street Corporation, delivers investment strategies and integrated solutions to clients worldwide across every asset class, investment approach and style. With \$1.4 trillion in investment programs and portfolios (as of June 30, 2005), State Street Global Advisors has investment centers in Boston, Hong Kong, London, Milan, Montreal, Munich, Paris, Singapore, Sydney, Tokyo, and Zurich, and offices in 28 cities worldwide. For more information, visit State Street Global Advisors at www.ssga.com.

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