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STATE STREET GLOBAL ALLIANCE LLC FORMS A NEW ALTERNATIVE INVESTMENT ADVISORY COMPANY, SSARIS ADVISORS, LLC

Former Principals of RXR Group, Inc. Take a Minority Interest in SSARIS

Boston, Mass, June 6, 2001, State Street Global Alliance LLC, a jointly-owned subsidiary of State Street Global Advisors (SSgA), the investment management arm of State Street Corporation (NYSE: STT), and the Dutch pension fund ABP, one of the world's top three largest pension funds, announced today that it has formed a new investment advisory firm, SSARIS Advisors, LLC (SSARIS). SSARIS will provide absolute return strategies for institutional and private clients including corporate and government pension funds, banks, insurance companies, domestic and international corporations and non-profit entities.

SSARIS, which will be based in Stamford, CT, has acquired substantially all of the assets of RXR Group, Inc., a quantitative asset management company founded in 1983 with approximately \$335 million of assets under management in proprietary programs as of December 31, 2000. State Street Global Alliance has taken a majority ownership stake in SSARIS, while the former management team of RXR owns the remaining shares. SSARIS intends to register with the Securities and Exchange Commission as an Investment Advisor and with the Commodity Futures Trading Commission as a Commodity Trading Advisor.

State Street Global Alliance LLC focuses on forging strategic partnerships with innovative specialty asset management firms around the world that jointly allow SSgA and ABP to expand and add to existing investment capabilities. As a member of the Alliance, SSARIS will provide a broad range of alternative investments designed to provide competitive performance while reducing volatility. SSARIS will manage several proprietary strategies with exposure in liquid, transparent and well-capitalized markets. Such strategies focus on hedged equity, hedged fixed income and global macro strategies of the G7 economies. SSARIS will also develop a fund-of-funds capability and expects to incubate new managers, a practice often referred to as "staking and seeding," over time.

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Mark Rosenberg, who previously was chairman and chief investment officer of RXR, will assume the same responsibilities at SSARIS. The other members of the management team are James F. Tomeo, who will serve as chief operating officer and senior portfolio manager, and Peter A. Hinrichs, who joins SSARIS in the role of chief financial officer, positions they held previously at RXR.

"We admire the tremendous track record of the SSARIS management team in developing specialized funds that have generated solid investor returns for more than 15 years, and look forward to collaborating with the firm's management -- a group of experienced individuals who are well regarded in this highly specialized sector of the investment arena," said John Snow, chairman of State Street Global Alliance, LLC. "Their unique expertise in combining non-correlated investment techniques to produce absolute returns in any economic environment adds a new and important dimension to our mandate."

"State Street Global Alliance's depth of resources and breadth of sophisticated investor client base will provide the environment we need to achieve our next level of growth," said Mark Rosenberg. "SSgA and Global Alliance possess an unusual combination of entrepreneurship and innovation along with a long tradition of superior client service through a large global infrastructure. These attributes are ideal for enabling us to expand our alternative investment capabilities to meet the financial needs of sophisticated investors."

State Street Global Alliance LLC, created in February 2001, builds on a three-year-old initiative called SSgA Global Alliance that was established as an operating unit of SSgA to seek out innovative asset management firms that complement SSgA's existing investment strategies. The other members of the Alliance include: Advanced Investment Technology (AIT), a U.S. equity quantitative fund manager based in Clearwater, Florida; Boston Capital Management, a holding company for Pallada Asset Management, a Moscow-based fund manager; Residential Capital Management, a specialty fixed-income manager based in Bellevue, WA; Rexiter Capital Management, a London-based active fundamental emerging markets manager, and The Tuckerman Group, a manager of real estate investment portfolios based in Purchase, New York.

SSgA, the investment management arm of State Street Corporation, uses quantitative and traditional techniques to manage \$703 billion in investment programs and portfolios for institutional and individual investors. In addition to Boston, SSgA has full investment operations in Hong Kong, Tokyo, Singapore, London, Paris, Montreal, Munich and Sydney. It also has offices in Brussels, Dubai, Moscow, Prague, Santiago, Toronto, Zurich, and Montpellier, France. In the United States, it has offices in Atlanta, Ga.; Chicago, Ill.; Clearwater, Fla.; Greenwich, Conn.; Hartford, Conn.; Jacksonville, Fla.; Manchester, N.H.; Naples, Fla.; New York, N.Y.; Osterville, Mass.; Purchase, N.Y.; and San Francisco, Calif. For more information, visit SSgA's web site at www.ssga.com.

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

(This news release may contain forward-looking statements, as defined by federal securities laws, that are based on current expectations and involve a number of risks and uncertainties. Important factors, including those mentioned in this news release, that could cause actual results to differ materially are set forth in the company's annual report and subsequent SEC filings. They include risks and uncertainties relating to the sustainability of worldwide economic growth, changes in interest rates, consolidations among clients and competitors, and the pace at which State Street adds new customers or at which existing customers use additional services. State Street encourages investors to review its annual report and SEC filings in conjunction with this announcement and prior to making any investment decision. The forward-looking statements contained in this news release speak only as of the date of release, June 6, 2001; and the company does not undertake to revise those forward-looking statements to reflect events after the date of this release).