

**MORGAN STANLEY DEAN WITTER & CO.**  
**Financial Summary**  
**(unaudited, dollars in millions)**

|   | Quarter Ended   |                 |                 | Percentage Change From: |              | Six Months Ended |                 | Percentage Change |
|---|-----------------|-----------------|-----------------|-------------------------|--------------|------------------|-----------------|-------------------|
|   | May 31, 1999    | May 31, 1998    | Feb 28, 1999    | May 31, 1998            | Feb 28, 1999 | May 31, 1999     | May 31, 1998    |                   |
| <b>Net revenues</b>                                       |                 |                 |                 |                         |              |                  |                 |                   |
| Securities  | \$ 4,216        | \$ 3,142        | \$ 3,887        | 34%                     | 8%           | \$ 8,103         | \$ 5,917        | 37%               |
| Asset Management  | 569             | 674             | 712             | (16%)                   | (20%)        | 1,281            | 1,251           | 2%                |
| Credit Services   | 872             | 783             | 752             | 11%                     | 16%          | 1,624            | 1,466           | 11%               |
| Consolidated net revenues                                 | <u>\$ 5,657</u> | <u>\$ 4,599</u> | <u>\$ 5,351</u> | 23%                     | 6%           | <u>\$ 11,008</u> | <u>\$ 8,634</u> | 27%               |
| <b>Net income</b>   |                 |                 |                 |                         |              |                  |                 |                   |
| Securities  | \$ 829          | \$ 537          | \$ 766          | 54%                     | 8%           | \$ 1,595         | \$ 1,019        | 57%               |
| Asset Management  | 111             | 144             | 147             | (23%)                   | (24%)        | 258              | 249             | 4%                |
| Credit Services   | 211             | 171             | 124             | 23%                     | 70%          | 335              | 275             | 22%               |
| Income before cumulative effect of a change in accounting | 1,151           | 852             | 1,037           | 35%                     | 11%          | 2,188            | 1,543           | 42%               |
| Cumulative effect of a change in accounting (1)           | 0               | 0               | 0               | --                      | --           | 0                | (117)           | *                 |
| Consolidated net income                                   | <u>\$ 1,151</u> | <u>\$ 852</u>   | <u>\$ 1,037</u> | 35%                     | 11%          | <u>\$ 2,188</u>  | <u>\$ 1,426</u> | 53%               |
| Preferred stock dividend requirements                     | <u>\$ 10</u>    | <u>\$ 14</u>    | <u>\$ 11</u>    | (29%)                   | (9%)         | <u>\$ 21</u>     | <u>\$ 29</u>    | (28%)             |
| Earnings applicable to common shares                      | <u>\$ 1,141</u> | <u>\$ 838</u>   | <u>\$ 1,026</u> | 36%                     | 11%          | <u>\$ 2,167</u>  | <u>\$ 1,397</u> | 55%               |

(1) Represents the effects of an accounting change adopted in the fourth quarter of fiscal 1998 (effective December 1, 1997) with respect to the accounting for offering costs paid by investment advisors of closed end funds where such costs are not specifically reimbursed through separate advisory contracts.

Note: The accompanying information includes the operating results of Discover Brokerage Direct, the Company's provider of electronic brokerage services, within Securities financial results. Previously, the Company had included Discover Brokerage Direct's results within its Credit Services segment. The segment data of prior periods has been restated to reflect this change.