

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(DOLLARS IN MILLIONS)	PREFERRED STOCK	COMMON STOCK ⁽¹⁾	PAID-IN CAPITAL ⁽¹⁾	RETAINED EARNINGS	CUMULATIVE TRANSLATION ADJUSTMENTS	NOTE RECEIVABLE RELATED TO SALE OF PREFERRED STOCK TO ESOP	COMMON STOCK HELD IN TREASURY, AT COST ⁽¹⁾	OTHER	TOTAL
BALANCE AT FISCAL YEAR-END 1994	\$ 819	\$6	\$3,384	\$4,758	\$ (3)	\$(109)	\$ (310)	\$ 36	\$ 8,581
Net income	—	—	—	1,465	—	—	—	—	1,465
Dividends	—	—	—	(242)	—	—	—	—	(242)
Conversion of ESOP Preferred Stock	(1)	—	1	—	—	—	—	—	—
Issuance of common stock	—	—	73	—	—	—	90	—	163
Repurchases of common stock	—	—	—	—	—	—	(267)	—	(267)
Compensation payable in common stock	—	—	149	—	—	—	126	19	294
ESOP shares allocated, at cost	—	—	—	—	—	20	—	—	20
Translation adjustments	—	—	—	—	(6)	—	—	—	(6)
BALANCE AT FISCAL YEAR-END 1995	818	6	3,607	5,981	(9)	(89)	(361)	55	10,008
Net income	—	—	—	1,980	—	—	—	—	1,980
Dividends	—	—	—	(323)	—	—	—	—	(323)
Issuance of common stock in connection with MAS acquisition	—	—	9	—	—	—	74	—	83
Redemption of 9.36% Cumulative Preferred Stock	(138)	—	—	—	—	—	—	—	(138)
Issuance of 7-¾% Cumulative Preferred Stock	200	—	(3)	—	—	—	—	—	197
Issuance of Series A Fixed/Adjustable Rate Cumulative Preferred Stock	345	—	(2)	—	—	—	—	—	343
Conversion of ESOP Preferred Stock	(2)	—	2	—	—	—	—	—	—
Issuance of common stock	—	—	97	—	—	—	133	—	230
Repurchases of common stock	—	—	—	—	—	—	(1,133)	—	(1,133)
Retirement of treasury stock	—	—	(4)	(161)	—	—	165	—	—
Compensation payable in common stock	—	—	301	—	—	—	117	28	446
ESOP shares allocated, at cost	—	—	—	—	—	11	—	—	11
Translation adjustments	—	—	—	—	(2)	—	—	—	(2)

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BALANCE AT FISCAL YEAR-END 1996	\$1,223	\$6	\$4,007	\$7,477	\$(11)	\$(78)	\$(1,005)	\$ 83	\$11,702
Net income	—	—	—	2,586	—	—	—	—	2,586
Dividends	—	—	—	(387)	—	—	—	—	(387)
Redemption of 8.88% Cumulative Preferred Stock	(195)	—	—	—	—	—	—	—	(195)
Redemption of 8-¾% Cumulative Preferred Stock	(150)	—	—	—	—	—	—	—	(150)
Conversion of ESOP Preferred Stock	(2)	—	(1)	—	—	—	3	—	—
Issuance of common stock	—	—	(22)	—	—	—	246	—	224
Repurchases of common stock	—	—	—	—	—	—	(124)	—	(124)
Compensation payable in common stock	—	—	(38)	—	—	—	278	124	364
ESOP shares allocated, at cost	—	—	—	—	—	10	—	—	10
Retirement of treasury stock	—	—	(6)	(265)	—	—	271	—	—
Translation adjustments	—	—	—	—	2	—	—	—	2
Issuance of common stock in connection with Lombard acquisition	—	—	14	—	—	—	49	—	63
Adjustment for change in Dean Witter Discover's year-end	—	—	(2)	(81)	—	—	32	(88)	(139)
BALANCE AT NOVEMBER 30, 1997	\$ 876	\$6	\$3,952	\$9,330	\$ (9)	\$(68)	\$ (250)	\$119	\$13,956

(1)