selected financial data

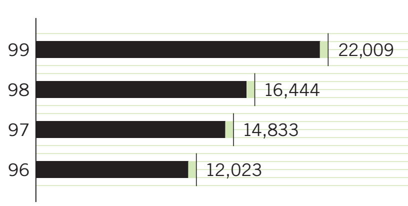
fiscal year[1] (dollars in millions, except share and per share data)	**1999**	1998	1997	1996	1995
INCOME STATEMENT DATA:					
Revenues:					
Investment banking	**$ 4,523**	$ 3,340	$ 2,694	$ 2,190	$ 1,556
Principal transactions:					
Trading	**5,983**	3,283	3,191	2,659	1,685
Investments	**725**	89	463	86	121
Commissions	**2,921**	2,321	2,066	1,776	1,533
Fees:					
Asset management, distribution and administration	**3,170**	2,889	2,525	1,732	1,377
Merchant and cardmember	**1,492**	1,647	1,704	1,505	1,135
Servicing	**1,194**	928	762	809	680
Interest and dividends	**13,755**	16,436	13,583	11,288	10,530
Other	**165**	198	144	126	115
Total revenues	**33,928**	31,131	27,132	22,171	18,732
Interest expense	**11,390**	13,514	10,806	8,934	8,190
Provision for consumer loan losses	**529**	1,173	1,493	1,214	722
Net revenues	**22,009**	16,444	14,833	12,023	9,820
Non-interest expenses:					
Compensation and benefits	**8,398**	6,636	6,019	5,071	4,005
Other	**5,883**	5,108	4,466	3,835	3,464
Merger-related expenses	**—**	—	74	—	—
Relocation charge	**—**	—	—	—	59
Total non-interest expenses	**14,281**	11,744	10,559	8,906	7,528
Gain on sale of businesses	**—**	685	—	—	—
Income before income taxes and cumulative effect of accounting change	**7,728**	5,385	4,274	3,117	2,292
Provision for income taxes	**2,937**	1,992	1,688	1,137	827
Income before cumulative effect of accounting change	**4,791**	3,393	2,586	1,980	1,465
Cumulative effect of accounting change	**—**	(117)	—	—	—
Net income	**$ 4,791**	$ 3,276	$ 2,586	$ 1,980	$ 1,465
Earnings applicable to common shares[2]	**$ 4,747**	$ 3,221	$ 2,520	$ 1,914	$ 1,400
PER SHARE DATA[3]:					
Earnings per common share:					
Basic before cumulative effect of accounting change	**$ 4.33**	$ 2.90	$ 2.19	$ 1.67	$ 1.19
Cumulative effect of accounting change	**—**	(0.10)	—	—	—
Basic	**$ 4.33**	$ 2.80	$ 2.19	$ 1.67	$ 1.19
Diluted before cumulative effect of accounting change	**$ 4.10**	$ 2.76	$ 2.08	$ 1.58	$ 1.13
Cumulative effect of accounting change	**—**	(0.09)	—	—	—
Diluted	**$ 4.10**	$ 2.67	$ 2.08	$ 1.58	$ 1.13
Book value per common share	**$ 14.85**	$ 11.94	$ 11.06	$ 9.22	$ 7.82
Dividends per common share	**$ 0.48**	$ 0.40	$ 0.28	$ 0.22	$ 0.16
BALANCE SHEET AND OTHER OPERATING DATA:					
Total assets	**$366,967**	$317,590	$302,287	$238,860	$181,961
Consumer loans, net	**20,229**	15,209	20,033	21,262	19,733
Total capital[4]	**39,699**	37,922	33,577	31,152	24,644
Long-term borrowings[4]	**22,685**	23,803	19,621	19,450	14,636
Shareholders' equity	**17,014**	14,119	13,956	11,702	10,008
Return on average common shareholders' equity	**32.6%**	24.5%	22.0%	20.0%	16.4%
Average common and equivalent shares[2][3]	**1,096,789,720**	1,151,645,450	1,149,636,466	1,146,713,860	1,180,288,434

(1) *Fiscal 1995 and fiscal 1996 represent the combination of Morgan Stanley Group Inc.'s financial statements for the fiscal years ended November 30 with Dean Witter, Discover & Co.'s financial statements for the years ended December 31.*

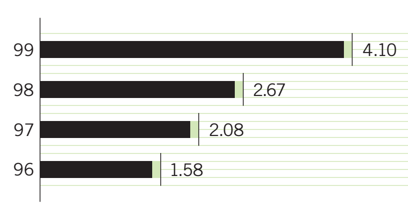
(2) *Amounts shown are used to calculate basic earnings per common share.*

(3) *Amounts have been retroactively adjusted to give effect for a two-for-one common stock split, effected in the form of a 100% stock dividend, which became effective on January 26, 2000.*

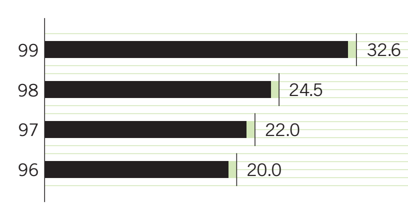
(4) *These amounts exclude the current portion of long-term borrowings and include Capital Units and Preferred Securities Issued by Subsidiaries.*



NET REVENUES
(in millions of U.S. dollars)



EARNINGS PER SHARE
(diluted, in U.S. dollars)



RETURN ON AVERAGE COMMON EQUITY
(in percent)