SELECTED FINANCIAL DATA[1]

(DOLLARS IN MILLIONS, EXCEPT SHARE AND PER SHARE DATA)

FISCAL YEAR[2]	2000	1999	1998	1997	1996
INCOME STATEMENT DATA:					
Revenues:					
Investment banking	**$ 5,008**	$ 4,523	$ 3,340	$ 2,694	$ 2,190
Principal transactions:					
Trading	**7,393**	5,830	3,159	3,191	2,659
Investments	**193**	725	89	463	86
Commissions	**3,645**	2,774	2,208	2,066	1,776
Fees:					
Asset management, distribution and administration	**4,219**	3,324	3,003	2,525	1,732
Merchant and cardmember	**1,780**	1,492	1,647	1,704	1,505
Servicing	**1,450**	1,194	928	762	809
Interest and dividends	**21,234**	14,880	16,386	13,583	11,288
Other	**491**	248	282	144	126
Total revenues	**45,413**	34,990	31,042	27,132	22,171
Interest expense	**18,176**	12,515	13,464	10,806	8,934
Provision for consumer loan losses	**810**	529	1,173	1,493	1,214
Net revenues	**26,427**	21,946	16,405	14,833	12,023
Non-interest expenses:					
Compensation and benefits	**10,936**	8,398	6,636	6,019	5,071
Other	**7,000**	5,820	5,069	4,466	3,835
Merger-related expenses	**—**	—	—	74	—
Total non-interest expenses	**17,936**	14,218	11,705	10,559	8,906
Gain on sale of businesses	**35**	—	685	—	—
Income before income taxes and cumulative effect of accounting change	**8,526**	7,728	5,385	4,274	3,117
Provision for income taxes	**3,070**	2,937	1,992	1,688	1,137
Income before cumulative effect of accounting change	**5,456**	4,791	3,393	2,586	1,980
Cumulative effect of accounting change	**—**	—	(117)	—	—
Net income	**$ 5,456**	$ 4,791	$ 3,276	$ 2,586	$ 1,980
Earnings applicable to common shares[3]	**$ 5,420**	$ 4,747	$ 3,221	$ 2,520	$ 1,914
PER SHARE DATA[4]:					
Earnings per common share:					
Basic before cumulative effect of accounting change	**$ 4.95**	$ 4.33	$ 2.90	$ 2.19	$ 1.67
Cumulative effect of accounting change	**—**	—	(0.10)	—	—
Basic	**$ 4.95**	$ 4.33	$ 2.80	$ 2.19	$ 1.67
Diluted before cumulative effect of accounting change	**$ 4.73**	$ 4.10	$ 2.76	$ 2.08	$ 1.58
Cumulative effect of accounting change	**—**	—	(0.09)	—	—
Diluted	**$ 4.73**	$ 4.10	$ 2.67	$ 2.08	$ 1.58
Book value per common share	**$ 16.91**	$ 14.85	$ 11.94	$ 11.06	$ 9.22
Dividends per common share	**$ 0.80**	$ 0.48	$ 0.40	$ 0.28	$ 0.22
BALANCE SHEET AND OTHER OPERATING DATA:					
Total assets	**$ 426,794**	$ 366,967	$ 317,590	$ 302,287	$ 238,860
Consumer loans, net	**21,090**	20,229	15,209	20,033	21,262
Total capital[5]	**49,637**	39,699	37,922	33,577	31,152
Long-term borrowings[5]	**30,366**	22,685	23,803	19,621	19,450
Shareholders' equity	**19,271**	17,014	14,119	13,956	11,702
Return on average common shareholders' equity	**30.9%**	32.6%	24.5%	22.0%	20.0%
Average common and equivalent shares[3][4]	**1,095,858,438**	1,096,789,720	1,151,645,450	1,149,636,466	1,146,713,860

(1) This information should be read in conjunction with the Company's Consolidated Financial Statements and the Notes thereto contained in the Company's Annual Report on Form 10-K for the year ended November 30, 2000, copies of which are available at www.msdw.com/ar2000 or upon request.
(2) Fiscal 1996 represents the combination of Morgan Stanley Group Inc.'s financial statements for the fiscal year ended November 30 with Dean Witter, Discover & Co.'s financial statements for the year ended December 31.
(3) Amounts shown are used to calculate basic earnings per common share.
(4) 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.
(5) These amounts exclude the current portion of long-term borrowings and include Capital Units and Preferred Securities Issued by Subsidiaries.