

MORGAN STANLEY
INDEX TO FINANCIAL STATEMENTS AND
FINANCIAL STATEMENT SCHEDULES
ITEMS (15)(a)(1) AND (15)(a)(2)

	<u>Page</u>
Financial Statements	
Independent Auditors' Report	81
Consolidated Statements of Financial Condition at November 30, 2003 and November 30, 2002	82
Consolidated Statements of Income for Fiscal 2003, Fiscal 2002 and Fiscal 2001	84
Consolidated Statements of Comprehensive Income for Fiscal 2003, Fiscal 2002 and Fiscal 2001	85
Consolidated Statements of Cash Flows for Fiscal 2003, Fiscal 2002 and Fiscal 2001	86
Consolidated Statements of Changes in Shareholders' Equity for Fiscal 2003, Fiscal 2002 and Fiscal 2001	87
Notes to Consolidated Financial Statements	88
Financial Statement Schedules	
Schedule I—Condensed Financial Information of Morgan Stanley (Parent Company Only) at November 30, 2003 and November 30, 2002 and for each of the three fiscal years in the period ended November 30, 2003	S-2–S-6

SCHEDULE I

MORGAN STANLEY
(Parent Company Only)

Condensed Statements of Financial Condition
(dollars in millions, except share data)

	November 30, 2003	November 30, 2002
Assets:		
Cash and cash equivalents	\$ 14,095	\$ 14,589
Financial instruments owned	5,104	3,059
Advances to subsidiaries	100,929	100,578
Investment in subsidiaries, at equity	27,358	23,562
Other assets	1,782	2,618
Total assets	<u>\$149,268</u>	<u>\$144,406</u>
Liabilities and Shareholders' Equity:		
Short-term borrowings	\$ 21,187	\$ 38,287
Financial instruments sold, not yet purchased	218	134
Payables to subsidiaries	39,448	29,733
Other liabilities and accrued expenses	872	1,067
Long-term borrowings	62,676	53,300
	<u>124,401</u>	<u>122,521</u>
Commitments and contingencies		
Shareholders' equity:		
Common stock, \$0.01 par value;		
Shares authorized: 3,500,000,000 in 2003 and 2002;		
Shares issued: 1,211,699,552 in 2003 and 1,211,685,904 in 2002;		
Shares outstanding: 1,084,696,446 in 2003 and 1,081,417,377 in 2002	12	12
Paid-in capital	4,028	3,678
Retained earnings	28,038	25,250
Employee stock trust	3,008	3,003
Accumulated other comprehensive income (loss)	(156)	(251)
Subtotal	34,930	31,692
Note receivable related to ESOP	(4)	(13)
Common stock held in treasury, at cost, \$0.01 par value; 127,003,106 shares in 2003 and 130,268,527 shares in 2002	(6,766)	(7,176)
Common stock issued to employee trust	(2,420)	(2,618)
Unearned stock compensation	(873)	—
Total shareholders' equity	24,867	21,885
Total liabilities and shareholders' equity	<u>\$149,268</u>	<u>\$144,406</u>

See Notes to Condensed Financial Statements.

SCHEDULE I

MORGAN STANLEY
(Parent Company Only)

Condensed Statements of Income and Comprehensive Income
(dollars in millions)

	Fiscal 2003	Fiscal 2002	Fiscal 2001
Revenues:			
Interest and dividends	\$1,929	\$2,646	\$4,175
Principal transactions	17	(4)	(50)
Other	(80)	(9)	3
Total revenues	<u>1,866</u>	<u>2,633</u>	<u>4,128</u>
Expenses:			
Interest expense	2,181	2,624	4,289
Non-interest expenses	9	8	34
Total expenses	<u>2,190</u>	<u>2,632</u>	<u>4,323</u>
(Loss) income before income tax (benefit), cumulative effect of accounting change and equity in earnings of subsidiaries	(324)	1	(195)
Income tax (benefit)	(92)	—	(84)
(Loss) income before cumulative effect of accounting change and equity in earnings of subsidiaries	(232)	1	(111)
Cumulative effect of accounting change	—	—	(26)
Equity in earnings of subsidiaries, net of tax	<u>4,019</u>	<u>2,987</u>	<u>3,658</u>
Net income	<u><u>\$3,787</u></u>	<u><u>\$2,988</u></u>	<u><u>\$3,521</u></u>
Other comprehensive income (loss), net of tax:			
Foreign currency translation adjustment	78	30	(59)
Cumulative effect of accounting change	—	—	(13)
Net change in cash flow hedges	26	—	(99)
Minimum pension liability adjustment	(9)	(19)	—
Comprehensive income	<u><u>\$3,882</u></u>	<u><u>\$2,999</u></u>	<u><u>\$3,350</u></u>
Net income	<u><u>\$3,787</u></u>	<u><u>\$2,988</u></u>	<u><u>\$3,521</u></u>
Preferred stock dividend requirements	\$ —	\$ —	\$ 32
Earnings applicable to common shares	<u><u>\$3,787</u></u>	<u><u>\$2,988</u></u>	<u><u>\$3,489</u></u>

See Notes to Condensed Financial Statements.

SCHEDULE I

MORGAN STANLEY
(Parent Company Only)

Condensed Statements of Cash Flows
(dollars in millions)

	Fiscal 2003	Fiscal 2002	Fiscal 2001
Cash flows from operating activities:			
Net income	\$ 3,787	\$ 2,988	\$ 3,521
Adjustments to reconcile net income to net cash provided by operating activities:			
Non-cash charges (credits) included in net income:			
Compensation payable in common stock and stock options	309	400	653
Equity in subsidiaries' earnings, net of dividends	(1,656)	(1,225)	(11)
Change in assets and liabilities:			
Financial instruments owned, net of financial instruments sold, not yet purchased	(2,665)	(937)	(925)
Other assets	3,056	827	100
Other liabilities and accrued expenses	(221)	(62)	(121)
Net cash provided by operating activities	<u>2,610</u>	<u>1,991</u>	<u>3,217</u>
Cash flows from investing activities:			
Investments in and advances to subsidiaries	<u>7,224</u>	<u>(13,372)</u>	<u>(7,054)</u>
Net cash provided by (used for) investing activities	<u>7,224</u>	<u>(13,372)</u>	<u>(7,054)</u>
Cash flows from financing activities:			
Net (payments for) proceeds from short-term borrowings	(17,100)	10,274	7,293
Net proceeds from:			
Issuance of common stock	222	179	197
Issuance of put options	—	6	5
Issuance of long-term borrowings	21,058	10,622	18,295
Payments for:			
Repurchases of common stock	(350)	(990)	(1,583)
Repayments of long-term borrowings	(13,164)	(6,151)	(8,359)
Redemption of cumulative preferred stock	—	(345)	(200)
Cash dividends	(994)	(1,000)	(1,040)
Net cash (used for) provided by financing activities	<u>(10,328)</u>	<u>12,595</u>	<u>14,608</u>
Net (decrease) increase in cash and cash equivalents	(494)	1,214	10,771
Cash and cash equivalents, at beginning of period	<u>14,589</u>	<u>13,375</u>	<u>2,604</u>
Cash and cash equivalents, at end of period	<u><u>\$ 14,095</u></u>	<u><u>\$ 14,589</u></u>	<u><u>\$13,375</u></u>

See Notes to Condensed Financial Statements.

MORGAN STANLEY
(Parent Company Only)

NOTES TO CONDENSED FINANCIAL STATEMENTS

1. Introduction and Basis of Presentation.

Basis of Financial Information. The accompanying condensed financial statements (the “Parent Company Financial Statements”), including the notes thereto, should be read in conjunction with the consolidated financial statements of Morgan Stanley (the “Company”) and the notes thereto found on pages 82 to 135 in this Form 10-K.

The Parent Company Financial Statements for the 12 months ended November 30, 2003 (“fiscal 2003”), November 30, 2002 (“fiscal 2002”) and November 30, 2001 (“fiscal 2001”) are prepared in accordance with accounting principles generally accepted in the U.S., which require the Company to make estimates and assumptions regarding valuations of certain financial instruments, the potential outcome of litigation and other matters that affect the Parent Company Financial Statements and related disclosures. The Company believes that the estimates utilized in the preparation of the Parent Company Financial Statements are prudent and reasonable. Actual results could differ materially from these estimates.

Certain reclassifications have been made to prior-year amounts to conform to the current presentation. All material intercompany balances and transactions have been eliminated.

Employee Stock Ownership Plan. The Company has a leveraged Employee Stock Ownership Plan (the “ESOP”) that was established to broaden internal ownership of the Company and to provide benefits to its employees in a cost-effective manner (see Note 14 to the Company’s consolidated financial statements).

2. Transactions with Subsidiaries.

The Company has transactions with its consolidated subsidiaries determined on an agreed-upon basis and has guaranteed certain unsecured lines of credit and contractual obligations of certain of its consolidated subsidiaries.

The Company received cash dividends from its consolidated subsidiaries totaling \$2,363 million, \$1,762 million and \$3,647 million in fiscal 2003, fiscal 2002 and fiscal 2001, respectively.

3. Preferred Securities Subject to Mandatory Redemption.

The Company has four consolidated Delaware statutory trusts (Morgan Stanley Capital Trust II, Morgan Stanley Capital Trust III, Morgan Stanley Capital Trust IV and Morgan Stanley Capital Trust V) that have issued an aggregate \$2,810 million of Capital Securities (see Note 12 to the Company’s consolidated financial statements). These Capital Securities are fully and unconditionally guaranteed by the Company, based on the Company’s combined obligations under a guarantee, a trust agreement and a junior subordinated debt indenture.

In December 2003, the FASB issued certain revisions to FIN 46 to clarify and expand on accounting guidance for variable interest entities. In accordance with this revised guidance, the Company will deconsolidate all of its statutory trusts (Capital Trust II, III, IV and V) at the end of the first quarter of fiscal 2004. As a result, the junior subordinated deferrable interest debentures issued by the Company to the statutory trusts will be included within the Long-term borrowings of the Company, and the common securities issued by the trusts and owned by the Company will be recorded by the Company as an asset. In addition, the Capital Securities issued by the statutory trusts no longer will be included in the Company’s consolidated statements of financial condition. The impact of the deconsolidation of the statutory trusts will not have a material effect on the Company’s consolidated financial position or results of operations.

MORGAN STANLEY
(Parent Company Only)

NOTES TO CONDENSED FINANCIAL STATEMENTS—(Continued)

4. Guarantees.

In the normal course of its business, the Company guarantees certain of its subsidiaries' obligations under derivative and other financial arrangements. The Company records all derivative contracts and Financial instruments owned and Financial instruments sold, not yet purchased at fair value on its consolidated statements of financial condition. For a discussion of the Company's risk management activities, see Note 11 to the Company's consolidated financial statements and "Quantitative and Qualitative Disclosures about Market Risk—Risk Management" in Part II Item 7A of this Form 10-K.

The Company also, in the normal course of its business, provides standard indemnities to counterparties on behalf of its subsidiaries for taxes, including U.S. and foreign withholding taxes, on interest and other payments made on derivatives, securities and stock lending transactions and certain annuity products. These indemnity payments could be required based on a change in the tax laws or change in interpretation of applicable tax rulings. Certain contracts contain provisions that enable the Company to terminate the agreement upon the occurrence of such events. The maximum potential amount of future payments that the Company could be required to make under these indemnifications cannot be estimated. The Company has not recorded any contingent liability in the condensed financial statements for these indemnifications and believes that the occurrence of any events that would trigger payments under these contracts is remote.

The Company has issued guarantees on behalf of its subsidiaries to various U.S. and non-U.S. exchanges and clearinghouses that trade and clear securities and/or futures contracts. Under these guarantee arrangements, the Company may be required to pay the financial obligations of its subsidiaries related to business transacted on or with the exchanges and clearinghouses in the event of a subsidiary's default on its obligations to the exchange or the clearinghouse. The Company has not recorded any contingent liability in the condensed financial statements for these arrangements and believes that any potential requirements to make payments under these arrangements is remote.

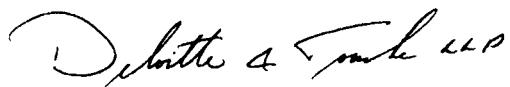
The Company guarantees certain debt instruments issued by subsidiaries which totaled \$7.4 billion at November 30, 2003. In addition, at November 30, 2003, the Company has provided guarantees up to a limit of \$10.6 billion for various commercial paper programs of its subsidiaries and has provided guarantees for Morgan Stanley & Co. International Limited's and Morgan Stanley Japan Limited's obligations under committed credit facilities of \$500 million and 70 billion Japanese yen, respectively. In connection with subsidiary lease obligations, the Company has issued guarantees to various lessors for approximately \$555 million at November 30, 2003.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of
Morgan Stanley:

We have audited the consolidated financial statements of Morgan Stanley and subsidiaries (the "Company") as of fiscal years ended November 30, 2003 and 2002, and for each of the three fiscal years in the period ended November 30, 2003, and have issued our report thereon dated February 23, 2004 (which report expresses an unqualified opinion and an explanatory paragraph relating to the adoption of Statement of Financial Accounting Standards ("SFAS") No. 123, "Accounting for Stock-Based Compensation," as amended by SFAS No. 148, "Accounting for Stock-Based Compensation—Transition and Disclosure, an amendment of FASB Statement No. 123," in 2003); such consolidated financial statements and report are included in your 2003 Annual Report on Form 10-K. Our audits also included Schedule I listed in the Index to Financial Statements and Financial Statement Schedules. This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, based on our audits, the condensed financial statement Schedule I of Morgan Stanley (Parent Company Only financial statements), when considered in relation to the basic consolidated financial statements taken as a whole, present fairly in all material respects the information set forth herein.

The Company adopted Statement of Financial Accounting Standards ("SFAS") No. 123, "Accounting for Stock-Based Compensation," as amended by SFAS No. 148, "Accounting for Stock-Based Compensation—Transition and Disclosure, an amendment of FASB Statement No. 123," in 2003.



New York, New York
February 23, 2004

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

EXHIBITS

TO

FORM 10-K

For the fiscal year ended November 30, 2003

Commission File No. 1-11758

Exhibit Index

Certain of the following exhibits, as indicated parenthetically, were previously filed as exhibits to registration statements filed by Morgan Stanley or its predecessor companies under the Securities Act or to reports or registration statements filed by Morgan Stanley or its predecessor companies under the Exchange Act, respectively, and are hereby incorporated by reference to such statements or reports. Morgan Stanley's Exchange Act file number is 1-11758. The Exchange Act file number of Morgan Stanley Group Inc., a predecessor company ("MSG"), was 1-9085.¹

<u>Exhibit No.</u>	<u>Description</u>
3.1	Amended and Restated Certificate of Incorporation of Morgan Stanley, as amended to date (Exhibit 3.1 to Morgan Stanley's Quarterly Report on Form 10-Q for the quarter ended May 31, 2002).
3.2*	By-Laws of Morgan Stanley, as amended to date.
4.1	Rights Agreement dated as of April 25, 1995 between Morgan Stanley and JPMorgan Chase Bank, as rights agent, which includes as Exhibit B thereto the Form of Rights Certificate (Exhibit 1 to Morgan Stanley's Registration Statement on Form 8-A dated April 25, 1995).
4.2	Amendment dated as of February 4, 1997 to the Rights Agreement between Morgan Stanley and JPMorgan Chase Bank, as rights agent (Exhibit 4.1 to Morgan Stanley's Current Report on Form 8-K dated February 4, 1997).
4.3	Second Amendment dated as of June 15, 1999 to the Rights Agreement between Morgan Stanley and JPMorgan Chase Bank, as rights agent (Exhibit 4.1 to Morgan Stanley's Current Report on Form 8-K dated June 15, 1999).
4.4	Indenture dated as of February 24, 1993 between Morgan Stanley and Bank One Trust Company, N.A., as trustee (Exhibit 4 to Morgan Stanley's Registration Statement on Form S-3 (No. 33-57202)).
4.5	Amended and Restated Senior Indenture dated as of May 1, 1999 between Morgan Stanley and JPMorgan Chase Bank, as trustee (Exhibit 4-e to Morgan Stanley's Registration Statement on Form S-3/A (No. 333-75289)).
4.6	First Supplemental Senior Indenture dated as of September 15, 2000 between Morgan Stanley and JPMorgan Chase Bank, as trustee (Exhibit 4-f to Morgan Stanley's Registration Statement on Form S-3/A (No. 333-47576)).
4.7	Second Supplemental Senior Indenture dated as of October 8, 2002 between Morgan Stanley and JPMorgan Chase Bank, as trustee (Exhibit 4 to Morgan Stanley's Quarterly Report on Form 10-Q for the quarter ended August 31, 2002).
4.8	Amended and Restated Subordinated Indenture dated as of May 1, 1999 between Morgan Stanley and Bank One Trust Company, N.A., as trustee (Exhibit 4-f to Morgan Stanley's Registration Statement on Form S-3/A (No. 333-75289)).
4.9	Amended and Restated Trust Agreement of Morgan Stanley Capital Trust II dated as of July 19, 2001 among Morgan Stanley, as depositor, The Bank of New York, as property trustee, The Bank of New York (Delaware), as Delaware trustee and the administrators named therein (Exhibit 10.4 to Morgan Stanley's Quarterly Report on Form 10-Q for the quarter ended August 31, 2001).
4.10	Amended and Restated Trust Agreement of Morgan Stanley Capital Trust III dated as of February 27, 2003 among Morgan Stanley, as depositor, The Bank of New York, as property trustee, The Bank of New York (Delaware), as Delaware trustee, and the administrators named therein. (Exhibit 4 to Morgan Stanley's Quarterly Report on Form 10-Q for the quarter ended February 28, 2003).
4.11	Amended and Restated Trust Agreement of Morgan Stanley Capital Trust IV dated as of April 21, 2003 among Morgan Stanley, as depositor, The Bank of New York, as property trustee, The Bank of New York (Delaware), as Delaware Trustee and the administrators named therein (Exhibit 4 to Morgan Stanley's Quarterly Report on Form 10-Q for the quarter ended May 31, 2003).

(1) For purposes of this Exhibit Index, references to "JPMorgan Chase Bank" mean the entity formerly known as The Chase Manhattan Bank, in some instances as the successor to Chemical Bank; references to "Bank One Trust Company, N.A." mean as successor to The First National Bank of Chicago; and references to "Discover Bank" mean the entity formerly known as Greenwood Trust Company.

<u>Exhibit No.</u>	<u>Description</u>
4.12	Amended and Restated Trust Agreement of Morgan Stanley Capital Trust V dated as of July 16, 2003 among Morgan Stanley, as depositor, The Bank of New York, as property trustee, The Bank of New York (Delaware), as Delaware trustee and the administrators named therein (Exhibit 4 to Morgan Stanley's Quarterly Report on Form 10-Q for the quarter ended August 31, 2003).
4.13	Junior Subordinated Indenture dated as of March 1, 1998 between Morgan Stanley and The Bank of New York, as trustee (Exhibit 4.1 to Morgan Stanley's Quarterly Report on Form 10-Q for the quarter ended February 28, 1998).
4.14	Instruments defining the Rights of Security Holders, Including Indentures—Except as set forth in Exhibits 4.1 through 4.13 above, the instruments defining the rights of holders of long-term debt securities of Morgan Stanley and its subsidiaries are omitted pursuant to Section (b)(4)(iii) of Item 601 of Regulation S-K. Morgan Stanley hereby agrees to furnish copies of these instruments to the SEC upon request.
10.1	Pooling and Servicing Agreement dated as of October 1, 1993 between Discover Bank, as master servicer, servicer and seller, and U.S. Bank National Association, as trustee (Exhibit 4.1 to the Discover Card Master Trust I Registration Statement on Form S-1 (No. 33-71502)).
10.2	First Amendment to Pooling and Servicing Agreement dated as of August 15, 1994 between Discover Bank, as master servicer, servicer and seller, and U.S. Bank National Association, as trustee (Exhibit 4.4 to the Discover Card Master Trust I Current Report on Form 8-K dated August 1, 1995 (Exchange Act file number 0-23108)).
10.3	Second Amendment to Pooling and Servicing Agreement dated as of February 29, 1996 between Discover Bank, as master servicer, servicer and seller, and U.S. Bank National Association, as trustee (Exhibit 4.4 to the Discover Card Master Trust I Current Report on Form 8-K dated April 30, 1996 (Exchange Act file number 0-23108)).
10.4	Third Amendment to Pooling and Servicing Agreement dated as of March 30, 1998 between Discover Bank, as master servicer, servicer and seller, and U.S. Bank National Association, as trustee (Exhibit 4.1(d) to the Discover Card Master Trust I Registration Statement on Form 8-A dated April 9, 1998 (Exchange Act file number 0-23108)).
10.5	Fourth Amendment to Pooling and Servicing Agreement dated as of November 30, 1998 between Discover Bank, as master servicer, servicer and seller, and U.S. Bank National Association, as trustee (Exhibit 4.1 to the Discover Card Master Trust I Current Report on Form 8-K dated November 30, 1998 (Exchange Act file number 0-23108)).
10.6	Fifth Amendment to Pooling and Servicing Agreement dated as of March 30, 2001 between Discover Bank, as master servicer, servicer and seller, and U.S. Bank National Association, as trustee (Exhibit 4.1 to the Discover Card Master Trust I Current Report on Form 8-K dated March 30, 2001 (Exchange Act file number 0-23108)).
10.7	Form of Series Supplement between Discover Bank, as master servicer, servicer and seller, and U.S. Bank National Association, as trustee (Exhibit 4.7 to the Discover Bank and the Discover Card Master Trust I Amendment No. 1 to Registration Statement on Form S-3 (Registration No. 333-110560)).
10.8	Amended and Restated Trust Agreement dated November 30, 2000 between Morgan Stanley and State Street Bank and Trust Company (Exhibit T to Amendment No. 5 to the Schedule 13D dated November 30, 2000 filed by certain senior officers of Morgan Stanley).
10.9	Amendment No. 1 to Amended and Restated Trust Agreement dated November 30, 2000 between Morgan Stanley and State Street Bank and Trust Company, effective January 1, 2002 (Exhibit 10.10 to Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended November 30, 2001).
10.10	Amendment No. 2 to Amended and Restated Trust Agreement dated November 30, 2000 between Morgan Stanley and State Street Bank and Trust Company, effective January 1, 2003 (Exhibit 10.12 to Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended November 30, 2002).
10.11*	Amendment No. 3 to Amended and Restated Trust Agreement dated November 30, 2000 between Morgan Stanley and State Street Bank and Trust Company, effective September 15, 2003.
10.12†	Dean Witter Reynolds Inc. Supplemental Pension Plan (formerly known as the Dean Witter Reynolds Financial Services Inc. Supplemental Pension Plan for Executives) (amended and restated) (Exhibit 10.32 to Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended December 31, 1993).

<u>Exhibit No.</u>	<u>Description</u>
10.13†	Omnibus Equity Incentive Plan (Exhibit 4.1 to Morgan Stanley's Registration Statement on Form S-8 (No. 33-63024)).
10.14†	Employees Replacement Stock Plan (Exhibit 4.2 to Morgan Stanley's Registration Statement on Form S-8 (No. 33-63024)).
10.15†	Amendment to Employees Replacement Stock Plan (Exhibit 10.1 to Morgan Stanley's Current Report on Form 8-K dated November 18, 1993).
10.16†	Morgan Stanley DPSP/START Plan (amended and restated effective as of October 1, 2002) (Exhibit 10.17 to Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended November 30, 2002).
10.17†	Amendment to Morgan Stanley DPSP/START Plan (Exhibit 10.18 to Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended November 30, 2002).
10.18†*	Amendment to Morgan Stanley 401(k) Plan (f/k/a the Morgan Stanley DPSP/START Plan).
10.19†*	Amendment to Morgan Stanley 401(k) Plan (f/k/a the Morgan Stanley DPSP/START Plan).
10.20†	1993 Stock Plan for Non-Employee Directors (Exhibit 4.3 to Morgan Stanley's Registration Statement on Form S-8 (No. 33-63024)).
10.21†	Amendment to 1993 Stock Plan for Non-Employee Directors (Exhibit 10.37 to Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended December 31, 1993).
10.22†	Transferred Executives Pension Supplement (amended and restated) (Exhibit 10 to Morgan Stanley's Quarterly Report on Form 10-Q for the quarter ended September 30, 1995).
10.23†*	1994 Omnibus Equity Plan (amended and restated).
10.24†	Tax Deferred Equity Participation Plan (amended and restated) (Exhibit 10.3 to Morgan Stanley's Quarterly Report on Form 10-Q for the quarter ended August 31, 1999).
10.25†*	Directors' Equity Capital Accumulation Plan (amended and restated effective September 16, 2003).
10.26†	Employees Equity Accumulation Plan (Exhibit 10.34 to Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended December 31, 1996).
10.27†	Employee Stock Purchase Plan, as amended March 18, 2002 (Exhibit 10 to Morgan Stanley's Quarterly Report on Form 10-Q for the quarter ended February 28, 2002).
10.28†	Form of Agreement under the Morgan Stanley & Co. Incorporated Owners' and Select Earners' Plan (Exhibit 10.1 to MSG's Annual Report on Form 10-K for the fiscal year ended January 31, 1993).
10.29†	Form of Agreement under the Officers' and Select Earners' Plan (Exhibit 10.2 to MSG's Annual Report on Form 10-K for the fiscal year ended January 31, 1993).
10.30†	Morgan Stanley & Co. Incorporated Excess Benefit Plan (Exhibit 10.31 to Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended November 30, 1998).
10.31†	Amendment to Morgan Stanley & Co. Incorporated Excess Benefit Plan (Exhibit 10.32 to Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended November 30, 2000).
10.32†	Amendment to Morgan Stanley & Co. Incorporated Excess Benefit Plan (Exhibit 10.2 to Morgan Stanley's Quarterly Report on Form 10-Q for the quarter ended August 31, 2002).
10.33†	Amendment to Morgan Stanley & Co. Incorporated Excess Benefit Plan (Exhibit 10.32 to Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended November 30, 2002).
10.34†*	Amendment to Morgan Stanley & Co. Incorporated Excess Benefit Plan.
10.35†	Supplemental Executive Retirement Plan (Exhibit 10.32 to Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended November 30, 1998).
10.36†	Amendment to Supplemental Executive Retirement Plan (Exhibit 10.37 to Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended November 30, 1999).
10.37†	Amendment to Supplemental Executive Retirement Plan (Exhibit 10.35 to Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended November 30, 2000).

<u>Exhibit No.</u>	<u>Description</u>
10.38†	Amendment to Supplemental Executive Retirement Plan (Exhibit 10.3 to Morgan Stanley's Quarterly Report on Form 10-Q for the quarter ended August 31, 2002).
10.39†	Amendment to Supplemental Executive Retirement Plan (Exhibit 10.37 to Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended November 30, 2002).
10.40†*	Amendment to Supplemental Executive Retirement Plan.
10.41†	Performance Unit Plan (amended and restated) (Exhibit 10.8 to MSG's Annual Report on Form 10-K for the fiscal year ended January 31, 1993).
10.42†	1988 Equity Incentive Compensation Plan, as amended (Exhibit 10.12 to MSG's Annual Report on Form 10-K for fiscal year ended January 31, 1993).
10.43†	1995 Equity Incentive Compensation Plan (Annex A to MSG's Proxy Statement for its 1996 Annual Meeting of Stockholders).
10.44†	Amendment to 1995 Equity Incentive Compensation Plan (Exhibit 10.39 to Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended November 30, 2000).
10.45†	1988 Capital Accumulation Plan, as amended (Exhibit 10.13 to MSG's Annual Report on Form 10-K for the fiscal year ended January 31, 1993).
10.46†	Form of Deferred Compensation Agreement under the Pre-Tax Incentive Program (Exhibit 10.12 to MSG's Annual Report on Form 10-K for the fiscal year ended January 31, 1994).
10.47†	Form of Deferred Compensation Agreement under the Pre-Tax Incentive Program 2 (Exhibit 10.12 to MSG's Annual Report for the fiscal year ended November 30, 1996).
10.48†	Key Employee Private Equity Recognition Plan (Exhibit 10.43 to Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended November 30, 2000).
10.49†	MSDWI Branch Manager Compensation Plan, as amended December 11, 2001 (Exhibit 10.46 to Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended November 30, 2002).
10.50†	MSDWI Financial Advisor Productivity Compensation Plan, as amended December 11, 2001 (Exhibit 10.47 to Morgan Stanley's Annual Report on Form 10-K for the fiscal year ended November 30, 2002).
10.51†*	Agreement between Morgan Stanley and Robert G. Scott dated as of October 13, 2003.
11	Statement Re: Computation of Earnings Per Common Share (The calculation of per share earnings is in Part II, Item 8, Note 10 to the Consolidated Financial Statements (Earnings per Share) and is omitted in accordance with Section (b)(11) of Item 601 of Regulation S-K).
12*	Statement Re: Computation of Ratio of Earnings to Fixed Charges and Computation of Earnings to Fixed Charges and Preferred Stock Dividends.
21*	Subsidiaries of Morgan Stanley.
23.1*	Consent of Deloitte & Touche LLP.
23.2*	Consent of BK Associates, Inc.
23.3*	Consent of Morten Beyer & Agnew, Inc.
23.4*	Consent of Airclaims Limited.
24	Powers of Attorney (included on signature page).
31.1*	Rule 13a-14(a) Certification of Chief Executive Officer.
31.2*	Rule 13a-14(a) Certification of Chief Financial Officer.
32.1*	Section 1350 Certification of Chief Executive Officer.
32.2*	Section 1350 Certification of Chief Financial Officer.

* Filed herewith.

† Management contract or compensatory plan or arrangement required to be filed as an exhibit to this Form 10-K pursuant to Item 15(c).

Certification

I, Philip J. Purcell, certify that:

1. I have reviewed this annual report on Form 10-K of Morgan Stanley;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
 - c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2004

/s/ PHILIP J. PURCELL

Philip J. Purcell
Chairman of the Board and Chief Executive Officer

Certification

I, Stephen S. Crawford, certify that:

1. I have reviewed this annual report on Form 10-K of Morgan Stanley;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
 - c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2004

/s/ STEPHEN S. CRAWFORD

Stephen S. Crawford
Executive Vice President and Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Morgan Stanley (the "Company") on Form 10-K for the fiscal year ended November 30, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Philip J. Purcell, Chairman of the Board and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ PHILIP J. PURCELL

Philip J. Purcell
Chairman of the Board and
Chief Executive Officer

Dated: February 25, 2004

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Morgan Stanley (the “Company”) on Form 10-K for the fiscal year ended November 30, 2003 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Stephen S. Crawford, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ STEPHEN S. CRAWFORD

Stephen S. Crawford
Executive Vice President and
Chief Financial Officer

Dated: February 25, 2004



Printed on Recycled Paper