

MORGAN STANLEY DEAN WITTER & CO.
Quarterly Credit Services Income Statement Information
(unaudited, dollars in millions)
(Managed Loan Basis)

	QUARTER ENDED				Percentage Change From	
	Feb 28, 2001	May 31, 2001	Aug 31, 2001	Nov 30, 2001	Feb 28, 2002	1Q02 vs. 1Q01 1Q02 vs. 4Q01
Fees:						
Merchant and cardmember	\$ 496	\$ 512	\$ 539	\$ 539	\$ 541	9% --
Servicing	0	0	0	0	0	-- --
Other	0	0	3	2	2	* --
Total non-interest revenues	496	512	542	541	543	9% --
Interest revenue	1,747	1,745	1,741	1,696	1,611	(8%) (5%)
Interest expense	798	730	657	562	499	(37%) (11%)
Net interest income	949	1,015	1,084	1,134	1,112	17% (2%)
Provision for consumer loan losses	585	625	733	771	832	42% 8%
Net credit income	364	390	351	363	280	(23%) (23%)
Net revenues	860	902	893	904	823	(4%) (9%)
Compensation and benefits	188	189	183	172	188	-- 9%
Occupancy and equipment	16	15	17	18	14	(13%) (22%)
Information processing and communications	86	93	91	105	79	(8%) (25%)
Marketing and business development	182	163	126	142	119	(35%) (16%)
Professional services	56	52	50	57	49	(13%) (14%)
Other	101	111	108	111	119	18% 7%
Total non-interest expenses	629	623	575	605	568	(10%) (6%)
Income before income taxes and cumulative effect of accounting change	231	279	318	299	255	10% (15%)
Income tax expense	89	108	122	106	88	(1%) (17%)
Income before cumulative effect of accounting change	142	171	196	193	167	18% (13%)
Cumulative effect of accounting change (1)	(13)	0	0	0	0	* --
Net income	\$ 129	\$ 171	\$ 196	\$ 193	\$ 167	29% (13%)
Compensation and benefits as a % of net revenues	22%	21%	20%	19%	23%	
Non-compensation expenses as a % of net revenues	51%	48%	44%	48%	46%	
Profit margin (2)	17%	19%	22%	21%	20%	

(1) Represents the effects of an accounting change adopted in the first quarter of fiscal 2001 with respect to the accounting for derivative instruments and hedging activities associated with SFAS 133.

(2) Net income excluding cumulative effect of accounting change as a % of net revenues.

Notes: Certain reclassifications have been made to prior period amounts to conform to the current presentation.

Refer to Legal Notice page 11.