



**MORGAN STANLEY DEAN WITTER & CO.**  
**Quarterly Investment Management Income Statement Information**  
**(unaudited, dollars in millions)**

	QUARTER ENDED					<b>Feb 28, 2002</b>	<b>1Q02 vs. 1Q01</b>	<b>1Q02 vs. 4Q01</b>
	<b>Feb 28, 2001</b>	<b>May 31, 2001</b>	<b>Aug 31, 2001</b>	<b>Nov 30, 2001</b>				
	\$ 19	\$ 15	\$ 12	\$ 7	\$ 9	(53%)	29%	
Investment banking								
Principal transactions:								
Investments	1	(1)	(1)	(4)	1	--	125%	
Commissions	12	9	12	13	11	(8%)	(15%)	
Asset management, distribution and admin fees	623	602	596	562	559	(10%)	(1%)	
Interest and dividends	24	17	16	11	8	(67%)	(27%)	
Other	11	4	7	10	18	64%	80%	
Total revenues	690	646	642	599	606	(12%)	1%	
Interest expense	2	3	2	3	1	(50%)	(67%)	
Net revenues	688	643	640	596	605	(12%)	2%	
Compensation and benefits	209	197	201	114	179	(14%)	57%	
Occupancy and equipment	25	24	24	25	19	(24%)	(24%)	
Brokerage, clearing and exchange fees	50	54	56	54	53	6%	(2%)	
Information processing and communications	24	25	29	26	22	(8%)	(15%)	
Marketing and business development	35	42	34	26	29	(17%)	12%	
Professional services	55	59	48	57	50	(9%)	(12%)	
Other	35	26	32	36	19	(46%)	(47%)	
Total non-interest expenses	433	427	424	338	371	(14%)	10%	
Income before income taxes	255	216	216	258	234	(8%)	(9%)	
Income tax expense	102	89	88	110	92	(10%)	(16%)	
Net income	\$ 153	\$ 127	\$ 128	\$ 148	\$ 142	(7%)	(4%)	
Compensation and benefits as a % of net revenues	30%	31%	31%	19%	30%			
Non-compensation expenses as a % of net revenues	33%	36%	35%	38%	32%			
Profit margin (1)	22%	20%	20%	25%	23%			

(1) Net income 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.