



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

	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
Investment banking	\$ 962	\$ 825	\$ 777	\$ 798	\$ 675	(30%)	(15%)
Principal transactions:							
Trading	1,685	2,070	1,097	649	1,122	(33%)	73%
Investments	(47)	(106)	(58)	(100)	32	168%	132%
Commissions	839	829	708	740	766	(9%)	4%
Asset management, distribution and admin fees	486	476	461	420	457	(6%)	9%
Interest and dividends	6,540	6,279	5,135	3,512	3,271	(50%)	(7%)
Other	114	135	100	134	174	53%	30%
Total revenues	10,579	10,508	8,220	6,153	6,497	(39%)	6%
Interest expense	5,831	6,081	4,564	3,007	2,666	(54%)	(11%)
Net revenues	4,748	4,427	3,656	3,146	3,831	(19%)	22%
Compensation and benefits	2,442	2,346	1,990	1,134	2,121	(13%)	87%
Occupancy and equipment	177	191	185	174	167	(6%)	(4%)
Brokerage, clearing and exchange fees	117	127	123	129	126	8%	(2%)
Information processing and communications	242	250	241	238	219	(10%)	(8%)
Marketing and business development	149	126	114	119	103	(31%)	(13%)
Professional services	223	225	186	231	126	(43%)	(45%)
Other	184	185	179	288	111	(40%)	(61%)
Total non-interest expenses	3,534	3,450	3,018	2,313	2,973	(16%)	29%
Income before taxes, extraordinary item and cumulative effect of accounting change	1,214	977	638	833	858	(29%)	3%
Income tax expense	427	338	213	282	297	(30%)	5%
Dividends on pref. sec. Issued by subs.	7	7	14	22	22	214%	--
Income before taxes, dividends on pref. sec. and cumulative effect of accounting change	780	632	411	529	539	(31%)	2%
Extraordinary item - loss on the early extinguishment of debt	0	0	(30)	0	0	--	--
Cumulative effect of accounting change (1)	(46)	0	0	0	0	*	--
Net income	<u>\$ 734</u>	<u>\$ 632</u>	<u>\$ 381</u>	<u>\$ 529</u>	<u>\$ 539</u>	(27%)	2%
Compensation and benefits as a % of net revenues	51%	53%	54%	36%	55%		
Non-compensation expenses as a % of net revenues	23%	25%	28%	37%	22%		
Profit margin (2)	16%	14%	11%	17%	14%		

(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 and extraordinary item 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.