



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

	QUARTER ENDED						Percentage Change From		Six Months Ended		Percentage Change
	Feb 28, 2001	May 31, 2001	Aug 31, 2001	Nov 30, 2001	Feb 28, 2002	May 31, 2002	2Q02 vs. 2Q01	2Q02 vs. 1Q02	May 31, 2001	May 31, 2002	
Fees:											
Merchant and cardmember servicing	\$ 313	\$ 325	\$ 362	\$ 345	\$ 341	\$ 359	10%	5%	\$ 638	\$ 700	10%
Other	427	476	434	567	541	511	7%	(6%)	903	1,052	17%
Total non-interest revenues	740	801	799	914	884	870	9%	(2%)	1,541	1,754	14%
Interest revenue	672	654	674	593	553	602	(8%)	9%	1,326	1,155	(13%)
Interest expense	339	322	303	272	269	258	(20%)	(4%)	661	527	(20%)
Net interest income	333	332	371	321	284	344	4%	21%	665	628	(6%)
Provision for consumer loan losses	213	231	277	331	345	340	47%	(1%)	444	685	54%
Net credit income	120	101	94	(10)	(61)	4	(96%)	107%	221	(57)	(126%)
Net revenues	860	902	893	904	823	874	(3%)	6%	1,762	1,697	(4%)
Compensation and benefits	188	189	183	172	188	192	2%	2%	377	380	1%
Occupancy and equipment	16	15	17	18	14	16	7%	14%	31	30	(3%)
Information processing and communications	86	93	91	105	79	90	(3%)	14%	179	169	(6%)
Marketing and business development	182	163	126	142	119	102	(37%)	(14%)	345	221	(36%)
Professional services	56	52	50	57	49	57	10%	16%	108	106	(2%)
Other	101	111	108	111	119	105	(5%)	(12%)	212	224	6%
Total non-interest expenses	629	623	575	605	568	562	(10%)	(1%)	1,252	1,130	(10%)
Income before income taxes and cumulative effect of accounting change	231	279	318	299	255	312	12%	22%	510	567	11%
Income tax expense	89	108	122	106	88	116	7%	32%	197	204	4%
Income before cumulative effect of accounting change	142	171	196	193	167	196	15%	17%	313	363	16%
Cumulative effect of accounting change (1)	(13)	0	0	0	0	0	—	—	(13)	0	*
Net income	\$ 129	\$ 171	\$ 196	\$ 193	\$ 167	\$ 196	15%	17%	\$ 300	\$ 363	21%
Compensation and benefits as a % of net revenues	22%	21%	21%	19%	23%	22%			21%	22%	
Non-compensation expenses as a % of net revenues	51%	48%	44%	48%	46%	42%			50%	44%	
Profit margin (2)	17%	19%	22%	21%	20%	22%			18%	21%	

(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.