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

	QUARTER ENDED						Percentage Change From		Six Months Ended		Percentage
	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	Change
Fees:											
Merchant and cardmember	$ 496	$ 512	$ 539	$ 539	$ 541	$ 552	8%	2%	$ 1,008	$ 1,093	8%
Servicing	0	0	0	0	0	0	--	--	0	0	--
Other	0	0	3	2	2	0	--	*	0	2	*
Total non-interest revenues	496	512	542	541	543	552	8%	2%	1,008	1,095	9%
Interest revenue	1,747	1,745	1,741	1,696	1,611	1,614	(8%)	--	3,492	3,225	(8%)
Interest expense	798	730	657	562	499	480	(34%)	(4%)	1,528	979	(36%)
Net interest income	949	1,015	1,084	1,134	1,112	1,134	12%	2%	1,964	2,246	14%
Provision for consumer loan losses	585	625	733	771	832	812	30%	(2%)	1,210	1,644	36%
Net credit income	364	390	351	363	280	322	(17%)	15%	754	602	(20%)
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%	20%	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.