



MORGAN STANLEY DEAN WITTER & CO.
Quarterly Securities 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	
Investment banking	\$ 962	\$ 825	\$ 777	\$ 798	\$ 675	\$ 647	(22%)	(4%)	\$ 1,787	\$ 1,322	(26%)
Principal transactions:											
Trading	1,685	2,070	1,097	649	1,122	704	(66%)	(37%)	3,755	1,826	(51%)
Investments	(47)	(106)	(58)	(100)	32	(17)	84%	(153%)	(153)	15	110%
Commissions	839	829	708	740	766	888	7%	16%	1,668	1,654	(1%)
Asset management, distribution and admin fees	486	476	461	420	457	478	--	5%	962	935	(3%)
Interest and dividends	6,540	6,279	5,135	3,512	3,271	3,266	(48%)	--	12,819	6,537	(49%)
Other	114	135	100	134	174	107	(21%)	(39%)	249	281	13%
Total revenues	10,579	10,508	8,220	6,153	6,497	6,073	(42%)	(7%)	21,087	12,570	(40%)
Interest expense	5,831	6,081	4,564	3,007	2,666	2,586	(57%)	(3%)	11,912	5,252	(56%)
Net revenues	4,748	4,427	3,656	3,146	3,831	3,487	(21%)	(9%)	9,175	7,318	(20%)
Compensation and benefits	2,442	2,346	1,990	1,134	2,121	1,872	(20%)	(12%)	4,788	3,993	(17%)
Occupancy and equipment	177	191	185	174	167	175	(8%)	5%	368	342	(7%)
Brokerage, clearing and exchange fees	117	127	123	129	126	119	(6%)	(6%)	244	245	--
Information processing and communications	242	250	241	238	219	220	(12%)	--	492	439	(11%)
Marketing and business development	149	126	114	119	103	125	(1%)	21%	275	228	(17%)
Professional services	223	225	186	231	126	144	(36%)	14%	448	270	(40%)
Other	184	185	179	288	111	124	(33%)	12%	369	235	(36%)
Total non-interest expenses	3,534	3,450	3,018	2,313	2,973	2,779	(19%)	(7%)	6,984	5,752	(18%)
Income before taxes, extraordinary item and cumulative effect of accounting change	1,214	977	638	833	858	708	(28%)	(17%)	2,191	1,566	(29%)
Income tax expense	427	338	213	282	297	226	(33%)	(24%)	765	523	(32%)
Div. on Pref. Sec. subject to mandatory redemption	7	7	14	22	22	22	214%	--	14	44	214%
Income before taxes, dividends on pref. sec. and cumulative effect of accounting change	780	632	411	529	539	460	(27%)	(15%)	1,412	999	(29%)
Extraordinary item - loss on the early extinguishment of debt	0	0	(30)	0	0	0	--	--	0	0	--
Cumulative effect of accounting change (1)	(46)	0	0	0	0	0	--	--	(46)	0	*
Net income	\$ 734	\$ 632	\$ 381	\$ 529	\$ 539	\$ 460	(27%)	(15%)	\$ 1,366	\$ 999	(27%)
Compensation and benefits as a % of net revenues	51%	53%	54%	36%	55%	54%			52%	55%	
Non-compensation expenses as a % of net revenues	23%	25%	28%	38%	22%	26%			24%	24%	
Profit margin (2)	16%	14%	11%	17%	14%	13%			15%	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 13:

(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.