

**MORGAN STANLEY**  
**Quarterly Financial Information and Statistical Data**  
**Investment Management**  
**(unaudited)**

	QUARTER ENDED						Percentage Change From:		Six Months Ended		Percentage
	Feb 28, 2002	May 31, 2002	Aug 31, 2002	Nov 30, 2002	Feb 28, 2003	May 31, 2003	2Q03 vs. 2Q02	2Q03 vs. 1Q03	May 31, 2002	May 31, 2003	Change
(\$ billions)											
Net flows											
Retail	\$ 1.6	\$ 1.2	\$ (0.7)	\$ (1.0)	\$ (0.5)	\$ 1.2	--	*	\$ 2.8	\$ 0.7	(75%)
Institutional	(0.6)	(0.6)	0.0	(0.8)	(2.5)	(4.0)	*	(60%)	(1.2)	(6.5)	*
Net flows excluding money markets	1.0	0.6	(0.7)	(1.8)	(3.0)	(2.8)	*	7%	1.6	(5.8)	*
Money markets	(1.2)	(4.1)	1.0	(1.2)	(0.9)	(2.6)	37%	*	(5.3)	(3.5)	34%
Assets under management or supervision by distribution channel											
Retail	\$ 280	\$ 276	\$ 260	\$ 256	\$ 246	\$ 259	(6%)	5%			
Institutional	172	175	164	164	158	162	(7%)	3%			
Total	\$ 452	\$ 451	\$ 424	\$ 420	\$ 404	\$ 421	(7%)	4%			
Assets under management or supervision by asset class											
Equity	\$ 196	\$ 201	\$ 175	\$ 172	\$ 155	\$ 174	(13%)	12%			
Fixed income	128	126	127	127	129	127	1%	(2%)			
Money market	70	65	66	66	67	65	--	(3%)			
Other (1)	58	59	56	55	53	55	(7%)	4%			
Total	\$ 452	\$ 451	\$ 424	\$ 420	\$ 404	\$ 421	(7%)	4%			

(1) Includes Alternative Investments.

Notes: Certain reclassifications have been made to prior period amounts to conform to the current presentation.

Refer to Legal Notice page 20.