



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

	QUARTER ENDED						Percentage Change From		Nine Months Ended		Percentage	
	Feb 28, 2000	May 31, 2000	Aug 31, 2000	Nov 30, 2000	Feb 28, 2001	May 31, 2001	Aug 31, 2001	3Q01 vs. 3Q00	3Q01 vs. 2Q01	Aug 31, 2000	Aug 31, 2001	Change
Fees:												
Merchant and cardmember	\$ 449	\$ 453	\$ 466	\$ 450	\$ 446	\$ 448	\$ 497	7%	11%	\$ 1,368	\$ 1,391	2%
Servicing	287	349	424	390	427	476	434	2%	(9%)	1,060	1,337	26%
Other	0	0	0	0	0	0	3	*	*	0	3	*
Total non-interest revenues	736	802	890	840	873	924	934	5%	1%	2,428	2,731	12%
Interest revenue	744	762	687	702	672	654	674	(2%)	3%	2,193	2,000	(9%)
Interest expense	358	360	326	334	339	322	303	(7%)	(6%)	1,044	964	(8%)
Net interest income	386	402	361	368	333	332	371	3%	12%	1,149	1,036	(10%)
Provision for consumer loan losses	223	204	175	208	213	231	277	58%	20%	602	721	20%
Net credit income	163	198	186	160	120	101	94	(49%)	(7%)	547	315	(42%)
Net revenues	899	1,000	1,076	1,000	993	1,025	1,028	(4%)	--	2,975	3,046	2%
Compensation and benefits	162	142	172	182	189	187	182	6%	(3%)	476	558	17%
Occupancy and equipment	15	16	17	18	19	18	19	12%	6%	48	56	17%
Information processing and communications	101	106	113	118	116	122	118	4%	(3%)	320	356	11%
Marketing and business development	280	282	295	342	315	286	261	(12%)	(9%)	857	862	1%
Professional services	40	42	47	53	49	48	45	(4%)	(6%)	129	142	10%
Other	72	69	77	70	74	85	85	10%	--	218	244	12%
Total non-interest expenses	670	657	721	783	762	746	710	(2%)	(5%)	2,048	2,218	8%
Income before income taxes and cumulative effect of accounting change	229	343	355	217	231	279	318	(10%)	14%	927	828	(11%)
Income tax expense	89	132	128	70	89	108	122	(5%)	13%	349	319	(9%)
Income before cumulative effect of accounting change	140	211	227	147	142	171	196	(14%)	15%	578	509	(12%)
Cumulative effect of accounting change (1)	0	0	0	0	(13)	0	0	--	--	0	(13)	*
Net income	\$ 140	\$ 211	\$ 227	\$ 147	\$ 129	\$ 171	\$ 196	(14%)	15%	\$ 578	\$ 496	(14%)
Compensation and benefits as a % of net revenues	18%	14%	16%	18%	19%	18%	18%			16%	18%	
Non-compensation expenses as a % of net revenues	57%	52%	51%	60%	58%	55%	51%			53%	54%	
Profit margin (2)	16%	21%	21%	15%	14%	17%	19%			19%	17%	

(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.

Refer to Legal Notice page 11.