



MORGAN STANLEY DEAN WITTER & CO.
Quarterly Securities 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
Investment banking	\$ 1,291	\$ 1,337	\$ 1,145	\$ 1,108	\$ 962	\$ 825	\$ 777	(32%)	(6%)	\$ 3,773	\$ 2,564	(32%)
Principal transactions:												
Trading	2,272	2,496	1,614	979	1,685	2,070	1,097	(32%)	(47%)	6,382	4,852	(24%)
Investments	423	(242)	55	(103)	(46)	(107)	(58)	(205%)	46%	236	(211)	(189%)
Commissions	973	961	822	849	839	828	709	(14%)	(14%)	2,756	2,376	(14%)
Asset management, distribution and administration fees	419	490	492	497	481	475	458	(7%)	(4%)	1,401	1,414	1%
Interest and dividends	3,991	4,341	5,190	4,734	6,539	6,279	5,135	(1%)	(18%)	13,522	17,953	33%
Other	85	81	142	149	114	135	100	(30%)	(26%)	308	349	13%
Total revenues	9,454	9,464	9,460	8,213	10,574	10,505	8,218	(13%)	(22%)	28,378	29,297	3%
Interest expense	3,574	4,056	4,914	4,240	5,837	6,088	4,578	(7%)	(25%)	12,544	16,503	32%
Net revenues	5,880	5,408	4,546	3,973	4,737	4,417	3,640	(20%)	(18%)	15,834	12,794	(19%)
Compensation and benefits	3,045	2,741	2,280	1,398	2,445	2,353	1,993	(13%)	(15%)	8,066	6,791	(16%)
Occupancy and equipment	137	134	160	178	175	188	182	14%	(3%)	431	545	26%
Brokerage, clearing and exchange fees	102	110	109	104	117	127	123	13%	(3%)	321	367	14%
Information processing and communications	208	237	238	275	255	266	255	7%	(4%)	683	776	14%
Marketing and business development	152	177	169	180	148	127	113	(33%)	(11%)	498	388	(22%)
Professional services	138	164	220	293	215	216	182	(17%)	(16%)	522	613	17%
Other	167	157	140	147	168	166	163	16%	(2%)	464	497	7%
Total non-interest expenses	3,949	3,720	3,316	2,575	3,523	3,443	3,011	(9%)	(13%)	10,985	9,977	(9%)
Income before taxes, extraordinary item and cumulative effect of accounting change	1,931	1,688	1,230	1,398	1,214	974	629	(49%)	(35%)	4,849	2,817	(42%)
Income tax expense	687	598	407	501	430	339	215	(47%)	(37%)	1,692	984	(42%)
Income before extraordinary item and cumulative effect of accounting change	1,244	1,090	823	897	784	635	414	(50%)	(35%)	3,157	1,833	(42%)
Extraordinary item - loss on the early extinguishment of debt	0	0	0	0	0	0	(30)	*	*	0	(30)	*
Cumulative effect of accounting change (1)	0	0	0	0	(46)	0	0	--	--	0	(46)	*
Net income	\$ 1,244	\$ 1,090	\$ 823	\$ 897	\$ 738	\$ 635	\$ 384	(53%)	(40%)	\$ 3,157	\$ 1,757	(44%)
Compensation and benefits as a % of net revenues	52%	51%	50%	35%	52%	53%	55%			51%	53%	
Non-compensation expenses as a % of net revenues	15%	18%	23%	30%	23%	25%	28%			18%	25%	
Profit margin (2)	21%	20%	18%	23%	17%	14%	11%			20%	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 133.

(2) Net income excluding cumulative effect of accounting change and extraordinary item as a % of net revenues.

Refer to Legal Notice page 11.