Morgan Stanley

MORGAN STANLEY DEAN WITTER & CO.
Financial Summary
(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
Net revenues												
Securities	$ 5,880	$ 5,408	$ 4,546	$ 3,973	$ 4,737	$ 4,417	$ 3,640	(20%)	(18%)	$ 15,834	$ 12,794	(19%)
Investment Management	649	680	687	696	655	606	603	(12%)	--	2,016	1,864	(8%)
Credit Services	899	1,000	1,076	1,000	993	1,025	1,028	(4%)	--	2,975	3,046	2%
Consolidated net revenues	$ 7,428	$ 7,088	$ 6,309	$ 5,669	$ 6,385	$ 6,048	$ 5,271	(16%)	(13%)	$ 20,825	$ 17,704	(15%)
Net income												
Securities	$ 1,244	$ 1,090	$ 823	$ 897	$ 784	$ 635	$ 414	(50%)	(35%)	$ 3,157	$ 1,833	(42%)
Investment Management	160	157	196	164	149	124	125	(36%)	1%	513	398	(22%)
Credit Services	140	211	227	147	142	171	196	(14%)	15%	578	509	(12%)
Income before extraordinary item and cumulative effect of accounting change	1,544	1,458	1,246	1,208	1,075	930	735	(41%)	(21%)	4,248	2,740	(35%)
Extraordinary item (1)	0	0	0	0	0	0	(30)	*	*	0	(30)	*
Cumulative effect of accounting change (2)	0	0	0	0	(59)	0	0	--	--	0	(59)	*
Consolidated net income	$ 1,544	$ 1,458	$ 1,246	$ 1,208	$ 1,016	$ 930	$ 705	(43%)	(24%)	$ 4,248	$ 2,651	(38%)
Preferred stock dividend requirements	$ 9	$ 9	$ 9	$ 9	$ 9	$ 9	$ 9	--	--	$ 27	$ 27	--
Earnings applicable to common shares	$ 1,535	$ 1,449	$ 1,237	$ 1,199	$ 1,007	$ 921	$ 696	(44%)	(24%)	$ 4,221	$ 2,624	(38%)
Basic earnings per common share												
Income before extraordinary item and cumulative effect of accounting change	$ 1.40	$ 1.32	$ 1.14	$ 1.10	$ 0.98	$ 0.85	$ 0.67	(41%)	(21%)	$ 3.87	$ 2.49	(36%)
Extraordinary Item	$ -	$ -	$ -	$ -	$ -	$ -	$ (0.03)	*	*	$ -	$ (0.03)	*
Cumulative effect of accounting change	$ -	$ -	$ -	$ -	$ (0.05)	$ -	$ -	--	--	$ -	$ (0.05)	*
Net Income	$ 1.40	$ 1.32	$ 1.14	$ 1.10	$ 0.93	$ 0.85	$ 0.64	(44%)	(25%)	$ 3.87	$ 2.41	(38%)
Diluted earnings per common share												
Income before extraordinary item and cumulative effect of accounting change	$ 1.34	$ 1.26	$ 1.09	$ 1.06	$ 0.94	$ 0.82	$ 0.65	(40%)	(21%)	$ 3.70	$ 2.41	(35%)
Extraordinary Item	$ -	$ -	$ -	$ -	$ -	$ -	$ (0.03)	*	*	$ -	$ (0.03)	*
Cumulative effect of accounting change	$ -	$ -	$ -	$ -	$ (0.05)	$ -	$ -	--	--	$ -	$ (0.05)	*
Net Income	$ 1.34	$ 1.26	$ 1.09	$ 1.06	$ 0.89	$ 0.82	$ 0.62	(43%)	(24%)	$ 3.70	$ 2.33	(37%)
Average common shares outstanding												
Basic	1,093,904,751	1,098,245,490	1,088,218,669	1,089,728,519	1,089,270,364	1,085,305,558	1,085,447,127			1,090,967,941	1,089,017,948	
Diluted	1,146,854,036	1,145,401,309	1,137,304,026	1,135,358,763	1,134,150,225	1,120,687,197	1,119,301,107			1,141,272,402	1,126,540,440	
Period end common shares outstanding	1,134,181,285	1,124,979,347	1,121,597,725	1,107,270,331	1,114,434,549	1,110,061,470	1,106,317,423			1,121,597,725	1,106,317,423	
Return on common equity (3)	36.3%	33.0%	27.6%	26.5%	22.5%	19.1%	14.9%			32.2%	18.8%	

(1) Represents extraordinary loss on the early extinguishment of debt.
(2) 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.
(3) Excludes the cumulative effect of accounting change and extraodinary item.
Note: Certain reclassifications have been made to prior period amounts to conform to the current presentation.
Refer to Legal Notice page 11.