



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

| | QUARTER ENDED | | | | | | | | Percentage Change From | | Twelve Months Ended | | Percentage Change |
|---|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------------------|---------------|---------------------|--------------|-------------------|
| | Feb 29, 2000 | May 31, 2000 | Aug 31, 2000 | Nov 30, 2000 | Feb 28, 2001 | May 31, 2001 | Aug 31, 2001 | Nov 30, 2001 | 4Q01 vs. 4Q00 | 4Q01 vs. 3Q01 | Nov 30, 2000 | Nov 30, 2001 | |
| Investment banking | \$ 44 | \$ 33 | \$ 27 | \$ 23 | \$ 19 | \$ 15 | \$ 12 | \$ 7 | (70%) | (42%) | \$ 127 | \$ 53 | (58%) |
| Principal transactions: | | | | | | | | | | | | | |
| Investments | 8 | 6 | 13 | 33 | 0 | 0 | (1) | (4) | (112%) | * | 60 | (5) | (108%) |
| Commissions | 11 | 11 | 9 | 9 | 10 | 8 | 9 | 10 | 11% | 11% | 40 | 37 | (8%) |
| Asset management, distribution and admin fees | 565 | 604 | 615 | 604 | 593 | 565 | 562 | 528 | (13%) | (6%) | 2,388 | 2,248 | (6%) |
| Interest and dividends | 14 | 20 | 20 | 29 | 25 | 17 | 16 | 12 | (59%) | (25%) | 83 | 70 | (16%) |
| Other | 7 | 10 | 5 | 6 | 11 | 4 | 7 | 10 | 67% | 43% | 28 | 32 | 14% |
| Total revenues | 649 | 684 | 689 | 704 | 658 | 609 | 605 | 563 | (20%) | (7%) | 2,726 | 2,435 | (11%) |
| Interest expense | 0 | 4 | 2 | 8 | 3 | 3 | 2 | 4 | (50%) | 100% | 14 | 12 | (14%) |
| Net revenues | 649 | 680 | 687 | 696 | 655 | 606 | 603 | 559 | (20%) | (7%) | 2,712 | 2,423 | (11%) |
| Compensation and benefits | 201 | 214 | 204 | 195 | 217 | 202 | 205 | 119 | (39%) | (42%) | 814 | 743 | (9%) |
| Occupancy and equipment | 23 | 24 | 25 | 25 | 26 | 26 | 26 | 25 | -- | (4%) | 97 | 103 | 6% |
| Brokerage, clearing and exchange fees | 37 | 39 | 38 | 47 | 43 | 43 | 42 | 40 | (15%) | (5%) | 161 | 168 | 4% |
| Information processing and communications | 21 | 22 | 23 | 24 | 24 | 26 | 29 | 27 | 13% | (7%) | 90 | 106 | 18% |
| Marketing and business development | 39 | 42 | 43 | 54 | 36 | 41 | 35 | 26 | (52%) | (26%) | 178 | 138 | (22%) |
| Professional services | 22 | 27 | 26 | 38 | 28 | 32 | 22 | 30 | (21%) | 36% | 113 | 112 | (1%) |
| Other | 34 | 48 | 38 | 39 | 33 | 24 | 33 | 36 | (8%) | 9% | 159 | 126 | (21%) |
| Total non-interest expenses | 377 | 416 | 397 | 422 | 407 | 394 | 392 | 303 | (28%) | (23%) | 1,612 | 1,496 | (7%) |
| Gain on the sale of business | 0 | 0 | 35 | 0 | 0 | 0 | 0 | 0 | -- | -- | 35 | 0 | * |
| Income before income taxes | 272 | 264 | 325 | 274 | 248 | 212 | 211 | 256 | (7%) | 21% | 1,135 | 927 | (18%) |
| Income tax expense | 112 | 107 | 129 | 110 | 99 | 88 | 86 | 109 | (1%) | 27% | 458 | 382 | (17%) |
| Net income | \$ 160 | \$ 157 | \$ 196 | \$ 164 | \$ 149 | \$ 124 | \$ 125 | \$ 147 | (10%) | 18% | \$ 677 | \$ 545 | (19%) |
| Compensation and benefits as a % of net revenue | 31% | 31% | 30% | 28% | 33% | 33% | 34% | 21% | | | 30% | 31% | |
| Non-compensation expenses as a % of net revenue | 27% | 30% | 28% | 33% | 29% | 32% | 31% | 33% | | | 29% | 31% | |
| Profit margin (1) | 25% | 23% | 29% | 24% | 23% | 20% | 21% | 26% | | | 25% | 22% | |

(1) Net income as a % of net revenues.

Note: Refer to Legal Notice page 11.