



MORGAN STANLEY
Quarterly Individual Investor Group Income Statement Information
(unaudited, dollars in millions)

	QUARTER ENDED									Percentage Change From:		Twelve Months Ended		Percentage Change
	Feb 28, 2001	May 31, 2001	Aug 31, 2001	Nov 30, 2001	Feb 28, 2002	May 31, 2002	Aug 31, 2002	Nov 30, 2002		4Q02 vs. 4Q01	4Q02 vs. 3Q02	Nov 30, 2001	Nov 30, 2002	
Investment banking	\$ 58	\$ 69	\$ 87	\$ 66	\$ 62	\$ 67	\$ 61	\$ 65		(2%)	7%	\$ 280	\$ 255	(9%)
Principal transactions:														
Trading	229	208	176	159	175	128	129	135		(15%)	5%	772	567	(27%)
Investments	(7)	(5)	1	0	1	0	(45)	(1)		*	98%	(11)	(45)	*
Commissions	360	346	294	300	274	328	288	267		(11%)	(7%)	1,300	1,157	(11%)
Asset management, distribution and admin fees	447	437	426	390	421	444	407	368		(6%)	(10%)	1,700	1,640	(4%)
Interest and dividends	271	191	155	118	96	97	88	78		(34%)	(11%)	735	359	(51%)
Other	14	13	4	14	27	12	115	24		71%	(79%)	45	178	*
Total revenues	1,372	1,259	1,143	1,047	1,056	1,076	1,043	936		(11%)	(10%)	4,821	4,111	(15%)
Interest expense	148	96	66	56	37	35	30	29		(48%)	(3%)	366	131	(64%)
Net revenues	1,224	1,163	1,077	991	1,019	1,041	1,013	907		(8%)	(10%)	4,455	3,980	(11%)
Total non-interest expenses	1,175	1,201	1,172	968	1,010	1,017	1,005	963		(1%)	(4%)	4,516	3,995	(12%)
Income before income taxes	49	(38)	(95)	23	9	24	8	(56)		*	*	(61)	(15)	75%
Income tax expense	24	(13)	(37)	9	2	12	3	(25)		*	*	(17)	(8)	53%
Net income	\$ 25	\$ (25)	\$ (58)	\$ 14	\$ 7	\$ 12	\$ 5	\$ (31)		*	*	\$ (44)	\$ (7)	84%
Profit margin (1)	2%	(2%)	(5%)	1%	1%	1%	0%	(3%)				(1%)	(0%)	

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

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

Refer to Legal Notice page 15.