

MORGAN STANLEY
Financial Supplement - 3Q03

Explanatory Note

As previously disclosed, the Company has been reviewing its segment allocation methodology. This review resulted in the reallocation of certain revenues and expenses in the third quarter of 2003 among the Company's business segments, Institutional Securities ("IS"), Individual Investor Group ("IIG"), Investment Management ("IM") and Credit Services. The Company believes that the results of these reallocations better reflect the economics of each business segment by representing transactions as if conducted between a segment and an external party. Prior periods have been restated to reflect these segment allocation changes. While the segment allocation changes had no effect on the Company's consolidated net income, they affected the net income of each segment.

The principal revenues and expenses that have been reallocated among the segments are:

- **Retail Customer Fixed Income Transactions.** The results of the individual fixed income business are now allocated between IS and IIG to reflect the relative value from both the execution of the retail customer trading activities through IS and the retail customer relationship management through IIG. Previously, the trading results of this business were reflected entirely in IS.
- **Money Market Funds.** Retail customers of IIG invest in money market funds managed by the Company. A percentage of the fund management fees associated with these investments is now allocated to IIG. Previously, all of these fees were reflected in IM.
- **Transfer Agency Costs.** IIG provides certain transfer agency-related activities for mutual funds, including funds managed by the Company. IM receives revenue from these funds and now reimburses certain transfer agency-related costs, including costs related to mailings, to IIG. Previously, these costs were not reimbursed by IM.
- **Certain Mutual Fund Distribution Fees.** Retail customers invest in shares of mutual funds managed by the Company. The segment results now reflect the establishment of a third party distribution relationship between IM and IIG relating to the sales of these funds. Accordingly, IM now reports the distribution fees, contingent deferred sales charge revenues and commission expenses paid to IIG associated with these sales. IIG results now reflect these commission revenues associated with current period sales. Previously, all of the revenues and expenses associated with these transactions were reported by IIG.

As a result of treating these intersegment transactions as external transactions, the Company has a new "Intersegment Eliminations" category to reconcile the segment results to the Company's consolidated results. The net income/loss in Intersegment Eliminations represents the effect of timing differences associated with the revenue and expense recognition of commissions paid by IM to IIG and the related compensation costs paid to IIG's financial advisors.

MORGAN STANLEY
Financial Supplement - 3Q03
Table of Contents

<u>Page #</u>	
1	..... Financial Summary
2	..... Quarterly Consolidated Income Statement
3	..... Quarterly Total Company Financial Information and Statistical Data
4	..... Quarterly Institutional Securities Income Statement
5	..... Quarterly Institutional Securities Financial Information and Statistical Data
6	..... Quarterly Individual Investor Group Income Statement
7	..... Quarterly Individual Investor Group Financial Information and Statistical Data
8	..... Quarterly Investment Management Income Statement
9	..... Quarterly Investment Management Financial Information and Statistical Data
10	..... Quarterly Credit Services Income Statement
11	..... Quarterly Credit Services Income Statement (Managed Loan Basis)
12	..... Quarterly Credit Services Financial Information and Statistical Data
13	..... Quarterly Intersegment Eliminations
14	..... Quarterly Inst'l. Securities, Individual Investor Group and Investment Mgmt. Combined Financial Information
15	..... Quarterly Credit Services Financial Information (Managed Loan Basis)
16	..... Quarterly Reconciliation of General Purpose Credit Card Loan Data (Current Year)
17	..... Quarterly Reconciliation of General Purpose Credit Card Loan Data (Prior Year)
18	..... YTD Reconciliation of General Purpose Credit Card Loan Data
19	..... Quarterly Reconciliation of Managed Income Statement Data
20	..... Quarterly Reconciliation of Adjusted Assets
21	..... Financial Summary - 2001
22	..... Quarterly Consolidated Income Statement - 2001
23	..... Quarterly Institutional Securities Income Statement - 2001
24	..... Quarterly Institutional Securities Financial Information and Statistical Data - 2001
25	..... Quarterly Individual Investor Group Income Statement - 2001
26	..... Quarterly Individual Investor Group Financial Information and Statistical Data - 2001
27	..... Quarterly Investment Management Income Statement - 2001
28	..... Quarterly Investment Management Financial Information and Statistical Data - 2001
29	..... Quarterly Credit Services Income Statement - 2001
30	..... Quarterly Credit Services Income Statement (Managed Loan Basis) - 2001
31	..... Quarterly Credit Services Financial Information and Statistical Data - 2001
32	..... Quarterly Intersegment Eliminations - 2001
33	..... Quarterly Inst'l. Securities, Individual Investor Group and Investment Mgmt. Combined Financial Information - 2001
34	..... Quarterly Credit Services Financial Information (Managed Loan Basis) - 2001
35	..... Quarterly Reconciliation of General Purpose Credit Card Loan Data - 2001
36	..... YTD Reconciliation of General Purpose Credit Card Loan Data - 2001
37	..... Quarterly Reconciliation of Managed Income Statement Data - 2001
38	..... Legal Notice

MORGAN STANLEY
Quarterly Financial Summary
(unaudited, dollars in millions)

	QUARTER ENDED						Percentage Change From:		Nine Months Ended		Percentage Change	
	Feb 28, 2002	May 31, 2002	Aug 31, 2002	Nov 30, 2002	Feb 28, 2003	May 31, 2003	Aug 31, 2003	3Q03 vs. 3Q02	3Q03 vs. 2Q03	Aug 31, 2002		Aug 31, 2003
Net revenues												
Institutional Securities	\$ 2,761	\$ 2,394	\$ 2,117	\$ 1,839	\$ 3,134	\$ 2,680	\$ 2,793	32%	4%	\$ 7,272	\$ 8,607	18%
Individual Investor Group	1,042	1,064	1,028	935	922	952	1,054	3%	11%	3,134	2,928	(7%)
Investment Management	725	730	642	624	590	608	653	2%	7%	2,097	1,851	(12%)
Credit Services	823	874	933	927	898	884	834	(11%)	(6%)	2,630	2,616	(1%)
Intersegment Eliminations	(89)	(94)	(81)	(74)	(70)	(79)	(83)	(2%)	(5%)	(264)	(232)	12%
Consolidated net revenues	<u>\$ 5,262</u>	<u>\$ 4,968</u>	<u>\$ 4,639</u>	<u>\$ 4,251</u>	<u>\$ 5,474</u>	<u>\$ 5,045</u>	<u>\$ 5,251</u>	13%	4%	<u>\$ 14,869</u>	<u>\$ 15,770</u>	6%
Net income / (loss)												
Institutional Securities	\$ 519	\$ 436	\$ 264	\$ 445	\$ 603	\$ 283	\$ 825	*	*	\$ 1,219	\$ 1,711	40%
Individual Investor Group	23	29	18	(11)	29	32	125	*	*	70	186	*
Investment Management	118	119	97	84	72	77	116	20%	51%	334	265	(21%)
Credit Services	166	194	209	191	182	190	185	(11%)	(3%)	569	557	(2%)
Intersegment Eliminations	22	19	23	23	19	17	18	(22%)	6%	64	54	(16%)
Consolidated net income	<u>\$ 848</u>	<u>\$ 797</u>	<u>\$ 611</u>	<u>\$ 732</u>	<u>\$ 905</u>	<u>\$ 599</u>	<u>\$ 1,269</u>	108%	112%	<u>\$ 2,256</u>	<u>\$ 2,773</u>	23%
Basic earnings per common share	\$ 0.78	\$ 0.73	\$ 0.57	\$ 0.68	\$ 0.84	\$ 0.56	\$ 1.18	107%	111%	\$ 2.08	\$ 2.57	24%
Diluted earnings per common share	\$ 0.76	\$ 0.72	\$ 0.55	\$ 0.67	\$ 0.82	\$ 0.55	\$ 1.15	109%	109%	\$ 2.03	\$ 2.52	24%
Average common shares outstanding												
Basic	1,082,380,245	1,084,993,202	1,081,708,833	1,074,654,825	1,079,052,442	1,077,386,468	1,077,680,996			1,084,059,497	1,077,140,296	
Diluted	1,112,959,092	1,113,949,482	1,105,494,894	1,095,716,005	1,099,724,140	1,097,478,351	1,100,593,303			1,111,980,428	1,098,234,894	
Period end common shares outstanding	1,101,194,353	1,097,109,821	1,093,052,009	1,081,417,377	1,089,745,941	1,086,735,086	1,088,107,975			1,093,052,009	1,088,107,975	
Return on common equity	16.4%	15.1%	11.4%	13.7%	16.3%	10.6%	22.0%			14.3%	16.3%	

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

The Company's segment results have been restated to reflect certain segment allocation changes. While such changes had no effect on the Company's consolidated net income, they impacted the net income of each segment. For a discussion of the nature of these changes, see "Explanatory Note" immediately preceding the financial pages of this release.

Refer to Legal Notice page 38.

MORGAN STANLEY
Quarterly Consolidated Income Statement Information
(unaudited, dollars in millions)

	QUARTER ENDED							Percentage Change From:		Nine Months Ended		Percentage Change
	Feb 28, 2002	May 31, 2002	Aug 31, 2002	Nov 30, 2002	Feb 28, 2003	May 31, 2003	Aug 31, 2003	3Q03 vs. 3Q02	3Q03 vs. 2Q03	Aug 31, 2002	Aug 31, 2003	
Investment banking	\$ 674	\$ 663	\$ 470	\$ 671	\$ 589	\$ 536	\$ 608	29%	13%	\$ 1,807	\$ 1,733	(4%)
Principal transactions:												
Trading	1,132	696	469	433	1,556	1,583	2,105	*	33%	2,297	5,244	128%
Investments	33	(16)	(64)	16	(22)	59	38	*	(36%)	(47)	75	*
Commissions	777	900	854	747	673	709	775	(9%)	9%	2,531	2,157	(15%)
Fees:												
Asset management, distribution and admin.	1,012	1,049	969	902	896	881	956	(1%)	9%	3,030	2,733	(10%)
Merchant and cardmember	342	347	359	372	363	339	340	(5%)	--	1,048	1,042	(1%)
Servicing	540	506	510	523	567	503	462	(9%)	(8%)	1,556	1,532	(2%)
Interest and dividends	3,836	3,877	4,376	3,790	3,789	3,692	3,534	(19%)	(4%)	12,089	11,015	(9%)
Other	197	130	216	118	87	112	111	(49%)	(1%)	543	310	(43%)
Total revenues	8,543	8,152	8,159	7,572	8,498	8,414	8,929	9%	6%	24,854	25,841	4%
Interest expense	2,936	2,844	3,188	3,002	2,688	3,060	3,368	6%	10%	8,968	9,116	2%
Provision for consumer loan losses	345	340	332	319	336	309	310	(7%)	--	1,017	955	(6%)
Net revenues	5,262	4,968	4,639	4,251	5,474	5,045	5,251	13%	4%	14,869	15,770	6%
Compensation and benefits	2,491	2,239	2,064	1,150	2,551	2,274	1,938	(6%)	(15%)	6,794	6,763	--
Occupancy and equipment	198	208	198	221	196	195	191	(4%)	(2%)	604	582	(4%)
Brokerage, clearing and exchange fees	183	176	207	213	191	202	212	2%	5%	566	605	7%
Information processing and communications	322	337	341	379	316	316	313	(8%)	(1%)	1,000	945	(6%)
Marketing and business development	244	252	285	321	262	250	199	(30%)	(20%)	781	711	(9%)
Professional services	225	250	273	346	225	259	283	4%	9%	748	767	3%
Other	252	259	302	229	307	634	238	(21%)	(62%)	813	1,179	45%
Restructuring and other charges	0	0	0	235	0	0	0	--	--	0	0	--
Total non-interest expenses	3,915	3,721	3,670	3,094	4,048	4,130	3,374	(8%)	(18%)	11,306	11,552	2%
Income before taxes and dividends on preferred securities subject to mandatory redemption	1,347	1,247	969	1,157	1,426	915	1,877	94%	105%	3,563	4,218	18%
Income tax expense	477	428	337	403	499	276	561	66%	103%	1,242	1,336	8%
Div. on pref. sec. subject to mandatory redemption	22	22	21	22	22	40	47	124%	18%	65	109	68%
Net income	\$ 848	\$ 797	\$ 611	\$ 732	\$ 905	\$ 599	\$ 1,269	108%	112%	\$ 2,256	\$ 2,773	23%
Compensation and benefits as a % of net revenues	47%	45%	44%	27%	47%	45%	37%			46%	43%	

Notes: Certain reclassifications have been made to prior period amounts to conform to the current presentation. Refer to Legal Notice page 38.

MORGAN STANLEY
Quarterly Financial Information and Statistical Data
(unaudited)

	QUARTER ENDED						Percentage Change From:		
	Feb 28, 2002	May 31, 2002	Aug 31, 2002	Nov 30, 2002	Feb 28, 2003	May 31, 2003	Aug 31, 2003	3Q03 vs. 3Q02	3Q03 vs. 2Q03
Morgan Stanley									
Total assets (millions)	\$ 491,651	\$ 553,924	\$ 516,772	\$ 529,499	\$ 559,436	\$ 586,881	\$ 580,632	12%	(1%)
Adjusted assets (1)	\$ 341,782	\$ 382,306	\$ 361,517	\$ 358,470	\$ 389,103	\$ 406,977	\$ 392,820	9%	(3%)
Period end common shares outstanding (millions)	1,101.2	1,097.1	1,093.1	1,081.4	1,089.7	1,086.7	1,088.1	--	--
Book value per common share	\$ 18.97	\$ 19.39	\$ 19.59	\$ 20.24	\$ 20.62	\$ 20.83	\$ 21.79	11%	5%
Shareholders' equity (millions) (2)	\$ 22,102	\$ 22,486	\$ 22,626	\$ 23,095	\$ 24,475	\$ 25,341	\$ 26,517	17%	5%
Total capital (millions) (3)	\$ 61,042	\$ 67,690	\$ 66,631	\$ 65,936	\$ 72,432	\$ 78,665	\$ 78,241	17%	(1%)
Worldwide employees	59,875	58,538	57,799	55,726	54,493	53,507	52,205	(10%)	(2%)
Average Daily 99%/One-Day Value-at-Risk ("VaR") (4)									
Primary Market Risk Category (\$ millions, pre-tax)									
Interest rate and credit spread	\$ 30	\$ 34	\$ 45	\$ 40	\$ 42	\$ 41	\$ 42		
Equity price	23	26	22	15	24	23	25		
Foreign exchange rate	9	5	7	6	12	11	7		
Commodity price	29	27	22	23	29	27	27		
Aggregate trading VaR	\$ 46	\$ 52	\$ 54	\$ 54	\$ 52	\$ 54	\$ 54		

(1) Represents total assets less assets attributable to matched resale agreements, certain securities borrowed transactions and segregated customer cash balances. See page 20 for further information.

(2) Includes preferred and common equity and preferred securities subject to mandatory redemption.

(3) Includes preferred and common equity, preferred securities subject to mandatory redemption, capital units and the non-current portion of long-term debt.

(4) 99%/One-Day VaR represents the loss amount that one would not expect to exceed, on average, more than one time every one hundred trading days in the Company's Institutional trading positions if the portfolio were held constant for a one day period. The Company's VaR incorporates substantially all financial instruments generating market risk that are managed by the Company's institutional trading businesses. For a further discussion of the calculation of VaR and the limitations of the Company's VaR methodology, see Part II, Item 7A "Quantitative and Qualitative Disclosures about Market Risk" in the firm's Annual Report on Form 10-K for the fiscal year ended November 30, 2002.

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

Refer to Legal Notice page 38.

MORGAN STANLEY
Quarterly Institutional Securities Income Statement Information
(unaudited, dollars in millions)

	QUARTER ENDED						Percentage Change From:		Nine Months Ended		Percentage Change	
	Feb 28, 2002	May 31, 2002	Aug 31, 2002	Nov 30, 2002	Feb 28, 2003	May 31, 2003	Aug 31, 2003	3Q03 vs. 3Q02	3Q03 vs. 2Q03	Aug 31, 2002		Aug 31, 2003
Investment banking	\$ 601	\$ 584	\$ 399	\$ 595	\$ 501	\$ 462	\$ 518	30%	12%	\$ 1,584	\$ 1,481	(7%)
Principal transactions:												
Trading	934	549	326	279	1,402	1,416	1,931	*	36%	1,809	4,749	*
Investments	30	(16)	14	14	(11)	46	30	114%	(35%)	28	65	132%
Commissions	483	546	548	456	416	423	440	(20%)	4%	1,577	1,279	(19%)
Asset management, distribution and admin. fees	20	22	24	25	22	22	24	--	9%	66	68	3%
Interest and dividends	3,185	3,165	3,618	3,088	3,194	3,075	2,943	(19%)	(4%)	9,968	9,212	(8%)
Other	147	88	72	89	62	75	60	(17%)	(20%)	307	197	(36%)
Total revenues	5,400	4,938	5,001	4,546	5,586	5,519	5,946	19%	8%	15,339	17,051	11%
Interest expense	2,639	2,544	2,884	2,707	2,452	2,839	3,153	9%	11%	8,067	8,444	5%
Net revenues	2,761	2,394	2,117	1,839	3,134	2,680	2,793	32%	4%	7,272	8,607	18%
Total non-interest expenses	1,933	1,731	1,699	1,111	2,193	2,280	1,589	(6%)	(30%)	5,363	6,062	13%
Income before taxes and dividends on preferred securities subject to mandatory redemption	828	663	418	728	941	400	1,204	*	*	1,909	2,545	33%
Income tax expense	287	205	133	261	316	77	332	150%	*	625	725	16%
Div. on pref. sec. subject to mandatory redemption	22	22	21	22	22	40	47	124%	18%	65	109	68%
Net income	<u>\$ 519</u>	<u>\$ 436</u>	<u>\$ 264</u>	<u>\$ 445</u>	<u>\$ 603</u>	<u>\$ 283</u>	<u>\$ 825</u>	*	*	<u>\$ 1,219</u>	<u>\$ 1,711</u>	40%
Pre-tax profit margin (1)	29%	27%	19%	38%	29%	13%	41%			25%	28%	
After-tax profit margin (2)	19%	18%	12%	24%	19%	11%	30%			17%	20%	

(1) Income before taxes, less dividends on preferred securities as a % of net revenues.

(2) 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 38.

MORGAN STANLEY
Quarterly Financial Information and Statistical Data
Institutional Securities
(unaudited)

	QUARTER ENDED							Percentage Change From:		Nine Months Ended		Percentage Change
	Feb 28, 2002	May 31, 2002	Aug 31, 2002	Nov 30, 2002	Feb 28, 2003	May 31, 2003	Aug 31, 2003	3Q03 vs. 3Q02	3Q03 vs. 2Q03	Aug 31, 2002	Aug 31, 2003	
Advisory revenue (millions)	\$ 292	\$ 249	\$ 149	\$ 271	\$ 166	\$ 141	\$ 130	(13%)	(8%)	\$ 690	\$ 437	(37%)
Underwriting revenue (millions)	\$ 309	\$ 335	\$ 250	\$ 324	\$ 335	\$ 321	\$ 388	55%	21%	\$ 894	\$ 1,044	17%
Sales and trading net revenue (millions) (1)												
Equity	\$ 916	\$ 939	\$ 1,052	\$ 621	\$ 977	\$ 865	\$ 830	(21%)	(4%)	\$ 2,907	\$ 2,672	(8%)
Fixed income	\$ 1,100	\$ 860	\$ 697	\$ 588	\$ 1,635	\$ 1,282	\$ 1,462	110%	14%	\$ 2,657	\$ 4,379	65%
Mergers and acquisitions announced transactions (2)												
Morgan Stanley global market volume (billions)	\$ 36.0	\$ 85.4	\$ 126.9	\$ 198.0	\$ 26.8	\$ 48.4	\$ 88.1					
Rank	5	3	4	3	2	6	5					
Worldwide equity and related issues (2)												
Morgan Stanley global market volume (billions)	\$ 6.1	\$ 11.3	\$ 13.7	\$ 25.6	\$ 3.8	\$ 13.5	\$ 22.4					
Rank	5	5	5	4	2	2	3					

(1) Includes principal trading, commissions and net interest revenue.

(2) Source: Thomson Financial Securities Data - January 1 to August 31, 2003.

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

Refer to Legal Notice page 38.



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

	QUARTER ENDED							Percentage Change From:		Nine Months Ended		Percentage Change
	Feb 28, 2002	May 31, 2002	Aug 31, 2002	Nov 30, 2002	Feb 28, 2003	May 31, 2003	Aug 31, 2003	3Q03 vs. 3Q02	3Q03 vs. 2Q03	Aug 31, 2002	Aug 31, 2003	
Investment banking	\$ 64	\$ 71	\$ 63	\$ 69	\$ 80	\$ 65	\$ 79	25%	22%	\$ 198	\$ 224	13%
Principal transactions:												
Trading	198	147	143	154	154	167	174	22%	4%	488	495	1%
Investments	1	0	(46)	0	0	0	0	*	--	(45)	0	*
Commissions	322	383	325	300	271	300	348	7%	16%	1,030	919	(11%)
Asset management, distribution and admin fees	360	375	352	322	337	333	364	3%	9%	1,087	1,034	(5%)
Interest and dividends	115	115	112	101	89	91	92	(18%)	1%	342	272	(20%)
Other	33	24	126	35	29	35	35	(72%)	--	183	99	(46%)
Total revenues	<u>1,093</u>	<u>1,115</u>	<u>1,075</u>	<u>981</u>	<u>960</u>	<u>991</u>	<u>1,092</u>	2%	10%	3,283	3,043	(7%)
Interest expense	51	51	47	46	38	39	38	(19%)	(3%)	149	115	(23%)
Net revenues	<u>1,042</u>	<u>1,064</u>	<u>1,028</u>	<u>935</u>	<u>922</u>	<u>952</u>	<u>1,054</u>	3%	11%	3,134	2,928	(7%)
Total non-interest expenses	1,001	1,010	993	956	874	887	861	(13%)	(3%)	3,004	2,622	(13%)
Income / (loss) before income taxes	41	54	35	(21)	48	65	193	*	*	130	306	135%
Income tax expense / (benefit)	18	25	17	(10)	19	33	68	*	106%	60	120	100%
Net income / (loss)	<u>\$ 23</u>	<u>\$ 29</u>	<u>\$ 18</u>	<u>\$ (11)</u>	<u>\$ 29</u>	<u>\$ 32</u>	<u>\$ 125</u>	*	*	<u>\$ 70</u>	<u>\$ 186</u>	*
Pre-tax profit margin (1)	4%	5%	3%	(2%)	5%	7%	18%			4%	11%	
After-tax profit margin (2)	2%	3%	2%	(1%)	3%	3%	12%			2%	6%	

(1) Income before taxes as a % of net revenues.

(2) Net income / (loss) 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 38.

MORGAN STANLEY
Quarterly Financial Information and Statistical Data
Individual Investor Group
(unaudited)

	QUARTER ENDED						Percentage Change From:		
	Feb 28, 2002	May 31, 2002	Aug 31, 2002	Nov 30, 2002	Feb 28, 2003	May 31, 2003	Aug 31, 2003	3Q03 vs. 3Q02	3Q03 vs. 2Q03
Global financial advisors	14,115	13,707	13,590	12,546	12,056	11,644	11,326	(17%)	(3%)
Total client assets (billions)	\$ 588	\$ 570	\$ 520	\$ 516	\$ 498	\$ 532	\$ 544	5%	2%
Fee-based client account assets (billions) (1)	\$ 114	\$ 116	\$ 107	\$ 107	\$ 105	\$ 113	\$ 122	14%	8%
Fee-based assets as a % of client assets	19%	20%	21%	21%	21%	21%	22%		
Domestic retail locations	680	663	649	608	558	547	525	(19%)	(4%)

(1) Represents the amount of assets in client accounts where the basis of payment for services is a fee calculated on those assets.

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

Refer to Legal Notice page 38.



MORGAN STANLEY
Quarterly Investment Management Income Statement Information
(unaudited, dollars in millions)

	QUARTER ENDED						Percentage Change From:		Nine Months Ended		Percentage Change	
	Feb 28, 2002	May 31, 2002	Aug 31, 2002	Nov 30, 2002	Feb 28, 2003	May 31, 2003	Aug 31, 2003	3Q03 vs. 3Q02	3Q03 vs. 2Q03	Aug 31, 2002		Aug 31, 2003
Investment banking	\$ 9	\$ 8	\$ 8	\$ 7	\$ 8	\$ 9	\$ 11	38%	22%	\$ 25	\$ 28	12%
Principal transactions:												
Investments	2	0	(32)	2	(11)	13	8	125%	(38%)	(30)	10	133%
Commissions	11	14	11	16	12	13	16	45%	23%	36	41	14%
Asset management, distribution and admin fees	673	696	635	594	575	565	612	(4%)	8%	2,004	1,752	(13%)
Interest and dividends	7	3	7	0	2	0	0	*	--	17	2	(88%)
Other	24	8	15	4	5	10	8	(47%)	(20%)	47	23	(51%)
Total revenues	726	729	644	623	591	610	655	2%	7%	2,099	1,856	(12%)
Interest expense	1	(1)	2	(1)	1	2	2	--	--	2	5	150%
Net revenues	725	730	642	624	590	608	653	2%	7%	2,097	1,851	(12%)
Total non-interest expenses	532	538	477	507	476	489	496	4%	1%	1,547	1,461	(6%)
Income before income taxes	193	192	165	117	114	119	157	(5%)	32%	550	390	(29%)
Income tax expense	75	73	68	33	42	42	41	(40%)	(2%)	216	125	(42%)
Net income	\$ 118	\$ 119	\$ 97	\$ 84	\$ 72	\$ 77	\$ 116	20%	51%	\$ 334	\$ 265	(21%)
Pre-tax profit margin (1)	27%	26%	26%	19%	19%	20%	24%			26%	21%	
After-tax profit margin (2)	16%	16%	15%	13%	12%	13%	18%			16%	14%	

(1) Income before taxes as a % of net revenues.

(2) 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 38.

MORGAN STANLEY
Quarterly Statistical Data
Investment Management
(unaudited)

	QUARTER ENDED							Percentage Change From:		Nine Months Ended		Percentage Change
	Feb 28, 2002	May 31, 2002	Aug 31, 2002	Nov 30, 2002	Feb 28, 2003	May 31, 2003	Aug 31, 2003	3Q03 vs. 3Q02	3Q03 vs. 2Q03	Aug 31, 2002	Aug 31, 2003	
(\$ billions)												
Net flows												
Retail	\$ 1.6	\$ 1.2	\$ (0.7)	\$ (1.0)	\$ (0.5)	\$ 1.2	\$ 4.9	*	*	\$ 2.1	\$ 5.6	*
Institutional	(0.6)	(0.6)	0.0	(0.8)	(2.5)	(4.0)	(2.1)	*	48%	(1.2)	(8.6)	*
Net flows excluding money markets	1.0	0.6	(0.7)	(1.8)	(3.0)	(2.8)	2.8	*	*	0.9	(3.0)	*
Money markets	(1.2)	(4.1)	1.0	(1.2)	(0.9)	(2.6)	0.2	(80%)	108%	(4.3)	(3.3)	23%
Assets under management or supervision by distribution channel												
Retail	\$ 280	\$ 276	\$ 260	\$ 256	\$ 246	\$ 259	\$ 268	3%	3%			
Institutional	172	175	164	164	158	162	165	1%	2%			
Total	\$ 452	\$ 451	\$ 424	\$ 420	\$ 404	\$ 421	\$ 433	2%	3%			
Assets under management or supervision by asset class												
Equity	\$ 196	\$ 201	\$ 175	\$ 172	\$ 155	\$ 174	\$ 189	8%	9%			
Fixed income	128	126	127	127	129	127	123	(3%)	(3%)			
Money market	70	65	66	66	67	65	66	--	2%			
Other (1)	58	59	56	55	53	55	55	(2%)	--			
Total	\$ 452	\$ 451	\$ 424	\$ 420	\$ 404	\$ 421	\$ 433	2%	3%			

(1) Includes Alternative Investments.

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

Refer to Legal Notice page 38.

MORGAN STANLEY
Quarterly Credit Services Income Statement Information
(unaudited, dollars in millions)

	QUARTER ENDED						Percentage Change From:		Nine Months Ended		Percentage Change	
	Feb 28, 2002	May 31, 2002	Aug 31, 2002	Nov 30, 2002	Feb 28, 2003	May 31, 2003	Aug 31, 2003	3Q03 vs. 3Q02	3Q03 vs. 2Q03	Aug 31, 2002		Aug 31, 2003
Fees:												
Merchant and cardmember	\$ 342	\$ 347	\$ 359	\$ 372	\$ 363	\$ 339	\$ 340	(5%)	--	\$ 1,048	\$ 1,042	(1%)
Servicing	540	506	510	523	567	503	462	(9%)	(8%)	1,556	1,532	(2%)
Other	2	17	12	0	(3)	5	18	50%	*	31	20	(35%)
Total non-interest revenues	884	870	881	895	927	847	820	(7%)	(3%)	2,635	2,594	(2%)
Interest revenue	553	602	646	612	546	543	515	(20%)	(5%)	1,801	1,604	(11%)
Interest expense	269	258	262	261	239	197	191	(27%)	(3%)	789	627	(21%)
Net interest income	284	344	384	351	307	346	324	(16%)	(6%)	1,012	977	(3%)
Provision for consumer loan losses	345	340	332	319	336	309	310	(7%)	--	1,017	955	(6%)
Net credit income	(61)	4	52	32	(29)	37	14	(73%)	(62%)	(5)	22	*
Net revenues	823	874	933	927	898	884	834	(11%)	(6%)	2,630	2,616	(1%)
Total non-interest expenses	570	564	617	628	608	582	542	(12%)	(7%)	1,751	1,732	(1%)
Income before taxes	253	310	316	299	290	302	292	(8%)	(3%)	879	884	1%
Income tax expense	87	116	107	108	108	112	107	--	(4%)	310	327	5%
Net income	\$ 166	\$ 194	\$ 209	\$ 191	\$ 182	\$ 190	\$ 185	(11%)	(3%)	\$ 569	\$ 557	(2%)
Pre-tax profit margin (1)	31%	35%	34%	32%	32%	34%	35%			33%	34%	
After-tax profit margin (2)	20%	22%	22%	21%	20%	21%	22%			22%	21%	

(1) Income before taxes as a % of net revenues.

(2) 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 38.

MORGAN STANLEY
Quarterly Credit Services Income Statement Information
(unaudited, dollars in millions)
(Managed loan basis)

	QUARTER ENDED						Percentage Change From:		Nine Months Ended		Percentage Change	
	Feb 28, 2002	May 31, 2002	Aug 31, 2002	Nov 30, 2002	Feb 28, 2003	May 31, 2003	Aug 31, 2003	3Q03 vs. 3Q02	3Q03 vs. 2Q03	Aug 31, 2002		Aug 31, 2003
Fees:												
Merchant and cardmember	\$ 527	\$ 516	\$ 525	\$ 542	\$ 547	\$ 524	\$ 523	--	--	\$ 1,568	\$ 1,594	2%
Servicing	0	0	0	0	0	0	0	--	--	0	0	--
Other	16	36	25	3	54	35	19	(24%)	(46%)	77	108	40%
Total non-interest revenues	543	552	550	545	601	559	542	(1%)	(3%)	1,645	1,702	3%
Interest revenue	1,611	1,614	1,643	1,606	1,580	1,592	1,576	(4%)	(1%)	4,868	4,748	(2%)
Interest expense	499	480	483	475	441	410	391	(19%)	(5%)	1,462	1,242	(15%)
Net interest income	1,112	1,134	1,160	1,131	1,139	1,182	1,185	2%	--	3,406	3,506	3%
Provision for consumer loan losses	832	812	777	749	842	857	893	15%	4%	2,421	2,592	7%
Net credit income	280	322	383	382	297	325	292	(24%)	(10%)	985	914	(7%)
Net revenues	823	874	933	927	898	884	834	(11%)	(6%)	2,630	2,616	(1%)
Total non-interest expenses	570	564	617	628	608	582	542	(12%)	(7%)	1,751	1,732	(1%)
Income before taxes	253	310	316	299	290	302	292	(8%)	(3%)	879	884	1%
Income tax expense	87	116	107	108	108	112	107	--	(4%)	310	327	5%
Net income	\$ 166	\$ 194	\$ 209	\$ 191	\$ 182	\$ 190	\$ 185	(11%)	(3%)	\$ 569	\$ 557	(2%)
Pre-tax profit margin (1)	31%	35%	34%	32%	32%	34%	35%			33%	34%	
After-tax profit margin (2)	20%	22%	22%	21%	20%	21%	22%			22%	21%	

(1) Income before taxes as a % of net revenues.

(2) 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 38.

MORGAN STANLEY
Quarterly Financial Information and Statistical Data
Credit Services
(unaudited, dollars in millions)

	QUARTER ENDED						Percentage Change From:		Nine Months Ended		Percentage Change	
	Feb 28, 2002	May 31, 2002	Aug 31, 2002	Nov 30, 2002	Feb 28, 2003	May 31, 2003	Aug 31, 2003	3Q03 vs. 3Q02	3Q03 vs. 2Q03	Aug 31, 2002		Aug 31, 2003
Owned credit card loans												
Period end	\$ 20,138	\$ 19,834	\$ 21,452	\$ 22,153	\$ 20,847	\$ 18,465	\$ 18,106	(16%)	(2%)	\$ 21,452	\$ 18,106	(16%)
Average	\$ 20,558	\$ 20,362	\$ 20,083	\$ 21,641	\$ 22,305	\$ 19,120	\$ 18,600	(7%)	(3%)	\$ 20,333	\$ 19,991	(2%)
Managed credit card loans (1)												
Period end	\$ 49,569	\$ 49,377	\$ 49,677	\$ 51,143	\$ 51,811	\$ 50,880	\$ 49,965	1%	(2%)	\$ 49,677	\$ 49,965	1%
Average	\$ 50,396	\$ 49,379	\$ 49,344	\$ 50,239	\$ 52,802	\$ 51,174	\$ 50,663	3%	(1%)	\$ 49,701	\$ 51,537	4%
Interest yield	12.63%	12.64%	12.86%	12.45%	11.78%	11.97%	11.94%	(92 bp)	(3 bp)	12.71%	11.90%	(81 bp)
Interest spread	8.61%	8.72%	8.91%	8.62%	8.36%	8.78%	8.91%	0 bp	13 bp	8.75%	8.69%	(6 bp)
Net charge-off rate	6.40%	6.35%	6.07%	5.95%	6.17%	6.50%	6.90%	83 bp	40 bp	6.28%	6.52%	24 bp
Delinquency rate (over 30 days)	6.75%	5.63%	5.72%	5.96%	6.33%	6.21%	6.05%	33 bp	(16 bp)	5.72%	6.05%	33 bp
Delinquency rate (over 90 days)	3.12%	2.65%	2.49%	2.66%	2.95%	3.01%	2.91%	42 bp	(10 bp)	2.49%	2.91%	42 bp
Transaction volume (billions)	\$ 24.1	\$ 23.5	\$ 24.3	\$ 25.3	\$ 26.1	\$ 24.0	\$ 24.8	2%	3%	\$ 72.0	\$ 74.9	4%
Accounts (millions)	46.0	46.2	46.2	46.5	46.5	46.4	46.3	--	--	46.2	46.3	--
Active accounts (millions)	23.8	23.4	22.8	22.6	22.3	21.8	21.3	(7%)	(2%)	22.8	21.3	(7%)
Average receivables per avg. active account (actual \$)	\$ 2,098	\$ 2,086	\$ 2,145	\$ 2,214	\$ 2,333	\$ 2,319	\$ 2,348	9%	1%	\$ 2,109	\$ 2,333	11%
Securitization gain	\$ 8	\$ 11	\$ (3)	\$ 4	\$ 35	\$ 11	\$ (9)	*	*	\$ 16	\$ 37	131%

(1) Includes owned and securitized credit card loans.

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

Refer to Legal Notice page 38.

MORGAN STANLEY
Quarterly Intersegment Eliminations Income Statement Information
(unaudited, dollars in millions)

	QUARTER ENDED							Percentage Change From:		Nine Months Ended		Percentage Change
	Feb 28, 2002	May 31, 2002	Aug 31, 2002	Nov 30, 2002	Feb 28, 2003	May 31, 2003	Aug 31, 2003	3Q03 vs. 3Q02	3Q03 vs. 2Q03	Aug 31, 2002	Aug 31, 2003	
Investment banking	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	--	--	\$ 0	\$ 0	--
Principal transactions:												
Trading	0	0	0	0	0	0	0	--	--	0	0	--
Investments	0	0	0	0	0	0	0	--	--	0	0	--
Commissions	(39)	(43)	(30)	(25)	(26)	(27)	(29)	3%	(7%)	(112)	(82)	27%
Asset management, distribution and admin. fees	(41)	(44)	(42)	(39)	(38)	(39)	(44)	(5%)	(13%)	(127)	(121)	5%
Interest and dividends	(24)	(8)	(7)	(11)	(42)	(17)	(16)	(129%)	6%	(39)	(75)	(92%)
Other	(9)	(7)	(9)	(10)	(6)	(13)	(10)	(11%)	23%	(25)	(29)	(16%)
Total revenues	(113)	(102)	(88)	(85)	(112)	(96)	(99)	(13%)	(3%)	(303)	(307)	(1%)
Interest expense	(24)	(8)	(7)	(11)	(42)	(17)	(16)	(129%)	6%	(39)	(75)	(92%)
Net revenues	(89)	(94)	(81)	(74)	(70)	(79)	(83)	(2%)	(5%)	(264)	(232)	12%
Total non-interest expenses	(121)	(122)	(116)	(108)	(103)	(108)	(114)	2%	(6%)	(359)	(325)	9%
Income before taxes and dividends on preferred securities subject to mandatory redemption	32	28	35	34	33	29	31	(11%)	7%	95	93	(2%)
Income tax expense	10	9	12	11	14	12	13	8%	8%	31	39	26%
Net income	<u>\$ 22</u>	<u>\$ 19</u>	<u>\$ 23</u>	<u>\$ 23</u>	<u>\$ 19</u>	<u>\$ 17</u>	<u>\$ 18</u>	(22%)	6%	<u>\$ 64</u>	<u>\$ 54</u>	(16%)



The following (page 14) presents more detailed financial information regarding the results of operations for the combined institutional securities, individual investor group and investment management businesses. Morgan Stanley believes that a combined presentation is informative due to certain synergies among these businesses, as well as to facilitate comparisons of the Company's results with those of other companies in the financial services industry that have securities and asset management businesses. Morgan Stanley provides this type of presentation for its credit services activities (page 15) in order to provide helpful comparison to other credit card issuers.

MORGAN STANLEY
Quarterly Institutional Securities, Individual Investor Group and Investment Management (1)
Combined Income Statement Information
(unaudited, dollars in millions)

	QUARTER ENDED							Percentage Change From:		Nine Months Ended		Percentage Change
	Feb 28, 2002	May 31, 2002	Aug 31, 2002	Nov 30, 2002	Feb 28, 2003	May 31, 2003	Aug 31, 2003	3Q03 vs. 3Q02	3Q03 vs. 2Q03	Aug 31, 2002	Aug 31, 2003	
Investment banking	\$ 674	\$ 663	\$ 470	\$ 671	\$ 589	\$ 536	\$ 608	29%	13%	\$ 1,807	\$ 1,733	(4%)
Principal transactions:												
Trading	1,132	696	469	433	1,556	1,583	2,105	*	33%	2,297	5,244	128%
Investments	33	(16)	(64)	16	(22)	59	38	*	(36%)	(47)	75	*
Commissions	777	900	854	747	673	709	775	(9%)	9%	2,531	2,157	(15%)
Asset management, distribution and administration fees	1,012	1,049	969	902	896	881	956	(1%)	9%	3,030	2,733	(10%)
Interest and dividends	3,297	3,275	3,730	3,182	3,282	3,159	3,029	(19%)	(4%)	10,302	9,471	(8%)
Other	197	115	207	122	90	113	96	(54%)	(15%)	519	299	(42%)
Total revenues	7,122	6,682	6,635	6,073	7,064	7,040	7,607	15%	8%	20,439	21,712	6%
Interest expense	2,681	2,586	2,926	2,745	2,488	2,873	3,187	9%	11%	8,193	8,549	4%
Net revenues	4,441	4,096	3,709	3,328	4,576	4,167	4,420	19%	6%	12,246	13,163	7%
Compensation and benefits	2,299	2,042	1,858	971	2,337	2,071	1,746	(6%)	(16%)	6,199	6,154	(1%)
Occupancy and equipment	182	190	180	200	176	176	170	(6%)	(3%)	552	522	(5%)
Brokerage, clearing and exchange fees	183	176	207	213	191	202	212	2%	5%	566	605	7%
Information processing and communications	242	246	247	281	228	234	227	(8%)	(3%)	735	689	(6%)
Marketing and business development	124	150	139	151	109	122	108	(22%)	(11%)	413	339	(18%)
Professional services	174	191	211	266	174	196	218	3%	11%	576	588	2%
Other	143	164	214	153	225	553	154	(28%)	(72%)	521	932	79%
Restructuring and other charges	0	0	0	235	0	0	0	--	--	0	0	--
Total non-interest expenses	3,347	3,159	3,056	2,470	3,440	3,554	2,835	(7%)	(20%)	9,562	9,829	3%
Income before taxes and dividend on pref. sec. subject to mandatory redemption	1,094	937	653	858	1,136	613	1,585	143%	*	2,684	3,334	24%
Income tax expense	390	312	230	295	391	164	454	97%	*	932	1,009	8%
Div. on pref. sec. subject to mandatory redemption	22	22	21	22	22	40	47	124%	18%	65	109	68%
Net income	\$ 682	\$ 603	\$ 402	\$ 541	\$ 723	\$ 409	\$ 1,084	*	*	\$ 1,687	\$ 2,216	31%
Compensation and benefits as a % of net revenues	52%	50%	50%	29%	51%	50%	40%			51%	47%	
Non-compensation expenses as a % of net revenues (2)	24%	27%	32%	38%	24%	36%	25%			27%	28%	
Pre-tax profit margin (3)	24%	22%	17%	25%	24%	14%	35%			21%	25%	
After-tax profit margin (4)	15%	15%	11%	16%	16%	10%	25%			14%	17%	
Number of employees (5)	43,878	43,237	42,585	40,424	38,867	38,031	37,493	(12%)	(1%)			

(1) Includes the elimination of intersegment activity.

(2) Excludes restructuring and other charges.

(3) Income before taxes, less dividend on preferred securities as a % of net revenues.

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

(5) Includes Institutional Securities, Individual Investor Group, Investment Management and Infrastructure / Company areas.

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

Refer to Legal Notice page 40.

MORGAN STANLEY
Quarterly Credit Services Income Statement Information
(unaudited, dollars in millions)
(Managed Loan Basis)

	QUARTER ENDED							Percentage Change From:		Nine Months Ended		Percentage Change
	Feb 28, 2002	May 31, 2002	Aug 31, 2002	Nov 30, 2002	Feb 28, 2003	May 31, 2003	Aug 31, 2003	3Q03 vs. 3Q02	3Q03 vs. 2Q03	Aug 31, 2002	Aug 31, 2003	
Fees:												
Merchant and cardmember	\$ 527	\$ 516	\$ 525	\$ 542	\$ 547	\$ 524	\$ 523	--	--	\$ 1,568	\$ 1,594	2%
Servicing	0	0	0	0	0	0	0	--	--	0	0	--
Other	16	36	25	3	54	35	19	(24%)	(46%)	77	108	40%
Total non-interest revenues	<u>543</u>	<u>552</u>	<u>550</u>	<u>545</u>	<u>601</u>	<u>559</u>	<u>542</u>	(1%)	(3%)	<u>1,645</u>	<u>1,702</u>	3%
Interest revenue	1,611	1,614	1,643	1,606	1,580	1,592	1,576	(4%)	(1%)	4,868	4,748	(2%)
Interest expense	499	480	483	475	441	410	391	(19%)	(5%)	1,462	1,242	(15%)
Net interest income	<u>1,112</u>	<u>1,134</u>	<u>1,160</u>	<u>1,131</u>	<u>1,139</u>	<u>1,182</u>	<u>1,185</u>	2%	--	<u>3,406</u>	<u>3,506</u>	3%
Provision for consumer loan losses	832	812	777	749	842	857	893	15%	4%	2,421	2,592	7%
Net credit income	<u>280</u>	<u>322</u>	<u>383</u>	<u>382</u>	<u>297</u>	<u>325</u>	<u>292</u>	(24%)	(10%)	<u>985</u>	<u>914</u>	(7%)
Net revenues	<u>823</u>	<u>874</u>	<u>933</u>	<u>927</u>	<u>898</u>	<u>884</u>	<u>834</u>	(11%)	(6%)	<u>2,630</u>	<u>2,616</u>	(1%)
Compensation and benefits	192	197	206	179	214	203	192	(7%)	(5%)	595	609	2%
Occupancy and equipment	16	18	18	21	20	19	21	17%	11%	52	60	15%
Information processing and communications	80	91	94	98	88	82	86	(9%)	5%	265	256	(3%)
Marketing and business development	120	102	146	170	153	128	91	(38%)	(29%)	368	372	1%
Professional services	51	59	62	80	51	63	65	5%	3%	172	179	4%
Other	111	97	91	80	82	87	87	(4%)	--	299	256	(14%)
Total non-interest expenses	<u>570</u>	<u>564</u>	<u>617</u>	<u>628</u>	<u>608</u>	<u>582</u>	<u>542</u>	(12%)	(7%)	<u>1,751</u>	<u>1,732</u>	(1%)
Income before taxes	253	310	316	299	290	302	292	(8%)	(3%)	879	884	1%
Income tax expense	87	116	107	108	108	112	107	--	(4%)	310	327	5%
Net income	<u>\$ 166</u>	<u>\$ 194</u>	<u>\$ 209</u>	<u>\$ 191</u>	<u>\$ 182</u>	<u>\$ 190</u>	<u>\$ 185</u>	(11%)	(3%)	<u>\$ 569</u>	<u>\$ 557</u>	(2%)
Compensation and benefits as a % of net revenues	23%	23%	22%	19%	24%	23%	23%			23%	23%	
Non-compensation expenses as a % of net revenues	46%	42%	44%	48%	44%	43%	42%			44%	43%	
Pre-tax profit margin (1)	31%	35%	34%	32%	32%	34%	35%			33%	34%	
After-tax profit margin (2)	20%	22%	22%	21%	20%	21%	22%			22%	21%	
Number of employees	15,997	15,301	15,214	15,302	15,626	15,476	14,712	(3%)	(5%)			

(1) Income before taxes as a % of net revenues.

(2) 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 38.



The following pages 16 - 19 present a reconciliation for certain information disclosed on pages 11, 12 and 15.

The data is presented on both a "managed" loan basis and as reported under generally accepted accounting principles ("owned" loan basis). Managed loan data assumes that the Company's securitized loan receivables have not been sold and presents the results of securitized loan receivables in the same manner as the Company's owned loans. The Company operates its Credit Services business and analyzes its financial performance on a managed basis. Accordingly, underwriting and servicing standards are comparable for both owned and securitized loans. The Company believes that managed loan information is useful to investors because it provides information regarding the quality of loan origination and credit performance of the entire managed portfolio and allows investors to understand the related credit risks inherent in owned loans and retained interests in securitizations. In addition, investors often request information on a managed basis, which provides a more meaningful comparison to industry competitors.

MORGAN STANLEY
Quarterly Credit Services Reconciliation of General Purpose Credit Card Loan Data (1)
(unaudited, dollars in millions)

Quarter Ended August 31, 2003

	<u>Period End</u>	<u>Average</u>	<u>Interest Yield</u>	<u>Interest Spread</u>	<u>Net Charge-offs</u>	<u>Delinquency Rate</u>	
						<u>30 Days</u>	<u>90 Days</u>
General Purpose Credit Card Loans:							
Owned	\$ 18,106	\$ 18,600	10.28%	6.05%	6.26%	5.28%	2.54%
Securitized	31,859	32,063	12.91%	10.52%	7.26%	6.48%	3.12%
Managed	<u>\$ 49,965</u>	<u>\$ 50,663</u>	11.94%	8.91%	6.90%	6.05%	2.91%

Quarter Ended May 31, 2003

	<u>Period End</u>	<u>Average</u>	<u>Interest Yield</u>	<u>Interest Spread</u>	<u>Net Charge-offs</u>	<u>Delinquency Rate</u>	
						<u>30 Days</u>	<u>90 Days</u>
General Purpose Credit Card Loans:							
Owned	\$ 18,465	\$ 19,120	10.57%	6.28%	5.92%	5.27%	2.56%
Securitized	32,415	32,054	12.81%	10.23%	6.84%	6.74%	3.27%
Managed	<u>\$ 50,880</u>	<u>\$ 51,174</u>	11.97%	8.78%	6.50%	6.21%	3.01%

Quarter Ended Feb 28, 2003

	<u>Period End</u>	<u>Average</u>	<u>Interest Yield</u>	<u>Interest Spread</u>	<u>Net Charge-offs</u>	<u>Delinquency Rate</u>	
						<u>30 Days</u>	<u>90 Days</u>
General Purpose Credit Card Loans:							
Managed	\$ 20,847	\$ 22,305	9.26%	4.73%	5.55%	5.60%	2.63%
Securitized	30,964	30,497	13.61%	10.96%	6.63%	6.82%	3.17%
Owned	<u>\$ 51,811</u>	<u>\$ 52,802</u>	11.78%	8.36%	6.17%	6.33%	2.95%

(1) The tables provide a reconciliation of certain managed and owned basis statistical data (period-end and average loan balances, interest yield, interest spread, net charge-off rates, and 30- and 90-day delinquency rates) for the periods indicated.

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

Refer to Legal Notice page 38.

MORGAN STANLEY
Quarterly Credit Services Reconciliation of General Purpose Credit Card Loan Data (1)
(unaudited, dollars in millions)

		Quarter Ended Nov 30, 2002					Delinquency Rate	
General Purpose Credit Card Loans:	Period End	Average	Interest Yield	Interest Spread	Net Charge-	30 Days	90 Days	
Owned	\$ 22,153	\$ 21,641	10.69%	5.59%	5.83%	5.32%	2.41%	
Securitized	28,990	28,598	13.78%	10.84%	6.03%	6.45%	2.85%	
Managed	<u>\$ 51,143</u>	<u>\$ 50,239</u>	12.45%	8.62%	5.95%	5.96%	2.66%	

		Quarter Ended Aug 31, 2002					Delinquency Rate	
General Purpose Credit Card Loans:	Period End	Average	Interest Yield	Interest Spread	Net Charge-	30 Days	90 Days	
Owned	\$ 21,452	\$ 20,083	12.09%	6.68%	6.07%	5.37%	2.38%	
Securitized	28,225	29,261	13.40%	10.41%	6.07%	5.98%	2.57%	
Managed	<u>\$ 49,677</u>	<u>\$ 49,344</u>	12.86%	8.91%	6.07%	5.72%	2.49%	

		Quarter Ended May 31, 2002					Delinquency Rate	
General Purpose Credit Card Loans:	Period End	Average	Interest Yield	Interest Spread	Net Charge-	30 Days	90 Days	
Owned	\$ 19,834	\$ 20,362	11.08%	5.81%	6.15%	5.23%	2.49%	
Securitized	29,543	29,017	13.73%	10.71%	6.50%	5.91%	2.76%	
Managed	<u>\$ 49,377</u>	<u>\$ 49,379</u>	12.64%	8.72%	6.35%	5.63%	2.65%	

		Quarter Ended Feb 28, 2002					Delinquency Rate	
General Purpose Credit Card Loans:	Period End	Average	Interest Yield	Interest Spread	Net Charge-	30 Days	90 Days	
Owned	\$ 20,138	\$ 20,558	10.28%	4.87%	6.21%	5.96%	2.79%	
Securitized	29,431	29,838	14.25%	11.15%	6.53%	7.29%	3.36%	
Managed	<u>\$ 49,569</u>	<u>\$ 50,396</u>	12.63%	8.61%	6.40%	6.75%	3.12%	

(1) The tables provide a reconciliation of certain managed and owned basis statistical data (period-end and average loan balances, interest yield, interest spread, net charge-off rates, and 30- and 90-day delinquency rates) for the periods indicated.

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

Refer to Legal Notice page 38.

MORGAN STANLEY
Year to Date Credit Services Reconciliation of General Purpose Credit Card Loan Data (1)
(unaudited, dollars in millions)

Nine Months Ended Aug 31, 2003							
General Purpose Credit Card Loans:	Period End	Average	Interest Yield	Interest Spread	Net Charge-offs	Delinquency Rate	
						30 Days	90 Days
Owned	\$ 18,106	\$ 19,991	10.00%	5.64%	5.90%	5.28%	2.54%
Securitized	31,859	31,546	13.10%	10.56%	6.91%	6.48%	3.12%
Managed	<u>\$ 49,965</u>	<u>\$ 51,537</u>	11.90%	8.69%	6.52%	6.05%	2.91%

Nine Months Ended Aug 31, 2002							
General Purpose Credit Card Loans:	Period End	Average	Interest Yield	Interest Spread	Net Charge-offs	Delinquency Rate	
						30 Days	90 Days
Owned	\$ 21,452	\$ 20,333	11.15%	5.79%	6.14%	5.37%	2.38%
Securitized	28,225	29,368	13.79%	10.75%	6.37%	5.98%	2.57%
Managed	<u>\$ 49,677</u>	<u>\$ 49,701</u>	12.71%	8.75%	6.28%	5.72%	2.49%

(1) The tables provide a reconciliation of certain managed and owned basis statistical data (period-end and average loan balances, interest yield, interest spread, net charge-off rates, and 30- and 90-day delinquency rates) for the periods indicated.

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

Refer to Legal Notice page 38.

MORGAN STANLEY
Reconciliation of Managed Income Statement Data (1)
(unaudited, dollars in millions)

	QUARTER ENDED						Nine Months Ended		
	Feb 28, 2002	May 31, 2002	Aug 31, 2002	Nov 30, 2002	Feb 28, 2003	May 31, 2003	Aug 31, 2003	Aug 31, 2002	Aug 31, 2003
Merchant and cardmember fees:									
Owned	\$ 342	\$ 347	\$ 359	\$ 372	\$ 363	\$ 339	\$ 340	\$ 1,048	\$ 1,042
Securitization adjustment	185	169	166	170	184	185	183	520	552
Managed	<u>\$ 527</u>	<u>\$ 516</u>	<u>\$ 525</u>	<u>\$ 542</u>	<u>\$ 547</u>	<u>\$ 524</u>	<u>\$ 523</u>	<u>\$ 1,568</u>	<u>\$ 1,594</u>
Servicing fees:									
Owned	\$ 540	\$ 506	\$ 510	\$ 523	\$ 567	\$ 503	\$ 462	\$ 1,556	\$ 1,532
Securitization adjustment	(540)	(506)	(510)	(523)	(567)	(503)	(462)	(1,556)	(1,532)
Managed	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Other:									
Owned	\$ 2	\$ 17	\$ 12	\$ 0	\$ (3)	\$ 5	\$ 18	\$ 31	\$ 20
Securitization adjustment	14	19	13	3	57	30	1	46	88
Managed	<u>\$ 16</u>	<u>\$ 36</u>	<u>\$ 25</u>	<u>\$ 3</u>	<u>\$ 54</u>	<u>\$ 35</u>	<u>\$ 19</u>	<u>\$ 77</u>	<u>\$ 108</u>
Interest revenue:									
Owned	\$ 553	\$ 602	\$ 646	\$ 612	\$ 546	\$ 543	\$ 515	\$ 1,801	\$ 1,604
Securitization adjustment	1,058	1,012	997	994	1,034	1,049	1,061	3,067	3,144
Managed	<u>\$ 1,611</u>	<u>\$ 1,614</u>	<u>\$ 1,643</u>	<u>\$ 1,606</u>	<u>\$ 1,580</u>	<u>\$ 1,592</u>	<u>\$ 1,576</u>	<u>\$ 4,868</u>	<u>\$ 4,748</u>
Interest expense:									
Owned	\$ 269	\$ 258	\$ 262	\$ 261	\$ 239	\$ 197	\$ 191	\$ 789	\$ 627
Securitization adjustment	230	222	221	214	202	213	200	673	615
Managed	<u>\$ 499</u>	<u>\$ 480</u>	<u>\$ 483</u>	<u>\$ 475</u>	<u>\$ 441</u>	<u>\$ 410</u>	<u>\$ 391</u>	<u>\$ 1,462</u>	<u>\$ 1,242</u>
Provision for consumer loan losses:									
Owned	\$ 345	\$ 340	\$ 332	\$ 319	\$ 336	\$ 309	\$ 310	\$ 1,017	\$ 955
Securitization adjustment	487	472	445	430	506	548	583	1,404	1,637
Managed	<u>\$ 832</u>	<u>\$ 812</u>	<u>\$ 777</u>	<u>\$ 749</u>	<u>\$ 842</u>	<u>\$ 857</u>	<u>\$ 893</u>	<u>\$ 2,421</u>	<u>\$ 2,592</u>

(1) The tables provide a reconciliation of certain managed and owned basis income statement data (merchant and cardmember fees, servicing fees, other revenue, interest revenue, interest expense and provision for consumer loan losses) for the periods indicated.

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

Refer to Legal Notice page 38.



The following (page 20) presents a reconciliation for adjusted assets.

Balance sheet leverage ratios are one indicator of capital adequacy when viewed in the context of a company's overall liquidity and capital policies. The Company views the adjusted leverage ratio as a more relevant measure of financial risk when comparing financial services firms and evaluating leverage trends. This ratio is adjusted to reflect the low-risk nature of assets attributable to matched resale agreements, certain securities borrowed transactions and segregated customer cash balances. In addition, the adjusted leverage ratio reflects the deduction from shareholders' equity of the amount of equity used to support goodwill, as the Company does not view this amount of equity as available to support its risk capital needs.

MORGAN STANLEY
Quarterly Reconciliation of Adjusted Assets
(unaudited, dollars in millions, except ratios)

	QUARTER ENDED						
	Feb 28, 2002	May 31, 2002	Aug 31, 2002	Nov 30, 2002	Feb 28, 2003	May 31, 2003	Aug 31, 2003
Total assets	\$ 491,651	\$ 553,924	\$ 516,772	\$ 529,499	\$ 559,436	\$ 586,881	\$ 580,632
Less:							
Lesser of securities purchased under agreements to resell or securities sold under agreements to repurchase	(58,879)	(79,826)	(65,512)	(76,910)	(59,687)	(71,374)	(74,271)
Assets recorded under certain provisions of SFAS No. 140	(12,350)	(12,329)	(10,634)	(19,224)	(21,194)	(24,837)	(28,920)
Lesser of securities borrowed or securities loaned	(35,021)	(39,197)	(45,567)	(43,229)	(55,031)	(55,388)	(57,490)
Segregated customer cash and securities balances	(42,186)	(38,825)	(32,095)	(30,217)	(32,961)	(26,829)	(25,670)
Goodwill	(1,433)	(1,441)	(1,447)	(1,449)	(1,460)	(1,476)	(1,461)
Adjusted assets	<u>\$ 341,782</u>	<u>\$ 382,306</u>	<u>\$ 361,517</u>	<u>\$ 358,470</u>	<u>\$ 389,103</u>	<u>\$ 406,977</u>	<u>\$ 392,820</u>
Shareholders' equity	\$ 20,892	\$ 21,276	\$ 21,416	\$ 21,885	\$ 22,465	\$ 22,631	\$ 23,707
Preferred securities subject to mandatory redemption	1,210	1,210	1,210	1,210	2,010	2,710	2,810
Subtotal	<u>22,102</u>	<u>22,486</u>	<u>22,626</u>	<u>23,095</u>	<u>24,475</u>	<u>25,341</u>	<u>26,517</u>
Less: Goodwill	(1,433)	(1,441)	(1,447)	(1,449)	(1,460)	(1,476)	(1,461)
Tangible shareholders' equity	<u>\$ 20,669</u>	<u>\$ 21,045</u>	<u>\$ 21,179</u>	<u>\$ 21,646</u>	<u>\$ 23,015</u>	<u>\$ 23,865</u>	<u>\$ 25,056</u>
Leverage ratio (1)	<u>23.8x</u>	<u>26.3x</u>	<u>24.4x</u>	<u>24.5x</u>	<u>24.3x</u>	<u>24.6x</u>	<u>23.2x</u>
Adjusted leverage ratio (2)	<u>16.5x</u>	<u>18.2x</u>	<u>17.1x</u>	<u>16.6x</u>	<u>16.9x</u>	<u>17.1x</u>	<u>15.7x</u>

(1) Leverage ratio equals total assets divided by tangible shareholders' equity.

(2) Adjusted leverage ratio equals adjusted total assets divided by tangible shareholders' equity.

Notes: Certain reclassifications have been made to prior period amounts to conform to the current presentation.
Refer to Legal Notice page 38.

Morgan Stanley

2001 Financial Information

MORGAN STANLEY
Quarterly Financial Summary
(unaudited, dollars in millions)

	QUARTER ENDED				Twelve
	Feb 28, 2001	May 31, 2001	Aug 31, 2001	Nov 30, 2001	Months Ended Nov 30, 2001
Net revenues					
Institutional Securities	\$ 3,437	\$ 3,205	\$ 2,515	\$ 2,123	\$ 11,280
Individual Investor Group	1,335	1,224	1,113	999	4,671
Investment Management	810	760	767	703	3,040
Credit Services	860	902	893	904	3,559
Intersegment Eliminations	(142)	(118)	(99)	(86)	(445)
Consolidated net revenues	<u>\$ 6,300</u>	<u>\$ 5,973</u>	<u>\$ 5,189</u>	<u>\$ 4,643</u>	<u>\$ 22,105</u>
Net income / (loss)					
Institutional Securities	\$ 747	\$ 644	\$ 456	\$ 564	\$ 2,411
Individual Investor Group	54	(4)	(43)	16	23
Investment Management	132	108	111	74	425
Credit Services	142	171	196	193	702
Intersegment Eliminations	0	11	15	23	49
Income before extraordinary item and cumulative effect of of accounting change	1,075	930	735	870	3,610
Extraordinary item (1)	0	0	(30)	0	(30)
Cumulative effect of accounting change (2)	(59)	0	0	0	(59)
Consolidated net income	<u>\$ 1,016</u>	<u>\$ 930</u>	<u>\$ 705</u>	<u>\$ 870</u>	<u>\$ 3,521</u>
Preferred stock dividend requirements	<u>\$ 9</u>	<u>\$ 9</u>	<u>\$ 9</u>	<u>\$ 5</u>	<u>\$ 32</u>
Earnings applicable to common shares	<u>\$ 1,007</u>	<u>\$ 921</u>	<u>\$ 696</u>	<u>\$ 865</u>	<u>\$ 3,489</u>
Basic earnings per common share					
Income before extraordinary item and cumulative effect of of accounting change	\$ 0.98	\$ 0.85	\$ 0.67	\$ 0.80	\$ 3.29
Extraordinary item	-	-	(0.03)	-	(0.03)
Cumulative effect of accounting change	(0.05)	-	-	-	(0.05)
Net income	\$ 0.93	\$ 0.85	\$ 0.64	\$ 0.80	\$ 3.21
Diluted earnings per common share					
Income before extraordinary item and cumulative effect of of accounting change	\$ 0.94	\$ 0.82	\$ 0.65	\$ 0.78	\$ 3.19
Extraordinary item	-	-	(0.03)	-	(0.03)
Cumulative effect of accounting change	(0.05)	-	-	-	(0.05)
Net income	\$ 0.89	\$ 0.82	\$ 0.62	\$ 0.78	\$ 3.11
Average common shares outstanding					
Basic	1,089,270,364	1,085,305,558	1,085,447,127	1,078,517,918	1,086,121,508
Diluted	1,134,150,225	1,120,687,197	1,119,301,107	1,108,980,235	1,121,764,086
Period end common shares outstanding	1,114,434,549	1,110,061,470	1,106,317,423	1,093,006,744	1,093,006,744
Return on common equity (3)	22.5%	19.1%	14.9%	17.6%	18.5%

(1) Represents extraordinary loss on the early extinguishment of debt.

(2) Represents the effects of an accounting change adopted in the 1st. Qtr. 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 extraordinary item.

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

The Company's segment results have been restated to reflect certain segment allocation changes. While such changes had no effect on the Company's consolidated net income, they impacted the net income of each segment. For a discussion of the nature of these changes, see "Explanatory Note" immediately preceding the financial pages of this release. Refer to Legal Notice page 38.



MORGAN STANLEY
Quarterly Consolidated Income Statement Information
(unaudited, dollars in millions)

	QUARTER ENDED				Twelve
	Feb 28, 2001	May 31, 2001	Aug 31, 2001	Nov 30, 2001	Months Ended Nov 30, 2001
Investment banking	\$ 969	\$ 833	\$ 805	\$ 806	\$ 3,413
Principal transactions:					
Trading	1,697	2,077	1,081	648	5,503
Investments	(46)	(107)	(59)	(104)	(316)
Commissions	852	837	722	748	3,159
Fees:					
Asset management, distribution and admin.	1,107	1,071	1,050	977	4,205
Merchant and cardmember	312	325	364	348	1,349
Servicing	427	476	434	567	1,904
Interest and dividends	7,237	6,950	5,828	4,117	24,132
Other	130	148	110	149	537
Total revenues	<u>12,685</u>	<u>12,610</u>	<u>10,335</u>	<u>8,256</u>	<u>43,886</u>
Interest expense	6,172	6,406	4,869	3,282	20,729
Provision for consumer loan losses	213	231	277	331	1,052
Net revenues	<u>6,300</u>	<u>5,973</u>	<u>5,189</u>	<u>4,643</u>	<u>22,105</u>
Compensation and benefits	2,842	2,736	2,378	1,423	9,379
Occupancy and equipment	215	227	224	215	881
Brokerage, clearing and exchange fees	171	182	179	180	712
Information processing and communications	355	371	363	371	1,460
Marketing and business development	364	325	274	281	1,244
Professional services	334	336	284	345	1,299
Other	319	324	315	438	1,396
Restructuring and other charges	0	0	0	0	0
Total non-interest expenses	<u>4,600</u>	<u>4,501</u>	<u>4,017</u>	<u>3,253</u>	<u>16,371</u>
Income before taxes, extraordinary item, dividends on preferred securities and cumulative effect of accounting change	1,700	1,472	1,172	1,390	5,734
Income tax expense	618	535	423	498	2,074
Div. on pref. sec. subject to mandatory redemption	7	7	14	22	50
Income before extraordinary item and cumulative effect of of accounting change	1,075	930	735	870	3,610
Extraordinary item (1)	0	0	(30)	0	(30)
Cumulative effect of accounting change (2)	(59)	0	0	0	(59)
Net income	<u>\$ 1,016</u>	<u>\$ 930</u>	<u>\$ 705</u>	<u>\$ 870</u>	<u>\$ 3,521</u>
Preferred stock dividend requirements	<u>\$ 9</u>	<u>\$ 9</u>	<u>\$ 9</u>	<u>\$ 5</u>	<u>\$ 32</u>
Earnings applicable to common shares	<u>\$ 1,007</u>	<u>\$ 921</u>	<u>\$ 696</u>	<u>\$ 865</u>	<u>\$ 3,489</u>
Compensation and benefits as a % of net revenues	45%	46%	46%	31%	42%

(1) Represents extraordinary loss on the early extinguishment of debt.

(2) Represents the effects of an accounting change adopted in the 1st. Qtr. of fiscal 2001 with respect to the accounting for derivative instruments and hedging activities associated with SFAS 133.

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

Refer to Legal Notice page 38.

MORGAN STANLEY
Quarterly Institutional Securities Income Statement Information
(unaudited, dollars in millions)

	QUARTER ENDED				Twelve
	Feb 28, 2001	May 31, 2001	Aug 31, 2001	Nov 30, 2001	Months Ended Nov 30, 2001
Investment banking	\$ 887	\$ 744	\$ 701	\$ 729	\$ 3,061
Principal transactions:					
Trading	1,406	1,860	873	466	4,605
Investments	(14)	(73)	(54)	(75)	(216)
Commissions	463	431	405	430	1,729
Asset management, distribution and admin. fees	19	17	17	14	67
Interest and dividends	6,312	6,118	4,995	3,402	20,827
Other	100	123	92	121	436
Total revenues	<u>9,173</u>	<u>9,220</u>	<u>7,029</u>	<u>5,087</u>	<u>30,509</u>
Interest expense	<u>5,736</u>	<u>6,015</u>	<u>4,514</u>	<u>2,964</u>	<u>19,229</u>
Net revenues	<u>3,437</u>	<u>3,205</u>	<u>2,515</u>	<u>2,123</u>	<u>11,280</u>
Total non-interest expenses	<u>2,288</u>	<u>2,209</u>	<u>1,803</u>	<u>1,243</u>	<u>7,543</u>
Income before taxes, extraordinary item, dividends on preferred securities and cumulative effect of accounting change	1,149	996	712	880	3,737
Income tax expense	395	345	242	294	1,276
Div. on pref. sec. subject to mandatory redemption	7	7	14	22	50
Income before extraordinary item and cumulative effect of of accounting change	747	644	456	564	2,411
Extraordinary item (1)	0	0	(30)	0	(30)
Cumulative effect of accounting change (2)	(46)	0	0	0	(46)
Net income	<u>\$ 701</u>	<u>\$ 644</u>	<u>\$ 426</u>	<u>\$ 564</u>	<u>\$ 2,335</u>
Pre-tax profit margin (3)	33%	31%	28%	40%	33%
After-tax profit margin (4)	22%	20%	18%	27%	21%

(1) Represents extraordinary loss on the early extinguishment of debt.

(2) Represents the effects of an accounting change adopted in the 1st. Qtr. of fiscal 2001 with respect to the accounting for derivative instruments and hedging activities associated with SFAS 133.

(3) Income before taxes excluding extraordinary item and cumulative effect of accounting change, less dividends on preferred securities as a % of net revenues.

(4) Net income excluding extraordinary item and cumulative effect of accounting change 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 38.

MORGAN STANLEY
Quarterly Financial Information and Statistical Data
Institutional Securities
(unaudited)

	QUARTER ENDED				Twelve
	Feb 28, 2001	May 31, 2001	Aug 31, 2001	Nov 30, 2001	Months Ended Nov 30, 2001
Advisory revenue (millions)	\$ 448	\$ 291	\$ 357	\$ 322	\$ 1,418
Underwriting revenue (millions)	\$ 439	\$ 453	\$ 344	\$ 407	\$ 1,643
Sales and trading net revenue (millions) (1)					
Equity	\$ 1,454	\$ 1,226	\$ 972	\$ 838	\$ 4,490
Fixed income	\$ 1,023	\$ 1,214	\$ 838	\$ 738	\$ 3,813
Mergers and acquisitions announced transactions (2)					
Morgan Stanley global market volume (billions)	\$ 109.4	\$ 185.4	\$ 279.4	\$ 395.0	
Rank	1	2	4	3	
Worldwide equity and related issues (2)					
Morgan Stanley global market volume (billions)	\$ 7.9	\$ 25.8	\$ 32.9	\$ 40.2	
Rank	4	3	4	4	

(1) Includes principal trading, commissions and net interest revenue.

(2) Source: Thomson Financial Securities Data - January 1 to November 30, 2001.

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

Refer to Legal Notice page 38.



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

	QUARTER ENDED				Twelve Months Ended
	Feb 28, 2001	May 31, 2001	Aug 31, 2001	Nov 30, 2001	Nov 30, 2001
Investment banking	\$ 80	\$ 78	\$ 92	\$ 70	\$ 320
Principal transactions:					
Trading	292	219	209	184	904
Investments	(7)	(5)	1	0	(11)
Commissions	456	461	360	346	1,623
Asset management, distribution and admin fees	360	350	345	312	1,367
Interest and dividends	328	229	192	140	889
Other	16	19	10	18	63
Total revenues	<u>1,525</u>	<u>1,351</u>	<u>1,209</u>	<u>1,070</u>	<u>5,155</u>
Interest expense	<u>190</u>	<u>127</u>	<u>96</u>	<u>71</u>	<u>484</u>
Net revenues	<u>1,335</u>	<u>1,224</u>	<u>1,113</u>	<u>999</u>	<u>4,671</u>
Total non-interest expenses	<u>1,237</u>	<u>1,225</u>	<u>1,182</u>	<u>969</u>	<u>4,613</u>
Income / (loss) before income taxes	98	(1)	(69)	30	58
Income tax expense / (benefit)	<u>44</u>	<u>3</u>	<u>(26)</u>	<u>14</u>	<u>35</u>
Net income / (loss)	<u>\$ 54</u>	<u>\$ (4)</u>	<u>\$ (43)</u>	<u>\$ 16</u>	<u>\$ 23</u>
Pre-tax profit margin (1)	7%	0%	(6%)	3%	1%
After-tax profit margin (2)	4%	(0%)	(4%)	2%	0%

(1) Income before taxes as a % of net revenues.

(2) 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 38.



MORGAN STANLEY
Quarterly Financial Information and Statistical Data
Individual Investor Group
(unaudited)

	QUARTER ENDED			
	Feb 28, 2001	May 31, 2001	Aug 31, 2001	Nov 30, 2001
Global financial advisors	14,166	14,256	14,342	13,690
Total client assets (billions)	\$ 638	\$ 634	\$ 597	\$ 595
Fee-based client account assets (billions) (1)	\$ 113	\$ 119	\$ 111	\$ 113
Fee-based assets as a % of client assets	18%	19%	19%	19%
Domestic retail locations	748	722	704	697

(1) Represents the amount of assets in client accounts where the basis of payment for services is a fee calculated on those assets.

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

Refer to Legal Notice page 38.

MORGAN STANLEY
Quarterly Investment Management Income Statement Information
(unaudited, dollars in millions)

	QUARTER ENDED				Twelve Months Ended
	Feb 28, 2001	May 31, 2001	Aug 31, 2001	Nov 30, 2001	Nov 30, 2001
Investment banking	\$ 19	\$ 15	\$ 12	\$ 8	\$ 54
Principal transactions:					
Investments	(25)	(29)	(6)	(29)	(89)
Commissions	15	12	13	12	52
Asset management, distribution and admin fees	765	743	725	689	2,922
Interest and dividends	21	9	13	11	54
Other	18	12	12	16	58
Total revenues	<u>813</u>	<u>762</u>	<u>769</u>	<u>707</u>	<u>3,051</u>
Interest expense	3	2	2	4	11
Net revenues	<u>810</u>	<u>760</u>	<u>767</u>	<u>703</u>	<u>3,040</u>
Total non-interest expenses	<u>588</u>	<u>580</u>	<u>580</u>	<u>560</u>	<u>2,308</u>
Income before income taxes	222	180	187	143	732
Income tax expense	90	72	76	69	307
Net income	<u>\$ 132</u>	<u>\$ 108</u>	<u>\$ 111</u>	<u>\$ 74</u>	<u>\$ 425</u>
Pre-tax profit margin (1)	27%	24%	24%	20%	24%
After-tax profit margin (2)	16%	14%	14%	11%	14%

(1) Income before taxes as a % of net revenues.

(2) 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 38.

MORGAN STANLEY
Quarterly Statistical Data
Investment Management
(unaudited)

	QUARTER ENDED				Twelve
	Feb 28, 2001	May 31, 2001	Aug 31, 2001	Nov 30, 2001	Months Ended Nov 30, 2001
(\$ billions)					
Net flows					
Retail	\$ (0.6)	\$ (1.8)	\$ (1.7)	\$ (9.0)	\$ (13.1)
Institutional	(2.2)	(1.2)	0.4	0.7	(2.3)
Net flows excluding money markets	<u>(2.8)</u>	<u>(3.0)</u>	<u>(1.3)</u>	<u>(8.3)</u>	<u>(15.4)</u>
Money markets	5.0	(0.8)	0.4	1.4	6.0
Assets under management or supervision by distribution channel					
Retail	\$ 309	\$ 308	\$ 295	\$ 285	
Institutional	183	179	176	174	
Total	<u>\$ 492</u>	<u>\$ 487</u>	<u>\$ 471</u>	<u>\$ 459</u>	
Assets under management or supervision by asset class					
Equity	\$ 225	\$ 220	\$ 201	\$ 199	
Fixed income	138	136	137	128	
Money market	67	67	69	70	
Other (1)	62	64	64	62	
Total	<u>\$ 492</u>	<u>\$ 487</u>	<u>\$ 471</u>	<u>\$ 459</u>	

(1) Includes Alternative Investments.

Notes: Certain reclassifications have been made to prior period amounts to conform to the current presentation.
Refer to Legal Notice page 38.

MORGAN STANLEY
Quarterly Credit Services Income Statement Information
(unaudited, dollars in millions)

	QUARTER ENDED				Twelve
	Feb 28, 2001	May 31, 2001	Aug 31, 2001	Nov 30, 2001	Months Ended Nov 30, 2001
Fees:					
Merchant and cardmember	\$ 312	\$ 325	\$ 364	\$ 348	\$ 1,349
Servicing	427	476	434	567	1,904
Other	1	0	1	(1)	1
Total non-interest revenues	<u>740</u>	<u>801</u>	<u>799</u>	<u>914</u>	<u>3,254</u>
Interest revenue	672	654	674	593	2,593
Interest expense	<u>339</u>	<u>322</u>	<u>303</u>	<u>272</u>	<u>1,236</u>
Net interest income	333	332	371	321	1,357
Provision for consumer loan losses	213	231	277	331	1,052
Net credit income	<u>120</u>	<u>101</u>	<u>94</u>	<u>(10)</u>	<u>305</u>
Net revenues	<u>860</u>	<u>902</u>	<u>893</u>	<u>904</u>	<u>3,559</u>
Total non-interest expenses	<u>629</u>	<u>623</u>	<u>575</u>	<u>605</u>	<u>2,432</u>
Income before taxes and cumulative effect of accounting change	231	279	318	299	1,127
Income tax expense	<u>89</u>	<u>108</u>	<u>122</u>	<u>106</u>	<u>425</u>
Income before cumulative effect of accounting change	142	171	196	193	702
Cumulative effect of accounting change (1)	<u>(13)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(13)</u>
Net income	<u>\$ 129</u>	<u>\$ 171</u>	<u>\$ 196</u>	<u>\$ 193</u>	<u>\$ 689</u>
Pre-tax profit margin (2)	27%	31%	36%	33%	32%
After-tax profit margin (3)	17%	19%	22%	21%	20%

(1) Represents the effects of an accounting change adopted in the 1st. Qtr. of fiscal 2001 with respect to the accounting for derivative instruments and hedging activities associated with SFAS 133.

(2) Income before taxes excluding cumulative effect of accounting change as a % of net revenues.

(3) Net income excluding cumulative effect of accounting change 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 38.

MORGAN STANLEY
Quarterly Credit Services Income Statement Information
(unaudited, dollars in millions)
(Managed loan basis)

	QUARTER ENDED				Twelve Months Ended
	Feb 28, 2001	May 31, 2001	Aug 31, 2001	Nov 30, 2001	Nov 30, 2001
Fees:					
Merchant and cardmember Servicing	\$ 467	\$ 463	\$ 527	\$ 543	\$ 2,000
Other	0	0	0	0	0
Total non-interest revenues	29	49	15	(2)	91
Interest revenue	496	512	542	541	2,091
Interest expense	1,747	1,745	1,741	1,696	6,929
Net interest income	798	730	657	562	2,747
Provision for consumer loan losses	949	1,015	1,084	1,134	4,182
Net credit income	585	625	733	771	2,714
Net revenues	364	390	351	363	1,468
Total non-interest expenses	860	902	893	904	3,559
Income before taxes and cumulative effect of accounting change	629	623	575	605	2,432
Income tax expense	231	279	318	299	1,127
Income before cumulative effect of accounting change	89	108	122	106	425
Cumulative effect of accounting change (1)	142	171	196	193	702
Net income	(13)	0	0	0	(13)
Pre-tax profit margin (2)	27%	31%	36%	33%	32%
After-tax profit margin (3)	17%	19%	22%	21%	20%

(1) Represents the effects of an accounting change adopted in the 1st. Qtr. of fiscal 2001 with respect to the accounting for derivative instruments and hedging activities associated with SFAS 133.

(2) Income before taxes excluding cumulative effect of accounting change as a % of net revenues.

(3) Net income excluding cumulative effect of accounting change 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 38.

MORGAN STANLEY
Quarterly Financial Information and Statistical Data
Credit Services
(unaudited, dollars in millions)

	QUARTER ENDED				Twelve Months Ended
	Feb 28, 2001	May 31, 2001	Aug 31, 2001	Nov 30, 2001	Nov 30, 2001
Owned credit card loans					
Period end	\$ 21,325	\$ 20,510	\$ 19,756	\$ 19,654	\$ 19,654
Average	\$ 21,153	\$ 20,902	\$ 19,981	\$ 19,108	\$ 20,285
Managed credit card loans (1)					
Period end	\$ 49,493	\$ 50,227	\$ 49,704	\$ 49,332	\$ 49,332
Average	\$ 49,273	\$ 49,658	\$ 49,825	\$ 48,964	\$ 49,432
Interest yield	13.66%	13.34%	13.34%	13.48%	13.45%
Interest spread	7.09%	7.49%	8.13%	8.81%	7.88%
Net charge-off rate	4.72%	5.02%	5.84%	5.84%	5.36%
Delinquency rate (over 30 days)	6.34%	5.84%	6.31%	6.85%	6.85%
Delinquency rate (over 90 days)	2.74%	2.60%	2.61%	3.02%	3.02%
Transaction volume (billions)	\$ 24.4	\$ 23.5	\$ 23.3	\$ 22.1	\$ 93.3
Accounts (millions)	43.7	44.7	45.4	45.7	45.7
Active accounts (millions)	24.0	24.3	24.0	24.0	24.0
Average receivables per avg. active account (actual \$)	\$ 2,050	\$ 2,052	\$ 2,069	\$ 2,055	\$ 2,057
Securitization gain	\$ 25	\$ 49	\$ 3	\$ (7)	\$ 70

(1) Includes owned and securitized credit card loans.

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

Refer to Legal Notice page 38.

MORGAN STANLEY
Quarterly Intersegment Eliminations Income Statement Information
(unaudited, dollars in millions)

	QUARTER ENDED				Twelve
	Feb 28, 2001	May 31, 2001	Aug 31, 2001	Nov 30, 2001	Months Ended Nov 30, 2001
Investment banking	\$ (17)	\$ (4)	\$ 0	\$ (1)	\$ (22)
Principal transactions:					
Trading	(1)	(2)	(1)	(2)	(6)
Investments	0	0	0	0	0
Commissions	(82)	(67)	(56)	(40)	(245)
Asset management, distribution and admin. fees	(37)	(39)	(37)	(38)	(151)
Interest and dividends	(96)	(60)	(46)	(29)	(231)
Other	(5)	(6)	(5)	(5)	(21)
Total revenues	<u>(238)</u>	<u>(178)</u>	<u>(145)</u>	<u>(115)</u>	<u>(676)</u>
Interest expense	(96)	(60)	(46)	(29)	(231)
Net revenues	<u>(142)</u>	<u>(118)</u>	<u>(99)</u>	<u>(86)</u>	<u>(445)</u>
Total non-interest expenses	<u>(142)</u>	<u>(136)</u>	<u>(123)</u>	<u>(124)</u>	<u>(525)</u>
Income before taxes and dividends on preferred securities subject to mandatory redemption	0	18	24	38	80
Income tax expense	0	7	9	15	31
Net income	<u>\$ 0</u>	<u>\$ 11</u>	<u>\$ 15</u>	<u>\$ 23</u>	<u>\$ 49</u>



The following (page 33) presents more detailed financial information regarding the results of operations for the combined institutional securities, individual investor group and investment management businesses. Morgan Stanley believes that a combined presentation is informative due to certain synergies among these businesses, as well as to facilitate comparisons of the Company's results with those of other companies in the financial services industry that have securities and asset management businesses. Morgan Stanley provides this type of presentation for its credit services activities (page 34) in order to provide helpful comparison to other credit card issuers.

MORGAN STANLEY
Quarterly Institutional Securities, Individual Investor Group and Investment Management (1)
Combined Income Statement Information
(unaudited, dollars in millions)

	QUARTER ENDED				Twelve
	Feb 28, 2001	May 31, 2001	Aug 31, 2001	Nov 30, 2001	Months Ended Nov 30, 2001
Investment banking	\$ 969	\$ 833	\$ 805	\$ 806	\$ 3,413
Principal transactions:					
Trading	1,697	2,077	1,081	648	5,503
Investments	(46)	(107)	(59)	(104)	(316)
Commissions	852	837	722	748	3,159
Asset management, distribution and administration fees	1,107	1,071	1,050	977	4,205
Interest and dividends	6,583	6,313	5,172	3,541	21,609
Other	129	148	109	150	536
Total revenues	<u>11,291</u>	<u>11,172</u>	<u>8,880</u>	<u>6,766</u>	<u>38,109</u>
Interest expense	<u>5,851</u>	<u>6,101</u>	<u>4,584</u>	<u>3,027</u>	<u>19,563</u>
Net revenues	<u>5,440</u>	<u>5,071</u>	<u>4,296</u>	<u>3,739</u>	<u>18,546</u>
Compensation and benefits	2,649	2,541	2,192	1,243	8,625
Occupancy and equipment	193	207	202	200	802
Brokerage, clearing and exchange fees	171	182	179	180	712
Information processing and communications	268	276	273	263	1,080
Marketing and business development	182	161	148	138	629
Professional services	276	282	233	283	1,074
Other	232	229	215	341	1,017
Restructuring and other charges	0	0	0	0	0
Total non-interest expenses	<u>3,971</u>	<u>3,878</u>	<u>3,442</u>	<u>2,648</u>	<u>13,939</u>
Income before taxes, extraordinary item, dividends on preferred securities and cumulative effect of accounting change	1,469	1,193	854	1,091	4,607
Income tax expense	529	427	301	392	1,649
Div. on pref. sec. subject to mandatory redemption	7	7	14	22	50
Income before extraordinary item and cumulative effect of of accounting change	933	759	539	677	2,908
Extraordinary item (2)	0	0	(30)	0	(30)
Cumulative effect of accounting change (3)	(46)	0	0	0	(46)
Net income	<u>\$ 887</u>	<u>\$ 759</u>	<u>\$ 509</u>	<u>\$ 677</u>	<u>\$ 2,832</u>
Compensation and benefits as a % of net revenues	49%	50%	51%	33%	46%
Non-compensation expenses as a % of net revenues (4)	24%	26%	29%	38%	29%
Pre-tax profit margin (5)	27%	23%	20%	29%	25%
After-tax profit margin (6)	17%	15%	13%	18%	16%
Number of employees (7)	47,739	47,126	46,575	45,110	

(1) Includes the elimination of intersegment activity.

(2) Represents extraordinary loss on the early extinguishment of debt.

(3) Represents the effects of an accounting change adopted in the 1st. Qtr. of fiscal 2001 with respect to the accounting for derivative instruments and hedging activities associated with SFAS 133.

(4) Excludes restructuring and other charges.

(5) Income before taxes excluding extraordinary item and cumulative effect of accounting change, less dividends on preferred securities as a % of net revenues.

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

(7) Includes Institutional Securities, Individual Investor Group, Investment Management and Infrastructure / Company areas.

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

Refer to Legal Notice page 38.

MORGAN STANLEY
Quarterly Credit Services Income Statement Information
(unaudited, dollars in millions)
(Managed loan basis)

	QUARTER ENDED				Twelve
	Feb 28, 2001	May 31, 2001	Aug 31, 2001	Nov 30, 2001	Months Ended Nov 30, 2001
Fees:					
Merchant and cardmember	\$ 467	\$ 463	\$ 527	\$ 543	\$ 2,000
Servicing	0	0	0	0	0
Other	29	49	15	(2)	91
Total non-interest revenues	<u>496</u>	<u>512</u>	<u>542</u>	<u>541</u>	<u>2,091</u>
Interest revenue	1,747	1,745	1,741	1,696	6,929
Interest expense	798	730	657	562	2,747
Net interest income	<u>949</u>	<u>1,015</u>	<u>1,084</u>	<u>1,134</u>	<u>4,182</u>
Provision for consumer loan losses	585	625	733	771	2,714
Net credit income	<u>364</u>	<u>390</u>	<u>351</u>	<u>363</u>	<u>1,468</u>
Net revenues	<u>860</u>	<u>902</u>	<u>893</u>	<u>904</u>	<u>3,559</u>
Compensation and benefits	193	195	186	180	754
Occupancy and equipment	22	20	22	15	79
Information processing and communications	87	95	90	108	380
Marketing and business development	182	164	126	143	615
Professional services	58	54	51	62	225
Other	87	95	100	97	379
Total non-interest expenses	<u>629</u>	<u>623</u>	<u>575</u>	<u>605</u>	<u>2,432</u>
Income before taxes and cumulative effect of accounting change	231	279	318	299	1,127
Income tax expense	89	108	122	106	425
Income before cumulative effect of accounting change	142	171	196	193	702
Cumulative effect of accounting change (1)	(13)	0	0	0	(13)
Net income	<u>\$ 129</u>	<u>\$ 171</u>	<u>\$ 196</u>	<u>\$ 193</u>	<u>\$ 689</u>
Compensation and benefits as a % of net revenues	22%	22%	21%	20%	21%
Non-compensation expenses as a % of net revenues	51%	47%	44%	47%	47%
Pre-tax profit margin (2)	27%	31%	36%	33%	32%
After-tax profit margin (3)	17%	19%	22%	21%	20%
Number of employees	15,969	15,783	15,817	16,209	

(1) Represents the effects of an accounting change adopted in the 1st. Qtr. of fiscal 2001 with respect to the accounting for derivative instruments and hedging activities associated with SFAS 133.

(2) Income before taxes excluding cumulative effect of accounting change as a % of net revenues.

(3) Net income excluding cumulative effect of accounting change 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 38.

The following pages 35 - 37 present a reconciliation for certain information disclosed on pages 30, 31 and 34.

The data is presented on both a "managed" loan basis and as reported under generally accepted accounting principles ("owned" loan basis). Managed loan data assumes that the Company's securitized loan receivables have not been sold and presents the results of securitized loan receivables in the same manner as the Company's owned loans. The Company operates its Credit Services business and analyzes its financial performance on a managed basis. Accordingly, underwriting and servicing standards are comparable for both owned and securitized loans. The Company believes that managed loan information is useful to investors because it provides information regarding the quality of loan origination and credit performance of the entire managed portfolio and allows investors to understand the related credit risks inherent in owned loans and retained interests in securitizations. In addition, investors often request information on a managed basis, which provides a more meaningful comparison to industry competitors.

MORGAN STANLEY
Quarterly Credit Services Reconciliation of General Purpose Credit Card Loan Data (1)
(unaudited, dollars in millions)

Quarter Ended Nov 30, 2001							
	Period End	Average	Interest Yield	Interest Spread	Net Charge-	Delinquency Rate	
						30 Days	90 Days
General Purpose Credit Card Loans:							
Owned	\$ 19,654	\$ 19,108	11.65%	5.66%	5.75%	6.15%	2.73%
Securitized	29,678	29,856	14.65%	10.78%	5.90%	7.32%	3.21%
Managed	<u>\$ 49,332</u>	<u>\$ 48,964</u>	13.48%	8.81%	5.84%	6.85%	3.02%
Quarter Ended Aug 31, 2001							
	Period End	Average	Interest Yield	Interest Spread	Net Charge-	Delinquency Rate	
						30 Days	90 Days
General Purpose Credit Card Loans:							
Owned	\$ 19,756	\$ 19,981	12.41%	6.32%	5.45%	5.66%	2.34%
Securitized	29,948	29,844	13.97%	9.34%	6.10%	6.74%	2.79%
Managed	<u>\$ 49,704</u>	<u>\$ 49,825</u>	13.34%	8.13%	5.84%	6.31%	2.61%
Quarter Ended May 31, 2001							
	Period End	Average	Interest Yield	Interest Spread	Net Charge-	Delinquency Rate	
						30 Days	90 Days
General Purpose Credit Card Loans:							
Owned	\$ 20,510	\$ 20,902	11.34%	5.04%	4.38%	5.23%	2.31%
Securitized	29,717	28,756	14.78%	9.24%	5.48%	6.26%	2.80%
Managed	<u>\$ 50,227</u>	<u>\$ 49,658</u>	13.34%	7.49%	5.02%	5.84%	2.60%
Quarter Ended Feb 28, 2001							
	Period End	Average	Interest Yield	Interest Spread	Net Charge-	Delinquency Rate	
						30 Days	90 Days
General Purpose Credit Card Loans:							
Owned	\$ 21,325	\$ 21,153	11.53%	4.92%	3.97%	5.20%	2.21%
Securitized	28,168	28,120	15.27%	8.73%	5.29%	7.20%	3.15%
Managed	<u>\$ 49,493</u>	<u>\$ 49,273</u>	13.66%	7.09%	4.72%	6.34%	2.74%

(1) The tables provide a reconciliation of certain managed and owned basis statistical data (period-end and average loan balances, interest yield, interest spread, net charge-off rates, and 30- and 90-day delinquency rates) for the periods indicated.

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

Refer to Legal Notice page 38.

MORGAN STANLEY
Year to Date Credit Services Reconciliation of General Purpose Credit Card Loan Data (1)
(unaudited, dollars in millions)

	Twelve Months Ended Nov 30, 2001					Delinquency Rate	
	Period End	Average	Interest Yield	Interest Spread	Net Charge-offs	30 Days	90 Days
General Purpose Credit Card Loans:							
Owned	\$ 19,654	\$ 20,285	11.73%	5.47%	4.86%	6.15%	2.73%
Securitized	29,678	29,147	14.66%	9.54%	5.70%	7.32%	3.21%
Managed	<u>\$ 49,332</u>	<u>\$ 49,432</u>	13.45%	7.88%	5.36%	6.85%	3.02%

(1) The tables provide a reconciliation of certain managed and owned basis statistical data (period-end and average loan balances, interest yield, interest spread, net charge-off rates, and 30- and 90-day delinquency rates) for the periods indicated.

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

Refer to Legal Notice page 38.

MORGAN STANLEY
Reconciliation of Managed Income Statement Data (1)
(unaudited, dollars in millions)

	QUARTER ENDED				Twelve
	Feb 28, 2001	May 31, 2001	Aug 31, 2001	Nov 30, 2001	Months Ended Nov 30, 2001
Merchant and cardmember fees:					
Owned	\$ 312	\$ 325	\$ 364	\$ 348	\$ 1,349
Securitization adjustment	155	138	163	195	651
Managed	<u>\$ 467</u>	<u>\$ 463</u>	<u>\$ 527</u>	<u>\$ 543</u>	<u>\$ 2,000</u>
Servicing fees:					
Owned	\$ 427	\$ 476	\$ 434	\$ 567	\$ 1,904
Securitization adjustment	(427)	(476)	(434)	(567)	(1,904)
Managed	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Other:					
Owned	\$ 1	\$ 0	\$ 1	\$ (1)	\$ 1
Securitization adjustment	28	49	14	(1)	90
Managed	<u>\$ 29</u>	<u>\$ 49</u>	<u>\$ 15</u>	<u>\$ (2)</u>	<u>\$ 91</u>
Interest revenue:					
Owned	\$ 672	\$ 654	\$ 674	\$ 593	\$ 2,593
Securitization adjustment	1,075	1,091	1,067	1,103	4,336
Managed	<u>\$ 1,747</u>	<u>\$ 1,745</u>	<u>\$ 1,741</u>	<u>\$ 1,696</u>	<u>\$ 6,929</u>
Interest expense:					
Owned	\$ 339	\$ 322	\$ 303	\$ 272	\$ 1,236
Securitization adjustment	459	408	354	290	1,511
Managed	<u>\$ 798</u>	<u>\$ 730</u>	<u>\$ 657</u>	<u>\$ 562</u>	<u>\$ 2,747</u>
Provision for consumer loan losses:					
Owned	\$ 213	\$ 231	\$ 277	\$ 331	\$ 1,052
Securitization adjustment	372	394	456	440	1,662
Managed	<u>\$ 585</u>	<u>\$ 625</u>	<u>\$ 733</u>	<u>\$ 771</u>	<u>\$ 2,714</u>

(1) The tables provide a reconciliation of certain managed and owned basis income statement data (merchant and cardmember fees, servicing fees, other revenue, interest revenue, interest expense and provision for consumer loan losses) for the periods indicated.

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

Refer to Legal Notice page 38.

Legal Notice

This Financial Supplement contains financial, statistical and business-related information, as well as business and segment trends. The information should be read in conjunction with the Company's third quarter earnings press release issued September 23, 2003.