

FINANCIAL HIGHLIGHTS

(\$ AND SHARE AMOUNTS IN MILLIONS, EXCEPT PER SHARE AMOUNTS)	AS OF OR FOR THE YEAR ENDED NOVEMBER		
	2005	2004	2003
OPERATING RESULTS			
Net revenues			
Investment banking	\$ 3,671	\$ 3,374	\$ 2,711
Trading and principal investments	16,362	13,327	10,443
Asset management and securities services	4,749	3,849	2,858
Total net revenues	24,782	20,550	16,012
Pre-tax earnings	8,273	6,676	4,445
Net earnings	5,626	4,553	3,005
Net earnings applicable to common shareholders	5,609	4,553	3,005
COMMON SHARE DATA			
Diluted earnings per common share	\$ 11.21	\$ 8.92	\$ 5.87
Average diluted common shares outstanding	500.2	510.5	511.9
Dividends declared per common share	\$ 1.00	\$ 1.00	\$ 0.74
Book value per common share ⁽¹⁾	57.02	50.77	43.60
Tangible book value per common share ⁽²⁾⁽³⁾	45.72	40.91	33.56
Ending stock price	134.12	104.84	96.08
FINANCIAL CONDITION AND OTHER OPERATING DATA			
Total assets	\$706,804	\$531,379	\$403,799
Long-term borrowings	100,007	80,696	57,482
Total shareholders' equity	28,002	25,079	21,632
Leverage ratio ⁽⁴⁾	25.2x	21.2x	18.7x
Adjusted leverage ratio ⁽⁵⁾	18.2x	15.1x	16.5x
Debt to equity ratio ⁽⁶⁾	3.6x	3.2x	2.7x
Return on average common shareholders' equity ⁽⁷⁾	21.8%	19.8%	15.0%
Return on average tangible common shareholders' equity ⁽⁸⁾	27.6%	25.2%	19.9%
SELECTED DATA			
Total employees	22,425	20,722	19,476
Assets under management (\$ IN BILLIONS)	\$ 532	\$ 452	\$ 373

⁽¹⁾ Book value per common share is based on common shares outstanding, including restricted stock units granted to employees with no future service requirements, of 460.4 million, 494.0 million and 496.1 million as of November 2005, November 2004 and November 2003, respectively.

⁽²⁾ Tangible book value per common share is computed by dividing tangible common shareholders' equity by the number of common shares outstanding, including restricted stock units granted to employees with no future service requirements.

⁽³⁾ Tangible common shareholders' equity equals total shareholders' equity less preferred stock and goodwill and identifiable intangible assets. See "Financial Information—Management's Discussion and Analysis—Capital and Funding" for further information regarding our calculation of tangible common shareholders' equity.

⁽⁴⁾ Leverage ratio equals total assets divided by total shareholders' equity.

⁽⁵⁾ Adjusted leverage ratio equals adjusted assets divided by tangible equity capital. See "Financial Information—Management's Discussion and Analysis—Capital and Funding" for further information regarding adjusted assets, tangible equity capital and our calculation of adjusted leverage ratio.

⁽⁶⁾ Debt to equity ratio equals long-term borrowings divided by total shareholders' equity.

⁽⁷⁾ Return on average common shareholders' equity is computed by dividing net earnings applicable to common shareholders by average monthly common shareholders' equity.

⁽⁸⁾ Return on average tangible common shareholders' equity is computed by dividing net earnings applicable to common shareholders by average monthly tangible common shareholders' equity. See "Financial Information—Management's Discussion and Analysis—Results of Operations" for further information regarding our calculation of return on average tangible common shareholders' equity.