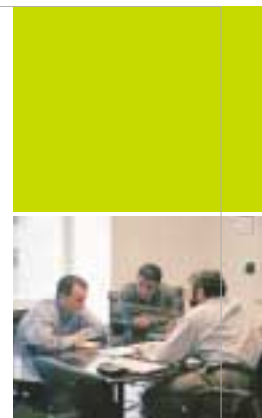


Different clients need — and demand — different kinds of relationships. Listening allows us not only to learn their concerns but also to understand how they work most comfortably. Listening to each other within Morgan Stanley broadens our reach and prepares us to serve clients as one firm. Finally, clients value our ability to listen to our worldwide network: to be their ears to the market. Being good listeners can help us stand out.



SINGTEL

Singapore Telecom, Singapore's largest company, is focused on expanding beyond its local market. As part of its international expansion strategy, SingTel turned to Australia and to Morgan Stanley for our understanding of the Australian market and our access to the company being auctioned: Cable & Wireless subsidiary Optus. Morgan Stanley understood the client's strategy for this complex transaction — the largest-ever Australian acquisition, with a number of regulatory issues — and provided a comprehensive solution that included services from M&A execution to financing and foreign exchange, as well as developing a unique and successful offer for Optus shareholders. The US\$10 billion acquisition of Optus proved to be a critical transaction for SingTel, an important milestone for its regional expansion.

DISCOVER CARD HELPS OUT

When a credit card customer falls behind on payments, most card companies take an aggressive stance. But a new program from Discover® Card acknowledges that when good Discover Cardmembers miss payments, the reasons often are outside their control. Instead of a terse reminder, they receive a sympathetic letter, and in some cases a Hallmark® card acknowledging that life takes unexpected turns, with a handwritten note offering to help. Cardmembers who call Discover Card receive credit counseling and can qualify for a special payment plan. Being treated with respect and understanding by Discover Card can encourage the loyalty of Cardmembers long after their temporary problems have passed.

1 MILLION PHONE CALLS

The New York Stock Exchange and other major U.S. stock exchanges did not open on the morning of September 11 and remained closed for almost a week in the wake of the terrorist attacks in New York City and Washington, D.C. It was a period of extraordinary anxiety for individual investors. They were concerned about their savings and investments: What could they do while the markets were closed? What should they do when the markets reopened? For seven days, around the clock, our nearly 14,000 financial advisors were on the phones to our individual clients. In well over 1 million conversations, our advisors listened to our clients' concerns and offered reassurance and trusted advice throughout this most trying time.