

(Unaudited) (dollars in billions except per share amounts, shares in millions)

Pro Forma Stockholders' Equity

	Pro Forma		
	2Q08	Adjustments	2Q08
	Estimate	(1)	Pro Forma (1)

Stockholders' Equity			

Common Stockholders' Equity	\$21.1	\$11.7	\$32.8
Preferred Stockholders' Equity	13.7	(5.4)	8.3

Total Stockholders' Equity	\$34.8	\$6.3	\$41.1

Common Shares Outstanding			
(millions)	985	508	1,493
Book Value per Common Share	\$21.43		\$21.95

"If-Converted" Stockholders' Equity			

Common Stockholders' Equity	\$21.1	\$11.7	\$32.8
Convertible Preferred Stock	6.6	(5.4)	1.2

"If-Converted" Stockholders' Equity	\$27.7	\$6.3	\$34.0

"If Converted" Common Shares Outstanding (millions)	1,111	418	1,529
"If-Converted" Book Value per Common Share	\$24.94		\$22.21

Tier 1 Capital Ratio (Tier 1 / Risk Weighted Assets)	7.5%		10.5%
Total Capital Ratio (Total Allowable Capital / Risk Weighted Assets)	12.1%		16.6%

(1) Pro forma adjustments include the following transactions (including estimates for transaction-related adjustments):

- (a) Gain on completed sale of Bloomberg for \$4.425 billion in proceeds.
- (b) Estimated gain on closing planned sale of a majority of FDS amounting to substantially all of the enterprise value of

approximately \$3.5 billion, marking remaining stake to sale price.

This sale is currently subject to a non-binding letter of intent and there can be no assurance that a definitive agreement will be completed with the current purchasers, or if a sale is consummated, that it will be on the financial terms reflected in our pro forma calculations and disclosures.

(c) Pre-tax write-downs of \$4.4 billion associated with the CDO sale and an additional \$1.3 billion related to termination and settlement negotiations with monoline guarantors.

(d) Conversion of \$5.4 billion of Merrill Lynch's 9% Non-Voting Mandatory Convertible Preferred Stock into 198.0 million shares of common stock.

(e) The offering of 310,000,000 shares of common stock at a price of \$27.52 per share (the closing price as of July 25, 2008) for total proceeds of \$8.5 billion, less \$2.5 billion paid to Temasek in satisfaction of obligations under the reset provision, and including 13.5 million incremental 'if-converted' common shares to reflect the exchange for a new mandatory convertible preferred stock issuance.