

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 28, 2003

Commission File Number 1-7182

MERRILL LYNCH & CO., INC.

(Exact name of registrant as specified in its charter)

Delaware 13-2740599

(State of incorporation) (I.R.S. Employer Identification No.)

4 World Financial Center
New York, New York

10080

(Address of principal executive offices) (Zip Code)

(212) 449-1000

Registrant's telephone number, including area code

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES X NO

Indicate by check mark whether the registrant is an accelerated filer (as defined in Exchange Act Rule 12b-2).

YES X NO

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

926,945,008 shares of Common Stock and 3,377,809 Exchangeable Shares as of the close of business on May 2, 2003. The Exchangeable Shares, which were issued by Merrill Lynch & Co., Canada Ltd. in connection with the merger with Midland Walwyn Inc., are exchangeable at any time into Common Stock on a one-for-one basis and entitle holders to dividend, voting, and other rights equivalent to Common Stock.

<TABLE>
<CAPTION>

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS (UNAUDITED)

	For the Three Months Ended		Inc.
	Mar. 28, 2003	Mar. 29, 2002	
Percent (in millions, except per share amounts) (Dec.)			
<S>	<C>	<C>	
<C>			
NET REVENUES			
Commissions	\$ 1,069	\$ 1,242	
(13.9)%			
Principal transactions	1,010	877	

15.2		
Investment banking		
Underwriting	368	466
(21.0)		
Strategic advisory	125	183
(31.7)		
Asset management and portfolio service fees	1,127	1,293
(12.8)		
Other	205	219
(6.4)		
	-----	-----
Subtotal	3,904	4,280
(8.8)		
	-----	-----
Interest and dividend revenues	3,021	3,284
(8.0)		
Less interest expense	2,071	2,474
(16.3)		
	-----	-----
Net interest profit	950	810
17.3		
	-----	-----
TOTAL NET REVENUES	4,854	5,090
(4.6)		
	-----	-----
NON-INTEREST EXPENSES		
Compensation and benefits	2,496	2,646
(5.7)		
Communications and technology	403	474
(15.0)		
Occupancy and related depreciation	216	238
(9.2)		
Brokerage, clearing, and exchange fees	170	198
(14.1)		
Advertising and market development	121	150
(19.3)		
Professional fees	144	130
10.8		
Office supplies and postage	58	69
(15.9)		
Other	224	173
29.5		
	-----	-----
TOTAL NON-INTEREST EXPENSES	3,832	4,078
(6.0)		
	-----	-----
EARNINGS BEFORE INCOME TAXES AND DIVIDENDS ON PREFERRED SECURITIES ISSUED BY SUBSIDIARIES	1,022	1,012
1.0		
Income tax expense	289	316
(8.5)		
Dividends on preferred securities issued by subsidiaries	48	49
(2.0)		
	-----	-----
NET EARNINGS	\$ 685	\$ 647
5.9		
	=====	=====
NET EARNINGS APPLICABLE TO COMMON STOCKHOLDERS	\$ 676	\$ 638
6.0		
	=====	=====
EARNINGS PER COMMON SHARE		
Basic	\$ 0.76	\$ 0.75
	=====	=====
Diluted	\$ 0.72	\$ 0.67
	=====	=====
DIVIDEND PAID PER COMMON SHARE	\$ 0.16	\$ 0.16
	=====	=====
AVERAGE SHARES USED IN COMPUTING EARNINGS PER COMMON SHARE		
Basic	887.6	854.8
	=====	=====
Diluted	939.2	949.2
	=====	=====

See Notes to Condensed Consolidated Financial Statements
</TABLE>

2

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

<TABLE>
<CAPTION>

	Mar. 28,
Dec. 27, (dollars in millions) 2002	2003
-----	-----
<S>	<C>
<C>	
ASSETS	
CASH AND CASH EQUIVALENTS \$ 10,211	\$ 14,132
CASH AND SECURITIES SEGREGATED FOR REGULATORY PURPOSES OR DEPOSITED WITH CLEARING ORGANIZATIONS 7,375	7,585
SECURITIES FINANCING TRANSACTIONS	
Receivables under resale agreements 75,292	78,434
Receivables under securities borrowed transactions 45,543	48,067
-----	-----
120,835	126,501
TRADING ASSETS, AT FAIR VALUE (includes securities pledged as collateral of \$15,910 in 2003 and \$11,344 in 2002)	
Contractual agreements 38,728	38,140
Corporate debt and preferred stock 18,569	19,329
Mortgages, mortgage-backed, and asset-backed 14,987	15,578
Non-U.S. governments and agencies 10,095	13,959
Equities and convertible debentures 13,530	13,003
U.S. Government and agencies 10,116	9,607
Municipals and money markets 5,535	4,793
-----	-----
111,560	114,409
INVESTMENT SECURITIES 81,787	77,911
SECURITIES RECEIVED AS COLLATERAL 2,020	2,261
OTHER RECEIVABLES	
Customers (net of allowance for doubtful accounts of \$77 in 2003 and \$79 in 2002) 35,317	35,476
Brokers and dealers 8,485	8,485
Interest and other 10,581	9,408
-----	-----
54,383	53,369
-----	-----
LOANS, NOTES, AND MORTGAGES (net of allowances of \$301 in 2003 and \$265 in 2002) 34,735	34,451

SEPARATE ACCOUNTS ASSETS	12,937
13,042	
EQUIPMENT AND FACILITIES (net of accumulated depreciation and amortization of \$4,771 in 2003 and \$4,671 in 2002)	3,105
3,080	
GOODWILL (net of accumulated amortization of \$973 in 2003 and \$984 in 2002)	4,362
4,446	
OTHER ASSETS	4,564
4,454	

TOTAL ASSETS	\$455,587
\$447,928	
=====	=====
</TABLE>	

3

<TABLE>
<CAPTION>

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

28,	Dec. 27,	Mar.
(dollars in millions, except per share amount)		
2003	2002	
-----	-----	--
<S>		
<C>	<C>	
LIABILITIES		
SECURITIES FINANCING TRANSACTIONS		
Payables under repurchase agreements		\$
85,278	\$ 85,378	
Payables under securities loaned transactions		
8,642	7,640	
---	-----	-----
93,920	93,018	
---	-----	-----
COMMERCIAL PAPER AND OTHER SHORT-TERM BORROWINGS		
3,509	5,353	
DEPOSITS		
81,883	81,842	
TRADING LIABILITIES, AT FAIR VALUE		
Contractual agreements		
42,590	45,202	
U.S. Government and agencies		
15,736	14,678	
Non-U.S. governments and agencies		
11,542	7,952	
Equities and convertible debentures		
7,923	4,864	
Corporate debt, municipals and preferred stock		
7,918	6,500	
---	-----	-----
85,709	79,196	
---	-----	-----
OBLIGATION TO RETURN SECURITIES RECEIVED AS COLLATERAL		
2,261	2,020	
OTHER PAYABLES		
Customers		
28,397	28,569	
Brokers and dealers		
21,758	16,541	
Interest and other		

18,408	20,724	
---	-----	-----
68,563	65,834	
---	-----	-----
LIABILITIES OF INSURANCE SUBSIDIARIES		
3,492	3,566	
SEPARATE ACCOUNTS LIABILITIES		
12,937	13,042	
LONG-TERM BORROWINGS		
77,014	78,524	
---	-----	-----
TOTAL LIABILITIES		
429,288	422,395	
---	-----	-----
PREFERRED SECURITIES ISSUED BY SUBSIDIARIES		
2,660	2,658	
---	-----	-----
STOCKHOLDERS' EQUITY		
PREFERRED STOCKHOLDERS' EQUITY (42,500 SHARES ISSUED AND OUTSTANDING,		
425	425	
	LIQUIDATION PREFERENCE \$10,000 PER SHARE)	
--	-----	-----
COMMON STOCKHOLDERS' EQUITY		
Shares exchangeable into common stock		
55	58	
Common stock (par value \$1.33 1/3 per share; authorized: 3,000,000,000 shares;		
issued: 2003 - 1,040,382,957 shares; 2002 - 983,502,078 shares)		
1,387	1,311	
Paid-in capital		
5,918	5,315	
Accumulated other comprehensive loss (net of tax)		
(540)	(570)	
Retained earnings		
18,605	18,072	
---	-----	-----
25,425	24,186	
Less: Treasury stock, at cost: 2003 - 116,944,375 shares; 2002 - 116,211,158 shares		
1,096	961	
Unamortized employee stock grants		
1,115	775	
---	-----	-----
Total Common Stockholders' Equity		
23,214	22,450	
---	-----	-----
Total Stockholders' Equity		
23,639	22,875	
---	-----	-----
Total Liabilities, Preferred Securities Issued by Subsidiaries,		
and Stockholders' Equity		
\$455,587	\$447,928	
=====	=====	

See Notes to Condensed Consolidated Financial Statements		
</TABLE>		

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(dollars in millions)	For the Three Months Ended	
	Mar. 28, 2003	Mar. 29, 2002
<S>	<C>	<C>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings	\$ 685	\$ 647
Noncash items included in earnings:		
Depreciation and amortization	148	170
Policyholder reserves	40	46
Amortization of stock-based compensation	168	176
Deferred taxes	440	218
Other	51	658
Changes in operating assets and liabilities:		
Trading assets	(2,923)	3,585
Cash and securities segregated for regulatory purposes or deposited with clearing organizations	(210)	(1,235)
Receivables under resale agreements	(3,141)	(1,062)
Receivables under securities borrowed transactions	(2,524)	(5,123)
Customer receivables	(699)	(487)
Brokers and dealers receivables	-	(5,652)
Trading liabilities	6,513	(17)
Payables under repurchase agreements	(100)	10,621
Payables under securities loaned transactions	1,002	(2,141)
Customer payables	(172)	989
Brokers and dealers payables	5,217	(836)
Other, net	(1,459)	812
Cash provided by operating activities	3,036	1,369
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from (payments for):		
Maturities of available-for-sale securities	6,200	6,864
Sales of available-for-sale securities	15,277	7,146
Purchases of available-for-sale securities	(15,805)	(9,875)
Maturities of held-to-maturity securities	39	74
Purchases of held-to-maturity securities	(203)	(185)
Loans, notes, and mortgages	245	(2,661)
Other investments and other assets	(1,385)	77
Equipment and facilities	(173)	(365)
Cash provided by investing activities	4,195	1,075
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from (payments for):		
Commercial paper and other short-term borrowings	(1,844)	(548)
Deposits	41	65
Issuance and resale of long-term borrowings	5,863	9,212
Settlement and repurchases of long-term borrowings	(7,311)	(8,149)
Issuance of common stock	117	99
Issuance of treasury stock	2	2
Other common stock transactions	(26)	(10)
Dividends	(152)	(149)
Cash (used for) provided by financing activities	(3,310)	522
Increase in cash and cash equivalents	3,921	2,966
Cash and cash equivalents, beginning of year	10,211	11,070
Cash and cash equivalents, end of period	\$14,132	\$ 14,036
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for:		
Income taxes	\$ 30	\$ 41
Interest	2,031	2,091

See Notes to Condensed Consolidated Financial Statements
</TABLE>

For a complete discussion of Merrill Lynch's accounting policies, refer to the excerpt of the Annual Report included as an exhibit to Form 10-K for the year ended December 27, 2002 ("2002 Annual Report").

Basis of Presentation

The Condensed Consolidated Financial Statements include the accounts of Merrill Lynch & Co., Inc. ("ML & Co.") and subsidiaries (collectively, "Merrill Lynch"). All material intercompany balances have been eliminated. The interim consolidated financial statements for the three-month periods are unaudited; however, in the opinion of Merrill Lynch management, all adjustments (consisting of normal recurring accruals) necessary for a fair statement of the consolidated financial statements have been included.

These unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited consolidated financial statements included in the 2002 Annual Report. The December 27, 2002 unaudited Condensed Consolidated Balance Sheet was derived from the audited 2002 financial statements. The nature of Merrill Lynch's business is such that the results of any interim period are not necessarily indicative of results for a full year. In presenting the Condensed Consolidated Financial Statements, management makes estimates that affect the reported amounts and disclosures in the financial statements. Estimates, by their nature, are based on judgment and available information. Therefore, actual results could differ from those estimates and could have a material impact on the Condensed Consolidated Financial Statements, and it is possible that such changes could occur in the near term. Certain reclassifications have been made to prior period financial statements, where appropriate, to conform to the current period presentation.

New Accounting Pronouncements

On April 30, 2003, the Financial Accounting Standards Board ("FASB") issued SFAS No. 149, Amendment of Statement 133 on Derivative Instruments and Hedging Activities. SFAS No. 149 amends and clarifies accounting for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities under SFAS No. 133. The new guidance amends SFAS No. 133 for decisions made as part of the Derivatives Implementation Group ("DIG") process that effectively required amendments to SFAS No. 133, and decisions made in connection with other FASB projects dealing with financial instruments and in connection with implementation issues raised in relation to the application of the definition of a derivative and characteristics of a derivative that contains financing components. In addition, it clarifies when a derivative contains a financing component that warrants special reporting in the statement of cash flows. SFAS No. 149 is effective for contracts entered into or modified after June 30, 2003 and for hedging relationships designated after June 30, 2003. Merrill Lynch is currently assessing the impact of SFAS No. 149 on the Consolidated Financial Statements.

On July 31, 2002, the AICPA issued a Proposed Statement of Position ("SOP") Accounting and Reporting by Insurance Enterprises for Certain Nontraditional Long-Duration Contracts and for Separate Accounts. The proposed Statement provides guidance on accounting and reporting by insurance companies for certain nontraditional long-duration contracts and for separate accounts. A final SOP would be effective for financial statements for Merrill Lynch beginning in 2004. The SOP would require the establishment of a liability for contracts that contain death or other insurance benefits using a specified reserve methodology that is different from the methodology that Merrill Lynch currently employs. Depending on market conditions at the time of adoption, the impact of implementing this reserve methodology may have a material impact on the Consolidated Statement of Earnings.

On January 17, 2003, the FASB issued FASB Interpretation No. 46 ("FIN 46") which clarifies when an entity should consolidate another entity known as a Variable Interest Entity ("VIE"), more commonly referred to as an SPE. A VIE is an entity in which equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties, and may include many types of qualifying special purpose entities ("QSPEs"). FIN 46 requires that an entity consolidate a VIE if that enterprise has a variable interest that will absorb a majority of the VIE's expected losses, receive a majority of the VIE's expected residual returns, or both. FIN 46 does not apply to QSPEs, the accounting for which is governed by Statement of Financial Accounting Standards ("SFAS") No. 140. FIN 46 is effective for VIEs created on or after February 1, 2003 and for existing VIEs as of the third quarter of 2003. See Note 8 to the Consolidated Financial Statements in the 2002 Annual Report for disclosures regarding the expected impact of adoption of FIN 46 on Merrill Lynch's Consolidated Balance Sheets.

On December 31, 2002 the FASB issued SFAS No. 148, Accounting for Stock-Based Compensation - Transition and Disclosure, an amendment of SFAS No. 123. SFAS No. 148 permits three alternative methods for a voluntary transition to the fair

value-based method of accounting for employee stock-based compensation. SFAS No. 148 continues to permit prospective application for companies that adopt prior to the beginning of fiscal year 2004. SFAS No. 148 also allows for a modified prospective application, which requires the fair value of all unvested awards to be amortized over the remaining service period, as well as a restatement of prior years' expense. The transition guidance and annual disclosure provisions of SFAS No. 148 are effective for fiscal years ending after December 15, 2002, with earlier application permitted in certain circumstances.

On November 25, 2002, the FASB issued FIN 45, Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others - an Interpretation of FASB Statements No. 5, 57, and 107 and Rescission of FASB Interpretation No. 34. FIN 45 requires guarantors to disclose their obligations under certain guarantees. It also requires a guarantor to recognize, at the inception of a guarantee, a liability for the fair value of the obligation undertaken in issuing the guarantee. The initial recognition and measurement provisions of FIN 45 apply on a prospective basis to guarantees issued or modified after December 31, 2002. The disclosures are effective for financial statements of interim or annual periods ending after December 15, 2002. See Note 10 to the Condensed Consolidated Financial Statements for these disclosures.

In July 2002, the FASB issued SFAS No. 146, Accounting for Costs Associated with Exit or Disposal Activities. This standard requires companies to recognize certain costs associated with exit or disposal activities when they are incurred rather than at the date of a commitment to an exit or disposal plan. SFAS No. 146 will replace the existing guidance provided by EITF Issue No. 94-3, Liability Recognition for Certain Employee Termination Benefits and Other Costs to Exit an Activity (including Certain Costs Incurred in a Restructuring). Merrill Lynch adopted SFAS No. 146 as of January 1, 2003, which had no material impact on the Condensed Consolidated Financial Statements.

7

NOTE 2. OTHER SIGNIFICANT EVENTS

Restructuring and Other Charges

During the fourth quarter of 2001, Merrill Lynch's management formally committed to a restructuring plan designed to position Merrill Lynch for improved profitability and growth, which included the resizing of selected businesses and other structural changes. As a result, Merrill Lynch incurred a fourth quarter 2001 pre-tax charge to earnings of \$2.2 billion, which included restructuring costs of \$1.8 billion and other charges of \$396 million. Utilization of the restructuring reserve and a rollforward of staff reductions at March 28, 2003 is as follows:

		Utilized in			Balance
		Initial			Mar. 28,
		Balance	2001	2002 (1)	2003
					2003
<S>		<C>	<C>	<C>	<C>
Category:					
Severance costs	\$1,133	\$ (214)	\$ (874)	\$ (16)	\$ 29
Facilities costs	299	-	(15)	(14)	270
Technology and fixed asset write-offs	187	(187)	-	-	-
Other Costs	178	-	(119)	(1)	58
	<u>\$1,797</u>	<u>\$ (401)</u>	<u>\$ (1,008)</u>	<u>\$ (31)</u>	<u>\$ 357</u>
Staff Reductions	6,205	(749)	(5,233)	(58)	165

(1) The 2002 utilization included changes in estimates which are attributable to differences in actual costs from initial estimates in implementing the original restructuring plan. As a result of changes in estimates, net reserves of \$9 million were reversed in 2002. Refer to Note 3 in the 2002 Annual Report for additional information.

</TABLE>

8

NOTE 3. SEGMENT INFORMATION

In reporting to management, Merrill Lynch's operating results are categorized into three business segments: the Global Markets and Investment Banking Group ("GMI"), Global Private Client ("GPC") and Merrill Lynch Investment Managers ("MLIM"). Prior period amounts have been restated to conform to the current period presentation. For information on each segment's business activities, see the 2002 Annual Report.

Operating results by business segment are as follows:

<TABLE>					
<CAPTION>					
(dollars in millions)					

THREE MONTHS ENDED	GMI	GPC	MLIM	Corporate Items	
TOTAL					
MARCH 28, 2003	-----	-----	-----	-----	-----
-					
<S>	<C>	<C>	<C>	<C>	
<C>					
Non-interest revenues	\$ 1,807	\$ 1,779	\$ 330	\$ (12) (1)	\$ 3,904
Net interest income(2)	653	323	7	(33) (3)	950
--	-----	-----	-----	-----	-----
Net revenues	2,460	2,102	337	(45)	
4,854					
Non-interest expenses	1,675	1,833	290	34 (4)	3,832
--	-----	-----	-----	-----	-----
Pre-tax earnings (loss)	\$ 785	\$ 269	\$ 47	\$ (79)	\$ 1,022
=====	=====	=====	=====	=====	
Quarter-end total assets	\$386,329	\$59,718	\$5,178	\$4,362	\$455,587
=====	=====	=====	=====	=====	

	GMI	GPC	MLIM	Corporate Items	
Total	-----	-----	-----	-----	-----
--					
THREE MONTHS ENDED					
MARCH 29, 2002					
Non-interest revenues	\$ 1,908	\$ 1,953	\$ 439	\$ (20) (1)	\$ 4,280
Net interest income(2)	477	346	3	(16) (3)	810
--	-----	-----	-----	-----	-----
Net revenues	2,385	2,299	442	(36)	
5,090					
Non-interest expenses	1,742	2,027	328	(19) (4)	4,078
--	-----	-----	-----	-----	-----
Pre-tax earnings (loss)	\$ 643	\$ 272	\$ 114	\$ (17)	\$ 1,012
=====	=====	=====	=====	=====	
Quarter-end total assets	\$371,994	\$63,037	\$5,841	\$3,999	\$444,871
=====	=====	=====	=====	=====	

(1) Primarily represents the elimination of intersegment revenues and expenses.					
(2) Management views interest income net of interest expense in evaluating results.					
(3) Represents acquisition financing costs and other corporate interest.					
(4) Represents elimination of intersegment revenues and expenses, and in 2003					
includes a \$50 million litigation provision. This litigation provision will be					
charged to the business segments when the amounts are fixed and determined.					
</TABLE>					

NOTE 4. INVESTMENT SECURITIES

Investment securities at March 28, 2003 and December 27, 2002 are presented below:

<TABLE>
<CAPTION>
(dollars in millions)

<S>	<C>	<C>
Investment securities		
Available-for-sale	\$66,917	\$72,229
Trading	3,320	3,337
Held-to-maturity	810	638
Non-qualifying: (1)		
Deferred compensation hedges (2)	1,677	1,927
Other (3)	5,187	3,656
	-----	-----
Total	\$77,911	\$81,787

(1) Non-qualifying for SFAS No. 115 purposes.

(2) Represents investments economically hedging deferred compensation liabilities.

(3) Includes insurance policy loans, merchant banking investments and other non-qualifying investments.

</TABLE>

NOTE 5. SECURITIZATION TRANSACTIONS

In the normal course of business, Merrill Lynch securitizes commercial and residential mortgage and home equity loans; municipal, government, and corporate bonds; and other types of financial assets. SPEs are often used when entering into or facilitating securitization transactions. Merrill Lynch's involvement with SPEs used to securitize financial assets includes: establishing SPEs; selling assets to SPEs; underwriting, distributing, making loans to SPEs; making markets in securities issued by SPEs; engaging in derivative transactions with SPEs; owning notes or certificates issued by SPEs; and/or providing liquidity facilities and other guarantees to SPEs.

Merrill Lynch securitized assets of \$20.5 billion for the three months ended March 28, 2003. For the three months ended March 28, 2003 and March 29, 2002, Merrill Lynch received \$20.9 billion and \$9.8 billion, respectively, of proceeds, and other cash inflows, from new securitization transactions, and recognized net securitization gains, excluding gains on related derivative transactions, of \$14.6 million and \$13.2 million, respectively in Merrill Lynch's Condensed Consolidated Statements of Earnings. Merrill Lynch generally records assets prior to securitization at fair value.

For the first three months of 2003 and 2002, cash inflows from securitizations related to the following asset types:

<TABLE>

<CAPTION>

(dollars in millions)

	Mar. 28, 2003	Mar. 29, 2002
<S>	<C>	<C>
Asset category		
Residential mortgage loans	\$18,313	\$6,724
Municipal bonds	1,352	1,500
Corporate and government bonds	223	278
Commercial loans and other	1,010	1,253
	-----	-----
	\$20,898	\$9,755

</TABLE>

Retained interests in SPEs were approximately \$4.0 billion and \$3.3 billion at March 28, 2003 and December 27, 2002, respectively, which related primarily to residential mortgage loan and municipal bond securitization transactions. The majority of the retained interest balance consists of mortgage-backed securities that have observable market prices. These retained interests include mortgage-backed securities that Merrill Lynch has committed to purchase and expects to sell to investors in the normal course of its underwriting activity. Approximately 72% and 77% at March 28, 2003 and December 27, 2002, respectively, of residential mortgage loan retained interests consist of interests in U.S. Government agency sponsored securitizations, which are guaranteed with respect to principal and interest. In addition, \$967 million and \$851 million at March 28, 2003 and December 27, 2002, respectively, of the retained interest balance relates to municipal bond transactions where observable market prices are available for the underlying assets, which provide the inputs and parameters used to calculate the fair value of the retained interest.

The following table presents information on retained interests, excluding the offsetting benefit of financial instruments used to hedge risks, held by Merrill Lynch as of March 28, 2003 arising from Merrill Lynch's residential mortgage loan, commercial mortgage loan, and municipal bond securitization transactions. The sensitivity of the current fair value of the retained interests to immediate 10% and 20% adverse changes in those assumptions and parameters is also shown.

<TABLE>
<CAPTION>
(dollars in millions)

	Residential Mortgage Loans	Municipal Bonds	Other
<S>	<C>	<C>	<C>
Retained interest amount	\$ 2,787	\$ 967	\$ 222
Weighted average life (in years)	2.8	4.2	N/A
Range	0.0-22.0	0.0-8.0	N/A
Weighted average credit losses (rate per annum)	0.5%	0%	2.2%
Range	0.0-5.5%	0%	0.0-20.0%
Impact on fair value of 10% adverse change	\$ (5)	\$ -	\$ (4)
Impact on fair value of 20% adverse change	\$ (11)	\$ -	\$ (5)
Weighted average discount rate	6.0%	2.6%	4.9%
Range	0.0-75.0%	1.1-6.5%	1.3-22.0%
Impact on fair value of 10% adverse change	\$ (35)	\$ (56)	\$ (2)
Impact on fair value of 20% adverse change	\$ (68)	\$ (109)	\$ (4)
Weighted average prepayment speed (CPR)	22.6%	13.6%	N/A
Range	0.0-50.0%	6.0-30.0%	N/A
Impact on fair value of 10% adverse change	\$ (12)	\$ (2)	N/A
Impact on fair value of 20% adverse change	\$ (21)	\$ (3)	N/A

N/A=Not Applicable
CPR=Constant Prepayment Rate

</TABLE>

The preceding table does not include the offsetting benefit of financial instruments that Merrill Lynch utilizes to hedge risks including credit, interest rate, and prepayment risk that are inherent in the retained interests. Merrill Lynch employs hedging strategies that are structured to take into consideration the hypothetical stress scenarios above such that they would be effective in principally offsetting Merrill Lynch's exposure to loss in the event these scenarios occur. In addition, the sensitivity analysis is hypothetical and should be used with caution. In particular, the effect of a variation in a particular assumption on the fair value of the retained interest is calculated independent of changes in any other assumption; in practice, changes in one factor may result in changes in another, which might magnify or counteract the sensitivities. Further, changes in fair value based on a 10% or 20% variation in an assumption or parameter generally cannot be extrapolated because the relationship of the change in the assumption to the change in fair value may not be linear.

11

The assumptions and parameters used initially to value retained interests relating to securitizations effected in 2003 that were still held by Merrill Lynch as of March 28, 2003 are as follows:

<TABLE>
<CAPTION>

	Residential Mortgage Loans	Municipal Bonds	Other
<S>	<C>	<C>	<C>
Weighted average life (in years)	4.1	0.0-8.0	N/A
Credit losses (rate per annum)	0.2%	0%	0.9-1.2%
Weighted average discount rate	5.6%	2.3-6.8%	0.1-15.0%
Prepayment speed assumption (CPR)	18.8%	6.0-18.0%	N/A

N/A=Not Applicable
CPR=Constant Prepayment Rate

</TABLE>

For residential mortgage loan and other securitizations, the investors and the securitization trust have no recourse to Merrill Lynch's other assets for failure of mortgage holders to pay when due.

For municipal bond securitization SPEs, in the normal course of dealer market-making activities, Merrill Lynch acts as liquidity provider. Specifically, the holders of beneficial interests issued by municipal bond securitization SPEs have the right to tender their interests for purchase by Merrill Lynch on specified dates at a specified price. Beneficial interests that are tendered are then sold by Merrill Lynch to investors through a best efforts remarketing where Merrill Lynch is remarketing agent. If the beneficial interests are not successfully remarketed, the holders of beneficial interests are paid from funds drawn under a standby liquidity letter of credit issued by Merrill Lynch.

Merrill Lynch also provides default protection or credit enhancement to

investors in securities issued by certain municipal bond securitization SPEs. Interest and principal payments on beneficial interests issued by these SPEs are secured by a guarantee issued by Merrill Lynch. In the event that the issuer of the underlying municipal bond defaults on any payment of principal and/or interest when due, the payments on the bonds will be made to beneficial interest holders from an irrevocable guarantee by Merrill Lynch.

The maximum commitment under these liquidity and default guarantees totaled \$16.9 billion and \$13.7 billion at March 28, 2003 and December 27, 2002, respectively. The fair value of the commitments approximates \$36 million and \$69 million at March 28, 2003 and December 27, 2002, respectively, which is reflected in the Condensed Consolidated Financial Statements. Of these arrangements, \$3.8 billion and \$2.3 billion at March 28, 2003 and December 27, 2002, respectively, represent agreements where the guarantee is provided to the SPE by a third party financial intermediary and Merrill Lynch enters into a reimbursement agreement with the financial intermediary. In these arrangements, if the financial intermediary incurs losses, Merrill Lynch has up to one year to fund those losses. Additional information regarding these commitments is provided in Note 10 to the Condensed Consolidated Financial Statements and in Note 14 in the 2002 Annual Report.

12

The following table summarizes principal amounts outstanding, delinquencies, and net credit losses of securitized financial assets as of March 28, 2003 and December 27, 2002.

<TABLE>

<CAPTION>

(dollars in millions)

	Residential Mortgage Loans	Municipal Bonds	Other
	-----	-----	-----
<S>	<C>	<C>	<C>
March 28, 2003			
Principal Amount Outstanding	\$39,500	\$19,974	\$1,931
Delinquencies	78	-	-
Net Credit Losses	2	-	21
December 27, 2002			
Principal Amount Outstanding	\$23,107	\$18,379	\$2,476
Delinquencies	90	-	3
Net Credit Losses	5	-	44

</TABLE>

NOTE 6. LOANS, NOTES, AND MORTGAGES AND RELATED COMMITMENTS TO EXTEND CREDIT

Loans, Notes, and Mortgages and related commitments to extend credit at March 28, 2003 and December 27, 2002, are presented below:

<TABLE>

<CAPTION>

(dollars in millions)

	Loans		Commitments	
	Mar. 28, 2003	Dec. 27, 2002	Mar. 28, 2003 (1)	Dec. 27, 2002
<S>	<C>	<C>	<C>	<C>
Consumer and small and middle-market business - secured	\$ 24,719	\$ 23,749	\$ 9,422	\$ 8,318
Commercial:				
Secured	7,064	6,873	4,193	4,450
Unsecured investment grade	2,208	3,434	11,180	10,882
Unsecured non-investment grade	460	679	258	293
Total	\$ 34,451	\$ 34,735	\$ 25,053	\$ 23,943

(1) See Note 10 for a maturity profile of these commitments.

</TABLE>

The loan amounts are net of an allowance for loan losses of \$301 million and \$265 million as of March 28, 2003 and December 27, 2002, respectively.

Consumer and small and middle-market business loans, which at March 28, 2003 consisted of approximately 100,000 individual loans, include residential mortgages, home equity loans, small and middle-market business loans, and other loans to individuals for household, family, or other personal expenditures.

Commercial loans, which at March 28, 2003 consisted of approximately 5,000 individual loans, include syndicated loans and other loans to corporations and other businesses. Secured loans and commitments include lending activities made in the normal course of Merrill Lynch's securities and financing businesses. The investment grade and non-investment grade categorization is determined using the credit rating agency equivalent of internal credit ratings. Non-investment grade counterparties are those rated lower than BBB. Merrill Lynch enters into credit default swaps to mitigate credit exposure primarily related to funded and unfunded unsecured commercial loans. The notional value of these swaps totaled \$3.8 billion at March 28, 2003 and December 27, 2002.

13

The above amounts include \$6.1 billion and \$6.2 billion of loans held for sale at March 28, 2003 and December 27, 2002, respectively. Loans held for sale are loans which management expects to sell prior to maturity. At March 28, 2003, such loans consisted of \$3.2 billion of consumer loans, primarily residential mortgages, and \$2.9 billion of commercial loans, approximately 35% of which are to investment grade counterparties. At December 27, 2002, such loans consisted of \$3.2 billion of consumer loans, primarily residential mortgages, and \$3.0 billion of commercial loans, approximately 49% of which were to investment grade counterparties. For information on the accounting policy related to loans, notes and mortgages, see Note 1 to the Consolidated Financial Statements in the 2002 Annual Report.

NOTE 7. SHORT-TERM BORROWINGS AND DEPOSITS

Short-term borrowings and Deposits at March 28, 2003 and December 27, 2002 are presented below:

	Mar. 28, 2003	Dec. 27, 2002
<S>	<C>	<C>
Commercial paper and other short-term borrowings		
Commercial paper	\$ 2,967	\$ 3,966
Other	542	1,387
	-----	-----
Total	\$ 3,509	\$ 5,353
	-----	-----
Deposits		
U.S.	\$ 68,825	\$68,550
Non U.S.	13,058	13,292
	-----	-----
Total	\$ 81,883	\$81,842
	-----	-----

14

NOTE 8. COMPREHENSIVE INCOME

The components of comprehensive income are as follows:

	Three Months Ended	
	Mar. 28, 2003	Mar. 29, 2002
<S>	<C>	<C>
Net Earnings	\$ 685	\$ 647
	-----	-----
Other comprehensive income (loss), net of tax:		
Currency translation adjustment	6	(15)
Net unrealized gain on investment securities available-for-sale	18	17
Deferred gain (loss) on cash flow hedges	6	(35)
	-----	-----
Total other comprehensive income (loss), net of tax	30	(33)
	-----	-----

Comprehensive income	\$ 715	\$ 614
----------------------	--------	--------

</TABLE>

NOTE 9. EARNINGS PER COMMON SHARE

The computation of earnings per common share is as follows:

<TABLE>

<CAPTION>

(dollars in millions, except per share amounts)

	Three Months Ended	
	Mar. 28, 2002	Mar. 29, 2003
<S>	<C>	<C>
Net Earnings	\$ 685	\$ 647
Preferred stock dividends	9	9
Net earnings applicable to common stockholders	\$ 676	\$ 638

(shares in thousands)		
Weighted-average shares outstanding	887,553	854,815
Effect of dilutive instruments(1) (2):		
Employee stock options	18,453	45,023
Financial Advisor Capital Accumulation Award Plan shares	20,373	24,913
Restricted shares and units	12,723	24,372
Employee Stock Purchase Plan shares	118	114
Dilutive potential common shares	51,667	94,422
Total weighted-average diluted shares	939,220	949,237

Basic earnings per common share	\$0.76	\$0.75
Diluted earnings per common share	\$0.72	\$0.67

- (1) During the 2003 and 2002 first quarter there were 130 million and 69 million instruments, respectively, that were considered antidilutive and not included in the above computations.
- (2) See Note 16 to the Consolidated Financial Statements in the 2002 Annual Report for a description of these instruments.

</TABLE>

NOTE 10. COMMITMENTS, CONTINGENCIES AND GUARANTEES

Litigation

Merrill Lynch has been named as a defendant in various legal actions, including arbitrations, class actions, and other litigation arising in connection with its activities as a global diversified financial services institution. The general decline of equity securities prices that began in 2000 has resulted in increased legal actions against many firms, including Merrill Lynch, and will likely result in higher professional fees and litigation expenses than those incurred in the past.

Some of the legal actions include claims for substantial compensatory and/or punitive damages or claims for indeterminate amounts of damages. In some cases, the issuers who would otherwise be the primary defendants in such cases are bankrupt or otherwise in financial distress. Merrill Lynch is also involved, from time to time, in investigations and proceedings by governmental and self-regulatory agencies. The number of these investigations has also increased in recent years with regard to many firms, including Merrill Lynch.

Some of these legal actions, investigations or proceedings are likely to result in adverse judgments, penalties, injunctions or fines. Merrill Lynch believes it has strong defenses to, and where appropriate, will vigorously contest these actions. In view of the inherent difficulty of predicting the outcome of such matters, particularly in cases in which claimants seek substantial or indeterminate damages, Merrill Lynch often cannot predict what the eventual loss or range of loss related to such matters will be. Merrill Lynch believes, based

on information available to us, that the resolution of these actions will not have a material adverse effect on the financial condition of Merrill Lynch as set forth in the Condensed Consolidated Financial Statements, but may be material to Merrill Lynch's operating results or cash flows for any particular period and may impact ML & Co.'s credit ratings.

Commitments

At March 28, 2003, Merrill Lynch commitments had the following expirations:

<TABLE>

<CAPTION>

(dollars in millions)

	Total	Commitment expiration			
		Less than 1 year	1 - 3 years	4 - 5 years	Over 5 years
<S>	<C>	<C>	<C>	<C>	<C>
Commitments to extend credit(1)	\$25,053	\$13,088	\$2,938	\$6,086	\$2,941
Binding margin commitments	5,147	5,147	-	-	-
Partnership interests	517	240	20	120	137
Other commitments	2,021	1,470	325	67	159
Operating leases	4,144	525	1,019	866	1,734
Resale agreements	7,705	7,705	-	-	-
Repurchase agreements	4,074	4,074	-	-	-
Total	\$48,661	\$32,249	\$4,302	\$7,139	\$4,971

(1) See Note 6 to the Condensed Consolidated Financial Statements and Note 14 in the 2002 Annual Report for additional details.

</TABLE>

16

Other Commitments

Merrill Lynch also obtains commercial letters of credit from issuing banks to satisfy various counterparty collateral requirements in lieu of depositing cash or securities collateral. Commercial letters of credit aggregated \$388 million and \$434 million at March 28, 2003 and December 27, 2002, respectively.

Merrill Lynch has entered into agreements with providers of market data, communications, and systems consulting services. Minimum fee commitments over the remaining life of these agreements aggregated \$572 million and \$527 million at March 28, 2003 and December 27, 2002, respectively. Merrill Lynch has entered into other purchasing commitments totaling \$1.3 billion and \$1.4 billion at March 28, 2003 and December 27, 2002, respectively.

Leases

Merrill Lynch has entered into various noncancellable long-term lease agreements for premises that expire through 2024. Merrill Lynch has also entered into various noncancellable short-term lease agreements, which are primarily commitments of less than one year under equipment leases.

Merrill Lynch established two SPEs to finance its Hopewell, New Jersey campus and an aircraft. Merrill Lynch leases the facilities and the aircraft from the SPEs. The assets and liabilities of these SPEs are not consolidated in the financial statements of Merrill Lynch as they meet the accounting requirements of EITF Issue No. 90-15. More specifically, in addition to the other requirements of EITF No. 90-15, both of these SPEs have third-party investors who have made a substantive capital investment in the SPEs in the amount of 3% that is at risk during the entire term of the lease. The total amount of funds raised by the SPEs to finance these transactions was \$383 million at March 28, 2003 and December 27, 2002.

Guarantees

Merrill Lynch issues various guarantees to counterparties in connection with certain leasing, securitization and other transactions. In addition, Merrill Lynch enters into certain derivative contracts that meet the accounting definition of a guarantee under FIN 45. FIN 45 defines guarantees to include derivative contracts that contingently require a guarantor to make payment to a guaranteed party based on changes in an underlying (such as changes in the value of interest rates, security prices, currency rates, commodity prices, indices, etc.) that relate to an asset, liability or equity security of a guaranteed party. Derivatives that meet the FIN 45 definition of guarantees include certain written options and credit default swaps (contracts that require Merrill Lynch to pay the counterparty the par value of a referenced security if that referenced security defaults). Merrill Lynch does not track, for accounting purposes, whether its clients enter into these derivative contracts for speculative or hedging purposes. Accordingly, Merrill Lynch has disclosed information about all credit default swaps and certain types of written options that can potentially be used by clients to protect against changes in an

underlying, regardless of how the contracts are used by the client.

For certain derivative contracts such as written interest rate caps and written currency options, the maximum payout is not quantifiable, because, for example, the rise in interest or foreign exchange rates could theoretically be unlimited. In addition, Merrill Lynch does not monitor its exposure to derivatives in this manner. As such, rather than including the maximum payout, the notional value of these contracts has been included to provide information about the magnitude of involvement with these types of contracts. However, it should be noted that the notional value generally overstates Merrill Lynch's exposure to these contracts.

17

Merrill Lynch records all derivative transactions at fair value on its Condensed Consolidated Balance Sheets. As previously noted, Merrill Lynch does not monitor its exposure to derivative contracts in terms of maximum payout. Instead, a risk framework is used to define risk tolerances and establish limits to ensure that certain risk-related losses occur within acceptable, predefined limits. Merrill Lynch economically hedges its exposure to these contracts by entering into a variety of offsetting derivative contracts and security positions. See Note 1 to the Consolidated Financial Statements in the 2002 Annual Report, Derivatives section for further discussion of risk management of derivatives.

Merrill Lynch also provides guarantees to SPEs in the form of liquidity facilities, credit default protection and residual value guarantees for equipment leasing entities.

The liquidity facilities and credit default protection relate primarily to municipal bond securitization SPEs. Merrill Lynch acts as liquidity provider to municipal bond securitization SPEs. Specifically, the holders of beneficial interests issued by these SPEs have the right to tender their interests for purchase by Merrill Lynch on specified dates at a specified price. If the beneficial interests are not successfully remarketed, the holders of beneficial interests are paid from funds drawn under a standby facility issued by Merrill Lynch (or by third party financial institutions where Merrill Lynch has agreed to reimburse the financial institution if a draw occurs). If the standby facility is drawn, Merrill Lynch may claim the underlying assets held by the SPEs. In general, standby facilities that are not coupled with default protection are not exercisable in the event of a downgrade below investment grade or default of the assets held by the SPEs. In addition, the value of the assets held by the SPE plus any additional collateral pledged to Merrill Lynch exceeds the amount of beneficial interests issued, which provides additional support to Merrill Lynch in the event that the standby facility is drawn. The assets to which Merrill Lynch has recourse are on a deal-by-deal basis and is not part of a cross collateralized pool. As of March 28, 2003, the value of the municipal bond assets to which Merrill Lynch has recourse in the event of a draw was \$19.5 billion and the maximum payout if the standby facilities are drawn was \$13.7 billion.

In certain instances, Merrill Lynch also provides default protection in addition to liquidity facilities. Specifically, in the event that an issuer of a municipal bond held by the SPE defaults on any payment of principal and/or interest when due, the payments on the bonds will be made to beneficial interest holders from an irrevocable guarantee by Merrill Lynch (or by third party financial institutions where Merrill Lynch has agreed to reimburse the financial institution if losses occur). If the default protection is drawn, Merrill Lynch may claim the underlying assets held by the SPEs. As of March 28, 2003, the value of the assets to which Merrill Lynch has recourse in the event that an issuer of a municipal bond held by the SPE defaults on any payment of principal and/or interest when due, was \$4.1 billion; the maximum payout if an issuer defaults was \$3.2 billion. As described in the preceding paragraph, the assets to which Merrill Lynch has recourse are not part of a cross collateralized pool.

Further, to protect against declines in the value of the assets held by SPEs for which Merrill Lynch provides either liquidity facilities or default protection, ML economically hedges its exposure through derivative positions that principally offset the risk of loss arising from these guarantees.

Merrill Lynch also provides residual value guarantees to leasing SPEs where either Merrill Lynch or a third party is the lessee. For transactions where Merrill Lynch is not the lessee, the guarantee provides loss coverage for any shortfalls in the proceeds from assets sales beyond 75 - 90% of the current book value of the asset to which the guarantee pertains. As of March 28, 2003, the value of the assets for which Merrill Lynch provides residual value guarantees and is not the lessee was \$640 million. Where Merrill Lynch is the lessee, it provides a guarantee that any proceeds from the sale of the assets will amount to at least 85% of the acquisition cost of the assets.

18

Merrill Lynch also enters into reimbursement agreements in conjunction with sales of loans originated under its Mortgage 100SM program. Under this program, borrowers can pledge marketable securities in lieu of making a cash down payment. Upon sale of these mortgage loans, purchasers may require a surety bond

that reimburses for certain shortfalls in the borrowers' securities accounts. Merrill Lynch provides this reimbursement through a financial intermediary. Merrill Lynch requires borrowers to meet daily collateral calls to ensure that the securities pledged as down payment are sufficient at all times. Merrill Lynch believes that its potential for loss under these arrangements is remote. Accordingly, no liability is recorded in the Condensed Consolidated Financial Statements.

In addition, Merrill Lynch makes guarantees to counterparties in the form of standby letters of credit. Merrill Lynch holds marketable securities of \$191 million as collateral to secure these guarantees. In addition, standby letters of credit include \$111 million of financial guarantees for which Merrill Lynch has recourse to the guaranteed party upon draw down.

These guarantees are summarized at March 28, 2003 as follows:

<TABLE>

<CAPTION>

(dollars in millions)

Type of Guarantee	Maximum Payout/ Notional	Carrying Value
<S>	<C>	<C>
Derivative contracts(1)	\$721,721	\$23,132
Liquidity facilities with SPEs(2)	13,663	36
Liquidity and default facilities with SPEs	3,231	-
Residual value guarantees(3) (4)	1,782	-
Standby letters of credit and other performance guarantees(5)	471	1

- (1) As noted above, the notional value of derivative contracts is provided rather than the maximum payout amount, although the notional value should not be considered as a substitute for maximum payout.
- (2) Amounts relate primarily to facilities provided to municipal bond securitization SPEs includes \$3.8 billion of guarantees provided to SPEs by third party financial institutions where Merrill Lynch has agreed to reimburse the financial institution if losses occur, and has up to one year to fund losses.
- (3) Includes residual value guarantees associated with the Hopewell campus and aircraft SPEs of \$325 million.
- (4) Includes \$773 million of reimbursement agreements with the Mortgage 100SM program.
- (5) Marketable securities are posted as collateral.

</TABLE>

Expiration information for these contracts is as follows:

<TABLE>

<CAPTION>

(dollars in millions)

	Maximum Payout/ Notional	Less than 1 year	1 - 3 years	4 - 5 years	Over 5 years
<S>	<C>	<C>	<C>	<C>	<C>
Derivative contracts(1)	\$721,721	\$221,291	\$197,761	\$132,657	\$170,012
Liquidity facilities with SPEs(2)	13,663	10,341	3,322	-	-
Liquidity and default facilities with SPEs	3,231	2,654	577	-	-
Residual value guarantees(3) (4)	1,782	70	128	276	1,308
Standby letters of credit and other performance guarantees	471	209	107	37	118

- (1) As noted above, the notional value of derivative contracts is provided rather than the maximum payout amount, although the notional value should not be considered as a substitute for maximum payout.
- (2) Amounts relate primarily to facilities provided to municipal bond securitization SPEs. Includes \$3.8 billion of guarantees provided to SPEs by third party financial institutions where Merrill Lynch has agreed to reimburse the financial institution if losses occur, and has up to one year to fund losses.
- (3) Includes residual value guarantees associated with the Hopewell campus and aircraft SPEs of \$325 million.
- (4) Includes \$773 million of reimbursement agreements with the Mortgage 100SM program.

</TABLE>

See Note 14 in the 2002 Annual Report for additional information on guarantees.

NOTE 11. EMPLOYEE INCENTIVE PLANS

Stock-Based Compensation

Merrill Lynch accounts for stock-based compensation in accordance with the intrinsic value-based method in Accounting Principles Board Opinion No. 25, Accounting for Stock Issued to Employees, rather than the fair value-based method in SFAS No. 123, Accounting for Stock-Based Compensation. Refer to Note 1 to the 2002 Annual Report for accounting policy. For the three-month periods ended March 28, 2003 and March 29, 2002, \$201 million (\$125 million after-tax) and \$209 million (\$130 million after-tax), respectively, of pre-tax compensation expense related to employee stock compensation awards was recorded in earnings. Compensation expense for stock options is not recognized since Merrill Lynch grants stock options that have no intrinsic value. Had Merrill Lynch adopted the provisions of SFAS No. 123 and accounted for all employee stock awards at fair value, Merrill Lynch would have recognized additional pre-tax compensation expense related to employee stock awards of \$61 million (\$38 million after-tax) and \$402 million (\$249 million after-tax), respectively, for the three-month periods ended March 28, 2003 and March 29, 2002, respectively. The decrease in expense reflects the change in vesting period for stock options from six months for 2002 grants, to four years for 2003 grants. Pro forma net earnings and earnings per share are as follows:

<TABLE>

<CAPTION>

(dollars in millions, except per share amounts)

	Three Months Ended	
	Mar. 28, 2003	Mar. 29, 2002
<S>	<C>	<C>
Net Earnings, as reported	\$ 685	\$ 647
Less: stock-based compensation determined under Black-Scholes method, net of taxes	(38)	(249)
Pro forma net earnings	\$ 647	\$ 398
Earnings per share		
As reported:		
Basic	\$0.76	\$0.75
Diluted	0.72	0.67
Pro forma:		
Basic	0.72	0.45
Diluted	0.68	0.41

</TABLE>

Restricted Unit Conversion

During the first quarter of 2003 a total of 18,656,866 Restricted Units were converted to Restricted Shares and remain outstanding; no change was made to the remaining vesting periods and the restricted periods were removed. Additionally, 16,049,636 fully vested Restricted Units were released as a result of the early removal of the restricted period.

This conversion had no impact on earnings per share as the dilutive impact of Restricted Units and Restricted Shares has always been included in the diluted earnings per share calculation. However, book value per common share was impacted by this conversion as Restricted Shares are included in total shares outstanding and Restricted Units are not. Book value per common share declined to \$24.97 at March 28, 2003 from \$25.69 at December 27, 2002.

NOTE 12. REGULATORY REQUIREMENTS

Certain U.S. and non-U.S. subsidiaries are subject to various securities and banking regulations and capital adequacy requirements promulgated by the regulatory and exchange authorities of the countries in which they operate. Merrill Lynch's principal regulated subsidiaries are discussed below.

Securities Regulation

Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"), a U.S. registered broker-dealer and futures commission merchant, is subject to the net capital requirements of Rule 15c3-1 under the Securities Exchange Act of 1934 and the capital requirements of the Commodities Futures Trading Commission ("CFTC"). Under the alternative method permitted by Rule 15c3-1, the minimum required net

capital, as defined, shall not be less than 2% of aggregate debit items ("ADI") arising from customer transactions. The CFTC also requires that minimum net capital should not be less than 4% of segregated and secured requirements. At March 28, 2003, MLPF&S's regulatory net capital of \$3,097 million was approximately 22% of ADI, and its regulatory net capital in excess of the minimum required was \$2,819 million at 2% of ADI.

Merrill Lynch International ("MLI"), a U.K. regulated investment firm, is subject to capital requirements of the Financial Services Authority ("FSA"). Financial resources, as defined, must exceed the total financial resources requirement of the FSA. At March 28, 2003, MLI's financial resources were \$5,572 million, exceeding the minimum requirement by \$1,176 million.

Merrill Lynch Government Securities Inc. ("MLGSI"), a primary dealer in U.S. Government securities, is subject to the capital adequacy requirements of the Government Securities Act of 1986. This rule requires dealers to maintain liquid capital in excess of market and credit risk, as defined, by 20% (a 1.2-to-1 capital-to-risk standard). At March 28, 2003, MLGSI's liquid capital of \$3,087 million was 215% of its total market and credit risk, and liquid capital in excess of the minimum required was \$1,361 million.

Banking Regulation

Two of the subsidiaries of ML & Co., Merrill Lynch Bank USA ("MLBUSA") and Merrill Lynch Bank & Trust Co. ("MLB&T"), are each subject to certain minimum aggregate capital requirements under applicable federal banking laws. Among other things, Part 325 of the FDIC Regulations establishes levels of Risk-Based Capital ("RBC") each institution must maintain and identifies the possible actions the federal supervisory agency may take if a bank does not maintain certain capital levels. RBC is defined as the ratios of (i) Tier I Capital or Total Capital to (ii) average assets or risk-weighted assets. The following table presents the actual capital ratios and amounts for MLBUSA and MLB&T at March 28, 2003 and December 27, 2002.

21

As shown below, MLBUSA and MLB&T each exceed the minimum bank regulatory requirement for classification as a well-capitalized bank for Tier I leverage -- 5%, Tier I capital -- 6% and Total capital -- 10%:

<TABLE>
<CAPTION>
(dollars in millions)

	Mar. 28, 2003		Dec. 27, 2002	
	<C>	<C>	<C>	
Tier I leverage (to average assets)	Actual Ratio	Amount	Actual Ratio	
Amount				
MLBUSA	5.79%	\$3,920	5.35%	
\$3,740				
MLB&T	5.51	821	5.42	
848				
Tier I capital (to risk-weighted assets)				
MLBUSA	11.97	3,920	11.48	
3,740				
MLB&T	18.40	821	20.53	
848				
Total capital (to risk-weighted assets)				
MLBUSA	12.54	4,107	12.04	
3,924				
MLB&T	18.41	821	20.54	
848				

22

INDEPENDENT ACCOUNTANTS' REPORT

To the Board of Directors and Stockholders of
Merrill Lynch & Co., Inc.:

We have reviewed the accompanying condensed consolidated balance sheet of Merrill Lynch & Co., Inc. and subsidiaries ("Merrill Lynch") as of March 28, 2003, and the related condensed consolidated statements of earnings and cash flows for the three-month periods ended March 28, 2003 and March 29, 2002. These financial statements are the responsibility of Merrill Lynch's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and of making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to such condensed consolidated financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheet of Merrill Lynch as of December 27, 2002, and the related consolidated statements of earnings, changes in stockholders' equity, comprehensive income and cash flows for the year then ended (not presented herein); and in our report dated February 24, 2003, we expressed an unqualified opinion on those consolidated financial statements and included an explanatory paragraph for the change in accounting method for goodwill amortization to conform to Statement of Financial Accounting Standards No. 142, Goodwill and Other Intangible Assets. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 27, 2002 is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

/s/ Deloitte & Touche LLP
New York, New York
May 8, 2003

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS

Merrill Lynch & Co., Inc. ("ML&Co." and, together with its subsidiaries, "Merrill Lynch") is a holding company that, through its subsidiaries, provides broker-dealer, investment banking, financing, advisory, wealth management, asset management, insurance, lending, and related products and services on a global basis. In addition, Merrill Lynch makes principal investments for market making on behalf of its clients and for its own account. The financial services industry, in which Merrill Lynch is a leading participant, is highly competitive and highly regulated. This industry and the global financial markets are influenced by numerous unpredictable factors. These factors include economic conditions, monetary and fiscal policies, the liquidity of global markets, international and regional political events, acts of war or terrorism, changes in applicable laws and regulations, the competitive environment, and investor sentiment. In addition to these factors, Merrill Lynch and other financial services companies may be affected by the regulatory and legislative initiatives which may affect the conduct of its business, including increased regulation, and by the outcome of legal and regulatory proceedings. These conditions or events can significantly affect the volatility of the financial markets as well as the volumes and revenues in businesses such as brokerage, trading, investment banking, wealth management and asset management. Revenues and net earnings may vary significantly from period to period due to these unpredictable factors and the resulting market volatility and trading volumes.

The financial services industry continues to be affected by an intensifying competitive environment, as demonstrated by consolidation through mergers, competition from new and established competitors using the internet or other technology to provide financial services and diminishing margins in many mature products and services. Commercial and investment bank consolidations, which were made possible by the enactment of the Gramm-Leach-Bliley Act, have also increased the competition for investment banking business in part through the extension of credit in conjunction with investment banking and capital raising activities. In 2002, the U.S. Congress passed the Sarbanes-Oxley Act of 2002 which is a broad overhaul of existing corporate and securities laws. In addition, various Federal and state securities regulators, self-regulatory organizations (including the New York Stock Exchange) and industry participants reviewed and in many cases adopted sweeping changes to their established rules including rules in the areas of corporate governance, research analyst conflicts of interest and auditor independence. Changes pertaining to the role of research analysts in connection with providing financial services may also affect how financial services companies interact with their clients and the cost structure for such services. Outside the United States, there is continued focus by regulators and legislators on regulatory supervision of both banks and investment firms on a consolidated and individual basis, especially in the area of risk management.

Certain statements contained in this Report may be considered forward-looking, including statements about management expectations, strategic objectives, business prospects, anticipated expense savings and financial results, anticipated results of litigation and regulatory proceedings, and other similar matters. These forward-looking statements are not statements of historical fact and represent only Management's beliefs regarding future events, which are inherently uncertain. There are a variety of factors, many of which are beyond Merrill Lynch's control, which affect its operations, performance, business strategy and results and could cause its actual results and experience to differ materially from the expectations and objectives expressed in any forward-looking statements. These factors include, but are not limited to, the factors listed in the previous two paragraphs, as well as actions and initiatives taken by both current and potential competitors, the effect of current, pending and future legislation and regulation, and the other risks and uncertainties detailed in Merrill Lynch's Form 10-K and in the following sections. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the dates on which they are made. Merrill Lynch does not undertake to update forward-looking statements to reflect the impact of circumstances or events that arise after the dates the forward-looking statements are made. The reader should, however, consult any further disclosures Merrill Lynch may make in its Annual Reports on Form 10-K, its Quarterly Reports on Form 10-Q and its Current Reports on Form 8-K.

24

BUSINESS ENVIRONMENT

Equity market conditions remained challenging during the first quarter of 2003. Most equity markets continued to decline as the combination of the war in Iraq and continued restrained economic activity globally caused investors to reduce equity market activity and shift to less volatile, fixed-income investments. With interest rates falling to 30 year lows, the volume of global fixed-income underwriting set a new quarterly record of \$1.24 trillion, up 11% from the previous record in the first quarter of last year.

Although many investors continued to seek a safe alternative to stocks, there was a shift by some investors from Treasury bonds to corporate and high-yield bonds. As a result, long-term interest rates, as measured by the 10-year U.S. Treasury bond, ended the quarter at 3.81%, not much changed from the 3.82% at the beginning of 2003. The U.S. Federal Reserve Bank kept the federal funds rate unchanged at 1.25%.

U.S. equity indices continued to decline in the first quarter of 2003. The Dow Jones Industrial Average finished down 4.2% for the first quarter and 26.0% from year-ago levels. The Nasdaq Composite fared better, up 0.4% in the quarter, but down 27.3% from year-ago levels.

Despite a powerful rally in March, global stock markets continued to decline in the first quarter of 2003. The Dow Jones World Index, excluding the United States, was down 23.1% from the first quarter of 2002. In Europe, all major markets closed the first quarter lower as reflected by the 13% decline in the Dow Jones Stoxx Index of 600 European blue chips. In Japan, stocks continued to struggle as the Nikkei 225 index ended the first quarter down 7%, a two-decade low. Although they continued to outperform most other countries, emerging markets suffered in the first quarter, with a loss of 5%.

Despite a 54% decrease in volume of global stock and stock-related offerings, the boom in bonds produced a modest increase in overall stock and bond underwriting volume, which rose 5.6% to set a quarterly record of \$1.29 trillion, according to Thomson Financial Securities Data. However, the steep drop-off in Initial Public Offerings ("IPOs"), which reached a 10-year low in the U.S., dragged down disclosed fees for all underwriting by 31%, as IPOs carry higher fees than bond sales. With just five IPOs globally, this year's first quarter was the poorest for new issues since the fourth quarter of 1990, according to Thomson Financial Securities Data.

Despite strong activity in Europe, declining equity values, concerns about the economy and global uncertainty all continued to affect the merger and acquisition market in the first quarter of 2003. The value of global mergers and acquisitions edged up 9% from year-earlier levels to \$280 billion, according to Thomson Financial Securities Data. The volume of announced deals was down 11% from the year-earlier period. In the United States, the value of first-quarter mergers and acquisitions was \$82 billion, down 9% from the first quarter of 2002.

Merrill Lynch continually evaluates its businesses for profitability and performance under varying market conditions and, in light of the evolving conditions in its competitive environment, for alignment with its long-term strategic objectives. The strategy of maintaining long-term client relationships, closely monitoring costs and risks, diversifying revenue sources, and growing fee-based revenues all continue as objectives to mitigate the

effects of a volatile market environment on Merrill Lynch's business as a whole.

25

RESULTS OF OPERATIONS		
<TABLE>		
<CAPTION>		
	For the Three Months Ended	
	Mar. 28,	Mar. 29,
(dollars in millions, except per share amounts)	2003	2002
	-----	-----
<S>	<C>	<C>
Net Revenues		
Commissions	\$ 1,069	\$ 1,242
Principal transactions	1,010	877
Investment banking		
Underwriting	368	466
Strategic advisory	125	183
Asset management and portfolio service fees	1,127	1,293
Other	205	219
	-----	-----
Subtotal	3,904	4,280
Interest and dividend revenues	3,021	3,284
Less interest expense	2,071	2,474
	-----	-----
Net interest profit	950	810
	-----	-----
Total Net Revenues	4,854	5,090
	-----	-----
Non-interest expenses:		
Compensation and benefits	2,496	2,646
Communications and technology	403	474
Occupancy and related depreciation	216	238
Brokerage, clearing, and exchange fees	170	198
Advertising and market development	121	150
Professional fees	144	130
Office supplies and postage	58	69
Other	224	173
	-----	-----
Total non-interest expenses	3,832	4,078
	-----	-----
Earnings before income taxes and dividends on preferred securities issued by subsidiaries	\$ 1,022	\$ 1,012
	=====	=====
Net earnings	\$ 685	\$ 647
	=====	=====
Earnings per common share:		
Basic	\$ 0.76	\$ 0.75
Diluted	0.72	0.67
Annualized return on average common stockholders' equity	11.8 %	12.7 %
Pre-tax profit margin	21.1	19.9
	-----	-----
Compensation and benefits		
as a percentage of net revenues	51.4 %	52.0 %
Non-compensation expenses		
as a percentage of net revenues	27.5	28.1 %
	-----	-----

</TABLE>

26

Consolidated Results of Operations

Merrill Lynch's net earnings were \$685 million for the 2003 first quarter, 6% higher than the \$647 million reported in the first quarter of 2002. Earnings per common share were \$0.76 basic and \$0.72 diluted, compared with \$0.75 basic and \$0.67 diluted in the year-ago quarter. The pre-tax profit margin for the first quarter of 2003 was 21.1% up from 19.9% in the prior year quarter.

Net revenues were \$4.9 billion in the first quarter of 2003, 5% lower than the 2002 first quarter. Commissions revenues were \$1.1 billion, 14% below the 2002 first quarter, due primarily to a global decline in client transaction volumes, particularly in listed equities and mutual funds. Principal transactions revenues increased 15% from the first quarter of 2002, to \$1.0 billion, due to increased debt trading revenues, partially offset by lower equity trading revenues. Net interest profit was \$950 million, up 17% from the 2002 first

quarter, due primarily to a favorable yield curve environment. Underwriting revenues were \$368 million, 21% lower than the 2002 first quarter. Strategic advisory revenues declined 32% from the 2002 first quarter, to \$125 million. These decreases reflect an industry-wide decline in activity levels, as well as lower market shares, as reduced equity underwriting and completed mergers and acquisitions were partially offset by increased debt underwriting. Asset management and portfolio service fees were \$1.1 billion, down 13% from the first quarter of 2002. This decrease is primarily the result of a market-driven decline in equity assets under management and a reduction in portfolio servicing fees, which are calculated on beginning-of-period asset values. Other revenues were \$205 million in the first quarter of 2003, down 6% from the year-ago quarter. The 2002 first quarter included aggregate pre-tax gains totaling \$101 million related to the sales of the Securities Pricing Services business and the Canadian private client and asset management businesses, partially offset by increased realized gains related to sales of mortgages in the 2003 first quarter.

Compensation and benefits expenses were \$2.5 billion in the 2003 first quarter, a decrease of \$150 million, or 6%, from the 2002 first quarter. The decrease is due primarily to lower incentive compensation accruals and reduced staffing levels. Compensation and benefits expenses were 51.4% of net revenues for the first quarter of 2003, compared to 52.0% in the year-ago quarter.

Non-compensation expenses were \$1.3 billion in the first quarter of 2003, a decrease of \$96 million, or 7%, from the 2002 first quarter. Communications and technology costs were \$403 million, down 15% from the first quarter of 2002 due primarily to reduced communications costs and systems consulting costs. Occupancy and related depreciation was \$216 million in the 2003 first quarter, a decline of 9% from the year-ago quarter, due primarily to lower rental and occupancy costs resulting from actions taken in the 2002 fourth quarter to consolidate office space. Brokerage, clearing, and exchange fees were \$170 million, down 14% from the 2002 first quarter. Advertising and market development expenses were \$121 million, down 19% from the first quarter of 2002 due primarily to reduced spending on travel due to lower business activity and travel concerns, as well as lower levels of advertising. Professional fees increased 11% from the first quarter of 2002, to \$144 million, due principally to increased legal expenses. Office supplies and postage was \$58 million in the first quarter of 2003, a decrease of 16% from the year-ago quarter, due to lower levels of business activity and efficiency initiatives. Other expenses were \$224 million in the 2003 first quarter, an increase of \$51 million from the 2002 first quarter, principally due to a \$50 million provision for litigation relating to various business matters, which is included in the Corporate segment. Merrill Lynch's effective tax rate was 28.3% for the first quarter of 2003 as compared to 28.0% for the full year of 2002.

27

BUSINESS SEGMENTS

Merrill Lynch reports its results in three business segments: the Global Markets and Investment Banking Group ("GMI"), Global Private Client ("GPC"), and Merrill Lynch Investment Managers ("MLIM"). GMI provides capital markets and investment banking services to corporate, institutional, and governmental clients around the world. GPC provides global wealth management products and services to individuals, small- to mid-size businesses, and employee benefit plans. MLIM provides asset management services to individual, institutional and corporate clients.

Certain MLIM and GMI products are distributed through GPC distribution channels, and, to a lesser extent, certain MLIM products are distributed through GMI. Revenues and expenses associated with these inter-segment activities are recognized in each segment and eliminated at the corporate level. In addition, revenue and expense sharing agreements for shared activities between segments are in place and the results of each segment reflect the agreed-upon portion of these activities. The following segment results represent the information that is relied upon by management in its decision-making processes. These results exclude items reported in the Corporate segment. Business segment results are restated to reflect reallocations of revenues and expenses which result from changes in Merrill Lynch's business strategy and structure.

Global Markets and Investment Banking

<TABLE>
<CAPTION>
GMI's Results of Operations

For the Three Months Ended

	Mar. 28, 2003	Mar. 29, 2002	% Inc. (Dec.)
(dollars in millions)			

<S>	<C>	<C>	<C>
Commissions	\$ 511	\$ 542	(6)
Principal transactions and net interest profit	1,428	1,102	30
Investment banking	433	590	(27)
Other revenues	88	151	(42)
Total net revenues	2,460	2,385	3
Non-interest expenses	1,675	1,742	(4)
Pre-tax earnings	\$ 785	\$ 643	22
Pre-tax profit margin	31.9 %	27.0 %	

In an environment that remained challenging for equities and investment banking, GMI's results were driven by its debt markets franchise. Debt markets' strong trading and distribution capabilities and product breadth took advantage of a favorable market environment, generating record revenues and profits for the first quarter of 2003. GMI also benefited from strong operating leverage, created through effective expense management and focus on capacity, as well as a selective approach to risk-taking.

GMI's pre-tax earnings were \$785 million, 22% higher than the year-ago quarter. Net revenues were \$2.5 billion, a 3% increase from the first quarter of 2002. This revenue increase was complemented by ongoing operating discipline that drove a 4% decline in non-interest expenses and resulted in a pre-tax margin of 31.9%, up from 27.0% in the first quarter of 2002.

28

Client Facilitation and Trading

Commissions

Commissions revenues primarily arise from agency transactions in listed and over-the-counter equity securities, money market instruments, options and commodities.

Commissions revenues decreased 6% to \$511 million in the first quarter of 2003, compared to the year-ago quarter as a result of a global decline in equity trading volumes and prices.

<TABLE>

<CAPTION>

Principal transactions and net interest profit

For the Three Months Ended			
(dollars in millions)	Mar. 28, 2003	Mar. 29, 2002	% Inc. (Dec.)
<S>	<C>	<C>	<C>
Debt and debt derivatives	\$ 1,224	\$ 719	70
Equities and equity derivatives	204	383	(47)
Total	\$ 1,428	\$ 1,102	30

Principal transactions revenues include realized gains and losses from the purchase and sale of securities in which Merrill Lynch acts as principal, and unrealized gains and losses on trading assets and liabilities. In addition, principal transactions revenues include unrealized gains related to equity investments held by Merrill Lynch's broker-dealers.

Net interest profit is a function of the level and mix of total assets and liabilities, including trading assets owned, the investment portfolio of Merrill Lynch's U.S. banks, financing and lending transactions, trading strategies associated with GMI's institutional securities business, and the prevailing level, term structure, and volatility of interest rates. Net interest profit is an integral component of trading activity.

In assessing the profitability of its client facilitation and trading activities, Merrill Lynch views principal transactions and net interest profit in the aggregate as net trading revenues. Changes in the composition of trading inventories and hedge positions can cause the mix of principal transactions and net interest profit to fluctuate. Net trading revenues were \$1.4 billion in the first quarter of 2003, up 30% from \$1.1 billion in the first quarter of 2002. Debt and debt derivatives net trading revenues were \$1.2 billion, up 70% from the first quarter of 2002, reflecting increased trading of interest rate and credit products due to a favorable yield curve

environment and proprietary positioning. Equities and equity derivatives net trading revenues decreased 47% from the first quarter of 2002 to \$204 million, primarily due to reduced customer flows.

<TABLE>

<CAPTION>

Investment Banking

For the Three Months Ended			
(dollars in millions)	Mar. 28, 2003	Mar. 29, 2002	Inc. % (Dec.)
<S>	<C>	<C>	<C>
Debt underwriting	\$ 176	\$ 100	76
Equity underwriting	132	307	(57)
	-----	-----	
Total underwriting	308	407	(24)
Strategic advisory services	125	183	(32)
	-----	-----	
Total	\$ 433	\$ 590	(27)

</TABLE>

29

Underwriting

Underwriting revenues represent fees earned from the underwriting of debt and equity and equity-linked securities as well as loan syndication and commitment fees.

Underwriting revenues in the 2003 first quarter were \$308 million, down 24% from the \$407 million recorded in the first quarter of 2002. This decrease is the result of sharply lower equity underwriting revenues, which declined 57% to \$132 million, as equity origination activity continued to contract and market share declined. Partially offsetting this decline were higher debt underwriting revenues, which increased 76% from the first quarter of 2002, to \$176 million primarily due to the completion of more profitable transactions in the first quarter of 2003. Merrill Lynch ranked third in global debt and fifth in global equity and equity-linked underwriting in the first quarter of 2003 with a 7.1% and 7.8% market share, respectively. Merrill Lynch's debt underwriting focus has shifted toward higher margin businesses and away from the achievement of aggregate market share goals; however debt transactions are highly competitive and not all transactions are profitable.

<TABLE>

<CAPTION>

For the Three Months Ended				
	March 2003		March 2002	
	Market Share	Rank	Market Share	Rank
<S>	<C>	<C>	<C>	<C>
Global proceeds				
Debt and Equity	7.1 %	4	9.0 %	2
Debt	7.1	3	8.5	2
Equity and equity-linked	7.8	5	14.5	2
U.S. proceeds				
Debt and Equity	9.2 %	2	11.6 %	2
Debt	9.1	2	10.9	2
Equity and equity-linked	12.2	3	20.9	2

Source: Thomson Financial Securities Data statistics based on full credit to book manager.

</TABLE>

Strategic Advisory Services

Strategic advisory services revenues, which include merger and acquisition and other advisory fees, were \$125 million in the first quarter of 2003, down 32% from the first quarter of 2002 as industry-wide completed mergers and acquisitions activity continued to contract and market share globally declined. Merrill Lynch's merger and acquisition market share information based on transaction value is as follows:

<TABLE>

<CAPTION>

For the Three Months Ended				
	March 2003		March 2002	
	Market		Market	

	Share	Rank	Share	Rank
<S>	<C>	<C>	<C>	<C>
Completed transactions				
Global	16.6 %	4	22.1 %	3
U.S.	25.2	3	20.7	5
Announced transactions				
Global	13.8 %	5	23.0 %	2
U.S.	8.8	5	14.0	7

Source: Thomson Financial Securities Data statistics based on full credit to both target and acquiring companies' advisors.

</TABLE>

30

Other Revenues

Other revenues, which include realized investment gains and losses and distributions on equity investments, were \$88 million in the first quarter of 2003 as compared to \$151 million in the year-ago quarter. Other revenues in the first quarter of 2002 included a \$45 million pre-tax gain on the sale of the Securities Pricing Services business.

Global Private Client

<TABLE>

<CAPTION>

GPC's Results of Operations

	For the Three Months Ended		
(dollars in millions)	Mar. 28, 2003	Mar. 29, 2002	% Inc. (Dec.)
<S>	<C>	<C>	<C>
Commissions	\$ 538	\$ 667	(19)
Principal transactions and new issue revenues	299	315	(5)
Asset management and portfolio service fees	812	913	(11)
Net interest profit	323	346	(7)
Other revenues	130	58	124
Total net revenues	2,102	2,299	(9)
Non-interest expenses	1,833	2,027	(10)
Pre-tax earnings	\$ 269	\$ 272	(1)
Pre-tax profit margin	12.8%	11.8%	

</TABLE>

GPC's first quarter 2003 pre-tax earnings were \$269 million essentially unchanged from the 2002 first quarter, despite net revenues that declined 9% to \$2.1 billion. First quarter 2002 revenues included a residual pre-tax gain of \$39 million related to the sale of the Canadian private client business. GPC's pre-tax margin was 12.8%, one percentage point higher than the year-ago quarter, as non-interest expenses were reduced by 10%, to \$1.8 billion. A continued high percentage of revenues from fee-based and recurring sources provided stability as transaction activity eroded.

GPC employed approximately 13,600 Financial Advisors at the end of the 2003 first quarter, down from 14,000 at the end of 2002 due to attrition combined with reduced hiring in the United States.

Commissions

Commissions revenues primarily arise from agency transactions in listed and over-the-counter equity securities, as well as sales of mutual funds, insurance products, and options.

Commissions revenues declined 19% to \$538 million in the first quarter of 2003 from \$667 million in the first quarter of 2002 primarily due to a global decline in client transaction volumes, particularly in equity securities and mutual funds. Commissions have also been negatively affected by the ongoing transition of GPC assets to asset-priced accounts.

Principal transactions and new issue revenues

GPC's principal transactions and new issue revenues primarily represent

bid-offer revenues in over-the-counter equity securities, government bonds and municipal securities, as well as selling concessions on underwriting of debt and equity products. GPC does not take any significant principal trading risk positions.

31

Principal transactions and new issue revenues declined 5% to \$299 million in the 2003 first quarter from the year-ago quarter primarily as a result of a decline in new issue volume in a less favorable market environment.

Asset management and portfolio service fees

Asset management and portfolio service fees include asset management fees from taxable and tax-exempt money market funds which totaled \$66 billion and \$75 billion on an average basis at March 28, 2003 and March 29, 2002, respectively. Also included are portfolio fees from fee-based accounts such as Unlimited AdvantagesSM and Merrill Lynch Consults(R) as well as servicing fees related to these accounts, and certain other account-related fees.

Asset management and portfolio service fees totaled \$812 million, down 11% from the \$913 million recorded in the first quarter of 2002, primarily as a result of a market-driven decline in equity assets under management and a reduction in portfolio servicing fees, which are calculated on beginning-of-period asset values.

An analysis of changes in assets in GPC accounts from March 29, 2002 to March 28, 2003 is detailed below:

<TABLE>

<CAPTION>

(dollars in billions)	Net Changes Due To				Mar. 28, 2003
	Mar. 29, 2002	New Money	Asset Depreciation	Other (1)	
<S>	<C>	<C>	<C>	<C>	<C>
Assets in GPC accounts					
U.S.	\$1,158	\$15	\$(164)	\$ -	\$1,009
Non U.S.	96	(3)	(6)	(1)	86
Total	\$1,254	\$12	\$(170)	\$(1)	\$1,095

(1) Represents business divestitures.

</TABLE>

Total assets in GPC accounts in the United States declined 13% from the end of the 2002 first quarter, to \$1.0 trillion at March 28, 2003 as a result of market-driven declines in asset values, partially offset by net new money inflows of \$15 billion. Outside the United States, client assets were \$86 billion, down from \$96 billion at the end of the year-ago quarter, largely due to market-driven declines. Total assets in asset-priced accounts were \$181 billion at the end of the 2003 first quarter, a decrease of 12% from the year-ago period primarily due to market-driven declines.

Net interest profit

Net interest profit for GPC includes GPC's allocation of the interest spread earned in Merrill Lynch's banks for deposits as well as interest earned on margin and other loans.

Net interest profit was \$323 million in the 2003 first quarter, down 7% from \$346 million in the first quarter of 2002. The decrease in net interest profit resulted from lower margin balances and a reduction in the related interest rates.

Other revenues

Other revenues were \$130 million in the first quarter of 2003, compared to \$58 million in the year-ago period. Other revenues for the first quarter of 2003 increased, in part, due to realized gains related to sales of mortgages. Other revenues in the first quarter of 2002 included a residual pre-tax gain of \$39 million related to the sale of GPC's Canadian business, and pre-tax losses related to asset writedowns.

32

Merrill Lynch Investment Managers

<TABLE>

<CAPTION>

MLIM's Results of Operations

For the Three Months Ended

(dollars in millions)	Mar. 28, 2003	Mar. 29, 2002	%(Dec.)
<S>	<C>	<C>	<C>
Commissions	\$ 31	\$ 54	(43)
Asset management fees	300	367	(18)
Other revenues	6	21	(71)
	-----	-----	
Total net revenues	337	442	(24)
Non-interest expenses	290	328	(12)
	-----	-----	
Pre-tax earnings	\$ 47	\$ 114	(59)
	-----	-----	
Pre-tax profit margin	14.0 %	25.8 %	

MLIM continued to generate strong relative investment performance. Nearly 70% of its assets under management were ahead of benchmark or median category for the 1-, 3-, and 5-year periods ending March 2003 despite difficult equity market conditions for most of the quarter. Lower equity market levels adversely affected MLIM's first quarter results.

MLIM's pre-tax earnings in the 2003 first quarter were \$47 million, down 59% from \$114 million in the 2002 first quarter. Net revenues decreased 24% from the year ago period to \$337 million primarily reflecting a market-driven decline in equity assets under management. MLIM's first quarter 2002 results included a pre-tax gain on the sale of its Canadian asset management business. Net revenues are dependent on levels of assets under management, and accordingly, are susceptible to a decline in equity market valuations. The pre-tax margin was 14.0% in the first quarter of 2003 compared to 25.8% in the year-ago quarter as a decline in non-interest expenses of 12% was more than offset by the revenue decline.

Commissions

Commissions for MLIM principally consist of distribution fees and redemption fees related to mutual funds. The distribution fees represent revenues earned for promoting and distributing mutual funds ("12b-1 fees"). As a result of lower transaction volumes and the impact of lower market values, commissions decreased 43% to \$31 million in the 2003 first quarter from the year-ago quarter.

Asset management fees

Asset management fees primarily consist of fees earned from the management and administration of funds as well as performance fees earned by MLIM on separately managed accounts. Asset management fees were \$300 million, a decline of 18% from the first quarter of 2002 primarily as a result of market-driven declines in the value of equity assets under management as well as the shift of assets by clients from higher yielding equity funds to lower yielding fixed income and money market funds. At the end of the first quarter of 2003, assets under management totaled \$442 billion, compared with \$518 billion at the end of the first quarter of 2002.

An analysis of changes in assets under management from March 29, 2002 to March 28, 2003 is as follows:

<TABLE>
<CAPTION>

(dollars in billions)	Net Changes Due To				Mar. 28, 2003
	Mar. 29, 2002	New Money	Asset Depreciation	Other (1)	
<S>	<C>	<C>	<C>	<C>	<C>
Assets under management	\$518	\$(23)	\$(57)	\$4	\$442

(1) Includes reinvested dividends, the impact of foreign exchange movements, net outflows of retail money market funds and other changes.

</TABLE>

Other Revenues

Other revenues, which primarily include net interest profit and investment gains and losses, totaled \$6 million and \$21 million for the first quarter of 2003 and 2002, respectively. Other revenues for the first quarter of 2002 included a \$17 million pre-tax gain on the sale of the Canadian retail asset management business.

Management continually monitors and evaluates the level and composition of the balance sheet.

For the first three months of 2003, average total assets were \$476 billion, up 4% from \$459 billion for the full-year 2002. Average total liabilities also increased 4% to \$450 billion from \$435 billion for the full-year 2002. Average total assets and liabilities for the first three months of 2003 include the following changes as compared to the full-year 2002:

<TABLE>

<CAPTION>

(dollars in millions)	Increase/ (Decrease)	Change
<S>	<C>	<C>
Average assets		
Loans, notes and mortgages (net)	\$ 8,845	31%
Receivables under resale agreements	7,514	10
Trading assets	7,249	7
Receivables under securities borrowed transactions	(6,601)	(10)
Average liabilities		
Payables under repurchase agreements	\$ 8,092	8%
Trading liabilities	7,475	11

</TABLE>

Loans, notes and mortgages were up substantially from 2002 due to increased GPC mortgage and small and middle market business loan originations by Merrill Lynch Bank USA and its subsidiaries. Additionally, securities financing transactions rose primarily due to increased inventory financing.

34

OFF BALANCE SHEET ARRANGEMENTS, CONTRACTUAL OBLIGATIONS AND CONTINGENT LIABILITIES AND COMMITMENTS

As a part of its normal operating strategy, Merrill Lynch enters into various contractual obligations, contingent liabilities and commitments which may require future payments. The table below outlines the significant contractual obligations, contingent liabilities, and commitments, as well as the future expiration as of March 28, 2003:

<TABLE>

<CAPTION>

(dollars in millions)

	Commitment expiration				
	Total	Less than 1 year	1 - 3 years	4 - 5 years	Over 5 years
<S>	<C>	<C>	<C>	<C>	<C>
Total commitments	\$48,661	\$32,249	\$ 4,302	\$ 7,139	\$ 4,971
Long-term borrowings	77,014	19,013	24,864	14,453	18,684
Short-term borrowings	3,509	3,509	-	-	-
Contractual agreements(1)	42,590	9,767	9,508	6,144	17,171
Liquidity and facilities with SPEs(2) (3)	13,663	10,341	3,322	-	-
Liquidity and default facilities with SPEs	3,231	2,654	577	-	-
Residual value guarantees	1,782	70	128	276	1,308
Standby letters of credit and other performance guarantees	471	209	107	37	118

(1) Represents the liability balance of contractual agreements at March 28, 2003.

(2) Amounts relate primarily to facilities provided to municipal bond securitization SPEs.

(3) Includes \$3.8 billion of guarantees provided to SPEs by third party financial institutions where Merrill Lynch has agreed to reimburse the financial institution if losses occur, and has up to one year to fund losses.

</TABLE>

Refer to Note 10 to the Condensed Consolidated Financial Statements for additional information.

CAPITAL ADEQUACY AND FUNDING

The primary objectives of Merrill Lynch's capital structure and funding policies are to support the successful execution of the firm's business strategies while

ensuring:

- o sufficient equity capital to absorb losses and,
- o liquidity at all times, across market cycles, and through periods of financial stress.

These objectives and Merrill Lynch's capital structure and funding policies are discussed more fully in the Annual Report on Form 10-K for the year ended December 27, 2002.

Capital Adequacy

At March 28, 2003, Merrill Lynch's equity capital was comprised of \$23.2 billion in common equity, \$425 million in preferred stock, and \$2.7 billion of preferred securities issued by subsidiaries. Preferred securities issued by subsidiaries are Trust Originated Preferred SecuritiesSM ("TOPRS"SM). Based on the risks and equity needs of its businesses, Merrill Lynch believes that its equity capital base of \$26.3 billion is adequate.

35

Funding

Commercial paper outstanding totaled \$3.0 billion at March 28, 2003 and \$4.0 billion at December 27, 2002, which was approximately 4% of total unsecured borrowings at March 28, 2003 and year-end 2002. Deposits at Merrill Lynch's banking subsidiaries totaled \$81.9 billion at March 28, 2003, essentially unchanged from year-end 2002. Of the \$81.9 billion of deposits in Merrill Lynch banking subsidiaries as of March 28, 2003, \$68.8 billion were in U.S. banks. Outstanding long-term borrowings decreased to \$77.0 billion at March 28, 2003 from \$78.5 billion at December 27, 2002. Major components of the change in long-term borrowings during the first three months of 2003 are as follows:

<TABLE>

<CAPTION>

(dollars in billions)

<S>	<C>
Balance at December 27, 2002	\$78.5
Issuances	5.9
Maturities	(7.3)
Other, net	(0.1)

Balance at March 28, 2003 (1)	\$77.0

(1) At March 28, 2003, \$58.0 billion of long-term borrowings had maturity dates beyond one year.

</TABLE>

As a part of its overall liquidity risk management practices, Merrill Lynch seeks to ensure availability of sufficient alternative funding sources to enable the repayment of all unsecured debt obligations maturing within one year without issuing new unsecured debt or requiring liquidation of business assets. The main alternative funding sources to unsecured borrowings are repurchase agreements, securities loaned, and other secured borrowings, which require pledging unencumbered securities held for trading or investment purposes.

Merrill Lynch also maintains a separate liquidity portfolio of U.S. Government and agency obligations and asset-backed securities of high credit quality that is funded with debt with an average maturity greater than one year. The carrying value of this portfolio, net of related hedges, was \$13.2 billion and \$12.6 billion at March 28, 2003 and December 27, 2002, respectively. These assets may be sold or pledged to provide immediate liquidity to ML & Co. to repay maturing debt obligations. In addition to this portfolio, the firm monitors the extent to which other unencumbered assets are available as a source of funds during a liquidity event.

Merrill Lynch also maintained a committed, multi-currency, unsecured bank credit facility that totaled \$3.5 billion at March 28, 2003 and December 27, 2002 and was not drawn upon. On May 8, 2003, Merrill Lynch renewed the bank credit facility in the amount of \$3.0 billion for 364 days. Merrill Lynch elected to reduce the amount of the facility considering the company's funding profile and the availability of the liquidity portfolio of segregated securities that may be sold or pledged to provide immediate liquidity.

Credit Ratings

The cost and availability of unsecured funding are impacted by credit ratings and market conditions. In addition, credit ratings are important when competing in certain markets and when seeking to engage in long-term transactions including over-the-counter derivatives. Factors that influence Merrill Lynch's credit ratings include the rating agencies' assessment of the general operating environment, Merrill Lynch's relative positions in the markets in which it competes, reputation, level and volatility of earnings, risk management policies, liquidity and capital management.

Merrill Lynch's senior long-term debt, preferred stock, and TOPrSSM were rated by several recognized credit rating agencies at May 7, 2003 as indicated below. These ratings do not reflect outlooks that may be expressed by the rating agencies from time to time, which are currently stable or negative.

36

<TABLE> <CAPTION>			

Rating Agency	Senior Debt Ratings	Preferred Stock Ratings	TOPrSSM Ratings

<S>	<C>	<C>	<C>
Dominion Bond Rating Service Ltd	AA (Low)	Not Rated	Not Rated
Fitch Ratings	AA-	A+	A+
Moody's Investors Service, Inc.	Aa3	A2	A1
Rating and Investment Information, Inc. (1)	AA	A+	A+
Standard & Poor's Ratings Services	A+	A-	A-

(1) Located in Japan			
</TABLE>			

RISK MANAGEMENT

Risk-taking is an integral part of Merrill Lynch's core business activities. In the course of conducting its business operations, Merrill Lynch is exposed to a variety of risks. These risks include market, credit, liquidity, process, and other risks that are material and require comprehensive controls and management. The responsibility and accountability for these risks remain primarily with the individual business units. For a full discussion of Merrill Lynch's risk management framework, see the Annual Report on Form 10-K for the year ended December 27, 2002.

Market Risk

Value-at-risk ("VaR") is an estimate within a specified degree of confidence of the amount that Merrill Lynch's present portfolios could lose over a given time interval. Merrill Lynch's overall VaR is less than the sum of the VaRs for individual risk categories because movements in different risk categories occur at different times and, historically, extreme movements have not occurred in all risk categories simultaneously. The difference between the sum of the VaRs for individual risk categories and the VaR calculated for all risk categories is shown in the following tables and may be viewed as a measure of the diversification within Merrill Lynch's portfolios. Merrill Lynch believes that the tabulated risk measures provide some guidance as to the amount Merrill Lynch could lose in future periods and it works continuously to improve the methodology and measurement of its VaR. However, like all statistical measures, especially those that rely heavily on historical data, VaR needs to be interpreted with a clear understanding of its assumptions and limitations.

The Merrill Lynch VaR system uses a historical simulation approach to estimate VaR across several confidence levels and holding periods. Sensitivities to market risk factors are aggregated and combined with a database of historical weekly changes in market factors to simulate a series of profits and losses. The level of loss that is exceeded in that series 5% of the time is used as the estimate for the 95% confidence level VaR. The tables below show VaR using a 95% confidence level and a weekly holding period for trading and non-trading portfolios. In addition to the overall VaR, which reflects diversification in the portfolio, VaR amounts are presented for major risk categories, including exposure to volatility risk found in certain products, e.g., options. The table that follows presents Merrill Lynch's VaR for its trading portfolios at March 28, 2003 and December 27, 2002 as well as daily average VaR for the three months ended March 28, 2003. Additionally, high and low VaR for the first quarter of 2003 is presented independently for each risk category and overall.

37

<TABLE> <CAPTION>					

(dollars in millions)	Mar. 28, 2003	Dec. 27, 2002	Daily Average 1Q03	High 1Q03	Low 1Q03

<S>	<C>	<C>	<C>	<C>	<C>
Trading value-at-risk(1)					
Interest rate and credit spread	\$ 56	\$ 42	\$ 59	\$ 87	\$ 40
Equity	27	36	36	50	26
Commodity	-	-	-	1	-
Currency	2	3	4	13	-

Volatility	19	19	19	27	15
	104	100	118		
Diversification benefit	(47)	(48)	(54)		
Overall(2)	\$ 57	\$ 52	\$ 64	\$ 84	\$ 50

(1) Based on a 95% confidence level and a one-week holding period.
(2) Overall VaR using a 95% confidence level and a one-day holding period was \$29 million at March 28, 2003 and \$25 million at year-end 2002.

The following table presents Merrill Lynch's VaR for its non-trading portfolios (including Merrill Lynch's U.S. banks and Merrill Lynch's LYONS(R)):

(dollars in millions)	Mar. 28, 2003	Dec. 27, 2002
Non-trading value-at-risk(1)		
Interest rate and credit spread	\$ 90	\$ 89
Equity	25	27
Currency	2	3
Volatility	13	13
	130	132
Diversification benefit	(33)	(42)
Overall	\$ 97	\$ 90

(1) Based on a 95% confidence level and a one-week holding period.

Credit Risk

Merrill Lynch enters into International Swaps and Derivatives Association, Inc. master agreements or their equivalent ("master netting agreements") with substantially all of its derivative counterparties as soon as possible. The agreements are negotiated with each counterparty and are complex in nature. While every effort is taken to execute such agreements, it is possible that a counterparty may be unwilling to sign such an agreement, and as a result, would subject Merrill Lynch to additional credit risk. Master netting agreements provide protection in bankruptcy in certain circumstances and, in some cases, enable receivables and payables with the same counterparty to be offset on the Consolidated Balance Sheets, providing for a more meaningful balance sheet presentation of credit exposure. However, the enforceability of master netting agreements under bankruptcy laws in certain countries or in certain industries is not free from doubt and receivables and payables with counterparties in these countries or industries are accordingly recorded on a gross basis.

In addition, to reduce default risk, Merrill Lynch requires collateral, principally cash and U.S. Government and agency securities, on certain derivative transactions. From an economic standpoint, Merrill Lynch evaluates default risk exposures net of related collateral. The following is a summary of counterparty credit ratings for the replacement cost (net of \$10.2 billion of collateral) of trading derivatives in a gain position by maturity at March 28, 2003. (Please note that the following table is inclusive of credit exposure from derivative transactions only and does not include other material credit exposures).

Credit Rating(1)	Years to Maturity				Cross-Maturity Netting(2)	Total
	0-3	3+- 5	5+- 7	Over 7		
AAA	\$ 1,744	\$ 717	\$ 428	\$1,652	\$ (399)	\$ 4,142
AA	3,665	1,772	919	2,637	(2,149)	6,844
A	6,210	1,660	1,180	3,723	(1,182)	11,591
BBB	1,346	752	459	1,451	(562)	3,446
Other	1,041	524	188	285	(129)	1,909
Total	\$14,006	\$5,425	\$3,174	\$9,748	\$ (4,421)	\$27,932

(1) Represents credit rating agency equivalent of internal credit ratings.

(2) Represents netting of payable balances with receivable balances for the same counterparty across maturity band categories. Receivable and payable balances with the same counterparty in the same maturity category, however, are net within the maturity category.

</TABLE>

In addition to obtaining collateral, Merrill Lynch attempts to mitigate its default risk on derivatives whenever possible by entering into transactions with provisions that enable Merrill Lynch to terminate or reset the terms of its derivative contracts.

In March 2003, Merrill Lynch invested approximately \$1 billion in UFJ Strategic Partner Co., Ltd., a UFJ Holdings subsidiary created to hold, manage, and resolve various non-performing and sub-performing UFJ loans.

39

NON-INVESTMENT GRADE HOLDINGS AND HIGHLY LEVERAGED TRANSACTIONS

Non-investment grade holdings and highly leveraged transactions involve risks related to the creditworthiness of the issuers or counterparties and the liquidity of the market for such investments. Merrill Lynch recognizes that these risks are inherent in the business and may employ strategies to mitigate exposures. The specific components and overall level of non-investment grade and highly-leveraged positions may vary significantly from period to period as a result of inventory turnover, investment sales, and asset redeployment.

In the normal course of business, Merrill Lynch underwrites, trades, and holds non-investment grade cash instruments in connection with its investment banking, market-making, and derivative structuring activities. Non-investment grade holdings have been defined as debt and preferred equity securities rated lower than BBB, or equivalent ratings by recognized credit rating agencies, sovereign debt in emerging markets, amounts due under derivative contracts from non-investment grade counterparties, and other instruments that, in the opinion of management, are non-investment grade.

In addition to the amounts included in the following table, derivatives may also expose Merrill Lynch to credit risk related to the underlying security where a derivative contract either synthesizes ownership of the underlying security (e.g., long total return swaps) or can potentially force ownership of the underlying security (e.g., short put options). Derivatives may also subject Merrill Lynch to credit spread or issuer default risk, in that changes in credit spreads or in the credit quality of the underlying securities may adversely affect the derivatives' fair values. Merrill Lynch may seek to mitigate these risks in certain circumstances by engaging in various hedging strategies to reduce its exposure associated with non-investment grade positions, such as purchasing an option to sell the related security or entering into other offsetting derivative contracts.

Merrill Lynch provides financing and advisory services to, and invests in, companies entering into leveraged transactions, which may include leveraged buyouts, recapitalizations, and mergers and acquisitions. Merrill Lynch provides extensions of credit to leveraged companies in the form of senior and subordinated debt, as well as bridge financing on a select basis. In addition, Merrill Lynch may syndicate loans for non-investment grade companies or in connection with highly leveraged transactions and may retain a residual portion of these loans.

Merrill Lynch holds direct equity investments in leveraged companies and interests in partnerships that invest in leveraged transactions. Merrill Lynch has also committed to participate in limited partnerships that invest in leveraged transactions. Future commitments to participate in limited partnerships and other direct equity investments will be made on a select basis.

40

Trading Exposures

The following table summarizes Merrill Lynch's trading exposure to non-investment grade or highly leveraged issuers or counterparties:

<TABLE>
<CAPTION>
(dollars in millions)

	Mar. 28, 2003	Dec. 27, 2002
<S>	<C>	<C>

Trading assets:		
Cash instruments	\$ 5,742	\$ 4,825
Derivatives	4,006	5,016
Trading liabilities - cash instruments	(1,607)	(1,352)
Collateral on derivative assets	(2,097)	(2,581)
	-----	-----
Net trading asset exposure	\$ 6,044	\$ 5,908

</TABLE>

Included in the preceding table are debt and equity securities and bank loans of companies in various stages of bankruptcy proceedings or in default. At March 28, 2003, the carrying value of such debt and equity securities totaled \$88 million, of which 38% resulted from Merrill Lynch's market-making activities in such securities. This compared with \$140 million at December 27, 2002, of which 29% related to market-making activities. Also included are distressed bank loans totaling \$97 million and \$203 million at March 28, 2003 and December 27, 2002, respectively.

Non-Trading Exposures

The following table summarizes Merrill Lynch's non-trading exposures to non-investment grade or highly leveraged corporate issuers or counterparties:

<TABLE>

<CAPTION>

(dollars in millions)

	Mar. 28, 2003	Dec. 27, 2002
<S>	<C>	<C>
Investment securities	\$ 197	\$ 300
Commercial loans (net of allowance for loan losses):		
Bridge loans	131	131
Other loans(1)	3,202	2,740
Other investments:		
Partnership interests(2)	1,748	1,749
Other equity investments(3)	784	583

(1) Includes accrued interest.

(2) Includes \$864 million and \$877 million in investments at March 28, 2003 and December 27, 2002, respectively, related to deferred compensation plans, for which a portion of the default risk of the investments rests with the participating employees.

(3) Includes investments in 170 and 158 enterprises at March 28, 2003 and December 27, 2002, respectively.

</TABLE>

The following table summarizes Merrill Lynch's commitments with exposure to non-investment grade or highly-leveraged counterparties:

<TABLE>

<CAPTION>

(dollars in millions)

	Mar. 28, 2003	Dec. 27, 2002
<S>	<C>	<C>
Additional commitments to invest in partnerships (1)	\$ 517	\$ 500
Unutilized revolving lines of credit and other lending commitments	1,204	1,550

(1) Includes \$110 million at March 28, 2003 and December 27, 2002, related to deferred compensation plans.

</TABLE>

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The following is a summary of Merrill Lynch's critical accounting policies. For a full description of these and other accounting policies see Note 1 to the Consolidated Financial Statements in the 2002 Annual Report.

Use of Estimates

In presenting the Condensed Consolidated Financial Statements, Management makes

estimates regarding certain trading inventory valuations, the outcome of litigation, the carrying amount of goodwill, the allowance for loan losses, the realization of deferred tax assets, tax reserves, insurance reserves, recovery of insurance deferred acquisition costs, and other matters that affect the reported amounts and disclosure of contingencies in the financial statements. Estimates, by their nature, are based on judgment and available information. Therefore, actual results could differ from those estimates and could have a material impact on the Condensed Consolidated Financial Statements, and it is possible that such changes could occur in the near term. For more information regarding the specific methodologies used in determining estimates, refer to Use of Estimates in Note 1 to the Consolidated Financial Statements in the 2002 Annual Report.

Valuation of Financial Instruments

Fair values for exchange traded securities and certain exchange-traded derivatives, principally futures and certain options, are based on quoted market prices. Fair values for OTC derivative financial instruments, principally forwards, options, and swaps, represent amounts estimated to be received from or paid to a third party in settlement of these instruments. These derivatives are valued using pricing models based on the net present value of estimated future cash flows, and directly observed prices from exchange-traded derivatives, other OTC trades, or external pricing services. Obtaining the fair value for OTC derivative contracts requires the use of management judgment and estimates.

New and/or complex instruments may have immature or limited markets. As a result, the pricing models used for valuation often incorporate significant estimates and assumptions, which may impact the level of precision in the financial statements. For long-dated and illiquid contracts, extrapolation methods are applied to observed market data in order to estimate inputs and assumptions that are not directly observable. This enables Merrill Lynch to mark all positions consistently when only a subset of prices are directly observable. Values for non-exchange-traded derivatives are verified using observed information about the costs of hedging out the risk and other trades in the market. As the markets for these products develop, Merrill Lynch continually refines its pricing models based on experience to correlate more closely to the market risk of these instruments. Unrealized gains for these instruments are not recognized unless the valuation model incorporates significant observable market inputs.

42

Merrill Lynch holds investments that may have quoted market prices but that are subject to restrictions (e.g., consent of other investors to sell) that may limit Merrill Lynch's ability to realize the quoted market price. Accordingly, Merrill Lynch estimates the fair value of these securities based on management's best estimate which incorporates pricing models based on projected cash flows, earnings multiples, comparisons based on similar market transactions and/or review of underlying financial conditions and other market factors.

Valuation adjustments are an integral component of the mark-to-market process and are taken for individual positions where either the sheer size of the trade or other specific features of the trade or particular market (such as counterparty credit quality, concentration or market liquidity) requires more than the simple application of the pricing models.

Assets recorded on the balance sheet can therefore be broadly categorized as follows:

1. highly liquid cash and derivative instruments for which quoted market prices are readily available (for example, exchange-traded equity securities and derivatives such as listed options)
2. liquid instruments, including
 - a) cash instruments for which quoted prices are available but which may trade less frequently such that there is not complete pricing transparency for these instruments across all market cycles (for example, corporate and municipal bonds);
 - b) derivative instruments that are valued using a model, where inputs to the model are directly observable in the market (for example, U.S. dollar interest rate swaps);
 - c) instruments that are priced with reference to comparable financial instruments whose parameters can be directly observed; and
 - d) consumer and small and middle-market business loans and performing commercial loans held for investment purposes (which are carried at their principal amount outstanding)
3. less liquid instruments that are valued using management's best estimate of fair value, and instruments which are valued using a model, where either the inputs to the model and/or the models themselves require significant judgement by management (for example, private equity investments, long dated or complex derivatives such as certain foreign exchange options and credit default swaps, distressed debt, aged inventory positions, including aged commercial loans held for sale (which are reported at the lower of cost or estimated fair value) and non-performing commercial loans held for investment purposes).

Merrill Lynch continually refines the process used to determine the appropriate categorization of its assets and liabilities. At March 28, 2003, assets and liabilities on the Condensed Consolidated Balance Sheets can be categorized as follows:

<TABLE>

<CAPTION>

(dollars in millions)

	Category 1	Category 2	Category 3	Total
<S>	<C>	<C>	<C>	<C>
Assets				
Trading assets, excluding contractual agreements	\$36,831	\$38,227	\$1,211	\$76,269
Contractual agreements	3,950	31,157	3,033	38,140
Loans, notes, and mortgages (net)	-	31,244	3,207	34,451
Investment securities	11,483	61,908	4,520	77,911
Liabilities				
Trading liabilities, excluding contractual agreements	\$30,655	\$11,559	\$ 905	\$43,119
Contractual agreements	2,730	37,104	2,756	42,590

</TABLE>

In addition, other trading-related assets recorded in the Condensed Consolidated Balance Sheet at March 28, 2003 include \$126.5 billion of securities financing transactions (receivables under resale agreements and receivables under securities borrowed transactions) which are recorded at their contractual amounts plus accrued interest and for which little or no estimation is required by management.

NEW ACCOUNTING PRONOUNCEMENTS

On April 30, 2003, the Financial Accounting Standards Board ("FASB") issued SFAS No. 149, Amendment of Statement 133 on Derivative Instruments and Hedging Activities. SFAS No. 149 amends and clarifies accounting for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities under SFAS No. 133. The new guidance amends SFAS No. 133 for decisions made as part of the Derivatives Implementation Group ("DIG") process that effectively required amendments to SFAS No. 133, and decisions made in connection with other FASB projects dealing with financial instruments and in connection with implementation issues raised in relation to the application of the definition of a derivative and characteristics of a derivative that contains financing components. In addition, it clarifies when a derivative contains a financing component that warrants special reporting in the statement of cash flows. SFAS No. 149 is effective for contracts entered into or modified after June 30, 2003 and for hedging relationships designated after June 30, 2003. Merrill Lynch is currently assessing the impact of SFAS No. 149 on the Consolidated Financial Statements.

On July 31, 2002, the American Institute of Certified Public Accountants ("AICPA") issued a Proposed Statement of Position ("SOP"), Accounting and Reporting by Insurance Enterprises for Certain Nontraditional Long-Duration Contracts and for Separate Accounts. The proposed SOP provides guidance on accounting and reporting by insurance companies for certain nontraditional long-duration contracts and for separate accounts. A final SOP would be effective for financial statements for Merrill Lynch beginning in 2004. The SOP would require the establishment of a liability for contracts that contain death or other insurance benefits using a specified reserve methodology that is different from the methodology that Merrill Lynch employs. Depending on market conditions at the time of adoption, the impact of implementing this reserve methodology may have a material impact on the Condensed Consolidated Statement of Earnings.

On January 17, 2003, the FASB issued FIN 46, which clarifies when an entity should consolidate another entity known as a Variable Interest Entity ("VIE"), more commonly referred to as an SPE. A VIE is an entity in which equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties, and may include many types of SPEs. FIN 46 requires that an entity consolidate a VIE if that enterprise has a variable interest that will absorb a majority of the VIE's expected losses, receive a majority of the VIE's expected residual returns, or both. FIN 46 does not apply to QSPEs, the accounting for which is governed by SFAS No. 140. FIN 46 is effective for VIEs created on or after February 1, 2003 and for existing VIEs as of the third quarter of 2003. See Note 8 to the Consolidated Financial Statements in the 2002 Annual Report for disclosures regarding the expected impact of adoption of FIN 46 on Merrill Lynch's Consolidated Balance Sheet.

On December 31, 2002 the FASB issued SFAS No. 148, Accounting for Stock-Based Compensation - Transition and Disclosure, an amendment of FASB Statement No. 123, Accounting for Stock-Based Compensation. SFAS No. 148 permits three alternative methods for a voluntary transition to the fair value based method of accounting for employee stock-based compensation. SFAS No. 148 continues to permit prospective application for companies that adopt prior to the beginning of fiscal year 2004. SFAS No. 148 also allows for a modified prospective application, which requires the fair value of all unvested awards to be amortized over the remaining service period, as well as restatement of prior years' expense. The transition guidance and annual disclosure provisions of SFAS No. 148 are effective for fiscal years ending after December 15, 2002, with earlier application permitted in certain circumstances.

On November 25, 2002, the FASB issued FIN 45, Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others, an Interpretation of FASB Statements No. 5, 57, and 107 and Rescission of FASB Interpretation No. 34. FIN 45 requires guarantors to disclose their obligations under certain guarantees. It also requires a guarantor to recognize, at the inception of a guarantee, a liability for the fair value of the obligation undertaken in issuing the guarantee. The initial recognition and measurement provisions of FIN 45 apply on a prospective basis to guarantees issued or modified after December 31, 2002. The disclosures are effective for financial statements of interim or annual periods ending after December 15, 2002. See Note 10 to the Condensed Consolidated Financial Statements for these disclosures.

In July 2002, the FASB issued SFAS No. 146, Accounting for Costs Associated with Exit or Disposal Activities. This standard requires companies to recognize costs associated with exit or disposal activities when they are incurred rather than at the date of a commitment to an exit or disposal plan. SFAS No. 146 replaces the guidance provided by EITF Issue No. 94-3, Liability Recognition for Certain Employee Termination Benefits and Other Costs to Exit an Activity (including Certain Costs Incurred in a Restructuring). Merrill Lynch adopted SFAS No. 146 as of January 1, 2003, which had no material impact on the Condensed Consolidated Financial Statements.

44

<TABLE>
<CAPTION>

Statistical Data

	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
	2002	2002	2002	2002
1st Qtr.				
2003	-----	-----	-----	-----

<S>	<C>	<C>	<C>	<C>
<C>				
Assets in GPC accounts (dollars in billions):				
U.S.	\$ 1,158	\$ 1,076	\$ 997	\$ 1,021
\$ 1,009				
Non-U.S.	96	94	87	89
86	-----	-----	-----	-----

Total Assets in GPC Accounts	1,254	1,170	1,084	1,110
1,095	=====	=====	=====	=====
=====				
Assets in Asset-Priced Accounts	\$ 206	\$ 192	\$ 177	\$ 182
\$ 181				
Assets Under Management:				
Retail	\$ 215	\$ 203	\$ 182	\$ 189
\$ 187				
Institutional	262	257	234	235
220				
Private Investors(1)	41	39	36	38
35				
Equity	257	234	190	191
183				
Fixed-income	119	121	119	122
108				
Money market	142	144	143	149
151				
U.S.	323	319	305	313
303				
Non-U.S.	195	180	147	149

Underwriting:				
Global Equity and Equity-Linked:				
Volume (dollars in billions)	\$ 15	\$ 10	\$ 3	\$ 6
\$ 4				
Market share	14.5%	9.4%	6.0%	10.6%
7.8				
Global debt:				
Volume (dollars in billions)	\$ 96	\$ 86	\$ 65	\$ 59
\$ 88				
Market share	8.5%	8.4%	7.7%	6.6%
7.1				

Full-Time Employees:				
U.S.	43,100	42,400	41,800	40,000
39,200				
Non-U.S.	13,000	12,000	11,400	10,900
10,400				

Total	56,100	54,400	53,200	50,900
49,600				
=====				
Private Client Financial Advisors				
13,600	15,900	15,100	14,600	14,000

Balance Sheet (dollars in millions, except per share amounts)				
Total assets	\$444,871	\$453,834	\$452,140	\$447,928
\$455,587				
Total stockholders' equity	\$ 20,906	\$ 21,592	\$ 22,299	\$ 22,875
\$ 23,639				
Book value per common share	\$ 23.73	\$ 24.46	\$ 25.17	\$ 25.69
\$ 24.97				
Share Information (in thousands)				
Weighted-average shares outstanding:				
Basic	854,815	861,742	864,629	868,160
887,553				
Diluted	949,237	942,560	934,477	942,893
939,220				
Common shares outstanding	862,946	865,398	869,019	873,780
929,768				

(1) Represents segregated portfolios for individuals, small corporations and institutions.				
</TABLE>				

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The information under the caption Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations - Risk Management" above in this Report is incorporated herein by reference.

Item 4. Controls and Procedures

In 2002, ML & Co. formed a Disclosure Committee to assist with the monitoring and evaluation of our disclosure controls and procedures. ML & Co.'s Chief Executive Officer, Chief Financial Officer and Disclosure Committee have evaluated the effectiveness of ML & Co.'s disclosure controls and procedures as of a date within ninety days prior to the filing date of this Form 10-Q. Based on this evaluation, ML & Co.'s Chief Executive Officer and Chief Financial Officer have concluded that ML & Co.'s disclosure controls and procedures (as defined in Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934) are effective. There have been no significant changes in internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Item 4. Submission of Matters to a Vote of Security Holders

On April 28, 2003, ML & Co. held its Annual Meeting of Stockholders, at which approximately 88% of the shares of ML & Co. common stock outstanding and eligible to vote, either in person or by proxy, were represented, constituting a quorum. At the Annual Meeting, the following matters were voted upon: (i) the election of three directors to the Board of Directors to hold office for a term of three years; (ii) a proposal to approve the Merrill Lynch Employee Stock Compensation Plan; and (iii) a stockholder proposal concerning cumulative voting in the election of directors. Proxies for the Annual Meeting were solicited by the Board of Directors pursuant to Regulation 14A of the Securities Exchange Act of 1934.

The stockholders elected all three nominees to the Board of Directors as set forth in ML & Co.'s Proxy Statement. There was no solicitation in opposition to the nominees. The votes cast for or withheld from the election of directors were as follows: W. H. Clark received 792,141,984 votes in favor and 23,677,905 votes were withheld; Aulana L. Peters received 765,849,839 votes in favor and 49,970,050 votes were withheld; and John J. Phelan, Jr. received 765,653,012 votes in favor and 50,166,877 votes were withheld.

The stockholders approved the Merrill Lynch Employee Stock Compensation Plan. The votes cast for and against, as well as the number of abstentions and broker non-votes for this proposal were as follows: 470,937,079 votes in favor, 195,147,014 votes against, 7,570,499 shares abstained, and 142,165,297 shares represented broker non-votes.

The stockholders did not approve the stockholder proposal concerning cumulative voting in the election of directors. The votes cast for and against, as well as the number of abstentions and broker non-votes for this proposal were as follows: 210,205,262 votes in favor, 455,091,217 votes against, 8,358,113 shares abstained, and 142,165,297 shares represented broker non-votes.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

- | | |
|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3 | By-Laws of ML&Co. , effective as of April 28, 2003 |
| 4 | Instruments defining the rights of security holders, including indentures:

Pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K, ML & Co. hereby undertakes to furnish to the Securities and Exchange Commission, upon request, copies of the instruments defining the rights of holders of long-term debt securities of ML & Co. that authorize an amount of securities constituting 10% or less of the total assets of ML & Co. and its subsidiaries on a consolidated basis. |
| 12 | Statement re: computation of ratios |
| 15 | Letter re: unaudited interim financial information |
| 99.1 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 99.2 | Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 47 | |
| 99.3 | Computation of Adjusted Leverage Ratios |

(b) Reports on Form 8-K

The following Current Reports on Form 8-K were filed with or furnished to the Securities and Exchange Commission during the quarterly period covered by this report:

- (i) Current Report dated December 30, 2002 for the purpose of filing the form of ML & Co.'s 7% Callable Stock Return Income DEbt SecuritiesSM due January 3, 2005, payable at maturity with General Electric Company common stock.
- (ii) Current Report dated January 15, 2003 for the purpose of furnishing notice of a webcast of a conference call scheduled for January 22, 2003 to review ML & Co.'s operating results.
- (iii) Current Report dated January 22, 2003 for the purpose of filing

ML & Co.'s Preliminary Unaudited Earnings Summaries for the three months and the year ended December 27, 2002.

- (iv) Current Report dated January 23, 2003 for the purpose of furnishing notice of a webcast of a presentation by ML & Co.'s chief executive officer scheduled for January 29, 2003.
- (v) Current Report dated January 31, 2003 for the purpose of filing the form of ML & Co.'s Market Recovery NotesSM Linked to the Nasdaq-100 Index(R) due March 31, 2005.
- (vi) Current Report dated January 31, 2003 for the purpose of filing the form of ML & Co.'s 6.5% Callable S^Tock Return Income DE^bt SecuritiesSM due February 1, 2005, payable at maturity with International Business Machines Corporation common stock.
- (vii) Current Report dated February 20, 2003 for the purpose of reporting Merrill Lynch's agreeing with the Securities and Exchange Commission to a settlement in principle that would resolve the Commission's investigation regarding two transactions between Merrill Lynch and Enron in 1999.
- (viii) Current Report dated February 25, 2003 for the purpose of filing ML & Co.'s Preliminary Unaudited Consolidated Balance Sheet as of December 27, 2002.
- (ix) Current Report dated February 27, 2003 for the purpose of filing the form of ML & Co.'s 7% Callable S^Tock Return Income DE^bt SecuritiesSM due February 28, 2005, payable at maturity with Cisco Systems, Inc. common stock.
- (x) Current Report dated February 28, 2003 for the purpose of filing the form of ML & Co.'s Strategic Return Notes(R) Linked to the Select Ten Index due February 28, 2008.
- (xi) Current Report dated March 17, 2003 for the purpose of reporting Merrill Lynch's announcement that it had entered into a final settlement agreement with the Securities and Exchange Commission regarding the previously disclosed investigation into two 1999 transactions with Enron.
- (xii) Current Report dated March 27, 2003 for the purpose of filing the form of ML & Co.'s 6% Callable S^Tock Return Income DE^bt SecuritiesSM due March 28, 2005, payable at maturity with Merck & Co., Inc. common stock.
- (xiii) Current Report dated March 28, 2003 for the purpose of filing the form of ML & Co.'s Market Recovery NotesSM Linked to the S&P 500(R) Index due May 28, 2004.

48

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

MERRILL LYNCH & CO., INC.

(Registrant)

By: /s/ Ahmass L. Fakahany

Ahmass L. Fakahany
Executive Vice President and
Chief Financial Officer

By: /s/ John J. Fosina

John J. Fosina
Controller
Principal Accounting Officer

Certification of Chief Executive Officer

I, E. Stanley O'Neal, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Merrill Lynch & Co., Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

/s/ E. Stanley O'Neal

E. Stanley O'Neal
Chairman of the Board and
Chief Executive Officer

Dated: May 8, 2003

Certification of Chief Financial Officer

I, Ahmass L. Fakahany, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Merrill Lynch & Co., Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

/s/ Ahmass L. Fakahany

Ahmass L. Fakahany
Executive Vice President and
Chief Financial Officer

Dated: May 8, 2003

INDEX TO EXHIBITS

Exhibits

3	By-Laws of ML&Co. , effective as of April 28, 2003
12	Statement re: computation of ratios
15	Letter re: unaudited interim financial information

- 99.1 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- 99.2 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- 99.3 Computation of Adjusted Leverage Ratios

BY-LAWS
OF
MERRILL LYNCH & CO., INC.

Effective: April 28, 2003

INDEX

to

BY-LAWS

of

MERRILL LYNCH & CO., INC.

<TABLE>
<CAPTION>

<S>	PAGE
ARTICLE I - OFFICES.....	<C> 1
ARTICLE II - MEETINGS OF STOCKHOLDERS	
Section 1. Annual Meeting	1
Section 2. Special Meetings	1
Section 3. Notice of, and Business at, Meetings	1
Section 4. Waiver of Notice	3
Section 5. Organization	3
Section 6. Inspectors of Election	3
Section 7. Stockholders Entitled to Vote	4
Section 8. Quorum and Adjournment	4
Section 9. Order of Business	5
Section 10. Vote of Stockholders	5
Section 11. Shares Entitled to More or Less Than One Vote	5
ARTICLE III - BOARD OF DIRECTORS	
Section 1. Election and Term	5
Section 2. Qualification	6
Section 3. Number	6
Section 4. General Powers	6
Section 5. Place of Meetings	6
Section 6. Organization Meetings	6
Section 7. Regular Meetings	7
Section 8. Special Meetings; Notice and Waiver of Notice	7
Section 9. Organization of Meetings	7
Section 10. Quorum and Manner of Acting	7
Section 11. Voting	8
Section 12. Action without a Meeting	8

</TABLE>

ii

<TABLE>
<CAPTION>

<S>	PAGE
Section 13. Resignations.....	<C> 8
Section 14. Removal of Directors.....	8
Section 15. Vacancies.....	8
Section 16. Directors' Compensation.....	9
ARTICLE IV - COMMITTEES	
Section 1. Constitution and Powers.....	9
Section 2. Place of Meetings.....	9
Section 3. Meetings; Notice and Waiver of Notice.....	9

Section 4.	Organization of Meetings.....	9
Section 5.	Quorum and Manner of Acting.....	10
Section 6.	Voting.....	10
Section 7.	Records.....	10
Section 8.	Vacancies.....	10
Section 9.	Members' Compensation.....	10
Section 10.	Emergency Management Committee.....	10
ARTICLE V - THE OFFICERS		
Section 1.	Officers - Qualifications.....	11
Section 2.	Term of Office; Vacancies.....	11
Section 3.	Removal of Elected Officers.....	11
Section 4.	Resignations.....	11
Section 5.	Officers Holding More Than One Office.....	12
Section 6.	The Chairman of the Board.....	12
Section 7.	The President.....	12
Section 8.	The Vice Chairmen of the Board.....	13
Section 9.	The Executive Vice Presidents.....	13
Section 10.	The Senior Vice Presidents.....	13
Section 11.	The Vice Presidents.....	13
Section 12.	The Secretary.....	13
Section 13.	The Treasurer.....	14
Section 14.	Additional Duties and Authority.....	14
Section 15.	Compensation.....	14
</TABLE>		
iii		
<TABLE>		
<CAPTION>		
<S>		PAGE
ARTICLE VI - STOCK AND TRANSFERS OF STOCK		<C>
Section 1.	Stock Certificates.....	14
Section 2.	Transfers of Stock.....	15
Section 3.	Lost Certificates.....	15
Section 4.	Determination of Holders of Record for Certain Purposes.....	15
ARTICLE VII - CORPORATE SEAL		
Section 1.	Seal.....	15
Section 2.	Affixing and Attesting.....	15
ARTICLE VIII - MISCELLANEOUS		
Section 1.	Fiscal Year.....	16
Section 2.	Signatures on Negotiable Instruments.....	16
Section 3.	References to Article and Section Numbers and to the By-Laws and the Certificate of Incorporation.....	16
ARTICLE IX - AMENDMENTS.....		16
</TABLE>		

BY-LAWS

OF

MERRILL LYNCH & CO., INC.

ARTICLE I.

OFFICES

Merrill Lynch & Co., Inc. (hereinafter called the "Corporation") may establish or discontinue, from time to time, such offices and places of business within or without the State of Delaware as the Board of Directors may deem proper for the conduct of the Corporation's business.

ARTICLE II.

MEETINGS OF STOCKHOLDERS

Section 1. Annual Meeting. The annual meeting of the holders of shares of such classes or series of stock as are entitled to notice thereof and to vote thereat pursuant to the provisions of the Certificate of Incorporation (hereinafter called the "Annual Meeting of Stockholders") for the purpose of electing directors and transacting such other business as may come before it shall be held in each year at such time, on such day and at such place, within or without the State of Delaware, as shall be designated by the Board of Directors.

Section 2. Special Meetings. In addition to such meetings as are provided for by law or by the Certificate of Incorporation, special meetings of the

holders of any class or series or of all classes or series of the Corporation's stock may be called at any time by the Board of Directors pursuant to a resolution adopted by the affirmative vote of a majority of the entire Board of Directors and may be held at such time, on such day and at such place, within or without the State of Delaware, as shall be designated by the Board of Directors.

Section 3. Notice of, and Business at, Meetings.

a. Notice. Except as otherwise provided by law, notice of each meeting of stockholders shall be given either by delivering a written notice personally or mailing a written notice to each stockholder of record entitled to vote thereat or by providing notice in such other form and by such other method as may be permitted by Delaware law. If mailed, the notice shall be directed to the stockholder in a postage-prepaid envelope at his address as it appears on the stock books of the Corporation unless, prior to the time of mailing, he shall have filed with the Secretary a written request that notices intended for him be mailed to some other address, in which case it shall be mailed to the address designated in such request. Notice of each meeting of

2

stockholders shall be in such form as is approved by the Board of Directors and shall state the purpose or purposes for which the meeting is called, the date and time when and the place where it is to be held, and shall be delivered personally or mailed not more than sixty (60) days and not less than ten (10) days before the day of the meeting. Except as otherwise provided by law, the business which may be transacted at any special meeting of stockholders shall consist of and be limited to the purpose or purposes so stated in such notice. The Secretary or an Assistant Secretary or the Transfer Agent of the Corporation shall, after giving such notice, make an affidavit stating that notice has been given, which shall be filed with the minutes of such meeting.

b. Business. No business may be transacted at an annual meeting of stockholders, other than business that is either (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors (or any duly authorized committee thereof), (b) otherwise properly brought before the annual meeting by or at the direction of the Board of Directors (or any duly authorized committee thereof) or (c) otherwise properly brought before the annual meeting by any stockholder of the Corporation who (i) is a stockholder of record on the date of the giving of the notice provided for in this Section 3(b) and on the record date for the determination of stockholders entitled to vote at such annual meeting and (ii) complies with the notice procedures set forth in this Section 3(b).

In addition to any other applicable requirements, for business to be properly brought before an annual meeting by a stockholder, such stockholder must have given timely notice thereof in proper written form to the Secretary of the Corporation.

To be timely, a stockholder's notice to the Secretary must be delivered to or mailed and received by the Secretary of the Corporation not less than fifty (50) days prior to the date of the annual meeting of stockholders; provided, that in the event that less than 60 days' notice or prior public disclosure of the date of the meeting is given or made to stockholders, notice by the stockholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure of the date of the annual meeting was made, whichever first occurs.

To be in proper written form, a stockholder's notice to the Secretary must set forth as to each matter such stockholder proposes to bring before the annual meeting (i) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (ii) the name and record address of such stockholder, (iii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by such stockholder, (iv) a description of all arrangements or understandings between such stockholder and any other person or persons (including their names) in connection with the proposal of such business by such stockholder and any material interest of such stockholder in such business and (v) a representation that such stockholder intends to appear in person or by proxy at the annual meeting to bring such business before the meeting.

3

No business shall be conducted at the annual meeting of stockholders except business brought before the annual meeting in accordance with the procedures set forth in this Section 3(b), provided, however, that, once business has been properly brought before the annual meeting in accordance with such procedures, nothing in this Section 3(b) shall be deemed to preclude discussion by any stockholder of any such business. If the Chairman of an annual meeting determines that business was not properly brought before the annual meeting in accordance with the foregoing procedures, the Chairman shall declare

to the meeting that the business was not properly brought before the meeting and such business shall not be transacted.

Section 4. Waiver of Notice. Whenever notice is required to be given under any provision of law or of the Certificate of Incorporation or the By-Laws, a waiver thereof in writing or by telegraph, cable or other form of recorded communication, signed by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting of stockholders shall constitute a waiver of notice of such meeting, except when the person attends such meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any meeting of stockholders need be specified in any waiver of notice unless so required by the Certificate of Incorporation.

Section 5. Organization. The Chairman of the Board shall act as chairman at all meetings of stockholders at which he is present, and as such chairman shall call such meetings of stockholders to order and preside thereat. If the Chairman of the Board shall be absent from any meeting of stockholders, the duties otherwise provided in this Section 5 of Article II to be performed by him at such meeting shall be performed at such meeting by the officer prescribed by Section 6 of Article V. The Secretary of the Corporation shall act as secretary at all meetings of the stockholders, but in his absence the chairman of the meeting may appoint any person present to act as secretary of the meeting.

Section 6. Inspectors of Election. a. The Chairman of the Board shall, in advance of any meeting of stockholders, appoint one or more inspectors to act at the meeting and make a written report thereof. The Chairman of the Board may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his ability.

b. The inspectors shall: (1) ascertain the number of shares outstanding and the voting power of each; (2) determine the shares represented at a meeting and the validity of proxies and ballots; (3) count all votes and ballots; (4) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors; and (5) certify their determination of the number of shares represented at the meeting, and their count of all votes and ballots. The

4

inspectors may appoint or retain other persons or entities to assist the inspectors in the performance of their duties.

Section 7. Stockholders Entitled to Vote. The Board of Directors may fix a date not more than sixty (60) days nor less than ten (10) days prior to the date of any meeting of stockholders, as a record date for the determination of the stockholders entitled to notice of and to vote at such meeting and any adjournment thereof, and in such case such stockholders and only such stockholders as shall be stockholders of record on the date so fixed shall be entitled to notice of, and to vote at, such meeting and any adjournment thereof, notwithstanding any transfer of any stock on the books of the Corporation after any such record date fixed as aforesaid. No record date shall precede the date on which the Board of Directors establishes such record date. The Secretary shall prepare and make or cause to be prepared and made, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at such meeting, arranged in alphabetical order and showing the address of each such stockholder and the number of shares registered in the name of each such stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting for a period of at least ten (10) days prior to the meeting, either on a reasonable accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or during ordinary business hours, at the principal place of business of the Corporation. In the event that the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting.

Section 8. Quorum and Adjournment. Except as otherwise provided by law or by the Certificate of Incorporation, the holders of a majority of the shares

of stock entitled to vote at the meeting present in person or by proxy without regard to class or series shall constitute a quorum at all meetings of the stockholders. In the absence of a quorum, the holders of a majority of such shares of stock present in person or by proxy may adjourn any meeting, from time to time, until a quorum shall be present. At any such adjourned meeting at which a quorum may be present, any business may be transacted which might have been transacted at the meeting as originally called. No notice of any adjourned meeting need be given other than by announcement at the meeting that is being adjourned, provided that if the adjournment is for more than thirty (30) days, or if after the adjournment a new record date is fixed for the adjourned meeting, then a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

5

Section 9. Order of Business. The order of business at all meetings of stockholders shall be as determined by the chairman of the meeting.

Section 10. Vote of Stockholders. Except as otherwise required by law or by the Certificate of Incorporation or by the By-Laws, all action by stockholders shall be taken at a stockholders' meeting. Every stockholder of record, as determined pursuant to Section 7 of this Article II, and who is entitled to vote, shall, except as otherwise expressly provided in the Certificate of Incorporation with respect to any class or series of the Corporation's capital stock, be entitled at every meeting of the stockholders to one vote for every share of stock standing in his name on the books of the Corporation. Every stockholder entitled to vote may authorize another person or persons to act for him by proxy duly appointed by an instrument in writing, subscribed by such stockholder and executed not more than three (3) years prior to the meeting, unless the instrument provides for a longer period. The attendance at any meeting of stockholders of a stockholder who may theretofore have given a proxy shall not have the effect of revoking such proxy. Election of directors shall be by written ballot but, unless otherwise provided by law, no vote on any question upon which a vote of the stockholders may be taken need be by ballot unless the chairman of the meeting shall determine that it shall be by ballot or the holders of a majority of the shares of stock present in person or by proxy and entitled to participate in such vote shall so demand. In a vote by ballot each ballot shall state the number of shares voted and the name of the stockholder or proxy voting. Except as otherwise provided in Sections 14 and 15 of Article III or by the Certificate of Incorporation, directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. Except as otherwise provided by law or by the Certificate of Incorporation, the affirmative vote of a majority of shares present in person or represented by proxy at the meeting and entitled to vote on the subject shall be the act of the stockholders.

Section 11. Shares Entitled to More or Less than One Vote. If any class or series of the Corporation's capital stock shall be entitled to more or less than one vote for any share, on any matter, every reference in the By-Laws to a majority or other proportion of stock shall refer to such majority or other proportion of the votes of such stock.

ARTICLE III.

BOARD OF DIRECTORS

Section 1. Election and Term. Except as otherwise provided by law or by the Certificate of Incorporation, and subject to the provisions of Sections 13, 14 and 15 of this Article III, directors shall be elected at the Annual Meeting of Stockholders to serve until the Annual Meeting of Stockholders in the third year following their election and until their successors are elected and qualify or until their earlier resignation or removal.

6

Section 2. Qualification. No one shall be a director who is not the owner of shares of Common Stock of the Corporation. Acceptance of the office of director may be expressed orally or in writing.

For the purposes of this Section 2 of Article III of these By-Laws: (1) stock units or other equity-linked instruments tied to the value of the Corporation's Common Stock shall be deemed to be shares of Common Stock of the Corporation; and (2) an initial grant of Common Stock, stock units or other equity-linked instruments tied to the value of the Corporation's Common Stock under any of the Corporation's plans for its non-employee directors, even if made after the date of the election of a director, shall be sufficient to comply with this provision.

Section 3. Number. The number of directors may be fixed from time to time by resolution of the Board of Directors but shall not be less than three (3) nor more than thirty (30).

Section 4. General Powers. The business, properties and affairs of the Corporation shall be managed by, or under the direction of, the Board of Directors, which, without limiting the generality of the foregoing, shall have power to elect and appoint officers of the Corporation, to appoint and direct agents, to grant general or limited authority to officers, employees and agents of the Corporation to make, execute and deliver contracts and other instruments and documents in the name and on behalf of the Corporation and over its seal, without specific authority in each case, and, by resolution adopted by a majority of the whole Board of Directors, to appoint committees of the Board of Directors in addition to those appointed pursuant to Article IV hereof, the membership of which may consist of one or more directors, and which may advise the Board of Directors with respect to any matters relating to the conduct of the Corporation's business. The Board of Directors may designate one or more directors as alternate members of any committee, including those appointed pursuant to Article IV hereof, who may replace any absent or disqualified member at any meeting of the committee. In addition, the Board of Directors may exercise all the powers of the Corporation and do all lawful acts and things which are not reserved to the stockholders by law or by the Certificate of Incorporation.

Section 5. Place of Meetings. Meetings of the Board of Directors may be held at any place, within or without the State of Delaware, from time to time designated by the Board of Directors.

Section 6. Organization Meeting. A newly elected Board of Directors may meet and organize, and also may transact any other business which might be transacted at a regular meeting on the day of the Annual Meeting of Stockholders, at the place at which such meeting of stockholders took place, without notice of such meeting, provided a majority of the whole Board of Directors is present. Such organization meeting may otherwise be held at any other time or place which may be specified in a notice given in the manner provided in Section 8 of this Article III for special meetings of the Board of Directors, or in a waiver of notice thereof.

7

Section 7. Regular Meetings. Regular meetings of the Board of Directors shall be held at such times as may be determined by resolution of the Board of Directors and no notice shall be required for any regular meeting. Except as otherwise provided by law, any business may be transacted at any regular meeting of the Board of Directors.

Section 8. Special Meetings; Notice and Waiver of Notice. Special meetings of the Board of Directors shall be called by the Secretary on the request of the Chairman of the Board, the President or a Vice Chairman of the Board, or on the request in writing of any three other directors stating the purpose or purposes of such meeting. Notice of any special meeting shall be in form approved by the Chairman of the Board, the President or a Vice Chairman of the Board, as the case may be. Notices of special meetings shall be mailed to each director, addressed to him at his residence or usual place of business, not later than two (2) days before the day on which the meeting is to be held, or shall be sent to him at such place by telegraph, cable or other form of recorded communication or be delivered personally or by telephone, not later than the day before such day of meeting. Notice of any meeting of the Board of Directors need not be given to any director if he shall sign a written waiver thereof either before or after the time stated therein, or if he shall attend a meeting, except when he attends such meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any special meeting of the Board of Directors need be specified in any notice or written waiver of notice unless so required by the Certificate of Incorporation or by the By-Laws. Unless limited by law, by the Certificate of Incorporation or by the By-Laws, any and all business may be transacted at any special meeting.

Section 9. Organization of Meetings. The Chairman of the Board shall preside at all meetings of the Board of Directors at which he is present. If the Chairman of the Board shall be absent from any meeting of the Board of Directors, the duties otherwise provided in this Section 9 of Article III to be performed by him at such meeting shall be performed at such meeting by the officer prescribed by Section 6 of Article V. If no such officer is present at such meeting, one of the directors present shall be chosen by the members of the Board of Directors present to preside at such meeting. The Secretary of the Corporation shall act as the secretary at all meetings of the Board of Directors, and in his absence a temporary secretary shall be appointed by the chairman of the meeting.

Section 10. Quorum and Manner of Acting. Except as otherwise provided by Section 6 of this Article III, at every meeting of the Board of Directors one-third (1/3) of the total number of directors constituting the whole Board of Directors shall constitute a quorum but in no event shall a quorum be constituted by less than two (2) directors. Except as otherwise provided by law or by the Certificate of Incorporation, or by Section 15 of this Article III, or by Section 1 or Section 8 of Article IV, or by Section 3 of Article V, or by

Article IX, the act of a majority of the directors present at any such meeting, at which a quorum is present, shall be the act of the Board of Directors. In the absence of a quorum, a majority of the directors present may

8

adjourn any meeting, from time to time, until a quorum is present. No notice of any adjourned meeting need be given other than by announcement at the meeting that is being adjourned. Members of the Board of Directors or any committee thereof may participate in a meeting of the Board of Directors or of such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation by a member of the Board of Directors in a meeting pursuant to this Section 10 of Article III shall constitute his presence in person at such meeting.

Section 11. Voting. On any question on which the Board of Directors shall vote, the names of those voting and their votes shall be entered in the minutes of the meeting if any member of the Board of Directors so requests at the time.

Section 12. Action without a Meeting. Except as otherwise provided by law or by the Certificate of Incorporation, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if prior to such action all members of the Board of Directors or of such committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors or the committee.

Section 13. Resignations. Any director may resign at any time upon written notice of resignation to the Corporation. Any resignation shall be effective immediately unless a date certain is specified for it to take effect, in which event it shall be effective upon such date, and acceptance of any resignation shall not be necessary to make it effective, irrespective of whether the resignation is tendered subject to such acceptance.

Section 14. Removal of Directors. Subject to the rights of the holders of any series of Preferred Stock or any other class of capital stock of the Corporation (other than the Common Stock) then outstanding, (i) any director, or the entire Board of Directors, may be removed from office at any time, but only for cause, by the affirmative vote of the holders of record of outstanding shares representing at least 80% of the voting power of all the shares of capital stock of the Corporation then entitled to vote generally in the election of directors, voting together as a single class, and (ii) any director may be removed from office at any time, but only for cause, by the affirmative vote of a majority of the entire Board of Directors.

Section 15. Vacancies. Subject to the rights of the holders of any series of Preferred Stock or any other class of capital stock of the Corporation (other than the Common Stock) then outstanding, any vacancies in the Board of Directors for any reason, including by reason of any increase in the number of directors, shall, if occurring prior to the expiration of the term of office of the class in which such vacancy occurs, be filled only by the Board of Directors, acting by the affirmative vote of a majority of the remaining directors then in office, although less than a quorum, and any directors so elected shall hold office until the next election of the class for which such directors have been elected and until their successors are elected and qualify.

9

Section 16. Directors' Compensation. Any and all directors may receive such reasonable compensation for their services as such, whether in the form of salary or a fixed fee for attendance at meetings, with expenses, if any, as the Board of Directors may from time to time determine. Nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

ARTICLE IV.

COMMITTEES

Section 1. Constitution and Powers. The Board of Directors may, by resolution adopted by affirmative vote of a majority of the whole Board of Directors, appoint one or more committees of the Board of Directors, which committees shall have such powers and duties as the Board of Directors shall properly determine. Unless otherwise provided by the Board of Directors, no such other committee of the Board of Directors shall be composed of fewer than two (2) directors.

Section 2. Place of Meetings. Meetings of any committee of the Board of Directors may be held at any place, within or without the State of Delaware, from time to time designated by the Board of Directors or such committee.

Section 3. Meetings; Notice and Waiver of Notice. Regular meetings of any

committee of the Board of Directors shall be held at such times as may be determined by resolution either of the Board of Directors or of such committee and no notice shall be required for any regular meeting. Special meetings of any committee shall be called by the secretary thereof upon request of any two members thereof. Notice of any special meeting of any committee shall be in form approved by the Chairman of the Board, the President or a Vice Chairman of the Board, as the case may be. Notices of special meetings shall be mailed to each member, addressed to him at his residence or usual place of business, not later than two (2) days before the day on which the meeting is to be held, or shall be sent to him at such place by telegraph, cable or any other form of recorded communication, or be delivered personally or by telephone, not later than the day before such day of meeting. Neither the business to be transacted at, nor the purpose of, any special meeting of any committee, need be specified in any notice or written waiver of notice unless so required by the Certificate of Incorporation or the By-Laws. Notices of any such meeting need not be given to any member of any committee, however, if waived by him as provided in Section 8 of Article III, and the provisions of such Section 8 with respect to waiver of notice of meetings of the Board of Directors shall apply to meetings of any committee as well.

Section 4. Organization of Meetings. The most senior officer of the Corporation present, if any be members of the committee, and, if not, the director present who has served the longest as a director, except as otherwise expressly provided by the Board of Directors or the committee, shall preside at all meetings of any committee. The Secretary of the Corporation, except as otherwise expressly

10

provided by the Board of Directors, shall act as secretary at all meetings of any committee and in his absence a temporary secretary shall be appointed by the chairman of the meeting.

Section 5. Quorum and Manner of Acting. One-third (1/3) of the members of any committee then in office shall constitute a quorum for the transaction of business, and the act of a majority of those present at any meeting at which a quorum is present, shall be the act of such committee. In the absence of a quorum, a majority of the members of any committee present, or, if two or fewer members shall be present, any member of the committee present or the Secretary, may adjourn any meeting, from time to time, until a quorum is present. No notice of any adjourned meeting need be given other than by announcement at the meeting that is being adjourned. The provisions of Section 10 of Article III with respect to participation in a meeting of a committee of the Board of Directors and the provisions of Section 12 of Article III with respect to action taken by a committee of the Board of Directors without a meeting shall apply to participation in meetings of and action taken by any committee.

Section 6. Voting. On any question on which any committee shall vote, the names of those voting and their votes shall be entered in the minutes of the meeting if any member of such committee so requests.

Section 7. Records. All committees shall keep minutes of their acts and proceedings, which shall be submitted at the next regular meeting of the Board of Directors unless sooner submitted at an organization or special meeting of the Board of Directors, and any action taken by the Board of Directors with respect thereto shall be entered in the minutes of the Board of Directors.

Section 8. Vacancies. Any vacancy among the appointed members or alternate members of any committee of the Board of Directors may be filled by affirmative vote of a majority of the whole Board of Directors.

Section 9. Members' Compensation. Members of all committees may receive such reasonable compensation for their services as such, whether in the form of salary or a fixed fee for attendance at meetings, with expenses, if any, as the Board of Directors may from time to time determine. Nothing herein contained shall be construed to preclude any member of any committee from serving the Corporation in any other capacity and receiving compensation therefor.

Section 10. Emergency Management Committee. In the event that a quorum of the Board of Directors cannot readily be convened as a result of emergency conditions following a catastrophe or disaster, then all the powers and duties vested in the Board of Directors shall vest automatically in an Emergency Management Committee which shall consist of all readily available members of the Board of Directors and which Committee shall have and may exercise all of the powers of the Board of Directors in the management of the business and affairs of the Corporation. Two members shall constitute a quorum. Other provisions of these By-Laws notwithstanding, the Emergency Management Committee shall call a meeting of the

11

Board of Directors as soon as circumstances permit, for the purpose of filling vacancies on the Board of Directors and its committees and to take such other

action as may be appropriate; and if the Emergency Management Committee determines that less than a majority of the members of the Board of Directors are available for service, the Emergency Management Committee shall, as soon as practicable, issue a call for a special meeting of stockholders for the election of directors. The powers of the Emergency Management Committee shall terminate upon the convening of the meeting of the Board of Directors above prescribed at which a majority of the members thereof shall be present, or upon the convening of the above prescribed meeting of stockholders, whichever first shall occur.

ARTICLE V.

THE OFFICERS

Section 1. Officers - Qualifications. The elected officers of the Corporation shall be a Chairman of the Board, a Secretary and a Treasurer and may also include one or more Vice Chairmen of the Board, a President, one or more Executive Vice Presidents, one or more Senior Vice Presidents and one or more Vice Presidents. The elected officers shall be elected by the Board of Directors. The Chairman of the Board, the President and each Vice Chairman of the Board, shall be selected from the directors. Assistant Secretaries, Assistant Treasurers and such other officers as may be deemed necessary or appropriate may be appointed by the Board of Directors or may be appointed pursuant to Section 6 and 7 of this Article V.

Section 2. Term of Office; Vacancies. So far as is practicable, all elected officers shall be elected at the organization meeting of the Board of Directors in each year, and except as otherwise provided in Sections 3 and 4, and subject to the provisions of Section 6, of this Article V, shall hold office until the organization meeting of the Board of Directors in the next subsequent year and until their respective successors are elected and qualify or until their earlier resignation or removal. All appointed officers shall hold office during the pleasure of the Board of Directors and the Chairman of the Board. If any vacancy shall occur in any office, the Board of Directors may elect or appoint a successor to fill such vacancy for the remainder of the term.

Section 3. Removal of Elected Officers. Any elected officer may be removed at any time, either for or without cause, by affirmative vote of a majority of the whole Board of Directors, at any regular meeting or at any special meeting called for the purpose and, in the case of any officer not more senior than a Senior Vice President, by affirmative vote of a majority of the whole committee of the Board of Directors so empowered at any regular meeting or at any special meeting called for the purpose.

Section 4. Resignations. Any officer may resign at any time, upon written notice of resignation to the Corporation. Any resignation shall be effective immediately unless a date certain is specified for it to take effect, in which event it shall be effective upon such date, and acceptance of any resignation shall not be

12

necessary to make it effective, irrespective of whether the resignation is tendered subject to such acceptance.

Section 5. Officers Holding More Than One Office. Any officer may hold two or more offices the duties of which can be consistently performed by the same person.

Section 6. The Chairman of the Board. The Chairman of the Board shall be the chief executive officer of the Corporation. He shall direct, coordinate and control the Corporation's business and activities and its operating expenses and capital expenditures, and shall have general authority to exercise all the powers necessary for the chief executive officer of the Corporation, all in accordance with basic policies established by and subject to the control of the Board of Directors. He shall be responsible for the employment or appointment of employees, agents and officers (except officers to be elected by the Board of Directors pursuant to Section 1 of this Article V) as may be required for the conduct of the business and the attainment of the objectives of the Corporation, and shall have authority to fix compensation as provided in Section 15 of this Article V. He shall have authority to suspend or to remove any employee, agent or appointed officer of the Corporation and to suspend for cause any officer elected by the Board of Directors pursuant to Section 1 of this Article V and, in the case of a suspension for cause of any such elected officer, to recommend to the Board of Directors what further action should be taken. He shall have general authority to execute bonds, deeds and contracts in the name and on behalf of the Corporation. As provided in Section 5 of Article II, the Chairman of the Board shall act as chairman at all meetings of the stockholders at which he is present, and, as provided in Section 9 of Article III, he shall preside at all meetings of the Board of Directors at which he is present. In the absence of the Chairman of the Board, his duties shall be performed and his authority may be exercised by the President, and, in the absence of the Chairman of the Board and the President, such duties shall be performed and such authority may be exercised by such officer as may have been designated by the most senior officer of the Corporation who has made any such designation, with the right reserved to

the Board of Directors to make the designation or supersede any designation so made.

Section 7. The President. The President, if any, shall be the chief operating officer of the Corporation unless the President designates another officer to so serve as the chief operating officer of the Corporation. He shall implement the general directives, plans and policies formulated by the Chairman of the Board pursuant to the By-Laws, in general shall have authority to exercise all the powers delegated to him by the Chairman of the Board and shall establish operating and administrative plans and policies and direct and coordinate the Corporation's organizational components, within the scope of the authority delegated to him by the Board of Directors or the Chairman of the Board. He shall have general authority to execute bonds, deeds and contracts in the name and on behalf of the Corporation and responsibility for the employment or appointment of such employees, agents and officers (except officers to be elected by the Board of Directors pursuant to Section 1 of this Article V) as may be required to carry on the operations of the business and authority to fix compensation of such employees, agents and officers as provided in

13

Section 15 of this Article V. He shall have authority to suspend or to remove any employee or agent of the Corporation (other than officers). As provided in Section 6 of this Article V, in the absence of the Chairman of the Board, the President shall perform all the duties and exercise the authority of the Chairman of the Board. In the absence of the President, his duties shall be performed and his authority may be exercised by the Chairman of the Board. In the absence of the President and the Chairman of the Board, the duties of the President shall be performed and his authority may be exercised by such officer as may have been designated by the most senior officer of the Corporation who has made any such designation, with the right reserved to the Board of Directors to make the designation or supersede any designation so made.

Section 8. The Vice Chairmen of the Board. The several Vice Chairmen of the Board, if any, shall perform such duties and may exercise such authority as may from time to time be conferred upon them by the Board of Directors, the Chairman of the Board or the President.

Section 9. The Executive Vice Presidents. The several Executive Vice Presidents, if any, shall perform such duties and may exercise such authority as may from time to time be conferred upon them by the Board of Directors, the Chairman of the Board or the President.

Section 10. The Senior Vice Presidents. The several Senior Vice Presidents, if any, shall perform such duties and may exercise such authority as may from time to time be conferred upon them by the Board of Directors, the Chairman of the Board, the President, any Vice Chairman of the Board or any Executive Vice President.

Section 11. The Vice Presidents. The several Vice Presidents, if any, shall perform such duties and may exercise such authority as may from time to time be conferred upon them by the Board of Directors, the Chairman of the Board, the President, any Vice Chairman of the Board or any Executive Vice President.

Section 12. The Secretary. The Secretary shall attend to the giving of notice of all meetings of stockholders and of the Board of Directors and committees thereof, and, as provided in Section 5 of Article II and Section 9 of Article III, shall keep minutes of all proceedings at meetings of the stockholders and of the Board of Directors at which the Secretary is present, as well as of all proceedings at all meetings of committees of the Board of Directors at which the Secretary has served as secretary, and where some other person has served as secretary thereto, the Secretary shall maintain custody of the minutes of such proceedings. As provided in Section 2 of Article VII, the Secretary shall have charge of the corporate seal and shall have authority to attest any and all instruments or writings to which the same may be affixed. The Secretary shall keep and account for all books, documents, papers and records of the Corporation, except those for which some other officer or agent is properly accountable. The Secretary shall generally perform all the duties usually appertaining to the office of secretary of a corporation. In the absence of the Secretary, such person as shall be designated by the Chairman of the Board shall perform such duties.

14

Section 13. The Treasurer. The Treasurer shall have the care and custody of all the funds of the Corporation and shall deposit the same in such banks or other depositories as the Board of Directors or any officer or officers, or any officer and agent jointly, thereunto duly authorized by the Board of Directors, shall, from time to time, direct or approve. Except as otherwise provided by the Board of Directors or in the Corporation's plan of organization, the Treasurer shall keep a full and accurate account of all moneys received and paid on account of the Corporation, shall render a statement of accounts whenever the Board of Directors shall require, shall perform all other necessary acts and

duties in connection with the administration of the financial affairs of the Corporation and shall generally perform all the duties usually appertaining to the office of the treasurer of a corporation. Whenever required by the Board of Directors, the Treasurer shall give bonds for the faithful discharge of the duties of that office in such sums and with such sureties as the Board of Directors shall approve. In the absence of the Treasurer, such person as shall be designated by the Chairman of the Board shall perform such duties.

Section 14. Additional Duties and Authority. In addition to the foregoing specifically enumerated duties and authority, the several officers of the Corporation shall perform such other duties and may exercise such further authority as the Board of Directors may, from time to time, determine, or as may be assigned to them by any superior officer.

Section 15. Compensation. Except as fixed or controlled by the Board of Directors or otherwise, compensation of all officers and employees shall be fixed by the Chairman of the Board, or by the President within the limits approved by the Chairman of the Board, or by other officers of the Corporation exercising authority granted to them under the plan of organization of the Corporation.

ARTICLE VI.

STOCK AND TRANSFERS OF STOCK

Section 1. Stock Certificates. The capital stock of the Corporation shall be represented by certificates signed by, or in the name of the Corporation by, the Chairman of the Board, the President or a Vice Chairman of the Board, and by the Secretary or an Assistant Secretary or by the Treasurer or an Assistant Treasurer, and sealed with the seal of the Corporation. If such stock certificate is countersigned by a Transfer Agent other than the Corporation or its employee or by a Registrar other than the Corporation or its employee, any other signature on the certificate may be a facsimile, engraved or printed. Such seal may be a facsimile, engraved or printed. In case any such officer, Transfer Agent or Registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, Transfer Agent or Registrar before such certificate is issued by the Corporation, it may nevertheless be issued by the Corporation with the same effect as if such officer, Transfer Agent or Registrar had not ceased to be such at the date of its issue. The certificates representing the capital stock of the Corporation shall be in such form as shall be approved by the Board of Directors.

15

Section 2. Transfers of Stock. Transfers of stock shall be made on the books of the Corporation by the person named in the certificate, or by an attorney lawfully constituted in writing, and upon surrender and cancellation of a certificate or certificates for a like number of shares of the same class or series of stock, duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, and with such proof of the authenticity of the signatures as the Corporation or its agents may reasonably require and with all required stock transfer tax stamps affixed thereto and canceled or accompanied by sufficient funds to pay such taxes.

Section 3. Lost Certificates. In case any certificate of stock shall be lost, stolen or destroyed, the Board of Directors, in its discretion, or any officer or officers thereunto duly authorized by the Board of Directors, may authorize the issue of a substitute certificate in place of the certificate so lost, stolen or destroyed; provided, however, that, in each such case, the applicant for a substitute certificate shall furnish evidence to the Corporation, which it determines in its discretion is satisfactory, of the loss, theft or destruction of such certificate and of the ownership thereof, and also such security or indemnity as may be required by it.

Section 4. Determination of Holders of Record for Certain Purposes. In order to determine the stockholders or other holders of securities entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of capital stock or other securities or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, not more than sixty (60) days prior to the date of payment of such dividend or other distribution or allotment of such rights or the date when any such rights in respect of any change, conversion or exchange of stock or securities may be exercised, and in such case only holders of record on the date so fixed shall be entitled to receive payment of such dividend or other distribution or to receive such allotment of rights, or to exercise such rights, notwithstanding any transfer of any stock or other securities on the books of the Corporation after any such record date fixed as aforesaid. No record date shall precede the date on which the Board of Directors establishes such record date.

ARTICLE VII.

CORPORATE SEAL

Section 1. Seal. The seal of the Corporation shall be in the form of a circle and shall bear the name of the Corporation and in the center of the circle the words "Corporate Seal, Delaware" and the figures "1973".

Section 2. Affixing and Attesting. The seal of the Corporation shall be in the custody of the Secretary, who shall have power to affix it to the proper corporate instruments and documents, and who shall attest it. In his absence, it may be affixed and attested by an Assistant Secretary, or by the Treasurer or an Assistant Treasurer or by any other person or persons as may be designated by the Board of Directors.

16

ARTICLE VIII.

MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the Corporation shall end on the last Friday of December in each year and the succeeding fiscal year shall begin on the day next succeeding the last day of the preceding fiscal year.

Section 2. Signatures on Negotiable Instruments. All bills, notes, checks or other instruments for the payment of money shall be signed or countersigned by such officers or agents and in such manner as, from time to time, may be prescribed by resolution (whether general or special) of the Board of Directors, or may be prescribed by any officer or officers, or any officer and agent jointly, thereunto duly authorized by the Board of Directors.

Section 3. References to Article and Section Numbers and to the By-Laws and the Certificate of Incorporation. Whenever in the By-Laws reference is made to an Article or Section number, such reference is to the number of an Article or Section of the By-Laws. Whenever in the By-Laws reference is made to the By-Laws, such reference is to these By-Laws of the Corporation, as amended, and whenever reference is made to the Certificate of Incorporation, such reference is to the Certificate of Incorporation of the Corporation, as amended, including all documents deemed by the General Corporation Law of the State of Delaware to constitute a part thereof.

ARTICLE IX.

AMENDMENTS

The By-Laws may be altered, amended or repealed at any Annual Meeting of Stockholders, or at any special meeting of holders of shares of stock entitled to vote thereon, provided that in the case of a special meeting notice of such proposed alteration, amendment or repeal be included in the notice of meeting, by a vote of the holders of a majority of the shares of stock present in person or by proxy at the meeting and entitled to vote thereon, or (except as otherwise expressly provided in any By-Law adopted by the stockholders) by the Board of Directors at any valid meeting by affirmative vote of a majority of the whole Board of Directors.

The undersigned, duly qualified Secretary of Merrill Lynch & Co., Inc., a Delaware corporation, hereby certifies the foregoing to be a true and complete copy of the By-Laws of the said Merrill Lynch & Co., Inc. in effect on this date.

Dated: April 28, 2003

/s/ Judith A. Witterschein

.....
Secretary

<TABLE>
<CAPTION>

EXHIBIT 12

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
COMPUTATION OF RATIOS OF EARNINGS TO FIXED CHARGES AND
COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS
(dollars in millions)

	For the Three Months Ended	
	March 28, 2003	March 29, 2002
<S>	<C>	<C>
Pre-tax earnings	\$ 1,022	\$ 1,012
Add: Fixed charges (excluding capitalized interest and preferred security dividend requirements of subsidiaries)	2,111	2,524
Pre-tax earnings before fixed charges	3,133	3,536
Fixed charges:		
Interest	2,062	2,469
Other (a)	97	104
Total fixed charges	2,159	2,573
Preferred stock dividend requirements	13	14
Total combined fixed charges and preferred stock dividends	\$ 2,172	\$ 2,587
RATIO OF EARNINGS TO FIXED CHARGES	1.45	1.37
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS	1.44	1.37

(a) Other fixed charges consists of the interest factor in rentals, amortization of debt issuance costs, preferred security dividend requirements of subsidiaries, and capitalized interest.

</TABLE>

May 8, 2003

Merrill Lynch & Co., Inc.
4 World Financial Center
New York, NY 10080

We have made a review, in accordance with standards established by the American Institute of Certified Public Accountants, of the unaudited interim condensed consolidated financial information of Merrill Lynch & Co., Inc. and subsidiaries ("Merrill Lynch") as of March 28, 2003 and for the three-month periods ended March 28, 2003 and March 29, 2002, as indicated in our report dated May 8, 2003; because we did not perform an audit, we expressed no opinion on that information.

We are aware that our report referred to above, which is included in your Quarterly Report on Form 10-Q for the quarter ended March 28, 2003, is incorporated by reference in the following Registration Statements, as amended:

Filed on Form S-8:

Registration Statement No. 33-41942 (1986 Employee Stock Purchase Plan)

Registration Statement No. 33-17908 (Incentive Equity Purchase Plan)

Registration Statement No. 33-33336 (Long-Term Incentive Compensation Plan)

Registration Statement No. 33-51831 (Long-Term Incentive Compensation Plan)

Registration Statement No. 33-51829 (401(k) Savings and Investment Plan)

Registration Statement No. 33-54154 (Non-Employee Directors' Equity Plan)

Registration Statement No. 33-54572 (401(k) Savings and Investment Plan (Puerto Rico))

Registration Statement No. 33-56427 (Amended and Restated 1994 Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 33-55155 (1995 Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 33-60989 (1996 Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 333-00863 (401(k) Savings & Investment Plan)

Registration Statement No. 333-09779 (1997 Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 333-13367 (Restricted Stock Plan for Former Employees of Hotchkis and Wiley)

Registration Statement No. 333-15009 (1997 KECALP Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 333-17099 (Deferred Unit and Stock Unit Plan for Non-Employee Directors)

Registration Statement No. 333-18915 (Long-Term Incentive Compensation Plan for Managers and Producers)

Registration Statement No. 333-32209 (1998 Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 333-33125 (Employee Stock Purchase Plan for Employees of Merrill Lynch Partnerships)

Registration Statement No. 333-41425 (401(k) Savings & Investment Plan)

Registration Statement No. 333-56291 (Long-Term Incentive Compensation Plan for Managers and Producers)

Registration Statement No. 333-60211 (1999 Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 333-62311 (Replacement Options; Midland Walwyn Inc.)

Registration Statement No. 333-85421 (401(k) Savings and Investment Plan)

Registration Statement No. 333-85423 (2000 Deferred Compensation Plan)

For a Select Group of Eligible Employees)

Registration Statement No. 333-92663 (Long-Term Incentive Compensation Plan for Managers and Producers)

Registration Statement No. 333-44912 (2001 Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 333-64676 (1986 Employee Stock Purchase Plan)

Registration Statement No. 333-64674 (Long-Term Incentive Compensation Plan for Managers and Producers)

Registration Statement No. 333-68330 (2002 Deferred Compensation Plan for a Select Group of Eligible Employees)

Filed on Form S-3:

Debt Securities, Warrants, Common Stock, Preferred Securities, and/or Depository Shares:

Registration Statement No. 33-54218

Registration Statement No. 2-78338

Registration Statement No. 2-89519

Registration Statement No. 2-83477

Registration Statement No. 33-03602

Registration Statement No. 33-17965

Registration Statement No. 33-27512

Registration Statement No. 33-33335

Registration Statement No. 33-35456

Registration Statement No. 33-42041

Registration Statement No. 33-45327

Registration Statement No. 33-45777

Registration Statement No. 33-49947

Registration Statement No. 33-51489

Registration Statement No. 33-52647

Registration Statement No. 33-55363

Registration Statement No. 33-60413

Registration Statement No. 33-61559

Registration Statement No. 33-65135

Registration Statement No. 333-13649

Registration Statement No. 333-16603

Registration Statement No. 333-20137

Registration Statement No. 333-25255

Registration Statement No. 333-28537

Registration Statement No. 333-42859

Registration Statement No. 333-44173

Registration Statement No. 333-59997

Registration Statement No. 333-68747

Registration Statement No. 333-38792

Registration Statement No. 333-52822

Registration Statement No. 333-83374

Medium Term Notes:

Registration Statement No. 2-96315

Registration Statement No. 33-03079

Registration Statement No. 33-05125

Registration Statement No. 33-09910

Registration Statement No. 33-16165

Registration Statement No. 33-19820

Registration Statement No. 33-23605

Registration Statement No. 33-27549

Registration Statement No. 33-38879

Other Securities:

Registration Statement No. 333-02275 (Long-Term Incentive Compensation Plan)

Registration Statement No. 333-24889 (Long-Term Incentive Compensation Plan, and Long-Term Incentive Compensation Plan for Managers and Producers)

Registration Statement No. 333-36651 (Hotchkis and Wiley Resale)

Registration Statement No. 333-59263 (Exchangeable Shares of Merrill Lynch & Co., Canada Ltd. re: Midland Walwyn Inc.)

Registration Statement No. 333-67903 (Howard Johnson & Company Resale)

Registration Statement No. 333-45880 (Herzog, Heine, Geduld, Inc. Resale)

We are also aware that the aforementioned report, pursuant to Rule 436(c) under the Securities Act of 1933, is not considered a part of a Registration Statement prepared or certified by an accountant or a report prepared or certified by an accountant within the meaning of Sections 7 and 11 of that Act.

/s/ Deloitte & Touche LLP
New York, New York

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Merrill Lynch & Co., Inc. (the "Company") on Form 10-Q for the period ended March 28, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, E. Stanley O'Neal, Chairman of the Board and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ E. Stanley O'Neal

E. Stanley O'Neal
Chairman of the Board and
Chief Executive Officer

Dated: May 8, 2003

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Merrill Lynch & Co., Inc. (the "Company") on Form 10-Q for the period ended March 28, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ahmass L. Fakahany, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Ahmass L. Fakahany

Ahmass L. Fakahany
Executive Vice President and
Chief Financial Officer

Dated: May 8, 2003

COMPUTATION OF ADJUSTED LEVERAGE RATIOS

Merrill Lynch's leverage ratios for the periods ended March 28, 2003 and December 27, 2002 are 17.3 and 17.5, respectively. The average leverage ratios for these same periods are 18.3 and 19.0, respectively. The leverage ratios are computed by dividing total assets by Stockholders' equity and Preferred securities issued by subsidiaries.

Merrill Lynch's adjusted leverage ratios are computed as follows:

<TABLE>

<CAPTION>

	Period-end		Average	
	Mar. 28, 2003	Dec. 27, 2002	Mar. 28, 2003	Dec. 27, 2002
(dollars in millions)				
<S>	<C>	<C>	<C>	<C>
Total assets	\$ 455,587	\$ 447,928	\$ 476,435	\$ 459,398
Less:				
Receivables under resale agreements	(78,434)	(75,292)	(86,246)	(81,134)
Receivables under securities borrowed transactions	(48,067)	(45,543)	(47,973)	(56,172)
Securities received as collateral	(2,261)	(2,020)	(1,901)	(2,931)
Adjusted assets	\$ 326,825	\$ 325,073	\$ 340,315	\$ 319,161
Stockholders' equity	\$ 23,639	\$ 22,875	\$ 23,337	\$ 21,562
Preferred securities issued by subsidiaries	2,660	2,658	2,659	2,658
Adjusted stockholders' equity	\$ 26,299	\$ 25,533	\$ 25,996	\$ 24,220
Adjusted leverage ratio	12.4x	12.7x	13.1x	13.2x

</TABLE>

An asset-to-equity leverage ratio does not reflect the risk profile of assets, hedging strategies, or off-balance sheet exposures. Thus, Merrill Lynch does not rely on overall leverage ratios to assess risk-based capital adequacy, but believes that some investors may utilize the ratios. The Adjusted Leverage Ratio is a non-GAAP financial measure which should not be relied upon as a substitute for the most comparable GAAP financial measure, the Leverage Ratio. This schedule is included to provide a convenient reconciliation of the Adjusted Leverage Ratios to the most comparable GAAP financial measures.