2006

THE DEPOSITORY TRUST COMPANY

Annual Financial Statements

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To DTC Participants:

We are pleased to provide you with a copy of the audited financial statements of DTC.

Jill M. Considine
Chairman
The Depository Trust & Clearing Corporation

DTCC®

The Depository Trust & Clearing Corporation

www.dtcc.com

The Depository Trust Company
A subsidiary of The Depository Trust & Clearing Corporation

Report of Independent Auditors

PricewaterhouseCoopers LLP
300 Madison Avenue
New York, NY 10017

To the Board of Directors and Shareholders of
The Depository Trust Company

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income and retained earnings and of cash flows present fairly, in all material respects, the financial position of The Depository Trust Company and its subsidiaries at December 31, 2006 and 2005, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 6 to the consolidated financial statements, the Parent changed the manner in which it accounts for its defined benefit pension and other postretirement plans in 2006.

PricewaterhouseCoopers LLP

February 15, 2007

Consolidated Balance Sheets

(IN THOUSANDS, EXCEPT SHARE DATA)		
December 31,	**2006**	2005
Assets		
Cash and cash equivalents	**$3,215,528**	$2,944,401
Accounts receivable	**199,852**	136,242
Fixed assets, less accumulated depreciation and amortization of $279,663,000 and $248,485,000 at December 31, 2006 and 2005, respectively	**148,394**	136,693
Deferred income taxes, net	**110,677**	85,430
Other assets	**237,391**	234,963
Total assets	**$3,911,842**	$3,537,729
Liabilities and Shareholders' Equity		
Liabilities:		
Accounts payable and other liabilities	**$308,526**	$219,544
Payable to participants	**2,301,104**	2,012,888
Long-term debt and other borrowings	**295,381**	307,717
Participants' fund cash deposits	**831,831**	872,580
Total liabilities	**3,736,842**	3,412,729
Commitments and contingent liabilities (Note 10)		
Shareholders' equity:		
Preferred stock, Series A, $100 par value — 1,250,000 and 750,000 shares authorized, issued and outstanding at December 31, 2006 and 2005, respectively	**125,000**	75,000
Common stock, $100 par value — 18,500 shares authorized, issued and outstanding	**1,850**	1,850
Paid in capital	**950**	950
Retained earnings	**47,200**	47,200
Total shareholders' equity	**175,000**	125,000
Total liabilities and shareholders' equity	**$3,911,842**	$3,537,729

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Income and Retained Earnings

	(IN THOUSANDS)	
For the Year Ended December 31,	**2006**	2005
Revenues:		
Trading services	**$201,527**	$195,505
Custody services	**210,027**	183,640
Network services	**41,130**	84,641
Other services	**18,993**	38,473
Interest income	**109,498**	68,283
Total revenues	**581,175**	570,542
Discounts and other refunds to participants	**(178,775)**	(185,068)
Net revenues	**402,400**	385,474
Expenses:		
Employee compensation and related benefits	**255,323**	219,628
Information technology	**31,925**	58,300
Professional and other services	**51,265**	31,229
Occupancy	**30,065**	43,648
Interest expense	**21,285**	21,965
Other general and administrative	**9,334**	9,419
Reimbursement from affiliate	**(248)**	(327)
Total expenses	**398,949**	383,862
Income before income taxes	**3,451**	1,612
Provision (benefit) for income taxes	**883**	(23)
Net income	**2,568**	1,635
Retained earnings, beginning of year	**47,200**	47,200
Dividends on preferred stock	**(2,568)**	(1,635)
Retained earnings, end of year	**$47,200**	$47,200

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows

(IN THOUSANDS)		
For the Year Ended December 31,	**2006**	2005
Cash flows from operating activities:		
Net income	**$2,568**	$1,635
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of fixed assets	**32,435**	33,195
Loss on fixed asset disposals	**2,444**	11,539
Deferred income taxes accrued	**(25,247)**	(3,355)
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	**(63,610)**	9,699
Increase in other assets	**(2,428)**	(1,889)
Increase in accounts payable and other liabilities	**88,982**	8,121
Increase in payable to participants	**288,216**	1,219,793
(Decrease) increase in participants' fund cash deposits	**(40,749)**	8,991
Net cash provided by operating activities	**282,611**	1,287,729
Cash flows from investing activities – purchases of fixed assets	**(46,580)**	(32,269)
Cash flows from financing activities:		
Issuance of preferred stock	**50,000**	—
Capitalized leases	**4,455**	596
Principal payments on debt and capital lease obligations	**(16,791)**	(13,860)
Dividends declared on preferred stock	**(2,568)**	(1,635)
Net cash provided by (used in) financing activities	**35,096**	(14,899)
Net increase in cash and cash equivalents	**271,127**	1,240,561
Cash and cash equivalents, beginning of year	**2,944,401**	1,703,840
Cash and cash equivalents, end of year	**$3,215,528**	$2,944,401
Supplemental disclosure:		
Income taxes paid, net of refunds	**$34,848**	$5,588
Interest paid	**$21,304**	$14,272

The accompanying notes are an integral part of these consolidated financial statements.

NOTE 1 BUSINESS AND OWNERSHIP

The Depository Trust Company (DTC) is a limited purpose trust company providing central securities depository and related services to members of the securities, banking and other financial industries (participants).

DTC is a consolidated subsidiary of The Depository Trust & Clearing Corporation (DTCC). The other principal operating subsidiaries of DTCC are National Securities Clearing Corporation (NSCC), Fixed Income Clearing Corporation (FICC), DTCC Deriv/SERV LLC and DTCC Solutions LLC.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: The consolidated financial statements include the accounts of DTC and its wholly-owned subsidiaries. Intercompany accounts and transactions are eliminated in consolidation.

Cash Equivalents: DTC invests funds in overnight reverse repurchase agreements and money market accounts which are considered cash equivalents. Reverse repurchase agreements provide for DTC's delivery of cash in exchange for securities having a market value which is at least 102% of the amount of the agreements. Custodians designated by DTC that are participants take possession of the securities. Overnight reverse repurchase agreements are recorded at the contract amounts and totaled $1,357,854,000 and $1,830,943,000 at December 31, 2006 and 2005, respectively. At December 31, 2006, the counterparties to these agreements were three major financial institutions that are also participants.

Money market accounts with participants are used to sweep any remaining funds available. Overnight investments made in money market accounts totaling $1,837,297,000 and $1,102,778,000 are also included in cash equivalents at December 31, 2006 and 2005, respectively.

Accounts Receivable: Accounts receivable consist of the following at December 31, 2006 and 2005:

(Dollars in thousands)	**2006**	2005
Due from participants for services	**$36,593**	$39,069
Cash dividends, interest and related receivables	**145,285**	86,101
Other	**17,974**	11,072
Total	**$199,852**	$136,242

Stock dividends receivable are not recorded in the consolidated financial statements.

Fixed Assets: Fixed assets consist of the following at December 31, 2006 and 2005:

(Dollars in thousands)	**2006**	2005
Leasehold improvements	**$133,847**	$128,239
Furniture and equipment	**148,433**	141,701
Software	**101,776**	78,654
Leased property under capital leases	**21,580**	17,125
Building and improvements	**19,915**	18,110
Land	**2,506**	1,349
Total cost	**428,057**	385,178
Less accumulated depreciation and amortization	**279,663**	248,485
Net book value	**$148,394**	$136,693

Leasehold improvements are amortized using the straight-line method over their useful lives or the remaining term of the related lease, whichever is shorter. Furniture and equipment are depreciated over estimated useful lives ranging from five to seven years, using accelerated methods. Software is amortized using the straight-line method over an estimated useful life of three years. Building and improvements are primarily amortized over 39 years using the straight-line method.

DTC capitalized costs related to software that was developed for internal use or purchased totaling $23,122,000 and $14,513,000 in 2006 and 2005, respectively. The amortization of capitalized software costs was $7,964,000 in 2006 and $8,432,000 in 2005.

During 2006, fixed asset disposals resulted in a charge of $2,444,000 and the removal of $3,701,000 and $1,257,000, respectively, from the related cost and accumulated depreciation and amortization accounts. The comparable amounts in 2005 were $11,539,000, $44,380,000 and $32,841,000, respectively.

Income Taxes: Deferred tax assets and liabilities represent the expected future tax consequences of temporary differences between the carrying amount and tax basis of assets and liabilities. The net deferred tax asset is expected to be fully realized and, accordingly, no valuation allowance was established.

Discounts and Other Refunds to Participants: DTC returns as a discount to its participants each year all revenues in excess of the amount of earnings to be retained in a given year with due regard to current and anticipated needs, as determined by the Board of Directors. Such discounts amounted to $110,306,000 in 2006 and $145,540,000 in 2005. Further, there is a policy to provide participants a monthly refund of interest earned from the overnight investment of unallocated cash dividends, interest and reorganization funds payable to participants. Such monthly refunds totaled $24,904,000 in 2006 and $12,565,000 in 2005.

Securities on Deposit: Securities held in custody by DTC for participants are not reported in the consolidated financial statements. Cash dividends and interest received by DTC or due on such securities and in the process of distribution or awaiting claim are included in payable to participants. Short positions occasionally exist in participants' securities balances. Such short positions are valued and collateralized daily by participants' cash aggregating 130% of the short position. DTC's obligation to return such amounts to participants is also reflected in payable to participants. At December 31, 2006 and 2005, short positions amounted to $5,922,000 and $18,253,000, respectively.

Revenue Recognition: Revenue is recognized as services are rendered. Activities are captured daily and billed on a monthly basis.

Expense Allocations: Substantially all expenses are recorded at DTCC and are allocated to its subsidiaries based upon their use of such goods or services as determined by applicable allocation factors.

Financial Instruments: Management believes that the carrying value of all financial instruments which are short-term in nature approximates current market value. Due to the fixed term nature of long-term debt, if the company was to seek the same financing at December 31, 2006, the fixed rates assigned to these loans would be current borrowing rates available to companies with similar credit ratings.

Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 3 PARTICIPANTS' FUND

DTC's participants are required to maintain deposits related to their activities in the depository. The deposits are available to secure participants' obligations and certain liabilities of DTC, should they occur. The deposits, which are all in cash, totaled $831,831,000 at December 31, 2006, including excess deposits of $257,760,000. At December 31, 2005, the comparable amounts were $872,580,000 and $275,126,000, respectively.

DTC invests available participants' fund cash deposits in overnight reverse repurchase agreements. The earnings on these investments are passed through to participants and are included in interest income and discounts and other refunds to participants. In 2006 and 2005, such earnings totaled $43,565,000 and $26,963,000, respectively.

NOTE 4 TRANSACTIONS WITH RELATED PARTIES

DTC has an agreement with DTCC whereby DTCC disburses substantially all funds required to sustain the operations of DTC. The related expenses are allocated to DTC based upon DTC's use of such goods or services. Further, the agreement provides that DTCC performs credit and quantitative risk services, and certain other services for DTC including administrative, internal audit, finance and legal services which are billed at 110% of cost. The fee representing the amount over actual cost included in professional and other services expense was $5,681,000 in 2006 and $5,357,000 in 2005. At December 31, 2006 and 2005, the net payable to DTCC included in accounts payable and other liabilities totaled approximately $212,996,000 and $122,597,000, respectively.

Service revenues included $53,000 in 2006 and $160,000 in 2005 of charges to NSCC related to certain NSCC participants which they sponsor at DTC. Amounts receivable from NSCC at December 31, 2006 and 2005 were $3,000 and $53,000, respectively.

DTCC has an agreement with Omgeo LLC (Omgeo), a joint venture with Thomson Financial whereby, if Omgeo reduces or terminates certain services it receives from DTCC or its affiliates, Omgeo will pay certain extraction costs as specified in the agreement. Such charges relating to DTC included in reimbursement from affiliates were $248,000 in 2006 and $327,000 in 2005.

On January 1, 2006, DTC entered into an agreement with DTCC Solutions LLC whereby validation services performed by DTCC Solutions LLC on behalf of DTC in connection with DTC's corporate action data information are billed at cost. Charges under this agreement totaled $18,962,000 in 2006 and are included in professional and other services expense. The amount payable to DTCC Solutions LLC at December 31, 2006 was $1,341,000.

Prior to 2006, DTC charged participants fees for providing them access to the DTCC Securely Managed and Reliable Technology (SMART) Network. Effective January 1, 2006, DTC transferred this function to DTCC Solutions LLC resulting in a reduction in other services revenue and a corresponding decrease in information technology expenses related to providing the SMART services.

NOTE 5 PAYABLE TO PARTICIPANTS

DTC receives cash and stock dividends, interest and reorganization and redemption proceeds on securities registered in the name of its nominee and interest and redemption proceeds on bearer securities which it distributes to its participants. Amounts received on registered securities withdrawn before the record date but not transferred from the name of DTC's nominee cannot be distributed unless claimed by the owners of the securities through a participant or other financial institution. Cash dividends, interest, reorganization and redemption payables of $2,184,543,000 at December 31, 2006 and $1,878,537,000 at December 31, 2005 are included in payable to participants. Unclaimed balances are remitted to the appropriate authority when required by abandoned property laws. Stock dividends payable and unclaimed are not reported in the consolidated financial statements.

NOTE 6 PENSION AND OTHER POST-RETIREMENT BENEFIT PLANS

All eligible employees of DTC participate in DTCC's trusteed, noncontributory defined benefit pension plan. In addition, DTC participates in DTCC's noncontributory supplemental executive retirement and benefit restoration plans which provide for certain benefits to eligible executives of DTC upon retirement. Further, DTC participates in DTCC's life insurance program which provides payment of death benefits to beneficiaries of eligible retired employees and DTCC's healthcare program which provides benefits to eligible retired employees. DTCC's costs for these plans aggregated $54,418,000 in 2006 and $48,711,000 in 2005.

In September 2006, the Financial Accounting Standards Board issued Statement No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans," which requires companies to recognize a net asset or liability to report the funded status of their defined benefit pension and other postretirement benefit plans. In connection with the early adoption of this standard in 2006, DTCC recorded a charge of $121,718,000 on a pre-tax basis to accumulated other comprehensive loss.

In addition, DTCC recorded a credit of $24,400,000 to accumulated other comprehensive income due to the net reduction of its additional minimum pension liability. The reduction in the additional minimum pension liability resulted primarily from an increase in the interest rate used to discount the projected benefit obligation to its present settlement amount, and an increase in the fair value of plan assets reflecting the actual rate of return exceeding the expected return in 2006.

On December 31, 2005, DTCC recorded a credit of $6,411,000 to accumulated other comprehensive income due to the net reduction of its additional minimum pension liability. The reduction in the additional minimum pension liability resulted primarily from an increase in the fair value of the plan assets reflecting the actual rate of return exceeding the expected return in 2005.

DTC's share of the periodic and accumulated other comprehensive charges totaled $85,466,000 in 2006 based primarily upon the proportion of DTC's salary costs to aggregate salary costs for DTCC and its subsidiaries. Such amount is included in employee compensation and related benefits. The equivalent amount for 2005 was $23,037,000.

Disclosures of pension and other post-retirement benefit obligations, expense components and actuarial assumptions for the DTCC plans are included in DTCC's consolidated financial statements.

NOTE 7 INCOME TAXES

DTC files a consolidated federal income tax return with DTCC and separate state and local returns. The provision (benefit) for income taxes calculated on a separate company basis for the years ended December 31, 2006 and 2005 consists of the following:

(Dollars in thousands)	**2006**	2005
Current income taxes (benefit):		
Federal	**$17,854**	$3,438
State and local	**8,276**	(106)
Deferred income tax benefit:		
Federal	**(17,166)**	(2,281)
State and local	**(8,081)**	(1,074)
Provision (benefit) for income taxes	**$883**	($23)

The 2006 effective tax rate is lower than the 35% Federal statutory rate primarily due to the reversal of tax accruals established to provide for open tax examinations that were subsequently settled. The 2005 effective tax rate is lower than the 35% Federal statutory rate primarily due to tax benefits related to permanent differences.

The major temporary differences that give rise to the deferred tax assets (liabilities) at December 31, 2006 and 2005 are as follows:

(Dollars in thousands)	**2006**	2005
Employee benefit related	**$101,449**	$68,972
Rent	**8,182**	9,558
Depreciation and amortization	**11,737**	11,362
Lease abandonment costs	**4,424**	5,397
Capitalization of software developed for internal use	**(9,883)**	(4,510)
Other	**(5,232)**	(5,349)
Net deferred income tax asset	**$110,677**	$85,430

In June 2006, the Financial Accounting Standards Board issued Interpretation No. 48, "Accounting for Uncertainty in Income Taxes," which establishes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, effective for fiscal years beginning after December 15, 2006. The impact of applying this interpretation beginning in 2007 is not expected to have a material effect on the financial position of the company.

NOTE 8 LONG-TERM DEBT AND LINES OF CREDIT

Long-term debt at December 31, 2006 and 2005 consists of the following:

(Dollars in thousands)	**2006**	2005
Industrial Development Agency bonds	**$205,302**	$205,302
Sale-leaseback obligation	**51,469**	56,607
Notes payable	**25,757**	31,441
Capital lease obligations	**12,853**	14,367
Total	**$295,381**	$307,717

As of December 31, 2006 and 2005, DTC had a payable to the New York City Industrial Development Agency ("IDA") that was offset by an equivalent investment in IDA bonds included in other assets. Interest expense related to the IDA payable was $15,398,000 in both 2006 and 2005. These bonds mature in 2012.

In March 2003, DTC entered into a sale-leaseback transaction covering certain assets aggregating $61,600,000. The company treated this transaction as a financing arrangement and depreciates the assets using its normal depreciation policy. Payments under this arrangement are due in installments from 2004 to 2011. Payments over the next five years are $8,100,000, $9,140,000, $16,182,000, $2,923,000, and $6,562,000, respectively. The implicit interest rate on the obligation is 4.6%.

Notes payable at December 31, 2006, consist of an unsecured borrowing totaling $5,625,000 with a domestic bank that is also a participant, at a fixed rate of 6.85%. Principal and interest payments are due quarterly each year through 2007. Interest expense related to the note totaled $508,000 in 2006 and $820,000 in 2005. Notes payable also include unsecured borrowings totaling $20,132,000 from an insurance company to finance the acquisition of real estate, at a fixed rate of 5.03%. Principal payments are due annually on December 15 of each year through 2023. Interest payments are due semi-annually on June 15 and December 15 of each year, through the same period. Interest expense related to these notes totaled $1,070,000 in 2006 and $1,132,000 in 2005.

Leased property meeting certain criteria is capitalized and the present value of the related lease payments is recorded as a liability. At December 31, 2006, future minimum payments including interest, which are due through 2010, totaled $14,480,000. Payments over the next four years are $6,199,000, $4,652,000, $3,205,000 and $424,000, respectively.

At December 31, 2006, DTC maintained a committed line of credit of $1,400,000,000 with 22 major banks that are primarily participants to support settlement. In addition, to support processing of principal and income payments, DTC maintains a $50,000,000 committed line of credit with a participant. DTC also maintains credit lines totaling $250,000,000 with a participant to support settlement. Further, a $10,000,000 credit line with a participant and a $50,000,000 shared credit line with NSCC and DTCC also with a participant are maintained to support potential short-term operating cash requirements. During 2006, there was an overnight borrowing of $7,043,000 under the $50,000,000 committed credit line to fund principal and income payments at a rate of 5.01% and there were no borrowings under the other credit facilities.

NOTE 9 SHAREHOLDERS' EQUITY

(Dollars in thousands)	Preferred Stock	Common Stock	Paid in Capital	Retained Earnings
Balance at December 31, 2004	$75,000	$1,850	$950	$47,200
Net income 2005	—	—	—	1,635
Dividends on preferred stock	—	—	—	(1,635)
Balance at December 31, 2005	75,000	1,850	950	47,200
Issuance of preferred stock	50,000	—	—	—
Net income 2006	—	—	—	2,568
Dividends on preferred stock	—	—	—	(2,568)
Balance at December 31, 2006	**$125,000**	**$1,850**	**$950**	**$47,200**

On October 20, 2000, DTC issued 750,000 shares of series A preferred stock at the par value of $100 per share, increasing capital by $75 million under a plan adopted by its Board of Directors. On December 29, 2006, DTC issued an additional 500,000 shares of series A preferred stock at the par value of $100 per share, thereby increasing the amount of preferred stock to $125 million. Pursuant to this plan, which does not reduce the funds available in the event of a participant's failure to settle, each participant was required to purchase shares of this preferred stock. Dividends are paid quarterly based on the earnings of these funds.

DTC is in compliance with the minimum capital requirements of the Federal Reserve Bank of New York.

NOTE 10 COMMITMENTS AND CONTINGENT LIABILITIES

DTC leases office space and data processing and other equipment. The leases for office space provide for rent escalations subsequent to 2006. Rent expense under these leases was $21,572,000 in 2006 and $24,282,000 in 2005.

At December 31, 2006, future minimum rental payments under all noncancelable leases are as follows:

(Dollars in thousands)	
2007	$30,845
2008	24,320
2009	17,884
2010	16,580
2011	16,319
Thereafter	25,755
Total minimum rental payments	$131,703

DTC is involved in legal proceedings and litigation arising in the ordinary course of business. In the opinion of management, the outcome of such proceedings and litigation is not expected to have a material effect on DTC's consolidated financial position.

NOTE 11 OFF-BALANCE-SHEET RISK AND CONCENTRATIONS OF CREDIT RISK

All trading activities handled by DTC are settled through its end-of-day net settlement process. If a participant fails to fulfill its settlement obligation, DTC is exposed to credit risk.

DTC mitigates its exposure to credit risk by requiring participants to meet established DTC financial standards for membership, monitoring their compliance with other financial standards established by DTC and requiring participants to provide deposits in the form of cash (see Note 3).

Collateralization controls and net debit caps are employed by DTC to protect participants against the inability of one or more participants to pay for their settlement obligations.

DTC's collateralization controls prevent the completion of transactions that would cause a participant's net debit to exceed the total available collateral in its account. This assures that a participant that fails to pay for its settlement obligation will have sufficient collateral in its account to liquidate in the event it were insolvent. DTC's net debit cap controls limit the net settlement debit that each participant can incur to an amount, based upon activity levels, which is less than DTC's total liquidity. This helps ensure that DTC will have sufficient liquidity to complete settlement should any single participant fail to settle.

DTC has entered into a netting contract and limited cross-guaranty agreement with NSCC which includes certain arrangements and financial guarantees to ensure that securities delivered by DTC to NSCC to cover CNS allocations are fully collateralized. DTC has also entered into a multilateral netting contract and limited cross-guaranty agreement with NSCC, FICC and The Options Clearing Corporation under which these clearing agencies have agreed to make payment to each other for any remaining unsatisfied obligations of a common defaulting participant to the extent that they have excess resources of the defaulting participant.

As discussed in Note 1, DTC provides central securities depository and related services to members of the financial community. As such, DTC has a significant group concentration of credit risk since its participants may be impacted by economic conditions affecting the securities, banking and other financial industries. As described above, such risk is mitigated in a number of ways.

NOTE 12 OTHER MATTERS

In a continuing effort to relocate staff to other business locations, DTC entered into an agreement to surrender leased office space at one of its facilities prior to the expiration of the remaining lease term. A provision of $1,023,000 was recorded to reflect the net cost of surrendering the space, including the impairment in the carrying value of leasehold improvements. In 2005, there was a similar provision totalling $9,443,000. Further, DTC incurred related relocation and severence expenses totaling $4,216,000 that are included in employee compensation and related benefits. In 2005, there was a similar provision of $7,345,000.

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