

## SECOND SUPPLEMENTAL OFFERING CIRCULAR

**Morgan Stanley**

*as issuer and guarantor*  
*(incorporated under the laws of the State of Delaware in the United States of America)*

### MORGAN STANLEY & CO. INTERNATIONAL PLC

*as issuer*  
*(incorporated with limited liability in England and Wales)*

### MORGAN STANLEY B.V.

*as issuer*  
*(incorporated with limited liability in The Netherlands)*

### MORGAN STANLEY FINANCE LLC

*as issuer*  
*(formed under the laws of the State of Delaware in the United States of America)*

#### **Regulation S Program for the Issuance of Notes, Series A and B, Warrants and Certificates**

Morgan Stanley (“**Morgan Stanley**”), Morgan Stanley & Co. International plc (“**MSI plc**”), Morgan Stanley B.V. (“**MSBV**”) and Morgan Stanley Finance LLC, a wholly-owned finance subsidiary of Morgan Stanley (“**MSFL**”, together with Morgan Stanley, MSI plc and MSBV, the “**Issuers**”), and Morgan Stanley, in its capacity as guarantor (in such capacity, the “**Guarantor**”) have prepared this second supplemental offering circular (the “**Second Supplemental Offering Circular**”) to supplement and be read in conjunction with the offering circular dated 29 June 2018 the “**Offering Circular**”) as supplemented by the first supplement to the Offering Circular dated 12 September 2018 (the “**First Supplemental Offering Circular**”) in relation to the Issuer’s Regulation S Program for the Issuance of Notes, Series A and B, Warrants and Certificates.

This Second Supplemental Offering Circular has been approved by:

- (i) The Irish Stock Exchange plc trading as Euronext Dublin (“**Euronext Dublin**”) as supplementary listing particulars, pursuant to the listing and admission to trading rules of Euronext Dublin, for the purpose of providing information with regard to the Issuers and the Guarantor for the purposes of admitting Program Securities to the Official List of Euronext Dublin and trading on its Global Exchange Market. The Global Exchange Market is the exchange regulated market of Euronext Dublin and is not a regulated market for the purposes of Directive 2014/65/EU;
- (ii) the SIX Swiss Exchange pursuant to points 12 et seq. of the directive of the SIX Swiss Exchange on the listing of notes for the purpose of giving certain information with regard to the Issuers and the Guarantor; and
- (iii) the Luxembourg Stock Exchange pursuant the rules and regulations of the Luxembourg Stock Exchange for the purpose of providing information with regard to the Issuers and the Guarantor for the purpose of listing Program Securities on the Official List and to trading on the Euro MTF market of the Luxembourg Stock Exchange. The Euro MTF market is not a regulated market for the purposes of Directive 2014/65/EU.

**Warning:** This Second Supplemental Offering Circular does not constitute a “supplement” for the purposes of Directive 2003/71/EC (as amended by Directive 2010/73/EU, the “**Prospectus Directive**”), and this Second Supplemental Offering Circular, the First Supplemental Offering Circular and the Offering Circular have been prepared on the basis that no prospectus shall be required under the Prospectus Directive for any Program Securities to be offered and sold under the Offering Circular. The Offering Circular, the First Supplemental Offering Circular and this Second Supplemental Offering Circular have not been approved or reviewed by any regulator which is a competent authority under the Prospectus Directive in the European Economic Area (the “**EEA**”).

Terms defined in the Offering Circular shall have the same meaning when used in this Second Supplemental Offering Circular. To the extent that there is any inconsistency between any statement in this Second Supplemental Offering

Circular and any other statement in, or incorporated by reference in to, the Offering Circular as supplemented by the First Supplemental Offering Circular, the statements in this Second Supplemental Offering Circular will prevail.

The purpose of this Second Supplemental Offering Circular is to:

- (a) disclose the publication by MSI plc of its Interim Financial Report for the six months ended 30 June 2018 (the “**MSI plc June 2018 Interim Accounts**”) and incorporate by reference, as set out in “Part A” of this Second Supplemental Offering Circular;
- (b) disclose the publication by MSBV of its Interim Financial Report for the six months ended 30 June 2018 (the “**MSBV June 2018 Interim Accounts**”) and incorporate by reference, as set out in “Part A” of this Second Supplemental Offering Circular;
- (c) disclose the publication by MSFL of its Financial Statements as of and for the six months ended 30 June 2018 (unaudited) (the “**MSFL June 2018 Interim Accounts**”) and incorporate by reference, as set out in “Part A” of this Second Supplemental Offering Circular;
- (d) disclose the publication of the second supplement to the Registration Document of Morgan Stanley, MSI plc, MSBV and MSFL dated 4 October 2018 and approved by the CSSF (the “**Second Registration Document Supplement**”) and incorporate by reference, as set out in Part “A” of this Second Supplemental Offering Circular;
- (e) make certain consequential amendments to the Offering Circular pursuant to the publication of the MSI plc June 2018 Interim Accounts, the MSBV June 2018 Interim Accounts and the MSFL June 2018 Interim Accounts, as set out in “Part B” of this Second Supplemental Offering Circular; and
- (f) disclose the publication by MSFL of a notice to the Luxembourg Stock Exchange dated 8 October 2018 in respect of the contents of the Second Registration Document Supplement incorporated by reference herein, as set out in Part “C” of this Second Supplemental Offering Circular.

Each of the Responsible Persons (as defined below) accepts responsibility for the information contained in this Second Supplemental Offering Circular and to the best of the knowledge of the Responsible Persons (each having taken all reasonable care to ensure that such is the case), the information contained in this Second Supplemental Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

“**Responsible Person**” means:

- (i) MSI plc with regard to (A) this Second Supplemental Offering Circular which comprises this Second Supplemental Offering Circular with the exception of items 2 and 3 of Part A hereto, items 2 and 3 of Part B hereto, sub-paragraphs (c) and (d) of item 4 of Part B hereto and Part C hereto and (B) the MSI plc Second Registration Document Supplement (as defined in the Second Registration Document Supplement incorporated by reference);
- (ii) MSBV with regard to (A) this Second Supplemental Offering Circular which comprises this Second Supplemental Offering Circular with the exception of items 1 and 3 of Part A hereto, items 1 and 3 of Part B hereto, sub-paragraphs (b) and (d) of item 4 of Part B hereto and Part C hereto and (B) the MSBV Second Registration Document Supplement (as defined in the Second Registration Document Supplement incorporated by reference); and
- (iii) MSFL with regard to (A) this Second Supplemental Offering Circular which comprises this Second Supplemental Offering Circular with the exception of items 1 and 2 of Part A hereto, items 1 and 2 of Part B hereto and, sub-paragraphs (b) and (c) of item 4 of Part B hereto and (B) the MSFL Second Registration Document Supplement (as defined in the Second Registration Document Supplement incorporated by reference).

Each of the Responsible Persons confirms that save as disclosed in this Second Supplemental Offering Circular, no significant new factor, material mistake or inaccuracy relating to information included in the Offering Circular has arisen since the publication of the Offering Circular (as supplemented by the First Supplemental Offering Circular).

This Second Supplemental Offering Circular, the MSI plc June 2018 Interim Accounts, the MSBV June 2018 Interim Accounts, the MSFL June 2018 Interim Accounts and the Second Registration Document Supplement are available for viewing, and copies may be obtained from, the offices of the Issuers and the Paying Agents and are also available at

on Morgan Stanley's website at <http://sp.morganstanley.com/EU/Documents> and on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).

10 October 2018

**MORGAN STANLEY**

**MORGAN STANLEY & CO. INTERNATIONAL PLC**

**MORGAN STANLEY B.V.**

**MORGAN STANLEY FINANCE LLC**

## PART A - INCORPORATION BY REFERENCE

This Second Supplemental Offering Circular incorporates by reference the MSI plc June 2018 Interim Accounts, the MSBV June 2018 Interim Accounts, the MSFL June 2018 Interim Accounts and the Second Registration Document Supplement and supplements the section entitled “*Incorporation by Reference*” contained on pages 35-43 of the Offering Circular.

This Second Registration Document Supplement, the MSI plc June 2018 Interim Accounts, the MSBV June 2018 Interim Accounts and the MSFL June 2018 Interim Accounts are available on Morgan Stanley's website at <http://sp.morganstanley.com/EU/Documents> and on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).

The information incorporated by reference must be read in conjunction with the cross-reference table below which supplements the table of information incorporated by reference in the section entitled “*Incorporation by Reference*” contained on pages contained on pages 35-43 of the Offering Circular.

The following documents and/or information shall be deemed to be incorporated by reference in, and to form part of, the Offering Circular:

Document filed	Information incorporated by reference	Page(s)
<b>Morgan Stanley &amp; Co. International plc</b>		
1. Interim Financial Report for the six months ended 30 June 2018	(1) Directors’ responsibilities statement	18
	(2) Independent review report to Morgan Stanley & Co. International plc	19
	(3) Condensed consolidated income statement	20
	(4) Condensed consolidated statement of comprehensive income	21
	(5) Condensed consolidated statement of changes in equity	22
	(6) Condensed consolidated statement of financial position	23
	(7) Condensed consolidated statement of cash flows	24
	(8) Notes to the condensed consolidated financial statements	25-81
<b>Morgan Stanley B.V.</b>		
2. Interim Financial Report for the six months ended 30 June 2018	(1) Directors’ responsibility statement	7
	(2) Condensed statement of comprehensive income	8
	(3) Condensed statement of changes in equity	9
	(4) Condensed statement of financial position	10
	(5) Condensed statement of cash flows	11
	(6) Notes to the condensed financial statements	12-47

	(7)	Review report to the shareholders of Morgan Stanley B.V.	48
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**Morgan Stanley Finance LLC**

3. Financial Statements as of and for the six months ended 30 June 2018 (unaudited)	(1)	Statements of Financial Condition	2
	(2)	Statements of Comprehensive Income (Loss)	3
	(3)	Statements of Cash Flows	4
	(4)	Statements of Changes in Member's Equity (Deficit)	5
	(5)	Notes to the Financial Statements	6-22

**MSI plc, MSBV and MSFL**

4. Second Registration Document Supplement of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V. and Morgan Stanley Finance LLC dated 4 October 2018	(1)	Part B – Consequential Amendments to the Registration Document	7-8
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Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in the Offering Circular.

The non-incorporated parts of the documents listed above are as follows:

**Document incorporated by reference**

Second Registration Document Supplement of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V. and Morgan Stanley Finance LLC dated 4 October 2018

**Information not incorporated by reference**

Part A

## PART B – OTHER CONSEQUENTIAL AMENDMENTS TO THE OFFERING CIRCULAR

The Offering Circular is hereby amended as follows:

- The section entitled “*Selected key financial information relating to MSI plc*” on page 2 of the Offering Circular under “*Summary*” shall be deemed to be deleted in its entirety and replaced by the following:

### Selected key financial information relating to MSI plc:

Consolidated Statement of Financial Position ( <i>in U.S.\$ millions</i> )	31 Dec 2016	31 Dec 2017	Six months ended 30 June	
			2017	2018
<i>Total assets</i>	423,346	461,362	439,296	467,778
<i>Total liabilities and equity</i>	423,346	461,362	439,296	467,778

Consolidated Income Statement ( <i>in U.S.\$ millions</i> )	31 Dec 2016	31 Dec 2017	Six months ended 30 June	
			2017	2018
<i>Net gains on financial instruments classified as held for trading</i>	3,816	5,697	-	-
<i>Net trading income</i>	-	-	2,838	2,945
<i>Profit (loss) before tax</i>	735	1,278	999	970
<i>Profit (loss) for the year/period</i>	451	864	695	662

- The section entitled “*Selected key financial information relating to MSBV*” on pages 2 to 3 of the Offering Circular under “*Summary*” shall be deemed to be deleted in its entirety and replaced by the following:

### Selected key financial information relating to MSBV:

Statement of financial position ( <i>in EUR '000</i> )	31 Dec 2016	31 Dec 2017	Six months ended 30 June	
			2017	2018
<i>Total assets</i>	9,569,083	9,481,825	10,193,799	8,647,104
<i>Total liabilities and equity</i>	9,569,083	9,481,825	10,193,799	8,647,104

Statement of comprehensive income ( <i>in EUR '000</i> )	31 Dec 2016	31 Dec 2017	Six months ended 30 June	
			2017	2018
<i>Net gains/ (losses) on financial</i>	31,323	452,489	-	-

<i>instruments classified as held for trading</i>				
<i>Net trading income</i>	-	-	359,254	(62,859)
<i>Net gains/ (losses) on financial instruments designated at fair value through profit or loss</i>	(31,323)	(452,489)	-	-
<i>Net income on other financial instruments held at fair value</i>	-	-	(359,254)	62,859
<i>Profit before income tax</i>	5,160	2,060	3,783	671
<i>Profit and total comprehensive income for the year/period</i>	546	1,547	2,837	503

3. The section entitled “*Selected key financial information relating to MSFL*” on page 3 of the Offering Circular under “*Summary*” shall be deemed to be deleted in its entirety and replaced by the following:

**Selected key financial information relating to MSFL:**

Statement of Financial Position ( <i>in U.S.\$</i> )	<b>31 December 2016</b>	<b>31 December 2017</b>	<b>30 June 2017</b>	<b>30 June 2018</b>
<i>Total (loss) income</i>	10,771,000	(14,277,000)	(458,000)	243,000
<i>Total assets</i>	2,143,572,000	8,330,820,000	5,403,529,000	11,866,964,000
<i>Total liabilities</i>	2,154,905,000	8,424,285,000	5,430,060,000	11,819,868,000

4. On page 441 of the Offering Circular, paragraphs 2(b), 2(c) and 2(d) under the heading “*No significant change in the financial or trading position*” shall be deemed to be deleted in their entirety and replaced by the following:

- “(b) *MSI plc since 30 June 2018, the date of the latest published interim unaudited financial statements of MSI plc;*
- (c) *MSBV since 30 June 2018, the date of the latest published interim unaudited financial statements of MSBV;*
- (d) *MSFL since 30 June 2018, the date of the latest published interim unaudited financial statements of MSFL.”*

## **PART C – AMENDMENT TO THE SECOND REGISTRATION DOCUMENT SUPPLEMENT**

Reference is made to a notice given by MSFL to the Luxembourg Stock Exchange dated 8 October 2018 in respect of the Second Registration Document Supplement. For the purposes of curing a discrepancy between the Second Registration Document Supplement and the MSFL June 2018 Interim Accounts incorporated by reference, the second paragraph of item 6 in Part B of the Second Registration Document Supplement shall be read as follows:

“The net results for the years ended 2016 and 2017 were a net income of USD 10,771,000 and a net loss of USD 14,277,000 respectively and for the six months ended 30 June 2017 and 30 June 2018 were a loss of USD 458,000 and a gain of USD 243,000 respectively.”