

## FIRST BASE PROSPECTUS SUPPLEMENT

# Morgan Stanley

*(incorporated 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 SERIES B, WARRANTS AND CERTIFICATES

Morgan Stanley (“**Morgan Stanley**” or the “**Issuer**”) has prepared this first base prospectus supplement (the “**First Base Prospectus Supplement**”) to supplement and be read in conjunction with the base prospectus dated 28 June 2019 (the “**Base Prospectus**”) of Morgan Stanley relating to the Regulation S Program for the Issuance of Notes, Series A and Series B, Warrants and Certificates.

This First Base Prospectus Supplement constitutes a supplement pursuant to Article 13 of the Luxembourg Law of 10 July 2005, as amended (the “**Prospectus Law**”). This First Base Prospectus Supplement has been approved by the Luxembourg *Commission de Surveillance du Secteur Financier* (the “**CSSF**”), which is the Luxembourg competent authority.

The CSSF gives no undertaking as to the economic and financial soundness of any transaction or the quality or solvency of the Issuer in line with the provisions of Article 7.7 of the Prospectus Law.

This First Base Prospectus Supplement has also been approved by the Luxembourg Stock Exchange pursuant to the rules and regulations of the Luxembourg Stock Exchange for the purpose of providing information with regard to Notes for the purpose of listing Notes 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 MiFID II. **The CSSF has neither approved nor reviewed information contained in this First Base Prospectus Supplement in connection with the issue of any Exempt Notes.**

Unless otherwise defined in this First Base Prospectus Supplement, terms defined in the Base Prospectus shall have the same meaning when used in this First Base Prospectus Supplement. To the extent that there is any inconsistency between any statement in, or incorporated by reference in, this First Base Prospectus Supplement and any other statement in, or incorporated by reference in, the Base Prospectus, the statements in this First Base Prospectus Supplement will prevail.

The purpose of this First Base Prospectus Supplement is to:

- (a) disclose the publication by Morgan Stanley of its Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2019 (the “**Morgan Stanley June 2019 10-Q**”) and incorporate by reference certain information, as set out in “Part A” of this First Base Prospectus Supplement;
- (b) make certain consequential amendments to the summary of the Base Prospectus pursuant to the publication of the Morgan Stanley June 2019 10-Q, as set out in “Part B” of this First Base Prospectus Supplement;
- (c) make amendments to selected financial information of Morgan Stanley in the Base Prospectus, as set out in “Part C” of this First Base Prospectus Supplement;
- (d) make amendments to the terms and conditions of the notes relating to the fall-back provisions which apply in the case of a benchmark transition event for U.S. Dollar London Interbank Offered Rate; as set out in “Part D” of this First Base Prospectus Supplement; and
- (e) make certain other amendments to the Base Prospectus, as set out in “Part E” of this First Base Prospectus Supplement.

In accordance with Article 13 paragraph 2 of the Luxembourg Law on Prospectuses dated 10 July 2005, investors who have agreed to purchase or subscribe for, or have applied to purchase or subscribe for, any Notes (other than Exempt Notes) prior to the publication of this First Base Prospectus Supplement shall have the right, exercisable within two Business Days (as defined in the Conditions of such Notes) following the date of publication of this First Base Prospectus Supplement, to withdraw their acceptances or applications by notice in writing to the Issuer or Distribution Agent, as the case may be. The final date within which such right of withdrawal must be exercised is 29 August 2019.

The Issuer confirms the following:

Save as disclosed in this First Base Prospectus Supplement, no significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen since the publication of the Base Prospectus.

The Issuer accepts responsibility for the information contained in this First Base Prospectus Supplement. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Any information or documents incorporated by reference in the Morgan Stanley June 2019 10-Q does not form part of this First Base Prospectus Supplement and any information or documents which are not incorporated by reference are either not relevant for the investor or covered in another part of this First Base Prospectus Supplement.

This First Base Prospectus Supplement and the Morgan Stanley June 2019 10-Q are available for viewing at, and copies may be obtained from, in the case of the Morgan Stanley June 2019 10-Q, the offices of Morgan Stanley and, in the case of the First Base Prospectus Supplement, the offices of the Issuer and the Paying Agents.

The Morgan Stanley June 2019 10-Q is available on Morgan Stanley's website at [www.morganstanley.com/about-us-ir](http://www.morganstanley.com/about-us-ir) and on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).

This First Base Prospectus Supplement 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).

27 August 2019

**MORGAN STANLEY**

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## PART A – INCORPORATION BY REFERENCE: MORGAN STANLEY JUNE 2019 10-Q

This First Base Prospectus Supplement incorporates by reference the Morgan Stanley June 2019 10-Q and supplements the section entitled “*Incorporation by Reference*” contained on pages 43-47 of the Base Prospectus.

The Morgan Stanley June 2019 10-Q is available on Morgan Stanley’s website at [www.morganstanley.com/about-us-ir](http://www.morganstanley.com/about-us-ir) and on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).

This First Base Prospectus Supplement is 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 43-47 of the Base Prospectus.

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

Document filed		Information incorporated by reference	Page(s)
<b>Morgan Stanley</b>			
Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2019	(1)	Management’s Discussion and Analysis of Financial Condition and Results of Operations	1-29
	(2)	Quantitative and Qualitative Disclosures about Risk	30-38
	(3)	Report of Independent Registered Public Accounting Firm	39
	(4)	Consolidated Financial Statements and Notes	40-82
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<b>Document filed</b>	<b>Information incorporated by reference</b>	<b>Page(s)</b>
	(16) Controls and Procedures	89
	(17) Signatures	S-1

This First Base Prospectus Supplement expressly does not incorporate by reference the documents and/or information identified in the cross-reference table below and supplements the section entitled “Incorporation by Reference” contained on pages 43-47 of the Base Prospectus, as they are not relevant for investors.

<b>Document filed</b>	<b>Information not incorporated by reference</b>	<b>Page(s)</b>
<b>Morgan Stanley</b>		
Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2019	Exhibits	89
	Exhibit Index	E-1

## PART B – AMENDMENTS TO THE SUMMARY

### Changes to Elements B.12

The selected key financial information relating to Morgan Stanley at Element B.12 of the summary in the Base Prospectus (set out on pages 3-4 of the Base Prospectus) shall be replaced with the information below:

B.12	<b>Selected historical key financial information:</b>	<p><b>Selected key financial information relating to Morgan Stanley:</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"></th> <th style="text-align: center; border-bottom: 1px solid black;">At 31 December 2017</th> <th style="text-align: center; border-bottom: 1px solid black;">At 31 December 2018</th> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">At 30 June (unaudited)</th> </tr> <tr> <th style="text-align: left;"></th> <th></th> <th></th> <th style="text-align: center; border-bottom: 1px solid black;">2018</th> <th style="text-align: center; border-bottom: 1px solid black;">2019</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">Consolidated Balance Sheets (U.S.\$ in millions)</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: left;"><i>Total assets</i></td> <td style="text-align: right;">851,733</td> <td style="text-align: right;">853,531</td> <td style="text-align: right;">875,875</td> <td style="text-align: right;">891,959</td> </tr> <tr> <td style="text-align: left;"><i>Total liabilities and equity</i></td> <td style="text-align: right;">851,733</td> <td style="text-align: right;">853,531</td> <td style="text-align: right;">875,875</td> <td style="text-align: right;">891,959</td> </tr> <tr> <td style="text-align: left;">Consolidated Income Statements (U.S.\$ in millions)</td> <td style="text-align: center; border-bottom: 1px solid black;">2017</td> <td style="text-align: center; border-bottom: 1px solid black;">2018</td> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">Six months ended 30 June (unaudited)</th> </tr> <tr> <td style="text-align: left;"></td> <td></td> <td></td> <th style="text-align: center; border-bottom: 1px solid black;">2018</th> <th style="text-align: center; border-bottom: 1px solid black;">2019</th> </tr> <tr> <td style="text-align: left;"><i>Net revenues</i></td> <td style="text-align: right;">37,945</td> <td style="text-align: right;">40,107</td> <td style="text-align: right;">21,687</td> <td style="text-align: right;">20,530</td> </tr> <tr> <td style="text-align: left;"><i>Income from continuing operations before income taxes</i></td> <td style="text-align: right;">10,403</td> <td style="text-align: right;">11,237</td> <td style="text-align: right;">6,529</td> <td style="text-align: right;">5,858</td> </tr> <tr> <td style="text-align: left;"><i>Net income</i></td> <td style="text-align: right;">6,216</td> <td style="text-align: right;">8,883</td> <td style="text-align: right;">5,171</td> <td style="text-align: right;">4,714</td> </tr> </tbody> </table> <p>There has been no material adverse change in the prospects of Morgan Stanley since 31 December 2018, the date of the latest published annual audited financial statements of Morgan Stanley.</p> <p>There has been no significant change in the financial or trading position of Morgan Stanley since 30 June 2019, the date of the latest published interim (unaudited) financial statements of Morgan Stanley.</p>		At 31 December 2017	At 31 December 2018	At 30 June (unaudited)					2018	2019	Consolidated Balance Sheets (U.S.\$ in millions)					<i>Total assets</i>	851,733	853,531	875,875	891,959	<i>Total liabilities and equity</i>	851,733	853,531	875,875	891,959	Consolidated Income Statements (U.S.\$ in millions)	2017	2018	Six months ended 30 June (unaudited)					2018	2019	<i>Net revenues</i>	37,945	40,107	21,687	20,530	<i>Income from continuing operations before income taxes</i>	10,403	11,237	6,529	5,858	<i>Net income</i>	6,216	8,883	5,171	4,714
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## PART C – AMENDMENTS TO SELECTED FINANCIAL INFORMATION

The section titled “*Selected Financial Information of Morgan Stanley*” set out on page 36 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced with the following:

### SELECTED FINANCIAL INFORMATION OF MORGAN STANLEY

This section contains selected financial information of Morgan Stanley relating to the years ended 31 December 2017 and 31 December 2018 and the six months ended 30 June 2018 and 30 June 2019.

The information in respect of the years ended 31 December 2017 and 31 December 2018 set out below is derived from the audited financial statements included in Morgan Stanley’s Annual Report on Form 10-K for the year ended 31 December 2018.

The information in respect of the six months ended 30 June 2018 and 30 June 2019 set out below is derived from the unaudited financial statements included in Morgan Stanley’s Quarterly Reports on Form 10-Q for the quarterly periods ended 30 June 2018 and 30 June 2019, respectively.

Consolidated Balance Sheets (U.S.\$ in millions)	At 31 December 2017	At 31 December 2018	At 30 June (unaudited)	
			2018	2019
<i>Total assets</i>	851,733	853,531	875,875	891,959
<i>Total liabilities and equity</i>	851,733	853,531	875,875	891,959

Consolidated Income Statements (U.S.\$ in millions)	2017	2018	Six months ended 30 June (unaudited)	
			2018	2019
<i>Net revenues</i>	37,945	40,107	21,687	20,530
<i>Income from continuing operations before income taxes</i>	10,403	11,237	6,529	5,858
<i>Net income</i>	6,216	8,883	5,171	4,714

## **PART D- AMENDMENTS TO THE TERMS AND CONDITIONS OF THE NOTES**

The section titled “*Terms and Conditions of the Notes*” set out on pages 48 to 91 of the Base Prospectus shall be amended by deleting the existing definition of “ISDA Definitions” in Condition 2.1 (on page 58 of the Base Prospectus) and replacing it with the following:

“**ISDA Definitions**” means:

- (a) for the purposes of Condition 6.13 (*Effect of Benchmark Transition Event*), the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time; and
- (b) for all other purposes, the 2006 ISDA Definitions, as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the applicable Final Terms or Pricing Supplement) as published by the International Swaps and Derivatives Association, Inc.;

## PART E – AMENDMENTS TO GENERAL INFORMATION SECTION

The Base Prospectus is hereby amended as follows:

1. Sub-paragraph (d) set out on page 159 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced with the following:

*“(d) Morgan Stanley’s Annual Report on Form 10-K for the year ended 31 December 2018, Morgan Stanley Current Reports on Form 8-K dated 17 January 2019, 18 January 2019, 28 March 2019, 17 April 2019, 23 May 2019, 27 June 2019, 18 July 2019, Morgan Stanley’s Proxy Statement dated 5 April 2019, Morgan Stanley’s Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2019 and Morgan Stanley’s Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2019;”*

2. The first and second paragraphs in the section titled “*No material adverse change in prospects and no significant change in the financial or trading position*” set out on page 160 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced with the following:

*“There has been no material adverse change in the prospects of Morgan Stanley since 31 December 2018, the date of the last published annual audited financial statements of Morgan Stanley.*

*There has been no significant change in the financial or trading position of Morgan Stanley since 30 June 2019, the date of the last published interim (unaudited) financial statements of Morgan Stanley.”*

3. The sub section titled “*Legal and arbitration proceedings*” set out on page 160 of the Base Prospectus shall be deemed to be deleted in its entirety and replaced with the following:

### ***“Legal and arbitration proceedings***

*Save as disclosed in:*

- (a) *the section entitled “Legal Proceedings” at pages 169-173 and in the paragraphs beginning with “Legal” under the heading “Contingencies” under the heading “Commitments, Guarantees and Contingencies” in “Notes to Consolidated Financial Statements” at pages 131-133 of Morgan Stanley’s Annual Report on Form 10-K for the year ended 31 December 2018 (the “**Form 10-K**”);*
- (b) *the paragraphs beginning with “Legal” under the heading “Contingencies” under the heading “Commitments, Leases, Guarantees and Contingencies” in “Notes to Consolidated Financial Statements (Unaudited)” at pages 60-62 and the section entitled “Legal Proceedings” at page 75 of Morgan Stanley’s Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2019;*
- (c) *the paragraphs beginning with “Legal” under the heading “Contingencies” under the heading “Commitments, Leases, Guarantees and Contingencies” in “Notes to Consolidated Financial Statements (Unaudited)” at pages 69-71 and the section entitled “Legal Proceedings” at page 87 of Morgan Stanley’s Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2019; and*
- (d) *the section entitled “Legal Proceedings and Contingencies” at Part 7 of the section entitled “Description of Morgan Stanley” at pages 46-52 of the Registration Document dated 7 June 2019, and other than those disclosed in the audited financial statements or the interim (unaudited) financial statements, there are no, nor have there been, any governmental, legal or arbitration proceedings involving Morgan Stanley (including any such proceedings which are pending or threatened of which Morgan Stanley is aware) during the 12-month period before the date of this Base Prospectus which*

*may have, or have had in the recent past, a significant effect on the financial position or profitability of Morgan Stanley.”*