

FIRST SUPPLEMENT TO 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 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 and Morgan Stanley Finance LLC (together with Morgan Stanley, the "**Issuers**") and Morgan Stanley in its capacity as guarantor (the "**Guarantor**") have prepared this first supplement to the offering circular (the "**First Offering Circular Supplement**") to supplement and be read in conjunction with the offering circular for non-principal protected securities dated 10 May 2016 (the "**Offering Circular**") published in relation to the Issuers' Regulation S Program for the Issuance of Notes, Series A and B, Warrants and Certificates.

Warning: This First Offering Circular Supplement 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 First Offering Circular Supplement and the Offering Circular have been prepared on the basis that no prospectus shall be required under the Prospectus Directive for any Programme Securities to be offered and sold under the Offering Circular. Neither the Offering Circular, nor this First Offering Circular Supplement has been approved or reviewed by any regulator which is a competent authority under the Prospectus Directive in the European Economic Area (the "**EEA**") or in any other jurisdiction.

Application has been made for this First Offering Circular Supplement to be approved as supplementary listing particulars pursuant to rule 3.10 of the Global Exchange Market Listing and Admission to Trading Rules of the Irish Stock Exchange and to be approved pursuant to points 12 et seq. of the directive of the SIX Swiss Exchange.

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

The purpose of this First Offering Circular Supplement is to:

- (a) disclose the publication of the Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V. and Morgan Stanley Finance LLC dated 10 June 2016 (the "**2016 Registration Document**") and incorporate by reference certain sections of the 2016 Registration Document as set out in "Part A" of this First Offering Circular Supplement; and
- (b) make certain consequential amendments to the Offering Circular as set out in "Part B" of this First Offering Circular Supplement.

Each of the Issuers and the Guarantor, as applicable, confirms the following:

Save as disclosed in this First Offering Circular Supplement, 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.

Each Issuer accepts responsibility for the information contained in this First Offering Circular Supplement and the Guarantor accepts responsibility for the information contained in this First Offering Circular Supplement pertaining to the Guarantor and the Guarantee. To the best of the knowledge and belief of the Issuers and the Guarantor (who have 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 into the 2016 Registration Document are not incorporated by reference into this First Offering Circular Supplement as such information or documents are either not relevant for the investor or covered in another part of this First Offering Circular Supplement.

This First Offering Circular Supplement and the 2016 Registration Document are available for viewing, and copies may be obtained from, the offices of the Issuers and the Paying Agents. This First Offering Circular Supplement and the 2016 Registration Document are also available on Morgan Stanley's website at www.morganstanleyiq.eu and this First Offering Circular Supplement is also available on the website of the Irish Stock Exchange at www.ise.ie.

20 June 2016

MORGAN STANLEY
MORGAN STANLEY FINANCE LLC

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PART A
INCORPORATION BY REFERENCE: 2016 REGISTRATION DOCUMENT

This First Offering Circular Supplement incorporates by reference those sections of the 2016 Registration Document identified in the cross-reference table below and supplements and must be read in conjunction with the section entitled "*Incorporation by reference*" contained on pages 29-34 of the Offering Circular.

The 2016 Registration Document is available on Morgan Stanley's website at www.morganstanleyiq.eu.

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Morgan Stanley

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| Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V. and Morgan Stanley Finance LLC dated 10 June 2016 | (1) Risk Factors, excluding the paragraphs headed " <i>All material assets of MSBV are obligations of one or more companies in the Morgan Stanley Group and MSBV's ability to perform its obligations is dependent upon such companies fulfilling their obligations to MSBV</i> ", " <i>Risks relating to insolvency proceedings in the Netherlands</i> ", " <i>There are substantial inter-relationships between MSI plc and other Morgan Stanley Group companies</i> " and " <i>No guarantee</i> " on page 11 to 12 and the section headed " <i>Applicable Resolution Powers</i> " on pages 12 to 14 | 1-12 |
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This First Offering Circular Supplement expressly does not incorporate by reference the documents and/or information identified in the cross-reference table below.

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| Morgan Stanley | | |
| Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V. and Morgan Stanley Finance LLC dated 10 June 2016 | (1) Risk Factors, only the paragraphs headed " <i>All material assets of MSBV are obligations of one or more companies in the Morgan Stanley Group and MSBV's ability to perform its obligations is dependent upon such companies fulfilling their obligations to MSBV</i> ", " <i>Risks relating to insolvency proceedings in the Netherlands</i> ", " <i>There are substantial inter-relationships between MSI plc and other Morgan Stanley Group companies</i> " and " <i>No guarantee</i> " on pages 11 to 12 and the section headed " <i>Applicable Resolution Powers</i> " on pages 12 to 14 | 11-14 |
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PART B
AMENDMENTS TO THE OFFERING CIRCULAR

The Offering Circular is hereby amended as follows:

1. Unless the context requires otherwise, all references in the Offering Circular to a "Registration Document" shall be deemed to be references to the Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V. and Morgan Stanley Finance LLC dated 10 June 2016, save that item 1 under "*Incorporation by reference*" on page 29 of the Offering Circular shall continue to refer to the Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc and Morgan Stanley B.V. dated 12 June 2015.
2. On page 2 of the Offering Circular, the words "*as supplemented by the First Registration Document Supplement dated 6 November 2015 and the Second Registration Document Supplement dated 31 March 2016*" shall be deleted.
3. On page 7 of the Offering Circular, the words "*at pages 1 to 2 in the Registration Document as supplemented by the supplements dated 6 November 2015 and 31 March 2016*" shall be deleted and substituted with the words "*at pages 1 to 12 of the Registration Document, as incorporated by reference herein*".
4. On page 34 of the Offering Circular, the words "*(item 1 above) as supplemented by the Registration Document Supplements (item 2 and 3) above*" shall be deleted.
5. On page 320 of the Offering Circular, items (c) and (d) in paragraph 3 shall be deleted in their entirety and replaced with the following:
 - "(c) *the paragraphs beginning with "Legal" under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements" in Part I – Item 1 at pages 47-50 and the section entitled "Legal Proceedings" in Part II – Item 1 at page 126 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2016;*
 - (d) *the Registration Document dated 12 June 2015 (as supplemented by the First Registration Document Supplement dated 6 November 2015 and the Second Registration Document Supplement dated 31 March 2016); and*
 - (e) *the Registration Document dated 10 June 2016,".*