

THIRD 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 third supplemental offering circular (the “**Third Supplemental Offering Circular**”) to supplement and be read in conjunction with the offering circular dated 30 June 2017 (the “**Offering Circular**”), as supplemented by the first supplemental offering circular dated 31 August 2017 (the “**First Supplemental Offering Circular**”) and the second supplemental offering circular dated 20 October 2017 (the “**Second 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 Third Supplemental Offering Circular has been approved by:

- (i) the Irish Stock Exchange as supplementary listing particulars, pursuant to the listing and admission to trading rules of the Irish Stock Exchange, 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 the Irish Stock Exchange and trading on its Global Exchange Market. The Global Exchange Market is the exchange regulated market of the Irish Stock Exchange and is not a regulated market for the purposes of Directive 2004/39/EC;
- (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 2004/39/EC.

Warning: This Third 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 Third Supplemental Offering Circular and the Offering Circular (as supplemented by the First Supplemental Offering Circular and the Second Supplemental 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. Neither the Offering Circular (as supplemented by the First Supplemental Offering Circular and the Second Supplemental Offering Circular) nor this Third Supplemental Offering have 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 (as supplemented by the First Supplemental Offering Circular and the Second Supplemental Offering Circular) shall have the same meaning when used in this Third Supplemental Offering Circular. To the extent that there is any inconsistency between any statement in this Third 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 and the Second Supplemental Offering Circular), the statements in this Third Supplemental Offering Circular will prevail.

The purpose of this Third Supplemental Offering Circular is to:

- (a) disclose the publication by Morgan Stanley of its Quarterly Report on Form 10-Q for the quarterly period ended 30 September 2017 (the “**Morgan Stanley September 2017 10-Q**”) and incorporate by reference, as set out in “Part A” of this Third Supplemental Offering Circular;
- (b) disclose the publication of the third supplement to the Registration Document of Morgan Stanley, MSI plc, MSBV and MSFL dated 28 November 2017 (the “**Third Registration Document Supplement**”) and incorporate by reference certain sections of the Third Registration Document Supplement as set out in “Part A” of this Third Supplemental Offering Circular;
- (c) make certain consequential amendments to the Offering Circular pursuant to the publication of the Morgan Stanley September 2017 10-Q and the Third Registration Document Supplement as set out in “Part B” of this Third Supplemental Offering Circular; and
- (d) in respect of further issuances only under the Offering Circular, make amendments to the Risk Factors Relating to the Program Securities section in the Offering Circular, as set out in “Part C” of this Third Supplemental Offering Circular.

Each of the Issuer and the Guarantor (the “**Responsible Persons**”) accept responsibility for the information contained in this Third 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 Third Supplemental Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

Each of the Responsible Persons confirms that save as disclosed in this Third 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.

This Third Supplemental Offering Circular, the Morgan Stanley September 2017 10-Q and the Third Registration Document Supplement are available for viewing and copies may be obtained from, in the case of the Morgan Stanley September 2017 10-Q, the offices of Morgan Stanley and, in the cases of this Third Supplemental Offering Circular and the Third Registration Document Supplement, the offices of the Issuers and the Paying Agents.

This Third Supplemental Offering Circular and the Third Registration Document 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.

The Morgan Stanley September 2017 10-Q is available on Morgan Stanley's website at <http://www.morganstanley.com/about-us-ir> and on the website of the Luxembourg Stock Exchange at www.bourse.lu.

30 November 2017

MORGAN STANLEY

MORGAN STANLEY & CO. INTERNATIONAL PLC

MORGAN STANLEY B.V.

MORGAN STANLEY FINANCE LLC

PART A - INFORMATION INCORPORATED BY REFERENCE

This Third Supplemental Offering Circular incorporates by reference the Morgan Stanley September 2017 10-Q and the Third Registration Document Supplement and supplements the section entitled “*Incorporation by Reference*” contained on pages 34-41 of the Offering Circular.

This Third Supplemental Offering Circular and the Third Registration Document 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.

The Morgan Stanley September 2017 10-Q is available on Morgan Stanley’s website at <http://www.morganstanley.com/about-us-ir> and on the website of the Luxembourg Stock Exchange at 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 34-41 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)
Morgan Stanley		
Quarterly Report on Form 10-Q for the quarterly period ended 30 September 2017	(1) Management’s Discussion and Analysis of Financial Condition and Results of Operations	1-31
	(2) Quantitative and Qualitative Disclosures about Market Risk	32-41
	(3) Controls and Procedures	42
	(4) Report of Independent Registered Public Accounting Firm	43
	(5) Consolidated Financial Statements and Notes	44-91
	(6) Consolidated Income Statements (Unaudited)	44
	(7) Consolidated Comprehensive Income Statements (Unaudited)	45
	(8) Consolidated Balance Sheets (Unaudited at September 30, 2017)	46
	(9) Consolidated Statements of Changes in Total Equity (Unaudited)	47
	(10) Consolidated Cash Flow Statements (Unaudited)	48
	(11) Notes to Consolidated Financial Statements (Unaudited)	49-91
	(12) Financial Data Supplement (Unaudited)	92-94
	(13) Legal Proceedings	95
	(14) Unregistered Sales of Equity Securities and Use of Proceeds	96
	(15) Signatures	S-1

Morgan Stanley

Third Registration Document Supplement of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V. and Morgan Stanley Finance LLC dated 28 November 2017	(1) Part B – Consequential Amendments to the Registration Document	3-4
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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 (as supplemented).

This Third Supplemental Offering Circular expressly does not incorporate by reference information identified in the cross-reference table below and supplements the section entitled “*Incorporation by Reference*” contained on pages 34-41 of the Offering Circular:

Document incorporated by reference

Information not incorporated by reference

Morgan Stanley

Quarterly Report on Form 10-Q for the quarterly period ended 30 September 2017

Exhibits
Exhibit Index

Morgan Stanley

Third Registration Document Supplement of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V. and Morgan Stanley Finance LLC dated 28 November 2017

Part A

PART B - AMENDMENTS TO THE OFFERING CIRCULAR

The Offering Circular is hereby amended as follows:

1. The section entitled “*Selected key financial information relating to Morgan Stanley*” 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 Morgan Stanley:

Consolidated Balance Sheets (U.S.\$ in millions)	At 31 December 2015	At 31 December 2016	At 30 September (unaudited)	
			2016	2017
<i>Total assets</i>	787,465	814,949	813,891	853,693
<i>Total liabilities and equity</i>	787,465	814,949	813,891	853,693
Consolidated Income Statements (U.S.\$ in millions)	At 31 December 2015	At 31 December 2016	Nine months ended 30 September (unaudited)	
			2016	2017
<i>Net revenues</i>	35,155	34,631	25,610	28,445
<i>Income from continuing operations before income taxes</i>	8,495	8,848	6,602	7,932
<i>Net income</i>	6,279	6,123	4,443	5,553

2. On page 436 of the Offering Circular, paragraph 2(a) 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:

“(a) *Morgan Stanley since 30 September 2017, the date of the latest published interim (unaudited) financial statements of Morgan Stanley;*”

5. On page 436 of the Offering Circular, paragraph 3(a) under the heading “*Legal and arbitration proceedings*” shall be deemed to be deleted in its entirety and replaced by the following:

“(a) *Save as disclosed in:*

- (i) *the section entitled "Legal Proceedings" in Part I - Item 3 at pages 23-28 and in the paragraphs beginning with "Legal" under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements" in Part II – Item 8 (Note 12) at pages 156-160 of Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2016 (the "Form 10-K");*
- (ii) *the paragraphs beginning with "Legal" under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements (Unaudited)" at pages 75-78 and the section entitled "Legal Proceedings" at page 91 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2017;*
- (iii) *the paragraphs beginning with "Legal" under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements (Unaudited)" at pages 78-81 and the section entitled "Legal Proceedings" at pages 96-97 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2017;*

- (iv) *the paragraphs beginning with "Legal" under the heading "Contingencies" under the heading "Commitments, Guarantees and Contingencies" in "Notes to Consolidated Financial Statements (Unaudited)" at pages 77-80 and the section entitled "Legal Proceedings" at page 95 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 30 September 2017; and*
- (v) *the Registration Document dated 9 June 2017 (as supplemented by the First Registration Document Supplement dated 25 August 2017, the Second Registration Document Supplement dated 18 October 2017 and the Third Registration Document Supplemented dated 28 November 2017),*

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 Offering Circular which may have, or have had in the recent past, a significant effect on the financial position or profitability of Morgan Stanley, MSI plc, MSBV, MSFL or the Morgan Stanley Group."

**PART C – AMENDMENTS TO THE RISK FACTORS RELATING TO THE PROGRAM
SECURITIES SECTION**

The Offering Circular is hereby amended as follows:

1. The section entitled “*Risks associated with the reform of LIBOR and EURIBOR and other interest rate index and equity, commodity and foreign exchange rate index "benchmarks"*” as set out on pages 22-23 of the Offering Circular shall be deemed to be deleted in its entirety and replaced by the following:

“*Reform of LIBOR and EURIBOR and Other Interest Rate Index and Equity, Commodity and Foreign Exchange Rate Index “Benchmarks”*”

The London Interbank Offered Rate (LIBOR), the Euro Interbank Offered Rate (EURIBOR) and other indices which are deemed “benchmarks” are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such “benchmarks” to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any securities linked to a “benchmark.”

Any of the international, national or other proposals for reform or the general increased regulatory scrutiny of “benchmarks” could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or participate in certain “benchmarks,” trigger changes in the rules or methodologies used in certain “benchmarks” or lead to the disappearance of certain “benchmarks”. The disappearance of a “benchmark” or changes in the manner of administration of a “benchmark” could have materially adverse consequences in relation to securities linked to such “benchmark”. Under certain of the Reference Rates described herein, the final alternative method sets the Rate of Interest for an Interest Period at the same rate as the immediately preceding Interest Period. Any such consequence could have a material adverse effect on the value of and return on any such securities.

Potential Replacement of LIBOR May Adversely Affect the Return on Any Securities Linked to LIBOR and their Secondary Market Prices

*Central banks around the world, including the U.S. Federal Reserve, have commissioned working groups that include market participants (the “**Alternative Rate Committees**”) with the goal of finding suitable replacements for their currency’s LIBOR that are based on observable market transactions. The search for replacements accelerated after the Financial Stability Board reported that uncertainty surrounding the integrity of LIBOR represents a potentially serious systemic vulnerability and risk due to limited transactions in the underlying inter-bank lending market. In July 2017, the Chief Executive of the United Kingdom Financial Conduct Authority (the “FCA”), which regulates LIBOR, called for an orderly transition over a 4-5 year period from LIBOR to the reference rates selected by the Alternative Rate Committees. The FCA’s announcement stated that it expects that it would not be in a position to sustain LIBOR through its influence or legal compulsion powers after the end of 2021. Any transition away from LIBOR, as well as the uncertainty surrounding the future of LIBOR and future regulatory and market developments, could have a materially adverse effect on the return on any securities linked to LIBOR and their secondary market prices. See also “Risk Factors—Reform of LIBOR and EURIBOR and Other Interest Rate Index and Equity, Commodity and Foreign Exchange Rate Index ‘Benchmarks’” above.”*