

FIFTH 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 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**”) and Morgan Stanley Finance LLC, a wholly-owned finance subsidiary of Morgan Stanley (“**MSFL**”, together with Morgan Stanley, the “**Issuers**”), and Morgan Stanley, in its capacity as guarantor (in such capacity, the “**Guarantor**”) have prepared this fifth supplemental offering circular (the “**Fifth Supplemental Offering Circular**”) to supplement and be read in conjunction with the offering circular for non-principal protected securities dated 28 June 2019 (as supplemented by the first supplemental offering circular dated 30 August 2019 (the “**First Supplemental Offering Circular**”); the second supplemental offering circular dated 16 October 2019 (the “**Second Supplemental Offering Circular**”); the third supplemental offering circular dated 13 November 2019 (the “**Third Supplemental Offering Circular**”); and the fourth supplemental offering circular dated 22 January 2020 (the “**Fourth Supplemental Offering Circular**”)) (the “**Offering Circular**”) published in relation to the Issuers’ Regulation S Program for the Issuance of Notes, Series A and B, Warrants and Certificates.

This Fifth 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; and
- (ii) the Luxembourg Stock Exchange pursuant to the appendices to the Rules and Regulations of the Luxembourg Stock Exchange, to be admitted to trading on the Luxembourg Stock Exchange's Euro MTF market and to the Official List of the Luxembourg Stock Exchange, for the purpose of providing information with regard to the Issuers and the Guarantor. The Luxembourg Stock Exchange's Euro MTF market is not a regulated market for the purposes of Directive 2014/65/EU.

Warning: This Fifth Supplemental Offering Circular does not constitute a “supplement” for the purposes of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”), and this Fifth Supplemental Offering Circular, the Fourth Supplemental Offering Circular, the Third Supplemental Offering Circular, the 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 Regulation for any Program Securities to be offered and sold under the Offering Circular. The Offering Circular, the First Supplemental Offering Circular, the Second Supplemental Offering Circular, the Third Supplemental Offering Circular, the Fourth Supplemental Offering Circular and this Fifth Supplemental Offering Circular have not been approved or reviewed by any regulator which is a competent authority under the Prospectus Regulation in the European Economic Area (the “**EEA**”).

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

The purpose of this Fifth Supplemental Offering Circular is to:

- (a) disclose the publication by Morgan Stanley of its Annual Report on Form 10-K for the year ended 31 December 2019 (the “**Morgan Stanley 2019 10-K**”) and incorporate by reference certain sections of the Morgan Stanley 2019 10-K, as set out in “Part A” of this Fifth Supplemental Offering Circular; and
- (b) make certain consequential amendments to the Offering Circular pursuant to the publication of the Morgan Stanley 2019 10-K as set out in “Part B” of this Fifth Supplemental Offering Circular.

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

Save as disclosed in this Fifth 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.

Each Responsible Person (as defined below) accepts responsibility for the information contained in the relevant document and confirms that, to the best of its knowledge, having taken all reasonable care to ensure that such is the case, the information contained in the relevant document is in accordance with the facts and does not omit anything likely to affect the import of such information.

“**Responsible Person**” means (i) Morgan Stanley with regard to the Offering Circular and this Fifth Supplemental Offering Circular; and (ii) MSFL with regard to the Offering Circular and this Fifth Supplemental Offering Circular with the exception of Part A and Part B hereto.

Any information or documents incorporated by reference into the Morgan Stanley 2019 10-K does not form part of this Fifth Supplemental Offering Circular 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 Fifth Supplemental Offering Circular.

This Fifth Supplemental Offering Circular and the Morgan Stanley 2019 10-K are available for viewing, and copies may be obtained from, the officers of the Issuers and the Paying Agents.

This Fifth Supplemental Offering Circular 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.

The Morgan Stanley 2019 10-K 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.

13 March 2020

MORGAN STANLEY

MORGAN STANLEY FINANCE LLC

PART A - INCORPORATION BY REFERENCE

This Fifth Supplemental Offering Circular incorporates by reference the Morgan Stanley 2019 10-K and supplements the section entitled “*Incorporation by Reference*” contained on pages 32-36 of the Offering Circular.

This Fifth Supplemental Offering Circular 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.

The Morgan Stanley 2019 10-K 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 32-36 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		
Annual Report on Form 10-K for the year ended 31 December 2019	(1) Business	1-10
	(2) Risk Factors	11-22
	(3) Selected Financial Data	23
	(4) Management's Discussion and Analysis of Financial Condition and Results of Operations	24-57
	(5) Quantitative and Qualitative Disclosures about Risk	58-74
	(6) Financial Statements and Supplementary Data	75-154
	(7) Report of Independent Registered Public Accounting Firm	75-76
	(8) Consolidated Income Statements	77
	(9) Consolidated Comprehensive Income Statements	78
	(10) Consolidated Balance Sheets	79
	(11) Consolidated Statements of Changes in Total Equity	80
	(12) Consolidated Cash Flow Statements	81
	(13) Notes to Consolidated Financial Statements	82-150
	(14) Financial Data Supplement (Unaudited)	151-154

(15)	Glossary of Common Terms and Acronyms	155-156
(16)	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	157
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(23)	Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	164
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(29)	Exhibits and Financial Statement Schedules	165-169
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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.

This Fifth 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 32-36 of the Offering Circular:

Document incorporated by reference

Information not incorporated by reference

Morgan Stanley

Annual Report on Form 10-K for the year ended 31 December 2019

Exhibits
Exhibit Index

PART B – OTHER CONSEQUENTIAL AMENDMENTS TO THE OFFERING CIRCULAR

The Offering Circular is hereby amended as follows:

1. The section entitled “*Selected financial information of Morgan Stanley*” on pages 1-2 of the Offering Circular under “*Summary*” shall be deemed to be deleted in its entirety and replaced by the following:

Selected financial information of Morgan Stanley:

Consolidated Balance Sheets (U.S.\$ in millions)	At 31 December 2018	At 31 December 2019
Total assets	853,531	895,429
Total liabilities and equity	853,531	895,429

Consolidated Income Statement (U.S.\$ in millions)	2018	2019
Net revenues	40,107	41,419
Income from continuing operations before income taxes	11,237	11,301
Net income	8,883	9,237

2. The section entitled “*Key Risks Specific to the Issuers*” on pages 2-4 of the Offering Circular under “*Summary*” shall be deemed to be deleted in its entirety and replaced by the following:

Key Risks Specific to the Issuers *The following key risks affect Morgan Stanley and, since Morgan Stanley is the ultimate holding company of MSFL, also impact MSFL:*

Market Risk: *Morgan Stanley’s results of operations may be materially affected by market fluctuations and by global and economic conditions and other factors, including changes in asset values. Holding large and concentrated positions may expose Morgan Stanley to losses. These factors may result in losses for a position or portfolio owned by Morgan Stanley.*

Credit Risk: *Morgan Stanley is exposed to the risk that third parties that are indebted to it will not perform their obligations, as well as that a default by a large financial institution could adversely affect financial markets. Such factors give rise to the risk of loss arising when a borrower, counterparty or issuer does not meet its financial obligations to Morgan Stanley.*

Operational Risk: *Morgan Stanley is subject to the risk of loss, or of damage to its reputation, resulting from inadequate or failed processes or systems, from human factors (including human error or malfeasance) or from external events (e.g. fraud, theft, legal and compliance risks, cyber attacks or damage to physical assets). Morgan Stanley may incur operational risk across the full scope of its business activities, including revenue-generating activities (e.g. sales and trading) and support and control groups (e.g. information technology and trade processing). A cyber attack, information or security breach or a technology failure could adversely affect Morgan Stanley’s ability to conduct its business, manage its exposure to risk or result in disclosure or misuse of confidential or proprietary information and otherwise adversely impact its results of operations, liquidity and financial condition, as well as cause reputational harm.*

Liquidity Risk: Liquidity is essential to Morgan Stanley's businesses and Morgan Stanley relies on external sources to finance a significant portion of its operations. Morgan Stanley's borrowing costs and access to the debt capital markets depend on its credit ratings. Morgan Stanley is a holding company, has no operations and depends on dividends, distributions and other payments from its subsidiaries. Further, Morgan Stanley's liquidity and financial condition have in the past been, and in the future could be, adversely affected by U.S. and international markets and economic conditions. As a result of the foregoing, there is a risk that Morgan Stanley will be unable to finance its operations due to a loss of access to the capital markets or difficulty in liquidating its assets. Additionally, liquidity risk encompasses Morgan Stanley's ability (or perceived ability) to meet its financial obligations without experiencing significant business disruption or reputational damage that may threaten its viability as a going concern. Morgan Stanley also experiences associated funding risks triggered by the market or idiosyncratic stress events that may negatively affect its liquidity or may impact its ability to raise new funding.

Legal, Regulatory and Compliance Risk: Morgan Stanley is subject to the risk of legal or regulatory sanctions, material financial loss including fines, penalties, judgments, damages and/or settlements, or loss to reputation it may suffer as a result of its failure to comply with laws, regulations, rules, related self-regulatory organization standards and codes of conduct applicable to its business activities. Morgan Stanley is also subject to contractual and commercial risk, such as the risk that a counterparty's performance obligations will be unenforceable. Additionally, Morgan Stanley is subject to anti-money laundering, anticorruption and terrorist financing rules and regulations.

Risk Management: Morgan Stanley's risk management strategies, models and processes may not be fully effective in mitigating its risk exposures in all market environments or against all types of risk, which could result in unexpected losses. The planned replacement of London Interbank Offered Rate and replacement or reform of other interest rate benchmarks could adversely affect Morgan Stanley's business, financial condition and results of operations.

Competitive Environment: Morgan Stanley faces strong competition from financial services firms and others, which could lead to pricing pressures that could materially adversely affect its revenue and profitability. Further, automated trading markets and the introduction and application of new technologies may adversely affect Morgan Stanley's business and may increase competition (for example, by putting increased pressure on bid-offer spreads, commissions, markups or fees). Finally, Morgan Stanley's ability to retain and attract qualified employees is critical to the success of its business and the failure to do so may materially adversely affect its performance.

Competitive Environment: Morgan Stanley faces strong competition from other financial services firms and others, which could lead to pricing pressures that could materially adversely affect its revenue and profitability. Further, automated trading markets and the introduction and application of new technologies may adversely affect Morgan Stanley's business and may increase competition (for example, by putting increased pressure on bid-offer spreads, commissions, markups or comparable fees). Finally, Morgan Stanley's ability to retain and attract qualified employees is critical to the success of its business and the failure to do so may materially adversely affect its performance.

International Risk: Morgan Stanley is subject to numerous political, economic, legal, tax, operational, franchise and other risks as a result of its international operations (including risks of possible nationalization, expropriation, price controls, capital controls, exchange controls, increased taxes and levies and other restrictive governmental actions, as well as the outbreak of hostilities or political and governmental instability) which could adversely impact its businesses in many ways. The U.K.'s withdrawal from the E.U. could adversely affect Morgan Stanley.

Acquisition, Divestiture and Joint Venture Risk: *Morgan Stanley may be unable to fully capture the expected value from acquisitions, divestitures, joint ventures, minority stakes or strategic alliances.*

Risk Relating to the Exercise of Resolution Measures Powers: *The application of regulatory requirements and strategies in the U.S. or other jurisdictions to facilitate the orderly resolution of large financial institutions may pose a greater risk of loss for Morgan Stanley's security holders, and subject Morgan Stanley to other restrictions.*

MSFL has no independent operations beyond the issuance and administration of its securities and is expected to have no independent assets available for distributions to holders of MSFL Notes if they make claims in respect of the Notes in a bankruptcy, resolution or similar proceeding. Accordingly, any recoveries by such holders will be limited to those available under the related Guarantee by Morgan Stanley and that Guarantee will rank pari passu with all other outstanding unsecured and unsubordinated obligations of Morgan Stanley present and future, but, in the event of insolvency, only to the extent permitted by laws affecting creditors' rights. Holders will have recourse only to a single claim against Morgan Stanley and its assets under the Guarantee. Holders of Notes issued by MSFL should accordingly assume that in any such proceedings they would not have any priority over and should be treated pari passu with the claims of other unsecured, unsubordinated creditors of Morgan Stanley, including holders of Morgan Stanley issued securities.

3. On page 414 of the Offering Circular, paragraph 1(a) under the heading “No material adverse change in prospects” shall be deemed to be deleted in its entirety and replaced by the following:

“(a) Morgan Stanley, since 31 December 2019, the date of the latest published annual audited financial statements of Morgan Stanley; and”

4. On page 414 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 its entirety and replaced by the following:

“(a) Morgan Stanley, since 31 December 2019, the date of the latest published annual audited financial statements of Morgan Stanley; and”

5. The first paragraph in the subsection titled “Legal and arbitration proceedings” set out on page 414 of the Offering Circular 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 159-163 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 124-126 of Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2019 (the "Form 10-K"); ; and*

(b) *the Registration Document dated 7 June 2019,*

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 or the Morgan Stanley Group.”

