

## SECOND BASE PROSPECTUS SUPPLEMENT

**MORGAN STANLEY B.V.**

*as Issuer*

*(incorporated with limited liability in The Netherlands)*

**Morgan Stanley**

*as Guarantor*

*(incorporated under the laws of the State of Delaware in the United States of America)*

**Up to U.S.\$20,000,000,000**

**Program for the Issuance of Notes, Certificates and Warrants**

Morgan Stanley B.V. (“**MSBV**” or the “**Issuer**”) and Morgan Stanley in its capacity as guarantor (the “**Guarantor**”) have prepared this second base prospectus supplement (the “**Second Base Prospectus Supplement**”) to supplement and be read in conjunction with the base prospectus dated 17 August 2018 (the “**Base Prospectus**”) as supplemented by the first base prospectus supplement dated 10 October 2018 (the “**First Base Prospectus Supplement**”) in relation to MSBV's programme for the issuance of notes, certificates and warrants.

This Second Base Prospectus Supplement has been approved by the Central Bank of Ireland, as competent authority under Directive 2003/71/EC, as amended (the “**Prospectus Directive**”). The Central Bank only approves this Second Base Prospectus Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

In addition, this Second Base Prospectus Supplement has been approved by 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 Issuer and the Guarantor for the purposes of admitting 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.

Terms defined in the Base Prospectus (as supplemented by the First Base Prospectus Supplement) shall have the same meaning when used in this Second Base Prospectus Supplement. To the extent that there is any inconsistency between any statement in this Second Base Prospectus Supplement and any other statement in, or incorporated by reference in, the Base Prospectus (as supplemented by the First Base Prospectus Supplement), the statements in this Second Base Prospectus Supplement will prevail.

The purpose of this Second 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 September 2018 (the “**Morgan Stanley September 2018 10-Q**”) and incorporate by reference, as set out in “Part A” of this Second Base Prospectus Supplement;
- (b) disclose the publication of the third supplement to the Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, MSBV and Morgan Stanley Finance LLC dated 7 November 2018 and approved by the CSSF (the “**Third Registration Document Supplement**”) and incorporate by reference, as set out in “Part A” of this Second Base Prospectus Supplement; and
- (c) make certain consequential amendments to the Base Prospectus pursuant to the publication of the Morgan Stanley September 2018 10-Q and the Third Registration Document Supplement as set out in “Part B” of this Second Base Prospectus Supplement.

Each of the Issuer and the Guarantor accepts responsibility for the information contained in this Second Base Prospectus Supplement. To the best of the knowledge and belief of the Issuer and the Guarantor (each having taken all reasonable care to ensure that such is the case), the information contained in this Second Base Prospectus Supplement (including each document incorporated by reference herein) is in accordance with the facts and does not omit anything likely to affect the import of such information.

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

Any information or documents incorporated by reference into the Morgan Stanley September 2018 10-Q or the Third Registration Document Supplement do not form part of this Second 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 Second Base Prospectus Supplement.

This Second Base Prospectus Supplement is available for viewing, and copies may be obtained from, the offices of the Issuer and the Paying Agents and is available on Morgan Stanley's website at <http://sp.morganstanley.com/EU/Documents>.

The Morgan Stanley September 2018 10-Q is available for viewing, and copies may be obtained from, the offices of Morgan Stanley and is available on Morgan Stanley's website at <https://www.morganstanley.com/about-us-ir/shareholder/10q0918/10q0918.pdf>.

The Third Registration Document Supplement is available for viewing, and copies may be obtained from, the offices of the Issuer and the Paying Agents and is available on Morgan Stanley's website at <http://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=dc1ec541-2ef1-4b65-aa60-63928097aeca>.

9 November 2018

**MORGAN STANLEY B.V.**

**MORGAN STANLEY**

## PART A - INCORPORATION BY REFERENCE

This Second Base Prospectus Supplement, the Morgan Stanley September 2018 10-Q and the Third Registration Document Supplement supplements the section entitled “*Incorporation by Reference*” contained on pages 30-36 of the Base Prospectus.

The Morgan Stanley September 2018 10-Q is available on Morgan Stanley's website at <https://www.morganstanley.com/about-us-ir/shareholder/10q0918/10q0918.pdf>.

The Third Registration Document Supplement is available on Morgan Stanley's website at <http://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=dc1ec541-2ef1-4b65-aa60-63928097aeca>.

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 30-36 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:

<b>Document filed</b>	<b>Information incorporated by reference</b>	<b>Page(s)</b>
<b>Morgan Stanley</b>		
Quarterly Report on Form 10-Q for the quarterly period ended 30 September 2018	(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	40-83
	(5) Consolidated Income Statements (Unaudited)	40
	(6) Consolidated Comprehensive Income Statements (Unaudited)	41
	(7) Consolidated Balance Sheets (Unaudited at September 30, 2018)	42
	(8) Consolidated Statements of Changes in Total Equity (Unaudited)	43
	(9) Consolidated Cash Flow Statements (Unaudited)	44
	(10) Notes to Consolidated Financial Statements (Unaudited)	45-83
	(11) Financial Data Supplement (Unaudited)	84-86
	(12) Glossary of Common Acronyms	87-88
	(13) Other Information	89
	(14) Legal Proceedings	89
	(15) Unregistered Sales of Equity Securities and Use of Proceeds	90

(16)	Controls and Procedures	91
(17)	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 7 November 2018	(1)	Part B – Consequential Amendments to the Registration Document	3-4
	(2)	Part C – Amendment to the Selected Financial Information of Morgan Stanley Finance LLC	5

This Second Base Prospectus Supplement expressly does not incorporate by reference the documents and/or information identified in the cross-reference table below:

**Document incorporated by reference**

**Information not incorporated by reference**

**Morgan Stanley**

Quarterly Report on Form 10-Q for the quarterly period ended 30 September 2018

Exhibits  
Exhibit Index

Third Registration Document Supplement of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V. and Morgan Stanley Finance LLC dated 7 November 2018

Part A

**PART B – OTHER CONSEQUENTIAL AMENDMENTS TO THE BASE PROSPECTUS**

The Base Prospectus is hereby amended as follows:

- The selected key financial information relating to Morgan Stanley at Element B.19/B.12 of the summary in the Base Prospectus (set out on page 6 of the Base Prospectus) shall be replaced with the information below:

B.19/B.12	<b>Selected historical key financial information:</b>	<b>Selected key financial information relating to Morgan Stanley:</b>				
		Consolidated Balance Sheets (\$ in millions)	31 December 2016	31 December 2017	At 30 September (unaudited)	
					2017	2018
		<i>Total assets</i>	814,949	851,733	853,693	865,517
		<i>Total liabilities and equity</i>	814,949	851,733	853,693	865,517
		Consolidated Income Statements (\$ in millions)	31 December 2016	31 December 2017	Nine months ended 30 September (unaudited)	
					2017	2018
		<i>Net revenues</i>	34,631	37,945	28,445	31,559
		<i>Income from continuing operations before income taxes</i>	8,848	10,403	7,932	9,380
		<i>Net income</i>	6,123	6,216	5,553	7,325
<p>There has been no material adverse change in the prospects of Morgan Stanley since 31 December 2017, 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 September 2018, the date of the latest published interim (unaudited) financial statements of Morgan Stanley.</p>						

- On page 161 of the Base Prospectus, item (vii) shall be deemed to be deleted in its entirety and replaced by the following:

“(vii) *Morgan Stanley’s Proxy Statement dated 6 April 2018, Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2018, Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2018 and the Quarterly Report on Form 10-Q for the quarterly period ended 30 September 2018;*”

- The third subparagraph under the section entitled “Morgan Stanley” on page 162 of the Base Prospectus shall be deleted in its entirety and replaced by the following:

“Save as disclosed in:

- a) *the section entitled "Legal Proceedings" 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" at pages 145-148 of Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2017 (the "Form 10-K");*
- b) *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 69-72 and the section entitled "Legal Proceedings" at page 88 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2018;*
- c) *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 74-76 and the section entitled "Legal Proceedings" at page 93 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2018;*
- d) *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 69-72 and the section entitled "Legal Proceedings" at page 89 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 30 September 2018; and*
- e) *the Registration Document dated 8 June 2018 (as supplemented by the First Registration Document Supplement dated 22 August 2018, the Second Registration Document Supplement dated 4 October 2018 and the Third Registration Document Supplement dated 7 November 2018),*

*there are no, nor have there been, any governmental, legal or arbitration proceedings involving Morgan Stanley or MSBV (including any such proceedings which are pending or threatened of which Morgan Stanley or MSBV 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, MSBV or the Morgan Stanley Group.”*

4. The third paragraph on page 163 of the Base Prospectus shall be deemed to be deleted in full and replaced by the following:

*“There has been no significant change in the financial or trading position of Morgan Stanley since 30 September 2018, the date of the latest published interim (unaudited) financial statements of Morgan Stanley.”*