UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant To Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): January 17, 2023

Morgan Stanley
(Exact Name of Registrant as Specified in Charter)

Delaware	**1-11758**	**36-3145972**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

1585 Broadway, New York, New York	**10036**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: (212) 761-4000

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value	MS	New York Stock Exchange
Depositary Shares, each representing 1/1,000th interest in a share of Floating Rate Non-Cumulative Preferred Stock, Series A, $0.01 par value	MS/PA	New York Stock Exchange
Depositary Shares, each representing 1/1,000th interest in a share of Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series E, $0.01 par value	MS/PE	New York Stock Exchange
Depositary Shares, each representing 1/1,000th interest in a share of Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series F, $0.01 par value	MS/PF	New York Stock Exchange
Depositary Shares, each representing 1/1,000th interest in a share of Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series I, $0.01 par value	MS/PI	New York Stock Exchange
Depositary Shares, each representing 1/1,000th interest in a share of Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series K, $0.01 par value	MS/PK	New York Stock Exchange
Depositary Shares, each representing 1/1,000th interest in a share of 4.875% Non-Cumulative Preferred Stock, Series L, $0.01 par value	MS/PL	New York Stock Exchange
Depositary Shares, each representing 1/1,000th interest in a share of 4.250% Non-Cumulative Preferred Stock, Series O, $0.01 par value	MS/PO	New York Stock Exchange
Depositary Shares, each representing 1/1,000th interest in a share of 6.500% Non-Cumulative Preferred Stock, Series P, $0.01 par value	MS/PP	New York Stock Exchange
Global Medium-Term Notes, Series A, Fixed Rate Step-Up Senior Notes Due 2026 of Morgan Stanley Finance LLC (and Registrant's guarantee with respect thereto)	MS/26C	New York Stock Exchange
Global Medium-Term Notes, Series A, Floating Rate Notes Due 2029 of Morgan Stanley Finance LLC (and Registrant's guarantee with respect thereto)	MS/29	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On January 17, 2023, Morgan Stanley (the "Company") released financial information with respect to its quarter and year ended December 31, 2022. A copy of the press release containing this information is annexed as Exhibit 99.1 to this Report and by this reference incorporated herein and made a part hereof. In addition, a copy of the Company's Financial Data Supplement for its quarter and year ended December 31, 2022 is annexed as Exhibit 99.2 to this Report and by this reference incorporated herein and made a part hereof.

The information furnished under Item 2.02 of this Report, including Exhibit 99.1 and Exhibit 99.2, shall be deemed to be "filed" for purposes of the Securities Exchange Act of 1934, as amended.

Item 7.01 Regulation FD Disclosure.

On January 17, 2023, Morgan Stanley (the "Company") released financial information with respect to its quarter and year ended December 31, 2022 and will hold an investor conference call. Exhibit 99.3 is a copy of a presentation (the "Presentation") to be presented on the conference call, furnished for, and posted on the Company's website.

The Presentation is being furnished pursuant to Item 7.01, and the information contained therein shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities under that Section. Furthermore, the information contained in Exhibit 99.3 shall not be deemed to be incorporated by reference into the filings of the Registrant under the Securities Act of 1933, as amended.

Item 7.01 of this Current Report on Form 8-K (including Exhibit 99.3 hereto) contains forward-looking statements, including the attainment of certain financial and other targets, objectives and goals. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they are made, which reflect management's current estimates, projections, expectations, assumptions, interpretations or beliefs and which are subject to risks and uncertainties that may cause actual results to differ materially. Morgan Stanley does not undertake to update the forward-looking statements to reflect the impact of circumstances or events that may arise after the date of the forward-looking statements. For a discussion of risks and uncertainties that may affect the future results of Morgan Stanley, please see "Forward-Looking Statements" immediately preceding Part I, Item 1, "Competition" and "Supervision and Regulation" in Part I, Item 1, "Risk Factors" in Part I, Item 1A, "Legal Proceedings" in Part I, Item 3, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 and "Quantitative and Qualitative Disclosures about Risk" in Part II, Item 7A, each of Morgan Stanley's Annual Report on Form 10-K for the year ended December 31, 2021 and other items throughout the Form 10-K, Morgan Stanley's Quarterly Reports on Form 10-Q, Morgan Stanley's Current Reports on Form 8-K, including any amendments thereto, which have been filed with the Securities and Exchange Commission and are available on Morgan Stanley's website at www.morganstanley.com and on the Securities and Exchange Commission's website at www.sec.gov.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Press release of the Company, dated January 17, 2023, containing financial information for the quarter and year ended December 31, 2022.
99.2	Financial Data Supplement of the Company for the quarter and year ended December 31, 2022.
99.3	Morgan Stanley Presentation, dated January 17, 2023.
101	Interactive Data Files pursuant to Rule 406 of Regulation S-T formatted in Inline eXtensible Business Reporting Language ("Inline XBRL").
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

MORGAN STANLEY
(Registrant)

Date: January 17, 2023

By: /s/ Raja Akram
Name: Raja Akram
Title: Deputy Chief Financial Officer

End of Document

Morgan Stanley

Morgan Stanley Fourth Quarter and Full Year 2022 Earnings Results

Morgan Stanley Reports Fourth Quarter Net Revenues of $12.7 Billion, EPS of $1.26 and ROTCE of 12.6%; Full Year Net Revenues of $53.7 Billion, EPS of $6.15 and ROTCE of 15.3%

NEW YORK, January 17, 2023 – Morgan Stanley (NYSE: MS) today reported net revenues of $12.7 billion for the fourth quarter ended December 31, 2022 compared with $14.5 billion a year ago. Net income applicable to Morgan Stanley was $2.2 billion, or $1.26 per diluted share,[1] compared with $3.7 billion, or $2.01 per diluted share,[1] for the same period a year ago. Excluding integration-related expenses, earnings per diluted share in the fourth quarter was $1.31 versus $2.08 in the prior year quarter.[1,6] The fourth quarter of 2022 was also impacted by severance costs of $133 million associated with a December employee action,[2] partially offset by a net discrete tax benefit of $89 million.

Full year net revenues were $53.7 billion compared with $59.8 billion in the prior year. Net income applicable to Morgan Stanley was $11.0 billion, or $6.15 per diluted share,[1] compared with $15.0 billion, or $8.03 per diluted share,[1] in the prior year. Excluding integration-related expenses, earnings per diluted share in the current year was $6.36 and $8.22 in the prior year.[1,6] Comparisons of current year results to the prior year were impacted by the acquisition of Eaton Vance Corp. ("Eaton Vance") prospectively from the March 1, 2021 acquisition date.

James P. Gorman, *Chairman and Chief Executive Officer, said, "We reported solid fourth quarter results amidst a difficult market environment. Overall, 2022 was a strong year for the Firm as our clear strategy and balanced business model enabled us to deliver an ROTCE of 16% despite the complex macro backdrop. Wealth Management provided stability with record revenues and over $310 billion in net new assets, Investment Management benefited from diversification, and within Institutional Securities our Equity and Fixed Income revenues were strong, offset by Investment Banking. Our strong capital position allowed us to repurchase $10 billion of shares this year and we distributed a healthy dividend."*

Financial Summary[3,4]

Firm ($MM, except per share data)	4Q 2022	4Q 2021	FY 2022	FY 2021
Net revenues	$12,749	$14,524	$53,668	$59,755
Provision for credit losses	$ 87	$ 5	$ 280	$ 4
Compensation expense	$ 5,615	$ 5,487	$23,053	$24,628
Non-compensation expenses	$ 4,253	$ 4,148	$16,246	$15,455
Pre-tax income[8]	$ 2,794	$ 4,884	$14,089	$19,668
Net income app. to MS	$ 2,236	$ 3,696	$11,029	$15,034
Expense efficiency ratio[9]	77%	66%	73%	67%
Earnings per diluted share[1]	$ 1.26	$ 2.01	$ 6.15	$ 8.03
Book value per share	$ 54.55	$ 55.12	$ 54.55	$ 55.12
Tangible book value per share	$ 40.06	$ 40.91	$ 40.06	$ 40.91
Return on equity	9.2%	14.7%	11.2%	15.0%
Return on tangible equity[5]	12.6%	19.8%	15.3%	19.8%
Institutional Securities				
Net revenues	$ 4,800	$ 6,669	$24,393	$29,833
Investment Banking	$ 1,252	$ 2,434	$ 5,235	$10,272
Equity	$ 2,176	$ 2,857	$10,769	$11,435
Fixed Income	$ 1,418	$ 1,228	$ 9,022	$ 7,516
Wealth Management				
Net revenues	$ 6,626	$ 6,254	$24,417	$24,243
Fee-based client assets ($Bn)[10]	$ 1,678	$ 1,839	$ 1,678	$ 1,839
Fee-based asset flows ($Bn)[11]	$ 20.4	$ 37.8	$ 162.8	$ 179.3
Net new assets ($Bn)[12]	$ 51.6	$ 127.1	$ 311.3	$ 437.7
Loans ($Bn)	$ 146.1	$ 129.2	$ 146.1	$ 129.2
Investment Management				
Net revenues	$ 1,461	$ 1,751	$ 5,375	$ 6,220
AUM ($Bn)[13]	$ 1,305	$ 1,565	$ 1,305	$ 1,565
Long-term net flows ($Bn)[14]	$ (6.0)	$ (1.1)	$ (25.8)	$ 26.4

Full Year Highlights

- The Firm reported full year net revenues of $53.7 billion and net income of $11.0 billion as our businesses navigated a challenging market environment.
- The Firm delivered full year ROTCE of 15.3%, or 15.7% excluding the impact of integration-related expenses.[5,6]
- The full year Firm expense efficiency ratio was 73%, or 72% excluding integration-related expenses.[6,9]
- Standardized Common Equity Tier 1 capital ratio was 15.3%.[17]
- Institutional Securities reported full year net revenues of $24.4 billion reflecting lower activity in Investment Banking driven by the uncertain macroeconomic environment, partially offset by strong performance in Fixed Income.
- Wealth Management delivered record full year net revenues of $24.4

billion and a pre-tax margin of 27.0% or 28.4% excluding integration-related expenses.[6,7] The business added net new assets of $311 billion, representing a full year 6% annualized growth rate from beginning period assets.

- Investment Management reported full year net revenues of $5.4 billion and AUM of $1.3 trillion in a challenging market environment.

Media Relations: Wesley McDade 212-761-2430 **Investor Relations: Leslie Bazos 212-761-5352**

Fourth Quarter Results

Institutional Securities

Institutional Securities reported net revenues for the current quarter of $4.8 billion compared with $6.7 billion a year ago. Pre-tax income was $748 million compared with $3.0 billion a year ago.[8]

($ millions)	4Q 2022	4Q 2021
Net Revenues	**$ 4,800**	**$ 6,669**
Investment Banking	**$ 1,252**	**$ 2,434**
Advisory	$ 711	$ 1,071
Equity underwriting	$ 227	$ 853
Fixed income underwriting	$ 314	$ 510
Equity	**$ 2,176**	**$ 2,857**
Fixed Income	**$ 1,418**	**$ 1,228**
Other	**$ (46)**	**$ 150**
Provision for credit losses	**$ 61**	**$ (8)**
Total Expenses	**$ 3,991**	**$ 3,705**
Compensation	$ 1,644	$ 1,370
Non-compensation	$ 2,347	$ 2,335

Investment Banking revenues down 49% from a year ago:

- Advisory revenues decreased from a year ago driven by lower completed M&A transactions.
- Equity underwriting revenues decreased significantly from a year ago across products reflecting the substantial decline in global equity underwriting volumes.
- Fixed income underwriting revenues decreased from a year ago as macroeconomic conditions contributed to lower bond and loan issuances.

Equity net revenues down 24% from a year ago:

- Equity net revenues decreased from a year ago primarily driven by markdowns on certain strategic investments versus a significant mark-to-market gain in the prior year and lower prime brokerage results due to a decline in average client balances.

Fixed Income net revenues up 15% from a year ago:

- Fixed Income net revenues increased from a year ago reflecting stronger results in macro and credit products on higher client engagement, partially offset by significantly lower results in commodities.

Other:

- Other revenues include $356 million of mark-to-market losses on corporate loans held for sale and loan hedges. These losses were substantially offset by net interest income and fees of $287 million.

Provision for credit losses

- Provision for credit losses increased from a year ago primarily driven by the current macroeconomic environment, portfolio growth and the prior year quarter reflecting a release in the allowance for credit losses.

Total Expenses:

- Compensation expense increased from a year ago reflecting higher salary expenses and severance costs associated with the December employee action of $88 million.[2]

Wealth Management

Wealth Management reported record net revenues for the current quarter of $6.6 billion compared with $6.3 billion a year ago. Pre-tax income of $1.8 billion[8] in the current quarter resulted in a pre-tax margin of 27.8% or 29.2% excluding the impact of integration-related expenses.[6,7]

Net revenues up 6% from a year ago:

- Asset management revenues decreased from a year ago reflecting lower asset levels due to declines in the markets, partially offset by positive fee-based flows.
- Transactional revenues[15] decreased 15% excluding the impact of mark-to-market gains on investments associated with certain employee deferred compensation plans. The decrease was driven by lower client activity amid uncertainty in the markets.
- Net interest income increased from a year ago on higher interest rates and bank lending growth.

Total Expenses:

- Compensation expense decreased from a year ago driven by lower compensable revenues, partially offset by higher salary expenses on increased headcount and higher expenses related to certain deferred compensation plans linked to investment performance.
- Non-compensation expenses increased from a year ago primarily driven by investments in technology, as well as higher marketing and business development costs.

($ millions)	4Q 2022	4Q 2021
Net Revenues	**$ 6,626**	**$ 6,254**
Asset management	$ 3,347	$ 3,700
Transactional[15]	$ 931	$ 1,027
Net interest	$ 2,138	$ 1,405
Other	$ 210	$ 122
Provision for credit losses	**$ 26**	**$ 13**
Total Expenses	**$ 4,760**	**$ 4,826**
Compensation	$ 3,343	$ 3,486
Non-compensation	$ 1,417	$ 1,340

Investment Management

Investment Management reported net revenues of $1.5 billion compared with $1.8 billion a year ago. Pre-tax income was $214 million compared with $508 million a year ago.[8]

Net revenues down 17% from a year ago:

- Asset management and related fees decreased from a year ago driven primarily on lower asset levels due to the decline in the equity markets.
- Performance-based income and other revenues decreased from a year ago primarily due to lower accrued carried interest in certain of our private funds.

Total Expenses:

- Compensation expense was essentially unchanged from a year ago, as higher salary expenses were offset by lower carried interest.

($ millions)	4Q 2022	4Q 2021
Net Revenues	**$ 1,461**	**$ 1,751**
Asset management and related fees	$ 1,371	$ 1,585
Performance-based income and other	$ 90	$ 166
Total Expenses	**$ 1,247**	**$ 1,243**
Compensation	$ 628	$ 631
Non-compensation	$ 619	$ 612

Full Year Results

Institutional Securities

Institutional Securities reported net revenues of $24.4 billion compared with $29.8 billion in the prior year. Pre-tax income was $6.7 billion compared with $11.8 billion in the prior year.[8]

Investment Banking revenues down 49% from prior year:

- Advisory revenues decreased from a record prior year driven by lower completed M&A transactions.
- Equity underwriting revenues decreased significantly from the prior year across products reflecting historically low global equity volumes.
- Fixed income underwriting revenues decreased from a record prior year as macroeconomic conditions contributed to lower bond and loan issuances.

Equity net revenues down 6% from prior year:

- Equity net revenues decreased from a record prior year, primarily driven by markdowns on certain strategic investments and lower results in cash equities on lower client activity, partially offset by higher revenues in prime brokerage primarily driven by the absence of a single client event in the prior year.

Fixed Income net revenues up 20% from prior year:

- Fixed Income net revenues increased from the prior year, reflecting strength in macro, credit products and commodities on higher client engagement and gains on inventory held for client facilitation in macro products driven by volatility in the markets.

Other:

- Other revenues in the current year were driven by mark-to-market losses on corporate loans held for sale and loan hedges of $876 million. These losses were substantially offset by net interest income and fees of $701 million. In addition, the current year included mark-to-market losses on investments associated with certain employee deferred compensation plans versus gains in the prior year and lower contributions from our Mitsubishi UFJ securities joint venture.

($ millions)	FY 2022	FY 2021
Net Revenues	**$ 24,393**	**$ 29,833**
Investment Banking	**$ 5,235**	**$ 10,272**
Advisory	$ 2,946	$ 3,487
Equity underwriting	$ 851	$ 4,437
Fixed income underwriting	$ 1,438	$ 2,348
Equity	**$ 10,769**	**$ 11,435**
Fixed Income	**$ 9,022**	**$ 7,516**
Other	**$ (633)**	**$ 610**
Provision for credit losses	**$ 211**	**$ (7)**
Total Expenses	**$ 17,467**	**$ 18,026**
Compensation	$ 8,246	$ 9,165
Non-compensation	$ 9,221	$ 8,861

Provision for credit losses:

- Provision for credit losses increased from the prior year primarily driven by the current macroeconomic environment, portfolio growth and the prior year reflecting a release in the allowance for credit losses.

Total Expenses:

- Compensation expense decreased from the prior year driven by lower revenues and a decline related to certain deferred compensation plans linked to investment performance.
- Non-compensation expenses increased from the prior year on investments in technology and higher litigation costs, primarily driven by $200 million related to a specific regulatory matter reported in the current year second quarter.

Wealth Management

Wealth Management reported record net revenues of $24.4 billion compared with $24.2 billion in the prior year. Pre-tax income of $6.6 billion[8] in the current year resulted in a reported pre-tax margin of 27.0% or 28.4% excluding the impact of integration-related expenses.[6,7]

Net revenues up 1% from prior year:

- Asset management revenues decreased from the prior year on lower asset levels due to declines in the markets, partially offset by positive fee-based flows.
- Transactional revenues[15] decreased 18% excluding the impact of mark-to-market losses on investments associated with certain employee deferred compensations plans. Results reflect lower activity from elevated levels in the prior year amid uncertainty in the markets.
- Net interest income increased from the prior year on higher interest rates and bank lending growth.

($ millions)	FY 2022	FY 2021
Net Revenues	**$ 24,417**	**$ 24,243**
Asset management	$ 13,872	$ 13,966
Transactional[15]	$ 2,473	$ 4,259
Net interest	$ 7,429	$ 5,393
Other	$ 643	$ 625
Provision for credit losses	**$ 69**	**$ 11**
Total Expenses	**$ 17,765**	**$ 18,051**
Compensation	$ 12,534	$ 13,090
Non-compensation	$ 5,231	$ 4,961

Total Expenses:

- Compensation expense decreased from the prior year primarily driven by a decline related to certain deferred compensation plans linked to investment performance, partially offset by higher salary expenses on increased headcount.
- Non-compensation expenses increased from the prior year primarily driven by investments in technology, as well as higher marketing and business development costs.

Investment Management

Investment Management reported net revenues of $5.4 billion compared with $6.2 billion in the prior year. Pre-tax income was $807 million compared with $1.7 billion in the prior year.[8] The comparisons of current year results to the prior period were impacted by the acquisition of Eaton Vance completed on March 1, 2021.

Net revenues down 14% from prior year:

- Asset management and related fees decreased on lower asset levels due to the decline in the equity markets.
- Performance-based income and other revenues decreased from the prior year on lower accrued carried interest in our private funds, mark-to-market losses on investments associated with certain employee deferred compensation plans and lower marks on public investments reflecting the decline in equity markets.

($ millions)	FY 2022	FY 2021
Net Revenues	**$ 5,375**	**$ 6,220**
Asset management and related fees	$ 5,332	$ 5,576
Performance-based income and other	$ 43	$ 644
Total Expenses	**$ 4,568**	**$ 4,542**
Compensation	$ 2,273	$ 2,373
Non-compensation	$ 2,295	$ 2,169

Total Expenses:

- Compensation expense decreased from the prior year driven by lower compensation associated with carried interest, partially offset by incremental compensation as a result of the Eaton Vance acquisition.[6]
- Non-compensation expenses increased from the prior year primarily driven by increased marketing and business development costs and incremental expenses related to the Eaton Vance acquisition.[6]

Other Matters

- The Firm repurchased $1.7 billion of its outstanding common stock during the quarter, and $9.9 billion during the year as part of its Share Repurchase Program.

- The Board of Directors declared a $0.775 quarterly dividend per share, payable on February 15, 2023 to common shareholders of record on January 31, 2023.

- The effective tax rate for the current quarter was 18.9% and for the full year was 20.7%. The fourth quarter included net discrete tax benefits of $89 million and $69 million for the full year.

	4Q 2022	4Q 2021	FY 2022	FY 2021
Common Stock Repurchases				
Repurchases ($MM)	$ 1,700	$ 2,833	$ 9,865	$ 11,464
Number of Shares (MM)	20	28	113	126
Average Price	$ 86.07	$ 99.80	$ 87.25	$ 91.13
Period End Shares (MM)	1,675	1,772	1,675	1,772
Tax Rate	18.9%	23.9%	20.7%	23.1%
Capital[16]				
Standardized Approach				
CET1 capital[17]	15.3%	16.0%		
Tier 1 capital[17]	17.2%	17.7%		
Advanced Approach				
CET1 capital[17]	15.6%	17.4%		
Tier 1 capital[17]	17.5%	19.1%		
Leveraged-based capital				
Tier 1 leverage[18]	6.7%	7.1%		
SLR[19]	5.5%	5.6%		

Morgan Stanley is a leading global financial services firm providing a wide range of investment banking, securities, wealth management and investment management services. With offices in 41 countries, the Firm's employees serve clients worldwide including corporations, governments, institutions and individuals. For further information about Morgan Stanley, please visit www.morganstanley.com.

A financial summary follows. Financial, statistical and business-related information, as well as information regarding business and segment trends, is included in the financial supplement. Both the earnings release and the financial supplement are available online in the Investor Relations section at www.morganstanley.com.

NOTICE:

The information provided herein and in the financial supplement, including information provided on the Firm's earnings conference calls, may include certain non-GAAP financial measures. The definition of such measures or reconciliation of such measures to the comparable U.S. GAAP figures are included in this earnings release and the financial supplement, both of which are available on www.morganstanley.com.

This earnings release may contain forward-looking statements, including the attainment of certain financial and other targets, objectives and goals. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they are made, which reflect management's current estimates, projections, expectations, assumptions, interpretations or beliefs and which are subject to risks and uncertainties that may cause actual results to differ materially. For a discussion of risks and uncertainties that may affect the future results of the Firm, please see "Forward-Looking Statements" preceding Part I, Item 1, "Competition" and "Supervision and Regulation" in Part I, Item 1, "Risk Factors" in Part I, Item 1A, "Legal Proceedings" in Part I, Item 3, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 and "Quantitative and Qualitative Disclosures about Risk" in Part II, Item 7A in the Firm's Annual Report on Form 10-K for the year ended December 31, 2021 and other items throughout the Form 10-K, the Firm's Quarterly Reports on Form 10-Q and the Firm's Current Reports on Form 8-K, including any amendments thereto.

1 Includes preferred dividends related to the calculation of earnings per share for the fourth quarter of 2022 and 2021 of approximately $123 million and $104 million, respectively. Includes preferred dividends related to the calculation of earnings per share for the years ended 2022 and 2021 of approximately $489 million and $468 million, respectively.

2 The Firm recorded severance costs of $133 million in the fourth quarter of 2022, associated with a December employee action, which was reported in the business segments' results as follows: Institutional Securities $88 million, Wealth Management $30 million and Investment Management $15 million.

3 The Firm prepares its Consolidated Financial Statements using accounting principles generally accepted in the United States (U.S. GAAP). From time to time, Morgan Stanley may disclose certain "non-GAAP financial measures" in the course of its earnings releases, earnings conference calls, financial presentations and otherwise. The Securities and Exchange Commission defines a "non-GAAP financial measure" as a numerical measure of historical or future financial performance, financial position, or cash flows that is subject to adjustments that effectively exclude, or include amounts from the most directly comparable measure calculated and presented in accordance with U.S. GAAP. Non-GAAP financial measures disclosed by Morgan Stanley are provided as additional information to analysts, investors and other stakeholders in order to provide them with greater transparency about, or an alternative method for assessing our financial condition, operating results, or capital adequacy. These measures are not in accordance with, or a substitute for U.S. GAAP, and may be different from or inconsistent with non-GAAP financial measures used by other companies. Whenever we refer to a non-GAAP financial measure, we will also generally define it or present the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP, along with a reconciliation of the differences between the non-GAAP financial measure we reference and such comparable U.S. GAAP financial measure.

4 Our earnings releases, earnings conference calls, financial presentations and other communications may also include certain metrics which we believe to be useful to us, analysts, investors, and other stakeholders by providing further transparency about, or an additional means of assessing, our financial condition and operating results.

5 Return on average tangible common equity and return on average tangible equity excluding integration-related expenses are non-GAAP financial measures that the Firm considers useful for analysts, investors and other stakeholders to allow comparability of period-to-period operating performance and capital adequacy. The calculation of return on average tangible common equity represents full year or annualized net income applicable to Morgan Stanley less preferred dividends as a percentage of average tangible common equity. Tangible common equity, also a non-GAAP financial measure, represents common equity less goodwill and intangible assets net of allowable mortgage servicing rights deduction.

6 The Firm's and business segment's fourth quarter and full year results for 2022 and 2021 include integration-related expenses as a result of the E*TRADE and Eaton Vance acquisitions reported in the Wealth Management segment and Investment Management segment, respectively. The amounts are presented as follows (in millions):

	4Q 2022	4Q 2021	FY 2022	FY 2021
Firm				
Compensation	$ 10	$ 25	$ 41	$ 102
Non-compensation	110	121	429	354
Total non-interest expenses	$ 120	$ 146	$ 470	$ 456
Total non-interest expenses (after-tax)	$ 92	$ 114	$ 360	$ 352
Wealth Management				
Compensation	$ 4	$ 10	$ 12	$ 58
Non-compensation	90	99	345	288
Total non-interest expenses	$ 94	$ 109	$ 357	$ 346
Total non-interest expenses (after-tax)	$ 72	$ 85	$ 273	$ 267
Investment Management				
Compensation	$ 6	$ 15	$ 29	$ 44
Non-compensation	20	22	84	66
Total non-interest expenses	$ 26	$ 37	$ 113	$ 110
Total non-interest expenses (after-tax)	$ 20	$ 29	$ 87	$ 85

7 Pre-tax margin represents income before taxes divided by net revenues. Wealth Management pre-tax margin excluding the integration-related expenses represents income before taxes less those expenses divided by net revenues. Wealth Management pre-tax margin excluding integration-related expenses is a non-GAAP financial measure that the Firm considers useful for analysts, investors and other stakeholders to allow comparability of period-to-period operating performance.

8 Pre-tax income represents income before provision for income taxes.

[9] The Firm's full year expense efficiency ratio of 73.2% represents total non-interest expenses as a percentage of net revenues. The Firm expense efficiency ratio excluding integration-related expenses of 72.4% represents total non-interest expenses adjusted for integration-related expenses as a percentage of net revenues. The Firm expense efficiency ratio excluding integration-related expenses is a non-GAAP financial measure that the Firm considers useful for analysts, investors and other stakeholders to allow comparability of period-to-period operating performance.

[10] Wealth Management fee-based client assets represent the amount of assets in client accounts where the basis of payment for services is a fee calculated on those assets.

[11] Wealth Management fee-based asset flows include net new fee-based assets (including asset acquisitions), net account transfers, dividends, interest, and client fees, and exclude institutional cash management related activity.

[12] Wealth Management net new assets represent client inflows, including dividends and interest, and asset acquisitions, less client outflows, and exclude activity from business combinations/divestitures and the impact of fees and commissions.

[13] AUM is defined as assets under management or supervision.

[14] Long-term net flows include the Equity, Fixed Income and Alternative and Solutions asset classes and excludes the Liquidity and Overlay Services asset class.

[15] Transactional revenues include investment banking, trading, and commissions and fee revenues.

[16] Capital ratios are estimates as of the press release date, January 17, 2023.

[17]CET1 capital is defined as Common Equity Tier 1 capital. The Firm's risk-based capital ratios are computed under each of the (i) standardized approaches for calculating credit risk and market risk risk ‑ weighted assets (RWAs) (the "Standardized Approach") and (ii) applicable advanced approaches for calculating credit risk, market risk and operational risk RWAs (the "Advanced Approach"). For information on the calculation of regulatory capital and ratios, and associated regulatory requirements, please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources – Regulatory Requirements" in the Firm's Annual Report on Form 10-K for the year ended December 31, 2021 and in the Firm's Quarterly Report on Form 10-Q for the quarter ended September 30, 2022.

[18] The Tier 1 leverage ratio is a leverage-based capital requirement that measures the Firm's leverage. Tier 1 leverage ratio utilizes Tier 1 capital as the numerator and average adjusted assets as the denominator.

[19] The Firm's supplementary leverage ratio (SLR) utilizes a Tier 1 capital numerator of approximately $77.2 billion and $83.3 billion, and supplementary leverage exposure denominator of approximately $1.40 trillion and $1.48 trillion, for the fourth quarter of 2022 and 2021, respectively.

Consolidated Income Statement Information
(unaudited, dollars in millions)

	Quarter Ended			Percentage Change From:		Twelve Months Ended		Percentage
	Dec 31, 2022	Sep 30, 2022	Dec 31, 2021	Sep 30, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021	Change
Revenues:								
Investment banking	$ 1,318	$ 1,373	$ 2,581	(4%)	(49%)	$ 5,599	$ 10,994	(49%)
Trading	3,017	3,331	2,394	(9%)	26%	13,928	12,810	9%
Investments	85	(168)	632	*	(87%)	15	1,376	(99%)
Commissions and fees	1,169	1,133	1,307	3%	(11%)	4,938	5,521	(11%)
Asset management	4,803	4,744	5,395	1%	(11%)	19,578	19,967	(2%)
Other	38	63	126	(40%)	(70%)	283	1,042	(73%)
Total non-interest revenues	10,430	10,476	12,435	--	(16%)	44,341	51,710	(14%)
Interest income	9,232	6,101	2,411	51%	*	21,595	9,411	129%
Interest expense	6,913	3,591	322	93%	*	12,268	1,366	*
Net interest	2,319	2,510	2,089	(8%)	11%	9,327	8,045	16%
Net revenues	12,749	12,986	14,524	(2%)	(12%)	53,668	59,755	(10%)
Provision for credit losses	87	35	5	149%	*	280	4	*
Non-interest expenses:								
Compensation and benefits	5,615	5,614	5,487	--	2%	23,053	24,628	(6%)
Non-compensation expenses:								
Brokerage, clearing and exchange fees	851	847	811	--	5%	3,458	3,341	4%
Information processing and communications	933	874	833	7%	12%	3,493	3,119	12%
Professional services	853	755	829	13%	3%	3,070	2,933	5%
Occupancy and equipment	443	429	479	3%	(8%)	1,729	1,725	--
Marketing and business development	295	215	205	37%	44%	905	643	41%
Other	878	829	991	6%	(11%)	3,591	3,694	(3%)
Total non-compensation expenses	4,253	3,949	4,148	8%	3%	16,246	15,455	5%
Total non-interest expenses	9,868	9,563	9,635	3%	2%	39,299	40,083	(2%)
Income before provision for income taxes	2,794	3,388	4,884	(18%)	(43%)	14,089	19,668	(28%)
Provision for income taxes	528	726	1,168	(27%)	(55%)	2,910	4,548	(36%)
Net income	$ 2,266	$ 2,662	$ 3,716	(15%)	(39%)	$ 11,179	$ 15,120	(26%)
Net income applicable to nonredeemable noncontrolling interests	30	30	20	--	50%	150	86	74%
Net income applicable to Morgan Stanley	2,236	2,632	3,696	(15%)	(40%)	11,029	15,034	(27%)
Preferred stock dividend	123	138	104	(11%)	18%	489	468	4%
Earnings applicable to Morgan Stanley common shareholders	$ 2,113	$ 2,494	$ 3,592	(15%)	(41%)	$ 10,540	$ 14,566	(28%)

- Firm net revenues excluding mark-to-market gains and losses on deferred cash-based compensation plans (DCP) were: 4Q22: $12,555 million, 3Q22: $13,222 million, 4Q21: $14,394 million, 4Q22 YTD: $54,866 million, 4Q21 YTD: $59,366 million.
- Firm compensation expenses excluding DCP were: 4Q22: $5,426 million, 3Q22: $5,733 million, 4Q21: $5,350 million, 4Q22 YTD: $23,769 million, 4Q21 YTD: $24,102 million.

The End Notes are an integral part of this presentation. Refer to the Financial Supplement on pages 12 - 18 for Definition of U.S. GAAP to Non-GAAP Measures, Definitions of Performance Metrics and Terms, Supplemental Quantitative Details and Calculations, and Legal Notice for additional information.

Consolidated Financial Metrics, Ratios and Statistical Data (unaudited)

	Quarter Ended Dec 31, 2022	Quarter Ended Sep 30, 2022	Quarter Ended Dec 31, 2021	Percentage Change From: Sep 30, 2022	Percentage Change From: Dec 31, 2021	Twelve Months Ended Dec 31, 2022	Twelve Months Ended Dec 31, 2021	Percentage Change
Financial Metrics:								
Earnings per basic share	$ 1.28	$ 1.49	$ 2.05	(14%)	(38%)	$ 6.23	$ 8.16	(24%)
Earnings per diluted share	$ 1.26	$ 1.47	$ 2.01	(14%)	(37%)	$ 6.15	$ 8.03	(23%)
Return on average common equity	9.2%	10.7%	14.7%			11.2%	15.0%	
Return on average tangible common equity	12.6%	14.6%	19.8%			15.3%	19.8%	
Book value per common share	$ 54.55	$ 54.46	$ 55.12			$ 54.55	$ 55.12	
Tangible book value per common share	$ 40.06	$ 39.93	$ 40.91			$ 40.06	$ 40.91	
Excluding integration-related expenses								
Adjusted earnings per diluted share	$ 1.31	$ 1.53	$ 2.08	(14%)	(37%)	$ 6.36	$ 8.22	(23%)
Adjusted return on average common equity	9.6%	11.1%	15.2%			11.6%	15.3%	
Adjusted return on average tangible common equity	13.1%	15.2%	20.4%			15.7%	20.2%	
Financial Ratios:								
Pre-tax profit margin	22%	26%	34%			26%	33%	
Compensation and benefits as a % of net revenues	44%	43%	38%			43%	41%	
Non-compensation expenses as a % of net revenues	33%	30%	29%			30%	26%	
Firm expense efficiency ratio	77%	74%	66%			73%	67%	
Firm expense efficiency ratio excluding integration-related expenses	76%	73%	65%			72%	66%	
Effective tax rate	18.9%	21.4%	23.9%			20.7%	23.1%	
Statistical Data:								
Period end common shares outstanding (millions)	1,675	1,694	1,772	(1%)	(5%)			
Average common shares outstanding (millions)								
Basic	1,652	1,674	1,751	(1%)	(6%)	1,691	1,785	(5%)
Diluted	1,679	1,697	1,785	(1%)	(6%)	1,713	1,814	(6%)
Worldwide employees	82,427	81,567	74,814	1%	10%			

Notes:
- For the quarters ended December 31, 2022, September 30, 2022 and December 31, 2021, Firm results include pre-tax integration-related expenses of $120 million, $123 million and $146 million ($92 million, $94 million and $114 million after-tax) respectively, reported in the Wealth Management and Investment Management business segments. The twelve months ended December 31, 2022 and 2021 results include pre-tax integration-related expenses of $470 million and $456 million ($360 million and $352 million after-tax), respectively.
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End of Document

Exhibit 99.2

Morgan Stanley

Fourth Quarter 2022 Earnings Results

The Firm's earnings results reflect the effect of the acquisition of Eaton Vance Corp. ("Eaton Vance") prospectively from the March 1, 2021 acquisition date. The comparisons of current year results to certain prior periods are impacted by the acquisition of Eaton Vance reported in the Investment Management segment.

Consolidated Financial Summary
(unaudited, dollars in millions)

	Quarter Ended			Percentage Change From:		Twelve Months Ended		Percentage Change
	Dec 31, 2022	Sep 30, 2022	Dec 31, 2021	Sep 30, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021	
Net revenues								
Institutional Securities	$ 4,800	$ 5,817	$ 6,669	(17%)	(28%)	$ 24,393	$ 29,833	(18%)
Wealth Management	6,626	6,120	6,254	8%	6%	24,417	24,243	1%
Investment Management	1,461	1,168	1,751	25%	(17%)	5,375	6,220	(14%)
Intersegment Eliminations	(138)	(119)	(150)	(16%)	8%	(517)	(541)	4%
Net revenues [1]	$ 12,749	$ 12,986	$ 14,524	(2%)	(12%)	$ 53,668	$ 59,755	(10%)
Provision for credit losses	$ 87	$ 35	$ 5	149%	*	$ 280	$ 4	*
Non-interest expenses								
Institutional Securities	$ 3,991	$ 4,167	$ 3,705	(4%)	8%	$ 17,467	$ 18,026	(3%)
Wealth Management	4,760	4,460	4,826	7%	(1%)	17,765	18,051	(2%)
Investment Management	1,247	1,052	1,243	19%	--	4,568	4,542	1%
Intersegment Eliminations	(130)	(116)	(139)	(12%)	6%	(501)	(536)	7%
Non-interest expenses [1][2]	$ 9,868	$ 9,563	$ 9,635	3%	2%	$ 39,299	$ 40,083	(2%)
Income before provision for income taxes								
Institutional Securities	$ 748	$ 1,626	$ 2,972	(54%)	(75%)	$ 6,715	$ 11,814	(43%)
Wealth Management	1,840	1,649	1,415	12%	30%	6,583	6,181	7%
Investment Management	214	116	508	84%	(58%)	807	1,678	(52%)
Intersegment Eliminations	(8)	(3)	(11)	(167%)	27%	(16)	(5)	*
Income before provision for income taxes	$ 2,794	$ 3,388	$ 4,884	(18%)	(43%)	$ 14,089	$ 19,668	(28%)
Net Income applicable to Morgan Stanley								
Institutional Securities	$ 656	$ 1,274	$ 2,223	(49%)	(70%)	$ 5,242	$ 8,957	(41%)
Wealth Management	1,424	1,253	1,071	14%	33%	5,139	4,734	9%
Investment Management	162	107	411	51%	(61%)	660	1,347	(51%)
Intersegment Eliminations	(6)	(2)	(9)	(200%)	33%	(12)	(4)	(200%)
Net Income applicable to Morgan Stanley	$ 2,236	$ 2,632	$ 3,696	(15%)	(40%)	$ 11,029	$ 15,034	(27%)
Earnings applicable to Morgan Stanley common shareholders	$ 2,113	$ 2,494	$ 3,592	(15%)	(41%)	$ 10,540	$ 14,566	(28%)

- Firm net revenues excluding mark-to-market gains and losses on deferred cash-based compensation plans (DCP) were: 4Q22: $12,555 million, 3Q22: $13,222 million, 4Q21: $14,394 million, 4Q22 YTD: $54,866 million, 4Q21 YTD: $59,366 million.
- Firm compensation expenses excluding DCP were: 4Q22: $5,426 million, 3Q22: $5,733 million, 4Q21: $5,350 million, 4Q22 YTD: $23,769 million, 4Q21 YTD: $24,102 million.

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Consolidated Financial Metrics, Ratios and Statistical Data (unaudited)

	Quarter Ended			Percentage Change From:		Twelve Months Ended		Percentage
	Dec 31, 2022	Sep 30, 2022	Dec 31, 2021	Sep 30, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021	Change
Financial Metrics:								
Earnings per basic share	$ 1.28	$ 1.49	$ 2.05	(14%)	(38%)	$ 6.23	$ 8.16	(24%)
Earnings per diluted share	$ 1.26	$ 1.47	$ 2.01	(14%)	(37%)	$ 6.15	$ 8.03	(23%)
Return on average common equity	9.2%	10.7%	14.7%			11.2%	15.0%	
Return on average tangible common equity	12.6%	14.6%	19.8%			15.3%	19.8%	
Book value per common share	$ 54.55	$ 54.46	$ 55.12			$ 54.55	$ 55.12	
Tangible book value per common share	$ 40.06	$ 39.93	$ 40.91			$ 40.06	$ 40.91	
Excluding integration-related expenses (1)								
Adjusted earnings per diluted share	$ 1.31	$ 1.53	$ 2.08	(14%)	(37%)	$ 6.36	$ 8.22	(23%)
Adjusted return on average common equity	9.6%	11.1%	15.2%			11.6%	15.3%	
Adjusted return on average tangible common equity	13.1%	15.2%	20.4%			15.7%	20.2%	
Financial Ratios:								
Pre-tax profit margin	22%	26%	34%			26%	33%	
Compensation and benefits as a % of net revenues	44%	43%	38%			43%	41%	
Non-compensation expenses as a % of net revenues	33%	30%	29%			30%	26%	
Firm expense efficiency ratio	77%	74%	66%			73%	67%	
Firm expense efficiency ratio excluding integration-related expenses (1)	76%	73%	65%			72%	66%	
Effective tax rate	18.9%	21.4%	23.9%			20.7%	23.1%	
Statistical Data:								
Period end common shares outstanding (millions)	1,675	1,694	1,772	(1%)	(5%)			
Average common shares outstanding (millions)								
Basic	1,652	1,674	1,751	(1%)	(6%)	1,691	1,785	(5%)
Diluted	1,679	1,697	1,785	(1%)	(6%)	1,713	1,814	(6%)
Worldwide employees	82,427	81,567	74,814	1%	10%			

Notes:

- For the quarters ended December 31, 2022, September 30, 2022 and December 31, 2021, Firm results include pre-tax integration-related expenses of $120 million, $123 million and $146 million ($92 million, $94 million and $114 million after-tax) respectively, reported in the Wealth Management and Investment Management business segments. The twelve months ended December 31, 2022 and 2021 results include pre-tax integration-related expenses of $470 million and $456 million ($360 million and $352 million after-tax), respectively.
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Consolidated and U.S. Bank Supplemental Financial Information
(unaudited, dollars in millions)

	Quarter Ended			Percentage Change From:		Twelve Months Ended		Percentage
	Dec 31, 2022	Sep 30, 2022	Dec 31, 2021	Sep 30, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021	Change
Consolidated Balance sheet								
Total assets	$ 1,180,231	$ 1,160,029	$ 1,188,140	2%	(1%)			
Loans (1)	$ 222,182	$ 218,448	$ 200,761	2%	11%			
Deposits	$ 356,646	$ 338,123	$ 347,574	5%	3%			
Long-term debt outstanding	$ 233,867	$ 216,361	$ 227,363	8%	3%			
Maturities of long-term debt outstanding (next 12 months)	$ 18,910	$ 18,755	$ 14,197	1%	33%			
Average liquidity resources	$ 312,250	$ 308,001	$ 345,049	1%	(10%)			
Common equity	$ 91,391	$ 92,261	$ 97,691	(1%)	(6%)			
Less: Goodwill and intangible assets	(24,268)	(24,613)	(25,192)	(1%)	(4%)			
Tangible common equity	$ 67,123	$ 67,648	$ 72,499	(1%)	(7%)			
Preferred equity	$ 8,750	$ 8,750	$ 7,750	--	13%			
U.S. Bank Supplemental Financial Information								
Total assets	$ 390,963	$ 371,165	$ 386,059	5%	1%			
Loans	$ 206,344	$ 204,889	$ 185,499	1%	11%			
Investment securities portfolio (2)	$ 123,254	$ 123,007	$ 143,292	--	(14%)			
Deposits	$ 350,553	$ 331,943	$ 346,221	6%	1%			
Regional revenues								
Americas	$ 9,897	$ 10,094	$ 11,274	(2%)	(12%)	$ 40,117	$ 44,605	(10%)
EMEA (Europe, Middle East, Africa)	1,430	1,392	1,695	3%	(16%)	6,811	7,699	(12%)
Asia	1,422	1,500	1,555	(5%)	(9%)	6,740	7,451	(10%)
Consolidated net revenues	$ 12,749	$ 12,986	$ 14,524	(2%)	(12%)	$ 53,668	$ 59,755	(10%)

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Consolidated Average Common Equity and Regulatory Capital Information
(unaudited, dollars in billions)

	Quarter Ended			Percentage Change From:		Twelve Months Ended		Percentage
	Dec 31, 2022	Sep 30, 2022	Dec 31, 2021	Sep 30, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021	Change
Average Common Equity								
Institutional Securities	$ 48.8	$ 48.8	$ 43.5	--	12%	$ 48.8	$ 43.5	12%
Wealth Management	31.0	31.0	28.6	--	8%	31.0	28.6	8%
Investment Management	10.6	10.6	10.7	--	(1%)	10.6	8.8	20%
Parent	1.1	2.5	15.0	(56%)	(93%)	3.5	16.2	(78%)
Firm	$ 91.5	$ 92.9	$ 97.8	(2%)	(6%)	$ 93.9	$ 97.1	(3%)
Regulatory Capital (1)								
Common Equity Tier 1 capital	$ 68.7	$ 67.9	$ 75.7	1%	(9%)			
Tier 1 capital	$ 77.2	$ 76.4	$ 83.3	1%	(7%)			
Standardized Approach								
Risk-weighted assets	$ 448.7	$ 457.9	$ 471.9	(2%)	(5%)			
Common Equity Tier 1 capital ratio	15.3%	14.8%	16.0%					
Tier 1 capital ratio	17.2%	16.7%	17.7%					
Advanced Approach								
Risk-weighted assets	$ 440.8	$ 447.8	$ 435.7	(2%)	1%			
Common Equity Tier 1 capital ratio	15.6%	15.2%	17.4%					
Tier 1 capital ratio	17.5%	17.1%	19.1%					
Leverage-based capital								
Tier 1 leverage ratio	6.7%	6.6%	7.1%					
Supplementary Leverage Ratio	5.5%	5.4%	5.6%					

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Institutional Securities
Income Statement Information, Financial Metrics and Ratios
(unaudited, dollars in millions)

	Quarter Ended			Percentage Change From:		Twelve Months Ended		Percentage Change
	Dec 31, 2022	Sep 30, 2022	Dec 31, 2021	Sep 30, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021	
Revenues:								
Advisory	$ 711	$ 693	$ 1,071	3%	(34%)	$ 2,946	$ 3,487	(16%)
Equity	227	218	853	4%	(73%)	851	4,437	(81%)
Fixed income	314	366	510	(14%)	(38%)	1,438	2,348	(39%)
Underwriting	541	584	1,363	(7%)	(60%)	2,289	6,785	(66%)
Investment banking	1,252	1,277	2,434	(2%)	(49%)	5,235	10,272	(49%)
Equity	2,176	2,459	2,857	(12%)	(24%)	10,769	11,435	(6%)
Fixed income	1,418	2,181	1,228	(35%)	15%	9,022	7,516	20%
Other	(46)	(100)	150	54%	*	(633)	610	*
Net revenues	4,800	5,817	6,669	(17%)	(28%)	24,393	29,833	(18%)
Provision for credit losses	61	24	(8)	154%	*	211	(7)	*
Compensation and benefits	1,644	1,948	1,370	(16%)	20%	8,246	9,165	(10%)
Non-compensation expenses	2,347	2,219	2,335	6%	1%	9,221	8,861	4%
Total non-interest expenses	3,991	4,167	3,705	(4%)	8%	17,467	18,026	(3%)
Income before provision for income taxes	748	1,626	2,972	(54%)	(75%)	6,715	11,814	(43%)
Net income applicable to Morgan Stanley	$ 656	$ 1,274	$ 2,223	(49%)	(70%)	$ 5,242	$ 8,957	(41%)
Pre-tax profit margin	16%	28%	45%			28%	40%	
Compensation and benefits as a % of net revenues	34%	34%	21%			34%	31%	
Non-compensation expenses as a % of net revenues	49%	38%	35%			38%	30%	
Return on Average Common Equity	5%	10%	20%			10%	20%	
Return on Average Tangible Common Equity [1]	5%	10%	20%			10%	20%	
Trading VaR (Average Daily 95% / One-Day VaR)	$ 64	$ 61	$ 40					

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Wealth Management
Income Statement Information, Financial Metrics and Ratios
(unaudited, dollars in millions)

	Quarter Ended			Percentage Change From:		Twelve Months Ended		Percentage
	Dec 31, 2022	Sep 30, 2022	Dec 31, 2021	Sep 30, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021	Change
Revenues:								
Asset management	$ 3,347	$ 3,389	$ 3,700	(1%)	(10%)	$ 13,872	$ 13,966	(1%)
Transactional	931	616	1,027	51%	(9%)	2,473	4,259	(42%)
Net interest income	2,138	2,004	1,405	7%	52%	7,429	5,393	38%
Other	210	111	122	89%	72%	643	625	3%
Net revenues (1)	6,626	6,120	6,254	8%	6%	24,417	24,243	1%
Provision for credit losses	26	11	13	136%	100%	69	11	*
Compensation and benefits (1)	3,343	3,171	3,486	5%	(4%)	12,534	13,090	(4%)
Non-compensation expenses	1,417	1,289	1,340	10%	6%	5,231	4,961	5%
Total non-interest expenses (2)	4,760	4,460	4,826	7%	(1%)	17,765	18,051	(2%)
Income before provision for income taxes	1,840	1,649	1,415	12%	30%	6,583	6,181	7%
Net income applicable to Morgan Stanley	$ 1,424	$ 1,253	$ 1,071	14%	33%	$ 5,139	$ 4,734	9%
Pre-tax profit margin	28%	27%	23%			27%	25%	
Pre-tax profit margin excluding integration-related expenses	29%	28%	24%			28%	27%	
Compensation and benefits as a % of net revenues	50%	52%	56%			51%	54%	
Non-compensation expenses as a % of net revenues	21%	21%	21%			21%	20%	
Return on Average Common Equity	18%	16%	15%			16%	16%	
Return on Average Tangible Common Equity (3)	34%	30%	31%			31%	34%	

Notes:
- Wealth Management net revenues excluding DCP were: 4Q22: $6,520 million, 3Q22: $6,273 million, 4Q21: $6,203 million, 4Q22 YTD: $25,275 million, 4Q21 YTD: $24,033 million.
- Wealth Management compensation expenses excluding DCP were: 4Q22: $3,228 million, 3Q22: $3,257 million, 4Q21: $3,412 million, 4Q22 YTD: $13,064 million, 4Q21 YTD: $12,797 million.
- For the quarters ended December 31, 2022, September 30, 2022 and December 31, 2021, Wealth Management's results include pre-tax integration-related expenses of $94 million, $92 million and $109 million ($72 million, $70 million and $85 million after-tax), respectively. The twelve months ended December 31, 2022 and 2021 results include pre‑tax integration‑related expenses of $357 million and $346 million ($273 million and $267 million after‑tax), respectively.
- The End Notes are an integral part of this presentation. See pages 12 - 18 for Definition of U.S. GAAP to Non-GAAP Measures, Definitions of Performance Metrics and Terms, Supplemental Quantitative Details and Calculations, and Legal Notice.

Wealth Management
Financial Information and Statistical Data
(unaudited, dollars in billions)

	Quarter Ended			Percentage Change From:	
	Dec 31, 2022	Sep 30, 2022	Dec 31, 2021	Sep 30, 2022	Dec 31, 2021
Wealth Management Metrics					
Total client assets [1]	$ 4,187	$ 4,134	$ 4,989	1%	(16%)
Net new assets	$ 51.6	$ 64.8	$ 127.1	(20%)	(59%)
U.S. Bank loans	$ 146.1	$ 145.7	$ 129.2	--	13%
Margin and other lending [2]	$ 22.0	$ 24.3	$ 31.0	(9%)	(29%)
Deposits [3]	$ 351	$ 332	$ 346	6%	1%
Annualized weighted average cost of deposits					
Period end	1.59%	0.93%	0.10%		
Period average	1.32%	0.56%	0.12%		
Advisor-led channel					
Advisor-led client assets	$ 3,392	$ 3,305	$ 3,886	3%	(13%)
Fee-based client assets	$ 1,678	$ 1,628	$ 1,839	3%	(9%)
Fee-based asset flows	$ 20.4	$ 16.7	$ 37.8	22%	(46%)
Fee-based assets as a % of advisor-led client assets	49%	49%	47%		
Self-directed channel					
Self-directed assets [1]	$ 795	$ 829	$ 1,103	(4%)	(28%)
Daily average revenue trades (000's)	755	805	1,044	(6%)	(28%)
Self-directed households (millions)	8.0	7.8	7.4	3%	8%
Workplace channel					
Stock plan unvested assets	$ 302	$ 312	$ 509	(3%)	(41%)
Number of stock plan participants (millions)	6.3	6.2	5.6	2%	13%

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Investment Management
Income Statement Information, Financial Metrics and Ratios
(unaudited, dollars in millions)

	Quarter Ended			Percentage Change From:		Twelve Months Ended		Percentage
	Dec 31, 2022	Sep 30, 2022	Dec 31, 2021	Sep 30, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021	Change
Revenues:								
Asset management and related fees	$ 1,371	$ 1,269	$ 1,585	8%	(14%)	$ 5,332	$ 5,576	(4%)
Performance-based income and other	90	(101)	166	*	(46%)	43	644	(93%)
Net revenues	1,461	1,168	1,751	25%	(17%)	5,375	6,220	(14%)
Compensation and benefits	628	495	631	27%	--	2,273	2,373	(4%)
Non-compensation expenses	619	557	612	11%	1%	2,295	2,169	6%
Total non-interest expenses (1)	1,247	1,052	1,243	19%	--	4,568	4,542	1%
Income before provision for income taxes	214	116	508	84%	(58%)	807	1,678	(52%)
Net income applicable to Morgan Stanley	$ 162	$ 107	$ 411	51%	(61%)	$ 660	$ 1,347	(51%)
Pre-tax profit margin	15%	10%	29%			15%	27%	
Pre-tax profit margin excluding integration-related expenses	16%	13%	31%			17%	29%	
Compensation and benefits as a % of net revenues	43%	42%	36%			42%	38%	
Non-compensation expenses as a % of net revenues	42%	48%	35%			43%	35%	
Return on Average Common Equity	6%	4%	15%			6%	15%	
Return on Average Tangible Common Equity (2)	85%	56%	207%			86%	144%	

Notes:
- Investment Management results reflect the effect of the acquisition of Eaton Vance Corp. ("Eaton Vance") prospectively from the March 1, 2021 acquisition date. The comparison of current year-to-date results to the prior period is impacted by the acquisition.
- For the quarters ended December 31, 2022, September 30, 2022 and December 31, 2021, Investment Management's results include pre-tax integration-related expenses of $26 million, $31 million and $37 million ($20 million, $24 million and $29 million after-tax), respectively. The twelve months ended December 31, 2022 and 2021 results include pre‐tax integration‐related expenses of $113 million and $110 million ($87 million and $85 million after‐tax), respectively.
- The End Notes are an integral part of this presentation. See pages 12 - 18 for Definition of U.S. GAAP to Non-GAAP Measures, Definitions of Performance Metrics and Terms, Supplemental Quantitative Details and Calculations, and Legal Notice.

Investment Management
Financial Information and Statistical Data
(unaudited, dollars in billions)

	Quarter Ended			Percentage Change From:		Twelve Months Ended		Percentage
	Dec 31, 2022	Sep 30, 2022	Dec 31, 2021	Sep 30, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021	Change
Assets under management or supervision (AUM)								
Net flows by asset class (1)								
Equity	$ (6.1)	$ (3.9)	$ (5.7)	(56%)	(7%)	$ (24.9)	$ 3.9	*
Fixed Income	(3.8)	(5.0)	2.3	24%	*	(15.3)	8.9	*
Alternatives and Solutions	3.9	7.0	2.3	(44%)	70%	14.4	13.6	6%
Long-Term Net Flows	(6.0)	(1.9)	(1.1)	*	*	(25.8)	26.4	*
Liquidity and Overlay Services	(18.5)	(32.5)	12.6	43%	*	(47.8)	88.1	*
Total Net Flows	$ (24.5)	$ (34.4)	$ 11.5	29%	*	$ (73.6)	$ 114.5	*
Assets under management or supervision by asset class (2)								
Equity	$ 259	$ 249	$ 395	4%	(34%)			
Fixed Income	173	171	207	1%	(16%)			
Alternatives and Solutions	431	405	466	6%	(8%)			
Long-Term Assets Under Management or Supervision	$ 863	$ 825	$ 1,068	5%	(19%)			
Liquidity and Overlay Services	442	454	497	(3%)	(11%)			
Total Assets Under Management or Supervision	$ 1,305	$ 1,279	$ 1,565	2%	(17%)			

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Consolidated Loans and Lending Commitments
(unaudited, dollars in billions)

	Quarter Ended			Percentage Change From:	
	Dec 31, 2022	Sep 30, 2022	Dec 31, 2021	Sep 30, 2022	Dec 31, 2021
Institutional Securities					
Loans:					
Corporate	$ 17.0	$ 14.3	$ 13.5	19%	26%
Secured lending facilities	38.6	38.3	35.2	1%	10%
Commercial and residential real estate	11.7	11.8	13.6	(1%)	(14%)
Securities-based lending and other	8.5	7.8	9.0	9%	(6%)
Total Loans	75.8	72.2	71.3	5%	6%
Lending Commitments	119.7	119.7	120.3	--	--
Institutional Securities Loans and Lending Commitments	$ 195.5	$ 191.9	$ 191.6	2%	2%
Wealth Management					
Loans:					
Securities-based lending and other	$ 91.7	$ 93.0	$ 85.1	(1%)	8%
Residential real estate	54.4	52.8	44.2	3%	23%
Total Loans	146.1	145.8	129.3	--	13%
Lending Commitments	17.3	16.9	14.7	2%	18%
Wealth Management Loans and Lending Commitments	$ 163.4	$ 162.7	$ 144.0	--	13%
Consolidated Loans and Lending Commitments (1)	$ 358.9	$ 354.6	$ 335.6	1%	7%

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Consolidated Loans and Lending Commitments
Allowance for Credit Losses (ACL) as of December 31, 2022
(unaudited, dollars in millions)

	Loans and Lending Commitments *(Gross)*	ACL (1)	ACL %	Q4 Provision
Loans:				
Held For Investment (HFI)				
Corporate	$ 6,589	$ 235	3.6%	$ 20
Secured lending facilities	35,606	153	0.4%	(4)
Commercial and residential real estate	8,515	275	3.2%	45
Other	2,865	11	0.4%	-
Institutional Securities - HFI	$ 53,575	$ 674	1.3%	$ 61
Wealth Management - HFI	146,257	165	0.1%	18
Held For Investment	$ 199,832	$ 839	0.4%	$ 79
Held For Sale	14,788			
Fair Value	8,179			
Total Loans	222,799	839		79
Lending Commitments	136,960	504	0.4%	8
Consolidated Loans and Lending Commitments	$ 359,759	$ 1,343		$ 87

The End Notes are an integral part of this presentation. See pages 12 - 18 for Definition of U.S. GAAP to Non-GAAP Measures, Definitions of Performance Metrics and Terms, Supplemental Quantitative Details and Calculations, and Legal Notice.

Definition of U.S. GAAP to Non-GAAP Measures

(a) The Firm prepares its Consolidated Financial Statements using accounting principles generally accepted in the United States (U.S. GAAP). From time to time, Morgan Stanley may disclose certain “non-GAAP financial measures” in the course of its earnings releases, earnings conference calls, financial presentations and otherwise. The Securities and Exchange Commission defines a “non-GAAP financial measure” as a numerical measure of historical or future financial performance, financial positions, or cash flows that is subject to adjustments that effectively exclude, or include amounts from the most directly comparable measure calculated and presented in accordance with U.S. GAAP. Non-GAAP financial measures disclosed by Morgan Stanley are provided as additional information to analysts, investors and other stakeholders in order to provide them with greater transparency about, or an alternative method for assessing, our financial condition, operating results, or prospective regulatory capital requirements. These measures are not in accordance with, or a substitute for U.S. GAAP, and may be different from or inconsistent with non-GAAP financial measures used by other companies. Whenever we refer to a non-GAAP financial measure, we will also generally define it or present the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP, along with a reconciliation of the differences between the non-GAAP financial measure we reference and such comparable U.S. GAAP financial measure. In addition to the following notes, please also refer to the Firm's Annual Report on Form 10-K for the year ended December 31, 2021.

(b) The following are considered non-GAAP financial measures that the Firm considers useful for analysts, investors and other stakeholders to allow comparability of operating performance and capital adequacy. These measures are calculated as follows:

- Earnings per diluted share excluding integration-related expenses represents net income applicable to Morgan Stanley, adjusted for the impact of the integration-related expenses associated with the acquisitions of E*TRADE and Eaton Vance, less preferred dividends divided by the average number of diluted shares outstanding.
- The return on average tangible common equity represents annualized earnings applicable to Morgan Stanley common shareholders as a percentage of average tangible common equity.
- The return on average common equity and the return on average tangible common equity excluding integration-related expenses are adjusted in both the numerator and the denominator to exclude the integration-related expenses associated with the acquisitions of E*TRADE and Eaton Vance.
- Segment return on average common equity and return on average tangible common equity represent full year net income or annualized net income for the quarter applicable to Morgan Stanley for each segment, less preferred dividend segment allocation, divided by average common equity and average tangible common equity for each respective segment. The segment adjustments to common equity to derive segment average tangible common equity are generally set at the beginning of the year, and will remain fixed throughout the year until the next annual reset unless a significant business change occurs (e.g., acquisition or disposition).
- Tangible common equity represents common equity less goodwill and intangible assets net of certain mortgage servicing rights deduction.
- Tangible book value per common share represents tangible common equity divided by period end common shares outstanding.
- Pre-tax profit margin excluding integration-related expenses represents income before provision for income taxes less integration-related expenses associated with the acquisitions of E*TRADE and Eaton Vance as percentages of net revenues.
- The Firm expense efficiency ratio excluding integration-related expenses represents total non - interest expenses less integration-related expenses associated with the acquisitions of E*TRADE and Eaton Vance as a percentage of net revenues.
- Net revenues excluding DCP represents net revenues adjusted for the impact of mark-to-market gains/losses on economic hedges associated with certain employee deferred cash-based compensation plans.
- Compensation expense excluding DCP represents compensation adjusted for the impact related to certain deferred cash-based compensation plans linked to investment performance.

Definitions of Performance Metrics and Terms

Our earnings releases, earnings conference calls, financial presentations and other communications may also include certain metrics which we believe to be useful to us, analysts, investors and other stakeholders by providing further transparency about, or an additional means of assessing, our financial condition and operating results.

Page 1:

(a) Provision for credit losses represents the provision for credit losses on loans held for investment and unfunded lending commitments.
(b) Net income applicable to Morgan Stanley represents net income, less net income applicable to nonredeemable noncontrolling interests.
(c) Earnings applicable to Morgan Stanley common shareholders represents net income applicable to Morgan Stanley, less preferred dividends.

Page 2:

(a) The return on average common equity represents annualized earnings applicable to Morgan Stanley common shareholders as a percentage of average common equity.
(b) Book value per common share represents common equity divided by period end common shares outstanding.
(c) Tangible book value per common share represents tangible common equity divided by period end common shares outstanding.
(d) Pre-tax profit margin percentages represent income before provision for income taxes as percentages of net revenues.
(e) The Firm expense efficiency ratio represents total non‐interest expenses as a percentage of net revenues.

Page 3:

(a) Liquidity Resources, which are primarily held within the Parent and its major operating subsidiaries, are comprised of high quality liquid assets (HQLA) and cash deposits with banks ("Liquidity Resources"). The total amount of Liquidity Resources is actively managed by us considering the following components: unsecured debt maturity profile; balance sheet size and composition; funding needs in a stressed environment, inclusive of contingent cash outflows; legal entity, regional and segment liquidity requirements; regulatory requirements; and collateral requirements. Average Liquidity Resources represents the average daily balance for the three months ended December 31, 2022, September 30, 2022 and December 31, 2021.
(b) The Firm's goodwill and intangible balances utilized in the calculation of tangible common equity are net of certain mortgage servicing rights deduction.
(c) U.S. Bank refers to the Firm's U.S. Bank operating subsidiaries Morgan Stanley Bank, N.A. and Morgan Stanley Private Bank, National Association, and excludes balances between Bank subsidiaries, as well as deposits from the Parent and affiliates.
(d) Firmwide regional revenues reflect the Firm's consolidated net revenues on a managed basis. Further discussion regarding the geographic methodology for net revenues is disclosed in Note 23 to the consolidated financial statements included in the Firm's Annual Report on Form 10-K for the year ended December 31, 2021 (2021 Form 10-K).

Page 4:

(a) The Firm's attribution of average common equity to the business segments is based on the Required Capital framework, an internal capital adequacy measure. This framework is a risk-based and leverage-based capital measure, which is compared with the Firm's regulatory capital to ensure that the Firm maintains an amount of going concern capital after absorbing potential losses from stress events, where applicable, at a point in time. The Required Capital Framework is based on the Firm's regulatory capital requirements. The Firm defines the difference between its total average common equity and the sum of the average common equity amounts allocated to its business segments as Parent common equity. The amount of capital allocated to the business segments is generally set at the beginning of the year, and will remain fixed throughout the year until the next annual reset unless a significant business change occurs (e.g., acquisition or disposition). The Firm continues to evaluate its required capital framework with respect to the impact of evolving regulatory requirements, as appropriate. For further discussion of the framework, refer to "Management’s Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources – Regulatory Requirements" in the Firm’s 2021 Form 10‐K and the Firm’s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2022.
(b) The Firm's risk‐based capital ratios are computed under each of the (i) standardized approaches for calculating credit risk and market risk‐weighted assets (RWAs) (the “Standardized Approach”) and (ii) applicable advanced approaches for calculating credit risk, market risk and operational risk RWAs (the “Advanced Approach”). For information on the calculation of regulatory capital and ratios, and associated regulatory requirements, please refer to "Management’s Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources – Regulatory Requirements" in the Firm’s 2021 Form 10‐K and the Firm’s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2022.
(c) Supplementary leverage ratio represents Tier 1 capital divided by the total supplementary leverage exposure.

Page 5:

(a) Institutional Securities Equity and Fixed income net revenues include trading, net interest income (interest income less interest expense), asset management, commissions and fees, investments and other revenues which are directly attributable to those businesses.
(b) Pre-tax profit margin percentages represent income before provision for income taxes as percentages of net revenues.
(c) VaR represents the unrealized loss in portfolio value that one would not expect to exceed, on average, more than five times every one hundred trading days in the Firm's trading positions if the portfolio were held constant for a one-day period. Further discussion of the calculation of VaR and the limitations of the Firm's VaR methodology, is disclosed in "Quantitative and Qualitative Disclosures about Risk" included in the Firm's 2021 Form 10-K.

Page 6:

(a) Transactional revenues for the Wealth Management segment includes investment banking, trading, and commissions and fee revenues.
(b) Net interest income represents interest income less interest expense.
(c) Other revenues for the Wealth Management segment includes investments and other revenues.
(d) Pre-tax profit margin percentages represent income before provision for income taxes as percentages of net revenues.

Definitions of Performance Metrics and Terms

Our earnings releases, earnings conference calls, financial presentations and other communications may also include certain metrics which we believe to be useful to us, analysts, investors and other stakeholders by providing further transparency about, or an additional means of assessing, our financial condition and operating results.

Page 7:

(a) Client assets represent those for which Wealth Management is providing services including financial advisor-led brokerage, custody, administrative and investment advisory services; self-directed brokerage services; financial and wealth planning services; workplace services, including stock plan administration, and retirement plan services.
(b) Net new assets represent client inflows, including dividends and interest, and asset acquisitions, less client outflows, and exclude activity from business combinations/divestitures and the impact of fees and commissions.
(c) Margin and other lending represents margin lending arrangements, which allow customers to borrow against the value of qualifying securities and other lending which includes non‑purpose securities-based lending on non‑bank entities.
(d) Deposits reflect liabilities sourced from Wealth Management clients and other sources of funding on the U.S. Bank Subsidiaries. Deposits include sweep deposit programs, savings and other, and time deposits.
(e) Annualized weighted average cost of deposits represents the total annualized weighted average cost of the various deposit products, excluding the effect of related hedging derivatives. Period end cost of deposits is based upon balances and rates as of December 31, 2022, September 30, 2022 and December 31, 2021. The period average is based on both daily average deposit balances and rates for the period.
(f) Advisor-led client assets represent client assets in accounts that have a Wealth Management representative assigned.
(g) Fee‑based client assets represent the amount of assets in client accounts where the basis of payment for services is a fee calculated on those assets.
(h) Fee-based asset flows include net new fee-based assets (including asset acquisitions), net account transfers, dividends, interest and client fees, and exclude institutional cash management related activity. For a description of the Inflows and Outflows included in Fee-based asset flows, see Fee-based client assets in the 2021 Form 10-K.
(i) Self-directed assets represent active accounts which are not advisor led. Active accounts are defined as having at least $25 in assets.
(j) Daily average revenue trades (DARTs) represent the total self-directed trades in a period divided by the number of trading days during that period.
(k) Self-directed households represent the total number of households that include at least one account with self-directed assets. Individual households or participants that are engaged in one or more of our Wealth Management channels are included in each of the respective channel counts.
(l) The workplace channel assets includes equity compensation solutions for companies, their executives and employees. Stock plan unvested assets represent the market value of public company securities at the end of the period.
(m) Stock plan participants represent total accounts with vested and/or unvested stock plan assets in the workplace channel. Individuals with accounts in multiple plans are counted as participants in each plan.

Page 8:

(a) Asset management and related fees represents management and administrative fees, distribution fees, and performance-based fees, not in the form of carried interest. Asset management and related fees represents Asset management as reported on the Firm’s consolidated income statement.
(b) Performance-based income and other includes performance-based fees in the form of carried interest, gains and losses from investments, gains and losses from hedges on seed capital and certain employee deferred compensation plans, net interest, and other revenues. Performance-based income and other represents investments, investment banking, trading, net interest and other revenues as reported on the Firm’s consolidated income statement.
(c) Pre-tax profit margin percentages represent income before provision for income taxes as percentages of net revenues.

Page 9:

(a) Investment Management Alternatives and Solutions asset class includes products in Fund of Funds, Real Estate, Private Equity and Credit strategies, Multi‑Asset portfolios, as well as Custom Separate Account portfolios.
(b) Investment Management net flows include new commitments, investments or reinvestments, net of client redemptions, returns of capital post-fund investment period and dividends not reinvested and excludes the impact of the transition of funds from their commitment period to the invested capital period.
(c) Overlay Services represents investment strategies that use passive exposure instruments to obtain, offset, or substitute specific portfolio exposures beyond those provided by the underlying holdings of the fund.
(d) Total assets under management or supervision excludes shares of minority stake assets which represent the Investment Management business segment’s proportional share of assets managed by third-party asset managers in which we hold investments accounted for under the equity method.

Page 10 and 11:

(a) Corporate loans include relationship and event-driven loans and typically consist of revolving lines of credit, term loans and bridge loans.
(b) Secured lending facilities include loans provided to clients, which are primarily secured by loans, which are, in turn, collateralized by various assets including residential real estate, commercial real estate, corporate and financial assets.
(c) Securities-based lending and other includes financing extended to sales and trading customers and corporate loans purchased in the secondary market.
(d) Institutional Securities Lending Commitments principally include Corporate lending activity.

Supplemental Quantitative Details and Calculations

Page 1:

(1)The following sets forth the net revenue impact of mark-to-market gains and losses on investments associated with DCP and compensation expense impact related to DCP:

	4Q22	3Q22	4Q21	4Q22 YTD	4Q21 YTD
Net revenues	$ 12,749	$ 12,986	$ 14,524	$ 53,668	$ 59,755
Adjustment for mark-to-market on DCP	(194)	236	(130)	1,198	(389)
Adjusted Net revenues - non-GAAP	$ 12,555	$ 13,222	$ 14,394	$ 54,866	$ 59,366
Compensation expense	$ 5,615	$ 5,614	$ 5,487	$ 23,053	$ 24,628
Adjustment for mark-to-market on DCP	(189)	119	(137)	716	(526)
Adjusted Compensation expense - non-GAAP	$ 5,426	$ 5,733	$ 5,350	$ 23,769	$ 24,102

- Compensation expense for deferred cash-based compensation awards is calculated based on the notional value of the award granted, adjusted for changes in the fair value of the referenced investments that employees select. Compensation expense is recognized over the vesting period relevant to each separately vesting portion of deferred awards.
- The Firm invests directly, as a principal, in financial instruments and other investments to economically hedge certain of its obligations under these deferred cash-based compensation plans. Changes in the fair value of such investments, net of financing costs are recorded in Trading and Investments revenues, and included in Transactional revenues in the Wealth Management segment. Although changes in compensation expense resulting from changes in the fair value of the referenced investments will generally be offset by changes in the fair value of investments recognized in Net revenues, there is typically a timing difference between the immediate recognition of gains and losses on the Firm's investments and the deferred recognition of the related compensation expense over the vesting period. While this timing difference may not be material to Income before provision for income taxes for the Firm in any individual period, it may significantly impact the Wealth Management segment reported ratios and operating metrics in certain periods due to potentially significant impacts to revenues and expenses.

(2)The Firm non-interest expenses by category are as follows:

	4Q22	3Q22	4Q21	4Q22 YTD	4Q21 YTD
Compensation and benefits [(a)]	$ 5,615	$ 5,614	$ 5,487	$ 23,053	$ 24,628
Non-compensation expenses:					
Brokerage, clearing and exchange fees	851	847	811	3,458	3,341
Information processing and communications	933	874	833	3,493	3,119
Professional services	853	755	829	3,070	2,933
Occupancy and equipment	443	429	479	1,729	1,725
Marketing and business development	295	215	205	905	643
Other	878	829	991	3,591	3,694
Total non-compensation expenses	4,253	3,949	4,148	16,246	15,455
Total non-interest expenses	$ 9,868	$ 9,563	$ 9,635	$ 39,299	$ 40,083

(a) The Firm recorded severance costs of $133 million in the fourth quarter of 2022, associated with a December employee action, which were reported in the business segments' results as follows: Institutional Securities $88 million, Wealth Management $30 million and Investment Management $15 million.

Page 2:

(1)For the quarters ended December 31, 2022, September 30, 2022 and December 31, 2021, Firm results include pre-tax integration-related expenses of $120 million, $123 million and $146 million ($92 million, $94 million and $114 million after-tax), respectively, reported in the Wealth Management and Investment Management business segments. The twelve months ended December 31, 2022 and 2021 results include pre-tax integration-related expenses of $470 million and $456 million ($360 million and $352 million after-tax), respectively. The following sets forth the impact of the integration-related expenses to earnings per diluted share, return on average common equity and return on average tangible common equity (which are excluded):

	4Q22	3Q22	4Q21	4Q22 YTD	4Q21 YTD
Earnings per diluted share - GAAP	$ 1.26	$ 1.47	$ 2.01	$ 6.15	$ 8.03
Impact of adjustments	0.05	0.06	0.07	0.21	0.19
Earnings per diluted share excluding integration-related expenses - Non-GAAP	$ 1.31	$ 1.53	$ 2.08	$ 6.36	$ 8.22
Return on average common equity - GAAP	9.2%	10.7%	14.7%	11.2%	15.0%
Impact of adjustments	0.4%	0.4%	0.5%	0.4%	0.3%
Return on average common equity excluding integration-related expenses - Non-GAAP	9.6%	11.1%	15.2%	11.6%	15.3%
Return on average tangible common equity - GAAP	12.6%	14.6%	19.8%	15.3%	19.8%
Impact of adjustments	0.5%	0.6%	0.6%	0.4%	0.4%
Return on average tangible common equity excluding integration-related expenses - Non-GAAP	13.1%	15.2%	20.4%	15.7%	20.2%
Firm expense efficiency ratio - GAAP	77.4%	73.6%	66.3%	73.2%	67.1%
Impact of adjustments	(0.9)%	(0.9)%	(1.0)%	(0.8)%	(0.8)%
Firm expense efficiency ratio excluding integration-related expenses - Non-GAAP	76.5%	72.7%	65.3%	72.4%	66.3%

Page 3:

(1) Includes loans held for investment (net of allowance), loans held for sale and also includes loans at fair value which are included in Trading assets on the balance sheet.

(2) As of December 31, 2022, September 30, 2022 and December 31, 2021, the U.S. Bank investment securities portfolio included held to maturity investment securities of $56.4 billion, $57.4 billion and $61.7 billion, respectively.

Supplemental Quantitative Details and Calculations

Page 4:

(1)The Firm early adopted the standardized approach for counterparty credit risk (SA-CCR) under Basel III on December 1, 2021. SA-CCR replaced the previous exposure method used to measure derivatives counterparty exposure within the Standardized Approach risk-weighted assets (RWAs) and Supplementary Leverage Ratio exposure calculations in the regulatory capital framework.

Page 5:

(1)Institutional Securities average tangible common equity represents average common equity adjusted to exclude goodwill and intangible assets net of allowable mortgage servicing rights deduction. The adjustments are as follows: 4Q22: $576mm; 3Q22: $576mm; 4Q21: $603mm; 4Q22 YTD: $576mm; 4Q21 YTD: $603mm

Page 6:

(1)The following sets forth the net revenue impact of mark-to-market gains and losses on investments associated with DCP and compensation expense impact related to DCP:

	4Q22	3Q22	4Q21	4Q22 YTD	4Q21 YTD
Net revenues	$ 6,626	$ 6,120	$ 6,254	$ 24,417	$ 24,243
Adjustment for mark-to-market on DCP	(106)	153	(51)	858	(210)
Adjusted Net revenues - non-GAAP	$ 6,520	$ 6,273	$ 6,203	$ 25,275	$ 24,033
Compensation expense	$ 3,343	$ 3,171	$ 3,486	$ 12,534	$ 13,090
Adjustment for mark-to-market on DCP	(115)	86	(74)	530	(293)
Adjusted Compensation expense - non-GAAP	$ 3,228	$ 3,257	$ 3,412	$ 13,064	$ 12,797

(2)For the quarters ended December 31, 2022, September 30, 2022 and December 31, 2021 and twelve months ended December 31, 2022 and 2021, integration-related compensation and non-compensation expenses associated with the acquisition of E*TRADE are as follows:

	4Q22	3Q22	4Q21	4Q22 YTD	4Q21 YTD
Compensation expenses	$ 4	$ 3	$ 10	$ 12	$ 58
Non-compensation expenses	90	89	99	345	288
Total non-interest expenses	$ 94	$ 92	$ 109	$ 357	$ 346
Income tax provision	22	22	24	84	79
Total non-interest expenses (after-tax)	$ 72	$ 70	$ 85	$ 273	$ 267

(3)Wealth Management average tangible common equity represents average common equity adjusted to exclude goodwill and intangible assets net of allowable mortgage servicing rights deduction. The adjustments are as follows: 4Q22: $14,746mm; 3Q22: $14,746mm; 4Q21: $15,270mm; 4Q22 YTD: $14,746mm; 4Q21 YTD: $15,218mm

Page 7:

(1)The quarter ended December 31, 2021 has been revised to include certain vested client employee stock options on the E*TRADE platform to align the timing of recognition with other existing Morgan Stanley client assets.

(2)Wealth Management other lending includes $2 billion, $3 billion and $3 billion, respectively, of non-purpose securities based lending on non-bank entities in the periods ended December 31, 2022, September 30, 2022 and December 31, 2021.

(3)For the quarters ended December 31, 2022, September 30, 2022 and December 31, 2021, Wealth Management deposits of $351 billion, $332 billion and $346 billion, respectively, exclude off-balance sheet deposits of $6 billion, $8 billion and $9 billion, respectively, held by third parties outside of Morgan Stanley. Total deposits details are as follows:

	4Q22	3Q22	4Q21
Brokerage sweep deposits	$ 198	$ 228	$ 298
Other deposits	153	104	48
Total balance sheet deposits	351	332	346
Off-balance sheet deposits	6	8	9
Total deposits	$ 357	$ 340	$ 355

Page 8:

(1)For the quarters ended December 31, 2022, September 30, 2022 and December 31, 2021 and twelve months ended December 31, 2022 and 2021, integration-related compensation and non-compensation expenses associated with the acquisition of Eaton Vance are as follows:

	4Q22	3Q22	4Q21	4Q22 YTD	4Q21 YTD
Compensation expenses	$ 6	$ 7	$ 15	$ 29	$ 44
Non-compensation expenses	20	24	22	84	66
Total non-interest expenses	$ 26	$ 31	$ 37	$ 113	$ 110
Income tax provision	6	7	8	26	25
Total non-interest expenses (after-tax)	$ 20	$ 24	$ 29	$ 87	$ 85

(2)Investment Management average tangible common equity represents average common equity adjusted to exclude goodwill and intangible assets net of allowable mortgage servicing rights deduction. The adjustments are as follows: 4Q22: $9,815mm; 3Q22: $9,815mm; 4Q21: $9,924mm; 4Q22 YTD: $9,815mm; 4Q21 YTD: $7,848mm

Page 9:

(1) Net Flows by region for the quarters ended December 31, 2022, September 30, 2022 and December 31, 2021 were:
North America: $(21.8) billion, $(35.7) billion and $10.2 billion

International: $(2.7) billion, $1.3 billion and $1.3 billion

(2) Assets under management or supervision by region for the quarters ended December 31, 2022, September 30, 2022 and December 31, 2021 were:
North America: $1,013 billion, $998 billion and $1,188 billion
International: $292 billion, $281 billion and $377 billion

Supplemental Quantitative Details and Calculations

Page 10:

(1) For the quarters ended December 31, 2022, September 30, 2022 and December 31, 2021, Investment Management reflected loan balances of $222 million, $452 million and $140 million, respectively.

Page 11:

(1) For the quarter ended December 31, 2022, the Allowance Rollforward for Loans and Lending Commitments is as follows:

	Institutional Securities	Wealth Management	Total
Loans			
Allowance for Credit Losses (ACL)			
Beginning Balance - September 30, 2022	$ 602	$ 147	$ 749
Net Charge Offs	-	-	-
Provision	61	18	79
Other	11	-	11
Ending Balance - December 31, 2022	$ 674	$ 165	$ 839
Lending Commitments			
Allowance for Credit Losses (ACL)			
Beginning Balance - September 30, 2022	$ 475	$ 12	$ 487
Net Charge Offs	-	-	-
Provision	-	8	8
Other	9	-	9
Ending Balance - December 31, 2022	$ 484	$ 20	$ 504
Loans and Lending Commitments			
Allowance for Credit Losses (ACL)			
Beginning Balance - September 30, 2022	$ 1,077	$ 159	$ 1,236
Net Charge Offs	-	-	-
Provision	61	26	87
Other	20	-	20
Ending Balance - December 31, 2022	$ 1,158	$ 185	$ 1,343

Legal Notice

This Financial Supplement contains financial, statistical and business-related information, as well as business and segment trends. The information should be read in conjunction with the Firm's fourth quarter earnings press release issued January 17, 2023.

End of Document

Exhibit 99.3

Morgan Stanley

Strategic Update: Driving Growth Through The Next Decade

James P. Gorman, Chairman and Chief Executive Officer

January 17, 2023

Notice

The information provided herein includes certain non-GAAP financial measures. The definition of such measures and/or the reconciliation of such measures to the comparable U.S. GAAP figures are included in this presentation, or in Morgan Stanley's (the 'Company') Annual Report on Form 10-K, Definitive Proxy Statement, Quarterly Reports on Form 10-Q and the Company's Current Reports on Form 8-K, as applicable, including any amendments thereto, which are available on www.morganstanley.com.

This presentation may contain forward-looking statements including the attainment of certain financial and other targets, and objectives and goals. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they are made, which reflect management's current estimates, projections, expectations, assumptions, interpretation or beliefs and which are subject to risks and uncertainties that may cause actual results to differ materially. The Company does not undertake to update the forward-looking statements to reflect the impact of circumstances or events that may arise after the date of forward-looking statements. For a discussion of risks and uncertainties that may affect the future results of the Company, please see the Company's most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, as applicable, which are available on www.morganstanley.com. This presentation is not an offer to buy or sell any security.

The End Notes are an integral part of this presentation. See Slides 21 – 26 at the back of this presentation for information related to the financial metrics and defined terms in this presentation.

Morgan Stanley closed its acquisition of E*TRADE on October 2, 2020, impacting prior period comparisons for the Firm and Wealth Management, and closed its acquisition of Eaton Vance on March 1, 2021, impacting prior period comparisons for the Firm and Investment Management.

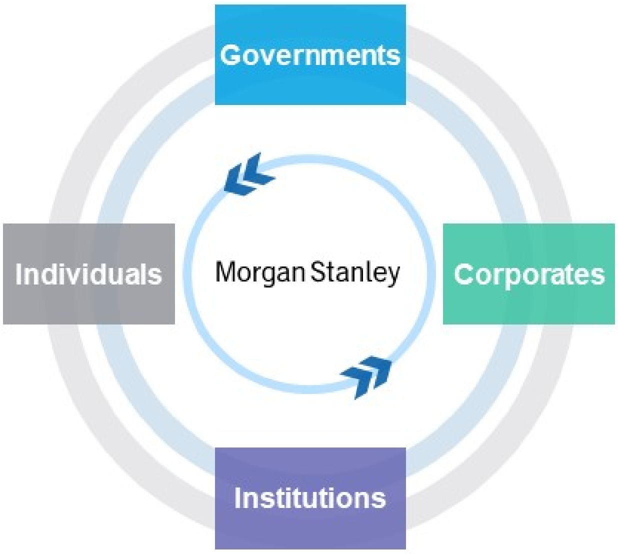
Please note this presentation is available at www.morganstanley.com.

Driving Growth Through The Next Decade

1. Clarity and Consistency of Business Model
2. Tested in a Difficult Environment
3. Opportunities to Maximize Growth
4. Confidence in Our Opportunity and Goals

1 Clarity of What We Do and Who We Are

Facilitating Capital for Clients to Reach Their Goals



Leader Across Businesses (1)

 # 1
Wealth and Investment Management

Top 3
Institutional Securities

The End Notes are an integral part of this Presentation. See Slides 21-26 at the back of this presentation for information related to the financial metrics and defined terms in this presentation

1 Consistent Strategic Actions Affirm Our Likes and Dislikes

What We Like to Own	What We Don't Like to Own
Wealth Management, Retirement	Unsecured Consumer Credit
Broad-Based Investment Management	Payments Businesses
Advisory, Capital Markets, Sales & Trading	Physical Businesses
Scale Businesses	Sub-Scale Businesses
Major Markets	Fringe Markets

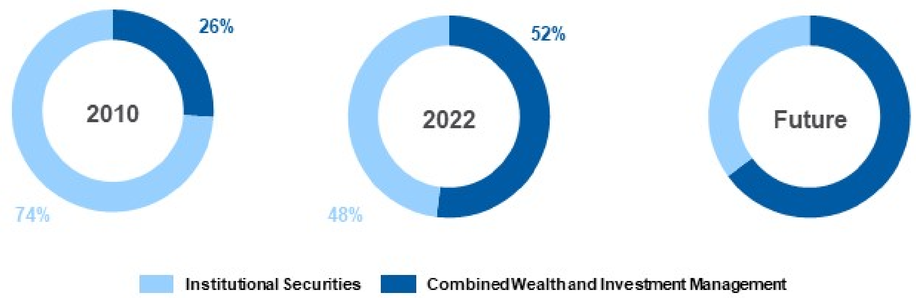
Acquisitions		Exits	
Smith Barney	Wealth Management	Saxon	Mortgage Servicer
Mesa West	Investment Management	Heidmar	Oil Shipping
Solium	Wealth Management	TransMontaigne	Oil Storage
E*TRADE	Wealth Management	Discover	Consumer Credit
Eaton Vance	Investment Management	MSCI	Index Provider

The End Notes are an integral part of this Presentation. See Slides 21-26 at the back of this presentation for information related to the financial metrics and defined terms in this presentation

1 Driving Growth and Business Mix Transformation

	2010	2022	2025+
Net Revenues [(1)]	$32Bn	$54Bn	The Transformation Continues…
ROTCE [(2)]	10%	16%	

Pre-Tax Profit Mix [(3)]



The End Notes are an integral part of this Presentation. See Slides 21-26 at the back of this presentation for information related to the financial metrics and defined terms in this presentation

2 Strength of Business Model Tested in a Challenging Year

What Happened in 2022	How We Did in 2022 [1]
• Highest Inflation in 40 Years	• 16% ROTCE
• Fastest Rate Increases in 40 Years	• 15.3% CET1 Ratio
• Tail End of Worst Pandemic in 100 Years	• $54Bn in Net Revenues
• War in Europe	• ~3% Dividend Yield, ~$10Bn Buyback
• Significant Geopolitical and Political Turmoil	• Record WM Pre-Tax Profit
• Worst Underwriting Calendar in 10 Years	• >$300Bn in Net New Assets
• S&P 500 Down (19)%	• Integration of Two Major Acquisitions

The End Notes are an integral part of this Presentation. See Slides 21-26 at the back of this presentation for information related to the financial metrics and defined terms in this presentation

3 Destination of Choice Across Wealth Management Channels with Increasing Durable Revenues

Leader Across Channels (1)

 # 1 Advisor-Led

Top 2 Workplace

Top 3 Self-Directed

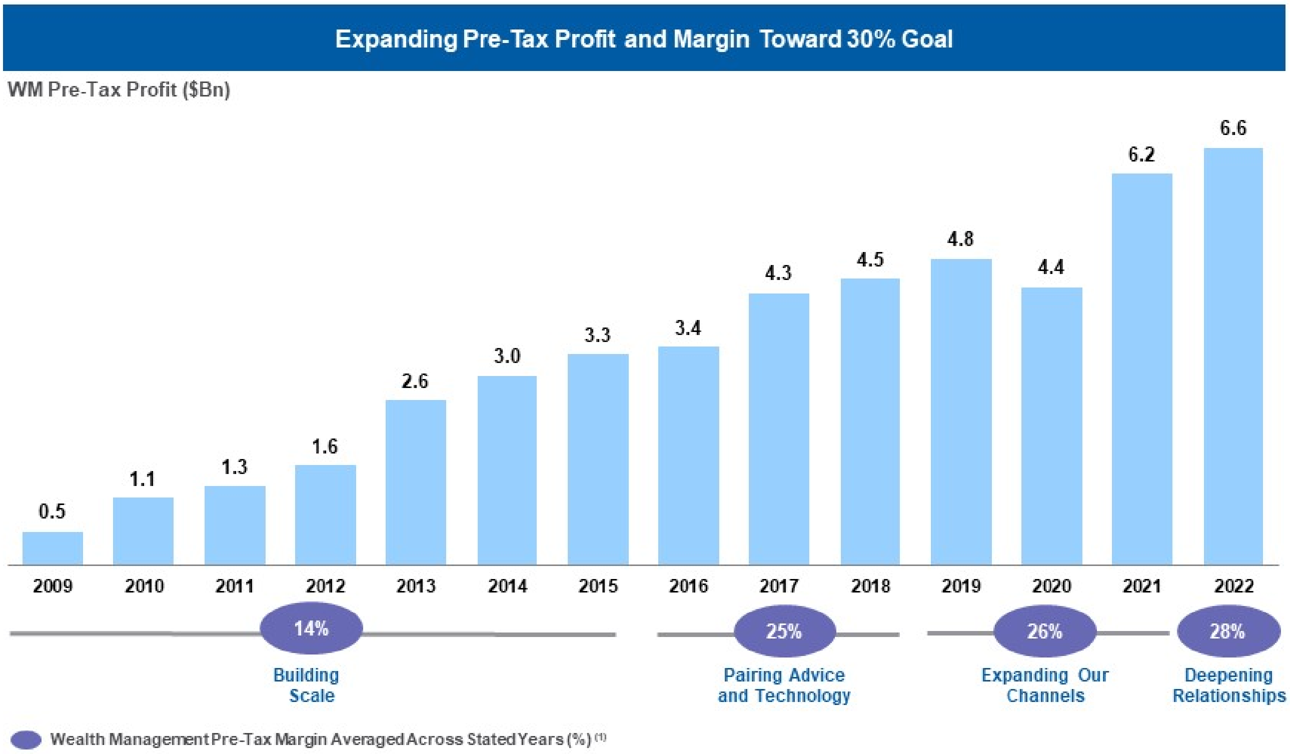
Stable and Consistent Revenues

Wealth Management Daily Revenues (%) (2)

	2014	2019	2022
>$100MM	0%	0%	36%
$80MM - $100MM	0%	5%	64%
$60MM - $80MM	33%	90%	0%
<$60MM	67%	5%	0%

The End Notes are an integral part of this Presentation. See Slides 21-26 at the back of this presentation for information related to the financial metrics and defined terms in this presentation

3 Consistent Expansion of Wealth Management Profitability

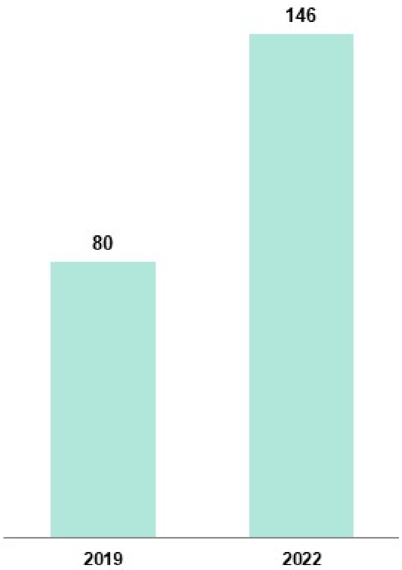


The End Notes are an integral part of this Presentation. See Slides 21-26 at the back of this presentation for information related to the financial metrics and defined terms in this presentation

3 NII Underpinned by Steady Loan Growth and Larger Deposit Base with Higher Intrinsic Value

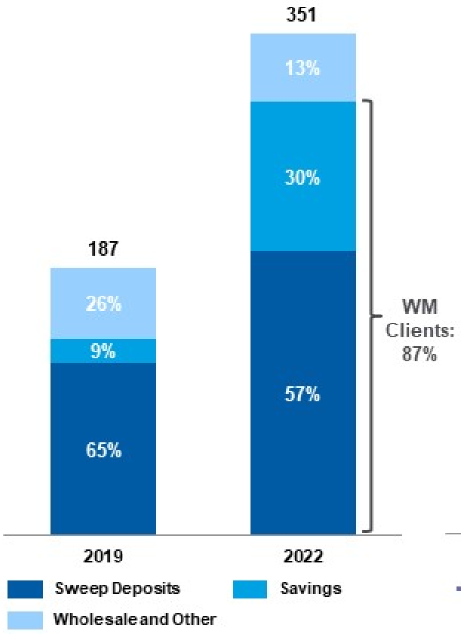
Larger Loan Portfolio

WM Loans ($Bn) (1)



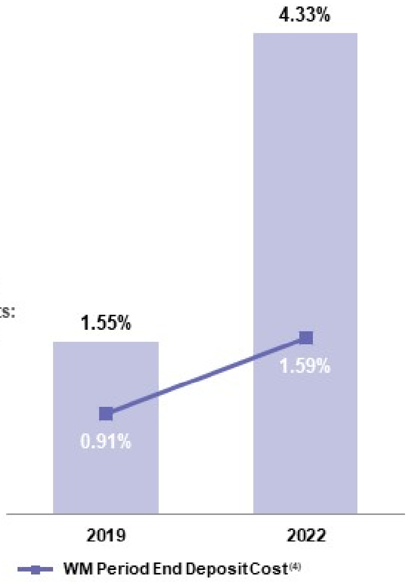
Growth in Deposits

Deposit Mix ($Bn) (2)



More Efficient Pricing

Effective Federal Funds Rate (%) (3)

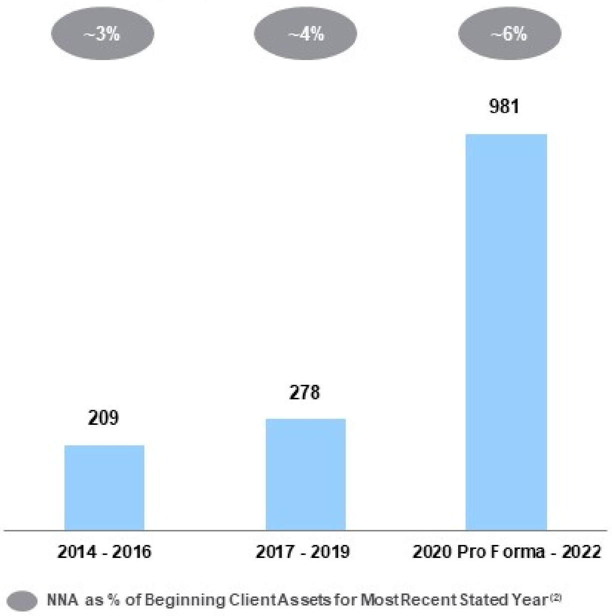


The End Notes are an integral part of this Presentation. See Slides 21-26 at the back of this presentation for information related to the financial metrics and defined terms in this presentation

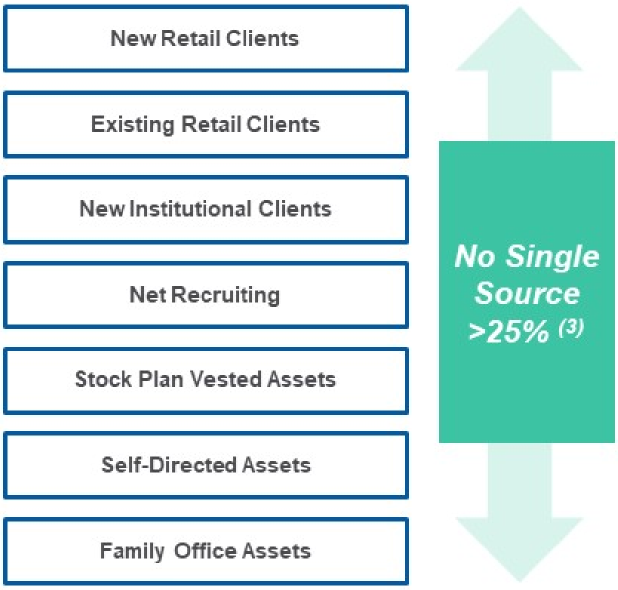
3 Already Delivering ~$1 Trillion in Net New Assets

~$1 Trillion of NNA Over Last Three Years

Net New Assets ($Bn) [1]



Diversified Sources of NNA

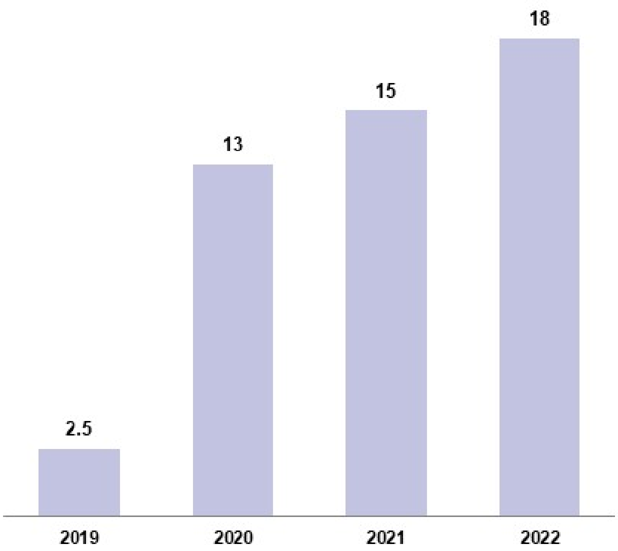


The End Notes are an integral part of this Presentation. See Slides 21-26 at the back of this presentation for information related to the financial metrics and defined terms in this presentation

3 Multiple Channels Reaching New Relationships and Focused on Workplace for Long-term Growth

Increasing Client Relationships

Core Client Relationships (MM) [(1)]



~$2.5Tn → Assets Held Away [(2)] → $10Tn+

Workplace: Strong Retention

Retaining Stock Plan Vested Assets [(3)]

✓ **~30%**

Rolling-Out Companion Accounts [(4)]

✓ **~90%**

The End Notes are an integral part of this Presentation. See Slides 21-26 at the back of this presentation for information related to the financial metrics and defined terms in this presentation

3 Workplace Recognizing the Power of Advice

Workplace Client Strategy Over Last Three Years (1)

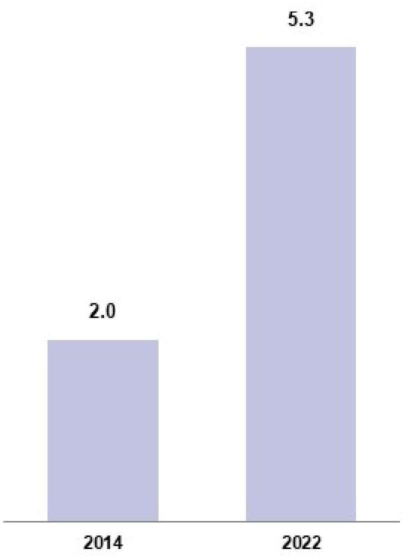
1 Attract New Relationships	**~12MM** *Workplace Relationships*
2 Grow Vested Flows	**~$350Bn** *Vested Asset Inflows*
3 Migrate Relationships to Advice	**~$150Bn** *Advisor-Led Flows from Workplace Relationships, Including Consolidation of Assets Held Away*

The End Notes are an integral part of this Presentation. See Slides 21-26 at the back of this presentation for information related to the financial metrics and defined terms in this presentation

3 Investment Management Continues to Diversify and Deliver in Key Growth Areas

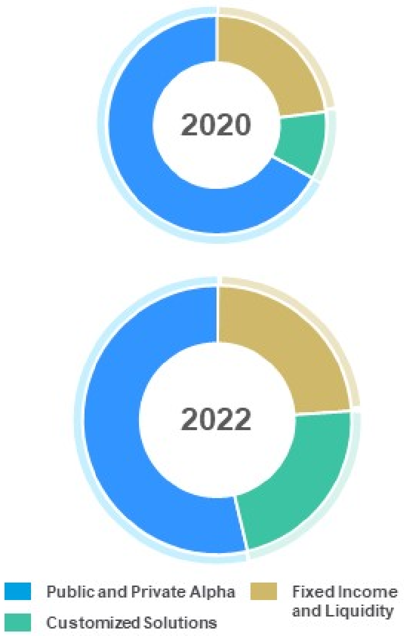
Growth in Fee-Based Revenues

AM and Related Fees ($Bn) [1]



More Diversified Asset Manager

AM and Related Fees (%) [1][2]



Alternatives [3]

~$210Bn

Investable Capital

Customization [4]

PARAMETRIC

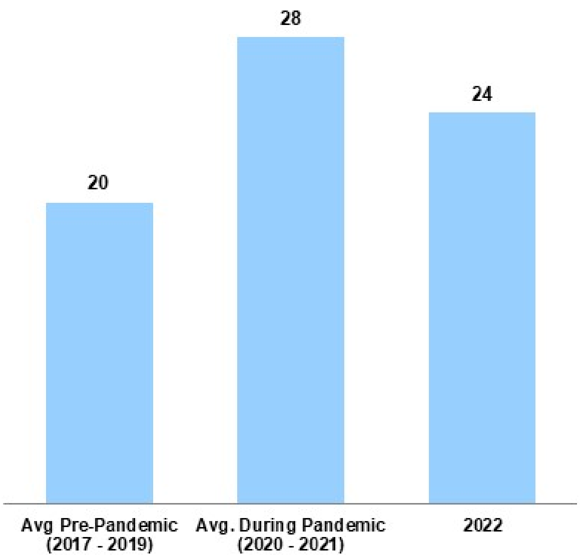
~30%

Net Flows % Since Acquisition Announcement

3 Institutional Securities Delivering Strength in Various Market Environments

Strength Across the Integrated Investment Bank [1]

ISG Net Revenues ($Bn) [2]



Top 3 Share Position Across ISG

Leading Equities House

Premier Advisory & Underwriting Franchise

Restored Fixed Income Footprint

The End Notes are an integral part of this Presentation. See Slides 21-26 at the back of this presentation for information related to the financial metrics and defined terms in this presentation

3 Leading Institutional Securities Positions with Prudent Capital Management

Strong Leadership Positions

2022E Wallet Share (%) [1]

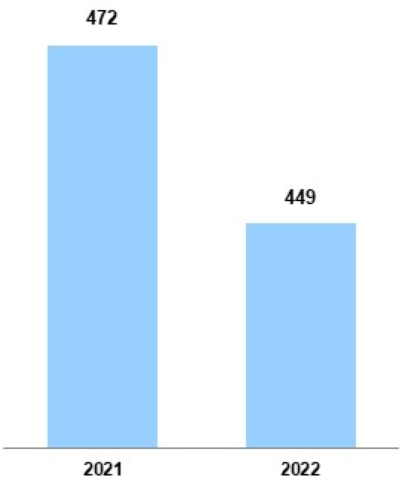
~20% Equities

~15% Investment Banking

~10% Fixed Income

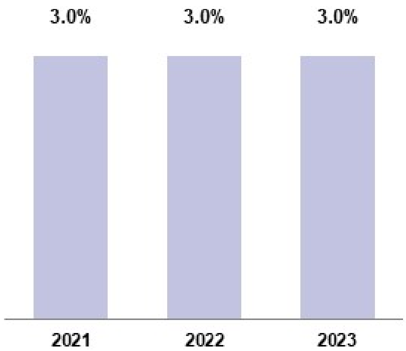
Firm RWAs

($Bn) [2]



Flat G-SIB Surcharge

(%)

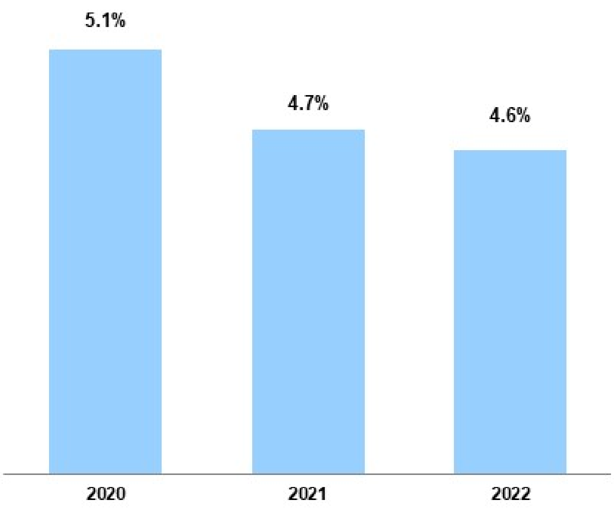


The End Notes are an integral part of this Presentation. See Slides 21-26 at the back of this presentation for information related to the financial metrics and defined terms in this presentation

3 Intentional Capital Strategy Drives Results and Provides Capacity for Investment

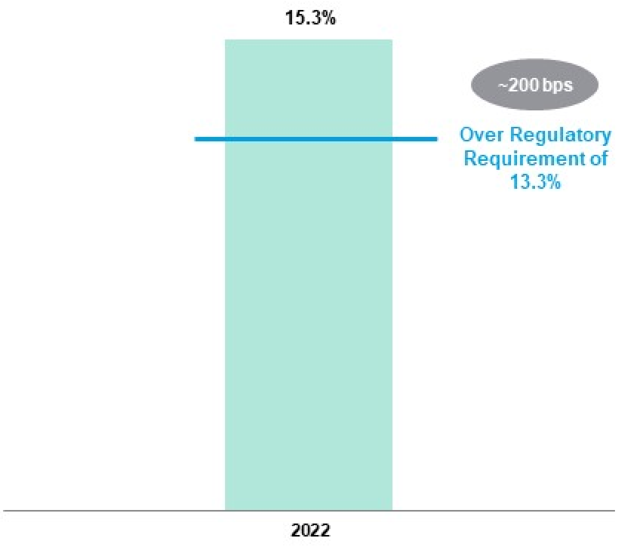
Decline in Peak-to-Trough Reflecting Durability

SCB, ex-Dividend Add-On (%) [1]



1 Risk-Based Capital Position Relative to Peers

CET1 Ratio (%) [2]

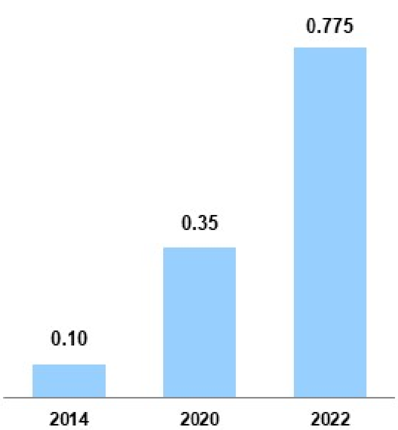


The End Notes are an integral part of this Presentation. See Slides 21-26 at the back of this presentation for information related to the financial metrics and defined terms in this presentation

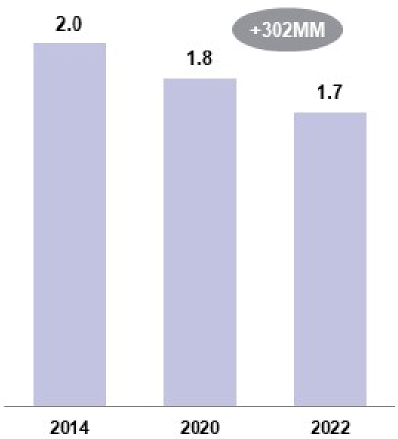
3 While Maintaining a Capital Buffer of ~200bps, Generated a ~9% Return from Dividends and Buyback

Increasing Dividends Aligned with Durable Earnings While Reducing Shares

4Q Dividend Per Share ($) [1]



Shares Outstanding (Bn) [2]



~3% Dividend Yield

+

~6% Share Buyback [3]

~9% Return in 2022 [5]

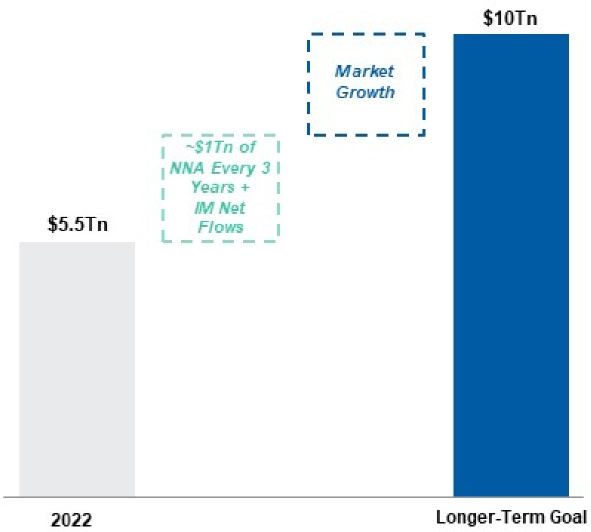
Acquisition-Related Share Issuance [4]

The End Notes are an integral part of this Presentation. See Slides 21-26 at the back of this presentation for information related to the financial metrics and defined terms in this presentation

4 $10Tn Client Assets Will Drive Wealth and Investment Management's PBT to be Larger Than the Firm's Today

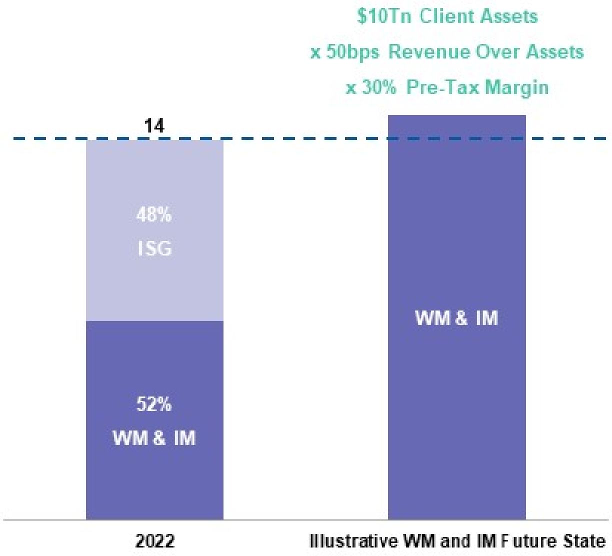
Path to $10 Trillion

Client Assets ($Tn) (1)



Driving PBT Growth and Mix Transformation

Pre-Tax Profit ($Bn) (2)



The End Notes are an integral part of this Presentation. See Slides 21-26 at the back of this presentation for information related to the financial metrics and defined terms in this presentation

4 Affirming Confidence in Long-Term Value Proposition

	Goals [1]
ROTCE	20%+
Efficiency Ratio	<70%
WM Pre-Tax Margin	30%+
WM Net New Assets	$1 Trillion Every ~3 Years

	Longer-Term Goal [1]
Client Assets	$10 Trillion

The End Notes are an integral part of this Presentation. See Slides 21-26 at the back of this presentation for information related to the financial metrics and defined terms in this presentation

End Notes

The Firm's financial presentations, earnings releases, earnings conference calls, and other communications may include certain metrics, including non-GAAP financial measures, which we believe to be useful to us, investors, analysts and other stakeholders by providing further transparency about, or an additional means of assessing, our financial condition and operating results. The End Notes are an integral part of our presentations and other communications.

For additional information, refer to the Definition of U.S. GAAP to Non-GAAP Measures, Definitions of Performance Metrics and Terms, Supplemental Quantitative Details and Calculations (includes reconciliation of GAAP to non-GAAP), and Legal Notice in the Morgan Stanley Fourth Quarter 2022 Financial Supplement included in the Current Report on Form 8-K dated January 17, 2023 ('**Morgan Stanley Fourth Quarter 2022 Financial Supplement**').

Morgan Stanley closed its acquisition of E*TRADE on October 2, 2020, impacting prior period comparisons for the Firm and Wealth Management, and closed its acquisition of Eaton Vance on March 1, 2021, impacting prior period comparisons for the Firm and Investment Management.

End Notes

These notes refer to the financial metrics and/or defined term presented on Slide 4

1. **Rankings** are based on internal analysis of net revenues for Morgan Stanley and peers.

   For Wealth and Investment Management, net revenues represent the combination of Wealth Management and Investment Management for the peer set: Bank of America, BlackRock, Charles Schwab, Fidelity, Goldman Sachs, JP Morgan, UBS, and Wells Fargo. The analysis utilizes data for peers that have reported full-year 2022 results as of January 16, 2023. For peers that have not yet reported, excluding Fidelity, net revenues are based on the last twelve months as of September 30, 2022. For Fidelity, net revenues represent 2021 total company revenues. Net revenues for Morgan Stanley represent the addition of Morgan Stanley's Wealth Management ('**WM**') and Investment Management ('**IM**') Net Revenues for full-year 2022, excluding intersegment activity.

   For Institutional Securities, net revenues represent Investment Banking, Equity Sales & Trading and Fixed Income Sales & Trading, where applicable for the peer set: Bank of America, Barclays, Citigroup, Credit Suisse, Deutsche Bank, Goldman Sachs, JP Morgan, and UBS ('**Wallet**'). For peers that disclose results between multiple segments, assumptions have been made based on company disclosures. The analysis utilizes data for peers that have reported full-year 2022 results as of January 16, 2023. For peers that have not yet reported, a full-year 2022 results estimate is derived assuming the aggregate share of those peers of the Wallet for the first nine months of 2022 remains constant in the fourth quarter of 2022. European peer results were translated to USD using average exchange rates for the appropriate period; sourced from Bloomberg. Credit Suisse Equity Sales & Trading and Institutional Securities-equivalent revenues were adjusted to include net release of $167MM related to a U.S.-based hedge fund matter. Net revenues for Morgan Stanley represent segment revenues for Institutional Securities ('**ISG**').

These notes refer to the financial metrics and/or defined term presented on Slide 6

1. Net revenues for 2010 have been adjusted to exclude the negative impact of Debt Valuation Adjustment ('**DVA**') of approximately $(873) million. The adjusted net revenues are a non-GAAP financial measure.
2. Return on average tangible common equity ('**ROTCE**') utilizes net income applicable to Morgan Stanley less preferred dividends as a percentage of average tangible common equity. Average tangible common equity represents average common equity adjusted to exclude goodwill and intangible assets net of allowable mortgage servicing rights deduction. For 2010, the calculation is adjusted to exclude the aggregate net after-tax impacts of negative DVA of $(534) million and positive impact of Discrete Tax Benefit of $998 million. For 2022, ROTCE excludes integration-related expenses, which were $470 million on a pre-tax basis or $360 million on an after-tax basis. The adjusted ROTCE is a non-GAAP financial measure.
3. Income from continuing operations before income taxes ('**Pre-Tax Profit**') for 2010 excludes the negative impact of DVA. The adjusted Pre-Tax Profit is a non-GAAP financial measure.

These notes refer to the financial metrics and/or defined term presented on Slide 7

1. Stated metrics are for full-year 2022.

   Common Equity Tier 1 ('CET1') Capital Ratio is based on the Basel III Standardized Approach Fully Phased-in rules.

   Dividend Yield represents the annual dividend for full-year 2022 divided by Morgan Stanley's share price as of January 3, 2022.

   Net New Assets ('**NNA**') represent client inflows, including dividends and interest, and asset acquisitions, less client outflows, and exclude activity from business combinations / divestitures and the impact of fees and commissions.

End Notes

These notes refer to the financial metrics and/or defined term presented on Slide 8

1. **Position in Advisor-Led** derived from internal analysis based on client assets for Bank of America Merrill Lynch Global Wealth Management, UBS Wealth Management Americas and Wells Fargo Wealth and Investment Management per company filings as of most recently reported results. For Morgan Stanley, **Advisor-Led Client Assets** represent client assets in accounts that have a WM representative assigned.
   Workplace Rank Position derived from Morgan Stanley internal analysis based on number of stock plan participants informed by latest available data for Bank of America, Carta, Certent, Charles Schwab, Computershare, Fidelity, and UBS.
   Position in Self-Directed derived from Aite Group's "New Realities in Wealth Management: Evolution Amid Turbulence" report (December 2022). Peers include Charles Schwab, Fidelity, Merrill Lynch, and others.
2. The daily revenue distribution reflects net revenues for the WM segment attributed as follows: Transactional revenues primarily on the day the revenue was recorded; and Asset Management, Net Interest and Other revenues based on a daily average, where the reported revenue for the period is divided by the number of business days in the period.

These notes refer to the financial metrics and/or defined term presented on Slide 9

1. **WM Pre-Tax Margin** represents Pre-Tax Profit divided by net revenues and has been averaged across the stated years. For 2020, 2021 and 2022, the calculation excludes the impact of integration-related expenses on a pre-tax basis of $231 million, $346 million, and $357 million, respectively.

These notes refer to the financial metrics and/or defined term presented on Slide 10

1. **WM Loans** represent loans from WM on **U.S. Bank subsidiaries** as of 4Q 2022. **U.S. Bank** refers to the Firm's U.S. Bank operating subsidiaries Morgan Stanley Bank, N.A. and Morgan Stanley Private Bank, National Association.
2. **Deposits** reflect liabilities sourced from WM clients and other sources of funding on the U.S. Bank subsidiaries. Deposits include sweep deposit programs, savings and other, and time deposits. Excludes approximately $6 billion of off-balance sheet deposits as of 4Q 2022. Percentage of deposits sourced from WM clients includes sweep deposit programs and savings.
3. **Effective Federal Funds Rate** represents the effective Federal Funds rate as of 4Q 2019 and 4Q 2022.
4. **WM Period End Deposit Cost** represents the total annualized weighted average cost of the various deposit products, excluding the effect of related hedging derivatives. Period end cost of deposits is based upon balances and rates as of December 31, 2019, and December 31, 2022.

These notes refer to the financial metrics and/or defined term presented on Slide 11

1. NNA is aggregated across the stated years. 2020 NNA is **Pro Forma** for E*TRADE, representing the addition of NNA for Morgan Stanley and E*TRADE for the full year. The comparisons of current and prior periods are impacted by asset acquisitions in 3Q 2021 and 1Q 2022.
2. **NNA as % of Beginning Client Assets** represents NNA divided by beginning client assets for each period. The calculation shown is for the most recent year in the stated periods.
3. Represents percentage of total NNA aggregated over 2020, 2021, and 2022 for the stated sources. 2020 NNA is Pro Forma for E*TRADE.

End Notes

These notes refer to the financial metrics and/or defined term presented on Slide 12

1. **Core Client Relationships** represent Advisor-Led Households, Self-Directed Households, Stock Plan Participants and Retirement and Financial Wellness Participants excluding overlap as of 4Q 2022.
   Advisor-Led Households represent the total number of households that include at least one account with Advisor-Led Clients Assets.
   Stock Plan Participants represent total accounts with vested or unvested stock plan assets. Individuals with accounts in multiple plans are counted as participants in each plan.
   Retirement and Financial Wellness Participants represent participants of corporate clients with financial wellness and retirement plans serviced by Morgan Stanley at Work.
   Self-Directed Households represent the total number of households that include at least one account with **Self-Directed Assets**. Self-Directed Assets represent active accounts which are not advisor-led. Active accounts are defined as having $25 or more in assets.
2. **Assets Held Away** is estimated using data from IXI as of June 2022 for retail clients and Stock Plan Participants.
3. **Retention Rate** for any given period is derived using the net of stock plan inflows for one year less outflows for a two-year period post the initial inflow and dividing it by total inflows.
4. **Companion Accounts Roll-Out** represents percentage of eligible Stock Plan Participants with companion accounts activated by Morgan Stanley as of 4Q 2022.

These notes refer to the financial metrics and/or defined term presented on Slide 13

1. **Workplace Relationships** represent the addition of Stock Plan Participants, and Retirement and Financial Wellness Participants as of 4Q 2022.
   Vested Asset Inflows represent inflows, excluding estimated taxes, from vested equity compensation solutions for company executives and employees aggregated for full-year 2020, 2021, and 2022.
   Advisor-Led Flows from Workplace Relationships represent assets brought into advisor-led relationships, where the initial account was from workplace, aggregated for full-year 2020, 2021, and 2022.

These notes refer to the financial metrics and/or defined term presented on Slide 14

1. Represents reported full-year asset management and related-fees revenue of IM, which include management and administrative fees, distribution fees, and performance-based fees, not in the form of carried interest.
2. **Public & Private Alpha** includes public equity strategies reported under the "Equity" category and real assets, private equity, private credit and private equity fund of funds reported under the "Alternatives and Solutions" category as of 4Q 2022 in the Morgan Stanley Fourth Quarter 2022 Financial Supplement.
   Fixed Income & Liquidity includes strategies reported under the "Fixed income" category and liquidity strategies reported under the "Liquidity and Overlay Services" category as of 4Q 2022 in the Morgan Stanley Fourth Quarter 2022 Financial Supplement.
   Customized Solutions includes multi-asset portfolios, hedge fund of funds, customized retail solutions and institutional portfolio solutions reported under the "Alternatives and Solutions" category, concentrated equity diversification strategies reported under the "Equity" category and overlay strategies reported under the "Liquidity and Overlay Services" category as of 4Q 2022 in the Firm's Morgan Stanley Fourth Quarter 2022 Financial Supplement.
3. **Investable Capital** includes assets under management, unfunded commitments, co-investments and leverage across private alternative and liquid alternative strategies as of 4Q 2022. The assets under management portion of investable capital is reported under the "Alternatives and Solutions", "Equities" and "Fixed Income" categories in the Morgan Stanley Fourth Quarter 2022 Financial Supplement. Private Alternatives is ~$120 billion of the total Alternatives investable capital amount.
4. **Net Flows % Since Acquisition Announcement** represent net flows since the announcement of the Eaton Vance acquisition, from 4Q 2020 to 4Q 2022 divided by assets under management as of 3Q 2020. Data from September 30, 2020, to March 1, 2021, is prior to the close of the acquisition. These net flows are across Parametric custom portfolios in retail separately managed accounts reported under the "Alternatives and Solutions" category in the Morgan Stanley Fourth Quarter 2022 Financial Supplement.

End Notes

These notes refer to the financial metrics and/or defined term presented on Slide 15

1. **Top 3 Share Position across** ISG is a ranking based on internal analysis of net revenues for Morgan Stanley and peers as described in end note 1 for Slide 4.
2. ISG net revenues have been averaged across the stated years.

These notes refer to the financial metrics and/or defined term presented on Slide 16

1. **Wallet Share** calculated as the percentage of ISG segment net revenues to the Wallet.
2. **RWA** represent risk-weighted assets under the Standardized Approach.

These notes refer to the financial metrics and/or defined term presented on Slide 17

1. Represents Morgan Stanley's Stress Capital Buffer ("**SCB**"), excluding the dividend add-on.
2. **Risk-Based Capital Position Ranking** represents CET1 Ratio above the regulatory requirement which is inclusive of the SCB and G-SIB capital surcharge and is based on internal analysis for the peer set including Bank of America, Citigroup, Goldman Sachs, and JP Morgan per company filings for the most recently reported results as of January 16, 2023. Regulatory requirement includes 2022 SCB, and G-SIB capital surcharge effective January 2023.

These notes refer to the financial metrics and/or defined term presented on Slide 18

1. **4Q Dividend Per Share** represents the dividend per share in the fourth quarter of each respective year.
2. **Shares Outstanding** represents end of period common shares outstanding.
3. **Share Buyback Percentage** represents total shares repurchased in 2022 divided by beginning of period common shares outstanding.
4. **Acquisition-Related Share Issuance** represents common shares issued in relation to the acquisitions of E*TRADE and Eaton Vance in 2020 and 2021, respectively.
5. **Total Return** is calculated by adding together the full-year 2022 Dividend Yield and Share Buyback Percentage.

These notes refer to the financial metrics and/or defined term presented on Slide 19

1. **Client Assets** represent WM client assets and IM assets under management ("**AUM**"). **WM client assets** represent those assets for which WM is providing services including financial advisor-led brokerage, custody, administrative and investment advisory services; self-directed brokerage services; financial and wealth planning services; workplace services, including stock plan administration, and retirement plan services. Certain WM client assets are invested in IM products and are also included in IM's AUM.

   The attainment of future Client Assets assumes a normal market environment and may be impacted by external factors that cannot be predicted at this time, including geopolitical, macroeconomic and market conditions and future legislation and regulations and any changes thereto. Please also refer to the Notice on slide 2 of this presentation.

2. Assumptions for the WM and IM **Future State Pre-Tax Profit** are illustrative, and we believe are a useful framework for us, investors, analysts and other stakeholders to assess our performance. The attainment of these assumptions assumes a normal market environment and may be impacted by external factors that cannot be predicted at this time, including geopolitical, macroeconomic and market conditions and future legislation and regulations and any changes thereto. Please also refer to the Notice on slide 2 of this presentation.

   Revenue Over Assets represents WM and IM Net Revenues divided by average Client Assets for an average of the five most recent quarters. For 2022, this is calculated to be 50 bps.

   Pre-Tax Margin represents WM and IM Pre-Tax Profit aggregated, divided by WM and IM Net Revenues. This is representative of our goal of achieving a 70% **Firm Efficiency Ratio** i.e. total non-interest expenses as a percentage of net revenues.

End Notes

These notes refer to the financial metrics and/or defined term presented on Slide 20

1. The attainment of these objectives assumes a normal market environment and may be impacted by external factors that cannot be predicted at this time, including geopolitical, macroeconomic and market conditions and future legislation and regulations and any changes thereto. Please also refer to the Notice on slide 2 of this presentation.

Morgan Stanley

Strategic Update:
Driving Growth Through The Next Decade

James P. Gorman, Chairman and Chief Executive Officer
January 17, 2023

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