

FIRST SUPPLEMENTAL OFFERING CIRCULAR

Morgan Stanley

*as issuer and guarantor
(incorporated under the laws of the State of Delaware in the United States of America)*

MORGAN STANLEY & CO. INTERNATIONAL PLC

*as issuer
(incorporated with limited liability in England and Wales)*

MORGAN STANLEY B.V.

*as issuer
(incorporated with limited liability in The Netherlands)*

MORGAN STANLEY FINANCE LLC

*as issuer
(formed under the laws of the State of Delaware in the United States of America)*

Regulation S Program for the Issuance of Notes, Series A and B, Warrants and Certificates

Morgan Stanley (“**Morgan Stanley**”), Morgan Stanley & Co. International plc (“**MSI plc**”), Morgan Stanley B.V. (“**MSBV**”) and Morgan Stanley Finance LLC, a wholly-owned finance subsidiary of Morgan Stanley (“**MSFL**”, together with Morgan Stanley, MSI plc and MSBV, the “**Issuers**”), and Morgan Stanley, in its capacity as guarantor (in such capacity, the “**Guarantor**”) have prepared this first supplemental offering circular (the “**First Supplemental Offering Circular**”) to supplement and be read in conjunction with the offering circular dated 28 June 2019 (the “**Offering Circular**”) in relation to the Issuers’ Regulation S Program for the Issuance of Notes, Series A and B, Warrants and Certificates.

This First Supplemental Offering Circular has been approved by:

- (i) The Irish Stock Exchange plc trading as Euronext Dublin (“**Euronext Dublin**”) as supplementary listing particulars, pursuant to the listing and admission to trading rules of Euronext Dublin for the purpose of providing information with regard to the Issuers and the Guarantor for the purposes of admitting Program Securities to the Official List of Euronext Dublin and trading on its Global Exchange Market. The Global Exchange Market is the exchange regulated market of Euronext Dublin and is not a regulated market for the purposes of Directive 2014/65/EU;
- (ii) the SIX Swiss Exchange pursuant to points 12 et seq. of the directive of the SIX Swiss Exchange on the listing of notes for the purpose of giving certain information with regard to the Issuers and the Guarantor;
- (iii) the Luxembourg Stock Exchange pursuant to the appendices to the Rules and Regulations of the Luxembourg Stock Exchange for the purpose of providing information with regard to the Issuers and the Guarantor for the purpose of listing Program Securities on the Official List and to trading on the Euro MTF market of the Luxembourg Stock Exchange. The Euro MTF market is not a regulated market for the purposes of Directive 2014/65/EU; and
- (iv) the Gibraltar Stock Exchange (GSX Limited) as supplementary listing particulars, pursuant to the listing and admission to trading rules of the Gibraltar Stock Exchange for the purpose of providing information with regard to the issue of Program Securities hereunder, to be admitted to the Global Market. The Global Market is the exchange regulated market of the Gibraltar Stock Exchange and is not a regulated market for the purposes of Directive 2014/65/EU.

Warning: This First Supplemental Offering Circular does not constitute a “supplement” for the purposes of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”), and this First Supplemental Offering Circular and the Offering Circular have been prepared on the basis that no prospectus shall be required under the Prospectus Regulation for any Program Securities to be offered and sold under the Offering Circular. Neither the Offering Circular nor this First Supplemental Offering Circular have been approved or reviewed by any regulator which is a competent authority under the Prospectus Regulation in the European Economic Area (the “**EEA**”).

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

The purpose of this First Supplemental Offering Circular is to:

- (a) disclose the publication by Morgan Stanley of its Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2019 (the “**Morgan Stanley June 2019 10-Q**”) and incorporate by reference, as set out in “Part A” of this First Supplemental Offering Circular;
- (b) make certain consequential amendments to the Offering Circular pursuant to the publication of the Morgan Stanley June 2019 10-Q as set out in “Part B” of this First Supplemental Offering Circular;
- (c) make certain amendments to the Offering Circular in the *Terms and Conditions of the English Law Notes* as set out in “Part C” of this First Supplemental Offering Circular;
- (d) make certain amendments to the Offering Circular in respect of the *Pro Forma Pricing Supplement for the English Law Notes* as set out in “Part C” of this First Supplemental Offering Circular; and
- (e) make certain amendments to the Offering Circular in respect of the *Pro Forma Pricing Supplement for Warrants and Certificates* as set out in “Part C” of this First Supplemental Offering Circular.

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

Save as disclosed in this First Supplemental Offering Circular, no significant new factor, material mistake or inaccuracy relating to information included in the Offering Circular has arisen since the publication of the Offering Circular.

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

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

This First Supplemental Offering Circular and the Morgan Stanley June 2019 10-Q are available for viewing and copies may be obtained from the offices of the Issuers and the Paying Agents.

This First Supplemental Offering Circular is available on Morgan Stanley's website at <http://sp.morganstanley.com/EU/Documents> and on the website of the Luxembourg Stock Exchange at www.bourse.lu.

The Morgan Stanley June 2019 10-Q is available on Morgan Stanley's website at <http://www.morganstanley.com/about-us-ir> and on the website of the Luxembourg Stock Exchange at www.bourse.lu.

30 August 2019

MORGAN STANLEY

MORGAN STANLEY & CO. INTERNATIONAL PLC

MORGAN STANLEY B.V.

MORGAN STANLEY FINANCE LLC

PART A - INFORMATION INCORPORATED BY REFERENCE

This First Supplemental Offering Circular incorporates by reference the Morgan Stanley June 2019 10-Q and supplements the section entitled “*Incorporation by Reference*” contained on pages 43-51 of the Offering Circular.

This First Supplemental Offering Circular is available on Morgan Stanley’s website at <http://sp.morganstanley.com/EU/Documents> and on the website of the Luxembourg Stock Exchange at www.bourse.lu.

The Morgan Stanley June 2019 10-Q is available on Morgan Stanley’s website at <http://www.morganstanley.com/about-us-ir> and on the website of the Luxembourg Stock Exchange at www.bourse.lu.

The information incorporated by reference must be read in conjunction with the cross-reference table below which supplements the table of information incorporated by reference in the section entitled “*Incorporation by Reference*” contained on pages 43-51 of the Offering Circular.

The following documents and/or information shall be deemed to be incorporated by reference in, and to form part of, the Offering Circular:

Document filed	Information incorporated by reference	Page(s)
Morgan Stanley		
Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2019	(1) Management's Discussion and Analysis of Financial Condition and Results of Operations	1-29
	(2) Quantitative and Qualitative Disclosures about Risk	30-38
	(3) Report of Independent Registered Public Accounting Firm	39
	(4) Consolidated Financial Statements and Notes	40-82
	(5) Consolidated Income Statements (Unaudited)	40
	(6) Consolidated Comprehensive Income Statements (Unaudited)	41
	(7) Consolidated Balance Sheets (Unaudited at June 30, 2019)	42
	(8) Consolidated Statements of Changes in Total Equity (Unaudited)	43
	(9) Consolidated Cash Flow Statements (Unaudited)	44
	(10) Notes to Consolidated Financial Statements (Unaudited)	45-82
	(11) Financial Data Supplement (Unaudited)	83-84
	(12) Glossary of Common Acronyms	85-86
	(13) Other Information	87
	(14) Legal Proceedings	87

(15)	Unregistered Sales of Equity Securities and Use of Proceeds	88
(16)	Controls and Procedures	89
(17)	Signatures	S-1

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in the Offering Circular (as supplemented).

This First Supplemental Offering Circular expressly does not incorporate by reference information identified in the cross-reference table below and supplements the section entitled “*Incorporation by Reference*” contained on pages 43-51 of the Offering Circular:

Document incorporated by reference

Information not incorporated by reference

Morgan Stanley

Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2019

Exhibits
Exhibit Index

PART B - AMENDMENTS TO THE OFFERING CIRCULAR

The Offering Circular is hereby amended as follows:

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

Selected key financial information relating to Morgan Stanley:

Consolidated Balance Sheets (U.S.\$ in millions)	At 31 December 2017	At 31 December 2018	At 30 June (unaudited)	
			2018	2019
<i>Total assets</i>	851,733	853,531	875,875	891,959
<i>Total liabilities and equity</i>	851,733	853,531	875,875	891,959
Consolidated Income Statements (U.S.\$ in millions)	2017	2018	Six months ended 30 June (unaudited)	
			2018	2019
<i>Net revenues</i>	37,945	40,107	21,687	20,530
<i>Income from continuing operations before income taxes</i>	10,403	11,237	6,529	5,858
<i>Net income</i>	6,216	8,883	5,171	4,714

- On page 550 of the Offering Circular, paragraph 2(a) under the heading “*No significant change in the financial or trading position*” shall be deemed to be deleted in its entirety and replaced by the following:

“(a) *Morgan Stanley since 30 June 2019, the date of the latest published interim unaudited financial statements of Morgan Stanley;*”

- On page 550 of the Offering Circular, paragraph 3(a) under the heading “*Legal and arbitration proceedings*” shall be deemed to be deleted in its entirety and replaced by the following:

“(a) *Save as disclosed in:*

(i) *“the section entitled “Legal Proceedings” at pages 169-173 and in the paragraphs beginning with “Legal” under the heading “Contingencies” under the heading “Commitments, Guarantees and Contingencies” in “Notes to Consolidated Financial Statements” at pages 131-133 of Morgan Stanley’s Annual Report on Form 10-K for the year ended 31 December 2018 (the “Form 10-K”);*

(ii) *the paragraphs beginning with “Legal” under the heading “Contingencies” under the heading “Commitments, Leases, Guarantees and Contingencies” in “Notes to Consolidated Financial Statements (Unaudited)” at pages 60-62 and the section entitled “Legal Proceedings” at page 75 of Morgan Stanley’s Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2019;*

(iii) *the paragraphs beginning with “Legal” under the heading “Contingencies” under the heading “Commitments, Leases, Guarantees and Contingencies” in “Notes to Consolidated Financial Statements (Unaudited)” at pages 69-71 and the section entitled “Legal Proceedings” at page 87 of Morgan Stanley’s Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2019; and*

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

there are no, nor have there been, any governmental, legal or arbitration proceedings involving Morgan Stanley (including any such proceedings which are pending or threatened of which Morgan Stanley is aware) during the 12-month period before the date of this Offering Circular which may have, or have had in the recent past, a significant effect on the financial position or profitability of Morgan Stanley or the Morgan Stanley Group.”

PART C – FURTHER AMENDMENTS TO THE OFFERING CIRCULAR

The Offering Circular is hereby amended as follows:

1. The definition of “*Interest Period*” in Condition 2.1 (*Definitions*) within the sub-section entitled “*Interpretation*” under the section entitled “*Terms and Conditions of the English Law Notes*” on page 106 of the Offering Circular shall be deemed to be deleted in its entirety and replaced by the following:

“**Interest Period**” means, subject as otherwise provided in these Conditions or the applicable Pricing Supplement, each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date, provided that if (a) “*Unadjusted*” is specified in the applicable Pricing Supplement and/or (b) the Specified Currency of the Notes is Japanese Yen and the Notes are Fixed Rate Notes, no adjustment will be made to the Interest Period, notwithstanding the adjustment to the relevant Interest Payment Date following the application of the relevant Business Day Convention and any other adjustment under the terms of the Notes;”

2. The definition of “*ISDA Definitions*” in Condition 2.1 (*Definitions*) within the sub-section entitled “*Interpretation*” under the section entitled “*Terms and Conditions of the English Law Notes*” on page 106 of the Offering Circular shall be deemed to be deleted in its entirety and replaced by the following:

“**ISDA Definitions**” means:

- (i) for the purposes of the definitions of “*ISDA Fallback Adjustment*” and “*ISDA Fallback Rate*” only, the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time; or
 - (ii) for all other purposes, the 2006 ISDA Definitions as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the applicable Pricing Supplement) as published by the International Swaps and Derivatives Association, Inc.;
3. Item 15(H) “*Fund-Linked Notes*” within the sub-section entitled “*RELEVANT UNDERLYING*” under the section entitled “*Pro Forma Pricing Supplement for the English Law Notes*” on page 259 of the Offering Circular shall be amended by the deletion of item 15(H)(iv) “*Price source for Fund*”, item 15(H)(v) “*Additional Fund Documents*” and item 15(H)(vi) “*Market of Listing for Fund*”.
 4. Item 17 “*Fund-Linked Settlement Provisions*” within the sub-section entitled “*GENERAL*” under the section entitled “*Pro Forma Pricing Supplement for Warrants and Certificates*” on pages 449-451 of the Offering Circular shall be amended by the deletion of item 17(vi) “*Price source for Fund*”, item 17(vii) “*Additional Fund Documents*” and item 17(viii) “*Market of Listing for Fund*”.