

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 15, 2026

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

Delaware
(State or Other Jurisdiction of Incorporation)

1-11758
(Commission File Number)

36-3145972
(IRS Employer Identification No.)

1585 Broadway, New York, New York
(Address of Principal Executive Offices)

10036
(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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Depository 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
Depository 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
Depository 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
Depository 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
Depository 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
Depository 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
Depository 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
Depository 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
Depository Shares, each representing 1/1,000th interest in a share of 6.625% Non-Cumulative Preferred Stock, Series Q, \$0.01 par value	MS/PQ	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 15, 2026, Morgan Stanley (the "Company") released financial information with respect to its quarter and year ended December 31, 2025. 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, 2025 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 15, 2026, Morgan Stanley (the "Company") released financial information with respect to its quarter and year ended December 31, 2025 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" 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 Morgan Stanley's Annual Report on Form 10-K for the year ended December 31, 2024 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 15, 2026, containing financial information for the quarter and year ended December 31, 2025.
99.2	Financial Data Supplement of the Company for the quarter and year ended December 31, 2025.
99.3	Morgan Stanley Presentation, dated on January 15, 2026.
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.

Date: January 15, 2026

MORGAN STANLEY
(Registrant)

By: /s/ Victoria Worster

Name: Victoria Worster

Title: Chief Accounting Officer and Controller

End of Document

Morgan Stanley Fourth Quarter and Full Year 2025 Earnings Results

Morgan Stanley Reports Fourth Quarter Net Revenues of \$17.9 Billion, EPS of \$2.68 and ROTCE of 21.8%; Full Year Net Revenues of \$70.6 Billion, EPS of \$10.21 and ROTCE of 21.6%

NEW YORK, January 15, 2026 – Morgan Stanley (NYSE: MS) today reported net revenues of \$17.9 billion for the fourth quarter ended December 31, 2025 compared with \$16.2 billion a year ago. Net income applicable to Morgan Stanley was \$4.4 billion, or \$2.68 per diluted share, compared with \$3.7 billion, or \$2.22 per diluted share, for the same period a year ago.¹

Full year net revenues were \$70.6 billion compared with \$61.8 billion a year ago. Net income applicable to Morgan Stanley was \$16.9 billion, or \$10.21 per diluted share, compared with \$13.4 billion, or \$7.95 per diluted share, a year ago.¹

Ted Pick, Chairman and Chief Executive Officer, said, “Morgan Stanley delivered outstanding performance in 2025. The Firm produced full-year revenues of \$70.6 billion, EPS of \$10.21 and a ROTCE of 21.6%. Our performance reflects multi-year investments which have contributed to growth and momentum across the Integrated Firm. Total client assets in Wealth and Investment Management grew to \$9.3 trillion, supported by over \$350 billion in net new assets. Our Institutional Securities business served as a trusted advisor to clients as investment banking activity accelerated and global markets remained strong. The four pillars of the Integrated Firm – Strategy, Culture, Financial Strength and Growth – support our ability to drive long-term value for shareholders.”

Financial Summary^{2,3}

Firm (\$MM, except per share data)	4Q 2025	4Q 2024	FY 2025	FY 2024
Net revenues	\$17,890	\$16,223	\$70,645	\$61,761
Provision for credit losses	\$18	\$115	\$349	\$264
Compensation expense	\$7,063	\$6,289	\$29,216	\$26,178
Non-compensation expenses	\$5,049	\$4,913	\$19,126	\$17,723
Pre-tax income ⁶	\$5,760	\$4,906	\$21,954	\$17,596
Net income applicable to MS	\$4,397	\$3,714	\$16,861	\$13,390
Expense efficiency ratio ⁸	68 %	69 %	68 %	71 %
Earnings per diluted share ¹	\$2.68	\$2.22	\$10.21	\$7.95
Book value per share	\$64.37	\$58.98	\$64.37	\$58.98
Tangible book value per share ⁴	\$50.00	\$44.57	\$50.00	\$44.57
Return on equity	16.9 %	15.2 %	16.6 %	14.0 %
Return on tangible equity ⁴	21.8 %	20.2 %	21.6 %	18.8 %

Institutional Securities

Net revenues	\$7,931	\$7,267	\$33,080	\$28,080
Investment Banking	\$2,412	\$1,641	\$7,619	\$6,170
Equity	\$3,666	\$3,325	\$15,631	\$12,230
Fixed Income	\$1,763	\$1,931	\$8,716	\$8,418

Wealth Management

Net revenues	\$8,429	\$7,478	\$31,754	\$28,420
Fee-based client assets (\$Bn) ⁹	\$2,753	\$2,347	\$2,753	\$2,347
Fee-based asset flows (\$Bn) ¹⁰	\$45.6	\$35.2	\$160.1	\$123.1
Net new assets (\$Bn) ¹¹	\$122.3	\$56.5	\$356.3	\$251.7
Loans (\$Bn)	\$181.2	\$159.5	\$181.2	\$159.5

Investment Management

Net revenues	\$1,720	\$1,643	\$6,525	\$5,861
AUM (\$Bn) ¹²	\$1,895	\$1,666	\$1,895	\$1,666
Long-term net flows (\$Bn) ¹³	\$1.7	\$4.3	\$34.4	\$18.0

Full Year Highlights

- The Firm reported record net revenues of \$70.6 billion and net income of \$16.9 billion with strong results across our business segments, demonstrating the strength of our Integrated Firm.
- The Firm delivered a strong ROTCE of 21.6%.^{2, 4}
- The Firm expense efficiency ratio was 68% compared to 71% a year ago, demonstrating operating leverage while continuing to invest in our businesses.^{8, 19}
- The Standardized Common Equity Tier 1 capital ratio was 15.0% at year-end.¹⁶
- Institutional Securities reported net revenues of \$33.1 billion reflecting record results in Equity, strong Investment Banking revenues on higher client activity, and solid results in Fixed Income.
- Wealth Management delivered record net revenues of \$31.8 billion and pre-tax income of \$9.3 billion, resulting in a pre-tax margin of 29.3%.^{6, 7} The business added fee-based flows of \$160 billion and net new assets of \$356 billion.^{10, 11}
- Investment Management reported record net revenues of \$6.5 billion on higher average AUM.¹² The year included long-term net inflows of \$34 billion.¹³

Fourth Quarter Results

Institutional Securities

Institutional Securities reported net revenues of \$7.9 billion compared with \$7.3 billion a year ago. Pre-tax income was \$2.7 billion compared with \$2.4 billion a year ago.⁶

Investment Banking net revenues up 47%:

- Advisory revenues increased from a year ago on higher completed M&A transactions across all regions.
- Equity underwriting revenues increased from a year ago on higher convertibles and IPOs, partially offset by a decline in follow-on offerings.
- Fixed income underwriting revenues increased from a year ago on higher issuance volumes, benefiting from increased event-related activity.

Equity net revenues up 10%:

- Equity net revenues increased on strong client activity across businesses and regions and financing revenues from higher client balances in prime brokerage.

Fixed Income net revenues down 9%:

- Fixed Income net revenues decreased from a year ago primarily due to lower results in commodities on fewer structured transactions and in foreign exchange on lower volatility.

(\$ millions)	4Q 2025	4Q 2024
Net Revenues	\$7,931	\$7,267
Investment Banking	\$2,412	\$1,641
Advisory	\$1,133	\$779
Equity underwriting	\$494	\$455
Fixed income underwriting	\$785	\$407
Equity	\$3,666	\$3,325
Fixed Income	\$1,763	\$1,931
Other	\$90	\$370
Provision for credit losses	\$42	\$78
Total Expenses	\$5,226	\$4,748
Compensation	\$2,079	\$1,764
Non-compensation	\$3,147	\$2,984

Other:

- Other revenues decreased from a year ago primarily driven by higher mark-to-market losses on corporate loans, inclusive of hedges, and lower net interest income and fees following the sale of corporate loans held-for-sale earlier this year.

Provision for credit losses:

- Provision for credit losses in the quarter were driven by a build in individual assessments and portfolio growth, partially offset by a modest improvement in macroeconomic factors. The quarter included charge-offs of \$87 million primarily related to a single commercial real estate loan which had been largely provisioned for in prior quarters.

Total Expenses:

- Compensation expense increased from a year ago on higher revenues and expenses related to deferred compensation.
- Non-compensation expenses increased from a year ago primarily driven by higher technology spend and execution-related expenses.

Wealth Management

Wealth Management reported net revenues of \$8.4 billion compared with \$7.5 billion a year ago. Pre-tax income of \$2.6 billion resulted in a pre-tax margin of 31.4%.^{6, 7}

Net revenues up 13%:

- Asset management revenues increased from a year ago on elevated assets driven by higher markets and the cumulative impact of strong fee-based flows.¹⁰
- Transactional revenues increased 17% from a year ago excluding the impact of mark-to-market on investments associated with DCP.^{5, 14} The increase was driven by higher levels of client activity across channels, particularly in equity-related products.
- Net interest income increased from a year ago primarily driven by the cumulative impact of lending growth and changes in balance sheet mix.

(\$ millions)	4Q 2025	4Q 2024
Net Revenues	\$8,429	\$7,478
Asset management	\$5,031	\$4,417
Transactional ¹⁴	\$1,143	\$973
Net interest	\$2,108	\$1,885
Other	\$147	\$203
Provision for credit losses	\$(24)	\$37
Total Expenses	\$5,810	\$5,388
Compensation	\$4,416	\$3,950
Non-compensation	\$1,394	\$1,438

Provision for credit losses:

- Provision for credit losses in the quarter reflects a net release primarily related to individual assessments for certain loans.

Total Expenses:

- Compensation expense increased from a year ago on higher compensable revenues.
- Non-compensation expenses decreased from a year ago on lower amortization of intangible assets, partially offset by higher marketing and business development.

Investment Management

Investment Management reported net revenues of \$1.7 billion compared with \$1.6 billion a year ago. Pre-tax income was \$468 million compared with \$414 million a year ago.⁶

Net revenues up 5%:

- Asset management and related fees increased from a year ago on higher average AUM primarily driven by higher market levels.¹²
- Performance-based income and other revenues decreased from a year ago primarily due to lower accrued carried interest in our infrastructure funds.

(\$ millions)	4Q 2025	4Q 2024
---------------	---------	---------

Total Expenses:

- Compensation expense was relatively unchanged compared to a year ago.
- Non-compensation expenses increased from a year ago primarily driven by distribution expenses on higher average AUM and higher technology spend.

Net Revenues	\$1,720	\$1,643
Asset management and related fees	\$1,649	\$1,555
Performance-based income and other	\$71	\$88
Total Expenses	\$1,252	\$1,229
Compensation	\$568	\$575
Non-compensation	\$684	\$654

Full Year Results

Institutional Securities

Institutional Securities reported net revenues of \$33.1 billion compared with \$28.1 billion a year ago. Pre-tax income was \$11.2 billion compared with \$8.7 billion a year ago.⁶

Investment Banking revenues up 23%:

- Advisory revenues increased from a year ago on higher completed M&A transactions across all regions.
- Equity underwriting revenues increased from a year ago on higher convertibles and IPOs.
- Fixed income underwriting revenues increased from a year ago on higher issuance volumes, benefiting from increased event-related activity.

(\$ millions)	FY 2025	FY 2024
Net Revenues	\$33,080	\$28,080
Investment Banking	\$7,619	\$6,170
Advisory	\$2,888	\$2,378
Equity underwriting	\$1,965	\$1,599
Fixed income underwriting	\$2,766	\$2,193
Equity	\$15,631	\$12,230
Fixed Income	\$8,716	\$8,418
Other	\$1,114	\$1,262
Provision for credit losses	\$302	\$202
Total Expenses	\$21,541	\$19,129
Compensation	\$9,785	\$8,669
Non-compensation	\$11,756	\$10,460

Equity net revenues up 28%:

- Record Equity net revenues increased across businesses and regions driven by financing revenues from higher client balances in prime brokerage and strong client activity in the derivatives and cash businesses.

Fixed Income net revenues up 4%:

- Fixed Income net revenues increased primarily driven by higher results in macro on increased client activity and in securitized products on lending growth, partially offset by lower results in commodities.

Other:

- Other revenues decreased from a year ago primarily driven by lower net interest income and fees following the sale of corporate loans held-for-sale earlier this year, partially offset by net gains on corporate loans held-for-sale, inclusive of hedges.

Provision for credit losses:

- Provision for credit losses for the year were primarily driven by portfolio growth in corporate loans and secured lending facilities.

Total Expenses:

- Compensation expense increased from a year ago on higher revenues and expenses related to deferred compensation.¹⁹
- Non-compensation expenses increased from a year ago on higher execution-related expenses.

Wealth Management

Wealth Management reported net revenues of \$31.8 billion compared with \$28.4 billion a year ago. Pre-tax income of \$9.3 billion in the current year resulted in a pre-tax margin of 29.3%.^{6, 7}

Net revenues up 12%:

- Asset management revenues increased from a year ago on elevated assets driven by higher markets and the cumulative impact of strong fee-based flows.¹⁰
- Transactional revenues increased 17% excluding the impact of mark-to-market on investments associated with DCP.^{5, 14} The increase was driven by higher levels of client activity across channels, particularly in equity-related products.
- Net interest income increased from a year ago primarily driven by the cumulative impact of lending growth and changes in balance sheet mix.

(\$ millions)	FY 2025	FY 2024
Net Revenues	\$31,754	\$28,420
Asset management	\$18,627	\$16,501
Transactional ¹⁴	\$4,588	\$3,864
Net interest	\$7,911	\$7,313
Other	\$628	\$742
Provision for credit losses	\$47	\$62
Total Expenses	\$22,414	\$20,618
Compensation	\$16,950	\$15,207
Non-compensation	\$5,464	\$5,411

Provision for Credit Losses:

- Provision for credit losses for the year was primarily driven by individual assessments for certain loans and portfolio growth.

Total Expenses:

- Compensation expense increased from a year ago primarily driven by higher compensable revenues.¹⁹
- Non-compensation expenses increased from a year ago primarily driven by higher marketing and business development and technology spend, partially offset by lower amortization of intangible assets.

Investment Management

Investment Management reported net revenues of \$6.5 billion compared with \$5.9 billion a year ago. Pre-tax income was \$1.5 billion compared with \$1.1 billion a year ago.⁶

Net revenues up 11%:

- Asset management and related fees increased from a year ago on higher average AUM primarily driven by higher market levels.¹²
- Performance-based income and other revenues increased from a year ago primarily driven by higher accrued carried interest in our infrastructure and real estate funds.

(\$ millions)	FY 2025	FY 2024
Net Revenues	\$6,525	\$5,861
Asset management and related fees	\$6,068	\$5,627
Performance-based income and other	\$457	\$234
Total Expenses	\$5,047	\$4,724
Compensation	\$2,481	\$2,302
Non-compensation	\$2,566	\$2,422

Total Expenses:

- Compensation expense increased from a year ago primarily driven by higher compensation associated with carried interest.¹⁹
- Non-compensation expenses increased primarily driven by higher distribution expenses on higher average AUM.

Other Matters

- The Firm repurchased \$1.5 billion of its outstanding common stock during the quarter and \$4.6 billion during the year as part of its Share Repurchase Program.
- The Board of Directors declared a \$1.00 quarterly dividend per share payable on February 13, 2026 to common shareholders of record on January 30, 2026.
- The effective tax rate for the current quarter was 23.2% and 22.5% for the full year.

	4Q 2025	4Q 2024	FY 2025	FY 2024
Common Stock Repurchases				
Repurchases (\$MM)	\$1,500	\$750	\$4,585	\$3,250
Number of Shares (MM)	9	6	32	33
Average Price	\$167.81	\$126.44	\$141.33	\$99.16
Period End Shares (MM)	1,583	1,607	1,583	1,607
Effective Tax Rate	23.2%	24.1%	22.5%	23.1%
Capital ¹⁵				
Standardized Approach				
CET1 capital ¹⁶	15.0 %	15.9 %		
Tier 1 capital ¹⁶	16.8 %	18.0 %		
Advanced Approach				
CET1 capital ¹⁶	16.1 %	15.7 %		
Tier 1 capital ¹⁶	18.0 %	17.8 %		
Leverage-based capital				
Tier 1 leverage ¹⁷	6.7 %	6.9 %		
SLR ¹⁸	5.4 %	5.6 %		

Morgan Stanley (NYSE: MS) is a leading global financial services firm providing a wide range of investment banking, securities, wealth management and investment management services. With offices in 42 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, 2024 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 2025 and 2024 of approximately \$147 million and \$150 million, respectively, and for the years ended 2025 and 2024 of approximately \$612 million and \$590 million, respectively.

² 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.

³ 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.

⁴ Tangible common equity 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 and capital adequacy. Tangible common equity represents common equity less goodwill and intangible assets net of allowable mortgage servicing rights deduction. The calculation of return on average tangible common equity, also a non-GAAP financial measure, represents full year or annualized net income applicable to Morgan Stanley less preferred dividends as a percentage of average tangible common equity. The calculation of tangible book value per common share, also a non-GAAP financial measure, represents tangible common shareholder's equity divided by common shares outstanding.

⁵ "DCP" refers to certain employee deferred cash-based compensation programs. Please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations – Other Matters – Deferred Cash-Based Compensation" in the Firm's Annual Report on Form 10-K for the year ended December 31, 2024.

⁶ Pre-tax income represents income before provision for income taxes.

⁷ Pre-tax margin represents income before provision for income taxes divided by net revenues.

⁸ The expense efficiency ratio represents total non-interest expenses as a percentage of net revenues.

⁹ 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.

¹⁰ 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.

¹¹ Wealth Management net new assets represent client asset inflows, inclusive of interest, dividends and asset acquisitions, less client asset outflows, and exclude the impact of business combinations/divestitures and the impact of fees and commissions.

¹² AUM is defined as assets under management or supervision.

¹³ Long-term net flows include the Equity, Fixed Income and Alternative and Solutions asset classes and excludes the Liquidity and Overlay Services asset class.

¹⁴ Transactional revenues include investment banking, trading, and commissions and fee revenues.

¹⁵ Capital ratios are estimates as of the press release date, January 15, 2026.

¹⁶ 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, 2024.

¹⁷ 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.

¹⁸ The Firm's supplementary leverage ratio (SLR) utilizes a Tier 1 capital numerator of approximately \$92.8 billion and \$84.8 billion, and supplementary leverage exposure denominator of approximately \$1.72 trillion and \$1.52 trillion, for the fourth quarter of 2025 and 2024, respectively.

¹⁹ During the first quarter of 2025 as a result of a March employee action, we recognized severance costs associated with a reduction in force ("RIF") of \$144 million, included in Compensation and benefits expense. The RIF occurred across our business segments and geographic regions and impacted approximately 2% of our global workforce at that time. The RIF was related to performance management and the alignment of our workforce to our business needs, rather than a change in strategy or exit of businesses. We recorded first quarter severance costs of \$78 million in the Institutional Securities business segment, \$50 million in the Wealth Management business segment, and \$16 million in the Investment Management business segment. These costs were incurred across all regions, with the majority in the Americas.

Consolidated Income Statement Information

(unaudited, dollars in millions)

	Quarter Ended			Percentage Change From:		Twelve Months Ended		Percentage Change		
	Dec 31, 2025	Sep 30, 2025	Dec 31, 2024	Sep 30, 2025	Dec 31, 2024	Dec 31, 2025	Dec 31, 2024			
Revenues:										
Investment banking	\$ 2,578	\$ 2,266	\$ 1,791	14%	44%	\$ 8,199	\$ 6,705	22%		
Trading	3,680	5,020	3,778	(27%)	(3%)	18,556	16,763	11%		
Investments	220	374	215	(41%)	2%	1,351	824	64%		
Commissions and fees	1,557	1,473	1,390	6%	12%	5,936	5,094	17%		
Asset management	6,788	6,441	6,059	5%	12%	25,145	22,499	12%		
Other	212	159	438	33%	(52%)	1,412	1,265	12%		
Total non-interest revenues	15,035	15,733	13,671	(4%)	10%	60,599	53,150	14%		
Interest income	14,954	15,456	13,491	(3%)	11%	59,063	54,135	9%		
Interest expense	12,099	12,965	10,939	(7%)	11%	49,017	45,524	8%		
Net interest	2,855	2,491	2,552	15%	12%	10,046	8,611	17%		
Net revenues	17,890	18,224	16,223	(2%)	10%	70,645	61,761	14%		
Provision for credit losses	18	—	115	*	(84%)	349	264	32%		
Non-interest expenses:										
Compensation and benefits	7,063	7,442	6,289	(5%)	12%	29,216	26,178	12%		
Non-compensation expenses:										
Brokerage, clearing and exchange fees	1,128	1,141	1,180	(1%)	(4%)	4,679	4,140	13%		
Information processing and communications	1,160	1,119	1,059	4%	10%	4,418	4,088	8%		
Professional services	769	685	798	12%	(4%)	2,839	2,901	(2%)		
Occupancy and equipment	491	473	527	4%	(7%)	1,872	1,905	(2%)		
Marketing and business development	358	280	279	28%	28%	1,173	965	22%		
Other			1,143	1,056	1,070	8%	7%	4,145	3,724	11%
Total non-compensation expenses			5,049	4,754	4,913	6%	3%	19,126	17,723	8%
Total non-interest expenses			12,112	12,196	11,202	(1%)	8%	48,342	43,901	10%
Income before provision for income taxes			5,760	6,028	4,906	(4%)	17%	21,954	17,596	25%
Provision for income taxes			1,336	1,373	1,182	(3%)	13%	4,929	4,067	21%
Net income			\$ 4,424	\$ 4,655	\$ 3,724	(5%)	19%	\$ 17,025	\$ 13,529	26%
Net income applicable to noncontrolling interests			27	45	10	(40%)	170%	164	139	18%
Net income applicable to Morgan Stanley			4,397	4,610	3,714	(5%)	18%	16,861	13,390	26%
Preferred stock dividends			147	160	150	(8%)	(2%)	612	590	4%
Earnings applicable to Morgan Stanley common shareholders			\$ 4,250	\$ 4,450	\$ 3,564	(4%)	19%	\$ 16,249	\$ 12,800	27%

Notes:

- Firm net revenues excluding mark-to-market gains and losses on deferred cash-based compensation plans (DCP), which represents a non-GAAP financial measure, were: 4Q25: \$17,895 million, 3Q25: \$17,976 million, 4Q24: \$16,232 million, 4Q25 YTD: \$70,174 million, 4Q24 YTD: \$61,398 million.
- Firm compensation expenses excluding DCP, which represents a non-GAAP financial measure, were: 4Q25: \$6,968 million, 3Q25: \$7,142 million, 4Q24: \$6,197 million, 4Q25 YTD: \$28,452 million, 4Q24 YTD: \$25,506 million.
- The End Notes are an integral part of this presentation. Refer to pages 12 - 17 of the Financial Supplement for Definition of U.S. GAAP to Non-GAAP Measures, Definitions of Performance Metrics and Terms, Supplemental Quantitative Details and Calculations, and Legal Notice.

Consolidated Financial Metrics, Ratios and Statistical Data

(unaudited)

		Quarter Ended			Percentage Change From:		Twelve Months Ended		Percentage Change				
		Dec 31, 2025	Sep 30, 2025	Dec 31, 2024	Sep 30, 2025	Dec 31, 2024	Dec 31, 2025	Dec 31, 2024					
Financial Metrics:													
Earnings per basic share	\$	2.72	\$	2.83	\$	2.25	(4%)	21%	\$	10.32	\$	8.04	28%
Earnings per diluted share	\$	2.68	\$	2.80	\$	2.22	(4%)	21%	\$	10.21	\$	7.95	28%
Return on average common equity		16.9%		18.0%		15.2%				16.6%		14.0%	
Return on average tangible common equity		21.8%		23.5%		20.2%				21.6%		18.8%	
Book value per common share	\$	64.37	\$	62.98	\$	58.98			\$	64.37	\$	58.98	
Tangible book value per common share	\$	50.00	\$	48.64	\$	44.57			\$	50.00	\$	44.57	
Financial Ratios:													
Pre-tax margin		32%		33%		30%				31%		28%	
Compensation and benefits as a % of net revenues		39%		41%		39%				41%		42%	
Non-compensation expenses as a % of net revenues						28%	26%	30%				27%	29%
Firm expense efficiency ratio						68%	67%	69%				68%	71%
Effective tax rate						23.2%	22.8%	24.1%				22.5%	23.1%
Statistical Data:													
Period end common shares outstanding (millions)						1,583	1,591	1,607	(1%)	(1%)			
Average common shares outstanding (millions)													
Basic						1,564	1,571	1,583	—%	(1%)	1,574	1,591	(1%)
Diluted						1,586	1,590	1,608	—%	(1%)	1,592	1,611	(1%)
Worldwide employees						82,992	82,398	80,478	1%	3%			

The End Notes are an integral part of this presentation. Refer to pages 12 - 17 of the Financial Supplement for Definition of U.S. GAAP to Non-GAAP Measures, Definitions of Performance Metrics and Terms, Supplemental Quantitative Details and Calculations, and Legal Notice.

Fourth Quarter 2025 Earnings Results

Quarterly Financial Supplement	Page
Consolidated Financial Summary	1
Consolidated Financial Metrics, Ratios and Statistical Data	2
Consolidated and U.S. Bank Supplemental Financial Information	3
Consolidated Average Common Equity and Regulatory Capital Information	4
Institutional Securities Income Statement Information, Financial Metrics and Ratios	5
Wealth Management Income Statement Information, Financial Metrics and Ratios	6
Wealth Management Financial Information and Statistical Data	7
Investment Management Income Statement Information, Financial Metrics and Ratios	8
Investment Management Financial Information and Statistical Data	9
Consolidated Loans and Lending Commitments	10
Consolidated Loans and Lending Commitments Allowance for Credit Losses	11
Definition of U.S. GAAP to Non-GAAP Measures	12
Definitions of Performance Metrics and Terms	13 - 14
Supplemental Quantitative Details and Calculations	15 - 16
Legal Notice	17

Consolidated Financial Summary

(unaudited, dollars in millions)

	Quarter Ended			Percentage Change From:		Twelve Months Ended		Percentage		
	Dec 31, 2025	Sep 30, 2025	Dec 31, 2024	Sep 30, 2025	Dec 31, 2024	Dec 31, 2025	Dec 31, 2024	Change		
Net revenues										
Institutional Securities	\$ 7,931	\$ 8,523	\$ 7,267	(7%)	9%	\$ 33,080	\$ 28,080	18%		
Wealth Management	8,429	8,234	7,478	2%	13%	31,754	28,420	12%		
Investment Management	1,720	1,651	1,643	4%	5%	6,525	5,861	11%		
Intersegment Eliminations	(190)	(184)	(165)	(3%)	(15%)	(714)	(600)	(19%)		
Net revenues ⁽¹⁾	<u>\$ 17,890</u>	<u>\$ 18,224</u>	<u>\$ 16,223</u>	(2%)	10%	<u>\$ 70,645</u>	<u>\$ 61,761</u>	14%		
Provision for credit losses										
	\$ 18	\$ —	\$ 115	*	(84%)	\$ 349	\$ 264	32%		
Non-interest expenses										
Institutional Securities	\$ 5,226	\$ 5,340	\$ 4,748	(2%)	10%	\$ 21,541	\$ 19,129	13%		
Wealth Management	5,810	5,736	5,388	1%	8%	22,414	20,618	9%		
Investment Management	1,252	1,287	1,229	(3%)	2%	5,047	4,724	7%		
Intersegment Eliminations	(176)	(167)	(163)	(5%)	(8%)	(660)	(570)	(16%)		
Non-interest expenses ⁽¹⁾⁽²⁾	<u>\$ 12,112</u>	<u>\$ 12,196</u>	<u>\$ 11,202</u>	(1%)	8%	<u>\$ 48,342</u>	<u>\$ 43,901</u>	10%		
Income before provision for income taxes										
Institutional Securities	\$ 2,663	\$ 3,182	\$ 2,441	(16%)	9%	\$ 11,237	\$ 8,749	28%		
Wealth Management	2,643	2,499	2,053	6%	29%	9,293	7,740	20%		
Investment Management	468	364	414	29%	13%	1,478	1,137	30%		
Intersegment Eliminations	(14)	(17)	(2)	18%	*	(54)	(30)	(80%)		
Income before provision for income taxes			<u>\$ 5,760</u>	<u>\$ 6,028</u>	<u>\$ 4,906</u>	(4%)	17%	<u>\$ 21,954</u>	<u>\$ 17,596</u>	25%
Net Income applicable to Morgan Stanley										
Institutional Securities			\$ 2,049	\$ 2,468	\$ 1,891	(17%)	8%	\$ 8,650	\$ 6,666	30%
Wealth Management			2,009	1,889	1,514	6%	33%	7,130	5,888	21%
Investment Management			349	266	310	31%	13%	1,122	859	31%
Intersegment Eliminations			(10)	(13)	(1)	23%	*	(41)	(23)	(78%)
Net Income applicable to Morgan Stanley			<u>\$ 4,397</u>	<u>\$ 4,610</u>	<u>\$ 3,714</u>	(5%)	18%	<u>\$ 16,861</u>	<u>\$ 13,390</u>	26%
Earnings applicable to Morgan Stanley common shareholders			<u>\$ 4,250</u>	<u>\$ 4,450</u>	<u>\$ 3,564</u>	(4%)	19%	<u>\$ 16,249</u>	<u>\$ 12,800</u>	27%

Notes:

- Firm net revenues excluding mark-to-market gains and losses on deferred cash-based compensation plans (DCP), which represents a non-GAAP financial measure, were: 4Q25: \$17,895 million, 3Q25: \$17,976 million, 4Q24: \$16,232 million, 4Q25 YTD: \$70,174 million, 4Q24 YTD: \$61,398 million.

- Firm compensation expenses excluding DCP, which represents a non-GAAP financial measure, were: 4Q25: \$6,968 million, 3Q25: \$7,142 million, 4Q24: \$6,197 million, 4Q25 YTD: \$28,452 million, 4Q24 YTD: \$25,506 million.

- The End Notes are an integral part of this presentation. See pages 12 - 17 for Definition of U.S. GAAP to Non-GAAP Measures, Definitions of Performance Metrics and Terms, Supplemental Quantitative Details and Calculations, and Legal Notice.

Consolidated Financial Metrics, Ratios and Statistical Data

(unaudited)

		Quarter Ended			Percentage Change From:		Twelve Months Ended		Percentage Change					
		Dec 31, 2025	Sep 30, 2025	Dec 31, 2024	Sep 30, 2025	Dec 31, 2024	Dec 31, 2025	Dec 31, 2024						
Financial Metrics:														
	Earnings per basic share	\$	2.72	\$	2.83	\$	2.25	(4%)	21%	\$	10.32	\$	8.04	28%
	Earnings per diluted share	\$	2.68	\$	2.80	\$	2.22	(4%)	21%	\$	10.21	\$	7.95	28%
	Return on average common equity		16.9%		18.0%		15.2%				16.6%		14.0%	
	Return on average tangible common equity		21.8%		23.5%		20.2%				21.6%		18.8%	
	Book value per common share	\$	64.37	\$	62.98	\$	58.98			\$	64.37	\$	58.98	
	Tangible book value per common share	\$	50.00	\$	48.64	\$	44.57			\$	50.00	\$	44.57	
Financial Ratios:														
	Pre-tax margin		32%		33%		30%				31%		28%	
	Compensation and benefits as a % of net revenues		39%		41%		39%				41%		42%	
	Non-compensation expenses as a % of net revenues		28%		26%		30%				27%		29%	
	Firm expense efficiency ratio ⁽¹⁾					68%	67%	69%				68%	71%	
	Effective tax rate					23.2%	22.8%	24.1%				22.5%	23.1%	
Statistical Data:														
	Period end common shares outstanding (millions)					1,583	1,591	1,607	(1%)	(1%)				
	Average common shares outstanding (millions)													
	Basic					1,564	1,571	1,583	—%	(1%)	1,574	1,591	(1%)	
	Diluted					1,586	1,590	1,608	—%	(1%)	1,592	1,611	(1%)	
	Worldwide employees					82,992	82,398	80,478	1%	3%				

The End Notes are an integral part of this presentation. See pages 12 - 17 for Definition of U.S. GAAP to Non-GAAP Measures, Definitions of Performance Metrics and Terms, Supplemental Quantitative Details and Calculations, and Legal Notice.

Consolidated and U.S. Bank Supplemental Financial Information

(unaudited, dollars in millions)

	Quarter Ended			Percentage Change From:		Twelve Months Ended		Percentage Change
	Dec 31, 2025	Sep 30, 2025	Dec 31, 2024	Sep 30, 2025	Dec 31, 2024	Dec 31, 2025	Dec 31, 2024	
Consolidated Balance sheet								
Total assets	\$ 1,420,270	\$ 1,364,806	\$ 1,215,071	4%	17%			
Loans ⁽¹⁾	\$ 289,099	\$ 277,307	\$ 246,814	4%	17%			
Deposits	\$ 415,523	\$ 405,480	\$ 376,007	2%	11%			
Long-term debt outstanding	\$ 341,681	\$ 324,128	\$ 284,307	5%	20%			
Maturities of long-term debt outstanding (next 12 months)	\$ 26,236	\$ 25,439	\$ 21,924	3%	20%			
Average liquidity resources	\$ 385,884	\$ 368,090	\$ 345,440	5%	12%			
Common equity	\$ 101,882	\$ 100,212	\$ 94,761	2%	8%			
Less: Goodwill and intangible assets	(22,735)	(22,820)	(23,157)	—%	(2%)			
Tangible common equity	<u>\$ 79,147</u>	<u>\$ 77,392</u>	<u>\$ 71,604</u>	2%	11%			
Preferred equity	\$ 9,750	\$ 9,750	\$ 9,750	—%	—%			
U.S. Bank Supplemental Financial Information								
Total assets	\$ 487,294	\$ 471,733	\$ 434,812	3%	12%			
Loans	\$ 276,967	\$ 263,296	\$ 232,903	5%	19%			
Investment securities portfolio ⁽²⁾	\$ 132,611	\$ 132,627	\$ 124,343	—%	7%			
Deposits	\$ 408,129	\$ 397,927	\$ 369,730	3%	10%			
Regional revenues								
Americas	\$ 13,784	\$ 13,663	\$ 12,537	1%	10%	\$ 52,897	\$ 46,929	13%
EMEA (Europe, Middle East, Africa)	1,956	1,939	1,672	1%	17%	8,328	7,197	16%
Asia	2,150	2,622	2,014	(18%)	7%	9,420	7,635	23%
Consolidated net revenues	\$ 17,890	\$ 18,224	\$ 16,223	(2%)	10%	\$ 70,645	\$ 61,761	14%

The End Notes are an integral part of this presentation. See pages 12 - 17 for Definition of U.S. GAAP to Non-GAAP Measures, Definitions of Performance Metrics and Terms, Supplemental Quantitative Details and Calculations, and Legal Notice.

Consolidated Average Common Equity and Regulatory Capital Information

(unaudited, dollars in billions)

	Quarter Ended			Percentage Change From:		Twelve Months Ended		Percentage
	Dec 31, 2025	Sep 30, 2025	Dec 31, 2024	Sep 30, 2025	Dec 31, 2024	Dec 31, 2025	Dec 31, 2024	Change
Average Common Equity								
Institutional Securities	\$ 48.4	\$ 48.4	\$ 45.0	—%	8%	\$ 48.4	\$ 45.0	8%
Wealth Management	29.4	29.4	29.1	—%	1%	29.4	29.1	1%
Investment Management	10.6	10.6	10.8	—%	(2%)	10.6	10.8	(2%)
Parent Company	12.5	10.3	9.0	21%	39%	9.6	6.8	41%
Firm	\$ 100.9	\$ 98.7	\$ 93.9	2%	7%	\$ 98.0	\$ 91.7	7%
Regulatory Capital ⁽¹⁾								
Common Equity Tier 1 capital	\$ 83.2	\$ 81.3	\$ 75.1	2%	11%			
Tier 1 capital	\$ 92.8	\$ 91.0	\$ 84.8	2%	9%			
Standardized Approach								
Risk-weighted assets	\$ 553.4	\$ 539.3	\$ 471.8	3%	17%			
Common Equity Tier 1 capital ratio	15.0 %	15.1 %	15.9 %					
Tier 1 capital ratio	16.8 %	16.9 %	18.0 %					
Advanced Approach								
Risk-weighted assets	\$ 515.9	\$ 518.0	\$ 477.3	—%	8%			
Common Equity Tier 1 capital ratio	16.1 %	15.7 %	15.7 %					
Tier 1 capital ratio	18.0 %	17.6 %	17.8 %					
Leverage-based capital								
Tier 1 leverage ratio				6.7 %		6.8 %		6.9 %
Supplementary Leverage Ratio				5.4 %		5.5 %		5.6 %

The End Notes are an integral part of this presentation. See pages 12 - 17 for Definition of U.S. GAAP to Non-GAAP Measures, Definitions of Performance Metrics and Terms, Supplemental Quantitative Details and Calculations, and Legal Notice.

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, 2025	Sep 30, 2025	Dec 31, 2024	Sep 30, 2025	Dec 31, 2024	Dec 31, 2025	Dec 31, 2024	
Revenues:								
Advisory	\$ 1,133	\$ 684	\$ 779	66%	45%	\$ 2,888	\$ 2,378	21%
Equity	494	652	455	(24%)	9%	1,965	1,599	23%
Fixed income	785	772	407	2%	93%	2,766	2,193	26%
Underwriting	1,279	1,424	862	(10%)	48%	4,731	3,792	25%
Investment banking	2,412	2,108	1,641	14%	47%	7,619	6,170	23%
Equity	3,666	4,116	3,325	(11%)	10%	15,631	12,230	28%
Fixed income	1,763	2,169	1,931	(19%)	(9%)	8,716	8,418	4%
Other	90	130	370	(31%)	(76%)	1,114	1,262	(12%)
Net revenues	7,931	8,523	7,267	(7%)	9%	33,080	28,080	18%
Provision for credit losses	42	1	78	*	(46%)	302	202	50%
Compensation and benefits	2,079	2,422	1,764	(14%)	18%	9,785	8,669	13%
Non-compensation expenses	3,147	2,918	2,984	8%	5%	11,756	10,460	12%
Total non-interest expenses	5,226	5,340	4,748	(2%)	10%	21,541	19,129	13%
Income before provision for income taxes	2,663	3,182	2,441	(16%)	9%	11,237	8,749	28%
Net income applicable to Morgan Stanley	\$ 2,049	\$ 2,468	\$ 1,891	(17%)	8%	\$ 8,650	\$ 6,666	30%
Pre-tax margin				34%	37%	34%	34%	31%
Compensation and benefits as a % of net revenues				26%	28%	24%	30%	31%
Non-compensation expenses as a % of net revenues				40%	34%	41%	36%	37%
Return on Average Common Equity				16%	19%	16%	17%	14%
Return on Average Tangible Common Equity ⁽¹⁾				16%	20%	16%	17%	14%
Trading VaR (Average Daily 95% / One-Day VaR)	\$ 51	\$ 59	\$ 46					

The End Notes are an integral part of this presentation. See pages 12 - 17 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

Income Statement Information, Financial Metrics and Ratios

(unaudited, dollars in millions)

	Quarter Ended			Percentage Change From:		Twelve Months Ended		Percentage Change
	Dec 31, 2025	Sep 30, 2025	Dec 31, 2024	Sep 30, 2025	Dec 31, 2024	Dec 31, 2025	Dec 31, 2024	
Revenues:								
Asset management	\$ 5,031	\$ 4,789	\$ 4,417	5%	14%	\$ 18,627	\$ 16,501	13%
Transactional	1,143	1,308	973	(13%)	17%	4,588	3,864	19%
Net interest income	2,108	1,991	1,885	6%	12%	7,911	7,313	8%
Other	147	146	203	1%	(28%)	628	742	(15%)
Net revenues ⁽¹⁾	8,429	8,234	7,478	2%	13%	31,754	28,420	12%
Provision for credit losses	(24)	(1)	37	*	*	47	62	(24%)
Compensation and benefits ⁽¹⁾	4,416	4,388	3,950	1%	12%	16,950	15,207	11%
Non-compensation expenses	1,394	1,348	1,438	3%	(3%)	5,464	5,411	1%
Total non-interest expenses	5,810	5,736	5,388	1%	8%	22,414	20,618	9%
Income before provision for income taxes	2,643	2,499	2,053	6%	29%	9,293	7,740	20%
Net income applicable to Morgan Stanley	\$ 2,009	\$ 1,889	\$ 1,514	6%	33%	\$ 7,130	\$ 5,888	21%
Pre-tax margin	31%	30%	27%			29%	27%	
Compensation and benefits as a % of net revenues			52%	53%	53%		53%	54%
Non-compensation expenses as a % of net revenues			17%	16%	19%		17%	19%
Return on Average Common Equity			27%	25%	20%		24%	20%
Return on Average Tangible Common Equity ⁽²⁾			48%	45%	38%		43%	37%

Notes:

- Wealth Management net revenues excluding DCP, which represents a non-GAAP financial measure, were: 4Q25: \$8,450 million, 3Q25: \$8,028 million, 4Q24: \$7,504 million, 4Q25 YTD: \$31,406 million, 4Q24 YTD: \$28,181 million.
- Wealth Management compensation expenses excluding DCP, which represents a non-GAAP financial measure, were: 4Q25: \$4,350 million, 3Q25: \$4,166 million, 4Q24: \$3,892 million, 4Q25 YTD: \$16,415 million, 4Q24 YTD: \$14,776 million.
- The End Notes are an integral part of this presentation. See pages 12 - 17 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, 2025	Sep 30, 2025	Dec 31, 2024	Sep 30, 2025	Dec 31, 2024
Wealth Management Metrics					
Total client assets	\$ 7,381	\$ 7,054	\$ 6,194	5%	19%
Net new assets	\$ 122.3	\$ 81.0	\$ 56.5	51%	116%
U.S. Bank loans	\$ 181.2	\$ 173.9	\$ 159.5	4%	14%
Margin and other lending ⁽¹⁾	\$ 31.2	\$ 27.9	\$ 28.3	12%	10%
Deposits ⁽²⁾	\$ 408	\$ 398	\$ 370	3%	10%
Annualized weighted average cost of deposits					
Period end	2.51%	2.72%	2.73%		
Period average	2.67%	2.88%	2.94%		
Advisor-led channel					
Advisor-led client assets	\$ 5,715	\$ 5,414	\$ 4,758	6%	20%
Fee-based client assets	\$ 2,753	\$ 2,653	\$ 2,347	4%	17%
Fee-based asset flows	\$ 45.6	\$ 41.9	\$ 35.2	9%	30%
Fee-based assets as a % of advisor-led client assets	48%	49%	49%		
Self-directed channel					
Self-directed client assets	\$ 1,667	\$ 1,639	\$ 1,437	2%	16%
Daily average revenue trades (000's)	1,116	1,012	911	10%	23%
Self-directed households (millions)	8.5	8.4	8.3	1%	2%
Workplace channel					
Stock plan unvested assets	\$ 534	\$ 534	\$ 475	—%	12%
Number of stock plan participants (millions) ⁽³⁾	6.5	6.6	6.6	(2%)	(2%)

The End Notes are an integral part of this presentation. See pages 12 - 17 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

Income Statement Information, Financial Metrics and Ratios

(unaudited, dollars in millions)

	Quarter Ended			Percentage Change From:		Twelve Months Ended		Percentage Change
	Dec 31, 2025	Sep 30, 2025	Dec 31, 2024	Sep 30, 2025	Dec 31, 2024	Dec 31, 2025	Dec 31, 2024	
Revenues:								
Asset management and related fees	\$ 1,649	\$ 1,534	\$ 1,555	7%	6%	\$ 6,068	\$ 5,627	8%
Performance-based income and other	71	117	88	(39%)	(19%)	457	234	95%
Net revenues	1,720	1,651	1,643	4%	5%	6,525	5,861	11%
Compensation and benefits	568	632	575	(10%)	(1%)	2,481	2,302	8%
Non-compensation expenses	684	655	654	4%	5%	2,566	2,422	6%
Total non-interest expenses	1,252	1,287	1,229	(3%)	2%	5,047	4,724	7%
Income before provision for income taxes	468	364	414	29%	13%	1,478	1,137	30%
Net income applicable to Morgan Stanley	\$ 349	\$ 266	\$ 310	31%	13%	\$ 1,122	\$ 859	31%
Pre-tax margin	27%	22%	25%			23%	19%	
Compensation and benefits as a % of net revenues	33%	38%	35%			38%	39%	
Non-compensation expenses as a % of net revenues	40%	40%	40%			39%	41%	
Return on Average Common Equity	13%	10%	11%			11%	8%	
Return on Average Tangible Common Equity ⁽¹⁾	138%	105%	109%			111%	76%	

The End Notes are an integral part of this presentation. See pages 12 - 17 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, 2025	Sep 30, 2025	Dec 31, 2024	Sep 30, 2025	Dec 31, 2024	Dec 31, 2025	Dec 31, 2024	Change		
Assets Under Management or Supervision (AUM)										
Net Flows by Asset Class										
Equity	\$ (11.1)	\$ (6.1)	\$ (6.7)	(82%)	(66%)	\$ (24.7)	\$ (27.0)	9%		
Fixed Income	8.0	8.4	8.0	(5%)	—%	26.2	16.2	62%		
Alternatives and Solutions	4.8	14.2	3.0	(66%)	60%	32.9	28.8	14%		
Long-Term Net Flows			1.7	16.5	4.3	(90%)	(60%)	34.4	18.0	91%
Liquidity and Overlay Services			68.0	24.8	66.8	174%	2%	46.5	64.5	(28%)
Total Net Flows			\$ 69.7	\$ 41.3	\$ 71.1	69%	(2%)	\$ 80.9	\$ 82.5	(2%)
Assets Under Management or Supervision by Asset Class										
Equity			\$ 314	\$ 329	\$ 312	(5%)	1%			
Fixed Income			234	224	192	4%	22%			
Alternatives and Solutions			703	683	593	3%	19%			
Long-Term Assets Under Management or Supervision			1,251	1,236	1,097	1%	14%			
Liquidity and Overlay Services			644	571	569	13%	13%			
Total Assets Under Management or Supervision			\$ 1,895	\$ 1,807	\$ 1,666	5%	14%			

The End Notes are an integral part of this presentation. See pages 12 - 17 for Definition of U.S. GAAP to Non-GAAP Measures, Definitions of Performance Metrics and Terms, Supplemental Quantitative Details and Calculations, and Legal Notice.

Consolidated Loans and Lending Commitments

(unaudited, dollars in billions)

	Quarter Ended			Percentage Change From:	
	Dec 31, 2025	Sep 30, 2025	Dec 31, 2024	Sep 30, 2025	Dec 31, 2024
Institutional Securities					
Loans:					
Corporate	\$ 14.2	\$ 15.9	\$ 15.9	(11%)	(11%)
Secured lending facilities	70.8	66.1	51.2	7%	38%
Commercial and residential real estate	12.0	12.2	11.1	(2%)	8%
Securities-based lending and other	10.7	9.2	8.9	16%	20%
Total Loans	107.7	103.4	87.1	4%	24%
Lending Commitments	188.9	183.7	157.2	3%	20%
Institutional Securities Loans and Lending Commitments	\$ 296.6	\$ 287.1	\$ 244.3	3%	21%
Wealth Management					
Loans:					
Securities-based lending and other	\$ 109.0	\$ 103.1	\$ 92.9	6%	17%
Residential real estate	72.3	70.8	66.6	2%	9%
Total Loans	181.3	173.9	159.5	4%	14%
Lending Commitments	20.3	18.4	19.3	10%	5%
Wealth Management Loans and Lending Commitments	\$ 201.6	\$ 192.3	\$ 178.8	5%	13%
Consolidated Loans and Lending Commitments ⁽¹⁾		\$ 498.2	\$ 479.4	\$ 423.1	4% 18%

The End Notes are an integral part of this presentation. See pages 12 - 17 for Definition of U.S. GAAP to Non-GAAP Measures, Definitions of Performance Metrics and Terms, Supplemental Quantitative Details and Calculations, and Legal Notice.

Consolidated Loans and Lending Commitments Allowance for Credit Losses (ACL) as of December 31, 2025 (unaudited, dollars in millions)

	Loans and Lending Commitments (Gross)	ACL ⁽¹⁾	ACL %	Q4 Provision
Loans:				
Held For Investment (HFI)				
Corporate	\$ 7,277	\$ 260	3.6%	\$ 34
Secured lending facilities	69,149	201	0.3%	4
Commercial and residential real estate	8,039	283	3.5%	(8)
Other	3,780	20	0.5%	1
Institutional Securities - HFI	\$ 88,245	\$ 764	0.9%	\$ 31
Wealth Management - HFI	181,604	368	0.2%	(26)
Held For Investment	\$ 269,849	\$ 1,132	0.4%	\$ 5
Held For Sale	9,435			
Fair Value	10,853			
Total Loans	290,137	1,132		5
Lending Commitments	209,205	798	0.4%	13
Consolidated Loans and Lending Commitments	\$ 499,342	\$ 1,930		\$ 18

The End Notes are an integral part of this presentation. See pages 12 - 17 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) We prepare our financial statements using U.S. GAAP. From time to time, we may disclose certain “non-GAAP financial measures” in this document or in the course of our earnings releases, earnings and other conference calls, financial presentations, definitive proxy statements and other public disclosures. A “non-GAAP financial measure” excludes, or includes, amounts from the most directly comparable measure calculated and presented in accordance with U.S. GAAP. We consider the non-GAAP financial measures we disclose to be useful to us, investors, analysts and other stakeholders by providing further transparency about, or an alternate means of assessing or comparing our financial condition, operating results and 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 U.S. GAAP financial measure and the non-GAAP financial measure. We present certain non-GAAP financial measures that exclude the impact of mark-to-market gains and losses on DCP investments from net revenues and compensation expenses. The impact of DCP is primarily reflected in our Wealth Management business segment results. These measures allow for better comparability of period-to-period underlying operating performance and revenue trends, especially in our Wealth Management business segment. By excluding the impact of these items, we are better able to describe the business drivers and resulting impact to net revenues and corresponding change to the associated compensation expenses. For more information, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Executive Summary” in the 2024 Form 10-K.
- (b) The following are considered non-GAAP financial measures:
- Tangible common equity represents common shareholders’ equity less goodwill and intangible assets net of allowable mortgage servicing rights deduction. In addition, we believe that certain ratios that utilize tangible common equity, such as return on average tangible common equity (“ROTCE”) and tangible book value per common share, also non-GAAP financial measures, are useful for evaluating the operating performance and capital adequacy of the business period-to-period, respectively.
 - ROTCE represents annualized earnings applicable to Morgan Stanley common shareholders as a percentage of average tangible common equity.
 - Tangible book value per common share represents tangible common equity divided by common shares outstanding.
 - Segment return on average common equity and return on average tangible common equity represent net income applicable to Morgan Stanley by segment less preferred dividends allocated to each segment, annualized as a percentage of average common equity and average tangible common equity, respectively, allocated to each segment. The amount of capital allocated to the business segments is generally set at the beginning of each year and remains fixed throughout the year until the next annual reset unless a significant business change occurs (e.g., acquisition or disposition).
 - Net revenues excluding DCP represents net revenues adjusted for the impact of mark-to-market gains and 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 employee 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 that 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.

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) Return on average common equity represents annualized earnings applicable to Morgan Stanley common shareholders as a percentage of average common equity.
- (b) Return on average tangible common equity represents a non-GAAP financial measure.
- (c) Book value per common share represents common equity divided by period end common shares outstanding.
- (d) Tangible book value per common share represents a non-GAAP financial measure.
- (e) Pre-tax margin represents income before provision for income taxes as a percentage of net revenues.
- (f) 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 Company and its major operating subsidiaries, are comprised of high quality liquid assets (HQLA) and cash deposits with banks. 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, 2025, September 30, 2025 and December 31, 2024.
- (b) Our goodwill and intangible balances utilized in the calculation of tangible common equity are net of allowable mortgage servicing rights deduction.
- (c) Tangible common equity represents a non-GAAP financial measure.
- (d) U.S. Bank refers to our U.S. Bank Subsidiaries, Morgan Stanley Bank N.A. and Morgan Stanley Private Bank, National Association, and excludes transactions between the bank subsidiaries, as well as deposits from the Parent Company and affiliates.
- (e) Firmwide regional revenues reflect our consolidated net revenues on a managed basis. Further discussion regarding the geographic methodology for net revenues is disclosed in Note 22 to the consolidated financial statements included in the 2024 Form 10-K.

Page 4:

- (a) Our 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 our regulatory capital to ensure that we maintain an amount of going concern capital after absorbing potential losses from stress events, where applicable, at a point in time. The amount of capital allocated to the business segments is generally set at the beginning of each year and remains fixed throughout the year until the next annual reset unless a significant business change occurs (e.g., acquisition or disposition). We define the difference between our total average common equity and the sum of the average common equity amounts allocated to our business segments as Parent Company common equity. The Required Capital framework is based on our regulatory capital requirements. We continue to evaluate our 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 2024 Form 10-K.
- (b) Our risk-based capital ratios are computed under each of (i) the standardized approaches for calculating credit risk and market risk risk-weighted assets (RWAs) ("Standardized Approach") and (ii) the applicable advanced approaches for calculating credit risk, market risk and operational risk RWAs ("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 2024 Form 10-K.
- (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 margin represents income before provision for income taxes as a percentage of net revenues.
- (c) VaR represents the unrealized loss in portfolio value that, based on historically observed market risk factor movements, would have been exceeded with a frequency of 5%, or five times in every 100 trading days, if the portfolio were held constant for one day. Further discussion of the calculation of VaR and the limitations of our VaR methodology, is disclosed in "Quantitative and Qualitative Disclosures about Risk" included in the 2024 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 margin represents income before provision for income taxes as a percentage 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 that 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.

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 and investment advisory services; financial and wealth planning services; workplace services, including stock plan administration, and retirement plan services.
- (b) Net new assets represent client asset inflows, inclusive of interest, dividends and asset acquisitions, less client asset outflows, and exclude the impact of 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 our U.S. Bank Subsidiaries. Deposits include sweep deposit programs, savings and other deposits, and time deposits.
- (e) Annualized weighted average cost of deposits represents the total annualized weighted average cost of the various deposit products, including the effect of related hedging derivatives. The period end cost of deposits is based upon balances and rates as of December 31, 2025, September 30, 2025 and December 31, 2024. The period average is based on daily 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 2024 Form 10-K.
- (i) Self-directed client 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 active 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 our 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 our consolidated income statement.
- (c) Pre-tax margin represents income before provision for income taxes as a percentage 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:

	4Q25	3Q25	4Q24	4Q25 YTD	4Q24 YTD
Net revenues	\$ 17,890	\$ 18,224	\$ 16,223	\$ 70,645	\$ 61,761
Adjustment for mark-to-market on DCP	5	(248)	9	(471)	(363)
Adjusted Net revenues - non-GAAP	\$ 17,895	\$ 17,976	\$ 16,232	\$ 70,174	\$ 61,398
Compensation expense	\$ 7,063	\$ 7,442	\$ 6,289	\$ 29,216	\$ 26,178
Adjustment for mark-to-market on DCP	(95)	(300)	(92)	(764)	(672)
Adjusted Compensation expense - non-GAAP	\$ 6,968	\$ 7,142	\$ 6,197	\$ 28,452	\$ 25,506

- Compensation expense for deferred cash-based compensation plans 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 table above presents non-GAAP adjusted Compensation expense which excludes amounts recognized in Compensation expense associated with certain cash-based deferred compensation plans.

- We invest directly, as principal, in financial instruments and other investments to economically hedge certain of our obligations under these deferred cash-based compensation plans. Changes in the fair value of such investments, net of financing costs, are recorded in net revenues, and included in Transactional revenues in the Wealth Management business 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 our investments and the deferred recognition of the related compensation expense over the vesting period. While this timing difference may not be material to our Income before provision for income taxes in any individual period, it may impact the Wealth Management business segment reported ratios and operating metrics in certain periods due to potentially significant impacts to net revenues and compensation expenses. The table above presents non-GAAP adjusted Net revenues which excludes amounts recognized in Net revenues related to mark-to-market gains and losses, net of financing costs, on investments associated with certain cash-based deferred compensation plans.

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

	4Q25	3Q25	4Q24	4Q25 YTD	4Q24 YTD
Compensation and benefits	\$ 7,063	\$ 7,442	\$ 6,289	\$ 29,216	\$ 26,178
Non-compensation expenses:					
Brokerage, clearing and exchange fees	1,128	1,141	1,180	4,679	4,140
Information processing and communications	1,160	1,119	1,059	4,418	4,088
Professional services	769	685	798	2,839	2,901
Occupancy and equipment	491	473	527	1,872	1,905
Marketing and business development	358	280	279	1,173	965
Other	1,143	1,056	1,070	4,145	3,724
Total non-compensation expenses ^(a)	5,049	4,754	4,913	19,126	17,723
Total non-interest expenses	\$ 12,112	\$ 12,196	\$ 11,202	\$ 48,342	\$ 43,901

(a) For the quarters ended December 31, 2025, September 30, 2025 and December 31, 2024 and twelve months ended December 31, 2025 and 2024, Firm results included an FDIC Special Assessment of \$(32) million, \$(8) million, \$(4) million, \$(40) million and \$(36) million, respectively. This FDIC Special Assessment was reported in the business segments' results as follows: Institutional Securities: 4Q25: \$(14) million, 3Q25: \$(3) million, 4Q24: \$(2) million, 4Q25 YTD: \$(17) million, 4Q24 YTD: \$(15) million; Wealth Management: 4Q25: \$(18) million, 3Q25: \$(5) million, 4Q24: \$(2) million, 4Q25 YTD: \$(23) million, 4Q24 YTD: \$(21) million.

Page 2:

(1) Refer to page 1(2) End Notes from above.

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, 2025, September 30, 2025 and December 31, 2024, the U.S. Bank investment securities portfolio included held to maturity investment securities of \$44.2 billion, \$45.2 billion and \$47.8 billion, respectively.

Page 4:

(1) Capital ratios are estimates as of the press release date, January 15, 2026.

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: 4Q25: \$457mm; 3Q25: \$457mm; 4Q24: \$482mm; 4Q25 YTD: \$457mm; 4Q24 YTD: \$482mm.

Supplemental Quantitative Details and Calculations

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:

	4Q25	3Q25	4Q24	4Q25 YTD	4Q24 YTD
Net revenues	\$ 8,429	\$ 8,234	\$ 7,478	\$ 31,754	\$ 28,420
Adjustment for mark-to-market on DCP	21	(206)	26	(348)	(239)
Adjusted Net revenues - non-GAAP	\$ 8,450	\$ 8,028	\$ 7,504	\$ 31,406	\$ 28,181
Compensation expense	\$ 4,416	\$ 4,388	\$ 3,950	\$ 16,950	\$ 15,207
Adjustment for mark-to-market on DCP	(66)	(222)	(58)	(535)	(431)
Adjusted Compensation expense - non-GAAP	\$ 4,350	\$ 4,166	\$ 3,892	\$ 16,415	\$ 14,776

(2) 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: 4Q25: \$13,088mm; 3Q25: \$13,088mm; 4Q24: \$13,582mm; 4Q25 YTD: \$13,088mm; 4Q24 YTD: \$13,582mm.

Page 7:

(1) Wealth Management other lending included \$2 billion of non-purpose securities based lending on non-bank entities in each period ended December 31, 2025, September 30, 2025 and December 31, 2024.

(2) Wealth Management deposits details for the quarters ended December 31, 2025, September 30, 2025 and December 31, 2024, are as follows:

	4Q25	3Q25	4Q24
Brokerage sweep deposits	\$ 142	\$ 136	\$ 140
Other deposits	266	262	230
Total deposits	\$ 408	\$ 398	\$ 370

(3) The number of stock plan participants declined slightly in the second half of 2025, primarily as a result of the previously announced dispositions of the Firm's EMEA stock plan business.

Page 8:

(1) 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: 4Q25: \$9,557mm; 3Q25: \$9,557mm; 4Q24: \$9,676mm; 4Q25 YTD: \$9,557mm; 4Q24 YTD: \$9,676mm.

Page 10:

(1) For the quarters ended December 31, 2025, September 30, 2025 and December 31, 2024, Investment Management reflected loan balances of \$93 million, \$49 million and \$204 million, respectively.

Page 11:

(1) For the quarter ended December 31, 2025, 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, 2025	\$ 822	\$ 391	\$ 1,213
Net Charge Offs	(87)	—	(87)
Provision	31	(26)	5
Other	(2)	3	1
Ending Balance - December 31, 2025	\$ 764	\$ 368	\$ 1,132
Lending Commitments			
Allowance for Credit Losses (ACL)			
Beginning Balance - September 30, 2025	\$ 769	\$ 15	\$ 784
Net Charge Offs	—	—	—
Provision	11	2	13
Other	—	1	1
Ending Balance - December 31, 2025	\$ 780	\$ 18	\$ 798
Loans and Lending Commitments			
Allowance for Credit Losses (ACL)			
Beginning Balance - September 30, 2025	\$ 1,591	\$ 406	\$ 1,997
Net Charge Offs	(87)	—	(87)
Provision	42	(24)	18
Other	(2)	4	2
Ending Balance - December 31, 2025	\$ 1,544	\$ 386	\$ 1,930

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 15, 2026.

Morgan Stanley

The Integrated Firm: Executing on a Higher Plane

Ted Pick, Chairman and Chief Executive Officer
January 15, 2026

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 17 – 20 at the back of this presentation for information related to the financial metrics and defined terms in this presentation.

For information and impact of the Company's acquisitions, please refer to prior period filings of the Company's Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q.

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

Trusted Advisor Franchise: Scale, Earnings and Returns

\$9.3Tn

Total Client Assets

\$10.21

Earnings per Share

21.6%

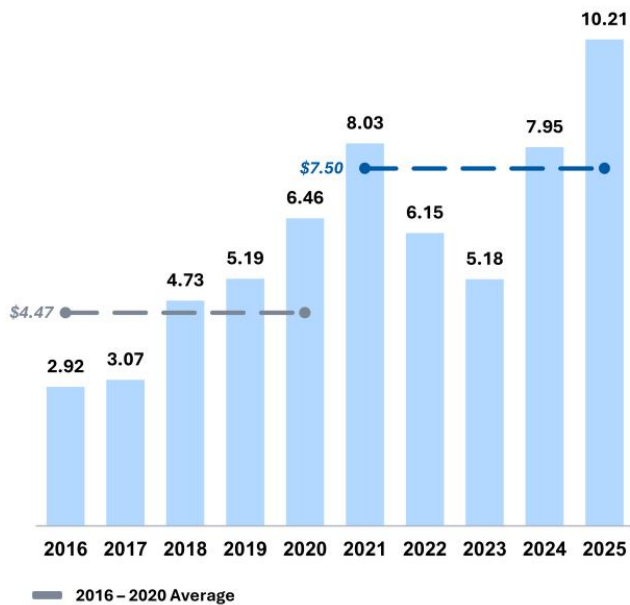
ROTCE

The End Notes are an integral part of this Presentation. See slides 17-20 at the back of this presentation for information related to the financial metrics and defined terms in this presentation.

Consistent Execution: On a Higher Plane

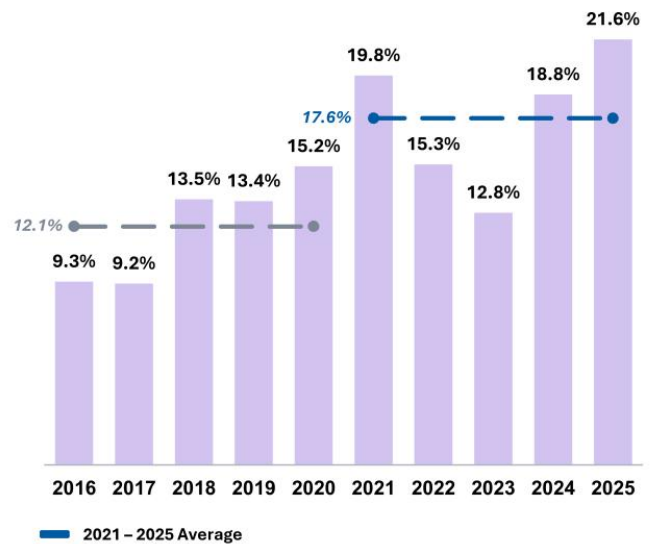
Earnings Growth

EPS (\$) ⁽¹⁾



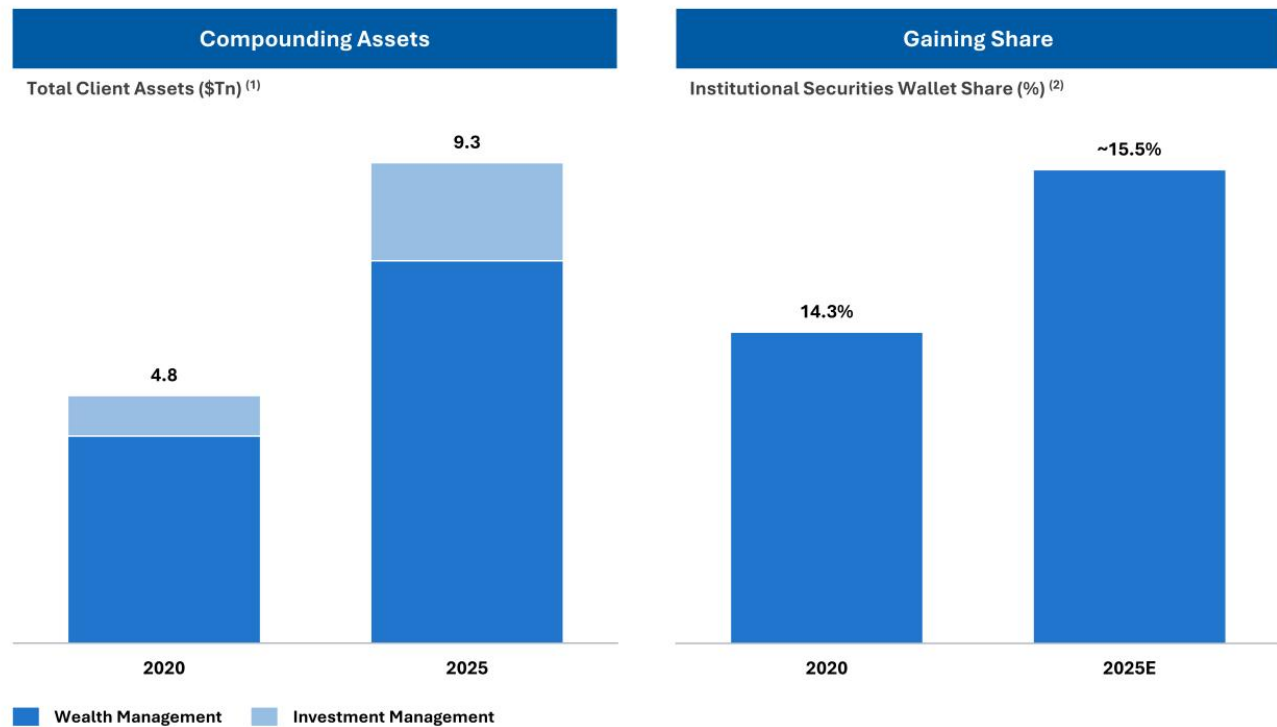
Higher Returns

ROTCE (%) ⁽²⁾



The End Notes are an integral part of this Presentation. See slides 17-20 at the back of this presentation for information related to the financial metrics and defined terms in this presentation.

Tracking Firmwide Goals: \$9Tn+ in Client Assets and Institutional Wallet Share Gains



The End Notes are an integral part of this Presentation. See slides 17-20 at the back of this presentation for information related to the financial metrics and defined terms in this presentation.

Morgan Stanley: Four Pillars of the Integrated Firm Driving Toward Firmwide Goals

Firmwide Goals ⁽¹⁾		
Strategy	Client Assets	\$10 Trillion +
Culture	WM Pre-Tax Margin	30%
Financial Strength	ISG Wallet Share	Durable Share Gains
Growth	Efficiency Ratio	70%
	ROTCE	20%

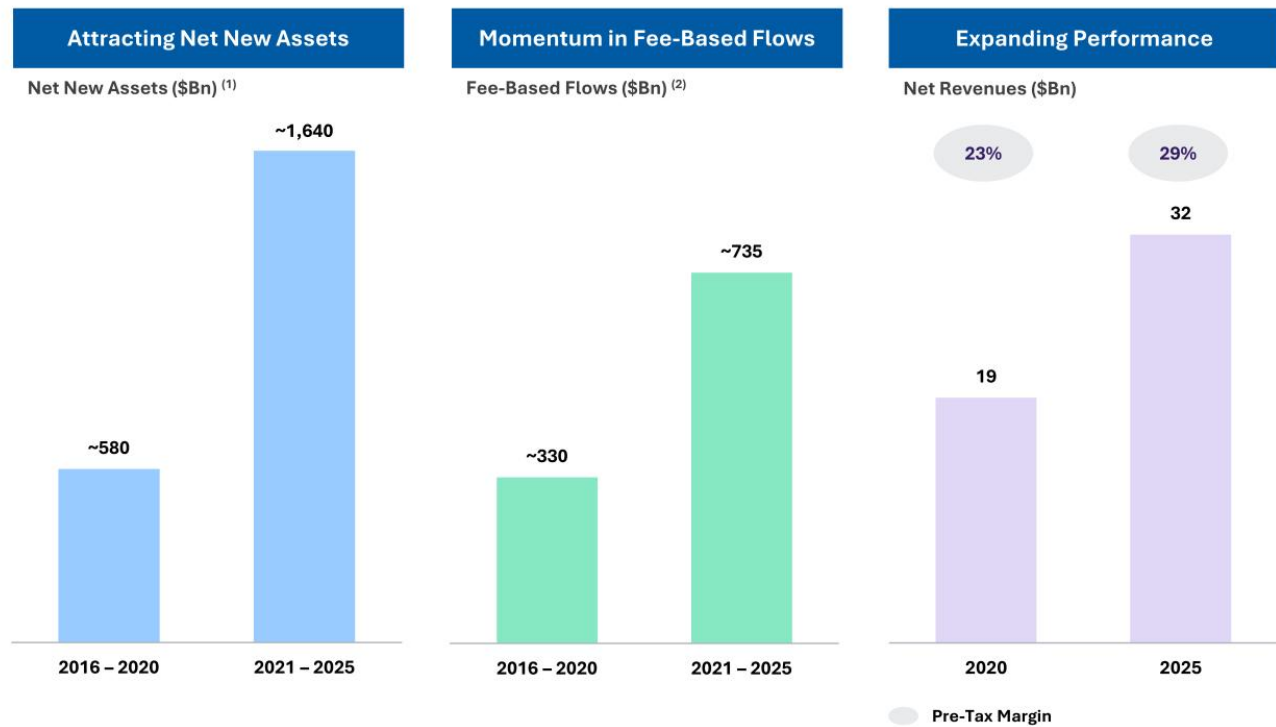
The End Notes are an integral part of this Presentation. See slides 17-20 at the back of this presentation for information related to the financial metrics and defined terms in this presentation.

Growth: The Integrated Firm



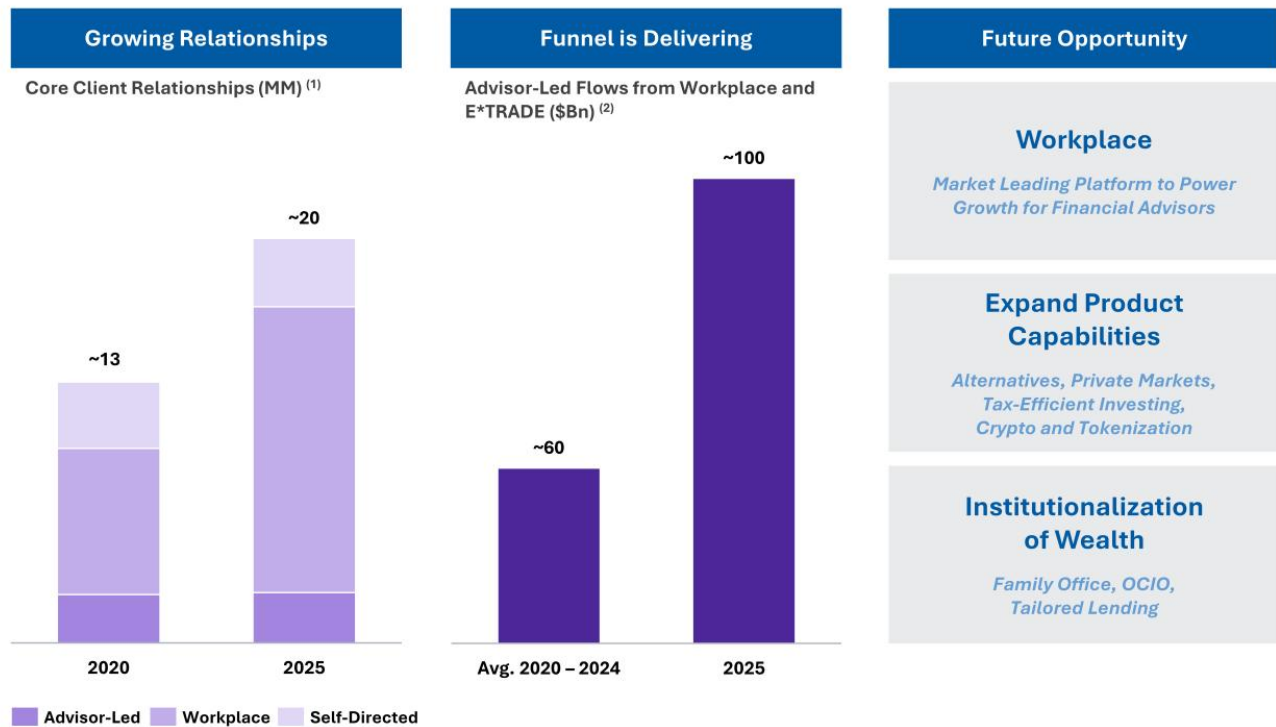
The End Notes are an integral part of this Presentation. See slides 17-20 at the back of this presentation for information related to the financial metrics and defined terms in this presentation.

Wealth Management: Driving Growth and Strong Performance



The End Notes are an integral part of this Presentation. See slides 17-20 at the back of this presentation for information related to the financial metrics and defined terms in this presentation.

Wealth Management: Strategy is Delivering Results and Aligned to Future Growth

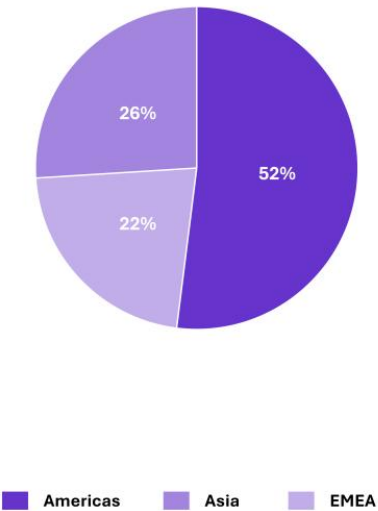


The End Notes are an integral part of this Presentation. See slides 17-20 at the back of this presentation for information related to the financial metrics and defined terms in this presentation.

Institutional Securities: Gaining Wallet Share with Operating Leverage and Capital Efficiency

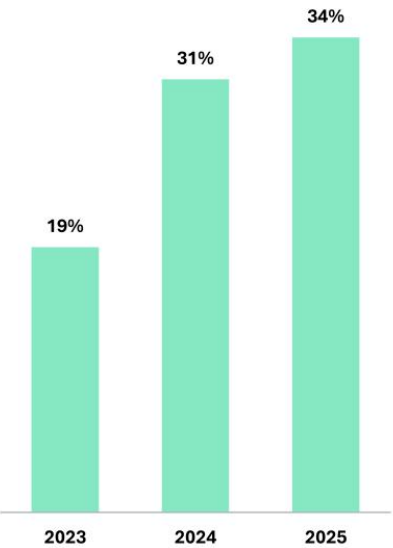
Global Capabilities

ISG Revenue Mix (%) ⁽¹⁾



Delivering Operating Leverage

ISG Pre-Tax Margin (%)



Capital Efficiency



The End Notes are an integral part of this Presentation. See slides 17-20 at the back of this presentation for information related to the financial metrics and defined terms in this presentation.

Institutional Securities: Momentum Across The Integrated Investment Bank

Supporting Clients Across the Investment Bank



Opportunities for Durable Share Gains

Accelerating M&A and IPO Backlogs

Institutionalization of Credit Markets

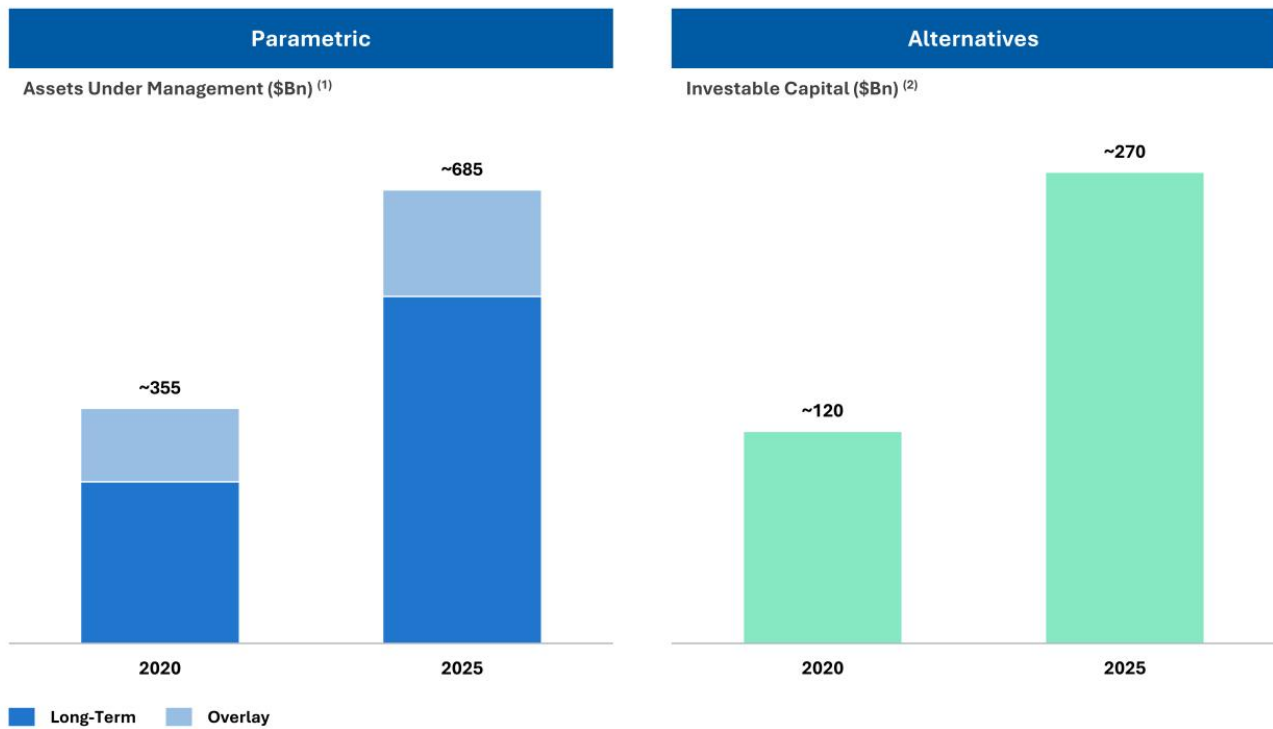
Equitization of Global Markets

Cross Asset Capital Formation, Innovation
& Risk Management Solutions

Technology Initiatives for Scale

The End Notes are an integral part of this Presentation. See slides 17-20 at the back of this presentation for information related to the financial metrics and defined terms in this presentation.

Investment Management: Scaled Parametric and Diversified Alternatives Platform



The End Notes are an integral part of this Presentation. See slides 17-20 at the back of this presentation for information related to the financial metrics and defined terms in this presentation.

The Integrated Firm: Operating on Global Scale

~\$18Bn / 25%

2025 Global Revenue
and Contribution ⁽¹⁾

~30,000

Full-Time Employees
Outside the US

42 Countries

with Morgan Stanley
Offices

~17 Years

of Partnership with
MUFG

Americas

~30%

Revenue Growth
Since 2023

EMEA

~40%

Revenue Growth
Since 2023

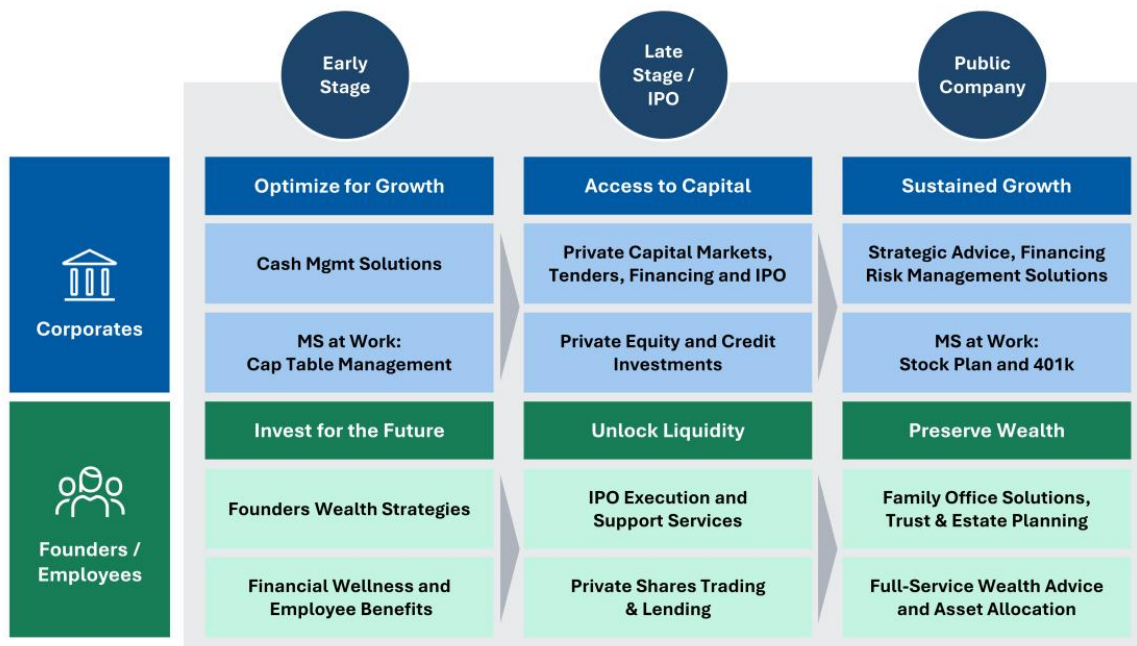
Asia

~50%

Revenue Growth
Since 2023

The End Notes are an integral part of this Presentation. See slides 17-20 at the back of this presentation for information related to the financial metrics and defined terms in this presentation.

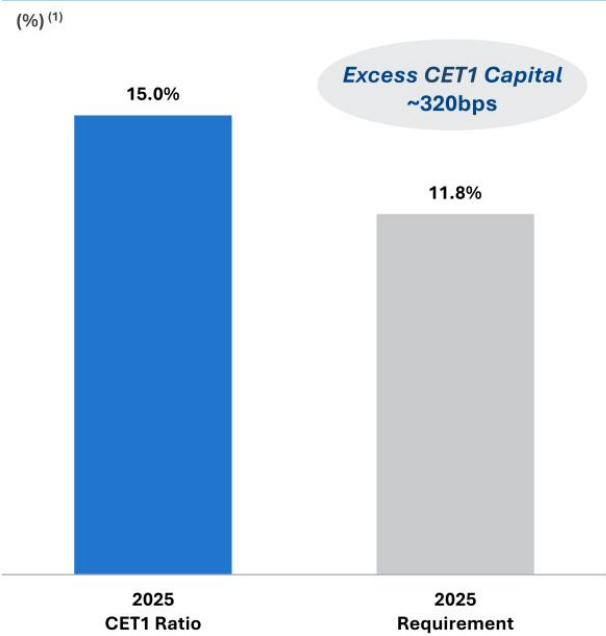
Why Morgan Stanley Wins: The Integrated Firm Delivers Unmatched Capabilities Throughout Clients Growth Cycles



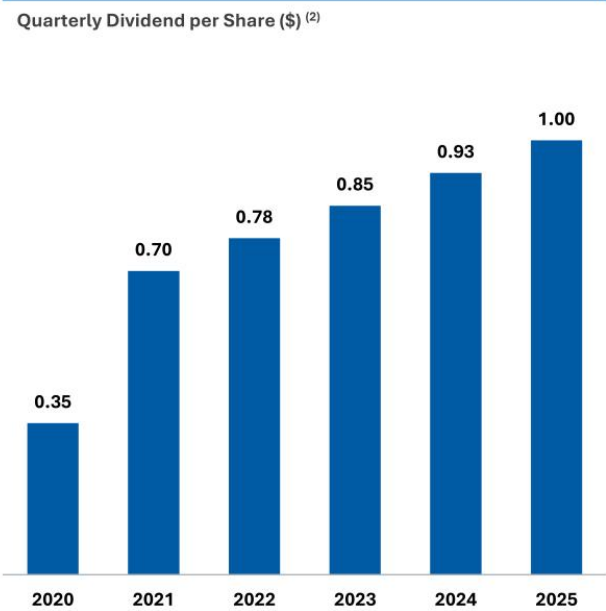
The End Notes are an integral part of this Presentation. See slides 17-20 at the back of this presentation for information related to the financial metrics and defined terms in this presentation.

Capital Framework: Excess Capital Increasingly Reflects Our Durable Business Model and Supports Capital Priorities

Strong Capital Buffer



Supporting Dividend Growth



The End Notes are an integral part of this Presentation. See slides 17-20 at the back of this presentation for information related to the financial metrics and defined terms in this presentation.

Morgan Stanley: Four Pillars of the Integrated Firm Driving Toward Firmwide Goals

Firmwide Goals		
Strategy	Client Assets	\$10 Trillion +
Culture	WM Pre-Tax Margin	30%
Financial Strength	ISG Wallet Share	Durable Share Gains
Growth	Efficiency Ratio	70%
	ROTCE	20%

The End Notes are an integral part of this Presentation. See slides 17-20 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 2025 Financial Supplement included in the Current Report on Form 8-K dated January 15, 2026 (**'Morgan Stanley Fourth Quarter 2025 Financial Supplement'**).

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

For information and impact of the Company's acquisitions, please refer to prior period filings of the Company's Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q.

End Notes

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

1. **Earnings per Share ('EPS')** represents diluted earnings per share.
2. **Return on average tangible common equity ('ROTCE')** represents 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. ROTCE and average tangible common equity are non-GAAP financial measures that the Firm considers useful for analysts, investors and other stakeholders to assess operating performance.

These notes refer to the financial metrics and / or defined terms presented on Slide 5

1. **Total Client Assets** represent the sum of the reported Wealth Management ('WM') client assets and Investment Management ('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 and investment advisory 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.
2. **Institutional Securities Wallet Share** represents the percentage of Morgan Stanley's Institutional Securities ('ISG') segment net revenues to the Wallet. The **Wallet** represents Investment Banking ('IBD'), Equity Sales & Trading and Fixed Income Sales & Trading net revenues, where applicable, for Morgan Stanley and the following peer set: Bank of America, Barclays, Citigroup, Deutsche Bank, Goldman Sachs, JP Morgan, and UBS. For 2020, the peer set includes Credit Suisse, prior to UBS' acquisition completed in June 2023.

For peers that disclose results between multiple segments, assumptions have been made based on company disclosures. European peer results were translated to USD using average exchange rates for the appropriate period, sourced from Bloomberg.

The analysis utilizes data for peers that have reported full-year 2025 results as of January 14, 2026. For peers that have not yet reported, a full-year 2025 results estimate is derived assuming the aggregate share of those peers of the Wallet for the first nine months of 2025 remains constant in the fourth quarter of 2025.

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

1. **Pre-Tax Margin** represents income before provision for income taxes as a percentage of net revenues.
2. **Efficiency Ratio** represents total non-interest expenses as a percentage of net revenues.

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.

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

1. **Net New Assets ('NNA')** represent client asset inflows, inclusive of interest, dividends and asset acquisitions, less client asset outflows, and exclude the impact of business combinations/divestitures and the impact of fees and commissions. For further discussion regarding NNA, see Business Segments in Morgan Stanley's Annual Report on Form 10-K for the year ended December 31, 2024.

NNA shown are aggregated across the stated five-year time periods. 2020 NNA is Pro Forma for E*TRADE, representing the addition of NNA for Morgan Stanley and E*TRADE for the full year.

End Notes

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

2. **Fee-Based Flows** represent 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 Flows, see Fee-based client assets in Morgan Stanley's Annual Report on Form 10-K for the year ended December 31, 2024.

Fee-Based Flows shown are aggregated across the stated five-year time periods.

2021 and 2022 include NNA and Fee-Based flows acquired in asset acquisitions previously disclosed in the third quarter of 2021 and first quarter of 2022. Refer to Quarterly Reports on Form 10-Q for the respective quarters.

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

1. **Core Client Relationships** represent Advisor-Led Households, Self-Directed Households, and Workplace Participants, excluding overlap, as of 4Q 2020 and 4Q 2025. Where there is overlap between relationships across channels, relationships are included in this order: Workplace, Advisor-Led and Self-Directed.
 - **Advisor-Led Households** represent the total number of households that include at least one account with Advisor-Led Clients Assets. **Advisor-Led Client Assets** represent client assets in accounts that have a WM representative assigned.
 - **Self-Directed Households** represent the total number of households that include at least one active account with Self-Directed Client Assets. **Self-Directed Client Assets** represent active accounts which are not advisor-led. Active accounts are defined as having at least \$25 in assets.
 - **Workplace Participants** represent Stock Plan Participants, Institutional Consulting Participants, and Retirement and Financial Wellness Participants, excluding overlap.
 - **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.
 - **Institutional Consulting Participants** represent participants of corporate clients with institutional consulting plans serviced by Morgan Stanley at Work.
 - **Retirement and Financial Wellness Participants** represent participants of corporate clients with financial wellness and retirement plans serviced by Morgan Stanley at Work.
2. **Advisor-Led Flows from Workplace and E*TRADE** represent assets brought into advisor-led relationships, where the initial account was workplace or self-directed. These have been averaged across the 5-year time period of 2020, 2021, 2022, 2023 and 2024.

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

1. **ISG Revenue Mix** represents the regional view of ISG's consolidated net revenues on a managed basis, based on the following methodology: client location for advisory and equity underwriting, syndicate desk location for debt underwriting, trading desk location for sales and trading.
2. **Revenue Growth vs. RWA/SLR Growth** represents Morgan Stanley's ISG segment net revenue percentage growth since the year ended December 31, 2023 divided by the average of ISG's Standardized Risk-weighted assets growth and ISG's Supplementary Leverage Exposure growth, for the same period.

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

1. **Parametric Long-Term and Parametric Overlay** represent AuM reported under the "Alternatives and Solutions" and "Liquidity and Overlay Services" categories, respectively, in the Morgan Stanley Fourth Quarter 2025 Financial Supplement. AuM is as of period end. 2020 data is prior to the close of the Eaton Vance acquisition.

End Notes

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

2. **Investable Capital** includes AuM, unfunded commitments, co-investments and leverage across private alternative and liquid alternative strategies. The AuM portion of investable capital for 2025 is reported under the "Alternatives and Solutions", "Equities" and "Fixed Income" categories in the Morgan Stanley Fourth Quarter 2025 Financial Supplement. AuM is as of period end.

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

1. **Global Revenue** represents Morgan Stanley's EMEA and Asia regional revenues. **Contribution** represents Global Revenue as a percentage of the Firmwide total consolidated net revenues. Firmwide regional revenues reflect our consolidated net revenues on a managed basis. Further discussion regarding the geographic methodology for net revenues is disclosed in Note 22 to the consolidated financial statements included in Morgan Stanley's Annual Report on Form 10-K for the year ended December 31, 2024.

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

1. **Common Equity Tier 1 ('CET1') Requirement** includes the regulatory minimum, Stress Capital Buffer and G-SIB capital surcharge.

Excess CET1 Capital represents the difference between the CET1 ratio and the CET1 requirement.

Metrics are as of year-end and are based on the Basel III Standardized Approach Fully Phased-in rules.

2. **Quarterly Dividend Per Share** represents the dividend per share in the fourth quarter of each respective year.

Morgan Stanley

The Integrated Firm: Executing on a Higher Plane

Ted Pick, Chairman and Chief Executive Officer
January 15, 2026
