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): July 14, 2022

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

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

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

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

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

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

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

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

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

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value	MS	New York Stock Exchange
Depositary Shares, each representing 1/1,000th interest in a share of Floating Rate Non-Cumulative Preferred Stock, Series A, $0.01 par value	MS/PA	New York Stock Exchange
Depositary Shares, each representing 1/1,000th interest in a share of Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series E, $0.01 par value	MS/PE	New York Stock Exchange
Depositary Shares, each representing 1/1,000th interest in a share of Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series F, $0.01 par value	MS/PF	New York Stock Exchange
Depositary Shares, each representing 1/1,000th interest in a share of Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series I, $0.01 par value	MS/PI	New York Stock Exchange
Depositary Shares, each representing 1/1,000th interest in a share of Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series K, $0.01 par value	MS/PK	New York Stock Exchange
Depositary Shares, each representing 1/1,000th interest in a share of 4.875% Non-Cumulative Preferred Stock, Series L, $0.01 par value	MS/PL	New York Stock Exchange
Depositary Shares, each representing 1/1,000th interest in a share of 4.250% Non-Cumulative Preferred Stock, Series O, $0.01 par value	MS/PO	New York Stock Exchange
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

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 July 14, 2022, Morgan Stanley (the "Company") released financial information with respect to its quarter ended June 30, 2022. A copy of the press release containing this information is annexed as Exhibit 99.1 to this Report and by this reference incorporated herein and made a part hereof. In addition, a copy of the Company's Financial Data Supplement for its quarter ended June 30, 2022 is annexed as Exhibit 99.2 to this Report and by this reference incorporated herein and made a part hereof.

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

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Press release of the Company, dated July 14, 2022, containing financial information for the quarter ended June 30, 2022.
99.2	Financial Data Supplement of the Company for the quarter ended June 30, 2022.
101	Interactive Data Files pursuant to Rule 406 of Regulation S-T formatted in Inline eXtensible Business Reporting Language (“Inline XBRL”)
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101).

SIGNATURE

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

	MORGAN STANLEY (Registrant)
Date: July 14, 2022	By: /s/ Raja Akram
	Name: Raja Akram
	Title: Deputy Chief Financial Officer

End of Document

Exhibit 99.1

Morgan Stanley

Morgan Stanley Second Quarter 2022 Earnings Results

Morgan Stanley Reports Net Revenues of $13.1 Billion, EPS of $1.39 and ROTCE of 13.8%

NEW YORK, July 14, 2022 – Morgan Stanley (NYSE: MS) today reported net revenues of $13.1 billion for the second quarter ended June 30, 2022 compared with $14.8 billion a year ago. Net income applicable to Morgan Stanley was $2.5 billion, or $1.39 per diluted share,[1] compared with net income of $3.5 billion, or $1.85 per diluted share, [1] for the same period a year ago.

James P. Gorman, *Chairman and Chief Executive Officer, said, "Overall the Firm delivered a solid quarter in what was a more volatile market environment than we have seen for some time. Strong results in Equity and Fixed Income helped partially counter weaker investment banking activy. We continue to attract positive flows across our Wealth Management business, and Investment Management continues to benefit from its diversification. Finally, we finished the quarter in a strong capital position to ensure we move forward with confidence."*

Financial Summary[2,3]

Firm ($ millions, except per share data)	2Q 2022	2Q 2021
Net revenues	$ 13,132	$ 14,759
Provision for credit losses	$ 101	$ 73
Compensation expense	$ 5,550	$ 6,423
Non-compensation expenses	$ 4,162	$ 3,697
Pre-tax income[8]	$ 3,319	$ 4,566
Net income app. to MS	$ 2,495	$ 3,511
Expense efficiency ratio[6]	74%	69%
Earnings per diluted share	$ 1.39	$ 1.85
Book value per share	$ 54.46	$ 54.04
Tangible book value per share	$ 40.07	$ 40.12
Return on equity	10.1%	13.8%
Return on tangible equity[4]	13.8%	18.6%
Institutional Securities		
Net revenues	$ 6,119	$ 7,092
Investment Banking	$ 1,072	$ 2,376
Equity	$ 2,960	$ 2,827
Fixed Income	$ 2,500	$ 1,682
Wealth Management		
Net revenues	$ 5,736	$ 6,095
Fee-based client assets ($ billions)[9]	$ 1,717	$ 1,680
Fee-based asset flows ($ billions)[10]	$ 28.5	$ 33.7
Net new assets ($ billions)	$ 52.9	$ 71.2
Loans ($ billions)	$ 143.6	$ 114.7
Investment Management		
Net revenues	$ 1,411	$ 1,702
AUM ($ billions)[11]	$ 1,351	$ 1,524
Long-term net flows ($ billions)[12]	$ (3.5)	$ 13.5

Highlights

- The Firm reported solid results with net revenues of $13.1 billion demonstrating the strength of our diversified franchise as the businesses navigated a challenging market environment.
- The Firm delivered ROTCE of 13.8%, or 14.3% excluding the impact of integration-related expenses.[4,5]
- The Firm's expense efficiency ratio was 74%, impacted by $200 million related to a specific regulatory matter concerning the use of unapproved personal devices and the Firm's record-keeping requirements. In the first half of the year, the expense efficiency ratio was 71%, or 70% excluding the impact of integration-related expenses.[5,6]
- The Firm remains in a strong capital position with a Standardized Common Equity Tier 1 capital ratio of 15.2%.
- Institutional Securities net revenues of $6.1 billion reflect strong performance in Fixed Income and Equity as clients remained engaged in volatile markets, while limited activity in Investment Banking was impacted by the uncertain macroeconomic environment.
- Wealth Management delivered a pre-tax margin of 26.5% or 28.2% excluding integration-related expenses.[5,7] Net revenues were $5.7 billion, negatively impacted by mark-to-market losses on investments associated with certain employee deferred compensation plans. The business added net new assets of $53 billion in the quarter and $195 billion in the first half of 2022. The quarter also saw continued growth in bank lending and $29 billion of fee-based flows.
- Investment Management net revenues were $1.4 billion. The diversified business delivered solid results despite lower equity markets.

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

Institutional Securities

Institutional Securities reported net revenues for the current quarter of $6.1 billion compared with $7.1 billion a year ago. Pre-tax income was $1.6 billion compared with $2.5 billion a year ago.[8]

Investment Banking revenues down 55% from a year ago:

- Advisory revenues decreased from a year ago driven by lower levels of completed M&A transactions.
- Equity underwriting revenues significantly decreased from a year ago on lower issuances given uncertainty in the markets.
- Fixed income underwriting revenues decreased from a year ago as macroeconomic conditions contributed to lower issuances.

Equity net revenues up 5% from a year ago:

- Equity net revenues increased from a year ago on continued strong client engagement and elevated market volatility, with particular strength in derivatives products and prime brokerage.

Fixed Income net revenues up 49% from a year ago:

- Fixed Income net revenues increased substantially from a year ago reflecting strength in our macro businesses and in commodities on increased client activity and volatility in the markets.

Other:

- Other revenues decreased from a year ago driven by mark-to-market losses on corporate loans held for sale, net of hedges, reflecting the widening of credit spreads in the quarter. Mark-to-market losses on investments associated with certain employee deferred compensation plans also contributed to the decline.

($ millions)	2Q 2022	2Q 2021
Net Revenues	**$ 6,119**	**$ 7,092**
Investment Banking	**$ 1,072**	**$ 2,376**
Advisory	$ 598	$ 664
Equity underwriting	$ 148	$ 1,072
Fixed income underwriting	$ 326	$ 640
Equity	**$ 2,960**	**$ 2,827**
Fixed Income	**$ 2,500**	**$ 1,682**
Other	**$ (413)**	**$ 207**
Provision for credit losses	**$ 82**	**$ 70**
Total Expenses	**$ 4,483**	**$ 4,524**
Compensation	$ 2,050	$ 2,433
Non-compensation	$ 2,433	$ 2,091

Total Expenses:

- Compensation expense decreased from a year ago primarily driven by a decline related to certain deferred compensation plans linked to investment performance and the impact of lower revenues.
- Non-compensation expenses increased from a year ago primarily driven by higher litigation costs, including $200 million related to a specific regulatory matter concerning the use of unapproved personal devices and the Firm’s record-keeping requirements, and higher volume-related expenses.

Wealth Management

Wealth Management reported net revenues of $5.7 billion compared with $6.1 billion a year ago. Pre-tax income was $1.5 billion compared with $1.6 billion a year ago. [8] Pre-tax margin was 26.5% in the current quarter, or 28.2% excluding the impact of integration-related expenses.[5,7]

Net revenues decreased 6% from a year ago:

- Asset management revenues increased 2% reflecting higher asset levels driven by continued positive fee-based flows, partially offset by lower market levels compared to a year ago.
- Transactional revenues[13] decreased 17% excluding the impact of mark-to-market losses on investments associated with certain employee deferred compensation plans. The decrease was driven by lower client activity from a strong prior year period.
- Net interest income increased from a year ago on higher interest rates and continued bank lending growth.

($ millions)	2Q 2022	2Q 2021
Net Revenues	**$ 5,736**	**$ 6,095**
Asset management	$ 3,510	$ 3,447
Transactional[13]	$ 291	$ 1,172
Net interest income	$ 1,747	$ 1,255
Other	$ 188	$ 221
Provision for credit losses	**$ 19**	**$ 3**
Total Expenses	**$ 4,196**	**$ 4,456**
Compensation	$ 2,895	$ 3,275
Non-compensation	$ 1,301	$ 1,181

Total Expenses:

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

Investment Management

Investment Management reported net revenues of $1.4 billion compared with $1.7 billion a year ago. Pre-tax income was $249 million compared with $430 million a year ago. [8]

Net revenues down 17% from a year ago:

- Asset management and related fees decreased from a year ago driven by lower AUM, primarily due to the decline in equity markets.
- Performance-based income and other revenues decreased from a year ago primarily reflecting mark-to-market losses on investments associated with certain employee deferred compensation plans and lower marks on public investments reflecting the decline in the equity markets.

($ millions)	2Q 2022	2Q 2021
Net Revenues	**$ 1,411**	**$ 1,702**
Asset management and related fees	$ 1,304	$ 1,418
Performance-based income and other	$ 107	$ 284
Total Expenses	**$ 1,162**	**$ 1,272**
Compensation	$ 605	$ 715
Non-compensation	$ 557	$ 557

Total Expenses:

- Compensation expense decreased from a year ago primarily driven by a decline related to certain deferred compensation plans linked to investment performance.

Other Matters

- The Firm repurchased $2.7 billion of its outstanding common stock during the quarter, completing our $12 billion buyback plan that we announced last year.
- The Firm also announced a multi-year repurchase authorization of up to $20 billion of outstanding common stock without a set expiration date.
- The Board of Directors declared a $0.775 quarterly dividend per share, an 11% increase from the current $0.70 per share dividend, payable on August 15, 2022 to common shareholders of record on July 29, 2022.
- The Standardized Common Equity Tier 1 capital ratio was 15.2%, 190 basis points above the new aggregate standardized approach CET1 requirement beginning October 1, 2022.

Capital[14]	2Q 2022	2Q 2021
Standardized Approach		
CET1 capital[15]	15.2%	16.6%
Tier 1 capital[15]	16.9%	18.3%
Advanced Approach		
CET1 capital[15]	15.4%	17.7%
Tier 1 capital[15]	17.1%	19.5%
Leverage-based capital		
Tier 1 leverage[16]	6.6%	7.5%
SLR[17]	5.4%	5.9%
Common Stock Repurchases		
Repurchases ($ millions)	$ 2,738	$ 2,939
Number of Shares (millions)	33	34
Average Price	$ 82.05	$ 86.21
Period End Shares (millions)	1,723	1,834
Tax Rate	23.6%	23.1%

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

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

NOTICE:

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

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

[1] Includes preferred dividends related to the calculation of earnings per share of $104 million and $103 million for the second quarter of 2022 and 2021, 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] Return on average tangible common equity and return on average tangible common equity excluding integration-related expenses are non-GAAP financial measures that the Firm considers useful for analysts, investors and other stakeholders to allow comparability of period-to-period operating performance and capital adequacy. The calculation of return on average tangible common equity represents full year or annualized net income applicable to Morgan Stanley less preferred dividends as a percentage of average tangible common equity. Tangible common equity, also a non-GAAP financial measure, represents common equity less goodwill and intangible assets net of allowable mortgage servicing rights deduction. The calculation of return on average tangible common equity excluding integration-related expenses is adjusted in both the numerator and the denominator to exclude the integration-related expenses associated with the acquisitions of E*TRADE and Eaton Vance.

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

	2Q 2022	2Q 2021
Firm		
Compensation	$ 11	$ 25
Non-compensation	109	65
Total non-interest expenses	$ 120	$ 90
Total non-interest expenses (after-tax)	$ 92	$ 69
Wealth Management		
Compensation	$ 4	$ 9
Non-compensation	92	51
Total non-interest expenses	$ 96	$ 60
Total non-interest expenses (after-tax)	$ 74	$ 46
Investment Management		
Compensation	$ 7	$ 16
Non-compensation	17	14
Total non-interest expenses	$ 24	$ 30
Total non-interest expenses (after-tax)	$ 18	$ 23

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

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

[8] Pre-tax income represents income before taxes.

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

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

[13] Transactional revenues include investment banking, trading, and commissions and fee revenues. Transactional revenues excluding the impact of mark-to-market gains/losses on investments associated with certain employee deferred compensation plans is a non-GAAP financial measure that the Firm considers useful for analysts, investors and other stakeholders to allow better comparability of period-to-period operating performance and capital adequacy.

[14] Capital ratios are estimates as of the press release date, July 14, 2022.

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

[16] 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.

[17] The Firm's supplementary leverage ratio (SLR) utilizes a Tier 1 capital numerator of approximately $77.8 billion and $84.6 billion, and supplementary leverage exposure denominator of approximately $1.45 trillion and $1.44 trillion, for the second quarter of 2022 and 2021, respectively.

Morgan Stanley

Consolidated Income Statement Information
(unaudited, dollars in millions)

	Quarter Ended			Percentage Change From:		Six Months Ended		Percentage
	Jun 30, 2022	Mar 31, 2022	Jun 30, 2021	Mar 31, 2022	Jun 30, 2021	Jun 30, 2022	Jun 30, 2021	Change
Revenues:								
Investment banking	$ 1,150	$ 1,758	$ 2,560	(35%)	(55%)	$ 2,908	$ 5,400	(46%)
Trading	3,597	3,983	3,330	(10%)	8%	7,580	7,555	--
Investments	23	75	381	(69%)	(94%)	98	699	(86%)
Commissions and fees	1,220	1,416	1,308	(14%)	(7%)	2,636	2,934	(10%)
Asset management	4,912	5,119	4,973	(4%)	(1%)	10,031	9,371	7%
Other	(52)	234	342	*	*	182	626	(71%)
Total non-interest revenues	10,850	12,585	12,894	(14%)	(16%)	23,435	26,585	(12%)
Interest income	3,612	2,650	2,212	36%	63%	6,262	4,649	35%
Interest expense	1,330	434	347	*	*	1,764	756	133%
Net interest	2,282	2,216	1,865	3%	22%	4,498	3,893	16%
Net revenues	13,132	14,801	14,759	(11%)	(11%)	27,933	30,478	(8%)
Provision for credit losses	101	57	73	77%	38%	158	(25)	*
Non-interest expenses:								
Compensation and benefits	5,550	6,274	6,423	(12%)	(14%)	11,824	13,221	(11%)
Non-compensation expenses:								
Brokerage, clearing and exchange fees	878	882	795	--	10%	1,760	1,705	3%
Information processing and communications	857	829	765	3%	12%	1,686	1,498	13%
Professional services	757	705	746	7%	1%	1,462	1,370	7%
Occupancy and equipment	430	427	414	1%	4%	857	819	5%
Marketing and business development	220	175	146	26%	51%	395	292	35%
Other	1,020	864	831	18%	23%	1,884	1,688	12%
Total non-compensation expenses	4,162	3,882	3,697	7%	13%	8,044	7,372	9%
Total non-interest expenses	9,712	10,156	10,120	(4%)	(4%)	19,868	20,593	(4%)
Income before provision for income taxes	3,319	4,588	4,566	(28%)	(27%)	7,907	9,910	(20%)
Provision for income taxes	783	873	1,054	(10%)	(26%)	1,656	2,230	(26%)
Net income	$ 2,536	$ 3,715	$ 3,512	(32%)	(28%)	$ 6,251	$ 7,680	(19%)
Net income applicable to nonredeemable noncontrolling interests	41	49	1	(16%)	*	90	49	84%
Net income applicable to Morgan Stanley	2,495	3,666	3,511	(32%)	(29%)	6,161	7,631	(19%)
Preferred stock dividend	104	124	103	(16%)	1%	228	241	(5%)
Earnings applicable to Morgan Stanley common shareholders	$ 2,391	$ 3,542	$ 3,408	(32%)	(30%)	$ 5,933	$ 7,390	(20%)

The End Notes are an integral part of this presentation. Refer to the Financial Supplement on 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 for additional information.

Morgan Stanley

Consolidated Financial Metrics, Ratios and Statistical Data
(unaudited)

	Quarter Ended			Percentage Change From:		Six Months Ended		Percentage
	Jun 30, 2022	Mar 31, 2022	Jun 30, 2021	Mar 31, 2022	Jun 30, 2021	Jun 30, 2022	Jun 30, 2021	Change
Financial Metrics:								
Earnings per basic share	$ 1.40	$ 2.04	$ 1.88	(31%)	(26%)	$ 3.45	$ 4.10	(16%)
Earnings per diluted share	$ 1.39	$ 2.02	$ 1.85	(31%)	(25%)	$ 3.41	$ 4.04	(16%)
Return on average common equity	10.1%	14.7%	13.8%			12.4%	15.3%	
Return on average tangible common equity	13.8%	19.8%	18.6%			16.8%	19.8%	
Book value per common share	$ 54.46	$ 54.18	$ 54.04			$ 54.46	$ 54.04	
Tangible book value per common share	$ 40.07	$ 39.91	$ 40.12			$ 40.07	$ 40.12	
Excluding integration-related expenses								
Adjusted earnings per diluted share	$ 1.44	$ 2.06	$ 1.89	(30%)	(24%)	$ 3.51	$ 4.11	(15%)
Adjusted return on average common equity	10.5%	15.0%	14.1%			12.8%	15.6%	
Adjusted return on average tangible common equity	14.3%	20.3%	19.0%			17.3%	20.1%	
Financial Ratios:								
Pre-tax profit margin	25%	31%	31%			28%	33%	
Compensation and benefits as a % of net revenues	42%	42%	44%			42%	43%	
Non-compensation expenses as a % of net revenues	32%	26%	25%			29%	24%	
Firm expense efficiency ratio	74%	69%	69%			71%	68%	
Firm expense efficiency ratio excluding integration-related expenses	73%	68%	68%			70%	67%	
Effective tax rate	23.6%	19.0%	23.1%			20.9%	22.5%	
Statistical Data:								
Period end common shares outstanding (millions)	1,723	1,756	1,834	(2%)	(6%)			
Average common shares outstanding (millions)								
Basic	1,704	1,733	1,814	(2%)	(6%)	1,718	1,804	(5%)
Diluted	1,723	1,755	1,841	(2%)	(6%)	1,739	1,829	(5%)
Worldwide employees	78,386	76,541	71,826	2%	9%			

Notes:

- For the quarters ended June 30, 2022, March 31, 2022 and June 30, 2021, Firm results include pre-tax integration-related expenses of $120 million, $107 million and $90 million ($92 million, $82 million and $69 million after-tax) respectively, reported in the Wealth Management and Investment Management business segments. The six months ended June 30, 2022 and 2021 results include pre-tax integration-related expenses of $227 million and $165 million ($174 million and $127 million after-tax), respectively.
- The End Notes are an integral part of this presentation. Refer to the Financial Supplement on 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 for additional information.

End of Document

Exhibit 99.2

Second Quarter 2022 Earnings Results

Quarterly Financial Supplement

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

Morgan Stanley

Consolidated Financial Summary
(unaudited, dollars in millions)

	Quarter Ended			Percentage Change From:		Six Months Ended		Percentage
	Jun 30, 2022	Mar 31, 2022	Jun 30, 2021	Mar 31, 2022	Jun 30, 2021	Jun 30, 2022	Jun 30, 2021	Change
Net revenues								
Institutional Securities	$ 6,119	$ 7,657	$ 7,092	(20%)	(14%)	$ 13,776	$ 15,669	(12%)
Wealth Management	5,736	5,935	6,095	(3%)	(6%)	11,671	12,054	(3%)
Investment Management	1,411	1,335	1,702	6%	(17%)	2,746	3,016	(9%)
Intersegment Eliminations	(134)	(126)	(130)	(6%)	(3%)	(260)	(261)	--
Net revenues	$ 13,132	$ 14,801	$ 14,759	(11%)	(11%)	$ 27,933	$ 30,478	(8%)
Provision for credit losses	$ 101	$ 57	$ 73	77%	38%	$ 158	$ (25)	*
Non-interest expenses								
Institutional Securities	$ 4,483	$ 4,826	$ 4,524	(7%)	(1%)	$ 9,309	$ 9,823	(5%)
Wealth Management	4,196	4,349	4,456	(4%)	(6%)	8,545	8,820	(3%)
Investment Management	1,162	1,107	1,272	5%	(9%)	2,269	2,216	2%
Intersegment Eliminations	(129)	(126)	(132)	(2%)	2%	(255)	(266)	4%
Non-interest expenses (1)	$ 9,712	$ 10,156	$ 10,120	(4%)	(4%)	$ 19,868	$ 20,593	(4%)
Income before taxes								
Institutional Securities	$ 1,554	$ 2,787	$ 2,498	(44%)	(38%)	$ 4,341	$ 5,869	(26%)
Wealth Management	1,521	1,573	1,636	(3%)	(7%)	3,094	3,236	(4%)
Investment Management	249	228	430	9%	(42%)	477	800	(40%)
Intersegment Eliminations	(5)	-	2	*	*	(5)	5	*
Income before taxes	$ 3,319	$ 4,588	$ 4,566	(28%)	(27%)	$ 7,907	$ 9,910	(20%)
Net Income applicable to Morgan Stanley								
Institutional Securities	$ 1,121	$ 2,191	$ 1,904	(49%)	(41%)	$ 3,312	$ 4,505	(26%)
Wealth Management	1,190	1,272	1,264	(6%)	(6%)	2,462	2,506	(2%)
Investment Management	188	203	341	(7%)	(45%)	391	616	(37%)
Intersegment Eliminations	(4)	-	2	*	*	(4)	4	*
Net Income applicable to Morgan Stanley	$ 2,495	$ 3,666	$ 3,511	(32%)	(29%)	$ 6,161	$ 7,631	(19%)
Earnings applicable to Morgan Stanley common shareholders	$ 2,391	$ 3,542	$ 3,408	(32%)	(30%)	$ 5,933	$ 7,390	(20%)

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.

Morgan Stanley

Consolidated Financial Metrics, Ratios and Statistical Data
(unaudited)

	Quarter Ended			Percentage Change From:		Six Months Ended		Percentage
	Jun 30, 2022	Mar 31, 2022	Jun 30, 2021	Mar 31, 2022	Jun 30, 2021	Jun 30, 2022	Jun 30, 2021	Change
Financial Metrics:								
Earnings per basic share	$ 1.40	$ 2.04	$ 1.88	(31%)	(26%)	$ 3.45	$ 4.10	(16%)
Earnings per diluted share	$ 1.39	$ 2.02	$ 1.85	(31%)	(25%)	$ 3.41	$ 4.04	(16%)
Return on average common equity	10.1%	14.7%	13.8%			12.4%	15.3%	
Return on average tangible common equity	13.8%	19.8%	18.6%			16.8%	19.8%	
Book value per common share	$ 54.46	$ 54.18	$ 54.04			$ 54.46	$ 54.04	
Tangible book value per common share	$ 40.07	$ 39.91	$ 40.12			$ 40.07	$ 40.12	
Excluding integration-related expenses								
Adjusted earnings per diluted share	$ 1.44	$ 2.06	$ 1.89	(30%)	(24%)	$ 3.51	$ 4.11	(15%)
Adjusted return on average common equity	10.5%	15.0%	14.1%			12.8%	15.6%	
Adjusted return on average tangible common equity	14.3%	20.3%	19.0%			17.3%	20.1%	
Financial Ratios:								
Pre-tax profit margin	25%	31%	31%			28%	33%	
Compensation and benefits as a % of net revenues	42%	42%	44%			42%	43%	
Non-compensation expenses as a % of net revenues	32%	26%	25%			29%	24%	
Firm expense efficiency ratio	74%	69%	69%			71%	68%	
Firm expense efficiency ratio excluding integration-related expenses	73%	68%	68%			70%	67%	
Effective tax rate	23.6%	19.0%	23.1%			20.9%	22.5%	
Statistical Data:								
Period end common shares outstanding (millions)	1,723	1,756	1,834	(2%)	(6%)			
Average common shares outstanding (millions)								
Basic	1,704	1,733	1,814	(2%)	(6%)	1,718	1,804	(5%)
Diluted	1,723	1,755	1,841	(2%)	(6%)	1,739	1,829	(5%)
Worldwide employees	78,386	76,541	71,826	2%	9%			

Notes:
- For the quarters ended June 30, 2022, March 31, 2022 and June 30, 2021, Firm results include pre-tax integration-related expenses of $120 million, $107 million and $90 million ($92 million, $82 million and $69 million after-tax) respectively, reported in the Wealth Management and Investment Management business segments. The six months ended June 30, 2022 and 2021 results include pre-tax integration-related expenses of $227 million and $165 million ($174 million and $127 million after-tax), respectively.
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Morgan Stanley

Consolidated and U.S. Bank Supplemental Financial Information
(unaudited, dollars in millions)

	Quarter Ended			Percentage Change From:		Six Months Ended		Percentage
	Jun 30, 2022	Mar 31, 2022	Jun 30, 2021	Mar 31, 2022	Jun 30, 2021	Jun 30, 2022	Jun 30, 2021	Change
Consolidated Balance sheet								
Total assets	$1,173,776	$1,222,233	$1,161,805	(4%)	1%			
Loans (1)	$ 214,573	$ 208,750	$ 181,204	3%	18%			
Deposits	$ 347,148	$ 360,840	$ 320,358	(4%)	8%			
Long-term debt outstanding	$ 221,979	$ 225,671	$ 218,604	(2%)	2%			
Maturities of long-term debt outstanding (next 12 months)	$ 19,737	$ 21,335	$ 16,891	(7%)	17%			
Average liquidity resources	$ 306,370	$ 338,281	$ 351,914	(9%)	(13%)			
Common equity	$ 93,846	$ 95,151	$ 99,120	(1%)	(5%)			
Less: Goodwill and intangible assets	(24,803)	(25,068)	(25,527)	(1%)	(3%)			
Tangible common equity	$ 69,043	$ 70,083	$ 73,593	(1%)	(6%)			
Preferred equity	$ 7,750	$ 7,750	$ 7,750	--	--			
U.S. Bank Supplemental Financial Information								
Total assets	$377,724	$389,978	$357,488	(3%)	6%			
Loans	$201,853	$194,791	$167,628	4%	20%			
Investment securities portfolio (2)	$125,785	$129,886	$136,218	(3%)	(8%)			
Deposits	$339,575	$352,078	$318,689	(4%)	7%			
Regional revenues								
Americas	$ 9,662	$ 10,464	$ 10,885	(8%)	(11%)	$ 20,126	$ 22,076	(9%)
EMEA (Europe, Middle East, Africa)	1,678	2,311	2,093	(27%)	(20%)	3,989	4,252	(6%)
Asia	1,792	2,026	1,781	(12%)	1%	3,818	4,150	(8%)
Consolidated net revenues	$ 13,132	$ 14,801	$ 14,759	(11%)	(11%)	$ 27,933	$ 30,478	(8%)

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Morgan Stanley

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

	Quarter Ended			Percentage Change From:		Six Months Ended		Percentage
	Jun 30, 2022	Mar 31, 2022	Jun 30, 2021	Mar 31, 2022	Jun 30, 2021	Jun 30, 2022	Jun 30, 2021	Change
Average Common Equity								
Institutional Securities	$ 48.8	$ 48.8	$ 43.5	--	12%	$ 48.8	$ 43.5	12%
Wealth Management	31.0	31.0	28.6	--	8%	31.0	28.6	8%
Investment Management	10.6	10.6	10.7	--	(1%)	10.6	7.1	49%
Parent	3.9	6.3	16.0	(38%)	(76%)	5.1	17.1	(70%)
Firm	$ 94.3	$ 96.7	$ 98.8	(2%)	(5%)	$ 95.5	$ 96.3	(1%)
Regulatory Capital (1)								
Common Equity Tier 1 capital	$ 70.2	$ 72.5	$ 76.8	(3%)	(9%)			
Tier 1 capital	$ 77.8	$ 80.1	$ 84.6	(3%)	(8%)			
Standardized Approach								
Risk-weighted assets	$ 461.2	$ 501.4	$ 462.8	(8%)	--			
Common Equity Tier 1 capital ratio	15.2%	14.5%	16.6%					
Tier 1 capital ratio	16.9%	16.0%	18.3%					
Advanced Approach								
Risk-weighted assets	$ 455.3	$ 456.5	$ 434.7	--	5%			
Common Equity Tier 1 capital ratio	15.4%	15.9%	17.7%					
Tier 1 capital ratio	17.1%	17.6%	19.5%					
Leverage-based capital								
Tier 1 leverage ratio	6.6%	6.8%	7.5%					
Supplementary Leverage Ratio	5.4%	5.5%	5.9%					

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Morgan Stanley

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

	Quarter Ended			Percentage Change From:		Six Months Ended		Percentage
	Jun 30, 2022	Mar 31, 2022	Jun 30, 2021	Mar 31, 2022	Jun 30, 2021	Jun 30, 2022	Jun 30, 2021	Change
Revenues:								
Advisory	$ 598	$ 944	$ 664	(37%)	(10%)	$ 1,542	$ 1,144	35%
Equity	148	258	1,072	(43%)	(86%)	406	2,574	(84%)
Fixed income	326	432	640	(25%)	(49%)	758	1,271	(40%)
Underwriting	474	690	1,712	(31%)	(72%)	1,164	3,845	(70%)
Investment banking	1,072	1,634	2,376	(34%)	(55%)	2,706	4,989	(46%)
Equity	2,960	3,174	2,827	(7%)	5%	6,134	5,702	8%
Fixed income	2,500	2,923	1,682	(14%)	49%	5,423	4,648	17%
Other	(413)	(74)	207	*	*	(487)	330	*
Net revenues	6,119	7,657	7,092	(20%)	(14%)	13,776	15,669	(12%)
Provision for credit losses	82	44	70	86%	17%	126	(23)	*
Compensation and benefits	2,050	2,604	2,433	(21%)	(16%)	4,654	5,547	(16%)
Non-compensation expenses	2,433	2,222	2,091	9%	16%	4,655	4,276	9%
Total non-interest expenses	4,483	4,826	4,524	(7%)	(1%)	9,309	9,823	(5%)
Income before taxes	1,554	2,787	2,498	(44%)	(38%)	4,341	5,869	(26%)
Net income applicable to Morgan Stanley	$ 1,121	$ 2,191	$ 1,904	(49%)	(41%)	$ 3,312	$ 4,505	(26%)
Pre-tax profit margin	25%	36%	35%			32%	37%	
Compensation and benefits as a % of net revenues	34%	34%	34%			34%	35%	
Non-compensation expenses as a % of net revenues	40%	29%	29%			34%	27%	
Return on Average Common Equity	9%	17%	17%			13%	20%	
Return on Average Tangible Common Equity (1)	9%	17%	17%			13%	20%	
Trading VaR (Average Daily 95% / One-Day VaR)	$ 46	$ 39	$ 48					

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Morgan Stanley

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

	Quarter Ended			Percentage Change From:		Six Months Ended		Percentage
	Jun 30, 2022	Mar 31, 2022	Jun 30, 2021	Mar 31, 2022	Jun 30, 2021	Jun 30, 2022	Jun 30, 2021	Change
Revenues:								
Asset management	$ 3,510	$ 3,626	$ 3,447	(3%)	2%	$ 7,136	$ 6,638	8%
Transactional	291	635	1,172	(54%)	(75%)	926	2,400	(61%)
Net interest income	1,747	1,540	1,255	13%	39%	3,287	2,640	25%
Other	188	134	221	40%	(15%)	322	376	(14%)
Net revenues	5,736	5,935	6,095	(3%)	(6%)	11,671	12,054	(3%)
Provision for credit losses	19	13	3	46%	*	32	(2)	*
Compensation and benefits	2,895	3,125	3,275	(7%)	(12%)	6,020	6,445	(7%)
Non-compensation expenses	1,301	1,224	1,181	6%	10%	2,525	2,375	6%
Total non-interest expenses (1)	4,196	4,349	4,456	(4%)	(6%)	8,545	8,820	(3%)
Income before taxes	1,521	1,573	1,636	(3%)	(7%)	3,094	3,236	(4%)
Net income applicable to Morgan Stanley	$ 1,190	$ 1,272	$ 1,264	(6%)	(6%)	$ 2,462	$ 2,506	(2%)
Pre-tax profit margin	27%	27%	27%			27%	27%	
Pre-tax profit margin excluding integration-related expenses	28%	28%	28%			28%	28%	
Compensation and benefits as a % of net revenues	50%	53%	54%			52%	53%	
Non-compensation expenses as a % of net revenues	23%	21%	19%			22%	20%	
Return on Average Common Equity	15%	16%	17%			15%	17%	
Return on Average Tangible Common Equity (2)	29%	30%	37%			29%	36%	

Notes:
- For the quarters ended June 30, 2022, March 31, 2022 and June 30, 2021, Wealth Management's results include pre-tax integration-related expenses of $96 million, $75 million and $60 million ($74 million, $57 million and $46 million after-tax), respectively. The six months ended June 30, 2022 and 2021 results include pre - tax integration - related expenses of $171 million and $124 million ($131 million and $95 million after - tax), respectively.
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Morgan Stanley

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

	Quarter Ended			Percentage Change From:	
	Jun 30, 2022	Mar 31, 2022	Jun 30, 2021	Mar 31, 2022	Jun 30, 2021
Wealth Management Metrics					
Total client assets [1]	$ 4,246	$ 4,869	$ 4,577	(13%)	(7%)
Net new assets [2]	$ 52.9	$ 142.0	$ 71.2	(63%)	(26%)
U.S. Bank loans	$ 143.6	$ 136.7	$ 114.7	5%	25%
Margin and other lending [3]	$ 24.8	$ 29.2	$ 27.0	(15%)	(8%)
Deposits [4]	$ 340	$ 352	$ 319	(3%)	7%
Annualized weighted average cost of deposits	0.28%	0.09%	0.16%		
Advisor-led channel					
Advisor-led client assets	$ 3,427	$ 3,835	$ 3,553	(11%)	(4%)
Fee-based client assets	$ 1,717	$ 1,873	$ 1,680	(8%)	2%
Fee-based asset flows [2]	$ 28.5	$ 97.2	$ 33.7	(71%)	(15%)
Fee-based assets as a % of advisor-led client assets	50%	49%	47%		
Self-directed channel					
Self-directed assets [1]	$ 819	$ 1,034	$ 1,024	(21%)	(20%)
Daily average revenue trades (000's)	880	1,016	1,042	(13%)	(16%)
Self-directed households (millions)	7.8	7.6	7.4	3%	5%
Workplace channel					
Stock plan unvested assets	$ 323	$ 454	$ 480	(29%)	(33%)
Number of stock plan participants (millions)	6.1	5.8	5.2	5%	17%

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Morgan Stanley

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

	Quarter Ended			Percentage Change From:		Six Months Ended		Percentage
	Jun 30, 2022	Mar 31, 2022	Jun 30, 2021	Mar 31, 2022	Jun 30, 2021	Jun 30, 2022	Jun 30, 2021	Change
Revenues:								
Asset management and related fees	$ 1,304	$ 1,388	$ 1,418	(6%)	(8%)	$ 2,692	$ 2,521	7%
Performance-based income and other	107	(53)	284	*	(62%)	54	495	(89%)
Net revenues	1,411	1,335	1,702	6%	(17%)	2,746	3,016	(9%)
Compensation and benefits	605	545	715	11%	(15%)	1,150	1,229	(6%)
Non-compensation expenses	557	562	557	(1%)	--	1,119	987	13%
Total non-interest expenses (1)	1,162	1,107	1,272	5%	(9%)	2,269	2,216	2%
Income before taxes	249	228	430	9%	(42%)	477	800	(40%)
Net income applicable to Morgan Stanley	$ 188	$ 203	$ 341	(7%)	(45%)	$ 391	$ 616	(37%)
Pre-tax profit margin	18%	17%	25%			17%	27%	
Pre-tax profit margin excluding integration-related expenses	19%	19%	27%			19%	28%	
Compensation and benefits as a % of net revenues	43%	41%	42%			42%	41%	
Non-compensation expenses as a % of net revenues	39%	42%	33%			41%	33%	
Return on Average Common Equity	7%	8%	13%			7%	17%	
Return on Average Tangible Common Equity (2)	99%	106%	172%			102%	117%	

Notes:
- For the quarters ended June 30, 2022, March 31, 2022 and June 30, 2021, Investment Management's results include pre-tax integration-related expenses of $24 million, $32 million and $30 million ($18 million, $25 million and $23 million after-tax), respectively. The six months ended June 30, 2022 and 2021 results include pre - tax integration - related expenses of $56 million and $41 million ($43 million and $32 million after - tax), respectively.
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(unaudited, dollars in billions)

	Quarter Ended			Percentage Change From:		Six Months Ended		Percentage
	Jun 30, 2022	Mar 31, 2022	Jun 30, 2021	Mar 31, 2022	Jun 30, 2021	Jun 30, 2022	Jun 30, 2021	Change
Assets under management or supervision (AUM)								
Net flows by asset class (1)								
Equity	$ (7.4)	$ (7.5)	$ 2.7	1%	*	$ (14.9)	$ 10.5	*
Fixed Income	(2.6)	(3.9)	3.0	33%	*	(6.5)	6.9	*
Alternatives and Solutions	6.5	(3.0)	7.8	*	(17%)	3.5	12.4	(72%)
Long-Term Net Flows	(3.5)	(14.4)	13.5	76%	*	(17.9)	29.8	*
Liquidity and Overlay Services	31.3	(28.1)	35.0	*	(11%)	3.2	60.9	(95%)
Total Net Flows	$ 27.8	$ (42.5)	$ 48.5	*	(43%)	$ (14.7)	$ 90.7	*
Assets under management or supervision by asset class (2)								
Equity	$ 265	$ 337	$ 404	(21%)	(34%)			
Fixed Income	181	195	207	(7%)	(13%)			
Alternatives and Solutions	415	449	445	(8%)	(7%)			
Long-Term Assets Under Management or Supervision	$ 861	$ 981	$ 1,056	(12%)	(18%)			
Liquidity and Overlay Services	490	466	468	5%	5%			
Total Assets Under Management or Supervision	$ 1,351	$ 1,447	$ 1,524	(7%)	(11%)			

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Morgan Stanley

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

	Quarter Ended			Percentage Change From:	
	Jun 30, 2022	Mar 31, 2022	Jun 30, 2021	Mar 31, 2022	Jun 30, 2021
Institutional Securities					
Loans:					
Corporate	$ 12.9	$ 13.0	$ 11.6	(1%)	11%
Secured lending facilities	36.8	34.4	32.7	7%	13%
Commercial and residential real estate	12.7	14.6	11.4	(13%)	11%
Securities-based lending and other	8.3	9.7	9.9	(14%)	(16%)
Total Loans	70.7	71.7	65.6	(1%)	8%
Lending Commitments	125.7	128.0	124.9	(2%)	1%
Institutional Securities Loans and Lending Commitments	$ 196.4	$ 199.7	$ 190.5	(2%)	3%
Wealth Management					
Loans:					
Securities-based lending and other	$ 93.3	$ 89.5	$ 75.8	4%	23%
Residential real estate	50.4	47.2	38.9	7%	30%
Total Loans	143.7	136.7	114.7	5%	25%
Lending Commitments	15.4	14.5	14.4	6%	7%
Wealth Management Loans and Lending Commitments	$ 159.1	$ 151.2	$ 129.1	5%	23%
Consolidated Loans and Lending Commitments (1)	$ 355.5	$ 350.9	$ 319.6	1%	11%

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Morgan Stanley

Consolidated Loans and Lending Commitments
Allowance for Credit Losses (ACL) as of June 30, 2022
(unaudited, dollars in millions)

	Loans and Lending Commitments *(Gross)*	ACL [1]	ACL %	Q2 Provision
Loans:				
Held For Investment (HFI)				
Corporate	$ 6,739	$ 212	3.1%	$ 41
Secured lending facilities	32,687	167	0.5%	(4)
Commercial and residential real estate	8,434	229	2.7%	30
Other	2,681	13	0.5%	6
Institutional Securities - HFI	$ 50,541	$ 621	1.2%	$ 73
Wealth Management - HFI	143,670	141	0.1%	19
Held For Investment	$ 194,211	$ 762	0.4%	$ 92
Held For Sale	13,029			
Fair Value	7,875			
Total Loans	215,115	762		92
Lending Commitments	141,123	464	0.3%	9
Consolidated Loans and Lending Commitments	$ 356,238	$ 1,226		$ 101

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

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

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

Morgan Stanley

Definitions of Performance Metrics and Terms

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

Page 1:

(a) Provision for credit losses represents the provision for credit losses on loans held for investment and unfunded lending commitments.

(b) Net income applicable to Morgan Stanley represents net income, less net income applicable to nonredeemable noncontrolling interests.

(c) Earnings applicable to Morgan Stanley common shareholders represents net income applicable to Morgan Stanley, less preferred dividends.

Page 2:

(a) The return on average common equity represents annualized earnings applicable to Morgan Stanley common shareholders as a percentage of average common equity.

(b) Book value per common share represents common equity divided by period end common shares outstanding.

(c) Tangible book value per common share represents tangible common equity divided by period end common shares outstanding.

(d) Pre-tax profit margin percentages represent income before income taxes as percentages of net revenues.

(e) The Firm expense efficiency ratio represents total non‑interest expenses as a percentage of net revenues.

Page 3:

(a) Liquidity Resources, which are primarily held within the Parent and its major operating subsidiaries, are comprised of high quality liquid assets (HQLA) and cash deposits with banks ("Liquidity Resources"). The total amount of Liquidity Resources is actively managed by us considering the following components: unsecured debt maturity profile; balance sheet size and composition; funding needs in a stressed environment, inclusive of contingent cash outflows; legal entity, regional and segment liquidity requirements; regulatory requirements; and collateral requirements. Average Liquidity Resources represents the average daily balance for the three months ended June 30, 2022, March 31, 2022 and June 30, 2021.

(b) The Firm's goodwill and intangible balances utilized in the calculation of tangible common equity are net of certain mortgage servicing rights deduction.

(c) U.S. Bank refers to the Firm's U.S. Bank operating subsidiaries Morgan Stanley Bank, N.A. and Morgan Stanley Private Bank, National Association, and excludes balances between Bank subsidiaries, as well as deposits from the Parent and affiliates.

(d) Firmwide regional revenues reflect the Firm's consolidated net revenues on a managed basis. Further discussion regarding the geographic methodology for net revenues is disclosed in Note 23 to the consolidated financial statements included in the Firm's Annual Report on Form 10-K for the year ended December 31, 2021 (2021 Form 10-K).

Page 4:

(a) The Firm's attribution of average common equity to the business segments is based on the Required Capital framework, an internal capital adequacy measure. This framework is a risk-based and leverage-based capital measure, which is compared with the Firm's regulatory capital to ensure that the Firm maintains an amount of going concern capital after absorbing potential losses from stress events, where applicable, at a point in time. The Required Capital Framework is based on the Firm's regulatory capital requirements. The Firm defines the difference between its total average common equity and the sum of the average common equity amounts allocated to its business segments as Parent common equity. The amount of capital allocated to the business segments is generally set at the beginning of the year, and will remain fixed throughout the year until the next annual reset unless a significant business change occurs (e.g., acquisition or disposition). The Firm continues to evaluate its required capital framework with respect to the impact of evolving regulatory requirements, as appropriate. For further discussion of the framework, refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources – Regulatory Requirements" in the Firm's 2021 Form 10‑K.

(b) 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 2021 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 profit margin percentages represent income before income taxes as percentages of net revenues.

(c) VaR represents the unrealized loss in portfolio value that one would not expect to exceed, on average, more than five times every one hundred trading days in the Firm's trading positions if the portfolio were held constant for a one-day period. Further discussion of the calculation of VaR and the limitations of the Firm's VaR methodology, is disclosed in "Quantitative and Qualitative Disclosures about Risk" included in the Firm's 2021 Form 10-K.

Morgan Stanley

Definitions of Performance Metrics and Terms

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

Page 6:

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

Page 7:

(a) Net new assets represent client inflows, including dividends and interest, and asset acquisitions, less client outflows, and exclude activity from business combinations/divestitures and the impact of fees and commissions.
(b) 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.
(c) Deposits reflect liabilities sourced from Wealth Management clients and other sources of funding on the U.S. Bank Subsidiaries. Deposits include sweep deposit programs, savings and other, and time deposits.
(d) Annualized weighted average cost of deposits reflects deposit balances and costs as of June 30, 2022, March 31, 2022 and June 30, 2021.
(e) Advisor-led client assets represent client assets in accounts that have a Wealth Management representative assigned.
(f) 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.
(g) Fee-based asset flows include net new fee-based assets (including asset acquisitions), net account transfers, dividends, interest and client fees, and exclude institutional cash management related activity. For a description of the Inflows and Outflows included in Fee-based asset flows, see Fee-based client assets in the 2021 Form 10-K.
(h) Self-directed assets represent active accounts which are not advisor led. Active accounts are defined as having at least $25 in assets.
(i) Daily average revenue trades (DARTs) represent the total self-directed trades in a period divided by the number of trading days during that period.
(j) Self-directed households represent the total number of households that include at least one account with self-directed assets. Individual households or participants that are engaged in one or more of our Wealth Management channels are included in each of the respective channel counts.
(k) 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.
(l) Stock plan participants represent total accounts with vested and/or unvested stock plan assets in the workplace channel. Individuals with accounts in multiple plans are counted as participants in each plan.

Page 8:

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

Page 9:

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

Page 10 and 11:

(a) Corporate loans include relationship and event-driven loans and typically consist of revolving lines of credit, term loans and bridge loans.

(b) Secured lending facilities include loans provided to clients, which are primarily secured by loans, which are, in turn, collateralized by various assets including residential real estate, commercial real estate, corporate and financial assets.

(c) Securities-based lending and other includes financing extended to sales and trading customers and corporate loans purchased in the secondary market.

(d) Institutional Securities Lending Commitments principally include Corporate lending activity.

Morgan Stanley

Supplemental Quantitative Details and Calculations

Page 1:

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

	2Q22	1Q22	2Q21	2Q22 YTD	2Q21 YTD
Compensation and benefits	$ 5,550	$ 6,274	$ 6,423	$ 11,824	$ 13,221
Non-compensation expenses:					
Brokerage, clearing and exchange fees	878	882	795	1,760	1,705
Information processing and communications	857	829	765	1,686	1,498
Professional services	757	705	746	1,462	1,370
Occupancy and equipment	430	427	414	857	819
Marketing and business development	220	175	146	395	292
Other	1,020	864	831	1,884	1,688
Total non-compensation expenses	4,162	3,882	3,697	8,044	7,372
Total non-interest expenses	$ 9,712	$ 10,156	$ 10,120	$ 19,868	$ 20,593

Page 2:

(1)For the quarters ended June 30, 2022, March 31, 2022 and June 30, 2021, Firm results include pre-tax integration-related expenses of $120 million, $107 million and $90 million ($92 million, $82 million and $69 million after - tax) respectively, reported in the Wealth Management and Investment Management business segments. The six months ended June 30, 2022 and 2021 results include pre - tax integration - related expenses of $227 million and $165 million ($174 million and $127 million after - tax), respectively. The following sets forth the impact of the integration-related expenses to earnings per diluted share, return on average common equity and return on average tangible common equity (which are excluded):

	2Q22	1Q22	2Q21	2Q22 YTD	2Q21 YTD
Earnings per diluted share - GAAP	$ 1.39	$ 2.02	$ 1.85	$ 3.41	$ 4.04
Impact of adjustments	0.05	0.04	0.04	0.10	0.07
Earnings per diluted share excluding integration-related expenses - Non-GAAP	$ 1.44	$ 2.06	$ 1.89	$ 3.51	$ 4.11
Return on average common equity - GAAP	10.1%	14.7%	13.8%	12.4%	15.3%
Impact of adjustments	0.4%	0.3%	0.3%	0.4%	0.3%
Return on average common equity excluding integration-related expenses - Non-GAAP	10.5%	15.0%	14.1%	12.8%	15.6%
Return on average tangible common equity - GAAP	13.8%	19.8%	18.6%	16.8%	19.8%
Impact of adjustments	0.5%	0.5%	0.4%	0.5%	0.3%
Return on average tangible common equity excluding integration-related expenses - Non-GAAP	14.3%	20.3%	19.0%	17.3%	20.1%
Firm expense efficiency ratio - GAAP	74.0%	68.6%	68.6%	71.1%	67.6%
Impact of adjustments	(1.0)%	(0.7)%	(0.6)%	(0.8)%	(0.6)%
Firm expense efficiency ratio excluding integration-related expenses - Non-GAAP	73.0%	67.9%	68.0%	70.3%	67.0%

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 June 30, 2022, March 31, 2022 and June 30, 2021, the U.S. Bank investment securities portfolio included held to maturity investment securities of $58.7 billion, $60.6 billion and $62.8 billion, respectively.

Page 4:

(1)The Firm early adopted the standardized approach for counterparty credit risk (SA-CCR) under Basel III on December 1, 2021. SA-CCR replaced the previous exposure method used to measure derivatives counterparty exposure within the Standardized

Approach risk-weighted assets (RWAs) and Supplementary Leverage Ratio exposure calculations in the regulatory capital framework.

Page 5:

(1)Institutional Securities average tangible common equity represents average common equity adjusted to exclude goodwill and intangible assets net of allowable mortgage servicing rights deduction. The adjustments are as follows: 2Q22: $576mm; 1Q22: $576mm; 2Q21: $603mm; 2Q22 YTD: $576mm; 2Q21 YTD: $603mm

Page 6:

(1)For the quarters ended June 30, 2022, March 31, 2022 and June 30, 2021 and six months ended June 30, 2022 and 2021, integration-related compensation and non-compensation expenses associated with the acquisition of E*TRADE are as follows:

	2Q22	1Q22	2Q21	2Q22 YTD	2Q21 YTD
Compensation expenses	$ 4	$ 1	$ 9	$ 5	$ 39
Non-compensation expenses	92	74	51	166	85
Total non-interest expenses	$ 96	$ 75	$ 60	$ 171	$ 124
Income tax provision	22	18	14	40	29
Total non-interest expenses (after-tax)	$ 74	$ 57	$ 46	$ 131	$ 95

(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: 2Q22: $14,746mm; 1Q22: $14,746mm; 2Q21: $15,270mm; 2Q22 YTD: $14,746mm; 2Q21 YTD: $15,173mm

Supplemental Quantitative Details and Calculations

Page 7:

(1)The prior periods have been revised to include certain vested client employee stock options on the E*TRADE platform to align the timing of recognition with other existing Morgan Stanley client assets.

(2)The quarter ended March 31, 2022 includes $75 billion of fee-based assets acquired in an asset acquisition.

(3)Wealth Management other lending includes $3 billion of non-purpose securities based lending on non-bank entities in each period ended June 30, 2022, March 31, 2022 and June 30, 2021.

(4)For the quarters ended June 30, 2022, March 31, 2022 and June 30, 2021, Wealth Management deposits of $340 billion, $352 billion and $319 billion, respectively, exclude off-balance sheet deposits of $8 billion in each period, held by third parties outside of Morgan Stanley. Total deposits details are as follows:

	2Q22	1Q22	2Q21
Brokerage sweep deposits	$ 279	$ 309	$ 257
Other deposits	61	43	62
Total balance sheet deposits	340	352	319
Off-balance sheet deposits	8	8	8
Total deposits	$ 348	$ 360	$ 327

Page 8:

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

	2Q22	1Q22	2Q21	2Q22 YTD	2Q21 YTD
Compensation expenses	$ 7	$ 9	$ 16	$ 16	$ 19
Non-compensation expenses	17	23	14	40	22
Total non-interest expenses	$ 24	$ 32	$ 30	$ 56	$ 41
Income tax provision	6	7	7	13	9
Total non-interest expenses (after-tax)	$ 18	$ 25	$ 23	$ 43	$ 32

(2)Investment Management average tangible common equity represents average common equity adjusted to exclude goodwill and intangible assets net of allowable mortgage servicing rights deduction. The adjustments are as follows: 2Q22: $9,815mm; 1Q22: $9,815mm; 2Q21: $9,924mm; 2Q22 YTD: $9,815mm; 2Q21 YTD: $6,067mm

Page 9:

(1)Net Flows by region for the quarters ended June 30, 2022, March 31, 2022 and June 30, 2021 were:
North America: $22.7 billion, $(16.6) billion and $40.5 billion
International: $5.1 billion, $(25.9) billion and $8.0 billion

(2)Assets under management or supervision by region for the quarters ended June 30, 2022, March 31, 2022 and June 30, 2021 were:
North America: $1,059 billion, $1,123 billion and $1,142 billion
International: $292 billion, $324 billion and $382 billion

Page 10:

(1)For the quarters ended June 30, 2022, March 31, 2022 and June 30, 2021, Investment Management reflected loan balances of $220 million, $362 million and $865 million, respectively.

Page 11:

(1)For the quarter ended June 30, 2022, the Allowance Rollforward for Loans and Lending Commitments is as follows:

	Institutional Securities	Wealth Management	Total
Loans			
Allowance for Credit Losses (ACL)			
Beginning Balance - March 31, 2022	$ 554	$ 125	$ 679
Net Charge Offs	2	(4)	(2)
Provision	73	19	92
Other	(8)	1	(7)
Ending Balance - June 30, 2022	$ 621	$ 141	$ 762

Lending Commitments			
Allowance for Credit Losses (ACL)			
Beginning Balance - March 31, 2022	$ 443	$ 16	$ 459
Net Charge Offs	-	-	-
Provision	9	-	9
Other	(3)	(1)	(4)
Ending Balance - June 30, 2022	$ 449	$ 15	$ 464
Loans and Lending Commitments			
Allowance for Credit Losses (ACL)			
Beginning Balance - March 31, 2022	$ 997	$ 141	$ 1,138
Net Charge Offs	2	(4)	(2)
Provision	82	19	101
Other	(11)	-	(11)
Ending Balance - June 30, 2022	$ 1,070	$ 156	$ 1,226

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 second quarter earnings press release issued July 14, 2022.

End of Document