

**Listing Final Terms dated 14 August 2018**

**MORGAN STANLEY**

Issue of Tranche 2 Series EUR 19,000,000 Fixed to Floating Notes due 14 February 2033  
to be consolidated and to form a single series with the Tranche 1 EUR 100,000,000 Fixed to Floating Rate  
Notes due 14 February 2033

Under the Base Prospectus for the Issuance of Notes, Series A and Series B  
under the Regulation S Program for the Issuance of Notes, Series A and Series B, Warrants and Certificates

**PART A — CONTRACTUAL TERMS**

This document constitutes Final Terms relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes set forth in the Base Prospectus dated 19 April 2017 and the supplements dated 9 June 2017, 31 August 2017 and 30 November 2017 which are incorporated by reference in the Base Prospectus dated 19 June 2018. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus dated 19 June 2018 which together constitute a base prospectus (the “**Base Prospectus**”) for the purposes of the Prospectus Directive (Directive 2003/71/EC), as amended and includes any implementing measures in a relevant Member State (the “**Prospectus Directive**”), including the Conditions incorporated by reference in the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. Copies of the Base Prospectus and any supplements thereto are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA and copies of the Base Prospectus and any supplements thereto and these Final Terms are available on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).

- |    |    |                                                  |                                                                                                                                                                                    |
|----|----|--------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | a) | Series Number:                                   | NY67132                                                                                                                                                                            |
|    | b) | Series Designation:                              | Series A                                                                                                                                                                           |
|    | c) | Tranche Number:                                  | 2                                                                                                                                                                                  |
| 2. |    | Specified Currency:                              | EUR                                                                                                                                                                                |
| 3. |    | Aggregate Nominal Amount of the Tranche 2 Notes: | EUR 19,000,000                                                                                                                                                                     |
|    | a) | Series:                                          | EUR 119,000,000                                                                                                                                                                    |
|    |    |                                                  | The total Aggregate Nominal Amount of the Series EUR 119,000,000 represents the sum of the aggregate nominal amounts of Tranche 1 and Tranche 2 as of their respective issue dates |
|    | b) | Tranche 2:                                       | EUR 19,000,000                                                                                                                                                                     |
|    |    | Tranche 1:                                       | EUR 100,000,000                                                                                                                                                                    |
| 4. |    | Issue Price:                                     | 100 per cent. of par per Note                                                                                                                                                      |
| 5. | a) | Specified Denominations (Par):                   | EUR 100,000                                                                                                                                                                        |
|    | b) | Calculation Amount:                              | EUR 100,000                                                                                                                                                                        |
| 6. | a) | Issue Date (Tranche 1):                          | 14 February 2018                                                                                                                                                                   |
|    |    | Issue Date (Tranche 2):                          | 27 April 2018                                                                                                                                                                      |

- b) Trade Date: 30 January 2018
- c) Interest Commencement Date: In relation to interest payable under Condition 5 (*Fixed Rate Note Provisions*), the Issue Date (Tranche 1). See paragraph 14 below for further details.
- In relation to interest payable under Condition 6 (*Floating Rate Note Provisions*), 14 February 2019. See paragraph 15 below for further details.
7. Maturity Date: 14 February 2033
8. Specified Day(s): Not Applicable
9. Interest Basis: Fixed Rate Notes in respect of the period from and including the Issue Date (Tranche 1) to, but excluding, 14 February 2019; and
- Floating Rate Notes in respect of the period from and including 14 February 2019 to, but excluding, 14 February 2033.

(further particulars specified below)

10. Automatic Change of Interest Basis: Applicable

(Condition 9)

Interest Basis Table		
Interest Commencement Date(s)	Interest Payment Date(s)	Interest Basis
Issue Date (Tranche 1)	As set forth in paragraph 14(c) below	Fixed Rate Notes
14 February 2019	As set forth in paragraph 15(a) below	Floating Rate Notes

11. Final Redemption Amount: Fixed Final Redemption. The Fixed Final Redemption Amount is EUR 100,000 per Calculation Amount.
12. Call Option:
- Redemption at the option of the Issuer: Not Applicable
- (Condition 10.3)
13. Method of distribution: Non-syndicated

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. Fixed Rate Note Provisions: Applicable. The Notes are Fixed Rate Notes in respect of the period from and including the Issue Date (Tranche 1) to, but excluding, 14 February 2019.
- (Condition 5)

- |    |                                                                 |                                                                                                                                                                                                                                                                                          |
|----|-----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) | Fixed Interest Rate:                                            | 1.5 per cent. per annum payable annually in arrear                                                                                                                                                                                                                                       |
| b) | Interest Period(s) subject only to Fixed Rate Notes Provisions: | Each period beginning on (and including) the Issue Date (Tranche 1) or any scheduled Interest Payment Date thereafter and ending on (but excluding) the next scheduled Interest Payment Date (such scheduled Interest Payment Dates not being adjusted for any Business Day Convention). |
| c) | Interest Payment Date(s):                                       | 14 February 2019, adjusted in accordance with the Business Day Convention specified below.                                                                                                                                                                                               |
| d) | Business Day Convention:                                        | Following Business Day Convention                                                                                                                                                                                                                                                        |
| e) | Fixed Coupon Amount(s):                                         | Not Applicable                                                                                                                                                                                                                                                                           |
| f) | Broken Amount(s):                                               | Not Applicable                                                                                                                                                                                                                                                                           |
| g) | Day Count Fraction:                                             | 30/360                                                                                                                                                                                                                                                                                   |
| h) | Party responsible for calculating the Interest Amount(s):       | Morgan Stanley & Co. International plc                                                                                                                                                                                                                                                   |
15. **Floating Rate Note Provisions**      Applicable. The Notes are Floating Rate Notes in respect of the period from and including 14 February 2019 to, but excluding, 14 February 2033.
- (Condition 6)
- |    |                                                                                      |                                                                                                                                                                                                                                                                                                                               |
|----|--------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) | Interest Payment Dates:                                                              | The 14th day of February in each calendar year from (and including) 14 February 2020 to (and including) 14 February 2033, each adjusted in accordance with the Business Day Convention specified below.                                                                                                                       |
| b) | Interest Period(s) subject only to Floating Rate Notes Provisions:                   | Each period beginning on (and including) the Interest Payment Date scheduled to fall on 14 February 2018 or any scheduled Interest Payment Date thereafter and ending on (but excluding) the next scheduled Interest Payment Date (such scheduled Interest Payment Dates not being adjusted for any Business Day Convention). |
| c) | Linear Interpolation:<br>(Condition 6.4)                                             | Not Applicable                                                                                                                                                                                                                                                                                                                |
| d) | Business Day Convention:                                                             | Following Business Day Convention                                                                                                                                                                                                                                                                                             |
| e) | Additional Business Centre(s):                                                       | London and TARGET Settlement Days                                                                                                                                                                                                                                                                                             |
| f) | Manner in which the Floating Interest Rate(s) is/are to be determined:               | ISDA Determination                                                                                                                                                                                                                                                                                                            |
| g) | Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): | Determination Agent                                                                                                                                                                                                                                                                                                           |
| h) | Screen Rate Determination                                                            | Not Applicable                                                                                                                                                                                                                                                                                                                |

- |     |                                         |                                                                                                                                                                 |
|-----|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i)  | ISDA Determination                      | Not Applicable                                                                                                                                                  |
| j)  | CMS Rate Determination:                 | Applicable                                                                                                                                                      |
|     | • CMS Interest Rate:                    | Single CMS Rate                                                                                                                                                 |
|     | • Specified Swap Rate:                  | Annual swap rate                                                                                                                                                |
|     | • Reference Currency:                   | Euro                                                                                                                                                            |
|     | • Designated Maturity:                  | 20 years                                                                                                                                                        |
|     | • Relevant Screen Page:                 | ICESWAP2                                                                                                                                                        |
|     | • Relevant Time:                        | 11:00am Frankfurt time                                                                                                                                          |
|     | • Interest Determination Date(s):       | Periodic Rate Determination is applicable. The Interest Determination Date(s) are: the second TARGET Settlement Day prior to the start of each Interest Period. |
|     | • Fallback Rate Determination:          | Determination Agent Fallback: Applicable                                                                                                                        |
|     | • Margin:                               | 0.00 (zero)                                                                                                                                                     |
|     | • Interest Participation Rate:          | Not Applicable                                                                                                                                                  |
| k)  | Minimum Rate of Interest:               | 0.00 per cent. per annum                                                                                                                                        |
| l)  | Maximum Rate of Interest:               | 4.00 per cent. per annum                                                                                                                                        |
| m)  | Linear Interpolation<br>(Condition 6.4) | Not Applicable                                                                                                                                                  |
| n)  | Day Count Fraction:                     | 30/360                                                                                                                                                          |
| 16. | <b>Inflation-Linked Notes</b>           | Not Applicable                                                                                                                                                  |
| 17. | <b>Zero Coupon Note Provisions</b>      | Not Applicable                                                                                                                                                  |

#### **PROVISIONS RELATING TO EARLY REDEMPTION**

- |     |                                                                                                                                                                        |                                                       |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|
| 18. | <b>Call Option</b>                                                                                                                                                     | Not Applicable                                        |
| 19. | a) <b>Early Redemption Amount upon Event of Default</b><br>(Condition 13):                                                                                             | Fixed Redemption. The Specified Rate is 100 per cent. |
|     | b) <b>Early Redemption Amount (Tax) upon any withholding or deduction being required with respect to the Notes</b> , as described in Condition 12 ( <i>Taxation</i> ): | Not applicable                                        |

20. **Inconvertibility Event Provisions:** Not Applicable

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

21. **Form of Notes:** Global Note Certificate registered in the name of a  
(Condition 3) common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS)), exchangeable for Individual Note Certificates in the limited circumstances described in the Global Note Certificate.

22. **Additional Financial Centre(s) or other special provisions relating to Payment Dates:** Not Applicable

23. **Record Date:** As set out in the Conditions

24. **Redenomination, renominatisation and reconventioning provisions:** Not Applicable

25. **Taxation:**  
Condition 12.1: "Additional Amounts" is Not Applicable

26. **CNY Center:** Not Applicable

27. **Rounding (Condition 22)** Not Applicable

**DISTRIBUTION**

28. a) If syndicated, names of Managers: Not Applicable

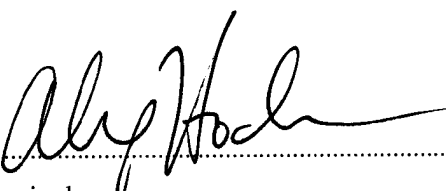
b) Stabilisation Manager(s) (if any): Not Applicable

29. If non-syndicated, name of Dealer: Morgan Stanley & Co. International plc

30. Non-exempt Offer and Offer Period: Not Applicable

31. Financial Intermediaries granted specific consent to use the Base Prospectus in accordance with the Conditions in it: Not Applicable

Signed on behalf of the Issuer:

By  .....  
Duly authorised

## **PART B – OTHER INFORMATION**

### **1. LISTING AND ADMISSION TO TRADING**

Listing and admission to Trading:

Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Luxembourg Stock Exchange's Regulated Market and to be listed on the official list of the Luxembourg Stock Exchange with effect from on or around the date hereof.

No assurances can be given that such application for listing and/or admission to trading will be granted (or, if granted, will be granted by the date hereof. The Issuer has no duty to maintain the listing (if any) of the Notes on the relevant stock exchange(s) over their entire lifetime.

The Tranche 1 Notes were admitted to trading on the Luxembourg Stock Exchange's Regulated Market and to be listed on the official list of the Luxembourg Stock Exchange with effect from 14 February 2018.

### **2. RATINGS**

Ratings:

The Notes will not be rated.

### **3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer

### **4. OPERATIONAL INFORMATION**

ISIN Code: XS1414128337

Common Code: 141412833

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): Not Applicable

Delivery: Delivery free of payment

Names and addresses of initial Paying Agent: The Bank of New York Mellon  
One Canada Square  
London E14 5AL  
U.K.

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

Intended to be held in a manner which Yes  
would allow Eurosystem eligibility:

Note that designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either on issue or subsequently. Such recognition will depend on satisfaction of Eurosystem eligibility criteria.

5. **OTHER MARKETS**

All the regulated markets or equivalent None  
markets on which, to the knowledge of  
the issuer, securities of the same class of  
securities to be offered or admitted to  
trading are already admitted to trading:

