

## FIRST PROSPECTUS SUPPLEMENT

**MORGAN STANLEY & CO. INTERNATIONAL plc**  
*as issuer*

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

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**Issue by Morgan Stanley & Co. International plc of up to 10,000 Five-Year Leveraged Certificates linked to a Reference Fund Basket, due May 2022  
(the “Certificates”)**

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

Morgan Stanley & Co. International plc (“**MSI plc**” or “**MSIP**” or the “**Issuer**”) has prepared this first prospectus supplement (the “**First Prospectus Supplement**”) to supplement and be read in conjunction with the prospectus dated 26 April 2017 (the “**Prospectus**”) in relation to the issue by MSIP of up to 10,000 Five-Year Leveraged Certificates linked to a Reference Fund Basket, due May 2022 under the Regulation S Program for the Issuance of Notes, Series A and B, Warrants and Certificates of the Issuer (and three other issuers).

This First Prospectus Supplement has been approved by the Central Bank of Ireland, as competent authority under Directive 2003/71/EC, as amended (the “**Prospectus Directive**”). The Central Bank of Ireland only approves this First Prospectus Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

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

The purpose of this First Prospectus Supplement is to:

- (a) disclose the publication by MSIP of its annual report and financial statements for the year ended 31 December 2016 (the “**MSIP 2016 Annual Report**”) and incorporate by reference, as set out in “Part A” of this First Prospectus Supplement; and
- (b) make certain consequential amendments to the Prospectus as set out in “Part B” of this First Prospectus Supplement.

The Issuer accepts responsibility for the information contained in this First Prospectus Supplement. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this First Prospectus Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

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

Any information or documents incorporated by reference into the MSIP 2016 Annual Report does not form part of this First Prospectus Supplement and any information or documents which are not incorporated by reference are either not relevant for the investor or covered in another part of this First Prospectus Supplement.

This First Prospectus Supplement is available for viewing, and copies may be obtained from, the offices of the Issuer and the Paying Agents and is available on the website of the Irish Stock Exchange [www.ise.ie](http://www.ise.ie).

The MSIP 2016 Annual Report is available for viewing, and copies may be obtained from, the offices of the Issuer and the Paying Agents and are also available at [http://www.morganstanleyiq.eu/EN/binaer\\_view.asp?binaernr=5217](http://www.morganstanleyiq.eu/EN/binaer_view.asp?binaernr=5217).

In accordance with Article 16(2) of the Prospectus Directive, investors who have already agreed to purchase or subscribe for the Certificates prior to the publication of this First Prospectus Supplement have the right, exercisable within two working days after the publication of this First Prospectus Supplement until 24 May 2017, to withdraw their acceptances.

18 May 2017

**MORGAN STANLEY & CO. INTERNATIONAL PLC**

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## PART A INCORPORATION BY REFERENCE

This First Prospectus Supplement incorporates by reference those sections of the documents identified in the cross-reference table below and supplements and must be read in conjunction with the section entitled "*Incorporation by Reference*" contained on pages 26-27 of the Prospectus.

This First Prospectus Supplement is available on the website of the Irish Stock Exchange [www.ise.ie](http://www.ise.ie).

The MSIP 2016 Annual Report is available for viewing at [http://www.morganstanleyiq.eu/EN/binaer\\_view.asp?binaernr=5217](http://www.morganstanleyiq.eu/EN/binaer_view.asp?binaernr=5217).

The information incorporated by reference must be read in conjunction with the cross-reference table below which supplements the table of information incorporated by reference in the section entitled "*Incorporation by Reference*" contained on pages 26-27 of the Prospectus.

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

Document filed	Information incorporated by reference	Page(s)
<b>Morgan Stanley &amp; Co. International plc</b>		
Report and Financial Statements for the year 31 December 2016	(1) Independent auditor's report	36
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This First Prospectus Supplement expressly does not incorporate by reference the documents and/or information identified in the cross-reference table below and supplements the section entitled "*Incorporation by Reference*" contained on pages 26-27 of the Prospectus, as they are not relevant for investors.

Document incorporated by reference	Information not incorporated by reference	
Morgan Stanley & Co. International plc Report and Financial Statements for the year ended 31 December 2016	(1) Strategic Report	3-31
	(2) Directors' Report	32-35

## PART B AMENDMENTS TO THE PROSPECTUS

The Prospectus is hereby amended as follows:

- The selected key financial information at Element B.12 of the summary in the Prospectus (set out on pages 2-3 of the Prospectus) shall be replaced with the information below:

B.12	<b>Selected Historical Key Financial Information<sup>1</sup>:</b>	<p><b>Selected key financial information relating to MSIP:</b></p> <table border="1" data-bbox="576 479 1361 701"> <tr> <th>Consolidated Balance Sheet (in U.S.\$ millions)</th><th>31 Dec 2015</th><th>31 Dec 2016</th></tr> <tr> <td><i>Total assets</i></td><td>394,084</td><td>423,346</td></tr> <tr> <td><i>Total liabilities and equity</i></td><td>394,084</td><td>423,346</td></tr> </table> <table border="1" data-bbox="576 763 1361 1140"> <tr> <th>Consolidated Income Statement (in U.S.\$ millions)</th><th>31 Dec 2015</th><th>31 Dec 2016</th></tr> <tr> <td><i>Net Gains On Financial Instruments Classified as Held For Trading</i></td><td>3,508</td><td>3,816</td></tr> <tr> <td><i>Profit (loss) before tax</i></td><td>710</td><td>735</td></tr> <tr> <td><i>Profit (loss) for the year/period</i></td><td>401</td><td>451</td></tr> </table> <p>There has been no material adverse change in the prospects of MSIP since 31 December 2016, the date of the latest published annual audited financial statements of MSIP.</p> <p>There has been no significant change in the financial or trading position of MSIP since 31 December 2016, the date of the latest published annual audited financial statements of MSIP.</p>	Consolidated Balance Sheet (in U.S.\$ millions)	31 Dec 2015	31 Dec 2016	<i>Total assets</i>	394,084	423,346	<i>Total liabilities and equity</i>	394,084	423,346	Consolidated Income Statement (in U.S.\$ millions)	31 Dec 2015	31 Dec 2016	<i>Net Gains On Financial Instruments Classified as Held For Trading</i>	3,508	3,816	<i>Profit (loss) before tax</i>	710	735	<i>Profit (loss) for the year/period</i>	401	451
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<i>Profit (loss) for the year/period</i>	401	451																					

- The audit report qualifications information at Element B.10 of the summary in the Prospectus (set out on page 2 of the Prospectus) shall be replaced with the information below:

B.10	<b>Audit report qualifications<sup>2</sup>:</b>	Not Applicable. There are no qualifications in the auditor's reports on the financial statements of MSIP for the years ended 31 December 2015 and 31 December 2016.
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- On page 24 of the Prospectus, the section entitled “Selected Financial Information of MSI Plc” shall be deemed to be deleted in full and replaced by the following:

<sup>1</sup> Element B.12 is updated to refer to the annual audited financial statements of MSIP for the year ended 31 December 2016 pursuant to the Supplement to the Prospectus dated 18 May 2017.

<sup>2</sup> Element B.10 is updated to refer to the annual audited financial statements of MSIP for the year ended 31 December 2016 pursuant to the Supplement to the Prospectus dated 18 May 2017.

## “SELECTED FINANCIAL INFORMATION OF MSI PLC

This section contains selected financial information of MSI plc relating to the years ended 31 December 2015 and 31 December 2016.

The information in respect of the years ended 31 December 2015 and 31 December 2016 set out below is derived from the audited financial statements included in MSI plc’s Report and Financial Statements for the years ended 31 December 2015 and 31 December 2016, respectively.

Consolidated Balance Sheet ( <i>in U.S. \$ millions</i> )	31 Dec 2015	31 Dec 2016
<i>Total assets</i>	394,084	423,346
<i>Total liabilities and equity</i>	394,084	423,346

Consolidated Income Statement ( <i>in U.S. \$ millions</i> )	31 Dec 2015	31 Dec 2016
<i>Net gains on financial instruments classified as held for trading</i>	3,508	3,816
<i>Profit (loss) before tax</i>	710	735
<i>Profit (loss) for the year/period</i>	401	451

”

4. On page 63 of the Prospectus, the definition of “Automatic Early Termination Event (Floor)” within the “Annex to Contractual Terms (Special Terms and Conditions)” shall be deemed to be deleted in full and replaced with the following:

**““Automatic Early Termination Event (Floor)” means, in respect of any Observation Valuation Date, (and an Automatic Early Termination Event (Floor) shall be deemed to have occurred on such Observation Valuation Date) if the following occurs (as determined by the Determination Agent):**

$$Leveraged\ Index_t - 2 < \left( 10 + \sum_{t=2}^T Coupon_t \right)$$

”

5. On page 94 of the Prospectus, item 2 “No material adverse change in prospects and no significant change in the financial or trading position” within the section entitled “General Information” shall be deemed to be deleted in full and replaced by the following:

**“2. No material adverse change in prospects and no significant change in the financial or trading position**

*There has been no material adverse change in the prospects of MSI plc since 31 December 2016, the date of the last published annual audited accounts of MSI plc.*

*There has been no significant change in the financial or trading position of MSI plc since 31 December 2016, the date of the last published annual audited accounts of MSI plc.”*

6. On page 94 of the Prospectus, item (d) of the section entitled “General Information” shall be deemed to be deleted in full and replaced by the following:

“(d) *Annual Reports of MSI plc for the financial years ended 31 December 2015 and 31 December 2016;*”