

Notes issued pursuant to these Final Terms are securities to be listed under Listing Rule 17

Final Terms dated 20 August 2012

Morgan Stanley

Issue of AUD 650,000,000 7.375% Fixed Rate Notes due 2018

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

The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any Distribution Agent to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 50 of Part A below, provided such person is one of the persons mentioned in Paragraph 50 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Distribution Agent has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

THE NOTES ARE NOT BANK DEPOSITS AND ARE NOT INSURED BY THE U.S. FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY, NOR ARE THEY OBLIGATIONS OF, OR GUARANTEED BY, A BANK.

PART A – CONTRACTUAL TERMS

THE NOTES DESCRIBED HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES, AND ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. THE NOTES DESCRIBED HEREIN MAY NOT BE OFFERED, SOLD OR DELIVERED AT ANY TIME, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN EITHER REGULATION S UNDER THE SECURITIES ACT OR, IN THE CASE OF FTRO NOTES, THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED). SEE "**SUBSCRIPTION AND SALE**" AND "**NO OWNERSHIP BY U.S. PERSONS**" IN THE BASE PROSPECTUS DATED 7 JUNE 2012. IN PURCHASING THE NOTES, PURCHASERS WILL BE DEEMED TO REPRESENT AND WARRANT THAT THEY ARE NEITHER LOCATED IN THE UNITED STATES NOR A U.S. PERSON AND THAT THEY ARE NOT PURCHASING FOR, OR FOR THE ACCOUNT OR BENEFIT OF, ANY SUCH PERSON. THE NOTES ARE NOT RATED.

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 English Law Notes set forth in the Base Prospectus dated 7 June 2012 and the Base Prospectus Supplement dated 25 June 2012 which together constitute a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). 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 such Base Prospectus as so supplemented. 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 are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA.

1. Issuer: Morgan Stanley
2. (i) Series Number: 6166
(ii) Tranche Number: 1
3. Specified Currency or Currencies: Australian Dollar ("AUD")
4. Aggregate Nominal Amount of the Notes:
(i) Series: AUD 650,000,000
(ii) Tranche: AUD 650,000,000
5. Issue Price 99.386% of par per Note plus 182 days' accrued interest
6. (i) Specified Denominations (Par): AUD 1,000
(ii) Calculation Amount: AUD 1,000
7. (i) Issue Date: 22 August 2012
(ii) Trade Date: 15 August 2012
(iii) Interest Commencement Date 22 February 2012
(iv) Strike Date: Not Applicable
(v) Determination Date: Not Applicable
8. Maturity Date: 22 February 2018
9. Interest Basis: 7.375% Fixed Rate
10. Redemption/Payment Basis: Redemption at par
11. Change of Interest or Redemption/Payment Basis: Not Applicable
12. Put/Call Options:
(i) Redemption at the option of the Issuer: Not Applicable
(Condition 16.7)
(ii) Redemption at the option of the Noteholders: Not Applicable
(Condition 16.9)
(iii) Other Put/Call Options: Not Applicable
13. Status of the Notes: Condition 4.1 applies.
(Condition 4)

14. Method of distribution: Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. **Fixed Rate Note Provisions** Applicable
(Condition 5)
- (i) Rate of Interest: 7.375% per annum payable annually in arrear
 - (ii) Interest Period: As set out in Condition 2
 - (iii) Interest Payment Date(s): 22 February in each year
 - (iv) Fixed Coupon Amount: AUD 73.75 per Calculation Amount
 - (v) Broken Amount(s): Not Applicable
 - (vi) Day Count Fraction: Actual/Actual (ICMA)
 - (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: Not Applicable
16. **Floating Rate Note Provisions** Not Applicable
17. **Zero Coupon Note Provisions** Not Applicable
18. **Dual Currency-Linked Note Interest Provisions** Not Applicable
19. **Equity Linked Note Interest Provisions** Not Applicable
20. **Commodity-Linked Note Interest Provisions** Not Applicable
21. **Currency-Linked Interest Note Provisions** Not Applicable
22. **Inflation-Linked Note Interest Provisions** Not Applicable
23. **Credit-Linked Interest Note Provisions** Not Applicable
24. **Property-Linked Interest Note Provisions** Not Applicable
25. **Fund-Linked Interest Note Provisions** Not Applicable

PROVISIONS RELATING TO REDEMPTION

26. **Call Option** Not Applicable
(Condition 16.7)
27. **Put Option** Not Applicable
(Condition 16.9)

28.	Final Redemption Amount of each Note (Condition 16.1)	AUD 1,000 per Calculation Amount
29.	Dual Currency Redemption Provisions	Not Applicable
30.	Equity-Linked Redemption Provisions	Not Applicable
31.	Commodity-Linked Redemption Provision	Not Applicable
32.	Currency-Linked Redemption Provisions	Not Applicable
33.	Inflation-Linked Redemption Provisions	Not Applicable
34.	Credit-Linked Redemption Provisions	Not Applicable
35.	Property-Linked Redemption Provisions	Not Applicable
36.	Fund-Linked Redemption Provisions	Not Applicable
37.	a. Early Redemption Amount upon Event of Default (Condition 22): b. Early redemption amount upon early redemption (Conditions 16.2, 16.3, 16.5, 16.10 and 21) Early redemption amount(s) per Calculation Amount payable on redemption for taxation reasons or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):	As set out in Condition 22
38.	Governing Law:	Par per Note English law

GENERAL PROVISIONS APPLICABLE TO THE NOTES

39.	Form of Notes: (Condition 3)	Registered Notes: Global Note Certificate registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg
40.	Additional Business Centre(s) or other special provisions relating to Payment Dates:	Not Applicable
41.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates	Not Applicable

on which such Talons mature):

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| 42. | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: | Not Applicable |
| 43. | Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: | Not Applicable |
| 44. | Redenomination, renominatisation and reconventioning provisions: | Not Applicable |
| 45. | Restrictions on free transferability of the Notes: | None |
| 46. | Other final terms: | Not Applicable |

DISTRIBUTION

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| 47. | (i) If syndicated, names and addresses of Managers and underwriting commitments: and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.))] | Morgan Stanley & Co. International plc, 25 Cabot Square, Canary Wharf, London E14 4QA (underwriting commitment: AUD 292,500,000), Australia New Zealand Banking Group Limited, 40 Bank Street, Canary Wharf, London E14 5EJ (underwriting commitment: AUD 292,500,000) and Mitsubishi UFJ Securities International plc, Ropemaker Place, 25 Ropemaker street, London EC2Y 9AJ (underwriting commitment AUD 65,000,000) |
| | (ii) Date of Subscription Agreement: | 20 August 2012 |
| | (iii) Stabilising Manager(s) (if any): | None |
| 48. | If non-syndicated, name of Dealer: | Not Applicable |
| 49. | U.S. Selling Restrictions: | TEFRA Not applicable |
| 50. | Non-exempt offer: | An offer of the Notes may be made by the Managers other than pursuant to Article 3(2) of the Prospective Directive in Austria, Belgium, Germany, Luxembourg and The Netherlands (Public Offer Jurisdictions) during the period from the date on which these Final Terms are filed with the competent authority (for the purposes of the Prospectus Directive) of the relevant Public Offer Jurisdiction (or, in the case of Austria, the day after registration of the issue terms with the Registration Office (<i>Meldesetelle</i>) has been made as required by the Austrian Capital Markets |

Act) until the Issue Date (Offer Period).
See further paragraph 10 of Part B
below.

51. Total commission and concession: 0.30 per cent. of the Aggregate Nominal Amount
52. Additional selling restrictions: Not Applicable

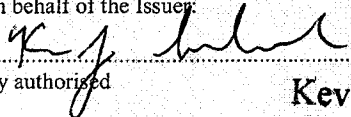
PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and public offer in the Public Offer Jurisdictions and admission to trading on the London Stock Exchange's Regulated Market of the Notes described herein pursuant to the Program for the Issuance of Notes, Series A and B, Warrants and Certificates of Morgan Stanley

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By: 
Duly authorised

Kevin Sheehan
Assistant Treasurer

PART B – OTHER INFORMATION

1. LISTING

Listing and admission to Trading: Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's Regulated Market and to be listed on the Official List of the FSA with effect from 22 August 2012.

2. RATINGS

Ratings: The Notes have been rated:

Moody's Investors Service, Inc. ("**Moody's**"): Baa1

Standard & Poor's Financial Services LLC through its business unit Standard & Poor's Ratings Services ("**S&P**"): A-

Fitch, Inc., ("**Fitch**"): A

Moody's is not established in the European Economic Area but the rating assigned by it is endorsed by Moody's Investors Service Limited, a rating agency established in the European Economic Area and registered under Regulation 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**") by the relevant competent authorities.

S&P is not established in the European Economic Area but the rating assigned by it is endorsed by Standard & Poor's Credit Market Services Europe Limited, a rating agency established in the European Economic Area and registered under the CRA Regulation by the relevant competent authority.

Fitch is not established in the European Economic Area but the rating assigned by it is endorsed by Fitch Ratings Limited, a rating established in the European Economic Area and registered under the CRA Regulation by the relevant competent authority.

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

Save as discussed in "*Subscription and Sale*", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: General corporate purposes
- (ii) Estimated net proceeds: AUD 644,059,000 plus 182 days accrued interest of AUD 23,837,773.22.
- (iii) Estimated total expenses: GBP3,600

5. YIELD

Indication of yield: 7.50% (annual)

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. **OPERATIONAL INFORMATION**

ISIN Code: XS0819243097

Common Code: 081923409

New Global Note: No

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking *société anonyme* and the relevant identification number(s): Not Applicable

Delivery: Delivery free of payment

Names and addresses of initial Paying Agent(s): The Bank of New York Mellon, One Canada Square, London E14 5AL

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

Intended to be held in a manner which would allow Eurosystem eligibility: No

7. **TERMS AND CONDITIONS OF THE OFFER**

Offer Price: 99.386% of par per Note plus 182 days' accrued interest

Conditions to which the offer is subject: None. The offer period in Austria shall not commence until the day after the registration of the issue terms with the Registration Office (*Meldestelle*) has been duly made as required by the Austrian Capital Markets Act.

Description of the application process: Application to be made to the Managers indicated in paragraph 47(i) of Part A above

Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: Not Applicable

Details of the minimum and/or maximum amount of application: Minimum amount AUD1,000; maximum amount – none

Details of the method and time limited for paying up and delivering the Notes: The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys

Manner in and date on which results of the offer are to be made public: Not Applicable

Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: Not Applicable

Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries: Offers may be made by the Managers indicated in paragraph 47(i) of Part A above in each Public Offer Jurisdictions to any person to whom they may lawfully offer the Notes. In other EEA countries, offers will only be made pursuant to an exemption from the obligation under the Prospectus Directive as implemented in such countries to publish a prospectus.

Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: Applicants will be notified by the relevant Manager.

Amount of any expenses and taxes specifically charged to the subscriber or purchaser: None

Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place. See Paragraph 47(i) above