
Contact: Media Relations
Nick Footitt
852 2848 6847

Media Relations
Li Xu
86 10 8356 3906

Morgan Stanley

For Immediate Release

Morgan Stanley and Huaxin Securities Joint Venture Approved

BEIJING, January 7, 2011 – Morgan Stanley (NYSE: MS) and Huaxin Securities Co. Ltd (also known as China Fortune Securities Co. Ltd) today jointly announced that the establishment of their securities joint venture in China has been approved by the China Securities Regulatory Commission (“CSRC”) on December 31, 2010. The approval allows Morgan Stanley to further build on the Firm’s established on-shore businesses in China.

The joint venture, Morgan Stanley Huaxin Securities Company Limited, will be registered and principally located in Shanghai. Huaxin Securities holds a two-thirds stake in the joint venture while Morgan Stanley owns a one-third interest. The scope of business includes underwriting and sponsorship of shares in the domestic China market (including A shares and foreign investment shares), as well as underwriting, sponsorship and proprietary trading of bonds (including government and corporate bonds).

“Developing our domestic market capabilities in China has been and continues to be a priority for the Firm,” said James P. Gorman, President and Chief Executive Officer. “Our securities joint venture with Huaxin Securities builds on Morgan Stanley’s consistent track record of success in China and allows us to offer a broader spectrum of financial services to local and international clients.”

Wang Wenxue, Chairman of Huaxin Securities, said, “This milestone event signifies our close cooperation with Morgan Stanley. Our securities joint venture is committed to offering world class services to our clients. As China’s capital markets continue to grow, we believe that our joint venture will contribute to the development of China’s securities industry.”

Wei Sun Christianson, Chief Executive Officer of Morgan Stanley China, said, “Morgan Stanley is proud to be expanding our strong relationship with Huaxin Securities. We are confident that

together we will create a leading domestic securities franchise that combines our complementary strengths.”

In 1993, Morgan Stanley was one of the first western investment banks to establish a presence in China. Two years later, the Firm co-founded China International Capital Corporation, the first Sino-foreign securities JV in China, together with China Construction Bank. In 2006, Morgan Stanley became the first foreign bank to own a wholly-owned commercial banking license in China, now called Morgan Stanley Bank International (China). In 2008, the Firm announced the formation of a trust joint venture, Hangzhou Industrial and Commercial Trust. In the same year, Morgan Stanley partnered with Huaxin Securities to jointly invest into a fund management company, Morgan Stanley Huaxin Fund Management Company. In addition, Morgan Stanley is active in other China-related businesses, including M&A advisory, offshore capital raising, fixed income and merchant banking.

Morgan Stanley is a leading global financial services firm providing a wide range of investment banking, securities, investment management and wealth management services. The Firm’s employees serve clients worldwide including corporations, governments, institutions and individuals from more than 1,300 offices in 42 countries. For further information about Morgan Stanley, please visit www.morganstanley.com.

Huaxin Securities Co. Ltd established in Shenzhen in March 2001 with a registered capital of 1.6 billion RMB. Huaxin Securities has a broad range of businesses across securities, funds and futures products including securities brokerage, proprietary trading, underwriting and sponsorship, asset management, investment consulting as well as financial advisory services. Huaxin Securities operates 21 branches in Beijing, Shanghai, Xi’an, Shenzhen and Changzhou. For further information about Huaxin Securities Co. Ltd, please visit www.cfsc.com.cn or www.cfsc.cn

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