Morgan Stanley Investment Funds
Emerging Markets Equity Fund - I Shares
(Accumulation Share Class)

Investment Objective
Long term growth of your investment.

Investment Approach
We seek long-term capital appreciation by investing in emerging market countries where economies are developing strongly and markets are becoming more sophisticated. We believe that future economic growth matters a great deal for stock returns and that identifying those countries where growth could beat expectations over three to five years is critical to amplifying the portfolio’s potential returns. We seek to translate our original macro-thematic research and fundamental bottom-up analysis into a growth-oriented portfolio.

Investment Team
- Ruchir Sharma, Head of Emerging Markets and Chief Global Strategist
- Eric Carlson, Managing Director
- Paul Psaila, Managing Director
- May Yu, Managing Director (Rejoined 2012)
- Arnav Hattangadi, Managing Director

Team members may be subject to change at any time without notice.

Class I Shares (% net of fees) vs. Index in USD

Performance of 100 USD Invested Since Inception (Cash Value)

Investment Performance (% net of fees) in USD

<table>
<thead>
<tr>
<th>Class I Shares</th>
<th>MSCI Emerging Markets Net Index</th>
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<tbody>
<tr>
<td>Cumulative (%)</td>
<td>Annualised (%) p.a.</td>
</tr>
<tr>
<td>1 M</td>
<td>3 M</td>
</tr>
<tr>
<td>Class I Shares</td>
<td>-5.50</td>
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<tr>
<td>MSCI Emerging Markets Net Index</td>
<td>-7.26</td>
</tr>
</tbody>
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Calendar Year Returns (%)

<table>
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<tr>
<th>Class I Shares</th>
<th>MSCI Emerging Markets Net Index</th>
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</thead>
<tbody>
<tr>
<td>Class I Shares</td>
<td>-17.05</td>
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</table>

Past performance is not a reliable indicator of future results. Returns may increase or decrease as a result of currency fluctuations. All performance data is calculated NAV to NAV, net of fees, and does not take account of commissions and costs incurred on the issue and redemption of units. The sources for all performance and index data is Morgan Stanley Investment Management.

Please refer to the additional information and definitions section at the end of this document.
DEFINITIONS

Active Share is a measure of the percentage of stock holdings in a managers portfolio that differ from the benchmark index (based on holdings and weight of holdings). Active Share scores range from 0%-100%. A score of 100% means that holdings are completely different from the benchmark. Active Share calculation may consolidate holdings with the same economic exposure. Beta is a measure of the relative volatility of a fund to the market's upward or downward movements. A beta greater than 1.0 identifies an issue or fund that will move more than the market, while a beta less than 1.0 identifies an issue or fund that will move less than the market. The Beta of the Market is always equal to 1. Bloomberg stands for Bloomberg Global Identifier (BBGID). This is a unique 12 digit alphanumerical code designed to enable the identification of securities, such as the Morgan Stanley Investment Funds sub-funds at share class level, on a Bloomberg Terminal. The Bloomberg Terminal, a system provided by Bloomberg L.P., enables analysts to access and analyse real-time financial market data. Each Bloomberg code starts with the same BBG prefix, followed by nine further characters that we list here in this guide for each share class of each fund. Cash & Equivalents are defined as the value of assets that can be converted into cash immediately. These include commercial paper, open FX transactions, Treasury bills and other short-term instruments. Such instruments are considered cash equivalents because they are deemed liquid and not subject to significant risk of fluctuations.
changes in values. **Dividend yield** is the ratio between how much a company pays out in dividends each year relative to the company's current share price. **Sharpe ratio** is a risk-adjusted measure calculated as the ratio of excess return to standard deviation. The Sharpe ratio determines relative risk-adjusted performance. The higher the Sharpe ratio, the better the historical risk-adjusted performance. **Tracking error** is the standard deviation of the difference between the returns of an investment and its benchmark. **Volatility (Standard deviation)** measures how widely individual performance returns, within a performance series, are dispersed from the average or mean value. **Weighted average market capitalization** is an average of the market capitalization of stocks comprising a portfolio or index, adjusted by each stock's weight in the portfolio or index. **Weighted median market capitalization** is a point at which half of the market value of a portfolio or index is invested in stocks with a greater market cap, while the other half of the market value is invested in stocks with a lower market cap.

**INDEX INFORMATION**

The MSCI Emerging Markets Net Index is a free float-adjusted market capitalization weighted index that is designed to measure equity market performance of emerging markets. The term "free float" represents the portion of shares outstanding that are deemed to be available for purchase in the public equity markets by investors. The MSCI Emerging Markets Index currently consists of 23 emerging-market country indices. The performance of the index is listed in U.S. dollars and assumes reinvestment of net dividends.

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