Morgan Stanley Investment Management

Morgan Stanley Investment Funds
European Property Fund - I Shares
(Accumulation Share Class)

Investment Objective
Long term growth of your investment.

Investment Approach
We seek attractive long-term, risk-adjusted returns by investing in publicly traded real estate securities in Europe. We combine a value-oriented, bottom-up-driven investment strategy and a top-down allocation that seeks diversified exposure to all major asset classes with an overweighting to property markets that we believe offer the best relative valuation.

Investment Team
Ted Bigman, Head of Global Listed Real Assets Investing
Sven van Kemnade, Managing Director
Michiel te Paske, Managing Director

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

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

Calendar Year Returns (%)

Investment Performance (% net of fees) in EUR

Investment Performance (3 Year Annualised)

Calendar Year Returns (%)

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.

Share Class
CLASS I

Currency
Euro

ISIN
LU0078115192

Bloomberg
MORECPI LX

Inception date
01 September 1997

Net asset value
€ 43.57

Fund Facts

Launch date
01 September 1997

Index
GPR General Quoted Europe Net Index

Total net assets
€ 65.71 million

Structure
Luxembourg SICAV

Charges (%)

Max Entry Charge
3.00

Ongoing Charges
0.94

Management Fee
0.75

Entry Charge is a maximum possible figure. In some cases you might pay less, you can find this out from your financial adviser. Ongoing Charges reflect the payments and expenses incurred during the fund’s operation and are deducted from the assets of the fund over the period. It includes fees paid for investment management (Management Fee), trustee/custodian, and administration charges. For more information please see the Charges and Expenses section of the prospectus.

Subscriptions (USD)

CLASS I

Minimum initial investment
0

Minimum Subsequent Investment
0

Statistics

(3 Year Annualised)

CLASS I INDEX

Excess Return (%)
2.03

Alpha (%)
2.66

Beta
1.09

Information ratio
-0.52

R squared
0.91

Sharpe ratio
0.37

Tracking error (%)
3.91

Volatility (Standard deviation) (%)
12.68

Characteristics

FUND

Active share (%)
4.95

Dividend Yield (%)
3.75

Number of holdings
42

Please refer to the additional information and definitions section at the end of this document.
Top Countries (% of Total Net Assets)1

<table>
<thead>
<tr>
<th>Country</th>
<th>FUND</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>29.99</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>26.04</td>
</tr>
<tr>
<td>Germany</td>
<td>15.50</td>
</tr>
<tr>
<td>Spain</td>
<td>8.29</td>
</tr>
<tr>
<td>Sweden</td>
<td>4.79</td>
</tr>
<tr>
<td>Netherlands</td>
<td>4.36</td>
</tr>
<tr>
<td>Norway</td>
<td>3.37</td>
</tr>
<tr>
<td>Ireland</td>
<td>2.28</td>
</tr>
<tr>
<td>Finland</td>
<td>1.79</td>
</tr>
<tr>
<td>Other</td>
<td>2.40</td>
</tr>
<tr>
<td>Cash &amp; equivalents</td>
<td>19.8</td>
</tr>
<tr>
<td>Total</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Sector Allocation (% of Total Net Assets)12

<table>
<thead>
<tr>
<th>Category</th>
<th>FUND</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diversified</td>
<td>32.87</td>
</tr>
<tr>
<td>Retail</td>
<td>25.34</td>
</tr>
<tr>
<td>Office</td>
<td>21.82</td>
</tr>
<tr>
<td>Residential</td>
<td>15.63</td>
</tr>
<tr>
<td>Industrial</td>
<td>14.9</td>
</tr>
<tr>
<td>Industrial/Office Mixed</td>
<td>0.85</td>
</tr>
<tr>
<td>Cash &amp; equivalents</td>
<td>19.8</td>
</tr>
<tr>
<td>Total</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Top Holdings (% of Total Net Assets)3

<table>
<thead>
<tr>
<th>Company</th>
<th>FUND</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unibail-Rodamco-Westfield</td>
<td>7.78</td>
</tr>
<tr>
<td>Klepierre</td>
<td>6.68</td>
</tr>
<tr>
<td>Gecina</td>
<td>6.37</td>
</tr>
<tr>
<td>Vonovia Se</td>
<td>6.27</td>
</tr>
<tr>
<td>Land Securities Group plc</td>
<td>6.23</td>
</tr>
<tr>
<td>British Land Co. Ltd</td>
<td>5.99</td>
</tr>
<tr>
<td>Deutsche Wohnen Se</td>
<td>4.97</td>
</tr>
<tr>
<td>Merlin Properties Socimi S.A.</td>
<td>4.83</td>
</tr>
<tr>
<td>Immobiliaria Colonial Socimi S.A.</td>
<td>3.46</td>
</tr>
<tr>
<td>Eurocommercial Properties NV</td>
<td>2.85</td>
</tr>
<tr>
<td>Total</td>
<td>55.43</td>
</tr>
</tbody>
</table>

1May not sum to 100% due to rounding. Cash & equivalents may include other assets and liabilities of the portfolio.
2For additional information regarding sector classification/definitions please visit www.msci.com/jics and the glossary at www.morganstanley.com/im.
3These securities and percentage allocations are only for illustrative purposes and do not constitute, and should not be construed as, investment advice or recommendations with respect to the securities or investments mentioned.

Please refer to the Prospectus for full risk disclosures, available at www.morganstanleyinvestmentfunds.com. All data as of 30.09.2019 and subject to change daily.

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 you are completely different from the benchmark. Active Share calculation may consolidate holdings with the same economic exposure. Alpha (Jensen’s) is a risk-adjusted performance measure that represents the average return on a portfolio or investment above or below that predicted by the capital asset pricing model (CAPM) given the portfolio’s or investment’s beta and the average market return. Prior to 09/30/2018 Alpha was calculated as the excess return of the fund versus benchmark. 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 (BBDID). 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 changes in values. Dividend yield is the ratio between how much a company pays out in dividends each year relative to its share price. Excess Return or value added (positive or negative) is the portfolio's return relative to the return of the benchmark. Information ratio is the portfolio’s alpha or excess return per unit of risk, as measured by tracking error, versus the portfolio’s benchmark. ISIN is the international securities identification number (ISIN), a 12 digit code consisting of numbers and letters that distinctly identifies securities. NAV is the Net Asset Value per share of the Fund (NAV), which represents the value of the assets of a fund less its liabilities. Number of holdings provided are a typical range, not a maximum number. The portfolio may exceed this from time to time due to market conditions and outstanding trades. R squared measures how well an investment's returns correlate to an index. An R squared of 100 means...
the portfolio performance is 100% correlated to the index’s, whereas a low r-
squared means that the portfolio... performance. Sharpe ratio measures the ratio of
excess return to standard deviation. The Sharpe ratio determines reward per
unit of risk. 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,
in a performance series, are dispersed from the average or mean value.

INDEX INFORMATION

The GPR General Quoted Europe Net Index: is a sub-index of the GPR
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