

Morgan Stanley Investment Funds

Global Brands Fund - FHX (EUR) Shares (Distributing NAV Hedged Share Class)

Investment Objective

Long term growth of your investment.

Investment Approach

The investment team believes that high-quality companies can generate superior returns over the long term. Such companies are typically built on dominant market positions, underpinned by powerful, hard to replicate intangible assets that can generate high, unlevered returns on operating capital and strong free cash flows. Other characteristics are recurring revenue streams, pricing power, low capital intensity and organic growth.

Investment Team

| | JOINED FIRM | YEARS OF INVESTMENT EXPERIENCE |
|---|-------------|--------------------------------|
| William Lock, Head of International Equity Team | 1994 | 27 |
| Bruno Paulson, Managing Director | 2009 | 25 |
| Dirk Hoffmann-Becking, Executive Director | 2013 | 21 |
| Nic Sochovsky, Executive Director | 2015 | 21 |
| Vladimir A. Demine, Executive Director | 2009 | 17 |
| Nathan Wong, Executive Director | 2017 | 19 |
| Marcus Watson, Executive Director | 2008 | 11 |
| Alex Gabriele, Executive Director | 2012 | 10 |
| Richard Perrott, Vice President | 2015 | 13 |

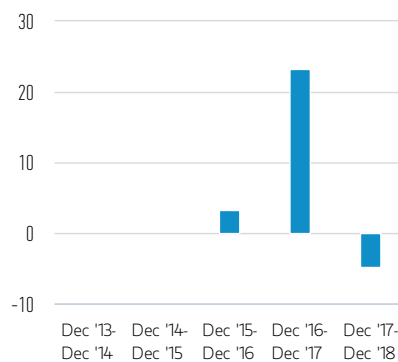
Team members may be subject to change at any time without notice. The investment team took over management of the fund in June 2009.

Class FHX (EUR) Shares (% net of fees) in EUR

Performance of 100 EUR Invested Since Inception (Cash Value)



12 Month Performance Periods to Latest Month End (%)



— Class FHX (EUR) Shares

■ Class FHX (EUR) Shares

Investment Performance (% net of fees) in EUR

| | Cumulative (%) | | | | Annualised (% p.a.) | | | |
|------------------------|----------------|-------|-------|-------|---------------------|------|-------|-----------|
| | 1 M | 3 M | YTD | 1 YR | 3 YR | 5 YR | 10 YR | INCEPTION |
| Class FHX (EUR) Shares | -6.58 | -9.98 | -4.87 | -4.87 | 6.61 | -- | -- | 5.82 |

Calendar Year Returns (%)

| | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|------------------------|-------|-------|------|------|------|------|------|
| Class FHX (EUR) Shares | -4.87 | 23.28 | 3.32 | -- | -- | -- | -- |

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

| Share Class | CLASS FHX (EUR) |
|----------------|------------------|
| Currency | Euro |
| ISIN | LU1328241002 |
| Bloomberg | MSGBFHX LX |
| Inception Date | 01 December 2015 |
| NAV | € 28.96 |

Fund Facts

| | |
|---------------|----------------------|
| Launch date | 30 October 2000 |
| Base currency | U.S. dollars |
| Index | MSCI World Net Index |
| Total assets | \$ 10.2 billion |
| Structure | Luxembourg SICAV |

Charges (%)

| Charges (%) | CLASS FHX (EUR) |
|------------------|-----------------|
| Max Entry Charge | 0.00 |
| Ongoing Charges | 1.03 |
| 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.

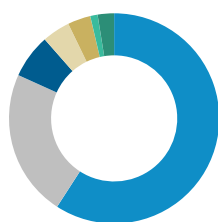
Subscriptions (USD)

| Subscriptions (USD) | CLASS FHX (EUR) |
|-------------------------------|-----------------|
| Minimum Initial Investment | 0 |
| Minimum Subsequent Investment | 0 |

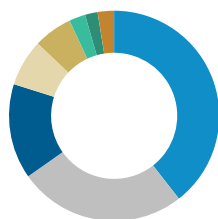
Characteristics

| Characteristics | FUND | INDEX |
|--|-------|-------|
| Active share (%) | 92.83 | -- |
| Number of holdings | 29 | 1,633 |
| Free cash flow yield (Next 12 Months) (%) ¹ | 5.06 | 6.27 |
| Price/earnings (Next 12 months) | 18.95 | 13.47 |
| Dividend Yield (Next 12 Months) (%) | 2.39 | 2.94 |

¹ Financials and Real Estate sectors are excluded from characteristics where income statement, balance sheet, or cash flow statement ratios are not economically meaningful.

Top Countries (% of Total Net Assets)²

| | FUND | INDEX |
|--------------------|---------------|-----------|
| United States | 59.15 | 61.71 |
| United Kingdom | 22.61 | 5.91 |
| France | 6.79 | 3.88 |
| Germany | 4.28 | 3.10 |
| Netherlands | 3.53 | 1.20 |
| Italy | 1.13 | 0.79 |
| Cash & equivalents | 2.52 | -- |
| Total | 100.00 | -- |

Sector Allocation (% of Total Net Assets)^{2,3}

| | FUND | INDEX |
|------------------------|---------------|-----------|
| Consumer Staples | 39.45 | 8.66 |
| Information Technology | 25.78 | 14.93 |
| Health Care | 14.64 | 13.36 |
| Communication Services | 7.20 | 8.29 |
| Industrials | 5.96 | 10.93 |
| Financials | 2.50 | 16.20 |
| Consumer Discretionary | 1.95 | 10.44 |
| Cash & equivalents | 2.52 | -- |
| Total | 100.00 | -- |

Top Holdings (% of Total Net Assets)⁴

| | FUND | INDEX |
|------------------------------|--------------|-----------|
| Reckitt Benckiser plc | 8.39 | 0.14 |
| Twenty-First Century Fox Inc | 7.20 | 0.20 |
| Microsoft Corp | 7.08 | 2.07 |
| Unilever plc | 5.24 | 0.17 |
| Visa Inc | 4.84 | 0.66 |
| Sap Se | 4.28 | 0.27 |
| Accenture plc | 4.17 | 0.25 |
| Philip Morris Inc | 3.85 | 0.29 |
| Coca-Cola Company | 3.82 | 0.54 |
| Baxter International Inc | 3.72 | 0.09 |
| Total | 52.59 | -- |

² May not sum to 100% due to rounding.

³ For additional information regarding sector classification/definitions please visit www.msci.com/gics and the glossary at www.morganstanley.com/im.

⁴ These 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 31.12.2018 and subject to change daily.

DEFINITIONS

Active Share is a measure of the percentage of stock holdings in a manager's 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. **Bloomberg** stands for 'Bloomberg Global Identifier (BBGID)'. This is a unique 12 digit alphanumeric 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

Share Class FHX (EUR) Risk and Reward Profile

The risk and reward category shown is based on historic data.

- Historic figures are only a guide and may not be a reliable indicator of what may happen in the future.
- As such this category may change in the future.
- The higher the category, the greater the potential reward, but also the greater the risk of losing the investment. Category 1 does not indicate a risk free investment.
- The fund is in this category because it invests in company shares and the fund's simulated and/or realised return has experienced high rises and falls historically.
- The fund may be impacted by movements in the exchange rates between the fund's currency and the currencies of the fund's investments.

This rating does not take into account other risk factors which should be considered before investing, these include:

- The fund relies on other parties to fulfill certain services, investments or transactions. If these parties become insolvent, it may expose the fund to financial loss.
- There may be an insufficient number of buyers or sellers which may affect the fund's ability to buy or sell securities.
- Investment in China A-Shares via Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programs may also entail additional risks, such as risks linked to the ownership of shares.
- Past performance is not a reliable indicator of future results. Returns may increase or decrease as a result of currency fluctuations. The value of investments and the income from them can go down as well as up and investors may lose all or a substantial portion of his or her investment.
- The value of the investments and the income from them will vary and there can be no assurance that the Fund will achieve its investment objectives.
- Investments may be in a variety of currencies and therefore changes in rates of exchange between currencies may cause the value of investments to decrease or increase. Furthermore, the value of investments may be adversely affected by fluctuations in exchange rates between the investor's reference currency and the base currency of the investments.

Additional F Share Classes

| | CURRENCY | LAUNCH | ISIN | BLOOMBERG |
|----------|----------|------------|--------------|-------------|
| F | USD | 01.12.2015 | LU1328240616 | MSGBFAU LX |
| FH (CHF) | CHF | 01.12.2015 | LU1328240889 | MSGBFHC LX |
| FH (EUR) | EUR | 01.12.2015 | LU1328240962 | MSGBFHE LX |
| FX | USD | 01.12.2015 | LU1328241184 | MSGBF XU LX |

year relative to its share price. **Free cash flow yield (Next 12 months)** is a financial ratio that measures a company's operating free cash flow minus its capital expenditures per share and dividing by its price per share. Free cash flow yield ratio is calculated by using the underlying securities of the fund. **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. **Price/earnings (P/E)** is the price of a stock divided by its earnings per share for the past 12 months. Sometimes called the multiple, P/E gives investors an idea of how much they are paying for a company's earning power. The higher the P/E, the more investors are paying, and therefore the more earnings growth they are expecting.

INDEX INFORMATION

The **MSCI World Net Index** is a free float adjusted market capitalization weighted index that is designed to measure the global equity market performance of developed 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 performance of the Index is listed in U.S. dollars and assumes reinvestment of net dividends. The index is unmanaged and does not include any expenses, fees or sales charges. It is not possible to invest directly in an index.

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