

Morgan Stanley Investment Funds

Japanese Equity Fund - ZH (EUR) Shares (Accumulating NAV Currency Hedged Share Class)

Investment Objective

Long term growth of your investment.

Investment Approach

Seeks long-term capital appreciation measured in Japanese yen, by investing primarily in the equity securities of companies domiciled in or exercising the predominant part of their economic activity in Japan and which are listed on any exchanges or over-the-counter markets.

Investment Team

	JOINED FIRM	YEARS OF INVESTMENT EXPERIENCE
Yasuyuki Ochi, CMA, Mitsubishi UFJ Asset Management Co., Ltd.	2014	18

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

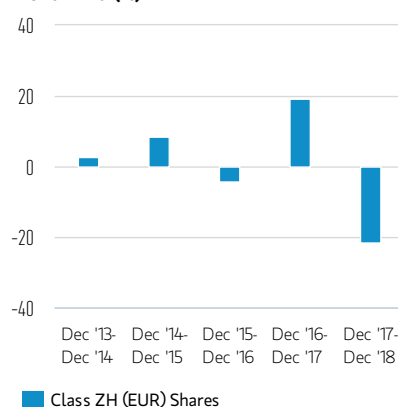
Mitsubishi UFJ Asset Management (UK) Ltd started to manage the fund in July 2014.

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

Performance of 100 EUR Invested Since Inception (Cash Value)



12 Month Performance Periods to Latest Month End (%)



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 ZH (EUR) Shares	-10.93	-18.91	-21.59	-21.59	-3.53	0.02	--	5.27

Calendar Year Returns (%)

	2018	2017	2016	2015	2014	2013	2012
Class ZH (EUR) Shares	-21.59	19.35	-4.06	8.63	2.62	48.10	17.29

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.

Calculations are based on the close of business NAV which is valued at the close of the Tokyo Stock Exchange (15.00 JST). This NAV may differ from the official NAV of the fund which is calculated during the Luxembourg business day. All subscriptions and redemptions will be dealt at the official NAV.

Share Class

Share Class	CLASS ZH (EUR)
Currency	Euro
ISIN	LU0512095166
Bloomberg	MSJPEZH LX
Inception Date	29 September 2010
NAV	€ 38.21

Fund Facts

Launch date	14 June 2010
Base currency	Japanese yen
Index	MSCI Japan Index
Total assets	¥ 13.6 billion
Structure	Luxembourg SICAV

Charges (%)

Charges (%)	CLASS ZH (EUR)
Max Entry Charge	1.00
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)

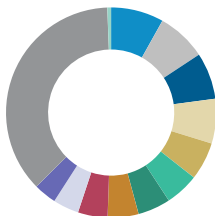
Subscriptions (USD)	CLASS ZH (EUR)
Minimum Initial Investment	0
Minimum Subsequent Investment	0

Characteristics

Characteristics	FUND	INDEX
Number of holdings	34	322
Price/cash flow	3.37	4.80
Price/book	0.94	1.18

Top Holdings (% of Total Net Assets) ¹	FUND	INDEX
Nippon Telegraph & Telephone Corp	4.75	0.92
Toray Industries Inc	4.49	0.32
Itochu Corp	4.45	0.78
Sony Corp	3.99	2.00
Sumitomo Mitsui Financial Group	3.88	1.44
Mitsubishi Corp	3.67	1.21
Tokio Marine Holdings	3.59	1.05
Japan Post Holdings Co. Ltd	3.58	0.59
Softbank Corp	3.50	1.79
Honda Motor Co. Ltd	3.47	14.0
Total	39.37	--

Industry Distribution (% of Total Net Assets) ^{2,3}	FUND	INDEX
Trading Companies & Distributors	8.12	4.01
Chemicals	7.61	4.10
Insurance	7.17	3.31
Banks	6.87	6.29
Specialty Retail	5.83	1.74
Household Durables	5.18	3.59
Pharmaceuticals	5.03	6.18
Diversified		
Telecommunication Services	4.75	0.92
Food Products	4.56	1.76
Real Estate		
Management & Development	3.99	2.90
Wireless		
Telecommunication Services	3.50	4.14
Other	36.83	--
Cash & equivalents	0.58	--
Total	100.00	--



¹These 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.

²May not sum to 100% due to rounding.

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

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

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. **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/book (P/BV)** compares a stock's market value to the book value per share of total assets less total liabilities. This number is used to judge whether a stock is undervalued or overvalued. **Price/cash flow (P/CF)** is a ratio used to compare a company's market

Share Class ZH (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 funds ability to buy or sell securities.
- In order to achieve the currency hedging, this share class relies on other parties to fulfil certain contractual obligations, as these parties may fail to do so there is a higher risk to your investment.
- 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 Z Share Classes

	CURRENCY	LAUNCH	ISIN	BLOOMBERG
Z	JPY	14.06.2010	LU0512094433	MSJPEQZ LX

value to its cash flow. It is calculated by dividing the company's per-share stock price by the per-share operating cash flow.

INDEX INFORMATION

The **MSCI Japan Index** is a free-floated adjusted market capitalization weighted index that is designed to track the equity market performance of Japanese securities listed on the Tokyo Stock Exchange, Osaka Stock Exchange, JASDAQ and Nagoya Stock Exchange. The MSCI Japan Index is constructed based on the MSCI Global Investable Market Indices Methodology, targeting a free-float market capitalization coverage of 85%.

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