

Important: Proposed Product Action affecting MS INVF Diversified Alpha Plus

Morgan Stanley Investment Funds (the “Company”) intends, subject to obtaining regulatory approval from the Commission de Surveillance du Secteur Financier (the “CSSF”), the Company’s Luxembourg regulator, to merge the Diversified Alpha Plus Fund (the “DAP Fund”) into the Global Balanced Risk Control Fund of Funds (the “GBAR Fund”) (the “Proposed Merger”) as part of a rationalisation of the Company’s asset allocation fund offerings.

The Proposed Merger is expected to be completed no sooner than July 2017, and no later than September 2017. Upon the completion of the Proposed Merger, all assets and liabilities of the DAP Fund will be transferred to the GBAR Fund. The DAP Fund will close and will thereby be dissolved without going into liquidation. No general meeting of shareholders is required in order to approve the Proposed Merger and shareholders are not required to vote on the Proposed Merger.

Shareholders of the DAP Fund who would like to maintain substantially the same investment strategy exposure may be able to switch their investment into the Global Multi-Asset Opportunities Fund at any time after 20 June 2017, up until the Effective Date of the Merger. Following changes to the investment policy of the Global Multi-Asset Opportunities Fund (“GMAO”), which are expected to take effect on 20 June 2017, the GMAO investment policy will be substantially the same as the investment policy of the DAP Fund, or the merging sub-fund. This option may not be available to shareholders in all jurisdictions. Please contact your Morgan Stanley Investment Management, Ltd representative for more information.

Shareholders holding shares of the DAP Fund on the completion date of the Proposed Merger will automatically be issued the relevant shares of the GBAR Fund in exchange for their shares of the DAP Fund. The number of shares will be calculated in accordance with the relevant share exchange ratios, which will be calculated at the time of the merger. The GBAR Fund has a long-only investment approach and provides risk controlled multi-asset exposure. The fund is managed by the Global Balanced Risk Control team. We continue to offer a DAP-like strategy in the GMAO fund for investors who prefer to retain the absolute return approach of the DAP Fund.

The Proposed Merger has not yet been approved by the CSSF. When regulatory approval is obtained, shareholders will be informed separately of further details of the Proposed Merger through a formal shareholder notice.

Regulatory approval of the proposed merger is not guaranteed and there can be no certainty as to the timing of the merger or that the merger will take place.