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PLEASE SEEK PROFESSIONAL ADVICE**

MORGAN STANLEY INVESTMENT FUNDS

Société d'Investissement à Capital Variable

Registered office: 6B, route de Trèves, L-2633 Senningerberg

R.C.S. Luxembourg: B 29 192

(The “**Company**”)

NOTICE TO SHAREHOLDERS

Luxembourg, 6 December 2019

Dear Shareholder,

We are writing to you as shareholder of the Morgan Stanley Investment Funds European Fixed Income Opportunities Fund (the “**Fund**”).

The board of directors of the Company (the “**Board**”) has resolved to amend the Fund’s investment policy in order to enhance the level of information for shareholders.

As a consequence, the Fund’s investment objective will be amended by the insertion of an additional paragraph, which shall read as follows (additional paragraph underlined):

“The European Fixed Income Opportunities Fund’s investment objective is to provide an attractive level of total return, measured in Euro, through the selection of Euro-denominated Fixed Income Securities. The Fund will seek to achieve the investment policy through allocation across fixed income asset classes as well as through market and instrument selection.

The Fund will invest primarily in Euro-denominated Fixed Income Securities of corporate, government and government related issuers across a spectrum of fixed income asset classes including investment-grade bonds, high-yield bonds, mortgage-backed securities, convertibles and currencies and subject to applicable law, in other asset-backed securities as well as loan participations and loan assignments to the extent that these instruments are securitised. High yield bonds are considered to be Fixed Income Securities issued by corporations that are rated lower than “BBB-” by S&P or “Baa3” by Moody’s or similarly by another internationally recognised rating service or determined to be of similar creditworthiness by the Investment Adviser. The Investment Adviser may invest in any combination of two or more of the above asset classes.

The Fund will not invest in any securities that are rated below B- (or below BBB- in the case of Asset Backed Securities, including Mortgage Backed Securities) by Standard & Poor’s Corporation (“S&P”) or an equivalent rating from another rating agency or an equivalent internal rating from the Investment Adviser as at the date of investment. In the event that any securities held by the Fund are subsequently downgraded to a rating below B- (or below BBB- in the case of Asset Backed Securities, including Mortgage Backed Securities), the Investment Adviser may maintain a maximum total exposure of 3% of the Fund’s Net Asset Value to such downgraded securities but will divest any such

security that has not been upgraded to a rating of at least B- within six months of its downgrade.

The Fund may also invest, on an ancillary basis, in Fixed Income Securities that are not denominated in Euro, emerging markets Fixed Income Securities and additional securities including but not limited to debt securities convertible into common shares, cash, equity or other equity linked securities. The Fund may also invest, to a limited extent, in loan participations and loan assignments to the extent these constitute money market instruments.

The Fund may invest in Fixed Income Securities acquired on the China Interbank Bond Market. No more than 10% of the Fund's assets will be invested in such securities.

With a view to enhancing returns and/or as part of the investment strategy, the Fund may (in accordance with the investment powers and restrictions set out in Appendix A) make use of exchange-traded and over-the-counter options, futures and other derivatives for investment or efficient portfolio management (including hedging) purposes.

The Fund may invest no more than 20% of its assets in Contingent Convertible Instruments.

The Fund may invest to a limited extent in units/shares of other collective investment schemes, including the Company's Funds and open-ended ETFs provided that any ETFs are eligible investments for UCITS funds.

The investment process takes into account information about environmental, social, and governance issues (also referred to as ESG) when making investment decisions. The Investment Adviser may engage company management around corporate governance practices as well as what it deems to be materially important environmental and/or social issues facing a company.

Profile of the typical investor

In light of the European Fixed Income Opportunities Fund's investment objective it may be appropriate for investors who:

- seek to invest in Fixed Income Securities;*
- seek capital appreciation over the medium term;*
- seek income whether in the form of capital appreciation or distributions, as outlined in "Dividend Policy";*
- accept the risks associated with this type of investment, as set out in Section 1.5 "Risk Factors".*

The additional paragraph seeks to clarify and specify the Fund's existing investment universe. There is no change to the investment universe in which the Fund already invests, nor is there a change to the way the Fund is managed and will not result in the Fund investing in different assets it currently invests into.

The overall risk profile of the Fund also will not change due to the additional paragraph in the investment policy.

The above-mentioned changes will be effective as of 7 January 2020 and are included in the version of the Company's Prospectus dated 18 November 2019.

Your options

1. If you agree to the changes, you do not need to take any action. The changes will automatically go into effect for the Fund as of 7 January 2020.

2. If you disagree with the amendments noted above, you may either:

a) Convert your Shares into another sub-fund of the Company. Any applications for conversion must be received by 1 pm CET on 6 January 2020 and be made in accordance with section 2.4 "*Conversion of Shares*" of the Prospectus. Please ensure that you read the Key Investor Information Document (KIID) for any sub-fund that you are considering converting into and seek advice from your financial adviser if you are unsure about the action you should take.

Or,

b) Redeem your investment. Any applications for redemption must be received by 1 pm CET on 6 January 2020 and be made in accordance with section 2.3 "*Redemption of Shares*" of the Prospectus.

Conversions or redemptions will be processed free of charge, including any applicable Contingent Deferred Sales Charges, at the relevant net asset value per share on the Dealing Day on which the relevant shares are redeemed or converted, in accordance with the terms of the Prospectus.

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A copy of the Prospectus is available upon request at the registered office of the Company.

Capitalised terms used in this notice shall have the meaning ascribed to them in the current Prospectus, unless the context otherwise requires.

The Board accepts responsibility for the accuracy of the information contained in this notice. The Prospectus and the relevant Key Investor Information Document are available to investors, free of charge, at the registered office of the Company or at the offices of foreign representatives.

Should you have any questions or concerns about the foregoing, please contact the Company at its registered office in Luxembourg, the Investment Adviser of the Company or the representative of the Company in your jurisdiction. You should inform yourself of, and where appropriate take advice on, the tax consequences of the foregoing in your country of citizenship, residence or domicile.

Yours sincerely

On behalf of the Company

MSIM FUND MANAGEMENT (IRELAND) LIMITED