

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF IN DOUBT, 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, 29 March 2019

Dear Shareholder,

We are writing to you as a holder of shares in Morgan Stanley Investment Funds Global Property Fund and/or Morgan Stanley Investment Funds European Property Fund (the "**Relevant Funds**").

Further to the notice issued by the Company dated 27 December 2018 (the "**Notice**") in which you were notified of the postponement of the appointment of Morgan Stanley Investment Management (Ireland) Limited ("**MSIM Ireland**") as co-sub-adviser of Morgan Stanley Investment Funds Global Property Fund and as sub-adviser of Morgan Stanley Investment Funds European Property Fund until further notice, please be informed that the board of directors of the Company (the "**Board**") is still evaluating the political situation and has not yet decided on the effective date of the appointment of MSIM Ireland as sub-adviser or co-sub-adviser to the Relevant Funds (the "**Effective Date**").

As mentioned in the Notice, Morgan Stanley as a firm is prepared for the departure of the United Kingdom from the European Union (a "hard Brexit"), however, as there is considerable political uncertainty and the possibility remains of an extension to the United Kingdom's withdrawal process or a transition period, the transfer of the key investment personnel for the Relevant Funds and the Effective Date is pending to be confirmed.

The Company will provide at least 30 days' notice to you prior to the appointment of MSIM Ireland as sub-adviser or co-sub-adviser to the Relevant Funds coming into effect (the "**New Effective Date**"). It is anticipated that a decision will be made on the new effective date before 31 May 2019. For the avoidance of doubt, all other contents in Notice remain effective.

The prospectus of the Company (the "**Prospectus**") and Product Key Facts ("**KFS**") of the Relevant Funds will be amended to reflect the appointment of MSIM Ireland and will be posted on Morgan Stanley Investment Fund's website (www.morganstanleyinvestmentfunds.com)¹ as soon as practicable.

The appointment of MSIM Ireland will not affect or prejudice the rights or interests of existing investors of the Relevant Funds. There will be no change to the overall risk profile of the Relevant Funds as a result of the postponement in appointment of MSIM Ireland as sub-adviser or co-sub-adviser. There will also be no change in the operation and/or manner in which the Relevant Funds are being managed and there will be no change in the fee structure, the fee level or cost in managing the Relevant Funds. The cost of effecting and

¹ Please note that this website has not been reviewed by the SFC.

postponing the appointment of MSIM Ireland will be borne by the management company, MSIM Fund Management (Ireland) Limited.

Your options

1. If you do not object to the postponement of the appointment of MSIM Ireland, you do not need to take any action. You will be notified no later than 30 days' prior to the New Effective Date.

2. If you disagree with the postponement of the appointment of MSIM Ireland, you may either:

a) Convert your Shares into another fund of the Company which is authorized by the SFC and distributed to Hong Kong investors². Any applications for conversion must be received prior to the New Effective Date (which shall be notified to you separately) and be made in accordance with section 2.4 "Conversion of Shares" of the Prospectus. Please note that an earlier cut off time may be imposed by the intermediaries. Please ensure that you read the Prospectus and KFS for any 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 prior to the New Effective Date (which shall be notified to you separately).

Conversions or redemptions will be processed free of charge 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.

The changes described in this notice will not give rise to additional costs and expenses implications (other than costs associated with update of the Prospectus and the KFS, which will be borne by 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 revised Hong Kong Prospectus and KFS will be available to investors, free of charge, at the Hong Kong Representative, Morgan Stanley Asia Limited's office (contacts are set out below).

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. Hong Kong residents who require further information, please contact Morgan Stanley Asia Limited, of Floor 41, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong or on (852) 2848 6632.

² Please refer to the Appendix for a list of funds authorized by the SFC.

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.

Luxembourg, Luxembourg, 29 March 2019

Yours sincerely

On behalf of the Company

MSIM FUND MANAGEMENT (IRELAND) LIMITED

Appendix

1. Morgan Stanley Investment Funds Asian Equity Fund
2. Morgan Stanley Investment Funds Asian Property Fund
3. Morgan Stanley Investment Funds Emerging Europe, Middle East and Africa Equity Fund
4. Morgan Stanley Investment Funds Emerging Markets Debt Fund
5. Morgan Stanley Investment Funds Emerging Markets Domestic Debt Fund
6. Morgan Stanley Investment Funds Emerging Markets Equity Fund
7. Morgan Stanley Investment Funds European Equity Alpha Fund
8. Morgan Stanley Investment Funds European Property Fund
9. Morgan Stanley Investment Funds Global Bond Fund
10. Morgan Stanley Investment Funds Global Brands Fund
11. Morgan Stanley Investment Funds Global Convertible Bond Fund
12. Morgan Stanley Investment Funds Global Infrastructure Fund
13. Morgan Stanley Investment Funds Global Opportunity Fund
14. Morgan Stanley Investment Funds Global Property Fund
15. Morgan Stanley Investment Funds Latin American Equity Fund
16. Morgan Stanley Investment Funds US Advantage Fund
17. Morgan Stanley Investment Funds US Growth Fund
18. Morgan Stanley Investment Funds US Property Fund