

This Simplified Prospectus contains key information in relation to Brandes European Equities Fund (the "Sub-Fund"), a sub-fund of Brandes Investment Funds Plc (the "Fund"), an open-ended umbrella investment company with variable capital and with segregated liability between Sub-Funds, incorporated in Ireland on 11<sup>th</sup> April, 2002 and authorised by the Central Bank of Ireland (the "Central Bank"), as a UCITS on 24<sup>th</sup> June, 2002. As at the date of this Simplified Prospectus, the Fund has two other sub-funds namely Brandes Global Equities Fund and Brandes U.S Equities Fund.

Potential investors are advised to read the Prospectus, dated 1 July 2011, and the relevant Supplements for the Sub-Fund, dated 1 July 2011 (together the "Prospectus"), before making an investment decision. The rights and duties of the investor are outlined in the Prospectus. Defined terms used herein have the same meaning as set out in the Prospectus.

The shares of the Sub-Fund are being offered in six classes. US Dollar Class I Shares, Euro Class I Shares and Sterling Class I Shares which will generally be offered to institutional investors only, as determined by the Directors in their absolute discretion. US Dollar Class A Shares, Euro Class A Shares and Sterling Class A Shares are being offered by the Distributors only.

The Base Currency of the Sub-Fund is Euro.

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| <b>Investment Objective</b> | The investment objective of the Sub-Fund is to achieve long-term capital appreciation by investing primarily in equity securities issued by issuers established or carrying out their activities predominantly in Europe ("European Equities"). At least two thirds (in terms of total assets) of the investments of the Sub-Fund will be in European Equities. These may include European issuers, listed or traded on Recognised Exchanges including those located in Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom. Investments may also be made in equity securities of issuers which are listed or traded on Recognised Exchanges and located in the smaller and emerging markets of Europe such as the Czech Republic, Hungary, Poland, Russia, and other Eastern European nations. |
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| <b>Investment Policy</b> | There is no limitation on the market capitalization of the issuers in which the Sub-Fund may invest. |
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The Sub-Fund expects to be invested in approximately 35-85 issues, depending on the availability of stocks meeting the Investment Manager's selection criteria at any given time. The Investment Manager's approach to selecting investments for the Sub-Fund is oriented toward individual stock selection and is value driven as described below. Typically, no more than 5% of the value of the Sub-Fund's total assets will be invested in any one security at the time of purchase. With respect to investments in any particular country or industry, the Sub-Fund may typically invest up to the greater of either (a) 20% of total Fund assets in any particular country or industry at the time of purchase or (b) 150% of the weighting of such country or industry as represented in the MSCI Europe Index at the time of purchase. Investments may be made primarily in equity securities of companies domiciled in developed countries, but up to 10% of the value of the Sub-Fund's assets, measured at the time of purchase, may also be invested in securities of companies domiciled in emerging European countries as well. The European Equities Fund will not invest more than 10% of its Net Asset Value in collective investment schemes.

Additional information on the Sub-Fund's investment policy is set out in the relevant Supplement to the Prospectus.

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| <b>Risk Profile</b> | Investors are advised to review the Section entitled "Risk Factors" in the Prospectus and/or consult their professional advisers concerning risks of purchasing and holding the Shares in light of their particular circumstances. <b>Investors should note that the value of investments may fall as well as rise and investors may not receive back the amount invested.</b> |
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A complete description of risk factors is set out in the Prospectus to include in particular Market Risk; Currency Risk; Emerging Market Risk; Market Capitalisation Risk; Liquidity Risk; Political, Regulatory, Settlement and Sub-Custodial Risk; Valuation Risk; Investment Manager Valuation Risk; Redemption Risk; Share Currency Designation Risk; Tax Risk; Exchange Control and Repatriation Risk; Credit Risk; Default Risk; Changes in Interest Rates Risk; Accounting, Auditing and Financial Reporting Standards Risk; and Securities Lending Risk, an outline of which has been given below:

**Market Risk:** Some of the markets or exchanges on which a Fund may invest may prove to be illiquid or highly volatile from time to time and this may affect the price at which a Fund may liquidate positions to meet repurchase requests or other funding requirements. The value of investments may also fluctuate in response to general market and economic conditions, and prices may go down over short or even extended periods

**Currency Risk:** Assets of a Fund may be denominated in a currency other than the Base Currency of the Fund and changes in the exchange rate between the Base Currency and the currency of the asset may lead to a depreciation of the value of the Fund's assets as expressed in the Base Currency. It may not be possible or practical to hedge against such exchange rate risk. The Fund's Investment Manager may, but is not obliged to, mitigate this risk by using financial instruments.

## Risk Profile (cont'd)

**Emerging Markets Risk:** Certain Funds may invest in equity securities of companies in emerging markets. Such securities may involve a high degree of risk and may be considered speculative. Risks include (i) greater risk of expropriation, confiscatory taxation, nationalization, and social, political and economic instability; (ii) the small current size of the markets for securities of emerging markets issuers and the currently low or non-existent volume of trading, resulting in lack of liquidity and in price volatility; (iii) certain national policies which may restrict a Fund's investment opportunities including restrictions on investing in issuers or industries deemed sensitive to relevant national interests; and (iv) the absence of developed legal structures governing private or foreign investment and private property.

**Market Capitalisation Risk:** The securities of small-to-medium-sized (by market capitalisation) companies, or financial instruments related to such securities, may have a more limited market than the securities of larger companies. Accordingly, it may be more difficult to effect sales of such securities at an advantageous time or without a substantial drop in price than securities of a company with a large market capitalisation and broad trading market. In addition, securities of small-to-medium-sized companies may have greater price volatility as they are generally more vulnerable to adverse market factors such as unfavourable economic reports.

**Liquidity Risk:** Each Fund endeavours to acquire only such financial instruments for which a liquid market exists. However, not all securities invested in by a Fund will be listed or rated and consequently liquidity may be low. Moreover, the accumulation and disposal of holdings in some investments may be time consuming and may need to be conducted at unfavourable prices. Each Fund may also encounter difficulties in disposing of assets at their fair market price due to adverse market conditions leading to limited liquidity.

**Political, Regulatory, Settlement and Sub-Custodial Risk:** The value of a Fund's assets may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made.

**Valuation Risk:** A Fund may invest some of its assets in illiquid and/or unquoted securities or instruments. Such investments or instruments will be valued by the Directors or their delegate in good faith in consultation with the Investment Manager as to their probable realisation value. Such investments are inherently difficult to value and are the subject of substantial uncertainty. There is no assurance that the estimates resulting from the valuation process will reflect the actual sales or "close-out" prices of such securities.

**Investment Manager Valuation Risk:** The Administrator may consult the Investment Manager with respect to the valuation of certain investments. Whilst there is an inherent conflict of interest between the involvement of the Investment Manager in determining the valuation price of each Fund's investments and the Investment Manager's other duties and responsibilities in relation to the Funds, the Investment Manager has in place a process which follows industry standard procedures for valuing unlisted investments.

**Redemption Risk:** Large redemptions of Shares in a Fund might result in a Fund being forced to sell assets at a time and price at which it would normally prefer not to dispose of those assets.

**Share Currency Designation Risk:** Classes of Shares of a Sub-Fund may be designated in a currency other than the Base Currency of the Sub-Fund. Changes in the exchange rate between the Base Currency and such designated currencies may lead to a depreciation of the value of such Shares as expressed in the designated currencies.

**Tax Risk:** Any change in the Funds' tax status or in taxation legislation could affect the value of the investments held by the Fund and affect the Funds' ability to provide the investor return.

**Exchange Control and Repatriation Risk:** It may not be possible for Funds to repatriate capital, dividends, interest and other income from certain countries, or it may require government consents to do so. Funds could be adversely affected by the introduction of, or delays in, or refusal to grant any such consent for the repatriation of funds or by any official intervention affecting the process of settlement of transactions. Economic or political conditions could lead to the revocation or variation of consent granted prior to investment being made in any particular country or to the imposition of new restrictions.

**Credit Risk:** There can be no assurance that issuers of the securities or other instruments in which a Fund invests will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such securities or instruments or payments due on such securities or instruments. Funds will also be exposed to a credit risk in relation to the counterparties with whom they transact or place margin or collateral in respect of transactions in financial derivative instruments and may bear the risk of counterparty default.

**Default Risk:** Each Fund may have credit exposure to counterparties by virtue of positions held by the

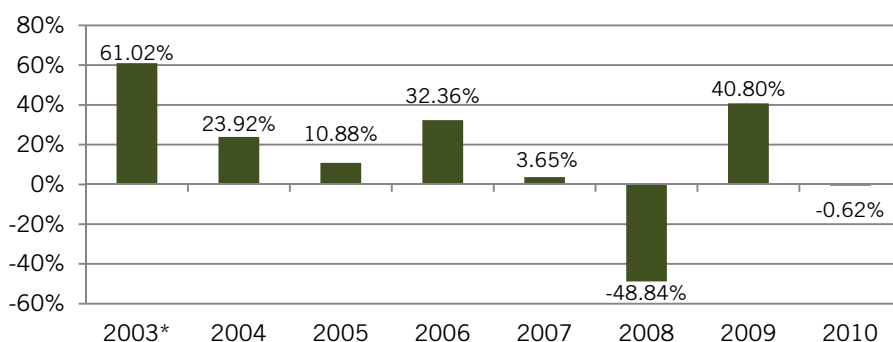
**Risk Profile  
(cont'd)**

**Fund.** To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights.

**Changes in Interest Rates Risk:** The value of Shares may be affected by substantial adverse movements in interest rates.

**Securities Lending Risk:** As with any extensions of credit, there are risks of delay and recovery. Should the borrower of securities fail financially or default in any of its obligations under any securities lending transaction, the collateral provided in connection with such transaction will be called upon. The value of the collateral will be maintained to equal or exceed the value of the securities transferred. However there is a risk that the value of the collateral may fall below the value of the securities transferred. In addition, as a Fund may invest cash collateral received, subject to the conditions and within the limits laid down by the Financial Regulator, any Fund investing collateral will be exposed to the risk associated with such investments, such as failure or default of the issuer of the relevant security.

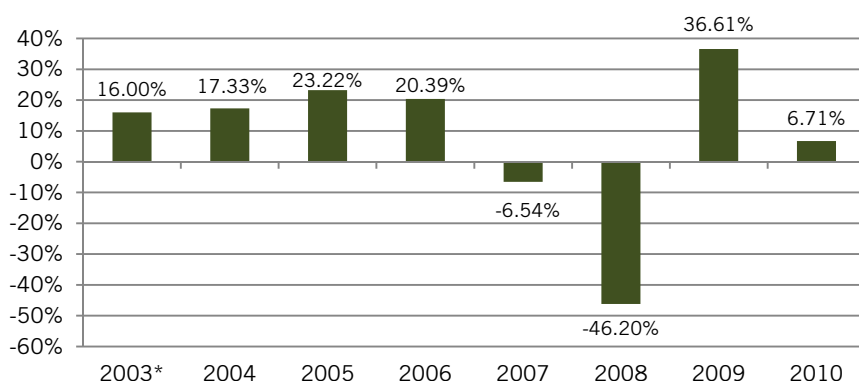
**Accounting, Auditing and Financial Reporting Standards Risk:** The accounting, auditing and financial reporting standards of many of the countries in which a Fund may invest may be less extensive than those applicable to US and European Union companies.

**Performance Data****TOTAL ANNUAL RETURNS AS OF 31 DECEMBER 2010 - EUROPEAN EQUITIES A CLASS USD**

\* Partial Year, Inception Date 29/11/2002

**Annualized Performance**

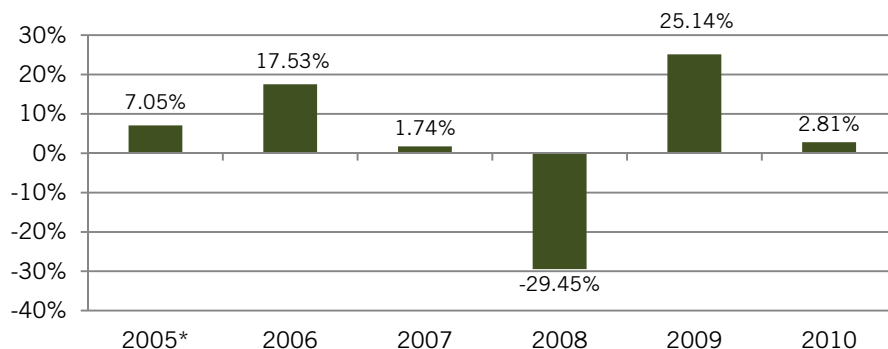
|                 |         |
|-----------------|---------|
| 1 Year          | -0.62%  |
| 2 Year          | 18.29%  |
| 3 Year          | -10.55% |
| 5 Year          | -0.36%  |
| 7 Year          | 4.37%   |
| Since Inception | 10.34%  |

**TOTAL ANNUAL RETURNS AS OF 31 DECEMBER 2010 - EUROPEAN EQUITIES A CLASS EUR**

\* Partial Year, Inception Date 17/07/2003

**Annualized Performance**

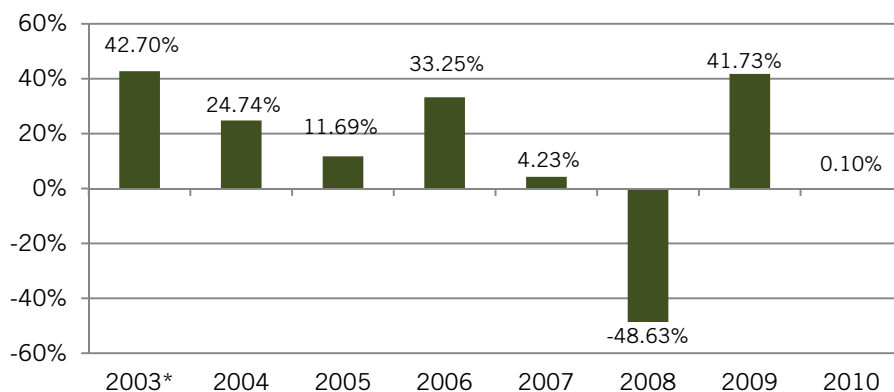
|                 |        |
|-----------------|--------|
| 1 Year          | 6.71%  |
| 2 Year          | 20.74% |
| 3 Year          | -7.78% |
| 5 Year          | -2.46% |
| 7 Year          | 3.54%  |
| Since Inception | 5.39%  |

**Performance Data (cont'd)****TOTAL ANNUAL RETURNS AS OF 31 DECEMBER 2010 - EUROPEAN EQUITIES A CLASS GBP**

\* Partial Year, Inception Date 27/09/2005

**Annualized Performance**

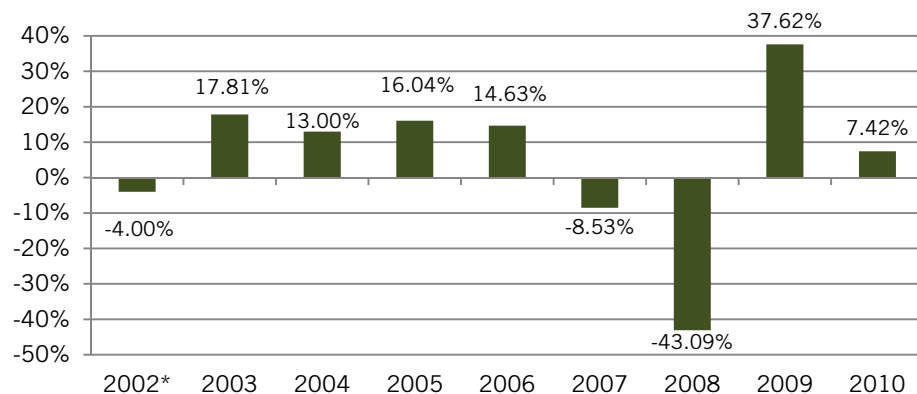
|                 |        |
|-----------------|--------|
| 1 Year          | 2.81%  |
| 2 Year          | 13.43% |
| 3 Year          | -3.18% |
| 5 Year          | 1.65%  |
| Since Inception | 3.03%  |

**TOTAL ANNUAL RETURNS AS OF 31 DECEMBER 2010 - EUROPEAN EQUITIES I CLASS USD**

\*Partial Year, Inception Date 14/01/2003

**Annualized Performance**

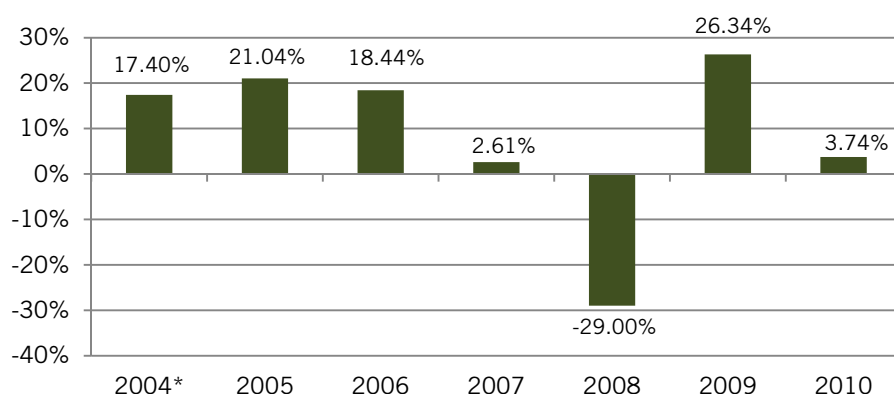
|                 |         |
|-----------------|---------|
| 1 Year          | 0.10%   |
| 2 Year          | 19.11%  |
| 3 Year          | -10.02% |
| 5 Year          | 0.24%   |
| 7 Year          | 5.03%   |
| Since Inception | 9.17%   |

**TOTAL ANNUAL RETURNS AS OF 31 DECEMBER 2010 - EUROPEAN EQUITIES I CLASS EUR**

\*Partial Year, Inception Date 26/02/2003

**Annualized Performance**

|                 |        |
|-----------------|--------|
| 1 Year          | 7.42%  |
| 2 Year          | 21.59% |
| 3 Year          | -7.14% |
| 5 Year          | -1.79% |
| 7 Year          | 4.27%  |
| Since Inception | 9.61%  |

**Performance Data (cont'd)****TOTAL ANNUAL RETURNS AS OF 31 DECEMBER 2010 - EUROPEAN EQUITIES I CLASS GBP**

\*Partial Year, Inception Date 13/01/2004

**Annualized Performance**

|                 |        |
|-----------------|--------|
| 1 Year          | 3.74%  |
| 2 Year          | 14.48% |
| 3 Year          | -2.37% |
| 5 Year          | 2.50%  |
| Since Inception | 7.04%  |

PLEASE NOTE THAT PAST PERFORMANCE IS NOT NECESSARILY A GUIDE TO THE FUTURE PERFORMANCE OF THE SUB-FUNDS.

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| <b>Profile of a Typical Investor</b> | The Sub-Fund is suitable for investors seeking to achieve long-term capital appreciation by investing primarily in equity securities issued by issuers established or carrying out their activities predominantly in Europe. |
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| <b>Dividend Policy</b> | The Sub-Fund's Directors intend initially to automatically reinvest all earnings and do not intend paying dividends. The Directors may, however, at their discretion, change their intention and upon notification to Shareholders, pay dividends to Shareholders. |
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| <b>Fee and Expenses</b> | <b>Shareholder Transactions Expenses:</b><br>Subscription Fee      up to 5%<br>Redemption Fee      up to 3%<br>Switching Fee      up to 3% |
|-------------------------|--|

**Fees Payable out of the Assets of the Sub-Fund:** Full details of all fees are set out in the relevant Supplement to the Prospectus.

**Investment Manager:** The investment management fee is 0.7% of the Net Asset Value of the Sub-Fund which shall accrue daily and be payable on the last Business Day of each month.

**Administrator:** The Administrator is entitled to receive an administration and fund accounting fee of 0.06% of the Net Asset Value of the Sub-Fund, payable monthly in arrears, subject to an annual minimum charge of US\$38,000 per annum. The Administrator is entitled to receive an annual fee of up to US\$3,000 per Share Class, payable monthly in arrears for additional administrative services, which include but are not limited to the preparation and filing of VAT (value added tax) returns with the Irish tax authorities and administrative tax reporting services in relation to the distribution of the Sub-Fund in Germany. The fees of the Administrator are exclusive of VAT which may be payable thereon. The Administrator may incur expenses related to its use of additional pricing services from 3<sup>rd</sup> party vendors where the Administrator has been instructed to do so by the Fund while performing the Net Asset Value calculation of the Sub-Fund. These fees for additional pricing services of up to US\$25,000 per annum will be reimbursed to the Administrator and borne by the European Equities Fund. The Administrator shall also be entitled to receive reasonable vouched out-of-pocket expenses.

**Custodian:** The Custodian shall receive a trustee fee of 0.015% of the Net Asset Value of the Sub-Fund payable monthly in arrears. The Sub-Fund shall also pay fees up to a maximum of 0.03% calculated by reference to the market value of the investments that the Sub-Fund may make in each relevant market. The custodian's fees are payable monthly in arrears, subject to a minimum charge of US\$12,000 per annum.

**Transfer Agent:** The Transfer Agent shall be entitled to an annual fee, accrued daily and payable monthly in arrears of up to US\$15,000 per share class. The Transfer Agent will be entitled to a fee of US\$25,000 per annum for anti-money laundering support services as agreed between the parties. The fee will be borne jointly by all the Sub-Funds pro rata to their respective Net Asset Values at the time when the allocation is made.

**Distributor:** The Distributor shall be entitled to an additional fee of up to 1% of the Net Asset Value of the Sub-Fund attributable to the US Dollar Class A Shares, Euro Class A Shares and Sterling Class A Shares

**Fee and Expenses  
(cont'd)**

which shall be payable out of the assets of the Sub-Fund.

**General Fees and Expenses:** All reasonable out of pocket expenses incurred by the Investment Manager, the Administrator, the Custodian, the Transfer Agent and the Distributor. The Sub-Fund shall bear its proportion of the fees and expenses attributable to the establishment and operation expenses of the Fund and the Sub-Fund.

**VAT:** If the fees provided for above are subject to VAT, that VAT will also be payable out of the assets of the Sub-Fund.

**Total Expense Ratio:** For the year ended 31 December 2010.

|                   |       |
|-------------------|-------|
| US Dollar Class A | 1.63% |
| US Dollar Class I | 0.93% |
| Euro Class A      | 1.63% |
| Euro Class I      | 0.93% |
| Sterling Class A  | 1.63% |
| Sterling Class I  | 0.93% |

**Portfolio Turnover Rate:** 5.16% for the year ended 31 December 2010.

**Taxation**

The Fund is resident in Ireland for tax purposes and is not subject to Irish taxation charges on income or capital gains. No Irish stamp duty is payable on the issue, redemption or transfer of Shares in the Fund. Shareholders and potential investors should consult with their own tax advisors with regard to the tax consequences arising from the acquisition, ownership and disposition of the Shares, including the applicability and effect of any foreign, state or local tax laws.

**Publication of  
Share Price**

The Net Asset Value per Share on each Dealing Day will be made public at the registered office of the Fund, notified immediately to the Irish Stock Exchange and published daily in such publications as the Directors may determine in the jurisdictions in which the Shares are offered for sale.

**How to Buy/Sell  
Shares**

Applications must be received by the Transfer Agent or an appointed sub-distributor by the Dealing Deadline, which is close of business on the New York Stock Exchange, which is usually 4.00 p.m. New York time (normally 9 p.m. Irish time) on the relevant Dealing Day.

Citi Fund Services (Ireland) Limited  
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Dublin 1  
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Tel: +353 1 622 1860  
Fax: +353 1 240 1669  
Email: brandes@citi.com

**Additional  
Important  
Information**

|                                    |   |
|------------------------------------|---|
| Custodian                          | Brown Brothers Harriman Trustee Services (Ireland) Limited  |
| Administrator                      | Brown Brothers Harriman Fund Administration Services (Ireland) Limited  |
| Transfer Agent                     | Citi Fund Services(Ireland), Limited  |
| Auditors                           | Ernst & Young   |
| Distributors                       | Brandes Investment Partners, L.P., Credit Suisse, Fund Channel (Suisse) S.A., MFEX Mutual Funds Exchange AB, and Allfunds Bank, S.A.  |
| Secretary                          | Tudor Trust Limited   |
| Listing Sponsor                    | Dillon Eustace  |
| Documents Available For Inspection | Copies of the Prospectus and the relevant Supplements, once published, and the latest annual and half yearly reports of the Fund may be obtained, free of charge, at the registered office of the Fund.                                     |
| List of Directors                  | James A. Diack, Edward Sherman, Debra McGinty-Poteet, Edward W. Blodgett, John Mahon, Gerald Moloney and Peter Sandys.  |
| Listing                            | The US Dollar Class I Shares, Euro Class I Shares, Sterling Class I Shares, US Dollar Class A Shares, Euro Class A Shares, and Sterling Class A Shares of the Sub-Fund have been admitted to the Official List of the Irish Stock Exchange. |

**Local Agents**

|                                     |   |
|-------------------------------------|---|
| UK Facilities Agent                 | Kinetic Partners LLP, One London Wall, Level 10, London EC2Y 5HB United Kingdom |
| German Paying and Information Agent | Marcard, Stein & Co AG, Ballindamm 36, 20095 Hamburg, Germany                   |

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|---|--|---|
| <b>Local Agents<br/>(cont'd)</b>                  | French Paying and Information Agent      | Société Générale, 29 Boulevard Haussmann, 75009 Paris, France   |
|   | Paying and Information Agent, Luxembourg | Société Générale Bank & Trust, 11, Avenue Emile Reuter, L-2420 Luxembourg   |
|   | Swiss Representative and Paying Agent    | BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, 8002 Zurich, Switzerland  |
| <b>Additional Information for Swiss Investors</b> | Documents                                | Copies of the Prospectus, the Simplified Prospectus, the Memorandum and Articles of Association, and the annual and half yearly reports are available free of charge at the registered offices of the Swiss Representative and the Swiss Paying Agent.  |
|   | Publications                             | <p>Notifications to Shareholders in Switzerland are published in the Swiss Commercial Gazette (Schweizerisches Handelsamtsblatt) and on the electronic platform <a href="http://www.fundinfo.com">www.fundinfo.com</a>.</p> <p>The issue and redemption price or the net asset value per share exclusive of commissions is published on the electronic platform <a href="http://www.fundinfo.com">www.fundinfo.com</a>.</p> |
|   | Place of Performance And Jurisdiction    | In relation to Shares distributed in or from Switzerland: the place of registered office of the Swiss Representative.   |