

JPMorgan Investment Funds - Global High Yield Bond Fund (the “Sub-Fund”)

Simplified Prospectus – April 2010

A Sub-Fund of JPMorgan Investment Funds (the “Fund”), a SICAV incorporated under the laws of the Grand Duchy of Luxembourg.

This simplified prospectus contains key information about the Sub-Fund. If you would like more information before you invest, please consult the full prospectus (the “Prospectus”). The rights and duties of the investor as well as the legal relationship with the Sub-Fund are laid down in the Prospectus.

In the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in any translation, the English version shall prevail.

Sub-Fund risk profile

- This high yield bond Sub-Fund invests primarily in global corporate debt securities below investment grade.
- Non-investment grade bonds are accompanied by higher risks, due to the greater balance sheet and credit risks associated with investing in the asset class, but they can also potentially enhance income and return for investors.
- Therefore, investors should be prepared for greater volatility than investment grade bond investments, with an increased risk of capital loss, but with the potential of higher returns.
- However, the Sub-Fund is well diversified across industries, sectors and credit ratings.
- The Sub-Fund may use financial derivative instruments to achieve its investment objective.
- This Sub-Fund is denominated in USD, but may at times have non USD exposure.
- The risks associated with the derivative instruments listed in the investment policy below are further detailed in “Appendix IV – Risk Factors”.

Profile of the typical investor

As this bond Sub-Fund invests beyond the investment grade arena in high yield bonds, it is most suited for investors willing to take extra risks in search of higher future returns. Investors in the Sub-Fund will, therefore, likely use it to complement an existing core bond portfolio invested in lower risk government or agency

bonds, in order to gain greater diversification through exposure to the higher return potential of non-investment grade securities. The Sub-Fund can also be used as a stand-alone investment for investors looking to produce capital growth. Because of the higher volatility of high-yield securities, investors should have at least a three-to-five year investment horizon.

Launch Date of the Sub-Fund 24/03/00

Reference Currency US Dollar (USD)

Total Assets USD 450.5m as at 31/12/09

Investment Manager J.P. Morgan Investment Management Inc.

Benchmarks Merrill Lynch US High Yield Master II Constrained Index (Total Return Gross)
Merrill Lynch US High Yield Master II Constrained Index (Total Return Gross) hedged into EUR for the EUR hedged Share Classes

Appendix Any reference to an Appendix refers to an appendix to the Prospectus.

Investment objective

To achieve a return in excess of global bond markets by investing primarily in below investment grade global fixed and floating rate debt securities, using derivative strategies where appropriate.

Investment policy

At least 67% of the Sub-Fund’s total assets (excluding cash and cash equivalents) will be invested, either directly or through the use of financial derivative instruments, in fixed and floating rate debt securities issued or guaranteed by companies. Issuers of these securities may be located in any country, including emerging markets.

The Sub-Fund may use financial derivative instruments to achieve its investment objective, these may include futures, options, contracts for difference, forward contracts on financial instruments and options on such contracts, credit linked instruments, mortgage TBAs and swap contracts by private agreement and other fixed income, currency and credit derivatives. Financial derivative instruments may also be used for hedging purposes.

The Sub-Fund may invest in unrated securities. Short-term money market instruments and

deposits with credit institutions may be held on an ancillary basis.

The Sub-Fund may also invest in UCITS and other UCIs.

In any event, the Sub-Fund will neither invest more than 25% of its total assets in convertible bonds, nor invest more than 10% of its total assets in equities and other participation rights. The Sub-Fund may invest in assets denominated in any currency and currency exposure may be hedged.

Techniques and instruments relating to transferable securities and money market instruments (including, but not limited to, securities lending or repurchase agreements) may be used for the purpose of efficient portfolio management.

The global exposure of the Sub-Fund will be monitored using VaR methodology.

All of the above investments will be made in accordance with the limits set out in “Appendix II – Investment Restrictions and Powers”.

Share Classes

A complete list of available Share Classes can be found on the website www.jpmorganassetmanagement.lu, or may be obtained from the Registered Office of the Fund or from the Management Company in Luxembourg. The Sub-Fund may launch from Share Classes that have any combination of the following features as represented by a suffix to the Share Class name:

- Share Classes may be offered in the Reference Currency of the Sub-Fund, or may be denominated in any currency;
- Share Classes may be either hedged or unhedged.
- Share Classes may have different dividend policies, suffixed “(acc)”, “(dist)”, “(div)”, “(inc)” or “(mth)”, as detailed in the Dividend Policy section of the Prospectus
- The following charges are payable by the Shareholder: Initial Charge, Redemption Charge and Switching Charge. All other fees are payable by the Sub-Fund. All fees are expressed as a percentage of the Net Asset Value per Share.

Historical performance

Performance for the "A (acc) - EUR (hedged)" and "A (acc) - USD" Share Classes are shown below. This is due to the change of the reference currency of the Sub-Fund from EUR to USD on 1 August 2008. The Sub-Fund may also have other active Share Classes the performance of which is similar to the performance shown below. The performance of other Share Classes may vary due to a variety of factors including, but not limited to, their fee structure, hedging policy or reference currency. For further information on the performance of specific Share Classes please contact your local representative, the Registered Office of the Fund or the website www.jpmorganassetmanagement.lu.



Past performance is not a guide to the future and investors may not get back the full amount invested.

Performance figures (source - JPM/JPMorgan Chase) are rolling 12 months to 31 December and NAV to NAV with gross income reinvested.

Fees and Expenses

Share Class	Minimum Initial Subscription (USD or equivalent)	Initial Charge	Annual Management and Advisory Fee	Operating and Administration Expenses	Redemption Charge
JPM Global High Yield Bond A	35,000	3.00%	0.85%	0.40%	0.50%
JPM Global High Yield Bond B	1,000,000	Nil	0.50%	0.40%	Nil
JPM Global High Yield Bond C	10,000,000	Nil	0.45%	0.15%	Nil
JPM Global High Yield Bond D	5,000	3.00%	1.25%	0.40%	0.50%
JPM Global High Yield Bond I	10,000,000	Nil	0.45%	0.11% ^{Max}	Nil
JPM Global High Yield Bond X	On application	Nil	Nil	0.10% ^{Max}	Nil

- A switching charge not exceeding 1% of the Net Asset Value of the Shares in the new Share Class may be charged. If the new Share Class has a higher initial charge, then the additional initial charge payable for that Share Class may be charged. The Management Company is entitled to any charges arising from switches and any rounding adjustment.
- Annual Management and Advisory Fees are fully reflected in the Net Asset Value per Share except for the X Share Class where it is administratively levied and collected by the Management Company or the appropriate JPMorgan Chase & Co. entity directly from the Shareholder; the fee for the X Share Class is therefore listed as nil in the Fees and Expenses table as it is not being levied on the Sub-Fund. The Management Company may from time to time, and at its absolute discretion, decide to reduce such rate (which might become 0.0%).
- The Sub-Fund bears all its ordinary and extraordinary operating expenses as well as its transaction fees.
- Operating and Administrative Expenses include, but are not limited to custody and administration fees and are reflected in the Net Asset Value per Share. Where this is a fixed percentage the Management Company pays any excess over the fixed percentage. Where the actual expenses are below the specified percentage, the Management Company is entitled to retain the difference. Where the Operating and Administrative Expenses are capped, the Management Company pays any excess over the capped percentage. If the actual expenses fall below the stated percentage, the fees will be reduced by the amount of the shortfall.
- If a Performance Fee is applied, this is indicated above. Where a Performance Fee is charged, then on each valuation day (a "Valuation Day"), an accrual is made for the previous Valuation Day's Performance Fee. During periods of market volatility, this may cause unusual fluctuations in the Net Asset Value per Share of each Share Class that charges a Performance Fee. These fluctuations may happen where the impact of a Performance Fee causes the Net Asset

Value per Share to be reduced whilst the returns from underlying assets have increased. Conversely, the impact of a negative Performance Fee can cause the Net Asset Value per Share to be increased whilst the underlying assets have decreased. Performance Fee is payable annually. Either a claw-back mechanism or high watermark mechanism will be used to ensure that, following a financial year of underperformance, this underperformance is recovered before a Performance Fee may be charged. Full details of both the claw-back mechanism and high watermark mechanism can be found in "Appendix V - Calculation of Performance Fees".

Dividend Policy

- It is intended that "(dist)" Share Classes will pay dividends if appropriate so that these Share Classes of the Fund continue to qualify as "distributing" for the purposes of United Kingdom tax legislation relating to offshore funds for the year ending 31 December 2010. In subsequent years these Share Classes may pay dividends and may also seek to meet the

¹ A Valuation Day is any business day other than, in relation to a Sub-Fund's investments, a day on which any exchange or market on which a substantial portion of the relevant Sub-Fund's investments is traded, is closed. When dealings on any such exchange or market are restricted or suspended the Management Company may, in consideration of prevailing market conditions or other relevant factors, determine whether a business day shall be a Valuation Day. By derogation to the above, on New Year's Eve, provided that such day is not a Saturday or Sunday, the Net Asset Value per Share of each Share Class in respect of this day shall be made available at the Registered Office of the Fund although no deals will be processed on that day. A business day is a week day other than New Year's Day, Easter Monday, Christmas Day, and the day prior to and following Christmas Day.

conditions to qualify as “reporting” for the purposes of the United Kingdom tax legislation. See “Section 5. United Kingdom” in “Appendix I – Information for Investors in Certain Countries” for further details.

- “(div)” or “(inc)” Share Classes may pay dividends but will **not** qualify as “distributing” for the purposes of United Kingdom tax legislation relating to offshore funds for the year ending 31 December 2010.
- “(mth)” Share Classes will normally distribute all, or substantially all, of the net investment income on a monthly basis. They will **not** qualify as “distributing” for the purposes of United Kingdom tax legislation relating to offshore funds for the year ending 31 December 2010.
- “(acc)” Share Classes will not normally pay dividends and therefore they will not qualify as “distributing” for the purposes of United Kingdom tax legislation relating to offshore funds for the year ending 31 December 2010.
- Payment of dividends on distributing Share Classes will normally be made in March of each year, unless otherwise specified in “Appendix III – Sub-Fund Details”.

Taxation of the Fund

Under current law and practice, there are no Luxembourg income withholding or capital gains taxes payable by the Fund. However, the Fund is liable in Luxembourg to a subscription tax (“*taxe d’abonnement*”) up to a rate of 0.05% per annum based on the Net Asset Value attributed to each Share Class at the end of the relevant quarter (0.01% in the case of Share Classes only comprising Institutional Investors as defined by Luxembourg laws and regulations such as I and X Share Classes). To the extent that the assets of the Sub-Fund are invested in investment funds which are established in Luxembourg, no such tax is payable, provided that the relevant investment funds have been subject to this tax. Interest, dividend income and capital gains received by the Fund may be subject to non-recoverable withholding tax in the countries of origin.

Taxation of the Shareholder

The Council of the EU has, on 3 June 2003, adopted Council Directive 2003/48/EC on taxation of savings income in the form of interest payments (the “Directive”). The Directive was implemented in Luxembourg by a law of 21 June 2005 as amended (the “EUSD Law”). Under the EUSD Law, dividend and/or redemption proceeds from shares of a sub-fund paid to individuals may be subject to withholding tax or give rise to exchange of information with tax authorities. Whether the EUSD Law will be applicable in any particular case and the implications arising there from depend on various factors, such as the asset class of the relevant sub-fund, the location of the paying agent used and the tax residency of the shareholders concerned. More details of the implications of the Directive and the EUSD Law are contained in the Prospectus, and investors should also seek advice from their financial or tax adviser.

The repercussion of an investment in the Sub-Fund on the individual tax bill of an investor depends on the fiscal regulations applicable in his particular case. Consulting a local tax adviser is therefore recommended.

How to buy, sell and switch Shares

Applications for subscriptions, redemptions and switches should be sent to the local sales agents, distributors or the Management Company and should be received by 14.30 Luxembourg time on any Valuation Day. Shares purchased will normally be issued at the relevant Offer Price (the Net Asset Value per Share increased by any applicable initial charge) on that day, and Shares redeemed will be sold at the relevant Bid Price (the Net Asset Value per Share decreased by any applicable redemption charge) on that day, both of which are subject to rounding (please consult the Prospectus for further information on the calculation of prices). Switches between Sub-Funds within the Fund will normally be effected at the first Valuation Day common to both Sub-Funds after receipt of instructions, normally on a bid to Net Asset Value basis, plus the applicable switch fee and any additional initial charge as described above².

The Management Company may enter into agreements with certain distributors or sales agents pursuant to which they agree to act as or appoint nominees for investors subscribing for Shares through their facilities.

To mitigate the risk of error and fraud, the Management Company may have to verify, confirm or clarify Shareholder payment instructions relating to redemption applications and dividend payments.

Additional important information

Financial year end of the Fund 31 December
Structure The Fund operates separate Sub-Funds, each of which is represented by one or more Share Classes. The Sub-Funds are distinguished by their specific investment policy or any other specific features. The full Prospectus comprises a description of all Sub-Funds.

Legal Structure A Sub-Fund of the SICAV JPMorgan Investment Funds governed by Part I of the Luxembourg law of 20 December 2002 relating to undertakings for collective investment, as amended.

Incorporation Date of the Fund 22/12/94
Management Company and Domiciliary Agent JPMorgan Asset Management (Europe) S.à r.l., European Bank & Business Centre, 6, route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg. Tel No: (352) 34 101
Fax No: (352) 3410 8000

Registered Office European Bank & Business Centre, 6, route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg. Net Asset Values of Shares are available from the Registered Office of the Fund.

Supervisory Authority Commission de Surveillance du Secteur Financier, Grand Duchy of Luxembourg.

Custodian Bank J.P. Morgan Bank Luxembourg S.A., 6, route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg.

Independent Auditor PricewaterhouseCoopers S.à r.l., 400, route d’Esch, B.P. 1443, L-1014 Luxembourg, Grand Duchy of Luxembourg.

² Regular Savings Plans, redemption and switch programmes may be available in Italy. Further information can be found in the latest version of the Italian Application Form which can be obtained from authorised Distributors.

This simplified prospectus contains only basic information on the Sub-Fund and the Fund. Subscriptions may only be based on the latest available Prospectus and local offering document (if applicable) of the relevant Sub-Funds which contain more information regarding charges, entry fees and minimum investment amount. For more detailed information, please ask for the latest Prospectus and annual and semi-annual reports, which are freely available from the Management Company or directly at the following web site: www.jpmorganassetmanagement.com or alternatively email: fundinfo@jpmorgan.com