

Franklin Templeton Investment Funds

Franklin Mutual Global Discovery Fund



For professional investors only. Not directed at retail investors.

Fund Overview

Base Currency for Fund	USD
Total Net Assets (USD)	841 million
Launch Date	25.10.2005
Number of Issuers	106
Benchmark	MSCI World Index
Investment Style	Deep Value
Morningstar Category™	Global Large-Cap Value Equity
Dividend Yield	3.28%

Summary of Investment Objectives

The Fund aims to achieve capital appreciation by investing in common stock, preferred stock and debt securities convertible or expected to be convertible into common or preferred stock of companies of any nation as well as in sovereign debts and participations in foreign government debts that the investment manager believes are available at market prices less than their intrinsic value. The Fund primarily invests in mid- and large-cap companies with a market capitalisation around or greater than 1.5 billion US dollars. It may also seek to invest in the securities of companies involved in mergers, consolidations, liquidations and reorganisations. To a lesser extent, the Fund may also purchase debt securities of companies involved in reorganisation or financial restructuring.

Fund Management

Peter Langerman	United States
Philippe Brugere-Trelat	United States
Tim Rankin, CFA	United States

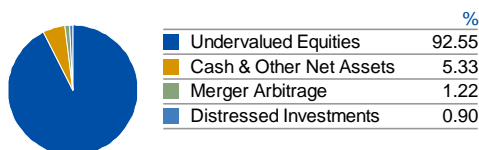
EUUSD Status - A(acc) USD

Redemption	Out of Scope
Distribution	Out of Scope

Ratings - A(acc) USD

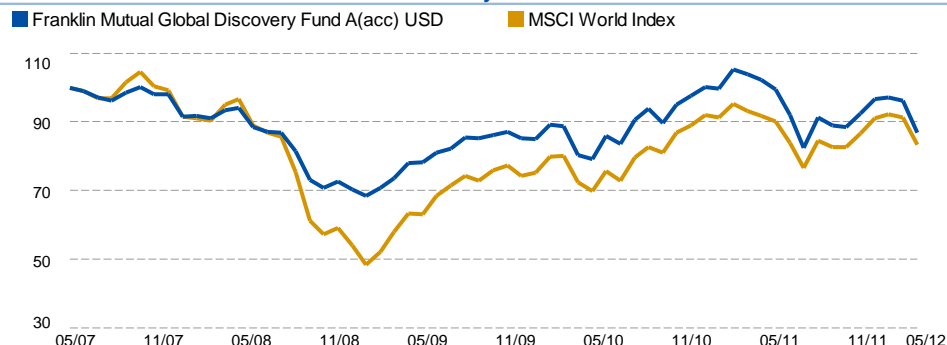
S&P Fund Management Rating	A
Overall Morningstar Rating™	★★★★

Asset Allocation



Performance

Performance over 5 Years in Share Class Currency



Performance in Share Class Currency (%)

	Cumulative							Since Incept
	1 Mth	3 Mths	6 Mths	YTD	1 Yr	3 Yrs	5 Yrs	
A(acc) USD	-9.62	-10.15	-2.40	-1.77	-16.37	11.21	-12.97	22.11
A(acc) CHF-H1	-9.72	-10.29	-3.12	-2.45	-16.61	N/A	N/A	-0.60
A(acc) EUR	-3.24	-3.16	6.13	2.84	-2.61	27.27	-5.23	19.51
I(acc) USD	-9.57	-9.94	-1.97	-1.45	-15.63	14.21	-9.05	29.51
I(acc) EUR	-3.13	-2.91	6.56	3.18	-1.78	30.63	-1.01	26.71
Benchmark in USD	-8.54	-8.30	1.07	1.09	-10.50	31.57	-16.38	18.54
Category Average	-9.22	-10.46	-1.70	-1.72	-15.43	18.48	-26.15	10.57

Past performance is no guarantee of future performance. The value of shares in the fund and income received from it can go down as well as up, and investors may not get back the full amount invested. All performance data shown is in the currency stated, include reinvested dividends and are net of management fees. Sales charges and other commissions, taxes and other relevant costs paid by the investor are not included in the calculations. Performance may also be affected by currency fluctuations. Up to date performance figures can be found on our local website. References to indices are made for comparative purposes only and are provided to represent the investment environment existing during the time periods shown.

Calendar Year Performance in Share Class Currency (%)

	2011	2010	2009	2008	2007
A(acc) USD	-6.96	9.15	19.88	-25.96	10.94
Benchmark in USD	-5.02	12.34	30.79	-40.33	9.57

Top Holdings

Issuer Name	%
MERCK & CO INC	2.25
MICROSOFT CORP	2.18
REXAM PLC	1.99
ACE LTD	1.87
PARTNERRE LTD	1.85
REED ELSEVIER PLC	1.74
VODAFONE GROUP PLC	1.73
IMPERIAL TOBACCO GROUP PLC	1.70
WELLS FARGO & CO	1.63
CONTINENTAL AG	1.63

Fund Measures

Price to Earnings	9.31
Price to Book Value	1.10
Price to Cash Flow	5.46
Standard Deviation (5 Yrs)	15.44
Sharpe Ratio (5 Yrs)	-0.23
Tracking Error (5 Yrs)	8.91
Information Ratio (5 Yrs)	0.09
Alpha (5 Yrs)	-0.91
Beta (5 Yrs)	0.69
R-Squared (5 Yrs)	84.66%
Correlation (5 Yrs)	0.92

Share Class Information (For a full list of available share classes, please visit your local website)

Share Class	Incept Date	NAV	TER (%)	Fees	Fund Identifiers		
				Max. Annual Charge (%)	Bloomberg ID	ISIN	Valoren
A(acc) USD	25.10.2005	USD 12.21	1.82	1.50	FMGDAAC LX	LU0211331839	2054899
A(acc) CHF-H1	14.09.2009	CHF 9.94	1.83	1.50	FMGDACH LX	LU0450467963	10527639
A(acc) EUR	25.10.2005	EUR 11.95	1.82	1.50	FMGDAAE LX	LU0211333025	2054902
I(acc) USD	25.10.2005	USD 12.95	0.97	0.70	FMGDIAC LX	LU0211332308	2054943
I(acc) EUR	25.10.2005	EUR 12.67	0.96	0.70	FMGDIAE LX	LU0211333454	2054944

Contact Information











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Composition of Fund

■ Franklin Mutual Global Discovery Fund ■ MSCI World Index







Geographic

		% of Total
United States		45.62 / 54.84
United Kingdom		16.42 / 9.34
France		7.39 / 3.55
Switzerland		4.80 / 3.48
Germany		4.26 / 3.29
Netherlands		2.80 / 0.97
Hong Kong		2.73 / 1.20
South Korea		2.46 / 0.00
Bermuda		1.85 / 0.00
Other		5.43 / 23.32

Sector

		% of Total
Financials		24.75 / 18.02
Consumer Staples		12.92 / 11.21
Health Care		12.31 / 10.58
Consumer Discretionary		11.82 / 11.00
Energy		9.55 / 10.60
Industrials		6.64 / 11.03
Information Technology		6.18 / 12.82
Utilities		3.72 / 3.79
Materials		3.57 / 6.81
Telecommunication Services		2.32 / 4.16

Market Capitalisation Breakdown in USD

		% of Equity
< 1.5 Billion		0.10
1.5-5.0 Billion		6.60
5.0-25.0 Billion		42.00
25.0-50.0 Billion		21.00
> 50.0 Billion		28.70
N/A		1.40

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