

FRANKLIN TEMPLETON INVESTMENT FUNDS

SIMPLIFIED PROSPECTUS

**société d'investissement
à capital variable
incorporated in Luxembourg**

April 2012

VISA 2012/85318-866-0-PS

L'apposition du visa ne peut en aucun cas servir
d'argument de publicité
Luxembourg, le 2012-04-25
Commission de Surveillance du Secteur Financier



FRANKLIN TEMPLETON INVESTMENT FUNDS
Société d'investissement à capital variable
Registered office: 26, boulevard Royal, L-2449 Luxembourg
Grand Duchy of Luxembourg
R.C.S. Luxembourg B 35 177

This simplified prospectus (the "Simplified Prospectus") contains selected important information about Franklin Templeton Investment Funds (the "Company") to help you make informed decisions about investing in the Company. Additional information about the Company is available in:

- the full prospectus (the "Full Prospectus");
- the most recent audited Annual and unaudited Semi-Annual Reports of the Company.

These documents may be obtained free of charge and upon request from the Company, its Administrative Agent and from all distributors of the shares of the Company (the "Shares").

These documents are incorporated by reference into this Simplified Prospectus, which means that they legally form part of this document, just as if they were printed as part of this document.

This Simplified Prospectus does not constitute an offer to anyone or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so. The Shares of the Company may not be directly or indirectly offered or sold in the United States of America or any of its territories or possessions or areas subject to its jurisdiction or to or for the benefit of nationals or residents thereof, unless pursuant to an exemption from registration requirements available under the US law, any applicable statute, rule or interpretation.

The Company is an open-ended investment company organised as a *société anonyme* under the laws of the Grand Duchy of Luxembourg and is qualified as a *société d'investissement à capital variable* ("SICAV"). The Company was incorporated in Luxembourg on 6 November 1990, for an undetermined period of time. The Company is registered with the Registre de Commerce et des Sociétés de et à Luxembourg, under number B 35 177. Copies of the Articles of Incorporation, as amended, are available for inspection at the Registre de Commerce et des Sociétés de et à Luxembourg and the registered office of the Company.

The Company is registered on the official list of undertakings for collective investment in transferable securities pursuant to Part I of the Luxembourg law of December 17, 2010 relating to undertakings for collective investment, as may be amended from time to time (the "Law of December 17, 2010"). The Company qualifies as an Undertaking for Collective Investment in Transferable Securities ("UCITS") under Directive 2009/65/EC of the European Parliament and of the Council of July 13, 2009, as amended, and has obtained recognition for marketing its shares in certain member states of the European Union.

The Company is subject to the supervision of the Luxembourg regulator, the "Commission de Surveillance du Secteur Financier".

The Company has an "umbrella" structure comprising various sub-funds (the "Funds") with different objectives and investment policies and represented by one or more share classes (the "Share Classes") as described in this Simplified Prospectus. The board of directors of the Company (the "Board of Directors") may authorise the creation of additional Funds in the future with different objectives and investment policies, subject to the amendment of this Simplified Prospectus.

Attention of investors is also drawn on the fixed amount which may be levied on transactions by distributors, local paying agents and correspondent banks established in certain jurisdictions such as Italy.

Shares are offered or in issue in the various Funds, Classes and currencies as described in the section "Share Classes".

The Board of Directors may decide to offer or issue in any Fund any of the existing Share Classes which terms and conditions are more fully described in the sections "Share Classes" and "Charges Structure" of this Simplified Prospectus, including Alternative Currency Share Class in any other currency than the Fund base currency, Hedged Share Classes as well as Share Classes with different dividends policies. Investors will be informed of the issue of such Shares upon publication of the net asset value per Share of such Share Class as described in the section "Calculation and Publication of Share Prices".

The Board of Directors reserves the right at any time, without notice, to discontinue the issue or sale of Shares pursuant to this Simplified Prospectus.

The Company may restrict or prevent the ownership of Shares by any person, firm or corporate body if the holding of Shares by such person results in a breach of law or regulations whether Luxembourg or foreign or if such holding may be detrimental to the Company or the majority of the shareholders.

More specifically, the Company shall have power to impose such restrictions as it may think necessary for the purpose of ensuring that no Shares are acquired or held directly or beneficially by any person or persons in circumstances which, (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other person or persons connected or not, or any other circumstances appearing to the Board of Directors to be relevant) in the opinion of the Board of Directors might result in the Company incurring any liability to taxation or suffering any other pecuniary disadvantages which the Company might not otherwise have incurred or suffered.

Investors desiring to receive further information regarding the Company (including the procedures relating to complaints handling, the strategy followed for the exercise of the voting rights of the Company, the policy for placing orders to deal on behalf of the Company with other entities, the best execution policy as well as the arrangements relating to the fee, commission or non-monetary benefit in relation with the investment management and administration of the Company) or wishing to make a complaint about the operation of the Company should contact the Client Dealer Service, Franklin Templeton International Services S.A., 26, boulevard Royal, L-2449 Luxembourg or their local servicing office.

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor's rights directly against the Company, notably the right to participate in general meetings of the Shareholders, if the investor is registered himself and in his own name in the register of Shareholders of the Company.

In case where an investor invests in the Company through an intermediary investing in the Company in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain Shareholder rights directly against the Company. Investors are advised to take advice on their rights.

The English version of this Simplified Prospectus shall prevail over any other translation.

Anti-Money Laundering and Counter-Terrorist Financing Legislation

Pursuant to the Luxembourg Laws of April 5, 1993 relating to the financial sector (as amended) and November 12, 2004 relating to anti-money laundering and counter-terrorist financing (as amended), as well as to the circulars of the Luxembourg supervisory authority (notably the CSSF circular 08/387 as amended by the CSSF circular 10/476) all professionals of the financial sector are obliged to take measures to prevent the use of UCITS for money laundering and terrorist financing purposes. Accordingly, the Company has established a procedure to identify all of its investors. To meet the Company's requirements investors should submit any necessary identification documents together with the application form.

Queries and Additional Information

For any query or more detailed information about Franklin Templeton Investment Funds, please contact: Franklin Templeton International Services S.A., Client & Dealer Services, 26 boulevard Royal, L-2449 Luxembourg, tel: (352) 46 66 67 212, fax: (352) 46 66 76, e-mail: lucs@franklintempleton.com or your local Franklin Templeton Investments representative.

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GENERAL INFORMATION

The Board of Directors is responsible for the Company's management and administration.

CHAIRMAN:

The Honorable Nicholas F. Brady, Chairman and Chief Executive Officer
CHOPTANK PARTNERS, INC.
16 North Washington Street, Easton, MD 21601, USA

DIRECTORS:

Duke of Abercorn KG, Director
TITANIC QUARTER
Barons Court, Omagh, BT78 4EZ,
Northern Ireland, UK

Vijay C. Advani
Executive Vice President-Global Advisory Services
FRANKLIN RESOURCES, INC.
One Franklin Parkway
San Mateo
CA 94403-1906, USA

Richard H. Frank, Chief Executive Officer
DARBY OVERSEAS INVESTMENTS, LTD.
1133 Connecticut Avenue NW, Suite 400,
Washington, DC 20036, USA

Mark G. Holowesko, President
HOLOWESKO PARTNERS LTD., Shipston House,
P.O. Box N-7776, West Bay Street, Lyford Cay,
Nassau, Bahamas

James J.K. Hung
President and Chief Executive Officer
ASIA SECURITIES GLOBAL LTD.
Room 63, 21st floor, New World Tower 1, 18
Queen's Road Central, Hong Kong

Gregory E. Johnson, President and Chief Executive Officer
FRANKLIN RESOURCES, INC.
One Franklin Parkway, San Mateo, CA 94403-1906, USA

Geoffrey A. Langlands
Managing Partner
LANGLANDS CONSULTORIA Ltda.
Avenida das Américas 500
Bloco 6, Sala 227 (Downtown)
Rio de Janeiro – RJ, CEP 22640-100
Brazil

Gregory E. McGowan, Executive Vice President and General Counsel
TEMPLETON WORLDWIDE, INC.
300 S.E. 2nd Street, 11th Floor, Fort Lauderdale, FL 33301, USA

Dr. J. B. Mark Mobius, Executive Chairman
TEMPLETON EMERGING MARKETS GROUP
7 Temasek Boulevard, #38-03 Suntec Tower One,
Singapore 038987

David E. Smart
Director and Co-Chief Executive Officer
FRANKLIN TEMPLETON INVESTMENT
MANAGEMENT LIMITED
The Adelphi Building, 1-11 John Adam Street,
London WC2N 6HT, UK

The Honourable Trevor G. Trefgarne, Chairman
ENTERPRISE GROUP LIMITED
11 High Street
Accra, Ghana

CONDUCTING OFFICERS:

William Lockwood
26, boulevard Royal,
L-2449 Luxembourg
Grand Duchy of Luxembourg

Denise Voss
26, boulevard Royal,
L-2449 Luxembourg
Grand Duchy of Luxembourg

REGISTRAR AND TRANSFER, CORPORATE, DOMICILIARY AND ADMINISTRATIVE AGENT

FRANKLIN TEMPLETON INTERNATIONAL
SERVICES S.A.
26, boulevard Royal, L-2449 Luxembourg

The Registrar and Transfer, Corporate, Domiciliary and Administrative Agent is responsible for:

- processing the issue, selling and switching of Shares
- the maintenance of accounting records
- the maintenance of the shareholder register of the Company
- all other administrative functions as required by the laws of the Grand Duchy of Luxembourg.

CUSTODIAN, PRINCIPAL PAYING AGENT AND LISTING AGENT

J.P. MORGAN BANK LUXEMBOURG S.A.
European Bank & Business Centre
6 route de Trèves
L-2633 Senningerberg

J.P. Morgan Bank Luxembourg S.A. has been appointed Custodian of the Company's assets, including the securities and cash of the Company, which will be held directly or through correspondents, nominees, agents or delegates of the Custodian.

J.P. Morgan Bank Luxembourg S.A. performs the custodial functions in accordance with the Law of December 17, 2010.

AUDITORS

PRICEWATERHOUSECOOPERS S.à r.l.
400, route d'Esch, B.P. 1443, L-1014 Luxembourg

PROMOTER

FRANKLIN TEMPLETON INVESTMENTS

Franklin Asian Flex Cap Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	USD
Alternative currency:	SGD
Launch date:	15 November 2006
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
Total Expense Ratio:	A(acc) USD: 2.00%; A(acc) SGD: 2.00%; A(Ydis) USD: 1.99%; B(acc) USD: 3.24%; I(acc) USD: 1.00%; N(acc) USD: 2.74%
Investment Manager:	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund invests principally in equity securities including common stock, preferred stock and convertible securities, as well as in warrants, participatory notes, and depository receipts of (i) companies registered in the Asia Region (excluding Japan), (ii) companies which perform a predominant part of their business in the Asia Region (excluding Japan), and (iii) holding companies which hold a predominant part of their participations in companies referred to in (i) and (ii), all of them across the entire market capitalisation spectrum from small to large-cap companies. The Asia Region (excluding Japan) includes but is not limited to the following countries/locations: Hong Kong, India, Indonesia, Korea, Malaysia, People's Republic of China, Pakistan, Philippines, Singapore, Sri Lanka, Taiwan and Thailand. In addition, the Fund may invest in all other types of transferable securities, including equity and fixed income securities of issuers worldwide.

Who should invest in the Fund?

Investors ...

- seeking capital appreciation by investing in equity securities of companies located in Asia.
- planning to hold their investment for the medium to long term.

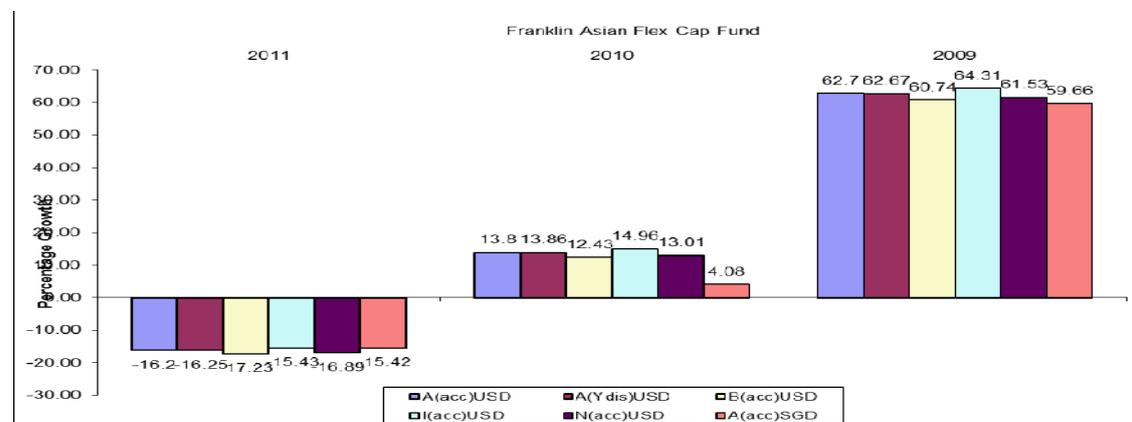
What are the main risks of investing in the Fund?

- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Growth Stocks risk
- Liquidity risk
- Market risk
- Participatory Notes risk
- Regional Market risk
- Small and Mid-Sized Companies risk
- Warrants risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Franklin Biotechnology Discovery Fund

Fund details

<i>Type of Fund:</i>	Equity Fund
<i>Base currency:</i>	USD
<i>Alternative currency:</i>	SGD
<i>Launch date:</i>	3 April 2000
<i>Management charges:</i>	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I shares. For Class I Shares: 0.70%.
<i>Total Expense Ratio:</i>	A(acc) USD: 1.89%; A(acc) SGD: 1.88%; B(acc) USD: 3.17%; C(acc) USD: 2.48%; I(acc) USD: 0.96%; N(acc) USD: 2.64%
<i>Investment Manager:</i>	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund invests principally in equity securities of biotechnology companies and discovery research firms (including small to mid-sized companies) located in the US and other countries and, to a lesser extent in debt securities of any type of issuers worldwide.

For the Fund's investment purposes, a biotechnology company is one that has at least 50% of its earnings derived from biotechnology activities, or at least 50% of its net assets devoted to such activities based on the company's most recent fiscal year. Biotechnology activities are research, development, manufacture, and distribution of various biotechnological or biomedical products, services and processes. This may include companies involved with genomics, genetic engineering, and gene therapy. It also includes companies involved in the application and development of biotechnology in areas such as health care, pharmaceuticals, and agriculture.

To the extent that the Fund invests in debt securities, it generally buys securities that are rated investment grade or unrated securities that it determines to be of comparable quality. Investment grade debt securities are rated in the top four ratings categories by independent rating organisations such as Standard & Poor's Corporation or Moody's Investors Service, Inc.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.

The Fund anticipates that under normal conditions, it will invest more of its net assets in US securities than in those of any other single country although the Fund may have more than 50% of its net assets in non-US securities.

The Investment Manager may take temporary defensive cash position when it believes the securities trading markets or the economies of countries where the Fund invests are experiencing excessive volatility or prolonged general decline or other adverse conditions.

Who should invest in the Fund?

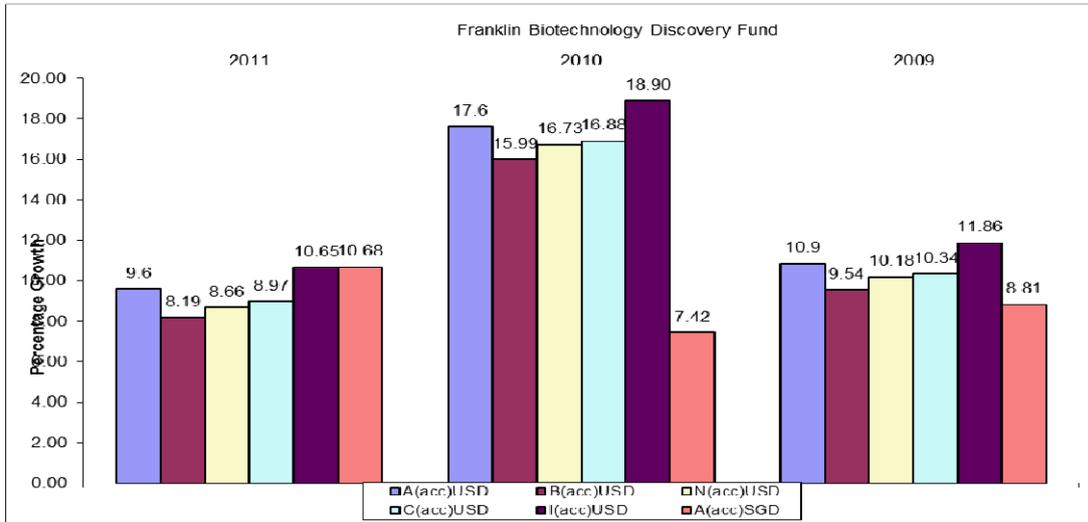
Investors...

- seeking capital appreciation by investing in equity securities.
- seeking a growth investment in the biotechnology sector in the US and around the world.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Biotechnology, Communication and Technology Sectors risk
- Counterparty risk
- Equity risk
- Foreign Currency risk
- Growth Stocks risk
- Liquidity risk
- Market risk
- Small and Mid-Sized Companies risk

See the section "Risk Considerations" for a full description of these risks.



Franklin Euroland Core Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	EUR
Alternative currency:	USD
Launch date:	28 November 2008
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
Total Expense Ratio:	A(acc) EUR: 1.87%; A(acc) USD: 1.87%; I(acc) EUR: 1.00%; I(acc) USD: 1.00%; N(acc) EUR: 2.63%
Investment Manager:	Franklin Templeton Investment Management Limited (Edinburgh, UK)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund seeks to achieve its investment objective by investing principally in equity securities of companies of any market capitalisation in Euroland countries. In selecting equity investments, the Investment Manager employs an active, bottom-up fundamental research process to search for individual securities believed to possess superior risk-return characteristics, taking into account both future growth potential and valuation considerations.

The Fund principally invests its net assets in the securities of issuers incorporated or having their principal business activities in Euroland countries (i.e. countries having adopted the euro as their national currency, the member states of the European Monetary Union).

To ensure eligibility for the French Plan d'Épargne en Actions (PEA), the Fund invests at least 75% of its net assets in equity securities issued by companies which have their head office in the European Union.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may also seek investment opportunities in other types of transferable securities, which do not fulfil the requirements set out above.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in equity securities of companies located in member countries of the European Monetary Union.
- planning to hold their investment for the medium to long term.

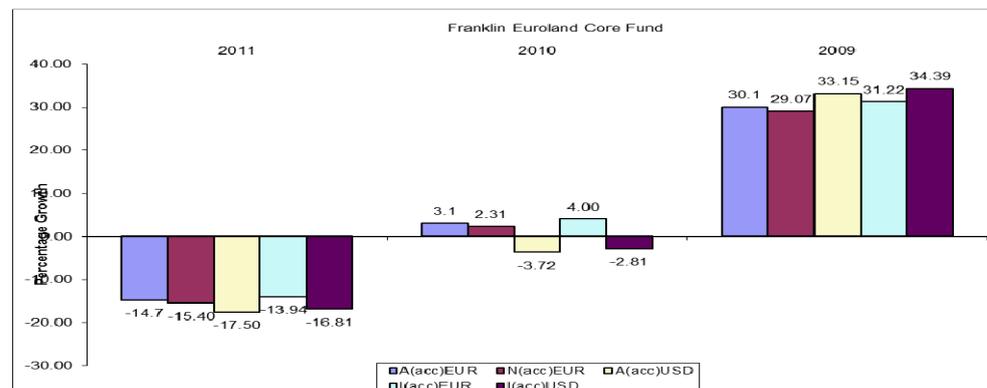
What are the main risks of investing in the Fund?

- Counterparty risk
- Equity risk
- Liquidity risk
- Market risk
- Regional Market risk
- Repurchase Transactions and Securities Lending risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Franklin European Core Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	EUR
Launch date:	29 July 2011
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
Total Expense Ratio:	A(acc): 1.87%; A(Ydis): 1.87%; I(acc): 1.08%; N(acc): 2.61%
Investment Manager:	Franklin Templeton Investment Management Limited (Edinburgh, UK)

What does the Fund invest in?

Investment objective

> Capital appreciation in the long term.

Investment policy

The Fund seeks to achieve its investment objective by investing principally in equity and/or equity-related securities (including warrants and convertible securities) of companies of any market capitalisation incorporated or having their principal business activities in European countries.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may also on an ancillary basis seek investment opportunities in equity-linked securities of the abovementioned companies as well as equity, equity-linked and/or equity-related securities of companies which do not fulfil the requirements set out above.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in equity securities of companies located in any European country.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Counterparty risk
- Equity risk
- Foreign Currency risk
- Liquidity risk
- Market risk
- Regional Market risk
- Warrants risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

N/A

Franklin European Dividend Fund

Fund details

<i>Type of Fund:</i>	Equity Fund
<i>Base currency:</i>	EUR
<i>Launch date:</i>	29 July 2011
<i>Management charges:</i>	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
<i>Total Expense Ratio:</i>	A(acc): 1.86%; A(Ydis): 1.86%; I(acc): 1.10%; N(acc): 2.60%
<i>Investment Manager:</i>	Franklin Templeton Investment Management Limited (Edinburgh, UK)

What does the Fund invest in?

Investment objective

> Combination of current income and long-term capital appreciation.

Investment policy

The Fund seeks to achieve its investment objective by investing principally in equity and/or equity-related securities (including warrants and convertible securities) of companies of any market capitalisation incorporated or having their principal business activities in European countries. In particular, the Fund seeks income by investing in stocks the Investment Manager believes offer attractive dividend yields at the time of purchase and/or the prospect for attractive dividend yields in the future.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may also on an ancillary basis seek investment opportunities in equity-linked securities of the abovementioned companies as well as equity, equity-linked and/or equity-related securities of companies which do not fulfil the requirements set out above.

Past Performance:

N/A

Who should invest in the Fund?

Investors...

- seeking income and capital appreciation by investing in equity securities of companies located in any European country.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Counterparty risk
- Equity risk
- Foreign Currency risk
- Liquidity risk
- Market risk
- Regional Market risk
- Warrants risk

See the section "Risk Considerations" for a full description of these risks.

Franklin European Growth Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	EUR
Alternative currency:	GBP
Launch date:	29 December 2000
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
Total Expense Ratio:	A(acc) EUR: 1.82%; A(Ydis) GBP: 1.83%; I(acc) EUR: 0.98%; N(acc) EUR: 2.57%
Investment Manager:	Franklin Templeton Investment Management Limited (Edinburgh, UK) and Franklin Templeton Institutional, LLC (New York, NY, USA)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

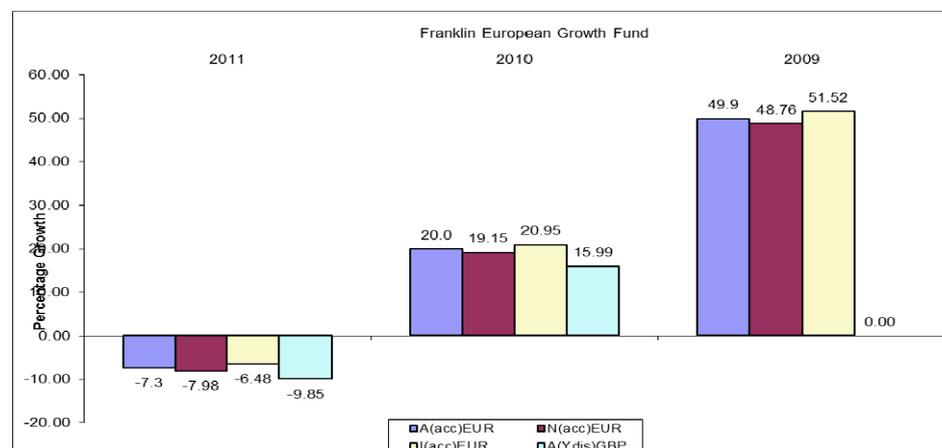
The Fund seeks to achieve its investment objective by investing principally in equity and/or equity-related securities (including warrants and convertible securities) of companies of any market capitalisation. In selecting equity investments, the Investment Manager employs an active, bottom-up fundamental research process to search for individual securities believed to possess superior risk-return characteristics.

The Fund principally invests its net assets in securities of issuers incorporated or having their principal business activities in European countries.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may also seek investment opportunities in other types of transferable securities, which do not fulfil the requirements set out above.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in equity securities.
- seeking a growth investment concentrated in companies of any European country.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Counterparty risk
- Equity risk
- Foreign Currency risk
- Growth Stocks risk
- Liquidity risk
- Market risk
- Regional Market risk
- Warrants risk

See the section "Risk Considerations" for a full description of these risks.

Franklin European Small-Mid Cap Growth Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	EUR
Alternative currencies:	USD, GBP
Launch date:	3 December 2001
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
Total Expense Ratio:	A(acc) EUR: 1.83%; A(acc) USD: 1.84%; A(Ydis) GBP: 1.87%; I(acc) EUR: 0.98%; I(acc) USD: 0.99%; N(acc) EUR: 2.59%
Investment Manager:	Franklin Templeton Institutional, LLC (New York, NY, USA)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund seeks to achieve its investment objective by investing principally in equity and/or equity-related securities (including warrants and convertible securities) of small and mid-cap European companies. In selecting equity investments, the Investment Manager employs an active, bottom-up fundamental research process to search for individual securities believed to possess superior risk-return characteristics.

The Fund principally invests its net assets in the securities of issuers incorporated or having their principal business activities in European countries and which have a market capitalisation above euro 100 million and below euro 8 billion or the equivalent in local currencies at the time of purchase.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may also seek investment opportunities in other types of

transferable securities, which do not fulfill the requirements set out above.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in equity securities.
- seeking a growth investment concentrated in small or mid cap companies of any European country.
- planning to hold their investment for the medium to long term.

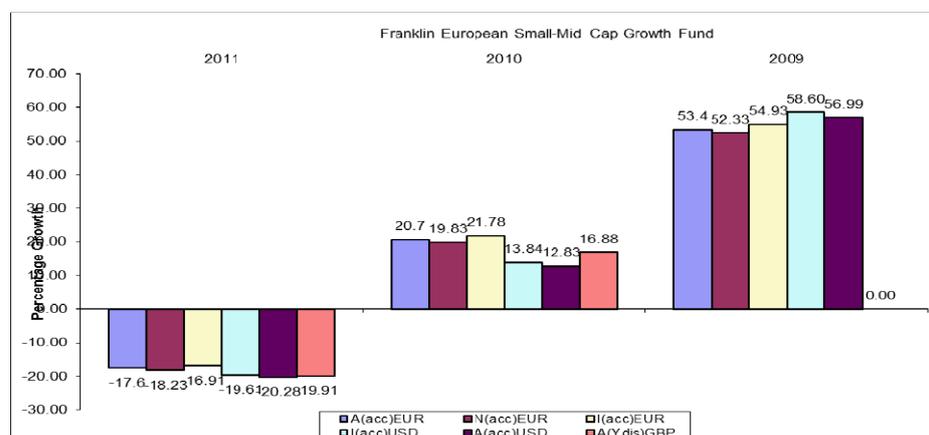
What are the main risks of investing in the Fund?

- Counterparty risk
- Equity risk
- Foreign Currency risk
- Growth Stocks risk
- Liquidity risk
- Market risk
- Regional Market risk
- Small and Mid-Sized Companies risk
- Warrants risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Franklin Global Convertible Securities Fund

Fund details

<i>Type of Fund:</i>	Equity Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	EUR, HKD, CHF
<i>Launch date:</i>	24 February 2012
<i>Management charges:</i>	Monthly fee equivalent to 0.75% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.60%.
<i>Total Expense Ratio:</i>	A(acc) USD: N/A; A(acc) EUR: N/A; A(acc) HKD: N/A; A(acc) EUR-H1: N/A; A(acc) CHF-H1: N/A; A(Ydis) EUR: N/A; A(Ydis) EUR-H1: N/A; I(acc) USD: N/A; I(acc) EUR: N/A; N(acc) USD: N/A; N(acc) EUR: N/A
<i>Investment Manager:</i>	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> To maximise total return, consistent with prudent investment management, by seeking to optimise capital appreciation and current income under varying market conditions.

Investment policy

The Fund will seek to achieve its investment objectives by investing primarily in convertible securities (including low-rated, non-investment grade securities and/or securities in default) of corporate issuers globally. The Fund may also invest in other securities, such as common or preferred stocks and non-convertible debt securities (including low-rated, non-investment grade securities and/or securities in default). A convertible security is generally a debt security or preferred stock that may be converted within a specified period of time into common stock of the same or a different issuer. By investing in convertible securities, the Fund seeks the opportunity to participate in the capital appreciation of underlying stocks, while at the same time relying on the fixed income aspect of the convertible securities to provide current income and reduced price volatility. The Fund may also utilise certain financial derivative instruments for investment or currency hedging purposes. These financial derivative instruments may be dealt in either on regulated markets or over-the-counter, and may include, inter alia, forwards and cross forwards as well as options. The Fund may, through the use of financial derivative instruments, hold covered short positions provided that the long positions held by the Fund are sufficiently liquid to cover, at any time, its

Past Performance:

N/A

obligations resulting from its short positions. The Fund may also invest in securities or structured products where the security is linked to or derives its value from another security or is linked to assets or currencies of any country. The Fund may also invest up to 10% of its net assets in units of UCITS and other UCIs.

Who should invest in the Fund?

Investors...

- seeking capital appreciation and current income by investing in convertible securities of corporate issuers around the world.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Credit risk
- Defaulted Debt Securities risk
- Derivative risk
- Equity risk
- Foreign Currency risk
- Interest Rate Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Structured Notes risk

See the section "Risk Considerations" for a full description of these risks.

Franklin Global Growth Fund

Fund details

<i>Type of Fund:</i>	Equity Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	EUR, GBP, SGD
<i>Launch date:</i>	29 December 2000
<i>Management charges:</i>	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
<i>Total Expense Ratio:</i>	A(acc) USD: 1.89%; A(acc) EUR: 1.90%; A(acc) EUR-H1: 1.89%; A(acc) GBP: 1.93%; A(acc) SGD: 1.87%; I(acc) USD: 1.00%; I(acc) EUR: 1.01%; I(acc) EUR-H1: 1.01%; I(acc) GBP: 1.00%; N(acc) USD: 2.63%; N(acc) EUR: 2.64%; Z(acc) USD: 1.41%
<i>Investment Manager:</i>	Franklin Templeton Institutional, LLC. (New York, NY, USA)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund seeks to achieve its investment objective by investing principally in a portfolio of equity and/or equity-related securities (including warrants and convertible securities) of companies of any market capitalisation. In selecting equity investments, the Investment Manager utilises fundamental, bottom-up research focusing on companies believed to possess sustainable growth characteristics and which meet growth, quality and valuation criteria.

The Fund's net assets are invested in the securities of issuers throughout the world, in both developed and Emerging Markets. The Fund's exposure to various regions and markets varies from time to time according to the Investment Manager's opinion as to the prevailing conditions and prospects for securities in these markets.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may also seek investment opportunities in other types of

transferable securities, which do not fulfil the requirements set out above.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in equity securities.
- seeking a growth investment in companies around the world.
- planning to hold their investment for the medium to long term.

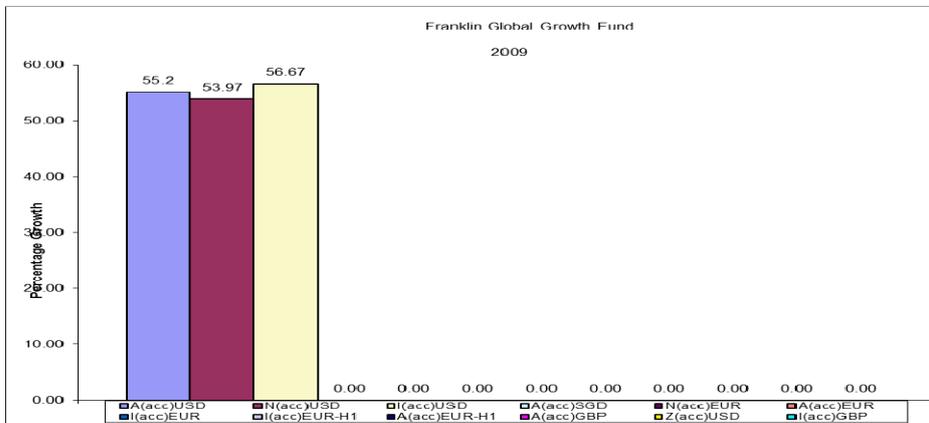
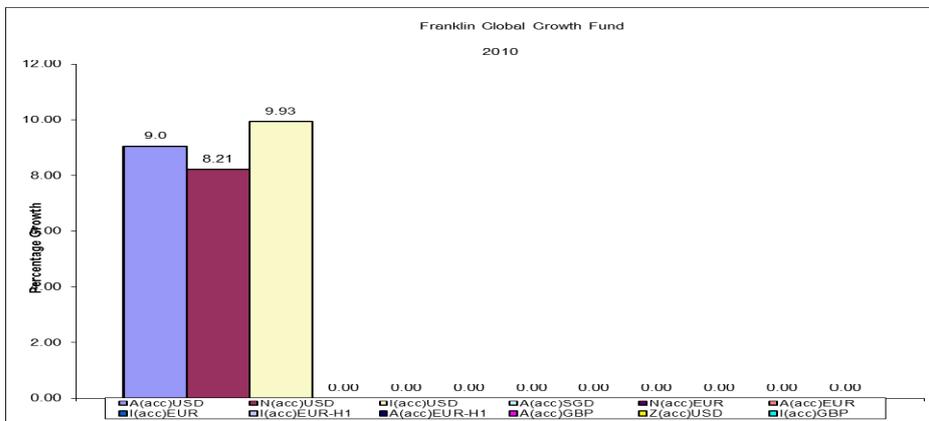
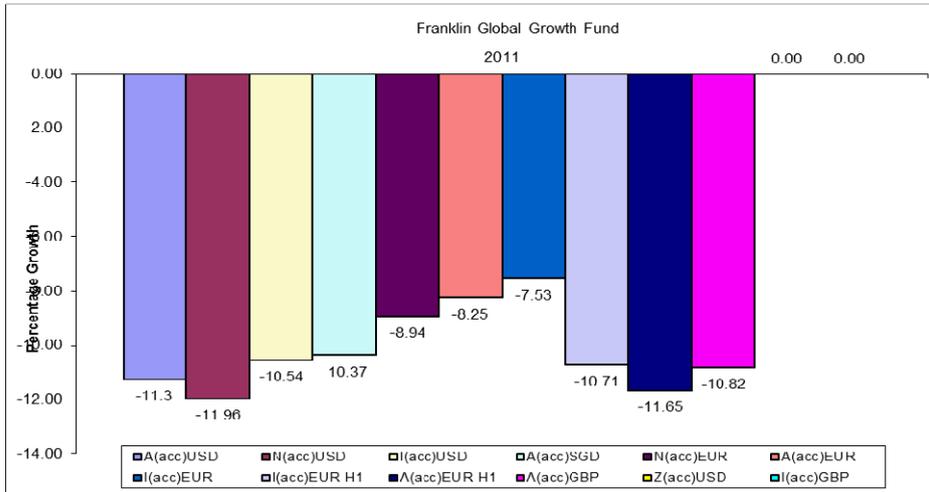
What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Growth Stocks risk
- Liquidity risk
- Market risk
- Warrants risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following charts show the historical returns of the Fund expressed in percentage terms. Please see the Section "Past Performance" for the assumptions used in these charts.



Franklin Global Real Estate Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	USD
Alternative currencies:	SGD, EUR
Launch date:	29 December 2005
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
Total Expense Ratio:	A(acc) USD: 1.86%; A(acc) EUR-H1: 1.87%; A(Qdis) USD: 1.87%; A(Qdis) SGD: 1.90%; A(Ydis) EUR-H1: 1.87%; B(Qdis) USD: 3.17%; C(Qdis) USD: 2.44%; I(acc) USD: 1.06%; N(acc) USD: 2.61%; N(Qdis) USD: 2.62%; N(acc) EUR-H1: 2.61%
Investment Manager:	Franklin Templeton Institutional, LLC. (New York, NY, USA)

What does the Fund invest in?

Investment objective

> To maximise total investment return consisting of income and capital appreciation.

Investment policy

The Investment Manager seeks to achieve its investment objective by investing in real estate investment trusts ("Real Estate Investment Trusts" or "REITs") and other companies (including small to mid-sized companies) whose principal business is financing, dealing, holding, developing and managing real estate and which are located around the world, including Emerging Markets. "REITs" are companies the shares of which are listed on a stock exchange, which invest a significant portion of their net assets directly in real estate and which profit from a special and favourable tax regime. These investments of the Fund shall qualify as transferable securities. The Fund seeks to invest in companies across a wide range of real estate sectors and countries.

Who should invest in the Fund?

Investors...

- seeking interest income and capital appreciation by investing in companies across a wide range of real estate sectors and countries.
- planning to hold their investment for the medium to long term.

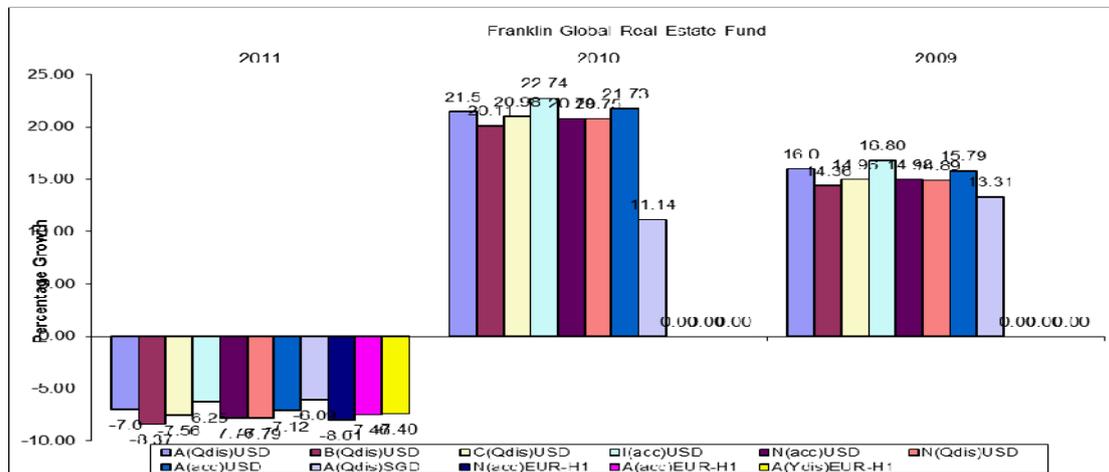
What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Derivative risk
- Emerging Markets risk
- Equity risk
- Liquidity risk
- Market risk
- Real Estate Securities risk
- Small and Mid-Sized Companies risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Franklin Global Small-Mid Cap Growth Fund

Fund details

<i>Type of Fund:</i>	Equity Fund
<i>Base currency:</i>	USD
<i>Launch date:</i>	15 April 2002
<i>Management charges:</i>	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
<i>Total Expense Ratio:</i>	A(acc): 1.86%; B(acc): 3.16%; I(acc): 1.06%; N(acc): 2.61%
<i>Investment Manager:</i>	Franklin Templeton Institutional, LLC. (New York, NY, USA)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund seeks to achieve its investment objective by investing principally in equity and/or equity-related securities (including warrants and convertible securities) of small- and mid-cap companies globally. In selecting equity investments, the Investment Manager employs an active, bottom-up fundamental research process to search for individual securities believed to possess superior risk-return characteristics.

The Fund principally invests its net assets in the securities of issuers incorporated or having their principal business activities in any developed country in the world and which have a market capitalisation above USD 100 million and below USD 8 billion or the equivalent in local currencies at the time of purchase. The Fund's exposure to various regions and markets varies from time to time according to the Investment Manager's opinion as to the prevailing conditions and prospects for securities in these markets.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may also seek

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.

investment opportunities in other types of transferable securities, which do not fulfill the requirements set out above.

Who should invest in the Fund?

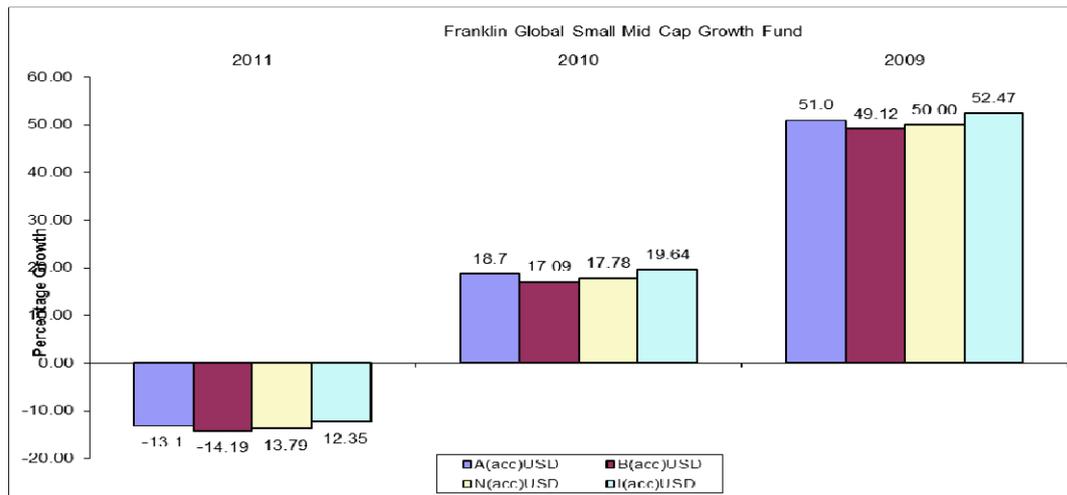
Investors...

- seeking capital appreciation by investing in equity securities.
- seeking a growth investment in small or mid cap companies around the world.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Counterparty risk
- Equity risk
- Foreign Currency risk
- Growth Stocks risk
- Liquidity risk
- Market risk
- Small and Mid-Sized Companies risk
- Warrants risk

See the section "Risk Considerations" for a full description of these risks.



Franklin Gold and Precious Metals Fund

Fund details

<i>Type of Fund:</i>	Equity Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	CHF, EUR, SGD, HKD, SEK
<i>Launch date:</i>	30 April 2010
<i>Management charges:</i>	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
<i>Total Expense Ratio:</i>	A(acc) USD: 1.83%; A(acc) EUR: 1.84%; A(acc) EUR-H1: 1.86%; A(acc) CHF-H1: 1.88%; A(acc) SEK-H1: 1.83%; A(acc) HKD: 1.83%; A(acc) SGD: 1.84%; A(Ydis) EUR: 1.85%; A(Ydis) EUR-H1: 1.84%; I(acc) USD: 0.99%; I(Ydis) USD: 0.95%; N(acc) USD: 2.58%; N(acc) EUR: 2.61%
<i>Investment Manager:</i>	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

- > Primary objective: capital appreciation.
- > Secondary objective: income.

Investment policy

Under normal market conditions, the Fund invests principally its net assets in securities issued by gold and precious metals operation companies. Gold and precious metals operation companies include companies that mine, process, or deal in gold or other precious metals, such as silver, platinum and palladium, including mining finance and exploration companies as well as operating companies with long-, medium-, or short-life mines.

The Fund principally invests in equity and/or equity-related securities such as common stocks, preferred stocks, warrants and convertible securities issued by gold and precious metals operation companies located anywhere in the world (including Emerging Markets) and across the entire market capitalization spectrum, including small-cap and medium-cap companies, as well as in American, Global and European Depositary Receipts.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in securities of gold and precious metals operation companies around the world.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Gold and Precious Metals Sector risk
- Liquidity risk
- Market risk
- Natural Resources Sector risk
- Small and Mid-Sized Companies risk

See the section "Risk Considerations" for a full description of these risks.

Franklin High Yield Fund

Fund details

Type of Fund:	Fixed Income Fund
Base currency:	USD
Alternative currencies:	SGD, EUR
Launch date:	1 March 1996
Management charges:	Monthly fee equivalent to 0.80% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.60%.
Total Expense Ratio:	A(acc) USD: 1.53%; A(Mdis) USD: 1.53%; A(Mdis) SGD-H1: 1.54%; B(Mdis) USD: 2.93%; C(acc) USD: 2.21%; I(acc) USD: 0.86%; I(acc) EUR-H1: N/A; I(Mdis) USD: 0.86%; N(acc) USD: 2.12%; Z(Mdis) USD: 1.14%
Investment Manager:	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

- > Primary objective: high level of current income.
- > Secondary objective: capital appreciation, but only when consistent with its principal objective.

Investment policy

The Fund seeks to achieve these objectives by investing principally, either directly or through the use of financial derivative instruments, in fixed income debt securities of US or non-US issuers. The financial derivative instruments may include, inter alia, swaps such as credit default swaps or total return swaps, forwards, futures contracts, as well as options on such contracts dealt in either on regulated markets or over-the-counter. The Fund normally invests in fixed income debt securities with investment grade or lower grade ratings (including non-investment grade securities), if issued by US issuers, or, if issued by non-US issuers or unrated, their equivalent. The Investment Manager attempts to avoid excessive risk by performing independent credit analyses of issuers and by diversifying the Fund's investments among different issuers.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may also, temporarily and/or on an ancillary basis, seek investment opportunities in any other types of securities such as government securities, preferred stock, common stock and other equity-linked securities, warrants and securities and bonds convertible into common stock. The Fund may invest up to 10% of its net assets in credit-linked securities, which the Investment Manager may use as a means to invest more rapidly and efficiently in

certain segments of the high-yield, bank loan and investment grade debt markets. The Fund may also invest up to 10% of its net assets in securities in default.

Who should invest in the Fund?

Investors...

- seeking to earn a high level of income, and to a lesser extent, some capital appreciation by investing in high-yield fixed income securities of US and non-US issuers.
- planning to hold their investment for the medium to long term.

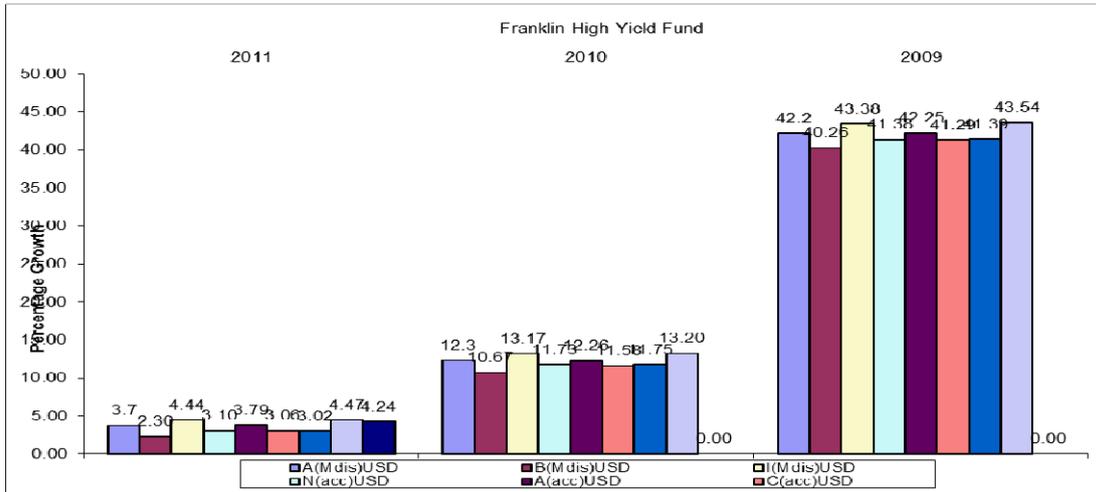
What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Credit risk
- Credit-Linked Securities risk
- Defaulted Debt Securities risk
- Derivative risk
- Foreign Currency risk
- Interest Rate Securities risk
- Liquidity risk
- Market risk
- Low-Rated or Non-Investment Grade Securities risk
- Restructuring Companies risk
- Swap Agreements risk
- Warrants risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Franklin Income Fund

Fund details

<i>Type of Fund:</i>	Balanced Fund
<i>Base currency:</i>	USD
<i>Alternative currency:</i>	SGD
<i>Launch date:</i>	1 July 1999
<i>Management charges:</i>	Monthly fee equivalent to 0.85% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.60%.
<i>Total Expense Ratio:</i>	A(Mdis) USD: 1.67%; A(Mdis) SGD-H1: 1.67%; B(Mdis) USD: 2.97%; C(acc) USD: 2.25%; C(Mdis) USD: 2.25%; I(acc) USD: 0.90%; N(acc) USD: 2.17%; Z(acc) USD: 1.18%; Z(Mdis) USD: 1.18%
<i>Investment Manager:</i>	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> To maximise income while maintaining prospects for capital appreciation.

Investment policy

The Fund invests in a diversified portfolio of transferable securities consisting of equity securities and long and short-term debt securities. Equity securities generally entitle the holder to participate in a company's general operating results. These include common stocks, preferred stocks and convertible securities. Debt securities represent an obligation of the issuer to repay a loan of money to it, and generally provide for the payment of interest. These include bonds, notes and debentures.

In its search for growth opportunities, the Fund invests in common stocks of companies from a variety of industries such as utilities, oil, gas, real estate and consumer goods. The Fund seeks income by selecting investments such as corporate, foreign and US Treasury bonds, as well as stocks with attractive dividend yields. The Fund may invest in debt securities that are rated below investment grade. Investment-grade debt securities are rated in the top four ratings categories by independent rating organisations such as Standard & Poor's Corporation ("S&P") and Moody's Investors Service, Inc. ("Moody's"). The Fund generally invests in securities rated at least CAA by Moody's or CCC by S&P or unrated securities that the Investment Manager determines are of comparable quality. Generally, lower rated securities offer higher yields than more highly rated securities to compensate investors for the higher risk. Further information is contained in the section "Risk Considerations".

The Fund may invest up to 25% of its net invested assets in non-US securities. It ordinarily buys non-US securities that are traded in the US or American Depository Receipts, which are certificates typically issued by a bank or trust company that give their holders the right to receive securities issued by a US or a non-US company.

The Investment Manager searches for undervalued or out-of-favour securities it believes offer opportunities for income today and significant growth tomorrow. It performs independent analysis of the securities being considered for the Fund's portfolio, rather than relying principally on the ratings assigned by rating agencies. In its analysis, the Investment Manager considers a variety of factors, including:

- the experience and managerial strength of the company;
- responsiveness to changes in interests and business conditions;
- debt maturity schedules and borrowing requirements;
- the company's changing financial condition and market recognition of the change; and
- a security's relative value based on such factors as anticipated cash flow, interest or dividend coverage, asset coverage, and earnings prospects.

The Investment Manager may take a temporary defensive position when it believes the markets or the economy are experiencing excessive volatility, a prolonged general decline or when other adverse conditions may exist. Under these circumstances, the Fund may be unable to pursue its investment objective.

Who should invest in the Fund?

Investors...

- seeking a high level of income and prospects of some capital appreciation by accessing a portfolio of both equity and fixed income securities via a single fund.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

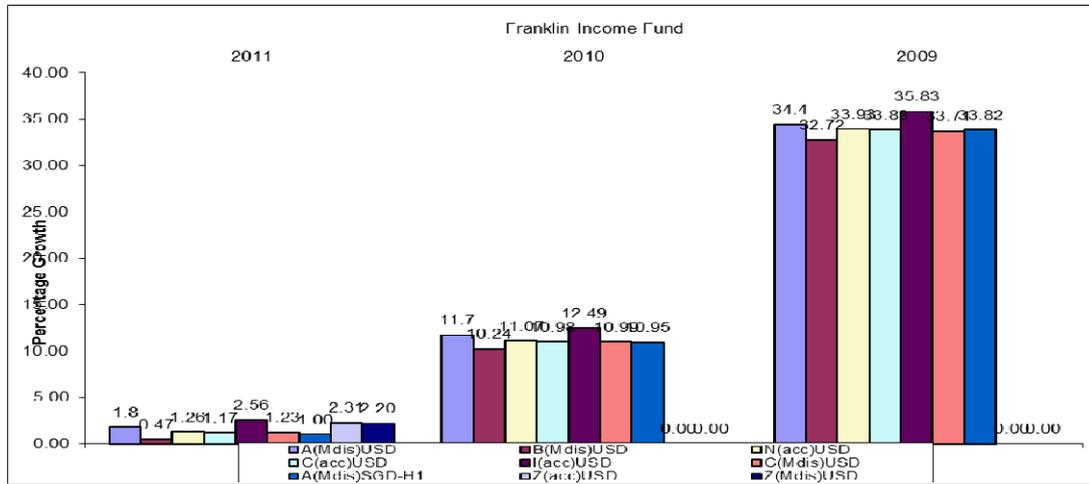
- Class Hedging risk
- Counterparty risk
- Credit risk
- Equity risk
- Foreign Currency risk

- Interest Rate Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Franklin India Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	USD
Alternative currencies:	EUR, GBP, SGD, PLN, HKD, SEK
Launch date:	25 October 2005
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I and W Shares. For Class I Shares: 0.70%. For Class W Shares: up to 2.00%.
Total Expense Ratio:	A(acc) USD: 1.90%; A(acc) EUR: 1.90%; A(acc) SGD: 1.93%; A(Ydis) EUR: 1.90%; A(Ydis) GBP: 1.90%; A(acc) HKD: 1.95%; A(acc) SEK: 1.93%; B(acc) USD: 3.20%; C(acc) USD: 2.48%; I(acc) USD: 0.99%; I(acc) EUR: 0.99%; I(Ydis) EUR: 1.00%; N(acc) USD: 2.64%; N(acc) EUR: 2.64%; N(acc) PLN-H1: 2.69%; W(acc) GBP: N/A; Z(acc) USD: 1.42%; Z(acc) GBP: N/A
Investment Manager:	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund invests principally in equity securities including common stock, preferred stock and convertible securities, as well as in warrants, participatory notes, and depository receipts of (i) companies registered in India, (ii) companies which perform a predominant part of their business in India, and (iii) holding companies which hold a predominant part of their participations in companies referred to in (i) and (ii), all of them across the entire market capitalisation spectrum from small-to large-cap companies.

In addition the Fund may seek investment opportunities in fixed income securities issued by any of the above-mentioned entities as well as money market instruments.

Who should invest in the Fund?

Past Performance:

The following charts show the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in these charts.

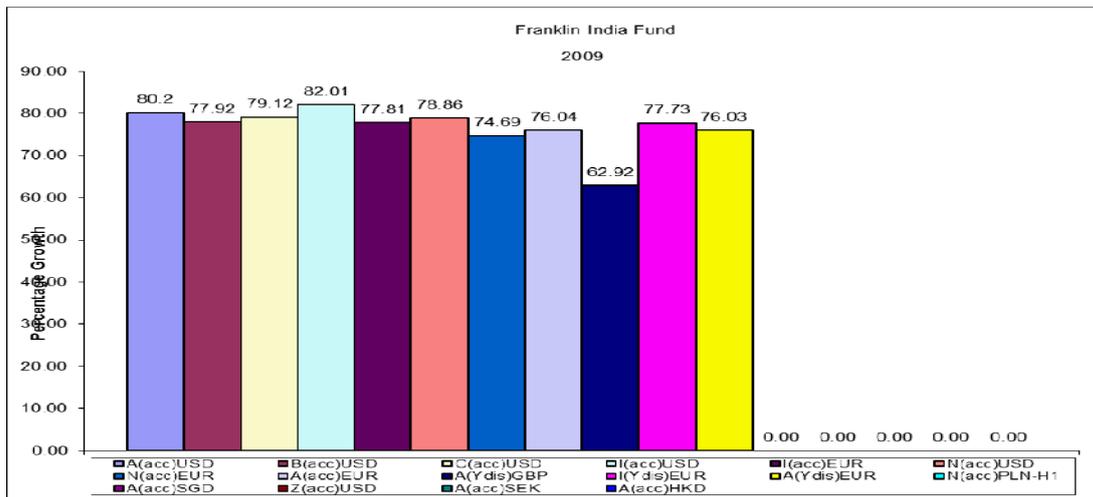
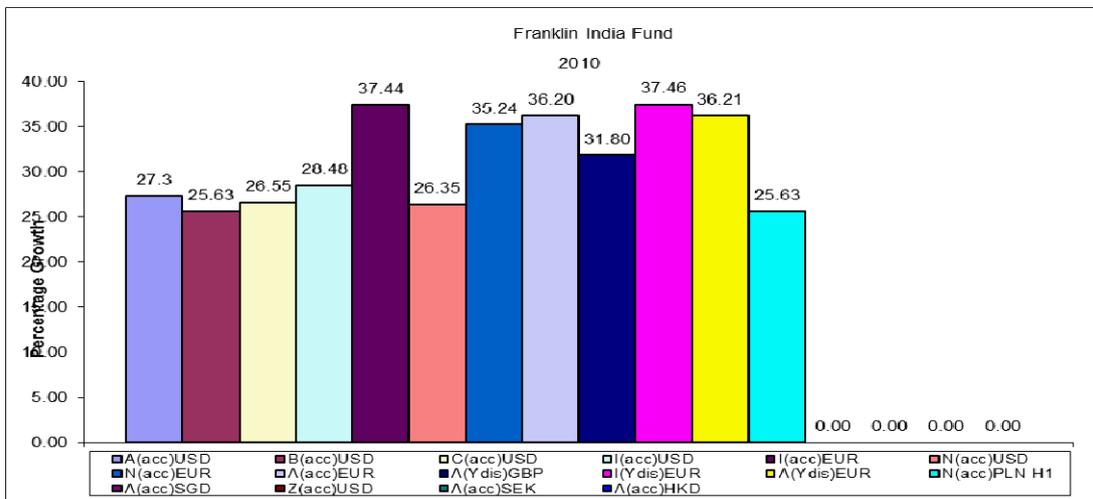
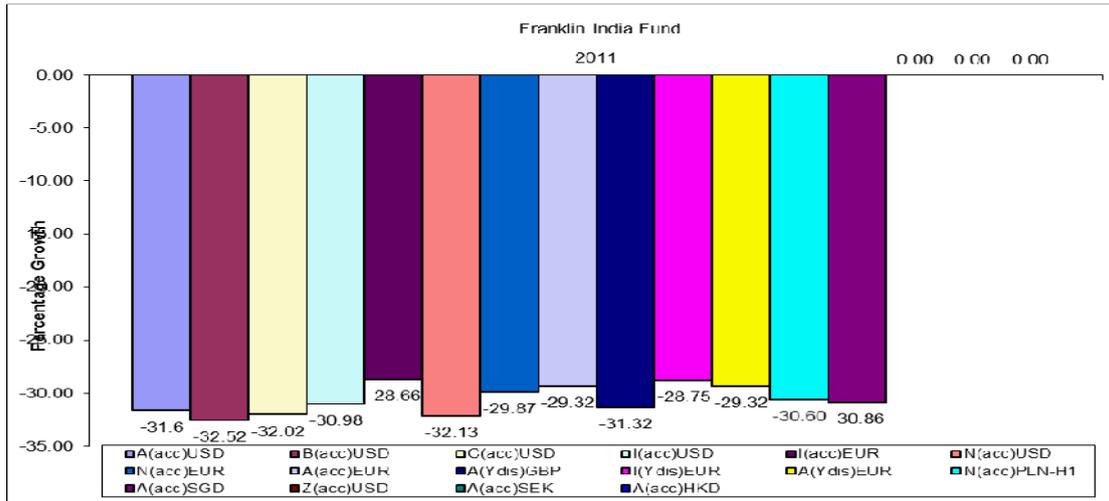
Investors...

- seeking capital appreciation by investing in equity securities of companies located in India.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Growth Stocks risk
- Liquidity risk
- Market risk
- Participatory Notes risk
- Single Country risk
- Small and Mid-Sized Companies risk
- Warrants risk

See the section "Risk Considerations" for a full description of these risks.



Franklin MENA Fund

Fund details

<i>Type of Fund:</i>	Equity Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	EUR, GBP
<i>Launch date:</i>	16 June 2008
<i>Management charges:</i>	Monthly fee equivalent to 1.50% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I and X Shares. For Class I Shares: 1.05%.
<i>Total Expense Ratio:</i>	A(acc) USD: 2.68%; A(acc) EUR: 2.66%; A(acc) EUR-H1: 2.67%; A(Ydis) GBP: 2.69%; A(Ydis) USD: 2.66%; B(acc) USD: 3.96%; I(acc) EUR: 1.54%; I(acc) USD: 1.61%; I(acc) EUR-H1*: 1.57%; I(Ydis) USD: 1.52%; N(acc) USD: 3.17%; N(acc) EUR-H1: 3.17%; X(acc) USD: 0.30%
<i>Investment Manager:</i>	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> Long-term capital appreciation.

Investment policy

The Fund invests primarily in transferable securities such as equity securities of companies (i) incorporated in the Middle East and North Africa countries ("MENA countries") including, but not limited to the Kingdom of Saudi Arabia, United Arab Emirates, Kuwait, Qatar, Bahrain, Oman, Egypt, Jordan and Morocco, and/or (ii) which have their principal business activities in MENA countries across the entire market capitalisation spectrum (including small to mid-sized companies) as well as in financial derivative instruments. These financial derivative instruments may include, inter alia, forwards and financial futures contracts, or options on such contracts, equity-linked notes dealt on either regulated markets or over-the-counter.

In addition, since the investment objective is more likely to be achieved through an investment policy which is flexible and adaptable, the Fund may invest in participatory notes and other types of transferable securities, including equity, equity-related and fixed income securities of issuers worldwide. The Fund may also invest up to 10% of its net assets in units of UCITS and other UCIs.

Past Performance:

The following charts show the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in these charts.

Who should invest in the Fund?

Investors...

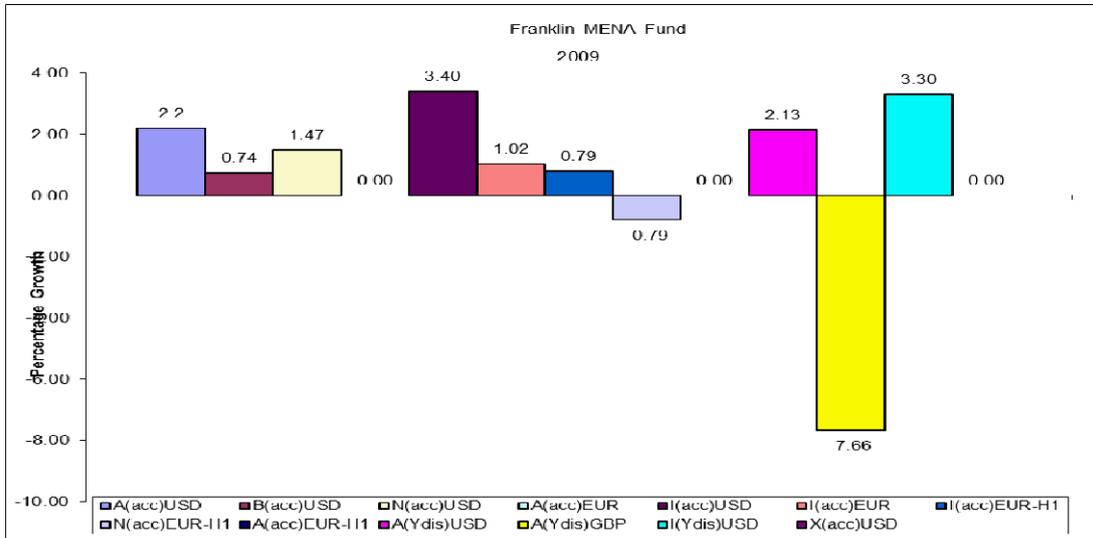
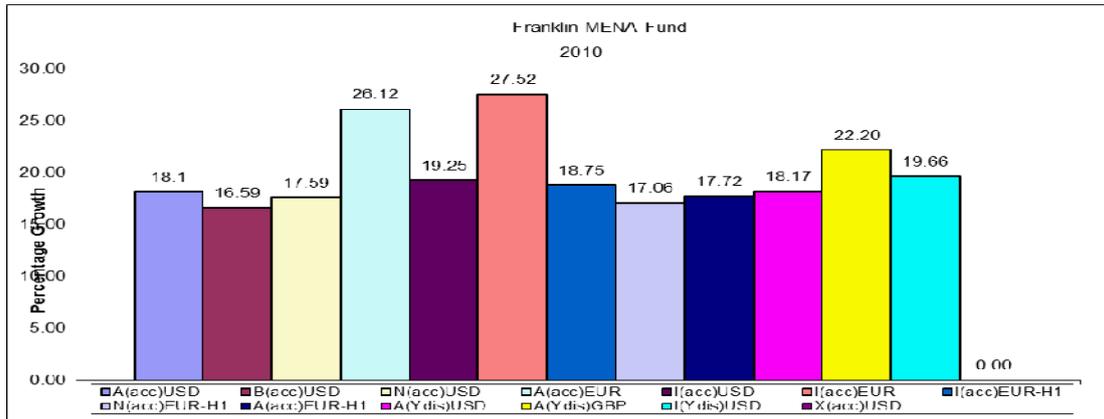
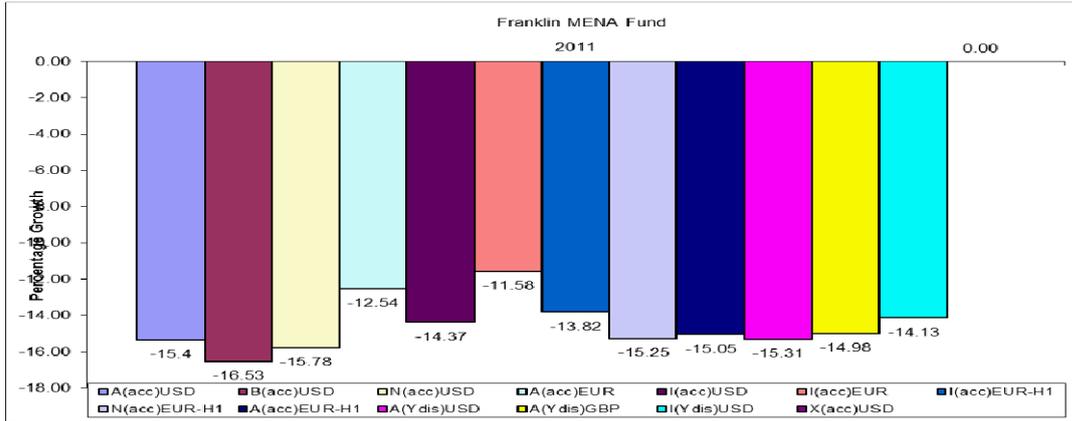
- seeking capital appreciation by investing in securities of companies in the Middle East and North African region.
- planning to hold their investments for the medium to long term.

What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Derivative risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Frontier Markets risk
- Growth Stocks risk
- Liquidity risk
- Market risk
- Non-Regulated Markets risk
- Participatory Notes risk
- Regional Market risk
- Small and Mid-Sized Companies risk

See the section "Risk Considerations" for a full description of these risks.

*This share class closed on February 24, 2012



Franklin Natural Resources Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	USD
Alternative currencies:	EUR, CHF
Launch date:	July 12, 2007
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
Total Expense Ratio:	A(acc) USD: 1.82%; A(Ydis) USD: 1.82%; A(acc) EUR: 1.81%; A(acc) CHF-H1: 1.84%; A(Ydis) EUR-H1: 1.84%; B(acc) USD: 3.15%; C(acc) USD: 2.39%; I(acc) USD: 0.97%; I(acc) EUR: 0.96%; N(acc) EUR: 2.56%
Investment Manager:	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> Capital appreciation and current income.

Investment policy

The Fund invests primarily in equity securities as well as depositary receipts of (i) companies which perform a substantial part of their business in the natural resources sector, and (ii) companies which hold a substantial part of their participations in companies referred to in (i), including small and mid-sized companies. For the Fund's investment purpose, the natural resources sector includes companies that own, produce, refine, process, transport and market natural resources and companies that provide related services. This sector may include, for example, the following industries: integrated oil, oil and gas exploration and production, energy services and technology, alternative energy sources and environmental services, forest products, farming products, paper products and chemicals. On an ancillary basis, the Fund may also invest in equity or debt securities of any type of US or non-US issuer. The Fund expects to invest its net assets more in US securities than in securities of any other single country (including Emerging Markets).

Who should invest in the Fund?

Investors...

- seeking high total return in USD by investing in equity and debt securities in the natural resources sector.
- planning to hold their investments for the medium to long term.

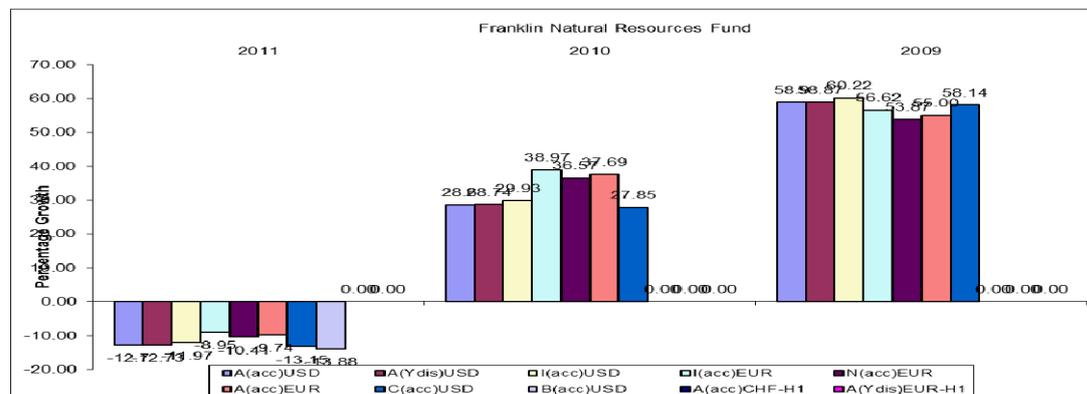
What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Growth Stocks risk
- Liquidity risk
- Market risk
- Natural Resources Sector risk
- Small and Mid-Sized Companies risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Franklin Real Return Fund

Fund details

<i>Type of Fund:</i>	Fixed Income Fund
<i>Base currency:</i>	USD
<i>Alternative currency:</i>	EUR
<i>Launch date:</i>	30 April 2010
<i>Management charges:</i>	Monthly fee equivalent to 0.75% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares.
<i>Total Expense Ratio:</i>	A(acc) USD: 1.35%; A(Ydis) EUR-H1: 1.35%; N(acc) USD: 1.84%
<i>Investment Manager:</i>	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> To achieve, consistent with prudent investment management, total return that exceeds the rate of inflation over an economic cycle.

Investment policy

In order to achieve the highest level of real return (total return less the estimated cost of inflation), the Fund seeks to allocate its net assets, under normal market conditions, in inflation indexed securities of all type such as US and non US inflation-indexed securities, investment grade and high-yield fixed income securities issued by governments, corporations and municipal issuers.

Inflation-indexed securities are fixed-income securities that are structured to provide protection against inflation. The value of the security's principal or the interest income paid on the security is adjusted to track changes in an official inflation measure. The US Treasury uses the Consumer Price Index for Urban Consumers as the inflation measure. Inflation-indexed securities issued by a non-US government are generally adjusted to reflect a comparable inflation index, calculated by that government.

The Fund seeks to achieve its objective by also investing in mortgage- and other asset-backed securities, short-term fixed income securities as well as equity securities with high correlation to broad measures of inflation, including shares of real estate investment trusts (REITs) and/or companies in the natural resources sector.

The Fund may also utilise financial derivative instruments for hedging and/or efficient portfolio management. These financial derivative instruments may be dealt on either regulated markets or over-the-counter, and may include, inter alia, swaps (such as credit default swaps or total return swaps), forwards and cross forwards, futures contracts (including those on government securities), as well as options.

Who should invest in the Fund?

Investors...

- seeking total return that exceeds the rate of inflation over an economic cycle.
- planning to hold their investment for the medium to long term.

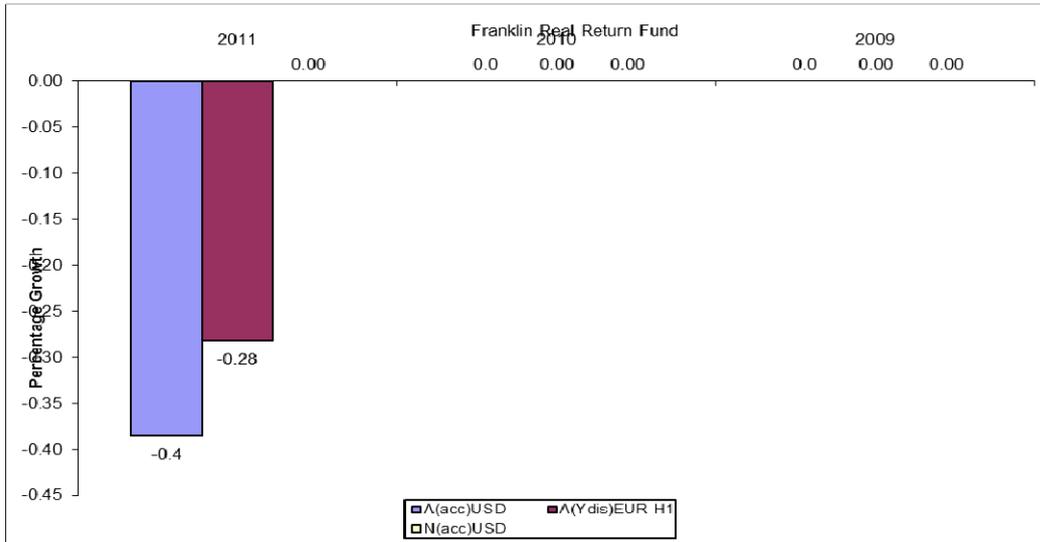
What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Credit risk
- Derivative risk
- Equity risk
- Foreign Currency risk
- Inflation-Indexed Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Mortgage- and Asset-Backed Securities risk
- Natural Resources Sector risk
- Real Estate Securities risk
- Swap Agreements risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Franklin Strategic Income Fund

Fund details

Type of Fund:	Fixed Income Fund
Base currency:	USD
Alternative currency:	EUR
Launch date:	July 12, 2007
Management charges:	Monthly fee equivalent to 0.75% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.55%.
Total Expense Ratio:	A(acc) USD: 1.35%; A(Mdis) USD: 1.35%; A(acc) EUR: 1.35%; A(acc) EUR-H1: 1.35%; A(Mdis) EUR: 1.35%; B(Mdis) USD: 2.59%; C(Mdis) USD: 1.94%; I(acc) USD: 0.81%; I(acc) EUR-H1: N/A; N(acc) USD: 2.05%; N(acc) EUR-H1: 2.04%; Z(acc) USD: 1.05%
Investment Manager:	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

- > Primary objective: high level of current income.
- > Secondary objective: capital appreciation over the long term.

Investment policy

The Fund invests principally in debt securities globally, including those in Emerging Markets. For the purpose of this Fund, debt securities shall include all varieties of fixed and floating-rate income securities, including bank loans (through regulated investment funds), bonds, mortgage and other asset-backed securities and convertible securities. The Fund may invest up to 100% of its net assets in low-rated and non-investment grade debt securities of issuers worldwide. In order to seek to achieve its objective, the Fund may use various financial derivative instruments for hedging and/or efficient portfolio management as well as to enhance its investment return, subject to the investment restrictions more fully described in Appendix B of the Full Prospectus. These financial derivative instruments may be dealt on either regulated markets or over-the-counter, and may include, inter alia, swaps (such as credit default swaps or total return swaps), forwards and cross forwards (either of which may result in negative currency exposures), futures contracts (including those on government securities), as well as options. The Fund may invest up to 10% of its net assets in units of UCITS and other UCIs, up to 10% of its net assets in credit-linked securities and up to 10% of its net assets in securities in default and participate in mortgage dollar roll transactions. The Fund may also temporarily and/or on an ancillary basis, seek investment opportunities in other types of transferable securities such as preferred stock, common stock and other equity-linked securities,

warrants, securities and bonds convertible into common stock.

Who should invest in the Fund?

Investors...

- seeking high level of current income and prospects for capital appreciation in USD by investing in debt securities and financial derivative instruments worldwide.
- planning to hold their investments for the medium to long term.

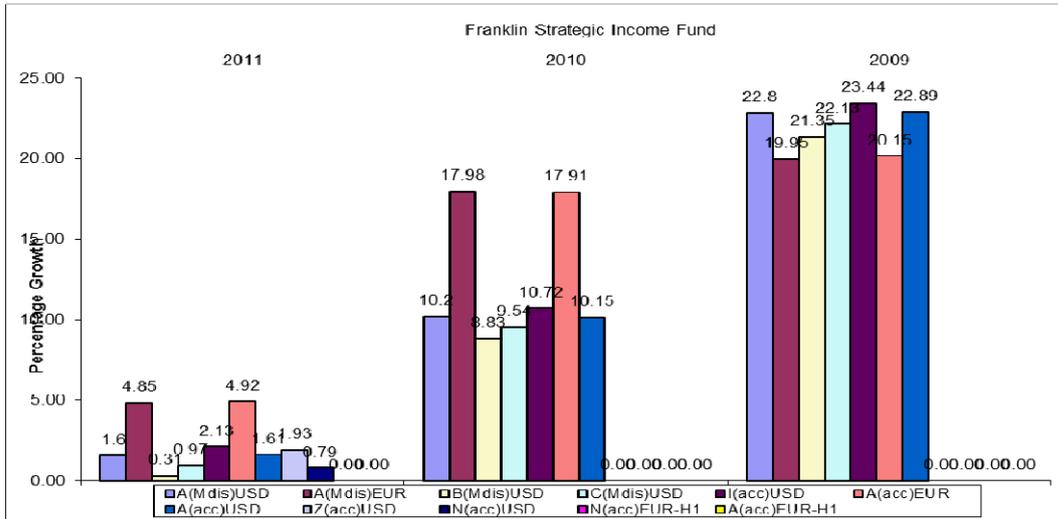
What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Credit risk
- Credit-Linked Securities risk
- Defaulted Debt Securities risk
- Derivative risk
- Emerging Markets risk
- Foreign Currency risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Interest Rate Securities risk
- Mortgage- and Asset-Backed Securities risk
- Mortgage Dollar Roll risk
- "Pre-Payment" risk
- Restructuring Companies risk
- Swap Agreements risk
- Warrants risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Franklin Technology Fund

Fund details

<i>Type of Fund:</i>	Equity Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	EUR, GBP
<i>Launch date:</i>	3 April 2000
<i>Management charges:</i>	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
<i>Total Expense Ratio:</i>	A(acc) USD: 1.80%; A(acc) EUR: 1.80%; B(acc) USD: 3.11%; C(acc) USD: 2.39%; I(acc) EUR: 0.96%; I(acc) USD: 0.97%; I(acc) GBP: N/A; N(acc) USD: 2.55%; N(acc) EUR: 2.55%; Z(acc) USD: 1.33%
<i>Investment Manager:</i>	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund invests at least two thirds of its net invested assets in equity securities of US and non US companies expected to benefit from the development, advancement, and use of technology and communication services and equipment. These may include, for example, companies in the following industries:

- communication and computing related outsourcing services;
- technology services, including computer software, data services, and Internet services;
- electronic technology, including computers, computer products, and electronic components;
- telecommunications, including networking, wireless, and wire-line services and equipment;
- media and information services, including the distribution of information and content providers;
- semiconductors and semiconductor equipment; and
- precision instruments.

The Fund invests in securities of US and non US large, well-established companies, as well as small to medium-sized companies, that the Investment Manager believes provide good emerging growth opportunities.

The Fund may also invest in equity or debt securities of any type of foreign or US issuer as well as in American, European or Global Depositary Receipts.

The Fund uses a growth approach that employs intensive, bottom-up, fundamental research of companies. The Investment Manager also takes into consideration broad-based trends when considering the selection of investments. In general, the Investment Manager looks for companies it believes display, or will display, some of the following characteristics, among others: quality management; robust growth prospects; strong market positioning;

high, or rising profit margins; and good return on capital investment.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in equity securities.
- seeking a growth investment in the technology sector in the US and around the world.
- planning to hold their investment for the medium to long term.

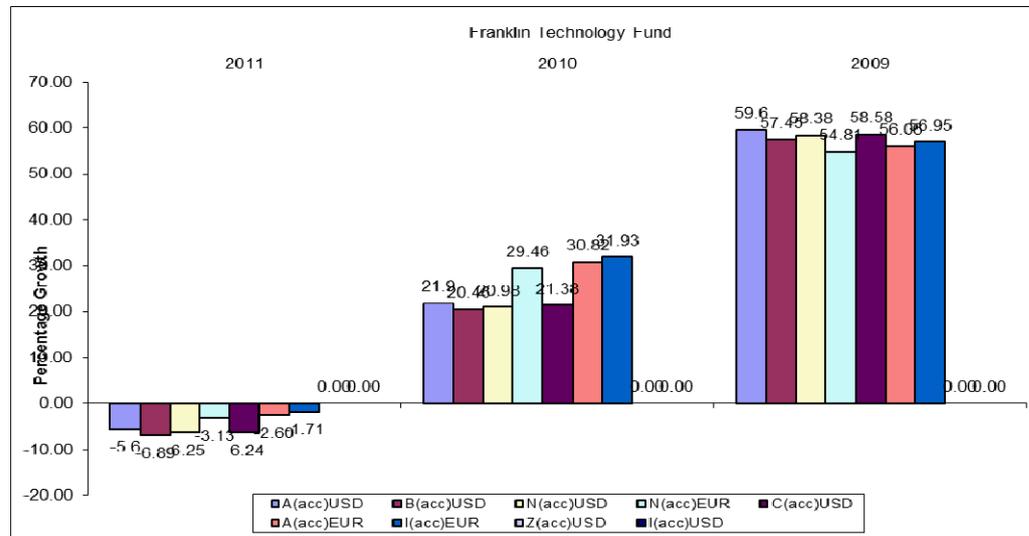
What are the main risks of investing in the Fund?

- Biotechnology, Communication and Technology Sectors risk
- Counterparty risk
- Equity risk
- Foreign Currency risk
- Growth Stocks risk
- Liquidity risk
- Market risk
- Small and Mid-Sized Companies risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Franklin U.S. Dollar Liquid Reserve Fund

Fund details

Type of Fund:	Liquid Reserve Fund
Base currency:	USD
Launch date:	1 June 1994
Management charges:	Monthly fee equivalent to 0.30% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.20%.
Total Expense Ratio:	A(acc): 0.25%; A(Mdis): 0.25%; B(Mdis): 1.33%; C(acc): 1.24%; I(acc): 0.25%; N(acc): 1.15%
Investment Manager:	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> High-quality securities primarily US dollar denominated, or hedged back into the US dollar to avoid any currency exposure.

Investment policy

The Fund consists principally of transferable securities and money market instruments issued or guaranteed by the governments of any nation worldwide and eligible securities of corporate issuers of any nation. The portfolio is invested in a manner that the average remaining maturity of all securities and instruments comprised in the portfolio of the Fund does not exceed twelve months. For the purpose of calculating the residual maturity of each single security or instrument, the financial instruments attached thereto shall be taken into account. For the securities or instruments whose terms of issue provide for an adjustment of their interest rate by reference to market conditions, the residual maturity until the date on which the rate is adjusted shall be considered.

Who should invest in the Fund?

Investors...

- seeking safety of principal and current income by investing in high-quality securities, primarily US dollar denominated or hedged back to the US dollar.

- planning to hold their investment for the short term.

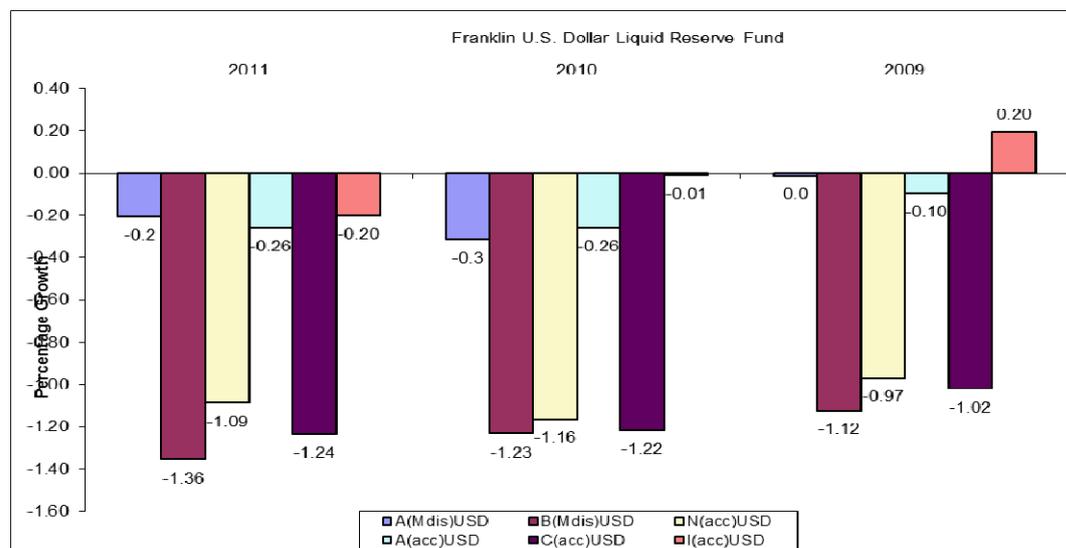
What are the main risks of investing in the Fund?

- Counterparty risk
- Credit risk
- Interest Rate Securities risk
- Market risk
- Single Country risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Franklin U.S. Equity Fund

Fund details

<i>Type of Fund:</i>	Equity Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	EUR, SGD, HKD
<i>Launch date:</i>	1 July 1999
<i>Management charges:</i>	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
<i>Total Expense Ratio:</i>	A(acc) USD: 1.82%; A(acc) EUR: 1.81%; A(acc) EUR-H1: 1.81%; A(acc) SGD: 1.80%; A(acc) HKD: 1.85%; B(acc) USD: 3.11%; C(acc) USD: 2.39%; I(acc) USD: 0.96%; I(acc) EUR: 0.96%; I(acc) EUR-H1: 0.96%; N(acc) USD: 2.56%; N(acc) EUR: 2.56%
<i>Investment Manager:</i>	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Fund may employ hedging techniques and hold cash reserves from time to time.

Investment objective

> Capital appreciation.

Who should invest in the Fund?

Investors...

Investment policy

The Fund's investment strategy is to invest principally in US equity securities, including common and preferred stocks, or securities convertible into common stocks, as well as American Depository Receipts and American Depository Shares that are listed on the major US stock exchanges. The Investment Manager employs an active, bottom-up fundamental research process to search for individual securities believed to possess superior risk-return characteristics, taking into account both future growth potential and valuation considerations, as well as macroeconomic and sector level considerations. This strategy is applied in a diversified manner, enabling the Investment Manager to search in all areas of the US stock market, including any market capitalisation size, sector and industry. On an ancillary basis, the

- seeking capital appreciation through a blend style investment in a well-diversified US equity fund.
- planning to hold their investment for the medium to long term.

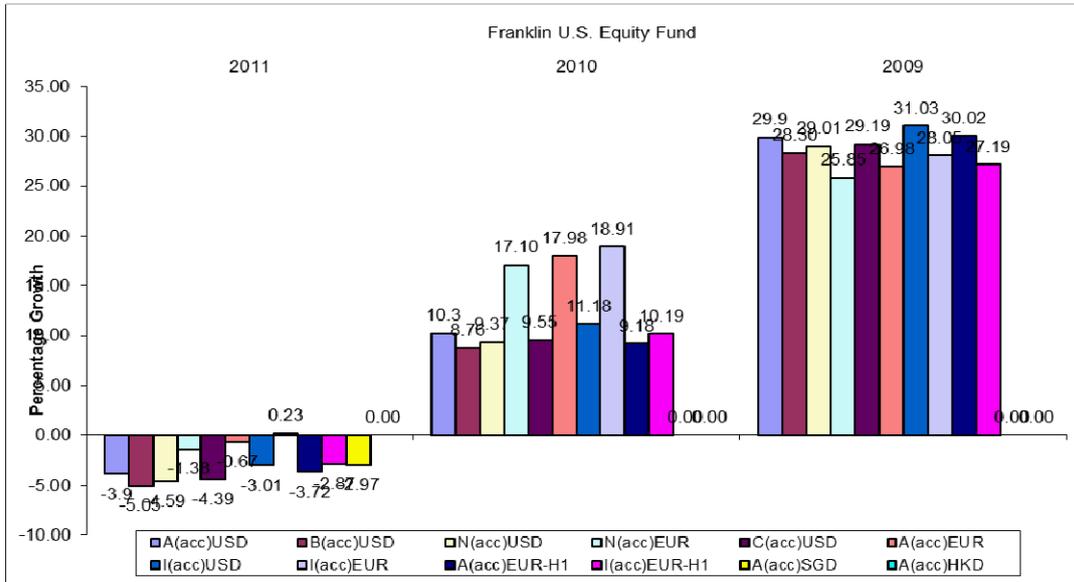
What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Equity risk
- Liquidity risk
- Market risk
- Single Country risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Franklin U.S. Focus Fund

Fund details

<i>Type of Fund:</i>	Equity Fund
<i>Base currency:</i>	USD
<i>Alternative currency:</i>	EUR
<i>Launch date:</i>	15 May 2008
<i>Management charges:</i>	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
<i>Total Expense Ratio:</i>	A(acc) USD: 1.88%; A(acc) EUR-H1: 1.88%; I(acc) USD: 1.02%; I(acc) EUR-H1: 1.02%; N(acc) EUR-H1: 2.63%
<i>Investment Manager:</i>	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund's investment strategy is to primarily invest in a diversified portfolio composed of equity securities of large-capitalisation companies, which are companies similar in size to those in the S&P 500 Index, including common and preferred stocks, which (i) have their registered office in the United States and/or (ii) have their principal business activities in the United States and/or (iii) are holding companies holding principally participations in companies incorporated in the United States. The Fund retains the flexibility to also invest in securities convertible into common stocks, equity securities of non-US large capitalisation companies as well as American Depositary Receipts and American Depositary Shares that are listed on the major US stock exchanges. The Fund generally seeks to maintain a portfolio consisting of securities of approximately 30-40 companies. The Investment Manager employs an active, bottom-up fundamental research process to search for individual securities believed to possess superior risk-return characteristics, taking into account both future growth potential and valuation considerations. This strategy is applied in a diversified manner, enabling the Investment Manager to search in all areas of the US stock market, including any sector and industry. The Investment Manager applies a long-term perspective through market and business cycles. In

order to hedge against market or currency risk and/or for efficient portfolio management, the Fund may enter into derivative transactions, such as forwards and futures contracts, options on such contracts or credit default swaps.

In addition, the Fund may seek investment opportunities in other types of transferable securities, including debt and fixed income securities, and money market instruments.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in a diversified portfolio of US equity securities of large capitalisation companies.
- planning to hold their investment for the medium to long term.

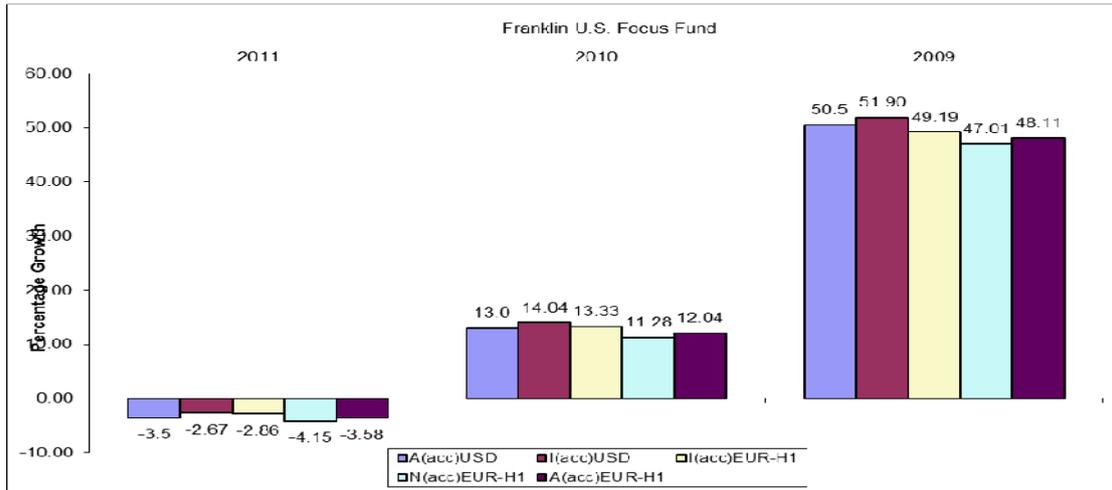
What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Equity risk
- Liquidity risk
- Market risk
- Single Country risk
- Swap Agreements risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Franklin U.S. Government Fund

Fund details

<i>Type of Fund:</i>	Fixed Income Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	SGD, HKD, EUR
<i>Launch date:</i>	28 February 1991
<i>Management charges:</i>	Monthly fee equivalent to 0.65% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.40%.
<i>Total Expense Ratio:</i>	A(acc) USD: 1.29%; A(acc) HKD: 1.29%; A(Mdis) USD: 1.27%; A(Mdis) HKD: 1.29%; A(Mdis) SGD-H1: 1.30%; AX(acc) USD: 1.46%; B(acc) USD: 2.51%; B(Mdis) USD: 2.54%; C(acc) USD: 2.05%; I(Mdis) USD: 0.60%; I(acc) USD: 0.60%; I(acc) EUR-H1: N/A; N(acc) USD: 1.96%; N(Mdis) USD: 1.97%; Z(acc) USD: 0.97%; Z(Mdis) USD: 1.02%
<i>Investment Manager:</i>	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

US government and its agencies.
- planning to hold their investment for the medium to long term.

Investment objective

> Income and safety of principal.

What are the main risks of investing in the Fund?

Investment policy

The Fund seeks to achieve its objective primarily through a policy of investing in debt obligations issued or guaranteed by the US government and its agencies, including purchasing mortgage- and asset-backed securities.

- Class Hedging risk
- Counterparty risk
- Credit risk (US government guaranteed)
- Interest Rate Securities risk
- Liquidity risk
- Market risk
- Mortgage- and Asset-Backed Securities risk
- "Pre-Payment" risk
- Single Country risk

Who should invest in the Fund?

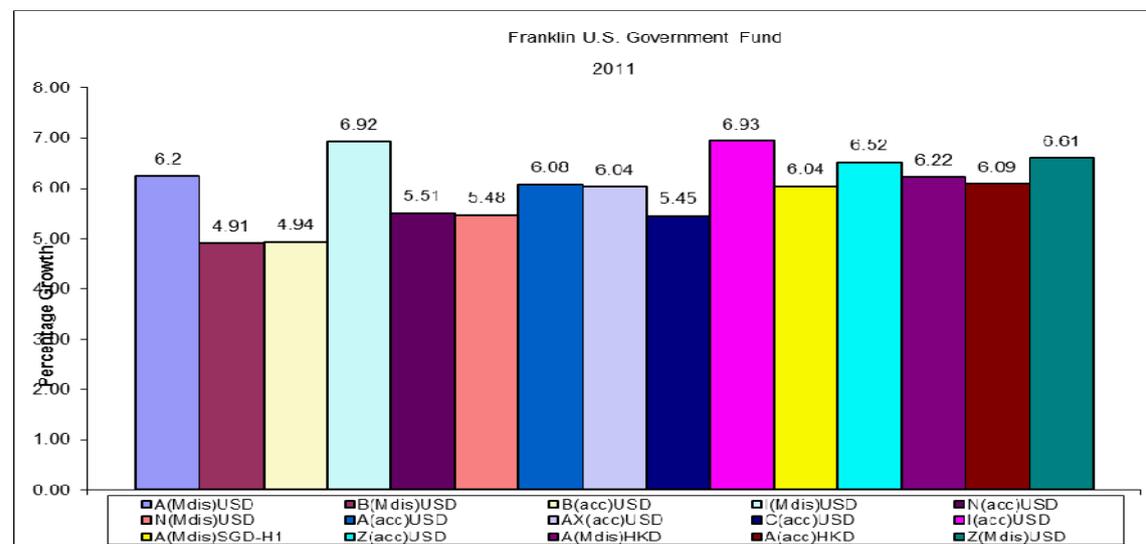
Investors...

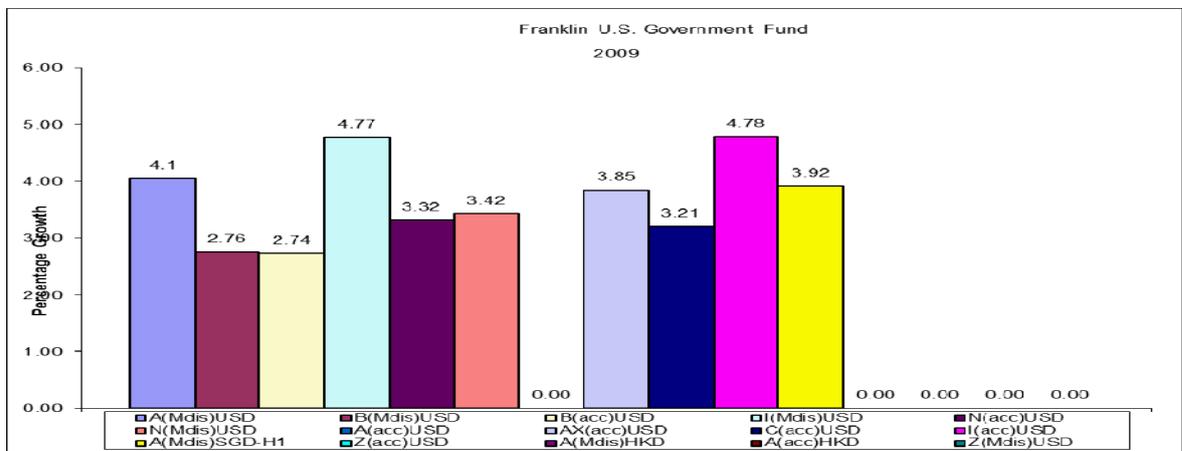
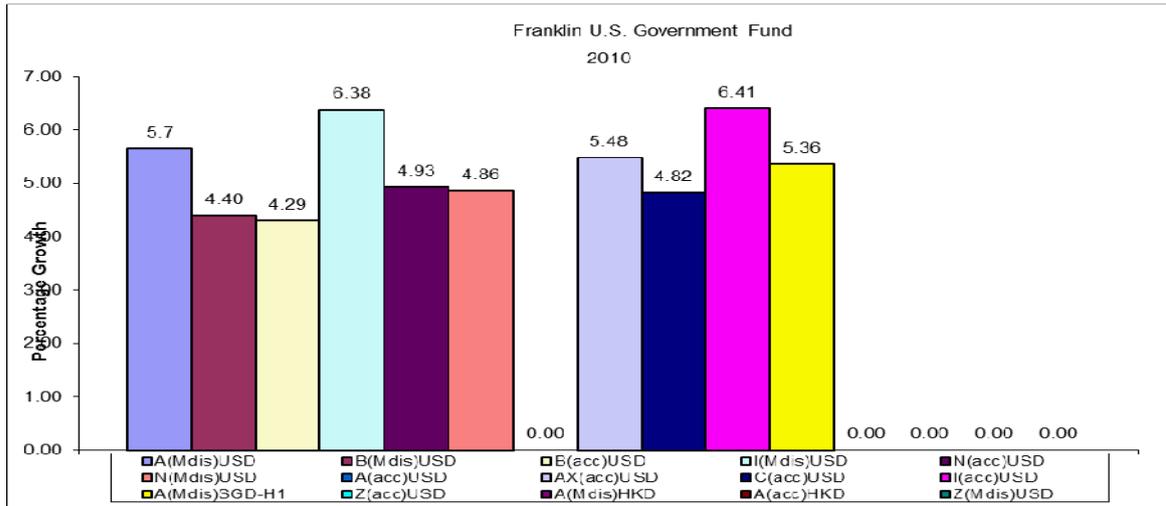
- seeking a degree of safety of initial investment as well as income by investing in debt securities of the

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following charts show the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in these charts.





Franklin U.S. Low Duration Fund*

Fund details

Type of Fund:	Fixed Income Fund
Base currency:	USD
Alternative currency:	EUR
Launch date:	29 August 2003
Management charges:	Monthly fee equivalent to 0.65% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.40%.
Total Expense Ratio:	A(acc) USD: 1.15%; A(Mdis) USD: 1.15%; AX(acc) USD: 1.35%; B(acc) USD: 2.35%; B(Mdis) USD: 2.35%; C(Mdis) USD: 2.05%; I(acc) USD: 0.68%; I(acc) EUR-H1: N/A; N(Mdis) USD: 1.84%
Investment Manager:	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> High level of current income, consistent with prudent investing, while seeking preservation of shareholders' capital.

Investment policy

The Fund uses a wide range of investments to efficiently manage its portfolio and to help reduce investment costs and manage portfolio risks. These investments with a targeted average duration of less than three (3) years primarily include various transferable securities such as government and corporate debt securities and convertible debt securities as well as fixed and adjustable-rate mortgage-backed debt securities (including commercial mortgage-backed securities and collateralised mortgage obligations) and asset-backed debt securities. The Fund can invest in financial derivative instruments, which include inter alia, forwards and futures contracts, options on such contracts, including those on government securities, index-based financial derivatives and swaps such as interest rate swaps, total return swaps, credit default swaps as well as single-name credit default swaps, dealt on either regulated markets or over-the-counter.

The Fund primarily invests in US issuers but may invest up to 25% of its net assets (without taking into account ancillary liquid assets) in non-US issuers and up to 20% of its net assets in non-US

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.

dollar exposure. The Fund may also invest up to 20% of its net assets in low-rated or non-investment grade debt securities.

Who should invest in the Fund?

Investors...

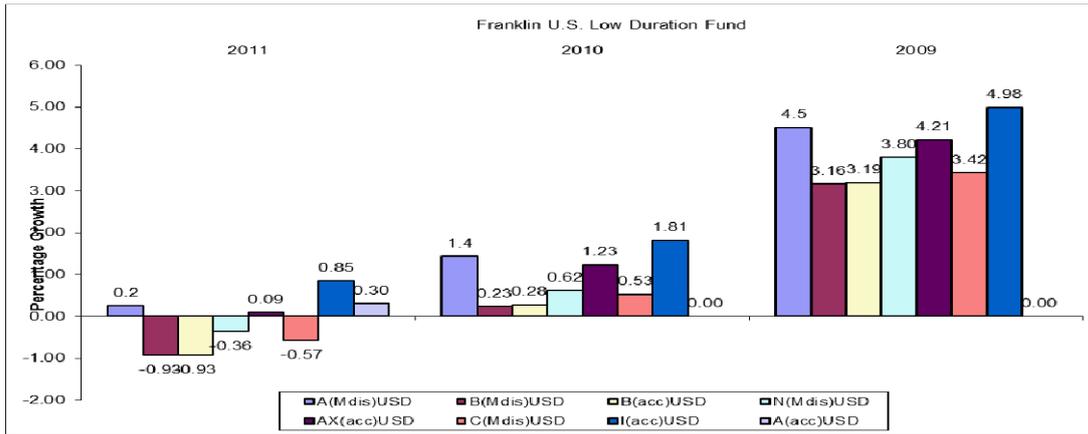
- seeking a high level of income consistent with capital preservation by investing in fixed income securities from US issuers with a duration of less than 3 years.
- planning to hold their investment for the medium term.

What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Credit risk
- Interest Rate Securities risk
- Liquidity risk
- Market risk
- Mortgage- and Asset-Backed Securities risk
- "Pre-Payment" risk
- Single Country risk
- Swap Agreements risk

See the section "Risk Considerations" for a full description of these risks.

*Previously named Franklin U.S. Ultra Short Bond Fund



Franklin U.S. Opportunities Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	USD
Alternative currencies:	EUR, GBP, SGD, CHF, SEK, PLN, HKD
Launch date:	3 April 2000
Management charges:	Monthly fee equivalent to 1.00 % per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I and X Shares. For Class I Shares: 0.70%.
Total Expense Ratio:	A(acc) USD: 1.81%; A(acc) EUR: 1.80%; A(acc) EUR-H1: 1.79%; A(acc) SEK-H1: 1.74%; A(acc) CHF-H1: 1.81%; A(acc) SGD: 1.80%; A(acc) SGD-H1: 1.85%; A(acc) HKD: 1.81%; A(Ydis) GBP: 1.81%; A(Ydis) EUR: 1.81%; B(acc) USD: 3.11%; C(acc) USD: 2.38%; I(acc) USD: 0.96%; I(acc) EUR: 0.96%; I(acc) EUR-H1: 0.95%; I(acc) GBP: N/A; N(acc) USD: 2.55%; N(acc) EUR: 2.55%; N(acc) EUR-H1: 2.57%; N(acc) PLN-H1: 2.57%; X(Ydis) USD: 0.25%; Z(acc) USD: 1.30%
Investment Manager:	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund invests principally in equity securities of US companies demonstrating accelerating growth, increasing profitability, or above-average growth or growth potential as compared with the overall economy. Equity securities generally entitle the holder to participate in a company's general operating results. They include common stocks, convertible securities and warrants on securities.

The Fund principally invests in small, medium, and large-capitalisation companies with strong growth potential across a wide range of sectors. In selecting equity investments, the Investment Manager utilises fundamental, bottom-up research focusing on companies believed to possess sustainable growth characteristics and which meet growth, quality and valuation criteria. The Investment Manager focuses on sectors that have exceptional growth potential and fast-growing, innovative companies within these sectors. In addition, solid management and sound financial records are factors the Investment Manager also considers. Although the Investment Manager searches for investments across a large number of sectors, the Fund, from time to time, may have significant positions in particular sectors such

Past Performance:

The following charts show the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in these charts.

as technology (including electronic technology, technology services, biotechnology and health care technology).

Who should invest in the Fund?

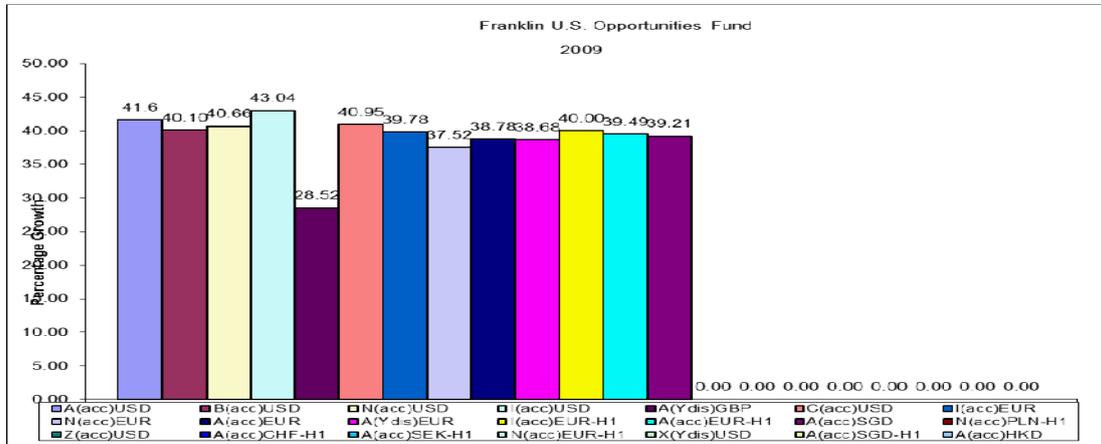
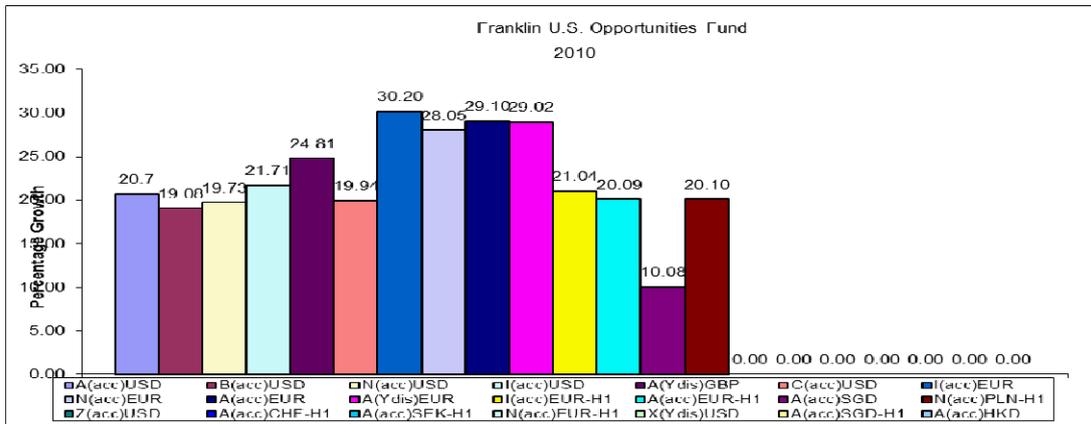
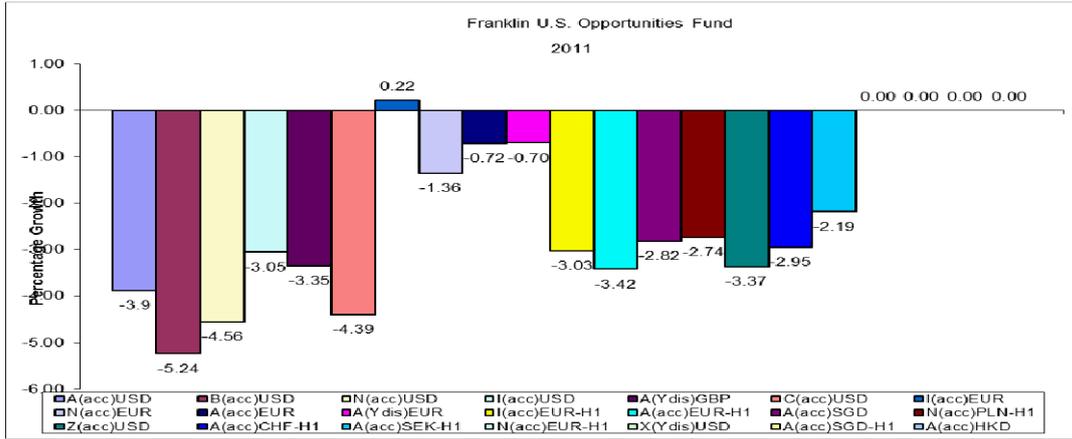
Investors...

- seeking capital appreciation by investing in equity securities (concentrated in equities of US issuers).
- seeking a growth investment in sectors showing above-average growth or growth potential as compared with the overall economy.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Equity risk
- Growth Stocks risk
- Liquidity risk
- Market risk
- Single Country risk
- Small and Mid-Sized Companies risk
- Warrants risk

See the section "Risk Considerations" for a full description of these risks.



Franklin U.S. Small-Mid Cap Growth Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	USD
Launch date:	29 December 2000
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
Total Expense Ratio:	A(acc): 1.86%; B(acc): 3.13%; C(acc): 2.43%; I(acc): 0.98%; N(acc): 2.60 %
Investment Manager:	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund principally invests its net assets in equity securities of US small and medium-capitalisation companies. In selecting equity investments, the Investment Manager utilises fundamental, bottom-up research focusing on companies believed to possess sustainable growth characteristics and which meet growth, quality and valuation criteria. For this Fund, small-cap companies are companies within the market capitalisation range of companies in the Russell 2500™ Index, at the time of purchase, and mid-cap companies are companies within the market capitalisation range of companies in the Russell Midcap® Index, at the time of purchase. In addition, the Fund may invest in equity securities of larger companies.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in US small- and mid-cap growth companies.
- planning to hold their investment for the medium to long term.

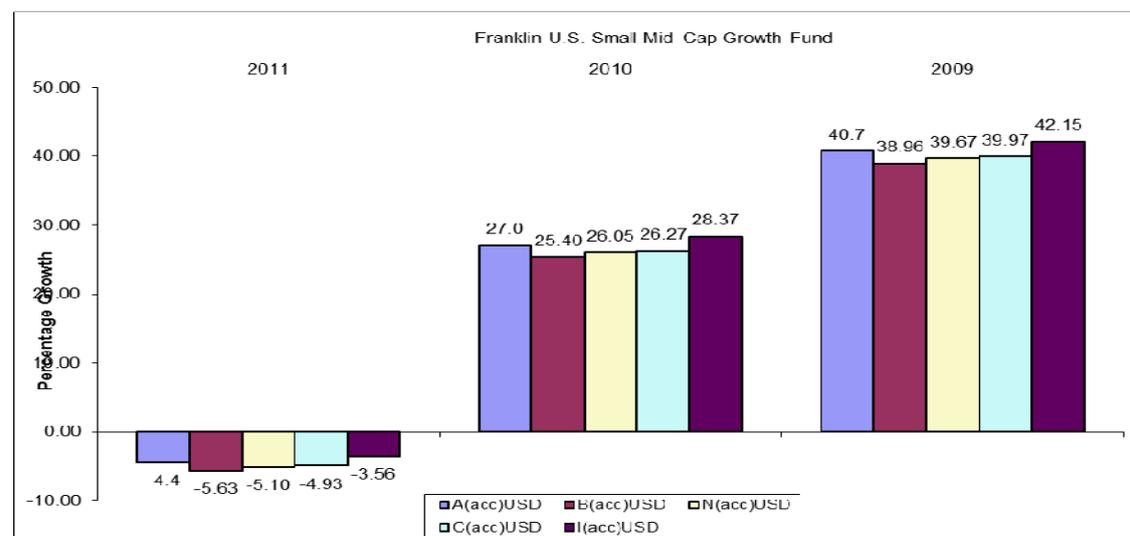
What are the main risks of investing in the Fund?

- Counterparty risk
- Equity risk
- Growth Stocks risk
- Liquidity risk
- Market risk
- Single Country risk
- Small and Mid-Sized Companies risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Franklin U.S. Total Return Fund

Fund details

Type of Fund:	Fixed Income Fund
Base currency:	USD
Launch date:	29 August 2003
Management charges:	Monthly fee equivalent to 0.75% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.55%.
Total Expense Ratio:	A(acc): 1.20%; A(Mdis): 1.20%; B(acc): 2.60%; C(Mdis): 2.19%; I(acc): 0.84%; I(Mdis): 0.83%; N(Mdis): 1.90%
Investment Manager:	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

- > Primary objective: high current income, consistent with preservation of capital.
- > Secondary objective: capital appreciation over the long term.

Investment policy

The Fund uses a wide range of investments to efficiently manage the portfolio of investments to help reduce investment costs and manage portfolio risks. These investments primarily include various transferable securities such as government, corporate and mortgage-backed as well as asset-backed debt securities and convertible securities. The Fund may use various financial derivative instruments for investment purposes including inter alia, forwards and futures contracts, options on such contracts, including those on government securities, index-based financial derivatives and swaps such as interest rate swaps, total return swaps, credit default swaps as well as single name credit default swaps, dealt on either regulated markets or over-the-counter.

The Fund primarily invests in US issuers but may invest up to 25% of its net assets (without taking into account ancillary liquid assets) in non-US issuers and up to 20% of its net assets in non-US dollar exposure. Up to 20% of its net assets may also be invested in low-rated or non-investment grade debt securities and up to 10% of its net assets in units of UCITS and other UCIs.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.

Who should invest in the Fund?

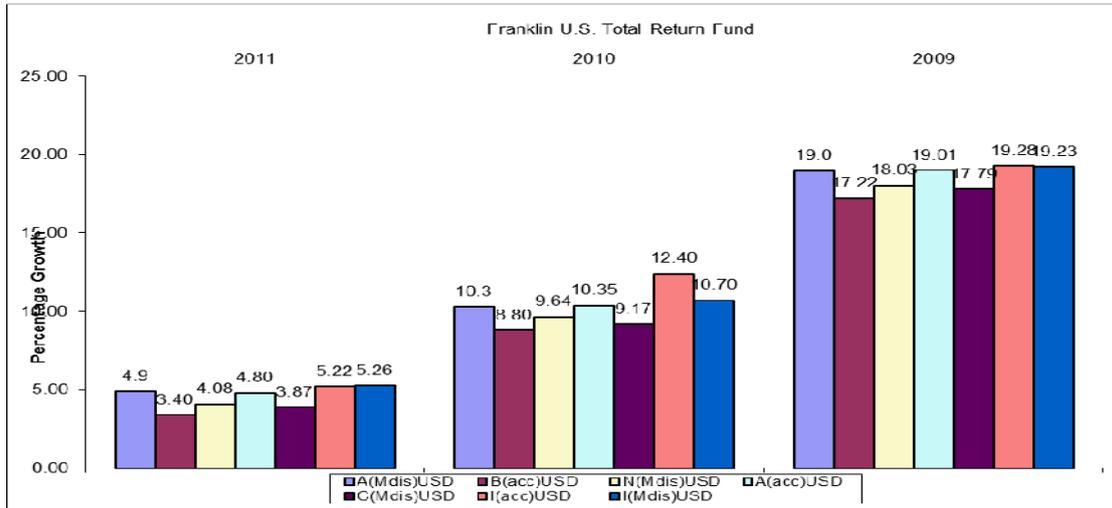
Investors...

- seeking a high level of income and capital preservation, and to a lesser extent, capital growth by investing in fixed income securities of the US government or corporate issuers.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Counterparty risk
- Credit risk
- Credit-Linked Securities risk
- Derivative risk
- Interest Rate Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Mortgage- and Asset-Backed Securities risk
- Mortgage Dollar Roll risk
- "Pre-Payment" risk
- Single Country risk
- Swap Agreements risk

See the section "Risk Considerations" for a full description of these risks.



Franklin World Perspectives Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	USD
Alternative currencies:	EUR, GBP
Launch date:	14 October 2008
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I and W Shares. For Class I Shares: 0.70%. For Class W Shares: up to 2.00%.
Total Expense Ratio:	A(acc) USD: 1.85%; A(acc) EUR: 1.85%; A(Ydis) GBP: 1.85%; I(acc) USD: 1.00%; I(acc) EUR: 0.99%; N(acc) USD: 2.59%; W(acc) GBP: N/A; Z(acc) GBP: N/A
Investment Manager:	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund seeks to achieve its objective by investing in equity and equity-related transferable securities (including participatory notes) across the world. The Investment Manager and the Investment Co-Managers, located in various countries around the globe, develop local portfolios of securities with the intention to outperform the relevant market of each region. The Fund's exposure to various regions and markets may vary from time to time according to the Investment Manager's opinion as to the prevailing conditions and prospects for these markets. The Fund may also invest in financial derivative instruments which may include, inter alia, swaps such as credit default swaps or total return swaps, forwards, futures contracts, as well as options on such contracts dealt on either regulated markets or over-the-counter.

In choosing equity investments, the Investment Manager focuses on the market price of a company's securities relative to its evaluation of the company's long-term earnings, asset value and cash flow potential.

The Fund invests in equity securities in developed, Emerging and Frontier Markets across the entire market capitalisation spectrum, and in companies listed on the stock markets in regions/countries that may include but are not limited to Africa, Australia, North America: United States, Canada; Latin America: Brazil; Europe; Asia: Japan, Korea, China, India; and the Middle East, with the benefit of local knowledge and growth-oriented investment style.

The Frontier Markets countries are smaller, less developed and less accessible Emerging Markets countries, but with "investable" equity markets and include those defined as Frontier Markets by the International Finance Corporation as well as included in Frontier Markets related indices, for example Bahrain, Bulgaria, Kazakhstan, Nigeria, Pakistan, Vietnam, etc. The Fund may also invest up to 10% of its net assets in units of UCITS and other UCIs.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in securities across sectors or market capitalisation ranges capable of outperforming the markets through economic cycles in all "investible" markets globally.
- planning to hold their investment for the medium to long term.

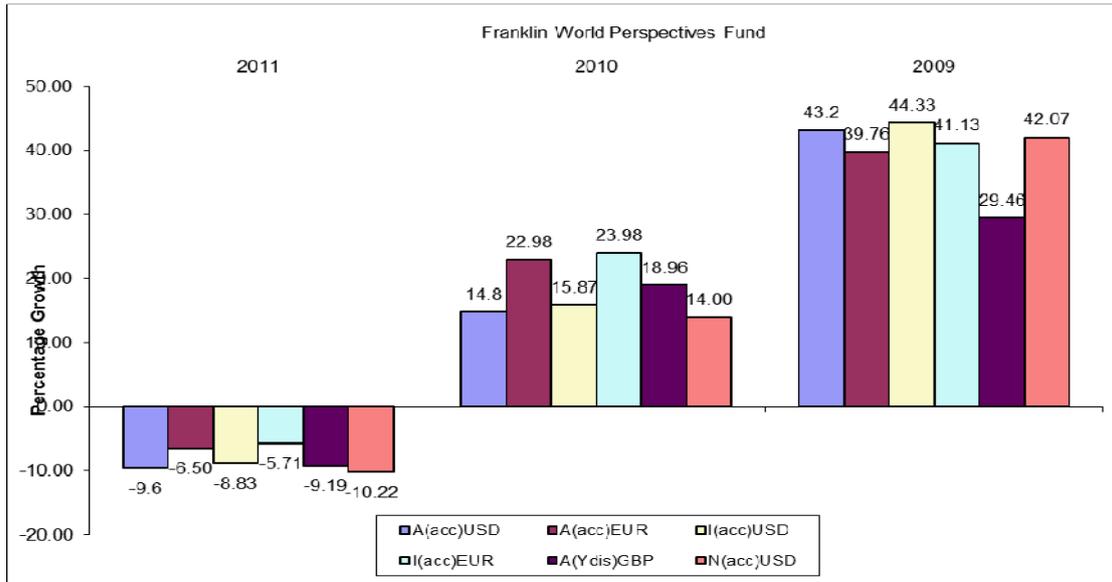
What are the main risks of investing in the Fund?

- Counterparty risk
- Derivative risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Frontier Markets risk
- Growth Stocks risk
- Liquidity risk
- Market risk
- Non-Regulated Markets risk
- Participatory Notes risk
- Small and Mid-Sized Companies risk
- Swap Agreements risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Franklin Mutual Beacon Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	USD
Alternative currencies:	EUR, SGD
Launch date:	7 July 1997
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
Total Expense Ratio:	A(acc) USD: 1.82%; A(acc) EUR: 1.81%; A(acc) EUR-H1: 1.77%; A(acc) SGD: 1.82%; A(Ydis) USD: 1.82%; B(acc) USD: 3.12%; C(acc) USD: 2.40%; I(acc) USD: 0.96%; I(acc) EUR: 0.97%; I(acc) EUR-H1: 0.97%; N(acc) USD: 2.57%; N(acc) EUR: 2.55%; N(acc) EUR-H1: 2.56%; Z(acc) USD: 1.34%
Investment Manager:	Franklin Mutual Advisers, LLC (Short Hills, NJ, USA)

What does the Fund invest in?

Investment objective

- > Primary objective: capital appreciation.
- > Secondary objective: income.

Investment policy

The Fund pursues its objectives principally through investments in common stock, preferred stock, and debt securities convertible or expected to be convertible into common or preferred stock. No more than 20% of the Fund's net assets will generally be invested in securities of non-US issuers. The opinions of the Investment Manager are based upon analysis and research, taking into account, among other factors, the relationship of book value (after taking into account accounting differences among countries) to market value, cash flow, multiple of earnings of comparable securities, creditworthiness of issuers, as well as the value of collateral securing a debt obligation, with the objective of purchasing equity and debt securities at below their intrinsic value.

The Fund may also seek to invest in the securities of companies involved in mergers, consolidations, liquidations and reorganisations or as to which there exist tender or exchange offers, and may participate in such transactions. To a lesser extent, the Fund may also purchase debt securities, both secured and unsecured, of companies involved in reorganisation or financial restructuring, including low-rated and non-investment grade securities.

The Investment Manager may take a temporary defensive cash position when it believes the securities trading markets or the economies of countries where the Fund invests are experiencing excessive volatility or prolonged general decline or other adverse conditions.

The Fund may invest in financial derivative instruments, which may include, but are not limited

to, futures, options, contracts for difference, forward contracts on financial instruments and options on such contracts, swaps such as credit default swaps, synthetic equity swaps or total return swaps. The Fund may, through the use of financial derivative instruments, hold covered short positions provided that the long positions held by the Fund are sufficiently liquid to cover, at any time, its obligations resulting from its short positions.

Who should invest in the Fund?

Investors...

- seeking capital appreciation and to a lesser extent income by investing in undervalued companies based primarily in the US.
- planning to hold their investment for the medium to long term.

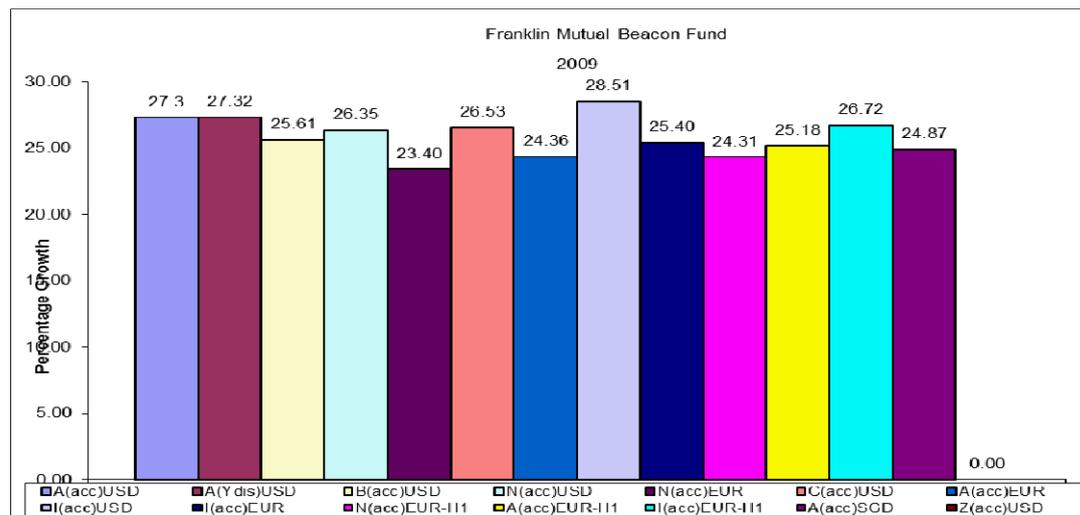
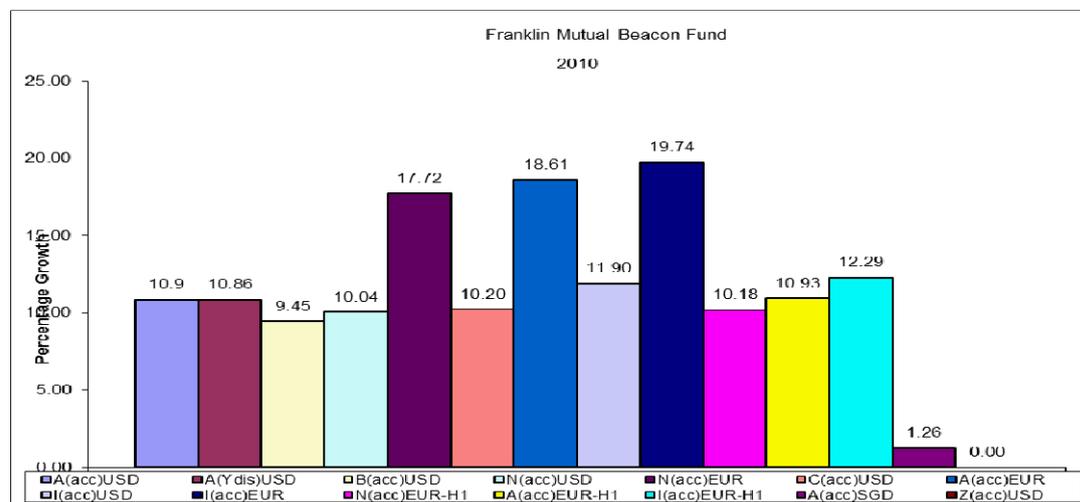
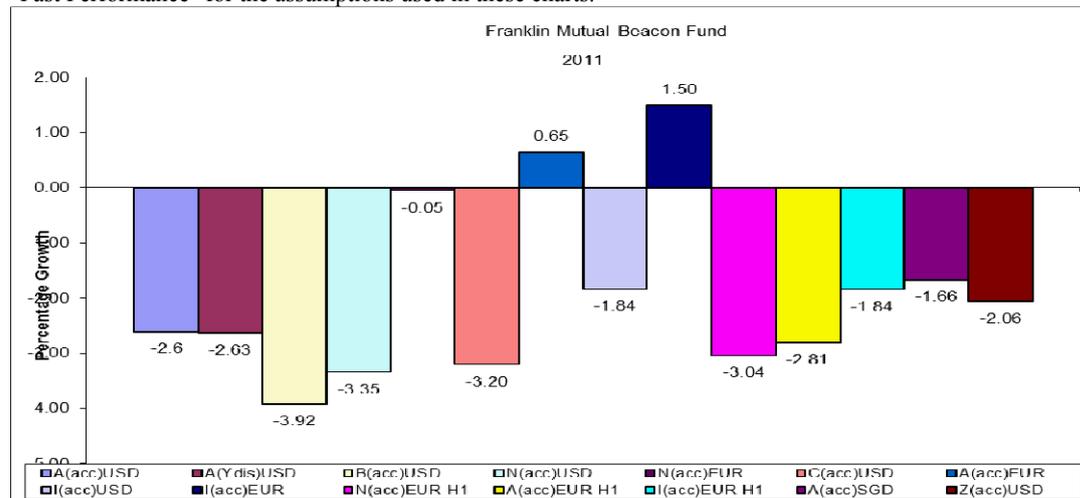
What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Credit risk
- Defaulted Debt Securities risk
- Derivative risk
- Equity risk
- Foreign Currency risk
- Interest Rate Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Repurchase Transactions and Securities Lending risk
- Restructuring Companies risk
- Swap Agreements risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following charts show the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in these charts.



Franklin Mutual Euroland Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	EUR
Launch date:	14 October 2008
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares.
Total Expense Ratio:	A(acc) EUR: 1.93%; N(acc) EUR: 2.68%;
Investment Manager:	Franklin Mutual Advisers, LLC (Short Hills, NJ, USA)

What does the Fund invest in?

Investment objective

- > Primary objective: capital appreciation, which may occasionally be short term.
- > Secondary objective: income.

Investment policy

The Fund principally invests in transferable securities such as equity securities and debt securities convertible or expected to be convertible into common or preferred stock of companies incorporated or having their principal activities in Euroland countries (i.e. countries having adopted the euro as their national currency, the member states of the European Monetary Union). The Fund may additionally invest into equity (common stocks, preferred stocks and convertible securities) or debt securities of other issuers that the Investment Manager believes are available at prices less than their actual value based on certain recognised or objective criteria (intrinsic value). To ensure eligibility for the French Plan d'Épargne en Actions (PEA), the Fund invests at least 75% of its net assets in equity securities issued by companies which have their head office in the European Union. The Fund currently intends to invest principally in securities of issuers in Western Europe. The Fund normally invests in securities from at least five different countries, although, from time to time, it may invest all of its net assets in a single country.

The Fund may also seek to invest in the securities of companies involved in mergers, consolidations, liquidations and reorganisations or as to which there exist tender or exchange offers, and may participate in such transactions. To a lesser extent, the Fund may also purchase debt securities, both secured and unsecured, of companies involved in reorganisation or financial restructuring, including low-rated and non-investment grade securities.

The Investment Manager may take temporary defensive cash position when it believes the securities trading markets or the economies of countries where the Fund invests are experiencing excessive volatility or prolonged general decline or other adverse conditions.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.

The Fund may invest in financial derivative instruments, which may include, but are not limited to, futures, options, contracts for difference, forward contracts on financial instruments and options on such contracts, swaps such as credit default swaps, synthetic equity swaps or total return swaps. The Fund may, through the use of financial derivative instruments, hold covered short positions provided that the long positions held by the Fund be sufficiently liquid to cover, at any time, its obligations resulting from its short positions.

Who should invest in the Fund?

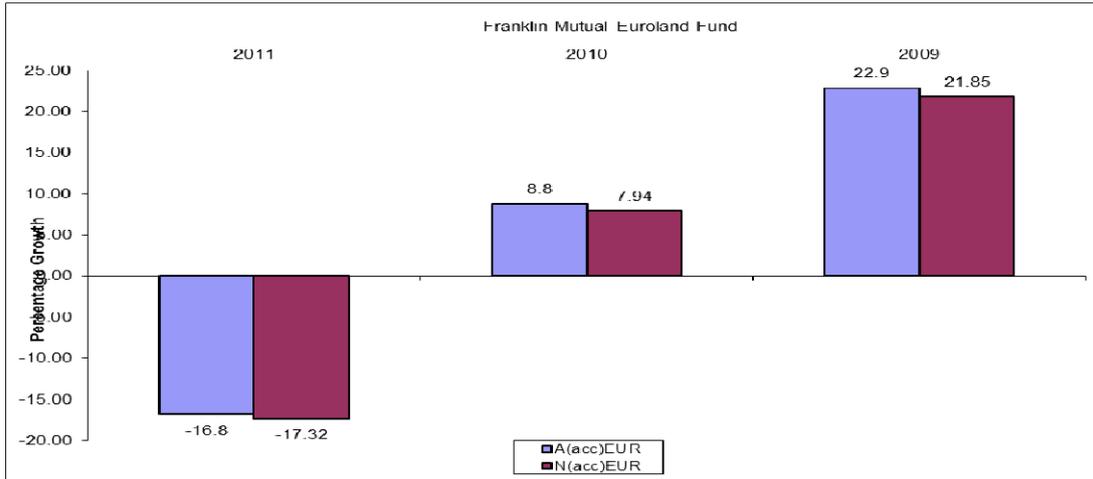
Investors...

- seeking capital appreciation, which may occasionally be short term and to a lesser extent income by investing in undervalued companies located in member countries of the European Monetary Union;
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Counterparty risk
- Credit risk
- Defaulted Debt Securities risk
- Derivative risk
- Equity risk
- Interest Rate Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Regional Market risk
- Repurchase Transactions and Securities Lending risk
- Restructuring Companies risk
- Swap Agreements risk

See the section "Risk Considerations" for a full description of these risks.



Franklin Mutual European Fund

Fund details

<i>Type of Fund:</i>	Equity Fund
<i>Base currency:</i>	EUR
<i>Alternative currencies:</i>	GBP, USD, SGD, CHF, SEK
<i>Launch date:</i>	3 April 2000
<i>Management charges:</i>	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
<i>Total Expense Ratio:</i>	A(acc) EUR: 1.82%; A(acc) CHF-H1: 1.81%; A(acc) USD: 1.82%; A(acc) SGD: 1.84%; A(Ydis) EUR: 1.82%; A(Ydis) GBP: 1.82%; A(acc) SEK: 1.84%; B(acc) USD: 3.12%; B(Ydis) EUR: 3.11%; C(acc) USD: 2.40%; C(acc) EUR: 2.40%; I(acc) EUR: 0.97%; I(Ydis) EUR: 0.95%; N(acc) EUR: 2.56%; N(acc) USD: 2.56%; Z(acc) USD: 1.34%; Z(acc) EUR: 1.34%
<i>Investment Manager:</i>	Franklin Mutual Advisers, LLC (Short Hills, NJ, USA)

What does the Fund invest in?

Investment objective

- > Primary objective: capital appreciation, which may occasionally be short term.
- > Secondary objective: income.

Investment policy

The Fund principally invests in equity securities and debt securities convertible or expected to be convertible into common or preferred stock of companies incorporated or having their principal activities in European countries that the Investment Manager believes are available at prices less than their actual value based on certain recognised or objective criteria (intrinsic value). These include common stocks, preferred stocks and convertible securities. Under normal market conditions, the Fund invests its net assets predominantly in the securities of issuers organised under the laws of or whose principal business operations are located in European countries. For purposes of the Fund's investments, European countries means all of the countries that are members of the European Union, Eastern and Western Europe and those regions of Russia and the former Soviet Union that are considered part of Europe. The Fund currently intends to invest principally in securities of issuers in Western Europe. The Fund normally invests in securities from at least five different countries, although, from time to time, it may invest all of its net assets in a single country. The Fund may invest up to 10% of its net assets in securities of non-European issuers.

The Fund may also seek to invest in the securities of companies involved in mergers, consolidations, liquidations and reorganisations or as to which there exist tender or exchange offers, and may participate in such transactions. To a lesser extent, the Fund may also purchase debt securities, both secured and unsecured, of companies involved in reorganisation or financial restructuring, including low-rated and non-investment grade securities.

The Investment Manager may take temporary defensive cash position when it believes the securities trading markets or the economies of countries where the Fund invests are experiencing excessive volatility or prolonged general decline or other adverse conditions.

The Fund may invest in financial derivative instruments, which may include, but are not limited to, futures, options, contracts for difference, forward contracts on financial instruments and options on such contracts, swaps such as credit default swaps, synthetic equity swaps or total return swaps. The Fund may, through the use of financial derivative instruments, hold covered short positions provided that the long positions held by the Fund be sufficiently liquid to cover, at any time, its obligations resulting from its short positions.

Who should invest in the Fund?

Investors...

- seeking capital appreciation, which may occasionally be short term and to a lesser extent, income by investing in undervalued companies of any European country.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

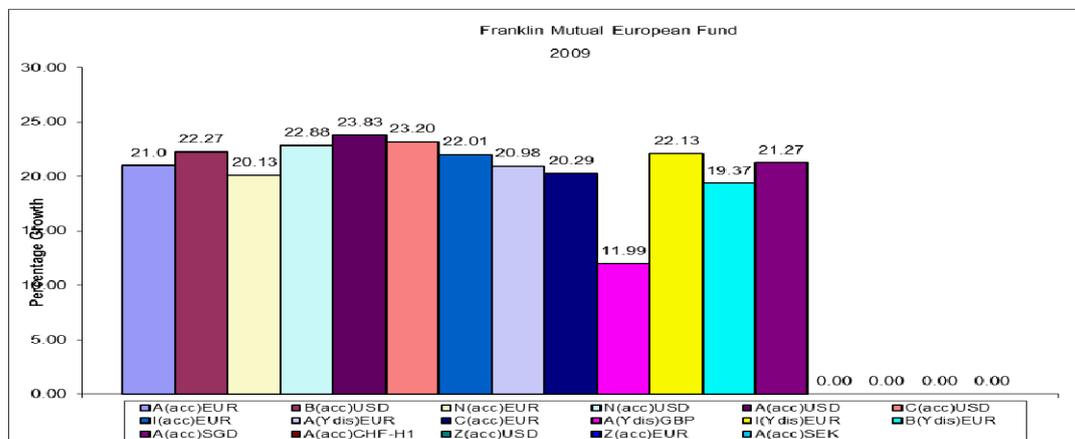
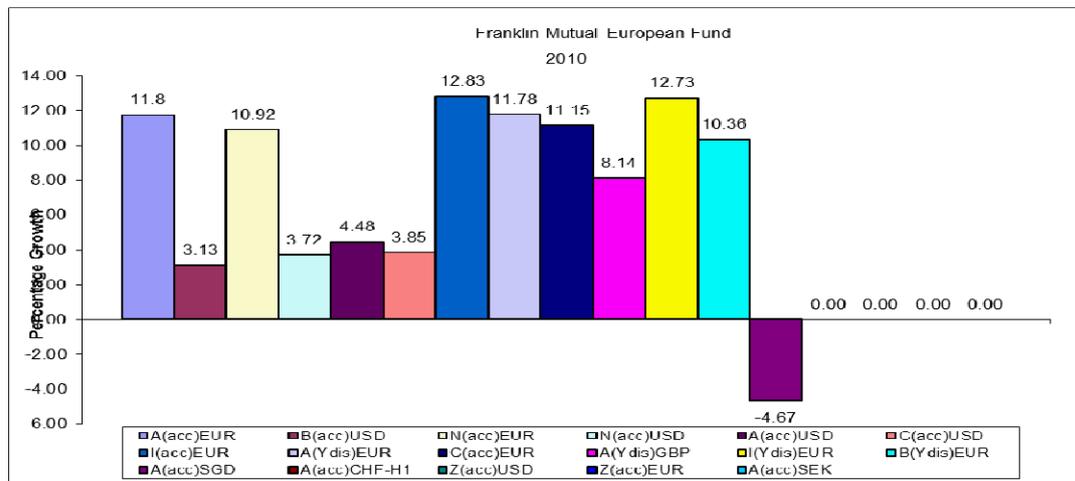
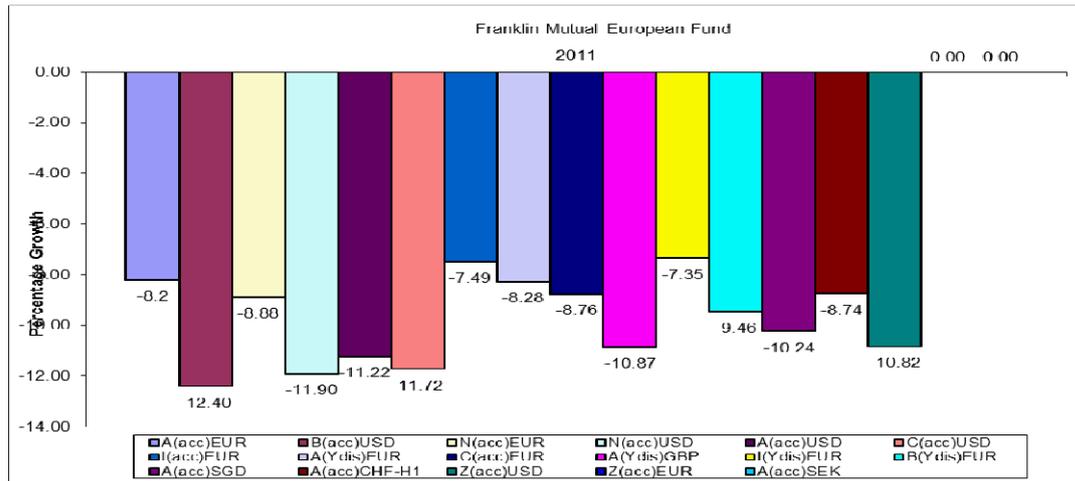
- Class Hedging risk
- Counterparty risk
- Credit risk
- Defaulted Debt Securities risk
- Derivative risk
- Equity risk
- Foreign Currency risk
- Interest Rate Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Regional Market risk

- Repurchase Transactions and Securities Lending risk
- Restructuring Companies risk
- Russian and Eastern European Markets risk
- Swap Agreements risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following charts show the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in these charts.



Franklin Mutual Global Discovery Fund

Fund details

<i>Type of Fund:</i>	Equity Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	EUR, GBP, CHF
<i>Launch date:</i>	25 October 2005
<i>Management charges:</i>	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
<i>Total Expense Ratio:</i>	A(acc) USD: 1.83%; A(acc) EUR: 1.83%; A(acc) EUR-H2: 1.83%; A(acc) CHF-H1: 1.85%; A(Ydis) EUR: 1.83%; A(Ydis) GBP: 1.84%; B(acc) USD: 3.13%; C(acc) USD: 2.40%; I(acc) USD: 0.97%; I(acc) EUR: 0.96%; I(acc) EUR-H2: 0.97%; N(acc) USD: 2.57%; N(acc) EUR: 2.57%; N(acc) EUR-H2: 2.56%; Z(acc) USD: 1.34%
<i>Investment Manager:</i>	Franklin Mutual Advisers, LLC (Short Hills, NJ, USA)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund pursues its objective principally through investments 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 value based on certain recognised or objective criteria (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.

The Fund may also seek to invest in the securities of companies involved in mergers, consolidations, liquidations and reorganisations or as to which there exist tender or exchange offers, and may participate in such transactions. To a lesser extent, the Fund may also purchase debt securities, both secured and unsecured, of companies involved in reorganisation or financial restructuring, including low-rated and non-investment grade securities.

The Investment Manager may take a temporary defensive cash position when it believes the securities trading markets or the economies of countries where the Fund invests are experiencing excessive volatility, a prolonged general decline or other adverse conditions.

The Fund may invest in financial derivative instruments, which may include, but are not limited to, futures, options, contracts for difference, forward contracts on financial instruments and options on such contracts, swaps such as credit default swaps, synthetic equity swaps or total return swaps. The Fund may, through the use of financial derivative instruments, hold covered short positions provided that the long positions held by the Fund be

sufficiently liquid to cover, at any time, its obligations resulting from its short positions.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in undervalued companies worldwide.
- planning to hold their investment for the medium to long term.

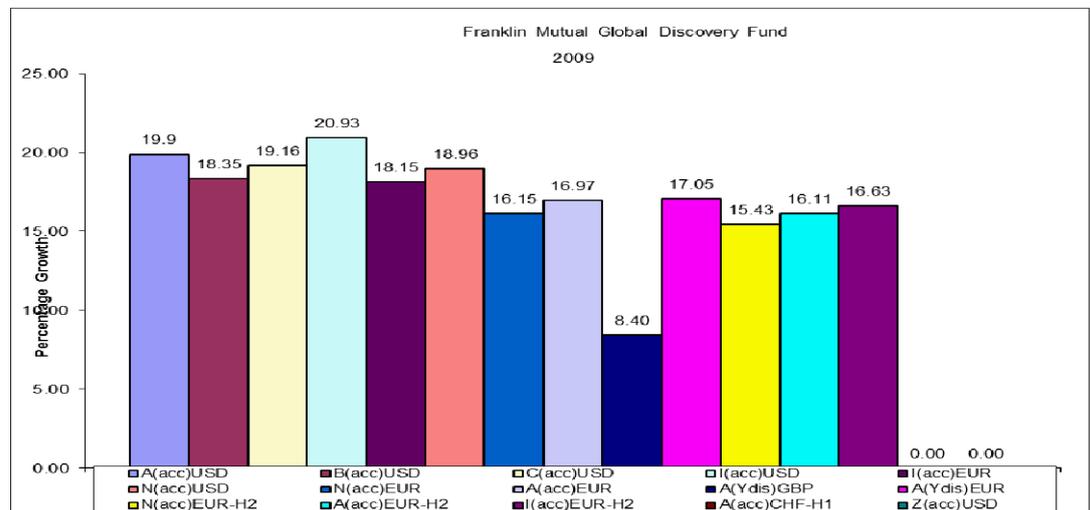
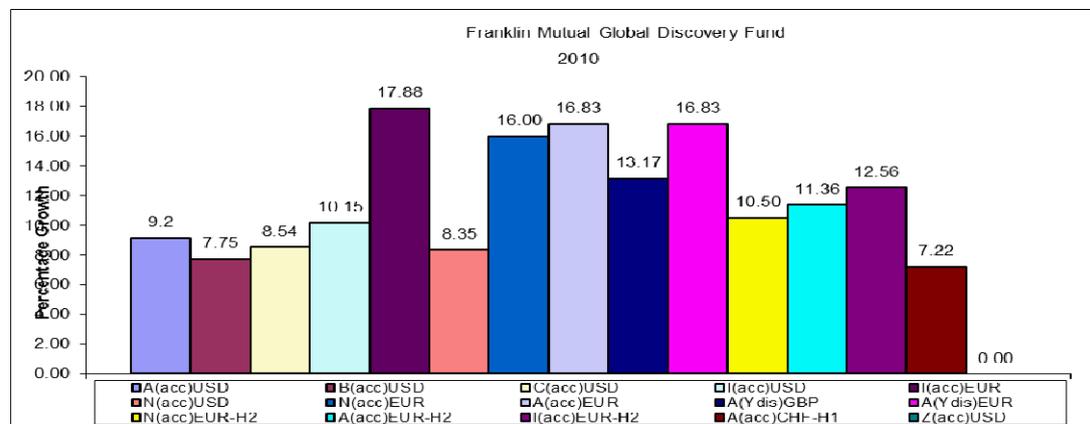
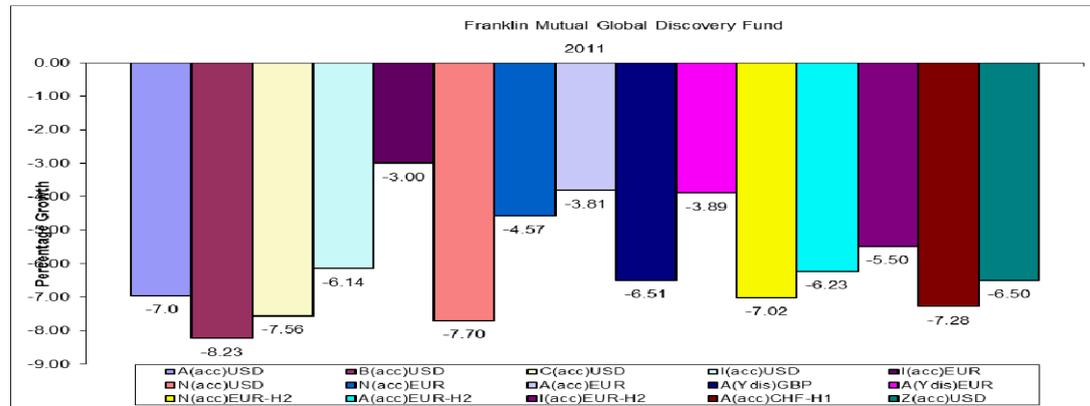
What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Credit risk
- Defaulted Debt Securities risk
- Derivative risk
- Equity risk
- Foreign Currency risk
- Interest Rate Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Repurchase Transactions and Securities Lending risk
- Restructuring Companies risk
- Swap Agreements risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following charts show the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in these charts.



Franklin Templeton Global Allocation Fund

Fund details

Type of Fund:	Balanced Fund
Base currency:	USD
Alternative currencies:	EUR, GBP, SEK, CHF
Launch date:	29 July 2011
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
Total Expense Ratio:	A(acc) CHF-H1: 1.79%; A(acc) EUR: 1.77%; A(acc) EUR-H1: 1.78%; A(acc) USD: 1.77%; A(Qdis) GBP: 1.77%; A(Ydis) EUR: 1.77%; A(Ydis) EUR-H1: 1.78%; I(acc) EUR: 0.98%; I(acc) EUR-H1: 0.99%; I(acc) USD: 0.98%; I(Ydis) EUR-H1: 0.99%; N(acc) EUR: 2.51%; N(acc) SEK-H1: 2.52%; N(acc) USD: 2.51%; Z(acc) USD: 1.28%
Investment Manager:	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> To maximise total returns consisting of capital appreciation and income.

Investment policy

Under normal market conditions, the Fund seeks to achieve its investment objective by investing in a diversified portfolio of equity and fixed income securities supplemented by a tactical investment strategy which may include structured products, cash and financial derivative instruments designed to allow the Fund to adjust its exposure to asset classes, geographic regions, currencies and market sectors.

The Fund is structured as a multi-manager fund. The Investment Manager is responsible for monitoring the Fund's overall investment performance and for re-balancing the Fund's portfolio allocation. The Investment Manager makes an allocation of net assets to investment strategies managed independently by Investment Co-Managers of Franklin Templeton Investments selected by the Investment Manager. The allocation to asset classes and investment strategies is at the discretion of the Investment Manager and may change over time.

The Fund primarily invests in equity securities of companies of any market capitalisation located anywhere in the world, including Emerging Markets as well as debt securities issued by government, government-related and/or corporate entities worldwide as well as debt obligations issued by supranational entities organised or supported by several national governments, such as the International Bank for Reconstruction and Development or the European Investment Bank.

The Fund may invest in securities of companies involved in mergers, consolidations, liquidations and reorganisations or as to which there exist tender or exchange offers, and may participate in such transactions. It may also invest in low-rated, non-investment grade and defaulted debt securities of various issuers, in fixed or floating rate securities, either directly or through regulated investment funds (subject to the limits indicated below).

The Fund may use various financial derivative instruments for hedging purposes as well as for investment purposes to obtain exposure to various market sectors, selected interest rates, currencies or securities. These financial derivative instruments may be dealt on either regulated markets or over-the-counter, and may include, inter alia, swaps (such as credit default swaps or total return swaps), forwards and cross forwards, futures contracts (including index futures and those on government securities), as well as options.

The Fund may also invest in securities or structured products (such as participatory notes) where the security is linked to or derives its value from another security or currencies of any country. The Fund may seek exposure to commodities through the use of cash-settled structured products and exchange-traded notes. The Fund may also purchase mortgage- and asset-backed securities and invest up to 10% of its net assets in units of UCITS and other UCIs.

Who should invest in the Fund?

Investors...

- seeking capital appreciation and income by investing in a diversified portfolio of equity and debt securities worldwide and additionally in a tactical investment strategy.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Class Hedging risk

- Credit risk
- Derivative risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Interest Rate Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk

- Counterparty risk
- Participatory Notes risk
- Restructuring Companies risk
- Structured Notes risk
- Swap Agreements risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

N/A

Franklin Templeton Global Equity Strategies Fund

Fund details

<i>Type of Fund:</i>	Equity Fund
<i>Base currency:</i>	USD
<i>Alternative currency:</i>	EUR
<i>Launch date:</i>	15 May 2008
<i>Management charges:</i>	Monthly fee equivalent to 1.25% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares.
<i>Total Expense Ratio:</i>	A(acc) USD: 2.23%; A(acc) EUR: 2.23%; A(acc) EUR-H1: 2.24%; A(Ydis) USD: 2.23%; A(Ydis) EUR: 2.23%
<i>Investment Manager:</i>	Franklin Mutual Advisers, LLC (Short Hills, NJ, USA), Franklin Advisers, Inc. (San Mateo, CA, USA), Templeton Asset Management Ltd. (Singapore), Templeton Global Advisors Limited (Nassau, Bahamas) and Franklin Templeton Investment Management Limited (Edinburgh, UK)

What does the Fund invest in?

Investment objective

> Capital appreciation through a diversified, value-oriented approach.

Investment policy

The Fund generally invests in equity securities of companies of any market capitalisation located anywhere in the world, including Emerging Markets. The Fund also seeks to invest in the securities of companies involved in mergers, consolidations, liquidations and reorganisations or as to which there exist tender or exchange offers, and may participate in such transactions. It may also invest in debt securities from corporate issuers worldwide, in low-rated and non-investment grade debt securities of various issuers, in fixed or floating rate securities as well as in financial derivative instruments. These financial derivative instruments may include, inter alia, forwards and futures contracts, options on such contracts, including those on government securities dealt on either regulated markets or over-the-counter, swaps such as total return swaps or credit default swaps.

The Fund makes an allocation of its net assets between three different investment strategies followed independently by the Templeton Global, Templeton Emerging Markets and Mutual Series management groups, with the aim to maintain an equal exposure to two global equity strategies and one Emerging Market equity strategy, subject to appropriate monitoring and rebalancing. Such investment strategies are already followed broadly by Franklin Templeton Investments in respect of certain of its US-registered funds and focus respectively on worldwide equity securities selling at prices unusually low relative to the Investment Managers'

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.

appraisal of value as well as on equity viewed as undervalued by the Investment Manager or convertible debt securities including securities of companies involved in mergers, consolidations, liquidations or other reorganisations.

Who should invest in the Fund?

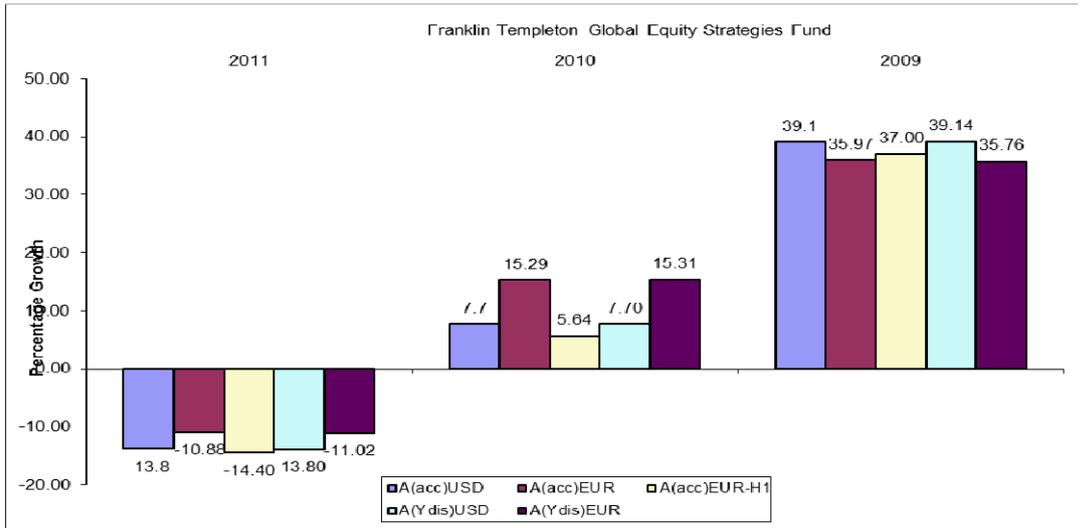
Investors...

- seeking capital appreciation by investing in equity securities worldwide and benefiting from 3 investment strategies.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Credit risk
- Derivative risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Interest Rate Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Restructuring Companies risk
- Swap Agreements risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.



Franklin Templeton Global Fundamental Strategies Fund

Fund details

<i>Type of Fund:</i>	Balanced Fund
<i>Base currency:</i>	USD
<i>Alternative Currencies:</i>	EUR, PLN
<i>Launch date:</i>	25 October 2007
<i>Management charges:</i>	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
<i>Total Expense Ratio:</i>	A(acc) USD: 1.86%; A(acc) EUR: 1.86%; A(Ydis) USD: 1.86%; A(Ydis) EUR: 1.87%; A(acc) EUR-H1: 1.87%; I(acc) EUR: 1.00%; N(acc) EUR-H1: 2.63%; N(acc) PLN-H1: 2.63%
<i>Investment Managers:</i>	Franklin Mutual Advisers, LLC (Short Hills, NJ, USA), Franklin Advisers, Inc. (San Mateo, CA, USA), Templeton Global Advisors Limited (Nassau, Bahamas) and Franklin Templeton Investment Management Limited (Edinburgh, UK)

What does the Fund invest in?

Investment objective

- > Primary objective: capital appreciation through a diversified, value-oriented approach.
- > Secondary objective: income.

Investment policy

The Fund generally invests in equity securities of companies of any market capitalisation located anywhere in the world, including Emerging Markets, as well as fixed and floating-rate debt securities and debt obligations issued by government, government-related and/or corporate entities worldwide, as well as debt obligations issued by supranational entities organised or supported by several national governments, such as the International Bank for Reconstruction and Development or the European Investment Bank. The Fund may in addition invest in securities of companies involved in mergers, consolidations, liquidations and reorganisations or as to which there exist tender or exchange offers, and may participate in such transactions. It may also invest in low-rated, non-investment grade and defaulted debt securities of various issuers, in fixed or floating-rate securities, either directly or through regulated investment funds (subject to the limits indicated below). The Fund may also utilise financial derivative instruments for investment purposes. These financial derivative instruments may be dealt on either regulated markets or over-the-counter, and may include, inter alia, swaps (such as credit default swaps or total return swaps), forwards and cross forwards, futures contracts (including those on government securities), as well as options. Use of financial derivative instruments may result in negative exposures in a specific yield curve/duration, currency or credit. The Fund may also invest in securities or structured products where the security is linked to or derives its value from another security or is linked to assets or currencies of any country. The Fund may invest up to 10% of its net assets in units of UCITS and other UCIs but

not invest more than 10% of its net assets in mortgage- and asset-backed securities.

The Fund makes an allocation of its net assets between three different investment strategies followed independently by the Franklin, Templeton and Mutual Series management groups, with the aim to maintain an equal exposure to two global equity strategies and one global fixed income strategy, subject to appropriate monitoring and rebalancing. Such investment strategies are already followed broadly by Franklin Templeton Investments in respect of certain of its US registered funds and focus respectively on fixed and floating rate debt securities of government, government-related or corporate issuers across the world, on worldwide equity securities selling at prices unusually low relative to the Investment Managers' appraisal of value as well as on equity viewed as undervalued by the Investment Manager or convertible debt securities including securities of companies involved in mergers, consolidations, liquidations or other reorganisations.

Who should invest in the Fund?

Investors...

- seeking capital appreciation and current income by investing in a diversified portfolio of equity and debt securities worldwide and benefiting from 3 investment strategies.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Credit risk
- Derivative risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Interest Rate Securities risk

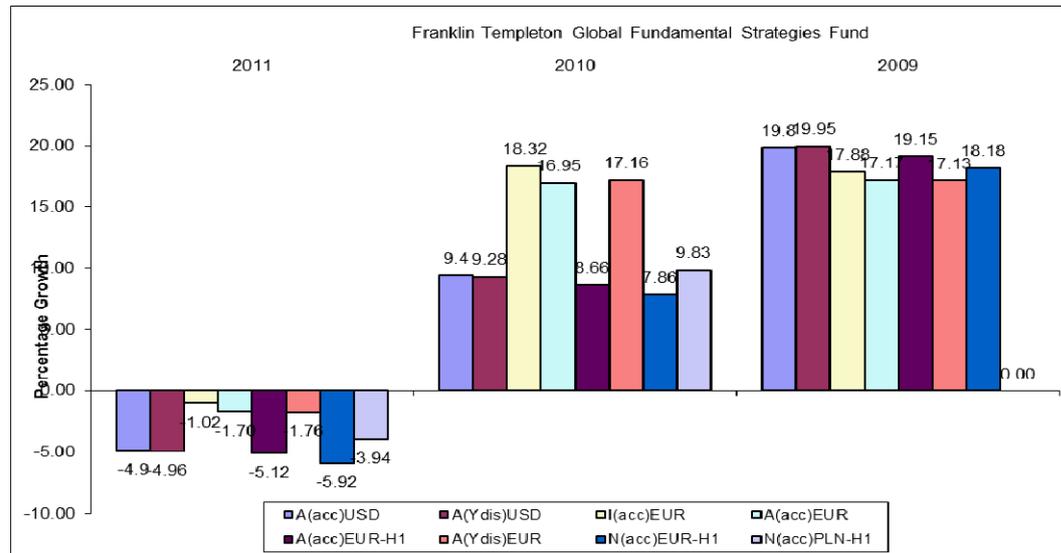
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Restructuring Companies risk
- Structured Notes risk

- Swap Agreements risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Franklin Templeton Global Growth and Value Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	USD
Alternative currency:	SGD
Launch date:	9 September 2002
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I and X Shares. For Class I (acc) Shares: 0.70%.
Total Expense Ratio:	A(acc) USD: 1.86%; B(acc) USD: 3.17%; C(acc) USD: 2.43%; I(acc) USD: 0.99%; N(acc) USD: 2.60%; X(acc) SGD: 0.29%
Investment Managers:	Franklin Templeton Institutional, LLC (New York, NY, USA)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund invests in equity securities and debt securities convertible or expected to be convertible into common or preferred stocks of companies of any market capitalisation located anywhere in the world, including Emerging Markets. At least half of the Fund's net assets without taking into account ancillary liquid assets shall be made in equity securities or similar instruments. The Fund may also invest in American, European and Global Depository Receipts. The Fund invests in both "value" and "growth" stocks and the allocation of net assets to each is monitored and rebalanced regularly.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in a portfolio combining both growth and value equities from around the world.
- planning to hold their investment for the medium to long term.

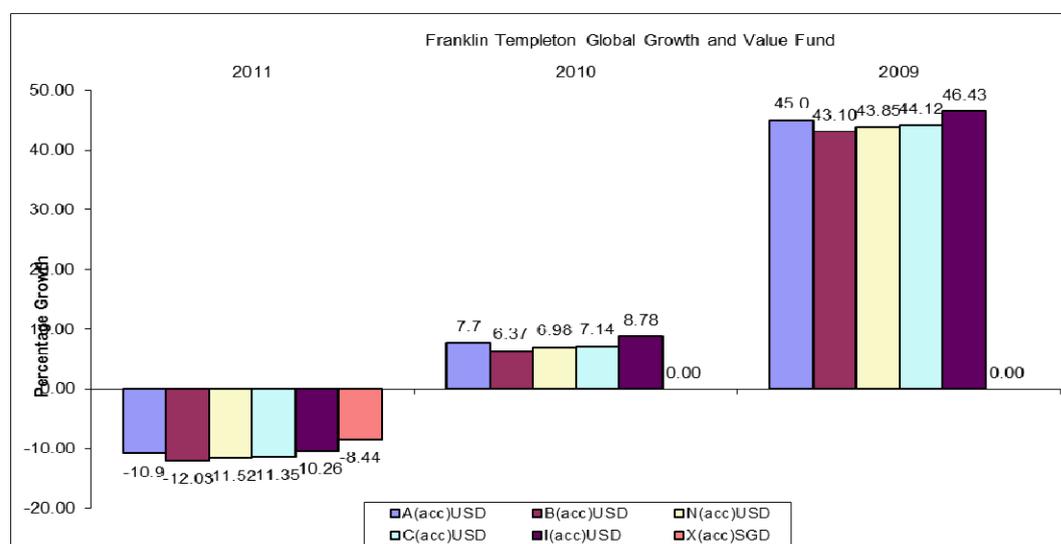
What are the main risks of investing in the Fund?

- Counterparty risk
- Equity risk
- Foreign Currency risk
- Growth Stocks risk
- Liquidity risk
- Market risk
- Repurchase Transactions and Securities Lending risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Franklin Templeton Japan Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	JPY
Alternative currencies:	EUR, GBP, USD, SGD
Launch date:	1 September 2000
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
Total Expense Ratio:	A(acc) JPY: 1.90%; A(acc) EUR: 1.91%; A(acc) USD: 1.90%; A(acc) SGD: 1.90%; A(Ydis) EUR: 1.87%; A(Ydis) GBP: 1.90%; B(acc) USD: 3.19%; C(acc) USD: 2.47%; I(acc) EUR: 1.00%; I(acc) USD: 1.00%; N(acc) EUR: 2.65%; N(acc) USD: 2.65%;
Investment Manager:	Franklin Templeton Investments Japan Limited (Japan)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund seeks to achieve its objective through a policy of investing primarily in equity securities of issuers incorporated or having their principal business activities in Japan.

In addition, the Fund may also seek investment opportunities in other types of securities such as preferred stocks, securities convertible into common stocks, and corporate and government debt obligations which are Japanese yen and non-Japanese yen denominated.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in a growth-style investment concentrated in Japanese equity securities.
- planning to hold their investment for the medium to long term.

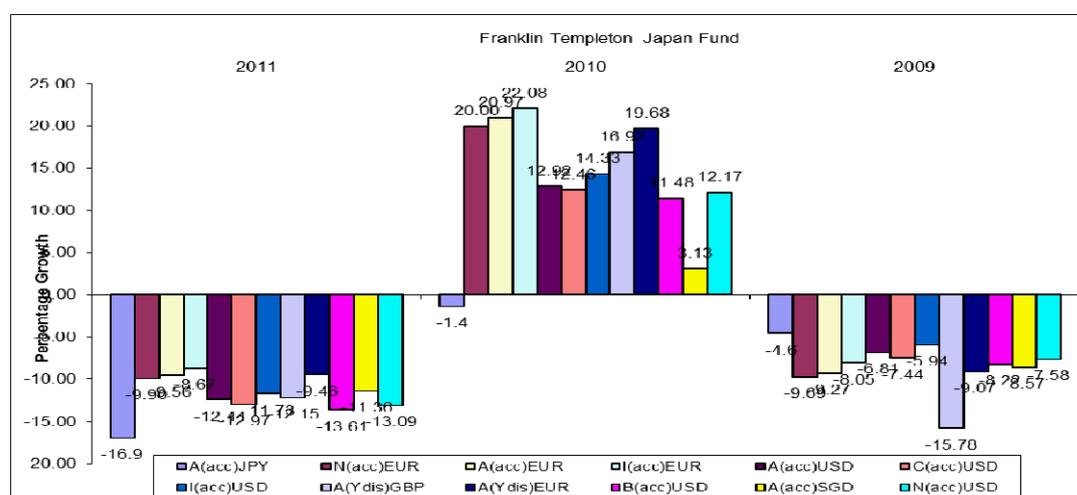
What are the main risks of investing in the Fund?

- Counterparty risk
- Equity risk
- Liquidity risk
- Market risk
- Single Country risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Templeton Africa Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	USD
Alternative currencies:	EUR, GBP, CHF, SGD
Launch date:	4 May 2012
Management charges:	Monthly fee equivalent to 1.60% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 1.10%.
Total Expense Ratio:	A (acc) USD: N/A; A(acc) EUR: N/A; A(acc) EUR-H1: N/A; A(acc) GBP: N/A; A(acc) CHF-H1: N/A; A(acc) SGD: N/A; A(Ydis) EUR: N/A; A(Ydis) EUR-H1: N/A; I(acc) USD: N/A; I(acc) EUR: N/A; N(acc) EUR-H1: N/A
Investment Manager:	Templeton Asset Management Ltd. (Singapore)

What does the Fund invest in?

Investment objective

> Long-term capital appreciation.

Investment policy

The Fund invests principally in equity and equity-related transferable securities of companies across the market capitalisation spectrum which are (i) incorporated or listed in African countries and/or (ii) listed or incorporated elsewhere in the world but which have their principal business activities in Africa.

The African countries include but are not limited to the following countries: Botswana, the Democratic Republic of the Congo, Egypt, Gabon, Ghana, Kenya, Lesotho, Malawi, Mauritius, Morocco, Mozambique, Namibia, Nigeria, Rwanda, Senegal, South Africa, Swaziland, Tanzania, Togo, Tunisia, Uganda, Zambia, Zimbabwe and the member states of the West African Economic and Monetary Union (WAEMU).

Due to liquidity constraints and/or regulatory or technical characteristics, some of the stock exchanges and/or markets located in some of the African countries referred to above may not qualify as markets which are regulated, operate regularly, are recognised and are open to the public, as referred to in paragraph 1.a) (iii) of Appendix B of the Full Prospectus, "Investment Restrictions". Investments in securities listed or dealt in on such markets are limited to 10% of the Fund's net assets (together with any other investments of the Fund that fall under paragraph 1.b) of aforesaid Appendix B). Beyond such limit and in general fashion, equity exposure can be achieved indirectly through depository receipts, participatory notes and other participation rights that meet the conditions of paragraph 1.a) of aforesaid Appendix B.

Past Performance:

N/A

Since the investment objective is more likely to be achieved through an investment policy which is flexible and adaptable, the Fund may also invest in other types of transferable securities, including equity and fixed income securities of issuers worldwide. The Fund may also invest up to 10% of its net assets in securities or structured products where the security is linked to or derives its value from another security or is linked to assets or currencies of any country.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in equity securities of issuers located in African countries.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- African Markets risk
- Class Hedging risk
- Counterparty risk
- Credit risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Frontier Markets risk
- Liquidity risk
- Market risk
- Non-Regulated Markets risk
- Participatory Notes risk
- Regional Market risk
- Structured Notes risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.

Templeton Asian Bond Fund

Fund details

<i>Type of Fund:</i>	Fixed Income Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	EUR, SGD, CHF
<i>Launch date:</i>	25 October 2005
<i>Management charges:</i>	Monthly fee equivalent to 0.75% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I and X Shares. For Class I Shares: 0.55%.
<i>Total Expense Ratio:</i>	A(acc) USD: 1.39%; A(acc) EUR: 1.39%; A(acc) EUR-H1: 1.40%; A(acc) CHF-H1: 1.41%; A(Mdis) SGD: 1.39%; A(Mdis) SGD-H1: 1.42%; A(Mdis) USD: 1.39%; A(Mdis) EUR: 1.39%; B(Mdis) USD: 2.90%; C(Mdis) USD: 2.17%; I(acc) USD: 0.85%; I(acc) EUR: 0.84%; I(acc) EUR-H1: 0.84%; I(acc) CHF-H1: 0.87%; I(Mdis) EUR: 0.81%; N(acc) USD: 2.09%; N(acc) EUR: 2.08%; N(Mdis) USD: 2.09%; X (Ydis) USD: 0.29%; Z(acc) USD: 1.09%
<i>Investment Manager:</i>	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> To maximise, consistent with prudent investment management, total investment return consisting of a combination of interest income, capital appreciation and currency gains.

Investment policy

The Fund seeks to achieve its objective by investing principally in a portfolio of fixed and floating-rate debt securities and debt obligations issued by government and government-related issuers, and/or corporate entities located throughout Asia. The Fund may also purchase debt obligations issued by supranational entities organised or supported by several national governments, such as the International Bank for Reconstruction and Development or the European Investment Bank. The Fund may also utilise financial derivative instruments for investment purposes. These financial derivative instruments may be dealt on either regulated markets or over-the-counter, and may include, inter alia, swaps (such as credit default swaps or total return swaps), forwards and cross forwards, futures contracts (including those on government securities), as well as options. Use of financial derivative instruments may result in negative exposures in a specific yield curve/duration, currency or credit. The Fund may also, in accordance with the investment restrictions, invest in securities or structured products where the security is linked to or derives its value from another security or is linked to assets or currencies of any Asian country. The Fund may also purchase mortgage- and asset-backed securities and convertible bonds. The Fund may invest in investment-grade and non-investment grade debt securities issued by Asian issuers including securities in default. The Fund may purchase fixed income securities and debt obligations denominated in any currency and it may hold equity securities to the extent that such securities result from the

conversion or exchange of a preferred stock or debt obligation. The Fund may also participate in mortgage dollar roll transactions.

The Fund may invest up to 33% of its net assets, either directly or through the use of financial derivative instruments, in fixed and floating rate debt securities and debt obligations issued by government and government-related issuers or corporate entities located outside of Asia which are impacted by economic or financial dynamics in Asia.

Who should invest in the Fund?

Investors...

- seeking total investment return consisting of interest income, capital appreciation and currency gains by investing in debt securities of issuers located throughout Asia.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

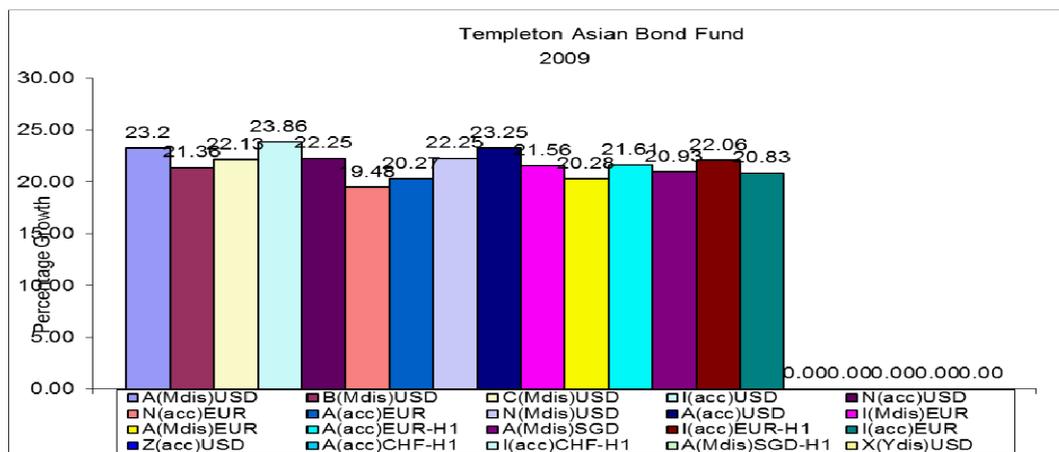
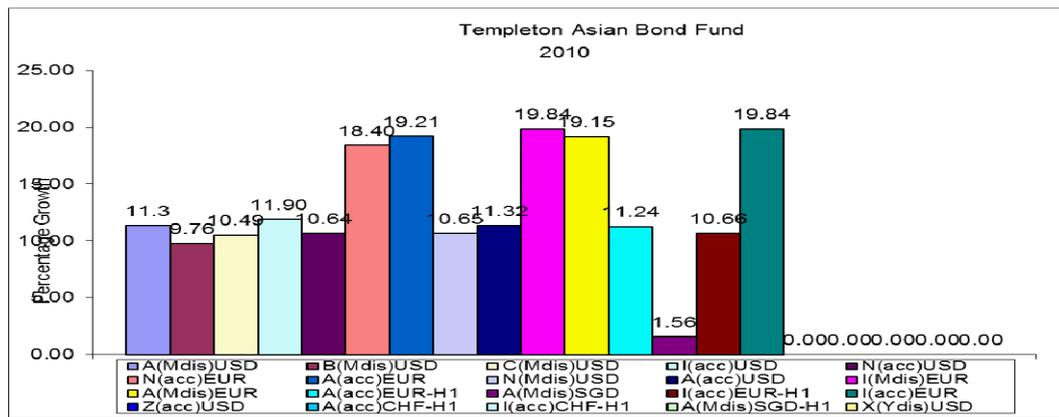
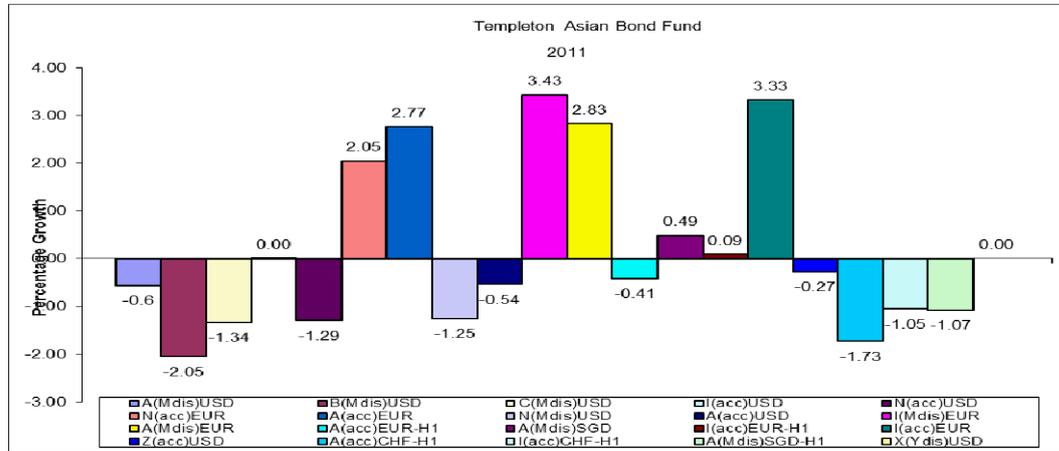
- Class Hedging risk
- Counterparty risk
- Credit risk
- Credit-Linked Securities risk
- Defaulted Debt Securities risk
- Derivative risk
- Emerging Markets risk
- Foreign Currency risk
- Interest Rate Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Mortgage- and Asset-Backed Securities risk
- Regional Market risk

- Sovereign Debt risk
- Structured Notes risk
- Swap Agreements risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following charts show the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in these charts.



Templeton Asian Growth Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	USD
Alternative currencies:	EUR, GBP, SGD, HUF, HKD, CHF, PLN
Launch date:	30 June 1991
Management charges:	Monthly fee equivalent to 1.35% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I, W and X Shares. For Class I Shares: 0.90%. For Class W Shares: up to 2.00%.
Total Expense Ratio:	A(acc) USD: 2.21%; A(acc) CHF-H1: 2.24%; A(acc) EUR: 2.21%; A(acc) HKD: 2.24%; A(acc) EUR-H1: 2.21%; A(acc) SGD: 2.21%; A(acc) SDG-H1: 2.30%; A(Ydis) EUR: 2.21%; A(Ydis) GBP: 2.22%; A(Ydis) USD: 2.21%; B(acc) USD: 3.51%; C(acc) USD: 2.79%; I(acc) USD: 1.21%; I(acc) EUR: 1.22%; I(acc) GBP: N/A; I(acc) CHF-H1: 1.23%; I(acc) EUR-H1: 1.22%; I(Ydis) EUR-H2: 1.23%; N(acc) USD: 2.71%; N(acc) EUR: 2.70%; N(acc) EUR-H1: 2.71%; N(acc) PLN-H1: 2.73%; N(acc) HUF: 2.70%; X(acc) SGD: 0.30%; W(acc) GBP: N/A; Z(acc) USD: 1.71%; Z(acc) GBP: N/A; Z(Ydis) EUR-H1: 1.71%; Z(Ydis) USD: 1.73%
Investment Manager:	Templeton Asset Management Ltd. (Singapore)

What does the Fund invest in?

Investment objective

> Long-term capital appreciation.

Investment policy

The Fund applies the traditional Templeton investment method. The stock selection approach is bottom-up, long-term value-oriented with strong emphasis on diligence and discipline. The Fund seeks to achieve its objective through investing primarily in equity securities listed in Asia.

The Fund may also invest in equity securities, which are listed on recognised exchanges in capital markets of the Asia Region (excluding Australia, New Zealand and Japan). The Asia Region includes but is not limited to the following countries: Hong Kong, India, Indonesia, Korea, Malaysia, People's Republic of China, Pakistan, Philippines, Singapore, Sri Lanka, Taiwan and Thailand. Under normal market conditions, the Fund invests primarily in common stocks.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may seek investment

opportunities in other types of transferable securities, including fixed income securities.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in securities of companies in Asia, including Emerging Markets.
- planning to hold their investment for the medium to long term.

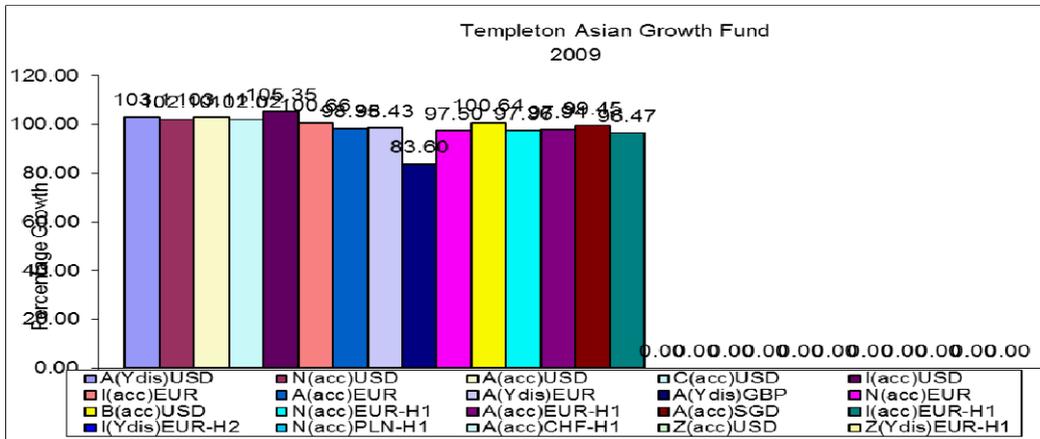
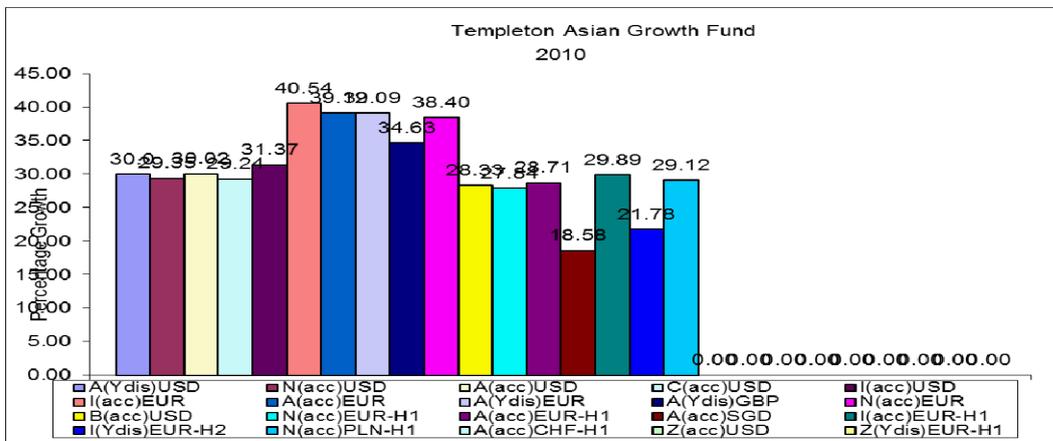
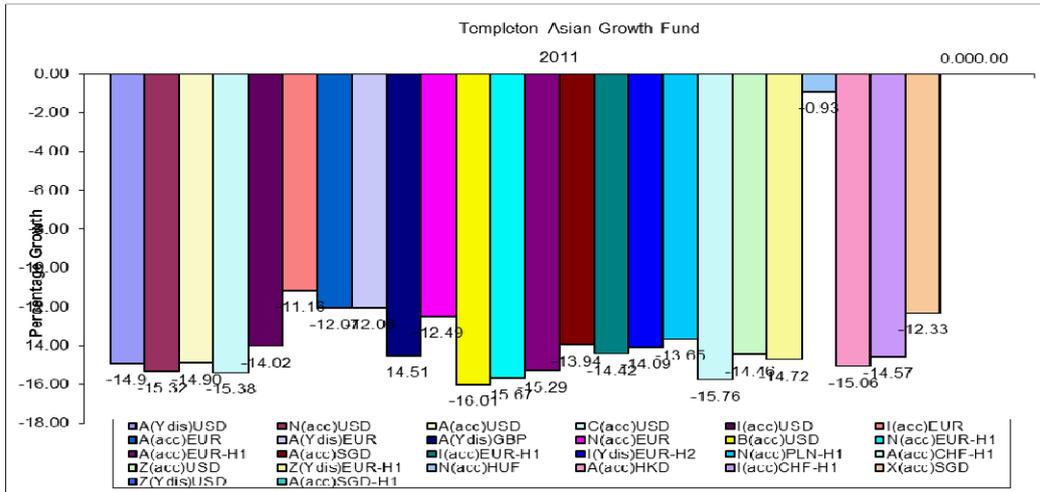
What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Liquidity risk
- Market risk
- Regional Market risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following charts show the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in these charts.



Templeton Asian Smaller Companies Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	USD
Alternative currencies:	EUR, GBP, SGD
Launch date:	14 October 2008
Management charges:	Monthly fee equivalent to 1.35% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.90%.
Total Expense Ratio:	A(acc) USD: 2.24%; A(acc) EUR: 2.24%; A(acc) SGD: 2.23%; A(Ydis) USD: 2.25%; A(Ydis) GBP: 2.24%; B(acc) USD: 3.54%; I(acc) USD: 1.21%; I(acc) EUR: 1.22%; N(acc) USD: 2.82%; N(acc) EUR: 2.76%
Investment Manager:	Templeton Asset Management Ltd. (Singapore)

What does the Fund invest in?

Investment objective

> Long-term capital appreciation.

Investment policy

The Fund invests primarily in transferable equity securities as well as depository receipts of small-cap companies (i) which are incorporated in the Asia region, and/or (ii) which have their principal business activities in the Asia region. The Asia Region includes but is not limited to the following countries: Bangladesh, Cambodia, Hong Kong, India, Indonesia, Korea, Malaysia, People's Republic of China, Pakistan, Philippines, Singapore, Sri Lanka, Taiwan, Thailand and Vietnam. Furthermore, for the purpose of the Fund's investment objective, Asian small-cap companies are those having a market capitalisation at the time of initial purchase within the range of the market capitalisations of companies included in the MSCI AC Asia ex-Japan Small Cap Index (Index). Once a security qualifies for initial purchase, it continues to qualify for additional purchases as long as it is held by the Fund; however, if the maximum market capitalisations of companies allowed by the Index falls below USD 2 billion, the security will only qualify for additional purchases if its market capitalisation does not exceed USD 2 billion.

In addition, since the investment objective is more likely to be achieved through an investment policy which is flexible and adaptable, the Fund may also invest in other types of transferable securities, including equity and fixed income securities of issuers worldwide.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.

Who should invest in the Fund?

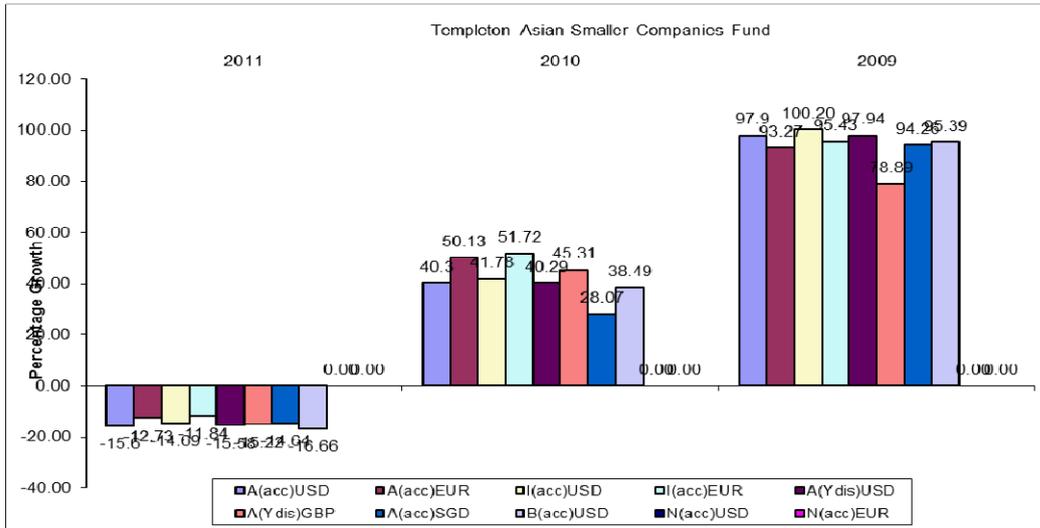
Investors...

- seeking capital appreciation by investing in equity securities of small-cap companies located in the Asia region;
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Liquidity risk
- Market risk
- Regional Market risk
- Small and Mid-Sized Companies risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.



Templeton BRIC Fund

Fund details

<i>Type of Fund:</i>	Equity Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	EUR, GBP, SGD, HKD, PLN
<i>Launch date:</i>	25 October 2005
<i>Management charges:</i>	Monthly fee equivalent to 1.60% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I and X Shares. For Class I Shares: 1.10%.
<i>Total Expense Ratio:</i>	A(acc) USD: 2.45%; A(acc) EUR: 2.45%; A(acc) EUR-H1: 2.47%; A(acc) SGD: 2.45%; A(acc) HKD: 2.47%; A(Ydis) EUR: 2.45%; A(Ydis) GBP: 2.45%; B(acc) USD: 3.75%; C(acc) USD: 3.03%; I(acc) USD: 1.39%; I(acc) EUR: 1.39%; N(acc) USD: 2.95%; N(acc) EUR: 2.95%; N(acc) PLN-H1: 3.00%; X(acc) USD*: 0.27%; Z(acc) USD: 1.96%
<i>Investment Manager:</i>	Templeton Asset Management Ltd. (Singapore)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund invests primarily in equity securities of companies (i) organised under the laws of or with their principal office in Brazil, Russia, India and China (including Hong-Kong and Taiwan) ("BRIC") or (ii) which derive the principal portion of their revenues or profits from BRIC economies or have the principal portion of their assets in BRIC economies.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may seek investment opportunities in other types of transferable securities, including debt and fixed income securities and in money market instruments.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in securities of companies in Brazil, Russia, India and China, including Hong Kong and Taiwan.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

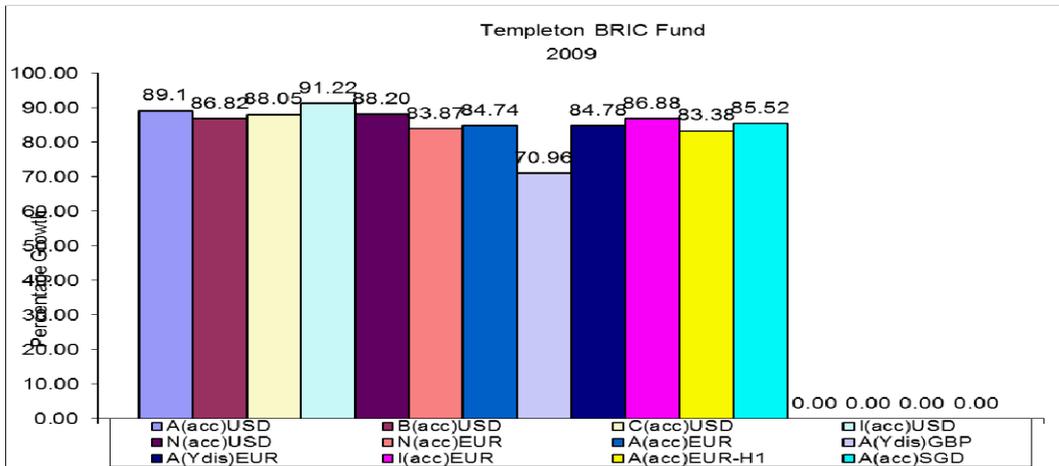
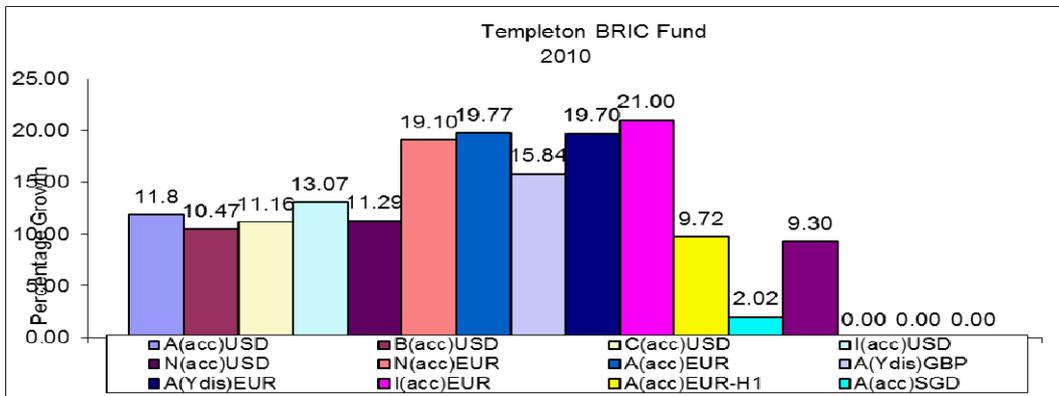
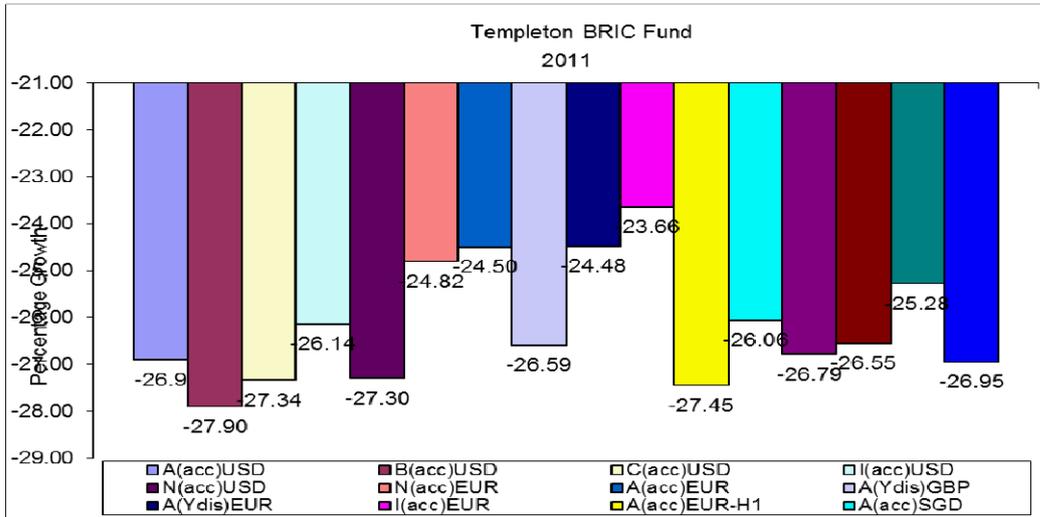
- Class Hedging risk
- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Liquidity risk
- Market risk
- Non-Regulated Markets risk
- Regional Market risk
- Russian and Eastern European Markets risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following charts show the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in these charts.

*This share class closed on January 26, 2012



Templeton China Fund

Fund details

<i>Type of Fund:</i>	Equity Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	EUR, GBP, SGD, HKD
<i>Launch date:</i>	1 September 1994
<i>Management charges:</i>	Monthly fee equivalent to 1.60% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I, W and X Shares. For Class I Shares: 1.10%. For Class W Shares: up to 2.00%.
<i>Total Expense Ratio:</i>	A(acc) USD: 2.44%; A(acc) SGD: 2.45%; A(acc) HKD: 2.46%; A(Ydis) EUR: 2.45%; A(Ydis) GBP: 2.45%; B(acc) USD: 3.76%; C(acc) USD: 3.02%; I(acc) USD: 1.40%; I(Ydis) GBP: 1.39%; N(acc) USD: 2.94%; X(acc) HKD: 0.30%; W(acc) GBP: N/A; Z(acc) USD: 1.99%; Z(acc) GBP: N/A
<i>Investment Manager:</i>	Templeton Asset Management Ltd. (Singapore)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund seeks to achieve its objective through a policy of investing primarily in equity securities of companies (i) organised under the laws of or with their principal offices in the People's Republic of China ("China"), Hong Kong or Taiwan or (ii) which derive the principal portion of their revenue from goods or services sold or produced, or have the principal portion of their assets in China, Hong Kong or Taiwan.

The Fund may also invest in equity securities of companies (i) for which the principal market for the trading of securities is China, Hong Kong or Taiwan or (ii) that are linked to assets or currencies in China, Hong Kong or Taiwan.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may also seek investment opportunities in other types of securities such as preferred stock, securities convertible into common

stock, and corporate and government debt obligations which are US dollar and non-US dollar denominated.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in equity securities of China.
- planning to hold their investment for the medium to long term.

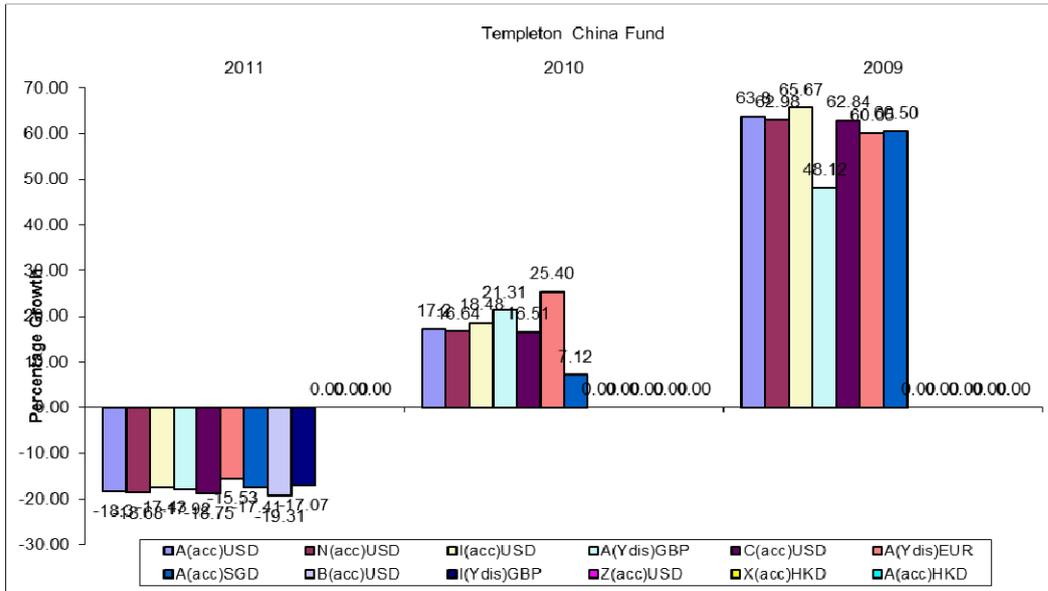
What are the main risks of investing in the Fund?

- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Liquidity risk
- Market risk
- Single Country risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Templeton Eastern Europe Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	EUR
Alternative currencies:	GBP, USD, SGD
Launch date:	10 November 1997
Management charges:	Monthly fee equivalent to 1.60% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I and X Shares. For Class I Shares: 1.10%.
Total Expense Ratio:	A(acc) EUR: 2.55%; A(acc) SGD: 2.59%; A(acc) USD: 2.55%; A(Ydis) EUR: 2.54%; A(Ydis) GBP: 2.56%; B(acc) USD: 3.84%; B(Ydis) EUR: 3.84%; C(acc) EUR: 3.12%; C(acc) USD: 3.11%; I(acc) EUR: 1.39%; N(acc) EUR: 3.05%; X(acc) EUR: 0.30% ; Z(acc) USD: 2.05%
Investment Manager:	Templeton Asset Management Ltd. (Singapore)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund seeks to achieve its objective by investing primarily in listed equity securities of issuers organised under the laws of, or with their principal activities within, the countries of Eastern Europe, as well as the New Independent States, e.g. the countries in Europe and Asia that were formerly part of or under the influence of the Soviet Union in the past (the "Region").

The Fund may also invest in securities issued by the governments of the above-mentioned countries and privatisation certificates of companies located, or with their principal activities, within the Region. Eastern Europe includes the following countries: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, the Czech Republic, Greece, Hungary, the Former Yugoslav Republic of Macedonia, Malta, Montenegro, Poland, Romania, Russia, Serbia, the Slovak Republic, Slovenia, and Turkey. The New Independent States that were formerly part of the Soviet Union, apart from Russia itself, include: Armenia, Azerbaijan, Belarus, Estonia, Georgia, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan. The Investment Manager anticipates that the Fund invests primarily in companies (i) of which, if listed, the principal equity securities market is in the Region; or (ii) that derive at least 50% of their revenues or profits from goods produced or sold, investments made, or services

performed, in the Region; or (iii) that have at least 50% of their assets situated in the Region. The Fund primarily invests in equity securities of publicly traded companies. Preference is given to the countries with functioning stock markets where foreign investment is permitted and appropriate custodial arrangements exist.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in the Eastern European region, including Emerging Markets.
- planning to hold their investment for the medium to long term.

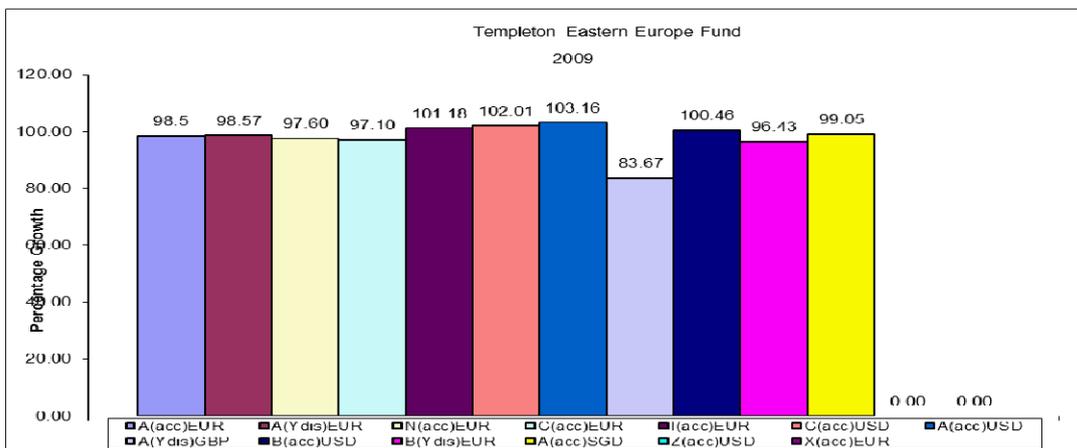
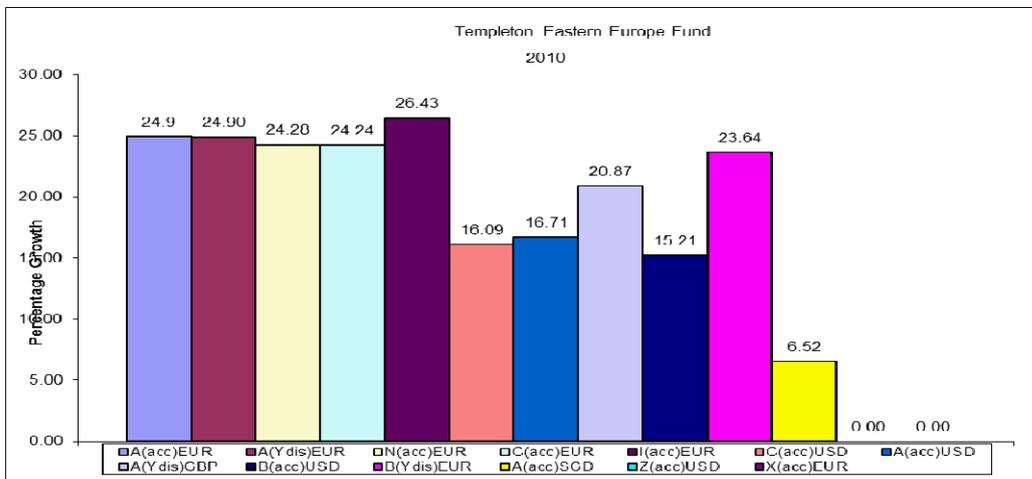
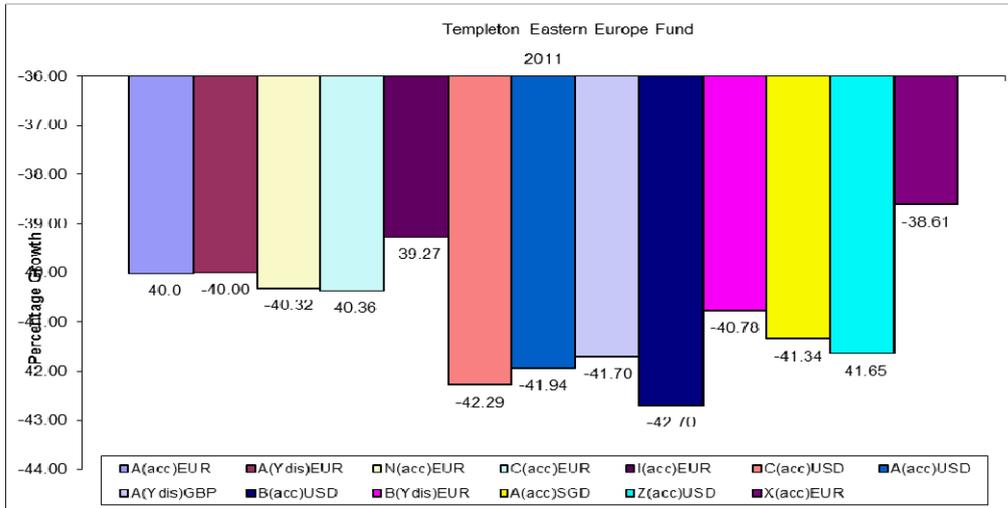
What are the main risks of investing in the Fund?

- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Liquidity risk
- Market risk
- Non-Regulated Markets risk
- Regional Market risk
- Russian and Eastern European Markets risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following charts show the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in these charts.



Templeton Emerging Markets Fund

Fund details

<i>Type of Fund:</i>	Equity Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	EUR, SGD, HKD
<i>Launch date:</i>	28 February 1991
<i>Management charges:</i>	Monthly fee equivalent to 1.60% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 1.10%.
<i>Total Expense Ratio:</i>	A(acc) USD: 2.48%; A(acc) SGD: 2.48%; A(Ydis) USD: 2.48%; A(acc) EUR-H1: 2.50%; A(acc) HKD: 2.51%; B(acc) USD: 3.78%; C(acc) USD: 3.06%; I(acc) USD: 1.39%; I(acc) EUR-H1: 1.40%; N(acc) USD: 2.98%; N(acc) EUR: 2.98%
<i>Investment Manager:</i>	Templeton Asset Management Ltd. (Singapore)

What does the Fund invest in?

government debt obligations, which are US dollar and non-US dollar denominated.

Investment objective

> Capital appreciation.

Investment policy

The Fund seeks to achieve its objective through a policy of investing primarily in equity securities, and as an ancillary matter in debt obligations, issued by corporations incorporated or having their principal business activities in, and governments of, developing or emerging nations.

The Fund may also invest in those companies, which derive a significant proportion of their revenues or profits from emerging economies or have a significant portion of their assets in emerging economies. The Fund may also invest in equity and debt securities of issuers that are linked to assets or currencies of emerging nations. The Fund invests primarily in common stocks.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may seek investment opportunities in other types of securities, such as preferred stock, participatory notes, securities convertible into common stock, and corporate and

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in Emerging Markets.
- planning to hold their investment for the medium to long term.

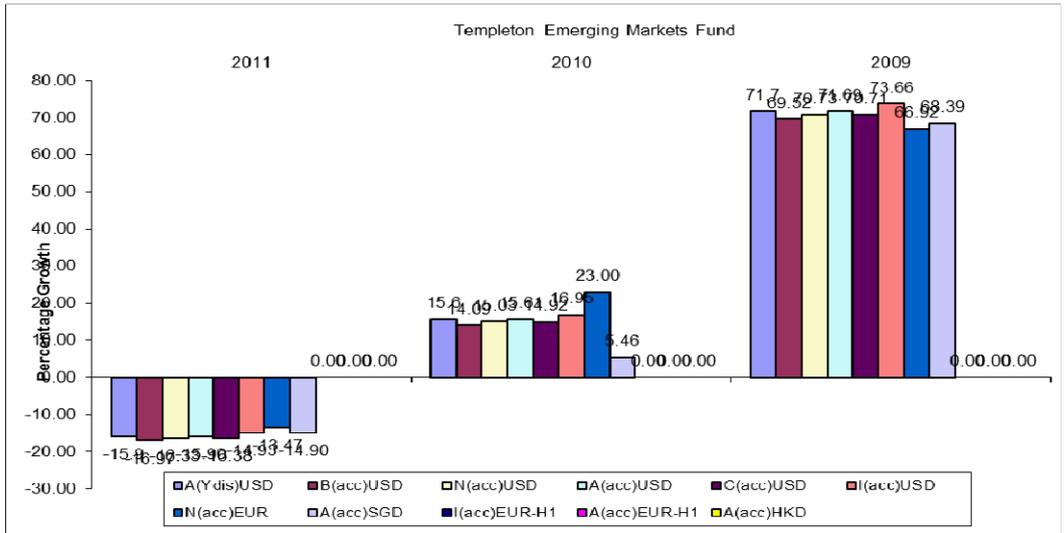
What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Liquidity risk
- Market risk
- Non-Regulated Markets risk
- Participatory Notes risk
- Russian and Eastern European Markets risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Templeton Emerging Markets Balanced Fund

Fund details

Type of Fund:	Balanced Fund
Base currency:	USD
Alternative currencies:	EUR, CHF, GBP, SGD
Launch date:	29 April 2011
Management charges:	Monthly fee equivalent to 1.30% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I, W and X Shares. For Class I Shares: 0.90%. For Class W Shares: up to 2.00%.
Total Expense Ratio:	A(acc) USD: 2.05%; A(acc) EUR: 2.05%; A(acc) EUR-H1: 2.05%; A(acc) CHF-H1: 2.05%; A(Qdis) USD: 2.05%; A(Ydis) EUR: 2.05%; A(Ydis) EUR-H1: 2.05%; A(Qdis) GBP: 2.05%; A(Qdis) GBP-H1: 2.05%; A(Qdis) SGD-H1: 2.05%; B(Mdis) USD: 3.63%; C(acc) USD: 2.91%; I(acc) USD: 1.31%; I(acc) EUR: 1.30%; I(acc) EUR-H1: 1.27%; I(Ydis) EUR-H1: 1.27%; N(acc) USD: 2.45%; N(acc) EUR-H1: 2.45%; X(acc) USD: 0.30%; W(Qdis) GBP: N/A; Z(acc) USD: 1.79%; Z(Qdis) GBP: N/A
Investment Manager:	Franklin Advisers, Inc. (San Mateo, CA, USA) and Templeton Asset Management Ltd. (Singapore)

What does the Fund invest in?

Investment objective

> To maximise, consistent with prudent investment management, a combination of capital appreciation and interest income.

Investment policy

The Fund seeks to achieve its objective by investing principally in a diversified portfolio of equity securities, fixed and floating rate debt securities, including low-rated and non-investment grade debt securities, and debt obligations issued by government, government-related issuers and corporate entities which are located, incorporated or have their principal business activities in developing or Emerging Market countries. Such countries include but are not limited to Brazil, Chile, Colombia, Mexico, Peru, Czech Republic, Egypt, Hungary, Morocco, Poland, Russia, South Africa, Turkey, China, India, Indonesia, Korea, Malaysia, Philippines, Taiwan and Thailand.

The Fund will typically invest at least 25% of its net assets in Emerging Market equity securities and at least 25% of its net assets in Emerging Market debt securities but the proportion of its net assets allocated to each may vary over time depending on the Investment Managers' view of the relative attractiveness of each asset class.

The Fund may also utilise financial derivative instruments for investment purposes. Financial derivative instruments may be used for the purposes of obtaining greater liquidity, locking in higher yields, or to implement currency and interest rate views to obtain economic exposure as an alternative to transacting in the physical markets. The Fund does not intend to invest extensively in financial derivative instruments. These financial derivative instruments may be dealt on either regulated markets

or over-the-counter, and may include, inter alia, swaps (such as credit default swaps or total return swaps), forwards and cross forwards, futures contracts (including those on government securities), as well as options. Use of financial derivative instruments may result in negative exposures in a specific yield curve/duration, currency or credit. The Fund may also, in accordance with the investment restrictions, invest in securities or structured products (such as P-notes or equity-linked notes) where the security is linked to or derives its value from another security or is linked to assets or currencies of any developing or Emerging Market country. In addition, the Fund may purchase preferred stock, common stock and other equity-linked securities, warrants, and debt securities exchangeable or convertible into common stock and denominated in any currency. The Fund may purchase fixed income securities, debt obligations and equity securities denominated in any currency. The Fund may also invest up to 10% of its net assets in units of UCITS and other UCIs and up to 10% of its net assets in securities in default.

The Fund may also invest in securities issued by government, government-related issuers or corporate entities located outside of developing or Emerging Market countries but which derive a significant proportion of their revenues or profits from, have a significant portion of their assets in or are impacted by economic/financial dynamics in developing or Emerging Market countries.

Who should invest in the Fund?

Investors...

- seeking to maximise a combination of capital appreciation and interest income by investing in Emerging Markets;
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Credit risk
- Defaulted Debt Securities risk
- Derivative risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Interest Rate Securities risk
- Liquidity risk

- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Non-Regulated Markets risk
- Participatory Notes risk
- Sovereign Debt risk
- Structured Notes risk
- Swap Agreements risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

N/A

Templeton Emerging Markets Bond Fund

Fund details

<i>Type of Fund:</i>	Fixed Income Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	EUR, GBP, CHF, NOK, SEK, HKD
<i>Launch date:</i>	5 July 1991
<i>Management charges:</i>	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I and W Shares. For Class I Shares: 0.70%. For Class W Shares: up to 2.00%.
<i>Total Expense Ratio:</i>	A(Acc) USD: 1.89%; A(acc) CHF-H1: 1.91%; A(acc) NOK-H1: 1.89%; A(acc) SEK-H1: 1.89%; A(Mdis) USD: 1.88%; A(Mdis) HKD: 1.91%; A(Qdis) USD: 1.87%; A(Qdis) EUR: 1.88%; A(Qdis) GBP: 1.88%; A(Ydis) EUR-H1: 1.89%; B(Mdis) USD: 3.19%; B(Qdis) USD: 3.18%; C(acc) USD: 2.46%; I(acc) USD: 1.00%; I(acc) EUR-H1: 1.02%; I(Qdis) USD: 1.02%; I(Qdis) GBP-H1: 1.02%; I(acc) CHF-H1: 1.03%; N(acc) USD: 2.37%; W(Qdis) GBP-H1: N/A; Z(acc) USD: 1.38%; Z(Mdis) USD: 1.39%; Z(Qdis) GBP-H1: N/A
<i>Investment Manager:</i>	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> To maximise, consistent with prudent investment management, total investment return, consisting of a combination of interest income, capital appreciation and currency gains.

Investment policy

The Fund seeks to achieve its objective by investing principally in a portfolio of fixed and floating-rate debt securities (including non-investment grade securities) and debt obligations issued by government and government-related issuers or corporate entities located in developing or Emerging Market countries. The Fund may also purchase debt obligations issued by supranational entities organised or supported by several national governments, such as the International Bank for Reconstruction and Development or the European Investment Bank. The Fund may also utilise financial derivative instruments for investment purposes. These financial derivative instruments may be dealt on either regulated markets or over-the-counter, and may include, inter alia, swaps (such as credit default swaps or total return swaps), forwards and cross forwards, futures contracts (including those on government securities), as well as options. Use of financial derivative instruments may result in negative exposures in a specific yield curve/duration, currency or credit. The Fund may also, in accordance with the investment restrictions, purchase mortgage- and asset-backed securities and invest in securities or structured products where the security is linked to or derives its value from another security or is linked to assets or currencies of any developing or Emerging Market country. In addition, the Fund may purchase preferred stock, common stock and other equity-linked securities, warrants, and debt securities exchangeable or convertible into common stock and denominated in any currency. The Fund may hold up to 10% of its net assets in securities in default. The Fund may

purchase fixed income securities, debt obligations and equity securities denominated in any currency.

The Fund may invest up to 33% of its net assets, either directly or through the use of financial derivative instruments, in fixed and floating-rate debt securities and debt obligations issued by government and government-related issuers or corporate entities located outside of developing or Emerging Market countries which are impacted by economic or financial dynamics in developing or Emerging Market countries.

Who should invest in the Fund?

Investors...

- seeking potentially above-average levels of income, capital appreciation and currency gains by investing in Emerging Markets fixed income securities.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

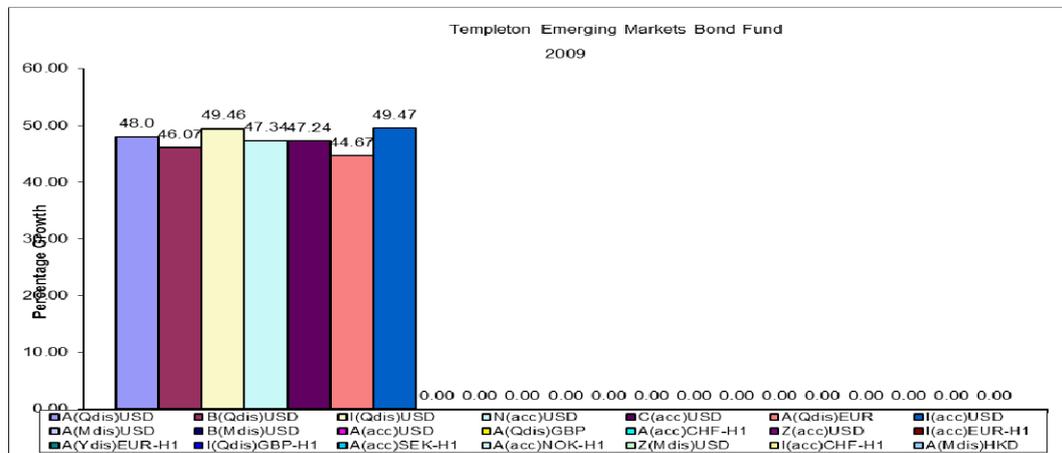
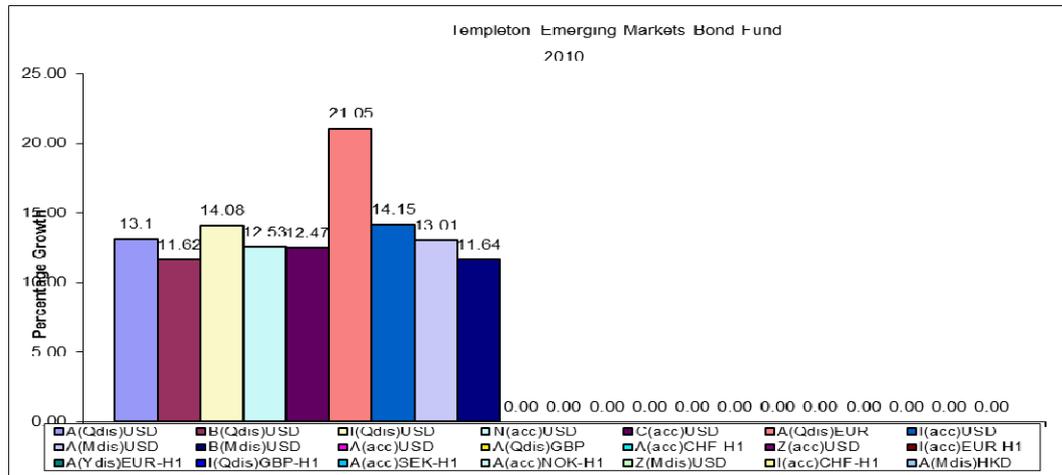
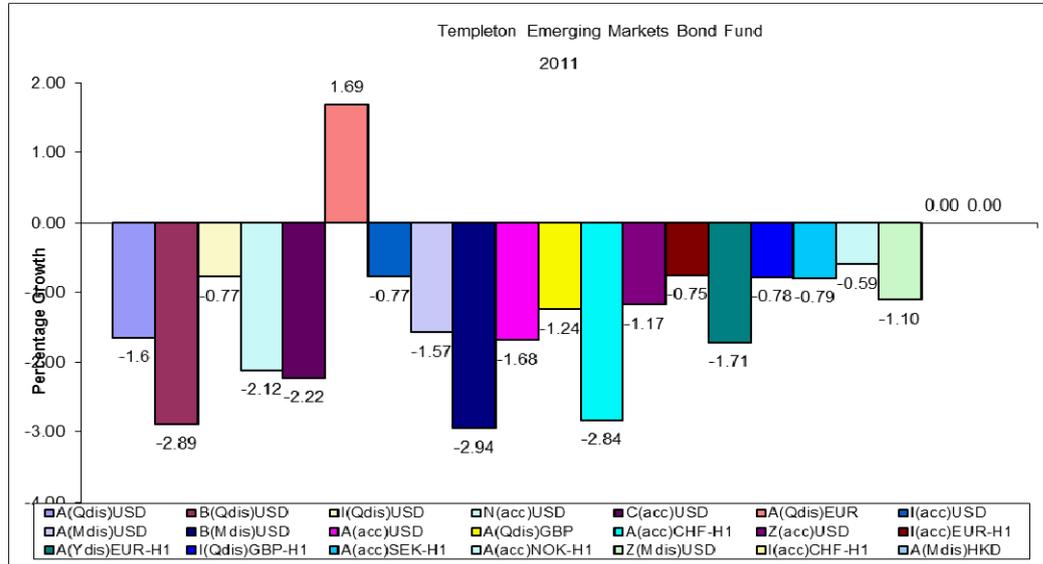
- Class Hedging risk
- Counterparty risk
- Credit risk
- Credit-Linked Securities risk
- Defaulted Debt Securities risk
- Derivative risk
- Emerging Markets risk
- Foreign Currency risk
- Interest Rate Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Mortgage- and Asset-Backed Securities risk
- Non-Regulated Markets risk

- Sovereign Debt risk
- Structured Notes risk
- Swap Agreements risk
- Warrants risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following charts show the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in these charts.



Templeton Emerging Markets Smaller Companies Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	USD
Alternative currencies:	EUR, GBP
Launch date:	18 October 2007
Management charges:	Monthly fee equivalent to 1.60% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 1.10%.
Total Expense Ratio:	A(acc) USD: 2.49%; A(acc) EUR: 2.49%; A(Ydis) USD: 2.48%; A(Ydis)GBP: 2.49%; C(acc) USD: 3.08%; I(acc) USD: 1.39%; I(acc) EUR: 1.37%; N(acc) USD: 2.98%
Investment Manager:	Templeton Asset Management Ltd. (Singapore)

What does the Fund invest in?

Investment objective

> Long-term capital appreciation.

Investment policy

The Fund seeks to achieve its objective through a policy of investing primarily in equity securities as well as depository receipts of (i) small-cap companies registered in the Emerging Markets, (ii) small-cap companies which perform a substantial part of their business in Emerging Markets, and (iii) small-cap holding companies which hold a substantial part of their participations in companies referred to in (i). For the purpose of the Fund's investment objective, Emerging Market small-cap companies are normally those having a market capitalisation at the time of initial purchase within the range of the market capitalisations of companies included in the MSCI Emerging Markets Small Cap Index (Index). Once a security qualifies for initial purchase, it continues to qualify for additional purchases as long as it is held by the Fund; however, if the maximum market capitalisations of companies allowed by the Index falls below USD 2 billion, the security will only qualify for additional purchases if its market capitalisation does not exceed USD 2 billion.

On an ancillary basis, the Fund may also invest in participatory notes, in debt securities of Emerging Market countries, which may be low-rated or unrated, and in transferable securities of issuers located in the developed countries.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in Emerging Markets small-cap securities.
- planning to hold their investment for the medium to long term.

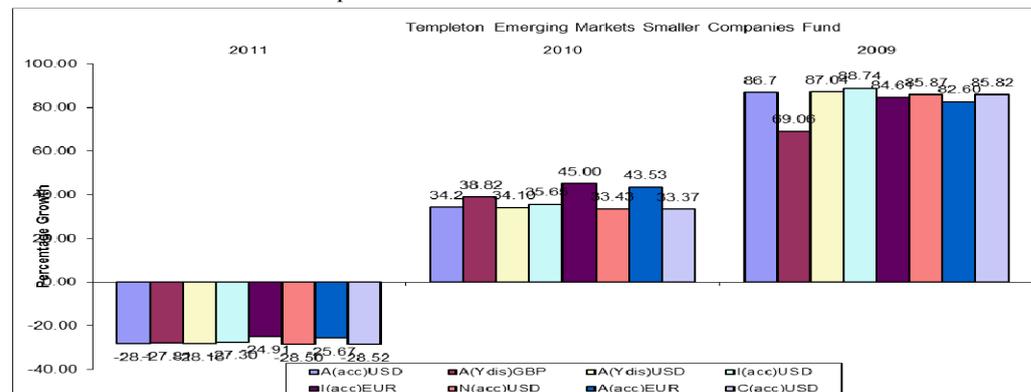
What are the main risks of investing in the Fund?

- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Liquidity risk
- Market risk
- Participatory Notes risk
- Small and Mid-sized Companies risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Templeton Euro Government Bond Fund

Fund details

Type of Fund:	Fixed Income Fund
Base currency:	EUR
Launch date:	8 January 1999
Management charges:	Monthly fee equivalent to 0.50% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.35%.
Total Expense Ratio:	A(Ydis): 1.08%; I(acc): 0.67%; N(acc): 1.63%
Investment Manager:	Franklin Templeton Investment Management Limited (Edinburgh, UK)

What does the Fund invest in?

Investment objective

> To maximise, consistent with prudent investment management, total investment return, consisting of a combination of interest income and capital appreciation.

Investment policy

The Fund principally invests in investment grade obligations of government and government-related issuers as well as supranational entities located throughout the European Monetary Union ("EMU").

In addition, in accordance with the investment restrictions, the Fund may invest in debt obligations of government, supranational and government-related issuers worldwide (including non-investment grade securities) with a maximum 15% combined limit for investments in securities issued by (i) non-EMU issuers and (ii) issuers with ratings of BB+ or below and Ba1 or below.

Such debt obligations shall be denominated in or hedged to euro.

Who should invest in the Fund?

Investors...

- seeking to maximise total investment return consisting of interest income and capital appreciation by investing in debt securities of any issuer from member countries of the European Monetary Union.
- planning to hold their investment for the medium to long term.

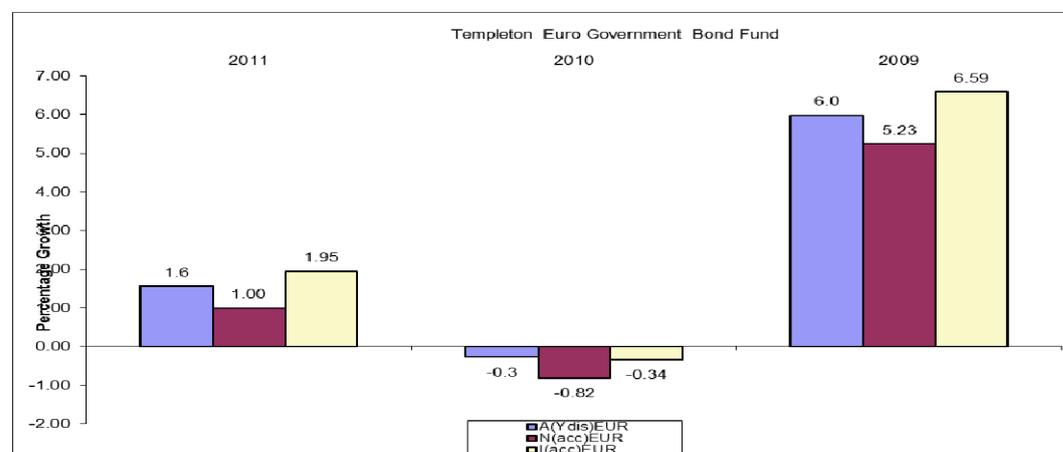
What are the main risks of investing in the Fund?

- Counterparty risk
- Credit risk
- Derivative risk
- Interest Rate Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Regional Market risk
- Sovereign Debt risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Templeton Euro High Yield Fund

Fund details

<i>Type of Fund:</i>	Fixed Income Fund
<i>Base currency:</i>	EUR
<i>Alternative currency:</i>	USD
<i>Launch date:</i>	17 April 2000
<i>Management charges:</i>	Monthly fee equivalent to 0.80% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.60%.
<i>Total Expense Ratio:</i>	A(acc) EUR: 1.51%; A(Mdis) EUR: 1.51%; A(Mdis) USD: 1.48%; A(Ydis) EUR: 1.51%; B(Mdis) EUR: 2.91%; B(Mdis) USD: 2.89%; I(acc) EUR: 0.86%; I(Ydis) EUR: 0.81%; N(acc) EUR: 2.11%
<i>Investment Managers:</i>	Franklin Templeton Investment Management Limited (Edinburgh, UK) and Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

- > Primary objective: high level of current income.
- > Secondary objective: capital appreciation, but only when consistent with its principal objective.

Investment policy

The Fund seeks to achieve its objectives by investing principally, either directly or through the use of financial derivative instruments, in fixed income debt securities of European or non-European issuers. The financial derivative instruments may include, inter alia, swaps such as credit default swaps or total return swaps, forwards, futures contracts, as well as options on such contracts dealt on either regulated markets or over-the-counter. The Fund principally invests in euro-denominated or non-euro denominated euro-hedged, fixed income debt securities with non-investment grade ratings, or if unrated, their equivalent. The Investment Managers attempt to avoid excessive risk by performing independent credit analyses of issuers and by diversifying the Fund's investments among different issuers.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may also, temporarily and/or on an ancillary basis, seek investment opportunities in any other types of euro-denominated securities such as government securities, preferred stock, common stock and other equity linked securities, warrants and securities and bonds convertible into common stock. The Fund may invest up to 10% of its net assets in credit-linked securities, which the Investment Managers may use as a means to invest more rapidly and efficiently in certain segments of the high yield, bank loan and investment grade debt markets. The

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.

Fund may also invest up to 10% of its net assets in securities in default.

The name of the Fund reflects the base currency of the Fund being in euro, and does not necessarily imply that any particular proportion of the Fund's net invested assets are made in euro.

Who should invest in the Fund?

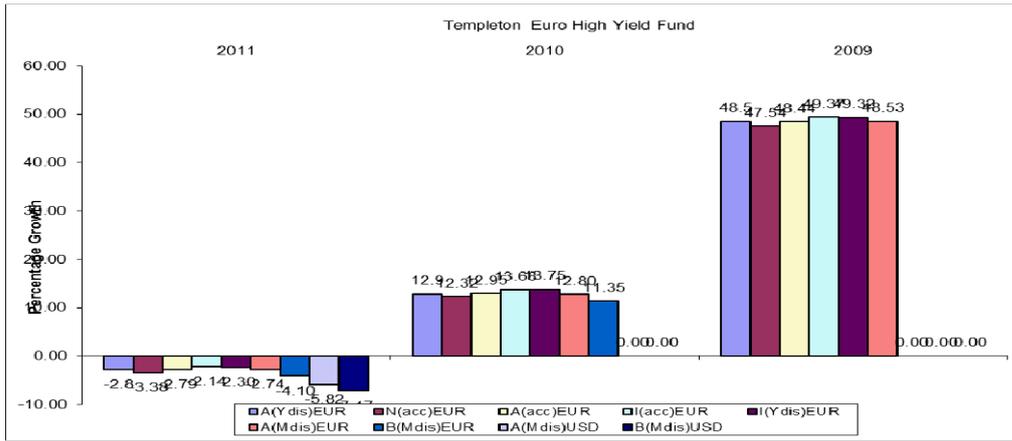
Investors...

- seeking to earn a high level of income, and to a lesser extent, some capital appreciation in a Fund having the euro as its base currency and investing in euro-denominated high-yield fixed income securities.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Counterparty risk
- Credit risk
- Credit-Linked Securities risk
- Defaulted Debt Securities risk
- Derivative risk
- Foreign Currency risk
- Interest Rate Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Restructuring Companies risk
- Swap Agreements risk
- Warrants risk

See the section "Risk Considerations" for a full description of these risks.



Templeton Euro Liquid Reserve Fund

Fund details

Type of Fund:	Liquid Reserve Fund
Base currency:	EUR
Launch date:	1 June 1994
Management charges:	Monthly fee equivalent to 0.30% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.20%.
Total Expense Ratio:	A(acc): 0.61%; A(Ydis): 0.61%; I(acc): 0.37%; N(acc): 1.50%
Investment Manager:	Franklin Templeton Investment Management Limited (Edinburgh, UK)

What does the Fund invest in?

Investment objective

> High quality securities and money market instruments primarily euro denominated, or hedged back into euro to avoid any currency exposure.

Investment policy

The Fund consists principally of transferable securities issued or guaranteed by the governments of any nation worldwide and eligible securities of corporate issuers of any nation. The portfolio is invested in a manner that the average remaining maturity of all securities and instruments comprised in the portfolio of the Fund does not exceed twelve months. For the purpose of calculating the residual maturity of each single security or instrument, the financial instruments attached thereto shall be taken into account. For the securities or instruments whose terms of issue provide for an adjustment of their interest rate by reference to market conditions, the residual maturity until the date on which the rate is adjusted shall be considered.

Who should invest in the Fund?

Investors...

- seeking current income and safety of principal by investing in high-quality fixed income securities, primarily euro-denominated or hedged back to the euro.

- planning to hold their investment for the short term.

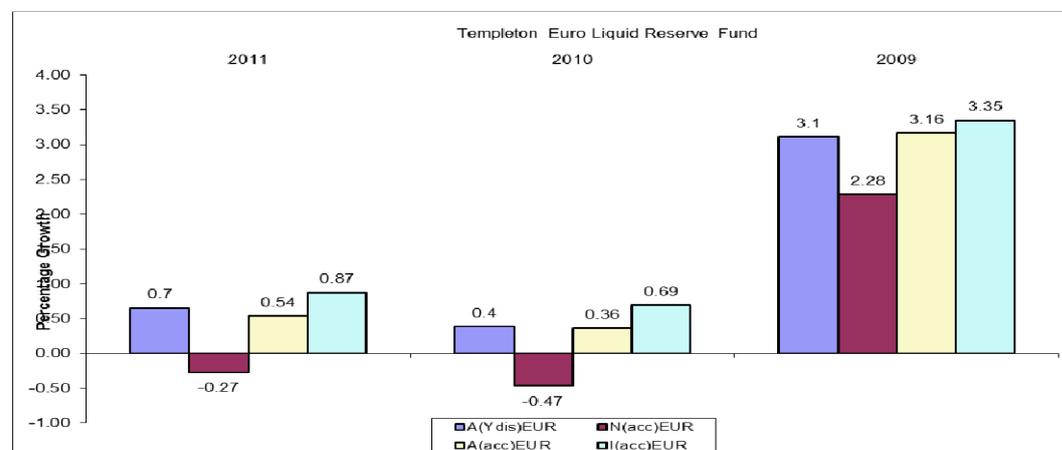
What are the main risks of investing in the Fund?

- Counterparty risk
- Credit risk
- Derivative risk
- Interest Rate Securities risk
- Liquidity risk
- Market risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Templeton Euro Short-Term Money Market Fund*

Fund details

Type of Fund:	Money Market Fund
Base currency:	EUR
Launch date:	23 October 2009
Management charges:	Monthly fee equivalent to 0.25% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.20%.
Total Expense Ratio:	A(acc): 0.32%; I(acc): 0.22%
Investment Manager:	Franklin Templeton Investment Management Limited (Edinburgh, UK)

What does the Fund invest in?

Investment objective

> To maintain a high degree of capital preservation and liquidity whilst maximising returns in the euro currency.

Investment policy

The Fund seeks to achieve its objective by investing in a portfolio of high-quality euro-denominated debt and debt-related securities, money market securities and cash denominated in euro. The Fund qualifies as a short-term money market fund in the meaning of the CESR Guidelines CESR/10-049 dated 19 May 2010 on a common definition of European money market funds (the "Guidelines").

The Fund invests in high-quality money market instruments which comply with the criteria for money market instruments as set out in the directive 2009/65/EC. These money market instruments consist primarily in transferable short-term fixed and floating-rate debt, debt-related and money market securities including (but not limited to) commercial paper issued by first-rate companies, floating-rate notes, certificates of deposit of prime banks, repurchase agreements, debentures, bonds, cash and deposits, which shall all comply with the Guidelines.

These investments shall be denominated in euro and up to 100% may be issued or guaranteed by sovereign governments and/or related entities, supranational entities, corporations and financial institutions. All investments at time of purchase shall have a minimum rating of A1/P1 or equivalent or, if unrated, be declared to be of comparable quality by the Investment Manager.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.

The Fund only holds securities which at the time of acquisition have an average initial or residual maturity not exceeding 397 days, taking into account any connected financial instruments and/or the terms and conditions governing those securities. For this purpose, residual maturity is in principle the instrument's legal maturity.

The Fund's portfolio has a weighted average maturity that does not exceed 60 days and a weighted average life that does not exceed 120 days.

Who should invest in the Fund?

Investors...

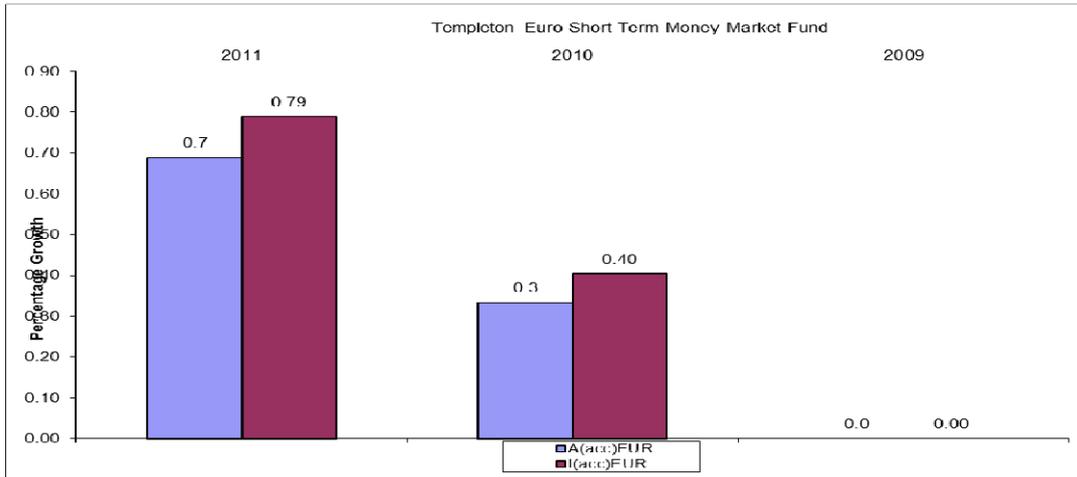
- seeking current income and high degree of capital protection by investing in a portfolio of high-quality euro-denominated debt and debt-related securities, money market securities and cash denominated in euro.
- planning to hold their investment for the short term

What are the main risks of investing in the Fund?

- Counterparty risk
- Credit risk
- Interest Rate Securities risk
- Market risk

See the section "Risk Considerations" for a full description of these risks.

*Previously named Templeton Euro Money Market Fund



Templeton Euroland Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	EUR
Alternative currency:	USD
Launch date:	8 January 1999
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
Total Expense Ratio:	A(acc) EUR: 1.87%; A(Ydis) EUR: 1.86%; B(acc) USD : 3.16%; B(Ydis) EUR: 3.16%; I(acc) EUR: 0.98%; N(acc) EUR: 2.61%
Investment Manager:	Franklin Templeton Investment Management Limited (Edinburgh, UK)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund seeks to achieve its objective primarily through a policy of investing in equity and debt obligations of any issuer in a member country of the European Monetary Union, including corporations and governments, whether denominated in euro or relevant national currency, and in stock or debt obligations denominated in euro of any other issuer.

To ensure eligibility for the French *Plan d'Epargne en Actions* (PEA), the Fund invests at least 75% of its net assets in equity securities issued by companies which have their head office in the European Union.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may seek investment opportunities in other types of transferable securities, such as preferred stock and

securities convertible into common stock of any such issuers as described above.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in undervalued equity securities issued by the member countries of the European Monetary Union.
- planning to hold their investment for the medium to long term.

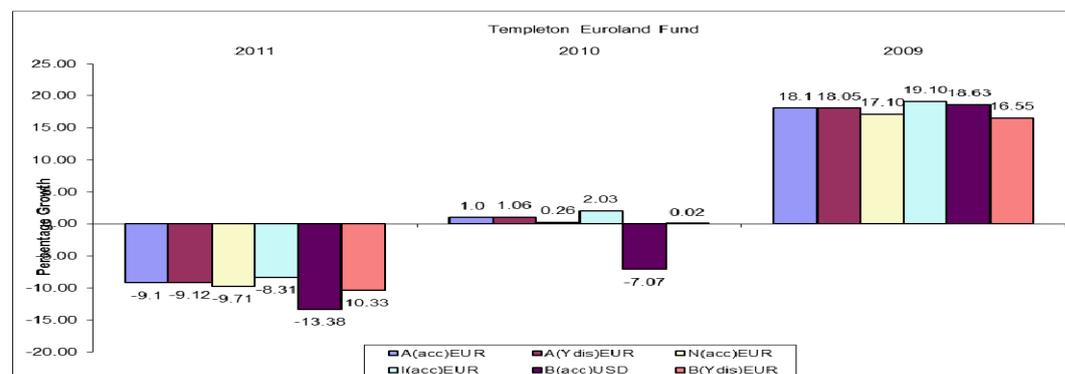
What are the main risks of investing in the Fund?

- Counterparty risk
- Equity risk
- Liquidity risk
- Market risk
- Regional Market risk
- Repurchase Transactions and Securities Lending risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Templeton European Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	EUR
Alternative currencies:	USD, SGD
Launch date:	17 April 1991
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
Total Expense Ratio:	A(acc) EUR: 1.86%; A(acc) USD: 1.85%; A(acc) SGD: 1.86%; A(Ydis) USD: 1.86%; I(acc) EUR: 0.98%; N(acc) EUR: 2.61%
Investment Manager:	Franklin Templeton Investment Management Limited (Edinburgh, UK)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund seeks to achieve its objective through a policy of investing in equity and debt obligations issued by European corporations and governments. The Fund invests primarily in common stocks.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may seek investment opportunities in other types of securities, such as preferred stock, securities convertible into common stock, and fixed income securities, including debt obligations issued by European governments.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in undervalued securities of any European country.
- planning to hold their investment for the medium to long term.

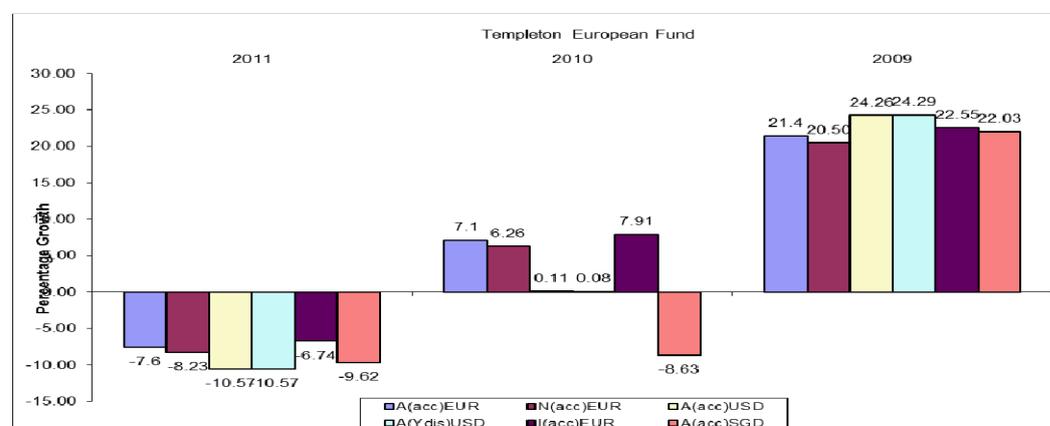
What are the main risks of investing in the Fund?

- Counterparty risk
- Equity risk
- Foreign Currency risk
- Liquidity risk
- Market risk
- Regional Market risk
- Repurchase Transactions and Securities Lending risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Templeton European Corporate Bond Fund

Fund details

<i>Type of Fund:</i>	Fixed Income Fund
<i>Base currency:</i>	EUR
<i>Launch date:</i>	30 April 2010
<i>Management charges:</i>	Monthly fee equivalent to 0.65% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.40%.
<i>Total Expense Ratio:</i>	A(acc): 1.15%; A(Ydis): 1.15%; I(acc): 0.65%; I(Ydis): 0.65%; N(acc): 2.05%; N(Ydis): 2.05%
<i>Investment Manager:</i>	Franklin Templeton Investment Management Limited (Edinburgh, UK), Franklin Advisers, Inc. (San Mateo, CA, USA) and Franklin Templeton Institutional, LLC (New York, NY, USA)

What does the Fund invest in?

Investment objective

> To maximise, consistent with prudent investment management, total investment return through a combination of interest income and capital appreciation.

Investment policy

The Fund seeks to achieve its objective by investing principally in investment-grade fixed or floating-rate debt securities of European corporate issuers and/or non-European corporate issuers with a business presence in the European region. The Fund may also utilise certain financial derivative instruments for investment purposes. These financial derivative instruments may be dealt on either regulated markets or over-the-counter, and may include, inter alia, swaps (such as credit default swaps or total return swaps), forward and cross forwards, futures contracts, as well as options. Use of these financial derivative instruments may result in negative exposures in a specific yield curve/duration or currency. The Fund may in addition, in accordance with the investment restrictions, invest in credit-linked securities or other structured products that derive their value from another European-related index, security or currency. The Fund principally invests in fixed income debt securities either denominated in euro or, if denominated in another currency, hedged into euro.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may also, for defensive purposes and/or on an ancillary basis, seek investment opportunities in other types of securities including but not limited to government debt securities, supranational entities organised or supported by several national governments, non-investment grade debt securities, bonds convertible into common stock, preferred stock and warrants.

Who should invest in the Fund?

Investors...

- seeking total investment return through a combination of interest income and capital appreciation.
- planning to hold their investment for the medium to long term.

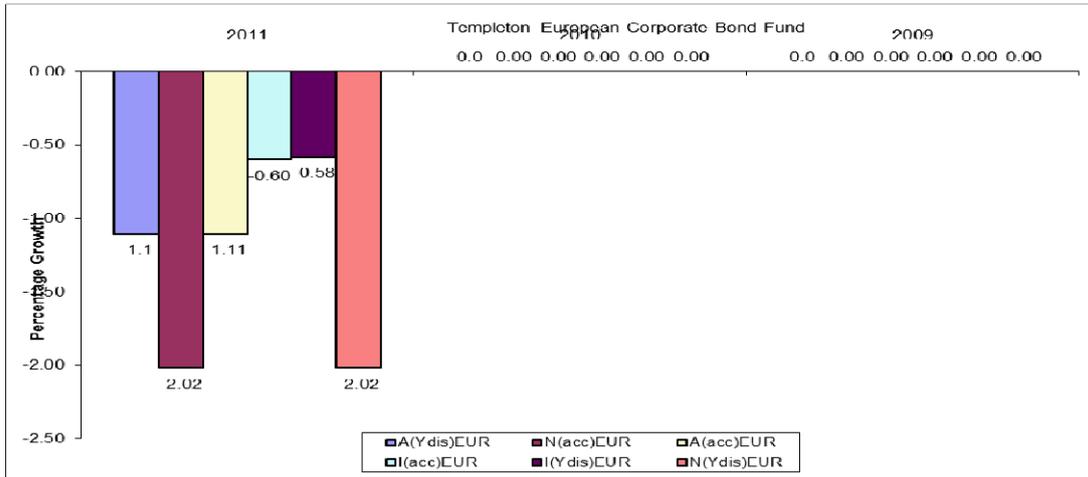
What are the main risks of investing in the Fund?

- Counterparty risk
- Credit risk
- Credit-Linked Securities risk
- Derivative risk
- Interest Rate Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Regional Market risk
- Structured Notes risk
- Swap Agreements risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Templeton European Total Return Fund

Fund details

Type of Fund:	Fixed Income Fund
Base currency:	EUR
Alternative currency:	USD
Launch date:	29 August 2003
Management charges:	Monthly fee equivalent to 0.75% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.55%.
Total Expense Ratio:	A(acc) EUR: 1.10%; A(Mdis) EUR: 1.10%; A(Ydis) EUR: 1.10%; A(Mdis) USD: 1.10%; I(acc) EUR: 0.85%; N(acc) EUR: 1.79%; N(Mdis) EUR: 1.80%
Investment Managers:	Franklin Templeton Investment Management Limited (Edinburgh, UK) and Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> To maximise, consistent with prudent investment management, total investment return consisting of a combination of interest income, capital appreciation, and currency gains.

Investment policy

The Fund seeks to achieve its objective by investing in a portfolio of fixed and floating rate debt securities and debt obligations of governments, government-related or corporate issuers with registered office in Europe.

The Fund may also, in accordance with the investment restrictions, invest in securities or structured products where the security is linked to or derives its value from another security, linked to assets or currencies of any European country. More specifically, the Fund may purchase debt obligations issued by governments and supranational entities organised or supported by several national governments.

The Fund may also purchase mortgage- and asset-backed securities and convertible bonds as well as certain financial derivative instruments including index-based financial derivatives, credit default swaps, forwards or futures contracts, or options on such contracts, including those on European government bonds. The net assets of the Fund shall primarily (e.g. at least two-thirds of the net assets without taking into account ancillary liquid assets) be invested in securities or financial derivative instruments based on securities of European issuers.

In order to efficiently manage the portfolio, the Fund may buy and sell various financial derivative instruments including index-based derivative instruments and credit default swaps.

The Fund may invest in investment-grade and non-investment grade debt securities, including high-

yield corporate debt, private placements, global bonds and currencies of Emerging Market countries, of which up to 10% of the Fund's net assets may be in securities in default.

Who should invest in the Fund?

Investors...

- seeking a high level of income and capital preservation, and to a lesser extent, capital growth by investing in fixed income securities and derivative instruments from European governments or corporate issuers.

- planning to hold their investment for the medium to long term.

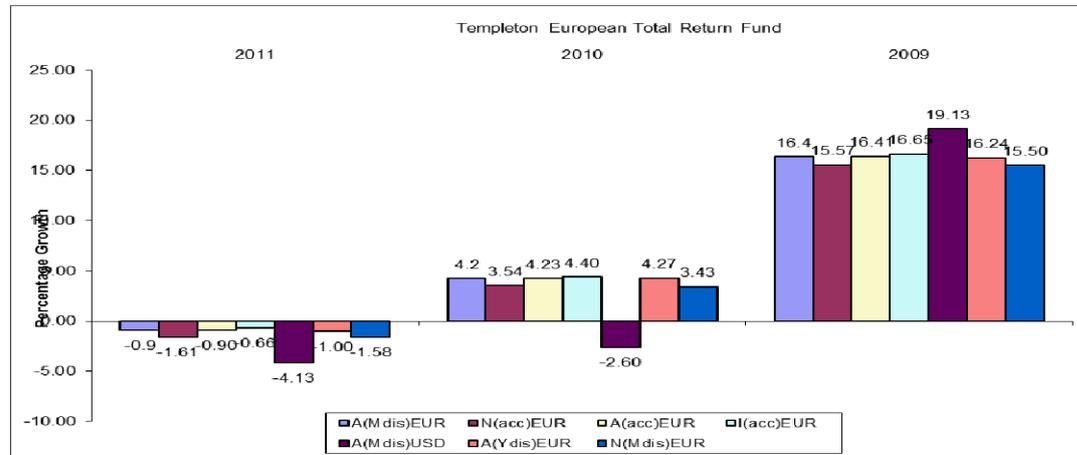
What are the main risks of investing in the Fund?

- Counterparty risk
- Credit risk
- Credit-Linked Securities risk
- Defaulted Debt Securities risk
- Derivative risk
- Emerging Markets risk
- Foreign Currency risk
- Interest Rate Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Mortgage- and Asset-Backed Securities risk
- Regional Market risk
- Sovereign Debt risk
- Structured Notes risk
- Swap Agreements risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Templeton Frontier Markets Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	USD
Alternative currencies:	EUR, GBP, SGD
Launch date:	14 October 2008
Management charges:	Monthly fee equivalent to 1.60% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I, W and X Shares. For Class I Shares: 1.10%. For Class W Shares: up to 2.00%.
Total Expense Ratio:	A(acc) USD: 2.59%; A(acc) EUR: 2.58%; A(acc) EUR-H1: 2.59%; A(acc) SGD: 2.59%; A(Ydis) GBP: 2.60%; A(Ydis) USD: 2.59%; B(acc) USD: 3.89%; C(acc) USD: 3.17%; I(acc) EUR: 1.54%; I(acc) USD: 1.53%; I(Ydis) GBP: 1.54%; N(acc) EUR: 3.09%; N(acc) EUR-H1: 3.09%; W(acc) GBP: N/A; X(acc) USD: 0.30%; Z(Ydis) EUR-H1: 2.08%; Z(acc) GBP: N/A
Investment Managers:	Templeton Asset Management Ltd. (Singapore)

What does the Fund invest in?

Investment objective

> Long-term capital appreciation.

Investment policy

The Fund invests principally in transferable equity securities of companies (i) incorporated in the Frontier Markets countries, and/or (ii) which have their principal business activities in Frontier Market countries across the market capitalisation spectrum. The Frontier Market countries are smaller, less developed and less accessible Emerging Market countries, but with "investable" equity markets and include those defined as Frontier Markets by the International Finance Corporation as well as included in Frontier Markets-related indices (including but not limited to: MSCI Frontier Markets Index, Merrill Lynch Frontier Index, S&P Frontier Broad Market Index), for example Bahrain, Bulgaria, Egypt, Kazakhstan, Nigeria, Pakistan, Qatar, Vietnam, etc.

Since the investment objective is more likely to be achieved through an investment policy which is flexible and adaptable, the Fund may also invest in participatory notes and other types of transferable securities, including equity, equity-related and fixed income securities of issuers worldwide as well as in financial derivative instruments for hedging and/or efficient portfolio management. These financial derivative instruments may include, inter alia, forwards and financial futures contracts, or options on such contracts, equity-linked notes dealt on either regulated markets or over-the-counter.

Past Performance:

The following charts show the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in these charts.

Who should invest in the Fund?

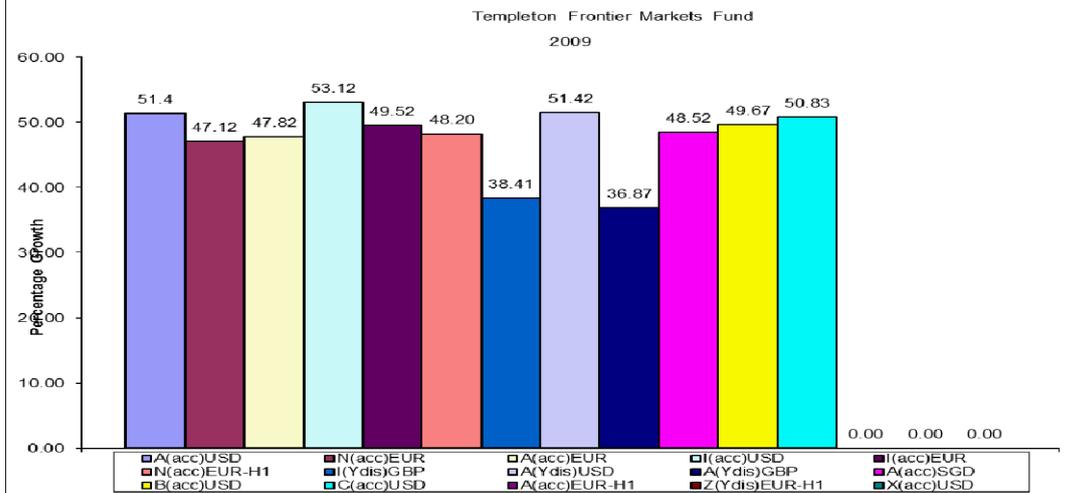
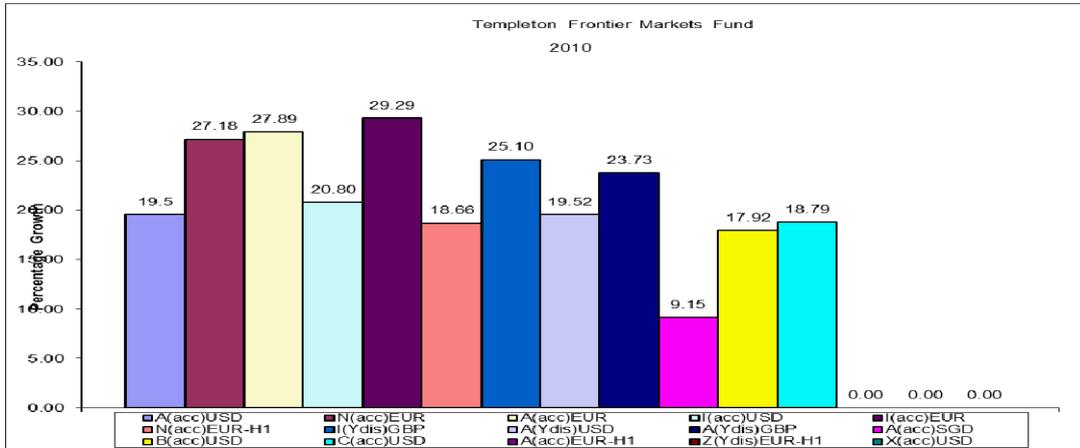
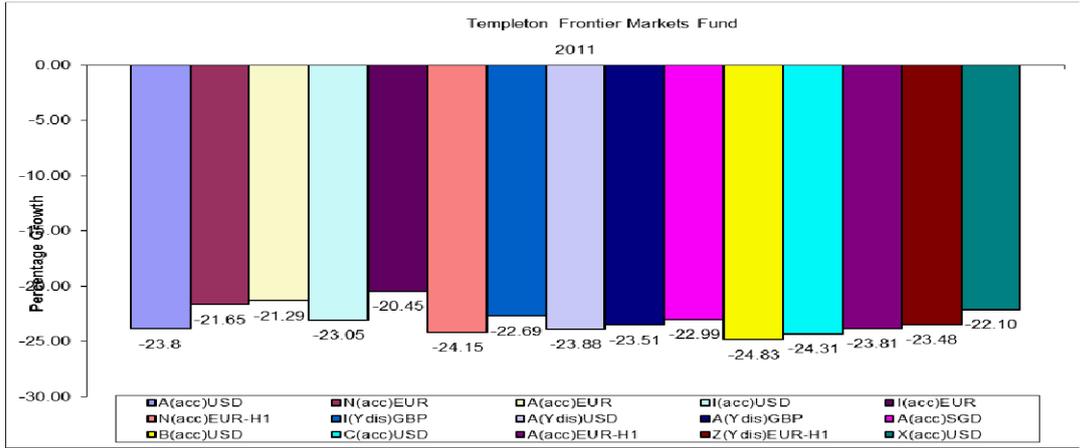
Investors...

- seeking capital appreciation by investing in equity securities of companies located in countries defined as Frontier Markets.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Frontier Markets risk
- Liquidity risk
- Market risk
- Participatory Notes risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.



Templeton Global Fund

Fund details

<i>Type of Fund:</i>	Equity Fund
<i>Base currency:</i>	USD
<i>Alternative currency:</i>	SGD, HKD
<i>Launch date:</i>	28 Feb 1991
<i>Management charges:</i>	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
<i>Total Expense Ratio:</i>	A(acc) USD: 1.84%; A(acc) SGD: 1.84%; A(Ydis) USD: 1.84%; A(acc) HKD: 1.85%; B(acc) USD: 3.14%; C(acc) USD: 2.41%; I(acc) USD: 0.97%; N(acc) USD: 2.58%
<i>Investment Manager:</i>	Franklin Templeton Investment Management Limited (Edinburgh, UK)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund seeks to achieve its objective through a policy of investing in equity securities of companies throughout the world, including Emerging Markets. The Fund invests principally in common stocks.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may seek investment opportunities in other types of securities, such as preferred stock, securities convertible into common stock, and fixed income securities, which are US dollar and non-US dollar denominated.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in undervalued securities in a well-diversified global equity fund.
- planning to hold their investment for the medium to long term.

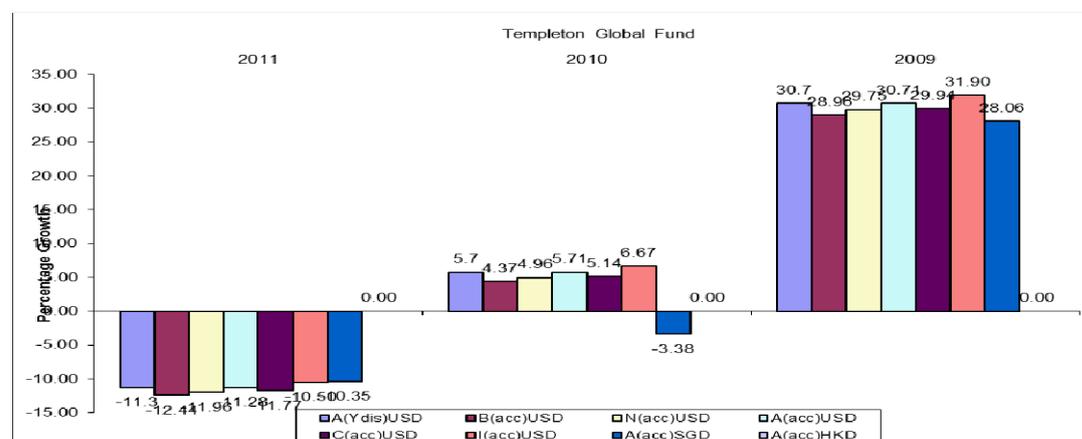
What are the main risks of investing in the Fund?

- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Liquidity risk
- Market risk
- Repurchase Transactions and Securities Lending risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Templeton Global (Euro) Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	EUR
Alternative currency:	USD
Launch date:	26 April 1991
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
Total Expense Ratio:	A(acc) EUR: 1.85%; A(Ydis) EUR: 1.85%; B(acc) USD: 3.24%; I(acc) EUR: 0.96%; I(acc) EUR-H2: 0.96%; N(acc) EUR: 2.59%
Investment Manager:	Franklin Templeton Investment Management Limited (Edinburgh, UK)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund seeks to achieve its objective through a policy of investing in equity securities of companies throughout the world. The Fund invests primarily in common stocks.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may seek investment opportunities in other types of securities, such as preferred stock, securities convertible into common stock, and fixed income securities, which are euro and non-euro denominated.

The name of the Fund reflects the base currency of the Fund being in euro, and does not necessarily imply that any particular proportion of the Fund's net invested assets are made in euro.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in undervalued securities in a well-diversified global equity fund with the euro as its base currency.
- planning to hold their investment for the medium to long term.

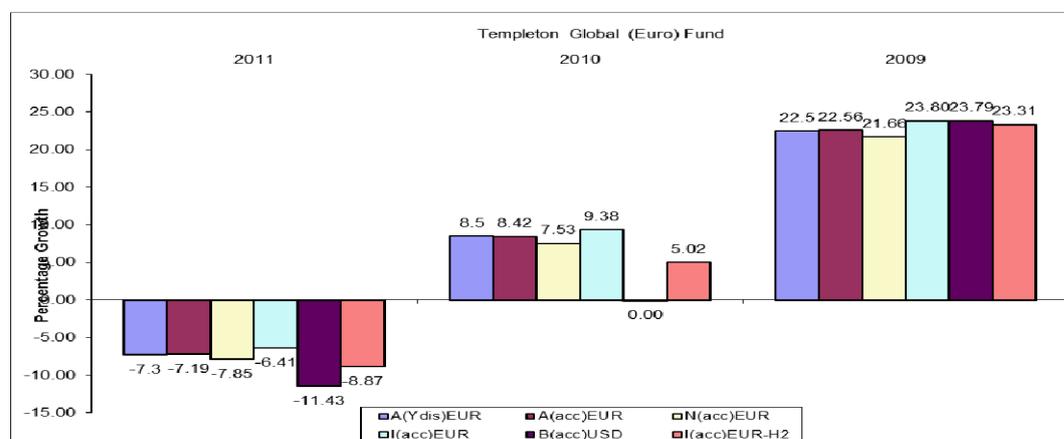
What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Liquidity risk
- Market risk
- Repurchase Transactions and Securities Lending risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Templeton Global Aggregate Bond Fund

Fund details

<i>Type of Fund:</i>	Fixed Income Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	EUR, GBP, CHF
<i>Launch date:</i>	29 October 2010
<i>Management charges:</i>	Monthly fee equivalent to 0.65% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.40%.
<i>Total Expense Ratio:</i>	A(acc) USD: 1.25%; A(acc) EUR: 1.25%; A(acc) EUR-H1: 1.25%; A(Mdis) EUR: 1.25%; A(Mdis) USD: 1.25%; A(Qdis) GBP-H1: 1.25%; A(Ydis) EUR-H1: 1.25%; I(acc) USD: 0.60%; I(acc) EUR: 0.60%; I(acc) EUR-H1: 0.60%; I(acc) CHF-H1: 0.60%; I(Qdis) EUR-H1: 0.60%; I(Qdis) GBP-H1: 0.60%; N(acc) USD: 1.95%; N(acc) EUR: 1.95%; N(acc) EUR-H1: 1.95%
<i>Investment Manager:</i>	Franklin Templeton Investment Management Limited (Edinburgh, UK)

What does the Fund invest in?

Investment objective

> To maximise, consistent with prudent investment management, total investment return, consisting of a combination of interest income and capital appreciation.

Investment policy

The Fund seeks to achieve its objective by investing principally in fixed or floating-rate debt securities issued by governments, government-related entities (including supranational organisations supported by several national governments) and corporations worldwide. The Fund invests mainly in investment-grade securities, but may invest up to 10% in non-investment grade securities and may also invest in Emerging Market debt securities. The Fund may, in addition, in accordance with the investment restrictions, invest in credit-linked securities or other structured products that derive their value from an index, security or currency or purchase mortgage- and asset-backed securities.

The Fund may also utilise certain financial derivative instruments for hedging and/or efficient portfolio management. These financial derivative instruments may be dealt on either regulated markets or over-the-counter, and may include, inter alia, swaps (such as credit default swaps or total return swaps), forwards and cross forwards, futures contracts, as well as options. Use of financial derivative instruments will not exceed 40% of the Fund's net assets.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may also seek investment opportunities in other types of securities including, but not limited to, UCIs, bonds convertible into common stock, preferred stock and warrants.

Who should invest in the Fund?

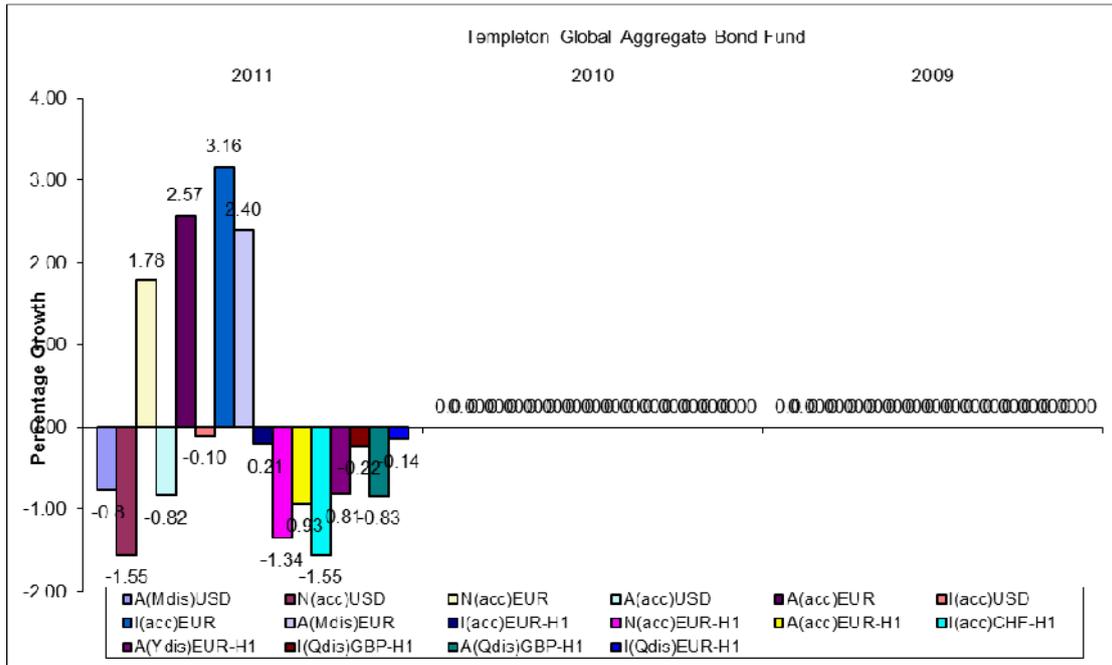
Investors...

- seeking interest income and capital appreciation by investing in a diversified global fixed income product.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Credit risk
- Credit-Linked Securities risk
- Defaulted Debt Securities risk
- Derivative risk
- Emerging Markets risk
- Foreign Currency risk
- Interest Rate Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Mortgage- and Asset-Backed Securities risk
- Sovereign Debt risk
- Structured Notes risk
- Swap Agreements risk

See the section "Risk Considerations" for a full description of these risks.



Templeton Global Aggregate Investment Grade Bond Fund*

Fund details

Type of Fund:	Fixed Income Fund
Base currency:	USD
Launch date:	To be determined by the Board of Directors
Management charges:	Monthly fee equivalent to 0.65% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.40%.
Total Expense Ratio:	A(acc): N/A; I(acc): N/A
Investment Managers:	Franklin Templeton Investment Management Limited (Edinburgh, UK)

What does the Fund invest in?

Investment objective

> To maximise, consistent with prudent investment management, total investment return, consisting of a combination of interest income and capital appreciation.

Investment policy

The Fund seeks to achieve its objective by investing principally in fixed or floating-rate debt securities issued by governments, government-related entities (including supranational organisations supported by several national governments) and corporations worldwide. The Fund invests mainly in investment grade securities and may also invest in investment-grade Emerging Market debt securities. The Fund may, in addition, in accordance with the investment restrictions, invest in credit-linked securities or other structured products that derive their value from an index, security or currency or purchase mortgage- and asset-backed securities.

The Fund may also utilise certain financial derivative instruments for hedging and/or efficient portfolio management. These financial derivative instruments may be dealt on either regulated markets or over-the-counter, and may include, inter alia, swaps (such as credit default swaps or total return swaps), forward and cross forwards, futures contracts, as well as options. Use of financial derivative instruments will not exceed 40% of the Fund's net assets.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may also seek investment opportunities in other types of securities including, but not limited to, undertakings for

collective investments, bonds convertible into common stock, preferred stock and warrants.

Who should invest in the Fund?

Investors...

- seeking interest income and capital appreciation by investing in a diversified global investment-grade fixed income product.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Credit risk
- Credit-Linked Securities risk
- Defaulted Debt Securities risk
- Derivative risk
- Emerging Markets risk
- Foreign Currency risk
- Interest Rate Securities risk
- Liquidity risk
- Market risk
- Mortgage- and Asset-Backed Securities risk
- Mortgage Dollar Roll risk
- Sovereign Debt risk
- Structured Notes risk
- Swap Agreements risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

N/A

* Fund to be launched at a later date to be determined by the Board of Directors.

Templeton Global Balanced Fund

Fund details

<i>Type of Fund:</i>	Balanced Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	EUR, SGD
<i>Launch date:</i>	1 June 1994
<i>Management charges:</i>	Monthly fee equivalent to 0.80% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares.
<i>Total Expense Ratio:</i>	A(acc) USD: 1.67%; A(acc) EUR: 1.67%; A(acc) EUR-H1: 1.68%; A(acc) SGD: 1.67%; A(Qdis) USD: 1.67%; B(acc) USD: 2.97%; C(Qdis) USD: 2.25%; N(acc) EUR: 2.17%; N(acc) EUR-H1: 2.18%
<i>Investment Manager:</i>	Franklin Templeton Investment Management Limited (Edinburgh, UK) and Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> Capital appreciation and current income, consistent with prudent investment management.

Investment policy

The Fund seeks to achieve its objective by investing principally in equity securities and government debt securities issued by entities throughout the world, including Emerging Markets.

The Investment Manager anticipates that the majority of the Fund's portfolio is normally invested in equity or equity-linked securities, including debt or preferred stock convertible or exchangeable into equity securities, selected principally on the basis of their capital growth potential. The Fund seeks income by investing in fixed or floating rate debt securities and debt obligations issued by government and government-related issuers or corporate entities worldwide. The Fund may also purchase debt obligations issued by supranational entities organised or supported by several national governments, such as the International Bank for Reconstruction and Development or the European Investment Bank. The Fund may purchase equities, fixed income securities and debt obligations. Notwithstanding the foregoing, at no time will the Investment Manager invest more than 40% of the Fund's net assets into fixed income securities.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.

Who should invest in the Fund?

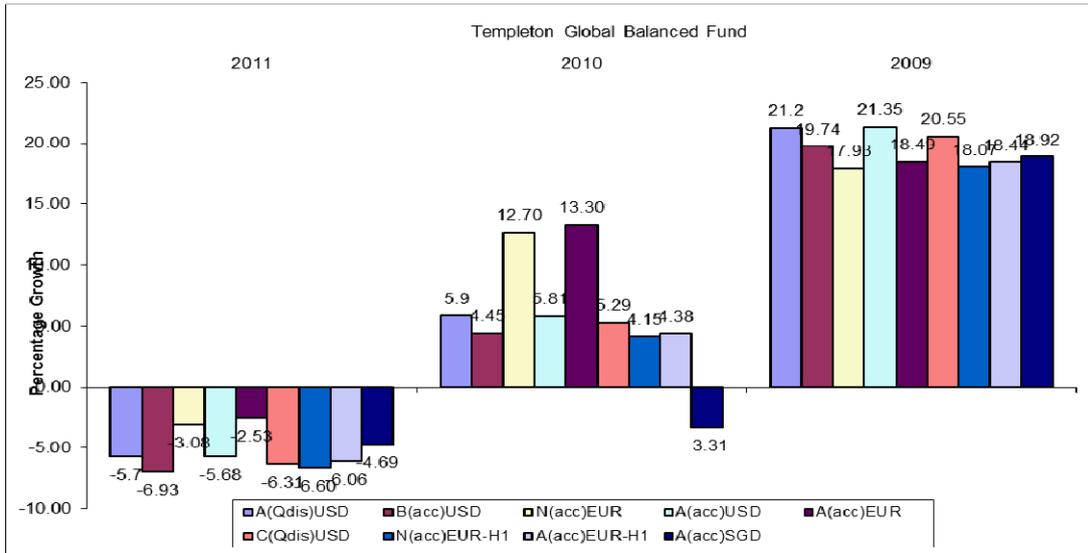
Investors...

- seeking capital appreciation and a level of income by accessing a portfolio of both equity and fixed income securities via a single fund.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the fund?

- Class Hedging risk
- Counterparty risk
- Credit risk
- Derivative risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Interest Rate Securities risk
- Liquidity risk
- Market risk
- Repurchase Transactions and Securities Lending risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.



Templeton Global Bond Fund

Fund details

<i>Type of Fund:</i>	Fixed Income Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	EUR, GBP, SGD, CHF, HUF, AUD, HKD, NOK, SEK, JPY, PLN, CAD
<i>Launch date:</i>	28 February 1991
<i>Management charges:</i>	Monthly fee equivalent to 0.75% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I and W Shares. For Class I Shares: 0.55%. For Class W Shares: up to 2.00%.
<i>Total Expense Ratio:</i>	A(acc) EUR: 1.40%; A(acc) EUR-H1: 1.41%; A(acc) USD: 1.41%; A(acc) HKD: 1.40%; A(acc) NOK-H1: 1.43%; A(acc) SEK-H1: 1.42%; A(acc) CHF-H1: 1.41%; A(Mdis) AUD-H1: 1.43%; A(Mdis) CAD-H1: 1.41%; A(Mdis) USD: 1.40%; A(Mdis) EUR: 1.40%; A(Mdis) EUR-H1: 1.42%; A(Ydis) EUR: 1.41%; A(Ydis) EUR-H1: 1.42%; A(Mdis) GBP: 1.40%; A(Mdis) GBP-H1: 1.41%; A(Mdis) HKD: 1.42%; A(Mdis) SGD: 1.40%; A(Mdis) SGD-H1: 1.42%; A(Ydis) CHF-H1: 1.50%; AX(acc) USD: 1.60%; B(Mdis) USD: 2.91%; C(Mdis) USD: 2.18%; I(acc) CHF-H1: 0.87%; I(acc) USD: 0.86%; I(acc) EUR: 0.86%; I(acc) EUR-H1: 0.86%; I(Mdis) EUR: 0.86%; I(Mdis) GBP: 0.86%; I(Mdis) GBP-H1: 0.86%; I(Mdis) JPY: 0.85%; I(Mdis) JPY-H1: 0.84%; I(Ydis) EUR: 0.84%; I(Ydis) EUR-H1: 0.86%; N(acc) HUF: 2.09%; N(acc) PLN-H1: 2.16%; N(acc) USD: 2.10%; N(acc) EUR: 2.10%; N(acc) EUR-H1: 2.11%; N(Mdis) EUR-H1: 2.12%; N(Mdis) USD: 2.13%; N(Ydis) EUR-H1: 2.14%; W(Mdis) GBP-H1: N/A; Z(acc) USD: 1.11%; Z(acc) EUR: 1.22%; Z(Mdis) USD: 1.12%; Z(Mdis) GBP-H1: N/A; Z(Ydis) EUR-H1: 1.12%
<i>Investment Manager:</i>	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> To maximise, consistent with prudent investment management, total investment return consisting of a combination of interest income, capital appreciation and currency gains.

Investment policy

The Fund seeks to achieve its objective by investing principally in a portfolio of fixed or floating-rate debt securities (including non-investment grade securities) and debt obligations issued by government or government-related issuers worldwide. The Fund may also, in accordance with the investment restrictions, invest in debt securities (including non-investment grade securities) of corporate issuers. The Fund may also purchase debt obligations issued by supranational entities organised or supported by several national governments, such as the International Bank for Reconstruction and Development or the European Investment Bank. The Fund may also utilise financial derivative instruments for investment purposes. These financial derivative instruments may be dealt on either regulated markets or over-the-counter, and may include, inter alia, swaps (such as credit default swaps or total return swaps), forwards and cross forwards, futures contracts (including those on government securities), as well as options. Use of financial derivative instruments may result in negative exposures in a specific yield curve/duration, currency or credit.

- Interest Rate Securities risk

The Fund may also invest in securities or structured products where the security is linked to or derives its value from another security or is linked to assets or currencies of any country. The Fund may hold up to 10% of its net assets in securities in default. The Fund may purchase fixed income securities and debt obligations denominated in any currency, and may hold equity securities to the extent that such securities result from the conversion or exchange of a preferred stock or debt obligation.

Who should invest in the Fund?

Investors...

- seeking to maximise total investment return consisting of a combination of interest income, capital appreciation and currency gains.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the fund?

- Class Hedging risk
- Counterparty risk
- Credit risk
- Credit-Linked Securities risk
- Defaulted Debt Securities risk
- Derivative risk
- Emerging Markets risk
- Foreign Currency risk

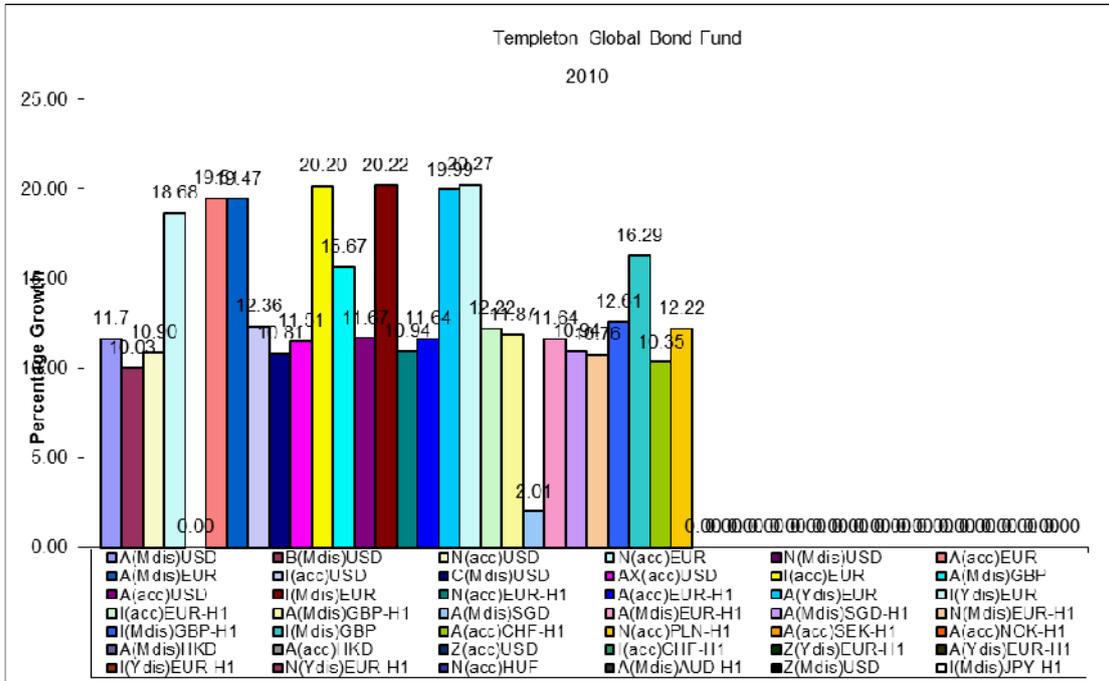
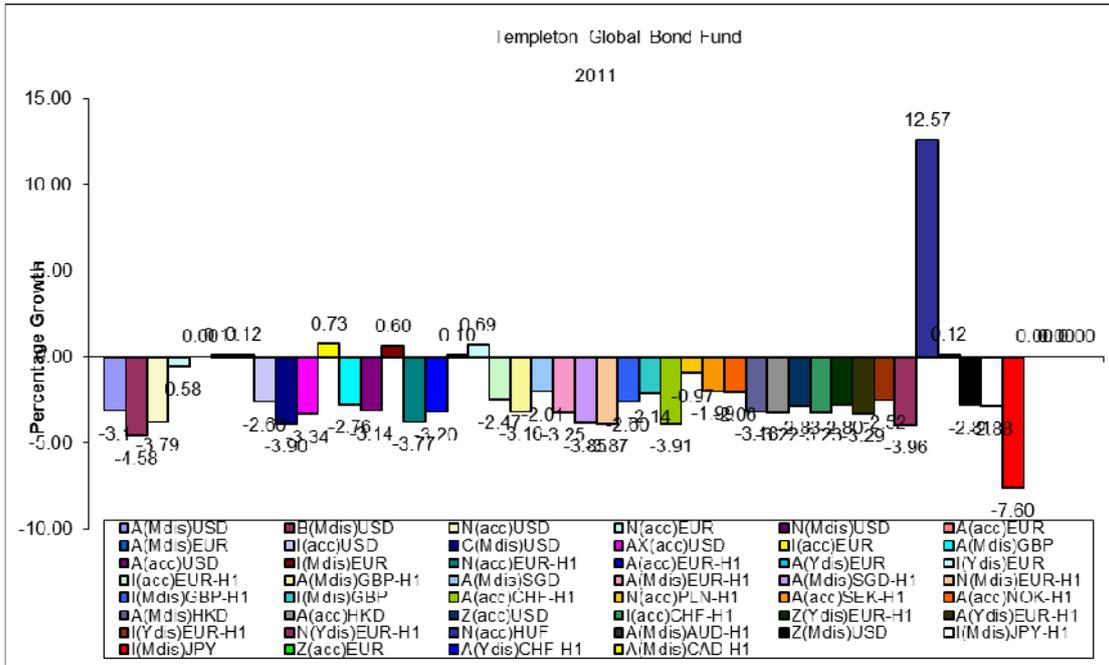
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Sovereign Debt risk

- Structured Notes risk
- Swap Agreements risk

See the section "Risk Considerations" for a full description of these risks.

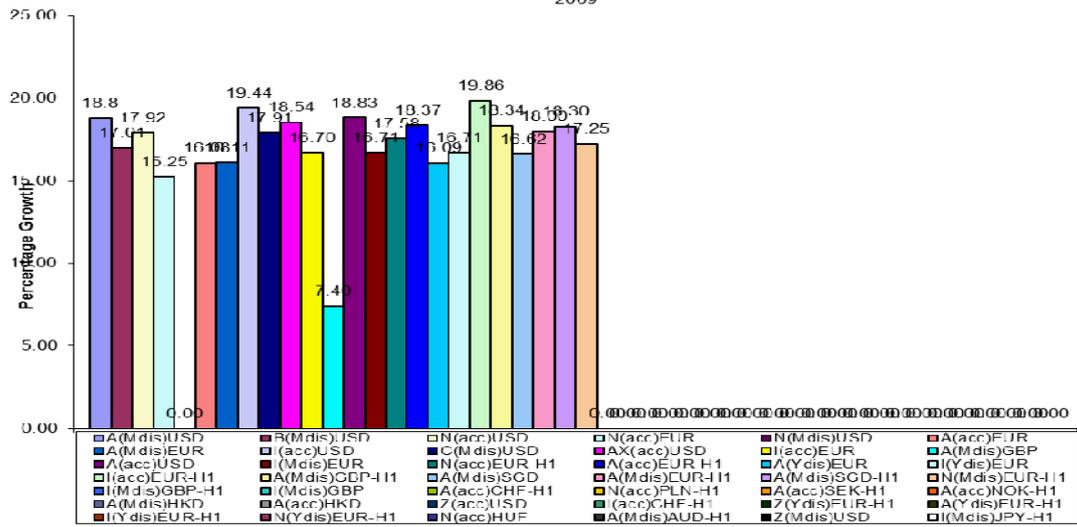
Past Performance:

The following charts show the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in these charts.



Templeton Global Bond Fund

2009



Templeton Global Bond (Euro) Fund

Fund details

Type of Fund:	Fixed Income Fund
Base currency:	EUR
Alternative currency:	USD
Launch date:	29 August 2003
Management charges:	Monthly fee equivalent to 0.75% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.55%.
Total Expense Ratio:	A(acc) EUR: 1.39%; A(acc) USD: 1.42%; A(Ydis) EUR: 1.39%; I(acc) EUR: 0.85%; N(acc) EUR: 2.09%
Investment Manager:	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> To maximise, consistent with prudent investment management, total investment return consisting of a combination of interest income, capital appreciation and currency gains.

Investment policy

The Fund seeks to achieve its objective by investing principally in a portfolio of fixed or floating-rate debt securities (including non-investment grade securities) and debt obligations issued by government or government-related issuers worldwide. The Fund may also, in accordance with the investment restrictions, invest in debt securities (including non-investment grade securities) of corporate issuers. The Fund may also purchase debt obligations issued by supranational entities organised or supported by several national governments, such as the International Bank for Reconstruction and Development or the European Investment Bank. The Fund may also utilise financial derivative instruments for investment purposes. These financial derivative instruments may be dealt on either regulated markets or over-the-counter, and may include, inter alia, swaps (such as credit default swaps or total return swaps), forwards and cross forwards, futures contracts (including those on government securities), as well as options. Use of financial derivative instruments may result in negative exposures in a specific yield curve/duration, currency or credit. The Fund may also invest in securities or structured products where the security is linked to or derives its value from another security or is linked to assets or currencies of any country. The Fund may hold up to 10% of its net assets in securities in default. The Fund may purchase fixed income securities and debt obligations denominated in any currency and may hold equity securities to the extent that such

securities result from the conversion or exchange of a preferred stock or debt obligation. The non-euro component of the portfolio may be hedged into euro.

The name of the Fund reflects the base currency of the Fund being in euro, and does not necessarily imply that any particular proportion of the Fund's net invested assets are denominated in euro.

Who should invest in the Fund?

Investors...

- seeking to maximise total investment return consisting of a combination of interest income, capital appreciation and currency gains.
- planning to hold their investment for the medium to long term.

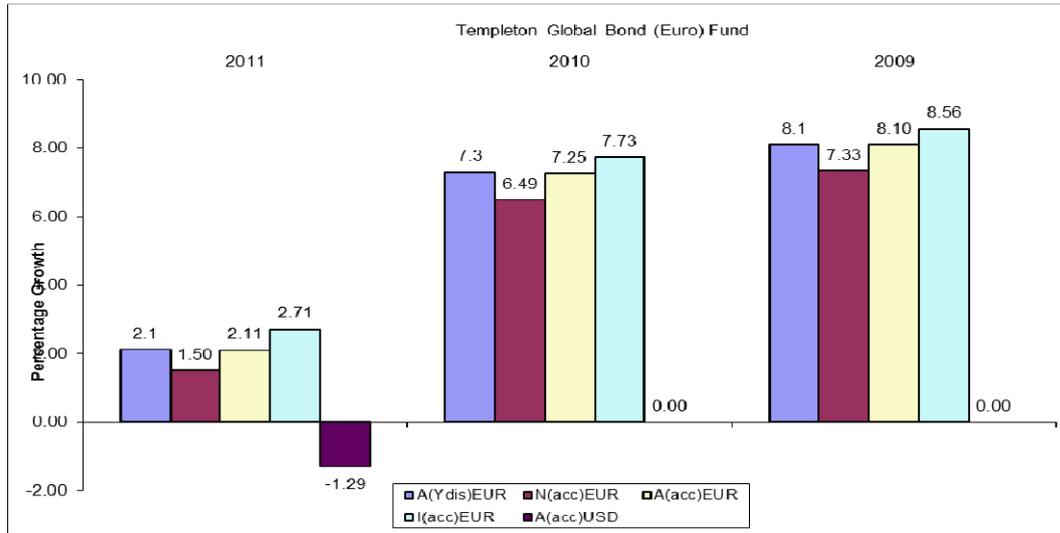
What are the main risks of investing in the fund?

- Counterparty risk
- Credit risk
- Credit-Linked Securities risk
- Defaulted Debt Securities risk
- Derivative risk
- Emerging Markets risk
- Foreign Currency risk
- Interest Rate Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Sovereign Debt risk
- Structured Notes risk
- Swap Agreements risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Templeton Global Equity Income Fund

Fund details

<i>Type of Fund:</i>	Equity Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	EUR, SGD
<i>Launch date:</i>	27 May 2005
<i>Management charges:</i>	Monthly fee equivalent to 1.00 % per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
<i>Total Expense Ratio:</i>	A(acc) USD: 1.59%; A(acc) EUR: 1.60%; A(Qdis) USD: 1.59%; A(Qdis) SGD: 1.86%; B(Qdis) USD: 2.73%; I(Qdis) JPY*: 0.97%
<i>Investment Manager:</i>	Franklin Templeton Investment Management Limited (Edinburgh, UK)

What does the Fund invest in?

Investment objective

> Combination of current income and long-term capital appreciation.

Investment policy

Under normal market conditions the Fund invests in a diversified portfolio of equity securities worldwide. The Fund seeks income by investing in stocks the Investment Manager believes offers attractive dividend yields. The Investment Manager seeks capital appreciation by searching for undervalued or out-of-favour securities offering current income and/or opportunities for future capital appreciation. Capital appreciation is sought by investing in equity securities of companies from a variety of industries and located anywhere in the world, including Emerging Markets.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may also seek investment opportunities in other types of transferable securities such as debt and fixed income securities.

The Investment Manager may take a temporary defensive cash position when it believes the securities trading markets or the economies of countries where the Fund invests are experiencing

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.

excessive volatility or prolonged general decline or other adverse conditions.

Who should invest in the Fund?

Investors...

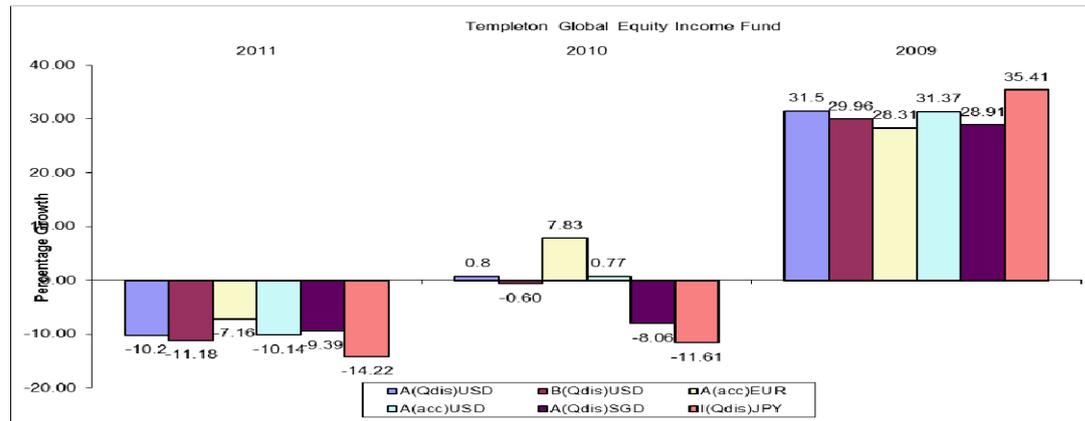
- seeking capital appreciation and current income from their equity investments.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Liquidity risk
- Market risk
- Repurchase Transactions and Securities Lending risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.

*This share class closed on March 16, 2012



Templeton Global High Yield Fund

Fund details

Type of Fund:	Fixed Income Fund
Base currency:	USD
Alternative currency:	EUR
Launch date:	27 September 2007
Management charges:	Monthly fee equivalent to 0.85% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.60%.
Total Expense Ratio:	A(acc) USD: 1.66%; A(acc) EUR: 1.65%; A(Mdis) USD: 1.67%; A(Mdis) EUR: 1.67%; I(acc) EUR: 0.87%; I(acc) USD: 0.87%; N(acc) EUR: 2.16%
Investment Manager:	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

- > Primary objective: to earn a high level of current income.
- > Secondary objective: capital appreciation, but only when consistent with its principal objective.

Investment policy

The Fund invests principally in debt securities (including non-investment grade securities) of issuers globally, including those in Emerging Markets. For the purpose of this Fund, debt securities shall include all varieties of fixed and floating-rate income securities (including bank loans through regulated investment funds subject to the limits indicated below), bonds, mortgage- and other asset-backed securities and convertible securities. The Fund may also utilise financial derivative instruments for investment purposes. These financial derivative instruments may be dealt on either regulated markets or over-the-counter, and may include, inter alia, swaps (such as credit default swaps or total return swaps), forwards and cross forwards, futures contracts (including those on government securities), as well as options. Use of financial derivative instruments may result in negative exposures in a specific yield curve/duration, currency or credit. In addition, the Fund may invest in equity securities, credit-linked securities and money-market instruments and may seek exposure to floating-rate loans through regulated investment funds. The Fund may invest up to 10% of its net assets in units of UCITS and other UCIs and up to 10% of its net assets in securities in default.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.

Who should invest in the Fund?

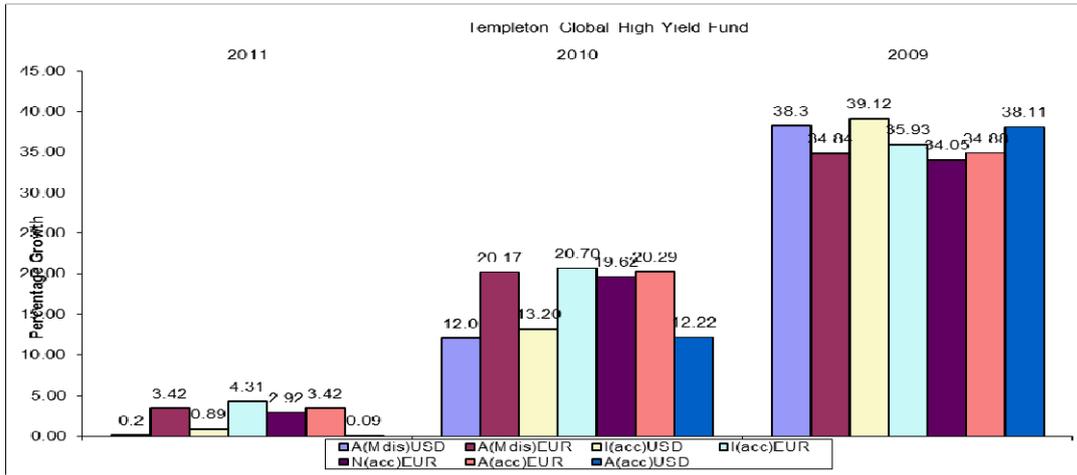
Investors...

- seeking a high level of income and prospects of capital appreciation by accessing a portfolio of high-yield debt securities from issuers worldwide.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Counterparty risk
- Credit risk
- Credit-Linked Securities risk
- Defaulted Debt Securities risk
- Derivative risk
- Emerging Markets risk
- Foreign Currency risk
- Interest Rate Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Mortgage- and Asset-Backed Securities risk
- Restructuring Companies risk
- Sovereign Debt risk
- Swap Agreements risk

See the section "Risk Considerations" for a full description of these risks.



Templeton Global Income Fund

Fund details

<i>Type of Fund:</i>	Balanced Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	EUR, HKD, SGD
<i>Launch date:</i>	27 May 2005
<i>Management charges:</i>	Monthly fee equivalent to 0.85% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.60%.
<i>Total Expense Ratio:</i>	A(acc) USD: 1.60%; A(acc) EUR: 1.59%; A(acc) HKD: 1.60%; A(Qdis) USD: 1.60%; A(Qdis) HKD: 1.60%; A(Qdis) SGD: 1.60%; B(Qdis) USD: 2.74%; C(Qdis) USD: 2.09%; I(acc) USD: 0.89%; N(acc) USD: 1.99%; Z(acc) USD: 1.00%
<i>Investment Manager:</i>	Franklin Advisers, Inc. (San Mateo, CA, USA) and Templeton Global Advisors Limited (Nassau, Bahamas)

What does the Fund invest in?

Investment objective

> To maximise current income while maintaining prospects for capital appreciation.

Investment policy

Under normal market conditions, the Fund invests in a diversified portfolio of debt and equity securities worldwide. The Fund seeks income by investing in a portfolio of fixed and floating-rate debt securities and debt obligations issued by government and government-related issuers or corporate entities worldwide, including in Emerging Markets, as well as stocks the Investment Manager believes offer attractive dividend yields. The Fund may also purchase debt obligations issued by supranational entities organised or supported by several national governments, such as the International Bank for Reconstruction and Development or the European Investment Bank. The Fund may invest in investment-grade and non-investment grade debt securities issued by US and non-US issuers including securities in default. The Fund may also utilise financial derivative instruments for investment purposes. These financial derivative instruments may be dealt on either regulated markets or over-the-counter, and may include, inter alia, swaps (such as credit default swaps or total return swaps), forwards and cross forwards, futures contracts (including those on government securities), as well as options. Use of financial derivative instruments may result in negative exposures in a specific yield curve/duration, currency or credit. The Fund may invest up to 10% of its net assets in units of UCITS and other UCIs. The Fund may invest in fixed or floating-rate debt securities either directly or through regulated investment funds (subject to the limits indicated above).

The Investment Manager may take a temporary defensive cash position when it believes the securities trading markets or the economies of countries where the Fund invests are experiencing excessive volatility or prolonged general decline or other adverse conditions.

Who should invest in the Fund?

Investors...

- seeking a combination of current income and capital appreciation by accessing a portfolio of both equity and fixed income securities via a single fund.
- planning to hold their investment for the medium to long term.

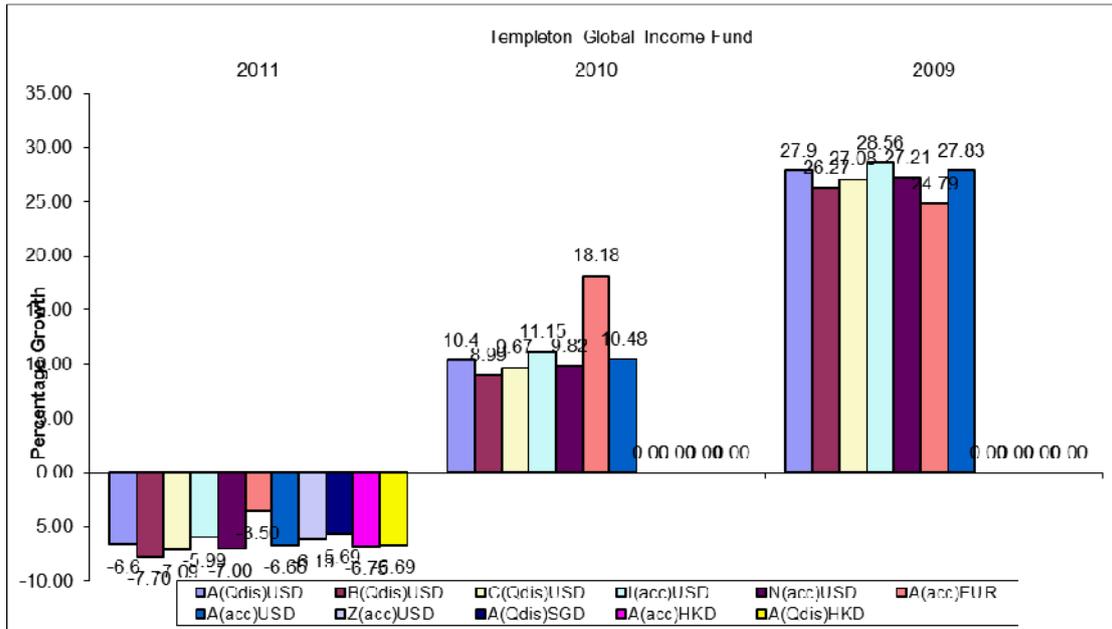
What are the main risks of investing in the Fund?

- Counterparty risk
- Credit risk
- Defaulted Debt Securities risk
- Derivative risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Interest Rate Securities risk
- Liquidity risk
- Low-Rated or Non-Investment Grade Securities risk
- Market risk
- Sovereign Debt risk
- Swap Agreements risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Templeton Global Smaller Companies Fund

Fund details

<i>Type of Fund:</i>	Equity Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	EUR, SGD
<i>Launch date:</i>	8 July 1991
<i>Management charges:</i>	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
<i>Total Expense Ratio:</i>	A(acc) USD: 1.85%; A(acc) SGD: 1.86%; A(Ydis) USD: 1.85%; B(acc) USD: 3.14%; C(acc) EUR: 2.37%; I(acc) USD: 0.98%; N(acc) USD: 2.60%
<i>Investment Manager:</i>	Franklin Templeton Investments Corp. (Toronto, Ontario)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund seeks to achieve its objective through a policy of investing in equity and debt obligations of smaller companies throughout the world, including Emerging Markets. The Fund invests principally in common stocks of such companies.

Debt securities represent obligations of an issuer to repay loans where repayment terms of principal and interest are clearly specified, along with the lender's rights, in the loan agreement. These securities include bonds, notes and debentures.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may seek investment opportunities in companies with larger market capitalisations, as well as in other types of securities, such as preferred stock, securities convertible into common stock and fixed income securities, which are US dollar and non-US dollar denominated.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.

Who should invest in the Fund?

Investors...

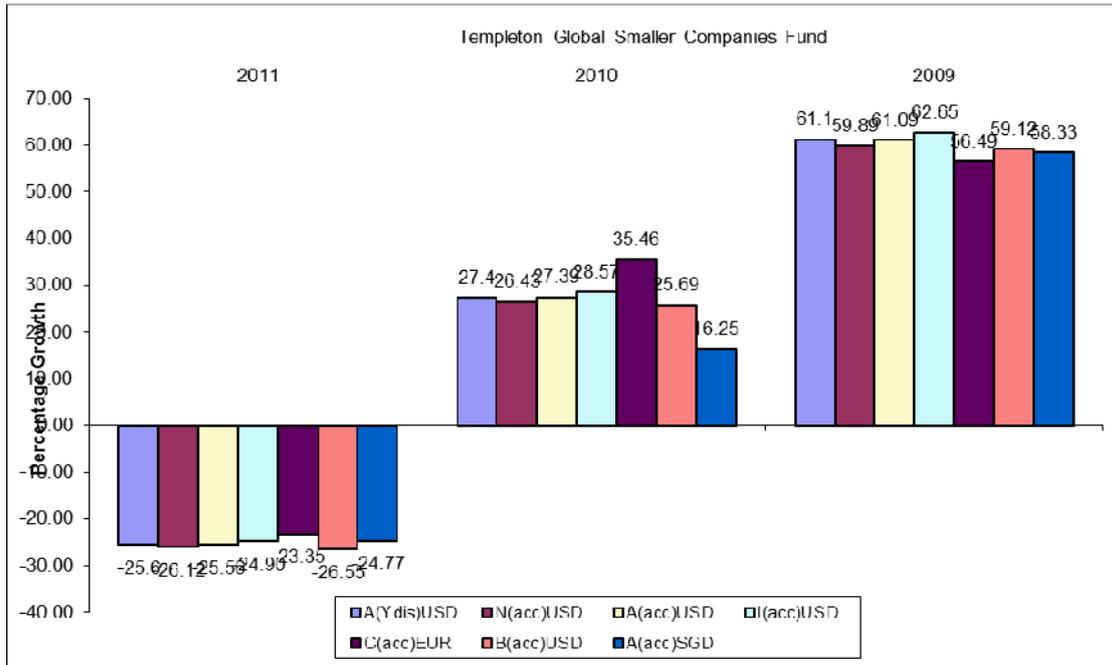
- seeking long-term capital appreciation by investing in undervalued equity securities of small-cap companies located around the world.

- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Liquidity risk
- Market risk
- Small and Mid-Sized Companies risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.



Templeton Global Total Return Fund

Fund details

<i>Type of Fund:</i>	Fixed Income Fund
<i>Base currency:</i>	USD
<i>Alternative currencies:</i>	EUR, CHF, GBP, SGD, PLN, HUF, AUD, HKD, SEK, JPY
<i>Launch date:</i>	29 August 2003
<i>Management charges:</i>	Monthly fee equivalent to 0.75% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I and X Shares. For Class I Shares: 0.55%.
<i>Total Expense Ratio:</i>	A(acc) USD: 1.40%; A(acc) EUR: 1.40%; A(acc) EUR-H1: 1.41%; A(acc) HKD: 1.41%; A(acc) PLN-H1: 1.42%; A(acc) CHF-H1: 1.40%; A(acc) SEK-H1: 1.43%; A(Mdis) GBP-H1: 1.41%; A(Mdis) HKD: 1.40%; A(Mdis) SGD: 1.40%; A(Mdis) AUD-H1: 1.43%; A(Mdis) SGD-H1: 1.42%; A(Mdis) USD: 1.40%; A(Ydis) CHF-H1: 1.45%; A(Mdis) EUR: 1.40%; A(Mdis) EUR-H1: 1.41%; A(Ydis) EUR: 1.40%; A(Ydis) EUR-H1: 1.42%; A(Mdis) GBP: 1.40%; B(acc) USD: 2.91%; B(Mdis) USD: 2.91%; C(Mdis) USD: 2.18%; I(acc) USD: 0.86%; I(acc) EUR: 0.86%; I(acc) CHF-H1: 0.87%; I(acc) EUR-H1: 0.86%; I(Mdis) CHF: 0.92%; I(Mdis) EUR: 0.86%; I(Mdis) GBP: 0.86%; I(Mdis) GBP-H1: 0.86%; I(Mdis) JPY: 0.85%; I(Mdis) JPY-H1: 0.85%; I(Ydis) EUR: 0.86%; I(Ydis) EUR-H1: 0.86%; N(acc) HUF: 2.08%; N(acc) USD: 2.10%; N(acc) EUR: 2.10%; N(acc) EUR-H1: 2.11%; N(Mdis) EUR-H1: 2.11%; N(Ydis) EUR-H1: 2.13%; X(Ydis) USD: 0.30%; Z(acc) USD: 1.10%; Z(Mdis) USD: 1.12%; Z(Mdis) GBP-H1: N/A; Z(Ydis) EUR-H1: 1.10%
<i>Investment Manager:</i>	Franklin Advisers, Inc. (San Mateo, CA, USA)

What does the Fund invest in?

Investment objective

> to maximise, consistent with prudent investment management, total investment return consisting of a combination of interest income, capital appreciation, and currency gains.

Investment policy

The Fund seeks to achieve its objective by investing principally in a portfolio of fixed and/or floating-rate debt securities and debt obligations (including investment grade and non-investment grade securities) issued by government and government-related issuers or corporate entities worldwide. The Fund may also purchase debt obligations issued by supranational entities organised or supported by several national governments, such as the International Bank for Reconstruction and Development or the European Investment Bank. The Fund may also utilise financial derivative instruments for investment purposes. These financial derivative instruments may be dealt on either regulated markets or over-the-counter, and may include, inter alia, swaps (such as credit default swaps or total return swaps), forwards and cross forwards, futures contracts (including those on government securities), as well as options. Use of financial derivative instruments may result in negative exposures in a specific yield curve/duration, currency or credit. The Fund may also, in accordance with the investment restrictions, invest in securities or structured products where the security is linked to or derives its value from another security or is linked to assets or currencies of any country.

The Fund may also purchase mortgage- and asset-backed securities and convertible bonds. The Fund may hold up to 10% of its net assets in securities in default. The Fund may purchase fixed income securities and debt obligations denominated in any currency and may hold equity securities to the extent that such securities result from the conversion or exchange of a preferred stock or debt obligation. The Fund may also invest up to 10% of its net assets in units of UCITS and other UCIs. The Fund may also participate in mortgage dollar roll transactions.

The Fund may use futures contracts on US Treasury securities to help manage risks relating to interest rates and other market factors, to increase liquidity, and to quickly and efficiently cause new cash to be invested in the securities markets or, if cash is needed to meet shareholder redemption requests, to remove Fund's assets from exposure to the market. On an ancillary basis, the Fund may gain exposure to debt market indexes by investing in index-based financial derivatives and credit default swaps.

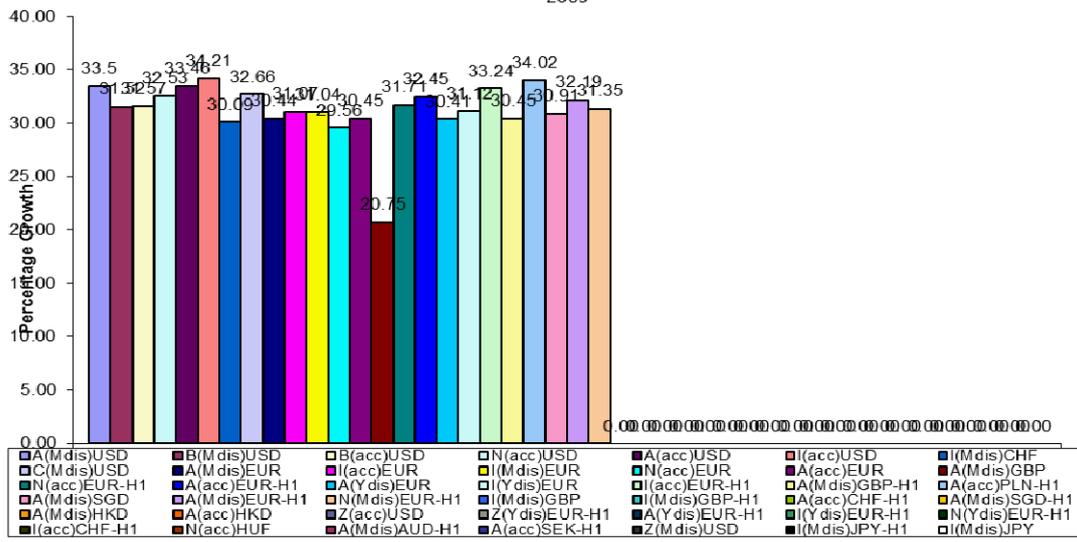
Who should invest in the Fund?

Investors...

- seeking to maximise total investment return consisting of a combination of interest income, capital appreciation and currency gains.
- planning to hold their investment for the medium to long term.

Templeton Global Total Return Fund

2009



Templeton Growth (Euro) Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	EUR
Alternative currency:	USD
Launch date:	9 August 2000
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
Total Expense Ratio:	A(acc) EUR: 1.84%; A(acc) USD: 1.84%; A(acc) EUR-H2*: 1.85%; A(Ydis) EUR: 1.84%; A(Ydis) USD: 1.84%; B(Ydis) EUR: 3.16%; I(acc) EUR: 0.96%; I(Ydis) EUR: 0.90%; I(Ydis) USD: 0.96%; N(acc) EUR: 2.59%
Investment Manager:	Templeton Global Advisors Limited (Nassau, Bahamas)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund invests principally in equity securities including common stocks and preferred stocks of companies located anywhere in the world, including Emerging Markets.

Equity securities generally entitle the holder to participate in a company's general operating results. The Fund also invests in American, European, and Global Depository Receipts. These are certificates issued typically by a bank or a trust company that give their holders the right to receive securities issued by a foreign or domestic company. Depository Receipts do not eliminate currency and economic risks for underlying shares of a company operating in another country.

Depending upon current market conditions, the Fund may also invest up to 25% of its net assets in debt securities of companies and governments located anywhere in the world. Debt securities represent an obligation of the issuer to repay a loan of money to it and generally provide for the payment of interest. These include bonds, notes (including equity-linked notes) and debentures.

In choosing equity investments, the Investment Manager focuses on the market price of a company's securities relative to its evaluation of the company's long-term earnings, asset value and cash flow potential, as well as on other measures that the Investment Manager deems appropriate to determine a company's value.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.

The name of the Fund reflects the base currency of the Fund being in euro and does not necessarily imply that any particular proportion of the Fund's net invested assets is made in euro.

Who should invest in the Fund?

Investors...

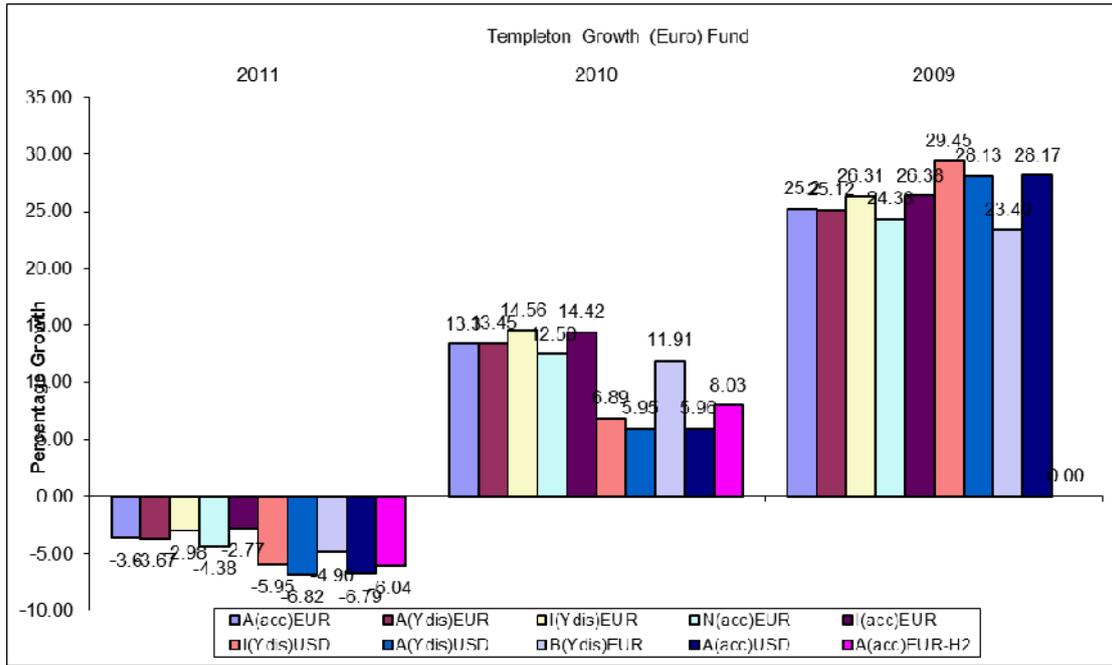
- seeking capital appreciation by investing in undervalued securities in a well-diversified global equity fund with the euro as its base currency.
- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Liquidity risk
- Market risk
- Repurchase Transactions and Securities Lending risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.

*This share class closed on February 24, 2012



Templeton Korea Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	USD
Alternative currency:	SGD
Launch date:	8 May 1995
Management charges:	Monthly fee equivalent to 1.60% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 1.10%.
Total Expense Ratio:	A(acc) USD: 2.52%; A(acc) SGD: 2.52%; C(acc) USD: 3.10%; I(acc) USD: 1.43%; N(acc) USD: 3.00%
Investment Manager:	Templeton Asset Management Ltd. (Singapore)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund seeks to achieve its objective through a policy of investing primarily in equity securities issued by Korean-incorporated companies or companies having their principal business activities in Korea.

The Fund may also invest in equity securities of issuers having assets, earnings or profits in Korea. The Fund invests in equities and other securities, including securities issued by the Korean government and, to a lesser extent, warrants of issuers on the Korean stock market.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in equity securities of Korea.
- planning to hold their investment for the medium to long term.

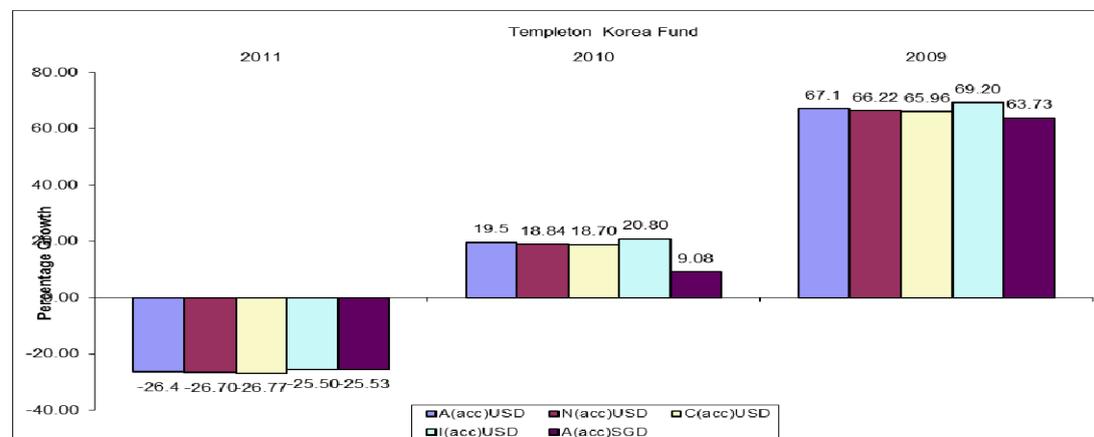
What are the main risks of investing in the Fund?

- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Liquidity risk
- Market risk
- Single Country risk
- Value Stocks risk
- Warrants risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Templeton Latin America Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	USD
Alternative currencies:	EUR, GBP, SGD, PLN
Launch date:	30 September 1996
Management charges:	Monthly fee equivalent to 1.40% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I, W and X Shares. For Class I Shares: 1.00%. For Class W Shares: up to 2.00%.
Total Expense Ratio:	A(acc) USD: 2.27%; A(acc) SGD: 2.27%; A(Ydis) USD: 2.27%; A(acc) EUR: 2.31%; A(Ydis) EUR: 2.27%; A(Ydis) GBP: 2.27%; B(acc) USD: 3.56%; C(acc) USD: 2.84%; I(acc) USD: 1.31%; I(Ydis) EUR-H2: 1.32%; N(acc) USD: 2.76%; N(acc) EUR: 2.79%; N(acc) PLN-H1: 2.78%; W(acc) GBP: N/A; X(Ydis) USD: 0.29%; Z(acc) USD: 1.79%; Z(acc) GBP: N/A
Investment Manager:	Templeton Asset Management Ltd. (Singapore)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund seeks to achieve its objective, under normal market conditions, through a policy of investing primarily in equity securities and as an ancillary matter in debt securities of issuers incorporated or having their principal business activities in the Latin American region. The Latin American region includes, but is not limited to, the following countries: Argentina, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, French Guyana, Guatemala, Guyana, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Surinam, Trinidad/Tobago, Uruguay and Venezuela. The balance of the Fund's net assets may be invested in equity securities and debt obligations of companies and government entities of countries other than those named above.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may seek investment opportunities in other types of securities, such as preferred stock, securities convertible into common stock and fixed income securities which

Past Performance:

The following charts show the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in these charts.

are denominated in currencies other than Latin American currencies such as US dollar or euro.

Who should invest in the Fund?

Investors...

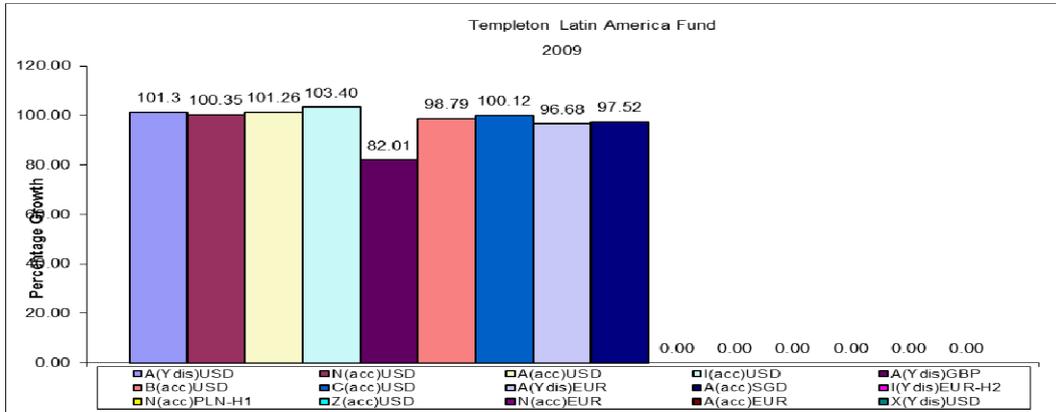
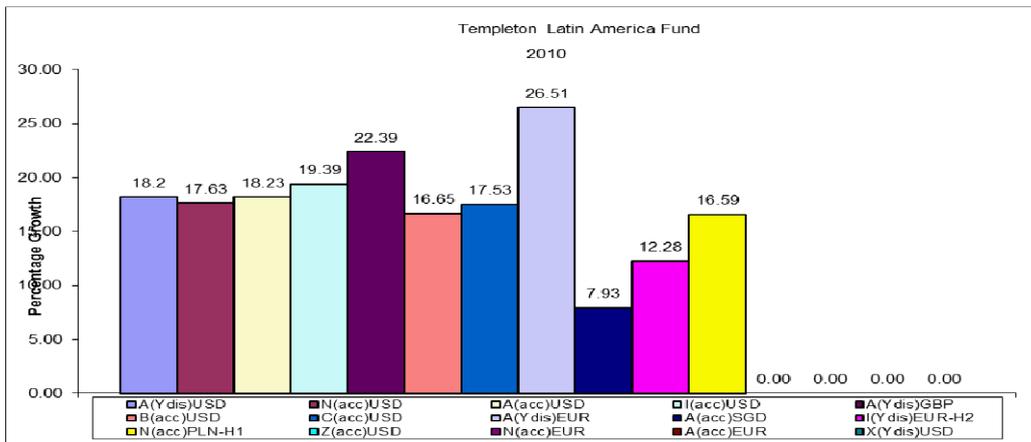
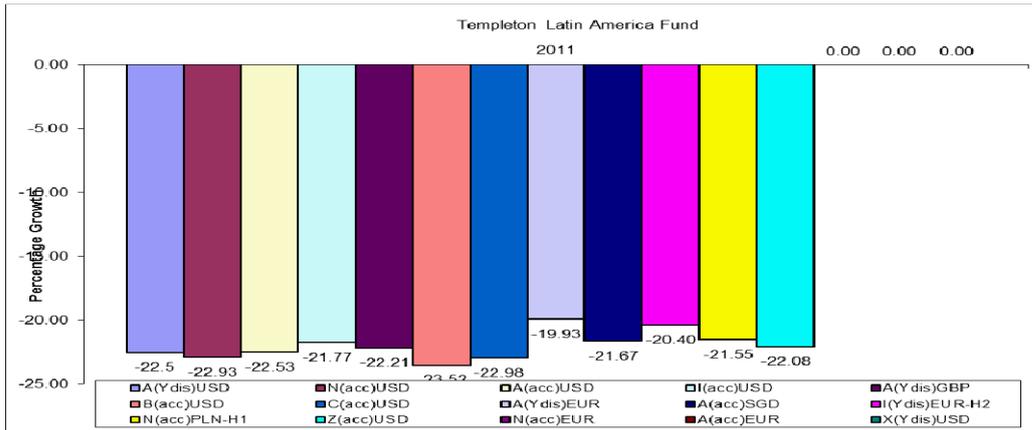
- seeking capital appreciation by investing in equity securities in Latin America, including Emerging Markets.

- planning to hold their investment for the medium to long term.

What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Liquidity risk
- Market risk
- Regional Market risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.



Templeton Thailand Fund

Fund details

Type of Fund:	Equity Fund
Base currency:	USD
Alternative currency:	SGD
Launch date:	20 June 1997
Management charges:	Monthly fee equivalent to 1.60% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 1.10%.
Total Expense Ratio:	A(acc) USD: 2.48%; A(acc) SGD: 2.48%; B(acc) USD: 3.78%; I(acc) USD: 1.41%; N(acc) USD: 2.98%
Investment Manager:	Templeton Asset Management Ltd. (Singapore)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund seeks to achieve its objective through a policy of investing primarily in equity securities of issuers incorporated in Thailand or issuers having their principal business activities in Thailand.

The Fund may also invest in equity securities of issuers having their assets, earnings or profits in Thailand. The Fund invests in equities and other securities, including securities issued by the Thailand government and, to a lesser extent, warrants of issuers on the Thailand stock market.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in equity securities of Thailand.
- planning to hold their investment for the medium to long term.

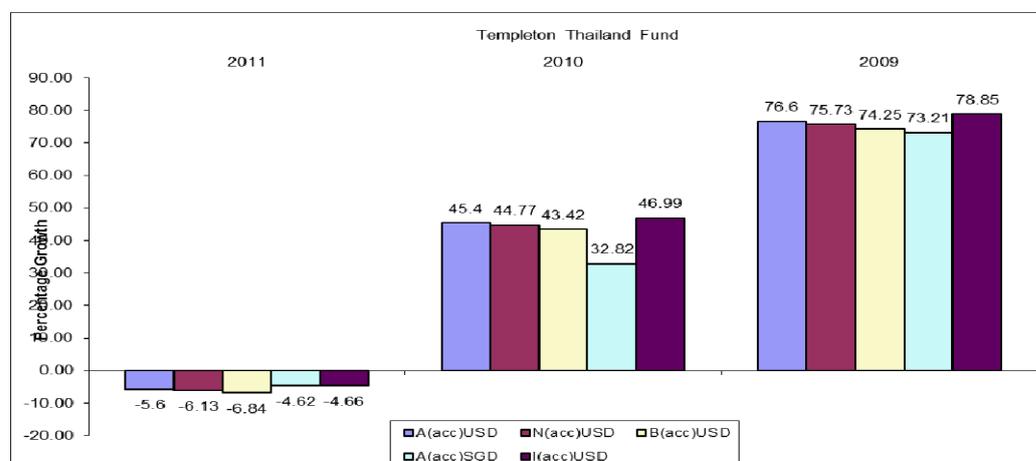
What are the main risks of investing in the fund?

- Counterparty risk
- Emerging Markets risk
- Equity risk
- Foreign Currency risk
- Liquidity risk
- Market risk
- Single Country risk
- Value Stocks risk
- Warrants risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



Templeton U.S. Value Fund*

Fund details

Type of Fund:	Equity Fund
Base currency:	USD
Alternative currency:	EUR
Launch date:	29 August 2003
Management charges:	Monthly fee equivalent to 1.00% per annum of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except Class I Shares. For Class I Shares: 0.70%.
Total Expense Ratio:	A(acc) USD: 1.93%; A(acc) EUR-H1: 1.93%; B(acc) USD: 3.22%; I(acc) USD: 1.01%; N(acc) USD: 2.68%
Investment Manager:	Franklin Templeton Investments Corp. (Toronto, Ontario)

What does the Fund invest in?

Investment objective

> Capital appreciation.

Investment policy

The Fund invests principally in equity securities and debt obligations of companies in the United States and may invest in securities of any size. The Fund invests principally in common stocks.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may also seek investment opportunities in other types of transferable securities, such as preferred stock, securities convertible into common stock and fixed income securities, which are US dollar denominated.

The Fund may use various derivative instruments seeking to protect its assets, implement a cash or tax management strategy or enhance its returns. The Fund may enter into interest rate, index, currency exchange or equity swap agreements up to 5% of its net assets.

Who should invest in the Fund?

Investors...

- seeking capital appreciation by investing in undervalued equity securities of issuers concentrated in the US.
- planning to hold their investment for the medium to long term.

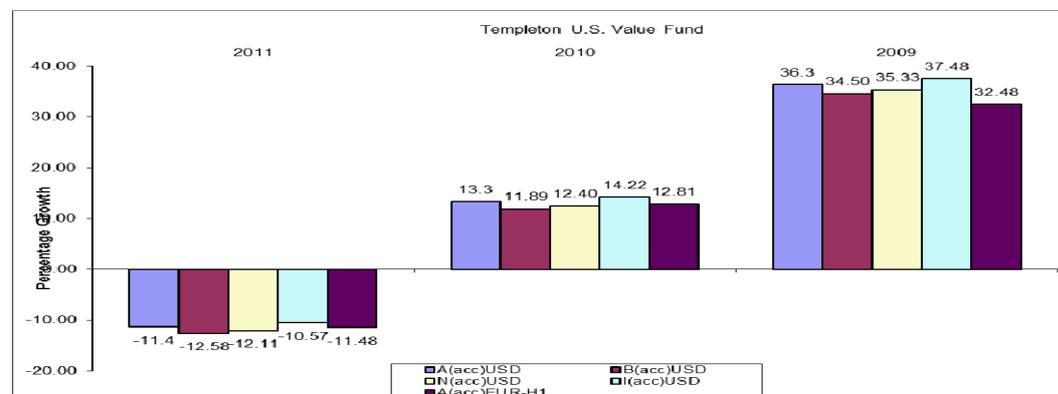
What are the main risks of investing in the Fund?

- Class Hedging risk
- Counterparty risk
- Derivative risk
- Equity risk
- Liquidity risk
- Market risk
- Single Country risk
- Swap Agreements risk
- Value Stocks risk

See the section "Risk Considerations" for a full description of these risks.

Past Performance:

The following chart shows the historical returns of the Fund expressed in percentage terms. Please see the section "Past Performance" for the assumptions used in this chart.



*This Fund has been liquidated as of 16 March 2012

RISK CONSIDERATIONS

Investors must read this "Risk Considerations" section before investing in any of the Funds.

The value of the Shares will increase as the value of the securities owned by any Fund increases and will decrease as the value of the Fund's investments decrease. In this way, investors participate in any change in the value of the securities owned by the relevant Fund(s). In addition to the factors that affect the value of any particular security that a Fund owns, the value of the Fund's Shares may also change with movements in the stock and bond markets as a whole.

A Fund may own securities of different types, or from different asset classes (equities, bonds, money market instruments, financial derivative instruments) depending on the Fund's investment objective.

Different investments have different types of investment risk. The Funds also have different kinds of risks, depending on the securities they hold. This "Risk Considerations" section contains explanations of the various types of investment risks that may be applicable to the Funds. Please refer to the section "Fund Information, Objectives and Investment Policies" of the Full Prospectus or this Simplified Prospectus for details as to principal risks applicable to each Fund. Investors should be aware that other risks may also be relevant to the Funds from time to time.

General

This section explains some of the risks that apply to all the Funds. It does not purport to be a complete explanation and other risks may also be relevant from time to time. In particular, the Company's performance may be affected by changes in market and/or economic and political conditions, and in legal, regulatory and tax requirements. No guarantee or representation is made that the investment program will be successful and there can be no assurance that the Fund(s) investment objective(s) will be attained. Also, past performance is no guide to future performance, and the value of investments may go down as well as up. Changes in rates of exchange between currencies may cause the value of a Fund's investments to diminish or increase.

The Company or any of its Funds may be exposed to risks that are outside of their control – for example legal and regulatory risks from investments in countries with unclear and changing laws or the lack of established or effective avenues for legal redress or as a result of the registration of the Funds in non-EU jurisdictions, the Funds may be subject, without any notice to the shareholders in the Funds concerned, to more restrictive regulatory regimes potentially preventing the Funds from making the fullest possible use of the investment limits. Regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future regulatory action on the Company could be substantial and adverse. The Funds may be exposed to the risk of terrorist actions, to the risk that economic and diplomatic sanctions may be in place or imposed on certain States and military action may be commenced. The impact of such events is unclear, but could have a material effect on general economic conditions and market liquidity. Investors are reminded that in certain circumstances their right to redeem Shares may be suspended as further described in Appendix D of the Full Prospectus.

The Company or any of its Funds may be exposed to operational risks, being the risk that operational processes, including those related to the safekeeping of assets, valuation and transaction processing may fail, resulting in losses. Potential causes of failure may arise from human errors, physical and electronic system failures and other business execution risks as well as external events.

African Markets risk

Investments in Emerging Market countries involve risks as set out in the section "Emerging Markets risk" below. Investments in African Markets, or in companies that earn significant revenues or have major operations in Africa, involve risks similar to investments in Emerging Markets but to a greater extent, since African Markets are generally smaller, less developed and less accessible than most Emerging Markets. African Markets have had a tendency to experience greater political, social and economic instability, and may have less transparency, less ethical practices and weaker corporate governance compared to Emerging Markets. Shares traded on African Markets may be highly volatile, suffer from a lack of liquidity and transparency and have a higher financial risk. Many African Markets are also more dependent on extractive industries or agriculture, which can be impacted by volatility in the prices for the commodities being extracted or cultivated.

Biotechnology, Communication and Technology Sectors risk

Investment in the biotechnology, communication and technology sectors may present a greater risk and a higher volatility than investment in a broader range of securities covering different economic sectors. In addition, these sectors may be subject to greater government regulation than other sectors and, as a result, changes to such government regulation may have a material adverse effect on these sectors. Such investments may therefore drop sharply in value in response to market, regulatory or research setbacks in addition to possible adverse effects

from the competition of new market entrants, patent considerations and product obsolescence. Particularly within technology, short product cycles and diminishing profit margins are additional factors to consider when investing.

Class Hedging risk

The Company may engage in currency hedging transactions with regards to a certain Share Class (the "Hedged Share Class"). Hedged Share Classes are designed (i) to reduce exchange rate fluctuations between the currency of the Hedged Share Class and the base currency of the Fund or (ii) to reduce exchange rate fluctuations between the currency of the Hedged Share Class and other material currencies within the Fund's portfolio.

The hedging will be undertaken to reduce exchange rate fluctuations in case the base currency of the Fund or other material currencies within the Fund (the "reference currency(ies)") is(are) declining or increasing in value relative to the hedged currency. The hedging strategy employed will seek to reduce as far as possible the exposure of the Hedged Share Classes and no assurance can be given that the hedging objective will be achieved. In the case of a net flow to or from a Hedged Share Class the hedging may not be adjusted and reflected in the net asset value of the Hedged Share Class until the following or a subsequent Business Day following the Valuation Day on which the instruction was accepted.

This risk for holders of any Hedged Share Class may be mitigated by using any of the efficient portfolio management techniques and instruments (including currency options and forward currency exchange contracts, currency futures, written call options and purchased put options on currencies and currency swaps), within the conditions and limits imposed by the Luxembourg financial supervisory authority.

Investors should be aware that the hedging strategy may substantially limit investors of the relevant Hedged Share Class from benefiting from any potential increase in value of the Share Class expressed in the reference currency(ies), if the Hedged Share Class currency falls against the reference currency(ies). Additionally, investors of the Hedged Share Class may be exposed to fluctuations in the net asset value per Share reflecting the gains/losses on and the costs of the relevant financial instruments. The gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Hedged Share Class.

Any financial instruments used to implement such hedging strategies with respect to one or more Classes of a Fund shall be assets and/or liabilities of such Fund as a whole, but will be attributable to the relevant Class(es) and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class. However, due to the lack of segregated liabilities between Classes of the same Fund, costs which are principally attributed to a specific Class may be ultimately charged to the Fund as a whole. Any currency exposure of a Class may not be combined with or offset against that of any other Class of a Fund. The currency exposure of the assets attributable to a Class may not be allocated to other Classes. No intentional leveraging should result from currency hedging transactions of a Class although hedging may exceed 100% for short periods between redemption instructions and execution of the hedge trade. More details as to the rules governing allocation of assets and liabilities at a Class level are contained in Appendix D of the Full Prospectus.

Counterparty risk

Counterparty risk is the risk to each party of a contract that the counterparty will fail to perform its contractual obligations and/or to respect its commitments under the term of such contract, whether due to insolvency, bankruptcy or other cause.

When over-the-counter (OTC) or other bilateral contracts are entered into (inter alia OTC derivatives, repurchase agreements, security lending, etc.), the Company may find itself exposed to risks arising from the solvency of its counterparties and from their inability to respect the conditions of these contracts.

Credit risk

Credit risk, a fundamental risk relating to all fixed income securities as well as money market instruments, is the chance that an issuer will fail to make principal and interest payments when due. Issuers with higher credit risk typically offer higher yields for this added risk. Conversely, issuers with lower credit risk typically offer lower yields. Generally, government securities are considered to be the safest in terms of credit risk, while corporate debt, especially those with poorer credit ratings, have the highest credit risk. Changes in the financial condition of an issuer, changes in economic and political conditions in general, or changes in economic and political conditions specific to an issuer (particularly a sovereign or supranational issuer), are all factors that may have an adverse impact on an issuer's credit quality and security values. Related to credit risk is the risk of downgrade by a rating agency. Rating agencies such as Standard & Poor's,

Moody's and Fitch, among others, provide ratings for a wide array of fixed income securities (corporate, sovereign, or supranational) which are based on their creditworthiness. The agencies may change their ratings from time to time due to financial, economic, political, or other factors, which, if the change represents a downgrade, can adversely impact the value of the affected securities.

Credit-Linked Securities risk

Credit-linked securities are debt securities that represent an interest in a pool of, or are otherwise collateralised by one or more corporate debt obligations or credit default swaps incorporating debt or bank loan obligations. Such debt obligations may represent the obligations of one or more corporate issuers. The Fund has the right to receive periodic interest payments from the issuer of the credit-linked security (usually the seller of the underlying credit default swap(s)) at an agreed-upon interest rate, and a return of principal at the maturity date.

The Fund bears the risk of loss of its principal investment, and the periodic interest payments expected to be received for the duration of its investment in the credit-linked security, in the event that one or more of the debt obligations underlying the credit default swaps go into default or otherwise become non-performing. Upon the occurrence of such a credit event (including bankruptcy, failure to timely pay interest or principal, or a restructuring), the Fund affected will generally reduce the principal balance of the related credit-linked security by the Fund's pro rata interest in the par amount of the defaulted underlying debt obligation in exchange for the actual value of the defaulted underlying obligation or the defaulted underlying obligation itself, resulting in a loss of a portion of the Fund's investment. Thereafter, interest on the credit-linked security will accrue on a smaller principal balance and a smaller principal balance will be returned at maturity. To the extent a credit-linked security represents an interest in underlying obligations of a single corporate or other issuer, a credit event with respect to such issuer presents greater risk of loss to a Fund than if the credit-linked security represented an interest in underlying obligations of multiple issuers.

In addition, the Fund bears the risk that the issuer of the credit-linked security will default or become bankrupt. In such an event, the Fund may have difficulty being repaid, or fail to be repaid, the principal amount of its investment and the remaining periodic interest payments thereon.

An investment in credit-linked securities also involves reliance on the counterparty to the credit default swap entered into with the issuer of the credit-linked security to make periodic payments to the issuer under the terms of the swap. Any delay or cessation in the making of such payments may be expected in certain instances to result in delays or reductions in payments to the Fund as an investor in such credit-linked securities. Additionally, credit-linked securities are typically structured as limited recourse obligations of the issuer of such securities such that the securities issued will usually be obligations solely of the issuer and will not be obligations or responsibilities of any other person.

Most credit-linked securities are structured as US Rule 144A securities so that they may be freely traded among institutional buyers. A Fund will generally only purchase credit-linked securities, which are determined to be liquid in accordance with the Fund's liquidity guidelines. However, the market for credit-linked securities may suddenly become illiquid. The other parties to the transaction may be the only investors with sufficient understanding of the derivative to be interested in bidding for it. Changes in liquidity may result in significant, rapid and unpredictable changes in the prices for credit-linked

securities. In certain cases, a market price for a credit-linked security may not be available or may not be reliable, and the Fund could experience difficulty in selling such security at a price the Investment Manager believes is fair.

The value of a credit-linked security will typically increase or decrease with any change in value of the underlying debt obligations, if any, held by the issuer and the credit default swap. Further, in cases where the credit-linked security is structured such that the payments to the Fund are based on amounts received in respect of, or the value of performance of, any underlying debt obligations specified in the terms of the relevant credit default swap, fluctuations in the value of such obligation may affect the value of the credit-linked security.

Defaulted Debt Securities risk

Some Funds may invest in debt securities on which the issuer is not currently making interest payments (defaulted debt securities). These Funds may buy defaulted debt securities if, in the opinion of the Investment Manager, it appears likely that the issuer may resume interest payments or other advantageous developments appear likely in the near future. These securities may become illiquid.

The risk of loss due to default may also be considerably greater with lower-quality securities because they are generally unsecured and are often subordinated to other creditors of the issuer. If the issuer of a security in a Fund's portfolio defaults, the Fund may have unrealised losses on the security, which may lower the Fund's net asset value per Share. Defaulted securities tend to lose much of their value before they default. Thus, the Fund's net asset value per Share may be adversely affected before an issuer defaults. In addition, the Fund may incur additional expenses if it must try to recover principal or interest payments on a defaulted security.

Included among the issuers of debt securities or obligations in which the Company may invest are entities organised and operated solely for the purpose of restructuring the investment characteristics of various securities or obligations. These entities may be organised by investment banking firms, which receive fees in connection with establishing each entity and arranging for the placement of its securities.

Derivative risk

The Company may use various financial derivative instruments to reduce risks or costs or to generate additional capital or income in order to meet the investment objectives of certain of the Funds. Certain Funds may use derivatives extensively and/or for more complex strategies as further described in their respective investment policies. Throughout this section and others that refer to derivatives, privately negotiated or non-exchange traded derivatives are referred to as being "over-the-counter" (OTC).

For a Fund that uses financial derivative instruments to meet its specific investment objective, there is no guarantee that the performance of the financial derivative instruments will result in a positive effect for the Fund and its Shareholders.

A Fund may use options, futures and forward contracts on currencies, securities, indices and interest rates for hedging and investment purposes.

Performance and value of derivative instruments depend, at least in part, on the performance or value of the underlying asset (swaps, options, forwards, futures, warrants, etc.). Derivative instruments involve cost, may

be volatile, and may involve a small investment relative to the risk assumed (leverage effect). Their successful use may depend on the Investment Manager's ability to predict market movements. Risks include delivery failure, default by other party or the inability to close out a position because the trading market becomes illiquid. Some derivative instruments are particularly sensitive to changes in interest rates.

Transactions in futures may carry a high degree of risk. The amount of the initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact which may work for or against the Fund. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders.

Forward transactions, in particular those traded over-the-counter, have an increased counterparty risk. If a counterparty defaults, the Fund may not get the expected payment or delivery of assets. This may result in the loss of the unrealised profit.

Transactions in options may also carry a high degree of risk. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the Fund is fixed, the Fund may sustain a loss well in excess of that amount. The Fund will also be exposed to the risk of the purchaser exercising the option and the Fund will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the Fund holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced. The risk of loss to a Fund for a swap transaction on a net basis depends on which party is obliged to pay the net amount to the other party. If the counterparty is obliged to pay the net amount to the Fund, the risk of loss to the Fund is the loss of the entire amount that the Fund is entitled to receive; if the Fund is obliged to pay the net amount, the Fund's risk of loss is limited to the net amount due (please also refer to "Swap Agreements risk").

Instruments traded in OTC markets may trade in smaller volumes, and their prices may be more volatile than instruments principally traded on exchanges. Such instruments may be less liquid than more widely traded instruments. In addition, the prices of such instruments may include an undisclosed dealer mark-up which a Fund may pay as part of the purchase price.

Emerging Markets risk

All Fund investments in the securities issued by corporations, governments, and public-law entities in different nations and denominated in different currencies involve certain risks. These risks are typically increased in developing countries and Emerging Markets. Such risks, which can have adverse effects on portfolio holdings, may include: (i) investment and repatriation restrictions; (ii) currency fluctuations; (iii) the potential for unusual market volatility as compared to more industrialised nations; (iv) government involvement in the private sector; (v) limited investor information and less stringent investor disclosure requirements; (vi) shallow and substantially smaller liquid securities markets than in more industrialised countries, which means a Fund may at times be unable to sell certain securities at desirable prices; (vii) certain local tax law considerations; (viii) limited regulation of the securities markets; (ix) international and regional political and economic developments; (x) possible imposition of exchange controls or other local governmental laws or restrictions; (xi) the increased risk of adverse effects from deflation and inflation; (xii) the possibility of limited legal

recourse for the Fund; and (xiii) the custodial and/or the settlement systems may not be fully developed. Investors in Funds investing in Emerging Markets should in particular be informed that the liquidity of securities issued by corporations and public-law entities in Emerging Markets may be substantially smaller than with comparable securities in industrialised countries.

Equity risk

The value of all Funds that invest in equity and equity-related securities fluctuate daily. Prices of equities can be influenced and affected by many micro and macro factors such as economic, political, market, and issuer-specific changes. Such changes may adversely affect the value of the equities which can go up and down, regardless of company-specific performance. Additionally, different industries, financial markets, and securities can react differently to these changes. Such fluctuations of the Fund's value are often exacerbated in the short-term as well. The risk that one or more companies in a Fund's portfolio will fall, or fail to rise, can adversely affect the overall portfolio performance in any given period and Fund investing in equities could incur significant losses.

Foreign Currency risk

Since the Company values the portfolio holdings of each of its Funds in either US dollar, Japanese yen or euro, changes in currency exchange rates adverse to those currencies may affect the value of such holdings and each respective Fund's yield thereon.

Since the securities held by a Fund may be denominated in currencies different from its base currency, the Fund may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between such reference currency and other currencies. Changes in currency exchange rates may influence the value of a Fund's Shares, and also may affect the value of dividends and interests earned by the Fund and gains and losses realised by said Fund. If the currency in which a security is denominated appreciates against the base currency, the price of the security could increase. Conversely, a decline in the exchange rate of the currency would adversely affect the price of the security.

To the extent that a Fund or any Share Class seeks to use any strategies or instruments to hedge or to protect against currency exchange risk, there is no guarantee that hedging or protection will be achieved. Unless otherwise stated in any Fund's investment policy, there is no requirement that any Fund seeks to hedge or to protect against currency exchange risk in connection with any transaction.

Funds which use currency management strategies, including the use of cross currency forwards and currency futures contracts, may substantially change the Fund's exposure to currency exchange rates and could result in losses to the Fund if the currencies do not perform as the Investment Manager expects.

Frontier Markets risk

Investments in Emerging Market countries involve risks as set out in the section "Emerging Markets risks" above. Investments in Frontier Markets involve risks similar to investments in Emerging Markets but to a greater extent since Frontier Markets are even smaller, less developed and less accessible than Emerging Markets. Frontier Markets may also experience greater political and economic instability and may have less transparency, less ethical practices, and weaker corporate governance compared to Emerging Markets. The countries that comprise Frontier Markets include the lesser developed countries located in Africa, Asia (including countries in the Commonwealth of Independent States, formerly the

Soviet Union), the Middle East, Eastern Europe and Latin America.

Gold and Precious Metals Sector risk

Some Funds' investments may concentrate in gold and other precious metals (particularly platinum and palladium) operations companies. By concentrating in the industries in a single sector, such Funds carry a much greater risk of adverse developments than a fund that invests in companies from a wide variety of industries. Also, there currently are a limited number of platinum and palladium operations companies, which restricts such Funds ability to diversify their investments in those metals.

The price of gold and precious metals operations companies is strongly affected by the price of gold and other precious metals such as platinum, palladium and silver. These prices may fluctuate substantially over short periods of time, so the Share price may be more volatile than other types of investments.

The price of gold and other precious metals is affected by such factors as: (1) how much of the worldwide supply is held by large holders, such as governmental bodies and central banks; for example, if Russia or another large holder decided to sell some of its gold or other precious metals reserves, the supply would go up, and the price would generally go down; (2) unpredictable monetary policies and economic and political conditions in countries throughout the world; and (3) demand for gold bullion as an investment, including in bar form and underlying assets for exchanged-traded funds.

The price of gold and precious metals operations companies is also affected by (1) environmental, labour, and other costs in mining and production; (2) labour disruptions; (3) operational issues and failures, such as damage to mines as a result of accidents; (4) access to reliable energy supplies; and (5) changes in laws relating to mining, production, or sales. As the Franklin Gold and Precious Metals Fund may invest its net assets in the securities of mining companies, investors should note that mining operations have varying expected life spans. Securities of mining companies that have mines with a short expected life span may experience greater price volatility than those that have a long expected life span.

In times of significant inflation or great economic uncertainty, traditional investments such as bonds and stocks may not perform well. In such times, gold and other precious metals have historically maintained their value as hard assets, often outperforming traditional investments. However, in times of stable economic growth, traditional equity and debt investments could offer greater appreciation potential and the value of gold and other precious metals may be adversely affected, which could in turn affect the Fund's returns.

Growth Stocks risk

Funds investing in growth stocks can be more volatile and may react differently to economic, political, market, and issuer-specific developments than the overall market. Historically, the prices of growth stocks have been more volatile than other securities, especially, over short term periods of time. Growth stocks may also be more expensive, relative to their earnings, than the market in general. As such, growth stocks can experience greater volatility in reaction to changes in earnings growth.

Inflation-Indexed Securities risk

Inflation-indexed securities have a tendency to react to changes in real interest rates. Real interest rates represent nominal (stated) interest rates lowered by the anticipated effect of inflation. In general, the price of an inflation-indexed security can decrease when real interest rates

increase, and can increase when real interest rates decrease. Interest payments on inflation-indexed securities will fluctuate as the principal and/or interest is adjusted for inflation and can be unpredictable, therefore, the Fund's income distributions may fluctuate more than the income distributions of a typical fixed income fund. There can be no assurance that the Consumer Price Index or any other measure used to adjust the principal amounts of the Fund's debt securities will accurately correspond to the rate of inflation experienced by a particular investor. Any increase in the principal amount of an inflation-protected debt security will be considered taxable ordinary income, even though investors, such as the Fund, do not receive their principal until maturity.

Initial Public Offerings risk

Some Funds may invest in initial public offerings ("IPOs"). IPO risk is the risk that the market values of IPO shares may experience high volatility from factors such as the absence of a prior public market, unseasoned trading, the limited number of shares available for trading and limited information about the issuer. Additionally, a Fund may hold IPO shares for a very short period of time, which may increase a Fund's expenses. Some investments in IPOs may have an immediate and significant impact on a Fund's performance.

Interest Rate Securities risk

All Funds that invest in debt securities or money market instruments are subject to interest rate risk. A fixed income security's value will generally increase in value when interest rates fall and decrease in value when interest rates rise. Interest rate risk is the chance that such movements in interest rates will negatively affect a security's value or, in a Fund's case, its net asset value. Fixed income securities with longer-term maturities tend to be more sensitive to interest rate changes than shorter-term securities. As a result, longer-term securities tend to offer higher yields for this added risk. While changes in interest rates may affect a Fund's interest income, such changes may positively or negatively affect the net asset value of the Fund's Shares on a daily basis.

Liquidity risk

Liquidity risk takes two forms: asset side liquidity risk and liability side liquidity risk. Asset side liquidity risk refers to the inability of a Fund to sell a security or position at its quoted price or market value due to such factors as a sudden change in the perceived value or credit worthiness of the position, or due to adverse market conditions generally. Liability side liquidity risk refers to the inability of a Fund to meet a redemption request, due to the inability of the Fund to sell securities or positions in order to raise sufficient cash to meet the redemption request. Markets where the Fund's securities are traded could also experience such adverse conditions as to cause exchanges to suspend trading activities. Reduced liquidity due to these factors may have an adverse impact on the net asset value of the Fund and, as noted, on the ability of the Fund to meet redemption requests in a timely manner.

Low-Rated or Non-Investment Grade Securities risk

Some Funds may invest in higher-yielding securities rated lower than investment grade. Accordingly, an investment in these Funds is accompanied by a higher degree of credit risk. Below investment-grade securities such as, for example, high-yield debt securities, may be considered a high-risk strategy and can include securities that are unrated and/or in default. Lower-quality, higher-yielding securities may also experience greater price volatility when compared to higher-quality, lower-yielding securities. Additionally, default rates tend to rise for companies with poorer rated securities during economic recessions or in times of higher interest rates. Companies issuing high-yield debt securities are not as strong

financially and their low creditworthiness may increase the potential for their insolvency. The companies are more likely to encounter financial difficulties and are more vulnerable to changes in the economy, such as a recession or a sustained period of rising interest rates that could affect their ability to make interest and or principal payments.

Market risk

This is a general risk which affects all types of investment. Price trends are determined mainly by financial market trends and by the economic development of the issuers, who are themselves affected by the overall situation of the global economy and by the economic and political conditions prevailing in each country. Because the securities the Fund holds fluctuate in price, the value of your investment in the Fund will go up and down. You may not get back the amount you invested.

Mortgage- and Asset-Backed Securities risk

Some Funds may invest in mortgage- and asset-backed securities. Mortgage-backed securities differ from conventional debt securities because principal is paid back over the life of the security rather than at maturity. The Fund may receive unscheduled pre-payments of principal before the security's maturity date due to voluntary prepayments, refinancing or foreclosure on the underlying mortgage loans. To the Fund this means a loss of anticipated interest, and a portion of its principal investment represented by any premium the Fund may have paid. Mortgage pre-payments generally increase when interest rates fall.

Mortgage-backed securities also are subject to extension risk. An unexpected rise in interest rates could reduce the rate of pre-payments on mortgage-backed securities and extend their life. This could cause the price of the mortgage-backed securities to be more sensitive to interest rate changes. Issuers of asset-backed securities may have limited ability to enforce the security interest in the underlying assets, and credit enhancements provided to support the securities, if any, may be inadequate to protect investors in the event of default. Like mortgage-backed securities, asset-backed securities are subject to prepayment and extension risks.

Mortgage Dollar Roll risk

Some Funds, especially the Franklin Income Fund, the Franklin Strategic Income Fund, the Franklin U.S. Government Fund, the Franklin U.S. Low Duration Fund, the Franklin U.S. Total Return Fund and the Templeton Global Total Return Fund may engage in mortgage dollar roll transactions. In a mortgage dollar roll, a Fund sells mortgage-backed securities for delivery in the current month and simultaneously contracts to repurchase substantially similar (name, type, coupon, and maturity) securities on a specified future date. During the period between the sale and repurchase (the "roll period"), the Fund foregoes principal and interest paid on the mortgage-backed securities. The Fund is compensated by the difference between the current sales price and the lower forward price for the future purchase (often referred to as the "drop"), as well as by the interest earned on the cash proceeds of the initial sale. The Fund could suffer a loss if the contracting party fails to perform the future transaction and the Fund is therefore unable to buy back the mortgage-backed securities it initially sold. Mortgage dollar rolls will be entered into only with high-quality government securities dealers and member banks of the US Federal Reserve System.

Mortgage dollar rolls transactions may (due to the deemed borrowing position involved), increase the Fund's overall investment exposure and result in losses. Mortgage dollar rolls will be considered borrowings for purposes of the

Fund's borrowing limitations unless the Fund segregates *on its books* an offsetting cash position or a position of liquid securities of equivalent value.

Natural Resources Sector risk

By focusing on the natural resources sector, some Funds carry much greater risks of adverse developments than a Fund that invests in a wider variety of industries. The securities of companies in the natural resources sector may experience more price volatility than securities of companies in other industries. Some of the commodities used as raw materials or produced by these companies are subject to broad price fluctuations as a result of industry wide supply and demand factors. As a result, companies in the natural resources sector often have limited pricing power over supplies or for the products they sell which can affect their profitability.

Concentration in the securities of companies with substantial natural resource assets will expose these Funds to the price movements of natural resources to a greater extent than a more broadly diversified mutual fund. There is the risk that those Funds will perform poorly during an economic downturn or a slump in demand for natural resources.

Non-Regulated Markets risk

Some Funds may invest in securities of issuers in countries whose markets do not qualify as regulated markets due to their economic, legal or regulatory structure, and therefore these Funds may not invest more than 10% of their net assets in such securities.

Participatory Notes risk

Participatory Notes also known as P-Notes are financial instruments that may be used by some Funds to obtain exposure to an equity investment, including common stocks and warrants, in a local market where direct ownership is not allowed. Investment in Participatory Notes may involve an OTC transaction with a third party. Therefore Funds investing in Participatory Notes may be exposed not only to movements in the value of the underlying equity, but also to the risk of counterparty default, which may in the event of counterparty default result in the loss of the full market value of the equity.

"Pre-Payment" risk

Certain fixed income securities give an issuer the right to call its securities, before their maturity date. The possibility of such "pre-payment risk" may force the Fund to reinvest the proceeds of such investments in securities offering lower yields, thereby reducing the Fund's interest income.

Real Estate Securities risk

Some Funds invest in real estate securities or real estate investment trusts ("REITs"). Real estate values rise and fall in response to a variety of factors, including local, regional and national economic conditions, interest rates and tax considerations. When economic growth is slow, demand for property decreases and prices may decline. Property values may decrease because of overbuilding, increases in property taxes and operating expenses, changes in zoning laws, environmental regulations or hazards, uninsured casualty or condemnation losses, or general decline in neighbourhood values.

Equity REITs may be affected by any changes in the value of the properties owned and other factors, and their prices tend to go up and down. A REIT's performance depends on the types and locations of the properties it owns and on how well it manages those properties. A decline in rental income may occur because of extended vacancies, increased competition from other properties, tenants' failure to pay a rent or poor management. A REIT's performance also depends on the company's ability to

finance property purchases and renovations and manage its cash flows. Since REITs typically are invested in a limited number of projects or in a particular market segment, they are more susceptible to adverse developments affecting a single project or market segment than more broadly diversified investments.

Repurchase Transactions and Securities Lending risk

Use of the techniques and instruments contemplated in Appendix B.4 of the Full Prospectus involves certain risks, some of which are listed in the following paragraphs, and there can be no assurance that the objective sought to be obtained from such use will be achieved.

In relation to repurchase transactions, investors must notably be aware that (1) in the event of the failure of the counterparty with which cash of a Fund has been placed there is the risk that collateral received may yield less than the cash placed out, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that (2) (i) locking cash in transactions of excessive size or duration, (ii) delays in recovering cash placed out, or (iii) difficulty in realising collateral may restrict the ability of the Fund to meet sale requests, security purchases or, more generally, reinvestment; and that (3) repurchase transactions will, as the case may be, further expose a Fund to risks similar to those associated with optional or forward derivative financial instruments, which risks are further described in other sections of this Simplified Prospectus.

The counterparties to repurchase agreement transactions must have a minimum credit rating of A- or better, as rated by Standard & Poor's, Moody's or Fitch, at the time of the transactions. The collateral received by the Company in respect of repurchase agreements transactions may be US Treasury bills or US government agency bonds supported by the full faith and credit of the US government. Any incremental income generated from repurchase agreement transactions will be accrued to the relevant Fund.

In relation to securities lending transactions, investors must notably be aware that in case of default, bankruptcy or insolvency of the borrower of securities lent by a Fund, there is a risk of delay in recovery (that may restrict the ability of a Fund to meet delivery obligations under security sales or payment obligations arising from sale requests) or even loss of rights in collateral received, which risks are mitigated by a careful creditworthiness analysis of borrowers to determine their degree of risk for said borrowers to become involved in insolvency/bankruptcy proceedings within the timeframe contemplated by the loan.

Regional Market risk

Some Funds may invest in a single region, and as a result are subject to higher concentration risk and potentially greater volatility compared to Funds following a more diversified policy.

Restructuring Companies risk

Some Funds, especially the Franklin High Yield Fund, the Franklin Strategic Income Fund, the Franklin Mutual Beacon Fund, the Franklin Mutual Euroland Fund, the Franklin Mutual European Fund, the Franklin Mutual Global Discovery Fund, the Templeton Euro High Yield Fund and the Templeton Global High Yield Fund may also invest in the securities of companies involved in mergers, consolidations, liquidations and reorganisations or as to which there exist tender or exchange offers, and may participate in such transactions; they may also purchase indebtedness and participations therein, both secured and unsecured, of debtor companies engaged in reorganisation

or financial restructuring. Such investments also involve greater credit risks.

Russian and Eastern European Markets risk

Securities of issuers in Russia, countries of Eastern Europe as well as the New Independent States such as Ukraine and the countries under the influence of the Soviet Union in the past involve significant risks and special considerations, which are not typically associated with investing in securities of issuers in the EU Member States and the United States of America. They are additional to the normal risks inherent in any such investments and include political, economic, legal, currency, inflation and taxation risks. For example there is a risk of loss due to lack of adequate systems for transferring, pricing, accounting for and safekeeping or record keeping of securities.

In particular, the Russian market presents a variety of risks in relation to the settlement and safekeeping of securities. These risks result from the fact that physical securities do not exist; as a consequence, the ownership of securities is evidenced only on the issuer's register of shareholders. Each issuer is responsible for the appointment of its own registrar. The result is a broad geographic distribution of several hundred registrars across Russia. Russia's Federal Commission for Securities and Capital Markets (the "Commission") has defined the responsibilities for registrar activities, including what constitutes evidence of ownership and transfer procedures. However, difficulties enforcing the Commission's regulations mean that the potential for loss or error still remains and there is no guarantee that the registrars will act according to the applicable laws and regulations. Widely accepted industry practices are actually still in the process of being established. When registration occurs, the registrar produces an extract of the register of shareholders as at that particular point in time. Ownership of Shares is vested in the records of the registrar but is not evidenced by the possession of an extract of the register of shareholders. The extract is only evidence that registration has taken place. However, the extract is not negotiable and has no intrinsic value. In addition, a registrar will typically not accept an extract as evidence of ownership of Shares and is not obliged to notify the Custodian or its local agents in Russia, if or when it amends the register of shareholders. Russian securities are not on physical deposit with the Custodian or its local agents in Russia. Similar risks apply in respect of the Ukrainian market.

Therefore, neither the Custodian nor its local agents in Russia or in Ukraine can be considered as performing a physical safekeeping or custody function in the traditional sense. The registrars are neither agents of, nor responsible to, the Custodian or its local agents in Russia or in Ukraine. The Custodian's liability only extends to its own negligence and wilful default and to that caused by negligence or wilful misconduct of its local agents in Russia or in Ukraine, and does not extend to losses due to the liquidation, bankruptcy, negligence or wilful default of any registrar. In the event of such losses the Company will have to pursue its rights directly against the issuer and/or its appointed registrar.

However, securities traded on the Russian Trading Stock Exchange ("RTS") or on the Moscow Interbank Currency Exchange ("MICEX") can be treated as investment in securities dealt on a regulated market.

Single Country risk

Funds which essentially invest or have exposure in only one country will have greater exposure to market, political, legal, economic and social risks of that country than a Fund which diversifies country risk across a number of countries. There is a risk that a particular country may impose foreign exchange and/or conversion controls or regulate in such a way as to disrupt the way the markets in

that country operate. The consequences of these actions, and others such as confiscation of assets, could be to hinder the normal operation of such Fund with regard to the purchase and sale of investments and possibly the ability to meet redemptions. As further described in Appendix D of the Full Prospectus, dealing in such Fund may be suspended and investors may not be able to acquire or redeem units in the Fund. Investment in a single country may result in reduced liquidity, greater financial risk, higher volatility and limited diversification, which may have significant impact on the ability of the Fund to purchase or sell investment and possibly the ability to meet redemption requests in a timely manner. In certain countries, and for certain types of investments, transaction costs are higher and liquidity is lower than elsewhere.

Small and Mid-Sized Companies risk

The stock prices of small and mid-sized companies can perform differently than larger, more recognised, companies and have the potential to be more volatile. A lower degree of liquidity in their securities, a greater sensitivity to changes in economic conditions and interest rates, and uncertainty over future growth prospects may all contribute to such increased price volatility. Additionally, smaller companies may be unable to generate new funds for growth and development, may lack depth in management, and may be developing products in new and uncertain markets all of which are risks to consider when investing in such companies. These risks are typically increased for securities issued by smaller companies registered or performing a significant part of their activities in developing countries and Emerging Markets, especially as the liquidity of securities issued by companies in Emerging Markets may be substantially smaller than with comparable securities in industrialised countries.

Sovereign Debt risk

Sovereign debts ("Sovereign Debts") are debt obligations issued or guaranteed by governments or government-related entities.

Investment in Sovereign Debts issued or guaranteed by governments or their agencies and instrumentalities ("governmental entities") involves a high degree of risk. The governmental entity that controls the repayment of Sovereign Debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt due to specific factors, including, but not limited to (i) their foreign reserves, (ii) the available amount of their foreign exchange as at the date of repayment, (iii) their failure to implement political reforms, and (iv) their policy relating to the International Monetary Fund.

Sovereign Debt holders may also be affected by additional constraints relating to sovereign issuers which may include: (i) the unilateral rescheduling of such debt by the issuer and (ii) the limited legal recourses available against the issuer (in case of failure of delay in repayment).

Funds may invest in Sovereign Debt issued by governments or government-related entities from countries referred to as Emerging Markets or Frontier Markets, which bear additional risks compared to more developed markets due to such factors as greater political and economic uncertainties, currency fluctuations, repatriation restrictions or capital controls.

Structured Notes risk

Structured notes such as credit-linked notes, equity-linked notes and similar notes involve a counterparty structuring a note whose value is intended to move in line with the underlying security specified in the note. Unlike financial derivative instruments, cash is transferred from the buyer

to the seller of the note. Investment in these instruments may cause a loss if the value of the underlying security decreases. There is also a risk that the note issuer will default. Additional risks result from the fact that the documentation of such notes programmes tends to be highly customised. The liquidity of a structured note can be less than that for the underlying security, a regular bond or debt instrument and this may adversely affect either the ability to sell the position or the price at which such a sale is transacted.

Swap Agreements risk

The Company may enter into interest rate, index and currency exchange rate swap agreements for the purposes of attempting to obtain a particular desired return at a lower cost to the Company than if the Company had invested directly in an instrument that yielded that desired return. Swap agreements are two-party contracts entered into primarily by institutional investors for periods ranging from a few days to more than one year. In a standard "swap" transaction, two parties agree to exchange the returns (or differential in rates of return) earned or realised on particular predetermined investments or instruments. The gross returns to be exchanged or "swapped" between the parties are calculated with respect to a "notional amount", i.e. the return on or increase in value of a particular US dollar amount invested at a particular interest rate, in a particular foreign currency, or in a "basket" of securities representing a particular index. The "notional amount" of the swap agreement is only a fictive basis on which to calculate the obligations which the parties to a swap agreement have agreed to exchange. The Company's

Investors should understand that all investments involve risk and there can be no guarantee against loss resulting from an investment in any Fund(s), nor can there be any assurance that the Fund(s) investment objective(s) will be attained. Neither the Investment Managers, nor any of their worldwide affiliated entities, guarantee the performance or any future return of the Company or any of its Funds.

obligations (or rights) under a swap agreement will generally be equal only to the net amount to be paid or received under the agreement based on the relative values of the positions held by each party to the agreement (the "net amount").

Whether the Company's use of swap agreements will be successful in furthering its investment objective will depend on the ability of the Investment Managers to correctly predict whether certain types of investments are likely to produce greater returns than other investments. Because they are two-party contracts and because they may have terms of greater than seven (7) calendar days, swap agreements may be considered to be illiquid. Moreover, the Company bears the risk of loss of the amount expected to be received under a swap agreement in the event of the default or bankruptcy of a swap agreement counterparty. The Investment Managers will cause the Company to enter into swap agreements in accordance with the guidelines in Appendix B of the Full Prospectus.

Value Stocks risk

Some Funds may select stocks using a bottom-up, long-term, value-oriented approach. To the extent that markets fail to recognise their expected value, investment may underperform other stock selection approaches.

Warrants risk

Investments in and holding of warrants may result in increased volatility of the net asset value of certain Funds, which may make use of warrants, and accordingly is accompanied by a higher degree of risk.

SHARE CLASSES

The following Share Classes are in issue:

Class A	Class AX	Class B	Class C	Class I	Class N	Class X	Class W	Class Z
Class A acc	Class AX acc	Class B acc	Class C acc	Class I acc	Class N acc	Class X acc	Class W acc	Class Z acc
Class A Mdis	Class AX Mdis	Class B Mdis	Class C Mdis	Class I Mdis	Class N Mdis	Class X Mdis	Class W Mdis	Class Z Mdis
Class A Qdis	Class AX Qdis	Class B Qdis	Class C Qdis	Class I Qdis	Class N Qdis	Class X Qdis	Class W Qdis	Class Z Qdis
Class A Bdis	Class AX Bdis	Class B Bdis	Class C Bdis	Class I Bdis	Class N Bdis	Class X Bdis	Class W Bdis	Class Z Bdis
Class A Ydis	Class AX Ydis	Class B Ydis	Class C Ydis	Class I Ydis	Class N Ydis	Class X Ydis	Class W Ydis	Class Z Ydis

Unless otherwise stated in this Simplified Prospectus, the same terms and conditions apply to the different types of Shares i.e. accumulation (acc), monthly distribution (Mdis), quarterly distribution (Qdis), bi-annually distribution (Bdis) and yearly distribution (Ydis), of the same Share Class.

Class I Shares are only offered to institutional investors as defined from time to time by the guidelines or recommendations of the competent Luxembourg financial supervisory authority (please refer below for the list of qualifying institutional investors), in certain limited circumstances, for distribution in certain countries and/or through certain sub-distributors and/or professional investors at the discretion of the Principal Distributor, in which case any local supplement to this Simplified Prospectus or marketing material, including that used by the relevant intermediaries, will refer to the possibility and terms to subscribe for Class I Shares.

The Company will not issue, execute a switch of or transfer Class I Shares to any investor who does not qualify as an institutional investor. If it is identified at any time that a holder of Class I Shares does not qualify as an Institutional Investor, the Transfer Agent or the Company will instruct the investor to switch its Class I Shares into an eligible Share Class. If a switch is not executed, the Company will, at its discretion, redeem the Shares.

Class N Shares may be offered for distribution in certain countries and/or through certain sub-distributors, Broker/Dealers and/or professional investors at the discretion of the Principal Distributor, in which case any local supplement to this Simplified Prospectus or marketing material, including that used by the relevant intermediaries, will refer to the possibility and terms to subscribe for Class N Shares.

Class W Shares may be offered in certain limited circumstances for distribution in certain countries and through certain large distributors, platforms and/or Broker/Dealers having separate fee arrangements with their clients and who at the discretion of the Principal Distributor and/or the Transfer Agent are considered wholesale investors providing services to other investors. In

addition, Class W Shares may be offered to professional investors and/or other investors at the discretion of the Principal Distributor and/or the Transfer Agent. In these cases any local supplement to this Simplified Prospectus or marketing material, including that used by the relevant intermediaries, will refer to the possibility and terms to subscribe for Class W Shares.

The Company will not issue, execute a switch of or transfer Class W Shares to any investor who is deemed by the Principal Distributor and/or the Transfer Agent not to meet the requirements above. If it is identified at any time that a holder of Class W Shares does not qualify, or no longer qualifies, the Transfer Agent or the Company will instruct the investor to switch its Class W Shares into an eligible Share Class. If a switch is not executed, the Company will redeem and/or switch the Shares in accordance with the conditions and procedures set forth in the Articles of Incorporation.

Class X Shares may only be offered to institutional investors as defined from time to time by the guidelines or recommendations of the competent Luxembourg financial supervisory authority (please refer below for the list of qualifying institutional investors), in certain limited circumstances, at the discretion of the Company or the Investment Manager and its affiliates.

Class Z Shares may be offered in certain limited circumstances (i) for distribution in certain countries and through certain sub-distributors and/or Broker/Dealers having separate fee arrangements with their clients, and/or (ii) to professional investors at the discretion of the Principal Distributor and/or the Transfer Agent. In these cases, any local supplement to this Simplified Prospectus or marketing material, including that used by the relevant intermediaries, will refer to the possibility and terms to subscribe for Class Z Shares.

List of Qualifying Institutional Investors

- Institutional investors *stricto sensu*, such as banks and other regulated professionals of the financial sector, insurance and reinsurance companies, social security institutions and pension funds, charitable institutions, industrial, commercial and financial group companies, all subscribing on their own behalf, and the structures which such institutional investors put into place for the management of their own assets.
- Credit institutions and other regulated professionals of the financial sector investing in their own name but on behalf of institutional investors as defined above.
- Credit institutions and other regulated professionals of the financial sector established in Luxembourg or abroad which invest in their own name but on behalf of their non institutional clients on the basis of a discretionary management mandate.
- Collective investment undertakings established in Luxembourg or abroad.
- Holding companies or similar entities, whether Luxembourg-based or not, whose shareholders are institutional investors as described in the foregoing paragraphs.
- Holding companies or similar entities, whether Luxembourg-based or not, whose shareholder(s)/ beneficial owner(s) is/are individual person(s) which is/are extremely wealthy and may reasonably be regarded as sophisticated investor(s) and where the purpose of the holding company is to hold important financial interests/investments for an individual or a family.
- A holding company or similar entity, whether Luxembourg based or not, which as a result of its structure and activity has a true substance and holds important financial interests / investments.

By applying for Class I and/or Class X Shares, investors represent to the Company and the Transfer Agent that they qualify as one or more of the types of institutional investor(s) listed hereabove and undertake to indemnify the Company, the Transfer Agent and/or any other entity of Franklin Templeton Investments against any and all damages, losses, costs or other expenses they may incur as a result of acting in good faith of such a representation.

The Share Classes may be denominated in the Fund base currency or in another currency (an "alternative currency") or may be hedged in a currency other than the base currency of the Fund. **The Company does not currently intend to hedge the currency risks to which these Classes are exposed, except for Hedged Share Classes.**

Shares may either be distribution Shares or accumulation Shares. No distribution of dividends shall be made for the accumulation Shares, however the income attributable will be reflected in the increased value of the Shares.

Hedged Share Classes and Alternative Currency Classes may be offered in respect of certain Funds and certain Classes. The charge structure applicable is the same as the one applicable for the same Share Classes within the relevant Fund offered in the base currency.

Before investing in a specific Share Class of any Fund, investors should ensure that such Class best suits their needs and should consider the local tax implications subject to their personal circumstances and local tax laws. Investors are recommended to contact a tax advisor or their financial adviser for further information.

A complete list of available Shares Classes may be obtained from the Franklin Templeton Investments Internet site <http://www.franklintempleton.lu> or upon request at the registered office of the Company.

CHARGES STRUCTURE

Class A Shares and Class AX Shares

- *Entry Charge*: varies per asset class as follow:

- up to 5.75% of the total amount invested for Equity Funds and Balanced Funds
- up to 5.00% of the total amount invested for Fixed Income Funds
- up to 1.50% of the total amount invested for Liquid Reserve Funds and Money Market Funds

The Principal Distributor may waive the entry charge in whole or in part.

- *Qualified Investments of USD 1 million or more*: the entry charge may be waived and a Contingent Deferred Sales Charge ("CDSC") of up to 1.00% may apply if an investor sells Shares within 18 months after each investment in order to recover commissions paid to sub-distributors, intermediaries, Broker/Dealers and/or professional investors. The way this charge is calculated is more fully described in the section "Calculation of CDSC" of the Full Prospectus.

- *Maintenance Charge*: up to 0.50 % per annum of the applicable average net asset value.

Class B Shares

- *Entry Charge*: purchases of Class B Shares are not subject to an entry charge.

- *Contingent Deferred Sales Charge ("CDSC")*: applicable if an investor sells Shares within four (4) years of purchase. There is no CDSC on Shares acquired through reinvestment of dividends. To keep the CDSC as low as possible, each time an instruction to sell Shares is placed, any Shares in the investor's Holding not subject to a CDSC will be sold first. If there are not enough of these Shares to meet the request, additional Shares will be sold in the order they were purchased.

Holding means Shares held in a single Share Class within the investor's account.

The following rates will apply:

<u>YEARS SINCE PURCHASE</u>	<u>CDSC</u>
Less than one year	4.00%
Equal or more than one year but less than two years	3.00%
Equal or more than two years but less than three years	2.00%
Equal or more than three years but less than four years	1.00%
Equal or more than four years	0.00%

The Principal Distributor and/or such other party may waive the CDSC in whole or in part.

- *Maintenance Charge*: up to 0.75% per annum of the applicable average net asset value.

- *Servicing Charge*: 1.06% per annum of the applicable average net asset value.

Starting from January 2011, Class B Shares will be automatically converted into Class A Shares of the same Fund free of charge on the monthly scheduled conversion date fixed by the Transfer Agent upon or following the expiry of 84 months after the date of their purchase. As a result, the terms and other conditions applicable to such Shares shall become those applicable to Class A Shares.

Class C Shares

- *Entry Charge*: purchases of Class C Shares are not subject to an entry charge.

- *Contingent Deferred Sales Charge ("CDSC")*: 1.00% applicable if an investor sells Shares within one (1) year of purchase. To keep the CDSC as low as possible, each time an instruction to sell Shares is placed, any Shares in the investor's Holding not subject to a CDSC will be sold first. If there are not enough of these Shares to meet the request, additional Shares will be sold in the order they were purchased.

The Principal Distributor and/or such other party may waive the CDSC in whole or in part.

- *Maintenance Charge*: as from the second and subsequent years of investment 1.08% per annum of the applicable average net asset value.

- *Servicing Charge*: during the first year of investment 1.08% per annum of the applicable average net asset value.

Class I Shares

Purchases of Class I Shares are not subject to an entry charge, CDSC nor any maintenance or servicing charge.

Class I Shares have a minimum initial investment of USD 5,000,000 (except for the Class I Shares of the Franklin U.S. Government Fund which has a minimum initial investment of USD 1,000,000) or the equivalent in any other freely exchangeable currency, which may be waived in whole or in part at the discretion of the Board of Directors, the Principal Distributor or the Distribution Controller.

Class N Shares

- *Entry Charge*: up to 3.00% of the total amount invested. This entry charge will apply for all different asset classes. The Principal Distributor may waive the entry charge in whole or in part.

- *Maintenance Charge*: up to 1.25% per annum of the applicable average net asset value.

Class W Shares

Purchases of Class W Shares are not subject to an entry charge, CDSC nor any maintenance or servicing charge.

Class W Shares have a minimum initial investment of USD 3,000,000 or the equivalent in any other freely exchangeable currency, which may be waived in whole or in part at the discretion of the Board of Directors, the Principal Distributor or the Distribution Controller.

Class X Shares

No entry charge, no CDSC, no maintenance or servicing charge and no investment management fees will be payable by an investor on the acquisition of Class X Shares (instead a fee will be paid to the Investment Manager or affiliates under an agreement).

Class Z Shares

Purchases of Class Z Shares are not subject to an entry charge, CDSC nor any maintenance or servicing charge.

CALCULATION AND PUBLICATION OF SHARE PRICES

The prices at which Shares of the relevant Classes can be purchased, sold or switched in each Share Class are calculated on each Valuation Day by reference to the net asset value per Share of the Class concerned and are available on the following Business Day.

A Valuation Day for all Funds is any day on which the New York Stock Exchange (NYSE) is open or any full day on which banks in Luxembourg are open for normal business (other than during a suspension of normal dealing).

The net asset value per share of each Share Class of each Fund is calculated as follows:

$$\frac{\text{Assets attributable to the Share Class of the Fund} - \text{liabilities attributable to the Share Class of the Fund}}{\text{Number of shares of the relevant Share Class of the Fund}}$$

The net asset value per Share of each Fund and Share Class is made public at the registered office of the Company and is available at the offices of the Principal Distributor and the Transfer Agent. The Company will arrange for the publication of the net asset value per Share of relevant Funds as required under applicable law and in such newspapers as the Board of Directors may decide from time to time. This information is also available on the Internet site: <http://www.franklintempleton.lu>. The Company cannot accept any responsibility for any error or delay in publication or for the non-publication of prices.

SWING PRICING ADJUSTMENT

A Fund may suffer reduction of the net asset value per Share due to investors purchasing, selling and/or switching in and out of the Fund at a price that does not reflect the dealing costs associated with this Fund's portfolio trades undertaken by the Investment Manager to accommodate cash inflows or outflows.

In order to counter this dilution impact and to protect Shareholders' interests, a swing pricing mechanism may be adopted by the Company as part of its valuation policy.

If on any Valuation Day, the aggregate net investor(s) transactions in Shares of a Fund exceed a pre-determined threshold, as determined as a percentage of the net assets of that Fund from time to time by the Board of Directors based on objective criteria, the net asset value per Share may be adjusted upwards or downwards to reflect the costs attributable to net inflows and net outflows respectively. The net inflows and net outflows will be determined by the Company based on the latest available information at the time of calculation of the net asset value.

Investors are advised that the volatility of the Fund's net asset value might not reflect the true portfolio performance as a consequence of the application of swing pricing. Typically, such adjustment will increase the net asset value per Share when there are net inflows into the Fund and decrease the net asset value per Share when there are net outflows. The net asset value per Share of each Share Class in a Fund will be calculated separately but any adjustment will, in percentage terms, affect the net asset value per Share of each Share Class in a Fund identically.

As this adjustment is related to the inflows and outflows of money from the Fund it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently it is also not possible to accurately predict how frequently the Company will need to make such adjustments.

The swing pricing mechanism may be applied across all Funds of the Company. The extent of the price adjustment will be reset by the Company on a periodic basis to reflect an approximation of current dealing and other costs. Such adjustment may vary from Fund to Fund and will not exceed 2% of the original net asset value per Share.

HOW TO PURCHASE SHARES

Initial purchase instruction for Shares should be made on the standard application form available at the office of the Transfer Agent or the relevant appointed Distributor. Any subsequent instruction to purchase Shares may also be made by telephone, facsimile or electronic request, if expressly allowed by the Transfer Agent. The Transfer Agent may request the original signed application form and identification documentation to be mailed, in which case it may delay the processing of the application form until their receipt.

The Transfer Agent reserves the right to require additional information and/or confirmation from the investor for large purchases into Class B and Class C Shares, which may result in a delay in the processing of the investment until receipt of the requested information/confirmation.

Subsequent purchase instructions in an existing investor account should be duly signed and should state:

- The name of the Fund(s) and the Share Class;
- The number or amount of Shares applied for in the Fund(s) (in numbers and in words);
- The Share Class ISIN code (available on the Franklin Templeton Investments Internet site <http://www.franklintempleton.lu>); and
- How payment has been or will be made.

Investors are informed that instructions for the Templeton Euro Short-Term Money Market Fund can only indicate the amount to be invested (orders based on Share amounts are not acceptable).

If there is any discrepancy between the name of the Fund(s), the Share Class, the Share Class ISIN code or the currency of the Fund(s) Share Class quoted in the instruction, the order will be executed on the basis of the ISIN code quoted.

Applications will be accepted at the discretion of the Board of Directors.

Local offering documentation may provide the facility for the investors to avail of nominee type of intermediaries, dealers and/or local paying agents which may effect purchases, switches and sales of Shares in nominee name on behalf of the investors and request the registration of such operations on the register of Shareholders of the Company in nominee name.

Complete instructions for the purchase of Shares received and accepted by the Transfer Agent or by a duly authorised Distributor on a Dealing Day before the applicable dealing cut-off time (as more fully described in Appendix 1) will be dealt with on that day on the basis of the net asset value per Share of the relevant Share Class determined on this Dealing Day (plus any applicable entry charge).

Complete instructions for the purchase of Shares received and accepted by the Transfer Agent or by a duly authorised Distributor on a Dealing Day after the applicable dealing cut-off time (as more fully described in Appendix 1) will be dealt with on the basis of the net asset value per Share of the relevant Share Class determined on the next Valuation Day (plus any applicable entry charge).

The Board of Directors may permit, if it deems it appropriate, different dealing cut-off times to be agreed with local distributors or for distribution in jurisdictions where the different time zone so justifies. In such circumstances, the applicable dealing cut-off time applied must always precede the time when the applicable net asset value is calculated and published. Such different dealing cut-off times shall be disclosed in the local supplement to the Full Prospectus, the agreements in place with the local distributors, or other marketing material used in the jurisdictions concerned.

The table below sets out the minimum investments required to subscribe in each available Share Class (except for investment made by professional Nominees):

Share Class Overview	Class A	Class AX	Class B	Class C	Class N	Class I	Class W	Class X	Class Z
Investor Category	Retail Institutional	Institutional	Retail Institutional	Institutional	Retail Institutional				
Minimum Investment	USD 5,000	USD 5,000,000*	USD 3,000,000	Details available from the Company or Transfer Agent	USD 5,000				
Subsequent Investment	USD 1,000	USD 1,000	USD 1,000	Details available from the Company or Transfer Agent	USD 1,000				

* except for the Franklin U.S. Government Fund which has a minimum initial investment of USD 1,000,000 or the equivalent in any other freely exchangeable currency

These minimum investment amounts may be waived in whole or in part by the Board of Directors, by the Principal Distributor or by the Distribution Controller.

The allotment of Shares is conditional upon receipt of purchase monies, including any applicable entry charge, which must be paid within five (5) Luxembourg Business Days of the Valuation Day unless the Board of Directors requires cleared funds on or prior to an application being accepted. Shares which remain unsettled for a period of thirty (30) days may be cancelled. In such circumstances, the Company has the right to bring an action against the defaulting investor to obtain compensation for any loss directly or indirectly resulting from the failure by the investor to make good settlement by the settlement date.

The Company does not accept payments in cash, traveller's cheques or non-bank money orders. Payments should normally be made by electronic bank transfer to the bank account set forth by the Principal Distributor (as detailed in the application form). Payments can be made in the currency of the Share Class. However, an investor may, in certain instances as permitted by the Transfer Agent, provide for payment in any other freely exchangeable currency, in which case, the necessary foreign exchange transaction will be arranged on behalf of, and at the expense of, the investor. Investors are advised that payments made in any other freely exchangeable currency may be delayed until the next Valuation Day to allow for currency conversion.

Subject to receipt of the full payment and the registration details, confirmation statements together with registered Share certificates, if requested, will, normally within fourteen (14) Luxembourg bank business days of completion of the subscription process, be dispatched in accordance with the investor's instructions to the investor or its nominated agent, at the risk of the investor. Investors should promptly check these confirmation statements to ensure that each transaction has been accurately recorded in the relevant investor account. In the event of identifying a discrepancy investors should immediately report such discrepancy in writing to the Transfer Agent or their local Franklin Templeton Investments servicing office. If not so reported within fifteen (15) Business Days from the confirmation statement date, the transaction will be deemed correct and the investor will be bound by the terms of the confirmation statement. These confirmation statements are private and confidential. To safeguard investors' Holdings in the case of loss or theft of any statements (or of identity documents/passport), investors should immediately inform their local Franklin Templeton Investments servicing office.

If any purchase instruction is not accepted in whole or in part, the purchase monies will be returned to the investor at the risk and cost of the investor.

The Board of Directors reserves the right at any time, without notice, to discontinue the issue or sale of Shares pursuant to the Full Prospectus.

HOW TO SWITCH SHARES

A switch is a transaction to convert an investor's Holding in a Share Class into another Share Class within the same Fund or the same Share Class or another Share Class in different Funds. The transaction is executed by selling Shares in the original Share Class followed by purchasing Shares in the new Share Class provided that the investor's Holding meets the minimum investment requirements for both the existing and the new Fund or Share Class.

Investors may, under certain circumstances, switch Shares of the Company into Shares or units of certain other investment funds of Franklin Templeton Investments having a similar sales charge structure including same percentage of CDSC over the same period of time. Information on the investment funds into which Shares may be switched, and details of the procedure, terms and conditions for switch may be obtained from the Transfer Agent upon request.

Class A and AX Shares

Without prejudice to specific Share Class restrictions provided for in this section, Class A and Class AX Shares can be switched with Shares in any other Fund or Share Class subject to meeting investor qualification criteria for that Share Class.

Class A Shares and Class AX Shares subject to a CDSC can only be switched with Class A or Class AX Shares subject to the same CDSC. The aging of the Shares will be carried over to the new Share Class and no CDSC is payable at the time of such switch.

Class B Shares

Class B Shares can only be switched with Class B Shares of another Fund which continues to issue Class B Shares of the same currency and subject to the same CDSC. The aging of the Shares will be carried over to the new Share Class and no CDSC is payable at the time of such switch. No other Share Class is permitted to switch into Class B Shares.

Attention of investors is drawn to this restriction that may limit their possibility to acquire Shares of another Fund through switching because Class B Shares are not available in all Funds and the further issue of Class B Shares of the same currency of any Fund may be suspended at any time by the Board of Directors.

Class C Shares

Class C Shares can only be switched with Class C Shares of another Fund which continues to issue Class C Shares of the same currency and subject to the same CDSC. The aging of the Shares will be carried over to the new Share Class and no CDSC is payable at the time of such switch. No other Share Class is permitted to switch into Class C Shares.

Attention of investors is drawn to this restriction that may limit their possibility to acquire Shares of another Fund through switching because Class C Shares are not available in all Funds and the further issue of Class C Shares of the same currency of any Fund may be suspended at any time by the Board of Directors.

Class I Shares

Without prejudice to specific Share Class restrictions provided for in this section, Class I Shares can be switched with Shares in any other Fund or Share Class. Only institutional investors can switch their Shares into Class I Shares.

Class N Shares

Without prejudice to specific Share Class restrictions provided for in this section, Class N Shares can be switched with Shares in any other Fund or Share Classes subject to meeting investor qualification criteria for that Share Class.

Class W Shares

Without prejudice to specific Share Class restrictions provided for in this section, Class W Shares can be switched with Shares in any other Fund or Share Classes subject to meeting investor qualification criteria for that Share Class. Switching into Class W Shares is only permitted to investors instructing through certain sub-distributors, Broker/Dealers and/or professional investors having separate fee arrangements with their clients and who at the discretion of the Principal Distributor and/or the Transfer Agent are considered wholesale investors, i.e. intermediaries (such as platforms) providing financial services to other financial institutions, rather than to individuals.

Class X Shares

Without prejudice to specific Share Class restrictions provided for in this section, Class X Shares can be switched with Shares in any other Fund or Share Classes subject to meeting investor qualification criteria for that Share Class. Only institutional investors can switch their Shares into Class X Shares, subject to the conditions laid down in section "Share Classes".

Class Z Shares

Without prejudice to specific Share Class restrictions provided for in this section, Class Z Shares can be switched with Shares in any other Fund or Share Classes subject to meeting investor qualification criteria for that Share Class. Switching into Class Z Shares is only permitted (i) to investors instructing through certain sub-distributors and/or dealers having separate fee arrangements with their clients, and/or (ii) to professional investors at the discretion of the Principal Distributor and/or the Transfer Agent.

Instructions to Switch

An instruction to switch Shares should be submitted to the Transfer Agent in writing or, if expressly permitted, by telephone, facsimile or electronic means, specifying:

- The investor personal account number;
- The number/value of Shares to be switched;
- The Share Class;
- The Fund;
- The ISIN codes (available on the Franklin Templeton Investments Internet site <http://www.franklintempleton.lu>) for both Classes involved in the switch.

If there is any discrepancy between the name of the Fund(s), the Share Class, the Share Class ISIN code or the currency of the Share Class quoted in the instruction, the instruction will be executed on the basis of the ISIN code quoted. Investors may switch Shares on any Dealing Day.

In the event of joint investor accounts all instructions must be signed by all investors, except where sole signatory authority has been granted or where a power of attorney has been communicated to the Transfer Agent. If an instruction is not submitted in writing, the Transfer Agent may request a written and duly signed confirmation of such instruction, in which case it may delay the processing of the instruction until receipt of the written and duly signed confirmation.

The minimum initial investment in the new Fund is USD 2,500 (or currency equivalent). Any instruction which would result in a Holding balance being less than USD 2,500 (or currency equivalent) may not be executed.

Any instruction to switch Shares may not be executed until any previous transaction involving the Shares to be sold has been completed and settled. Where the sale is settled prior to the purchase, the sale proceeds will remain in the Company's collection bank account pending settlement of the purchase. No interest will accrue to the benefit of the investor.

Investors are advised that any instruction to switch Shares between Funds denominated in differing currencies will require one (1) additional Business Day to allow for currency conversion. However, in exceptional circumstances, the Company or the Transfer Agent may, at its own discretion, decide to process such Switch request and the necessary currency conversions in the same Valuation Day.

In certain limited circumstances as well as for distributions in certain countries and/or through certain sub-distributors and/or professional investors, the Company or the Transfer Agent may require one (1) additional Business Day in order to process switch transactions. The additional day may be required for operational reasons in cases where the Fund is in scope of the European Savings Directive and where withholding tax applies and requires to be calculated and factored into the calculation of the number of Shares that the investor will become entitled to in the new Fund or where currency conversion is required.

An investor may not withdraw an instruction to switch Shares except in the event of a suspension of the valuation of the assets of the Company (as further described in Appendix D of the Full Prospectus) and, in such event, a withdrawal of the instruction to switch will be effective only if written notification is received by the Transfer Agent before termination of the period of

suspension. If the instruction is not so withdrawn, the switch of the Shares will be made on the next Valuation Day following the end of the suspension.

Switch Price

A complete switch instruction received and accepted by the Transfer Agent or by a duly authorised Distributor on any Dealing Day before the applicable dealing cut-off time (as described in Appendix 1) will be dealt with on the basis of the net asset value per Share of the relevant Share Class determined on this Dealing Day.

A complete switch instruction received and accepted by the Transfer Agent or by a duly authorised Distributor on a Dealing Day after the applicable dealing cut-off time, will be dealt with on the basis of the net asset value per Share of the relevant Share Class determined on the next Valuation Day.

The number of Shares issued will be based upon the respective net asset value of the Shares of the two relevant Funds or Share Classes on the relevant Valuation Day(s).

Switch Fees and Charges

A switch charge of up to 1.00% of the value of the Shares to be switched, authorised in exceptional circumstances by the Board of Directors, may be applied. This charge may be applied for distribution in certain countries and/or through certain Distributors and/or professional investors. In the event this charge is applied details will be contained in any local supplement to the Full Prospectus or marketing materials. Such charge shall be automatically deducted when the number of Shares is calculated and paid by the Company.

In certain circumstances a switch from any one Fund or Share Class will necessitate a fee equivalent to the difference between the two levels of entry charges unless the investor, as a result of prior switches, has already paid the entry charge rate differential. It is currently anticipated that any entry charge rate differential will be paid to the Principal Distributor, who may, in turn, pay a portion of each differential to Distributors, intermediaries, Broker/Dealers and/or professional investor. However, the entry charge rate differential may be waived at the discretion of the Company.

HOW TO SELL SHARES

Shares of any Class in any Fund can be sold on any Dealing Day. Instructions to sell Shares should be submitted to the Transfer Agent in writing or, if expressly permitted, by facsimile, telephone or electronic means, specifying:

- The investor personal account number;
- The number/value of Shares to be sold;
- The Share Class;
- The Fund;
- The ISIN codes (available on the Franklin Templeton Investments Internet site <http://www.franklintempleton.lu>);
- The settlement currency; and
- The bank details.

If there is any discrepancy between the name of the Fund(s), the Share Class, the Share Class ISIN code or the currency of the Share Class quoted in the instruction, the instruction will be executed on the basis of the ISIN code quoted.

In the event of joint investor accounts all instructions must be signed by all investors except where sole signatory authority has been granted or where a power of attorney has been communicated to the Transfer Agent. If an instruction has not been submitted in writing, the Transfer Agent may request a written and duly signed confirmation of such instruction, in which case it may delay the processing of the instruction until receipt of the written and duly signed confirmation.

Any instruction to sell Shares may not be executed until any previous transaction involving the Shares to be sold has been completed and settled.

If the instruction would result in a Holding balance being less than USD 2,500 (or currency equivalent), the Company may redeem such Holding balance and pay the proceeds to the investor.

A complete instruction to sell received and accepted by the Transfer Agent or by a duly authorised Distributor on any Dealing Day before the applicable dealing cut-off time (as more fully described in Appendix 1) will be dealt with on the basis of the net asset value per Share of the relevant Share Class determined on this Dealing Day (less any applicable CDSC).

A complete instruction to sell received and accepted by the Transfer Agent or by a duly authorised Distributor on a Dealing Day after the applicable dealing cut-off time (as more fully described in Appendix 1) will be dealt with on the basis of the net asset value per Share of the relevant Share Class determined on the next Valuation Day (less any applicable CDSC).

The Board of Directors may permit, if it deems it appropriate, different dealing cut-off times to be agreed with local distributors or for distribution in jurisdictions where the different time zone so justifies. In such circumstances, the applicable dealing cut-off time applied must always precede the time when the applicable net asset value is calculated and published. Such different dealing cut-off times shall be disclosed in the local supplement to the Full Prospectus, the agreements in place with the local distributors, or other marketing material used in the jurisdictions concerned.

Payment for Shares sold will be made within five (5) Luxembourg Business Days after the instruction to sell has been received in good order and accepted by the Transfer Agent and will normally be made in the Share Class currency by electronic bank transfer of

funds unless otherwise instructed. Payment may also be made in any freely exchangeable currency if requested within the instruction, at the cost and risk of the investor.

HOW TO TRANSFER SHARES

A transfer is a transaction for the purpose of transferring an investor Holding to another investor.

The transfer of Shares shall be effected by delivery to the Transfer Agent of an instruction of transfer or a duly signed Share transfer form together with, if issued, the relevant Share certificate to be cancelled. The instruction must be dated and signed by the transferor(s), and if requested by the Company or the Transfer Agent also signed by the transferee(s), or by persons holding suitable powers of attorney to act therefore. Transfer of Physical Bearer Shares also requires delivery of the relevant certificate.

Acceptance of the transfer by the Transfer Agent will be subject to the transferee(s) having an accepted application by the Company, and meeting all Fund and Share Class eligibility requirements.

Any request to transfer Shares will only be executed once any previous transaction involving the Shares to be transferred has been completed and full settlement on those Shares received.

If the transfer instruction would result in a Holding balance being less than USD 2,500 (or currency equivalent) the Company may redeem such Holding balance and pay the proceeds to the investor.

Transfer of Shares will be effected in accordance with the Luxembourg Stock Exchange regulations.

The Shares transferred may be subject to specific conditions, including CDSC. Investors should ensure that they are aware of all specific conditions applicable to such Shares.

DIVIDEND POLICY

In respect of all Funds which issue Distribution Shares, it is the intention of the Board of Directors to distribute substantially all of the income attributable to the Distribution Shares. Subject to any legal or regulatory requirements, dividends may also be paid out of the capital of such Funds. Subject to any legal or regulatory requirements, the Board of Directors reserves the right to introduce new Share Classes, which may retain and re-invest their net income.

Annual dividends may be declared separately in respect of each Fund at the Annual General Meeting of Shareholders.

Interim Share dividends may be paid upon a decision of the Board of Directors in relation to any of the Funds.

It is anticipated that distributions will be made under normal circumstances as set out in the table below:

Share type	Share name	Payments
Accumulation Shares	A (acc), AX (acc), B (acc), C (acc), I (acc), N (acc), W (acc), X (acc) and Z (acc)	No distribution of dividends shall be made but the net income attributable will be reflected in the increased value of the Shares
Distribution Shares	A (Mdis), AX (Mdis), B (Mdis), C (Mdis), I (Mdis), N (Mdis), W (Mdis), X (Mdis) and Z (Mdis)	Under normal circumstances it is anticipated that distribution will be made monthly (following the end of each calendar month)
	A (Qdis), AX (Qdis), B (Qdis), C (Qdis), I (Qdis), N (Qdis), W (Qdis), X (Qdis) and Z (Qdis)	Under normal circumstances it is anticipated that distribution will be made quarterly (following the end of each calendar quarter)
	A (Bdis), AX (Bdis), B (Bdis), C (Bdis), I (Bdis), N (Bdis), W (Bdis), X (Bdis) and Z (Bdis)	Under normal circumstances it is anticipated that distribution will be made bi-annually (normally in June and in December each year)
	A (Ydis), AX (Ydis), B (Ydis), C (Ydis), I (Ydis), N (Ydis), W (Ydis), X (Ydis) and Z (Ydis)	Under normal circumstances it is anticipated that distribution will be made yearly (normally in July/August each year)

Dividends of registered Distribution Shares will normally be reinvested in the purchase of further Distribution Shares of the Fund and Share Class to which such dividends relate, unless otherwise stated in the application form. In the event that cash dividends are payable they will be paid to holders of registered Distribution Shares who have elected to receive dividends in cash, payment normally being made by transfer of funds.

Please note that dividend distributions are not guaranteed, that the Company's Funds do not pay interest and that the price of Shares in the Company's Funds and any income earned on the Shares may go down as well as up. It should also be remembered that any dividend distribution lowers the value of the Shares in the Company's Funds by the amount of the distribution. Future earnings and investment performance can be affected by many factors, including changes in exchange rates, not necessarily within the control of the Company, its Board of Directors, officers or any other person. No guarantees as to future performance of, or future return from, the Company can be given by the Company itself, or by any Director or officer of the Company, by Franklin Templeton Investments, or any of its worldwide affiliates, or by any of their directors, officers or employees.

TRADING POLICY

Market timing/short term trading generally. The Company discourages short-term or excessive trading, often referred to as "market timing", and intends to seek to restrict or reject such trading or take other action, as described below, if in the judgment of the Company or Transfer Agent such trading may interfere with the efficient management of the portfolio of any Fund, may materially increase the Fund's transaction costs, administrative costs or taxes, or may otherwise be detrimental to the interests of the Company and its Shareholders.

Market timing consequences. If information regarding an investor's activity in the Company or in any other Franklin Templeton investment fund or non-Franklin Templeton investment fund is brought to the attention of the Company or the Transfer Agent and based on that information the Company or its agents in their sole discretion conclude that such trading may be detrimental to the Company as described in this Market Timing Trading policy, the Company may temporarily or permanently bar an investor's future purchases into the Company or, alternatively, may limit the amount, number or frequency of any future purchases and/or the method by which a Shareholder may request future purchases and sales (including purchases and/or sales by a switch or transfer between the Company and any other Franklin Templeton investment funds).

In considering an investor's trading activity, the Company may consider, among other factors, the investor's trading history both directly and, if known, through financial intermediaries, in the Company, in other Franklin Templeton investment funds, in non-Franklin Templeton investment funds, or in accounts under common control or ownership.

Market timing through financial intermediaries. Investors are subject to this policy whether they are a direct Shareholder of the Fund or are investing indirectly in the Company through a financial intermediary such as a bank, an insurance company, an investment advisor, or any other Distributor that acts as Nominee for investors subscribing the Shares in their own name but on behalf of its customers (the Shares being held in an "omnibus holding").

While the Company will encourage financial intermediaries to apply the Company's Market Timing Trading policy to their customers who invest indirectly in the Company, the Company is limited in its ability to monitor the trading activity or enforce its Market Timing Trading policy with respect to customers of financial intermediaries. For example, should it occur, the Company may not be able to detect market timing that may be facilitated by financial intermediaries or made difficult to identify in the omnibus accounts used by those intermediaries for aggregated purchases, switches and sales on behalf of all their customers. More specifically, unless the financial intermediaries have the ability to apply the Company's Market Timing Trading policy to their customers through such methods as implementing short-term trading limitations or restrictions, monitoring trading activity for what might be market timing, the Company may not be able to determine whether trading by customers of financial intermediaries is contrary to the Company's Market Timing Trading policy.

Risks from market timers. Depending on various factors, including the size of the Fund, the amount of assets the Investment Manager typically maintains in cash or cash equivalents and the euro, Japanese yen or US dollar amount and number and frequency of trades, short-term or excessive trading may interfere with the efficient management of the Fund's portfolio, increase the Fund's transaction costs, administrative costs and taxes and/or impact Fund performance.

In addition, if the nature of the Fund's portfolio holdings expose the Fund to investors who engage in the type of market timing trading that seeks to take advantage of possible delays between the change in the value of a Fund's portfolio holdings and the reflection of the change in the net asset value of the Fund's Shares, sometimes referred to as "arbitrage market timing", there is the possibility that such trading, under certain circumstances, may dilute the value of Fund Shares if selling investors receive proceeds (and buying investors receive Shares) based upon net asset value which do not reflect appropriate fair value prices. Arbitrage market timers may seek to exploit possible delays between the change in the value of a Fund's portfolio holdings and the net asset value of the Fund's Shares in Funds that hold significant investments in foreign securities because certain foreign markets close several hours ahead of the US markets, and in Funds that hold significant investments in small-cap securities, high-yield ("junk") bonds and other types of investments which may not be frequently traded.

The Company is currently using several methods to reduce the risk of market timing. These methods include:

- reviewing investor activity for excessive trading and
- committing staff to selectively review on a continuing basis recent trading activity in order to identify trading activity that may be contrary to this Market Timing Trading policy.

Though these methods involve judgments that are inherently subjective and involve some selectivity in their application, the Company seeks to make judgments and applications that are consistent with the interests of the Company's investors. There is no assurance that the Company or its agents will gain access to any or all information necessary to detect market timing in omnibus holdings. While the Company will seek to take actions (directly and with the assistance of financial intermediaries) that will detect market timing, the Company cannot represent that such trading activity can be completely eliminated.

Revocation of market timing trades. Transactions placed in violation of the Company's Market Timing Trading policy are not necessarily deemed accepted by the Company and may be cancelled or revoked by the Company or the Transfer Agent on the Valuation Days following receipt by the Transfer Agent.

Regular Savings Plans and Regular Withdrawal Plans

Regular Savings Plans and Regular Withdrawal Plans are available for the benefit of investors in various countries. In the case a Regular Savings Plan is terminated before the agreed final date, the amount of entry charges payable by the relevant investors may be greater than it would have been in the case of a standard purchase, as detailed in Section "Entry Charge and Contingent Deferred Sales Charge" of the Full Prospectus. For further information please contact the Transfer Agent or your local Franklin Templeton Investments office.

The minimum Holding requirement (USD 2,500 or currency equivalent) is waived in respect of Regular Savings Plans and Regular Withdrawal Plans.

Contact details

Contact details for the Transfer Agent can be found on the application form, a confirmation statement or the Franklin Templeton Investments Internet site <http://www.franklintempleton.lu>.

TAXATION OF THE COMPANY

The Company is not liable in the Grand Duchy of Luxembourg to any tax on its profits or income.

The Company, however, is liable in the Grand Duchy of Luxembourg to a tax of 0.05% per annum of its net asset value, such tax being payable quarterly on the basis of the value of the net assets of the Company at the end of the relevant calendar quarter. This tax is not applicable for the portion of the assets of a Fund invested in other undertakings for collective investment which have been already subject to such tax. In order to qualify under the current reduced tax rate of 0.01% (instead of the tax of 0.05% referred to above), the Franklin U.S. Dollar Liquid Reserve Fund, the Templeton Euro Liquid Reserve Fund and the Templeton Euro Short-Term Money Market Fund will be invested in a manner that the weighted average remaining maturity of all securities and instruments comprised in the portfolios of the respective Funds does not exceed twelve months. For the purpose of calculating the residual maturity of each single security or instrument, the financial instruments attached thereto shall be taken into account. For the securities or instruments whose terms of issue provide for an adjustment of their interest rate by reference to market conditions, the residual maturity until the date on which the rate is adjusted shall be considered.

Class I Shares and Class X Shares may also qualify for the reduced tax rate of 0.01% if all the investors of these Share Classes are respectively institutional investors.

No stamp duty or other tax is payable in the Grand Duchy of Luxembourg on the issue of the Shares in the Company.

Under current laws and practice, no capital gains tax is payable in the Grand Duchy of Luxembourg on the realised or unrealised capital appreciation of the assets of the Company.

The Company is registered for Value Added Tax in the Grand Duchy of Luxembourg and subject to account for Value Added Tax in accordance with applicable laws.

Investment income received or capital gains realised by the Company may be subject to tax in the countries of origin at varying rates. The Company may benefit in certain circumstances from double taxation treaties, which the Grand Duchy of Luxembourg has concluded with other countries.

TAXATION OF INVESTORS

Luxembourg

Subject to the provisions of the European Savings Directive, investors are currently not subject to any capital gains, income, withholding, gift, estate, inheritance or other taxes in the Grand Duchy of Luxembourg (except for investors domiciled, resident or having a permanent establishment in the Grand Duchy of Luxembourg).

Investors should inform themselves of and, when appropriate, consult their professional advisors on the possible tax consequences of purchasing, buying, holding or disposing of Shares under the laws of their country of citizenship, residence, domicile or incorporation.

United Kingdom

It is intended that certain Share Classes offered by the Company will meet the conditions to qualify as "reporting" for the purposes of the United Kingdom tax legislation relating to offshore funds. The annual reports to investors will be made available on the Internet site: <http://www.franklintempleton.co.uk>. A list of the Share Classes is available at the registered office of the Company. This information may also be available on the above website or may be obtained upon request at the registered office of the Company.

EU Savings Tax Directive Considerations

The European Savings Directive has been implemented in Luxembourg by a law dated June 21, 2005 (the "2005 Law"). The European Savings Directive requires Member States of the European Union ("EU Member States") to provide the tax authorities of other EU Member States with details of payments of interest or similar payments paid by a paying agent (as defined by the European Savings Directive) within its jurisdiction to an individual resident in that other EU Member State. Austria and Luxembourg have elected to apply withholding tax in relation to such payments in lieu of exchange of information. Switzerland, Monaco, Liechtenstein, Andorra and San Marino and the Channel Islands, the Isle of Man and the dependent or associated territories in the Caribbean, have also introduced measures equivalent to information reporting or withholding tax.

The rate of withholding tax is 35% since July 1, 2011. Withholding tax is not levied in Luxembourg under the terms of the European Savings Directive when the investor elects for exchange of information in relation to his/her account holdings.

Withholding tax applied in Luxembourg under the European Savings Directive is not a final taxation and does not relieve the investor from any responsibilities to declare income or capital gains to the relevant tax authority in his/her country of residence. Any withholding tax levied under the European Savings Directive may be creditable against the investor's personal tax liability, subject to the laws in his/her country of residence.

Dividends distributed by a Fund will be subject to the European Savings Directive and the 2005 Law if more than 15% of such Fund's assets are invested in debt claims (as defined in the 2005 Law) and proceeds realised by investors on the transfer or sale of Shares in a Fund will be subject to the European Savings Directive and the 2005 Law if more than 25% of such Fund's assets are invested in debt claims.

The list of Funds falling within the scope of the European Savings Directive and the 2005 Law is made public at the registered office of the Company and is available at the offices of the Principal Distributor and the Transfer Agent. This information may also be available on the Internet site: <http://www.franklintempleton.lu>.

The foregoing is only a summary of the implications of the European Savings Directive and the 2005 Law, is based on the current interpretation thereof and does not purport to be complete in all respects. It does not constitute investment or tax advice and investors should therefore seek advice from their financial or tax adviser on the full implications for themselves of the European Savings Directive and the 2005 Law.

Investors should consult their professional advisers as to the possible tax or other consequences of purchasing, holding, transferring or selling any of the Company's Shares under the laws of their countries of citizenship, residence and domicile.

PAST PERFORMANCE

Past performance is no guarantee of future performance. The prices of Shares and income therefrom can go down as well as up, and investors may not get back the full amount invested. Figures do not reflect entry charges. If they did, returns would be reduced accordingly.

Bar charts are based on data as at December 31 for the last three (3) years.

For Funds offering both class A(dis) and A(acc) shares, only class A(dis) shares performance figures are shown assuming reinvestment of dividends. Historical performance figures shown for Class A(acc) shares are those for Class A(dis) shares until 22 June 2001, and those for class A(acc) shares thereafter.

Performance figures reflect distributions at their capitalised value together with the growth of the asset value for class A(dis) shares and the only growth of the asset value for class A(acc) shares. Share Classes not showing a performance chart might have a different but similar performance from the Share Classes showing a performance chart.

BENCHMARK

The below list of indices and benchmarks is provided to Shareholders for information and indicative purposes only, as all the Company's Funds are actively managed and tend to deviate from their respective index. This list will be updated from time to time by the Board of Directors without prior notice to the Shareholders, notably in order to provide an index that better reflects the objectives and investment policies to the relevant Funds and the composition of their portfolio. Any such change will be mentioned on the Internet site: <http://www.franklintempleton.lu>.

Fund Name	Benchmark
Franklin Asian Flex Cap Fund	MSCI All Country Asia ex Japan Index
Franklin Biotechnology Discovery Fund	NASDAQ Biotechnology Index
Franklin Euroland Core Fund	MSCI EMU (EUR) Index
Franklin European Core Fund	MSCI Europe Index
Franklin European Dividend Fund	MSCI Europe Index
Franklin European Growth Fund	MSCI Europe Index
Franklin European Small Mid Cap Growth Fund	MSCI Europe Small-Mid Cap Index
Franklin Global Convertible Securities Fund	UBS Global Focus Convertible Index
Franklin Global Growth Fund	MSCI World Index
Franklin Global Real Estate Fund	FTSE EPRA/NAREIT Developed Index
Franklin Global Small Mid Cap Growth Fund	MSCI World Small Cap Index
Franklin Gold and Precious Metals Fund	FTSE Gold Mines Index
Franklin High Yield Fund	CSFB High Yield Index
Franklin Income Fund	50% S&P 500 Index + 50% Barclays Capital US Aggregate Index
Franklin India Fund	MSCI India Index
Franklin MENA Fund	S&P Pan Arab Composite Large Mid Cap KSA Index Capped at 30%
Franklin Mutual Beacon Fund	S&P 500 TR Index
Franklin Mutual Euroland Fund	MSCI EMU NETR (Price With Net Dividend) Index
Franklin Mutual European Fund	MSCI Europe NETR (Price With Net Dividend) Index
Franklin Mutual Global Discovery Fund	MSCI World Index
Franklin Natural Resources Fund	S&P North American Natural Resources Sector TR Index
Franklin Real Return Fund	Barclays Capital U.S. TIPS Index
Franklin Strategic Income Fund	Barclays Capital U.S. Aggregate Index
Franklin Technology Fund	BoFA Merrill Lynch 100 Technology Index
Franklin Templeton Global Allocation Fund	50% MSCI All Country World Index + 35% Citigroup World Government Bond Index + 10% Payden & Rygel 90 Day U.S. Treasury Bill Index + 5% Dow Jones UBS Commodity Total Return Index
Franklin Templeton Global Equity Strategies Fund	67% MSCI World Index + 33% MSCI Emerging Markets Index

Franklin Templeton Global Fundamental Strategies Fund	67% MSCI World Index + 33% JP Morgan GGBI Index
Franklin Templeton Global Growth and Value Fund	MSCI All Country World Index
Franklin Templeton Japan Fund	TOPIX Total Return Index
Franklin U.S. Dollar Liquid Reserve Fund	LIBID-USD-1-Month-Rate Index
Franklin U.S. Equity Fund	S&P 500 TR Index
Franklin U.S. Focus Fund	S&P 500 TR Index
Franklin U.S. Government Fund	Barclays Capital US Government - Intermediate Index
Franklin U.S. Low Duration Fund	Barclays Capital U.S. 1-3 Year Government/Credit Bond Index
Franklin U.S. Opportunities Fund	Russell 3000 Growth Index
Franklin U.S. Small-Mid Cap Growth Fund	Russell Midcap Growth Index
Franklin U.S. Total Return Fund	Barclays Capital US Aggregate Index
Franklin World Perspectives Fund	MSCI All Country World Plus Frontier Markets Index
Templeton Africa Fund*	Dow Jones Titans Africa 50 Index
Templeton Asian Bond Fund	HSBC Asian Local Bond (US\$) Index (ALBI)
Templeton Asian Growth Fund	MSCI All Country Asia ex Japan Index
Templeton Asian Smaller Companies Fund	MSCI AC Asia ex-Japan Small Cap Index
Templeton BRIC Fund	MSCI BRIC TR Index
Templeton China Fund	MSCI Golden Dragon Index
Templeton Eastern Europe Fund	MSCI EM Europe Index
Templeton Emerging Markets Fund	MSCI Emerging Markets Index
Templeton Emerging Markets Balanced Fund	50% MSCI Emerging Markets Index + 50% JP Morgan EMBI Global Index
Templeton Emerging Markets Smaller Companies Fund	MSCI Emerging Markets Small Cap Index
Templeton Emerging Markets Bond Fund	JPM EMBI Index + JPM EMBI Global Index
Templeton Euro Government Bond Fund	Barclays Capital Euro Government Bond Index
Templeton Euro High Yield Fund	BofA Merrill Lynch Euro High Yield Constrained Index
Templeton Euro Liquid Reserve Fund	BBA DEM-EURO 1-Month Index
Templeton Euro Short-Term Money Market Fund	Eonia Cash Index
Templeton Euroland Fund	MSCI EMU (EUR) Index
Templeton European Fund	MSCI Europe Index
Templeton European Corporate Bond Fund	Barclays Capital Euro-Aggregate: Corporate Bond Index
Templeton European Total Return Fund	Barclays Capital Euro Aggregate (EUR) Index
Templeton Frontier Markets Fund	MSCI FM Frontier Markets Index
Templeton Global Fund	MSCI All Country World Index
Templeton Global (Euro) Fund	MSCI All Country World Index
Templeton Global Aggregate Bond Fund	Barclays Capital Global Aggregate Index
Templeton Global Aggregate Investment Grade Bond Fund	Barclays Capital Global Aggregate Index
Templeton Global Balanced Fund	65% MSCI World Index + 35% JP Morgan Govt Bond Index
Templeton Global Bond Fund	JP Morgan Government Bond Index (Global)
Templeton Global Bond (Euro) Fund	JP Morgan Global Government Bond (hedged into Euro) Index
Templeton Global Equity Income Fund	MSCI All Country World Index
Templeton Global High Yield Fund	50% JP Morgan Global High Yield Index + 50% JP Morgan EMBI Global Index
Templeton Global Income Fund	50% MSCI All Country World Index + 50% Barclays Capital Multiverse Index
Templeton Global Smaller Companies Fund	MSCI ACWI Small Cap Index
Templeton Global Total Return Fund	Barclays Capital Multiverse Index
Templeton Growth (Euro) Fund	MSCI World Index
Templeton Korea Fund	MSCI Korea Index
Templeton Latin America Fund	MSCI EM Latin America Index
Templeton Thailand Fund	MSCI Thailand Index
Templeton U.S. Value Fund	S&P 500 TR Index

TOTAL EXPENSE RATIO

The Total Expense Ratio ("TER"), expressed as a percentage, represents how the total expenses of the Fund relate to the average net assets of the Funds for the year (or half-year when available) under review. The total expenses comprise the investment management fees, the administration and transfer agency fees, the custodian fees and other expenses as summarised in the Statement of Operations and Changes in Net Assets of the latest Annual or Semi-Annual Report of the Company.

The TER figures in this Simplified Prospectus are as at December 31, 2011.

SOFT COMMISSIONS

Consistent with obtaining best execution, brokerage commissions on portfolio transactions for the Company may be directed by the Investment Managers to Broker/Dealers in recognition of research services furnished by them as well as for services rendered in the execution of orders by such Broker/Dealers. The receipt of investment research and information and related services permits the Investment Managers to supplement their own research and analysis and makes available to them the views and information of individuals and research staffs of other firms. Such services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payment, which are paid by the Investment Managers.

* The benchmark will not be followed closely by the sub-fund.

The Investment Managers may enter, with Broker/Dealers that are entities and not individuals, into soft commission arrangements only where there is a direct and identifiable benefit to the clients of the Investment Managers, including the Company, and where the Investment Managers are satisfied that the transactions generating the soft commissions are made in good faith, in strict compliance with applicable regulatory requirements and in the best interest of the Company. Any such arrangement must be made by the Investment Managers on terms commensurate with best market practice. The use of soft commissions shall be disclosed in the periodic reports.

RISK MANAGEMENT

The Company employs a risk-management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each Fund's portfolio. The Company and the Investment Managers employ a process for accurate and independent assessment of the value of over-the-counter derivative instruments.

DATA PROTECTION

All personal data of investors contained in the application form and all and any further personal data collected in the course of the business relationship with the Company and/or the Transfer Agent may be collected, recorded, stored, adapted, transferred or otherwise processed and used ("processed") by the Company, the Transfer Agent and other companies of Franklin Templeton Investments, including Franklin Resources, Inc., One Franklin Parkway, San Mateo, California and/or its subsidiaries and associates, which may be established outside Luxembourg and/or the European Union, including the US and India, the Custodian and the financial intermediary of investors. Such data shall be processed for the purposes of account administration, anti-money laundering and counter-terrorist financing identification, tax identification, where appropriate, under the European Savings Directive as well as the development of business relationships including sales and marketing of Franklin Templeton Investments products and services.

To this end, data may be transferred to companies appointed by the Company or the Central Administration Agent (e.g. client communication agents or paying agents) to support the Company related activities.

APPENDIX 1

STANDARD DEALING CUT-OFF TIMES

Unless otherwise disclosed in a local supplement to the Full Prospectus, any agreement or marketing material, requests for purchase, sale or switch of Shares (the "Transactions") received by one of the Franklin Templeton Investments offices listed below on a Valuation Day before the appropriate dealing cut-off time will be dealt on that day on the basis of the net asset value per Share of the relevant Class calculated on that day.

Luxembourg office

Main Countries covered	Dealing cut-off time for transactions in the currencies of the relevant Class	Dealing cut-off time for transactions in other acceptable currencies than the currency of the relevant Class	Dealing cut-off time for transactions in Hedged Share Classes
Any country where the Company is registered for distribution, unless mentioned below under another local Franklin Templeton Investments office.	18:00 CET	18:00 CET	18:00 CET

Frankfurt office

Main Countries covered	Dealing cut-off time for transactions in the currencies of the relevant Class	Dealing cut-off time for transactions in other acceptable currencies than the currency of the relevant Class	Dealing cut-off time for transactions in relating to the Hedged Share classes
. Austria . Germany . Switzerland	16:00 CET	16:00 CET	16:00 CET
. the Netherlands	18:00 CET	18:00 CET	18:00 CET

Singapore office

Main Countries covered	Dealing cut-off time for transactions in the currencies of the relevant Class	Dealing cut-off time for transactions in other acceptable currencies than the currency of the relevant Class	Dealing cut-off time for transactions in Hedged Share Classes
. Hong Kong . Macau . Singapore . South Korea	16:00 SGT	16:00 SGT	16:00 SGT

American office

Main Countries covered	Dealing cut-off time for transactions in the currencies of the relevant Class	Dealing cut-off time for transactions in other acceptable currencies than the currency of the relevant Class	Dealing cut-off time for transactions in Hedged Share Classes
Caribbean Latin America	16:00 EST	12:00 EST	12:00 EST

Electronic Dealing

(Swift and Direct Electronic link with Franklin Templeton Investments)

Main Countries covered	Dealing cut-off time for transactions in the currencies of the relevant Class	Dealing cut-off time for transactions in other acceptable currencies than the currency of the relevant Class	Dealing cut-off time for transactions in Hedged Share Classes
Any Country where the Shares of the Company can be distributed	22:00 CET	18:00 CET	18:00 CET

Investors domiciled in countries not listed above but where transactions in Shares of the Company are allowed under all applicable laws and regulations should contact the Client Dealer Services representative of the nearest Franklin Templeton Investments office. This information is available on the Internet site <http://www.franklintempleton.lu>.

Definitions:

CET: Central Europe time

EST: Eastern Standard time (USA)

SGT: Singapore Standard time