

Composition of Fund

■ Franklin MENA Fund ■ Hybrid: MSCI Arabian Markets SA Capped 20% until 29 September 2010 then S&P Pan Arab Composite Large Mid Cap KSA Capped at 30%

Geographic	% of Total	Sector	% of Total
Saudi Arabia	27.80 / 29.60	Financials	42.21 / 61.07
United Arab Emirates	27.14 / 25.81	Consumer Discretionary	11.60 / 1.25
Qatar	22.13 / 19.55	Industrials	10.32 / 5.58
Egypt	10.09 / 1.47	Information Technology	7.70 / 0.39
Kuwait	8.62 / 14.27	Real Estate	7.16 / 4.23
South Korea	0.98 / 0.00	Consumer Staples	4.46 / 1.07
Cayman Islands	0.23 / 0.00	Energy	4.14 / 4.18
Morocco	0.00 / 3.20	Communication Services	3.33 / 10.62
Bahrain	0.00 / 2.56	Health Care	2.55 / 0.59
Others	0.00 / 3.54	Others	3.52 / 11.01
Cash & Cash Equivalents	3.02 / 0.00	Cash & Cash Equivalents	3.02 / 0.00

Market Capitalisation Breakdown in USD	% of Equity
<2.0 Billion	22.76
2.0-5.0 Billion	16.38
5.0-10.0 Billion	16.77
10.0-25.0 Billion	22.89
25.0-50.0 Billion	6.83
>50.0 Billion	14.36

What Are the Key Risks?

The value of shares in the Fund and income received from it can go down as well as up and investors may not get back the full amount invested. Performance may also be affected by currency fluctuations. Currency fluctuations may affect the value of overseas investments. The Fund invests mainly in equity and equity-related securities of companies located in or doing significant business in the MENA (Middle East and North Africa) region. Such emerging markets have historically been subject to significant price movements, frequently to a greater extent than equity markets globally. As a result, the performance of the Fund can fluctuate significantly over relatively short time periods. Other significant risks include: emerging markets risk, foreign currency risk, liquidity risk, operational risk. For full details of all of the risks applicable to this Fund, please refer to the "Risk Considerations" section of the Fund in the current prospectus of Franklin Templeton Investment Funds.

Important Information

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For the avoidance of doubt, if you make a decision to invest, you will be buying units/shares in the Fund and will not be investing directly in the underlying assets of the Fund.

Please consult your financial advisor before deciding to invest.

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Performance: References to indices are made for comparative purposes only and are provided to represent the investment environment existing during the time periods shown. When performance for either the portfolio or its benchmark has been converted, different foreign exchange closing rates may be used between the portfolio and its benchmark.

Top Ten Holdings: These securities do not represent all of the securities purchased, sold or recommended for clients, and the reader should not assume that investment in the securities listed was or will be profitable.