



**FRANKLIN TEMPLETON
INVESTMENTS**

Franklin Templeton Investment Funds
**Templeton Asian Smaller Companies
Fund**

Asia ex Japan Equity
LU0390135332
May 31, 2017

Fund Fact Sheet

Fund Overview (as of 4/30/2017)

| | |
|------------------------|---|
| Base Currency for Fund | USD |
| Total Net Assets (USD) | 1,444 million |
| Inception Date | 10/14/2008 |
| Number of Issuers | 93 |
| Benchmark | MSCI All Country Asia ex-Japan Small Cap Index |
| Investment Style | Core Value |
| Morningstar Category™ | Asia ex-Japan Small/Mid-Cap Equity |

Minimum Investment

| | |
|--------------------|----------------|
| Share Class | Initial |
| A (acc) USD | USD 5,000 |

Summary of Investment Objectives

The Fund aims to achieve long-term capital appreciation by investing primarily in small cap companies incorporated in the Asia region (except Japan) or whose principal business activity is in the Asia region. Asian small cap companies are those having a market capitalization at the time of initial purchase within the range of the market capitalizations of companies included in the MSCI AC Asia ex-Japan Small Cap Index (Index). If the market capitalization of companies allowed by the Index falls below USD 2 billion, a security held by the Fund will only qualify for additional purchases if its market capitalization does not exceed USD 2 billion. The Fund has the flexibility to invest in transferable equity and fixed income securities of issuers worldwide.

Fund Management

Chetan Sehgal, CFA: Singapore

Ratings - A (acc) USD (as of 4/30/2017)

Overall Morningstar Rating™: ★★★★★

Asset Allocation (as of 4/30/2017)

| | | |
|-------------------------|-------|---|
| | | % |
| Equity | 92.85 | |
| Cash & Cash Equivalents | 7.15 | |

Performance (as of 5/31/2017)

Performance over 5 Years in Share Class Currency (%)

■ Templeton Asian Smaller Companies Fund A (acc) USD



Performance in Share Class Currency (%)

| | Cumulative | | | | | Annualized | | |
|--------------|------------|--------|-------|-------|--------------|------------|-------|--------------|
| | 1 Mth | 3 Mths | YTD | 1 Yr | Since Incept | 3 Yrs | 5 Yrs | Since Incept |
| A (acc) USD | 1.21 | 8.23 | 20.16 | 23.44 | 351.28 | 7.57 | 11.84 | 19.09 |
| A (Ydis) USD | 1.21 | 8.22 | 20.15 | 23.44 | 351.31 | 7.57 | 11.85 | 19.09 |
| B (acc) USD | 1.09 | 7.86 | 19.51 | 21.83 | 318.29 | 6.16 | 10.39 | 18.19 |
| N (acc) USD | 1.17 | 8.13 | 19.92 | 22.87 | 65.02 | 7.05 | 11.31 | 8.41 |

Calendar Year Performance in Share Class Currency (%)

| | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|-------------|------|-------|------|------|-------|--------|-------|-------|
| A (acc) USD | 3.16 | -5.50 | 8.14 | 6.25 | 36.36 | -15.59 | 40.32 | 97.91 |

Past performance is not an indicator or a guarantee of future performance. The value of shares in the fund and income received from it can go down as well as up, and investors may not get back the full amount invested. All performance data shown is in the currency stated, include reinvested dividends and are net of management fees. Sales charges and other commissions, taxes and other relevant costs paid by the investor are not included in the calculations. Performance may also be affected by currency fluctuations. Up to date performance figures can be found on our local website.

Top Ten Holdings (% of Total) (as of 4/30/2017)

| Issuer Name | % |
|-------------------------------------|------|
| BAJAJ HOLDINGS & INVESTMENT LTD | 5.65 |
| FEDERAL BANK LTD | 4.39 |
| TATA CHEMICALS LTD | 4.15 |
| APOLLO TYRES LTD | 2.97 |
| MEDY-TOX INC | 2.73 |
| TRAVELSKY TECHNOLOGY LTD | 2.63 |
| LUK FOOK HOLDINGS INTERNATIONAL LTD | 2.53 |
| TISCO FINANCIAL GROUP PCL | 1.91 |
| MERIDA INDUSTRY CO LTD | 1.90 |
| FILA KOREA LTD | 1.85 |

Fund Measures (as of 4/30/2017)

| | |
|------------------------------------|--------|
| Price to Earnings (12-mo Trailing) | 13.45x |
| Price to Book | 1.65x |
| Price to Cash Flow | 9.38x |
| Dividend Yield | 2.33% |
| Standard Deviation (5 Yrs) | 13.64% |

Share Class Information (as of 4/30/2017) (For a full list of available share classes, please visit your local website)

| Share Class | Incept Date | at NAV | Fees | | | | Dividends | | | | Fund Identifiers | | | |
|--------------|-------------|-----------|---------------|------|----------------|------------------|-----------|----------------|------------------|--------------|------------------|------------|-----------|--------------|
| | | | Mgmt. Fee (%) | Freq | Last Paid Date | Last Paid Amount | Freq | Last Paid Date | Last Paid Amount | Bloomberg ID | CUSIP | ISIN | | |
| A (acc) USD | 10/14/2008 | USD 44.59 | 1.35 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | TEMASAU LX | L40590223 | LU0390135332 |
| A (Ydis) USD | 10/14/2008 | USD 43.70 | 1.35 | Y | 7/8/2016 | 0.2260 | | | | | | TEMASAY LX | L40590256 | LU0390135688 |
| B (acc) USD | 11/7/2008 | USD 41.39 | 1.35 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | TEMASBA LX | L40590272 | LU0390136066 |
| N (acc) USD | 3/18/2011 | USD 16.31 | 1.35 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | TEMANAU LX | L4059C524 | LU0592650161 |

Composition of Fund (as of 4/30/2017)

■ Templeton Asian Smaller Companies Fund ■ MSCI All Country Asia ex-Japan Small Cap Index

| Geographic | % of Total | Sector | % of Total |
|-------------------------|---------------|-------------------------|---------------|
| India | 27.07 / 14.88 | Consumer Discretionary | 24.38 / 18.35 |
| South Korea | 19.25 / 17.80 | Financials | 17.19 / 8.78 |
| China | 13.01 / 23.48 | Information Technology | 17.15 / 18.23 |
| Taiwan | 12.79 / 19.18 | Materials | 10.80 / 9.13 |
| Hong Kong | 5.50 / 7.98 | Health Care | 9.64 / 8.95 |
| Thailand | 4.27 / 3.81 | Industrials | 6.46 / 14.57 |
| Indonesia | 2.87 / 2.55 | Consumer Staples | 5.73 / 5.19 |
| Vietnam | 2.16 / 0.00 | Real Estate | 0.67 / 11.70 |
| Sri Lanka | 1.58 / 0.00 | Utilities | 0.47 / 2.46 |
| Other | 4.35 / 10.32 | Other | 0.35 / 2.63 |
| Cash & Cash Equivalents | 7.15 / 0.00 | Cash & Cash Equivalents | 7.15 / 0.00 |

Market Capitalization Breakdown in USD

| | % of Equity |
|------------------|-------------|
| <1.0 Billion | 36.63 |
| 1.0-2.0 Billion | 22.42 |
| 2.0-5.0 Billion | 35.48 |
| 5.0-10.0 Billion | 5.48 |

What Are the Risks

All Funds are subject to market or currency fluctuations and to the risks inherent in all investments. Therefore, no assurance can be given that the invested capital will be preserved, or that capital appreciation will occur. Since this fund tends to have significant holdings in small capitalization stocks, the fundamental risk is that stock prices of small companies can perform differently than larger, more recognized, companies and have the potential to be more volatile. Other considerations of investing in this fund include emerging markets, foreign currency, equity, growth stocks, economic and political risks. Please consult the Prospectus for a full discussion of these risks.

Important Information

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

Management Fee: Investment Management Fee is a monthly fee equivalent to a percentage of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except for the I shares classes. For a full description of all fees and charges that an investor may incur, including the initial sales charges and maintenance and company charges attributable to a class of shares of the Fund, please consult the current Prospectus.