

Fund Fact Sheet
Fund Overview

Base Currency for Fund	USD
Total Net Assets (USD)	826 million
Fund Inception Date	14.10.2008
Number of Issuers	60
Benchmark	MSCI AC Asia ex-Japan Small Cap Index-NR
Investment Style	Blend
Morningstar Category™	Asia ex-Japan Small/Mid-Cap Equity

Summary of Investment Objective

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 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).

Fund Management

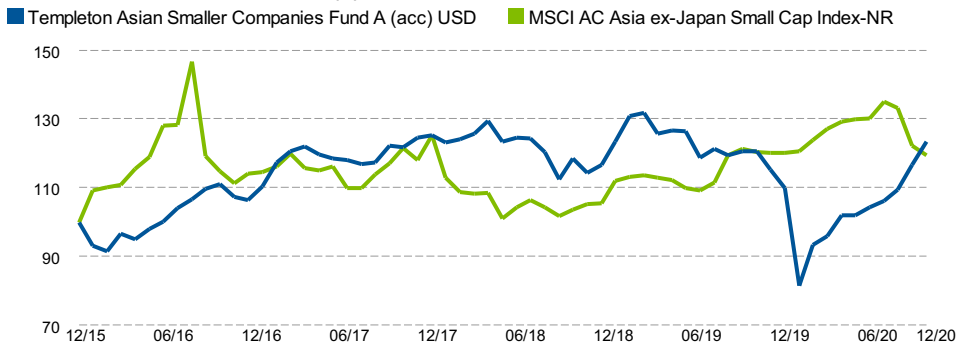
Chetan Sehgal, CFA: Singapore
 Vikas Chiraneval, CFA: Singapore
 Krzysztof Musialik, CFA: Poland

Ratings - A (acc) USD

Overall Morningstar Rating™: ★★ ★

Asset Allocation

Equity	96.52
Cash & Cash Equivalents	3.48

Performance
Performance over 5 Years in EUR (%)

Discrete Annual Performance in EUR (%)

	12/19	12/18	12/17	12/16	12/15
A (acc) USD	2.44	5.43	-8.23	17.10	6.50
A (acc) EUR	2.45	5.44	-8.24	17.07	6.52
Benchmark in EUR	15.78	9.20	-14.78	17.28	0.64

Performance in EUR (%)

	Cumulative				Annualised		
	1 Yr	3 Yrs	5 Yrs	10 Yrs	3 Yrs	5 Yrs	10 Yrs
A (acc) USD	2.44	-0.88	23.60	90.24	-0.30	4.33	6.64
A (acc) EUR	2.45	-0.88	23.61	90.29	-0.29	4.33	6.64
Benchmark in EUR	15.78	7.75	27.17	48.22	2.52	4.92	4.01

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. Currency fluctuations may affect the value of overseas investments. The fund offers other share classes subject to different fees and expenses, which will affect their performance. Please see the prospectus for details. Up to date performance figures can be found on our local website.

References to indices are made for comparative purposes only and are provided to represent the investment environment existing during the time periods shown. 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 (% of Total)

Issuer Name	% of Total
BAJAJ HOLDINGS & INVESTMENT LTD	5.12
NOVATEK MICROELECTRONICS CORP	4.95
XINYI SOLAR HOLDINGS LTD	4.26
FILA HOLDINGS CORP	4.01
MERIDA INDUSTRY CO LTD	3.22
HOA PHAT GROUP JSC	3.09
BAOZUN INC	2.88
DALMIA BHARAT LTD	2.45
SYNNEX TECHNOLOGY INTERNATIONAL CORP	2.23
DAQO NEW ENERGY CORP	2.21

Fund Measures

Price to Earnings (12-mo Trailing)	16.77x
Price to Book	2.14x
Price to Cash Flow	7.98x
Dividend Yield	2.35%
Standard Deviation (5 Yrs, USD)	19.23%

Share Class Information

Share Class	Incept Date	NAV	TER (%)	Fees		Dividends			Fund Identifiers	
				Max. Sales Charge (%)	Max. Annual Charge (%)	Frequency	Last Paid Date	Last Paid Amount	Bloomberg ID	ISIN
A (acc) USD	14.10.2008	USD 50.61	2.27	5.75	1.85	N/A	N/A	N/A	TEMASAU LX	LU0390135332
A (acc) EUR	14.10.2008	EUR 56.54	2.27	5.75	1.85	N/A	N/A	N/A	TEMASCA LX	LU0390135415

Composition of Fund

■ Templeton Asian Smaller Companies Fund ■ MSCI AC Asia ex-Japan Small Cap Index-NR

Geographic		% of Total		Sector		% of Total	
China	24.61	/	12.84	Consumer Discretionary	21.95	/	12.06
India	19.02	/	17.64	Information Technology	21.39	/	20.75
Taiwan	17.86	/	24.05	Materials	10.97	/	10.36
South Korea	16.54	/	21.23	Financials	10.63	/	8.05
Vietnam	6.47	/	0.00	Health Care	8.82	/	10.15
Philippines	3.93	/	0.96	Industrials	8.55	/	15.00
Thailand	3.74	/	3.92	Consumer Staples	7.79	/	4.65
United Arab Emirates	1.41	/	0.00	Communication Services	5.08	/	4.22
Hong Kong	0.86	/	6.43	Real Estate	1.34	/	10.58
Others	2.07	/	12.95	Others	0.00	/	4.18
Cash & Cash Equivalents	3.48	/	0.00	Cash & Cash Equivalents	3.48	/	0.00

Market Capitalisation Breakdown in USD	% of Equity
<1.0 Billion	18.42
1.0-2.0 Billion	16.69
2.0-5.0 Billion	48.01
5.0-10.0 Billion	12.46
>10.0 Billion	4.42

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 securities of smaller companies located in or doing significant business in Asia. 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 considerably over time. Other significant risks include: foreign currency risk, emerging markets risk, liquidity risk, Chinese market 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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Benchmark related data provided by FactSet, as of the date of this document, unless otherwise noted.

Please consult your financial advisor before deciding to invest.

Net Returns (NR) include income net of tax withholding when dividends are paid.

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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. The portfolio manager for the Fund reserves the right to withhold release of information with respect to holdings that would otherwise be included in the top holdings list. The dividend yield quoted here is the yield on securities within the Portfolio and should not be used as an indication of the income received from this portfolio.