

Key Investor Information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

Templeton Emerging Markets Smaller Companies Fund

Class A (acc) EUR • ISIN LU0300743431 • A sub-fund of Franklin Templeton Investment Funds

The management company is Franklin Templeton International Services S.à r.l.

Objectives and Investment Policy

Templeton Emerging Markets Smaller Companies Fund (the "Fund") aims to increase the value of its investments over the medium to long term.

The Fund invests mainly in:

- equity securities issued by smaller companies (around \$US2 billion in market capitalisation) located in, or doing significant business in, emerging markets

The Fund can invest to a lesser extent in:

- equity and equity-related securities (such as participatory notes) issued by companies of any size located in any country
- debt securities of any quality (including lower quality debt such as non-investment grade securities) issued by companies and governments in any country

The investment team uses global research expertise with a focus on identifying companies in emerging markets that it believes to be overlooked by other

investors and to offer an opportunity for increased value over the long term.

You may request the sale of your shares on any Luxembourg business day.

The income received from the Fund's investments is accumulated with the result of increasing the value of the shares.

For further information on the Objectives and Investment Policy of the Fund, please refer to the section "Fund Information, Objectives and Investment Policies" of the current prospectus of Franklin Templeton Investment Funds.

The benchmark of the Fund is the MSCI Emerging Markets Small Cap Index. The benchmark is indicated for information purposes only, and the Fund manager does not intend to track it. The Fund can deviate from this benchmark.

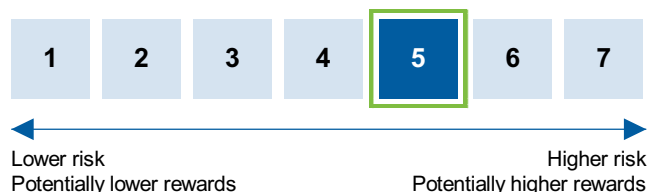
Terms to Understand

Debt securities: Securities representing the issuer's obligation to repay a loan at a specified date and to pay interest.

Emerging markets: Countries whose economy, stock market, political situation and regulatory framework are not fully developed.

Equity securities: Securities that represent an ownership stake in a company.

Risk and Reward Profile



What does this indicator mean and what are its limits?

This indicator is designed to provide you with a measure of the price movement of this share class based on historical behavior.

Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

Why is the Fund in this specific category?

The Fund invests mainly in the equity securities of smaller companies in emerging markets. Such securities 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.

Risks materially relevant not adequately captured by the indicator:

Currency risk: the risk of loss arising from exchange-rate fluctuations or due to exchange control regulations.

Emerging markets risk: the risk related to investing in countries that have less developed political, economic, legal and regulatory systems, and that may be impacted by political/economic instability, lack of liquidity or transparency, or safekeeping issues.

Liquidity risk: the risk that arises when adverse market conditions affect the ability to sell assets when necessary. Reduced liquidity may have a negative impact on the price of the assets.

Operational risk: the risk of losses resulting from errors or failures arising from the people, systems, service providers or processes upon which the Fund depends.

Shanghai-Hong Kong Stock Connect risk: the Fund may suffer difficulties or delays in enforcing its rights in China A-shares, including title and assurance of ownership, given that the securities regimes and legal systems of the Shanghai and Hong Kong markets differ significantly.

For a full discussion of all the risks applicable to this Fund, please refer to the "Risk Considerations" section of the current prospectus of Franklin Templeton Investment Funds.

Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest

Entry charge	5.75%
Exit charge	Not applicable
<i>This is the maximum that might be taken out of your money before it is invested.</i>	

Charges taken from the Fund over a year

Ongoing charges	2.51%
------------------------	-------

Charges taken from the Fund under certain specific conditions

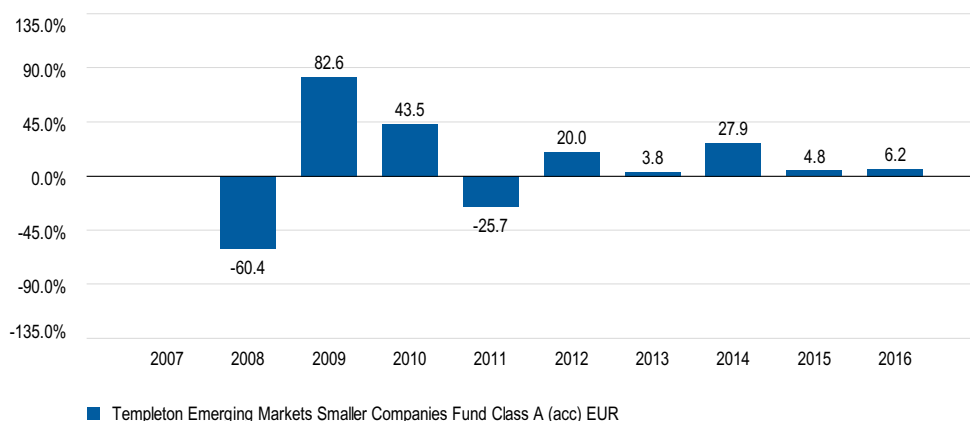
Performance fee	Not applicable
------------------------	----------------

The entry charges shown are maximum amounts; you may pay less in some cases. For more information, please see your financial adviser.

The ongoing charges are based on the expenses for the year ending 31 December 2016. This figure may vary from year to year.

For detailed information about charges, please refer to the section "Share Classes" as well as Appendix E of the current prospectus of Franklin Templeton Investment Funds.

Past Performance



- Past performance is not a guide to future performance.
- The past performance shown here includes all the ongoing charges but not the entry charge.
- Past performance is calculated in the currency of the present share class.
- The Fund was launched in 2007.

Practical Information

- The Custodian of Franklin Templeton Investment Funds is J.P. Morgan Bank Luxembourg S.A.
- Copies of the latest prospectus and the latest annual and semi-annual reports of Franklin Templeton Investment Funds are available in the language of this document, on the website www.ftidocuments.com or may be obtained free of charge from Franklin Templeton International Services S.à r.l., 8A, rue Albert Borschette, L-1246 Luxembourg or your financial adviser.
- The latest prices and other information on the Fund (including other share classes of the Fund) are available from Franklin Templeton International Services S.à r.l., 8A, rue Albert Borschette, L-1246 Luxembourg or www.franklintempleton.lu.
- Please note that the taxation regime applicable in the Grand Duchy of Luxembourg may have an impact on your personal tax position. Please consult your financial or tax adviser before deciding to invest.
- Franklin Templeton International Services S.à r.l. may be held liable solely on

the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus of the Fund.

- The present Fund is a sub-fund of Franklin Templeton Investment Funds. The prospectus and the financial reports refer to all sub-funds of Franklin Templeton Investment Funds. All sub-funds of Franklin Templeton Investment Funds have segregated assets and liabilities. As a result, each sub-fund is operated independently from each other.
- You may switch into shares of another sub-fund of Franklin Templeton Investment Funds as further described in the prospectus.
- The details of the up-to-date remuneration policy, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits including the composition of the remuneration committee are available at www.franklintempleton.lu and a paper copy can be obtained free of charge.