

Fund Overview

Base Currency for Fund	USD
Total Net Assets (USD)	1,93 billion
Fund Inception Date	03.04.2000
Number of Issuers	84
Benchmark	NASDAQ Biotechnology Index
Morningstar Category™	Sector Equity Biotechnology

Summary of Investment Objective

The Fund aims to achieve capital appreciation by investing principally in equity securities of biotechnology companies and discovery research firms mainly located in the US.

Fund Management

Evan McCulloch, CFA: United States
Wendy Lam, PhD: United States
Steve Kornfeld, CFA: United States

Ratings - A (acc) USD

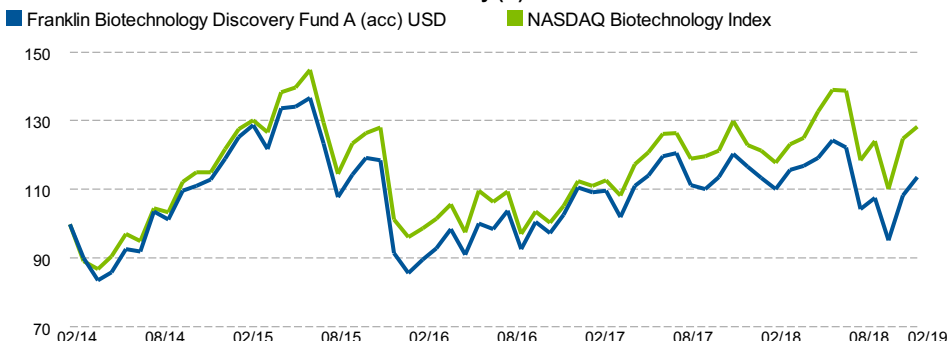
Overall Morningstar Rating™: ★★ ★

Asset Allocation

Equity	95,64%
Cash & Cash Equivalents	4,36%

Performance

Performance over 5 Years in Share Class Currency (%)



Discrete Annual Performance in Share Class Currency (%)

	02/18	02/17	02/16	02/15	02/14
	02/19	02/18	02/17	02/16	02/15
A (acc) USD	-2,66	5,53	28,88	-31,58	25,43
Benchmark in USD	4,28	9,34	16,82	-24,63	27,81

Performance in Share Class Currency (%)

	Cumulative							Annualised		
	1 Mth	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs	Since Incept	3 Yrs	5 Yrs	Since Incept
A (acc) USD	4,84	5,47	-8,75	-2,66	32,40	13,63	215,90	9,81	2,59	6,27
Benchmark in USD	2,67	3,33	-7,79	4,28	33,20	28,31	232,62	10,04	5,11	6,56

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. Performance details provided are in share class currency, net income reinvested, gross of tax, net of management fees. Sales charges and other commissions, other taxes and relevant costs to be paid by an 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)

Issuer Name	% of Total
ALEXION PHARMACEUTICALS INC	8,19
BIOGEN INC	6,69
VERTEX PHARMACEUTICALS INC	6,08
ARRAY BIOPHARMA INC	5,26
ILLUMINA INC	4,79
REGENERON PHARMACEUTICALS INC	4,38
GILEAD SCIENCES INC	3,38
BIOMARIN PHARMACEUTICAL INC	3,36
AMGEN INC	3,27
HERON THERAPEUTICS INC	3,15

Fund Measures

P/E to Growth	1,45x
Historical 3 Yr Sales Growth	57,47%
Estimated 3-5 Yr EPS Growth	22,55%
Price to Earnings (12-mo Forward)	16,60x
Standard Deviation (5 Yrs)	24,41%

Share Class Information (For a full list of available share classes, please visit your local website)

Share Class	Incept Date	NAV	TER (%)	Fees	Dividends	Fund Identifiers			
				Max. Annual Charge (%)	Last Paid Date	Last Paid Amount	Bloomberg ID	ISIN	SEDOL
A (acc) USD	03.04.2000	USD 31,59	1,83	1,50	N/A	N/A	TEMBDAI LX	LU0109394709	4161709

Composition of Fund

Market Capitalisation Breakdown in USD	% of Equity
<2,0 Billion	21,72
2,0-5,0 Billion	22,92
5,0-10,0 Billion	10,94
10,0-25,0 Billion	5,21
25,0-50,0 Billion	24,51
>50,0 Billion	13,95
N/A	0,75

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 biotechnology companies. Such securities have historically been subject to significant price movements that may occur suddenly due to market, sector or company-specific factors. As a result, the performance of the Fund can fluctuate significantly over relatively short time periods.

The Fund may distribute income gross of expenses. Whilst this might allow more income to be distributed, it may also have the effect of reducing capital.

Other significant risks include: liquidity 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

Given the variety of investment options available today, we suggest investors seek guidance from a Financial Adviser.

This document is intended to be of general interest only and does not constitute legal or tax advice nor is it an offer for shares or invitation to apply for shares of the Franklin Templeton Investment Funds (the Fund). Nothing in this document should be construed as investment advice.

Opinions expressed are the author's at publication date and they are subject to change without prior notice. **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. Past performance is not an indicator or a guarantee of future performance.** Currency fluctuations may affect the value of overseas investments. When investing in a fund denominated in a foreign currency, your performance may also be affected by currency fluctuations. An investment in the Fund entails risks which are described in the Fund's prospectus and the relevant Key Investor Information Document. In emerging markets, the risks can be greater than in developed markets. Investments in derivative instruments entail specific risks that may increase the risk profile of the fund and are more fully described in the Fund's prospectus and in the relevant Key Investor Information Document. No shares of the Fund may be directly or indirectly offered or sold to residents of the United States of America. Any research and analysis contained in this document has been procured by Franklin Templeton Investments for its own purposes and is provided to you only incidentally. References to particular industries, sectors or companies are for general information and are not necessarily indicative of a fund's holding at any one time.

Please consult your financial advisor before deciding to invest. Subscriptions to shares of the Fund can only be made on the basis of the current prospectus, the relevant Key Investor Information Document, accompanied by the latest available audited annual report and the latest semi-annual report if published thereafter. These documents can be obtained, free of charge from Franklin Templeton International Services S.à.r.l. (FTIS), Swedish branch filial, Blasieholmsgatan 5, SE-111 48 Stockholm, Sweden. Phone: +46 (0) 8 545 01230, Fax: +46 (0) 8 545 01239, E-mail: nordicinfo@franklintempleton.com or can be found on our website www.franklintempletonnordic.com or www.ftidocuments.com. Issued by FTIS, Stockholm Branch. FTIS is authorised and regulated in the Luxembourg by the Commission de Surveillance du Secteur Financier and is authorized to conduct certain financial services in Denmark, in Sweden, in Norway and in Finland. Source for data and information provided by Franklin Templeton Investments, as of the date of this document, unless otherwise noted. Benchmark related data provided by FactSet, as of the date of this document, unless otherwise noted. References to indices are made for comparative purposes only and are provided to represent the investment environment existing during the time periods shown. An index is unmanaged and one cannot invest directly in an index. The performance of the index does not include the deduction of expenses and does not represent the performance of any Franklin Templeton fund.

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.

The Fund invests in a specific sector or geographical area and the returns may be more volatile than a more diversified fund.

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