

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.

Franklin Income Fund

Class Z(acc)USD • ISIN LU0476945232 • A sub-fund of Franklin Templeton Investment Funds
The management company is Franklin Templeton International Services S.à r.l.

Objectives and Investment Policy

Franklin Income Fund (the “Fund”) aims to earn income and, secondarily, to increase the value of its investments over the medium to long term.

The Fund invests mainly in:

- equity and equity-related securities issued by companies located in, or doing significant business in, the U.S.
- debt securities of any quality (including lower quality) issued by corporations and governments

The Fund can invest to a lesser extent in:

- equity and debt securities traded in the U.S. and issued by corporations located anywhere in the world (limited to 25% of assets)
- equity or debt securities issued by corporations that entitle the holder to receive equity or debt securities of another corporation located anywhere in the world (limited to 25% of assets)

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.

The investment team uses in-depth analysis to select individual securities that it believes are undervalued and will provide the best opportunities for income and 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.

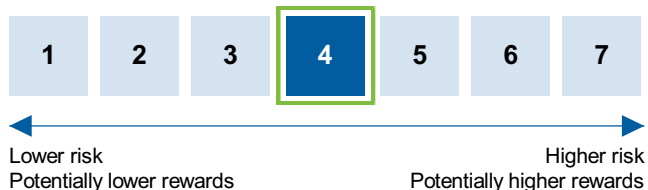
The benchmark of the Fund is the Custom 50% S&P 500 + 50% Barclays US Aggregate Index. The benchmark is indicated for information purposes only, and the Fund manager does not intend to track it. The Fund can deviate from this benchmark.

Terms to Understand

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

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 a diversified portfolio of U.S. equity, equity-related

and debt securities. Such securities have historically been subject to price movements that may occur suddenly due to equity market- and bond market-specific factors. As a result, the performance of the Fund can fluctuate over time.

Risks materially relevant not adequately captured by the indicator:

Credit risk: the risk of loss arising from default that may occur if an issuer fails to make principal or interest payments when due. This risk is higher if the Fund holds low-rated, non-investment-grade securities.

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

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.

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	Not applicable*
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	1.18%
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Charges taken from the Fund under certain specific conditions

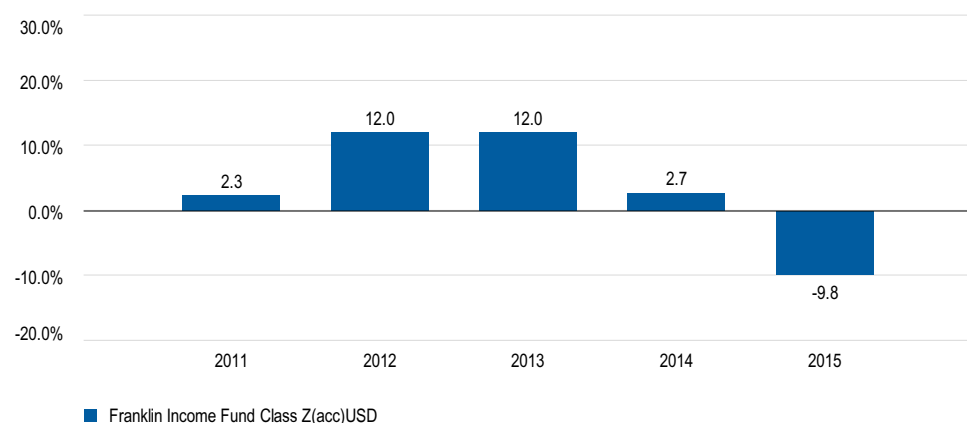
Performance fee	Not applicable
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*This share class is only available through certain financial advisers which may apply their own charges. You may find more information about charges from your financial adviser.

The ongoing charges are based on the expenses for the year ending 31 December 2015. 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.
- Past performance is calculated in the currency of the present share class.
- The Fund was launched in 1999 and the present share class on 26/02/2010.

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.

This Fund is authorised in the Grand Duchy of Luxembourg and is regulated by the Commission de Surveillance du Secteur Financier. Franklin Templeton International Services S.à r.l. is authorised in the Grand Duchy of Luxembourg and is regulated by the Commission de Surveillance du Secteur Financier. This key investor information is accurate as at 20/01/2016.