



FRANKLIN TEMPLETON
INVESTMENTS

TEMPLETON THAILAND FUND

A SUB-FUND OF LUXEMBOURG-DOMICILED SICAV

31 December 2011

FUND MANAGER AND LOCATION

Mark Mobius, Singapore
(since 20 June 1997)

FUND INFORMATION

Base Currency of Fund: US dollar
Fund Size: \$154,47 million
Number of Positions: 33
Fund Index: MSCI Thailand Index
Morningstar™ Workstation Category: Thailand Equity
Date of Fund Launch: 20 June 1997

NET ASSET VALUE AS OF 31 DECEMBER 2011

A(acc)USD \$14,71
I(acc)USD \$13,51

CHARGES AND IDENTIFIERS

Share Class	Max. Initial Sales Charge	Annual Management & Administration Charge
A shares	5,25%	2,10%
I shares	-	1,10%

Share Class	Valoren	ISIN
A(acc)USD	674465	LU0078275988
I(acc)USD	4273619	LU0366776861

TOTAL EXPENSE RATIO AS OF DECEMBER 2011

A(acc)USD 2,48%
I(acc)USD 1,41%

EUSD STATUS

Redemption: Out of Scope
Distribution: Out of Scope

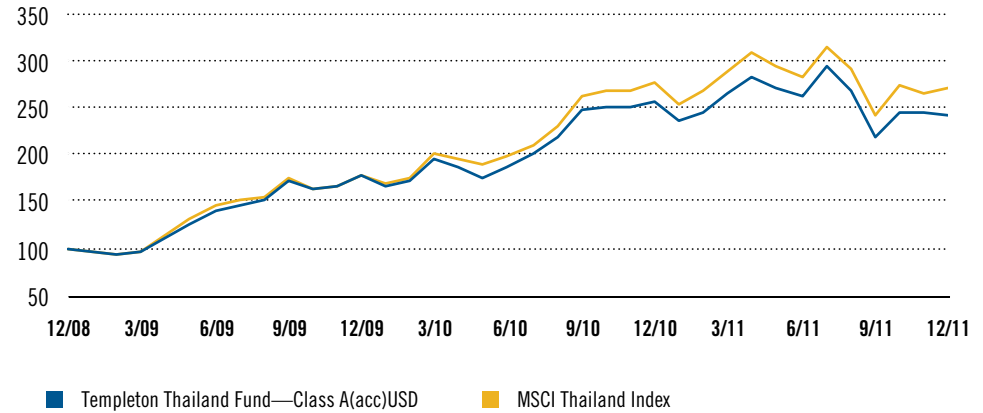
RATINGS

Morningstar™ Overall Rating: ★★

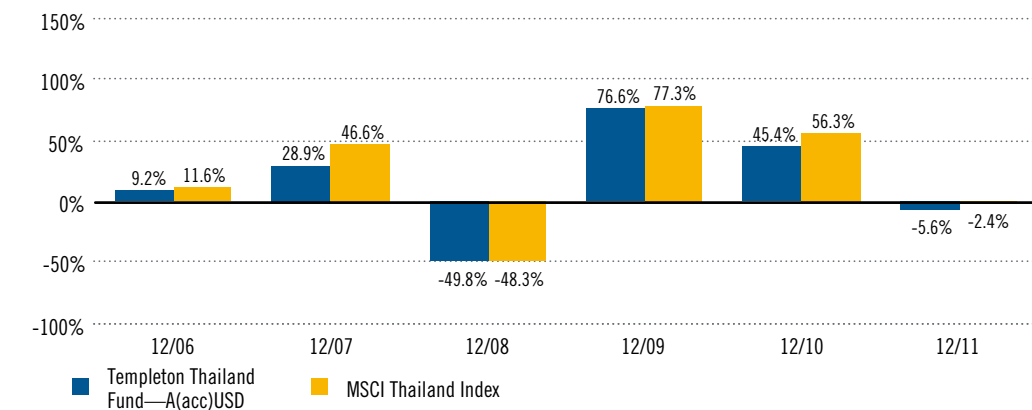
INVESTMENT OBJECTIVE

The Fund aims to achieve long-term capital appreciation by investing primarily in equity securities of issuers incorporated or having their principal business activities in Thailand.

3 YEAR PERFORMANCE (US DOLLAR)^{1,2}



CALENDAR YEAR PERFORMANCE RETURN (US DOLLAR)^{1,2}



CUMULATIVE AND ANNUALISED (*) PERFORMANCE

	YTD	1-MO	3-MO	6-MO	1-YR	3-YR	*3-YR	5-YR	*5-YR	SINCE LAUNCH	*SINCE LAUNCH
A(acc)USD	-5,64	-0,88	11,36	-7,25	-5,64	142,35	34,35	56,67	9,40	47,11	2,69
I(acc)USD	-4,66	-0,81	11,56	-6,76	-4,66	150,65	35,87	-	-	35,10	8,87
Index	-2,40	2,38	11,47	-4,51	-2,40	170,41	39,35	105,11	15,45	131,03	5,93
MORNINGSTAR™ SECTOR AVERAGE ³	-3,84	0,98	9,42	-3,27	-3,84	164,57	-	79,11	-	351,07	-

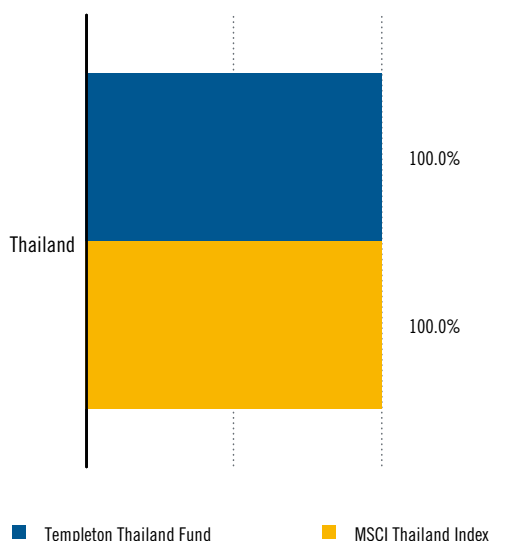
PORTFOLIO COMPOSITION (% OF TOTAL)

EQUITY	FIXED INCOME	CASH
96,53	-	3,47

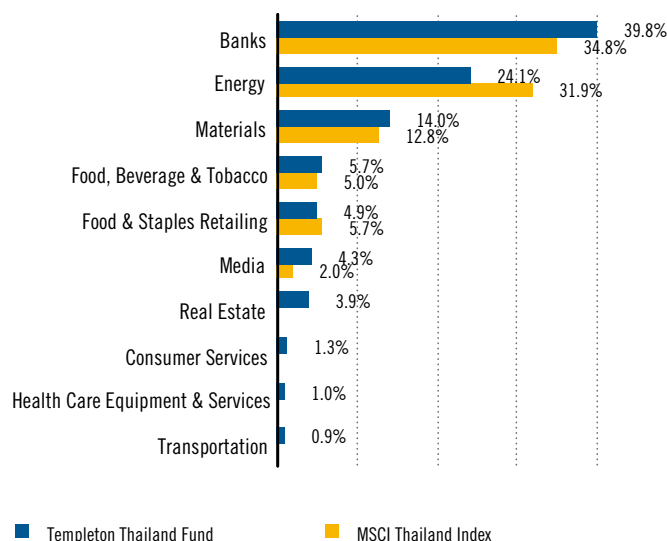
TOP 10 ISSUERS WITHIN THE PORTFOLIO (31 DECEMBER 2011)⁴

SECURITY	INDUSTRY	COUNTRY	%
SIAM COMMERCIAL BANK PCL	Banks	Thailand	10,01
BANGKOK BANK PUBLIC CO LTD	Banks	Thailand	9,74
KASIKORNBANK PUBLIC CO LTD	Banks	Thailand	9,55
PTT PCL	Energy	Thailand	5,20
BANPU PUBLIC CO LTD	Energy	Thailand	4,98
CHAROEN POKPHAND FOODS PUBLIC CO LTD	Food, Beverage & Tobacco	Thailand	4,98
SIAM CEMENT PUBLIC CO LTD (THE)	Materials	Thailand	4,93
BANK OF AYUDHYA PUBLIC CO LTD	Banks	Thailand	4,77
CP ALL PCL	Food & Staples Retailing	Thailand	4,70
THAI OIL PUBLIC COMPANY LIMITED	Energy	Thailand	4,65

PORTFOLIO COUNTRY WEIGHTINGS VS. MSCI THAILAND INDEX (% OF EQUITY)



PORTFOLIO INDUSTRY WEIGHTINGS VS. MSCI THAILAND INDEX (% OF EQUITY)



PORTFOLIO PERFORMANCE CONTRIBUTOR DATA IN US DOLLAR (31 DECEMBER 2011)

LARGEST CONTRIBUTING SECURITIES	INDUSTRY	COUNTRY	%
Bank of Ayudhya Fgn	Banks	Thailand	0,35
Kasikornbank Public Co Ltd Shs Fgn Reg	Banks	Thailand	0,32
Bangkok Bank (F)	Banks	Thailand	0,16
Siam Commercial Bank Fgn	Banks	Thailand	0,10
Supalai Public Co Thb1(Alien Mkt)	Real Estate	Thailand	0,17
Lpn Development Thb1(Alien Mkt)	Real Estate	Thailand	0,09
Bec World Thb1(Alien Mkt)	Media	Thailand	0,49
Ptt Exploration&Prod Fgn	Energy	Thailand	0,26
Ptt Public Company Thb10(Alien Mkt)	Energy	Thailand	0,21
Irpc Public Co Ltd Thb1(Alien Mkt)	Energy	Thailand	0,08

SMALLEST CONTRIBUTING SECURITIES	INDUSTRY	COUNTRY	%
Hana Microelectronics Public Company Limited	Technology Hardware & Equipment	Thailand	-0,01
Krung Thai Bnk Ltd Thb5.15(Alien Mkt)	Banks	Thailand	-0,01
TISCO Bank Fgn	Banks	Thailand	-0,02
Univanich Palm Oil Thb5(Alien Mkt)	Food, Beverage & Tobacco	Thailand	-0,01
Charoen Pokphand Feedmill (F)	Food, Beverage & Tobacco	Thailand	-0,10
Erawan Group Thb1(Alien Mkt)	Consumer Services	Thailand	-0,02
Indorama Ventures Thb1(Alien Mkt)	Materials	Thailand	-0,18
PTT Global Chemical Public Company Ltd(Alien Mkt)	Materials	Thailand	-0,46
Banpu PCL Fgn	Energy	Thailand	-0,15
Thai Oil Pcl Thb10(Alien Mkt)	Energy	Thailand	-0,33

PERFORMANCE STATISTICS (31 DECEMBER 2011)⁵

STANDARD DEVIATION	1-YR	3-YR	5-YR
Templeton Thailand Fund	31,07	27,02	30,85
MSCI Thailand Index	30,11	27,51	31,66
SHARPE RATIO	1-YR	3-YR	5-YR
Templeton Thailand Fund	-0,19	1,27	0,26
MSCI Thailand Index	-0,08	1,42	0,45
% OF POSITIVE MONTHS	1-YR	3-YR	5-YR
Templeton Thailand Fund	41,67	63,89	58,33
MSCI Thailand Index	50,00	66,67	61,67
GAINS : LOSSES	1-YR	3-YR	5-YR
Templeton Thailand Fund	0,98	2,38	1,40
MSCI Thailand Index	1,05	2,60	1,58
MAXIMUM LOSS	1-YR	3-YR	5-YR
Templeton Thailand Fund	-25,66	-25,66	-57,24
MSCI Thailand Index	-23,22	-23,22	-57,12
VS. MSCI THAILAND INDEX	1-YR	3-YR	5-YR
Alpha	-2,84	-2,34	-4,38
Beta	1,01	0,96	0,96
Tracking Error	3,78	4,96	5,06
Information Ratio	-0,78	-1,00	-1,11
Correlation	0,99	0,98	0,99
R Squared	0,99	0,97	0,97

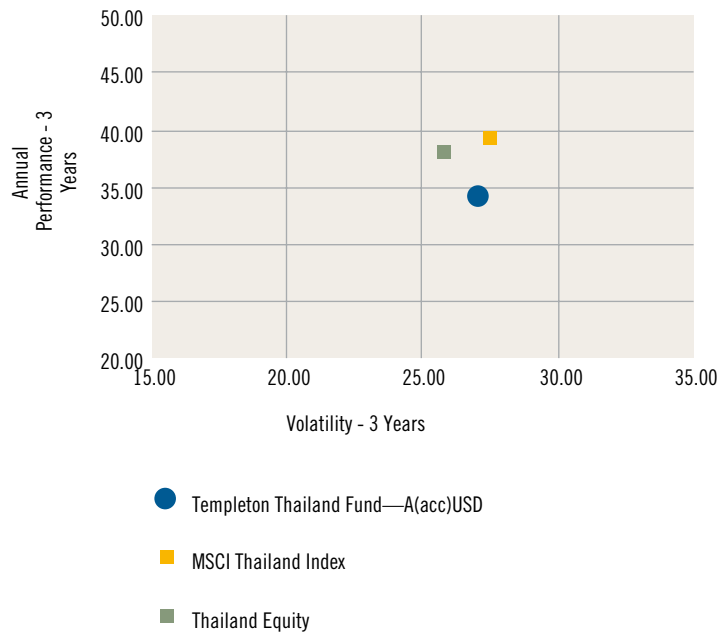
PORTFOLIO CHARACTERISTICS (31 DECEMBER 2011)⁵

	PORTFOLIO	BENCHMARK
Avg. P/E Ratio	10,21	11,13
Avg. P/BV Ratio	1,91	2,16
Avg. P/CF Ratio	8,91	7,77
Avg. Dividend Yield	3,14%	3,34%
Avg. Market Capitalisation (in millions)	\$9.457	\$972
Median Market Capitalisation (in millions)	\$4.274	\$130

MARKET CAPITALISATION BREAKDOWN

	PORTFOLIO
< 1.5 billion	3,2
1.5 billion - 5 billion	28,1
> 5 billion	60,3

RISK VS. RETURN^{1, 6}



GLOSSARY

Alpha: Alpha measures the difference between a fund's actual returns and its expected returns given its risk level as measured by its beta. A positive alpha figure indicates the fund has performed better than its beta would predict. In contrast, a negative alpha indicates a fund has underperformed, given the expectations established by the fund's beta. Some investors see alpha as a measurement of the value added or subtracted by a fund's manager.

Benchmark: An unmanaged group of securities whose overall performance is used as a standard to measure investment performance.

Beta: A measure of the magnitude of a portfolio's past share-price fluctuations in relation to the ups and downs of the overall market (or appropriate market index). The market (or index) is assigned a beta of 1.00, so a portfolio with a beta of 1.20 would have seen its share price rise or fall by 12% when the overall market rose or fell by 10%.

Correlation: A measure of the degree to which the price trends of various investment categories or instruments move in the same direction. The correlation quantifies the strength of the relationship as a figure between -1 and +1. The closer the coefficient is to 1, the stronger the correlation. If the coefficient is -1, the investments and the benchmark move in opposite directions. If the value is 0 there is no correlation.

Dividend Yield: A Dividend is a payment of cash or stock from a company's earnings to each stockholder as declared by the company's board of directors. A dividend yield is a snapshot of interest and dividend income from a fund. The yield, expressed as a percentage of the fund's net asset value, is based on income earned over the past 30 days and is annualised for the coming year.

Information ratio: In investing terminology, the ratio of expected return to risk. Usually, this statistical technique is used to measure a manager's performance against a benchmark. This measure explicitly relates the degree by which an Investment has beaten the Benchmark to the consistency by which the Investment has beaten the Benchmark.

Market capitalization: A determination of a company's value, calculated by multiplying the total number of company stock shares outstanding by the price per share.

Price-to-book value (P/BV): The price per share of a stock divided by its book value (i.e., net worth) per share. For a portfolio, the ratio is the weighted average price/book ratio of the stocks it holds.

Price/cash flow (P/CF): Supplements price/earnings ratio as a measure of relative value; represents a weighted average of the price/cash flow ratios for the underlying fund holdings.

Price/earnings ratio (P/E): The share price of a stock, divided by its per-share earnings over the past year. For a portfolio, the weighted average P/E ratio of the stocks in the portfolio. P/E is a good indicator of market expectations about a company's prospects; the higher the P/E, the greater the expectations for a company's future growth in earnings.

R-squared: A measure of how much of a portfolio's performance can be explained by the returns from the overall market (or a benchmark index). If a portfolio's total return precisely matched that of the overall market or benchmark, its R-squared would be 1.00. If a portfolio's return bore no relationship to the market's returns, its R-squared would be 0.

Sharpe ratio: A measure of risk-adjusted return. To calculate a Sharpe ratio, an asset's excess returns (its return in excess of the return generated by risk-free assets such as Treasury bills) are divided by the asset's standard deviation.

Standard deviation: A measure of the degree to which a fund's return varies from its previous returns or from the average of all similar funds. The larger the standard deviation, the greater the likelihood (and risk) that a security's performance will fluctuate from the average return.

Tracking error: Measure of the deviation of the return of a fund compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the investment fund is managed, the smaller the tracking error.

Volatility: The degree of fluctuation in the value of a security, mutual fund, or index, volatility is often expressed as a mathematical measure such as a standard deviation or beta. The greater a fund's volatility, the wider the fluctuations between its high and low prices.

IMPORTANT INFORMATION AND DISCLAIMERS

1. Performance data may represent blended share class performance e.g. hybrid created from an A(dis) share class which was converted to A(acc). Performance figures represent the aggregate total return for the period indicated assuming, where relevant, the reinvestment of dividends and distributions. Performance figures assume reinvestment of dividends. Performance figures above are for A(dis) shares, except where only A(acc) shares are available, then A(acc) performance is shown. S&P sector average represents the Luxembourg universe. The performance data does not take account commissions and/or costs incurred on the issue and redemption of the shares. 2. Chart performance figures are rebased to 100 at the Fund's inception date. 3. Copyright - © 2011 Morningstar, Inc. All Rights Reserved. You will find further information under www.franklintempleton.ch/morningstar/en. 4. 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 10 holdings list. 5. Please refer to the Glossary section for more explanations on mathematical measures and financial terms. If you need further explanation, please seek guidance from a Financial Adviser. Due to rounding the percentages shown may be within 0.1% tolerance of the true value. 6. Peer Group Source: © 2011 Standard & Poor's Micropal, Inc. 1-800-596-5323 http://www.funds-sp.com. The development of the values shown above originates in the past.

Copyright © 2011. Franklin Templeton Investments. All rights reserved. Source for all data and charts (if not indicated otherwise): Franklin Templeton Investments. No responsibility is taken for the correctness of the information provided above. Given the variety of investment options available today, we suggest investors seek guidance from a Financial Adviser. Nearly every investment entails special risks that should be discussed with an experienced professional. Each investor's goals are unique and proper guidance toward the most suitable products is essential. For more details regarding the potential risks of this Fund, please refer to the current full or simplified Prospectus. Past performance is no guarantee of current or future performance.

This Fund is a sub fund of Franklin Templeton Investment Funds (FTIF), a Luxembourg-registered SICAV. This information does not constitute or form part of an offer for shares or an invitation to apply for shares. The prices of shares and income received from it can go down as well as up, and investors may not get back the full amount invested. Currency fluctuation may affect the value of overseas investments. An investment in FTIF entails risks which are described in the prospectus. No shares of the SICAV may be directly or indirectly offered or sold to nationals or residents of the United States of America. Please consult your Financial Adviser before deciding to invest. In emerging markets, the risks can be greater than in developed markets. Please read the Prospectus before deciding to invest. Investments in FTIF may not be suitable for all investors. All or most of the protections provided by the Swiss Regulatory System will not apply to the Franklin Templeton Investment Funds' (SICAV) Investors.

Paying agent of Franklin Templeton Investment Funds in Switzerland is JPMorgan Chase Bank, Dreikönigstrasse 21, 8022 Zurich.

Subscriptions for shares in the Fund can only be made on the basis of the most recent Key Features and Prospectus which are available free of charge from Franklin Templeton Switzerland Ltd, Bahnhofstrasse 22, P.O. Box, 8022 Zurich, Phone: +41 (0) 44 217 81 81, E-mail: info@franklintempleton.ch.

Issued by Franklin Templeton Switzerland Ltd, a company authorized and regulated by the Swiss Financial Market Supervisory Authority FINMA as representative of Franklin Templeton Investment Funds.