

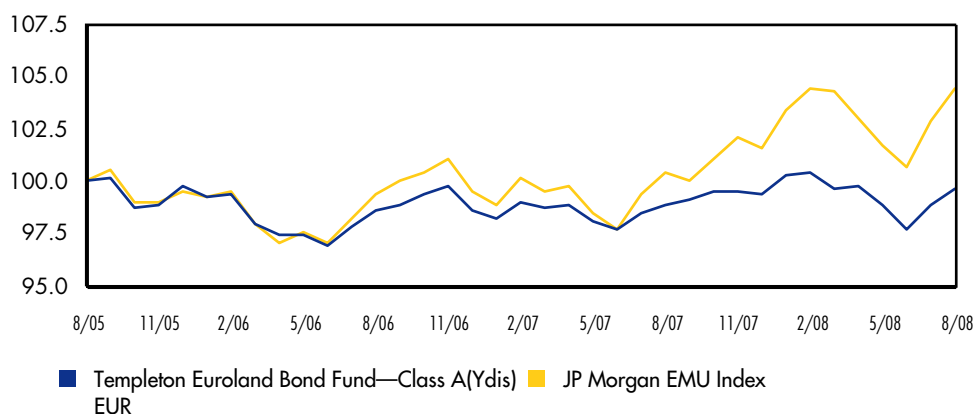


Templeton Euroland Bond Fund

Franklin Templeton Investment Funds (Luxembourg Registered SICAV)

31 August 2008

3 Year Performance (Euro)^{1, 2}



Investment objective

Maximise total investment return through a combination of interest income and capital appreciation by investing in Euro denominated fixed-income securities issued by governments and companies worldwide.

Fund Manager and Location

John Beck, London, United Kingdom

Base Currency of Fund

Euro

Fund size

€26.39 million

Date of Fund Launch

8 January 1999

A(Ydis)EUR

8 January 1999

Fund Index

JP Morgan EMU Index

Last Dividend Paid (Annually)

A(Ydis)EUR €0.2910 - paid on 08/07/08

Net Asset Value as of 31 August 2008

A(Ydis)EUR €9.38

I(acc)EUR €10.99

Share Class	Maximum Initial Sales Charge	Annual Management & Administration Charge
A Shares	3.00%	0.95%
I Shares	-	0.45%

Total Expense Ratio as of August 2008

A(Ydis)EUR 1.32

I(acc)EUR 0.72

EUSD Status

Redemption In Scope

Distribution In Scope

Cumulative Performance % (Shareclass Currency, Dividends re-invested)

	YTD	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years	Since Launch	3 Year Volatility
A(Ydis)EUR	0.27	0.64	0.69	-0.86	0.80	-0.43	11.78	-	24.95	2.46
I(acc)EUR	0.73	0.73	0.92	-0.45	1.38	1.48	-	-	9.90	2.45
Index	2.73	1.56	2.61	-0.06	3.98	4.38	19.95	-	48.01	3.52

Discrete Calendar Year Performance % (Dividends re-invested)

	2007	2006	2005	2004	2003
A(Ydis)EUR	0.67	-1.08	3.97	7.11	2.67
I(acc)EUR	1.21	-0.37	4.64	-	-

Portfolio Composition (% of total)

Equity:	0.00%
Fixed Income:	88.50%
Cash:	11.50%

Fund Characteristics

Statistic	
Weighted Average Effective Duration ⁴	5.05 Yrs
Redemption Yield	5.14%
Weighted Average Maturity	7.52 yrs
Average Life	7.52 yrs
Average Credit Quality	AA
Number of issues	51

Top 10 Holdings as of 31 August 2008³

Security Name	%
Government of Germany, 3.50%, 1/04/16	10.92
Government of France, 4.75%, 10/25/12	9.66
Government of France, 4.25%, 10/25/17	9.42
Government of the Netherlands, 4.00%, 1/15/37	8.52
Government of the Netherlands, 2.75%, 1/15/09	7.53
France Treasury Note, 3.00%, 1/12/10	7.45
Government of France, 3.75%, 4/25/21	7.03
Government of the Netherlands, 3.00%, 1/15/10	5.59
Bayer AG, 4.50%, 5/23/13	1.11
Cadbury Schweppes Investments, 4.25%, 6/30/09	0.94

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FRANKLIN TEMPLETON
INVESTMENTS

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Country Breakdown (31 August 2008)

Country	%
France	35.44
Netherlands	21.64
Germany	14.63
United Kingdom	4.76
United States	3.88
Italy	2.15
Spain	1.68
Russia	1.27
Rep. Checa	1.12
Portugal	0.59

Currency Breakdown (31 August 2008)

Currency	%
Euro	100.00

Fund Identifiers

Share Class	Valoren	ISIN
A(Ydis)EUR	988576	LU0093669546
I(acc)EUR	1923063	LU0195953582

Important Information

1. Chart performance figures are rebased to 100 at the Fund's inception date. 2. 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 above are for A(dis) shares, except where only A(acc) shares are available, then A(acc) performance is shown. The performance data does not take account commissions and/or costs incurred on the issue and redemption of the shares. 3. 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. 4. A measure of the sensitivity of bond and bond mutual fund prices to interest rate movements. For example, if a bond has a duration of two years, its price would fall about 2% when interest rates rose one percentage point. On the other hand, the bond's price would rise by about 2% when interest rates fell by one percentage point. Due to rounding the percentages shown may be within 0.1% tolerance of the true value. 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.

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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.

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