

Fund Fact Sheet

Fund Overview

Base Currency for Fund	USD
Total Net Assets (USD)	1.70 billion
Fund Inception Date	01.03.1996
Number of Holdings	185
Benchmark	Credit Suisse High Yield Index
Investment Style	Fixed Income - High Yield
Minimum Investment	USD 5,000 or the equivalent in the relevant share class currency
Morningstar Category™	USD High Yield Bond
Distribution Yield – A (Mdis) USD	6.00%

Summary of Investment Objective

The Fund aims to earn a high level of current income and seeks capital appreciation when consistent with its principal objective of high current income, by principally investing either directly or through the use of financial derivative instruments in Fixed Income debt Securities of US or Non-US issuers of any credit ratings, if issued by US issuers, or, if issued by Non-US issuers or unrated, their equivalent.

Fund Management

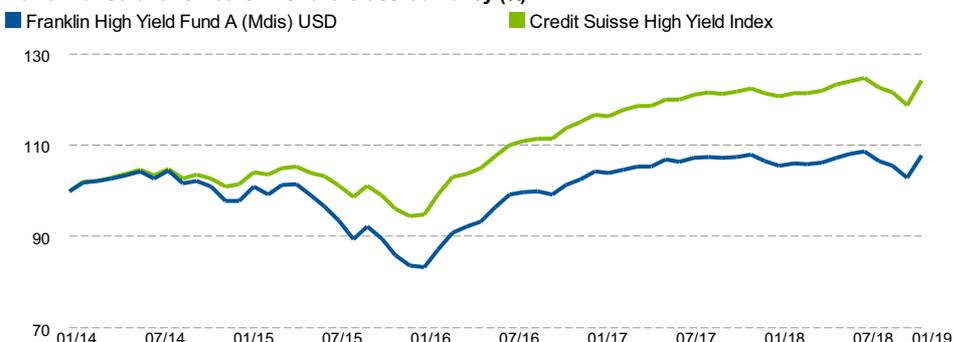
Betsy Hofman, CFA: United States
Glenn Voyles, CFA: United States

Asset Allocation

	%
Fixed Income	97.13
Cash & Cash Equivalents	1.96
Equity	0.90

Performance

Performance over 5 Years in Share Class Currency (%)



Discrete Annual Performance in Share Class Currency (%)

	01/18 01/19	01/17 01/18	01/16 01/17	01/15 01/16	01/14 01/15
A (Mdis) USD	-0.17	5.33	22.66	-14.44	-2.18
Benchmark in USD	1.38	6.27	21.94	-6.87	1.53

Performance in Share Class Currency (%)

	Cumulative							Since Incept
	1 Mth	3 Mths	6 Mths	YTD	1 Yr	3 Yrs	5 Yrs	
A (Mdis) USD	4.85	1.16	0.52	4.85	-0.17	28.98	7.95	185.31
Benchmark in USD	4.46	1.16	0.68	4.46	1.38	31.38	24.23	373.96

Calendar Year Performance in Share Class Currency (%)

	2018	2017	2016	2015	2014
A (Mdis) USD	-4.32	6.19	17.70	-12.12	-1.32
Benchmark in USD	-2.37	7.03	18.39	-4.90	1.86

Past performance is not an indicator or a guarantee of future performance. All performance data shown is in the currency stated, include reinvested dividends and are net of management fees. Sales charges and other commissions, taxes and other relevant costs paid by the investor are not included in the calculations.

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.

Top Ten Holdings (% of Total)

Issuer Name	%
SPRINT COMMUNICATIONS INC	2.75
HCA INC	2.14
CSC HOLDINGS LLC	2.11
NAVIENT CORP	1.91
T-MOBILE USA INC	1.75
CCO HOLDINGS LLC / CCO HOLDING	1.75
CHENIERE CORPUS CHRISTI HOLDIN	1.63
ENERGY TRANSFER LP	1.59
CRESTWOOD MIDSTREAM PARTNERS L	1.52
TENET HEALTHCARE CORP	1.45

Fund Measures

Average Credit Quality	B+
Average Duration	3.67 Years
Average Weighted Maturity	4.56 Years
Yield to Maturity	6.58%
Standard Deviation (5 Yrs)	6.98%

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

Share Class	Incept Date	NAV	TER (%)	Fees	Fund Identifiers
				Max. Annual Charge (%)	ISIN Valoren
A (Mdis) USD	01.03.1996	USD 5.80	1.53	1.20	LU0065014192 1011048

Composition of Fund

■ Franklin High Yield Fund ■ Credit Suisse High Yield Index

Sector	% of Total	
Energy	15.24	14.16
Health Care	10.34	8.39
Cable Satellite	9.37	5.21
Finance	8.31	8.44
Packaging	5.52	2.64
Technology	5.50	8.02
Metals & Mining	5.11	4.37
Media Non Cable	4.99	4.64
Wireless	4.46	3.22
Others	31.17	40.92

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 debt securities of any quality issued principally by corporations located in the U.S. Such securities have historically been subject to price movements, generally due to interest rates or movements in the bond market. As a result, the performance of the Fund can fluctuate over time.

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: credit risk, derivatives risk, 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

Data as of 31 January 2019, unless otherwise stated.

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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.

Fund Overview: The **Distribution Yield** is based on the most recent month's distribution and shown as an annualized percentage as of the date shown. It does not include any preliminary charge and investors may be subject to tax on distributions. Information is historical and may not reflect current or future distributions.

Fund Management: CFA® and Chartered Financial Analyst® are trademarks owned by CFA Institute.

All performance data shown is in the Fund currency stated and include reinvested dividends and are net of management fees. Sales charges and other commissions, taxes and other relevant costs incurred on the issue and redemption of units paid by the investor are not included in the calculations.

Top Ten Holdings: These securities do not represent all of the securities purchased, sold or recommended for clients, and the reader should not assume that investment in the securities listed was or will be profitable. 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 holdings list.

Fund Measures: The average credit quality (ACQ) rating may change over time. The portfolio itself has not been rated by an independent rating agency. The letter rating, which may be based on bond ratings from different agencies (or internal ratings for unrated bonds, cash and equivalents), is provided to indicate the average credit rating of the portfolio's underlying investments and generally ranges from AAA (highest) to D (lowest). For unrated bonds, cash and equivalents, ratings may be assigned based on the ratings of the issuer, the ratings of the underlying holdings of a pooled investment vehicle, or other relevant factors. The ACQ is determined by assigning a sequential integer to all credit ratings AAA to D, taking a simple, asset-weighted average of investments by market value and rounding to the nearest rating. The risk of default increases as a bond's rating decreases, so the ACQ provided is not a statistical measurement of the portfolio's default risk because a simple, weighted average does not measure the increasing level of risk from lower-rated bonds. The ACQ may be lower if cash and equivalents are excluded from the calculation. The ACQ is provided for informational purposes only. Derivative positions are not reflected in the ACQ.

TER: A fund's Total Expense Ratio (TER) is a measure of its total costs and fees expressed as a percentage of the average net assets of the fund in the previous financial year and with reference to the asset class shown in the performance table. As of 31 January 2019, Calculation method according to Luxembourg law. The TER as of fiscal year-end is published in the latest available annual report and the latest semi-annual report, if published thereafter, for Switzerland and is calculated according to SFAMA guidelines.

Distribution of Dividends: The Board of Directors intends to distribute all of the income attributable to the Distribution Shares. No distribution of dividends shall be made for the Accumulation Shares (**acc**), however the income attributable will be reflected in the increased value of the Shares. Dividends may be paid monthly (**Mdis**), quarterly (**Qdis**), or annually (**Ydis**).