

**Fund Fact Sheet**

**Fund Overview**

Base Currency for Fund	EUR
Total Net Assets (EUR)	21 million
Fund Inception Date	17.11.2014
Number of Issuers	63
Benchmark	Custom 50% Bloomberg Barclays Euro Aggregate and 50% MSCI Europe Index
Investment Style	European Balanced
Minimum Investment	USD 500,000 or the equivalent in the relevant share class currency
Morningstar Category™	EUR Moderate Allocation
Distribution Yield – W (Mdis) EUR	3.21%

**Summary of Investment Objective**

The Fund's objective is to maximise income while maintaining prospects for capital appreciation. The fund will seek to achieve its objective by investing principally in a portfolio of equities and fixed income, domiciled or having significant business activities in European countries, including emerging markets in Europe.


**Fund Management**

David Zahn, CFA: United Kingdom  
Dylan Ball: United Kingdom

**Ratings - W (Mdis) EUR**

Overall Morningstar Rating™: ★★ ★

**Asset Allocation (Market Value)**

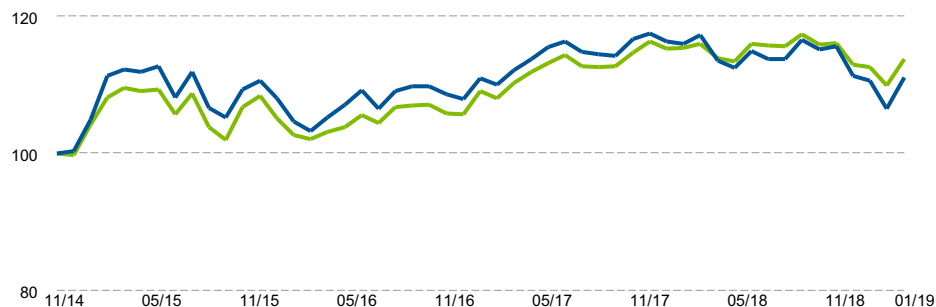


	%
Equity	58.29
Fixed Income	40.13
Cash & Cash Equivalents	1.58

**Performance**

**Performance Since Inception in Share Class Currency (%)**

■ Franklin European Income Fund W (Mdis) EUR ■ Custom 50% Bloomberg Barclays Euro Aggregate and 50% MSCI Europe Index



**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
W (Mdis) EUR	-5.33	6.56	5.19	-0.27	N/A
Benchmark in EUR	-1.92	7.35	4.99	-1.53	N/A

**Performance in Share Class Currency (%)**

	Cumulative						Since Incept
	1 Mth	3 Mths	6 Mths	YTD	1 Yr	3 Yrs	
W (Mdis) EUR	4.20	-0.21	-4.74	4.20	-5.33	6.12	12.71
Benchmark in EUR	3.58	0.76	-3.00	3.58	-1.92	10.51	15.23

**Calendar Year Performance in Share Class Currency (%)**

	2018	2017	2016	2015
W (Mdis) EUR	-8.11	4.51	2.71	7.65
Benchmark in EUR	-4.77	5.77	3.47	5.36

**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)**

Security Name	%
Italy Treasury Bond, senior bond, Reg S, 4.75%, 9/01/28	4.68
Government of Germany, Reg S, Index Linked, 1.75%, 4/15/20	4.00
Government of Poland, 2.50%, 7/25/26	3.15
Novartis AG	2.83
Franklin Euro High Yield Fund, Class I	2.66
Roche Holding AG	2.65
Royal Dutch Shell PLC, B	2.52
Franklin Liberty Euro Short Maturity UCITS ETF	2.41
GlaxoSmithKline PLC	2.35
ING Groep NV	2.34

**Fund Measures**

Historical 3 Yr Sales Growth	2.92%
Estimated 3-5 Yr EPS Growth	6.40%
Price to Earnings (12-mo Forward)	13.00x
Average Credit Quality	A-
Average Duration	5.44 Years
Average Weighted Maturity	6.56 Years
Yield to Maturity	2.09%
Standard Deviation (3 Yrs)	6.34%

**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
W (Mdis) EUR	17.11.2014	EUR 10.08	0.95	0.60	LU112998172 25901458

## Composition of Fund

■ Franklin European Income Fund ■ MSCI Europe Index  
 ■ Custom 50% Bloomberg Barclays Euro Aggregate and 50% MSCI Europe Index

## Geographic (Market Value)

	% of Total	
United Kingdom	14.00	14.69
Germany	12.95	16.03
France	10.75	20.04
Italy	8.58	9.15
Switzerland	6.78	7.24
Netherlands	6.77	5.38
Belgium	5.63	2.96
United States	5.22	1.63
Sweden	3.95	2.60
Others	23.78	20.25
Cash & Cash Equivalents	1.58	0.00

## Sector (Market Value)—Equity

	% of Equity	
Financials	21.48	18.83
Industrials	19.19	12.96
Health Care	17.58	12.78
Information Technology	13.42	5.29
Consumer Staples	8.34	14.02
Energy	7.95	8.33
Materials	6.17	7.61
Communication Services	5.87	4.98
Consumer Discretionary	0.00	9.37
Others	0.00	5.84

## Currency (Market Value)

	% of Total	
Euro	71.06	75.36
British Pound	12.54	13.63
Swiss Franc	6.78	6.91
Swedish Krona	4.71	2.16
Danish Krone	3.83	1.36
Norwegian Krone	0.88	0.59
Polish Zloty	0.21	0.00

## Market Capitalisation Breakdown in EUR

	% of Equity
<2.0 Billion	12.47
2.0-5.0 Billion	8.24
5.0-10.0 Billion	7.49
10.0-25.0 Billion	16.75
25.0-50.0 Billion	14.10
>50.0 Billion	39.30
N/A	1.64

## Portfolio Data Derivatives Disclosures

Market value figures reflect the trading value of the investments. Average Duration, Average Weighted Maturity and Yield to Maturity reflect certain derivatives held in the portfolio (or their underlying reference assets). Portfolio breakdown percentages may not total 100% and may be negative due to rounding, use of any derivatives, unsettled trades or other factors.

## 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 a diversified portfolio of European 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.

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, currency 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.

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 **Luxembourg-domiciled SICAV** Franklin Templeton Investment Funds. Nothing in this document should be construed as investment advice. Subscriptions to shares of the Fund can only be made on the basis of the current Key Investor Information Document (KIID), the full prospectus of the Fund, accompanied by the latest available audited annual report and the latest semi-annual report, if published thereafter. 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 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. 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. A copy of the latest prospectus, of the Key Investor Information Document, the annual report and semi-annual report, if published thereafter can be found, on our website [www.franklintempleton.ch](http://www.franklintempleton.ch) or can be obtained, free of charge, from Franklin Templeton Switzerland Ltd, a Member of Franklin Templeton Investments, Stockerstrasse 38, CH-8002 Zurich, Tel +41 44 217 81 81 / Fax +41 44 217 81 82, [info@franklintempleton.ch](mailto:info@franklintempleton.ch). Paying agent in Switzerland is BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, 8002 Zurich. 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.

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.

All MSCI data is provided "as is." The Fund described herein is not sponsored or endorsed by MSCI. In no event shall MSCI, its affiliates or any MSCI data provider have any liability of any kind in connection with the MSCI data or the Fund described herein. Copying or redistributing the MSCI data is strictly prohibited.

**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.

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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, is provided to indicate the average credit rating of the portfolio's underlying bonds and generally ranges from AAA (highest) to D (lowest). For unrated bonds ratings may be assigned based on the ratings of the issuer 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 debt holdings 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 is provided for informational purposes only. Derivative positions are not reflected in the ACQ.

**Important Information (continued)**

**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**).

**Composition of Fund:**

**Market Capitalisation Breakdown:** Where applicable "N/A" represents the percentage of the portfolio's equity positions for which market cap information was not available at publication date.