

14 March 2014

Dear Shareholder,

**Subject: Change to the investment policy of Franklin Templeton Investment Funds – Templeton Global Equity Income Fund**

The purpose of this letter is to inform you of a revision to the investment policy of Templeton Global Equity Income Fund (the “Fund”), a sub-fund of the Luxembourg SICAV Franklin Templeton Investment Funds (the “Company”).

With effect from 17 April 2014, the investment policy of this Fund will be amended to allow the investment manager to purchase participatory notes, equity-linked notes or other structured products.

The third sentence of the third paragraph of the investment policy will be restated to read as follows:

*“The Fund may also purchase participatory notes, equity-linked notes or other structured products where the security is linked to or derives its value from another security or is linked to assets or currencies of any country.”*

\* \* \* \* \*

If you do not agree with the above changes, you may request, free of charge until 17 April 2014, the redemption of your shares of the Fund or the exchange of such shares into shares of other funds of the Company, details of which are disclosed in the current Prospectus.

The Company comprises a wide range of funds catering for many different objectives. Exchanges of your existing holding may be made into other funds within the Company. On receipt of your instructions, we will execute the exchange for you in accordance with the provisions of the current Prospectus, free of any charge.

If you do not wish to exchange your shares and would like to redeem and receive a cash payment, the redemption will be made in accordance with the provisions of the current Prospectus, free of charge. Please return your instructions to the distributor or financial advisor through whom you had subscribed for the shares. Please note that “free of any redemption charge” does not apply to the contingent deferred sales charge (“CDSC”) for all classes subject to such CDSC, due to the nature of such fee. Accordingly, should you decide to redeem any shares subject to a CDSC, such redemption will be subject to the applicable CDSC as more fully disclosed in the Prospectus of the Company.

You should consult your professional advisers as to the possible tax or other consequences of buying, holding, transferring or selling any of the Company’s shares affected by the changes described above, under the laws of your country of citizenship, residence and domicile.

We thank you for your continued support and investment.

Yours faithfully,

For and on behalf of  
Templeton Asset Management Ltd.

A handwritten signature in black ink, appearing to read 'S Grundlingh', with a stylized, cursive script.

Stephen Grundlingh  
Co-CEO and Regional Head, Southeast Asia