

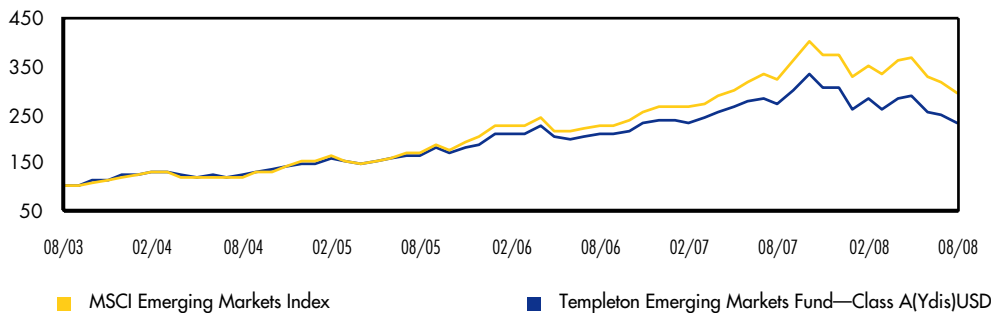


Templeton Emerging Markets Fund

Franklin Templeton Investment Funds (Luxembourg Registered SICAV)

31 August 2008

5 Year Performance (US dollar)^{1, 2}



Investment objective

Long-term capital growth by investing mainly in equity securities of emerging market companies, or those companies which derive a significant proportion of their revenues or profits from emerging economies.

Fund Manager and Location

Mark Mobius, Singapore
Dennis Lim, Singapore
Tom Wu, Hong Kong

Base Currency of Fund

US dollar

Fund size

\$1,265.05 million

Date of Fund Launch

28 February 1991

A(acc)USD

14 May 2001

A(Ydis)USD

28 February 1991

Fund Index

MSCI Emerging Markets Index

Morningstar™ Workstation Category

Equity - Global Emerging Markets

Dividends Paid Annually⁶

Last Dividend Paid⁶

Share Class	Date Paid	Amount
A(Ydis)USD	09/07/2007	\$0.2550

Net Asset Value as of 31 August 2008

A(acc)USD	\$32.21
A(Ydis)USD	\$31.38

Share Class Initial Sales Charge Annual Charge⁴

All A classes	5.00%	2.10%
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A Share Class SEDOL ISIN

A(acc)USD	7119006	LU0128522744
A(Ydis)USD	4881762	LU0029874905

I Share Class SEDOL ISIN

I(acc)USD	B020FH9	LU0195951610
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EUSD Status

Redemption	Out of Scope
Distribution	Out of Scope

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Cumulative Performance as of 31 August 2008 % (Dividends re-invested)^{1, 3}

In Fund currency	YTD	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years	Since Launch	3 Year Volatility
A(Ydis)USD	-24.04	-6.86	-18.71	-17.60	-14.10	40.64	132.43	263.38	200.11	21.74
Index	-21.67	-7.96	-20.18	-16.71	-9.83	70.13	191.92	411.15	528.84	21.80
Morningstar™ Sector Average	-21.70	-7.54	-19.45	-17.35	-9.59	60.51	168.31	308.88	403.42	22.24

In share class currency	YTD	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years	Since Launch	3 Year Volatility
A(acc)USD	-24.04	-6.86	-18.68	-17.58	-14.09	40.71	132.55	N/A	178.14	21.73
A(Ydis)USD	-24.04	-6.86	-18.71	-17.60	-14.10	40.64	132.43	263.38	200.11	21.74

Discrete Annual Performance as of 30 June - Quarter 2 % (Dividends re-invested)

In share class currency	2008	2007	2006	2005	2004
A(acc)USD	-6.53	37.86	26.26	29.65	33.04
A(Ydis)USD	-6.56	37.85	26.26	29.61	32.99

Portfolio Composition as of 31 August 2008 (% of total)

Equity: 86.93%	Fixed Income: 0.00%	Cash: 13.07%
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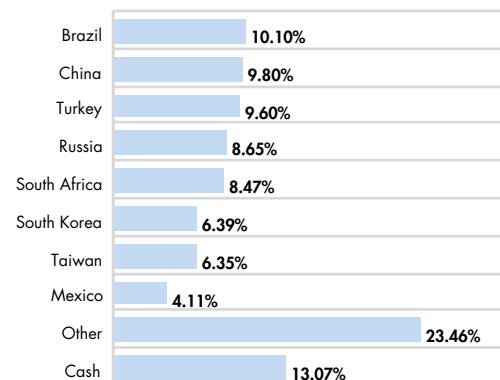
Top 10 Holdings (31 August 2008)⁵

Security Name	%
AKBANK	3.21
CIA VALE DO RIO DOCE	2.28
MINING AND METALLURGICAL CO NORILSK NICKEL	2.22
PETROLEO BRASILEIRO SA (PETROBRAS)	2.12
ANGLO AMERICAN PLC	2.00
TUPRAS-TURKIYE PETROL RAFINELERI AS	1.99
GAZPROM	1.73
MOL HUNGARIAN OIL AND GAS NYRT	1.67
SK ENERGY CO LTD	1.35
REMGRO LTD	1.21

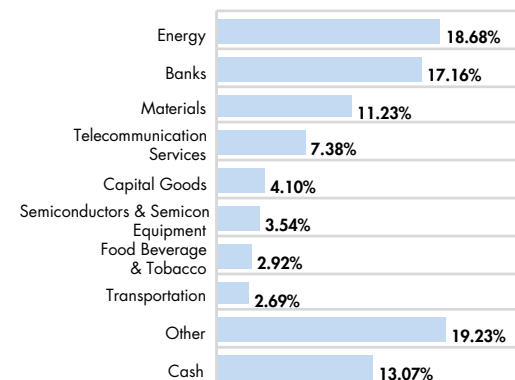
Fund Characteristics (31 August 2008)

Statistic	Value
Price to Earnings Ratio	9.71
Price to Book Value Ratio	1.96
Price to Cash Flow Ratio	6.60
Number of Long-term Positions	247

Country Breakdown (31 August 2008)



Industry Breakdown (31 August 2008)



For professional investors only. Not directed at retail investors.

Disclaimer Information - Templeton Emerging Markets Fund

1. Performance data may represent blended share class performance e.g. hybrid created from an A(Ydis) share class that was converted to A(acc). Performance details provided are in base currency, include reinvested dividends and are net of management fees. Sales charges and other commissions, taxes and other relevant costs to be paid by an investor are not included in the calculations. Past performance is no guarantee of future performance. When investing in a fund denominated in a foreign currency, your performance may be affected by currency fluctuations. Performance figures above are for A(Ydis) shares, except where only A(acc) shares are available, then A(acc) performance is shown.

2. Chart Performance figures are rebased to 100 at beginning of time period.

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4. Total charges consists of the yearly management and maintenance fees only.

5. The portfolio manager for the Fund reserves the right to withhold release of information with respect to holdings that would otherwise be included in a top 10 holdings list.

6. Share Class was in a net expense position for July 08 distribution, so no distribution was made.

Past financial performance is no guarantee of future results. Due to rounding the percentages shown may be within 0.1% tolerance of the true value. This report does not constitute or form part of an offer for shares or an invitation to apply for Shares. Subscriptions of Shares of the Franklin Templeton Investment Funds SICAV can only be made on the basis of the latest available audited annual report accompanied by the current Prospectus or Simplified Prospectus approved by the CSSF. The price of the shares of the Fund and the income received from the Fund 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 investment. An investment in the SICAV Franklin Templeton Investment Funds entails risks, which are described in the Prospectus and the Simplified Prospectus. No Shares of the SICAV may be directly or indirectly offered or sold to nationals or residents of the United States of America. Where a fund invests in emerging markets, this investment can be more risky than an investment in developed markets. All or most of the protections provided by the UK Regulatory System will not apply to Franklin Templeton Investment Funds (SICAV) Investors. Please consult your financial adviser before deciding to invest. This report is issued in the United Kingdom by Franklin Templeton Investment Management Limited, which is authorised and regulated by the Financial Services Authority. For a copy of the annual report of the SICAV Franklin Templeton Investment Funds, the Prospectus and/or Simplified Prospectus, please contact Franklin Templeton Investments, The Adelphi, 1-11 John Adam Street, London WC2N 6HT.



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