



FRANKLIN TEMPLETON
INVESTMENTS

FRANKLIN U.S. EQUITY FUND

A SUB-FUND OF LUXEMBOURG-DOMICILED SICAV

August 31, 2012

INVESTMENT OBJECTIVE

The Fund aims to achieve long-term capital appreciation by investing principally in US equity securities or convertibles as well as American Depositary Receipts and American Depositary Shares listed on the major US stock exchanges.

FUND MANAGER AND LOCATION

Kent Shepherd, San Mateo, California

FUND DATA¹

Base Currency of Fund: US Dollar

Portfolio Size: \$608.33 million

Date of Launch: July 01, 1999

Purchase of Shares:

Min Initial Investment \$5,000.00

Min Subsequent Investment \$1,000.00

Primary Fund Benchmark/Index:

S&P 500 Index

Morningstar™ Workstation Category:

US Large-Cap Blend Equity

Dividend Frequency: Accumulating

Investment Management Fee (% p.a.):²

1.00%

FUND AWARDS AND RATINGS

Morningstar™ Overall Rating:⁴ ★★☆☆

Morningstar™ Style Box:⁴

STYLE

Value Blend Growth

	X	

SIZE

Large

Medium

Small

☒ **Current**

ASSET ALLOCATION¹

EQUITY	FIXED INCOME	CASH	# OF ISSUES
95.43%	0.00%	4.57%	87

PERFORMANCE IN SHARE CLASS CURRENCY AS OF AUGUST 31, 2012

	1-MO	3-MO	6-MO	1-YR	3-YR*	5-YR*	10-YR*	SINCE LAUNCH	SINCE LAUNCH*
A(acc)USD	2.13	7.00	0.36	11.62	8.41	-0.21	4.52	68.22	4.03
B(acc)USD	2.02	6.64	-0.28	10.21	7.01	-1.50	3.19	41.41	2.67
C(acc)USD	2.07	6.87	0.07	10.96	7.79	-0.79	-	47.81	3.99
N(acc)USD	2.08	6.80	0.00	10.84	7.61	-0.95	3.74	0.34	0.03
A(acc)EUR	-0.07	5.11	6.28	27.48	13.28	1.40	1.94	-9.36	-0.91
N(acc)EUR	-0.17	4.86	5.87	26.47	12.37	0.62	1.16	-16.56	-1.67

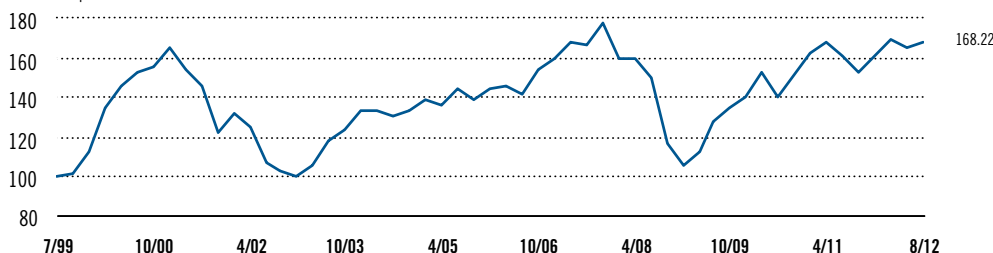
*Annualized Performance

CALENDAR YEAR PERFORMANCE AS OF AUGUST 31, 2012

	NAV	YTD	2011	2010	2009	2008	2007	2006	2005	2004
A(acc)USD	\$16.82	10.01	-3.89	10.26	29.88	-33.55	5.42	11.54	-1.18	9.68
B(acc)USD	\$14.14	9.02	-5.05	8.76	28.30	-34.47	4.11	10.13	-2.32	8.19
C(acc)USD	\$14.78	9.56	-4.39	9.55	29.19	-33.97	4.79	10.85	-1.74	8.98
N(acc)USD	\$15.24	9.48	-4.59	9.37	29.01	-34.10	4.67	10.63	-1.88	8.83
A(acc)EUR	€13.36	13.22	-0.67	17.98	26.98	-30.68	-4.67	0.00	13.31	1.93
N(acc)EUR	€12.09	12.57	-1.38	17.10	25.84	-31.13	-5.38	-0.70	12.40	1.20

TOTAL PERFORMANCE IN US DOLLAR AS OF AUGUST 31, 2012

*Since inception at NAV with an initial 100 USD investment and all dividends reinvested.



■ Franklin U.S. Equity Fund - A(acc)USD

PORTFOLIO COMPOSITION (% OF TOTAL)¹

TOP 10 ISSUERS³

SECURITY NAME	%
APPLE INC	4.59
WELLS FARGO & CO	3.96
QUALCOMM INC	2.82
AT&T INC	2.76
EMC CORP	2.42
ANADARKO PETROLEUM CORP	2.32
SCHLUMBERGER LTD	2.23
BORG WARNER INC	2.21
JPMORGAN CHASE & CO	2.13
GOOGLE INC	2.11

FUND CHARACTERISTICS

STATISTICS	
Price to Earnings Ratio	15.17x
Price to Book Value Ratio	2.13x
Price to Cash Flow Ratio	8.28x
3 Yrs Annualized Std Deviation - Fund	15.79%

Client Services

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COUNTRY BREAKDOWN¹

COUNTRY BREAKDOWN	%
United States	89.89
Canada	1.84
United Kingdom	1.39
Switzerland	1.25
Israel	1.05
Cash/Cash Equivalent	4.57

INDUSTRY BREAKDOWN¹

INDUSTRY BREAKDOWN	%
Technology Hardware & Equipment	12.72
Energy	9.94
Software & Services	9.35
Pharmaceuticals & Biotechnology	7.29
Banks	6.41
Materials	5.41
Diversified Financials	4.96
Capital Goods	4.35
Other	35.01
Cash/Cash Equivalent	4.57

CURRENCY BREAKDOWN¹

CURRENCY BREAKDOWN	%
US Dollar	98.73
Canadian Dollar	1.27

FUND IDENTIFIERS

SHARE CLASS*	INCEPTION DATE	CUSIP	BLOOMBERG	ISIN
A(acc)USD	07/01/1999	L90262335	TEMFMAILX	LU0098860363
B(acc)USD	07/01/1999	L90262343	TEMFUBILX	LU0098863896
C(acc)USD	09/09/2002	L4058S538	TEMFUCALX	LU0152907068
N(acc)USD	04/03/2000	L4058R159	TEMFUXALX	LU0109402494
A(acc)EUR	12/03/2001	L4058S280	TEMFUEALX	LU0139291818
N(acc)EUR	12/03/2001	L4058S298	TEMFUEBLX	LU0139292113

* (Mdis) - monthly distribution; (Qdis) - quarterly distribution; (Ydis) - yearly distribution; (acc) - accumulation

WHAT ARE THE RISKS

Because the Fund invests primarily in U.S. equity securities of issuers, including common and preferred stocks, or securities convertible into common stocks, as well as American Depositary Receipts and American Depositary Shares that are listed on the major U.S. stock exchanges, it may experience greater volatility than a more geographically diversified fund. International securities risks include currency fluctuations, and economic and political uncertainties. The Fund may also employ hedging techniques and hold cash reserves from time to time. The Fund may be subject to a variety of risks in addition to those described herein. Please consult the Prospectus for a full discussion of these risks.

DISCLAIMERS

1. Portfolio Composition and Asset Allocation data as of July 31, 2012 (Negative currency positions, if any, may occur due to hedging, unsettled payables, and derivatives holdings).
 2. Investment Management Fee is a monthly fee equivalent to a percentage of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except for the I shares classes. For a full description of all fees and charges that an investor may incur, including the initial sales charges and maintenance and company charges attributable to a class of shares of the Fund, please consult the current Prospectus of FTIF.
 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 a top 10 holdings list.
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