



FRANKLIN TEMPLETON  
INVESTMENTS

# FRANKLIN U.S. SMALL-MID CAP GROWTH 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 equity securities of US small and medium capitalisation companies believed to possess sustainable growth characteristics and which meet growth, quality and valuation criteria.

## FUND MANAGER AND LOCATION

Edward Jamieson, San Mateo, California

## FUND DATA<sup>1</sup>

Base Currency of Fund: US Dollar

Portfolio Size: \$122.75 million

Date of Launch: December 29, 2000

Purchase of Shares:

Min Initial Investment \$5,000.00

Min Subsequent Investment \$1,000.00

Primary Fund Benchmark/Index:

Russell Midcap Growth Index

Morningstar™ Workstation Category:

US Mid-Cap Equity

Dividend Frequency: Accumulating

Investment Management Fee (% p.a.):<sup>2</sup>

1.00%

## FUND AWARDS AND RATINGS

Morningstar™ Overall Rating:<sup>4</sup> ★★★★★

Morningstar™ Style Box:<sup>4</sup>

### STYLE

Value Blend Growth

			SIZE
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Large
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Medium
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Small

Current

## ASSET ALLOCATION<sup>1</sup>

EQUITY	FIXED INCOME	CASH	# OF ISSUES
95.02%	0.00%	4.98%	123

## 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	3.19	2.05	-4.28	6.67	13.68	0.68	7.56	29.60	2.25
B(acc)USD	3.14	1.77	-4.91	5.32	12.24	-0.61	-	84.12	6.31
C(acc)USD	3.20	1.91	-4.51	6.14	13.06	0.10	-	22.70	3.03
N(acc)USD	3.14	1.90	-4.60	5.91	12.85	-0.07	6.71	18.30	1.45

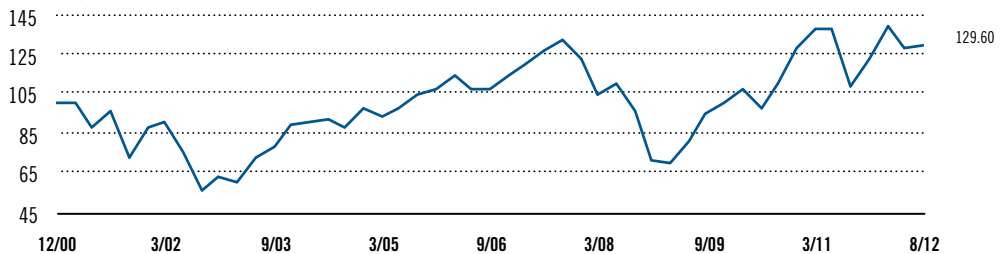
\*Annualized Performance

## CALENDAR YEAR PERFORMANCE AS OF AUGUST 31, 2012

	NAV	YTD	2011	2010	2009	2008	2007	2006	2005	2004
A(acc)USD	\$12.96	6.49	-4.40	27.05	40.73	-42.02	8.29	6.08	10.09	9.59
B(acc)USD	\$18.41	5.62	-5.63	25.39	38.96	-42.79	6.93	4.84	8.68	8.26
C(acc)USD	\$12.27	6.14	-4.93	26.27	39.97	-42.38	7.57	5.61	-	-
N(acc)USD	\$11.83	6.00	-5.10	26.05	39.67	-42.46	7.50	5.26	9.27	8.81

## 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. Small-Mid Cap Growth Fund - A(acc)USD

## PORTFOLIO COMPOSITION (% OF TOTAL)<sup>1</sup>

### TOP 10 ISSUERS<sup>3</sup>

SECURITY NAME	%
ALLEGIANT TRAVEL CO	1.79
WHITING PETROLEUM CORP	1.77
BORG WARNER INC	1.76
WOLVERINE WORLD WIDE INC	1.68
PEETS COFFEE & TEA INC	1.63
JARDEN CORP	1.60
DOLLAR GENERAL CORP	1.53
SBA COMMUNICATIONS CORP	1.49
DICKS SPORTING GOODS INC	1.48
TRACTOR SUPPLY CO	1.44

### FUND CHARACTERISTICS

STATISTICS	
Price to Earnings Ratio	21.97x
Price to Book Value Ratio	3.22x
Price to Cash Flow Ratio	13.44x
3 Yrs Annualized Std Deviation - Fund	19.54%

## Client Services

Global (727) 299-5042

U.S. (800) 239-3894

Email: stpcds@templeton.com

## Offshore Sales Support Team

U.S. (800) 233-9796

Canada (877) 389-0076

Web www.templetonoffshore.com

## Address

100 Fountain Parkway

PO Box 33030

St. Petersburg, Florida 33716

COUNTRY BREAKDOWN<sup>1</sup>

COUNTRY BREAKDOWN	%
United States	91.78
Israel	0.88
Canada	0.87
Singapore	0.83
Netherlands	0.65
Cash/Cash Equivalent	4.98

INDUSTRY BREAKDOWN<sup>1</sup>

INDUSTRY BREAKDOWN	%
Software & Services	10.76
Capital Goods	10.46
Retailing	8.06
Pharmaceuticals & Biotechnology	7.04
Consumer Durables & Apparel	6.65
Consumer Services	5.53
Energy	5.32
Semiconductors & Semiconductor Equipment	4.92
Other	36.29
Cash/Cash Equivalent	4.98

CURRENCY BREAKDOWN<sup>1</sup>

CURRENCY BREAKDOWN	%
US Dollar	100.00

## FUND IDENTIFIERS

SHARE CLASS*	INCEPTION DATE	CUSIP	BLOOMBERG	ISIN
A(acc)USD	12/29/2000	L4058R530	FRAUSCALX	LU0122613226
B(acc)USD	09/09/2002	L4058T387	FRAUSBALX	LU0152927330
C(acc)USD	10/25/2005	L4058U616	FTUSSCALX	LU0229939508
N(acc)USD	12/29/2000	L4058T361	FRAUSBXLX	LU0122613143

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

## WHAT ARE THE RISKS

Investors should be comfortable with fluctuations in the value of their investment, as small and mid-sized company stocks can be volatile, especially over the short term. Smaller or relatively new or unseasoned companies can be particularly sensitive to changing economic conditions, and their prospects for growth are less certain than those of larger, more established companies. The Fund includes investments in the technology sector, which has been highly volatile and involves special risks. 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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