

7 March 2011

Dear Shareholder,

FRANKLIN TEMPLETON INVESTMENT FUNDS (“FTIF”) – TEMPLETON GLOBAL SMALLER COMPANIES FUND

The purpose of this letter is to inform you of a change of the lead portfolio manager for FTIF – Templeton Global Smaller Companies Fund (the “Fund”).

Bradley Radin, executive vice president and the lead portfolio manager of the Fund, has left the company on 23 February 2011 to pursue other opportunities.

Effective the same day, Martin Cobb, executive vice president, was appointed lead manager. Martin manages several global equity portfolios, including the FTIF – Templeton Global (Euro) Fund. He joined the firm in 2003 and has 18 years of investment industry experience. Harlan Hodes will continue as a member of the fund’s management team. Additionally, Tina Sadler, senior vice president and portfolio manager, will replace Matt Nagle as the third portfolio manager named to the fund. Tina joined the Templeton organisation in 1997 and also manages several global and international institutional portfolios.

As a result of these changes, effective 23 February 2011, the portfolio management team is as follows:

Fund Name	New PM Team
FTIF – Templeton Global Smaller Companies Fund	Martin Cobb Harlan Hodes Tina Sadler

We do not anticipate that Brad’s departure will result in any disruption. The Templeton Global Equity Group is led by a very experienced leadership team, including Gary Motyl, Cindy Sweeting, Norm Boersma and Heather Arnold, who work collaboratively to best align investment talent. All of Templeton’s portfolios are supported by our experienced team of 35 portfolio managers and analysts who adhere to the value-oriented investment philosophy Templeton has championed for 70 years, and we remain committed to our goal of delivering strong and consistent performance to our clients and shareholders.

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This notification is provided for your information only. No action is required to be taken by Shareholders who wish to continue to hold the Shares and remain invested in the Fund.

You may request, free of any initial sales or switching charges until 6 April 2011, your CPF investments in the Shares of the Fund to be switched into Shares of other CPFIS-included FTIF sub-funds, which are available for subscription in Singapore*. Alternatively, you may choose to redeem your shares in the Fund.

We thank you for your continued support and investment. Should you require further information, please contact your distributor or our Client Dealer Services Representatives at (65) 6432 9432.

Yours faithfully,
For and on behalf of
Templeton Asset Management Ltd.

A handwritten signature in black ink, appearing to read 'S Grundlingh', with a small dot above the 'i'.

Stephen Grundlingh
Country Head

* Funds' availability may vary with distributors. Investors should read the FTIF prospectus for details before investing. Copies of the prospectus are available free of charge from our appointed distributors and at the registered office of Templeton Asset Management Ltd.