



**FRANKLIN TEMPLETON
INVESTMENTS**

FRANKLIN TEMPLETON INVESTMENT FUNDS
Société d'investissement à capital variable

8A, rue Albert Borschette, L-1246 Luxembourg
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www.franklintempleton.lu

Luxembourg, December 5, 2012

Dear Shareholder,

We are contacting you in relation to the reconvened Extraordinary General Meeting of Franklin Templeton Investment Funds (the "Company"), at which time Shareholders in the Company will be asked to vote on several resolutions regarding the amendment of the Company's articles of incorporation.

This reconvened meeting is being held as a quorum was not reached at the Extraordinary General Meeting held on 30 November 2012.

Extraordinary General Meeting – 11 January 2013

Shareholders in the Company are herewith invited to attend the Extraordinary General Meeting, which will be held on 11 January 2013 at 4:30 p.m. (Luxembourg time) at Regus, 6th floor, meeting room "Moselle", 26, boulevard Royal, L-2449 Luxembourg, to vote on the resolutions, which are detailed in the enclosed notice.

Form of Proxy

If you are unable to attend this reconvened Extraordinary General Meeting in person, you can appoint the Chairman or any other person to vote on your behalf by using the enclosed form of proxy. To be accepted, completed forms of proxy must be received at the Company's address (8A, rue Albert Borschette, L-1246 Luxembourg), before 4 January 2013 at 5:00 p.m. (Luxembourg time). Proxies submitted for the Extraordinary General Meeting held on 30 November 2012 will remain valid for the second Extraordinary General Meeting to be held on 11 January 2013.

Thank you for investing in Franklin Templeton Investment Funds. Please be advised that all sub-funds of the Company may not be available in your jurisdiction. If you have any questions, please do not hesitate to contact your local Franklin Templeton Investments office for more information.

On behalf of Franklin Templeton Investment Funds

Denise Voss
Conducting Officer

William Lockwood
Conducting Officer



FRANKLIN TEMPLETON INVESTMENTS

FRANKLIN TEMPLETON INVESTMENT FUNDS

Société d'investissement à capital variable
Registered office: 8A, rue Albert Borschette, L-1246 Luxembourg
R.C.S. Luxembourg B 35 177

NOTICE OF AN EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that an extraordinary general meeting of shareholders (the "Meeting") of Franklin Templeton Investment Funds, (the "Company") will be held at Regus, 6th floor, meeting room "Moselle", 26, boulevard Royal, L-2449 Luxembourg (the "Meeting Place") on 11 January 2013, at 4:30 p.m., with the following agenda:

AGENDA

1. Waiver of the French version of the Articles.
2. Replacement of all references to "the Luxembourg law of 20th December, 2002" and "the 2002 Law" in the Articles of Incorporation of the Company (the "Articles") with references to either "the Luxembourg law dated 17 December 2010" or "the 2010 Law".
3. Amendment of article 3 of the Articles so as to read as follows:

"The exclusive object of the Company is to place the funds available to it in transferable securities and other permitted assets under Part I of the law of 17 December 2010 on undertakings for collective investment, as this law may be amended from time to time (the "2010 Law"), with the purpose of spreading investment risks and affording its shareholders the results of the management of its portfolio.

The Company may take any measures and carry out any operation which it may deem useful in the accomplishment and development of its purpose to the full extent permitted by the 2010 Law."
4. Amendment of article 6 of the Articles in order to, inter alia:
 - provide that the Company will no longer issue bearer shares and consequent update of wordings relating to bearer shares;
 - provide that the Company may issue dematerialised shares in accordance with Luxembourg law;
 - provide that the Company may compulsorily convert bearer shares into dematerialised shares in accordance with Luxembourg law;
 - clarify the procedure for transferring shares; and
 - clarify the procedure in relation to joint holders of shares.
5. Amendment of article 8 in order to, inter alia:
 - extend the power of the board of directors of the Company (the "Board of Directors") to restrict or prevent the ownership of shares by any person, firm or corporate body, if in the opinion of the Company such holding may be detrimental to the Company or its shareholders, may result in a breach of any applicable law or regulation (whether Luxembourg or foreign) or may expose the Company or its shareholders to liabilities (including regulatory or tax liabilities) or any other disadvantages that it or they would not have otherwise incurred or been exposed to; and
 - allow the Board of Directors to restrict the issue and/or transfer of share classes reserved to institutional investors until sufficient evidence is received that the investor duly qualifies as an institutional investor within the meaning of Article 174 of the 2010 Law.
6. Amendment of article 10 of the Articles in order to, inter alia, clarify the powers conferred to the Board of Directors in relation to the organization of annual general meetings.

7. Amendment of article 11 of the Articles in order to, inter alia:
 - provide that, under the conditions set forth in Luxembourg laws and regulations, a record date may be used to determine (i) the quorum and majority requirements applicable to the general meetings of shareholders and (ii) the rights of shareholders to attend the general meetings and to exercise their voting rights attached to their shares; and
 - define the rules regarding the calculation of the voting rights at general meetings.
8. Amendment of article 14 of the Articles in order to, inter alia, organise the directors' vote in writing and the holding of board meetings by conference call.
9. Amendment of article 15 of the Articles in order to, inter alia, allow the Board of Directors to delegate the power to produce copies and extracts of the minutes of the board meetings.
10. Amendment of article 16 of the Articles in order to, inter alia:
 - clarify the investment restrictions in accordance with the provisions of the 2010 Law;
 - provide that, under the conditions set forth in Luxembourg laws and regulations, a sub-fund may invest in one or more other sub-funds of the Company; and
 - allow the Board of Directors, to the widest extent permitted by applicable Luxembourg laws and regulations, (i) to create any sub-fund qualifying either as a feeder UCITS or as a master UCITS, (ii) convert any existing sub-fund into a feeder UCITS sub-fund or (iii) change the master UCITS of any of its feeder UCITS sub-funds.
11. Amendment of article 17 of the Articles in order to, inter alia, align it with the rules of conflict of interest set forth in the Luxembourg law of 10 August 1915 on commercial companies, as amended.
12. Amendment of article 21 of the Articles in order to, inter alia:
 - add provisions in relation to the dilution levy; and
 - provide that, to the extent required by applicable laws and regulations, in case the Company processes, with the prior consent of the shareholder concerned, selling instructions in species, such sale will be subject to a special auditor report.
13. Amendment of article 22 of the Articles in order to, inter alia, update the description of the circumstances under which the determination of the net asset value of the shares of the Company may be suspended.
14. Amendment of article 23 of the Articles in order to, inter alia, update the provisions regarding the valuation of the assets of the Company.
15. Amendment of article 24 of the Articles in order to, inter alia:
 - provide that the Company may implement the dilution levy mechanism to protect shareholders of the fund; and
 - provide that, the purchase price may be paid in kind upon approval of the Board of Directors and subject to all applicable laws and regulations, including the issue of a special auditor report.
16. Amendment of article 27 of the Articles in order to, inter alia, remove references relating to investment managers belonging to Franklin Templeton Investments.
17. Amendment of article 28 of the Articles in order to, inter alia:
 - introduce new provisions regarding national and cross-border mergers of sub-funds of the Company in compliance with the 2010 Law; and
 - describe the procedure for consolidation and split of share classes.
18. Removal of Hong Kong specific wording from articles 12, 21, 28, and 29 of the Articles so as to introduce more flexible wordings to allow the Company to comply with all applicable laws and regulations.
19. General restatement of the Articles in order to reflect the preceding resolutions, to harmonize the terminology and definitions used throughout the Articles and to ensure consistency with those contained in the Company's prospectus.

Copies of the updated Articles are available, free of charge, in English, at the registered office of the Company and they may be downloaded from the Internet site www.ftidocuments.com.

VOTING

Shareholders are advised that this reconvened Meeting will not be subject to any quorum requirement and that a decision in favour of any resolution must be approved by at least two-thirds of the votes cast at the Meeting. Votes cast shall not include votes attached to shares in respect of which the shareholders have not taken part in the vote or have abstained or have returned a blank or invalid vote.

VOTING ARRANGEMENTS

Shareholders who cannot attend the Meeting may vote by proxy by returning the Form of Proxy sent to them to the offices of Franklin Templeton International Services S.A., 8A, rue Albert Borschette, L-1246 Luxembourg no later than 4 January 2013, at 5:00 p.m (Luxembourg time).

Holders of bearer shares who wish to attend the Meeting or vote at the Meeting by proxy should deposit their Share certificates with J.P. Morgan Bank Luxembourg S.A., European Bank & Business Centre, 6 route de Trèves L-2633 Senningerberg, Grand Duchy of Luxembourg, no later than 4 January 2013 at 5.00 p.m.

The shares already deposited for the Meeting held on 30 November 2012 have remained blocked for the Meeting to be held on 11 January 2013.

Proxies submitted for the Meeting held on 30 November 2012 will remain valid for the Meeting held on 11 January 2013.

VENUE OF THE MEETING

Shareholders are hereby advised that the Meeting may be held at such other place in Luxembourg than the Meeting Place if exceptional circumstances so require in the absolute and final judgment of the Chairman of the Meeting. In such latter case, the shareholders present at the Meeting Place on 11 January 2013, at 4:30 p.m., will be duly informed of the exact venue of the Meeting, which will then start at 5:30 p.m.

To attend the Meeting, Shareholders shall be present at the Meeting Place at 3:30 p.m.

Please note that all references to time in this notice means Luxembourg time.

For further information, shareholders are invited to contact their nearest Franklin Templeton Investment office.

The Board of Directors

FRANKLIN TEMPLETON INVESTMENT FUNDS
Société d'investissement à capital variable
Registered office: 8A, rue Albert Borschette, L-1246 Luxembourg
R.C.S. Luxembourg B 35 177

**FORM OF PROXY FOR USE AT THE RECONVENED EXTRAORDINARY GENERAL
MEETING OF SHAREHOLDERS OF FRANKLIN TEMPLETON INVESTMENT FUNDS TO BE
HELD ON 11 JANUARY 2013**

33, RUE DE GASPERICH
HOWALD - HESPERANGE
L-2085 LUXEMBOURG

IF SHAREHOLDER NAME(S) AND
ADDRESS NOT SHOWN, PLEASE
COMPLETE IN BLOCK CAPITALS

I/We

Account Number

(if applicable): Please complete for the second account holder if not mentioned above: (for holders of registered Shares only)

(IF THERE ARE MORE THAN TWO JOINT HOLDERS, THE OTHER NAMES SHOULD BE ATTACHED IN FULL)

Shareholder(s) of FRANKLIN TEMPLETON INVESTMENT FUNDS (the "Company")
hereby appoint the Chairman of the Extraordinary General Meeting of Shareholders (the "Meeting") of the Company or

as my/our proxy to vote for me/us and on my/our behalf on the items of the agenda, as indicated below, at the Meeting to be held on 11 January 2013 at 4:30 p.m (Luxembourg time), at Regus, 6th floor, meeting room "Moselle", 26, boulevard Royal, L-2449 Luxembourg, or at such other place in Luxembourg, as more fully described in the notice of Meeting. All my/our shares will be voted, unless otherwise instructed (if required, please complete on the reverse, giving the percentage of shares in each fund to be voted).

Please indicate with an "X" in the spaces below how you wish your votes to be cast on the resolutions on the agenda of the Meeting. Subject to any voting instructions so given, the proxy will vote on any of the resolutions on the agenda of the Meeting and such other business as may properly come before the Meeting as he/she may think fit.

	Agenda	For	Against	Abstain
1.	Waiver of the French version of the Articles.			
2.	Replacement of all references to "the Luxembourg law of 20th December, 2002" and "the 2002 Law" in the Articles of Incorporation of the Company (the "Articles") with references to either "the Luxembourg law dated 17 December 2010" or "the 2010 Law".			
3.	Amendment of article 3 of the Articles so as to read as follows: "The exclusive object of the Company is to place the funds available to it in transferable securities and other permitted assets under Part I of the law of 17 December 2010 on undertakings for collective investment, as this law may be amended from time to time (the "2010 Law"), with the purpose of spreading investment risks and affording its shareholders the results of the management of its portfolio. The Company may take any measures and carry out any operation which it may deem useful in the accomplishment and development of its purpose to the full extent permitted by the 2010 Law."			
4.	Amendment of article 6 of the Articles in order to, inter alia: <ul style="list-style-type: none">– provide that the Company will no longer issue bearer shares and consequent update of wordings relating to bearer shares;– provide that the Company may issue dematerialised shares in accordance with Luxembourg law;– provide that the Company may compulsorily convert bearer shares into dematerialised shares in accordance with Luxembourg law;– clarify the procedure for transferring shares; and– clarify the procedure in relation to joint holders of shares.			

	Agenda	For	Against	Abstain
5.	<p>Amendment of article 8 in order to, inter alia:</p> <ul style="list-style-type: none"> – extend the power of the board of directors of the Company (the “Board of Directors”) to restrict or prevent the ownership of shares by any person, firm or corporate body, if in the opinion of the Company such holding may be detrimental to the Company or its shareholders, may result in a breach of any applicable law or regulation (whether Luxembourg or foreign) or may expose the Company or its shareholders to liabilities (including regulatory or tax liabilities) or any other disadvantages that it or they would not have otherwise incurred or been exposed to; and – allow the Board of Directors to restrict the issue and/or transfer of share classes reserved to institutional investors until sufficient evidence is received that the investor duly qualifies as an institutional investor within the meaning of Article 174 of the 2010 Law. 			
6.	Amendment of article 10 of the Articles in order to, inter alia, clarify the powers conferred to the Board of Directors in relation to the organization of annual general meetings.			
7.	<p>Amendment of article 11 of the Articles in order to, inter alia:</p> <ul style="list-style-type: none"> – provide that, under the conditions set forth in Luxembourg laws and regulations, a record date may be used to determine (i) the quorum and majority requirements applicable to the general meetings of shareholders and (ii) the rights of shareholders to attend the general meetings and to exercise their voting rights attached to their shares; and – define the rules regarding the calculation of the voting rights at general meetings. 			
8.	Amendment of article 14 of the Articles in order to, inter alia, organise the directors’ vote in writing and the holding of board meetings by conference call.			
9.	Amendment of article 15 of the Articles in order to, inter alia, allow the Board of Directors to delegate the power to produce copies and extracts of the minutes of the board meetings.			
10.	<p>Amendment of article 16 of the Articles in order to, inter alia:</p> <ul style="list-style-type: none"> – clarify the investment restrictions in accordance with the provisions of the 2010 Law; – provide that, under the conditions set forth in Luxembourg laws and regulations, a sub-fund may invest in one or more other sub-funds of the Company; and – allow the Board of Directors, to the widest extent permitted by applicable Luxembourg laws and regulations, (i) to create any sub-fund qualifying either as a feeder UCITS or as a master UCITS, (ii) convert any existing sub-fund into a feeder UCITS sub-fund or (iii) change the master UCITS of any of its feeder UCITS sub-funds. 			
11.	Amendment of article 17 of the Articles in order to, inter alia, align it with the rules of conflict of interest set forth in the Luxembourg law of 10 August 1915 on commercial companies, as amended.			
12.	<p>Amendment of article 21 of the Articles in order to, inter alia:</p> <ul style="list-style-type: none"> – add provisions in relation to the dilution levy; and – provide that, to the extent required by applicable laws and regulations, in case the Company processes, with the prior consent of the shareholder concerned, selling instructions in species, such sale will be subject to a special auditor report. 			
13.	Amendment of article 22 of the Articles in order to, inter alia, update the description of the circumstances under which the determination of the net asset value of the shares of the Company may be suspended.			
14.	Amendment of article 23 of the Articles in order to, inter alia, update the provisions regarding the valuation of the assets of the Company.			
15.	<p>Amendment of article 24 of the Articles in order to, inter alia:</p> <ul style="list-style-type: none"> – provide that the Company may implement the dilution levy mechanism to protect shareholders of the fund; and – provide that, the purchase price may be paid in kind upon approval of the Board of Directors and subject to all applicable laws and regulations, including the issue of a special auditor report. 			
16.	Amendment of article 27 of the Articles in order to, inter alia, remove references relating to investment managers belonging to Franklin Templeton Investments.			
17.	<p>Amendment of article 28 of the Articles in order to, inter alia:</p> <ul style="list-style-type: none"> – introduce new provisions regarding national and cross-border mergers of sub-funds of the Company in compliance with the 2010 Law; and – describe the procedure for consolidation and split of share classes. 			

For completion only in the event that your full holding should not be voted:

[illegible]

	Agenda	For	Against	Abstain
18.	Removal of Hong Kong specific wording from articles 12, 21, 28, and 29 of the Articles so as to introduce more flexible wordings to allow the Company to comply with all applicable laws and regulations.			
19.	General restatement of the Articles in order to reflect the preceding resolutions, to harmonize the terminology and definitions used throughout the Articles and to ensure consistency with those contained in the Company's prospectus.			

Dated: _____

Shareholder Signature(s): _____

Notes:

- (i) Please note that proxies submitted for the Meeting held on 30 November 2012 will be valid for the Meeting to be held on 11 January 2013.
- (ii) To be valid, this Form of Proxy must reach the offices of Franklin Templeton International Services S.A., 8A, rue Albert Borschette, L-1246 Luxembourg, no later than 4 January 2013, at 5:00 p.m (Luxembourg time).
- (iii) Proxies are only entitled to vote by ballot and need not be a member of the Company.
- (iv) Shareholders should place an "X" in the box indicating which way their vote is to be cast. If no indication is given, the proxy will exercise his/her discretion as to whether or how he/she votes.
- (v) An instrument appointing a proxy must be in writing under the hand of the appointor or attorney authorised in writing, or if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign it.
- (vi) Shareholders wishing to appoint their own proxy should cross out the words "the Chairman of the Extraordinary General Meeting of Shareholders of the Company or" and then insert the name of their proxy. Any alteration should be initialled by the persons who sign this form.
- (vii) Please note that all references to time in this Form of Proxy mean Luxembourg time.