
NOTICE TO SHAREHOLDERS OF FRANKLIN TEMPLETON INVESTMENT FUNDS

CHANGE TO THE INVESTMENT POLICY OF
FRANKLIN TEMPLETON INVESTMENT FUNDS – TEMPLETON GLOBAL BALANCED FUND

Luxembourg, September 19, 2016

Dear Shareholder,

The purpose of this letter is to inform you of a revision of the investment policy of Templeton Global Balanced Fund (the "Fund"), a sub-fund of the Luxembourg SICAV Franklin Templeton Investment Funds (the "Company").

The investment policy of the Fund is amended to clarify that the investment manager may invest up to 5% of the Fund's net assets in non-investment grade securities. This revision is for clarification purpose only and there will be no change to the way the Fund is currently managed or to the investment strategy of the Fund.

Therefore, the second sentence of the second paragraph of the Fund's investment policy is amended to read as follows:

*"The Fund seeks income by investing in fixed or floating-rate debt securities **(including up to 5% of the Fund's net assets in non-investment grade securities)** and debt obligations issued by government and government-related issuers or corporate entities worldwide."*

In addition "Low-Rated or Non-Investment Grade Securities risk" is added to the list of main risks relevant for this Fund.

The clarification is reflected in the Company's prospectus dated September 2016, a copy of which is available upon request at the registered office of the Company.

If you require further information please do not hesitate to contact your local Franklin Templeton Investments office or your financial adviser.

Yours sincerely,



Harold C. Nash, Conducting Officer of Franklin Templeton International Services S.à r.l.
Management Company of Franklin Templeton Investment Funds