



FRANKLIN TEMPLETON
INVESTMENTS

TEMPLETON INTERNATIONAL STOCK FUND

TEMPLETON

INVESTMENT OBJECTIVE & STRATEGY

This Fund seeks to achieve long-term capital appreciation by investing primarily in equity securities of companies outside Canada and the United States. The Fund may invest in any number of companies from one country or industry.

LEAD MANAGER

Donald F. Reed, CFA, CIC
Industry Experience: 39 years
Location: Toronto, ON

FUND FACTS

Price per Unit: **\$13.19**
Assets of the Fund: **\$1,212,380,807**
Inception Date: **01/03/89**
Positions: **62**
Portfolio Turnover Rate (at 06/30/11): **4.84%**
MER (at 06/30/11, incl. HST): **2.73%**

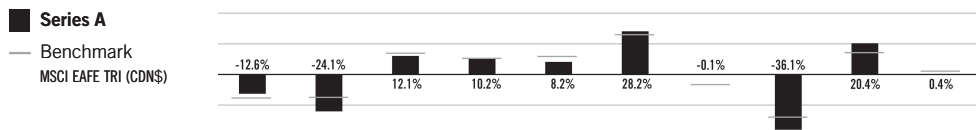
FUND CODES

SERIES A, F, T	CDN\$	US\$
Series A Front	735	804
Series A DSC	705	904
Series A Low Load	742	744
Series F	745	753
Series T Front	770	
Series T DSC	771	
Series T Low Load	748	
CORPORATE CLASS	CDN\$	US\$
CC Series A Front	360	362
CC Series A DSC	361	363
CC Series A Low Load	616	617
CC Series F	364	365
CC Series T Front	3164	
CC Series T DSC	3166	
CC Series T Low Load	3165	

REASONS TO INVEST IN THIS FUND:

- **A long history of successful fundamental stock selection across international markets**, concentrating on high-conviction names filtered through a disciplined research process.
- **On a since-inception basis**, the Fund has rewarded investors with impressive cumulative outperformance against the benchmark and peer group average.

Calendar Year Returns



Quartile Ranking	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Series A	1	4	2	2	3	1	1	3	1	3

Source: Morningstar Research Inc.

Compound Returns & Quartile Rankings

	YTD	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years	Since Incep. [^]
Series A	-9.5%	-2.0%	-1.3%	-13.5%	-5.1%	4.3%	-5.8%	-0.7%	5.5%
Quartile Ranking	2	3	2	2	2	2	2	3	N/A
Benchmark Return	-8.7%	-2.6%	-1.5%	-12.1%	-4.4%	3.6%	-5.7%	0.8%	3.8%

[^]Fund inception date.

HOLDINGS

Top Country Weightings (%)

United Kingdom	21.32
Switzerland	9.83
Japan	9.51
Germany	8.53
China	7.85
France	6.38
Netherlands	5.98
Hong Kong	4.87
Norway	4.53
Singapore	3.76

Asset Class Weightings (%)

Common Stock	96.63
Preferred Stock	1.91
Underlying Funds	0.62
Cash	0.84

Top Holdings (%)

Novartis AG	2.95
Telenor ASA	2.95
China Telecom Corp. Ltd., H	2.67
Itochu Corp.	2.43
Persimmon PLC	2.43
Merck KGaA	2.24
Compass Group PLC	2.23
Sasol Ltd.	2.18
Repsol YPF SA	2.17
China Mobile Ltd.	2.13

Top Industry Weightings (%)

Oil, Gas & Consumable Fuels	13.73
Pharmaceuticals	11.09
Diversified Telecommunication Services	9.69
Industrial Conglomerates	5.82
Commercial Banks	4.51
Wireless Telecommunication Services	4.15
Insurance	4.07
Household Durables	3.79
Metals & Mining	3.45
Professional Services	3.25

This Fund offered in Corporate Class-Series T. With this Fund, you can switch seamlessly between Corporate Class-Series A—to maximize tax-deferred compound growth—and Corporate Class-Series T, to fine-tune cash flow requirements.

Did you know? The Series T version of this Fund pays monthly distributions, calculated as 8% of the final NAV of the previous year and split into 12 monthly installments. 8% targeted Series T Return of Capital payout rate may change at the discretion of Franklin Templeton Investments.



Franklin Templeton Investments Corp.

5000 Yonge Street, Suite 900, Toronto, ON M2N 0A7
Client Services Toll-free: 1.800.387.0830 Fax: 416.364.1163
Sales Team Toll-free: 1.800.897.7286 Fax: 416.364.1320
www.franklintempleton.ca

Founding Member of The Canadian Coalition for Good Governance.

Canadian offices:

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NYSE: BEN

The indicated rates of return are historical annual compounded total returns including changes in share/unit value and reinvestment of all dividends/distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the Franklin Templeton Investments prospectus before investing. Mutual fund securities are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer. There can be no assurances that the money market funds will be able to maintain their net asset value per security at a constant amount (the money market Corporate Class funds will not maintain their net asset value per security at a constant amount) or that the full amount of your investment in the Fund(s) will be returned to you. Share/unit values change frequently and past performance may not be repeated. The portfolio manager for a Fund reserves the right to withhold release of information with respect to holdings that would otherwise be included in the top 10 holdings list. Series T distributions are automatically reinvested unless otherwise requested. Series T may also pay a distribution that must be reinvested in December, consisting of income and capital gains. Please indicate whether your client's preference is to receive cash flow immediately on your client's application. Fund AUM reported may include fund-on-fund holdings, and assets are therefore reflected in both the top fund and underlying fund AUM. The 'Supranational' geographic designation refers to international financial institutions whereby member states transcend national boundaries and issue debt securities on behalf of the group as a whole.

Morningstar is an independent organization that groups funds with generally similar investment objectives for comparison purposes and ranks them on a historical basis. Morningstar quartile rankings show how well a fund has performed compared to all other funds in its peer group. Each fund within a peer group is ranked based on its performance, and these rankings are broken into quarters or quartiles. Within a group, the top 25% (or quarter) of the funds are in the first quartile, the next 25% are in the second quartile, the next group in the third quartile, and the bottom 25% of funds with the poorest relative performance are in the fourth quartile. The point in which half the funds had better performance and half had worse performance is the median. If 100 funds are being compared, there would be four quartiles of twenty-five funds each. The median would be the fiftieth fund. For more details on the calculation of Morningstar star ratings or quartile rankings please, see www.morningstar.ca. © Morningstar Research Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

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*Franklin Templeton Multi-Asset Strategies (FTMAS) is a global team dedicated to global portfolio-based solutions. In Canada, FTMAS uses Templeton Investment Counsel LLC as a sub-adviser. FTMAS is a division of Fiduciary Trust Company of Canada, a wholly owned subsidiary of Franklin Templeton Investments Corp.