



Franklin Bissett Microcap Fund

Canadian Equity

October 31, 2018

Franklin Bissett

Fund Overview

Total Net Assets	\$137,953,248 ¹
Inception Date	Series A: 11/24/2000 Series F: 11/03/1997
Number of Holdings	44
Morningstar Category™	Canadian Small/Mid Cap Equity
Benchmark	Custom Franklin Bissett Microcap Benchmark ²

Investment Objective & Strategy

Long-term capital appreciation by investing primarily in Canadian equities of smaller-capitalization companies that have proven management and long-term growth plans.

Fund Management

Ralph Lindenblatt	21 Years, Calgary, AB Canada
Richard Fortin	22 Years, Calgary, AB Canada

Risk Classification

Low	Low to Medium	Medium	Medium to High	High
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Asset Allocation (%)



Fund Codes

	Fund		Corp Class	
	CDN\$	US\$	CDN\$	US\$
Series A Front	TML207			
Series A DSC	TML306			
Series A Low Load	TML523			
Series F	TML239			
Series F ADM	TML3996			
Series O	TML104			
Series PF	TML3892			
Series PF ADM	TML5064			

¹ Series F is available to investors participating in programs that do not require Franklin Templeton to incur distribution costs in the form of trailing commissions to dealers. As a consequence, the management fee on Series F is lower than on Series A.

² Inclusive of trust and corporate class versions where applicable.

³ Custom Franklin Bissett Microcap Fund Benchmark is a blended index composed of the S&P/TSX SmallCap Total Return Index and BMO Small Cap Index. The customized index reflects the returns of the S&P/TSX SmallCap Total Return Index on and after April 1, 2012, and the BMO Small Cap Index prior to April 1, 2012.

REASONS TO INVEST IN THIS FUND:

- **Breadth and depth of research.** Since 1982, Franklin Bissett has been researching, analyzing and investing in Canadian equities. This in-depth knowledge has been applied to identifying exceptional microcap opportunities while managing potential risks.
- **Uncovering Canada's hidden gems.** One of the few mutual funds that invests in Canadian stocks with a market capitalization of less than \$350 million, making it an ideal complement to global or domestic large-cap equity funds.

Performance

Calendar Year Returns in Canadian Dollars (%)



Compounded Returns in Canadian Dollars (%)

	YTD	1 Mo	3 Mo	6 Mo	1 Year	3 Years	5 Years	10 years	Since Inc ⁴
Series A	-16.96	-8.36	-13.78	-14.51	-15.44	0.69	-5.85	9.73	9.16
Series F ⁵	-16.06	-8.26	-13.50	-13.96	-14.34	2.00	-4.63	11.17	11.57

⁴ Series inception date

Top Holdings (%)

Indigo Books & Music Inc.	7.27
Blackline Safety Corp	6.48
The Westaim Corp	5.44
Brampton Brick Ltd	4.90
Sylogist Ltd.	4.75
Orbit Garant Drilling, Inc.	4.41
Total Energy Services Inc.	4.25
Echelon Financial Holdings Inc	4.21
Horizon North Logistics Inc	4.20
Equitable Group Inc	4.15

Composition of Fund

Top Country Weightings (% of Total)	
Canada	95.82
Cash & Cash Equivalents	4.18

Fund Facts

Price per Unit (Series A)	\$20.29
Portfolio Turnover Rate (06/30/2018)	0.83%
MER (06/30/2018 incl. HST)	A: 3.68% F: 2.38%

Top Sector Weightings (% Equity)

Energy	23.10
Financials	18.13
Information Technology	16.68
Materials	12.37
Consumer Discretionary	12.06
Industrials	10.12
Communication Services	5.70
Consumer Staples	1.85

Disclaimers

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus or fund facts document before investing. The indicated rates of return are historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their 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 your preference to receive cash flow immediately on the application form. 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.

Beginning in October 2016, investors switching between Corporate Class funds may trigger a capital gain or loss at the time of the switch due to certain changes in the federal government's 2016 budget proposal.

Morningstar Rating - Source: Morningstar Research Inc., as of October 31, 2018. All rights reserved. The information contained herein is proprietary to Morningstar and/or its content providers; may not be copied or distributed; and 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. The Morningstar Risk-Adjusted Rating, commonly referred to as the Star Rating, relates the risk-adjusted performance of a fund to that of its category peers and is subject to change every month. The Star Rating is a measure of a fund's annualized historical excess return (excess is measured relative to risk-free investment in Canadian Government Treasury Bills) adjusted for the fund's historical risk. The overall Star Rating for a fund is a weighted combination of its 3-, 5-, and 10-year ratings. Overall ratings are adjusted where a fund has less than five or 10 years' history. Within each Morningstar category, the top 10% of funds receive five stars, the next 22.5% four stars, the middle 35% three stars, the next 22.5% two stars and the bottom 10% receive one star. Franklin Bissett Microcap Fund is rated within the Morningstar Canadian Small/Mid Cap Equity category. All performance data refers to Series A units. Please refer to www.morningstar.ca for more details on the calculation of Morningstar Risk-Adjusted Ratings. For each of the 3, 5 and 10 year performance periods, there were in total 194, 169 and 96 funds, respectively, in the Morningstar Canadian Small/Mid Cap Equity category. Please refer to www.morningstar.ca for the 1-year information.

Franklin Bissett Investment Management is part of Franklin Templeton Investments Canada. Fiduciary Trust Company of Canada is a wholly owned subsidiary of Franklin Templeton Investments Canada.

Franklin Templeton Solutions (FTS) is a global team dedicated to global portfolio-based solutions. The individuals that advise the Funds or Portfolios in Canada are part of Fiduciary Trust Company of Canada and are also members of the FTS team.

Franklin Templeton Investments Canada is a business name used by Franklin Templeton Investments Corp.

Glossary

Dividend Yield of a stock is the total amount of dividend per share paid over the previous 12 months, divided by its current price. The dividend yield of a mutual fund is the market-weighted average of the dividend yields of all the stocks in the portfolio. This measure is gross of fees.

Weighted Yield (Internal Yield) is a blended measure used for balanced funds, the internal yield is the market-weighted average of the Yield to Maturity of the fund's fixed income component and the Dividend Yield of the fund's equity component. This measure is gross of fees.

Yield to Maturity (YTM) is a long-term yield expressed as an annual rate. A bond's YTM is the rate of return anticipated if one assumes the bond is held until its maturity date and all the coupons paid by the bond are reinvested at the same rate of return as the coupons. The calculation takes into account the current market price, par value, coupon interest rate and time to maturity. The YTM of a bond fund is the market-weighted average of the YTM's of all the bonds in the portfolio.

Yield to Worst (YTW) of a bond is the yield to maturity if the worst possible bond repayment takes place. If market yields are higher than the coupon, the YTW would assume no prepayment. If market yields are below the coupon, the YTW would assume prepayment. The YTW of a fund is the market-weighted average of the YTW's of all the bonds in the portfolio. This measure is gross of fees and excludes yield on cash.



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