



2019 Year-End Capital Gain Indications

Preliminary capital gains distribution indications (shown as a percentage of net asset value) are based on each fund's portfolio at a point in time and are subject to change prior to each fund's actual distribution. Actual distributions will be based on net capital gains and losses realized by each fund through October 31st and may be substantially different.

Each fund's short-term and long-term capital gain distributions are the same for all share classes. Ordinary income distributions may vary among share classes.

This preliminary information IS NOT FINAL. Tax returns should not be prepared based on this information. Shareholders should contact their tax advisors for information regarding the federal and state income taxation of capital gain distributions on their personal tax situations.

Indications do not include ordinary income distributions, other than short-term capital gains, a fund may be making. Net short-term capital gains, when distributed, are generally taxable as ordinary income and are reported as Ordinary Dividends on Form 1099-DIV.

All dates are tentative and subject to board approval.

Based on information as of September 27th, 2019, the following Franklin Templeton funds may potentially make a capital gain distribution as indicated below.

Capital Gain Indications (percentage of NAV) as of September 27th, 2019

Fund Name	Record Date	Short Term	Long Term	Total
Franklin Adjustable U.S. Government Securities Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Alabama Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Arizona Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Biotechnology Discovery Fund	12/13/2019	0.00%	12.61%	12.61%
Franklin California High Yield Municipal Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin California Inter-Term Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin California Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Colorado Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Connecticut Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Conservative Allocation Fund	12/27/2019	0.00%	4.23%	4.23%
Franklin Convertible Securities Fund	12/13/2019	2.21%	6.35%	8.56%
Franklin Corefolio Allocation Fund	12/27/2019	0.38%	1.04%	1.42%
Franklin DynaTech Fund	11/29/2019	0.00%	0.78%	0.78%
Franklin Emerging Market Debt Opportunities Fund	12/13/2019	0.00%	0.00%	0.00%
Franklin Equity Income Fund	12/13/2019	0.00%	2.20%	2.20%
Franklin Federal Inter-Term Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Federal Limited-Term Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%

NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE

Franklin Templeton Distributors, Inc.
One Franklin Parkway, San Mateo, CA 94403-1906
franklintempleton.com

Franklin Federal Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Floating Rate Daily Access Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Florida Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Founding Funds Allocation Fund	12/27/2019	0.37%	0.16%	0.53%
Franklin Georgia Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Gold and Precious Metals Fund	11/29/2019	0.00%	0.00%	0.00%
Franklin Growth Allocation Fund	12/27/2019	0.00%	8.06%	8.06%
Franklin Growth Fund	11/29/2019	0.08%	5.16%	5.24%
Franklin Growth Opportunities Fund	12/13/2019	0.17%	8.68%	8.85%
Franklin High Income Fund	12/27/2019	0.00%	0.00%	0.00%
Franklin High Yield Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Income Fund	11/29/2019	0.00%	0.00%	0.00%
Franklin International Growth Fund	12/13/2019	0.00%	0.00%	0.00%
Franklin International Small Cap Fund	12/13/2019	0.00%	4.42%	4.42%
Franklin K2 Alternative Strategies Fund	12/27/2019	0.00%	0.00%	0.00%
Franklin K2 Long Short Credit Fund	12/27/2019	0.60%	0.30%	0.90%
Franklin Kentucky Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin LifeSmart 2020 Retirement Target Fund	12/27/2019	0.00%	0.00%	0.00%
Franklin LifeSmart 2025 Retirement Target Fund	12/27/2019	0.00%	1.37%	1.37%
Franklin LifeSmart 2030 Retirement Target Fund	12/27/2019	0.00%	0.00%	0.00%
Franklin LifeSmart 2035 Retirement Target Fund	12/27/2019	0.00%	0.75%	0.75%
Franklin LifeSmart 2040 Retirement Target Fund	12/27/2019	0.00%	0.00%	0.00%
Franklin LifeSmart 2045 Retirement Target Fund	12/27/2019	0.00%	0.52%	0.52%
Franklin LifeSmart 2050 Retirement Target Fund	12/27/2019	0.00%	0.00%	0.00%
Franklin LifeSmart 2055 Retirement Target Fund	12/27/2019	0.00%	0.00%	0.00%
Franklin LifeSmart Retirement Income Fund	12/27/2019	0.00%	0.00%	0.00%
Franklin Louisiana Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Low Duration Total Return Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Managed Income Fund	12/13/2019	1.94%	2.75%	4.69%
Franklin Maryland Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Massachusetts Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Michigan Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin MicroCap Value Fund	12/13/2019	0.14%	15.29%	15.43%
Franklin Minnesota Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Missouri Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Moderate Allocation Fund	12/27/2019	0.00%	6.41%	6.41%
Franklin Mutual Beacon Fund	12/19/2019	0.60%	0.30%	0.90%

Franklin Mutual European Fund	12/19/2019	0.00%	1.45%	1.45%
Franklin Mutual Financial Services Fund	12/19/2019	0.00%	0.00%	0.00%
Franklin Mutual Global Discovery Fund	12/19/2019	0.71%	2.86%	3.57%
Franklin Mutual International Fund	12/19/2019	0.00%	0.00%	0.00%
Franklin Mutual Quest Fund	12/19/2019	0.00%	0.00%	0.00%
Franklin Mutual Shares Fund	12/19/2019	0.36%	2.22%	2.58%
Franklin Mutual U.S. Value Fund	12/13/2019	0.00%	5.95%	5.95%
Franklin Natural Resources Fund	12/13/2019	0.00%	0.00%	0.00%
Franklin New Jersey Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin New York Inter-Term Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin New York Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin NextStep Conservative Fund	12/27/2019	0.10%	0.25%	0.35%
Franklin NextStep Growth Fund	12/27/2019	0.11%	1.97%	2.08%
Franklin NextStep Moderate Fund	12/27/2019	0.02%	1.61%	1.63%
Franklin North Carolina Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Ohio Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Oregon Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Payout 2019 Fund	11/29/2019	0.00%	0.00%	0.00%
Franklin Payout 2020 Fund	11/29/2019	0.00%	0.00%	0.00%
Franklin Payout 2021 Fund	11/29/2019	0.00%	0.00%	0.00%
Franklin Payout 2022 Fund	11/29/2019	0.00%	0.00%	0.00%
Franklin Pennsylvania Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Real Estate Securities Fund	12/13/2019	0.30%	9.38%	9.68%
Franklin Real Return Fund	12/27/2019	0.00%	0.00%	0.00%
Franklin Rising Dividends Fund	11/29/2019	0.02%	1.92%	1.94%
Franklin Select U.S. Equity Fund	12/13/2019	0.06%	0.12%	0.18%
Franklin Small Cap Growth Fund	12/13/2019	0.90%	5.06%	5.96%
Franklin Small Cap Value Fund	12/13/2019	0.00%	5.03%	5.03%
Franklin Small-Mid Cap Growth Fund	12/13/2019	1.48%	16.50%	17.98%
Franklin Strategic Income Fund	12/27/2019	0.00%	0.00%	0.00%
Franklin Strategic Mortgage Portfolio	12/31/2019	0.00%	0.00%	0.00%
Franklin Tennessee Municipal Bond Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin Total Return Fund	12/31/2019	0.00%	0.00%	0.00%
Franklin U.S. Government Securities Fund	12/27/2019	0.00%	0.00%	0.00%
Franklin Utilities Fund	11/29/2019	0.11%	1.42%	1.53%
Franklin Virginia Tax-Free Income Fund	12/31/2019	0.00%	0.00%	0.00%
Templeton China World Fund	12/19/2019	0.00%	12.73%	12.73%

Templeton Developing Markets Trust	12/19/2019	0.00%	0.10%	0.10%
Templeton Emerging Markets Bond Fund	12/13/2019	0.00%	0.00%	0.00%
Templeton Emerging Markets Small Cap Fund	12/19/2019	0.08%	1.60%	1.68%
Templeton Foreign Fund	12/19/2019	0.00%	0.00%	0.00%
Templeton Frontier Markets Fund	12/19/2019	0.00%	0.00%	0.00%
Templeton Global Balanced Fund	12/13/2019	0.00%	0.00%	0.00%
Templeton Global Bond Fund	12/13/2019	0.00%	0.00%	0.00%
Templeton Global Smaller Companies Fund	12/19/2019	0.00%	1.31%	1.31%
Templeton Global Total Return Fund	12/13/2019	0.00%	0.00%	0.00%
Templeton Growth Fund, Inc.	12/12/2019	0.19%	3.14%	3.33%
Templeton International Bond Fund	12/13/2019	0.00%	0.00%	0.00%
Templeton World Fund	12/19/2019	0.22%	0.91%	1.13%
TIF Foreign Smaller Companies Series	12/19/2019	0.00%	2.97%	2.97%
TIF Global Equity Series	12/19/2019	0.00%	0.00%	0.00%
TIF International Equity Series	12/19/2019	0.00%	2.89%	2.89%

Important Legal Information

All investments involve risks, including possible loss of principal.

Investors should carefully consider a fund's investment goals, risks, charges and expenses before investing. To obtain a summary prospectus and/or prospectus, which contains this and other information, for any Franklin Templeton fund, talk to your financial advisor, call us at (800) DIAL BEN / (800) 342-5236 or visit franklintempleton.com. Please carefully read a prospectus before you invest or send money.

Franklin Templeton mutual funds, regardless of performance, distribute to shareholders any net realized gains from the sale of individual securities in their portfolios. Distributions are made to those who are registered shareholders of the fund on the record date. Distributions are paid on the pay date. All dates and distributions are subject to board approval. Distributions will vary depending on the funds' income and any net gains realized from the sale of securities in the funds' portfolio. Past distributions are not indicative of future trends.

Each fund hereby reports its distribution of a long-term capital gain dividend to its shareholders on Form 1099-DIV (if applicable) and in accordance with Internal Revenue Code Section 852(b)(3).