

Fund Fact Sheet | Share Classes: A, C
Fund Description

The fund seeks capital appreciation by investing at least 80% of its net assets in securities of biotechnology companies and discovery research firms including those involved in fields such as genomics, genetic engineering, and gene therapy, as well as health care, pharmaceuticals and agriculture.

Fund Overview

Total Net Assets [All Share Classes]	\$1,204 million
Fund Inception Date	9/15/1997
Dividend Frequency	Annually in December
Number of Issuers	73

Share Class Information

Share Class	CUSIP	NASDAQ Symbol
Advisor	354 713 398	FTDZX
A	354 713 844	FBDIX
C	354 713 240	FBTDX
R6	354 713 380	FRBRX

Fund Management

	Years with Firm	Years of Experience
Evan McCulloch, CFA	27	28
Wendy Lam, PhD	3	6
Steve Kornfeld, CFA	18	31

Maximum Sales Charge

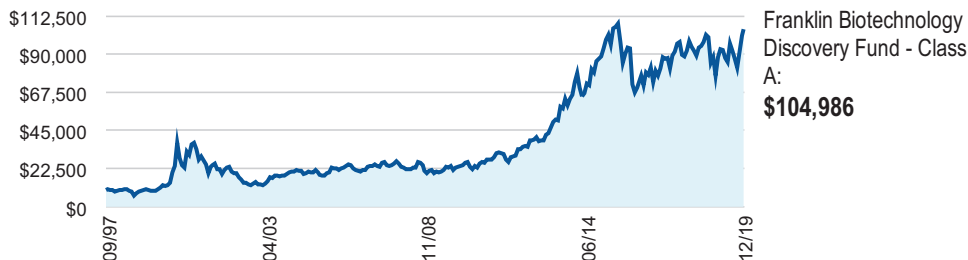
Class A: 5.50% initial sales charge
Class C: 1.00% contingent deferred sales charge (CDSC) in the first year only

Total Annual Operating Expenses

Share Class	With Waiver	Without Waiver
A	1.02%	1.04%
C	1.77%	1.79%

Asset Allocation (%)

Equity	96.19
Cash & Cash Equivalents	3.81

Performance
Growth of a \$10,000 Investment - Without Sales Charge (from 09/15/1997-12/31/2019)

Total Returns % (as of 12/31/2019)

Share Class	YTD	AVERAGE ANNUAL					Since Inception	Inception Date
		1 Yr	3 Yrs	5 Yrs	10 Yrs			
A With Sales Charge	27.43	27.43	8.46	2.20	15.27	10.84	9/15/1997	
A Without Sales Charge	34.84	34.84	10.53	3.37	15.92	11.12	9/15/1997	
C With Sales Charge	32.83	32.83	9.70	2.60	15.05	10.31	9/15/1997	
C Without Sales Charge	33.83	33.83	9.70	2.60	15.05	10.31	9/15/1997	

Calendar Year Total Returns % - Without Sales Charge

Share Class	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
A	34.84	-15.72	18.80	-17.16	5.50	33.91	68.64	29.35	8.35	17.28
C	33.83	-16.34	17.91	-17.75	4.71	32.95	68.64	29.35	8.35	17.28
Share Class	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
A	11.83	-10.64	-1.60	5.03	5.55	11.96	43.55	-42.48	-20.48	46.58
C	11.83	-10.64	-1.60	5.03	5.55	11.96	43.55	-42.48	-20.48	46.58

Performance data represents past performance, which does not guarantee future results. Current performance may differ from figures shown. The fund's investment returns and principal values will change with market conditions, and you may have a gain or a loss when you sell your shares. Please call Franklin Templeton at (800) DIAL BEN/(800) 342-5236 or visit franklintempleton.com for the most recent month-end performance.

If the sales charge had been included, the return would have been lower.

The fund has a fee waiver associated with any investment it makes in a Franklin Templeton money fund and/or other Franklin Templeton fund, contractually guaranteed through August 31, 2020. Fund investment results reflect the fee waiver; without this waiver, the results would have been lower.

Top Ten Holdings (% of Total)

Issuer Name	% of Total
AMGEN INC	7.04
VERTEX PHARMACEUTICALS INC	6.58
GILEAD SCIENCES INC	5.62
ILLUMINA INC	4.85
BIOGEN INC	4.67
REGENERON PHARMACEUTICALS INC	4.03
IOVANCE BIOTHERAPEUTICS INC	3.83
DECIPHERA PHARMACEUTICALS INC	3.46
GW PHARMACEUTICALS PLC	3.34
HERON THERAPEUTICS INC	3.14

Fund Measures

Standard Deviation (3 Yrs) - Class A	22.48%
Beta (3 Yrs, vs. NASDAQ Biotechnology Index) - Class A	1.05

Composition of Fund

■ Franklin Biotechnology Discovery Fund ■ NASDAQ Biotechnology Index

Geographic	% of Total
United States	82.68 / 100.00
Netherlands	3.71 / 0.00
United Kingdom	3.34 / 0.00
Denmark	2.98 / 0.00
Canada	1.83 / 0.00
Switzerland	0.84 / 0.00
Germany	0.82 / 0.00
Cash & Cash Equivalents	3.81 / 0.00

Sector	% of Total
Biotechnology	79.06 / 78.11
Pharmaceuticals	12.28 / 10.03
Life Sciences Tools & Services	4.85 / 9.67
Health Care Equipment	0.00 / 1.12
Health Care Services	0.00 / 0.88
Health Care Supplies	0.00 / 0.07
Health Care Distributors	0.00 / 0.07
Specialty Chemicals	0.00 / 0.04
Cash & Cash Equivalents	3.81 / 0.00

What Are the Risks?

All investments involve risks, including possible loss of principal. The fund is a non-diversified fund that concentrates in a single sector, which involves risks such as patent considerations, product liability, government regulatory requirements, and regulatory approval for new drugs and medical products. Biotechnology companies often are small and/or relatively new. Smaller companies can be particularly sensitive to changes in economic conditions and have less certain growth prospects than larger, more established companies and can be volatile, especially over the short term. The fund may also invest in foreign companies, which involve special risks, including currency fluctuations and political uncertainty. These and other risks are described more fully in the fund's prospectus.

Glossary

Beta: A measure of the fund's volatility relative to the market, as represented by the stated Index. A beta greater than 1.00 indicates volatility greater than the market.

Standard Deviation: A measure of the degree to which a fund's return varies from the average of its previous returns. The larger the standard deviation, the greater the likelihood (and risk) that a fund's performance will fluctuate from the average return.

Important Information

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, talk to your financial advisor, call us at (800) DIAL BEN/342-5236 or visit franklintempleton.com. Please carefully read a prospectus before you invest or send money.

Information is historical and may not reflect current or future portfolio characteristics. All portfolio holdings are subject to change.

NASDAQ Biotechnology Index is a registered trademark of The NASDAQ OMX Group, Inc.

Indexes are unmanaged, and one cannot invest directly in an index. They do not reflect any fees, expenses or sales charges.

Fund Management: CFA® and Chartered Financial Analyst® are trademarks owned by CFA Institute.

Performance: The fund offers other share classes subject to different fees and expenses, which will affect their performance.

Class A: Prior to 9/10/18, these shares were offered at a higher initial sales charge of 5.75%; thus actual returns would have differed. Total returns with sales charges have been restated to reflect the current maximum initial sales charge of 5.50%.

Class C: The fund began offering Class C shares on 3/4/14. Total returns are calculated as follows: a) For periods prior to 3/4/14, a restated figure is used based on the fund's oldest share class, Class A, performance excluding its maximum initial sales charge, but including Class C's sales charges and Rule 12b-1 fees as though in effect from the fund's inception; and b) for periods after 3/4/14, actual Class C performance is used, reflecting all charges and fees applicable to that class.

Top Ten Holdings: The portfolio manager for the fund reserves the right to withhold release of information with respect to holdings that would otherwise be included.

Composition of Fund: Percentage may not equal 100% due to rounding.