FRANKLIN TEMPLETON INVESTMENTS

Franklin Growth Opportunities Fund—Class A

PRODUCT PROFILE FOURTH QUARTER 2013

FUND CHARACTERISTICS (AS OF 12/31/13)

NASDAQ Symbol	FGRAX
Fund Inception Date	6/23/99
Dividends	Annually in December
Investment Style	Growth
Benchmark	Russell 3000 Growth Index
Lipper Classification	Multi-Cap Growth Funds
Morningstar Category™	US OE Large Growth
Total Net Assets—All Share Classes	854 million
Number of Issuers	92
Maximum Initial Sales Charge	5.75%

THIRD-PARTY FUND DATA

Overall Morningstar Rating™

Traditional

★★★

Load Waived

★★★★

As of December 31, 2013 the fund's Class A shares received a traditional 3 star overall Morningstar Rating™ and a load waived 4 star Morningstar Rating™, measuring risk-adjusted returns against 1486, 1303 and 903 U.S.-domiciled US OE Large Growth funds over the 3-, 5- and 10-year periods, respectively. A fund's overall rating is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year (if applicable) rating metrics.

Load waived Class A share Morningstar Ratings do not include front-end sales charges and are intended for investors who have access to such purchase terms (e.g., fee-based programs and participants of a defined contribution plan). Investors should contact their financial advisor to determine their eligibility to purchase Class A shares without paying the sales charge.

FUND DESCRIPTION

The fund seeks capital appreciation by investing substantially in equity securities of companies demonstrating accelerating growth, increasing profitability, or above average growth or growth potential as compared with the overall economy.

PERFORMANCE DATA

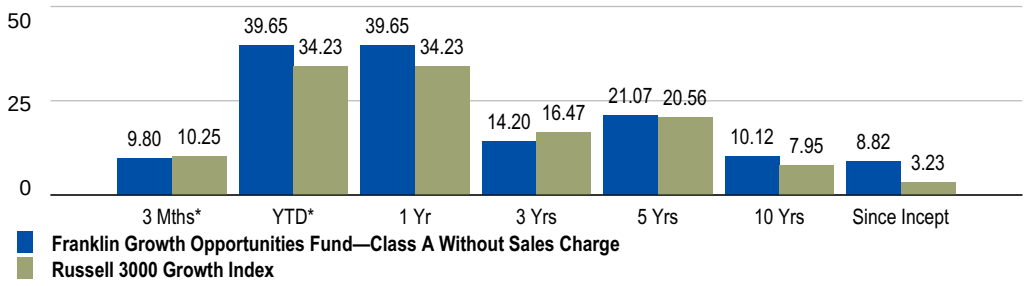
Average Annual Total Returns for Periods Ended December 31, 2013 (%)

	3 Mths*	YTD*	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Incept (6/23/99)
With Sales Charge	3.48	31.62	31.62	11.98	19.64	9.46	8.37
Without Sales Charge	9.80	39.65	39.65	14.20	21.07	10.12	8.82
Russell 3000 Growth Index	10.25	34.23	34.23	16.47	20.56	7.95	3.23

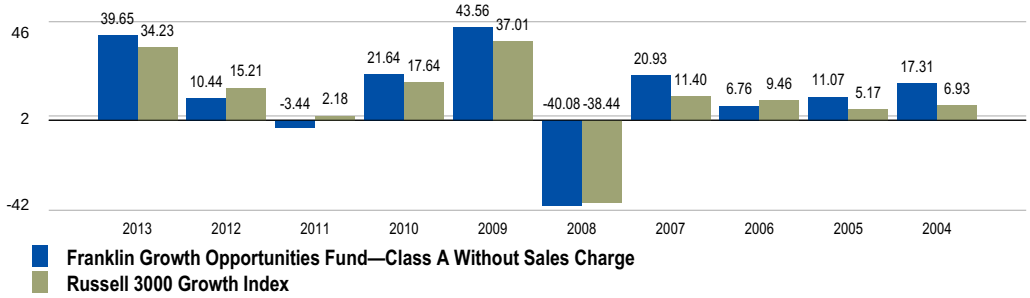
Total Annual Operating Expenses—*1.25%*

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 Investments at (800) DIAL BEN/(800) 342-5236 or visit franklintempleton.com for the most recent month-end performance.

Average Annual Total Returns for Periods Ended December 31, 2013 (%)



Calendar Year Returns As of December 31, 2013 (%)



If the Fund's sales charge had been included, the returns would have been lower.

*Cumulative Total Returns.

For information related to the "Fund Characteristics," "Third-Party Fund Data," and "Performance Data" sections, please see Explanatory Notes.

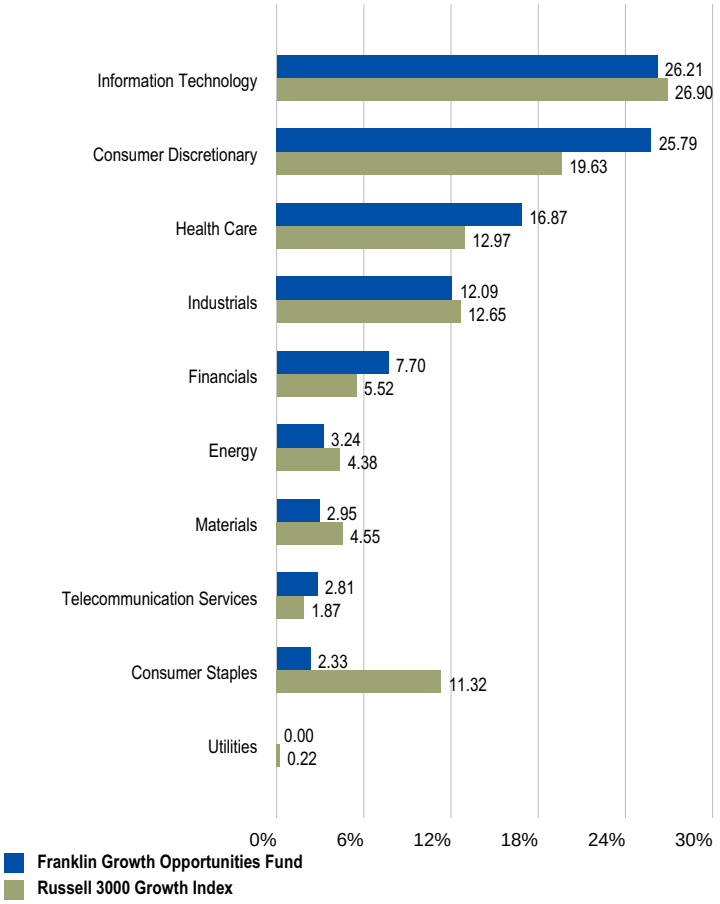
NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE

PORTFOLIO DIVERSIFICATION (AS OF 12/31/13)

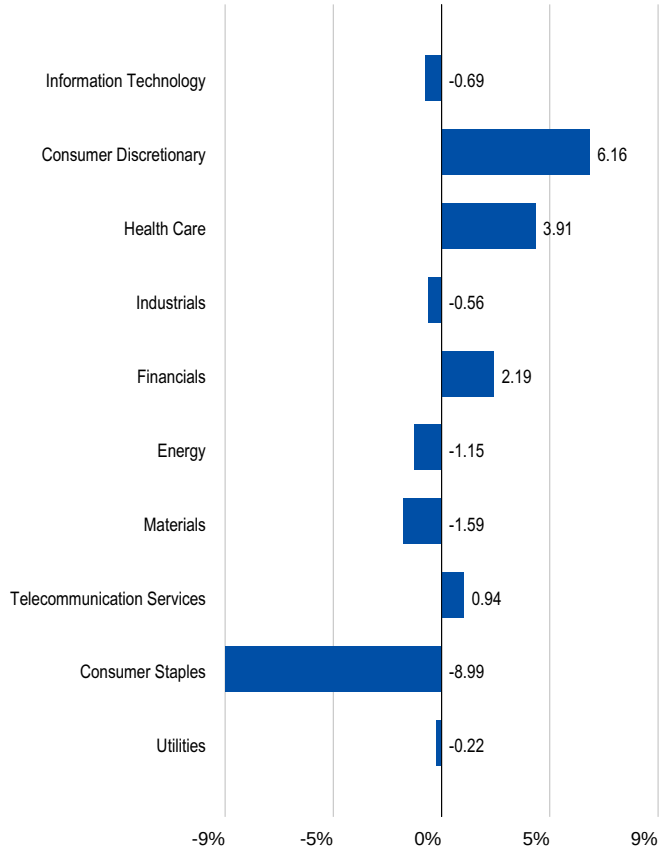
Top Ten Holdings

Issuer Name	Industry	% of Total
1. GILEAD SCIENCES INC	Pharmaceuticals, Biotechnology & Life Sciences	3.90
2. MASTERCARD INC	Software & Services	3.89
3. GOOGLE INC	Software & Services	3.87
4. AMAZON.COM INC	Retailing	3.19
5. SBA COMMUNICATIONS CORP	Telecommunication Services	2.75
6. PRECISION CASTPARTS CORP	Capital Goods	2.57
7. CELGENE CORP	Pharmaceuticals, Biotechnology & Life Sciences	2.38
8. LAS VEGAS SANDS CORP	Consumer Services	2.22
9. NIKE INC	Consumer Durables & Apparel	1.91
10. FACEBOOK INC	Software & Services	1.80
Total		**28.49**

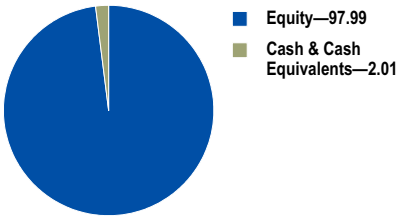
Sector Weightings vs. Benchmark (% of Equity)



Sector Overweight/Underweight (% of Equity)



Portfolio Allocation (%)



Largest Sector Contributors vs. Russell 3000 Growth Index

Sector	Total Effect (%)
Consumer Staples	0.45
Industrials	0.34
Financials	0.30
Telecommunication Services	0.12
Utilities	0.00

Smallest Sector Contributors vs. Russell 3000 Growth Index

Sector	Total Effect (%)
Health Care	-0.72
Energy	-0.34
Consumer Discretionary	-0.23
Cash & Other Net Assets	-0.08
Materials	-0.07

Contributor data shown is for the period 10/1/13 to 12/31/13

PORTFOLIO CHARACTERISTICS (AS OF 12/31/13)—Fund vs. Russell 3000 Growth Index

	Fund	Benchmark
Weighted Average Market Capitalization (Millions)	64,715	93,044
Median Market Capitalization (Millions)	16,412	1,665
Historical 3 Yr Sales Growth	26.06%	16.42%
Historical 3 Yr EPS Growth	22.05%	14.46%
Estimated 3-5 Yr EPS Growth	20.17%	15.13%

	Fund	Benchmark
Return on Equity	13.93%	21.77%
Operating Margin	21.51%	20.59%
Net Margin	14.49%	13.42%
FY1 Price to Earnings	23.31x	19.90x
P/E to Growth	1.57x	1.49x
Price to Book	5.18x	4.77x

PERFORMANCE RISK STATISTICS - Class A

Modern Portfolio Theory (MPT) Statistics (As of 12/31/13)

Performance Risk Statistics	3 Years	5 Years	10 Years
Standard Deviation	15.55	17.54	18.17
Alpha	-4.97	-1.33	1.56
Beta	1.22	1.11	1.13
Sharpe Ratio	0.91	1.20	0.47
Information Ratio	-0.54	0.11	0.36
Tracking Error	4.19	4.45	6.06
R-Squared	95.83	94.44	90.02

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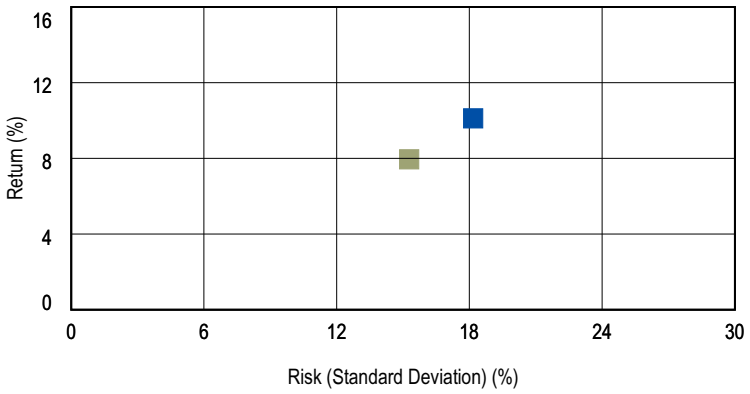
Risk vs. Return 10-Year Period Ended 12/31/13



Franklin Growth Opportunities Fund—Class A Without Sales Charge
Russell 3000 Growth Index

If the Fund's sales charge had been included, the returns would have been lower.

GLOSSARY

Alpha: Alpha measures the difference between a fund's actual returns and its expected returns given its risk level as measured by its beta. A positive alpha figure indicates the fund has performed better than its beta would predict. In contrast, a negative alpha indicates a fund has underperformed, given the expectations established by the fund's beta. Some investors see alpha as a measurement of the value added or subtracted by a fund's manager.
Benchmark: An unmanaged group of securities whose overall performance is used as a standard to measure investment performance.
Beta: A measure of the magnitude of a portfolio's past share-price fluctuations in relation to the ups and downs of the overall market (or appropriate market index). The market (or index) is assigned a beta of 1.00, so a portfolio with a beta of 1.20 would have seen its share price rise or fall by 12% when the overall market rose or fell by 10%.
EPS Growth: Earning Per Share. The portion of a company's profit allocated to each outstanding share of common stock. Serves as an indicator of a company's profitability.
Historical 3 Yr Sales Growth: The rate at which sales have increased for the fund's underlying holdings over the last three years.
Information Ratio: In investing terminology, the ratio of expected return to risk. Usually, this statistical technique is used to measure a manager's performance against a benchmark. This measure explicitly relates the degree by which an investment has beaten the benchmark to the consistency by which the investment has beaten the benchmark.
Market Capitalization: A determination of a company's value, calculated by multiplying the total number of company stock shares outstanding by the price per share.
Net Margin: The ratio of net profits to revenues for a company or business segment that shows how much of each dollar earned by the company is translated into profits.
Operating Margin: A measurement of what proportion of a company's revenue is left over after paying for variable costs of production such as wages, raw materials, etc.
P/E to Growth: A ratio used to determine a stock's value while taking into account earnings growth.
Price to Book: The price per share of a stock divided by its book value (i.e., net worth) per share. For a portfolio, the ratio is the weighted average price/book ratio of the stocks it holds.
Price to Earnings: The share price of a stock, divided by its per-share earnings over the past year. For a portfolio, the weighted average P/E ratio of the stocks in the portfolio. P/E is a good indicator of market expectations about a company's prospects; the higher the P/E, the greater the expectations for a company's future growth in earnings.
R-Squared: A measure of how much of a portfolio's performance can be explained by the returns from the overall market (or a benchmark index). If a portfolio's total return precisely matched that of the overall market or benchmark, its R-squared would be 100. If a portfolio's return bore no relationship to the market's returns, its R-squared would be 0.
Return on Equity: A measurement of a corporation's profitability that reveals how much profit a company generates with the money shareholders have invested.
Sharpe Ratio: To calculate a Sharpe ratio, an asset's excess returns (its return in excess of the return generated by risk-free assets such as Treasury bills) are divided by the asset's standard deviation.
Standard Deviation: A measure of the degree to which a fund's return varies from its previous returns or from the average of all similar funds. The larger the standard deviation, the greater the likelihood (and risk) that a security's performance will fluctuate from the average return.
Tracking Error: Measure of the deviation of the return of a fund compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the investment fund is managed, the smaller the tracking error.

MARKET REVIEW

The US equity bull market that began in March 2009 continued during the fourth quarter of 2013 and capped the best annual gain for the US stock market since 1997. Stocks of industries closely tied to economic growth generally fared best during the quarter. All 10 major equity sectors advanced, led by industrials, information technology, consumer discretionary and materials, while the more defensive and interest-rate-sensitive utilities and telecommunication services sectors had smaller gains. In broad terms, fourth-quarter performance was led by large-capitalization stocks, followed by smaller advances for small- and mid-cap equities. By investment style, growth stocks generally gained more than their value counterparts among large- and mid-cap companies, while value stocks outperformed in the small-cap tier. Geographically, US equities outperformed those of most other developed markets, as well as most emerging markets, for the quarter.

Key macroeconomic indicators, both domestic and foreign, bolstered the US stock market, as did the removal of uncertainty about when the US Federal Reserve (Fed) would begin tapering its bond-buying program. Diminished fiscal headwinds, low interest rates and inflation, and continued strength in corporate earnings also had a positive impact. In addition to strength in data regarding housing, household wealth, consumer sentiment and retail spending, other indications of a modestly accelerating US economy heading into 2014 included a five-year low in unemployment, a five-year high in manufacturing output, record export levels and the fastest gross domestic product growth in nearly two years. Signs of progress outside the US also factored heavily in the equity market rally: The global economy resumed its momentum as trade grew at its fastest rate since early 2011, Europe reported modest growth as it emerged from recession, Japan addressed persistent deflation and appeared to be succeeding, and China proposed reforms that could lead to an economic transformation.

PERFORMANCE REVIEW AND CONTRIBUTORS TO PERFORMANCE

Performance Review

The fund underperformed its benchmark Russell 3000® Growth Index in 2013's fourth quarter, largely due to stock selection in the health care, energy and consumer discretionary sectors. In contrast, the consumer staples, financials, industrials and telecommunication services sectors benefited the fund's relative returns. The fund delivered strong performance for calendar-year 2013, outperforming the benchmark Russell 3000® Growth Index.

In the health care sector, stock selection and an overweighting in the biotechnology industry hindered relative results. Shares of Celldex Therapeutics, ARIAD Pharmaceuticals and Amarin declined in value and pressured returns. Conversely, Gilead Sciences and Jazz Pharmaceuticals contributed to fund returns, both reporting solid third-quarter results with strong product portfolio performance

In the energy sector, deepwater oil exploration company Cobalt International Energy announced disappointing results of a discovery off the coast of Angola that contained lower oil reserves than it expected--news that negatively impacted the stock.

Various positions in the consumer discretionary sector detracted from the fund's relative performance in the quarter, particularly Tile Shop Holdings, Lululemon Athletica and DirecTV. Benefiting fund returns were casual restaurant franchise Buffalo Wild Wings, which reported solid third-quarter results amid healthy acceleration in same-store sales, and online marketplace Amazon.com, which also announced a strong third quarter from growth in its US business.

Several positions hindered relative performance in the information technology sector, including BroadSoft and LinkedIn, as well as an underweighting in Apple as its shares outperformed in the quarter. However, long-term positions in MasterCard and Google assisted relative returns.

Stock selection and a significant underweighting in the consumer staples sector contributed to relative performance in the fourth quarter. A position in energy drink company Monster Beverage proved favorable for returns. In the industrials sector, flow control systems manufacturer Flowserve reported third-quarter earnings that beat consensus expectations due to an increase in orders. The company also raised guidance, which benefited its shares. Aerospace components manufacturer Precision Castparts also helped quarterly results.

Portfolio Positioning

The fund's investment philosophy is to identify and invest in high-quality growth companies with sustainable long-term growth prospects, superior profitability and meaningful competitive advantages. For the quarter ended December 31, 2013, the fund's largest sector overweights versus the benchmark index were consumer discretionary and health care. In contrast, the fund was most underweight in the consumer staples sector relative to the benchmark.

In the fourth quarter, allocation shifts of note included an increase in the consumer discretionary sector over the prior quarter. There were notable decreases in the health care and materials sectors.

Outlook & Strategy

Broad US equity-market gauges ended 2013 at record levels powered by record-high corporate profits, increased dividend payouts, continued share repurchases and improved investor confidence. The Fed's decision to begin tapering its stimulus efforts also appeared to be positive for investor sentiment and could signal a favorable environment for earnings growth potential, in our view. After the market rise in 2013, valuations at year-end were generally closer to fair value, in our opinion. We would expect to see market performance driven less by multiple expansion and more by earnings growth in 2014.

There are a number of specific trends that led to particularly strong earnings growth for some companies in 2013 that we think could continue into 2014. For example, in the United States, consumer spending growth has boosted sales and profits for auto and auto parts manufacturers. Manufacturers that have developed advanced fuel-efficiency technologies have benefited from this trend, as well as the trend for more fuel-efficient cars. Fuel efficiency also has been a growth driver in aerospace, benefiting companies that have developed new high-strength, lightweight carbon fiber materials used in modern aircraft. This composite material is stronger than aluminum while being significantly lighter, and it is more reliable than other traditional metallic materials, all of which can lead to lower aircraft maintenance and fuel costs. Longer term, additional applications of these materials may include cars and other industrial products for which innovations that can reduce weight are highly valued.

The above commentary does not provide a complete analysis of every material fact regarding any market, region, industry, security, portfolio or pooled investment vehicle. Portfolio holdings information, opinions and other market or economic information and data provided are as of the date of the commentary, unless another date is expressly indicated, and may change without notice. Statements of fact cited by the manager have been obtained from sources considered reliable but no representation is made as to their completeness or accuracy. The manager's assessment of a particular industry, region, security, sector or investment is intended solely to provide insight into the manager's investment process and is not a recommendation to buy or sell any security, nor investment advice. References to particular securities or sectors are only for the limited purpose of illustrating general market or economic conditions and are not recommendations to buy or sell a security. Although historical data is no guarantee of future results, these insights may help you understand our investment management philosophy.

PERFORMANCE REVIEW AND CONTRIBUTORS TO PERFORMANCE (*CONTINUED)*

Among other industrial companies, new technologies and methods for the production of oil and gas in the United States have driven profit growth for the developers of those technologies, as well as oil producers, and they have moved the country further down the road to energy independence. Our positive outlook for these firms is underpinned by the fact that combined oil and natural gas shale resources in the United States have put it on pace to potentially top Russia as the world's largest producer of both fuels, with the possibility of also surpassing Saudi Arabia as the world's largest oil producer by 2020, a somewhat startling shift that has been reshaping global energy markets.

Elsewhere, new developments in electronic technology have enabled brand-new content and Internet-focused industries to spring up, generating extraordinary revenue growth. Just one such strategic shift involves treating software as a service: Companies that provide as-needed delivery of software through cloud computing can give corporate purchasers access to state-of-the-art programs whose affordability might otherwise be out of their reach.

Additionally, we have significant optimism about what we view as a new renaissance period for drug research, development and production. In 2013 alone, new developments in genetic mapping and analysis led to spectacular breakthroughs in the treatment of cancer, cystic fibrosis, multiple sclerosis and hepatitis C, creating billions of dollars of new market value for the discoverers of these treatments. Overall, we believe the biotech industry has reached a tipping point in terms of targeted therapies often termed "personalized medicine" because they target a specific molecule, which can both improve effectiveness and reduce the instance of off-target side effects.

These are just some of the examples of how the dynamic private economy in the United States and rapid technology changes for many industries have met our society's needs and driven the US stock market higher in recent years. Looking forward, we believe this dynamism will continue to raise living standards and could potentially deliver profit growth for many companies.

The above commentary does not provide a complete analysis of every material fact regarding any market, region, industry, security, portfolio or pooled investment vehicle. Portfolio holdings information, opinions and other market or economic information and data provided are as of the date of the commentary, unless another date is expressly indicated, and may change without notice. Statements of fact cited by the manager have been obtained from sources considered reliable but no representation is made as to their completeness or accuracy. The manager's assessment of a particular industry, region, security, sector or investment is intended solely to provide insight into the manager's investment process and is not a recommendation to buy or sell any security, nor investment advice. References to particular securities or sectors are only for the limited purpose of illustrating general market or economic conditions and are not recommendations to buy or sell a security. Although historical data is no guarantee of future results, these insights may help you understand our investment management philosophy.

INVESTMENT PHILOSOPHY AND PROCESS

Philosophy

The Franklin U.S. Growth Team philosophy holds that companies with potential for long-term sustainable growth can provide significant opportunities for investors. Market participants can have a short-term perspective and underappreciate the value created by sustainable growth. We believe that the best potential for delivering attractive risk-adjusted returns is by identifying companies with potential for sustainable growth that is not already reflected in their current stock prices.

Investment Approach

Within a collaborative environment, our team utilizes fundamental, bottom-up research to focus on companies that we believe have sustainable growth characteristics, meeting our criteria of Growth, Quality and Valuation.

Growth

- Focus on companies with potential to produce sustainable earnings and cash flow growth
- Evaluate the long-term market opportunity and competitive structure of the industry to target current and emerging leaders

Quality

- Seek companies with strong and improving competitive positions in attractive markets
- Identify experienced and talented management teams as well as financial strength reflected in the capital structure, gross and operating margins, free cash flow generation, and returns on capital

Valuation

- Consider a range of potential outcomes based on an assessment of multiple scenarios
- Consider whether security prices fully reflect the balance of the sustainable growth opportunities relative to the business and financial risks

INVESTMENT AND MANAGEMENT TEAM (AS OF 12/31/13)

Franklin Growth Opportunities Fund Management Team	Years with Firm	Years Experience
Grant Bowers	20	20
Conrad Herrmann, CFA	25	31
Franklin Equity Group Management Team	**Years with Firm**	**Years Experience**
Edward Jamieson - CIO Franklin Equity Group	26	38
Edward Perks, CFA - Director of Portfolio Management	21	21
Coleen Barbeau, CFA - Director of Global Growth	30	33
Donald G. Taylor - CIO U.S. Value	17	32
Michael McCarthy, CFA - Director of Equity Research	21	22
Franklin U.S. Growth Team	**Number of Members**	**Average Years Experience**
Investment Professionals	10	23

WHAT ARE THE RISKS

All investments involve risks, including possible loss of principal. Growth stock prices reflect projections of future earnings or revenues, and can, therefore, fall dramatically if the company fails to meet those projections. Smaller, mid-sized and relatively new or unseasoned companies can be particularly sensitive to changing economic conditions, and their prospects for growth are less certain than those of larger, more established companies. Historically, these securities have experienced more price volatility than larger company stocks, especially over the short-term. To the extent the fund focuses on particular countries, regions, industries, sectors or types of investment from time to time, it may be subject to greater risks of adverse developments in such areas of focus than a fund that invests in a wider variety of countries, regions, industries, sectors or investments. These and other risks are described more fully in the fund's prospectus.

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EXPLANATORY NOTES

FUND CHARACTERISTICS

Number of Issuers: All portfolio holdings are subject to change. Holdings of the same issuer have been combined.

THIRD-PARTY FUND DATA

Morningstar Rating™: Source: Morningstar® 12/31/13. For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on how a fund ranks on a Morningstar Risk-Adjusted Return measure against other funds in the same category. This measure takes into account variations in a fund's monthly performance after adjusting for sales loads (except for load-waived A shares), redemption fees, and the risk free rate, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. Class A shares of Franklin Growth Opportunities Fund received a traditional Morningstar Rating of 2, 3 and 4 star(s) for the 3-, 5- and 10-year periods, respectively. Load-waived Class A shares of Franklin Growth Opportunities Fund received Morningstar Ratings of 3, 4 and 5 star(s) for the 3-, 5- and 10- year periods, respectively. The Morningstar Rating™ may differ among share classes of a mutual fund as a result of different sales loads and/or expense structure. **Past performance does not guarantee future results.** ©2014 Morningstar, Inc. 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.

PERFORMANCE DATA

The fund offers other share classes subject to different fees and expenses, which will affect their performance.
Source for Index: FactSet. Indexes are unmanaged and one cannot invest directly in an index.
The Russell index shown is a trademark/servicemark of the Frank Russell Company.

PORTFOLIO DIVERSIFICATION

Top Ten Holdings: Holdings of the same issuer have been combined. Information is historical and may not reflect current or future portfolio characteristics. All portfolio holdings are subject to change. The portfolio manager for the fund reserves the right to withhold release of information with respect to holdings that would otherwise be included. For updated information, call Franklin Templeton Investments at (800) DIAL BEN/(800) 342-5236 or visit franklintempleton.com.
Sector Weightings/Sector Overweight/Underweight: Weightings as percent of equity (unless otherwise noted). Percentage may not equal 100% due to rounding. Information is historical and may not reflect current or future portfolio characteristics.
Largest/Smallest Sector Contributors: Total effect represents the opportunity cost of investment decisions in a group relative to overall benchmark.
Source for Index: FactSet. Indexes are unmanaged and one cannot invest directly in an index.

PORTFOLIO CHARACTERISTICS

Source: FactSet. The Price/Earnings ratio calculation for the weighted average uses harmonic means. The Estimated 3-5 Year EPS Growth uses simple weighted average means. There can be no assurance that the Estimated 3-5 Year EPS Growth will be realized. The Return on Equity calculation uses simple weighted average means.
The portfolio characteristics listed are based on the fund's underlying holdings, and do not necessarily reflect the fund's characteristics. Due to data limitations all equity holdings are assumed to be the primary equity issue (usually the ordinary or common shares) of each security's issuing company. This methodology may cause small differences between the portfolio's reported characteristics and the portfolio's actual characteristics. In practice, Franklin Templeton's portfolio managers invest in the class or type of security which they believe is most appropriate at the time of purchase. The market capitalization figures for both the portfolio and the benchmark are at the security level, not aggregated up to the main issuer. All portfolio holdings are subject to change.

PERFORMANCE RISK STATISTICS

Risk vs. Return: Risk is measured by the annualized standard deviation of monthly total returns. Performance of the fund does not include sales charges (if applicable), but it does include dividends and capital gains reinvested at net asset value.
Source for Index: FactSet. Indexes are unmanaged and one cannot invest directly in an index.
The fund offers other share classes subject to different fees and expenses, which will affect their performance.

FRANKLIN TEMPLETON INVESTMENTS

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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/(800) 342-5236 or visit franklintempleton.com. Please carefully read a prospectus before you invest or send money.

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