FRANKLIN TEMPLETON INVESTMENTS

Franklin Mutual Shares Fund

Value
September 30, 2015

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

Fund Description

The fund seeks capital appreciation, with income as a secondary goal. Its strategy is focused on undervalued mid- and large-cap equity securities, which may include foreign securities and, to a lesser extent, distressed securities and merger arbitrage.

Fund Overview

Total Net Assets [All Share Classes]	$14,642 million
Fund Inception Date	7/1/1949
Dividend Frequency	Semiannually in September and December
Number of Issuers	114

Share Class Information

Share Class	CUSIP	NASDAQ Symbol
A	628 380 602	TESIX
C	628 380 701	TEMTX
R	354 026 502	TESRX
R6	354 026 742	FMSHX
Z	628 380 107	MUTHX

Fund Management

	Years with Firm	Years of Experience
Peter Langerman	26	29
F. David Segal, CFA	13	24
Deborah Turner, CFA	22	23

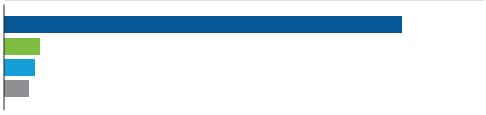
Maximum Sales Charge

Class A: 5.75% initial sales charge
Class C: 1.00% contingent deferred sales charge (CDSC) in the first year only
Class Z: None

Total Annual Operating Expenses

Share Class	With Waiver	Without Waiver
A	1.10%	1.10%
C	1.80%	1.80%
Z	0.80%	0.80%

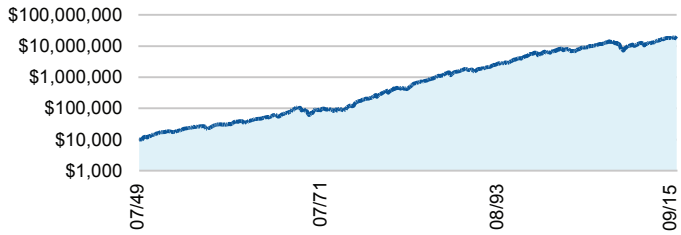
Asset Allocation (%)



Undervalued Equities	81.18
Merger Arbitrage	7.41
Cash & Other Net Assets	6.33
Distressed Investments	5.08

Performance

Growth of a $10,000 Investment - Without Sales Charge (from 07/01/1949-09/30/2015)



Franklin Mutual Shares Fund - Class A:
$16,806,005

Total Returns % (as of 9/30/2015)

		CUMULATIVE	AVERAGE ANNUAL					
Share Class		YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception	Inception Date
A	With Sales Charge	-12.53	-11.23	6.75	7.80	4.05	11.76	7/1/1949
	Without Sales Charge	-7.19	-5.82	8.89	9.09	4.66	11.86	7/1/1949
C	With Sales Charge	-8.58	-7.37	8.13	8.34	3.94	10.28	7/1/1949
	Without Sales Charge	-7.67	-6.46	8.13	8.34	3.94	10.28	7/1/1949
Z		-6.96	-5.54	9.22	9.42	4.99	12.79	7/1/1949

Calendar Year Total Returns % – Without Sales Charge

Share Class	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
A	7.30	27.74	14.75	-1.79	11.41	27.84	-38.10	2.97	17.98	9.98
C	6.56	26.82	13.97	-2.44	10.62	26.92	-38.53	2.30	17.18	9.27
Z	7.60	28.10	15.14	-1.50	11.76	28.20	-37.92	3.30	18.37	10.39

Share Class	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
A	13.50	26.18	-11.20	5.94	13.42	14.63	0.01	26.01	20.31	28.60
C	12.77	25.37	-11.78	5.26	12.68	13.87	-0.54	25.14	19.56	27.65
Z	13.89	26.62	-10.89	6.32	13.83	15.00	0.45	26.38	20.76	29.11

*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 its investments in a Franklin Templeton money fund, contractually guaranteed through at least its current fiscal year end. Fund investment results reflect the fee waiver; without this reduction, the results would have been lower.

Top 10 Holdings (% of Total)

Issuer Name	
WHITE MOUNTAINS INSURANCE GROUP LTD	3.34
MICROSOFT CORP	2.90
MEDTRONIC PLC	2.77
MERCK & CO INC	2.61
TIME WARNER CABLE INC	2.17
ELI LILLY & CO	2.16
PNC FINANCIAL SERVICES GROUP INC	2.09
AMERICAN INTERNATIONAL GROUP INC	1.97
TEVA PHARMACEUTICAL INDUSTRIES LTD	1.96
BRITISH AMERICAN TOBACCO PLC	1.83

Fund Measures

Standard Deviation (3 Yrs) - Class A	9.24
Beta (3 Yrs, vs.S&P 500 Index) - Class A	0.92

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Not FDIC Insured | May Lose Value | No Bank Guarantee

Composition of Fund

■ Franklin Mutual Shares Fund ■ S&P 500 Index

Geographic	% of Total	
United States	74.37	100.00
United Kingdom	9.41	0.00
Cash & Cash Equivalents	6.33	0.00
Israel	1.97	0.00
Switzerland	1.67	0.00
Ireland	1.51	0.00
Finland	1.14	0.00
Denmark	1.06	0.00
South Korea	0.96	0.00
Other	1.59	0.00

Sector	% of Total	
Financials	23.51	16.53
Information Technology	15.08	20.41
Health Care	12.26	14.67
Consumer Discretionary	12.19	13.09
Consumer Staples	11.69	9.93
Energy	6.42	6.93
Cash & Cash Equivalents	6.33	0.00
Industrials	4.05	10.05
Materials	3.70	2.82
Other	4.78	5.57

Morningstar Rating™—Class A

Overall Morningstar Rating™

★★★

As of September 30, 2015 the fund's Class A shares received a traditional 3 star overall Morningstar Rating™, measuring risk-adjusted returns against 1211, 1071 and 744 U.S.-domiciled Large Value 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.

What Are the Risks

All investments involve risks, including possible loss of principal. Value securities may not increase in price as anticipated or may decline further in value. The fund's investments in foreign securities involve special risks including currency fluctuations, and economic and political uncertainties. The fund may also invest in companies engaged in mergers, reorganizations or liquidations, which involve special risks as pending deals may not be completed on time or on favorable terms, as well as lower-rated bonds, which entail higher credit risk. Please consult the prospectus for a more detailed description of the fund's risks.

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 risk; the larger the standard deviation, the greater the likelihood (and risk) that a fund's performance will fluctuate.

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.
Source for Index: FactSet. Indexes are unmanaged and one cannot invest directly in an index.
S&P® and S&P 500® are registered trademarks of Standard & Poor's Financial Services LLC. S&P does not sponsor, endorse, sell or promote any S&P index-based product.
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. Z shares do not have sales charges or 12b-1 fees and are offered only to certain eligible investors as stated in the prospectus.
Class A and Class C: Prior to 11/1/96, the fund offered only a single class of shares without a sales charge and Rule 12b-1 expenses, Class Z shares. Figures reflect a restatement of the original share class to include both the Rule 12b-1 fees and maximum initial sales charges (when quoting figures with sales charges) applicable to each share class as though in effect from the fund's inception. For periods after 11/1/96, actual performance is used, reflecting all charges and fees applicable to that class.
Top 10 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.
Overall Morningstar Rating™: Source: Morningstar® 9/30/15. 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 Mutual Shares Fund received a traditional Morningstar Rating of 2, 2 and 3 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.** ©2015 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.

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