FRANKLIN TEMPLETON INVESTMENTS

Franklin Templeton Sector Funds

Participating in Trends Moving Markets

June 30, 2015

	Franklin Biotechnology Discovery Fund	Franklin Gold and Precious Metals Fund	Franklin Natural Resources Fund	Franklin Utilities Fund	Franklin Global Real Estate Fund	Franklin Real Estate Securities Fund	Franklin Mutual Financial Services Fund
Fund Description	Invests 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. **Effective July 8, 2014, the fund is closed to all new investors. Existing investors may continue to purchase additional shares of the fund.**	Invests at least 80% of its net assets in the securities of companies around the world that mine, process or deal in gold and other precious metals such as platinum, palladium and silver. The fund has a secondary goal of current income.	Invests at least 80% of its net assets in equity and debt securities of U.S. and foreign companies that own, produce, refine, process, transport and market natural resources, as well as those that provide related services.	Invests predominantly in the securities of public utility companies, with a focus on companies operating in the U.S. electricity and gas sectors.	Invests at least 80% of its net assets in the securities of companies located anywhere in the world that operate in the real estate sector, including Real Estate Investment Trusts (REITs) and REIT-like entities and other real estate companies.	Invests at least 80% of its net assets in the equity securities of companies operating in the real estate industry, primarily Real Estate Investment Trusts (REITs); and companies that derive at least half of their assets or revenues from the ownership, construction, management, development or sale of residential or commercial real estate (such as real estate operating or services companies, homebuilders, lodging providers and developers).	Invests at least 80% of its net assets in the securities of financial services companies. It focuses primarily on undervalued equity securities and, to a lesser extent, in distressed securities and merger arbitrage opportunities. **Effective June 30, 2014, Mutual Financial Services Fund was renamed Franklin Mutual Financial Services Fund.**
Symbols	**Class A:** FBDIX **Class C:** FBTDX **Advisor:** FTDZX **Class R6:** FRBRX	**Class A:** FKRCX **Class C:** FRGOX **Advisor:** FGADX **Class R6:** 353 535 503	**Class A:** FRNRX **Class C:** FNCRX **Advisor:** FNRAX **Class R6:** 354 713 257	**Class A:** FKUTX **Class C:** FRUSX **Class R:** FRURX **Class R6:** FUFRX **Advisor:** FRUAX	**Class A:** FGRRX **Class C:** FCGRX **Advisor:** FVGRX **Class R6:** 353 533 656	**Class A:** FREEX **Class C:** FRRSX **Advisor:** FRLAX **Class R6:** FSERX	**Class A:** TFSIX **Class C:** TMFSX **Class Z:** TEFAX **Class R6:** 354 026 783
Inception	9/15/97	5/19/69	6/5/95	9/30/48	6/16/06	1/3/94	8/19/97
Total Net Assets	$2.06 billion	$770.40 million	$695.65 million	$5.41 billion	$167.36 million	$545.42 million	$546.02 million
Portfolio Turnover[1]	41.43%	16.13%	30.05%	8.10%	22.37%	24.12%	33.69%
Benchmark	NASDAQ Biotechnology Index S&P 500 Index	FTSE Gold Mines TR Index S&P 500 Index	S&P North American Natural Resources Sector Index S&P 500 Index	S&P 500 Utilities Index S&P 500 Index	FTSE EPRA/NAREIT Developed Index	S&P U.S. Property Index	S&P 500 Financials Index S&P 500 Index
Lipper Category[2]	Health/Biotechnology Funds	Precious Metals Equity Funds	Global Natural Resources Funds	Utility Funds	Global Real Estate Funds	Real Estate Funds	Global Financial Services Funds
Portfolio Managers Fund Tenure	Evan McCulloch, CFA, 1997 Jerel A. Banks, M.D., Ph.D., 2012	Steve Land, CFA, 1999 Fred Fromm, CFA, 1993	Fred Fromm, CFA, 2003 Matthew Adams, CFA, 2008 Steve Land, CFA, 1999	John Kohli, CFA, CPA, 1998 Blair Schmicker, CFA, 2009	Wilson Magee, 2010 Daniel Pettersson, 2014	Wilson Magee, 2010 Daniel Scher, 2014 Murat Sensoy, CFA, 2014	Andrew Sleeman, CFA, 2009 Andrew Dinnhaupt, CFA, 2014 Richard Cetlin, 2010
Portfolio Breakdown[3]	**Industry Breakdown** Biotechnology 85.79% Pharmaceutics 10.15% Life Sciences Tools & Services 3.67% Health Care Services 0.39%	**Geographic Breakdown** Canada 59.67% Australia 10.64% South Africa 8.51% United Kingdom 5.16% Egypt 4.39% Other 11.63%	**Industry Breakdown** Oil & Gas Exploration & Production 36.00% Oil & Gas Equipment & Services 18.30% Integrated Oil & Gas 17.21% Diversified Metals & Mining 13.00% Gold 4.85% Oil & Gas Refining & Marketing 4.82% Oil & Gas Drilling 2.04% Commodity Chemicals 1.27% Fertilizers & Agricultural Chemicals 1.17% Precious Metals & Minerals 0.45%	**Industry Breakdown** Electric Utilities 47.92% Multi-Utilities 35.39% Oil & Gas Storage & Transportation 9.30% Water Utilities 3.60% Gas Utilities 2.52% Independent Power Producers & Energy Traders 0.82% Renewable Electricity 0.46%	**Property Breakdown** Diversified 23.70% Office Space 13.64% Retail Property 13.07% Apartments 10.28% Regional Malls 8.31% Industrial Property 6.64% Health Care Property 6.05% Hotels, Resorts & Cruise Lines 4.65% Shopping Centers 4.08% Self-Storage 3.72% Specialty 2.58% Triple Net 1.92% Manufactured Homes 0.88% Residential 0.48%	**Property Breakdown** Apartments 16.42% Regional Malls 16.24% Office Space 15.33% Health Care Property 11.58% Hotels, Resorts & Cruise Lines 7.53% Self-Storage 7.23% Shopping Centers 7.15% Industrial Property 5.80% Specialty 5.26% Triple Net 4.19% Manufactured Homes 1.79% Diversified 1.49%	**Industry Breakdown** Insurance 38.30% Banks 30.17% Diversified Financials 10.42% Real Estate 4.50% Consumer Durables & Apparel 0.86%

Not FDIC Insured | May Lose Value | No Bank Guarantee

WHAT ARE SECTOR FUNDS?

Sector funds are mutual funds that invest in securities from similar market sectors or industries. They allow investors to focus their investments on specific areas of the market without having to research individual stocks. By focusing on specific sectors or industries, sector funds may be more volatile than a typical mutual fund, but they may also provide the opportunity to surpass broad market averages.

TAKE ADVANTAGE OF TRENDS AND ECONOMIC/BUSINESS CYCLES

Over long periods, the economy and financial markets have improved with increases in productivity, new technology and the growing population. And long-term trends, like the aging of America, medical innovations and the growing demand for natural resources, appear inevitable. By investing in sector funds, you can position your portfolio to capture potential long-term growth in industries affected by these changes.

OPTIMIZE YOUR PORTFOLIO

Because of their specific focus, sector funds are generally best used as a complement to a well-diversified portfolio.

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 read a prospectus carefully before you invest or send money.*

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1. The percentage of the fund's portfolio that changed over the preceding one-year period as of the fund's fiscal year end. A high portfolio turnover may result in increased expenses and higher short-term capital gains.
2. Source: Lipper Inc.
3. Holdings are subject to change. Due to rounding, the sum may not equal 100%. For the funds' most recent portfolio information, please call Franklin Templeton Investments at (800) DIAL BEN/342-5236, or visit franklintempleton.com.

WHAT ARE THE RISKS?

- Investing in a fund concentrating in one sector involves special risks, including increased susceptibility to adverse economic and regulatory developments affecting the sector.
- Franklin Biotechnology Discovery Fund concentrates in the biotechnology sector, which involves risks such as patent considerations, product liability, government regulatory requirements, and regulatory approval for new drugs and medical products.
- Franklin Gold and Precious Metals Fund concentrates in the precious metals sector, which involves fluctuations in the price of gold and other precious metals.
- Franklin Global Real Estate Fund, Franklin Real Estate Securities Fund both concentrate in the real estate sector, which involves special risks, since REITs typically are invested in a limited number of projects or in a particular market segment they are more susceptible to adverse developments affecting a single project or market segment than more broadly diversified investments.
- Franklin Biotechnology Discovery Fund, Franklin Gold and Precious Metals Fund, Franklin Real Estate Securities Fund: These funds are non-diversified, which subjects them to greater price fluctuation than a diversified portfolio.
- Franklin Biotechnology Discovery Fund, Franklin Gold and Precious Metals Fund, Franklin Natural Resources Fund, Franklin Real Estate Securities Fund, Franklin Global Real Estate Fund, Franklin Mutual Financial Services Fund: These funds may invest in smaller companies, which 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 shorter term. These funds may also invest in companies in foreign or developing countries, which involve special risks including currency fluctuations and political uncertainty. Investing in developing markets involves heightened risks related to the same factors, in addition to those associated with their relatively small size and lesser liquidity.
- Franklin Utilities Fund invests in securities issued by utility companies which, in addition to other factors, have been sensitive to interest rate changes. When interest rates fall, utility securities prices, and thus a utilities fund's share price, tend to rise; when interest rates rise, their prices generally fall.
- Franklin Mutual Financial Services Fund invests in value securities, which may not increase in price as anticipated or may decline further in value. 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.
- These and other risks are described more fully in each fund's prospectus.

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