

BF&M GOLDEN ACCUMULATOR

Franklin Mutual Beacon Fund

as of June 28, 2002

Investment Philosophy

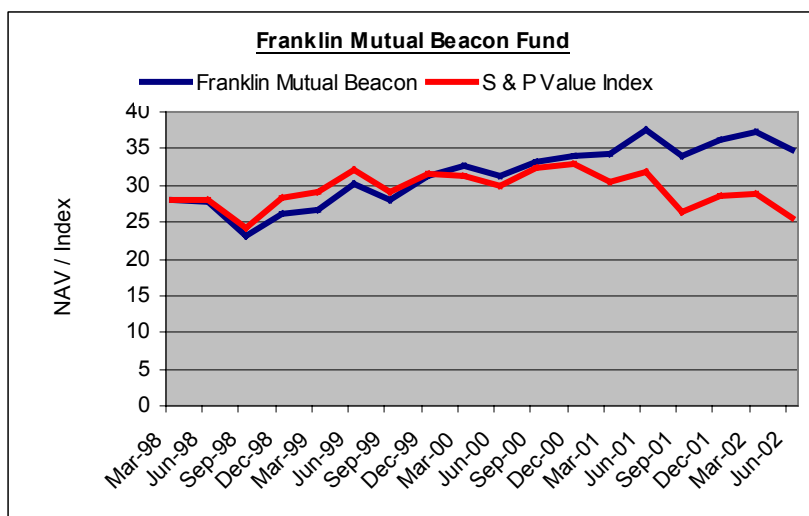
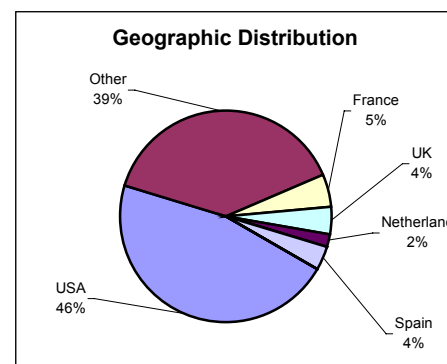
Top Holdings

1. Altadia SA
2. Federated Department Stores
3. Groupe Danone
4. Kroger Co.
5. Berkshire Hathaway Inc
6. Lagardere SCA
7. Liberty Media Corp.
8. Fleet Boston
9. Scripps (EW) Co
10. Conoco Inc.

Performance Statistics (percentage change)

Comparison	3 Mos	1 Yr	3 Yr*	Incept*	
Fund	-6.1	-7.8	6.5	5.7	
Index	-11.1	-19.6	-2.3	-2.1	
	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
Fund	6.3	9.34	20.15	1.08	27.38
Index	-13.22	6.07	12.72	14.67	29.93

* Annualized return.



Fund Facts

Initial Date: July 7, 1997
 Total Assets: \$ 516.6 million
 Managers: Susan Potto and Anne Gudefin

Statistics Fund

Alpha: 0.85
 Beta: 0.59
 R Squared: 0.63
 Std Deviation: 3.53
 Micropal Stars: 5

This report does not constitute or form part of any offer for shares of any of the Funds or an invitation to apply for shares of any Fund, and subscription for shares in any Fund can only be made on the basis of the Funds' current Prospectus. The performance returns set forth above are shown net of all fees and assume reinvestment of dividends and capital gains. Past performance, however, is no guarantee of future performance. The price of the shares of each Fund and the income received from each Fund may go down as well as up, and shareholders may not get back the full amount that they invested. Investment in any of the Funds involves risks which are described in the Funds' prospectus. No shares of any Fund may be offered or sold to citizens or residents of the United States of America. Currency fluctuations will affect the value of overseas investments.