

Franklin Mutual Beacon Fund

Franklin Templeton Investment Funds (Luxembourg registered Sicav)

30 September 2002

As at 30 September 2002

Fund Manager

David Winters, Matt Haynes & Anne Guddefin, New Jersey

Base currency

U.S. dollar

Date of inception

Fund 07/07/1997
A(acc) Shares 22/06/2001
B (acc) Shares 22/06/2001
BX (acc) Shares 22/06/2001

NAV 30/09/2002

A(acc) Shares \$ 31.00
B (acc) Shares \$ 16.60
BX (acc) Shares \$ 16.96

Benchmark

S&P 500 Index

Share Classes Available*

A(acc), A(acc)EUR, B(acc), BX(acc), BX(acc)EUR, C(Acc)

Fund Identifiers

A(acc) TEMAMAI LX L90262-236
B (acc) TEMFMEB LX L90262-400
BX (acc) TEMMBXI LX L90262-244

Contact Franklin Templeton Investments

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*(dis)= distribution; (acc)= accumulation.

Investment Objective

Long-term capital appreciation and a reasonable and growing level of income primarily by investing in U.S. equity securities with no more than 30% of the Fund's net assets invested in securities of non- U.S. issuers. The base currency of the Fund is U.S. dollars.

Portfolio size / Asset allocation as at 30 September 2002

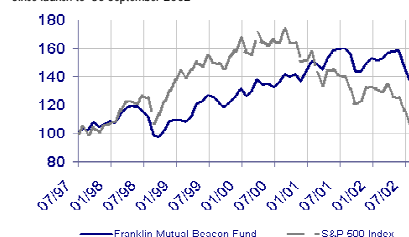
\$ 516.7 million Equity:62.0% Fixed Income:4.0% Cash:34.0%

Significant holdings as at 30 September 2002²

BERKSHIRE HATHAWAY INC	2.8%
ALTADIS SA	2.1%
WASHINGTON POST CO	2.1%
GROUPE DANONE	1.7%
BRITISH AMERICAN TOBACCO PLC	1.6%
LAGARDERE SCA	1.3%
WHITE MOUNTAINS INSURANCE GROUP INC	1.3%
CARLSBERG AS	1.2%
KROGER CO	1.2%
NESTLE SA	1.2%

Total performance in base currency**

Since launch to 30 September 2002



Source: Franklin Templeton Investments.

Performance in base currency as at 30 September 2002

Performance in base currency as at 30 September 2002									
	YTD	3 months	6 months	1 year	3 years	5 years	10 years	Since launch	Volatility
A(acc) T Ret	-14.41	-11.20	-16.58	-8.77	11.00	21.58	N/A	31.12	12.85
A(acc) Ann	N/A	N/A	N/A	N/A	3.54	3.99	N/A	5.31	N/A

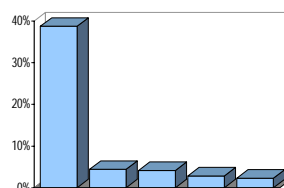
Calendar Year Performance as 31 December									
2001	2000	1999	1998	1997	1996	1995	1994	1993	1992
6.28	9.35	20.17	1.09	N/A	N/A	N/A	N/A	N/A	N/A

Source: Franklin Templeton Investments. **Refer to detailed risk wording below. * Ann = annualised, T Ret = Total Return

Portfolio Composition % of total

Geographic Breakdown

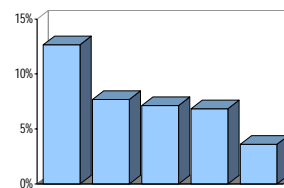
Top 5 Countries (as at 30 September 2002)¹



Country	%
United States	38.7%
United Kingdom	4.4%
France	4.2%
Spain	2.9%
Canada	2.3%

Industrial Breakdown

Top 5 Industries (as at 30 September 2002)¹



Industry	%
Food Beverage & Tobacco	12.7%
Materials	7.7%
Media	7.1%
Insurance	6.8%
Banks	3.6%

* Performance figures above are for A(dis) shares and are total return in U.S. dollar to 30 September 2002, except for funds where only A(acc) shares are available, in which case A(acc) performance is shown. Performance figures represent the aggregate total return for the period indicated assuming, where relevant, the reinvestment of dividends & distributions. The performance charts are re-based to 100 for illustrative purposes only.

¹Due to rounding the percentages shown may be within 0.1% tolerance of the true value. 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 described above (the "Fund") and the income received from the Fund may go down as well as up, and shareholders may not get back the full amount that they invested. 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. Investment in any of the Funds involves risk's which are described in the Funds' prospectus. No shares of any Fund may be affected or sold to citizens or residents of the United States of America. Persons considering an investment in a Fund are encouraged to consult their professional advisor before deciding to invest. The opinions referenced herein represent those of Franklin Templeton Investments, and any forecasts found therein cannot be guaranteed. Questions relating to the information set forth above may be referred to Franklin Templeton Client Dealer Services, 100 Fountain Parkway, St Petersburg, Florida 33772. Tel: 800-239-3894 or (727) 299-5042 Fax (727) 299-8736



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