

# Franklin Small Cap Growth R6 FSMLX

**Benchmark**  
Russell 2000 Growth TR USD

**Overall Morningstar Rating™**  
★★★  
Out of 655 Small Growth investments. An investment's overall Morningstar Rating, based on its risk-adjusted return, is a weighted average of its applicable 3-, 5-, and 10-year Ratings. See disclosure page for details.

**Morningstar Return**  
Average

**Morningstar Risk**  
High

## Investment Information

**Investment Objective & Strategy** from investment's prospectus  
The investment seeks long-term capital growth.

The fund invests at least 80% of its net assets in the equity securities of small cap companies. The equity securities in which the fund invests are predominantly common stock. For this fund, small cap companies are companies with market capitalizations not exceeding (i) \$1.5 billion or (ii) the highest market capitalization in the Russell 2000® Index, whichever is greater, at the time of purchase. It may invest in equity securities of larger companies. The fund, from time to time, may have significant positions in particular sectors such as information technology and healthcare.

## Fees and Expenses as of 09-01-15

Prospectus Gross Expense Ratio	0.66 %
Total Annual Operating Exp per \$1000	\$ 6.60
Maximum Sales Charge	—
12b-1 Fee	—
Redemption Fee/Term	—

## Portfolio Manager(s)

Michael McCarthy, CFA. B.A., University of California Los Angeles.  
Bradley T. Carris, CFA. M.B.A., Columbia University.

## Operations and Management

Fund Inception Date	05-01-13
Management Company	Franklin Advisers Inc
Telephone	800-342-5236
Web Site	www.franklintempleton.com
Issuer	Franklin Templeton Investments

## Category Description: Small Growth

Small-growth portfolios focus on faster-growing companies whose shares are at the lower end of the market-capitalization range. These portfolios tend to favor companies in up-and-coming industries or young firms in their early growth stages. Because these businesses are fast-growing and often richly valued, their stocks tend to be volatile. Stocks in the bottom 10% of the capitalization of the U.S. equity market are defined as small cap. Growth is defined based on fast growth (high growth rates for earnings, sales, book value, and cash flow) and high valuations (high price ratios and low dividend yields).

## Volatility And Risk



## Best 3 Month Return

13.14%  
(Sep '13 - Nov '13)

## Worst 3 Month Return

-17.05%  
(Dec '15 - Feb '16)

## Performance as of 06-30-16



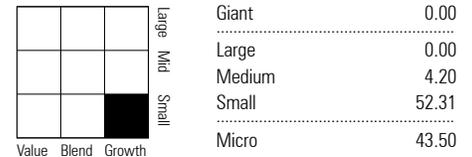
The performance data quoted reflects past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower than the performance data quoted. For the most recent month end performance information, please call 1-800-922-9945, or visit rps.troweprice.com.

## Portfolio Analysis

### Composition as of 03-31-16



### Morningstar Equity Style Box™ as of 03-31-16



### Top 10 Holdings as of 03-31-16

Asset	% Assets
2U Inc	2.46
US Ecology Inc	1.96
Grand Canyon Education Inc	1.85
M/A-COM Technology Solutions Holdings Inc	1.81
Alarm.com Holdings Inc	1.68
Callidus Software Inc	1.67
Treehouse Foods Inc	1.65
Zendesk Inc	1.65
Demandware Inc	1.64
Bottomline Technologies Inc	1.60
Total Number of Stock Holdings	112
Total Number of Bond Holdings	0
Turnover Ratio %	43.99
Total Assets (\$mil)	2,661.31

### Morningstar Equity Sectors as of 03-31-16

Sector	% Fund
Cyclical	25.79
Basic Materials	3.31
Consumer Cyclical	17.12
Financial Services	5.36
Real Estate	0.00
Sensitive	51.79
Communication Services	0.00
Energy	2.88
Industrials	14.08
Technology	34.83
Defensive	22.41
Consumer Defensive	5.31
Healthcare	17.10
Utilities	0.00

## Principal Risks

For more information on the risks presented, please refer to <http://rps.troweprice.com/riskglossary>  
Loss of Money, Not FDIC Insured, Growth Investing, Active Management, Market/Market Volatility, Restricted/Illiquid Securities, Portfolio Diversification, Small Cap