TEMPLETON EMERGING MARKETS INVESTMENT TRUST PLC

UNAUDITED HALF YEARLY REPORT

FRANKLIN TEMPLETON INVESTMENTS

30 SEPTEMBER 2012

CONTENTS

CHAIRMAN'S STATEMENT

The first quarter of your Company's accounting year, to 30 June, was difficult as continued uncertainty in the Eurozone affected investor sentiment around the world. Optimism in Europe over the electoral victory by the pro-bailout New Democracy party in Greece petered out as the focus shifted to Spain's structural problems. However, the last trading day in June provided a fillip as European governments agreed to recapitalise struggling banks and work towards tighter budgetary and political union in the future. Thereafter, the quarter to 30 September was more positive, as financial markets remained awash with liquidity as a result of stimulus packages, but the recovery could not cancel out the first quarter losses and your Company's net asset value per share declined by 4.4% and the share price by 4.7% over the six months to 30 September 2012 on a total return basis.

As well as much publicised stimulus packages in the USA and Western Europe, emerging economies such as China, India, Brazil and South Korea announced fiscal and monetary easing measures to counter economic decline, which had a positive effect on markets. There was a divergence of returns, with Asia and emerging Europe generally performing better than Latin America, as investors sought areas with higher growth rates.

The report of the Investment Manager on pages 5 to 8 gives further commentary on the prevailing economic and market conditions and the Company's performance in the period.

Performance

Investment performance in the period from 31 March 2012 to 30 September 2012 can be summarised as follows:

	30 September 2012	*31 March 2012*	*Capital Return*	*Total return*
Net asset value (cum income)	602.4p	636.3p	-5.3%	-4.4%*
Share price	555.0p	588.5p	-5.7%	-4.7%

Over the same period TEMIT's benchmark, the MSCI Emerging Markets Index recorded a fall of 2.6% (total return in Sterling terms).

The Investment Manager's approach is to find good quality, attractively valued shares and hold them for the long term. As a result, the composition of the portfolio may well differ from the index which itself might be influenced by short term trends or fashions.

*Return based on accounting NAV with dividend reinvestment.

TEMIT's net assets at the period end were £1,986 million compared to £2,099 million at 31 March 2012, a fall of £113 million.

As at 19 November the net asset value per share stood at 607.6 pence, an increase of 0.9% since 30 September. The share price had fallen to 547.5 pence over the same period representing a fall of 1.4%.

The primary objective of the Investment Manager, in line with the objectives of the Company, is to seek long-term capital appreciation. Over the last 10 years TEMIT's net asset value has produced a total return of 496.4% (19.6% annualised), outperforming the benchmark which returned 383.0% (17.1% annualised) over the same period.

Asset allocation

At the period end, 99.1% of your Company's net assets were invested in equities, with the remaining 0.9% being held in liquid assets. The general policy of the Company is to be fully invested.

Dividend

A dividend of 5.75 pence per share (2011: 4.25 pence) was declared on 18 June 2012 for the year ended 31 March 2012. This was paid on 25 July 2012. The Company does not pay an interim dividend.

Discount and share buy-backs

As at 30 September 2012, the closing share price of 555.0 pence per share represented a discount of 7.9% on the cum income net asset value per share. This compares to a discount of 7.5% as at 31 March 2012. During the period, the Company bought back and cancelled 100,000 shares (which amounted to 0.03% of the issued share capital) for a total consideration of £522,000 at a discount of 8.4%. Since the period end and up to 19 November 2012, the Company has bought back and cancelled 646,460 shares for a total consideration of £3,626,000. Your Board actively monitors the discount and retains the right to buy back shares when it believes it is in shareholders' best interests to do so.

Annual General Meeting

I am pleased to report that shareholders voted in favour of all proposals at this year's Annual General Meeting held in July and I thank shareholders for their continuing support.

Investor communications

The Board aims to keep shareholders informed and up to date with information about the Company. We recognise that shareholders, especially those who hold their shares through nominee accounts, can find it difficult to find out the most up-to date news about TEMIT. As well as sending out the Annual and Interim Reports, we also release information, such as Interim Management Statements, through the stock exchanges.

Our website (www.temit.co.uk) displays the latest news, price and performance information, portfolio details and quarterly web updates with the Investment Manager. On the website you can also ask to have the latest Company information e-mailed directly to you. I encourage all shareholders to register on our website and make full use of the facilities and materials available to help keep you informed about your Company.

We are in the process of writing to all shareholders who hold shares which are either registered on the Company's main register or hold shares via the Templeton Investment Plan, offering the option to receive the Annual and Interim Reports electronically. I encourage shareholders to take advantage of this more efficient and environmentally friendly option for receiving information.

Regulatory Changes

The regulatory environment in which your Company operates is subject to significant change.

I mentioned in this year's Annual Report that the UK Retail Distribution Review could have a beneficial effect for your Company over the long term, as it may lead to TEMIT being considered by a wider group of professional financial advisors for investment. We believe that TEMIT is well placed to benefit and we will continue to position the Company to take best advantage of the market changes which the Retail Distribution Review will bring.

The European Union Alternative Investment Fund Managers' Directive came into force on 21 July 2011 and must be implemented into national legislation by 22 July 2013. Companies such as investment trusts then have until 22 July 2014 to comply and obtain the relevant authorisation. Currently, European regulators are preparing the more detailed (Level 2) rules and regulators are considering how to implement the rules in the UK. At this stage we have insufficient information to know how to comply with the Directive, but we are working with key service providers and Franklin Templeton to explore the options and opportunities available.

The United States' Foreign Account Tax Compliance Act ("FATCA") was enacted in 2010 to combat evasion of US taxes by US persons (which include individuals and other entities). Broadly speaking, under FATCA, investment companies would be required to report detailed information about shareholdings or holdings of securities held by US persons. However, direct compliance with FATCA presents difficulties in complying with UK data protection laws. Also, the cost of securing compliance with FATCA could be high. The US and UK have entered into an inter-governmental agreement which, it is believed, will significantly reduce the burden of FATCA on UK domiciled investment trusts and we hope that a pragmatic solution will result.

Outlook

It has become clear that the Federal Reserve will continue to provide funding into the US economy for the foreseeable future. In addition to the US, we have seen the European Central Bank, Bank of Japan and others supporting the financial system. The Financial Markets have an increased awareness to risk since the Eurozone crisis erupted but, despite this, flows into emerging equity markets have generally continued.

While growth rates in many economies have slowed in recent years, emerging markets are generally still growing faster than developed markets. Your Board and the Investment Manager expect a growing middle class, coupled with higher disposable incomes and relatively low penetration in consumer products, to boost domestic consumption in the long-term, further supporting GDP growth in emerging markets. In addition, we believe that high foreign exchange reserves and relatively low debt levels augers well for emerging markets, potentially allowing governments to mitigate external financial shocks. Markets, particularly emerging markets, are likely to remain volatile, with short-term movements very difficult to predict. However, we believe the longer term argument for investment in emerging markets for superior growth remains intact.

Peter A Smith

Chairman
27 November 2012

INTERIM MANAGEMENT REPORT

Principal risks and uncertainties
The Company's main risk is investment risk. This is the risk that the value of the investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or currency movements. Many of the companies in which TEMIT does or may invest are, by reason of the locations in which they operate, exposed to the risk of political or economic change. In addition, exchange control, tax or other regulations introduced in any country in which TEMIT invests may affect its income and the value and marketability of its investments. TEMIT continues to hold a concentrated investment portfolio and accordingly there is potential for greater volatility in asset values.

Other key risks affecting the Company are currency risk, regulatory risk and counterparty risk. Currency fluctuations may affect the value of its investments and the income derived therefrom, and investors in emerging markets can face settlement and custodial problems. Furthermore, companies in emerging markets are not always subject to accounting, auditing and financial standards which are equivalent to those applicable in the United Kingdom and there may also be less government supervision and regulation. These risks can increase the potential for losses in Company and affect its share price.

The Board has provided the Investment Manager with guidelines and limits for the management of these principal risks and uncertainties. Further information on these is given in the Business Review within the Report and Accounts for the year ended 31 March 2012 which is available on the Company's website (www.temit.co.uk).

Related party transactions
The following principal service providers to the Company are considered to be related parties:

– Templeton Asset Management Limited ("TAML") who act as Investment Manager.
– Franklin Templeton Investment Management Limited ("FTIML") who act as secretary and administrator.

During the first six months of the current financial year, there have been no significant changes in the terms and conditions of the related party agreements which have materially affected the financial position or performance of the Company.

Going concern
The Directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future and, as such, a going concern basis is appropriate in preparing the financial statements.

Statement of Directors' Responsibilities
The Directors confirm that to the best of their knowledge:

(a) the condensed set of financial statements, for the period ended 30 September 2012, has been prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting" as adopted by the EU;

(b) the Half Yearly Report includes a fair review of the information required by the FSA's Disclosure and Transparency Rules 4.2.7R being the disclosure of important events that have occurred during the first six months of the financial year, their impact on the condensed set of financial statements and a description of the principal risks and uncertainties for the remaining six months of the year; and

(c) the Half Yearly Report includes a fair review of the information required by the Disclosure and Transparency Rules 4.2.8R being the disclosure of related party transactions during the first six months of the financial year, how they have materially affected the financial position of the Company during the period and any changes therein.

The Half Year Report was approved by the Board on 27 November 2012 and the above responsibility statement was signed on its behalf by

Peter Smith
Chairman
27 November 2012

MANAGER'S REPORT & PORTFOLIO REVIEW
30 September 2012

Market Overview

Developments in the **Eurozone** and the **US** economy shaped the performance of financial markets around the world during the reporting period. The first two months remained plagued by bad news from Europe. A reduction in confidence led to net outflows of investments from emerging markets, as well as reductions in equity and commodity prices, together with the weakening of emerging markets currencies.

The tide reversed in subsequent months as stimulus measures and liquidity injections from governments and developed markets' central banks helped investor confidence. Emerging economies such as **Brazil**, **South Korea**, **China** and **India** also announced fiscal and monetary easing measures. **Brazil** unveiled a US$65 billion economic stimulus package, while the **South Korean** government announced a US$5.2 billion package. In addition to adopting an expansionary monetary policy, **China** announced a RMB1 trillion (US$158 billion) fiscal stimulus plan in September. In **India**, the government's unexpected announcement in September of a series of reforms to boost investment and stimulate economic growth, led to a recovery in equity prices.

Overall, the net result was that the MSCI Emerging Markets Index ended the reporting period down 2.6%, with part of the negative movement due to the currency appreciation of Sterling. Asian markets were among the top performers, with most markets ending the period with positive returns. While economic growth in the region did ease, growth generally remained much faster than in developed economies. European markets recorded mixed results, with **Poland** and **Turkey** standing out and producing significant outperformance. Markets in Latin America, however, lagged on concerns of slowing growth in **Brazil** (the region's largest economy), weaker domestic currencies and lower commodity prices. Outperforming its emerging market counterparts in local currency terms, a weaker Rand eroded **South Africa's** gains in Sterling terms.

Performance

Performance Attribution Analysis %

Six months to 30 September 2012	
NAV total return (Net)	-4.4
Estimated expenses	0.7
NAV total (estimated gross) return	-3.7
MSCI Emerging Markets Index total return	-2.6
Relative return	-1.1
Sector allocation	-0.6
Stock selection	-1.5
Total equities	-2.1
Currency	1.0
Relative performance	-1.1

Largest country contributors and detractors to performance %

	Contribution to portfolio	*MSCI Emerging Markets Index total return*
Thailand	1.5	4.1
Indonesia	0.5	-1.1
Chile*	0.1	-8.6
Poland	0.1	6.2
Pakistan	0.1	N/A
Taiwan	-0.3	0.2
Brazil	-0.4	-15.8
Hong Kong/China	-0.5	-1.8
South Africa	-0.6	-0.4
Mexico	-0.7	4.5

*No Companies held by TEMIT in this country

Geographically, major contributors to the Company's performance relative to the MSCI Emerging Markets Index included good stock selection and overweight positions in **Thailand** and **Indonesia**. Moreover, superior stock selection in **Hong Kong** made a noteworthy contribution to relative performance. Conversely, underweight positions in holdings in **Mexico**, **South Africa**, **China** and **Brazil** detracted from performance.

MANAGER'S REPORT & PORTFOLIO REVIEW
CONTINUED

Largest sector contributors and detractors to performance %

	Contribution to portfolio	*MSCI Emerging Markets Index total return*
Financials	1.3	-1.0
Energy	0.4	-7.9
Utilities*	0.2	-7.6
Industrials	0.2	-7.0
Information Technology	0.1	0.1
Health Care*	-0.1	9.4
Consumer Staples	-0.4	2.2
Consumer Discretionary	-0.5	-1.2
Telecommunication Services*	-0.5	3.9
Materials	-1.6	-7.8

*No companies held by TEMIT in these sectors.

By sector, good stock selection in **financials, energy** and **industrials** contributed to performance. Conversely, investments in **materials** and **consumer discretionary** were the largest detractors during the period. Underweight exposures to **telecommunication services** and **consumer staples** also detracted from relative performance.

Largest company contributors and detractors to performance %

	Contribution to portfolio	*Company total return*
Siam Commercial Bank PCL, fgn.	0.8	19.3
PT Bank Danamon Indonesia Tbk	0.6	30.6
Kasikornbank Public Co. Ltd, fgn.	0.5	17.5
Tata Consultancy Services Ltd.	0.4	7.5
Dairy Farm International Holdings Ltd	0.3	5.9
Anglo American PLC	-0.3	-20.2
Samsung Electronics Co. Ltd.*	-0.3	5.9
Itau Unibanco Holding SA, ADR	-0.6	-20.4
Vale SA, ADR, pfd., A	-0.6	-22.7
Guangzhou Automobile Group Co. Ltd., H	-0.7	-31.7

*Company not held by TEMIT.

At the company level, the top three contributors to relative performance were overweight positions in the leading Thai commercial banks, **Siam Commercial Bank** and **Kasikornbank**, as well as **PT Bank Danamon**, one of the largest banks in **Indonesia. Siam Commercial Bank** and **Kasikornbank** both remain well positioned to benefit from strong economic growth as the economy recovers from the 2011 floods and as fiscal stimulus measures, including minimum wage increases, work through the system. **Siam Commercial Bank** has a strong franchise in retail banking and a major market share in mortgages and credit cards in **Thailand**, while **Kasikornbank**, which focuses on the small and medium sized consumer market is well positioned to capitalise on loan growth in this area.

A bid approach by Singapore's DBS Group for a controlling stake in **PT Bank Danamon** pushed the share price up during the reporting period. The bank also reported improved second quarter corporate results. We also believe that this bank remains well positioned to benefit from **Indonesia's** growing economy and the country's under-developed banking sector.

The three largest detractors were overweight positions in **Guangzhou Automobile**, **Vale** a global leader in iron ore and nickel production, and **Itau Unibanco, Brazil's** largest financial conglomerate, providing a full range of banking and financial services. All three stocks ended the reporting period with declines of over 20%. **Guangzhou Automobile** is a leading automobile manufacturer in **China**, and has joint ventures with Japanese brands, Honda and Toyota. Disappointing sales and concerns about slowing growth in **China's** car market led investors to adopt a more cautious view on this company. Trading at attractive valuations, the company is well positioned to benefit from **China's** strong economic growth and purchasing power over the longer term.

A slowdown in **China** in the past six months resulted in lower demand and prices for iron ore, triggering a fall in the share price of **Vale**. We expect this weakness to be temporary as the **Chinese** and **Indian** economies continue to grow at a rapid pace (in excess of 5%), and the longer term demand for iron ore, coal and other commodities is expected to be strong.

Itau Unibanco's recent weak corporate results are a reflection of the challenges faced by **Brazil's** economy this year. A strong local currency has stymied the country's exports and brought previously high economic growth nearly to a halt. As President Dilma Rousseff's economic team implemented measures to stimulate domestic demand and spur exports, banks have had to overcome higher loan losses and lower net interest margins. As the country's biggest bank, **Itau Unibanco** is better placed than most others to emerge from the current situation stronger than before. The bank continues to cut costs and reach out to segments of the population previously not served by the country's banking system.

Largest currency contributors and detractors to performance %

Currency	
Brazilian Real*	1.2
US Dollar	0.4
Thailand Baht	0.3
South African Rand	0.2
Russian Rouble*	0.2
Malaysian Ringgit*	-0.1
Chilean Peso*	-0.1
Indonesian Rupiah	-0.2
Taiwan Dollar	-0.3
South Korean Won	-0.5

*No direct exposure to these currencies. (See below).

In terms of currencies, a major performance contributor during the period was our exposure to a stronger US Dollar through investments in Brazilian ADR (American Depositary Receipt) listings, which largely offset a decline in stock prices in that market. The Company held ADRs as opposed to the underlying ordinary shares because of the generally better liquidity. The Thai Baht, South African Rand and Hong Kong Dollar also supported performance since these currencies appreciated against Sterling during the reporting period. Conversely, exposure to the South Korean Won, Taiwan Dollar and Indonesian Rupiah detracted.

Portfolio Changes & Investment Strategies

During the period, the Company made a new investment in **Jordan** and increased its investments in **South Africa** and **Poland**. One sale, a **Taiwanese** semiconductor company, was also undertaken.

Arab Potash is a Jordanian potash producer which extracts potash from the mineral rich waters of the Dead Sea using solar ponds. It is the ninth largest producer of potash in the world, the fifth largest exporter and one of only 14 companies which produce potash. High cash flow generation, a solid balance sheet, world class assets and interesting expansion initiatives make the company an attractive investment. **Arab Potash** is also a good proxy to the vibrant fertiliser/agriculture sectors as the world's population, and particularly the relatively affluent middle class, continues to expand.

Impala Platinum is South Africa's second largest producer of platinum and one of the leading producers in the world and is responsible for approximately a quarter of global platinum production. As one of the most efficient and lowest cost producers in the world, it is well positioned to benefit from expected increases in commodity prices over the long term.

Polnord is one of the largest real estate developers active in the residential and commercial segments in Warsaw and other major cities in **Poland**. The Company increased its holdings in this company because shares were available at an attractive price, which was at a significant discount to book value.

Taiwan Semiconductor Manufacturing Co (**TSMC**) is one of the world's largest independent integrated circuit foundries. The Company divested its entire holdings in **TSMC** when the shares reached our analysts' target price.

The Company switched into the global depository shares of **OAO TMK** from the ordinary shares due to the narrowing discount between the two share types and the relatively low liquidity of the ordinary shares. **OAO TMK** is one of the world's leading manufacturers of value-added pipe products for the oil and gas industry. Its undemanding valuation and attractive growth prospects lead us to maintain a positive view on the company.

Outlook

It has become clear that the US Federal Reserve will continue to push money into the economy. We believe that this will continue until unemployment turns around. We also have seen the European Central Bank, Bank of Japan and others funding the

MANAGER'S REPORT & PORTFOLIO REVIEW
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financial system. Those billions of dollars cannot all flow into what are perceived to be "safe haven" assets such as US Treasuries and other government bonds, despite the general perception. In our view, further quantitative easing is very good for emerging markets because it means that there is a lot of cash in the system. As such, we expect more inflows into stock markets generally, including emerging stock markets.

Both comparative demographics and economic growth in emerging countries are key reasons that we remain positive on investment in emerging markets. While growth rates in many economies have slowed in recent years, emerging markets generally still are growing much faster than developed markets. We expect a growing middle class with higher disposable incomes and low penetration of products such as cars, computers and mobile phones to boost domestic consumption in the long term, supporting further GDP growth. In addition, we think that high foreign exchange reserves and relatively lower debt levels augur well for emerging markets, potentially allowing governments to withstand external financial shocks better than in the past. In terms of valuations, emerging markets have remained relatively attractive, with a 12-month forward price to earnings (P/E) ratio of 10 times, while developed markets, as represented by the MSCI World Index, are more expensive at a P/E of 12 times.

Our investment strategy continues to focus on a long-term horizon in companies that we believe are undervalued, fundamentally strong and growing. We remain positive on our key investment themes – consumer and commodities – and remain diligent and disciplined in our stock selection.

J Mark Mobius, Ph.D.
Templeton Asset Management Ltd.
27 November 2012

PORTFOLIO HOLDINGS
As at 30 September 2012

Geographical analysis (by country of incorporation)

Country	*Sector*	*% of Total Net Assets*	*MSCI Index Weighting***	*% of Issued Share Class*	*Market Value £000*
AUSTRIA					
OMV AG‡	Energy	0.9	N/A	0.2	17,141
		0.9			**17,141**
BRAZIL					
Banco Bradesco SA, ADR, pfd.*†	Financial	4.4	0.9	0.5	86,803
Itau Unibanco Holding SA, ADR*	Financial	4.1	1.0	0.4	80,995
Petroleo Brasileiro SA, ADR, pfd.*†	Energy	2.2	2.2	0.1	46,195
Vale SA, ADR, pfd., A*†	Materials	4.0	1.8	0.3	79,058
		14.7			**293,051**
HONG KONG/CHINA					
Aluminum Corp. of China Ltd., H	Materials	1.3	N/A	2.6	26,303
Brilliance China Automotive Holdings Ltd.	Consumer Discretionary	9.7	0.1	5.6	192,662
China International Marine Containers (Group) Co. Ltd., B	Industrials	0.5	N/A	0.9	9,876
China Petroleum and Chemical Corp., H	Energy	1.5	0.5	0.3	29,160
Dairy Farm International Holdings Ltd.	Consumer Staples	4.4	N/A	0.9	87,351
Guangzu Automobile Group Co. Ltd., H	Consumer Discretionary	1.6	0.1	3.5	31,522
PetroChina Co. Ltd., H	Energy	3.2	0.8	0.4	63,387
Victory City International Holdings Ltd.	Consumer Discretionary	0.4	N/A	6.7	6,588
VTech Holdings Ltd.	Information Technology	3.1	N/A	3.3	63,151
		25.7			**510,000**
HUNGARY					
MOL Hungarian Oil and Gas Nyrt.	Energy	1.0	0.1	0.4	20,474
		1.0			**20,474**
INDIA					
Infosys Technologies Ltd.	Information Technology	0.5	0.6	0.1	9,138
National Aluminium Co. Ltd.	Materials	0.7	N/A	0.8	12,502
Oil & Natural Gas Corp. Ltd.	Energy	1.3	0.1	0.1	25,975
Peninsula Land Ltd.	Financial	0.4	N/A	5.6	8,597
Sesa Goa Ltd.	Materials	2.0	N/A	2.4	42,124
Tata Consultancy Services Ltd.	Information Technology	4.6	0.3	0.3	90,965
		9.5			**189,301**

‡This Austrian company has significant exposure to operations in emerging markets.
*US Listed Stocks.
**N/A: These stocks are not held by the MSCI Emerging Markets Index.
†pfd: preferred shares.

PORTFOLIO HOLDINGS
CONTINUED

Country	*Sector*	*% of Total Net Assets*	*MSCI Index Weighting***	*% of Issued Share Class*	*Market Value £000*
INDONESIA					
PT Astra International Tbk	Consumer Discretionary	4.6	0.4	0.5	90,150
PT Bank Central Asia Tbk	Financial	2.6	0.3	0.4	50,802
PT Bank Danamon Indonesia Tbk	Financial	2.7	0.1	1.4	54,137
		9.9			**195,089**
JORDAN					
Arab Potash Co. PLC.	Materials	0.1	N/A	0.1	1,948
		0.1			**1,948**
MEXICO					
Wal-Mart de Mexico SAB de CV, V	Consumer Staples	2.1	0.4	0.1	42,868
		2.1			**42,868**
PAKISTAN					
Faysal Bank Ltd.	Financial	0.1	N/A	5.0	2,544
MCB Bank Ltd.	Financial	2.0	N/A	3.5	39,208
		2.1			**41,752**
POLAND					
Polnord SA	Industrials	0.1	N/A	4.7	2,916
Polski Koncern Naftowy Orlen SA	Energy	1.5	0.1	0.8	28,567
		1.6			**31,483**
RUSSIA					
Gazprom, ADR*	Energy	2.2	1.6	0.1	45,460
Mining and Metallurgical Co. Norilsk Nickel	Materials	0.4	0.2	–	7,187
Mining and Metallurgical Co. Norilsk Nickel, ADR*	Materials	1.1	N/A	0.1	23,543
OAO TMK	Energy	0.7	N/A	0.5	11,179
		4.4			**87,369**
SOUTH AFRICA					
Anglo American PLC	Materials	1.5	N/A	0.1	29,519
Impala Platinum Holdings Ltd.	Materials	0.7	0.3	0.2	14,629
		2.2			**44,148**
SOUTH KOREA					
Hyundai Development Co.	Industrials	1.7	N/A	3.5	32,641
SK Innovation Co. Ltd.	Energy	2.9	0.2	0.7	58,216
		4.6			**90,857**

*US Listed Stocks.

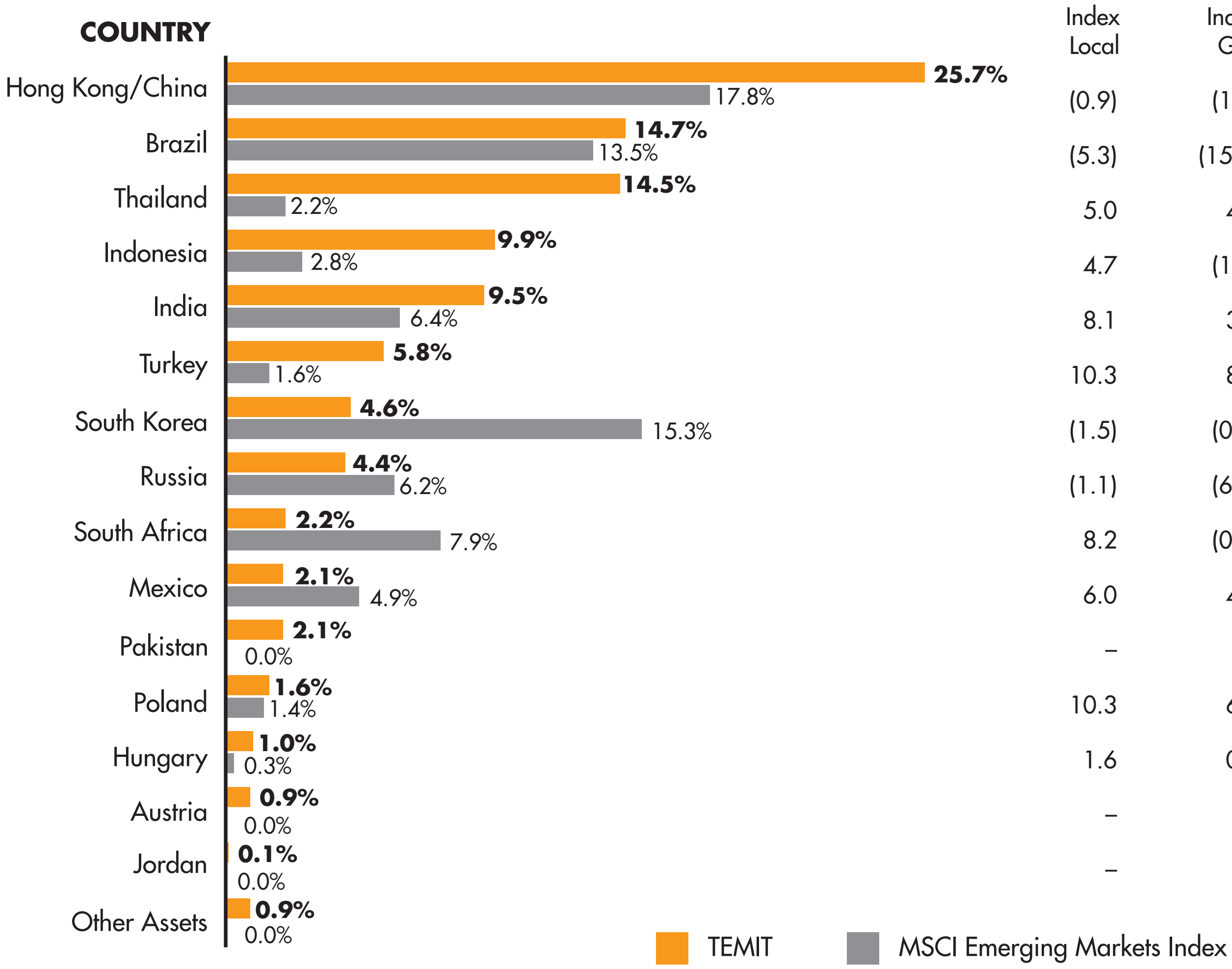
**N/A: These stocks are not held by the MSCI Emerging Markets Index.

Country	Sector	% of Total Net Assets	MSCI Index Weighting**	% of Issued Share Class	Market Value £000
THAILAND					
Kasikornbank PCL, fgn.	Financial	2.9	0.3	0.7	60,566
Kiatnakin Bank PCL, fgn.	Financial	1.1	N/A	2.7	20,872
Land and Houses PCL, fgn.	Financial	0.9	N/A	0.9	17,065
PTT Exploration and Production PCL, fgn.	Energy	1.6	0.2	0.3	31,569
PTT PCL, fgn.	Energy	1.7	0.3	0.2	34,542
Siam Cement PCL, fgn.	Materials	1.5	0.1	0.3	27,827
Siam Commercial Bank PCL, fgn.	Financial	4.3	0.2	0.8	86,372
Univanich Palm Oil PCL, fgn.	Consumer Staples	0.5	N/A	5.0	8,981
		14.5			**287,794**
TURKEY					
Akbank TAS	Financial	3.7	0.2	0.7	72,548
Tupras-Turkiye Petrol Rafinerileri AS	Energy	2.1	0.1	1.2	42,137
		5.8			**114,685**
TOTAL INVESTMENTS		**99.1**			**1,967,960**
LIQUID NET ASSETS		**0.9**			**18,103**
TOTAL NET ASSETS		**100.0**			**1,986,063**

**N/A: These stocks are not held by the MSCI Emerging Markets Index.

GEOGRAPHIC ASSET ALLOCATION

As at 30 September 2012



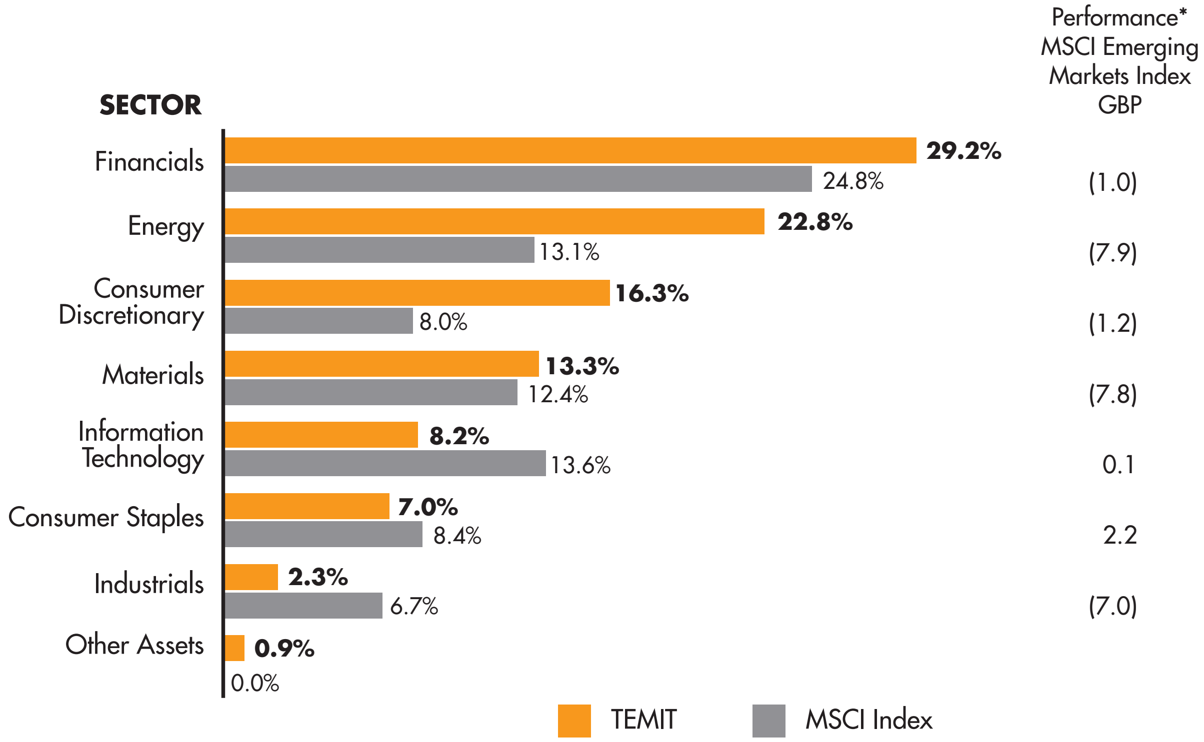
Country	Performance* MSCI Emerging Markets Index Local	Performance* MSCI Emerging Markets Index GBP
Hong Kong/China	(0.9)	(1.8)
Brazil	(5.3)	(15.8)
Thailand	5.0	4.1
Indonesia	4.7	(1.1)
India	8.1	3.3
Turkey	10.3	8.4
South Korea	(1.5)	(0.7)
Russia	(1.1)	(6.9)
South Africa	8.2	(0.4)
Mexico	6.0	4.5
Pakistan	–	–
Poland	10.3	6.2
Hungary	1.6	0.5
Austria	–	–
Jordan	–	–
Other Assets		

Country	31 Mar 12 Market Value £m's	Purchases £m's	Sales £m's	Market Movement £m's	30 Sep 12 Market Value £m's	Movement in period* TEMIT %	Movement in period* MSCI Emerging Markets Index GBP %
Hong Kong/China	540	–	–	(30)	510	(5.6)	(1.8)
Brazil	356	–	–	(63)	293	(17.7)	(15.8)
Thailand	268	–	–	20	288	7.5	4.1
Indonesia	194	–	–	1	195	1.0	(1.1)
India	193	–	–	(4)	189	(2.1)	3.3
Other	537	13	(16)	(41)	493		
Other Assets	11	–	–	7	18		
Total	2,099	13	(16)	(110)	1,986		

*Figures based on a share price return.

SECTOR ASSET ALLOCATION

As at 30 September 2012



Sector	31 Mar 12 Market Value £m's	Purchases £m's	Sales £m's	Market Movement £m's	30 Sep 12 Market Value £m's	Movement in period* TEMIT %	Movement in period* MSCI Emerging Markets Index GBP %
Financials	628	–	–	(47)	581	(7.5)	(1.0)
Energy	488	10	(9)	(35)	454	(7.7)	(7.9)
Consumer Discretionary	288	–	–	33	321	11.5	(1.2)
Materials	318	3	–	(56)	265	(17.4)	(7.8)
Information Technology	171	–	(7)	(1)	163	(3.0)	0.1
Other	195	–	–	(11)	184		
Other Assets	11	–	–	7	18		
Total	2,099	13	(16)	(110)	1,986		

The Investment Manager uses a value style of investing and the constituents of the portfolio may not match those of the index.

*Figures based on a share price return.

INCOME STATEMENT
For the six months to 30 September 2012

	For the six months to 30 September 2012 (unaudited)		
	Revenue £'000	*Capital £'000*	*Total £'000*
Gains/(Losses) on investments and exchange			
Gains/(Losses) on investments at fair value	–	(116,836)	(116,836)
Gains/(Losses) on foreign exchange	–	(7)	(7)
Revenue			
Dividends	39,759	–	39,759
Bank Interest	41	–	41
	39,800	**(116,843)**	**(77,043)**
Expenses			
Investment management fee	(9,705)	–	(9,705)
Other expenses	(2,861)	–	(2,861)
Profit/(Loss) before taxation	**27,234**	**(116,843)**	**(89,609)**
Tax Expense	(3,482)	–	(3,482)
Profit/(Loss) for the period	**23,752**	**(116,843)**	**(93,091)**
Profit/(Loss) attributable to equity holders of the Company	**23,752**	**(116,843)**	**(93,091)**
Basic earnings per Share	**7.2p**	**(35.5p)**	**(28.3p)**
Annualised Ongoing Charge Ratio			**1.31%**

The total column is the Income Statement of the Company.

The supplementary revenue and capital return columns are both prepared under guidance published by the Association of Investment Companies.

All revenue and capital items in the above statement derive from continuing operations.

There is no other income for this period, and therefore no separate statement of comprehensive income has been presented.

Dividend Policy
In accordance with the Company's stated policy, no interim dividend is declared for the period.

(An ordinary dividend of 5.75 pence per share was paid for the year ended 31 March 2012.)

The capital element of return is not distributable.

For the six months to 30 September 2011 (unaudited)			For the year ended 31 March 2012 (audited)		
Revenue £'000	*Capital £'000*	*Total £'000*	*Revenue £'000*	*Capital £'000*	*Total £'000*
–	(559,980)	(559,980)	–	(281,275)	(281,275)
–	(123)	(123)	–	(221)	(221)
38,829	–	38,829	58,366	–	58,366
48	–	48	57	–	57
38,877	**(560,103)**	**(521,226)**	**58,423**	**(281,496)**	**(223,073)**
(10,961)	–	(10,961)	(21,237)	–	(21,237)
(3,374)	–	(3,374)	(6,445)	–	(6,445)
24,542	**(560,103)**	**(535,561)**	**30,741**	**(281,496)**	**(250,755)**
(3,189)	–	(3,189)	(4,662)	–	(4,662)
21,353	**(560,103)**	**(538,750)**	**26,079**	**(281,496)**	**(255,417)**
21,353	**(560,103)**	**(538,750)**	**26,079**	**(281,496)**	**(255,417)**
6.5p	**(169.8p)**	**(163.3p)**	**7.9p**	**(85.3p)**	**(77.4p)**
		1.31%			**1.31%**

BALANCE SHEET
As at 30 September 2012

	As at 30 September 2012 £'000 (unaudited)	*As at 30 September 2011 £'000 (unaudited)*	*As at 31 March 2012 £'000 (audited)*
Assets			
Non-current assets			
Investments at fair value through profit or loss	1,967,960	1,785,130	2,087,608
Current Assets			
Trade and other receivables	3,473	2,931	6,335
Cash	16,798	32,351	7,024
	20,271	**35,282**	**13,359**
Current Liabilities			
Trade and other payables	(2,168)	(5,103)	(2,327)
	(2,168)	**(5,103)**	**(2,327)**
Net assets	**1,986,063**	**1,815,309**	**2,098,640**
Issued share capital and reserves attributable to equity shareholders			
Equity Share Capital	82,428	82,453	82,453
Special Distributable Reserve	433,546	433,546	433,546
Capital Redemption Reserve	241	216	216
Capital Reserve	1,384,427	1,223,187	1,501,792
Revenue Reserve	85,421	75,907	80,633
Equity shareholders' funds	**1,986,063**	**1,815,309**	**2,098,640**
Net Asset Value per Share (in pence)	602.4	550.4	636.3

STATEMENT OF CHANGES IN EQUITY

For the six months to 30 September 2012 (unaudited)

	Share Capital £'000	*Capital Redemption Reserve £'000*	*Special Distributable Reserve £'000*	*Capital Reserve £'000*	*Revenue Reserve £'000*	*Total £'000*
Balance at 31 March 2011	**82,466**	**203**	**433,546**	**1,783,604**	**68,573**	**2,368,392**
Profit/(Loss) for the period	–	–	–	(560,103)	21,353	(538,750)
Equity dividends	–	–	–	–	(14,019)	(14,019)
Purchase and cancellation of own shares	(13)	13	–	(316)	–	(316)
Balance at 30 September 2011	**82,453**	**216**	**433,546**	**1,223,185**	**75,907**	**1,815,307**
Profit for the period	–	–	–	278,607	4,726	283,333
Balance at 31 March 2012	**82,453**	**216**	**433,546**	**1,501,792**	**80,633**	**2,098,640**
Profit/(Loss) for the period	–	–	–	(116,843)	23,752	(93,091)
Equity dividends	–	–	–	–	(18,964)	(18,964)
Purchase and cancellation of own shares	(25)	25	–	(522)	–	(522)
Balance at 30 September 2012	**82,428**	**241**	**433,546**	**1,384,427**	**85,421**	**1,986,063**

CASH FLOW STATEMENT
For the six months to 30 September 2012

	For the six months to 30 September 2012 £'000 (unaudited)	*For the six months to 30 September 2011 £'000 (unaudited)*	*For the year to 31 March 2012 £'000 (audited)*
Cash flows from operating activities			
(Loss)/Profit before taxation	(89,609)	(535,561)	(250,755)
Adjustments for:			
Losses/(gains) on investments at fair value	116,836	559,980	281,275
Realised loss on foreign exchange	7	123	221
Scrip dividends received in period	–	(401)	(212)
Decrease in debtors	2,860	2,648	(1,153)
(Increase)/decrease in accrued income	1	(6)	1
Increase/(decrease) in creditors	(159)	2,503	(273)
Cash generated from operations	**29,936**	**29,286**	**29,104**
Taxation paid	(3,482)	(3,597)	(5,078)
Net cash inflow from operating activities	**26,454**	**25,689**	**24,026**
Cash flows from investing activities			
Purchases of non-current financial assets	(13,276)	(24,110)	(59,208)
Sales of non-current financial assets	16,082	34,075	45,513
	2,806	**9,965**	**(13,695)**
Cash flows from financing activities			
Equity dividends paid	(18,964)	(14,019)	(14,019)
Purchase and cancellation of own shares	(522)	(314)	(316)
	(19,486)	**(14,333)**	**(14,335)**
Net increase/(decrease) in cash	**9,774**	**21,321**	**(4,004)**
Cash at start of period	7,024	11,025	11,025
Exchange gain/(loss) on cash	–	5	3
Cash at end of period	**16,798**	**32,351**	**7,024**

NOTES TO THE FINANCIAL STATEMENTS
For the six months to 30 September 2012

1. Basis of preparation
The Half Yearly Report for the period ended 30 September 2012 has been prepared in accordance with International Accounting Standards ("IAS") 34 "Interim Financial Reporting".

The accounting policies applied to these half yearly accounts are consistent with those applied in the accounts for the twelve months ended 31 March 2012.

The financial information contained in this interim statement does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The financial information for the half years' ended 30 September 2011 and 30 September 2012 has not been audited. The figures and financial information for the year ended 31 March 2012 are extracted from the latest published accounts and do not constitute the statutory accounts for that period. Those accounts have been delivered to the Registrar of Companies and included the Report of the Independent Auditors, which was unqualified and did not include a statement under sections 498(2) or 498(3) of the Companies Act 2006.

2. Earnings per share

	For the six months to 30 September 2012 £'000	*For the six months to 30 September 2011 £'000*	*For the year to 31 March 2012 £'000*
Revenue return	23,752	21,353	26,079
Capital return/(loss)	(116,843)	(560,103)	(281,496)
Total	**(93,091)**	**(538,750)**	**(255,417)**
Weighted average number of shares in issue	329,762,439	329,837,576	329,825,964
Revenue return per share	7.2p	6.5p	7.9p
Capital return per share	(35.5p)	(169.8p)	(85.3p)
Total return per share	**(28.3p)**	**(163.3p)**	**(77.4p)**

3. Shares repurchased
During the period to 30 September 2012 the Company bought back 100,000 shares for cancellation for a total consideration of £522,000. For the twelve months to 31 March 2012 a total of 50,000 shares were bought back for cancellation at a cost of £316,000, and all were bought back in the first six months of the year.

4. Taxation
The tax expense of £3.5 million relates to irrecoverable overseas tax on dividends received.

NOTES TO THE FINANCIAL STATEMENTS
CONTINUED

5. Costs of investment transactions
During the period, expenses were incurred in acquiring or disposing of investments. The following costs of transactions are included in the gains/(losses) on investments

	For the six months to 30 September 2012 £'000	*For the six months to 30 September 2011 £'000*	*For the year to 31 March 2012 £'000*
Purchase expenses	33	33	120
Sales expenses	52	51	63
	85	84	183

TEMPLETON INVESTMENT PLAN

How to invest
There are two ways of purchasing shares in TEMIT:

1. Through the Templeton Investment Plan.

   – invest a regular monthly or quarterly amount – minimum £50 monthly or £150 quarterly.

   – make occasional lump sum investments – initial minimum £250, minimum subsequent investments £50.

2. Directly in the stock market through a stockbroker.

For more information contact your financial adviser or call us free on 0800 305 306. Alternatively, you can visit the website at: www.temit.co.uk

This report does not constitute or form part of any offer for shares or an invitation to apply for shares. The price of shares and income from them can go down as well as up and you may not get back the full amount that you invested. Past performance is no guarantee of future performance. Currency fluctuations will affect the value of overseas investments. Emerging Markets can be more risky than Developed Markets. Please consult your professional adviser before deciding to invest.

GENERAL INFORMATION
TEMPLETON EMERGING MARKETS INVESTMENT TRUST PLC

BOARD OF DIRECTORS
Peter A Smith* (Chairman)
Christopher D Brady*
Hamish N Buchan*
Sir Peter Burt*
Neil Collins*
Peter O Harrison*
Gregory E Johnson

* Independent non executive

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