Franklin Resources, Inc.

CLSA AsiaUSA Forum – March 1, 2010



Forward-Looking Statements

The financial results in this presentation are preliminary. Statements in this presentation regarding Franklin Resources, Inc. (“Franklin”) and its subsidiaries, which are not historical facts, are "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. When used in this presentation, words or phrases generally written in the future tense and/or preceded by words such as “will”, “may”, “could”, “expect”, “believe”, “anticipate”, “intend”, “plan”, “seek”, “estimate” or other similar words are forward-looking statements. Forward-looking statements involve a number of known and unknown risks, uncertainties and other important factors, some of which are listed below, that could cause actual results and outcomes to differ materially from any future results or outcomes expressed or implied by such forward-looking statements. Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. We caution you therefore against relying on any of these forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance.

These and other risks, uncertainties and other important factors are described in more detail in Franklin’s recent filings with the U.S. Securities and Exchange Commission, including, without limitation, in Risk Factors and Management’s Discussion and Analysis of Financial Condition and Results of Operations in Franklin’s Annual Report on Form 10-K for the fiscal year ended September 30, 2009: (1) volatility and disruption of the capital and credit markets, and adverse changes in the global economy, may significantly affect our results of operations and may put pressure on our financial results; (2) the amount and mix of our assets under management are subject to significant fluctuations; (3) we are subject to extensive and complex, overlapping and frequently changing rules, regulations and legal interpretations; (4) regulatory and legislative actions and reforms have made the regulatory environment in which we operate more costly and future actions and reforms could adversely impact our assets under management, increase costs and negatively impact our profitability and future financial results; (5) changes in tax laws or exposure to additional income tax liabilities could have a material impact on our financial condition, results of operations and liquidity; (6) our ability to maintain the beneficial tax treatment we anticipate with respect to non-U.S. earnings we have repatriated is based on current interpretations of the American Jobs Creation Act of 2004 (the “Jobs Act”) and permitted use of such amounts in accordance with our domestic reinvestment plan and the Jobs Act; (7) any significant limitation or failure of our software applications, technology or other systems that are critical to our operations could constrain our operations; (8) our investment management business operations are complex and a failure to properly perform operational tasks or the misrepresentation of our products and services could have an adverse effect on our revenues and income; (9) we face risks, and corresponding potential costs and expenses, associated with conducting operations and growing our business in numerous countries; (10) we depend on key personnel and our financial performance could be negatively affected by the loss of their services; (11) strong competition from numerous and sometimes larger companies with competing offerings and products could limit or reduce sales of our products, potentially resulting in a decline in our market share, revenues and net income; (12) changes in the third-party distribution and sales channels on which we depend could reduce our revenues and hinder our growth; (13) our increasing focus on international markets as a source of investments and sales of investment products subjects us to increased exchange rate and other risks in connection with earnings and income generated overseas; (14) poor investment performance of our products could affect our sales or reduce the level of assets under management, potentially negatively impacting our revenues and income; (15) we could suffer losses in earnings or revenue if our reputation is harmed; (16) our future results are dependent upon maintaining an appropriate level of expenses, which is subject to fluctuation; (17) our ability to successfully integrate widely varied business lines can be impeded by systems and other technological limitations; (18) our inability to successfully recover should we experience a disaster or other business continuity problem could cause material financial loss, loss of human capital, regulatory actions, reputational harm or legal liability; (19) certain of the portfolios we manage, including our emerging market portfolios, are vulnerable to significant market-specific political, economic or other risks, any of which may negatively impact our revenues and income; (20) our revenues, earnings and income could be adversely affected if the terms of our management agreements are significantly altered or these agreements are terminated by the funds and other sponsored investment products we advise; (21) regulatory and governmental examinations and/or investigations, civil litigation relating to previously-settled regulatory and governmental investigations, and the legal risks associated with our business, could adversely impact our assets under management, increase costs and negatively impact our profitability and/or our future financial results; (22) our ability to meet cash needs depends upon certain factors, including the market value of our assets, operating cash flows and our perceived credit worthiness; (23) diverse and strong competition limits the interest rates that we can charge on consumer loans; (24) our business could be negatively affected if we or our banking subsidiaries fail to remain well capitalized, and liquidity needs could affect our banking business; and (25) we are dependent on the earnings of our subsidiaries.

Any forward-looking statement made by us in this presentation speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

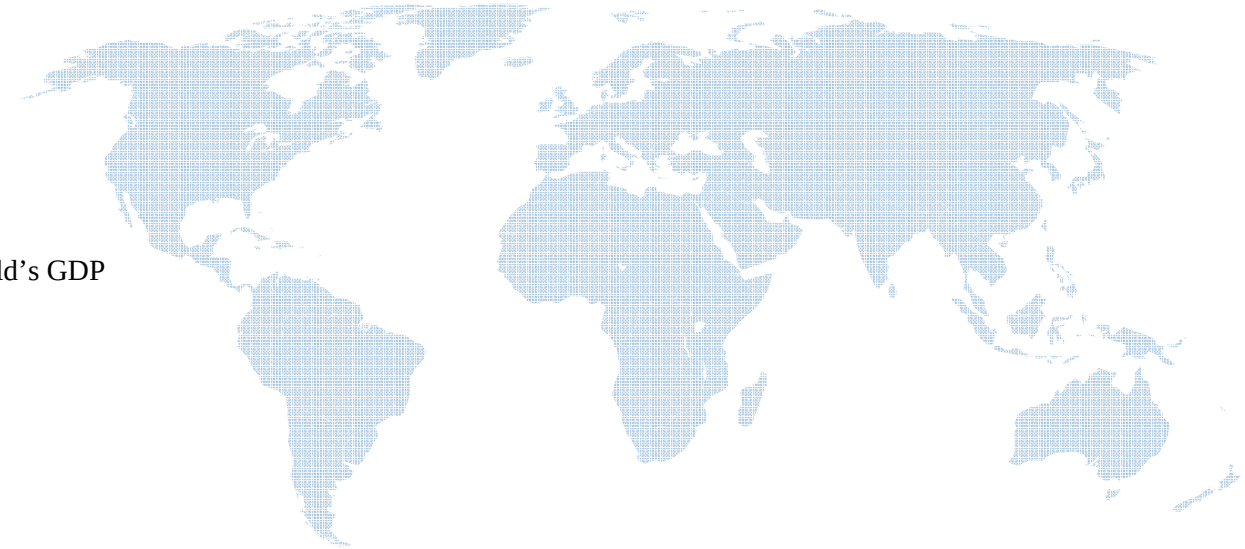
Franklin Templeton Investments: A Premier Global Investment Management Organization

World-Class Investment Management

- $548 billion in assets under management[1] with over 350 investment solutions worldwide[2]
- Fifth-largest U.S. mutual fund manager[3]
- Second-largest cross-border fund manager[4]

Depth and Breadth of Our Global Presence

- Clients in 150+ countries
- Offices cover countries representing 84% of the world's GDP



1. As of 1/31/10.
2. Investment solutions are defined as distinct investment strategies available to retail and institutional investors worldwide.
3. As of 12/31/09. Strategic Insight (SimFund MF); ICI. .Based on U.S.-based open-end mutual funds.
4. As of 12/31/09. Lipper FMI - Thomson Reuters. Based on cross border retail funds (excluding ETF and Tracker Funds). A cross-border fund is one that sources less than 80% of its assets from investors in any single country.

Our World-Class Investment Management Groups



Specialized Investment Teams: Local Asset Management Capabilities

Brazil
Sao Paulo



- Equity
- Fixed Income

Canada
Calgary



- Equity
- Fixed Income

China*
Shanghai, Hong Kong



- Equity
- Fixed Income

India
Chennai, Mumbai



- Equity
- Fixed Income
- Private Equity

Japan
Tokyo



- Equity

Malaysia
Kuala Lumpur



- Sharia/ Islamic Investing

MENA*
Dubai



- Equity
- Fixed Income
- Sukuk

South Korea
Seoul



- Equity
- Fixed Income

Vietnam*
Hanoi



- Equity
- Fixed Income
- Private Equity

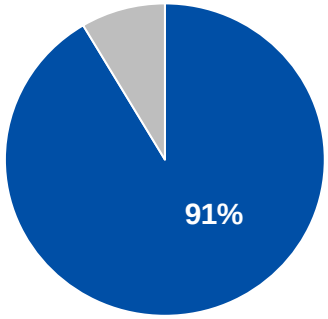
* Joint venture.

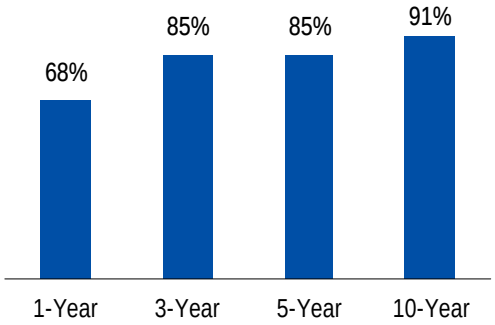
Strong Long-Term Investment Performance

Percentage of Long-Term Assets in Top Two Quartiles

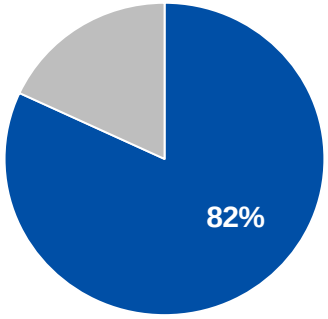
10-Year Periods Ended 12/31/09[1]

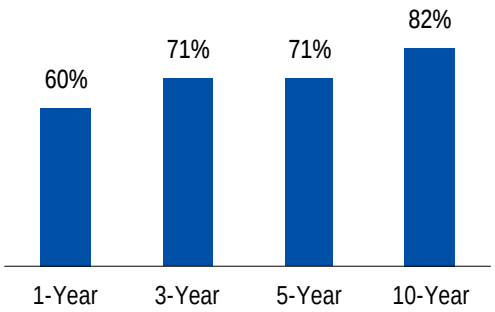
Franklin Templeton U.S. Mutual Funds[1]



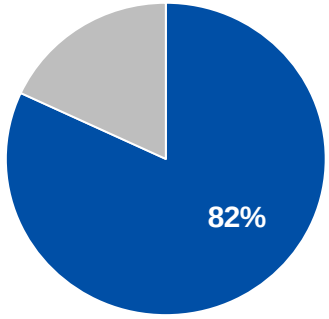


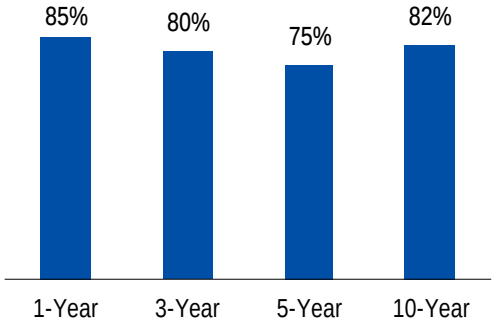
Franklin Templeton Cross-Border Funds[2]





Franklin Templeton Institutional Composites[3]





1. Source: Lipper, Inc., 12/31/09. Lipper rankings for Franklin Templeton U.S.-registered long-term mutual funds are based on Class A shares and do not include sales charges. Franklin Templeton funds are compared against a universe of all share classes. Performance rankings for other share classes may differ. Of the eligible Franklin Templeton long-term mutual funds tracked by Lipper, 26, 37, 40, and 40 funds ranked in the top quartile and 35, 32, 23, and 23 funds ranked in the second quartile of their respective Lipper peer groups for the 1-, 3-, 5- and 10-year periods, respectively, for cumulative total return.
2. Source: Morningstar, 12/31/09. Morningstar rankings for Franklin Templeton cross-border mutual funds are based on primary share classes and do not include sales charges. Performance rankings for other share classes may differ. Of the eligible Franklin Templeton long-term mutual funds tracked by Morningstar, 27, 20, 13, and 9 funds ranked in the top quartile; 17, 8, 7, and 6 funds ranked in the second quartile of their respective Morningstar categories for the 1-, 3-, 5- and 10-year periods, respectively, for average annual total return.
3. Each percentage of assets figure represents composites reported to eVestments, is not inclusive of all Franklin Templeton Institutional composite assets., and only includes composites for which a continuous performance history has been reported to eVestments for the respective period. eVestment rankings are based on Franklin Templeton institutional composites performance before deduction of management fees. Management fees will reduce an investors return. Franklin Templeton Institutional composites are compared against institutional composites that invest in a comparable asset class. Competitor performance may or may not include management fees.

Portfolio Capabilities Are Leveraged by Our Global Distribution Infrastructure

Investment Strategies

U.S. Fixed Income	Global Fixed Income	Core / Hybrid	Value Equity	Growth Equity	Global Equity	Int'l Equity	Emerging Markets	Local Asset Mgmt	Private Equity	Real Estate

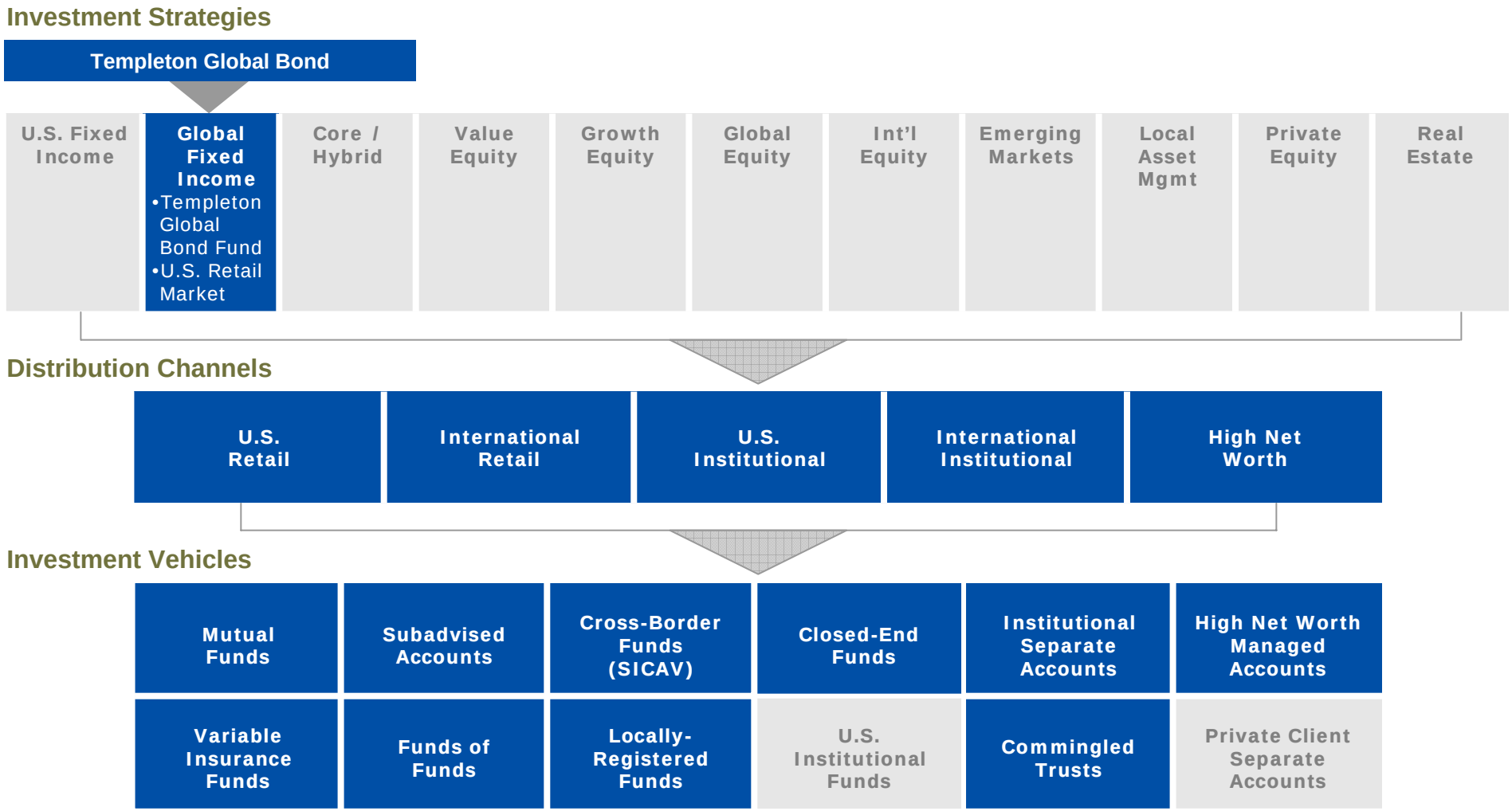
Distribution Channels

U.S. Retail	International Retail	U.S. Institutional	International Institutional	High Net Worth

Investment Vehicles

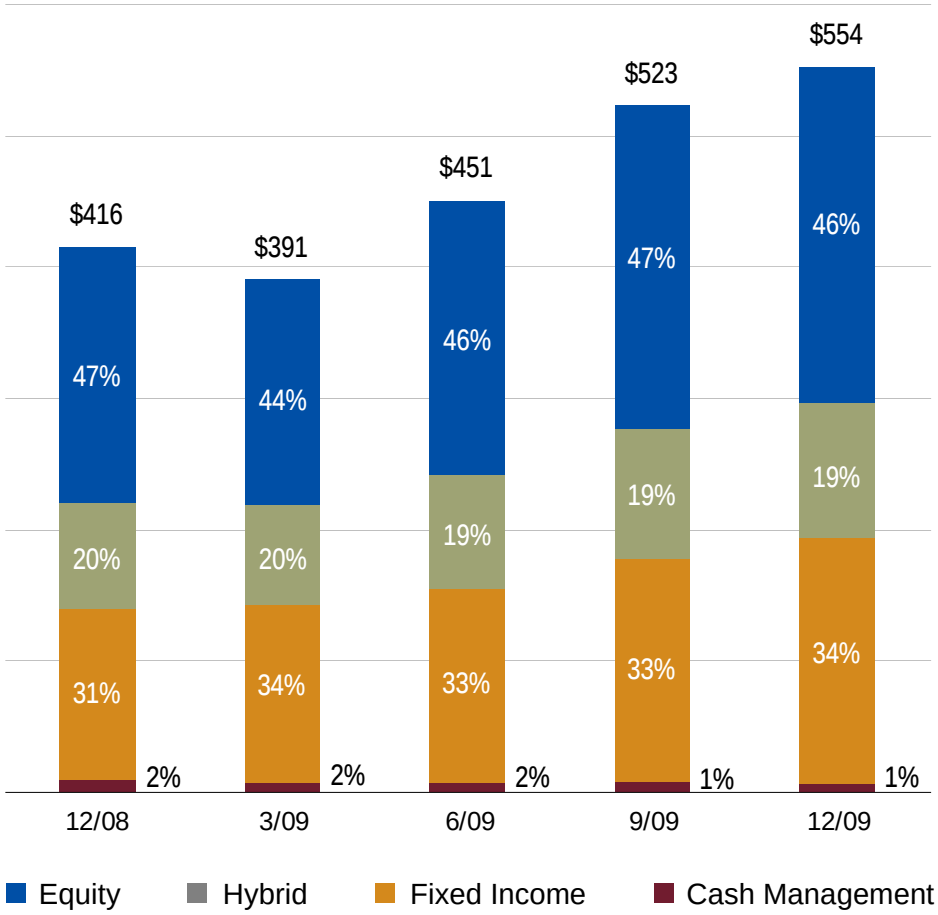
Mutual Funds	Subadvised Accounts	Cross-Border Funds (SICAV)	Closed-End Funds	Institutional Separate Accounts	High Net Worth Managed Accounts
Variable Insurance Funds	Funds of Funds	Locally-Registered Funds	U.S. Institutional Funds	Commingled Trusts	Private Client Separate Accounts

Investment Strategies Are Deployed Worldwide: Templeton Global Bond Example

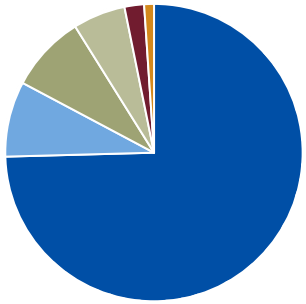


Broad and Diversified Client and Asset Base

Assets Under Management in U.S. $ Billions

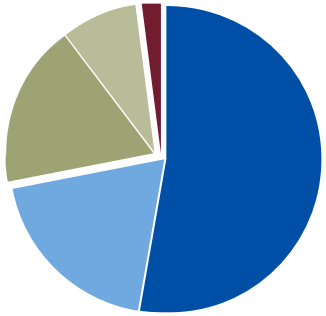


AUM by Region



United States	74%
Europe	9%
Asia-Pacific	8%
Canada	6%
Middle East/Africa	2%
Americas	1%

AUM by Client Type

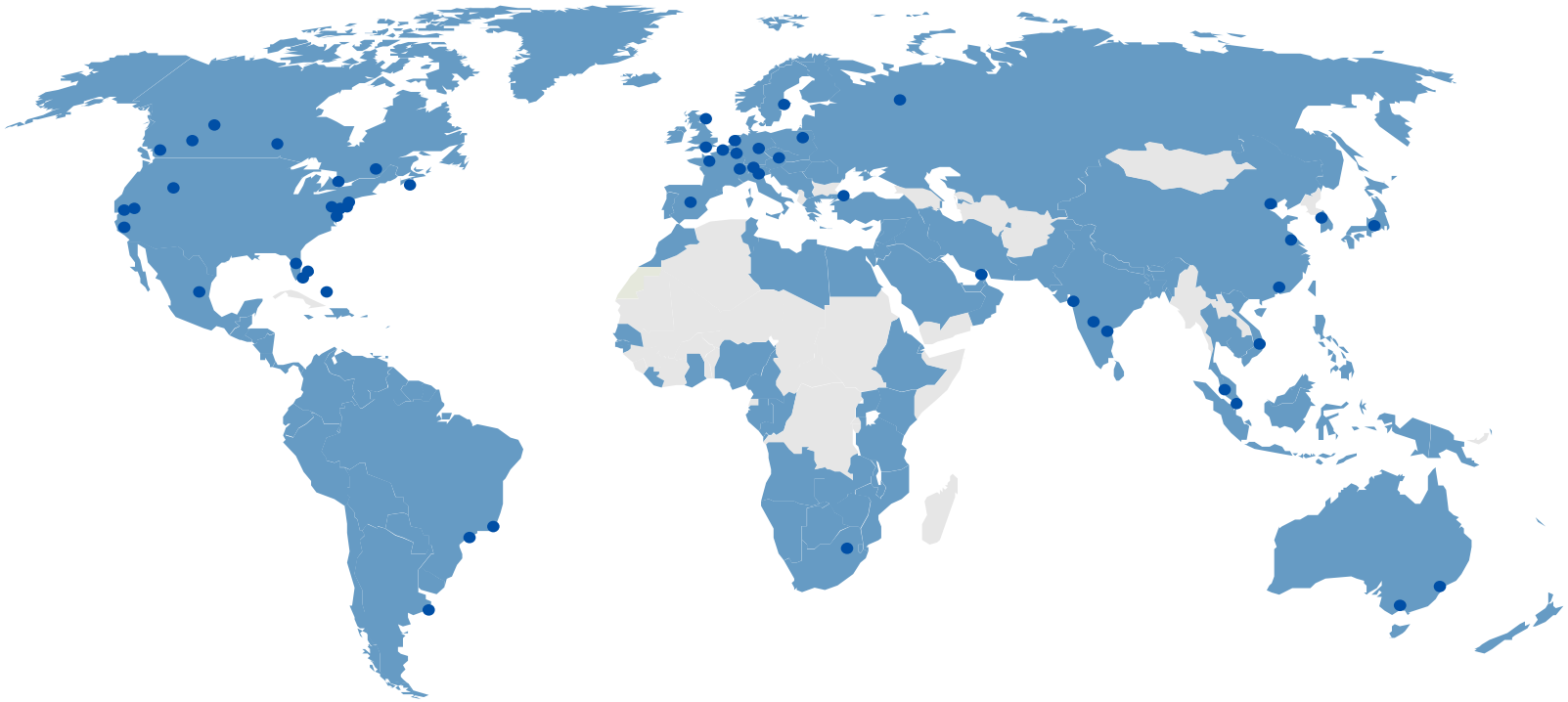


Retail	70%
United States	52%
International	18%
Institutional	28%
United States	19%
International	9%
High Net Worth	2%

As of 12/31/09.

Our Global Footprint

Offices in Countries Representing 84% of the World's GDP[1]



• Offices in 30+ Countries **■ Clients in 150+ Countries**

The Americas

United States (1947)
Bahamas (1968)
Canada (1982)
Argentina (1994)
Brazil (1994)
Mexico (2005)

Europe/Middle East/Africa

United Kingdom (1986)
Luxembourg (1988)
Switzerland (1988)
Germany (1990)
France (1994)
Italy (1995)
Netherlands (1997)
Poland (1997)
South Africa (1997)
UAE (1997)
Spain (1998)
Sweden (1998)
Russia (1999)
Austria (2005)
Turkey (2005)
Hungary (2008)

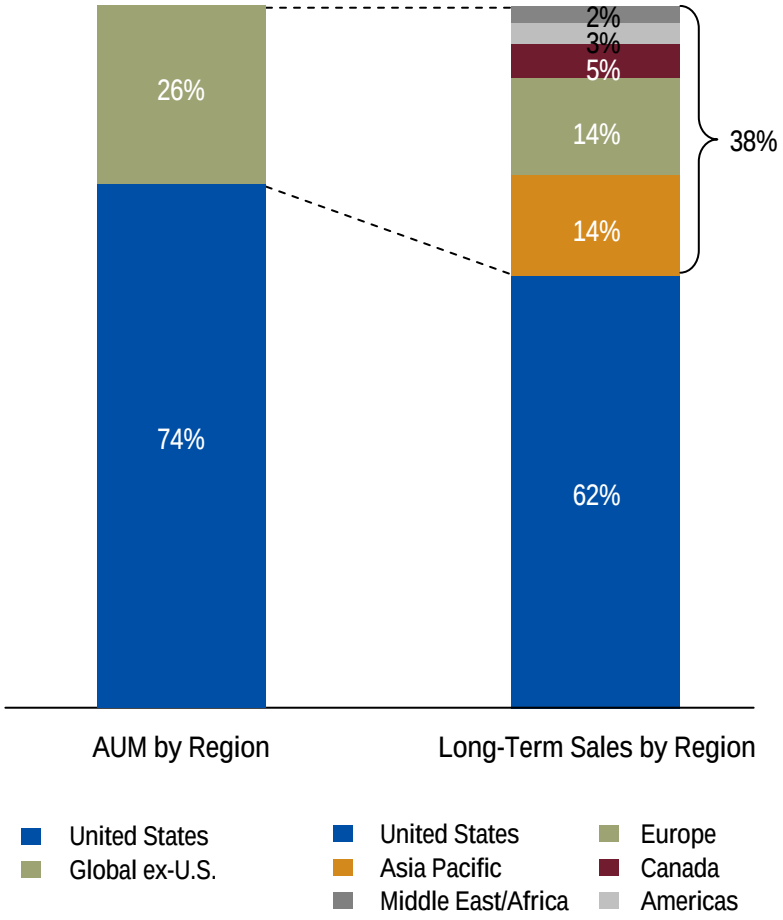
Asia-Pacific

Australia (1986)
Taiwan (1986)
Singapore (1990)
Hong Kong (1994)
India (1995)
Japan (1996)
South Korea (1997)
China (2004)
Vietnam (2008)
Malaysia (2009)

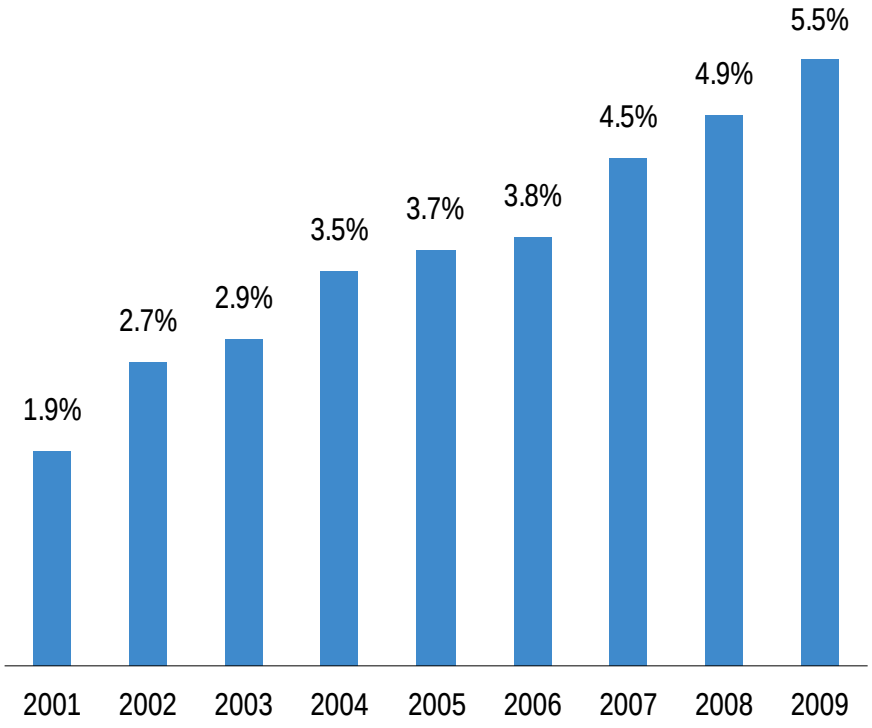
1. Based on information from IMF, World Economic Outlook Database, October 2009.
* Dates indicates date of establishing presence via an office opening or acquiring stake in a joint venture.

Our Global Business Is Growing

AUM and Long-Term Sales by Region[1]



Cross-Border Long-Term Asset Market Share[2]



Franklin Templeton is the second-largest cross-border fund manager[3]

1. Long-term sales by region is for the 12-month period ended 12/31/09. Long-Term Sales excludes cash management funds.
2. Source: Lipper FERI, 12/31/09. All retail cross-border products excluding ETF and tracker funds.
3. As of 12/31/09. Lipper FMI - Thomson Reuters. Based on cross border retail funds (excluding ETF and Tracker Funds).

Depth and Breadth of Our Global Presence

Countries and Regions with Over U.S. $1 Billion in AUM



Brazil	Austria	Iberia	Lux.	France	Sing.	Japan	Aus.	South Amer. (ex-Brazil)	Hong Kong	Korea	Switz.	India	Italy	UK	Gulf & E. Med.	Germ.	Taiwan	Canada	U.S.
$1.1	$1.5	$1.5	$1.8	$2.4	$2.6	$3.2	$3.9	$4.4	$4.9	$5.8	$6.7	$7.4	$7.7	$8.2	$11.3	$15.3	$17.4	$32.3	$407.9
Local Funds SICAV Sep. Accts.	Local Funds SICAV Sep. Accts.	SICAV Sep. Accts.	SICAV Sep. Accts.	SICAV Sep. Accts.	SICAV Sep. Accts.	Local Funds Sep. Accts.	Local Funds Sep. Accts.	Local Funds SICAV Sep. Accts	Local Funds SICAV Sep. Accts.	Local Funds SICAV Sep. Accts.	SICAV Sep. Accts.	Local Funds Sep. Accts.	Local Funds SICAV Sep. Accts.	Local Funds SICAV Sep. Accts.	Local Funds SICAV Sep. Accts.	SICAV Sep. Accts. U.S. Funds	SICAV Sep. Accts. U.S. Funds	Local Funds Sep. Accts.	Multiple Vehicles

As of 12/31/09. Based upon assets raised in the country or region.

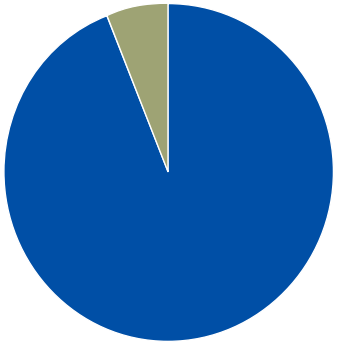
India

A Case for Local Asset Management






AUM by Investment Vehicle



Local Funds	94%
Separate Accounts	6%
Cross-Border Funds	0%
U.S. Funds	0%
Total AUM	$7.4B

Milestones

- 1995: First local management business – established as joint venture
- 1996: First local fund launched
- 2002: Acquired Pioneer ITI
- 2007: Acquired 100% ownership
- 2009: First $1 billion local fund

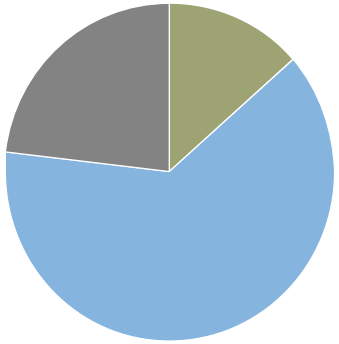
Taiwan

Leveraging U.S. & Cross-Border Funds






AUM by Investment Vehicle



Local Funds	0%
Separate Accounts	14%
Cross-Border Funds	63%
U.S. Funds	23%

Total AUM $17.4B

Milestones

- 1986: First office opened outside North America
- 1994: Began offering SICAV funds
- 2004: First institutional mandate
- 2006: Reached $10 billion in AUM

South Korea

Home Country Investing Bias; But the Market is Opening Up

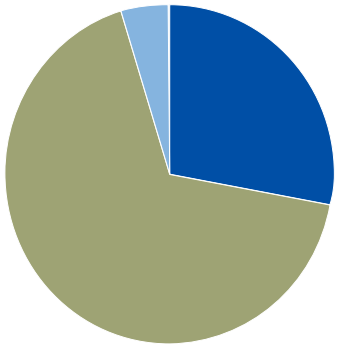








AUM by Investment Vehicle



Local Funds	28%
Separate Accounts	67%
Cross-Border Funds	5%
U.S. Funds	0%
Total AUM	$5.8B

Milestones

- 1997: Established as joint venture
- 2000: Acquired 100% ownership – first foreign owned AMC in Korea
- 2003: First to manage VUL assets for life insurers
- 2006: Pioneered launch of Korea-domiciled international funds

Diversification: A Critical Component of Global Success

Franklin Templeton Annual Net New Flows by Top 15 Regional Offices, Fiscal Years 2000-2009

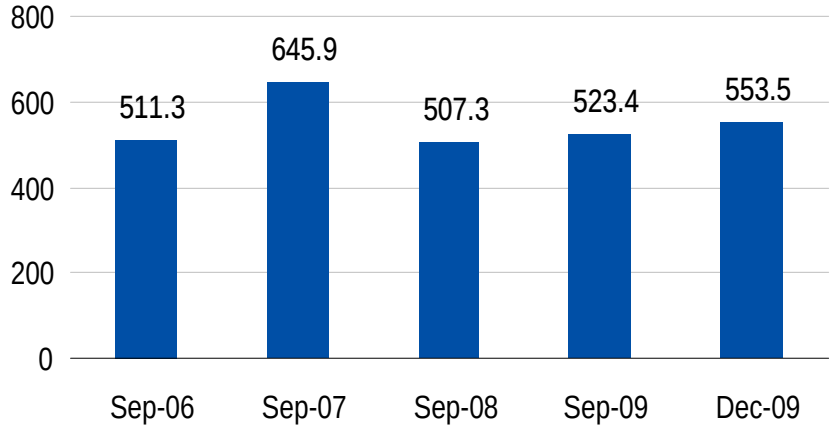
Rank	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
1	India	Taiwan	United States	United States	United States	United States	United States	United States	Gulf & E. Med	South America
2	Taiwan	India	Korea	Japan	Germany	Germany	Taiwan	Taiwan	Hong Kong	Taiwan
3	France	Germany	Germany	Germany	Japan	Switzerland	Germany	Italy	Australia	Benelux
4	Nordic	Korea	Taiwan	Taiwan	Switzerland	Canada	Italy	Canada	Singapore	China
5	Japan	South America	Hong Kong	India	Italy	Italy	India	India	Japan	Korea
6	Iberia	Singapore	Italy	Hong Kong	India	Taiwan	Iberia	Hong Kong	Central & E. Europe	Malaysia
7	Hong Kong	France	Canada	South America	Iberia	South America	South America	Korea	Africa	Singapore
8	United Kingdom	Japan	France	Switzerland	Canada	France	Hong Kong	South America	Central America	Hong Kong
9	Gulf & E. Med	Hong Kong	Japan	Italy	United Kingdom	Japan	Gulf & E. Med	United Kingdom	South America	Gulf & E. Med
10	Central & E. Europe	Africa	Switzerland	Singapore	France	Iberia	United Kingdom	France	France	Austria
11	Africa	United Kingdom	South America	Iberia	South America	Benelux	Singapore	Australia	India	Switzerland
12	Austria	Nordic	United Kingdom	Gulf & E. Med	Taiwan	Hong Kong	France	Switzerland	Austria	Central America
13	Central America	Iberia	Singapore	Benelux	Singapore	Nordic	Central & E. Europe	Central & E. Europe	Nordic	Central and E. Europe
14	Australia	Switzerland	India	Central & E. Europe	Benelux	United Kingdom	Central America	Central America	Taiwan	Africa
15	Switzerland	Italy	Iberia	Austria	Austria	Gulf & E. Med	Nordic	Iberia	Benelux	United Kingdom

South America region includes: Colombia, Ecuador, French Guiana, Guyana, Peru, Suriname, Venezuela, Argentina, Bolivia, Chile, Paraguay, Uruguay. Central America region includes; Mexico, Panama, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Belize. Nordic region includes: Sweden, Norway, Finland, Denmark, Iceland. Central and Eastern Europe region includes: Poland, Israel, Latvia, Lithuania, Hungary, Czech Republic, Slovak Republic, Croatia, Romania, Bulgaria, Slovenia, Estonia, Russia, Ukraine, Kazakhstan. Gulf and Eastern Mediterranean region includes: Turkey, Cyprus, Greece, Egypt, Lebanon, Jordan, Bahrain, Qatar, Oman, UAE, Kuwait.

Historical Assets Under Management and Net New Flows

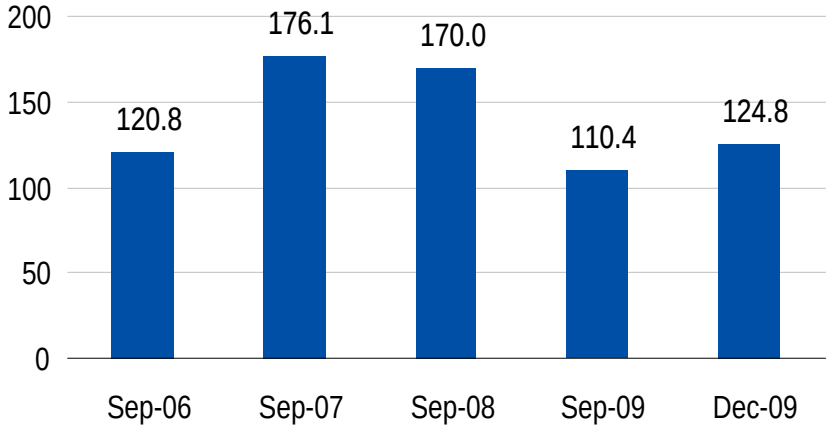
Ending Assets Under Management

U.S.$ Billions



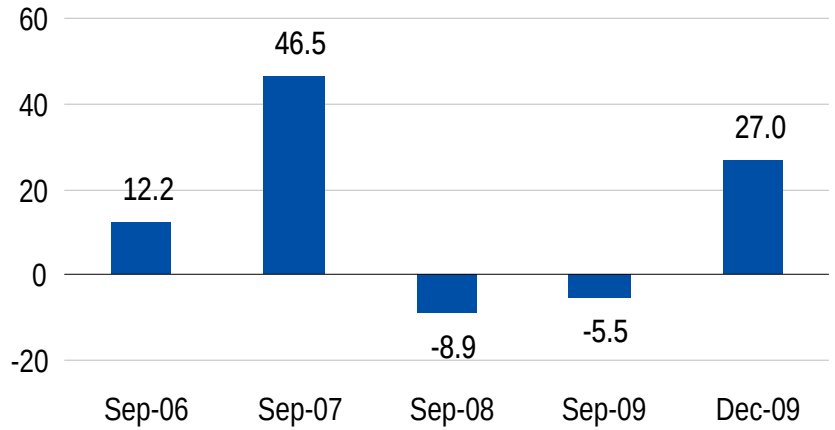
Long-Term Sales (for the 12 Months Ended)

U.S.$ Billions



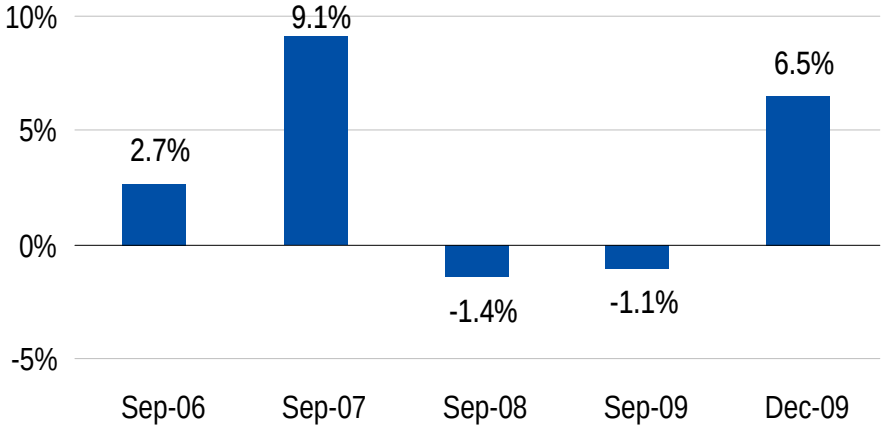
Net New Flows (for the 12 Months Ended)

U.S.$ Billions



Organic Growth Rate (for the 12 Months Ended)

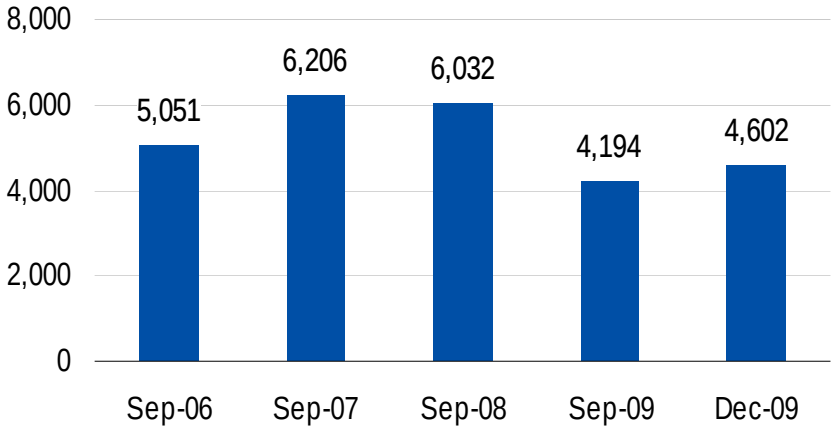
Percent



Operating Results (for the 12 Months Ended)

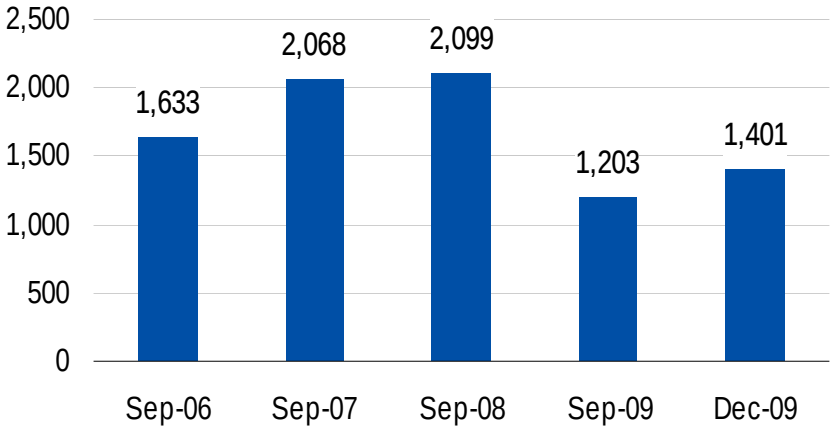
Operating Revenues

U.S.$ Millions



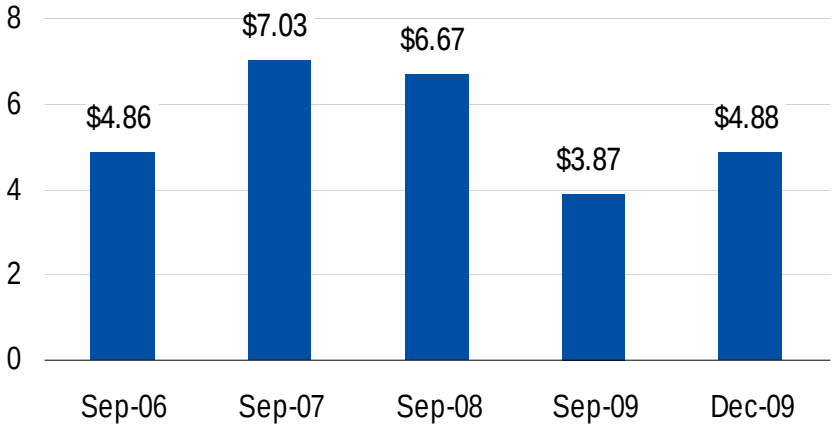
Operating Income

U.S.$ Millions



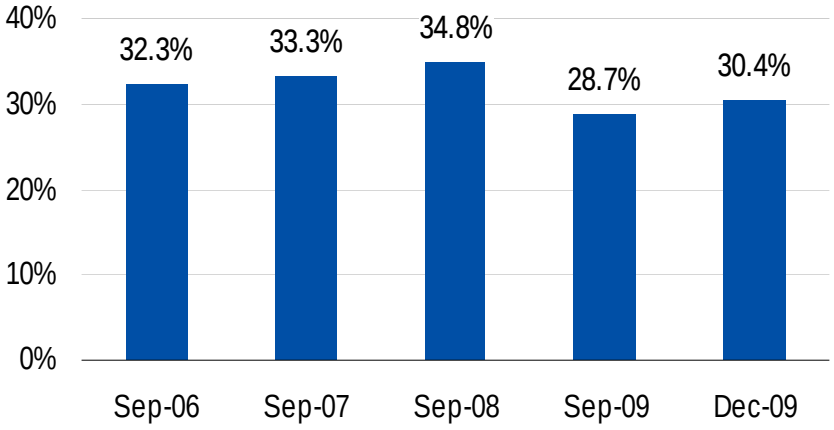
Earnings Per Share (Diluted)

U.S.$



Operating Margin

Percent

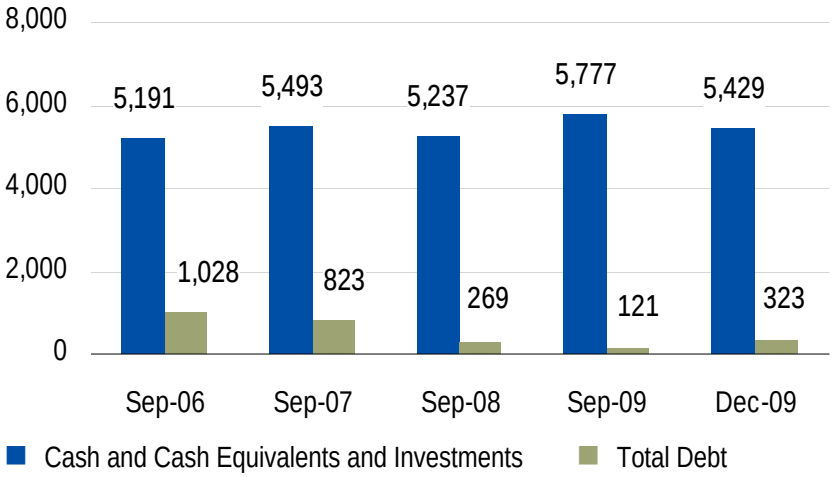


1. 2009, 2008, 2007 and 2006 earnings per share does not reflect the impact of a recently adopted accounting standard that modifies the earnings per share calculation to recognize nonvested stock awards and nonvested stock unit awards that contain nonforfeitable rights to dividends or dividend equivalents as if they were a separate class of stock.

Capital Management

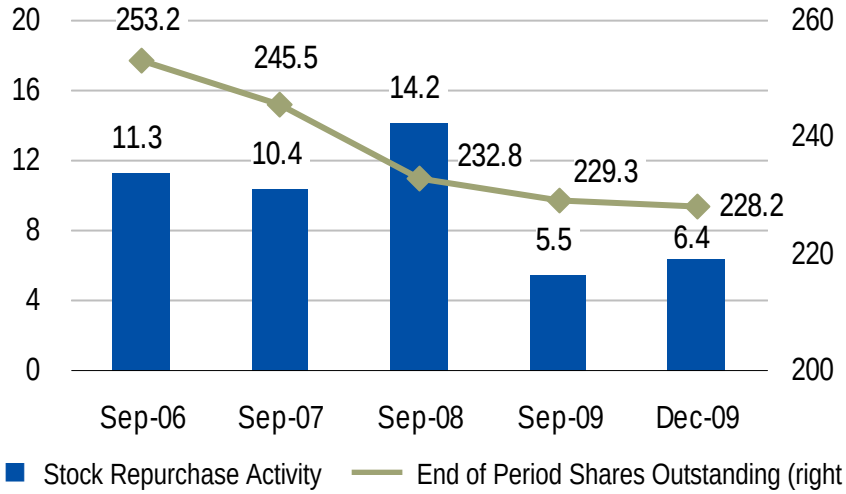
Cash and Cash Equivalents and Investments vs. Total Debt

U.S.$ Millions



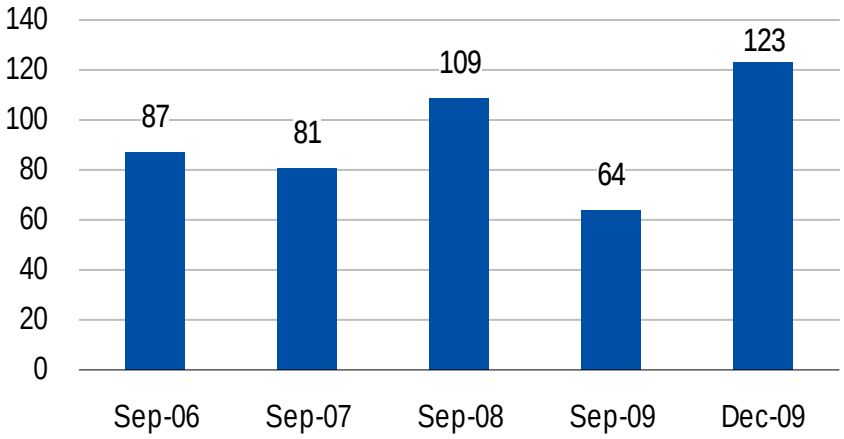
Stock Repurchase Activity (as of and for (for the 12 Mths Ended)

Shares Millions



Total Payout Ratio[1] (for the Fiscal Year Ended)

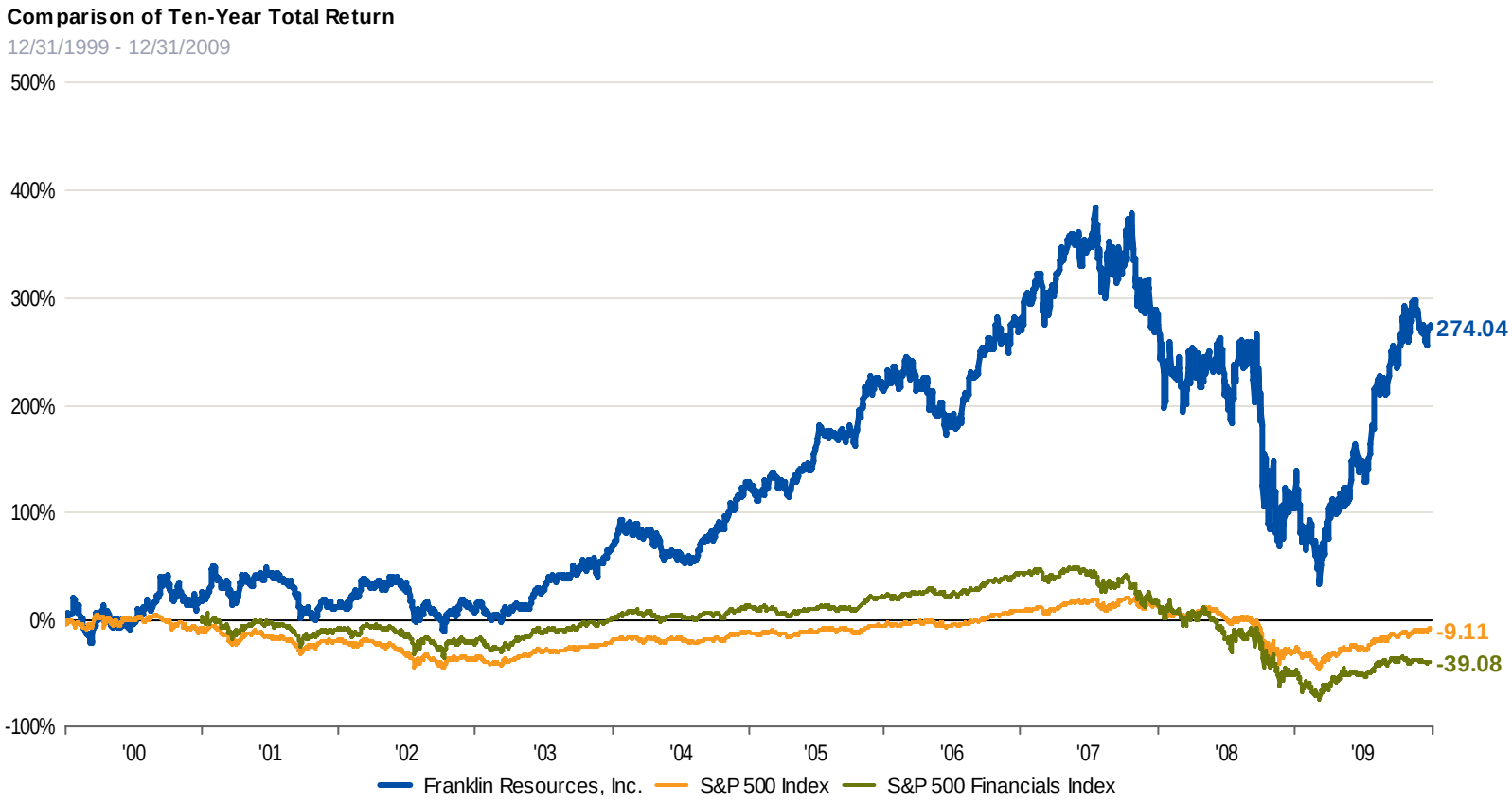
Percent



- Dividend has increased every year since 1981
- Strong credit ratings with a stable outlook
  - – Standard & Poor's AA- / A-1+
  - – Moody's A1 / P-1
- Debt-to-equity ratio of approximately 0.05x

1. Total Payout Ratio = (Dividends on common stock + Purchase of common stock) / net income.

BEN Total Return vs. S&P 500 & S&P 500 Financials Indexes



Source: FactSet

Our Company — Recognized Over Time and Across the Globe



#1 Fund Family based on 10-year performance (period ended 12/31/09)
Barron's, 2010[1,2]



"Franklin Templeton Is King of the Decade." (period ended 12/31/08)
Barron's, 2009[1,3]

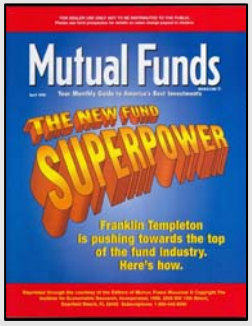


Mutual Shares Fund and Templeton Growth Fund named Top Funds of the Past 50 Years (Class A, period ended 12/31/09)
USA Today, 2010[1]



"Franklin is a stalwart muni-fund manager overall."
Morningstar, 2009[1]

"Top Fund Company–U.S. Fixed Income category"
Asian Investor magazine (Hong Kong), 2009



"Franklin Templeton India: Mutual Fund of the Year Award"
CNBC-TV 18-CRISIL Mutual Fund Awards, 2005

"Fund Company of the Year in Germany"
€uro and €uro am *Sonntag* magazines, 2010

"Best Fund Family in Canada"
MoneySense magazine, 2005



Past performance does not guarantee future results.

1. Based on U.S.-registered Franklin Templeton funds.
2. For the 1-year and 5-year periods ended 12/31/09, Franklin Templeton ranked 17 out of 61 families and 5 out of 54 families, respectively.
3. For the 1-year and 5-year periods ended 12/31/08, Franklin Templeton ranked 26 out of 59 families and 16 out of 53 families, respectively.