Franklin Resources, Inc.

Barclays Capital Americas Select Conference – May 23, 2011



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, 2010, and subsequent Quarterly Reports on Form 10-Q: (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) any significant limitation or failure of our software applications, technology or other systems that are critical to our operations could constrain our operations; (7) 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; (8) we face risks, and corresponding potential costs and expenses, associated with conducting operations and growing our business in numerous countries; (9) we depend on key personnel and our financial performance could be negatively affected by the loss of their services; (10) 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; (11) changes in the third-party distribution and sales channels on which we depend could reduce our revenues and hinder our growth; (12) 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; (13) 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; (14) we could suffer losses in earnings or revenue if our reputation is harmed; (15) our future results are dependent upon maintaining an appropriate level of expenses, which is subject to fluctuation; (16) our ability to successfully integrate widely varied business lines can be impeded by systems and other technological limitations; (17) 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; (18) 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; (19) 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; (20) regulatory and governmental examinations and/or investigations, litigation, 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; (21) our ability to meet cash needs depends upon certain factors, including the market value of our assets, operating cash flows and our perceived creditworthiness; (22) diverse and strong competition limits the interest rates that we can charge on consumer loans; (23) 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 (24) 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.

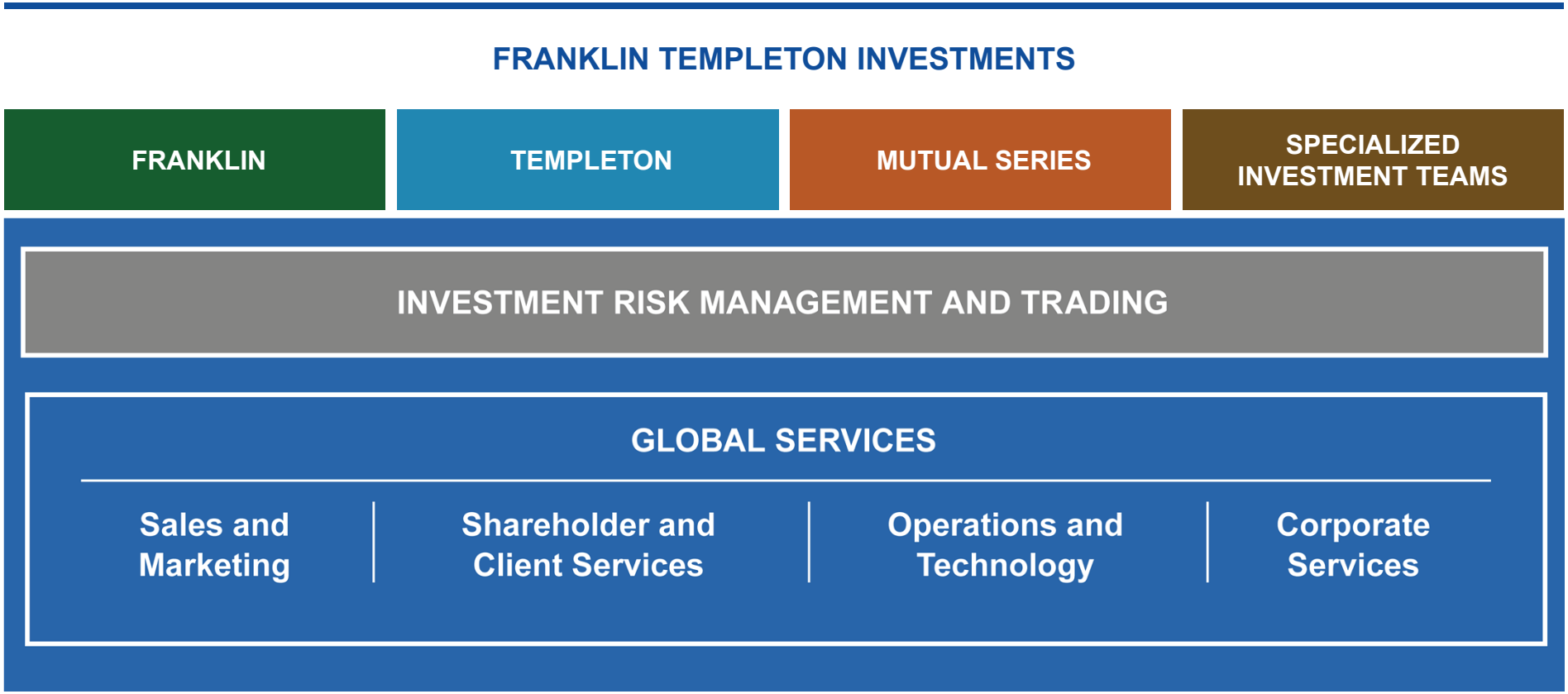
The information in this presentation is provided solely in connection with this presentation, and is not directed toward existing or potential investment advisory clients or fund shareholders.

Unwavering Focus on Investment Excellence



The Expertise of Many. The Strength of One.

True Diversification, Not Duplication



*Specialized Investment Teams include: Franklin Templeton Real Asset Advisors, Bissett, Darby, Local Asset Management teams, Franklin Templeton Multi-Asset Strategies and Fiduciary Wealth Management.

Wide Range of Investment Solutions

FRANKLIN TEMPLETON INVESTMENTS										
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**
U.S. RETAIL										
35 Municipal Bond Funds (1977)	Templeton Global Bond Fund (1986)	Franklin Income Fund (1948)	Mutual Shares Fund (1949)	Franklin Growth Fund (1948)	Templeton Growth Fund (1954)	Templeton Foreign Fund (1982)	Templeton Developing Markets Trust (1991)	Franklin India Growth Fund (2008)	N/A	Franklin Real Estate Securities Fund (1994)
INTERNATIONAL RETAIL										
FTIF Franklin U.S. Government Fund (1991)	FTIF Templeton Global Bond Fund (1991)	FTIF Templeton Global Balanced Fund (1994)	FTIF Franklin Mutual Beacon Fund (1997)	FTIF Franklin U.S. Opportunities Fund (2000)	Templeton Growth Fund (1982) *Germany*	FTIF Templeton European Fund (1991)	Templeton Emerging Markets Investment Trust (1989) *UK*	FTIF Franklin World Perspectives Fund (2008)	Darby FT Private Equity Strategy (2008) *India*	FTIF Franklin Global Real Estate Fund (2005)
GLOBAL INSTITUTIONAL										
Franklin Templeton U.S. High Yield (2002)	Franklin Templeton Global Bond Plus (1986)	Franklin Templeton Global & Non-U.S. Blend (2002)	Templeton Global Equity (1980)	FGA Global Equity (1991)	Templeton Global Equity (1980)	Templeton Non-U.S. Equity (1989)	Templeton Emerging Markets Equity (1992)	Franklin India Equity (2005)	Templeton Strategic Emerging Markets Fund III (2008)	Franklin Templeton Global Private Real Estate (1984)

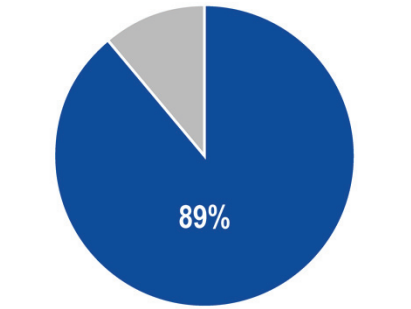
* Dates are inception dates for funds and institutional composites or strategies.
* Each FTIF (Franklin Templeton Investment Fund) fund is a sub-fund of the Luxembourg-registered SICAV. "SICAV" refers to Franklin Templeton Investment Funds SICAV (societe d'investissement a capital variable), our Luxembourg-domiciled investment fund that is sold cross-border outside the U.S.

Strong Long-Term Investment Performance

Percentage of Long-Term Assets in Top Two Quartiles

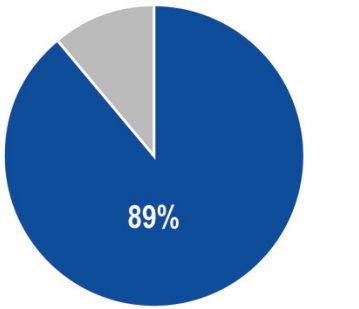
10-Year Periods Ended 3/31/11

Franklin Templeton U.S. Mutual Funds[1]



1 yr	3 yrs	5 yrs	10 yrs
52%	82%	72%	89%

Franklin Templeton Cross-Border Funds[2]



1 yr	3 yrs	5 yrs	10 yrs
84%	89%	83%	89%

Performance quoted represents past performance, which cannot predict or guarantee future results.

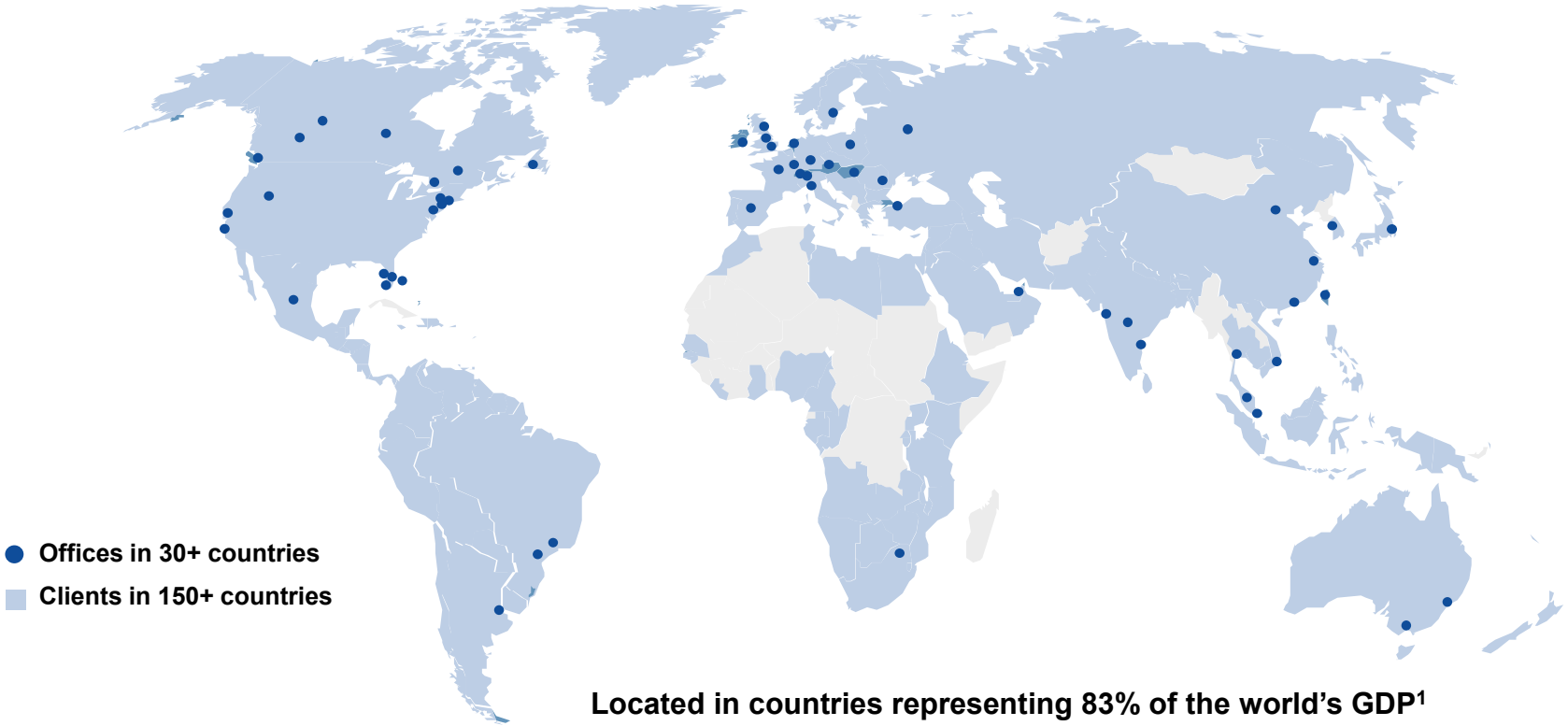
1.Lipper rankings for Franklin Templeton U.S.-registered long-term mutual funds are based on Class A shares and do not include sales charges. Franklin Templeton funds are compared against a universe of all share classes. Performance rankings for other share classes may differ. Of the eligible Franklin Templeton long-term mutual funds tracked by Lipper, 20, 38, 24, and 40 funds ranked in the top quartile and 29, 31, 31, and 24 funds ranked in the second quartile of their respective Lipper peer groups for the 1-, 3-, 5-, 10-year periods, respectively, for cumulative total return.

2. 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 cross-border mutual funds tracked by Morningstar, 19, 32, 22, and 8 funds ranked in the top quartile; and 25, 12, 6, and 10 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.

Global Perspective with Local Expertise



Long-term Commitment to the Markets We Enter



- **Offices in 30+ countries**
- **Clients in 150+ countries**

Located in countries representing 83% of the world's GDP[1]

The Americas

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

Europe/Middle East/Africa

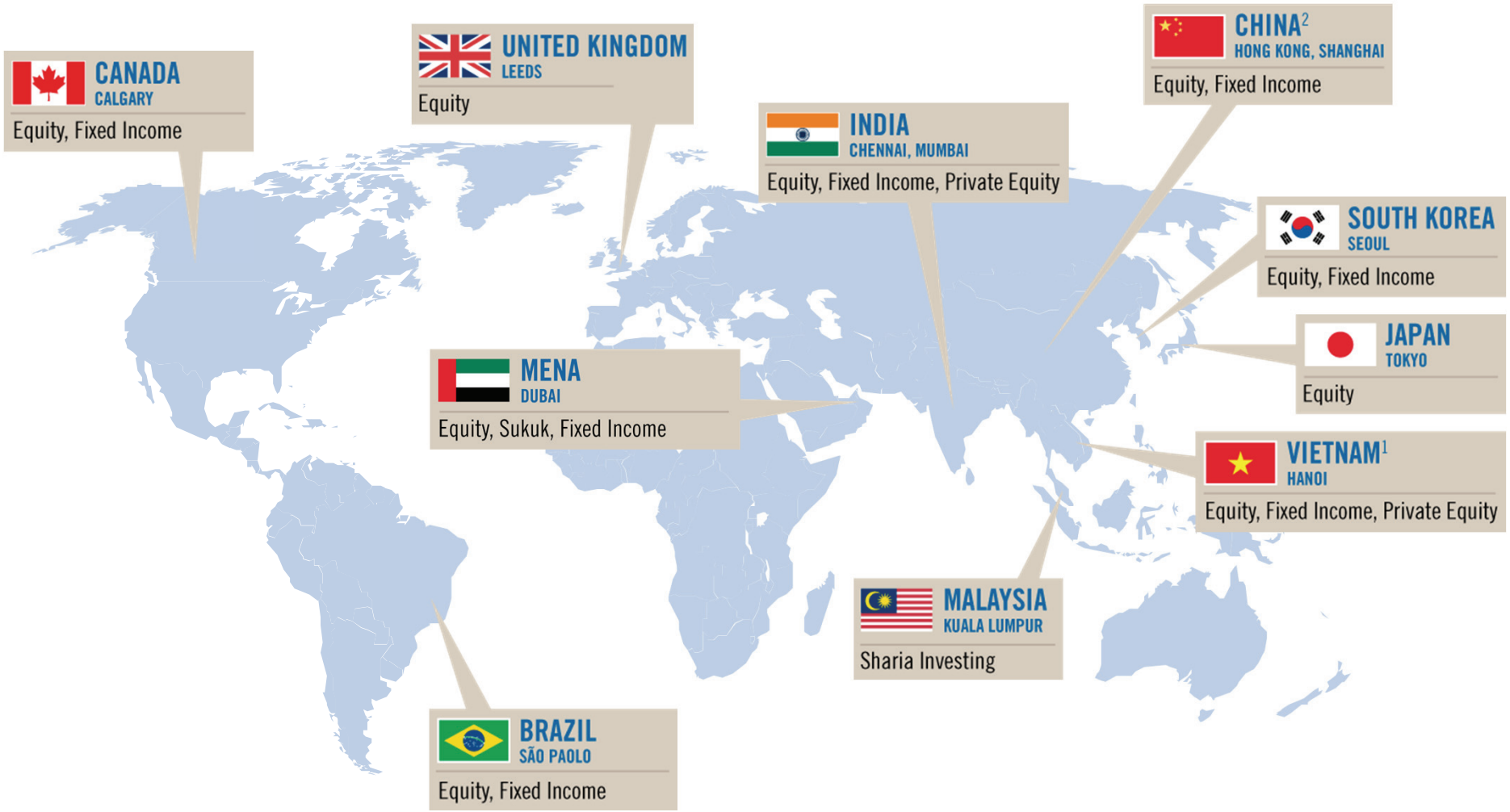
United Kingdom (1986)
Luxembourg (1988)
Switzerland (1988)
Germany (1992)
France (1994)
Italy (1995)
Netherlands (1997)
Poland (1997)
South Africa (1997)
UAE (1997)
Spain (1998)
Sweden (1998)
Russia (1999)
Austria (2005)
Turkey (2005)
Hungary (2008)
Romania (2010)

Asia-Pacific

Australia (1986)
Taiwan[2] (1986)
Hong Kong (1987)
Singapore (1990)
India (1995)
Japan (1996)
South Korea (1997)
China (2004)
Vietnam (2008)
Malaysia (2009)
Thailand (2010)

1. Based on information from the International Money Fund, World Economic Outlook Database, April 2011.
2. With exclusive distribution agreement appointed.
*Dates indicate date of establishing presence via an office opening or acquiring stake in a joint venture.

Local Management Expertise



1. Minority interest.
2. Minority interest in joint venture.

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

Portfolio Capabilities Are Leveraged by Our Global Distribution Infrastructure

Templeton Global Bond

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

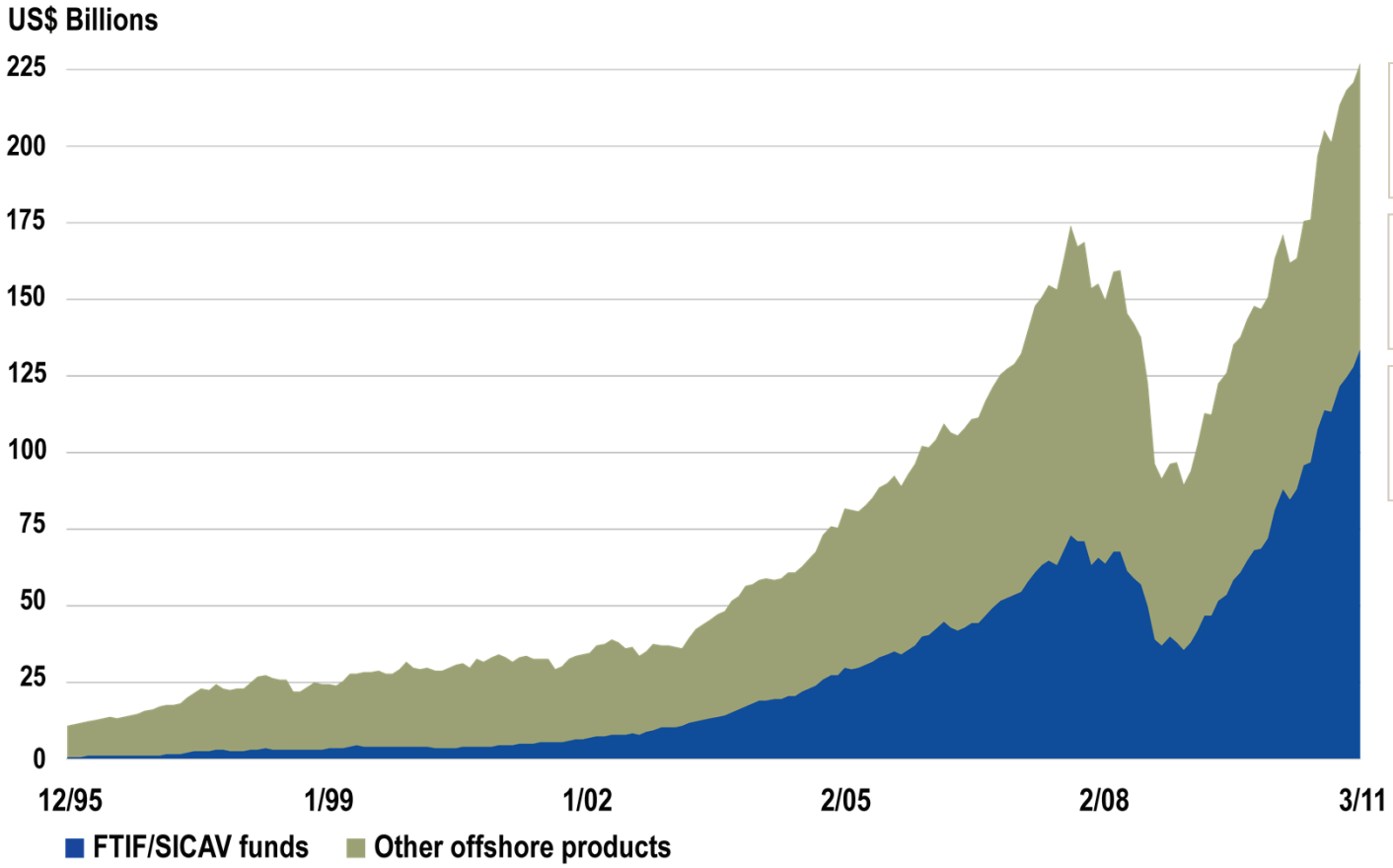
U.S. Retail	International Retail	U.S. Institutional	International Institutional	High Net Worth

Investment Vehicles

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

Our International Business is Growing

International and SICAV Historical AUM



Franklin Templeton is the LARGEST cross-border fund manager[1]

International AUM

$ 222 Billion

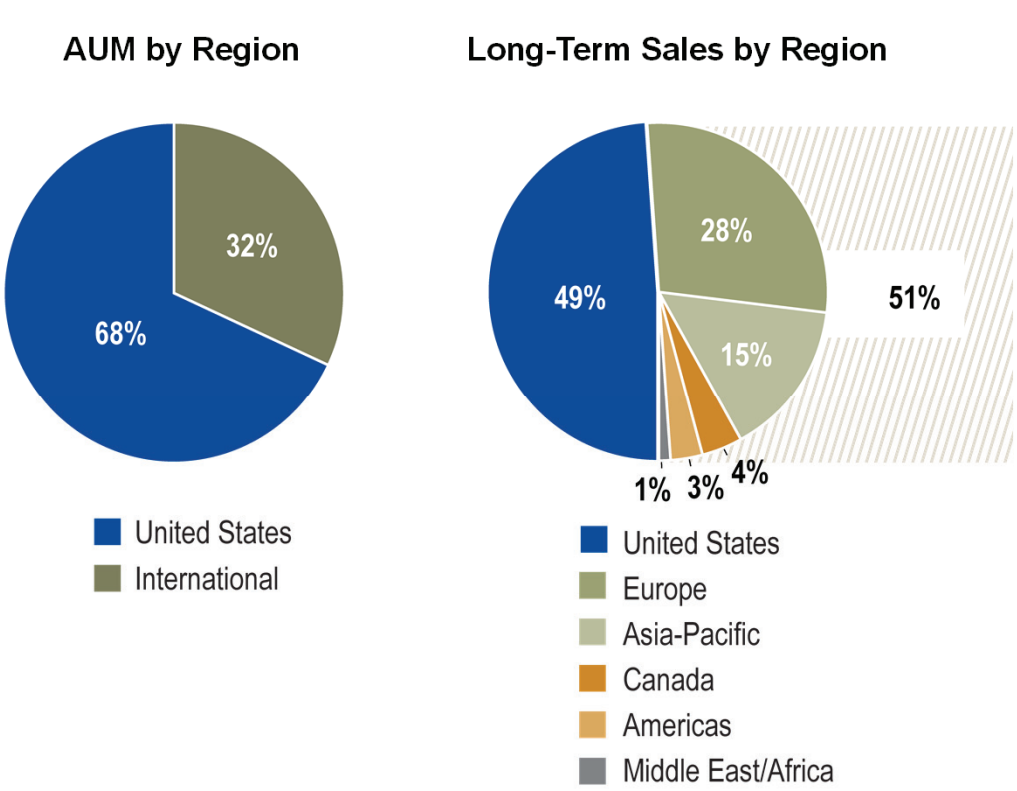
SICAV AUM

$134 Billion

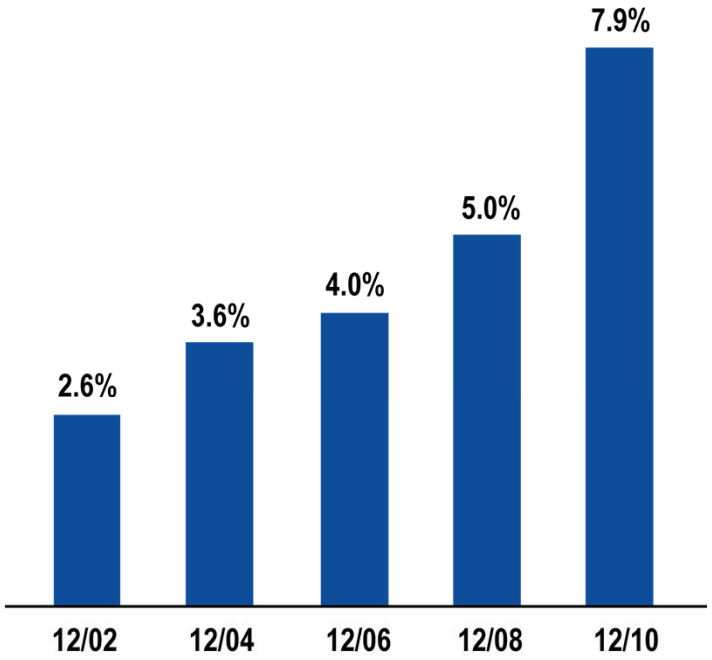
1. As of 2/28/11. Lipper FMI–Thomson Reuters. Based on cross border long-term retail funds (excluding ETF and Tracker Funds) managed by subsidiaries of Franklin Resources, Inc. A cross-border fund is one that sources less than 80% of its assets from investors in any single country. Shares of funds named in this presentation, represented by stated assets under management, are not registered in all jurisdictions and are not available for purchase by persons residing in all jurisdictions.

Our International Business Is Growing

AUM and Long-Term Sales by Region[1]



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



1. Long-term sales by region is for the 12-month period ended 3/31/11. Long-Term Sales excludes cash management funds.
2. Source: Lipper FERI, 12/31/10. All retail cross-border products excluding ETF and tracker funds.

Valued Partner



FRANKLIN TEMPLETON
INVESTMENTS

Long-Standing Commitment to Financial Professionals

The Trust of Our Business Partners and Clients

- More than 130,000 active U.S. financial advisor relationships
- Over 70,000 active international financial representative relationships

Enduring Relationships with Advisors and Institutions

- Distribution relationships with the largest U.S. retail firms average 26 years
- 43% of global institutional relationships are 10+ years long

Enhancing the Value We Bring to Clients



Award Winning Customer Service



Business Building Tools



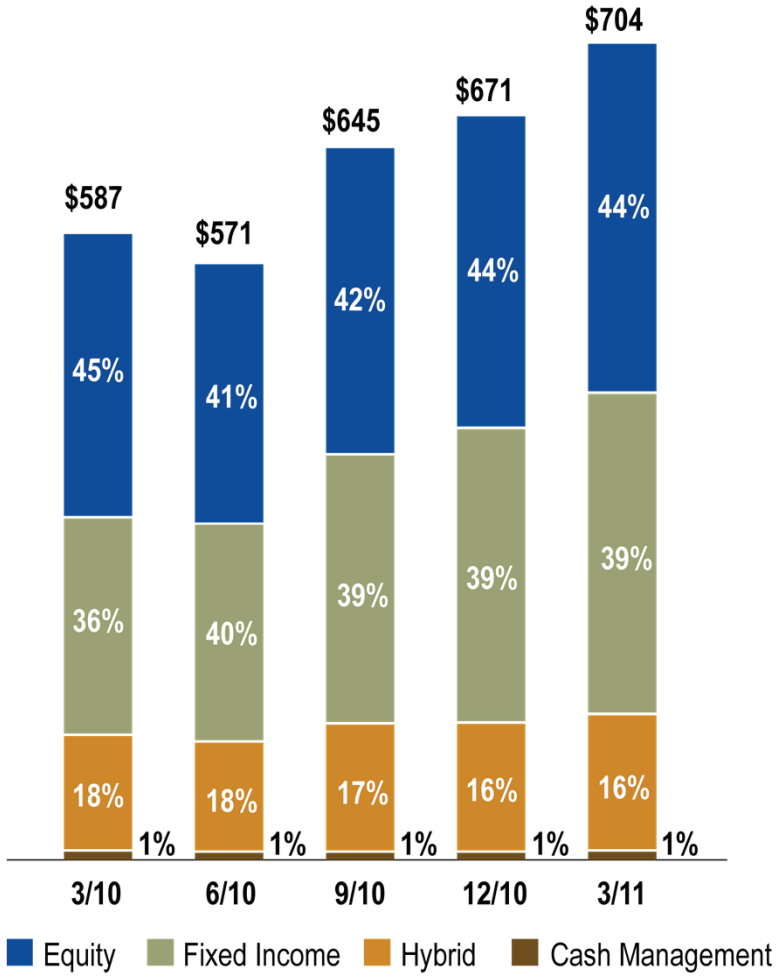
Next Generation Web Experience

Strength and Stability

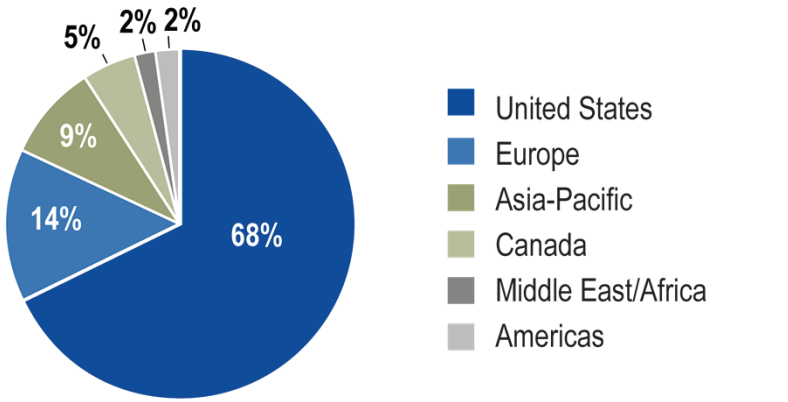


Broad and Diversified Client and Asset Base

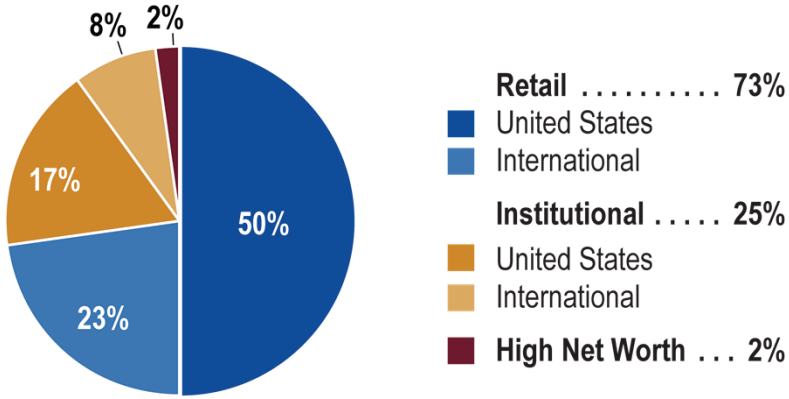
Assets Under Management in US$ Billions



AUM by Region



AUM by Client Type

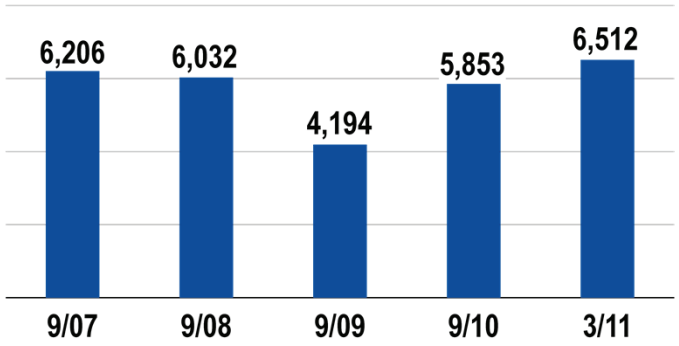


As of 3/31/11

Operating Results (for the 12 Months Ended)

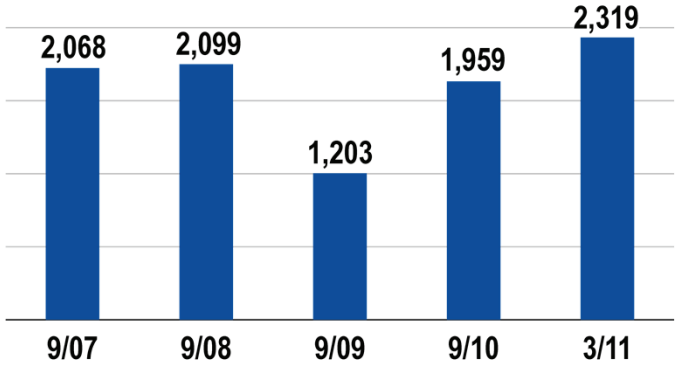
Operating Revenues

US$ Millions



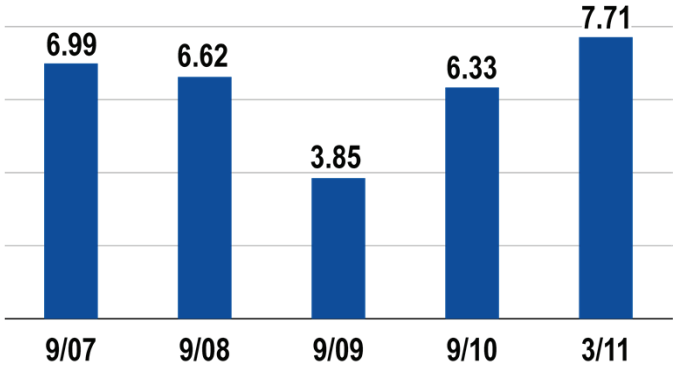
Operating Income

US$ Millions



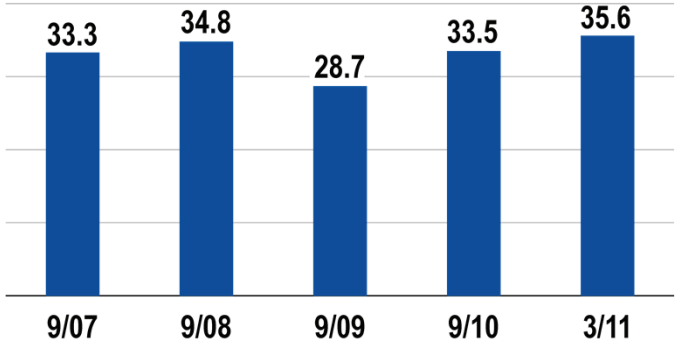
Earnings Per Share (Diluted)[1]

US$



Operating Margin[1]

Percent



1. Operating margin is operating income divided by operating revenues.