FRANKLIN TEMPLETON INVESTMENTS



Capturing Opportunities Ahead of Us

February 12, 2013

Ken Lewis, CPA, Chief Financial Officer
Franklin Resources, Inc.

Forward Looking Statements

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, 2012 and Franklin’s subsequent Quarterly Report 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 (“AUM”) 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 AUM, increase costs and negatively impact our profitability and future financial results; (5) failure to comply with the laws, rules or regulations in any of the non-U.S. jurisdictions in which we operate could result in substantial harm to our reputation and results of operations; (6) 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; (7) any significant limitation, failure or security breach of our software applications, technology or other systems that are critical to our operations could constrain our operations; (8) our business operations are complex and a failure to properly perform operational tasks or the misrepresentation of our products and services, or the termination of investment management agreements representing a significant portion of our AUM, 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 income; (12) changes in the third-party distribution and sales channels on which we depend could reduce our income 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 our revenues and income generated overseas; (14) harm to our reputation or poor investment performance of our products could reduce the level of our AUM or affect our sales, potentially negatively impacting our revenues and income; (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) regulatory and governmental examinations and/or investigations, litigation and the legal risks associated with our business, could adversely impact our AUM, increase costs and negatively impact our profitability and/or our future financial results; (20) our ability to meet cash needs depends upon certain factors, including the market value of our assets, operating cash flows and our perceived creditworthiness; (21) our business could be negatively affected if we or our banking subsidiaries fail to satisfy capital and other regulatory standards, and liquidity needs could affect our banking services; and (22) 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.



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INVESTMENTS

Franklin Templeton: A Premier Global Asset Manager



A DIVERSIFIED GLOBAL INVESTMENT MANAGER OVERSEEING $810 BILLION IN CLIENT ASSETS

WORLD CLASS BRANDS < FRANKLIN, TEMPLETON, MUTUAL SERIES > ALONG WITH SPECIALIZED TEAMS DELIVERING COMPREHENSIVE INVESTMENT SOLUTIONS

A WORLDWIDE DISTRIBUTION PRESENCE WITH OFFICES IN 35 COUNTRIES & CLIENTS IN 150+

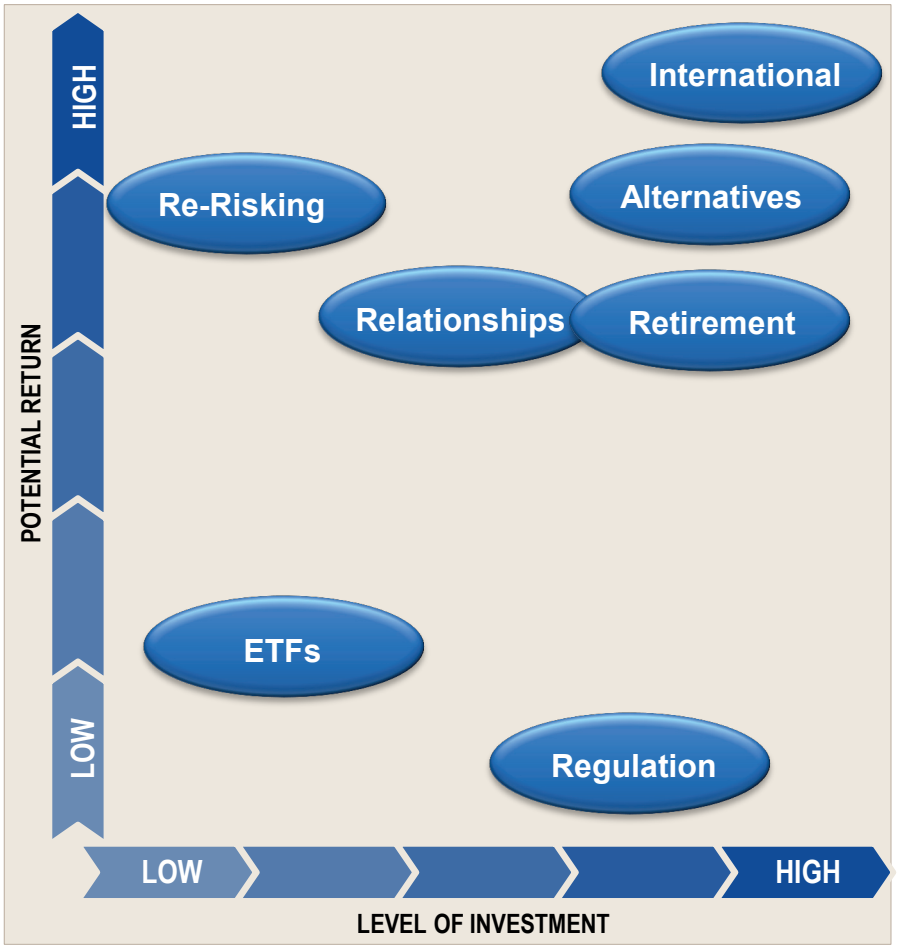
A RESILIENT BUSINESS MODEL UNDERPINNED BY A FOUNDATION OF FINANCIAL STRENGTH

As of 1/31/13.

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Key Industry Trends Impacting Strategy

All efforts are within the context of achieving best-in-class investment quality and performance

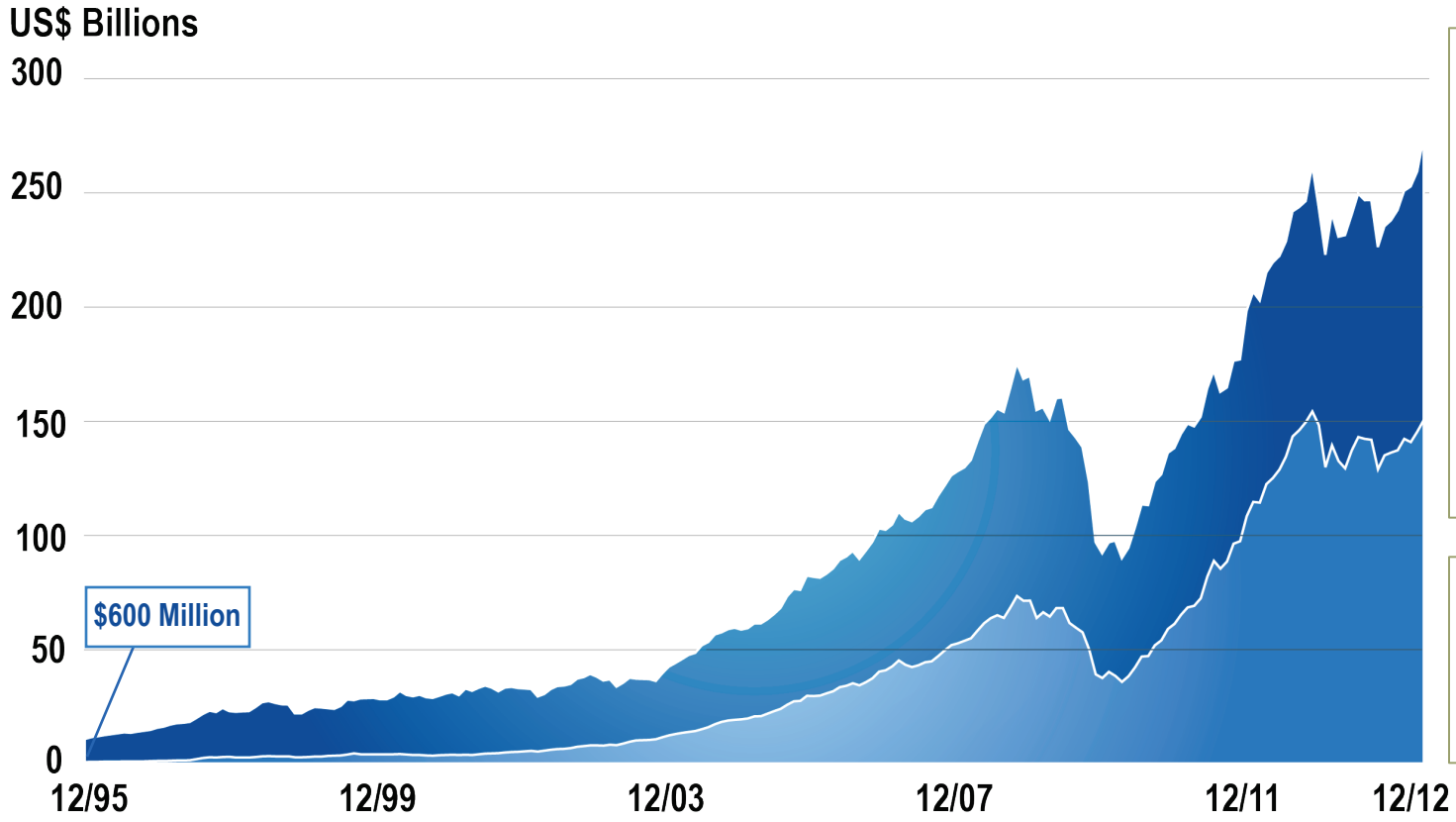


FRANKLIN TEMPLETON INVESTMENTS

Our International Client Asset Growth Over Time

Historical AUM: Offshore and Franklin Templeton Investments Funds[1]

12/31/95–12/31/12



TOTAL AUM
$274.5 BILLION

OTHER OFFSHORE PRODUCTS
$124.0 BILLION

FTIF/SICAV
$150.5 BILLION

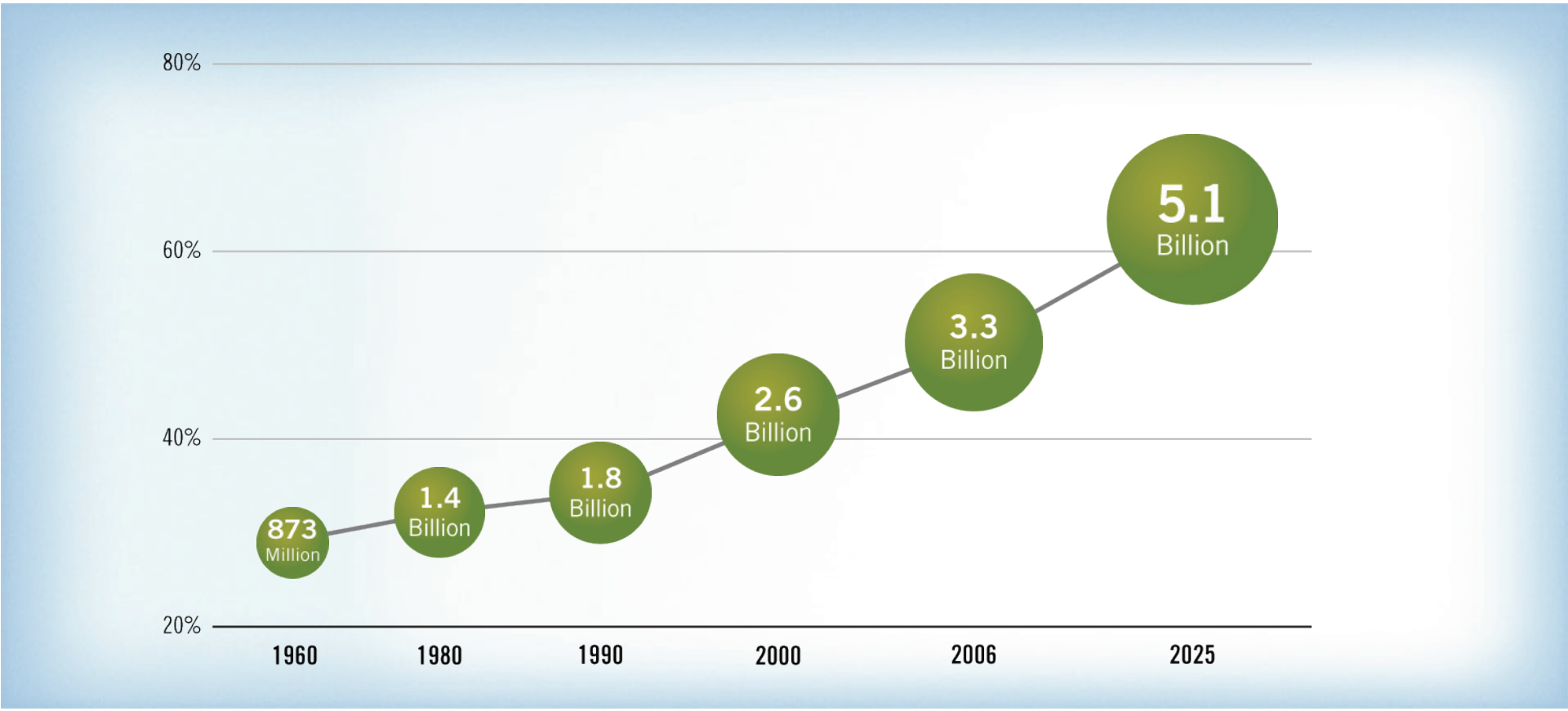
Franklin Templeton is the **LARGEST** cross-border fund manager in the world[2]

1. As of 12/31/12. Offshore includes all non-U.S. registered funds and products. FTIF funds includes 111 historical TIS numbers.
2. As of 12/31/12. 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.

FRANKLIN TEMPLETON INVESTMENTS

The World's Middle Class is Growing

Percentage of Middle Class Population in the World

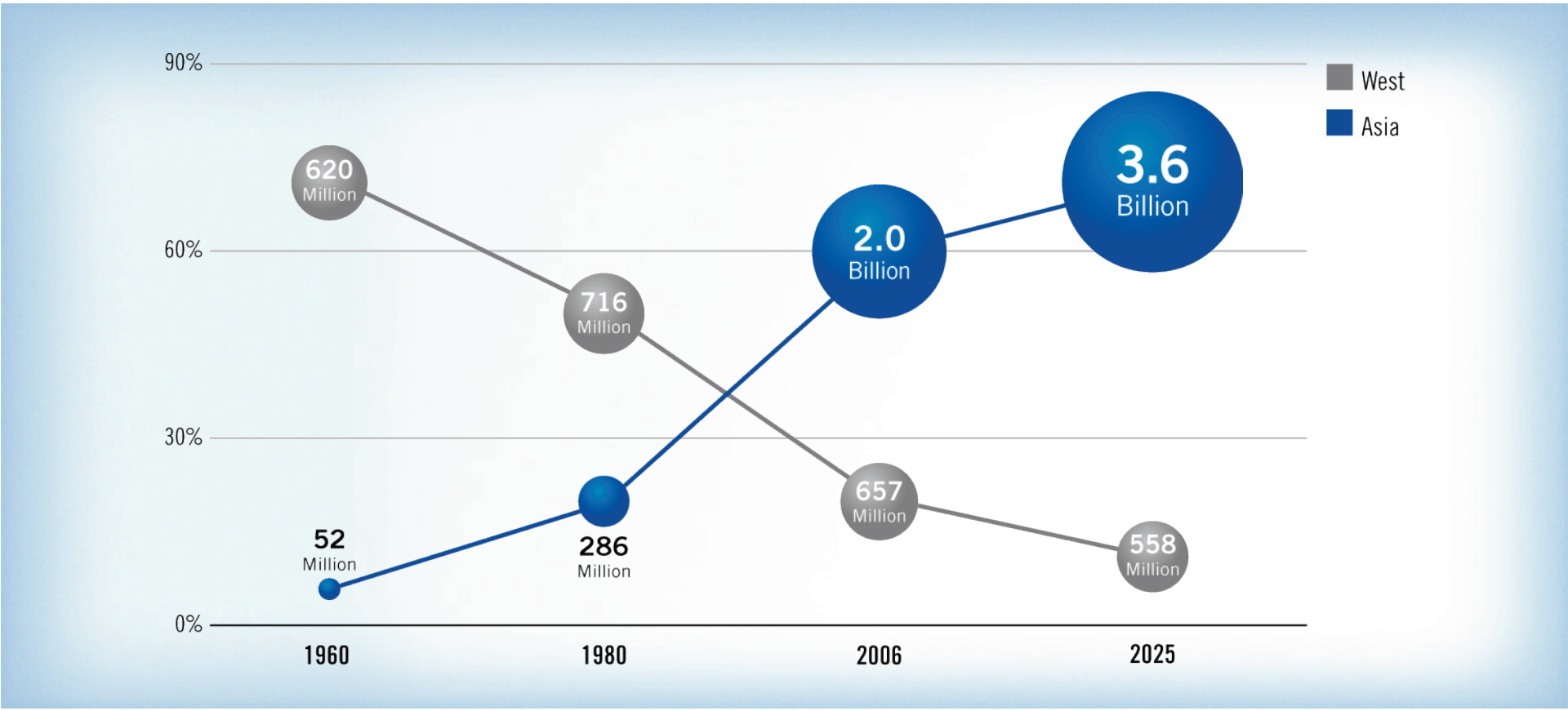


Source: United Nations, World Bank, Surjit S. Bhalla, *Second Among Equals: The Middle Class Kingdoms of India and China*, May 2007, www.oxusinvestments.com.

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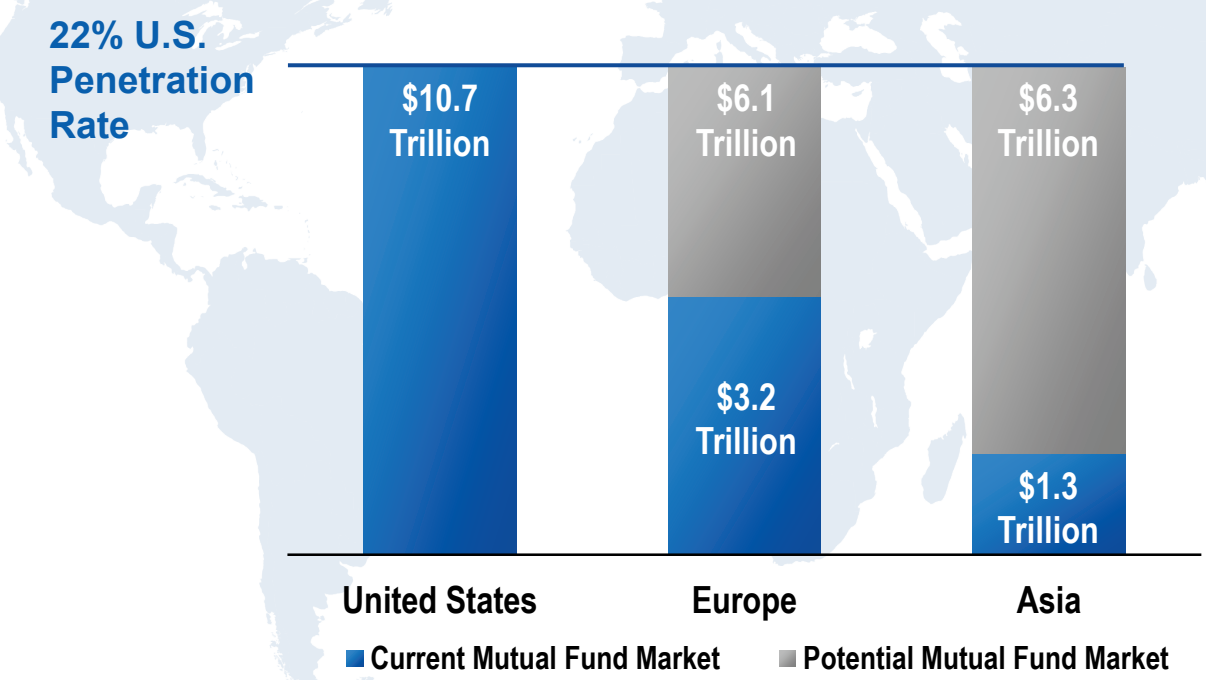
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Source: United Nations, World Bank, Surjit S. Bhalla, *Second Among Equals: The Middle Class Kingdoms of India and China*, May 2007, www.oxusinvestments.com.

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Defining the Long-Term International Opportunity

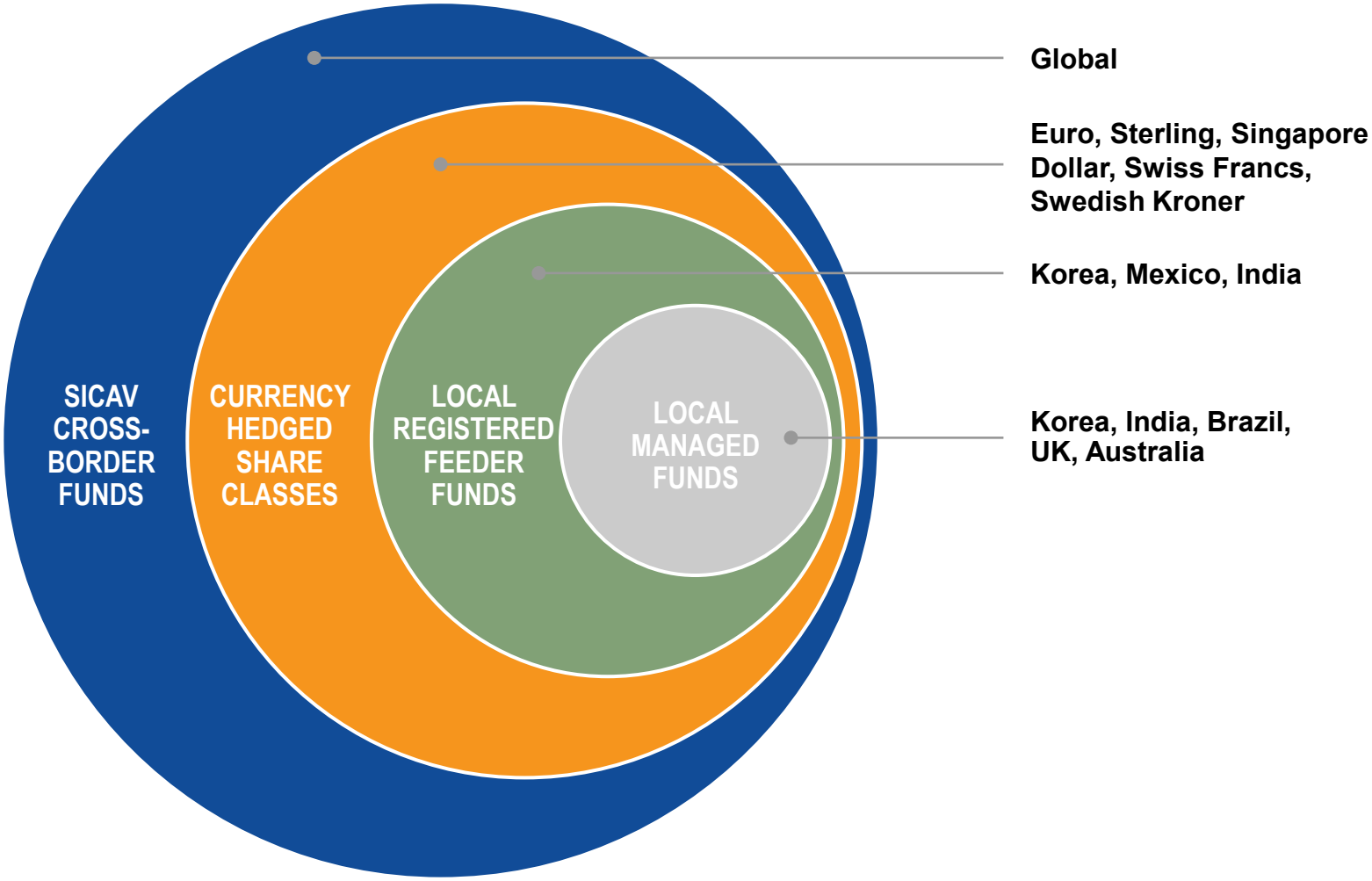


Source: IMF and Cerulli. Penetration rate is mutual fund assets as a percentage of household financial assets.

FRANKLIN TEMPLETON INVESTMENTS

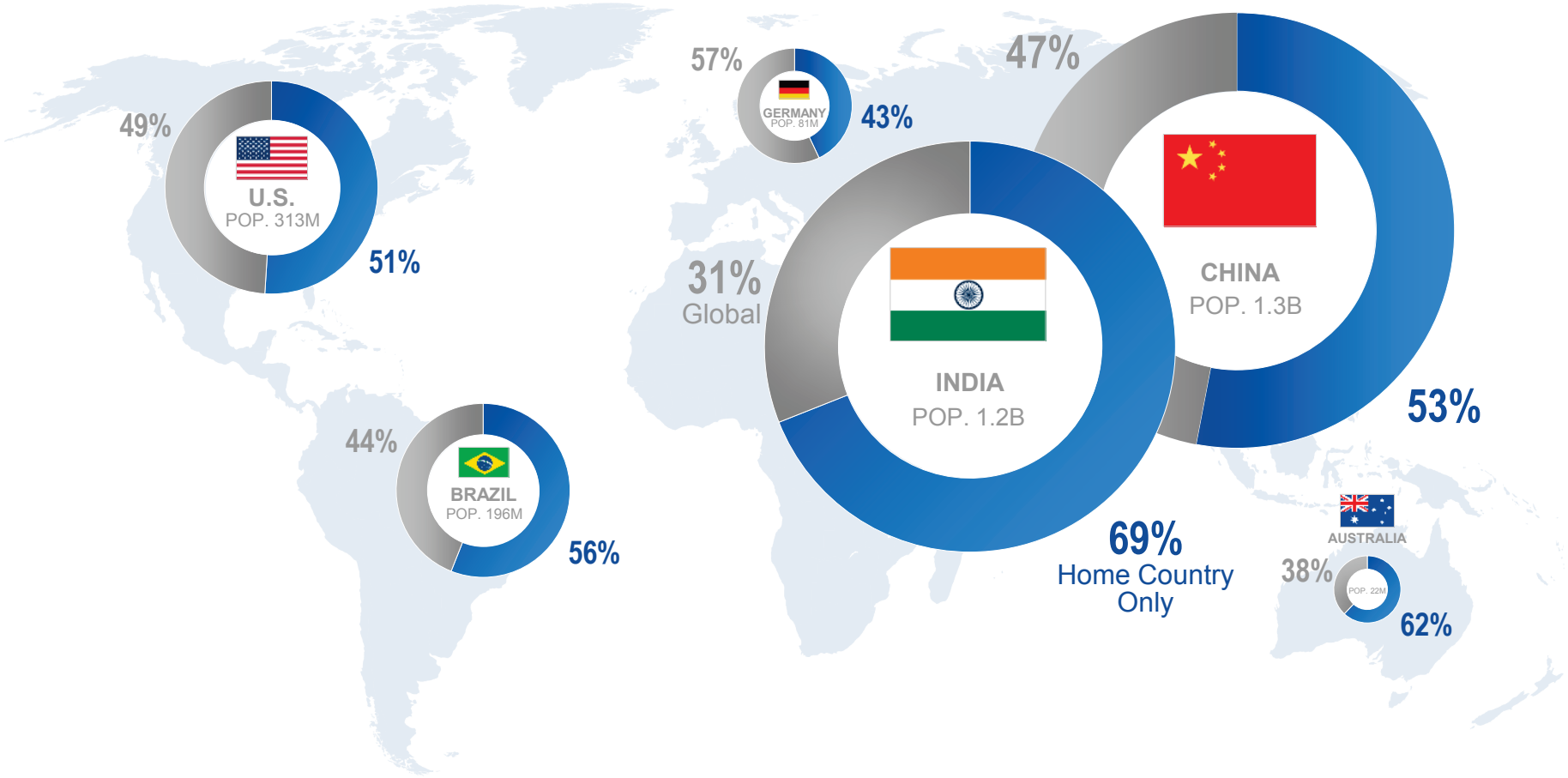
Localization of Product Offerings

Customize Product Offering to Meet Unique Country Investing Needs



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Global Survey Respondents Show Home Country Bias



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The International Playbook

Enter New Markets



Build Scale



Deepen & Diversify



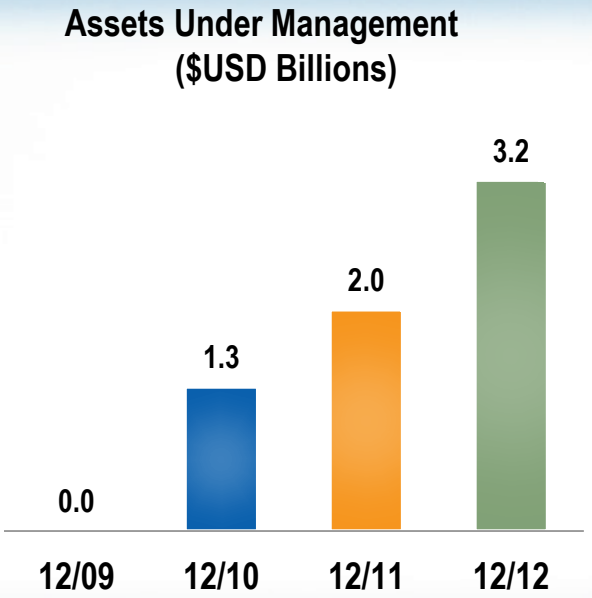
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Enter New Markets



Malaysia

- Templeton Emerging Markets group has been investing in Malaysia for 25 years
- Sales office opened in 2009
- Fastest country to $1 billion of AUM
- Reached $3 billion AUM in just three years with a blend of Shariah and conventional strategies



As of 12/31/12.

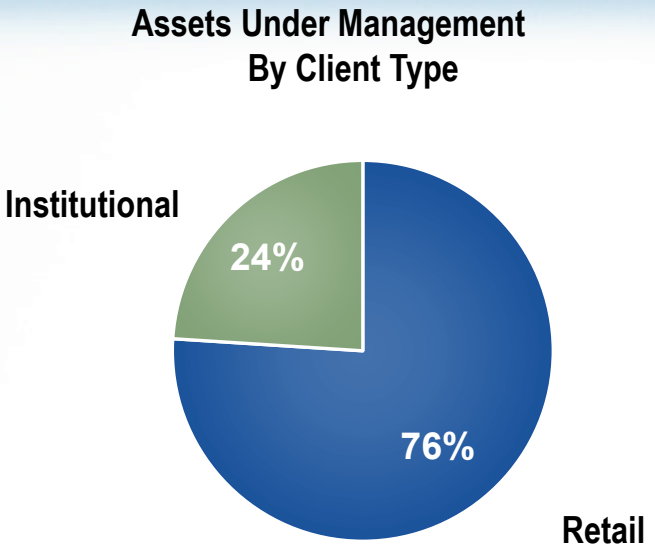
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Build Scale

Latin America



- First office opened in 1994
- Established equity and fixed income local asset management teams in Brazil
- Successful with pension systems in Chile, Columbia and Peru
- $27.3 billion of AUM



As of 12/31/12. Latin America sales region includes North America-based advisors serving non-resident clients.

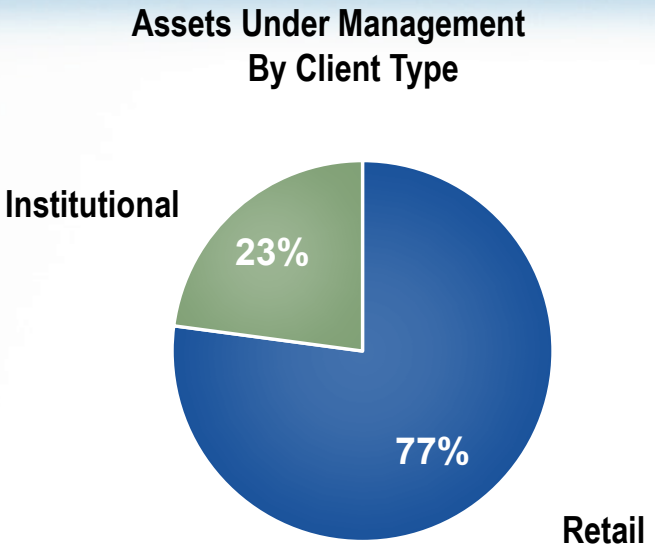
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Deepen & Diversify

Italy



- Opened Milan office in 1995
- Now largest market outside North America
- Primarily selling cross-border SICAV funds through retail and private banking channels
- $32.7 billion AUM

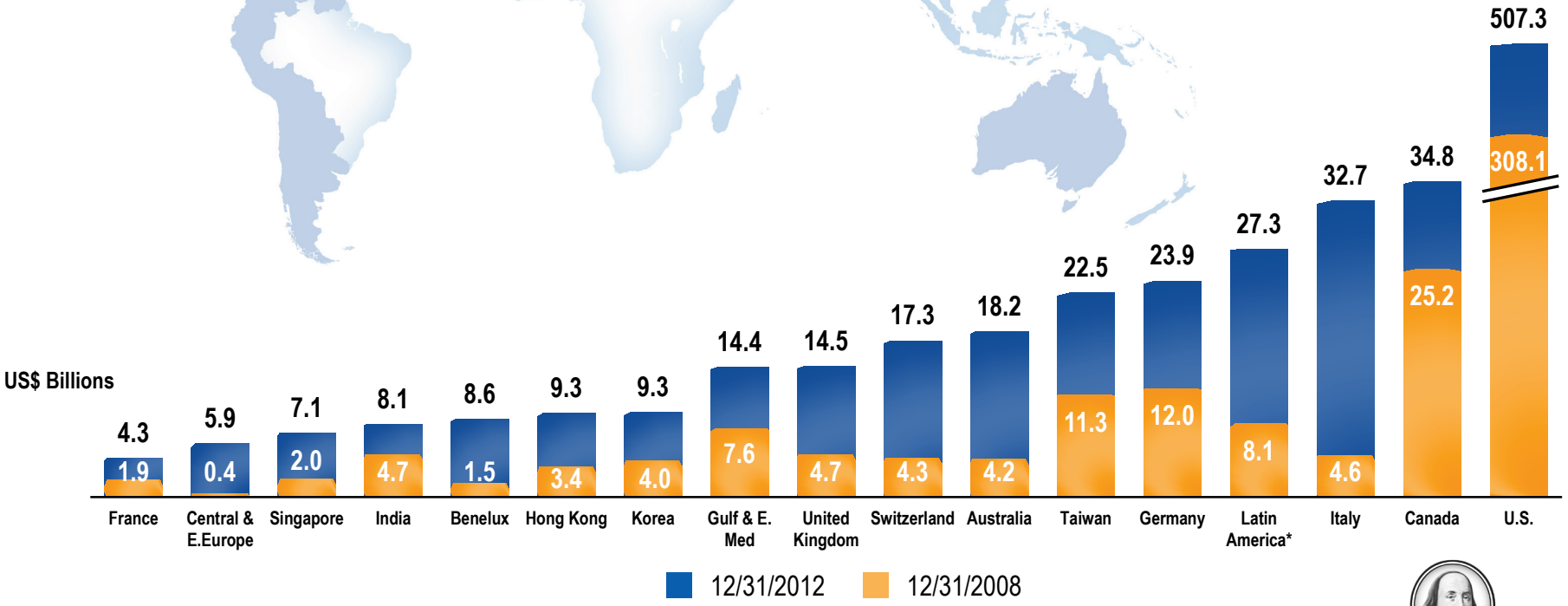


As of 12/31/12.

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Countries and Regions with Over $4 Billion in AUM





As of 12/31/12. In US dollars. Based upon assets raised in the country or region.

* Includes Brazil, Central America, South America and North America-based advisors serving non-resident clients.

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The Value of Diversification

Net New Flows by Top 10 Regional Offices: Fiscal Years 2002–2012

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
1	United States	United States	United States	United States	United States	United States	Gulf & E. Med.	Latin America	United States	Italy	Gulf & E. Med.
2	S. Korea	Japan	Germany	Germany	Taiwan	Taiwan	Hong Kong	Taiwan	Italy	Latin America	Italy
3	Germany	Germany	Japan	Latin America	Latin America	Italy	Australia	Benelux	Latin America	United States	Benelux
4	Taiwan	Taiwan	Switzerland	Switzerland	Germany	Latin America	Singapore	China	Switzerland	Switzerland	Canada
5	Hong Kong	India	Italy	Canada	Italy	Canada	Latin America	S. Korea	Central & E. Europe	Singapore	India
6	Italy	Latin America	India	Italy	India	India	Japan	Malaysia	Taiwan	United Kingdom	Malaysia
7	Canada	Hong Kong	Latin America	Taiwan	Iberia	Hong Kong	Central & E. Europe	Singapore	Germany	Hong Kong	Austria
8	France	Switzerland	Iberia	France	Hong Kong	S. Korea	Africa	Hong Kong	Hong Kong	Germany	Germany
9	Japan	Italy	Canada	Japan	Gulf & E. Med.	United Kingdom	France	Gulf & E. Med.	United Kingdom	Taiwan	Nordic
10	Switzerland	Singapore	United Kingdom	Iberia	United Kingdom	France	India	Austria	India	S. Korea	S. Korea

Latin America region includes: Brazil, South America (Colombia, Ecuador, French Guiana, Guyana, Peru, Suriname, Venezuela, Argentina, Bolivia, Chile, Paraguay, Uruguay), Central America (Mexico, Panama, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Belize), and North America based advisors serving non-resident clients. 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.



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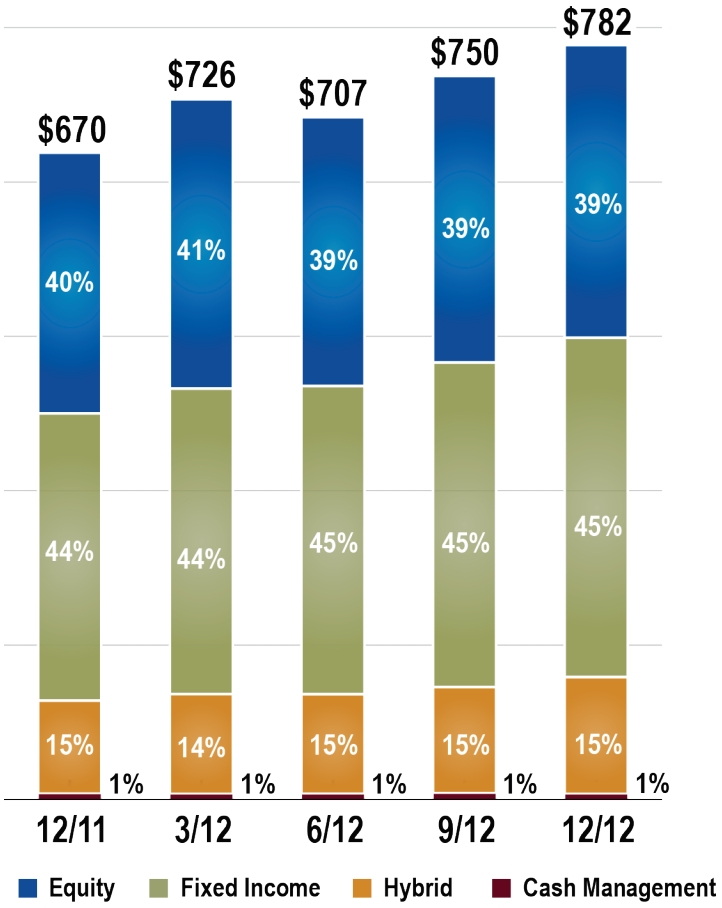
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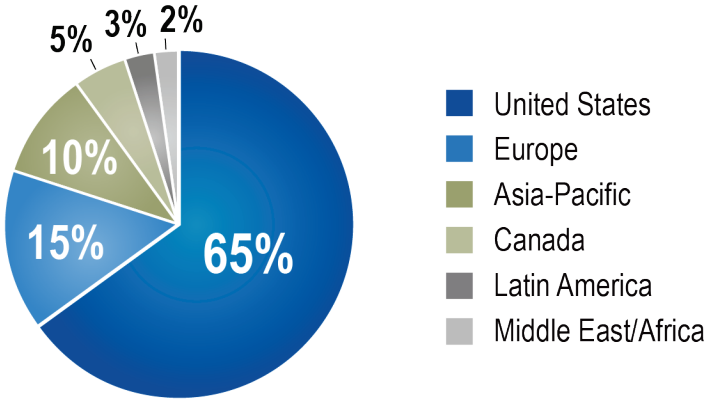
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Broad and Diversified Client and Asset Base

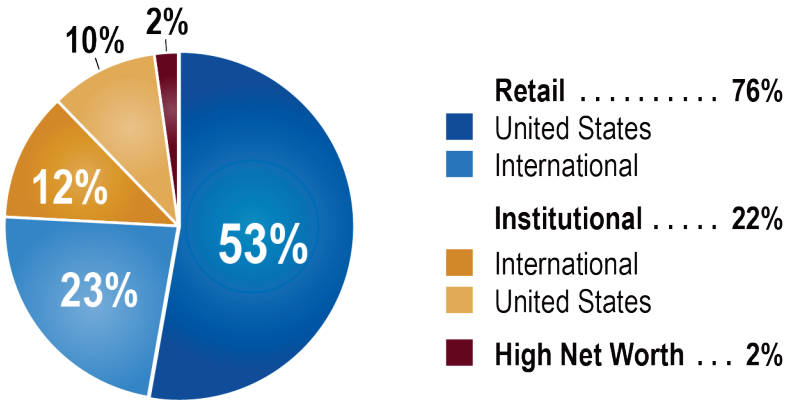
Assets Under Management in US$ Billions



AUM by Region



AUM by Client Type



As of 12/31/12.

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The Expertise of Many. The Strength of One.

Investment Teams Are Supported by a Global Platform



*Specialized Investment Teams include Bissett Investment Management, Darby Private Equity, Fiduciary Trust International, Franklin Templeton Multi-Asset Strategies, Franklin Templeton Real Asset Advisors, and Local Asset Management teams.

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Long-Term Commitment to the Markets We Enter

OFFICES IN OVER 30 COUNTRIES

United States (1947)
Bahamas (1968)
Canada (1982)
Australia (1986)
United Kingdom (1986)
Hong Kong (1987)
Luxembourg (1988)
Switzerland (1988)
Singapore (1990)
Germany (1992)
Argentina (1994)
Brazil (1994)
France (1994)
India (1995)
Italy (1995)
Japan (1996)
Netherlands (1997)
Poland (1997)
South Africa (1997)
South Korea (1997)
UAE (1997)
Spain (1998)
Sweden (1998)
Russia (1999)
China (2004)
Austria (2005)
Mexico (2005)
Turkey (2005)
Hungary (2008)
Vietnam (2008)
Malaysia (2009)
Romania (2010)
Thailand (2010)
Colombia (2011)
Slovakia (2011)

CLIENTS AND CUSTOMERS IN OVER 150 COUNTRIES



LOCATED IN COUNTRIES REPRESENTING 84% OF THE WORLD'S GDP[1]

1. Based on information from the International Monetary Fund, World Economic Outlook Database, October 2012.
Dates indicate date of establishing presence via an office opening or acquiring stake in a joint venture.

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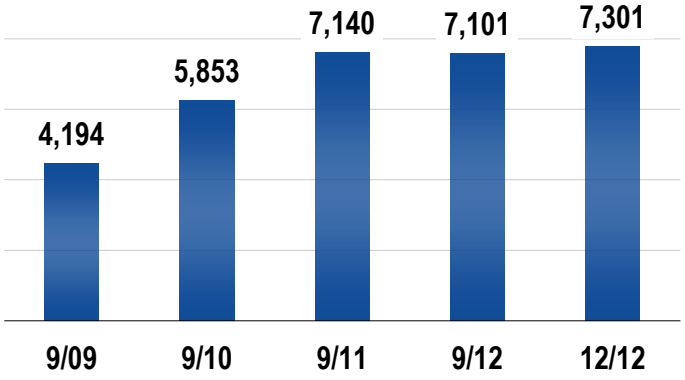
As of 1/31/13.

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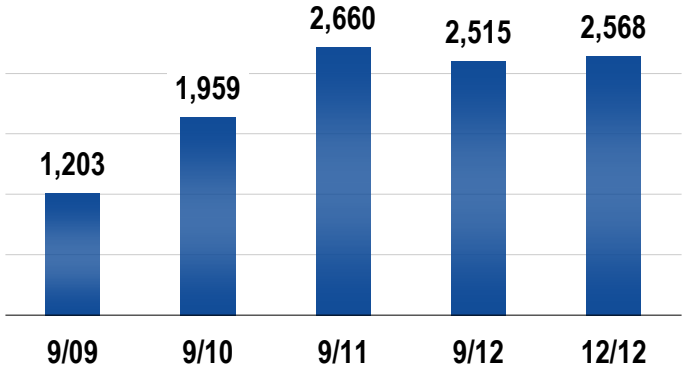
Financial Strength

As of and for the 12 Months Ended

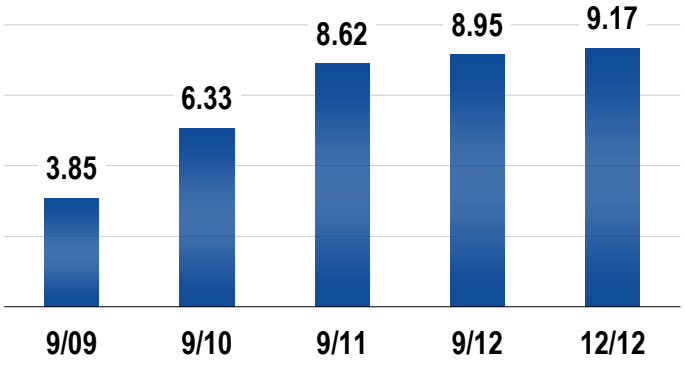
Operating Revenues
US$ Millions



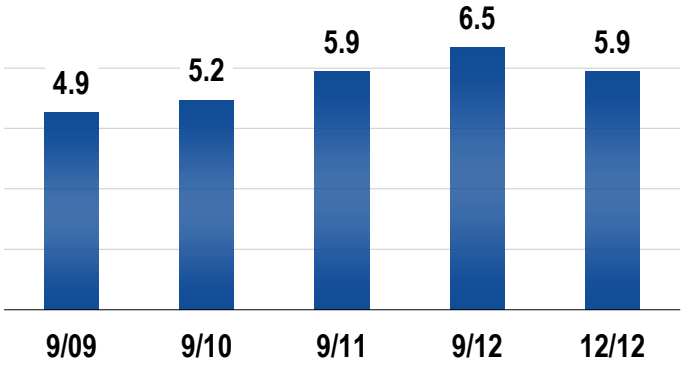
Operating Income
US$ Millions



Earnings Per Share
(Diluted) US Dollars



Net Cash and Investments[1]
US$ Billions

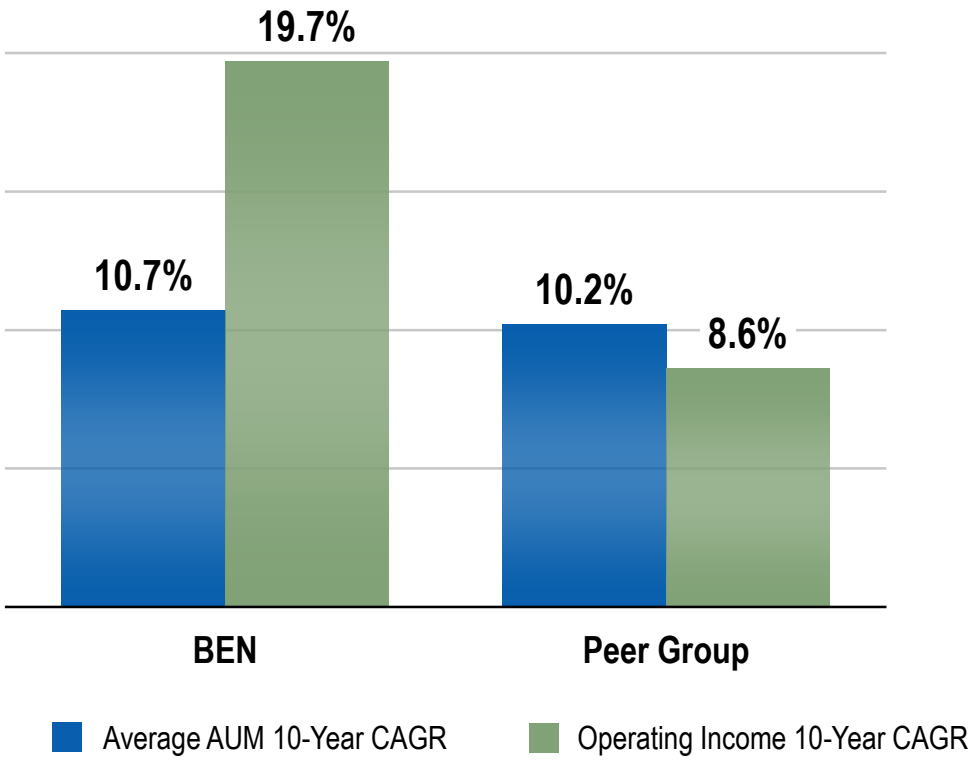


1. Net cash and investments consists of Franklin Resources, Inc. cash and investments (including direct investments in consolidated SIPs and VIEs), net of debt and deposits.

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Growing Profits….Not Just AUM

10-Year CAGR of Average AUM vs. Operating Income

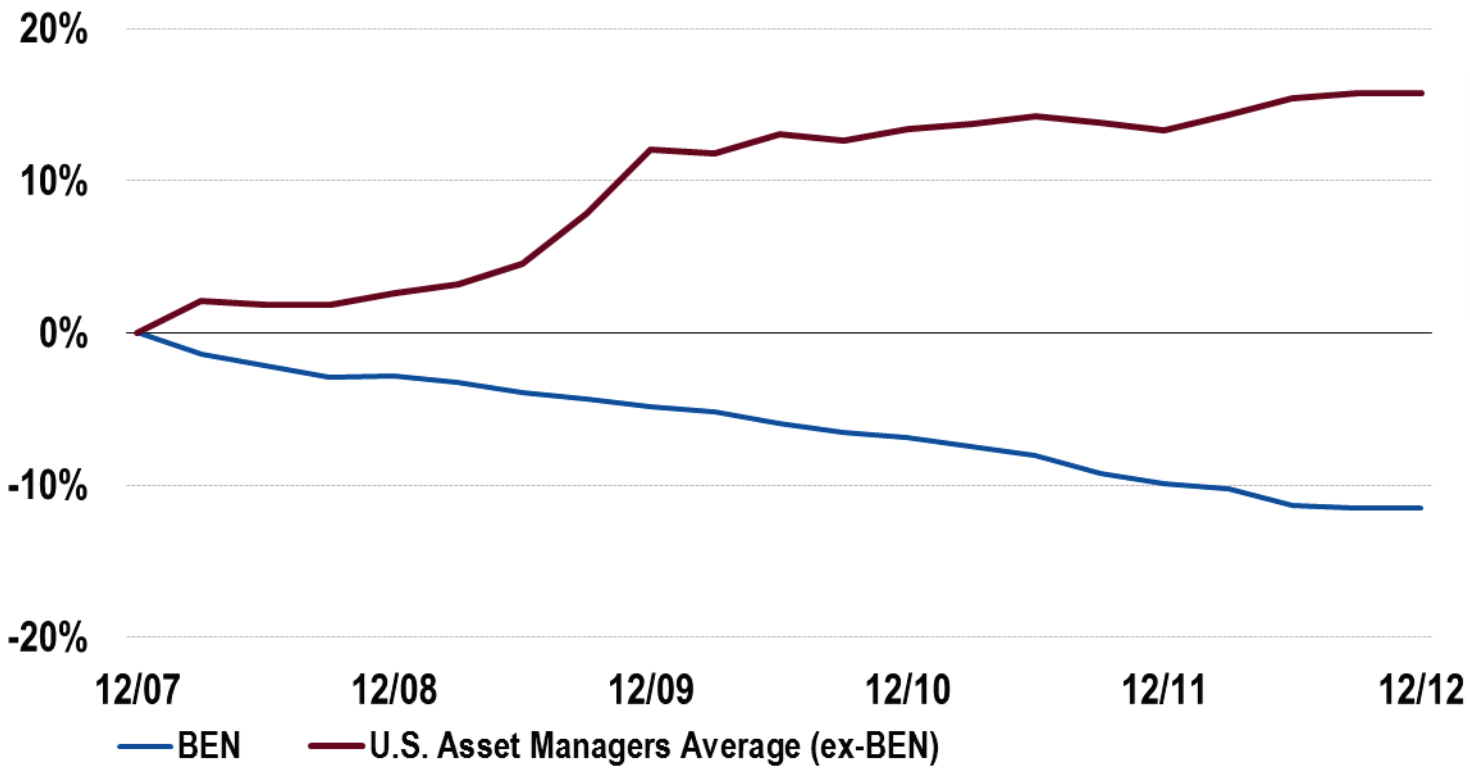


Source: As of December 31, 2011. Strategic Insight, Money Management Financial Comparison 2011, June 2012. Peer group includes AB, AMG, BLK, FII, IVZ, JNS, LM and TROW. CAGR is compound annual growth.

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Capital Management

Change in Ending Shares Outstanding



U.S. ASSET MANAGERS (ex-BEN):
3.0% Compound Annual Dilution

BEN:
2.4% Compound Annual Accretion

BEN Cumulative Payout: $6.5 Billion

Source: Thomson Reuters and company reports. U.S. asset managers include AB, AMG, APO, ART, BLK, BX, CG, CLMS, CNS, EV, FIG, FII, GBL, IVZ, JNS, KKR, LM, MN, OAK, OZM, PZN, TROW, WDR and WETF.

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