April 28, 2014

Franklin Resources, Inc.

Second Quarter Results

FRANKLIN TEMPLETON INVESTMENTS

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, 2013 and Franklin's 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 ("AUM") are subject to significant fluctuations; (3) we are subject to extensive, complex, overlapping and frequently changing rules, regulations and legal interpretations; (4) U.S. 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 financial condition and results of operations; (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 information and cyber security infrastructure, software applications, technology or other systems that are critical to our operations could harm our operations and reputation; (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 manage and grow our business 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 regulatory and supervisory standards; 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.

Audio Commentary and Conference Call Details

Pre-recorded audio commentary on the results from Franklin Resources, Inc.'s Chairman, CEO and President Greg Johnson and CFO and Executive Vice President Ken Lewis will be available today at approximately 8:30 a.m. Eastern Time. They will also lead a live teleconference today at 2:30 p.m. Eastern Time to answer questions of a material nature. Analysts and investors are encouraged to review the Company's recent filings with the U.S. Securities and Exchange Commission and to contact Investor Relations before the live teleconference for any clarifications or questions related to the earnings release, this presentation or the pre-recorded audio commentary.

Access to the pre-recorded audio commentary and accompanying slides are available at franklinresources.com. The pre-recorded audio commentary can also be accessed by dialing (888) 843-7419 in the U.S. and Canada or (630) 652-3042 internationally using access code 37075036, any time through May 28, 2014.

Access to the live teleconference will be available at franklinresources.com or by dialing (800) 446-1671 in the U.S. and Canada or (847) 413-3362 internationally. A replay of the call can also be accessed by calling (888) 843-7419 in the U.S. and Canada or (630) 652-3042 internationally using access code 37075042, after 5:00 p.m. Eastern Time on April 28, 2014 through May 28, 2014.

Questions regarding the pre-recorded audio commentary or live teleconference should be directed to Franklin Resources, Inc., Investor Relations at (650) 312-4091 or Media Relations at (650) 312-2245.

Highlights

- Investment performance across U.S. and cross-border funds remains strong with the majority of assets in the top half of their peer groups across all time periods.
- Assets under management reached a new high, benefiting from strong diversification by investment objective, sales region and client type, with several regions and strategies generating strong organic growth.
- Second quarter and fiscal year-to-date financial results were strong with fiscal year-to-date operating income up 13% since 2013, outpacing the growth of average assets under management.

Investment Performance

FRANKLIN TEMPLETON INVESTMENTS

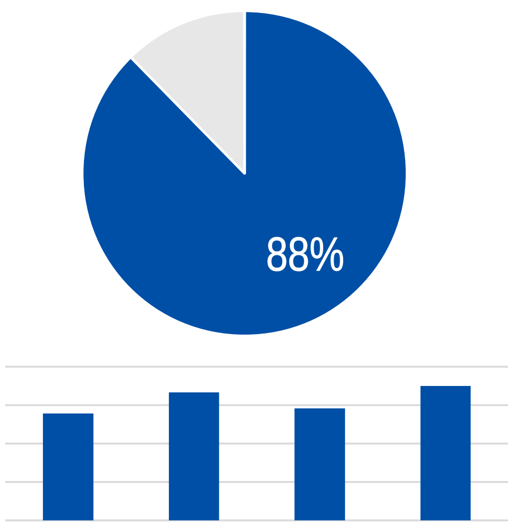
Investment Performance – U.S.-Registered and Cross-Border Mutual Funds

Percentage of Long-Term Assets in Top Two Peer Group Quartiles[1]

10-Year Periods ended March 31, 2014

Total

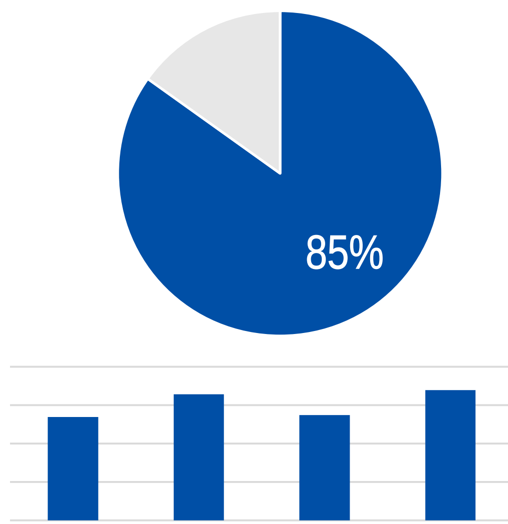
(AUM: $601)



1-Year	3-Year	5-Year	10-Year
70%	83%	73%	**88%**

Equity & Hybrid

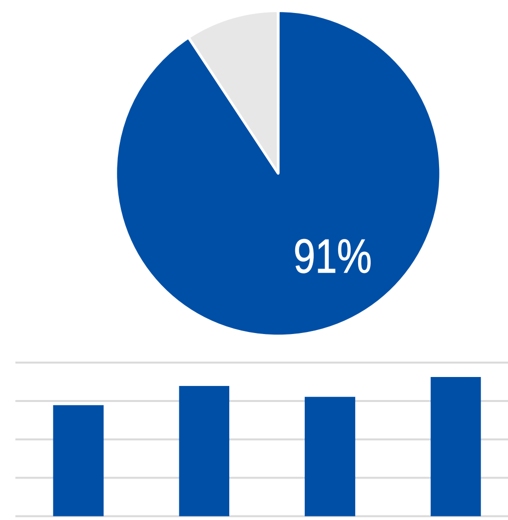
(AUM: $317)



1-Year	3-Year	5-Year	10-Year
67%	82%	69%	**85%**

Fixed-Income

(AUM: $284)



1-Year	3-Year	5-Year	10-Year
72%	85%	78%	**91%**

1.The peer group rankings are sourced from either Lipper © or Morningstar©, as the case may be, and are based on an absolute ranking of returns as of March 31, 2014. 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 U.S.-registered long-term funds are compared against a universe of all share classes. Performance rankings for other share classes may differ. Morningstar rankings for Franklin Templeton cross-border long-term mutual funds are based on primary share classes and do not include sales charges. Performance rankings for other share classes may differ. Results may have been different if these or other factors had been considered. The figures in the table are based on data available from Lipper Inc. as of April 4, 2014 and Morningstar as of April 6, 2014 and are subject to revision.

Performance quoted above represents past performance, which cannot predict or guarantee future results. All investments involve risks, including loss of principal.

Assets Under Management and Flows

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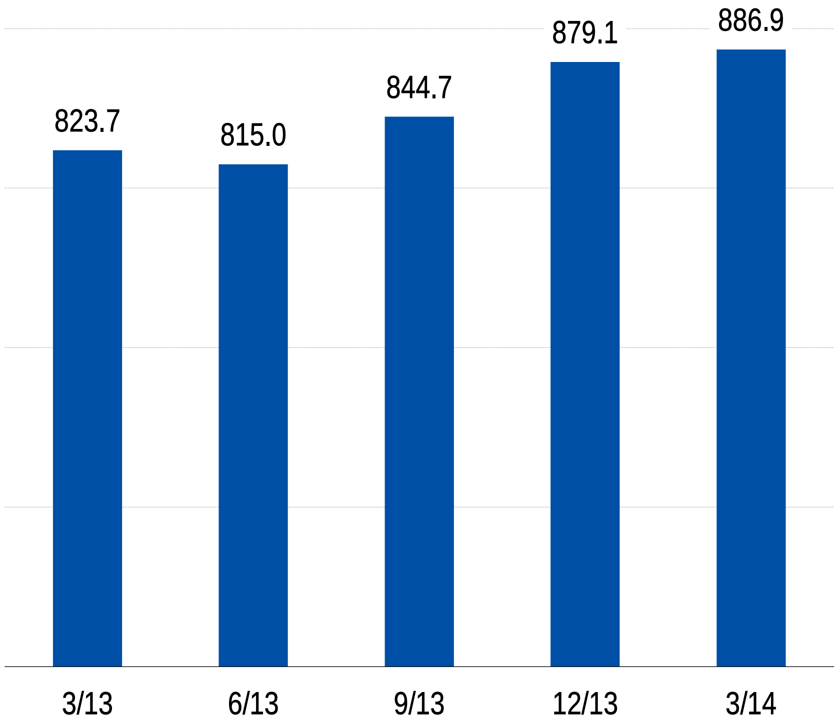
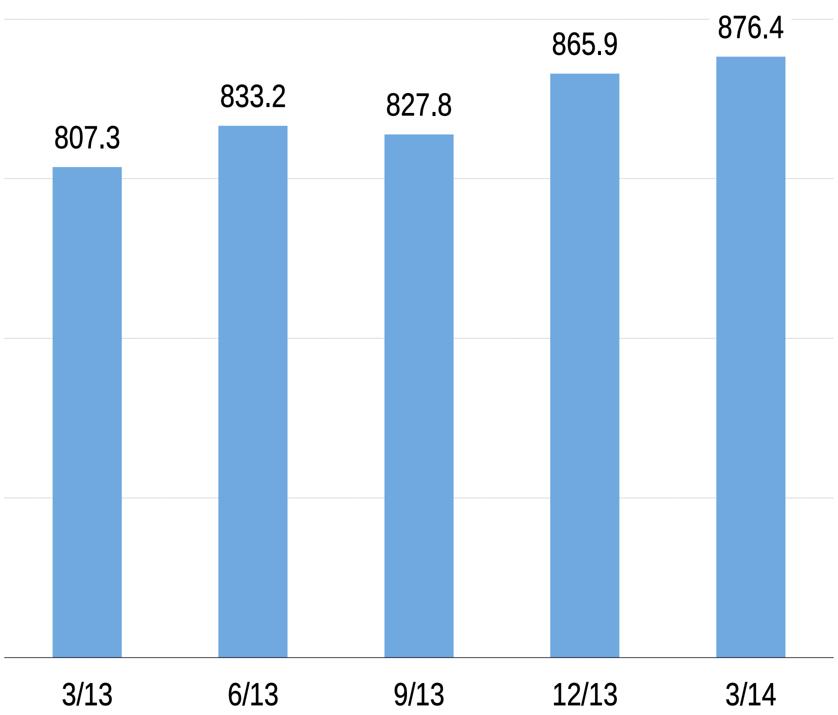
Assets Under Management

(in US$ billions, for the three months ended)

End of Period



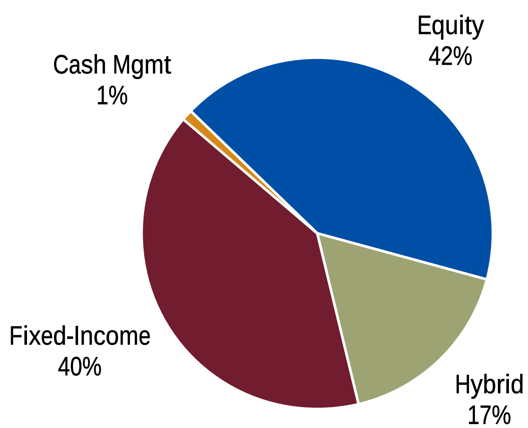
Simple Monthly Average



Assets Under Management

By Investment Objective

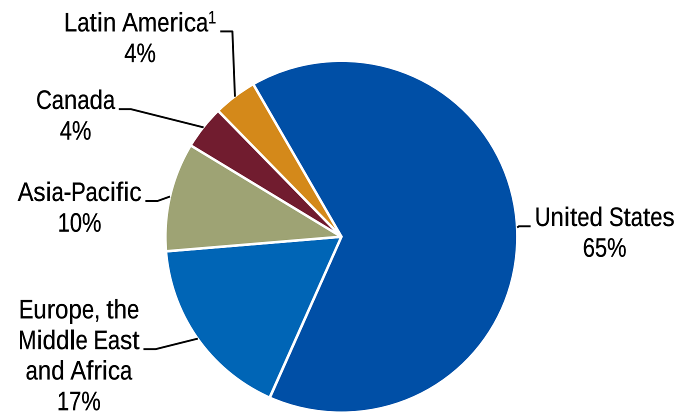
As of March 31, 2014



(in billions)	31-Mar-14	31-Dec-13	% Change
Equity	$ 372.9	$ 365.7	2%
Hybrid	154.0	147.8	4%
Fixed-Income	353.7	359.0	(1%)
Cash Management	6.3	6.6	(5%)
Total	**$ 886.9**	**$ 879.1**	**1%**

By Sales Region

As of March 31, 2014



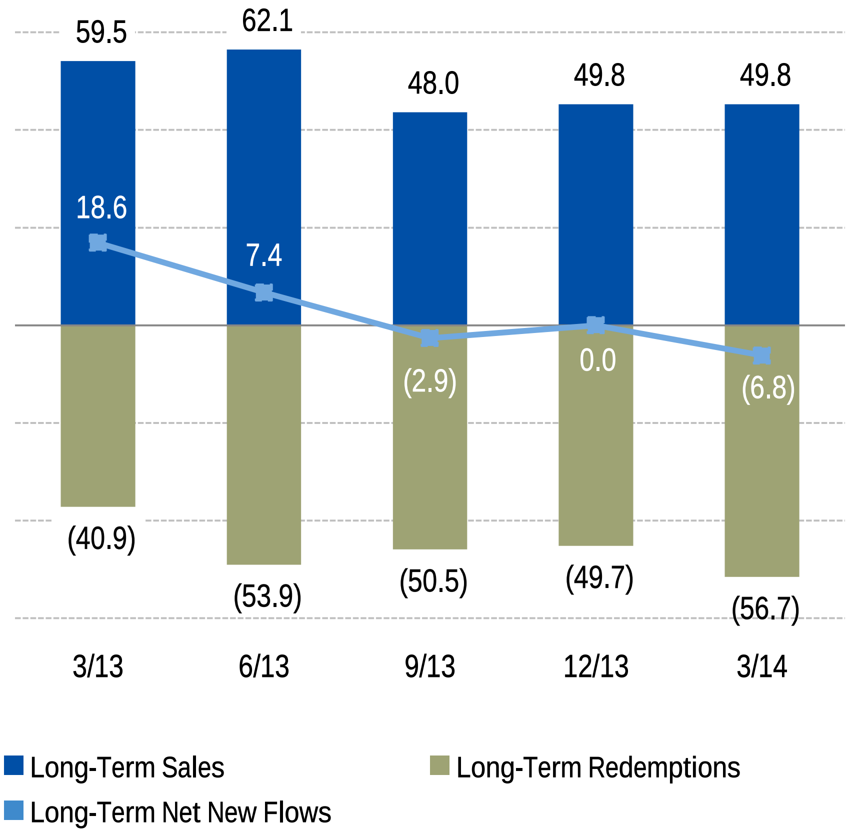
(in billions)	31-Mar-14	31-Dec-13	% Change
United States	$ 580.5	$ 568.9	2%
Europe, the Middle East and Africa	147.5	152.7	(3%)
Asia-Pacific	91.9	90.1	2%
Canada	38.7	38.5	1%
Latin America[1]	28.3	28.9	(2%)
Total	**$ 886.9**	**$ 879.1**	**1%**

1. Latin America sales region includes North America-based advisors serving non-resident clients.

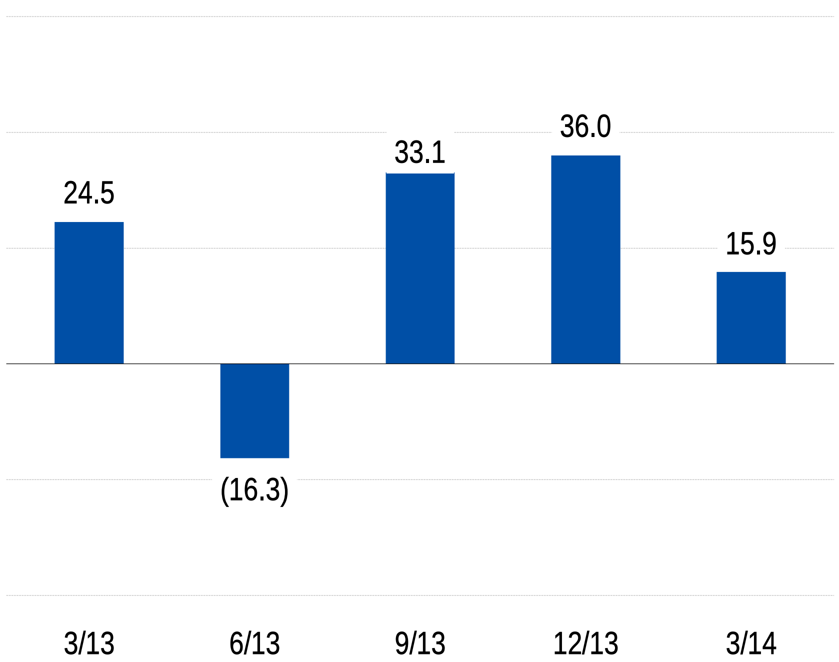
Long-Term Flows and Market Appreciation (Depreciation) Summary

(in US$ billions, for the three months ended)

Long-Term Flows[1]



Appreciation (Depreciation) and Other

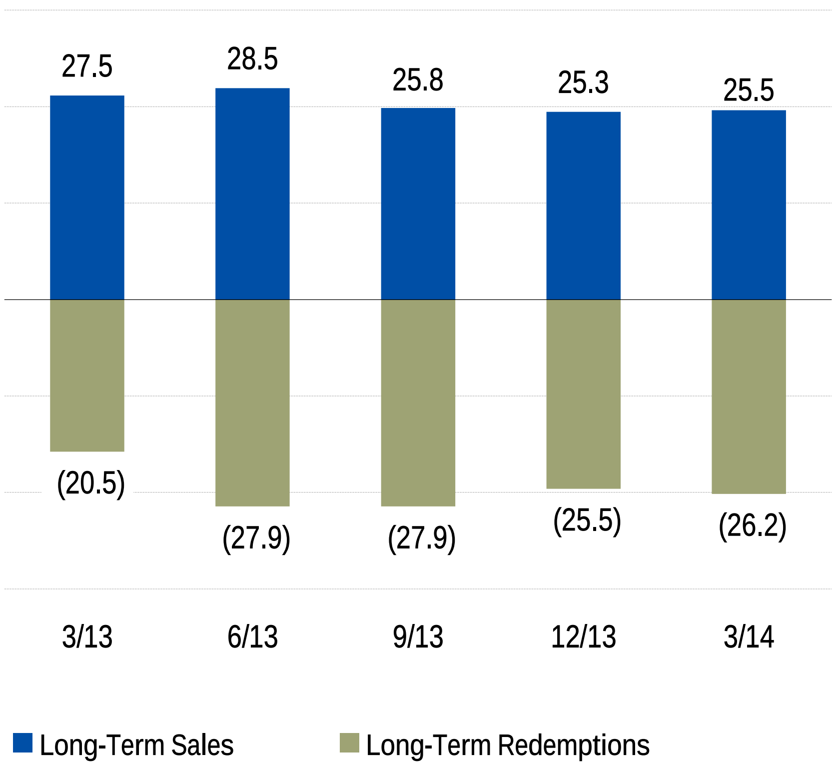


1. Long-term net new flows are defined as long-term sales less long-term redemptions plus long-term net exchanges.

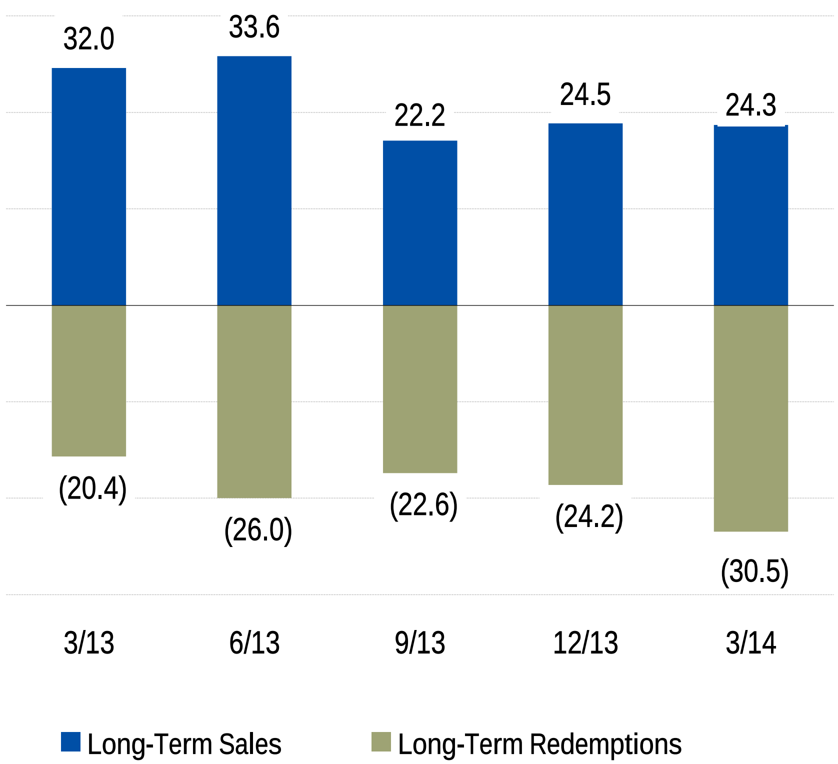
United States and International Flows

(in US$ billions, for the three months ended)

United States



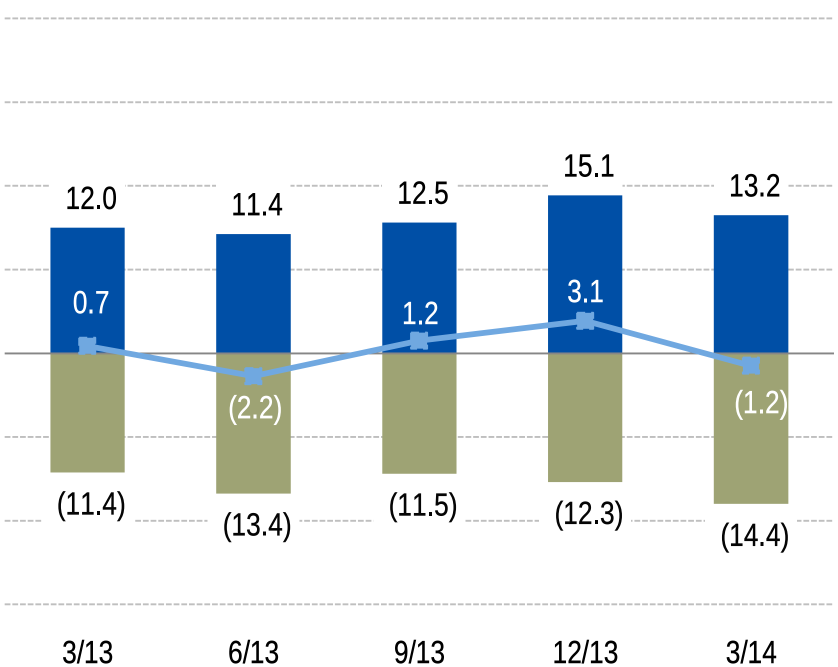
International



Flows by Investment Objective: Global / International Equity and Fixed-Income

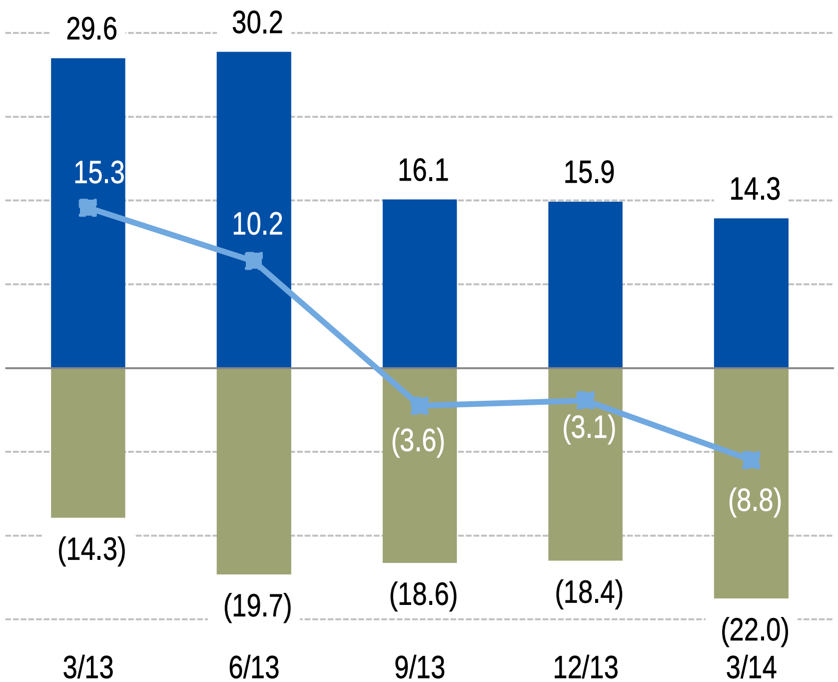
(in US$ billions, for the three months ended)

Global / International Equity



% of Beg. AUM[1]	Prior 4 Quarters Avg.	Current Quarter
Sales	22%	20%
Redemptions	21%	22%

Global / International Fixed Income



% of Beg. AUM[1]	Prior 4 Quarters Avg.	Current Quarter
Sales	41%	25%
Redemptions	32%	38%

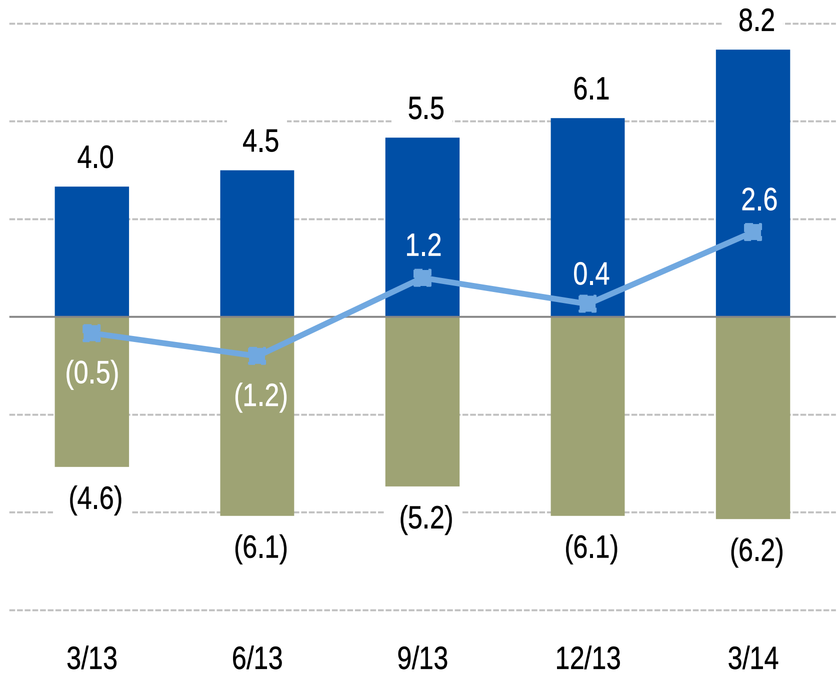
Long-Term Sales   Long-Term Redemptions   Long-Term Net New Flows

1. Sales and redemptions as a percentage of beginning assets under management are annualized.

Flows by Investment Objective: U.S. Equity & Hybrid

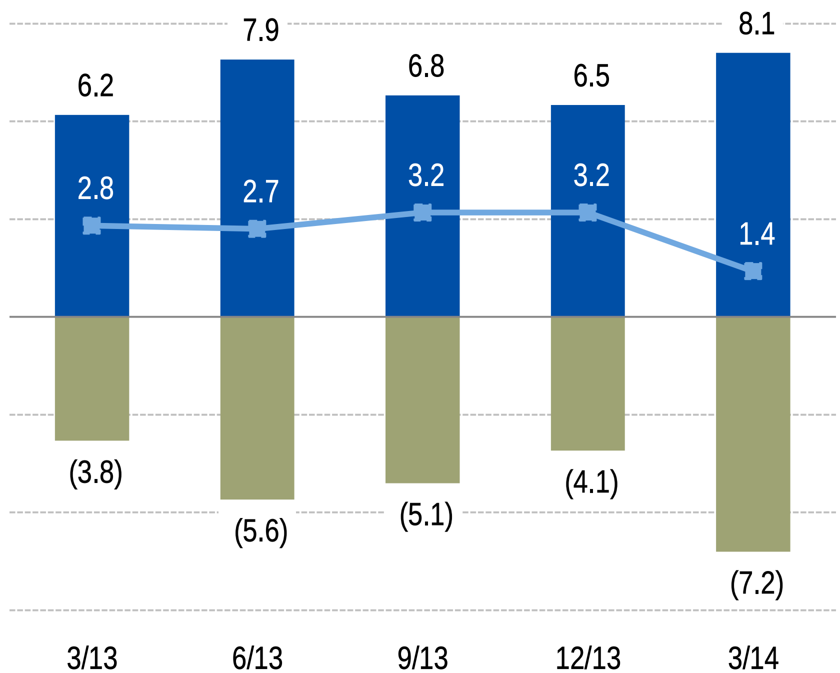
(in US$ billions, for the three months ended)

U.S. Equity



% of Beg. AUM[1]	Prior 4 Quarters Avg.	Current Quarter
Sales	22%	31%
Redemptions	25%	24%

Hybrid



% of Beg. AUM[1]	Prior 4 Quarters Avg.	Current Quarter
Sales	21%	22%
Redemptions	14%	19%

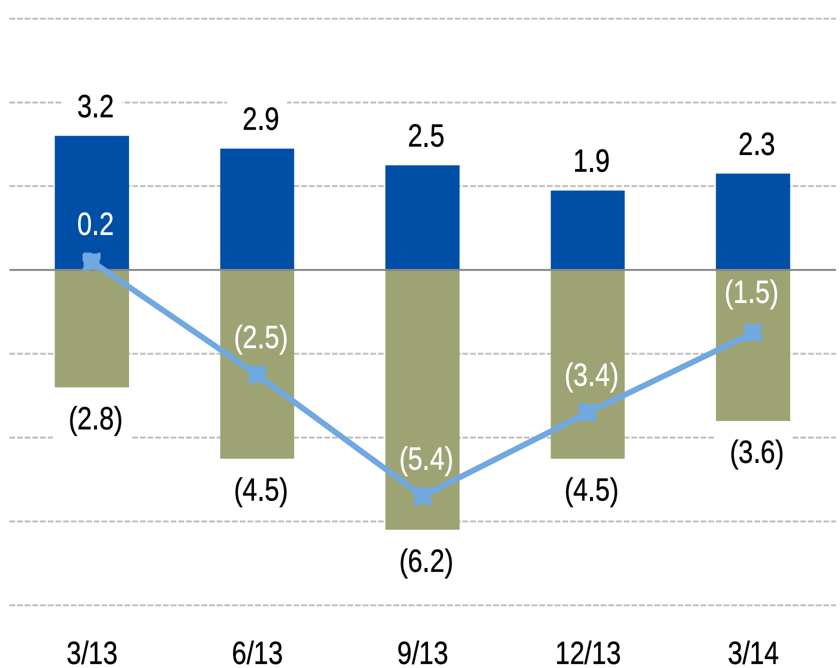
Long-Term Sales Long-Term Redemptions Long-Term Net New Flows

1. Sales and redemptions as a percentage of beginning assets under management are annualized.

Flows by Investment Objective: Tax-Free and Taxable U.S. Fixed-Income

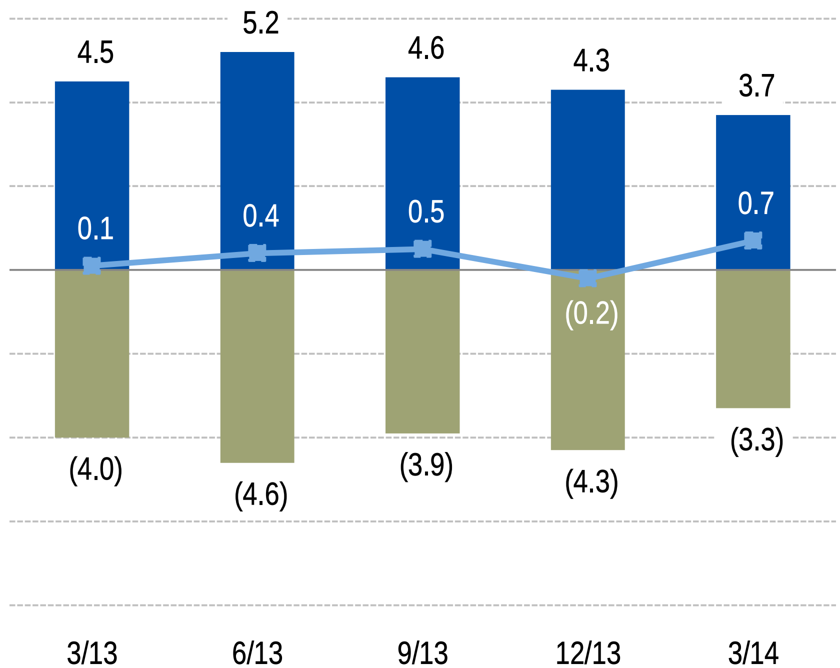
(in US$ billions, for the three months ended)

Tax-Free Fixed-Income



% of Beg. AUM[1]	Prior 4 Quarters Avg.	Current Quarter
Sales	13%	13%
Redemptions	23%	21%

Taxable U.S. Fixed-Income



% of Beg. AUM[1]	Prior 4 Quarters Avg.	Current Quarter
Sales	32%	25%
Redemptions	29%	22%

■ Long-Term Sales ■ Long-Term Redemptions ■ Long-Term Net New Flows

1. Sales and redemptions as a percentage of beginning assets under management are annualized.

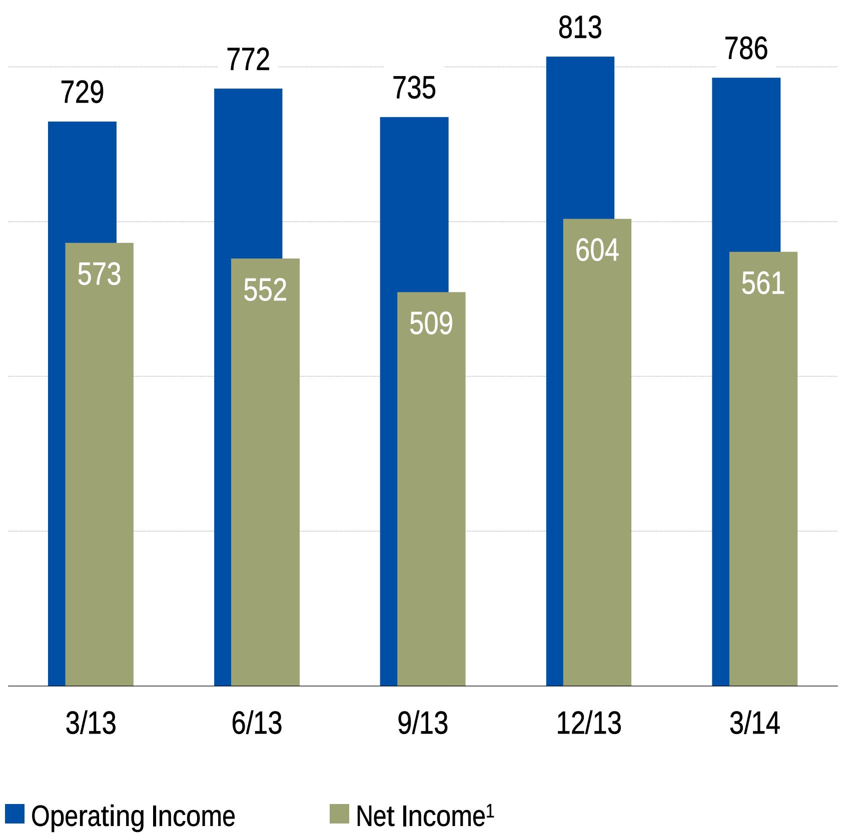
Operating Results and Capital Management

FRANKLIN TEMPLETON
INVESTMENTS

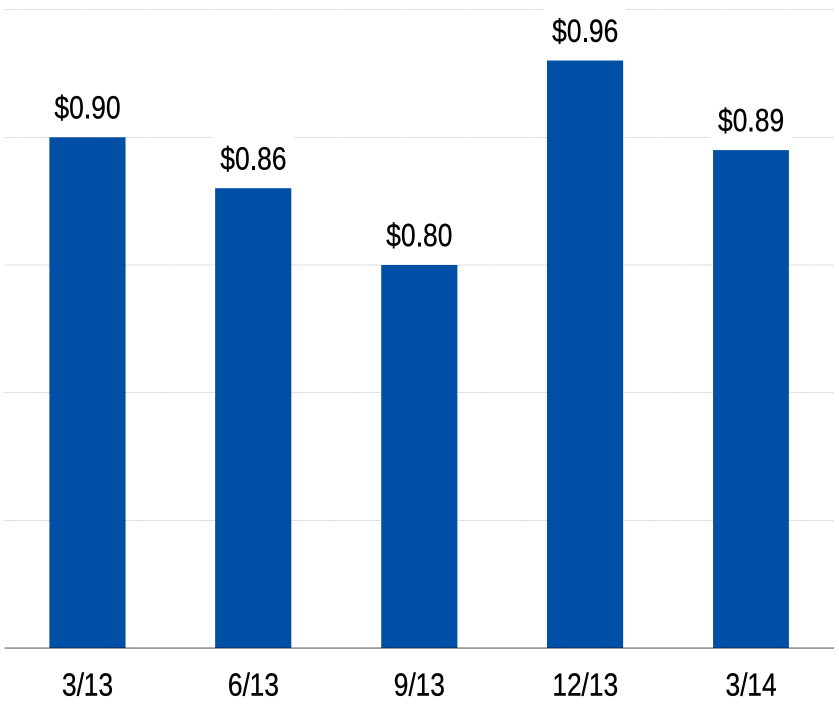
Quarterly Financial Highlights

(in US$ millions, except per share data, for the three months ended)

Operating and Net Income[1]



Diluted Earnings Per Share



1. Net Income attributable to Franklin Resources, Inc.

Operating Revenues

(in millions, for the three months ended)

	31-Mar-14	31-Dec-13	Mar-14 vs. Dec-13	30-Sep-13	30-Jun-13	31-Mar-13	Mar-14 vs. Mar-13
Investment management fees	$ 1,368.0	$ 1,373.8	0%	$ 1,285.7	$ 1,318.3	$ 1,267.5	8%
Sales and distribution fees	638.6	636.7	0%	604.7	664.5	642.7	(1%)
Shareholder servicing fees	67.7	76.1	(11%)	75.2	77.5	76.6	(12%)
Other, net	21.6	22.9	(6%)	19.2	24.5	26.8	(19%)
Total Operating Revenues	**$ 2,095.9**	**$ 2,109.5**	**(1%)**	**$ 1,984.8**	**$ 2,084.8**	**$ 2,013.6**	**4%**

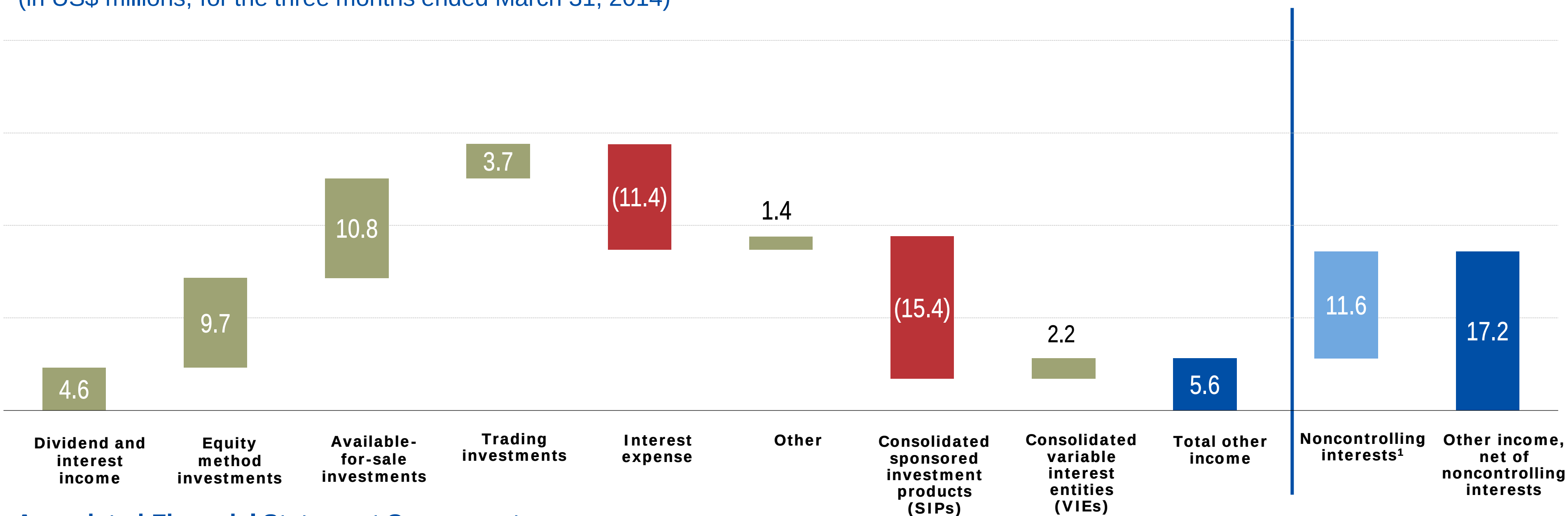
Operating Expenses

(in millions, for the three months ended)

	31-Mar-14	31-Dec-13	Mar-14 vs. Dec-13	30-Sep-13	30-Jun-13	31-Mar-13	Mar-14 vs. Mar-13
Sales, distribution and marketing	$ 766.3	$ 776.7	(1%)	$ 717.6	$ 812.8	$ 780.8	(2%)
Compensation and benefits	372.3	349.0	7%	348.8	345.5	355.1	5%
Information systems and technology	51.0	50.2	2%	58.3	44.4	44.8	14%
Occupancy	33.8	33.1	2%	35.0	33.9	31.9	6%
General, administrative and other	86.5	87.4	(1%)	90.0	76.5	71.6	21%
Total Operating Expenses	**$ 1,309.9**	**$ 1,296.4**	**1%**	**$ 1,249.7**	**$ 1,313.1**	**$ 1,284.2**	**2%**

Other Income – U.S. GAAP

(in US$ millions, for the three months ended March 31, 2014)



Associated Financial Statement Components

$18.8 Million[2]						-$13.2 Million		
Cash and cash equivalents, investment securities, available-for-sale and investment securities, trading	Investments in equity method investees	Investment securities, available-for-sale	Investment securities, trading	Debt and deferred taxes	Miscellaneous non-operating income, including foreign exchange revaluations of cash and cash equivalents held by subsidiaries with a non-USD functional currency	Investments of consolidated SIPs	Investments of consolidated VIEs	Related noncontrolling interests attributable to third-party investors

1. Reflects the portion of noncontrolling interests related to consolidated SIPs and VIEs included in Other income.
2. Net of the impact of consolidating SIPs and VIEs as summarized in the appendix.

Operating Results

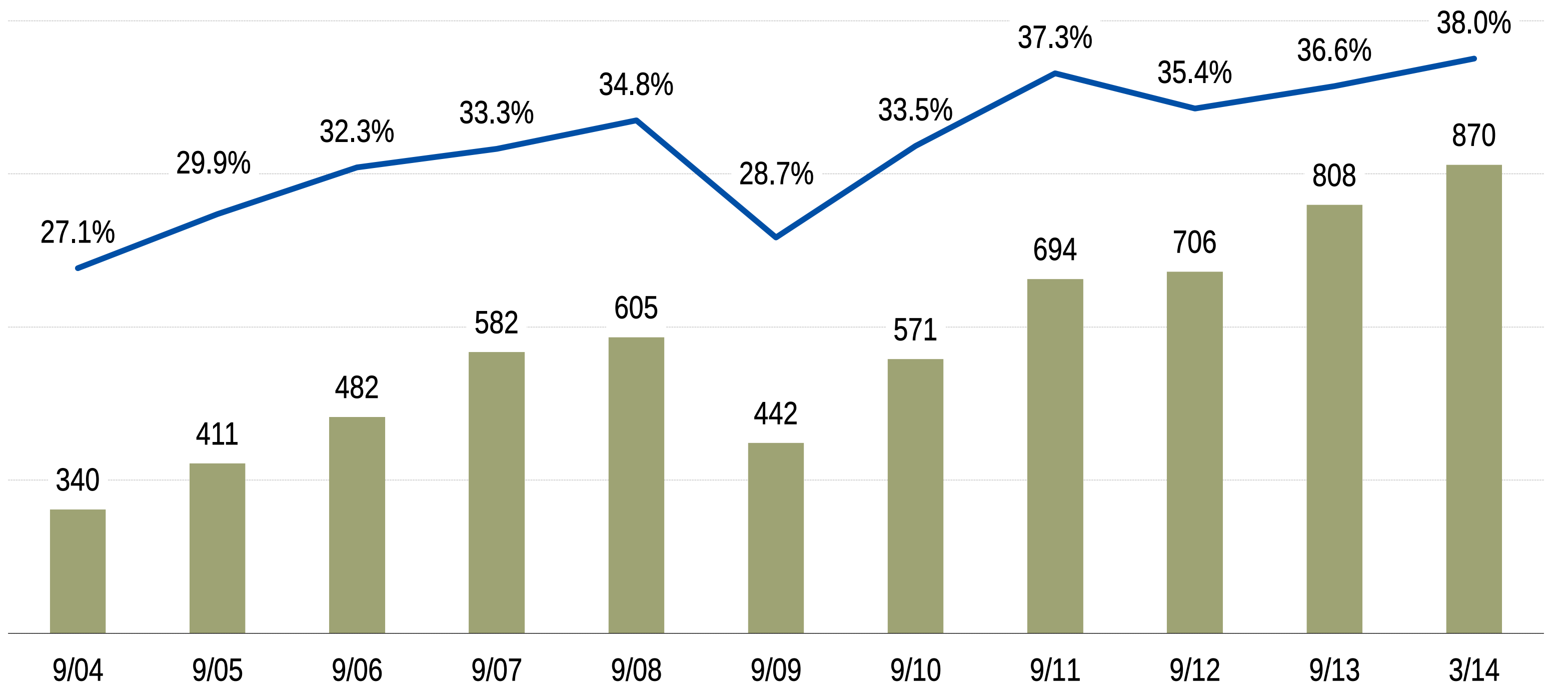
(in millions, except per share data, for the three months ended)

	31-Mar-14	31-Dec-13	Mar-14 vs. Dec-13	30-Sep-13	30-Jun-13	31-Mar-13	Mar-14 vs. Mar-13
Income Before Taxes	**$ 791.6**	**$ 848.7**	**(7%)**	**$ 723.5**	**$ 772.0**	**$ 815.0**	**(3%)**
Taxes on income	238.8	252.7	(6%)	213.0	209.9	221.6	8%
Net Income	**552.8**	**596.0**	**(7%)**	**510.5**	**562.1**	**593.4**	**(7%)**
LESS: NET INCOME (LOSS) ATTRIBUTABLE TO							
Nonredeemable noncontrolling interests	(7.2)	(17.2)	(58%)	3.8	8.0	17.8	NM
Redeemable noncontrolling interests	(1.0)	9.4	NM	(2.3)	1.8	2.8	NM
Net Income Attributable to Franklin Resources, Inc.	**$ 561.0**	**$ 603.8**	**(7%)**	**$ 509.0**	**$ 552.3**	**$ 572.8**	**(2%)**
Less: Allocation of earnings to participating nonvested stock and stock unit awards	3.9	3.5	11%	2.7	4.0	4.0	(3%)
Net Income Available to Common Stockholders	**$ 557.1**	**$ 600.3**	**(7%)**	**$ 506.3**	**$ 548.3**	**$ 568.8**	**(2%)**
AVERAGE SHARES OUTSTANDING							
Basic	626.1	628.1	(0%)	630.5	633.6	634.0	(1%)
Diluted	626.5	628.5	(0%)	631.3	634.3	634.7	(1%)
EARNINGS PER SHARE							
Basic	$0.89	$0.96	(7%)	$0.80	$0.87	$0.90	(1%)
Diluted	**$0.89**	**$0.96**	**(7%)**	**$0.80**	**$0.86**	**$0.90**	**(1%)**

Profitability

(in US$ billions, except as noted, for the fiscal period ended)

Operating Margin vs. Average Assets Under Management



Avg. AUM: 10 % CAGR

	9/04	9/05	9/06	9/07	9/08	9/09	9/10	9/11	9/12	9/13	3/14
Operating Income (US$ millions)	931	1,288	1,633	2,068	2,099	1,203	1,959	2,660	2,515	2,921	1,599 [1]

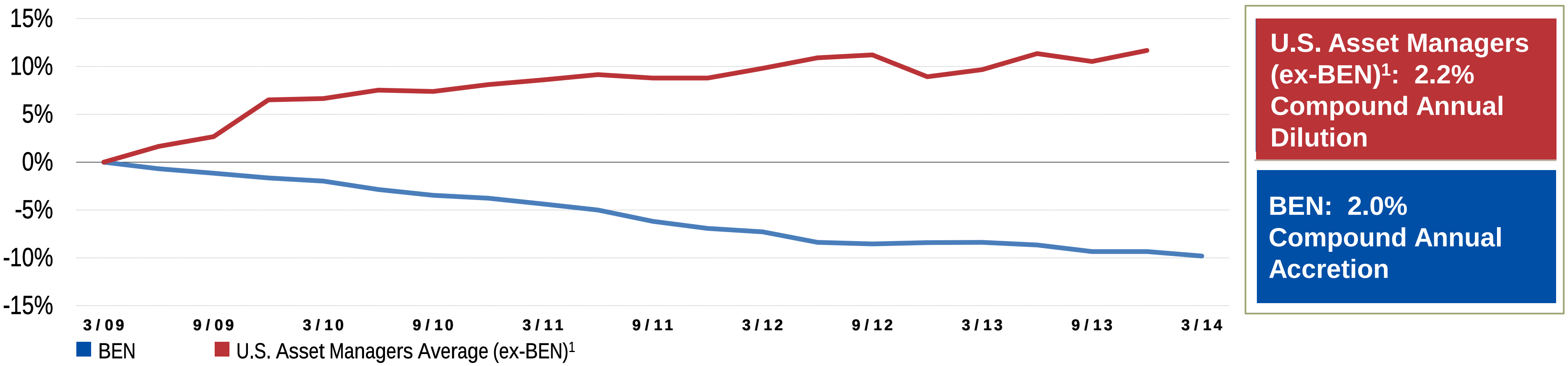
Op. Income: 13% CAGR

1. Fiscal 2014 year-to-date operating income was annualized for CAGR calculation. CAGR is the compound average annual growth rate over the trailing 10-year period.

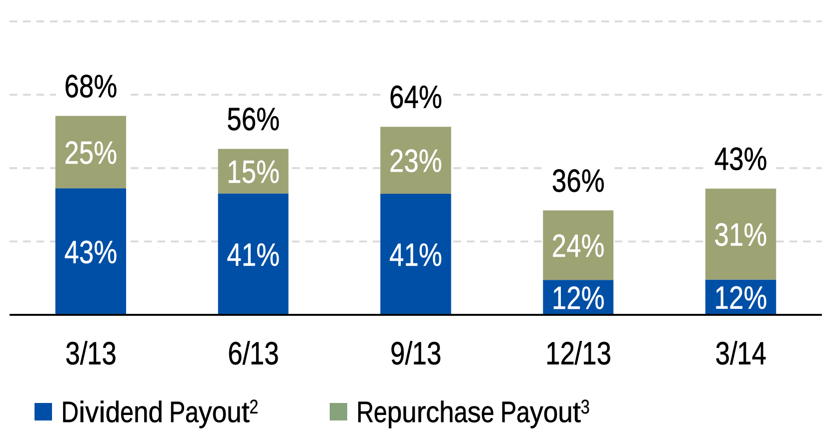
Capital Management

(in US$ billions, except as noted, as of and for the period ended)

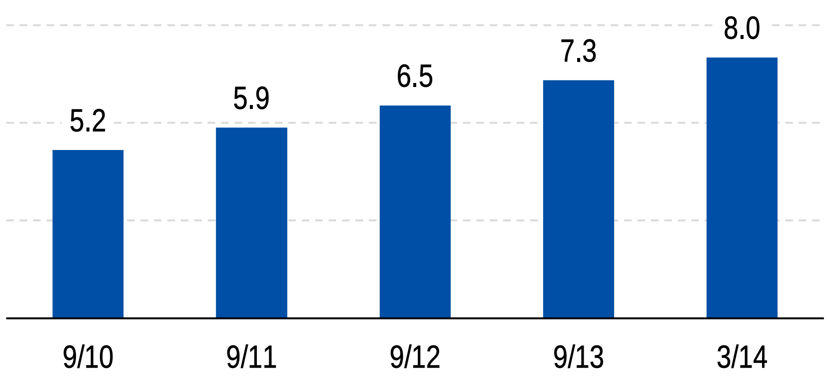
Change in Ending Shares Outstanding



Trailing 12 Months Payout Ratio



Net Cash & Investments[4]



1. U.S. asset managers include AB, AMG, APAM, APO, BLK, BX, CG, CLMS, CNS, EV, FIG, FII, GBL, IVZ, JNS, KKR, LM, MN, OAK, OZM, PZN, TROW, WDR and WETF. Source: Thomson Reuters and company reports.
2. Dividend payout is calculated as dividend amount declared divided by net income attributable to Franklin Resources, Inc. for the trailing 12-month period.
3. Repurchase payout is calculated as stock repurchase amount divided by net income attributable to Franklin Resources, Inc. for the trailing 12-month period.
4. Net cash and investments consists of Franklin Resources, Inc. cash and investments (including only direct investments in consolidated SIPs and VIEs), net of debt and deposits.

Appendix

FRANKLIN TEMPLETON
INVESTMENTS

Sales and Distribution Summary

(in millions, for the three months ended)

	31-Mar-14	31-Dec-13	Change	% Change
Asset based fees, net	$ (115.8)	$ (125.0)	$ 9.2	(7%)
Sales based fees, net	20.2	19.2	1.0	5%
Amortization of deferred sales commissions	(32.1)	(34.2)	2.1	(6%)
Sales and Distribution Fees, Net	**$ (127.7)**	**$ (140.0)**	**$ 12.3**	**(9%)**

- The change in net asset based fees of $9.2 million includes approximately $6.5 million related to non-recurring accrual adjustments to distribution expense. Excluding these adjustments the increase in net asset based fees over the prior quarter is in line with a decrease in SICAV assets, which have negative net asset based distribution fees due to international fee structures.
- Commissionable sales represented approximately 13% of long-term sales this quarter.

The table to the left summarizes the asset and sales based distribution fees, net of expense.

- Asset based expenses are generally not directly correlated with asset based revenue due to international fee structures which provide for recovery of certain distribution costs through investment management fees.
- Sales based expenses are determined as a percentage of sales and are incurred from the same commissionable sales transactions that generate sales fee revenues.
- Deferred sales commissions, which are related to up-front commissions on shares sold without a front-end sales charge, are amortized over the periods in which commissions are generally recovered from distribution fee revenues (and to a lesser extent, from contingent deferred sales charges received from shareholders of the funds upon redemption of their shares).

See the MD&A section of the Company's recent Form 10-Q for additional information.

Consolidated SIPs and VIEs Related Adjustments

(in millions, for the three months ended)

	31-Mar-14	31-Dec-13
Operating Revenues	$ 8.3	$ 12.1
Operating Expenses	5.2	4.2
Operating Income	**3.1**	**7.9**
Investment Income	(0.4)	(9.1)
Interest Expense	(1.2)	(1.2)
Consolidated SIPs	(15.4)	(5.3)
Consolidated VIEs	2.2	5.7
Other Income	**(14.8)**	**(9.9)**
Net Income	**(11.7)**	**(2.0)**
Less: net income attributable to noncontrolling interests	(8.5)	(8.0)
Net Income Attributable to Franklin Resources, Inc.	**$ (3.2)**	**$ 6.0**

The table to the left summarizes the impact of consolidating SIPs and VIEs on the Company's reported U.S. GAAP operating results.