



# FRANKLIN TEMPLETON

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FOR IMMEDIATE RELEASE

## Franklin Resources, Inc. Announces Preliminary Fourth Quarter and Fiscal Year Results

**San Mateo, CA, November 7, 2025** – Franklin Resources, Inc. (the “Company”) [NYSE: BEN] today announced preliminary net income<sup>1</sup> of \$117.6 million or \$0.21 per diluted share for the quarter ended September 30, 2025, as compared to net income of \$92.3 million or \$0.15 per diluted share for the previous quarter, and net loss of \$84.7 million or \$0.19 per diluted share for the quarter ended September 30, 2024. Preliminary net income<sup>1</sup> for the fiscal year ended September 30, 2025 was \$524.9 million or \$0.91 per diluted share, as compared to \$464.8 million or \$0.85 per diluted share for the prior fiscal year. Preliminary operating income was \$85.4 million for the quarter ended September 30, 2025, as compared to operating income of \$154.1 million for the previous quarter and operating loss of \$150.7 million for the prior year.

As supplemental information, the Company is providing certain adjusted performance measures which are based on methodologies other than generally accepted accounting principles. Preliminary adjusted net income<sup>2</sup> was \$357.5 million and adjusted diluted earnings per share<sup>2</sup> was \$0.67 for the quarter ended September 30, 2025, as compared to \$263.4 million and \$0.49 for the previous quarter, and \$315.2 million and \$0.59 for the quarter ended September 30, 2024. Preliminary adjusted net income<sup>2</sup> was \$1,195.8 million and adjusted diluted earnings per share<sup>2</sup> was \$2.22 for the fiscal year ended September 30, 2025, as compared to \$1,276.7 million and \$2.39 for the prior fiscal year. Preliminary adjusted operating income<sup>2</sup> was \$472.4 million for the quarter ended September 30, 2025, as compared to \$377.8 million for the previous quarter and \$451.6 million for the prior year.

“Franklin Templeton delivered solid fourth quarter and fiscal year 2025 results, demonstrating continued growth and diversification across our global platform,” said Jenny Johnson, Chief Executive Officer of Franklin Resources, Inc. “Momentum continued in the fourth quarter with progress across key growth areas. Long-term inflows increased across every asset class to \$84.6 billion, an increase of 12% from the prior quarter. Long-term net outflows totaled \$11.9 billion. Excluding Western Asset Management, we had \$11.4 billion in net inflows, our eighth consecutive quarter of positive flows, excluding Western Asset. Importantly, our institutional pipeline of won-but-unfunded mandates remains healthy at \$20.4 billion following record fundings in the quarter.

“This fiscal year, we successfully executed on our long-term corporate priorities, delivering growth across public and private markets as clients look to us as a trusted partner for comprehensive investment solutions. Excluding Western Asset, we experienced \$44.5 billion in long-term net inflows, including \$25.7 billion in multi-asset and alternative strategies. We saw record growth in retail SMAs, ETFs and Canvas®, each delivering positive net flows with double-digit assets under management (“AUM”) growth rates. Alternative AUM reached a record \$270 billion after closing the Apera Asset Management acquisition and strong fundraising of \$26.2 billion, including \$22.9 billion in private markets.

“As the industry continues to evolve, we remain disciplined in managing expenses while investing for the future. Our balance sheet continues to provide financial flexibility, with \$6.7 billion in cash and investments. During the fiscal year, \$930 million was returned to shareholders through dividends and share repurchases.

“As we enter fiscal 2026, we are confident that our business strategy positions us well to capture the long-term trends reshaping our industry across public and private markets. Our broad investment expertise, global scale and client-first culture allow us to create lasting value for clients and shareholders alike. I would like to thank our dedicated employees around the world for all their efforts this past year.”

|                                             | Quarter Ended |           | %<br>Change<br>Qtr. vs.<br>Qtr. | Quarter<br>Ended | %<br>Change<br>Year vs.<br>Year | Fiscal Year Ended<br>September 30, |           | %<br>Change |
|---------------------------------------------|---------------|-----------|---------------------------------|------------------|---------------------------------|------------------------------------|-----------|-------------|
|                                             | 30-Sep-25     | 30-Jun-25 |                                 | 30-Sep-24        |                                 | 2025                               | 2024      |             |
| <b>Financial Results</b>                    |               |           |                                 |                  |                                 |                                    |           |             |
| <i>(in millions, except per share data)</i> |               |           |                                 |                  |                                 |                                    |           |             |
| Operating revenues                          | \$2,343.7     | \$2,064.0 | 14%                             | \$2,211.2        | 6%                              | \$8,770.7                          | \$8,478.0 | 3%          |
| Operating income (loss)                     | 85.4          | 154.1     | (45%)                           | (150.7)          | NM                              | 604.1                              | 407.6     | 48%         |
| Operating margin                            | 3.6%          | 7.5%      |                                 | (6.8%)           |                                 | 6.9%                               | 4.8%      |             |
| Net income (loss) <sup>1</sup>              | \$ 117.6      | \$ 92.3   | 27%                             | \$ (84.7)        | NM                              | \$ 524.9                           | \$ 464.8  | 13%         |
| Diluted earnings (loss) per share           | 0.21          | 0.15      | 40%                             | (0.19)           | NM                              | 0.91                               | 0.85      | 7%          |
| <u>As adjusted (non-GAAP):<sup>2</sup></u>  |               |           |                                 |                  |                                 |                                    |           |             |
| Adjusted operating income                   | \$ 472.4      | \$ 377.8  | 25%                             | \$ 451.6         | 5%                              | \$1,640.2                          | \$1,713.1 | (4%)        |
| Adjusted operating margin                   | 26.0%         | 23.7%     |                                 | 26.3%            |                                 | 24.5%                              | 26.1%     |             |
| Adjusted net income                         | \$ 357.5      | \$ 263.4  | 36%                             | \$ 315.2         | 13%                             | \$1,195.8                          | \$1,276.7 | (6%)        |
| Adjusted diluted earnings per share         | 0.67          | 0.49      | 37%                             | 0.59             | 14%                             | 2.22                               | 2.39      | (7%)        |
| <b>Assets Under Management</b>              |               |           |                                 |                  |                                 |                                    |           |             |
| <i>(in billions)</i>                        |               |           |                                 |                  |                                 |                                    |           |             |
| Ending                                      | \$1,661.2     | \$1,611.8 | 3%                              | \$1,678.6        | (1%)                            | \$1,661.2                          | \$1,678.6 | (1%)        |
| Average <sup>3</sup>                        | 1,633.7       | 1,565.2   | 4%                              | 1,667.5          | (2%)                            | 1,606.7                            | 1,565.8   | 3%          |
| Long-term net flows                         | (11.9)        | (9.3)     |                                 | (31.3)           |                                 | (97.4)                             | (32.6)    |             |

Total AUM was \$1,661.2 billion at September 30, 2025, up \$49.4 billion during the quarter due to the positive impact of \$54.1 billion of net market change, distributions, and other, and \$7.2 billion of cash management net inflows, partially offset by \$11.9 billion of long-term net outflows, inclusive of \$23.3 billion of long-term net outflows at Western. Long-term net outflows for the quarter include \$3.0 billion of long-term reinvested distributions. AUM decreased \$17.4 billion during the fiscal year due to \$97.4 billion of long-term net outflows, inclusive of \$141.9 billion of long-term net outflows at Western, and \$0.2 billion from the disposition of funds, partially offset by the positive impact of \$67.6 billion of net market change, distributions, and other, and \$12.6 billion of cash management net inflows. Long-term net outflows for the fiscal year include \$30.4 billion of long-term reinvested distributions.

Cash and cash equivalents and investments were \$5.5 billion and, including the Company's direct investments in consolidated investment products ("CIPs"), were \$6.7 billion<sup>4</sup> at September 30, 2025. Total stockholders' equity was \$13.0 billion and the Company had 521.0 million shares of common stock outstanding at September 30, 2025. The Company repurchased 2.6 million shares of its common stock for a total cost of \$67.1 million during the quarter ended September 30, 2025.

## **Conference Call Information**

A written commentary on the results by Jenny Johnson, CEO; Daniel Gamba, Co-President and Chief Commercial Officer; Matthew Nicholls, Co-President, CFO and COO; and Adam Spector, CEO of Fiduciary Trust International; will be available via [investors.franklinresources.com](https://investors.franklinresources.com) today at approximately 8:30 a.m. Eastern Time.

Ms. Johnson and Messrs. Gamba, Nicholls, and Spector will also lead a live teleconference today at 11:00 a.m. Eastern Time to answer questions. Access to the teleconference will be available via [investors.franklinresources.com](https://investors.franklinresources.com) or by dialing (+1) (877) 407-0989 in North America or (+1) (201) 389-0921 in other locations. A replay of the teleconference can also be accessed by calling (+1) (877) 660-6853 in North America or (+1) (201) 612-7415 in other locations using access code 13756384 after 2:00 p.m. Eastern Time on November 7, 2025 through November 14, 2025, or via [investors.franklinresources.com](https://investors.franklinresources.com).

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 at [investorrelations@franklintempleton.com](mailto:investorrelations@franklintempleton.com) before the live teleconference for any clarifications or questions related to the earnings release or written commentary.

**FRANKLIN RESOURCES, INC.**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**Unaudited**

|                                                                      | Three Months Ended<br>September 30, |            |             | Twelve Months Ended<br>September 30, |            |             |
|----------------------------------------------------------------------|-------------------------------------|------------|-------------|--------------------------------------|------------|-------------|
| (in millions, except per share data)                                 | 2025                                | 2024       | %<br>Change | 2025                                 | 2024       | %<br>Change |
| Operating Revenues                                                   |                                     |            |             |                                      |            |             |
| Investment management fees                                           | \$ 1,868.1                          | \$ 1,766.2 | 6%          | \$ 6,981.8                           | \$ 6,822.2 | 2%          |
| Sales and distribution fees                                          | 382.4                               | 368.0      | 4%          | 1,474.7                              | 1,381.0    | 7%          |
| Shareholder servicing fees                                           | 79.2                                | 67.0       | 18%         | 264.5                                | 229.3      | 15%         |
| Other                                                                | 14.0                                | 10.0       | 40%         | 49.7                                 | 45.5       | 9%          |
| Total operating revenues                                             | 2,343.7                             | 2,211.2    | 6%          | 8,770.7                              | 8,478.0    | 3%          |
| Operating Expenses                                                   |                                     |            |             |                                      |            |             |
| Compensation and benefits                                            | 1,005.7                             | 940.8      | 7%          | 3,818.2                              | 3,831.1    | 0%          |
| Sales, distribution and marketing                                    | 519.8                               | 496.9      | 5%          | 2,010.9                              | 1,863.1    | 8%          |
| Information systems and technology                                   | 166.2                               | 177.4      | (6%)        | 643.6                                | 620.1      | 4%          |
| Occupancy                                                            | 72.4                                | 77.7       | (7%)        | 286.3                                | 325.4      | (12%)       |
| Amortization of intangible assets                                    | 69.2                                | 83.8       | (17%)       | 406.5                                | 338.2      | 20%         |
| Impairment of intangible assets                                      | 202.2                               | 389.2      | (48%)       | 226.6                                | 389.2      | (42%)       |
| General, administrative and other                                    | 222.8                               | 196.1      | 14%         | 774.5                                | 703.3      | 10%         |
| Total operating expenses                                             | 2,258.3                             | 2,361.9    | (4%)        | 8,166.6                              | 8,070.4    | 1%          |
| Operating Income (Loss)                                              | 85.4                                | (150.7)    | NM          | 604.1                                | 407.6      | 48%         |
| Other Income (Expenses)                                              |                                     |            |             |                                      |            |             |
| Investment and other income, net                                     | 84.8                                | 95.3       | (11%)       | 212.8                                | 395.5      | (46%)       |
| Interest expense                                                     | (25.2)                              | (25.0)     | 1%          | (94.9)                               | (97.2)     | (2%)        |
| Investment and other income of consolidated investment products, net | 123.1                               | 46.2       | 166%        | 108.4                                | 149.9      | (28%)       |
| Expenses of consolidated investment products                         | (13.8)                              | (12.0)     | 15%         | (43.6)                               | (32.6)     | 34%         |
| Other income, net                                                    | 168.9                               | 104.5      | 62%         | 182.7                                | 415.6      | (56%)       |
| Income (loss) before taxes                                           | 254.3                               | (46.2)     | NM          | 786.8                                | 823.2      | (4%)        |
| Taxes on income                                                      | 65.8                                | 9.5        | 593%        | 237.9                                | 215.3      | 10%         |
| Net income (loss)                                                    | 188.5                               | (55.7)     | NM          | 548.9                                | 607.9      | (10%)       |
| Less: net income (loss) attributable to                              |                                     |            |             |                                      |            |             |
| Redeemable noncontrolling interests                                  | 36.1                                | 32.6       | 11%         | (52.7)                               | 127.9      | NM          |
| Nonredeemable noncontrolling interests                               | 34.8                                | (3.6)      | NM          | 76.7                                 | 15.2       | 405%        |
| Net Income (Loss) Attributable to Franklin Resources, Inc.           | \$ 117.6                            | \$ (84.7)  | NM          | \$ 524.9                             | \$ 464.8   | 13%         |
| Earnings (Loss) per Share                                            |                                     |            |             |                                      |            |             |
| Basic                                                                | \$ 0.21                             | \$ (0.19)  | NM          | \$ 0.91                              | \$ 0.85    | 7%          |
| Diluted                                                              | 0.21                                | (0.19)     | NM          | 0.91                                 | 0.85       | 7%          |
| Dividends Declared per Share                                         | \$ 0.32                             | \$ 0.31    | 3%          | \$ 1.28                              | \$ 1.24    | 3%          |
| Average Shares Outstanding                                           |                                     |            |             |                                      |            |             |
| Basic                                                                | 514.5                               | 516.2      | 0%          | 516.7                                | 509.5      | 1%          |
| Diluted                                                              | 515.4                               | 516.2      | 0%          | 517.4                                | 510.3      | 1%          |
| Operating Margin                                                     | 3.6%                                | (6.8%)     |             | 6.9%                                 | 4.8%       |             |

**FRANKLIN RESOURCES, INC.**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**Unaudited**

| (in millions, except per share data)                                          | Three Months Ended |            | %<br>Change | Three Months Ended |            |            |
|-------------------------------------------------------------------------------|--------------------|------------|-------------|--------------------|------------|------------|
|                                                                               | 30-Sep-25          | 30-Jun-25  |             | 31-Mar-25          | 31-Dec-24  | 30-Sep-24  |
| Operating Revenues                                                            |                    |            |             |                    |            |            |
| Investment management fees                                                    | \$ 1,868.1         | \$ 1,640.8 | 14%         | \$ 1,673.6         | \$ 1,799.3 | \$ 1,766.2 |
| Sales and distribution fees                                                   | 382.4              | 351.9      | 9%          | 364.9              | 375.5      | 368.0      |
| Shareholder servicing fees                                                    | 79.2               | 59.9       | 32%         | 61.9               | 63.5       | 67.0       |
| Other                                                                         | 14.0               | 11.4       | 23%         | 11.0               | 13.3       | 10.0       |
| Total operating revenues                                                      | 2,343.7            | 2,064.0    | 14%         | 2,111.4            | 2,251.6    | 2,211.2    |
| Operating Expenses                                                            |                    |            |             |                    |            |            |
| Compensation and benefits                                                     | 1,005.7            | 901.1      | 12%         | 920.0              | 991.4      | 940.8      |
| Sales, distribution and marketing                                             | 519.8              | 480.7      | 8%          | 498.1              | 512.3      | 496.9      |
| Information systems and technology                                            | 166.2              | 162.7      | 2%          | 158.7              | 156.0      | 177.4      |
| Occupancy                                                                     | 72.4               | 69.5       | 4%          | 69.3               | 75.1       | 77.7       |
| Amortization of intangible assets                                             | 69.2               | 112.2      | (38%)       | 112.5              | 112.6      | 83.8       |
| Impairment of intangible assets                                               | 202.2              | —          | NM          | 24.4               | —          | 389.2      |
| General, administrative and other                                             | 222.8              | 183.7      | 21%         | 182.8              | 185.2      | 196.1      |
| Total operating expenses                                                      | 2,258.3            | 1,909.9    | 18%         | 1,965.8            | 2,032.6    | 2,361.9    |
| Operating Income (Loss)                                                       | 85.4               | 154.1      | (45%)       | 145.6              | 219.0      | (150.7)    |
| Other Income (Expenses)                                                       |                    |            |             |                    |            |            |
| Investment and other income, net                                              | 84.8               | 23.4       | NM          | 94.1               | 10.5       | 95.3       |
| Interest expense                                                              | (25.2)             | (25.8)     | (2%)        | (20.8)             | (23.1)     | (25.0)     |
| Investment and other income (losses) of consolidated investment products, net | 123.1              | 35.9       | 243%        | (164.7)            | 114.1      | 46.2       |
| Expenses of consolidated investment products                                  | (13.8)             | (11.0)     | 25%         | (11.5)             | (7.3)      | (12.0)     |
| Other income (expenses), net                                                  | 168.9              | 22.5       | 651%        | (102.9)            | 94.2       | 104.5      |
| Income (loss) before taxes                                                    | 254.3              | 176.6      | 44%         | 42.7               | 313.2      | (46.2)     |
| Taxes on income                                                               | 65.8               | 59.9       | 10%         | 31.1               | 81.1       | 9.5        |
| Net income (loss)                                                             | 188.5              | 116.7      | 62%         | 11.6               | 232.1      | (55.7)     |
| Less: net income (loss) attributable to                                       |                    |            |             |                    |            |            |
| Redeemable noncontrolling interests                                           | 36.1               | 20.0       | 81%         | (158.4)            | 49.6       | 32.6       |
| Nonredeemable noncontrolling interests                                        | 34.8               | 4.4        | 691%        | 18.6               | 18.9       | (3.6)      |
| Net Income (Loss) Attributable to Franklin Resources, Inc.                    | \$ 117.6           | \$ 92.3    | 27%         | \$ 151.4           | \$ 163.6   | \$ (84.7)  |
| Earnings (Loss) per Share                                                     |                    |            |             |                    |            |            |
| Basic                                                                         | \$ 0.21            | \$ 0.15    | 40%         | \$ 0.26            | \$ 0.29    | \$ (0.19)  |
| Diluted                                                                       | 0.21               | 0.15       | 40%         | 0.26               | 0.29       | (0.19)     |
| Dividends Declared per Share                                                  | \$ 0.32            | \$ 0.32    | 0%          | \$ 0.32            | \$ 0.32    | \$ 0.31    |
| Average Shares Outstanding                                                    |                    |            |             |                    |            |            |
| Basic                                                                         | 514.5              | 515.7      | 0%          | 519.1              | 517.4      | 516.2      |
| Diluted                                                                       | 515.4              | 516.5      | 0%          | 519.9              | 518.2      | 516.2      |
| Operating Margin                                                              |                    |            |             |                    |            |            |
|                                                                               | 3.6 %              | 7.5 %      |             | 6.9 %              | 9.7 %      | (6.8)%     |

## AUM AND FLOWS

| <i>(in billions)</i>                                    | Three Months Ended<br>September 30, |                   | Twelve Months Ended<br>September 30, |                   |
|---------------------------------------------------------|-------------------------------------|-------------------|--------------------------------------|-------------------|
|                                                         | 2025                                | 2024              | 2025 <sup>5</sup>                    | 2024              |
| Beginning AUM                                           | \$ 1,611.8                          | \$ 1,646.6        | \$ 1,678.6                           | \$ 1,374.2        |
| Long-term inflows                                       | 84.6                                | 82.5              | 343.9                                | 319.0             |
| Long-term outflows                                      | (96.5)                              | (113.8)           | (441.3)                              | (351.6)           |
| <b>Long-term net flows</b>                              | <b>(11.9)</b>                       | <b>(31.3)</b>     | <b>(97.4)</b>                        | <b>(32.6)</b>     |
| Cash management net flows                               | 7.2                                 | (0.2)             | 12.6                                 | 2.7               |
| <b>Total net flows</b>                                  | <b>(4.7)</b>                        | <b>(31.5)</b>     | <b>(84.8)</b>                        | <b>(29.9)</b>     |
| Acquisition (Disposition)                               | —                                   | —                 | (0.2)                                | 148.3             |
| Net market change, distributions and other <sup>6</sup> | 54.1                                | 63.5              | 67.6                                 | 186.0             |
| <b>Ending AUM</b>                                       | <b>\$ 1,661.2</b>                   | <b>\$ 1,678.6</b> | <b>\$ 1,661.2</b>                    | <b>\$ 1,678.6</b> |
| <b>Average AUM</b>                                      | <b>\$ 1,633.7</b>                   | <b>\$ 1,667.5</b> | <b>\$ 1,606.7</b>                    | <b>\$ 1,565.8</b> |

## AUM BY ASSET CLASS

| <i>(in billions)</i>                          | 30-Sep-25         | 30-Jun-25         | % Change  | 31-Mar-25         | 31-Dec-24         | 30-Sep-24         |
|-----------------------------------------------|-------------------|-------------------|-----------|-------------------|-------------------|-------------------|
| Equity                                        | \$ 686.2          | \$ 656.6          | 5%        | \$ 598.1          | \$ 620.0          | \$ 632.1          |
| Fixed Income                                  | 438.7             | 441.7             | (1%)      | 446.0             | 469.5             | 556.4             |
| Alternative                                   | 263.9             | 258.4             | 2%        | 251.8             | 248.8             | 249.9             |
| Multi-Asset                                   | 193.9             | 183.2             | 6%        | 175.8             | 174.0             | 176.2             |
| Cash Management                               | 78.5              | 71.9              | 9%        | 68.9              | 63.4              | 64.0              |
| <b>Total AUM</b>                              | <b>\$ 1,661.2</b> | <b>\$ 1,611.8</b> | <b>3%</b> | <b>\$ 1,540.6</b> | <b>\$ 1,575.7</b> | <b>\$ 1,678.6</b> |
| <b>Average AUM for the Three-Month Period</b> | <b>\$ 1,633.7</b> | <b>\$ 1,565.2</b> | <b>4%</b> | <b>\$ 1,570.5</b> | <b>\$ 1,634.5</b> | <b>\$ 1,667.5</b> |

## AUM BY SALES REGION

| <i>(in billions)</i>           | 30-Sep-25         | 30-Jun-25         | % Change  | 31-Mar-25         | 31-Dec-24         | 30-Sep-24         |
|--------------------------------|-------------------|-------------------|-----------|-------------------|-------------------|-------------------|
| United States                  | \$ 1,171.5        | \$ 1,114.9        | 5%        | \$ 1,071.3        | \$ 1,102.5        | \$ 1,177.1        |
| International                  |                   |                   |           |                   |                   |                   |
| Europe, Middle East and Africa | 215.1             | 208.0             | 3%        | 195.8             | 193.7             | 209.1             |
| Asia-Pacific                   | 165.8             | 168.5             | (2%)      | 158.5             | 165.2             | 178.0             |
| Americas, excl. U.S.           | 108.8             | 120.4             | (10%)     | 115.0             | 114.3             | 114.4             |
| Total international            | 489.7             | 496.9             | (1%)      | 469.3             | 473.2             | 501.5             |
| <b>Total</b>                   | <b>\$ 1,661.2</b> | <b>\$ 1,611.8</b> | <b>3%</b> | <b>\$ 1,540.6</b> | <b>\$ 1,575.7</b> | <b>\$ 1,678.6</b> |

## AUM AND FLOWS BY ASSET CLASS

(in billions)

for the three months ended  
September 30, 2025

|                                                         | Equity          | Fixed Income    | Alternative     | Multi-Asset     | Cash Management | Total             |
|---------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------|
| AUM at July 1, 2025                                     | \$ 656.6        | \$ 441.7        | \$ 258.4        | \$ 183.2        | \$ 71.9         | \$ 1,611.8        |
| Long-term inflows                                       | 32.9            | 33.6            | 5.7             | 12.4            | —               | 84.6              |
| Long-term outflows                                      | (39.8)          | (46.2)          | (2.5)           | (8.0)           | —               | (96.5)            |
| <b>Long-term net flows</b>                              | (6.9)           | (12.6)          | 3.2             | 4.4             | —               | (11.9)            |
| Cash management net flows                               | —               | —               | —               | —               | 7.2             | 7.2               |
| <b>Total net flows</b>                                  | (6.9)           | (12.6)          | 3.2             | 4.4             | 7.2             | (4.7)             |
| Net market change, distributions and other <sup>6</sup> | 36.5            | 9.6             | 2.3             | 6.3             | (0.6)           | 54.1              |
| <b>AUM at September 30, 2025</b>                        | <b>\$ 686.2</b> | <b>\$ 438.7</b> | <b>\$ 263.9</b> | <b>\$ 193.9</b> | <b>\$ 78.5</b>  | <b>\$ 1,661.2</b> |

(in billions)

for the three months ended  
June 30, 2025

|                                                         | Equity          | Fixed Income    | Alternative     | Multi-Asset     | Cash Management | Total             |
|---------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------|
| AUM at April 1, 2025                                    | \$ 598.1        | \$ 446.0        | \$ 251.8        | \$ 175.8        | \$ 68.9         | \$ 1,540.6        |
| Long-term inflows                                       | 32.0            | 28.2            | 5.6             | 9.8             | —               | 75.6              |
| Long-term outflows                                      | (32.6)          | (41.2)          | (3.1)           | (8.0)           | —               | (84.9)            |
| <b>Long-term net flows</b>                              | (0.6)           | (13.0)          | 2.5             | 1.8             | —               | (9.3)             |
| Cash management net flows                               | —               | —               | —               | —               | 2.7             | 2.7               |
| <b>Total net flows</b>                                  | (0.6)           | (13.0)          | 2.5             | 1.8             | 2.7             | (6.6)             |
| Disposition                                             | —               | (0.1)           | (0.1)           | —               | —               | (0.2)             |
| Net market change, distributions and other <sup>6</sup> | 59.1            | 8.8             | 4.2             | 5.6             | 0.3             | 78.0              |
| <b>AUM at June 30, 2025</b>                             | <b>\$ 656.6</b> | <b>\$ 441.7</b> | <b>\$ 258.4</b> | <b>\$ 183.2</b> | <b>\$ 71.9</b>  | <b>\$ 1,611.8</b> |

(in billions)

for the three months ended  
September 30, 2024

|                                                         | Equity          | Fixed Income    | Alternative     | Multi-Asset     | Cash Management | Total             |
|---------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------|
| AUM at July 1, 2024                                     | \$ 595.0        | \$ 564.5        | \$ 254.5        | \$ 168.1        | \$ 64.5         | \$ 1,646.6        |
| Long-term inflows                                       | 36.8            | 33.0            | 4.0             | 8.7             | —               | 82.5              |
| Long-term outflows                                      | (36.0)          | (66.9)          | (5.0)           | (5.9)           | —               | (113.8)           |
| <b>Long-term net flows</b>                              | 0.8             | (33.9)          | (1.0)           | 2.8             | —               | (31.3)            |
| Cash management net flows                               | —               | —               | —               | —               | (0.2)           | (0.2)             |
| <b>Total net flows</b>                                  | 0.8             | (33.9)          | (1.0)           | 2.8             | (0.2)           | (31.5)            |
| Net market change, distributions and other <sup>6</sup> | 36.3            | 25.8            | (3.6)           | 5.3             | (0.3)           | 63.5              |
| <b>AUM at September 30, 2024</b>                        | <b>\$ 632.1</b> | <b>\$ 556.4</b> | <b>\$ 249.9</b> | <b>\$ 176.2</b> | <b>\$ 64.0</b>  | <b>\$ 1,678.6</b> |

## Supplemental Non-GAAP Financial Measures

As supplemental information, we are providing performance measures for “adjusted operating income,” “adjusted operating margin,” “adjusted net income” and “adjusted diluted earnings per share,” each of which is based on methodologies other than generally accepted accounting principles (“non-GAAP measures”). Management believes these non-GAAP measures are useful indicators of our financial performance and may be helpful to investors in evaluating our relative performance against industry peers.

“Adjusted operating income,” “adjusted operating margin,” “adjusted net income” and “adjusted diluted earnings per share” are defined below, followed by reconciliations of operating income (loss), operating margin, net income (loss) attributable to Franklin Resources, Inc. and diluted earnings (loss) per share on a U.S. GAAP basis to these non-GAAP measures. Non-GAAP measures should not be considered in isolation from, or as substitutes for, any financial information prepared in accordance with U.S. GAAP, and may not be comparable to other similarly titled measures of other companies. Additional reconciling items may be added in the future to these non-GAAP measures if deemed appropriate.

### ***Adjusted Operating Income***

We define adjusted operating income as operating income (loss) adjusted to exclude the following:

- Elimination of operating revenues upon consolidation of investment products.
- Acquisition-related items:
  - Acquisition-related retention compensation.
  - Other acquisition-related expenses including professional fees, technology costs and fair value adjustments related to contingent consideration assets and liabilities.
  - Amortization of intangible assets.
  - Impairment of intangible assets and goodwill, if any.
- Special termination benefits and other expenses related to workforce optimization initiatives related to past acquisitions and certain initiatives undertaken by the Company.
- Impact on compensation and benefits expense from gains and losses on investments related to deferred compensation plans, which is offset in investment and other income (losses), net.
- Impact on compensation and benefits expense related to minority interests in certain subsidiaries, which is offset in net income (loss) attributable to redeemable noncontrolling interests.

### ***Adjusted Operating Margin***

We calculate adjusted operating margin as adjusted operating income divided by adjusted operating revenues. We define adjusted operating revenues as operating revenues adjusted to exclude the following:

- Elimination of operating revenues upon consolidation of investment products.
- Acquisition-related performance-based investment management fees which are passed through as compensation and benefits expense.
- Sales and distribution fees and a portion of investment management fees allocated to cover sales, distribution and marketing expenses paid to the financial advisers and other intermediaries who sell our funds on our behalf.



### ***Adjusted Net Income and Adjusted Diluted Earnings Per Share***

We define adjusted net income as net income (loss) attributable to Franklin Resources, Inc. adjusted to exclude the following:

- Activities of CIPs.
- Acquisition-related items:
  - Acquisition-related retention compensation.
  - Other acquisition-related expenses including professional fees, technology costs and fair value adjustments related to contingent consideration assets and liabilities.
  - Amortization of intangible assets.
  - Impairment of intangible assets and goodwill, if any.
  - Interest expense for amortization of debt premium from acquisition-date fair value adjustment.
- Special termination benefits and other expenses related to workforce optimization initiatives related to past acquisitions and certain initiatives undertaken by the Company.
- Net gains or losses on investments related to deferred compensation plans which are not offset by compensation and benefits expense.
- Net compensation and benefits expense related to minority interests in certain subsidiaries not offset by net income (loss) attributable to redeemable noncontrolling interests.
- Unrealized investment gains and losses.
- Net income tax expense of the above adjustments based on the respective blended rates applicable to the adjustments.

We define adjusted diluted earnings per share as diluted earnings per share adjusted to exclude the per share impacts of the adjustments applied to net income in calculating adjusted net income.

In calculating our non-GAAP measures, we adjust for the impact of CIPs because it is not considered reflective of our underlying results of operations. Acquisition-related items and special termination benefits are excluded to facilitate comparability to other asset management firms. We adjust for compensation and benefits expense related to funded deferred compensation plans because it is partially offset in other income (expense), net. We adjust for compensation and benefits expense and net income (loss) attributable to redeemable noncontrolling interests to reflect the economics of certain profits interest arrangements. Sales and distribution fees and a portion of investment management fees generally cover sales, distribution and marketing expenses and, therefore, are excluded from adjusted operating revenues. In addition, when calculating adjusted net income and adjusted diluted earnings per share we exclude unrealized investment gains and losses included in investment and other income (losses) because the related investments are generally expected to be held long term.

The calculations of adjusted operating income, adjusted operating margin, adjusted net income and adjusted diluted earnings per share are as follows:

| (in millions)                                                                           | Three Months Ended |                   |                   | Twelve Months Ended |                   |
|-----------------------------------------------------------------------------------------|--------------------|-------------------|-------------------|---------------------|-------------------|
|                                                                                         | 30-Sep-25          | 30-Jun-25         | 30-Sep-24         | 30-Sep-25           | 30-Sep-24         |
| <b>Operating income (loss)</b>                                                          | <b>\$ 85.4</b>     | <b>\$ 154.1</b>   | <b>\$ (150.7)</b> | <b>\$ 604.1</b>     | <b>\$ 407.6</b>   |
| Add (subtract):                                                                         |                    |                   |                   |                     |                   |
| Elimination of operating revenues upon consolidation of investment products*            | 13.1               | 12.0              | 12.7              | 50.7                | 47.4              |
| Acquisition-related retention                                                           | 34.0               | 47.9              | 46.3              | 162.4               | 263.6             |
| Compensation and benefits expense from gains on deferred compensation, net              | 18.8               | 0.1               | 15.7              | 23.4                | 50.5              |
| Other acquisition-related expenses                                                      | 10.8               | 10.5              | 31.8              | 41.4                | 97.4              |
| Amortization of intangible assets                                                       | 69.2               | 112.2             | 83.8              | 406.5               | 338.2             |
| Impairment of intangible assets                                                         | 202.2              | —                 | 389.2             | 226.6               | 389.2             |
| Special termination benefits                                                            | 25.0               | 26.9              | 12.0              | 69.7                | 75.8              |
| Compensation and benefits expense related to minority interests in certain subsidiaries | 13.9               | 14.1              | 10.8              | 55.4                | 43.4              |
| <b>Adjusted operating income</b>                                                        | <b>\$ 472.4</b>    | <b>\$ 377.8</b>   | <b>\$ 451.6</b>   | <b>\$ 1,640.2</b>   | <b>\$ 1,713.1</b> |
| <b>Total operating revenues</b>                                                         | <b>\$ 2,343.7</b>  | <b>\$ 2,064.0</b> | <b>\$ 2,211.2</b> | <b>\$ 8,770.7</b>   | <b>\$ 8,478.0</b> |
| Add (subtract):                                                                         |                    |                   |                   |                     |                   |
| Acquisition-related pass through performance fees                                       | (22.0)             | (2.1)             | (10.5)            | (109.4)             | (97.5)            |
| Sales and distribution fees                                                             | (382.4)            | (351.9)           | (368.0)           | (1,474.7)           | (1,381.2)         |
| Allocation of investment management fees for sales, distribution and marketing expenses | (137.4)            | (128.8)           | (128.9)           | (536.2)             | (481.9)           |
| Elimination of operating revenues upon consolidation of investment products*            | 13.1               | 12.0              | 12.7              | 50.7                | 47.4              |
| <b>Adjusted operating revenues</b>                                                      | <b>\$ 1,815.0</b>  | <b>\$ 1,593.2</b> | <b>\$ 1,716.5</b> | <b>\$ 6,701.1</b>   | <b>\$ 6,564.8</b> |
| <b>Operating margin</b>                                                                 | <b>3.6 %</b>       | <b>7.5 %</b>      | <b>(6.8)%</b>     | <b>6.9 %</b>        | <b>4.8 %</b>      |
| <b>Adjusted operating margin</b>                                                        | <b>26.0 %</b>      | <b>23.7 %</b>     | <b>26.3 %</b>     | <b>24.5 %</b>       | <b>26.1 %</b>     |

| (in millions, except per share data)                                                                                                                                     | Three Months Ended |                 |                  | Twelve Months Ended |                   |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-----------------|------------------|---------------------|-------------------|
|                                                                                                                                                                          | 30-Sep-25          | 30-Jun-25       | 30-Sep-24        | 30-Sep-25           | 30-Sep-24         |
| <b>Net income (loss) attributable to Franklin Resources, Inc.</b>                                                                                                        | <b>\$ 117.6</b>    | <b>\$ 92.3</b>  | <b>\$ (84.7)</b> | <b>\$ 524.9</b>     | <b>\$ 464.8</b>   |
| Add (subtract):                                                                                                                                                          |                    |                 |                  |                     |                   |
| Net (income) loss of consolidated investment products*                                                                                                                   | 7.8                | 3.9             | (2.8)            | 7.6                 | (3.9)             |
| Acquisition-related retention                                                                                                                                            | 34.0               | 47.9            | 46.3             | 162.4               | 263.6             |
| Other acquisition-related expenses                                                                                                                                       | 22.8               | 13.0            | 32.0             | 61.6                | 107.0             |
| Amortization of intangible assets                                                                                                                                        | 69.2               | 112.2           | 83.8             | 406.5               | 338.2             |
| Impairment of intangible assets                                                                                                                                          | 202.2              | —               | 389.2            | 226.6               | 389.2             |
| Special termination benefits                                                                                                                                             | 25.0               | 26.9            | 12.0             | 69.7                | 75.8              |
| Net gains on deferred compensation plan investments not offset by compensation and benefits expense                                                                      | (0.9)              | (2.6)           | (2.9)            | (3.3)               | (13.9)            |
| Unrealized investment (gains) losses                                                                                                                                     | (57.5)             | 11.2            | (23.9)           | (57.7)              | (51.5)            |
| Interest expense for amortization of debt premium                                                                                                                        | (5.0)              | (5.0)           | (5.2)            | (19.9)              | (24.4)            |
| Net compensation and benefits expense related to minority interests in certain subsidiaries not offset by net income attributable to redeemable noncontrolling interests | 7.5                | 7.4             | 2.3              | 26.4                | 3.5               |
| Net income tax expense of adjustments                                                                                                                                    | (65.2)             | (43.8)          | (130.9)          | (209.0)             | (271.7)           |
| <b>Adjusted net income</b>                                                                                                                                               | <b>\$ 357.5</b>    | <b>\$ 263.4</b> | <b>\$ 315.2</b>  | <b>\$ 1,195.8</b>   | <b>\$ 1,276.7</b> |
| <b>Diluted earnings (loss) per share</b>                                                                                                                                 | <b>\$ 0.21</b>     | <b>\$ 0.15</b>  | <b>\$ (0.19)</b> | <b>\$ 0.91</b>      | <b>\$ 0.85</b>    |
| <b>Adjusted diluted earnings per share</b>                                                                                                                               | <b>0.67</b>        | <b>0.49</b>     | <b>0.59</b>      | <b>2.22</b>         | <b>2.39</b>       |

\* The impact of CIPs is summarized as follows:

| (in millions)                                                | Three Months Ended |                 |               | Twelve Months Ended |               |
|--------------------------------------------------------------|--------------------|-----------------|---------------|---------------------|---------------|
|                                                              | 30-Sep-25          | 30-Jun-25       | 30-Sep-24     | 30-Sep-25           | 30-Sep-24     |
| Elimination of operating revenues upon consolidation         | \$ (13.1)          | \$ (12.0)       | \$ (12.7)     | \$ (50.7)           | \$ (47.4)     |
| Other income, net                                            | 59.4               | 19.9            | 32.5          | 11.0                | 104.5         |
| Less: income (loss) attributable to noncontrolling interests | 54.1               | 11.8            | 17.0          | (32.1)              | 53.2          |
| <b>Net income (loss)</b>                                     | <b>\$ (7.8)</b>    | <b>\$ (3.9)</b> | <b>\$ 2.8</b> | <b>\$ (7.6)</b>     | <b>\$ 3.9</b> |

## Notes

1. Net income (loss) represents net income (loss) attributable to Franklin Resources, Inc.
2. “Adjusted net income,” “adjusted diluted earnings per share,” “adjusted operating income” and “adjusted operating margin” are based on methodologies other than generally accepted accounting principles. See “Supplemental Non-GAAP Financial Measures” for definitions and reconciliations of these measures.
3. Average AUM is calculated as the average of the month-end AUM for the trailing four months.
4. Includes our direct investments in CIPs of \$1.2 billion, approximately \$350 million of employee-owned and other third-party investments made through partnerships, approximately \$394 million of investments that are subject to long-term repurchase agreements and other net financing arrangements, and approximately \$455 million of cash and investments related to deferred compensation plans.
5. On March 31, 2025, cash management AUM and net flows were updated to include \$6.3 billion of AUM and \$3.7 billion of net inflows related to two money market mutual fund share classes previously closed to third-party investors.
6. Net market change, distributions and other includes appreciation (depreciation), distributions to investors that represent return on investments and return of capital, and foreign exchange revaluation.

Franklin Resources, Inc. (NYSE: BEN) is a global investment management organization with subsidiaries operating as Franklin Templeton and serving clients in over 150 countries. Franklin Templeton’s mission is to help clients achieve better outcomes through investment management expertise, wealth management and technology solutions. Through its specialist investment managers, the Company offers specialization on a global scale, bringing extensive capabilities in equity, fixed income, alternatives and multi-asset solutions. With more than 1,500 investment professionals, and offices in major financial markets around the world, the California-based company has over 75 years of investment experience and \$1.66 trillion in AUM as of September 30, 2025. The Company posts information that may be significant for investors in the Investor Relations and News Center sections of its website, and encourages investors to consult those sections regularly. For more information, please visit [investors.franklinresources.com](https://investors.franklinresources.com).

## Forward-Looking Statements

Some of the statements herein may include forward-looking statements that reflect our current views with respect to future events, financial performance and market conditions. Such statements are provided under the “safe harbor” protection of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that do not relate solely to historical or current facts and generally can be identified by words or phrases written in the future tense and/or preceded by words such as “anticipate,” “believe,” “could,” “depends,” “estimate,” “expect,” “intend,” “likely,” “may,” “plan,” “potential,” “seek,” “should,” “will,” “would,” or other similar words or variations thereof, or the negative thereof, but these terms are not the exclusive means of identifying such statements.

Forward-looking statements involve a number of known and unknown risks, uncertainties and other important factors that may cause actual results and outcomes to differ materially from any future results or outcomes expressed or implied by such forward-looking statements, including market and volatility risks, investment performance and reputational risks, global operational risks, competition and distribution risks, third-party risks, technology and security risks, human capital risks, cash management risks, and legal and regulatory risks. While forward-looking statements are our best prediction at the time that they are made, you should not rely on them and are cautioned against doing so. Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other possible 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. They are neither statements of historical fact nor guarantees or assurances of future performance. 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.

These and other risks, uncertainties and other important factors are described in more detail in our 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 our Annual Report on Form 10-K for the fiscal year ended September 30, 2024 and our subsequent Quarterly Reports on Form 10-Q. If a circumstance occurs after the date of this press release that causes any of our forward-looking statements to be inaccurate, whether as a result of new information, future developments or otherwise, we undertake no obligation to announce publicly the change to our expectations, or to make any revision to our forward-looking statements, to reflect any change in assumptions, beliefs or expectations, or any change in events, conditions or circumstances upon which any forward-looking statement is based, unless required by law.

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