One Franklin Parkway
San Mateo, CA 94403-1906
tel (650) 312-2000
investors.franklinresources.com

Contact: Franklin Resources, Inc.
Investor Relations: Selene Oh (650) 312-4091, selene.oh@franklintempleton.com
Media Relations: Jeaneen Terrio (212) 632-4005, jeaneen.terrio@franklintempleton.com
investors.franklinresources.com

FOR IMMEDIATE RELEASE

Franklin Resources, Inc. Announces Third Quarter Results

San Mateo, CA, July 31, 2026 – Franklin Resources, Inc. (the "Company") [NYSE: BEN] today announced net income[1] of $171.5 million or $0.31 per diluted share for the quarter ended June 30, 2026, as compared to $268.2 million or $0.49 per diluted share for the previous quarter, and $92.3 million or $0.15 per diluted share for the quarter ended June 30, 2025. Operating income was $215.8 million for the quarter ended June 30, 2026, as compared to $323.3 million for the previous quarter and $154.1 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. Adjusted net income[2] was $386.3 million and adjusted diluted earnings per share[2] was $0.72 for the quarter ended June 30, 2026, as compared to $384.5 million and $0.71 for the previous quarter, and $263.4 million and $0.49 for the quarter ended June 30, 2025. Adjusted operating income[2] was $508.9 million for the quarter ended June 30, 2026, as compared to $474.6 million for the previous quarter and $377.8 million for the prior year.

"Our third quarter results reflect the successful execution of our strategy and the strength of Franklin Templeton's diversified global platform," said Jenny Johnson, Chief Executive Officer of Franklin Resources, Inc. "We delivered $18.4 billion in long-term net inflows across public and private assets, bringing fiscal year-to-date long-term net inflows to $63.3 billion. During the quarter, we generated positive net flows across every asset class and geography, demonstrating the breadth of our investment capabilities and the strength of our global distribution platform. Assets under management grew to a record $1.8 trillion. These results reinforce that our strategy is driving broad-based growth across the business.

"Our momentum continues to build across asset classes, investment vehicles and geographies. Alternative AUM reached a record $294.2 billion as we fundraised $11.8 billion, including $10.3 billion in private market strategies, across secondary private equity, alternative credit, real estate and venture capital. Fiscal year-to-date private markets fundraising reached $33.0 billion, exceeding our fiscal year target with one quarter still to go. Demand also remained strong across ETFs, retail SMAs and Canvas, our custom portfolio solutions platform, while our institutional won-but-unfunded pipeline grew to a record $28.6 billion. International markets reached a record approximately $525 billion in AUM.

"This activity reflects a broader shift in client demand. Investors are increasingly seeking partners that can deliver integrated solutions across public and private assets. We remain focused on executing our strategy by investing in new capabilities, deepening client relationships and expanding our platform, while maintaining a disciplined approach to capital allocation. This quarter, we returned $521.5 million to shareholders, including $348.1 million in share repurchases. Our balance sheet provides the financial flexibility to invest in future growth, pursue strategic opportunities and continue returning capital to shareholders. We believe this positions Franklin Templeton to deliver sustainable organic growth and create long-term value for our clients, shareholders and employees."

	Quarter Ended		% Change	Quarter Ended	% Change
	30-Jun-26	31-Mar-26	Qtr. vs. Qtr.	30-Jun-25	Year vs. Year
Financial Results					
(in millions, except per share data)					
Operating revenues	$ 2,358.4	$ 2,294.9	3%	$ 2,064.0	14%
Operating income	215.8	323.3	(33%)	154.1	40%
Operating margin	9.2%	14.1%		7.5%	
Net income[1]	$ 171.5	$ 268.2	(36%)	$ 92.3	86%
Diluted earnings per share	0.31	0.49	(37%)	0.15	107%
As adjusted (non-GAAP):[2]					
Adjusted operating income	$ 508.9	$ 474.6	7%	$ 377.8	35%
Adjusted operating margin	28.0%	27.1%		23.7%	
Adjusted net income	$ 386.3	$ 384.5	0%	$ 263.4	47%
Adjusted diluted earnings per share	0.72	0.71	1%	0.49	47%
Assets Under Management					
(in billions)					
Ending	$ 1,791.6	$ 1,682.1	7%	$ 1,611.8	11%
Average[3]	1,750.0	1,701.6	3%	1,565.2	12%
Long-term net flows	18.4	16.9		(9.3)	

Total AUM was $1,791.6 billion at June 30, 2026, up $109.5 billion during the quarter due to the positive impact of $98.0 billion of net market change, distributions, and other and $18.4 billion of long-term net inflows, inclusive of $1.1 billion of long-term net outflows at Western, partially offset by $7.0 billion of cash management net outflows. Long-term net inflows for the quarter include $4.1 billion of long-term reinvested distributions.

Cash and cash equivalents and investments were $5.4 billion and, including the Company's direct investments in consolidated investment products ("CIPs"), were $6.5 billion[4] at June 30, 2026. Total stockholders' equity was $12.9 billion and the Company had 507.5 million shares of common stock outstanding at June 30, 2026. The Company repurchased 10.4 million shares of its common stock for a total cost of $348.1 million during the quarter ended June 30, 2026.

Corporate Name Change

The Company today announced it will change its corporate name from Franklin Resources, Inc. to Franklin Templeton, Inc., effective as of August 17, 2026 ("Name Change"). The Name Change reflects the continued evolution of Franklin Templeton as a unified global organization and alignment with the Franklin Templeton brand. This is a corporate name change only. The Name Change will not affect the Company's corporate or capital structure, domicile, outstanding shares, CUSIP number, or the voting or other rights of its stockholders. Following the Name Change, the Company's common stock will continue to be traded on the New York Stock Exchange under the ticker symbol "BEN".

Conference Call Information

A written commentary on the results by Jenny Johnson, CEO; Daniel Gamba, Co-President and Chief Commercial Officer; and Matthew Nicholls, Co-President, CFO and COO; will be available via investors.franklinresources.com today at approximately 8:30 a.m. Eastern Time.

Ms. Johnson and Messrs. Gamba and Nicholls will also lead a live teleconference today at 10:00 a.m. Eastern Time to answer questions. Access to the teleconference will be available via 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 13761569 after 2:00 p.m. Eastern Time on July 31, 2026 through August 7, 2026, or via 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 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

(in millions, except per share data)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	% Change	Nine Months Ended June 30, 2026	Nine Months Ended June 30, 2025	% Change
Operating Revenues						
Investment management fees	$ 1,866.2	$ 1,640.8	14%	$ 5,533.4	$ 5,113.7	8%
Sales and distribution fees	404.5	351.9	15%	1,189.8	1,092.3	9%
Shareholder servicing fees	74.3	59.9	24%	214.2	185.3	16%
Other	13.4	11.4	18%	43.0	35.7	20%
Total operating revenues	2,358.4	2,064.0	14%	6,980.4	6,427.0	9%
Operating Expenses						
Compensation and benefits	958.5	901.1	6%	2,953.9	2,812.5	5%
Sales, distribution and marketing	555.4	480.7	16%	1,640.3	1,491.1	10%
Information systems and technology	160.8	162.7	(1%)	475.4	477.4	0%
Occupancy	71.4	69.5	3%	205.3	213.9	(4%)
Amortization of intangible assets	50.7	112.2	(55%)	156.4	337.3	(54%)
Impairment of intangible assets	33.0	—	NM	33.0	24.4	35%
General, administrative and other	312.8	183.7	70%	696.0	551.7	26%
Total operating expenses	2,142.6	1,909.9	12%	6,160.3	5,908.3	4%
Operating Income	215.8	154.1	40%	820.1	518.7	58%
Other Income (Expenses)						
Investment and other income, net	131.0	23.4	460%	267.3	128.0	109%
Interest expense	(23.5)	(25.8)	(9%)	(63.8)	(69.7)	(8%)
Investment and other income (losses) of consolidated investment products, net	54.8	35.9	53%	276.2	(14.7)	NM
Expenses of consolidated investment products	(7.2)	(11.0)	(35%)	(31.4)	(29.8)	5%
Other income, net	155.1	22.5	589%	448.3	13.8	NM
Income before taxes	370.9	176.6	110%	1,268.4	532.5	138%
Taxes on income	115.6	59.9	93%	319.7	172.1	86%
Net income	255.3	116.7	119%	948.7	360.4	163%
Less: net income (loss) attributable to						
Redeemable noncontrolling interests	18.5	20.0	(8%)	82.1	(88.8)	NM
Nonredeemable noncontrolling interests	65.3	4.4	NM	171.4	41.9	309%
Net Income Attributable to Franklin Resources, Inc.	**$ 171.5**	**$ 92.3**	86%	**$ 695.2**	**$ 407.3**	71%
Earnings per Share						
Basic	$ 0.31	$ 0.15	107%	$ 1.26	$ 0.70	80%
Diluted	0.31	0.15	107%	1.26	0.70	80%
Dividends Declared per Share	$ 0.33	$ 0.32	3%	$ 0.99	$ 0.96	3%
Average Shares Outstanding						
Basic	515.2	515.7	0%	516.7	517.4	0%
Diluted	516.0	516.5	0%	517.5	518.2	0%
Operating Margin	9.2%	7.5%		11.7%	8.1%	

FRANKLIN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF INCOME
Unaudited

(in millions, except per share data)	Three Months Ended 30-Jun-26	Three Months Ended 31-Mar-26	% Change	Three Months Ended 31-Dec-25	Three Months Ended 30-Sep-25	Three Months Ended 30-Jun-25
Operating Revenues						
Investment management fees	$ 1,866.2	$ 1,819.3	3%	$ 1,847.9	$ 1,868.1	$ 1,640.8
Sales and distribution fees	404.5	396.6	2%	388.7	382.4	351.9
Shareholder servicing fees	74.3	69.0	8%	70.9	79.2	59.9
Other	13.4	10.0	34%	19.6	14.0	11.4
Total operating revenues	2,358.4	2,294.9	3%	2,327.1	2,343.7	2,064.0
Operating Expenses						
Compensation and benefits	958.5	964.7	(1%)	1,030.7	1,005.7	901.1
Sales, distribution and marketing	555.4	544.0	2%	540.9	519.8	480.7
Information systems and technology	160.8	157.6	2%	157.0	166.2	162.7
Occupancy	71.4	67.1	6%	66.8	72.4	69.5
Amortization of intangible assets	50.7	50.6	0%	55.1	69.2	112.2
Impairment of intangible assets	33.0	—	NM	—	202.2	—
General, administrative and other	312.8	187.6	67%	195.6	222.8	183.7
Total operating expenses	2,142.6	1,971.6	9%	2,046.1	2,258.3	1,909.9
Operating Income	215.8	323.3	(33%)	281.0	85.4	154.1
Other Income (Expenses)						
Investment and other income, net	131.0	56.0	134%	80.3	84.8	23.4
Interest expense	(23.5)	(19.9)	18%	(20.4)	(25.2)	(25.8)
Investment and other income (losses) of consolidated investment products, net	54.8	96.5	(43%)	124.9	123.1	35.9
Expenses of consolidated investment products	(7.2)	(10.2)	(29%)	(14.0)	(13.8)	(11.0)
Other income, net	155.1	122.4	27%	170.8	168.9	22.5
Income before taxes	370.9	445.7	(17%)	451.8	254.3	176.6
Taxes on income	115.6	99.1	17%	105.0	65.8	59.9
Net income	255.3	346.6	(26%)	346.8	188.5	116.7
Less: net income attributable to						
Redeemable noncontrolling interests	18.5	23.9	(23%)	39.7	36.1	20.0
Nonredeemable noncontrolling interests	65.3	54.5	20%	51.6	34.8	4.4
Net Income Attributable to Franklin Resources, Inc.	**$ 171.5**	**$ 268.2**	(36%)	**$ 255.5**	**$ 117.6**	**$ 92.3**
Earnings per Share						
Basic	$ 0.31	$ 0.49	(37%)	$ 0.46	$ 0.21	$ 0.15
Diluted	0.31	0.49	(37%)	0.46	0.21	0.15
Dividends Declared per Share	$ 0.33	$ 0.33	0%	$ 0.33	$ 0.32	$ 0.32
Average Shares Outstanding						
Basic	515.2	517.5	0%	517.5	514.5	515.7
Diluted	516.0	518.2	0%	518.3	515.4	516.5
Operating Margin	9.2 %	14.1 %		12.1 %	3.6 %	7.5 %

AUM AND FLOWS

(in billions)	Three Months Ended June 30, 2026 [5]	Three Months Ended June 30, 2025	Nine Months Ended June 30, 2026 [5]	Nine Months Ended June 30, 2025
Beginning AUM	$ 1,682.1	$ 1,540.6	$ 1,661.2	$ 1,678.6
Long-term inflows	122.0	75.6	358.8	259.3
Long-term outflows	(103.6)	(84.9)	(295.5)	(344.8)
Long-term net flows	18.4	(9.3)	63.3	(85.5)
Cash management net flows	(7.0)	2.7	3.2	5.4
Total net flows	11.4	(6.6)	66.5	(80.1)
Acquisition (Disposition)	0.1	(0.2)	6.2	(0.2)
Net market change, distributions and other [6]	98.0	78.0	57.7	13.5
Ending AUM	**$ 1,791.6**	**$ 1,611.8**	**$ 1,791.6**	**$ 1,611.8**
Average AUM	**$ 1,750.0**	**$ 1,565.2**	**$ 1,714.5**	**$ 1,596.4**

AUM BY ASSET CLASS

(in billions)	30-Jun-26	31-Mar-26	% Change	31-Dec-25	30-Sep-25	30-Jun-25
Equity	$ 756.9	$ 669.7	13%	$ 697.2	$ 686.2	$ 656.6
Fixed Income	441.4	434.3	2%	437.7	438.7	441.7
Alternative	294.2	282.8	4%	273.8	263.9	258.4
Multi-Asset	218.6	207.5	5%	198.8	193.9	183.2
Cash Management	80.5	87.8	(8%)	76.5	78.5	71.9
Total AUM	**$ 1,791.6**	**$ 1,682.1**	**7%**	**$ 1,684.0**	**$ 1,661.2**	**$ 1,611.8**
Average AUM for the Three-Month Period	**$ 1,750.0**	**$ 1,701.6**	**3%**	**$ 1,676.1**	**$ 1,633.7**	**$ 1,565.2**

AUM BY SALES REGION

(in billions)	30-Jun-26	31-Mar-26	% Change	31-Dec-25	30-Sep-25	30-Jun-25
United States [7]	$ 1,267.8	$ 1,187.5	7%	$ 1,195.7	$ 1,171.5	$ 1,114.9
International						
Europe, Middle East and Africa	232.3	217.4	7%	212.8	201.4	193.9
Asia-Pacific [8]	191.1	180.1	6%	181.6	179.5	182.6
Americas, excl. U.S. [7]	100.4	97.1	3%	93.9	108.8	120.4
Total international	523.8	494.6	6%	488.3	489.7	496.9
Total	**$ 1,791.6**	**$ 1,682.1**	**7%**	**$ 1,684.0**	**$ 1,661.2**	**$ 1,611.8**

AUM AND FLOWS BY ASSET CLASS

(in billions)

for the three months ended June 30, 2026	**Equity**	**Fixed Income**	**Alternative** [5]	**Multi-Asset**	**Cash Management**	**Total**
AUM at April 1, 2026	$ 669.7	$ 434.3	$ 282.8	$ 207.5	$ 87.8	$ 1,682.1
Long-term inflows	65.9	30.4	11.8	13.9	—	122.0
Long-term outflows	(63.9)	(27.8)	(2.7)	(9.2)	—	(103.6)
Long-term net flows	2.0	2.6	9.1	4.7	—	18.4
Cash management net flows	—	—	—	—	(7.0)	(7.0)
Total net flows	2.0	2.6	9.1	4.7	(7.0)	11.4
Acquisition	—	—	0.1	—	—	0.1
Net market change, distributions and other [6]	85.2	4.5	2.2	6.4	(0.3)	98.0
AUM at June 30, 2026	**$ 756.9**	**$ 441.4**	**$ 294.2**	**$ 218.6**	**$ 80.5**	**$ 1,791.6**

(in billions)

for the three months ended March 31, 2026	**Equity**	**Fixed Income**	**Alternative** [5]	**Multi-Asset**	**Cash Management**	**Total**
AUM at January 1, 2026	$ 697.2	$ 437.7	$ 273.8	$ 198.8	$ 76.5	$ 1,684.0
Long-term inflows	53.6	31.9	14.3	18.4	—	118.2
Long-term outflows	(58.3)	(32.2)	(1.9)	(8.9)	—	(101.3)
Long-term net flows	(4.7)	(0.3)	12.4	9.5	—	16.9
Cash management net flows	—	—	—	—	11.4	11.4
Total net flows	(4.7)	(0.3)	12.4	9.5	11.4	28.3
Net market change, distributions and other [6]	(22.8)	(3.1)	(3.4)	(0.8)	(0.1)	(30.2)
AUM at March 31, 2026	**$ 669.7**	**$ 434.3**	**$ 282.8**	**$ 207.5**	**$ 87.8**	**$ 1,682.1**

(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)
Long-term net flows	(0.6)	(13.0)	2.5	1.8	—	(9.3)
Cash management net flows	—	—	—	—	2.7	2.7
Total net flows	(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 [6]	59.1	8.8	4.2	5.6	0.3	78.0
AUM at June 30, 2025	**$ 656.6**	**$ 441.7**	**$ 258.4**	**$ 183.2**	**$ 71.9**	**$ 1,611.8**

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, operating margin, net income attributable to Franklin Resources, Inc. and diluted earnings 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 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.
- Charges related to significant regulatory settlements.

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 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.
- Charges related to significant regulatory settlements.
- 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. Charges related to significant regulatory settlements are excluded because they are not considered reflective of our underlying results of operations and relate to matters that are non-recurring in nature. 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:

	Three Months Ended			Nine Months Ended	
(in millions)	30-Jun-26	31-Mar-26	30-Jun-25	30-Jun-26	30-Jun-25
Operating income	**$ 215.8**	**$ 323.3**	**$ 154.1**	**$ 820.1**	**$ 518.7**
Add (subtract):					
Elimination of operating revenues upon consolidation of investment products*	17.3	15.5	12.0	48.8	37.6
Acquisition-related retention	(23.6)	30.4	47.9	42.5	128.4
Compensation and benefits expense from gains on deferred compensation, net	17.8	3.8	0.1	35.2	4.6
Other acquisition-related expenses	5.9	5.2	10.5	16.9	30.6
Amortization of intangible assets	50.7	50.6	112.2	156.4	337.3
Impairment of intangible assets	33.0	—	—	33.0	24.4
Special termination benefits	77.2	30.2	26.9	123.4	44.7
Compensation and benefits expense related to minority interests in certain subsidiaries	14.8	15.6	14.1	44.5	41.5
Charges related to significant regulatory settlements	100.0	—	—	100.0	—
Adjusted operating income	**$ 508.9**	**$ 474.6**	**$ 377.8**	**$ 1,420.8**	**$ 1,167.8**
Total operating revenues	**$ 2,358.4**	**$ 2,294.9**	**$ 2,064.0**	**$ 6,980.4**	**$ 6,427.0**
Add (subtract):					
Acquisition-related pass through performance fees	(3.7)	(13.9)	(2.1)	(72.6)	(87.4)
Sales and distribution fees	(404.5)	(396.6)	(351.9)	(1,189.8)	(1,092.3)
Allocation of investment management fees for sales, distribution and marketing expenses	(150.9)	(147.4)	(128.8)	(450.5)	(398.8)
Elimination of operating revenues upon consolidation of investment products*	17.3	15.5	12.0	48.8	37.6
Adjusted operating revenues	**$ 1,816.6**	**$ 1,752.5**	**$ 1,593.2**	**$ 5,316.3**	**$ 4,886.1**
Operating margin	9.2 %	14.1 %	7.5 %	11.7 %	8.1 %
Adjusted operating margin	28.0 %	27.1 %	23.7 %	26.7 %	23.9 %

	Three Months Ended			Nine Months Ended	
(in millions, except per share data)	**30-Jun-26**	**31-Mar-26**	**30-Jun-25**	**30-Jun-26**	**30-Jun-25**
Net income attributable to Franklin Resources, Inc.	**$ 171.5**	**$ 268.2**	**$ 92.3**	**$ 695.2**	**$ 407.3**
Add (subtract):					
Net (income) loss of consolidated investment products*	—	(0.6)	3.9	0.1	(0.2)
Acquisition-related retention	(23.6)	30.4	47.9	42.5	128.4
Other acquisition-related expenses	5.3	10.1	13.0	22.9	38.8
Amortization of intangible assets	50.7	50.6	112.2	156.4	337.3
Impairment of intangible assets	33.0	—	—	33.0	24.4
Special termination benefits	77.2	30.2	26.9	123.4	44.7
Net (gains) losses on deferred compensation plan investments not offset by compensation and benefits expense	6.2	(5.0)	(2.6)	4.7	(2.4)
Unrealized investment (gains) losses	(3.5)	32.7	11.2	49.4	(0.2)
Interest expense for amortization of debt premium	(1.7)	(4.4)	(5.0)	(11.1)	(14.9)
Net compensation and benefits expense related to minority interests in certain subsidiaries not offset by net income attributable to redeemable noncontrolling interests	9.6	9.0	7.4	26.0	18.9
Charges related to significant regulatory settlements	100.0	—	—	100.0	—
Net income tax expense of adjustments	(38.4)	(36.7)	(43.8)	(93.3)	(143.8)
Adjusted net income	**$ 386.3**	**$ 384.5**	**$ 263.4**	**$ 1,149.2**	**$ 838.3**
Diluted earnings per share	**$ 0.31**	**$ 0.49**	**$ 0.15**	**$ 1.26**	**$ 0.70**
Adjusted diluted earnings per share	**0.72**	**0.71**	**0.49**	**2.13**	**1.55**

* The impact of CIPs is summarized as follows:

	Three Months Ended			Nine Months Ended	
(in millions)	**30-Jun-26**	**31-Mar-26**	**30-Jun-25**	**30-Jun-26**	**30-Jun-25**
Elimination of operating revenues upon consolidation	$ (17.3)	$ (15.5)	$ (12.0)	$ (48.8)	$ (37.6)
Other income (expense), net	74.4	76.2	19.9	225.4	(48.4)
Less: income (loss) attributable to noncontrolling interests	57.1	60.1	11.8	176.7	(86.2)
Net income (loss)	**$ —**	**$ 0.6**	**$ (3.9)**	**$ (0.1)**	**$ 0.2**

Notes

1. Net income represents net income 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 $380 million of employee-owned and other third-party investments made through partnerships, approximately $434 million of investments that are subject to long-term repurchase agreements and other net financing arrangements, and approximately $409 million of cash and investments related to deferred compensation plans.
5. Beginning in fiscal year 2026, non-fee generating uncalled capital commitments, which were previously included in net market change, distributions, and other, are reflected in long-term inflows in the period the capital is committed.
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.
7. Effective in fiscal year 2026, Cayman-domiciled money market fund assets are included in United States reflecting the underlying investor base. This change resulted in an 11% reduction of AUM in the Americas, excluding U.S.
8. Effective January 1, 2026, Asia-Pacific includes India. Prior periods have been revised to reflect the current presentation.

Franklin Templeton is a trusted investment partner, delivering tailored solutions that align with clients' strategic goals. With deep portfolio management expertise across public and private markets, we combine investment excellence with cutting-edge technology. Since our founding in 1947, we have empowered clients through strategic partnership, forward-looking insights, and continuous innovation – providing the tools and resources to navigate change and capture opportunity.

To learn more, visit franklintempleton.com and follow us on LinkedIn.

Franklin Resources, Inc. [NYSE: BEN]

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, 2025 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.

# # #