



Franklin Resources, Inc.

Preliminary Fourth Quarter and Fiscal Year 2024 Results

November 4, 2024 | Investor Presentation

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Forward-looking statements and non-GAAP financial information



This commentary contains forward-looking statements that involve a number of known and unknown risks, uncertainties and other important factors. This commentary also contains non-GAAP financial measures. For the reconciliations from US GAAP to non-GAAP measures, refer to the appendix to this commentary and the “Supplemental Non-GAAP Financial Measures” section of the earnings release.

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 US 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, 2023 and our subsequent Quarterly Reports on Form 10-Q and current reports on Form 8-K. If a circumstance occurs after the date of this presentation 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.

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

Fiscal year 2024 business highlights



Over the past five years, we have significantly expanded our investment capabilities and distribution reach across public and private markets. Today, we are one of the most comprehensive global asset managers.

AUM & Net Flows

- AUM of \$1.68 trillion diversified by specialist investment manager, asset class, vehicle, and geography
- Long-term inflows increased 25% from the prior year; each region experienced higher sales
- Long-term net outflows were \$32.6 billion, including \$20.7 billion of reinvested distributions
 - Excluding Western Asset Management (“Western”), long-term net inflows were \$16.0 billion
- Private markets fundraising of \$14.8 billion
- Multi-asset net inflows of \$8.0 billion
- Positive net flows continued in retail SMAs, ETFs and Canvas® contributing to AUM growth of 29%, 89% and 94%, respectively, from prior year
- International AUM is over \$500 billion and had positive long-term net flows
- Our year-end institutional pipeline of won but unfunded mandates was \$15.8 billion¹

Putnam Investments

- On January 1, closed acquisition of Putnam Investments (“Putnam”) from Great-West Lifeco (“Great-West”), a subsidiary of the Power Corporation of Canada
 - Since closing, Putnam’s AUM has grown 21% to \$180 billion, with average quarterly gross sales increasing by 45%, and Franklin Templeton generating positive net flows of approximately \$11 billion in Putnam strategies, benefiting from our global distribution platform
 - Exceeded target run-rate cost savings of \$150 million

Investment Performance

- Mutual fund investment performance improved in the 1-, 3-, and 10-year periods from the prior year
- Composite investment performance improved in the 5- and 10-year periods and stayed flat in the 3-year period from the prior year

1) Does not include Great-West allocations.

Fourth quarter 2024 financial highlights¹



Key metrics

(in US\$ millions, except AUM in billions and per share data)

	Q4 2024	% Change	
		vs. Q3 2024	vs. Q4 2023
Ending AUM ²	\$ 1,678.6	1.9%	22.2%
Average AUM ²	1,667.5	2.1%	17.5%
Adj. revenue	1,716.5	3.8%	8.6%
Adj. operating income	451.6	6.3%	(11.7%)
Adj. pre-tax net income	483.9	2.1%	(16.9%)
Adj. net income	315.2	(3.4%)	(26.2%)
Adj. diluted EPS	0.59	(1.7%)	(29.8%)
Adj. effective fee rate ³	37.4 bps	37.5 bps	40.2 bps
Adj. operating margin	26.3%	25.7%	32.4%

- Adjusted revenues increased 3.8% from the prior quarter and 8.6% from the prior year quarter. Adjusted performance fees were \$72.0 million compared to \$56.6 million in the prior quarter and \$98.4 million in the prior year quarter
- Adjusted effective fee rate³ (“EFR”) of 37.4 bps compared to 37.5 bps in the prior quarter and 40.2 bps in the prior year quarter. The prior year quarter included fees earned from Fondul Proprietatea (1.0 bps) and catch-up fees in secondary private equity (0.5 bps)
- Adjusted operating income increased 6.3% from the prior quarter primarily due to higher average AUM and performance fees, net of compensation, partially offset by higher advertising and professional fees. Adjusted operating income decreased 11.7% from the prior year quarter primarily due to higher incentive compensation, double rent related to consolidation of NYC office space, and higher legal fees, partially offset by the addition of Putnam and higher average AUM
- Adjusted net income and EPS declined 3.4% and 1.7%, respectively, from prior quarter primarily due to a higher tax rate and foreign exchange losses, partially offset by the increase in operating income. Adjusted net income and EPS declined 26.2% and 29.8%, respectively, from prior year quarter primarily due to lower operating income, foreign exchange losses and a higher tax rate
- This quarter, our GAAP results included a \$389.2 non-cash impairment of an indefinite-lived intangible asset related to certain mutual fund contracts managed by Western

1) For the reconciliations from US GAAP to non-GAAP measures see the appendix to this commentary and the Supplemental Non-GAAP Financial Measures section of the earnings release. For prior periods please refer to historical earnings commentaries available at franklinresources.com. 2) Excludes approximately \$14.5 billion of AUM in our China joint venture. 3) The adjusted effective fee rate is annualized adjusted investment management fees, excluding performance fees, divided by average AUM for the period.

Fiscal year 2024 financial highlights¹



Key metrics

(in US\$ millions, except AUM in billions and per share data)

		% Change
	FY 2024	vs. FY 2023
Ending AUM ²	\$ 1,678.6	22.2%
Average AUM ²	1,565.8	11.8%
Adj. revenue	6,564.8	7.5%
Adj. operating income	1,713.1	(6.1%)
Adj. pre-tax net income	1,879.9	(2.5%)
Adj. net income	1,276.7	(4.2%)
Adj. diluted EPS	2.39	(8.1%)
Adj. effective fee rate	38.3 bps	39.5 bps
Adj. operating margin	26.1%	29.9%

- Adjusted revenues increased by 7.5% from the prior year primarily due to nine months of Putnam and higher average AUM, partially offset by lower performance fees. Adjusted performance fees of \$293.4 million decreased from \$382.8 million in the prior year
- Adjusted EFR was 38.3 bps compared to 39.5 bps. Drivers of the decrease include fees earned from Fondul Proprietatea in the prior year (0.3 bps), lower catch-up fees in secondary private equity (0.2 bps), and the addition from Putnam (0.1 bps)
- Adjusted operating income declined 6.1% primarily due to higher incentive compensation, lower performance fees, double rent related to the consolidation of NYC office space, and higher legal fees, partially offset by the addition of Putnam and higher average AUM
- Adjusted net income and EPS declined 4.2% and 8.1%, respectively, primarily due to the decline in operating income and a higher tax rate, partially offset by higher investment income
- This year, our GAAP results included a \$389.2 non-cash impairment of an indefinite-lived intangible asset related to certain mutual fund contracts managed by Western
- At year-end, balance sheet reflected cash and investments of \$6.7³ billion after funding acquisitions and returning \$946 million to shareholders through dividends and share repurchases

1) For the reconciliations from US GAAP to non-GAAP measures see the appendix to this commentary and the Supplemental Non-GAAP Financial Measures section of the earnings release. For prior periods please refer to historical earnings commentaries available at franklinresources.com. 2) Excludes approximately \$14.5 billion of AUM in our China joint venture. 3) Includes our direct investments in Consolidated Investment Products of \$1.1 billion and approximately \$355 million of employee-owned and other third-party investments made through partnerships, \$289 million of investments related to long-term repurchase agreements and other net financing arrangements, and \$441 million of cash and investments related to deferred compensation plans.

Fiscal Year-End Update: Review of Franklin Templeton's Evolution



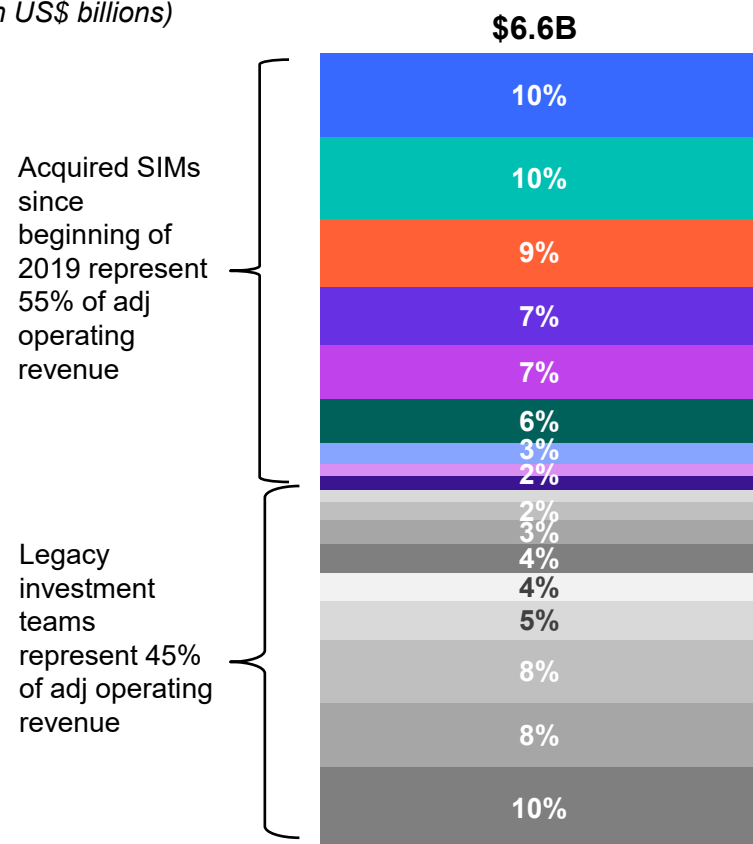
Evolution of Franklin Templeton



- Adjusted operating revenues have increased through targeted M&A into higher growth areas such as alternatives, retail SMAs, customization, solutions, target date, and stable value capabilities
- Specialist investment managers acquired since 2019 represent 55% of adjusted operating revenue in 2024

Adjusted Operating Revenues by Specialist Investment Manager¹

(in US\$ billions)



FY 2024

Select Acquisitions:	Capabilities Added:
 BENEFIT STREET PARTNERS Alcentra Closed Feb 2019 / Nov 2022	<ul style="list-style-type: none"> US and European alternative credit
 Brandywine GLOBAL CLARION PARTNERS ClearBridge ROYCE Investment Partners WESTERN ASSET Closed Jul 2020	<ul style="list-style-type: none"> Global fixed income and equity Private real estate Small-cap equities and emerging markets Institutional distribution Retail SMAs
 CANVAS Custom Indexing Closed Jan 2022	<ul style="list-style-type: none"> Custom indexing platform
 LexingtonPartners Closed Apr 2022	<ul style="list-style-type: none"> Secondary private equity
 Putnam INVESTMENTS Closed Jan 2024	<ul style="list-style-type: none"> Insurance and retirement focus

1) Putnam Fixed Income and Putnam Equity are reported together for this purpose.

Overview of Key Focus Areas



Last 5 years to 2024

Next 5-year objectives

	Last 5 years to 2024	Next 5-year objectives
Investment Management	<ul style="list-style-type: none"> • Full spectrum of investment capabilities across public and private markets • Added strategies relevant to retirement and insurance (target date, stable value) • Leverage insights across SIMs • Investment talent management and succession planning 	<ul style="list-style-type: none"> • Continue to improve investment performance • Investment product optimization • Leverage our capabilities across public and private markets to deliver solutions • Incorporate Artificial Intelligence (“AI”) into investment management process
Private Markets	<ul style="list-style-type: none"> • Alternative AUM increased from \$45B to \$250B via targeted M&A • Acquired three sizeable alternative asset managers in key strategies balanced across alternative credit, real estate, secondary PE • Established alternatives in the wealth management channel 	<ul style="list-style-type: none"> • Fundraise \$100B across private markets • Expand wealth management channel globally • Add additional capabilities (e.g. Infrastructure) and globalize certain strategies • Private-public fund solutions
Distribution	<ul style="list-style-type: none"> • Institutional AUM increased from 25% to 45% • Diversified investment vehicles by adding retail SMAs (\$145B), ETFs (\$31B), custom indexing (Canvas) (\$10B), solutions (\$89B)¹ • Implemented generalist / specialist model • Shifted from product focus to client focus, engagement, and strategic relationships 	<ul style="list-style-type: none"> • Focus on strategic partnerships • Continue growth in retail sales • Expand SMA offering; Scale ETFs (3x) and Canvas (5x) • Double solutions AUM

1) As of September 30, 2024.

Overview of Key Focus Areas



Last 5 years to 2024

Next 5-year objectives

	Last 5 years to 2024	Next 5-year objectives	
Capital Management	<ul style="list-style-type: none"> • Since 2019 returned \$4.1B to shareholders: \$3.0B in dividends and \$1.1B in share repurchases¹ • Co-investments and seed capital of \$2.4B¹ (59% in alternatives) • Growth via targeted M&A 	<ul style="list-style-type: none"> • Continued return of capital to shareholders • Additional balance sheet investments in support of organic growth • Opportunistic M&A where organic growth is not realistic to reach market relevant position 	
Operational Integration & Expense Management	<ul style="list-style-type: none"> • Created operational efficiencies at Franklin Templeton by outsourcing certain functions (e.g. transfer agency, fund administration) • Post-acquisition track record of driving sales and achieving targeted cost savings ahead of schedule • Launched broader firm-wide operational integration 	<ul style="list-style-type: none"> • Margin expansion to 30%+ with continued focus on disciplined expense management • Simplify investment operations and increase collaboration across SIMs (e.g. Aladdin and middle office integration) • Targeted use of AI 	
Other Growth Areas	Private Wealth Management	<ul style="list-style-type: none"> • Fully integrated wealth platform with investment advisory, trust & estate planning, tax planning and custody services • AUM has more than doubled from \$17B to \$39B 	<ul style="list-style-type: none"> • Double size of our AUM through organic investments and targeted M&A
	Digital / Tech	<ul style="list-style-type: none"> • Built value-added services to strengthen partnerships • Innovator in digital assets; team established in 2018 	<ul style="list-style-type: none"> • Grow digital assets and digital wealth platforms • Implement AI across functions

1) As of September 30, 2024.

2024 Focus Areas in Review



2024 Focus Areas in Review

Alternative Asset Management

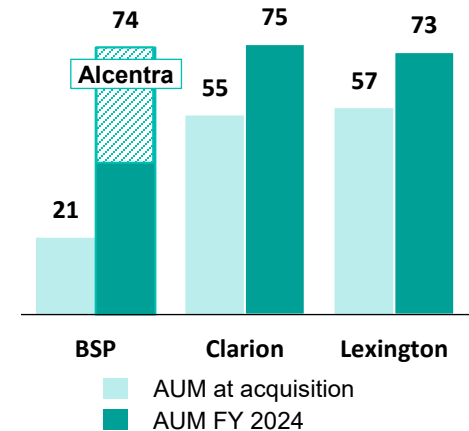
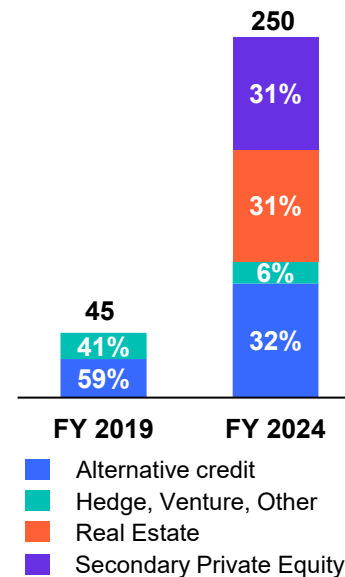
- We began a strategic initiative to increase alternative investment capabilities five years ago
 - AUM increased >5x through acquisition and organically
 - Since becoming a part of Franklin Templeton, each alternative SIM has expanded and diversified across strategies, vehicles, and clients
 - In FY 2024, private markets fundraised \$14.8B¹
- **2024 Highlights:**
 - Lexington closed Fund X with \$22.7B in total capital commitments raised primarily between 2022 and 2023, ranking among the largest funds raised to date in the global secondary PE market, with approximately 20% raised in wealth channel
 - BSP closed Debt Fund V and Special Situations Fund II with \$4.7B and \$850M in total capital commitments raised, respectively, with each fund exceeding targets
 - Clarion AUM remained stable despite weakness in real estate sector; relatively low office exposure of 7%
 - Expanded Alternatives by Franklin Templeton brand in the wealth management channel in US and established in EMEA



Diversification and Growth of Alternative AUM

(in US\$ billions)

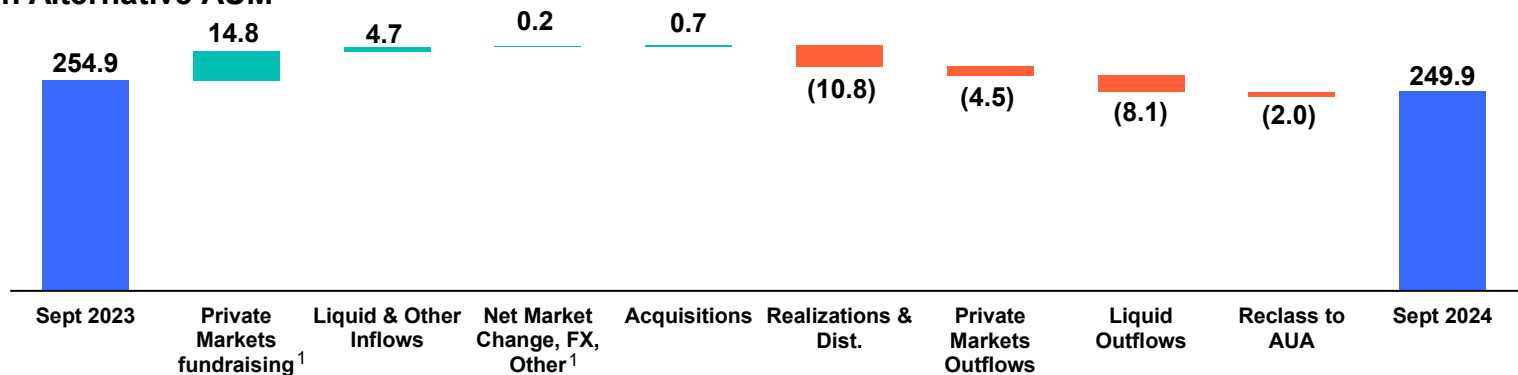
Private markets has fundraised \$65B+ in last 5 years²



FY 2024 Change in Alternative AUM

(in US\$ billions)

Alternative fundraising and market appreciation has been offset by several factors



1) Private markets fundraising represent subscriptions, commitments and other increases in available capital. Inflows on our corporate AUM roll-forward only include fee-generating capital; fundraises in non-fee generating capital are represented in net market change, dist. & other. 2) Includes fundraising since announcement of acquisition of Lexington.

2024 Focus Areas in Review

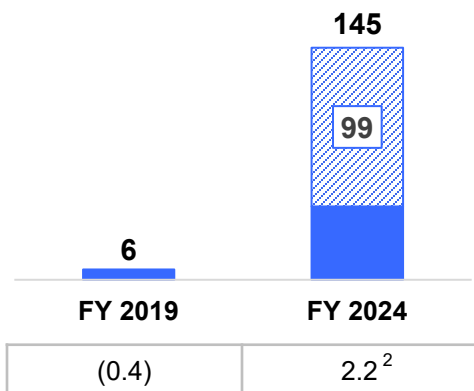
Customization and Solutions for Clients



- Strong growth across a broad range of investment vehicles: retail SMAs, Canvas (our Custom Indexing solution platform), and ETFs
- Our Investment Solutions team provides customized multi-asset portfolios for clients by leveraging our firm's broad capabilities across public and private asset classes, internal asset allocation, and portfolio construction expertise
- This year, we launched tax-managed retail SMAs utilizing Canvas by wealth management platforms, and integrated Canvas into Fiduciary Trust International's offerings

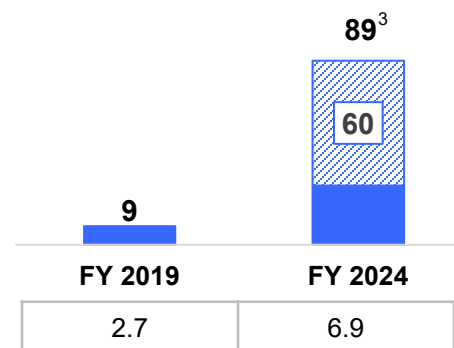
Retail SMAs¹

(in US\$ billions)



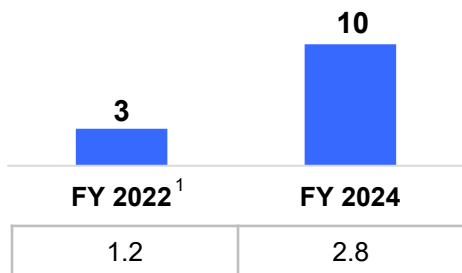
Investment Solutions¹

(in US\$ billions)



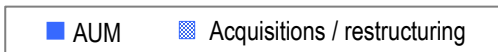
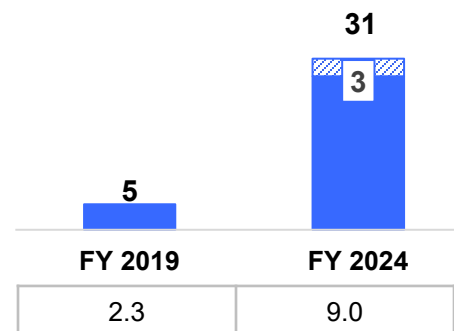
Canvas¹

(in US\$ billions)



ETFs

(in US\$ billions)



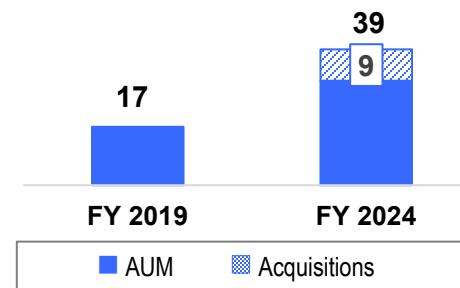
1) Retail SMAs include Canvas. Investment Solutions includes assets managed by other teams as well as AUA (\$4.1 billion in FY 2024). Canvas was acquired in FY 2022. 2) Excluding Western, Q4 2024 net flows would have been \$6.3 billion. 3) Includes K2 (\$11 billion) and Putnam (\$13 billion).

2024 Focus Areas in Review

Private Wealth Management

- Fiduciary Trust International AUM has more than doubled in the past five years from \$16.9B to \$39.3B
 - One of our priorities is to further accelerate the growth of our private wealth management business through organic investments and acquisitions
 - In 2020, we acquired Athena Capital and Pennsylvania Trust and together they have grown 45% since acquisition
 - Fiduciary Trust International generated positive net flows annually for the past four years and had trust account distributions of an average of \$0.6B annually¹

**Private Wealth Management
(Fiduciary Trust International)**
(in US\$ billions)



Strategic Partnerships

- Breadth and depth of investment capabilities, engagement, capital resources and additional services positions us well as a partner
- Established new multi-billion dollar relationships with clients in each of our regions
- In conjunction with our acquisition of Putnam, formed a strategic partnership with Power Corporation and its group of companies

Innovation in Digital Assets and Technology

- Digital Assets: Dedicated team and operational infrastructure to support digital asset investment offerings
 - ~\$0.5 billion AUM in two digital asset-backed ETFs and ~\$0.5 billion AUM in Franklin OnChain U.S. Government Money Fund
- AI Partnership: On April 30, we announced a partnership with Microsoft to build an advanced financial AI platform that will help Franklin Templeton embed AI in its processes and enable digital transformation at scale, with areas of focus including improvement of the productivity of sales and marketing teams and creating more personalized support for our clients

1) Accounts where Fiduciary Trust International acts as Trustee, Executor or Agent for Trustee.

Fourth Quarter and Fiscal Year 2024 AUM and Investment Performance

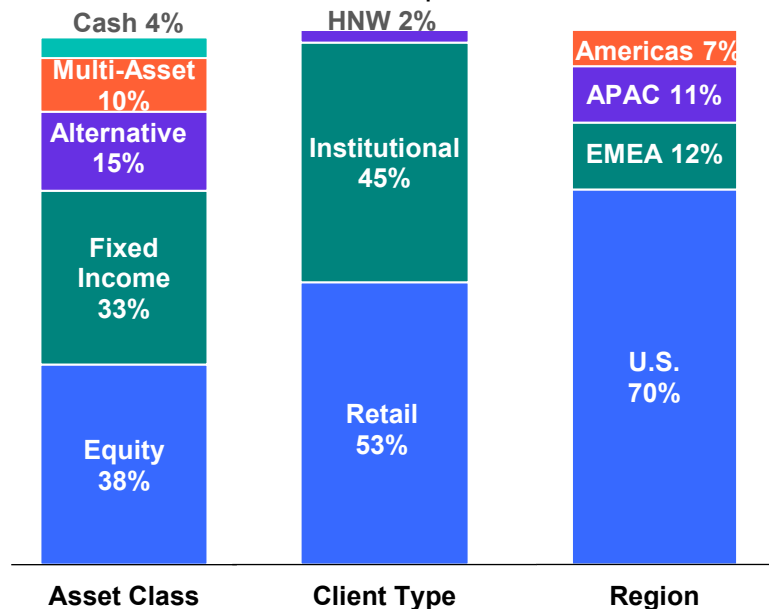


AUM Diversification and Investment Performance



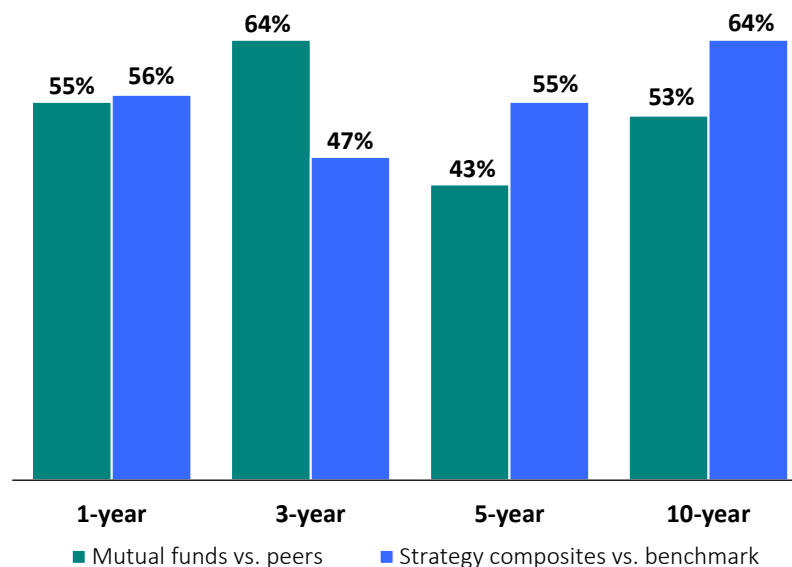
Diversified by asset class, client type, and region

AUM of \$1.68 trillion as of September 30, 2024



Percentage of AUM above peer median and benchmark¹

As of September 30, 2024



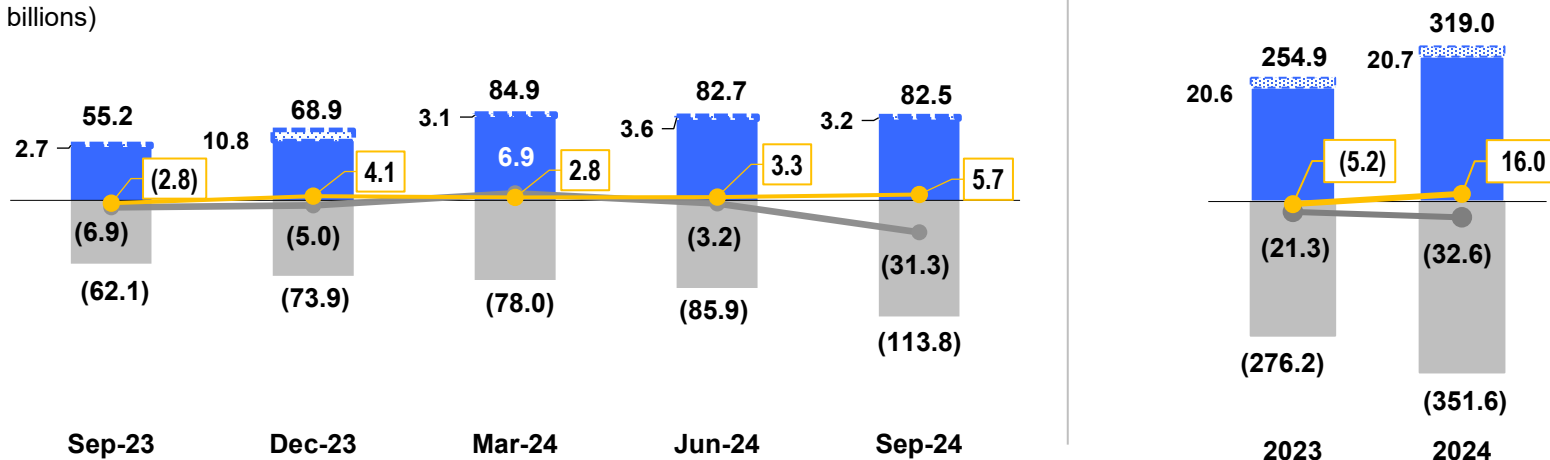
- Mutual Funds:** Compared to the prior year, investment performance improved in the 1-, 3- and 10-year periods and declined in the 5-year period primarily due to the categorization of one of our largest funds managed for yield. Compared to last quarter, investment performance improved in the 1-year period primarily due to certain US fixed income and US equity strategies. The 3-year improvement is due to certain US equity strategies
- Strategy Composites:** Compared to the prior year, composite investment performance improved in the 5- and 10-year and stayed flat in the 3-year period. Compared to last quarter, investment performance declined in the 3-year period primarily due to certain fixed income strategies and in the 10-year period primarily due to certain growth equity strategies. Excluding cash management strategies, 60% of our strategy composite AUM outperformed their 1-year benchmark

¹ Benchmark comparisons are based on each strategy's composite returns (composites may include retail SMA and mutual fund assets managed as part of the same strategy) as compared to a market index that has been selected to be generally consistent with the investment objectives of the account. Multi-asset strategies that lack benchmarks consistent with their investment objectives are excluded. Composite AUM measured for the 1-, 3-, 5-, and 10-year periods represent 54%, 54%, 53%, and 48%, respectively, of the firm's total AUM as of September 30, 2024. Mutual fund performance is sourced from Morningstar and measures the percentage of ranked fund AUM in the top two quartiles of their peer groups. Mutual Fund AUM measured for the 1-, 3-, 5-, and 10-year periods represents 38%, 38%, 37%, and 35%, respectively, of the firm's total AUM as of September 30, 2024.

AUM and Flows

Long-term flows¹

(In US\$ billions)



■ Long-term inflows

■ Long-term outflows

● Long-term net flows

● Ex-Western long-term net flows

▨ Reinvested distributions

FY 2024 Highlights:

- Long-term inflows increased by 25% from the prior year, with each region experiencing an increase in inflows
- Long-term net outflows were \$32.6 billion and reinvested distributions were \$20.7 billion. Excluding Western, long-term net flows were positive at \$16.0 billion compared to net outflows of \$5.2 billion in the prior year

FQ4 Highlights:

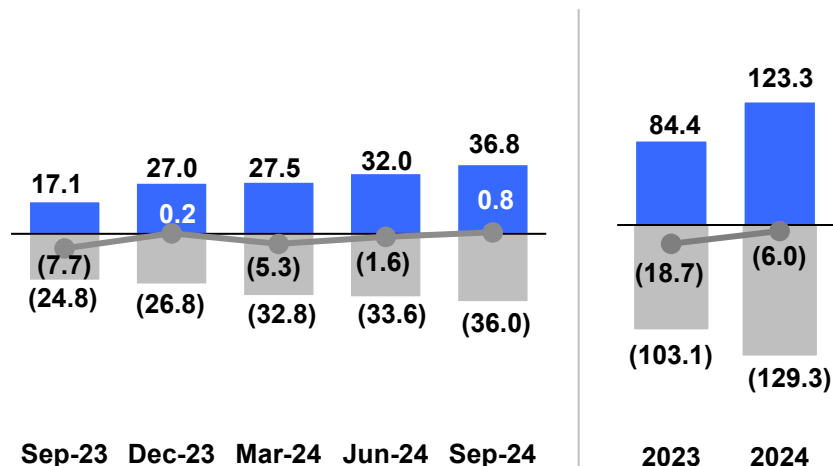
- Long-term net outflows include \$37.0 billion of net outflows at Western. Excluding Western, long-term net flows were \$5.7 billion, an improvement from \$3.3 billion in the prior quarter
- This quarter, our institutional pipeline of won but unfunded mandates was \$15.8 billion. The pipeline remains diversified by asset class and across our specialist investment managers

1) Excludes all cash management flows.

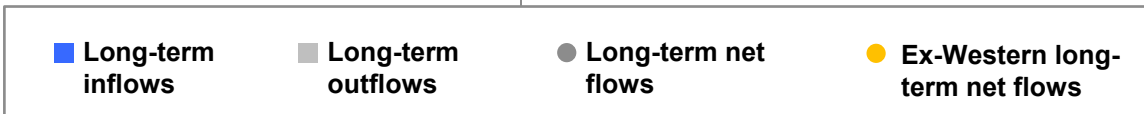
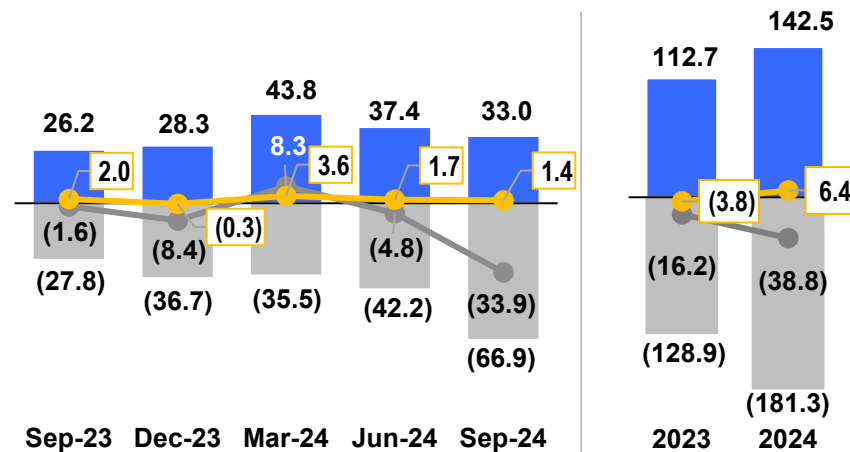
AUM and Flows

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

Equity: \$632 billion



Fixed Income: \$556 billion



FY 2024 Highlights:

- Equity net outflows were \$6.0 billion. Positive net flows into Large Cap Value, Large Cap Core, All Cap Core, Smart Beta and single country ETFs

FQ4 Highlights:

- Equity net inflows were \$0.8 billion. Positive net flows into Large Cap Value, Large Cap Core, All Cap Core and Smart Beta strategies

FY 2024 Highlights:

- Fixed income net outflows were \$38.8 billion. Excluding Western, fixed income net inflows were \$6.4 billion. Positive net flows into Highly Customized, Multi-Sector, High Yield, Munis and Global Sovereign

FQ4 Highlights:

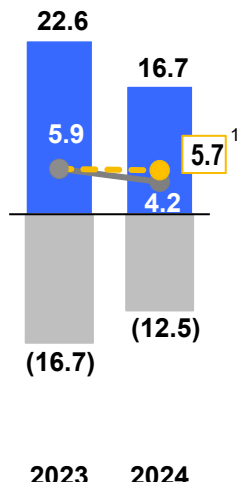
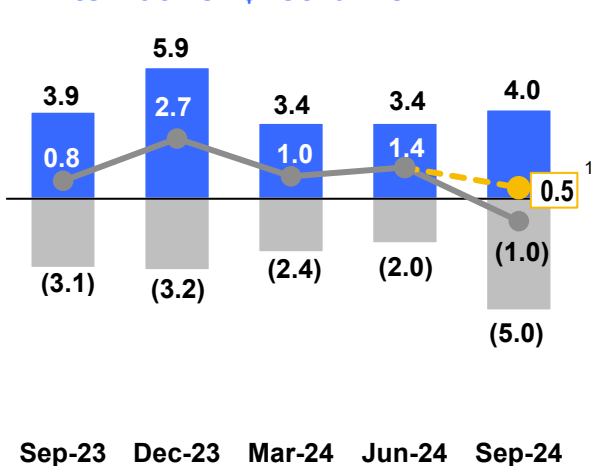
- Fixed income net outflows were \$33.9 billion. Excluding Western, fixed income net inflows were \$1.4 billion. Positive net flows into High Yield, Multi-Sector, and Munis

AUM and Flows

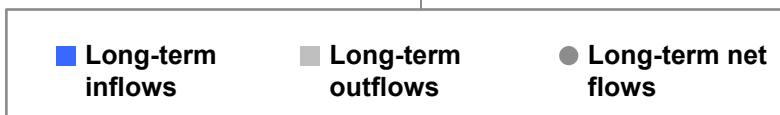
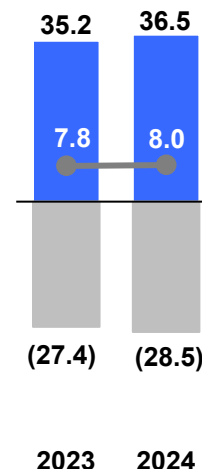
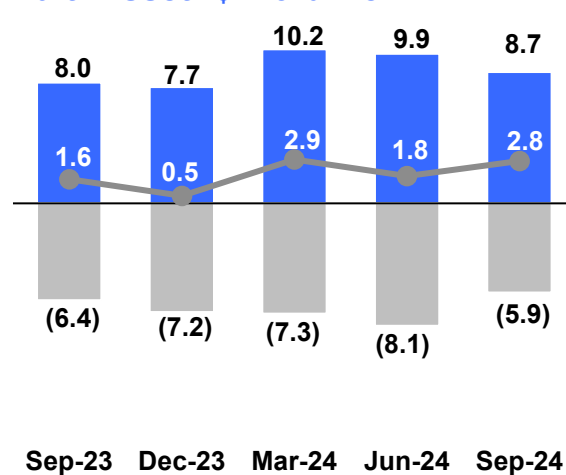
(in US\$ billions, for the three months ended)



Alternative: \$250 billion



Multi-Asset: \$176 billion



FY 2024 Highlights:

- Fundraised \$14.8 billion in private markets². Aggregate realizations and distributions³ were \$10.8 billion. LT net flows in Q4 includes (\$1.5) billion related to Macro Opps fund closure

FQ4 Highlights:

- Fundraised \$2.7 billion in private markets². Aggregate realizations and distributions³ were \$2.8 billion. LT net flows in Q4 includes (\$1.5) billion related to Macro Opps fund closure

FY 2024 Highlights:

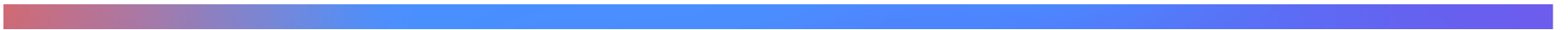
- Multi-asset net inflows were \$8.0 billion driven by positive net flows into the Franklin Income Fund, Canvas, and Franklin Templeton Investment Solutions

FQ4 Highlights:

- Multi-asset net inflows were \$2.8 billion led by positive net flows into the Franklin Income Fund, Canvas, and Franklin Templeton Investment Solutions

1) Excludes (\$1.5) billion related to Macro Opps fund closure. 2) Excludes liquid flows. Private markets fundraising represent subscriptions, commitments and other increases in available capital. Inflows on our corporate AUM roll-forward only include fee-generating capital and fundraises in non-fee generating capital are represented in net market change, dist. & other. 3) Alternative distributions exclude client-driven redemptions, which are included in alternative long-term outflows.

Fourth Quarter and Fiscal Year 2024 Financial Results



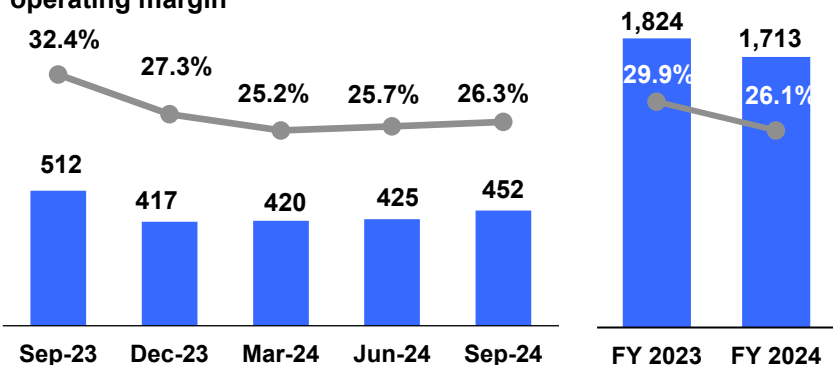
Financial Results¹

(GAAP and non-GAAP in US\$ millions except per share data, for the three months ended)



US GAAP	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24 ²	FY2023	FY2024 ²
Operating Income	338.3	206.5	129.3	222.5	(150.7)	1,102.3	407.6
Operating Margin	17.0%	10.4%	6.0%	10.5%	(6.8%)	14.0%	4.8%

Adjusted operating income and adjusted operating margin



FY 2024

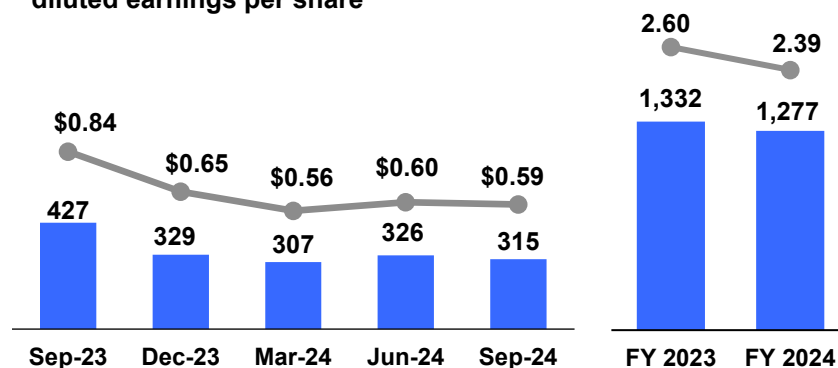
- Adjusted operating income declined from the prior year, primarily due to higher incentive compensation, lower performance fees, double rent related to consolidation of NYC office space and higher legal fees primarily due to the Western matter, partially offset by the addition of Putnam and higher average AUM
- Over \$150 million of Putnam-related annual run-rate cost savings achieved by year end

FQ4

- Adjusted operating income increased 6.3% from the prior quarter primarily due to higher average AUM and performance fees, partially offset by higher advertising and professional fees. Adjusted operating income decreased 11.7% from the prior year quarter primarily due to higher incentive compensation, double rent, and higher legal fees, partially offset by addition of Putnam and higher average AUM
- \$38 million of Putnam-related cost savings were realized, representing \$6 million of incremental cost savings from the prior quarter

US GAAP	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24 ²	FY 2023	FY 2024 ²
Net Income	295.5	251.3	124.2	174.0	(84.7)	882.8	464.8
Diluted EPS	\$0.58	\$0.50	\$0.23	\$0.32	(\$0.19)	\$1.72	\$0.85

Adjusted net income and adjusted diluted earnings per share



FY 2024

- The decrease in adjusted net income and EPS from the prior year is primarily due to lower operating income and a tax rate at the high end of the guided range, partially offset by higher investment income

FQ4

- The decrease in adjusted net income and EPS from the prior quarter is primarily due to a higher tax rate from discrete tax expenses in the current quarter and foreign exchange losses, partially offset by higher operating income. Adjusted net income and EPS declined 26.2% and 29.8%, respectively, from prior year quarter primarily due to lower operating income, foreign exchange losses and a higher tax rate

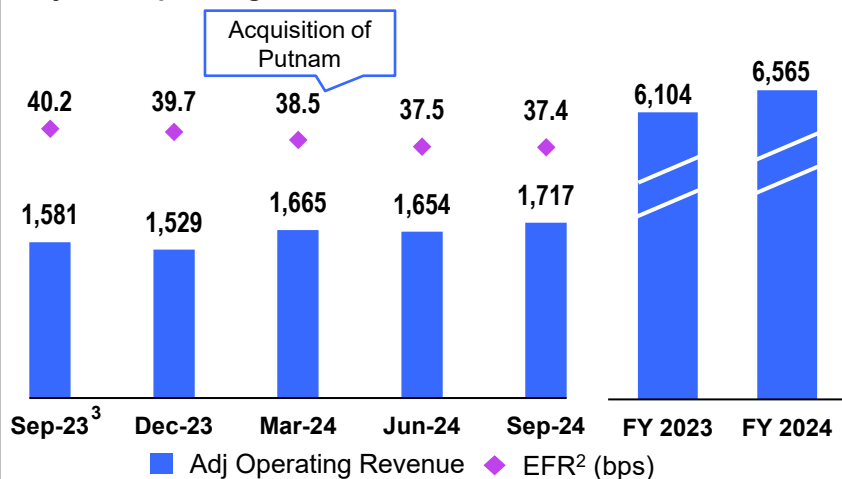
1) For the reconciliations from US GAAP to non-GAAP measures see the appendix to this commentary and the Supplemental Non-GAAP Financial Measures section of the earnings release. For prior periods please refer to historical earnings commentaries available at franklinresources.com. 2) This quarter's GAAP financial results include a \$389.2 non-cash impairment of an indefinite-lived intangible asset related to certain mutual fund contracts managed by Western.

Financial Results¹

(Non-GAAP in US\$ millions except EFR)



Adjusted operating revenue and effective fee rate²



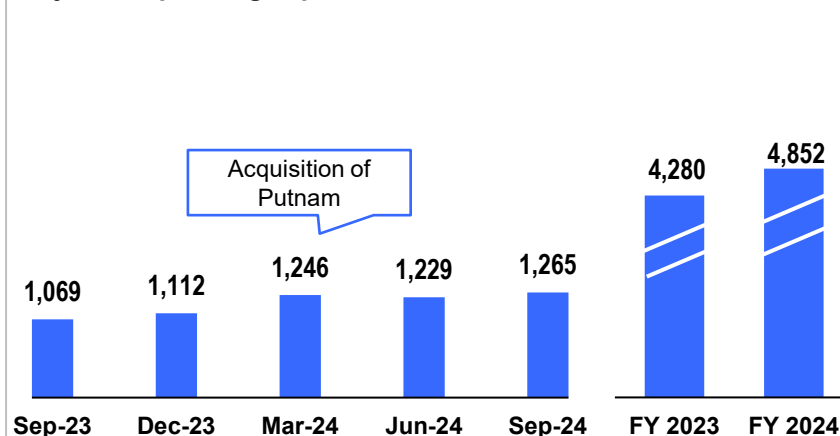
FY 2024

- Adjusted operating revenues increased 7.5% from the prior year primarily due to nine months of Putnam and higher average AUM, partially offset by lower performance fees
- Adjusted performance fees of \$293.4 million decreased from \$382.8 million in prior year

FQ4

- Adjusted operating revenue increased 3.8% from the prior quarter primarily due to higher average AUM and higher adjusted performance fees. Adjusted operating revenue increased 8.6% from the prior year quarter primarily due to the addition of Putnam
- Adjusted performance fees were \$72.0 million compared to \$56.6 million in the prior quarter and \$98.4 million in prior year quarter

Adjusted operating expenses



FY 2024

- Adjusted operating expenses increased 13.3% from the prior year primarily due to nine months of Putnam, higher incentive compensation, double rent related to the consolidation of NYC office space, and higher legal fees primarily due to the Western matter
- Over \$150 million of Putnam-related annual run-rate cost savings achieved by year end

FQ4

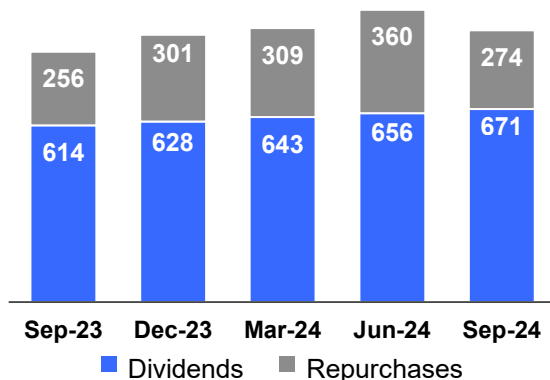
- Adjusted operating expenses increased 2.9% from the prior quarter primarily due to higher incentive compensation, advertising, and professional fees. Adjusted operating expenses increased 18.3% from the prior year quarter primarily due to the addition of Putnam, higher incentive compensation, double rent related to the consolidation of NYC office space, and higher legal fees
- \$38 million of Putnam-related cost savings realized, representing \$6 million of incremental cost savings from the prior quarter

1) For the reconciliations from US GAAP to non-GAAP measures see the appendix to this commentary and the Supplemental Non-GAAP Financial Measures section of the earnings release. For prior periods please refer to historical earnings commentaries available at franklinresources.com. 2) The adjusted effective fee rate is annualized adjusted investment management fees, excluding performance fees, divided by average AUM for the period. 3) FQ4 2023 included transaction-related management fees earned from Fondul and catch-up fees recognized at the closing of fundraising rounds for Lexington X.

Capital Management

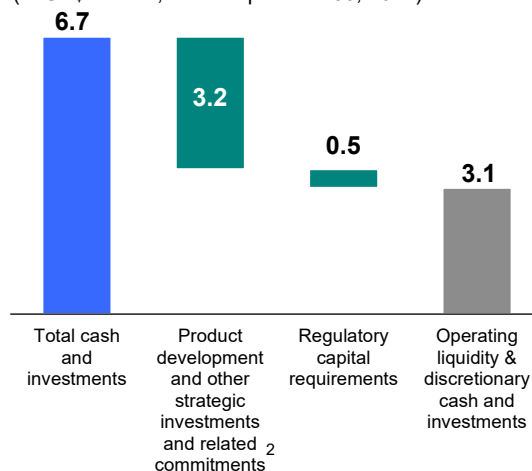
Dividends and share repurchases

(In US\$ millions, for the trailing twelve months ended)



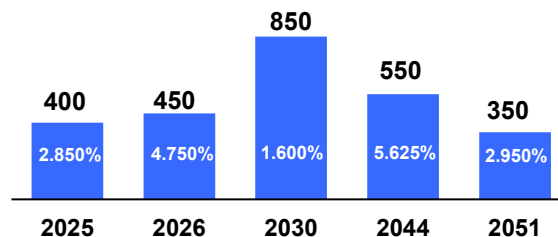
Allocation of cash and investments¹

(In US\$ billions, as of September 30, 2024)



Debt³

(In US\$ millions, as of September 30, 2024)



Shareholder Return

- In August, we announced a quarterly cash dividend of \$0.31 per share, a 3.3% increase over the dividends paid for the prior year quarter
- During the quarter, we returned \$269 million to shareholders including \$167 million in dividends and \$102 million in share repurchases. We typically plan to repurchase shares to offset employee-related equity issuances throughout the year

Liquidity

- Total cash and investments were \$6.7 billion¹ as of September 30, 2024 compared to \$6.9 billion as of September 30, 2023 after funding dividends and share repurchases, the acquisition of Putnam, other acquisition-related payments, and repaying senior notes due 2024
 - Approximately \$800 million of nominal cash tax benefits available related to acquisitions, which we expect to realize over the next 15 years
 - Undrawn \$800 million revolving credit facility

Debt

- As of September 30, 2024, we maintained senior debt with an aggregate principal amount due of \$2.6 billion³. On July 15, 2024, we repaid all of our outstanding \$250 million 3.950% senior notes due July 2024
- Interest due to debt holders was \$22.3 million compared to \$24.4 million in the prior quarter and \$26.6 million in the prior year quarter due to lower debt outstanding

1) May not foot due to rounding. Includes our direct investments in Consolidated Investment Products of \$1.1 billion and approximately \$355 million of employee-owned and other third-party investments made through partnerships, approximately \$289 million of investments related to long-term repurchase agreements and other net financing arrangements, and approximately \$441 million of cash and investments related to deferred compensation plans.

2) Includes undrawn capital commitments of \$227 million. 3) Excludes fair value adjustments from purchase accounting.

Appendix



AUM and Flows



(In US\$ billions) ¹	Three months ended			Twelve months ended		
	Sept 30,	Jun 30,	% Change	September 30,		% Change
2024	2024	2024		2023	2023	
Beginning AUM	\$ 1,646.6	\$ 1,644.7	0%	\$ 1,374.2	\$ 1,297.4	6%
Long-term inflows	82.5	82.7	0%	319.0	254.9	25%
Long-term outflows	(113.8)	(85.9)	(32%)	(351.6)	(276.2)	(27%)
Long-term net flows	(31.3)	(3.2)	NM	(32.6)	(21.3)	(53%)
Cash management net flows	(0.2)	3.0	NM	2.7	4.3	(37%)
Total net flows	(31.5)	(0.2)	NM	(29.9)	(17.0)	(76%)
Acquisitions	-	-	NM	148.3	34.9	325%
Net market change, dist. & other	63.5	2.1	NM	186.0	58.9	216%
Ending AUM	\$ 1,678.6	\$ 1,646.6	2%	\$ 1,678.6	\$ 1,374.2	22%
Average AUM	\$ 1,667.5	\$ 1,632.6	2%	\$ 1,565.8	\$ 1,400.4	12%

1) Excludes approximately \$14.5 billion of AUM in our China joint venture.

Financial Results

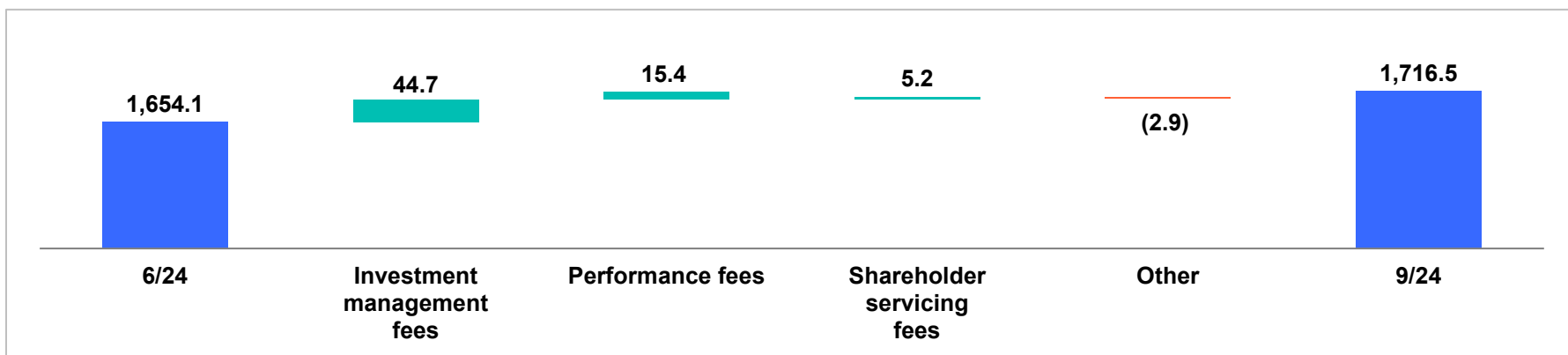
(GAAP and non-GAAP in US\$ millions except per share data, for the three months ended)



Revenues¹

	Sep-24 US GAAP	Adjustments	Sep-24 Adjusted	Jun-24 Adjusted	Sep-24 Adjusted vs. Jun-24 Adjusted	Sep-23 Adjusted	Sep-24 Adjusted vs. Sep-23 Adjusted
Investment management fees, ex. performance fees	1,683.7	(116.2)	1,567.5	1,522.8	3%	1,436.9	9%
Performance fees	82.5	(10.5)	72.0	56.6	27%	98.4	(27%)
Sales and distribution fees	368.0	(368.0)	-	-	NM	-	NM
Shareholder servicing fees	67.0	-	67.0	61.8	8%	37.2	80%
Other	10.0	-	10.0	12.9	(22%)	8.1	23%
Total Operating Revenues	2,211.2	(494.7)	1,716.5	1,654.1	4%	1,580.6	9%
<i>Effective fee rate²</i>			<i>37.4 bps</i>	<i>37.5 bps</i>		<i>40.2 bps</i>	

Adjusted Operating Revenues – Quarters Ended June 30, 2024 and September 30, 2024



1) For the reconciliations from US GAAP to non-GAAP measures see the appendix to this commentary and the Supplemental Non-GAAP Financial Measures section of the earnings release. For prior periods please refer to historical earnings commentaries available at franklinresources.com. 2) The adjusted effective fee rate is annualized adjusted investment management fees, excluding performance fees, divided by average AUM for the period.

Financial Results

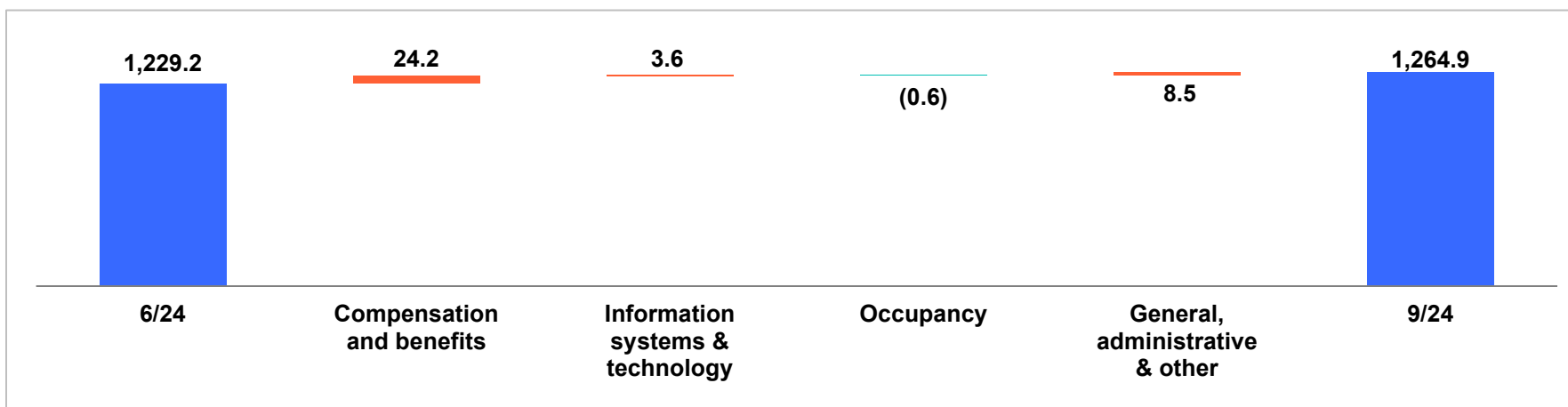
(GAAP and non-GAAP in US\$ millions except per share data, for the three months ended)



Expenses¹

	Sep-24		Sep-24 Adjusted	Jun-24 Adjusted	Sep-24 Adjusted vs.	Sep-23 Adjusted	Sep-24 Adjusted vs.
	US GAAP	Adjustments			Jun-24 Adjusted		Jun-24 Adjusted
Compensation & benefits	940.8	(95.3)	845.5	821.3	3%	749.9	13%
Sales, distribution & marketing	496.9	(496.9)	-	-	NM	-	NM
Information systems & technology	177.4	(24.9)	152.5	148.9	2%	125.2	22%
Occupancy	77.7	(1.7)	76.0	76.6	(1%)	57.8	31%
Amortization of intangible assets	83.8	(83.8)	-	-	NM	-	NM
Impairment of intangible assets	389.2	(389.2)	-	-	NM	-	NM
General, administrative & other	196.1	(5.2)	190.9	182.4	5%	136.0	40%
Total Operating Expenses	2,361.9	(1,097.0)	1,264.9	1,229.2	3%	1,068.9	18%

Adjusted Operating Expenses – Quarters Ended June 30, 2024 and September 30, 2024



1) For the reconciliations from US GAAP to non-GAAP measures see the appendix to this commentary and the Supplemental Non-GAAP Financial Measures section of the earnings release. For prior periods please refer to historical earnings commentaries available at franklinresources.com.

Financial Results

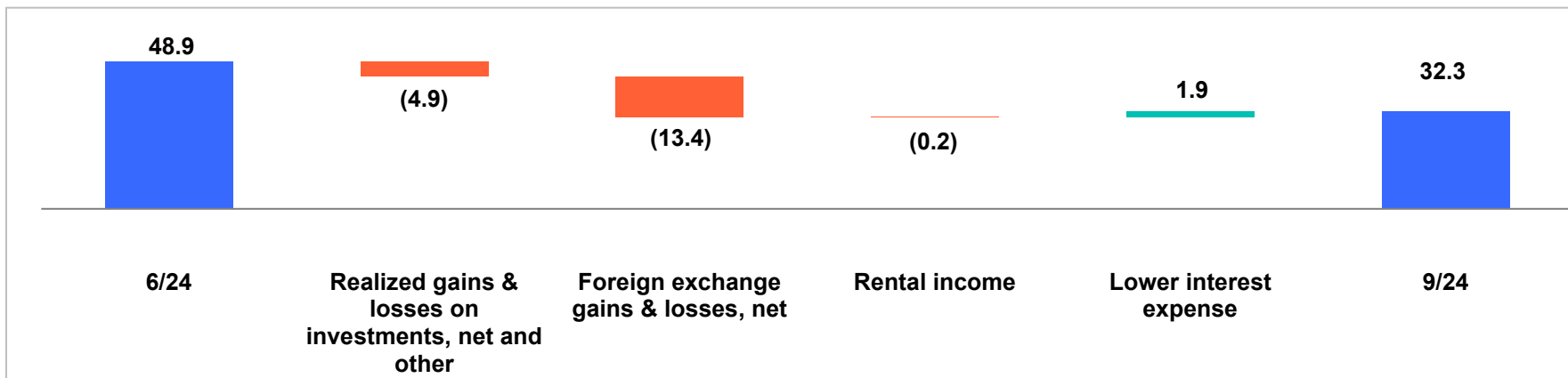
(GAAP and non-GAAP in US\$ millions except per share data, for the three months ended)



Other Income (Expense), Net¹

	Sep-24		Sep-24 Adjusted	Jun-24 Adjusted	Sep-24 Adjusted vs. Jun-24		Sep-24 Adjusted vs. Sep-23	
	US GAAP	Adjustments			Adjusted	Adjusted	Adjusted ²	Adjusted
Investment and other income, net	95.3	(33.6)	61.7	80.2	(23%)	97.3	(37%)	
Interest expense	(25.0)	(4.4)	(29.4)	(31.3)	(6%)	(26.8)	10%	
Investment and other income (losses) of CIPs	46.2	(46.2)	-	-	NM	-	NM	
Expenses of CIPs	(12.0)	12.0	-	-	NM	-	NM	
Other Income (Expense), Net	104.5	(72.2)	32.3	48.9	(34%)	70.5	54%	

Adjusted Other Income – Quarters Ended June 30, 2024 and September 30, 2024



1) For the reconciliations from US GAAP to non-GAAP measures see the appendix to this commentary and the Supplemental Non-GAAP Financial Measures section of the earnings release. For prior periods please refer to historical earnings commentaries available at franklinresources.com. 2) During the quarter ended March 31, 2024, the Company identified that it did not eliminate the investment income from certain consolidated limited partnerships for the fiscal year ended September 30, 2023, resulting in offsetting adjustments to investment and other income, net and net income attributable to nonredeemable noncontrolling interest. For comparability, the Company has revised the comparative prior period amounts in the consolidated statements of income. There was no impact to operating income, net income attributable to Franklin Resources, Inc. or earnings per share.

Appendix

Reconciliation of US GAAP results to Non-GAAP results: Three months ended September 30, 2024



(in US\$ millions except per share data)	US GAAP Basis	Consolidated Investment Products	Sales, distribution and marketing	Acquisition-related	Special Termination Plan	Unrealized investment (gains) losses	Deferred Comp Plan and other	Non-GAAP Basis	
Revenues									
Investment management fees	1,766.2	12.7	(128.9)	(10.5) ¹	-	-	-	1,639.5	
Sales and distribution fees	368.0	-	(368.0)	-	-	-	-	-	
Shareholder servicing fees	67.0	-	-	-	-	-	-	67.0	
Other	10.0	-	-	-	-	-	-	10.0	
Total Operating Revenues	2,211.2	12.7	(496.9)	(10.5)	-	-	-	1,716.5	
Expenses									
Compensation and benefits	940.8	-	-	(56.8) ¹	(12.0)	-	(26.5)	845.5	
Sales, distribution and marketing	496.9	-	(496.9)	-	-	-	-	-	
Information systems and technology	177.4	-	-	(24.9)	-	-	-	152.5	
Occupancy	77.7	-	-	(1.7)	-	-	-	76.0	
Amortization of intangible assets	83.8	-	-	(83.8)	-	-	-	-	
Impairment of intangible assets	389.2	-	-	(389.2)	-	-	-	-	
General, administrative and other	196.1	-	-	(5.2)	-	-	-	190.9	
Total Operating Expenses	2,361.9	-	(496.9)	(561.6)	(12.0)	-	(26.5)	1,264.9	
Operating Income (Loss)	(150.7)	12.7	-	551.1	12.0	-	26.5	451.6	
Other Income (Expense)									
Investment and other income (losses) net	95.3	1.7	-	(0.6)	-	(16.1)	(18.6)	61.7	
Interest expense	(25.0)	-	-	(4.4)	-	-	-	(29.4)	
Investment and other income (losses) of CIPs, net	46.2	(46.2)	-	-	-	-	-	-	
Expenses of CIPs	(12.0)	12.0	-	-	-	-	-	-	
Total Other Income (Expense)	104.5	(32.5)	-	(5.0)	-	(16.1)	(18.6)	32.3	
Income (loss) before taxes	(46.2)	(19.8)	-	546.1	12.0	(16.1)	7.9	483.9	
Taxes on income	9.5	-	-	132.2	2.9	(6.1)	1.9	140.4	
Net income (loss)	(55.7)	(19.8)	-	413.9	9.1	(10.0)	6.0	343.5	
Less: Net income (loss) attributable to noncontrolling interests	29.0	(17.0)	-	-	-	7.8	8.5	28.3	
Net Income (Loss) Attributable to Franklin Resources, Inc.	(84.7)	(2.8)	-	413.9	9.1	(17.8)	(2.5)	315.2	
Less: allocation of earnings to participating nonvested stock and stock unit awards	11.0	-	-	-	-	-	-	12.1	
Net Income (Loss) Available to Franklin Resources, Inc. Common Stockholders	(95.7)	-	-	-	-	-	-	303.1	
Diluted EPS	(\$0.19)							Adjusted Diluted EPS	\$0.59
Avg. Diluted Shares Outstanding	516.2 ²							Avg. Diluted Shares Outstanding	517.0
Operating Margin	-6.8%							Adjusted Operating Margin	26.3%

1) Includes \$10.5 million of performance fees that were passed through as compensation per the terms of the acquisition agreement. 2) GAAP EPS calculation uses basic weighted average shares outstanding due to net loss.

Appendix

Reconciliation of US GAAP results to Non-GAAP results: Three months ended June 30, 2024



(in US\$ millions except per share data)	US GAAP Basis	Consolidated Investment Products	Sales, distribution and marketing	Acquisition-related	Special Termination Plan	Unrealized investment (gains) losses	Deferred Comp Plan and other	Non-GAAP Basis
Revenues								
Investment management fees	1,689.9	12.3	(122.8)	-	-	-	-	1,579.4
Sales and distribution fees	358.3	-	(358.3)	-	-	-	-	-
Shareholder servicing fees	61.8	-	-	-	-	-	-	61.8
Other	12.9	-	-	-	-	-	-	12.9
Total Operating Revenues	2,122.9	12.3	(481.1)	-	-	-	-	1,654.1
Expenses								
Compensation and benefits	893.8	-	-	(43.7)	(16.7)	-	(12.1)	821.3
Sales, distribution and marketing	481.1	-	(481.1)	-	-	-	-	-
Information systems and technology	156.6	-	-	(7.7)	-	-	-	148.9
Occupancy	104.8	-	-	(28.2)	-	-	-	76.6
Amortization of intangible assets	84.0	-	-	(84.0)	-	-	-	-
General, administrative and other	180.1	-	-	2.3	-	-	-	182.4
Total Operating Expenses	1,900.4	-	(481.1)	(161.3)	(16.7)	-	(12.1)	1,229.2
Operating Income	222.5	12.3	-	161.3	16.7	-	12.1	424.9
Other Income (Expense)								
Investment and other income (losses) net	74.5	(13.2)	-	0.5	-	21.3	(2.9)	80.2
Interest expense	(25.7)	-	-	(5.6)	-	-	-	(31.3)
Investment and other income (losses) of CIPs, net	37.6	(37.6)	-	-	-	-	-	-
Expenses of CIPs	(8.8)	8.8	-	-	-	-	-	-
Total Other Income (Expense)	77.6	(42.0)	-	(5.1)	-	21.3	(2.9)	48.9
Income before taxes	300.1	(29.7)	-	156.2	16.7	21.3	9.2	473.8
Taxes on income	68.1	-	-	37.9	4.0	6.7	2.2	118.9
Net income	232.0	(29.7)	-	118.3	12.7	14.6	7.0	354.9
Less: Net income (loss) attributable to noncontrolling interests	58.0	(27.3)	-	-	-	(9.7)	7.5	28.5
Net Income Attributable to Franklin Resources, Inc.	174.0	(2.4)	-	118.3	12.7	24.3	(0.5)	326.4
Less: allocation of earnings to participating nonvested stock and stock unit awards	7.5							15.2
Net Income Available to Franklin Resources, Inc. Common Stockholders	166.5							311.2
Diluted EPS	\$0.32							Adjusted Diluted EPS
Avg. Diluted Shares Outstanding	517.2							Avg. Diluted Shares Outstanding
Operating Margin	10.5%							Adjusted Operating Margin
								25.7%

Appendix

Reconciliation of US GAAP results to Non-GAAP results: Three months ended September 30, 2023



(in US\$ millions except per share data)	US GAAP Basis ¹	Consolidated Investment Products	Sales, distribution and marketing	Acquisition-related	Special Termination Plan	Unrealized investment (gains) losses	Deferred Comp Plan and other	Non-GAAP Basis
Revenues								
Investment management fees	1,634.4	11.2	(104.7)	(5.6) ²	-	-	-	1,535.3
Sales and distribution fees	306.4	-	(306.4)	-	-	-	-	-
Shareholder servicing fees	37.2	-	-	-	-	-	-	37.2
Other	8.1	-	-	-	-	-	-	8.1
Total Operating Revenues	1,986.1	11.2	(411.1)	(5.6)	-	-	-	1,580.6
Expenses								
Compensation and benefits	826.3	-	-	(62.4) ²	(8.3)	-	(5.7)	749.9
Sales, distribution and marketing	411.1	-	(411.1)	-	-	-	-	-
Information systems and technology	128.3	-	-	(3.1)	-	-	-	125.2
Occupancy	57.8	-	-	-	-	-	-	57.8
Amortization of intangible assets	86.5	-	-	(86.5)	-	-	-	-
General, administrative and other	137.8	-	-	(1.8)	-	-	-	136.0
Total Operating Expenses	1,647.8	-	(411.1)	(153.8)	(8.3)	-	(5.7)	1,068.9
Operating Income	338.3	11.2	-	148.2	8.3	-	5.7	511.7
Other Income (Expense)								
Investment and other income (losses) net	62.0	16.1	-	-	-	14.6	4.6	97.3
Interest expense	(24.4)	-	-	(2.4)	-	-	-	(26.8)
Investment and other income (losses) of CIPs, net	40.5	(40.5)	-	-	-	-	-	-
Expenses of CIPs	(3.0)	3.0	-	-	-	-	-	-
Total Other Income (Expense)	75.1	(21.4)	-	(2.4)	-	14.6	4.6	70.5
Income before taxes	413.4	(10.2)	-	145.8	8.3	14.6	10.3	582.2
Taxes on income	75.0	-	-	35.3	2.0	4.7	2.4	119.4
Net income	338.4	(10.2)	-	110.5	6.3	9.9	7.9	462.8
Less: Net income (loss) attributable to noncontrolling interests	42.9	(11.8)	-	-	-	(6.0)	10.7	35.8
Net Income Attributable to Franklin Resources, Inc.	295.5	1.6	-	110.5	6.3	15.9	(2.8)	427.0
Less: allocation of earnings to participating nonvested stock and stock unit awards	10.7	-	-	-	-	-	-	15.9
Net Income Available to Franklin Resources, Inc. Common Stockholders	284.8							411.1
Diluted EPS	\$0.58							Adjusted Diluted EPS
Avg. Diluted Shares Outstanding	490.0							Avg. Diluted Shares Outstanding
Operating Margin	17.0%							Adjusted Operating Margin
								32.4%

1) During the quarter ended March 31, 2024, the Company identified that it did not eliminate the investment income from certain consolidated limited partnerships for the fiscal year ended September 30, 2023, resulting in offsetting adjustments to investment and other income, net and net income attributable to nonredeemable noncontrolling interest. For comparability, the Company has revised the comparative prior period amounts in the consolidated statements of income. There was no impact to operating income, net income attributable to Franklin Resources, Inc. or earnings per share. 2) Includes \$5.6 million of performance fees that were passed through as compensation per the terms of the acquisition agreement.

Appendix

Reconciliation of US GAAP results to Non-GAAP results: Fiscal Year ended September 30, 2024



(in US\$ millions except per share data)	US GAAP Basis	Consolidated Investment Products	Sales, distribution and marketing	Acquisition-related	Special Termination Plan	Unrealized investment (gains) losses	Deferred Comp Plan and other	Non-GAAP Basis	
Revenues									
Investment management fees	6,822.2	47.2	(481.9)	(97.5) ¹	-	-	-	6,290.0	
Sales and distribution fees	1,381.0	0.2	(1,381.2)	-	-	-	-	-	
Shareholder servicing fees	229.3	-	-	-	-	-	-	229.3	
Other	45.5	-	-	-	-	-	-	45.5	
Total Operating Revenues	8,478.0	47.4	(1,863.1)	(97.5)	-	-	-	6,564.8	
Expenses									
Compensation and benefits	3,831.1	-	-	(361.1)	(75.8)	-	(93.9)	3,300.3	
Sales, distribution and marketing	1,863.1	-	(1,863.1)	-	-	-	-	-	
Information systems and technology	620.1	-	-	(43.8)	-	-	-	576.3	
Occupancy	325.4	-	-	(29.9)	-	-	-	295.5	
Amortization of intangible assets	338.2	-	-	(338.2)	-	-	-	-	
Impairment of intangible assets	389.2	-	-	(389.2)	-	-	-	-	
General, administrative and other	703.3	-	-	(23.7)	-	-	-	679.6	
Total Operating Expenses	8,070.4	-	(1,863.1)	(1,185.9)	(75.8)	-	(93.9)	4,851.7	
Operating Income	407.6	47.4	-	1,088.4	75.8	-	93.9	1,713.1	
Other Income (Expense)									
Investment and other income (losses) net	395.5	12.8	-	(0.1)	-	(65.1)	(64.4)	278.7	
Interest expense	(97.2)	-	-	(14.7)	-	-	-	(111.9)	
Investment and other income (losses) of CIPs, net	149.9	(149.9)	-	-	-	-	-	-	
Expenses of CIPs	(32.6)	32.6	-	-	-	-	-	-	
Total Other Income (Expense)	415.6	(104.5)	-	(14.8)	-	(65.1)	(64.4)	166.8	
Income before taxes	823.2	(57.1)	-	1,073.6	75.8	(65.1)	29.5	1,879.9	
Taxes on income	215.3	-	-	259.9	18.3	(13.6)	7.1	487.0	
Net income	607.9	(57.1)	-	813.7	57.5	(51.5)	22.4	1,392.9	
Less: Net income (loss) attributable to noncontrolling interests	143.1	(53.2)	-	-	-	(13.6)	39.9	116.2	
Net Income Attributable to Franklin Resources, Inc.	464.8	(3.9)	-	813.7	57.5	(37.9)	(17.5)	1,276.7	
Less: allocation of earnings to participating nonvested stock and stock unit awards	32.6	-	-	-	-	-	-	54.8	
Net Income Available to Franklin Resources, Inc. Common Stockholders	432.2	-	-	-	-	-	-	1,221.9	
Diluted EPS	\$0.85							Adjusted Diluted EPS	\$2.39
Avg. Diluted Shares Outstanding	510.3							Avg. Diluted Shares Outstanding	510.3
Operating Margin	4.8%							Adjusted Operating Margin	26.1%

1) Includes \$97.5 million of performance fees that were passed through as compensation per the terms of the acquisition agreement.

Appendix

Reconciliation of US GAAP results to Non-GAAP results: Fiscal Year ended September 30, 2023



(in US\$ millions except per share data)	US GAAP Basis ¹	Consolidated Investment Products	Sales, distribution and marketing	Acquisition-related	Special Termination Plan	Unrealized investment (gains) losses	Deferred Comp Plan and other	Non-GAAP Basis
Revenues								
Investment management fees	6,452.9	37.5	(409.4)	(169.7) ²	-	-	-	5,911.3
Sales and distribution fees	1,203.7	-	(1,203.7)	-	-	-	-	-
Shareholder servicing fees	152.7	-	-	-	-	-	-	152.7
Other	40.1	-	-	-	-	-	-	40.1
Total Operating Revenues	7,849.4	37.5	(1,613.1)	(169.7)	-	-	-	6,104.1
Expenses								
Compensation and benefits	3,494.0	-	-	(334.6) ²	(63.2)	-	(64.6)	3,031.6
Sales, distribution and marketing	1,613.1	-	(1,613.1)	-	-	-	-	-
Information systems and technology	505.0	-	-	(21.0)	-	-	-	484.0
Occupancy	228.9	-	-	(4.0)	-	-	-	224.9
Amortization of intangible assets	341.1	-	-	(341.1)	-	-	-	-
General, administrative and other	565.0	-	-	(25.2)	-	-	-	539.8
Total Operating Expenses	6,747.1	-	(1,613.1)	(725.9)	(63.2)	-	(64.6)	4,280.3
Operating Income	1,102.3	37.5	-	556.2	63.2	-	64.6	1,823.8
Other Income (Expense)								
Investment and other income (losses) net	262.3	8.3	-	-	-	(0.8)	(35.8)	234.0
Interest expense	(123.7)	-	-	(5.2)	-	-	-	(128.9)
Investment and other income (losses) of CIPs, net	115.8	(115.8)	-	-	-	-	-	-
Expenses of CIPs	(18.7)	18.7	-	-	-	-	-	-
Total Other Income (Expense)	235.7	(88.8)	-	(5.2)	-	(0.8)	(35.8)	105.1
Income before taxes	1,338.0	(51.3)	-	551.0	63.2	(0.8)	28.8	1,928.9
Taxes on income	312.3	-	-	133.4	15.3	(0.8)	6.9	467.1
Net income	1,025.7	(51.3)	-	417.6	47.9	-	21.9	1,461.8
Less: Net income (loss) attributable to noncontrolling interests	142.9	(59.3)	-	-	-	1.8	44.2	129.6
Net Income Attributable to Franklin Resources, Inc.	882.8	8.0	-	417.6	47.9	(1.8)	(22.3)	1,332.2
Less: allocation of earnings to participating nonvested stock and stock unit awards	37.7	-	-	-	-	-	-	57.2
Net Income Available to Franklin Resources, Inc. Common Stockholders	845.1							1,275.0
Diluted EPS	\$1.72							Adjusted Diluted EPS
Avg. Diluted Shares Outstanding	490.8							Avg. Diluted Shares Outstanding
Operating Margin	14.0%							Adjusted Operating Margin
								29.9%

1) During the quarter ended March 31, 2024, the Company identified that it did not eliminate the investment income from certain consolidated limited partnerships for the fiscal year ended September 30, 2023, resulting in offsetting adjustments to investment and other income, net and net income attributable to nonredeemable noncontrolling interest. For comparability, the Company has revised the comparative prior period amounts in the consolidated statements of income. There was no impact to operating income, net income attributable to Franklin Resources, Inc. or earnings per share. 2) Includes \$169.7 million of performance fees that were passed through as compensation per the terms of the acquisition agreement.