



# Franklin Income Fund

Hybrid  
September 30, 2018

## Fund Fact Sheet | Share Class: Advisor

### Fund Description

The fund seeks to maximize income, while maintaining prospects for capital appreciation, by investing in a diversified portfolio of stocks and bonds.

### Fund Overview

<b>Total Net Assets [All Share Classes]</b>	\$76,640 million
<b>Fund Inception Date</b>	8/31/1948
<b>Dividend Frequency</b>	Monthly, on the 3rd business day
<b>Number of Issuers</b>	198

### Share Class Information

Share Class	CUSIP	NASDAQ Symbol
Advisor	353 496 847	FRIAX
A	353 496 490	FKIQX
C	353 496 805	FCISX
R	353 496 722	FISRX
R6	353 496 631	FNCFX

### Fund Management

	Years with Firm	Years of Experience
Edward D. Perks, CFA	25	25
Matt Quinlan	12	23
Todd Brighton, CFA	18	14
Richard Hsu, CFA	22	22

### Maximum Sales Charge

Advisor Class: None

### Total Annual Operating Expenses

Share Class	With Waiver	Without Waiver
Advisor	0.47%	0.48%

### 30-Day Standardized Yield

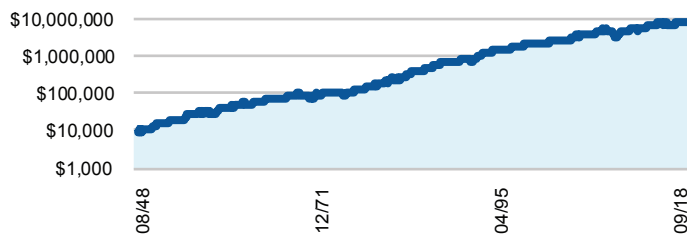
Share Class	With Waiver	Without Waiver
Advisor	4.02%	4.02%

### Asset Allocation (%)

Fixed Income	48.38
Equity	35.45
Convertibles	14.63
Cash & Cash Equivalents	1.54

### Performance

#### Growth of a \$10,000 Investment (from 08/31/1948-09/30/2018)



Franklin Income Fund -  
Advisor Class:  
**\$8,899,940**

### Total Returns % (as of 9/30/2018)

Share Class	CUMULATIVE YTD	AVERAGE ANNUAL					Since Inception	Inception Date
		1 Yr	3 Yrs	5 Yrs	10 Yrs			
Advisor	1.44	2.34	9.06	5.42	8.20	10.18	8/31/1948	

### Calendar Year Total Returns %

Share Class	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Advisor	8.62	16.61	-7.75	3.86	14.50	14.48	2.51	13.15	35.43	-30.27
	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
	5.08	19.39	2.01	12.40	31.32	-0.92	0.81	20.29	-0.58	1.12

Performance data represents past performance, which does not guarantee future results. Current performance may differ from figures shown. The fund's investment returns and principal values will change with market conditions, and you may have a gain or a loss when you sell your shares. Please call Franklin Templeton at (800) DIAL BEN/(800) 342-5236 or visit [franklintempleton.com](http://franklintempleton.com) for the most recent month-end performance.

Advisor Class shares do not have sales charges or 12b-1 fees and are offered only to certain eligible investors as stated in the prospectus.

The fund has a fee waiver associated with any investment it makes in a Franklin Templeton money fund and/or other Franklin Templeton fund, contractually guaranteed through January 31, 2019. Fund investment results reflect the fee waiver; without this waiver, the results would have been lower.

### Top Ten Holdings (% of Total)

Issuer Name	
GOVERNMENT OF THE UNITED STATES OF AMERICA	6.78
COMMUNITY HEALTH SYSTEMS INC	4.10
CHESAPEAKE ENERGY CORP	3.08
JPMORGAN CHASE & CO	2.76
WELLS FARGO & CO	2.74
TENET HEALTHCARE CORP	2.68
WEATHERFORD INTERNATIONAL PLC	2.06
BANK OF AMERICA CORP	1.94
SPRINT CORP	1.76
SEMPRA ENERGY	1.75


### Fund Measures

Average Weighted Maturity	4.27 Years
Standard Deviation (3 Yrs) - Advisor Class	6.99%
Beta (3 Yrs, vs.S&P 500 Index) - Advisor Class	0.64

## Composition of Fund

Sector—Equity	% of Total	Sector—Fixed Income	% of Total
Financials	8.03	Corporate	36.68
Utilities	6.53	Government/Agency	7.97
Energy	6.34	Loans	3.73
Information Technology	6.23	Cash & Cash Equivalents	1.54
Health Care	5.47		
Materials	3.92		
Consumer Discretionary	3.80		
Consumer Staples	3.64		
Industrials	2.99		
Others	3.01		

## Morningstar Rating™—Advisor Class

**Overall Morningstar Rating™**  As of September 30, 2018 the fund's Advisor Class shares received a 5 star overall Morningstar Rating™, measuring risk-adjusted returns against 439, 355 and 256 U.S.-domiciled US Fund Allocation--30% to 50% Equity funds over the 3-, 5- and 10- year periods, respectively. A fund's overall rating is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year (if applicable) rating metrics.

## What are the Risks?

All investments involve risks, including possible loss of principal. The fund's share price and yield will be affected by interest rate movements. Bond prices generally move in the opposite direction of interest rates. Thus, as the prices of bonds in the fund adjust to a rise in interest rates, the fund's share price may decline. Changes in the financial strength of a bond issuer or in a bond's credit rating may affect its value. The fund's portfolio includes a substantial portion of higher-yielding, lower-rated corporate bonds because of the relatively higher yields they offer. Floating-rate loans are lower-rated, higher-yielding instruments, which are subject to increased risk of default and can potentially result in loss of principal. These securities carry a greater degree of credit risk relative to investment-grade securities. Stock prices fluctuate, sometimes rapidly and dramatically, due to factors affecting individual companies, particular industries or sectors, or general market conditions. These and other risk considerations are discussed in the fund's prospectus.

## Glossary

**Average Weighted Maturity:** An estimate of the number of years to maturity, taking the possibility of early payments into account, for the underlying holdings.

**Beta:** A measure of the fund's volatility relative to the market, as represented by the stated Index. A beta greater than 1.00 indicates volatility greater than the market.

**Standard Deviation:** A measure of the degree to which a fund's return varies from the average of its previous returns. The larger the standard deviation, the greater the likelihood (and risk) that a fund's performance will fluctuate from the average return.

## Important Information

*Investors should carefully consider a fund's investment goals, risks, charges and expenses before investing. To obtain a summary prospectus and/or prospectus, which contains this and other information, talk to your financial advisor, call us at (800) DIAL BEN/342-5236 or visit franklintempleton.com. Please carefully read a prospectus before you invest or send money.*

Information is historical and may not reflect current or future portfolio characteristics. All portfolio holdings are subject to change.

S&P® and S&P 500® are registered trademarks of Standard & Poor's Financial Services LLC. S&P does not sponsor, endorse, sell or promote any S&P index-based product.

Indexes are unmanaged, and one cannot invest directly in an index. They do not reflect any fees, expenses or sales charges.

**Fund Management:** CFA® and Chartered Financial Analyst® are trademarks owned by CFA Institute.

**Performance:** The fund offers other share classes subject to different fees and expenses, which will affect their performance.

**Advisor:** Effective 12/31/96, the fund began offering Advisor Class Shares. For periods prior to the fund's Advisor Class inception date, a restated figure is used based on the fund's oldest share class, Class A1 performance, excluding the effect of Class A1's maximum initial sales charge but reflecting the effect of the Class A1 Rule 12b-1 fees; and for periods after the fund's Advisor Class inception date, actual Advisor Class performance is used, reflecting all charges and fees applicable to that class.

**30-Day Standardized Yield:** The fund's 30-day standardized yield is calculated over a trailing 30-day period using the yield to maturity on bonds and/or the dividends accrued on stocks. It may not equal the fund's actual income distribution rate, which reflects the fund's past dividends paid to shareholders.

This standardized yield quote for this new Class A share will be first calculated/made available for the period ended 10/31/18. Please visit franklintempleton.com after 10/31/18 for this standardized yield quote.

**Top Ten Holdings:** The portfolio manager for the fund reserves the right to withhold release of information with respect to holdings that would otherwise be included.

**Fund Measures:** Source: FactSet. The portfolio characteristics listed are based on the fund's underlying holdings, and do not necessarily reflect the fund's characteristics. Average weighted maturity data pertains to the fixed income component of the fund.

**Composition of Fund:** Percentage may not equal 100% due to rounding.

**Morningstar Rating™:** Source: Morningstar®, 9/30/18. For each mutual fund and ETF with at least a 3-year history, Morningstar calculates a Morningstar Rating™ based on how a fund ranks on a Morningstar Risk-Adjusted Return measure against other funds in the same category. This measure takes into account variations in a fund's monthly performance, and does not take into account the effects of sales charges and loads, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The weights are: 100% 3-year rating for 36-59 months of total returns, 60% 5-year rating/40% 3-year rating for 60-119 months of total returns, and 50% 10-year rating/30% 5-year rating/20% 3-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent 3-year period actually has the greatest impact because it is included in all three rating periods. The Fund's Advisor Class shares received a Morningstar Rating of 5, 4 and 5 star(s) for the 3-, 5- and 10-year periods, respectively. Morningstar Rating™ is for the named share class only; other classes may have different performance characteristics. **Past performance is not an indicator or a guarantee of future performance.** Source: ©Morningstar. Important data provider notices and terms available at [www.franklintempletondatasources.com](http://www.franklintempletondatasources.com).