

Five reasons why investors buy and hold Franklin Income Fund (FKIQX)



*This material must be preceded or accompanied
by a summary prospectus and/or prospectus.*

Not FDIC Insured | No Bank Guarantee | May Lose Value

A flexible approach focused on income

With a legacy that spans decades, Franklin Income Fund remains a popular choice among financial professionals* and their clients seeking to reach their long-term investing goals.

For 76 years, the fund has provided a steady stream of income from a flexible portfolio of stocks and bonds. Its balanced take on risk and reward across asset classes may sound like a classic recipe, but we think Franklin Income Fund's proprietary approach to actively managing this mix has typically resulted in a distinctly different portfolio with an attractive income stream.

Why has Franklin Income Fund remained so popular?*

Here are five reasons:

1 | 76 years of dividends and counting

Dividends provide a source of return through market ups and downs. See the next page for the fund's historical yield advantage.

2 | Reinvesting distributions = Compounding = More shares

See compounding and dollar-cost averaging at work on page 2.

3 | A record of impressive returns following down years

2022 was a difficult year for stocks *and* bonds. History is on the fund's side (page 3).

4 | Strong historical performance spanning different interest rate environments

Look at page 4 for the strong long-term track record across rising *and* falling rate environments.

5 | A flexible approach that adjusts to changing market conditions

We believe one ingredient of the secret sauce is active management. See it at work on page 5.

Talk with your financial professional about how Franklin Income Fund can be an important part of your investment strategy.

*As of March 31, 2025 the fund held \$74 billion in assets under management (AUM) and had over 110,000 Financial Advisors with AUM in the fund.

1 76 years of dividends and counting

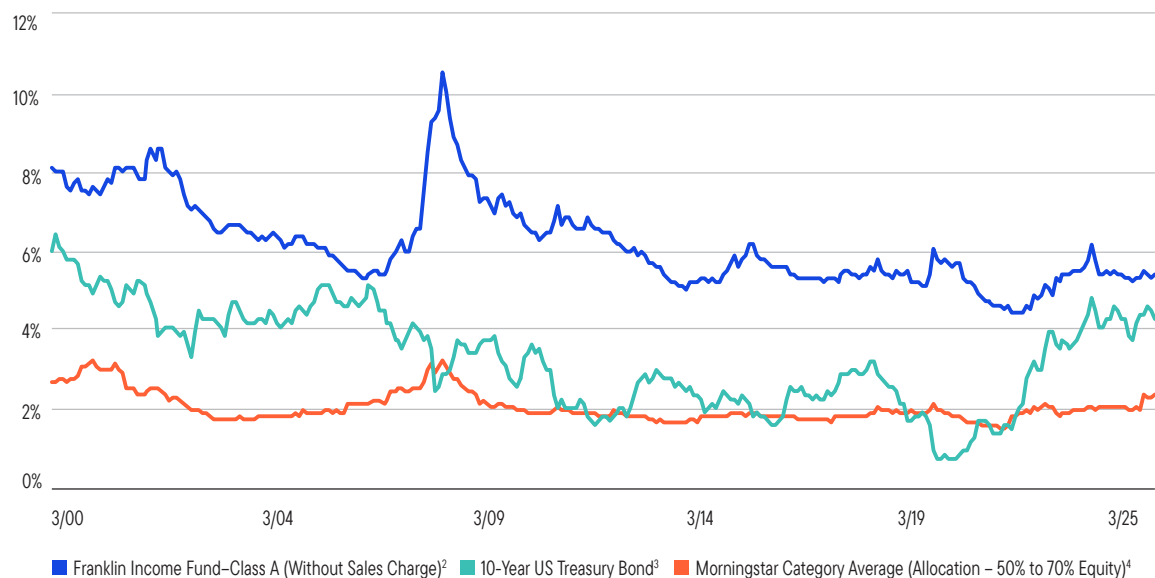
Franklin Income Fund has paid uninterrupted dividends for over seven decades. It has accomplished this long-running stream of income by investing in a flexible portfolio that includes stocks and bonds.

What's more, the fund's yield has exceeded that of its Morningstar Category Average and the 10-Year US Treasury Bond over the past 25 years.

Attractive Income Stream over Time

12-Month Yield at NAV¹

25-Year Period Ended March 31, 2025



Performance data represents past performance, which does not guarantee future results. Current performance may differ from the figures shown. The fund's investment return and principal value will change with market conditions, and you may have a gain or a loss when you sell your shares. Please visit franklintempleton.com for most recent month-end performance.

If the sales charge had been included, the return would have been lower.

Treasuries, if held to maturity, offer a fixed rate of return and fixed principal value; their interest payments and principal are guaranteed.

For full performance and other important information see page 4.

1. The 12-Month Yield at NAV reflects the sum of income distributions over the preceding 12-month period divided by the Net Asset Value (NAV) at the end of the period. Net Asset Value is the amount per share you would receive if you sold shares that day.

2. Effective 9/10/18 Class A shares closed to new investors, were renamed Class A1 shares, and a new Class A share with a different expense structure became available. Class A performance shown has been calculated as follows: (a) for periods prior to 9/10/18, a restated figure is used based on the fund's Class A1 performance and including any Rule 12b-1 rate differential as exists between Class A1 and Class A; and (b) for periods after 9/10/18, actual Class A performance is used, reflecting all charges and fees applicable to that class. On 5/1/94, the fund implemented a Rule 12b-1 plan, which affects subsequent performance.

3. Yield sourced through Federal Reserve H.15 Report.

4. Source: © 2025 Morningstar, Inc. All rights reserved. The information is 1) propriety to Morningstar and/or its content providers, 2) may not be copied or distributed and 3) is not warranted to be accurate, complete or timely.

2 Reinvesting distributions = Compounding = More shares

By reinvesting Franklin Income Fund's distributions, investors are able to accumulate more shares, which in turn may generate more distributions. This can help turn periods of volatility into periods of opportunity.

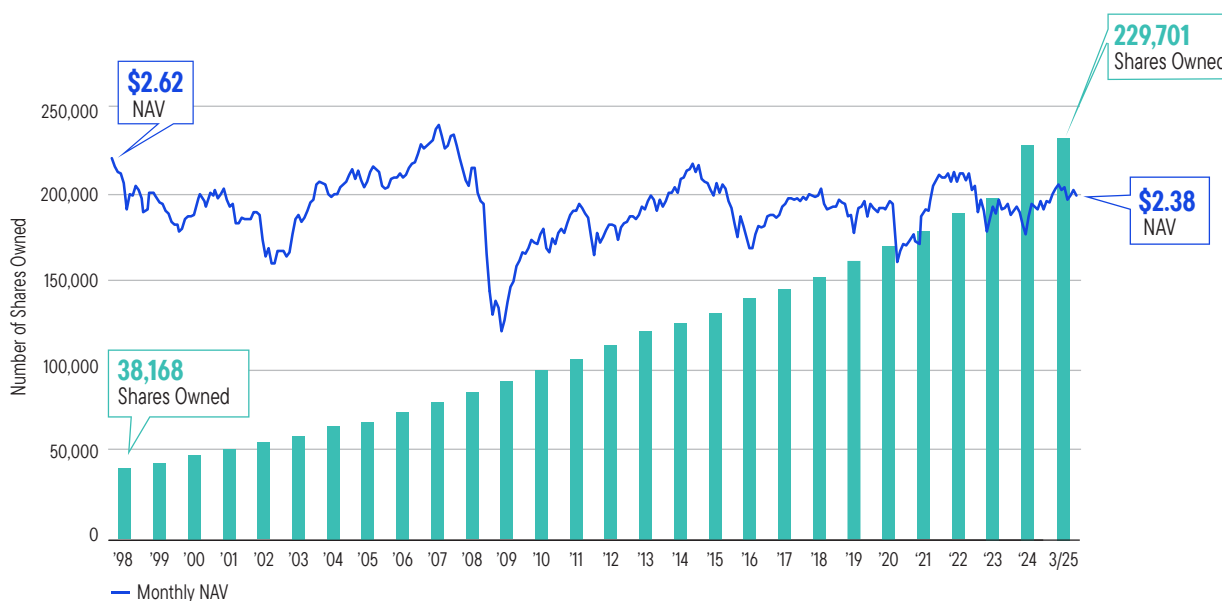
Consider a hypothetical \$100,000 investment in Franklin Income Fund—Class A (Without Sales Charge), when its net asset value (NAV) hit a 25-year high of \$2.62 per share on March 31, 1998.

By March 31, 2025, the fund's NAV was \$2.38 per share. *By reinvesting the dividends and capital gain distributions throughout this period, the \$100,000 initial investment turned into \$546,688—that's a cumulative total return of 447%. What's more, the total number of shares owned grew by 502% and the monthly dividend payment increased by 332%.⁵*

Total Shares of Franklin Income Fund—Class A (Without Sales Charge) Grew by 502%

Hypothetical \$100,000 Investment Assuming Reinvestment of Dividends and Capital Gains⁵

March 31, 1998–March 31, 2025



	Beginning Value	Ending Value		
NAV per Share	\$2.62	\$2.38	Avg. Annual Total Return	6.49%
Account Value	\$100,000	\$546,688	Cumulative Total Return	446.69%
Total Shares Owned⁶	38,168	229,701		
Monthly Dividend⁶	\$572	\$2,470		

Performance data represents past performance, which does not guarantee future results. This hypothetical chart and table do not take into account federal, state or municipal taxes. If sales charges or taxes were taken into account, the hypothetical values shown would be reduced. Other share classes would have different results.

If the sales charge had been included, the return would have been lower.

5. Source: Franklin Templeton, as of 3/31/2025.

6. Number of shares will vary depending upon current market conditions; past distributions are not indicative of future trends.

3

A record of impressive returns following down years

Even the most successful actively managed funds can have short-term underperformance. Over the past 76 calendar years, Franklin Income Fund–Class A (Without Sales Charge) has had positive returns in 61 years (80% of the time) and 15 years of negative returns. Additionally, if you look at the periods following down years, you'll see how well the fund rebounded. Please keep in mind that past performance does not guarantee future results.

	Year	Total Return Without Sales Charge ⁷⁸		Year	Total Return Without Sales Charge ⁷⁸
18.99% 4-year avg. annual total return	1949	17.94%		1987	4.77%
	1950	23.40%		1988	8.70%
	1951	16.13%		1989	12.55%
	1952	18.50%		1990	-8.86%
	1953	-2.97%	25.85% Subsequent 3-year avg. annual total return	1991	41.01%
17.66% Subsequent 3-year avg. annual total return	1954	40.68%		1992	15.13%
	1955	12.17%		1993	21.41%
	1956	0.13%		1994	-6.47%
	1957	-14.13%	12.27% Subsequent 4-year avg. annual total return	1995	21.17%
21.35% Subsequent 4-year avg. annual total return	1958	42.10%		1996	10.34%
	1959	11.46%		1997	16.73%
	1960	9.27%		1998	0.85%
	1961	22.60%		1999	-0.84%
	1962	-8.53%	10.51% Subsequent 2-year avg. annual total return	2000	20.47%
13.49% Subsequent 3-year avg. annual total return	1963	13.26%		2001	0.55%
	1964	14.25%		2002	-1.16%
	1965	12.96%		2003	30.83%
	1966	-6.60%	13.77% Subsequent 5-year avg. annual total return	2004	12.06%
18.24% Subsequent 2-year avg. annual total return	1967	14.93%		2005	1.75%
	1968	21.56%		2006	19.00%
	1969	-16.92%		2007	5.21%
	1970	2.94%		2008	-30.58%
9.00% Subsequent 3-year avg. annual total return	1971	19.84%		2009	34.87%
	1972	4.21%		2010	12.80%
	1973	-4.30%	13.68% Subsequent 6-year avg. annual total return	2011	2.72%
	1974	-12.43%		2012	13.57%
16.29% Subsequent 15-year avg. annual total return	1975	25.70%		2013	14.12%
	1976	22.51%		2014	4.01%
	1977	8.55%		2015	-7.90%
	1978	8.25%	12.24% Subsequent 2-year avg. annual total return	2016	16.17%
	1979	28.44%		2017	8.30%
	1980	19.46%		2018	-5.83%
	1981	1.04%	12.24% Subsequent 3-year avg. annual total return	2019	15.69%
	1982	35.94%		2020	3.46%
	1983	15.23%		2021	17.57%
	1984	15.40%		2022	-5.61%
	1985	18.24%		2023	8.54%
	1986	19.53%		2024	7.03%

Performance data represents past performance, which does not guarantee future results.
If the sales charge had been included, the return would have been lower.

7. Periods ended 12/31 of each year noted.

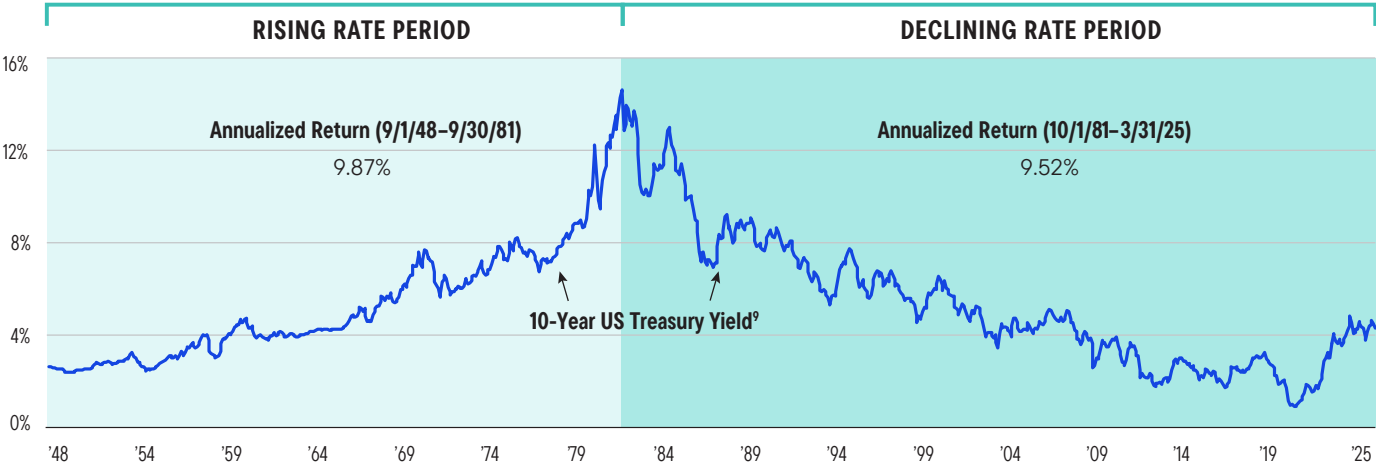
8. Effective 9/10/18 Class A shares closed to new investors, were renamed Class A1 shares, and a new Class A share with a different expense structure became available. Class A performance shown has been calculated as follows: (a) for periods prior to 9/10/18, a restated figure is used based on the fund's Class A1 performance and including any Rule 12b-1 rate differential as exists between Class A1 and Class A; and (b) for periods after 9/10/18, actual Class A performance is used, reflecting all charges and fees applicable to that class. On 5/1/94, the fund implemented a Rule 12b-1 plan, which affects subsequent performance.

4

Strong historical performance spanning different interest rate environments

Since Franklin Income Fund’s inception in 1948, it has traversed rising and declining interest rate environments, seeking what it considers the best income-generating opportunities at any given time. This has resulted in a record of strong returns for long-term investors. Please keep in mind that past performance does not guarantee future results.

Franklin Income Fund–Class A (Without Sales Charge)
 A Record of Strong Long-Term Returns in Rising and Declining Interest Rate Environments



Treasuries, if held to maturity, offer a fixed rate of return and fixed principal value; their interest payments and principal are guaranteed.

If the sales charge had been included, the return would have been lower.

5-Year Average Annual Total Returns

Periods ended 8/31 for years noted

'48–'53	'53–'58	'58–'63	'63–'68	'68–'73	'73–'78	'78–'83	'83–'88	'88–'93	'93–'98	'98–'03	'03–'08	'08–'13	'13–'18	'18–'23
15.42%	5.81%	16.17%	9.52%	1.91%	11.20%	16.99%	13.54%	14.47%	7.13%	8.42%	8.24%	7.28%	5.50%	5.18%

Average Annual Total Returns

As of March 31, 2025

	Cumulative Total Returns 3-Month (12/31/24)						Since Inception (8/31/48)	Expense Ratio ¹²		30-Day SEC Yield ¹⁰	
		1-Year	5-Year	10-Year	15-Year			Gross	Net	Without Waiver	With Waiver
Class A—With 3.75% Sales Charge ¹¹	-1.18%	3.40%	9.43%	5.17%	6.40%	9.69%		0.72%	0.71%	3.51%	3.51%
Class A—Without Sales Charge	2.67%	7.43%	10.27%	5.57%	6.67%	9.75%					

Performance data quoted represents past performance, which does not guarantee future results. Current performance may be lower or higher than the figures shown. Principal value and investment returns will fluctuate, and investors’ shares, when redeemed, may be worth more or less than the original cost. Performance would have been lower if fees had not been waived in various periods. Total returns assume the reinvestment of all distributions and the deduction of all fund expenses. Returns with sales charge reflect a deduction of the stated maximum sales charge. Returns for periods of less than one year are not annualized. All classes of shares may not be available to all investors or through all distribution channels. For current month-end performance, please visit franklintempleton.com

9. Source: Federal Reserve.
 10. 30-day SEC yield is calculated using the net income (interest and dividends) per share earned over a trailing 30-day period (annualized), divided by the fund’s share price at the end of that period. It may not equal the fund’s actual income distribution rate, which reflects the fund’s past dividends paid to shareholders.
 11. Prior to 3/1/19, these shares were offered at a higher initial sales charge of 4.25%; thus actual returns would have differed. Total returns with sales charges have been restated to reflect the current maximum initial sales charge of 3.75%.
 12. Gross expenses are the fund’s total annual operating expenses as of the fund’s prospectus available at the time of publication. Actual expenses may be higher and may impact portfolio returns. Net expenses reflect contractual fee waivers, expense caps and/or reimbursements, which cannot be terminated prior to 1/31/26 without Board consent. Additional amounts may be voluntarily waived and/or reimbursed and may be modified or discontinued at any time without notice.

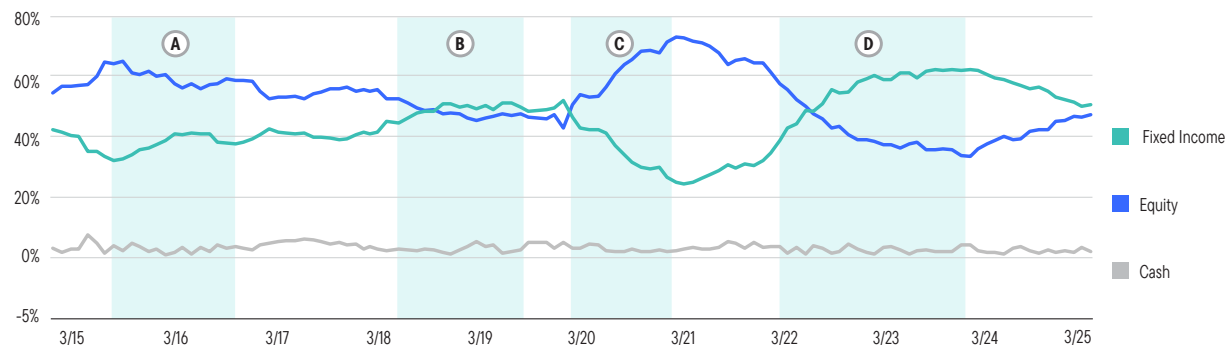
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A flexible approach that adjusts to changing market conditions

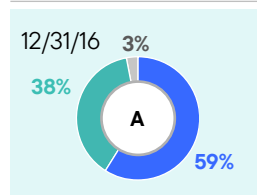
Franklin Income Fund has always sought out undervalued securities. This strategy, combined with the fund's focus on income, has historically resulted in a portfolio composition that, in our view, has been anything but typical. The fund's most important strengths could be the flexibility it has to pursue what it believes are the best opportunities at any point in time and the patience to see these opportunities bear fruit.

Tactical Shifts Between Equity and Fixed Income in Pursuit of Opportunities

10-Year Period Ended March 31, 2025

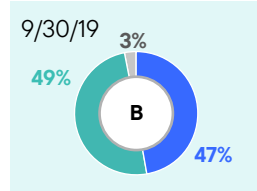


Four examples of the fund's approach in action¹³



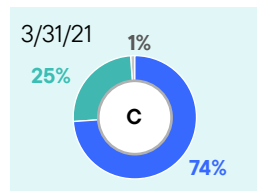
Volatility in capital markets created opportunity across asset classes

- Market volatility at year-end 2015 and early 2016 led to pricing dislocations in segments of the fixed income market, contributing to an increase in the fund's fixed income weighting early in 2016
- Favorable credit conditions and high investor demand contributed to strong returns in high-yield corporate bonds later in 2016, creating opportunities to scale back selected positions
- In equities, select issuers in areas like IT, financials and health care, showed promising future growth potential



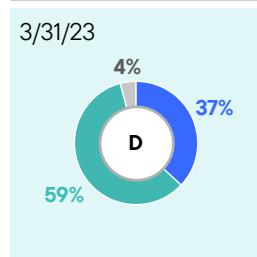
Shifted to fixed income while selectively upgrading credit quality

- The investment team made select portfolio adjustments to navigate prevailing market uncertainties, including trimming equity and high yield bond holdings where they saw full valuations
- After emphasizing the shorter end of the yield curve for the fund's fixed income holdings at the end of 2018, the team subsequently added longer-duration Treasuries and corporate debt, while continuing to take advantage of improved relative value in investment grade corporates



Market volatility prompted a shift in exposures

- Monetary policy intervention resulted in elevated valuations in Treasuries and corporate bonds; the investment team reduced these fixed income exposures and used proceeds to rotate into equities
- The sell-off in equities in March 2020 and ongoing market volatility presented attractive buying opportunities in select sectors and companies at notable discounts to estimated fair value and at attractive dividend yields, which led to the fund's higher overall allocation to equities



Increasing yields across fixed income sectors presented attractive opportunities

- The investment team moderated equity exposure throughout the second half of 2021 and added to cash and short-duration US Treasuries, creating easily accessible assets ready to be deployed as opportunities materialized
- While fixed income attractiveness remained muted relative to equities entering 2022, upward shifts in interest rates and corresponding downward price movements in investment grade and high yield corporate bonds created attractive buying opportunities
- As the attractiveness of fixed income improved, we were initially more interested in the high yield sector, seeking meaningful yield at shorter durations to mitigate ongoing interest rate risk. As the second quarter developed and rates continued to rise, we saw more potential in the investment-grade credit sector

Portfolio holdings are subject to change without notice and may not represent current or future portfolio composition.

A portfolio manager's assessment of a particular security, investment or strategy is not intended as individual investment advice or recommendation or solicitation to buy, sell or hold any security or to adopt an investment strategy; it is intended only to provide insight into the fund's portfolio selection process.

¹³ There can be no guarantee that the fund's investment approach will be successful or that any particular level of return will be achieved. Portfolio breakdown percentages may not total 100% or may be negative due to rounding, use of any derivatives, unsettled trades or other factors. Holdings are subject to change. For updated information, please visit franklintempleton.com.

WHAT ARE THE RISKS?

All investments involve risks, including possible loss of principal. Low-rated, high-yield bonds are subject to greater price volatility, illiquidity and possibility of default. **Fixed income securities** involve interest rate, credit, inflation and reinvestment risks, and possible loss of principal. As interest rates rise, the value of fixed income securities falls. **Changes in the credit rating** of a bond, or in the credit rating or financial strength of a bond's issuer, insurer or guarantor, may affect the bond's value. **Equity securities** are subject to price fluctuation and possible loss of principal. **International investments** are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in **emerging markets**. The manager may consider **environmental, social and governance (ESG) criteria** in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the fund's prospectus.

Important data provider notices and terms available at www.franklintempletondatasources.com.



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Franklin Income Fund Symbols:

Advisor: FRIAX
Class A: FKIQX
Class A1: FKINX
Class C: FCISX
Class R: FISRX
Class R6: FNCFX