FRANKLIN TEMPLETON INVESTMENTS

Hybrid

Franklin Income Fund

A HISTORY OF INCOME AND GROWTH

Celebrating 65 years

Since 1948

Not FDIC Insured | May Lose Value | No Bank Guarantee

Why Franklin Income Fund?

Key Reasons to Invest

Whether you're saving for retirement or need income now to supplement your current finances, Franklin Income Fund may be the investment solution to help you achieve your goals. The fund is well diversified across multiple asset classes, which has led to consistent income over the life of the fund and has provided investor accumulation potential for future retirement needs. Key benefits of the fund include:

Income over 65 years of uninterrupted dividend payouts[1, 2]

Solid risk/return profile

Broadly Diversified with over 200 issuers[2]

Strong Historical Performance ranking in the top quartile over the past ten years on a 10-year rolling return basis as of 9/30/15[3]

Seasoned portfolio team with a combined 65 years of industry experience[2]

Tactically Managed to seek to find the most attractive opportunities across various market cycles

1. Dividends will vary depending on the fund's income, and past distributions are not indicative of future trends.

2. As of 9/30/15. Diversification does not guarantee a profit or protect against a loss.

3. Source: © 2015 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary 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. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. The quartiles divide the data into four equal regions. The top 25% of funds (or quarter) are in the first quartile, the next 25% of funds are in the second, and the next group is in the third quartile. The 25% of funds with the poorest performance are in the fourth quartile. Class A returns for the fund were in the top quartile based on a 10-year rolling return within the Morningstar Conservative Allocation Category Peer Group, as of 9/30/15. **Past performance does not guarantee future results.**

The Strategy

Since its inception in 1948, Franklin Income Fund has adhered to a disciplined, value-oriented approach to find attractive opportunities that meet the fund's objective—to maximize income while maintaining prospects for capital appreciation. Outlined below are the key components of the fund's time-tested investment strategy.

1 | Value-Oriented Approach

Fund managers conduct in-depth, bottom-up research to uncover undervalued or out-of-favor securities that they believe offer the most compelling risk/reward profiles regardless of market cycle.

2 | Focus on Income and Growth

The fund seeks to maximize income, while maintaining prospects for capital appreciation through a well-diversified portfolio. To meet this objective, the fund has the freedom to invest across asset classes, including a company's stocks, bonds and convertibles or a combination of these.

3 | Flexible Investment Approach

Investing across asset classes allows for dynamic shifts in the fund's allocation over time, depending on where managers identify the most compelling investment opportunities.

"Franklin Income Fund has delivered income and long-term growth to investors for 65 years by following a time-tested investment strategy rooted in flexibility and diversification."

EDWARD D. PERKS, CFA, Lead Portfolio Manager

Example of Our Strategy in Action

The fund managers take a selective approach when identifying potential investment opportunities for the portfolio, as illustrated in the example below.[4]

The largest environmental solutions provider in North America

Opportunity: In 2012, the United States was only just beginning to see a turn in housing and employment trends, both of which benefit the waste management industry. The company's future revenue and cash flow growth, supported by these improving economic trends, was underestimated by market participants, in our view.

Merits: Waste Management has a strong management team with a history of returning cash to shareholders through dividend growth. They have increased the dividends each of the past 10 years, at an average growth rate of over 6% per year.

Decision: At the time of evaluation, the equity dividend yield was higher than that of Waste Managment's new 10-year corporate bond issue. Taking into account their view of relative yield, prospects for future long-term capital appreciation and underlying risk, the fund managers chose to invest in the company's stock.

WM logo is a trademark of Waste Management. The logo is used for illustrative purposes to identify Waste Management and should not be construed as an endorsement of, or affiliation with, the Franklin Income Fund or Franklin Templeton Investments.

4. The preceding information is as of 9/30/15, may change without notice and is not a complete analysis of every material fact regarding any industry, security or investment. It should not be viewed as investment recommendations, but is intended to provide insight into the fund's portfolio selection process. Past performance does not guarantee future results.

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The Benefits

1 | Consistent Income Generation

For over six decades, Franklin Income Fund has been providing investors with income and capital appreciation. In fact, the fund's Class A shares have delivered uninterrupted dividends through bull and bear markets since the fund's inception in 1948, giving shareholders ongoing and consistent cash flow.

Uninterrupted Dividends

Current Distribution Rate at NAV (Net Asset Value)[5]

On a hypothetical $10,000 investment made 30 years ago[5, 6]

ATTRACTIVE INCOME STREAM OVER TIME

12-Month Yield at NAV

25-Year Period Ended September 30, 2015[5]

The fund's yield has exceeded its Morningstar Category Average and 10-Year US Treasury Bond over the past 25 years.

5. Net Asset Value – The amount per share you would receive if you sold shares that day. As of 9/30/15. Source: © 2015 Morningstar, Inc. All Rights Reserved. **Past performance is no guarantee of future results.** Please see page 10 for details regarding the fund's yield and distribution rates.

6. The hypothetical scenario includes the 4.25% sales charge applicable to the initial fund investment. Breakpoints may apply; please see prospectus for details. The residual value would have been $12,094 assuming all capital gains were reinvested. Dividends will vary depending on the fund's income, and past distributions are not indicative of future trends.

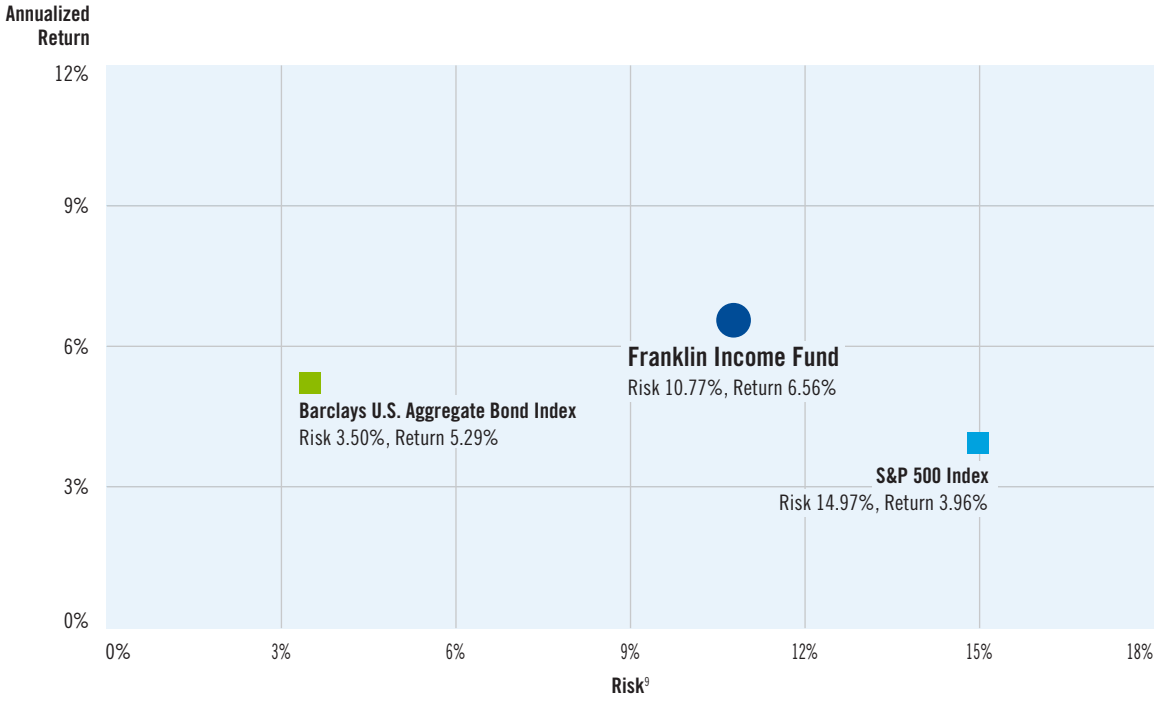
7. Yield sourced through Federal Reserve H.15 report, 9/30/15.

2 | Compelling Risk/Reward Profile

Franklin Income Fund aims to provide investors with a competitive risk/return profile. That's why the fund is diversified across many different asset classes, which can help to reduce overall portfolio volatility.

SOLID RETURNS WITH RELATIVELY LOWER VOLATILITY

Franklin Income Fund–Class A (Without Sales Charges) vs. S&P 500 Index and Barclays U.S. Aggregate Bond Index
15-Year Period Ended September 30, 2015[8]



15-Year Period Ended September 30, 2015[10]

The fund **OUTPERFORMED** its equity benchmark on an annualized return basis by **66%**

and its fixed income benchmark on an annualized return basis by **24%**

with **LOWER RISK** than its equity benchmark by **28%**

8. Source: © 2015 Morningstar, Inc. All Rights Reserved. **Past performance is no guarantee of future results.**
9. Volatility is measured by the annualized standard deviation of monthly total returns.
10. Calculation for performance and risk is measured by total percent change between the values and is calculated as follows: (Fund Value/Index Value)-1.

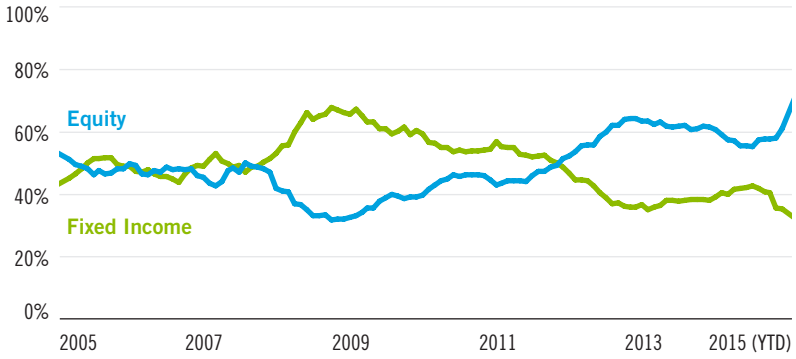
3 | Flexible Approach Adjusts to Changing Market Conditions

The fund's allocation can shift between equity and fixed income without restriction at any given time based on where the fund managers are finding the most attractive investment opportunities.

FRANKLIN INCOME FUND–CLASS A

Asset Allocation[11]

10-Year Period Ended September 30, 2015



Tactical shifts between EQUITY and FIXED INCOME reflect where we are finding the most attractive opportunities.

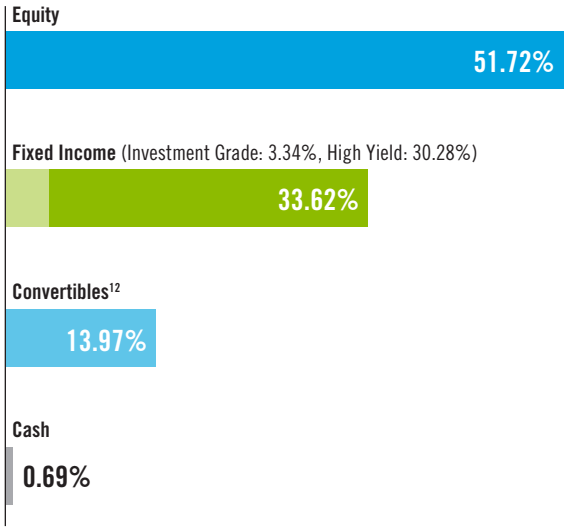
4 | Broad Diversification across Multiple Asset Classes

Franklin Income Fund provides a broad set of investments within a single fund. With investments in more than 200+ issuers, the fund is well diversified, which helps reduce its overall volatility. In instances where the fund managers identify opportunity, the fund may hold multiple parts of an issuer's capital structure through a combination of securities.

FRANKLIN INCOME FUND–CLASS A

Asset Allocation[11]

As of September 30, 2015



Top 10 Holdings (by issuer)

As of September 30, 2015

Name	Asset Class	Weightings
General Electric Co	Equity/Fixed Income/Convertible	2.74%
Royal Dutch Shell	Equity	2.40%
JPMorgan Chase & Co	Equity/Fixed Income	2.22%
First Data Corp	Equity/Fixed Income/Loan	2.09%
iHeartCommunications Inc	Fixed Income/Loan	1.94%
Bank of America Corp	Equity/Fixed Income/Convertible	1.85%
Dow Chemical Co	Equity/Convertible	1.76%
PG&E Corp	Equity	1.67%
Target Corp	Equity/Fixed Income	1.63%
Pfizer Inc	Equity/Convertible	1.43%

11. Information is historical and may not reflect current or future portfolio characteristics.
12. Convertible Securities include convertible bonds, convertible preferreds and other equity-linked securities.

5 | Experienced Management Team

Our investment team, led by Edward D. Perks, lead portfolio manager since 2004, strives to meet investor needs for income and long-term capital appreciation. This seasoned team leverages the depth and breadth of Franklin Templeton's global research teams to help identify the most compelling investments for the fund.

EDWARD D. PERKS, CFA
Lead Portfolio Manager

MATT D. QUINLAN
Portfolio Manager

ALEX W. PETERS, CFA
Portfolio Manager

22 Years of Industry Experience (22 years with the firm) + 20 Years of Industry Experience (9 years with the firm) + 23 Years of Industry Experience (22 years with the firm) = 65 Years[13] of Combined Investment Industry Experience

Franklin Templeton's Global Research Capabilities

150+ Fixed Income Investment Professionals[13]

70+ Equity Investment Professionals[13]

A FEW WORDS ABOUT RISK

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.

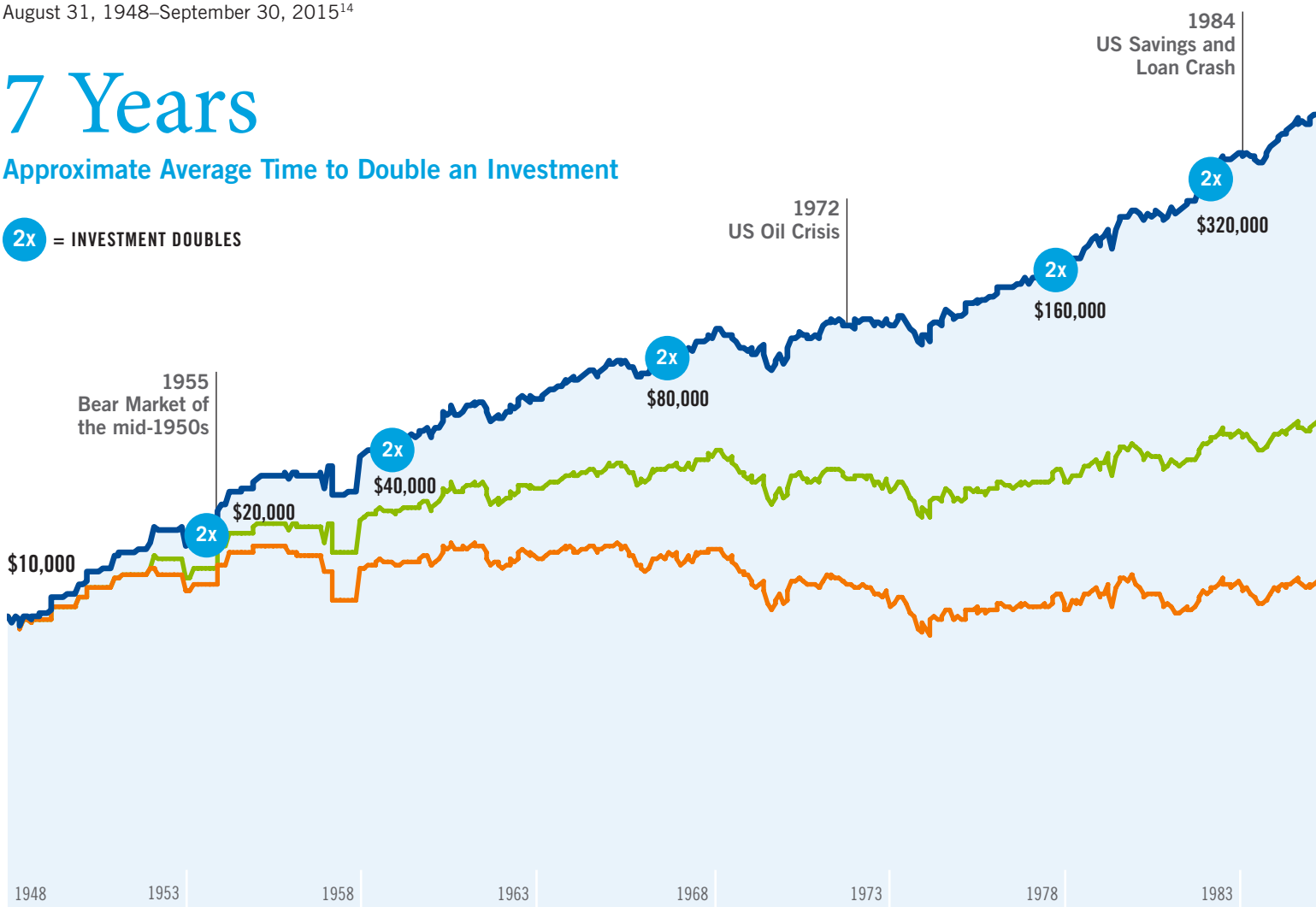
13. As of 9/30/15.

The Results

Solid Long-Term Performance through Various Market Cycles

Franklin Income Fund's investment approach has rewarded investors over time. The illustration below highlights the fund's historical ability to successfully navigate through various market conditions. In fact, an investor who purchased $10,000 of this fund's Class A shares at inception and reinvested all distributions would have a market value of over $6 million today. In addition, through the power of compounding, in the same time period, the investment would have doubled nine times with an average time of 7.21 years. Past performance does not guarantee future results.

Total Return of a $10,000 Investment (With Sales Charge)
August 31, 1948–September 30, 2015[14]

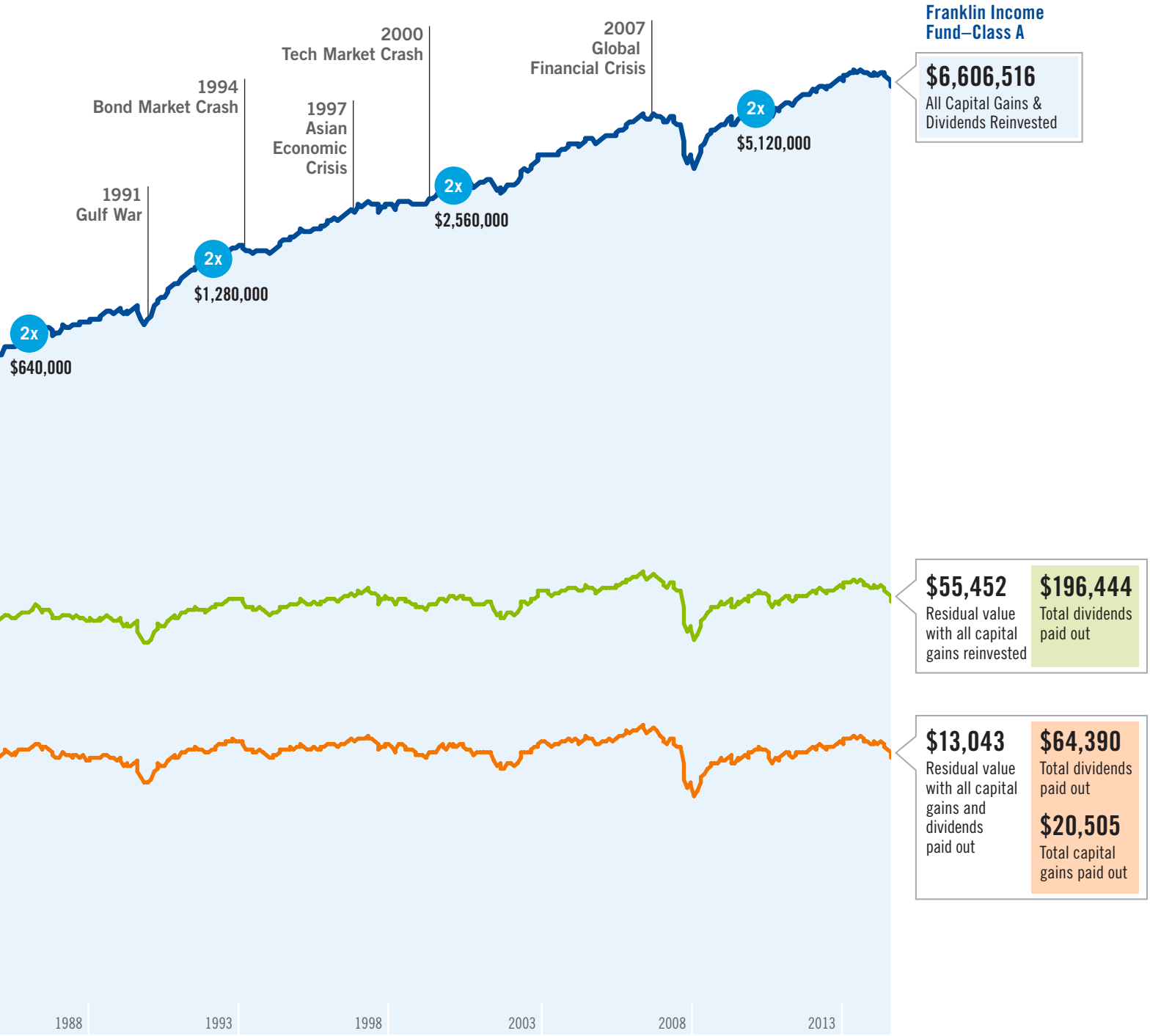


Positive Returns in Each 5-Year Time Period Since Inception
Annualized 5-Year Returns (Without Sales Charge)[14, 15]

'48–'53	'53–'58	'58–'63	'63–'68	'68–'73	'73–'78	'78–'83	'83
12.1%	15.1%	9.6%	10.8%	2.7%	10.0%	17.7%	13

The hypothetical scenario includes the 4.25% sales charge applicable to the initial fund investment but does not take into account federal, state or municipal taxes. If taxes were taken into account, the hypothetical values shown would have been lower.

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 loss when you sell your shares. Please call Franklin Templeton Investments at (800) DIAL BEN/342-5236 or visit ***franklintempleton.com*** *for most recent month-end performance.*



–'88	'88–'93	'93–'98	'98–'03	'03–'08	'08–'13		'13–'15 (YTD)
.1%	14.7%	8.1%	8.1%	4.7%	7.6%		0.05%

14. Source: © 2015 Morningstar, Inc. All Rights Reserved. **Past performance is no guarantee of future results.**
15. Five-year time periods beginning at fund inception 8/31/48.

Franklin Income Fund

Our investment process has stood the test of time. Franklin Income Fund has established a strong historical record of performance and yield.

(Periods Ended September 30, 2015)

Average Annual Total Returns[16]

	1-Year	3-Year	5-Year	10-Year	20-Year	Since Inception	Inception Date
Advisor Class	-10.46%	3.52%	6.04%	5.31%	7.46%	10.23%	(8/31/48)
Class A							
Without Sales Charges	-10.93%	3.33%	5.84%	5.12%	7.26%	10.16%	(8/31/48)
With Sales Charges	-14.71%	1.83%	4.96%	4.67%	7.03%	10.09%	
Class C							
Without Sales Charges	-10.89%	2.93%	5.35%	4.64%	6.76%	7.04%	(5/1/95)
With Sales Charges	-11.74%	2.93%	5.35%	4.64%	6.76%	7.04%	

Yields & Distribution Rates[17, 18]

	30-Day Standardized Yield	Distribution Rate
Advisor Class	4.99%	5.86%
Class A	4.65%	5.48%
Class C	4.34%	5.07%

Sales Charges: *Class A: Maximum 4.25% initial sales charge; Class C: 1% contingent deferred sales charge (CDSC) in the first year only; Advisor Class: none.*

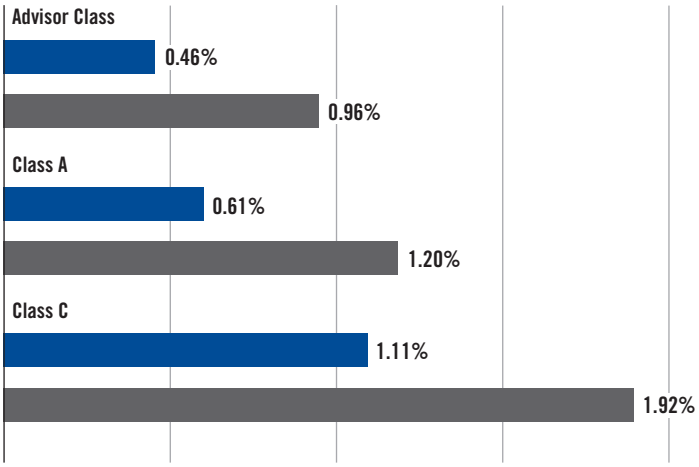
Fund Overview

Assets	$78.9 Billion
Inception Date	8/31/48
Dividends	Monthly on the third business day

Fund Measures (Class A)

Beta (3 Years; vs. S&P 500 Index)	0.65
Standard Deviation (3 Years)	7.65

Total Annual Operating Expenses[17]



Franklin Income Fund

Morningstar Conservative Allocation Category Average[19]

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 call Franklin Templeton Investments at (800) DIAL BEN/342-5236 or visit franklintempleton.com for most recent month-end performance.

Advisor Class shares are only offered to certain eligible investors as stated in the prospectus. They are offered without sales charges or Rule 12b-1 fees.

16. **Class A:** On 5/1/94, the fund implemented a Rule 12b-1 plan, which affects subsequent performance. **Class C:** Prior to 1/1/04, these shares were offered with an initial sales charge; thus actual returns would have differed. **Advisor Class:** 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 A performance, excluding the effect of Class A's maximum initial sales charge but reflecting the effect of the Class A 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. The fund offers other share classes, subject to different fees and expenses that will affect their performance. Please see the fund's prospectus for more information about fees and expenses.

17. The fund has a fee waiver associated with its investments in a Franklin Templeton money fund, contractually guaranteed through at least its current fiscal year end. Fund investment results reflect the fee waiver; without this reduction, the results would have been lower.

18. The 30-Day Standardized Yield reflects an estimated yield to maturity. It should be regarded as an estimate of the fund's rate of investment income, and it may not equal the fund's actual income distribution rate, which reflects the fund's past dividends paid to shareholders. High yields reflect the higher credit risks associated with certain lower-rated securities in the fund's portfolio, and in some cases, the lower market prices for these instruments.

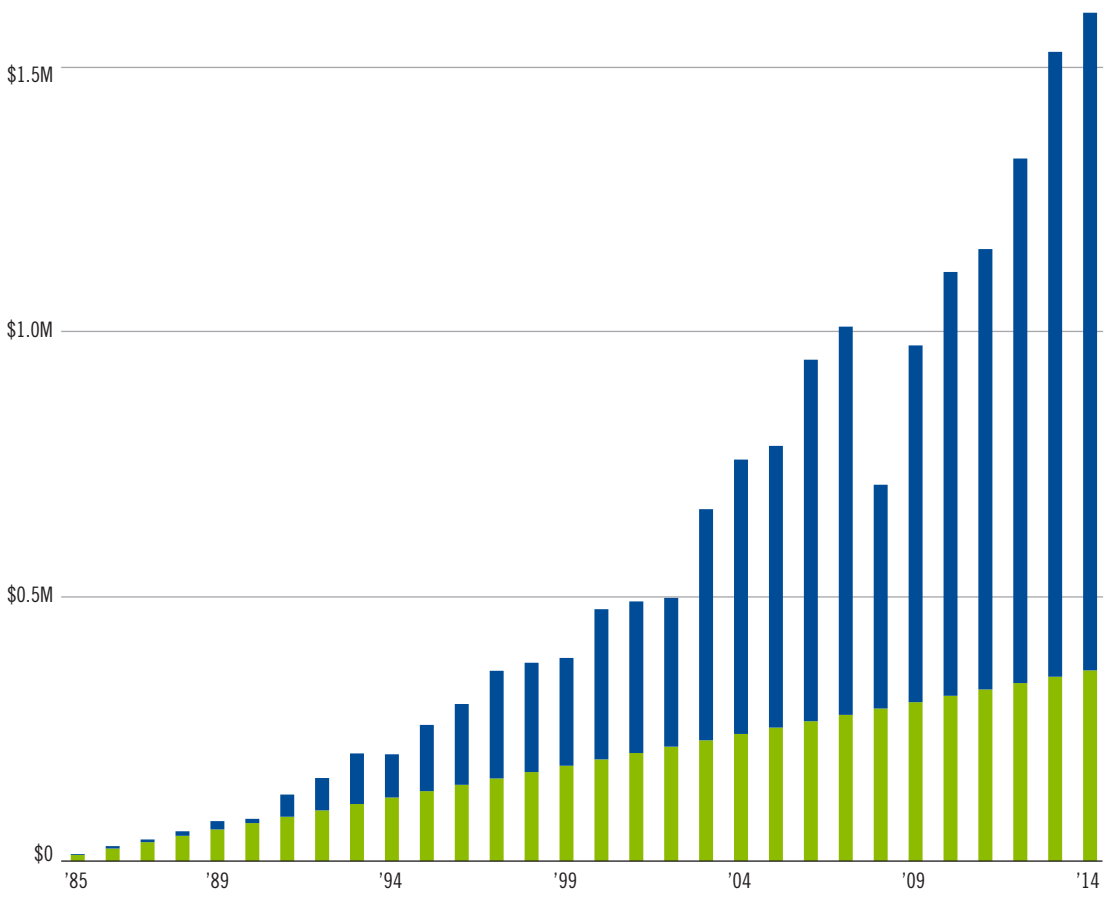
19. Source: © 2015 Morningstar, Inc. All Rights Reserved. **Past performance is no guarantee of future results.**

Planning for Future Financial Needs— Through Dollar-Cost Averaging

Preparing for retirement is one of the most common investment goals. And one of the most effective ways to achieve your retirement goal is by routinely putting aside savings every month. By investing a fixed amount at regular intervals in a fund like Franklin Income Fund, more shares are purchased when the price is low and fewer shares when the price is high. The illustration below shows an option through a Dollar-Cost Averaging Plan with Franklin Income Fund that can help you accrue shares of the fund to meet retirement and future income needs.

DOLLAR-COST AVERAGING CAN HELP YOU GROW YOUR POSITION IN THE FUND

Hypothetical $1,000 Monthly Investment (Class A with Sales Charge) over 30 Years with all Dividends and Capital Gains Reinvested
As of December 31, 2014



$1,600,293[20]
Fund Market Value

$360,000[20]
Total Investment (Cost Basis)

$2.23[20]
Average Cost at NAV

$2.40[20]
Current Fund NAV

20. Source: Morningstar via Advanced Hypo Tool, 12/31/14. All calculations include reinvestment of dividends and capital gains at net asset value. Assumes up to a 4.25% sales charge. Breakpoints may apply; please see prospectus for details. See page 10 of this brochure for the fund's standardized performance figures. **Past performance does not guarantee future results.**

Turn Your Nest Egg into Income— Through a Systematic Withdrawal Plan

After a lifetime of savings, what's next? A systematic withdrawal plan allows you to sell accumulated shares on a regular basis (such as monthly) and receive the redemption proceeds. For example, if you started taking a 6% withdrawal (with a 3% annual increase) 30 years ago, your total withdrawn amount would have been more than your initial total investment. In addition to the income withdrawn, the ending portfolio value would have grown to over $400,000. Below is an illustration of how a Systematic Withdrawal Plan, with Franklin Income Fund, can help provide you with a steady income and grow your investment.

A SYSTEMATIC WITHDRAWAL PLAN CAN HELP PROVIDE A MONTHLY INCOME AND CONTINUE TO GROW YOUR INVESTMENT

$100,000 Initial Investment (Class A with Sales Charge), **$6,000 First Year Withdrawal Amount** (6% of Initial Investment), **3% Annual Increase in Withdrawal Amount, Reinvest Dividends and Capital Gains**[21, 22]

Total funds withdrawn from a $100K initial investment

Number of remaining shares after withdrawal

Ending portfolio value

Year Ended Dec. 31	Annual Withdrawals	Value at End of Period	Year Ended Dec. 31	Annual Withdrawals	Value at End of Period	Year Ended Dec. 31	Annual Withdrawals	Value at End of Period
1985	$6,000	$106,443	**1995**	$8,063	$199,125	**2005**	$10,837	$309,813
1986	$6,180	$120,139	**1996**	$8,305	$211,006	**2006**	$11,162	$356,142
1987	$6,365	$119,601	**1997**	$8,555	$236,707	**2007**	$11,497	$363,057
1988	$6,556	$123,292	**1998**	$8,811	$229,978	**2008**	$11,842	$243,854
1989	$6,753	$131,515	**1999**	$9,076	$219,133	**2009**	$12,197	$312,367
1990	$6,956	$113,506	**2000**	$9,348	$253,053	**2010**	$12,563	$338,456
1991	$7,164	$150,342	**2001**	$9,628	$244,990	**2011**	$12,940	$335,087
1992	$7,379	$165,023	**2002**	$9,917	$232,647	**2012**	$13,328	$366,138
1993	$7,601	$191,607	**2003**	$10,215	$291,389	**2013**	$13,728	$403,047
1994	$7,829	$172,135	**2004**	$10,521	$315,220	**2014**	$14,139	$404,798

An investor participating in a systematic withdrawal plan should review, every year, the results being obtained and the value of remaining shares. Based on this annual review, the individual can increase or decrease the amount of the monthly withdrawals if that seems appropriate. The results of such a program vary substantially depending on the fund's investment performance during the period the program is in effect. The rate or amount chosen for withdrawal determines the value remaining at the end of the period. In a period of declining market values, continued withdrawals could eventually exhaust the principal.

The hypothetical scenario includes the 4.25% sales charge applicable to the initial fund investment. If taxes were taken into account, the hypothetical values shown would have been lower. Breakpoints may apply; please see prospectus for details.

An investor should not begin a systematic withdrawal program until at least six months following the initial investment, which most likely has not yet appreciated sufficiently to offset the sales charge incurred.

21. It is important to note that the amounts withdrawn do not represent dividends or income, but rather the proceeds from the sale of shares. Sufficient shares are sold from the shareholder's account at the time of each withdrawal to provide for such payments.

22. Source: Morningstar via Advanced Hypo Tool, 12/31/14. All calculations include reinvestment of dividends and capital gains at net asset value. Assumes up to a 4.25% sales charge. Breakpoints may apply; please see prospectus for details. See page 10 of this brochure for the fund's standardized performance figures. **Past performance does not guarantee future results.**

Franklin Templeton Investments

Gain From Our Perspective®

At Franklin Templeton Investments, we're dedicated to one goal: delivering exceptional asset management for our clients. By bringing together multiple, world-class investment teams in a single firm, we're able to offer specialized expertise across styles and asset classes, all supported by the strength and resources of one of the world's largest asset managers. This has helped us to become a trusted partner to individual and institutional investors across the globe.

Focus on Investment Excellence

At the core of our firm, you'll find multiple independent investment teams—each with a focused area of expertise—from traditional to alternative strategies and multi-asset solutions. And because our portfolio groups operate autonomously, their strategies can be combined to deliver true style and asset class diversification.

All of our investment teams share a common commitment to excellence grounded in rigorous, fundamental research and robust, disciplined risk management. Decade after decade, our consistent, research-driven processes have helped Franklin Templeton earn an impressive record of strong, long-term results.

Global Perspective Shaped by Local Expertise

In today's complex and interconnected world, smart investing demands a global perspective. Franklin Templeton pioneered international investing over 60 years ago, and our expertise in emerging markets spans more than a quarter of a century. Today, our investment professionals are on the ground across the globe, spotting investment ideas and potential risks firsthand. These locally based teams bring in-depth understanding of local companies, economies and cultural nuances, and share their best thinking across our global research network.

Strength and Experience

Franklin Templeton is a global leader in asset management serving clients in over 150 countries.* We run our business with the same prudence we apply to asset management, staying focused on delivering relevant investment solutions, strong long-term results and reliable, personal service. This approach, focused on putting clients first, has helped us to become one of the most trusted names in financial services.

* As of 12/31/14. Clients are represented by the total number of shareholder accounts.

FRANKLIN TEMPLETON INVESTMENTS

Franklin Templeton Distributors, Inc.
One Franklin Parkway
San Mateo, CA 94403-1906
(800) DIAL BEN® / 342-5236
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Franklin Templeton Investments
Your Source for:

- Mutual Funds
- Retirement
- 529 College Savings Plans
- Separately Managed Accounts

Franklin Income Fund Symbols:

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

This brochure must be preceded or accompanied by a Franklin Income Fund summary prospectus and/or prospectus. Please read a prospectus carefully before you invest or send money. Investors should carefully consider a fund's investment goals, risks, charges and expenses before investing. The fund's performance will be updated each quarter with standardized figures and ranking information, if quoted.

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