

Fund Fact Sheet | Share Classes: A, C
Fund Description

The fund's investment goal is to maximize total return. The Fund emphasizes investing in securities with the potential to provide high current income and long-term capital appreciation, consistent with reasonable risk. The Fund normally invests at least 80% of its net assets in equity securities, with a focus on financially strong "blue chip" companies, as well as securities convertible into common stocks, and may also invest up to 20% of its net assets in debt securities.

Fund Overview

Total Net Assets [All Share Classes] \$2,299 million

Fund Inception Date 3/15/1988

Dividend Frequency Quarterly

Number of Issuers 76

Share Class Information

Share Class	CUSIP	NASDAQ Symbol
Advisor	353 612 633	FEIFX
A	353 612 401	FISEX
C	353 612 807	FRETX
R	353 612 740	FREIX
R6	353 612 567	FEIQX

Fund Management

	Years with Firm	Years of Experience
Matt Quinlan	13	24
Alan Muschott, CFA	20	20
Todd Brighton, CFA	18	18

Maximum Sales Charge

Class A: 5.50% initial sales charge

Class C: 1.00% contingent deferred sales charge (CDSC) in the first year only

Total Annual Operating Expenses

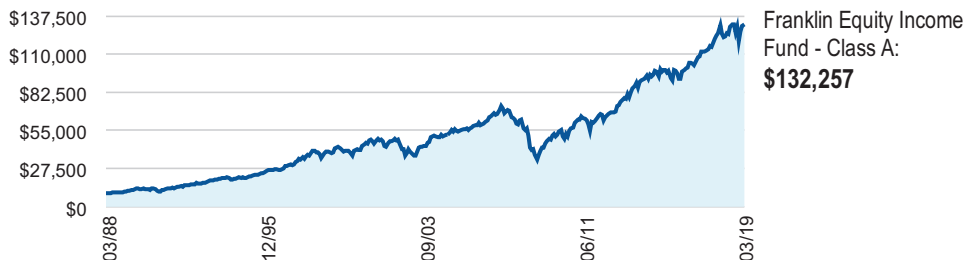
Share Class	With Waiver	Without Waiver
A	0.84%	0.85%
C	1.59%	1.60%

30-Day Standardized Yield

Share Class	With Waiver	Without Waiver
A	1.72%	1.71%
C	1.04%	1.04%

Asset Allocation (%)

Equity	86.69
Convertibles	12.33
Cash & Cash Equivalents	0.98

Performance
Growth of a \$10,000 Investment - Without Sales Charge (from 03/15/1988-03/31/2019)

Total Returns % (as of 3/31/2019)

Share Class		YTD	AVERAGE ANNUAL					Since Inception	Inception Date
			1 Yr	3 Yrs	5 Yrs	10 Yrs			
A	With Sales Charge	4.43	1.96	8.40	6.46	12.71	8.48	3/15/1988	
	Without Sales Charge	10.53	7.89	10.46	7.67	13.35	8.67	3/15/1988	
C	With Sales Charge	9.29	6.07	9.64	6.87	12.50	6.61	10/2/1995	
	Without Sales Charge	10.29	7.07	9.64	6.87	12.50	6.61	10/2/1995	

Calendar Year Total Returns % - Without Sales Charge

Share Class	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
A	-4.67	15.96	11.75	-0.90	9.12	29.28	11.85	1.47	15.86	26.42
C	-5.36	15.07	10.92	-1.61	8.26	28.40	10.97	0.70	14.99	25.49

Share Class	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
A	-35.36	-3.55	16.36	3.21	10.47	24.89	-15.11	-1.33	18.60	0.80
C	-35.84	-4.29	15.52	2.45	9.64	23.95	-15.72	-2.09	17.75	0.05

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 for the most recent month-end performance.

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

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 February 29, 2020. Fund investment results reflect the fee waiver; without this waiver, the results would have been lower.

Top Ten Holdings (% of Total)

Issuer Name	
JPMORGAN CHASE & CO	3.81
MICROSOFT CORP	3.64
BANK OF AMERICA CORP	2.89
PROCTER & GAMBLE CO	2.57
CHEVRON CORP	2.54
MERCK & CO INC	2.42
WELLS FARGO & CO	2.40
JOHNSON & JOHNSON	2.31
THE COCA-COLA CO	2.25
PEPSICO INC	2.21

Fund Measures

Standard Deviation (3 Yrs) - Class A	9.15%
Beta (3 Yrs, vs.S&P 500 Index) - Class A	0.84

Composition of Fund

■ Franklin Equity Income Fund ■ S&P 500 Index

Sector	% of Total
Financials	18.37 / 12.69
Health Care	15.63 / 14.57
Information Technology	12.50 / 21.19
Industrials	10.48 / 9.48
Energy	9.69 / 5.43
Consumer Staples	9.20 / 7.33
Communication Services	6.08 / 10.11
Consumer Discretionary	6.04 / 10.15
Utilities	5.52 / 3.33
Others	5.52 / 5.73

Morningstar Rating™—Class A

Overall Morningstar Rating™ As of March 31, 2019 the fund's Class A shares received a 4 star overall Morningstar Rating™, measuring risk-adjusted returns against 1096, 939 and 691 U.S.-domiciled Large Value 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. Stock prices fluctuate, sometimes rapidly and dramatically, due to factors affecting individual companies, particular industries or sectors, or general market conditions. Convertible securities are subject to the risks of stocks when the underlying stock price is high relative to the conversion price and debt securities when the underlying stock price is low relative to the conversion price. The fund's investment in foreign securities also involves special risks, including currency fluctuations and economic as well as political uncertainty. These and other risks are described more fully in the fund's prospectus.

Glossary

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.

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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.

Class A: Prior to 9/10/18, these shares were offered at a higher initial sales charge of 5.75%; thus actual returns would have differed. Total returns with sales charges have been restated to reflect the current maximum initial sales charge of 5.50%. Effective 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.

Dividend Frequency: Effective March 2016, Franklin Equity Income Fund will begin paying a variable (or "floating") dividend that reflects the quarterly net investment income earned by the fund. The fund will also change its dividend distribution from monthly to quarterly. The fund will pay its final monthly dividend distribution in mid-December 2015 and will pay its first quarterly dividend distribution in March 2016.

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.

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.

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

Morningstar Rating™: Source: Morningstar®, 3/31/19. 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 Class A shares received a Morningstar Rating of 4, 4 and 3 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.