Fund Fact Sheet

Franklin Balanced Fund

Fund Description

The fund seeks both income and capital appreciation by investing in a combination of stocks, convertible securities and fixed income securities.

Fund Overview

Total Net Assets [All Share Classes]	\$2,732 million
Fund Inception Date	7/3/2006
Dividend Frequency	Monthly
Number of Holdings	181

Share Class Information					
Share Class	CUSIP	NASDAQ Symbol			
A	353 612 682	FBLAX			
С	353 612 674	FBMCX			
R	353 612 666	N/A			
R6	353 612 575	N/A			
Advisor	353 612 658	FBFZX			

Fund Management

	rears with	rears or
	Firm	Experience
Edward D. Perks, CFA	22	22
Brent Loder	8	8
Blair Schmicker, CFA	7	10
Alan Muschott, CFA	16	16
Shawn Lyons, CFA	18	18

30-Day Standardized Yield

Share Class	With Waiver	Without Waiver
A	1.93%	1.93%
С	1.34%	1.33%

Maximum Sales Charge

Class A: 5.75% initial sales charge

Class C: 1.00% contingent deferred sales charge

(CDSC) in the first year only

Total Annual Operating Expenses

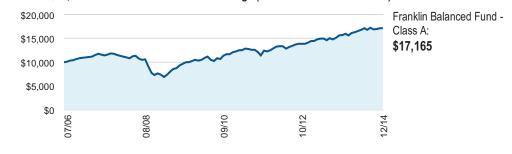
Share Class	With Waiver	Without Waiver
A	1.13%	1.14%
С	1.83%	1.84%

Asset Allocation (%)



Performance

Growth of a \$10,000 Investment - Without Sales Charge (from 07/03/2006-12/31/2014)



Total Returns % (as of 12/31/2014)

	CUMUL	.ATIVE	AVERAGE ANNUAL			IVE AVERAGE ANNUAL	
CI ₂	ove Class	YTD	4 V	2 V	F.V.	Since	Inception
OII	are Class	עוז	1 Yr	3 Yrs	5 Yrs	Inception	Date
Α	With Sales Charge	1.27	1.27	8.86	8.91	5.83	7/3/2006
	Without Sales Charge	7.47	7.47	11.02	10.21	6.57	7/3/2006
С	With Sales Charge	5.78	5.78	10.26	9.46	5.84	7/3/2006
	Without Sales Charge	6.78	6.78	10.26	9.46	5.84	7/3/2006
Ca	lendar Year Total Retur	ns % – Without Sa	ales Charge				

Calendar Year Total Returns % – Without Sales Charge								
Share Class	2014	2013	2012	2011	2010	2009	2008	2007
A	7.48	13.10	12.57	3.23	15.13	37.58	-32.82	4.15

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 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.

Top Equity, Fixed Income & Convertible Holdings (% of Total) Issuer Name (Equity) APPLE INC 1.56 TARGET CORP 1.53 PG&E CORP 1.37 **VERIZON INC** 1.29 SCHLUMBERGER LTD 1.25 Issuer Name (Fixed Income) CITIGROUP INC 0.95 **ENERGY TRANSFER PARTNERS LP** 0.90 JPMORGAN CHASE & CO 0.88 HCP INC 0.82 SABINE PASS LNG LP 0.76 Issuer Name (Convertibles) DOMINION RESOURCES INC 1.23 INTEL CORP 0.87 YAHOO! INC 0.81 LYONDELLBASELL INDUSTRIES NV 0.80 **NEXTERA ENERGY INC** 0.67

Fund Measures	
Average Weighted	9.04 Years
Maturity	
Standard Deviation	6.05
(3 Yrs)	
Beta (3 Yrs; vs. S&P	0.60
500 Index)	

Hvbrid

December 31, 2014

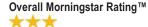
Franklin Balanced Fund December 31, 2014

Composition of Fund

- Franklin Balanced Fund
- Equity Benchmark: S&P 500 Index
 Fixed Income Benchmark: Barclays U.S. Aggregate Index

Sector—Equity	% of Equity	Sector—Fixed Income	% of Fixed Income
Information Technology	17.32 / 19.66	Corporate Bonds: Investment Grade	69.28 / 23.26
Industrials	13.70 / 10.41	Corporate Bonds: Non-Investment Grade	26.55 / 0.00
Materials	13.55 / 3.17	Sovereign Bonds: Investment Grade	2.97 / 3.23
Utilities	13.27 / 3.24	US Treasuries/Agencies	1.20 / 39.17
Consumer Discretionary	10.35 / 12.13	Securitized: MBS	0.00 / 28.84
Energy	9.11 / 8.44	Securitized: CMBS / ABS	0.00 / 2.55
Financials	7.61 / 16.65	Supranational	0.00 / 1.62
Health Care	6.45 / 14.21	Municipal	0.00 / 0.93
Consumer Staples	4.81 / 9.80	Intl Govt/Agency Bonds: Investment Grade	0.00 / 0.39
Telecommunication Services	3.82 / 2.28	Cash & Cash Equivalents	0.01 / 0.00

Morningstar Rating™—Class A



As of December 31, 2014 the fund's Class A shares received a traditional 3 star overall Morningstar RatingTM, measuring risk-adjusted returns against 740 and 652 U.S.-domiciled Moderate Allocation funds over the 3- and 5- 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.

Important Information About Portfolio Data

Asset Allocation: The figures shown reflect certain derivatives held in the portfolio (or their underlying reference assets) and may not total 100% or may be negative due to rounding, use of derivatives, unsettled trades or other factors.

Fund Measures: The figure shown for Average Weighted Maturity reflects certain derivatives held in the portfolio (or their underlying reference assets).

Composition of Fund: Fixed Income Sector portfolio weights reflect certain derivatives held in the portfolio (or their underlying reference assets) and may not total 100% or may be negative due to rounding, use of derivatives, unsettled trades or other factors.

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. As the prices of bonds in the fund adjust to a rise in interest rates, the fund's share price may decline. 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 described more fully in the prospectus.

Glossary

Average Weighted Maturity: An estimate of the number of terms of 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 risk; the larger the standard deviation, the greater the likelihood (and risk) that a fund's performance will fluctuate.

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.

Source for Index: FactSet. Indexes are unmanaged and one cannot invest directly in an index.

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

30-Day Standardized Yield: 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.

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

Class C Shares have higher annual fees and expenses than Class A Shares.

Top Equity, Fixed Income & Convertible 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.

Overall Morningstar Rating ™: Source: Morningstar® 12/31/14. For each fund with at least a three-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 after adjusting for sales loads (except for load-waived A shares), redemption fees, and the risk free rate, 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. Class A shares of Franklin Balanced Fund received a traditional Morningstar Rating of 2 and 3 star(s) for the 3- and 5-year periods, respectively. The Morningstar Rating™ may differ among share classes of a mutual fund as a result of different sales loads and/or expense structure. Past performance does not guarantee future results. ©2015 Morningstar, Inc. All rights reserved. The information contained herein is proprietary to Morningstar and/or its content providers; may not be copied or distributed; and 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.