FRANKLIN TEMPLETON INVESTMENTS

Fixed Income

Franklin Total Return Fund

A CORE FIXED-INCOME PORTFOLIO

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.

The Strategy

Franklin Total Return Fund is a multi-sector fixed-income fund focused on government, corporate and mortgage- and asset-backed debt securities. We take a research-driven, value-oriented approach to identifying bonds with the best prospects for income, while a secondary goal of the fund is to seek capital appreciation over the long term.

1 | Proactive Sector Allocation

We start by taking a broad view of the global economy and evaluating key economic metrics to formulate our economic outlook. We then consider this outlook, in combination with our fundamental analysis of each of the key fixed-income sectors, to strategically allocate the fund's assets.

2 | Focus on Attractively Valued, Fundamentally Strong Securities

We search for value across the entire fixed-income spectrum with a focus on what we believe to be fundamentally strong securities. We tap the expertise of senior portfolio managers responsible for each of the fixed-income sectors when selecting securities for the portfolio.

3 | Ongoing Risk Management

Our dedicated risk management team is focused on monitoring portfolio risk versus the fund's benchmark. We review the portfolio's weightings within the fixed-income market to determine execution strategies that seek to maximize risk-adjusted returns over time.

"Franklin Total Return Fund was created to be a core fixed income holding. The fund offers diversification across the fixed income universe with a focus on investment-grade securities, backed by an experienced and deep team of fixed income professionals."

ROGER BAYSTON, CFA[1]
Portfolio Manager

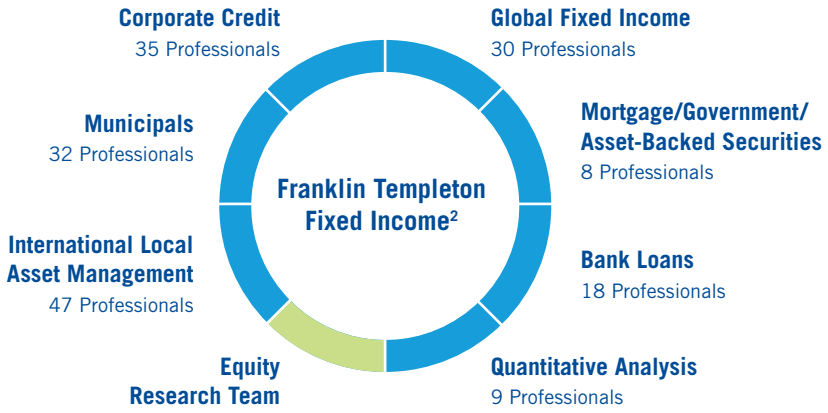
1. CFA® and Chartered Financial Analyst® are trademarks owned by CFA Institute.
2. As of 6/30/15. Professionals include portfolio managers, analysts and traders.
3. Holdings are subject to change. For the most current month-end information, call Franklin Templeton Investments at (800) DIAL BEN/342-5236 or visit franklintempleton.com.
4. Sector weightings 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.
5. Average Duration figures reflect certain derivatives held in the portfolio (or their underlying reference assets). Average Duration reflects option adjusted duration.
6. Source for Index: FactSet. Indexes are unmanaged and one cannot invest in an index.
7. © 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. **Past performance does not guarantee future results.** Fund investment results reflect the expense reduction, without which the results would have been lower.

Not FDIC Insured | May Lose Value | No Bank Guarantee

The Benefits

Deep and Experienced Fixed Income Capabilities

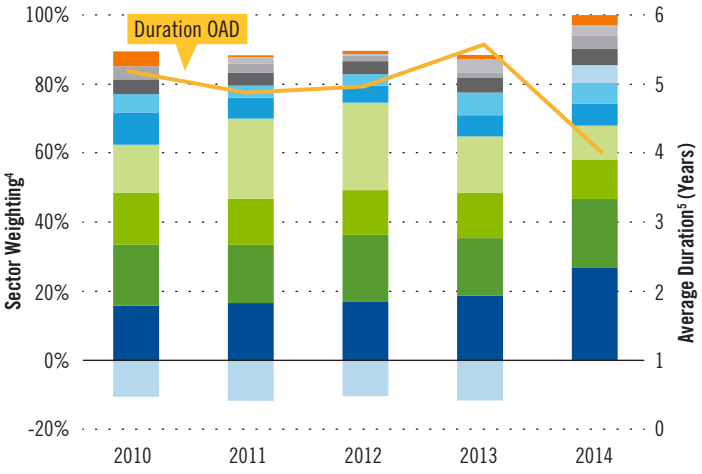
The fund's team of five portfolio managers have deep resources to tap. In addition to drawing from their own 30 years of experience on average, they have access to dedicated fixed income sector teams who conduct propriety security and market research analysis. With more than 170 fixed income investment professionals in total and $335 billion in fixed income assets under management, Franklin Templeton provides broad coverage of alpha opportunities across sectors and around the world.[2]



Diversified, Actively Managed Portfolio

Franklin Total Return Fund's flexible mandate allows fund managers to put Franklin Templeton's broad fixed income capabilities to work in the portfolio. As of December 31, 2014, the fund was far more diversified than its benchmark, yet over 80% of the fund was still invested in investment-grade securities.[3]

Historical Sector Weightings and Average Duration[3]



Sector Weighting[3]

Periods as of 12/31/2014

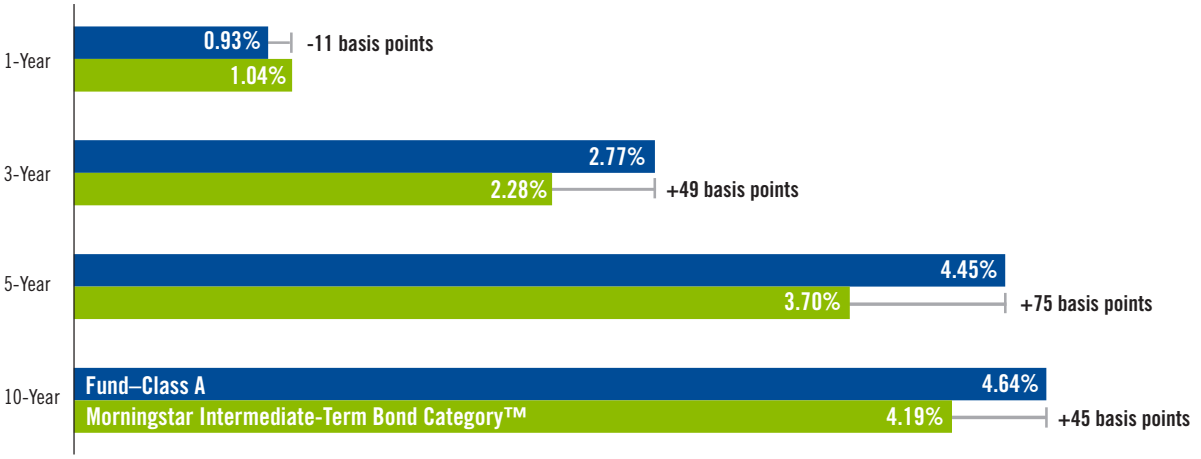
	Fund[4]	Benchmark[6]	Over/Under
Investment Grade Corporates	26.96%	23.26%	3.70%
Mortgage-Backed Securities (MBS)	19.81%	28.84%	-9.04%
International Bonds	11.43%	5.24%	6.19%
U.S. Treasuries	9.81%	35.82%	-26.01%
High Yield Corporates	6.36%	0.00%	6.36%
Commercial Mortgage-Backed Securities	5.99%	2.01%	3.98%
Cash & Cash Equivalents	5.14%	0.00%	5.14%
Floating-Rate Loans	4.68%	0.00%	4.68%
Asset-Backed Securities	3.91%	0.54%	3.37%
Municipal Bonds	3.00%	0.93%	2.07%
Other	2.91%	0.00%	2.91%
U.S. Agency	0.00%	3.35%	-3.35%

Diversification does not assure or guarantee better performance and cannot eliminate the risk of investment loss.

8. The fund has an expense reduction contractually guaranteed through at least February 29, 2016. The fund may also have a fee waiver associated with any investments it makes in a Franklin Templeton money fund, an arrangement that is contractually guaranteed through at least its current fiscal year end. Fund investment results reflect the expense reduction and fee waiver, as applicable; without these reductions, the results would have been lower.

The Results

Average Annual Total Returns Without Sales Charge[7,8] (Periods Ended 6/30/2015)



COMPETITIVE RETURNS WHEN COMPARED TO PEER GROUP

Average Annual Total Returns[8,9]

Periods Ended 6/30/2015

	1-Year	5-Year	10-Year	Since Inception	Inception Date
Advisor Class	1.23%	4.72%	4.91%	5.62%	8/3/1998
Class A (Without Sales Charge)	0.93%	4.45%	4.64%	5.35%	8/3/1998
Class A (With Sales Charge)	-3.36%	3.54%	4.19%	5.08%	
Class C (Without Sales Charge)	0.52%	4.04%	4.23%	4.75%	3/1/2002
Class C (WithSales Charge)	-0.46%	4.04%	4.23%	4.75%	

Yields and Distribution Rates[8]

Periods Ended 6/30/2015

	30-DAY STANDARDIZED YIELD[10]		
	Without Waiver	With Waiver	Distribution Rate[11]
Advisor Class	2.08%	2.13%	2.27%
Class A	1.75%	1.79%	1.95%
Class C	1.44%	1.48%	1.67%

Annual Total Returns Without Sales Charge[8]

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Advisor Class	6.21%	-0.74%	8.58%	5.76%	10.38%	15.78%	-5.23%	5.12%	5.12%	2.06%	5.53%	8.16%	8.47%	7.10%	10.80%
Class A	5.98%	-0.98%	8.33%	5.53%	10.13%	15.39%	-5.48%	4.86%	4.86%	1.80%	5.27%	7.90%	8.19%	6.75%	10.64%
Class C	5.50%	-1.36%	7.83%	5.15%	9.61%	14.95%	-5.85%	4.43%	4.55%	1.39%	4.85%	7.47%	—	—	—

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

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

Total Annual Operating Expenses:[8]

Without Waiver: *Advisor Class: 0.69%; Class A: 0.94%; Class C: 1.34%:* ***With Waiver:*** *Advisor Class: 0.64%; Class A: 0.89%; Class C: 1.29%.*

Performance data represents past performance, which does not guarantee future results. Current performance may differ from 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 the 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.

9. Advisor: 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 prospectus for more information. Class C: Prior to 1/1/04, these shares were offered with an initial sales charge; thus actual returns would have differed.

10. 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.

11. Based on the annualization of the respective class' June 2015 dividend and maximum offering price per share on 6/30/15.

Franklin Templeton Distributors, Inc.
One Franklin Parkway
San Mateo, CA 94403-1906
(800) DIAL BEN® / 342-5236
franklintempleton.com

Franklin Templeton Investments
Your Source for:

- Mutual Funds
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Franklin Total Return Fund Symbols:

Class A:	FKBAX
Class C:	FCTLX
Class R:	FTRRX
Class R6:	FRERX
Advisor:	FBDAX

WHAT ARE THE RISKS?

All investments involve risks, including possible loss of principal. Interest rate movements and mortgage prepayments will affect the fund's share price and yield. 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 risks associated with higher-yielding, lower-rated securities (commonly called junk bonds) include higher risk of default and loss of principal. Investment in foreign securities also involves special risks, including currency fluctuations, and political and economic uncertainty. Derivatives, including currency management strategies, involve costs and can create economic leverage in the portfolio which may result in significant volatility and cause the fund to participate in losses (as well as enable gains) on an amount that exceeds the fund's initial investment. The fund may not achieve the anticipated benefits, and may realize losses when a counterparty fails to perform as promised. These and other risk considerations are discussed in the fund's prospectus.

This brochure must be preceded or accompanied by a Franklin Total Return Fund summary prospectus and/or prospectus. Please carefully read a prospectus 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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