



Franklin Equity Income Fund

Hybrid
June 30, 2021

Fund Fact Sheet | Share Class: Advisor

Fund Description

The fund's investment goal is to maximize total return by emphasizing 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, and the remainder of its assets in other equity-related instruments such as convertible securities and equity-linked notes.

Fund Overview

Total Net Assets [All Share Classes] \$3,360 million

Fund Inception Date 3/15/1988

Dividend Frequency Quarterly

Number of Issuers 67

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	15	26
Alan Muschott, CFA	22	22
Todd Brighton, CFA	20	20

Maximum Sales Charge

Advisor Class: None

Total Annual Operating Expenses

Share Class	With Waiver	Without Waiver
Advisor	0.60%	0.61%

30-Day Standardized Yield

Share Class	With Waiver	Without Waiver
Advisor	1.63%	1.63%

Asset Allocation (%)

Equity	83.07
Convertibles/Equity-Linked Notes	15.88
Cash & Cash Equivalents	1.05

Performance

Growth of a \$10,000 Investment (from 03/15/1988-06/30/2021)



Total Returns % (as of 6/30/2021)

Share Class	YTD	AVERAGE ANNUAL					Since Inception	Inception Date
		1 Yr	3 Yrs	5 Yrs	10 Yrs			
Advisor	13.69	36.27	13.22	12.54	11.21	9.18	3/15/1988	

Calendar Year Total Returns %

Share Class	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Advisor	5.89	25.80	-4.46	16.26	12.03	-0.60	9.33	29.69	12.11	1.72
Share Class	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Advisor	16.14	26.79	-35.25	-3.55	16.36	3.21	10.47	24.89	-15.11	-1.33

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.

Advisor Class shares do not have sales charges or 12b-1 fees and are offered only to certain eligible investors as stated in the prospectus.

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 28, 2022. Fund investment results reflect the fee waiver; without this waiver, the results would have been lower.

Top Ten Holdings (% of Total)

Issuer Name	% of Total
JPMORGAN CHASE & CO.	4.13
MORGAN STANLEY	3.68
BANK OF AMERICA CORP	3.36
JOHNSON & JOHNSON	3.14
RAYTHEON TECHNOLOGIES CORPORATION	2.86
TARGET CORPORATION	2.79
MEDTRONIC PLC	2.78
UNITED PARCEL SERVICE, INC. CLASS B	2.64
DUKE ENERGY CORPORATION	2.61
PROCTER & GAMBLE COMPANY	2.35

Fund Measures

Standard Deviation (3 Yrs) - Advisor Class	17.12%
Beta (3 Yrs, vs. Russell 1000 Value Index) - Advisor Class	0.86

Composition of Fund

■ Franklin Equity Income Fund ■ Russell 1000® Value Index

Sector	% of Total
Financials	20.37 / 20.85
Industrials	15.68 / 12.01
Health Care	13.86 / 17.31
Consumer Discretionary	9.77 / 5.73
Information Technology	9.49 / 10.23
Consumer Staples	7.30 / 7.17
Utilities	6.72 / 4.79
Energy	5.15 / 5.14
Materials	4.81 / 3.79
Others	5.81 / 12.99
Cash & Cash Equivalents	1.05 / 0.00

Morningstar Rating™—Advisor Class

Overall Morningstar Rating™ As of June 30, 2021 the fund's Advisor Class shares received a 4 star overall Morningstar Rating™, measuring risk-adjusted returns against 1141, 1012 and 740 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. Investments in ELNs often have risks similar to their underlying securities, which could include management risk, market risk and, as applicable, foreign securities and currency risks. 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 professional, 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: FTSE. Important data provider notices and terms available at www.franklintempletondatasources.com.

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.

Advisor: Effective 5/15/08, the fund began offering Advisor Class Shares. 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.

30-Day Standardized Yield: The fund's 30-Day Standardized 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.

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®, 6/30/21. 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 Advisor Class shares received a Morningstar Rating of 4, 4 and 4 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.

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