



FRANKLIN TEMPLETON

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FOR IMMEDIATE RELEASE

Franklin Templeton Completes Acquisition of Lexington Partners, a Global Leader in Secondary Private Equity and Co-Investments

SAN MATEO, CA, April 4, 2022 – Franklin Resources, Inc. [NYSE:BEN], a global investment management organization operating as Franklin Templeton, today announced the completion of its acquisition of Lexington Partners L.P. (“Lexington”), a leading global manager of secondary private equity and co-investment funds, on April 1, 2022.

With this closing, Franklin Templeton significantly expands the breadth and scale of its alternative asset strategies with over \$200 billion in aggregate alternative assets under management. Franklin Templeton now includes specialist investment managers focused on private real estate through Clarion Partners, alternative credit through Benefit Street Partners, hedge fund strategies via K2 Advisors and secondary private equity and co-investments via Lexington. Alternative asset strategies represent a growing share of the investment management industry, as investors are allocating more capital across the full spectrum of offerings, making this a key strategic priority for the firm.

Since its founding in 1994, Lexington has established itself as a global leader in the private equity and co-investment sector. The firm has raised commitments from more than 1,000 institutional investors, deploying capital across more than 4,500 secondary, co-investment and primary interests in the United States, Europe, Latin America, and the Asia-Pacific region. A global firm with total AUM of \$57 billion as of March 31, 2022, of which approximately \$42 billion is fee-based, Lexington has eight offices strategically located in major centers for private equity and alternative investing including New York, Boston, Menlo Park, London, Hong Kong, Santiago, São Paulo and Luxembourg. Lexington’s 34 partners and principals average 16 years of alternative investment experience and more than 14 years together at Lexington.

There is no change to Lexington’s brand or Lexington’s differentiated investment strategy, which will benefit from Franklin Templeton’s global infrastructure and ongoing investment in technology and innovation.

About Franklin Templeton

Franklin Resources, Inc. [NYSE:BEN] is a global investment management organization with subsidiaries operating as Franklin Templeton and serving clients in over 155 countries. Franklin Templeton’s mission is to help clients achieve better outcomes through investment management expertise, wealth management and technology solutions. Through its specialist investment managers, the company offers boutique specialization on a global scale, bringing extensive capabilities in fixed income, equity, alternatives, and multi-asset solutions. With offices in more than 30 countries and approximately 1,300 investment professionals, the California-based company has 75 years of investment experience and approximately \$1.5 trillion in assets under management as of February 28, 2022. For more information, please visit franklinresources.com.

Forward-Looking Statements

Statements in this press release that are not historical facts are “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. When used in this press release, words or phrases generally written in the future tense and/or preceded by words such as “will,” “may,” “could,” “expect,” “believe,” “anticipate,” “intend,” “plan,” “seek,” “estimate,” “preliminary” or other similar words are forward-looking statements.

Various forward-looking statements in this press release relate to the acquisition by Franklin Resources, Inc. (“Franklin”) of Lexington Partners L.P. (“Lexington”), including regarding expected scale opportunities, operating efficiencies and results, growth, client and stockholder benefits, key assumptions, timing of closing of the transaction, revenue realization, cost and expense synergies, financial benefits or returns, accretion and integration costs.

Forward-looking statements involve a number of known and unknown risks, uncertainties and other important factors, some of which are listed below, that could cause actual results and outcomes to differ materially from any future results or outcomes expressed or implied by such forward-looking statements. Important transaction-related and other risk factors that may cause such differences include: (i) any threatened or actual loss of employees, clients or suppliers at Lexington; (ii) anticipated benefits of the transaction, including the realization of revenue, accretion, financial benefits or returns, may not be fully realized or may take longer to realize than expected; and (iii) Franklin may be unable to successfully integrate Lexington’s businesses with those of Franklin or to integrate the businesses within the anticipated timeframe.

Other important factors that may affect our business or the combined business’ future operating results, include, but are not limited to: (i) volatility and disruption of the capital and credit markets, and adverse changes in the global economy, may significantly affect our results of operations and may put pressure on our financial results; (ii) the amount and mix of assets under management (“AUM”) are subject to significant fluctuations; (iii) the significant risk of asset volatility from changes in the global financial, equity, debt and commodity markets; (iv) harm to our, or Lexington’s, reputation may negatively impact revenues and income; (v) Franklin may review and pursue other strategic transactions that could pose risks to our business operations; (vi) strong competition from numerous and sometimes larger companies with competing offerings and products could limit or reduce sales of our products, potentially resulting in a decline in their market share, revenues and income; (vii) the ability to manage and grow our business and the combined business successfully can be impeded by systems and other technological limitations; (viii) dependence on key personnel could negatively affect financial performance; (ix) the businesses are subject to extensive, complex, and frequently changing rules, regulations, policies, and legal interpretations; (x) our contractual obligations may subject us to indemnification costs and liability to third parties; (xi) any significant limitation, failure or security breach of information and cyber security infrastructure, software applications, technology or other systems that are critical to operations could disrupt the businesses and harm operations and reputation; and (xii) regulatory and governmental examinations and/or investigations, litigation and the legal risks associated with the businesses, could adversely impact AUM, increase costs and negatively impact profitability and/or our future financial results. For a detailed discussion of other risk factors, please refer to the risks, uncertainties and factors described in Franklin’s recent filings with the U.S. Securities and Exchange Commission (“SEC”), including, without limitation, Franklin’s most recent Annual Report on Form 10-K and subsequent periodic and current reports.

Any forward-looking statement made in this press release speaks only as of the date on which it is made. Factors or events that could cause actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. Franklin and Lexington undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

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