



FRANKLIN TEMPLETON INVESTMENT MANAGEMENT
LIMITED UNITED KINGDOM Bucharest Branch
Premium Point Building
78-80 Buzesti, 8th floor
Bucharest 011017
Romania

Tel: +40 (0) 21 2009 600
Fax: +40 (0) 21 2009 631

FROM: Franklin Templeton Investments
www.franklintempleton.co.uk

For more information, contact:

Bucharest: Elena Birjovanu, +40 21 200 9640, ebirjovanu@frk.com

Bucharest: GolinHarris, +40 21 301 0051, MBotez@golinharris.com

FOR IMMEDIATE RELEASE: 06 July 2011

**WARSAW LISTING RECOMMENDED IN THE BEST LONG-TERM INTEREST OF FONDUL
PROPRIETATEA SHAREHOLDERS**

TIMING WILL BE KEY AND A 2012 LISTING IS ADVISED

Bucharest, 06 July 2011 - Franklin Templeton Investment Management Limited, in its capacity of sole administrator and fund manager of Fondul Proprietatea ("the Fund"), today outlines compelling reasons to pursue a secondary listing of the Fund on the Warsaw Stock Exchange ("WSE") in the first quarter of 2012. The announcement follows a six-month study and consultation with eight leading global investment banks.

A secondary listing would be beneficial for the Fund's shareholders for the following reasons:

- The Fund will benefit from increased visibility among international institutional investors, including those specialized in investment funds which have a long-term focus (such as pension funds).
- It will encourage easy access into the Fund from a broader investor base that is not currently investing in Romania, which in turn should result in generating additional demand for the Fund's shares.
- The Fund will benefit from broader research coverage from a larger number of international brokers.

The secondary listing should be combined with an offering of up to 10% of the existing shares of the Fund.

After considering several international markets, three markets were short-listed namely: London, Warsaw, and Vienna. Upon thorough analysis and discussions with the investment banks and feedback from institutional investors, the Fund Manager recommends that a Warsaw Stock Exchange ("WSE") listing will be in the best long-term interest of the Fund's shareholders for the following reasons:

- WSE has developed into a major European venue for some of the region's largest companies, with a market record number of international firms listed in 2010 and total

value of IPOs reaching USD 99 billion. The growth in volumes and visible IPOs is expected to continue in 2011.

- With a current market capitalization of USD 2.5 billion, Fondul Proprietatea would be in the top 15 largest companies among the 417 firms listed on the main market of the WSE, thus giving it a higher visibility than the Fund could potentially have on the London Stock Exchange (“LSE”), where over 2,000 firms have similar or higher market value than Fondul Proprietatea.
- Due to the size of Fondul Proprietatea, index inclusion would be likely through a secondary listing in Warsaw. In London, the Fund is not eligible for inclusion in the FTSE indices unless it was to be re-domiciled in the UK, which would present many challenges.
- A listing on the LSE would target a similar international investor base as in Warsaw, but lack the strong Polish demand from local domestic investors. The assets managed by Polish pension funds have now exceeded USD 80 billion, and the allowance for equity purchases within their investment restrictions is to further increase.
- The cost of admission and annual fees is lower in Warsaw than London. Admission fees range from RON 15,000 to RON 107,000 in Warsaw versus up to RON 1.4 million in London. Annual fees range from RON 9,500 to RON 74,000 for the WSE, while for the LSE the fees start at RON 16,500 and go up to RON 188,000.
- The Fund will clearly benefit from the dynamic development of the Warsaw Stock Exchange, playing a more prominent role than it would on other, more established markets.
- Given the Fund’s investment objective revolves around investment in Romanian equities, the Fund would have greater relevance to investors focused on the region and such investors are now focused on Warsaw, the financial hub of Central and Eastern Europe.
- The degree of sophistication and market depth in Warsaw have seen a spectacular evolution over the last few years, as international institutional investors and specialized brokers seized the opportunities offered by the Polish market as a regional leader.
- Corporate governance and reporting standards imposed by the WSE are at the highest level following the best practices at international level.

The Fund Manager firmly believes that at this stage, the WSE offers the right conditions for Fondul Proprietatea to develop and achieve its capital appreciation goals: an important pool of investors focused on the Central and Eastern European region, including pension funds; greater visibility and improved access for international investors; lower fees and smaller overall listing costs than London.

Greg Konieczny, Fund Manager of Fondul Proprietatea commented: “Following a very thorough research process, we are recommending a secondary listing on the Warsaw Stock Exchange due to the clear advantages to Fondul Proprietatea’s shareholders such as increased international visibility and easier access for a diversified pool of long-term investors such as pension funds. We strongly believe that the proposed secondary listing should attract an additional demand for the Fund’s shares and positively impact the current high discount to the Net Asset Value per share. We hope that shareholders will support our recommendation at the GSM planned to take place in September or October 2011. “

Given these compelling reasons to pursue the secondary listing of Fondul Proprietatea on the Warsaw Stock Exchange, the Fund Manager will initiate the selection process for the investment bank to sponsor the Fund’s secondary listing that should take place in the first half of 2012. Board of Nominees’ and shareholders’ approvals will be sought in due course for the selection of the investment bank, as well as the Fund’s secondary listing on the Warsaw Stock Exchange.

In the meantime, the Fund Manager will continue to raise the Fund's profile and increase the interest among domestic and international retail and institutional investors in the long-term opportunities of the Fund's portfolio through road-shows and other investor relations events.

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Launched in December 2005, Fondul Proprietatea was established to compensate Romanians whose properties were confiscated by the former communist government. An international tender was announced in December 2008, and Franklin Templeton won the Euro 3.98 billion¹ Fondul Proprietatea mandate in July 2009 after being selected from among seven global asset managers. Franklin Templeton officially took over as investment manager and sole administrator of the Fund on 29 September 2010.

Franklin Templeton established an office in Bucharest in May 2010, with a team of 25 employees, including 6 locally based investment professionals who are further supported by the over 40 portfolio managers and analysts of the wider Templeton Emerging Markets team.

Franklin Templeton Investment Management Limited is a subsidiary of Franklin Resources, Inc. [NYSE:BEN], a [global investment management](#) organization operating as Franklin Templeton Investments. Franklin Templeton Investments provides global and domestic investment management solutions managed by its Franklin, Templeton, Mutual Series, Fiduciary Trust, Darby and Bissett investment teams. The San Mateo, CA-based company has more than 60 years of investment experience and over USD 704 billion in assets under management as of 30 April 2011. For more information, please visit www.franklintempleton.co.uk.

Franklin Templeton Investment Management Ltd.'s office in Bucharest is located at Premium Point, 8th floor, 78-80 Buzesti, District 1, Bucharest, Romania. Tel: +40.200.96.00, Fax: +40.200.96.31/32. For more information on Fondul Proprietatea, please visit <http://www.fondulproprietatea.ro>.

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¹ Source: Franklin Templeton Investments, 31 May 2011, NAV reporting based on CNVM (local regulator) standards.