



**FRANKLIN TEMPLETON
INVESTMENTS**

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: 18 August 2011

**FONDUL PROPRIETATEA CALLS EXTRAORDINARY GENERAL SHAREHOLDERS
MEETINGS AT HIDROELECTRICA AND NUCLEARELECTRICA TO REQUEST THE
APPROVAL OF LISTING ON THE BUCHAREST STOCK EXCHANGE**

Bucharest, 18 August 2011 – Fondul Proprietatea today, in its capacity as minority shareholder, announces that it has called for an Extraordinary General Shareholders Meeting at Hidroelectrica and Nuclearelectrica, respectively, in order to request the shareholders' approval for the listing of the two companies on the Bucharest Stock Exchange (BVB).

According to the latest memorandum of understanding with the International Monetary Fund, the Government through the Ministry of Economy, Commerce and Business Environment (MECMA) as the majority shareholder of Hidroelectrica and Nuclearelectrica, pledged to offer minority stakes in these two companies with a view towards generating sizable additional investment in the energy sector.

Fondul Proprietatea strongly supports IPOs of these two companies which would benefit all stakeholders involved including the companies, the Government, the Bucharest Stock Exchange, Fondul Proprietatea and its shareholders, and the Romanian economy at large.

Fondul Proprietatea anticipates that the key benefits will be:

- An increase in transparency of the listed companies and adherence to stricter corporate governance rules imposed by the Bucharest Stock Exchange.
- Accountability to all shareholders for the decisions from the respective management of these companies.
- As a result of the IPOs, the companies will have easier access to equity and debt financing needed to implement important investments for their businesses, such as the Tarnita project for Hidroelectrica or the two new nuclear reactors for Nuclearelectrica.
- The Government, through the MECMA, will keep the majority stake in these companies thus benefiting directly from the increase in their value.
- The Bucharest Stock Exchange will gain two important issuers, contributing to an increased liquidity and an enhanced profile both locally and internationally.

- Fondul Proprietatea will benefit from the value created in two important holdings in its portfolio, which will be in the long-term interest of its shareholders.
- All these improvements will have an impact on the Romanian economy, which will gain two efficient companies, producing value for their shareholders and trading transparently on the stock exchange.

“We strongly believe that Hidroelectrica and Nuclearelectrica are ready to come to the market and that this process should commence as soon as possible. The companies need more financing, more transparency and openness, better corporate governance and efficiency. We are confident that IPOs for Hidroelectrica and Nuclearelectrica can be very successful, attracting more investors to the market and enhancing the value of the portfolio of Fondul Proprietatea”, said Greg Konieczny, Fund Manager, Fondul Proprietatea.

The Extraordinary General Shareholders Meetings for Hidroelectrica and Nuclearelectrica should take place within 60 days from the requests submitted by Fondul Proprietatea.

###

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 3.77 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 734 billion in assets under management as of 30 June 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>.

###

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