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For Immediate Release

**Fondul Proprietatea Announced Legal Action against Romgaz's Decision
to Donate 400 m Lei towards the Romanian State Budget**

Romgaz Management Called Upon to Abstain from Approving Transfer of Funds;

London, 1 December 2010 – Franklin Templeton Investment Management Limited, investment manager and sole administrator of the Fondul Proprietatea (“the Fund”), today announced that the Fund will start legal action against Romgaz’s decision to donate 400 million Lei towards the Romanian state budget despite the Fund having raised grave concerns about the impacts that such a short-term measure would have on Romgaz’s profits, its shareholders, corporate governance rules and perception of foreign investors on the Romanian capital market. .

Following the November 30th General Shareholders Meeting at Romgaz, the Ministry of Economy, the main shareholder of the company with 85% of shares, voted in favor of the proposed donation of 400 million Lei to the Romanian budget. As a minority shareholder with 15% of shares, Fondul Proprietatea voted against this resolution, having expressed for several weeks now, the negative consequences of such a decision.

Dr. Mark Mobius, executive chairman Templeton Emerging Markets Group, said “We understand the need of the Government to finance its budget deficit, but such decisions should only be taken with a long-term perspective in mind. Now that the donation has been endorsed by the Minister of Economy, we can only foresee detrimental effects to Romania’s investment environment. We would add that it could even affect Romania’s ability to maintain its current credit rating.”

Dr. Mobius continued, “We believe that such arbitrary and unfair decisions on behalf of state companies will be damaging to Romgaz, to minority shareholders and also to the general business environment in Romania. The ability of the Government to impose such financial decisions on companies will send the wrong message to international investors, damaging the reputation of the Romanian financial market.”

Despite engaging with the Romanian Government and Romgaz’s management to propose an alternative solution in the form of a special dividend that would treat all shareholders in a fair and an equal manner, Fondul Proprietatea will now start legal proceeding to protect its shareholders by seeking an annulment of this donation.

Fondul Proprietatea therefore strongly recommends that the management of Romgaz abstain from approving the transfer of funds representing this donation as they personally may be liable for acting against the interests of the company and its minority shareholder.

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 3.4 billion 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. Since appointment, Franklin Templeton has commenced the payment of dividends relating to distributable profits from 2008 and 2009 to all registered shareholders as of 27 September 2010 and remains focused on listing the Fund on the Bucharest Stock Exchange in early 2011.

Franklin Templeton recently established an office in Bucharest, with a team of 23 employees, including 6 locally based investment professionals who are further supported by the 35 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 664 billion in assets under management as of 31 October 2010. For more information, please visit www.franklintempleton.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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