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For Immediate Release -

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**Algebra Capital Enters into Strategic Relationship with Franklin Templeton Investments**  
*Leading Global Asset Manager Acquires 25% Equity Stake in MENA Specialist*

Dubai, United Arab Emirates – Algebra Capital, a leading asset management firm in the Middle East/North Africa region (MENA) and Franklin Resources, Inc. (operating as Franklin Templeton Investments) (NYSE: BEN) of San Mateo, CA, USA, have announced a strategic joint venture through which Franklin Resources acquired a 25 per cent stake in Algebra Capital.

“One of Algebra Capital’s initial strategic objectives was to partner with a leading global asset management firm that will empower us to build on our collective experience and regional expertise, and support our mission of leadership in asset management in the region. Today’s announcement is a confirmation that the first step towards this goal has been achieved,” commented Ziad Makkawi, Chief Executive Officer and Founder, Algebra Capital. “We are pleased to make available to Franklin Templeton our considerable regional knowledge and expertise in both conventional and Shari’a compliant investing.”

“Going forward, we look forward to leveraging Franklin Templeton’s extensive global platform, product development expertise and established distribution network in bringing innovative investment strategies to investors in the MENA region and beyond, as well as developing our private equity business,” concluded Makkawi.

The venture will expand Franklin Templeton’s local asset management capabilities – which currently include Brazil, Canada, China, India, Japan and Korea – to the MENA region. In addition, Algebra Capital’s private equity business will complement that of Franklin Templeton’s private equity arm, Darby Overseas – a leading provider of private equity and mezzanine finance in emerging markets such as Latin America, Asia and Central & Eastern Europe – by permitting Algebra and Darby to leverage their respective areas of expertise to collaborate on private equity opportunities in the MENA region.

“One of the ways that we have built Franklin Templeton’s global business is by making strategic investments in local asset management companies and working with well-qualified investment professionals who understand both their domestic markets and the world class standards of an international firm like ours,” stated Greg Johnson, President and Chief Executive Officer of Franklin Resources, Inc. “We see tremendous opportunity to grow our business in the Gulf and the greater

Middle East/North Africa region, and Algebra's experienced team in the regional markets make it a solid strategic investment for our organization."

Franklin Templeton established its presence in the Gulf in October 2000, and currently offers a range of offshore investment funds through Franklin Templeton Investment Management Limited Dubai, which supports its distribution partners across the MENA region.

"As money flows into the private sector and employment opportunities are expanded, the MENA region's emerging middle class is developing an increasing need for and interest in investment products," said Harshendu Bindal, CFA, Franklin Templeton's UAE-based Senior Director for the Central and Eastern Europe, Middle East and Africa regions. "By working with Algebra Capital, we will be able to expand the offerings we are bringing to MENA region investors, to include locally managed funds."

With the regional asset management industry poised to continue growing rapidly, Algebra Capital estimates that the size of professionally managed funds will triple over the next five years to over USD 200 billion. "Algebra Capital intends to assume a leadership position in this space, and this strategic relationship with Franklin Templeton strengthens our ability to deliver on that promise," concluded Ziad Makkawi. "The combined expertise of Franklin Templeton and Algebra will establish international standards in the MENA region to drive the influx of international capital, further positioning Algebra Capital as the preferred partner of choice for international institutional investors."

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**About Algebra Capital:**

Algebra Capital is the specialist emerging markets asset management firm that provides investment services tailored to institutional investors and high net worth individuals. The firm manages assets in private and public markets across all classes and services including fund solutions, discretionary mandates and structured products. Algebra Capital places a premium on attracting international capital flows to its target markets, namely the Middle East/North Africa (MENA). Operating out of the Dubai International Financial Center (DIFC) in the United Arab Emirates, Algebra Capital is regulated as a financial services provider by the Dubai Financial Services Authority (DFSA).

**About Franklin Resources:**

Franklin Resources, Inc. [NYSE:BEN], is 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 and Fiduciary Trust investment teams. The San Mateo, CA-based company has 60 years of investment experience and over US\$621 billion in assets under management as of July 31, 2007. For more information, please visit [franklintempleton.com](http://franklintempleton.com).

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