



25 October 2011

Dear Investor

**Franklin Templeton Emerging Markets Debt Opportunities Fund Plc (FTEMDOF)  
UK Reportable Income for the Financial Year to 30 April 2011**

This letter provides important information for investors who are chargeable to tax in the UK. UK tax rules for offshore investment funds have recently changed, benefiting UK investors by providing more certainty.

**Financial year 30 April 2010 – UK Distributor Status**

For financial years up to 30 April 2010 FTEMDOF qualified for UK Distributor Status. UK taxpaying investors were subject to UK income tax on dividends received and redemptions of shares in the fund were subject to UK capital gains tax rules.

**Financial year 30 April 2011 – UK Reporting Funds Status**

FTEMDOF has been granted UK Reporting Fund status with effect from the financial year to 30 April 2011. UK tax paying investors will be subject to UK income tax on dividends received from FTEMDOF and on any “UK Reportable Income” that is not distributed. “UK Reportable Income” is the total net income earned by the fund calculated under UK generally accepted accounting practice. The excess reportable income and the distributions per share are stated in the table below in the Fund currency of US Dollars.

| Share Class Name           | Date     | Class A (dis) USD | Class B (dis) CHF | Class C (dis) GBP | Class D (dis) EUR |
|----------------------------|----------|-------------------|-------------------|-------------------|-------------------|
| Fund currency              |          | USD               | USD               | USD               | USD               |
| Distribution               | 30/11/10 | \$ 0.5544         | \$ 0.5766         | \$ 0.4946         | \$ 0.5002         |
| Distribution               | 31/05/11 | \$ 0.5344         | \$ 0.5933         | \$ 0.4937         | \$ 0.5176         |
| Excess reportable income   | 25/10/11 | \$ 0.2421         | \$ 0.3290         | \$ 0.1615         | \$ 0.1828         |
| Total Distributable Income |          | \$ 1.3309         | \$ 1.4989         | \$ 1.1498         | \$ 1.2006         |

FTEMDOF remains a UK Reporting Fund as of today's date.

**Franklin Templeton Emerging Market Debt Opportunities Fund PLC**

*Registered in Dublin No. 243415. Regulated by the Central Bank of Ireland  
Directors: Robert Burke (Irish), John Walley (Irish), Burton J Greenwald (US), David E Smart (UK)*



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**UK Tax Treatment of Distributions and Excess Reportable Income**

FTEMDOF is classified as a bond fund for UK tax purposes. The excess reportable income and distributions are interest distributions and do not qualify for a tax credit.

If you are uncertain of your UK tax position we recommend that you seek professional advice.

Yours faithfully

David Smart  
Director  
Franklin Templeton Emerging Markets Debt Opportunities Fund Plc

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