

SECURITIES AND EXCHANGE COMMISSION

FORM DEF 14A

Definitive proxy statements

Filing Date: **1995-06-13** | Period of Report: **1995-07-26**  
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FILER

**TEMPLETON EMERGING MARKETS APPRECIATION FUND  
INC**

CIK: **919166** | State of Incorporation: **FL** | Fiscal Year End: **1231**  
Type: **DEF 14A** | Act: **34** | File No.: **811-08362** | Film No.: **95546787**

Mailing Address

500 EAST BROWARD BLVD  
STE 2100  
500 EAST BROWARD BLVD  
STE 2100  
FORT LAUDERDALE FL  
33394-3091

Business Address

BROWARD FINANCIAL  
CENTRE  
500 EAST BROWARD BLVD  
STE 2100  
FORT LAUDERDALE FL  
33394-3091  
3055277500

SCHEDULE 14A  
(Rule 14a-101)  
INFORMATION REQUIRED IN PROXY STATEMENT  
SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934

Filed by the registrant  X  
Filed by a party other than the registrant  
Check the appropriate box:

- Preliminary proxy statement
- X Definitive proxy statement
- Definitive additional materials
- Soliciting material pursuant to Rule 14a-11(c)  
or Rule 14a-12

Templeton Emerging Markets Appreciation Fund, Inc.

(Name of Registrant as Specified in Its Charter)

Templeton Emerging Markets Appreciation Fund, Inc.

(Name of Person(s) Filing Proxy Statement)

Payment of filing fee (Check the appropriate box):

- X \$125 per Exchange Act Rule 0-11(c)(1)(ii),  
14a-6(i)(1), or 14a-6(j)(2)
- \$500 per each party to the controversy pursuant  
to Exchange Act Rule 14a-6(i)(3).

Fee computed on table below per Exchange Act  
Rules 14a-6(i)(4) and 0-11.

- (1) Title of each class of securities to which  
transaction applies:
- (2) Aggregate number of securities to which  
transaction applies:
- (3) Per unit price or other underlying value of  
transaction computed pursuant to Exchange Act  
Rule 0-11:
- (4) Proposed maximum aggregate value of transaction:

Check box if any part of the fee is offset as provided by  
Exchange Act Rule 0-11(a)(2) and identifying the filing for  
which the offsetting fee was paid previously. Identify the  
previous filing by registration statement number, or the form  
or schedule and the date of its filing.

- (1) Amount previously paid:
- (2) Form, schedule or registration statement no.:
- (3) Filing party:
- (4) Date filed:

TEMPLETON EMERGING MARKETS APPRECIATION FUND, INC.  
700 Central Avenue, St. Petersburg, Florida 33701-3628

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

JULY 26, 1995

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders of Templeton Emerging Markets Appreciation Fund, Inc. (the "Fund") will be held at the Fund's offices, 700 Central Avenue, St. Petersburg, Florida 33701-3628 on Wednesday, July 26, 1995 at 10:00 A.M. (Eastern Daylight Time) for the following purposes:

- I. To elect a Board of Directors of the Fund to hold office for the terms specified and until their successors are elected and qualified.
- II. To ratify or reject the selection of McGladrey & Pullen, LLP as independent public accountants of the Fund for the fiscal year ending March 31, 1996.
- III. To transact such other business as may properly come before the Annual Meeting.

Every Shareholder of record as of the close of business on June 7, 1995 will be entitled to vote.

By Order of the Board of Directors,

Thomas M. Mistele, Secretary

June 10, 1995

MANY SHAREHOLDERS HOLD SHARES IN MORE THAN ONE TEMPLETON FUND AND WILL HAVE RECEIVED PROXY MATERIAL FOR EACH FUND OWNED. PLEASE SIGN AND PROMPTLY RETURN EACH PROXY CARD IN THE SELF-ADDRESSED ENVELOPE THAT YOU RECEIVE REGARDLESS OF THE NUMBER OF SHARES YOU OWN.

TEMPLETON EMERGING MARKETS APPRECIATION FUND, INC.  
700 Central Avenue, St. Petersburg, Florida 33701-3628

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PROXY STATEMENT

SOLICITATION AND REVOCATION OF PROXIES

This Proxy Statement and Notice of Annual Meeting with accompanying form of proxy are being mailed to Shareholders of Templeton Emerging Markets Appreciation Fund, Inc. (the "Fund") on or about June 10, 1995. THEY ARE BEING FURNISHED IN CONNECTION WITH THE SOLICITATION OF PROXIES BY THE DIRECTORS OF THE FUND FOR USE AT THE ANNUAL MEETING OF SHAREHOLDERS ON JULY 26, 1995, OR ANY ADJOURNMENT THEREOF. The Annual Report to Shareholders for the fiscal year ended March 31, 1995, including audited financial statements, accompanies this Proxy Statement. Additional copies will be provided without charge upon request. Such requests should be addressed to Franklin Templeton Investor Services, Inc., P.O. Box 33030, St. Petersburg, FL 33733-8030, or telephone (800) 292-9293.

Proxies given by Shareholders for use at the Annual Meeting may be revoked at any time prior to their use. In addition to revocation in any other manner permitted by law, Shareholders giving a proxy may revoke the proxy by an instrument in writing executed by the Shareholder or by his attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal, by an officer or attorney thereof duly authorized, and deposited either at the office of the Fund at any time up to and including the last business day preceding the day of the Annual Meeting, or any adjournment thereof, or with the chairman of such Annual Meeting on the day of the Annual Meeting or adjournment thereof.

The cost of soliciting proxies in the accompanying form, including the fees of a proxy soliciting agent, will be borne by the Fund. In addition to solicitation by mail, proxies may be solicited by Directors, officers and regular employees and agents of the Fund without compensation therefor. The Fund will reimburse brokerage firms and others for their expenses in forwarding proxy material to the beneficial owners and soliciting them to execute the proxies.

As of March 31, 1995, there were 4,233,248 Fund Shares outstanding. Each Share of record as of the close of business on June 7, 1995 will be entitled to one vote on all matters presented at the Annual Meeting.

From time to time, the number of shares held in "street name" accounts of various securities dealers for the benefit of their clients may exceed 5% of the total shares outstanding. To the Fund's knowledge, there are no other entities holding beneficially or of record more than 5% of the Fund's outstanding shares.

As of March 31, 1995, the Fund had net assets of \$51,022,030.

Shareholder proposals to be presented at the annual meeting in July, 1996 must be received at the Fund's office, 700 Central Avenue, St. Petersburg, Florida 33701-3628, no later than February 28, 1996.

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#### GENERAL INFORMATION

The Investment Manager of the Fund is Templeton Investment Management (Hong Kong) Limited ("Templeton (Hong Kong)" or the "Investment Manager"), a Hong Kong company with offices located at Two Exchange Square, Hong Kong. Pursuant to an Investment Management Agreement dated April 29, 1994, the Investment Manager manages the investment and reinvestment of Fund resources. The Investment Manager has entered into a sub-advisory agreement with Templeton Investment Counsel, Inc. ("TICI"), 500 E. Broward Blvd., Suite 1400, Ft. Lauderdale, FL 33394, pursuant to which TICI, acting through its Templeton Global Bond Managers division, has been delegated the responsibility for managing the debt component of the Fund's portfolio. The Investment Manager and TICI are indirect wholly-owned subsidiaries of Franklin Resources, Inc. ("Franklin"), a publicly owned holding company, the principal shareholders of which are Charles B. Johnson and Rupert H. Johnson, Jr., who own approximately 20% and 16%, respectively, of Franklin's outstanding shares. Franklin is primarily engaged, through various subsidiaries, in providing investment management, share distribution, transfer agent and administrative services to a family of investment companies.

Templeton Global Investors, Inc. (the "Business Manager"), Broward Financial Center, Suite 2100, Ft. Lauderdale, Florida 33394-3091, an indirect wholly-owned subsidiary of Franklin, performs certain administrative functions for the Fund pursuant to a Business Management Agreement. In addition, the Business Manager and the Fund have entered into a Sub-Administration Agreement with Princeton Administrators, L.P. (the "Sub-Administrator"), pursuant to which the Sub-Administrator performs, subject to the Business Manager's supervision, various administrative functions for the Fund. The Sub-Administrator is an affiliate of Merrill Lynch, Pierce, Fenner & Smith Incorporated, an initial underwriter of the Fund's Shares, and its address is P.O. Box 9011, Princeton, N.J. 08543. The Fund also has a Shareholder Servicing Agreement with PaineWebber Incorporated (the "Shareholder Servicing Agent"), an affiliate of an initial underwriter of

the Fund's shares, pursuant to which the Shareholder Servicing Agent provides services to the Fund. Such services include providing statistical information and analysis, ongoing efforts to publicize the Fund's Shares and making information available to investors.

#### I. ELECTION OF DIRECTORS

The Board of Directors of the Fund is divided into three classes, each class having a term of three years. Each year the term of office of one class will expire. Hasso-G von Diergardt-Naglo, Harris J. Ashton, S. Joseph Fortunato and Nicholas F. Brady have been nominated for three-year terms to expire at the 1998 Annual Meeting of Shareholders; Andrew H. Hines, Jr., Martin L. Flanagan, F. Bruce Clarke and Charles B. Johnson have been nominated for two-year terms to expire at the 1997 Annual Meeting of Shareholders; and Rupert H. Johnson, Jr., John Wm. Galbraith, Betty P. Krahmer, Fred R. Millsaps and Gordon S. Macklin have been nominated for one-year terms to expire at the 1996 Annual Meeting of Shareholders; and such terms to continue until their respective successors are duly elected and qualified. The nominees have indicated an intention to serve if elected and have consented to be named in this Proxy Statement. If any of the

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nominees should not be available, the persons named in the proxy will vote in their discretion for another person or other persons who may be nominated as Directors.

The persons named in the accompanying form of proxy intend to vote at the Annual Meeting (unless directed not to vote) for the election of the nominees named below. All of the nominees are currently members of the Board of Directors of the Fund. In addition, all of the nominees are also directors or trustees of other Templeton Funds for which the Investment Manager and/or its affiliates act as investment manager.

The following table provides information concerning each nominee for election as a Director:

<TABLE>  
<CAPTION>

NAME, ADDRESS AND OFFICES WITH THE FUND	PRINCIPAL OCCUPATION DURING PAST FIVE YEARS AND AGE	DIRECTOR SINCE	SHARES OWNED BENEFICIALLY AND % OF TOTAL OUTSTANDING ON MAY 15, 1995
NOMINEES TO SERVE UNTIL 1998 ANNUAL MEETING OF SHAREHOLDERS:			
<S>	<C>	<C>	<C>
HARRIS J. ASHTON Metro Center, 1 Station Place Stamford, Connecticut Director	Chairman of the Board, president, and chief executive officer of General Host Corporation (nursery and craft centers); director of RBC Holdings Inc. (a bank holding company) and Bar-S Foods. Age 62.	1994	-0-
NICHOLAS F. BRADY* 102 East Dover Street Easton, Maryland Director	A director or trustee of other Templeton Funds; Chairman, Templeton Emerging Markets Investment Trust PLC; Chairman, Templeton Latin American Investment Trust PLC; Chairman and president of Darby Overseas Investments, Ltd. (an investment firm), (1994-present); director of the H. J. Heinz Company, Amerada Hess Corporation, Capital Cities/ABC, Inc. and the Christiana Companies; Secretary of the United States Department of the Treasury (1988-January 1993);	1994	-0-

chairman of the board of Dillon,  
Read & Co. Inc. (investment  
banking) prior thereto. Age 65.

S. JOSEPH FORTUNATO 200 Campus Drive Florham Park, New Jersey Director </TABLE>	Member of the law firm of Pitney, Hardin, Kipp & Szuch; director of General Host Corporation (nursery and craft centers). Age 62.	1994	-0-
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<TABLE>  
<CAPTION>

NAME, ADDRESS AND OFFICES WITH THE FUND	PRINCIPAL OCCUPATION DURING PAST FIVE YEARS AND AGE	DIRECTOR SINCE	SHARES OWNED BENEFICIALLY AND % OF TOTAL OUTSTANDING ON MAY 15, 1995
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<S>	<C>	<C>	<C>
HASSO-G VON DIERGARDT-NAGLO R.R. 3 Stouffville, Ontario Director	Farmer; president of Clairhaven Investments, Ltd. and other private investment companies. Age 78.	1994	-0-
NOMINEES TO SERVE UNTIL 1997 ANNUAL MEETING OF SHAREHOLDERS:			
F. BRUCE CLARKE 19 Vista View Blvd. Thornhill, Ontario Director	Retired; former credit adviser, National Bank of Canada, Toronto. Age 85.	1994	-0-
MARTIN L. FLANAGAN* 777 Mariners Island Blvd. San Mateo, California Director and Vice President	Senior vice president, treasurer and chief financial officer of Franklin Resources, Inc.; director and executive vice president of Templeton Investment Counsel, Inc. and director, president and chief executive officer of Templeton Global Investors, Inc.; director or trustee and president or vice president of the Templeton Funds; accountant, Arthur Andersen & Company (1982-1983); member of the International Society of Financial Analysts and the American Institute of Certified Public Accountants. Age 34.	1994	-0-
ANDREW H. HINES, JR. 150 2nd Avenue N. St. Petersburg, Florida Director	Consultant, Triangle Consulting Group; chairman of the board and chief executive officer of Florida Progress Corporation (1982-February 1990) and director of various of its subsidiaries; chairman and director of Precise Power Corporation; Executive-In-Residence of Eckerd College (1991-present); director of Checkers Drive-In Restaurants, Inc. Age 72.	1994	1000 (**)

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<TABLE>  
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NAME, ADDRESS AND OFFICES WITH THE FUND	PRINCIPAL OCCUPATION DURING PAST FIVE YEARS AND AGE	DIRECTOR SINCE	SHARES OWNED BENEFICIALLY AND % OF TOTAL OUTSTANDING ON MAY 15, 1995
<S> CHARLES B. JOHNSON* 777 Mariners Island Blvd. San Mateo, CA Chairman of the Board and Vice President	<C> President, chief executive officer, and director, Franklin Resources, Inc.; chairman of the board and director of Franklin Templeton Distributors, Inc. and Franklin Advisers, Inc.; director, Franklin Administrative Services, Inc., Franklin/Templeton Investor Services, Inc., General Host Corporation (nursery and craft centers) and Templeton Global Investors, Inc.; and director, officer and/trustee of other Templeton Funds; and officer and director, trustee or managing partner, as the case may be, of most other subsidiaries of Franklin and of most of the investment companies in the Franklin Group of Funds. Age 62.	<C> 1995	<C> -0-

NOMINEES TO SERVE UNTIL 1996 ANNUAL MEETING OF SHAREHOLDERS:

JOHN Wm. GALBRAITH 360 Central Avenue St. Petersburg, FL Director	President, Galbraith Properties, Inc. (personal investment company); Director, Gulfwest Banks, Inc. (bank holding company) (1995-present) and Mercantile Bank, St. Petersburg, FL (1991-present); Chairman, Florida International Museum, Inc. (1992-present); Trustee, Eckerd College (1983-present); Vice Chairman, Templeton, Galbraith & Hansberger, Ltd. (1986-1992); Chairman, Templeton Funds Management, Inc. (1974-1991); Director/Trustee, various Templeton Funds (1978-1992). Age 73.	1995	-0-
BETTY P. KRAHMER 2201 Kentmere Parkway Wilmington, Delaware Director	Director or trustee of various civic associations; former economic analyst, U.S. Government. Age 65.	1994	1,000(**)

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<TABLE>  
<CAPTION>

NAME, ADDRESS AND OFFICES WITH THE FUND	PRINCIPAL OCCUPATION DURING PAST FIVE YEARS AND AGE	DIRECTOR SINCE	SHARES OWNED BENEFICIALLY AND % OF TOTAL OUTSTANDING ON MAY 15, 1995
<S> GORDON S. MACKLIN	<C> Chairman of White River Corporation	<C> 1994	<C> -0-

8212 Burning Tree Road  
Bethesda, Maryland  
Director

(information services); director of Fund America Enterprises Holdings, Inc., Lockheed Martin Corporation, MCI Communications Corporation, Fusion Systems Corporation and Medimmune, Inc.; formerly, chairman of Hambrecht and Quist Group; director of H&Q Healthcare Investors; president of the National Association of Securities Dealers, Inc. Age 67.

RUPERT H. JOHNSON, JR.\*  
777 Mariners Island Blvd.  
San Mateo, CA  
Director

Executive Vice President and Director, Franklin Resources, Inc. and Franklin Templeton Distributors, Inc.; President and Director, Franklin Advisers, Inc.; Director, Franklin Templeton Investor Services, Inc.; and officer and/or director, trustee or managing general partner, as the case may be, of most other subsidiaries of Franklin Resources, Inc. and of 43 of the investment companies in the Franklin Templeton Group of Funds. Age 54

1994

-0-

FRED R. MILLSAPS  
2665 NE 37th Drive  
Fort Lauderdale, Florida  
Director

Manager of personal investments (1978-present); chairman and chief executive officer of Landmark Banking Corporation (1969-1978); financial vice president of Florida Power and Light (1965-1969); vice president of Federal Reserve Bank of Atlanta (1958-1965); director of various other business and nonprofit organizations. Age 66.

1994

-0-

</TABLE>

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\*Messrs. Charles B. Johnson, Rupert H. Johnson, Jr., Flanagan and Brady are "interested persons" of the Fund as that term is defined in the Investment Company Act of 1940 (the "1940 Act"). Mr. Brady and Franklin Resources, Inc. are limited partners of Darby Overseas Partners, L.P. ("Darby Overseas"). Mr. Brady established Darby Overseas in February, 1994, and is Chairman and a shareholder of the corporate general partner of Darby Overseas. In addition, Darby Overseas and Templeton, Galbraith & Hansberger, Ltd. are limited partners of Darby Emerging Markets Fund, L.P. Mrs. Krahmer and Messrs. Clarke, von Diergardt-Naglo, Hines, Millsaps, Galbraith, Ashton, Macklin and Fortunato are not "interested persons" of the Fund.

\*\*Less than 0.01%.

#### REMUNERATION OF DIRECTORS AND OFFICERS

Each fund in the Templeton Family of Funds pays its independent directors/trustees and Mr. Brady an annual retainer and/or fees for attendance at board and committee meetings, the amount of which is based on the level of assets in the fund. Accordingly, the Fund pays the Independent Directors and Mr. Brady an annual retainer of \$100 and no additional fees for attending meetings of the Board. Committee members receive an additional annual fee of \$2,000, pro rated among the funds on whose committees they serve. Directors are reimbursed for any expenses incurred in attending meetings, paid pro rata by each Franklin



Templeton Fund in which they serve. The direct aggregate and total remuneration (including reimbursements of such expenses) paid to all Directors as a group for the fiscal period ended March 31, 1995, under the Director compensation arrangement then in effect, was \$73,660. Templeton (Hong Kong) and its affiliates pay the salaries and expenses of the Fund's officers. No pension or retirement benefits are accrued as part of Fund expenses.

The following table shows the total compensation paid to the Directors by the Fund and by all investment companies in the Franklin Templeton Group for the fiscal year ended March 31, 1995:

<TABLE>  
<CAPTION>

NAME OF DIRECTOR	AGGREGATE COMPENSATION FROM THE FUND	NUMBER OF FRANKLIN TEMPLETON FUND BOARDS ON WHICH DIRECTOR SERVES	TOTAL COMPENSATION FROM ALL FUNDS IN FRANKLIN TEMPLETON GROUP
<S>	<C>	<C>	<C>
Harris J. Ashton.....	\$7,200	54	\$ 324,800
E. Bruce Clarke.....	7,200	23	90,550
Andrew H. Hines, Jr....	7,200	23	104,250
Hasso-G Von Diergardt-Naglo.....	7,200	19	78,550
Betty P. Krahmer.....	7,200	23	78,550
Fred R. Millsaps.....	7,200	23	104,250
S. Joseph Fortunato....	7,200	56	340,940
Gordon S. Macklin.....	7,200	51	311,920
John Wm. Galbraith.....	0	22	0
Nicholas F. Brady.....	7,200	23	92,250

</TABLE>

Certain officers of the Fund are shareholders of Franklin Resources, Inc. and may be deemed to receive indirect remuneration by virtue of their participation in the management fees and other fees received by Templeton (Hong Kong) and its affiliates from the Templeton Funds.

Mr. Charles B. Johnson and Mr. Rupert H. Johnson, Jr. are brothers.

Under the securities laws of the United States, the Fund's Directors, its officers, and any persons holding more than ten percent of the Fund's common stock, as well as affiliated persons of the Investment Manager, are required to report their ownership of the Fund's common stock and any changes in that ownership to the Securities and Exchange Commission and the New York Stock Exchange. Specific due dates for these reports have been established and the Fund is required to report in this Proxy Statement any failure to file by these dates during the fiscal period ended March 31, 1995. All of these filing requirements were satisfied except the Initial Statements of Beneficial Ownership of Securities filed on behalf of the Investment Manager and certain of its affiliates, which were inadvertently filed late. In making these statements, the Fund has relied on the written

representations of the persons affected and copies of the reports that they have filed with the Commission.

The Fund has a standing Audit Committee presently consisting of Messrs. Clarke, Millsaps and Hines all of whom are members of the Board of Directors and noninterested persons of the Fund. The Audit Committee reviews both the audit and nonaudit work of the Fund's independent public accountants, submits a recommendation to the Board of Directors as to the selection of independent public accountants, and reviews generally the maintenance of the Fund's records and the safekeeping arrangements of the Fund's custodians. The Board has established a Nominating and Compensation Committee consisting of Messrs. Macklin and Hines. The Nominating and Compensation Committee is responsible for the selection, nomination for appointment and election of candidates to serve as Independent Directors of the Fund. The Nominating and Compensation Committee is prepared to review nominations from Shareholders to fill vacancies on the Board

in written communications addressed to the Committee at the Fund's headquarters, although the Committee expects to be able to identify from its own resources an ample number of qualified candidates.

During the fiscal period ended March 31, 1995, there were four meetings of the Board of Directors and one meeting of the Nominating and Compensation Committee. Each of the Directors then in office attended at least 75% of the total number of meetings of the Board of Directors held throughout the year. There was 100% attendance at the meeting of the Nominating and Compensation Committee.

As of May 15, 1995, the Directors and officers of the Fund as a group owned 2,000 shares or less than 1% of the Fund's outstanding shares.

EXECUTIVE OFFICERS OF THE FUND

Officers of the Fund are appointed by the Directors and serve at the pleasure of the Board. The executive officers are:

NAME, ADDRESS AND OFFICES WITH FUND	PRINCIPAL OCCUPATION DURING THE PAST FIVE YEARS AND AGE
J. MARK MOBIUS..... Two Exchange Square Hong Kong President since 1994	Portfolio manager for various Templeton advisory affiliates; managing director of Templeton Investment Management (Hong Kong) Limited; president of International Investment Trust Company Limited (investment manager of Taiwan R.O.C. Fund) (1986-1987); director of Vickers da Costa, Hong Kong (1983-1986). Age 58
MARK G. HOLOWESKO..... Lyford Cay Nassau, Bahamas Vice President Since 1994	President and director of Templeton, Galbraith & Hansberger Ltd.; director of global equity research for Templeton Worldwide, Inc.; president or vice president of other Templeton Funds; investment administrator with Roy West Trust Corporation (Bahamas) Limited (1984-1985). Age 35.
SAMUEL J. FORESTER, JR..... 500 East Broward Blvd. Fort Lauderdale, Florida Vice President since 1994	President of the Templeton Global Bond Managers Division of Templeton Investment Counsel, Inc.; president or vice president of other Templeton Funds; founder and partner of Forester, Hairston Investment Management (1989-1990); managing director (Mid-East Region) of Merrill Lynch, Pierce, Fenner & Smith Inc. (1987-1988); advisor for Saudi Arabian Monetary Agency (1982-87). Age 46.

NAME, ADDRESS AND OFFICES WITH FUND	PRINCIPAL OCCUPATION DURING THE PAST FIVE YEARS AND AGE
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<p>-----  JOHN R. KAY.....  500 East Broward Blvd.  Fort Lauderdale, Florida  Vice President since  1994</p>	<p>Vice president of the Templeton  Funds; vice president and  treasurer of Templeton Global  Investors, Inc. and Templeton  Worldwide, Inc.; assistant vice  president of Franklin Templeton  Distributors, Inc.; formerly,  vice president and controller of  the Keystone Group, Inc. Age 54.</p>
<p>THOMAS M. MISTELE.....  700 Central Avenue  St. Petersburg, Florida  Secretary since 1994</p>	<p>Senior vice president of Templeton  Global Investors, Inc.;  president of Templeton Funds  Trust Company; vice president of  Franklin Templeton Distributors,  Inc.; secretary of the Templeton  Funds; attorney, Dechert Price &amp;  Rhoads (1985-1988) and Freehill,  Hollingdale &amp; Page (1988);  judicial clerk, U.S. District  Court (Eastern District of  Virginia) (1984-1985). Age 41.</p>
<p>JAMES R. BAI0.....  500 East Broward Blvd.  Fort Lauderdale, Florida  Treasurer since 1994</p>	<p>Certified public accountant;  treasurer of the Templeton  Funds; senior vice president of  Templeton Worldwide, Inc.,  Templeton Global Investors,  Inc., and Templeton Funds Trust  Company; formerly, senior tax  manager of Ernst &amp; Young  (certified public accountants)  (1977-1989). Age 40.</p>

II. RATIFICATION OR REJECTION OF APPOINTMENT  
OF INDEPENDENT PUBLIC ACCOUNTANTS

McGladrey & Pullen, LLP, 555 Fifth Avenue, New York, New York 10017, have been the independent public accountants for the Fund since its inception and have examined the Fund's financial statements for the fiscal period ended March 31, 1995, and in connection therewith have reported on the financial statements of the Fund and reviewed certain filings of the Fund with the Securities and Exchange Commission. At a meeting held on May 25, 1995, upon recommendation of the Audit Committee, the Board of Directors, including a majority of those Directors who are not interested persons of the Fund, selected McGladrey & Pullen, LLP as independent public accountants for the Fund for the fiscal year ending March 31, 1996, subject to ratification by the Shareholders at the Annual Meeting.

The Fund is advised that neither the firm of McGladrey & Pullen, LLP nor any of its members has any material direct or indirect financial interest in the Fund. Representatives of McGladrey & Pullen, LLP are not expected to be present at the Annual Meeting, but have been given the opportunity to make a statement if they so desire, and will be available should any matter arise requiring their presence.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE IN FAVOR OF RATIFYING THE SELECTION OF MCGLADREY & PULLEN, LLP AS INDEPENDENT PUBLIC ACCOUNTANTS FOR THE FUND FOR THE FISCAL YEAR ENDING MARCH 31, 1996.

III. OTHER BUSINESS

The Board of Directors knows of no other business to be presented at the Annual Meeting. If any additional matters should be properly presented, it is

intended that the enclosed proxy will be voted in accordance with the judgment of the persons named in the proxy.

#### ADJOURNMENT

In the event that sufficient votes in favor of the proposals set forth in the Notice of Annual Meeting and Proxy Statement are not received by the time scheduled for the Annual Meeting, the persons named as proxies may move one or more adjournments of the Annual Meeting to permit further solicitation of proxies with respect to any such proposals. Any such adjournment will require the affirmative vote of a majority of the Shares present at the Annual Meeting. The persons named as proxies will vote in favor of such adjournment those Shares which they are entitled to vote which have voted in favor of such proposals. They will vote against any such adjournment those proxies required to be voted against such proposal.

#### VOTES REQUIRED

The presence in person or by proxy of the holders of a majority of the outstanding Shares is required to constitute a quorum at the Annual Meeting. The election of Directors, as set forth in Proposal I, will require the vote of the holders of a plurality of the Fund's Shares present at the Annual Meeting. Ratification of the selection of the independent public accountants, as set forth in Proposal II, will require the vote of the holders of a majority of the Fund's Shares present at the Annual Meeting.

If the accompanying form of proxy is executed properly and returned, Shares represented by it will be voted at the meeting in accordance with the instructions on the proxy. However, if no instructions are specified, Shares will be voted for the election of the Directors named in Proposal I and in favor of Proposal II. For purposes of determining the presence of a quorum for transacting business at the Meeting, abstentions and broker "non-votes" will be treated as Shares that are present but which have not been voted. For this reason abstentions and broker "non-votes" will have the effect of "no" votes for purposes of obtaining approval of Proposal I and Proposal II.

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SHAREHOLDERS WHO ARE UNABLE TO ATTEND THE MEETING IN PERSON ARE URGED TO FILL IN, DATE, SIGN AND RETURN THE ENCLOSED PROXY PROMPTLY.

By Order of the Board of Directors,

Thomas M. Mistele, Secretary

June 10, 1995

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TEMPLETON EMERGING MARKETS APPRECIATION FUND, INC.  
ANNUAL MEETING OF SHAREHOLDERS, JULY 26, 1995  
PLEASE VOTE PROMPTLY

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned hereby appoints THOMAS M. MISTELE and JACK L. COLLINS, and each of them, with full power of substitution, as proxies to vote for and in the name, place, and stead of the undersigned at the Annual Meeting of Shareholders of Templeton Emerging Markets Appreciation Fund, Inc. (the "Fund"), to be held at the Fund's offices, 700 Central Avenue, St. Petersburg, Florida 33701-3628 on Wednesday, July 26, 1995 at 10:00 a.m. EDT, and any adjournment thereof, according to the number of votes and as fully as if personally present.

This Proxy when properly executed will be voted in the manner (or not voted) as specified. If no specification is made, the Proxy will be voted FOR all nominees for Director in Item 1, and within the discretion of the Proxyholders as to Item 2, and within the discretion of the Proxyholders as to Item 3.

-----, 1995  
SIGNATURE(S) DATE

Please sign this Proxy and sign exactly as your name appears hereon. If more than one owner is registered as such, all must sign. If signing as attorney, executor, trustee or any other representative capacity, or as a corporate officer, please give full title.

(Continued on other side)

FOLD AND DETACH HERE

Please mark boxes \_\_\_\_ or \_X\_ in blue or black ink.

I plan to  
attend meeting

\_\_\_\_\_

The Board of Directors Recommends a vote FOR items 1 and 3.

Item 1-Election of Directors

FOR all nominees  
listed (except as  
marked below) WITHHOLD  
AUTHORITY  
to vote for  
all nominees  
listed

Nominees: Rupert H. Johnson, Jr.,  
Andrew H. Hines, Jr., Martin L.  
Flanagan, F. Bruce Clarke, Charles B.  
Johnson, John Wm. Galbraith, Betty P.  
Krahmer, Fred R. Millsaps, Gordon S.  
Macklin, Hasso-G von Diergardt-Naglo,  
Harris J. Ashton, S. Joseph Fortunato,  
and Nicholas F. Brady.

To withhold authority to vote for any individual nominee, write that nominee's names on the line below.

Item 2-Ratification of the selection of McGladrey & Pullen, LLP, as independent public accountants for the Fund for the fiscal year ending March 31, 1996.

Item 3-In their discretion, the Proxyholders are authorized to vote on any such other matters which may legally come before the Meeting and any adjournment thereof.

FOR      AGAINST      ABSTAIN

\_\_\_\_

FOR      AGAINST      ABSTAIN

\_\_\_\_

(CONTINUED, AND TO BE SIGNED, ON OTHER SIDE)  
FOLD AND DETACH HERE