

Franklin®

Electronic Publishers

One Franklin Plaza
Burlington, NJ 08016
(609) 386-2500

CONTACT:

Patrick Tipton
North Haven Partners, Inc.
(212) 332-4392
patrick@nhpsecurities.com

FOR IMMEDIATE RELEASE

**FRANKLIN ELECTRONIC PUBLISHERS ENGAGES NORTH HAVEN PARTNERS
AS ITS INVESTMENT BANKER FOR ACQUISITIONS IN ITS
PROXIMITY TECHNOLOGY DIVISION**

BURLINGTON, New Jersey – July 27, 2006 – Franklin Electronic Publishers, Inc. (AMEX:FEP) today announced that it has engaged North Haven Partners, Inc. to help identify and consummate acquisitions of providers of linguistic software and technology for its Proximity Technology Division.

Barry J. Lipsky, Franklin's President and Chief Executive Officer, said "Proximity is at the core of everything Franklin does and represents one of our most leverageable growth opportunities. With globalization these opportunities are on the increase and we believe we can enhance both our revenues and profits by adding new complementary technologies to enhance our offerings to our current customer base and to apply our current and future technologies to new markets. Our customers like Adobe and Sun look for one partner who can provide the lion's share of their increasingly sophisticated linguistic needs. We are very excited to be working with North Haven to help us pursue our vision of Proximity's future of offering the broadest scope of linguistic solutions."

Proximity Technology is the premier developer of world class spelling error detection and correction, hyphenation and thesaurus software modules for commercial enterprises that develop software applications, websites and electronic devices. Used in tens of millions of desktop applications and over 37 million handheld devices around the globe, Proximity provides high quality linguistic software in thirty six languages, adding value to products of Adobe Systems and Sun Microsystems, among many others.

Financial terms of the arrangement were not disclosed.

About North Haven

North Haven Partners, Inc. was established in 1998 to provide investment banking services to growth companies with a special focus on venture-funded portfolio firms and CEOs acquiring and building businesses. North Haven specializes in working with digital media and technology-enabled services companies. North Haven is located in New York, New York. (www.northhavenpartners.com)

About Franklin

Franklin Electronic Publishers Incorporated (AMEX:FEP) is a world leader in electronic handheld information, having sold more than 37,000,000 electronic books since 1986. Current titles available directly or through partners number more than 26,000 in sixteen languages under license from world class publishers, such as Merriam-Webster and HarperCollins, focused in five genres: Learning, Language Learning, Travel, Spiritual, and Leisure. The Company also licenses its underlying technology to an array of partners including Adobe, Sun Microsystems and Ademco (a division of Honeywell). Franklin distributes ROLODEX[®] Electronics branded organizers worldwide and SEIKO branded reference products in North and South America, Australia and the European Community. Franklin's products are available at 43,000 retail outlets worldwide, through catalogs, and online at <http://www.franklin.com>.

ROLODEX[®] is a registered trademark of Berol Corporation, a subsidiary of Newell Rubbermaid Inc. SEIKO is a registered trademark of SEIKO Corporation.

Except for the historical information contained herein, the matters discussed throughout this release, including, but not limited to, those that are stated as Franklin's belief or expectation or preceded by the word "should" are forward looking statements that involve risks to and uncertainties in Franklin's business, including, among other things, the success of North Haven's efforts.

###