

# Fondul Proprietatea Q1 2018 Results Conference Call

15 May 2018



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The Fund's headquarters are located at 78-80 Buzesti Street, 7th Floor, Bucharest, 1st District, 011017, Romania. Fund's Fiscal Identification Code is 18253260 and Trade Registry registration number is J40/21901/2005. The subscribed share capital is RON 4,854,034,784.56 and paid up share capital is RON 4,664,852,362.56.

Starting with 1 April 2016, in view of complying with the AIFMD, implemented in the Romanian legislation through Law no. 74/2015 on managers of alternative investment funds and Regulation no. 10/2015 on alternative investment fund management, Fondul Proprietatea SA, qualifying as an alternative investment fund, is managed by Franklin Templeton Investment Services S.A. R.L. ("FTIS"), a société à responsabilité limitée qualifying as an alternative investment fund manager under Article 5 of the Luxembourg Law of 12 July 2013 on alternative investment fund managers, authorized by the Commission de Surveillance du Secteur Financier under no. A00000154/21 November 2013, whose registered office is located at 8A rue Albert Borschette, L-1246 Luxembourg, registered with the Luxembourg Register of Commerce and Companies under number B 36.979, registered with the Romanian Financial Supervisory Authority ("FSA") under number PJM07.1AFIASMDLUX0037/10 March 2016.

This presentation herein is issued by Franklin Templeton Investment Management Limited ("FTIML"), registered with the FSA under no. PJM01SFIM/400005/14 September 2009, which is authorized and regulated in the UK by the Financial Conduct Authority, registered therein under the number 121779, registered as a foreign equivalent of an investment adviser with the US Securities Exchange Commission, acting through its Romanian branch having its registered office at Premium Point, 78-80 Buzesti Str., 7-8th floors, 1st. District, Bucharest, Romania.

FTIML acts herein as a delegate of FTIS with respect to the portfolio management functions as well as administration services over the Fund.



FRANKLIN TEMPLETON  
INVESTMENTS

May 2018

# Fund Information



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# The Fund – Key facts

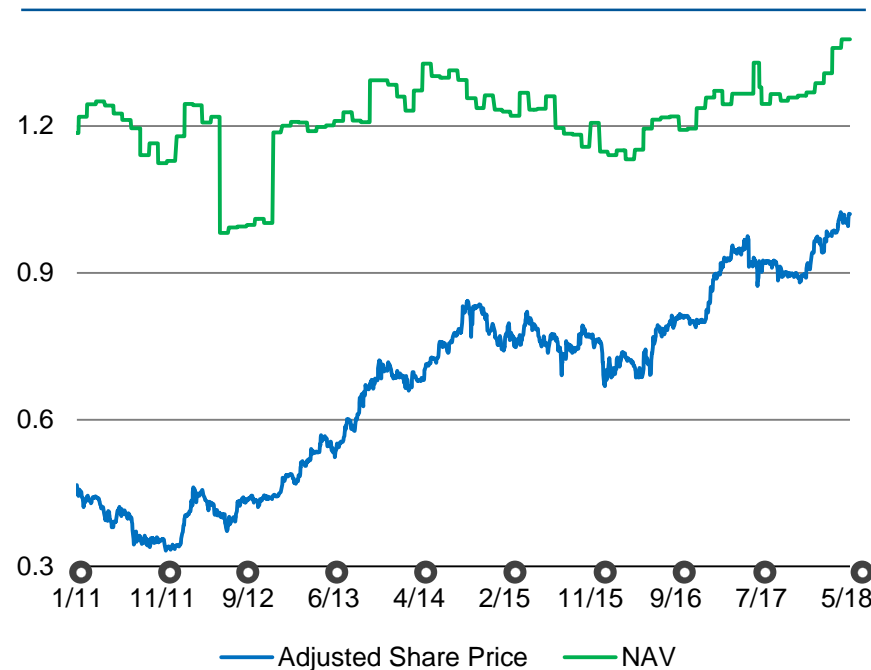


## Fund Details<sup>1</sup>

	RON	USD
NAV	<b>9.46 bn</b>	<b>2.46 bn<sup>2</sup></b>
NAV/Share	<b>1.2790</b>	<b>0.3324<sup>2</sup></b>
Price/Share	<b>0.9520</b>	<b>0.2474<sup>2</sup></b>
Price/GDR	<b>48.10</b>	<b>12.50</b>
Market Capitalization as at 14 May 2018 <sup>3</sup>	<b>7.17 bn</b>	<b>1.85 bn<sup>3</sup></b>
Discount/Share as at 14 May 2018	<b>26.90%</b>	
Discount/GDR as at 14 May 2018	<b>28.95%</b>	
Number of Paid Shares less Treasury Shares <sup>5</sup>	<b>7,387,393,323</b>	
<b>Investment Objective</b>		
Dividend/Share for FY 2017	<b>RON 0.0678</b>	
Dividend Yield for FY 2017 <sup>6</sup>	<b>6.99%</b>	
Ex-Dividend Date	<b>8 June 2018</b>	
Maximization of returns and per-share capital appreciation via investments mainly in Romanian equities and equity-linked securities		



## FP Share Price<sup>4</sup> and NAV



Source: BVB, FP Report as at 30 April 2018 report.

1. Based on local regulator methodology.

2. Computed using the NBR USD/RON FX rate as at 30 April 2018.

3. Excluding Treasury shares and the equivalent number of shares corresponding to the GDRs, repurchased as at 11 May 2018. Computed using the NBR USD/RON FX rate as at 14 May 2018.

4. Source: BVB, Bloomberg, until 14 May 2018.

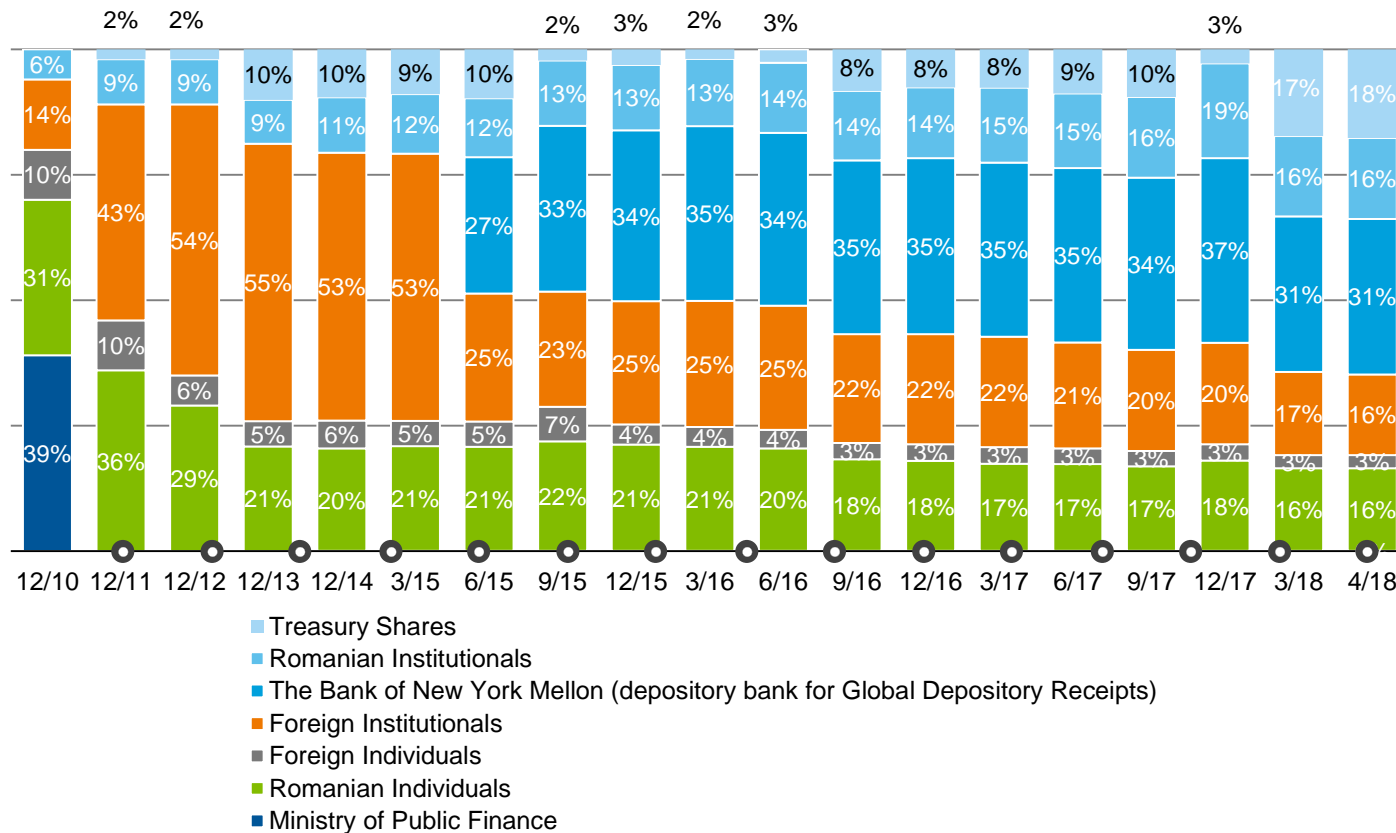
5. As at 11 May 2018.

6. Based on the BVB share price as at 14 May 2017.

# Shareholders structure



Evolution (% Held)



## Largest Shareholders<sup>1</sup>

Elliott Associates  
**9.11%**

NN Group  
**5.02%**

Total Number of  
Shareholders<sup>2</sup>  
**6,265**

1. Based on the total voting rights. Source: Ownership disclosures submitted by Elliott Associates on 28 February 2018 and NN Group on 27 March 2017.

2. Shareholders structure as at 30 April 2018. Based on paid share capital starting 31 July 2011. Source: Central Depository.

# NAV, Share price and GDR performance



## Cumulative Performance

	2011	2012	2013	2014	2015	2016	2017	Q1	YTD <sup>1</sup>	Since Performance Inception <sup>1</sup>
NAV (RON)	(0.47)%	8.91%	13.29%	1.39%	(0.60)%	7.33%	13.10%	7.23%	8.83%	63.51%
Ordinary Share Price (RON)	(30.32)%	38.30%	61.34%	14.53%	(4.06)%	4.90%	21.46%	8.10%	10.19%	139.85%
GDR (USD)	N/A	N/A	N/A	N/A	N/A	1.15%	35.88%	10.04%	9.17%	37.28%



## Average Annual Discount

2011	2012	2013	2014	2015	2016	2017	2018 YTD <sup>2</sup>	Current Share Price Discount <sup>3</sup>	Current GDR Price Discount <sup>3</sup>
55.67%	50.09%	40.74%	30.87%	29.12%	32.08%	28.05%	27.09%	26.90%	28.95%

Source: BVB, LSE, Bloomberg, FP NAV reports.

Note: The discount is calculated based on the latest published NAV available for the day of the calculation.

The Performance Inception date for the NAV is 31 December 2010, for the Share Price is 25 January 2011, and for the GDRs is 29 April 2015.

1. As at 30 April 2018.

2. For the period 3 January – 14 May 2018.

3. As at 14 May 2018.



# Attribution to NAV Performance for Q1 2018



## Top Performers

Company	Status	Weight in total NAV <sup>1</sup>	Contribution to NAV performance for Q1 2018	% Change in share price/ NAV value per share in Q1 2018
OMV Petrom SA	Listed	18.3%	1.68%	11.2%
BRD Groupe Societe Generale SA	Listed	3.4%	0.45%	17.1%
Alro SA	Listed	2.8%	0.36%	16.2%
Nuclearelectrica SA	Listed	1.9%	0.24%	13.3%
Romaero SA	Listed	0.4%	0.09%	30.4%
<b>TOTAL NAV PER SHARE CHANGE Q1 2018</b>			<b>7.23%</b>	

- In Q1 2018, there was no company with negative contribution to the NAV performance.

1. FP Detailed Statement of Investments as at 30 March 2018.

# Portfolio



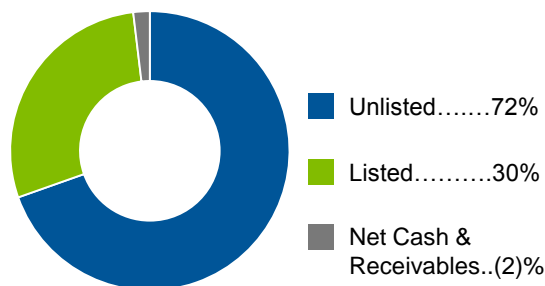
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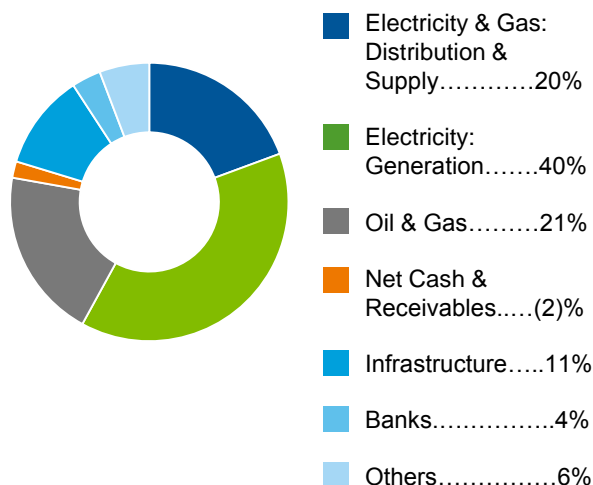
# Portfolio structure



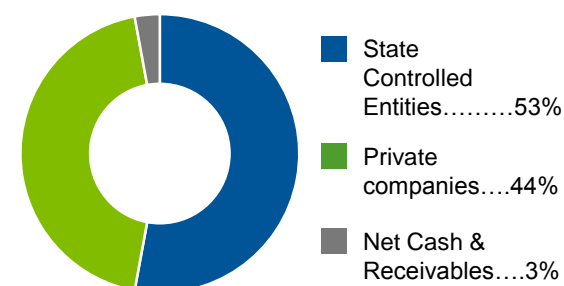
**Listed vs Unlisted**  
as at 30 April 2018 (% NAV)<sup>1</sup>



**By Sector**  
as at 30 April 2018 (% NAV)<sup>1</sup>



**By Controlling Ownership**  
as at 30 March 2018<sup>2</sup>



- As at 30 April 2018, the portfolio included stakes in 36 companies (9 listed and 27 unlisted)
- Net cash and receivables position as at 30 April 2018 was USD (48.4) mn.
- The Fund Manager contracted a revolving credit facility for a maximum committed amount of RON 1 billion from BRD - Groupe Societe Generale SA. The purpose of this credit facility is for general corporate use, including buybacks of own shares, distributions to shareholders, but excluding investments. The credit facility is available until July 2018.

1. Source: FP 30 April 2018 Factsheet.

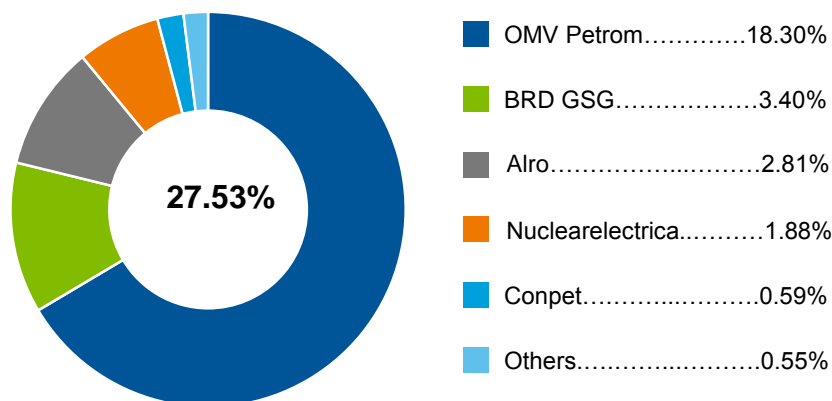
2. FP 30 March 2018 Detailed statement of Investments.

# Portfolio structure – Listed vs. Unlisted



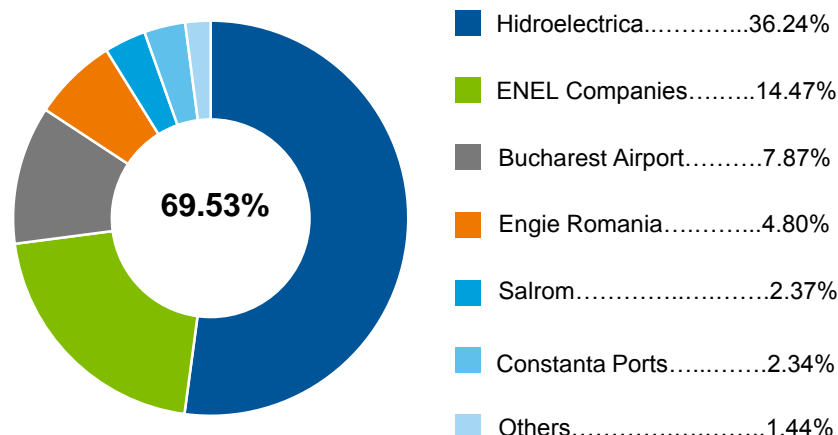
## Listed Companies

(% of NAV as at 30 March 2018)



## Unlisted Companies

(% of NAV as at 30 March 2018)



Source: FP 30 March 2018 Detailed statement of Investments.

# Largest holdings by NAV

Portfolio Company	Status	Majority Shareholder	% Stake <sup>1</sup>	NAV as at 30 April 2018 (USD mn)	% in NAV as at 30 April 2018
Hidroelectrica SA	Unlisted	Romanian State	19.9%	926.74	<b>37.70</b>
OMV Petrom SA	Listed	OMV	10.0%	504.11	<b>20.51</b>
CN Aeroporturi Bucuresti SA	Unlisted	Romanian State	20.0%	201.15	<b>8.18</b>
E-Distributie Banat SA	Unlisted	Enel Group	24.1%	141.64	<b>5.76</b>
Engie Romania SA	Unlisted	Engie	12.0%	122.66	<b>4.99</b>
E-Distributie Muntenia SA	Unlisted	Enel Group	12.0%	108.89	<b>4.43</b>
E-Distributie Dobrogea SA	Unlisted	Enel Group	24.1%	88.88	<b>3.62</b>
BRD Groupe Societe Generale SA	Listed	Societe Generale Group	3.2%	86.32	<b>3.51</b>
Alro SA	Listed	Vimetco NV NLD	10.2%	77.09	<b>3.14</b>
SN a Sarii Salrom SA	Unlisted	Romanian State	49.0%	60.55	<b>2.46</b>
<b>Top 10 Portfolio Holdings</b>				<b>2,318.03</b>	<b>94.30</b>
<b>NAV</b>				<b>2,457.93</b>	<b>100.00</b>
<b>NAV Per Share (USD)</b>				<b>0.3324</b>	

Note: Values in USD calculated using the USD/RON FX rate as at 30 April 2018.

Source: FP 30 April 2018 Factsheet.

1. Based on the FP 30 March 2018 Detailed Statement of Investments.

# Listed portfolio holdings – Q1 2018 financials

Company	EBITDA (RON mn)		Net profit (RON mn)	
	Q1 2017	Q1 2018	Q1 2017	Q1 2018
OMV Petrom SA	1,560.6	1,859.6	618.1	854.2
BRD Groupe Societe Generale SA	-	-	329.9	414.3
Nuclearelectrica SA	268.3	335.7	125.3	190.0
Alro SA	153.2	132.9	90.2	124.6
<b>Total</b>	<b>1,982.1</b>	<b>2,328.3</b>	<b>1,163.5</b>	<b>1,583.1</b>
<b>Weighted Total</b>	<b>191.5</b>	<b>224.3</b>	<b>90.8</b>	<b>125.4</b>

Source: Companies Q1 2018 financial statements.

Note: EBITDA is calculated as Operational result + Depreciation and Amortization.

# Hidroelectrica – Update



## Dividends:

FP added on the agenda of the 17 May 2018 shareholders meeting, the request for the distribution of the entire 2017 net profit, plus an additional RON 1 billion from reserves.



## The Fund's Strategic Review:

The Fund announced in September 2017 that it is reviewing strategic options regarding its ownership in the company and has appointed Citi and UBS as financial advisers in connection with a potential transaction.



## Financials<sup>1</sup>:

Estimated net profit for 2017 of RON 1.35 billion vs. RON 1.23 billion in 2016, with revenues down 2% to RON 3.29 billion, following a 20% decrease of the energy produced to 14.0 TWh.



## Listing:

The Consortium's mandate for the IPO is valid until August 2018.



## Corporate Governance:

In the shareholders' meeting held on 5 May 2018, the Government approved the extension of the interim Board for an additional 4 month period.

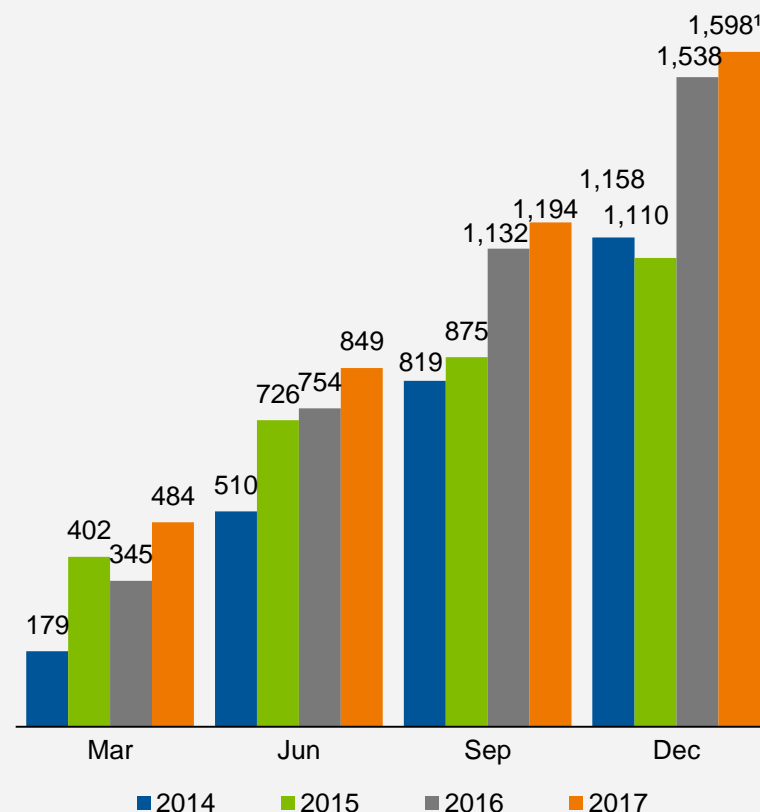
The ministry of energy mandated the Board to implement the selection of a Board according to Law's 111/2016 provisions.



## Litigations:

The Fund has started several litigations against the appointment of the new members of the Directorate for breaching corporate governance principles and for approving, without proper analysis, a revised organizational chart that is to increase the number of employees by more than 250.

## Pre-tax Cumulated Profit (RON mn)



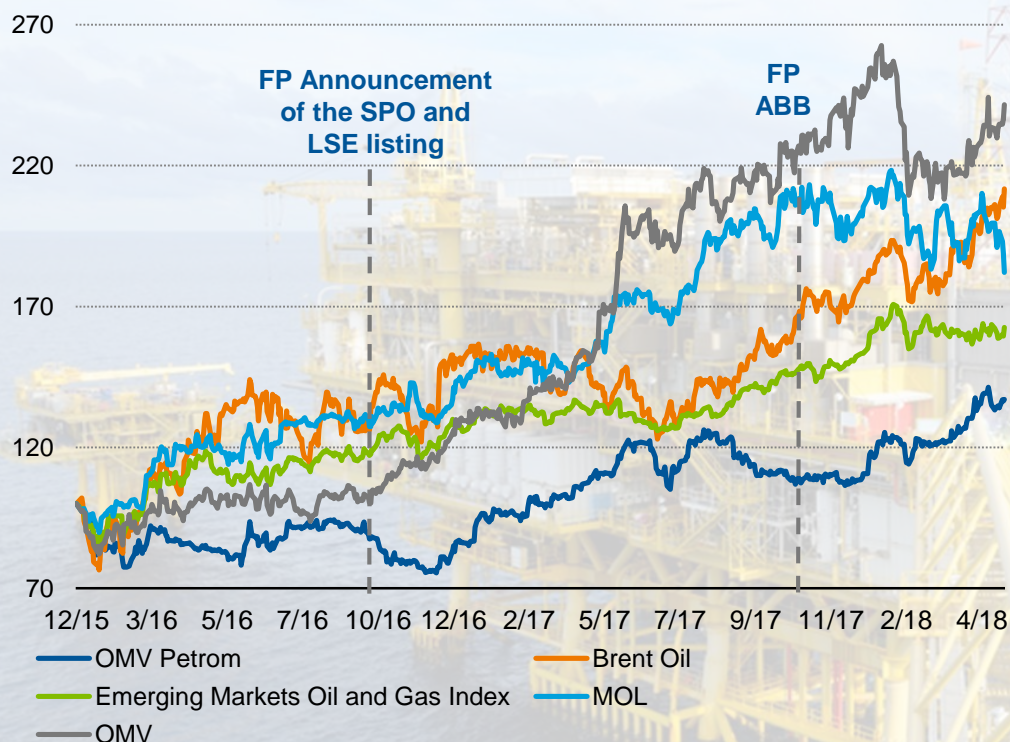
Source: Hidroelectrica 2009 – 2017 Annual reports and financial statements, Hidroelectrica monthly press releases, reports, and presentations.

1. Company preliminary figures, unaudited data. Source: 2018 Romania Investor Days in London presentation.



# OMV Petrom – Update

## OMV Petrom – Share Price Performance % in USD<sup>1</sup>



## OMV Petrom – Average Daily Trading Value (USD)<sup>2</sup>

6 MO prior SPO	0.24 mn
6 MO after SPO	0.84 mn

## MSCI EM Status – Size and Liquidity Requirements<sup>3</sup>

Number of Companies required to meet the Standard Criteria	3
Company Size – Total Market Cap	USD 1.53 billion
Company Free Float	USD 0.76 billion
Liquidity – Annualized Traded Value Ratio	15%

## OMV Petrom – MSCI Size Requirements<sup>3</sup>

Total Market Cap	USD 5.04 billion
Free Float	USD 1.01 billion
Annualized Traded Value Ratio	14%

1. Source: Bloomberg, as at 9 May 2018.

2. Source: BVB. Values in USD calculated using the average NBR USD/RON FX rate during the period.

3. Source: WOOD Research, MSCI, Bloomberg. As at 30 April 2018.

# C.N. Aeroporturi Bucuresti – Update

Financial Performance	2011	2012	2013	2014	2015	2016	2017 Prelim.	% y/y	2018 budget
Operating revenues (mn RON)	501.5	555.5	582.6	672.1	755.6	882.3	1,054.6	19.5%	1,189.2
Operating profit (mn RON)	88.5	80.9	94.0	124.4	213.5	276.6	385.9	39.5%	428.4
Net Income (mn RON)	52.6	53.1	72.0	98.8	178.8	234.5	327.3	39.6%	368.3
Number of passengers (mn)	7.45	7.54	7.67	8.32	9.28	10.99	12.84	16.8%	14.00



## Passenger Traffic

Increased by 16.8% in 2017 compared to the previous year, reaching 12.84 million passengers. Total operating revenues in 2017 are estimated at RON 1.05 bn, 19.5% higher than in 2016, while the gross profit reached RON 389.7 mn, i.e. 45% higher than the previous year.



## Board and Management

The interim Board appointed on 12 January an interim General manager for a 4-month mandate.



## IPO

We continue discussions with the Government on this topic, but there is no clear timeline or plans in this direction.

Source: CN Aeroporturi Bucuresti financial statements and annual reports, company press releases, 2018 Budget.

# Top 20 portfolio holdings – Key financials

Top 20 Holdings <sup>1</sup>	EBITDA (RON mn)					Net Profit (RON mn)				
	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017
Hidroelectrica SA	2,008.3	2,189.3	2,100.2	2,249.9	2,246.0 <sup>3</sup>	718.8	941.5	899.4	1,227.7	1,350.0 <sup>3</sup>
OMV Petrom SA	9,313.0	8,145.0	6,231.1	4,949.7	6,854.2	4,820.9	2,100.0	(676.0)	1,037.7	2,489.3
CN Aeroporturi Bucuresti SA	238.4	257.5	331.7	388.1	472.3 <sup>3</sup>	72.0	98.8	178.8	234.5	327.3 <sup>3</sup>
E-Distributie Banat SA	335.1	323.2	315.8	238.7	221.2	190.7	172.2	157.9	93.6	82.8
Engie Romania SA	730.5	838.8	716.1	492.2	391.9	447.1	439.4	380.5	386.7	338.6
E-Distributie Muntenia SA	424.0	439.9	451.4	396.6	297.5	267.2	240.8	237.9	151.7	85.9
E-Distributie Dobrogea SA	248.2	239.0	252.9	195.1	169.4	133.5	87.7	114.8	73.5	49.5
BRD Groupe Societe Generale SA	-	-	-	-	-	(384.3)	63.1	465.8	763.5	1,414.6
Alro S.A.	(43.0)	155.0	306.0	291.6	566.5	(102.0)	0.0	0.0	71.5	391.1
SN a Sarii Salrom SA	65.4	51.0	47.7	72.1	113.4 <sup>5</sup>	42.8	24.5	15.8	30.1	74.3 <sup>5</sup>
CN Administratia Porturilor Maritime SA	110.3	123.4	150.1	84.7	N/A	65.0	70.3	97.4	36.8	N/A
Nuclearelectrica SA	892.5	605.7	652.9	629.6	872.5	426.9	137.1	147.4	111.5	303.9
Enel Energie Muntenia SA	27.0	48.6	27.5	53.1	(79.2)	28.1	46.8	24.9	39.3	(78.6)
Conpet SA <sup>4</sup>	66.6	101.3	120.6	120.6	127.6	31.3	51.4	63.2	71.6	74.4
Enel Energie SA	(20.5)	133.5	46.7	49.8	(87.8)	(39.5)	129.9	34.8	39.0	(89.4)
Romaero SA	(5.2)	(25.0)	(8.4)	(37.0)	(27.3)	(19.8)	(45.0)	(34.1)	(60.3)	(39.4)
Posta Romana SA	20.1	77.5	6.5	53.6	N/A	(29.4)	22.9	(33.0)	10.5	N/A
Complexul Energetic Oltenia SA	543.0	203.6	(133.7)	645.0	951.6 <sup>5</sup>	4.6	(693.6)	(960.9)	(139.8)	180.9 <sup>5</sup>
Zirom SA	1.5	(2.9)	(3.9)	(3.0)	0.3	0.5	(7.4)	(7.7)	(8.0)	(5.2)
A.I. Timisoara – Traian Vuia SA	(13.4)	7.3	5.5	10.5	16.0 <sup>5</sup>	(21.6)	0.7	0.8	5.0	8.5 <sup>5</sup>
<b>Total</b>	<b>14,941.8</b>	<b>13,911.7</b>	<b>11,616.7</b>	<b>10,881.1</b>	<b>13,106.0</b>	<b>6,652.8</b>	<b>3,881.1</b>	<b>1,107.7</b>	<b>4,176.0</b>	<b>6,958.3</b>
<b>Weighted Total</b>	<b>2,772.5</b>	<b>2,532.7</b>	<b>2,074.1</b>	<b>1,662.4</b>	<b>1,964.0</b>	<b>1,281.7</b>	<b>656.1</b>	<b>65.2</b>	<b>560.9</b>	<b>897.4</b>
<b>Weighted Total Listed Companies<sup>2</sup></b>	<b>1,869.6</b>	<b>1,622.3</b>	<b>1,279.4</b>	<b>670.4</b>	<b>1,000.7</b>	<b>937.7</b>	<b>408.1</b>	<b>(101.4)</b>	<b>167.3</b>	<b>428.2</b>
<b>Weighted Total Unlisted Companies<sup>2</sup></b>	<b>902.9</b>	<b>910.9</b>	<b>794.6</b>	<b>973.5</b>	<b>963.0</b>	<b>344.0</b>	<b>248.0</b>	<b>166.6</b>	<b>393.0</b>	<b>469.2</b>

Note: EBITDA = Operational result + Depreciation. For Zirom, EBITDA = Operating profit + Amortization and depreciation (net) – Other net non-recurring income.

Source: Companies' consolidated financial statements, Hidroelectrica Judicial Administrator's reports.

1. Based on the 30 March 2018 Detailed Statement of Investments.

2. Weighted for the Fund's stake in the companies.

3. Preliminary figures. Source: 2018 Romania Investor Days in London conference company presentation for Hidroelectrica and 2018 Budget for CN Aeroporturi Bucuresti.

4. The holding was entirely sold in April 2018.

5. 2017 Annual financial statements (to be) submitted for shareholders approval in the Annual GSMs.

# Corporate Actions



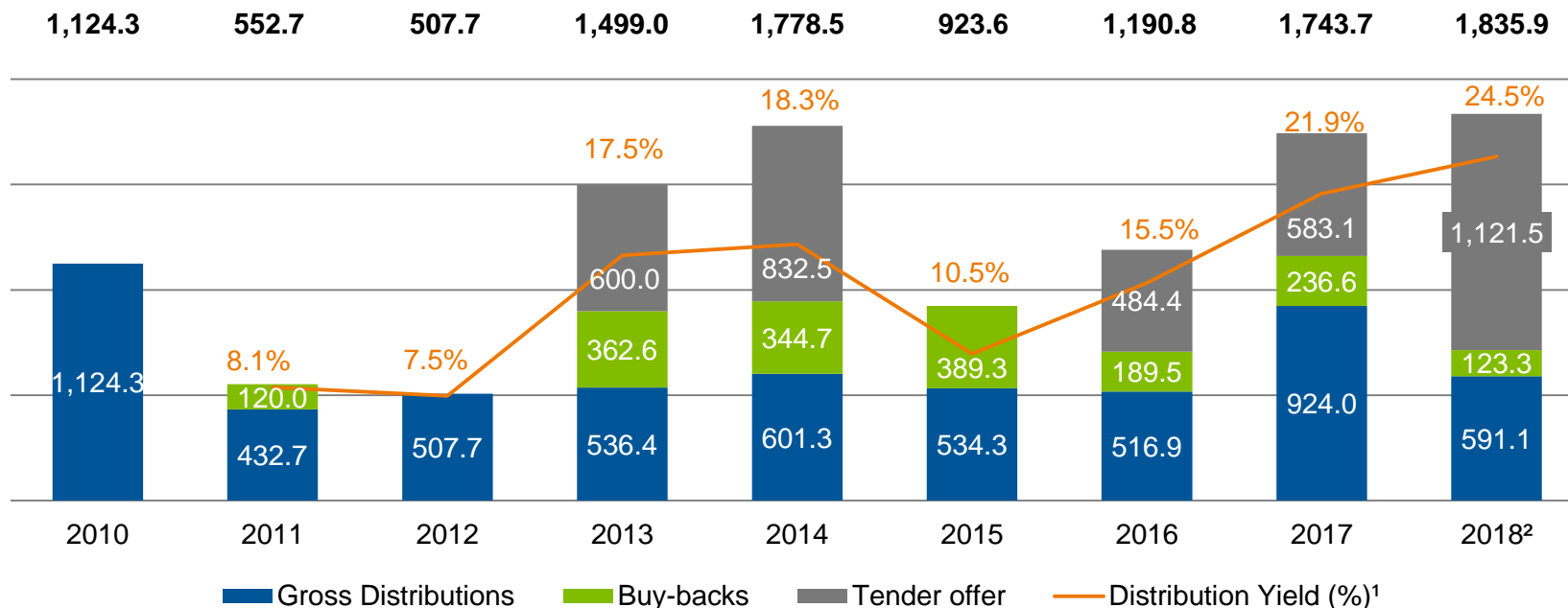
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# Distributions to shareholders



## Annual Distributions to Shareholders (RON mn)



The total distributions through buy-backs and cash would amount to RON 11.16 bn/USD 3.10 bn<sup>3</sup>

Note: Values exclude related acquisition fees. USD values based on the NBR average USD/RON FX for each year. For 2018, average USD/RON FX as at 14 May.

1. Based on the total annual distributions through buy-backs and cash, based on the average closing share price on BVB for the respective year and the average number of paid shares, excluding Treasury shares. For 2018, average closing share price as at 14 May.

2. For buy-backs, the values are as at 11 May 2018.

3. As at 11 May 2018. Computed using the NBR USD/RON FX rate as at 14 May 2018.



# Buy-back programs

Program	Period	Status	No. of shares to be repurchased/% of the Fund's issued share capital	Average share price (RON/share)	Broker	Cancellation of shares <sup>1</sup>
Seventh	29 Sep 16 – 26 May 17	Finalized	830.2 mn/8.2%	0.8967	Wood & Co., Goldman Sachs Int.	Cancellation approved by the shareholders during the 3 May '17 <sup>2</sup> and 26 Sep '17 EGMs
Eight	30 May – 10 Nov 2017	Finalized	141.9 mn/1.4%	0.8624	Wood & Co., Jefferies Internat.	Partial cancellation of 67.7 mn shares approved by shareholders during the 26 Sep '17 EGM
Ninth	Started on 14 Nov 2017	Ongoing	1,634.2 mn/14.4%	0.9335 <sup>3</sup>	Wood & Co., Jefferies Internat.	New cancellation of shares to be added on EGM agenda during 2018

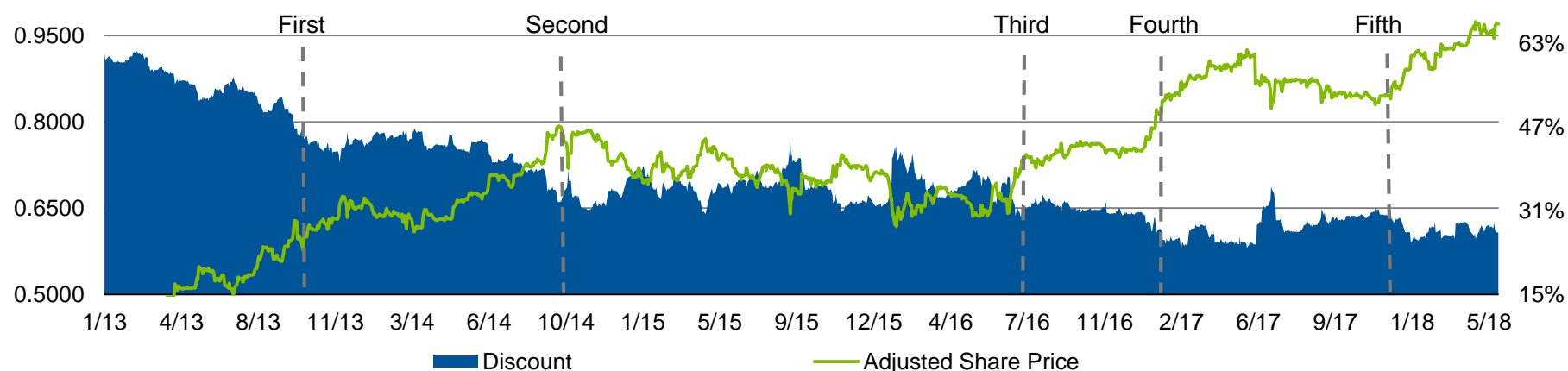
1. To be effective, the FSA endorsement is legally required, and the shareholders' resolution for the share capital decrease needs to be registered with the Trade Register.

2. Effective starting 29 November 2017.

3. As at 11 May 2018. Estimated value based on the 1,350,757,593 shares repurchased (766,090,443 ordinary shares and 584,667,150 equivalent shares of the GDRs repurchased).

# Fondul Proprietatea Completed Tender Offers

Tender Offer	Announcement date	Tender price (RON/share)	FP pre-announcement share price (RON/share)	Premium to pre-announcement share price (%)	Discount of offer price to NAV (%) <sup>1</sup>	Take-up rate (%)
First	10 Oct 2013	1.00	0.7770	28.70%	15.12%	78.42%
Second	20 Oct 2014	1.11	0.8965	23.81%	10.76%	83.74%
Third	5 Jul 2016	0.8420	0.7380	14.09%	26.43%	62.52%
Fourth	27 Jan 2017	0.9100	0.8640	5.32%	23.30%	63.13%
Fifth	15 Dec 2017	0.9350	0.8400	11.31%	22.84%	54.10%



Source: Investment Manager current reports and Tender offer documentation, BVB as at 14 May 2018.

1. Latest NAV available at the date of the Tender offer announcement: 31 August 2013 for the First Offer, 30 September 2014 for the Second Offer, 30 June 2016 NAV for the Third Offer, 30 December 2016 NAV for the Fourth Tender, and 31 October 2017 NAV for the Fifth Tender.

# Annual dividend income – Top 20 portfolio companies (I)

Top 20 Holdings <sup>1</sup>	Dividend Payout (%)						FP Net Dividend (RON mn)					
	2012	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2018
Hidroelectrica SA	-	-	80	80	90	90 <sup>3</sup>	-	-	128.9	134.6	206.6	220.0 <sup>3</sup>
OMV Petrom SA	40	36	35	-	94	46	319.0	331.4	120.5	-	106.8	113.3
CN Aeroporturi Bucuresti SA	85	85	50	75	90	90 <sup>3</sup>	9.1	12.3	10.2	27.4	41.2	55.6 <sup>3</sup>
E-Distributie Banat SA	-	-	50	44	40	39	-	-	20.7	16.8	8.9	7.7
Engie Romania SA	50	60	51	-	30	NP	22.8	33.6	24.0	-	13.3	NP
E-Distributie Muntenia SA	-	-	-	-	-	NP	-	-	-	-	-	NP
E-Distributie Dobrogea SA	-	-	50	44	37	36	-	-	10.5	12.0	6.6	7.3
BRD Groupe Societe Generale	-	-	-	50	70	83	-	-	-	7.7	17.6	34.5
Alro SA	-	-	-	-	100	NP	-	-	-	-	6.9	39.0
SN a Sarii Salrom SA	92	85	85	-	90	NP	9.3	19.8	10.2	-	13.8	NP
CN Administratia Porturilor Maritime SA	75	78	50	75	90	NP	5.4	10.1	6.5	14.1	11.0	NP
Nuclearelectrica SA	83	81	68	70	88	93	2.3	27.9	6.9	8.6	8.6	19.0
Enel Energie Muntenia SA	-	-	-	-	-	NP	-	-	-	-	-	NP
Conpet SA <sup>4</sup>	85	85	100	100	92	NP	8.4	8.8	2.6	3.6	8.3	NP
Enel Energie SA	-	-	50	50	-	NP	-	-	7.4	2.1	-	NP
Romaero SA	N/A	N/A	N/A	N/A	N/A	NP	N/A	N/A	N/A	N/A	N/A	NP
Posta Romana SA	-	-	-	-	N/A	NP	-	-	-	-	N/A	NP
Complexul Energetic Oltenia SA <sup>2</sup>	85	-	-	N/A	N/A	NP	10.3	-	-	N/A	N/A	NP

Note: Calculations based on the companies' annual financial statements. Dividends are distributed based on individual financial statements.

NP - No Proposal as of the date of the conference call.

1. Source: FP 30 March 2018 Detailed Statement of Investments.

2. The company was registered in May 2012 and created through the merger of CE Craiova SA, CE Rovinari SA, CE Turceni SA and SNLO.

3. Based on companies estimated 2017 net distributable profit and a 90% payout ratio as per Government Memorandum. Source: 2017 net profit estimated by the company in case of Hidroelectrica, and 2018 Budget for CN Aeroporturi Bucuresti.

4. The holding was entirely sold in April 2018.

# Dividend income – Top 20 portfolio companies (II)

Top 20 Holdings <sup>1</sup>	Dividend Payout (%)						FP Net Dividend (RON mn)					
	2012	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2018
Zirom SA	N/A	0	N/A	N/A	N/A	NP	N/A	0.0	N/A	N/A	N/A	NP
A.I. Timisoara – Traian Vuia SA	80	N/A	0	0	0	NP	0.7	N/A	0.0	0.0	0.0	NP
<b>Total Top 20 Holdings (RON mn)</b>							<b>387.3</b>	<b>443.9</b>	<b>348.4</b>	<b>226.9</b>	<b>449.6</b>	<b>496.4</b>
<b>Total Dividends from Listed Companies (RON mn)</b>							<b>373.9</b>	<b>538.6</b>	<b>251.5</b>	<b>36.0</b>	<b>148.1</b>	<b>205.8</b>
<b>Total Dividends from Unlisted Companies (RON mn)</b>							<b>275.8<sup>3</sup></b>	<b>143.5</b>	<b>315.9</b>	<b>313.5</b>	<b>404.5</b>	<b>290.6</b>
<b>Total Annual Dividend Income (RON mn)</b>							<b>649.7</b>	<b>682.1</b>	<b>567.4</b>	<b>349.5</b>	<b>552.6</b>	<b>496.4</b>
<b>Total Special Dividend Income (RON mn)</b>							-	-	-	-	185.2	-
<b>Total Dividends (RON mn)</b>							<b>649.7</b>	<b>682.1</b>	<b>567.4</b>	<b>349.5</b>	<b>737.8</b>	<b>496.4</b>
<b>Total Annual Dividend Income per Share (RON)<sup>2</sup></b>							<b>0.04954</b>	<b>0.05674</b>	<b>0.05310</b>	<b>0.0339</b>	<b>0.0686</b>	<b>0.0616</b>
<b>Total Special Dividend Income per Share (RON)<sup>2</sup></b>							-	-	-	-	0.0230	-
<b>Dividend/Distribution per Share (RON)</b>							<b>0.05000</b>	<b>0.05000</b>	<b>0.05000</b>	<b>0.05000</b>	<b>0.0678</b>	
<b>Share Price (RON)</b>							<b>0.7640<sup>5</sup></b>	<b>0.8130<sup>6</sup></b>	<b>0.7200<sup>7</sup></b>	<b>0.9180<sup>8</sup></b>	<b>0.9700<sup>10</sup></b>	
<b>Yield</b>							<b>6.54%</b>	<b>5.84%</b>	<b>6.94%</b>	<b>8.76%<sup>9</sup></b>	<b>6.99%<sup>10</sup></b>	
<b>Yield for Romanian companies (BET)</b>							<b>5.10%</b>	<b>3.50%</b>	<b>4.56%</b>	<b>7.07%</b>	<b>8.59%</b>	

Note: Calculations based on the companies' annual financial statements. Dividends are distributed based on individual financial statements.

NP - No Proposal as of the date of the conference call

1. Source: FP 30 March 2018 Detailed Statement of Investments.

2. Calculation based on the number of paid shares at the registration date for each year excluding treasury shares at the same date. For 2017 and 2018, the calculation is based on the number of paid shares excluding treasury shares acquired as at 11 May 2018.

3. Includes dividends from Romgaz and Nuclearelectrica, which were unlisted at that time.

4. As at 15 May 2013.

8. As at 6 June 2017.

5. As at 30 April 2014.

9. Includes the annual and the special dividend income.

6. As at 29 May 2015.

10. As at 14 May 2018.

7. As at 9 June 2016.

# Investor relations – Upcoming events



More information about the Fund can be found on the website [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro)



# Financial results



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# Statement of Financial Position

RON mn	31 March 2018 Unaudited	31 December 2017 Audited
Cash and current accounts	17.4	19.2
Deposits with banks	292.4	1,276.7
Treasury bills	13.3	46.3
Government bonds	-	195.9
Equity investments	9,549.7	9,278.2
Other assets	11.2	10.7
<b>Total assets</b>	<b>9,884.0</b>	<b>10,827.0</b>
Payables	25.3	15.2
Other liabilities	19.8	21.6
<b>Total liabilities</b>	<b>45.1</b>	<b>36.8</b>
Total equity	9,838.9	10,790.2
<b>Total liabilities and equity</b>	<b>9,884.0</b>	<b>10,827.0</b>

Source: FP Q1 2018 Results report.

# Statement of Comprehensive Income

RON mn	31 March 2018 Unaudited	31 March 2017 Unaudited
Net unrealised gain from equity investments at fair value through profit or loss	309.8	296.1
Interest income	2.6	6.1
Reversal of impairment losses on receivables, net	-	18.5
Net gain on disposal of equity investments classified as available for sale	-	6.3
Other income/ (expenses), net <sup>1</sup>	(0.7)	(3.8)
<b>Net operating income</b>	<b>311.7</b>	<b>323.2</b>
Administration fees recognised in Profit and Loss	(11.2)	(34.0)
Other operating expenses	(6.9)	(6.0)
<b>Operating expenses</b>	<b>(18.1)</b>	<b>(40.0)</b>
<b>Profit before income tax</b>	<b>293.6</b>	<b>283.2</b>
Income tax	-	9.8
<b>Profit for the period</b>	<b>293.6</b>	<b>293.0</b>
Other comprehensive income	-	75.3
<b>Total comprehensive income for the period</b>	<b>293.6</b>	<b>368.3</b>

Source: FP Q1 2018 Results report.

1. Other income/ (expenses), net included mainly the net gain / (loss) from revaluation of government securities through profit or loss, net foreign exchange gain / (loss) and other operating income/ (expenses).

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