

Fondul Proprietatea

Q1 2015 Results Conference Call

15 May 2015



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The price of shares and income from them can go down as well as up and you may lose some or all of your capital invested. The previous results of a fund or company do not account for future performances. Currency fluctuations will affect the value of foreign investments. All investments are subject to certain risks. Generally, investments offering the potential for higher returns are accompanied by a higher degree of risk. Stocks and other equities representing an ownership interest in a corporation have historically outperformed other asset classes over the long term but tend to fluctuate more dramatically over the shorter term. Small or relatively new companies can be particularly sensitive to changing economic conditions due to factors such as relatively small revenues, limited product lines, and small market share. Smaller company stocks have historically exhibited greater price volatility than larger company stocks, particularly over the short term. The significant growth potential offered by Emerging Markets remains accompanied by heightened risks when compared to developed markets, including risks related to market and currency volatility, adverse social and political developments, and the relatively small size and lesser liquidity of these markets.

Alternative Investment Fund Manager Directive has not been implemented in Romania and Fondul Proprietatea is not considered an alternative investment fund. However, this presentation is not used for any direct / indirect promotion / offering of Fondul Proprietatea shares.

The headquarters of Fondul Proprietatea SA are at 78-80 Buzesti Str, 7th Floor, Bucharest District 1, 011017, Romania. Fondul Proprietatea's Fiscal Identification Code (CIF) is 18253260 and Trade Registry registration no is J40/21901/2005. The subscribed share capital is RON 11,575,064,733.65 and paid up share capital is RON 11,229,443,001.15. This presentation is issued by Franklin Templeton Investment Management Limited ("FTIML"), registered with ASF under no. PJR09SIIR/400006/18.08.2010, which is authorized and regulated in the UK by the Financial Conduct Authority with Register Number 121779, registered as a foreign equivalent of an investment adviser with the US Securities Exchange Commission, and the Romanian branch is regulated by the Romanian Financial Supervisory Authority.

Fund Information



The Fund – Key Facts

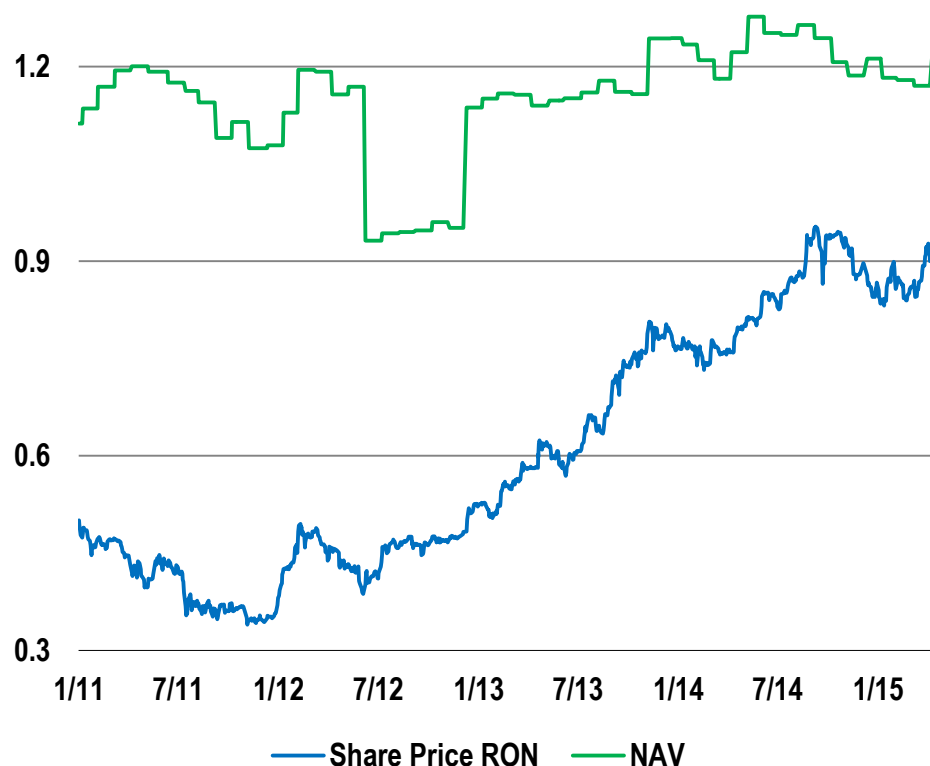
Fund Details as at 30 April 2015¹

	RON	EUR
NAV	13.07 bn	2.96 bn ²
NAV/Share	1.2177	0.2755 ²
Price/Share ³	0.9000	0.2036
Discount per Share ³	26.09%	
Price/GDR ³ (USD)	11.45	
Discount/GDR ³	25.66%	
Number of Shares in Issue	12,184,278,667	
Number of Paid Shares ³	11,820,466,317	
Number of Paid Shares less Treasury Shares ⁴	10,721,585,367	

Investment Objective

Maximization of returns and per-share capital appreciation via investments mainly in Romanian equities and equity-linked securities.

FP Share Price⁵ and NAV



Source: BVB, FP NAV report as at 30 April 2015.

1. Based on local regulator methodology.

2. Computed using the NBR EUR/RON FX rate as at 30 April 2015.

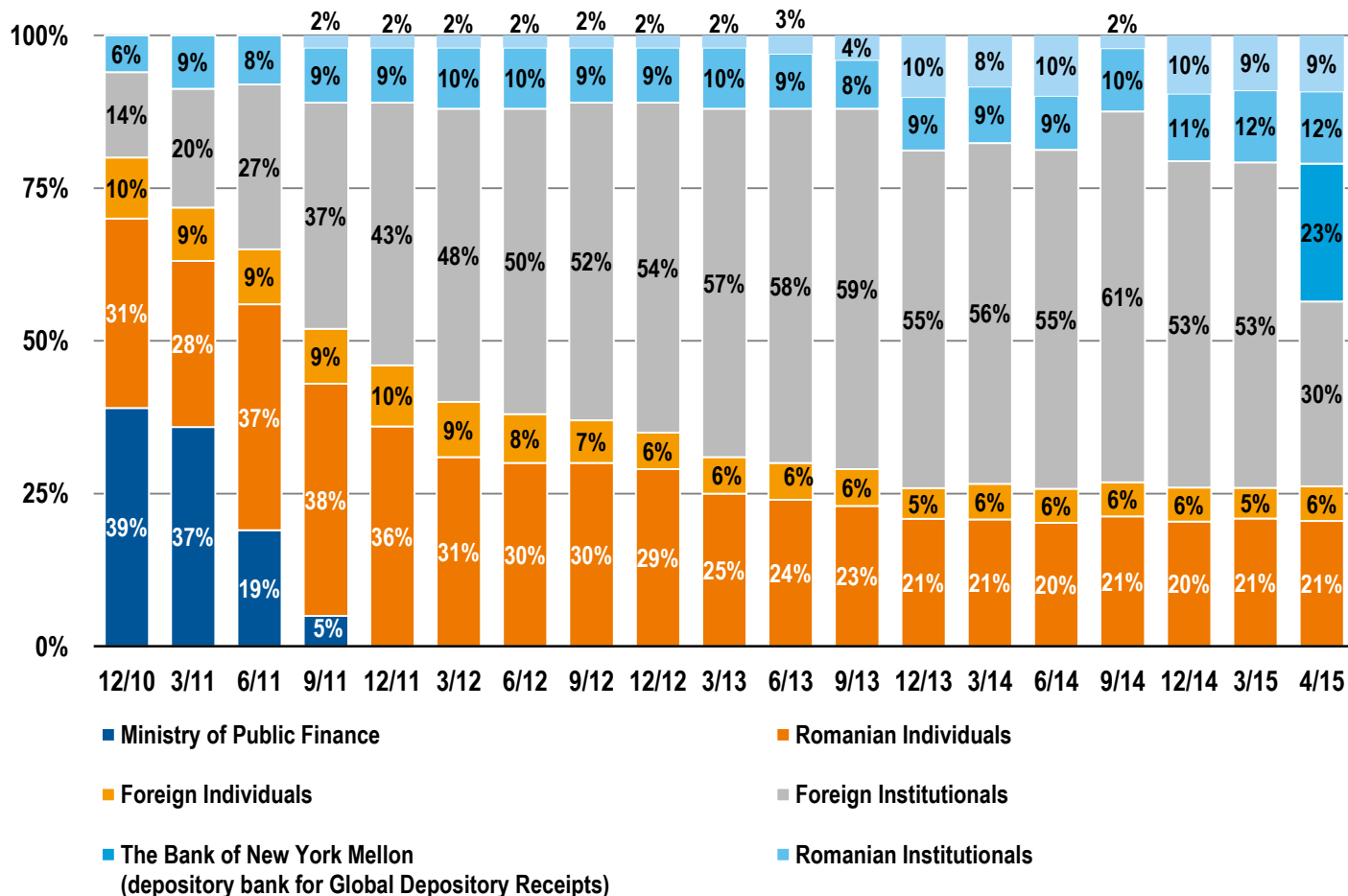
3. As at 30 April 2015.

4. Treasury shares acquired until 8 May 2015.

5. Source: BVB, Bloomberg, until 14 May 2015.

Shareholders Structure

Evolution (% Held)



Largest Shareholders

Elliott Associates¹	18.76%
Total Number of Shareholders²	8,520

1. Based on the total voting rights. Source: Ownership disclosures submitted by shareholders on 5 May 2015.

2. Shareholders structure as at 30 April 2015, based on paid share capital starting 31 July 2011. Source: Central Depository.

Performance Objectives – NAV

- **Objective**

- The Adjusted NAV¹ per share as at 30 June 2015, to be higher than the NAV per share as at 30 September 2013 (RON 1.1610 per share)

- **Monthly Monitoring – 30 April 2015**

- The Adjusted NAV as at 30 April 2015 is higher than the NAV per share as at 30 September 2013

NAV Objective	Amount RON	Comments
Total NAV as at 30 April 2015	13,065,593,618	
Return of capital to shareholders after 30 Sep 2013, until 30 April 2015	601,325,852	
Costs related to return of capital after 30 Sep 2013, until 30 April 2015	47,352	Fee charged by the Distribution bank (BRD)
Costs related to buybacks after 30 Sep 2013, until 30 April 2015	26,978,397	Fees related to: Second buyback programme after 30 Sept 2013, Third buyback programme, Fourth buyback programme and Fifth buyback programme (before 30 April 2015)
Total Adjusted NAV as at 30 April 2015	13,693,945,219	
Number of Fund's paid shares, less Treasury shares as at 30 April 2015	10,728,881,516	
Adjusted NAV per share as at 30 April 2015	1.2763	
NAV per share as at 30 September 2013	1.1610	
Difference	0.1153	
%	9.9%	

Source: Fund Manager.

1. The adjusted NAV for a given date will be calculated as the sum of: the reported NAV as at the end of reporting period, any returns to shareholders, following reductions of the share capital (return of nominal) implemented after 30 September 2013, and any Distribution Fees and any transaction costs relating to non-dividend distributions including buy-backs executed after 30 September 2013. The adjusted NAV per share will be equal to the adjusted NAV divided by the total number of the Fund's paid shares, less treasury shares, on the last day of the reporting period.

Performance Objectives - Discount

- **Objective**
 - The discount between the closing price and the last reported NAV per share to be equal to or lower than 15%, in at least 2/3 of the trading days in the period 1 October 2014 – 30 June 2015
- **Monthly Monitoring – 30 April 2015**
 - In the period 1 October 2014 – 30 April 2015, discount was higher than 15%, for both shares and GDRs.

Discount range between 1 October 2014 – 30 April 2015

Fund's Shares	20.81% - 31.42%
Fund's GDRs (starting 29 April 2015)	21.72% - 22.67%

Source: Fund Manager.

Contributors to NAV Performance for Q1 2015

TOP PERFORMERS

Company	Status	% in Total NAV ¹	% change in NAV performance for Q1 2015	Change in NAV per share (RON)
Banca Transilvania SA	Listed	1.3%	0.11%	0.0013
BRD Groupe Societe Generale SA	Listed	1.9%	0.10%	0.0012
Conpet SA Ploiesti	Listed	0.3%	0.03%	0.0004
Primcom SA	Listed	0.1%	0.02%	0.0002
Alcom SA	Listed	0.1%	0.02%	0.0002

BOTTOM PERFORMERS

Company	Status	% in Total NAV ¹	% change in NAV performance for Q1 2015	Change in NAV per share (RON)
OMV Petrom SA	Listed	31.0%	(3.63)%	(0.0447)
Nuclearelectrica SA	Listed	1.6%	(0.09)%	(0.0011)
Romgaz SA	Listed	10.7%	(0.09)%	(0.0011)
Salubriserv SA ²	Unlisted	0.0%	(0.08)%	(0.0010)
Alro SA	Listed	0.6%	(0.06)%	(0.0007)

TOTAL NAV VARIANCE Q1 2015

(0.0419)

Note: Starting 1 January 2015, IFRS became the statutory accounting basis for Fondul Proprietatea, the accounting records under IFRS being used for the computation of NAV for the non-portfolio items.

1. Source: Detailed statement of investments as at 31 March 2015.

2. The company is in insolvency procedure starting 2015.

NAV and Share Price Performance

Cumulative Performance (RON)

	2011	2012	2013	2014	YTD ¹	Since Performance Inception ¹
NAV	(0.47)%	8.91%	13.29%	1.39%	0.43%	25.05%
Ordinary Share Price	(30.32)%	38.30%	61.34%	14.53%	0.45%	78.87%

Average Annual Discount

2011	2012	2013	2014	YTD ²	Current Share Price Discount ³	Current GDR Price Discount ³
55.67%	50.20%	41.30%	30.57%	26.89%	27.32%	27.46%

Source: BVB, LSE, FP NAV reports.

1. As at 30 April 2015.

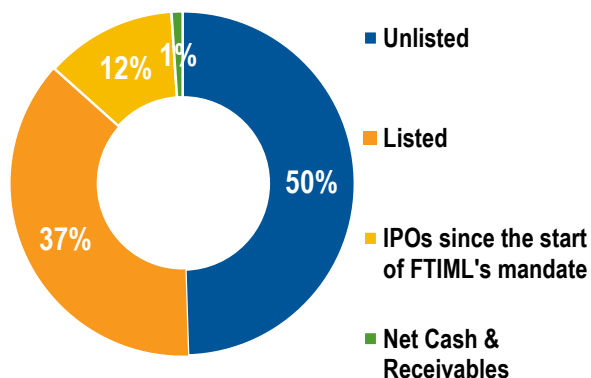
2. For the period: 5 January – 14 May 2015.

3. As at 14 May 2015.

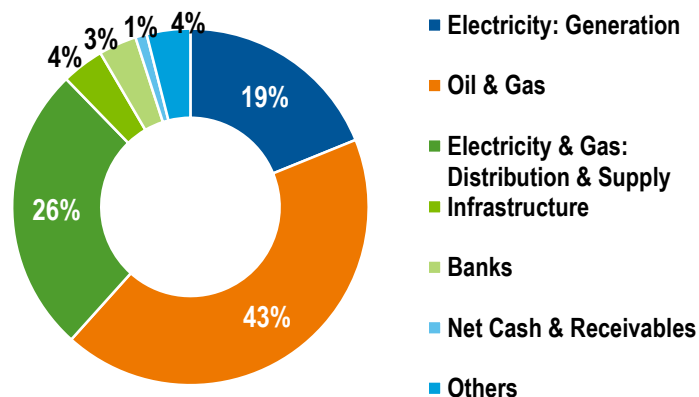
Portfolio Performance



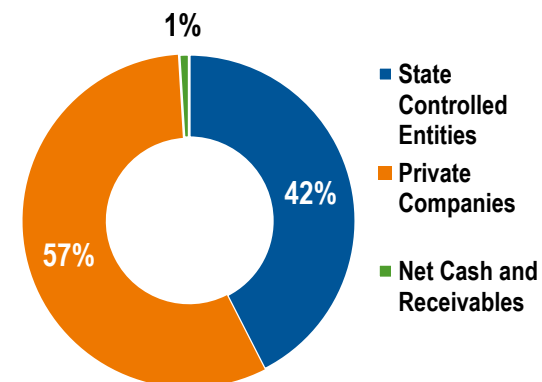
**Listed vs Unlisted
as at 30 April 2015**



**By Sector
as at 30 April 2015**



**By Controlling Ownership as
at 31 March 2015**



- As at 30 April 2015, the portfolio included stakes in 51 companies (15 listed and 36 unlisted).
- Net cash and receivables position as at 30 April 2015 was EUR 31.4 mn.
- There were no acquisitions or disposals during Q1 2015.

Largest Holdings by NAV

Portfolio Company	Status	Majority Shareholder	% Stake ¹	NAV as at 30 April 2015 (EUR mn)	% in NAV as at 30 April 2015
OMV Petrom SA	Listed	OMV	19.0%	954.20	32.28
Hidroelectrica SA	Insolvency	Romanian State	19.9%	492.80	16.67
Romgaz SA	Listed	Romanian State	10.0%	317.43	10.74
ENEL Distributie Banat	Unlisted	Enel Group	24.1%	144.91	4.90
ENEL Distributie Muntenia	Unlisted	Enel Group	12.0%	105.38	3.56
GDF Suez Energy Romania	Unlisted	GDF Suez	12.0%	104.38	3.53
E.ON Distributie Romania ²	Unlisted	E.ON Group	18.3%	99.88	3.38
ENEL Distributie Dobrogea	Unlisted	Enel Group	24.1%	89.80	3.04
CN Aeroporturi Bucuresti	Unlisted	Romanian State	20.0%	75.18	2.54
BRD Groupe Societe Generale SA	Listed	Groupe Societe Generale	3.6%	61.12	2.07
Top 10 Portfolio Holdings				2,445.08	82.71
NAV				2,956.08	100.00
NAV Per Share (EUR)				0.2755	

Note: Values in EUR calculated using the EUR/RON FX rate as at 30 April 2015.

Source: Monthly Factsheet prepared by the Fund Manager as at 30 April 2015.

1. Based on the 31 March 2015 Detailed Statement of Investments.

2. Formed through the merger of E.ON Gaz Distributie and E.ON Moldova Distributie, as at 31 December 2014.

Government SPO & IPO Calendar

Future IPOs and Privatizations

Company	Official Timeline ¹	FP Expectations	Offering Size %	Offering Size Value (EUR mn)	FP Stake Value (EUR mn)	Seller	Investment Consortium Selected
Hidroelectrica	IPO – June 2014	2016	15.0	426.3 ²	492.8 ²	New Shares	Morgan Stanley, Raiffeisen
CE Oltenia	IPO – Nov 2015	?	12.0/15.3	15.3/20.1 ³	24.6 ³	New Shares	BRD Groupe Societe Generale, Swiss Capital
Posta Romana	Privatization (Share Capital Increase)	Q3 2015	>50.0	>38.0 ³	12.7 ³	New Shares	KPMG, Tuca, Zbarcea and Associates

Other candidates from the Fund's portfolio for IPOs

Company	FP Stake	FP Stake Value (EUR mn)	Market Cap
Administratia Porturilor Maritime (Constanta Port)	20.0% ³	30.1 ³	150.3 ³
Aeroporturi Bucuresti (Bucharest Airports)	20.0% ²	75.2 ²	375.9 ²
Salrom	49.0% ³	32.4 ³	66.1 ³

1. As agreed with the IMF in the September 2013 Letter of Intent.

2. Source: Monthly Factsheet prepared by the Fund Manager as at 30 April 2015.

3. Source: Detailed Statement of Investments as at 31 March 2015.

Disposal of the Unlisted Power and Gas Distribution Companies

Company	FP Stake	NAV EUR mn	% NAV
Enel Distributie Banat (EDB)	24%	145.2	5.1%
Enel Distributie Muntenia (EDM)	12%	105.6	3.7%
Enel Distributie Dobrogea (EDD)	24%	90.0	3.2%
Enel Energie Muntenia (EEM)	12%	14.8	0.5%
Enel Energie (EE)	12%	16.9	0.6%
Total Enel		372.5	13.1%
Electrica Distributie Muntenia Nord	22%	53.4	1.9%
Electrica Distributie Transilvania Sud	22%	46.8	1.6%
Electrica Distributie Transilvania Nord	22%	45.7	1.6%
Electrica Furnizare	22%	28.7	1.0%
Total Electrica		174.6	6.1%
E.ON Distributie Romania	18%	100.1	3.5%
E.ON Energie Romania	13%	30.4	1.1%
Total E.ON		130.5	4.6%
GDF Suez Energy Romania	12%	104.6	3.7%
TOTAL		782.2	27.5%

Notes: Values in EUR calculated using the EUR/RON FX rate as at 31 March 2015.
Source: Detailed Statement of Investments as at 31 March 2015.

Background

- The total value of the holdings is EUR 782.2 mn, or 27.5% of the NAV per the Fund's 31 March 2015 Detailed Statement of Investments.

Status

- E.ON:** Following the GSM decisions adopted in November 2014, as of 31 December 2014, the gas distributor E.ON Gaz Distributie merged through absorption with the electricity distributor E.ON Moldova Distributie (absorbed company) and subsequently changed its name in E.ON Distributie SA. The Fund's stake in the merged entity is 18.3%. The controlling shareholder's stake in E.ON Distributie Romania is 61.8%. The Fund has requested the amendment of the convening notices of the annual GSMs of E.ON Distributie Romania and E.ON Energie Romania called at the end of May 2015, for shareholders to approve the initiation of court actions against their board members and managers of these companies in order to recover damages caused to the companies by approving, concluding and performing business strategy consultancy agreements with their majority shareholder E.ON Romania SRL (estimated cumulated value of RON 34,4mil in 2014).
- Enel:** In March 2015, Enel announced that the company has put on hold the sale of its operations in Romania.
- Electrica:** Negotiations have failed. The Fund has withdrawn its offer made to Electrica to sell the four subsidiaries. FP is waiting for an official re-start of the negotiations.
- GDF Suez Energy Romania:** According to media, GDF Suez Energy Romania has won in court a litigation against ANRE for recovering EUR 66 mn representing unrecognized revenues dating from 2008-2011. According to the regulator, a large amount was already recovered by the company from the industrial consumers by the end of 2014 and the rest will be recovered from households by the end of 2018. ANRE has the possibility to appeal the court's decision.



Top 20 Portfolio Holdings – Key Financials

Top 20 Holdings ¹	EBITDA (RON mn)					Net Profit (RON mn)				
	2010	2011	2012	2013	2014	2010	2011	2012	2013	2014
OMV Petrom SA ²	5,301.9	7,524.3	8,270.2	9,313.0	8,145.0	2,189.7	3,758.6	3,946.1	4,820.9	2,100.0
Hidroelectrica SA	1,349.9	873.6	707.3	2,008.3	2,207.9	292.3	6.5	(508.0)	718.8	967.0
Romgaz SA	1,655.6	1,884.8	2,126.6	1,972.5	2,511.0	651.2	1,031.8	1,244.1	995.6	1,434.4
ENEL Distributie Banat SA	239.4	316.7	292.4	335.1	323.2 ⁹	150.7	220.5	167.2	190.7	172.2 ⁹
ENEL Distributie Muntenia SA	215.4	211.3	357.9	424.0	439.9 ⁹	105.1	50.5	206.3	267.2	240.8 ⁹
GDF Suez Energy Romania SA ²	444.1	426.6	582.6	730.5	838.8	271.0	261.9	360.1	447.1	439.4
E.ON Distributie Romania SA ⁶	592.7	543.5	413.0	471.1	495.0 ¹⁰	325.0	237.7	144.3	154.8	151.0
ENEL Distributie Dobrogea SA	159.7	185.6	189.7	248.2	239.0 ⁹	99.7	108.9	94.5	133.5	87.7 ⁹
CN Aeroporturi Bucuresti SA	164.8	186.5	205.0	238.4	267.3	42.6	52.6	53.1	72.0	110.2
Electrica Distributie Muntenia Nord SA	94.7	141.8	165.6	146.8	271.7	26.7	67.4	87.2	126.5	140.3
BRD Groupe Societe Generale SA ²	0.0	0.0	0.0	0.0	0.0	1,008.8	498.5	(290.6)	(384.3)	63.1
Electrica Distributie Transilvania Sud SA	99.6	111.2	156.4	211.9	242.2	11.9	19.6	45.8	69.4	100.1
Electrica Distributie Transilvania Nord SA	92.6	120.3	161.6	205.5	255.4	8.5	29.1	53.1	63.7	95.3
Nuclearelectrica SA	689.4	531.7	549.1	892.5	605.7	16.1	95.0	34.5	426.9	137.1
Banca Transilvania SA	0.0	0.0	0.0	0.0	0.0	134.0	297.3	346.5	408.6	448.1
SN a Sarii Salrom SA	25.0	19.2	41.1	65.4	63.7	5.9	1.4	20.8	42.8	39.1
E.ON Energie Romania SA	(128.7)	(196.1)	(13.2)	228.8	153.0 ¹⁰	(95.4)	(191.7)	(32.6)	224.5	134.0
CN Administratia Porturilor Maritime SA	70.0	82.7	80.8	110.3	123.4	24.7	42.3	35.6	65.0	70.3
Electrica Furnizare SA ⁷	0.0	91.7	108.2	107.2	230.5	0.0	84.5	90.5	101.5	204.7
Complexul Energetic Oltenia SA	400.0 ³	57.8 ³	409.9 ⁴	543.0	203.6	(126.6) ³	179.8 ³	191.2 ⁴	4.6	(693.6)
TOTAL	11,466.1	13,113.2	14,804.3	18,252.6	17,616.6	5,141.9	6,852.2	6,289.8	8,949.8	6,441.5
WEIGHTED TOTAL	1,984.1	2,292.4	2,576.7	3,216.0	3,063.8	733.2	1,091.6	1,058.4	1,548.9	968.0
WEIGHTED TOTAL LISTED COMPANIES⁵	1,239.5	1,669.1	1,836.6	2,052.6	1,931.1	523.1	852.9	876.5	1,054.4	599.2
WEIGHTED TOTAL UNLISTED COMPANIES⁵	744.6	623.3	740.1	1,163.3	1,132.7	210.1	238.7	181.9	494.5	368.8

Note: EBITDA is calculated as Operational result + Depreciation. Source: Companies' financial statements, Judicial Administrator's reports.

1. Based on the 31 March 2015 Detailed Statement of Investments.

2. Consolidated IFRS financial statements.

3. The company was registered in May 2012 and created through the merger of CE Craiova SA, CE Rovinari SA, CE Turceni SA and SNLO. Combined IFRS financial statements of the merged companies. Preliminary figures for the period 31 May – 31 December 2012.

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

6. The company was registered starting with 31 December 2014 and created through the merger of E.ON Gaz Distributie SA and E.ON Moldova Distributie SA. Combined financials of the merged companies.

7. The company was registered in July 2010 and created through the merger of Electrica Furnizare Muntenia Nord, Electrica Furnizare Transilvania Nord and Electrica Furnizare Transilvania Sud.

8. Preliminary 2014 figures, pending shareholders' approval during Annual GSMs. Source: 2015 budgets, 2014 Preliminary financial statements – Annual GSMs materials, companies presentations.

9. Source: 2014 financial statements approved by shareholders.

10. Company calculations.



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INVESTMENTS

State Controlled Companies – Key Financials

Company	EBITDA (RON mn)				Net Profit (RON mn)			
	2011	2012	2013	2014	2011	2012	2013	2014
Hidroelectrica SA	873.6 ³	707.3 ³	2,008.3	2,190.0	6.5	(508.0)	719.0	967.0
Romgaz SA	1,884.8	2,126.6	1,972.5	2,511.0	1,031.8	1,244.1	995.6	1,434.4
Complexul Energetic Oltenia SA ¹	57.8	409.8 ⁴	543.0	203.6	179.8	191.2 ⁴	4.6	(693.6)
Nuclearelectrica SA	531.7	549.1	892.5	605.7	95.0	34.5	426.9 ⁸	137.1
Electrica Distributie Muntenia Nord SA	141.8	165.6	146.9	271.7	67.4	87.2	126.5	140.3
CN Aeroporturi Bucuresti SA	186.5	205.0	238.4 ⁷	267.3	52.6	53.1	72.0 ⁷	110.2
Electrica Distributie Transilvania Sud SA	111.2	156.4	211.9	242.2	19.6	45.8	69.4	100.1
Electrica Distributie Transilvania Nord SA	120.3	161.6	205.5	255.4	29.1	53.1	63.7	95.3
Societatea Nationala a Sarii – Salrom SA	19.2	41.1	65.4	63.7	1.4	20.8	42.8	39.1
Conpet SA	89.1	86.1	99.6 ⁵	101.3	28.6	30.8	31.3	51.4
Posta Romana SA	(102.9)	0.5	20.1	88.5	(182.9)	(52.1)	(29.4)	37.0
CN Administratia Porturilor Maritime SA	82.7	80.8	110.3	123.4	42.2	35.6	65.0	70.3
Romaero SA	16.2	(32.3)	(5.2)	N/A	0.4	(46.7)	(19.8)	N/A
CN Administratia Canalelor Navigabile SA	8.8	13.2	10.6	N/A	2.6	4.8	1.0	N/A
Oil Terminal SA	17.5	15.3	15.4	N/A	0.5	0.5	0.0	N/A
A.I. Timisoara – Traian Vuia SA	19.9	13.8	(13.4)	7.2	8.7	4.2	(21.6)	1.2
Plafar SA ²	0.2	(0.9)	N/A	0.4	0.1	(1.0)	0.0	0.1
A.I. M. Kogalniceanu – Constanta SA	2.7	1.9	0.3	3.6	(0.1)	(1.4)	(3.8)	0.0
CN Administratia Porturilor Dunarii Fluviale SA	7.0	5.3	2.1	N/A	4.0	2.5	0.0	(2.5)
CN Administratia Porturilor Dunarii Maritime SA	1.4	1.9	2.2 ⁶	2.3 ⁶	1.0	1.2	1.4	1.4
Electrica Furnizare SA	91.7	108.2	107.2	230.5	84.5	90.5	101.5	204.7
TOTAL	4,161.2	4,816.3	6,631.4	7,167.9	1,472.8	1,290.7	2,646.2	2,693.5
WEIGHTED TOTAL⁹	670.4	806.8	1,062.0	1,146.1	184.1	163.2	439.4	385.9
WEIGHTED TOTAL LISTED COMPANIES⁹	300.3	299.9	290.0	311.6	126.9	120.2	146.7	158.9
WEIGHTED TOTAL UNLISTED COMPANIES⁹	370.1	506.9	772.0	834.6	57.2	42.9	292.7	226.5

Note: EBITDA = Operational result + Depreciation.

Source: Companies' Financial statements, Judicial Administrator's reports.

1. Company registered in May 2012, created through merger of CE Craiova SA, CE Rovinari SA, CE Turceni SA and SNLO.

2. The company was in insolvency procedure until September 2013.

3. Source: Company's calculations.

4. For the period 31 May – 31 December 2012.

5. EBITDA = Operational result + Depreciation + Expenses with the revaluation of fixed assets.

6. EBITDA = Operational result - Other income + Depreciation.

7. 2013 preliminary financial results, pending shareholders' approval.

8. IFRS consolidated financial statements.

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

10. Source: 2015 Budgets, 2014 Preliminary financial statements and reports submitted for shareholders' approval.



FRANKLIN TEMPLETON
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- **Romanian Government IPO Plans:** On 29 April 2015, the Romanian Government reaffirmed its plans to continue in 2015 and 2016 the IPO and SPO program of SOEs.
 - Majority State-owned companies and non-privatized (ex. Hidroelectrica, Constanta Port, Bucharest Airports, Salrom)
 - Privatized companies, in which the State has a minority stake, but not listed (ex. Telekom, Enel, E.ON)
 - Listed companies, in which the State has a majority or minority stake to increase free float (ex. Romgaz, Nuclearelectrica, OMV Petrom)
 - The Government approved the creation of a taskforce including the Ministry of Finance and the Financial Supervisory Authority to manage the coordination of the listing program.
- **Citi Facility Agreement:** On 4 May 2015, the Fund signed a credit facility agreement with Citibank Europe – Bucharest Branch for up to RON 500 million to be used mainly for corporate actions (buy-backs and return of capital). The credit facility is intended to be a short term overdraft facility that expires at the end of 2015.
- **Potential changes of the Corporate Governance legislation (OUG 109),** through an Emergency Government Ordinance. Among others, changes may refer to the remuneration of non-executive and executive board members, introduction of fines for not meeting transparency requirements on selection of Board members and management, remuneration, and publication of annual reports

Corporate Actions



Top 15 Funds on LSE

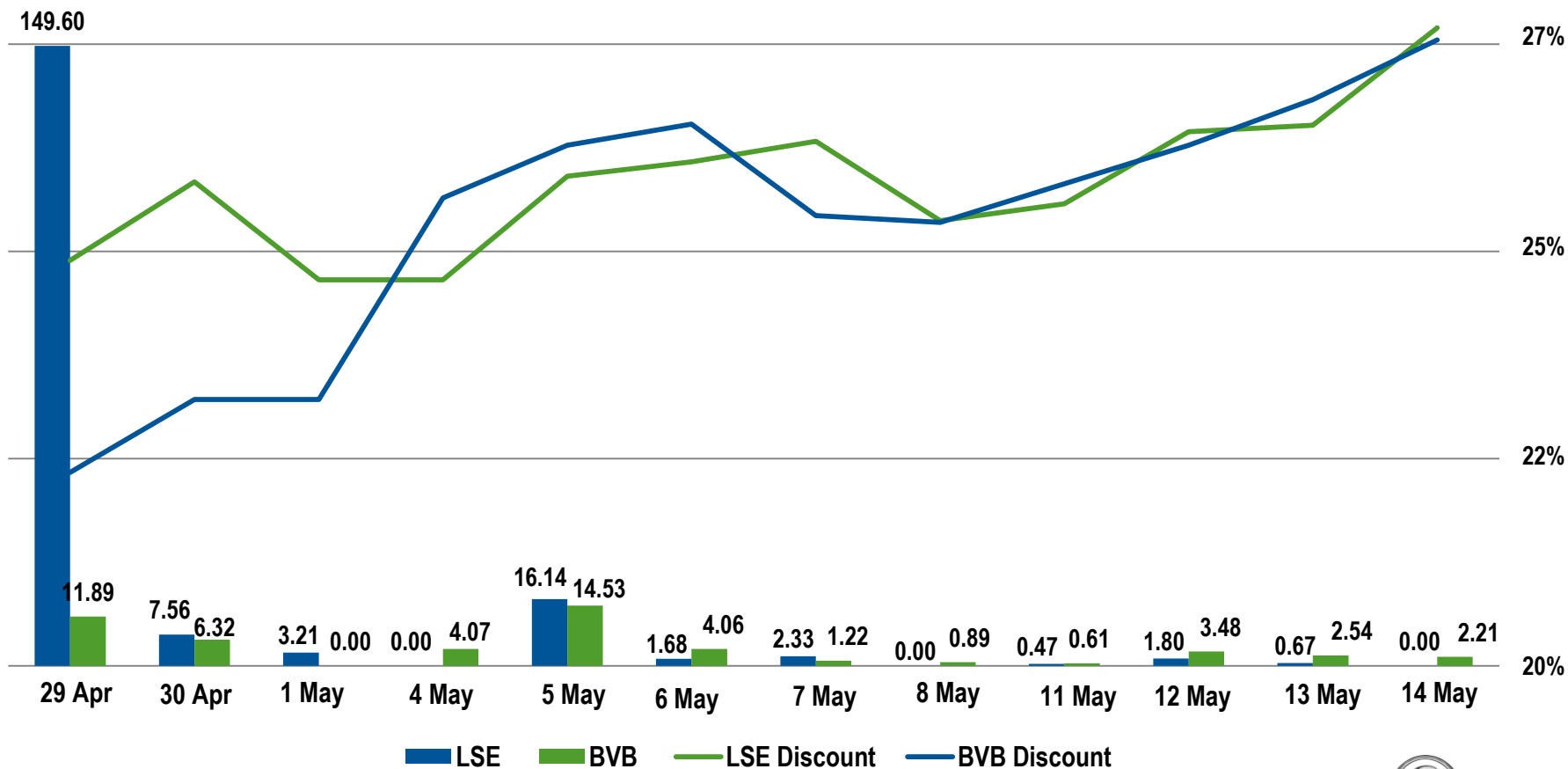
Fund	Symbol	Listing Currency	Total NAV (USD mn)	Premium / Discount to NAV (%)	% Listed Portfolio (approximately)
Scottish Mortgage Inv Tr PLC	SMT	GBP	4,988.61	2.10%	97.0
Alliance Trust PLC	ATST	GBP	4,878.76	(12.60)%	89.0
Foreign & Colonial Invest Tr	FRCL	GBP	4,181.31	(9.90)%	99.0
RIT Capital Partners PLC	RCP	GBP	3,733.59	0.20%	96.0
FONDUL PROPRIETATEA	FP.	USD	3,305.30	(27.32)%	49.4
Mercantile Investment Trust	MRC	GBP	3,111.36	(12.70)%	90.0
Caledonia Investments PLC	CLDN	GBP	2,666.95	(16.90)%	62.0
Templeton Emerging Markets-O	TEM	GBP	2,535.14	(10.70)%	95.0
Edinburgh Investment Trust	EDIN	GBP	2,465.79	(4.40)%	99.0
HICL Infrastructure Co Ltd	HICL	GBP	2,387.69	16.20%	101.0
Witan Investment Trust PLC	WTAN	GBP	2,119.03	(0.20)%	97.0
3i Infrastructure PLC	3IN	GBP	2,083.75	8.80%	6.0
Murray International TR-O	MYI	GBP	2,000.77	1.40%	86.0
Kennedy Wilson Europe REA	KWE	GBP	1,968.39	8.40%	0.0
City of London Investment TR	CTY	GBP	1,830.26	1.20%	100.0

Source: Jefferies, Morningstar, Bloomberg, Company factsheets, London Stock Exchange as at 6 May 2015. For Fondul Proprietatea, NAV as at 30 April 2015, discount as at 14 May 2015.

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Discount and Average Daily Trading on LSE and BVB

RON mn



1. Source: Bloomberg, BVB, for the period 29 April – 14 May 2015.

Buy-Back Programs

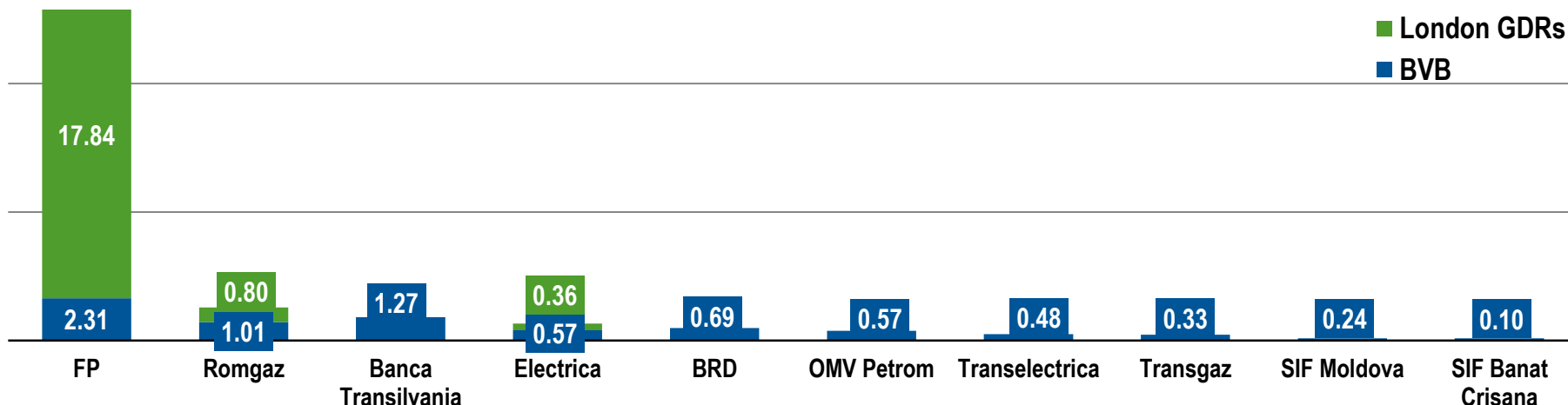
Program	Period	Status	No. of shares to be repurchased / % of the Fund's issued share capital	Average share price (RON/share)	Broker	Cancellation of shares
Fourth	October 2014 – February 2015	Completed	991.0 mn/7.32%	1.0557 ¹	Raiffeisen	Approved by shareholders on 27 April 2015
Fifth	Started on 10 February 2015	Ongoing	227.6 mn/1.89%	0.8778 ²	Wood & Co.	-
Sixth	-	Approved by shareholders on 27 April 2015	891.8 mn/7.54%	-	To be selected	-

1. Including the 750mn shares Tender Offer.

2. As at 8 May 2015, based on the 108,025,334 shares repurchased.

Buy-Back Programs – BVB Average Daily Trading Value

Average Daily Turnover in April 2015 (EUR mn)



Fifth Buy-Back Program

ADTV on the BVB (April 2015)	11.4 mn shares / EUR 2.3 mn
25% of BVB ADTV	2.9 mn shares / EUR 0.6 mn
ADTV on the LSE (April 2015)	1.72 mn GDRs / EUR 17.57 mn
25% of LSE ADTV	0.43 mn GDRs / EUR 4.39 mn
Total cash & cash equivalents as at 30 April 2015 ¹	RON 120.1 mn / EUR 27.2 mn
Total number of shares to be repurchased	227,572,250
Number of shares repurchased as at 8 May 2015, during the fifth buyback programme	108,025,334
Average price for the shares repurchased as at 8 May 2015, during the fifth buyback programme	0.8778

Source: Bloomberg, Bucharest Stock Exchange, computed using the NBR EUR/RON FX as at the end of the month.

1. Using the simplifying assumption that all available cash & cash equivalents as at 30 April 2015 can be used for buy-backs, so ignoring other possible cash outflows and inflows.

Dividend Income – Top 20 Portfolio Companies

Top 20 Holdings ¹	DIVIDEND PAYOUT (%)					FP NET DIVIDEND (RON mn)				
	2010	2011	2012	2013 ²	2014	2011	2012	2013	2014	2015
OMV Petrom SA	46	47	40	36	35	201.6	353.1	319.0	331.4	120.5
Hidroelectrica SA	90	-	-	-	N/A	52.5	-	-	-	N/A
Romgaz SA	109	91	85	99	86	106.0	140.6	158.9	148.5	121.4
Enel Distributie Banat SA	56	-	-	-	50	20.2	-	-	-	20.7
Enel Distributie Muntenia SA	-	-	-	-	-	-	-	-	-	-
GDF Suez Energy Romania SA	40	-	50	60	51	9.6	-	22.8	33.6	24.0
E.ON Distributie Romania SA ³	-	-	367	-	-	-	-	29.9	-	-
Enel Distributie Dobrogea SA	56	-	-	-	50	13.5	-	-	-	10.5
CN Aeroporturi Bucuresti SA	90	89	85	85	50 ⁴	9.9	9.4	9.1	12.3	10.2 ⁴
Electrica Distributie Muntenia Nord SA	-	12	84	83	85	-	1.8	16.2	23.2	24.7
BRD Groupe Societe Generale	25	25	-	-	-	2.1	3.6	-	-	-
Electrica Distributie Transilvania Sud SA	-	-	-	83	85	-	-	-	12.7	17.6
Electrica Distributie Transilvania Nord SA	-	-	-	83	85	-	-	-	11.7	16.7
Nuclearelectrica SA	-	-	83	81	68	-	-	2.3	27.9	6.9
Banca Transilvania SA	-	-	-	-	-	-	-	-	-	-
Societatea Nationala a Sarii Salrom SA	90	90	92	85	N/A	0.8	0.1	9.3	19.8	N/A

Note: Calculations based on the companies' financial statements.

1. Based on the 31 March 2015 Detailed Statement of Investments.

2. Dividends are distributed based on individual financial statements.

3. Starting with 31 December 2014 E.ON Gaz Distributie SA changed its name to E.ON Distributie Romania SA and E.ON Moldova Distributie SA was erased from the Trade Register.

4. Proposed for shareholders' approval.

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FRANKLIN TEMPLETON
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Dividend Income – Top 20 Portfolio Companies

Top 20 Holdings ¹	DIVIDEND PAYOUT (%)					FP NET DIVIDEND (RON mn)				
	2010	2011	2012	2013 ²	2014	2011	2012	2013	2014	2015
E.ON Energie Romania SA	-	-	-	-	-	-	-	-	-	-
CN Administratia Porturilor Maritime SA	-	71	75	78	50 ¹²	-	6.6	5.4	10.1	6.5 ¹²
Electrica Furnizare SA	-	-	46	88	85	-	-	9.3	19.6	38.3
Complexul Energetic Oltenia SA ³	-	-	85	-	-	-	-	10.3	-	-
Total Top 20 Holdings (RON mn)						416.2	515.2	562.6	660.5	418.0
Total Dividends from Listed Companies (RON mn)						304.0	450.1	373.9	538.6	251.5
Total Dividends from Unlisted Companies (RON mn)						215.1	168.9	275.8⁵	143.5	176.8
Total Dividend Income (RON mn)						519.1	619.0	649.7	682.1	428.3
Total Dividend Income per Share (RON)⁴						0.03767	0.04615	0.04844	0.05178	0.03992¹³
Dividend / Distribution per Share (RON)						0.03854	0.04089	0.05000⁷	0.05000⁶	
Share Price (RON)						0.5550⁸	0.6600⁹	0.7640¹⁰	0.8850¹¹	
Yield						6.94%	6.20%	6.54%	5.65%¹¹	
Yield for Romanian companies (BET)						4.21%	5.09%	5.10%	3.50%	

Note: Calculations based on the companies' financial statements.

1. Based on the 31 March 2015 Detailed Statement of Investments.

2. Dividends are distributed based on individual financial statements.

3. Created through the merger of CE Craiova SA, CE Rovinari SA, CE Turceni SA and SNLO; Dividends distributed to FP by merged companies:

4. Calculation based on the number of paid shares at the registration date for each year, and as at 30 April for 2015.

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

6. Cash distribution to be paid on 29 June 2015.

7. Paid as a return of capital in June 2014, following the decrease of the nominal value of the Fund's share from RON 1 to RON 0.95

8. As at 9 May 2012.

9. As at 15 May 2013.

10. As at 28 April 2014

11. As at 14 May 2015.

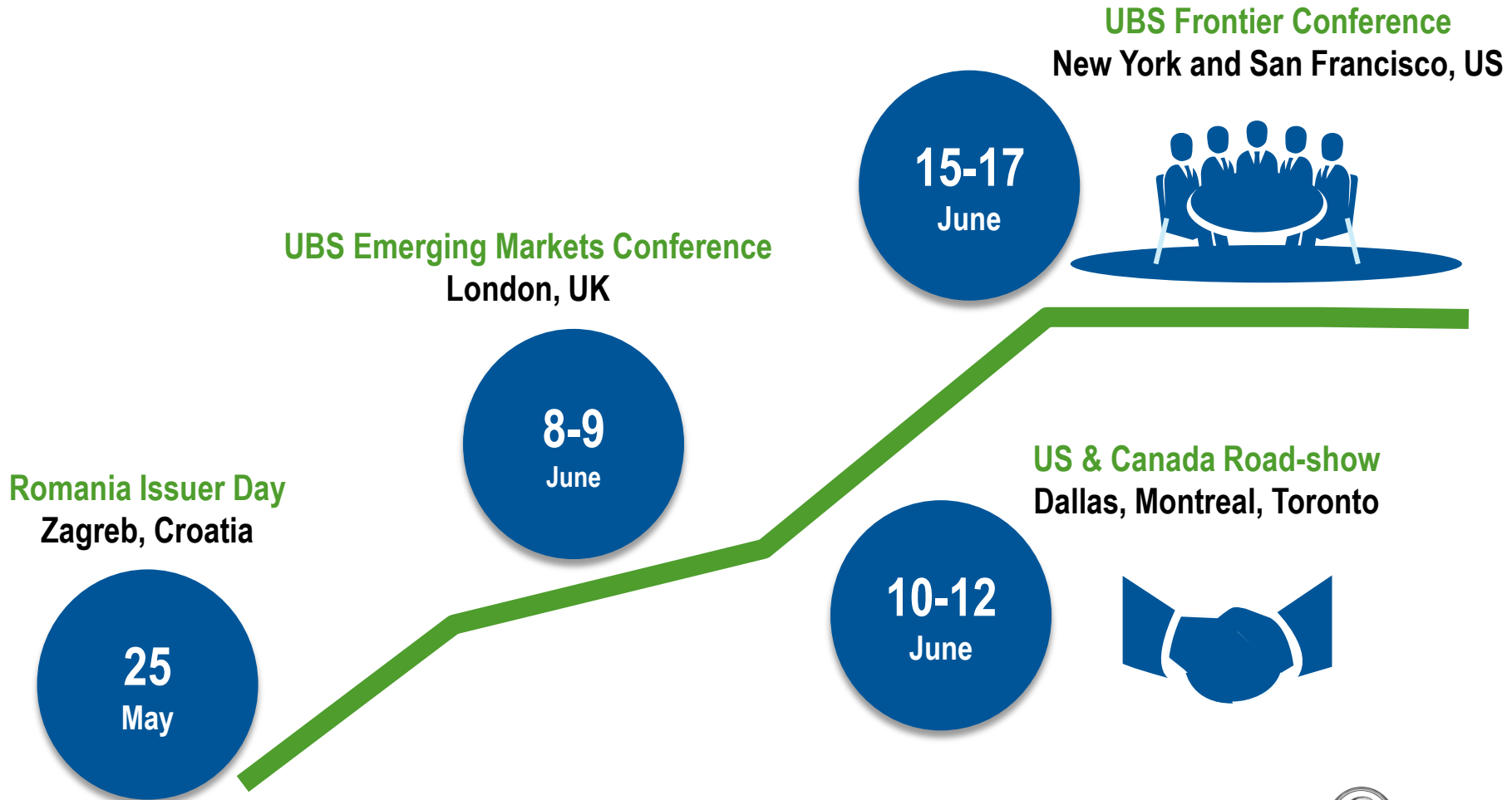
12. Proposed for shareholder's approval. 13. Estimated based on the number of paid shares as at 30 April 2015.

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FRANKLIN TEMPLETON
INVESTMENTS

Investor Relations – Upcoming Events



More information about the Fund can be found on the website www.fondulproprietatea.ro

Q1 2015 Results



Statement of Financial Position (RON million)

	31 March 2015 Unaudited	31 December 2014 Audited
Cash and current accounts	1.3	6.9
Deposits with banks	44.0	109.4
Treasury bills	77.7	162.8
Government bonds	32.2	31.7
Equity investments	12,446.6	12,927.7
Deferred tax assets	-	152.7
Other assets	10.3	9.5
Total assets	12,612.1	13,400.7
Total liabilities	45.4	52.8
Total equity	12,566.7	13,347.9
Total liabilities and equity	12,612.1	13,400.7

Statement of Comprehensive Income (RON million)

	31 March 2015 Unaudited	31 March 2014 Unaudited
Interest income	1.1	3.7
Loss on disposal of equity investments available for sale, net	-	(10.6)
Net loss from equity investments at fair value through profit or loss	(476.2)	(431.3)
Impairment losses on equity investments available for sale	(20.1)	(70.2)
Other items of income / (expense), net ¹	0.1	(0.4)
Net operating loss	(495.1)	(508.8)
Operating expenses	(20.9)	(22.1)
Loss before income tax	(516.0)	(530.9)
Income tax expense	(152.7)	(12.5)
Loss for the period	(668.7)	(543.4)
Other comprehensive income	15.4	72.0
Total comprehensive income for the period	(653.3)	(471.4)

Source: Q1 2015 Results Report, prepared in compliance with IAS 34, based on IFRS.

1. Other items of income / (expense) included the net foreign exchange losses, the reversal of impairment losses on receivables and other income.

Q1 2015 Results



RON mn (audited)	2011	2012	2013	2014
Tangible assets	26,334.28	28,512.59	30,659.38	32,289.64
Non-current assets -Total	31,021.51	32,776.65	34,559.89	37,242.73
Current assets - Total	5,466.93	5,195.03	5,451.11	5,868.33
Short term liabilities	6,093.39	6,002.01	5,167.14	6,159.65
Long term liabilities	9,287.08	8,645.89	8,237.94	9,959.84
Shareholders' equity	36,488.44	38,144.62	26,641.68	27,005.28

RON mn (audited)	2011	2012	2013	2014	2015 Budget
EBITDA	7,524.30	8,270.20	9,313.00	8,145.00	N/A
Net turnover	22,613.65	26,258.13	24,185.22	21,541.26	12,571.00
Operating result	4,935.76	5,662.00	5,957.86	3,338.30	1,121.00
Financial result	(327.17)	(835.74)	(259.26)	(429.12)	N/A
Pre-tax profit / loss	4,608.59	4,826.26	5,698.60	2,909.18	N/A
Income tax	849.97	880.16	874.56	809.51	N/A
Net profit / loss	3,758.62	3,946.10	4,824.04	2,099.67	1,102.00

Source: Company reports.

Note: EBITDA is calculated as Operational result + Depreciation.

RON mn (audited)	2011	2012	2013	2014 ¹
Tangible assets	20,272.68	19,848.03	19,036.41	18,273.12
Non-current assets- Total	20,339.08	19,913.70	19,065.21	18,288.09
Current assets - Total	611.86	410.20	464.88	1,003.60
Short term liabilities	2,639.16	2,611.20	1,560.30	794.62
Long term liabilities	1,507.59	1,278.20	874.22	474.48
Shareholders' equity	16,489.80	16,039.95	16,697.47	17,661.97

RON mn (audited)	2011	2012	2013	2014 ¹	2015 Budget ¹
EBITDA	894.46	905.66	2,008.25	2,206.94	1,447.08
Net turnover	3,020.59	2,402.79	3,083.23	3,406.05	2,792.07
Operating result	161.16	(321.55)	1,016.07	1,226.48	489.57
Financial result	(121.55)	(166.07)	(114.49)	(50.16)	(30.43)
Pre-tax profit / loss	39.61	(487.62)	901.58	1,176.32	459.13
Income tax	33.17	20.39	182.76	213.29	87.24
Net profit / loss	6.44	(508.01)	718.83	963.03	371.90

Source: Company reports.

Note: EBITDA calculated as Operating result + Depreciation.

1. 2014 Preliminary financial statements and 2015 Budget submitted for shareholders' approval.

RON mn (audited)	2011	2012	2013	2014
Tangible assets	6,364.47	5,880.770	5,767.27	5,962.72
Non-current assets- Total	6,643.88	6,190.31	6,246.16	6,447.80
Current assets - Total	4,066.44	4,214.65	4,231.01	4,363.99
Short term liabilities	973.53	574.07	761.77	669.22
Long term liabilities	573.17	486.14	422.63	430.86
Shareholders' equity	9,163.62	9,344.76	9,292.77	9,712.02

RON mn (audited)	2011	2012	2013	2014
EBITDA	1,963.75	1.864.66	1,972.51	2,489.70
Net turnover	4,195.47	3,837.94	3,894.27	4,493.34
Operating result	1,260.37	1,258.52	1,190.59	1,753.90
Financial result	82.09	137.12	110.05	34.40
Pre-tax profit / loss	1,342.46	1,395.64	1,300.64	1,788.33
Income tax	154.77	276.46	305.09	378.45
Net profit / loss	1,187.69	1,119.18	995.55	1,409.88

Source: Company reports.

Note: EBITDA is calculated as Operational result + Depreciation.

Enel Distributie Banat

RON mn (audited)	2011	2012	2013	2014
Tangible assets	1,745.58	1,766.75	1,762.64	1,815.85
Non-current assets- Total	1,773.41	1,800.54	1,794.67	1,843.55
Current assets - Total	631.43	805.47	1,040.91	1,227.34
Short term liabilities	208.42	216.62	232.51	194.87
Long term liabilities	0.00	0.00	0.00	0.00
Shareholders' equity	1,846.23	2,013.47	2,204.13	2,476.48

RON mn (audited)	2011	2012	2013	2014	2015 Budget
EBITDA	313.69	292.44	335.09	323.16	294.90
Net turnover	585.78	603.16	625.07	601.05	587.20 ¹
Operating result	238.35	181.15	203.39	188.38	198.00
Financial result	17.58	21.40	28.44	18.19	N/A
Pre-tax profit / loss	255.93	202.55	231.83	206.57	198.00
Income tax	35.47	35.32	41.17	34.32	36.10
Net profit / loss	220.46	167.23	190.66	172.24	161.80

Source: Company reports.

Note: EBITDA is calculated as Operational result + Depreciation.

1. Net turnover not disclosed in the 2015 Budget. The figure represents Operating revenues.

RON mn (audited)	2011	2012	2013	2014
Tangible assets	2,818.90	3,506.96	3,502.93	3,504.65
Non-current assets- Total	2,836.32	3,532.46	3,522.84	3,519.60
Current assets - Total	1,603.40	1,597.01	1,941.52	312.89
Short term liabilities	522.97	438.39	477.05	531.87
Long term liabilities	0.00	0.00	0.00	0.00
Shareholders' equity	2,866.97	3,618.40	3,885.14	4,125.94

RON mn (audited)	2011	2012	2013	2014	2015 Budget
EBITDA	211.34	357.88	424.02	439.87	444.20
Net turnover	705.88	869.86	891.83	888.13	931.80 ¹
Operating result	51.64	172.40	220.95	246.27	244.10
Financial result	25.48	63.17	98.36	33.68	N/A
Pre-tax profit / loss	77.12	235.58	319.31	279.94	257.50
Income tax	26.65	29.29	52.10	39.15	45.80
Net profit / loss	50.47	206.28	267.21	240.80	211.70

Source: Company reports.

Note: EBITDA is calculated as Operational result + Depreciation.

1. Net turnover not disclosed in the 2015 Budget. The figure represents Operating revenues.

RON mn (audited)	2011	2012	2013	2014
Tangible assets	2,597.26	2,761.10	3,087.40	3,253.17
Non-current assets- Total	2,764.89	2,963.48	3,245.67	3,343.48
Current assets - Total	1,380.63	1,815.49	1,734.75	1,893.89
Short term liabilities	793.05	1,015.42	941.13	966.88
Long term liabilities	479.33	518.31	493.27	532.62
Shareholders' equity	2,873.30	3,245.25	3,546.02	3,709.74

RON mn (audited)	2011	2012	2013	2014	2015 Budget ¹
EBITDA	266.10	582.57	730.49	838.83	914.23
Net turnover	3,362.16	3,447.63	3,454.68	3,715.00	4,441.40 ²
Operating result	285.67	423.34	518.66	560.94	262.10
Financial result	3.49	8.63	5.99	9.34	72.6
Pre-tax profit / loss	294.93	435.60	520.99	549.42	N/A
Income tax	41.03	62.76	97.27	96.87	55.90
Net profit / loss	240.49	360.10	447.08	443.05	278.80

Source: Company reports, IFRS consolidated financial statements.

Note: EBITDA is calculated as Operational result + Depreciation.

1. Source: 2015 Budget based on IFRS individual financial statements.

2. Net turnover not disclosed in the 2015 Budget. The figure represents Total operating revenues.

RON mn (audited)	2011	2012	2013	2014 ¹
Tangible assets	3,364.45	3,700.92	3,534.44	3,614.74
Non-current assets- Total	3,412.23	3,753.17	3,588.43	3,720.40
Current assets - Total	568.86	610.55	701.11	830.91
Short term liabilities	338.23	326.84	567.35	555.82
Long term liabilities	0.00	0.00	0.00	0.00
Shareholders' equity	3,011.27	3,365.98	3,061.03	3,264.86

RON mn (audited)	2011	2012	2013 ¹	2014 ¹	2015 Budget ¹
EBITDA	543.44	417.47	471.11	495.00	514.00
Net turnover	1,436.56	1,409.97	1,428.50	1,403.00	1,448.00
Operating result	286.77	166.45	180.68	195.00	217.00
Financial result	5.38	5.23	7.79	(12.00)	(3.00)
Pre-tax profit / loss	284.15	102.95	94.55	183.00	214.00
Net profit / loss	237.70	144.36	154.85	151.00	180.00

Note: The company was registered starting with 31 December 2014 and created through the merger of E.ON Gaz Distributie SA (absorbing company) and E.ON Moldova Distributie SA (absorbed company). Combined financial statements of the merged companies for the financial years 2011 -2014.

2014 P&L information is based on pro-forma financial information. EBITDA is calculated as Operational result + Depreciation.

Source: Company annual reports and financial statements.

1. Source: 2014 financial statements submitted for shareholders' approval, 2015 budget submitted for shareholders approval.



RON mn (Audited)	2011	2012	2013	2014 ¹
Tangible assets	5,590.63	5,676.09	5,588.23	4,438.13
Non-current assets- Total	5,639.80	5,704.10	5,614.17	4,463.88
Current assets - Total	101.95	133.24	161.12	312.73
Short term liabilities	100.30	123.96	119.68	162.25
Long term liabilities	236.32	310.59	251.54	207.01
Shareholders' equity	4,975.59	4,979.06	5,016.72	4,034.28

RON mn (Audited)	2011	2012	2013	2014 ¹	2015 Budget ¹
EBITDA	212.86	215.32	235.28	267.30	177.03
Net turnover	474.34	555.52	582.60	646.94	694.82
Operating result	88.50	80.86	91.02	134.66	40.63
Financial result	(20.84)	(12.94)	(9.63)	(1.17)	12.10
Pre-tax profit / loss	67.66	67.92	81.39	133.49	52.73
Income tax	15.05	14.79	12.38	23.31	8.44
Net profit / loss	52.61	53.13	69.02	110.18	44.29

Source: Company reports.

Note: EBITDA is calculated as Operational result + Depreciation.

1. 2014 Financial statements and 2015 Budget submitted for shareholders' approval.

RON mn (audited)	2011	2012	2013	2014
Tangible assets	1,512.48	1,578.60	1,603.74	1,566.17
Non-current assets- Total	1,540.80	1,612.90	1,636.44	1,595.16
Current assets - Total	291.02	439.86	542.79	618.83
Short term liabilities	250.57	335.73	215.13	201.89
Long term liabilities	0.00	0.00	0.00	0.00
Shareholders' equity	1,251.12	1,345.60	1,479.13	1,585.08

RON mn (audited)	2011	2012	2013	2014	2015 Budget
EBITDA	185.56	189.71	248.22	238.96	223.50
Net turnover	459.00	480.31	509.31	492.88	481.70 ¹
Operating result	126.37	103.01	148.96	102.68	154.70
Financial result	4.43	7.89	12.15	6.73	N/A
Pre-tax profit / loss	130.80	110.90	161.12	109.41	159.30
Income tax	21.94	16.42	27.59	21.67	30.00
Net profit / loss	108.85	94.47	133.53	87.74	129.30

Source: Company reports.

Note: EBITDA is calculated as Operational result + Depreciation.

1. Net turnover not disclosed in the 2015 Budget. The figure represents Operating revenues.

Electrica Distributie Muntenia Nord

RON mn	2011	2012	2013	2014
Tangible assets	1,567.82	1,622.88	1,697.02	1,947.17
Non-current assets- Total	1,589.17	1,649.03	1,730.39	1,975.37
Current assets - Total	346.76	462.08	506.76	449.63
Short term liabilities	157.75	150.10	156.98	141.56
Long term liabilities	53.06	86.14	63.55	91.10
Shareholders' equity	1,257.81	1,336.78	1,389.62	1,572.83

RON mn	2011	2012	2013	2014	2015 Budget
EBITDA	151.09	182.55	220.17	271.65	272.30
Net turnover	685.74	720.20	755.62	755.79	754.90 ¹
Operating result	72.40	99.14	132.59	159.66	165.50
Financial result	6.35	7.21	12.70	8.95	0.00
Pre-tax profit / loss	78.76	106.35	145.29	168.61	165.50
Income tax	11.34	19.20	18.78	28.34	26.48
Net profit / loss	67.41	87.15	126.51	140.27	139.02

Source: Company reports.

Note: EBITDA is calculated as Operational result + Depreciation.

1. Net turnover not disclosed in the 2015 Budget. The figure represents Operating revenues

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