

**FONDUL**  
PROPRIETATEA



# 2013 Third Quarter - Results Presentation

14 November 2013



**FRANKLIN TEMPLETON**  
**INVESTMENTS**

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This presentation has been prepared by the management of the Fund whose headquarters are at 78-80 Buzesti Str, 7th Floor, Bucharest District 1, 011017, Romania. The Fund's Fiscal Identification Code (CIF) is 18253260 and Trade Registry registration no is J40/21901/2005. The subscribed share capital is RON 13,778,392,208 and paid share capital is RON 13,413,137,586.

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# Fund Information

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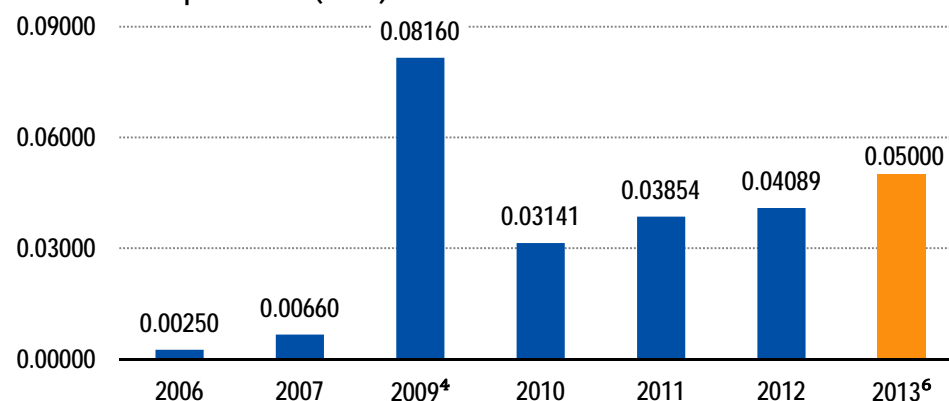
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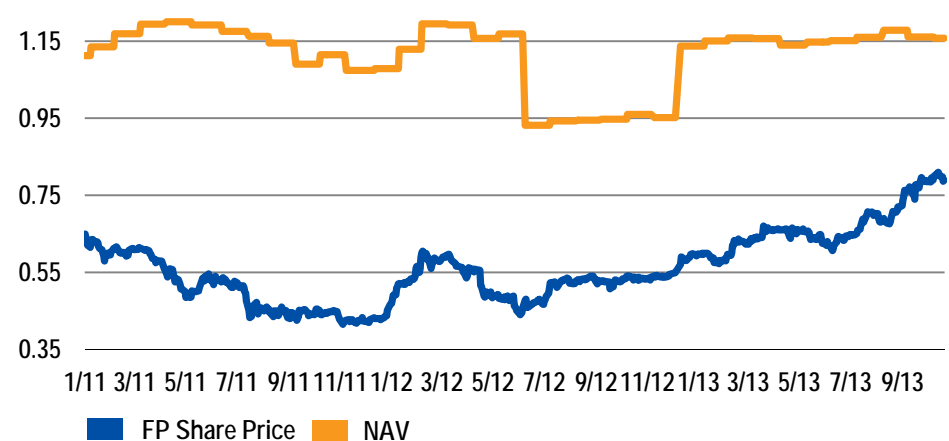
# The Fund – Key Facts

| Fund Details as at 31 October 2013  |                   |                  |
|-------------------------------------|-------------------|------------------|
| Base Currency                       | RON               |                  |
| Fund Launch Date                    | 28 December 2005  |                  |
| Franklin Templeton Appointment Date | 29 September 2010 |                  |
| Listing Date                        | 25 January 2011   |                  |
| Values <sup>1</sup>                 | RON               | EUR <sup>2</sup> |
| NAV                                 | 14.87 bn          | 3.36 bn          |
| NAV/Share                           | 1.1575            | 0.2613           |
| Price/Share <sup>3</sup>            | 0.7900            | 0.1783           |
| Discount                            | 31.75%            | 31.75%           |
| Number of Shares in Issue           | 13,778,392,208    |                  |
| Number of Paid Shares               | 13,413,137,586    |                  |
| Country Breakdown (% of NAV)        |                   |                  |
| Romania                             | 99.00%            |                  |
| Austria                             | 1.00%             |                  |

Distributions per Share (RON)



FP Share Price<sup>5</sup> and NAV



1. As at 31 October 2013, based on CNVM methodology.

2. Computed using the NBR EUR/RON FX rate as at 31 October 2013.

3. Share price as at 31 October 2013.

4. Distribution for 2008 and 2009.

5. Source: Bucharest Stock Exchange, until 13 November 2013.

6. Return of capital proposed by the Fund Manager for shareholder approval on 22 November 2013.

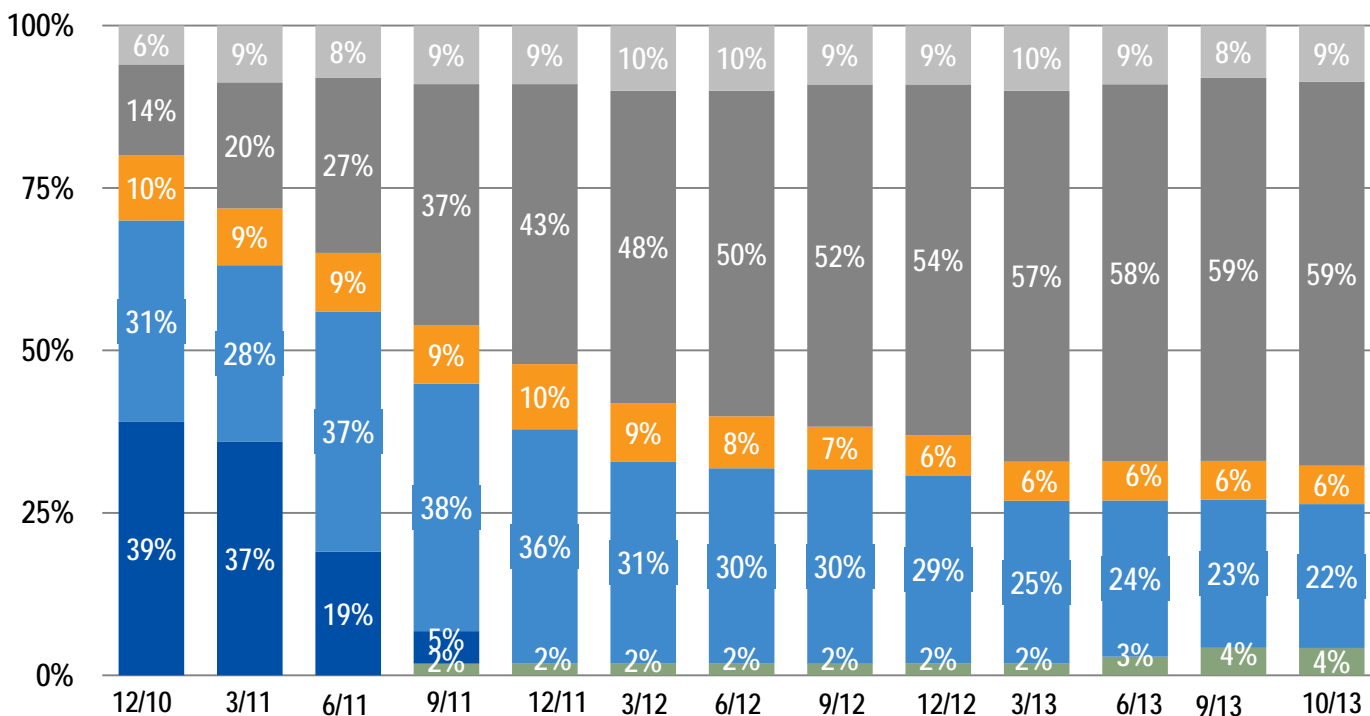
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# Shareholders Structure<sup>1</sup>

## Evolution (% Held)



| Largest Shareholders <sup>2</sup>         |        |
|---|--------|
| Elliott Associates                        | 14.95% |
| Morgan Stanley <sup>3</sup>               | 5.14%  |
| Total Number of Shareholders <sup>1</sup> | 8,085  |

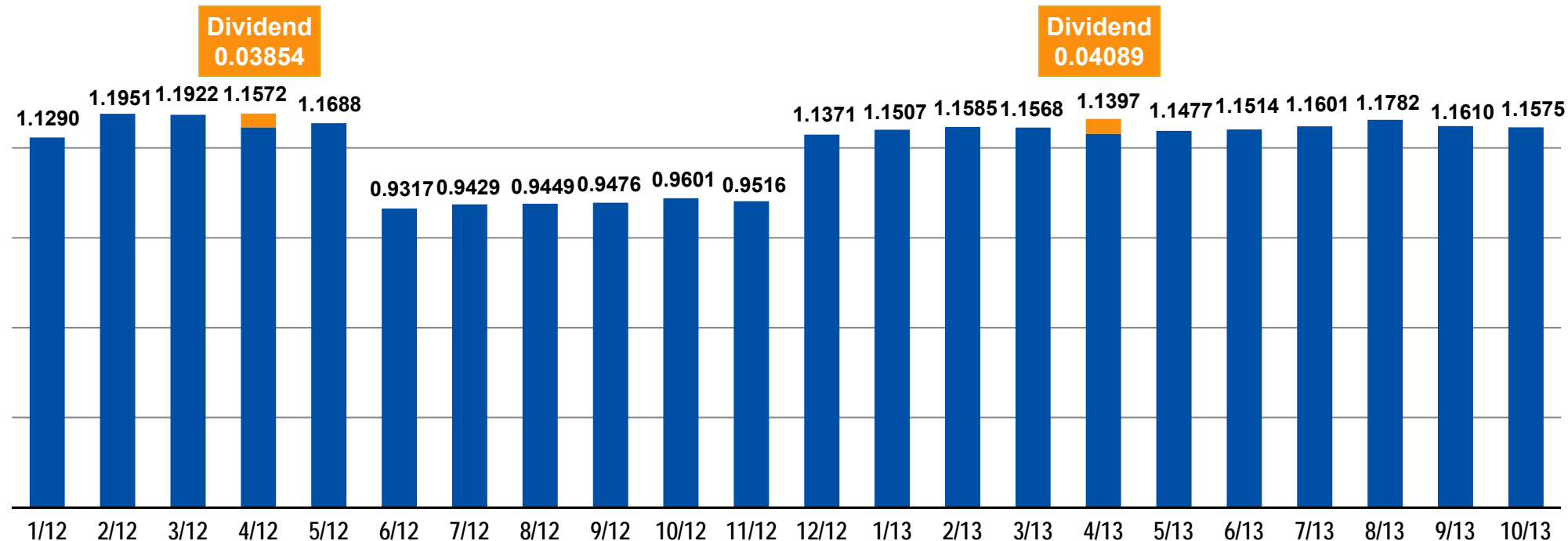
- Treasury Shares
- Ministry of Public Finance
- Romanian Individuals
- Foreign Individuals
- Foreign Institutionals
- Romanian Institutionals

1. Shareholders structure as at 31 October 2013, based on paid share capital starting 31 July 2011. Source: Central Depository.  
 2. Based on the paid share capital as at 31 October 2013. Source: Ownership disclosures submitted by shareholders.  
 3. Based on the aggregate ownership disclosure of holdings sent by Morgan Stanley Corporation in September 2013.  
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# Net Asset Value

|  |        |
|--|--------|
| Cumulative Performance Third Quarter 2013: | 0.83%  |
| Cumulative Performance YTD:                | 5.45%  |
| Cumulative Performance 12-MO:              | 24.89% |

NAV (RON) / Share



- From June to November 2012, the NAV reflects a zero valuation for Hidroelectrica after the Court admitted the Company's request for insolvency.
- Starting December 2012, the NAV reflects the change in the CNVM valuation methodology which allows companies in insolvency to be valued based on an independent valuation report.
- The IPO of Romgaz closed on 1 November 2013 and the price of Romgaz has not been adjusted in the Fund's NAV as at 31 October 2013

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## Contributors to NAV Performance<sup>1</sup> for Q3 2013

### TOP PERFORMERS

| Company                     | Status | % in Total NAV <sup>2</sup> | % change in NAV performance for Q3 2013 vs. Q2 2013 <sup>1</sup> | Change in NAV per share (RON) |
|-----------------------------|--------|-----------------------------|--|-------------------------------|
| OMV Petrom SA               | Listed | 32.3                        | 1.92   | 0.0224                        |
| BRD-Groupe Societe Generale | Listed | 1.5                         | 0.26   | 0.0030                        |
| Conpet SA                   | Listed | 0.8                         | 0.18   | 0.0021                        |
| Banca Transilvania          | Listed | 0.6                         | 0.16   | 0.0019                        |
| Transgaz SA                 | Listed | 2.2                         | 0.08   | 0.0009                        |

### BOTTOM PERFORMERS

| Company                          | Status   | % in Total NAV <sup>2</sup> | % change in NAV performance for Q3 2013 vs. Q2 2013 <sup>1</sup> | Change in NAV per share (RON) |
|----------------------------------|----------|-----------------------------|--|-------------------------------|
| Nuclearelectrica SA <sup>3</sup> | Unlisted | 2.1                         | (2.48)   | (0.0289)                      |
| Primcom SA                       | Listed   | 0.1                         | (0.04)   | (0.0004)                      |
| Severnav SA                      | Listed   | 0.0                         | (0.02)   | (0.0002)                      |
| Alcom SA                         | Listed   | 0.0                         | (0.02)   | (0.0002)                      |
| Alro SA                          | Listed   | 0.7                         | (0.01)   | (0.0002)                      |

NAV/share change Q3 2013

0.0096

Source: NAV report as at 30 September 2013.

1. This means change in the contribution of the holding to the total NAV, as at 30 September 2013 and 30 June 2013.

2. Based on 30 September 2013 Detailed Statement of Investments.

3. Includes the value of the 2,732,159 allotment rights received by Fondul Proprietatea following exercising the pre-emption right in the share capital increase of Nuclearelectrica S.A.

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# Contributors to NAV Performance<sup>1</sup> for the 9-month period ended 30 September 2013

## TOP PERFORMERS

| Company                      | Status   | % in Total NAV <sup>2</sup> | % change in NAV performance for the 9-month period ended 30 September 2013 vs. Q4 2012 <sup>1</sup> | Change in NAV per share (RON) |
|------------------------------|----------|-----------------------------|---|-------------------------------|
| OMV Petrom SA                | Listed   | 32.3                        | 1.27  | 0.0148                        |
| ENEL Distributie Muntenia SA | Unlisted | 2.9                         | 0.60  | 0.0070                        |
| Romgaz SA                    | Unlisted | 9.0                         | 0.28  | 0.0032                        |
| ENEL Distributie Banat SA    | Unlisted | 3.3                         | 0.27  | 0.0031                        |
| ENEL Energie SA              | Unlisted | 0.4                         | 0.27  | 0.0031                        |

## BOTTOM PERFORMERS

| Company                          | Status   | % in Total NAV <sup>2</sup> | % change in NAV performance for the 9-month period ended 30 September 2013 vs. Q4 2012 <sup>1</sup> | Change in NAV per share (RON) |
|----------------------------------|----------|-----------------------------|---|-------------------------------|
| Nuclearelectrica SA <sup>3</sup> | Unlisted | 2.1                         | (2.48)  | (0.0289)                      |
| Transgaz SA                      | Listed   | 2.2                         | (0.37)  | (0.0043)                      |
| Alro SA                          | Listed   | 0.7                         | (0.24)  | (0.0028)                      |
| Raiffeisen Bank International AG | Listed   | 0.6                         | (0.18)  | (0.0021)                      |
| Primcom SA                       | Listed   | 0.1                         | (0.05)  | (0.0006)                      |

**NAV/share change the 9 month period ended 30 September 2013**

**0.0239**

Source: NAV report as at 30 September 2013.

1. This means change in the contribution of the holding to the total NAV, as at 30 September 2013 and 31 December 2012.

2. Based on 30 September 2013 Detailed Statement of Investments.

3. Includes the value of the 2,732,159 allotment rights received by Fondul Proprietatea following exercising the pre-emption right in the share capital increase of Nuclearelectrica S.A.

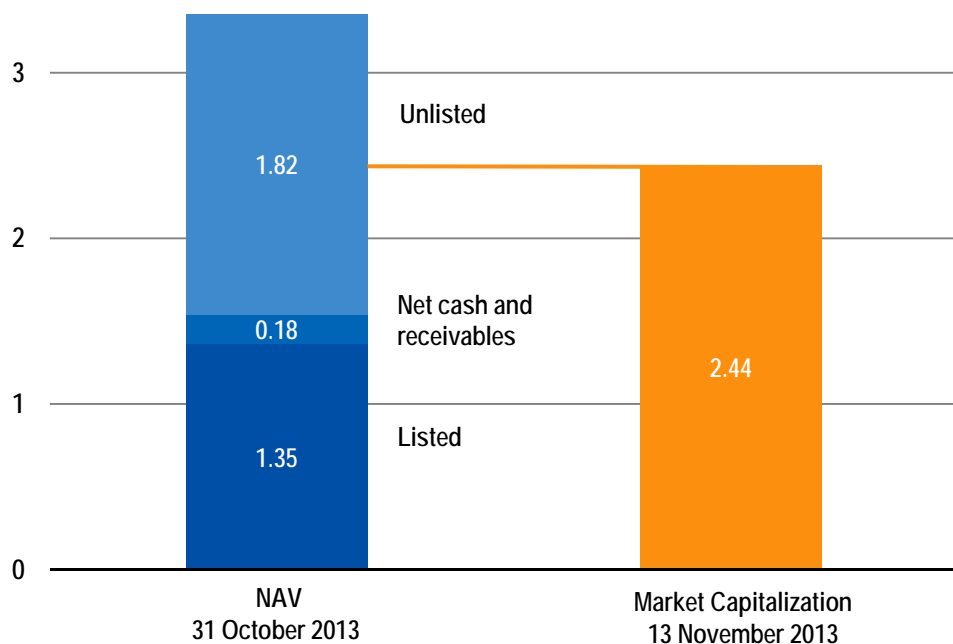
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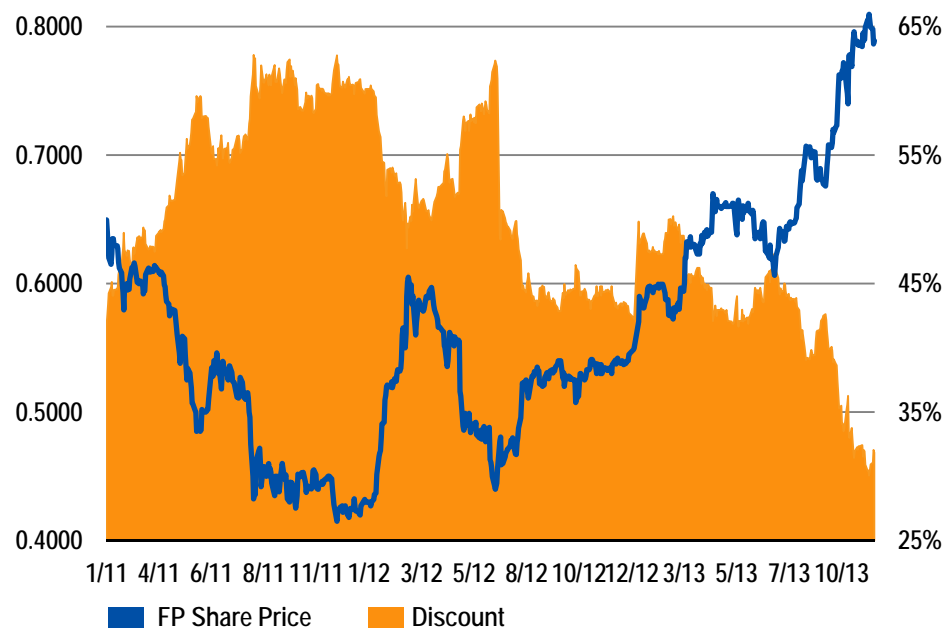


# FP Market Valuation / Performance

NAV vs. Market Capitalization (EUR bn)<sup>1</sup>



FP Share Price<sup>2</sup> (RON) and Discount (%)



|   |   |
|---|---|
| Discount <sup>3</sup>                   | 31.8%   |
| Number of Shares Traded <sup>4</sup>    | 4.6 bn shares (34.1% of the paid share capital) |
| Average Daily Turnover <sup>4</sup>     | EUR 3.1 mn                                      |
| Value of the Shares Traded <sup>4</sup> | EUR 684.5 mn                                    |

1. Source: BVB, FP. NAV as at 31 October 2013.

2. Source: BVB for the period 25 January 2011 – 13 November 2013.

3. As at 13 November 2013.

4. Source: BVB for the period 3 January – 13 November 2013.

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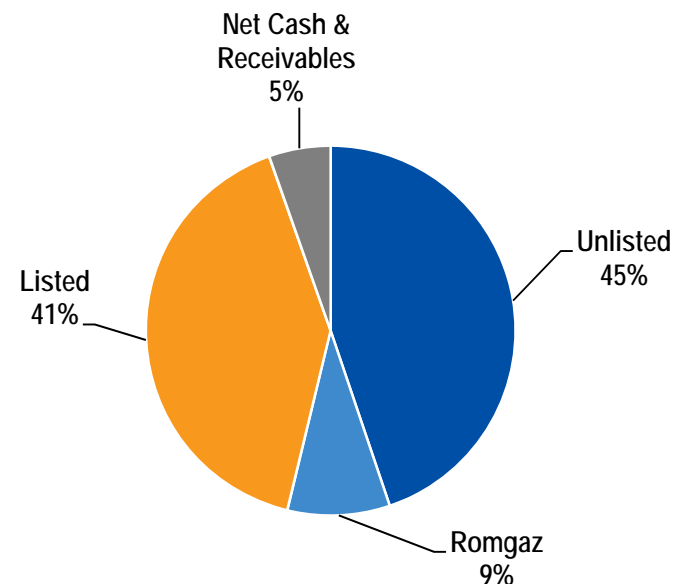
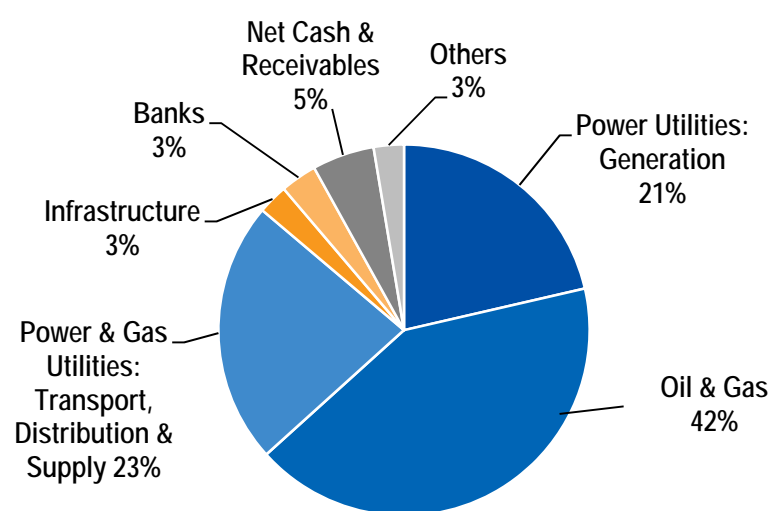
# Portfolio Performance

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## Portfolio Structure – 31 October 2013



- As at 31 October 2013, the portfolio included stakes in 66 companies (24 listed and 42 unlisted)
- In the third quarter of 2013, the Fund:
  - subscribed 1,111,575 new shares, in the cash share capital increase of Zirom, at the nominal value of RON 10 per share (RON 11,115,750 in total)
  - executed its pre-emption right and participated in the share capital increase of Nuclearelectrica, receiving 2,732,159 allotment rights, acquired at RON 11.2 per share (RON 30,600,181 in total)
- In September 2013, the Fund announced that it is considering strategic options relating to the potential sale of a part of its holding in Conpet SA, not exceeding 10% of all outstanding shares in the company

## Largest Holdings by NAV

| No.                              | Portfolio Company           | Status      | Majority Shareholder | % Stake <sup>1</sup> | NAV as at 31 October 2013 (EUR mn) | % in NAV as at 31 October 2013 |
|----------------------------------|-----------------------------|-------------|----------------------|----------------------|------------------------------------|--------------------------------|
| 1                                | OMV Petrom                  | Listed      | OMV                  | 19.0%                | 1,080.6                            | 32.2%                          |
| 2                                | Hidroelectrica              | IPO 2014    | Romanian State       | 19.9%                | 451.6                              | 13.5%                          |
| 3                                | Romgaz                      | Listed      | Romanian State       | 15.0%                | 301.9                              | 9.0%                           |
| 4                                | CE Oltenia                  | IPO H1 2014 | Romanian State       | 21.5%                | 198.6                              | 5.9%                           |
| 5                                | ENEL Distributie Banat      | Unlisted    | Enel Group           | 24.1%                | 109.6                              | 3.3%                           |
| 6                                | ENEL Distributie Muntenia   | Unlisted    | Enel Group           | 12.0%                | 98.0                               | 2.9%                           |
| 7                                | GDF Suez Energy Romania     | Unlisted    | GDF Suez             | 12.0%                | 78.1                               | 2.3%                           |
| 8                                | ENEL Distributie Dobrogea   | Unlisted    | Enel Group           | 24.1%                | 73.2                               | 2.2%                           |
| 9                                | E.ON Moldova Distributie SA | Unlisted    | E.ON Group           | 22.0%                | 73.1                               | 2.2%                           |
| 10                               | Transgaz                    | Listed      | Romanian State       | 15.0%                | 72.7                               | 2.2%                           |
| <b>Top 10 Portfolio Holdings</b> |                             |             |                      |                      | <b>2,537.4</b>                     | <b>75.7%</b>                   |
| <b>NAV</b>                       |                             |             |                      |                      | <b>3,356.0</b>                     | <b>100.0%</b>                  |
| <b>NAV Per Share (EUR)</b>       |                             |             |                      |                      | <b>0.2613</b>                      |                                |

Note: Values in EUR calculated using the EUR/RON FX rate as at 31 October 2013.

Source: Report prepared by the Fund Manager as at 31 October 2013.

1. Based on the 30 September 2013 Detailed Statement of Investments.

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## Portfolio Structure – SPO & IPO Calendar

### Completed Transactions

| Company          | Offering Stake | Market Value (EUR mn) | Seller         | Investment Consortium Selected            | Comments                    |
|------------------|----------------|-----------------------|----------------|---|-----------------------------|
| Transelectrica   | 15.0%          | 37.6 <sup>1</sup>     | Romanian State | BCR, Swiss Capital, Intercapital Invest   | Completed in March 2012     |
| Transgaz         | 15.0%          | 72.0 <sup>2</sup>     | Romanian State | Raiffeisen, Wood & Company, BT Securities | Completed in April 2013     |
| Nuclearelectrica | 10.0%          | 63.2 <sup>3</sup>     | New Shares     | Swiss Capital, BT Securities              | Completed in September 2013 |
| Romgaz           | 15.0%          | 382.8 <sup>4</sup>    | Romanian State | Goldman Sachs, Erste-BCR, Raiffeisen      | Completed in November 2013  |

1. Source: Based on final price of RON 14.9 for institutional tranche and RON 15.7 for the retail tranche and NBR EUR/RON FX rate as at 29 March 2012.

2. Source: Based on final price of RON 179 for institutional and large retail tranche and RON 170 for the small retail tranche and NBR EUR/RON FX rate as at 17 April 2013.

3. Source: Based on the price of RON 11.2 for institutional and large retail tranche and RON 10.304 for the small retail tranche that subscribed in the first 3 days and RON 10.864 for the rest of the small retail tranche and NBR EUR/RON FX rate as at 20 September 2013.

4. Source: Based on the final price of RON 30 for institutional tranche and RON 28.5 for the small retail tranche that subscribed in the first 5 days and RON 29.1 for the rest of the small retail tranche and NBR EUR/RON FX rate as at 1 November 2013. the final price for the GDRs listed on the London Stock Exchange is USD 9.25.

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## Portfolio Structure – SPO & IPO Calendar

### Future IPOs and Privatizations

| Company                                   | Official Timeline <sup>1</sup>   | Offering Stake | Market Value (EUR mn)      | Seller         | Investment Consortium Selected  | Comments   |
|---|----------------------------------|----------------|----------------------------|----------------|---|--|
| Hidroelectrica                            | IPO – June 2014                  | 10.0%          | 226.5 <sup>2</sup>         | New Shares     | Citi, Societe Generale, BRD, Intercapital Invest (Engagement letter not signed) | Out of insolvency / IPO 2014                     |
| CE Oltenia                                | IPO – June 2014                  | 12.0 / 15.3%   | 110.7 / 141.1 <sup>2</sup> | New Shares     | BRD Groupe Societe Generale, Swiss Capital <sup>3</sup>                         | H1 2014  |
| Posta Romana                              | Privatization (Capital Increase) | >50.0%         | —                          | New Shares     | KPMG, Tuca, Zbarcea and Associates  | No bidder; privatization delayed until June 2014 |
| Administratia Porturilor Maritime         | —                                | 5.0%           | 3.7 <sup>4</sup>           | Romanian State | Swiss Capital   | —  |
| Administratia Canalelor Navigabile        | —                                | 5.0%           | 0.9 <sup>4</sup>           | Romanian State | Romcapital  | —  |
| Administratia Porturilor Dunarii Fluviale | —                                | 5.0%           | 0.2 <sup>4</sup>           | Romanian State | Romcapital  | —  |
| Administratia Porturilor Dunarii Maritime | —                                | 5.0%           | 0.0 <sup>4</sup>           | Romanian State | Romcapital  | —  |
| Electrica SA <sup>5</sup>                 | IPO – May 2014                   | 51.0%          | 361.8 <sup>5</sup>         | New Shares     | Citi, Raiffeisen, Swiss Capital, BRD, Societe Generale                          | H1 2014  |

- **Other candidates from the Fund's portfolio for IPOs:**

- **Aeroporturi Bucuresti**
- **Salrom**
- **Administratia Porturilor Maritime (Constanta Port)**
- **Electricity and Gas Distributors**

- **Long-term objective is to increase the Fund's exposure to listed companies to 100%**

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

2. Source: The NAV report prepared by the Fund Manager as at 31 October 2013.

3. Offer submitted in April 2013.

4. Source: Based on the 30 September 2013 Detailed Statement of Investment and EUR/RON FX rate as at 30 September 2013.

5. FP is not a shareholder of the company but is a shareholder of the subsidiaries of Electrica. Market value calculated based on the NAV report prepared by the Fund Manager as at 30 September 2013 NAV Report.

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## Potential New Tax on Existing Special Infrastructure Assets

According to a draft Government Emergency Ordinance, the Romanian Government plans to introduce a new tax on existing special infrastructure assets, which will apply to a number of companies in the Fund's portfolio.

- **Tax Level:** 1.5% of the value of existing special infrastructure assets
- **Taxable Base:** Value of the special infrastructure assets included in the companies' balance sheets according to the previous year's financial statements, excluding the assets that are already taxed
- **Applicable Period:** Starting with 1 January 2014
- **Payment of the Tax:** Semi-annually – until 25 May and 25 September
- **Examples of special infrastructure assets to which the tax is applicable:**
  - » Hydro, nuclear, and thermo power plants
  - » Oil, gas, and salt pipelines
  - » Electricity transportation infrastructure
  - » Runways and platforms
  - » Port and waterway infrastructure, etc
- **Estimated tax revenue:** RON 488 mn<sup>1</sup>

1. Draft Government Ordinance.  
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# Corporate Actions

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## Buy-Back Program (I)

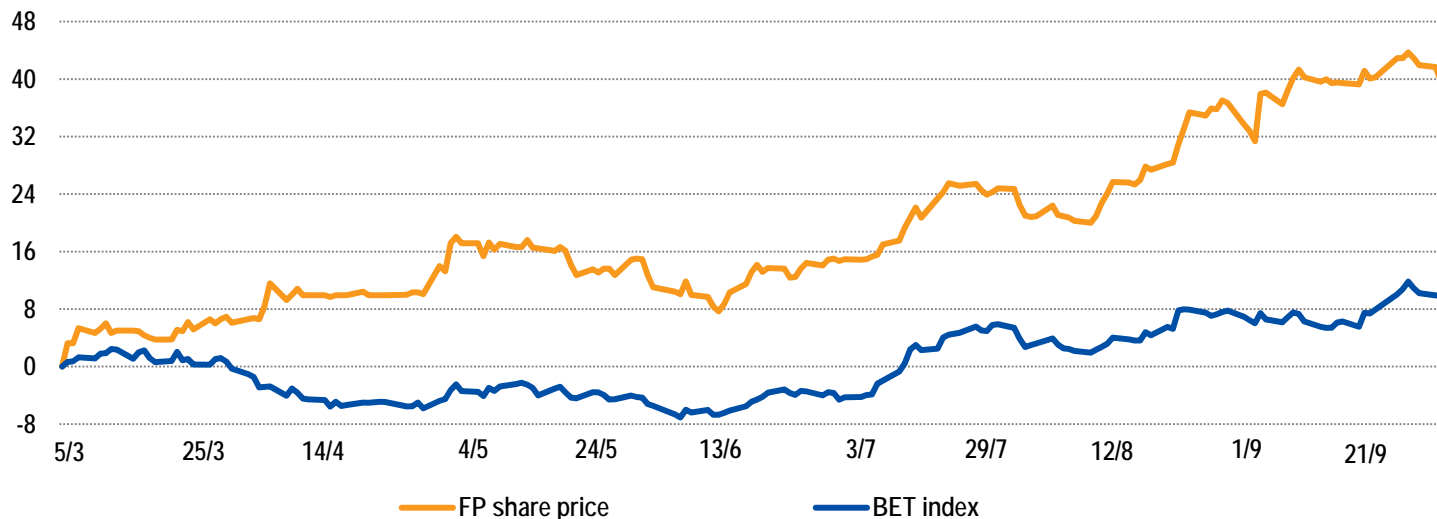
### Second Buy-Back Program:

- New buy-back program to repurchase 1.1 bn shares, equivalent to 7.9% of the Fund's issued share capital was approved by shareholders at the 25 April 2012 Extraordinary General Shareholders Meeting

### Status:

- 322.0 million shares equivalent to 2.3% of the Fund's issued share capital have been bought back between 12 April - 20 September 2013 at an average price of RON 0.6617, for a total amount of RON 213.1 million – 29.3% of the total buy-back program
- The shares repurchased between 12 April to 20 September 2013 represent 23.8% of the total volume on the regular market
- To accelerate the buy-back program, the Fund Manager has submitted for approval to the Financial Supervisory Authority the application for a Public Tender Offer to repurchase up to 600 million shares equivalent to 4.4% of the Fund's issued share capital. The Public Tender Offer was approved by the FSA on 10 October 2013
- The subscription period ended earlier today – 5.08 billion shares were subscribed until 13 November 2013

### FP Share Price vs BET index (%)<sup>1</sup>

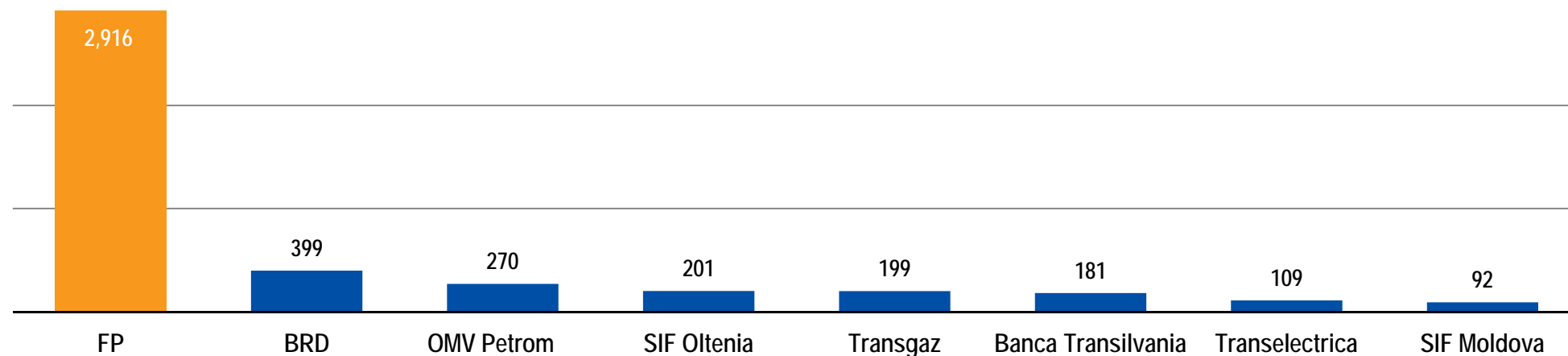


1. Source: Bucharest Stock Exchange, as at 13 November 2013.

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## Buy-Back Program (II)

Average Daily Turnover in October 2013 (EUR thousands)



### Second Buy-Back Program

|  |  |
|--|--|
| ADTV (October 2013)  | 16.6 mn shares / EUR 2.9 mn              |
| 25% of ADTV  | 4.1 mn shares / EUR 0.7 mn               |
| Total cash & cash equivalents as at 31 October 2013 <sup>1</sup>                     | RON 848.8 mn / EUR 191.6 mn <sup>2</sup> |
| Number of shares to be repurchased   | 1,100,950,684                            |
| Number of shares repurchased as at 20 September 2013                                 | 322,030,700                              |
| Number of shares repurchased in the tender offer                                     | 600,000,000                              |
| Average price for the shares repurchased as at 20 September 2013                     | RON 0.6617                               |
| Average price for the shares repurchased in the daily buy-backs and the tender offer | RON 0.8818                               |

Source: Bucharest Stock Exchange.

1. Using the simplifying assumption that all available cash & cash equivalents as at 31 October 2013 can be used for buy-backs, so ignoring other possible cash outflows and inflows.

2. Computed using the NBR EUR/RON FX as at 31 October 2013.

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## Secondary Listing on the Warsaw Stock Exchange

- **Given the lack of the link between the Polish and Romanian Central Depositories, the Fund Manager will not request from shareholders a further extension of the authorization for the secondary listing of the Fund on the WSE. The current authorization expires on 31 December 2013.**
- **Considering the potential benefits of a secondary listing, the Fund manager has engaged in a dialogue with shareholders, prospective investors, and investment banks, and intends to recommend the most value-enhancing option for the Fund's shareholders, including potentially a different structure and venue for the Fund's secondary listing.**
- **The Fund Manager will update investors and shareholders regarding the Fund's secondary listing in the first quarter of 2014**

## Dividend Income – Top 20 Portfolio Companies

| Top 20 Holdings <sup>1</sup>                            | PROFIT             |                    |                    | DIVIDEND PAYOUT % |      | FP NET DIVIDEND   |                           |                           |
|---|--------------------|--------------------|--------------------|-------------------|------|-------------------|---------------------------|---------------------------|
|   | 2012               | 2011               | 2010               | 2012              | 2011 | 2013 <sup>8</sup> | 2012                      | 2011                      |
| 1 OMV Petrom SA <sup>2</sup>                            | 3,946.1            | 3,758.6            | 2,189.7            | 40                | 47   | 319.0             | 353.1                     | 201.6                     |
| 2 Hidroelectrica SA                                     | (508.0)            | 6.5                | 292.3              | —                 | —    | —                 | —                         | 52.5                      |
| 3 Romgaz SA   | 1,244.1            | 1,031.8            | 651.2              | 85                | 91   | 158.9             | 140.6                     | 106.0                     |
| 4 Complexul Energetic Oltenia SA <sup>3</sup>           | 191.2 <sup>6</sup> | 179.8              | (126.6)            | N/A               | N/A  | 10.3              | N/A                       | N/A                       |
| 5 ENEL Distributie Banat SA                             | 167.2              | 220.5              | 150.7              | —                 | —    | —                 | —                         | 20.2                      |
| 6 Enel Distributie Muntenia SA                          | 206.3              | 50.5               | 105.1              | —                 | —    | —                 | —                         | —                         |
| 7 GDF Suez Energy Romania                               | 379.5 <sup>6</sup> | 192.1 <sup>6</sup> | 199.4 <sup>7</sup> | 50                | —    | 22.8              | —                         | 9.6                       |
| 8 Transgaz SA   | 329.3              | 387.2              | 370.3              | 76                | 92   | 37.6              | 52.5                      | 50.8                      |
| 9 ENEL Distributie Dobrogea SA                          | 94.5               | 108.9              | 99.7               | —                 | —    | —                 | —                         | 13.5                      |
| 9 E.ON Moldova Distributie SA                           | 71.3               | 7.2                | 165.4              | —                 | —    | —                 | —                         | —                         |
| 10 Electrica Distributie Muntenia Nord SA               | 87.2               | 67.4               | 26.7               | 84                | 12   | 16.2              | 1.8                       | —                         |
| 11 Nuclearelectrica SA                                  | 34.5               | 95.0               | 16.1               | 83                | —    | 2.3               | —                         | —                         |
| 12 CN Aeroporturi Bucuresti SA                          | 53.1               | 52.6               | 42.6               | 85                | 89   | 9.1               | 9.4                       | 9.9                       |
| 14 BRD Groupe Societe Generale <sup>2</sup>             | (290.6)            | 498.5              | 1,008.8            | —                 | 25   | —                 | 3.6                       | 2.1                       |
| 15 Electrica Distributie Transilvania Sud SA            | 45.8               | 19.6               | 11.9               | —                 | —    | —                 | —                         | —                         |
| 16 Electrica Distributie Transilvania Nord SA           | 53.1               | 29.1               | 8.5                | —                 | —    | —                 | —                         | —                         |
| 17 E.ON Gaz Distributie SA                              | 73.0               | 230.5              | 159.6              | —                 | —    | —                 | —                         | —                         |
| 18 Transelectrica SA <sup>2</sup>                       | 47.9               | 135.5              | 104.0              | 86                | 89   | 4.0               | 10.9                      | 1.2                       |
| 19 Conpet SA  | 30.9               | 28.6               | 38.7               | 92                | 90   | 8.4               | 6.6                       | 7.0                       |
| 20 Alro SA <sup>2</sup>                                 | (239.8)            | 242.8              | 183.8              | —                 | 99   | —                 | 19.4                      | 13.5                      |
| <b>TOTAL (RON mn)</b>                                   | <b>5,445.9</b>     | <b>7,150.6</b>     | <b>5,698.0</b>     |                   |      | <b>588.6</b>      | <b>597.9</b>              | <b>487.9</b>              |
| <b>Total Dividends from Listed Companies (RON mn)</b>   |                    |                    |                    |                   |      | <b>373.9</b>      | <b>450.1</b>              | <b>304.0</b>              |
| <b>Total Dividends from Unlisted Companies (RON mn)</b> |                    |                    |                    |                   |      | <b>244.4</b>      | <b>168.9</b>              | <b>215.1</b>              |
| <b>TOTAL Dividend Income (RON mn)</b>                   |                    |                    |                    |                   |      | <b>618.3</b>      | <b>619.0</b>              | <b>519.1</b>              |
| <b>Dividend per Share (RON)</b>                         |                    |                    |                    |                   |      |                   | <b>0.04089</b>            | <b>0.03854</b>            |
| <b>Share Price (RON)</b>                                |                    |                    |                    |                   |      |                   | <b>0.6600<sup>4</sup></b> | <b>0.5550<sup>5</sup></b> |
| <b>Dividend Yield</b>                                   |                    |                    |                    |                   |      |                   | <b>6.20%</b>              | <b>6.94%</b>              |

Note: Calculation based on the companies' 2011 and 2012 statutory financial statements.

1. Based on the 30 September 2013 Detailed Statement of Investments.

2. IFRS consolidated financial statements.

3. Created through the merger of CE Craiova SA, CE Rovinari SA, CE Turceni SA and SNLO; Combined IFRS financial statements of CE Craiova SA, CE Rovinari SA, CE Turceni SA and SNLO; Dividends distributed to FP by merged companies: 2012 (CE Rovinari RON 6.5mn, CE Craiova RON 0.03mn), 2011 (CE Rovinari RON 0.02mn, CE Craiova RON 0.01mn).

4. Share price as at 15 May 2013.

5. Share price as at 9 May 2012.

6. IFRS financial statements.

7. RAS financial statements.

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## Investor Relations / Upcoming Events

| Date                  | Event  |
|-----------------------|--|
| 20 – 22 November 2013 | Fall 2013 Analyst and Investor Days, Bucharest       |
| 22 November 2013      | General Shareholders' Meeting                        |
| 2 December 2013       | Annual CEE Conference, New York                      |
| 3 – 6 December 2013   | Wood's Winter in Prague – Emerging Europe Conference |

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

## Agenda of the EGM and OGM – 22 November 2013

- **Return of capital:** Approval of the decrease of the subscribed share capital of the Fund from RON 13,538,087,407 to RON 12,861,183,036.65 through the reduction of the nominal value of the shares from RON 1.00/share to RON 0.95/share and distribution of RON 0.05/share to the Fund's shareholders
- **New Buyback:** Approval of the authorization to buy-back 252,858,056 paid shares (1.89% of the paid share capital) at a price between RON 0.2 to RON 1.5 per share, to be started after the second buy-back program is completed, and subject to cash availability. The shares repurchased will be cancelled
- **Mandate of the Fund Manager:** Approval in principle of the extension of the mandate of Franklin Templeton Investment Management Ltd. UK Bucharest Branch as Fund Management of the Fund for 4 years starting with 30 September 2014 or starting a new selection process for the Fund Manager and sole director of the Fund. Manchester Securities, a shareholder owning more than 5% of the share capital, introduced a point on the GSM agenda to approve in principle the renewal of the Fund Manager's mandate for a 2 years, including certain performance criteria
- **Constitutive Act and IMA:** Approval of amendments of the Fund's Constitutive Act and as Investment Management Agreement between the Fund and the Fund Manager as imposed by the Financial Supervisory Authority
- **IPS:** Approval of the Investment Policy Statement
- **Budget:** Approval of the 2014 budget of the Fund
- **Auditor:** Approval of Deloitte Audit SRL as the financial auditor of the Fund until 31 August 2014
- Ratification and approval of all resolutions taken by the Fund's EGMs and OGMs, and all of the legal acts concluded, adopted, and issued in the name of the Fund between 6 September 2010 and 21 November 2013
- **Discount policy:** Statement of the Board of Nominees regarding the Fund's discount policy
- **Secondary listing:** Update regarding the secondary listing on the WSE

## Fondul Proprietatea – Fall 2013 Analyst and Investor Days

| <b>Bucharest / Medias</b> | <b>Wednesday, 20 November 2013</b>                                     |
|---------------------------|--|
| 07:45 a.m.                | <b>Pick-up from Radisson Blu Hotel and transfer to Otopeni Airport</b> |
| 09:30 a.m.                | <b>Flight to Sibiu</b>   |
| 10:20 am                  | <b>Arrival in Sibiu</b>  |
| 10:30 a.m.                | <b>Transfer from Sibiu Airport to Romgaz</b>                           |
| 11: 30 a.m. – 1.15 p.m.   | <b>Presentation and visit of Romgaz</b>                                |
| 1:30 – 2.30 p.m.          | <b>Lunch</b>   |
| 2:45 – 4.30 p.m.          | <b>Presentation and visit of Transgaz</b>                              |
| 4:30 p.m.                 | <b>Transfer to Sibiu</b>   |
| 6:30 p.m.                 | <b>Flight departs to Bucharest</b>                                     |
| 7:20 p.m.                 | <b>Arrival in Bucharest and transfer to Restaurant</b>                 |
| 7:30 p.m.                 | <b>Dinner</b>  |



# Fondul Proprietatea – Fall 2013 Analyst and Investor Days

| <b>Bucharest</b>        | <b>Thursday, 21 November 2013 Radisson Blu Hotel (Atlas room)</b>  |
|-------------------------|--|
| 8:00 – 9:00 a.m.        | <b>Registration and Breakfast</b>  |
| 9:00 – 9:10 am          | <b>Welcome – Dr. Mark Mobius (Executive Chairman, Templeton Emerging Markets Group) and Grzegorz Konieczny (CEO and Fund Manager of Fondul Proprietatea)</b> |
| 9:10 – 9:40 a.m.        | <b>Keynote Speaker<br/>His Excellency, Mr. Victor Ponta, Prime Minister of Romania</b>   |
| 9:40 – 10:00 a.m.       | <b>Embassy of the United States of America<br/>Duane C. Butcher, Chargé d'affaires</b>   |
| 10:00 – 10:20 a.m.      | <b>Financial Supervisory Authority – Presentation and Q&amp;A<br/>Daniel Daianu, First Vice-president Capital Markets</b>                                    |
| 10:20 – 10:40 a.m.      | <b>Ministry of Energy<br/>Constantin Nita, Minister</b>  |
| 10:40 – 11:00 a.m.      | <b>Ministry of Public Finance<br/>Liviu Voinea, Delegate Minister for the Budget</b>   |
| 11:00 – 11:20 a.m.      | <b>Energy Department , Privatization Office – Presentation and Q&amp;A<br/>Gabriel Dumitrascu, Director</b>  |
| 11:20 – 11:40 a.m.      | <b>National Bank of Romania – Presentation and Q&amp;A<br/>Valentin Lazea, Chief Economist</b>   |
| 11:40 a.m. – 12:00 p.m. | <b>International Monetary Fund – Presentation and Q&amp;A<br/>Guillermo Tolosa, IMF Resident Representative in Romania</b>                                   |
| 12:00 – 12:40 p.m.      | <b>OMV Petrom - Presentation and Q&amp;A<br/>Mariana Gheorghe, CEO</b>   |

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## Fondul Proprietatea – Fall 2013 Analyst and Investor Days

| <b>Bucharest</b> | <b>Thursday, 21 November 2013 Radisson Blu Hotel (Atlas room)</b>                                |
|------------------|--|
| 12:40 – 1:00 p.m | <b>National Regulatory Authority for Energy<br/>Niculae Havrilet, President</b>                  |
| 1:00 – 2:00 p.m. | <b>Lunch</b>   |
| 2:00 – 2:40 p.m. | <b>Fondul Proprietatea – Presentation and Q&amp;A<br/>Dr. Mark Mobius and Grzegorz Konieczny</b> |
| 2:40 – 3:20 p.m. | <b>BVB – Presentation and Q&amp;A<br/>Ludwik Sobolewski, CEO</b>                                 |
| 3:20 – 4:00 p.m. | <b>Hidroelectrica – Presentation and Q&amp;A<br/>Mihail Stănculescu, CEO</b>                     |
| 4:00 – 4:40 p.m. | <b>Nuclearelectrica – Presentation and Q&amp;A<br/>Daniela Lulache, CEO</b>                      |
| 4:40 – 5:20 p.m. | <b>BRD – Presentation and Q&amp;A<br/>Claudiu Cercel, Deputy CEO</b>                             |
| 5:20– 6:00 p.m.  | <b>CE Oltenia – Presentation and Q&amp;A<br/>Laurentiu Ciurel, CEO</b>                           |
| 6:00 – 6:40 p.m. | <b>Electrica – Presentation and Q&amp;A<br/>Ioan Rosca, CEO</b>                                  |
| 7:00 p.m..       | <b>Dinner</b>  |

## Fondul Proprietatea – Fall 2013 Analyst and Investor Days

| <b>Bucharest</b> | <b>OPTIONAL (Friday, 22 November 2013 Radisson Blu Hotel)</b>       |
|------------------|---|
| 9:00 – 2:00 p.m. | <b>One-on-one meetings with portfolio companies</b>                 |
| 1:00 – 2:00 p.m. | <b>Lunch</b>  |
| 2:00 p.m.        | <b>Departure to OMV PETROM Refinery and Power-Plant in Ploiesti</b> |
| 3:00 – 4:30 p.m. | <b>Visit of the Power-Plant</b>                                     |
| 4:30 p.m.        | <b>Transfer to Bucharest</b>  |
| 7:00 p.m.        | <b>Dinner</b>   |

# Q3 2013 Results

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# Income Statement

| RON mn   | Q3 2012<br>(Unaudited) | 9 month period ended<br>30 September 2012<br>(Unaudited) | Q3 2012<br>(Unaudited) | 9 month period ended<br>30 September 2013<br>(Unaudited) |
|--|------------------------|--|------------------------|--|
| <b>Revenues from current activity, out of which:</b>                   | <b>13.5</b>            | <b>861.3</b>   | <b>49.8</b>            | <b>924.6</b>   |
| • Revenues from financial assets                                       | 0.9                    | 619.0  | 15.0                   | 619.8  |
| • Interest income  | 10.5                   | 24.5   | 10.4                   | 31.1   |
| • Reversal of impairment adjustments & provisions                      | 0.1                    | 5.6  | 23.6                   | 24.6   |
| • Revenues from disposal of financial assets                           | 0.3                    | 208.1  | 0.2                    | 248.0  |
| • Revenues from foreign exchange differences                           | -                      | 0.1  | -                      | 0.1  |
| • Other income from current activity                                   | 1.7                    | 4.0  | 0.6                    | 1.0  |
| <b>Expenses from current activity, out of which:</b>                   | <b>12.8</b>            | <b>286.3</b>   | <b>29.2</b>            | <b>389.4</b>   |
| • Expenses from disposal of financial assets                           | 0.2                    | 195.0  | 0.2                    | 319.1  |
| • Expenses from foreign exchange differences                           | -                      | 0.3  | 0.0                    | 0.1  |
| • Depreciation, provisions, losses from receivables and sundry debtors | -                      | 47.7   | 11.1                   | 12.7   |
| • Commissions and fees   | 3.3                    | 12.4   | 4.3                    | 15.7   |
| • Other expenses from current activity <sup>1</sup>                    | 9.3                    | 30.9   | 13.6                   | 41.8   |
| <b>Gross profit</b>  | <b>0.7</b>             | <b>575.0</b>   | <b>20.6</b>            | <b>535.2</b>   |
| Income tax expense   | -                      | 0.4  | -                      | -  |
| <b>Net profit</b>  | <b>0.7</b>             | <b>574.6</b>   | <b>20.6</b>            | <b>535.2</b>   |

Source: Quarterly Report for the Quarter ended 30 September 2013, prepared in accordance with the regulations in force of the Local Capital Market Regulator (Romanian Accounting Regulations)

1. Other expenses from current activity include bank charges, material and utilities expenses, salary costs, third party expenses as well as duties and other taxes.

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## Balance Sheet

| RON mn                                       | 31 December 2012<br>(Audited) | 30 June 2013<br>(Unaudited) | 30 September 2013<br>(Unaudited) |
|--|-------------------------------|-----------------------------|----------------------------------|
| Intangible assets                            | 0.3                           | 0.8                         | 0.8                              |
| Financial assets                             | 11,097.8                      | 10,675.1                    | 10,688.7                         |
| <b>Non-current assets - total</b>            | <b>11,098.1</b>               | <b>10,675.9</b>             | <b>10,689.5</b>                  |
| <b>Current assets - total</b>                | <b>776.5</b>                  | <b>1,390.5</b>              | <b>860.6</b>                     |
| Prepaid expenses                             | 0.1                           | 0.1                         | 0.1                              |
| Payables within one year                     | 21.1                          | 435.2                       | 32.8                             |
| <b>Total assets less current liabilities</b> | <b>11,853.6</b>               | <b>11,631.3</b>             | <b>11,517.4</b>                  |
| Provisions                                   | 16.8                          | 18.2                        | 29.2                             |
| <b>Shareholder's equity</b>                  | <b>11,836.8</b>               | <b>11,613.1</b>             | <b>11,488.2</b>                  |

Source: Quarterly Report for the Quarter ended 30 September 2013, prepared in accordance with the regulations in force of the Local Capital Market Regulator (Romanian Accounting Regulations)

1. Other expenses from current activity include bank charges, material and utilities expenses, salary costs, third party expenses as well as duties and other taxes.

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# Appendix I – Update on Top Holdings

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## OMV Petrom – Selected Financial Information

| RON mn                            | 2011<br>(Audited) | 2012<br>(Audited) | 30.09.2013<br>(Non-Audited) | 30.09.2013<br>(Non-Audited) |
|-----------------------------------|-------------------|-------------------|-----------------------------|-----------------------------|
| Tangible assets                   | 26,334.28         | 28,512.59         | 28,101.63                   | 29,675.30                   |
| <b>Non-current assets - Total</b> | <b>31,021.51</b>  | <b>32,776.65</b>  | <b>32,412.50</b>            | <b>33,658.78</b>            |
| <b>Current assets - Total</b>     | <b>36,488.44</b>  | <b>38,144.62</b>  | <b>38,042.86</b>            | <b>39,161.87</b>            |
| Short term liabilities            | 6,093.39          | 6,124.75          | 6,419.68                    | 5,444.04                    |
| Long term liabilities             | 9,287.08          | 8,645.89          | 9,358.79                    | 8,234.83                    |
| <b>Shareholders' equity</b>       | <b>36,488.44</b>  | <b>38,144.62</b>  | <b>38,042.86</b>            | <b>39,161.87</b>            |

| RON mn                | 2011<br>(Audited) | 2012<br>(Audited) | 30.09.2013<br>(Non-Audited) | 30.09.2013<br>(Non-Audited) |
|-----------------------|-------------------|-------------------|-----------------------------|-----------------------------|
| EBITDA                | 7,524.30          | 8,270.20          | 6,063.95                    | 6,993.39                    |
| Net turnover          | 22,613.65         | 26,258.13         | 19,185.28                   | 18,150.31                   |
| Operating result      | 4,935.76          | 5,662.00          | 3,988.84                    | 4,555.79                    |
| Financial result      | (327.17)          | (835.74)          | (491.65)                    | (159.96)                    |
| Pre-tax profit / loss | 4,608.59          | 4,826.26          | 3,497.19                    | 4,395.83                    |
| Income tax            | 849.97            | 880.16            | 605.60                      | 730.10                      |
| Net profit / loss     | 3,758.62          | 3,946.10          | 2,891.59                    | 3,665.73                    |

Source: Company reports.

Note: EBITDA is calculated as Operational result + Depreciation.

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## Hidroelectrica – Selected Financial Information

| RON mn                            | 2011<br>(Audited) | 2012<br>(Audited) | 30.09.2012<br>(Non-Audited) | 30.09.2013<br>(Non-Audited) |
|-----------------------------------|-------------------|-------------------|-----------------------------|-----------------------------|
| Tangible assets                   | 20,272.68         | 19,848.03         | 20,017.37                   | 19,257.43                   |
| <b>Non-current assets - Total</b> | <b>20,339.08</b>  | <b>19,913.70</b>  | <b>20,082.17</b>            | <b>19,321.10</b>            |
| <b>Current assets - Total</b>     | <b>611.86</b>     | <b>410.20</b>     | <b>449.88</b>               | <b>394.00</b>               |
| Advance payments                  | 11.39             | 2.15              | 10.46                       | 2.63                        |
| Short term liabilities            | 2,639.16          | 2,611.20          | 2,277.40                    | 1,455.09                    |
| Long term liabilities             | 1,507.59          | 1,278.20          | 1,756.23                    | 1,307.50                    |
| <b>Shareholders' equity</b>       | <b>16,489.80</b>  | <b>16,039.95</b>  | <b>16,127.17</b>            | <b>16,583.37</b>            |

| RON mn                | 2011<br>(Audited) | 2012<br>(Audited) | Budget 2013 | 30.09.2013<br>(Non-Audited) |
|-----------------------|-------------------|-------------------|-------------|-----------------------------|
| EBITDA                | 894.46            | 905.66            | 1,529.50    | 1,482.11                    |
| Net turnover          | 3,020.59          | 2,402.79          | 2,690.83    | 2,283.26                    |
| Operating result      | 161.16            | (321.55)          | 601.16      | 739.91                      |
| Financial result      | (121.55)          | (166.07)          | (107.53)    | (56.90)                     |
| Pre-tax profit / loss | 39.61             | (487.62)          | 433.64      | 683.02                      |
| Income tax            | 33.17             | 20.39             | 85.91       | 138.57                      |
| Net profit / loss     | 6.44              | (508.01)          | 367.72      | 544.45                      |

Source: Company annual reports, Special Administrator's Reports.

Note: EBITDA is calculated as Operational result + Depreciation.

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## Romgaz – Selected Financial Information

| RON mn                            | 2011<br>(Audited) | 2012<br>(Audited) | 30.09.2013<br>(Non-Audited) |
|-----------------------------------|-------------------|-------------------|-----------------------------|
| Tangible assets                   | 6,092.07          | 5,624.94          | 5,711.60                    |
| <b>Non-current assets - Total</b> | <b>6,232.97</b>   | <b>5,887.65</b>   | <b>6,263.10</b>             |
| <b>Current assets - Total</b>     | <b>4,692.13</b>   | <b>5,154.85</b>   | <b>3,911.39</b>             |
| Advance payments                  | 2.82              | 1.93              | 7.78                        |
| Short term liabilities            | 936.74            | 815.41            | 667.32                      |
| Long term liabilities             | 0.00              | 0.00              | 0.00                        |
| <b>Shareholders' equity</b>       | <b>9,584.20</b>   | <b>9,981.98</b>   | <b>9,272.91</b>             |

| RON mn                | 2011<br>(Audited) | 2012<br>(Audited) | Budget 2013 | 30.09.2013<br>(Non-Audited) |
|-----------------------|-------------------|-------------------|-------------|-----------------------------|
| EBITDA                | 2,060.07          | 2,126.63          | 2,389.44    | 999.65                      |
| Net turnover          | 4,211.15          | 3,842.98          | 3,670.84    | 2,587.05                    |
| Operating result      | 1,264.50          | 1,432.49          | 1,622.04    | 542.67                      |
| Financial result      | 56.16             | 96.35             | 54.03       | 83.38                       |
| Pre-tax profit / loss | 1,320.67          | 1,528.83          | 1,676.07    | 626.05                      |
| Income tax            | 288.92            | 284.79            | 273.65      | 215.39                      |
| Net profit / loss     | 1,031.75          | 1,244.05          | 1,339.38    | 410.67                      |

Source: Company reports, Bucharest Stock Exchange.

Note: EBITDA is calculated as Operational result + Depreciation.

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## CE Oltenia – Selected Financial Information

| RON mn                            | 2012 <sup>1</sup><br>(Audited) | 30.09.2013<br>(Non-Audited) |
|-----------------------------------|--------------------------------|-----------------------------|
| Tangible assets                   | 6,832.38                       | 6,771.85                    |
| <b>Non-current assets - Total</b> | <b>6,859.13</b>                | <b>6,795.95</b>             |
| <b>Current assets - Total</b>     | <b>1,433.83</b>                | <b>1,506.15</b>             |
| Advance payments                  | 47.82                          | 38.80                       |
| Short term liabilities            | 883.90                         | 813.61                      |
| Long term liabilities             | 1,534.84                       | 1,615.55                    |
| <b>Shareholders' equity</b>       | <b>5,482.47</b>                | <b>5,508.16</b>             |

| RON mn                | 2012 <sup>1</sup><br>(Audited) | Budget 2013 | 30.09.2013<br>(Non-Audited) |
|-----------------------|--------------------------------|-------------|-----------------------------|
| EBITDA                | 409.80                         | 799.67      | 490.85                      |
| Net turnover          | 2,236.65                       | 3,939.00    | 1,858.56                    |
| Operating result      | 44.45                          | 249.00      | 70.94                       |
| Financial result      | 131.66                         | (69.00)     | 87.89                       |
| Pre-tax profit / loss | 176.11                         | 180.00      | 158.83                      |
| Income tax            | 57.78                          | 28.80       | 50.16                       |
| Net profit / loss     | 118.33                         | 151.20      | 108.67                      |

Source: Company reports.

Note: EBITDA is calculated as Operational result + Depreciation.

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

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## GDF Suez Energy Romania – Selected Financial Information

| RON mn                            | 2011<br>(Audited) | 2012<br>(Audited) | 30.06.2012<br>(Non-Audited) | 30.06.2013<br>(Non-Audited) |
|-----------------------------------|-------------------|-------------------|-----------------------------|-----------------------------|
| Tangible assets                   | 2,597.26          | 2,918.68          | 2,918.68                    | 2,993.48                    |
| <b>Non-current assets - Total</b> | <b>2,764.89</b>   | <b>3,121.06</b>   | <b>3,121.06</b>             | <b>3,206.39</b>             |
| <b>Current assets - Total</b>     | <b>1,380.63</b>   | <b>1,815.49</b>   | <b>1,815.49</b>             | <b>1,617.54</b>             |
| Short term liabilities            | 793.05            | 1,019.87          | 378.19                      | 710.49                      |
| Long term liabilities             | 479.33            | 671.44            | 671.44                      | 696.34                      |
| <b>Shareholders' equity</b>       | <b>2,873.30</b>   | <b>3,245.25</b>   | <b>3,245.25</b>             | <b>3,417.10</b>             |

| RON mn                | 2011<br>(Audited) | 2012<br>(Audited) | Budget 2013 <sup>1</sup> | 30.06.2013<br>(Non-Audited) |
|-----------------------|-------------------|-------------------|--------------------------|-----------------------------|
| EBITDA                | 266.10            | 463.30            | 405.00                   | 350.68                      |
| Net turnover          | 3,362.16          | 3,447.63          | 3,761.00                 | 1,883.88                    |
| Operating result      | 285.67            | 414.86            | 258.00                   | 428.40                      |
| Financial result      | 3.49              | 8.63              | 100.00                   | (0.03)                      |
| Pre-tax profit / loss | 294.93            | 427.13            | 358.00                   | 428.37                      |
| Income tax            | (41.03)           | (62.76)           | 55.00                    | (65.31)                     |
| Net profit / loss     | 240.49            | 352.98            | 302.00                   | 352.59                      |

Source: Company reports, IFRS Consolidated Financial Statements.

Note: EBITDA is calculated as Operational result + Depreciation.

Source: Individual Financial Statements.

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## Transgaz – Selected Financial Information

| RON mn                            | 2011<br>(Audited) | 2012<br>(Audited) | 30.09.2013<br>(Non-Audited) |
|-----------------------------------|-------------------|-------------------|-----------------------------|
| Tangible assets                   | 760.87            | 742.43            | 712.07                      |
| <b>Non-current assets - Total</b> | <b>3,284.46</b>   | <b>3,343.58</b>   | <b>3,236.65</b>             |
| <b>Current assets - Total</b>     | <b>688.17</b>     | <b>562.25</b>     | <b>3,780.49</b>             |
| Short term liabilities            | 372.56            | 355.30            | 306.77                      |
| Long term liabilities             | 591.41            | 562.95            | 577.34                      |
| <b>Shareholders' equity</b>       | <b>2,987.58</b>   | <b>3,008.66</b>   | <b>3,780.49</b>             |

| RON mn                | 2011<br>(Audited) | 2012<br>(Audited) | Budget 2013 | 30.09.2013<br>(Non-Audited) |
|-----------------------|-------------------|-------------------|-------------|-----------------------------|
| EBITDA                | 601.59            | 529.46            | 589.00      | 484.02                      |
| Net turnover          | 1,336.98          | 1,327.99          | 1,503.12    | 1,054.64                    |
| Operating result      | 442.04            | 364.92            | 328.77      | 348.12                      |
| Financial result      | 19.69             | 27.99             | 13.70       | 102.46                      |
| Pre-tax profit / loss | 461.73            | 392.92            | 342.47      | 245.66                      |
| Income tax            | 82.69             | 113.40            | 70.55       | 86.18                       |
| Net profit / loss     | 387.20            | 329.31            | 271.93      | 159.47                      |

Source: Company reports, IFRS Individual Financial Statements.

Note: EBITDA is calculated as Operational result + Depreciation.

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## Nuclearelectrica – Selected Financial Information

| RON mn                            | 2011<br>(Audited) | 2012<br>(Audited) | 30.09.2013<br>(Non-Audited) |
|-----------------------------------|-------------------|-------------------|-----------------------------|
| Tangible assets                   | 7,511.01          | 7,370.35          | 7,187.59                    |
| <b>Non-current assets - Total</b> | <b>9,191.44</b>   | <b>9,124.30</b>   | <b>8,942.95</b>             |
| <b>Current assets - Total</b>     | <b>1,310.76</b>   | <b>1,465.18</b>   | <b>1,955.69</b>             |
| Advance payments                  | 6.20              | 7.87              | 13.92                       |
| Short term liabilities            | 415.09            | 618.32            | 416.44                      |
| Long term liabilities             | 2,160.26          | 1,990.49          | 1,804.20                    |
| <b>Shareholders' equity</b>       | <b>7,904.08</b>   | <b>7,953.22</b>   | <b>8,575.27</b>             |

| RON mn                | 2011<br>(Audited) | 2012<br>(Audited) | Budget 2013 | 30.09.2013<br>(Non-Audited) |
|-----------------------|-------------------|-------------------|-------------|-----------------------------|
| EBITDA                | 549.13            | 549.11            | 839.94      | 659.07                      |
| Net turnover          | 1,588.35          | 1,653.16          | 1,926.81    | 1,425.34                    |
| Operating result      | 162.64            | 152.77            | 438.04      | 362.88                      |
| Financial result      | (43.02)           | (67.00)           | (281.00)    | 35.69                       |
| Pre-tax profit / loss | 119.62            | 85.77             | 157.04      | 398.57                      |
| Income tax            | 24.58             | 51.30             | 25.13       | 67.34                       |
| Net profit / loss     | 95.04             | 34.47             | 131.91      | 331.23                      |

Source: Company reports, IFRS Consolidated Financial Statements.

Note: EBITDA is calculated as Operational result + Depreciation.

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# Appendix II – Update on Gas and Electricity Liberalization Program

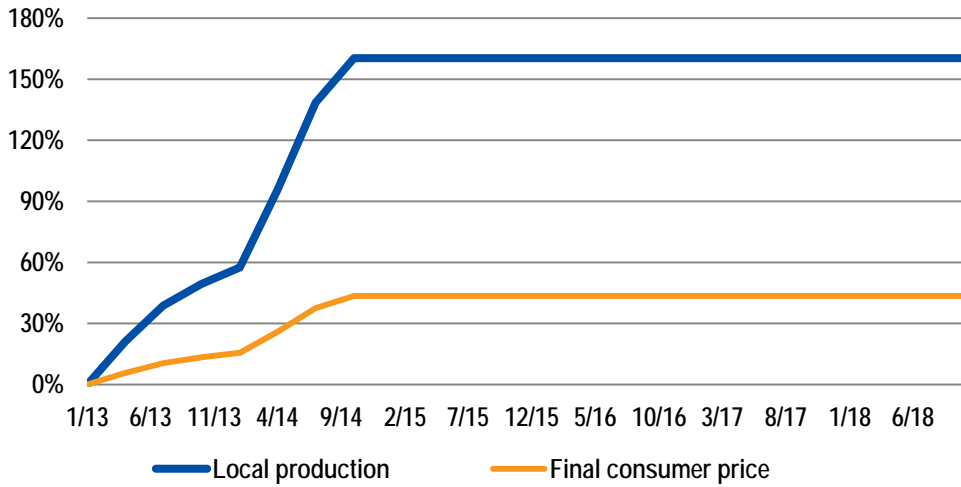
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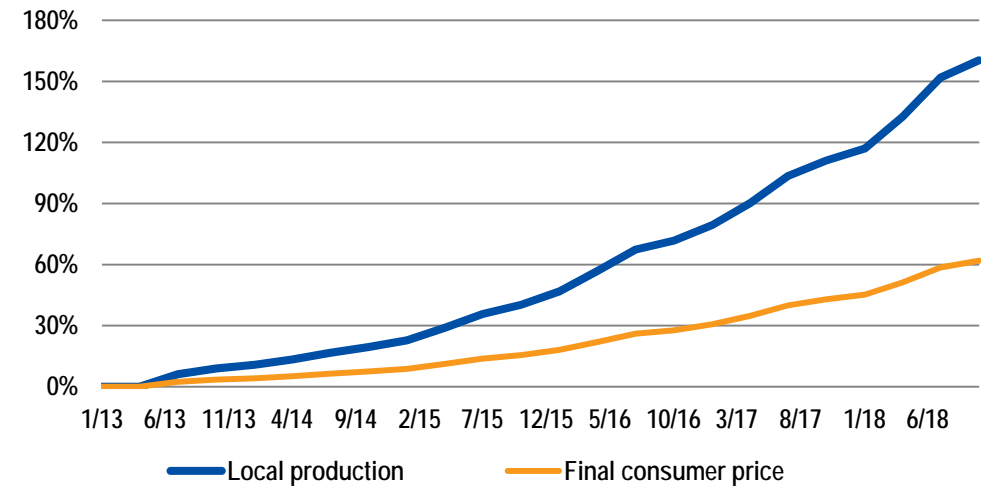


# Gas Price Liberalization

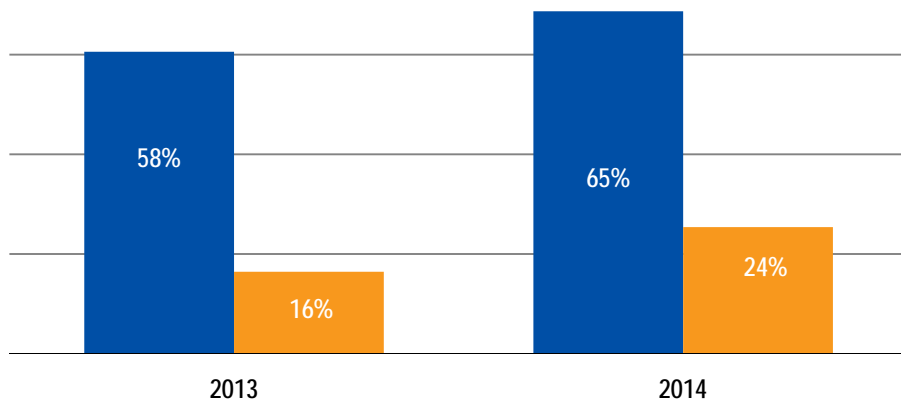
Industrial consumers



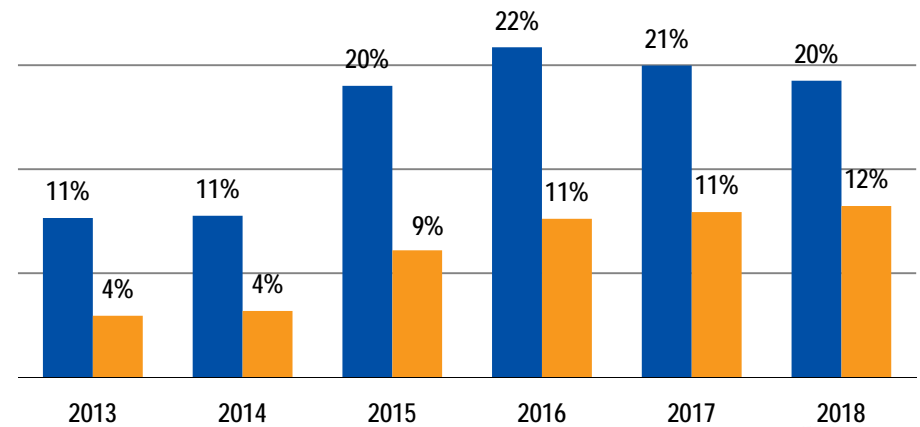
Household consumers



Annual increase of gas prices, industrial consumers



Annual increase of gas prices, household consumers



1. Source: Eurostat, ANRE, Bloomberg.

Notes: Import price = estimated by ANRE for Oct-Dec 2013.

Import % of total basket for each consumer type = regulated by ENRE for Oct-Dec 2013.

Components of final price other than local production as of 1H 2013.

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## Calendar of the Gradual Elimination of the Regulated Gas Prices

| Starting date                           | Non-household consumers |                                     |                    |
|---|-------------------------|-------------------------------------|--------------------|
|   | Convergence degree %    | Internal production price (RON/MWh) | Final price growth |
| 01.12.2012                              | 35                      | 49.0                                | 5                  |
| 01.04.2013                              | 40                      | 55.3                                | 5                  |
| 01.07.2013                              | 47                      | 63.4                                | 5                  |
| 01.10.2013                              | 51                      | 68.3                                | 3                  |
| Annual growth of the final price 2013 % | 18                      |                                     |                    |
| 01.01.2014                              | 55                      | 72.0                                | 4                  |
| 01.04.2014                              | 71                      | 89.4                                | 5                  |
| 01.07.2014                              | 91                      | 109.0                               | 5                  |
| 01.10.2014                              | 100                     | 119.0                               | 4                  |
| Annual growth of the final price 2014 % | 18                      |                                     |                    |

Source: ANRE.

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## Calendar of the Gradual Elimination of the Regulated Gas Prices

| Starting date                                  | Household consumers  |                                     |                    |
|--|----------------------|-------------------------------------|--------------------|
|  | Convergence degree % | Internal production price (RON/MWh) | Final price growth |
| 01.12.2012                                     | 3                    | 45.7                                | 0                  |
| 01.04.2013                                     | 33                   | 45.7                                | 0                  |
| 01.07.2013                                     | 36                   | 48.5                                | 8                  |
| 01.10.2013                                     | 37                   | 49.8                                | 2                  |
| <b>Annual growth of the final price 2013 %</b> | <b>10</b>            |                                     |                    |
| 01.01.2014                                     | 38                   | 50.6                                | 2                  |
| 01.04.2014                                     | 41                   | 51.8                                | 2                  |
| 01.07.2014                                     | 44                   | 53.3                                | 3                  |
| 01.10.2014                                     | 46                   | 54.6                                | 3                  |
| <b>Annual growth of the final price 2014 %</b> | <b>10</b>            |                                     |                    |
| 01.01.2015                                     | 47                   | 56.1                                | 2                  |
| 01.04.2015                                     | 49                   | 58.9                                | 3                  |
| 01.07.2015                                     | 52                   | 62.0                                | 4                  |
| 01.10.2015                                     | 54                   | 64.1                                | 3                  |
| <b>Annual growth of the final price 2014 %</b> | <b>12</b>            |                                     |                    |

Source: ANRE.

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## Calendar of the Gradual Elimination of the Regulated Gas Prices

| Starting date                                  | Household consumers  |                                     |                    |
|--|----------------------|-------------------------------------|--------------------|
|  | Convergence degree % | Internal production price (RON/MWh) | Final price growth |
| 01.01.2016                                     | 56                   | 67.1                                | 3                  |
| 01.04.2016                                     | 60                   | 71.7                                | 3                  |
| 01.07.2016                                     | 64                   | 76.5                                | 3                  |
| 01.10.2016                                     | 66                   | 78.5                                | 3                  |
| <b>Annual growth of the final price 2013 %</b> | 12                   |                                     |                    |
| 01.01.2017                                     | 69                   | 82.0                                | 2                  |
| 01.04.2017                                     | 73                   | 86.9                                | 2                  |
| 01.07.2017                                     | 78                   | 93.0                                | 5                  |
| 01.10.2017                                     | 81                   | 96.5                                | 3                  |
| <b>Annual growth of the final price 2014 %</b> | 12                   |                                     |                    |
| 01.01.2018                                     | 83                   | 99.2                                | 3                  |
| 01.04.2018                                     | 89                   | 106.3                               | 3                  |
| 01.07.2018                                     | 97                   | 115.1                               | 3                  |
| 01.10.2018                                     | 100                  | 119                                 | 3                  |
| <b>Annual growth of the final price 2014 %</b> | 12                   |                                     |                    |

Source: ANRE.

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## Calendar of the Gradual Elimination of the Regulated Electricity Prices

| Starting date | Non-household consumers –<br>% acquisition from the competitive market | Household consumers –<br>% acquisition from the competitive market |
|---------------|--|--|
| 01.09.2012    | 15   | -  |
| 01.01.2013    | 30   | 0  |
| 01.04.2013    | 45   | 0  |
| 01.07.2013    | 65   | 10   |
| 01.09.2013    | 85   | 10   |
| 01.01.2014    | 100  | 20   |
| 01.07.2014    |  | 30   |
| 01.01.2015    |  | 40   |
| 01.07.2015    |  | 50   |
| 01.01.2016    |  | 60   |
| 01.07.2016    |  | 70   |
| 01.01.2017    |  | 80   |
| 01.07.2017    |  | 90   |
| 31.12.2017    |  | 100  |

Source: ANRE.

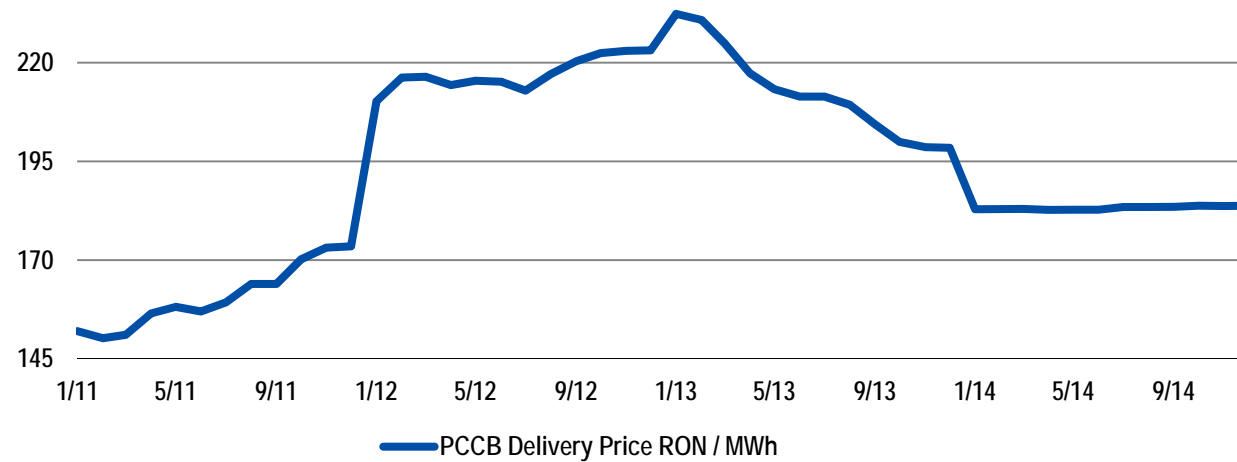
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# Electricity Prices

2011 – 2014 OPCOM Prices (RON/MWh)<sup>1</sup>



For comparison, in Germany, electricity prices are RON 183.3/MWh for October 2014 delivery<sup>2</sup>

1. Market Price – PCCB delivery cost. Source: OPCOM, as at 1 November 2013.

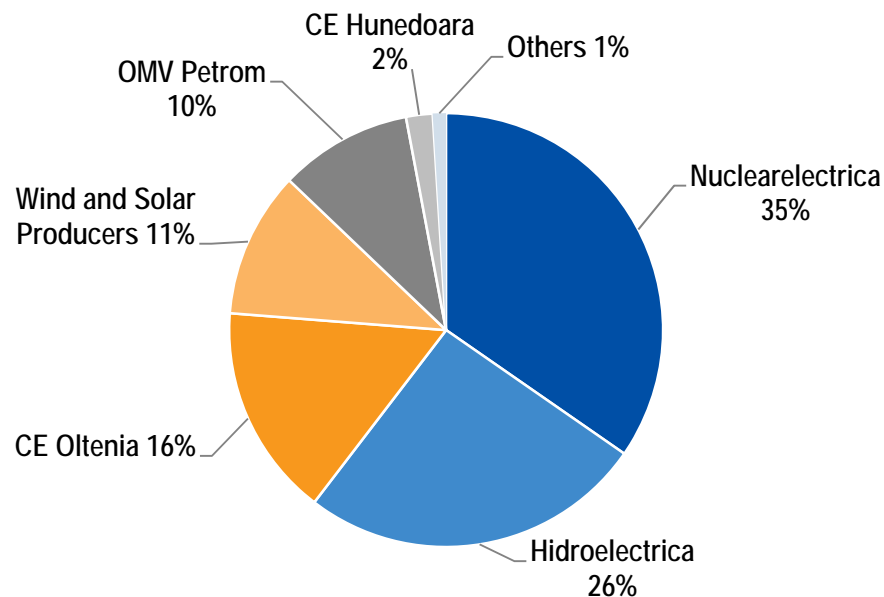
2. Source: Bloomberg.

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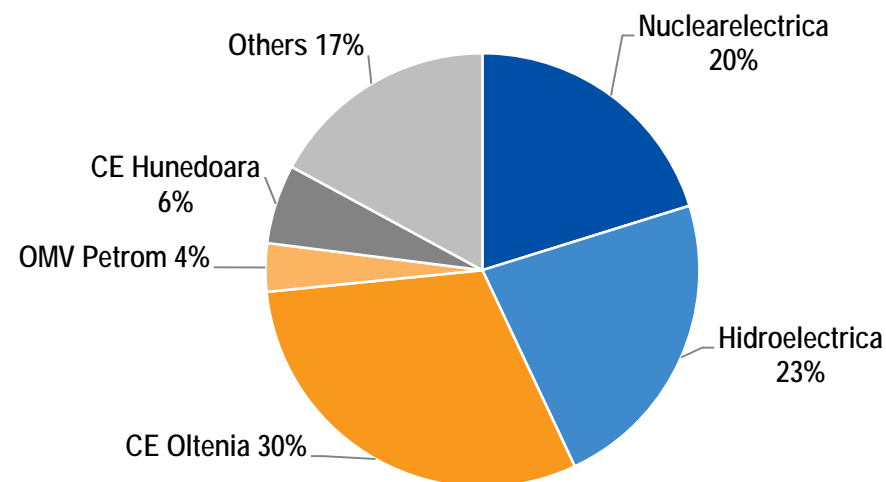
## Energy on the Regulated Market 2012 – 2013

| Producer            | 2012 Quantity (TWh) | % Total Market | 2013 Quantity (TWh) | 2012 Average Price (RON/MWh) | 2013 Average Price (RON/MWh) |
|---------------------|---------------------|----------------|---------------------|------------------------------|------------------------------|
| Nuclearelectrica SA | 7.5                 | 13.2           | 5.3                 | 123                          | 142                          |
| Hidroelectrica SA   | 4.1                 | 7.2            | 3.9                 | 72                           | 125                          |
| CE Oltenia SA       | 3.5                 | 6.2            | 2.5                 | 183                          | 190                          |
| OMV Petrom SA       | 0.3 <sup>1</sup>    | 0.5            | 1.5                 | 169 <sup>1</sup>             | 169                          |

2013 Structure of deliveries on the regulated market



2012 Structure of deliveries on the total market



Source: ANRE.

1. The company started the electricity deliveries on the regulated market in October 2012.

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