

Resolution no. 2 / 27 April 2015 of the Shareholders' Ordinary General Meeting of

FONDUL PROPRIETATEA S.A.

Headquarters: 78-80 Buzesti Street, 7th floor, sector 1, Bucharest, registered with the Trade Register under number J40/21901/2005, fiscal registration code 18253260

Today, 27 April 2015, 14:00 (Romanian time), the shareholders of Fondul Proprietatea S.A. ("**the Fund**") have met during the Shareholders' Ordinary General Meeting ("**OGM**") of the Fund, at its first summoning, at "Radisson Blu" Hotel, 63-81 Calea Victoriei Street, Atlas Room, 1st District, Bucharest, 010065, Romania, the OGM being opened by its Chairman, namely Mr. Grzegorz Maciej Konieczny, in his capacity of legal representative of Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch, having its headquarters in Bucharest, 78-80 Buzesti Street, 7th and 8th floors, 1st District, registered with the Trade Register under no. J40/8587/2009, sole identification code 25851096 ("**the Sole Administrator**") and with the Public Register of the Romanian National Securities Commission ("**CNVM**") under number PJM05SSAM/400001.

Whereas:

- The convening notice of the OGM was published on the Fund's website (www.fondulproprietatea.ro) on 26 February 2015, in the Official Gazette of Romania, Part IV, number 1100/2 March 2015 and in "Bursa" newspaper no. 41/2 March 2015;
- The provisions of Companies' Law no. 31/1990, republished, with its subsequent amendments and supplementations (Law no. 31/1990);
- The provisions of Law no. 297/2004 on capital market, with its subsequent amendments and supplementations (Law no. 297/2004);
- The provisions of Emergency Government Ordinance no. 32/2012 on undertakings for collective investment in transferable securities and investment management companies, as well as for the amendment and supplementation of Law no. 297/2004;
- The provisions of CNVM Regulation no. 1/2006 on issuers and operations with securities, with its subsequent amendments and supplementations (Regulation no. 1/2006);
- The provisions of CNVM Regulation no. 6/2009 on exercising certain rights of shareholders within general meetings of companies, with its subsequent amendments and supplementations (Regulation no. 6/2009);

- The provisions of Article 21 of CNVM Regulation no. 4/2010 on the registration with CNVM and the operation of the company “Fondul Proprietatea” S.A., as well as on trading the shares issued by this company.

Following debates, the Fund’s shareholders decide as follows:

I. The approval of the OGM agenda.

This item is adopted with 3,886,952,819 votes representing 99.99% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Law no. 31/1990. The casted votes were recorded as follows: 3,886,952,819 votes “for” and 2 votes “against”. There were also registered 100,970 abstains and 10,752,797 votes „not given”.

II. The approval of the net profit allocation for the financial year 2014, as such is presented in the supporting documentation and described in the annex herein.

This item is adopted with 3,884,257,575 votes representing 99.94% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Law no. 31/1990. The casted votes were recorded as follows: 3,884,257,575 votes “for” and 1,948,434 votes “against”. There were also registered 3,208,581 abstains and 5,696,346 votes „not given”.

III. In accordance with Article 129² of Regulation no. 1/2006, the approval of 20 May 2015 as the registration date, in accordance with the provisions of Article 238 paragraph (1) of Capital Market Law no. 297/2004, and 19 May 2015 as the *Ex – Date*, computed according to the definition set by Article 2 letter f) of Regulation no. 6/2009. As no payments to the shareholders shall be triggered by the decisions herein, shareholders do not decide upon the Payment Date, as it is defined by Article 2 letter g) of Regulation no. 6/2009.

This item is adopted with 3,888,320,829 votes representing 99.99% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Law no. 31/1990. The casted votes were recorded as follows: 3,888,320,829 votes “for” and 2,182 votes “against”. There were also registered 3,787,255 abstains and 2,374,277 votes „not given”.

IV. The empowerment, with authority to be substituted, of Grzegorz Maciej KONIECZNY, as legal representative of Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch, to sign the shareholders’ resolutions, as well as any other documents in connection therewith, and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders’ resolution, including formalities for publication and registration thereof with the Trade Register or with any other public institution.

This item is adopted with 3,885,612,374 votes representing 99.88% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Law no. 31/1990. The casted votes were recorded as follows: 3,885,612,374 votes “for” and 4,378,755 votes “against”. There were also registered 2,202,937 abstains and 1,619,433 votes „not given”

This decision is drafted and signed on behalf of the shareholders by:

Grzegorz Maciej KONIECZNY
Chairman

Vlad Neacșu
Meeting secretary

Valeriu Ioniță
Technical secretary

Annex - Net profit allocation for 2014 financial year

In the financial statements of Fondul Proprietatea S.A. ("Fund") for the year ended 31 December 2014, prepared in accordance with Romanian accounting regulations (National Securities Commission ("CNVM") Regulation no. 4/2011 approved by CNVM Order no.13/2011), as subsequently amended, the Fund reported an audited net profit of RON 1,012,898,265.

The Fund is obliged to make transfers of at least 5% of the Fund's profit to the legal reserves until those reserves reach a value equivalent to 20% of the value of the issued share capital of the Fondul Proprietatea. Following the 2014 transfer of RON 51,476,313, the value of these reserves is RON 243,735,507 (being 2.1% of the issued share capital).

Result for the year 2014 - net profit (RON)	1,012,898,265
Less mandatory transfer to legal reserves: 5% of gross profit (RON)	(51,476,313)

Unallocated profits (RON) 961,421,952

The Fund Manager proposes to keep the remaining RON 961,421,952 within unallocated retained earnings, due to the fact that, according to the official interpretation of the Financial Supervisory Authority ("FSA") on the definition of "net asset value" for the Fund, dividend distributions cannot be made to shareholders at the present time, because the Fund's shareholders' equity calculated in accordance with Romanian accounting regulations of RON 9,339,030,996 is lower than the share capital of the Fund of RON 11,815,279,887 (please see details below).

According to the annual cash distribution policy presented below, the Fund Manager has already recommended, and the shareholders have approved (on 21 January 2015), a cash distribution of RON 0.05 per share via the decrease of the share capital through the reduction of the nominal value of the Fund's shares. Based on our current understanding of Romanian tax law, no Romanian tax will arise for the Fund or its shareholders on this distribution.

In the General Shareholders Meeting on 21 January 2015, shareholders approved the decrease of the Fund's share capital from RON 11,575,064,733.65 to RON 10,965,850,800.30 through the reduction of the nominal value of the Fund's shares from RON 0.95 to RON 0.90 and to distribute the difference of RON 0.05 per share to the Fund's shareholders registered with Central Depository on 24 June 2015, proportionally with their participation in the paid share capital of Fondul Proprietatea. The payment will start on 29 June 2015, provided that the decrease of the share capital mentioned above is effective by that time. The decrease of share capital is subject to the endorsement by the FSA.

Official interpretation of the FSA on the definition of "net asset value" for the Fund

On 30 April 2014, the Fund filed with the FSA a request for obtaining an official interpretation regarding the scope of article 17 of CNVM Regulation 4/2010, as amended, providing for the methodology of computation of the "net asset value" of the Fund, in connection with article 69 of the Law no.31/1990 republished, as subsequently amended ("Companies Law"). The need for this request became apparent after receiving certain letters from public authorities that were inconsistent with previous letters from public authorities on aspects of potential relevance for this topic.

In response to the request, the Fund received on 19 June 2014 the FSA Endorsement no. 71/19.06.2014 stating, in essence, that the “net asset value” determined in accordance with Regulation no. 4/2010 is for regulatory reporting and investors’ information purposes only. The FSA confirmed that the Endorsement has effect prospectively from the date of its publication.

Based on our review, the FSA’s official interpretation has the direct effect that the ability to distribute dividends should be established based on the concept of “total shareholders’ equity” calculated in accordance with CNVM Regulation no. 4/2011.

Annual cash distribution policy

Following the official interpretation received from the FSA on computation methodology for the “net asset value” to be used by the Fund in the application of article 69 of Companies Law, the Fund Manager remains committed to returning cash to shareholders on an annual basis (subject to applicable law and necessary approvals) and has amended the Fund’s annual cash distribution policy as follows:

“In the absence of exceptional market conditions or circumstances, and subject to any restrictions under Romanian legal or tax regulations, the Fund Manager intends to recommend to shareholders a cash distribution related to each financial year equivalent to 100% of the sum of (i) the Fund’s dividend income from portfolio companies, (ii) plus interest on cash balances, (iii) less expenses and taxation and (iv) less compulsory allocations to reserves according to the regulations in force, in each case for that year. The cash distributions would be paid to shareholders either in the form of a return of capital (by decreasing the nominal value per share) or in the form of dividends, in each case subject to any restrictions under Romanian legal or tax regulations. In the case of dividend distributions (where permitted by applicable law), the distributable amount will be assessed based on audited financial information. In the case of a return of capital, the distributable amount will be based on a best estimate according to the latest management accounts at the time of proposing the resolution”.

The annual cash distribution policy does not limit additional cash returns and share buy-backs that can be recommended by the Fund Manager separately, subject to available cash and depending on the discount level, according to the Investment Policy Statement.

Other distributions to shareholders in the future

The Fund Manager will seek to return further value to shareholders by continuing to buy-back shares.

On 19 November 2014 the Fund’s shareholders approved the fifth buy-back programme that refers to the acquisition of a maximum number of (i) 227,572,250 shares or (ii) 10% of the subscribed share capital at the relevant time, whichever is the lesser, starting with the date when the share capital decrease approved through EGM Resolution on 23 September 2014 (regarding the cancelation of the shares purchased by the Fund during the third buy-back programme) is effective, until August 2016. The buy-back shall be performed at a price that cannot be lower than RON 0.2 per share or higher than RON 2 per share. The buy-back transaction can only be applied for fully paid shares. The shares purchased will be cancelled. This buy-back programme implementation will be subject to the availability of the necessary cash. The fifth buy-back programme started on 10 February 2015.