

***Memo regarding the partial cancelation of the shares
acquired during the sixth buy-back programme***

Through the Resolution no. 5/27 April 2015 the shareholders approved the sixth buy-back programme whereby the Fund Manager was authorized to buy-back shares of Fondul Proprietatea S.A., global depositary receipts or depositary interests corresponding to shares of Fondul Proprietatea S.A., via trading on the regular market on which the shares, the global depositary receipts or the depositary interests corresponding to the shares of Fondul Proprietatea S.A. are listed or public tender offers, in compliance with the applicable law, for a maximum number of (i) 891,770,055 shares or equivalent of for global depositary receipts or depositary interests corresponding to shares of Fondul Proprietatea S.A. or (ii) 10% of the issued share capital at the relevant time, whichever is the lesser. The sixth buy-back programme was launched on 9 September 2015.

Due to the fact that the Resolution no. 5/27 April 2015 expressly allows for partially cancelations, subject to the shareholders' approval, the Fund Manager would like to propose to the shareholders the approval of the share capital decrease with the own shares repurchased and settled during 9 September 2015 until 24 February 2016, with the buy-back programme to be continuing for the remaining approved share limits.

Having in mind the scope for which the buy-back programme was approved, namely a share capital decrease, the Fund Manager would like to propose to the shareholders the approval of the decrease of the subscribed share capital of Fondul Proprietatea as follows.

The decrease of the subscribed registered share capital of Fondul Proprietatea S.A. from RON 9,320,973,180.85 to RON 9,168,314,116.70, by cancelling the own shares acquired by the Company during the sixth buy-back until 24 February 2016, namely 179,598,899 shares (140,274,199 shares and 786,494 global depositary receipts acquired and settled between 9 September 2015 and 24 February 2016).

After the share capital decrease the subscribed share capital of the Company will be RON 9,168,314,116.70 being divided into 10,786,251,902 shares, with a nominal value of RON 0.85 / share.

The approval of the amendment of the Article 7 paragraph (1) of the Constitutive Act of Fondul Proprietatea S.A. as follows.

“(1) The subscribed share capital of Fondul Proprietatea is in amount of RON 9,168,314,116.70, divided in 10,786,251,902 ordinary, nominative shares, having a nominal value of RON 0.85 each. The capacity as shareholder of Fondul Proprietatea is attested by a statement of account issued by Depozitarul Central S.A.”.

The subscribed share capital decrease will take place on the basis of Article 207 paragraph 1 letter c) of Law 31/1990 and Shareholders' Resolution no. 5/27 April 2015 allowing, among others, for partial cancelations within the sixth buy-back programme, and will be effective after the following four conditions are met:

- (i) this resolution is published in the Official Gazette of Romania, Part IV for at least two months;
- (ii) FSA endorses the amendment of Article 7 paragraph (1) of the Constitutive Act of Fondul Proprietatea SA as approved by shareholders during this meeting, where required by applicable law or regulation;
- (iii) the share capital decrease approved by the shareholders on 27 January 2016 is effective;
- (iv) the shareholders' resolution for approving this share capital decrease is registered with the Trade Registry.

**Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch,
acting as Sole Administrator on behalf of FONDUL PROPRIETATEA S.A.**

Oana Valentina Truta
Legal representative