
To: Fondul Proprietatea S.A. Board of Nominees

Secondary Listing of Fondul Proprietatea S.A. on the Warsaw Stock Exchange - Approval of a New Deadline

Purpose

The purpose of this paper is to request the Board of Nominees to approve the proposal of a new deadline for the secondary listing of Fondul Proprietatea S.A. (the “Fund”) on the Warsaw Stock Exchange (“WSE”) for shareholder approval. Such request is made due to the delay of the Romanian National Securities Commission (“CNVM”) in approving certain amendments to its regulations so as to allow the establishment of a direct link between the two central securities depositories in Warsaw and Bucharest.

Summary

Following the shareholders’ approval on 27 June 2012 to list the Fund on the WSE, the Fund Manager has been working with the consortium of investment banks selected to assist the Fund during the listing process (the “Consortium”) to complete the listing within the end-of-2012 timeframe approved by the Fund’s shareholders. Together with the Consortium, the Fund Manager organized a non-deal road-show to Warsaw to meet with the Polish pension and mutual funds with the purpose to introduce them to the Fund, and the feedback received from these meetings was supportive towards the upcoming listing on the WSE. However, the secondary listing is, at this point, only dependent on the establishment of a direct link between the Romanian Central Depository and the Polish National Depository for Securities, which is outside of the Fund’s and the Fund Manager’s control.

For this to be possible, CNVM considers it is necessary to amend its regulations to allow for the creation of a direct link between the two depositories. Discussions with CNVM regarding the Fund’s secondary listing have started in August 2011 and the lack of a link between the two depositories, as well as the necessary change in regulations was identified as an issue by the CNVM commissioners in September 2011. In the meantime, the Fund Manager has sent 10 letters and has had 10 meetings with members of the CNVM in order to discuss the secondary listing, to inform them about the approval of the shareholders to list the Fund on the WSE, and to request information on the status of the amended regulations. Despite the Fund Manager’s inquiries, there is still no commitment from CNVM as to when the updated regulations will be published and approved. Furthermore, once approved, time will be needed for the Romanian Central Depository to implement the direct link with the Polish National Depository for Securities.

Deadline for the Secondary Listing on the WSE

Due to these delays, the Fund Manager requests the approval of the Board of Nominees to propose to shareholders for approval an extension of our authorization for the secondary listing of the Fund on the WSE by 30 June 2013. In the meantime, the Fund Manager will continue the dialogue with CNVM in order to push for the timely publication of the regulations allowing a direct link between the central securities depositories in Warsaw and Bucharest.