

FONDUL PROPRIETATEA
BUDGET 2011

APPENDIX TO 2011 BUDGET PAPER

All amounts in LEI

Items	Budget 2011	Explanations / Assumptions - Budget 2011	Revised Budget 2010	Variance
Income	299,338,549		277,409,408	8%
Budgeted income, out of which	299,338,549		277,409,408	8%
Dividends income	209,279,125	2011 dividend income are estimated to be equal with the actual 2010 dividend income	173,185,020	21%
Interest income	90,020,934	Estimated based on expected cash available for bank deposits during 2011 and an average interest rate for bank deposits of 7%	104,185,900	-14%
Income on disposal of investments	0	No disposal of investments in 2011	0	0%
FX gain (net)	0	FX gains / losses cannot be forecasted as the exchange rate evolution during the year cannot be reasonably assessed	0	0%
Other income	38,490	Other income include mainly remuneration for participation in GSM for certain companies and penalties for receiving dividends with delay. Maintain actual level recorded for Jan - Sep 2010	38,488	0%
Non-budgeted income, out of which:	0		0	
Provisions for PPE & Investments	0		0	
Provisions for termination benefits	0		0	
Expense	92,336,771		78,329,058	18%
Budgeted expenses, out of which	92,336,771		78,329,058	18%
Materials, energy, utilities	32,575	EUR 513 / month (representing services and property management charges, electricity, A/C heating, general maintenace and janitorial recharged by Franklin Templeton), plus 24% VAT	167,005	-80%
Rent	95,566	EUR 21.5 / Sqm / month; 70 sqm (plus 24% VAT)	494,591	-81%
Insurance	298,718	Included mandatory liability insurance for Body of Nominee members (Euro 70,000/year)	167,347	79%
Protocol (partners', clients entertainment, employees (coffee, water, etc)),	0		87,088	-100%
Marketing expenses (mailing & printing expenses) and roadshow activities	415,723	Estimated mailing (USD 24,000) and printing expenses (USD 15,000) including quarterly shareholders mailing, printing of annual and quarterly reports, Corporate brochure reprint (updated content), brochure for BSE/LSE listing, presentation printing for road shows, various giveaways (plus 24% VAT) and roadshow expenses related to BSE listing and other promotional activities (EUR 50,000 + VAT)	0	100%
PR expenses	420,680	PR Agency costs Euro 3,600 / month (plus VAT) and Additional PR costs of Euro 36,300 (national survey, round tables, media retreats, events press conferences)		100%
Transportation and business travel expenses	0		40,033	-100%
Salaries and similar expenses, out of which	1,006,104		3,933,216	-74%
Supervisory board	0		722,846	-100%
Management	0		1,397,699	-100%
Employees	336,504	Severance, notice period salary expenses for the two employees currently in maternity leave (6 monthly salaries)	1,642,672	-80%
Body of Nominee	669,600	Gross salary of Lei 9,000 / month (5 members) & Remuneration for Committees	170,000	294%
Selection commissions expenses	0		85,100	-100%
Salary taxes and social contributions	281,709	Estimated as 28% of Gross remuneration of Body of Nominees and of gross salaries for employees	1,097,542	-74%
Taxes and similar expenses (including stamp duties and other expenses related to litigations)	8,000,000	Include mainly stamp duties and other litigation expenses	8,940,000	-11%
Bank commissions and similar expenses	1,469,958	Include Depository fee Bancpost and other bank charges for outgoing and incoming money transfer	663,286	122%
Commissions, fees, contributions	15,000	Notary expenses only	7,057	113%
CNVM commissions & charges	13,400,918	CNVM fee payable based on NA value (Payable monthly (NA /12 * 0.1% per month)	6,122,833	119%
BSE fees & charges	0	Annual fee to Bucharest Stock Exchange is due starting 2012	0	0%
Central Depository fees	18,104	Central depository fees (admission / annual fee and shareholder structure information fees)	0	100%
Depreciation and amortization	0		108,814	-100%
FX losses (net)	0	FX gains / losses cannot be forecasted as the exchange rate evolution during the year cannot be reasonably assessed	22,889,149	-100%
Expenses on disposal of investments	0	No disposal of investments in 2011	0	0%
Other operating expenses	0	No such expenses forecasted	66,968	-100%
Loss on disposal of fixed assets (net)	0	No disposal of fixed assets	343,189	-100%
Third party services, out of which	66,881,716		33,115,839	102%
Post, telecom, internet	0		68,920	-100%
Maintenance and repairs	0		52,407	-100%
Schroder	0		7,324,608	-100%
Allen & Overy	0		0	0%
Legal expense	1,400,000	Law firms' fees covering primarily litigation costs and general legal advice (e.g. advice on tax position of the fund or its sharholders, advice on application of CNVM rule and BSE rules) and one-off specialists legal advice (e.g. major contracts) in running of the fund.	1,008,000	39%
GSM organization	200,000	Expenses estimated on the assumption of 4 GSMs in 2011 (include Trade Register and Central Depository fees for share capital registration)	90,346	121%
Portfolio evaluation	0		1,925,831	-100%
Internal audit	117,552	Lei 7,900 lei / month (plus 24% VAT)	77,578	52%
Accounting	0		237,626	-100%
IFRS Compilation	0		454,276	-100%
External audit	423,326	EUR 80,000 (plus 24% VAT)	1,075,402	-61%
Tax compliance and advisory expenses	291,037	EUR 55,000 plus 24% VAT		100%
Medical services	0		18,192	-100%
Investment management commission Franklin Templeton	64,171,239	Estimated based on estimated CNVM NAV as at 30 Sep 2010, fee rate (0.379% Mgt +0.1% Admin per year)	20,187,854	218%
Others	278,562	Include: dividend distribution expenses, voting proxy charges, translation expenses, quarterly results presentations to media and analysts and investors' day for analysts and institutional investors costs	594,799	-53%
Non-budgeted expenses	0		0	0%
Provisions for PPE & Investments	0		0	0%
Provisions for doubtful receivables	0		0	0%
Provisions for risks and charges	0		0	0%

All amounts in LEI

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Loss on receivables	0		0	0%
				0%
Gross profit	207,001,778		199,080,349	4%
Tax expenses	0		4,143,253	-100%
Net profit	207,001,778		194,937,097	6%
Investments	0		22,427	-100%
Intangible assets	0		4,720	-100%
Tangible assets	0		17,707	-100%