

To: **Bucharest Stock Exchange**  
**Financial Supervisory Authority**

Current report according to Article 99 of the Code of the Bucharest Stock Exchange, Title II, Issuers and Financial Instruments.

**Important events to be reported:**

### **Update regarding Hidroelectrica SA (“Hidroelectrica”)**

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch (the “Fund Manager”), in its capacity as sole administrator and fund manager of the Fund, would like to update shareholders and investors that, in addition to the decisions issued on 25 February 2014 with respect to the reorganisation procedure of Hidroelectrica, the Bucharest Court of Appeal has issued several other related decisions whereby it has cancelled other initial decisions of the Bucharest Court related to the said reorganisation procedure. Similar with the first decisions, these files will be sent to the Bucharest Court for a retrial.

The said files are mainly related to the appeals made by Hidroelectrica’s creditors and are further described in the annex of this report.

The Fund Manager will continue to update shareholders and investors on further material developments related to these files.

**Franklin Templeton Investment Management Ltd United Kingdom Bucharest Branch, in its capacity of Sole Administrator of S.C. FONDUL PROPRIETATEA S.A.**

**Oana Valentina Truta**  
**Legal Representative**

**Report date:**

27 February 2014

**Name of the issuing entity:**

S.C. Fondul Proprietatea S.A. (“the Fund”)

**Registered office:**

78-80 Buzesti St.,  
7<sup>th</sup> floor, district 1,  
Bucharest, postal code 011017

**Phone/fax number:**

Tel.: + 40 21 200 9600

Fax: + 40 21 200 9631

**Sole Registration Code with the Trade Register Office:**

18253260

**Order number in the Trade Register:**

J40/21901/2005

**Subscribed share capital:**

RON 13,538,087,407

**Paid share capital:**

RON 13,172,832,785

**Regulated market on which the issued securities are traded:**

Bucharest Stock Exchange

## ANNEX

Crt.	File no.	Challenging Parties	Subject	Court's decision in brief
1.	22456/3/2012/a1	Alpiq Romenergie; Alpiq Romindustries; Energy Holding; EFT AG; EFT Romania; Andritz Hydro; 2nd District Local Budget Department	Challenge against decision no. 6482/26 June 2013 whereby the reorganization procedure of Hidroelectrica was closed	Admits the appeal and sends the case for a retrial to the Bucharest Court
2.	31379/3/2012	Alpiq Romindustries	Challenge against the unilaterally termination of a sale purchase contract	Admits the appeal and sends the case for a retrial to the Bucharest Court
3.	26502/3/2012	Alpiq Romindustries; Alpiq Romenergie	Challenge against the opening of the reorganization procedure	Admits the appeal and sends the case for a retrial to the Bucharest Court
4.	36549/3/2012	Alpiq Romindustries SRL	Challenge against the preliminary receivables table	Admits the appeal and sends the case for a retrial to the Bucharest Court
5.	36781/3/2012	Alro Slatina	Challenge against the preliminary receivables table	Admits the appeal and sends the case for a retrial to the Bucharest Court
6.	31569/3/2012	Alro Slatina	Challenge against the force majeure measure	Admits the appeal and sends the case for a retrial to the Bucharest Court
7.	36861/3/2012 (file was joined with file 22456/3/2012/a1)	Elsid SA Titu	Challenge against the preliminary receivables table	Admits the appeal and sends the case for a retrial to the Bucharest Court
8.	36561/3/2012 (file was joined with file 22456/3/2012/a1)	Euro Insol	Challenge against the decision no. 1150/12.03.2013 whereby the challenge against the receivables table was admitted	Admits the appeal and sends the case for a retrial to the Bucharest Court
9.	266/2/2014 (36989/3/2012)	Inspectoratul de Stat in Constructii	Challenge against the preliminary receivables table	Dismissed the appeal.