

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

Current report according to Article 113 (A) para. (1) of the Romanian National Securities Commission Regulation no. 1/2006 regarding the issuers and the operations with securities, as subsequently amended and completed, as well as the provisions of Article 99 of the Code of the Bucharest Stock Exchange, Title II, Issuers and Financial Instruments.

Important events to be reported:

Endorsement by the Financial Supervisory Authority of the amendment of the Constitutive Act of Fondul Proprietatea SA

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch ("**the Investment Manager**"), in its capacity as investment manager of Fondul Proprietatea SA ("**the Fund**"), would like to inform shareholders and investors that the Financial Supervisory Authority issued Endorsement no. 154 / 17 June 2016 (the "**FSA Endorsement**"), whereby it endorsed, without comments, the amendment of Article 19 paragraph (3) of the Fund's Constitutive Act.

We remind shareholders and investors that the said amendment was approved by the Fund's Extraordinary General Shareholders' Meeting Resolution no. 6/26 April 2016, following the proposal sent by a shareholder owning more than 5% of the Fund's share capital.

Please find the English translation of the FSA Endorsement enclosed in the Annex to this report. Also, please note that the Fund's Constitutive Act in force can be accessed on the Fund's webpage, at: http://www.fondulproprietatea.ro/sites/default/files/constitutive_act_updated_as_at_21_june_2016.pdf

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch acting as Investment Manager of FONDUL PROPRIETATEA S.A.

**Oana Valentina Truța
Legal Representative**

Report date:

21 June 2016

Name of the issuing entity:

Fondul Proprietatea S.A.

Registered office:

78-80 Buzesti St.,
7th 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 9,320,973,180.85

Paid-up share capital:

RON 9,011,732,683.35

Number of shares in issue:

10,965,850,801

Number of paid shares:

10,602,038,451

Regulated market on which the issued securities are traded:

Shares on Bucharest Stock Exchange

GDRs on London Stock Exchange

Unofficial Translation from Romanian

To:
FRANKLIN TEMPLETON INTERNATIONAL SERVICES SARL
78-80 Buzesti Street, 7-8 floors, Premium Point
1st district, 011017, Bucharest, Romania
Fax: 021.200.96.31/32

*Stamp applied: Financial Supervisory Authority
Entry / Exit No. DRA 2392.2, 17 June 2016*

*Stamp applied: Fondul Proprietatea S.A.
Entry no. 696, 17 June 2016*

To Mrs. Oana Valentina Truta – Permanent Representative

Dear Madam,

With regards your letters registered with the FSA under the no. 36092/13 May 2016 and no. 41297/06 June 2016, whereby you have requested the endorsement of the changes of the documents in question at the time of registration of S.C. Fondul Proprietatea S.A., namely the Constitutive Act of the company, as approved by the Extraordinary General Shareholders Meeting Resolution no. 6/26 April 2016, we enclose, herein, in original copy, FSA Endorsement no. 154/17 June 2016.

Sincerely yours,

Florentina Boboc
Manager
Illegible signature
FSA stamp applied

Regulation and Authorization Division

Financial Supervisory Authority – Financial Instruments and Investments Sector
15 Splaiul Independentei, 5th district, Bucharest, code 050092
Tel: 0216596206; Fax: 0216596051
www.asfromania.ro, office@asfromania.ro
FSA is a personal data operator registered under the no. 33477

FINANCIAL SUPERVISORY AUTHORITY

ENDORSEMENT NO. 154 / 17 June 2016

Based upon the provisions of Art. 1 paragraph (1), Art. 2 paragraph (1) letters a) and d), Art. 3 letters a) and d), Art. 6 paragraphs (1) and (3), Art. 14 and Art. 27 of the Government Emergency Ordinance no. 93/2012 on the establishment, organization and operation of the Financial Supervisory Authority (hereinafter referred to as the FSA), approved with amendments and supplementing by Law no. 113/2013, with the further amendments and supplementing,

According to the provisions of Art. 14 paragraph (1) letter b) and paragraph (3) of Regulation no. 4/2010 on the registration with the National Securities Commission and operation of the trade company "Fondul Proprietatea" SA and the trading of its shares issued thereof, with further amendments and supplementing,

Considering S.C. Fondul Proprietatea SA request by the Permanent Representative of the Sole Director Franklin Templeton International Services SARL (FTIS), registered with the FSA under the no. 36092/13 May 2016 and no. 41297/06 June 2016,

On the basis of the analysis of the specialty division and on the decision adopted during the meeting on 16 June 2016, the Board of the Financial Supervisory Authority has decided on the issuance of the following individual document.

ENDORSEMENT

Art. 1. The amendments provided under Art. 19 para. (3) of the Constitutive Act of S.C. Fondul Proprietatea SA, in accordance with the Extraordinary General Shareholders Meeting Resolution of S.C. Fondul Proprietatea SA no. 6/ 26 April 2016, are hereby endorsed.

Art. 2. This Endorsement becomes effective at of the date it is communicated to S.C. Fondul Proprietatea SA and shall be published in the Bulletin of the Financial Supervisory Authority in electronic form.

CHAIRMAN
Misu NEGRITOIU
Illegible signature
FSA Stamp applied