

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

The current report according to Article 113 point A, paragraph (1) letter (i) of the Regulation of the Romanian National Securities Commission 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:

Update regarding the share capital of SC Fondul Proprietatea SA (the "Fund")

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch ("FTIML Bucharest Branch / The Fund Manager"), in its capacity as sole administrator and fund manager of the Fund, hereby announces that the paid share capital of the Fund will increase by RON 200,080 to RON 13,413,137,586 starting with 25 June 2013. The subscribed share capital of the Fund will remain unchanged at RON 13,778,392,208.

The increase in the Fund's paid share capital will be the result of the compensation of the value of the shares received from SNGN Romgaz S.A. Medias ("Romgaz"), following a share capital increase with the value of the land for which Romgaz obtained property rights, with part of the Fund's shares unpaid by the Romanian State.

Therefore, the Fund Manager will unblock a number of 200,080 shares out of the 365,454,702 shares unpaid by the Romanian State and blocked by the Fund Manager through Decision no. 12/8 May 2013.

The compensation and the increase of the Fund's paid share capital will be effective on 25 June 2013, which marks the expiry of a 15 day term from the registration with the Trade Registry of the Romgaz shareholders' resolution approving the

Report date:

19 June 2013

Name of the issuing entity:

S.C. 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 13,778,392,208

Paid share capital:

13,412,937,506

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

Bucharest Stock Exchange

share capital increase and the transfer of the shares to the Fund, in accordance with the provisions thereof.

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

**Oana Valentina Truta
Legal Representative**