

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

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

Events to be reported:

Completion of the second buy-back programme

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch, in its capacity of Sole Administrator and Fund Manager of the Fund hereby announces the completion of the second buy-back programme.

The Fund Manager acquired 1,100,950,684 shares of the Fund (equivalent to 8.2% of the Fund's paid share capital) through daily acquisitions on the Bucharest Stock Exchange and a tender offer 600,000,000 shares (4.5% of the Fund's paid share capital). The total value of the buy-back programme was RON 962.6 million (excluding brokerage fees and other acquisition related costs). The Fund Manager will invite shareholders to approve a share capital decrease by cancelling the shares purchased during the second buy-back programme at the next general meeting of shareholders that will take place after the one already called for 3 February 2014 and which already has on its agenda a share capital decrease aiming a return of capital to its shareholders.

The Fund Manager intends to start the third buy-back programme, approved by shareholders on 22 November 2013, as soon as the shareholders' resolution is published in the Official Gazette and the Financial Supervisory Authority ("FSA") endorses the cancelation of the shares bought back during the first buy-back programme. The FSA endorsement has been requested in May 2012, and final decision is still pending.

For further details regarding the buy-back programmes approved by shareholders please see the table enclosed as an Annex to this report.

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

Oana Valentina TRUȚA
Legal Representative

Report date:

18 December 2013

Name of the issuing entity:

S.C. Fondul Proprietatea S.A. (the "Fund")

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:

RON 13,413,137,586

Regulated market on which the issued securities are traded:

Bucharest Stock Exchange

Crt.	Date of shareholders' approval	Start date	End date	Number of shares	Cancelation date
1.	6 September 2010	January 2011	September 2011	240,304,801	The cancelations was approved by shareholders on 25 April 2012, but in order to be effective it needs to be endorsed by FSA and afterwards registered with the Trade Registry. The Fund Manager asked for FSA endorsement on May 2012 and though we sent several letters to FSA in the meantime, the final decision has not been issued.
2.	25 April 2012	April 2013	December 2013	1,100,950,684	The Fund Manager will invite shareholders to approve a share capital decrease by cancelling the shares repurchased during the second buy-back programme at the next general meeting of shareholders that will take place after the one already called for 3 February 2014 which already has on its agenda a share capital decrease, aiming a return of capital to shareholders.
3.	22 November 2013	The Fund Manager intends to start the third buy-back programme, approved by shareholders on 22 November 2013, as soon as the shareholders' resolution is published in the Official Gazette and the FSA endorses the cancelation of the shares bought back during the first buy-back programme.	N/A	(i) 252,858,056 shares or (ii) 10% of the issued share capital at the relevant time, whichever is the lesser	The Fund Manager will invite shareholders to approve a share capital decrease by cancelling the shares repurchased during the third buy-back programme at the next general meeting of shareholders that will take place after the completion of the buy-back.