

To **Bucharest Stock Exchange**
Romanian National Securities Commission

The current report according to Art. 224 para. (3) letter b) of the Law 297/2004 on the capital market, Art. 113 point A, paragraph (1) letter c) and point G 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 art. 99 in the Code of the Bucharest Stock Exchange, Title II, Issuers and Financial Instruments

Report date:	13 June 2012
Name of the issuing entity:	SC Fondul Proprietatea SA
Registered office:	78-80 Buzesti St., 7 th floor, district 1, Bucharest, 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 13,412,780,166
Regulated market on which the issued securities are traded:	Bucharest Stock Exchange

Important events to be reported: SC Fondul Proprietatea SA (“The Fund”) - Update regarding the payments of dividends

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch (FTIML Bucharest Branch or the Fund Manager), in its capacity of Sole Administrator and Fund Manager of the Fund announces that the payment of dividends will start on 29 June 2012, as the Fund Manager proposed and the shareholders approved during the General Meeting of Shareholders on 25 April 2012.

The decision of the Fund Manager is motivated by the fact that the Fund Manager has respected all its obligations related with the registration of the shareholders decision with the Trade Register and the CNVM has now confirmed that it has no objection to the Fund Manager’s proposal of paying the dividends before the registration of the shareholders decision no. 10/2012 is completed.

For the avoidance of doubt, we note that the Trade Register continues to refuse to register the shareholders’ decision relating to the payment of the dividends, due to the objection raised by Mrs. Sfiraiala, and the Fund Manager will continue to defend the Fund’s interests in Court in order to have this remedied.

Please find attached the announcement regarding the payment of dividend.

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

Adrian CIGHI

Legal Representative

Client Announcement regarding the payment of dividend

SC Fondul Proprietatea S.A., in the Ordinary General Meeting of the Shareholders, which took place on 25 April 2012, adopted the following decisions regarding the payment of the dividend to shareholders for the financial year 2011:

- The registered shareholders of SC Fondul Proprietatea S.A, who hold shares as at 14.05.2012, the approved registration date, have the right to receive dividend for fiscal year 2011;
- The gross dividend is RON 0.03854 per share, where applicable any withholding tax payable will be deducted prior to payment, at the legal rate;
- Shareholders will be able to claim the dividend from 29 June 2012 through BRD-Groupe Société Générale (by cash or by bank transfer).

Dividend payment methods:

1. For individuals only - payments can be received in cash at any BRD branch, in any agency of BRD - Groupe Société Générale in Romania (*a list of BRD branches can be found on the BRD website www.brd.ro and on the Fondul Proprietatea website www.fondulproprietatea.ro*). You must present your Romanian identity card (old and new format are both accepted) or your passport (if you are a foreign citizen) in order to claim your dividend payment.
2. For individuals and legal entities: by bank transfer - by completing the enclosed request for payment form. The form must be accompanied by the applicable documents indicated on the form. This form and the supporting documents can be delivered in person to any BRD desk, in any agency of BRD - Groupe Société Générale. **Shareholders and Custodian Banks/Brokerage Houses can send the documents** by mail to the address: BRD - GSG, Directia Titluri, 67-77 Biharia Street, Metav Building, A2, District 1, Bucharest, Romania or can be emailed to titluri@brd.ro**
3. The documents sent by mail for resident shareholders must be notarised.
4. The documents sent by mail for non-resident shareholders must be notarised and apostilled.

***emailed payment requests and supporting documents can only be accepted, if they are signed with a qualified digital certificate issued by a certification service provider in Romania, accredited as per Law 455/2001 regarding the electronic signature, as well as time stamped, as per Law 451/2004 regarding time stamping. The documents bearing the electronic signature in the conditions above can be emailed to: titluri@brd.ro.*

Any requests for payment by bank transfer will only be processed following the receipt of the applicable 'Payment Request for Individuals' form or 'Payment Request for Legal Entities' form and, where applicable, the relevant supporting documentation listed in the enclosed forms. These forms are available at: <http://www.fondulproprietatea.ro> or <http://www.brd.ro> beginning with 25 June 2012 or can be collected from any agency of BRD - Groupe Société Générale.

For non-resident shareholders, where a double tax treaty exists between Romania and your resident country, you must provide a valid tax residence certificate issued in 2012 (original or legalised copy), along with a notarised Romanian translation of the certificate. If a tax certificate is not supplied with your Payment Request form, withholding tax at a rate of 16% will be deducted from the gross dividend amount payable to you. You may make a request to Fondul to be re-imbursed for any withholding tax above the treaty rate. This tax reclaim will be payable to you if you provide a valid reclaim request and a valid tax residence certificate issued in 2012 (original or legalised copy), along with a notarised Romanian translation of the certificate, subject to the Romanian Law.

Should you have any questions please contact BRD by email titluri@brd.ro or by telephone at the following phone numbers: +4 021 200 8387, +4 021 200 8372 or +4 021 200 8385.