

To Bucharest Stock Exchange  
Romanian National Securities Commission

*The current report according to Art. 113 point A, paragraph (1) letter i) 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:	21 December 2012
Name of the issuing entity:	SC Fondul Proprietatea SA
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 13,778,392,208
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: Fondul Proprietatea SA (“The Fund”) - Changes to the Fund’s net asset value (NAV) calculation methodology and other provisions adopted by the National Securities Commission**

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch (“FTIML Bucharest / the Fund Manager”), in its capacity of Sole Administrator and Fund Manager of the Fund, informs that on 20 December 2012 the National Securities Commission (“NSC / CNVM” in Romanian) published Regulation no. 11 / 2012, which amends Regulation no. 4/2010 regarding the registration with the National Securities Commission and the functioning of Fondul Proprietatea SA, as well as the trading of the issued shares.

The key provisions of the new regulation are as follows:

- The unitary net asset value at a certain date will be calculated as follows: the net asset value as at that date divided by the number of shares in issue as at that date, excluding the treasury shares;
- The companies in insolvency or reorganization proceeding will be valued at either zero, or at the value derived from an independent valuation report in accordance with the International Standards of Valuation;
- The evaluation of the shares not admitted to trading on a regulated market, has as calculation basis the value of shareholders’ equity of the issuer extracted from the last annual financial statements (prepared in accordance with Romanian accounting regulation applicable for the issuer or prepared in accordance with IFRS) or the evaluation methods according to the International Evaluation Standards (according to the fair value principle) approved by the management of SC Fondul Proprietatea SA;
- The shares of portfolio companies that are unlisted or listed, but not traded in the last 30 days, with negative shareholders’ equity are valued at zero in the net asset value;
- The investment policy of Fondul Proprietatea is set by the Fund Manager observing the legal investment restrictions.

For further details, you can access the entire text of NSC Regulation no. 11 / 2012 on the National's Securities Commission official internet page:

<http://www.cnvmr.ro/pdf/regulamente/ro/Regulamentul-11-2012.pdf>.

The new regulation will be applied by the Fund Manager from December 2012 NAV report.

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

**Oana TRUȚA**

**Legal Representative**