

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

Current report according to Article 113 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.

**Events to be reported:**

## **Update with respect to return of capital to shareholders**

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch ("**the Fund Manager**"), in its capacity as sole administrator and fund manager of Fondul Proprietatea SA ("**the Fund**"), would like to update shareholders with respect to the return of capital distributions:

On 3 February 2014, the Fund's shareholders approved by EGM Resolution no. 2/2014 the reduction of the Fund's share capital by reducing the par value of the shares and the return of the decreasing value in amount of RON 0.05/share towards the shareholders registered as such at the registration date, proportionally with their participation to the Fund's paid share capital.

On 25 June 2014 the Financial Supervisory Authority approved the share capital reduction above-mentioned, and thus, in accordance with the provisions of the Shareholders' Resolution no. 2/2014 the payment shall start on 25 July 2014.

Please note that only the shareholders registered in the Fund's Shareholders' Registry at 30 April 2014, i.e. the registration date, are entitled to request the above-mentioned distributions.

The Fund Manager will soon communicate to the shareholders the procedure for the cash distribution that will be similar to the procedure for dividend payments in previous years.

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

**Oana Valentina Truta  
Legal Representative**

**Report date:**

25 June 2014

**Name of the issuing entity:**

Fondul Proprietatea S.A.

**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 12,861,183,036.65

**Paid share capital:**

RON 12,515,396,724.25

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

Bucharest Stock Exchange