

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

The current report according to Art. 113 point A, paragraph (1) letter c) of the Romanian National Securities Commission Regulation no. 1/2006 regarding the issuers and the operations with securities, as subsequently amended and supplemented, as well as the provisions of Art. 99 of the Rulebook of the Bucharest Stock Exchange as Market Operator

Important events to be reported:

The resolutions of the Extraordinary and Ordinary General Shareholders Meetings of 19 November 2014

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 / the Company**") hereby announces that on 19 November 2014 were held at InterContinental Hotel, in Bucharest, the Fund's Extraordinary General Shareholders Meeting commencing at 10:00 a.m. (Romanian time) and the Fund's Ordinary General Shareholders Meeting commencing at 11:00 a.m. (Romanian time).

The meetings were chaired by Mr. Grzegorz Maciej Konieczny, the Legal Representative of the Fund Manager.

The shareholders of the Fund decided the following:

A. Extraordinary General Shareholders Meeting ("EGM"):

1. To approve the EGM agenda.
2. To approve the amendment of the Constitutive Act as follows.
 - a. Article 12 paragraph (3) letter h) is modified as follows.

"h) execution of any agreement / legal document which may create binding obligations to Fondul Proprietatea including, without limitation to, agreements for purchase, sale or exchange or creation of encumbrances of the non-current assets of Fondul Proprietatea whose value exceeds, either individually or cumulatively during a financial year, 20% of the total value of the non-current assets, less any receivables;"

- b. Article 17 paragraph (16) is modified as follows.

"(16) Proposes to the general meeting of the shareholders the prior approval or rejection of any contract/document which may create binding

Report date:

19 November 2014

Name of the issuing entity:

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 11,815,279,886.85

Paid up share capital:

RON 11,469,658,154.35

Regulated market on which the issued securities are traded:

Bucharest Stock Exchange

obligations to Fondul Proprietatea, including without limitation buying, selling, exchanging, pledging of non-current assets of Fondul Proprietatea whose value exceeds, either individually or cumulatively during a financial year, 20% of the total value of the non-current assets, less any receivables;”

- c. Article 21 paragraph (3) letters (x) and (xi) are modified as follows.

“x) based on the proposal of the Board of Nominees to submit to the approval of the extraordinary general meeting of the shareholders any agreement / document which may create binding obligations to Fondul Proprietatea, including but not limited to the purchase, sale, conversion or encumbrance of the non-current assets of Fondul Proprietatea whose value exceeds, either individually or cumulatively during a financial year, 20% of the total value of the non-current assets, less any receivables;

xi) to enter into any agreement / document which may create binding obligations to Fondul Proprietatea, including the purchase, sale, conversion or encumbrance of the non-current assets of Fondul Proprietatea whose value does not exceed, either individually or cumulated, during a financial year, 20% of the total value of the non-current assets, less any receivables, without the approval of the ordinary or extraordinary general shareholders meeting;”

3. To approve the authorization of the Sole Administrator to buy-back shares of Fondul Proprietatea S.A., for a maximum number of (i) 227,572,250 shares or (ii) 10% of the subscribed share capital at the relevant time, whichever is the lesser, starting with the date when the share capital decrease approved through EGM Resolution on 23 September 2014 is effective, for a maximum period of 18 months as of the date when the shareholders' resolution is published in the Official Gazette of Romania, Part IV. The buy-back shall be performed at a price that cannot be lower than RON 0.2 / share or higher than RON 2 / share. The transaction can only have as object fully paid shares. The buy-back programme is aimed at the share capital decrease. The shareholders' decision regarding the share capital decrease and the change of the Constitutive Act will be approved by the shareholders, with the observance of the provisions of the Constitutive Act, being agreed that the shareholders may approve one or more share capital decreases as the shares are being bought back and the shareholders are convened by the Sole Administrator. This buy-back programme implementation will be subject to the availability of the necessary cash.

4. To ratify and to approve all EGM resolutions and all legal acts (including decisions, notices for convening all EGM and contracts) concluded, adopted and issued in the name of Fondul Proprietatea SA through Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch, between 6 September 2010 and 18 November 2014 and to approve and ratify any implementation acts, facts and operations based on such, including the management of the Company under an unitary system, as well as the approval of all the changes to the Constitutive Act approved by all the extraordinary general meetings of shareholders between 6 September 2010 and 18 November 2014, as endorsed by FSA and reflected in the in force Constitutive Act attached as an Annex to the EGM Convening notice.
5. To approve 11 December 2014 as the registration date, in accordance with the provisions of Article 238 paragraph (1) of Capital Market Law no. 297/2004.
6. To empower, with authority to be substituted, Grzegorz Maciej KONIECZNY, as legal representative of Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch, to sign the shareholders' resolutions and the amended and restated form of the Constitutive Act, as well as any other documents in connection therewith, and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders' resolutions, including formalities for publication and registration thereof with the Trade Register or with any other public institution.

B. Ordinary General Shareholders Meeting (“OGM”):

1. To approve the OGM agenda.
2. To approve the 2015 budget of Fondul Proprietatea SA.
3. To appoint DELOITTE AUDIT S.R.L. with headquarters in Bucharest, 4-8 Nicolae Titulescu Street, 3rd Floor, 1st District, registered with the Trade Register under no. J40/6775/1995, Sole Registration Number RO7756924 as the financial auditor of Fondul Proprietatea SA, setting the duration of the financial audit agreement for the period starting with the date of approval of the decision and 31 August 2015; to set the scope of work of the financial audit agreement: audit of the financial statements of Fondul Proprietatea SA for the year ended 31 December 2014 (the financial statements prepared in accordance with Romanian Accounting Standards and the financial statements prepared in accordance with IFRS) and to set the level of remuneration for the financial auditor for the current financial year (the remuneration is included in the financial audit service agreement made available to the shareholders, at the headquarters of Fondul Proprietatea SA and on its

internet webpage, together with the rest of the documentation).

4. To appoint 3 members of the Board of Nominees following the expiration of three mandates, two on 4 April 2015, and another on 13 April 2015, as follows.

4.1. To appoint JULIAN RUPERT FRANCIS HEALY as member of the Board of Nominees. The mandate is valid for a period of three (3) years and shall produce its effects starting with 5 April 2015, subject to the acceptance of the mandate by the newly appointed member.

4.2. To appoint PIOTR RYMASZEWSKI as member of the Board of Nominees. The mandate is valid for a period of three (3) years and shall produce its effects starting with 5 April 2015, subject to the acceptance of the mandate by the newly appointed member.

4.3. To appoint STEVEN CORNELIS VAN GRONINGEN as member of the Board of Nominees. The mandate is valid for a period of 3 (three) years and shall produce its effects starting with 14 April 2015, subject to the acceptance of the mandate by the newly appointed member.

5. To approve the engagement, on behalf of Fondul Proprietatea SA, of independent valuers with the aim of performing valuation of certain holdings of Fondul Proprietatea SA in listed and unlisted portfolio companies, in order to use the valuation reports for NAV reporting and for the preparation of IFRS financial statements (and so other similar purposes there might be necessary), the cost of such valuation reports being borne by Fondul Proprietatea SA. To empower the Sole Administrator to take all measures necessary to comply with this approval, as it deems appropriate for the benefit of the Company, with the Board of Nominees prior approval.

6. To ratify and to approve all OGM resolutions and all legal acts (including decisions, notices for convening all OGM and contracts) concluded, adopted or issued on behalf of Fondul Proprietatea S.A. by Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch, as well as of any management/administration measures adopted and/or implemented by it, approved or concluded between 6 September 2010 and 18 November 2014. To approve the appointment of Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch as Sole Administrator of Fondul Proprietatea SA and as Fund Manager pursuant to Law no. 297/2004 and according to the Investment Management Agreement signed on 25 February 2010 and the Investment

Management Agreement signed on 29 April 2014 and to ratify the Investment Management Agreement signed on 25 February 2010 including all amendments thereto and the Investment Management Agreement signed on 29 April 2014 including all amendments thereto.

7. To approve 11 December 2014 as the registration date, in accordance with the provisions of Article 238 para. (1) of Capital Market Law no. 297/2004.
8. To empower, with authority to be substituted, Grzegorz Maciej KONIECZNY, as legal representative of Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch, to sign the shareholders' resolutions, as well as any other documents in connection therewith, and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders' resolution, including formalities for publication and registration thereof with the Trade Register or with any other public institution.

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

Oana Valentina TRUȚA

Legal Representative