

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

Current report according to Article 113 point A, paragraph (1) letter (i) of the Regulation of the Romanian National Securities Commission 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.

Important events to be reported:

Update regarding Hidroelectrica SA (“Hidroelectrica”)

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch (the “Fund Manager”), in its capacity as sole administrator and fund manager of the Fund, would like to update shareholders and investors that, in file no. 22456/3/2012, the Bucharest Court has approved on 26 June 2013 the closing of the judicial reorganisation procedure opened against Hidroelectrica. The decision can be appealed.

After careful consideration, the Fund Manager sees no grounds for a change in the valuation of the holding at the present time but a revaluation may be likely in the event that the planned IPO is delayed.

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

**Oana Valentina Truta
Legal Representative**

Report date:

28 June 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