

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

Current report according to Article 99 letter (s) of the Rule book of the Bucharest Stock Exchange Market Operator, Title II, Issuers and Financial Instruments

Events to be reported:

Payment Date for the cash distribution approved on 28 February 2017

Franklin Templeton International Services S.à r.l., in its capacity as Alternative Investment Fund Manager and Sole Director ("**Fund Manager**") of Fondul Proprietatea S.A. (the "**Fund**"), would like to inform shareholders that the Fund will proceed with the payment of the cash distribution of RON 0.05 per share starting with 30 June 2017 ("**Payment Date**").

The last condition required for the share capital reduction approved by the Fund's shareholders on 28 February 2017 has been fulfilled as the Resolution no. 1/28 February 2017 was registered today, 16 June 2017, with the Trade Registry.

Holders of fully paid-up shares registered in the Fund's shareholders' registry, kept by the Central Depository, on the registration date of 12 June 2017 are entitled to receive the said distribution amount of RON 0.05 per share. The payment shall be performed as follows:

- a) Directly by the custodian bank or broker for shareholders having a custodian/brokerage account;
- b) for all other shareholders:
 - (i) by the Central Depository, through BRD Groupe Societe Generale (acting as payment agent and further referred to as "**the Payment Agent**"), for bank transfers when the supporting documentation required by the Central Depository, along with a payment request, have been submitted.
 - (ii) by the Payment Agent for cash payments at any of its agencies or by bank transfer (when the supporting documentation required by the Payment Agent, along with a payment request, has been submitted to the Payment Agent).

Report date:

16 June 2017

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 5,238,521,987.92

Paid-up share capital:

RON 5,049,339,565.92

Number of shares in issue:

10,074,080,746

Number of paid shares:

9,710,268,396

Regulated market on which the issued securities are traded:

Shares on Bucharest Stock Exchange

GDRs on London Stock Exchange

More details regarding the payment of this distribution can be found on the Fund's webpage at <http://www.fondulpropriatea.ro/investment-snapshot/dividends-and-distributions>

As an important notice to shareholders, the payment of the return of capital amounts approved through Resolution no. 1/28 February 2017 is subject to a general statute of limitation. As such, shareholders may request the payments only within a three-year term starting with the Payment Date, namely until 30 June 2020.

Also, as of today, the new value of the Fund's subscribed share capital is RON 5,238,521,987.92 (divided into 10,074,080,746 shares with a nominal value of RON 0.52 / share), while the value of the paid-up share capital is RON 5,049,339,565.92 (divided into 9,710,268,396 shares with a nominal value of RON 0.52 / share). The updated Constitutive Act can be also found on the Fund's webpage at http://www.fondulpropriatea.ro/sites/default/files/constitutive_act_updated_at_16_june_2017_to_be_published_on_website.pdf

Franklin Templeton International Services S.à r.l., in its capacity of Sole Director of FONDUL PROPRIETATEA S.A.

Johan Meyer
Permanent representative