

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

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

Important events to be reported:

Acceleration of the fourth buy-back programme by means of a Public Tender Offer initiated by Fondul Proprietatea SA

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 inform shareholders that today it has submitted for approval to the Financial Supervisory Authority (the “**FSA**”) the application for a buy-back tender offer for the purposes of carrying out the fourth buy-back programme approved through the Shareholders’ Resolution no. 9/28 April 2014. The Fund Manager would also like to inform shareholders and investors that it has contracted Raiffeisen Bank S.A. to assist in the execution of this operation.

For this offer, the Fund intends to repurchase 750,000,000 shares from its shareholders.

Full details of the offer will be announced after receiving the approval from the FSA, which should take place within 10 business days according to the regulations in force.

In light of this development, the Fund would also like to report that the daily execution of the buy-back programme on the regulated market has been suspended from 16 October 2014; any restart after the closing of the offer will be announced in due course.

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:

20 October 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 11,469,656,813.90

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

Bucharest Stock Exchange