

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

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:

Update with respect to the Public Tender Offer related to the sixth buy-back programme

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch (“**the Fund Manager**”), in its capacity as Sole Director and Fund Manager of Fondul Proprietatea SA (“**the Fund**”), would like to inform shareholders that, in light of the major recent adjustments in stock market prices, it has taken the decision to suspend the process of the Public Tender Offer related to the sixth buy-back programme (“**Tender Offer**”) for which an application for approval with the FSA was submitted on 14 January 2016 and to file a withdrawal of the application today.

This decision is driven by the significant increase in global financial markets’ volatility which unfolded since the Tender Offer application was filed. In order to ensure that the Tender Offer is priced appropriately relative to the market price, to maximize value for the Fund’s shareholders, the Fund Manager will continue to monitor market developments closely and is prepared to restart the process when market conditions are more supportive.

Furthermore, given the above, the Fund Manager will resume on 28 January 2016 the daily buy-backs of shares on the Bucharest Stock Exchange and GDRs on the London Stock Exchange.

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch, in its capacity of Sole Director of FONDUL PROPRIETATEA S.A.

**Oana Valentina Truta
Legal Representative**

Report date:

25 January 2016

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 10,074,080,745.90

Paid-up share capital:

RON 9,746,649,630.90

Number of shares in issue:

11,193,423,051

Number of paid shares:

10,829,610,701

Regulated market on which the issued securities are traded:

Shares on Bucharest Stock Exchange

GDRs on London Stock Exchange