

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:

Update with respect to the Financial Supervisory Authority endorsement of the special cash distribution approved by shareholders on 31 October 2016

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 update shareholders with respect to the implementation status of the share capital decrease by reducing the shares' nominal value for the coverage of the cumulated accounting losses and the distribution to shareholders of RON 0.05 per share, as approved through the Fund's Extraordinary Shareholders' Meeting Resolution no. 10 of 31 October 2016 ("**EGM Resolution no. 10**").

Following the Fund Manager's request sent to the Financial Supervisory Authority ("**FSA**") in connection to the endorsement status of EGM Resolution no. 10, FSA informed us on 10 March 2017 that the endorsement request of the Fund's share capital decrease and the amendment of the Constitutive Act will be proposed to be discussed during FSA's Board meeting dated 15 March 2017.

For further details with respect to the EGM Resolution no. 10, please read the current report published on the Fund's webpage on **2 March 2017**, http://www.fondulproprietatea.ro/sites/default/files/current_report_update_distribution.pdf

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

**Oana Valentina TRUTA
Permanent representative**

Report date:
10 March 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 8,562,968,634.10

Paid-up share capital:
RON 8,253,728,136.60

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