

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

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

**Important events to be reported:**

## **Update regarding the Fund's buy-back programmes**

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch ("**the Investment Manager**"), in its capacity as Investment Manager of Fondul Proprietatea S.A. ("**the Fund**") would like to update shareholders and investors on the Fund's buy-back programmes.

### **1. Completion of the sixth buy-back programme**

The Investment Manager acquired 891,770,055 shares or equivalent global depository receipts ("**GDRs**") corresponding to the Fund's shares (equivalent to 8.13% of the Fund's subscribed share capital) via daily trading on the regular market (Bucharest Stock Exchange in case of ordinary shares and London Stock Exchange in case of GDRs), as well as through a Public Tender Offer.

The total value of the sixth buy-back programme was RON 731,959,565.47 (excluding brokerage fees and other acquisition related costs), and the weighted average price was approximately RON 0.8156 per share, respectively USD 10.5221 per GDR.

We remind shareholders that a partial cancellation of 179,598,899 shares repurchased and settled between 9 September 2015 and 24 February 2016 was approved through the Extraordinary General Shareholders' Meeting Resolution no. 4/26 April 2016, and the cancellation of the remaining 712,171,156 shares repurchased and settled within this buy-back programme is subject to shareholders' approval during the 11 October 2016 EGM.

### **2. Start of the seventh buyback programme**

The Investment Manager would also like to inform shareholders and investors that the seventh buy-back programme will commence on 29 September 2016.

As per Extraordinary General Shareholders Meeting Resolution no. 9 of 29

**Report date:**

28 September 2016

**Name of the issuing entity:**

Fondul Proprietatea S.A.

**Registered office:**

78-80 Buzesti St.,  
7<sup>th</sup> 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 9,320,973,180.85

**Paid-up share capital:**

RON 9,011,732,683.35

**Number of shares in issue:**

10,965,850,801

**Number of paid shares:**

10,602,038,451

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

Shares on Bucharest  
Stock Exchange

GDRs on London Stock  
Exchange

October 2015 published in the Official Gazette no. 6682, Part IV (“**EGM Resolution**”) on 26 November 2015, the programme refers to the acquisition by the Fund of a maximum number of shares and / or equivalent global depositary receipts (“GDRs”) corresponding to the Fund’s shares computed so that all the outstanding treasury shares (acquired during this programme and/or previous ones) will not exceed 10% of the issued share capital at the relevant time, which represents a total of 204,815,025 own shares as of the date of this report. However, after shareholders approve new cancellations of the treasury shares, the number of shares and / or GDRs corresponding to the 10% limit of the issued share capital will change accordingly.

The seventh buy-back programme shall be performed at a price that cannot be lower than RON 0.2 / share or higher than RON 2 / share. The maximum pecuniary amount allocated to this programme for the maximum number of shares as described above is RON 409,630,050.00 (excluding brokerage fees and other acquisition related costs).

The maximum unfolding period of this buy-back programme is of 18 months following the publication of the EGM Resolution in the Official Gazette, i.e. 25 May 2017. The purpose of the buy-back programme is the share capital decrease by cancelling the shares acquired by the Fund.

The Investment Manager announces that following the evaluation of the offers submitted in the brokers’ selection process, WOOD & Company Financial Services, a.s. (as buy-back agent in relation to the purchase of shares listed on Bucharest Stock Exchange) and Goldman Sachs International (as buy-back agent in relation to the purchase of GDRs listed on London Stock Exchange) have been selected to provide brokerage services for the seventh buy-back programme.

The Fund is allowed to buy-back a daily volume of up to 25% of the average daily volume of the Fund’s shares (whether in the form of ordinary shares of the Fund or GDRs) on the regulated market on which the purchase is carried out, calculated according to applicable law. The Investment Manager will report on a weekly basis on the progress of this buy-back programme according to legislation in force.

**Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch acting as Investment Manager of FONDUL PROPRIETATEA S.A.**

**Adrian CIGHI**  
Legal Representative