

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

Current report according to Article 113 of the Romanian National Securities Commission Regulation no. 1/2006 regarding the issuers and the operations with securities, as subsequently amended and completed, as well as the provisions of Article 99 of the Code of the Bucharest Stock Exchange, Title II, Issuers and Financial Instruments.

Important events to be reported:

The decrease of the subscribed share capital with respect to cash distribution was endorsed by the Financial Supervisory Authority

Franklin Templeton Investment Management Limited 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 and investors that the Financial Supervisory Authority ("**FSA**"), through Notice no. 169 / 20 May 2015, endorsed the decrease of the subscribed share capital from RON 11,575,064,733.65 to RON 10,965,850,800.30 through the reduction of the par value of the Fund's shares from RON 0.95 to RON 0.90, as approved by the Fund's shareholders through Resolution no. 1/21 January 2015 of the Extraordinary General Shareholders Meeting ("**EGM Resolution**"). The share capital decrease is effective beginning with 21 May 2015.

Therefore, starting with 21 May 2015, the new value of the Fund's subscribed share capital is RON 10,965,850,800.30, divided into 12,184,278,667 shares with a nominal value of RON 0.90/share. The value of the paid-up share capital is RON 10,638,419,685.30, divided into 11,820,466,317 shares with a nominal value of RON 0.90/share.

The Fund Manager would like to remind shareholders that, in accordance with the above-mentioned EGM Resolution, the payment of the decreasing value in amount of RON 0.05/share shall start on 29 June 2015 and only shareholders registered in the Fund's Shareholders' Registry as of 24 June 2015, i.e. the registration date, are entitled to request the above-mentioned distributions.

Report date:

22 May 2015

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 10,965,850,800.30

Paid-up share capital:

RON 10,638,419,685.30

Number of shares in issue:

12,184,278,667

Number of paid shares:

11,820,466,317

Regulated market on which the issued securities are traded:

Shares on Bucharest Stock Exchange

GDRs on London Stock Exchange

Please find enclosed herein the full text of FSA's Notice no. 169 / 20 May 2015. Please note that the Fund's Constitutive Act in force can be accessed on the Fund's webpage at:

http://www.fondulproprietatea.ro/sites/default/files/constitutive_act_updated_at_21_may_2015.pdf

**Franklin Templeton Investment Management Ltd United Kingdom Bucharest Branch,
acting as Sole Administrator on behalf of FONDUL PROPRIETATEA S.A.**

Oana Valentina TRUȚA

Legal Representative



*[Stamp applied: S.C. FONDUL PROPRIETATEA S.A.,
ENTRY/EXIT No. 592, day 21, month 05, year 2015]*

To:
FRANKLIN TEMPLETON INVESTMENT MANAGEMENT LIMITED
United Kingdom, Bucharest Branch
78-80 Buzesti Street, floors 7-8, Premium Point
1st District, 011017, Bucharest, Romania
Fax: 021.200.96.31/32

*[Stamp applied: THE FINANCIAL SUPERVISORY AUTHORITY,
ENTRY/EXIT NO. SI / DRA 980.3, DAY 21 MONTH 05 YEAR 2015]*

To Mrs. Oana Valentina Truta – Manager

Dear Madame,

With respect to SC Fondul Proprietatea SA's letter registered with the Financial Supervisory Authority (FSA) under no. 11528/09.02.2015, supplemented by the letter registered under no. 40701/30.04.2015, we hereby enclose an original copy of F.S.A.'s Notice no. 169/20.05.2015.

Best regards,

Florentina BOBOC
Manager

[[Illegible signature]]

[Stamp applied: The Financial Supervisory Authority, F.S.A., Department for Regulation and Authorization, Romania]

THE FINANCIAL SUPERVISORY AUTHORITY

NOTICE NO. 169/20.05.2015

Pursuant to the provisions of Article 2 (1), letters a) and d), Article 3 (1), letter a), Article 6 (1) and (3), Article 14, Article 27 and Article 28 of Government Emergency Ordinance no. 93/2012 on the establishment, organization and operation of the Financial Supervisory Authority, approved with amendments and supplementations by Law no. 113/2013, as subsequently amended and supplemented,

in compliance with the provisions of Article 14 (1), letters b) and c) and paragraph (3) of Regulation no. 4/2010 on the registration with the National Securities Commission and the operation of S.C. Fondul Proprietatea S.A., as well as the trading of the shares issued by the latter, as subsequently amended and supplemented,

upon reviewing S.C. Fondul Proprietatea S.A.'s request registered with F.S.A. under no. 11528/09.02.2015, supplemented by the letter registered under no. 40701/30.04.2015,

based on the analysis performed by the specialized department and on the resolution adopted within the meeting on *20 May 2015*, the Financial Supervisory Authority's Board has resolved upon the issuance of the following individual deed,

ENDORSEMENT

Article 1. It endorses the amendments to Article 7 paragraph (1) of the Constitutive Act of S.C. Fondul Proprietatea S.A. following the reduction of the share capital from RON 11,575,064,733.65 to RON 10,965,850,800.30 and the reduction of the nominal value of the shares of Fondul Proprietatea SA from RON 0.95 to RON 0.90, in compliance with the Resolution of the Extraordinary General Meeting of Shareholder no. 1/21.01.2015, and the amendments to Article 9 paragraph (2) of the Constitutive Act of the company in the form provided below:

"The nominal value of a share is of RON 0.90".

Article 2. This Endorsement is effective as of its delivery to S.C. Fondul Proprietatea S.A. and will be published in the electronic Bulletin of the Financial Supervisory Authority.

PRESIDENT

Misu NEGRITOIU

[Illegible signature]

[Stamp applied: The Financial Supervisory Authority, FSA, Romania]