

Fund Administrator: Franklin Templeton International Services S.à r.l.  
 Administrator Code: PJM07.1AFIASMDLUX0037  
 Fund: Fondul Proprietatea SA  
 Fund Code: PJR09SIIR/400006  
 Reporting date: 29.07.2016

**Fondul Proprietatea SA 's Assets and Liabilities based on NAV calculation according with the CNVM Regulation No. 4 / 2010, as subsequently amended**

Lei

<b>1. Non-current Assets</b>	<b>7,384,443,597.65</b>
1.1. Intangible assets	646,697.19
1.2. Tangible assets	0.00
1.3. Financial assets	7,383,796,900.46
1.3.1 Listed shares**	10,236,484.72
1.3.2 Unlisted shares	7,373,560,188.95
1.3.3 Government securities	0.00
1.3.4 Certificates of deposits	0.00
1.3.5 Bank deposits	0.00
1.3.6 Municipal bonds	0.00
1.3.7 Corporate bonds	0.00
1.3.8 Newly issued securities	0.00
1.3.9 Participation titles of UCITS and/or of OCIU	0.00
1.3.10 Other financial assets	226.79
<b>2. Current assets</b>	<b>4,668,111,131.36</b>
2.1 Inventory	0.00
2.2 Receivables out of which:	306,309,667.15
- commercial papers	0.00
2.3 Cash	12,696,918.77
2.4 Short term financial investments	3,331,396,800.27
2.4.1 Listed shares**	3,331,396,800.27
2.4.2 Unlisted shares	0.00
2.4.3 Municipal bonds	0.00
2.4.4 Corporate bonds	0.00
2.4.5 Participation titles of UCITS and/or of OCIU	0.00
2.5 Newly issued securities	0.00
2.6 Government securities	80,900,621.87
2.7 Bank deposits	791,519,218.43
2.8 Certificates of deposits	0.00
2.9 Other current assets	145,287,904.87
<b>3. Derivatives</b>	<b>0.00</b>
<b>4. Prepaid expenses</b>	<b>214,923.19</b>
<b>5. Total assets</b>	<b>12,052,769,652.20</b>
<b>6. Total liabilities</b>	<b>59,165,497.25</b>

6.1 Borrowings from bond issues	0.00
6.2 Amounts due to credit institutions	0.00
6.3 Advance payments to customer accounts	0.00
6.4 Payables	29,385,823.70
6.5 Commercial papers due	0.00
6.6 Amounts due to group companies	0.00
6.7 Amounts due to related parties	0.00
6.8 Other debts	29,779,673.55
<b>7. Provisions</b>	<b>856,247.22</b>
<b>8. Deferred income out of which:</b>	<b>0.00</b>
8.1 Subsidies for investments	0.00
8.2 Deferred income	0.00
<b>9. Shareholders' equity out of which:</b>	<b>11,992,747,907.73</b>
9.1 Share capital	9,320,973,180.85
9.2 Share capital premiums	0.00
9.3 Revaluation differences	35,642,711.26
9.4 Reserves	4,391,164,329.16
9.5 Retained earnings	-2,473,157,471.66
9.6 Period result	718,125,158.12
9.7 Profit appropriation	0.00
<b>10. Total liabilities and Shareholders' equity</b>	<b>12,052,769,652.20</b>
<b>11. Net Asset Value</b>	<b>11,992,747,907.73</b>
<b>12. No of shares issued*</b>	10,313,668,344
<b>13. Net asset value per share</b>	<b>1.1628</b>
14. Number of portfolio companies out of which:	45
14.1 Companies admitted to trading on a regulated market	7
14.1 Companies admitted to trading on an alternative regulated market***	6
14.3 Companies not admitted to trading	32

Legend:

\* = Represents the number of shares related to the paid-up subscribed share capital (according to provisions of Law 247/2005, Title VII, Art. 9<sup>2</sup>, alin. 5 "Subscribed unpaid shares are not taken into account for the computation of net asset value per share for Fondul Proprietatea") excluding (a) the Fund's own shares bought back (Treasury shares), according to provisions of CNVM Regulation no. 4/2010, as subsequently amended, and (b) the equivalent number of shares corresponding to the GDRs bought back and held

\*\* = Include also the value of holdings admitted to trading on AeRo market (alternative regulated market)

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\*\*\* = *Include the number of companies admitted to trading on AeRo market (alternative trading system)*

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

Oana Truța  
Legal representative

Marius Nechifor  
Compliance Officer

BRD Groupe Societe Generale

Victor Strâmbei  
Manager Depository Department

Claudia Ionescu  
Director

## **Annex - Valuation methods used for the securities and the monetary market instruments held by Fondul Proprietatea S.A. as at 29 July 2016**

The valuation methods used for the computation of the NAV as at 29 July 2016, for the securities and the monetary market instruments held by Fondul Proprietatea S.A. are the following:

1. Listed companies on BVB traded within last 30 trading days: Closing Price
2. Listed companies on AeRo market (alternative trading system) traded within last 30 trading days: Reference price – Average Price
3. Listed companies with no trades within last 30 trading days: Shareholders' equity / share (from the annual financial statements prepared in accordance to Romanian accounting regulations or in accordance to IFRS), Fair value/share;
4. Unlisted companies: Shareholders' equity / share (from the annual financial statements prepared in accordance to Romanian accounting regulations or in accordance to IFRS), Fair value / share;
5. Companies in insolvency or reorganisation: Valued either at zero or at the value provided by an independent valuator;
6. Companies in liquidation/dissolution/ bankruptcy: Valued at zero;
7. Companies with negative shareholders' equity, unlisted, or listed but not traded within the last 30 trading days: Valued at zero;
8. Companies for which the annual financial statements of the previous year were not available 90 days after the legal term: Valued at zero;
9. Treasury bills: Acquisition price cumulated with the accrued interest receivable calculated for the period elapsed since the date of acquisition;
10. Listed government bonds: Fair value (reference composite price, including the cumulated interest);
11. Bank deposits: Bank deposit amount cumulated with the accrued interest receivable calculated for the period elapsed since its creation date.

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Oana Truta  
Legal Representative

Marius Nechifor  
Compliance Officer

*[English translation of the original report in Romanian - for information purposes only]*

## **Annex – Changes in the valuation methods used for the computation of the NAV of Fondul Proprietatea as at 29 July 2016**

For the computation of the NAV as at 29 July 2016 for Fondul Proprietatea S.A., it was updated the valuation method used for the investment in the company presented below:

### **CN Administratia Canalelor Navigabile SA**

Following the decision of General Shareholders Meeting of this company on 4 July 2016, to approve the financial statements for the financial year ended 31 December 2015 and to distribute dividends, the valuation method for this holding has been updated from Shareholders' equity as of 31 December 2014 adjusted with dividends declared per share (respectively 81.0905 Lei/share) to Shareholders' equity as of 31 December 2015 adjusted with dividends declared per share (respectively 84.9222 Lei/share). The total impact of this update on the Fund's NAV was an increase of Lei 778,448.17.

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