

Fund Administrator: Franklin Templeton Investment Management Limited UK,  
Bucharest Branch  
Administrator Code: PJM05SSAM/400001  
Fund: Fondul Proprietatea SA  
Fund Code: PJR09SIIR/400006  
Reporting date: 31.08.2015

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

	Lei
<b>1. Non-current Assets</b>	<b>6,475,119,030.12</b>
1.1. Intangible assets	752,700.11
1.2. Tangible assets	0.00
1.3. Financial assets	6,474,366,330.01
1.3.1 Listed shares**	240,216.00
1.3.2 Unlisted shares	6,474,125,887.22
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>6,196,363,948.99</b>
2.1 Inventory	0.00
2.2 Receivables out of which:	72,237,595.72
- commercial papers	0.00
2.3 Cash	563,573.97
2.4 Short term financial investments	5,735,075,898.89
2.4.1 Listed shares	5,735,075,898.89
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	151,801,995.44
2.7 Bank deposits	236,329,379.91
2.8 Certificates of deposits	0.00
2.9 Other current assets	355,505.06
<b>3. Derivatives</b>	<b>0.00</b>

<b>4. Prepaid expenses</b>	<b>168,741.13</b>
<b>5. Total assets</b>	<b>12,671,651,720.24</b>
<b>6. Total liabilities</b>	<b>507,274,380.60</b>
6.1 Borrowings from bond issues	0.00
6.2 Amounts due to credit institutions	450,183,750.00
6.3 Advance payments to customer accounts	0.00
6.4. Payables	24,553,476.66
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	32,537,153.94
<b>7. Provisions</b>	<b>17,126,221.77</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>12,147,251,117.87</b>
9.1 Share capital	10,074,080,745.90
9.2 Share capital premiums	0.00
9.3 Revaluation differences	3,411,053,250.70
9.4 Reserves	-3,505,402,137.98
9.5 Retained earnings	1,694,923,657.82
9.6 Period result	472,595,601.43
9.7 Profit appropriation	0.00
<b>10. Total liabilities and Shareholders' equity</b>	<b>12,671,651,720.24</b>
<b>11. Net Asset Value</b>	<b>12,147,251,117.87</b>
<b>12. No of shares issued*</b>	<b>10,602,038,451</b>
<b>13. Net asset value per share</b>	<b>1.1457</b>
14. Number of portfolio companies out of which:	49
14.1 Companies admitted to trading on a regulated market***	9
14.1 Companies admitted to trading on an alternative regulated market****	6
14.3 Companies not admitted to trading	34

**Note:** As at 19 May 2015, the FSA Instruction no 1 / 2015 stating that the adoption of IFRS as statutory accounting basis (official accounting regulations) was postponed until 1 January 2016 entered into force. Consequently, starting with the NAV report for 29 May 2015, the accounting records under Romanian Accounting Regulations (CNVM Regulation no. 4/2011) were used for the computation of NAV for non-portfolio items.

In the previous period, starting with 1 January 2015, the FSA Instruction no. 2/2014 was in force stating that the IFRS should be the statutory accounting basis and consequently for the NAV reports as at 30 January 2015, 27 February 2015, 31 March 2015 and 30 April 2015, the accounting records under IFRS were used for the computation of NAV for non-portfolio items.

Legend:

\* = Represents the number of shares related to the paid in 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 the Fund's own shares bought back (Treasury shares), according to provisions of CNVM Regulation no.11/2012.

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

\*\*\* = Include also the number of companies admitted to trading on Rasdaq market

\*\*\*\* = 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 sole administrator on behalf of FONDUL PROPRIETATEA S.A

Oana Truța  
Legal representative

Marius Nechifor  
Compliance Officer

BRD Groupe Societe Generale

Victor Strâmbei  
Manager Depositary Department

Claudia Ionescu  
Director

## **Annex - Valuation methods used for the securities and the monetary market instruments held by Fondul Proprietatea S.A. as at 31 August 2015**

The valuation methods used for the computation of the NAV as at 31 August 2015, 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: Closing price (Gross price);
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 31 August 2015**

For the computation of the NAV as at 31 August 2015 for Fondul Proprietatea S.A., Franklin Templeton Investment Management changed the valuation method used for the investment in the below company:

### **Mecon SA**

Franklin Templeton Investment Management valued the investment in this company at the last available trading price (respectively Lei 4 /share), as it was considered to reflect better the fair value of this investment than shareholders' equity per share (respectively Lei 35.2082 /share), even though the shares of this company have not been traded in the last 30 days. This change of valuation method did not have any impact on the Fund's NAV.

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