

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

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 was endorsed by the Financial Supervisory Authority

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch ("**the Fund Manager**"), in its capacity as Sole Administrator 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. 25/27 January 2015, endorsed the decrease of the subscribed share capital from RON 11,815,279,886.85 to RON 11,575,064,733.65, following the cancellation of 252,858,056 treasury shares acquired by the Fund during the third buy-back programme in 2014. The share capital decrease is effective beginning with 27 January 2015. Therefore, starting with 27 January 2015, the new value of the Fund's subscribed share capital is RON 11,575,064,733.65, divided into 12,184,278,667 shares with a nominal value of RON 0.95/share. The value of the paid-up share capital is RON 11,229,443,001.15, divided into 11,820,466,317 shares with a nominal value of RON 0.95/share.

Please find enclosed herein the full text of FSA's Notice no. 25/27 January 2015. Please note that the Fund's Constitutive Act in force can be accessed on the Fund's webpage [here](#).

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

Adrian CIGHI

Legal Representative

Report date:

28 January 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 11,575,064,733.65

Paid-up share capital:

RON 11,229,443,001.15

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:

Bucharest Stock Exchange

Unofficial translation from Romanian

[Stamp of the Financial Supervisory Authority, Exit number SI/DRA/464.1/27 January 2015]

DIRECTORATE FOR REGULATION/AUTHORISATION OF INSTRUMENTS AND FINANCIAL INVESTMENTS

To:

FRANKLIN TEMPLETOR INVESTMENT MANAGEMENT LIMITED
United Kingdom, Bucharest Branch
78-80 Buzzeși Street, 7-8th Floors, Premium Point
1st District, 011017, Bucharest, Romania
Fax: 021 200 96 31/32

*[Stamp of FONDUL PROPRIETATEA S.A.,
Entry no. 151/27 January 2015]*

To Mrs. Oana Valentina Truta – Manager

Following the letter of Fondul Proprietatea SA registered with the FSA under no. 103576/23 October 2014, supplemented by the letter registered under no. 127173/30 December 2014, whereby it has been requested the endorsement of the amendments to the documents based on which SC Fondul Proprietatea SA was registered, namely to the Constitutive Act following the share capital decrease, we hereby submit you in the attachment herein, in original, FSA's Decision no. 25/27 January 2015.

Sincerely,

Director
Florentina Boboc
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FINANCIAL SUPERVISORY AUTHORITY
ENDORSEMENT NO. 25/27 JANUARY 2015

Pursuant to the provisions of Article 1 para. (2), Article 2 para. (1) letters a) and d), Article 3 letter a), Article 6 para. (1) and (3), Article 14 and 27 of the Government Emergency Ordinance no. 93/2012 on the organization and operation of the Financial Supervisory Authority (hereinafter referred to as FSA), approved as amended and supplemented by Law no. 113/2013, as further amended and supplemented,

in accordance with the provisions of Article 14 para. (1) letters b) and c) of the Regulation of the Romanian National Securities Commission no. 4/2010 on the registration with the Romanian National Securities Commission and the operation of the Commercial Company „Fondul Proprietatea” S.A., as well as the trading of shares issued by such company, as further amended and supplemented,

considering the request of S.C. Fondul Proprietatea S.A., registered with the FSA under no. 103576/23 October 2014, supplemented by the letter registered under no. 127173/30 December 2014,

based on the analysis of the specialised directorate and the resolution taken on 26 January 2015, the FSA Council decided to issue the following individual deed:

ENDORSEMENT

Article 1. The amendments of Article 7 para. (1) of the Articles of Association of S.C. Fondul Proprietatea S.A. are hereby endorsed following the reduction of the share capital from RON 11,815,279,886.85 to RON 11,575,064,733.65, in accordance with the Resolution of the Extraordinary General Meeting of Shareholders of SC Fondul Proprietatea SA no. 16/23 September 2014.

Article 2. This endorsement enters into force on the date of its communication to S.C. Fondul Proprietatea S.A. and shall be published in the Bulletin of the Financial Supervisory Authority in electronic format.

President

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