

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

Current report according to Article 234 para. (1) letter k) of the Financial Supervisory Authority Regulation no. 5/2018 on issuers of financial instruments and market operations, as well as the provisions of Article 99 letter f) of the Code of the Bucharest Stock Exchange, Title II, Issuers and Financial Instruments.

Important events to be reported:

Registration with the Trade Registry of the decrease of the subscribed share capital following the cancellation of 1,487,992,569 treasury shares

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch (“**the Investment Manager**”), in its capacity of investment manager of Fondul Proprietatea SA (“**the Fund**”), would like to inform investors that the Bucharest Trade Registry registered as of 15 October 2019 the Resolution no. 2/4 April 2019 of the Fund’s Extraordinary General Shareholders’ Meeting which approved the decrease of the subscribed registered share capital from RON 4,733,020,898.32 to RON 3,959,264,762.44, by cancelling a number of 1,487,992,569 treasury shares acquired by the Fund within the ninth buy-back programme.

The decrease was endorsed by the Financial Supervisory Authority through Endorsement no. 285/9 October 2019, enclosed herein for reference.

Consequently, as of today, the new value of the Fund’s subscribed share capital is RON 3,959,264,762.44 (divided into 7,613,970,697 shares with a nominal value of RON 0.52/share), while the value of the paid-up share capital is RON 3,770,082,340.44 (divided into 7,250,158,347 shares with the same par value as above-mentioned). As a reminder, the difference between the subscribed and paid-up share capital derives from unpaid subscriptions owed by the Romanian State represented by the Ministry of Public Finance in amount of RON 189,182,422.00 (i.e. 363,812,350 shares with the same par value as above-mentioned).

The updated Constitutive Act can be also found on the Fund’s webpage at: <https://www.fondulproprietatea.ro/files/live/sites/fondul/files/en/corporate-governance/Constitutive%20Act%20in%20force%20updated%20as%20at%2015%20Oct%202019.pdf>

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

Daniel NAFTALI
Legal Representative

Report date:

15 October 2019

Name of the issuing entity:

Fondul Proprietatea S.A.

Registered office:

78-80 Buzesti Street
7th floor, district 1,
Bucharest, 011017

Phone/fax number:

Tel.: + 40 21 200 9600

Fax: + 40 21 200 9631

Email:

office@fondulproprietatea.ro

Internet:

www.fondulproprietatea.ro

Sole Registration Code with the Trade Register Office:

18253260

Order number in the Trade Register:

J40/21901/2005

Subscribed share capital:

RON 3,959,264,762.44

Paid-up share capital:

RON 3,770,082,340.44

Number of shares in issue:

7,613,970,697

Number of paid shares:

7,250,158,347

Regulated market on which the issued securities are traded:

Shares on Bucharest Stock Exchange

GDRs on London Stock Exchange

Endorsement no. 285/ 9October 2019 – Unofficial translation from Romanian

FINANCIAL SUPERVISORY AUTHORITY

ENDORSEMENT NO. 285/09.10.2019

Pursuant to the provisions of Article 2(1) a) and d), Article 3(1) a), Article 6(1) and (3), Article 7(2), 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 as amended and supplemented by Law no. 113/2013, as further amended and supplemented,

In consideration of the provisions of Article 6(1) and (2) of Title VII, Chapter II of Law no. 247/2005, as further amended and supplemented,

In consideration of the provisions of Article 14(1) b) and c) of Regulation no. 4/2010 on the registration with the National Securities Commission and the operation of Societatea Comerciala "Fondul Proprietatea" S.A., as well as the trading of the shares issued thereby, as further amended and supplemented,

In consideration of Franklin Templeton International S.a r.l.'s request to approve the changes in the documents contemplated during the registration of S.C. Fondul Proprietatea S.A., registered with F.S.A. under no. RG/25602/26.08.2019,

Based on the analysis conducted by the specialized department and the resolution adopted in the meeting of 09.10.2019, the Board of the Financial Supervisory Authority decided to issue the following individual deed:

ENDORSEMENT

Article 1. The decrease of Fondul Proprietatea S.A.'s share capital from RON 4,733,020,898.32 to RON 3,959,264,762.44, in compliance with EGMS Resolution no. 2/04.04.2019, is approved.

Article 2. The amendment of Article 7(1) of the Constitutive Act of Fondul Proprietatea S.A. as a result of the decrease of Fondul Proprietatea S.A.'s share capital from RON 4,733,020,898.32 to RON 3,959,264,762.44, as set out under Article 1, is approved.

Article 3. This Endorsement becomes effective as of its delivery to Fondul Proprietatea S.A.'s director and will be published in the Bulletin of the Financial Supervisory Authority, in electronic form.

Chairman

Leonardo Badea
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