



FONDUL PROPRIETATEA

ADDENDUM NO. 1

TO THE PROSPECTUS FOR LISTING
ON THE SPOT REGULATED MARKET MANAGED BY
THE BUCHAREST STOCK EXCHANGE



S.C. FONDUL PROPRIETATEA S.A.

a joint stock company registered in Romania under no. J40/21901/2005 managed by

Franklin Templeton Investment Management Limited, United Kingdom

Bucharest Branch

Lead Manager

RAIFFEISEN CAPITAL & INVESTMENT



Manager

**ING BANK N.V. AMSTERDAM,
SUCURSALA BUCURESTI**



Manager

**BRD
GROUPE SOCIETE GENERALE**



**Legal advisor to the Consortium
SCHOENHERR SI ASOCIATII
schönherr**

Date of Addendum: 20 December 2010

Whereas as of the date of submission for approval to the National Securities Commission of the Prospectus for the admission to trading of the shares issued by S.C. Fondul Proprietatea S.A. on the regulated market managed by the Bucharest Stock Exchange (the "**Prospectus**") and up to 16 December 2010 there have been certain significant changes in the information included in Section 4.13 "**Litigations**" and in Section 7.3 "**Net Assets Value Analysis**" of the Prospectus. This Addendum does not purport to constitute an update to all information included in the Prospectus or in Sections 4.13 and 7.3 and shall not be interpreted in the sense that up to the date of the execution of this addendum no other amendments have occurred to the information included in the Prospectus.

The Prospectus is amended as follows:

I. Section 4.13 "Litigations"

- 1. In Chapter 4 "Description of the Fund", Section 4.13 "Litigations", end of Sub-section "The Fund – as Claimant: Litigations with respect the corporate actions of certain Portfolio Companies", at the end of description of litigation "The Fund vs. S.C. Complexul Energetic Craiova S.A." (page 106 of the Prospectus) the following information is added:*

"CEN Craiova has filed a final appeal against the decision rendered by Dolj Tribunal on 18 November 2010 whereby the preliminary injunction requested by the Fund has been granted and the merger, as well as the general shareholders meeting of CEN Craiova convened for 19 November 2010, have been suspended. The first hearing date for the final appeal was scheduled for 15 December 2010, when the court has upheld the final appeal and has amended the decision rendered by Dolj Tribunal in the sense that the request for preliminary injunction has been dismissed."

- 2. In Chapter 4 "Description of the Fund", Section 4.13 "Litigations", end of Sub-section "The Fund – as Claimant: Litigations with respect the corporate actions of certain Portfolio Companies" (page 107), the following information is added:*

"The Fund vs. Romgaz

On 2 December 2010, the Fund has lodged with the Sibiu Tribunal a claim against Societatea Nationala de Gaze Naturale Romgaz S.A. ("**Romgaz**"), requesting the court to annul the resolution of Romgaz' ordinary general shareholders meeting of 30 November 2010, by way of which Romgaz has approved a donation to the Romanian state in the amount of 400,000,000 RON. The Fund has stated that it is registered with the shareholders' registry of Romgaz with a holding of 14.99% of the share capital of Romgaz, the rest of the stake being owned by the Romanian state acting through the Ministry of Economy.

Pursuant to Government Ordinance no. 18/2010, enacted on 22 August 2010, Romgaz is allowed to make during 2010 donations to the state budget, representing amounts derived from various internal sources expressly regulated by the ordinance, up to 400 million RON. On 2 September 2010, considering the impact and consequences which may arise as a result of implementation of the above referred ordinance, the board of directors of Romgaz has resolved that it is not able to decide on the Romgaz' donation to the Romanian state.

On 30 September 2010, the Ministry of Economy has requested Romgaz to supplement the agenda of the general shareholders meeting convened for 18 October 2010 with an additional item, namely the approval of the donation in accordance with the above referred ordinance. This item supplementing the agenda of the shareholders' meeting of Romgaz dated 18 October 2010 has not been approved, the representatives of the Ministry of Economy and the chairman of Romgaz' board of directors agreeing with the Fund that such decision would require a thorough preparation and analysis.

Following Romgaz' general shareholders' meeting of 18 October 2010, the Fund has initiated a sustained campaign against the carrying out by Romgaz of the donation, by also submitting to the Ministry of Economy, NBR, Budget and Finance Committees of the Romanian Senate and the Chamber of Deputies an economic and legal analysis aiming at drawing the attention on the illegality and adverse impact of the envisaged donation on the Romgaz' shareholders as well as on the Romanian state. Romgaz has convened another shareholders' meeting for 22 November 2010, having as sole item on the agenda thereof the approval of the above mentioned donation. The meeting has not taken place due to failure to meet quorum requirements; occasion on which another shareholders' meeting has been convened for 30 November 2010.

On 30 November 2010 the shareholders meeting of Romgaz has approved the donation, the Ministry of Economy voting for and the Fund – against such donation.

In substantiating its claim, the Fund has raised the legal principles of special legal capacity of legal entities, stating that a legal person may incur only obligations which are compliant with the scope for which it is established, any acts contrary to this principle being null and void in accordance with the Decree no. 31/1954. Furthermore, the Fund has stressed the fact that the donation represents a free of consideration corporate action which is contrary to the scope of Romgaz, and which in turn may generate damages to Romgaz as well as to its shareholders on a medium to long term. Moreover, the Fund appealed to the decision of Romgaz' board of directors with respect to such operation, which expressed the opinion of the corporate body which is entitled to decide upon the impact of the donation on Romgaz. The Fund has also stated that the convening notice of the meeting did not include the value of the envisaged donation, thus breaching the Companies' Law provisions setting out that the agenda of the meeting must explicitly state all the items on which approval is required.

Furthermore, the Fund has claimed that the powers of attorney of the Ministry Economy's representatives for the shareholders' meeting of Romgaz convened for 30 November 2010 have been included in an order of the Minister of Economy which has issued on 29 November 2010, which makes it impossible to have such powers of attorney sent to the registered seat of Romgaz within the legally prescribed term of 48 hours, as set out in the Companies' Law.

Moreover, the Fund has appealed to the provisions of the Companies' Law instituting that the shareholders of a company are entitled to dividends pro rata to their participation in the share capital of the company. In this context, a donation made by a company is, in any case, contrary to the scope of that company. The Fund also claims that, in fact, such donation represents a nationalisation of the benefits of the other shareholders.

The Fund also claims the breach of the Companies' Law provisions regulating the conflict of interests, arguing that the Ministry of Economy should have refrained from voting with respect to the approval of donation. The first hearing date on the merits of this case has been scheduled for 8 December 2010.

On 2 December 2010, the Fund has lodged with the Sibiu Tribunal a claim requesting the court to institute a preliminary injunction with respect to the resolution of Romgaz' ordinary shareholders meeting dated 30 November 2010, by way of which it has been approved a donation to be made by Romgaz to the Romanian state in the amount of 400,000,000 RON. The Fund has argued that the institution of the preliminary injunction shall not affect a judgement on the merits of the case, since even based on a preliminary analysis of the merits, it may be easily attested that the shareholders' meeting of Romgaz date 30 November 2010 has been carried out in breach of the Romanian Constitution and of the provisions of the Companies' Law.

The Fund has argued that, in case of a favourable ruling on the merits, the recovery by Romgaz of the amounts representing the donation may prove to be a lengthy and complicated process. The first hearing date was scheduled for 9 December 2010, when the court initially was supposed to rule upon the matter; later the court has requested that the evidence of the object of donation be made. On 16 December 2010, the court has dismissed the preliminary injunction requested by the Fund, based on the fact that from the documentation submitted by Romgaz in the court file, the donation has been already carried out."

3. *In Chapter 4 "Description of the Fund", Section 4.13 "Litigations", end of Sub-section "The Fund – as Claimant: Litigations with respect the corporate actions of certain Portfolio Companies" (page 107), the following information is added:*

"The Fund vs. Societatea Comerciala de Producere a Energiei Electrice in Hidrocentrale Hidroelectrica S.A.

The Fund has lodged a claim against Societatea Comerciala de Producere a Energiei Electrice in Hidrocentrale Hidroelectrica S.A. ("**Hidroelectrica**"), requesting the court to: (i) uphold the absolute nullity and, in subsidiary, to uphold the annulment of the resolution of the extraordinary general shareholders meeting of Hidroelectrica no. 32 dated 19 November 2010 (the "**Meeting**") and, subsequently, (ii) uphold the annulment of the spin off of Hidroelectrica (the "**Spin off**"), as well as of the merger among Hidroelectrica and Societatea Comerciala Electrocentrale Deva - S.A., Societatea Comerciala Electrocentrale Bucuresti - S.A., Societatea Comerciala Hidroserv Bistrita - S.A., Societatea Comerciala Hidroserv Slatina - S.A., Societatea Comerciala Hidroserv Portile de Fier - S.A., Societatea Comerciala Hidroserv Curtea de Arges - S.A., Societatea Comerciala Hidroserv Sebes - S.A., Societatea Comerciala Hidroserv Hateg - S.A. and Societatea Comerciala Hidroserv Cluj - S.A. (the "**Merger**") and (iii) order the registration of the court decision with the trade registry, the publication thereof with the Official Gazette and the corresponding de-registration of the information included in the records of the trade registry based on the resolution of the Meeting which shall be annulled.

The Fund has presented the court with the historical data on the incorporation of CN Electra and CN Hidroenergetica. The Fund showed that it is registered in the shareholders' registry of Hidroelectrica as owner of 88,570,215 shares issued by Hidroelectrica.

In substantiating its claim, the Fund has stated the following:

- The Merger plan has been prepared based on the financial statements as of 31 December 2009, thus in breach of the Companies' Law provisions setting out that the management body of the company shall make available to the shareholders the financial statements prepared not earlier than on the first date of the third month preceding the date of the merger/spin off plan, if the annual financial statements have been prepared for a financial year ended with more than 6 months prior to that date;
- The financial statements based on which the merger plan has been prepared (namely, the financial statements as of 31 August 2010) have not been audited, thus in breach of the provisions of art. 31 para. (3) and (4) of the accounting Law no. 82/1991;
- The merger plan does not contain sufficient details as to clarify exactly the service contracts related to the electricity supply which shall be transferred, as a result of the Spin off, to Electra S.A., thus breaching the Companies' Law provisions setting out that the spin off plan shall include the exact description and allocation of the assets and liabilities;
- The documents which should have been made available to the shareholders (save for the merger and spin off plans) with at least one month prior to the Meeting (namely 19 October 2010), in accordance with the relevant provisions of the Companies' Law, have been delivered to the Fund, upon its request only on 9 November 2010, some of which were incomplete; thus the right of the shareholders to be duly informed has been breached;
- The new articles of association of Hidroelectrica have not been attached to the convening notice, although the agenda of the Meeting was referring to the approval thereof;
- The powers of attorney granted to the Ministry of Economy have been included in certain orders issued on 18 December 2010, i.e. one day prior to the Meeting, which makes it impossible for the powers of attorney to be submitted to the company in compliance with the legally prescribed term of 48 hours. Thus, the Romanian state has lost its voting right in the Meeting;
- The restructuring proposed by the directors of Hidroelectrica (i.e. simultaneous merger and spin off) is not regulated by the Romanian law and hence the simultaneous merger and spin off procedures carried out by Hidroelectrica are illegal;
- The resolutions passed by the Meeting have been executed by persons who were not empowered by the Meeting to carry out such formalities.

The first hearing date has been scheduled for 5 December 2011.

Furthermore, the Fund has requested the court, based on the arguments set out above which substantiate the grounds of the claim, as well as the urgency and the imminent damages, for the institution of a preliminary injunction aimed at suspending the resolution of the Meeting until a decision on the merits of the claim for annulment is rendered. The first hearing date has been scheduled for 15 December 2010, which has been subsequently postponed until 16 December 2010. On 16 December 2010 the court has granted the Fund the preliminary injunction. "

4. In Chapter 4 "Description of the Fund", Section 4.13 "Litigations", Sub-section "The Fund – as defendant: Litigations regarding the OGM or EGM/the Fund's assets" at the end of description of the second litigation "**Ms. Ioana Sfiraiala vs. the Fund**"(page 112) the following information is added:

"On 6 December 2010, the Bucharest Tribunal has dismissed the preliminary injunction requested by Ms. Sfiraiala as ungrounded.

Ms. Sfiraiala has filed an appeal against the decision of the Bucharest Tribunal, the next hearing date being scheduled for 9 March 2011."

5. *In Chapter 4 "Description of the Fund", Section 4.13 "Litigations", Sub-section "The Fund – as defendant: Litigations regarding the OGM or AGEA/the Fund's assets" at the end of description of the litigation "**Mr. Cristian Rozor vs. the Fund**" (page 112) the following information is added: "Until the reference date of the addendum of the Prospectus (i.e. 16 December 2010), this litigation has not been settled."*

II. Sectiunea 7.3 " Analiza Valorii Activului Net"

Preamble

The changes of Section 7.3 "Net Assets Value Analysis" occurred following the Fund's publication on 15 December 2010 of the net asset value, NSC NAV, as of 30 November 2010, prepared in accordance with NSC regulations. This event coincides with the application of new valuation methods of the Fund's assets, provided in the decision 17/2010 issued by NSC in November 2010 and described in the Prospectus at Section 7.2 "Valuation methods".

The Fund publishes on its website (www.fondulproprietatea.ro) information with regards to NSC NAV, on 15 of each month for the end of the previous month. Investors, as well as any other interested persons, are asked to consult this website to inform about the Fund's net asset value.

The other parts of Section 7.3 of the Prospectus, which are not explicitly changed, are applicable at the date of this Addendum.

7.3. Net Assets Value Analysis

7.3.1. NSC NAV

XV.6.1 The following NSC NAV are published on the Fund's website (www.fondulproprietatea.ro):

NSC NAV published on the Fund's website

Date	NSC NAV -mn Lei-	NSC NAV per share -Lei/share-
30.11.2010	15,901.86	1.1541
31.10.2010	13,491.90	0.9792
30.09.2010	13,396.92	0.9723
31.08.2010	14,322.83	1.0410
30.07.2010	14,643.47	1.0283
30.06.2010	14,842.85	1.0423
31.05.2010	14,869.26	1.0442

Source: www.fondulproprietatea.ro

At the date of this Addendum, the latest NSC NAV published was calculated by the Fund and certified by the Depository at 30 November 2010 and amounted to Lei 15,901.86 mn. (NSC NAV per share of RON 1.1541).

NSC NAV calculation, at 30 November 2010

XV.8.3	NSC NAV	30 November 2010
		-Lei-
	Assets	
	Cash and cash equivalents	1,213,706,756
	Government securities	207,775,562
	Receivables	3,556,520
	Financial assets	14,606,119,505
	Other financial assets	84,837
	Prepayments	30,927
	Total assets	16,031,274,108
	Liabilities	
	Short term liabilities	115,290,018
	Provisions	14,121,232
	Total liabilities	129,411,250
	NSC NAV	15,901,862,858
	Number of issued shares	13,778,392,208
	NSC NAV per share (Lei /share)	1.1541

Source: Reports prepared by the Fund Manager as of 30 November 2010 (un-audited)

Cash and cash equivalents

Cash and cash equivalents (7.5% of total assets) are mainly bank deposits in Lei and EUR (98% of the total cash and cash equivalent position), while the cash in the bank current accounts component represents only 2%.

Financial assets

This component brings together all the stakes held by the Fund in the share capital of Portfolio Companies. In terms of NSC valuation methods, the financial assets are categorized in the following main categories: (i) listed securities, traded for the past 30 days; (ii) listed securities, not traded for the previous 30 days and (iii) unlisted securities.

7.3.2. Overview of the Fund's portfolio

The main determinant of the NSC NAV as of 30 November 2010 is the value of the Fund's financial assets. In the following sections there is a comparative presentation of the most significant stakes the Fund holds in Portfolio Companies as of 30 November 2010, in the order presented in the Prospectus, namely in decreasing order of their contribution to the NSC NAV at 31 October 2010:

Financial assets in the Fund's portfolio, as of 30 November 2010

No	Portfolio Companies	NSC NAV -Lei-	% in total NSC NAV	NSC NAV -Lei-	% in total NSC NAV	Category of financial asset
1	OMV Petrom SA	3,800,081,030	28.17%	3,736,290,701	23.50%	Listed shares, traded for the past 30 days
2	Hidroelectrica SA	2,464,767,360	18.27%	3,286,991,248	20.67%	Unlisted shares
3	Romgaz SA	934,082,214	6.92%	1,245,683,035	7.83%	Unlisted shares
4	CN Aeroporturi Bucuresti SA	754,209,542	5.59%	1,005,612,578	6.32%	Unlisted shares
5	Nuclearelectrica SA	528,798,011	3.92%	705,586,957	4.44%	Unlisted shares
6	Transgaz SA	438,827,466	3.25%	461,095,206	2.90%	Listed shares, traded for the past 30 days
7	Complexul Energetic Turceni SA	397,456,839	2.95%	530,120,091	3.33%	Unlisted shares
8	Enel Distributie Muntenia	243,467,578	1.80%	324,624,581	2.04%	Unlisted shares
9	GDF Suez Energy Romania	226,956,523	1.68%	302,608,652	1.90%	Unlisted shares
10	Enel Distributie Banat SA	208,481,131	1.55%	278,064,195	1.75%	Unlisted shares
11	Alro SA	201,579,985	1.49%	198,405,497	1.25%	Listed shares, traded for the past 30 days
12	Complexul Energetic Craiova SA	200,424,235	1.49%	267,318,059	1.68%	Unlisted shares
13	Complexul Energetic Rovinari SA	188,445,164	1.40%	251,297,303	1.58%	Unlisted shares
14	Transselectrica SA	181,360,435	1.34%	181,082,380	1.14%	Listed shares, traded for the past 30 days
15	Electrica Distributie Muntenia Nord SA	174,096,875	1.29%	232,234,140	1.46%	Unlisted shares
16	Enel Distributie Dobrogea SA	145,736,848	1.08%	194,345,541	1.22%	Unlisted shares
17	E.ON Moldova Distributie SA	135,670,432	1.01%	180,897,298	1.14%	Unlisted shares
18	Electrica Distributie Transilvania Sud SA	135,629,438	1.01%	180,921,289	1.14%	Unlisted shares
19	Posta Romana SA	127,118,607	0.94%	169,491,118	1.07%	Unlisted shares
20	Electrica Distributie Transilvania Nord SA	126,732,566	0.94%	168,976,532	1.06%	Unlisted shares
21	E.ON Gaz Distributie SA	80,932,160	0.60%	107,998,561	0.68%	Unlisted shares
22	E.ON Gaz Romania SA	74,223,275	0.55%	99,046,389	0.62%	Unlisted shares
23	Societatea Nationala a Sarii SA	66,721,034	0.49%	78,511,303	0.49%	Unlisted shares
24	Conpet SA	46,889,765	0.35%	48,967,044	0.31%	Listed shares, traded for the past 30 days
25	CN Administratia Porturilor Maritime SA	45,271,247	0.34%	60,391,830	0.38%	Unlisted shares
26	Zirom SA	34,715,824	0.26%	34,715,798	0.22%	Unlisted shares
27	Enel Energie Muntenia	27,773,809	0.21%	37,031,883	0.23%	Unlisted shares
28	E.ON Moldova Furnizare SA	24,539,783	0.18%	32,720,391	0.21%	Unlisted shares
29	Azomures SA	20,780,033	0.15%	19,137,375	0.12%	Listed shares, traded for the past 30 days
30	Primcom SA	18,086,731	0.13%	18,467,744	0.12%	Listed shares, traded for the past 30 days
31	Enel Energie SA	17,710,061	0.13%	23,613,408	0.15%	Unlisted shares
32	Romaero SA	16,073,986	0.12%	19,675,365	0.12%	Listed shares, traded for the past 30 days
33	Oil Terminal SA	15,090,768	0.11%	14,153,055	0.09%	Listed shares, traded for the past 30 days
34	CN Administratia Canalelor Navigabile SA	11,792,152	0.09%	15,722,857	0.10%	Unlisted shares
35	Electrica Furnizare Transilvania Sud SA	6,654,051	0.05%	8,872,066	0.06%	Unlisted shares
36	Electrica Furnizare Transilvania Nord SA	4,863,132	0.04%	6,484,182	0.04%	Unlisted shares
37	Aeroportul International Traian Vuia SA - Timisoara	3,703,991	0.03%	4,938,654	0.03%	Unlisted shares
38	CN Administratia Porturilor Dunarii Fluviale SA	2,819,291	0.02%	3,759,054	0.02%	Unlisted shares
39	Electrica Furnizare Muntenia Nord SA	2,346,927	0.02%	3,129,225	0.02%	Unlisted shares
40	Aeroportul International Mihail Kogalniceanu - Constanta SA	1,872,702	0.01%	2,496,934	0.02%	Unlisted shares
41	CN Administratia Porturilor Dunarii Maritime SA	1,266,117	0.01%	1,688,172	0.01%	Unlisted shares
	Other Portfolio Companies	57,960,392	0.43%	62,951,813	0.40%	
	Total financial assets	12,196,009,511	90.40%	14,606,119,505	91.85%	
	NSC NAV	13,491,897,941	100.00%	15,901,862,858	100.00%	

Source: Reports prepared by the Fund Manager as of 30 November 2010 (un-audited)

Information about the financial assets presented above is detailed in Annex 6 in the form of Portfolio Company profiles for the significant stakes clearly identified in the table, while for the stakes gathered under the heading "Other Portfolio Companies" identification information is provided in Annex 6.

7.3.3. The Fund's Portfolio structure – breakdown on listed vs. unlisted companies

As of 30 November 2010, the Fund's Portfolio comprises a total of 55 unlisted Portfolio Companies and 28 Portfolio Companies listed on the Bucharest Stock Exchange, either on main BSE market or on Rasdaq section. At the same date, the value of unlisted holdings is Lei 9.866,31 mn (62.05% of the total NSC NAV), while the listed holdings amount to Lei 4,739.81 mn (29.81% of the total NSC NAV). However, in consideration of the valuation methods provided for by the NSC regulations, the

Fund's stakes in listed companies are divided into: (i) 12 Portfolio Companies, listed and traded for the past 30 days and (ii) 16 Portfolio Companies, listed and not traded for the past 30 days.

Portfolio Structure: listed vs .unlisted Portfolio Companies, as of 30 November 2010

PORTFOLIO COMPANIES	No of companies	NSC NAV -Lei-	% in Portfolio	% in NSC NAV	Valuation method
Unlisted shares, out of which:	55	9,866,313,140	67.55%	62.05%	Based on the value of Portfolio Company's equity, as reflected in the most recent financial statements;
<i>companies in insolvency, reorganization or bankruptcy</i>	6	0			Zero value
<i>other companies with zero value in NSC NAV calculation *)</i>	4	0			Zero value
Listed shares, traded for the past 30 days	12	4,703,757,610	32.20%	29.58%	Based on last available closing price
Listed shares, not traded for the past 30 days, out of which:	16	36,048,756	0.25%	0.23%	Based on the value of Portfolio Company's equity, as reflected in the most recent financial statements
<i>companies in insolvency, reorganization or bankruptcy</i>	1	0			Zero value
<i>other companies with zero value in NSC NAV calculation *)</i>	1	0			Zero value
Total Financial Assets	83	14,606,119,505	100.00%	91.85%	
NSC NAV		15,901,862,858		100.00%	

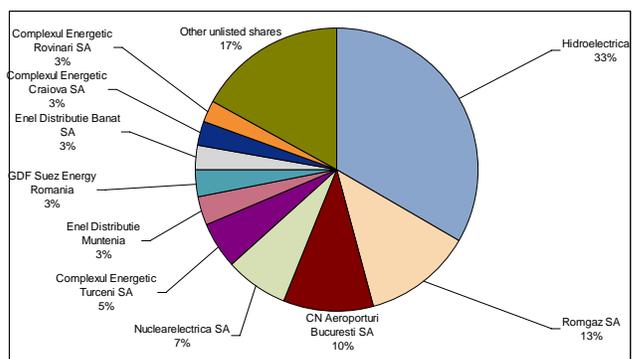
Source: Reports prepared by the Fund Manager as of 30 November 2010 (un-audited)

*) Note: Other companies with zero value in NSC NAV calculation are companies with negative equity and S.C. Electromecanica Ploiesti S.A. and S.C. Uzina Mecanica Bucuresti S.A., which do not recognize the Fund as a shareholder (for more details with respect to Electromecanica Ploiesti S.A. and S.C. Uzina Mecanica Bucuresti S.A. please refer to Section 4.13 "Litigations").

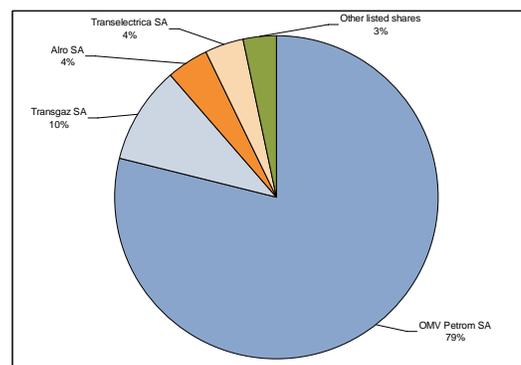
The most valuable holdings in unlisted Portfolio Companies are: the 19.94% stake in Hidroelectrica SA, the largest Romanian electricity producer (Lei 3,286.99 mn, 20.67% of NSC NAV), the 14.99% stake in the natural gas producer Romgaz SA (Lei 1,245.68 mn, 7.83% of the NSC NAV), the 20.00% stake in the Bucharest airports operator: CN Aeroporturi SA (Lei 1,005.61 mn, 6.32% of the NSC NAV) and the 9.72% stake in Nuclearelectrica SA, the operator of Cernavoda nuclear plant Units 1 and 2 (Lei 705.59 mn, 4.44% of the NSC NAV).

The most valuable holdings in listed Portfolio Companies are: the 20.10% stake in the largest South East Europe oil company OMV Petrom SA (Lei 3,736.29 mn, 23.50% of NSC NAV), the 14.98% stake in the National gas system operator, Transgaz SA (Lei 461.09 mn, 2.90% of NSC NAV), the 9.92% stake in the largest aluminium smelter in Central and Eastern Europe (excluding CIS), Alro SA (Lei 198.40 mn, 1.25% of the NSC NAV) and the 13.49% stake in the electricity transmission company, Transelectrica (Lei 181.08 mn, 1.14% of the NSC NAV).

The Fund's Portfolio structure, unlisted shares:



The Fund's Portfolio structure, listed shares:



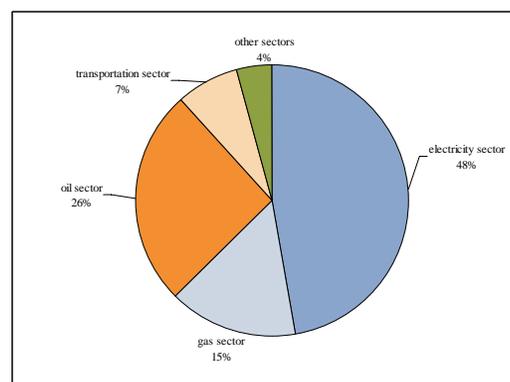
Source: Reports prepared by the Fund Manager as of 30 November 2010 (un-audited)

7.3.4. The Fund's portfolio structure – breakdown on activity sector

The Fund's portfolio is diversified in terms of the sectors the Fund has exposure to, which ranges from electricity sector (production, transmission and distribution and supply), oil & gas, transportation (airports and ports), courier services and many others (chemicals, metallurgy, machinery, real estate, aluminium smelter, agriculture etc). However, the Fund's portfolio is heavily weighted on electricity and oil & gas sectors, as the stakes in Portfolio Companies belonging to such key sectors are weighting about 88% of the NSC NAV.

Portfolio Structure: breakdown on activity sector, as of 30 November 2010

PORTFOLIO COMPANIES	No of companies	NSC NAV -Lei-	Financial assets	% in NSC NAV
electricity sector	19	6,894,310,771	47.20%	43.36%
gas sector	5	2,216,431,843	15.17%	13.94%
oil sector	4	3,799,410,800	26.01%	23.89%
transportation sector	7	1,094,610,079	7.49%	6.88%
other sectors	48	601,356,013	4.12%	3.78%
Total Financial Assets	83	14,606,119,505	100.00%	91.85%
NSC NAV		15,901,862,858		100.00%



Source: Reports prepared by the Fund Manager as of 30 November 2010 (un-audited)

By far, the most valuable stake within the electricity sector is the 19.94% stake in Hidroelectrica SA, as it weights almost half of the electricity sector entire exposure. Only one of the stakes in the electricity sector is listed on BSE, Transelectrica SA. The dispersion within the sector exposure is 73.12% in electricity generators, 2.63% in electricity transmission, and the rest of 24.25% in distribution & supply.

In terms of oil & gas exposure, the most valuable stake is the one in OMV Petrom SA, which actually is also the most valuable stake of the entire Fund's Portfolio (62.11% of oil & gas exposure), followed by Romgaz SA (20.71% of oil & gas exposure) and Transgaz SA (7.66% of oil & gas exposure).

This Addendum has been approved by the Romanian Securities Commission by Decision 1678 /21.12.2010.

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Reprezentant Legal

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