

Fund Administrator: Franklin Templeton Investment Management Limited UK,
Bucharest Branch
Administrator Code: PJM05SSAM/400001
Fund: Fondul Proprietatea SA
Fund Code: PJR09SIIR/400006
Reporting date: 30.06.2014

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

	Lei
1. Non-current Assets	6,253,045,077.41
1.1. Intangible assets	632,349.08
1.2. Tangible assets	0.00
1.3. Financial assets	6,252,412,728.33
1.3.1 Listed shares**	23,845,503.30
1.3.2 Unlisted shares	6,228,566,998.24
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
2. Current assets	9,252,121,145.06
2.1 Inventory	0.00
2.2 Receivables out of which:	235,038,448.02
- commercial papers	0.00
2.3 Cash	737,381.02
2.4 Short term financial investments	7,573,722,439.70
2.4.1 Listed shares**	7,573,722,439.70
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	933,469,705.63
2.7 Bank deposits	490,631,501.90
2.8 Certificates of deposits	0.00
2.9 Other current assets	18,521,668.79
3. Derivatives	0.00

4. Prepaid expenses	157,328.86
5. Total assets	15,505,323,551.33
6. Total liabilities	639,917,286.23
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	18,535,634.78
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	621,381,651.45
7. Provisions	14,948,174.68
8. Deferred income out of which:	0.00
8.1 Subsidies for investments	0.00
8.2 Deferred income	0.00
9. Shareholders' equity out of which:	14,850,458,090.42
9.1 Share capital	12,861,183,036.65
9.2 Share capital premiums	0.00
9.3 Revaluation differences	3,687,709,756.58
9.4 Reserves	-3,496,397,093.13
9.5 Retained earnings	733,501,705.29
9.6 Period result	1,064,460,685.03
9.7 Profit appropriation	0.00
10. Total liabilities and Shareholders' equity	15,505,323,551.33
11. Net Asset Value	14,850,458,090.42
12. No of shares issued*	11,862,487,131
13. Net asset value per share***	1.2518
14. Number of portfolio companies out of which:	58
14.1 Companies admitted to trading on a regulated market**	20
14.1 Companies admitted to trading on an alternative regulated market	0
14.3 Companies not admitted to trading	38

Notes:

* = Represents the number of shares related to the paid in subscribed share capital (according to provisions of Law 247/2005, Title VII, Art. 9², 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 / number of companies admitted to trading on Rasdaq market

*** = On 25 June 2014 the Financial Supervisory Authority approved the share capital reduction of Fondul Proprietatea and consequently, the Fund's NAV and NAV per share have been adjusted for the share capital decrease of RON 0.05 / share (for which registration date was 30 April 2014).

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

Adrian Cighi
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 30 June 2014

The valuation methods used for the computation of the NAV as at 30 June 2014, 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 Rasdaq RGBS traded within last 30 trading days: Reference price - Closing Price
3. Listed companies on Rasdaq XMBS and UNLS traded within last 30 trading days: Reference price - Average Price (*according with the letter received from Financial Supervision Authority in December 2013*)
4. 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;
5. 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;
6. Companies in insolvency or reorganisation: Valued either at zero or at the value provided by an independent valuator;
7. Companies in liquidation/dissolution/ bankruptcy: Valued at zero;
8. Companies with negative shareholders' equity, unlisted, or listed but not traded within the last 30 trading days: 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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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 30 June 2014

For the computation of the NAV as at 30 June 2014 for Fondul Proprietatea S.A., Franklin Templeton Investment Management changed the valuation methods used for the investments in the companies presented below:

1) Palace SA

For this company, the valuation method has been changed from Reference price - Average Price (Lei 0.2500/share) to Shareholder equity /share (Lei 0.3554/share), because the shares of this company have been not traded during the last 30 trading days. The total impact of this change of valuation method on the Fund's NAV was an increase of Lei 614,743.60.

2) Complexul Energetic Oltenia SA

For this company, the valuation method remained the same, namely Fair value (value as per independent valuer's report)/ share, but an updated valuer's report was used . The total impact of this change on the Fund's NAV was a decrease of Lei 201,980,579.91 (previous value per share was Lei 11.7555/ share and the current value per share is Lei 4.3807/ share).

3) Aeroportul International Mihail Kogalniceanu - Constanta SA, E.ON Energie Romania SA, Enel Energie Muntenia SA, Enel Energie SA

For these companies, the valuation method was changed from Shareholder equity/share to Fair value (value as per independent valuer's report)/ share as it was considered that this method reflects better the fair value of these investments in the Fund's NAV. The total impact of this change of valuation method on the Fund's NAV was an increase of 74,811,990.92 Lei, detailed in the below table:

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FONDUL PROPRIETATEA

Company	Previous value per share (RON/share)	Current value per share (RON/share)	Impact of valuation method change on NAV (RON)
Aeroportul International Mihail Kogalniceanu - Constanta SA	159.0204	98.4498	-1,402,754.52
E.ON Energie Romania SA	9.6134	13.2154	35,672,493.45
Enel Energie Muntenia SA	110.8922	146.5587	15,837,851.99
Enel Energie SA	29.4973	44.2023	24,704,400.00
Total			74,811,990.92

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