

Fund Administrator: Franklin Templeton Investment Management Limited UK,
Bucharest Branch
Administrator Code: PJM05SSAM/400001
Fund: Fondul Proprietatea SA
Fund Code: PJR09SIIR/400006
Reporting date: 31.12.2014

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 | 6,486,201,103.13 |
| 1.1. Intangible assets | 837,387.74 |
| 1.2. Tangible assets | 0.00 |
| 1.3. Financial assets | 6,485,363,715.39 |
| 1.3.1 Listed shares** | 7,332,797.35 |
| 1.3.2 Unlisted shares | 6,478,030,691.25 |
| 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 | 6,806,937,228.02 |
| 2.1 Inventory | 0.00 |
| 2.2 Receivables out of which: | 8,556,095.34 |
| - commercial papers | 0.00 |
| 2.3 Cash | 6,879,128.79 |
| 2.4 Short term financial investments | 6,487,488,092.22 |
| 2.4.1 Listed shares** | 6,487,488,092.22 |
| 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 | 194,588,981.85 |
| 2.7 Bank deposits | 109,424,929.82 |
| 2.8 Certificates of deposits | 0.00 |
| 2.9 Other current assets | 0.00 |

| | |
|---|--------------------------|
| 3. Derivatives | 0.00 |
| 4. Prepaid expenses | 44,627.48 |
| 5. Total assets | 13,293,182,958.63 |
| 6. Total liabilities | 41,396,402.72 |
| 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 | 19,348,098.13 |
| 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 | 22,048,304.59 |
| 7. Provisions | 15,085,941.78 |
| 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: | 13,236,700,614.13 |
| 9.1 Share capital | 11,815,279,886.85 |
| 9.2 Share capital premiums | 0.00 |
| 9.3 Revaluation differences | 3,883,327,803.56 |
| 9.4 Reserves | -4,156,830,734.10 |
| 9.5 Retained earnings | 733,501,705.29 |
| 9.6 Period result | 1,012,898,265.40 |
| 9.7 Profit appropriation | -51,476,312.87 |
| 10. Total liabilities and Shareholders' equity | 13,293,182,958.63 |
| 11. Net Asset Value | 13,236,700,614.13 |
| 12. No of shares issued* | 10,915,975,273 |
| 13. Net asset value per share | 1.2125 |
| 14. Number of portfolio companies out of which: | 53 |
| 14.1 Companies admitted to trading on a regulated market** | 17 |
| 14.1 Companies admitted to trading on an alternative regulated market | 0 |
| 14.3 Companies not admitted to trading | 36 |

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

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 Depository 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 December 2014

The valuation methods used for the computation of the NAV as at 31 December 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 (*according with the letter received from Financial Supervision Authority in December 2013*)
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. Companies for which the annual financial statements of the previous year were not available 90 days after the legal term: Valued at zero;
10. Treasury bills: Acquisition price cumulated with the accrued interest receivable calculated for the period elapsed since the date of acquisition;
11. Listed government bonds: Closing price (Gross price);

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12. Bank deposits: Bank deposit amount cumulated with the accrued interest receivable calculated for the period elapsed since its creation date.

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Annex – Changes in the valuation methods used for the computation of the NAV of Fondul Proprietatea as at 31 December 2014

For the computation of the NAV as at 31 December 2014 for Fondul Proprietatea S.A., Franklin Templeton Investment Management changed the valuation methods used for the investments in the companies presented below:

1) CN Administratia Porturilor Maritime SA, Plafar SA and Societatea Nationala a Sarii SA

For these companies, the valuation method was changed 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 88,843,439.28 Lei, detailed in the below table:

| Company | Previous valuation method | Previous value per share (RON/share) | Current value per share (RON/share) | Impact of valuation method change on NAV (RON) |
|---|--|--------------------------------------|-------------------------------------|--|
| CN Administratia Porturilor Maritime SA | Fair value (Shareholder equity adjusted with dividends declared/share) | 26.2450 | 50.0144 | 63,015,365.34 |
| Plafar SA | Shareholder equity/share | 36.0990 | 13.8119 | -2,959,370.29 |
| Societatea Nationala a Sarii SA | Fair value (Shareholder equity adjusted with dividends declared/share) | 56.8799 | 71.2314 | 28,787,444.23 |
| Total | | | | 88,843,439.28 |

2) CN Aeroporturi Bucuresti SA, Complexul Energetic Oltenia SA, E.ON Energie Romania SA, ENEL Distributie Banat SA, ENEL Distributie Dobrogea SA, ENEL Distributie Muntenia SA, Electrica Distributie Muntenia Nord SA, Electrica Distributie Transilvania Nord SA, Electrica Distributie Transilvania Sud SA, ENEL Energie SA, ENEL Energie Mutenia SA, Electrica Furnizare SA, E.ON Distributie Romania SA, GDF Suez Energy Romania SA, Hidroelectrica SA, Posta Romana SA, Zirom SA

For these companies, 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 an increase of Lei 152,895,615.68, detailed in the below table:

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| Company | Previous value per share (RON/share) | Current value per share (RON/share) | Impact of valuation report update on NAV (RON) |
|--|--------------------------------------|-------------------------------------|--|
| CN Aeroporturi Bucuresti SA | 100.0381 | 115.5599 | 44,632,051.16 |
| Complexul Energetic Oltenia SA | 4.3807 | 3.9606 | -11,505,673.60 |
| E.ON Energie Romania SA | 13.2154 | 13.5204 | 3,020,574.82 |
| ENEL Distributie Banat SA | 62.1702 | 69.4627 | 67,241,546.37 |
| ENEL Distributie Dobrogea SA | 56.1384 | 58.7720 | 17,785,035.26 |
| ENEL Distributie Muntenia SA | 145.2741 | 143.0320 | -7,301,165.47 |
| Electrica Distributie Muntenia Nord SA | 37.9937 | 30.2205 | -60,600,038.21 |
| Electrica Distributie Transilvania Nord SA | 25.3066 | 24.6822 | -5,099,982.44 |
| Electrica Distributie Transilvania Sud SA | 20.5847 | 22.1393 | 14,500,192.59 |
| ENEL Energie SA | 44.2023 | 44.2720 | 117,096.00 |
| ENEL Energie Mutenia SA | 146.5587 | 146.7028 | 63,988.18 |
| Electrica Furnizare SA | 64.4388 | 92.4816 | 38,318,018.43 |
| E.ON Distributie Romania SA* | Please see below Note | 7.7790 | -69,108,356.44 |
| GDF Suez Energy Romania SA | 169.7872 | 193.6807 | 56,911,043.59 |
| Hidroelectrica SA | 23.5533 | 24.3694 | 72,941,577.58 |
| Posta Romana SA | 4.0875 | 3.7584 | -4,894,357.76 |
| Zirom SA | 9.1775 | 8.3063 | -4,125,934.38 |
| Total | | | 152,895,615.68 |

*on 31 Dec 2014, E.ON Moldova Distribuție S.A. merged into E.ON Gaz Distribuție S.A. and the name of the combined entity became E.ON Distribuție Romania S.A. and was valued as the sum of the values as per independent valuation reports of the holdings in the merged entity

Note: Previous values for Fund's holding in the entities that merged were as follows:

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| Company | Fondul holding (number of shares) | Share price as per NAV as at 28 November 2014 (RON/share) | Holding value as per NAV as at 28 November 2014 (RON) |
|-----------------------------|--------------------------------------|---|---|
| E.ON Gaz Distributie SA | 13,557,204 | 12.1854 | 165,199,953.62 |
| E.ON Moldova Distributie SA | 10,994,457 | 31.4121 | 345,358,982.73 |
| Total | | | 510,558,936.35 |

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