

Fund Administrator: Franklin Templeton Investment Management Limited UK,  
Bucharest Branch  
Administrator Code: PJM05SSAM/400001  
Fund: Fondul Proprietatea SA  
Fund Code: PJR09SIIR/400006  
Reporting date: 30.06.2013

**Fondul Proprietatea SA 's Assets and Liabilities based on NAV calculation according with the Regulation No. 4 / 2010, as amended by the Regulation No. 11 / 2012**

	Lei
<b>1. Non-current Assets</b>	<b>8,442,767,307.00</b>
1.1. Intangible assets	805,486.32
1.2. Tangible assets	0.00
1.3. Financial assets	8,441,961,820.68
1.3.1 Listed shares	23,523,589.15
1.3.2 Unlisted shares*	8,418,438,004.74
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
<b>2. Current assets</b>	<b>7,008,998,926.25</b>
2.1 Inventory	0.00
2.2 Receivables out of which:	54,552,162.51
- commercial papers	0.00
2.3 Cash	11,278,025.52
2.4 Short term financial investments	5,607,564,060.63
2.4.1 Listed shares	5,607,564,060.63
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	466,791,787.78
2.7 Bank deposits	857,857,352.95

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2.8 Certificates of deposits	0.00
2.9 Other current assets	10,955,536.86
<b>3. Derivatives</b>	<b>0.00</b>
<b>4. Prepaid expenses</b>	<b>150,951.15</b>
<b>5. Total assets</b>	<b>15,451,917,184.40</b>
<b>6. Total liabilities</b>	<b>435,216,921.73</b>
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	12,187,553.78
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	423,029,367.95
<b>7. Provisions</b>	<b>18,222,178.20</b>
<b>8. Deferred income out of which:</b>	<b>0.00</b>
8.1 Subsidies for investments	0.00
8.2 Deferred income	0.00
<b>9. Shareholders' equity out of which:</b>	<b>14,998,478,084.47</b>
9.1 Share capital	13,778,392,208.00
9.2 Share capital premiums	0.00
9.3 Revaluation differences	3,385,381,513.39
9.4 Reserves	(2,765,383,744.37)
9.5 Retained earnings	85,455,026.32
9.6 Period result	514,633,081.13
9.7 Profit appropriation	0.00
<b>10. Total liabilities and Shareholders' equity</b>	<b>15,451,917,184.40</b>
<b>11. Net Asset Value</b>	<b>14,998,478,084.47</b>
<b>12. No of shares issued **</b>	<b>13,025,816,785</b>
<b>13. Net asset value per share</b>	<b>1.1514</b>
14. Number of portfolio companies out of which:	66
14.1 Companies admitted to trading on a regulated market	24
14.1 Companies admitted to trading on an alternative regulated market	0
14.3 Companies not admitted to trading	42

*Note:*

\* = On 27 June 2013, Bucharest Court announced the closing of insolvency procedure for Hidroelectrica SA.

\*\* = Represents the number of shares related to the paid in subscribed share capital (according to provisions of Law 247/2005, Title VII, Art. 9<sup>2</sup>, 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.

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

Adrian Cighi  
Legal representative

Marius Nechifor  
Compliance Officer

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## **Annex - Valuation methods used for the securities and the monetary market instruments held by Fondul Proprietatea S.A. as at 30 June 2013**

The valuation methods used for the computation of the NAV as at 30 June 2013, for the securities and the monetary market instruments held by Fondul Proprietatea S.A. are the following:

1. Listed companies traded within last 30 trading days: Closing Price;
2. 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;
3. 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;
4. Companies in insolvency or reorganisation: Valued either at zero or at the value provided by an independent valuator;
5. Companies in liquidation/dissolution/ bankruptcy: Valued at zero;
6. Companies with negative shareholders' equity, unlisted, or listed but not traded within the last 30 trading days: Valued at zero;
7. Treasury bills: Acquisition price cumulated with the accrued interest receivable calculated for the period elapsed since the date of acquisition;
8. Listed government bonds: Closing price (Gross price);
9. Bank deposits: Bank deposit amount cumulated with the accrued interest receivable calculated for the period elapsed since its creation date.

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*[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 2013**

For the computation of the NAV as at 30 June 2013 for Fondul Proprietatea S.A., Franklin Templeton Investment Management changed the valuation methods used for the investments in the companies listed below:

### **1) Palace SA**

For this company, the valuation method has been changed from closing price to shareholders' equity/share according to CNVM Regulation 4/2010 amended by CNVM Regulation 11/2012, because the shares of this company have not been 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 982,189.97.

### **2) Severnav SA**

Franklin Templeton Investment Management elected to value the investment in this company at the last available trading price (Lei 2.3/share), as it was considered to reflect better the fair value of this investment than shareholders' equity per share (Lei 18.8976/share), even though the shares of this company have not been traded in the last 30 trading days. This change of valuation method did not have any impact on the Fund's NAV.

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