

Fund Administrator: Franklin Templeton International Services S.à r.l.  
 Administrator Code: PJM07.1AFIASMDLUX0037  
 Fund: Fondul Proprietatea SA  
 Fund Code: PJR09SIIR/400006  
 Reporting date: 31.05.2019

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

Lei

<b>1. Non-current Assets</b>	<b>7,096,689,013.90</b>
1.1. Intangible assets	264,064.06
1.2. Tangible assets	0.00
1.3. Financial assets	7,096,424,949.84
1.3.1 Listed shares**	11,854,220.77
1.3.2 Unlisted shares	7,084,570,729.07
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	0.00
<b>2. Current assets</b>	<b>3,832,646,567.26</b>
2.1 Inventory	0.00
2.2 Receivables out of which:	732,396,366.58
- commercial papers	0.00
2.3 Cash	16,614,766.64
2.4 Short term financial investments	2,658,724,752.29
2.4.1 Listed shares**	2,658,724,752.29
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	239,080,789.01
2.7 Bank deposits	185,829,892.74
2.8 Certificates of deposits	0.00
2.9 Other current assets	0.00
<b>3. Derivatives</b>	<b>0.00</b>
<b>4. Prepaid expenses</b>	<b>373,786.77</b>
<b>5. Total assets</b>	<b>10,929,709,367.93</b>
<b>6. Total liabilities</b>	<b>676,120,410.06</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	14,451,780.76
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

*[English translation of the original report in Romanian - for information purposes only]*

6.8 Other debts	661,668,629.30
<b>7. Provisions</b>	<b>856,247.22</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>10,252,732,710.65</b>
9.1 Share capital	4,733,020,898.32
9.2 Share capital premiums	0.00
9.3 Revaluation differences	-6,389.13
9.4 Reserves	-514,765,497.04
9.5 Retained earnings	4,847,849,049.37
9.6 Period result	1,186,634,649.13
9.7 Profit appropriation	0.00
<b>10. Total liabilities and Shareholders' equity</b>	<b>10,929,709,367.93</b>
<b>11. Net Asset Value</b>	<b>10,252,732,710.65</b>
<b>12. No of shares issued*</b>	<b>7,117,862,511</b>
<b>13. Net asset value per share</b>	<b>1.4404</b>
14. Number of portfolio companies out of which:	35
14.1 Companies admitted to trading on a regulated market	4
14.1 Companies admitted to trading on an alternative regulated market***	4
14.3 Companies not admitted to trading	27

Legend:

\* = Represents the number of shares related to the paid-up 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 (a) the Fund's own shares bought back (Treasury shares), according to provisions of CNVM Regulation no. 4/2010, as subsequently amended, and (b) the equivalent number of shares corresponding to the GDRs bought back

\*\* = Include also the value of holdings admitted to trading on AeRo market (alternative regulated market)

\*\*\* = Include the number of companies admitted to trading on AeRo market (alternative trading system)

Franklin Templeton International Services S.à r.l acting in the capacity of Sole Director of Fondul Proprietatea SA

Daniel Naftali  
Permanent representative

Marius Nechifor  
Compliance Officer

BRD Groupe Societe Generale

Victor Strâmbei  
Manager Depository Department

Claudia Ionescu  
Director

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## **Annex - Valuation methods used for the securities and the monetary market instruments held by Fondul Proprietatea S.A. as at 31 May 2019**

The valuation methods used for the computation of the NAV as at 31 May 2019, 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 AeRo market (alternative trading system) traded within last 30 trading days: Reference price – Average Price
3. Listed companies with no trades within last 30 trading days: Fair value / share;
4. Unlisted companies: Fair value / share;
5. Companies in insolvency or reorganisation: Valued either at zero;
6. Companies in liquidation/dissolution/ bankruptcy: Valued at zero;
7. Companies with negative shareholders' equity, unlisted, or listed but not traded within the last 30 trading days: Valued at zero;
8. Companies for which the annual financial statements of the previous year were not available 90 days after the legal term: 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: Fair value (reference composite price, including the cumulated interest);
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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**Annex – Changes in the valuation methods used for the computation of the NAV of Fondul Proprietatea as at 31 May 2019**

For the computation of the NAV as at 31 May 2019 for Fondul Proprietatea SA, the valuation methods used for the investments in the companies presented below changed:

**Alcom SA**

Following the decision of General Shareholders Meeting of this company to distribute dividends, the valuation method for this company has been changed from Shareholders' equity as of 31 December 2018 per share (respectively RON 131.7440/share) to Shareholders' equity as of 31 December 2018 adjusted with dividends declared per share (respectively 128.7846 RON/share). The total impact of this change of valuation method on the Fund's NAV was a decrease of RON 264,123.49.

**Mecon SA**

For this holding, the valuation method has been changed from Reference price - Average price (respectively Lei 6.00 /share) to Fair value (Last available trading price) (respectively Lei 6.00 /share) because the shares of this company were not traded during the last 30 trading days and the valuation based on the last available trading price is considered to reflect better the fair value of this holding than its shareholders' equity per share (respectively Lei 46.5190 /share). This change of valuation method did not have any impact on the Fund's NAV.

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