

**To: Bucharest Stock Exchange
Financial Supervisory Authority**

Current report according to Art. 113 point A, paragraph (1) letter i) of the Romanian National Securities Commission Regulation no. 1/2006 regarding the issuers and the operations with securities, as subsequently amended and completed, as well as the provisions of Art. 99 in the Code of the Bucharest Stock Exchange, Title II, Issuers and Financial Instruments

Important events to be reported:

Entering into force of the new Constitutive Act of SC Fondul Proprietatea SA (“The Fund”)

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch (“Fund Manager”), in its capacity as sole administrator and fund manager of the Fund, would like to inform shareholders that the Trade Register ordered the registration and publishing in the Official Gazette of Romania, Part IV, of the shareholders resolutions for amending the Fund’s Constitutive Act, as well as the updated Constitutive Act, as follows:

- the Extraordinary General Shareholders Meeting Resolution no. 2/25.4.2013 (“EGM Resolution”) for amending Article 12 paragraph (2) point j) of the Fund’s Constitutive Act

Current wording: “j) to establish the annual income and expenditure budget, and to approve the business programme for the following financial year;”

New wording: “j) to establish the annual income and expenditure budget for the following financial year;”

- EGM Resolution no. 5/25.04.2013 for amending Article 16 Paragraph (2) of the Fund’s Constitutive Act

Current wording: “The Chairperson of the Board of Nominees or, during his absence, a member of the Board of Nominees appointed through vote by the other members to chair the meeting, ensures the proper development of the meetings. The meetings of the Board of Nominees shall be held at the HQ of Fondul Proprietatea”.

New wording: “The Chairperson of the Board of Nominees or, during his/her absence, a member of the Board of Nominees appointed through vote by the other members

Report date:

4 November 2013

Name of the issuing entity:

S.C. Fondul Proprietatea S.A.

Registered office:

78-80 Buzesti St.,
7th floor, district 1,
Bucharest, postal code 011017

Phone/fax number:

Tel.: + 40 21 200 9600

Fax: + 40 21 200 9631

**Sole Registration Code with
the Trade Register Office:**

18253260

**Order number in the
Trade Register:**

J40/21901/2005

Subscribed share capital:

RON 13,778,392,208

Paid share capital:

RON 13,413,137,586

**Regulated market on which the
issued securities are traded:**

Bucharest Stock Exchange

to chair the meeting, shall ensure the proper development of the meetings. The meetings of the Board of Nominees shall be held at the headquarters of Fondul Proprietatea or at such other location as may be agreed among the members of the Board of Nominees.”

- EGM Resolution no. 12/25.04.2013 for amending Article 14 point I paragraph 1 of the Fund's Constitutive Act
Current wording: *“Upon the first calling, for the validity of the deliberations of the ordinary general meeting of the shareholders it is required that the shareholders representing at least a fourth of the shares with right to vote to attend. The decisions of the ordinary general meeting of the shareholders are taken with the majority of votes. The decisions of the ordinary general meeting of the shareholders regarding the cancelation of the appointment of the members of the Board of Nominees and of the Fund Manager are taken with a majority of at least two thirds of the number of votes attending or being represented.”*

New wording: *“Upon the first calling, for the validity of the deliberations of the ordinary general meeting of the shareholders it is required that the shareholders representing at least a fourth of the total shares with right to vote to attend. The decisions of the ordinary general meeting of the shareholders are taken with the majority of votes.”*

The Fund Manager would like to remind shareholders and investors that the above mentioned EGM Resolutions have been endorsed by the Financial Supervisory Authority through Notice no. 28/12.08.2013.

Please note that the Constitutive Act in force can be accessed on the Fund's webpage [here](#).

Franklin Templeton Investment Management Ltd United Kingdom Bucharest Branch, acting as Sole Administrator on behalf of S.C. FONDUL PROPRIETATEA S.A. - Oana Valentina Truta, Legal Representative