

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

Current report according to Article 99 of the Rule book of the Bucharest Stock Exchange Market Operator, Title II, Issuers and Financial Instruments

Events to be reported:

Competitive process aimed at potential disposals of Fondul Proprietatea's holdings in Enel Romania and Engie Romania

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch, in its capacity as Investment Manager of Fondul Proprietatea S.A. (the "Fund"), would like to inform shareholders that it has initiated a competitive process aimed at potential disposals of the Fund's holdings in E-Distributie Muntenia S.A (formerly ENEL Distributie Muntenia S.A), E-Distributie Banat (formerly Enel Distributie Banat S.A.), E-Distributie Dobrogea (formerly Enel Distributie Dobrogea S.A), Enel Energie S.A., Enel Energie Muntenia (all collectively "Enel Romania") and Engie Romania, all holdings mentioned above representing 18.93% in the Fund's net asset value as at 31 July 2017.

The process will be managed by Ithuba Capital AG acting as the Fund's sole financial adviser in connection with the envisaged transactions.

Franklin Templeton Investment Management Ltd United Kingdom Bucharest Branch, acting as Investment Manager of FONDUL PROPRIETATEA S.A.

Oana TRUȚA
Legal Representative

Report date:

14 August 2017

Name of the issuing entity:

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 5,238,521,987.92

Paid-up share capital:

RON 5,049,339,565.92

Number of shares in issue:

10,074,080,746

Number of paid shares:

9,710,268,396

Regulated market on which the issued securities are traded:

Shares on Bucharest Stock Exchange

GDRs on London Stock Exchange