

























































			30 September 2013
<b>1.</b>	<b>Current Liquidity ratio</b>		
	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	=	26.2
<b>2.</b>	<b>Debt-to-Equity ratio (%)</b>		
	$\frac{\text{Borrowings*}}{\text{Shareholders' Equity}} \times 100$	=	0
	*The Fund had no borrowings at the end of the period, therefore this ratio is nil		
<b>3.</b>	<b>Debt Turnover ratio (number of days)</b>		
	$\frac{\text{Average balance of debtors}}{\text{Turnover or sales}} \times 365$	=	n.a.
	This ratio is not applicable to an investment fund and cannot be calculated.		
<b>4.</b>	<b>Turnover of Non-current Assets</b>		
	$\frac{\text{Gross turnover*}}{\text{Non-current assets}}$	=	0.09
	*Total Revenues from current activity have been used in computation of this ratio. This ratio has no real significance for an investment fund.		

### Signatures:

Franklin Templeton Investment Management Limited United Kingdom, Bucharest Branch acting in the capacity of Sole Administrator of S.C. Fondul Proprietatea S.A.

Oana Truța  
Legal Representative  
13 November 2013

Prepared by  
Mihaela Moleavin  
Financial Reporting Manager

## Annex 1

**S.C. FONDUL PROPRIETATEA S.A.  
BALANCE SHEET, INCOME STATEMENT  
AND INFORMATIVE DATA  
AS AT 30 SEPTEMBER 2013**

Prepared in accordance with the National Securities Commission (“CNVM”) Regulation no. 4/2011 regarding accounting regulations compliant with EEC Directive IV, applicable to the entities authorised, regulated and monitored by the Financial Supervision Authority (“FSA”), approved by CNVM Order no. 13/2011 (“Romanian Accounting Regulations”)

**(This is a translation from the official Romanian version)**

**S.C. FONDUL PROPRIETATEA S.A.**  
**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2013**  
**FORM CODE 10**

(all amounts are expressed in RON, unless otherwise specified)

The format of the Financial Statements as at 30 September 2013 for the entities authorised, regulated and monitored by the Financial Supervision Authority (FSA), for the closed-end funds (AOPC) set up under articles of association

Type of financial statement: SI

County: Bucharest

Legal entity: S.C. Fondul Proprietatea S.A.

Address: Bucharest, District 1,  
78-80, Buzesti Street, 7<sup>th</sup> Floor

Telephone: 021/200 96 00, Fax: 021/200 96 31

Trade Register no.: J40/21901/2005

Ownership type: 22

Main activity:

(CAEN group): 643

CAEN class: 6430

Sole Registration Code: 18253260

A	Row	Balance	
		1 January 2013 Audited	30 September 2013 Unaudited
	B	1	2
<b>A. NON-CURRENT ASSETS</b>			
<b>I. INTANGIBLE ASSETS</b>			
3. Concessions, patents, licences, trademarks and similar rights and other intangible assets (acc. 205 + 208 - 2805 - 2808 - 2905 - 2908)	03	-	776,143
5. Advances and intangible assets in progress (acc. 233+234-2933)	05	323,413	-
<b>TOTAL: (rows. 01 to 05)</b>	<b>06</b>	<b>323,413</b>	<b>776,143</b>
<b>III. FINANCIAL ASSETS</b>			
1. Shares held in subsidiaries (acc. 261 - 2961)	12	65,404,757	63,385,565
3. Investments in associates (acc. 263 - 2963)	14	4,876,542,832	-
5. Other investments held as financial assets (acc. 262 + 264 + 265 + 266 - 2696 - 2962 - 2964)	16	6,155,793,871	10,625,373,889
<b>TOTAL: (rows 12 to 17)</b>	<b>18</b>	<b>11,097,741,460</b>	<b>10,688,759,454</b>
<b>NON-CURRENT ASSETS - TOTAL</b> (rows 06 + 11 + 18)	<b>19</b>	<b>11,098,064,873</b>	<b>10,689,535,597</b>
<b>B. CURRENT ASSETS</b>			
<b>II. RECEIVABLES</b>			
1. Trade receivables (acc. 2675 + 2676 + 2678 + 2679 - 2966 - 2969 + 4092 + 411 + 413 + 418 - 491)	24	394	8,172
4. Other receivables (acc. 425 + 4282 + 431 + 437 + 4382 + 441 + 4424 + 4428 + 444 + 445 + 446 + 447 + 4482 + 4582 + 461 + 473 - 496 + 5187)	27	3,919,151	13,116,142
<b>TOTAL: (rows 24 to 28)</b>	<b>29</b>	<b>3,919,545</b>	<b>13,124,314</b>
<b>III. SHORT TERM INVESTMENTS</b>			
2. Other short term investments (acc. 5031 + 5032 + 505 + 5061 + 5062 + 5071 + 5072 + 5081 + 5082 + 5088 + 5089 - 593 - 595 - 596 - 597 - 598 + 5113 + 5114)	31	454,732,856	482,054,945
<b>TOTAL: (rows 30 to 31)</b>	<b>32</b>	<b>454,732,856</b>	<b>482,054,945</b>

This is a translation from the official Romanian version.

	Row	Balance	
		1 January 2013 Audited	30 September 2013 Unaudited
	B	1	2
<b>IV. CASH AND BANK ACCOUNTS</b>			
(acc. 5112 + 5121 + 5122 + 5123 + 5124 + 5125 + 5311 + 5314 + 5321 + 5322 + 5323 + 5328 + 5411 + 5412 + 542)	33	317,885,969	365,371,887
<b>CURRENT ASSETS - TOTAL</b> (rows 23 + 29 + 32 + 33)	34	<b>776,538,370</b>	<b>860,551,146</b>
<b>C. PREPAID EXPENSES</b> (acc. 471)	35	27,199	92,209
<b>D. PAYABLES WITHIN ONE YEAR</b>			
3. Advance from customers (acc. 419)	38	160,000	-
4. Trade payables (acc. 401 + 404 + 408)	39	10,135,208	11,467,514
8. Other payables, including tax and social security payables (acc. 1623 + 1626 + 167 + 1687 + 2698 + 421 + 423 + 424 + 426 + 427 + 4281 + 431 + 437 + 4381 + 441 + 4423 + 4428 + 444 + 446 + 447 + 4481 + 4551 + 4558 + 456 + 457 + 4581 + 462 + 473 + 509 + 5186 + 5193 + 5194 + 5195 + 5196 + 5197)	43	10,768,970	21,317,116
<b>TOTAL: (rows 36 to 43)</b>	44	<b>21,064,178</b>	<b>32,784,630</b>
<b>E. NET CURRENT ASSETS OR NET CURRENT LIABILITIES</b> (rows 34 + 35 - 44 - 60.2)	45	<b>755,501,391</b>	<b>827,858,725</b>
<b>F. TOTAL ASSETS LESS CURRENT LIABILITIES</b> (rows 19 + 45)	46	<b>11,853,566,264</b>	<b>11,517,394,322</b>
<b>H. PROVISIONS</b>			
2. Provisions for taxes (acc. 1516)	57	16,798,226	18,222,179
3. Other provisions (acc. 1511+1512+1513+1514+1518)	58	-	11,012,867
<b>TOTAL PROVISIONS</b> (rows 56 +57 + 58)	59	<b>16,798,226</b>	<b>29,235,046</b>
<b>J. SHARE CAPITAL AND RESERVES</b>			
<b>I. SHARE CAPITAL</b> (rows 62 to 63) out of which:	61	<b>13,778,392,208</b>	<b>13,778,392,208</b>
- subscribed unpaid share capital (acc. 1011)	62	365,612,042	365,254,622
- subscribed paid in capital (acc. 1012)	63	13,412,780,166	13,413,137,586
<b>IV. RESERVES</b> (rows 68-69+70+71+72+73+74)	67	<b>(2,443,247,819)</b>	<b>(2,577,120,639)</b>
1. Legal reserves (acc. 1061)	68	158,151,474	158,151,474
2. Reserves related to impairment adjustments of financial assets (acc.1062 - <i>debit balance</i> )	69	2,738,430,054	2,881,202,578
4. Reserves for financial assets received free of charge (acc.1065)	71	16,731,205	25,630,909
7. Other reserves (acc.1068)	74	120,299,556	120,299,556
<b>TREASURY SHARES</b> (acc.109 – <i>debit balance</i> )	75	120,268,583	333,770,134
<b>V. RETAINED EARNINGS</b> (acc. 117)			
Credit balance	78	83,251,853	85,455,026
<b>VI. RESULT FOR THE YEAR</b> (acc. 121)			
Credit balance	80	566,988,651	535,202,815
<b>Profit allocation</b> (acc. 129 – <i>debit balance</i> )	82	28,348,272	-
<b>TOTAL SHAREHOLDERS' EQUITY</b> (rows 61 + 64 + 65 - 66 + 67 -75+76-77+78 -79+80-81-82)	83	<b>11,836,768,038</b>	<b>11,488,159,276</b>

This is a translation from the official Romanian version.

**S.C. FONDUL PROPRIETATEA S.A.**  
**INCOME STATEMENT**  
**AS AT 30 SEPTEMBER 2013**  
**FORM CODE 20**

(all amounts are expressed in RON, unless otherwise specified)

	Row	Period ended	
		30 September 2012 Unaudited	30 September 2013 Unaudited
A	B	1	2
<b>A. REVENUES FROM CURRENT ACTIVITY – TOTAL</b> (rows 02 to 11)	<b>01</b>	<b>861,228,006</b>	<b>924,586,980</b>
1. Revenues from financial assets (acc. 761)	02	618,971,284	619,767,993
4. Revenues from disposal of financial assets (acc.758(part)+764)	05	208,134,752	247,995,509
6. Revenues from provisions, receivables previously written off and sundry debtors (acc.754+781+786)	07	5,639,063	24,608,245
7. Revenues from foreign exchange differences (acc.765)	08	129,315	123,189
8. Interest income (acc.766)	09	24,422,824	31,110,372
10. Other income from current activity (acc. 705+706+708+741+758(part)+767+768 +7815)	11	3,930,768	981,672
<b>B. EXPENSES FROM CURRENT ACTIVITY – TOTAL</b> (rows 13 to 20)	<b>12</b>	<b>286,302,414</b>	<b>389,384,165</b>
12. Expenses from disposal of financial assets (acc. 658(part) +664)	14	195,055,419	319,098,903
13. Expenses from foreign exchange differences (acc. 665)	15	327,250	123,400
15. Commissions and fees (acc.622)	17	12,402,162	15,674,687
16. Expenses for bank services and similar expenses (acc.627)	18	58,508	65,885
17. Depreciation and amortization, provisions, losses from receivables and sundry debtors (acc. 654 + 681 + 686)	19	47,696,689	12,694,686
<b>18. Other expenses from current activity</b> (rows 21+22+23+26+27)	<b>20</b>	<b>30,762,386</b>	<b>41,726,604</b>
<b>c. Salary expenses (rows 24+25), of which:</b>	<b>23</b>	<b>547,858</b>	<b>676,255</b>
c1. Salaries (acc.621+641+642 +644)	24	441,170	554,052
c2. Social security contributions (acc. 645)	25	106,688	122,203
d. Third party expenses (acc.611+612+613+614+623+624+625+626+628+658(part)+ 667 +668)	26	30,153,250	40,734,358
e. Other taxes, duties and similar expenses (acc. 635)	27	61,278	315,991
<b>C. CURRENT RESULT</b>			
- Profit (row 01 - 12)	28	574,925,592	535,202,815
<b>19. TOTAL REVENUE (rows 01+30)</b>	<b>34</b>	<b>861,228,006</b>	<b>924,586,980</b>
<b>20. TOTAL EXPENSES (rows 12+31)</b>	<b>35</b>	<b>286,302,414</b>	<b>389,384,165</b>
<b>G. GROSS PROFIT:</b>			
- Profit (row 34 - 35)	36	574,925,592	535,202,815
<b>21. INCOME TAX EXPENSE</b>			
- Income tax expense (acc.691)	38	371,838	-
<b>H. RESULT FOR THE YEAR</b>			
- Profit (row 36-38-39)	40	574,553,754	535,202,815

This is a translation from the official Romanian version.

**S.C. FONDUL PROPRIETATEA S.A.**  
**INFORMATIVE DATA**  
**AS AT 30 SEPTEMBER 2013**  
**FORM 30**

(all amounts are expressed in RON, unless otherwise specified)

**Informative Data**

I. Data regarding the financial result	No Row	No of units 1	Amounts (RON) 2
Units that incurred profit	01	1	535,202,815
Units that incurred losses	02	-	-

IV. Interest, dividends and royalties paid during the reporting period. Subsidies collected and overdue receivables	No row	Amounts
A	B	1
Gross dividends income paid by Romanian juridical persons to non-residents, of which:	34	344,341,423
- taxes owed to the state budget	35	42,029,489
Gross services income paid by Romanian juridical persons to non-residents, of which:	45	1,419,911
- taxes owed to the state budget	46	220,067
Gross services income paid by Romanian juridical persons to non-residents in EU member states, of which:	47	1,419,911
- taxes owed to the state budget	48	220,067

This is a translation from the official Romanian version.

VIII. Other information	No row	30 September 2012	30 September 2013
A	B	1	2
<b>Advances for intangible assets (account 234)</b>	<b>64</b>	<b>161,169</b>	-
<b>Financial assets, gross values (row 67 + 76), of which:</b>	<b>66</b>	<b>13,828,686,653</b>	<b>13,577,130,042</b>
<b>Shares held in subsidiaries, investments in associates, other non-current investments and bonds, gross values (row 68 to 75), of which:</b>	<b>67</b>	<b>13,828,686,653</b>	<b>13,577,130,042</b>
- listed shares issued by residents	<b>68</b>	6,927,484,274	6,618,852,168
- unlisted shares issued by residents	<b>69</b>	6,685,559,490	6,742,634,985
- shares issued by non-residents	<b>74</b>	215,642,889	215,642,889
<b>Trade receivables, advances to suppliers and other similar accounts, gross values (account 4092 + 411 + 413 + 418), of which:</b>	<b>79</b>	<b>1,979</b>	<b>9,757</b>
- trade receivables not collected in due time (from account 4092 + from account 411 + from account 413)	<b>81</b>	1,979	9,757
<b>Receivables from social security and state budget (account 431 + 437 + 4382 + 441 + 4424 + 4428 + 444 + 445 + 446 + 447 + 4482), (row 84 to 88), of which:</b>	<b>83</b>	<b>80,464</b>	<b>475,225</b>
- receivables from social securities (account 431 + 437 + 4382)	<b>84</b>	38,305	38,305
- fiscal receivables from state budget (account 441 + 4424+ 4428 + 444 + 446)	<b>85</b>	41,868	436,920
- other receivables from state budget (account 4482)	<b>88</b>	291	-
<b>Other receivables (account 452 + 456 + 4582 + 461 + 471 + 473), of which:</b>	<b>91</b>	<b>68,568,522</b>	<b>50,315,946</b>
- settlements related to equity, settlements with shareholders related to share capital, settlement related to joint ventures (from account 452 + 456 + 4582)	<b>92</b>	4,790,234	13,828,455
- other receivables from individuals and legal entities, other than receivables from public institutions, (from account 461 + from account 471 + from account 473)	<b>93</b>	63,778,288	36,487,491
Interest receivable (account 5187), of which	<b>95</b>	2,630,679	624,228
- from non-residents	<b>96</b>	-	-
<b>Short term investments, in gross amounts (account 501 + 503+ 505 + 506 + 507+ from the account 508) (row 99 to 107), of which:</b>	<b>98</b>	<b>262,932,640</b>	<b>482,054,945</b>
- treasury bonds issued by residents	<b>102</b>	262,932,640	482,054,945
<b>Petty cash in RON and currency (row 110 + 111), of which:</b>	<b>109</b>	<b>2,606</b>	<b>829</b>
- in RON (account 5311)	<b>110</b>	2,606	829
<b>Bank accounts, in RON and currency (row 113 + 115), of which:</b>	<b>112</b>	<b>508,712,295</b>	<b>365,371,058</b>
- in RON (account 5121), of which:	<b>113</b>	508,706,793	365,370,370
Bank accounts in RON opened with non-residents banks	<b>114</b>	-	-
- in currency (account 5124), of which:	<b>115</b>	5,502	688
Bank accounts in currency opened with non-residents banks	<b>116</b>	-	-

This is a translation from the official Romanian version.



VIII. Other information	No row	30 September 2012	30 September 2013
A		1	2
<b>Liabilities ( row 121 + 124 + 127 + 130 + 133 + 136 + 139 + 142 + 145 + 148 + 151 + 152 + 156 + 158 + 159 + 164 + 165 + 166 + 172 ), of which:</b>	<b>120</b>	<b>26,686,118</b>	<b>32,784,630</b>
<b>Trade payables, advances from clients and other similar accounts, gross values (account 401 + 403 + 404 + 405 + 408 + 419), of which:</b>	<b>156</b>	<b>8,780,062</b>	<b>11,467,514</b>
- external trade payables, advances from foreign clients and other similar accounts, gross values (from account 401 + from account 403 + from account 404 + from account 405 + from account 408 + from account 419)	<b>157</b>	-	-
<b>Liabilities to employees and similar accounts (account 421 + 423 + 424 + 426 + 427 + 4281)</b>	<b>158</b>	31,750	54,635
<b>Liabilities to social security and state budget (account 431 + 437 + 4381 + 441 + 4423 + 4428 + 444 + 446 + 447 + 4481), (row 160 to 163), of which:</b>	<b>159</b>	<b>1,809,666</b>	<b>1,593,913</b>
- liabilities to social securities (account 431 + 437 + 4381)	<b>160</b>	29,715	25,420
- fiscal liabilities to state budget (account 441 + 4423+ 4428 + 444 + 446)	<b>161</b>	1,779,951	1,568,493
<b>Other liabilities (account 452 + 456 +457 + 4581+ 462 + 472 + 473 + 478 + 269 + 509),</b>	<b>166</b>	<b>16,064,640</b>	<b>19,668,568</b>
- settlements related to equity, settlements with shareholders related to share capital, settlement related to joint ventures (from account 452 + 456 + 457 + 4581)	<b>167</b>	16,064,640	19,668,568
<b>Subscribed paid in share capital (account 1012), of which:</b>	<b>174</b>	<b>13,412,780,166</b>	<b>13,413,137,586</b>
- listed shares	<b>175</b>	13,412,780,166	13,413,137,586
<b>Subscribed paid in share capital (account 1012) (row 180 + 183 + 187 to 189)</b>	<b>179</b>	<b>13,412,780,166</b>	<b>13,413,137,586</b>
<b>- share capital owned by public institutions, of which:</b>	<b>180</b>	<b>795,803</b>	<b>3,253,221</b>
- public institution with Central subordination	<b>181</b>	795,803	3,253,221
- owned by companies with private capital	<b>187</b>	8,233,982,663	9,267,965,218
- owned by individuals	<b>188</b>	4,855,765,325	3,836,367,392
- owned by other entities	<b>189</b>	322,236,375	305,551,755
<b>Brevets and licences (from account 205)</b>	<b>190</b>	<b>5,139</b>	<b>5,139</b>

This is a translation from the official Romanian version.

<b>XI. Dividends of entities with state capital paid during the reporting period</b>	<b>No row</b>	<b>30 September 2012</b>	<b>30 September 2013</b>
<b>A</b>	<b>B</b>	<b>1</b>	<b>2</b>
<b>Dividends of entities with state capital paid during the reporting period, of which:</b>	<b>195</b>	<b>18,469</b>	<b>124,843</b>
<b>Dividends related to previous financial year-end, paid to public institutions during the reporting period, of which:</b>	<b>196</b>	<b>18,469</b>	<b>124,843</b>
-to public institutions with Central subordination	<b>197</b>	18,469	124,843

Franklin Templeton Investment Management Limited United Kingdom, Bucharest Branch acting in the capacity of Sole Director of S.C. Fondul Proprietatea S.A.

Oana Truța  
Legal Representative

Prepared by  
Mihaela Moleavin  
Financial Reporting Manager

## Annex 2 STATEMENT OF ASSETS AND OBLIGATIONS AS AT 30 SEPTEMBER 2013 PREPARED IN ACCORDANCE WITH CNVM REGULATION NO. 4/2010 (ANNEX NO. 4)

Item	31 December 2012				30 September 2013				Differences Lei
	% of the net asset	% of the total asset	Currency	Lei	% of the net asset	% of the total asset	Currency	Lei	
<b>I. Total assets</b>	<b>100.2527%</b>	<b>100.0000%</b>		<b>15,017,064,409.30</b>	<b>100.4157%</b>	<b>100.0000%</b>		<b>14,982,134,676.02</b>	<b>(34,929,733.28)</b>
1 Securities and money market instruments, out of which:	40.8826%	40.7796%	-	6,123,898,146.23	40.7003%	40.5320%	-	6,072,529,907.29	(51,368,238.94)
1.1 securities and money market instruments admitted or traded on a regulated market from Romania, out of which:	39.8068%	39.7065%	-	5,962,749,939.79	39.8058%	39.6412%	-	5,939,065,370.84	(23,684,568.95)
1.1.1 listed shares traded in the last trading 30 days	39.5731%	39.4733%	-	5,927,734,779.24	39.4015%	39.2384%	-	5,878,739,612.92	(48,995,166.32)
1.1.2 listed shares not traded in the last trading 30 days	0.2337%	0.2332%	-	35,015,160.55	0.0808%	0.0806%	-	12,058,985.82	(22,956,174.73)
1.1.3 Government bonds	-	-	-	-	0.3235%	0.3222%	-	48,266,772.10	48,266,772.10
1.2 securities and money market instruments admitted or traded on a regulated market from a member state, out of which:	1.0758%	1.0731%	EUR36,387,261.12	161,148,206.44	0.8945%	0.8908%	EUR 29,922,100.36	133,464,536.45	(27,683,669.99)
1.2.1 listed shares traded in the last trading 30 days	1.0758%	1.0731%	EUR36,387,261.12	161,148,206.44	0.8945%	0.8908%	EUR 29,922,100.36	133,464,536.45	(27,683,669.99)
1.2.2 listed shares not traded in the last trading 30 days	-	-	-	-	-	-	-	-	-
1.3 securities and money market instruments admitted on a stock exchange from a state not a member or negotiates on another regulated market from a state not a member, that operates on a regular basis and is recognized and opened to the public, approved by the Financial Supervisory Authority ("FSA")	-	-	-	-	-	-	-	-	-
2 New issued securities	-	-	-	-	-	-	-	-	-
3 Other securities and money market instruments mentioned at art. 187 letter a) of the Regulation no.15/2004, out of which:	54.1836%	54.0470%	-	8,116,277,279.82	54.2654%	54.0407%	-	8,096,452,042.63	(19,825,237.19)
- shares not admitted at trading	54.1836%	54.0470%	-	8,116,277,279.82	54.0603%	53.8365%	-	8,065,851,861.83	(50,425,417.99)
- allotment rights not admitted at trading	-	-	-	-	0.2051%	0.2042%	-	30,600,180.80	30,600,180.80
4 Bank deposits, out of which:	2.1183%	2.1130%	-	317,309,451.54	2.4375%	2.4272%	-	363,669,231.90	46,359,780.36
4.1 bank deposits made with credit institutions from Romania	2.1183%	2.1130%	-	317,309,451.54	2.4375%	2.4272%	-	363,669,231.90	46,359,780.36
- in lei	-	-	-	-	2.4375%	2.4272%	-	363,668,683.63	363,668,683.63
- in euro	-	-	-	-	-	-	EUR 122.92	548.27	548.27
4.2 bank deposits made with credit institutions from an EU state	-	-	-	-	-	-	-	-	-
4.3 bank deposits made with credit institutions from a non-EU state	-	-	-	-	-	-	-	-	-
5 Derivatives financial instruments traded on a regulated market	-	-	-	-	-	-	-	-	-
6 Current accounts and petty cash out of which:	0.0124%	0.0124%	-	1,857,627.12	0.0156%	0.0155%	-	2,326,882.88	469,255.76
- in lei	0.0124%	0.0124%	-	1,851,973.75	0.0156%	0.0155%	-	2,326,742.85	474,769.10
- in euro	-	-	EUR 1,276.53	5,653.37	-	-	EUR 3.00	13.38	(5,639.99)
- in USD	-	-	-	-	-	-	USD 38.32	126.65	126.65
- in GBP	-	-	-	-	-	-	-	-	-
7 Money market instruments, others than those traded on a regulated market, according to art. 101 par. (1) letter g) of Law no. 297/2004 regarding the capital market, with subsequent additions and amendments, out of which:	3.0358%	3.0281%	-	454,732,856.81	2.9073%	2.8954%	-	433,788,173.22	(20,944,683.59)
- Treasury bills with original maturities of less than 1 year	3.0358%	3.0281%	-	454,732,856.81	2.9073%	2.8954%	-	433,788,173.22	(20,944,683.59)
8 Participation titles of UCITS and/or of OCII (A.O.P.C./ O.P.C.V.M.)	-	-	-	-	-	-	-	-	-
9 Other assets out of which:	0.0200%	0.0199%	-	2,989,047.78	0.0896%	0.0892%	-	13,368,438.10	10,379,390.32
- net dividend receivable from Romanian companies	0.0053%	0.0053%	-	799,994.00	0.0726%	0.0723%	-	10,829,825.33	10,029,831.33
- dividend withholding tax to be recovered from Austrian Tax Authorities	0.0054%	0.0054%	EUR 181,517.91	803,888.37	0.0069%	0.0069%	EUR 231,495.58	1,032,562.89	228,674.52
- tax on dividends to be recovered from the State Budget	0.0013%	0.0013%	-	198,044.00	-	-	-	-	(198,044.00)
- tax on profit to be recovered from the State Budget	0.0029%	0.0029%	-	436,920.00	0.0029%	0.0029%	-	436,920.00	-
- receivables from penalties levied for late payment of dividends	0.0024%	0.0024%	-	360,106.88	0.0010%	0.0010%	-	153,522.72	(206,584.16)
- intangible assets	-	-	-	-	0.0053%	0.0052%	-	776,143.07	776,143.07
- other debts	0.0003%	0.0003%	-	39,482.51	0.0003%	0.0003%	-	47,255.27	7,772.76
- advance payments intangible assets	0.0022%	0.0022%	-	323,413.45	-	-	-	-	(323,413.45)
- prepaid expenses	0.0002%	0.0002%	-	27,198.57	0.0006%	0.0006%	-	92,208.82	65,010.25
<b>II. Total liabilities</b>	<b>0.2528%</b>	<b>0.2521%</b>		<b>37,862,403.66</b>	<b>0.4157%</b>	<b>0.4140%</b>		<b>62,019,675.07</b>	<b>24,157,271.41</b>
1 Liabilities in relation with the payments of fees due to the investment management company (S.A.I.)	0.0592%	0.0590%	-	8,862,463.06	0.0758%	0.0755%	-	11,314,945.17	2,452,482.11
2 Liabilities related to the fees payable to the depositary bank	0.0010%	0.0010%	-	144,251.80	0.0010%	0.0010%	-	144,890.85	639.05
3 Liabilities related to the fees payable to intermediaries	-	-	-	-	-	-	-	-	-
4 Liabilities related to commissions and other bank services	-	-	-	-	-	-	-	-	-
5 Interest payable	-	-	-	-	-	-	-	-	-
6 Issuance expense	-	-	-	-	-	-	-	-	-
7 Liabilities in relation with the fees/commissions to FSA	0.0082%	0.0082%	-	1,230,482.00	0.0085%	0.0084%	-	1,265,396.90	34,914.90
8 Audit fees	-	-	-	-	-	-	-	-	-
9 Other Liabilities, out of which:	0.1844%	0.1840%	-	27,625,206.80	0.3304%	0.3291%	-	49,294,442.15	21,669,235.35
- payable dividends	0.0633%	0.0631%	-	9,481,720.07	0.1318%	0.1313%	-	19,668,567.86	10,186,847.79
- tax on dividends	-	-	-	-	0.0020%	0.0020%	-	292,691.00	292,691.00
- provisions for risks and expenses	0.1121%	0.1119%	-	16,798,225.40	0.1959%	0.1951%	-	29,235,044.80	12,436,819.40
- salaries and related contributions	0.0004%	0.0004%	-	56,768.00	0.0006%	0.0006%	-	90,460.00	33,692.00
- other liabilities out of which:	0.0086%	0.0086%	-	1,288,493.33	0.0001%	0.0001%	-	7,678.49	(1,280,814.84)
- in lei	0.0071%	0.0071%	-	1,065,905.54	0.0001%	0.0001%	-	7,678.49	(1,058,227.05)
- in euro	0.0015%	0.0015%	EUR 50,260.30	222,587.79	-	-	-	-	(222,587.79)
- in USD	-	-	-	-	-	-	-	-	-
<b>III. Net Asset Value (I - II)</b>	<b>100.0000%</b>	<b>99.7479%</b>		<b>14,979,202,005.64</b>	<b>100.0000%</b>	<b>99.5860%</b>		<b>14,920,115,000.95</b>	<b>(59,087,004.69)</b>

## Unitary Net Asset Value

Item	30 September 2013	31 December 2012	Differences
Net Asset Value	14,920,115,000.95	14,979,202,005.64	(59,087,004.69)
Number of outstanding shares	12,850,802,085	13,172,475,365	(321,673,280)
Unitary net asset value	1.1610	1.1371	0.0239

## DETAILED STATEMENT OF INVESTMENTS AS AT 30 SEPTEMBER 2013

Securities admitted or traded on a regulated market in Romania, out of which:

## 1.1 listed shares traded in the last 30 trading days

Issuer	Symbol	Date of the last trading session	No. of shares held	Nominal value	Share value	Total value	Stake in the issuer's capital	Stake in Fondul Proprietatea total asset	Stake in Fondul Proprietatea net asset	Evaluation method
Alcom SA	ALCQ	27/Sep/2013	89,249	2.5	51.0000	4,551,699.00	71.89%	0.0304%	0.0305%	Closing price
Alro Slatina SA	ALR	30/Sep/2013	72,884,714	0.5	1.5000	109,327,071.00	10.21%	0.7297%	0.7327%	Closing price
Banca Transilvania SA	TLV	30/Sep/2013	64,723,219	1	1.4350	92,877,819.27	2.93%	0.6199%	0.6225%	Closing price
BRD-Groupe Societe Generale SA	BRD	30/Sep/2013	25,387,456	1	9.0000	228,487,104.00	3.64%	1.5251%	1.5314%	Closing price
Conpet SA	COTE	30/Sep/2013	2,571,461	3.3	44.0000	113,144,284.00	29.70%	0.7552%	0.7583%	Closing price
IOR SA	IORB	30/Sep/2013	2,622,273	0.1	0.3300	865,350.09	2.81%	0.0058%	0.0058%	Closing price
Mecon SA	MECP	9/Sep/2013	60,054	11.6	2.4100	144,730.14	12.51%	0.0010%	0.0010%	Closing price
Oil Terminal SA	OIL	30/Sep/2013	49,216,526	0.1	0.1300	6,398,148.38	8.45%	0.0427%	0.0429%	Closing price
OMV Petrom SA	SNP	30/Sep/2013	10,758,648,186	0.1	0.4480	4,819,874,387.33	18.99%	32.1708%	32.3045%	Closing price
Primcom SA	PRIB	27/Sep/2013	1,561,981	2.5	10.0100	15,635,429.81	75.48%	0.1044%	0.1048%	Closing price
Romaero SA	RORX	24/Sep/2013	1,311,691	2.5	15.0000	19,675,365.00	20.99%	0.1313%	0.1319%	Closing price
Severnava SA	SEVE	30/Sep/2013	1,971,566	2.5	1.1100	2,188,438.26	39.10%	0.0146%	0.0147%	Closing price
Transelectrica SA	TEL	27/Sep/2013	9,895,212	10	13.7200	135,762,308.64	13.49%	0.9062%	0.9099%	Closing price
Transgaz SA	TGN	30/Sep/2013	1,764,620	10	186.9000	329,807,478.00	14.98%	2.2013%	2.2105%	Closing price
<b>Total</b>						<b>5,878,739,612.92</b>		<b>39.2384%</b>	<b>39.4015%</b>	

## 1.2 listed shares but not traded in the last 30 trading days

Issuer	Symbol	Date of the last trading session	No. of shares held	Nominal value	Share value	Total value	Stake in the issuer's capital	Stake in Fondul Proprietatea total asset	Stake in Fondul Proprietatea net asset	Evaluation method
Comercial Cluj SA	COCL	6/Aug/2010	256,116	2.5	4.0115	1,027,409.33	11.36%	0.0069%	0.0069%	Shareholders equity/share
Forsev SA	FORS	26/Nov/2009	954,376	2.5	7.5835	7,237,510.40	28.14%	0.0483%	0.0485%	Shareholders equity/share
Palace SA	PACY	22/Apr/2013	5,832,482	0.1	0.3484	2,032,036.73	15.42%	0.0136%	0.0136%	Shareholders equity/share
Resib SA	RESI	3/Jun/2004	894,600	0.10	0.0000	0.00	2.87%	0.0000%	0.0000%	Priced at zero (negative equity)
Romplumb SA	ROMR	5/Oct/2001	1,595,520	2.5	0.0000	0.00	33.26%	0.0000%	0.0000%	Priced at zero (company in insolvency)
Telerom Proiect INPPT SA	TEBV	2/Aug/2013	673,862	0.11	0.0000	0.00	68.63%	0.0000%	0.0000%	Priced at zero (negative equity)
Transilvania-Com SA	TRVC	15/Aug/2007	77,234	2.5	21.4470	1,656,437.60	39.99%	0.0111%	0.0111%	Shareholders equity/share
Turdapan SA	TUSB	29/Dec/2010	155,855	2.5	0.6775	105,591.76	44.06%	0.0007%	0.0007%	Shareholders equity/share
<b>Total</b>						<b>12,058,985.82</b>		<b>0.0806%</b>	<b>0.0808%</b>	

Securities admitted or traded on a regulated market from a member state:

Issuer	Symbol	Date of the last trading session	No. of shares held	Nominal value *	Share value	Total value in Euro	Total value in LEI	Stake in the issuer's capital	Stake in Fondul Proprietatea total asset	Stake in Fondul Proprietatea net asset	Evaluation method
ERSTE GROUP BANK AG	EBS	30/Sep/2013	397,020	EUR 33.8010	EUR 23.3600	9,274,387.20	41,367,476.67	0.10%	0.2761%	0.2773%	Closing price
RAIFFEISEN BANK INTERNATIONAL AG	RBI	30/Sep/2013	853,564	EUR 49.9670	EUR 24.1900	20,647,713.16	92,097,059.78	0.43%	0.6147%	0.6173%	Closing price
<b>Total</b>						<b>29,922,100.36</b>	<b>133,464,536.45</b>		<b>0.8908%</b>	<b>0.8945%</b>	

\* = shareholders equity / share as at 30 September 2013

## Instruments mentioned at art. 187 letter a) of the Regulation no.15/2004 (unlisted shares)

## a) Unlisted shares

Issuer	No. of shares held	Date of acquisition *	Acquisition price (total price of acquisition of shares)	Share value	Total value	Stake in the issuer's capital	Stake in Fondul Proprietatea total asset	Stake in Fondul Proprietatea net asset	Company status	Evaluation method
Aeroportul International Mihail Kogalniceanu - Constanta SA	23,159	19/Jul/2005	1,490,898	203.2355	4,706,730.94	20.00%	0.0314%	0.0315%	Unlisted companies, in function	Shareholders equity/share
Aeroportul International Timisoara - Traian Vuia SA	32,016	19/Jul/2005	2,652,588	193.9870	6,210,687.79	20.00%	0.0415%	0.0416%	Unlisted companies, in function	Fair value / share (Shareholders' equity adjusted with dividends declared/ share)
Celuloza si Otel SA (former Remat Timis)	3,814	19/Jul/2005	230,675	287.8975	1,098,041.07	8.62%	0.0073%	0.0074%	Unlisted companies, in function	Shareholders equity/share
Cetatea SA	354,468	19/Jul/2005	118,840	1.0859	384,916.80	20.43%	0.0026%	0.0026%	Unlisted companies, in function	Shareholders equity/share
Ciocarla SA	5,298	19/Jul/2005	37,125	70.6207	374,148.47	1.68%	0.0025%	0.0025%	Unlisted companies, in function	Fair value / share (Shareholders' equity adjusted with dividends declared/ share)
CN Administratia Porturilor Dunarii Fluviale SA	27,554	19/Jul/2005	675,810	128.4952	3,540,556.74	20.00%	0.0236%	0.0237%	Unlisted companies, in function	Fair value / share (Shareholders' equity adjusted with dividends declared/ share)
CN Administratia Canalelor Navigabile SA	203,160	19/Jul/2005	15,194,209	79.8313	16,218,526.91	20.00%	0.1083%	0.1087%	Unlisted companies, in function	Fair value / share (Shareholders' equity adjusted with dividends declared/ share)
CN Administratia Porturilor Dunarii Maritime SA	21,237	19/Jul/2005	1,351,671	0.0000	0.00	20.00%	0.0000%	0.0000%	Unlisted companies, in function	Fair value/share: NIL
CN Administratia Porturilor Maritime SA	2,651,113	19/Jul/2005	65,441,294	25.0479	66,404,813.31	19.99%	0.4432%	0.4451%	Unlisted companies, in function	Fair value / share (Shareholders' equity adjusted with dividends declared/ share)
CN Aeroporturi Bucuresti SA **	2,875,443	5/Feb/2010	131,168,263	94.5941	271,999,942.69	20.00%	1.8155%	1.8230%	Unlisted companies, in function	Fair value / share (Value as per independent valuator's report)
Complexul Energetic Oltenia SA****	27,361,036	31/May/2012	670,084,812	32.1625	879,999,320.35	21.53%	5.8737%	5.8981%	Unlisted companies, in function	Fair value / share (Value as per independent valuator's report)
Comsig SA	75,655	19/Jul/2005	132,633	21.5321	1,629,011.03	69.94%	0.0109%	0.0109%	Unlisted companies, in function	Shareholders equity/share
E.ON Gaz Distributie SA	13,557,204	19/Jul/2005	38,468,154	13.0319	176,676,126.81	12.00%	1.1792%	1.1841%	Unlisted companies, in function	Shareholders equity/share
E.ON Energie Romania SA	9,903,524	19/Jul/2005	45,765,358	6.5765	65,130,525.59	13.39%	0.4347%	0.4365%	Unlisted companies, in function	Shareholders equity/share
E.ON Moldova Distributie SA	10,994,457	19/Jul/2005	131,073,011	29.4694	324,000,051.12	22.00%	2.1626%	2.1716%	Unlisted companies, in function	Fair value / share (Value as per independent valuator's report)
Electrica Distributie Muntenia Nord SA	7,796,022	19/Jul/2005	165,221,141	35.6443	277,883,746.97	21.99%	1.8548%	1.8625%	Unlisted companies, in function	Fair value / share (Shareholders' equity adjusted with dividends declared/ share)
Electrica Distributie Transilvania Nord SA	8,167,813	19/Jul/2005	113,299,904	24.5689	200,674,180.82	22.00%	1.3394%	1.3450%	Unlisted companies, in function	Shareholders equity/share
Electrica Distributie Transilvania Sud SA	9,327,282	19/Jul/2005	125,918,629	22.8032	212,691,876.90	21.99%	1.4196%	1.4255%	Unlisted companies, in function	Shareholders equity/share
Electroconstructia Elco Cluj SA	322,530	19/Jul/2005	319,656	1.6925	545,882.03	7.61%	0.0036%	0.0037%	Unlisted companies, in function	Shareholders equity/share
ENEL Distributie Banat SA	9,220,644	19/Jul/2005	141,578,929	52.6866	485,804,382.17	24.12%	3.2426%	3.2560%	Unlisted companies, in function	Shareholders equity/share
ENEL Distributie Dobrogea SA	6,753,127	19/Jul/2005	114,760,053	48.0081	324,204,796.33	24.09%	2.1639%	2.1729%	Unlisted companies, in function	Shareholders equity/share
Enel Distributie Muntenia SA	3,256,396	19/Jul/2005	107,277,263	133.3407	434,210,122.12	12.00%	2.8982%	2.9102%	Unlisted companies, in function	Shareholders equity/share
Enel Energie Muntenia SA	444,054	19/Jul/2005	2,833,769	103.3027	45,871,977.15	12.00%	0.3062%	0.3075%	Unlisted companies, in function	Shareholders equity/share
ENEL Energie SA	1,680,000	19/Jul/2005	26,124,808	32.3173	54,293,064.00	12.00%	0.3624%	0.3639%	Unlisted companies, in function	Shareholders equity/share
GDF Suez Energie Romania	2,381,863	19/Jul/2005	62,522,462	145.3435	346,188,304.94	12.00%	2.3107%	2.3203%	Unlisted companies, in function	Fair value / share (Shareholders' equity as per IFRS separate financial statements adjusted with dividends declared/ share)
Hydroelectrica SA	89,261,778	19/Jul/2005	3,106,503,426	22.4172	2,000,999,129.78	19.94%	13.3559%	13.4114%	Unlisted companies, in function	Fair value / share (Value as per independent valuator's report)
Nuclearelectrica SA	24,676,222	19/Jul/2005	967,926,936	11.2000	276,373,686.40	9.72%	1.8447%	1.8524%	Unlisted companies, in function	Fair value / share (Acquisition price of shares subscribed)
Plafar SA	132,784	28/Jun/2007	3,160,329	36.0686	4,789,332.98	48.99%	0.0320%	0.0321%	Unlisted companies, in function	Shareholders equity/share
Posta Romana SA	14,871,947	19/Jul/2005	84,664,380	5.4345	80,821,595.97	25.00%	0.5395%	0.5417%	Unlisted companies, in function	Fair value / share (Value as per independent valuator's report)
Romgaz SA	5,778,596	19/Jul/2005	416,658,864	231.4829	1,337,646,160.01	14.99%	8.9283%	8.9654%	Unlisted companies, in function	Fair value / share (Shareholders' equity adjusted with dividends declared/ share)
Salubrivers SA	43,263	19/Jul/2005	207,601	248.6356	10,756,721.96	17.48%	0.0718%	0.0721%	Unlisted companies, in function	Shareholders equity/share
Societatea Nationala a Sarii SA	2,005,884	28/Jun/2007	76,347,715	53.0187	106,349,362.03	48.99%	0.7098%	0.7128%	Unlisted companies, in function	Fair value (Shareholder equity adjusted with dividends declared/share)
World Trade Hotel SA	17,912	19/Jul/2005	17,912	0.8335	14,929.65	19.90%	0.0001%	0.0001%	Unlisted companies, in function	Shareholders equity/share
Zirom SA	4,735,921	28/Jun/2007	47,146,452	10.0000	47,359,210.00	100.00%	0.3161%	0.3174%	Unlisted companies, in function	Fair value / share (Subscription price)
Electrica Furnizare SA ***	1,366,412	22/Jul/2011	17,819,672	-	-	22.00%	-	-	Unlisted companies, in function	Fair value/share: NIL
BAT Service SA	194,022	19/Jul/2005	656,686	-	-	33.00%	-	-	Dissolution	Priced at zero
Carbid Fox SA	10,191,630	19/Jul/2005	927,357	-	-	7.96%	-	-	Bankruptcy	Priced at zero
FECNE SA	778,442	19/Jul/2005	0	-	-	12.12%	-	-	Bankruptcy	Priced at zero
Gerovital Cosmetics SA	1,350,988	19/Jul/2005	340,996	-	-	9.76%	-	-	Dissolution	Priced at zero
Petrotel - Lukoil SA	2,152,291	19/Jul/2005	2,787,316	-	-	1.78%	-	-	Unlisted companies, in function	Priced at zero (negative equity)
Simtex SA	132,859	28/Jun/2007	3,059,858	-	-	30.00%	-	-	Bankruptcy	Priced at zero
World Trade Center Bucuresti SA	198,860	19/Jul/2005	42,459	-	-	19.90%	-	-	Insolvency	Priced at zero
<b>Total</b>			<b>6,692,009,914</b>		<b>8,065,851,861.83</b>		<b>53.8365%</b>	<b>54.0603%</b>		

**Legend:**

\* = where the date of acquisition is shown as earlier than Fondul Proprietatea's date of incorporation (28 December 2005), the date of acquisition refers to the date of publishing in the Official Gazette of Law no. 247 / 19 July 2005, which determined that these investments would be transferred to Fondul Proprietatea on its future incorporation.

\*\* = company formed as a result of the merger between CN "Aeroportul International Henri Coanda - Bucuresti" S.A. and S.N. "Aeroportul International Bucuresti Banasa - Aurel Vlaicu" S.A.

\*\*\* = company formed as a result of the merger between S.C. Electrica Furnizare Transilvania Nord S.A., S.C. Electrica Furnizare Transilvania Sud S.A. and S.C. Electrica Furnizare Muntenia Nord S.A.

\*\*\*\* = company formed as a result of the merger between S.C. Complexul Energetic Turceni S.A., S.C. Complexul Energetic Craiova S.A., S.C. Complexul Energetic Rovinari S.A., Societatea Nationala a Lignitului Oltenia S.A.

Note: Uzina Mecanica Bucuresti SA was not included in Fondul Proprietatea's portfolio because Ministry of Public Finance actually did not transfer to the Fund the holding in this company.

## S.C. FONDUL PROPRIETATEA S.A.

### b) Allotment rights (before the admission at trading)

Issuer	Symbol	Date of acquisition	No. of allotment rights	Allotment right price	Total value	Stake in Fondul Proprietatea total asset	Stake in Fondul Proprietatea net asset	Evaluation method
Nuclearelectrica S.A.	SNNR01	25/Sep/2013	2,732,159	11.20	30,600,180.80	0.2042%	0.2051%	Fair value / share (Acquisition price of shares subscribed)

### Bonds or other debt instruments issued or guaranteed by the state or central public administration authorities

#### Treasury bills with discount

Series and number of the bond	No of bonds	Date of acquisition	Maturity date	Initial value	Daily interest	Cumulative interest	Current value	Stake in Fondul Proprietatea total asset	Stake in Fondul Proprietatea net asset	Intermediary Bank	Evaluation method
RO1213CTN0P5	4,245	7/Nov/2012	6/Nov/2013	39,991,975.20	6,752.82	2,214,923.45	42,206,898.65	0.2817%	0.2829%	ING Bank	Acquisition price cumulated with the related interest since the acquisition date
RO1213CTN0P5	1,139	4/Feb/2013	6/Nov/2013	10,918,749.80	1,713.64	409,559.26	11,328,309.06	0.0756%	0.0759%	BRD Groupe Societe Generale	
RO1213CTN0R1	2,000	5/Dec/2012	4/Dec/2013	18,805,520.00	3,281.54	984,461.54	19,789,981.54	0.1321%	0.1326%	RBS Bank	
RO1314CTN029	2,215	17/Jan/2013	15/Jan/2014	20,996,172.83	3,178.59	816,896.92	21,813,069.75	0.1456%	0.1462%	Raiffeisen Bank	
RO1314CTN029	2,500	27/Jun/2013	15/Jan/2014	24,377,625.75	3,081.06	295,781.82	24,673,407.57	0.1647%	0.1654%	Raiffeisen Bank	
RO1314CTN045	5,278	6/Feb/2013	5/Feb/2014	49,996,224.46	7,647.74	1,812,513.20	51,808,737.66	0.3458%	0.3472%	ING Bank	
RO1314CTN060	2,300	3/Apr/2013	12/Mar/2014	21,988,411.01	2,992.87	526,744.56	22,515,155.57	0.1503%	0.1509%	RBS Bank	
RO1314CTN060	4,500	27/Jun/2013	12/Mar/2014	43,639,537.49	5,273.11	506,218.61	44,145,756.10	0.2947%	0.2959%	CITI Bank	
RO1313CTN088	1,105	18/Jun/2013	27/Nov/2013	10,842,634.61	1,280.03	134,403.49	10,977,038.10	0.0733%	0.0736%	Raiffeisen Bank	
RO1313CTN088	3,776	18/Jun/2013	27/Nov/2013	37,051,392.13	4,374.12	459,282.88	37,510,675.01	0.2504%	0.2514%	Raiffeisen Bank	
RO1313CTN088	5,100	14/Jun/2013	27/Nov/2013	50,008,443.69	5,973.23	651,082.16	50,659,525.85	0.3381%	0.3395%	Raiffeisen Bank	
RO1213CTN0Q3	1,249	30/Jul/2013	13/Nov/2013	12,341,016.53	1,405.50	88,546.78	12,429,563.31	0.0830%	0.0833%	ING Bank	
RO1314CTN060	3,200	2/Jul/2013	12/Mar/2014	31,050,752.64	3,751.97	341,428.89	31,392,181.53	0.2095%	0.2104%	CITI Bank	
RO1314CTN0A5	2,153	15/Jul/2013	15/Jan/2014	21,077,870.00	2,484.23	188,801.54	21,266,671.54	0.1419%	0.1425%	ING Bank	
RO1314CTN0A5	3,165	17/Jul/2013	15/Jan/2014	30,999,610.94	3,573.57	271,591.04	31,271,201.98	0.2087%	0.2096%	ING Bank	
<b>Total</b>							<b>433,788,173.22</b>	<b>2.8954%</b>	<b>2.9073%</b>		

#### Government bonds

Issuer	ISIN code	Date of the last trading session	No. of bonds	Date of acquisition	Coupon date	Due Date	Initial Value	Daily interest	Cumulated interest	Cumulated discount	Market price	Current value	stake in FP total assets	Stake in FP net asset	Evaluation method
Ministry of Finance	RO1214DBN027	26-sept-2013	4,647	14-aug-2013	23-apr-2013	23-apr-2014	47,136,419	7,575.25	1,219,614.70	-	10,124.20	48,266,772.10	0.3222%	0.3235%	Closing price (Gross price)
<b>Total</b>												<b>48,266,772.10</b>	<b>0.3222%</b>	<b>0.3235%</b>	

#### Term deposits

Name of the bank	Starting date	Maturity date	Initial value	Daily interest	Cumulative interest	Current value	Stake in Fondul Proprietatea total asset	Stake in Fondul Proprietatea net asset	Evaluation method
Banca Comerciala Romana	26/Jul/2013	1/Oct/2013	RON 18,000,000.00	RON 1,950.00	RON 130,650.00	RON 18,130,650.00	0.1210%	0.1215%	Term deposit value cumulated with the related interest
ING Bank	26/Sep/2013	4/Oct/2013	RON 35,300,000.00	RON 2,206.25	RON 11,031.25	RON 35,311,031.25	0.2357%	0.2367%	
Banca Comerciala Romana	20/Sep/2013	5/Nov/2013	RON 185,000,000.00	RON 14,131.94	RON 155,451.39	RON 185,155,451.39	1.2358%	1.2410%	
CITI Bank	30/Sep/2013	2/Oct/2013	RON 29,700,000.00	RON 2,062.50	RON 2,062.50	RON 29,702,062.50	0.1982%	0.1991%	
BRD Groupe Societe Generale	30/Sep/2013	7/Oct/2013	RON 29,700,000.00	RON 2,351.25	RON 2,351.25	RON 29,702,351.25	0.1983%	0.1991%	
Unicredit Tiriac Bank	25/Jul/2013	25/Oct/2013	RON 40,000,000.00	RON 4,722.22	RON 321,111.11	RON 40,321,111.11	0.2691%	0.2702%	
ING Bank	30/Sep/2013	1/Oct/2013	RON 9,983,981.78	RON 166.40	RON 166.40	RON 9,984,148.18	0.0666%	0.0669%	
ING Bank	30/Sep/2013	1/Oct/2013	EUR 122.92	EUR -	EUR -	RON 548.27	0.0000%	0.0000%	
BRD Groupe Societe Generale	30/Sep/2013	1/Oct/2013	RON 15,360,474.17	RON 1,403.78	RON 1,403.78	RON 15,361,877.95	0.1025%	0.1030%	
<b>TOTAL</b>						<b>363,669,231.90</b>	<b>2.4272%</b>	<b>2.4375%</b>	

#### Evolution of the net asset and the net asset unitary value in the last 3 years

	Year T-2/ 31 Dec 2011	Year T-1 / 31 Dec 2012	Year T/ 30 Sep 2013
Net Asset	14,465,379,292.28	14,979,202,005.64	14,920,115,000.95
NAV/share	1.0788	1.1371	1.1610

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

ING Bank N.V. Amsterdam – Bucharest Branch

Oana Truța  
Legal representative

Marius Nechifor  
Compliance Officer

Cristina Bulata  
Director Settlements & Trade Commercial Banking

Mihaela Savu  
Economist

## Annex 3

**S.C. FONDUL PROPRIETATEA S.A.**

**CONDENSED SEPARATE FINANCIAL STATEMENTS  
FOR THE NINE MONTH PERIOD ENDED  
30 SEPTEMBER 2013**

## Contents

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**CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2013**  
**(all amounts are in RON unless otherwise stated)**

	<i>Note</i>	<b>9 months ended 30 September 2013</b>	<b>9 months ended 30 September 2012</b>
Gross dividend income	5	622,448,470	623,658,450
Interest income		31,110,372	24,422,824
Reversal of impairment losses on receivables in respect of equity contributions		357,420	5,211,070
Reversal of impairment losses/ (impairment losses) on dividends receivable		23,543,976	(46,209,651)
Impairment losses on equity investments	9	(305,472,325)	-
Gains on disposal of equity investments		131,772,460	17,878,048
Impairment losses on other assets		(9,584,094)	(878,300)
Net foreign exchange gains / (losses)		(212)	(197,934)
Other operating income		981,672	3,930,768
<b>Net operating income</b>		<b>495,157,739</b>	<b>627,815,275</b>
Personnel expenses		(676,255)	(488,335)
Other operating expenses	6	(58,477,559)	(42,675,198)
<b>Operating expenses</b>		<b>(59,153,814)</b>	<b>(43,163,533)</b>
<b>Profit before income tax</b>		<b>436,003,925</b>	<b>584,651,742</b>
Income tax (expense)/ benefit	7	3,286,394	(5,836,324)
<b>Profit for the period</b>		<b>439,290,319</b>	<b>578,815,418</b>
<b>Other comprehensive income</b>			
Net change in fair value of available-for-sale equity investments	9	168,569,723	1,003,004,553
Deferred tax on other comprehensive income	7	(26,971,156)	(160,480,728)
Decrease in fair value reserve following the disposal of available-for-sale equity investments		(131,280,494)	-
<b>Total other comprehensive income</b>		<b>10,318,073</b>	<b>842,523,825</b>
<b>Total comprehensive income for the period</b>		<b>449,608,392</b>	<b>1,421,339,243</b>
<b>Basic and diluted earnings per share</b>		<b>0.0319</b>	<b>0.0420</b>

The financial statements were authorised for issue on 13 November 2013 by:

Oana Truța

as Legal Representative on behalf of

Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch  
 acting in the capacity of Sole Director of S.C. Fondul Proprietatea S.A.

The notes on pages 45 to 61 are an integral part of these financial statements.

**CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2013**  
**(all amounts are in RON unless otherwise stated)**

	<i>Note</i>	<b>30 September 2013</b>	<b>31 December 2012</b>
<b>Assets</b>			
Cash and current accounts		2,326,883	1,857,628
Deposits with banks		363,669,232	317,309,452
Treasury bills		433,788,174	454,732,857
Government bonds		48,266,772	-
Dividends receivable	8	10,829,825	799,994
Equity investments	9	10,903,615,254	11,269,744,338
Deferred tax assets	10	367,489,150	363,487,628
Other assets		2,538,613	2,189,053
<b>Total assets</b>		<b>12,132,523,903</b>	<b>12,410,120,950</b>
<b>Liabilities</b>			
Other liabilities	11	43,797,497	21,064,179
<b>Total liabilities</b>		<b>43,797,497</b>	<b>21,064,179</b>
<b>Equity</b>			
Share capital	12	13,778,392,208	13,778,392,208
Fair value reserve on available-for-sale financial assets	12	2,504,637,516	2,494,319,443
Other reserves		278,451,031	278,451,031
Treasury shares	12	(333,770,134)	(120,268,583)
Accumulated losses		(4,138,984,215)	(4,041,837,328)
<b>Total equity</b>		<b>12,088,726,406</b>	<b>12,389,056,771</b>
<b>Total liabilities and equity</b>		<b>12,132,523,903</b>	<b>12,410,120,950</b>

The notes on pages 45 to 61 are an integral part of these financial statements.

**CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2013  
(all amounts are in RON unless otherwise stated)**

	Share capital	Fair value reserves on available-for-sale financial assets	Other reserves	Treasury shares	Accumulated losses	Total attributable to the equity holders of the Fund
<b>Balance at 31 December 2012</b>	<b>13,778,392,208</b>	<b>2,494,319,443</b>	<b>278,451,031</b>	<b>(120,268,583)</b>	<b>(4,041,837,328)</b>	<b>12,389,056,771</b>
<b>Comprehensive income for the period</b>						
Profit for the period	-	-	-	-	439,290,319	439,290,319
<b>Other comprehensive income</b>						
Net change in fair value of available-for-sale equity investments	-	168,569,723	-	-	-	168,569,723
Decrease in fair value following the disposal of available-for-sale equity investments	-	(131,280,494)	-	-	-	(131,280,494)
Income tax on income and expense recognised directly in equity	-	(26,971,156)	-	-	-	(26,971,156)
<b>Total other comprehensive income</b>	<b>-</b>	<b>10,318,073</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,318,073</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>10,318,073</b>	<b>-</b>	<b>-</b>	<b>439,290,319</b>	<b>449,608,392</b>
<b>Transactions with owners, recorded directly in equity</b>						
Buybacks	-	-	-	(213,501,551)	-	(213,501,551)
Dividends declared	-	-	-	-	(536,437,206)	(536,437,206)
<b>Total transactions with owners recorded directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(213,501,551)</b>	<b>(536,437,206)</b>	<b>(749,938,757)</b>
<b>Balance at 30 September 2013</b>	<b>13,778,392,208</b>	<b>2,504,637,516</b>	<b>278,451,031</b>	<b>(333,770,134)</b>	<b>(4,138,984,215)</b>	<b>12,088,726,406</b>

The notes on pages 45 to 61 are an integral part of these financial statements.

**CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2013  
(all amounts are in RON unless otherwise stated)**

	Share capital	Fair value reserves on available-for-sale financial assets	Other reserves	Treasury shares	Accumulated losses	Total attributable to the equity holders of the Fund
<b>Balance at 31 December 2011</b>	<b>13,778,392,208</b>	<b>1,240,275,189</b>	<b>250,102,759</b>	<b>(120,268,583)</b>	<b>(3,430,868,209)</b>	<b>11,717,633,364</b>
<b>Comprehensive income for the period</b>						
Profit for the period	-	-	-	-	578,815,418	578,815,418
<b>Other comprehensive income</b>						
Net change in fair value of available-for-sale equity investments	-	1,003,004,553	-	-	-	1,003,004,553
Income tax on income and expense recognised directly in equity	-	(160,480,728)	-	-	-	(160,480,728)
<b>Total other comprehensive income</b>	<b>-</b>	<b>842,523,825</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>842,523,825</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>842,523,825</b>	<b>-</b>	<b>-</b>	<b>578,815,418</b>	<b>1,421,339,243</b>
<b>Transactions with owners, recorded directly in equity</b>						
Dividends declared	-	-	-	-	(507,658,517)	(507,658,517)
<b>Total transactions with owners recorded directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(507,658,517)</b>	<b>(507,658,517)</b>
<b>Balance at 30 September 2012</b>	<b>13,778,392,208</b>	<b>2,082,799,014</b>	<b>250,102,759</b>	<b>(120,268,583)</b>	<b>(3,359,711,308)</b>	<b>12,631,314,090</b>

The notes on pages 45 to 61 are an integral part of these financial statements.

**CONDENSED STATEMENT OF CASH FLOWS  
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2013  
(all amounts are in RON unless otherwise stated)**

	<b>9 months ended 30 September 2013</b>	<b>9 months ended 30 September 2012</b>
<b>Cash flows from operating activities</b>		
Proceeds from sale of equity instruments	247,832,339	207,870,803
Acquisition of treasury bills and bonds, net	(23,294,025)	(67,737,936)
Interest received	27,502,093	23,393,571
Dividends received (net of withholding tax)	632,162,419	613,896,774
Realised foreign exchange loss on cash and cash equivalents	(2,269)	(199,032)
Collection of bank deposits maturing in more than 3 months, net	-	(150,000,000)
Interest and penalties received in relation with the dividends late payments	1,145,832	1,755,785
Subscriptions to share capital increase of portfolio companies	(42,713,841)	(2,539,840)
Other receipts	-	158,362
Income tax paid	-	(121,794)
Salaries and related taxes paid	(642,563)	(497,821)
Suppliers and other taxes and fees paid	(55,230,142)	(61,609,069)
Acquisition of equity investments	-	(62,217)
<b>Net cash flows from operating activities</b>	<b>786,759,843</b>	<b>564,307,586</b>
<b>Cash flows from financing activities</b>		
Dividends paid (including related taxes)	(525,772,376)	(502,985,837)
Acquisition of treasury shares	(213,501,551)	-
<b>Net cash flows used in financing activities</b>	<b>(739,273,927)</b>	<b>(502,985,837)</b>
<b>Net increase in cash and cash equivalents</b>	<b>47,485,916</b>	<b>61,321,749</b>
Cash and cash equivalents at the beginning of the period	317,885,971	297,393,152
<b>Cash and cash equivalents at the end of the period</b>	<b>365,371,887</b>	<b>358,714,901</b>
	<b>30 September 2013</b>	<b>30 September 2012</b>
Cash	2,326,883	2,192,456
Bank deposits with original maturities of less than three months	363,045,004	356,522,445
	<b>365,371,887</b>	<b>358,714,901</b>

The notes on pages 45 to 61 are an integral part of these financial statements.

**NOTES TO THE CONDENSED SEPARATE FINANCIAL STATEMENTS  
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2013  
(all amounts are in RON unless otherwise stated)**

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**1. General information**

Fondul Proprietatea S.A. (referred to as “Fondul Proprietatea” or “the Fund”) is an undertaking for collective investments, in the form of a closed end investment company, established in accordance with Law no. 247/2005 regarding the reform in property and justice, as well as certain adjacent measure, as amended (“Law 247/2005”) and Government Decision no. 1481/2005 and registered in Bucharest on 28 December 2005. The address of the Fund’s registered office is 78 - 80, Buzești Street, 7th Floor, District 1, Bucharest.

The Fund undertakes its activities in accordance with Law 247/2005, Law 297/2004 regarding the capital market, with subsequent amendments, and Law 31/1990 regarding companies, republished with subsequent amendments (“Law 31/1990”).

In accordance with its constitutive act, the main activity of the Fund is the management and administration of its portfolio.

The Fund was established to allow the payment in shares equivalent of compensations in respect of abusive expropriations undertaken by the Romanian State during the communist period, when properties were not returned in kind.

Franklin Templeton Investment Management Ltd United Kingdom Bucharest Branch (“Fund Manager”) was appointed on 29 September 2010 as the Fund Manager and Sole Director of the Fund.

Since 25 January 2011 Fondul Proprietatea has been a listed company on the spot regulated market managed by the Bucharest Stock Exchange in Tier I (Shares) of the Securities Sector of the market, under ISIN number ROFPTAACNOR5 with the market symbol “FP”.

These condensed separate financial statements for the nine month period ended 30 September 2013 are not audited.

**2. Basis of preparation**

**(a) Statement of compliance**

These condensed separate financial statements for the nine month period ended 30 September 2013 have been prepared in accordance with IAS 34 “Interim financial reporting”. The condensed separate interim financial statements should be read in conjunction with the annual separate financial statements for the year ended 31 December 2012, which have been prepared in accordance with International Financial Reporting Standards as adopted by European Union (“IFRS”).

The Fund has prepared these financial statements in order to provide users of the Fund’s financial reports with supplementary financial information on the Fund’s financial position. The Fund will not prepare consolidated financial statements for the nine month period ended 30 September 2013.

**NOTES TO THE CONDENSED SEPARATE FINANCIAL STATEMENTS  
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2013  
(all amounts are in RON unless otherwise stated)**

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**2. Basis of preparation (continued)**

**(b) Basis of measurement**

The condensed separate interim financial statements have been prepared on the historical cost basis except for equity investments that are quoted on an active market and treasury bills and government bonds, which are measured at fair value.

**(c) Functional and presentation currency**

These financial statements are presented in Romanian Lei (RON), which is the Fund's functional currency. All financial information presented in RON has been rounded to the nearest unit.

**(d) Use of estimates**

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 6 – Other operating expenses;
- Note 9 – Equity investments;
- Note 10 – Deferred tax assets;
- Note 11 – Other liabilities;
- Note 13 – Contingencies.

**3. Significant accounting policies**

The accounting policies are consistent with those in the annual separate financial statements for the year ended 31 December 2012.

The Fund reclassified in the Statement of comprehensive income for the nine month period ended 30 September 2012, the income from the category reversal of impairment losses of equity investments into the category gain / loss on disposal of equity investments, in order to be consistent with current period presentation.

**NOTES TO THE CONDENSED SEPARATE FINANCIAL STATEMENTS  
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2013**  
(all amounts are in RON unless otherwise stated)

**4. Financial assets and financial liabilities**

**Accounting classifications and fair values**

The table below sets out the carrying amounts and fair values of the Fund's financial assets and financial liabilities:

	<b>Loans and receivables</b>	<b>Held to maturity</b>	<b>Available-for-sale</b>	<b>Other amortised cost</b>	<b>Total carrying amount</b>	<b>Fair value</b>
<b>30 September 2013</b>						
Cash and current accounts	2,326,883	-	-	-	2,326,883	2,326,883
Deposits with banks	363,669,232	-	-	-	363,669,232	363,669,232
Treasury bills	-	-	433,788,174	-	433,788,174	433,788,174
Government bonds	-	-	48,266,772	-	48,266,772	48,266,772
Dividends receivable	10,829,825	-	-	-	10,829,825	10,829,825
Equity investments at fair value	-	-	5,969,143,139	-	5,969,143,139	5,969,143,139
Equity investments at cost	-	-	4,934,472,115	-	4,934,472,115	Not available
Other receivables	2,538,613	-	-	-	2,538,613	2,538,613
Other liabilities	-	-	-	(43,797,497)	(43,797,497)	(43,797,497)
	<b>379,364,553</b>	-	<b>11,385,670,200</b>	<b>(43,797,497)</b>	<b>11,721,237,256</b>	<b>Not available</b>



**NOTES TO THE CONDENSED SEPARATE FINANCIAL STATEMENTS  
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2013  
(all amounts are in RON unless otherwise stated)**

**4. Financial assets and financial liabilities (continued)**

	<b>Loans and receivables</b>	<b>Held to maturity</b>	<b>Available-for-sale</b>	<b>Other amortised cost</b>	<b>Total carrying amount</b>	<b>Fair value</b>
<b>31 December 2012</b>						
Cash and current accounts	1,857,628	-	-	-	1,857,628	1,857,628
Deposits with banks	317,309,452	-	-	-	317,309,452	317,309,452
Treasury bills	-	-	454,732,857	-	454,732,857	454,732,857
Dividends receivable	799,994	-	-	-	799,994	799,994
Equity investments at fair value	-	-	6,071,338,958	-	6,071,338,958	6,071,338,958
Equity investments at cost	-	-	5,198,405,380	-	5,198,405,380	Not available
Other receivables	2,189,053	-	-	-	2,189,053	2,189,053
Other liabilities	-	-	-	(21,064,179)	(21,064,179)	(21,064,179)
	<b>322,156,127</b>	<b>-</b>	<b>11,724,477,195</b>	<b>(21,064,179)</b>	<b>12,025,569,143</b>	<b>Not available</b>

As at 30 September 2013 and 31 December 2012, management estimated that the dividends receivable for which no impairment losses were recognised would be collected within a short period of time and therefore their carrying amount approximated fair value.

Equity investments carried at cost do not have reliably measurable fair values.

**NOTES TO THE CONDENSED SEPARATE FINANCIAL STATEMENTS  
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2013  
(all amounts are in RON unless otherwise stated)**

**5. Gross dividend income**

	<b>9 months ended 30 September 2013</b>	<b>9 months ended 30 September 2012</b>
OMV Petrom SA	318,951,645	353,125,036
Romgaz SA	158,941,766	140,639,003
Transgaz SA	37,568,760	52,515,091
GDF Suez Energy Romania SA	22,800,000	-
Electrica Distributie Muntenia Nord SA	16,206,229	1,801,112
Complexul Energetic Oltenia SA	12,313,834	-
CN Aeroporturi Bucuresti SA	9,135,228	9,415,274
Conpet SA	8,403,049	6,612,533
Societatea Nationala a Sarii SA	9,297,643	87,602
Electrica Furnizare SA	9,260,589	-
Raiffeisen Bank International AG	4,433,195	4,052,568
CN Administratia Porturilor Maritime SA	5,355,571	6,570,224
Transelectrica SA	3,997,666	10,884,733
Nuclearelectrica SA	2,769,286	-
CN Administratia Canalelor Navigabile SA	856,672	525,946
Aeroportul International Timisoara - Traian Vuia SA	672,674	1,687,638
Alro SA	-	23,066,500
Complexul Energetic Rovinari SA	-	6,457,434
BRD - Group Societe General SA	-	4,237,166
Others	1,484,663	1,980,590
	<b>622,448,470</b>	<b>623,658,450</b>

The dividend income was subject to 16% withholding tax for Romanian equity investments and 5% withholding tax for Austrian equity investments. In cases where the relevant shareholding was larger than 10% for at least two years prior to the dividend distribution, no withholding tax was due.

**6. Other operating expenses**

	<b>9 months ended 30 September 2013</b>	<b>9 months ended 30 September 2012</b>
Investment management and administration fee	31,801,365	25,462,625
Financial Supervisory Authority fees	11,354,608	10,743,090
Depository fee	1,345,230	1,266,135
Third party services	10,976,098	4,385,159
Other operating expenses	3,000,258	818,189
	<b>58,477,559</b>	<b>42,675,198</b>

Third party services increase was mainly due to the higher level of legal fees generated by the increase of the number of litigations.

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**7. Income tax**

	9 months ended 30 September 2013	9 months ended 30 September 2012
<b>Current tax expense</b>		
Current tax (16%)	-	(395,052)
Dividend withholding tax	(2,680,476)	(4,687,167)
Prior year income tax adjustment	-	23,214
	<u>(2,680,476)</u>	<u>(5,059,005)</u>
<b>Deferred tax related to:</b>		
Equity investments	(8,590,373)	(767,795)
Fiscal loss carried forward	14,557,243	-
Provisions for restructuring	-	(9,524)
	<u>5,966,870</u>	<u>(777,319)</u>
<b>Total income tax benefit/ (expense)</b>	<u><u>3,286,394</u></u>	<u><u>(5,836,324)</u></u>

The effective tax rate used to calculate the deferred tax position of the Fund was 16% (standard tax rate).

	9 months ended 30 September 2013	9 months ended 30 September 2012
<b>Reconciliation of effective tax rate</b>		
Profit for the period	439,290,319	578,815,418
Income tax (expense) / benefit	3,286,394	(5,836,324)
<b>Profit excluding income tax</b>	<u>436,003,925</u>	<u>584,651,742</u>
<b>Income tax using the standard tax rate (16%)</b>	<b>(69,760,628)</b>	<b>(93,544,279)</b>
Effect of:		
Lower tax rate on dividend income	96,360,017	94,652,303
Decrease of fair value reserve following the disposal of available-for-sale equity investments	(25,005,808)	-
Other non-taxable income	3,824,225	833,771
Other non-deductible expenses	(1,875,223)	(7,598,823)
Austrian dividend withholding tax	(256,189)	(202,510)
Prior year profit tax correction	-	23,214
<b>Total income tax benefit/ (expense)</b>	<u><u>3,286,394</u></u>	<u><u>(5,836,324)</u></u>

	9 months ended 30 September 2013	9 months ended 30 September 2012
<b>Tax (expense)/income recognised directly in equity:</b>		
On equity investments carried at fair value	(26,971,156)	(160,480,728)

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**8. Dividends receivables**

	30 September 2013	31 December 2012
<b>Dividends receivable</b>		
Hidroelectrica SA	23,543,975	46,209,651
Complexul Energetic Oltenia SA	10,343,621	-
Other dividends receivable	1,132,368	1,446,159
	<u>35,019,964</u>	<u>47,655,810</u>
<b>Impairment loss allowance</b>		
Hidroelectrica S.A.	(23,543,975)	(46,209,651)
Other dividends receivable	(646,164)	(646,165)
	<u>(24,190,139)</u>	<u>(46,855,816)</u>
	<u><u>10,829,825</u></u>	<u><u>799,994</u></u>

**9. Equity investments**

In accordance with Law 247/2005, as amended by Government Emergency Ordinance no.209/2005, the Fund received, at its establishment on 28 December 2005, shares in 117 companies as contribution in kind from the Romanian State, as sole shareholder.

In June 2007, Government Emergency Ordinance no. 81/2007 for the acceleration of the procedure for granting compensations for the property abusively nationalised (“GEO 81/2007”) came into force, in accordance with which:

- 32 new shareholdings were added to the Fund’s portfolio as contribution in kind to its share capital (21 shareholdings in companies already in the portfolio and 11 shareholdings in companies not previously in the portfolio);
- 39 shareholdings were removed from the Fund’s portfolio and transferred back to the State.

The valuation of the shares contributed by the Romanian state in December 2005 and June 2007 was performed in October 2007 by an independent evaluator (Finevex S.R.L. Constanta), who followed the valuation methodology set forth by Law 247/2005. The value of the shareholdings, as determined by the evaluator, represents the cost of the equity investments.

Equity investments are available-for-sale financial assets and are carried at fair value, except for the investments whose fair value cannot be reliably measured, which are carried at cost less impairment.

Fair values at 30 September 2013 and 31 December 2012 were determined by reference to published bid price quotations on the stock exchange where shares are traded, where applicable. Equity investments quoted on the Bucharest Stock Exchange which are not actively traded, and unquoted securities, are carried at cost less impairment.

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**9. Equity investments (continued)**

The movement in the carrying amounts of equity investments is as follows:

	Equity investments at fair value	Equity investments at cost	Total equity investments
<b>31 December 2011</b>	<b>4,768,466,068</b>	<b>5,963,176,400</b>	<b>10,731,642,468</b>
Shares contributions in kind by State	-	5,211,070	<b>5,211,070</b>
Acquisitions	62,217	-	<b>62,217</b>
Disposals	(194,884,889)	(170,531)	<b>(195,055,420)</b>
Reversal of impairment loss on disposals	4,785,736	12,979	<b>4,798,715</b>
Changes in fair value	1,003,004,553	-	<b>1,003,004,553</b>
<b>30 September 2012</b>	<b>5,581,433,685</b>	<b>5,968,229,918</b>	<b>11,549,663,603</b>
	Equity investments at fair value	Equity investments at cost	Total equity investments
<b>31 December 2012</b>	<b>6,071,338,958</b>	<b>5,198,405,380</b>	<b>11,269,744,338</b>
Shares contributions in kind by State	-	357,420	<b>357,420</b>
Cash contributions to portfolio companies share capital increases	-	42,713,840	<b>42,713,840</b>
Disposals	(270,765,542)	(1,532,200)	<b>(272,297,742)</b>
Impairment loss	-	(305,472,325)	<b>(305,472,325)</b>
Changes in fair value	168,569,723	-	<b>168,569,723</b>
<b>30 September 2013</b>	<b>5,969,143,139</b>	<b>4,934,472,115</b>	<b>10,903,615,254</b>

During the nine-month period ended 30 September 2013, the Fund received 35,742 shares in Romgaz SA (having a nominal value of RON 357,420) following a share capital increases by that company, accounted for as contributions in kind to the share capital of the Fund.

In May 2013, the Fund executed its pre-emption right and participated to the cash share capital increase of E.ON Gaz Distributie SA, acquiring 399,164 shares at the nominal value of RON 2.5 per share.

In June 2013, the Ordinary General Shareholders Meeting of Zirom SA approved the increase of company's share capital by issuing 1,111,575 new shares, with a nominal value of 10 RON per share. In July 2013, the Fund subscribed the total value of above-mentioned shares, in amount of RON 11,115,750.

In September 2013, the Fund exercised its pre-emption right and participated in the share capital increase of Nuclearelectrica SA, receiving 2,732,159 allotment rights (which will be converted into shares upon the listing of the shares of Nuclearelectrica SA on Bucharest Stock Exchange), acquired at the acquisition price in the Initial Public Offering carried on by this company, of RON 11.2 per share.

During the nine-month period ended 30 September 2013, the Fund sold its entire holdings in Carom - Broker de Asigurare SA and Mecanoenergetica SA, and finalised the disposal of its holding in Commetex SA. Also, in May 2013, the Fund disposed of 632,480,000 shares in OMV Petrom SA, accounting for approximately 1.1% of company's share capital. Following this transaction, the Fund's holding in OMV Petrom SA decreased below the significant influence threshold of 20%.

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**9. Equity investments (continued)**

**Hidroelectrica's Insolvency**

On 26 June 2013, the Bucharest Court has approved the closing of the judicial reorganisation procedure opened against Hidroelectrica in June 2012.

**Impairment loss**

As at 30 September 2013, the Fund recorded an impairment adjustment of RON 305,472,325 for the holding in Nuclearelectrica SA, based on the value of this holding assessed using the acquisition price of shares subscribed by the Fund, by exercising the preemption right, in the share capital increase related to the Initial Public Offering carried on by Nuclearelectrica SA during September 2013. Consequently, the carrying value of the equity investment in Nuclearelectrica SA as at 30 September 2013, including also RON 30,600,181 representing the value of the 2,732,159 allotment rights received by the Fund, was of RON 306,973,868 (31 December 2012: RON 581,846,011).

The structure of the Fund's portfolio was the following:

	<b>30 September 2013</b>	<b>31 December 2012</b>
<b>Equity investments at fair value</b>		
OMV Petrom S.A.	4,819,874,388	4,876,542,833
Transgaz S.A.	329,807,478	384,687,160
BRD - Groupe Societe Generale S.A.	228,487,104	205,892,268
Transelectrica S.A.	135,762,309	125,570,240
Conpet S.A.	113,144,284	92,958,315
Alro Slatina S.A.	109,327,071	145,769,428
Banca Transilvania S.A.	92,877,820	70,895,864
Raiffeisen Bank International AG	92,097,060	118,905,477
Other	47,765,625	50,117,373
	<b>5,969,143,139</b>	<b>6,071,338,958</b>
<b>Equity investments at cost</b>		
Hidroelectrica S.A.	2,001,000,000	2,001,000,000
Complexul Energetic Oltenia S.A.	670,084,812	670,084,812
Nuclearelectrica S.A.	306,973,868	581,846,011
Romgaz S.A.	416,658,864	416,301,444
Electrica Distributie Muntenia Nord S.A.	165,223,950	165,223,950
Enel Distributie Banat S.A.	141,578,929	141,578,929
Aeroportul International Henri Coanda Bucuresti S.A.	131,168,262	131,168,262
E.ON Moldova Distributie S.A.	131,073,011	131,073,011
Electrica Distributie Transilvania Sud S.A.	125,918,628	125,918,628
Electrica Distributie Transilvania Nord S.A.	115,755,059	115,755,059
Enel Distributie Dobrogea S.A.	114,760,052	114,760,052
Enel Distributie Muntenia S.A.	107,277,263	107,277,263
Posta Romana S.A.	80,822,000	80,822,000
Other	426,177,417	415,595,959
	<b>4,934,472,115</b>	<b>5,198,405,380</b>
<b>Total equity investments</b>	<b>10,903,615,254</b>	<b>11,269,744,338</b>

None of the equity investments is pledged as collateral for liabilities.

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**9. Equity investments (continued)**

**Potential future sale**

In September 2013, the Fund announced that is considering strategic options relating to the potential sale of a part of its holding in Conpet SA, not exceeding 10% of all outstanding shares in this company. No sale decision was undertaken as of the date of these financial statements.

**Fair value hierarchy**

The table below analyses equity investments carried at fair value, by valuation method.

The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At 30 September 2013:

	Level 1	Level 2	Level 3	Total
Equity investments at fair value	5,969,143,139	-	-	5,969,143,139
Treasury bills	433,788,173	-	-	433,788,173
Government bonds	48,266,772	-	-	48,266,772
	<b>6,451,198,084</b>	-	-	<b>6,451,198,084</b>

At 31 December 2012:

	Level 1	Level 2	Level 3	Total
Equity investments at fair value	6,071,338,958	-	-	6,071,338,958
Treasury bills	454,732,857	-	-	454,732,857
	<b>6,526,071,815</b>	-	-	<b>6,526,071,815</b>

As at 30 September 2013, the equity investments classified as available for sale included equity investments valued at cost less impairment in amount of RON 4,934,472,115 (31 December 2012: RON 5,198,405,380).

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**10. Deferred tax assets**

	<b>30 September 2013</b>	<b>31 December 2012</b>
<i>Temporary differences deductible (taxable)</i>		
Impairment losses on equity investments	5,340,557,975	5,237,961,506
Changes in fair values of equity investments	(3,137,997,631)	(2,969,427,906)
Fiscal loss carried forward	94,246,845	3,264,075
	<b>2,296,807,189</b>	<b>2,271,797,675</b>
<b>Deferred tax assets at 16%</b>	<b>367,489,150</b>	<b>363,487,628</b>

The effective tax rate used to calculate the deferred tax position of the Fund as at 30 September 2013 and as at 31 December 2012 was 16% (standard tax rate).

**11. Other liabilities**

	<b>30 September 2013</b>	<b>31 December 2012</b>
Dividends payable	19,668,568	9,481,720
Investment Management and Administration f	11,314,945	8,862,463
Provision for litigations	11,012,867	-
Financial Supervisory Authority commission	1,265,397	1,230,482
Tax on dividends	292,691	-
Other liabilities	243,029	1,489,514
	<b>43,797,497</b>	<b>21,064,179</b>

The provision for litigations was recorded in relation with the legal case started by World Trade Center against the Fund in August 2013, asking the Fund to pay back the amounts recovered from the enforcement procedure against this company during 2010 and 2011 and the related legal interest (please see details in Note 13 Contingencies). The amounts recovered from the enforcement procedure (approximately RON 9.5 million equivalent) were originally accounted for by the Fund as contributions of Ministry of Public Finance to the share capital of the Fund, decreasing the receivable related to unpaid capital.

Consequently, these amounts are to be recovered by the Fund from the Ministry of Public Finance (being accounted as a receivable over this shareholder of the Fund, for which an impairment adjustment has been recorded), while the legal interest was recorded as an expense with provisions for litigations.



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**12. Shareholders' equity**

**(a) Share capital**

As of 30 September 2013, the authorised and issued share capital comprised 13,778,392,208 ordinary shares at a nominal value of RON 1 per share out of which 365,254,622 shares were unpaid.

Unpaid share capital represents the net value of certain contributions due to the Fund from the Romanian State represented by the Ministry of Public Finance, as shareholder, that were recorded in previous years as paid capital (based on Law 247/2005) and during 2012 some of the paid capital being transferred to the unpaid share capital.

Holders of unpaid shares are not entitled to vote or to receive dividends.

At 31 December 2012, the authorised and issued share capital comprised 13,778,392,208 ordinary shares at a nominal value of RON 1 per share out of which 365,612,042 shares were unpaid.

By 30 September 2013, the State's share in Fund's issued capital was 2.67% (31 December 2012: 2.68%) out of which only 0.024% was paid.

**(b) Fair value reserves on available-for-sale financial assets**

The fair value reserves of RON 2,504,637,516 at 30 September 2013 (31 December 2012: RON 2,494,319,443) comprise the cumulative net change in the fair value of available-for-sale financial assets until the investments are derecognised or impaired.

**(c) Treasury shares**

The Fund's General Shareholders Meeting in September 2010 approved a buyback programme of up to 10% of the Fund's share capital at prices ranging between 0.2 - 1.5 RON, which was valid until March 2012. The buyback programme started in May 2011 and by 30 September 2011 the Fund completed this programme by acquiring 240,304,801 shares equivalent to 1.74% of the Fund subscribed share capital for a total acquisition value of RON 120,268,583. At the General Shareholders Meeting on April 2012, the shareholders approved to cancel the treasury shares and to reduce the share capital, but the registration of the shareholders' decision with Trade Register was blocked at the request of one shareholder.

In the litigation started against this shareholder, the Court irrevocably ruled in favour of the Fund, the shareholders' resolution being registered with Trade Register and published in the Official Gazette on 31 July 2013. The legislation requires that after two months the resolution is published in the Official Gazette, the Fund Manager to ask the Financial Supervisory Authority to approve the share capital decrease. Thus, the share capital decrease will be effective after the obtaining of the Financial Supervisory Authority approval. As of the date of the present financial statements, the approval was not obtained.

The same shareholders meeting approved a second buyback programme: subject to cash availability, the Fund Manager was authorised to repurchase a maximum number of 1.1 billion shares within the next 18 months within the price range of RON 0.2 per share to RON 1.5 per share to be cancelled upon completion of the buyback programme. The publication of this decision in the Official Gazette and, consequently, the beginning of the buyback programme, were also postponed by the litigations opened by one shareholder.

On 5 March 2013, the Court announced that it has rejected the litigant's request of intervention and admitted the Fund's registration request at Trade Register and in April 2013, the Fund started the second buyback programme.

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**12. Shareholders' equity (continued)**

**(c) Treasury shares (continued)**

The second buy-back programme started on 12 April 2013 and by 30 September 2013 the Fund had acquired 322,030,700 shares at a total acquisition value of RON 213,501,551 fully settled as at 30 September 2013. None of the shares had been cancelled by 30 September 2013.

**(d) Dividends**

The distribution of a gross dividend of RON 0.04089 per share, in relation to 2012 statutory profits was approved by the Fund's General Shareholders Meeting in April 2013.

During 2012 the Fund's General Shareholders Meeting approved the distribution of a gross dividend of RON 0.03854 per share, in relation to 2011 statutory profits.

**13. Contingencies**

As at 30 September 2013 the Fund was involved in certain litigations, either as defendant or claimant. According to the requirements of the IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" the Fund discloses in the financial statements those which may have significant effects on the Fund's financial position or profitability. The most important litigations were as follows:

1. Some minority shareholders of the Fund (acting individually) have filed litigations against the Fund on various grounds, including some seeking the cancellation of certain resolutions of the General Shareholders Meeting ("GSM") and others seeking to block the registration of some resolutions with the Trade Register. These litigations are at various stages of process within the Romanian Court system and updates are frequently reported by management through the Stock Exchange news system.

In one of these cases, on 10 October 2012 the Bucharest Court of Appeal rejected the appeal filed by the Fund and upheld the decision of the Bucharest Court to partly admit a claim to annul certain resolutions from the 6 September 2010 GSM relating to (inter alia) approval of a new Constitutive Act and the first appointment of FTIML as the administrator of the Fund.

This decision is irrevocable and it was implemented by Trade Registry, without any changes in the management of the Fund considering that:

- the version of the Constitutive Act to which the Court decision relates is not the one currently in force, as new versions were adopted by the Fund's shareholders with vast majority during the 29 November 2010 GSM, the 23 November 2011 GSM, the 4 April 2012 GSM and the 23 November 2012 GSM;
- new resolutions passed during the 25 April 2012 GSM and 23 November 2012 GSM specifically ratified and re-approved the objects of all the resolutions to which this Court decision relates (these resolutions were proposed by a shareholder and approved with a significant majority).

Also, on 8 April 2013 the Court announced that in file regarding the annulment request filed by the same shareholder against the EGM Resolution for modifying the Constitutive Act approved by shareholders on 29 November 2010 (the next GSM after the one for each the courts annulled 4 decisions) it ruled in favour of the Fund, rejecting the litigant's argumentation that the annulment of certain shareholder resolutions approved in September 2010 (see file described above) should retrospectively affect the validity of shareholders' resolutions approved after this date.

Therefore, FTIML as the Fund Manager of Fondul Proprietatea is liable to observe the current Constitutive Act and the shareholders' resolutions in force, and consequently will continue to manage the Fund in accordance with these and its management agreement.

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**13. Contingencies (continued)**

The outcome of the ongoing cases cannot be determined with certainty at this stage. However, management intends to defend the interests of the Fund and its shareholders in all these cases in accordance with the applicable laws.

**2. Other contingencies of the Fund included:**

- i. The Fund is due to receive the following amounts from the Romanian State:
- the amount resulted from the trading on the Romanian or foreign stock exchange markets of the first 3% of Romtelecom SA shares;
  - 20% of the amounts resulting from the privatization of Romtelecom SA;
  - 9.9% of the amounts resulting from the privatisation of C.E.C. SA.

These amounts should be recorded as payments for the unpaid capital or as increases of the share capital by the Romanian State once they are collected, with the approval of shareholders, according to the legislation in force.

- ii. The receivables from World Trade Center Bucharest SA:

Title II, Article 4 of GEO 81/2007 stipulates the transfer from the Authority for State Assets Recovery (“AVAS”) to the Fund of receivables from World Trade Center Bucharest SA amounting to USD 68,814,198 (including the original principal and related interest and penalties) on 29 June 2007.

Until 30 September 2013, the Fund recovered from World Trade Center Bucharest SA, USD 510,131, EUR 148,701, RON 8,724,888. Given the uncertainties regarding their recoverability, the World Trade Center Bucharest SA receivables were recognised on receipt basis in the Fund’s financial statements.

In August 2013, World Trade Center Bucuresti SA filed a claim against the Fund asking to pay back the amounts received through the enforcement procedure during 2010 and 2011 (EUR 148,700.76, USD 10,130.69 and RON 8,829,662.56). The next hearing in front of Bucharest Court for this file was set for 1 November 2013.

Currently, World Trade Center Bucharest SA is the object of insolvency procedure, the next hearing being set for 18 December 2013.

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**14. Related parties**

**(a) Key management**

	<b>9 months ended 30 September 2013</b>	<b>9 months ended 30 September 2012</b>
<b>Salaries</b>		
Members of the Board of Nominees	554,052	388,507

There were no loans to or other transactions between the Fund and its management in 2012 and in the first nine months of 2013.

Franklin Templeton Investment Management Ltd United Kingdom Bucharest Branch is both the Fund Manager and Sole Director of the Fund.

The transactions carried between the Fund and Fund Manager were as follows:

<b>Transactions</b>	<b>9 months ended 30 September 2013</b>	<b>9 months ended 30 September 2012</b>
Investment management fee	25,162,249	20,146,837
Administration fee	6,639,116	5,315,788
Rental expense	77,954	78,630
Operating cost	21,057	20,840
	<b><u>31,900,376</u></b>	<b><u>25,562,095</u></b>

During the first nine months of 2013, the Fund recorded also an amount of RON 905,836 representing expenses incurred by the Fund Manager on its behalf (30 September 2012: RON 568,102). The recharge of these expenses to the Fund followed the provisions of the Investment Management Agreement, and was subject to Board of Nominee approval.

As at 30 September 2013, the Fund owed an amount of RON 11,459,836 to the Fund Manager (31 December 2012: RON 9,146,226).

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**14. Related parties (continued)**

**(b) Subsidiaries**

The Fund has the following subsidiaries, all of which are incorporated in Romania:

	<b>30 September 2013</b>	<b>31 December 2012</b>
<b>Ownership interest</b>		
Alcom S.A. Timisoara	72%	72%
Comsig S.A. Sighisoara	70%	70%
Primcom S.A. Bucuresti	75%	75%
Telerom Proiect S.A. Bucuresti	69%	69%
Zirom S.A. Giurgiu	100%	100%
Carom - Broker de Asigurare S.A. Bucuresti*	-	70%

*\*In February 2013, the Fund sold its entire holding in Carom - Broker de Asigurare S.A.*

The transactions carry out by the Fund with its subsidiaries were as follows:

	<b>9 months ended 30 September 2013</b>	<b>9 months ended 30 September 2012</b>
<b>Gross dividend income</b>		
Alcom	24,392	-
<b>Dividends received</b>		
Alcom	24,392	-
	<b>30 September 2013</b>	<b>31 December 2012</b>
<b>Dividends receivable</b>		
Carom - Broker de Asigurare S.A. Bucuresti	10,158	10,158
	<b>10,158</b>	<b>10,158</b>
<b>Impairment loss allowance</b>		
Carom - Broker de Asigurare S.A. Bucuresti	(10,158)	(10,158)
	<b>(10,158)</b>	<b>(10,158)</b>
	<b>-</b>	<b>-</b>

**(c) Associates**

In May 2013 the Fund disposed of 632,480,000 shares in OMV Petrom SA and following this transaction, the Fund's holding in OMV Petrom decreased below the significant influence threshold of 20%.

As at 31 December 2012, the Fund had only one associate, respectively OMV Petrom SA.

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**15. Subsequent events**

**Appointment of a new depository bank**

In April 2013, ING Bank N.V. Amsterdam, Bucharest Branch, the current depository bank of the Fund announced their decision to discontinue the custody and depository business in certain Central and Eastern European countries, including Romania.

Following a selection process, BRD Groupe Societe Generale was appointed by Fondul Proprietatea to act as its custody and depository bank in Romania. The contract is expected to become effective in November 2013.

The appointment of the new depository is conditional upon the approval of the Financial Supervisory Authority.

**Approval of the Public Tender Offer initiated by the Fund in view of the acceleration of the second buy-back programme**

On 10 October 2013, the Financial Supervisory Authority (“FSA”) approved the Fund’s application for the Public Tender Offer for the purposes of carrying out the second buy-back programme approved through the Shareholders’ Resolution no. 4/25 in April 2012. The key details of the offer are as follows:

- the number of shares to be repurchased is 600,000,000 representing 4.35% of the Fund share capital
- the purchasing price is 1 RON per share
- the subscription period is 15 October – 4 November 2013
- the intermediaries of the offer are Banca Comerciala Romana and Wood & Company Financial Services

On 14 October 2013, the Fund has submitted for approval to the FSA the request for the extension of the subscription period until 14 November 2013. This amendment was approved by FSA on 17 October 2013.

< GAIN FROM OUR PERSPECTIVE >



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