

ANNOUNCEMENT

referring to the Public Tender Offer of shares issued by **FONDUL PROPRIETATEA S.A.**

at a price of 1.11 RON / share

approved by the Financial Supervisory Authority ("FSA") by Decision no. 1591 dated 28.10.2014

Issuer: FONDUL PROPRIETATEA S.A., a company established and operating according to the Romanian law, with the registered office in 78-80 Buzesti Street, 7th floor, District 1, Postal Code 011017, Bucharest, Romania, registered with the Trade Registry under no. J40/21901/2005 (hereinafter called "**Issuer**").

The main domain of activity of the Issuer is the one described by NACE Code 643 – mutual funds and other similar financial entities, and the main activity is financial investments - NACE Code 6430.

Bidder: FONDUL PROPRIETATEA S.A., a company established and operating according to the Romanian law, with the registered office in 78-80 Buzesti Street, 7th floor, District 1, Postal Code 011017, Bucharest, Romania, registered with the Trade Registry under no. J40/21901/2005 (hereinafter called the "**Bidder**").

The main domain of activity of the Bidder is the one described by NACE Code 643 – mutual funds and other similar financial entities, and the main activity is financial investments - NACE Code 6430. The Bidder's investment objective is the maximization of returns and per-share capital appreciation.

The Sole Administrator of the Bidder is Franklin Templeton Investment Management Limited United Kingdom, Bucharest Branch ("**FTIML**" or "**Fund Manager**").

In connection with the shares issued by Fondul Proprietatea S.A., the Bidder is not aware of the existence of other persons acting in concert therewith regarding the Issuer.

On 13 October 2014 the Bidder held a number of 1,377,638,940 shares issued by the Issuer, representing 10.1760% of the Issuer's share capital as registered in the shareholders' registry kept by the Central Depository.

The Offer: The Bidder intends to acquire through this Public Offer a number of 750,000,000 fully paid shares of the outstanding shares issued by the Issuer which are not owned by the Bidder (the "Public Offer"), representing 6.0303% of the Reduced Share Capital (divided into 12,437,136,723 shares) as registered at the trade registry.

The Public Offer is addressed to all natural and legal persons holding, during the offer period, shares issued by the Issuer.

The acquisition by the Bidder of shares under this Public Offer is part of the buy-back program approved by resolution of the Extraordinary General Shareholders' meeting of the Bidder no. 9 dated 28 April 2014 published with the Official Gazette of Romania Part IV no. 2995 dated 27 May 2014 in view of the decrease of the share capital. After the finalization of the Public Offer, the Bidder intends to cancel the acquired shares and decrease its share capital with the corresponding nominal value of the cancelled shares.

Intermediary: Raiffeisen Bank S.A., with the registered office in Bucharest, Sky Tower Building, Calea Floreasca 246C, 1st District, Postal code 014476, Bucharest, Romania, registered at the Trade Registry under no. J40/44/1991, unique registration code 361820, registered in the Bank Registry under no. RB-PJR-40-009/1999, in FSA Registry under no. PJR01INCR/400009 and at the Register of personal data operators under no. 1967 and 189 (hereinafter called "**Intermediary**").

The Public Offer period: The Public Offer is valid for a period of 21 (twenty one) working days, between 03.11.2014 and 02.12.2014 and will be initiated following the date of publication of this Announcement in two (2) national newspapers.

The Bidder hereby declares that it has drawn up an Offer Document in accordance with the regulations in force which will be available as of the date of the publication of this Announcement and throughout the entire Public Offer period, as follows: on paper, during the regular business hours, at the office of Raiffeisen Bank S.A., at Calea Floreasca 246D, Office Building, 1st District, Bucharest, Romania, postal code 014476, fax 021.230.06.84 and at the Bidder's registered

office, respectively 78-80 Buzesti Street (7th floor), District 1, Postal Code 011017, Bucharest, Romania, telephone 021.200.96.00 and on the internet pages of Bucharest Stock Exchange (www.bvb.ro), the Intermediary's website (www.raiffeisen.ro), as well as the Issuer's website (www.fondulproprietatea.ro).

Methods and places of subscription: Shareholders may accept the Public Offer by completing and signing before the expiry of the Public Offer period, the subscription form in the form made available to interested Shareholders by authorized intermediaries, and by delivering all necessary documents as described in the Offer Document, at the office of Raiffeisen Bank S.A. at Calea Floreasca 246D, Office Building, 1st District, Bucharest or at the office of other FSA authorized intermediaries, who have signed and submitted to the Intermediary of the Public Offer the letter of engagement to abide by the terms of the Public Offer. The Public Offer will be run using exclusively the systems of the Bucharest Stock Exchange.

Working hours: from Monday to Friday during the normal working hours of the Intermediary or intermediaries authorised by FSA, who have signed and submitted to the Intermediary of the Public Offer the letter of engagement to abide by the terms of the Public Offer. In the last day of the Public Offer period, subscription forms may be received only until 12:00 PM Eastern European Time (GMT+2).

The approval of the Offer Document does not have the value of a guarantee, and does not represent another form of assessment of the Romanian Financial Supervisory Authority regarding the opportunity, the advantages or disadvantages, the profit or risks of any transactions concluded via the acceptance of this Public Offer, which is the object of this approval decision; the decision certifies only the compliance of this Offer Document with the legal requirements and the norms of application of the implementation of the Public Offer.

Date: 20 October 2014

BIDDER	INTERMEDIARY
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Fondul Proprietatea SA

Raiffeisen Bank S.A.

Grzegorz Maciej Konieczny

Dana Mirela Ionescu
Head of Investment Banking and Capital Markets

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