

Fund Administrator: Franklin Templeton Investment Management Limited UK,
Bucharest Branch
Administrator Code: PJM05SSAM/400001
Fund: Fondul Proprietatea SA
Fund Code: PJR09SIIR/400006
Reporting date: 31.12.2013

Fondul Proprietatea SA 's Assets and Liabilities based on NAV calculation according with the Regulation No. 4 / 2010, as amended by the Regulation No. 11 / 2012

	Lei
1. Non-current Assets	6,385,888,662.00
1.1. Intangible assets	760,113.40
1.2. Tangible assets	0.00
1.3. Financial assets	6,385,128,548.60
1.3.1 Listed shares**	10,026,949.09
1.3.2 Unlisted shares	6,375,101,372.72
1.3.3 Government securities	0.00
1.3.4 Certificates of deposits	0.00
1.3.5 Bank deposits	0.00
1.3.6 Municipal bonds	0.00
1.3.7 Corporate bonds	0.00
1.3.8 Newly issued securities	0.00
1.3.9 Participation titles of UCITS and/or of OCIU	0.00
1.3.10 Other financial assets	226.79
2. Current assets	8,688,299,952.35
2.1 Inventory	0.00
2.2 Receivables out of which:	2,819,999.10
- commercial papers	0.00
2.3 Cash	5,552,476.95
2.4 Short term financial investments	8,234,181,942.81
2.4.1 Listed shares**	8,234,181,942.81
2.4.2 Unlisted shares	0.00
2.4.3 Municipal bonds	0.00
2.4.4 Corporate bonds	0.00
2.4.5 Participation titles of UCITS and/or of OCIU	0.00
2.5 Newly issued securities	0.00
2.6 Government securities	213,635,520.72
2.7 Bank deposits	232,110,012.77
2.8 Certificates of deposits	0.00

2.9 Other current assets	0.00
3. Derivatives	0.00
4. Prepaid expenses	43,881.55
5. Total assets	15,074,232,495.90
6. Total liabilities	31,164,169.83
6.1 Borrowings from bond issues	0.00
6.2 Amounts due to credit institutions	0.00
6.3 Advance payments to customer accounts	0.00
6.4. Payables	17,189,335.95
6.5 Commercial papers due	0.00
6.6 Amounts due to group companies	0.00
6.7 Amounts due to related parties	0.00
6.8 Other debts	13,974,833.88
7. Provisions	29,326,244.33
8. Deferred income out of which:	0.00
8.1 Subsidies for investments	0.00
8.2 Deferred income	0.00
9. Shareholders' equity out of which:	15,013,742,081.74
9.1 Share capital	13,778,392,208.00
9.2 Share capital premiums	0.00
9.3 Revaluation differences	3,994,429,788.69
9.4 Reserves	-3,492,581,619.94
9.5 Retained earnings	85,455,026.32
9.6 Period result	682,154,398.92
9.7 Profit appropriation	-34,107,720.25
10. Total liabilities and Shareholders' equity	15,074,232,495.90
11. Net Asset Value	15,013,742,081.74
12. No of shares issued*	12,071,882,101
13. Net asset value per share	1.2436
14. Number of portfolio companies out of which:	62
14.1 Companies admitted to trading on a regulated market**	24
14.1 Companies admitted to trading on an alternative regulated market	0
14.3 Companies not admitted to trading	38

Notes:

* = Represents the number of shares related to the paid in subscribed share capital (according to provisions of Law 247/2005, Title VII, Art. 9², alin. 5 "Subscribed unpaid shares are not taken into account for the computation of net asset value per share for Fondul Proprietatea") excluding the Fund's own shares bought back (Treasury shares), according to provisions of CNVM Regulation no.11/2012.

** = Include also the value of holdings / number of companies admitted to trading on Rasdaq market

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

Oana Truța
Legal representative

Marius Nechifor
Compliance Officer

BRD Groupe Societe Generale

Victor Strâmbei
Manager Depository Department

Claudia Ionescu
Director

Annex - Valuation methods used for the securities and the monetary market instruments held by Fondul Proprietatea S.A. as at 31 December 2013

The valuation methods used for the computation of the NAV as at 31 December 2013, for the securities and the monetary market instruments held by Fondul Proprietatea S.A. are the following:

1. Listed companies on BVB traded within last 30 trading days: Closing Price
2. Listed companies on Rasdaq RGBS traded within last 30 trading days: Closing Price
3. Listed companies on Rasdaq XMBS și UNLS traded within last 30 trading days: Average Price (*according with the letter received from Financial Supervision Authority in December 2013*)
4. Listed companies with no trades within last 30 trading days: Shareholders' equity / share (from the annual financial statements prepared in accordance to Romanian accounting regulations or in accordance to IFRS), Fair value/share;
5. Unlisted companies: Shareholders' equity / share (from the annual financial statements prepared in accordance to Romanian accounting regulations or in accordance to IFRS), Fair value / share;
6. Companies in insolvency or reorganisation: Valued either at zero or at the value provided by an independent valuator;
7. Companies in liquidation/dissolution/ bankruptcy: Valued at zero;
8. Companies with negative shareholders' equity, unlisted, or listed but not traded within the last 30 trading days: Valued at zero;
9. Treasury bills: Acquisition price cumulated with the accrued interest receivable calculated for the period elapsed since the date of acquisition;
10. Listed government bonds: Closing price (Gross price);
11. Bank deposits: Bank deposit amount cumulated with the accrued interest receivable calculated for the period elapsed since its creation date.

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Legal Representative

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Annex – Changes in the valuation methods used for the computation of the NAV of Fondul Proprietatea as at 31 December 2013

For the computation of the NAV as at 31 December 2013 for Fondul Proprietatea S.A., Franklin Templeton Investment Management changed the valuation methods used for the investments in the companies presented below:

1) E.ON Gaz Distributie SA, Electrica Distributie Muntenia Nord SA, Electrica Distributie Transilvania Nord SA, Electrica Distributie Transilvania Sud SA, Enel Distributie Banat SA, Enel Distributie Dobrogea SA, Enel Distributie Muntenia SA, GDF Suez Energy Romania, Zirom SA

For these companies, the valuation method was changed to Fair value (value as per independent valuer's report)/ share as it was considered that this method reflects better the fair value of these investments in the Fund's NAV. The total impact of this change of valuation method on the Fund's NAV was an increase of 227,708,594.94 Lei, detailed in the below table:

Company	Previous valuation method	Previous value per share (RON/share)	Current value per share (RON/share)	Impact of valuation method change on NAV (RON)
E.ON Gaz Distributie SA	Shareholder equity/share	13.0319	12.1854	-11,476,173.19
Electrica Distributie Muntenia Nord SA	Fair value (Shareholder equity adjusted with dividends declared/share)	35.6443	37.9937	18,315,974.09
Electrica Distributie Transilvania Nord SA	Shareholder equity/share	24.5689	20.5847	6,025,395.65
Electrica Distributie Transilvania Sud SA	Shareholder equity/share	22.8032	25.3066	-20,692,575.11
Enel Distributie Banat SA	Shareholder equity/share	52.6866	62.1702	87,444,899.44
Enel Distributie Dobrogea SA	Shareholder equity/share	48.0081	56.1384	54,904,948.45
Enel Distributie Muntenia SA	Shareholder equity/share	133.3407	145.2741	38,859,876.02
GDF Suez Energy Romania	Fair value / share (Shareholders' equity as per IFRS separate financial statements adjusted with dividends declared/ share)	145.3435	169.7872	58,221,544.61
Zirom SA	Fair value / share (Subscription value / share)	10.0000	9.1775	-3,895,295.02
Total				227,708,594.94

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2) Hidroelectrica SA, Posta Romana SA, CN Aeroporturi Bucuresti SA, Complexul Energetic Oltenia SA, E.ON Moldova Distributie SA

For these companies, the valuation method remained the same, namely fair value (value as per independent valuer's report)/ share, but an updated valuer's report was used. The total impact of this change on the Fund's NAV was a decrease of Lei 302,967,048.10, detailed in the table below:

Company	Previous value per share (RON/share)	Current value per share (RON/share)	Impact of valuation report update on NAV (RON)
Hidroelectrica SA	22.4172	25.0881	238,409,282.86
Posta Romana SA	5.4345	4.0875	-20,032,512.61
CN Aeroporturi Bucuresti SA	94.5941	100.0381	15,653,911.69
Complexul Energetic Oltenia SA	32.1625	11.7555	-558,356,661.65
E.ON Moldova Distributie SA	29.4694	31.4121	21,358,931.61
Total			-302,967,048.10

3) Mecon SA

For this company, the valuation method was changed from Fair value (Last available trading price) (Lei 2.41/share) to Reference price - Closing price (Lei 3/share) according to CNVM Regulation 4/2010 amended by CNVM Regulation 11/2012 and FSA letter received in December 2013 (regarding valuation of shares listed on Rasdaq market), because the shares of this company were traded during the last 30 trading days. The total impact of this change of valuation method on the Fund's NAV was an increase of Lei 35,431.86.

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