



FONDUL PROPRIETATEA

To

Bucharest Stock Exchange
Romanian National Securities Commission

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

Report date:	10 November 2011
Name of the issuing entity:	SC Fondul Proprietatea SA
Registered office:	78-80 Buzesti St., 7 th floor, district 1 Bucharest, postal code 011017
Phone/fax number:	Tel.: + 40 21 200 9600 Fax: + 40 21 200 9631
Sole Registration Code with the Trade Register Office:	18253260
Order number in the Trade Register:	J40/21901/2005
Subscribed share capital:	13,778,392,208 RON
Paid share capital:	13,405,864,536 RON
Regulated market on which the issued securities are traded:	Bucharest Stock Exchange

Important events to be reported - S.C. Fondul Proprietatea S.A. (Fondul Proprietatea): Legal action against the Board members of Societatea Comercială de Producere a Energiei Electrice în Hidrocentrale Hidroelectrica SA ("Hidroelectrica"):

Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch, as Sole Administrator and Fund Manager of Fondul Proprietatea, informs that on 8th November 2011, filed with the Bucharest Court the summons against the Board members of Hidroelectrica who approved in December 2010 the conclusion of a sale - purchase of electricity agreement between Hidroelectrica and SC ArcelorMittal Galați SA, namely Mr. Tudor Șerban, Mr. Mihai-Ciprian David, Mrs. Ionica Raicu, and Mrs. Florentina Constantinescu.

As a minority shareholder of Hidroelectrica, with a 19.9 % stake, Fondul Proprietatea decided to take legal action against Hidroelectrica's Board members, considering that the agreement with ArcelorMittal Galați is a preferential contract concluded at a lower price than the market price, thus causing major prejudices to Hidroelectrica.

Once again, the Fund's Sole Administrator would like to reiterate its commitment to pursue all legal measures with a view to protecting and unlocking the value of the underlying companies within Fondul Proprietatea, in the best long-term interest of all the Fund's shareholders.

Franklin Templeton Investment Management Ltd United Kingdom Bucharest Branch, in capacity of Sole Administrator of S.C. FONDUL PROPRIETATEA S.A.

Adrian CIGHI

Legal Representative

S.C. FONDUL PROPRIETATEA S.A., administered under a unitary system
Headquarters at: 78 – 80 Buzesti Street, 7th floor, Bucharest 1st district, postal code 011017, Romania.
Fiscal Identification Code (CIF): 18253260, registered with the Trade Registry under no: J40/21901/2005
Register on Data Protection Notification Register under number 18668
Subscribed share capital RON 13,778,392,208, Paid Share Capital: RON 13,405,864,536
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