



FONDUL PROPRIETATEA

To **Bucharest Stock Exchange**
Romanian National Securities Commission

The current report according to Art. 99 letter s) of the Rule book of the Bucharest Stock Exchange Market Operator, Title II, Issuers and Financial Instruments

Report date:	09 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:	13,405,864,536RON
Regulated market on which the issued securities are traded:	Bucharest Stock Exchange

Important events to be reported: S.C. Fondul Proprietatea S.A. (the "Fund") - Share capital increase for Nuclearelectrica

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch, in its capacity as Sole Administrator and Fund Manager of the Fund informs that on 4 November 2011 the Ministry of Economy and Commerce published on its webpage the draft of Emergency Government Ordinance regarding the future share capital increase of Nuclearelectrica with the value of heavy water bought for Reactors 3 and 4 using allocations from the State budget.

According to the draft of Emergency Government Ordinance, since 2006 the Romanian State has transferred to Nuclearelectrica an amount of RON 1,442.5 million as state allocations for buying heavy water from Regia Autonomă pentru Activități Nucleare, a 100% state controlled company for Reactors 3 and 4. The amount received was registered by Nuclearelectrica as reserves in shareholders equity.

The implementation of this Emergency Ordinance of the Government may result in the reduction of the value of the stake held by the Fund in Nuclearelectrica by a maximum amount of RON 266 million, resulting in a decrease of NAV by approximately 1.8%, computed based on the Fund's NAV as of 30 September 2011.

Franklin Templeton Investment Management Ltd. Bucharest Branch, as Sole Administrator of Fondul Proprietatea, will use all legal measures and other tools available to protect the value of the Fund's holding in Nuclearelectrica.

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

Adrian CIGHI

Legal Representative