



**FRANKLIN TEMPLETON  
INVESTMENTS**



# FONDUL PROPRIETATEA

MONTHLY REPORT

31 March 2011

## INVESTMENT OBJECTIVE

Long-term capital appreciation via investments mainly in Romanian equity or equity-linked securities with strict adherence to the principles of value investing, supported by first-hand research, and a long-term time horizon.

## FUND MANAGER

Franklin Templeton Investment Management Limited  
UK, Bucharest Branch

## HEAD LEGAL REPRESENTATIVE & PORTFOLIO MANAGER

Grzegorz Konieczny

## FUND DETAILS AS AT 31 MAR 2011

**Base Currency of Fund:** Romanian Lei (RON)

**Fund Size:** 16.46 billion RON  
€4.00 billion

**Date of Fund Launch:** 28 December 2005

**Performance Inception Date:**

31 December 2010 for NAV  
25 January 2011 for Ordinary Share Price

## VALUES

**NAV/Share:** 1.1942 RON

**Ordinary Share Price:** 0.6120 RON

**Discount:** 48.75%

**Number of shares in issue:** 13,778,392,208

**The subscribed and paid capital:**  
RON 13,778,392,208

## DIVIDENDS PAID: ANNUALLY

**Ordinary Dividend:** 0.0816 RON October 2010\*\*

**Proposed Dividend for 2010:** 0.01569 RON

\*\* This represents both 2008 and 2009 distribution

## FUND IDENTIFIER

**Bucharest Stock Exchange symbol:** FP

**Bloomberg:** BBG000PLPSZ8

**ISIN:** ROFPTAACNOR5

**CNVM Register No:** PJR09SIIR/400006/18.08.2010

**CIVM Registration No:** AC-3587-1/22.12.2010

## DESCRIPTION OF NAV BASIS

Net Asset Value is calculated according to regulations currently applying to Fondul Proprietatea in Romania (CNVM Regulation no. 4/2010, modified by Disposal of Measures no. 17/25.11.2010). Listed investments are valued using the last available closing price where there is trading activity in the last 30 days. Where there is no trading activity in the 30 day period for listed investments, the unlisted valuation approach applies. Investments in unlisted companies are valued using either shareholders equity value per latest financial statements (proportionally with the stake held) or by using valuation methods in accordance with International Valuation Standards (fair value principles). Any holding going through an insolvency or liquidation procedure is valued at zero until the procedure is finalised.

## Contact Us

tel: +40 21 200 9600

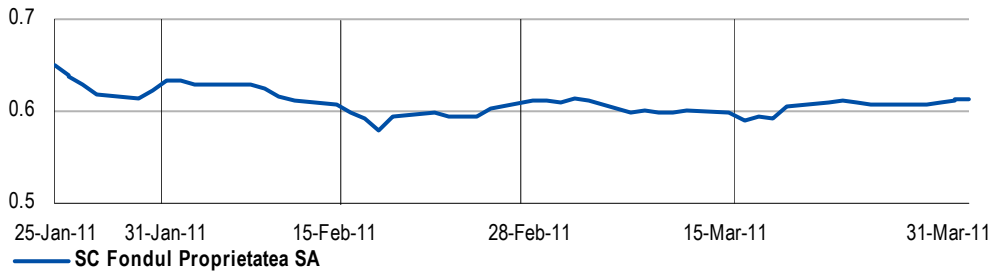
fax: +40 21 200 9631/32

email: [investor.relations@fondulproprietatea.ro](mailto:investor.relations@fondulproprietatea.ro)

web: [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro)

Fund's headquarters are at 78-80 Buzesti Str, 7th Floor, Bucharest District 1, 011017, Romania. Fund's Fiscal Identification Code (CIF): 18253260 and Trade Registry registration no: J40/21901/2005

## SHARE PRICE SINCE LISTING



## CUMULATIVE PERFORMANCE %

|                      | 1-MO  | 2-MO  | 3-MO | 6-MO | 9-MO | 1-YR | SINCE PERF. INCEPT. |
|----------------------|-------|-------|------|------|------|------|---------------------|
| NAV                  | 2.15  | 5.20  | 7.36 |      |      |      | 7.36                |
| Ordinary Share Price | -0.08 | -0.49 |      |      |      |      | -5.77               |

## ASSET ALLOCATION\*

| ASSET                      | %     |
|----------------------------|-------|
| Equity                     | 94.52 |
| Money Market Instruments** | 5.39  |
| Other                      | 0.09  |

## COUNTRY BREAKDOWN\*

| COUNTRY | %     |
|---------|-------|
| Romania | 98.30 |
| Austria | 1.70  |

## SECTOR BREAKDOWN\*\*\*

| SECTOR   | %     |
|--|-------|
| Oil & Gas  | 37.67 |
| Power Utilities: generation                            | 30.64 |
| Power & Gas Utilities: transport, distribution, supply | 17.12 |
| Banks  | 2.78  |
| Infrastructure   | 2.63  |
| Aluminium  | 1.64  |
| Postal Services  | 1.03  |
| Heavy Industry   | 1.03  |
| Others   | 0.36  |
| Net Cash   | 5.10  |

## TOP 10 HOLDINGS\*\*\*

| SECURITY NAME               | %     |
|-----------------------------|-------|
| OMV Petrom                  | 29.63 |
| Hidroelectrica              | 19.98 |
| Romgaz                      | 7.57  |
| Nuclearelectrica            | 4.29  |
| Complexul Energetic Turceni | 3.22  |
| Transgaz                    | 2.91  |
| Enel Distributie Muntenia   | 1.97  |
| CN Aeroporturi Bucuresti    | 1.96  |
| GDF Suez Energy Romania     | 1.84  |
| ENEL Distributie Banat      | 1.69  |

\*Percentages calculated based on total assets.

\*\*Money market instruments include: time deposits, current accounts, and treasury bills.

\*\*\*Percentages calculated based on net asset value (NAV).

## SUBSTANTIAL SHAREHOLDERS

|                                     | %             |
|-------------------------------------|---------------|
| Ministry of Public Finance          | 36.79         |
| Romanian private individuals        | 28.28         |
| Foreign institutional shareholders  | 20.40         |
| Foreign private individuals         | 8.66          |
| Romanian institutional shareholders | 5.87          |
|                                     | <b>100.00</b> |
| <b>Total Number of Shareholders</b> | <b>8,467</b>  |

## IMPORTANT INFORMATION AND DISCLAIMERS

The above portfolio information is calculated on the basis of the NAV. The portfolio manager for the Fund reserves the right to withhold release of information with respect to holdings that would otherwise be included in the Top 10 Holdings list where the protection of such information is in the best interests of the Fund. The price of shares and income from them can go down as well as up and you may not get back the full amount that you invested. Past performance is no guarantee of future performance. In emerging markets, the risks can be greater than in developed markets. Investment in the Fund may not be suitable for all investors; we suggest investors seek guidance from a financial adviser. Read the issue prospectus before investing in this fund/investment firm. Franklin Templeton Investment Management Limited United Kingdom, Bucharest Branch, as sole administrator of SC Fondul Proprietatea SA issues quarterly, semi-annual and annual reports which are published on the Fund's website at [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro). This is a short summary for the information of existing shareholders only and is not intended to be used as the basis for investment decisions. Existing and potential investors should refer to the Fund's prospectus and amendment, available at [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro).

All information presented in the report is provided by Franklin Templeton Investment Management Limited United Kingdom, Bucharest Branch. This report is issued in Romania by Franklin Templeton Investment Management Limited United Kingdom, Bucharest Branch, at 78-80 Buzesti Str, Premium Point, 7th and 8th Floors, Bucharest 1, 011017, ROMANIA registered with CNVM under no. PJM05SSAM/400001/14.09.2009.