

To Whom it May Concern:

14 June 2011

Please find attached an ownership disclosure in English and Romanian of the shares of Fondul Proprietatea SA (FP RO) held by City of London Investment Management Company Limited on behalf of its clients. This disclosure shows the aggregate number of shares held directly via the ordinary shares in Romania and indirectly via a warrant issued by UniCredit Bank.

Whilst we understand that, considering the algorithm of allocating the voting rights in FP RO and the number of shares we currently hold in FP RO, we are not required to make a disclosure according to the applicable Romanian legislation, we have decided to make the disclosure in the interests of transparency following the Romanian Government's announcement that its share ownership in FP RO has fallen to 25.249%. In this respect, we have used the reporting model prescribed in Annex 35 to the National Securities Commission Regulation 1/2006 regarding issuers of securities and operations with securities.

We understand that Franklin Templeton Investment Management intend to call an extraordinary general meeting of shareholders for shareholders to consider the normalisation of the algorithm of allocating the voting rights in FP RO.

Yours sincerely,



Christopher Weaver

Director-Investment Management

City of London Investment Management Company Limited

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Reporting

based upon model of reporting holdings over 5% pursuant to article 116 par. (1) of the National Securities Commission Regulation 1/2006 regarding issuers of securities and operations with securities

NATIONAL SECURITIES COMMISSION**REPORTING HOLDINGS**

Company: SC FONDUL PROPRIETATEA SA - BUCURESTI

Single Registration Code: 18253260

Regulated market symbol: FP

Securities type: Shares

Securities holder identification: City of London Investment Management Company Limited, 77 Gracechurch Street, London EC3V 0AS UK

Natural person: N / A

(family name and first name) (I.D./Passport-series/no.) (personal numeric code)

Legal person: City of London Investment Management Company Limited – registration number 02851236

(full name) (single registration code) (location/county) (country) (tel./fax)

Major shareholders of the holder of securities: City of London Investment Group

The description of the relation of the securities holder with other shareholders according to art.116 paragraph (2)

Number of shares currently held: 134,083,900 of FP and 668,200 of HV5CJ8 (warrants issued by UniCredit Bank - each such warrant converts to 1,000 shares of FP) totalling 802,293,900 shares representing 5.85% of total number of issued shares.

The way in which they have been acquired/alienated:

- on the company's setting up;
- trading on the secondary market: **X**
- public sale offer;
- public purchase/takeover bid;
- A.P.A.P.S. (Authority for the Privatisation and Management of State Ownership) contract;
- other ways.

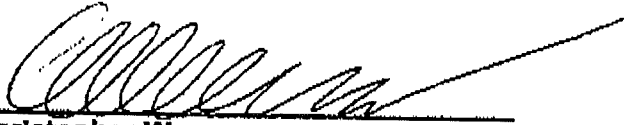
Number of shares held after the transaction:

After the conversion of the warrants issued by UniCredit Bank, the total number of shares held in FP would be: 802,293,900 shares.

The percentage of share capital which accounts for the shares held after the transaction and the number of votes the issuer holds within the Extraordinary General Shareholders Meeting: **5.85% of total number of issued shares, respectively approximately [2.33]% of the voting rights.**

Trade date: **14 June 2011**

Signature of the legal representative of the reporting Person



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