

To Bucharest Stock Exchange
Romanian National Securities Commission

The current report according to Art. 113 point A, paragraph (1) letter j) of the Romanian National Securities Commission Regulation 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

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| Report date: | 9 May 2012 |
| Name of the issuing entity: | SC Fondul Proprietatea SA |
| Registered office: | 78-80 Buzesti St., 7 th floor, district 1, Bucharest, 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: | RON 13,778,392,208 |
| Paid share capital: | RON 13,412,780,166 |
| Regulated market on which the issued securities are traded: | Bucharest Stock Exchange |

Important events to be reported: SC Fondul Proprietatea SA ("The Fund") - New litigations started by Ioana SFÎRĂIALĂ to block the registration of the GSM resolutions with the Trade Register

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch, in its capacity of Sole Administrator and Fund Manager of the Fund would like to inform shareholders and investors that, on 9 May 2012, the Fund received three subpoenas from the Bucharest Court in three files (file nos. 15960/3/2012, 15961/3/2012, respectively 15964/3/2012). These new litigations were initiated by Mrs. Ioana SFÎRĂIALĂ, a shareholder of the Fund, as Plaintiff, to block the registration with the Trade Register of the resolutions approved by the General Shareholders Meeting of the Fund held on 25 April 2012 ("shareholder resolutions") at first meeting. The Fund received from the Bucharest Court only the subpoenas, without any additional documentation.

The first hearings in these files were set by the Bucharest Court as follows:

- file no. 15960/3/2012 on 14 May 2012;
- file no. 15961/3/2012 on 11 May 2012;
- file no. 15964/3/2012 on 11 May 2012.

Also, please note that there are four additional files mentioned on the official website of the Bucharest Court. These new files were also started by Ioana Sfîrăilă to block the registration with the Trade Register of the shareholder resolutions mentioned above. The Fund has not yet received any official documents from the Bucharest Court, but once the Fund Manager receives any supplemental information regarding these files, we will update shareholders and investors accordingly.

The Fund Manager informs shareholders that the registration of the resolution approved on 25 April 2012 for the net profit allocation and distribution of dividends for the financial year 2011 is one of the shareholder resolutions which Ioana Sfîrăială has attempted to block through these new litigations. Consequently, the payment of dividends can take place only after the registration of the shareholders' resolution at the Trade Register.

In light of the above, the Fund Manager will immediately inform shareholders and investors of any further developments accordingly.

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

Grzegorz Maciej KONIECZNY

Legal Representative