

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

The current report according to Art. 113 point A, paragraph (1) letter i) 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

Important events to be reported: Fondul Proprietatea SA – Impact on December 2012 net asset value calculation following the entering into force of Regulation no. 11/2012 issued by the Romanian National Securities Commission Regulation (“CNVM”)

As previously reported, CNVM issued Regulation no. 11/2012 in December 2012 to amend the Regulation no. 4/2010 (regarding the registration with CNVM and operation of Fondul Proprietatea (“Fund”) and the trading of shares issued by Fondul Proprietatea), which also covers the reporting of the net asset value (“NAV”) for the Fund. The main changes refer to:

- the valuation methodology for holdings in companies under insolvency or reorganisation: holdings in companies under insolvency or reorganisation procedures can be valued either at zero, or at the value assessed by an independent valuator;
- categories of the Fund’s shares to be used in the computation of NAV per share: treasury shares obtained via buybacks should be excluded from the NAV per share calculation.

The following table shows the impact on the 31 December 2012 NAV of significant valuation changes for certain holdings in unlisted companies. The largest impact relates to the use of an independent valuation for the holding in Hidroelectrica, which had previously been valued at nil under the former CNVM rule on the valuation of insolvent companies. Six other unlisted holdings were independently valued in December, and these are also included in the table.

Report date:

14 January 2013

Name of the issuing entity:

S.C. Fondul Proprietatea S.A.

Registered office:

78-80 Buzesti St.,
7th 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:

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

The valuation of all seven holdings was performed by KPMG, in accordance with the International Valuation Standards.

Name	Value in 31 Dec 2012 NAV (RON mil)	Value in 30 Nov 2012 NAV (RON mil)	Impact on Total NAV (RON mil)	Impact* on NAV/share (RON)
Hidroelectrica SA	2,001.00	0.00	2,001.00	0.1492
Nuclearelectrica SA	648.00	497.63	150.37	0.0112
Complexul Energetic Oltenia SA	880.00	1,075.07	-195.07	-0.0145
E.ON Moldova Distributie SA	324.00	399.77	-75.77	-0.0056
CN Aeroporturi Bucuresti SA	272.00	322.41	-50.41	-0.0038
Zirom SA	36.29	52.82	-16.53	-0.0012
Posta Romana SA	80.82	96.42	-15.60	-0.0012
TOTAL	4,242.11	2,444.12	1,797.99	0.1341

*Calculated based on the number of shares used in the NAV per share computation as at 30 November 2012.

The impact of excluding Treasury shares obtained through buybacks from the number of shares used for the computation of NAV per share was RON 0.0204 per share.

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch, acting as Sole Administrator on behalf of S.C. FONDUL PROPRIETATEA S.A.

Oana TRUȚA
Legal Representative