

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

The current report according to Article 99 of the Code of the Bucharest Stock Exchange, Title II, Issuers and Financial Instruments.

Important events to be reported:

Implementation of the buy – back programme

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch (“FTIML Bucharest Branch / The Fund Manager”), in its capacity of Sole Administrator and Fund Manager of Fondul Proprietatea SA (“the Fund”), would like to update shareholders and investors with respect to the status of the implementation of the buy-back programme.

As previously informed, the implementation of the programme approved by shareholders on 25 April 2012 was blocked due to the actions of a minority shareholder, Ioana Sfiraiala (“the Litigant”), who challenged with the Trade Registry the registration of the EGM Resolution no. 4 of 25 April 2012 for the approval of the buy-back programme (“the Resolution”).

However, on 5 March 2013, the Court announced that it has rejected the Litigant’s request of intervention and admitted the Fund’s registration request.

As the Court’s decision is enforceable in this case (although it still may be appealed by the Litigant), the registration of the Resolution with the Trade Registry is therefore possible.

Nevertheless, it should be noted that the implementation of the buy-back programme comprises several steps which must be observed before execution can actually start.

The normal process (assuming no legal complications) is as follows:

- The judge will have to draft the decision issued in this case; the legal term for the judge to comply with this

Report date:

6 March 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 13,412,803,666

Regulated market on which the issued securities are traded:

Bucharest Stock Exchange

obligation is of 30 days as of ruling;

- The original Trade Registry file, together with the court decision, must be then delivered by the Bucharest Court to the Trade Registry, for the registration of the Resolution;
- After the Resolution is registered with the Trade Registry, the Resolution will be sent to the Official Gazette for publication;
- After the publication of the resolution in the Official Gazette the Fund Manager will announce the start of the implementation of the second buy-back programme, according to the legislation in force.

The above process is not under the control of either the Fund or its Fund Manager.

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

For the Legal Representative

Valeria Nistor

Head of Legal

Empowered by the Decision of the Sole Administrator of S.C. FONDUL PROPRIETATEA S.A., Franklin Templeton Investment Management Ltd United Kingdom Bucharest Branch no. 5/11.02.2013