

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

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

Important events to be reported:

**Romanian National Securities Commission ("CNVM")
rejected the Fund's official complaint made against
CNVM's decision not to endorse the Addendum no. 2 to
the Investment Management Agreement ("IMA")**

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 SC Fondul Proprietatea SA (the "Fund"), would like to inform shareholders and investors with respect to the following:

As previously reported, on 23 January 2013, CNVM communicated to the Fund Decision no. 48/22.01.2013 ("Decision 48/2013") whereby it decided not to endorse the Addendum no. 2 to the IMA approved by shareholders on 4 April 2012. In response, the Fund Manager submitted an official complaint to CNVM, requesting it to revoke Decision 48/2013 and consequently to approve Addendum no. 2 to the IMA.

However, on 25 April 2013, the Fund received CNVM's Decision no. 374/25 April 2013 whereby the official complaint above- mentioned was dismissed and the provisions of the challenged decision, maintained.

The reasoning was similar with that of the previous decision, in the sense that a supplemental distribution through special dividend does not meet the objective proposed by FTIML in course of the international tender for appointing the portfolio manager of the Fund, exceeding in CNVM's opinion FTIML's proposed fee structure which led to the acceptance of the offer and execution of the IMA.

Report date:

26 April 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

As CNVM's Decision no. 374/25 April 2013 exhausts the available administrative options, and given that the IMA and subsequent addendums are approved by the Fund's shareholders and concluded between the Fund and the Fund Manager, the Fund Manager will carefully consider further steps that may be appropriate and will update investors of any further material developments.

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

Oana Valentin Truța
Legal Representative