

To: **Bucharest Stock Exchange
Financial Supervisory Authority
London Stock Exchange**

Current report according to Article 99 (s) of the Code of the Bucharest Stock Exchange Market Operator, Title II, Issuers and Financial Instruments

Important events to be reported:

Approval of the public tender offer in relation to the acceleration of the seventh buy-back programme

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch, in its capacity as Investment Manager (“**the Investment Manager**”) of Fondul Proprietatea SA (“**the Fund**”), would like to inform shareholders that the Financial Supervisory Authority approved on 8 February 2017 the Fund’s application for a public tender offer in relation to the acceleration of the seventh buy-back programme (“**Offer**”).

The main details of the Offer are:

- **Value of the Offer:** up to 640,000,000 shares in the form of shares and/or global depositary receipts which represent the shares (“**GDR**”);
- **Purchase price:** RON 0.91 per share and the USD equivalent of RON 45.50 per GDR, computed in accordance with the terms and conditions of the tender offer documentation;
- **Subscription period:** 15 February 2017 – 20 March 2017;
- **Allocation method:** pro-rata;
- **Intermediary:** *WOOD & Company Financial Services a.s.*;
- **Dealer managers:** *Goldman Sachs International* and *WOOD & Company Financial Services a.s.*;
- **GDR Tender Agent:** *The Bank of New York Mellon.*

The Fund will soon announce the publication of the Offer documentation which contains the details, steps and procedures to be followed for participating in the Offer.

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch, in its capacity of Investment Manager of FONDUL PROPRIETATEA S.A.

**Johan Meyer
Legal Representative**

Report date:

8 February 2017

Name of the issuing entity:

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 8,562,968,634.10

Paid-up share capital:

RON 8,253,728,136.60

Number of shares in issue:

10,074,080,746

Number of paid shares:

9,710,268,396

Regulated market on which the issued securities are traded:

Shares on Bucharest Stock Exchange

GDRs on London Stock Exchange