

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

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

**Important events to be reported:**

**Supporting materials and voting recommendations related to the 29 October 2015 Extraordinary and Ordinary General Shareholders' Meetings**

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch (the “**Fund Manager/ FTIML**”), in its capacity as Sole Director and Fund Manager of Fondul Proprietatea SA (the “**Fund**”), would like to remind shareholders that the Fund Manager has summoned the Fund’s Extraordinary (“**EGM**”) and Ordinary (“**OGM**”) General Shareholders’ Meetings for 29 October 2015 at “Radisson Blu” Hotel, „Atlas” Room, 63 – 81 Calea Victoriei Street, District 1, Bucharest, starting at 13:00 hours (Romanian time) in case of EGM and 14:00 hours (Romanian time) in case of OGM.

The entire supporting documentation (including the convening notice, the procedure for organizing the shareholders’ meetings, the forms of the general power of attorneys, the special power of attorneys and correspondence vote ballots) are available for shareholders’ reference on the Fund’s webpage at: <http://www.fondulproprietatea.ro/investor-relations/gsm-information/gsm-documentation>.

The Fund Manager recommends that shareholders **vote in favour of all the points on the EGM’s and OGM’s agenda, except for point 5.2 of the OGM agenda** (i.e. the simultaneous termination of FTIML’s mandate as Fund Manager and Sole Director of the Fund, and of the Investment Management Agreement signed between FTIML and the Fund), **for which we recommend voting “against”**.

Our recommendation for a vote against this point of the agenda is based on the fact that the Fund Manager has taken all reasonable actions within its powers to narrow the trading discount, but the evolution of the trading discount is independent from the Fund Manager.

For details regarding the measures taken to reduce the discount, as well as the significant challenges encountered, please refer to the Performance Report, which is available on the Fund’s webpage above-

**Report date:**  
6 October 2015  
**Name of the issuing entity:**  
Fondul Proprietatea S.A.

**Registered office:**  
78-80 Buzesti St.,  
7<sup>th</sup> 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 10,074,080,745.90

**Paid-up share capital:**  
RON 9,746,649,630.90

**Number of shares in issue:**  
11,193,423,051

**Number of paid shares:**  
10,829,610,701

**Regulated market on which the issued securities are traded:**  
Shares on Bucharest Stock Exchange

GDRs on London Stock Exchange

mentioned as part of the supporting documentation for the OGM.

The Fund Manager's voting recommendations are not binding in any way and should not be deemed under any circumstances as supporting documentation or argumentation for substantiating one's vote, shareholders being free to decide on the manner they vote for each item on the agenda.

The Fund Manager will implement and will comply with all the decisions taken by the shareholders, irrespective of its recommendations herein, subject to compliance with law and regulation.

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

**Grzegorz Konieczny**  
Legal Representative