

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

Current report according to Article 113 (A) para. (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 Article 99 letter f) of the Code of the Bucharest Stock Exchange, Title II, Issuers and Financial Instruments.

**Important events to be reported:**

**Registration with the Trade Registry of the decrease of the subscribed share capital following the cancellation of 179,598,899 shares – the new maximum threshold within the seventh buyback programme**

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch (**“the Investment Manager”**), in its capacity as investment manager of Fondul Proprietatea SA (**“the Fund”**), further to the current report published with respect to the registration with the Trade Registry of the decrease of the subscribed share capital following the cancellation of 179,598,899 shares, would like to mention that the decrease itself made available for repurchasing a number of 161,639,009 additional shares (and not 179,598,899 as previously reported).

Also, due to the decrease, and for clarification purposes, the new maximum threshold up to which the Fund can repurchase treasury shares under the seventh buy-back programme has been increased from 204,815,025 shares to 366,454,034 shares.

As per the Fund’s Extraordinary General Shareholders Meeting Resolution no. 9/2015, the Fund Manager was authorized to buy-back shares of Fondul Proprietatea S.A., global depositary receipts or depositary interests corresponding to shares of Fondul Proprietatea S.A., via trading on the regular market on which the shares, the global depositary receipts or the depositary interests corresponding to the shares of Fondul Proprietatea S.A. are listed or public tender offers, in compliance with the applicable law, for a maximum number computed so that all the outstanding treasury shares (acquired during this programme and/or previous ones) will not exceed 10% of the issued share capital at the relevant time.

**Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch acting as Investment Manager of FONDUL PROPRIETATEA S.A.**

**Oana Valentina TRUȚA**  
**Legal Representative**

**Report date:**

27 October 2016

**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 9,168,314,116.70

**Paid-up share capital:**

RON 8,859,073,619.20

**Number of shares in issue:**

10,786,251,902

**Number of paid shares:**

10,422,439,552

**Regulated market on which the issued securities are traded:**

Shares on Bucharest  
Stock Exchange

GDRs on London Stock  
Exchange