

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, Title II, Issuers and Financial Instruments and of Article 113 (A) para. (1) letter c) of the NSC Regulation no. 1/2006 on issuers and operations with securities, with its subsequent amendments and supplementations

Events to be reported:

The resolutions of the 28 February 2017 Extraordinary General Shareholders Meeting of Fondul Proprietatea SA

Franklin Templeton Investment Management Limited United Kingdom Bucharest Branch ("FTIML Bucharest"), in its capacity as Investment Manager of Fondul Proprietatea SA ("the Fund / the Company") hereby announces that on 28 February 2017 was held at JW Marriott Hotel, in Bucharest, the Fund's Extraordinary General Shareholders Meeting ("EGM") commencing 10:00 am (Romanian time).

The meeting was chaired by Mr. Grzegorz Maciej Konieczny, the Permanent Representative of Franklin Templeton International Services S.à r.l., the Sole Director of the Fund.

Following the said meeting, the shareholders of the Fund decided the following.

1. To approve the decrease of the subscribed share capital of Fondul Proprietatea S.A. as follows.

"The approval of the decrease of the subscribed share capital of Fondul Proprietatea S.A. from RON 5,742,226,025.22 to RON 5,238,521,987.92 through the reduction of the par value of the shares of Fondul Proprietatea S.A. from RON 0.57 to RON 0.52. The decrease is motivated by the optimization of the share capital of Fondul Proprietatea S.A., involving the return to the shareholders of a part of their contributions, proportionally with their participation to the paid-up share capital of Fondul Proprietatea S.A.

After the decrease, the subscribed share capital of Fondul Proprietatea S.A. shall have a value of RON 5,238,521,987.92 being divided in 10,074,080,746 ordinary shares, each having a par value of RON 0.52.

The approval of the amendment of Article 7 paragraph (1) of the Constitutive Act of Fondul Proprietatea S.A. as follows. "(1) *The*

Report date:

28 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 Registry:
18253260

Order number in the Trade Registry:

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

subscribed share capital of Fondul Proprietatea is in amount of RON 5,238,521,987.92, divided in 10,074,080,746 ordinary, nominative shares, having a nominal value of RON 0.52 each. The capacity as shareholder of Fondul Proprietatea is attested by a statement of account issued by Depozitarul Central SA".

The approval of the amendment of Article 9 paragraph (2) of the Constitutive Act of Fondul Proprietatea S.A. as follows. "(2) *The nominal value of a share is RON 0.52*".

The decrease of the share capital herein is performed based on Article 207 paragraph (2) letter (b) of Law no. 31/1990 and will be effective after the following conditions are met ("Conditions"):

- (i) this resolution is published in the Official Gazette of Romania, Part IV for at least two months;
- (ii) Financial Supervisory Authority ("FSA") endorses the amendment of Article 7 paragraph (1) and Article 9 paragraph (2) of the Constitutive Act of Fondul Proprietatea SA as approved by shareholders during this meeting, where required by applicable law or regulation;
- (iii) the share capital decrease approved by the shareholders on 31 October 2016 is effective;
- (iv) the shareholders' resolution for approving this share capital decrease is registered with the Trade Registry.

The approval of the payment to the shareholders registered as such at the Registration Date of this EGM of RON 0.05/share, proportionally with their participation to the paid-up share capital of Fondul Proprietatea S.A.

The payment shall start on the Payment Date of this EGM provided that the Conditions are met."

2. To ratify and to approve all EGM resolutions and all legal acts (including resolutions, decisions, notices for convening all EGM and contracts) concluded, adopted and issued in the name of Fondul Proprietatea S.A. through its sole administrator and/or its alternative investment fund manager between 6 September 2010 and 27 February 2017 and to

approve and ratify any implementation acts, facts and operations based on such, including the management of Fondul Proprietatea S.A. under an unitary system, as well as to approve all the changes to the Constitutive Act approved by all the extraordinary general meetings of shareholders between 6 September 2010 and 27 February 2017, as endorsed by FSA.

3. In accordance with Article 129² of Regulation no. 1/2006, to approve:
 - (i) **9 June 2017** as the **Ex – Date**, computed in accordance with the provisions of Article 2 paragraph (2) letter f¹) of Regulation no. 1/2006;
 - (ii) **12 June 2017** as the **Registration Date**, computed in accordance with the provisions of Article 238 paragraph (1) of Capital Market Law no. 297/2004;
 - (iii) **30 June 2017** as the **Payment Date**, as it is defined by Article 2 letter g) of Regulation no. 6/2009.

As it is not applicable to this EGM, the shareholders did not decide on the date of the guaranteed participation, as defined by Article 2 letter f¹) of Regulation no. 6/2009.

4. To empower, with authority to be substituted, Grzegorz Maciej Konieczny, to sign the shareholders' resolutions and the amended and restated form of the Constitutive Act, as well as any other documents in connection therewith, and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders' resolutions, including formalities for publication and registration thereof with the Trade Register or with any other public institution.

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

Oana Valentina Truța
Legal Representative