

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:

Sale of Electrica subsidiaries

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch, in its capacity as Investment Manager of Fondul Proprietatea S.A. (the "Fund"), would like to inform shareholders that the Fund has sold today its entire participations in the subsidiaries mentioned below of Societatea Energetică „Electrica” S.A. (“Electrica”).

The total value of the transaction amounts to RON 752,031,841 and its details are described below as follows.

- 1) **Electrica Furnizare S.A.** was sold to Electrica and Societatea Filiala de Întreținere și Servicii Energetice “Electrica Serv” S.A. for an aggregated selling price of RON 167,079,881;
- 2) **Societatea de Distribuție a Energiei Electrice Transilvania Nord S.A.** was sold to Electrica and Societatea de Distribuție a Energiei Electrice Muntenia Nord S.A. for an aggregated selling price of RON 201,702,667;
- 3) **Societatea de Distribuție a Energiei Electrice Muntenia Nord S.A.** was sold to Electrica and Societatea de Distribuție a Energiei Electrice Transilvania Sud S.A. for an aggregated selling price of RON 209,744,928;
- 4) **Societatea de Distribuție a Energiei Electrice Transilvania Sud S.A.** was sold to Electrica and Societatea de Distribuție a Energiei Electrice Transilvania Nord S.A. for an aggregated selling price of RON 173,504,365.

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:

1 November 2017

Name of the issuing entity:

Fondul Proprietatea S.A.

Registered office:

78-80 Buzesti Street
7th floor, district 1,
Bucharest, 011017

Phone/fax number:

Tel.: + 40 21 200 9600

Fax: + 40 21 200 9631

Email:

office@fondulproprietatea.ro

Internet:

www.fondulproprietatea.ro

Sole Registration Code

with the Trade Register

Office:

18253260

Order number in the Trade

Register:

J40/21901/2005

Register on Data

Protection Notification

Register under number:

18668

Subscribed share capital:

RON 5,238,521,987.92

Paid-up share capital:

RON 5,049,339,565.92

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