

Fondul Proprietatea

14 August 2018



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The price of shares and income from them can go down as well as up and you may lose some or all of your capital invested. The previous results of a fund or company do not account for future performances. Currency fluctuations will affect the value of foreign investments. All investments are subject to certain risks. Generally, investments offering the potential for higher returns are accompanied by a higher degree of risk. Stocks and other equities representing an ownership interest in a corporation have historically outperformed other asset classes over the long term but tend to fluctuate more dramatically over the shorter term. Small or relatively new companies can be particularly sensitive to changing economic conditions due to factors such as relatively small revenues, limited product lines, and small market share. Smaller company stocks have historically exhibited greater price volatility than larger company stocks, particularly over the short term. The significant growth potential offered by Emerging Markets remains accompanied by heightened risks when compared to developed markets, including risks related to market and currency volatility, adverse social and political developments, and the relatively small size and lesser liquidity of these markets.

The Fund's headquarters are located at 78-80 Buzesti Street, 7th Floor, Bucharest, 1st District, 011017, Romania. Fund's Fiscal Identification Code is 18253260 and Trade Registry registration number is J40/21901/2005. The subscribed share capital is RON 4,771,610,196.08 and paid up share capital is RON 4,582,427,774.08.

Starting with 1 April 2016, in view of complying with the AIFMD, implemented in the Romanian legislation through Law no. 74/2015 on managers of alternative investment funds and Regulation no. 10/2015 on alternative investment fund management, Fondul Proprietatea SA, qualifying as an alternative investment fund, is managed by Franklin Templeton Investment Services S.À R.L. ("FTIS"), a société à responsabilité limitée qualifying as an alternative investment fund manager under Article 5 of the Luxembourg Law of 12 July 2013 on alternative investment fund managers, authorized by the Commission de Surveillance du Secteur Financier under no. A00000154/21 November 2013, whose registered office is located at 8A rue Albert Borschette, L-1246 Luxembourg, registered with the Luxembourg Register of Commerce and Companies under number B 36.979, registered with the Romanian Financial Supervisory Authority ("FSA") under number PJM07.1AFIASMDLUX0037/10 March 2016.

This presentation herein is issued by Franklin Templeton Investment Management Limited ("FTIML"), registered with the FSA under no. PJM01SFIM/400005/14 September 2009, which is authorized and regulated in the UK by the Financial Conduct Authority, registered therein under the number 121779, registered as a foreign equivalent of an investment adviser with the US Securities Exchange Commission, acting through its Romanian branch having its registered office at Premium Point, 78-80 Buzesti Str., 7-8th floors, 1st. District, Bucharest, Romania.

FTIML acts herein as a delegate of FTIS with respect to the portfolio management functions as well as administration services over the Fund.



Fund Information



The Fund – Key facts

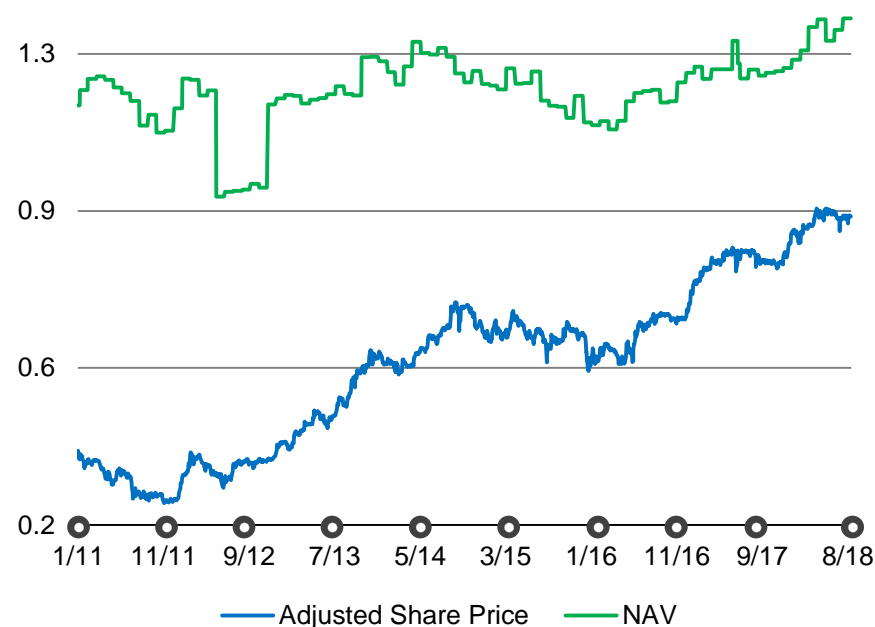


Fund Details¹

| | RON | USD |
|-------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------|
| NAV | 9.71 bn | 2.46 bn ² |
| NAV/Share | 1.3223 | 0.3349 ² |
| Price/Share | 0.8850 | 0.2241 ² |
| Price/GDR | 44.62 | 11.30 |
| Market Capitalization as at 13 August 2018 ³ | 6.52 bn | 1.59 bn ³ |
| Discount/Share as at 13 August 2018 | 33.20% | |
| Discount/GDR as at 13 August 2018 | 31.64% | |
| Number of Paid Shares less Treasury Shares ⁴ | 7,337,875,198 | |
| Investment Objective | | |
| Dividend/Share for FY 2017 | RON 0.0678 | |
| Dividend Yield for FY 2017 ⁵ | 7.54% | |
| Maximization of returns and per-share capital appreciation via investments mainly in Romanian equities and equity-linked securities | | |



FP Share Price⁶ and NAV



Source: BVB, FP Report as at 31 July 2018 report.

1. Based on local regulator methodology.

2. Computed using the NBR USD/RON FX rate as at 31 July 2018.

3. Excluding Treasury shares and the equivalent number of shares corresponding to the GDRs, repurchased as at 10 August 2018. Computed using the NBR USD/RON FX rate as at 13 August 2018.

4. As at 10 August 2018.

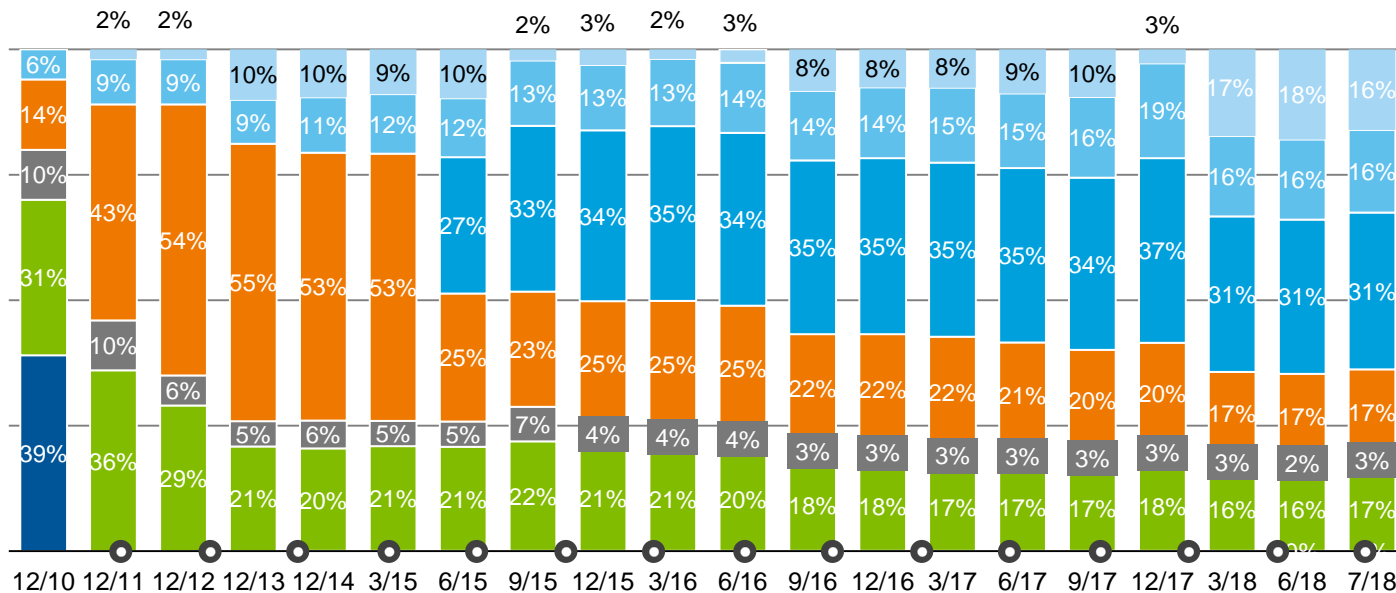
5. Based on the BVB share price as at 11 June 2018, the Registration date for the FY 2017 dividend.

6. Source: Bloomberg, BVB, until 13 August 2018.

Shareholders structure



Evolution (% Held)



- Treasury Shares
- Romanian Institutionals
- The Bank of New York Mellon (depository bank for Global Depository Receipts)
- Foreign Institutionals
- Foreign Individuals
- Romanian Individuals
- Ministry of Public Finance



Largest Shareholders¹

Elliott Associates
9.11%

NN Group
5.02%

Total Number of Shareholders²
6,215

1. Based on the total voting rights. Source: Ownership disclosures submitted by Elliott Associates on 28 February 2018 and NN Group on 27 March 2017.

2. Shareholders structure as at 31 July 2018.

Note: Based on paid share capital starting 31 July 2011. Source: Central Depository.

NAV, Share price and GDR performance



Cumulative Performance

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | H1 | YTD ¹ | Since Performance Inception ¹ |
|----------------------------|----------|--------|--------|--------|---------|-------|--------|--------|------------------|------------------------------------------|
| NAV (RON) | (0.47)% | 8.91% | 13.29% | 1.39% | (0.60)% | 7.33% | 13.10% | 13.12% | 12.52% | 69.05% |
| Ordinary Share Price (RON) | (30.32)% | 38.30% | 61.34% | 14.53% | (4.06)% | 4.90% | 21.46% | 10.02% | 10.15% | 139.77% |
| GDR (USD) | N/A | N/A | N/A | N/A | N/A | 1.15% | 35.88% | 5.53% | 5.53% | 32.71% |



Average Annual Discount

| 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 YTD ² | Current Share Price Discount ³ | Current GDR Price Discount ³ |
|--------|--------|--------|--------|--------|--------|--------|-----------------------|-------------------------------------------|-----------------------------------------|
| 55.67% | 50.09% | 40.74% | 30.87% | 29.12% | 32.08% | 28.05% | 28.46% | 33.20% | 31.64% |

Source: BVB, LSE, Bloomberg, FP NAV reports.

Note: The discount is calculated based on the latest published NAV available for the day of the calculation.

The Performance Inception date for the NAV is 31 December 2010, for the Share Price is 25 January 2011, and for the GDRs is 29 April 2015.

1. As at 31 July 2018.

2. For the period 3 January – 13 August 2018.

3. As at 13 August 2018.

Attribution to NAV Performance for Q2 2018



Top Performers

| Company | Status | Weight in total NAV ¹ | Change in NAV performance for Q2 2018 | % Change in share price/ NAV value per share in Q2 2018 |
|---------------------------------|----------|----------------------------------|---------------------------------------|---------------------------------------------------------|
| Hidroelectrica SA | Unlisted | 36.1% | 1.94% | (1.0)% |
| OMV Petrom SA | Listed | 18.6% | 1.24% | 0.8% |
| CN Aeroporturi Bucuresti SA | Unlisted | 8.1% | 0.79% | 2.2% |
| Alro SA | Listed | 3.2% | 0.74% | 12.4% |
| Societatea Nationala a Sarii SA | Unlisted | 2.6% | 0.25% | 10.7% |



Bottom Performers

| Company | Status | Weight in total NAV ¹ | Change in NAV performance for Q2 2018 | % Change in share price/ NAV value per share in Q2 2018 |
|--------------------------------|----------|----------------------------------|---------------------------------------|---------------------------------------------------------|
| BRD Groupe Societe Generale SA | Listed | 2.2% | (0.12)% | (13.1)% |
| Conpet SA ² | Listed | 0.0% | (0.06)% | (9.5)% |
| Zirom SA | Unlisted | 0.3% | (0.02)% | (4.0)% |
| Romaero SA | Listed | 0.3% | (0.02)% | (14.0)% |
| IOR SA | Listed | 0.0% | (0.01)% | (73.3)% |

TOTAL NAV PER SHARE CHANGE Q2 2018

0.18%

Note: The amounts are adjusted with the dividends declared by the companies, according with FP accounting policy.

1. NAV report as at 29 June 2018.

2. The holding in Conpet was entirely sold in April 2018.

Attribution to NAV Performance for H1 2018



Top Performers

| Company | Status | Weight in total NAV ¹ | Change in NAV performance for H1 2018 | % Change in share price/ NAV value per share in H1 2018 |
|--------------------------------|----------|----------------------------------|---------------------------------------|---------------------------------------------------------|
| OMV Petrom SA | Listed | 18.6% | 2.81% | 12.1% |
| Hidroelectrica SA | Unlisted | 36.1% | 1.77% | -1.0% |
| Alro SA | Listed | 3.2% | 1.04% | 30.6% |
| CN Aeroporturi Bucuresti SA | Unlisted | 8.1% | 0.72% | 2.2% |
| BRD Groupe Societe Generale SA | Listed | 2.2% | 0.34% | 1.7% |



Bottom Performers

| Company | Status | Weight in total NAV ¹ | Change in NAV performance for H1 2018 | % Change in share price/ NAV value per share in H1 2018 |
|-------------------------------------------------|----------|----------------------------------|---------------------------------------|---------------------------------------------------------|
| Zirom SA | Unlisted | 0.3% | (0.02)% | (4.0)% |
| IOR SA | Listed | 0.0% | (0.01)% | (73.3)% |
| CN Administratia Porturilor Dunarii Maritime SA | Unlisted | 0.0% | 0.00% | (16.3)% |

TOTAL NAV PER SHARE CHANGE H1 2018

7.43%

Note: The amounts are adjusted with the dividends declared by the companies, according with FP accounting policy.

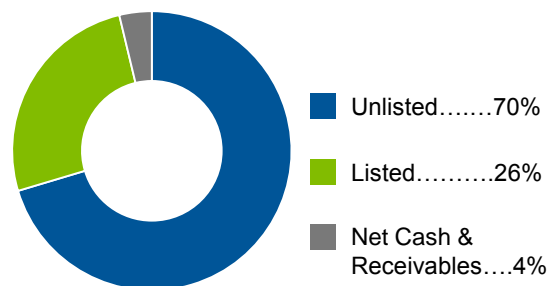
1. NAV report as at 29 June 2018.

Portfolio

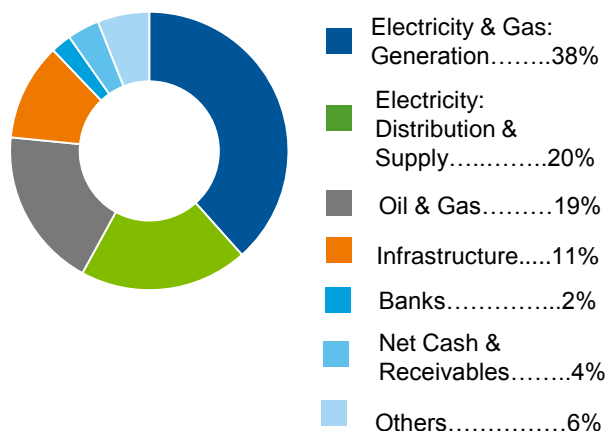




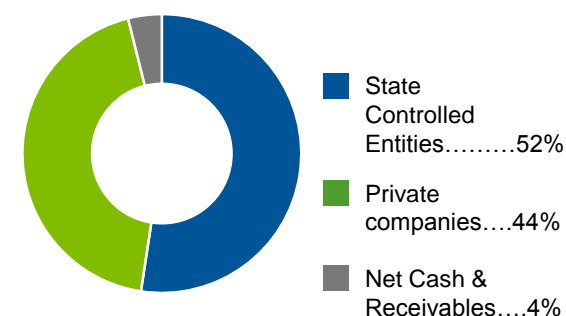
Listed vs Unlisted
as at 31 July 2018 (% NAV)¹



By Sector
as at 31 July 2018 (% NAV)¹



By Controlling Ownership
as at 29 June 2018²



- As at 31 July 2018, the portfolio included stakes in 35 companies (8 listed and 27 unlisted)
- Net cash and receivables position as at 31 July 2018 was USD 91.6 mn.
- The Fund Manager contracted a revolving credit facility for a maximum amount of RON 400 mn³ from BRD - Groupe Societe Generale SA. The purpose of this credit facility is for general corporate and operational use, including buybacks of own shares, distributions to shareholders, but excluding investments. The credit facility is available until June 2020.

1. Source: FP 31 July 2018 Factsheet.

2. FP 29 June 2018 Detailed statement of Investments.

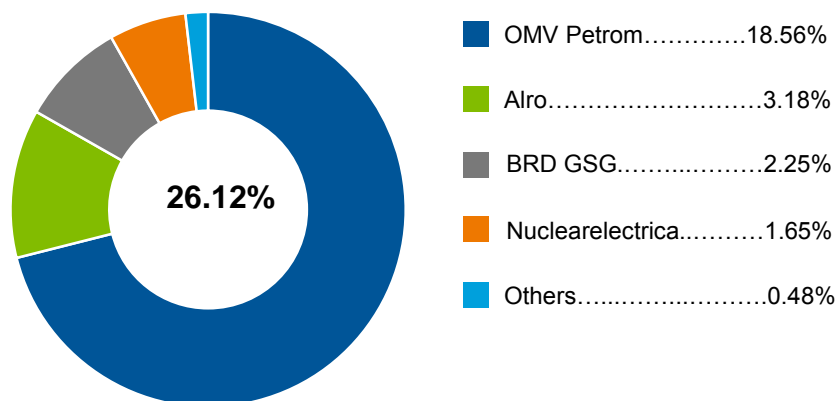
3. Maximum committed amount of RON 400 million, plus the possibility to access, at any given time, an additional amount of RON 200 million, subject to the Bank's approval and in accordance with the provisions of the Credit Facility, without exceeding RON 600 mn in total.

Portfolio structure – Listed vs. Unlisted



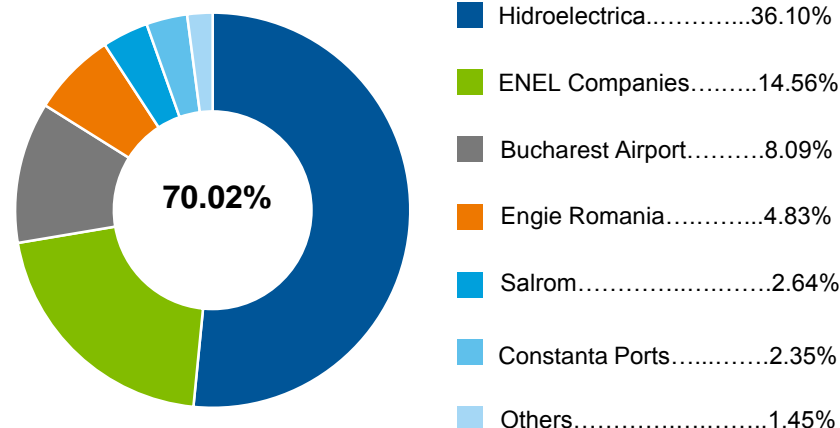
Listed Companies

(% of NAV as at 29 June 2018)



Unlisted Companies

(% of NAV as at 29 June 2018)



Source: FP 29 June 2018 Detailed statement of Investments.

Largest holdings by NAV

| Portfolio Company | Status | Majority Shareholder | % Stake ¹ | NAV as at 31 July 2018 (USD mn) | % in NAV as at 31 July 2018 |
|-----------------------------------------|----------|----------------------|----------------------|---------------------------------|-----------------------------|
| Hidroelectrica SA | Unlisted | Romanian State | 19.9% | 894.22 | 36.37 |
| OMV Petrom SA | Listed | OMV | 10.0% | 456.10 | 18.55 |
| CN Aeroporturi Bucuresti SA | Unlisted | Romanian State | 20.0% | 200.32 | 8.15 |
| E-Distributie Banat SA | Unlisted | Enel Group | 24.1% | 138.02 | 5.61 |
| Engie Romania SA | Unlisted | Engie | 12.0% | 119.53 | 4.86 |
| E-Distributie Muntenia SA | Unlisted | Enel Group | 12.0% | 106.11 | 4.32 |
| E-Distributie Dobrogea SA | Unlisted | Enel Group | 24.1% | 86.61 | 3.52 |
| Alro SA | Listed | Vimetco NV NLD | 10.2% | 67.74 | 2.75 |
| SN a Sarii Salrom SA | Unlisted | Romanian State | 49.0% | 65.34 | 2.66 |
| CN Administratia Porturilor Maritime SA | Unlisted | Romanian State | 20.0% | 58.25 | 2.37 |
| Top 10 Portfolio Holdings | | | | 2,192.24 | 89.16 |
| NAV | | | | 2,458.91 | 100.00 |
| NAV Per Share (USD) | | | | 0.3349 | |

Note: Values in USD calculated using the USD/RON FX rate as at 31 July 2018.

Source: FP 31 July 2018 Factsheet.

1. Based on the FP 29 June 2018 Detailed Statement of Investments.

Top portfolio holdings – H1 2018 financials

| Company | EBITDA (RON mn) | | Net profit (RON mn) | |
|--------------------------------|-----------------|----------------|---------------------|----------------|
| | H1 2017 | H1 2018 | H1 2017 | H1 2018 |
| Hidroelectrica SA | 1,170.0 | 1,457.0 | 717.0 | 962.0 |
| OMV Petrom SA | 3,148.8 | 3,324.5 | 1,209.5 | 1,287.7 |
| CN Aeroporturi Bucuresti SA | 228.7 | 278.0 | 122.0 | 192.3 |
| Alro SA | 291.6 | 275.2 | 186.9 | 154.2 |
| BRD Groupe Societe Generale SA | - | - | 750.0 | 756.6 |
| Nuclearelectrica SA | 318.3 | 420.3 | 157.3 | 182.3 |
| Total | 5,157.4 | 5,755.0 | 3,142.7 | 3,535.1 |
| Weighted Total | 646.3 | 736.6 | 336.6 | 405.9 |

Source: Companies H1 2018 financial statements.

Note: EBITDA is calculated as Operational result + Depreciation and Amortization. For Hidroelectrica SA and Alro SA, the figures represent the company's calculations.

Dividends:
FP received RON 226 mn dividends for the 2017 financial year.

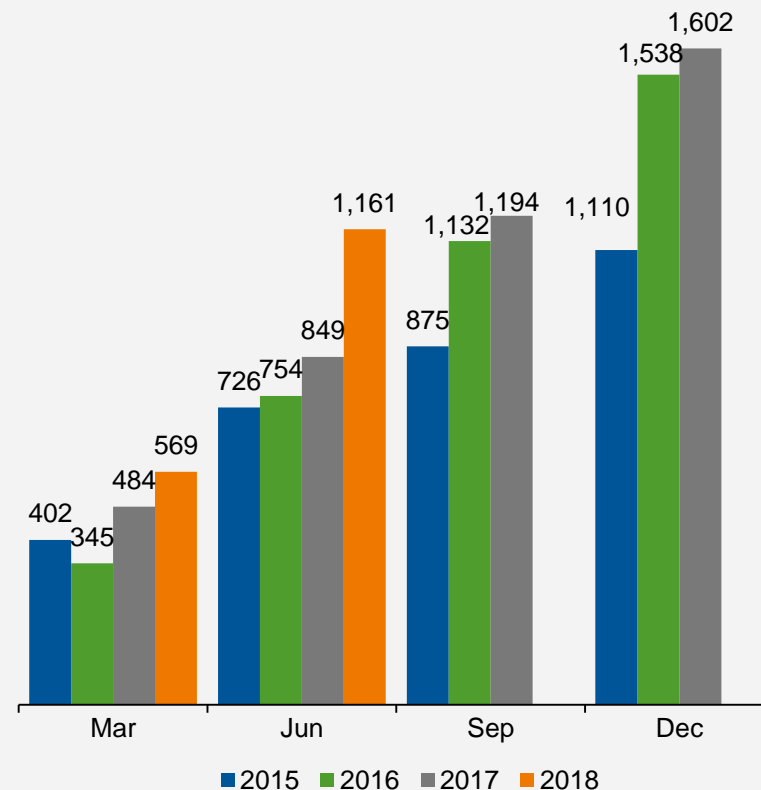
Financials:
In H1 2018, the net profit was RON 962 million, up by 34% y.o.y. Operating revenues increased by over 15% to RON 1.99 bn compared to H1 2017, based on a 20% production increase to 9.35 TWh.

Listing:
The Consortium's mandate for the IPO was not extended during the shareholders meeting on 6 August 2018.

Corporate Governance:
In the shareholders' meeting held on 5 May 2018, the Government approved the extension of the interim Board for an additional 4 month period.
The Ministry of Energy mandated the Board to implement the selection of a Board according to the provisions of Law's 111/2016.

Litigations:
The Fund has started several litigations against the appointment of the new members of the Directorate for breaching corporate governance principles and for approving, without proper analysis, a revised organizational chart that is to increase the number of employees by more than 250.

Pre-tax Cumulated Profit (RON mn)



Source: Hidroelectrica 2009 – 2017 Annual reports and financial statements, Hidroelectrica monthly press releases, reports, and presentations, press articles.



H1 2018 Results¹

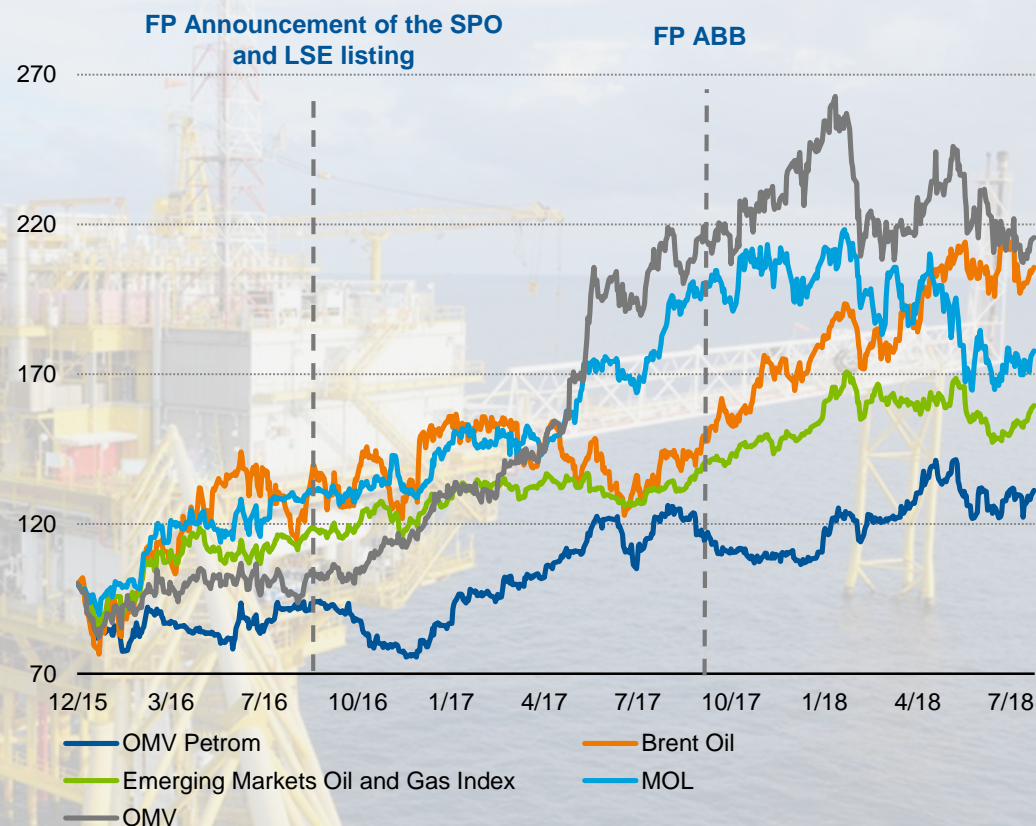
- Sales increased by over 6% in H1 2018 on the back of higher oil and gas prices and higher electricity sales volumes. Operating profit increased by approximately 13% while the net profit increased by over 6% compared to same period of 2017.



Taxation

- The off-shore royalties law was passed by the Parliament in July 2018; initial industry reactions are negative due to higher taxation than in the initial drafts. The President sent the offshore law back to the Parliament for reexamination and the Government has indicated the possibility of further revisions to the law.
- The gas reference price used for the calculation of gas royalties is linked, starting 12 February 2018, to the CEGH gas price in Austria. The regulator, NAMR, is considering a change of the formula used for calculating the gas reference price, which is to be implemented by the end of the year.
- Supplementary taxation of revenues from gas sales: the tax increased from 60% to 80% (increased rate to be applied only for the difference between realized prices and RON 85/MWh) and became permanent. The law entered into force in February 2018.

OMV Petrom – Share Price Performance % in USD²



1. Group's quarterly historical IFRS figures presentation from OMV Petrom's website
2. Source: Bloomberg, as at 30 July 2018.

C.N. Aeroporturi Bucuresti – Update

| Financial Performance | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | % y/y | 2018 budget |
|-----------------------------|-------|-------|-------|-------|-------|-------|---------|-------|-------------|
| Operating revenues (mn RON) | 501.5 | 555.5 | 582.6 | 672.1 | 755.6 | 882.3 | 1,052.8 | 19.3% | 1,189.2 |
| Operating profit (mn RON) | 88.5 | 80.9 | 94.0 | 124.4 | 213.5 | 276.6 | 393.4 | 42.2% | 428.4 |
| Net Income (mn RON) | 52.6 | 53.1 | 72.0 | 98.8 | 178.8 | 234.5 | 337.6 | 44.0% | 368.3 |
| Number of passengers (mn) | 7.45 | 7.54 | 7.67 | 8.32 | 9.28 | 10.99 | 12.84 | 16.8% | 14.00 |



Passenger Traffic

Increased by 7.08% in the first six months of 2018, reaching 6.34 million passengers. Aircraft movements increased by 4.76% to 57.80 thousands



Board and Management

The interim Board appointed on 12 January an interim General manager for a 4-month mandate.



IPO

We continue discussions with the Government on this topic, but there is no clear timeline or plans in this direction.

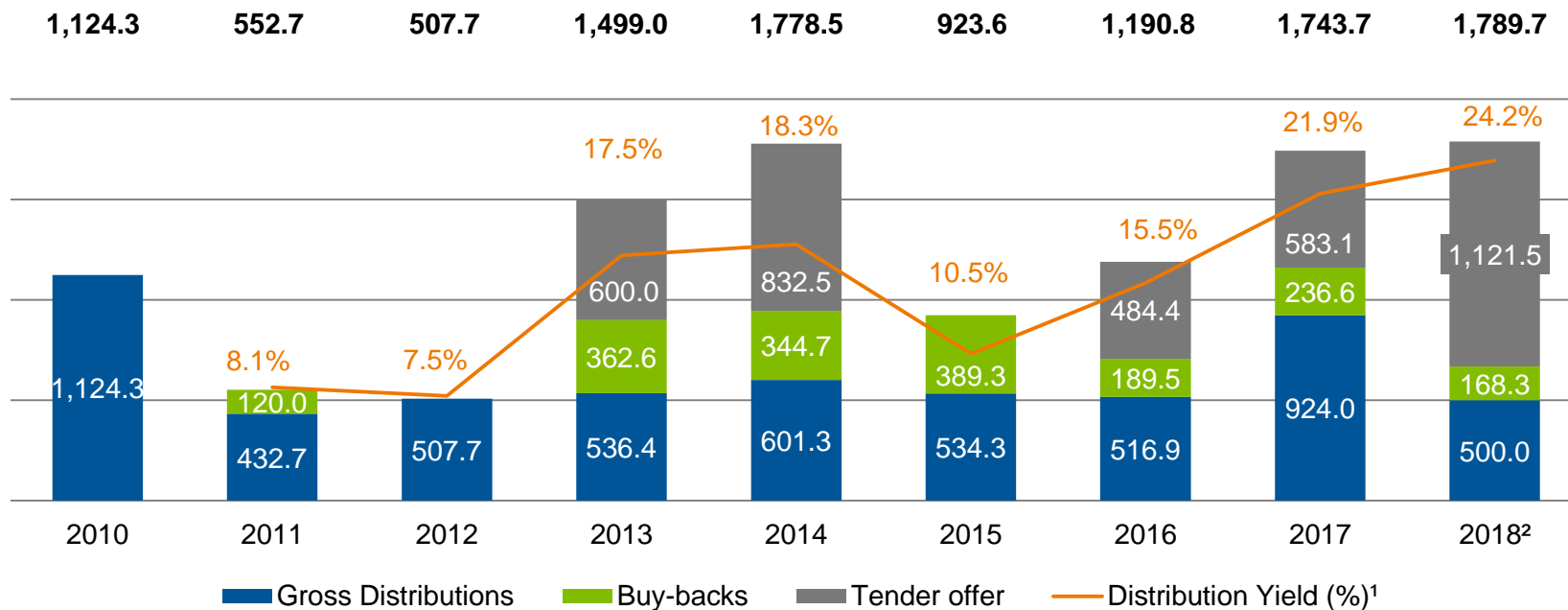
Corporate Actions



Distributions to shareholders



Annual Distributions to Shareholders (RON mn)



The total distributions through buy-backs and cash would amount to RON 11.11 bn/USD 3.08 bn³

Note: Values exclude related acquisition fees. USD values based on the NBR average USD/RON FX for each year. For 2018, average USD/RON FX as at 13 August.

1. Based on the total annual distributions through buy-backs and cash, based on the average closing share price on BVB for the respective year and the average number of paid shares, excluding Treasury shares. For 2018, average closing share price as at 13 August.

2. For buy-backs, the values are as at 10 August 2018.

3. As at 10 August 2018. Computed using the NBR USD/RON FX rate as at 13 August 2018.

Buy-back programs

| Program | Period | Status | No. of shares to be repurchased/ % of the Fund's issued share capital | Average share price (RON/share) | Broker | Cancellation of shares ¹ |
|---------|------------------------|-----------|--------------------------------------------------------------------------|---------------------------------|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Seventh | 29 Sep 16 – 26 May 17 | Finalized | 830.2 mn/8.2% | 0.8967 | Wood & Co., Goldman Sachs Int. | Cancellation approved by the shareholders during the 3 May '17 ² and 26 Sep '17 ³ EGMs |
| Eight | 30 May – 10 Nov 2017 | Finalized | 141.9 mn/1.4% | 0.8624 | Wood & Co., Jefferies Internat. | Partial cancellation of 67.7 mn shares approved by shareholders during the 26 Sep '17 EGM ³ Partial cancellation of 74.21 mn shares submitted for shareholders' approval during the 4 Sept '18 EGM |
| Ninth | Started on 14 Nov 2017 | Ongoing | 1,761.0 mn/19.2% | 0.9326 ⁴ | Wood & Co., Jefferies Internat. | The cancellation of shares will be subject to shareholders' approval in 2019 |

1. To be effective, the FSA endorsement is legally required, and the shareholders' resolution for the share capital decrease needs to be registered with the Trade Register.

2. Effective starting 29 November 2017.

3. Effective starting 29 June 2018.

4. As at 10 August 2018. Estimated value based on the 1,400,275,718 shares repurchased (804,582,818 ordinary shares and 595,692,900 equivalent shares of the GDRs repurchased).

Annual dividend income – Top 20 portfolio companies (I)

| Top 20 Holdings ¹ | Dividend Payout (%) | | | | | | FP Net Dividend (RON mn) | | | | | |
|---------------------------------------------|---------------------|------|------|------|------|------|--------------------------|-------|-------|-------|-------|-------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| Hidroelectrica SA | - | - | 80 | 80 | 90 | 90 | - | - | 128.9 | 134.6 | 206.6 | 226.2 |
| OMV Petrom SA | 40 | 36 | 35 | - | 94 | 46 | 319.0 | 331.4 | 120.5 | - | 106.8 | 107.6 |
| CN Aeroporturi Bucuresti SA | 85 | 85 | 50 | 75 | 90 | 90 | 9.1 | 12.3 | 10.2 | 27.4 | 41.2 | 61.2 |
| E-Distributie Banat SA | - | - | 50 | 44 | 40 | 39 | - | - | 20.7 | 16.8 | 8.9 | 7.7 |
| Engie Romania SA | 50 | 60 | 51 | - | 30 | 50 | 22.8 | 33.6 | 24.0 | - | 13.3 | 20.2 |
| E-Distributie Muntenia SA | - | - | - | - | - | - | - | - | - | - | - | - |
| E-Distributie Dobrogea SA | - | - | 50 | 44 | 37 | 36 | - | - | 10.5 | 12.0 | 6.6 | 4.3 |
| Alro SA | - | - | - | - | 100 | 100 | - | - | - | - | 6.9 | 39.0 |
| SN a Sarii Salrom SA | 92 | 85 | 85 | - | 90 | NP | 9.3 | 19.8 | 10.2 | - | 13.8 | NP |
| CN Administratia Porturilor Maritime SA | 75 | 78 | 50 | 75 | 90 | 25 | 5.4 | 10.1 | 6.5 | 14.1 | 11.0 | 4.1 |
| BRD Groupe Societe Generale | - | - | - | 50 | 70 | 83 | - | - | - | 7.7 | 17.6 | 34.5 |
| Nuclearelectrica SA | 83 | 81 | 68 | 70 | 88 | 93 | 2.3 | 27.9 | 6.9 | 8.6 | 8.6 | 18.5 |
| Enel Energie Muntenia SA | - | - | - | - | - | -.3 | - | - | - | - | - | -.3 |
| Enel Energie SA | - | - | 50 | 50 | - | -.3 | - | - | 7.4 | 2.1 | - | -.3 |
| Posta Romana SA | -.3 | -.3 | - | -.3 | - | - | -.3 | -.3 | - | -.3 | - | - |
| Romaero SA | -.3 | -.3 | -.3 | -.3 | -.3 | -.3 | -.3 | -.3 | -.3 | -.3 | -.3 | -.3 |
| Complexul Energetic Oltenia SA ² | 85 | - | - | -.3 | -.3 | - | 10.3 | - | - | -.3 | -.3 | - |
| Zirom | -.3 | - | -.3 | -.3 | -.3 | -.3 | -.3 | - | -.3 | -.3 | -.3 | -.3 |

Note: Calculations based on the companies' annual financial statements. Dividends are distributed based on individual financial statements.

NP - No Proposal as of the date of this presentation.

1. Source: FP 29 June 2018 Detailed Statement of Investments.

2. The company was registered in May 2012 and created through the merger of CE Craiova SA, CE Rovinari SA, CE Turceni SA and SNLO.

3. The company registered losses.

Dividend income – Top 20 portfolio companies (II)

| Top 20 Holdings ¹ | Dividend Payout (%) | | | | | | FP Net Dividend (RON mn) | | | | | |
|------------------------------------------------------------------|---------------------|------|------|------|------|------|---------------------------|---------------------------|---------------------------|---------------------------|----------------------------|---------------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| A.I. Timisoara – Traian Vuia SA | 80 | -11 | - | - | - | 37 | 0.7 | -11 | 0.0 | 0.0 | 0.0 | 0.6 |
| CN Administratia Canalelor Navigabile SA | 85 | 85 | 50 | 100 | 90 | 25 | 0.9 | 0.2 | 0.2 | 0.6 | 0.3 | 0.1 |
| Total Top 20 Holdings (RON mn) | | | | | | | 379.8 | 435.3 | 346.0 | 223.9 | 441.6 | 524.0 |
| Total Dividends from Listed Companies (RON mn) | | | | | | | 373.9 | 538.6 | 251.5 | 36.0 | 148.1 | 199.6 |
| Total Dividends from Unlisted Companies (RON mn) | | | | | | | 275.8³ | 143.5 | 315.9 | 313.5 | 404.5 | 324.6 |
| Total Annual Dividend Income (RON mn) | | | | | | | 649.7 | 682.1 | 567.4 | 349.5 | 552.6 | 524.2 |
| Total Special Dividend Income (RON mn) | | | | | | | - | - | - | - | 185.2 | - |
| Total Dividends (RON mn) | | | | | | | 649.7 | 682.1 | 567.4 | 349.5 | 737.8 | 524.2 |
| Total Annual Dividend Income per Share (RON)² | | | | | | | 0.04954 | 0.05674 | 0.05310 | 0.0339 | 0.0750 | 0.0714 |
| Total Special Dividend Income per Share (RON)² | | | | | | | - | - | - | - | 0.0251 | - |
| Dividend/Distribution per Share (RON)² | | | | | | | 0.05000 | 0.05000 | 0.05000 | 0.05000 | 0.06780 | |
| Share Price (RON) | | | | | | | 0.7640⁵ | 0.8130⁶ | 0.7200⁷ | 0.9180⁸ | 0.8990¹⁰ | |
| Yield | | | | | | | 6.54% | 5.84% | 6.94% | 8.76%⁹ | 7.54%¹⁰ | |
| Yield for Romanian companies (BET) | | | | | | | 5.10% | 3.50% | 4.56% | 7.07% | 8.59% | |

Note: Calculations based on the companies' annual financial statements. Dividends are distributed based on individual financial statements.

1. Source: FP 29 June 2018 Detailed Statement of Investments.

2. Calculation based on the number of paid shares at the registration date for each year excluding treasury shares at the same date. For 2018, the calculation is based on the number of paid shares excluding treasury shares acquired as at 10 August 2018.

3. Includes dividends from Romgaz and Nuclearelectrica, which were unlisted at that time.

4. As at 15 May 2013.

8. As at 6 June 2017.

5. As at 30 April 2014.

9. Includes the annual and the special dividend income.

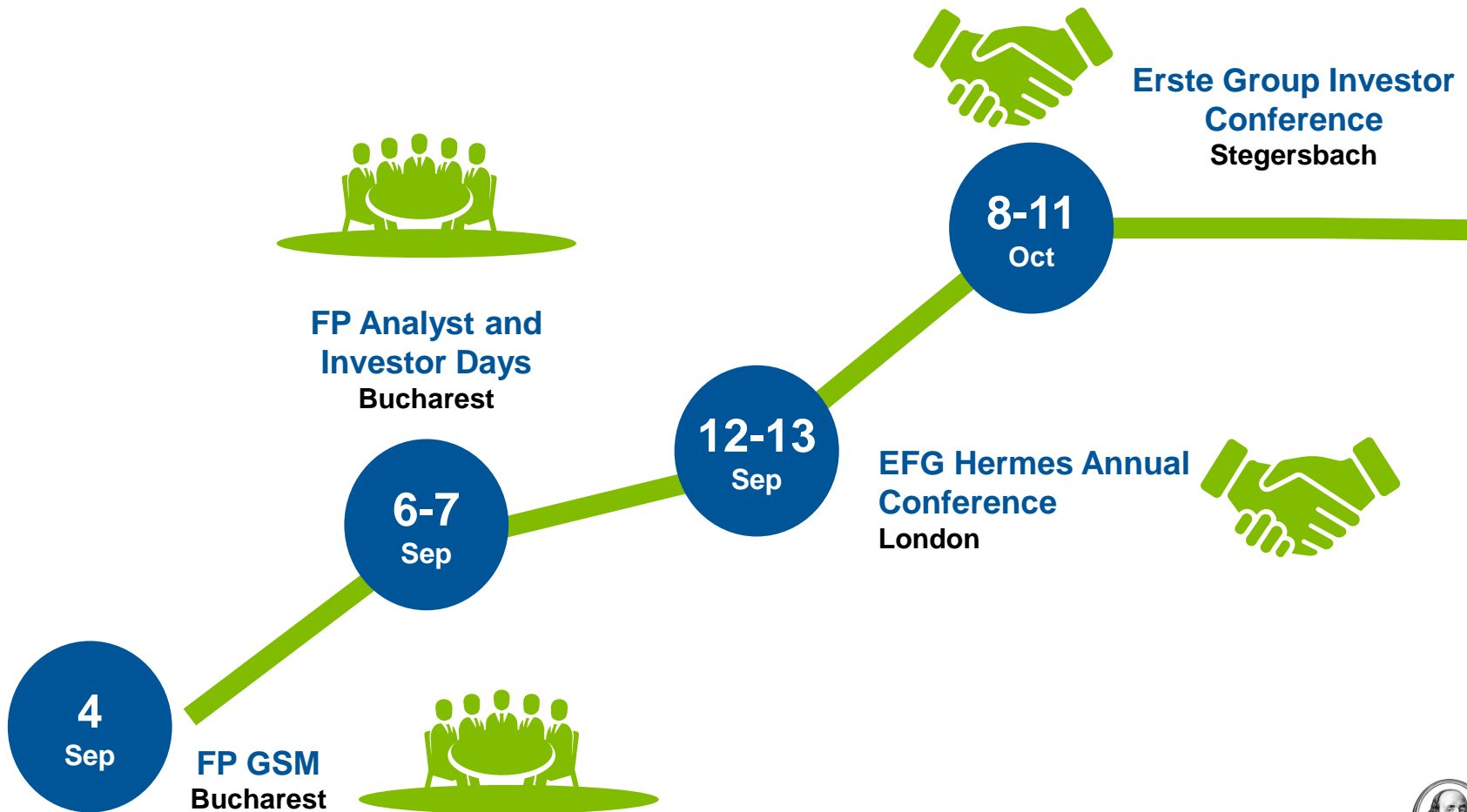
6. As at 29 May 2015.

10. As at 11 June 2018.

7. As at 9 June 2016.

11. The company registered losses.

Investor relations – Upcoming events



More information about the Fund can be found on the website www.fondulproprietatea.ro



EGM agenda – Main point:

- The approval of the decrease of the subscribed share capital of Fondul Proprietatea from RON 4,771,610,196.08 to RON 4,733,020,898.32 pursuant to the cancellation of 74,210,188 own shares acquired by Fondul Proprietatea S.A. during the eighth buy-back programme

Financial results



Statement of Financial Position

| RON mn | 30 June 2018 Unaudited | 31 December 2017 Audited |
|-------------------------------------|---------------------------|-----------------------------|
| Cash and current accounts | 62.7 | 19.2 |
| Deposits with banks | 68.7 | 1,276.7 |
| Treasury bills | - | 46.3 |
| Government bonds | 36.5 | 195.9 |
| Dividend receivables | 300.2 | - |
| Equity investments | 9,402.9 | 9,278.2 |
| Other assets | 14.3 | 10.7 |
| Total assets | 9,885.3 | 10,827.0 |
| Payables | 37.9 | 15.2 |
| Other liabilities | 66.4 | 21.6 |
| Total liabilities | 104.3 | 36.8 |
| Total equity | 9,781.0 | 10,790.2 |
| Total liabilities and equity | 9,885.3 | 10,827.0 |

Source: FP H1 2018 Results report.

Statement of Comprehensive Income

| RON mn | H1 2018 Unaudited | H1 2017 Unaudited |
|----------------------------------------------------------------------------------|----------------------|----------------------|
| Gross dividend income | 532.6 | 539.9 |
| Net unrealised gain from equity investments at fair value through profit or loss | 293.9 | 159.0 |
| Interest income | 4.5 | 7.3 |
| Reversal of impairment losses on receivables, net | 0.1 | 36.7 |
| Net gain on disposal of equity investments classified as available for sale | - | 21.0 |
| Other income, net ¹ | 7.0 | 2.5 |
| Net operating income | 838.1 | 766.4 |
| Administration fees recognised in Profit and Loss | (26.6) | (54.0) |
| Other operating expenses | (13.2) | (12.2) |
| Operating expenses | (39.8) | (66.2) |
| Profit before income tax | 798.3 | 700.2 |
| Income tax | (8.5) | 9.1 |
| Profit for the period | 789.8 | 709.3 |
| Other comprehensive income | - | 106.9 |
| Total comprehensive income for the period | 789.8 | 816.2 |

Source: FP H1 2018 Results report.

1. Other income/ net included mainly the net gain / (loss) from revaluation of government securities through profit or loss, net foreign exchange gain / (loss) and other operating income/ (expenses).

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FRANKLIN TEMPLETON INVESTMENTS