

Fondul Proprietatea (FP) will sell its entire stake held in Transelectrica using the same method of accelerated private placement, through which has sold important packages of securities from its portfolio. Franklin Templeton is in an accelerated campaign to sell its assets.

A “de facto” end of FP is gaining speed. Franklin Templeton Investment Management Limited United Kingdom, Bucharest Branch, as Sole Administrator of FP, “wishes to inform shareholders and investors of its intention” to sell a total of 9,895,212 shares to which it currently holds Transelectrica (TEL) Stock Exchange (BSE).

The package consists of 13.499% of the company and is everything that FP has in the national transport operator for electricity. The sale will be made through an accelerated private placement offering, addressed only to certain investors. Raiffeisen Bank and UniCredit will act as Joint Global Co-ordinators and Joint Bookrunners (“bookrunners”). SSIF Broker Cluj Napoca will act as Joint Lead Manager.

A further announcement will be made on completion of the placement and pricing of private placement.

Soon, the transfers of assets from FP to its shareholders will reach one billion euro, a quarter of the money the Government boast almost 10 years ago, that he would give through the Fund to owners of properties confiscated by the communist regime before 1990.

The difference with the plan agreed 10 years ago is that the wealth of FP will not reach most of the owners affected, but to big U.S. venture investment funds and institutional investors who are shareholders of

FP in Romania. It is already well-known that the strategy of selling pieces of FP was imposed by the fund manager Elliott Associates, the most influent stakeholder in FP.

Recently, the Financial Supervisory Authority (FSA) has approved the reduction of capital of the Fund (PF) by 676.9 million lei (150 million euro) to be distributed to the shareholders.

In December last year, FP liquidated what has left from the package at Transgaz (TGN) and at mid-year it sold 1% of OMV Petrom (SNP) and is “threatening” to sell more.