Subject: Issue of Short-Term Bonds

Current Report No. 25/2012

The Management Board of Pfleiderer Grajewo S.A. reports that in order to optimise the management of financial liquidity within the Pfleiderer Grajewo Group, to decrease Company's external debts and to finance it's current business activities on April 4th 2012 Pfleiderer Grajewo S.A. issued short-term bonds. The bonds were issued in accordance with the Bond Issue Programme signed with PEKAO S.A. Bank on 22.07.2003. The bonds were issued in compliance with the Law on Bonds dated 29 June 1995 in Polish zlotys, as bearer, dematerialized, unsecured, and zero-coupon securities. The redemption of the bonds will be at their nominal value.
The bonds were purchased by Pfleiderer Prospan S.A. subsidiary of Pfleiderer Grajewo SA . Bond's purchase was financed from own resources of Pfleiderer Prospan S.A..
Pursuant to the last Quarterly Report worth of total liabilities was PLN 982,741,000.
Estimated worth of total liabilities on redemption date is PLN 980,000,000.
Total value of issued during last 12 months short-term bonds exceeds 10% of value of the Company's equity which as at December 31st 2012 amounted to 525,023,000 PLN.

Conditions of the issue:

- issue par value – PLN 24,000,000
- number and value of bonds – 2.400 bonds with a nominal value of PLN 10,000 per bond
- redemption date: April 12th 2012
- unit nominal price of the bond - PLN 9,989.79

The criterion for recognising the contract as significant is the value of the Company's equity.

Pursuant to the Regulation of the Polish Council of Ministers on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated February 19th 2009 (Dz. U. No. 33, item 259).

April 4th 2012