

Subject: Issue of Short-Term Bonds

Current Report No. 64/2012

The Management Board of Pfeiderer Grajewo S.A. reports that in order to optimise the management of financial liquidity within the Pfeiderer Grajewo Group, to decrease Company's external debts and to finance its current business activities on September 28th 2012 Pfeiderer 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 Pfeiderer Prospan S.A. subsidiary of Pfeiderer Grajewo SA . Bond's purchase was financed from own resources of Pfeiderer Prospan S.A..

Pursuant to the last periodical report worth of total liabilities was PLN 998,860,000.

Estimated worth of total liabilities on redemption date is PLN 990,000,000.

Total value of issued during last 12 months short-term bonds exceeds 10% of value of the Company's equity which as at June 30th 2012 amounted to 540,311,000 PLN.

Conditions of the issue:

- issue par value – PLN 5,000,000
- number and value of bonds – 500 bonds with a nominal value of PLN 10,000 per bond
- redemption date: October 1st 2012
- unit nominal price of the bond - PLN 9,995.92

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).

September 28th 2012