

Subject: Establishment of mortgages over subsidiary's real property

Current Report No. 45/2013

The Management Board of Pfeiderer Grajewo S.A. (the "Company") reports that on September 2nd 2013 it received a notification dated August 8th 2013 from the District Court in Wieluń, 5th Land and Mortgage Register Division, concerning the establishment on August 8th 2013 of mortgages over real property of Pfeiderer Prospan S.A. of Wieruszów, a subsidiary, for the benefit of:

- Bank Zachodni WBK S.A. – of up to PLN 120,000,000,
- Bank Ochrony Środowiska S.A. – of up to PLN 60,000,000,
- Alior Bank S.A. – of up to PLN 150,000,000,
- Bank Millennium S.A. – of up to PLN 97,500,000.

All the mortgages, established over the property on which Pfeiderer Prospan S.A.'s production plant is situated, rank on a pari passu basis.

The mortgages have been created for the benefit of the banks as security for liabilities under credit facility agreements executed by the Company and its subsidiaries, Pfeiderer Prospan S.A. and Silekol Sp. z o.o., with:

- Bank Zachodni WBK S.A – for a total amount of PLN 60,000,000, dated June 26th 2013,
- Bank Ochrony Środowiska S.A – for a total amount of PLN 40,000,000, dated June 27th 2013,
- Alior Bank S.A – for a total amount of PLN 100,000,000, dated June 26th 2013,
- Bank Millennium S.A – for a total amount of PLN 100,000,000, dated June 26th 2013.

The execution of the credit facility agreements was reported by the Company in Current Report No. 31/2013 of June 27th 2013.

The initial value of the real property in Pfeiderer Prospan S.A.'s accounting books is PLN 127,209 thousand.

The criterion based on which the assets described above are considered significant is the value of the Company's equity.

The report was prepared pursuant to Par. 5.1.1 of the Regulation of the Minister of Finance 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, as amended).

September 3rd 2013