

**Subject: Execution of a material agreement by a subsidiary of Pfleiderer Grajewo S.A.**

**Current Report No. 02/2014**

The Management Board of Pfleiderer Grajewo S.A. reports that on January 9th 2014, Silekol Sp. z o.o. of Kędzierzyn Koźle, a subsidiary of Pfleiderer Grajewo S.A., executed an agreement with Grupa Azoty Zakłady Azotowe Kędzierzyn S.A. of Kędzierzyn Koźle ("GA ZAK") for the supply of urea, which Silekol Sp. z o.o uses as a key feedstock in the manufacture of adhesive amino resins.

Under the agreement, GA ZAK has agreed to supply urea to Silekol Sp. z o.o. in specified amounts, and Silekol Sp. z o.o. has agreed to accept the supplied urea. The purchase price of the urea will be determined based on a price formula specified in the supply agreement.

The agreement has been concluded for a period of five years, and the total value of urea to be supplied throughout its term is estimated at PLN 694.2m.

The supply agreement provides for contractual penalties, payable in the event of failure by a Party to deliver or accept the agreed urea supplies, not exceeding 25% of the value of the undelivered or unaccepted supplies. Payment of the contractual penalties does not preclude the Parties from seeking compensation in excess of these amounts.

The agreement may be terminated with six months' notice if either Party defaults on a material obligation under the agreement, and fails to duly fulfil that obligation in accordance with the agreement within 30 days of having been called to do so.

For the Azoty Group, the agreed urea supplies will be coordinated by GA ZAK.

The criterion upon which the agreement is considered a material agreement is the value of Pfleiderer Grajewo S.A.'s equity.

This report was prepared pursuant to Par. 5.1.3 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)