

Subject: S&P assigned its 'B' corporate credit rating to PfleidererGrajewo S.A. and raised to 'B' from 'B-' its long-term corporate credit rating to Pfleiderer GmbH

Current Report No. 15/2016

The Management Board of Pfleiderer Grajewo S.A. (the "**Company**") informs that on January 29, 2016 Standard & Poor's Ratings Services ("**S&P**") assigned 'B' corporate credit rating to the Company and raised to 'B' from 'B-' its long-term corporate credit rating to Pfleiderer GmbH. The outlook on both ratings is positive. The rating on the Company is based on S&P's assessment of the consolidated Pfleiderer group, while the rating on Pfleiderer GmbH reflects its position as a core subsidiary of the Company.

In addition, S&P raised its issue rating on the €322 million senior secured notes issued by Pfleiderer GmbH to 'B-' from 'CCC+'. The recovery rating on the notes remained at '5' but has moved to the higher half of the range, indicating S&P's expectation of modest recovery in the event of a payment default.

S&P also raised its issue rating on the company's €60 million super senior revolving credit facility (RCF) due in 2019 to 'BB-' from 'B+' and withdrawn the rating at the company's request. At the time of withdrawal, the recovery rating on the super senior RCF was '1', indicating very high (90%-100%) recovery in the event of a payment default.

The upgrade follows successful capital increase of the Company through a public offering and reverse takeover of Pfleiderer GmbH financed by the net proceeds from a capital increase, completed on 19 January 2016 (the "**Transaction**"). S&P considers the Transaction as credit positive as it improves the financial risk profile of the consolidated Pfleiderer group and leads to a more balanced shareholder structure.

The rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

This report was prepared pursuant to Article 56 Section 1 Item 2 of the Act of July 29, 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies. (consolidated text: Dz. U. of 2013, Item 1382, as amended) and § 5 Section 1 Clause 26 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 of February 19, 2009 (consolidated text: Dz. U. of 2014, Item 133).

January 29, 2016