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Conditional agreement signed for the sale of Siarkopol

Following completion of due diligence of the company and conclusion of negotiations, on September 25th 2013 the State Treasury and Grupa Azoty SA signed a conditional agreement for the sale of 4,675,000 shares in Kopalnie i Zakłady Chemiczne Siarki Siarkopol SA of Grzybów, representing 85% of the company's share capital.

The agreement is subject to the condition precedent that Grupa Azoty secures clearance for the business combination from the President of the Office of Competition and Consumer Protection (UOKiK).

"We are pleased that we can strengthen Grupa Azoty with another valuable Company. As it can be seen from our recent activities, diversifying supplies of strategic raw materials is one of our priorities. In this way, by extending the value chain with our own raw material base, here sulphur, we have the opportunity to optimize the production of caprolactam, polyamide and NPK fertilizers. Sulphur is also used for the production of phosphoric acid, so in the long term, based on our own sulphur we can expand our business", said Paweł Jarczewski, CEO of Grupa Azoty S.A., when signing the contract.

As previously agreed by the parties, approximately 25% of the share acquisition price will be financed with Grupy Azoty's equity, with the balance sourced from a bank loan.

A social package agreed and signed between the employees, the Management Board of Kopalnie i Zakłady Chemiczne Siarki Siarkopol S.A. and Grupa Azoty S.A. forms an integral part of the agreement.