



Tarnów, March 11th 2016

Ladies and Gentlemen,

It is a great honour and responsibility to take over the helm of such an important and reputable business organisation as the Grupa Azoty Group. On behalf of all Management Board members I commit to further building the value of the Group for our shareholders and to taking active steps to strengthen its international prominence and its potential to innovate. Presented below is a brief description of what we consider to be the key events from last year.

2015 was another growth year for Grupa Azoty S.A. in terms of its stock performance, financial ratios and international position.

Last year we launched several new projects at all our key locations, in Tarnów, Puławy, Kędzierzyn and Police. With the new polyamide 6 unit coming online, the Group's Tarnów-based parent company will double its polyamide production capacity. The recently launched construction of a mechanical fertilizer granulation plant and a new storage facility is the largest project in the fertilizer segment currently in progress in Tarnów. It will enable the Company to expand its product mix and double the production capacity for Saletrosan and other mechanically granulated fertilizers.

2015 also saw the completion of other landmark projects, including the Oxoviflex® non-phthalate plasticizers production unit, which is the most advanced industrial facility of its kind in this part of Europe, and a liquid urea ammonium nitrate fertilizer plant in Kędzierzyn. A new coal-fired CHP project was also under way. We continue work to build Europe's largest and most advanced PDH propylene production unit in Police. We are also laying groundwork for a gas-fired power project in Puławy. We completed construction of the new fertilizer complex, with the final unit delivered under the project being one that produces urea- and ammonium sulfate-based fertilizers PULGRAN

and PULGRAN S in the form of pastilles. Work continued on the design of two nitrate fertilizer mechanical granulation lines based on technologies used by the Kędzierzyn subsidiary.

Securing financing for our large-scale capital expenditure programme was one of the major challenges in the past twelve months. In April we signed a revolving facility agreement with a syndicate of commercial banks, raising PLN 1.5bn. The next step was to secure agreements with the European Investment Bank and the European Bank for Reconstruction and Development, under which the lenders committed PLN 700m in long-term facilities. Agreements executed to consolidate debt at the Group level are a major step towards further integration of the Grupa Azoty Group.

When considering growth and new project opportunities, we always think about the future and possible technological innovations. OXOVIFLEX™, the first non-phthalate plasticizer available on the Polish market, and Tarnamid®, a plastic displaying anti-fungal and anti-bacterial properties, are just two examples of products developed in partnership with research institutes which received awards and distinctions at the Plastpol 2015 trade fair.

The growing international prominence of the Grupa Azoty Group has been recognised by industry trade organisations around the world – we were the first company from the CEE region to feature in ICIS TOP 40 Power Players 2015, a listing 40 most influential organisations in the global chemical industry, and in Boston Consulting Group's ranking of ten chemical companies most attractive to investors. In March 2015, the Company was included in the FTSE Emerging Markets index of the London Stock Exchange.

Our active market presence is also appreciated at home, as demonstrated by the awards we received for our forward-thinking investment decisions, including the „Champion of Change of Polish Industry” and „Investor of the Year 2015” titles. The Group also triumphed as a triple winner of this year's „Diamonds of the Polish Chemical Industry” awards. Last year, for the second year running, the Group's quality communication was acknowledged with the „Golden Website Award” and the „State Treasury Minister Special Award” for the best communication with retail investors delivered through a corporate website. An established presence in the elite group of companies included in the RESPECT Index attests to the Company's engagement

in applying corporate social responsibility principles and having highest standards in corporate governance, corporate disclosure discipline, and investor relations, as well as environmental, social, and employee matters.

What I have presented above are only highlights from 2015, and I strongly recommend that you read the full report.

Yours faithfully,

Mariusz Bober

President of the Management Board  
of Grupa Azoty S.A.