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## Good Beginning of the Year – Results for Q1 2013

**The financial results of Grupa Azoty for Q1 2013 better than expected by the analysts. Grupa Azoty finished Q1 2013 with the result of 419 067 PLN in terms of the operational level (EBIT) and with the net profit of 410 447 PLN.**

The consolidated results of Grupa Azoty in Q1 2013 improved in comparison with the same quarter last year. It was mainly the consequence of the consolidation process including the results of Grupa Azoty ZA Puławy S.A. from the day of the takeover of 18th January 2013 (106 million PLN) as well as due to the valuation of the bargain acquisition of shares in Puławy (namely 174.3 million PLN).

Results implemented in Q1 in the main business units are characterized by the significant income increase - nearly 50% - in the fertilizers unit. This particular increase is the result of the consolidated good results with ZA Puławy. Additionally, the stable situation in terms of price and demand, particularly in the nitrogenous fertilizers and half-products, made it possible to achieve higher EBITDA margin - 21% - in comparison with the result of 18% achieved in the same period last year. Simultaneously, in the chemistry unit, including former OXO alcohols unit as well as main melamine products the income higher by nearly 60% y/y was achieved, at the same time improving EBITDA margin in the unit to the level of 9%.

The good result was also influenced by the positive signs from the melamine market, in which the low product demand resulted in the price increase implementation by nearly 35%. In plastics and pigments unit in Q1 2013 the tendency of the trend from Q4 2012 was preserved. The continuation in terms of the increase in the key materials prices as well as the strong pressure of prices in terms of main products caused the significant decrease in EBITDA margin to the level of -3% in the plastics unit (17% in Q1 2012) and -2% in the pigments unit (27% in 1Q of 2012).

“Grupa Azoty is dynamically developing, increasing its potential and improving its competent position. The results for Q1 show that Grupa Azoty is doing well and the results for the quarter are better from the ones expected by the market. The important element shaping the consolidated result on the operational activity level taking into account the whole capital group was the revenue recognized after the acquisition of shares in Puławy as well as the results of the Company. Grupa Azoty in Q1 2013 increased the scale of carried out operations significantly” – said Paweł Jarczewski, the President of the Management Board of Grupa Azoty S.A.