



09.01.2014

Grupa Azoty and Pfeiderer opt for long-term alliance

Today, on January 9th 2014, representatives of the Grupa Azoty Group and the Pfeiderer Grajewo Group entered into commercial contracts for the supply of urea, a key feedstock in the production of amino resins for the wood processing industry.

The contracts, signed for a term of five years (with an extension option) between Grupa Azoty Zakłady Azotowe Kędzierzyn S.A., Grupa Azoty Zakłady Azotowe Puławy S.A. and Silekol Sp. z o.o., a Kędzierzyn Koźle-based subsidiary of Pfeiderer Grajewo S.A., set out the terms of the parties' commercial cooperation until 2018. The total value of the contracts is estimated at PLN 910m, of which almost PLN 700m is the value of the contract concluded by the Kędzierzyn Koźle-based companies.

"The long-term alliance we forged today with the signing of these contracts will help us consistently grow our respective businesses. As for Silekol Sp. z o.o.'s role in the transaction, the deal is bound to have a boosting effect on the entire Pfeiderer Grajewo Group and Pfeiderer in Europe, since resins made in Kędzierzyn Koźle are widely used in the manufacture of wood-based products. Today's contract is a testament to the Pfeiderer Group's implementation of its growth and development strategy in Europe. Ensuring stable supplies of key raw materials, such as urea, is a prerequisite for successful implementation of our strategy," said Wojciech Gątkiewicz, President of the Management Board of Grupa Pfeiderer Grajewo S.A.

"The contract highlights the excellent development potential of urea, which is not only a basic nitrogen fertilizer, but is also widely applied in many other, often new branches of industry. The Polish wood-based products industry, which supplies furniture and construction businesses, is thriving and is now at the heart of the country's export portfolio. We are happy to say that we made the right decision by increasing our urea production and melamine-oriented processing capacities some years ago as it has paved the way for our expansion into other industries," adds Paweł Jarczewski, President of the Management Board of Grupa Azoty S.A.

The Grupa Azoty Group and the Pfeiderer Grajewo Group have enjoyed a stable commercial partnership in melamine and urea processing for many years.