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Grupa Azoty contracts a credit facility for investment projects

Grupa Azoty has signed a revolving credit facility agreement with a bank syndicate for financing of the Group's corporate needs, including investment projects. Under the agreement, Grupa Azoty will receive PLN 1.5bn, which will be used to finance the investment programme provided for in the Group's strategy until 2020.

This marks the first step in establishing a financing framework for new investment projects even as negotiations on the provision of financing for an entire portfolio of projects are drawing to an end. The agreement was executed with PKO Bank Polski S.A., Bank Gospodarstwa Krajowego, Bank Zachodni WBK S.A., and ING Bank Śląski S.A. on Thursday, April 23rd 2015.

The revolving credit facility is part of a long-term financing package for an aggregate amount of PLN 2.2bn. Grupa Azoty is finalising negotiations of credit facility documentation with the European Investment Bank for a PLN 550m term facility and with the European Bank for Reconstruction and Development for a PLN 150m facility, both repayable in 10 years.

"By working together with the Polish banking sector, we will be able to elevate Poland's chemical industry to an even higher level of technological advancement. Under our Strategy until 2020, we are concentrating on the Group's continued organic growth, as well as on mergers and acquisitions," said Paweł Jarczewski, President of the Grupa Azoty Management Board.

"The credit facility made available to Grupa Azoty by a bank syndicate with PKO Bank Polski as the facility agent is a model example of a cooperative relationship. Thanks to both the bank's capital strength and experience of the team preparing the transaction, we have brought the process to a successful conclusion," stressed Jakub Papierski, Vice-President of PKO Bank Polski.

As part of its strategy until 2020, the Grupa Azoty Group has earmarked 68 investment projects at various planning or completion stages to receive nearly PLN 7bn in capital support.

"By 2020, we plan to spend nearly PLN 7bn to achieve the objectives of our Strategy. Support from the banking sector is key to the successful completion of nearly 70 projects. Thanks to the funding received from banks, we can consolidate the Group's competitive position in global markets. We expect this will translate into higher profits for the Group and our shareholders," said Andrzej Skolmowski, Vice-President of the Grupa Azoty Management Board.

The Group ended 2014 with consolidated net profit of PLN 265m on revenue of nearly PLN 9.9bn.