

PARENT SHARES



Since February 2013, the Parent has been a constituent of the MSCI Emerging Markets index. MSCI indices have been published by Morgan Stanley since 1970.

The Parent has been listed on the Warsaw Stock Exchange since June 30th 2008, and since February 19th 2013 it has been a constituent of the MSCI Emerging Markets index.

There are in total 99,195,484 outstanding shares of the Parent, with a par value of PLN 5 per share. Parent shares (ticker: ATT) are listed on the WSE main market in the continuous trading system and are included in the WIG, WIG-Poland, mWIG30 and mWIG40 indices and the chemical sector index, WIG-Chemia.

The Parent has been included in the RESPECT Index, the first CSR-focused index in Central and Eastern Europe, since November 19th 2009.

The selection of companies to be included in the Index is made in a three-stage process. The criteria which are evaluated in the selection process include financial standing, strategy, management processes, environmental factors, human resources policy and employee relations, as well as market impact and customer relations. Thus, the Parent has become a member of an elite group of stable, reliable and trustworthy organisations. Its inclusion in the RESPECT Index provides investors with an additional assurance that the Parent is a stable and safe enterprise, managed to the highest standards of sustainable development. On December 18th 2014, the Parent was for the eighth time awarded a certificate confirming its membership in the elite group of 24 companies listed in the RESPECT Index.

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Following a semi-annual review of the FTSE indices, on March 4th 2015 the Parent was selected to feature in the prestigious FTSE Emerging Markets index. The Parent stock will be listed in the index starting from March 23rd 2015. The FTSE Emerging index is part of the FTSE Global Equity Index Series (GEIS), which includes large and mid cap securities from advanced and secondary emerging markets. [The FTSE indices](#) are listed on the London Stock Exchange.

All other key information on Parent shares, including information on voting restrictions, is presented in section 10 of this Report - *Statement of compliance with corporate governance rules.*

SHAREHOLDING STRUCTURE



Shareholding structure as at December 31st 2014

[XLS](#)

Shareholder	Number of shares	% of share capital	Number of votes	% votes
State Treasury of Poland	32,734,509	33.00	32,734,509	33.00
Norica Holding S.à r.l.	10,021,348	10.10	10,021,348	10.10
ING Pension Fund	9,883,323	9.96	9,883,323	9.96
Rainbee Holdings Limited *)	9,820,352	9.90	9,820,352	9.90

TFI PZU S.A.	8,689,591	8.76	8,689,591	8.76
European Bank for Reconstruction and Development	5,700,000	5.75	5,700,000	5.75
Other	22,346,361	22.53	22,346,361	22.53
	99,195,484	100.00	99,195,484	100.00

*)A direct subsidiary of Norica Holding S.à r.l.

including:

- › Series AA and Series B shares 39,116,421
- › Series C shares 24,999,023
- › Series D shares 35,080,040

In the period from December 31st 2014 to the date of issue of this Report, the Parent has not been notified of any changes in large holdings of its shares.

PERFORMANCE OF PARENT SHARES

The price of Parent shares at the beginning of 2014 was PLN 64.34, having consistently declined since October 2013. In January 2014, the share price moved slightly up and reversed the trend. Q1 2014 saw gradual recovery to above PLN 62. Following April's short-lived decline to PLN 56, the share price surged to above PLN 74 in May, exceeding the year's consecutive highs to reach PLN 80.49 on June 11th 2014, which later turned out to be the year's high. Between July and September, the share price ranged from PLN 72 to PLN 80, dipping temporarily to around PLN 70.60. The price declined from around PLN 75 in September to PLN 57 a month later. In Q4 2014, the share price rose again to above PLN 62 at the end of October and above PLN 68 in December, and then dropped to below PLN 60. The end of the year saw one more recovery attempt, with the share price reaching PLN 63,30 at the close of the financial year.

PARENT SHARE PRICE FROM THE IPO (JUNE 30TH 2008) TO DECEMBER 31ST 2014



Source: GPWInfoStrefa, Grupa Azoty.

DIVIDEND POLICY

The Parent's dividend policy is consistent with the Strategy for 2013–2020. Distributions to shareholders depend on and are proportionate to the Parent's earnings and financial standing. In its dividend proposals, the Parent's primary focus will be to ensure compliance with the required levels of financial ratios, to secure financial stability and to secure financial resources sufficient to support the Group's further development.

The dividend policy will be revised on an as-needed basis, and any decisions made by the Parent in this respect will take account of a number of factors concerning both the Parent and the entire Group.

When deciding on profit distribution, the Parent will consider its growth prospects in individual business areas, future earnings, as well as cash needs in the context of the current financial position, development and acquisition plans, and the relevant laws.

The final decision on profit distribution for a given financial year will each time be made by shareholders at the Annual General Meeting.

In the reporting period, the Parent distributed profit for 2013. From the profit, PLN 19,839 thousand (PLN 0.20 per share) was allocated to payment of dividend. The remaining profit amount was allocated to statutory reserve funds.

The dividend record date and the dividend payment date were set for June 18th 2014 and July 9th 2014, respectively.

RECOMMENDATIONS



ANALYST RECOMMENDATIONS FOR PARENT SHARES, PUBLISHED BETWEEN JANUARY 1ST 2014 AND THE DATE OF THIS REPORT

XLS

Date	Recommendation	Price Target price (PLN)	Price at recommendation date (PLN)	Broker
Mar 3 2015	sell ▶	50.00 ▲	77.50	DM BZ WBK
Feb 16 2015	hold ▲	68.90 ▲	72.00	ING Securities
Feb 1 2015	sell ▶	59.00 ▶	71.00	DM BOŚ
Jan 26 2015	sell ▶	51.20 ▼	60.00	ING Securities
Jan 12 2015	sell ▶	62.00 ▶	67.90	Societe Generale
Dec 14 2014	hold ▲	59.00 ▲	60.05	DM BOŚ
Dec 12 2014	sell ▶	53.95 ▼	62.05	PKO BP
Oct 27 2014	sell ▶	49.30 ▼	59.11	DM BZ WBK
Oct 9 2014	sell	55.40 ▼	59.62	UniCredit CAIB
Oct 6 2014	sell ▶	49.80 ▼	63.05	DM BOŚ
Sep 23 2014	sell	54.80 ▼	68.00	ERSTE Securities
Sep 22 2014	sell	60.00 ▼	69.00	Citigroup
Sep 4 2014	sell	62.00 ▼	75.50	Societe Generale
Aug 8 2014	sell ▶	44.70 ▼	70.60	DM BDM
Jul 24 2014	sell	52.30 ▼	73.76	DM BOŚ
Jul 24 2014	sell ▶	55.20 ▲	76.25	ING Securities
Jul 11 2014	sell ▶	65.30 ▲	73.50	Wood&Company
Jul 8 2014	sell ▶	60.90 ▼	70.50	PKO BP
Jun 3 2014	reduce ▼	72.00 ▲	79.50	Raiffeisen
Feb 10 2014	sell ▶	50.20 ▼	52.50	DM IDM SA
Jan 31 2014	hold ▲	56.50 ▼	52.60	Raiffeisen
Jan 30 2014	sell ▶	50.30 ▼	52.53	DM BZ WBK
Jan 29 2014	ACCUMULATE	65.60 ▲	52.50	Millenium DM
Jan 20 2014	sell ▶	50.50 ▼	55.49	ING Securities

INVESTOR RELATIONS



Acting in accordance with the highest standards of capital market communications and corporate governance, the Parent provides all market participants, in particular current and prospective shareholders, with exhaustive and reliable information on events taking place at the Parent and the Grupa Azoty Group. In its communication with investors, the Parent goes above and beyond the statutory disclosure requirements. The Parent pursues an open information policy in response to the high expectations of capital market participants.

Following publication of periodic reports, the Parent and the Group hold conferences to present and discuss their separate and consolidated financial performance. As part of the consolidation process, such conferences are held jointly by all issuers from the Group to present a coherent picture of the Group to the investors and analysts. Keen to communicate with its retail investors as well, Grupa Azoty holds open web chat sessions following publication of its financial reports, where the shareholders are able to communicate directly with the Parent's representatives and ask them questions. Presentations on financial performance, addressed in particular to institutional investors, investor presentations, and chat logs are available on the Parent's website (the Investor Relations section).

In 2014, representatives of Grupa Azoty also met with capital market participants during numerous one-on-one meetings and conferences, held both in Poland and abroad. Since its IPO, Grupa Azoty has held annual meetings with retail investors during the Wall Street conference and the affiliated Targi Akcjonariat fair, both organised by the Association of Individual Investors.

In response to the shareholders' expectations, the Parent makes every effort to ensure that the published information is disseminated among as many recipients as possible. To this end, Grupa Azoty publishes its key announcements also in social media. The corporate website is a key tool for communicating with the capital market, featuring the Parent's current and periodic reports, important information about AGMs and EGMs, analyst recommendations and financial results. The website, with its dedicated section for investors, was upgraded to provide more precise capital market information in a more user-friendly manner. The content and presentation quality of the IR section, as well as the use of the Internet to communicate with investors, were recognised by the jury of the Golden Website Award for Listed Companies, organised by the Polish Association of Listed Companies. Grupa Azoty won the prestigious Golden Website Award in its 7th edition, where it competed in the 'Polish companies listed in the WIG20 and mWIG40 indices' category.

The Parent's website was assessed in terms of content, innovation and clarity of communication. What users praised in particular was the site's searchability and readily accessible spreadsheet data.

The Parent's IR efforts were also recognised by investors, who praised its active participation in the Akcja Inwestor campaign in the popular Polish economic daily *Puls Biznesu*. Consequently, the Parent has been honoured with the prestigious "Responds to Investors" mark since August 2010.

The Parent has also been invited to participate in the '10 out of 10' Programme organised by the Polish Association of Retail Investors. The goal of the Programme is to deliver best practices in communication with retail investors, based on their needs and communication models functioning on foreign markets. By participating in the project, the Parent promises to pursue a proactive policy of communication with retail investors and respect the rights of this group of investors.

In June 2014, Grupa Azoty was named the 'Capital Market Hero' in recognition of its active two-way communication with retail investors. Intended to distinguish companies which meet the highest standards in investor communication, the title is particularly valuable as it is awarded by investors themselves in an on-line vote. The contest is held under the auspices of the Polish Association of Retail Investors.