

PEGAS NONWOVENS bond issue successfully completed

LUXEMBOURG/ZNOJMO (18 November 2014) – PEGAS NONWOVENS SA (hereinafter "PEGAS NONWOVENS" or "Company") announces that it has successfully completed the bond issue process.

PEGAS NONWOVENS announces that on 14 November 2014 pursuant to Czech law it issued unsecured bonds in the total nominal value of CZK 2,500,000,000 (two billion five hundred million Czech crowns) with an issue price of 99.583%, maturing on 14 November 2018 with a fixed interest rate of 2.85% p.a. (hereinafter "Bonds"). These bonds were accepted for trading on the Regulated market of the Prague Stock Exchange (PSE). The lead manager of the issue was Česká spořitelna, a.s. and the manager of the issue was Wood & Co. The proceeds from the issue will be used to repay bank loans and will not constitute an increase in the net debt of the Company.

"We are very pleased with the smooth progress of the entire bond issue process and most importantly the enormous interest shown by investors has indeed exceeded our expectations. Based on the results of the public offering, an interest for the subscription of a nominal value of almost six billion Czech crowns was registered. It is our opinion that such a level of interest proves that Pegas is perceived by investors to be a stable and promising company and an interesting investment opportunity. The bond issue will contribute to the diversification of the Company's financing sources and given the achieved favourable conditions also to a reduction in interest expenses. The successful completion of the entire issue also represents promise for the future and provides us and our investors with an interesting alternative for potential future debt financing needs", said František Řezáč, CEO and Member of the Board of PEGAS NONWOVENS SA.

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PEGAS NONWOVENS SA, société anonyme, is a holding company based in Luxembourg with operating companies in Znojmo and Bučovice, Czech Republic and in the City of 6th of October, Egypt. PEGAS NONWOVENS is a manufacturer of polypropylene and polyethylene nonwoven textiles for the hygiene, industrial, construction, agricultural, medical and other specialised sectors. These textiles are primarily used for the manufacture of baby diapers, feminine hygiene and adult incontinence products. The Company is active in developing new products demanded by the market and thereby maintains its position of technology leader in the European nonwovens market. PEGAS NONWOVENS currently has more than 570 employees. PEGAS NONWOVENS SA is a publicly traded company on the Prague and Warsaw stock exchanges.

PEGAS NONWOVENS SA (*société anonyme*) is registered in the registry of commerce and companies R.C.S. in Luxembourg under number B 112.044. The seat of the company is 68-70, boulevard de la Pétrusse, L-2320 Luxembourg, Luxembourg.

Registered at the Commission de Surveillance du Secteur Financier (CSSF) in Luxembourg under number **E-0043**