

Inowrocław, 7 September 2007

Information for the press

**The new installation in SODA MAŁY S.A.**

In IZCh (*Inowrocław Chemical Plant*) SODA MAŁY S.A. the construction of a new installation has been completed. Representatives of the Management Board of Ciech, which is the owner of the company, from Inowrocław, participated in today's official inauguration ceremony. A new type of soda will be produced at the new installation of dense calcined soda monohydrate with different physical and chemical properties to previously. It meets even the most demanding expectations of our present clients and will also allow us to reach new consumers. The obtained product meets the strictest requirements of the European and World markets.

New solutions have been applied in the monohydrate drying junction, in the production process through the use of a fluid drying room integrated with a bag filter (dry dust removal) which will reduce dust emission. The other production junctions of the installation meet the standards of the best available technology.

The installation was completed in a very short period of time, as short as two years, at a cost of about PLN 55 mln. Its construction was financed from a loan and the company's own resources. Project documentation was prepared by Sodaconsult from Krakow. The biggest contractors were: Polimex-Mostostal, a consortium of EL-POMIAR Sp. z o.o. from Inowrocław and Procom System S.A. from Wrocław, and Alstal from Inowrocław.

The investment completed in SODA MAŁY S.A., a company that dates back more than 125 years, is another technological leap. In effect the so-called continuous method, applied by Solvay (the then owner) in 1907, belongs to the past now. The planned production capacity of the new installation in Mały is around 500 thousands tonnes per year. Commencement of its work will increment the production of dense calcined soda in SODA MAŁY S.A. from almost 430 thousands tonnes in 2006 to 486 thousands tonnes this year and 510 thousands tonnes in 2008.

After acquisition by Ciech in 1996 of the strategic block of shares of the soda companies from Kujawy (SODA MAŁY S.A. and Janikosoda S.A.), they have undergone a continuous process of restructuring and development as part of *Dywizja Sodowa Grupy Chemicznej Ciech (The Soda Division of the Ciech Chemical Group)*. The soda segment has generated more than 26 per cent of the Group's revenue in the first half of the year 2007 (an increase of 17 per cent compared to an analogical period of the previous year).

IZCh SODA MAŁY S.A. and the nearby JZS (*Janików Soda Plant*) "Janikosoda" S.A. are the only producers of soda in Poland. After the takeover in December 2006 of the Romanian company USG Govora, Grupa Chemiczna Ciech (*The Ciech Chemical Group*) is the second biggest soda producer in Europe.

**Grupa Chemiczna Ciech** (The Ciech Chemical Group) is one of the leaders in the European chemical market; it comprises more than 30 companies and ranks among the top one hundred biggest economic organisations in Poland. The main products of the Group are calcined soda and salt, phosphates, epoxy resins and other products of organic chemistry applied in the glass industry, furniture production, construction industry and agriculture.

With yearly revenues of about PLN 3.5 billion Grupa Chemiczna Ciech is in the top one hundred of the biggest Polish companies (70th place in the "Lista 500" (the List of the 500) of Polityka magazine and 87th place in the "Lista 500" of Rzeczpospolita).

Since February 2005 Ciech SA has been quoted on the Warsaw Stock Exchange. The biggest shareholders of the company are the Treasury (36.68 per cent of shares and votes at the General Meeting of Shareholders), Pioneer Pekao Investment Management SA (12.52 per cent) and the OFE (The Open Retirement Fund) PZU "Złota Jesień" (6.12 per cent).

More information available on [www.ciech.com](http://www.ciech.com).

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