

**Subject:** Forward contracts

Current Report No. 19/2011 of June 1st 2011

**Legal basis:** Art. 56.1.2 of the Public Offering Act – current and periodic information

**Text of the report:**

The Management Board of SECO/WARWICK S.A. hereby reports that, between March 3rd and May 31st 2011, SECO/WARWICK S.A. and SECO Thermal S.A. (its subsidiary) executed with BRE Bank S.A. of Warsaw ten forward contracts to sell a total of EUR 5,352,000 (PLN 21,335,397) and four forward contracts to sell a total of USD 1,365,000 (PLN 3,691,242). The total value of the forward contracts amounts to PLN 25,026,639.

The forward contract to sell a total of EUR 1,000,000 (PLN 4,031,600) concluded between subsidiary SECO/WARWICK Thermal S.A. and BRE Bank S.A. of Warsaw on March 11th 2011 was the contract with the highest value.

The contracts provide for no contractual penalties and their terms and conditions do not differ from the terms and conditions commonly applied in similar transactions.

The open forward contracts (EUR/PLN and USD/PLN sale) are intended to hedge the Company's EUR/PLN and USD/PLN export cash flows by ensuring that the exchange rates remain at the levels specified in the budget.

The transactions are considered significant as their value exceeds 10% of SECO/WARWICK S.A.'s equity.

**Legal basis:**

Par. 5.1.3 of the Minister of Finance's Regulation on current and periodic reports to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated February 19th 2009 (Dz. U. of 2009, No. 33, item 259).