

Subject: Forward contracts – significant agreement

Current Report No. 12/2012 of May 18th 2012

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. (“Issuer”) hereby reports that between February 16th 2012 and May 18th 2012 four forward contracts to sell a total of EUR 1,455,000 (PLN 6,103,889), three forward contracts to sell a total of USD 4,210,000 (PLN 14,222,331), one forward contract to sell a total of CZK 15,600,000 (PLN 2,613,000) and a zero-cost collar comprising long PUT options and short CALL options with a total value of EUR 220,000 (PLN 930,072) were entered into by SECO/WARWICK S.A. and its subsidiary SECO/WARWICK Thermal S.A. with BRE Bank S.A. of Warsaw. The value of the forward contracts totals PLN 23,869,292.

The highest-value contract was the forward contract to sell USD 1,985,000 (PLN 6,834,554) entered into by SECO/WARWICK S.A. and BRE Bank S.A. of Warsaw on May 18th 2012.

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, USD/PLN and CZK/PLN sale) are intended to hedge the Company’s EUR/PLN, USD/PLN and CZK/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 the Issuer’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).