

Subject: Execution of significant agreement – acquisition of shares in a subsidiary
Current Report No. 01/2013 of January 3rd 2013

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

Text of the report:

In connection with the Company's growth strategy published in Current Report No. 28/2012, the Management Board of SECO/WARWICK S.A. (the "Company") reports as follows:

I. On December 18th 2012, the Extraordinary General Meeting of SECO/WARWICK EUROPE S.A. of Świebodzin, a wholly-owned subsidiary of the Company, adopted Resolution No. 1/2012 on share capital increase at SECO/WARWICK EUROPE S.A. through the issue of new Series B ordinary registered shares, which were offered to SECO/WARWICK S.A. in a private placement in exchange for a non-cash contribution (the "Contribution"). Pursuant to the Resolution, the share capital of SECO/WARWICK EUROPE S.A. was increased from PLN 2,130,000 to PLN 84,348,000 through the issue of 38,600,000 Series B ordinary registered shares with an issue price of PLN 2.13 (two zloty, 13/100) per share, i.e. with a total issue price of PLN 82,218,000 (eighty-two million, two hundred and eighteen thousand zloty) (collectively, "New Shares").

The New Shares are to be delivered in exchange for a non-cash contribution in the form of a transfer to SECO/WARWICK EUROPE S.A. of Świebodzin of a spun off organised part of the Company's business (within the meaning of Art. 55¹ of the Polish Civil Code), used in manufacturing and distribution activities, i.e. an organisationally and financially independent set of tangible and intangible assets with an aggregate fair value of PLN 82,218,000 (eighty-two million, two hundred and eighteen thousand zloty) (VAT-exclusive).

Following the registration of the share capital increase, the New Shares will represent in aggregate 97.47% of the share capital and the total vote of SECO/WARWICK EUROPE S.A. The Company will remain the sole shareholder of SECO/WARWICK EUROPE S.A. The New Shares will carry the right to dividend, starting from distribution of profit for 2013.

By virtue of Resolution No. 5 of November 28th 2012, the Extraordinary General Meeting approved the disposal of the organised part of business referred to above.

II. On January 2nd 2013, SECO/WARWICK EUROPE S.A. proposed to acquire the New Shares from SECO/WARWICK S.A. The Company accepted the proposal by executing with SECO/WARWICK EUROPE S.A. a share purchase agreement concerning the New Shares (the "Share Purchase Agreement"). Under the Share Purchase Agreement, the Company acquired the New Shares for a total issue price of PLN 82,218,000 in exchange for the Contribution. The parties to the Share Purchase Agreement agreed that the non-cash contribution would be made on January 2nd 2013 and the shares would be issued to the Investor within 30 days from the date of approval by the General Shareholders Meeting of the financial statements for the financial year in which the shares are paid for, in line with Art. 336 of the Commercial Companies Code.

The Share Purchase Agreement does not provide for any contractual penalties and its provisions do not differ from standard terms and conditions used in agreements of such type.

The Share Purchase Agreement is considered significant as its value exceeds 10% of the Company'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.