

**Subject:** Disposal of an organised part of the Company's business to a subsidiary as a contribution to cover the subsidiary's new issue shares  
Current Report No. 02/2013 of January 3rd 2013

**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. (the "Company", "Seller") reports as follows:

In performance of the share purchase agreement of January 2nd 2013 (see Current Report No. 01/2013), on January 2nd 2013 the Company and SECO/WARWICK EUROPE S.A. (the "Buyer") entered into an agreement on transfer of an organised part of business (the "Transfer Agreement"), under which the Company transferred to SECO/WARWICK EUROPE S.A. an organised part of business within the meaning of Art. 55<sup>1</sup> of the Polish Civil Code (the "Organised Part of Business"), comprising, among other things:

1. real estate, perpetual usufruct right to land and ownership title to buildings and equipment – which represent an asset separate from the land – used in the Seller's business activities involving the disposed Organised Part of Business;
2. movables and equipment used in the Seller's business activities involving the disposed Organised Part of Business, owned by the Seller as at January 2nd 2013;
3. rights and obligations under co-financing agreements;
4. rights to intangible assets used in the Seller's business activities involving the disposed Organised Part of Business, owned by the Seller as at January 2nd 2013;
5. tangible assets under construction used in the Seller's business activities involving the disposed Organised Part of Business, owned by the Seller as at January 2nd 2013;
6. tangible assets held for sale used in the Seller's business activities involving the disposed Organised Part of Business, owned by the Seller as at January 2nd 2013;
7. investment property used in the Seller's business activities involving the disposed Organised Part of Business, owned by the Seller as at January 2nd 2013;
8. liabilities arising from the Seller's business activities involving the disposed Organised Part of Business, held by the Seller as at January 2nd 2013;
9. the Seller's receivables from its business activities involving the disposed Organised Part of Business, held by the Seller as at January 2nd 2013;
10. the Seller's cash in hand and at banks as at January 2nd 2013, in excess of PLN 3,000,000 (three million zloty), which remains at the Seller's disposal to finance its operations as a holding company;
11. accounting books, records in electronic form, employee files related to employment relationship, referred to in item 15 below, and all documents related to the Seller's business activities involving the disposed Organised Part of Business;
12. rights and obligations under lease agreements related to the business activities involving the disposed Organised Part of Business;
13. rights and obligations under contracts with trading partners, including security established under such contracts (bank guarantees, forward contracts);
14. inventories from the Seller's business activities involving the disposed Organised Part of Business, held by the Seller as at January 2nd 2013;
15. rights and obligations under employment contracts with the Seller's employees who, as at January 2nd 2013, were involved in manufacturing and distribution activities, i.e. the operations of the disposed Organised Part of Business, including the liabilities and receivables arising from employment relationship between the Seller and its employees;
16. rights and obligations under insurance agreements and agreements with banks, under the terms and conditions specified in separate agreements.

The fair value of the assets transferred under the Transfer Agreement, i.e. the Organised Part of Business, is PLN 82,218,000 (eighty-two million, two hundred and eighteen thousand zloty) (VAT-exclusive) and was determined pursuant to Art. 312<sup>1</sup>.1 in conjunction with Art. 431.7 of the Commercial Companies Code, based on the independent auditor's opinion on the audit of the fair value of the non-cash contribution in the form of the Organised Part of Business of SECO/WARWICK S.A., issued on October 15th 2012.

As a result of the above, the Buyer acquired, as of January 2nd 2013, the exclusive right to the disposed Organised Part of Business and to all assets comprising the disposed Organised Part of Business.

SECO/WARWICK EUROPE S.A. intends to continue the existing use of the Organised Part of Business, i.e. to conduct manufacturing and distribution activities.

SECO/WARWICK S.A. will focus on the strategic and financial management of its Group. SECO/WARWICK S.A., acting as the holding company, will exercise the owner's supervision and provide strategic management services to the subsidiaries of the Group.

SECO/WARWICK S.A., the Issuer, is the parent and the sole shareholder of the Buyer. The President of the Management Board of SECO/WARWICK S.A. also sits on the Supervisory Board of SECO/WARWICK EUROPE S.A.

The Transfer Agreement is considered significant as the value of the disposed assets exceeds 10% of the Company's equity.

**Legal basis:**

Par. 5.1.1 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.