

Subject: Creation of ordinary mortgage

Current Report No. 22/2013 of July 3rd 2013

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

Text of the report:

Further to Current Report No. 8/2013 of April 24th 2013 and Current Report No. 17/2013 of May 24th 2013, the Management Board of SECO/WARWICK S.A. (“Company”) reports that on July 2nd 2013 an ordinary mortgage of BRL 6,000,000 (PLN 8,954,400) was created on the perpetual usufruct right to a real estate comprising land and buildings erected thereon, located in Jundiaí, Sao Paulo, Brazil, on Alberto Belesso street, 590, land lot No. 3C, Industrial Park II, postal code 13213-170, registered by the 1st Real Estate Registry Office in Sao Paulo under No. 90214. The real estate is owned by a SECO/WARWICK subsidiary, Do Brasil Industria De Fornos Ltda. (former Engefor Engenharia Indústria e Comércio Ltda.).

Based on the subsidiary's accounting books, the carrying amount of the mortgaged assets is BRL 3,295,852 (PLN 4,918,730).

The ordinary mortgage serves to secure the payment by the Company of the second and third instalments of the selling price in a total amount of BRL 6,000,000 (i.e. PLN 8,954,400) to the following selling shareholders of the SECO/WARWICK Do Brasil Industria De Fornos Ltda. of Jundiaí, who are Brazilian citizens: Mr. Aparicio Vilademir de Freitas and Mr. Yassuhiro Sassaqui, as provided for in the share purchase agreement of April 23rd 2013.

This report is being issued as the value of the mortgage exceeds the PLN equivalent of EUR 1,000,000 (PLN 4,326,500).

Legal basis:

Par. 5.1.1 and Par. 7 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 (as amended).