



THE SECO/WARWICK GROUP

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR
THE PERIOD JANUARY 1ST–JUNE 30TH 2015**

CONTENTS

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 1ST–JUNE 30TH 2015	1
I. GENERAL INFORMATION	4
II. Key financial data translated into the euro	7
III. Statement of compliance	8
IV. Authorisation for issue	9
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 1ST–JUNE 30TH 2015 PREPARED IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS	10
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (PLN '000)	11
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	13
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	14
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	16
SUPPLEMENTARY INFORMATION TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30TH 2015	17
I. Compliance with International Financial Reporting Standards	18
II. Going concern assumption and comparability of accounts	18
III. Basis of consolidation	18
IV. Description of applied accounting policies, including methods of measurement of assets, equity and liabilities, income and expenses	18
V. Material judgements and estimates	18
VI. Changes in accounting policies	18
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30TH 2015	19
1. REVENUE	20
2. OPERATING SEGMENTS	21
3. GEOGRAPHICAL SEGMENTS – H1 2014	23
4. FINANCE INCOME AND COSTS	24
5. ASSETS HELD FOR SALE	24
6. EARNINGS PER SHARE	24
7. PROPERTY, PLANT AND EQUIPMENT	25
8. IMPAIRMENT LOSSES ON ASSETS	27
9. INVENTORIES	28
10. DIVIDENDS PROPOSED OR DECLARED BY WAY OF RESOLUTION BY THE DATE OF APPROVAL OF THESE FINANCIAL STATEMENTS	29
11. GOODWILL	29
12. LONG-TERM CONTRACTS	29
13. INVESTMENT COMMITMENTS	29
14. LOANS	29
15. DERIVATIVE FINANCIAL INSTRUMENTS	30
16. MATERIAL ERROR CORRECTIONS	33
17. PRESENTATION ADJUSTMENTS	33
18. OFF-BALANCE-SHEET ITEMS	34
19. RESTRUCTURING PROVISIONS	34
20. SETTLEMENTS RELATED TO COURT CASES	34
21. RELATED PARTIES	35
22. EXPLANATORY INFORMATION TO THE STATEMENT OF CASH FLOWS	36
23. FAIR VALUE HIERARCHY	36
24. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS	36
25. EVENTS UNUSUAL DUE TO THEIR NATURE, SIZE OR INCIDENCE	36
26. MATERIAL EVENTS AFTER THE INTERIM PERIOD NOT REFLECTED IN THE FINANCIAL STATEMENTS	36
INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 1ST–JUNE 30TH 2015 PREPARED IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS	37
INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION	38
INTERIM CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME (PLN '000)	40
INTERIM CONDENSED SEPARATE STATEMENT OF CASH FLOWS (PLN '000)	41
INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (PLN '000)	43
NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30TH 2015	44
1. FINANCE INCOME AND COSTS	45
2. PROPERTY, PLANT AND EQUIPMENT	46
3. INVESTMENTS IN SUBSIDIARIES, JOINTLY-CONTROLLED ENTITIES AND ASSOCIATES	48
4. IMPAIRMENT LOSSES ON ASSETS	49
5. INVENTORIES	49
6. DIVIDENDS PROPOSED OR DECLARED BY WAY OF RESOLUTION BY THE DATE OF APPROVAL OF THESE FINANCIAL STATEMENTS	50
7. INVESTMENT COMMITMENTS	50
8. PRESENTATION ADJUSTMENTS	50
9. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS	51



10. EVENTS UNUSUAL DUE TO THEIR NATURE, SIZE OR INCIDENCE	51
11. MATERIAL EVENTS AFTER THE INTERIM PERIOD NOT REFLECTED IN THE FINANCIAL STATEMENTS	51
12. CHANGES IN FINANCIAL ASSETS AND LIABILITIES.....	51
13. RELATED-PARTY TRANSACTIONS	51
14. ISSUE, REDEMPTION AND REPAYMENT OF DEBT AND EQUITY SECURITIES.....	51

I GENERAL INFORMATION

1. Parent

The parent of the SECO/WARWICK Group (“the SECO/WARWICK Group”, “the Group”) is SECO/WARWICK Spółka Akcyjna of Świebodzin (“the Company”). The Company was incorporated on January 2nd 2007 by virtue of the decision issued by District Court for Zielona Góra, 8th Commercial Division of the National Court Register, and entered in the Register of Entrepreneurs of the National Court Register under No. KRS 0000271014.

Name:	SECO/WARWICK S.A.
Legal form:	Joint-stock company (spółka akcyjna)
Registered offices:	ul. Sobieskiego 8, 66-200 Świebodzin, Poland
Principal business activity according to the Polish Classification of Business Activities (PKD):	
	28,21,Z Manufacture of ovens, furnaces and furnace burners,
	33,20,Z Installation of industrial machinery and equipment,
	28,29,Z Manufacture of other general-purpose machinery n.e.c.,
	28,24,Z Manufacture of power-driven hand tools,
	28,99,Z Manufacture of other special-purpose machinery n.e.c.,
	28,94,Z Manufacture of machinery for textile, apparel and leather production,
	46,14,Z Agents involved in the sale of machinery, industrial equipment, ships and aircraft,
	46,19,Z Agents involved in the sale of a variety of goods,
	46,69,Z Wholesale of other machinery and equipment,
	71,12,Z Engineering activities and related technical consultancy,
	72,11,Z Research and experimental development on biotechnology.
National Court Register (KRS) No.:	KRS 0000271014
Industry Identification Number (REGON)	970011679

2. Duration of the Group

SECO/WARWICK S.A. and other entities of the SECO/WARWICK Group have been registered to operate for an unlimited period of time, except for SECO/WARWICK Retech Thermal Equipment Manufacturing Tianjin Co. Ltd. established for the period of 27 years.

3. Presented periods

These interim condensed consolidated financial statements cover the period from January 1st to June 30th 2015. Presentation of comparative data:

- comparative data pertaining to the interim consolidated statement of financial position is presented as at December 31st 2014,
- comparative data pertaining to the interim consolidated statement of comprehensive income and the interim consolidated statement of cash flows is presented for the period January 1st–June 30th 2014,

- comparative data pertaining to the interim consolidated statement of changes in equity is presented for the period January 1st–June 30th 2014.

4. Composition of SECO/WARWICK S.A.'s governing bodies

As at June 30th 2015 and December 31st 2014, the composition of the SECO/WARWICK Management Board was as follows:

- Paweł Wyrzykowski – President of the Management Board
- Wojciech Modrzyk – Vice-President of the Management Board
- Jarosław Talerzak – Vice-President of the Management Board.

As at June 30th 2015, the composition of the SECO/WARWICK Supervisory Board was as follows:

- Andrzej Zawistowski – Chairman of the Supervisory Board
- Henryk Pilarski – Deputy Chairman of the Supervisory Board
- Jeffrey Boswell – Member of the Supervisory Board
- James A. Goltz – Member of the Supervisory Board
- Marcin Murawski – Member of the Supervisory Board
- Gutmann Habig – Member of the Supervisory Board
- Witold Klinowski – Member of the Supervisory Board.

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- Henryk Pilarski – Deputy Chairman of the Supervisory Board
- Jeffrey Boswell – Member of the Supervisory Board
- James A. Goltz – Member of the Supervisory Board
- Zbigniew Rogóż – Member of the Supervisory Board
- Gutmann Habig – Member of the Supervisory Board
- Witold Klinowski – Member of the Supervisory Board.

5. Auditors

Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp.k.
Al. Jana Pawła II 19
Deloitte House
00-854 Warsaw, Poland

6. Significant shareholders of the parent

The table below lists the shareholders holding over 5% of the total vote at the General Meeting as at June 30th 2015:

Shareholder	Number of shares	Ownership interest (%)	Number of votes at GM	% of total voting rights
SW Holding Sp. z o.o.	3,387,139	31.54%	3,387,139	31.54%
Spruce Holding Limited Liability Company (USA)	1,123,337	10.46%	1,123,337	10.46%
SECO/WARWICK S.A.	1,073,783	10.00%	1,073,783	10.00%
Aviva Otwarty Fundusz Emerytalny Aviva BZ WBK	904,794	8.43%	904,794	8.43%
Bleauhard Holdings LLC	637,028	5.93%	637,028	5.93%
ING NN OFE	600,000	5.59%	600,000	5.59%
AMPLICO	577,470	5.38%	577,470	5.38%

The data presented in the table is based on notifications received from the shareholders.

7. Subsidiaries

SECO/WARWICK S.A. is the parent of the following subsidiaries:

- SECO/WARWICK EUROPE Sp. z o.o.,
- SECO/WARWICK Corporation,
- OOO SECO/WARWICK Rus,
- Retech Systems LLC,
- SECO/WARWICK Retech Thermal Equipment Manufacturing Tianjin Co., Ltd.,
- SECO/WARWICK GmbH,
- SECO/WARWICK Service GmbH,
- SECO/WARWICK Allied Pvt. Ltd. (Mumbai) India,
- SECO/WARWICK do Brasil Ind. de Fornos Ltda,

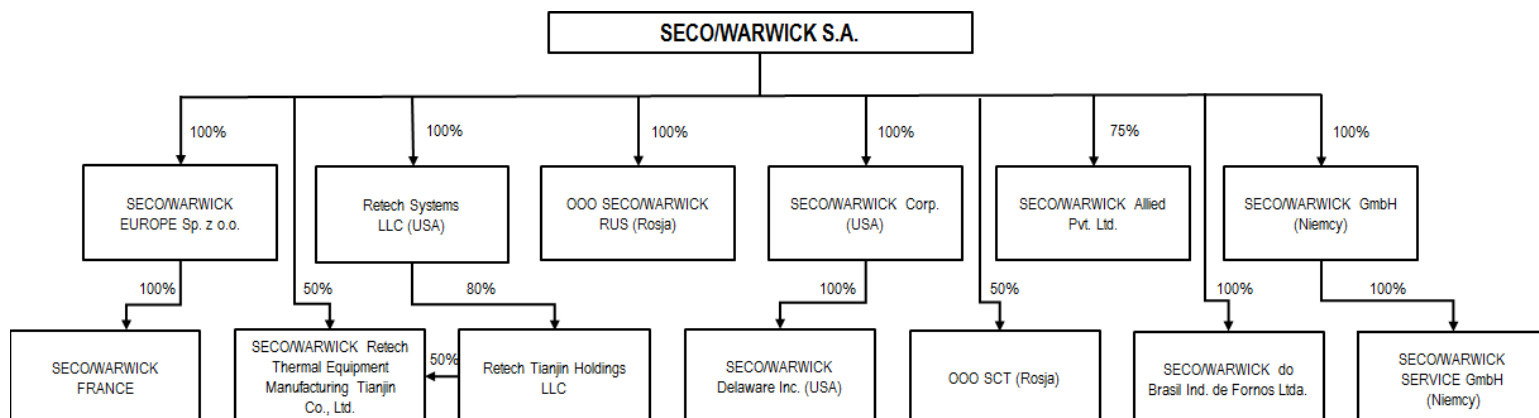
Other Group companies are:

- SECO/WARWICK of Delaware Inc,
- Retech Tianjin Holdings LLC,
- SECO/WARWICK France.

8. Associates

- OOO SCT (Solnechnogorsk) Russia, in which the Parent holds a 50% interest, conferring the right to 50% of the total vote at the General Meeting of the company.

9. Organisation of the Group:



SECO/WARWICK France of Roissy-en-Brie, France, was registered on April 8th 2015. The company's core activities are to consist of commercial and technical representation of SECO/WARWICK Europe in France, French-speaking countries and their neighbouring countries.

II. Key financial data translated into the euro

The table below presents average EUR/PLN exchange rates quoted by the National Bank of Poland for the periods covered by these financial statements and by the historical financial information:

Financial year	Jun 30 2015	Dec 31 2014	Jun 30 2014
Average exchange rate for the period*	4.1341	4.1893	4.1784
Exchange rate effective for the last day of the period	4.1944	4.2623	4.1609

*) Average of the exchange rates effective for the last day of each month in the period.

Items of assets, equity and liabilities in the interim consolidated statement of financial position have been translated using the EUR/PLN exchange rates quoted by the National Bank of Poland for the last day of the period.

Items of the interim consolidated statement of comprehensive income and statement of cash flows have been translated using the exchange rates calculated as the arithmetic means of the EUR/PLN mid market rates quoted by the National Bank of Poland as effective for the last day of each month in the reporting period.

The table below presents key items of the interim consolidated statement of financial position, statement of comprehensive income and statement of cash flows disclosed in the interim consolidated financial statements and the comparative data, translated into the euro:

Key consolidated financial data	H1 2015	H1 2014	H1 2015	H1 2014
	(PLN '000)		(EUR '000)	
Revenue	240,798	208,730	58,246	49,954
Cost of sales	-177,797	-157,036	-43,007	-37,582
Operating profit/(loss)	14,199	6,694	3,434	1,602
Profit/(loss) before tax	11,700	7,555	2,830	1,808
Net profit/(loss)	8,163	5,709	1,975	1,366
Net cash flows from operating activities	41,816	12,858	10,115	3,077
Net cash flows from investing activities	-10,795	-14,388	-2,611	-3,443
Net cash flows from financing activities	-3,039	-5,763	-735	-1,379
	Jun 30 2015	Dec 31 2015	Jun 30 2015	Dec 31 2015
Total assets	536,646	477,191	127,943	111,956
Total liabilities	296,333	227,885	70,650	53,465
<i>including current liabilities</i>	230,288	191,117	54,904	44,839
Equity	240,313	249,305	57,294	58,491
Share capital	3,704	3,704	883	869

The table below presents key items of the interim separate statement of financial position, statement of comprehensive income and statement of cash flows presented in these financial statements, together with the relevant comparative data, translated into the euro:

Separate financial highlights	H1 2015	H1 2014	H1 2015	H1 2014
	(PLN '000)		(EUR '000)	
Revenue from sale of finished goods, merchandise and materials	5,978	6,564	1,446	1,571
Cost of sales	-5,416	-5,741	-1,310	-1,374
Operating profit/(loss)	-5,362	-1,382	-1,297	-331
Profit/(loss) before tax	11,453	19,279	2,770	4,614
Net profit/(loss)	11,187	18,605	2,706	4,453
Net cash flows from operating activities	-4,388	-8,635	-1,061	-2,067
Net cash flows from investing activities	9,185	11,267	2,222	2,696
Net cash flows from financing activities	-2,164	-9,078	-523	-2,173
	Jun 30 2015	Dec 31 2015	Jun 30 2015	Dec 31 2015
Total assets	205,438	199,368	48,979	47,590
Total liabilities	45,372	24,710	10,817	5,898
<i>including current liabilities</i>	9,698	14,933	2,312	3,565
Equity	160,066	174,659	38,162	41,692
Share capital	3,704	3,704	883	884

III. Statement of compliance

In compliance with the requirements laid down in the Regulation of the Minister of Finance on current and periodic information 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, the Management Board of the Parent represents that to the best of its knowledge these interim condensed consolidated financial statements and the relevant comparative data have been prepared in compliance with the accounting standards applicable to the Group, and give a true, fair and clear view of the assets, financial position and profit or loss of the Group, and the half-year report on the Group's operations includes a fair review of the development and performance of the business and the position of the Group, and a description of the principal risks and uncertainties.

These interim condensed consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, as endorsed by the European Union, and the Regulation of the Minister of Finance on current and periodic information 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 (consolidated text: Dz.U. of 2014, item 133) (the "Regulation").

The Management Board represents that the entity qualified to audit financial statements that reviewed these half-year condensed consolidated financial statements and the half-year condensed separate financial statements was appointed in compliance with the applicable laws, and that both the auditing firm and the qualified auditors who performed the review met the conditions required to issue an impartial and independent review report, in accordance with the applicable regulations and professional standards. In line with the corporate governance principles adopted by the Management Board, the auditor was appointed by the Company's Supervisory Board (Resolution No. 1/2014 on appointment of the auditor). The Supervisory Board appointed the auditor with due regard for the impartiality and objectivity of the selection itself as well as of the performance of the auditor's tasks.



IV. Authorisation for issue

These interim condensed consolidated financial statements were authorised for issue by the Parent's Management Board on August 31st 2015.

Date: August 31st 2015

Paweł Wyrzykowski

Wojciech Modrzyk

Jarosław Talerzak

President of the Management Board

Vice-President of the Management Board

Vice-President of the Management Board



THE SECO/WARWICK GROUP

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR
THE PERIOD JANUARY 1ST–JUNE 30TH 2015 PREPARED IN
ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING
STANDARDS**



INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (PLN '000)

	As at Jun 30 2015	As at Dec 31 2014
ASSETS		
Non-current assets		
Property, plant and equipment	95,007	92,051
Investment property	384	389
Goodwill	73,433	68,558
Intangible assets	25,154	22,609
Investments in associates	1,970	1,888
Non-current receivables	1,120	1,240
Loans and receivables	-	361
Other financial assets	7,842	6,906
Deferred tax assets	2,536	2,487
	207,444	196,489
Current assets		
Inventories	37,575	36,319
Trade receivables	81,185	71,224
Income tax assets	1,387	2,732
Other current receivables	14,635	15,005
Accruals and deferred income	3,894	2,742
Other financial assets	1,463	1,425
Contract settlement	113,902	104,553
Cash and cash equivalents	75,161	46,702
	329,202	280,702
ASSETS HELD FOR SALE	-	-
TOTAL ASSETS	536,646	477,191



	As at Jun 30 2015	As at Dec 31 2014
EQUITY AND LIABILITIES		
Equity		
Share capital	3,704	3,704
Statutory reserve funds	190,279	174,617
Other components of equity	19,339	46,478
Retained earnings/(deficit)	24,766	22,131
Non-controlling interests	2,225	2,376
	240,313	249,305
Non-current liabilities		
Borrowings and other debt instruments	43,959	15,659
Financial liabilities	2,228	984
Other non-current liabilities	379	464
Deferred tax liabilities	1,715	1,306
Provision for retirement and similar benefits	5,049	5,352
Other provisions	1,831	2,014
Accruals and deferred income	10,884	10,989
	66,045	36,768
Current liabilities		
Borrowings and other debt instruments	29,196	30,041,
Financial liabilities	3,326	7,094
Trade payables	48,771	57,233
Income tax payable	41	98
Taxes, customs duties and social security payable	10,232	4,943
Other current liabilities	5,209	7,769
Provision for retirement and similar benefits	9,323	9,153
Other provisions	12,106	11,589
Accruals and deferred income	326	326
Contract settlement	111,758	62,871
	230,288	191,117
TOTAL EQUITY AND LIABILITIES	536,646	477,191

Date: August 31st 2015

Person responsible for
keeping accounting records:
Ryszard Rej

Paweł Wyrzykowski
*President of the
Management Board*

Wojciech Modrzyk
*Vice-President of the
Management Board*

Jarosław Talerzak
*Vice-President of the
Management Board*



INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(PLN '000)

	For the period Jan 1– Jun 30 2015	For the period Jan 1– Jun 30 2014
Revenue from sale of finished goods	226,979	198,297
Revenue from sale of merchandise and materials	13,819	10,433
Revenue	240,798	208,730
Finished goods sold	-166,993	-150,410
Merchandise and materials sold	-10,804	-6,626
Cost of sales	-177,797	-157,036
Gross profit/(loss)	63,001	51,694
Other income	2,577	3,522
Distribution costs	-16,172	-14,668
Administrative expenses	-32,549	-30,446
Other expenses	-2,658	-3,407
Operating profit/(loss)	14,199	6,695
Finance income	1,191	3,772
Finance costs	-3,538	-2,588
Share of net profit/(loss) of associates	-152	-324
Profit/(loss) before tax	11,700	7,555
Actual tax expense	-3,837	-2,878
Net profit/(loss) from continuing operations	7,862	4,676
Profit/(loss) from discontinued operations	-	-
Net profit/(loss)	7,862	4,676
Net profit/(loss) attributable to		
Owners of the Parent	8,163	5,709
Non-controlling interests	-300	-1,033
EARNINGS PER SHARE:		
Basic	0.76	0.53
Diluted	0.76	0.53
OTHER COMPREHENSIVE INCOME:		
Items that will not be reclassified to profit or loss:		
Actuarial gains/(losses) on a defined benefit retirement plan	1,193	-710
Income tax on other comprehensive income	-417	249
Items that may be reclassified to profit or loss:		
Valuation of cash flow hedging derivatives	-1,678	-907
Exchange differences on translating foreign operations	9,546	2,660
Income tax on other comprehensive income	319	172
Total other comprehensive income, net	8,962	1,464
Total comprehensive income	16,825	6,139



Total comprehensive income attributable to

Owners of the Parent	16,976	6,915
Non-controlling interests	-151	-775

Date: August 31st 2015

Person responsible for keeping accounting records: Ryszard Rej	Paweł Wyrzykowski <i>President of the Management Board</i>	Wojciech Modrzyk <i>Vice-President of the Management Board</i>	Jarosław Talerzak <i>Vice-President of the Management Board</i>
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INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(PLN '000)

	For the period Jan 1– Jun 30 2015	For the period Jan 1– Jun 30 2014
OPERATING ACTIVITIES		
Profit/(loss) before tax	11,699	7,554
Adjustments for:	32,814	10,051
Share of net profit of associates	152	324
Depreciation and amortisation	4,535	3,740
Foreign exchange gains/(losses)	431	1,082
Interest and profit distributions (dividends)	1,586	1,228
Gain/(loss) on investing activities	-7	-2,797
Balance-sheet valuation of derivative instruments	-63	394
Change in provisions	-749	-3,261
Change in inventories	-221	5,312
Change in receivables	6,695	-5,941
Change in current liabilities (other than financial liabilities)	-23,317	7,279
Change in accruals and deferrals	41,672	3,486
Other adjustments	2,102	-794
Cash from operating activities	44,513	17,605
Income tax (paid)/recovered	-2,697	-4,747
Net cash flows from operating activities	41,816	12,858
INVESTING ACTIVITIES		
Cash provided by financing activities	945	3,780
Proceeds from disposal of intangible assets and property, plant and equipment	184	1,734
Other inflows from financial assets	761	2,046
Cash paid in connection with derivative instruments	-	-



Cash used in financing activities	11,740	18,168
Investments in intangible assets, property, plant and equipment, and investment property	6,662	10,521
Acquisition of related entities	4,444	7,646
Cash paid in connection with derivative instruments	634	-
Other cash used in investing activities	-	-
Net cash flows from investing activities	-10,795	-14,388
FINANCING ACTIVITIES		
Cash provided by financing activities	30,417	8,089
Net proceeds from issue of equity interests (shares) or other equity instruments and additional contributions to equity	-	65
Borrowings and other debt instruments	30,417	8,018
Other cash provided by financing activities	-	7
Cash used in financing activities	33,455	13,853
Repayment of borrowings and other debt instruments	4,450	4,491
Acquisition of own shares	26,845	-
Payment of finance lease liabilities	639	170
Interest paid	1,522	1,138
Dividend	-	8,053
Net cash flows from financing activities	-3,039	-5,763
Total net cash flows	27,982	-7,293
Net change in cash, including:	28,459	-8,457
- effect of exchange rate fluctuations on cash held	478	-71
Cash at beginning of the period	46,679	44,375
Cash at end of period, including:	74,661	37,082
- restricted cash		-

Date: August 31st 2015

Person responsible for
keeping accounting records:
Ryszard Rej

Paweł Wyrzykowski
*President of the
Management Board*

Wojciech Modrzyk
*Vice-President of the
Management Board*

Jarosław Talerzak
*Vice-President of the
Management Board*



THE SECO/WARWICK GROUP

Interim condensed consolidated financial statements
for the period January 1st–June 30th 2015

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (PLN '000)

	Share capital	Statutory reserve funds	Hedging reserve	Other components of equity	Foreign exchange differences	Retained earnings/(deficit)	Equity attributable to owners of the Parent	Equity attributable to non-controlling interests	Total equity
Equity as at Jan 1 2014	3,693	199,708	1,324	3,147	-11,867	58,721	254,725	5,441	260,167
Profit/(loss) for the period	-	-	-	-	-	5,709	5,709	-1,033	4,676
Other comprehensive income	-	-	-735	-	2,403	-462	1,206	258	1,464
Total comprehensive income for the year	-	-	-735	-	2,403	5,247	6,915	-775	6,139
Issue of shares	12	-	-	-	-	-	12	-	12
Management stock options	-	-	-	1,065	-	-	1,065	-	1,065
Dividend paid	-	-	-	-	-	-8,053	-8,053	-	-8,053
Transfer of 2013 earnings	-	16,659	-	-	-	-16,659	-	-	-
Other adjustments	-	-	-	-	-	-27	-27	-	-27
Accounting for increase in control of a subsidiary	-	-	-	-	-	-1,176	-1,176	-1,188	-2,364
Equity as at Jun 30 2014	3,704	216,367	589	4,212	-9,464	38,053	246,929	3,479	256,939
Equity as at Jan 1 2015	3,704	174,617	-255	46,733	9,893	12,238	246,929	2,376	249,305
Correction of previous years' errors	-	-	-	-	-	-37	-37	-	-37
Equity as at Jan 1 2015	3,704	174,617	-255	46,733	9,893	12,201	246,891	2,376	249,268
Profit/(loss) for the period	-	-	-	-	-	8,163	8,163	-300	7,862
Other comprehensive income	-	-	-1,359	-	9,396	776	8,813	149	8,962
Total comprehensive income for the year	-	-	-1,359	-	9,396	8,938	16,976	-151	16,825
Issue of shares	-	-	-	-	-	-	-	-	-
Management stock options	-	-	-	1,065	-	-	1,065	-	1,065
Dividend paid	-	-	-	-	-	-	-	-	-
Transfer of 2014 earnings	-	15,662	-	-	-	-15,662	-	-	-
Share buy-back	-	-	-	-26,845	-	-	-26,845	-	-26,845
Other adjustments	-	-	-	-	-	-	-	-	-
Accounting for increase in control of a subsidiary	-	-	-	-	-	-	-	-	-
Equity as at Jun 30 2015	3,704	190,279	-1,615	20,953	19,289	5,477	238,088	2,225	240,313

Date: August 31st 2015

Person responsible for
keeping accounting records:
Ryszard Rej

Paweł Wyrzykowski

President of the Management Board

Wojciech Modrzyk

Vice-President of the Management Board

Jarosław Talerzak

Vice-President of the Management Board



THE SECO/WARWICK GROUP

**SUPPLEMENTARY INFORMATION TO THE INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED
JUNE 30TH 2015**

I. Compliance with International Financial Reporting Standards

These interim condensed consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, as endorsed by the European Union, and the Regulation of the Minister of Finance on current and periodic information 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 (consolidated text: Dz.U. of 2014, item 133) (the “Regulation”).

II. Going concern assumption and comparability of accounts

These interim condensed consolidated financial statements have been prepared on the assumption that the Group would continue as a going concern for the 12 months after the end of the most recent reporting period, i.e. June 30th 2015. As at the date of signing these financial statements, the Parent’s Management Board was aware of no facts or circumstances that would involve a threat to the Group’s continuing as a going concern in the 12 months after the end of the reporting period, as a result of any planned or forced discontinuation or material downsizing of its existing operations.

As at the date of preparation of the interim condensed consolidated financial statements for H1 2015, no events have occurred which should have been but were not disclosed in the accounting records for the reporting period. In these financial statements no material events related to prior years are disclosed.

III. Basis of consolidation

Item	% of total vote	
	Jun 30 2015	Dec 31 2014
SECO/WARWICK S.A.		Parent
SECO/WARWICK EUROPE Sp. z o.o.	100%	100%
SECO/WARWICK Corporation	100%	100%
SECO/WARWICK of Delaware, Inc	100%	100%
OOO SECO/WARWICK Rus	100%	100%
Retech Systems LLC	100%	100%
SECO/WARWICK Allied Pvt., Ltd.	75%	75%
SECO/WARWICK Retech Thermal Equipment Manufacturing	90%	90%
SECO/WARWICK GmbH	100%	100%
OOO SCT (Solnechnogorsk) Russia,	50%	50%
SECO/WARWICK Service GmbH	100%	100%
SECO/WARWICK do Brasil Ind. de Fornos Ltda.	100%	100%

IV. Description of applied accounting policies, including methods of measurement of assets, equity and liabilities, income and expenses

These interim condensed consolidated financial statements have been prepared based on a historical cost approach, except with respect to financial derivatives, which are measured at fair value.

These interim condensed consolidated financial statements are presented in the zloty (“PLN”), and unless specified otherwise, all amounts are given in thousands of PLN.

The accounting policies and calculation methods applied in the preparation of these financial statements are consistent with those applied in the most recent annual financial statements.

V. Material judgements and estimates

Critical judgements made by the Management Board in applying the Company’s accounting policies and key sources of estimation uncertainty are the same in these half-year condensed separate financial statements as presented in Section VII of the 2014 Consolidated Financial Statements.

VI. Changes in accounting policies

The Group intends to adopt amendments to IFRS issued but not yet effective as at the date of issue of these half-year condensed consolidated financial statements, as of their effective date. The impacts of these amendments and new standards on the Group’s future consolidated financial statements are discussed in Section IX of the 2014 Consolidated Financial Statements.



THE SECO/WARWICK GROUP

Interim condensed consolidated financial statements
for the period January 1st–June 30th 2015

THE SECO/WARWICK GROUP

**NOTES
TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED JUNE 30TH 2015**



1. REVENUE

As provided for under IAS 18, revenue from sale of finished goods, merchandise, materials and services, net of VAT, discounts and rebates, is recognised when the entity has transferred to the buyer the significant risks and rewards incidental to their ownership.

Sales revenue and total revenue and income of the Group:

Item	H1 2015	H1 2014
Sales of products	226,978	198,297
Sales of merchandise and materials	13,819	10,433
TOTAL sales revenue	240,798	208,730
Other income	2,577	3,522
Finance income	1,191	3,772
TOTAL revenue and income	244,565	216,024



THE SECO/WARWICK GROUP

Interim condensed consolidated financial statements
for the period January 1st–June 30th 2015

2. OPERATING SEGMENTS

OPERATING SEGMENTS – H1 2014

Item	Continuing operations						Discontinued operations	Unallocated items	Total
	Vacuum Furnaces	CAB	Atmosphere Furnaces	Aluminium Process	Melting Furnaces	Aftersales			
Total segment revenue	49,551	18,805	49,325	15,949	44,247	29,425	207,302	1,428	208,730
Sales to customers accounting for 10% or more of revenue	-	-	-	-	-	-	-	-	-
Total segment expenses	-34,729	-12,997	-38,481	-13,403	-35,542	-20,500	-155,652	-1,384	-157,036
Gross profit/(loss)	14,822	5,808	10,844	2,546	8,705	8,925	51,650	44	51,694
Administrative expenses								-30,446	-30,446
Distribution costs								-14,668	-14,668
Operating income								3,522	3,522
Operating expenses								-3,407	-3,407
Segment profit/(loss) on operating activities	-	-	-	-	-	-	-		6,694
Finance income								3,772	3,772
Net finance costs								-2,588	-2,588
Share in profit of associate								-324	-324
Profit before tax									7,554
Actual tax expense									-2,878
Profit/(loss) from continuing operations									4,676
Loss of control									-
Profit/(loss) attributable to non-controlling interests								-1,033	-1,033
Net profit/(loss) for period									5,709



THE SECO/WARWICK GROUP

Interim condensed consolidated financial statements
for the period January 1st–June 30th 2015

OPERATING SEGMENTS – H1 2015

Item	Continuing operations						Discontinued operations	Unallocated items	Total	
	Vacuum Furnaces	CAB	Atmosphere Furnaces	Aluminium Process	Melting Furnaces	Aftersales				Total
Total segment revenue	57,134	26,814	43,385	10,128	58,652	41,183	237,295	-	3,503	240,798
Sales to customers accounting for 10% or more of revenue	-	-	-	-	-	-	-	-	-	-
Total segment expenses	-42,273	-19,418	-35,819	-7,880	-45,212	-24,700	-175,303	-	-2,494	177,797
Gross profit/(loss)	14,861	7,396	7,566	2,248	13,440	16,483	61,992		1,009	63,001
Administrative expenses									-32,549	-32,549
Distribution costs									-16,172	-16,172
Operating income									2,577	2,577
Operating expenses									-2,658	-2,658
Segment profit/(loss) on operating activities										14,199
Finance income									1,191	1,191
Net finance costs									-3,538	-3,538
Share in profit of associate									-152	-152
Profit before tax										11,699
Actual tax expense										-3,837
Profit/(loss) from continuing operations										7,862
Loss of control									-	-
Profit/(loss) attributable to non-controlling interests									-300	-300
Net profit/(loss) for period										8,163



THE SECO/WARWICK GROUP

Interim condensed consolidated financial statements
for the period January 1st–June 30th 2015

3. GEOGRAPHICAL SEGMENTS – H1 2014

Item	EU	Russia, Belarus and Ukraine	US	Asia	Other	Total
Total revenue	62,725	23,234	62,367	37,466	22,938	208,730
Sales to external customers – continuing operations	62,725	23,234	62,367	37,466	22,938	208,730
Segment's non-current assets	144,538	2	23,031	24,795	4,754	197,120
Capital expenditure	9,436	-	1,085	-	-	10,521

GEOGRAPHICAL SEGMENTS – H1 2015

Item	EU	Russia, Belarus and Ukraine	US	Asia	Other	Total
Total revenue	90,235	10,621	56,247	55,960	27,735	240,798
Sales to external customers – continuing operations	90,235	10,621	56,247	55,960	27,735	240,798
Segment's non-current assets	142,769	445	25,260	33,737	3,963	205,730
Capital expenditure	5,086	-	1,421	44	110	6,662

**4. FINANCE INCOME AND COSTS**

FINANCE INCOME	Jan 1–Jun 30 2015	Jan 1–Jun 30 2014
Interest income	613	359
Valuation of derivative instruments	63	2,090
Net foreign exchange gains	-	-
Other	514	1,322
Total finance income	1,191	3,772

FINANCE COSTS	Jan 1–Jun 30 2015	Jan 1–Jun 30 2014
Interest on bank loans	2,676	1,420
Loss on derivative instruments at maturity	369	394
Balance-sheet valuation of derivative instruments	-	-
Net foreign exchange losses	225	697
Other	268	78
Total finance costs	3,538	2,588

5. ASSETS HELD FOR SALE

As at June 30th 2015, the Group had no assets held for sale.

6. EARNINGS PER SHARE

Item	Jun 30 2015	Jun 30 2014
Net profit from continuing operations attributable to shareholders	8,163	5,709
Loss from discontinued operations attributable to shareholders	-	-
Net profit attributable to owners of the parent	8,163	5,709
Interest on redeemable preference shares convertible into ordinary shares	-	-
Net profit attributable to holders of ordinary shares, used to calculate diluted earnings per share	8,163	5,709
Weighted average number of outstanding ordinary shares, used to calculate basic earnings per share	10,737,837	10,731,468
Earnings per share	0.76	0.53
Dilutive effect:		
Number of potential subscription warrants	-	238,373
Number of potential shares issued at market price	-	2,888
Adjusted weighted average number of ordinary shares, used to calculate diluted earnings per share	-	10,966,953
Diluted earnings per share	0.76	0.52



7. PROPERTY, PLANT AND EQUIPMENT

Item	Jun 30 2015	Dec 31 2014
Tangible assets	89,610	83,387
Tangible assets under construction	5,347	8,664
Prepayments for tangible assets under construction	50	-
Property, plant and equipment	95,007	92,051

Changes in property, plant and equipment (by type) in the period Jan 1–Jun 30 2014

Item	Land	Buildings and structures	Machinery and equipment	Vehicles	Other	Total
Gross carrying amount as at Jan 1 2014	8,899	49,562	40,787	9,168	7,223	115,638
Increase, including:	-	285	737	8	541	1,571
Assets acquired	-	285	737	8	541	1,571
Lease agreements	-	-	-	-	-	-
Other	-	-	-	-	-	-
Decrease, including:	-	-	1,021	240	-	1,261
Disposals	-	-	972	238	-	1,211
Liquidation	-	-	49	1	-	50
Other	-	-	-	-	-	-
Gross carrying amount as at Jun 30 2014	8,899	49,847	40,502	8,936	7,764	115,948
Cumulative depreciation as at Jan 1 2014	-	9,086	21,282	4,851	3,636	38,856
Increase, including:	-	859	1,425	516	301	3,101
Depreciation	-	859	1,425	516	301	3,101
Decrease, including:	-	-	206	134	-	339
Sale	-	-	163	132	-	295
Liquidation	-	-	-	-	-	-
Revaluation	-	-	43	1	-	44
Cumulative depreciation as at Jun 30 2014	-	9,945	22,502	5,234	3,937	41,617
Impairment losses as at Jan 1 2014	-	-	-	-	-	-
Impairment losses as at Jun 30 2014	-	-	-	-	-	-

Net exchange differences on translating financial statements into presentation currency	289	958	101	335	-167	1,516
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Net carrying amount as at Jun 30 2014	9,188	40,860	18,101	4,037	3,661	75,847
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No impairment losses on tangible assets were recognised in Jan 1st–Jun 30th 2014.

Changes in property, plant and equipment (by type) in the period Jan 1–Jun 30 2015

Item	Land	Buildings and structures	Machinery and equipment	Vehicles	Other	Total
Gross carrying amount as at Jan 1 2015	8,899	54,255	41,894	9,882	7,881	122,811
Increase, including:	-	961	5,585	970	407	7,923
Assets acquired	-	961	5,585	341	407	7,294
Lease agreements	-	-	-	629	-	629
Other	-	-	-	-	-	-
Decrease, including:	-	-	112	583	14	710
Disposals	-	-	9	488	14	510
Liquidation	-	-	104	16	-	120
Other	-	-	-	79	-	79
Gross carrying amount as at Jun 30 2015	8,899	55,215	47,369	10,269	8,273	130,024
Cumulative depreciation as at Jan 1 2015	-	10,712	24,006	5,711	4,265	44,694
Increase, including:	-	767	1,718	591	436	3,513
Depreciation	-	767	1,718	591	436	3,512
Decrease, including:	-	-	104	309	4	418
Sale	-	-	5	293	4	302
Liquidation	-	-	-	-	-	-
Revaluation	-	-	99	16	-	115
Cumulative depreciation as at Jun 30 2015	-	11,480	25,620	5,993	4,696	47,789
Impairment losses as at Jan 1 2015	-	-	-364	13	345	-6
Impairment losses as at Jun 30 2015	-	-	-364	13	345	-6

Net exchange differences on translating financial statements into presentation currency	1,536	3,412	1,768	248	404	7,368
Net carrying amount as at Jun 30 2015	10,435	47,148	23,881	4,509	3,637	89,610

No impairment losses on tangible assets were recognised in Jan 1st–Jun 30th 2015.

Tangible assets under construction:

Tangible assets under construction as at Jan 1 2014	Expenditure incurred in the financial year	Accounting for the expenditure					As at Jun 30 2014
		Buildings, premises and civil engineering structures	Machinery and equipment	Vehicles	Other	Intangible assets	
3,476	5,222	285	234	219	385	1,022	6,552

Tangible assets under construction as at Jan 1 2015	Expenditure incurred in the financial year	Accounting for the expenditure					As at Jun 30 2015
		Buildings, premises and civil engineering structures	Machinery and equipment	Vehicles	Other	Intangible assets	
8,664	4,609	790	4,922	629	249	1,335	5,347

8. IMPAIRMENT LOSSES ON ASSETS

Impairment losses	Jun 30 2015	Dec 31 2014
Trade receivables	10,463	8,938
Equity interests	25,565	25,565
Loans	-	-
Inventories	2,422	2,534

IMPAIRMENT LOSSES ON TRADE RECEIVABLES	Jun 30 2015	Jun 30 2014
Opening balance	8,938	3,656
Increase, including:	1,525	-
- write-downs recognised in correspondence with other expenses	1,525	-
Decrease, including:	-	69
- write-downs reversed in correspondence with other income	-	69
Closing balance	10,463	3,587



IMPAIRMENT LOSSES ON EQUITY INTERESTS

Jun 30 2015 Jun 30 2014

Opening balance	25,565	-
Increase, including:	-	-
- write-downs recognised in correspondence with other expenses	-	-
Decrease, including:	-	-
- write-downs reversed in correspondence with other income	-	-
Closing balance	-	-

9. INVENTORIES

Item	Jun 30 2015	Dec 31 2014
Materials (at cost)	25,379	22,209
Semi-finished products and work in progress	11,098	12,939
Finished goods	1,098	1,109
Merchandise	-	61
Total inventories (carrying amount)	37,575	36,319
Write-downs of inventories	2,422	2,534
Gross inventories	39,997	38,853

CHANGE IN INVENTORY WRITE-DOWNS

WRITE-DOWNS	Jun 30 2015	Jun 30 2014
Opening balance	2,534	2,672
Increase, including:	-	139
- write-downs recognised in correspondence with other expenses	-	139
Net exchange differences on translating financial statements into presentation currency	-	-
Decrease, including:	112	15
- write-downs reversed in correspondence with other income	224	-
Net exchange differences on translating financial statements into presentation currency	111	15
Closing balance	2,422	2,826

10. DIVIDENDS PROPOSED OR DECLARED BY WAY OF RESOLUTION BY THE DATE OF APPROVAL OF THESE FINANCIAL STATEMENTS

As at the date of approval of these financial statements, no dividends have been proposed or declared.

11. GOODWILL

Item	Jun 30 2015	Dec 31 2014
Consolidation goodwill at beginning of period	68,557	78,860
Increase in consolidation goodwill – acquisition of SECO/WARWICK do Brasil	-	1,053
Decrease in goodwill – impairment loss on SECO/WARWICK Brasil	-	-16,488
Decrease in goodwill – impairment loss on SECO/WARWICK Allied	-	-9,078
Exchange differences on translation of goodwill	4,875	14,209
Total goodwill at end of period	73,433	68,558

12. LONG-TERM CONTRACTS

This Note presents costs as from the contract commencement date to the reporting date.

Contracts in progress at the end of the reporting period:	Jun 30 2015	Dec 31 2014
Costs incurred plus recognised profits less recognised losses as at the reporting date	1,434,438	1,274,383
Less progress billings	-1,359,485	-1,231,076
	<u>74,954</u>	<u>43,307</u>
Included in the consolidated financial statements as amounts due:		
From customers under construction contracts	113,902	104,553
To customers under construction contracts	-38,948	-61,246
	<u>74,954</u>	<u>43,307</u>

Revenue from a contract in progress recognised as revenue in H1 2015 amounted to PLN 220,158 (compared with PLN 414,885 in 2014).

As at June 30th 2015, advances received from customers for contract work totalled PLN 113,902 (compared with PLN 89,437 in 2014).

13. INVESTMENT COMMITMENTS

As at June 30th 2015, SECO/WARWICK EUROPE Sp. z o.o. had investment commitments related to property, plant and equipment of PLN 313 thousand. The funds were allocated for the purchase of new machinery and equipment.

14. LOANS

	Jun 30 2015	Dec 31 2014
Increase in loans advanced, including:	406	361
- non-current	-	361
- current	406	-

On March 21st 2014, SECO/WARWICK S.A. advanced a RUB 6,000 thousand loan to its associate OOO SCT. The loan is to be repaid on February 26th 2016.

No loans were provided to members of the management boards or supervisory boards of the Group companies in 2014 or H1 2015.

15. DERIVATIVE FINANCIAL INSTRUMENTS

	Jun 30 2015		Dec 31 2014	
	Assets	Liabilities	Assets	Liabilities
Derivative financial instruments	1,058	3,880	1,425	2,660
Total hedging instruments				
- non-current	-	1,327		121
- current	1,058	2,553	1,425	2,539

Disclosures of derivative financial instruments which qualify for hedge accounting

In H1 2015, SECO/WARWICK EUROPE Sp. z o.o. used currency forwards to hedge an average of 55% of its export cash flows denominated in EUR, 52% of its cash flows denominated in USD, and up to 90% of its cash flows denominated in GBP. The purpose is to hedge the budgeted exchange rates for contracts. Any changes in the value of EUR-, USD-, GBP-, RUB- or CZK-denominated cash flows are offset by changes in the fair value of the hedging instrument. Hedge accounting is applied if the criteria provided for in IAS 39:88 are met.



THE SECO/WARWICK GROUP

Interim condensed consolidated financial statements
for the period January 1st–June 30th 2015

Jun 30 2015	Notional amount of contract (EUR '000)	Original notional amount of hedging instrument	Remaining notional amount of hedging instrument as at Jun 30 2015	Fair value of instrument (PLN '000)	Amount recognised in profit or loss (PLN '000)	Amount recognised in equity (PLN '000)	Date for final settlement of hedging instrument
TOTAL	41,687	26,588	18,585	767	664	103	Jul 30 2015–Jul 31 2017
Jun 30 2015	Notional amount of contract (USD '000)	Original notional amount of hedging instrument	Remaining notional amount of hedging instrument as at Jun 30 2015	Fair value of instrument (PLN '000)	Amount recognised in profit or loss (PLN '000)	Amount recognised in equity (PLN '000)	Date for final settlement of hedging instrument
TOTAL	52,908	31,813	23,146	-3,327	-1,349	-1,981	Jul 30 2015–Jan 12 2017
Jun 30 2015	Notional amount of contract (CZK '000)	Original notional amount of hedging instrument	Remaining notional amount of hedging instrument as at Jun 30 2015	Fair value of instrument (PLN '000)	Amount recognised in profit or loss (PLN '000)	Amount recognised in equity (PLN '000)	Date for final settlement of hedging instrument
TOTAL	23,025	23,000	9,200	-12	-11	-1	Aug 31 2015
Jun 30 2015	Notional amount of contract (GBP '000)	Original notional amount of hedging instrument	Remaining notional amount of hedging instrument as at Jun 30 2015	Fair value of instrument (PLN '000)	Amount recognised in profit or loss (PLN '000)	Amount recognised in equity (PLN '000)	Date for final settlement of hedging instrument
TOTAL	1,358	1,225	819	- 247	-96	-151	Oct 30 2015–Mar 31 2016
Jun 30 2015	Notional amount of contract (RUB '000)	Original notional amount of hedging instrument	Remaining notional amount of hedging instrument as at Jun 30 2015	Fair value of instrument (PLN '000)	Amount recognised in profit or loss (PLN '000)	Amount recognised in equity (PLN '000)	Date for final settlement of hedging instrument
TOTAL	62,991	43,581	20,332	- 4	- 4.1	0.1	Aug 31 2015–Nov 30 2015



THE SECO/WARWICK GROUP

Interim condensed consolidated financial statements
for the period January 1st–June 30th 2015

The table below presents total values of hedging relationships open as at December 31st 2014.

Dec 31 2014	Notional amount of contract (EUR '000)	Original notional amount of hedging instrument	Remaining notional amount of hedging instrument as at Dec 31 2014	Fair value of instrument (PLN '000)	Amount recognised in profit or loss (PLN '000)	Amount recognised in equity (PLN '000)	Date for final settlement of hedging instrument
TOTAL	43,286	26,251	21,249	-794	-281	-513	Jan 22 2015–May 13 2016

Dec 31 2014	Notional amount of contract (USD '000)	Original notional amount of hedging instrument	Remaining notional amount of hedging instrument as at Dec 31 2014	Fair value of instrument (PLN '000)	Amount recognised in profit or loss (PLN '000)	Amount recognised in equity (PLN '000)	Date for final settlement of hedging instrument
TOTAL	27,073	20,234	11,140	-1,568	-1,150	-418	Jan 31 2015–Dec 22 2016

Dec 31 2014	Notional amount of contract (CZK '000)	Original notional amount of hedging instrument	Remaining notional amount of hedging instrument as at Dec 31 2014	Fair value of instrument (PLN '000)	Amount recognised in profit or loss (PLN '000)	Amount recognised in equity (PLN '000)	Date for final settlement of hedging instrument
TOTAL	23,025	23,000	16,100	-45	-20	-25	Mar 31 2015–May 30 2015

Dec 31 2014	Notional amount of contract (GBP '000)	Original notional amount of hedging instrument	Remaining notional amount of hedging instrument as at Dec 31 2014	Fair value of instrument (PLN '000)	Amount recognised in profit or loss (PLN '000)	Amount recognised in equity (PLN '000)	Date for final settlement of hedging instrument
TOTAL	351	315	30	-12	-9	-3	Jan 31 2015

Dec 31 2014	Notional amount of contract (RUB '000)	Original notional amount of hedging instrument	Remaining notional amount of hedging instrument as at Dec 31 2014	Fair value of instrument (PLN '000)	Amount recognised in profit or loss (PLN '000)	Amount recognised in equity (PLN '000)	Date for final settlement of hedging instrument
TOTAL	85,648	58,581	53,581	1,068	605	463	Jan 30 2015–Nov 30 2015

**16. MATERIAL ERROR CORRECTIONS**

No material error corrections were made in H1 2015.

17. PRESENTATION ADJUSTMENTS

Presentation of the items listed below changed in H1 2015, with the relevant comparative data adjusted accordingly. The reasons for the adjustments:

- a) deferred tax assets and deferred tax liabilities were incorrectly presented as separate items,
- b) provisions of a grant award agreement were incorrectly interpreted, with no current/non-current distinction made.

	As at Dec 31 2014	
	Before adjustment	After adjustment
ASSETS		
Non-current assets		
Other financial assets	6,906	6,906
Deferred tax assets	22,817	2,487
	216,819	196,489
Current assets		
Cash and cash equivalents	46,702	46,702
	280,701	280,701
TOTAL ASSETS	497,519	477,191

	As at Dec 31 2014	
	Before adjustment	After adjustment
EQUITY AND LIABILITIES		
Non-current liabilities		
Financial liabilities	863	984
Deferred tax liabilities	21,636	1,306
Accruals and deferred income	2,746	10,989
	48,734	36,768
Current liabilities		
Other current liabilities	7,769	7,769
Provision for retirement and similar benefits	9,153	9,153
Accruals and deferred income	8,569	326
	199,481	191,117
TOTAL EQUITY AND LIABILITIES	497,519	477,191

In order to ensure data comparability, the note on revenue of the operating segments for the period January 1st–June 30th 2014 was also adjusted to reflect a change in the presentation of the segments in the Company's management accounts, whereby the Aftersales segment was separated from the other operating segments to be presented under unallocated items.

Before adjustment
OPERATING SEGMENTS – H1 2014

Item	Continuing operations						Unallocated items	Total
	Vacuum Furnaces	CAB	Atmosphere Furnaces	Aluminium Process	Melting Furnaces	Total		
Total segment revenue	49,212	18,805	56,648	15,949	47,999	188,613	20,117	208,730
Total segment expenses	-35,340	13,074	-44,687	-13,269	-38,573	-144,943	-12,093	-157,036

After adjustment
OPERATING SEGMENTS – H1 2014

Item	Continuing operations						Unallocated items	Total	
	Vacuum Furnaces	CAB	Atmosphere Furnaces	Aluminium Process	Melting Furnaces	Aftersales			
Total segment revenue	49,551	18,805	49,325	15,949	44,247	29,425	207,302	1,428	208,730
Total segment expenses	-34,729	12,997	-38,481	-13,403	-35,542	-20,500	-155,652	-1,384	-157,036

18. OFF-BALANCE-SHEET ITEMS
Contingent liabilities

Contingent liabilities under guarantees and sureties issued amounted to PLN 89,094 thousand as at June 30th 2015, and to PLN 67,050 thousand as at the end of 2014. The guarantees were issued in respect of:

- APG → advance payment guarantee of PLN 71,323 thousand
- BB → bid bond of PLN 1,199 thousand
- PBG → performance bond guarantee of PLN 8,140 thousand
- SBLC → stand-by letter of credit of PLN 8,432 thousand

19. RESTRUCTURING PROVISIONS

In the period from January 1st to June 30th 2015, the SECO/WARWICK Group did not recognise any provisions for restructuring costs.

20. SETTLEMENTS RELATED TO COURT CASES

Seco/Warwick Corporation (SWC), a subsidiary of the Issuer, with its registered office in Pennsylvania, USA, along with a third party not associated with the Issuer ("Third Party"), are parties to a court dispute with Liberty Mutual Insurance (LMI), in which they claim from LMI additional insurance policy limits for continued product liability insurance coverage for insurance issued to the Third Party from 1980 to 1986. SWC and the Third Party are seeking coverage for the claims being raised against SWC and the Third Party in connection with product liability personal injury lawsuits filed by individuals alleging injury from asbestos as a result of their exposure to the Third Party's equipment products manufactured by predecessors of SWC and the Third Party from 1958 through 1984 (the Asbestos Claims). SWC was not established until 1984, and it did not belong to the Issuer's Group until 2006.

SWC and the Third Party have alleged in court that the insurance policy contract entered into by LMI extends additional coverage to the Asbestos Claims, including the costs of settlements entered into with injured parties and the legal costs in connection with verifying the legitimacy of such claims and negotiating such settlements. LMI claims that the policy



limits have been exhausted, citing certain special provisions of the insurance policy. SWC and the Third Party disagree with LMI's contract interpretation.

To the best of the Issuer's knowledge, by the date of this Report, 409 Asbestos Claims have been filed against SWC, out of which 124 such Claims were rejected, 31 Claims ended in settlements entered into by LMI for the total amount of USD 3m, and 252 Claims are being verified or negotiations of the terms of settlements, if any, with injured parties are being conducted in respect thereof.

Should no agreement be reached with LMI on continued insurance coverage for SWC or should the lawsuit against LMI be dismissed in this respect, there arises the risk that SWC will be forced to bear the costs relating to the Asbestos Claims while SWC and the Third Party pursue the excess carriers to take over the asbestos product liability claims.

To the best of the Issuer's knowledge, the risk of SWC being forced to bear further costs relating to the Asbestos Claims is not significant, as the Third Party holds other excess insurance policies contracted with other insurance companies, which policies can, according to the information received from SWC, cover the Asbestos Claims.

As at the date of this Report, the Issuer is not able to reliably estimate the total amount of its contingent liability related to the claims discussed above. Any important information regarding the matter will be published by the Issuer.

21. RELATED PARTIES

<i>Related party</i>	<i>Year</i>	<i>Sales to related parties</i>	<i>Purchases from related parties</i>	<i>Receivables from related parties</i>	<i>Liabilities towards related parties</i>
SECO/WARWICK S.A.					
	<i>Dec 31 2014</i>			10,822	3,727
	<i>Jun 30 2014</i>	6,467	7,403		
	<i>Jun 30 2015</i>	5,978	2,619	7,210	3,380
OF SECO/WARWICK EUROPE					
	<i>Dec 31 2014</i>			15,512	2,632
	<i>Jun 30 2014</i>	9,639	5,066		
	<i>Jun 30 2015</i>	8,144	6,108	18,405	3,878
SECO/WARWICK Corporation					
	<i>Dec 31 2014</i>			1,250	8,035
	<i>Jun 30 2014</i>	450	1,688		
	<i>Jun 30 2015</i>	332	2614	1,751	1,325
SECO/WARWICK GmbH					
	<i>Dec 31 2014</i>			53	6
	<i>Jun 30 2014</i>	31	37		
	<i>Jun 30 2015</i>	-	-	52	6
SECO/WARWICK Rus					
	<i>Dec 31 2014</i>			145	2,816
	<i>Jun 30 2014</i>	873	-		
	<i>Jun 30 2015</i>	538	-	-	1,311
RETECH					
	<i>Dec 31 2014</i>			1,292	267
	<i>Jun 30 2014</i>	11	992		
	<i>Jun 30 2015</i>	286	2,191	1,257	940
SECO/WARWICK RETECH					
	<i>Dec 31 2014</i>			792	5,416
	<i>Jun 30 2014</i>	298	708		
	<i>Jun 30 2015</i>	171	645	966	5,977
SECO/WARWICK Allied					
	<i>Dec 31 2014</i>			19	6,224
	<i>Jun 30 2014</i>	17	1,197		
	<i>Jun 30 2015</i>	-	416	-	6,140
SECO/WARWICK Service GmbH					
	<i>Dec 31 2014</i>			41	412

	<i>Jun 30 2014</i>	680	1,286		
	<i>Jun 30 2015</i>	1,796	5,665	200	4,000
SECO/WARWICK do Brasil					
	<i>Dec 31 2014</i>			-	393
	<i>Jun 30 2014</i>	21	126		
	<i>Jun 30 2015</i>	139	84	141	482

No material transactions were executed with any related parties other than the Group companies.

22. EXPLANATORY INFORMATION TO THE STATEMENT OF CASH FLOWS

Item	Jun 30 2015	Jun 30 2014
Cash in the statement of financial position	74,161	37,011
Exchange differences on balance-sheet valuation	-500	-71
Total cash and cash equivalents disclosed in the statement of cash flows	74,661	37,082

23. FAIR VALUE HIERARCHY

All financial instruments (presented in Note 15) are classified by the Group in Level 2 of the fair value hierarchy. The valuation method and technique used to measure financial instruments at fair value are the same as those applied as at December 31st 2014. No transfers between levels of the fair value hierarchy used in the measurement of the fair value of financial instruments and no changes in the classification of financial instruments as a result of a change in the purpose or use of those assets were made in the reporting period or in the comparative periods.

24. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

In its operations, the SECO/WARWICK Group is not exposed to any significant seasonal or cyclical fluctuations.

25. EVENTS UNUSUAL DUE TO THEIR NATURE, SIZE OR INCIDENCE

No such events occurred.

26. MATERIAL EVENTS AFTER THE INTERIM PERIOD NOT REFLECTED IN THE FINANCIAL STATEMENTS

No such events occurred.

Date: August 31st 2015

Paweł Wyrzykowski	Wojciech Modrzyk	Jarosław Talerzak
<i>President of the Management Board</i>	<i>Vice-President of the Management Board</i>	<i>Vice-President of the Management Board</i>



THE SECO/WARWICK GROUP

Interim condensed separate financial statements
for the period January 1st–June 30th 2015

SECO/WARWICK S.A.

**INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS FOR THE
PERIOD JANUARY 1ST–JUNE 30TH 2015 PREPARED IN ACCORDANCE
WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS**

**INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION (PLN '000)**

	As at Jun 30 2015	As at Dec 31 2014
ASSETS		
Non-current assets		
Property, plant and equipment	1,614	1,829
Intangible assets	11,104	11,006
Investments in subsidiary, jointly-controlled and associated entities	154,504	161,629
Deferred tax assets	380	646
	167,601	175,110
Current assets		
Trade receivables	10,151	10,616
Other current receivables	10,973	148
Accruals and deferred income	182	119
Other financial assets	4,297	3,901
Cash and cash equivalents	12,232	9,474
	37,836	24,258
ASSETS HELD FOR SALE	-	-
TOTAL ASSETS	205,438	199,368

**THE SECO/WARWICK GROUP**Interim condensed separate financial statements
for the period January 1st–June 30th 2015

	As at Jun 30 2015	As at Dec 31 2014
EQUITY AND LIABILITIES		
Equity		
Share capital	3,704	3,704
Statutory reserve funds	126,900	136,322
Capital reserves	14,905	41,750
Other components of equity	6,048	4,983
Retained earnings/(deficit)	8,509	-12,100
	160,066	174,659
Non-current liabilities		
Borrowings and other debt instruments	31,595	5,534
Financial liabilities	17	17
Deferred income	4,062	4,226
	35,674	9,777
Current liabilities		
Borrowings and other debt instruments	3,812	3,970
Financial liabilities	198	4,303
Trade payables	3,618	4,251
Loans received	-	-
Income tax payable	-	60
Other current liabilities	862	743
Provision for retirement and similar benefits	959	1,357
Deferred income	249	249
	9,698	14,933
TOTAL EQUITY AND LIABILITIES	205,438	199,368

Date: August 31st 2015

*Person responsible for the
accounting records:**Ryszard Rej*

Paweł Wyrzykowski

*President of the
Management Board*

Wojciech Modrzyk

*Vice-President of the
Management Board*

Jarosław Talerzak

*Vice-President of the
Management Board*


INTERIM CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME (PLN '000)

	For the period Jan 1– Jun 30 2015	For the period Jan 1– Jun 30 2014
Revenue from sale of finished goods	5,978	6,564
Revenue from sale of merchandise and materials	-	-
Revenue	5,978	6,564
Finished goods sold	-5,416	-5,741
Merchandise and materials sold	-	-
Cost of sales	-5,416	-5,741
Gross profit/(loss)	563	823
Other income	148	185
Distribution costs	-	-
Administrative expenses	-2,770	-2,298
Other expenses	-3,303	-91
Operating profit/(loss)	-5,362	-1,382
Finance income	25,232	22,036
Finance costs	-8,417	-1,375
Profit/(loss) before tax	11,453	19,279
Actual tax expense	-266	-674
Net profit/(loss) from continuing operations	11,187	18,605
Profit/(loss) from discontinued operations	-	-
Net profit/(loss) for financial year	11,187	18,605
OTHER COMPREHENSIVE INCOME:		
Valuation of cash flow hedging derivatives	-	-
Income tax on other comprehensive income	-	-
Other comprehensive income, net of tax	-	-
Total comprehensive income	11,187	18,605
Earnings/(loss) per share (PLN):		
- basic and diluted from net profit/(loss)	1.04	1.73

Date: August 31st 2015

 Person responsible for the
 accounting records:

Ryszard Rej

Paweł Wyrzykowski

*President of the
 Management Board*

Wojciech Modrzyk

*Vice-President of the
 Management Board*

Jarosław Talerzak

*Vice-President of the
 Management Board*



INTERIM CONDENSED SEPARATE STATEMENT OF CASH FLOWS (PLN '000)

	For the period Jan 1– Jun 30 2015	For the period Jan 1– Jun 30 2014
OPERATING ACTIVITIES		
Profit/(loss) before tax	11,453	19,279
Adjustments for:	-15,841	-27,459
Depreciation and amortisation	608	694
Foreign exchange gains/(losses)	1,001	819
Interest and profit distributions (dividends)	-24,732	-21,218
Gain/(loss) on investing activities	6,728	-
Change in provisions	-399	-1,299
Change in receivables	601	-5,330
Change in current liabilities (other than financial liabilities)	-487	-1,831
Change in accruals and deferrals	-227	-359
Other adjustments	1,065	1,065
Cash from operating activities	-4,388	-8,180
Income tax (paid)/recovered	-	-455
Net cash flows from operating activities	-4,388	-8,635
INVESTING ACTIVITIES		
Cash provided by financing activities	14,230	21,294
Proceeds from disposal of intangible assets and property, plant and equipment	97	-
Dividends and profit distributions received	14,133	21,294
Cash used in financing activities	5,044	10,027
Investments in intangible assets, property, plant and equipment, and investment property	600	1,223
Acquisition of equity interests in subsidiary	4,444	8,804
Net cash flows from investing activities	9,185	11,267
FINANCING ACTIVITIES		
Cash provided by financing activities	26,879	925
Net proceeds from issue of equity interests (shares) or other equity instruments and additional contributions to equity	-	12
Borrowings and other debt instruments	26,879	913
Cash used in financing activities	29,043	10,003
Dividends and other distributions to owners	-	8,053
Acquisition of own shares	26,845	-
Repayment of borrowings and other debt instruments	1,661	1,729
Payment of finance lease liabilities	122	79
Interest paid	416	141
Net cash flows from financing activities	-2,164	-9,078
Total net cash flows	2,633	-6,446



Net change in cash, including:	2,758	-6,417
- effect of exchange rate fluctuations on cash held	125	29
Cash at beginning of the period	9,515	10,309
Cash at end of the period	12,149	3,864

Date: August 31st 2015

Person responsible for the
accounting records:

Ryszard Rej

Paweł Wyrzykowski

*President of the
Management Board*

Wojciech Modrzyk

*Vice-President of the
Management Board*

Jarosław Talerzak

*Vice-President of the
Management Board*



THE SECO/WARWICK GROUP

Interim condensed separate financial statements
for the period January 1st–June 30th 2015

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (PLN '000)

	Share capital	Statutory reserve funds	Capital reserves	Hedging reserve	Other components of equity	Retained earnings/(deficit)	Total equity
Six months ended Jun 30 2014							
Equity as at Jan 1 2014	3,693	171,219	-	3,147	-	17,809	195,867
Profit/(loss) for the period	-	-	-	-	-	18,605	18,605
Comprehensive income for the period	-	-	-	-	-	18,605	18,605
Distribution of retained earnings	-	6,853	-	-	-	-6,853	-
Dividend paid	-	-	-	-	-	-8,053	-8,053
Share capital increase	12	-	-	-	-	-	12
Management stock options	-	-	-	1,065	-	-	1,065
Correction of previous years' errors	-	-	-	-	-	280	280
Equity as at Jun 30 2014	3,704	178,072	-	4,212	-	21,788	207,776
Six months ended Jun 30 2015							
As at Jan 1 2015	3,704	136,322	41,750	-	4,983	-12,100	174,659
Profit/(loss) for the period	-	-	-	-	-	11,187	11,187
Comprehensive income for the period	-	-	-	-	-	11,187	11,187
Distribution of retained earnings	-	-9,422	-	-	-	9,422	-
Acquisition of own shares	-	-	-26,845	-	-	-	-26,845
Management stock options	-	-	-	-	1,065	-	1,065
As at Jun 30 2015	3,704	126,900	14,905	-	6,048	8,509	160,066

Date: August 31st 2015

Person responsible for
keeping accounting records:
Ryszard Rej

Paweł Wyrzykowski
President of the Management Board

Wojciech Modrzyk
Vice-President of the Management Board

Jarosław Talerzak
Vice-President of the Management Board



SECO/WARWICK S.A.

**NOTES TO THE
INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30TH 2015**

BASIS OF PREPARATION

These interim condensed separate financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, as endorsed by the European Union, and the Regulation of the Minister of Finance on current and periodic information 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 (consolidated text: Dz.U. of 2014, item 133) (the “Regulation”).

These interim condensed separate financial statements of the Company should be read in conjunction with the consolidated financial statements authorised for issue by the Management Board and published on the same date as these condensed separate financial statements, in order to obtain complete information on the SECO/WARWICK Group’s assets and financial position as at June 30th 2015 and its financial performance in the period from January 1st to June 30th 2015, in accordance with the International Financial Reporting Standards endorsed by the European Union.

These half-year condensed separate financial statements are presented in the zloty (“PLN”), and, unless specified otherwise, all amounts are given in thousands of PLN.

Relevant comparative data is sourced from the statement of financial position as at December 31st 2014, statement of comprehensive income and statement of cash flows for the six months ended June 30th 2014, as well as the statement of changes in equity for the six months ended June 30th 2014.

The financial data presented in these interim condensed separate financial statements has been reviewed by an independent auditor.

None of the published but not yet effective standards or interpretations have been applied in preparing these condensed separate financial statements.

These interim condensed financial statements for the six months ended June 30th 2015 have been prepared on a going-concern assumption.

These interim condensed financial statements have been prepared in accordance with the same accounting policies and computation methods as were applied to prepare the most recent annual financial statements.

In these interim condensed financial statements no significant changes were made to the estimates of amounts reported in prior interim periods of the current financial year or in prior financial years which would have a material effect on the current interim period.

1. FINANCE INCOME AND COSTS

FINANCE INCOME	Jan 1–Jun 30 2015	Jan 1–Jun 30 2014
Interest income	76	91
Dividend received	25,096	21,294
Other	60	650
Total finance income	25,232	22,036

FINANCE COSTS	Jan 1–Jun 30 2015	Jan 1–Jun 30 2014
Interest on bank loans	480	143
Net foreign exchange losses	1,173	1,232
Impairment losses on equity interests	6,764	-
Total finance costs	8,417	1,375



2. PROPERTY, PLANT AND EQUIPMENT

Item	Jun 30 2015	Dec 31 2014
Tangible assets	1,464	1,829
Tangible assets under construction	100	-
Prepayments for tangible assets under construction	50	-
Property, plant and equipment	1,614	1,829

Changes in property, plant and equipment (by type) in the period Jan 1–Jun 30 2014

Item	Land	Buildings and structures	Machinery and equipment	Vehicles	Other	Total
Gross carrying amount as at Jan 1 2014	50	1,264	450	2,015	94	3,873
Increase, including:	-	-	-	-	-	-
Assets acquired	-	-	-	-	-	-
Assets generated internally	-	-	-	-	-	-
Lease agreements	-	-	-	-	-	-
Decrease, including:	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Liquidation	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
Gross carrying amount as at Jun 30 2014	50	1,264	450	2,015	94	3,873
Cumulative depreciation as at Jan 1 2014	-	574	175	611	68	1,428
Increase, including:	-	34	41	210	2	287
Depreciation	-	34	41	210	2	287
Revaluation	-	-	-	-	-	-
Decrease, including:	-	-	-	-	-	-
Sale	-	-	-	-	-	-
Liquidation	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
Cumulative depreciation as at Jun 30 2014	-	608	216	821	70	1,715
Impairment losses as at Jan 1 2014	-	-	-	-	-	-
Increase, including:	-	-	-	-	-	-
Decrease, including:	-	-	-	-	-	-
Liquidation	-	-	-	-	-	-
Impairment losses as at Jun 30 2014	-	-	-	-	-	-



Net carrying amount as at Jun 30 2014	50	656	234	1,194	24	2 158
Item	Land	Buildings and structures	Machinery and equipment	Vehicles	Other	Total
Gross carrying amount as at Jan 1 2015	50	1,264	455	1,928	94	3,790
Increase, including:	-	-	32	-	-	32
assets acquired	-	-	32	-	-	32
Decrease, including:	-	-	-	266	-	266
Sales	-	-	-	187	-	187
Other	-	-	-	79	-	79
Gross carrying amount as at Jun 30 2015	50	1,264	487	1,662	94	3,556
Cumulative depreciation as at Jan 1 2015	-	642	257	989	73	1,961
Increase, including:	-	34	38	196	2	270
Depreciation	-	34	38	196	2	270
Decrease, including:	-	-	-	140	-	140
Sales	-	-	-	93	-	93
Other	-	-	-	46	-	46
Cumulative depreciation as at Jun 30 2015	-	676	295	1,045	75	2,092
Impairment losses as at Jan 1 2015	-	-	-	-	-	-
Impairment losses as at Jun 30 2015	-	-	-	-	-	-
Net carrying amount as at Jun 30 2015	50	588	191	616	19	1,464

Tangible assets under construction:

Tangible assets under construction as at Jan 1 2014	Expenditure incurred in the financial year	Accounting for the expenditure					As at Jun 30 2014
		Buildings, premises and civil engineering structures	Machinery and equipment	Vehicles	Other	Intangible assets	
-	-	-	-	-	-	-	-
Tangible assets under construction as at Jan 1 2015	Expenditure incurred in the financial year	Accounting for the expenditure					As at Jun 30 2015
		Buildings, premises and civil engineering structures	Machinery and equipment	Vehicles	Other	Intangible assets	
-	-	-	-100	-	-	-	-100



THE SECO/WARWICK GROUP

Interim condensed separate financial statements
for the period January 1st–June 30th 2015

3. INVESTMENTS IN SUBSIDIARIES, JOINTLY-CONTROLLED ENTITIES AND ASSOCIATES

Company	Carrying amount of equity interests as at Jun 30 2015	Ownership interest (%)	% of the total vote	Method of consolidation
OF SECO/WARWICK EUROPE	70,407	100%	100%	full
SECO/WARWICK Corporation	18,876	100%	100%	full
SECO/WARWICK Rus	172	100%	100%	full
RETECH Systems LLC	50,863	100%	100%	full
SECO/WARWICK ALLIED	9,958	75%	75%	full
SECO/WARWICK Retech	-	90%	90%	full
OOO SCT Russia	4,228	50%	50%	equity method
SECO/WARWICK GmbH	-	100%	100%	full
SECO/WARWICK Service GmbH	-	100%	100%	full
SECO/WARWICK do Brasil	-	100%	100%	full

Company	Carrying amount of equity interests as at Dec 31 2014	Ownership interest (%)	% of the total vote	Method of consolidation
OF SECO/WARWICK EUROPE	70,407	100%	100%	full
SECO/WARWICK Corporation	21,806	100%	100%	full
SECO/WARWICK Rus	172	100%	100%	full
RETECH Systems LLC	50,863	100%	100%	full
SECO/WARWICK ALLIED	13,791	75%	75%	full
SECO/WARWICK Retech	-	90%	90%	full
OOO SCT Russia	4,228	50%	50%	equity method
SECO/WARWICK GmbH	-	100%	100%	full
SECO/WARWICK Service GmbH	-	100%	100%	full
SECO/WARWICK do Brasil	-	100%	100%	full

4. IMPAIRMENT LOSSES ON ASSETS

Impairment losses	Jun 30 2015	Dec 31 2014
Trade receivables	7,229	3,935
Equity interests in subsidiaries	39,684	32,920
Inventories	-	-
Loans	821	821

IMPAIRMENT LOSSES ON TRADE RECEIVABLES

	Jun 30 2015	Jun 30 2014
Opening balance	3,935	834
Increase, including:	3,294	25
- write-downs recognised in correspondence with other expenses	3,294	25
Decrease, including:	-	-
- write-downs reversed in correspondence with other income	-	-
Closing balance	7,229	859

IMPAIRMENT LOSSES ON EQUITY INTERESTS

	Jun 30 2015	Jun 30 2014
Opening balance	32,920	2,308
Increase, including:	6,764	-
- write-downs recognised in correspondence with other expenses	6,764	-
Decrease, including:	-	-
- write-downs reversed in correspondence with other income	-	-
Closing balance	39,684	2,308

5. INVENTORIES

Item	Jun 30 2015	Dec 31 2014
Materials (at cost)	-	-
Semi-finished products and work in progress	-	-
Finished goods	-	-
Merchandise	-	-
Total inventories (carrying amount)	-	-
Write-downs of inventories	-	-
Gross inventories	-	-

CHANGE IN INVENTORY WRITE-DOWNS

Item	Jun 30 2015	Jun 30 2014
Impairment losses as at beginning of the period	-	901
Increase, including:	-	-
Decrease, including:	-	-
- write-downs reversed	-	-

Write-downs of finished goods at end of the period	-	901
--	---	-----

6. DIVIDENDS PROPOSED OR DECLARED BY WAY OF RESOLUTION BY THE DATE OF APPROVAL OF THESE FINANCIAL STATEMENTS

As at the date of approval of these financial statements, no dividends have been proposed or declared.

7. INVESTMENT COMMITMENTS

SECO/WARWICK S.A. had no investment commitments as at June 30th 2015.

8. PRESENTATION ADJUSTMENTS

Presentation of the items listed below changed in H1 2015, with the relevant comparative data adjusted accordingly. The adjustments were due to an incorrect interpretation of regulations concerning the possible recognition of a deferred tax asset in respect of impairment losses on equity interests and an incorrect interpretation of provisions of a grant award agreement (no current/non-current distinction made).

The following presentation adjustments were made:

- 1) In the statement of comprehensive income for the period January 1st–June 30th 2014

	Before adjustment	After adjustment
Revenue from sale of finished goods	14,329	6,564
Finished goods sold	-13,690	-5,741
Net profit/(loss) for financial year	18,421	18,605

- 2) In the statement of financial position as at December 31st 2014

	Before adjustment	After adjustment
Deferred tax assets	8,533	646
Trade receivables	9,941	10,616
Total assets	206,580	199,368

	Before adjustment	After adjustment
Retained earnings/(deficit)	-6,520	--12,100
Deferred tax liabilities	1,632	-
Non-current deferred income	2,746	4,226
Current deferred income	1,729	249
Total equity and liabilities	206,580	199,368

- 3) In the statement of cash flows for the period January 1st–June 30th 2014

	Before adjustment	After adjustment
Profit/(loss) before tax	19,095	19,559
Change in receivables	-5,146	-5,610
Cash from operating activities	-8,180	-8,180

- 4) In the statement of changes in equity as at June 30th 2014:

	Before adjustment	After adjustment
Profit/(loss) for period	18,421	18,605
Equity as at Jun 30 2014	207,311	207,776

9. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

In its operations, SECO/WARWICK S.A. is not exposed to any significant seasonal or cyclical fluctuations.

10. EVENTS UNUSUAL DUE TO THEIR NATURE, SIZE OR INCIDENCE

No such events occurred.

11. MATERIAL EVENTS AFTER THE INTERIM PERIOD NOT REFLECTED IN THE FINANCIAL STATEMENTS

No such events occurred.

12. CHANGES IN FINANCIAL ASSETS AND LIABILITIES

Changes in contingent liabilities are discussed in Note 18 to the interim consolidated financial statements for H1 2015.

The Company had no contingent assets in H1 2015 or H1 2014.

13. RELATED-PARTY TRANSACTIONS

Related-party transactions are discussed in Note 21 to the interim consolidated financial statements for H1 2015.

14. ISSUE, REDEMPTION AND REPAYMENT OF DEBT AND EQUITY SECURITIES

On October 30th 2014, the Extraordinary General Meeting resolved to approve a buyback of up to 1.5m shares (up to 13.97% of the share capital) at a price of not less than PLN 10 and not more than PLN 27.50, for a total amount of not more than PLN 41.75m. The buyback was announced on February 3rd 2015. On February 13th 2015, the Company acquired 1,073,783 own shares, representing 10% of its share capital. The average price per share was PLN 25. The acquisition was financed from an investment credit facility granted by mBank S.A. of Warsaw. Under the facility agreement, the Bank granted a PLN 41,250 thousand investment credit facility to the Company. The facility is available for drawing by the borrower until December 31st 2015, and it must be repaid by January 31st 2020. As at the date of issue of these financial statements, the Company has drawn PLN 26,845 thousand under the facility.

Date: August 31st 2015

Paweł Wyrzykowski

*President of the
Management Board*

Wojciech Modrzyk

*Vice-President of the Management
Board*

Jarosław Talerzak

*Vice-President of the Management
Board*