



THE SECO/WARWICK GROUP

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



CONTENTS

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	3
<i>Interim consolidated statement of financial position</i>	4
<i>Interim consolidated statement of comprehensive income</i>	6
<i>Interim consolidated statement of cash flows</i>	8
<i>Interim consolidated statement of changes in equity</i>	10
INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS	11
<i>Interim separate statement of financial position</i>	12
<i>Interim separate statement of comprehensive income</i>	14
<i>Interim separate statement of cash flows</i>	15
<i>Separate statement of changes in equity</i>	16
SUPPLEMENTARY INFORMATION TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	17
<i>I. General information</i>	18
<i>II. Applied accounting policies, including methods of measurement of assets, equity and liabilities, income and expenses</i>	20
<i>III. Financial highlights</i>	20
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.....	23



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

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(PLN '000)

	Sep 30 2015	Dec 31 2014
ASSETS		
Non-current assets		
Property, plant and equipment	97,695	92,051
Investment property	381	389
Goodwill	73,658	68,558
Intangible assets	23,730	22,609
Investments in associates	1,644	1,888
Non-current receivables	1,192	1,240
Loans and receivables	-	361
Other financial assets	7,665	6,906
Deferred tax assets	4,152	2,487
	210,118	196,489
Current assets		
Inventories	40,161	36,319
Trade receivables	84,250	71,224
Income tax assets	2,408	2,732
Other current receivables	16,019	15,005
Accruals and deferred income	4,787	2,742
Other financial assets	1,122	1,425
Contract settlement	131,222	104,553
Cash and cash equivalents	64,714	46,702
	344,684	280,702
ASSETS HELD FOR SALE	-	-
TOTAL ASSETS	554,801	477,191



	Sep 30 2015	Dec 31 2014
EQUITY AND LIABILITIES		
Equity		
Share capital	3,704	3,704
Statutory reserve funds	190,279	174,617
Other components of equity	19,879	46,478
Retained earnings/(deficit)	26,412	22,131
Non-controlling interests	2,569	2,376
	242,843	249,305
Non-current liabilities		
Borrowings and other debt instruments	37,568	15,659
Financial liabilities	2,246	984
Other non-current liabilities	293	464
Deferred tax liabilities	1,417	1,306
Provision for retirement and similar benefits	4,871	5,352
Other provisions	1,567	2,014
Accruals and deferred income	10,983	10,989
	58,944	36,768
Current liabilities		
Borrowings and other debt instruments	30,537	30,041
Financial liabilities	3,712	7,094
Trade payables	59,958	57,233
Income tax payable	41	98
Taxes, customs duties and social security payable	5,793	4,943
Other current liabilities	6,264	7,769
Provision for retirement and similar benefits	10,955	9,153
Other provisions	10,945	11,589
Accruals and deferred income	466	326
Contract settlement	124,342	62,871
	253,014	191,117
TOTAL EQUITY AND LIABILITIES	554,801	477,191



THE SECO/WARWICK GROUP

Consolidated financial statements
for the period January 1st–September 30th 2015

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(PLN '000)

	Jan 1–Sep 30 2015	Jul 1–Sep 30 2015	Jan 1–Sep 30 2014	Jul 1–Sep 30 2014
Revenue from sale of finished goods	352,217	125,238	298,045	99,748
Revenue from sale of merchandise and materials	21,151	7,331	16,416	5,983
Revenue	373,368	132,570	314,461	105,731
Finished goods sold	-264,016	-97,023	-227,514	-77,104
Merchandise and materials sold	-14,400	-3,596	-8,247	-1,621
Cost of sales	-278,417	-100,620	-235,761	-78,725
Gross profit/(loss)	94,951	31,950	78,700	27,006
Other income	3,580	1,003	4,897	1,375
Distribution costs	-24,775	-8,602	-21,989	-7,321
Administrative expenses	-48,764	-16,215	-44,587	-14,141
Other expenses	-4,086	-1,428	-11,274	-7,867
Operating profit/(loss)	20,907	6,708	5,746	-948
Finance income	1,652	461	3,803	31
Finance costs	-6,228	-2,690	-4,778	-2,190
Share of net profit/(loss) of associates	-186	-34	-480	-157
Profit/(loss) before tax	16,145	4,446	4,291	-3,263
Actual tax expense	-6,357	-2,521	-464	2,414
Net profit/(loss) from continuing operations	9,788	1,925	3,826	-849
Profit/(loss) from discontinued operations	-	-	-	-
Net profit/(loss)	9,788	1,925	3,826	-849
Net profit/(loss) attributable to Owners of the Parent	9,673	1,510	5,835	126
Non-controlling interests	115	415	-2009	-976
EARNINGS PER SHARE:				
Basic	0.90	-	0.54	-
Diluted	0.90	-	0.53	-



THE SECO/WARWICK GROUP

Consolidated financial statements
for the period January 1st–September 30th 2015

OTHER COMPREHENSIVE INCOME:	Jan 1–Sep 30 2015	Jul 1–Sep 30 2015	Jan 1–Sep 30 2014	Jul 1–Sep 30 2014
Items that will not be reclassified to profit or loss:				
Actuarial gains/(losses) on a defined benefit retirement plan	1,199	6	-722	-12
Income tax on other comprehensive income	-420	-2	253	4
Items that may be reclassified to profit or loss:				
Valuation of cash flow hedging derivatives	-1,668	10	-1,440	-533
Exchange differences on translating foreign operations	9,608	62	11,172	8,512
Income tax on other comprehensive income	317	-2	273	101
Total other comprehensive income, net	9,036	74	9,536	8,072
Total comprehensive income	18,824	1,999	13,362	7,223
Total comprehensive income attributable to				
Owners of the Parent	18,631	1,655	10,574	3,659
Non-controlling interests	193	344	2,788	3,563

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

(PLN '000)

	Jan 1–Sep 30 2015	Jan 1–Sep 30 2014
OPERATING ACTIVITIES		
Profit/(loss) before tax	16,145	4,291
Adjustments for:	32,262	27,882
Share in net profit of subordinates accounted for using the equity method	186	480
Depreciation and amortisation	6,993	5,739
Foreign exchange gains/(losses)	976	3,502
Interest and profit distributions (dividends)	1,406	1,739
Gain/(loss) on investing activities	-26	-3,201
Balance-sheet valuation of derivative instruments	430	944
Change in provisions	-578	-169
Change in inventories	-3,360	-1,764
Change in receivables	-1,916	1,081
Change in current liabilities (other than financial liabilities)	-9,817	13,994
Change in accruals and deferrals	35,830	4,582
Other adjustments	2,139	955
Cash from operating activities	48,407	32,173
Income tax (paid)/recovered	-7,464	-8,407
Net cash flows from operating activities	40,943	23,766
INVESTING ACTIVITIES		
Cash provided by financing activities	368	4,329
Proceeds from disposal of intangible assets and property, plant and equipment	252	1,668
Proceeds from disposals of financial assets in related entities	-	52
Other inflows from financial assets	116	62
Cash received in connection with settled derivative instruments	-	2,546
Cash used in financing activities	16,080	20,778
Investments in intangible assets, property, plant and equipment, and investment property	11,379	12,974
Acquisition of related entities	4,452	7,800
Other cash used in investing activities	249	4
Net cash flows from investing activities	-15,712	-16,449
FINANCING ACTIVITIES		
Cash provided by financing activities	27,875	19,327
Net proceeds from issue of equity interests (shares) or other equity instruments and additional contributions to equity	-	75
Borrowings and other debt instruments	27,875	19,251



THE SECO/WARWICK GROUP

Consolidated financial statements

for the period January 1st–September 30th 2015

Cash used in financing activities	35,309	22,892
Repayment of borrowings and other debt instruments	6,263	12,548
Acquisition of own shares	26,845	-
Payment of finance lease liabilities	871	601
Interest paid	1,331	1,690
Dividend	-	8,053
Net cash flows from financing activities	-7,434	-3,566
Total net cash flows	17,797	3,752
Net change in cash, including:	18,013	3,864
- effect of exchange rate fluctuations on cash held	216	112
Cash at beginning of the period	46,679	44,375
Cash at end of the period, including:	64,476	48,126



THE SECO/WARWICK GROUP

Consolidated financial statements
for the period January 1st–September 30th 2015

INTERIM 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	-	-	-	-	-	5,835	5,835	-2,009	3,826
Other comprehensive income	-	-	-1,166	-	11,172	-469	9,537	409	9,946
Total comprehensive income for the year	-	-	-1,166	-	11,172	5,366	15,372	-1,600	13,772
Issue of shares	12	-	-	-	-	-	12	-	12
Management stock options	-	-	-	1,597	-	-	1,597	-	1,597
Dividend paid	-	-	-	-	-	-8,053	-8,053	-	-8,053
Transfer of 2013 earnings	-	16,659	-	-	-	-16,659	-	-	-
Other adjustments	-	-	-	-	-	-35	-35	-	-35
Accounting for increase in control of a subsidiary	-	-	-	-	-	-1,168	-1,168	-1,188	-2,356
Equity as at Sep 30 2014	3,704	216,367	158	4,744	-695	38,172	262,450	2,654	265,104
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	-	-	-	-	-	9,673	9,673	115	9,788
Other comprehensive income	-	-	-1,351	-	9,529	779	8,957	78	9,036
Total comprehensive income for the year	-	-	-1,351	-	9,529	10,452	18,630	193	18,824
Issue of shares	-	-	-	-	-	-	-	-	-
Management stock options	-	-	-	1,597	-	-	1,597	-	1,597
Dividend paid	-	-	-	-	-	-	-	-	-
Transfer of 2014 earnings	-	15,662	-	-	-	-15,662	-	-	-
Share buyback	-	-	-	-26,845	-	-	-26,845	-	-26,845
Other adjustments	-	-	-	-	-	-	-	-	-
Accounting for increase in control of a subsidiary	-	-	-	-	-	-	-	-	-
Equity as at Sep 30 2015	3,704	190,279	-1,606	21,486	19,422	6,990	240,275	2,569	242,843



**INTERIM CONDENSED
SEPARATE FINANCIAL STATEMENTS
FOR THE PERIOD
JANUARY 1ST–SEPTEMBER 30TH 2015**



INTERIM SEPARATE STATEMENT OF FINANCIAL POSITION

(PLN '000)

	Sep 30 2015	Dec 31 2014
ASSETS		
Non-current assets		
Property, plant and equipment	1,665	1,829
Intangible assets	10,923	11,006
Investments in subsidiary, jointly-controlled and associated entities	154,504	161,629
Deferred tax assets	34	646
	167,126	175,110
Current assets		
Trade receivables	5,720	10,616
Other current receivables	9,503	148
Accruals and deferred income	173	119
Other financial assets	6,091	3,901
Cash and cash equivalents	10,324	9,474
	31,811	24,258
ASSETS HELD FOR SALE	-	-
TOTAL ASSETS	198,937	199,368



	Sep 30 2015	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	6,580	4,983
Retained earnings/(deficit)	6,028	-12,100
	158,117	174,659
Non-current liabilities		
Borrowings and other debt instruments	26,273	5,534
Financial liabilities	98	17
Deferred income	4,000	4,226
	30,370	9,777
Current liabilities		
Borrowings and other debt instruments	7,598	3,970
Financial liabilities	219	4,303
Trade payables	331	4,251
Income tax payable	-	60
Other current liabilities	694	743
Provision for retirement and similar benefits	1,359	1,357
Deferred income	249	249
	10,449	14,933
TOTAL EQUITY AND LIABILITIES	198,937	199,368



THE SECO/WARWICK GROUP

Consolidated financial statements
for the period January 1st–September 30th 2015

INTERIM SEPARATE STATEMENT OF COMPREHENSIVE INCOME

(PLN '000)

	Jan 1–Sep 30 2015	For the period Jul 1–Sep 30 2015	Jan 1–Sep 30 2014	For the period Jul 1–Sep 30 2014
Revenue from sale of finished goods	8,691	2,713	16,539	2,210
Revenue from sale of merchandise and materials	1	1	-	-
Revenue	8,692	2,714	16,539	2,210
Finished goods sold	-7,364	-1,948	-15,576	-1,885
Merchandise and materials sold	-1	-1	-	-
Cost of sales	-7,365	-1,950	-15,576	-1,885
Gross profit/(loss)	1,327	764	964	325
Other income	230	81	2,048	1,863
Distribution costs	-	-	-	-
Administrative expenses	-4,754	-1,984	-3,671	-1,373
Other expenses	-3,991	-688	-37	54
Operating profit/(loss)	-7,188	-1,826	-697	869
Finance income	25,278	46	22,078	42
Finance costs	-8,771	-355	-1,498	-124
Profit/(loss) before tax	9,318	-2,135	19,883	788
Actual tax expense	-612	-346	-896	-222
Net profit/(loss) from continuing operations	8,706	-2,481	18,987	566
Profit/(loss) from discontinued operations	-	-	-	-
Net profit/(loss) for financial year	8,706	-2,481	18,987	566
OTHER COMPREHENSIVE INCOME:				
Valuation of cash flow hedging derivatives	-	-	-	-
Income tax on other comprehensive income	-	-	-	-
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	8,706	-2,481	18,987	566



INTERIM SEPARATE STATEMENT OF CASH FLOWS

(PLN '000)

	Jan 1–Sep 30 2015	Jan 1–Sep 30 2014
OPERATING ACTIVITIES		
Profit/(loss) before tax	9,318	19,883
Adjustments for:	-13,809	-25,982
Depreciation and amortisation	913	1,041
Foreign exchange gains/(losses)	1,107	2,414
Interest and profit distributions (dividends)	-25,013	-21,230
Gain/(loss) on investing activities	6,726	-1,849
Change in provisions	1	-1,299
Change in receivables	4,997	-7,146
Change in current liabilities (other than financial liabilities)	-3,858	936
Change in accruals and deferrals	-279	-445
Other adjustments	1,597	1,597
Cash from operating activities	-4,491	-6,099
Income tax (paid)/recovered	-	-2,067
Net cash flows from operating activities	-4,491	-8,166
INVESTING ACTIVITIES		
Cash provided by financing activities	15,759	25,091
Proceeds from disposal of intangible assets and property, plant and equipment	119	3,746
Dividends and profit distributions received	15,640	21,294
Interest income	-	51
Cash used in financing activities	7,040	10,358
Investments in intangible assets, property, plant and equipment, and investment property	796	1,400
Acquisition of related entities	4,444	8,958
Increase in loans advanced	1,800	-
Net cash flows from investing activities	8,719	14,734
FINANCING ACTIVITIES		
Cash provided by financing activities	26,845	12
Net proceeds from issue of equity interests (shares) or other equity instruments and additional contributions to equity	-	12
Borrowings and other debt instruments	26,845	-
Cash used in financing activities	30,295	11,398
Acquisition of own shares	26,845	-
Dividends and other distributions to owners	-	8,053
Repayment of borrowings and other debt instruments	3,183	2,628
Payment of finance lease liabilities	104	509
Interest paid	163	208
Net cash flows from financing activities	-3,450	-11,387
Total net cash flows	778	-4,819
Net change in cash, including:	850	-4,769
- effect of exchange rate fluctuations on cash held	73	51
Cash at beginning of the period	9,515	10,309
Cash at end of the period	10,293	5,490



THE SECO/WARWICK GROUP

Consolidated financial statements
for the period January 1st–September 30th 2015

SEPARATE 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
Nine months ended September 30th 2014							
Equity as at Jan 1 2014	3,693	171,219	-	-	3,147	17,809	195,867
Profit/(loss) for the period	-	-	-	-	-	18,987	18,987
Comprehensive income for the period	-	-	-	-	-	18,987	18,987
Distribution of retained earnings	-	6,853	-	-	-	-6,853	-
Dividend paid	-	-	-	-	-	-8,053	-8,053
Share capital increase	12	-	-	-	-	-	12
Management stock options	-	-	-	-	1,597	-	1,597
Equity as at Sep 30 2014	3,704	178,072	-	-	4,744	21,788	208,409
Nine months ended September 30th 2015							
Equity as at Jan 1 2015	3,704	136,322	41,750	-	4,983	-12,100	174,659
Profit/(loss) for the period	-	-	-	-	-	8,706	8,706
Comprehensive income for the period	-	-	-	-	-	8,706	8,706
Distribution of retained earnings	-	-9,422	-	-	-	9,422	-
Acquisition of own shares	-	-	-26,845	-	-	-	-26,845
Management stock options	-	-	-	-	1,597	-	1,597
Equity as at Sep 30 2015	3,704	126,900	14,905	-	6,580	6,028	158,117



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

I. General information
The SECO/WARWICK Group

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.

The SECO/WARWICK Group’s operations are divided into five core business segments corresponding to the product groups:

- vacuum furnaces (Vacuum),
- aluminium heat exchanger brazing systems (Controlled Atmosphere Brazing),
- aluminium heat treatment systems (Aluminium Process),
- atmosphere furnaces (Thermal), and
- equipment used for melting and vacuum casting of metals and specialty alloys (Melting).

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

- SECO/WARWICK EUROPE Sp. z o.o.,
- SECO/WARWICK Corporation,
- 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.

The Group has one associate company:

- 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.

Other Group companies are:

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

Details of the companies listed above are provided in the table below.

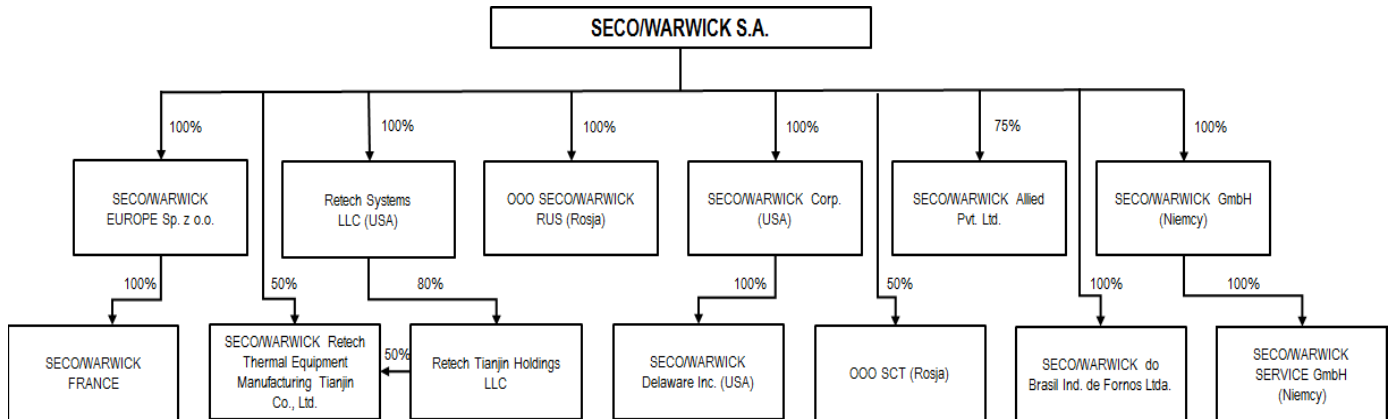
Table: Structure of the SECO/WARWICK Group as at September 30th 2015:

Company	Registered office	Business profile	Method of consolidation / accounting for equity interest	Group’s ownership interest
Parent				
SECO/WARWICK S.A.	Świebodzin	Holding company of the SECO/WARWICK Group. Holding equity interests and providing strategic management services.	N.A.	N.A.

Direct and indirect subsidiaries						
SECO/WARWICK EUROPE Sp. z o.o.	Świebodzin	Manufacture of metal heat treatment equipment	Full			100%
SECO/WARWICK Corp.	Meadville (USA)	Manufacture of metal heat treatment equipment	Full			100%
SECO/WARWICK of Delaware, Inc.	Wilmington (USA)	Holding company; registration of trademarks and patents, and granting licences for use of the trademarks and patents by SECO/WARWICK Corp.	Full			100%
SECO/WARWICK Rus	Moscow (Russia)	Distribution of the SECO/WARWICK Group's products	Full			100%
Retech Systems LLC	Ukiah (USA)	Trade and services; manufacture of metallurgy equipment used for melting and vacuum casting of metals and specialty alloys	Full			100%
SECO/WARWICK Retech Thermal Equipment Manufacturing Tianjin Co., Ltd.	Tianjin (China)	Manufacture of metal heat treatment equipment	Full			90%
Retech Tianjin Holdings LLC	(USA)	A holding company.	Full			80%
SECO/WARWICK Allied Pvt. Ltd. (1)	Mumbai (India)	Manufacture of metal heat treatment equipment	Full			75%
SECO/WARWICK GmbH	Bedburg-Hau (Germany)	Intermediation in the sale of furnaces and spare parts manufactured by SECO/WARWICK EUROPE Sp. z o.o., and provision of technical support to customers in Germany, Austria, the Netherlands, Switzerland, Liechtenstein and Slovenia	Full			100%
OOO SCT	Solnechnogorsk (Russia)	Provision of metal heat treatment services in Russia	Equity			50%
SECO/WARWICK Service GmbH	Bedburg-Hau (Germany)	Provision of metal heat treatment services in Germany	Full			100%
SECO/WARWICK do Brasil Ltda. (Engefor Engenharia Indústria e Comércio Ltda)	Jundiaí (Brazil)	Manufacture of metal heat treatment equipment	Full			100%
SECO/WARWICK France	Roissy-en-Brie (France)	Commercial and technical representation of SECO/WARWICK Europe in France, French-speaking countries and their neighbouring countries.	Full			100%

Composition of the SECO/WARWICK Group as at the date of issue of this Report

After September 30th 2015 and until the issue of these financial statements, there were no changes in the composition of the SECO/WARWICK Group.

SECO/WARWICK Group's structure as at September 30th 2015:

II. 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 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.

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 interim condensed consolidated financial statements as those presented in Section VII of the 2014 Consolidated Financial Statements.

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 interim 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.

III. Financial highlights

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	Sep 30 2015	Dec 31 2014	Sep 30 2014
Average exchange rate for the period*	4.1585	4.1893	4.1803
Exchange rate effective for the last day of the period	4.2386	4.2623	4.1755

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

Assets and equity and liabilities in the 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 consolidated statement of comprehensive income and consolidated 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 consolidated statement of financial position, statement of comprehensive income and statement of cash flows disclosed in the consolidated financial statements and the comparative data, translated into the euro:

Key consolidated financial data

Item	Q1–Q3 cumulative Jan 1–Sep 30		Q1–Q3 cumulative Jan 1–Sep 30	
	2015	2014	2015	2014
	(PLN '000)		(EUR '000)	
Revenue	373,368	314,461	89,784	75,224
Cost of sales	-278,417	-235,761	-66,951	-56,398
Operating profit/(loss)	20,907	5,746	5,027	1,375
Profit/(loss) before tax	16,145	4,291	3,882	1,026
Net profit/(loss)	9,673	5,835	2,326	1,396
Net cash flows from operating activities	40,943	23,766	9,845	5,685
Net cash flows from investing activities	-15,712	-16,449	-3,778	-3,935
Net cash flows from financing activities	-7,434	-3,566	-1,788	-853
	Sep 30 2015	Dec 31 2014	Sep 30 2015	Dec 31 2014
Total assets	554,801	477,191	130,893	111,956
Total liabilities	311,958	227,885	73,599	53,465
including current liabilities	253,014	191,117	59,693	44,839
Equity	242,843	249,305	57,293	58,491
Share capital	3,704	3,704	874	869

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

Separate financial highlights

Item	Q1–Q3 cumulative Jan 1–Sep 30		Q1–Q3 cumulative Jan 1–Sep 30	
	2015	2014	2015	2014
	(PLN '000)		(EUR '000)	
Revenue	8,692	16,539	2,090	3,956
Cost of sales	-7,365	-15,576	-1,771	-3,726
Operating profit/(loss)	-7,188	-697	-1,729	-167
Profit/(loss) before tax	9,318	19,883	2,241	4,756



THE SECO/WARWICK GROUP

Consolidated financial statements

for the period January 1st–September 30th 2015

Net profit/(loss)	8,706	18,987	2,094	4,542
Net cash flows from operating activities	-4,491	-8,166	-1,080	-1,954
Net cash flows from investing activities	8,719	14,734	2,097	3,525
Net cash flows from financing activities	-3,450	-11,387	-830	-2,724
	Sep 30 2015	Dec 31 2014	Sep 30 2015	Dec 31 2014
Total assets	198,937	199,368	46,935	47,590
Total liabilities	40,819	24,710	9,630	5,898
including current liabilities	10,449	14,933	2,465	3,565
Equity	158,117	174,659	37,304	41,692
Share capital	3,704	3,704	874	884



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

**Selected supplementary information**

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	Q3 2015	Q3 2014
Sale of finished goods	352,217	298,045
Sales of merchandise and materials	21,151	16,416
TOTAL sales revenue	373,368	314,461
Other income	3,580	4,897
Finance income	1,652	3,803
TOTAL revenue and income	378,600	323,161



THE SECO/WARWICK GROUP

Consolidated financial statements
for the period January 1st–September 30th 2015

OPERATING SEGMENTS for the period Jan 1–Sep 30 2014

Item	Continuing operations						Total	Discontinued operations	Unallocated items	Total
	Vacuum Furnaces	CAB	Atmosphere Furnaces	Aluminium Process	Melting Furnaces	Aftersales				
Total segment revenue	73,107	29,719	73,398	23,515	61,644	51,492	312,875	-	1,586	314,461
Sales to customers accounting for 10% or more of revenue	-	-	-	-	-	-	-	-	-	-
Total segment expenses	-49,389	-20,562	-58,828	-19,625	-52,065	-34,823	-235,292	-	-468	-235,761
Gross profit/(loss)	23,718	9,157	14,570	3,890	9,579	16,669	77,583	-	1,117	78,700
Administrative expenses	-	-	-	-	-	-	-	-	-44,588	-44,588
Distribution costs	-	-	-	-	-	-	-	-	-21,989	-21,989
Operating income	-	-	-	-	-	-	-	-	4,897	4,897
Operating expenses	-	-	-	-	-	-	-	-	-11,274	-11,274
Segment profit/(loss) on operating activities	-	-	-	-	-	-	-	-	-	5,746
Finance income	-	-	-	-	-	-	-	-	3,803	3,803
Net finance costs	-	-	-	-	-	-	-	-	-4,778	-4,778
Share in profit of associate	-	-	-	-	-	-	-	-	-480	-480
Profit before tax	-	-	-	-	-	-	-	-	-	4,291
Actual tax expense	-	-	-	-	-	-	-	-	-464	-464
Profit/(loss) from continuing operations	-	-	-	-	-	-	-	-	-	3,826
Profit/(loss) attributable to non-controlling interests	-	-	-	-	-	-	-	-	-2,009	-2,009
Net profit/(loss) for period	-	-	-	-	-	-	-	-	-	5,835



THE SECO/WARWICK GROUP

Consolidated financial statements
for the period January 1st–September 30th 2015

OPERATING SEGMENTS for the period Jan 1–Sep 30 2015

Item	Continuing operations						Total	Discontinued operations	Unallocated items	Total
	Vacuum Furnaces	CAB	Atmosphere Furnaces	Aluminium Process	Melting Furnaces	Aftersales				
Total segment revenue	79,317	34,514	56,064	22,609	101,578	72,108	366,190	-	7,178	373,368
Sales to customers accounting for 10% or more of revenue	-	-	-	-	-	-	-	-	-	-
Total segment expenses	-60,148	-25,356	-45,835	-17,937	-80,727	-44,745	-274,748	-	-3,669	-278,417
Gross profit/(loss)	19,168	9,158	10,229	4,672	20,851	27,363	91,442	-	3,510	94,951
Administrative expenses	-	-	-	-	-	-	-	-	-48,764	-48,764
Distribution costs	-	-	-	-	-	-	-	-	-24,775	-24,775
Operating income	-	-	-	-	-	-	-	-	3,580	3,580
Operating expenses	-	-	-	-	-	-	-	-	-4,086	-4,086
Segment profit/(loss) on operating activities	-	-	-	-	-	-	-	-	-	20,907
Finance income	-	-	-	-	-	-	-	-	1,652	1,652
Net finance costs	-	-	-	-	-	-	-	-	-6,228	-6,228
Share in profit of associate	-	-	-	-	-	-	-	-	-186	-186
Profit before tax	-	-	-	-	-	-	-	-	-	16,145
Actual tax expense	-	-	-	-	-	-	-	-	-6,357	-6,357
Profit/(loss) from continuing operations	-	-	-	-	-	-	-	-	-	9,788
Profit/(loss) attributable to non-controlling interests	-	-	-	-	-	-	-	-	115	115
Net profit/(loss) for period	-	-	-	-	-	-	-	-	-	9,673

PROPERTY, PLANT AND EQUIPMENT

In the period January 1st–September 30th 2015, the cost of acquired intangible assets and property, plant and equipment at the SECO/WARWICK Group amounted to PLN 11,379 thousand.

Item	Sep 30 2015	Dec 31 2014
Tangible assets	91,357	83,387
Tangible assets under construction	6,338	8,664
Prepayments for tangible assets under construction	-	-
Property, plant and equipment	97,695	92,051

IMPAIRMENT LOSSES ON ASSETS

Impairment losses	Sep 30 2015	Sep 30 2014
Trade receivables	10,213	10,657
Inventories	2,059	2,935
Equity interests	25,565	-
Total impairment losses	37,837	13,592

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.

INVESTMENT COMMITMENTS

As at September 30th 2015, SECO/WARWICK EUROPE Sp. z o.o. had investment commitments related to property, plant and equipment of PLN 892 thousand. The funds were allocated for the purchase of new plant and equipment.

PRESENTATION ADJUSTMENTS

1) Presentation of the items listed below changed in 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		
Deferred tax assets	22,817	2,487
	216,819	196,489
TOTAL ASSETS	497,519	477,191

As at Dec 31 2014

	was	is
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		
Financial liabilities	7,215	7,094
Accruals and deferred income	8,569	326
	199,481	191,117
TOTAL EQUITY AND LIABILITIES	497,519	477,191

To ensure comparability of the data, the note on revenue of the operating segments for the period January 1st–September 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.

Before adjustment
OPERATING SEGMENTS for the period Jan 1–Sep 30 2014

Item	Continuing operations						Unallocated items	Total
	Vacuum Furnaces	CAB	Atmosphere Furnaces	Aluminium Process	Melting Furnaces	Total		
Total segment revenue	72,867	29,719	77,526	23,515	61,644	265,271	49,190	314,461
Total segment expenses	-51,124	-20,562	-62,451	-19,625	-52,065	-205,827	-31,362	-237,189

After adjustment
OPERATING SEGMENTS for the period Jan 1–Sep 30 2014

Item	Continuing operations							Unallocated items	Total
	Vacuum Furnaces	CAB	Atmosphere Furnaces	Aluminium Process	Melting Furnaces	Aftersales	Total		
Total segment revenue	73,107	29,719	73,398	23,515	61,644	51,492	312,875	1,586	314,461
Total segment expenses	-49,389	-20,562	-58,828	-19,625	-52,065	-34,823	-235,292	-468	-235,761

3) Due to incorrect presentation in Q3 2014, a presentation adjustment was made between the costs of finished goods sold and distribution costs and administrative expenses. The adjustment had no effect on the Group's profit/(loss).

	Jan 1–Sep 30 2014	Jul 1–Sep 30 2014	Jan 1–Sep 30 2014	Jul 1–Sep 30 2014
	Before adjustment		After adjustment	
Finished goods sold	-228,942	-78,532	-227,514	-77,104
Merchandise and materials sold	-8,247	-1,621	-8,247	-1,621
Cost of sales	-237,189	-80,153	-235,761	-78,725
Gross profit/(loss)	77,272	25,578	78,700	27,006



Distribution costs	-21,746	-7,078	-21,989	-7,321
Administrative expenses	-43,402	-12,956	-44,587	-14,141

OFF-BALANCE SHEET CONSOLIDATED ITEMS**Contingent liabilities**

Contingent liabilities under guarantees and sureties issued were PLN 78,434 thousand as at September 30th 2015, and PLN 67,050 thousand as at the end of 2014. The guarantees were issued in respect of:

APG → advance payment guarantee of PLN 60,581 thousand

BB → bid bond of PLN 1,616 thousand

PBG → performance bond guarantee of PLN 8,156 thousand

SBLC → stand-by letter of credit of PLN 8,082 thousand

RESTRUCTURING PROVISIONS

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

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 limits for continued product liability insurance coverage under insurance policies issued to the Third Party in 1980-1986. 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 products manufactured by legal predecessors of SWC and the Third Party in 1958-1984 (the Asbestos Claims). SWC was not established until 1984, and was not a part of 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. The Issuer will publish any important information regarding the matter.

Since the date of issue of the half-year report, the Issuer has not received any other material information in respect of the above.

Consistency of the accounting policies and computation methods applied in the preparation of the interim report for Q3 2015

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").

Seasonality or cyclicity of business

The SECO/WARWICK Group's business is not exposed to any significant seasonal or cyclical fluctuations.

Types and amounts of items affecting the assets, equity and liabilities, capital, net profit/loss or cash flows, which are extraordinary due to their type, size or effect

In the business of SECO/WARWICK S.A. and its Group, there are no material types or amounts of items that would affect assets, equity and liabilities, share capital, net profit/(loss) or cash flows and that would be unusual due to their type, size or effect.

Types and amounts of changes in estimates disclosed in previous interim periods of the financial year 2015 or changes in estimates disclosed in previous financial years if they have a material bearing on Q3 2015

In the business of SECO/WARWICK S.A. and the SECO/WARWICK Group, there were no changes in estimates disclosed in the preceding interim periods of 2015 and the preceding financial years that would, due to their type or amount, have a material bearing on the Company's or the Group's results for Q3 2015.

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 26,845 thousand investment credit to the Company, repayable by January 31st 2020.

Earnings per share

Item	Sep 30 2015	Sep 30 2014
Net profit from continuing operations attributable to shareholders	9,673	5,835
Loss from discontinued operations attributable to shareholders		
Net profit attributable to owners of the parent	9,673	5,835
Interest on redeemable preference shares convertible into ordinary shares	-	-
Net profit attributable to holders of ordinary shares, used to calculate diluted earnings per share	9,673	5,835
Weighted average number of outstanding ordinary shares, used to calculate basic earnings per share	10,737,837	10,733,614
Earnings per share	0.90	0.54
Dilutive effect:		
Number of potential subscription warrants	-	238,373
Number of potential shares issued at market price	-	3,236
Adjusted weighted average number of ordinary shares, used to calculate diluted earnings per share	-	10,968,752
Diluted earnings per share	0.90	0.53

Material events subsequent to the end of Q3 2015, not disclosed in the financial statements for Q3 2015 but potentially having a material bearing on future performance of the SECO/WARWICK Group

No such events occurred.

Other supplementary information
1. Changes in the Group's structure, including changes resulting from mergers, acquisitions or disposals of Group entities, long-term investments, demergers, restructuring or discontinuation of operations

In Q3 2015, there were no other changes in the SECO/WARWICK Group's structure which would include mergers, acquisitions or disposals of Group entities, long-term investments, demergers, restructuring or discontinuation of operations.

2. Management Board's position on the feasibility of meeting any previously published forecasts for 2014 in light of the results presented in the Q3 2014 report

The SECO/WARWICK Management Board did not publish any forecasts for 2015 concerning the Company's or the Group's financial performance.

3. Shareholders holding, directly or indirectly, 5% of the total vote at the General Meeting as at the date of issue of this report, including information on any changes subsequent to the issue of the previous interim report (2015 half-year report).

Table: Shareholders holding – directly or indirectly through subsidiaries – 5% or more of the total votes at the General Meeting as at the date of issue of the previous report, i.e. August 31st 2015.

Shareholder	Number of shares	Ownership interest %	Number of votes	% of total vote at General Meeting
SW Holding	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.*	1,041,783	9.70%	1,041,783	9.70%
Aviva Otworthy Fundusz Emerytalny Aviva BZ WBK	904,794	8.43%	904,794	8.43%
Bleauhard Holdings LLC	637,028	5.93%	637,028	5.93%
Nationale-Nederlanden Otworthy Fundusz Emerytalny	600,000	5.59%	600,000	5.59%
Metlife OFE	577,470	5.38%	577,470	5.38%

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

* Treasury shares; the Company does not exercise voting rights in respect of its treasury shares.

Table: Shareholders holding – directly or indirectly through subsidiaries – 5% or more of the total votes at the General Meeting as at the date of issue of this report, i.e. November 16th 2015.

Shareholder	Number of shares	Ownership interest %	Number of votes	% of total vote at General Meeting
SW Holding	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.*	1,041,783	9.70%	1,041,783	9.70%
Aviva Otworthy Fundusz Emerytalny Aviva BZ WBK	904,794	8.43%	904,794	8.43%
Bleauhard Holdings LLC	637,028	5.93%	637,028	5.93%
Nationale-Nederlanden Otworthy Fundusz Emerytalny	600,000	5.59%	600,000	5.59%
Metlife OFE	577,470	5.38%	577,470	5.38%

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

* Treasury shares; the Company does not exercise voting rights in respect of its treasury shares.



From the date of issue of the 2015 half-year report to the date of issue of the Q3 2015 report, there were no changes in large holdings of Company shares.

4. SECO/WARWICK S.A. shares held by members of the Management Board and Supervisory Board as at the date of issue of this report, including information on any changes subsequent to the issue date of the previous interim report (2015 half-year report).

Members of the Management Board and Supervisory Board of SECO/WARWICK S.A. do not hold any shares in related entities.

	Aug 31 2015			Decrease/increase	Nov 16 2015			Total par value of shares (PLN)
	Number of SECO/WARWICK shares held	Ownership interest (%)	% of total vote		Number of SECO/WARWICK shares held	Ownership interest (%)	% of total vote	
Management Board								
Paweł Wyrzykowski	254,558	2.37%	2.37%	-	254,558	2.37%	2.37%	50,912
Wojciech Modrzyk	29,958	0.28%	0.28%	-	29,958	0.28%	0.28%	5,992
Jarosław Talerzak	29,558	0.28%	0.28%	-	29,558	0.28%	0.28%	5,912
Supervisory Board								
Henryk Pilariski	10	0.0001%	0.0001%	-	10	0.0001%	0.0001%	2
Andrzej Zawistowski	65,000	0.61%	0.61%	-	65,000	0.61%	0.61%	13,000
Jeffrey Boswell	9,776	0.09%	0.09%	-	9,776	0.09%	0.09%	1,955
Commercial proxies								
Piotr Walasek	19,335	0.18%	0.18%	-	19,335	0.18%	0.18%	3,867
Total	408,195	3.80%	3.80%	-	408,195	3.80%	3.80%	81,639
Item								
Number of shares	10,737,837							
Par value of shares	0.20							
Share capital	2,147,567.40							

In the reporting period and until November 16th 2015, members of SECO/WARWICK S.A.'s Management and Supervisory Board did not enter into any other transactions that would involve their holdings of Company shares.

5. Court, arbitration and administrative proceedings

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.

Since the date of issue of the half-year report, the Issuer has not received any other material information in respect of the above.

6. Transaction or a series of transactions concluded by the Company or its subsidiaries with related parties where the value of such transaction or all such transactions jointly is material and the transactions were not concluded at arm's length.

In the period from the beginning of the financial year to the date of issue of this report (November 16th 2015), SECO/WARWICK S.A. and its subsidiaries did not enter into any material related-party transactions other than routine transactions executed on an arms' length basis.

7. Material achievements and failures of SECO/WARWICK S.A. and the Group in Q3 2015

As at September 30th 2015, SECO/WARWICK Group companies secured new orders worth PLN 482m, including PLN 136m in Q3 2015. A significant portion of the new business fell to the Melting Furnaces segment, where new orders came in at PLN 207m (January 1st–September 30th 2015), including PLN 40.1m in Q3 2015. In the Vacuum Furnaces segment, in Q1–Q3 the Group secured orders worth PLN 90.4m, including PLN 39.8m in Q3 2015. The Company also recorded a significant growth of the Aluminium Process segment's order book, from PLN 9m at the end of 2014 to PLN 60m at the end of September 2015, with new orders worth PLN 69m, including PLN 25m in Q3 2015. The aggregate value of the backlog went up 63% on Q1–Q3 2014, with the order book value up 41% on September 2014, to PLN 390m as at the end of September 2015.

The Group's sales grew by 18.7%. In Q1–Q3 2015, the Melting Furnaces segment recorded a significant change in revenue – up 65% mainly on the back of a 68% increase in RETECH LLC's revenue. Sales of the spare parts and aftersales services segment's grew by 40%, especially at SECO/WARWICK Europe and RETECH LLC; also the CAB segment's sales went up 16%. The growth was partly offset by a 23.6% decline in sales of the Atmosphere Furnaces segment.

There was a year-on-year rise in sales on the EU market (up 55% compared with 2014), achieved thanks to the active market presence of SECO/WARWICK Europe, supported by the distribution company SECO/WARWICK Service GmbH. Sales on the Asian market grew 14%, driven by the improved performance of local companies. Sales of SECO/WARWICK Retech almost doubled. Accordingly, the sales in the US market also grew in Q3 2015. The Group saw a marked decrease in sales to Russia, Belarus and Ukraine. However, this decrease was fully offset by higher revenues from the EU and Asia.

8. Sureties for bank borrowings or guarantees issued by SECO/WARWICK S.A. or its subsidiaries, jointly to one entity or its subsidiary, where the total outstanding amount of such sureties or guarantees exceeds 10% of SECO/WARWICK S.A.'s equity

In Q3 2015, there were no events related to sureties for bank borrowings or guarantees exceeding 10% of the Company's equity, issued by SECO/WARWICK S.A. or any of its subsidiaries.

9. Other information which in the Company's opinion is material for the assessment of its personnel, assets, financial standing and financial result and their changes, or for the assessment of its ability to fulfil obligations

No events occurred in the SECO/WARWICK Group's business which in the Company's opinion are material for the assessment of its personnel, assets, financial standing and financial result or changes therein, or for the assessment of the Group's ability to fulfil its obligations

As at the date of issue of this report, the Company's and the Group's business was stable. The Group and the Company pay all their liabilities when due.

10. Factors which in the Group's opinion will affect its results in the next quarter or in a longer term**General objectives of the Incentive Scheme of SECO/WARWICK S.A.**

With a view to providing additional incentives to the Company's management staff to continue work on the development and consolidation of the SECO/WARWICK Group, and to further increase the value of SECO/WARWICK shares, on April 23rd 2015 the Supervisory Board approved the key objectives of the 2016–2018 Incentive Scheme for members of the SECO/WARWICK Group's management staff (the "2016–2018 Incentive Scheme").

- The Incentive Scheme is effective for 2016, 2017 and 2018,
- and covers 995,750 Company shares which may be distributed to Eligible Persons.
- Scheme Participants include key members of the Group's management staff who are identified as Scheme Participants in the relevant resolution of the Supervisory Board, and in the period between February 1st 2015 and August 15th 2015 acquire with their own funds, in their own name and for their own account no less than 4,000 and no more than 11,500 Company shares. In the case of the President of the Management Board of SECO/WARWICK SA, the number of shares to be acquired is 100,000. In the case of the President of the Management Board of SECOWARWICK Europe, the largest company of the Group, the number of shares to be acquired is 35,000. The price per share is PLN 25.
- The number of acquired shares and the 3.5 multiple defines the number of potential options which may be granted under the Scheme subject to fulfilment of the conditions specified below.
- Shares for a participant's own account must be acquired no later than on August 15th 2015,
- and may not be sold before June 30th 2022.
- The persons specified in the Supervisory Board's resolution are to declare their intention to participate in the Incentive Scheme by August 31st 2015.
- Participants of the scheme will be assigned individual objectives and a joint objective, the achievement of which is a precondition for a Scheme Participant to become eligible for benefits under the Scheme.
- Achievement of individual objectives is a pre-condition for acquiring rights to 15% of the options in each of the years 2016, 2017 and 2018.
- Achievement of the joint objective is a pre-condition for acquiring rights to 55% of the options in 2016, 2017 and 2018.
- Achievement of the Individual Objectives will be revised on the basis of the Company's audited financial information.
- Achievement of the Individual Objectives will be verified by the Audit Committee by April 30th of each consecutive financial year for the previous financial year.
- Achievement of the Joint Objective will be verified on the basis of the Company's audited financial information for all the financial years between 2016 and 2018.
- Achievement of the Joint Objective will be verified by the Audit Committee by April 30th 2019.
- If a Scheme Participant achieves the Individual Objectives or the Joint Objective, such participant will become eligible to acquire Company Shares in the number and on the terms and conditions specified in the Scheme Rules, and to obtain a Capital Bonus (the "Option").
- Options will vest in accordance with the provisions of agreements to be entered into between the Company and the individual Scheme Participants (the "Option Agreement").

- Rights under Options may not be transferred or encumbered. Such rights are attached to a Scheme Participant and expire upon his/her death.
- An Option entitles a Scheme Participant to purchase Shares at nominal price, in the number specified in the Option Agreement.
- An Option also entitles a Scheme Participant to receive from the Company annual payments whose amount will depend on the amount of dividend paid by the Company for a preceding financial year (the “Capital Bonus”).
- The Capital Bonus for a given financial year will be calculated by July 31st of a given financial year, on the basis of a resolution on distribution of the Company’s profit and the Company’s audited financial information for the previous financial year, based on the following formula:

$$PK_t = \frac{Div_t}{LA} \times LAUP$$

where:

PKt	–	the Capital Bonus to be paid in a given financial year,
Divt	–	the amount of dividend to be paid in a given financial year,
LA	–	the total number of Company shares participating in dividend payment,
LAUP–		the number of Company shares that a Scheme Participant is entitled to acquire in the exercise of an Option; Shares already delivered to a Scheme Participant are not taken into account in this calculation;

- The right to obtain the Capital Bonus expires on or before the last Distribution Date.
- Date of settlement of the acquisition by a Scheme Participant of Company Shares in the exercise of an Option (Distribution Date)
 - in the case of Scheme Participants other than the President of the Management Board, the Distribution Date will be: June 30th 2020 – in respect of 33% of Shares receivable by a Scheme Participant, June 30th 2021 – in respect of another 33% of Shares receivable by a Scheme Participant, and June 30th 2022 – in respect of the remaining 33% of Shares receivable by a Scheme Participant;
 - in the case of the Management Board President, the Distribution Date will be August 31st 2019 in respect of all Shares receivable by him.

11. Factors and events, especially of a non-recurring nature, with a material bearing on the financial performance in Q3 2015

In the SECO/WARWICK Group’s business there were no factors or events, especially of a non-recurring nature, that would have a material bearing on its financial performance in Q3 2015.