FACC AG
FN 336290w
ISIN AT00000FACC2

Ried i. Innkreis, June 2018

FACC AG has prepared this memorandum to provide information on specific aspects of Austrian tax law that apply to natural persons who are resident in Austria and hold FACC AG shares as part of their private assets. The memorandum does not cover the respective tax aspects for legal entities resident in Austria or natural persons who hold FACC shares as part of their business assets. Also not included are the tax consequences of the dividend payment for legal entities and natural persons who are not considered Austrian residents for tax purposes.

Please note that this information should be understood as a general guide for orientation. It Is not legally binding and does not contain complete or comprehensive information or legal or tax advice on the dividend payment. In particular, the point in time of acquisition of the FACC shares and the amount of the participation may have an impact on the tax consequences of the dividend payment. Shareholders should therefore obtain professional advice on the tax consequences of the dividend as related to their personal situation.

Information on the Dividend

General information

The Supervisory Board and the Management Board will make a proposal to the 4th Annual General Meeting of FACC AG on 29 June 2018, which calls for the **distribution of 11 EUR cent dividend per share from retained earnings as shown in the annual financial statements as of 28 February 2018**.

Subject to the approval of the annual general meeting, the dividend will be distributed to shareholders on 12 July 2018 through their depository institution by Erste Group Bank AG as the payment office for FACC AG.

Classification as a repayment of capital without the deduction of withholding tax

The dividend is classified for tax purposes as a repayment of capital. The most important advantage of this classification is that the dividend will not be subject to 27.5% withholding tax. Shareholders will therefore receive the EUR 0.11 dividend per share "gross for net", .i.e. without the deduction of withholding tax.

The repayment of capital is in principle a tax-neutral event and, as such, will generally not create a tax liability for natural persons who are resident in Austria for tax purposes and hold the shares as part of their private assets. However, the repayment of capital reduces the acquisition costs of the shares for tax purposes. Taxation due to a deemed sale is only triggered where the aggregate amount of all repayments of capital exceeds the acquisition costs of the shares.

Shareholders who are resident in Austria for tax purposes and hold shares as part of their private assets will basically only incur a tax liability when the aggregate amount of all the surplus amount will be taxed as a fictitious capital gain. The specific tax liability will then depend on the date of the share purchase, the stakes owned currently and in the past and the date of the “sale”. In case of a repayment of capital, this fictitious “date of sale” is considered to be the date on which the decision on the distribution of a dividend is made, i.e. the date of the Annual General Meeting.

Disclaimer

This memorandum only provides an overview, in accordance with Austrian tax law, of the situation of natural persons resident in Austria who hold shares as part of their private assets and does not cover all aspects of taxation. It is provided solely for information purposes; it is in no way conclusive and does not replace professional advice by a tax accountant or attorney. Shareholders should obtain appropriate advice on the tax treatment of the dividend payment.

This is a working translation from the German language version and for convenience purposes only. In the event of conflict with the German language version, the German language version shall prevail.