

Directive (EU) 2017/1132 of the European Parliament and  
of the Council of 14 June 2017 relating to certain aspects  
of company law (codification) (Text with EEA relevance)

TITLE I

**GENERAL PROVISIONS AND THE ESTABLISHMENT AND  
FUNCTIONING OF LIMITED LIABILITY COMPANIES**

*CHAPTER IV*

*Capital maintenance and alteration*

*Section 4*

*Rules on companies' acquisitions of their own shares*

*Article 63*

**Holding of own shares and annual report in case of acquisition of own shares**

1 Where the laws of a Member State permit a company to acquire its own shares, either itself or through a person acting in his or her own name but on the company's behalf, they shall make the holding of these shares at all times subject to at least the following conditions:

- a among the rights attaching to the shares, the right to vote attaching to the company's own shares must in any event be suspended;
- b if the shares are included among the assets shown in the balance sheet, a reserve of the same amount, unavailable for distribution, shall be included among the liabilities.

2 Where the laws of a Member State permit a company to acquire its own shares, either itself or through a person acting in his or her own name but on the company's behalf, they shall require the annual report to state at least:

- a the reasons for acquisitions made during the financial year;
- b the number and nominal value or, in the absence of a nominal value, the accountable par of the shares acquired and disposed of during the financial year and the proportion of the subscribed capital which they represent;
- c in the case of acquisition or disposal for a value, the consideration for the shares;
- d the number and nominal value or, in the absence of a nominal value, the accountable par of all the shares acquired and held by the company and the proportion of the subscribed capital which they represent.