

CAPITAL GAINS OR LOSSES ON ASSET SALES



- The gain on the sale of shares is called a “capital gain”, and the loss is called a “capital loss”.

Capital gains or losses on asset sales are the difference between **their sale amount and their purchase amount**.

Before sale, you can find out the **potential amount** of capital gains or losses:

- from your financial institution, if you hold intermediary registered or bearer shares,
- on your [Shareholder Portal](#), if you hold direct registered shares⁽¹⁾.

↓ HOW ARE THEY CALCULATED?

SHARE SALE AMOUNT

(Unit sale price x number of shares) $-$ Sale transaction – fees and taxes

This information is included in your sale transaction statement.

– NET PRICE OF SHARES SOLD

(Average net price of shares sold x number of shares⁽²⁾) $+$ Purchase transaction fees and taxes

This information is included:

- for purchases, on your purchase transaction statement;
- for gifts, on your 2735 gift form⁽³⁾ or notarized deed;
- for an inheritance, on the 2705⁽³⁾ and 2706⁽³⁾ declarations.

= CAPITAL GAIN OR LOSS NET OF BROKER FEES

See Factsheet No. 10 for the taxation of capital gains.



GOOD TO KNOW

(for French tax residents according to the applicable regulations)

Two scenarios that provide exemption from capital gains tax in France

- Having a Share Savings Plan (“PEA” in French) and keeping your shares for a period of five years from the account opening date. The capital gains realized after this period are **only subject to social security contributions**. **Important:** shares from another account cannot be transferred to a Share Savings Plan. Only transfers from the share savings plan’s cash account can be used to invest in shares. The cash investment limit is €150,000 per plan.
- Making a gift up to maximum amounts set by French law is still **fully exempt from duties, taxes and social contributions**. Unrealized capital gains on shares are then tax exempt, as long as the transaction is reported to the tax authorities (see Factsheet No. 11). For gifts planned for the holiday season, please plan ahead from September.

⁽¹⁾ For French tax residents only.

⁽²⁾ Average net price of shares sold adjusted, where required, for the attribution of Free Shares during the share holding period.

⁽³⁾ Forms are available from the tax authorities or on the impots.gouv.fr website.