ECHO POLSKA PROPERTIES N.V.
(Incorporated in the Netherlands)
(Company number 64965945)
JSE share code: EPP
ISIN: NL0011983374
("**EPP**")

UPDATE TO TAX CONSIDERATIONS IN RESPECT OF THE MAIDEN DIVIDEND FOR THE FOUR MONTHS TO 31 DECEMBER 2016

EPP shareholders are referred to the finalisation announcement published on Monday, 20 March 2017 wherein shareholders were advised of the currency conversion ratio for the maiden cash dividend declaration.

DUTCH DIVIDEND WITHHOLDING TAX

Dutch dividend withholding tax ("**DWHT**") at a rate of 15% will be withheld by EPP on the dividend distribution and EPP will remit the DWHT withheld to the Dutch Tax Authorities, leaving a distribution amount per share of ZAR36.30507 cents per share net of DWHT.

The DWHT may be reduced if a shareholder qualifies for an exemption from or a reduction of DWHT on the basis of Dutch domestic law and/or a Double Tax Agreement concluded by the Netherlands ("**DTA**") and the formal requirements that apply to such exemption from or reduction of DWHT are satisfied.

The relevant DWHT aspects for EPP's shareholders in general, the possibilities for South African shareholders to qualify for reduction or exemption of DWHT under the DTA between the Netherlands and South Africa and the formal requirements to claim such reduction, are set out in more detail on EPP's website at www.echo-pp.com/s,92,shareholder-circulars.html.

SOUTH AFRICAN DIVIDENDS WITHHOLDING TAX

Dividends received from a foreign resident company in respect of a share that is listed on the JSE are regarded as foreign dividends for South African income tax and dividends withholding tax purposes. The foreign dividends are exempt from South African income tax in respect of foreign shareholders and South African shareholders.

The dividends will however be subject to South African dividends withholding tax ("**SADWT**") at a rate of 20%, unless a shareholder qualifies for an exemption from SADWT. For example, a South African company shareholder or retirement fund will be exempt from SADWT.

However, a shareholder who receives a dividend which is subject to SADWT and who does not qualify for an exemption, will qualify for a rebate of the foreign taxes paid in respect of such dividend. Accordingly, if 15% DWHT is suffered in the Netherlands, dividends received in respect of a share that is listed on the JSE will be subject to an additional 5% SADWT, resulting in shareholders on the South African register who are not exempt from SADWT receiving a net local dividend amount of ZAR34.16948 cents per share. The regulated intermediary will be responsible for withholding the 5% from the dividend payable to shareholders on the South African register and paying such amounts to the South African Revenue Service, such that the total dividend withholding tax paid by such shareholders amounts in aggregate to 20%.

The information provided above does not constitute tax advice and is only provided as a general guide on the Dutch and South African tax treatment of the cash dividend declaration by EPP to South African tax resident shareholders. For shareholders residing outside of South Africa, the dividend may have other legal or tax implications and such shareholders are advised to obtain appropriate advice from their professional advisers in this regard. Tax matters are complex, and the tax consequences to a particular shareholder will depend in part on such shareholder's circumstances. Accordingly, a shareholder is urged to consult his own tax advisor for a full understanding of the tax consequences to him, including the applicability and effect of Dutch tax laws.

EPP is dual-listed on both the Luxembourg Stock Exchange and the Main Board of the JSE.

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Sponsor

LuxSE Listing Agent

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