



Companies Act 2006

2006 CHAPTER 46

PART 18

ACQUISITION BY LIMITED COMPANY OF ITS OWN SHARES

CHAPTER 4

PURCHASE OF OWN SHARES

Supplementary provisions

706 Treatment of shares purchased

Where a limited company makes a purchase of its own shares in accordance with this Chapter, then—

- (a) if section 724 (treasury shares) applies, the shares may be held and dealt with in accordance with Chapter 6;
- (b) if that section does not apply—
 - (i) the shares are treated as cancelled, and
 - (ii) the amount of the company's issued share capital is diminished accordingly by the nominal value of the shares cancelled.