

Exide Technologies
FEIN 23-0552730
Attachment to Form 8937

Disclaimer: The information contained in Form 8937 and this attachment does not constitute tax advice and does not purport to take into account any shareholder's or note holder's specific circumstances. Shareholders and note holders are urged to consult their own tax advisors regarding U.S. tax consequences of the transaction described herein and the impact to tax basis resulting from the transaction.

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Report of Organizational Actions Affecting Basis of Securities

Form 8937, Part II, Line 14

On June 7, 2017, Exide Technologies entered into a Purchase and Support Agreement (“PSA”) with certain investors and certain holders (“Holders”) of its outstanding 11% First Lien Senior Secured Notes due 2020 (“Existing First Lien Notes”).

Under the PSA, the following occurred (the “Transaction”):

- Certain Holders of Existing First Lien Notes exchanged their Existing First Lien Notes for an equal principal amount of New 11% First Lien Senior Secured Notes due 2022 (“New First Lien Notes”) and a tender premium of New First Lien Notes in an amount equal to 2% of the principal amount of Existing First Lien Notes;
- Certain investors purchased \$150,000,000 of New First Lien Notes and 4,040,000 shares of Common Stock for a cash price of \$135,000,000; and
- Certain investors purchased \$80,000,000 of 7.25% Second Lien Senior Secured Convertible PIK Notes due 2025 (“New Second Lien Notes”) for a cash price of \$72,000,000

The Company intends to treat the exchange of Existing First Lien Notes for New First Lien Notes pursuant to the Transaction as a realization event under Treas. Reg. section 1.1001-3 for U.S. federal income tax purposes.

Form 8937, Part II, Line 15

To the extent that the Existing First Lien Notes were exchanged for New First Lien Notes and those Existing First Lien Notes and New First Lien Notes constitute “securities” for purposes of the rules providing for tax-free recapitalizations (“Tax Securities”), each Holder’s aggregate tax basis in the New First Lien Notes will generally equal the Holder’s aggregate tax basis in the Existing First Lien Notes that were surrendered in the Transaction, increased by any gain recognized and decreased by boot. Gain will be recognized to the extent of the boot received in the Transaction.

To the extent the Existing First Lien Notes were exchanged for New First Lien Notes and those Existing First Lien Notes and/or New First Lien Notes did not constitute Tax Securities, each Holder will recognize gain or loss upon the receipt of New First Lien Notes. In that event, the Holder’s tax basis in its Existing First Lien Notes will be extinguished and the Holder’s tax basis in the New First Lien Notes will equal the issue price (which serves as the fair market value) of the New First Lien Notes.

Holders should consult their tax advisors to determine the tax consequences of the Transaction to them.

Form 8937, Part II, Line 16

To the extent that the Existing First Lien Notes and New First Lien Notes constitute Tax Securities, a Holder's aggregate tax basis in the New First Lien Notes will generally equal such Holder's aggregate tax basis in the Existing First Lien Notes that were surrendered in the Transaction, increased by any gain recognized and decreased by boot.

To the extent that the Existing First Lien Notes and/or New First Lien Notes did not constitute Tax Securities, a Holder's tax basis in New First Lien Notes received in the Transaction will equal the issue price of such notes (which serves as the fair market value).

Form 8937, Part II, Line 17

Sections 354, 356, 358, 1001 and 1012.

Form 8937, Part II, Line 18

The Transaction generally should not result in a recognizable loss to Holders to the extent the Existing First Lien Notes and New First Lien Notes constitute Tax Securities. To the extent the Existing First Lien Notes and/or the New First Lien Notes are not Tax Securities, the Transaction may result in a recognizable loss to Holders to the extent a Holder's tax basis in the Existing First Lien Notes exceeds the issue price (which serves as the fair market value) of the New First Lien Notes.