X-pand into the Future

eurex circular 221/08

Date: Frankfurt, September 18, 2008

Recipients: All Trading Members of Eurex Deutschland and Eurex Zürich and Vendors

BASF SE: Planned Takeover Offer to the Shareholders of Ciba Holding AG

Contact: Functional Helpdesk Equity and Equity Index Products, tel. +49-69-211-1 12 10

Content may be most important for:

- Front Office/Trading
- Middle + Backoffice
- Auditing/Security Coordination

Attachment:

Table: Implied Volatilities of the Ciba Option

Summary:

On September 15, 2008, the company BASF SE announced its plan to purchase all outstanding Ciba Holding AG shares. Accordingly, shareholders shall receive CHF 50.00 in cash for each Ciba Holding AG share they hold.

The circular contains a description of the potential effects this transaction will have on the existing Eurex options and on the Eurex stock futures contract on Ciba Holding AG (CIBN/CIBF).

Eurex Deutschland
Neue Börsenstraße 1
60487 Frankfurt/Main
Mailing address:
60485 Frankfurt/Main
Germany

T +49-69-211-1 17 00
F +49-69-211-1 17 01
customer.support@
eurexchange.com
Internet:
www.eurexchange.com

Management Board:
Thomas Book, Thomas Lenz,
Michael Peters, Andreas Preuß,
Peter Reitz, Jürg Spillmann

ARBN: 101 013 361

BASF SE: Planned Takeover Offer to the Shareholders of Ciba Holding AG

On September 15, 2008, the company BASF SE announced its plan to purchase all outstanding Ciba Holding AG shares. Accordingly, shareholders shall receive CHF 50.00 in cash for each Ciba Holding AG share they hold.

Pursuant to the Contract Specifications for Futures Contracts, number 1.6.7 (7), and Options Contracts at Eurex Deutschland and Eurex Zürich, number 2.6.10.1 (7), the positions in the respective contracts will be settled using the fair value method as soon as the offer will be executed effectively.

For calculation of the theoretical fair value, the following applies:

Basis for the calculation of the theoretical fair value is the final offer price.

Implied Volatility:

For each options series, an implied volatility was fixed (see attachment). For calls and puts, the same implied volatility will be applied. It is calculated from the average of the implied volatility of the daily settlement prices from the ten exchange days preceding the announcement of the offer (September 1 – September 12, 2008). Both the highest and lowest values were discarded.

For all series introduced after September 12, 2008, the following applies:

If the strike price lies between two strike prices that have already been introduced, the implied volatility will be fixed by means of linear interpolation of the volatility of the two strike prices already introduced. If the series is higher or lower than the respective highest or lowest strike price, the implied volatility of the highest/lowest strike price at this time will apply.

For expiration months that might have to be introduced, the implied volatility is determined from the linear interpolation between the expiration months before and after the new expiration month or, if this cannot be done, the corresponding implied volatility of the preceding expiration month will apply.

Effective immediately and for the time being, no more new series and expiration dates will be introduced for the Eurex options and the Eurex stock futures contract on Ciba Holding AG shares. Series without any open interest will be deleted in time.

The following dividend data was used/will be used for calculation of the implied volatility:

Dividend price in CHF	Ex date
0.95	March 13, 2009
1.15	March 11, 2010
1,15	March 11, 2011

Options series with expiration September/October 2008 are not contained in the attachment. Those series will expire regularly before the final conclusion of the transaction.

Interest rate:

For calculation of the fair value, EURIBOR interest rates apply.

If on the last trading day before the adjustment, no open interest will be available in the Eurex stock futures contract on Ciba Holding AG, trading in this contract will be put on “HALT“ and finally discontinued.

We will inform you about further proceedings if any changes or new information during the transaction will render this necessary.

Should you have any more questions, please contact our Functional Helpdesk Equity and Equity Index Products at tel. +49-69-211-1 12 10.

Frankfurt, September 18, 2008

signed: Thomas Lenz

signed: Manfred Weber

Attachment to Eurex circular 221/08

Implied Volatilities of the Ciba Option

	Month	Strike	Volatility
CIBN	Nov 08	2100	**59,96**
CIBN	Nov 08	2200	**60,06**
CIBN	Nov 08	2300	**59,31**
CIBN	Nov 08	2400	**58,51**
CIBN	Nov 08	2500	**57,74**
CIBN	Nov 08	2600	**56,99**
CIBN	Nov 08	2700	**56,33**
CIBN	Nov 08	2800	**55,52**
CIBN	Nov 08	2900	**54,93**
CIBN	Nov 08	3000	**54,34**
CIBN	Nov 08	3100	**53,8**
CIBN	Nov 08	3200	**53,42**
CIBN	Nov 08	3300	**52,87**
CIBN	Nov 08	3400	**52,66**
CIBN	Nov 08	3500	**52,28**
CIBN	Nov 08	3600	**51,95**
CIBN	Nov 08	3700	**51,95**
CIBN	Nov 08	3800	**51,95**
CIBN	Nov 08	3900	**51,95**
CIBN	Nov 08	4000	**51,95**
CIBN	Nov 08	4100	**51,95**
CIBN	Nov 08	4200	**51,95**
CIBN	Nov 08	4300	**51,95**
CIBN	Nov 08	4400	**51,95**
CIBN	Nov 08	4500	**51,95**
CIBN	Nov 08	4600	**51,95**
CIBN	Nov 08	4700	**51,95**
CIBN	Nov 08	4800	**51,95**
CIBN	Nov 08	4900	**51,95**
CIBN	Nov 08	5000	**51,95**
CIBN	Nov 08	5100	**51,95**
CIBN	Nov 08	5200	**51,95**
CIBN	Nov 08	5400	**51,95**
CIBN	Dec 08	1900	**59,12**
CIBN	Dec 08	2000	**59,14**
CIBN	Dec 08	2200	**57,67**
CIBN	Dec 08	2400	**56,33**
CIBN	Dec 08	2600	**55,12**
CIBN	Dec 08	2800	**53,98**
CIBN	Dec 08	3000	**52,87**
CIBN	Dec 08	3200	**51,91**
CIBN	Dec 08	3400	**51,12**
CIBN	Dec 08	3600	**50,3**
CIBN	Dec 08	3800	**49,7**
CIBN	Dec 08	4000	**49,39**
CIBN	Dec 08	4200	**49,06**
CIBN	Dec 08	4400	**48,93**
CIBN	Dec 08	4500	**48,94**
CIBN	Dec 08	4600	**48,9**
CIBN	Dec 08	4800	**48,89**
CIBN	Dec 08	5000	**48,8**
CIBN	Dec 08	5200	**48,65**
CIBN	Dec 08	5600	**49,05**
CIBN	Dec 08	6000	**49,55**
CIBN	Dec 08	6400	**50,27**

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Implied Volatilities of the Ciba Option

	Month	Strike	Volatility
CIBN	Dec 08	6800	**51,02**
CIBN	Dec 08	7600	**52,56**
CIBN	Dec 08	8000	**53,5**
CIBN	Dec 08	8400	**54,64**
CIBN	Dec 08	8600	**55,31**
CIBN	Dec 08	8800	**55,94**
CIBN	Dec 08	9200	**57,15**
CIBN	Dec 08	10000	**59,42**
CIBN	Dec 08	12000	**64,41**
CIBN	Dec 08	14000	**68,64**
CIBN	Mar 09	1900	**56,04**
CIBN	Mar 09	2000	**56,08**
CIBN	Mar 09	2200	**54,9**
CIBN	Mar 09	2400	**53,73**
CIBN	Mar 09	2600	**52,64**
CIBN	Mar 09	2800	**51,59**
CIBN	Mar 09	3000	**50,57**
CIBN	Mar 09	3200	**49,77**
CIBN	Mar 09	3400	**48,86**
CIBN	Mar 09	3600	**48,35**
CIBN	Mar 09	3800	**47,78**
CIBN	Mar 09	4000	**47,45**
CIBN	Mar 09	4200	**47,26**
CIBN	Mar 09	4400	**47,22**
CIBN	Mar 09	4600	**47,12**
CIBN	Mar 09	4800	**47,12**
CIBN	Mar 09	5000	**47,12**
CIBN	Mar 09	5200	**47,12**
CIBN	Mar 09	5600	**47,12**
CIBN	Mar 09	6000	**47,12**
CIBN	Jun 09	1800	**52,89**
CIBN	Jun 09	1900	**52,83**
CIBN	Jun 09	2000	**52,92**
CIBN	Jun 09	2200	**51,95**
CIBN	Jun 09	2400	**51,15**
CIBN	Jun 09	2600	**50,16**
CIBN	Jun 09	2800	**49,36**
CIBN	Jun 09	3000	**48,49**
CIBN	Jun 09	3200	**47,74**
CIBN	Jun 09	3400	**46,94**
CIBN	Jun 09	3600	**46,32**
CIBN	Jun 09	3800	**45,66**
CIBN	Jun 09	4000	**45,23**
CIBN	Jun 09	4200	**44,74**
CIBN	Jun 09	4400	**44,52**
CIBN	Jun 09	4600	**44,31**
CIBN	Jun 09	4800	**44,11**
CIBN	Jun 09	5200	**44,03**
CIBN	Jun 09	6000	**44,32**
CIBN	Jun 09	6800	**44,38**
CIBN	Jun 09	7600	**44,38**
CIBN	Jun 09	8400	**44,42**
CIBN	Jun 09	9200	**44,7**
CIBN	Jun 09	10000	**45,08**
CIBN	Jun 09	12000	**46,6**

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Implied Volatilities of the Ciba Option

	Month	Strike	Volatility
CIBN	Jun 09	14000	**48,95**
CIBN	Dec 09	1400	**52,93**
CIBN	Dec 09	1600	**52,98**
CIBN	Dec 09	1800	**52,24**
CIBN	Dec 09	2000	**51,22**
CIBN	Dec 09	2400	**49,58**
CIBN	Dec 09	2800	**48,08**
CIBN	Dec 09	3200	**46,81**
CIBN	Dec 09	3600	**45,79**
CIBN	Dec 09	4000	**44,91**
CIBN	Dec 09	4400	**44,14**
CIBN	Dec 09	4800	**43,6**
CIBN	Dec 09	5200	**43,21**
CIBN	Dec 09	6000	**42,73**
CIBN	Dec 09	6800	**42,72**
CIBN	Dec 09	7600	**42,74**
CIBN	Dec 09	8400	**42,76**
CIBN	Dec 09	9200	**42,7**
CIBN	Dec 09	10000	**42,77**
CIBN	Dec 09	12000	**42,98**
CIBN	Jun 10	1400	**51,17**
CIBN	Jun 10	1600	**51,42**
CIBN	Jun 10	1800	**50,59**
CIBN	Jun 10	2000	**50,13**
CIBN	Jun 10	2400	**48,82**
CIBN	Jun 10	2800	**47,55**
CIBN	Jun 10	3200	**46,36**
CIBN	Jun 10	3600	**45,49**
CIBN	Jun 10	4000	**44,75**
CIBN	Jun 10	4400	**44,01**
CIBN	Jun 10	4800	**43,47**
CIBN	Jun 10	5200	**43,03**
CIBN	Jun 10	6000	**42,58**
CIBN	Jun 10	6800	**42,51**
CIBN	Jun 10	7600	**42,51**
CIBN	Jun 10	8400	**42,51**
CIBN	Jun 10	9200	**42,51**
CIBN	Jun 10	10000	**42,51**
CIBN	Jun 10	12000	**42,51**
CIBN	Dec 10	1600	**48,54**
CIBN	Dec 10	1800	**48,59**
CIBN	Dec 10	2000	**48,57**
CIBN	Dec 10	2400	**47,63**
CIBN	Dec 10	2800	**46,61**
CIBN	Dec 10	3200	**45,52**
CIBN	Dec 10	3600	**44,76**
CIBN	Dec 10	4000	**43,94**
CIBN	Dec 10	4400	**43,27**
CIBN	Dec 10	4800	**42,73**
CIBN	Dec 10	5200	**42,29**
CIBN	Dec 10	6000	**41,67**
CIBN	Dec 10	6800	**41,3**
CIBN	Dec 10	7600	**41,27**
CIBN	Dec 10	8400	**41,36**
CIBN	Dec 10	9200	**41,44**

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Implied Volatilities of the Ciba Option

	Month	Strike	Volatility
CIBN	Dec 10	10000	**41,65**
CIBN	Dec 10	12000	**42,08**
CIBN	Jun 11	1600	**48,35**
CIBN	Jun 11	1800	**48,48**
CIBN	Jun 11	2000	**48,37**
CIBN	Jun 11	2400	**47,35**
CIBN	Jun 11	2800	**46,44**
CIBN	Jun 11	3200	**45,41**
CIBN	Jun 11	3600	**44,5**
CIBN	Jun 11	4000	**43,79**
CIBN	Jun 11	4400	**43,08**
CIBN	Jun 11	4800	**42,58**
CIBN	Jun 11	5200	**42,58**
CIBN	Dec 11	1600	**48,08**
CIBN	Dec 11	1800	**48,21**
CIBN	Dec 11	2000	**48,14**
CIBN	Dec 11	2400	**47,15**
CIBN	Dec 11	2800	**46,26**
CIBN	Dec 11	3200	**45,23**
CIBN	Dec 11	3600	**44,37**
CIBN	Dec 11	4000	**43,62**
CIBN	Dec 11	4400	**42,94**
CIBN	Dec 11	4800	**42,41**
CIBN	Dec 11	5200	**41,97**
CIBN	Dec 11	6000	**41,41**
CIBN	Dec 11	6800	**41,1**
CIBN	Dec 11	7600	**41,08**
CIBN	Dec 11	8400	**41,1**
CIBN	Dec 11	9200	**41,17**
CIBN	Dec 11	10000	**41,25**
CIBN	Dec 11	12000	**41,54**
CIBN	Dec 12	1600	**48,28**
CIBN	Dec 12	1800	**48,21**
CIBN	Dec 12	2000	**48,32**
CIBN	Dec 12	2400	**47,18**
CIBN	Dec 12	2800	**46,3**
CIBN	Dec 12	3200	**45,27**
CIBN	Dec 12	3600	**44,47**
CIBN	Dec 12	4000	**43,63**
CIBN	Dec 12	4400	**43,06**
CIBN	Dec 12	4800	**42,43**
CIBN	Dec 12	5200	**42,1**
CIBN	Dec 12	6000	**41,43**
CIBN	Dec 12	6800	**41,22**
CIBN	Dec 12	7600	**41,16**