X-pand into the Future

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UBI Banca: Capital Increase

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Content may be most important for:	**Attachments:**
➲ Front Office/Trading ➲ Middle + Backoffice ➲ Auditing/Security Coordination	none

Summary:

On June 1, 2011, the Executive Board of UBI Banca announced a capital increase with subscription rights for the shareholders of UBI Banca. Subscription ratio will be 21:8, the subscription price for the new shares will be EUR 3.8080. Subscription period will start on June 6, 2011.

As a consequence of the capital increase, an adjustment to the Eurex options on shares of UBI Banca (BPD) and the Eurex stock futures contract on shares of UBI Banca (BPDG) will become necessary.

Ex date will be **June 6, 2011**.

This circular contains a description of the adjustment procedure.

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UBI Banca: Capital Increase

Measure:
Capital increase with subscription rights for shareholders of UBI Banca

Subscription Ratio:
21:8, i.e. 21 old shares of UBI Banca entitle to subscribe to eight new shares of UBI Banca

Subscription Price:
EUR 3.8080

Last cum trading day:
June 3, 2011

Ex date:
June 6, 2011

Start of Subscription Period:
June 6, 2011

Affected Products:
BPD, BPDG

Reference to underlying Rules & Regulations:
Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich, Sections 1.6.7 (3) and 2.6.10.1 (3).

ISIN:
The ISIN of the UBI Banca share (IT0003487029) will remain unchanged.

Procedure

Determination of Adjustment Factor (R-Factor)

The official closing auction price of the UBI Banca share at Borsa Italiana on the last cum trading day will be the basis for determination of the R-factor.

The R-factor will be determined with eight decimal places. It is calculated in the following way:

R = ((number of existing shares / number of new shares) * (1 - (issue price of new shares / closing auction price))) + (issue price of new shares / closing auction price)

R = ((21 / 29) * (1 - (3.8080 / closing auction price))) + (3.8080 / closing auction price)

Options

1. Adjustment of Strike Prices and Contract Sizes

All existing strike prices will be multiplied by the R-factor.

The contract size will be divided by the R-factor.

The version number of the existing series will be increased by 1.

The adjusted strike prices and contract sizes will be published via the **Market Supervision Messages** window immediately after close of trading on the last cum trading day.

New series with standard contract size 500 and version number 0 will be introduced effective the ex date.

All existing orders and quotes will be deleted after close of trading on the last cum trading day.

The adjustment also refers to existing positions in OTC Flexible Options.

2. Exercises

Upon exercise of an adjusted series cash settlement will be made for the fractional part of the new contract size. For exercise of adjusted series as of version 2, differences may occur in the delivery process. In report RPTTA111 (All Active/All Inactive Series), the parts of the contract size are listed for which cash settlement will take place in case of exercise of an adjusted series.

Futures

1. Adjustment of Contract Size and Variation Margin

The adjustment will be made with the same R-factor as for the options.

To adjust the calculation of the variation margin of the following exchange trading day, settlement prices of the last cum trading day will be multiplied by the R-factor.

The new contract size will be calculated as follows:

Contract size new = contract size old / R-factor

All existing orders and quotes will be deleted after close of trading on the last cum trading day.

The adjustment also refers to existing positions in OTC Flexible Futures.

2. Introduction of a new Contract

A new contract will be introduced on UBI Banca shares with standard contract size 1000 and new product code BPDH.

The exact introduction date will be published via the **Market Supervision Messages** window.

As soon as the new contract is available for trading and there are no more contract months with open interest in the original contract on UBI Banca (BPDG), trading in this contract will be put on “HALT” and finally discontinued.

Furthermore, effective June 6, 2011, no more contract months will be introduced in the original contract (BPDG). All existing contract months without open interest will be suspended from trading.

Please note: The adjustment will only take place if the subscription right has a positive value.

June 3, 2011