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e u r e x *circular 218/08*

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

Schaeffler KG/Continental AG: Takeover Offer

Related Eurex Circulars: 181/08, 206/08

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Content may be most important for:

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

Attachments:

none

Summary:

On September 2, 2008, Schaeffler KG announced the result of the takeover offer expired on August 27, 2008, as required by section 23, par. 1, sentence 1, no. 2 of the German Securities Purchase and Takeover Act (Wertpapiererwerbs- und Übernahmegesetz – WpÜG). According to this announcement, the offer was accepted for 65,313,146 Continental shares by the end of the term of acceptance (due date). This corresponds to 40.26 percent of the equity capital and voting rights of Continental AG. Besides, on the due date the offerer held 13,077,626 shares and voting rights of Continental AG, equivalent to approx. 8.06 percent.



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The total number of Continental shares plus the number of Continental shares already held by the offerer and the amount of shares held by Elisabeth Schaeffler herself, amounts to 78,401,312 shares. This corresponds to approx. 48.32 percent of the equity capital and the voting rights of Continental AG.

According to the announcement, the grace period during which Continental shareholders may still accept the offer, will end on September 16, 2008, 24:00 CET. Besides, presently the offer cannot be settled yet, since not all implementation requirements have been fulfilled so far. The exact time of when implementation requirements will be fulfilled is presently unknown. The offerer will publish an announcement without delay on its website and in the electronic German Federal Gazette whether the implementation requirements have been fulfilled or not.

As already described in Eurex circular 206/08, Schaeffler KG published a press release stating that it had concluded an investor agreement with Continental AG which limits its stake in Continental AG to a minority holding of up to 49.99 percent for the next four years. However, the published information does not state that there will not be a change in control. This means, it cannot be excluded that Schaeffler KG will hold the majority of Continental AG shares, once the offer has been implemented. This will only be known after Schaeffler KG has announced the implementation of the offer.

As it still might take some time until the offer has taken effect, the present circular informs about the further procedure:

As before, options on Continental AG shares will have to be settled by delivery of Continental AG shares with ISIN DE0005439004. In any case, this will apply until that point in time Schaeffler KG has announced that implementation requirements were fulfilled pursuant to WpÜG. Futures contracts on Continental AG shares will continue to be cash-settled.

Contracts will only be adjusted if the transaction has taken effect pursuant to section 2.6.10.1 (7) and 1.6.7. (7) of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich. This will be the case once Schaeffler KG has announced that implementation requirements were fulfilled and that a change of control has taken place in the course of the implementation of the offer. Should this not be so, trading in these contracts will remain unchanged.

Please note that, pursuant to the Exchange Rules for Eurex Deutschland and Eurex Zürich, Eurex may take measures to maintain orderly market conditions to permit continued trading of these options and futures contracts and guarantee physical delivery of options contracts. If this becomes necessary depends, above all, of the available free float of Continental AG shares.

For any questions you may have please contact the Functional Helpdesk Equity and Equity Index products at tel. +49-69-211-1 12 10.

signed: Thomas Lenz

signed: Richard Heizmann

Frankfurt, September 11, 2008