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eurex circular 272/08

Date: Frankfurt, November 7, 2008

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

Options/Futures Contracts on Ciba Shares: Takeover Offer BASF

Related Eurex Circulars: 221/08, 259/08

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

Attachments:

none

Summary:

On November 3, 2008, BASF announced the definitive interim result of its public tender offer to shareholders of Ciba Holding AG. At the end of the offering period, the number of tendered shares plus the Ciba shares already held by BASF result in a participation of 68.10 percent of the share capital of Ciba Holding AG. According to the press release, BASF declared the offer unconditional subject to the conditions subsequent listed in the offer prospectus.

In the present circular, based on the procedure described by BASF until the point in time the offer will be executed, we will explain the effects the offer will have on the options and futures contracts on shares of Ciba Holding AG.

The facts require a change of the procedure described in circular 259/08, particularly with regard to the time schedule.

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Options/Futures Contracts on Ciba Shares: Takeover Offer BASF

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In the present circular, based on the procedure described by BASF until the point in time the offer will be executed, we will explain the effects the offer will have on the options and futures contracts on shares of Ciba Holding AG.

The additional acceptance period of the offer began on November 3, 2008 and will end at 16:00 CET on November 14, 2008. The extraordinary general meeting required to amend the articles of Ciba Holding AG is expected to be held on December 2, 2008. Following the general meeting, BASF intends to open a second trading line for the tendered Ciba shares. The transfer of the shares to BASF and the payment of the offer price is expected to take place in the first quarter of 2009 at the latest.

The procedure described above results in a modification of the procedure announced in Eurex circular 259/08. The effects are as follows:

After the additional acceptance period has ended on November 14, 2008, trading in Eurex contracts will be put on “HALT. As of November 11, 2008 (T-3), exercises in options contracts on Ciba shares will be cash-settled. The price of the underlying instrument relevant for cash settlement corresponds to the offer price of CHF 50.00. The cash settlement amount is calculated from the difference of the underlying instrument price (CHF 50.00) and the strike price multiplied by the contract size. This is to make sure that all pending deliveries resulting from exercises will be settled before the end of the term of acceptance and the shares can be tendered accordingly.

On Tuesday, November 11, 2008, margin requirements of existing positions will be determined on the basis of the offer price of CHF 50.00. On the expiration day of the November contracts, Eurex will automatically exercise all in-the-money positions with November expiration. Based on the offer price of CHF 50.00, the positions will be settled in cash.

If, following the extraordinary general meeting, trading in the tendered contracts will be taken up, trading in options and futures contracts will also be taken up again. At that point in time, underlying instrument will be shares registered for conversion. In line with the cash market proceedings, this facilitates offsetting of positions before the day the transaction is settled.

Final settlement of the remaining outstanding positions will take place effective on the settlement day of the transaction by means of the fair value method based on the parameters explained in Eurex circular 221/08.

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, November 7, 2008