X-pand into the Future

e u r e x *circular 047/03*

Date: Frankfurt, April 15, 2003
Recipients: All Eurex members and vendors
Authorized by: Peter Reitz

Ciba-Spezialitätenchemie (CIBN) Nominal Value Reduction

Related Eurex Circulars: 046/02

Contact: Functional Help-desk Equity Products: Tel. +49-69-21 01-12 10

Content may be most important for:

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

Attachments: None

Summary:

At their Annual General Meeting on March 6, 2003, the shareholders of Ciba-Spezialitätenchemie Holding approved a resolution to reduce the nominal value of the shares by CHF 3.00, with corresponding payback to shareholders. The payment will be made on 23 May, 2003. The adjustment to the CIBN option at Eurex is scheduled to take place after close of trading on May 22, 2003, and will reflect the CHF 1.00 amount by which the CHF 3.00 payment exceeds last year's normal dividend of CHF 2.00.

Eurex Deutschland
D-60485 Frankfurt am Main
www.eurexchange.com

Functional Member Readiness
Tel. +49-69-2101-1700
Fax +49-69-2101-1701

Alternative
Tel. +49-69-9770-1700
Fax +49-69-9770-1701

Management Board:
Rudolf Ferscha (CEO), Jürg Spillmann,
Daniel Gisler, Thomas Lenz,
Peter Reitz, Michael Widmer

Ciba-Spezialitätenchemie (CIBN) Nominal Value Reduction

At their Annual General Meeting on March 6, 2003, the shareholders of Ciba-Spezialitätenchemie Holding approved a resolution to reduce the nominal value of the shares by CHF 3.00, with corresponding payback to shareholders. The payment will be made on 23 May, 2003.

On February 4, 2003, immediately after the planned nominal value reduction was made known, Eurex announced the adjustment and the procedure via the "Market Supervision Messages" window.

Consequently, the adjustment will be carried out as follows:

The adjustment to the CIBN option at Eurex is scheduled to take place after close of trading on May 22, 2003 and will reflect the CHF 1.00 amount by which the CHF 3.00 payment exceeds last year's normal dividend of CHF 2.00.

The Adjustment factor (R-factor) will be calculated as follows:

S1 = Closing price of CIBN shares on virt-x on May 22, 2003
S2 = S1 minus the normal dividend (CHF 2.00)
S3 = S2 minus the special dividend (CHF 1.00)

R = S3/S2

Adjustment of the CIBN option exercise prices will take place through multiplication by the R-factor.

In order to maintain the original contract value, new contract sizes will be calculated as follows:

C1 = Old contract size
C2 = New contract size
X1 = Old exercise price
X2 = New exercise price

C2 = (C1*X1)/X2

All adjusted series will have their version number increased by 1.
All outstanding orders and quotes will be deleted after close of trading on May 22, 2003.

New series with version number 0 and a contract size of 10 will be introduced for May 23, 2003.
The adjusted exercise prices and the contract sizes, as well as the new ones, will be published via the Market Supervision Messages window after close of trading on May 22, 2003.

Please take into account the changes described above on the appropriate dates.

Frankfurt, April 15, 2003

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