X-pand into the Future

eurex circular 013/15

Date: 23 January 2015
Recipients: All Trading Participants of Eurex Deutschland and Eurex Zürich and Vendors
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DMG MORI SEIKI AG: Planned takeover offer to the shareholders by DMG MORI SEIKI Co. Ltd.

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Content may be most important for:

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

Attachment:

Implied volatilities of the option on DMG MORI SEIKI AG

Summary:

DMG MORI SEIKI Co. Ltd. announced in an ad-hoc message that it is planning to submit a takeover offer to the shareholders of DMG MORI SEIKI AG. According to the announcement, shareholders of DMG MORI SEIKI AG shall receive EUR 27.50 in cash for each ordinary share they hold. For further information regarding this transaction, please refer to the website www.dmgmoriseiki.com.

This circular describes the potential effects this transaction will have on the existing Eurex option (GLD) and the Eurex Single Stock Futures contract (GLDF) on shares of DMG MORI SEIKI AG.

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DMG MORI SEIKI AG: Planned takeover offer to the shareholders by DMG MORI SEIKI Co. Ltd.

DMG MORI SEIKI Co. Ltd. announced in an ad-hoc message that it is planning to submit a takeover offer to the shareholders of DMG MORI SEIKI AG. According to the announcement, shareholders of DMG MORI SEIKI AG shall receive EUR 27.50 in cash for each ordinary share they hold. For further information regarding this transaction, please refer to the website www.dmgmoriseiki.com.

The Eurex option (GLD) and the Eurex Single Stock Futures contract (GLDF) on shares of DMG MORI SEIKI AG will be settled on the basis of the offer price at the theoretical fair value, provided the conditions defined in the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich, number 2.6.10.1 (7) for options contracts, number 1.6.7 (7) for futures contracts, are met. If these conditions are not met, trading in DMG MORI SEIKI AG contracts will continue without any changes. The following parameters will be defined for calculation of the theoretical fair value:

Implied volatility

For each series an implied volatility is defined. This volatility is calculated on the basis of the average implied volatility of the daily settlement prices on the ten exchange days preceding the announcement of the offer (8 January 2015 to 21 January 2015). The same volatility will be used for call and put.

The following dividend data are applied for calculation of the implied volatility and are used for determination of the fair values, provided the settlement date of the contracts precedes the ex-date:

Dividend amount in EUR	Ex-date
0.50	11 May 2015
0.35	12 May 2016
0.35	12 May 2017
0.35	12 May 2018
0.35	12 May 2019

Generally and effective immediately, no more new series in the Eurex option (GLD) on DMG MORI SEIKI AG will be introduced. Series without open interest will be deleted.

Interest rate

For calculation of the fair value, implied interest rates will be used.

If there is no open interest in the affected contracts, trading in these contracts will be set on “HALT” and discontinued.

We will keep you informed about the further procedure whenever changes or new information in the course of the transaction render this necessary.

23 January 2015

Expiration Year	Expiration Month	Strike Price	implied Vola
2015	3	1500	44.06
2015	3	1600	44.06
2015	3	1700	44.06
2015	3	1800	42.01
2015	3	1900	40.79
2015	3	1950	40.40
2015	3	2000	39.58
2015	3	2100	38.69
2015	3	2200	37.91
2015	3	2300	37.19
2015	3	2400	36.64
2015	3	2500	36.33
2015	3	2600	36.13
2015	3	2700	35.98
2015	3	2800	35.85
2015	3	2900	35.98
2015	3	3000	36.10
2015	3	3200	36.53
2015	3	3400	37.31
2015	6	1400	45.32
2015	6	1500	43.47
2015	6	1600	41.86
2015	6	1700	40.97
2015	6	1800	39.75
2015	6	1900	38.72
2015	6	2000	38.24
2015	6	2200	36.90
2015	6	2400	36.03
2015	6	2600	35.56
2015	6	2800	35.26
2015	6	3000	34.94
2015	6	3200	34.83
2015	6	3400	34.64
2015	6	3600	34.64
2015	9	1500	41.62
2015	9	1600	40.72
2015	9	1700	39.80
2015	9	1800	39.01
2015	9	1900	38.30
2015	9	2000	37.66
2015	9	2200	36.61
2015	9	2400	35.71
2015	9	2600	35.15
2015	9	2800	34.85
2015	9	3000	34.72
2015	9	3200	34.72
2015	9	3400	34.72
2015	12	1000	40.41

Expiration Year	Expiration Month	Strike Price	implied Vola
2015	12	1200	40.41
2015	12	1400	38.92
2015	12	1600	37.74
2015	12	1700	37.17
2015	12	1800	36.68
2015	12	1900	36.28
2015	12	2000	35.78
2015	12	2200	35.01
2015	12	2400	34.35
2015	12	2600	33.84
2015	12	2800	33.50
2015	12	3000	33.23
2015	12	3200	33.06
2015	12	3400	32.93
2015	12	3600	32.80
2015	12	4000	32.70
2015	12	4400	32.80
2016	6	1000	43.48
2016	6	1200	41.35
2016	6	1400	39.63
2016	6	1600	38.26
2016	6	1800	37.19
2016	6	2000	36.31
2016	6	2400	34.92
2016	6	2800	33.97
2016	6	3200	33.51
2016	6	3600	33.26
2016	6	4000	33.31
2016	6	4400	33.43
2016	12	1000	42.51
2016	12	1200	41.39
2016	12	1400	39.62
2016	12	1600	38.21
2016	12	1800	37.23
2016	12	2000	36.32
2016	12	2400	34.92
2016	12	2800	33.97
2016	12	3200	33.47
2016	12	3600	33.27
2016	12	4000	33.24
2017	6	1200	41.77
2017	6	1400	40.20
2017	6	1600	38.82
2017	6	1800	37.73
2017	6	2000	36.83
2017	6	2400	35.47
2017	6	2800	34.48
2017	6	3200	33.98

Expiration Year	Expiration Month	Strike Price	implied Vola
2017	6	3600	33.74
2017	6	4000	33.71
2017	12	1000	43.11
2017	12	1200	41.78
2017	12	1400	40.25
2017	12	1600	38.86
2017	12	1800	37.66
2017	12	2000	36.88
2017	12	2400	35.43
2017	12	2800	34.53
2017	12	3200	34.03
2017	12	3600	33.76
2017	12	4000	33.72
2018	12	1200	42.38
2018	12	1400	40.77
2018	12	1600	39.43
2018	12	1800	38.30
2018	12	2000	37.44
2018	12	2400	35.98
2018	12	2800	35.03
2018	12	3200	34.54
2018	12	3600	34.29
2018	12	4000	34.23
2019	12	1600	40.05
2019	12	1800	38.89
2019	12	2000	37.96
2019	12	2400	36.51
2019	12	2800	35.55
2019	12	3200	35.02
2019	12	3600	34.80