X-pand into the Future

e u r e x *circular 032/04*

Date: Frankfurt, March 15, 2004
Recipients: All Eurex members and vendors
Authorized by: Peter Reitz

⚠ **Action Required** ⚠ **High Priority**

Air Liquide Bonus Share Issue

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Content may be most important for:	**Attachments:**
➲ Front Office / Trading ➲ Middle + Back Office ➲ IT /System Administration ➲ Auditing / Security Coordination	None

Summary:
Air Liquide announced on February 27, 2004, that it will suggest the issue of bonus shares at a ratio of one new share to ten old shares at the Annual General Meeting on May 12, 2004. As a result, Eurex options on shares of Air Liquide (AIR/AIR5) will be adjusted. This circular contains a description of the adjustment procedure.

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Air Liquide Bonus Share Issue

Air Liquide announced on February 27, 2004, that it will suggest the issue of bonus shares in a ratio of one new share to ten old shares at the Annual General Meeting on May 12, 2004. The new shares shall be eligible for dividend payments from the fiscal year 2004.

The ex date is planned for June 14, 2004.

As a result of the issue of bonus shares, an adjustment to the Eurex option on shares of Air Liquide pursuant to Section 2.23.7 (4) of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich will be required.

However, should no open interest exist on June 11, 2004, in the Eurex option on Air Liquide shares having the expiry date of the French home market (AIR5), NO adjustment will be made for this product.

The R-factor is calculated as follows:

R = ((number of old shares = 10/number of new shares = 11) * (1 - (issue price of new shares / closing auction price))) + (issue price of new shares / closing auction price)

Consequently, the R-factor is 0.9091.

The strike prices will be reduced by multiplying them by the R-factor. The contract size will be increased correspondingly, so that the original contract value is maintained. The version number of the adjusted series will be increased by 1.

Changes to existing series will be as shown in the table below:

Old Strike Price	New Strike Price	Old Contract Size	New Contract Size
9000	8182	100,0000	109,9976
10000	9091	100,0000	109,9999
11000	10000	100,0000	110,0000
11500	10455	100,0000	109,9952
12000	10909	100,0000	110,0009
12500	11364	100,0000	109,9996
13000	11818	100,0000	110,0017
13500	12273	100,0000	109,9976
14000	12727	100,0000	110,0024
14500	13182	100,0000	109,9998
15000	13637	100,0000	109,9949
15500	14091	100,0000	109,9993
16000	14546	100,0000	109,9959

The contract size of the Low Exercise Price Option (LEPO) will be calculated on June 11, 2004, after the close of trading, on the basis of the Air Liquide closing price determined at Euronext Paris, and published promptly on the Market Supervision Messages window.

On exercise of an adjusted series, a cash payment will be made for the figure after the decimal point in the new contract size.

New series with the version number 0 and standard contract size of 100 will be introduced and available for trading from June 14, 2004. All outstanding orders and quotes will be deleted after close of trading on June 11, 2004.

On the days before the bonus share issue the Contract Cover Assignment Entry window should be used to delete all allocations of shares covering short call positions for the product AIR.

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No changes to the ISIN or the Eurex code are planned .

Normal position limits will be revised to 16,500 contracts. Market Maker limits will be set at 49,500 contracts.

Please contact the Functional Help Desk on +49-69-211-1 12 10 should you have any further questions.

Frankfurt, March 15, 2004

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