X-pand into the Future

e u r e x *circular 156/05*

Date: Frankfurt, August 30, 2005
Recipients: All Eurex members and vendors
Authorized by: Jürg Spillmann

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

TUI AG - Capital Increase

Contact: Functional Helpdesk Equity Products, tel.: +49-69-211-1 12 10

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

Summary:

On August 26, 2005 the Executive Board and the Supervisory Board of TUI AG determined details for the planned cash capital increase: New shares will be offered to TUI shareholders at a ratio of 5:2.

Subscription price for the new TUI shares will be EUR 14.20. The two-week subscription period is scheduled to begin on September 2, 2005. As a consequence of the capital increase an adjustment to the Eurex option on shares of TUI AG (TUI) will become necessary. This circular describes the adjustment procedure.

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Management Board:
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Daniel Gisler, Thomas Lenz,
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The capital increase will be managed as follows:

- Five existing TUI AG shares entitle to subscribe to two new shares of TUI AG
- The subscription price for new TUI AG shares will be EUR 14.20
- New TUI AG shares are entitled to full dividend for the fiscal year of 2005
- The subscription period will start on September 2, 2005.

As a result of the capital increase, an adjustment to Eurex options on shares of TUI AG pursuant to Section 2.6.10.1 (2) of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich will be required. The Eurex Exchanges will calculate the adjustment factor (R-factor) on the basis of the Xetra closing auction price on the last cum trading day, September 1, 2005.

The exercise prices will be reduced by multiplying them by the R-factor. The contract size will be increased accordingly so that the original contract value will be maintained. The version number of the existing series will be increased by 1.

The R-factor is calculated as follows:

R = ((number of existing shares/number of new shares) * (1 – (issue price of new shares/closing auction price))) + (issue price of new shares/closing auction price)

The adjusted series and the resulting new contract sizes will be published via the **Market Supervision Messages** window immediately after close of trading on September 1, 2005.

Upon exercise of an adjusted series, a cash payment will be made for the number of shares in excess of the standard contract size.

New series with the version number 0 and a standard contract size of 100 will be introduced with effect from September 2, 2005. All outstanding orders and quotes will be deleted after close of trading on the last cum trading day, September 1, 2005.

The product ISIN of TUI AG (DE000TUAG000) will remain unchanged.

On the days prior to the corporate action the **Contract Cover Assignment Entry** window should be used to delete all allocations of shares covering short call positions for the TUI product.

In case of any changes we will advise you in due time.

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

Frankfurt, August 30, 2005

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