X-pand into the Future

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Recipients: All Eurex members and vendors
Authorized by: Thomas Lenz

Schering AG: Takeover Offer to Shareholders

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

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

Summary:

Dritte BV GmbH (wholly-owned subsidiary of Bayer AG) submitted a public takeover offer to the shareholders of Schering AG, offering to purchase their shares pursuant to the German Securities Purchase and Takeover Act (Wertpapiererwerbs- und Übernahmegesetz – WpÜG). The term for acceptance started on April 13, 2006 and will last until May 31, 2006. In case the minimum acceptance limit of 75 percent as specified in the bid documents is reached by the expiry date of the normal term for acceptance on May 31, 2006, it is planned to start a second term for acceptance on June 9, 2006; this will presumably end on June 22, 2006. According to the bid documents Dritte BV GmbH offers Schering AG shareholders to purchase their shares against a cash payment of EUR 86.00 each.

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

Customer Support
Tel. +49-69-211-1 17 00
Fax +49-69-211-1 17 01

Management Board:
Daniel Gisler, Thomas Lenz,
Peter Reitz

Schering AG: Takeover Offer to Shareholders

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The effects of the takeover offer on Eurex options on Schering AG shares (SCH) and on the futures contract on Schering AG (SCHF) pursuant to numbers 2.6.10.1 (6) and 1.6.7 (6) of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich are described in the following:

Should Dritte BV GmbH, in consequence of its offer, be entitled to purchase 95 percent of Schering shares or more by the date the term for acceptance expires, trading in options on Schering AG shares and in the stock futures contract on Schering AG will be discontinued on the exchange trading day after which the majority shareholder has provided the equivalent due for the acquired stocks and, thus, may dispose of the respective shares (record date); trading will only cease for those options on Schering AG shares and in that stock futures contract, whose expiration date is after the record date. Whether the shareholder has actually acquired 95 percent of the target company, will be determined on the basis of § 30 WpÜG.

Irrespective of a possible extension of the term for acceptance, settlement of the offer might be delayed due to the time limit of one of the bid's prerequisites (section 6 of the bid documents).

Exercised contracts will be settled in cash at the end of trading on the last trading day of Eurex options on Schering shares. The amount of the cash settlement will be determined by the difference between the price specified in the bid documents and the exercise price of the call or put, multiplied by the amount of shares underlying to the contract. Exchange participants may exercise their contracts within a term of five exchange trading days after trading in the corresponding option series has been discontinued.

As to the stock futures contract on Schering AG all mutual rights and obligations arising out of the respective contracts will be considered fulfilled with the last daily settlement payment on the last trading day.

As soon as the result of the exchange offer has been published and the above-mentioned record date determined, being fulfilled the prerequisites of number 2.6.10.1 (6) and 1.6.7 (6) of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich, Eurex will announce to its exchange participants the last trading day of options on Schering AG shares and of the stock futures contract on Schering AG via the **Market Supervision Messages** window of the Eurex® system.

Should Dritte BV GmbH be entitled to less than 95 percent of Schering shares once the offer has been executed, the option series on Schering AG shares as well as the stock futures contract on Schering AG will continue to be traded without any change.

Frankfurt, May 26, 2006

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