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Recipients: All Eurex members and vendors
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SAP AG: Capital Increase out of Retained Earnings / Change of Standard Contract Size

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

Summary:

On May 9, 2006 the annual general meeting of SAP AG decided on a capital increase out of retained earnings at a ratio of 1:3. Accordingly, each shareholder will receive for each existing SAP share another three shares entitled to dividend as of the 2006 fiscal year. As a consequence an adjustment to the Eurex option on shares of SAP AG (SAP) as well as to the stock futures contract on SAP AG (SAPF) will become necessary. This circular describes the adjustment procedure.

Additionally, the standard contract size for Eurex options on SAP AG and the stock futures contract on SAP AG will be increased from 10 to 50 effective from the ex day.

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SAP AG: Capital Increase out of Retained Earnings / Change of Standard Contract Size

On May 9, 2006 the annual general meeting of SAP AG decided on a capital increase out of retained earnings at a ratio of 1:3. Accordingly, each shareholder will receive for each existing SAP share another three shares entitled to dividend as of the 2006 fiscal year.

Ex date has not been determined, yet.

As a consequence of the capital increase an adjustment to the Eurex option on shares of SAP AG (SAP) pursuant to section 2.6.10.1 (3) as well as to the stock futures contract on SAP AG (SAPF) pursuant to section 1.6.7 (4) of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich will become necessary.

The R-factor is calculated as follows:

> R = ((number of existing shares = 1 / number of new shares = 4) * (1- (issue price of new shares / closing auction price))) + (issue price of new shares / closing auction price)
>
> Accordingly, the R-factor results in 0.25.

By multiplying by the R-factor the strike prices (for options only) will be reduced; the contract size will be increased accordingly so that the original contract value will be maintained. The version number of existing series will be increased by 1 (for options only).

The changes to the series existing so far (for options only) are shown below:

Strike Price old	Version old	Strike Price new	Version new	Contract Size old	Contract Size new
3000	0	750	1	10	40
3400	0	850	1	10	40
3800	0	950	1	10	40
4200	0	1050	1	10	40
4600	0	1150	1	10	40
4600	1	1150	2	10	40
5000	0	1250	1	10	40
5000	1	1250	2	10	40
6000	0	1500	1	10	40
6000	1	1500	2	10	40
7000	0	1750	1	10	40
7000	1	1750	2	10	40
8000	0	2000	1	10	40
8000	1	2000	2	10	40
8400	0	2100	1	10	40
9000	0	2250	1	10	40
9000	1	2250	2	10	40
9200	0	2300	1	10	40
10000	0	2500	1	10	40
10000	1	2500	2	10	40
11000	0	2750	1	10	40
11000	1	2750	2	10	40

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Strike Price old	Version old	Strike Price new	Version new	Contract Size old	Contract Size new
12000	0	3000	1	10	40
12000	1	3000	2	10	40
13000	0	3250	1	10	40
13000	1	3250	2	10	40
13500	0	3375	1	10	40
14000	0	3500	1	10	40
14000	1	3500	2	10	40
14500	0	3625	1	10	40
15000	0	3750	1	10	40
15000	1	3750	2	10	40
15500	0	3875	1	10	40
16000	0	4000	1	10	40
16000	1	4000	2	10	40
16500	0	4125	1	10	40
17000	0	4250	1	10	40
17000	1	4250	2	10	40
17500	0	4375	1	10	40
18000	0	4500	1	10	40
18000	1	4500	2	10	40
18500	0	4625	1	10	40
19000	0	4750	1	10	40
19000	1	4750	2	10	40
19500	0	4875	1	10	40
20000	0	5000	1	10	40
20000	1	5000	2	10	40
21000	0	5250	1	10	40
22000	0	5500	1	10	40
24000	0	6000	1	10	40
26000	0	6500	1	10	40
28000	0	7000	1	10	40
32000	0	8000	1	10	40

The new contract size for LEPO will be published after close of trading on the last cum trading day, in case there is open interest. Otherwise, LEPOs will be deleted after close of trading of the last cum trading day.

Change of Standard Contract Size:

The standard contract size for Eurex options on SAP AG and the stock futures contract on SAP AG will be increased from 10 to 50 effective from the ex date.

Consequently, new series with the version number 0 will be introduced with the new standard contract size of 50 effective from the ex date (for options only). All outstanding orders and quotes will be deleted after close of trading on the last cum trading day.

As of the ex date, the new position limit for Eurex options on SAP will be 4.294.443 contracts.

The ISIN of SAP AG (DE0007164600) 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 SAP product.

The adjustment to the stock futures contract on SAP (SAPF) will be executed by the same R-factor as for the options.

In order to compensate the calculation for the variation margin of the following day the settlement prices of the stock futures contract on SAP AG (SAPF) of the last cum trading day will be multiplied by the R-factor.

The new contract size is calculated as follows:

Contract size old 10 / R-factor 0.25 = 40 contract size new

After the adjustment, a new stock futures contract on SAP AG with the new standard contract size 50 and the new Eurex code SAPG will be introduced. Start of trading will be communicated via the window **Market Supervision Messages**.

As soon as there are no more series with open interest, trading in the original stock futures contract on SAP AG (SAPF) will be discontinued.

In case there is no more open interest on stock futures on SAP AG (SAPF) after close of trading on the last cum trading day, no adjustment will be made.

The exact date for the capital increase out of retained earnings will be communicated in due time via the window **Market Supervision Messages**.

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

Frankfurt, May 23, 2006

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