X-pand into the Future

e u r e x *circular 177/06*

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Recipients: All Eurex members and vendors
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Compagnie Financière Richemont SA: Extraordinary Dividend

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

Summary:

On September 14, 2006, the Richemont company's annual general meeting will suggest to its shareholders payment of an extraordinary dividend of EUR 0.50 in addition to the ordinary dividend of EUR 0.60.

You were already informed on June 8, 2006 via the **Market Supervision Messages** window that an adjustment of existing series of Eurex options on Richemont (CFR) and of the Eurex Futures contract on Richemont shares (CFRF) would be required.

Ex date will be **September 18, 2006**.

This circular contains a description of the adjustment procedure.

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Compagnie Financière Richemont SA: Extraordinary Dividend

On September 14, 2006, the Richemont company's annual general meeting will suggest to its shareholders payment of an extraordinary dividend of EUR 0.50 in addition to the ordinary dividend of EUR 0.60.

In consequence of the extraordinary dividend an adjustment of Eurex options on Richemont shares (CFR) pursuant to section 2.6.10.1 (1) and of the Eurex stock futures contract on Richemont (CFRF) pursuant to section 1.6.7 (2) of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich will be required.

Ex date will be September 18**,** 2006.

The procedure will be as follows:

The official closing auction price of the Richemont share at the domestic exchange on the last cum trading day, September 15, 2006, will be the basis for the adjustment. First, this price will be reduced by the ordinary dividend (converted into Swiss francs by means of the reference price CHF/EUR of September 15, 2006). The resulting price will serve for the determination of the adjustment factor (R-factor)

S1 = Closing auction price of the Richemont share

S2 = S1 minus ordinary dividend

S3 = S2 minus extraordinary dividend (also converted into Swiss francs means of the reference price CHF/EUR of September 15, 2006).

R-factor = S3/S2

Adjustment of strike prices (for options only) will be made by multiplying by the R-factor. The contract size will be increased accordingly, so that the original contract value is maintained.

C1 = old contract size

C2 = new contract size

X1 = old strike price

X2 = new strike price

C2 = (C1*X1)/X2

Strike prices and contract sizes resulting from the adjustment (for options only) will be published immediately after close of trading on the last cum trading day, September 15, 2006, via the **Market Supervision Messages** window. The version number of existing series will be increased by 1 (for options only). New series with the standard contract size of 100 and version number 0 will be introduced with effect 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.

Upon exercise of an adjusted series, cash payment will be made for the fractional part of the new contract size (for options only).

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 CFR product.

The ISIN of the Richemont share (CH0012731458) will remain unchanged.

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Adjustment of the Eurex stock futures contract on Richemont (CFRF) will be carried out by means of the same R-factor as for the options. To adjust the calculation of the variation margin on the following day, settlement prices of the stock futures contract on Richemont from September 15, 2006 will be multiplied by the R-factor.

The new contract size will be calculated as follows:

Contract size new = contract size old / R-factor

After the adjustment, a new stock futures contract on Richemont with standard contract size 100 and new product code CFRG will be introduced. Start of trading will be published via the **Market Supervision Messages** window.

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

Should there be no open interest for the stock futures contract on Richemont (CFRF) after close of trading on the last cum trading day, September 15, 2006, no adjustment will be carried out.

Should you have any further questions, please contact the Functional Helpdesk Equity and Equity Index Products at tel. +49-69-211-1 12 10.

Frankfurt, August 18, 2006

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