X-pand into the Future

e u r e x *circular 075/03*

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Recipients: All Eurex members and vendors
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High Priority

Merger of Telecom Italia S.p.A. and Olivetti S.p.A.

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

On April 15, 2003, Telecom Italia S.p.A and Olivetti S.p.A decided the merger of Telecom Italia with and into Olivetti. The new company resulting from the merger will be called Telecom Italia S.p.A. For one old Telecom Italia share, the shareholders of Telecom Italia S.p.A. will receive in exchange shares of the new company on the basis of the so-called natural exchange ratio of seven old Olivetti shares to one old Telecom Italia share. The actual number of shares to be received of the new company and the resulting adjustment factor thereof can only be calculated on the day before the merger becomes effective.

Upon effectiveness of the transaction, the equity option on Telecom Italia will be adjusted accordingly. The adjustment of the Telecom Italia option will be made on the basis of the exchange ratio and will affect the exercise price, the contract size as well as, most probably, the ISIN. When exercising an options contract, the new Telecom Italia shares will have to be delivered as of the effective date of the adjustment.

Commencement of quotation for the new shares at Borsa Italia is planned for the date on which the merger of the two companies will become effective.

Detailed information will be published via the Market Supervision Messages window as soon as the necessary data is available.

In case of questions, please do not hesitate to contact the Eurex Helpdesk Equity Products at Tel. +49-69-211-1 1210.

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