X-pand into the Future

eurex circular 044/07

Date: Frankfurt, March 9, 2007
Recipients: All Eurex Members and Vendors
Authorized by: Thomas Lenz

⚠ **High priority**

Schneider Electric SA: Capital Increase

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

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

Summary:

By means of a press release on March 8, 2007, Schneider Electric SA announced a capital increase with subscription rights for Schneider Electric SA shareholders. Subscription ratio will be 17:1; subscription price for the new shares will be EUR 73.00. The new shares will be entitled to dividend as of the 2007 fiscal year. The subscription period is scheduled to begin on March 12, 2007. As a consequence of the capital increase, an adjustment to the Eurex option on shares of Schneider Electric SA (SND) as well as to the Eurex stock futures contract on Schneider Electric SA (SNDF) will become necessary.

Ex date will be **March 12, 2007**.

This circular describes the adjustment procedure.

Eurex Deutschland
Neue Börsenstraße 1
60487 Frankfurt/Main
Mailing address:
60485 Frankfurt/Main
Germany

T +49-69-211-1 17 00
F +49-69-211-1 17 01
customer.support@
eurexchange.com
Internet:
www.eurexchange.com

Management Board:
Thomas Lenz, Michael Peters,
Andreas Preuß, Peter Reitz,
Jürg Spillmann

ARBN: 101 013 361

Schneider Electric SA: Capital Increase

On March 8, 2007, Schneider Electric SA announced a capital increase with subscription rights for Schneider Electric SA shareholders.

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

Ex date will be March 12, 2007.

The capital increase will be managed as follows:

- Seventeen existing Schneider Electric SA shares entitle to subscribe to one new share of Schneider Electric SA
- Subscription price for the new Schneider Electric SA shares will be EUR 73.00
- The subscription period will start on March 12, 2007
- New Schneider Electric SA shares will be entitled to dividend as of the fiscal year of 2007

The Eurex Exchanges will calculate the adjustment factor (R-factor) on the basis of the closing auction price at Euronext on March 9, 2007. The exercise prices will be reduced by multiplying them by the R-factor (for options only). 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 R-factor will have eight decimal places. It is calculated in the following way:

R = ((number of existing shares / number of new shares) * (1 - (issue price of new shares plus 3.00 dividend disadvantage / closing auction price))) + (issue price of new shares plus 3.00 dividend disadvantage / closing auction price)

R = ((17 / 18)*(1 - (73.00+3.00 / Cls.Price))) + (73.00+3.00 / Cls.Price)

The adjusted contract size will have four decimal places. It is calculated in the following way:

Contract size new = (Contract size old * strike price old) / strike price new

The adjusted series and the resulting new contract sizes will be published via the **Market Supervision Messages** window immediately after close of trading on March 9, 2007.

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

New series with version number 0 and a standard contract size of 100 will be introduced with effect from March 12, 2007 (for options only). All outstanding orders and quotes will be deleted after close of trading on March 9, 2007.

Adjustment to the Eurex stock futures contract on Schneider Electric SA (SNDF) will be made by means of the same adjustment factor as for the options. To compensate for the calculation of the next day's variation margin the settlement prices of the Eurex stock futures contract on Schneider Electric SA of March 9, 2007 will be multiplied by the R-factor.

The new contract size will be calculated as follows:

New contract size = old contract size / R-factor

After the adjustment a new Eurex stock futures contract on Schneider Electric SA will be introduced with a standard contract size of 100 and new product code SNDG. The exact date of introduction will be communicated via the **Market Supervision Messages** window.

As soon as there are no more series with open interest, trading in the original Eurex stock futures contract on Schneider Electric SA (SNDF) will be discontinued.

The ISIN of Schneider Electric SA (FR0000121972) will remain unchanged.

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

Frankfurt, March 9, 2007