X-pand into the Future

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Recipients: All Trading Members of Eurex Deutschland and Eurex Zürich and Vendors
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Intesa Sanpaolo: Extraordinary Dividend

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Content may be most important for:

- Front Office/Trading
- Middle + Backoffice
- Auditing/Security Coordination

Attachments:

None

Summary:

On May 3, 2007, the annual general meeting of Intesa Sanpaolo decided on the payment of an extraordinary dividend of EUR 0.16 in addition to the regular dividend of EUR 0.22.

You were already informed on April 16, 2007 via the **Market Supervision Messages** window that an adjustment of the existing Eurex options series on the Intesa Sanpaolo share (IES5/PAO5) and Eurex stock futures contracts on Intesa Sanpaolo (IESF) would be required.

Ex date will be **May 21, 2007**.

This circular contains a description of the adjustment procedure.

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Intesa Sanpaolo: Extraordinary Dividend

On May 3, 2007, the annual general meeting of Intesa Sanpaolo decided on the payment of an extraordinary dividend of EUR 0.16 in addition to the regular dividend of EUR 0.22.

Ex date will be May 21**,** 2007.

As a result of this extraordinary dividend, an adjustment of the Eurex options on Intesa Sanpaolo shares and the Eurex stocks futures contract on Intesa Sanpaolo shares pursuant to Section 2.6.10.1 (2) and Section 1.6.7 (2) of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich will be required.

The procedure will be as follows:

The official closing auction price of the Intesa Sanpaolo share at Borsa Italiana on May 18, 2007 will be the basis for the adjustment. This price will be reduced by the regular dividend. The price resulting from this will be the basis for the determination of the adjustment factor (R-factor).

S1 = Closing auction price of the Intesa Sanpaolo

S2 = S1 minus regular dividend

S3 = S2 minus extraordinary dividend

R-factor = S3 / S2

Adjustment of strike prices (only for options) 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 (only for options) and contract sizes resulting from the adjustment will be published immediately after close of trading on the last cum trading day, May 18, 2007, via the **Market Supervision Messages** window. The version number of existing series will be increased by 1 (only for options). New series with the standard contract size of 1000 and version number 0 will be introduced with effect from the ex date (only for options and only for IES5). All outstanding orders and quotes will be deleted after close of trading on the last cum trading day, May 18, 2007.

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

The ISIN of the Intesa Sanpaolo share (IT0000072618) will remain unchanged.

Adjustment of the Eurex stock futures contract on Intesa Sanpaolo (IESF) will be done by the same R-factor as for the options. To adjust the calculation of the Variation Margin of the following day, settlement prices of the stock futures contract on Intesa Sanpaolo of May 18, 2007 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 Eurex stock futures contract on Intesa Sanpaolo with standard contract size 1000 and new product code IESG 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 Eurex stock futures contract on Intesa Sanpaolo (IESF) will be discontinued.

Should there be no more open interest in the Eurex stock futures contract on Intesa Sanpaolo (IESF) after close of trading on the last cum trading day, May 18, 2007, no adjustment will be made and no new Eurex stock futures contract on Intesa Sanpaolo will be introduced.

The updated Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich will be available on the Eurex website as of the ex date under:

www.eurexchange.com > Documents > Rules and Regulations

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

Frankfurt, May 9, 2007