



## eurex circular 031/08

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**Recipients:** All Trading Members of Eurex Deutschland and Eurex Zürich and Vendors  
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### Société Générale: Capital Increase

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**Content may be most important for:**

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

**Attachments:**

none

**Summary:**

By means of a press release on February 11, 2008, Société Générale announced a capital increase with subscription rights for Société Générale shareholders. Subscription ratio will be 4:1, subscription price for the new shares EUR 47.50. The new shares will be entitled to dividend as of the 2008 fiscal year. The subscription period will begin on February 21, 2008. As a consequence of the capital increase, an adjustment to the Eurex options on shares of Société Générale (SGE) as well as to the Eurex stock futures contract on Société Générale (SGEG) will become necessary.

Ex date will be **February 21, 2008**.

This circular describes the adjustment procedure.



## Société Générale: Capital Increase

On February 11, 2008, Société Générale announced a capital increase with subscription rights for Société Générale shareholders.

As a consequence of the capital increase an adjustment to the Eurex options on shares of Société Générale (SGE) pursuant to section 2.6.10.1 (3) as well as to the Eurex stock futures contract on Société Générale (SGEG) 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 February 21, 2008.

The capital increase will be managed as follows:

- Four existing Société Générale shares entitle to subscribe to one new share of Société Générale
- Subscription price for the new Société Générale shares will be EUR 47.50
- The subscription period will start on February 21, 2008
- New Société Générale shares will be entitled to dividend as of the fiscal year 2008

The Eurex Exchanges will calculate the adjustment factor (R-factor) on the basis of the closing auction price at NYSE Euronext in Paris on February 20, 2008. 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 be determined with eight decimal places. It is calculated in the following way:

$$R = ((\text{number of existing shares} / \text{number of new shares}) * (1 - (\text{issue price of new shares} + \text{dividend disadvantage} / \text{closing auction price}))) + (\text{issue price of new shares} + \text{dividend disadvantage} / \text{closing auction price})$$

$$R = ((4 / 5) * (1 - (47.50 + x.xx^1 / \text{closing auction price}))) + (47.50 + x.xx^1 / \text{closing auction price})$$

<sup>1</sup> The dividend amount proposed by the Board of Directors to the annual general meeting will be taken into account for calculation of the dividend disadvantage. If the Board of Directors of Société Générale has not made a dividend announcement for the fiscal year of 2007 before the close of trading on February 20, 2008, 17:35 CET, a dividend amount of EUR 0.90 (the currently estimated dividend of Société Générale) will be taken into account for calculation of the dividend disadvantage.

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

$$\text{Contract size new} = (\text{Contract size old} * \text{exercise price old}) / \text{exercise price new}$$

The adjusted series and the resulting new contract sizes will be published via the **Market Supervision Messages** window immediately after close of trading on February 20, 2008.

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 February 21, 2008 (for options only). All outstanding orders and quotes will be deleted after close of trading on February 20, 2008.

Adjustment to the Eurex stock futures contract on Société Générale (SGEG) 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 Société Générale of February 20, 2008 will be multiplied by the R-factor.

The new contract size will be calculated as follows:

$$\text{New contract size} = \text{old contract size} / \text{R-factor}$$

On February 19, 2008, a new Eurex stock futures contract on Société Générale will be introduced with a standard contract size of 100 and new product code SGEH and product ISIN DE000A0SNHM3 in the Eurex® system. The first trading day will be February 21, 2008.

As soon as the new Eurex stock futures contract on Société Générale (SGEH) will be available for trading and no more series with open interest exist, trading in the original Eurex stock futures contract on Société Générale (SGEG) will be set on hold and discontinued.

The ISIN of Société Générale (FR0000130809) will remain unchanged.

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

**[www.eurexchange.com](http://www.eurexchange.com) > Documents > Rules and Regulations**

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, February 15, 2008