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eurex *circular 140/10*

Date: Frankfurt, July 21, 2010

Recipients: All Trading Members of Eurex Deutschland and Eurex Zürich and Vendors

Pirelli & C. SpA: Reverse Stock Split, Change of Standard Contract Size

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

Summary:

On July 15, 2010, the extraordinary annual general meeting of the company Pirelli & C. SpA decided amongst other things on a reverse stock split at the ratio of 1:11, which will become effective on **July 26, 2010**.

This results in an adjustment of the Eurex options and the Eurex stock futures contract on shares of Pirelli & C. SpA (PIL / PILF).

Furthermore, as of the ex date, the standard contract size of the Eurex options on shares of Pirelli & C. SpA (PIL) will be reduced from formerly 5000 to 1000.

Ex date will be **July 26, 2010**.

This circular contains a description of the adjustment procedure.

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Pirelli & C. SpA: Reverse Stock Split, Change of Contract Size

Measure:
Reverse stock split at a ratio of eleven new shares of Pirelli & C. SpA for each existing Pirelli & C. SpA share.

Last Cum Trading Day:
July 23, 2010

Ex Date:
July 26, 2010

Affected Products:
PIL / PILF

Reference to underlying Eurex Rules & Regulations:
Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich, Sections 2.6.10.1 (5) and 1.6.7 (4).

ISIN:
The ISIN of the Pirelli & C. SpA share (IT0000072725) will probably remain unchanged. Should it still change, we will inform you without delay.

Change of Standard Contract Size:
As of the ex date, the standard contract size of the Eurex options on shares of Pirelli & C. SpA (PIL) will be reduced from formerly 5000 to 1000.

Procedure:

Determination of the Adjustment Factor (R-factor)

Amount of old shares	11
Amount of new shares	1
R-factor	11

Options

1. Adjustment of Strike Prices and Contract Sizes

Existing strike prices will be multiplied by the R-factor.

Contract sizes will be divided by the R-factor.

The version number of existing series will be increased by 1.

Please find below a list of all currently existing series before and after the adjustment:

Strike Price old	Version old	Strike Price new	Version new	Contract Size old	Contract Size new
10	0	110	1	5000.0000	454.5455
20	0	220	1	5000.0000	454.5455
25	0	275	1	5000,0000	454,5455
30	0	330	1	5000.0000	454.5455
35	0	385	1	5000.0000	454.5455

Strike Price old	Version old	Strike Price new	Version new	Contract Size old	Contract Size new
40	0	440	1	5000.0000	454.5455
45	0	495	1	5000.0000	454.5455
50	0	550	1	5000.0000	454.5455
55	0	605	1	5000.0000	454.5455
60	0	660	1	5000.0000	454.5455
65	0	715	1	5000.0000	454.5455
70	0	770	1	5000.0000	454.5455
80	0	880	1	5000.0000	454.5455
90	0	990	1	5000.0000	454.5455
100	0	1100	1	5000.0000	454.5455
120	0	1320	1	5000.0000	454.5455

New series with new standard contract size 1000 and version number 0 will be introduced effective ex-date.

All existing orders and quotes will be deleted after close of trading on the last cum trading day.

The adjustment also refers to existing positions in OTC Flexible Options.

2. Exercises

In principle, upon exercise of an adjusted series cash settlement will be made for the fractional part of the new contract size.

For exercise of adjusted series as of version 2, differences may occur in the delivery process. In report RPTTA111 (All Active / All Inactive Series), the parts of the contract size are listed for which cash settlement will take place in case of exercise of an adjusted series.

Futures

1. Adjustment of Contract Size and Variation Margin

The new contract size will be calculated as follows:

Contract size old 1000 / R-factor 11 = 90.9091 contract size new

To adjust the calculation of the variation margin of the following exchange trading day, settlement prices of the last cum trading day will be multiplied by the R-factor.

All outstanding orders and quotes will be deleted after close of trading on the last cum trading day.

The adjustment also refers to existing positions in OTC Flexible Futures.

2. Introduction of a new Contract

A new stock futures contract on Pirelli & C. SpA will be introduced with standard contract size 1000 and the new code PILG.

The exact time of introduction will be published via the **Market Supervision Messages** window.

As soon as the new contract will be available for trading and there are no more contract months with open interest in the original contract on Pirelli & C. SpA (PILF), trading in this contract will be set on “HALT” and finally discontinued.

Furthermore, as of July 26, 2010, no more contract months will be introduced in the original contract (PILF). Existing contract months without open interest will be suspended from trading.

signed: Jürg Spillmann

signed: Manfred Weber

Frankfurt, July 21, 2010