

SFE NOTICE NO.
97/06
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Effective Date: 25th August 2006

Adjustment for NZFOX Equity Options on Telecom Corporation of New Zealand

As per SFE Notice 91/06 dated 16th August 2006, the Sydney Futures Exchange (SFE) advised market users of the adjustment method that will apply for the NZFOX equity options over Telecom Corporation of New Zealand listed on the SFE.

For purpose of the ETO adjustment, the last cumulative dividend vWAP on 25 August 2006 as determined by SFE was \$4.184966841.

Therefore, the old contract size of 1,000 shares has been adjusted to [1,012] and the adjusted strike price was calculate using a multiplying factor of $1,000 / 1,012 = 0.98814229$

The new contract size and strikes are as follows:

Old Contract Size	New Contract Size	Old Strikes (Cents)	New Strike (Cents)
1,000	1,012	3.00	2.964
1,000	1,012	3.25	3.211
1,000	1,012	3.50	3.458
1,000	1,012	3.75	3.706
1,000	1,012	4.00	3.953
1,000	1,012	4.25	4.200
1,000	1,012	4.50	4.447
1,000	1,012	4.75	4.694
1,000	1,012	5.00	4.941
1,000	1,012	5.25	5.188
1,000	1,012	5.50	5.435
1,000	1,012	5.75	5.682
1,000	1,012	6.00	5.929
1,000	1,012	6.25	6.176
1,000	1,012	6.50	6.423
1,000	1,012	6.75	6.670
1,000	1,012	7.00	6.917
1,000	1,012	7.25	7.164
1,000	1,012	7.50	7.411

Participants are reminded that the adjusted quantity and strikes will be **effective from the start of trading on 28th August 2006 when the underlying security trades on an ex-dividend basis.**

Should you have any queries please contact SFE Service Desk on 9256 0677 or servicedesk@sfe.com.au.



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