



SFE NOTICE NO.

123/07

Date of Issue: 21 September 2007

Effective Date: 24 September 2007

Telecom Corporation of New Zealand – Adjusted NZFOX Equity Options under Capital Return with Share Cancellation

Participants are advised that the following adjustment applied for NZFOX equity options over the Telecom Corporation of New Zealand as per the method set out earlier under SFE Notice 99/07 dated 8 August 2007. This was in relation to the reconstruction of capital where 1 in every 9 ordinary shares was cancelled in return for NZD\$4.88 for each ordinary share cancelled.

The effective date for the adjusted ZP contracts is on the ex-date Monday 24 September 2007.

For purpose of the ETO adjustment, the last cum-return VWAP (as earlier defined) on 21 September 2007 as determined by SFE was NZ\$4.410319.

Therefore, the old contract size of 1000 shares has been adjusted to 1,013 and the adjusted strike price was calculated using a multiplying factor of $1000/1013 = 0.987167$.

The new contract size and strikes are as follows:

OLD CONTRACT SIZE	NEW CONTRACT SIZE	OLD STRIKE (CENTS)	NEW STRIKE (CENTS)
1000	1013	200	197.4
1000	1013	225	222.1
1000	1013	250	246.8
1000	1013	275	271.5
1000	1013	300	296.2
1000	1013	325	320.8
1000	1013	350	345.5
1000	1013	375	370.2
1000	1013	400	394.9
1000	1013	425	419.5
1000	1013	450	444.2
1000	1013	475	468.9
1000	1013	500	493.6
1000	1013	525	518.3
1000	1013	550	542.9
1000	1013	575	567.6
1000	1013	600	592.3
1000	1013	625	617.0
1000	1013	650	641.7

This document provides general information only. This document is not investment or financial product advice. While the information contained in this publication has been prepared with all due care and skill by Sydney Futures Exchange Ltd ("SFE"), the users of the publication must obtain their own independent advice and conduct their own investigations and assessment regarding the information. SFE is a member of the ASX group of companies. This document is made available on the understanding that ASX Limited (ABN 98 008 624 691) and its related bodies corporate and their respective directors, employees, agents, servants and boards accept no responsibility for any person acting on or relying on any opinion, advice or information and disclaim all liability for any loss howsoever caused (including by reason of negligence) and for any errors, omissions, defects or misstatements (whether negligent or otherwise) contained in the publication. The information in this document is subject to change. This document is not a substitute for the relevant SFE Operating Rules and in the case of inconsistency, the SFE Operating Rules prevail.



Participants seeking further information in relation to this Notice should contact:

Business Development enquiries – Effie Tsiaousis on 612 9227 0164 or effie.tsiaousis@asx.com.au

Operational enquiries – SFE Service Desk on 612 9256 0677 or service.desk@asx.com.au

Effie Tsiaousis

Product Development Executive

Equity Markets
ASX Limited
20 Bridge Street
Sydney NSW 2000
Australia