



**SERIES ADJUSTMENTS - 2004-069**  
**ONN INFORMATION CIRCULAR # 730**  
**August 23, 2004**

**Blockbuster, Inc. (BBI)**  
**Special Cash Distribution**  
**Ex-Distribution Date: 8/25/2004**

Blockbuster, Inc. (BBI) has declared a Special Cash dividend of \$5.00 payable to shareholders of record on August 27, 2004. Distribution date for the special cash dividend will be Friday, September 3, 2004. Ex-distribution date for the stock split will be Wednesday, August 25, 2004.

On June 18, 2004, the declaration date, BBI closed at \$15.22 on the NYSE. A \$5.00 dividend distribution represents 32.85% of the BBI share price.

**Contract Adjustments:**

Pursuant to the by-laws of The Options Clearing Corporation ("OCC"), all Blockbuster, Inc. options will be adjusted as follows:

- Adjustment Date:** Effective with exercises of Wednesday, August 25, 2004 and thereafter.
- ISE Underlying Symbol(s):** Unchanged - BBI
- OPRA Option Symbol(s):** Unchanged - (BBI/YCQ)
- No. of Contracts:** Unchanged
- Strike Prices:** Reduced by subtracting the cash dividend from each strike and rounding to the nearest eighth.
- Multiplier:** 100 (e.g., Premium of 1.00 = \$100)
- New Deliverable/Contract:** Unchanged - 100 Shares of Blockbuster, Inc.

**GTC Order Cancellation:**

On Tuesday, August 24, 2004, immediately after the ISE close, all resting orders in the BBI order book will be cancelled.

**Position and Exercise Limits:**

The ISE Surveillance Department has determined that position and exercise limits following this special cash dividend will remain unchanged.

**Adjusted Exercise Prices:**

On Wednesday, August 25, 2004, the ex-distribution date, trading in BBI series will be on an adjusted basis. The strike price adjustments listed below are expected based on the current outstanding series. Any additional BBI series added prior to the ex-date will also be adjusted in the manner outlined below.

Blockbuster, Inc. (BBI) (Before 8/25/2004) (100 shrs BBI)					Blockbuster, Inc. (BBI) (Beginning 8/25/2004) (100 shrs BBI)				
<u>ISE Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>	<u>ISE Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>
BBI4SEP10.0C/P	BBI	SEP	10	IB/UB	BBI4SEP5.0CX/PX	BBI	SEP	5	IA/UA
BBI4SEP12.5C/P	BBI	SEP	12 1/2	IV/UV	BBI4SEP7.5CX/PX	BBI	SEP	7 1/2	IU/UU
BBI4SEP15.0C/P	BBI	SEP	15	IC/UC	BBI4SEP10.0CX/PX	BBI	SEP	10	IB/UB
BBI4SEP17.5C/P	BBI	SEP	17 1/2	IW/UW	BBI4SEP12.5CX/PX	BBI	SEP	12 1/2	IV/UV
BBI4SEP20.0C/P	BBI	SEP	20	ID/UD	BBI4SEP15.0CX/PX	BBI	SEP	15	IC/UC

Blockbuster, Inc. (BBI)  
(Before 8/25/2004)  
(100 shrs BBI)

Blockbuster, Inc. (BBI)  
(Beginning 8/25/2004)  
(100 shrs BBI)

<u>ISE Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>
BBI4OCT10.0C/P	BBI	OCT	10	JB/VB
BBI4OCT12.5C/P	BBI	OCT	12 1/2	JV/VV
BBI4OCT15.0C/P	BBI	OCT	15	JC/VC
BBI4OCT17.5C/P	BBI	OCT	17 1/2	JW/VW
BBI4OCT20.0C/P	BBI	OCT	20	JD/VD
BBI4OCT22.5C/P	BBI	OCT	22 1/2	JX/VX
BBI5JAN10.0C/P	BBI	JAN	10	AB/MB
BBI5JAN12.5C/P	BBI	JAN	12 1/2	AV/MV
BBI5JAN15.0C/P	BBI	JAN	15	AC/MC
BBI5JAN17.5C/P	BBI	JAN	17 1/2	AW/MW
BBI5JAN20.0C/P	BBI	JAN	20	AD/MD
BBI5APR7.5C/P	BBI	APR	7 1/2	DU/PU
BBI5APR10.0C/P	BBI	APR	10	DB/PB
BBI5APR12.5C/P	BBI	APR	12 1/2	DV/PV
BBI5APR15.0C/P	BBI	APR	15	DC/PC
BBI5APR17.5C/P	BBI	APR	17 1/2	DW/PW

<u>ISE Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>
BBI4OCT5.0CX/PX	BBI	OCT	5	JA/VA
BBI4OCT7.5CX/PX	BBI	OCT	7 1/2	JU/VU
BBI4OCT10.0CX/PX	BBI	OCT	10	JB/VB
BBI4OCT12.5CX/PX	BBI	OCT	12 1/2	JV/VV
BBI4OCT15.0CX/PX	BBI	OCT	15	JC/VC
BBI4OCT17.5CX/PX	BBI	OCT	17 1/2	JW/VW
BBI5JAN5.0CX/PX	BBI	JAN	5	AA/MA
BBI5JAN7.5CX/PX	BBI	JAN	7 1/2	AU/MU
BBI5JAN10.0CX/PX	BBI	JAN	10	AB/MB
BBI5JAN12.5CX/PX	BBI	JAN	12 1/2	AV/MV
BBI5JAN15.0CX/PX	BBI	JAN	15	AC/MC
BBI5APR2.5CX/PX	BBI	APR	2 1/2	DZ/PZ
BBI5APR5.0CX/PX	BBI	APR	5	DA/PA
BBI5APR7.5CX/PX	BBI	APR	7 1/2	DU/PU
BBI5APR10.0CX/PX	BBI	APR	10	DB/PB
BBI5APR12.5CX/PX	BBI	APR	12 1/2	DV/PV

Blockbuster, Inc. - 2006 Leap (BBI/YCQ)  
(Before 8/25/2004)  
(100 shrs BBI)

Blockbuster, Inc. - 2006 Leap (BBI/YCQ)  
(Beginning 8/25/2004)  
(100 shrs BBI)

<u>ISE Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>
BBI6JAN10.0C/P	YCQ	JAN	10	AB/MB
BBI6JAN12.5C/P	YCQ	JAN	12 1/2	AV/MV
BBI6JAN15.0C/P	YCQ	JAN	15	AC/MC
BBI6JAN20.0C/P	YCQ	JAN	20	AD/MD

<u>ISE Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>
BBI6JAN5.0CX/PX	YCQ	JAN	5	AA/MA
BBI6JAN7.5CX/PX	YCQ	JAN	7 1/2	AU/MU
BBI6JAN10.0CX/PX	YCQ	JAN	10	AB/MB
BBI6JAN15.0CX/PX	YCQ	JAN	15	AC/MC

Questions regarding this release may be directed to Iris Rodriguez at (212) 897-0264.