

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: January 23, 2008

Subject: Axcan Pharma, Inc (AXCA/AKI) Pending Merger With TPG Partners V, L.P.

On Friday, January 25, 2008, the shareholders of Axcan Pharma, Inc (AXCA) will vote to approve the proposed merger with TPG Partners V, L.P. Pursuant to the merger terms each AXCA share will be converted into the right to receive \$23.35 cash. **The merger will become effective on a date to be announced.**

***The foregoing is an unofficial summary of the terms of the Merger, prepared by the PHLX for the convenience of its members. PHLX accepts no responsibility for the accuracy or completeness of the summary. Members should refer to the proxy statement for the authoritative description of the merger terms and conditions.*

Pursuant to Options Clearing Corporation (OCC) By-Laws, all outstanding AKI options will be adjusted as follows:

EFFECTIVE DATE: Option changes are expected to become effective on a date to be announced
NEW DELIVERABLE: \$2,335.00 cash per contract (\$23.35 x 100)

Existing open interest in all AKI options will remain until options are exercised or expire. Since they are American style options, they are exercisable at the option of the holder.

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-5380.