



SERIES ADJUSTMENT - 1731-08

October 02, 2008

PHOTON DYNAMICS INC (PHTN) - MERGER - EFFECTIVE

On Friday, September 5, 2008, the shareholders of Photon Dynamics Inc (PHTN) voted to approve the proposed merger. Pursuant to the merger terms, each existing PHTN Common Share will be converted into the right to receive \$15.60 net cash per share. **The merger became effective on Thursday, October 02, 2008.**

***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 Offer terms and conditions.*

Pending Contract Adjustments

Pursuant to Options Clearing Corporation ("OCC") by-laws, all outstanding PHOTON DYNAMICS INC options will be adjusted as follows:

Adjustment Date:	Friday, October 3, 2008
New Deliverable/Contract:	1) \$1,560.00 cash per contract (\$15.60 x 100)

Since PHTN options are American Style, PHTN open interest will remain until exercise or expiration.

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