



SERIES ADJUSTMENT - 1701-08

September 26, 2008

Thornburg Mortgage Inc(TMA)
1 for 10 Reverse Stock Split
Ex-Distribution Date: 9/29/2008

On Tuesday, September 23, 2008, the Board of Directors of Thornburg Mortgage Inc (TMA) approved a proposed reverse stock split. The stock split will become effective on Monday, September 29, 2008.

The reverse stock split will be effected at a 1-for-10 ratio. One TMA Common share will be converted into the right to receive .10 TMA Common shares. Cash will be paid in lieu of fractional TMA shares.

Contract Adjustments:

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

Adjustment Date:	Monday, September 29, 2008
PHLX Underlying Symbol(s):	Unchanged - TMA
OPRA Option Symbol(s):	TMA becomes TYF YLE becomes YPU
No. Of Contracts :	Unchanged
Strike Prices:	Unchanged
Multiplier:	10 (e.g. Premium of 1.00 = \$10)
New Deliverable/Contract:	1) 10 THORNBURG MORTGAGE INC (TMA) Common Shares

GTC Order Cancellation:

Customers should be advised that all Good-til-Cancelled (GTC) orders not on AUTOM must be cancelled and re-entered prior to the ex-distribution or effective date. GTC AUTOM orders will be deleted by PHLX Service Desk/AUTOM personnel.

Unadjusted New Shares:

New TMA series with a contract unit of 100 shares will be introduced on Tuesday, September 30, 2008. Strike prices and expiration months will be announced on a separate release.

Adjusted Exercise Prices:

Effective with the opening of business on Monday, September 29, 2008, trading in TMA series will be on an adjusted basis. The strike price adjustments below are expected based on the current outstanding series.

Any additional TMA series added prior to the effective date will also be adjusted in the manner outlined below.

THORNBURG MORTGAGE INC(TMA/TMA)
 (Before 9/29/2008)
 100 shrs TMA

THORNBURG MORTGAGE INC(TMA/TYF)
 (Beginning 9/29/2008)
See New Deliverable Above

<u>PHLX Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>	<u>PHLX Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>
TMA8Oct2.5C/P	TMA	Oct	2.5	JZ/VZ	TYF8Oct2.5C/P	TYF	Oct	2.5	JZ/VZ
TMA8Oct5.0C/P	TMA	Oct	5	JA/VA	TYF8Oct5.0C/P	TYF	Oct	5	JA/VA
TMA8Oct7.5C/P	TMA	Oct	7.5	JU/VU	TYF8Oct7.5C/P	TYF	Oct	7.5	JU/VU
TMA8Oct10.0C/P	TMA	Oct	10	JB/VB	TYF8Oct10.0C/P	TYF	Oct	10	JB/VB

TMA8Oct12.5C/P	TMA	Oct	12.5	JV/VV	TYF8Oct12.5C/P	TYF	Oct	12.5	JV/VV
TMA8Oct15.0C/P	TMA	Oct	15	JC/VC	TYF8Oct15.0C/P	TYF	Oct	15	JC/VC
TMA8Oct17.5C/P	TMA	Oct	17.5	JW/VW	TYF8Oct17.5C/P	TYF	Oct	17.5	JW/VW
TMA9Jan2.5C/P	TMA	Jan	2.5	AZ/MZ	TYF9Jan2.5C/P	TYF	Jan	2.5	AZ/MZ
TMA9Jan5.0C/P	TMA	Jan	5	AA/MA	TYF9Jan5.0C/P	TYF	Jan	5	AA/MA
TMA9Jan7.5C/P	TMA	Jan	7.5	AU/MU	TYF9Jan7.5C/P	TYF	Jan	7.5	AU/MU
TMA9Jan10.0C/P	TMA	Jan	10	AB/MB	TYF9Jan10.0C/P	TYF	Jan	10	AB/MB
TMA9Jan12.5C/P	TMA	Jan	12.5	AV/MV	TYF9Jan12.5C/P	TYF	Jan	12.5	AV/MV
TMA9Jan15.0C/P	TMA	Jan	15	AC/MC	TYF9Jan15.0C/P	TYF	Jan	15	AC/MC
TMA9Jan20.0C/P	TMA	Jan	20	AD/MD	TYF9Jan20.0C/P	TYF	Jan	20	AD/MD
TMA9Jan25.0C/P	TMA	Jan	25	AE/ME	TYF9Jan25.0C/P	TYF	Jan	25	AE/ME
TMA9Jan30.0C/P	TMA	Jan	30	AF/MF	TYF9Jan30.0C/P	TYF	Jan	30	AF/MF
TMA9Jan35.0C/P	TMA	Jan	35	AG/MG	TYF9Jan35.0C/P	TYF	Jan	35	AG/MG

THORNBURG MORTGAGE INC(TMA/TMA)
(Before 9/29/2008)
100 shrs TMA

THORNBURG MORTGAGE INC(TMA/YPU)
(Beginning 9/29/2008)
See New Deliverable Above

<u>PHLX Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>	<u>PHLX Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>
YLE0Jan2.5C/P	YLE	Jan	2.5	AZ/MZ	YPU0Jan2.5C/P	YPU	Jan	2.5	AZ/MZ
YLE0Jan5.0C/P	YLE	Jan	5	AA/MA	YPU0Jan5.0C/P	YPU	Jan	5	AA/MA
YLE0Jan7.5C/P	YLE	Jan	7.5	AU/MU	YPU0Jan7.5C/P	YPU	Jan	7.5	AU/MU
YLE0Jan10.0C/P	YLE	Jan	10	AB/MB	YPU0Jan10.0C/P	YPU	Jan	10	AB/MB
YLE0Jan15.0C/P	YLE	Jan	15	AC/MC	YPU0Jan15.0C/P	YPU	Jan	15	AC/MC
YLE0Jan20.0C/P	YLE	Jan	20	AD/MD	YPU0Jan20.0C/P	YPU	Jan	20	AD/MD
YLE0Jan25.0C/P	YLE	Jan	25	AE/ME	YPU0Jan25.0C/P	YPU	Jan	25	AE/ME
YLE0Jan30.0C/P	YLE	Jan	30	AF/MF	YPU0Jan30.0C/P	YPU	Jan	30	AF/MF
YLE0Jan35.0C/P	YLE	Jan	35	AG/MG	YPU0Jan35.0C/P	YPU	Jan	35	AG/MG
YLE0Jan40.0C/P	YLE	Jan	40	AH/MH	YPU0Jan40.0C/P	YPU	Jan	40	AH/MH

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