

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: August 16, 2007

Re: Aeropostale, Inc. (ARO) - 3 for 2 Stock Split

Aeropostale, Inc. (ARO) has declared a 3 for 2 stock split payable to shareholders of record on Monday, August 6, 2007. Distribution date for the stock split will be Tuesday, August 21, 2007. **Ex-distribution date for the stock split will be Wednesday, August 22, 2007.**

Accordingly, pursuant to OCC By-Laws, all ARO options on the ex-distribution date must be adjusted as follows:

1. The number of underlying shares represented by each option contract will be increased to 150 shares.
2. The strike price of each outstanding option series will be reduced proportionately and rounded to the nearest eighth of a point.

The effect of these adjustments on all outstanding ARO/ZLX/LLX options will be to change the symbol(s) to ANP/VZA/WZA increase the number of underlying shares represented by each contract to 150, and to reduce the strike price for each series proportionately. The Exchange has further determined that new ARO option contracts, representing 100 shares of ARO, will start trading on Thursday, August 23, 2007. The PHLX has established that effective on the ex-distribution date, and until January 16, 2010 expiration, the position and exercise limits shall be any combination of ARO/ZLX/LLX and ANP/VZA/WZA options not to exceed 37,500,000 shares of ARO. Following January 16, 2010 expiration, the position and exercise limit will return to the established limit of 250,000 contracts. Therefore, commencing Wednesday, August 22, 2007, the current ARO/ZLX/LLX strike prices will be adjusted and identified by the symbols ANP/VZA/WZA respectively.

The resulting list of adjusted strike prices and symbols is as shown on the following pages:

Aeropostale, Inc. (ARO) (Before 8/22/2007) (100 shrs ARO)					Aeropostale, Inc. (ANP) (Beginning 8/22/2007) (150 shrs ARO)				
			Calls	Puts			Calls	Puts	
ARO	SEP	25	IE	UE	ANP	SEP	16 5/8	IT	UT
ARO	SEP	30	IF	UF	ANP	SEP	20	ID	UD
ARO	SEP	35	IG	UG	ANP	SEP	23 3/8	IU	UU
ARO	SEP	40	IH	UH	ANP	SEP	26 5/8	IV	UV
ARO	SEP	45	II	UI	ANP	SEP	30	IF	UF
ARO	OCT	20	JD	VD	ANP	OCT	13 3/8	JS	VS
ARO	OCT	22 1/2	JX	VX	ANP	OCT	15	JC	VC
ARO	OCT	25	JE	VE	ANP	OCT	16 5/8	JT	VT
ARO	OCT	30	JF	VF	ANP	OCT	20	JD	VD
ARO	OCT	35	JG	VG	ANP	OCT	23 3/8	JU	VU
ARO	OCT	40	JH	VH	ANP	OCT	26 5/8	JV	VV
ARO	OCT	45	JI	VI	ANP	OCT	30	JF	VF
ARO	OCT	50	JJ	VJ	ANP	OCT	33 3/8	JW	VW
ARO	OCT	55	JK	VK	ANP	OCT	36 5/8	JX	VX
ARO	OCT	60	JL	VL	ANP	OCT	40	JH	VH
ARO	JAN	20	AD	MD	ANP	JAN	13 3/8	AS	MS
ARO	JAN	22 1/2	AX	MX	ANP	JAN	15	AC	MC
ARO	JAN	25	AE	ME	ANP	JAN	16 5/8	AT	MT
ARO	JAN	30	AF	MF	ANP	JAN	20	AD	MD

Aeropostale, Inc. (ARO)					Aeropostale, Inc. (ANP)				
(Before 8/22/2007)					(Beginning 8/22/2007)				
(100 shrs ARO)					(150 shrs ARO)				
			Calls	Puts			Calls	Puts	
ARO	JAN	35	AG	MG	ANP	JAN	23 3/8	AU	MU
ARO	JAN	40	AH	MH	ANP	JAN	26 5/8	AV	MV
ARO	JAN	45	AI	MI	ANP	JAN	30	AF	MF
ARO	JAN	50	AJ	MJ	ANP	JAN	33 3/8	AW	MW
ARO	JAN	55	AK	MK	ANP	JAN	36 5/8	AX	MX
ARO	JAN	60	AL	ML	ANP	JAN	40	AH	MH

Aeropostale, Inc. - 2009 Leap (ZLX)					Aeropostale, Inc. - 2009 Leap (VZA)				
(Before 8/22/2007)					(Beginning 8/22/2007)				
(100 shrs ARO)					(150 shrs ARO)				
			Calls	Put			Calls	Put	
ZLX	JAN	20	AD	MD	VZA	JAN	13 3/8	AS	MS
ZLX	JAN	25	AE	ME	VZA	JAN	16 5/8	AT	MT
ZLX	JAN	30	AF	MF	VZA	JAN	20	AD	MD
ZLX	JAN	35	AG	MG	VZA	JAN	23 3/8	AU	MU
ZLX	JAN	40	AH	MH	VZA	JAN	26 5/8	AV	MV
ZLX	JAN	45	AI	MI	VZA	JAN	30	AF	MF
ZLX	JAN	50	AJ	MJ	VZA	JAN	33 3/8	AW	MW
ZLX	JAN	55	AK	MK	VZA	JAN	36 5/8	AX	MX
ZLX	JAN	60	AL	ML	VZA	JAN	40	AH	MH
ZLX	JAN	65	AM	MM	VZA	JAN	43 3/8	AY	MY
ZLX	JAN	70	AN	MN	VZA	JAN	46 5/8	AZ	MZ

Aeropostale, Inc. - 2010 Leap (LLX)					Aeropostale, Inc. - 2010 Leap (WZA)				
(Before 8/22/2007)					(Beginning 8/22/2007)				
(100 shrs ARO)					(150 shrs ARO)				
			Calls	Put			Calls	Put	
LLX	JAN	20	AD	MD	WZA	JAN	13 3/8	AS	MS
LLX	JAN	30	AF	MF	WZA	JAN	20	AD	MD
LLX	JAN	40	AH	MH	WZA	JAN	26 5/8	AV	MV
LLX	JAN	50	AJ	MJ	WZA	JAN	33 3/8	AW	MW
LLX	JAN	60	AL	ML	WZA	JAN	40	AH	MH
LLX	JAN	70	AN	MN	WZA	JAN	46 5/8	AZ	MZ

Any additional ARO series that are added prior to the ex-date will also be adjusted in the manner described above.

The new ARO option contracts representing 100 shares of ARO, will be admitted to trading on Thursday, August 23, 2007. Strike prices and expiration months will be announced on a separate release prior to that date.

The bids and offers for listed options are usually expressed in price per share of the underlying security. If the unit of trading is 100 shares, a bid of 2 would indicate a dollar premium of \$200.00 per contract. If, however, the unit of trading is 150, a bid of 2 would indicate a dollar premium of \$300.00.

Brokers must advise their customers of this fact in connection with the adjusted ANP/VZA/WZA options. Brokers are cautioned to be certain that customers entering closing transactions make the proper description of the options. Failure to do this could result in closing out an existing position in the adjusted series. Customers should also be advised that if they are 'covered writers', they must retain and not liquidate the additional shares of ARO if they are to remain fully covered. Customers initiating opening writing positions in ARO on or after Wednesday, August 22, 2007 must own 150 shares of ARO common stock for each contract held in order to be fully covered. Commencing on August 23, 2007 and thereafter, customers purchasing 100 shares of ARO and selling one option should be certain to sell 'NEW' contracts to avoid being uncovered writers.

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

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-1508.