

MEMORANDUM

To: All Option Members, Member Organizations and ROTs  
 From: Market Watch  
 Date: October 24, 2007  
 Re: **Acuity Brands, Inc. (AYI) - Stock Distribution**

Acuity Brands, Inc. (AYI) has declared a distribution of Common Shares of Zep Inc. (ZEP) to AYI shareholders of record, October 17, 2007. Distribution will be Wednesday, October 31, 2007. **Ex-distribution is November 1, 2007.** The distribution will be 0.50 shares of Zep Inc. per share of Acuity Brands, Inc.

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

Adjustment Date: **Effective Thursday, November 1, 2007.**  
 Symbol(s): **AYI becomes YAF**  
 Strike Price: Unchanged  
 Multiplier: 100 (e.g., Premium of 1.00 = \$100)  
 New Deliverable: **1) 100 Shares of Acuity Brands, Inc. (AYI)**  
**2) 50 Shares of Zep Inc. (ZEP)**

**GOOD-TILL-CANCELLED (GTC) ORDERS**

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.

Acuity Brands, Inc. (AYI) (Before 11/1/2007) (100 shrs AYI)					Acuity Brands, Inc. (YAF) (Beginning 11/1/2007) (See New Deliverable Above)				
			Calls	Puts				Calls	Puts
AYI	NOV	40	KH	WH	YAF	NOV	40	KH	WH
AYI	NOV	45	KI	WI	YAF	NOV	45	KI	WI
AYI	NOV	50	KJ	WJ	YAF	NOV	50	KJ	WJ
AYI	NOV	55	KK	WK	YAF	NOV	55	KK	WK
AYI	NOV	60	KL	WL	YAF	NOV	60	KL	WL
AYI	NOV	65	KM	WM	YAF	NOV	65	KM	WM
AYI	NOV	70	KN	WN	YAF	NOV	70	KN	WN
AYI	DEC	40	LH	XH	YAF	DEC	40	LH	XH
AYI	DEC	45	LI	XI	YAF	DEC	45	LI	XI
AYI	DEC	50	LJ	XJ	YAF	DEC	50	LJ	XJ
AYI	DEC	55	LK	XK	YAF	DEC	55	LK	XK
AYI	FEB	40	BH	NH	YAF	FEB	40	BH	NH
AYI	FEB	45	BI	NI	YAF	FEB	45	BI	NI
AYI	FEB	50	BJ	NJ	YAF	FEB	50	BJ	NJ
AYI	FEB	55	BK	NK	YAF	FEB	55	BK	NK
AYI	FEB	60	BL	NL	YAF	FEB	60	BL	NL
AYI	FEB	65	BM	NM	YAF	FEB	65	BM	NM
AYI	FEB	70	BN	NN	YAF	FEB	70	BN	NN
AYI	MAY	40	EH	QH	YAF	MAY	40	EH	QH
AYI	MAY	45	EI	QI	YAF	MAY	45	EI	QI
AYI	MAY	50	EJ	QJ	YAF	MAY	50	EJ	QJ
AYI	MAY	55	EK	QK	YAF	MAY	55	EK	QK
AYI	MAY	60	EL	QL	YAF	MAY	60	EL	QL

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

The new AYI option contracts representing 100 shares of AYI, will be admitted to trading on Friday, November 2, 2007. Strike prices and expiration months will be announced on a separate release prior to that date.

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