



CIRCULAR
July 23, 2003

ANTICIPATED CONTRACT ADJUSTMENT
MAGNA INTERNATIONAL INC. (MG)
SPIN-OFF

THE FOLLOWING INFORMATION IS PREPARED FOR THE CONVENIENCE OF THE CANADIAN DERIVATIVES CLEARING CORPORATION (“CDCC”) MEMBERS AND BOURSE DE MONTRÉAL INC. (THE “BOURSE”) APPROVED PARTICIPANTS. THIS DOCUMENT IS AN UNOFFICIAL SUMMARY OF THE TERMS OF THE DISTRIBUTION PLAN. CDCC AND THE BOURSE ACCEPT NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE SUMMARY.

DETAILS OF THE PLAN

The Bourse and CDCC hereby inform you that the management of Magna International Inc (“Magna”) has made public its intentions to spin-off to its shareholders 100% of MI Developments Inc (“MID”).

Magna’s management will proceed with the spin-off further to obtaining shareholders’ approval at a shareholders’ special meeting scheduled to be held on August 19, 2003. The record date for these distributions is expected to be the close of business on August 29, 2003.

Under the terms of the distribution plan, Magna shareholders will receive one MID Class A Subordinate Voting Share for every two Magna Class A Subordinate Voting Shares held. The MID Class A Shares are expected to be listed on both the Toronto Stock Exchange and New York Stock Exchange.

Given the terms of the above distribution plan, all MG equity options currently listed on the Bourse will be adjusted to reflect the new deliverable.

Circular no.: 111-2003

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THE FOLLOWING POSSIBLE ADJUSTMENT IS BASED ON THE ABOVE INFORMATION MADE AVAILABLE TO CDCC AND THE BOURSE AT THIS TIME. THE DETERMINATION TO ADJUST AND THE EXTENT OF THE ADJUSTMENT ARE SUBJECT TO CHANGE AS ADDITIONAL INFORMATION BECOMES AVAILABLE OR IF THERE ARE MATERIAL CHANGES TO THE TERMS OF THIS DISTRIBUTION PLAN.

CONTRACT ADJUSTMENT DETAILS

CDCC Adjustment details:

Pursuant to Section A-902 of CDCC Rules, all MG options will be adjusted as follows:

- **ANTICIPATED EFFECTIVE DATE:** August 29, 2003.
- **NEW OPTION SYMBOL:** To be determined
- **NEW DELIVERABLE PER CONTRACT:** - 100 Magna Class A Subordinate Voting Shares;
- 50 MI Class A Subordinate Voting Shares.

More information will be made available by the Bourse and CDCC once further details of the distribution plan are known.

For further information, please contact your local CDCC office.

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