



AMERICAN ORIENTAL BIOENGINEERING, INC. (AOB) – 1 - FOR - 2 REVERSE SPLIT

Ex - Distribution Date: 02/27/2012

DESCRIPTION:

American Oriental Bioengineering, Inc. (AOB) has announced a **1-for-2 reverse stock split**. As a result of the reverse stock split, each AOB Common Share will be converted into the right to receive .5 (New) American Oriental Bioengineering, Inc (AOB) Common Shares. **The ex-distribution date for the reverse stock split will be Monday, February 27, 2012.**

Contract Adjustments:

Pursuant to the By-Laws of the Options Clearing Corporation ("OCC"), the below American Oriental Bioengineering, Inc. options will be adjusted as follows.

Adjustment Date:	Monday, February 27, 2012
Option Symbol:	AOB becomes AOB1
Underlying Security:	AOB becomes AOB1
CUSIP:	AOB: 028731404
Contract Multiplier:	1
Strike Prices:	unchanged
New Multiplier:	100 (e.g. Premium of 1.00 = \$100)
New Deliverable:	50 (New) American Oriental Bioengineering, Inc. (AOB) Common Shares

GTC Order Cancellation:

On Friday, February 24, 2012, immediately after the BOX close, all resting orders for AOB in the order book will be canceled by the BOX Market Operations Center. If a BOX Participant wishes to enter orders for the adjusted AOB1 series, the BOX Participant will need to reenter the orders before the open on Monday, February 27, 2012.

Pricing Considerations: The underlying price for AOB1 will be determined as follows:
 $AOB1 = .5 (AOB)$

Additional Exchange Info:

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
AOB	C/P	1.00	03/17/2012	AOB1	C/P	1.00	03/17/2012
AOB	C/P	2.00	03/17/2012	AOB1	C/P	2.00	03/17/2012
AOB	C/P	3.00	03/17/2012	AOB1	C/P	3.00	03/17/2012
AOB	C/P	4.00	03/17/2012	AOB1	C/P	4.00	03/17/2012
AOB	C/P	1.00	04/21/2012	AOB1	C/P	1.00	04/21/2012
AOB	C/P	2.00	04/21/2012	AOB1	C/P	2.00	04/21/2012
AOB	C/P	3.00	04/21/2012	AOB1	C/P	3.00	04/21/2012
AOB	C/P	4.00	04/21/2012	AOB1	C/P	4.00	04/21/2012
AOB	C/P	5.00	04/21/2012	AOB1	C/P	5.00	04/21/2012
AOB	C/P	6.00	04/21/2012	AOB1	C/P	6.00	04/21/2012
AOB	C/P	1.00	07/21/2012	AOB1	C/P	1.00	07/21/2012

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
AOB	C/P	2.00	07/21/2012	AOB1	C/P	2.00	07/21/2012
AOB	C/P	3.00	07/21/2012	AOB1	C/P	3.00	07/21/2012
AOB	C/P	4.00	07/21/2012	AOB1	C/P	4.00	07/21/2012
AOB	C/P	1.00	10/20/2012	AOB1	C/P	1.00	10/20/2012
AOB	C/P	2.00	10/20/2012	AOB1	C/P	2.00	10/20/2012
AOB	C/P	3.00	10/20/2012	AOB1	C/P	3.00	10/20/2012
AOB	C/P	4.00	10/20/2012	AOB1	C/P	4.00	10/20/2012

Questions regarding this memo can be addressed to the BOX Market Operations Center at 617-235-2291 or toll free at 1-866-768-8845.