

To: All Option Members, Member Organizations & ROTs
 From: Market Watch
 Date: April 20, 2007
 Subject: PHLX Defense SectorSM (DFXSM) Quarterly Rebalancing

The Philadelphia Stock Exchange, Inc. (PHLX) has determined to make the following changes to the PHLX Defense SectorSM (DFXSM), before the open of business on Monday, April 23, 2007.

<u>Company Name</u>	<u>Stock Symbol</u>	<u>Shares</u>
Alliant Techsystems, Inc.	ATK	109
Boeing Company	BA	107
Rockwell Collins, Inc.	COL	151
DRS Technologies, Inc.	DRS	194
EDO Corp.	EDO	351
Embraer Emp. Brasileira de Aero	ERJ	210
Esterline Technologies Corp.	ESL	237
General Dynamics Corp.	GD	126
General Electric Co	GE	285
Gencorp, Inc.	GY	722
ITT Corporation	ITT	162
L3 Communications, Inc.	LLL	108
Lockheed Martin Corp.	LMT	105
Northrop Grumman Corp.	NOC	131
Raytheon Company	RTN	180
Teledyne Technologies, Inc.	TDY	249
United Technologies Corp.	UTX	148

The revised DFXSM divisor is: 496.2213

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