

To: All Option Members, Member Organizations & ROTs
 From: Listings/Market Watch
 Date: January 19, 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, January 22, 2007.

<u>Company Name</u>	<u>Stock Symbol</u>	<u>Shares</u>
Alliant Techsystems, Inc.	ATK	125
Boeing Company	BA	113
Rockwell Collins, Inc.	COL	150
DRS Technologies, Inc.	DRS	181
EDO Corp.	EDO	429
Embraer Emp. Brasileira de Aero	ERJ	243
Esterline Technologies Corp.	ESL	250
General Dynamics Corp.	GD	126
General Electric Co	GE	271
Gencorp, Inc.	GY	723
ITT Corporation	ITT	168
L3 Communications, Inc.	LLL	122
Lockheed Martin Corp.	LMT	103
Northrop Grumman Corp.	NOC	142
Raytheon Company	RTN	191
Teledyne Technologies, Inc.	TDY	253
United Technologies Corp.	UTX	153

The revised DFXSM divisor is: 521.2689

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