

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: March 5, 2007

**Re: Guess?, Inc. (GES) - 2 for 1 Stock Split**

Guess?, Inc. (GES) has declared a 2 for 1 stock split payable to share holders of record on Monday, February 26, 2007. Distribution date for the stock split will be Monday, March 12, 2007. **Ex-distribution date for the stock split will be Tuesday, March 13, 2007.**

The Options Clearing Corporation (OCC), pursuant to OCC By-Laws, intends to issue on the distribution date (1) additional GES option contract for each option contract held. Further, on the ex-distribution date each GES series will have an adjusted exercise (strike) price equal to 1/2 of the exercise (strike) price for each GES series existing on the business day preceding the ex-distribution date. For example, beginning on Tuesday, March 13, 2007 an account holding (2) GES MAR 35 calls (GES CG) will hold (4) GES MAR 17 1/2 calls (GES CT). Customers should be advised that (1) contract in the adjusted GES series will still represent 100 shares of GES common shares.

**POSITION/EXERCISE LIMITS:**

Position and exercise limits will change from 200,000 to 400,000 contracts until the expiration date of September 22, 2007.

**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.

The resulting list of adjusted strike prices and symbols is as follows:

Guess?, Inc. (GES) (Before 3/13/2007) (1 Contract)					Guess?, Inc. (GES) (Beginning 3/13/2007) (2 Contracts)				
			Calls	Puts			Calls	Puts	
GES	MAR	35	CG	OG	GES	MAR	17 1/2	CT	OT
GES	MAR	40	CH	OH	GES	MAR	20	CD	OD
GES	MAR	45	CI	OI	GES	MAR	22 1/2	CX	OX
GES	MAR	50	CJ	OJ	GES	MAR	25	CE	OE
GES	MAR	55	CK	OK	GES	MAR	27 1/2	CY	OY
GES	MAR	60	CL	OL	GES	MAR	30	CF	OF
GES	MAR	65	CM	OM	GES	MAR	32 1/2	CZ	OZ
GES	MAR	70	CN	ON	GES	MAR	35	CG	OG
GES	MAR	75	CO	OO	GES	MAR	37 1/2	CU	OU
GES	MAR	80	CP	OP	GES	MAR	40	CH	OH
GES	MAR	85	CQ	OQ	GES	MAR	42 1/2	CV	OV
GES	MAR	90	CR	OR	GES	MAR	45	CI	OI
GES	MAR	95	CS	OS	GES	MAR	47 1/2	CW	OW
GES	MAR	100	CT	OT	GES	MAR	50	CJ	OJ
GES	APR	70	DN	PN	GES	APR	35	DG	PG
GES	APR	75	DO	PO	GES	APR	37 1/2	DU	PU
GES	APR	80	DP	PP	GES	APR	40	DH	PH
GES	APR	85	DQ	PQ	GES	APR	42 1/2	DV	PV
GES	APR	90	DR	PR	GES	APR	45	DI	PI
GES	APR	95	DS	PS	GES	APR	47 1/2	DW	PW
GES	APR	100	DT	PT	GES	APR	50	DJ	PJ

Guess?, Inc. (GES) (Before 3/13/2007) (1 Contract)					Guess?, Inc. (GES) (Beginning 3/13/2007) (2 Contracts)				
			Calls	Puts				Calls	Puts
GES	JUN	50	FJ	RJ	GES	JUN	25	FE	RE
GES	JUN	55	FK	RK	GES	JUN	27 1/2	FY	RY
GES	JUN	60	FL	RL	GES	JUN	30	FF	RF
GES	JUN	65	FM	RM	GES	JUN	32 1/2	FZ	RZ
GES	JUN	70	FN	RN	GES	JUN	35	FG	RG
GES	JUN	75	FO	RO	GES	JUN	37 1/2	FU	RU
GES	JUN	80	FP	RP	GES	JUN	40	FH	RH
GES	JUN	85	FQ	RQ	GES	JUN	42 1/2	FV	RV
GES	JUN	90	FR	RR	GES	JUN	45	FI	RI
GES	JUN	95	FS	RS	GES	JUN	47 1/2	FW	RW
GES	JUN	100	FT	RT	GES	JUN	50	FJ	RJ
GES	SEP	55	IK	UK	GES	SEP	27 1/2	IY	UY
GES	SEP	60	IL	UL	GES	SEP	30	IF	UF
GES	SEP	65	IM	UM	GES	SEP	32 1/2	IZ	UZ
GES	SEP	70	IN	UN	GES	SEP	35	IG	UG
GES	SEP	75	IO	UO	GES	SEP	37 1/2	IU	UU
GES	SEP	80	IP	UP	GES	SEP	40	IH	UH
GES	SEP	85	IQ	UQ	GES	SEP	42 1/2	IV	UV
GES	SEP	90	IR	UR	GES	SEP	45	II	UI
GES	SEP	95	IS	US	GES	SEP	47 1/2	IW	UW
GES	SEP	100	IT	UT	GES	SEP	50	IJ	UJ

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

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