

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: October 31, 2007

Subject: **Washington Group International, Inc. (WNG) Pending Merger **UPDATE****

On **Friday, November 9, 2007 (Not October 30, 2007)**, the shareholders of Washington Group International, Inc. (WNG) will vote to approve the proposed merger with URS Corporation (URS). Pursuant to the merger terms each WNG share will be converted into the right to receive 0.772 URS common shares plus \$43.80 cash. Cash will be paid in lieu of fractional shares. **The merger is anticipated to become effective on a date to be announced (Not November 2, 2007).**

***The foregoing is an unofficial summary of the terms of the Merger, prepared by the PHLX for the convenience of its members. PHLX accepts no responsibility for the accuracy or completeness of the summary. Members should refer to the proxy statement for the authoritative description of the merger terms and conditions.*

Pursuant to Options Clearing Corporation (OCC) By-Laws, all outstanding WNG options will be adjusted as follows:

EFFECTIVE DATE: **Option changes are anticipated to become effective on a date to be announced**
SYMBOL(s): **WNG/XOV/KQU becomes WOX/XR/KBY**
POS/EXERCISE LIMIT: 150,000 contracts until January 2010 expiration; where limits revert to 75,000 contract
MULTIPLIER: 100*(eg., Premium of 1.00 = \$100)
NEW DELIVERABLE: **1) 77 URS common shares.**
2) Cash in lieu of 0.2 fractional URS shares.
3) \$4,380.00 cash

Washington Group International, Inc. (WNG) (Before - Date To Be Announced) 100 shares WNG					Washington Group International, Inc. (WOX) (Beginning - Date To Be Announced) (See New Deliverable Above)				
			Calls	Puts				Calls	Puts
WNG	NOV	85	KQ	WQ	WOX	NOV	85	KQ	WQ
WNG	NOV	90	KR	WR	WOX	NOV	90	KR	WR
WNG	NOV	95	KS	WS	WOX	NOV	95	KS	WS
WNG	NOV	100	KT	WT	WOX	NOV	100	KT	WT
WNG	DEC	60	LL	XL	WOX	DEC	60	LL	XL
WNG	DEC	65	LM	XM	WOX	DEC	65	LM	XM
WNG	DEC	70	LN	XN	WOX	DEC	70	LN	XN
WNG	DEC	75	LO	XO	WOX	DEC	75	LO	XO
WNG	DEC	80	LP	XP	WOX	DEC	80	LP	XP
WNG	DEC	85	LQ	XQ	WOX	DEC	85	LQ	XQ
WNG	DEC	90	LR	XR	WOX	DEC	90	LR	XR
WNG	DEC	95	LS	XS	WOX	DEC	95	LS	XS
WNG	DEC	100	LT	XT	WOX	DEC	100	LT	XT
WNG	JAN	60	AL	ML	WOX	JAN	60	AL	ML
WNG	JAN	65	AM	MM	WOX	JAN	65	AM	MM
WNG	JAN	70	AN	MN	WOX	JAN	70	AN	MN
WNG	JAN	75	AO	MO	WOX	JAN	75	AO	MO
WNG	JAN	80	AP	MP	WOX	JAN	80	AP	MP
WNG	JAN	85	AQ	MQ	WOX	JAN	85	AQ	MQ
WNG	JAN	90	AR	MR	WOX	JAN	90	AR	MR
WNG	JAN	95	AS	MS	WOX	JAN	95	AS	MS
WNG	JAN	100	AT	MT	WOX	JAN	100	AT	MT

WNG	MAR	75	CO	OO	WOX	MAR	75	CO	OO
WNG	MAR	80	CP	OP	WOX	MAR	80	CP	OP
WNG	MAR	85	CQ	OQ	WOX	MAR	85	CQ	OQ
WNG	MAR	90	CR	OR	WOX	MAR	90	CR	OR
WNG	MAR	95	CS	OS	WOX	MAR	95	CS	OS
WNG	MAR	100	CT	OT	WOX	MAR	100	CT	OT
WNG	JUN	90	FR	RR	WOX	JUN	90	FR	RR
WNG	JUN	95	FS	RS	WOX	JUN	95	FS	RS
WNG	JUN	100	FT	RT	WOX	JUN	100	FT	RT

Washington Group Intl, Inc. - 2009 Leap (XOV)
(Before - Date To Be Announced)
100 shares WNG

			Calls	Puts
XOV	JAN	60	AL	ML
XOV	JAN	65	AM	MM
XOV	JAN	70	AN	MN
XOV	JAN	75	AO	MO
XOV	JAN	80	AP	MP
XOV	JAN	85	AQ	MQ
XOV	JAN	90	AR	MR
XOV	JAN	95	AS	MS

Washington Group Intl, Inc. - 2009 Leap (XR)
(Beginning - Date To Be Announced)
(See New Deliverable Above)

			Calls	Puts
XR	JAN	60	AL	ML
XR	JAN	65	AM	MM
XR	JAN	70	AN	MN
XR	JAN	75	AO	MO
XR	JAN	80	AP	MP
XR	JAN	85	AQ	MQ
XR	JAN	90	AR	MR
XR	JAN	95	AS	MS

Washington Group Intl, Inc. - 2010 Leap (KQU)
(Before - Date To Be Announced)
100 shares WNG

			Calls	Puts
KQU	JAN	60	AL	ML
KQU	JAN	70	AN	MN
KQU	JAN	80	AP	MP
KQU	JAN	90	AR	MR
KQU	JAN	100	AT	MT

Washington Group Intl, Inc. - 2010 Leap (KBY)
(Beginning - Date To Be Announced)
(See New Deliverable Above)

			Calls	Puts
KBY	JAN	60	AL	ML
KBY	JAN	70	AN	MN
KBY	JAN	80	AP	MP
KBY	JAN	90	AR	MR
KBY	JAN	100	AT	MT

Customers should be advised that all Good-til-Cancelled (GTC) orders not on AUTOM must be cancelled and re-entered prior to the effective date. GTC AUTOM orders will be deleted by PHLX Service Desk/AUTOM person

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-150