

NEWS RELEASE

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FOR RELEASE:

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WASHINGTON GROUP TEAM WINS NEW CONTRACT TO MANAGE WASTE ISOLATION PILOT PLANT IN NEW MEXICO

Boise, Idaho—Washington Group International, Inc. (NYSE: WNG), announced today that TRU Solutions LLC, a partnership between Washington Group and Roy F. Weston, Inc., has been awarded a five-year contract from the United States Department of Energy (DOE) to manage the Waste Isolation Pilot Plant near Carlsbad, New Mexico. The contract is worth approximately \$500 million.

The award is the second large contract that has been awarded this week by DOE to Washington Group. On Monday, DOE announced that a Bechtel-Washington Group partnership was awarded a \$4-billion, 10-year environmental cleanup construction contract at the Hanford Site in the state of Washington.

"Our experience in building, licensing and opening the WIPP, and our long history as a contractor and mine operator make this contract a perfect fit with our long-term objectives and the goals of the federal government," said Dennis R. Washington, Washington Group chairman and chief executive officer.

"We're excited to be able to continue working on this important project. Only about one in ten incumbents wins in DOE recompetitions, so I think this award says a lot about our partner Weston and what we've accomplished at the WIPP over the years."

The new contract, which will be administered by DOE's Carlsbad Field Office, runs through September 30, 2005. TRU Solutions is majority-owned by Washington Group with a minority position by Weston. The incumbent contractor at the WIPP, the Westinghouse Waste Isolation Division – also a Washington Group unit – has been involved with the project since 1978 and has been the management contractor since 1985.

"Our record and outstanding safety performance over the years at WIPP was a key focus of our best and final proposal to DOE in November," said Ambrose L. Schwallie, president and chief executive officer of Washington Group's Government operating unit. "I believe our corporate knowledge and background in nuclear and underground operations will serve both the DOE and southeastern New Mexico well."

The WIPP, which received its first shipment of transuranic waste in March 1999, permanently disposes of transuranic nuclear waste in an underground repository that has been excavated in 250-million-year-old salt beds located one-half-mile beneath the earth's surface.

"DOE's decision to select TRU Solutions is good news for our employees who have worked on the project for so many years," said Washington. "Our team looks forward to continuing that relationship and helping the Carlsbad Field Office manage the national transuranic waste program."

Washington Group employs about 650 people at the WIPP. Washington Group also operates a manufacturing plant in Carlsbad – the Engineered Products Department of its Government Technical Services Division – that produces nuclear waste containers.

Washington Group International, Inc. is an international engineering, construction, and operations firm with more than \$5.0 billion in annual revenues and a backlog of approximately \$6.6 billion. With 39,000 employees at work in more than 40 countries, the company serves the government, transportation, environmental, heavy-civil, industrial, mining, nuclear-services, petroleum and chemicals, power, process, pulp and paper, telecommunications, transportation, and water-resources markets as an engineer, constructor, program manager, and developer.

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