State Department Reinstates Sea Launch License

The U.S. State Department has terminated its suspension of The Boeing Company's export license on the Sea Launch program, effective today, as a result of a civil settlement.

This clears the way for the Sea Launch program to resume normal program operations leading to a first launch in First Quarter 1999.

The license was withdrawn by the State Department on July 27, following disclosure by Boeing that technical information may have been transferred without proper approval on the Sea Launch program.

As part of the settlement, Boeing paid a fine, but a portion of the fine was suspended and will be used internally over a three-year period to pay the costs of Sea Launch export compliance measures.

Sea Launch is a consortium that includes companies from the United States, Russia, Ukraine, and Norway. It will provide a unique launch service to boost commercial communications satellites into orbit from equatorial waters in the Pacific from a floating platform.

Sea Launch Company partners are:

- Boeing - 40 percent - Program integration, construction and management of the Home Port and payload fairings.
- RSC Energia of Moscow - 25 percent - Upper stage of the launch vehicle.
- Kvaerner Maritime of Oslo - 20 percent - Assembly and command ship; floating launch platform.
- KB Yuzhnoye/PO Yuzhmash of Ukraine - 15 percent - First two stages of the launch vehicle.

###

For further information:
Timothy L. Dolan
562-797-5090