Sea Launch Set to Lift DIRECTV Payload into Orbit

DIRECTV 1-R Satellite to Expand Capacity and Strengthen In-Orbit Redundancy

Sea Launch, DIRECTV, Inc. and Hughes Space and Communications (HSC) today announced that DIRECTV will be the customer for Sea Launch's first commercial launch scheduled for late summer of this year. In conjunction with HSC, Sea Launch will use the world's only ocean-based commercial launch service to propel the DIRECTV 1-R satellite into orbit.

"We are delighted to have the DIRECTV 1-R as the passenger for our first commercial launch," said Allen Ashby, Sea Launch president. "Given DIRECTV's role as the nation's leading digital television service provider and the potential for this satellite to expand and enhance their existing array of programming choices, this is a tremendous vote of confidence in our launch service capabilities."

Working together, HSC and DIRECTV, both units of Hughes Electronics Corporation, developed DIRECTV 1-R, a HS 601HP model that will deliver 30 percent more capacity than its predecessor, the HS 601. To be delivered to geosynchronous transfer orbit by Sea Launch under the provisions of a delivery-on-orbit contract, the new satellite will join the DBS-2 and DBS-3 satellites at the 101 degrees West longitude (WL) orbital slot.

"DIRECTV 1-R will provide the extra insurance DIRECTV needs to provide our subscribers with long-term, uninterrupted subscription entertainment services," said Eddy W. Hartenstein, president of DIRECTV. "The extra capacity will also enable us to create additional revenue opportunities and provide new services to our subscribers, which will further strengthen our leadership position in the market."

DIRECTV 1-R will strengthen in-orbit redundancy and provide DIRECTV with more than 20 additional channels of Ku-band capacity above that which DIRECTV uses today on DBS-1, which will be relocated to 110 degrees WL following the successful launch of DIRECTV 1-R.

"It is an exciting opportunity for our satellite customers when a new launch vehicle becomes operational," said Tig H. Krekel, president and chief executive officer of HSC. "The earlier test flight of Sea Launch was successful and demonstrated the level of reliability our customers require for access to space."

The Sea Launch concept affords several value-added operational and performance benefits to launch customers such as DIRECTV including increased launch range availability, reduced launch support infrastructure costs and the most direct route to geostationary transfer orbit. Launched from the equator, the company's robust Zenit-3SL rocket can either carry additional mass or place a payload into a higher perigee, helping to achieve a longer satellite service capability.

The launch and orbital placement of DIRECTV 1-R also completes the evolution of Sea Launch from a developmental program to a commercial launch services provider. The company recently demonstrated the viability of its operational concept during a March 27 launch of an instrumented demonstration payload that was placed into a precise geosynchronous transfer orbit.

"We want Sea Launch to be the preferred heavy-lift launch service provider well into the next century -- and that can only be achieved through sustained performance," Ashby added. "If we can evolve and duplicate the outstanding levels of success that were achieved during our inaugural launch, we'll be well on our way."

Prior to the August launch, Sea Launch and HSC personnel will work closely to fuel and encapsulate the DIRECTV 1-R payload at the Sea Launch Home Port in Long Beach. Once completed, the payload unit will be integrated with the Zenit-3SL aboard the Sea Launch assembly and command ship, ***Commander***, and then transferred to the ***Odyssey*** launch platform for transport to the launch site at 154 degrees West longitude.

Sea Launch is a keenly focused international consortium dedicated to providing satellite and end-user customers with superior value, performance and fully integrated commercial launch service capabilities. The company currently has 15 firm launches on its manifest.

The Sea Launch partnership combines the resources of the world's leading aerospace and maritime companies, including Boeing Commercial Space Company, Kent, Wash., (provides spacecraft integration and the payload fairings); Kvaerner Maritime a.s., of Oslo, Norway (the vessel builder); RSC Energia of Moscow, Russia (provides the Block-DM upper stage and its integration with the launch vehicle); and KB Yuzhnoye/PO Yuzhmash of Ukraine (provides the first two stages of the launch vehicle).

DIRECTV is the nation's leading digital television entertainment service with more than 7 million subscribers, including subscribers to the recently acquired PRIMESTAR medium-power direct broadcast satellite service. DIRECTV is a registered trademark of DIRECTV, Inc., a unit of Hughes Electronics Corporation. The earnings of Hughes Electronics are used to calculate the earnings per share attributable to GMH (NYSE symbol) common stock. Visit DIRECTV on the World Wide Web at www.directv.com.

Hughes Space and Communications Company, is the world's leading manufacturer of commercial communications satellites,

and is also a major supplier of spacecraft and equipment to the United States government. Hughes is also a builder of weather satellites for the United States and Japan. The earnings of Hughes Electronics are used to calculate the earnings per share attributable to GMH (NYSE symbol) common stock.

###

For further information:
Terrance Scott
Sea Launch
(562) 951-7348
Bob Marsocci
DIRECTV, Inc.
(310) 726-4656
Don O'Neal
Hughes Space and Comm.
(310) 364-5777
