Connexion by Boeing and Loral Skynet do Brasil Team Up to Cross North Atlantic

New Satellite to Provide Historic Transoceanic Internet Coverage

Connexion by Boeing[SM], the breakthrough high-speed Internet and data communication service, and Loral Skynet do Brasil are teaming up to provide unprecedented transatlantic coverage to travelers en route between North America and Northern Europe. In an agreement announced today, leased transponders onboard the planned Brazilian Estrela do Sul 1 satellite operated by Loral Skynet do Brasil, will be used to provide Internet connectivity to flights over the North Atlantic.

"The transatlantic corridor is one of the most coveted flight paths in the world," said Ken Medlin, Boeing vice president and general manager. "This agreement with Loral Skynet do Brasil means that -- for the first time in history -- air travelers within that corridor will have real-time access to the broadband Internet services they want and expect during intercontinental flights."

Working with the Connexion by Boeing team, Loral Skynet do Brasil will add additional transponders to the Estrela do Sul 1 satellite scheduled for launch in mid-2002. Once in orbit, the satellite will be parked in an orbital slot located at 63 degrees West longitude and be used by Connexion by Boeing to provide air travelers with the first real-time broadband Internet access over the North Atlantic. Boeing and Loral Skynet do Brasil are continuing to work with the appropriate U.S. and Brazilian and international regulatory agencies to gain the necessary licensing approvals.

According to Ed Laase, director of Network Operations for Connexion by Boeing, leasing transponders on the high-powered Ku-band satellite provides a low-risk solution and a good blueprint for expanding the broadband communication service to other parts of the world.

"This agreement supports our strategy for using planned and existing satellites to bring this progressive new service to populous markets such as Europe, Asia Pacific and other regions," said Laase. "Using leased, dedicated transponders is an economical approach to providing the necessary system capacity, bandwidth and transoceanic coverage and we will continue to explore similar opportunities with satellite service providers in other regions as we expand the service globally."

The Connexion by Boeing service will be available for installation onboard commercial aircraft beginning in 2001. Upon receipt of licenses from the U.S. Federal Communications Commission and other relevant agencies, the service will be offered on travel routes across North America using leased transponders provided by Loral Skynet and expanded to other global flight routes through an ongoing rollout. Once the additional international approvals are obtained, the Connexion by Boeing service coverage is expected to expand to Europe in late 2002.

Connexion by Boeing, the first truly broadband communication service for people on the move, is the market-leading initiative to bring today's high-speed, cable-quality Internet and Intranet data services to the in-flight environment. The innovative venture strengthens the move by Boeing, the world's largest aircraft manufacturer, into space-based communication technologies.

In-flight airline passengers will soon be able to choose from a multitude of personalized real-time services including Internet and corporate intranet access, e-commerce, live television and entertainment, transmission and receipt of data, shopping, travel and destination information. Airline operators also will benefit from in-flight access to airline and crew data not normally available through traditional communication channels.

Loral Skynet do Brasil, a wholly owned subsidiary of Loral Space & Communications, is the first in-country, private Brazilian satellite company offering Ku-band services. The company was formed to address opportunities in the fixed satellite services market in Brazil and the Americas. The company has the rights and obligations to use the Ku-band frequencies at the 63 degree West Longitude orbital slot. For more information, visit the Loral Skynet do Brasil web site.

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