

Boeing-Built Hughes Spaceway Satellites To Fly On Sea Launch Boosters

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Boeing Satellite Systems, Inc. (BSS), the world's leading satellite manufacturer, has contracted with the Sea Launch Company for the launch of two Spaceway™ satellites. BSS is a unit of The Boeing Company (NYSE:BA); Sea Launch is a joint venture in which Boeing is a partner. The satellites are Boeing 702 model spacecraft currently being manufactured and launched for Hughes. BSS is under contract to launch the first North American satellite at the end of 2002.

The Spaceway Ka-band satellites will be used in a unique new global broadband satellite network to provide high-bandwidth and high-speed communications for broadband and multimedia applications to North America. The satellites will provide bandwidth on demand and will operate exclusively in the Ka-band spectrum.

"This contract with Sea Launch is what we call 'delivery-in-orbit,' meaning BSS delivers the satellites and provides launch arrangements, followed by extensive in-orbit testing prior to final customer acceptance. In essence, we provide Hughes Network Systems with end-to-end support," said Randy Brinkley, president of BSS. "We have delivered more than 50 satellites to their final orbital destination under this delivery-in-orbit contracting vehicle. For BSS, working with the launcher is a normal part of the business. For Hughes Network Systems, working with us for the manufacture and launch enables them to focus more on the broadband service offerings, knowing we have seen about 200 spacecraft enter service."

"We're pleased to be working with BSS and Sea Launch on the Spaceway program. The combined expertise of our teams will bring a unique and powerful technology platform into existence. The launch contract itself takes us one step closer to realizing the most advanced and innovative broadband solution ever conceived," said Mike Cook, vice president and general manager of Hughes Spaceway.

"Sea Launch is honored to be the launch services provider of choice for these cutting-edge, broadband satellites," said Will Trafton, president of Sea Launch. "This award further confirms the technical and operational maturity of the Sea Launch system."

Sea Launch, with five very successful launches to date, is an international partnership that provides commercial satellite customers the most direct and cost-effective route to geosynchronous orbit. The proven Zenit-3SL rocket can lift a heavier spacecraft mass or loft a payload to a higher perigee. With the advantage of an equatorial launch site in the open waters of the Pacific Ocean, Sea Launch offers high performance, outstanding insertion accuracy and best value.

About Hughes Network Systems

A leading global provider of broadband communications, HNS has delivered communications solutions to enterprises for nearly 30 years. HNS provides products and services that support a growing suite of broadband applications in over 85 countries worldwide. Headquartered in Germantown, Maryland, near Washington, DC, the company has sales and support offices around the globe. HNS is a unit of Hughes Electronics Corporation, the world's leading provider of digital television entertainment, satellite services and satellite-based private business networks. The earnings of Hughes Electronics, a unit of General Motors Corporation, are used to calculate the earnings per share attributable to the General Motors Class H common stock (NYSE: GMH). For additional information, visit the HNS web site at www.hns.com.

Spaceway™ is a registered trademark of Hughes Electronics Corporation.

About Boeing Satellite Systems

BSS is the world's leading manufacturer of communications satellites and a major provider of space systems, satellites, and payloads for national defense, science and environmental applications. The company was formed in October 2000 when Boeing acquired the Hughes Electronics satellite manufacturing companies, which included Hughes Space and Communications Company, Hughes Electron Dynamics, Spectrolab, Inc., and Hughes Electronics' 50 percent share of HRL Laboratories.

The Boeing Company, headquartered in Seattle, is the largest aerospace company in the world and the United States' leading exporter. It is the world's largest manufacturer of commercial jetliners and military aircraft, and the largest NASA contractor. The company's capabilities in aerospace also include rotorcraft, electronic and defense systems, missiles, rocket engines, launch vehicles, and advanced information and communication systems. The company has an extensive global reach with customers in 145 countries and manufacturing operations throughout the United States, Canada and Australia.

About Sea Launch

Sea Launch Company, LLC, is a global launch service serving a global marketplace. Headquartered in Long Beach, Calif., with operations based at Sea Launch Home Port in Long Beach Harbor, the multinational partnership provides commercial satellite customers the most direct and cost-effective route to geosynchronous orbit. With the advantage of a launch site on the Equator, the proven Zenit-3SL rocket can lift a heavier

spacecraft mass or loft a payload into a higher perigee, offering maximum lift capacity for increased payload mass or extended spacecraft life.

Additional information is available at <http://www.sea-launch.com>

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