CONTROL DATA'S LINK WITH THE SOVIET UNION

Control Data has been doing business in the Soviet Union for more than 20 years. The Company made a major commitment to develop technological cooperation with the Soviets in response to encouragement from President Nixon. The very first American mainframe in the U.S.S.R. was a CYBER 1604, installed at the Joint Institute for Nuclear Research at Dubna in 1968 for scientific purposes during the thaw in U.S./Soviet relations known as "Ostpolitik." The Soviets paid for their earliest orders with shotguns and books, and later with hard currency.

In 1972, Control Data had an exhibit at the Moscow trade fair during the Nixon-Brezhnev Summit, and in 1973, the Company signed the first of its science and technology agreements with the Soviets under which the two parties determined they would explore opportunities for technological cooperation. Control Data's position has been that trade in non-strategic goods will establish major links to jointly solve major global problems. The Company works closely with the United States and Soviet governments on agreements for end-user safeguards.

After 1979, Control Data maintained an office in Moscow staffed by a Soviet manager. In accordance with U.S. government requirements, the Company continued to ship spare parts to its Soviet computer installations.

Today Control Data has nine computers operating on seven sites in the Soviet Union that are used for petroleum seismic data processing, weather prediction and other scientific purposes. Recently, the Soviet Union ordered nine additional computers for nuclear power safety and seismic data processing.

Six CYBER 960 computers have been ordered to ensure safe design and operation of civilian nuclear power plants in the U.S.S.R. The planned purchase of the computers--the most powerful ever to be exported to the Soviet Union--are part of the Soviet Union's program to prevent serious nuclear plant accidents from ever happening again. Similar Control Data CYBER systems perform safety analysis on nuclear power plants at New England's Yankee Atomic, Carolina Power and Light, the Tennessee Valley Authority, Framatome in France, and the Korean Advanced Institute of Science and Technology.

The U.S. government has indicated to Control Data that it will soon approve export of these computers, subject to U.S.-U.S.S.R. agreement. The deal will be the largest instance of U.S.-U.S.S.R. technology cooperation to date.

Control Data intends to be a major force in the Soviet and other Eastern European scientific and engineering computing markets in the 1990s. It will pursue petroleum seismic data processing, nuclear power safety, manufacturing, weather and energy management opportunities in these markets.