



XM SATELLITE RADIO HOLDINGS INC ANNOUNCES THIRD QUARTER 2000 RESULTS

XM Unveils Broadcast Center, Demonstrates Prototype Radios and Delivers First Pass

Chipsets Company Preparing for First Satellite Launch Scheduled For End of Year National, October 24, 2000 -- XM Satellite Radio Holdings Inc. (Nasdaq: XMSR), an innovator in radio entertainment, today reported financial and operating results for the third quarter ended September 30, 2000. During the quarter, XM Radio announced achieving several key technological milestones including successfully conducting end-to-end XM signal testing, demonstrating a prototype satellite radio and the opening of its headquarters and Broadcast Center. XM announced a number of new agreements with automobile and radio manufacturers, content providers and consumer electronics retailers. In October 2000, XM's chipset manufacturer, STMicroelectronics, completed fabrication and initial testing of XM's two custom chips, key components of the XM radio and began delivering these chips to XM Radio partners for integration into the manufacturing process of XM satellite-capable radios. XM is now preparing for the launch of its first satellite for end of year.

Third Quarter Financial and Operating Results

The company reported third quarter 2000 consolidated operating loss (EBIT) of (\$28.1) million, a consolidated net loss of (\$20.1) million, and a consolidated net loss available to common shareholders of (\$160.1) million, or (\$3.26) per share. In comparison, XM had a consolidated operating loss of (\$9.4) million, a consolidated net loss of (\$17.4) million, and a consolidated net loss available to common shareholders of (\$17.4) million, or (\$2.60) per share, for the third quarter of 1999. Excluding one-time non-cash charges of (\$123.0) million and (\$11.2) million to the consolidated net loss available to common shareholders as a result of the beneficial conversion feature of its Series C preferred stock and the exchange of certain shares of its Series B preferred stock for shares of Class A common stock, respectively, consolidated net loss available to common shareholders for the third quarter of 2000 was (\$25.8) million, or (\$0.53) per share. According to Hugh Panero, XM President/CEO, "We are pleased with the operational results for this quarter and expect to continue managing XM's operational expenses conservatively in line with our expectations as we build towards commercial operations in 2001."

XM Prepares for December Satellite Launch

Preparations are underway for the December launch of XM's first satellite (XM "Roll"), the first of two satellites built by Boeing Satellite Systems (BSS-formerly Hughes Space and Communications). XM "Roll" will be launched by Sea Launch, the multi-national ocean-based launch service company which recently successfully launched the Thuraya-1 communications satellite and the PanAmSat PAS-9 satellite. BSS expects to deliver the XM spacecraft to Sea Launch Home Port in November.

XM Radio Unveils Largest Digital Broadcast Center in the US

XM's \$65 million headquarters and Broadcast Center was unveiled at a grand opening celebration featuring a performance by the Queen of Soul, Aretha Franklin. The facility is located in a converted 100-year old printing factory in the nation's capital. The new 150,000-sq.ft. facility will include 82 all-digital interconnected studios, making it one of the largest in the U.S. XM will create and package up to 100 national channels of digital-quality music, news, sports, talk and children's programming from its state-of-the-art Broadcast Center.

XM Radio Signs Key Deals with Two Additional Auto Manufacturers

XM announced letters of intent with car manufacturers American Isuzu and Suzuki to provide satellite radio platforms for future car and truck models. American Isuzu and Suzuki join current XM auto partners General Motors, American Honda and Saab.

XM Radio Announces Key Content, Distribution and Radio Manufacturing Agreements

XM announced a number of new agreements with content providers including Associated Press All-News Radio, CNBC, Sesame Workshop, Country Music Hall of Fame, Harry Knowles and BBC. In addition, Black Entertainment Television (BET) will expand its relationship with XM, creating urban and jazz-oriented music channels accessing the talent appearing on BET's cable networks.

XM also announced deals with consumer electronics regional distributors Cowboy Maloney's Electronic City and Magnolia Hi-Fi. The retailers plan to sell and market XM-Ready radios from leading consumer electronics manufacturers and XM service throughout their stores beginning with launch of XM programming in the second quarter of 2001. In addition, XM signed deals with key radio manufacturers Blaupunkt, Fujitsu Ten, Hyundai Autonet and Bontec, which are the main suppliers of audio products for Volkswagen, Toyota, Hyundai and Kia.

About XM Satellite Radio

XM Satellite Radio is developing a new band of radio. The service will be uplinked to XM's powerful satellites and transmitted directly to vehicle, home and portable radios across the country. Its first satellite is scheduled to launch in December 2000. XM-

Ready radios will be manufactured by such household names as Sony, Alpine and Pioneer Electronics Corporation and sold by automotive and retail outlets such as Best Buy and Circuit City. XM's consumer service is slated to begin during the second quarter of 2001 for a monthly subscription fee of \$9.95. First there was AM, then FM and soon. . . XM Satellite Radio. For more information, please visit XM's website: www.xmradio.com.

Factors that could cause actual results to differ materially from those in the forward-looking statements in this press release include uncertainties associated with the launch of the company's satellites, dependence on third party vendors, continuing need for additional financing, as well as other risks described in XM Satellite Radio Holdings Inc.'s Form S-1 filed with the Securities and Exchange Commission on 9-7-00. Copies of the filing are available upon request from XM Radio's Investor Relations Department.

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