



XM SATELLITE RADIO ESTABLISHES DETROIT OPERATIONS

George Lynch to Head Office and OEM Efforts; Kent Brodsho Named Regional Retail & Distribution Manager

National, September 16, 1999 -- XM Satellite Radio announced today that it has opened an office in Detroit, MI, to support its quickly expanding relationships with automotive manufacturers, including General Motors. XM's newly hired Director of OEM (original equipment manufacturer) Sales, George Lynch, will head up the office. Mr. Lynch comes to XM from Panasonic Automotive Electronics Company, where he was responsible for the company's largest OEM account, Toyota. In addition, Kent Brodsho joins XM as Regional Retail Marketing and Distribution Manager. The announcements were made by Hugh Panero, President and CEO of XM Satellite Radio.

XM Satellite Radio is building a new band of radio. From its two powerful satellites, XM plans to transmit up to 100 channels of digital-quality music, news, talk, sports and children's programming directly to vehicle, home and portable radios across the country. With an XM-capable radio and a small antenna, subscribers everywhere in the continental United States will be able to enjoy their favorite XM channels.

"We are excited to officially open our Detroit headquarters where our sales force will build and support XM's OEM and automotive partnerships," said Mr. Panero. "It is centrally located in the well-known American Center building, which has a long history in the automotive business."

XM is partnering with industry leaders to build its service. Alpine, Delphi Delco, Pioneer and Sharp are among the consumer electronic firms that will design, manufacture and market AM/FM/XM radios. General Motors has signed a long-term agreement to factory-install and market XM service in new GM vehicles. It is also expected that agreements will be signed with other leading auto makers. Hughes and Alcatel are building XM's satellites, the most powerful commercial satellites available.

"We are delighted that George and Kent will bring their extensive sales expertise and experience to the XM sales team," Mr. Panero added.

George Lynch

As Director of OEM Sales, George Lynch will head the new Detroit office. Reporting to Daniel Murphy, XM's Vice President of Retail Marketing and Distribution, Mr. Lynch will be responsible for expanding the distribution of XM services in new vehicles manufactured for the US market. He will handle the company's key automotive manufacturers and their respective OEM radio manufacturers.

During his tenure at Panasonic, Mr. Lynch was responsible for the company's largest OEM account, Toyota. He handled all aspects of business sales, marketing, engineering, and new product develop and introduction. Previously, he was Senior Sales Manager at Aisin World Corp. of America, where he successfully launched and pioneered four new mobile data communication devices into the North American Market, establishing both OEM and aftermarket sales distribution systems. He has held senior sales posts at Bohn Engine and Foundry and United Technologies Automotive Group. Mr. Lynch holds a Bachelor of Arts from Western New England College.

Kent Brodsho

Mr. Brodsho comes to XM Satellite Radio after more than four years with U.S. Satellite Broadcasting (now part of DIRECTV), most recently as Director of National Accounts responsible for key national consumer electronics accounts including Circuit City, Radio Shack, Sears and Wards. Previously, he was a national television/DSS buyer at Best Buy, the nation's largest volume specialty retailer of consumer electronics, personal computers, entertainment software and appliances. At Best Buy, Mr. Brodsho was responsible for purchasing televisions and digital satellite systems. He graduated from St. Cloud State University in St. Cloud, MN, with a Bachelor of Science Degree in Business. As XM's Retail Marketing and Distribution Manager, Mr. Brodsho will also report to Mr. Murphy.

XM Satellite Radio is developing a new band of radio. The system will use direct satellite-to-receiver broadcasting technology to provide listeners in their cars and at home with crystal-clear sound, seamlessly from coast to coast. The subscription service is

scheduled to start during the first half of 2001 for \$9.95 a month. Through its XM Originals programming unit, XM plans to offer an innovative mix of music, talk, news, sports and children's formats. To complement its original programming, XM has signed programming agreements with a number of premier content providers, including USA TODAY, the BBC World Service, Black Entertainment Television, Radio One, the Hispanic Broadcasting Corporation (formerly Heftel), Bloomberg News Radio, C-SPAN Radio, CNN/Financial Network, CNN/Sports Illustrated, The Weather Channel and many others.

XM is a wholly owned subsidiary of American Mobile Satellite Corporation (NASDAQ: SKYC). Its investors include industry leaders Clear Channel Communications Inc.; DIRECTV, Inc., a unit of Hughes Electronics Corporation; the General Motors Corporation; and a private investment group comprised of Columbia Capital, Telcom Ventures L.L.C., and Madison Dearborn Partners, which together recently invested \$250 million in the company. XM Satellite Radio obtained one of two satellite digital audio radio service (SDARS) licenses from the Federal Communications Commission in October 1997. First there was AM, then FM and soon. . . XM Satellite Radio. For more information, please visit XM's new website: www.xmradio.com.

Factors that could cause forward-looking statements in this news release to differ materially from actual results are discussed in XM's Registration Statement on Form S-1 (No.333-38619) filed with the Securities and Exchange Commission on July 23, 1999, as the same may be amended, and other periodic filings the company will make with the Securities and Exchange Commission.