



AUDIOVOX JOINS XM RADIO'S ELITE TEAM OF RADIO MANUFACTURERS

Washington D.C., January 06, 2000 -- XM Satellite Radio Inc. (NASDAQ:XMSR) today announced that Audiovox Corporation's Electronics Division (AMEX:VOX) will design, manufacture and market XM-Ready™ radios for the OEM car stereo market. Audiovox is a leader in mobile entertainment products for the automotive environment such as rear seat entertainment. The company joins XM Radio's elite team of radio manufacturers, which currently includes Alpine, Clarion, Delphi Delco, Mitsubishi Electronic Automotive of America, Motorola, Pioneer and Sharp. The announcement was made by Hugh Panero, President and CEO of XM Satellite Radio Inc., at the outset of the Consumer Electronics Show in Las Vegas, Nevada. Terms of the agreement were not disclosed.

"We are very excited about working with Audiovox, which is leveraging new technologies in its automotive consumer products," said Mr. Panero. "This deal brings XM Radio yet another step closer to our goal of making XM-Ready radios available throughout the consumer electronics and automotive marketplace."

Based in Hauppauge, NY, Audiovox Communications Corporation is an international leader in the marketing of wireless communications products, auto sound, vehicle security, mobile video products and consumer electronics products. It markets its products both domestically and internationally under its own brands and also functions as an OEM (Original Equipment Manufacturer) supplier to several customers, including Nissan Motors and Delco, among other companies. Its Mobile Electronics group focuses on the 12-Volt specialist, with the Audiovox® and Prestige® brands, and the Car Dealer Expediter, with the Pursuit® and SPS brands. Audiovox has a substantial OE business and is QS9001 registered.

XM Satellite Radio is developing a new band of radio, targeted to launch in the first half of 2001. XM Radio will create up to 100 channels of digital-quality music, news, sports, talk and children's programming, which will be uplinked to XM Radio's powerful satellites and transmitted directly to vehicle, home and portable radios coast-to-coast for a monthly subscription fee of \$9.95.

XM-Ready radios will be available in retail outlets throughout the US; and major automotive manufacturers will offer factory-installed XM-Ready radios in new car models. XM Radio has entered into a 12-year distribution agreement with General Motors to integrate XM-Ready radios into its vehicles commencing in 2001. XM Radio is in discussions with other major car manufacturers.

In October 1999, XM Satellite Radio (NASDAQ:XMSR) completed a successful public offering on NASDAQ. American Mobile Satellite Corporation (NASDAQ:SKYC) holds controlling interest in the company. XM Radio's other 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 invested \$250 million in the company in July 1999. XM Satellite Radio obtained one of only 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 (including projections and business trends) in this document to differ materially from actual results are detailed from time to time in XM Radio's filings with the Securities and Exchange Commission.

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