



XM Upgrades Website, Adds Host of New Features

Washington D.C., January 07, 2002 -- XM Satellite Radio (Nasdaq: XMSR), America's first nationwide digital satellite radio service, announced today it has upgraded its website, www.xmradio.com, drawing on customer suggestions and cutting-edge technology to add a host of features from on-line voting for songs to play on XM's Top 20 channel to an expanded list of retailers on XM's dealer-locator search engine.

"Our website has been instrumental in introducing the country to America's first digital satellite radio service," XM President and CEO Hugh Panero said. "Customer response to our website has been fantastic and we are continually using feedback from our subscribers to expand and fine-tune our site."

Panero added: "The company achieved this without the full benefit of its total distribution network due to early product constraints that have since been resolved." As another reference point, Panero noted, Echostar, the DBS provider, at the end of its first 70 days of national operations had 31,000 subscribers.

Among the new and enhanced features on XM's website are:

- **Weekly Programming Highlights:** Every Monday users can view programming highlights for the coming week across the XM channel spectrum, get information on XM's Featured Channel of the Week, learn about special offers and new music releases playing on XM, and see exclusive photos of artist visits to the XM Studios. (<http://programming.xmradio.com>)
- **XM Signal:** XM's weekly email newsletter focuses on highlights of upcoming XM programming.
- **On-line Voting:** XM listeners can vote online for their favorite pop hits and hear them played on "20 on 20," XM's top hits channel (Channel 20). (<http://20on20.xmradio.com>)
- **Online Activations:** At subscribers' request, XM added the convenience of activating XM radios on the web (<http://activate.xmradio.com>). XM subscribers can also communicate directly with Listener Care and make adjustments to their accounts--add a radio, change an address, view a bill, change credit cards--via XM's web site.
- **Streaming Audio:** Visitors can now sample more than half of XM's channels on XM's web site.
- **Dealer Locator Enhancements:** Thousands of dealers' locations who carry XM products can now be found through a search engine on XM's web site. Visitors can also link to XM-authorized online retailers for convenient Internet shopping.
- **Contact XM Channels Directly:** Subscribers can now directly email or phone toll-free each of XM's original programming channels (i.e., bluesville.xmradio.com), allowing listeners to interact with XM's on-air talent and live shows.
- **Dealer Extranet:** To help support its dealer network, XM launched a secure dealer Extranet, providing the latest information and XM collateral and training materials to its retail partners.

At the Consumer Electronics Show in Las Vegas, XM today announced it already has more than 30,000 paying subscribers after only 56 days of nationwide service, making it one of the fastest introductions of a new audio product in 20 years. XM is transforming radio, an industry that has seen little technological change since FM, almost 40 years ago. XM's programming lineup features 100 coast-to-coast digital channels: 71 music channels, more than 30 of them commercial-free, from hip hop to opera, classical to country, bluegrass to blues; and 29 channels of sports, talk, children's and entertainment. XM also brings to the car, for the first time on radio, the same diverse selection of 24-hour news sources available in the home on cable and DIRECTV.

XM radios are available at major electronics retailers nationwide including Best Buy, Circuit City, Tweeter, Ultimate Electronics, participating RadioShack Dealers and Franchisees, Crutchfield, Good Guys, CarToys, Audio Express and Sound Advice; and at independent retailers. Leading manufacturers such as Sony, Alpine and Pioneer offer a broad array of XM radios including models that will easily enable any existing car stereo system to receive XM service (the Pioneer Universal Receiver and the Sony Plug-and-Play) and over 20 models of new AM/FM/XM systems offering many other great features. General Motors in November rolled out factory-installed Delphi-Delco XM radios in Cadillac DeVille and Seville models, and will expand to more than 20 GM models this year. XM's strategic investors include America's leading car, radio and satellite TV companies -- General Motors, American Honda Motor Co. Inc., Clear Channel Communications and DIRECTV.

XM was named "Product of the Year" by Fortune, an "Invention of the Year" by Time and won Popular Science's 2001 "Best of What's New" Grand Award in the electronics category. XM won several awards at the 2001 CES, including "Best of CES" in the automotive category. For more information, please visit XM's web site: 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 demand for the company's service, the company's dependence on third party vendors, its continuing need for additional financing, as well as other risks described in XM Satellite Radio Holdings Inc.'s Form 8-K filed with the Securities and Exchange Commission on 12-6-2001. Copies of the filing are available upon request from XM Radio's Investor Relations Department.

XM Press Contacts

Charles Robbins
(202)380-4316 Phone
charles.robbsins@xmradio.com

Jennifer Markham
(202)380-4315 Phone
jennifer.markham@xmradio.com