XM SATELLITE RADIO PRICES OFFERING OF FOUR MILLION SHARES OF COMMON STOCK AND TWO MILLION SHARES OF 8.25% CONVERTIBLE REDEEMABLE PREFERRED STOCK

National, January 26, 2000 -- XM Satellite Radio (NASDAQ:XMSR) announced today that it priced concurrent offerings of four million shares of Class A common stock and of two million shares of 8.25% Convertible Redeemable Preferred Stock. The proceeds will be used for the continued development and build-out of the XM Radio system.
The price of the common stock was set at $32.00 per share. The 8.25% Series B convertible redeemable preferred stock will be convertible into the company's Class A common stock at a price of $40.00 per share. XM will pay cumulative dividends on the Series B preferred stock at a rate per annum equal to 8.25%, payable in cash or in shares of Class A common stock, or a combination thereof.

A registration statement related to these securities has been filed with the Securities and Exchange Commission. The underwriters for the common stock offering are Donaldson, Lufkin & Jenrette; Bear, Stearns & Co. Inc.; C.E. Unterberg, Towbin; and Salomon Smith Barney. The underwriters of the convertible preferred offering are Bear, Stearns & Co. Inc.; Donaldson, Lufkin & Jenrette; Banc of America Securities LLC; and Salomon Smith Barney.

XM Satellite Radio is developing a new band of radio. The service will deliver up to 100 channels of digital-quality sound coast-to-coast directly from its satellites to listeners in their cars and at home. XM Satellite Radio plans to offer an innovative mix of music, talk, news, sports and children's formats for $9.95 a month. Headquartered in Washington, DC, XM Satellite Radio holds one of only two satellite digital audio radio service (SDARS) licenses awarded by 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.