



## **MARINE AUDIO TO DISTRIBUTE XM RADIO TO THE BOAT MARKET**

### **Agreement Cements XM's Land-Sea-Air Marketing Strategy**

National, March 28, 2000 -- XM Satellite Radio (NASDAQ:XMSR) and Marine Audio Engineering & Sales Inc., the nation's leading supplier of boat audio systems, today announced that Marine Audio will provide XM-Ready radios to its extensive boat customer base. Marine Audio directly distributes the majority of the marine industry's audio systems to nearly all of the high-end boat builders and to their network of over 2,500 dealers throughout the United States.

"The boating industry is an important component of our national distribution strategy to make XM ubiquitous coast-to-coast," said Steve Cook, XM's Senior Vice President, Sales and Marketing. "This agreement calls for Marine Audio to supply XM-Ready radios to factories and authorized boat dealers. We are delighted that Marine Audio has chosen to join our slate of strategic retail distribution partners, all of whom are leaders in their respective markets. Combined with our previous agreements with car, truck and airline audio distribution agents, we now can make XM available to listeners on land, sea and in the air," he said.

Dick Baker, President, Marine Audio, added, "Satellite radio will be a particularly attractive product for us since boaters find it difficult to receive AM/FM broadcast signals off shore as well as on the many remote rivers and lakes across the nation. We anticipate strong pull-through sales, particularly from our customers' interest in XM Radio's wide selection of programming, including XM's commercial-free music channels and XM content from NASCAR, USA TODAY, Bloomberg and One-On-One Sports."

About Marine Audio Engineering & Sales Inc.

Marine Audio, based in Ellisville, MO, is the world's premier manufacturer of marine audio and multimedia components. Marine Audio provides research, design and development of new marine products, customer sales and service, along with marketing, promotional and technical support to boat builders.

With a reputation for innovation, Marine Audio hosts acoustical engineering seminars for its boatbuilders all across the nation. Marine Audio, working with its strategic partner Clarion, has been on the leading edge in the marine field with product development industry firsts which include: marine speakers, marinized source units, waterproof remote controls, marine subwoofers, a complete line of marine source units and marine multimedia units.

In January of this year, Marine Audio and Clarion won the Innovations 2000 Award in Design and Engineering Honors Program for product excellence at the prestigious Consumer Electronics Show. Its new series of watertight AM/FM CD player and cassette source units is considered a major breakthrough in water protection to its exterior audio systems.

Behind the scenes, Marine Audio is continuously running accelerated UV weathering and salt/fog resistance testing to its many components in a specially equipped environmental lab. Such testing is conducted to ensure the products' long-lasting original quality, finish and shape, despite harsh exposure to the blazing sun or saltwater.

Marine Audio's website is [www.marineaudio.com](http://www.marineaudio.com). Marine Audio can be reached at 1-800-754-9876.

About XM Satellite Radio

The XM sound will combine leading brand-name channels with distinctive formats produced in XM Radio's fully digital state-of-the-art studios by some of the country's leading artists, producers and radio format designers. XM-Ready radios will be manufactured by such household names as Sony, Alpine, Pioneer Electronics Corporation, Delphi Delco Electronic Systems, Audiovox, Clarion, Mitsubishi Electronic Automotive America, Motorola and the Sharp Corporation. The service will be easy to order, with XM-Ready radios available at car dealerships and consumer electronics stores across the country. The company has a 12-year distribution agreement with General Motors to integrate XM-Ready radios into its vehicles commencing in 2001. American Mobile Satellite Corporation (NASDAQ:SKYC) holds a controlling interest in the company, which is also backed General Motors, Clear Channel Communications and DIRECTV, respectively, the leading car, radio and satellite TV companies in the US.

First there was AM, then FM and soon ... XM Satellite Radio. For more information, please visit XM's new website: [www.xmradio.com](http://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 our satellites, the company's dependence on third party vendors, its continuing need for additional financing, as well as other risks described in XM Satellite Radio Inc.'s Form 8-K filed with the Securities and Exchange Commission. Copies of the filing are available upon request from XM Radio' s Investor Relations Department.