



## **FREIGHTLINER & XM SATELLITE RADIO TEAM UP TO DEVELOP NEW INFORMATION & ENTERTAINMENT SERVICES**

### **Freightliner will also distribute and market XM in its commercial vehicles**

National, March 07, 2000 -- Freightliner Corporation and XM Satellite Radio (NASDAQ:XMSR), today announced a preliminary agreement to jointly develop new, integrated wireless information and entertainment services that will be compatible with Freightliner's Truck Productivity Computer™. XM will partner with leading wireless communications companies to develop new wireless solutions for the trucking market and will work with its strategic partners to incorporate their products and services in an integrated solution for commercial vehicles. XM Satellite Radio's strategic partners include DIRECTV, DIRECTPC and American Mobile (NASDAQ:SKYC).

In addition, Freightliner will distribute, market and merchandize XM Satellite Radio through its fleet-owner relationships, its extensive dealer organization and Freightliner's network of 160 "TravelCenters of America" retail outlets. Freightliner will begin to offer XM radios in its new model Freightliner, Sterling, American LaFrance trucks and Thomas Built buses beginning in 2001.

"XM and its partners offer a broad range of products that commercial drivers will be interested in using as they traverse America's highways," said, Jim Hebe, President and CEO of Freightliner Corporation. "Freightliner looks forward to working with XM Radio's top-notch engineering team and their strategic partners to create valuable, new integrated wireless services to enhance the commercial driving experience."

XM's Hugh Panero added, "Truck drivers are a key early adopter segment for satellite radio, so we are pleased that the nation's largest heavy truck manufacturer will offer XM radio to its large customer base. In addition, this project will give us an excellent opportunity to integrate our innovative radio service with the cutting-edge products and services offered by some of our high-tech partners."

Freightliner Corporation, headquartered in Portland, Oregon, is the leading heavy truck manufacturer in North America. Freightliner produces and markets Class 3-8 vehicles under the Freightliner, Sterling, American LaFrance and Thomas Built Buses nameplates. The company's TravelCenters of America is the largest network of full-service travel centers in the country, serving professional drivers and motorists alike, with over 160 facilities in 40 states.

XM Satellite Radio Inc. (NASDAQ:XMSR) is developing a new band of radio. Starting the first half of 2001, XM Radio will beam up to 100 channels of digital-quality music, news, sports, talk and children's programming directly from its two powerful satellites to vehicle, home and portable XM-Ready radios coast-to-coast for a monthly subscription fee of \$9.95.

XM Radio is committed to revolutionizing 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. Some of XM Radio's current brand-name program suppliers are USA TODAY, NASCAR, BBC World Service, BET and Radio One, Hispanic Broadcasting Corporation, One-On-One Sports, CNN, C-SPAN and many more.

The XM service will be easy to order, with XM-Ready radios available at car dealerships and consumer electronics stores across the country. XM has agreements with the leading consumer electronics manufactures -- Sony, Alpine, Pioneer Electronics Corporation, Delphi Delco Electronic Systems, Audiovox, Clarion, Mitsubishi Electronic Automotive America, Motorola and Sharp Corporation -- to make and distribute radios capable of receiving the XM service. In addition, XM Radio has entered into 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 XM Satellite Radio, which is also backed by a group of industry-leading strategic investors, including 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 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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