



SATELLITE RADIO ANNOUNCES MOVE TO PERMANENT HEADQUARTERS IN WASHINGTON DC TECH CORRIDOR

National, October 06, 1999 -- XM Satellite Radio (NASDAQ:XMSR) announced today that it will move to permanent headquarters at the Eckington Place complex in Washington, DC. The company has leased over 120,000 square feet for its broadcast studios and corporate headquarters, it said. The announcement was made today at a joint press conference with XM and Washington, DC, Mayor Anthony A. Williams.

XM will create and package up to 100 channels of digital-quality music, news, sports, talk and children's programming at its Washington, DC, broadcast facility. The service will then be uplinked to XM's powerful satellites and transmitted directly down to vehicle, home and portable radios across the country. With an XM-capable radio and a small antenna, listeners everywhere in the continental United States will be able to enjoy their favorite XM channels.

"We're delighted to be taking up residence in Washington where we have both the support of the mayor and the inspiration of a vibrant urban culture. We're delighted to be identified with Washington; it's our home now, and we are going to make it famous with our distinctive sound," said Hugh Panero, President and CEO of XM Satellite Radio.

"Once XM launches 18 months from now, they will be a household name across America. XM will be a high-profile company in both the technology and entertainment worlds. Detroit has the MoTown sound and now Washington, DC, has XM," said Washington, DC, Mayor Anthony A. Williams.

The Washington DC, Virginia and Maryland. Communications and High-Tech corridor, in which XM will locate, is one of the largest and most dynamic business communities in the world; it is home to MCI WorldCom, America Online, Network Solutions and COMSAT. The complex that XM is leasing will house its XM Originals unit as well as the company's corporate headquarters.

XM Satellite Radio (NASDAQ: XMSR) is developing a new band of radio. The system will use direct satellite-to-receiver broadcasting technology to provide listeners in their cars and at home with crystal-clear sound seamlessly from coast to coast. The subscription service is scheduled to start during the first half of 2001 for \$9.95 a month. XM will offer a broad selection of listening choices created by its XM Originals programming unit and by premier content providers, including USA TODAY, the BBC World Service, Black

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Entertainment Television, the Hispanic Broadcasting Corporation (formerly Heftel), Bloomberg News Radio, C-SPAN Radio, CNN/Financial Network, CNN/Sports Illustrated, The Weather Channel, One-On-One Sports and many others.

XM is partnering with industry leaders to build its service. Alpine, Delphi Delco, Pioneer and Sharp are among the consumer electronic firms that will design, manufacture and market AM/FM/XM radios. General Motors has signed a long-term agreement to factory-install and market XM service in new GM vehicles. It is also expected that agreements will be signed with other leading automakers. Hughes and Alcatel are building XM's satellites, the most powerful commercial satellites available. American Mobile Satellite Corporation (NASDAQ:SKYC) holds controlling interest in the company, whose other investors include industry leaders Clear Channel Communications Inc.; DIRECTV, Inc., a unit of Hughes Electronics Corporation; the General Motors Corporation; Liberty Media Corporation, and a private investment group comprised of Columbia Capital, Telcom Ventures L.L.C., and Madison Dearborn Partners, which together recently invested \$250 million in the company. XM Satellite Radio obtained one of 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 in this document to differ materially from actual results are discussed in XM's Registration Statement on Form S-1 (No.333-38619) filed with the Securities and Exchange Commission on July 23, 1999 and declared effective on October 4, 1999.