



## **XM RADIO TO UNVEIL LARGEST DIGITAL BROADCAST CENTER IN US, AND DEMO FIRST PROTOTYPE SATELLITE RADIO**

### **Grand Opening Celebration Features Queen of Soul Aretha Franklin**

National, September 13, 2000 -- XM Satellite Radio (Nasdaq:XMRSR) today will demonstrate the first prototype satellite radio for the US market and will unveil its state-of-the-art Washington, DC, headquarters and Broadcast Center. XM will broadcast as many as 100 new channels of music, news, talk, sports and children's programming coast-to-coast, beginning next spring. The new 150,000-sq.-ft. facility will include 82 all-digital interconnected studios, making it the largest audio broadcast facility of its kind in the United States. XM is also announcing a number of programming, retail, auto and radio manufacturing deals at the grand opening celebration featuring a performance by Aretha Franklin. An estimated 800 representatives from government and the community and executives from the high-tech, advertising, auto, radio programming, investment and consumer electronics industries are expected to attend the gala event.

Hugh Panero, XM Radio President and CEO, says, "Listening to digital-quality music from XM prototype radios is a huge technical milestone. It validates our XM radio chipset design and architecture." XM's chipset manufacturer, STMicroelectronics, has begun fabrication of the company's two custom chips, key components of the XM radio, he says. Upon completion, the chips will be manufactured in mass quantities and provided to XM-partner radio manufacturers to produce satellite-capable radios at attractive retail price points that will also include the AM and FM bands. Commenting on another technical milestone, Panero adds, "XM has successfully conducted end-to-end XM signal testing. An XM digital music signal was successfully up-linked to a KU-band satellite, beamed back to earth to a terrestrial repeater and received by an XM prototype radio in a moving vehicle. This is an unprecedented accomplishment."

XM's \$65 million new headquarters and Broadcast Center is located in the nation's capital in a converted 100-year-old printing factory located in an emerging high-tech corridor in the District. Washington, DC, Mayor Anthony Williams has officially designated Wednesday, September 13, 2000, as "XM Satellite Radio Day." Mayor Williams said, "XM is truly leading the renaissance in the northeast section of our city. We're proud that XM chose the heart of Washington to locate its Broadcast Center and pleased that this has inspired other high-tech companies to follow XM's lead." XM currently has 130 employees located in its new facility, growing to 350 by next summer. XM is a significant part of the revitalization of the District and an active member of the community.

### **On-Site Satellite Dishes Will Beam Programming to Satellites "Rock" and "Roll"**

The 150,000-square-foot facility will be equipped with 82 end-to-end fiber optic, all-digital radio studios and a 2,600-square-foot performance studio. Two seven-meter satellite dishes on site will transmit up to 100 channels of programming to XM's orbiting satellites, "XM Rock" and "XM Roll," 22,300 miles above the earth. The XM signal will then be beamed to car, home and portable radios across the country. The XM Broadcast Center, instead of using traditional wiring and interconnections, incorporates fiber optics and computer servers to interconnect the facility allowing XM to produce the highest-quality sound. In addition, its independent, fully "floating" (suspended) studios provide such good acoustic isolation "that classical music and chainsaw rock n' roll can be played side by side, without compromising sound quality," says Panero.

### **XM Announces New Programming, Retail, Auto, and Radio Manufacturing Deals**

XM also announced today a number of new agreements with content providers, consumer electronics retailers and automobile and radio manufacturers, as well as a tentative agreement with CNBC. Programming agreements with leading content providers, covering a variety of formats include:

Associated Press All-News Radio - Nationwide, up-to-the-minute 24-hour news feed.

CNBC - The recognized global leader in business news.

Sesame Workshop (producers of Sesame Street & Dragon Tales) - XM, the official satellite radio partner of Sesame Street, will feature popular children's programming from this award-winning TV production company.

Harry Knowles - The leading Internet movie maven, through Aintitcool.com, will provide XM listeners with his hip, on-point reviews of the latest movie releases.

Black Entertainment Television (BET) - The leading African-American entertainment company, will expand its relationship with XM creating urban and jazz-oriented music channels accessing the talent appearing on BET's cable networks.

British Broadcasting Corporation (BBC) - From the vaults of their groundbreaking concert series, BBC will infuse XM music channels across a number of formats with historic concerts and events by leading stars.

XM also announced new agreements with regional consumer electronics retailers, car manufacturers and radio manufacturers.

XM announced deals with consumer electronics regional distributors Cowboy Maloney's Electronic City (serving Mississippi) and Magnolia Hi-Fi (serving the Pacific Northwest). They join XM's current list of retail partners including Best Buy, Circuit City, Crutchfields, Al and Ed's, CarToys, Good Guys, Mobile-One, Sound Advice, Tweeter and Ultimate.

XM announced letters of intent with car manufacturers American Isuzu and Suzuki to provide satellite radio platform for future car and truck models. They join current XM auto partners General Motors, Honda and Saab. XM also announced radio manufacturing agreements with Blaupunkt, Fujitsu Ten, Hyundai Autonet and Bontec which are the main suppliers of audio products for Volkswagen, Toyota, Hyundai and Kia, respectively. XM has existing radio manufacturing relationships with Alpine Electronics, Inc., Pioneer Electronic Corporation, Sony Electronics Inc., Audiovox, Clarion Co. Ltd., Delphi Delco Electronics Systems, Mitsubishi Electronics Automotive America, Motorola and Sharp Corporation.

XM Satellite Radio is developing a new band of radio. XM's consumer service is slated to begin during the first half of 2001 for a monthly subscription fee of \$9.95. XM's strategic investors include America's leading car, radio and satellite TV companies -- American Honda Motor Co. Inc., General Motors, Clear Channel Communications, DIRECTV and Motient Corporation (Nasdaq:MTNT), which holds a controlling interest in the company. First there was AM. Then there was FM. And now. . . XM Satellite Radio. For more information, please visit XM's new website: [www.xmradio.com](http://www.xmradio.com). High-resolution images about XM Satellite Radio and its new Broadcast Complex are available on the company's website: [www.xmradio.com](http://www.xmradio.com). Click on "News Room," "Press Only/Photo Gallery," type in your name, the password is "Entertainment" (with a capital E, it is case sensitive). Double click on the Eckington Event photos or call Jennifer Markham, 202-380-4315. First there was AM, then FM and soon. . . XM Satellite Radio. For more information, please visit XM Radio's 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 Holdings Inc.'s Form S-1 filed with the Securities and Exchange Commission on 9-7-00. Copies of the filing are available upon request from XM Radio's Investor Relations Department.