



## **XM SATELLITE RADIO HOLDINGS ANNOUNCES QUARTERLY DIVIDEND ON SERIES B PREFERRED STOCK**

National, July 07, 2000 -- XM Satellite Radio Holdings Inc. (NASDAQ:XMSR), a new band of radio, announced today that it has declared a regular quarterly dividend on its 8.25% Series B Convertible Redeemable Preferred Stock.

The dividend is payable in shares of the Company's Class A Common Stock at a rate of \$1.0313 per share of Series B Preferred Stock owned, with fractional shares to be paid in cash. The shares of Class A Common Stock to be issued will be valued at 95% of the average daily closing price of the Class A Common Stock for the 10 consecutive trading days ending on July 14, 2000. The dividend is payable on August 1, 2000 to stock-holders of record of XM Satellite Radio Holdings Inc. as of July 21, 2000.

XM Satellite Radio is developing a new band of radio. It will create and package up to 100 national channels of digital-quality music, news, sports, talk and children's programming. The service will be uplinked to XM's powerful satellites and transmitted directly to vehicle, home and portable radios across the country. Its first satellite is scheduled to launch in mid-November 2000. XM-Ready radios will be manufactured by such household names as Sony, Alpine, Pioneer Electronics Corporation and sold by automotive and retail outlets such as Best Buy and Circuit City. Headquartered in Washington, DC, XM's strategic investors include General Motors, Clear Channel Communications and DIRECTV-respectively, the leading car, radio and satellite TV companies in the US-and Motient Corporation (NASDAQ: MTNT), which holds a controlling interest in the company. XM's consumer service is slated to begin during the first half of 2001 for a monthly subscription fee of \$9.95.

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 8-K filed with the Securities and Exchange Commission. Copies of the filing are available upon request from XM Radio's Investor Relations Department.

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