



AVIS TO OFFER XM SATELLITE RADIO

Car Rental Company Takes Lead in Offering Satellite Radio to its Customers

Washington D.C., April 11, 2000 -- XM Satellite Radio Inc. (NASDAQ:XMSR) and Avis Rent A Car, a member of Avis Group Holdings, Inc. (NYSE:AVI), today announced that Avis will offer XM Satellite Radio to its extensive US customer base, making Avis the first car rental company to announce that it will offer satellite radio in addition to traditional AM/FM radio in its fleet. The two companies will also forge strategic co-marketing and promotional alliances. Details of the agreement were not announced.

"By offering XM Satellite Radio, Avis continues to be a pioneer in integrating the latest technology to benefit their customers," said Steve Cook, XM Satellite Radio's Senior Vice President, Sales and Marketing. "Avis is giving us a wonderful opportunity to build the XM brand by exposing our unique music and information programming to its broad and diverse driver base. We are committed to building awareness among consumers where they play, work and travel: in concert halls, theaters and sporting venues, in trucks, airplanes and boats. Now, partnering with one of the most respected brands in the car-rental industry, Avis, XM will reach potential subscribers on their vacations and business trips."

"Avis has a proud tradition of introducing technology to improve our customer's rental experience and we are delighted that our partnership with XM Satellite Radio builds on this tradition. XM enhances our ability to offer our customers some of the most technically advanced capabilities available in vehicles today," said Michael Caron, Vice President, Quality of Service for Avis. "Our customers will have an enormous variety of music choices from rock to reggae, country to classical, as well as extensive sports and news coverage from USA Today, Bloomberg, the BBC, C-SPAN, One-On-One Sports and CNN/Sports Illustrated."

About Avis

Avis Group is one of the world's leading providers of comprehensive automotive transportation and vehicle management solutions, with strengths in car rental, vehicle leasing, and vehicle management services. Avis Group operates the second largest general-use car rental business in the world, with locations in the United States, Canada, Australia, New Zealand and the Latin American Caribbean region. Avis Group operates the vehicle management and fuel card businesses through three separate units: PHH North America, PHH Europe and Wright Express. The services of these units consist of vehicle leasing and a broad range of vehicle related fee based services. The Company manages a fleet of approximately 1 million vehicles and has over 4 million fuel and maintenance cards outstanding. Annually, on a pro forma basis, the Company generates approximately \$4.0 billion in total revenue.

About XM Satellite Radio

XM Satellite Radio is developing a new band of radio. Starting the first half of 2001, XM Radio will beam up 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. Listeners will be able to drive from New York to Los Angeles, Chicago to Corpus Christi while continuing to listen to their favorite XM channels without searching the dial as they travel through unfamiliar parts of the country.

The XM sound will combine leading brand-name channels with distinctive formats produced in XM Radio's fully digital Programming Center by some of the country's leading artists, producers, programmers 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 long-term distribution agreement with General Motors to integrate XM-Ready radios into its vehicles commencing in 2001. XM will be available to truckers, boaters and airplane passengers through deals with Freightliner and Pana-Pacific, Marine Audio, and LiveTV respectively.

American Mobile Satellite Corporation (NASDAQ:SKYC) holds a controlling interest in the company, which is also backed by 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.

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.

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