



FORTUNE NAMES XM "PRODUCT OF THE YEAR"

Washington D.C., December 12, 2001 -- Fortune Magazine named XM Satellite Radio its "Product of the Year," calling XM "way, way, way above the rest" of 2001's new technologies. The honor, in an article by Fortune senior editor Peter Lewis, appears in the magazine's Dec. 24 edition, on newsstands nationwide Dec. 17.

"Of all the new technologies of 2001, XM Satellite Radio is way, way, way above the rest. It's the first major advance in radio since FM emerged in the 1960s, and the best thing to happen to mobile music since the dashboard CD player . . .," Fortune wrote. "If you spend a lot of time on the highways, you'll never go back to listening to stations that fade in and out and don't play your kind of music."

"We're thrilled that Fortune has named XM its Product of the Year," XM President and CEO Hugh Panero said. "Customer and retail response to XM has been outstanding, but this honor from Fortune literally speaks volumes."

XM (Nasdaq: XMSR), the leading satellite radio provider, has won several top awards. XM was named an "Invention of the Year" by Time and won Popular Science's 2001 "Best of What's New" Grand Award in the electronics category. XM won several awards at the 2001 International Consumer Electronics Show, including "Best of CES" in the automotive category. XM has been featured as a holiday gift by publications ranging from US News & World Report to Playboy.

XM is transforming radio, an industry that has seen little technological change since FM, almost 40 years ago. XM provides music to soothe the mind and information to fill it. XM's programming lineup features 100 coast-to-coast digital channels: 71 music channels, more than 30 of them commercial-free, from hip hop to opera, classical to country, bluegrass to blues; and 29 channels of sports, talk, children's and entertainment. XM also brings to the car, for the first time on radio, the same diverse selection of 24-hour news sources available in the home on cable and DIRECTV.

XM radios are available at major electronics retailers nationwide including Best Buy, Circuit City, Tweeter, Ultimate Electronics, participating RadioShack Dealers and Franchisees, Crutchfield, Good Guys, CarToys, Audio Express and Sound Advice; and at independent retailers. Leading manufacturers such as Sony, Alpine and Pioneer offer a broad array of XM radios including models that will easily enable any existing car stereo system to receive XM service (the Pioneer Universal Receiver and the Sony Plug-and-Play) and over 20 models of new AM/FM/XM systems offering many other great features. General Motors this month rolled out factory-installed Delphi-Delco XM radios in Cadillac DeVille and Seville models, and will expand to more than 20 GM models next year. XM's strategic investors include America's leading car, radio and satellite TV companies -- General Motors, American Honda Motor Co. Inc., Clear Channel Communications and DIRECTV. For more information, please visit XM's web site: 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 demand for the company's service, 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 on 12-6-2001. Copies of the filing are available upon request from XM Radio's Investor Relations Department.

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