BBC World Service and XM Announce Programming Alliance

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National, July 26, 1999 -- XM Satellite Radio announced today that BBC World Service, the world's leading international broadcaster, will join XM's best-of-brand programming lineup. In addition, the BBC's archives will be available for XM to include on its own originally produced channels. The XM BBC channel will offer 60% news and 40% other programming, much of it not available elsewhere in the United States. The announcement was made today by Hugh Panero, President and CEO of XM Satellite Radio Inc., a wholly owned subsidiary of American Mobile Satellite Corporation (NASDAQ:SKYC).

"It is a great honor to have this prestigious news organization join XM's channel lineup," said Panero. "BBC World Service will compliment our other brand name programmers and our XM original channels. We always look to the leading producers of unique and specialized content, and in the area of world news BBC is unparalleled," he added.

"We are looking forward to reaching a US audience that extends from coast to coast allowing people to access it wherever and whenever they want it," said Jerry Timmins, BBC World Service Regional Head, Americas. "We are delighted that XM is demonstrating to America the depth of programming that the World Service offers ranging from international news and analysis to the Diana Ross Collection and the Essential Guide to the 21st Century. With this deal, we are partnering with XM to build the future of digital satellite-direct radio."

BBC World Service is the world's most respected international broadcaster. It transmits programs in English and 42
other languages to a global weekly audience of 143 million listeners, more than any other international radio station. For more than six decades BBC World Service has earned a reputation for broadcasting excellence and high standards of journalistic integrity and impartiality.

On the spot coverage comes from the BBC’s global network of 250 correspondents and news bureaus and expert regional knowledge is provided by specialist and local reporters from the BBC language services. A rich mix of other programs about the arts, science, business, music and sport caters to many ages and tastes. For more information, please visit www.bbc.co.uk/worldservice.

XM Radio 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. Starting in the second quarter of 2001, XM plans to offer, for $9.95 a month, an innovative mix of music, talk, news, sports and children's programming anchored in XM's exclusive, originally designed and produced formats.

XM intends to create XM original programming and offer channels produced by brand-name content providers. XM has signed programming agreements, representing at least 24 channels, with USA TODAY, Black Entertainment Network, Radio One, the Hispanic Broadcasting Corporation, Bloomberg News Radio, C-SPAN Radio, CNN/Financial Network, CNN/Sports Illustrated and many others.

XM is partnering with industry leaders to build its service. General Motors will exclusively distribute and market the XM service in its vehicles; Alpine, Delphi Delco, Pioneer and Sharp will design, manufacture and market AM/FM/XM radios; and Hughes and Alcatel are building XM's satellites, the most powerful commercial satellites ever ordered. XM's investors include industry leaders Clear Channel Communications Inc.; DIRECTV, Inc., a unit of Hughes Electronics Corporation; The General Motors 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 only 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 www.xmradio.com.

Factors that could cause forward-looking statements in this news release 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, as the same may be amended, and other periodic filings the company will make with the Securities and Exchange Commission.