XM TO PROVIDE FIRST SATELLITE RADIO BROADCAST OF THE INDIANAPOLIS 500

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INDY 500 ALSO INVITES FANS TO SHARE REWARDS OF VICTORY WITH "FAST CASH FINISH"

Washington D.C., May 25, 2005 -- XM Satellite Radio (NASDAQ: XMSR), the nation's leading satellite radio provider with over 4 million subscribers, today announced that it will provide the first satellite radio broadcast of The Indianapolis 500 with coverage of the race on Sunday, May 29. The Indy Racing League (IRL) IndyCar® Series most famous racing event will also be the debut of XM Satellite Radio's "Fast Cash Finish," a national promotion offering eligible motorsports fans the chance to share the rewards of victory with the #7 XM Satellite Radio IndyCar Series vehicle, driven by Bryan Herta.

"XM's coverage of The Indianapolis 500 will give a national radio audience the opportunity to enjoy minute-by-minute action, color and analysis of America's most revered annual motorsports spectacle," said Hugh Panero, president and CEO of XM Satellite Radio. "With our unmatched motorsports programming, XM subscribers with a need for speed have the widest possible menu of sports entertainment options."

XM recently announced a multi-year agreement as the official satellite radio provider of the IRL, which includes broadcasting the IMS Radio Network's live race coverage of 17 events, pre-race programming, and additional segments on Extreme XM (XM channel 152), plus IRL updates on a variety of XM talk channels. Coverage of the Indianapolis 500 will air on Sunday, May 29 at 12 noon (EDT) on Extreme XM.

Through a second-year partnership with Andretti Green Racing, Honda and XM Satellite Radio driver Bryan Herta, XM will celebrate the Indianapolis 500 with the launch of "XM Satellite Radio's Fast Cash Finish." Through October
15, fans can enter to win before each race by registering online at www.irl.xmradio.com or by participating in an XM product demonstration at the Indy 500 or four additional IRL races. Eligible entries will be entered to win a $10,000 cash prize for every race that the XM Satellite Radio #7 Honda Dallara IndyCar Series vehicle wins. All entries will also be included in the grand prize drawing for a VIP package for two, including business class air transportation on AirTran Airlines, to the 2006 Indy 500.

“The appeal of music and motorsports spans all demographics. By combining the two, we believe that we have the unique opportunity to introduce new generations of fans to the sport,” said Panero.

In addition to being the exclusive satellite radio partner of the IRL, XM is the exclusive satellite radio service for NASCAR, with every race in all three national championship series; the official satellite radio network of Major League Baseball, with live games for every team all season long; and the official satellite radio network for the PGA Tour, the Atlantic Coast Conference, Big Ten, and Pac-10 college sports conferences. XM also is official satellite radio home for English and Spanish-language coverage of the FIFA World Cup Soccer 2006 Tournament. In addition, XM also carries ESPN Radio, ESPNews Radio, Fox Sports Radio, and Sporting News radio.

About XM Satellite Radio
XM is America’s number one satellite radio service with more than 4 million subscribers. Broadcasting live daily from studios in Washington, DC, New York City and Nashville at the Country Music Hall of Fame, XM’s 2005 lineup includes more than 150 digital channels of choice from coast to coast: 67 commercial-free music channels, featuring hip hop to opera, classical to country, bluegrass to blues; 64 channels of premier sports, talk, comedy, children's and entertainment programming; and 21 channels of the most advanced traffic and weather information for major metropolitan areas nationwide. XM Satellite Radio is the satellite radio leader in sports programming, offering thousands of live sporting events every year. XM is the official satellite radio network for Major League Baseball, NASCAR, the Indy Racing League, the PGA TOUR, and the college sports conferences ACC, Pac-10, and Big Ten. XM was named Best Radio Service at the 2004 Billboard Digital Entertainment Awards.

XM, the leader in satellite-delivered entertainment and data services for the automobile market through partnerships with General Motors, Honda, Toyota, Hyundai, Nissan and Volkswagen/Audi, is available in more than 120 different vehicle models for 2005. XM also is available in Avis, National, and Alamo rental cars. XM is the exclusive in-flight entertainment service for AirTran Airways, and will soon be available on JetBlue flights. Consumers can experience XM over the Internet through XM Radio Online at http://listen.xmradio.com. Soon, XM and America Online will launch the world’s largest combined digital radio network to be promoted to an audience of 100 million consumers online. For more information about XM hardware, programming and partnerships, please visit 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 demand for XM Satellite Radio's service, the Company's dependence on technology and third party vendors, its potential need for additional financing, as well as other risks described in XM Satellite Radio Holdings Inc.'s Form 10-K filed with the Securities and Exchange Commission on 3-4-05. Copies of the filing are available upon request from XM Radio's Investor Relations Department.

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