

SIRIUS XM RADIO LLC

Explanatory Note

Sirius XM Radio LLC (“Radio”) is furnishing the following information for the quarterly period ended September 30, 2024 in order to comply with the reporting obligations in the indentures governing its 3.125% Senior Notes due 2026, 5.00% Senior Notes due 2027, 4.00% Senior Notes due 2028, 5.50% Senior Notes due 2029, 4.125% Senior Notes due 2030 and 3.875% Senior Notes due 2031. Before making any investment decisions in Radio or Sirius XM Holdings Inc. (“Holdings”), investors should read the following information in conjunction with Holdings’ Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024 (the “Quarterly Report”) and Holdings’ other reports available through the Securities and Exchange Commission Website at www.sec.gov and our website at www.siriusxm.com, and with Radio’s other information available through our website. Radio is a wholly-owned subsidiary of Holdings and Holdings has no operations independent of Radio. Capitalized terms used herein but not defined shall have the meaning set forth in the Quarterly Report.

Variances between Holdings and Radio

Consolidated Balance Sheets:

(in millions)	As of September 30, 2024			As of December 31, 2023		
	Holdings	Radio	Variance	Holdings	Radio	Variance
	(unaudited)	(unaudited)				
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 127	\$ 127	\$ —	\$ 306	\$ 216	\$ 90
Total current assets ⁽¹⁾	1,133	1,749	(616)	1,361	1,271	90
Total assets ⁽²⁾	\$ 27,483	\$ 14,937	\$ 12,546	\$ 30,056	\$ 13,542	\$ 16,514
LIABILITIES AND EQUITY						
Total current liabilities ⁽³⁾	\$ 3,061	\$ 2,467	\$ 594	\$ 3,951	\$ 3,226	\$ 725
Total liabilities ⁽⁴⁾	16,624	13,571	3,053	16,954	12,942	4,012
Total equity	10,859	1,366	9,493	13,102	600	12,502
Total liabilities and equity	\$ 27,483	\$ 14,937	\$ 12,546	\$ 30,056	\$ 13,542	\$ 16,514

(1) Variance is primarily due to intercompany receivables at the Radio level.

(2) As of September 30, 2024, the variance is primarily due to additional goodwill of \$9.2 billion and additional FCC licenses of \$6.5 billion at Holdings and an additional intercompany receivable of \$3.4 billion at Radio. As of December 31, 2023, the variance is primarily due to additional goodwill of \$12.0 billion and additional FCC licenses of \$6.5 billion at Holdings and an additional intercompany receivable of \$3.2 billion at Radio.

(3) The variance is primarily due to debt held at the Holdings level which is classified as current liabilities.

(4) The variance is primarily due to deferred tax liabilities associated with purchase accounting adjustments at the Holdings level as well as long-term debt at the Holdings level of \$590 and \$1,383 as of September 30, 2024 and December 31, 2023, respectively.

Unaudited Consolidated Statements of Operations:

	For the Nine Months Ended September 30, 2024			For the Nine Months Ended September 30, 2023		
(in millions)	Holdings	Radio	Variance	Holdings	Radio	Variance
	(unaudited)	(unaudited)		(unaudited)	(unaudited)	
Total Revenue	\$ 6,511	\$ 6,511	\$ —	\$ 6,665	\$ 6,665	\$ —
Total Operating Expenses ⁽⁵⁾	8,533	5,444	\$ 3,089	5,312	5,210	102
(Loss) income from operations ⁽⁵⁾	(2,022)	1,067	\$ (3,089)	1,353	1,455	(102)
Adjusted EBITDA	2,043	2,043	\$ —	2,075	2,075	—

(5) For the nine months ended September 30, 2024, the variance is primarily due to impairments of \$3.0 billion recorded at the Holdings level related to the write-down of goodwill associated with the Sirius XM reporting unit and a non-controlled investment in addition to higher depreciation and amortization related to assets with greater book values associated with purchase accounting adjustments at the Holdings level. For the nine months ended September 30, 2023, the variance is primarily due to higher depreciation and amortization related to assets with greater book values associated with purchase accounting adjustments at the Holdings level.

	For the Three Months Ended September 30, 2024			For the Three Months Ended September 30, 2023		
(in millions)	Holdings	Radio	Variance	Holdings	Radio	Variance
	(unaudited)	(unaudited)		(unaudited)	(unaudited)	
Total Revenue	\$ 2,171	\$ 2,171	\$ —	\$ 2,271	\$ 2,271	\$ —
Total Operating Expenses ⁽⁶⁾	5,072	2,039	3,033	1,743	1,707	36
(Loss) income from operations ⁽⁶⁾	(2,901)	132	(3,033)	528	564	(36)
Adjusted EBITDA	693	693	—	747	747	—

(6) For the three months ended September 30, 2024, the variance is primarily due to impairments of \$3.0 billion recorded at the Holdings level related to the write-down of goodwill associated with the Sirius XM reporting unit and a non-controlled investment in addition to higher depreciation and amortization related to assets with greater book values associated with purchase accounting adjustments at the Holdings level. For the three months ended September 30, 2023, the variance is primarily due to higher depreciation and amortization related to assets with greater book values associated with purchase accounting adjustments at the Holdings level.