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# SIRIUS XM Releases Projections

Company to Report Third Quarter 2008 Earnings on November 10, 2008

NEW YORK, Nov. 6 /PRNewswire-FirstCall/ -- SIRIUS XM Radio (Nasdaq: SIRI) today released an outline of its five-year operational and financial forecast.

The company is in discussions with several financial institutions regarding a financing to replace its 2-1/2% Convertible Notes due 2009. In connection with these discussions, the company is releasing the material elements of its five-year operational and financial forecast.

(Logo: <http://www.newscom.com/cgi-bin/prnh/20080819/NYTU044LOGO> )

The material elements of the projections are:

	2009E	2010E	2011E	2012E	2013E
	(Subscribers in millions; dollar amounts in billions)				
Subscribers	20.6	22.1	24.0	26.2	28.4
Revenue	\$2.7	\$3.0	\$3.4	\$3.8	\$4.1
Adjusted EBITDA*	\$0.3	\$0.6	\$0.9	\$1.3	\$1.5
Free Cash Flow*	\$0.0	\$0.4	\$0.6	\$1.0	\$1.4

\*Adjusted EBITDA is net income / (loss) from operations plus equity expense and depreciation and amortization expense. Free cash flow is derived from net change in cash and cash equivalents plus cash flow from financing activities and other investment activity. Adjusted EBITDA and Free Cash Flow are non-GAAP financial measures. A reconciliation of these non-GAAP financial measures to their most comparable financial measure calculated and presented in accordance with GAAP is attached to this press release. The projections shown above do not give effect to any adjustments that may occur in respect of the valuation of XM's assets and liabilities acquired in the merger. Any such adjustments could materially affect certain of these projections.

Current economic conditions, particularly the dramatic and recent slow down in auto sales, have negatively impacted subscriber growth for 2008 and 2009. The company expects to end 2008 with 19.1 million subscribers and end 2009 with 20.6 million subscribers. The company remains confident in its Revenue and Adjusted EBITDA guidance for 2008 and 2009, which remains unchanged.

SIRIUS XM plans to release third quarter 2008 financial and operating results on Monday, November 10, 2008.

The company plans to hold a conference call at 4:30 pm ET on Monday, November 10, 2008 to discuss these results, at which time the company will address questions, including questions regarding the forecast outlined above. Investors and the press can listen to the conference call via the company's website, [www.sirius.com](http://www.sirius.com), and on its satellite radio service

by tuning to SIRIUS channel 113 or XM Live, channel 90.

A replay of the call will be available on [www.sirius.com](http://www.sirius.com).

SIRIUS XM and its subsidiaries expect to file their Quarterly Reports on Form 10-Q with the SEC on November 10, 2008. Copies can be obtained by visiting <http://investor.sirius.com>.

#### *About SIRIUS XM Radio*

SIRIUS XM Radio is America's satellite radio company delivering the "The Best Radio on Radio" to more than 18 million subscribers, including commercial free music, and premier sports, news, talk, entertainment, traffic and weather.

SIRIUS XM Radio has exclusive content relationships with an array of personalities and artists, including Howard Stern, Oprah, Martha Stewart, Jimmy Buffett, Elvis, Jamie Foxx, Barbara Walters, Frank Sinatra, Opie & Anthony, The Grateful Dead, Willie Nelson, Bob Dylan, Dale Earnhardt Jr., Tom Petty, and Bob Edwards. SIRIUS XM Radio is the leader in sports programming as the Official Satellite Radio Partner of the NFL, Major League Baseball, NASCAR, NHL, and PGA Tour, and broadcasts major college sports.

SIRIUS XM Radio has exclusive arrangements with every major automaker. SIRIUS XM Radio products are available at [shop.sirius.com](http://shop.sirius.com) and [shop.xmradio.com](http://shop.xmradio.com), and at retail locations nationwide, including Best Buy, Circuit City, RadioShack, Target, Sam's Club, and Wal-Mart.

SIRIUS XM Radio also offers SIRIUS Backseat TV, the first ever live in-vehicle rear seat entertainment featuring Nickelodeon, Disney Channel and Cartoon Network; XM NavTraffic service for GPS navigation systems delivers real-time traffic information, including accidents and road construction, for more than 80 North American markets.

*The projections contained herein were not prepared with a view toward compliance with published guidelines of the Securities and Exchange Commission, the American Institute of Certified Public Accountants or any other regulatory or professional agency or body, GAAP or consistency with audited financial statements previously published by the company. We do not intend to update or otherwise revise the projections even if any or all of their underlying assumptions do not prove to be valid. The company's projections contained herein are based upon a number of assumptions and estimates, including, among other things, important assumptions regarding:*

- general economic conditions,
- continued consumer demand for the company's satellite radio services,
- the level of subscriber turnover, or churn, the company will experience,
- the sale and lease of new vehicles, and
- the synergies that are expected to be realized from the merger of SIRIUS and XM.

*While considered reasonable by the company when taken as a whole, the assumptions are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the company's control. In addition, the projections are based upon specific assumptions with respect to future business conditions, some or all of which will change. The company's independent registered public accounting firm has not*

*examined or compiled the projections, expressed any conclusion or provided any form of assurance with respect to them and, accordingly, assumes no responsibility for them. The projections, like any forecast, are necessarily speculative in nature and it can be expected that the assumptions upon which the projections are based will not prove to be valid or will vary from actual results. Actual results will vary from the projections and the variations may be material. Consequently, the projections should not be regarded as a representation by us or any other person that the subscribers, revenue, adjusted EBITDA and free cash flow will actually be achieved. You are cautioned not to place undue reliance on these projections.*

*Although the company is in discussions with several financial institutions regarding a possible financing to replace its 21/2% Convertible Notes due 2009, an agreement for such financing may not be achieved or if achieved may not be achieved on favorable terms.*

*This communication contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about the benefits of the business combination transaction involving SIRIUS and XM, including potential synergies and cost savings and the timing thereof, future financial and operating results, the combined company's plans, objectives, expectations and intentions with respect to future operations, products and services; and other statements identified by words such as "anticipate," "believe," "plan," "estimate," "expect," "intend," "will," "should," "may," or words of similar meaning. Such forward-looking statements are based upon the current beliefs and expectations of SIRIUS' and XM's management and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are difficult to predict and generally beyond the control of SIRIUS and XM. Actual results may differ materially from the results anticipated in these forward-looking statements.*

*The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in the forward-looking statement: general business and economic conditions; the performance of financial markets and interest rates; the failure to realize synergies and cost-savings from the transaction or delay in realization thereof; the businesses of SIRIUS and XM may not be combined successfully, or such combination may take longer, be more difficult, time-consuming or costly to accomplish than expected; and operating costs and business disruption following the merger, including adverse effects on employee retention and on our business relationships with third parties, including manufacturers of radios, retailers, automakers and programming providers. Additional factors that could cause SIRIUS' and XM's results to differ materially from those described in the forward-looking statements can be found in SIRIUS' and XM's Annual Reports on Form 10-K for the year ended December 31, 2007 and their respective Quarterly Reports on Form 10-Q for the quarter ended June 30, 2008, which are filed with the Securities and Exchange Commission (the "SEC") and available at the SEC's Internet site (<http://www.sec.gov>). The information set forth herein speaks only as of the date hereof, and SIRIUS XM disclaims any intention or obligation to update any forward looking statements as a result of developments occurring after the date of this communication.*

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A reconciliation of Adjusted EBITDA and Free Cash Flow to their most comparable financial

measure calculated and presented in accordance with GAAP is set forth below:

Adjusted EBITDA Reconciliation	2009E	2010E	2011E	2012E	2013E
Income / (Loss) From					
Operations	(\$0.1)	\$0.3	\$0.5	\$0.9	\$1.1
Add: Equity Expense	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
Add: Depreciation &					
Amortization	\$0.2	\$0.2	\$0.3	\$0.3	\$0.3
Adjusted EBITDA	\$0.3	\$0.6	\$0.9	\$1.3	\$1.5
Free Cash Flow Reconciliation					
Net Change in Cash & Cash					
Equivalents	\$0.0	\$0.3	\$0.4	\$0.8	\$0.9
Add: Cash Flow from					
Financing	(\$0.0)	\$0.0	\$0.2	\$0.2	\$0.5
Add: Other Investing	(\$0.0)	\$0.0	(\$0.0)	\$0.0	\$0.0
Free Cash Flow	\$0.0	\$0.4	\$0.6	\$1.0	\$1.4

In order to provide projections with respect to non-GAAP measures, we are required to estimate GAAP measures that are components of these reconciliations. The provision of these estimates is in no way meant to indicate that the company is explicitly or implicitly providing projections on those GAAP components of the reconciliations. In order to reconcile the non-GAAP financial measures to GAAP, the company has estimated the GAAP components that arithmetically add up to the non-GAAP financial measures. The company fully expects that the estimates used for the GAAP components will vary from actual results.

SOURCE Sirius XM Radio