
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 18, 2008

SIRIUS XM RADIO INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or other Jurisdiction
of Incorporation)

0-24710

(Commission File Number)

52-1700207

(I.R.S. Employer
Identification No.)

1221 Avenue of the Americas, 36th Fl., New York, NY

(Address of Principal Executive Offices)

10020

(Zip Code)

Registrant's telephone number, including area code: **(212) 584-5100**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-
-

Item 7.01 FD Disclosure

On December 18, 2008, Mel Karmazin, our Chief Executive Officer, spoke to stockholders at our 2008 Annual Meeting of Stockholders. A copy of the slides used during his presentation to stockholders are attached hereto as Exhibit 99.1 and is incorporated by reference into this Item 7.01.

Pursuant to General Instruction B.2. to Form 8-K, the information set forth in this Item 7.01, including the exhibit attached hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section.

Item 9.01 Financial Statements and Exhibits

- (a) Not Applicable.
- (b) Not Applicable.
- (c) Not Applicable.
- (d) Exhibits.

The Exhibit Index attached hereto is incorporated herein.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SIRIUS XM RADIO INC.

By: /s/ Patrick L. Donnelly
Patrick L. Donnelly
Executive Vice President, General
Counsel and Secretary

Dated: December 18, 2008

EXHIBITS

<u>Exhibit</u>	<u>Description of Exhibit</u>
----------------	-------------------------------

99.1	Presentation slides dated December 18, 2008 for 2008 Annual Meeting of Stockholders
------	---

Annual Meeting of Stockholders December 18, 2008

SIRIUS | **((XM))**
S A T E L L I T E R A D I O



JOHN MADDEN TONY STEWART MARTHA STEWART HOWARD STERN BOB DYLAN FRANK SINATRA BRUCE SPRINGSTEEN JAMIE FOXX CAL RIPKEN OPRAH WINFREY



Agenda

I. Operations

II. Liquidity

III. Stock Price

IV. Questions and Answers

Operational Overview

Quote of the Week

“The historic slowdown in the economy and its effect on our business over the past 90 days have been the most challenging consumer environment our company has ever faced.”

- Best Buy CEO Brad Anderson

SIRIUS XM: navigating a challenging business environment

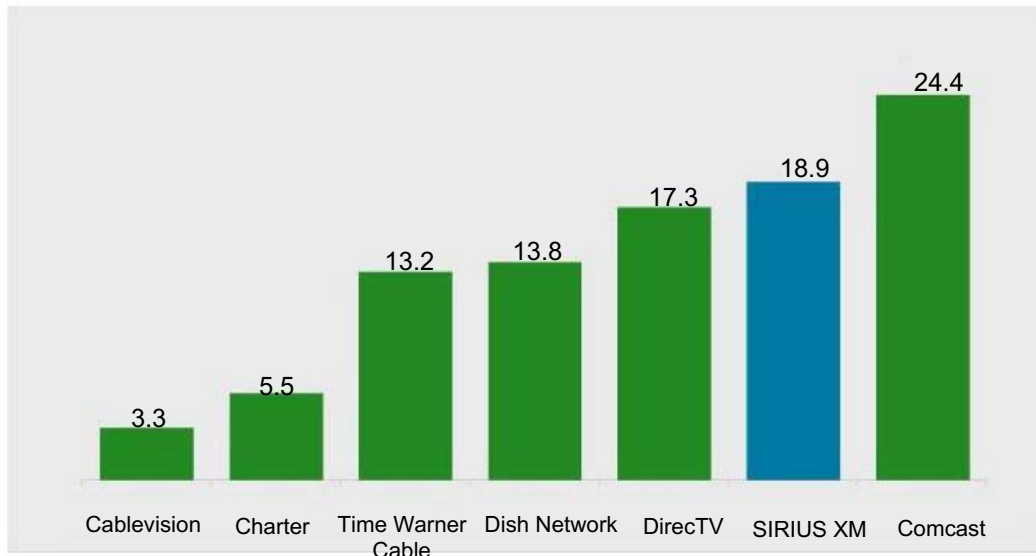
- Deep recession now underway
- Financial markets remain disrupted
- Unemployment at 6.7% - highest since 1993 - and expected to increase as layoffs accelerate
- Consumer confidence at all time lows
- Weakest car sales in 26 years - November down 37%
- Retail / Consumer Electronics market struggles

2008

2008

Ranks among largest U.S. subscription media businesses

Total subscribers as of 3Q08 (millions)



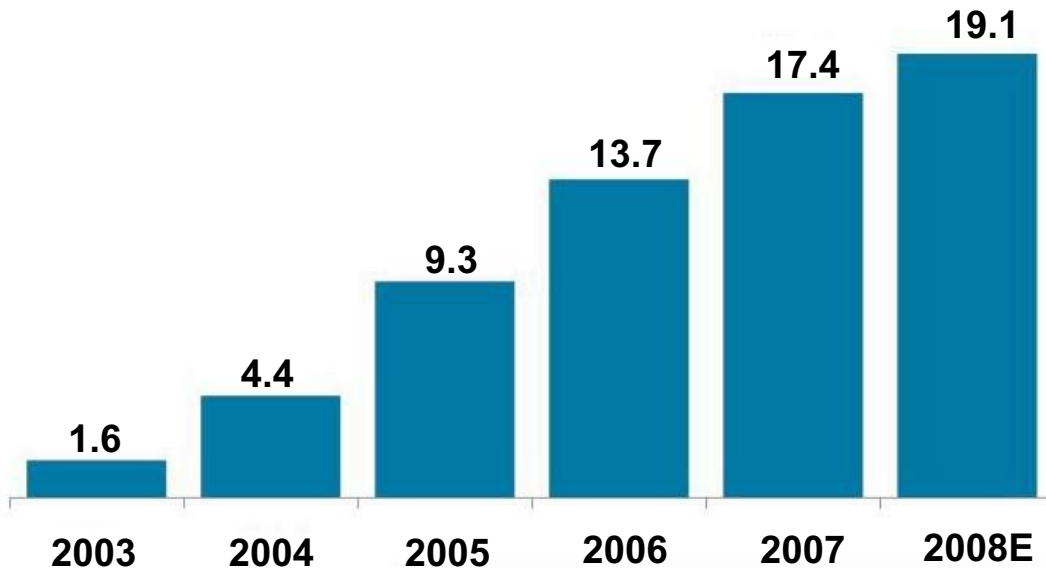
Source: Company filings

Scale creates greater operating leverage



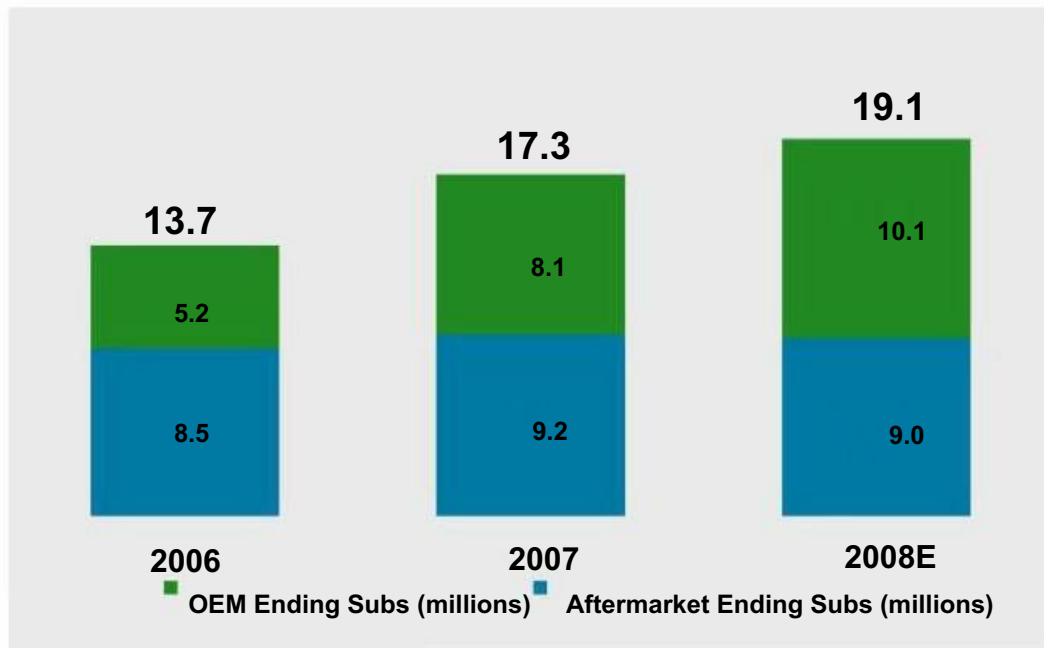
Strong subscriber growth, 2003 - 2008E

Ending SIRIUS XM subs (millions)



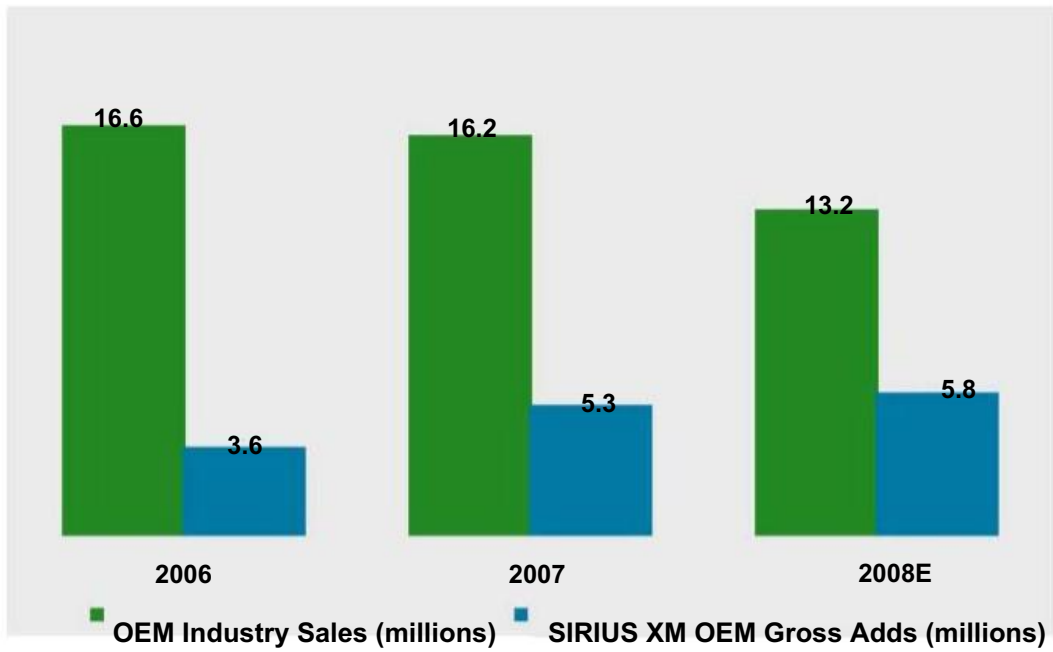
Source: Company filings

Ending subscribers by channel (millions)



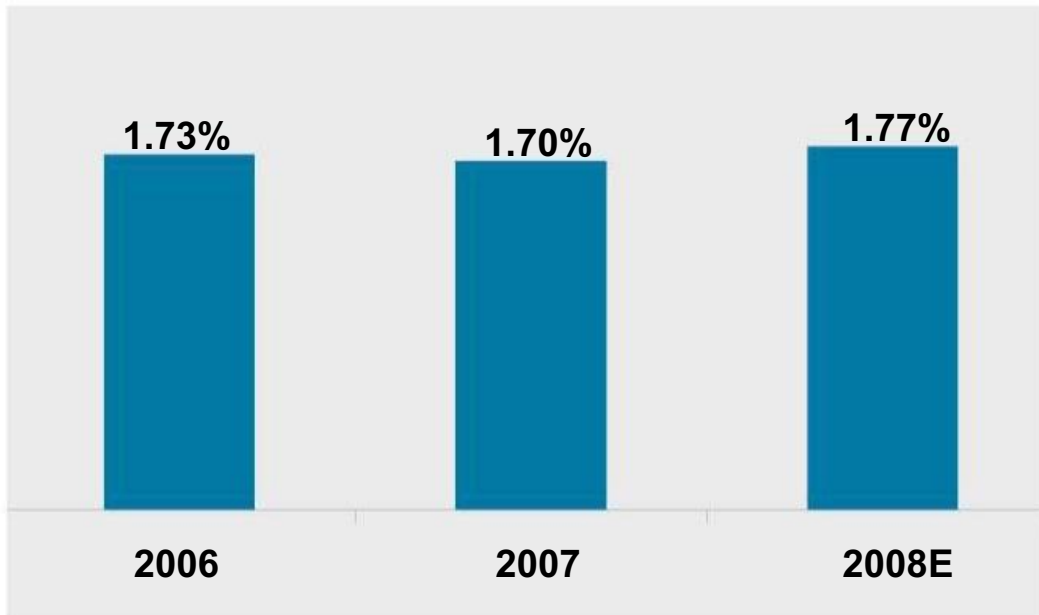
Source: Company filings

OEM industry sales and gross add trends



Source: Company filings and estimates

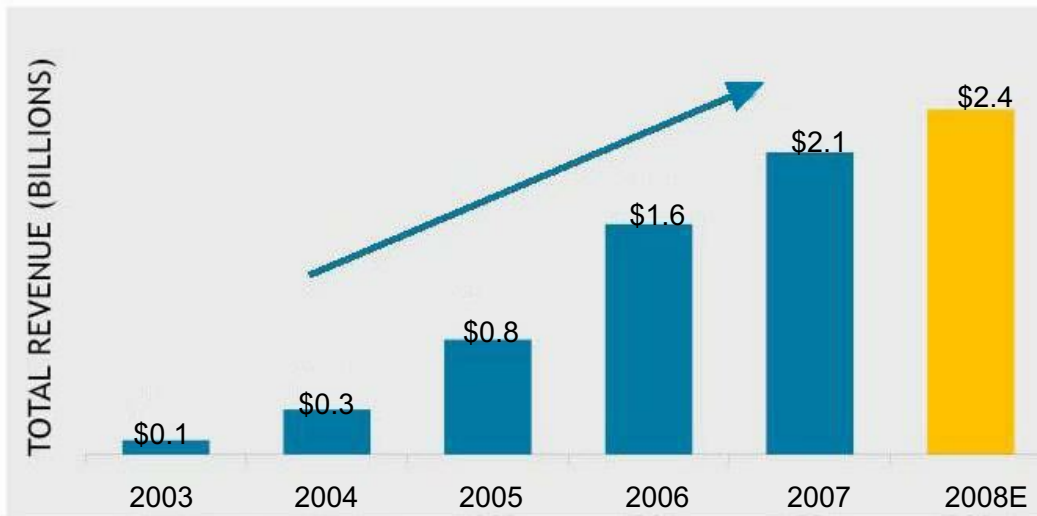
Stable self-pay churn rates



Source: Company filings and estimates

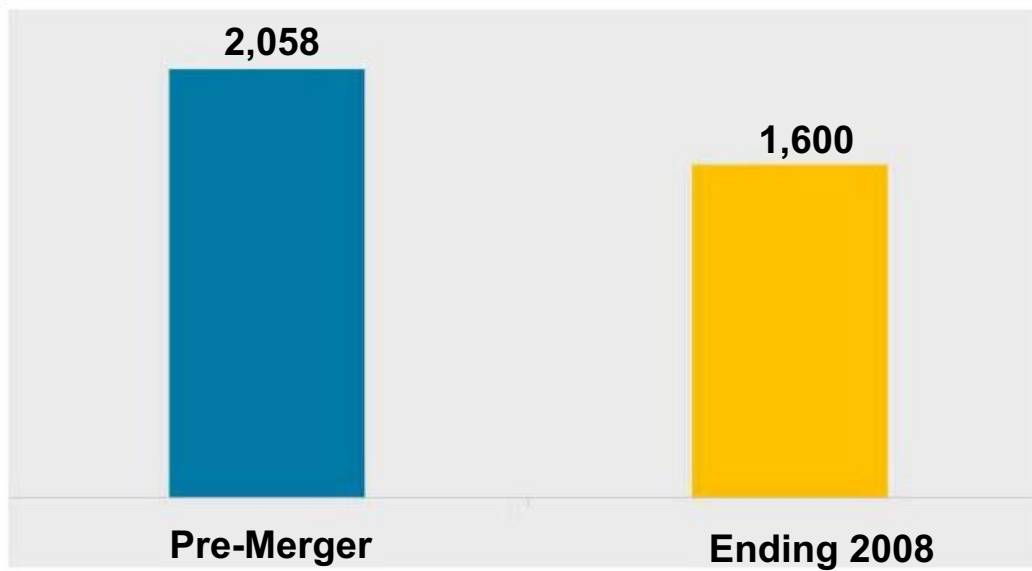
Substantial revenue growth

Revenue Guidance: Approximately \$2.4 b in 2008



Source: Company filings and estimates

Lower headcount driven by merger efficiencies



- Total company headcount will be 22% lower by year-end 2008

Source: Company estimates.

Growth statistics

<i>In millions except per unit metrics</i>	Actual 2006	Actual 2007	Estimate 2008
Ending Subscribers Growth Rate	48%	27%	10%
Revenue Growth Rate	96%	31%	17%
Total Cash Operating Expense Growth Rate	44%	16%	0%

Source: Company filings and estimates

Improved 2008 adjusted EBITDA guidance

- New adjusted EBITDA guidance of (\$200) mm in 2008, revised from (\$300) mm
 - 3Q08 adjusted EBITDA ex. merger costs close to break-even before substantial synergy benefits
 - Guidance implies 4Q08 adjusted EBITDA of (\$32) mm versus pro forma 4Q07 of (\$224) mm, an 86% improvement

Source: Company filings and estimates

November channel rationalization - reduced costs and improved user experience

- Line-ups largely combined - best audio experience being made available to both SIRIUS and XM listeners at no extra cost, and with no new hardware required
- Total cost savings of over \$35 million annually (<10k consumer cancellations)
- Music
 - Before - total production of 130 music channels;
After - total of 67 channels
 - SIRIUS and XM both feature 69 commercial-free music channels, 63 of which are shared
- Talk & Sports
 - Before - total production of 164 talk/sports channels;
After - total of 147 channels
 - SIRIUS now has 75 talk/sports channels; XM now has 134 (part time channels are included in XM totals); 38 shared channels

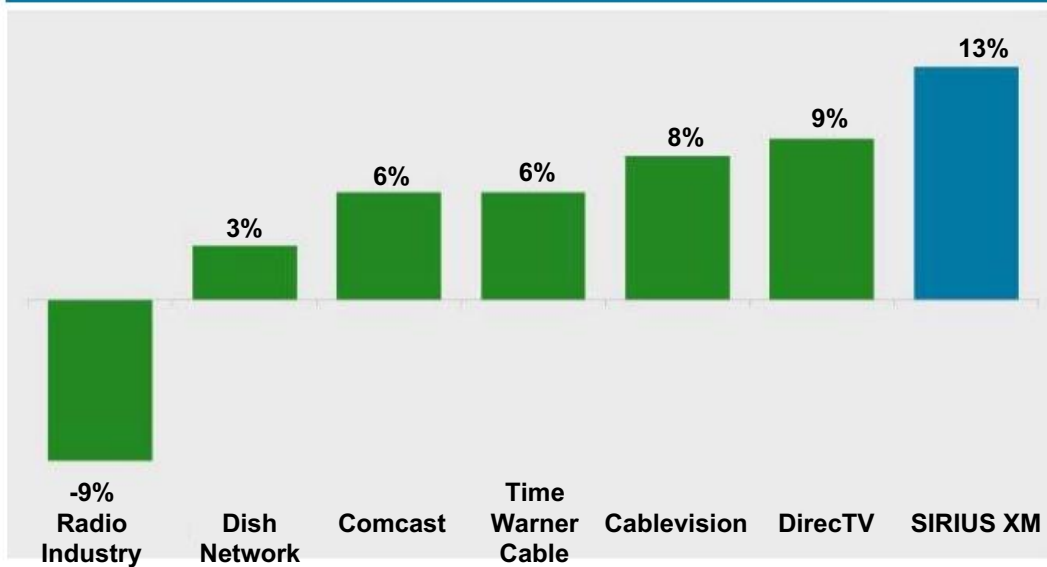
Note: Figures exclude Clear Channel produced channels and Canadian channels.

2009

2009

Among the fastest growing U.S. media businesses

2009E Revenue Growth



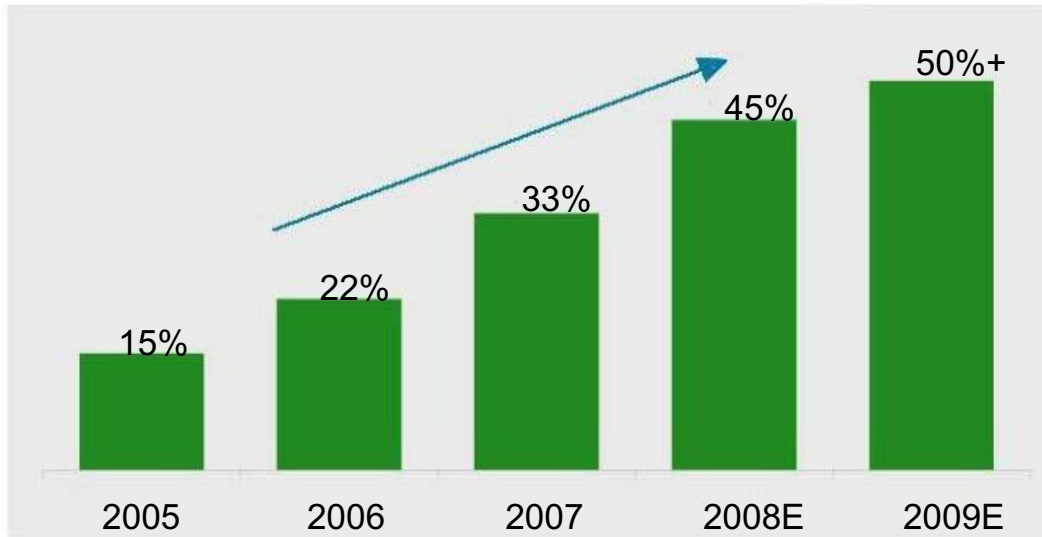
Source: Company, Merrill Lynch or Consensus Estimates

Faster growth than other subscription media



Penetration gains at every major automaker

Combined OEM penetration as a percentage of U.S. auto sales

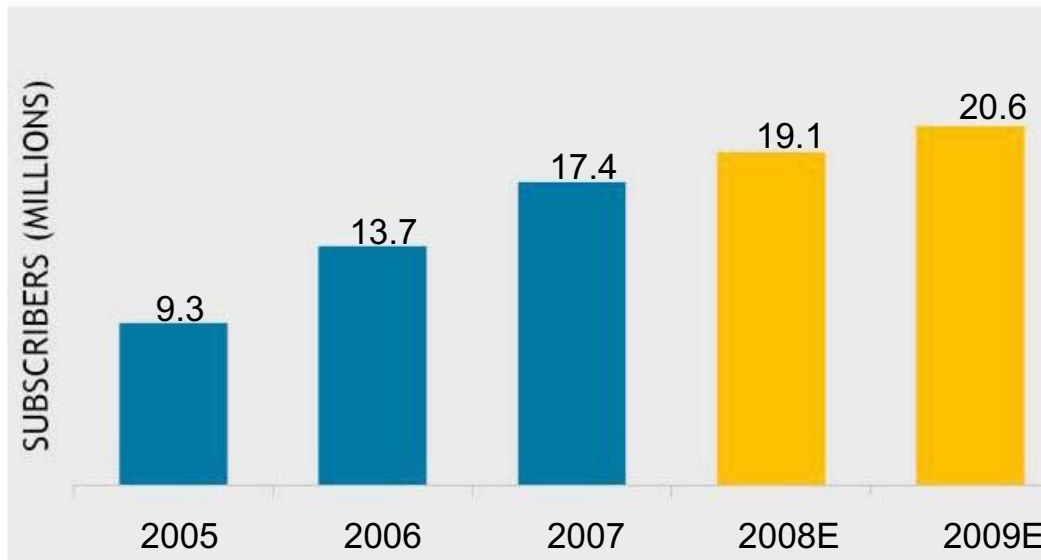


Source: Global Insight estimate as of June 2008 and company filings. Actual 2008 and 2009 numbers may differ materially.

Penetration gains expected to continue to drive net subscriber additions

Continued subscriber growth despite weak OEM sales...

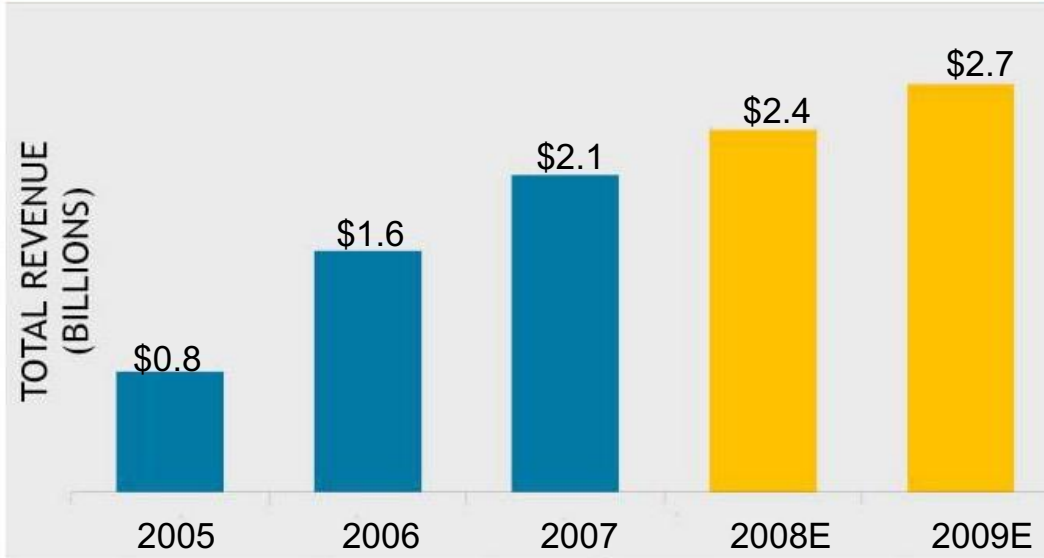
Subscriber Guidance: Approximately 19.1 mm in 2008 and 20.6 mm in 2009



Source: Company filings and estimates

...Drives revenue growth in 2008 and 2009

Revenue Guidance: Approximately \$2.4 b in 2008 and \$2.7 b in 2009



Source: Company filings and estimates

Synergies: approx. \$425 mm in 2009 and growing

- Expected approximate 2009 synergies:
 - Satellite & Transmission: \$20 mm
 - Programming: \$60 mm
 - Customer Service & Billing: \$20 mm
 - SAC: \$50 mm
 - Sales & Marketing: \$150 mm
 - General & Administrative: \$50 mm
 - Research & Development: \$25 mm
 - Revenue Synergies: \$40 mm
 - Capital Expenditures: \$10 mm

Synergies expected to grow in 2010 and beyond

Price plans to drive subscriber revenue growth

- Best of SIRIUS/XM upgrade launched October 2
 - \$4 premium upgrade to be marketed to over 18 million existing subscribers
 - Best of SIRIUS on XM includes:
 - Howard 100, Howard 101, SIRIUS NFL Radio*, SIRIUS NASCAR Radio*, Martha Stewart Living Radio and Playboy Radio
 - Best of XM on SIRIUS includes:
 - MLB HomePlate, Oprah& Friends, NBA*, The Virus, NHL Home Ice*, The PGA Tour Network, College Sports, Public Radio featuring Bob Edwards and The IndyCar Series
- A La Carte radios in stores; new packages launched on October 2
 - Lower price options to retain more price sensitive subscribers

* Sports offerings on "Best of Both" also includes channels for play-by-play of NHL, NBA, NFL games and NASCAR races.

Substantial EBITDA improvement in 2009

- Adjusted EBITDA turns positive in 2009
 - Approximately (\$200) mm in 2008
 - Approximately \$300 mm in 2009
- Driven by revenue growth and cost cuts / synergies, offset by royalty and revenue share increases

Source: Company filings and estimates.

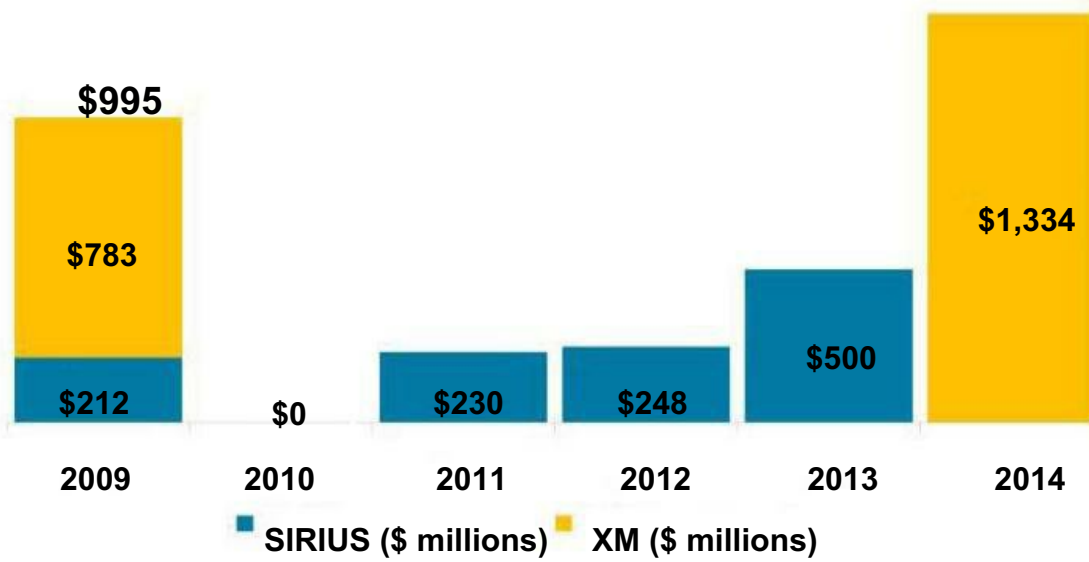
Current long range guidance

<i>Subs (millions), \$s in billions</i>	Guidance 2009	Guidance 2010	Guidance 2011	Guidance 2012	Guidance 2013
Ending Subscribers	20.6	22.1	24.0	26.2	28.4
Total 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

Source: Company filings and estimates. See slide at back for GAAP reconciliations.

Liquidity Overview

Debt Maturities: 2009 - 2013



Source: Company filings

2009 Debt Maturities

Debt Instrument	Due Date	Amount (millions)
SIRIUS		
2.5% Convertible Notes	Feb-09	\$209
8.75% Convertible Notes	Sep-09	\$2
XM		
Revolving Credit Facility	May-09	\$250
UBS Term Loan	May-09	\$100
10% Convertible Notes	Dec-09	\$400
10% Secured Conv. Notes	Dec-09	<u>\$33</u>
Total debt maturing in 2009		\$995

Source: Company filings

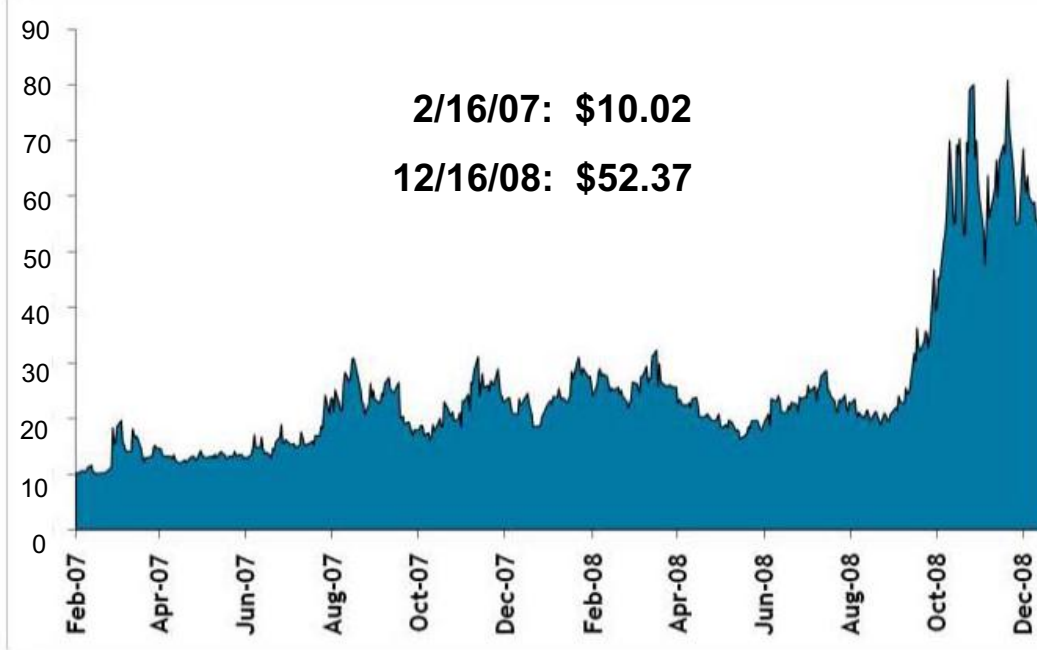
Sep. 15 bankruptcy of Lehman Brothers brought markets to a virtual standstill - no new CCC paper since then

Rates are at all time high spreads to Treasuries

	Feb-07	Jul-08	Dec-08	
Leveraged				
Loan Index (Yield)	7.76%	9.40%	24.29%	
CCC Rated	Pricing		Yield	Current
High Yield Issuances	Date	Amount (mm)	at Issue	Yield
XM Satellite Radio	7/24/2008	\$779	16%	52%
Guitar Center	8/6/2008	\$777	13%	NA
Clear Channel	9/11/2008	\$228	18%	48%

Source: Morgan Stanley

CBOE Volatility Index: up five fold from February 2007 - present



Capital structure initiatives

- JPMorgan and Evercore working on overall financing plan
- 3 areas of activity:
 - Operational improvements
 - Existing debt holder discussions
 - New investor discussions
- Looking to complete all by March 1

Stock Price and Market Performance

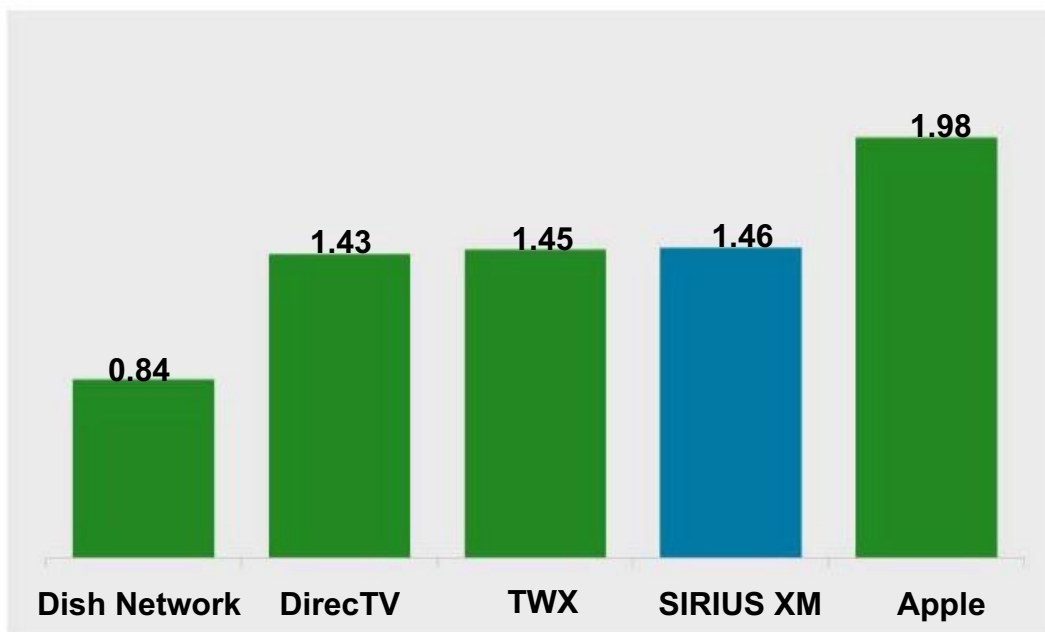
Benefits of the merger are significant

- Renewals of programming agreements at lower rates
- Channel rationalization improves audio experience and lowers programming cost
- Early success up-selling customers to new “Best of” packages
- Distribution contract improvements in OEM and Retail
- Volume benefits from chipset manufacturers, transaction fees, etc.

Benefits of the merger are significant

- Best practices implementation at call centers and in retention programs should over time improve churn and conversion rates
- Employee head count down significantly
- Significant reduction in marketing spending
- Rationalization of price points for aftermarket products

Enterprise value / revenue comparison



Source: Company filings, Capital IQ, or Yahoo

Financial performance disconnected from valuation

SIRIUS 2003

Subs: 261K
Revenue: \$12.9 M

=

Debt + Equity:
\$3.4B

SIRIUS 2005

Subs: 3.3 M
Revenue: \$242 M

=

Debt + Equity:
\$10.0B

SIRIUS XM 2008E

Subs: 19.1 M
Revenue: \$2.4 B

=

Debt + Equity:
\$3.5B

Source: Company filings, Capital IQ, or Yahoo

Management priorities

- Resolving 2009 liquidity
- Maximizing synergies, EBITDA, and FCF
- Maintaining growth
- Enhancing shareholder value

Questions and Answers

GAAP reconciliation

A reconciliation of Adjusted EBITDA and Free Cash Flow contained in the company's projections to their most comparable financial measure calculated and presented in accordance with GAAP is set forth below:

<u>Adjusted EBITDA Reconciliation</u>	<u>2009E</u>	<u>2010E</u>	<u>2011E</u>	<u>2012E</u>	<u>2013E</u>
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					
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.

Disclaimer on forward-looking statements

The guidance contained herein are based upon a number of assumptions and estimates that, while considered reasonable by us when taken as a whole, are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control. In addition, the guidance is based upon specific assumptions with respect to future business conditions, some or all of which will change. The guidance, like any forecast, is necessarily speculative in nature and it can be expected that the assumptions upon which the guidance is based will not prove to be valid or will vary from actual results. Actual results will vary from the guidance and the variations may be material. Consequently, the guidance should not be regarded as a representation by us or any other person that the subscribers, synergies, revenue, and adjusted EBITDA will actually be achieved. You are cautioned not to place undue reliance on this information.

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 ability to obtain governmental approvals of the transaction on a timely basis; 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 September 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 and XM disclaim any intention or obligation to update any forward looking statements as a result of developments occurring after the date of this communication.

Everything Worth Listening To Is Now On

SIRIUS | ((XM))
SATELLITE RADIO



JOHN MADDEN TONY STEWART MARTHA STEWART HOWARD STERN BOB DYLAN FRANK SINATRA BRUCE SPRINGSTEEN JAMIE FOXX CAL RIPKEN OPRAH WINFREY

