

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE TO
Tender Offer Statement Under Section 14(d)(1) or Section 13(e)(1)
of the Securities Exchange Act of 1934

SIRIUS XM RADIO INC.

*(Name of Subject Company (Issuer)
and Name of Filing Person (Offeror))*

3¹/₄% Convertible Notes due 2011
(Title of Class of Securities)

82966UAD5
(CUSIP Number of Class of Securities)

Patrick L. Donnelly
Executive Vice President, General Counsel and Secretary
Sirius XM Radio Inc.
1221 Avenue of the Americas, 36th Floor
New York, New York 10020
(212) 584-5100

*(Name, address and telephone number of person authorized
to receive notices and communications on behalf of filing person)*

With copies to:
John D. Lobrano
Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, New York 10017
(212) 455-2000

Calculation of Filing Fee

Transaction Valuation(1)	Amount of Filing Fee
\$98,617,724.29	\$11,443.37

(1) Calculated solely for purposes of determining the amount of the filing fee. The calculation of the Transaction Value assumes that all \$97,831,000 aggregate principal amount of Sirius XM Radio Inc.'s 3¹/₄% Convertible Notes due 2011 are purchased at the tender offer price of \$1,007.50 per \$1,000 principal amount of such Notes, plus accrued and unpaid interest on the Notes to, but not including the assumed payment date of April 21, 2011. The amount of the filing fee equals \$116.10 per \$1,000,000 of Transaction Value.

Check box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: Not applicable.
Form or Registration No.: Not applicable.
Filing Party: Not applicable.
Date Filed: Not applicable.

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- Third-party tender offer subject to Rule 14d-1.
- Issuer tender offer subject to Rule 13e-4.
- Going private transaction subject to Rule 13e-3.
- Amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

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INTRODUCTION

This Tender Offer Statement on Schedule TO (this "*Schedule TO*") relates to the offer (the "*Offer*") by Sirius XM Radio Inc. (the "*Company*"), a Delaware corporation, to purchase any and all of the Company's outstanding 3¹/₄% Convertible Notes due 2011 (the "*Notes*") for cash, at a purchase price equal to \$1,007.50 per \$1,000 principal amount of the Notes purchased upon the terms and subject to the conditions set forth in the Offer to Purchase, dated March 24, 2011 (as the same may be amended or supplemented, the "*Offer to Purchase*") and the related Letter of Transmittal (as the same may be amended or supplemented, the "*Letter of Transmittal*"). The Company's obligation to accept for payment, and to pay for, the Notes validly tendered and not validly withdrawn pursuant to the Offer is subject to satisfaction of the applicable conditions described in the Offer to Purchase. This Schedule TO is intended to satisfy the reporting requirements of Rule 13e-4(c)(2) under the Securities Exchange Act of 1934, as amended (the "*Exchange Act*"). This Schedule TO incorporates by reference certain sections of the Offer to Purchase specified below in response to Items 1, 2 and 4, Items 6 through 9 and Items 11 and 12 of this Schedule TO, as more particularly described below.

Item 1. Summary Term Sheet.

The information set forth in the Offer to Purchase in the section entitled "Summary Term Sheet" is incorporated herein by reference.

Item 2. Subject Company Information.

(a) The name of the issuer is Sirius XM Radio Inc., a Delaware corporation, engaged in broadcasting music, sports, news, talk entertainment, traffic and weather channels in the United States on a subscription fee basis through its two proprietary satellite radio systems. The address of the principal executive office of Sirius XM Radio Inc. is 1221 Avenue of the Americas, 36th Floor, New York, New York 10020. The telephone number of its principal executive office is (212) 584-5100.

(b) The subject class of securities are the Company's 3¹/₄% Convertible Notes due 2011. As of the date of this filing, \$97,831,000 in aggregate principal amount of Notes was outstanding.

(c) The Notes are not listed on any national or regional securities exchange or quoted on any automated quotation system. To the Company's knowledge, the Notes are traded infrequently in transactions arranged through brokers, and reliable market quotations for the Notes are not available. The common stock of the Company, par value \$0.001 per share, into which the Notes may be converted trade on The NASDAQ Global Select Market under the symbol "SIRI". The information set forth under "Market Information About the Notes and the Common Stock" in the Offer to Purchase is incorporated herein by reference.

Item 3. Identity and Background of Filing Person.

(a) The Company is the filing person. The Company's business address and phone number are set forth in Item 2 above of Schedule TO. The names of the directors of the board of directors of the Company and executive officers of the Company who are persons specified in Instruction C to Schedule TO are set forth below.

<u>Name</u>	<u>Position</u>
Eddy W. Hartenstein	Director, Chairman of the Board of Directors
Mel Karmazin	Director, Chief Executive Officer
Joan L. Amble	Director
Leon D. Black	Director
David J.A. Flowers	Director
Lawrence F. Gilberti	Director
James P. Holden	Director
Gregory B. Maffei	Director
John C. Malone	Director
James F. Mooney	Director

<u>Name</u>	<u>Position</u>
Jack Shaw	Director
Scott A. Greenstein	President and Chief Content Officer
James E. Meyer	President, Operations and Sales
Dara F. Altman	Executive Vice President and Chief Administrative Officer
Patrick L. Donnelly	Executive Vice President, General Counsel and Secretary
David J. Frear	Executive Vice President and Chief Financial Officer

The business address of each person set forth above is 1221 Avenue of the Americas, 36th Floor, New York, New York 10020. The telephone number of each person set forth above is (212) 584-5100.

Item 4. *Terms of the Transaction.*

(a) Material Terms.

(1) Tender Offer.

(i) The information set forth in the Offer to Purchase in the sections entitled “Summary Term Sheet” and “Impact of the Offer on Rights of the Holders of the Notes” is incorporated herein by reference.

(ii) — (iii) The information in the Offer to Purchase in the sections entitled “Summary Term Sheet”, “The Offer — Purchase Price; Accrued Interest” and “The Offer — Expiration Time; Extension; Amendment; Termination” is incorporated herein by reference.

(iv) Not applicable.

(v) The information set forth in the Offer to Purchase in the section entitled “The Offer — Expiration Time; Extension; Amendment; Termination” is incorporated herein by reference.

(vi) — (vii) The information set forth in the Offer to Purchase in the sections entitled “Summary Term Sheet” and “Procedures for Tendering and Withdrawing Notes” is incorporated herein by reference.

(viii) The information set forth in the Offer to Purchase in the sections entitled “Summary Term Sheet” and “Acceptance for Payment and Payment” is incorporated herein by reference.

(ix) Not applicable.

(x) The information set forth in the Offer to Purchase in the section entitled “Impact of the Offer on Rights of the Holders of the Notes” is incorporated herein by reference.

(xi) Not applicable.

(xii) The information set forth in the Offer to Purchase in the sections entitled “Summary Term Sheet” and “Material U.S. Federal Income Tax Consequences” is incorporated herein by reference.

(2) Mergers and Similar Transactions.

(i) — (vii) Not applicable.

(b) The information set forth in the Offer to Purchase in the section entitled “Miscellaneous” is incorporated herein by reference.

Item 5. *Past Contracts, Transactions, Negotiations and Agreements.*

(e) Agreements Involving the Subject Company’s Securities.

The Company has entered into the following agreements relating to the Notes:

(1) Indenture, dated as of May 23, 2003, between the Company and The Bank of New York, as trustee — Incorporated by reference to Exhibit 99.2 to the Company’s Current Report on Form 8-K filed on May 30, 2003.

(2) Third Supplemental Indenture, dated as of October 13, 2004, between the Company and The Bank of New York, as trustee — Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on October 13, 2004.

The information set forth in the Offer to Purchase in the section entitled "Impact of the Offer on Rights of the Holders of the Notes" is incorporated herein by reference.

Item 6. *Purposes of the Transaction and Plans or Proposals.*

- (a) The information set forth in the Offer to Purchase in the section entitled "The Offer — Purpose of the Transaction" is incorporated herein by reference.
- (b) The information set forth in the Offer to Purchase in the section entitled "The Offer — Purpose of the Transaction" is incorporated herein by reference.
- (c) The information set forth in the Offer to Purchase in the section entitled "Miscellaneous" is incorporated herein by reference.

Item 7. *Source and Amount of Funds or Other Consideration.*

- (a) The information set forth in the Offer to Purchase in the section entitled "The Offer — Source and Amount of Funds" is incorporated herein by reference.
- (b) There are no financing conditions.
- (d) Not applicable.

Item 8. *Interest in Securities of the Subject Company.*

- (a) The information set forth in the Offer to Purchase in the section entitled "Miscellaneous" is incorporated herein by reference.
- (b) The information set forth in the Offer to Purchase in the section entitled "Miscellaneous" is incorporated herein by reference.

Item 9. *Persons/Assets, Retained, Employed Compensated or Used.*

- (a) The information set forth in the Offer to Purchase in the section entitled "Solicitation and Expenses" is incorporated herein by reference.

Item 10. *Financial Statements.*

Not applicable.

Item 11. *Additional Information.*

- (a) Not applicable.
- (b) The information contained in the Offer to Purchase and Letter of Transmittal is incorporated herein by reference.

Item 12. Exhibits.

Exhibits filed as a part of this Schedule TO are listed below. Exhibits incorporated by reference are so indicated.

<u>Exhibit Number</u>	<u>Description</u>
(a)(1)(i)	Offer to Purchase dated March 24, 2011.
(a)(1)(ii)	Form of Letter of Transmittal (including Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9).
(a)(1)(iii)	Form of Letter to Brokers, Securities Dealers, Trust Companies and Other Nominees that are Holders of Notes.
(a)(1)(iv)	Form of Letter to Clients who are Beneficial Owners of Notes.
(a)(5)(i)	Press Release dated March 24, 2011
(b)	Not applicable.
(c)	Not applicable.
(d)(1)	Indenture, dated as of May 23, 2003, between the Company and The Bank of New York, as trustee — Incorporated by reference to Exhibit 99.2 to the Company's Current Report on Form 8-K, filed on May 30, 2003.
(d)(2)	Third Supplemental Indenture, dated as of October 13, 2004, between the Company and The Bank of New York, as trustee — Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on October 13, 2004.
(g)	Not applicable.
(h)	Not applicable.

Item 13. Information Required by Schedule 13E-3.

Not applicable.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

SIRIUS XM RADIO INC.

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

Dated: March 24, 2011

EXHIBIT INDEX

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(a)(1)(iv)	Form of Letter to Clients who are Beneficial Owners of Notes.
(a)(5)(i)	Press Release dated March 24, 2011
(b)	Not applicable.
(c)	Not applicable.
(d)(1)	Indenture, dated as of May 23, 2003, between the Company and The Bank of New York, as trustee — Incorporated by reference to Exhibit 99.2 to the Company's Current Report on Form 8-K filed on May 30, 2003.
(d)(2)	Third Supplemental Indenture, dated as of October 13, 2004, between the Company and The Bank of New York, as trustee — Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on October 13, 2004.
(g)	Not applicable.
(h)	Not applicable.

SIRIUS XM RADIO INC.

**Offer to Purchase for Cash
Any and All of its Outstanding
3¹/₄% Convertible Notes due 2011
(CUSIP No. 82966UAD5)**

At the purchase price of \$1,007.50 per \$1,000 principal amount of Notes

THE OFFER (AS DEFINED BELOW) WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON APRIL 20, 2011, UNLESS EXTENDED (SUCH TIME AND DATE, AS THE SAME MAY BE EXTENDED, THE "EXPIRATION TIME"). **HOLDERS MUST VALIDLY TENDER AND NOT VALIDLY WITHDRAW THEIR NOTES PRIOR TO THE EXPIRATION TIME TO BE ELIGIBLE TO RECEIVE THE PURCHASE PRICE OFFERED.** TENDERS OF NOTES MAY BE WITHDRAWN PRIOR TO THE EXPIRATION TIME.

Sirius XM Radio Inc. (the "Company", "we" or "us") hereby makes an offer (the "Offer"), upon the terms and subject to the conditions set forth in this Offer to Purchase (as the same may be amended or supplemented, this "Offer to Purchase") and the related Letter of Transmittal (as the same may be amended or supplemented, the "Letter of Transmittal"), to purchase any and all of the Company's issued and outstanding 3¹/₄% Convertible Notes due 2011 (the "Notes"), for cash, at a purchase price equal to \$1,007.50 per \$1,000 principal amount of Notes purchased (the "Purchase Price"), that are validly tendered and not validly withdrawn prior to the Expiration Time. If a Holder (as defined below) validly tenders its Notes prior to the Expiration Time and the Company accepts such Notes for payment, upon the terms and subject to the conditions of the Offer, the Company will also pay to such Holder all accrued and unpaid interest on such Notes, if any, up to, but not including, the Payment Date (as defined herein) ("Accrued Interest"). Interest on the Notes due on April 15, 2011 will be paid on the due date to holders at the close of business on April 1, 2011 pursuant to the terms of the Notes and the related indenture. No tenders will be valid if submitted after the Expiration Time.

The Company's obligation to accept for payment, and to pay for, any Notes validly tendered and not validly withdrawn pursuant to the Offer is subject to satisfaction of all of the conditions described in this Offer to Purchase. The Offer is not conditioned upon the receipt of financing or the tender of any minimum principal amount of Notes. See "Conditions to the Offer".

Any holder of Notes (each, a "Holder", and collectively, "Holders") desiring to tender, and any beneficial owner of Notes desiring that the Holder tender, all or any portion of such Holder's Notes must comply with the procedures for tendering Notes set forth herein in "Procedures for Tendering and Withdrawing Notes" and in the Letter of Transmittal.

Any questions or requests for assistance concerning the Offer may be directed to Morgan Stanley & Co. Incorporated (the "Dealer Manager") or Global Bondholder Services Corporation (the "Information Agent") at their respective addresses and telephone numbers set forth on the back cover of this Offer to Purchase. Requests for additional copies of this Offer to Purchase, the Letter of Transmittal or any other related documents may be directed to the Information Agent at its address and telephone numbers set forth on the back cover of this Offer to Purchase. Beneficial owners should contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer. Global Bondholder Services Corporation is acting as depositary (the "Depositary") in connection with the Offer.

NONE OF THE COMPANY, THE DEALER MANAGER, THE INFORMATION AGENT OR THE DEPOSITARY MAKES ANY RECOMMENDATION IN CONNECTION WITH THE OFFER.

THE OFFER HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION (THE "COMMISSION"), NOR HAS THE COMMISSION PASSED UPON THE FAIRNESS OR MERITS OF THE OFFER OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED OR INCORPORATED BY REFERENCE IN THIS OFFER TO PURCHASE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Dealer Manager for the Offer is:

Morgan Stanley

March 24, 2011

IMPORTANT

Upon the terms and subject to the satisfaction or waiver of all conditions set forth herein and in the Letter of Transmittal, the Company will notify the Depository, promptly after the Expiration Time, of which Notes tendered are accepted for payment pursuant to the Offer. If a Holder validly tenders its Notes prior to the Expiration Time and does not validly withdraw its Notes prior to the Expiration Time and the Company accepts such Notes for payment, upon the terms and subject to the conditions of the Offer, the Company will pay such Holder the Purchase Price and Accrued Interest for such Notes on the Payment Date.

Payment for the Notes will be made by the deposit of immediately available funds by the Company with the Depository, or, upon the Depository's instructions, with The Depository Trust Company ("*DTC*"), promptly after the Expiration Time, with payment expected to be made one business day after the Expiration Time (the date of payment being referred to herein as the "*Payment Date*"). The Depository and/or DTC will act as agent for the tendering Holders for the purpose of receiving payments from the Company and transmitting such payments to such Holders. See "Acceptance for Payment and Payment".

The Company expressly reserves the right, in its sole discretion but subject to applicable law, to (i) waive any and all of the conditions of the Offer, other than those dependent upon the receipt of necessary government approvals, prior to the Expiration Time, (ii) extend the Expiration Time of the Offer, (iii) amend the terms of the Offer or (iv) if the conditions to the Offer are not satisfied, terminate the Offer and not accept for payment any Notes tendered in the Offer. Any extension, amendment or termination will be followed as promptly as practicable by a public announcement thereof, such announcement in the case of an extension to be issued no later than 9:00 a.m., New York City time, on the next business day after the last previously scheduled or announced Expiration Time. The foregoing rights are in addition to the Company's right to delay the acceptance for payment of Notes tendered pursuant to the Offer, or the payment for Notes accepted for payment, in order to permit any or all conditions to the Offer to be satisfied or waived or to comply in whole or in part with any applicable law, subject, in each case, however, to Rules 13e-4 and 14e-1 under the Securities Exchange Act of 1934, as amended (the "*Exchange Act*"), which require that an offeror pay the consideration offered or return the securities deposited by or on behalf of the holders thereof promptly after the termination or withdrawal of a tender offer.

In the event that the Offer is terminated, withdrawn or otherwise lawfully not consummated, the Purchase Price will not be paid or become payable to Holders who have validly tendered their Notes pursuant to the Offer. In any such event, the Notes previously tendered pursuant to the Offer will be promptly returned to the tendering Holders.

From time to time after the tenth business day following the Expiration Time or other date of termination of the Offer, the Company or its affiliates may acquire any Notes that are not tendered pursuant to the Offer through open market purchases, privately negotiated transactions, tender offers, exchange offers or otherwise, upon such terms and at such prices as the Company may determine, which may be more or less than the price to be paid pursuant to the Offer and could be for cash or other consideration. There can be no assurance as to which, if any, of these alternatives (or combinations thereof) the Company or its affiliates will choose to pursue in the future.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS OFFER TO PURCHASE AND RELATED DOCUMENTS AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED. THE DELIVERY OF THIS OFFER TO PURCHASE SHALL NOT, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THE INFORMATION CONTAINED OR INCORPORATED BY REFERENCE HEREIN IS CURRENT AS OF ANY TIME SUBSEQUENT TO THE DATE OF SUCH INFORMATION. THE COMPANY DISCLAIMS ANY OBLIGATION TO UPDATE OR REVISE ANY OF THE INFORMATION CONTAINED OR INCORPORATED BY REFERENCE HEREIN TO THE EXTENT NOT OTHERWISE REQUIRED BY APPLICABLE LAW.

THE OFFER IS NOT BEING MADE UNDER ANY CIRCUMSTANCES IN WHICH THE OFFER WOULD BE UNLAWFUL. THIS OFFER TO PURCHASE DOES NOT CONSTITUTE AN OFFER TO PURCHASE IN ANY JURISDICTION, DOMESTIC OR FOREIGN, IN WHICH, OR TO OR FROM ANY PERSON TO OR FROM WHOM, IT IS UNLAWFUL TO MAKE SUCH OFFER UNDER APPLICABLE SECURITIES OR OTHER LAWS. IN THOSE JURISDICTIONS WHERE THE SECURITIES OR OTHER LAWS REQUIRE THE OFFER TO BE MADE BY A LICENSED BROKER OR DEALER, THE OFFER SHALL BE DEEMED TO BE MADE ON BEHALF OF THE COMPANY BY THE DEALER MANAGER OR ONE OR MORE REGISTERED BROKERS OR DEALERS LICENSED UNDER THE LAWS OF SUCH JURISDICTION.

THIS OFFER TO PURCHASE AND THE RELATED LETTER OF TRANSMITTAL CONTAIN IMPORTANT INFORMATION WHICH SHOULD BE READ BEFORE ANY DECISION IS MADE WITH RESPECT TO THE OFFER.

A beneficial owner of the Notes that are held of record by a broker, dealer, commercial bank, trust company or other nominee must instruct such broker, dealer, commercial bank, trust company or other nominee to tender the Notes on the beneficial owner's behalf. DTC has authorized DTC Participants (as defined below) that hold Notes on behalf of beneficial owners of Notes through DTC to tender their Notes as if they were Holders. The Depository and DTC have confirmed that the Offer is eligible for DTC's Automated Tender Offer Program ("*ATOP*"). Accordingly, to effect such a tender of Notes held in DTC, DTC Participants must tender their Notes through ATOP and follow the procedures set forth in "Procedures for Tendering and Withdrawing Notes — Notes Held Through DTC". Holders desiring to tender their Notes on the day when the Expiration Time occurs should be aware that they must allow sufficient time for completion of the ATOP procedures during normal business hours of DTC on such day.

Any Holder who desires to tender Notes and who holds physical certificates evidencing such Notes must complete and sign a Letter of Transmittal (or a manually signed facsimile thereof) in accordance with the instructions therein, have the signature thereon guaranteed (if required by Instruction 2 of the Letter of Transmittal) and deliver such manually signed Letter of Transmittal (or a manually signed facsimile thereof), together with certificates evidencing such Notes being tendered and any other required documents to the Depository, at its address set forth on the back cover of this Offer to Purchase prior to the Expiration Time. As of the date hereof, all Notes are held through DTC and therefore the procedures described in the immediately preceding paragraph will apply unless physical certificates evidencing Notes were issued following the date hereof.

Tendering Holders will not be obligated to pay brokerage fees or commissions or the fees and expenses of the Dealer Manager, the Information Agent or the Depository. See "Dealer Manager; Information Agent; Depository".

There are no guaranteed delivery provisions provided for by the Company in connection with the Offer under the terms of this Offer to Purchase or any other related documents. Holders must tender their Notes in accordance with the procedures set forth herein and in the Letter of Transmittal and complete such procedures prior to the Expiration Time in order to be eligible to receive the Purchase Price.

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SUMMARY TERM SHEET

The following summary is qualified in its entirety by reference to, and should be read in connection with, the information appearing elsewhere or incorporated by reference in this Offer to Purchase. Each of the capitalized terms used in this Summary and not defined herein has the meaning set forth elsewhere in this Offer to Purchase.

The Company	Sirius XM Radio Inc.
The Notes	3 ¹ / ₄ % Convertible Notes due 2011 of the Company. As of March 24, 2011, there was \$97,831,000 aggregate principal amount of Notes outstanding. See “Impact of the Offer on Rights of the Holders of the Notes”.
The Offer	In the Offer, the Company is offering to purchase, upon the terms and subject to the conditions described herein and in the Letter of Transmittal, any and all of the Notes validly tendered and not validly withdrawn prior to the Expiration Time, for the Purchase Price plus Accrued Interest. See “The Offer”.
Purpose of the Offer; Source and Amount of Funds	The purpose of the Offer is to purchase Notes in order to reduce the amount of the Company’s outstanding indebtedness and the associated interest expense. The Company will fund purchases pursuant to the Offer from available cash. See “The Offer — Purpose of the Transaction” and “The Offer — Source and Amount of Funds”.
Purchase Price; Accrued Interest	The Purchase Price offered is cash in an amount equal to \$1,007.50 per \$1,000 principal amount of Notes purchased in the Offer. If a Holder validly tenders and does not validly withdraw its Notes prior to the Expiration Time and the Company accepts such Notes for payment, upon the terms and subject to the conditions of the Offer, the Company will pay such Holder the Purchase Price plus Accrued Interest for such Notes on the Payment Date. Interest on the Notes due on April 15, 2011 will be paid on the due date to holders at the close of business on April 1, 2011 pursuant to the terms of the Notes and the related indenture.
Payment Date	The Payment Date for the Offer will be promptly after the Expiration Time. It is expected that the Payment Date for the Offer will be one business day after the Expiration Time. See “Acceptance for Payment and Payment”.
Expiration Time	The Offer will expire at 12:00 midnight, New York City time, on April 20, 2011, unless extended by the Company. See “The Offer — Expiration Time; Extension; Amendment; Termination”.
Withdrawal Rights	Tendered Notes may be withdrawn by Holders at any time prior to the Expiration Time. In addition, if not previously accepted for payment, tendered Notes may be withdrawn after the date that is 40 business days after the commencement of the Offer. See “Procedures for Tendering and Withdrawing Notes — Withdrawal Rights”.
Conditions to the Offer	Notwithstanding any other provision of the Offer, the Company’s obligation to accept for payment, and pay for, any Notes validly

tendered and not validly withdrawn pursuant to the Offer is conditioned on satisfaction of all the conditions applicable to the Offer described herein. The Company expressly reserves the right, in its sole discretion but subject to applicable law, to (i) waive any and all of the conditions of the Offer, other than those dependent upon the receipt of necessary government approvals, prior to the Expiration Time, (ii) extend the Expiration Time of the Offer, (iii) amend the terms of the Offer or (iv) if the conditions to the Offer are not satisfied, terminate the Offer and not accept for payment any Notes tendered in the Offer. The Company also reserves the right, in its sole discretion, to delay the acceptance for payment for Notes tendered in the Offer, or to delay the payment for Notes so accepted, in order to permit any or all conditions of the Offer to be satisfied or waived or to comply in whole or in part with any applicable law, subject in each case, however, to Rules 13e-4 and 14e-1 under the Exchange Act, which require that an offeror pay the consideration offered or return the securities deposited by or on behalf of the holders thereof promptly after the termination or withdrawal of a tender offer. The Offer is not conditioned upon the receipt of financing or the tender of any minimum principal amount of Notes. See “Conditions to the Offer”.

Procedures for Tendering and Withdrawing Notes

Any beneficial owner who holds Notes in book-entry form through DTC (including those who hold through Clearstream Banking, *société anonyme* (“Clearstream”) or Euroclear Bank S.A./N.V. (“Euroclear”) as DTC Participants) and who desires that the Notes be tendered should request the beneficial owner’s broker, dealer, commercial bank, trust company or other nominee to effect the transaction for the beneficial owner prior to the Expiration Time. See “Procedures for Tendering and Withdrawing Notes — Notes Held by Record Holders”.

Holders of Notes who are tendering by book-entry transfer to the Depository’s account at DTC must execute the tender through ATOP. DTC Participants that are accepting the Offer must transmit their acceptance to DTC, which will verify the acceptance and execute a book-entry delivery to the Depository’s account at DTC. DTC will then send an Agent’s Message (as defined herein) to the Depository for its acceptance. Delivery of the Agent’s Message by DTC will satisfy the terms of that Offer as to the tender of Notes. See “Procedures for Tendering and Withdrawing Notes — Notes Held Through DTC”.

As of the date hereof, all Notes are held in book-entry form through DTC and unless physical certificates are issued following the date hereof, the tendering procedures for book-entry holdings described above should be followed except for Notes registered in the name of DTC or its nominees. However, in the event that after the date hereof physical certificates evidencing the Notes are issued to a Holder other than DTC or its nominee, then any such Holder who desires to tender Notes pursuant to the Offer and holds physical certificates evidencing such Notes must complete and sign

	<p>the related Letter of Transmittal (or a manually signed facsimile thereof) in accordance with the instructions set forth therein, have the signature thereon guaranteed if required by Instruction 2 of the Letter of Transmittal and deliver such manually signed Letter of Transmittal (or such manually signed facsimile), together with the certificates evidencing the Notes being tendered and any other required documents, to the Depository prior to the Expiration Time. Beneficial owners of Notes who hold their interests through a nominee or other person are not the Holders of those Notes and, if they wish such Notes to be tendered in the Offer, they must arrange for such nominee or other person to effect the tender for them.</p>
Untendered and/or Unpurchased Notes	<p>Notes not tendered and/or accepted for payment pursuant to the Offer will remain outstanding. Although the Company has no obligation to do so, the Company may purchase the untendered Notes in any lawful manner available to the Company at any time after 10 business days following the Expiration Time. See “Additional Considerations Concerning the Offer”.</p>
Acceptance for Payment and Payment	<p>Upon the terms and subject to the conditions set forth herein and in the Letter of Transmittal, the Company will, promptly after the Expiration Time, accept for payment any and all outstanding Notes validly tendered and not validly withdrawn prior to the Expiration Time. If a Holder validly tenders and does not validly withdraw its Notes prior to the Expiration Time and the Company accepts such Notes for payment, upon the terms and subject to the conditions of the Offer, the Company will pay the Purchase Price and Accrued Interest for such Notes on the Payment Date.</p> <p>Payments for Notes accepted for payment will be made on the Payment Date by the deposit of immediately available funds by the Company with the Depository or, upon the Depository’s instructions, DTC. The Depository and/or DTC will act as agent for the tendering Holders for the purpose of receiving payments from the Company and transmitting such payments to such Holders. Any Notes validly tendered and accepted for payment pursuant to the Offer will be cancelled. Any Notes tendered but not accepted for payment pursuant to the Offer will be returned to the Holders promptly after the Expiration Time. See “Acceptance for Payment and Payment”.</p>
Material U.S. Federal Income Tax Consequences	<p>For a discussion of material U.S. federal income tax consequences relating to the Offer, see “Material U.S. Federal Income Tax Consequences”.</p>
Dealer Manager	<p>Morgan Stanley & Co. Incorporated.</p>
Information Agent	<p>Global Bondholder Services Corporation.</p>
Depository	<p>Global Bondholder Services Corporation.</p>

ABOUT THE COMPANY

Sirius XM Radio Inc. broadcasts its music, sports, news, talk, entertainment, traffic and weather channels in the United States on a subscription fee basis through its two proprietary satellite radio systems. Subscribers can also receive certain of our music and other channels over the Internet, including through applications for Apple, Blackberry and Android-powered mobile devices.

As of December 31, 2010, the Company had 20,190,964 subscribers. The Company's subscriber totals include:

- subscribers under its regular and discounted pricing plans;
- subscribers that have prepaid, including payments either made or due from automakers for prepaid subscriptions included in the sale or lease price of a vehicle;
- certain radios activated for daily rental fleet programs;
- certain subscribers to its Internet services; and
- certain subscribers to its weather, traffic, data and Backseat TV services.

The Company's primary source of revenue is subscription fees, with most of its customers subscribing on an annual, semi-annual, quarterly or monthly basis. The Company offers discounts for prepaid and long-term subscription plans as well as discounts for multiple subscriptions on each platform. The Company also derives revenue from activation and other fees, the sale of advertising on select non-music channels, the direct sale of satellite radios and accessories, and other ancillary services, such as its weather, traffic, data and Backseat TV services.

The Company's satellite radios are primarily distributed through automakers ("OEMs"); retail locations nationwide; and through the Company's website. The Company has agreements with every major automaker to offer satellite radios as factory or dealer-installed equipment in their vehicles. Satellite radio services are also offered to customers of certain rental car companies.

The Company's principal executive offices are located at 1221 Avenue of the Americas, 36th Floor, New York, New York 10020 and the telephone number for its principal executive offices is (212) 584-5100.

THE OFFER

Introduction

The Company hereby offers, upon the terms and subject to the conditions set forth in this Offer to Purchase and the Letter of Transmittal, to purchase for cash any and all of the Notes that are validly tendered and not validly withdrawn prior to the Expiration Time for the Purchase Price of \$1,007.50 per \$1,000 principal amount of the Notes so purchased, plus Accrued Interest on such Notes, if any.

Upon the terms and subject to the satisfaction or waiver of all conditions, other than, in the case of any waiver, those dependent upon the receipt of necessary government approvals, set forth herein and in the Letter of Transmittal, the Company will, promptly after the Expiration Time, accept for payment any and all Notes validly tendered and not validly withdrawn prior to such Expiration Time. If a Holder validly tenders its Notes prior to the Expiration Time and does not validly withdraw its Notes prior to the Expiration Time and the Company accepts such Notes for payment, upon the terms and subject to the conditions of the Offer, the Company will pay the Purchase Price plus Accrued Interest for such Notes on the Payment Date.

Notes accepted for payment pursuant to the Offer will be accepted only in principal amounts of \$1,000 or an integral multiple thereof.

Purchase Price; Accrued Interest

The Purchase Price for Notes accepted for payment will be paid on the Payment Date, which will be promptly after the Expiration Time. It is expected that the Payment Date will be one business day after the Expiration Time. Such payments will be made by the deposit of immediately available funds by the Company with the Depository or, upon its instructions, DTC. The Depository and/or DTC will act as agent for the tendering Holders for the purpose of receiving payments from the Company and transmitting such payments to such Holders. See "Acceptance for Payment and Payment".

Tenders of Notes pursuant to the Offer may be validly withdrawn at any time prior to the Expiration Time by following the procedures described herein. In addition, if not previously accepted for payment, tendered Notes may be withdrawn after the date that is 40 business days after the commencement of the Offer. If Holders validly withdraw previously tendered Notes, such Holders will not receive the Purchase Price, unless such Notes are validly retendered and not again validly withdrawn prior to the Expiration Time (and the Company accepts the Notes for payment, upon the terms and subject to the conditions of the Offer).

Holders whose Notes are accepted for payment pursuant to the Offer will be entitled to receive Accrued Interest on those Notes. Interest on the Notes due on April 15, 2011 will be paid on the due date to holders at the close of business on April 1, 2011 pursuant to the terms of the Notes and the related indenture. Under no circumstances will any additional interest be payable because of any delay in the transmission of funds to the Holders of purchased Notes.

Expiration Time; Extension; Amendment; Termination

The term "*Expiration Time*" with respect to the Offer means 12:00 midnight, New York City time, on April 20, 2011 unless and until the Company shall, in its sole discretion, have extended this period with respect to that Offer, in which event the term "*Expiration Time*" shall mean the new time and date as determined by the Company. The Company may extend the Expiration Time for any purpose, including to permit the satisfaction or waiver of all conditions to the Offer or for any other reason. In order to extend the Expiration Time, the Company will notify the Depository and will make a public announcement prior to 9:00 a.m., New York City time, on the next business day after the previously scheduled Expiration Time. Any such announcement will state that the Company is extending the Offer for a specified period or on a daily basis. Without limiting the manner in which the Company may choose to make a public announcement of any extension of the Offer, the Company will not, unless required by law, have any obligation to publish, advertise or otherwise communicate any such public announcement, other than issuing a timely press release.

The Company's obligation to accept for payment, and pay for, any Notes validly tendered and not validly withdrawn prior to the Expiration Time is conditioned on satisfaction of all the conditions of the Offer described herein. See "Conditions to the Offer".

The Company expressly reserves the right, in its sole discretion but subject to applicable law, to (i) waive any and all of the conditions of the Offer, other than those dependent upon the receipt of necessary government approvals, prior to the Expiration Time, (ii) extend the Expiration Time of the Offer, (iii) amend the terms of the Offer or (iv) if the conditions to the Offer are not satisfied, terminate the Offer and not accept for payment any Notes tendered in the Offer. Any extension, amendment or termination will be followed as promptly as practicable by a public announcement thereof. Without limiting the manner in which the Company may choose to make such announcement, the Company shall not, unless required by law, have any obligation to publish, advertise or otherwise communicate any such announcement other than by issuing a press release.

If the Company extends the Offer or delays its acceptance for payment, or its payment, for any Notes tendered in the Offer for any reason, then, without prejudice to the Company's rights under that Offer, the Depository may retain tendered Notes on behalf of the Company. However, the ability of the Company to delay acceptance for payment, or payment, for Notes that are validly tendered and not withdrawn prior to the Expiration Time is limited by Rules 13e-4 and 14e-1(c) under the Exchange Act, which require that an offeror

pay the consideration offered or return the securities deposited by or on behalf of Holders promptly after the termination or withdrawal of a tender offer.

If the Company makes a material change in the terms and conditions of the Offer or the information concerning the Offer, the Company will disseminate additional offering materials and extend that Offer to the extent required by law, including Rule 13e-4 under the Exchange Act.

Purpose of the Transaction

The purpose of the Offer is to repurchase Notes in order to reduce the amount of the Company's outstanding indebtedness and the associated interest expense. Any Notes we purchase in the Offer will be cancelled.

Source and Amount of Funds

We expect that we will need approximately \$98.6 million to purchase the Notes pursuant to the Offer (not including Accrued Interest and expenses related to the Offer), assuming all outstanding Notes are validly tendered and accepted for payment and the Payment Date is April 21, 2011. The Company intends to fund its purchases of Notes in the Offer from its available cash.

PROCEDURES FOR TENDERING AND WITHDRAWING NOTES

The tender of Notes pursuant to the Offer and in accordance with the procedures described below will constitute a valid tender of Notes. If a Holder validly tenders its Notes prior to the Expiration Time and does not validly withdraw its Notes prior to the Expiration Time and the Company accepts such Notes for payment, upon the terms and subject to the conditions of the Offer, the Company will pay such Holder the Purchase Price plus Accrued Interest for such Notes on the Payment Date. Any Notes tendered and validly withdrawn prior to the Expiration Time will be deemed not to have been validly tendered.

Tendering Notes

The tender of Notes pursuant to any of the procedures described in this Offer to Purchase and set forth in the Letter of Transmittal will constitute a binding agreement between the tendering Holder and the Company upon the terms and subject to the conditions of the Offer. Such agreement will be governed by, and construed in accordance with, the laws of the State of New York. The valid tender of Notes will constitute the agreement of the Holder to deliver good and marketable title to all tendered Notes, free and clear of all liens, charges, claims, encumbrances, interests and restrictions of any kind.

UNLESS THE NOTES BEING TENDERED ARE DEPOSITED BY THE HOLDER WITH THE DEPOSITARY PRIOR TO THE EXPIRATION TIME (ACCOMPANIED, TO THE EXTENT NECESSARY, BY A PROPERLY COMPLETED AND DULY EXECUTED LETTER OF TRANSMITTAL), THE COMPANY MAY, AT ITS OPTION, REJECT SUCH TENDER. PAYMENT FOR NOTES WILL BE MADE ONLY AGAINST DEPOSIT OF VALIDLY TENDERED NOTES AND DELIVERY OF ANY REQUIRED DOCUMENTS.

Only registered Holders of Notes are authorized to tender certificated Notes pursuant to the Offer.

To properly tender Notes or cause Notes to be tendered, the following procedures must be followed:

Notes Held Through DTC

With regard to Notes held in book-entry form through DTC, DTC or its nominee is the sole registered owner — and thus the sole Holder — of those Notes. Beneficial owners of Notes held through a participant (a "DTC Participant") of DTC (*i.e.*, a custodian bank, depositary, broker, dealer, trust company or other nominee) are not Holders of the Notes, and any such beneficial owner that wishes its Notes to be tendered in the Offer must instruct the DTC Participant through which its Notes are held to cause its Notes to be tendered and delivered to the Depositary in accordance with DTC's ATOP procedures as described in this Offer to Purchase. Beneficial owners and DTC Participants desiring that Notes be tendered on the day on which the

Expiration Time is to occur should be aware that they must allow sufficient time for completion of the ATOP procedures during normal business hours of DTC on such day.

Clearstream and Euroclear are DTC Participants. Beneficial owners who hold the Notes through Euroclear and Clearstream must follow DTC's procedures for tender and delivery of the Notes. Euroclear and Clearstream may not be open for business on days when banks, brokers and other institutions are open for business in the United States. For this reason, and because of time-zone differences, investors who hold interests in the Notes through these systems and wish to have the Notes tendered may find that the transaction will not be effected when requested and perhaps not until the next business day in Luxembourg or Brussels, as applicable. Thus, those who hold interests through Clearstream or Euroclear and wish to have Notes tendered prior to the Expiration Time must take into consideration differences in business days and time-zones so as to allow sufficient time to have the tenders effected.

The Depository and DTC have confirmed that the Offer is eligible for ATOP. Pursuant to an authorization given by DTC to DTC Participants, each DTC Participant that holds Notes through DTC and chooses to accept the Offer must transmit its acceptance through ATOP, and DTC will then edit and verify the acceptance, execute a book-entry delivery to the Depository's account at DTC and send an Agent's Message (as defined below) to the Depository for its acceptance. The Depository will (promptly after the date of this Offer to Purchase) establish accounts at DTC for purposes of the Offer with respect to Notes held through DTC, and any financial institution that is a DTC Participant may make book-entry delivery of Notes into the Depository's account through ATOP. However, although delivery of the Notes may be effected through book-entry transfer into the Depository's account through ATOP, an Agent's Message in connection with such book-entry transfer and any other required documents must be, in any case, transmitted to and received by the Depository at its address set forth on the back cover of this Offer to Purchase prior to the Expiration Time. Delivery of documents to DTC, the Company or the Dealer Manager does not constitute delivery to the Depository. The confirmation of a book-entry transfer into the Depository's account at DTC as described above is referred to herein as a "*Book-Entry Confirmation*".

The term "*Agent's Message*" means a message transmitted by DTC to, and received by, the Depository and forming a part of the Book-Entry Confirmation, which states that DTC has received an express acknowledgment from each DTC Participant tendering through ATOP that such DTC Participant has received a Letter of Transmittal and agrees to be bound by the terms of the Letter of Transmittal and that the Company may enforce such agreement against such DTC Participant.

All Notes currently held through DTC have been issued in the form of global notes registered in the name of Cede & Co., DTC's nominee (the "*Global Notes*"). At or as of the close of business on the second business day after the Expiration Time, the aggregate principal amount of the Global Notes will be reduced to represent the aggregate principal amount of the Notes, if any, held through DTC and not tendered pursuant to the Offer.

Notes Held by Record Holders

As of the date hereof, all Notes are held in book-entry form through DTC and unless physical certificates are issued following the date hereof, the tendering procedures for book-entry holdings described above should be followed except for Notes registered in the name of DTC or its nominees. However, in the event that after the date hereof physical certificates evidencing the Notes are issued to a Holder other than DTC or its nominee, then any such Holder of the Notes must complete and sign the Letter of Transmittal, and deliver such Letter of Transmittal and any other documents required by the Letter of Transmittal, together with certificate(s) representing all such tendered Notes, to the Depository at its address set forth on the back cover of this Offer to Purchase prior to the Expiration Time.

BENEFICIAL OWNERS OF NOTES — I.E., THOSE WHO HOLD INTERESTS IN THE NOTES THROUGH A CUSTODIAN BANK, DEPOSITARY, BROKER, DEALER, TRUST COMPANY OR OTHER NOMINEE OR THROUGH DTC — ARE NOT HOLDERS OF THEIR NOTES; ONLY THE NOMINEES OF THOSE PERSONS (OR DTC) IN WHOSE NAME THE NOTES ARE REGISTERED ON THE COMPANY'S REGISTER OF NOTES ARE THE HOLDERS OF THE NOTES AND MAY TENDER THE NOTES IN THE OFFER.

All signatures on the Letter of Transmittal must be guaranteed by a recognized participant in the Securities Transfer Agents Medallion Program, the NYSE Medallion Signature Program or the Stock Exchange Medallion Program (each, an “*Eligible Institution*”); *provided, however*, that signatures on the Letter of Transmittal need not be guaranteed if such Notes are tendered for the account of an Eligible Institution. See Instruction 2 of the Letter of Transmittal. If a Letter of Transmittal or any Note is signed by a trustee, executor, administrator, guardian, attorney-in-fact, agent, officer of a corporation or other person acting in a fiduciary or representative capacity, such person must so indicate when signing, and proper evidence satisfactory to the Company of the authority of such person so to act must be submitted.

Lost or Missing Certificates

If a Holder desires to tender Notes pursuant to the Offer, but the certificates representing such Notes have been mutilated, lost, stolen or destroyed, such Holder should contact the Depository for further instructions at the address or telephone number set forth on the back cover of this Offer to Purchase. See Instruction 10 of the Letter of Transmittal.

Backup U.S. Federal Income Tax Withholding

Under the “backup withholding” provisions of U.S. federal income tax law, unless a beneficial owner, or such beneficial owner’s assignee, satisfies the conditions described in Instruction 8 of the Letter of Transmittal or is otherwise exempt, the aggregate Purchase Price and Accrued Interest may be subject to backup withholding at a rate of 28%. To prevent backup withholding, each U.S. Holder (as defined below in “Material U.S. Federal Income Tax Consequences”) should complete and sign the Substitute Form W-9 provided in the Letter of Transmittal. Each Non-U.S. Holder (as defined below in “Material U.S. Federal Income Tax Consequences”) must submit the appropriate completed Internal Revenue Service (“IRS”) Form W-8 (generally Form W-8BEN for a Non-U.S. Holder) to avoid backup withholding. See Instruction 8 of the Letter of Transmittal.

Effect of Letter of Transmittal

Subject to, and effective upon, the acceptance for payment of, and payment for, the Notes tendered thereby, by executing and delivering a Letter of Transmittal a tendering Holder of Notes (i) irrevocably sells, assigns and transfers to, or upon the order of, the Company, all right, title and interest in and to all the Notes tendered thereby; (ii) waives any and all rights with respect to such Notes (including, without limitation, any existing or past defaults and their consequences in respect of such Notes and the indenture under which the Notes were issued); (iii) releases and discharges the Company from any and all claims such Holder may have now, or may have in the future arising out of, or related to, such Notes, including, without limitation, any claims that such Holder is entitled to receive additional principal or interest payments with respect to such Notes, to convert the Notes into shares of the Company’s common stock, par value \$0.001 per share (“*Common Stock*”), to participate in any redemption of such Notes or be entitled to any of the benefits under the indenture under which the Notes were issued; and (iv) irrevocably constitutes and appoints the Depository as the true and lawful agent and attorney-in-fact of such Holder with respect to any such tendered Notes (with full knowledge that the Depository also acts as the agent of the Company) with respect to such Notes, with full power of substitution and resubstitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to (a) deliver certificates representing such Notes, or transfer ownership of such Notes on the account books maintained by DTC, together, in any such case, with all accompanying evidences of transfer and authenticity, to the Company, (b) present such Notes for transfer on the relevant security register, (c) receive all benefits or otherwise exercise all rights of beneficial ownership of such Notes (except that the Depository will have no rights to, or control over, funds from the Company, except as agent for the tendering Holders, for the Purchase Price and Accrued Interest for any tendered Notes that are purchased by the Company) and (d) deliver to the Company the Letter of Transmittal, all upon the terms and subject to the conditions of the Offer.

Determination of Validity

All questions as to the validity, form, eligibility (including time of receipt) and acceptance for payment of Notes pursuant to the procedures described in this Offer to Purchase and the Letter of Transmittal and the form and validity of all documents will be determined by the Company in its sole discretion. The Company reserves the absolute right to reject any or all tenders that are not in proper form or the acceptance of or payment for which may, upon the advice of counsel for the Company, be unlawful. The Company also reserves the absolute right to waive any of the conditions of the Offer, other than those dependent upon the receipt of necessary government approvals, and any defect or irregularity in the tender of any particular Notes. Any determination by the Company as to the validity, form, eligibility and acceptance of Notes for payment, or any interpretation by the Company as to the terms and conditions of the Offer, is subject to applicable law and, if challenged by Holders or otherwise, to the judgment of a court of competent jurisdiction. The Company is not obligated and does not intend to accept any alternative, conditional or contingent tenders. Unless waived, any irregularities in connection with tenders must be cured within such time as the Company shall determine. None of the Company or any of its affiliates or assigns, the Depository, the Information Agent, the Dealer Manager or any other person will be under any duty to give notification of any defects or irregularities in such tenders or will incur any liability to a Holder for failure to give such notification. Tenders of Notes will not be deemed to have been made until such irregularities have been cured or waived. Any Notes received by the Depository that are not properly tendered and as to which the irregularities have not been cured or waived will be returned by the Depository to the tendering Holders, unless otherwise provided in the Letter of Transmittal, as promptly as practical following the Expiration Time.

LETTERS OF TRANSMITTAL AND NOTES MUST BE SENT ONLY TO THE DEPOSITARY. DO NOT SEND LETTERS OF TRANSMITTAL OR NOTES TO THE COMPANY, THE DEALER MANAGER OR THE INFORMATION AGENT.

THE METHOD OF DELIVERY OF NOTES AND LETTERS OF TRANSMITTAL, ANY REQUIRED SIGNATURE GUARANTEES AND ALL OTHER REQUIRED DOCUMENTS, INCLUDING DELIVERY THROUGH DTC AND ANY ACCEPTANCE THROUGH ATOP, IS AT THE ELECTION AND RISK OF THE PERSONS TENDERING AND DELIVERING LETTERS OF TRANSMITTAL AND, EXCEPT AS OTHERWISE PROVIDED IN THE LETTER OF TRANSMITTAL, DELIVERY WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED BY THE DEPOSITARY. IF DELIVERY IS BY MAIL, IT IS SUGGESTED THAT THE HOLDER USE PROPERLY INSURED, REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, AND THAT THE MAILING BE MADE SUFFICIENTLY IN ADVANCE OF THE EXPIRATION TIME TO PERMIT DELIVERY TO THE DEPOSITARY PRIOR TO THE EXPIRATION TIME.

IF YOU HOLD YOUR NOTES THROUGH A CUSTODIAN BANK, DEPOSITARY, BROKER, DEALER, TRUST COMPANY OR OTHER NOMINEE, YOU SHOULD KEEP IN MIND THAT SUCH ENTITY MAY REQUIRE YOU TO TAKE ACTION WITH RESPECT TO THE OFFER A NUMBER OF DAYS BEFORE THE EXPIRATION TIME IN ORDER FOR SUCH ENTITY TO TENDER NOTES ON YOUR BEHALF ON OR PRIOR TO SUCH EXPIRATION TIME. TENDERS NOT COMPLETED BY THE DEPOSITARY PRIOR TO THE EXPIRATION TIME WILL BE DISREGARDED AND OF NO EFFECT.

No Appraisal Rights

No appraisal rights are available to holders of Notes under applicable law in connection with the Offer.

No Guaranteed Delivery

There are no guaranteed delivery provisions provided for by the Company in connection with the Offer under the terms of this Offer to Purchase or any other related documents. Holders must tender their Notes in accordance with the procedures set forth above and complete such procedures prior to the Expiration Time in order to be eligible to receive the Purchase Price.

Withdrawal of Tenders by Holders

Except as otherwise provided herein, tenders of Notes pursuant to the Offer are irrevocable. Withdrawal of Notes by Holders may only be accomplished in accordance with the following procedures.

Holders may withdraw Notes tendered in the Offer at any time prior to the Expiration Time. Thereafter, such tenders may be withdrawn after the 40th business day following the commencement of the Offer, in accordance with Rule 13e-4(f) of the Exchange Act, unless such Notes have been accepted for payment as provided in this Offer to Purchase. If the Company extends the Offer, is delayed in its acceptance for payment of Notes or is unable to purchase Notes validly tendered under the Offer for any reason, then, without prejudice to the Company's rights under that Offer, the Depository may nevertheless, on the Company's behalf, retain tendered Notes, and such Notes may not be withdrawn except to the extent that the Holder is entitled to withdrawal rights described herein.

For a withdrawal of a tender of Notes to be effective, a written or facsimile transmission notice of withdrawal must be received by the Depository prior to the Expiration Time, by mail, or hand delivery or by a properly transmitted "Request Message" through ATOP.

Any such notice of withdrawal must (i) specify the name of the person who tendered the Notes to be withdrawn and the name in which those Notes are registered (or, if tendered by a book-entry transfer, the name of the participant in DTC whose name appears on the security position listing as the owner of such Notes), if different from that of the person who deposited the Notes, (ii) contain the description of the Notes to be withdrawn, the certificate number or numbers of such Notes, unless such Notes were tendered by book-entry delivery, and the aggregate principal amount represented by such Notes, (iii) unless transmitted through ATOP, be signed by the Holder thereof in the same manner as the original signature on such Holder's Letter of Transmittal, including any required signature guarantee(s), or be accompanied by documents of transfer sufficient to have the Note trustee register the transfer of the Notes into the name of the person withdrawing such Notes and (iv) if a Letter of Transmittal in relation to the Notes to be withdrawn was executed by a person other than the registered Holder, be accompanied by a properly completed irrevocable proxy that authorized such person to effect such withdrawal on behalf of such Holder.

The Company will determine, in its sole discretion, all questions as to the form and validity (including time of receipt) of any notice of withdrawal. Any such determination is subject to applicable law and, if challenged by Holders or otherwise, to the judgment of a court of competent jurisdiction. No withdrawal of Notes shall be deemed to have been validly made until all defects and irregularities have been cured or waived. None of the Company or any of its affiliates or assigns, the Depository, the Information Agent, the Dealer Manager or any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal or incur any liability for failure to give such notification. Withdrawals of tenders of Notes may not be rescinded, and any Notes validly withdrawn will be deemed not to have been validly tendered for purposes of the Offer. However, Holders may retender withdrawn Notes by following one of the procedures for tendering Notes described herein at any time prior to the Expiration Time.

ACCEPTANCE FOR PAYMENT AND PAYMENT

Upon the terms and subject to the conditions set forth herein and in the Letter of Transmittal, the Company will, promptly after the Expiration Time, accept for payment any and all outstanding Notes validly tendered (or defectively tendered, if such defect has been waived by the Company) and not validly withdrawn pursuant to the Offer prior to Expiration Time. The Payment Date will be promptly after the Expiration Time. The Payment Date is expected to be one business day after the Expiration Time. Any Notes so tendered and accepted for payment pursuant to the Offer will be cancelled.

The Company, at its option, may elect to extend an Expiration Time with respect to the Offer to a later date and time announced by the Company, provided that public announcement of that extension will be made not later than 9:00 a.m., New York City time, on the next business day after the last previously scheduled or announced Expiration Time.

The Company expressly reserves the right, in its sole discretion, to terminate the Offer and not accept for payment any Notes tendered in the Offer if any of the conditions set forth under “Conditions to the Offer” shall not have been satisfied or waived by the Company or in order to comply in whole or in part with any applicable law. In addition, the Company expressly reserves the right, in its sole discretion, to delay acceptance for payment, or payment, for Notes tendered in the Offer in order to permit any or all of those conditions to be satisfied or waived or to comply in whole or in part with any applicable law, subject in each case, however, to Rules 13e-4 and 14e-1(c) under the Exchange Act (which require that an offeror pay the consideration offered or return the securities deposited by or on behalf of the holders thereof promptly after the termination or withdrawal of a tender offer). In all cases, payment for Notes accepted for payment pursuant to the Offer will be made only after timely receipt by the Depository of certificates representing such Notes (or confirmation of book-entry transfer of such Notes), a properly completed and duly executed Letter of Transmittal (or a manually signed facsimile thereof or satisfaction of DTC’s ATOP procedures) on or before the Expiration Time, and any other documents required thereby.

Upon the terms and subject to the conditions set forth herein and in the Letter of Transmittal, after the Expiration Time, the Company will be deemed to have accepted for payment, and thereby purchased, all Notes validly tendered and not validly withdrawn prior to such Expiration Time as, if and when the Company gives written notice to the Depository of its acceptance for payment of such Notes. On the Payment Date, the Company will deposit with the Depository, or upon the Depository’s instructions, DTC, in respect of, and the Depository or DTC, as the case may be, will thereafter transmit to the Holders of, Notes accepted for payment, the Purchase Price and Accrued Interest.

If the Company extends the Offer or delays its acceptance for payment, or payment, for Notes tendered in the Offer for any reason, then, without prejudice to the Company’s rights under that Offer, the Depository may retain tendered Notes on behalf of the Company. However, the ability of the Company to delay such acceptance or payment is limited by Rules 13e-4 and 14e-1(c) under the Exchange Act as described above.

The Company reserves the right to transfer or assign, in whole or from time to time in part, to one or more of its affiliates, the right to purchase all or any portion of the Notes tendered pursuant to the Offer, but any such transfer or assignment will not relieve the Company of its obligations under the Offer and will in no way prejudice the rights of a tendering Holder to receive payment for its Notes validly tendered and accepted for payment pursuant to that Offer.

Holders whose Notes are accepted for payment pursuant to the Offer will be entitled to any Accrued Interest on those Notes. Interest on the Notes due on April 15, 2011 will be paid on the due date to holders at the close of business on April 1, 2011 pursuant to the terms of the Notes and the related indenture. **Under no circumstances will any additional interest be payable because of any delay in the transmission of funds to the Holders of purchased Notes.**

Tendering Holders of Notes will not be required to pay brokerage commissions or fees of the Dealer Manager, the Information Agent or the Depository.

If the Offer is terminated or the Notes are validly withdrawn prior to the Expiration Time, or the Notes are not accepted for payment, the Purchase Price will not be paid or become payable. If any tendered Notes are not purchased pursuant to the Offer for any reason, or certificates are submitted evidencing more Notes than are tendered, such Notes not purchased will be returned, without expense, to the tendering Holder (or, in the case of Notes tendered by book-entry transfer, such Notes will be credited to the account maintained at DTC from which such Notes were delivered), unless otherwise requested by such Holder as provided under “Special Issuance/Delivery Instructions” in the Letter of Transmittal, promptly following the Expiration Time or termination of the Offer.

CONDITIONS TO THE OFFER

Notwithstanding any other provision of the Offer, the Company’s obligation to accept for payment, and pay for, any Notes validly tendered and not validly withdrawn pursuant to the Offer is conditioned on satisfaction of all the conditions to the Offer.

All of the conditions will be deemed to be satisfied unless the Company determines, in its reasonable judgment, that any of the following events has occurred and that, regardless of the circumstances giving rise to the event, such event makes it inadvisable to proceed with the Offer or with acceptance for payment or payment for the Notes in the Offer:

- in the Company's reasonable judgment, there has been instituted or is pending any action, suit or proceeding by any government or any governmental, regulatory, self-regulatory or administrative authority, tribunal or other body, or by any other person, domestic, foreign or supranational, before any court, authority, tribunal or other body (or any such action, suit or proceeding has been threatened in writing by any such body or person) that directly or indirectly:
 - challenges or seeks to make illegal, or seeks to delay, restrict, prohibit or otherwise affect the consummation of the Offer or the acquisition of some or all of the Notes pursuant to the Offer; or
 - could materially and adversely affect the business, condition (financial or otherwise), income, operations, property or prospects of the Company and its subsidiaries, taken as a whole, or otherwise materially impair our ability to purchase some or all of the Notes pursuant to the Offer;
- in the Company's reasonable judgment, any statute, rule, regulation, judgment, order or injunction, including any settlement or the withholding of any approval, has been invoked, proposed, sought, promulgated, enacted, entered, amended, enforced, interpreted or otherwise deemed to apply by any court, government or governmental, regulatory, self-regulatory or administrative authority, tribunal or other body, domestic, foreign or supranational (or any such action has been threatened in writing by any such body), in any manner that directly or indirectly:
 - could make the acceptance for payment, or payment, for some or all of the Notes illegal or otherwise delay, restrict, prohibit or otherwise affect the consummation of the Offer;
 - could delay or restrict our ability, or render us unable, to accept for payment or pay for some or all of the Notes to be purchased pursuant to the Offer; or
 - could materially and adversely affect the business, condition (financial or otherwise), income, operations, property or prospects of the Company or its subsidiaries, taken as a whole;
- in the Company's reasonable judgment, there has occurred any of the following:
 - any general suspension of trading in, or limitation on prices for, securities on any United States national securities exchange or in the over-the-counter market;
 - the declaration of a banking moratorium or any suspension of payments in respect of banks in the United States, whether or not mandatory;
 - the commencement of any war, armed hostilities or other international or national calamity, including any act of terrorism, on or after March 24, 2011;
 - any material escalation of any war or armed hostilities which had commenced before March 24, 2011;
 - any limitation, whether or not mandatory, imposed by any governmental, regulatory, self-regulatory or administrative authority, tribunal or other body, or any other event, that could materially affect the extension of credit by banks or other lending institutions in the United States;
 - any change or changes have occurred in the business, condition (financial or otherwise), income, operations, property or prospects of the Company or any of its subsidiaries that could have a material adverse effect on the Company and its subsidiaries, taken as a whole, or on the benefits of the Offer to the Company or there is an adverse change in the benefits of the Offer to the Company; or
 - in the case of any of the foregoing existing at the time of the commencement of the Offer, a material acceleration or worsening thereof.

The foregoing conditions are for the sole benefit of the Company and may be asserted by the Company in its sole discretion, regardless of the circumstances giving rise to any such condition and, other than those dependent upon the receipt of necessary government approval, may be waived by the Company in whole or in part, at any time and from time to time, in the sole discretion of the Company, whether or not any other condition of the Offer is also waived, prior to the Expiration Time of the Offer.

The Company expressly reserves the right, in its sole discretion but subject to applicable law, to (i) waive any and all of the conditions of the Offer, other than those dependent upon the receipt of necessary government approvals, prior to the Expiration Time, (ii) extend the Expiration Time of the Offer, (iii) amend the terms of the Offer or (iv) if the conditions to the Offer are not satisfied, terminate the Offer and not accept for payment any Notes tendered in the Offer. Any extension, amendment or termination will be followed as promptly as practicable by a public announcement thereof, such announcement in the case of an extension to be issued no later than 9:00 a.m., New York City time, on the next business day after the last previously scheduled or announced Expiration Time. In the event that the Company extends the Offer, the term "Expiration Time" with respect to such extended Offer shall mean the time and date on which that Offer, as so extended, shall expire. Without limiting the manner in which the Company may choose to make such announcement, the Company shall not, unless required by law, have any obligation to publish, advertise or otherwise communicate any such announcement other than by issuing a press release.

IMPACT OF THE OFFER ON RIGHTS OF THE HOLDERS OF THE NOTES

The Company originally issued \$230 million aggregate principal amount of the Notes. As of March 24, 2011, there was outstanding approximately \$97,831,000 aggregate principal amount of the Notes. If the Company accepts Notes for payment, upon the terms and subject to the conditions of the Offer, the Company will pay the Holders the Purchase Price plus any Accrued Interest for all Notes purchased from them in the Offer, and thereby such Holders will give up certain rights associated with their ownership of such Notes. Below is a summary of certain rights that such Holders will forgo if such Notes are purchased in the Offer.

The summary below does not purport to describe all of the terms of the Notes. Please refer to (i) the Indenture, dated as of May 23, 2003 (the "*Indenture*"), between the Company, as Issuer, and The Bank of New York, as Trustee, filed as Exhibit 99.2 to the Company's Current Report on Form 8-K, filed on May 30, 2003 (the "*2003 8-K*"), and (ii) the Third Supplemental Indenture dated October 13, 2004 (the "*Supplemental Indenture*"), between the Company, as Issuer, and The Bank of New York, as Trustee, filed as Exhibit 4.1 to the Company's Current Report on Form 8-K, filed on October 13, 2004 (the "*2004 8-K*").

Interest

Holders of Notes purchased in the Offer will forgo interest accruing on the principal of the Notes at the rate of 3.25% per annum from and after the Payment Date until the final interest payment on October 15, 2011. Interest on the Notes due on April 15, 2011 will be paid on the due date to holders at the close of business on April 1, 2011 pursuant to the terms of the Notes and the related indenture.

Conversion Rights of Holders

Holders of Notes purchased in the Offer will forgo the right to elect to convert those Notes into shares of the Company's Common Stock, prior to the close of business on October 15, 2011. The initial and current conversion rate of the Notes are 188.6792 shares of Common Stock per \$1,000 principal amount of Notes (equivalent to an initial and current conversion price of approximately \$5.30 per share of Common Stock). The conversion rate for the Notes is subject to adjustment in certain events, including in connection with certain mergers, asset sales or similar transactions involving the Company.

Right of Holders to Receive Principal at Maturity

Holders of Notes purchased in the Offer will forgo the right to receive payment of the full principal amount of those Notes on the maturity date for the Notes. The Notes are scheduled to mature on October 15,

2011. Payment of the principal amount of the Notes may be required sooner in the event of acceleration upon certain events of default.

Notes purchased in the Offer will be cancelled.

Right of Holders to Require Repurchase by the Company upon a Fundamental Change

Holder of Notes purchased in the Offer will forgo the right to require the Company to repurchase all or a portion of those Notes upon the occurrence of a “fundamental change” involving the Company at any time prior to maturity, at a price equal to 100% of the principal amount of the Notes to be purchased plus accrued and unpaid interest, to, but excluding, the purchase date. The Supplemental Indenture defines a “fundamental change” to mean any transaction or event (whether by means of an exchange offer, liquidation, tender offer, consolidation, merger, combination, reclassification, recapitalization or otherwise) in connection with which 90% or more of the Common Stock outstanding is exchanged for, converted into, acquired for or constitutes solely the right to receive, consideration, less than 90% of which is common stock that: (a) is listed on, or immediately after the transaction or event will be listed on, a United States national securities exchange; or (b) is approved, or immediately after the transaction or event will be approved, for quotation on the Nasdaq National Market or any similar United States system of automated dissemination of quotations of securities prices.

ADDITIONAL CONSIDERATIONS CONCERNING THE OFFER

The following considerations, in addition to the other information described elsewhere herein or incorporated by reference herein, should be carefully considered by each Holder and owner of Notes before deciding whether the Notes should be tendered in the Offer. See “Where You Can Find Additional Information” and “Incorporation of Certain Documents by Reference”.

Position of the Company Concerning the Offer

Neither the Company nor the Company’s board of directors, nor the Dealer Manager, Depository or Information Agent makes any recommendation to any Holder or owner of Notes as to whether the Holder should tender or refrain from tendering any or all of such Holder’s Notes, and none of them has authorized any person to make any such recommendation. Holders and owners are urged to evaluate carefully all information in this Offer to Purchase, consult their own investment and tax advisors and make their own decisions whether to tender Notes, and, if so, the principal amount of Notes to tender.

Tax Treatment of Notes Purchased in the Offer

The receipt of the Purchase Price in exchange for the Notes will be a taxable transaction to U.S. Holders (as defined below). A U.S. Holder generally will recognize gain or loss in an amount equal to the difference between (i) the gross amount of the Purchase Price, other than Accrued Interest, paid to the U.S. Holder in respect of its tendered Notes and (ii) the U.S. Holder’s adjusted tax basis in its tendered Notes. Accrued Interest generally will be treated as ordinary income to the extent not previously included in income. Gain realized by a Non-U.S. Holder on the receipt of cash for Notes generally will not be subject to U.S. federal income or withholding tax, except in certain circumstances as discussed in more detail below. Please see “Material U.S. Federal Income Tax Consequences” for a more detailed discussion.

Limited Trading Market for Notes Not Purchased in the Offer

The Notes are not listed on any national or regional securities exchange or quoted on any automated quotation system. To our knowledge, the Notes are traded infrequently in transactions arranged through brokers, and reliable market quotations for the Notes are not available. To the extent that Notes are tendered and accepted for payment pursuant to the Offer, the trading market for Notes that remain outstanding is likely to be more limited. In addition, a debt security with a smaller outstanding principal amount available for trading (a smaller “float”) may command a lower price than would a comparable debt security with a larger float. Thus, the market price for Notes that are not tendered and accepted for payment pursuant to the Offer

may be affected adversely to the extent that the Offer reduce the float for such Notes. There is no assurance that an active market in the Notes will exist or as to the prices at which the Notes may trade after consummation of the Offer.

Substantial Existing Indebtedness

The Company has substantial existing indebtedness. As of December 31, 2010, the Company had an aggregate of approximately \$3.3 billion of total indebtedness. While the Company will continue to have substantial indebtedness following the consummation of the Offer, the aggregate amount of its outstanding indebtedness with maturities in 2011 will be reduced as a result of consummation of the Offer. The amount of the Company's indebtedness and restrictions contained in its other outstanding indebtedness may limit its ability to effect future financings in the event the Company should deem it necessary or desirable to raise additional capital. For additional information about the Company's indebtedness, capitalization and financial condition, see its Annual Report on Form 10-K for the year ended December 31, 2010 and the other information incorporated by reference herein. See "Incorporation of Documents by Reference".

Treatment of Notes Not Purchased in the Offer

Notes not tendered and/or accepted for payment in the Offer will remain outstanding immediately following the completion of the Offer. The terms and conditions governing the Notes, including the covenants and other protective provisions contained in the Indenture and the Supplemental Indenture, which govern the Notes, will remain unchanged immediately following the completion of the Offer. No amendment to the Indenture or the Supplemental Indenture is being sought. From time to time after the tenth business day following the Expiration Time or other date of termination of the Offer, we or our affiliates may acquire Notes that remain outstanding through open market purchases, privately negotiated transactions, tender offers, exchange offers or otherwise, upon such terms and at such prices as they may determine, which may be more or less than the price to be paid pursuant to the Offer and could be for cash or other consideration. There can be no assurance as to which, if any, of these alternatives (or combinations thereof) we or our subsidiaries will choose to pursue in the future.

MARKET INFORMATION ABOUT THE NOTES AND THE COMMON STOCK

There is no established reporting system or trading market for trading in the Notes. To the extent that the Notes are traded, prices of the Notes may fluctuate greatly depending on the trading volume and the balance between buy and sell orders. To our knowledge, the Notes are traded infrequently in transactions arranged through brokers, and reliable market quotations for the Notes are not available.

The Company's Common Stock is listed on The NASDAQ Global Select Market under the symbol "SIRI". The following table sets forth, for the periods indicated, the high and low sales prices per share of our Common Stock and closing sales price on the final trading day of the relevant period, as reported by The NASDAQ Global Select Market.

<u>Year Ended December 31, 2009</u>	<u>High</u>	<u>Low</u>	<u>Closing</u>
First Quarter	\$0.42	\$0.05	\$0.35
Second Quarter	0.63	0.30	0.43
Third Quarter	0.78	0.35	0.64
Fourth Quarter	0.69	0.51	0.60
<u>Year Ended December 31, 2010</u>	<u>High</u>	<u>Low</u>	<u>Closing</u>
First Quarter	\$1.18	\$0.61	\$0.87
Second Quarter	1.25	0.84	0.95
Third Quarter	1.20	0.90	1.20
Fourth Quarter	1.69	1.18	1.63

Year Ended December 31, 2011

	<u>High</u>	<u>Low</u>	<u>Closing</u>
First Quarter (through March 23, 2011)	\$1.88	\$1.49	\$1.67

On March 23, 2011, the last reported sale price per share of our Common Stock on The NASDAQ Global Select Market was \$1.67 per share. There were 3,942,790,380 shares of our Common Stock outstanding as of March 23, 2011.

HOLDERS ARE URGED TO OBTAIN CURRENT MARKET QUOTATIONS FOR OUR COMMON STOCK AND, TO THE EXTENT AVAILABLE, THE NOTES, PRIOR TO MAKING ANY DECISION WITH RESPECT TO THE OFFER.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following discussion is a summary of the material United States federal income tax consequences to a beneficial owner of the Notes with respect to the Offer. This discussion is general in nature and does not discuss all aspects of United States federal income taxation that may be relevant to a particular Holder in light of the Holder's particular circumstances, or to certain types of Holders subject to special treatment under United States federal income tax laws (such as insurance companies, tax-exempt organizations, regulated investment companies, real estate investment trusts, U.S. Holders (as defined below) that have a "functional currency" other than the U.S. dollar, persons holding Notes as part of a hedging, integrated, conversion or constructive sale transaction or a straddle, financial institutions, brokers, dealers in securities, commodities or currencies, traders that elect to mark-to-market their securities, United States expatriates or former long-term residents of the United States, "controlled foreign corporations," "passive foreign investment companies," corporations that accumulate earnings to avoid United States federal income tax or tax-qualified retirement plans). In addition, the discussion does not consider the effect of any alternative minimum taxes or foreign, state, local or other tax laws, or any U.S. tax considerations (e.g., estate or gift tax) other than United States federal income tax considerations that may be applicable to particular Holders. Further, this summary assumes that Holders are beneficial owners of the Notes and hold Notes as "capital assets" within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the "Code") (generally, property held for investment).

This discussion does not consider the United States federal income tax consequences of a sale of a Note held by a partnership or an entity that is treated as a partnership for United States federal income tax purposes. If a partnership holds Notes, the tax treatment of a partner generally will depend upon the status of the partner and the activities of the partnership. A person or entity that is a partner of a partnership tendering Notes is urged to consult its tax advisor.

This summary is based on the Code and applicable U.S. Treasury regulations, rulings, administrative pronouncements and judicial decisions thereunder as of the date hereof, all of which are subject to change or differing interpretations at any time with possible retroactive effect. As used in this Offer to Purchase, a "U.S. Holder" of a Note means a beneficial owner of a Note that is for United States federal income tax purposes: (a) an individual who is a citizen or resident of the United States, (b) a corporation (or other entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States, any state of the United States or the District of Columbia, (c) an estate the income of which is subject to United States federal income taxation regardless of its source, or (d) a trust that either (i) is subject to the primary supervision of a court within the United States and has one or more U.S. persons with the authority to control all substantial decisions of the trust or (ii) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

As used in this Offer to Purchase, a "Non-U.S. Holder" means a beneficial owner of a Note that is not a U.S. Holder and not a partnership or entity treated as a partnership for United States federal income tax purposes.

This summary does not discuss all aspects of United States federal income taxation that may be relevant to particular Holders in light of their particular circumstances. Holders are urged to consult their tax advisors as to the particular tax consequences to them of the sale of Notes to us pursuant to the Offer, including the effect of any federal, state, local, foreign and other tax laws.

Tax Considerations for U.S. Holders

Sale of a Note

A sale of Notes by a U.S. Holder pursuant to the Offer will be a taxable transaction to such U.S. Holder for United States federal income tax purposes. A U.S. Holder generally will recognize capital gain (subject to the market discount rules discussed below) or loss on the sale of a Note in an amount equal to the difference between (a) the amount of cash received for such Note (other than the portion of such cash that is properly allocable to accrued but unpaid interest, which will be taxable as described below), and (b) the U.S. Holder's "adjusted tax basis" in such Note at the time of sale. Generally, a U.S. Holder's adjusted tax basis in a Note will be equal to the amount paid for the Note by such U.S. Holder increased by any market discount previously included in income if such U.S. Holder has elected to include market discount in gross income currently as it accrues and decreased by any amortizable bond premium (as described below) which the U.S. Holder has previously elected to use to offset stated interest. Certain non-corporate U.S. Holders (including individuals) generally are eligible for preferential rates of United States federal income taxation in respect of long-term capital gains (i.e., gain on a Note held for more than one year). The deductibility of capital losses is subject to limitations.

An exception to the capital gain treatment described above may apply to a U.S. Holder that purchased a Note at a "market discount." Subject to a statutory de minimis exception, in general, market discount is the excess of a Note's stated redemption price at maturity over the U.S. Holder's tax basis in the Note immediately after its acquisition by such U.S. Holder. In general, unless the U.S. Holder has elected to include market discount in income currently as it accrues, any gain realized by a U.S. Holder on the sale of a Note having market discount in excess of a de minimis amount will be treated as ordinary income to the extent of the market discount that has accrued (on a straight line basis or, at the election of the U.S. Holder, on a constant yield basis) but has not yet been included in income while such Note was held by the U.S. Holder. Gain in excess of such accrued market discount will be subject to the capital gains provisions described above.

In general, a U.S. Holder that purchased a Note for an amount in excess of the Note's principal amount is considered to have purchased such Note with "amortizable bond premium" equal to such excess. A U.S. Holder that elected to amortize such premium as an offset to its interest income must reduce its tax basis in the Note by the amount of premium used to offset income.

The amount of cash received in the Offer that is attributable to accrued but unpaid interest on a Note will be taxable as ordinary interest income to the extent not previously included in gross income by the U.S. Holder.

U.S. Holders That Do Not Tender Their Notes Pursuant to the Offer

A U.S. Holder that does not tender its Notes in the Offer or does not have its tender of Notes accepted for purchase pursuant to the Offer generally will not recognize any gain or loss as a result of the Offer.

Information Reporting and Backup Withholding

In general, information reporting requirements apply to any consideration (including accrued but unpaid interest) paid pursuant to the Offer to U.S. Holders other than certain exempt recipients. U.S. Holders may be subject to backup withholding (currently at a rate of 28%) on payments received with respect to the Notes unless such U.S. Holder (a) falls within certain exempt categories and demonstrates this fact when required, or (b) provides a correct U.S. taxpayer identification number, certifies that such U.S. Holder is exempt from backup withholding and otherwise complies with applicable requirements of the backup withholding rules. Each U.S. Holder may provide such Holder's correct taxpayer identification number and certify that such U.S. Holder is not subject to backup withholding by completing the Substitute Form W-9 included in the Letter of Transmittal.

Backup withholding is not an additional tax. A U.S. Holder subject to the backup withholding rules will be allowed a credit equal to the amount withheld against such U.S. Holder's United States federal income tax

liability and, if withholding results in an overpayment of tax, such U.S. Holder may be entitled to a refund, provided that the requisite information is timely furnished to the IRS.

Tax Considerations for Non-U.S. Holders

For purposes of the discussion below, any income or gain on the sale of a Note pursuant to the Offer will be considered to be “U.S. trade or business income” if such income or gain is:

- effectively connected with the conduct of a Non-U.S. Holder’s U.S. trade or business; and
- if required by an applicable tax treaty with the United States, attributable to a U.S. permanent establishment (or a fixed base) maintained by the Non-U.S. Holder in the United States.

Sale of a Note

Any gain realized by a Non-U.S. Holder on the sale of a Note pursuant to the Offer will not be subject to United States federal income tax, unless (i) such gain is U.S. trade or business income, (ii) the Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year in which the Offer is closed and certain other conditions are met or (iii) the Company is or has been a “U.S. real property holding company” for United States federal income tax purposes. A Non-U.S. Holder who realizes U.S. trade or business income with respect to the sale of a Note pursuant to the Offer generally will be taxed in the same manner as a U.S. Holder (see “— Tax Considerations for U.S. Holders” above), unless an applicable tax treaty provides otherwise. In addition, a Non-U.S. Holder that is a foreign corporation may be subject to a branch profit tax equal to 30% (or lower applicable tax treaty rate) of the Non-U.S. Holder’s effectively connected earnings and profits attributable to such U.S. trade or business income, subject to adjustments. A Non-U.S. Holder who is an individual and is present (or anticipates being present) in the United States for 183 days or more in the taxable year in which such holder disposes of a Note pursuant to the Offer is urged to consult its tax advisor. The Company believes that it is not and has not been a “U.S. real property holding company” for United States federal income tax purposes.

Interest

The portion of the amount paid by us to a Non-U.S. Holder pursuant to the Offer that is properly allocable to accrued interest will not be subject to the United States federal withholding tax provided that:

- the accrued interest is not effectively connected with the Non-U.S. Holder’s conduct of a U.S. trade or business;
- the Non-U.S. Holder does not actually or constructively own 10% or more of the total combined voting power of all classes of voting stock of the Company within the meaning of Section 871(h)(3) of the Code and applicable Treasury regulations;
- the Non-U.S. Holder is not a controlled foreign corporation that is related, directly or indirectly, to the Company through stock ownership;
- the Non-U.S. Holder is not a bank whose receipt of interest on the Notes is described in Section 881(c)(3)(A) of the Code; and
- either (a) the Non-U.S. Holder provides its name and address on an IRS Form W-8BEN (or other applicable form), and certifies under penalties of perjury that it is not a United States person as defined under the Code, or (b) the Non-U.S. Holder holds its Notes through certain foreign intermediaries and certifies the certification requirements of applicable United States Treasury regulations.

If the Non-U.S. Holder cannot satisfy the requirements described above, the portion of the amount paid by us pursuant to the Offer that is properly allocable to accrued interest will be subject to the 30% United States federal withholding tax, unless the Non-U.S. Holder provides us with a properly executed:

- IRS Form W-8BEN (or other applicable form) claiming an exemption from or reduction in withholding under the benefit of an applicable income tax treaty; or

- IRS Form W-8ECI (or other applicable form) certifying that interest paid on the Notes is not subject to withholding tax because it is U.S. trade or business income (as discussed in further detail below).

If the portion of the proceeds received by a Non-U.S. Holder that is properly allocable to accrued interest is U.S. trade or business income, the Non-U.S. Holder will not be subject to the 30% United States federal withholding tax on such interest if it provides us with a properly executed IRS Form W-8ECI, as discussed above. Instead, the Non-U.S. Holder will generally be taxed in the same manner as a U.S. Holder (see “— Tax Considerations for U.S. Holders” above). In addition, a Non-U.S. Holder that is a corporation may be subject to an additional branch profits tax at a rate of 30% (or lower applicable treaty rate) of such holder’s effectively connected earnings and profits attributable to such interest income.

Non-U.S. Holders That Do Not Tender Their Notes Pursuant to the Offer

A Non-U.S. Holder that does not tender its Notes in the Offer or does not have its tender of Notes accepted for purchase pursuant to the Offer generally will not recognize any gain or loss as a result of the Offer.

Information Reporting and Backup Withholding

Information returns will be filed with the IRS in connection with the payment of accrued interest on the Notes. The payment of the gross proceeds from the sale of a Note pursuant to the Offer will be subject to information reporting and possibly to backup withholding (currently at a rate of 28%) unless the Non-U.S. Holder certifies as to its non-U.S. person status under penalties of perjury on IRS Form W-8BEN (which the Depository will provide upon request) or otherwise establishes an exemption, provided that neither we nor our paying agent has actual knowledge or reason to know that the Non-U.S. Holder is a U.S. person or that the conditions of any other exemption are not, in fact, satisfied.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be refunded or credited against the Non-U.S. Holder’s United States federal income tax liability, provided that the required information is timely provided to the IRS.

DEALER MANAGER, INFORMATION AGENT AND DEPOSITARY

We have retained Morgan Stanley & Co. Incorporated (“*Morgan Stanley*”) to act as the Dealer Manager in connection with the Offer. In its role as Dealer Manager, Morgan Stanley may contact brokers, dealers and similar entities and may provide information regarding the Offer to those that it contacts or persons that contact Morgan Stanley & Co. Incorporated. Morgan Stanley will receive customary compensation for its services. We also have agreed to reimburse Morgan Stanley for reasonable out-of-pocket expenses incurred in connection with the Offer, including reasonable fees and expenses of counsel, and to indemnify it against certain liabilities in connection with the Offer, including certain liabilities under the federal securities laws.

Morgan Stanley and its affiliates have provided investment banking and commercial services to the Company in the past for which it has received customary compensation. Morgan Stanley or its affiliates may, from time to time, engage in transactions with and perform services for the Company in the ordinary course of business.

Morgan Stanley and its affiliates may continue to provide various investment and commercial banking services to the Company in the future, for which we would expect it would receive customary compensation from the Company. In the ordinary course of its business, including in its trading and brokerage operations and in a fiduciary capacity, the Dealer Manager and its affiliates may hold positions, both long and short, for its own account and for those of its customers, in our securities. Morgan Stanley and its affiliates may from time to time hold Notes and our Common Stock in its proprietary accounts, and, to the extent it owns Notes in these accounts at the time of the Offer, it may tender these Notes.

Global Bondholder Services Corporation has been appointed the Information Agent for the Offer. We will pay the Information Agent customary fees for its services and reimburse the Information Agent for its

reasonable out-of-pocket expenses in connection therewith. We have also agreed to indemnify the Information Agent for certain liabilities under U.S. federal or state law or otherwise caused by, relating to or arising out of the Offer. Requests for additional copies of documentation may be directed to the Information Agent at the address and telephone numbers set forth on the back cover of this Offer to Purchase.

Global Bondholder Services Corporation has also been appointed the Depository for the Offer. We will pay the Depository customary fees for its services and reimburse the Depository for its reasonable out-of-pocket expenses in connection therewith. We have also agreed to indemnify the Depository for certain liabilities under U.S. federal or state law or otherwise caused by, relating to or arising out of any Offer. All deliveries and correspondence sent to the Depository should be directed to the address set forth on the back cover of this Offer to Purchase.

SOLICITATION AND EXPENSES

In connection with the Offer, the Company's directors and officers and its respective affiliates may solicit tenders by use of the mails, personally or by telephone, facsimile, telegram, electronic communication or other similar methods. The Company may, if requested, pay brokerage houses and other custodians, nominees and fiduciaries the customary handling and mailing expenses incurred by them in forwarding copies of this Offer to Purchase and related documents to the beneficial owners of the Notes and in handling or forwarding tenders of Notes by their customers.

We will not pay any fees or commissions to brokers, dealers or other persons (other than fees to the Dealer Manager and the Information Agent as described above) for soliciting tenders of Notes pursuant to the Offer. Holders and owners holding Notes through banks, brokers, dealers, trust companies or other nominees are urged to consult them to determine whether transaction costs may apply if they tender the Notes through banks, brokers, dealers, trust companies or other nominees and not directly to the Depository. We will, however, upon request, reimburse banks, brokers, dealers, trust companies or other nominees for customary mailing and handling expenses incurred by them in forwarding the Offer to Purchase and related materials to the beneficial owners of the Notes held by them as a nominee or in a fiduciary capacity. No bank, broker, dealer, trust company or other nominees has been authorized to act as our agent or the agent of the Dealer Manager, the Information Agent or the Depository for purposes of the Offer. None of the Dealer Manager, the Information Agent or the Depository assumes any responsibility for the accuracy or completeness of the information concerning the Company, or incorporated by reference in this Offer to Purchase or for any failure by the Company to disclose events that may have occurred which may affect the significance or accuracy of such information.

Tendering Holders will not be obligated to pay brokerage fees or commissions to or the fees and expenses of the Dealer Manager, the Information Agent or the Depository.

MISCELLANEOUS

Securities Ownership

Neither the Company nor any of its subsidiaries beneficially own any Notes. In addition, based on the Company's records and on information provided to it by the Company's directors and executive officers, to the Company's knowledge, none of the directors or executive officers beneficially owns any Notes.

Recent Securities Transactions

Except as set forth below, neither the Company nor any of its subsidiaries have effected any transactions involving the Notes during the 60 days prior to the date of this Offer to Purchase. In addition, based on the Company's records and on information provided to it by the Company's directors and executive officers, to the Company's knowledge, none of the directors or executive officers has effected any transactions involving the Notes during the 60 days prior to the date of this Offer to Purchase.

On January 31, 2011, the Company made a privately negotiated purchase of \$5,000,000 aggregate principal amount of the Notes, at a purchase price of \$5,085,798, including accrued interest. On February 4, 2011, the Company made a privately negotiated purchase of \$30,075,000 aggregate principal amount of the Notes, at a purchase price of \$30,634,102, including accrued interest. On February 7, 2011, the Company made a privately negotiated purchase of \$6,185,000 aggregate principal amount of the Notes, at a purchase price of \$6,303,330, including accrued interest. On February 8, 2011, the Company made a privately negotiated purchase of \$52,888,000 aggregate principal amount of the Notes, at a purchase price of \$53,937,679, including accrued interest.

Company Board of Directors

Liberty Radio LLC as the holder of our convertible perpetual preferred stock, series B-1, is entitled to designate and elect a number of members of our board directors proportional to its interest in the Company. Liberty Radio LLC previously appointed John C. Malone, Greg B. Maffei and David Flowers to our board of directors. We expect that Liberty Radio LLC may appoint up to two additional independent directors.

Other Material Information

We are not aware of any jurisdiction where the making of the Offer is not in compliance with applicable law. If we become aware of any jurisdiction where the making of the Offer or the acceptance of Notes pursuant thereto is not in compliance with applicable law, we will make a good faith effort to comply with the applicable law. If, after such good faith effort, we cannot comply with the applicable law, the Offer will not be made to (nor will tenders be accepted from or on behalf of) the Holders of Notes in such jurisdiction. In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on behalf of us by the Dealer Manager or one or more registered brokers or dealers licensed under the laws of that jurisdiction.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We are required to file annual, quarterly and current reports, proxy statements and other information with the Commission. You may read and copy any documents filed by us at the Commission's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the Commission at 1-800-SEC-0330 for further information on the public reference room. Our filings with the Commission are also available to the public through the Commission's Internet site at <http://www.sec.gov> and through The NASDAQ Global Select Market, on which the Company's Common Stock is listed.

The Company has filed with the Commission a Tender Offer Statement on Schedule TO (the "*Schedule TO*"), pursuant to Section 13(e) of the Exchange Act and Rule 13e-4 promulgated thereunder, furnishing certain information with respect to the Offer. The Schedule TO, together with any exhibits or amendments thereto, may be examined and copies may be obtained at the same places and in the same manner as set forth above.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Company hereby incorporates by reference into this Offer to Purchase the following documents that we have filed with the Commission (together with any other documents that may be incorporated herein by reference as provided herein, the "*Incorporated Documents*"):

- Annual Report on Form 10-K for the year ended December 31, 2010; and
- Current Reports on Form 8-K filed on January 12, 2011 and February 15, 2011.

We are not, however, incorporating any documents or information that we are deemed to furnish and not file in accordance with Commission rules. The information incorporated by reference into this Offer to Purchase is considered to be a part of this Offer to Purchase and should be read with the same care as the Offer to Purchase. Any statement contained in an Incorporated Document shall be deemed to be modified or superseded for the purpose of this Offer to Purchase to the extent that a statement contained herein modifies

or supersedes such statement. Any such statement or statements so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offer to Purchase. All information appearing in this Offer to Purchase is qualified in its entirety by the information and financial statements (including notes thereto) appearing in the Incorporated Documents, except to the extent set forth in the immediately preceding sentence. Statements contained in this Offer to Purchase as to the contents of any contract or other document referred to in this Offer to Purchase do not purport to be complete and, where reference is made to the particular provisions of such contract or other document, such provisions are qualified in all respects by reference to all of the provisions of such contract or other document. References herein to the Offer to Purchase includes all Incorporated Documents as incorporated herein, unless the context otherwise requires.

Certain sections of this Offer to Purchase are incorporated by reference in, and constitute part of, the Schedule TO filed by the Company with the Commission on March 24, 2011 pursuant to Section 13(e) of the Exchange Act and Rule 13e-4 promulgated thereunder. The sections so incorporated are identified in the Schedule TO.

The Company will provide without charge to each person to whom this Offer to Purchase is delivered, upon written or oral request, copies of any or all documents and reports described above and incorporated by reference into this Offer to Purchase (other than exhibits to such documents, unless such documents are specifically incorporated by reference). Written or telephone requests for such copies should be directed to the Information Agent at the address and telephone numbers set forth on the back cover of this Offer to Purchase.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Offer to Purchase and the Incorporated Documents constitute forward-looking statements. Forward-looking statements are not guarantees of performance. They represent our intentions, plans, expectations and beliefs and are subject to numerous assumptions, risks and uncertainties. Our future results, financial condition and business may differ materially from those expressed in these forward-looking statements. You can find many of these statements by looking for words such as “approximates,” “believes,” “expects,” “anticipates,” “estimates,” “intends,” “plans,” “would,” “may” or other similar expressions in this Offer to Purchase or the Incorporated Documents. Many of the factors that will determine the outcome of these and our other forward-looking statements are beyond our ability to control or predict. For further discussion of factors that could materially affect the outcome of our forward-looking statements and our future results and financial condition, see “Item 1A. Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2010.

You are cautioned not to place undue reliance on our forward-looking statements, which speak only as of the date of this Offer to Purchase or the Incorporated Documents, as applicable. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. You should review the factors and risks we describe in the reports we file from time to time with the Commission. See “Where You Can Find Additional Information” and “Incorporation of Certain Documents by Reference”.

The Depositary for the Offer is:

Global Bondholder Services Corporation

*By Regular, Registered or Certified Mail,
By Overnight Courier or By Hand*

By Facsimile
(For Eligible Institutions only)
(212) 430-3775
Attention: Corporate Actions

65 Broadway, Suite 404
New York, New York 10006
Attention: Corporate Actions

Banks and Brokers Call:
(212) 430-3774
All Others Call Toll Free:
(866) 470-3900

Any questions or requests for assistance may be directed to the Dealer Manager or the Information Agent at the addresses and telephone numbers set forth below. Requests for additional copies of this Offer to Purchase and the Letter of Transmittal may be directed to the Information Agent. Requests for copies of the Incorporated Documents may also be directed to the Information Agent. Beneficial owners may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer.

The Information Agent for the Offer is:

Global Bondholder Services Corporation

65 Broadway, Suite 404
New York, New York 10006
Banks and Brokers Call Collect: (212) 430-3774
All Others Call Toll Free: (866) 924-2200

The Dealer Manager for the Offer is:

Morgan Stanley

Morgan Stanley & Co. Incorporated
1585 Broadway
New York, New York 10036
Toll Free: (800) 624-1808
Collect: (212) 761-8663
Attention: Liability Management Group

**Letter of Transmittal
of
Sirius XM Radio Inc.
Pursuant to
Offer to Purchase for Cash
Any and All of its Outstanding
3¹/₄% Convertible Notes due 2011
(CUSIP No. 82966UAD5)
Dated March 24, 2011**

THE OFFER (AS DEFINED BELOW) WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON APRIL 20, 2011, UNLESS EXTENDED FOR THAT OFFER (SUCH TIME AND DATE, AS THE SAME MAY BE EXTENDED WITH RESPECT TO THAT OFFER, THE "EXPIRATION TIME"). **HOLDERS MUST VALIDLY TENDER AND NOT VALIDLY WITHDRAW THEIR NOTES PRIOR TO THE EXPIRATION TIME TO BE ELIGIBLE TO RECEIVE THE PURCHASE PRICE OFFERED.** TENDERS OF NOTES MAY BE WITHDRAWN PRIOR TO THE EXPIRATION TIME.

The Depository for the Offer is:

Global Bondholder Services Corporation

*By Regular, Registered or Certified Mail,
By Overnight Courier or By Hand*

By Facsimile
(For Eligible Institutions only)
(212) 430-3775
Attention: Corporate Actions

65 Broadway, Suite 404
New York, New York 10006
Attention: Corporate Actions

Banks and Brokers Call:
(212) 430-3774
All Others Call Toll Free:
(866) 470-3900

Delivery of this Letter of Transmittal to an address other than as set forth above, or transmission of instructions via a fax number other than as listed above, will not constitute a valid delivery. The method of delivery of this Letter of Transmittal, Notes and all other required documents to the Depository, including delivery through DTC and any acceptance or Agent's Message delivered through ATOP (as defined below), is at the election and risk of Holders (as defined below).

This Letter of Transmittal and the instructions hereto (as the same may be amended or supplemented, the "Letter of Transmittal") and the Offer to Purchase dated March 24, 2011 (as the same may be amended or supplemented, the "Offer to Purchase") of Sirius XM Radio Inc. (the "Company") constitutes the Company's offer (the "Offer") to purchase for cash any and all of the Company's 3¹/₄% Convertible Notes due 2011 (the "Notes") at the purchase price, and subject to the terms and conditions, set forth in the Offer to Purchase.

Capitalized terms used herein and not defined herein shall have the meanings ascribed to them in the Offer to Purchase.

This Letter of Transmittal is to be completed by a Holder desiring to tender Notes unless such Holder is executing the tender through the Automated Tender Offer Program ("ATOP") of The Depository Trust Company ("DTC"). **This Letter of Transmittal need not be completed by a Holder tendering Notes through ATOP.**

For a description of certain procedures to be followed in order to tender Notes (through ATOP or otherwise), see "Procedures for Tendering and Withdrawing the Notes" in the Offer to Purchase and the instructions to this Letter of Transmittal.

TENDER OF NOTES

- CHECK HERE IF CERTIFICATES REPRESENTING TENDERED NOTES ARE ENCLOSED HEREWITH.
- CHECK HERE IF TENDERED NOTES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER MADE TO THE ACCOUNT MAINTAINED BY THE DEPOSITARY WITH DTC AND COMPLETE THE FOLLOWING:

Name of Tendering Institution: _____

DTC Account Number: _____

Transaction Code Number: _____

Date Tendered: _____

List in the box below the Notes to which this Letter of Transmittal relates. If the space provided below is inadequate, list the certificate numbers and principal amounts on a separately executed schedule and affix the schedule to this Letter of Transmittal. Tenders of Notes will be accepted only in principal amounts equal to \$1,000 or integral multiples thereof. No alternative, conditional or contingent tenders will be accepted. **This Letter of Transmittal need not be completed by Holders tendering Notes by ATOP.**

DESCRIPTION OF NOTES TENDERED			
3¹/₄% Convertible Notes due 2011 (CUSIP No. 82966UAD5)			
Name(s) and Address(es) of Holder(s) or Name of DTC Participant and Participant's DTC Account Number in which Notes are Held (Please fill in, if blank)	Certificate Number(s)*	Aggregate Principal Amount Represented	Principal Amount Tendered**

* Need not be completed by Holders tendering by book-entry transfer or in accordance with DTC's ATOP procedure for transfer (see below).
 ** Unless otherwise specified, it will be assumed that the entire aggregate principal amount represented by the Notes described above is being tendered.

If not already printed above, the name(s) and address(es) of the Holder(s) should be printed exactly as they appear on the certificate(s) representing Notes tendered hereby or, if tendered by a participant in DTC, exactly as such participant's name appears on a security position listing as the owner of the Notes.

No Offer is being made to, nor will tender of Notes be accepted from or on behalf of, Holders in any jurisdiction in which the making or acceptance of the Offer would not be in compliance of the laws of such jurisdiction.

NOTE: SIGNATURES MUST BE PROVIDED BELOW
PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY

Ladies and Gentlemen:

The undersigned hereby tenders to Sirius XM Radio Inc. (the "*Company*"), a Delaware corporation, upon the terms and subject to the conditions set forth in this Letter of Transmittal and the Offer to Purchase (collectively, the "*Offer Documents*"), receipt of which is hereby acknowledged, the principal amount of Notes indicated in the table above under the caption headings "Description of Notes Tendered", under the column heading "Principal Amount Tendered" (or, if nothing is indicated therein, with respect to the entire aggregate principal amount represented by the Notes described in the table).

Subject to, and effective upon, the acceptance for purchase of, and payment for, the principal amount of Notes tendered herewith in accordance with the terms and subject to the conditions of the Offer, the undersigned hereby:

- irrevocably sells, assigns and transfers to, or upon the order of, the Company, all right, title and interest in and to all of the Notes tendered hereby;
- waives any and all other rights with respect to such Notes (including, without limitation, any existing or past defaults and their consequences in respect of such Notes and the indenture under which the Notes were issued);
- releases and discharges the Company from any and all claims the undersigned may have now, or may have in the future arising out of, or related to, such Notes, including, without limitation, any claims that the undersigned is entitled to receive additional principal or interest payments with respect to such Notes, to convert the Notes into shares of the Company's Common Stock or be entitled to any of the benefits under the indenture under which the Notes were issued; and
- irrevocably constitutes and appoints the Depositary as the true and lawful agent and attorney-in-fact of the undersigned (with full knowledge that the Depositary also acts as the agent of the Company) with respect to such Notes, with full powers of substitution and resubstitution (such power of attorney being deemed to be an irrevocable power coupled with an interest), to:
 - deliver certificates representing such Notes, or transfer ownership of such Notes on the account books maintained by DTC, together, in any such case, with all accompanying evidences of transfer and authenticity, to the Company,
 - present such Notes for transfer on the relevant security register,
 - receive all benefits or otherwise exercise all rights of beneficial ownership of such Notes (except that the Depositary will have no rights to, or control over, funds from the Company, except as agent for the tendering Holders, for the Purchase Price and any Accrued Interest for any tendered Notes that are purchased by the Company), and
 - deliver to the Company this Letter of Transmittal.

all upon the terms and conditions of the Offer as described in the Offer to Purchase.

If the undersigned is not the registered holder of the Notes (each, a "*Holder*", and collectively, "*Holder*s") listed in the boxes above under the captions "Description of Notes Tendered" under the column heading "Principal Amount Tendered" or such Holder's legal representative or attorney-in-fact (or, in the case of Notes held through DTC, the DTC participant for whose account such Notes are held), then the undersigned has obtained a properly completed irrevocable proxy that authorizes the undersigned (or the undersigned's legal representative or attorney-in-fact) to tender such Notes on behalf of the Holder thereof, and such proxy is being delivered with this Letter of Transmittal.

The undersigned acknowledges and agrees that a tender of Notes pursuant to any of the procedures described in the Offer to Purchase and in the instructions hereto and an acceptance of such Notes by the Company will constitute a binding agreement between the undersigned and the Company upon the terms and subject to the conditions of the Offer to Purchase and this Letter of Transmittal. Such agreement will be governed by, and construed in accordance with, the laws of the State of New York.

The undersigned understands that, under certain circumstances and subject to the certain conditions specified in the Offer Documents (each of which the Company may waive, other than those dependent upon the receipt of necessary government approvals, prior to the Expiration Time), the Company may not be required to accept for payment any of the Notes tendered. Any Notes not accepted for payment will be returned promptly to the undersigned at the address set forth above unless otherwise listed in one of the boxes below labeled "A. Special Issuance/Delivery Instructions."

The undersigned hereby represents and warrants and covenants that:

- the undersigned has full power and authority to tender, sell, assign and transfer the Notes tendered hereby;
- when such tendered Notes are accepted for payment and paid for by the Company pursuant to the Offer, the Company will acquire good title thereto, free and clear of all liens, charges, claims, encumbrances, interests and restrictions of any kind; and
- the undersigned will, upon request, execute and deliver any additional documents deemed by the Depository or by the Company to be necessary or desirable to complete the sale, assignment and transfer of the Notes tendered hereby.

No authority conferred or agreed to be conferred by this Letter of Transmittal shall be affected by, and all such authority shall survive, the death or incapacity of the undersigned, and any obligation of the undersigned hereunder shall be binding upon the heirs, executors, administrators, trustees in bankruptcy, personal and legal representatives, successors and assigns of the undersigned and any subsequent transferees of the Notes.

In consideration for the purchase of the Notes pursuant to the Offer, the undersigned hereby waives, releases, forever discharges and agrees not to sue the Company and its former, current or future directors, officers, employees, agents, subsidiaries, affiliates, shareholders, predecessors, successors, assigns or other representatives as to any and all claims, demands, causes of action and liabilities of any kind and under any theory whatsoever, whether known or unknown (excluding any liability arising under U.S. federal securities laws in connection with the Offer), by reason of any act, omission, transaction or occurrence, that the undersigned ever had, now has or hereafter may have against the Company as a result of or in any manner related to:

- the undersigned's purchase, ownership or disposition of the Notes pursuant to the Offer; and
- any decline in the value thereof up to and including the Payment Date (and thereafter, to the extent the Holder retains Notes).

Without limiting the generality or effect of the foregoing, upon the purchase of Notes pursuant to the Offer, the Company shall obtain all rights relating to the undersigned's ownership of Notes (including, without limitation, the right to all interest payable on the Notes) and any and all claims relating thereto.

Unless otherwise indicated herein under "A. Special Issuance/Delivery Instructions", the undersigned hereby requests that any Notes representing principal amounts not tendered or not accepted for purchase be issued in the name(s) of, and be delivered to, the undersigned (and, in the case of Notes tendered by book-entry transfer, by credit to the account of DTC). Unless otherwise indicated herein under "B. Special Payment Instructions", the undersigned hereby request(s) that any checks for payment to be made in respect of the Notes tendered hereby be issued to the order of, and delivered to, the undersigned.

In the event that a "A. Special Issuance/Delivery Instructions" box is completed, the undersigned hereby request(s) that any Notes representing principal amounts not tendered or not accepted for purchase be issued in the name(s) of, and be delivered to, the person(s) at the address(es) therein indicated. The undersigned recognizes that the Company has no obligation pursuant to a "A. Special Issuance/Delivery Instructions" box to transfer any Notes from the names of the registered Holder(s) thereof if the Company does not accept for purchase any of the principal amount of such Notes so tendered. The right to have Notes registered and delivered in accordance with "A. Special Issuance/Delivery Instructions" is subject any limitations or requirements of the indenture governing the Notes. In the event that a "B. Special Payment Instructions" box is completed, the undersigned hereby request(s) that checks for payment to be made in respect of the Notes tendered hereby be issued to the order of, and be delivered to, the person(s) at the address(es) therein indicated, subject to provision for payment of any applicable taxes being made.

**A. SPECIAL ISSUANCE/DELIVERY
INSTRUCTIONS**

(See Instructions 1, 2, 3 and 6)

To be completed **ONLY** if Notes in a principal amount not tendered or not accepted for purchase are to be issued in the name of someone other than the person(s) whose signature(s) appear within this Letter of Transmittal or sent to an address different from that shown in the box entitled "Description of Notes Tendered" within this Letter of Transmittal.

Name _____
(Please Print)

Address _____

(Zip Code)

(Taxpayer Identification or Social Security Number)

(See Substitute Form W-9 herein)

Check here to direct a credit of Notes not tendered or not accepted for purchase delivered by book-entry transfer to an account at DTC.

DTC Account No.

Number of Account Party: _____

B. SPECIAL PAYMENT INSTRUCTIONS
(See Instructions 1, 2, 3 and 6)

To be completed **ONLY** if checks are issued payable to someone other than the person(s) whose signature(s) appear(s) within this Letter of Transmittal or sent to an address different from that shown in the box entitled "Description of Notes Tendered" within this Letter of Transmittal.

Name _____
(Please Print)

Address _____

(Zip Code)

(Taxpayer Identification or Social Security Number)

(See Substitute Form W-9 herein)

PLEASE COMPLETE AND SIGN BELOW

(This page is to be completed and signed by all tendering Holders except Holders executing the tender through DTC's ATOP system.)

By completing, executing and delivering this Letter of Transmittal, the undersigned hereby tenders the principal amount of the Notes listed in the boxes above labeled "Description of Notes Tendered" under the column heading "Principal Amount Tendered" (or, if nothing is indicated therein, with respect to the entire aggregate principal amount represented by the Notes described in each such box).

Signature(s): _____

(Must be signed by the registered Holder(s) exactly as the name(s) appear(s) on certificate(s) representing the tendered Notes or, if the Notes are tendered by a participant in DTC, exactly as such participant's name appears on a security position listing as the owner of such Notes. If signature is by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, please set forth the full title and see Instruction 1.)

Dated: _____

Name(s): _____
(Please Print)

Capacity (Full Title): _____

Address: _____

(Including Zip Code)

Area Code and Telephone Number: _____

Tax Identification or Social Security Number: _____

(REMEMBER TO COMPLETE ACCOMPANYING SUBSTITUTE FORM W-9 OR AN APPLICABLE FORM W-8)

**MEDALLION SIGNATURE GUARANTEE
(ONLY IF REQUIRED — SEE INSTRUCTIONS 1 AND 2)**

Authorized Signature of Guarantor: _____

Name of Firm: _____

Address: _____

Area Code and Telephone Number: _____
[Place Seal Here]

INSTRUCTIONS

Forming Part of the Terms and Conditions of the Offer

1. *Signatures on Letter of Transmittal, Instruments of Transfer and Endorsements.* If this Letter of Transmittal is signed by the registered Holder(s) of the Notes tendered hereby, the signatures must correspond with the name(s) as written on the face of the Notes, without alteration, enlargement or any change whatsoever. If this Letter of Transmittal is signed by a participant in DTC whose name is shown on a security position listing as the owner of the Notes tendered hereby, the signature must correspond with the name shown on the security position listing as the owner of such Notes.

If any of the Notes tendered hereby are registered in the name of two or more Holders, all such Holders must sign this Letter of Transmittal. If any of the Notes tendered hereby are registered in different names on several certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations of certificates.

If this Letter of Transmittal or any Notes or instrument of transfer is signed by a trustee, executor, administrator, guardian, attorney-in-fact, agent, officer of a corporation or other person acting in a fiduciary or representative capacity, such person should so indicate when signing, and proper evidence satisfactory to the Company of such person's authority to so act must be submitted.

When this Letter of Transmittal is signed by the registered Holders of the Notes tendered hereby, no endorsements of Notes or separate instruments of transfer are required unless payment is to be made, or Notes not tendered or purchased are to be issued, to a person other than the registered Holders, in which case signatures on such Notes or instruments of transfer must be guaranteed by a Medallion Signature Guarantor.

Unless this Letter of Transmittal is signed by the Holder(s) of the Notes tendered hereby (or by a participant in DTC whose name appears on a security position listing as the owner of such Notes), such Notes must be endorsed or accompanied by appropriate instruments of transfer, and be accompanied by a duly completed proxy entitling the signer to tender such Notes on behalf of such Holder(s) (or such participant), and each such endorsement, instrument of transfer or proxy must be signed exactly as the name or names of the Holder(s) appear on the Notes (or as the name of such participant appears on a security position listing as the owner of such Notes); signatures on each such endorsement, instrument of transfer or proxy must be guaranteed by a Medallion Signature Guarantor, unless the signature is that of an Eligible Institution.

2. *Signature Guarantees.* Signatures on this Letter of Transmittal must be guaranteed by a Medallion Signature Guarantor, unless the Notes tendered hereby are tendered by a Holder (or by a participant in DTC whose name appears on a security position listing as the owner of such Notes) that has not completed a box entitled "A. Special Issuance/Delivery Instructions" or a box entitled "B. Special Payment Instructions" on this Letter of Transmittal. See Instruction 1.

3. *Transfer Taxes.* If Notes not tendered or purchased are to be registered in the name of any persons other than the Holders, the amount of any transfer taxes (whether imposed on the Holder or such other person) payable on account of the transfer to such other person will be deducted from the payment unless satisfactory evidence of the payment of such taxes or exemption therefrom is submitted.

4. *Requests for Assistance or Additional Copies.* Any questions or requests for assistance or additional copies of the Offer to Purchase or this Letter of Transmittal may be directed to the Information Agent at its telephone number set forth on the back cover of the Offer to Purchase. A Holder may also contact the Dealer Manager at the telephone numbers set forth on the back cover of the Offer to Purchase or such Holder's broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer.

5. *Partial Tenders.* Tenders of the Notes will be accepted only in integral multiples of \$1,000 principal amount. If less than the entire principal amount of any Notes is tendered, the tendering Holder should fill in the principal amount tendered in the fourth column of the boxes entitled "Description of Notes Tendered" above. The entire principal amount of Notes delivered to the Depository will be deemed to have been tendered unless otherwise indicated. If the entire principal amount of all Notes is not tendered, then substitute Notes for the principal amount of Notes not tendered and purchased pursuant to the Offer will be sent to the Holder at his or her registered address, unless a different address is

provided in the appropriate box on this Letter of Transmittal promptly after the delivered Notes are accepted for partial tender.

6. *Special Issuance/Delivery and Special Payment Instructions.* Tendering Holders should indicate in the applicable box or boxes the name and address to which Notes for principal amounts not tendered or not accepted for purchase or checks for payment of the Purchase Price and Accrued Interest are to be sent or issued, if different from the name and address of the Holder signing this Letter of Transmittal. In the case of payment to a different name, the taxpayer identification or social security number of the person named must also be indicated. If no instructions are given, Notes not tendered or not accepted for purchase will be returned, and checks for payment of the Purchase Price and Accrued Interest will be sent, to the Holder of the Notes tendered.

7. *Waiver of Conditions.* The Company reserves the right, in its sole discretion, to amend or waive any or all of the conditions to the Offer, other than those conditions dependent upon the receipt of necessary government approvals, on or prior to the Expiration Time.

8. *Backup Withholding.*

Federal income tax law imposes “backup withholding” unless a surrendering U.S. Holder, and, if applicable, each other payee, has provided such Holder’s or payee’s correct taxpayer identification number (“*TIN*”) which, in the case of a Holder or payee who is an individual, is his or her social security number, and certain other information, or otherwise establishes a basis for exemption from backup withholding and certifies these facts under penalties of perjury. For federal tax purposes, you are considered a U.S. Holder if you are: (1) an individual who is a U.S. citizen or U.S. resident alien; (2) a partnership, corporation, company or association created or organized in the United States or under the laws of the United States or any state thereof, including for this purpose the District of Columbia; (3) an estate (other than a foreign estate); or (4) a domestic trust (as defined in Treasury Regulations section 301.7701-7). Completion of the attached Substitute Form W-9 should be used for this purpose. If the Depository is not provided with the correct TIN, the Holder or payee may be subject to a \$50 penalty imposed by the Internal Revenue Service (“*IRS*”). Exempt Holders and payees (including, among others, all corporations and certain foreign holders) are not subject to these backup withholding and information reporting requirements, provided that they properly demonstrate their eligibility for exemption. Exempt U.S. Holders should furnish their TIN, check the exemption box in Part 2 of the attached Substitute Form W-9, and sign, date and return the Substitute Form W-9 to the Depository. In order for a Holder other than a U.S. Holder (a “Non-U.S. Holder”) to qualify as an exempt recipient, that Non-U.S. Holder should submit the appropriate IRS Form W-8 (which is available from the Depository) signed under penalties of perjury, attesting to that Non-U.S. Holder’s foreign status. A Non-U.S. Holder’s failure to submit the appropriate Form W-8 may require the Depository to backup withhold 28% on any payments made pursuant to the Offer.

Failure to complete the Substitute Form W-9 may require the Depository to backup withhold at 28% (or such other rate specified by the Internal Revenue Code of 1986, as amended (the “*Code*”)) of the amount of any payments made pursuant to the Offer. Backup withholding is not an additional federal income tax. Rather, the federal income tax liability of a person subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained, provided that the required information is furnished to the IRS on a timely basis.

A U.S. Holder (or other payee) should write “Applied For” in the space for the TIN provided on the attached Substitute Form W-9 and must also complete the attached “Certificate of Awaiting Taxpayer Identification Number” if such U.S. Holder (or other payee) has not been issued a TIN and has applied for a TIN or intends to apply for a TIN in the near future. If the Depository is not provided with a TIN by the time of payment, the Depository may backup withhold 28% on payments made pursuant to the Offer. A U.S. Holder who writes “Applied For” in the space in Part 1 in lieu of furnishing its TIN should furnish the Depository with such Holder’s TIN as soon as it is received.

For further information concerning backup withholding and instructions for completing the Substitute Form W-9 (including how to obtain a TIN if you do not have one and how to complete the Substitute Form W-9 if the Notes are held in more than one name), consult the enclosed *Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9*.

9. *Irregularities.* All questions as to the validity, form, eligibility (including time of receipt) and acceptance for payment of Notes pursuant to the procedures described in the Offer to Purchase and this Letter of Transmittal and the

form and validity of all documents will be determined by the Company in its sole discretion. The Company reserves the absolute right to reject any or all tenders that are not in proper form or the acceptance of or payment for which may, upon the advice of counsel for the Company, be unlawful. The Company also reserves the absolute right to waive any of the conditions of the Offer, other than those dependent upon the receipt of necessary government approvals, and any defect or irregularity in the tender of any particular Notes. Any determination by the Company as to the validity, form, eligibility and acceptance of Notes for payment, or any interpretation by the Company as to the terms and conditions of the Offer, is subject to applicable law and, if challenged by Holders or otherwise, to the judgment of a court of competent jurisdiction. The Company is not obligated and does not intend to accept any alternative, conditional or contingent tenders. Unless waived, any irregularities in connection with tenders must be cured within such time as the Company shall determine. None of the Company or any of its affiliates or assigns, the Dealer Manager, the Information Agent, the Depositary or any other person will be under any duty to give notification of any defects or irregularities in such tenders or will incur any liability to a Holder for failure to give such notification. Tenders of Notes will not be deemed to have been made until such irregularities have been cured or waived. Any Notes received by the Depositary that are not properly tendered and as to which the irregularities have not been cured or waived will be returned by the Depositary to the tendering Holders, as promptly as practical following the Expiration Time.

10. *Mutilated, Lost, Stolen or Destroyed Certificates for Notes.* Any Holder whose certificates for Notes have been mutilated, lost, stolen or destroyed should contact the Depositary at the address or telephone number set forth on the back cover of this Letter of Transmittal to receive information about the procedures for obtaining replacement certificates for Notes.

PAYER'S NAME: GLOBAL BONDHOLDER SERVICES CORPORATION

SUBSTITUTE
Form **W-9**

Name (as shown on your income tax return)
Business name/disregarded entity name, if different from above
Check appropriate box:
 Individual/Sole proprietor Corporation S Corporation
 Partnership Trust/estate
 Limited liability company.
Enter the tax classification (C=C corporation, S=S corporation, P = partnership)
Address

City, State, and ZIP Code

Department of the Treasury
Internal Revenue Service

PART 1 — Taxpayer Identification Number — Please provide your TIN in the box at right and certify by signing and dating below. If awaiting TIN, write "Applied For."

Social Security number
OR

Employer Identification Number

Payor's Request for Taxpayer
Identification Number ("TIN")
and Certification

PART 2 — For Payees Exempt from Backup Withholding — Check the box if you are NOT subject to backup withholding.

PART 3 — Certification — Under penalties of perjury, I certify that:

- (1) The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me),
- (2) I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- (3) I am a U.S. person (including a U.S. resident alien).

Certification Instructions. — You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. However, if after being notified by the IRS that you were subject to backup withholding you received another notification from the IRS that you are no longer subject to backup withholding, do not cross out item 2.

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

SIGNATURE _____

DATE _____

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (1) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office, or (2) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number by the time of payment, 28% of all reportable payments made to me will be withheld.

SIGNATURE _____ DATE _____, 2011

**GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION
NUMBER ON SUBSTITUTE FORM W-9**

Guidelines For Determining the Proper Identification Number to Give the Payer — Social Security Numbers (“SSNs”) have nine digits separated by two hyphens: *i.e.*, 000-00-0000. Employer Identification Numbers (“EINs”) have nine digits separated by only one hyphen: *i.e.*, 00-0000000. The table below will help determine the number to give the payer. All “section” references are to the Code.

For this type of account:	Give the Name and SOCIAL Security Number or Employer Identification Number of —
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account(1)
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor(2)
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee(1) The actual owner(1)
5. Sole proprietorship or disregarded entity owned by an individual	The owner(3)
6. Disregarded entity not owned by an individual	The owner
7. Grantor trust filing under Optional Form 1099 Filing Method 1	The grantor(5)

For this type of account:	Give the Name and EMPLOYER IDENTIFICATION Number of —
8. A valid trust, estate, or pension trust	Legal entity(4)
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation or LLC
10. Association, club, religious, charitable, educational or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership or LLC
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2	The trust

(1) List first and circle the name of the person whose SSN you furnish. If only one person on a joint account has an SSN, that person’s number must be furnished.

(2) Circle the minor’s name and furnish the minor’s SSN.

(3) You must show your individual name and you may also enter your business or “doing business as” name. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, the Internal Revenue Service encourages you to use your SSN.

(4) List first and circle the name of the legal trust, estate or pension trust. (Do not furnish the Taxpayer Identification Number of the personal representative or trustee unless the legal entity itself is not designated in the account title).

(5) Grantor also must provide a Form W-9 to trustee of trust.

NOTE: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed

**GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION
NUMBER ON SUBSTITUTE FORM W-9**

Purpose of Form

A person who is required to file an information return with the Internal Revenue Service (the “IRS”) must get your correct Taxpayer Identification Number (“TIN”) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an individual retirement account. Use Substitute Form W-9 to give your correct TIN to the requester (the person requesting your TIN) and, when applicable, (1) to certify the TIN you are giving is correct (or you are waiting for a number to be issued), (2) to certify you are not subject to backup withholding, or (3) to claim exemption from backup withholding if you are an exempt payee. The TIN provided must match the name given on the Substitute Form W-9.

How to Get a TIN

If you do not have a TIN, apply for one immediately. To apply for an SSN, obtain Form SS-5, Application for a Social Security Card, at the local office of the Social Security Administration or get this form on-line at www.ssa.gov/online/ss-5.pdf. You may also get this form by calling 1-800-772-1213. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer ID Numbers under Businesses Topics. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an individual taxpayer identification number (“ITIN”), or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can get Forms W-7 and SS-4 from the IRS by calling 1-800-TAX-FORM (1-800-829-3676) or from the IRS web site at www.irs.gov.

If you do not have a TIN, write “Applied For” in Part 1, sign and date the form and the Certificate of Awaiting Taxpayer Identification Number, and give it to the payer. For interest and dividend payments and certain payments made with respect to readily tradable instruments, you will generally have 60 days to get a TIN and give it to the payer. If the payer does not receive your TIN within 60 days, backup withholding, if applicable, will begin and continue until you furnish your TIN.

Note: Writing “Applied For” on the form means that you have already applied for a TIN or that you intend to apply for one soon. As soon as you receive your TIN, complete another Form Substitute W-9, include your TIN, sign and date the form, and give it to the payer.

CAUTION: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Payees Exempt from Backup Withholding

Individuals (including sole proprietors) are NOT exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note: If you are exempt from backup withholding, you should still complete Substitute Form W-9 to avoid possible erroneous backup withholding. If you are exempt, enter your correct TIN in Part 1, check the “Exempt” box in Part 2, and sign and date the form. If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8, Certificate of Foreign Status.

The following is a list of payees that may be exempt from backup withholding and for which no information reporting is required. For interest and dividends, all listed payees are exempt except for those listed in item (9). For broker transactions, payees listed in (1) through (5) and (7) through (13) and C corporations are exempt. Payments subject to reporting under sections 6041 and 6041A are generally exempt from backup withholding only if made to payees described in items (1) through (7). However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: (i) medical and health care payments, (ii) attorneys’ fees, (iii) gross proceeds paid to an attorney, and (iv) payments for services paid by a federal executive agency. Only payees described in items (1) through (5) are exempt from backup withholding for barter exchange transactions and patronage dividends.

- (1) An organization exempt from tax under section 501(a), or an individual retirement account (“IRA”), or a custodial account under section 403(b)(7), if the account satisfies the requirements of section 401(f)(2).
- (2) The United States or any of its agencies or instrumentalities.
- (3) A state, the District of Columbia, a possession of the United States, or any of their subdivisions or instrumentalities.
- (4) A foreign government, a political subdivision of a foreign government, or any of their agencies or instrumentalities.
- (5) An international organization or any of its agencies or instrumentalities.

- (6) A corporation.
- (7) A foreign central bank of issue.
- (8) A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States.
- (9) A futures commission merchant registered with the Commodity Futures Trading Commission.
- (10) A real estate investment trust.
- (11) An entity registered at all times during the tax year under the Investment Company Act of 1940.
- (12) A common trust fund operated by a bank under section 584(a).
- (13) A financial institution.
- (14) A middleman known in the investment community as a nominee or custodian.
- (15) An exempt charitable remainder trust, or a non-exempt trust described in section 4947.

Exempt payees described above should file Substitute Form W-9 to avoid possible erroneous backup withholding. **FILE THIS FORM WITH THE PAYER, FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, CHECK THE "EXEMPT" BOX IN PART 2 ON THE FACE OF THE FORM IN THE SPACE PROVIDED, SIGN AND DATE THE FORM AND RETURN IT TO THE PAYER.**

Certain payments that are not subject to information reporting are also not subject to backup withholding. For details, see sections 6041, 6041A, 6042, 6044, 6045, 6049, 6050A and 6050N, and their regulations.

Privacy Act Notice. Section 6109 of the Internal Revenue Code requires you to give your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. possessions for use in administering their laws. The IRS may also disclose this information to other countries under a tax treaty, or to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividends, and certain other payments to a payee who does not give a TIN to a payer. The penalties described below may also apply.

Penalties

Failure to Furnish TIN. If you fail to furnish your correct TIN to a payer, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil Penalty for False Information With Respect to Withholding. If you make a false statement with no reasonable basis which results in no imposition of backup withholding, you are subject to a penalty of \$500.

Criminal Penalty for Falsifying Information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the payer discloses or uses TINs in violation of federal law, the payer may be subject to civil and criminal penalties.

FOR ADDITIONAL INFORMATION, CONTACT YOUR TAX ADVISOR OR THE INTERNAL REVENUE SERVICE.

In order to tender, a Holder should send or deliver a properly completed and signed Letter of Transmittal, certificates for Notes and any other required documents to the Depository at the address set forth below or tender pursuant to DTC's Automated Tender Offer Program.

The Depository for the Offer is:

Global Bondholder Services Corporation

*By Regular, Registered or Certified Mail,
By Overnight Courier or By Hand*

By Facsimile
(For Eligible Institutions only)
(212) 430-3775
Attention: Corporate Actions

65 Broadway, Suite 404
New York, New York 10006
Attention: Corporate Actions

Banks and Brokers Call:
(212) 430-3774
All Others Call Toll Free:
(866) 470-3900

Any questions or requests for assistance may be directed to the Dealer Manager at the address and telephone numbers set forth below. Additional copies of the Offer to Purchase or this Letter of Transmittal may be obtained from the Information Agent at the address or telephone numbers set forth below. A Holder may also contact such Holder's broker, dealer, custodian bank, depository, trust company or other nominee for assistance concerning the Offer.

The Information Agent for the Offer is:

Global Bondholder Services Corporation

65 Broadway, Suite 404
New York, New York 10006
Banks and Brokers Call Collect: (212) 430-3774
All Others Call Toll Free: (866) 924-2200

The Dealer Manager for the Offer is:

Morgan Stanley

Morgan Stanley & Co. Incorporated
1585 Broadway
New York, New York 10036
Toll Free: (800) 624-1808
Collect: (212) 761-8663
Attention: Liability Management Group

SIRIUS XM RADIO INC.**Offer to Purchase for Cash
Any and All of Its Outstanding
3¹/₄% Convertible Notes due 2011
(CUSIP No. 82966UAD5)****At the purchase price of \$1,007.50 per \$1,000 principal amount of Notes**

THE OFFER (AS DEFINED BELOW) WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON APRIL 20, 2011, UNLESS EXTENDED (SUCH TIME AND DATE, AS THE SAME MAY BE EXTENDED, THE "EXPIRATION TIME"). HOLDERS MUST VALIDLY TENDER AND NOT VALIDLY WITHDRAW THEIR NOTES PRIOR TO THE EXPIRATION TIME TO BE ELIGIBLE TO RECEIVE THE PURCHASE PRICE OFFERED. TENDERS OF NOTES MAY BE WITHDRAWN PRIOR TO THE EXPIRATION TIME.

March 24, 2011

To Brokers, Securities Dealers, Commercial Banks, Trust Companies and Other Nominees that are Holders of 3¹/₄% Convertible Notes due 2011 of Sirius XM Radio Inc.:

Sirius XM Radio Inc., a Delaware corporation (the "Company"), is making an offer to purchase for cash any and all of its outstanding 3¹/₄% Convertible Notes due 2011 (the "Notes"), on the terms and subject to the conditions set forth in its Offer to Purchase dated March 24, 2011 (as the same may be amended or supplemented from time to time, the "Offer to Purchase") and in the related Letter of Transmittal (as the same may be amended or supplemented from time to time, the "Letter of Transmittal"), which together constitute the "Offer". Capitalized terms used herein and not defined herein shall have the meanings ascribed to them in the Offer to Purchase.

The Purchase Price offered in respect of a purchase of Notes is an amount, paid in cash, equal to \$1,007.50 per \$1,000 principal amount of the Notes validly tendered and accepted for purchase. In addition, Holders that validly tender Notes that are purchased shall receive accrued and unpaid interest, if any, up to, but not including, the Payment Date. Interest on the Notes due on April 15, 2011 will be paid on the due date to holders at the close of business on April 1, 2011 pursuant to the terms of the Notes and the related indenture. The "Payment Date" in respect of Notes that are validly tendered and accepted for purchase is expected to be one business day after the Expiration Time and is expected to be on or about April 21, 2011. No tenders of Notes submitted after the Expiration Time will be valid.

The Company may, in its sole discretion, waive any of the conditions to the Offer, other than those dependent upon the receipt of necessary government approvals, in whole or in part, at any time and from time prior to the Expiration Time. Notes that are not tendered and accepted for payment pursuant to the Offer will remain obligations of the Company.

Tendered Notes may be withdrawn by the tendering Holders at any time prior to the Expiration Time. After the Expiration Time, tendered Notes may not be withdrawn except under limited circumstances, as further described in the Offer to Purchase. In the event of a termination or withdrawal of the Offer, Notes tendered pursuant to the Offer will be promptly returned to the tendering Holders.

The Company reserves the right to terminate, withdraw or amend the Offer at any time and from time to time, as described in the Offer to Purchase and Letter of Transmittal. The Offer is being made upon the terms and subject to the conditions set forth in the Offer to Purchase and Letter of Transmittal.

We are asking you to contact your clients for whom you hold Notes. For your use and for forwarding to those clients, we are enclosing the copies of the following documents:

1. The Offer to Purchase dated March 24, 2011.
 2. The Letter of Transmittal to be used to tender Notes for purchase to be sent to Global Bondholder Services Corp. (the "Depository" for the Offer). Executed facsimile copies of the Letter of Transmittal may be used to tender Notes for purchase.
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3. A printed form of letter which you may send to your clients, with a form provided for obtaining their instructions with regards to the Offer.

YOUR PROMPT ACTION IS REQUESTED. WE URGE YOU TO CONTACT YOUR CLIENTS AS PROMPTLY AS POSSIBLE. Please note that Holders who wish to be eligible to receive the Purchase Price, must validly tender Notes prior to 12:00 midnight, New York City time, on April 20, 2011, unless extended or earlier terminated by the Company in its sole discretion. The Offer will expire at 12:00 midnight, New York City time, on April 20, 2011, unless extended or earlier terminated by the Company in its sole discretion.

In order to tender Notes by book-entry transfer to the Depository's account at The Depository Trust Company ("DTC"), Holders should execute their tenders through the DTC Automated Tender Offer Program ("ATOP") by transmitting their acceptances to DTC in accordance with DTC's ATOP procedures. In order to tender Notes other than by book-entry transfer, a Holder should send or deliver a properly completed and signed Letter of Transmittal, certificates for Notes and any other required documents to the Depository at its address set forth on the back cover of the Offer to Purchase. **A Holder tendering through ATOP does not need to complete the Letter of Transmittal.**

There are no guaranteed delivery provisions provided for by the Company in conjunction with the Offer. Holders must tender their Notes in accordance with the procedures set forth in the Offer to Purchase under the heading "Procedures for Tendering and Withdrawing Notes".

The Company will not pay any fees or commissions to any dealer, broker or any other person (other than fees to the Dealer Manager and the Information Agent, as described in the Offer to Purchase) for soliciting tenders of the Notes pursuant to the Offer. However, the Company will, upon request, reimburse you for customary mailing and handling expenses incurred by you in forwarding any of the enclosed materials to your clients.

Any inquiries you may have with respect to the Offer should be addressed to the Information Agent or the Dealer Manager for the Offer, at their respective addresses and telephone numbers as set forth on the back cover of the enclosed Offer to Purchase. Additional copies of the enclosed materials may be obtained from the Information Agent at the address and telephone numbers as set forth on the back cover of the enclosed Offer to Purchase.

Neither the management of the Company nor its board of directors, the Dealer Manager, the Depository, the Information Agent or their respective affiliates make any recommendation to any Holder as to whether to tender any Notes in connection with the Offer. The Company has not authorized any person to make any such recommendation. Holders should carefully evaluate all information in the Offer to Purchase and Letter of Transmittal, consult their own investment and tax advisors, and make their own decisions about whether to tender Notes and, if so, how many Notes to tender.

Very truly yours,

SIRIUS XM RADIO INC.

Enclosures

NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL CONSTITUTE YOU THE AGENT OF THE COMPANY, THE DEALER MANAGER, THE DEPOSITARY, THE INFORMATION AGENT OR THE TRUSTEE OR AUTHORIZE YOU OR ANY OTHER PERSON TO USE ANY DOCUMENT OR MAKE ANY STATEMENT ON BEHALF OF ANY OF THEM IN CONNECTION WITH THE OFFERS OTHER THAN THE DOCUMENTS ENCLOSED HERewith AND THE STATEMENTS CONTAINED THEREIN.

The Offer is not being made to, and the tender of Notes will not be accepted from or on behalf of, Holders in any jurisdiction in which the making or acceptance of the Offer would not be in compliance with the laws of such jurisdiction.

SIRIUS XM RADIO INC.**Offer to Purchase for Cash
Any and All of its Outstanding
3¹/₄% Convertible Notes due 2011
(CUSIP No. 82966UAD5)****At the purchase price of \$1,007.50 per \$1,000 principal amount of Notes**

THE OFFER (AS DEFINED BELOW) WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON APRIL 20, 2011, UNLESS EXTENDED (SUCH TIME AND DATE, AS THE SAME MAY BE EXTENDED, THE "EXPIRATION TIME"). HOLDERS MUST VALIDLY TENDER AND NOT VALIDLY WITHDRAW THEIR NOTES PRIOR TO THE EXPIRATION TIME TO BE ELIGIBLE TO RECEIVE THE PURCHASE PRICE OFFERED. TENDERS OF NOTES MAY BE WITHDRAWN PRIOR TO THE EXPIRATION TIME.

March 24, 2011

To Our Clients who are Beneficial Owners of the 3¹/₄% Convertible Notes due 2011 of Sirius XM Radio Inc.:

Sirius XM Radio Inc., a Delaware corporation (the "Company"), is making an offer to purchase for cash any and all of its outstanding 3¹/₄% Convertible Notes due 2011 (the "Notes"), on the terms and subject to the conditions set forth in its Offer to Purchase dated March 24, 2011 (as the same may be amended or supplemented from time to time, the "Offer to Purchase") and in the related Letter of Transmittal (as the same may be amended or supplemented from time to time, the "Letter of Transmittal"), which together constitute the "Offer". Capitalized terms used herein and not defined herein shall have the meanings ascribed to them in the Offer to Purchase.

The Purchase Price offered in respect of a purchase of Notes is an amount, paid in cash, equal to \$1,007.50 per \$1,000 principal amount of the Notes validly tendered and accepted for purchase. In addition, Holders that validly tender Notes that are purchased shall receive accrued and unpaid interest, if any, up to, but not including, the Payment Date. Interest on the Notes due on April 15, 2011 will be paid on the due date to holders at the close of business on April 1, 2011 pursuant to the terms of the Notes and the related indenture. The "Payment Date" in respect of Notes that are validly tendered and accepted for purchase is expected to be one business day after the Expiration Time and is expected to be on or about April 21, 2011. No tenders of Notes submitted after the Expiration Time will be valid.

We are the holder of record of the Notes held by us for your account. **A tender of such Notes may be made only by us as the holder of record and only pursuant to your written instructions in the form attached hereto (the "Instruction Form").** The accompanying Letter of Transmittal is furnished to you for informational purposes only and may not be used by you to tender Notes held by us for your account.

We request instructions as to whether you wish to have us tender on your behalf any or all of such Notes held by us for your account, pursuant to the terms and subject to the conditions set forth in the Offer to Purchase and Letter of Transmittal. We urge you to carefully read the Offer to Purchase, Letter of Transmittal and the other materials provided herewith before instructing us to tender your Notes.

Your attention is directed to the following:

1. **Holders who wish to be eligible to receive the Purchase Price must validly tender Notes prior to 12:00 midnight, New York City time, on April 20, 2011, unless extended or terminated by the Company in its sole discretion. The Offer will expire at 12:00 midnight, New York City time, on April 20, 2011, unless extended or earlier terminated by the Company in its sole discretion.** Your instructions should be forwarded to us in ample time to permit us to submit a tender on your behalf.
 2. The minimum permitted tender is \$1,000 principal amount of Notes, and all tenders must be in integral multiples of \$1,000.
 3. The Offer is for any and all Notes that are outstanding.
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4. The Company reserves the right to terminate, withdraw or amend the Offer at any time and from time to time, as described in the Offer to Purchase and the Letter of Transmittal. The Offer is being made upon the terms and subject to the conditions set forth in the Offer to Purchase. The Company reserves the right to waive any of these conditions, other than those dependent upon the receipt of necessary government approvals, in whole or in part, at any time and from time to prior to the Expiration Time.

5. In all cases, the purchase of Notes tendered and accepted for purchase pursuant to the Offer will be made only after all conditions to the Offer described in the Offer to Purchase have been satisfied or waived, and after timely receipt by the Depositary of a properly completed and duly executed Letter of Transmittal (or facsimile thereof), with any required signature guarantee, or (in the case of a book-entry transfer) an Agent's Message in lieu of the Letter of Transmittal, and any other required documents.

Neither the Company nor its board of directors, the Dealer Manager, the Depositary, the Information Agent or their respective affiliates make any recommendation to any Holder as to whether to tender any Notes in connection with the Offer. The Company has not authorized any person to make any such recommendation. Holders should carefully evaluate all information in the Offer to Purchase, consult their own investment and tax advisors, and make their own decisions about whether to tender Notes and, if so, how many Notes to tender.

If you wish to have us tender any or all of your Notes held by us for your account or benefit, please so instruct us by completing, executing and returning to us the attached Instruction Form. If you authorize us to tender your Notes for purchase any time prior to the Expiration Time, the entire aggregate principal amount of your Notes will be tendered for purchase, unless you specify a lesser amount on the attached Instruction Form. **Your instructions should be forwarded to us in ample time to permit us to tender the related Notes, and otherwise to submit a tender on your behalf prior to the Expiration Time if you wish to be eligible to receive the Purchase Price for your Notes.**

The Offer is not being made under any circumstances in which the Offer would be unlawful. In those jurisdictions where the securities or other laws require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on behalf of the Company by the Dealer Manager or one or more registered brokers or dealers licensed under the laws of such jurisdiction.

The Offer is not being made to, and the tender of Notes will not be accepted from or on behalf of, Holders in any jurisdiction in which the making or acceptance of the Offer would not be in compliance with the securities, blue sky or other laws of such jurisdiction.

**INSTRUCTION FORM WITH RESPECT TO THE
SIRIUS XM RADIO INC.
Offer to Purchase for Cash
Any and All of Its Outstanding
3¹/₄% Convertible Notes due 2011
(CUSIP No. 82966UAD5)**

The undersigned acknowledge(s) receipt of your letter enclosing the Offer to Purchase dated March 24, 2011 and the related Letter of Transmittal (which, together with any amendments or supplements thereto, collectively constitute the "Offer Documents") of Sirius XM Radio Inc., a Delaware corporation, of its offer to purchase (the "Offer") for cash any and all of its outstanding 3¹/₄% Convertible Notes due 2011 (the "Notes").

The undersigned acknowledges and understands that Notes tendered pursuant to the Offer may not be withdrawn, except in accordance with the instructions and procedures set forth in the Offer Documents.

This will instruct you to tender pursuant to the Offer the principal amount of Notes indicated below (or, if no number is indicated below, the entire aggregate principal amount of Notes) held by you for the account or benefit of the undersigned upon the terms and conditions set forth in the Offer Documents.

Type	Aggregate Principal Amount Held for Account of Holder(s)	Principal Amount to be Tendered*
3 ¹ / ₄ % Convertible Notes due 2011		
* Unless otherwise indicated, the entire principal amount indicated in the box entitled "Principal Amount to be Tendered" will be tendered. The minimum permitted tender is \$1,000 principal amount of Notes, and all tenders must be integral multiples of \$1,000.		

SIGN HERE

Signature(s) _____

Please print name(s) _____

Address _____

Area Code and Telephone Number _____

Tax Identification or Social Security Number _____

My Account Number with You _____

Date _____



**Sirius XM Radio Commences Cash Tender Offer for its 3³/₄%
Convertible Notes due 2011**

NEW YORK — March 24, 2011 — Sirius XM Radio Inc. (NASDAQ: SIRI) (“SiriusXM”) today announced that it has commenced a tender offer to purchase for cash any and all of its 3³/₄% Convertible Notes due 2011 (the “Notes”) upon the terms and subject to the conditions set forth in the Offer to Purchase, dated the date hereof (as it may be amended or supplemented from time to time, the “Offer to Purchase”), and in the related Letter of Transmittal (as it may be amended or supplemented from time to time, the “Letter of Transmittal” and collectively with the Offer to Purchase, the “Offer Documents”).

The tender offer will expire at 12:00 midnight New York City time, on April 20, 2011 (such time and date, as it may be extended, the “Expiration Time”). Notes tendered may be withdrawn at any time at or before the Expiration Time.

The purchase price offered for each \$1,000 principal amount of Notes validly tendered and purchased pursuant to the tender offer is \$1,007.50. In addition, holders whose Notes are purchased in the tender offer will receive accrued and unpaid interest in respect of their purchased Notes from the last interest payment date to, but not including, the payment date for the Notes. Interest on the Notes due on April 15, 2011 will be paid on the due date to holders at the close of business on April 1, 2011 pursuant to the terms of the Notes and the related indenture. Tenders of Notes will be accepted only in principal amounts of \$1,000 or integral multiples thereof.

SiriusXM’s obligation to accept for purchase and to pay for Notes validly tendered and not withdrawn pursuant to the tender offer is subject to the satisfaction or waiver of certain conditions, which are more fully described in the Offer to Purchase.

The Depositary and Information Agent for the tender offer is Global Bondholder Services Corporation. The Dealer Manager for the tender offer is Morgan Stanley & Co. Incorporated (800-624-1808 (toll free) and 761-8663 (collect)).

The Offer Documents will be distributed to holders of Notes promptly. Holders with questions or who would like additional copies of the Offer Documents may call the information agent, Global Bondholder Services Corporation, toll-free at (866) 924-2200. The Offer Documents are also available online for free on the website of the Securities and Exchange Commission (the “SEC”) at www.sec.gov as exhibits to the Tender Offer Statement on Schedule TO filed by SiriusXM with the SEC on March 24, 2011.

This news release is for informational purposes only and does not constitute an offer to buy or the solicitation of an offer to sell the Notes. The tender offer is being made only pursuant to the Offer Documents that SiriusXM will be distributing to noteholders promptly. Noteholders and investors should carefully read the Offer Documents because they contain important information, including the various terms of and conditions to the tender offer. None of SiriusXM, the Dealer Manager, the Depositary, the Information Agent or their respective affiliates is making any recommendation as to whether or not holders should tender all or any portion of their Notes in the tender offer.

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About SiriusXM

SiriusXM is America's satellite radio company. SiriusXM broadcasts more than 135 satellite radio channels of commercial-free music, and premier sports, news, talk, entertainment, traffic, weather, and data services to 20.2 million subscribers. SiriusXM offers an array of content from many of the biggest names in entertainment, as well as from professional sports leagues, major colleges, and national news and talk providers.

SiriusXM programming is available on more than 800 devices, including pre-installed and after-market radios in cars, trucks, boats and aircraft, smartphones and mobile devices, and consumer electronics products for homes and offices. SiriusXM programming is also available at siriusxm.com, and on Apple, BlackBerry and Android-powered mobile devices.

SiriusXM has arrangements with every major automaker and its radio products are available for sale at shop.siriusxm.com as well as retail locations nationwide.

This communication contains "forward-looking statements". Such statements include, but are not limited to, statements about future financial and operating results, our plans, objectives, expectations and intentions with respect to future operations, products and services; and other statements identified by words such as "will likely result," "are expected to," "will continue," "is anticipated," "estimated," "intend," "plan," "projection," "outlook" or words of similar meaning. Such forward-looking statements are based upon the current beliefs and expectations of our management and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are difficult to predict and generally beyond our control. 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: our competitive position versus other forms of audio and video entertainment; our ability to retain subscribers and maintain our average monthly revenue per subscriber; our dependence upon automakers and other third parties; our substantial indebtedness; and the useful life of our satellites, which, in most cases, are not insured. Additional factors that could cause our results to differ materially from those described in the forward-looking statements can be found in our Annual Report on Form 10-K for the year ended December 31, 2010, which is filed with 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 of this press release.

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Contact Information for Investors and Financial Media:

Investors:

Hooper Stevens
212 901 6718
hooper.stevens@siriusxm.com

Media:

Kelly Sullivan
Joele Frank, Wilkinson Brimmer Katcher
212 355 4449
KSullivan@joelefrank.com