UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For The Quarterly Period Ended June 30, 1997

Commission file number 0-24710

CD RADIO INC.

(Exact name of registrant as specified in its charter)

DELAWARE	52-1700207
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

SIXTH FLOOR, 1001 22ND STREET, N.W., WASHINGTON, D.C. 20037

(Address of principal executive offices)
(Zip code)

202-296-6192

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

COMMON STOCK, $.001 PAR VALUE	12,488,883
(Class)	(Outstanding as of August 13, 1997)

CD RADIO INC.

(A DEVELOPMENT STAGE ENTERPRISE)

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CD RADIO INC. AND SUBSIDIARY
(A DEVELOPMENT STAGE ENTERPRISE)
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

<TABLE>
<CAPTION>

	Three months end		Six months ended		For the period May 17,1990 (date of inception) to June 30,
	June 30, 1997	June 30, 1996	June 30, 1997	June 30, 1996	1997
<S>	<C>	<C>	<C>	<C>	<C>
Revenue	$ -	$ -	$ -	$ -	$ -
Expenses:					
Legal, consulting and regulatory fees	1,009,110	347,495	1,245,751	575,169	8,494,715
Other general and administrative	566,250	330,151	846,915	611,832	8,379,678
Research and development	15,434	24,576	35,058	52,477	1,951,413
Write-off of investment in Sky-Highway Radio Corp.	-	-	-	-	2,000,000
Total expenses	1,590,794	702,222	2,127,724	1,239,478	20,825,806
Other income (expense)					
Interest income	1,237,003	20,099	1,297,684	45,389	1,626,356
Interest expense	(34)	(4,903)	(4,945)	(9,820)	(171,395)

	1,236,969	15,196	1,292,739	35,569	1,454,961
Net loss	$ (353,825)	$ (687,026)	$ (834,985)	$ (1,203,909)	$(19,370,845)
Net loss per common share	$ (4.23)	$ (0.07)	$ (4.28)	$ (0.13)	
Weighted average common shares outstanding	10,313,114	9,322,471	10,307,255	9,385,781	

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements

CD RADIO INC. AND SUBSIDIARY
(A DEVELOPMENT STAGE ENTERPRISE)
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

<TABLE>
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ASSETS	June 30, 1997	December 31, 1996
<S>	<C>	<C>
Current assets:		
Cash and cash equivalents	$ 30,184,349	$ 4,583,562
Interest receivable and other	447,141	9,368
Total current assets	30,631,490	4,592,930
Property and equipment in service, at cost:		
Technical equipment	254,200	254,200
Office equipment and other	93,720	89,220
Demonstration equipment	38,664	38,664
	386,584	382,084
Less accumulated depreciation	(233,118)	(213,344)
	153,466	168,740
Satellite construction in process	6,500,000	-
Other assets		
Launch deposit	3,420,000	-
FCC license deposit	16,669,200	-
Designated cash	66,676,800	-
Other deposits	303,793	303,793
Total other assets	87,069,793	303,793
Total assets	$ 124,354,749	$ 5,065,463
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 187,172	$ 131,118
Other	20,082	20,174
Total current liabilities	207,254	151,292
Deferred rent and other	5,743	15,795
Total liabilities	212,997	167,087
Commitments and contingencies		
5% Delayed Convertible Preferred Stock, $0.001 par value; 8,000,000 shares authorized, 5,400,000 shares issued and outstanding at June 30, 1997 (liquidation preference of $136,400,000), at net carrying value	111,855,311	

	June 30, 1997	December 31, 1996
Stockholders' equity:		
Preferred stock, $0.001 par value, 50,000,000 shares authorized; 8,000,000 shares designated as 5% Delayed Convertible Preferred Stock		
Common stock, $0.001 par value; 200,000,000 shares authorized; 10,313,391 and 10,300,391 shares issued and outstanding at June 30, 1997 and December 31, 1996, respectively	10,313	10,300
Additional paid-in capital	75,424,923	23,423,936
Subscription receivable	(465,450)	-
Deficit accumulated during the development stage	(62,683,345)	(18,535,860)
Total stockholders' equity	12,286,441	4,898,376
Total liabilities and stockholders' equity	$ 124,354,749	$ 5,065,463

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements

CD RADIO INC. AND SUBSIDIARY
(A DEVELOPMENT STAGE ENTERPRISE)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

<TABLE>
<CAPTION>

<S>	Six months ended June 30, 1997 <C>	Six months ended June 30, 1996 <C>	For the period May 17,1990 (date of inception) to June 30, 1997 <C>
Cash flows from operating activities:			
Net loss	$ (834,985)	$ (1,203,909)	$(19,370,845)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	19,774	26,885	243,817
Write off of investment in Sky-Highway Radio Corp.	-	-	2,000,000
Compensation expense in connection with issuance of stock options	-	160,000	1,715,500
Common stock issued for services rendered	-	222,731	901,576
Common stock options granted for services rendered	-	-	119,820
Increase (decrease) in cash and cash equivalents resulting from changes in assets and liabilities:			
Interest receivable and other	(437,773)	4,713	(447,141)
Due to related party	-	-	350,531
Deposits	-	-	303,793)
Accounts payable and accrued expenses	56,054	57,405	262,411
Other liabilities	(10,144)	(12,995)	25,825
Net cash used in development stage activities	(1,207,074)	(745,170)	(14,502,299)
Cash flows from investing activities:			
Payments for satellite construction	(6,500,000)	-	(6,500,000)
Advance payment for launch services	(3,420,000)	-	(3,420,000)

License fee payments to the FCC	(16,669,200)	-	(16,669,200)
Designated cash	(66,676,800)	-	(66,676,800)
Capital expenditures	(4,500)	-	(397,283)
Acquisition of Sky-Highway Radio Corp.	-	-	(2,000,000)
	------------	------------	------------
Net cash used in investing activities	(93,270,500)	-	(95,663,283)
	------------	------------	------------
Cash flows from financing activities:			
Proceeds from issuance of units and common stock	-	-	14,557,482
Proceeds from issuance of preferred stock	120,052,361	-	120,052,361
Proceeds from exercise of stock warrants	-	211,800	4,589,088
Proceeds from issuance of promissory notes	-	-	200,000
Proceeds from issuance of promissory notes to related parties	-	-	2,965,000
Proceeds from exercise of stock options by Company employees	26,000	105,000	181,000
Repayment of promissory note	-	-	(200,000)
Repayment of promissory notes to related parties	-	-	(2,435,000)
Loan from officer	-	-	440,000
Deferred offering costs	-	-	-
	------------	------------	------------
Net cash provided by financing activities	120,078,361	316,800	140,349,931
	------------	------------	------------
Net increase (decrease) in cash and cash equivalents	25,600,787	(428,370)	30,184,349
Cash and cash equivalents at the beginning of period	4,583,562	1,799,814	-
	------------	------------	------------
Cash and cash equivalents at the end of period	$ 30,184,349	$ 1,371,444	$ 30,184,349
	============	============	============

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements

CD RADIO INC. AND SUBSIDIARY
(A DEVELOPMENT STAGE ENTERPRISE)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 1997
(UNAUDITED)

GENERAL

The accompanying consolidated financial statements do not include all of the information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles. In the opinion of management, all adjustments (consisting only of normal, recurring adjustments) considered necessary to fairly reflect the Company's consolidated financial position and consolidated results of operations have been included.

SATELLITE CONSTRUCTION

In March 1997, the Company extended its satellite construction contract with Space Systems/Loral ("Loral") and amended the contract to allow Loral to commence work associated with the program schedule. In April 1997 the Company made its first payment of $6.5 million under this agreement.

BROADCAST LICENSE

In April 1997, the Federal Communications Commission held an auction for two national satellite radio broadcast licenses. The Company was the winning bidder in such auction for one of these licenses (the "FCC License") with a bid price of $83.3 million. Of the total bid price, $16.7 million has been deposited with the FCC, with the remainder due within 10 business days following the public notice by the FCC that it is prepared to award the license. The Company has classified $66.7 million as designated cash in the June 30, 1997 balance sheet reflecting the balance due the FCC if and when the license is awarded.

PRIVATE PLACEMENT

In April 1997, the Company completed a private placement of its 5% Delayed Convertible Preferred Stock (the "5'% Preferred Stock"). The Company sold a total of 5.4 million shares of the 5% Preferred Stock for an aggregate sale price of $135 million. In connection with the private placement, the Company paid $10.1 million in fees to its placement agent, Libra Investments, Inc. ("Libra"), and $2.7 million to Batchelder & Partners, Inc., a financial advisory firm. In addition, the Company agreed to grant a warrant to Libra to purchase 486,000 shares of the 5% Preferred Stock with an exercise price of $25.00 per share. As a result of the private placement, options to purchase 200,000 shares of Common Stock held by Batchelder & Partners, Inc. vest and become exercisable for three years with an exercise price of $6.25. Reference is made to the Company's report on Form 8-K filed May 5, 1997 for a description of the terms of the 5% Preferred Stock.

SUBSEQUENT EVENTS

On July 22, 1997, the Company entered into two loan agreements (collectively the "AEF Agreements") with Arianespace Finance S.A. ("AEF"), a subsidiary of Arianespace S.A. ("Arianespace"), to finance approximately $105 million of the estimated $176 million price of the launch services to be provided by Arianespace. Under these agreements, the Company is able to borrow funds to meet the progress payments due to Arianespace for the construction of each launch vehicle and other launch costs (the "Loans"). The Company has the opportunity upon satisfying a variety of conditions specified in the AEF Agreements to extend the Loans. Otherwise, if not refinanced, the Company will be required to repay the Loans in full, together with accrued interest and all fees and other amounts due, approximately three months before the applicable launch date. The AEF Agreements impose restrictions on the Company's ability to permit liens on certain assets of the Company, other than liens in favor of AEF. If the loans are extended, the Company will be subject to provisions restricting its ability to incur additional indebtedness or make investments.

On August 5, 1997, Loral agreed to an amendment to the Company's satellite construction contract under which Loral agreed defer for three years $20 million in payments to be made by the Company in connection with the contract. In addition, on the same date, Loral's parent company, Loral Space & Communications Ltd., purchased from the Company 1.9 million shares of common stock for $25 million.

NET LOSS PER COMMON SHARE

Net loss per common share has been computed based on the weighted average number of common and common equivalent shares outstanding. Common equivalent shares representing the common shares that would be issued on conversion of convertible securities and exercise of outstanding stock options and warrants reduced by the number of shares which could be purchased from the related exercise proceeds are not included since their effect would be anti-dilutive.

The net loss attributable to common stockholders has been adjusted for deemed dividends. The deemed dividend relates to the discount feature associated with the Company's 5% Delayed Convertible Preferred Stock, computed in accordance with the SEC's position on accounting for preferred stock which is convertible at a discount to the market. The discount, which totaled approximately $52 million, will be recognized as a return to the 5% Delayed Convertible Preferred Stock shareholders over the period April 1997 through July 1997, which is the minimum period in which the shareholders can realize that return.

	3 months ended June 30, 1997	6 months ended June 30, 1997
Net loss	$ (353,825)	$ (834,985)
Deemed dividends on preferred stock	(43,312,500)	(43,312,500)
Net loss attributable to common stockholders	($43,666,325)	($44,147,485)
Per common share:		
Net loss	$ (.03)	$ (.08)
Deemed dividends on on preferred stock	(4.20)	(4.20)
Net loss attributable to common stockholders	$ (4.23)	$ (4.28)

For reporting periods ending after December 15, 1997, the Company will be required to report earnings (loss) per share in accordance with Statement of Financial Accounting Standards No. 128, "Earnings Per Share" ("SFAS 128"). As long as the Company continues to experience net losses, there will be no material impact on the Company's net loss per share from adoption of SFAS 128.

CD RADIO INC. AND SUBSIDIARY
(A DEVELOPMENT STAGE ENTERPRISE)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

CD Radio Inc. was founded in 1990 to pioneer and commercialize a compact disc quality, multi-channel radio service broadcast directly from satellites to vehicles and is in its development stage. The Company's principal activities to date have included technology development, pursuing regulatory approval for CD Radio, market research, design, development, contract negotiations with satellite and launch vehicle contractors, technical efforts with respect to standards, and securing adequate financing for working capital and capital expenditures. The Company does not expect to derive any revenues from operations prior to the commercial launch of CD Radio, which is expected to occur no earlier than the end of 1999. The Company has incurred substantial losses to date and expects to incur substantial losses until at least a year after the commercial launch of CD Radio. The Company will require substantial additional capital to complete development and commence commercial operations.

Upon commencing commercial operations, the Company expects its primary source of revenues to be monthly subscription fees. The Company currently anticipates that its subscription fee will be approximately $10 per month to receive CD Radio broadcasts, with a one time, modest activation fee per subscriber. To receive the service, subscribers will need to purchase a radio card or S-band radio and a miniature satellite dish antenna. The Company does not intend to manufacture these products and thus will not receive any revenues from their sale. Although the Company holds patents covering certain technology to be used in the radio cards, S-band radios and satellite dish antennas, the Company expects to license its technology to manufacturers at no charge. As the number of subscribers to CD Radio increases, the Company may also derive revenues from producers of sports, news and talk programming for providing national distribution of their programming to subscribers.

The Company expects that the operating expenses associated with commercial operations will consist primarily of costs to acquire programming; costs to maintain and operate its satellite broadcasting system and studio; sales, general and administrative costs; and royalties paid for rights to programming (calculated based on a percentage of revenue). Costs to acquire programming are expected to include payments to build and maintain an extensive music library and royalty payments for broadcasting music. Sales, general and administrative costs are expected to consist primarily of advertising costs, salaries of studio personnel, program hosts, technical staff, rent and other administrative expenses. The Company expects that the number of its employees will increase from 10 to approximately 100 by the time it commences commercial operations.

In addition to funding initial operating losses, the Company will require funds for working capital, interest and financing costs on borrowings and capital expenditures. The Company's interest expense will increase significantly as a result of its financing plan. However, a substantial portion of its planned indebtedness will not require cash payments of interest and principal for some time.

RESULTS OF OPERATIONS

The Company recorded net losses of $835,000 and $1,204,000 for the six months ended June 30, 1997 and 1996, respectively, and $354,000 and $687,000 for the three months ended June 30, 1997 and 1996, respectively. The Company's total operating expenses were $2,128,000 and $1,239,000 for the six months ended June 30, 1997 and 1996, respectively, and were $1,591,000 for the three months ended June 30, 1997 compared to $702,000 for the three months ended June 30, 1996.

Legal, consulting and regulatory fees increased for the six months ended June 30, 1997 to $1,246,000 from $575,000 for the six months ended June 30, 1996, and increased to $1,009,000 from $347,000 for the three months ended June 30, 1997 and 1996, respectively. These levels of expenditures are the result of increased activity since winning an auction for a national satellite radio broadcast license (the "FCC License") conducted by the Federal Communications Commission in April 1997.

Research and development costs were $35,000 and $52,000 for the six months ended June 30, 1997 and 1996, respectively, and $15,000 and $25,000 for the three months ended June 30, 1997 and 1996, respectively. The Company completed the majority of such activities in 1994.

Other general and administrative expenses increased for the six months ended June 30, 1997 to $847,000 from $612,000 for the six months ended June 30, 1996 and to $566,000 from $330,000 for the three months ended June 30, 1997 and 1996, respectively. General and administrative expenses are expected to continue to increase as the Company continues to develop its business. The Company also incurred a non-cash charge of $160,000 for the six month period ended June 30, 1996, attributable to the recognition of compensation expense in connection with stock options issued to officers of the Company.

The increase in interest income to $1,298,000 for the six months ended June 30, 1997, from $45,000 in the six months ended June 30, 1996 and to $1,237,000 from $20,000 for the three months ended June 30, 1997 and 1996, respectively, was the result of a higher average cash balance during the second quarter of 1997. The cash and cash equivalents on hand were primarily obtained from the preferred stock offering in April 1997.

LIQUIDITY AND CAPITAL RESOURCES

At June 30, 1997, the Company had working capital of approximately $30,424,000 compared to $4,442,000 at December 31, 1996. The increase in working capital was primarily the result of remaining cash proceeds from the preferred stock offering in April 1997. Approximately $66.7 million of the proceeds from the preferred stock offering have been classified as designated cash reflecting the balance due the FCC if and when the FCC License is awarded.

The Company is the winning bidder for one of two FCC Licenses with a winning bid of $83.3 million, of which $16.7 million has been paid as a deposit. The Company would be required to pay the balance of the winning bid assuming petitions to deny the license are dismissed. In order to finance the payment of the purchase price for the FCC License and for

working capital prior to the completion of subsequent financings, the Company completed a private placement of $135 million of the 5% Preferred Stock, of which $12.8 million was paid in commissions and fees to its placement agent and a financial advisor, and $1.7 million was paid in commitment fees to the investors. The Company has also commenced satellite construction with Space Systems/Loral.

The Company estimates that the total cost of the construction and launch of the Company's satellites, the commencement of CD Radio and cash reserves required for the first year of service will be at least $500 million. The amount and timing of cash payments vary based on payment terms under the Company's satellite and launch contracts.

On July 22, 1997, the Company entered into two loan agreements (collectively the "AEF Agreements") with Arianespace Finance S.A. ("AEF"), a subsidiary of Arianespace S.A. ("Arianespace"), to finance approximately $105 million of the estimated $176 million price of the launch services to be provided by Arianespace. Under these agreements, the Company is able to borrow funds to meet the progress payments due to Arianespace for the construction of each launch vehicle and other launch costs (the "Loans"). The Company has the opportunity upon satisfying a variety of conditions specified in the AEF Agreements to extend the Loans. There can be no assurance that the Company will be able to satisfy these conditions. Otherwise, if not refinanced, the Company will be required to repay the Loans in full, together with accrued interest and all fees and other amounts due, approximately three months before the applicable launch date. The AEF Agreements impose restrictions on the Company's ability to permit liens on certain assets of the Company, other than liens in favor of AEF. If the loans are extended, the Company will be subject to provisions restricting its ability to incur additional indebtedness or make investments.

On August 5, 1997, Loral agreed to an amendment to the Company's satellite construction contract under which Loral agreed defer for three years $20 million in payments to be made by the Company in connection with the contract. In addition, on the same date, Loral's parent company, Loral Space & Communications Ltd., purchased from the Company 1.9 million shares of common stock for $25 million.

The Company believes that its working capital is sufficient to maintain its construction schedule approximately through November 1997 and to fund operations through the second quarter of 1998. There can be no assurance, however, that the Company's actual cash requirements will not be greater than currently anticipated. The Company intends to seek additional financing through the issuance of debt and equity securities. However, there can be no assurance that the Company will be able to obtain additional financing on favorable terms, if at all, or that such financing will be available in a timely manner. If additional financing were not available on a timely basis, the Company would be required to delay satellite and/or launch vehicle construction in order to conserve cash to fund continued operations, which would cause delays in the commencement of operations and increased costs.

The terms of the 5% Preferred Stock financing require that additional financings be pari passu or junior to the 5% Preferred Stock in seniority, structure and maturity until the Company completes a public offering of Common Stock that meets certain specified criteria.

The Company's estimates of the cost of commencing CD Radio, its cash requirements and the adequacy of its current cash resources to satisfy its cash requirements through December 1997 and the second quarter of 1998 are forward-looking statements that involve a number of risks and uncertainties that could cause actual events to differ materially from those anticipated by the Company. The estimates assume that service will commence in late 1999 and do not include interest costs or any payments that may be required to holders of the 5% Preferred Stock as the result of failure to satisfy certain requirements under the terms of the 5% Preferred Stock financing in a timely manner. The amount and timing of the Company's actual cash requirements will depend upon numerous factors, including costs associated with the construction and deployment of its satellite system and the rate of growth of its business subsequent to commencing service, costs of financing and the possibility of unanticipated expenses. Additional funds would be required in the event of delay, cost overruns, launch failure, launch services or satellite system change orders, or any shortfalls in estimated levels of operating cash flow, or to meet unanticipated expenses.

PART II

OTHER INFORMATION

Item 1. Legal Proceedings - None

Item 2. Changes in Securities

In March 1997, the Board of Directors authorized for issuance 8 million shares of 5% Delayed Convertible Preferred Stock (the "5% Preferred Stock'). For a description of the 5% Preferred Stock, see "Description of Securities" contained on the Form 8-K filed by the Company on May 5, 1997, which is incorporated by reference herein in its entirety. In April 1997, the Company sold an aggregate of 5.4 million shares of the 5% Preferred Stock at $25.00 per share to 51 institutional investors, each of which the Company believes to be an "accredited investor"' within the meaning of Rule 502(a) of Regulation D under the Securities Act. In connection with the private placement, the Company paid $10.1 million in fees to its placement agent, Libra Investments, Inc. ("Libra"), a commitment fee of $1.7 million to the investors and $2.7 million to Batchelder & Partners, Inc., a financial advisory firm. In addition, the Company agreed to grant a warrant to Libra to purchase 486,000 shares of the 5% Preferred Stock with an exercise price of $25.00 per share. As a result of the private placement, options previously granted to purchase 200,000 shares of Common Stock held by Batchelder & Partners, Inc. vest and become exercisable for three years with an exercise price of $6.25. The sale of the 5% Preferred Stock was exempt from registration pursuant to Section 4(2) of the Securities Act and Rule 506 of Regulation D thereunder.

Item 3. Defaults upon Senior Securities - None

Item 4. Submission of Matters to a Vote of Security Holders - None

Item 5. Other Information - None

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

<TABLE>
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EXHIBIT NUMBER	DESCRIPTION
<S>	<C>
*3.1	Amended and Restated Certificate of Incorporation.
*3.2	Amended and Restated By-Laws.
3.3	Certificate of Designations of 5% Delayed Convertible Preferred Stock Incorporated by reference to Exhibit 10.24 to the Form 10-K/A for the year ended December 31, 1996 (the " 1996 Form 10-K")).
*4.1	Description of Capital Stock contained in the Amended and Restated Certificate of Incorporation and Certificate of Designations (see Exhibits 3.1 and 3.3).
*4.2	Description of Rights of Security Holders contained in the Amended and Restated Bylaws (see Exhibit 3.2).

</TABLE>

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EXHIBIT NUMBER	DESCRIPTION
<S>	<C>
*4.3	Form of Certificate for Shares of Common Stock.
10.1	Lease Agreement, dated October 20, 1992, between 22nd & K Street Office Building Limited Partnership and the Company (Incorporated by reference to Exhibit 10.3 to the Company's Registration Statement on Form S-1 (File No. 33-74782) (the "Registration Statement")).
10.2	Letter Agreement, dated November 18, 1992, between the Company and Batchelder & Partners, Inc. (Incorporated by reference to Exhibit 10.4 to the Registration Statement).
10.3.1	Proprietary Information and Non-Competition Agreement, dated February 9, 1993, for Robert Briskman (Incorporated by reference to Exhibit 10.9.1 to the Registration Statement).
10.3.2	Amendment No. 1 to Proprietary Information and Non-Competition Agreement between the Company and Robert Briskman (Incorporated by reference to Exhibit 10.8.2 to the Registration Statement).
+10.4.1	Satellite Construction Agreement, dated March 2, 1993, between Space Systems/Loral and the Company (Incorporated by reference to Exhibit 10.9.1 to the Registration Statement).
+10.4.2	Amendment No. 1 to Satellite Construction Agreement, effective December 28, 1993, between Space Systems/Loral and the Company (Incorporated by reference to Exhibit 10.9.2 to the Registration Statement).
+10.4.3	Amendment No. 2 to Satellite Construction Agreement, effective March 8, 1994, between the Space Systems/Loral and the Company (Incorporated by reference to Exhibit 10.9.3 to the Registration Statement).
10.4.4	Amendment No. 3 to Satellite Construction Agreement, effective February 12, 1996, between the Space System/Loral, Inc. and the Company (Incorporated by reference to Exhibit 10.9.4 to the Company's Annual Report on Form 10-K for the year ended December 31, 1995 (the "1995 Form 10-K")).
10.4.5	Amendment No. 4 to Satellite Construction Agreement, effective June 18, 1996, between the Space Systems/Loral, Inc. and the Company. (Incorporated by reference to Exhibit 10.8.5 to the Company's Form 10-Q for the period ended September 30, 1996.)
10.4.6	Amendment No. 5 to Satellite Construction Agreement, effective August 26, 1996, between the Space Systems/Loral, Inc. and the Company. (Incorporated by reference to Exhibit 10.8.6 to the Company's Form 10-Q for the period ended September 30, 1996).
10.4.7	Amendment No. 6 to Satellite Construction Agreement, effective August 26, 1996, between the Space System/Loral, Inc. and the Company (Incorporated by reference to Exhibit 10.5.7 to the 1996 Form 10-K.
10.4.8	Amendment No. 8 to Satellite Construction Agreement, effective January 29, 1997, between the Space System/Loral, Inc. and the Company (Incorporated by reference to Exhibit 10.5.8 to the 1996 Form 10-K.
10.4.9	Amendment No. 9 to Satellite Construction Agreement, effective February 26, 1997, between the Space System/Loral, Inc. and the Company (Incorporated by reference to Exhibit 10.5.9 to the 1996 Form 10-K.
10.4.10	Amendment No. 11 to Satellite Construction Agreement, effective March 24, 1997, between the Space Systems/Loral, Inc., and the Company (Incorporated by reference to Exhibit 10.5.10 to the 1996 Form 10-K.
10.4.11	Amendment No. 12 to Satellite Construction Agreement, effective April 25, 1997, between the Space Systems/Loral, Inc. and the Company (Incorporated by reference 10.4.11 to the Company's Form 10-Q/A for the period ended March 31, 1997).
10.4.12	Amendment No. 13 to Satellite Construction Agreement, effective May 30, 1997, between the Space Systems/Loral, Inc. and the Company.
10.4.13	Amendment No. 14 to Satellite Construction Agreement, effective June 30, 1997, between the Space Systems/Loral, Inc. and the Company.
10.5	Assignment of Technology Agreement, dated April 15, 1993, between Robert Briskman and the Company (Incorporated by reference to Exhibit 10.10 to the Registration Statement).
10.6	Amended and Restated Option Agreement between the Company the Robert Briskman (Incorporated by reference Exhibit 10.13 to Registration Statement).
10.7	Employment and Noncompetition Agreement between the Company and Joseph Capobianco (Incorporated by reference to Exhibit 10.17 to the Company's Form 10-Q/A for the period ended March 31, 1997).
10.8	Employment and Noncompetition Agreement between the Company and Keno Thomas (Incorporated by reference to Exhibit 10.18 to the Company's Form 10-Q/A for the period ended March 31, 1997).
11.1	Computation of Net Loss Per Share
27	Financial Data Schedule

</TABLE>

* Incorporated by reference to the same exhibit number of the Company Registration Statement on Form S-1, Commission File No. 33-74782.

+ Portions of these exhibits, which are incorporated by reference to Registration No. 33-74782, have been omitted pursuant to an Application for Confidential Treatment filed by the Company with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

(b) Reports on Form 8-K

On March 17, 1997, the Company filed a report on Form 8-K under Item 5 regarding the terms of the FCC auction scheduled for April 1, 1997.

On March 18, 1997, the Company filed a report on Form 8-K under Item 5 regarding the extension of the satellite construction contract with Space Systems/Loral, Inc.

On April 10, 1997, the Company filed a report on Form 8-K under Item 5 and Item 7 regarding the private placement of approximately $86 million of the 5% Preferred Stock.

On May 5, 1997, the Company filed a report on Form 8-K under Item 5 regarding the completion of the second tranche of the private placement of the 5% Preferred Stock resulting in an aggregate sale price for the first and second tranches of $135 million. The Form 8-K also contained a description of the capital stock of the Company.

SIGNATURES

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

CD Radio Inc.
(Registrant)

Date: August 14, 1997

/s/David Margolese

David Margolese
Chief Executive Officer
(Duly authorized officer and
principal financial officer)

EXHIBIT 10.4.12

AMENDMENT NO. 13
TO
CONTRACT NO. SS/L-TP93002-01
AND
SPACE SYSTEMS/LORAL
FOR
DELIVERY OF CD RADIO DARS SYSTEM

THIS CONTRACT AMENDMENT NO. 13 (the "Amendment") is entered into effective as of the 30th day of May, 1997, between CD RADIO INC. (the "Purchaser") and SPACE SYSTEMS/LORAL, INC. (the "Contractor").

WHEREAS, Contractor and Purchaser are parties to Contract No. SS/L-TP93002-01 dated March 2, 1993, as amended by the parties thereto, most recently pursuant to Contract Amendment No. 12 dated April 25, 1997 (as so amended, the "Contract"),

WHEREAS, Contractor and Purchaser desire to amend the Contract,

NOW, THEREFORE, in consideration of the mutual covenants and conditions in this Amendment and in the Agreement, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The page from the Contract, attached to this Amendment as Exhibit A and incorporated herein by reference, are hereby substituted for existing pages in the Contract, in their entirety, as follows:

Existing Page (Remove)	Replacement Page (Attached)
71	71

2. All capitalized terms in this Amendment, not otherwise defined herein, shall have the meanings ascribed to them in the Contract.

3. The Contract, as modified by the express terms of this Amendment, is hereby ratified and affirmed by Purchaser and Contractor, and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment effective as of the date first above written.

CONTRACTOR:	PURCHASER:
SPACE SYSTEMS/LORAL, INC.	CD RADIO INC.
By: /s/ R.A. Haley	By: /s/ R.D. Briskman
Name: R. A. Haley	Name: R. D. Briskman
Title: Vice President & CFO	Title: President

EXHIBIT A - AMENDMENT 13

ARTICLE 44 AGREEMENT EXPIRATION

It is agreed between the Parties that if CD Radio Inc. has not been granted a license and construction permit from the Federal Communication Commission by the end of June 30, 1997, then the provisions of this Contract shall become null and void, and the Parties shall have no further obligation whatsoever to each other, and no financial obligation shall exist by either Party to the other Party.

AMENDMENT NO. 14
TO
CONTRACT NO. SS/L-TP93002-01
AND
SPACE SYSTEMS/LORAL
FOR
DELIVERY OF CD RADIO DARS SYSTEM

THIS CONTRACT AMENDMENT NO. 14 (the "Amendment") is entered into effective as of 30 June 1997, between CD RADIO INC. (the "Purchaser") and SPACE SYSTEMS/LORAL, INC. (the "Contractor").

WHEREAS, Contractor and Purchaser are parties to Contract No. SS/L-TP93002-01 dated March 2, 1993, as amended by the parties thereto, most recently pursuant to Contract Amendment No. 13 dated 30 May, 1997 (as so amended, the "Contract"),

WHEREAS, Contractor and Purchaser desire to amend the Contract,

NOW, THEREFORE, in consideration of the mutual covenants and conditions in this Amendment and in the Agreement, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The page from the Contract, attached to this Amendment as Exhibit A and incorporated herein by reference, are hereby substituted for existing pages in the Contract, in their entirety, as follows:

Existing Page (Remove)	Replacement Page (Attached)
71	71

2. All capitalized terms in this Amendment, not otherwise defined herein, shall have the meanings ascribed to them in the Contract.

3. The Contract, as modified by the express terms of this Amendment, is hereby ratified and affirmed by Purchaser and Contractor, and shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment effective as of the date first above written.

CONTRACTOR:		PURCHASER:	
SPACE SYSTEMS/LORAL, INC.		CD RADIO INC.	
By:	/s/ R.A. Haley	By:	/s/ R.D. Briskman
Name:	R. A. Haley	Name	R. D. Briskman
Title:	Vice President & CFO	Title:	Pres., CD Radio Systems

EXHIBIT A - AMENDMENT 14

ARTICLE 44 AGREEMENT EXPIRATION

It is agreed between the Parties that if CD Radio Inc. has not been granted a license and construction permit from the Federal Communications Commission by the end of July 31, 1997, the provisions of this Contract shall become null and void, and the Parties shall have no further obligation whatsoever to each other, and no financial obligations shall exist by either Party to the other Party.

EXHIBIT 11.1

CD RADIO INC.
(A DEVELOPMENT STAGE ENTERPRISE)
COMPUTATION OF NET LOSS PER SHARE

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	Three months ended		Six months ended	
	June 30, 1997	June 30, 1996	June 30, 1997	June 30, 1996
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Net loss	($353,825)	($687,026)	($834,985)	($1,203,909)
Deemed dividend on preferred stock	(43,312,500)	-	(43,312,500)	-
Net loss attributable to common shareholders	$ (43,666,325)	($687,026)	$ (44,147,485)	($1,203,909)
Weighted average common shares outstanding	10,313,114	9,322,471	10,307,255	9,385,781
Net loss per common share	($4.23)	($0.07)	($4.28)	($0.13)

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