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For Immediate Release

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XM Satellite Radio Taps Telos, Omnia for Major Studio Project

CLEVELAND, OHIO May 16, 2000 — When XM Satellite Radio signs on 100 channels of live satellite radio this time next year, each channel will benefit from the Omnia-3's ability to precisely sculpt a station's signature sound to suit its format.

In addition, a complex stream of live callers will be managed with ease, thanks to the Telos Series 2101 Multiline Broadcast Telephone System.

XM Satellite has ordered the 2101 and over 100 new Omnia-3 processors from Telos Systems and Cutting Edge, Cleveland-based makers of professional digital telephony systems and state-of-the-art digital audio, to provide sophisticated solutions for XM's new all-digital Programming Center, currently under construction in the heart of Washington, DC.

Beginning in the first half of 2001, XM will beam up to 100 channels of digital-quality music, news, sports, talk and children's programming directly from its two powerful satellites to vehicle, home and portable XM-Ready radios coast-to-coast for \$9.95 a month. The core of XM's programming will consist of original channels created and produced by its in-house production team located in its new state-of-the-art facility.

XM will employ the Telos' Series 2101 to manage its multiple on-air callers, which will comprise an important part of its unique brand of radio, according to Tony Masiello, VP Of Broadcast Operations.

(More)

XM Radio Chooses Telos And Cutting Edge / Add One

"The approach is really unique for satellite radio; we will provide a high level of interaction with listeners, and it also raises the level of complexity for our phone equipment," Masiello explained. "That's why we chose the Telos Series 2101; it's the only one we've found capable of handling the wide variety of simultaneous calls we are anticipating. Plus, Telos has a lot of experience with radio in general, and particularly this kind of live radio."

XM Satellite will process its channels using the new Omnia-3 digital audio processor--the newest member of the Omnia family--from Cutting Edge. Masiello said that Omnia-3 will help XM's channels sculpt a signature sound tailored to its each channel's unique format.

"We want to enhance the characteristics of each channel to give it a signature sound, so that the urban channel will sound like an urban station, jazz will sound like jazz and so on," Masiello said. "The Omnia-3 has the ability to do this and still sound pristine."

XM Satellite Radio is a joint venture of the largest radio group owners in the U.S. and is planning its service launch for the second quarter of next year. When XM Satellite is operational, it will be the first all-digital satellite radio service providing popular music and talk formats and live radio programming features like contests and call-in requests.

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Telos Systems is a leading manufacturer of ISDN, digital network and telephone interface products for talk-show programming, call-in radio segments, teleconferencing, audio production, remote broadcasts, and internet applications. Telos is headquartered in Cleveland, Ohio, with satellite operations throughout the US as well as Canada and Europe. To find out more about Telos Systems, call +1 (216) 241-7225, or browse www.telos-systems.com

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