

XM SATELLITE RADIO HOLDINGS INC

Form 425

March 02, 2007

Filed by Sirius Satellite Radio Inc.  
Pursuant to Rule 425 under the  
Securities Act of 1933 and deemed filed  
pursuant to Rule 14a-12 under the  
Securities Exchange Act of 1934

Subject Company: XM Satellite Radio Holdings Inc.  
Commission File No.: 0-27441

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

The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in the forward-looking statement: general business and economic conditions; the performance of financial markets and interest rates; the ability to obtain governmental approvals of the transaction on a timely basis; the failure of SIRIUS and XM stockholders to approve the transaction; the failure to realize synergies and cost-savings from the transaction or delay in realization thereof; the businesses of SIRIUS and XM may not be combined successfully, or such combination may take longer, be more difficult, time-consuming or costly to accomplish than expected; and operating costs and business disruption following the merger, including adverse effects on employee retention and on our business relationships with third parties, including manufacturers of radios, retailers, automakers and programming providers. Additional factors that could cause SIRIUS and XM's results to differ materially from those described in the forward-looking statements can be found in SIRIUS and XM's Annual Reports on Form 10-K for the year ended December 31, 2006, which are filed with the Securities and Exchange Commission (the SEC) and available at the SEC's Internet site (<http://www.sec.gov>). The information set forth herein speaks only as of the date hereof, and SIRIUS and XM disclaim any intention or obligation to update any forward looking statements as a result of developments occurring after the date of this communication.

Important Additional Information Will be Filed with the SEC

This communication is being made in respect of the proposed business combination involving SIRIUS and XM. In connection with the proposed transaction, SIRIUS plans to file with the SEC a Registration Statement on Form S-4 containing a Joint Proxy Statement/Prospectus and each of SIRIUS and XM plans to file with the SEC other documents regarding the proposed transaction. The definitive Joint Proxy Statement/Prospectus will be mailed to stockholders of SIRIUS and XM. **INVESTORS AND SECURITY HOLDERS OF SIRIUS AND XM ARE URGED TO READ THE JOINT PROXY**

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**STATEMENT/PROSPECTUS AND OTHER DOCUMENTS FILED WITH THE SEC CAREFULLY IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION.**

Investors and security holders will be able to obtain free copies of the Registration Statement and the Joint Proxy Statement/Prospectus (when available) and other documents filed with the SEC by SIRIUS and XM through the web site maintained by the SEC at [www.sec.gov](http://www.sec.gov). Free copies of the Registration Statement and the Joint Proxy Statement/Prospectus (when available) and other documents filed with the SEC can also be obtained by directing a request to Sirius Satellite Radio Inc., 1221 Avenue of the Americas, 36<sup>th</sup> Floor, New York, NY 10020, Attention: Investor Relations or by directing a request to XM Satellite Radio Holdings Inc., 1500 Eckington Place, N.E. Washington, DC 20002, Attention: Investor Relations.

SIRIUS, XM and their respective directors and executive officers and other persons may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information regarding SIRIUS directors and executive officers is available in its Annual Report on Form 10-K for the year ended December 31, 2006, which was filed with the SEC on March 1, 2007, and its proxy statement for its 2006 annual meeting of stockholders, which was filed with the SEC on April 21, 2006, and information regarding XM's directors and executive officers is available in XM's Annual Report on Form 10-K, for the year ended December 31, 2006, which was filed with the SEC on March 1, 2007 and its proxy statement for its 2006 annual meeting of stockholders, which was filed with the SEC on April 25, 2006. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the Joint Proxy Statement/Prospectus and other relevant materials to be filed with the SEC when they become available.

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The following is an advertisement first run on March 2, 2007.

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Over 130 channels of 100% commercial-free music, the best sports and of course, Howard Stern. COMEDY the best radio Just Keeps GettinG better on february 19th, iRiUS and XM announced 2007, S So, we thought we d take this What if I RiUS and MeRge and My Satellite XM ShoUld I Wait Until afteR the MeRgeR to Radio get Seven R than it bette Ready al S'i getiRiUS? S USt tellMe. J This is what we like to call a win-win. If you Are you kidding? Well, if you like sign up for SIRIUS now, you re getting The Best Radio listening to the same CDs for a on Radio see the trademark there, it s official. with your mp3 player while driving Now if we merge, well my goodness, you ll have yourself something with even more crazy to wait. It will only get great stuff. It s hard to imagine having so much day. We guarantee that existing to listen to, but that s the goal here your happiness. obsolete in a post-merger world, up a mix of programming from both okay, So I Sign Up, yoU MeRge, and then yoU cancel all My favorite ShoWS, Right? oh i get So yoU Re going it, MeRge and to No. We ll change some things that overlap when we combine, then Jack Up the Rice, Right? Sneaky. p surely, but the truly unique programming you love There are plenty of sources of that stays. We ll also continue to bring in new for your attention out there, so celebs and shows and music and more. attract and keep listeners. Any be honored by the merged company. Will My cURRent iRiUS Radio continUe to S WoRk afteR the MeRgeR, R aReyoU gUyS o So Which SeRvice ShoUld i go With no W, going Make Me Mad? to pRe-MeRgeR?and don tJUSTSay SiRiUS We would NEVER upset our 12 million listeners like that. becaUse yoU Re SiRiUS. We GUARANTEE that NO SIRIUS radio will Well, we certainly have an opinion, become obsolete after a merger with XM. Sure, we ll speak for us: SIRIUS programming always come out with new radios, but we also won t leave our choice in satellite radio. There s listeners out in the cold. radio on radio. We create the programming all the time. For more information, or to sign up for SIRIUS today, visit [sirius.com](http://sirius.com). WelcoMetothebeSt Radioon Radio. The subject matter discussed in this communication will be addressed in a Joint Proxy Statement/Prospectus to be filed with the Securities and Exchange Commission. Stockholders are urged to read the Joint Proxy Statement/Prospectus regarding the proposed transaction when it becomes available, because it will contain important information. Stockholders will be able to obtain a free copy of the Joint Proxy Statement/Prospectus, as well as other filings containing information about SIRIUS and XM, without charge, at the Securities and Exchange Commission s Internet site <http://www.sec.gov>. Copies of the Joint Proxy Statement/Prospectus and the Securities and Exchange Commission filings that will be incorporated may be obtained by directing a request to Sirius Satellite Radio Inc., 1221 Avenue of the Americas, New York, NY 10020, Attention: Investor Relations, or to XM Satellite Radio Holdings Inc., 1500 Eckington Place, NE Washington, DC 20002, Attention: Investor Relations. Information regarding SIRIUS and XM s directors and executive officers and other participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be available in the Joint Proxy Statement/Prospectus. © 2007 SIRIUS Satellite Radio Inc. SIRIUS , the SIRIUS dog logo and related marks are trademarks of SIRIUS Satellite Radio Inc. The NFL Shield design is a registered trademark of the National Football League. The NBA silhouette logo is a registered trademark of NBA Properties, Inc. NASCAR® is a registered trademark of the National Association for Stock Car Auto Racing, Inc. Prices and programming content are subject to change. Month-to-month subscriptions must be activated via telephone.