

Forward Looking Statements

In the presentations and in related comments by General Motors' management, we will use words like "expect," "anticipate," "estimate," "forecast," "initiative," "objective," "plan," "goal," "project," "outlook," "priorities," "target," "intend," "evaluate," "pursue," "seek," "may," "would," "could," "should," "believe," "potential," "continue," "designed," or "impact" to identify forward-looking statements that represent our current judgments about possible future events. We believe these judgments are reasonable, but GM's actual results may differ materially due to a variety of important factors. Among other items, such factors include: the ability of GM to realize production efficiencies, to achieve reductions in costs as a result of the turnaround restructuring and health care cost reductions and to implement capital expenditures at levels and times planned by management; the pace of product introductions; market acceptance of the Corporation's new products; significant changes in the competitive environment and the effect of competition in the Corporation's markets, including on the Corporation's pricing policies; our ability to maintain adequate liquidity and financing sources and an appropriate level of debt; changes in the existing, or the adoption of new, laws, regulations, policies or other activities of governments, agencies and similar organizations where such actions may affect the production, licensing, distribution or sale of our products, the cost thereof or applicable tax rates; costs and risks associated with litigation; the final results of investigations and inquiries by the SEC and other governmental agencies; changes in our accounting principles, or their application or interpretation, and our ability to make estimates and the assumptions underlying the estimates, including the range of estimates for the Delphi pension benefit guarantees, which could result in an impact on earnings; changes in relations with unions and employees/retirees and the legal interpretations of the agreements with those unions with regard to employees/retirees and the successful completion of a collective bargaining agreement; negotiations and bankruptcy court actions with respect to Delphi's obligations to GM, negotiations with respect to GM's obligations under the pension benefit guarantees to Delphi employees, and GM's ability to recover any indemnity claims against Delphi; labor strikes or work stoppages at GM or its key suppliers such as Delphi or financial difficulties at GM's key suppliers such as Delphi; additional credit rating downgrades and the effects thereof; factors affecting GMAC's results of operations and financial condition such as credit ratings, interest rates, the housing market, adequate access to the capital, changes in the residual value of off-lease vehicles, changes in U.S. government-sponsored mortgage programs or disruptions in the markets in which our mortgage subsidiaries operate, and changes in its contractual servicing rights; shortages of and price increases for fuel; changes in economic conditions, commodity prices, such as steel and other raw materials, currency exchange rates or political stability in the markets in which we operate; the effects of transactions or alliances entered into by one or more of our competitors; currency exchange rates or political instability in the markets in which we operate; and general economic conditions, in particular stability of consumer confidence.

The most recent annual reports on Form 10-K and quarterly reports on Form 10-Q filed by GM and GMAC provide information about these factors, which may be revised or supplemented in future reports to the SEC on those forms.



Europe

GME Turnaround – Progress in 2006

Jonathan Browning

*GM Europe VP, Sales, Marketing & Aftersales
Chairman – Vauxhall Motors*

Agenda

- European industry overview
- GM Europe performance
 - The road back to improved performance
 - How the recent improvements were achieved
 - Sales strategy: channel mix
 - Remarketing and boosting residual value
 - Multi-brand synergies
 - Recent and current launches
 - Growth markets

GM Europe Turnaround

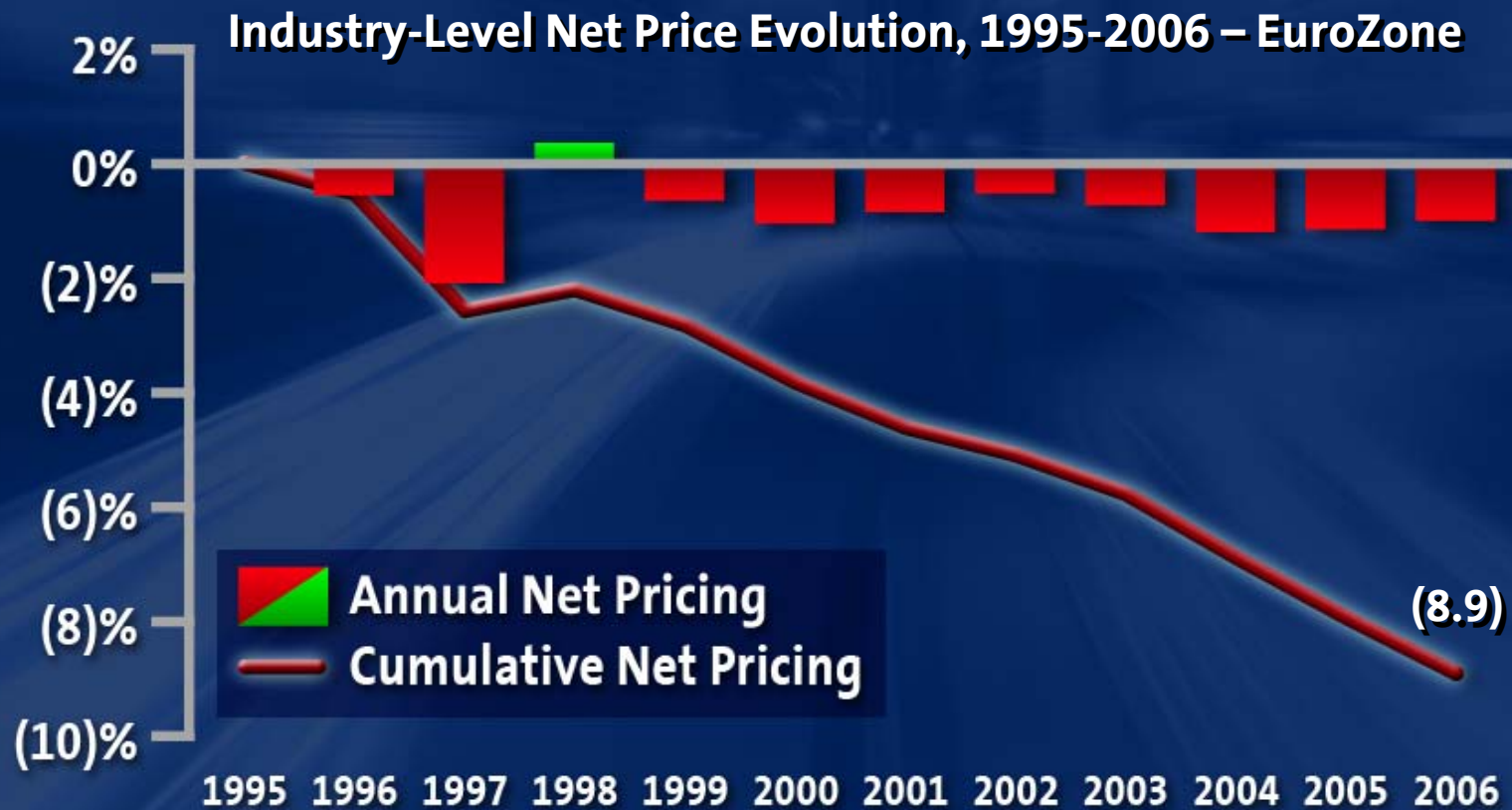
- GM Europe = 22% of GM's global vehicle sales
- European turnaround program started in 2000
- Balanced between structural cost reduction and revenue/contribution margin increase
 - Successful labor negotiations improved plant and workforce flexibility
 - Headcount in Europe cut by 30% since 2000 (from 88,000 to 60,000 employees)
 - Product portfolio completely overhauled
 - Improved measured and perceived quality of vehicles
 - Focused on revenue and margin improvement

Overall European Market Observations

- Moderate global economic expansion underway heading into 2007
- Western European growth is near-trend levels
- Industry demand a record 21.7 million units in 2006
- Stable industry fundamentals for 2007
- Segment growth at low-end and premium
- “Mix” pressures
- Regulatory/policy pressures continue to drive costs

General Industry Negative Pricing Trend Continues

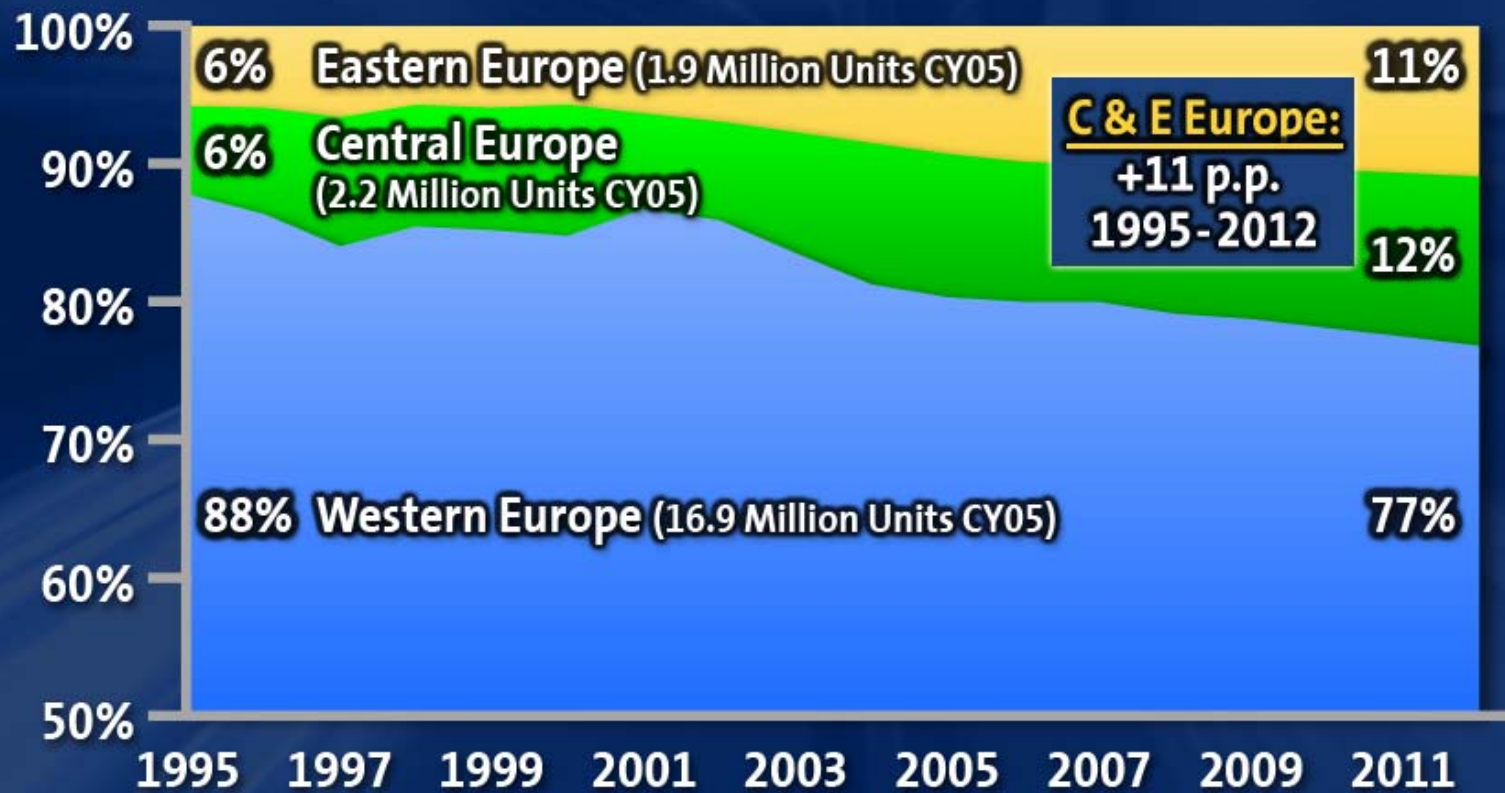
Real, Equipment Adjusted Car-price Decline Accelerates in 2004-06



Source: European Commission

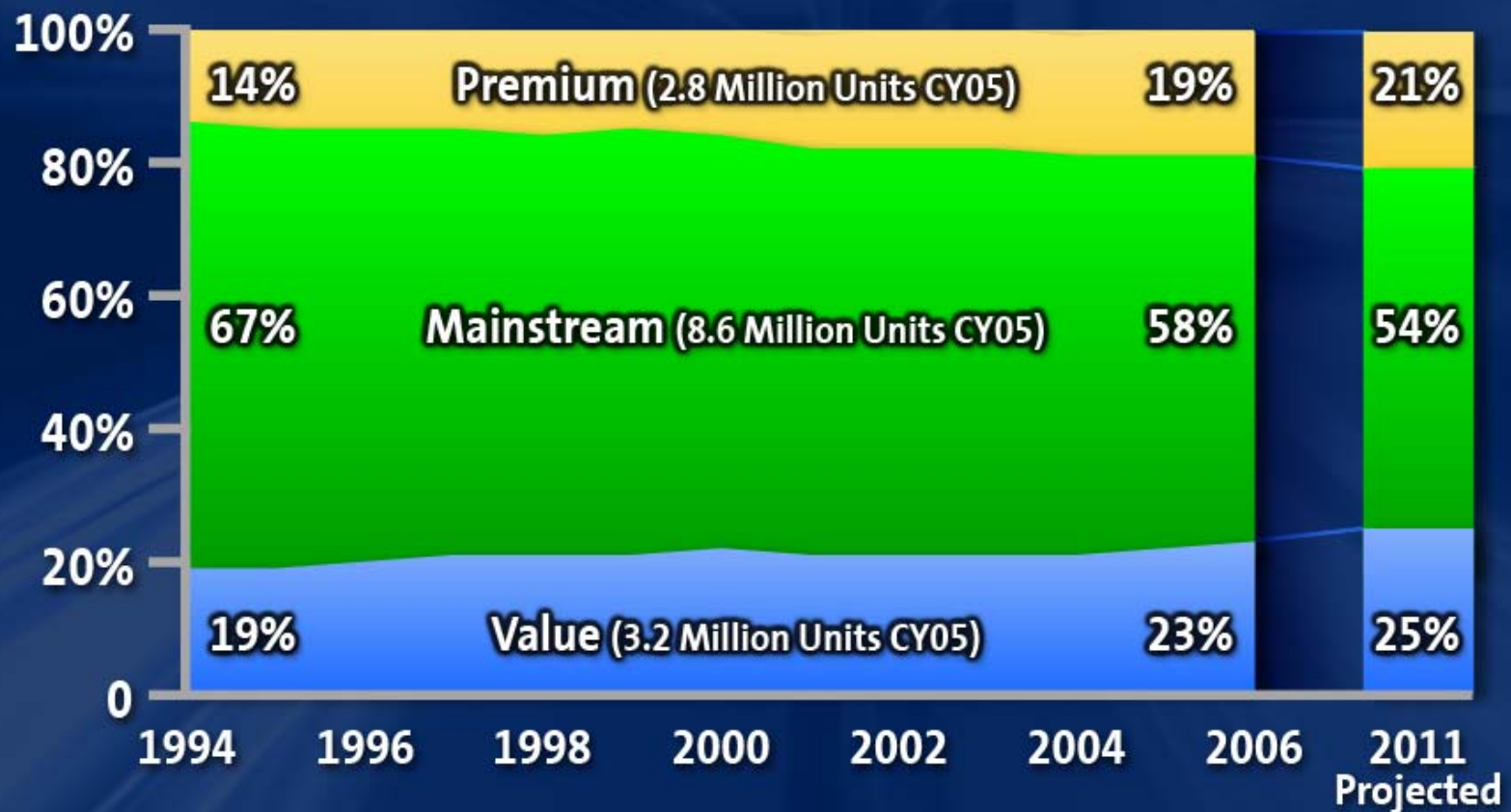
Eastward Sales Shift – Pressure on Margins

Total European Industry, Share of Sales by Sub-Region



Pressure From Premium and Value Markets

Western Europe Passenger Cars by Sub-Segment

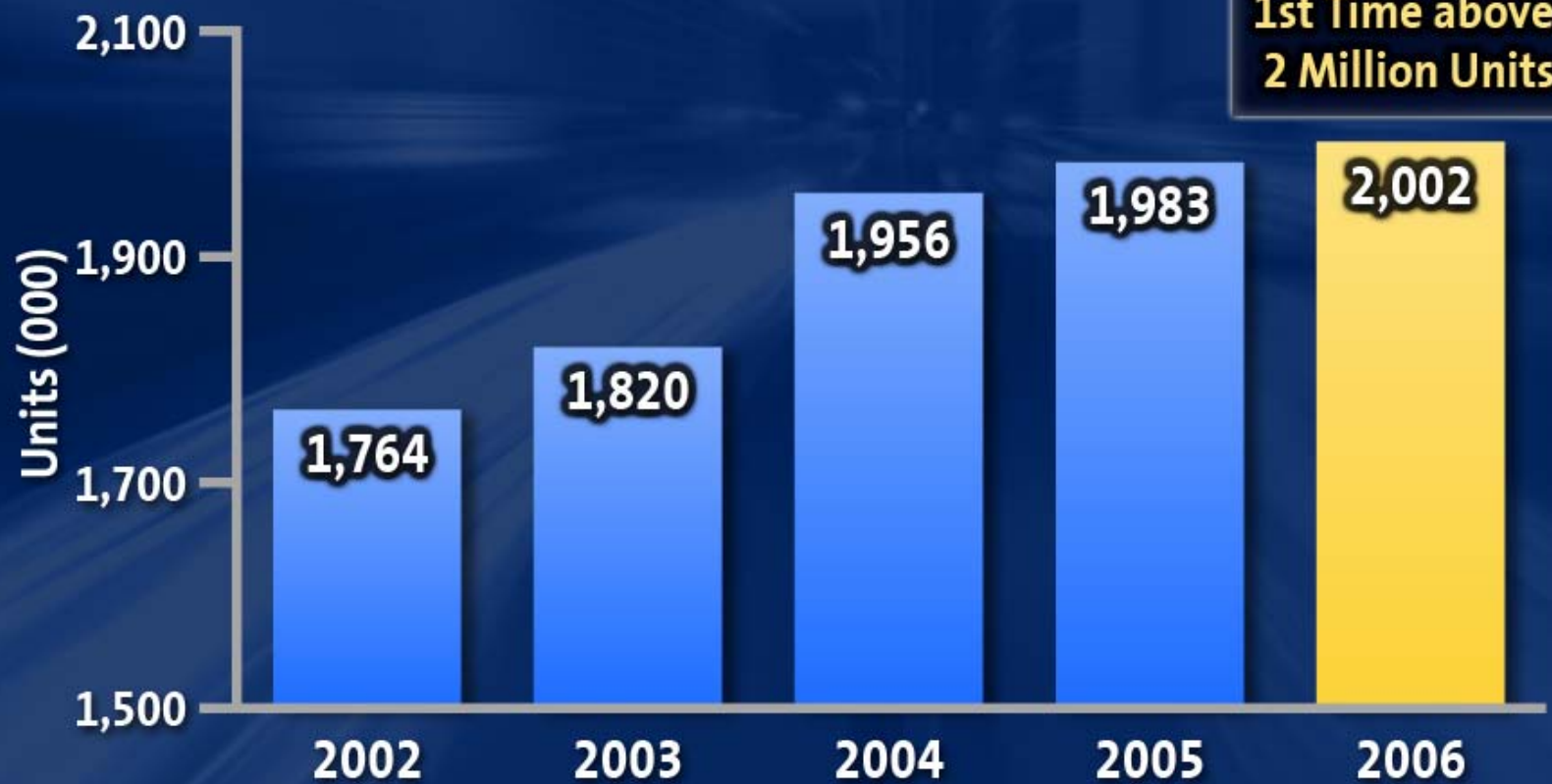


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Increasing Sales in Total Europe

GME Registrations



Brand Positioning



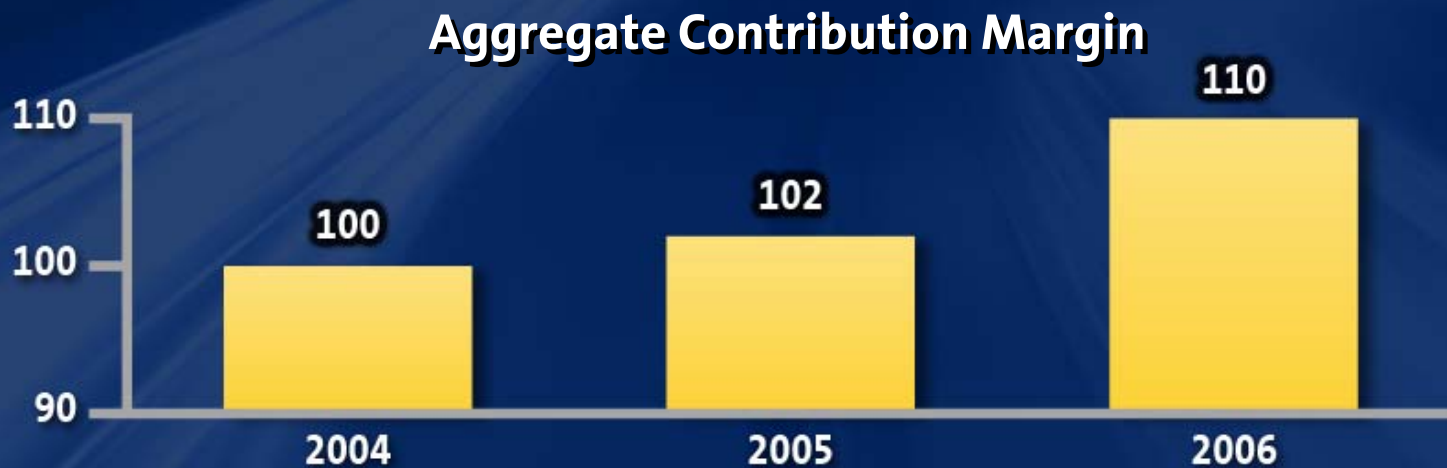
Source: SIGMA EuroSensor 2006

2006 Sales Results

- Record sales of +2 million vehicles
- Sales growth in Eastern Europe (+59%)
- Record sales volume for both Saab (up 10%) and Chevrolet (up 16%)
 - Saab volume up in all major markets
 - Chevrolet Russia +67%
- Opel/Vauxhall – focus on profitable sales
 - Zafira/Meriva monocab #1, beating Renault; Zafira volume up 27%
- Cadillac up 22% vs. 2005
- Aftersales net sales growth 6%

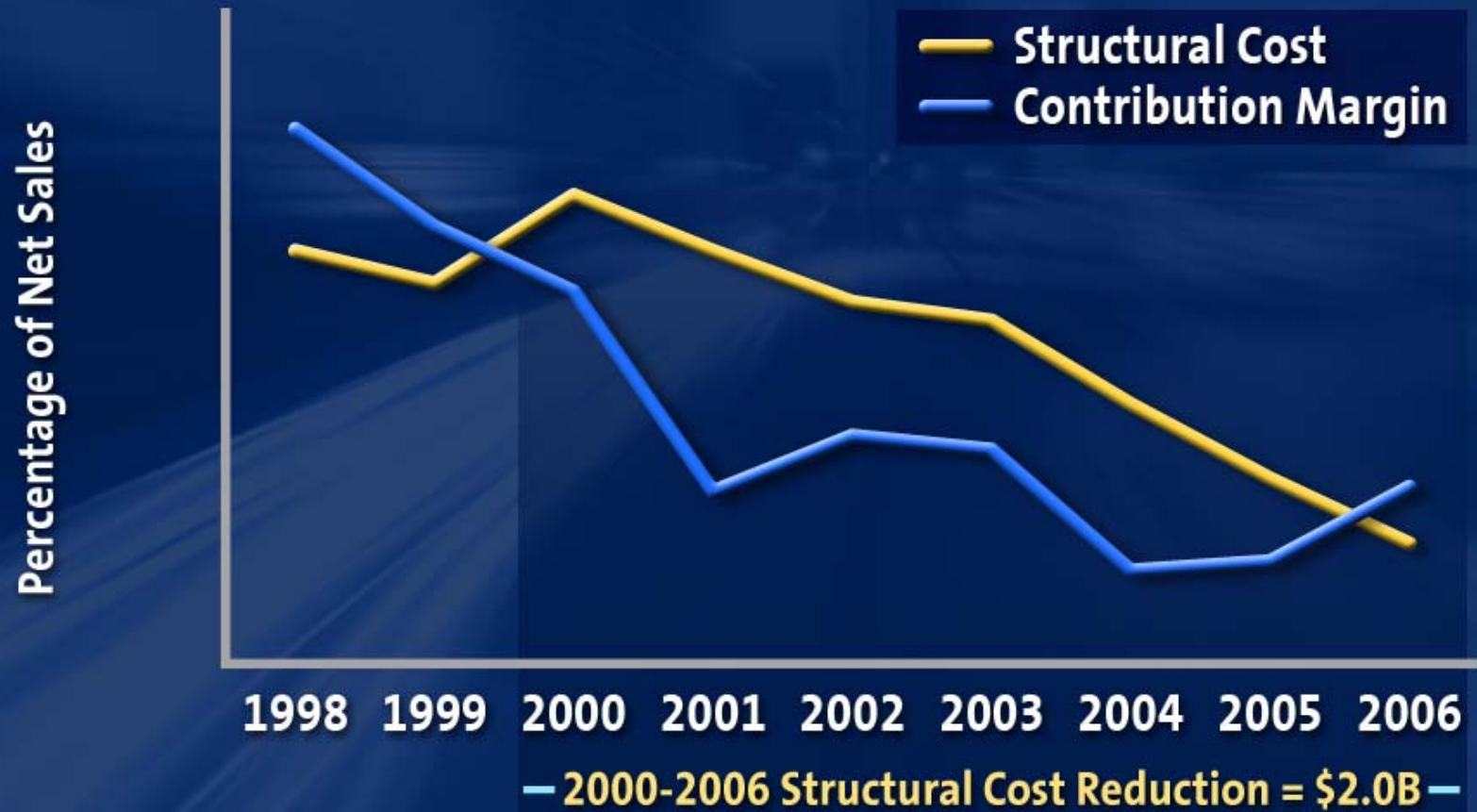
GME Revenue and Aggregate Contribution Margin Development

Index: 2004 = 100%



Total GME (Opel/Vauxhall, SAAB, and Parts & Accessories) excluding Powertrain and allied exports.

Contribution Margin and Structural Cost



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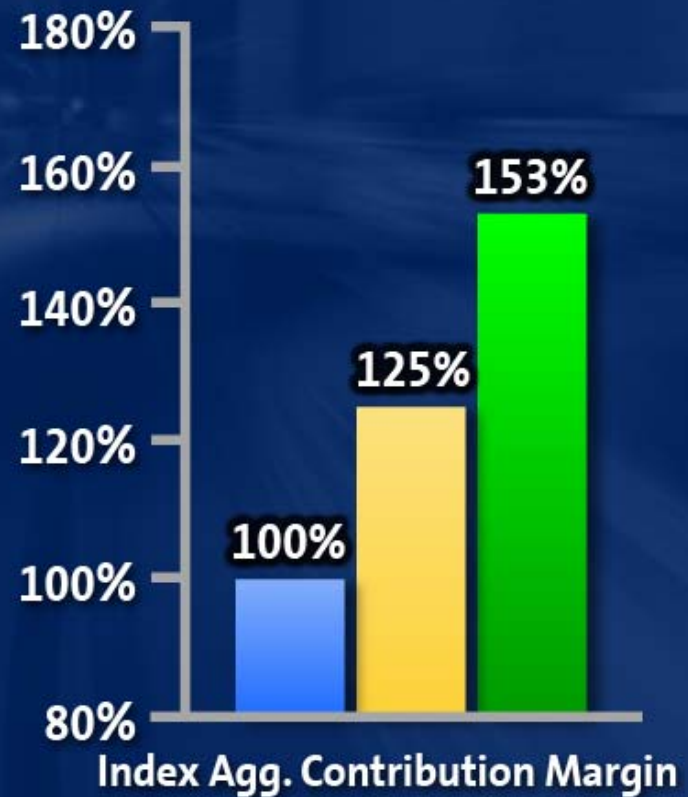
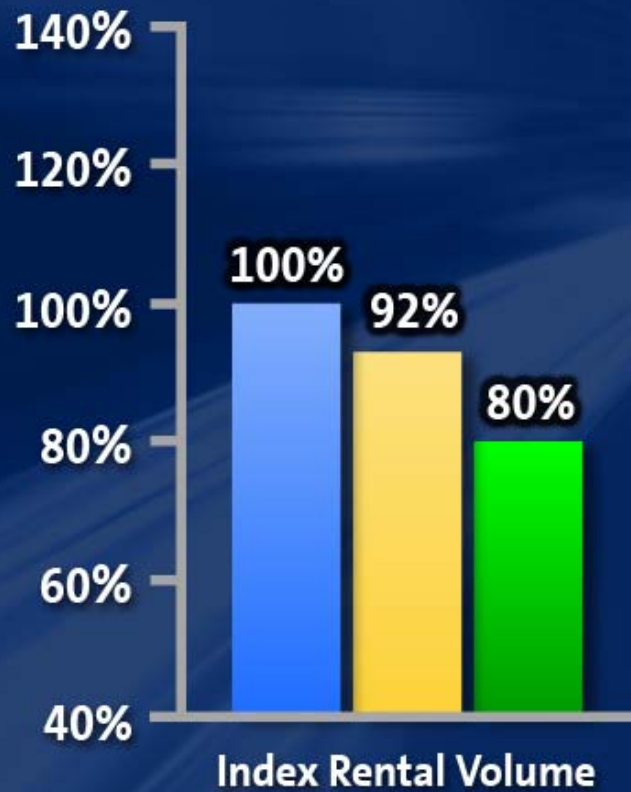
Re-engineered Fleet Strategy

- Profitable business growth
 - Growth in high yield B2B and leasing
 - Benefit from new model introductions
 - Rebalancing fleet channel mix towards more profitable areas
- Rental and remarketing
 - Increased revenue via price increase and reduced sales allowances
 - Rebalancing of model mix and volumes across markets/customers
 - Improved remarketing for better residual values and significantly lower stocks
- Further improvements are being forecasted for 2007

Benefits of Rebalancing Fleet Mix

Index 2004 = 100

2004 2005 2006



Astra GTC – Contribution Margin Case Study

- Design excellence, bold pricing and communications
- GTC Average Transaction Price is €21,200; €1,850 above 5-dr; €4,800 above predecessor 3-dr
- Strong conquest from Audi A3 as well as Golf and Focus
- Increased market share from 0.33% in 2004 to 0.42% in 2006
- Increased volume from 68,129 cars in 2004 to 88,279 cars in 2006

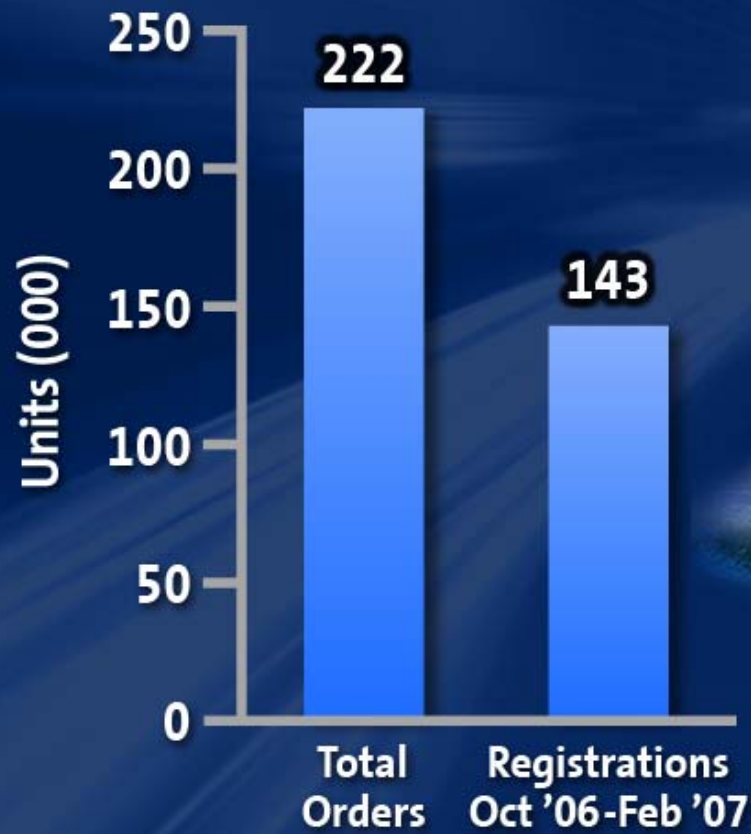


Remarketing and Residual Value Strategy

- Great product design and quality
- Controlled supply
- Investment in used vehicle capability
- Managed used vehicle launches

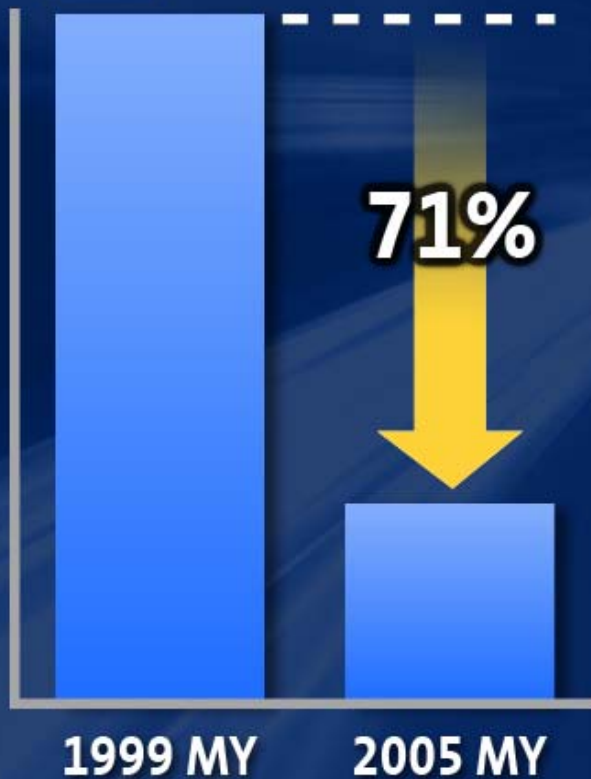
New Corsa – #1 in European Small Segment

Market Performance

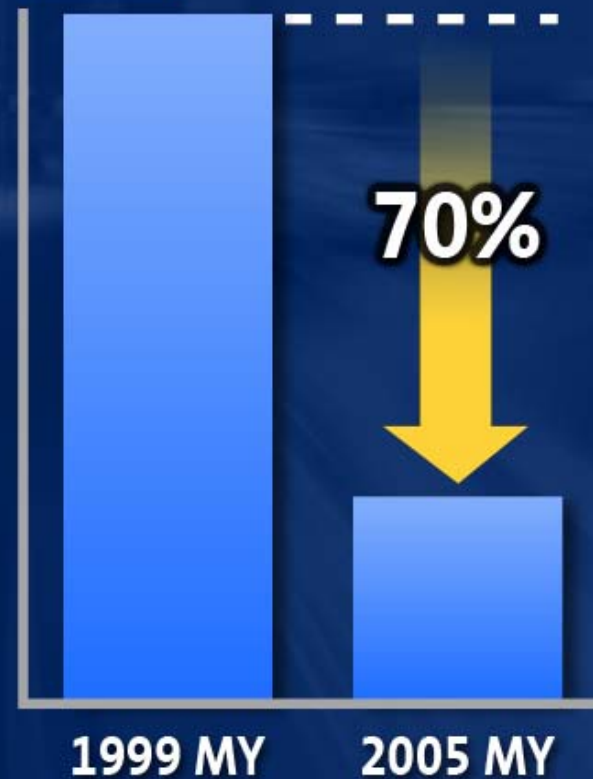


Quality – Sharply Lower Warranty Claims

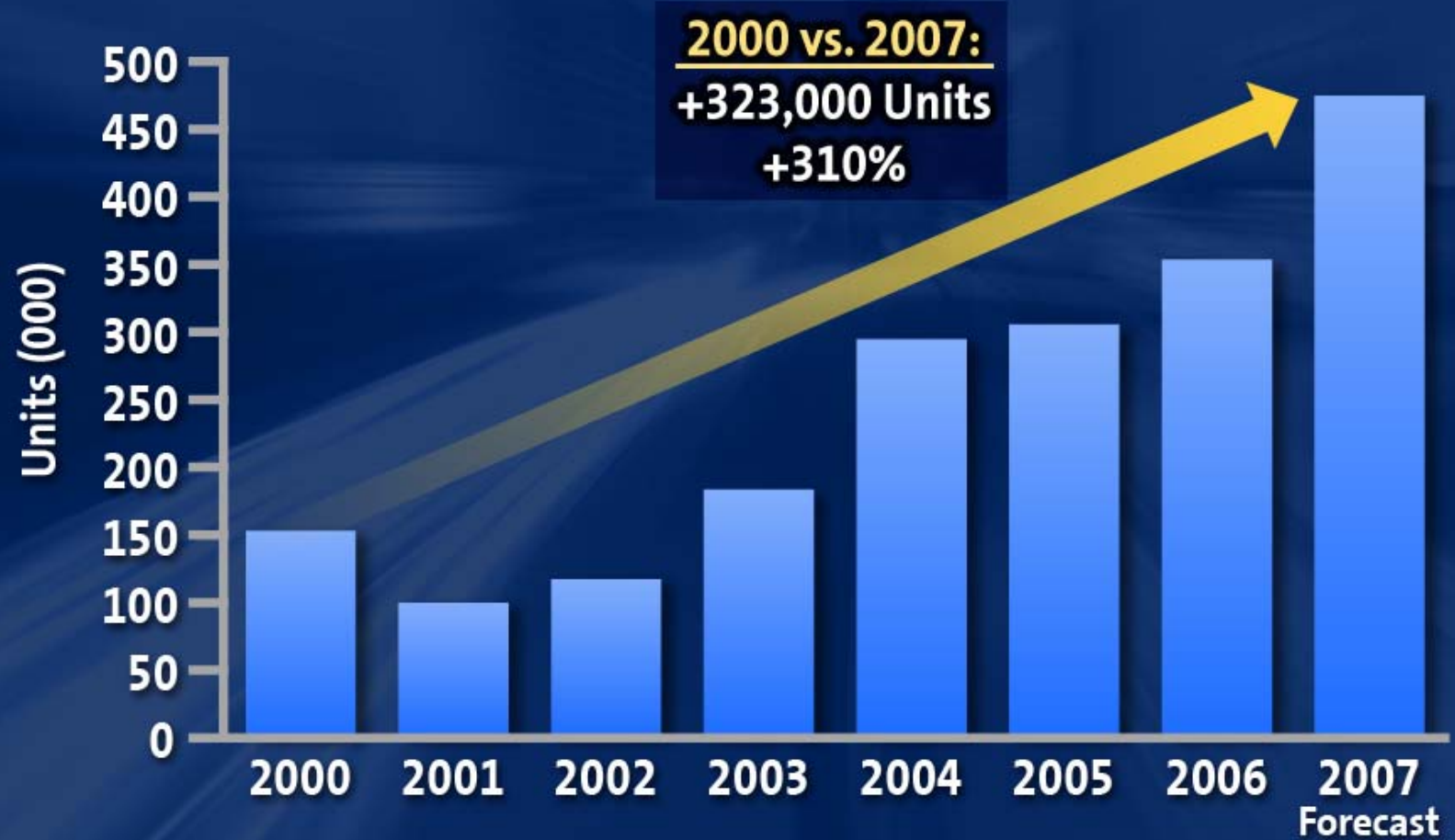
One Year Old Cars



Three Year Old Cars



GM Volume in Central and Eastern Europe



Aggressively Pursuing Growth Opportunities in Russian Market



In Summary

- GM Europe turnaround progressing but not complete
- Positive sales momentum – first year above 2 million units
- Revenue side of business has contributed >50% of recent turnaround progress
- Rapid growth in Central and Eastern Europe
- Brands are getting stronger

