

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



Troy Clarke

Group Vice President &
President, GM North America

Topics

- 2006 U.S. Industry/Economics
- 2006 GMNA Achievements
- 2007 U.S. Industry/Economics
- 2007 GMNA Next Steps

U.S. Industry/Economics -- 2006

Industry sales totaled 17.1 million units

- Modest decline from 2005
- Headwinds from housing market
- Competitive pressures remain intense
- Positive mix shift in 2nd half of the year

GMNA Turnaround Plan -- 2006

- **Product Excellence**
- **Revitalize sales and marketing strategy**
- **Significantly reduce cost, improve quality**
- **Address health care/legacy cost burden**

Revitalize Sales and Marketing Strategy

2006 Results

- Retail sales SAAR 2006 at 3.0 million, right at target
- U.S. market share in 2006 was 24.2%
 - Down 1.7 pts for the calendar year
- Incentives 2006 down \$700 per unit year-on-year

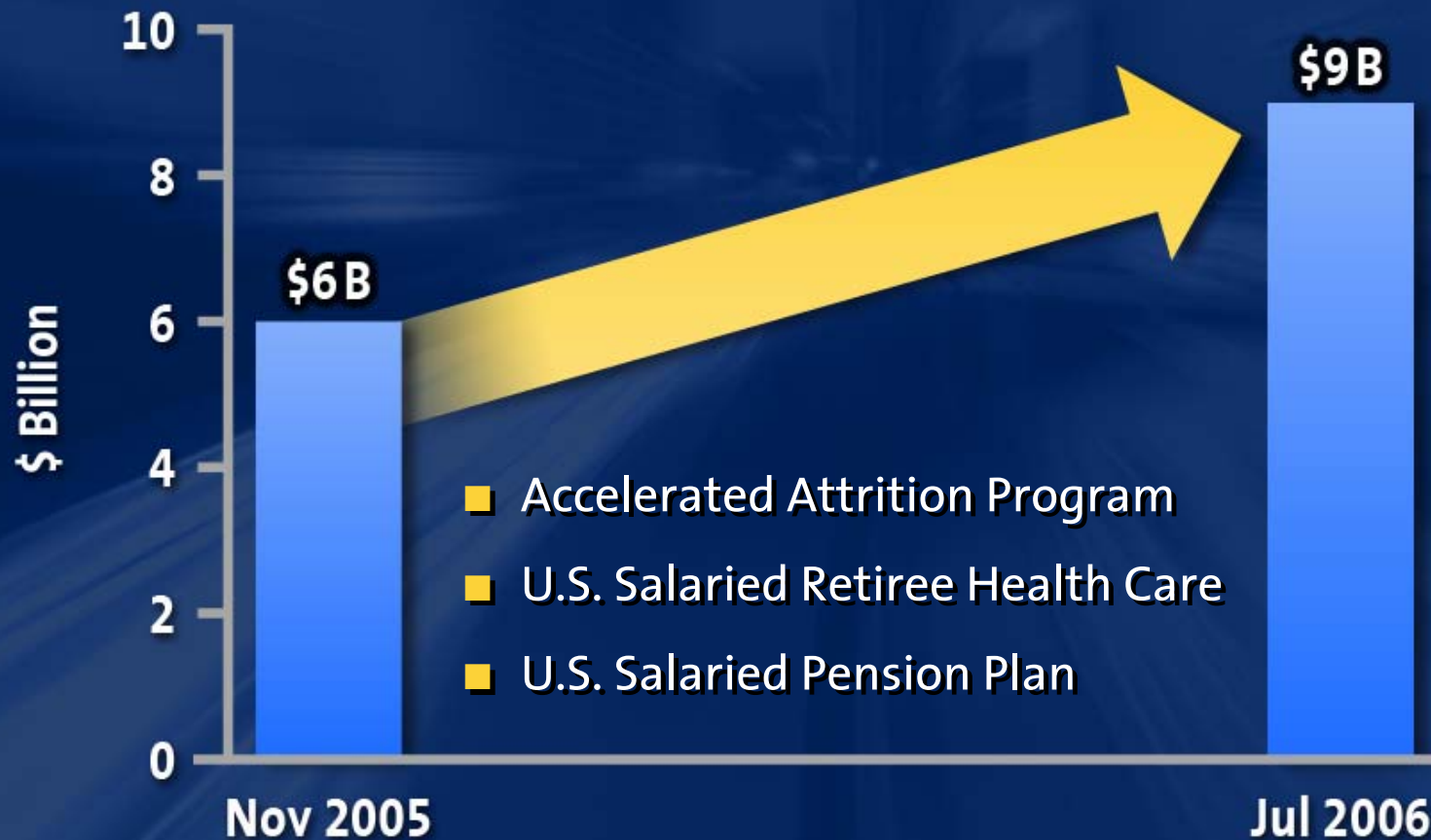
Revitalize Sales and Marketing Strategy

2006 Results

- Daily rental sales 2006 down 75,000 year-on-year
 - On track with turnaround plan to reduce daily rental
- Average vehicle transaction prices up 2%
- Residual values up in 5 of 8 segments

***Excellent Discipline to Strategy in 2006,
Despite Headwinds***

\$9B Structural Cost Reduction* - - Approximately \$6B in 2006 CY



* GMNA Average Annual Running Rate Target – Includes North American costs accounted for in Corp Sector. Includes impact of amortization of VEBA contributions

GMNA Turnaround Results

<i>Adjusted Net Income</i>	2006	2006 F/(U) 2005
Q1	\$(462)M	\$1.05B
Q2	\$(85)M	\$1.05B
Q3	\$(367)M	\$1.34B
Thru Q3	\$(914)M	\$3.44B

U.S. Industry/Economics -- 2007

- 2007 industry sales expected to be 17.0 million units
- Key risks in 2007 remain largely unchanged
 - Crude oil prices, monetary tightening, declining housing market activity
- Opportunities in 2007
 - Anticipated positive mix shift
 - Average transaction prices expected to hold

GMNA Turnaround Plan -- 2007

- **Product Excellence**
- **Revitalize sales and marketing strategy**
- **Significantly reduce cost, improve quality**
- **Address health care/legacy cost burden**

Revitalize Sales and Marketing Strategy

Overview

- Focus and strengthen all divisional brands
- Go to market based on product excellence and industry-leading value
- Enhance focus on major markets
- Become a consistent world-class retail channel
- Improve customer service retention to drive vehicle repurchase loyalty

2007 Revenue & Aggregate Contribution

Initiatives

- Working off 2006 baseline of 3 million retail sales
- 40% of retail product portfolio are launch vehicles
- Continued decrease in daily rental volume
- Residual value improvements of 2-3%
- Anticipating positive move on transaction prices

2007 Cost Initiatives

- Material cost performance to offset steel and raw material headwinds
- Execute announced plant closures
- Realize full year benefits of Pension/OPEB actions
- Realize full year benefits of accelerated attrition program
- 2007 UAW Negotiations

2007 Cost Initiatives

- Continue to capitalize on globalizing GM, especially product development
- More flexible manufacturing footprint
- Continue to improve competitiveness of labor agreements
- Continue to reduce the cost of health care

GMNA – Key Metrics 2007 vs. 2006

U.S. Industry	Flat	<i>17.0 M units in 2007 vs 17.1 M units in 2006</i>
U.S. Inventory	Flat	<i>Anticipate ending slightly above 1M units</i>
Revenue	Increase	<i>Driven by new product launches</i>
Product Mix	Favorable	<i>New full size pick-ups and crossover vehicles</i>
Net Pricing	Favorable	<i>Strong product cadence and improved residuals</i>
Material Cost	Flat	<i>Strong performance offset by steel and raw material prices</i>
Structural Cost	Decrease	<i>Realize full year benefits of Pension/OPEB and attrition program</i>

Next Steps in Turnaround

- Continued execution of four point turnaround plan
- Revenue and aggregate contribution to be top priority
- Continued progress on reducing costs
- GMNA expects improved financial results in 2007

Supplemental Chart

The following supplemental chart is provided to reconcile adjusted financial data comprehended in the primary chart set with GAAP-based data (per GM's financial statements) and/or provide clarification with regard to definition of non-GAAP terminology

Reconciliation to GMNA Adjusted Net Income Q1 Through Q3 – 2005 & 2006

\$ Millions

<u>2006 CY</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Thru Q3</u>
Net Income	(503)	(3,941)	(374)	(4,818)
<u>Adjustments (after-tax):</u>				
Special Attrition	-	(3,659)	105	(3,554)
Vehicle Impairments	-	(197)	(112)	(309)
Restructuring Charge	(41)	-	-	(41)
Total Adjustments - Net Income	(41)	(3,856)	(7)	(3,904)
Adjusted Net Income (As shown on chart 7)	(462)	(85)	(367)	(914)
<u>2005 CY</u>				
Net Income	(1,737)	(1,137)	(2,175)	(5,049)
<u>Adjustments (after-tax):</u>				
Salaried Attrition Program	(140)	-	-	(140)
Plant & Facility Impairments	(84)	-	(468)	(552)
Total Adjustments - Net Income	(224)	-	(468)	(692)
Adjusted Net Income (As shown on chart 7)	(1,513)	(1,137)	(1,707)	(4,357)