



Fritz Henderson

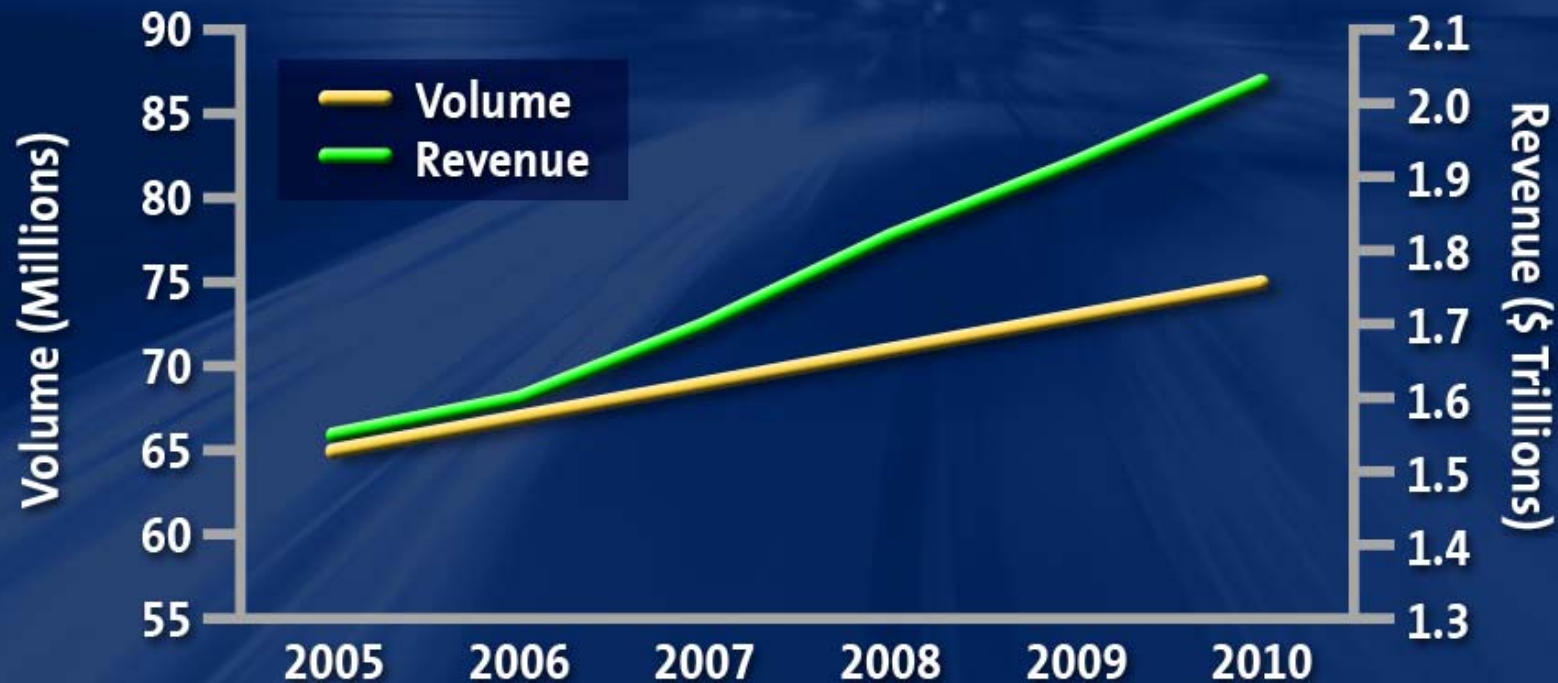
Vice Chairman &
Chief Financial Officer

Agenda

- Industry/Revenue Trend
- Regional Update
- GMNA Turnaround
- Financial Update
- Thoughts on our Suppliers

Global Industry Volume and Revenue Trend

- While overcapacity and competitive pressure will continue, 2005-2010 global volume and revenue expected to grow by 15% and 31%, respectively



GMAP – Results

	CYTD 2006	CYTD 2005	2006 O/(U) 2005
Industry Sales (M units)	14.5	13.6	0.9
GM Sales ('000 units)	923	774	149
GM Share (%)	6.4	5.7	0.7
GM Revenue (U.S. \$B)*	10.9	7.4	3.5
Net Income (U.S. \$M)*	331	441	(110)

*Adjusted to exclude special items

GMAP – Current Status

China

- GM continues impressive growth, captures #1 market share in China

GM Daewoo

- Sales have increased 300% since acquisition, record export sales
- Profitable in 2005, ahead of schedule

New India Plant

GMAP – Key Opportunities

China

- Leverage global product opportunities
- Implement multi-brand strategy -- Buick, Cadillac, Chevrolet, Wuling

Korea

- Continue to fully leverage GM Daewoo product development capabilities

Holden Turnaround

- Reduce structural cost, manufacturing capacity; optimize sourcing footprint

India

- Leverage GM Daewoo product to grow sales, grow manufacturing base

ASEAN Growth

GMLAAM – Results

	CYTD 2006	CYTD 2005	2006 O/(U) 2005
Industry Sales (M units)	4.4	3.9	0.5
GM Sales ('000 units)	746	633	113
GM Share (%)	16.8	16.4	0.4
GM Revenue (U.S. \$B)*	10.6	8.2	2.4
Net Income (U.S. \$M)*	396	87	309

*Adjusted to exclude special items

GMLAAM – Current Status

- Strong sales throughout region with revenue records
- Brazil
 - Capitalizing on industry growth
 - Strong profitability
- South Africa
 - Share growing since purchase of Delta Motors
 - Leveraging GM global brands/products
 - Chevrolet/Cadillac introduction
 - HUMMER H3 production

GMLAAM – Key Opportunities

- **Leverage strength in Mercosul**
 - Complete GM do Brasil revitalization plan
 - Grow engineering capability
- **Grow leadership position in Andean markets**
- **Take advantage of continued growth in Middle East and South Africa**
 - GM global products
 - Multi-brand strategy

GME – Results

	CYTD 2006	CYTD 2005	2006 O/(U) 2005
Industry Sales (M units)	16.6	16.1	0.5
GM Sales ('000 units)	1,527	1,531	(4)
GM Share (%)	9.2	9.5	(0.3)
GM Revenue (U.S. \$B)*	24.3	24.0	0.3
Net Income (U.S. \$M)*	196	(183)	379

*Adjusted to exclude special items

GME – Current Status

- **Aggressive moves on structural cost**
 - Reduced 12,000 employees (18%) from 2005-2007

- **New product successes**
 - Astra, Zafira and Corsa

- **Growth in Eastern Europe/Russia**

GME – Key Opportunities

- **Multi-brand strategy**
 - Chevrolet replaced Daewoo
 - Opel/Vauxhall positioning
 - Expand Saab
 - Cadillac/HUMMER

- **Re-commitment to Opel/Vauxhall product excitement**
 - Design and performance

- **Grow in the East**
 - Russia expansion strategy

GMNA – Results

	CYTD 2006	CYTD 2005	2006 O/(U) 2005
Industry Sales (M units)	15.4	15.8	(0.4)
GM Sales ('000 units)	3,698	4,135	(437)
GM Share (%)	24.0	26.1	(2.1)
GM Revenue (U.S. \$B)*	82.0	76.9	5.1
Net Income (U.S. \$M)*	(914)	(4,357)	3,443

*Adjusted to exclude special items

GMNA Four Point Turnaround Plan

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

Product Excellence and Sales & Marketing Strategy

- Increased product spending despite funding challenges
- Launch vehicles 30% of total retail sales in '06, 40% in '07
- Clearly differentiate divisional brands and roles
- Go to market on product strength and value
- Compelling price points for launch products
- Launched GM 100,000 Mile Warranty for 2007 models
 - “The best coverage in America, from the biggest brand in America”

GMNA Turnaround Actions

2005

Aug. – Marketing Strategy: “Total Value Promise”

Oct. – GM/UAW retiree health care agreement

Nov. – Manufacturing capacity actions

2006

Jan. – Value pricing announced (impacting 80% of sales volume)

Feb. – U.S. salaried retiree health care revisions

Feb. – “Shared Sacrifice” (dividend & compensation top officers/board members cut)

Mar. – U.S. salaried pension plan revisions

Jun. – GM/UAW attrition program concluded with 34,400 acceptances

Aug. – GM/IUE-CWA/Delphi attrition program concluded with 6,300 acceptances

Sep. – Best warranty: 100,000-mile/five-year

Sep. – GM/UAW/Delphi attrition program concluded with 13,800 acceptances

GMNA \$9B Structural Cost Reduction*

Approximately \$6B in 2006 CY



Cash Savings of Approximately \$5B – Non-cash Savings Represent Additional Long-term Risk Mitigation to Balance Sheet

*GMNA Average Annual Running Rate by the end of 2006; includes North American costs accounted for in Corp Sector

GM Liquidity and Risk Management

Liquidity Actions

- Sale of FHI \$0.8B
- Sale of Suzuki \$2.0B
- Sale of Isuzu \$0.3B
- Sale of 51% GMAC \$14B
- Dividend Cut \$0.5B/yr.
- Revolver \$4.6B

Balance Sheet Risk Management

- UAW Health Care Agreement
- Salaried Health Care Revisions
- Salaried Pension Revisions

Current Liquidity at \$20.4B

GM Financial Results – 2006 CYTD

- Reported Net Loss of \$3B, including special items
- Adjusted Net Income of \$1.9B, an improvement of \$4.2B year-on-year
- Record revenue of \$155B (9% increase vs. '05)
- Cash balance of \$20.4B at end of Q3 with an additional \$14.4B VEBA assets available to fund health care costs
 - Adjusted operating cash flow improved, but not generating acceptable results
 - GM remains committed to preserving a strong liquidity position

Near-Term Priorities

- **Delphi**
 - All parties motivated to find a consensual solution
 - GM's estimated obligations recently narrowed to a range of \$6 to 7.5B
- **GMAC transaction**
 - Many key milestones already completed
- **Complete implementation of GM/UAW/Delphi attrition program in North America**
- **Execute key product launches**

Looking Ahead

- Continue restructuring business for long-term competitiveness
- Revenue/contribution margin are key to turnaround going forward, both in terms of earnings and cash flow
- Seize opportunities to more efficiently source on a global basis
- Structural cost actions gaining traction, but opportunities remain
- Continue to focus on strengthening the balance sheet

Some Thoughts Regarding Our Suppliers ...

Challenges and Opportunities

- Global organization and supply base
- Focus on best landed cost
- Creative solutions to mitigate raw material issues
- New technology: fuel and safety
- Cross functional partnerships

Personal Perspective

- Financial health of suppliers
- Business focus
- Global capability
- Exit barriers
- Productive relationships

