

## **General Motors Corporation**

### **Use of Non-GAAP Financial Measures**

This press release, the accompanying tables and the charts for securities analysts include the following financial measures, which are not prepared in accordance with Accounting Principles Generally Accepted in the United States of America (GAAP): (1) adjusted net income; (2) adjusted earnings before tax; (3) managerial cash flow; and (4) GM North America vehicle revenue per unit. Each of these financial measures excludes the effect of certain items and therefore are considered non-GAAP financial measures. This press release and the charts for securities analysts also contain a reconciliation of each presented non-GAAP financial measure to its most comparable GAAP financial measure.

Management believes these non-GAAP financial measures provide meaningful supplemental information regarding GM's operating results because they exclude amounts that GM management does not consider part of operating results when assessing and measuring the operational and financial performance of the organization. In addition, GM has historically reported similar non-GAAP financial measures and believes that inclusion of these non-GAAP financial measures provides consistency and comparability with past earnings releases. GM management believes these measures allow it to readily view operating trends, perform analytical comparisons, benchmark performance among geographic regions and assess whether the GM North American structural cost turnaround plan is on target. Also, GM management uses adjusted net income and adjusted earnings before tax for forecasting purposes and in determining our future capital investment allocations. Accordingly, GM believes these non-GAAP financial measures are useful to investors in allowing for greater transparency of supplemental information used by management in its financial and operational decision-making.

While GM believes that these non-GAAP financial measures provide useful supplemental information, there are limitations associated with the use of these non-GAAP financial measures. These non-GAAP financial measures are not prepared in accordance with GAAP, do not reflect a comprehensive system of accounting and may not be comparable to similarly titled measures of other companies due to potential differences in the method of calculation between companies. Costs such as the special attrition programs and restructuring charges that are excluded from GM's non-GAAP financial measures can have a material impact on net earnings. As a result, these non-GAAP financial measures have limitations and should not be considered in isolation from, or as a substitute for, net earnings, cash flow from operations, or other measures of performance or liquidity prepared in accordance with GAAP. GM compensates for these limitations by using these non-GAAP financial measures as supplements to GAAP financial measures and by reviewing the reconciliations of the non-GAAP financial measures to their most comparable GAAP financial measures. Investors are encouraged to review the reconciliations of these non-GAAP financial measures to their most comparable GAAP financial measures that are included elsewhere in this press release.

#### *Adjusted Net Income and Adjusted Earnings Before Tax*

Adjusted net income excludes charges for certain tax related items, gains and losses on the sale of business units and business interests, charges associated with accounting changes, restructuring, plant closure and impairment charges, charges associated with Delphi Corporation (Delphi) and special attrition program charges.

Adjusted earnings before tax begins with adjusted net income and is adjusted to remove any remaining tax expense or benefit.

## General Motors Corporation

### Use of Non-GAAP Financial Measures (Continued)

The following is a discussion of each adjustment to net income or loss determined in accordance with GAAP to arrive at adjusted net income and adjusted earnings before tax, as applicable:

- *Tax charges.* Charges associated with establishing valuation allowances on GM's deferred tax assets are excluded from adjusted net income. In addition, other tax related items may be periodically excluded from adjusted net income as these charges are incurred and specifically identified in that period. Management believes the exclusion of these tax charges from adjusted net income is useful because management does not consider these charges part of GM's core earnings in evaluating the performance of the business and excludes these costs when evaluating the performance of the Corporation, its business units and its management team and when making decisions to allocate resources among GM's business units.
- *Gains and losses on the sale of business units and business interests.* The gains and losses on the sale of business units and business interests are excluded from adjusted net income and adjusted earnings before tax. While GM is involved in sales of its business units and business interests from time to time and may have significant gains or losses from such sales in the future, such events have historically occurred sporadically. Management excludes the gains and losses associated with these events when it evaluates the Corporation's operations and for internal reporting and forecasting purposes and for allocation of additional resources.
- *Changes in accounting.* Our non-GAAP financial measures exclude charges associated with changes in accounting. Management believes the exclusion of changes in accounting from adjusted net income and adjusted earnings before tax is useful because management does not consider these non-recurring charges part of GM's core earnings. Accordingly, management excludes such costs when evaluating the performance of the Corporation, its business units and its management teams and when making decisions to allocate resources among GM's business units.
- *Restructuring, plant closure charges and impairments.* Our non-GAAP financial measures exclude exit costs and related charges, primarily consisting of severance costs, lease abandonment costs, product specific asset impairments, any subsequent changes in estimates related to exit activities and goodwill and other asset impairment charges. Management believes the exclusion of restructuring and impairment charges from adjusted net income and adjusted earnings before tax is useful because management does not consider these costs part of GM's core earnings in evaluating GM's operational managers and the exclusion permits investors to evaluate the performance of our management the same way management does. Additionally, management excludes restructuring and impairment charges in determining the allocation of resources, such as capital investments, among the Corporation's business units and as part of its forecasting and budgeting.
- *Delphi charges.* Our non-GAAP financial measures exclude the estimated charges associated with the benefit guarantees and comprehensive settlement agreements entered into with Delphi in connection with the restructuring of Delphi's operations. Management does not consider these costs as part of its core earnings for purposes of evaluating the performance of the business, and excludes such costs when evaluating the performance of the Corporation, its business units and its management teams and when making decisions to allocate resources among GM's business units.
- *Special attrition program charges.* Our non-GAAP financial measures exclude the estimated charges associated with: (1) the 2008 special attrition program agreements between GM and the International Union, United Automobile, Aerospace and Agricultural Workers of America (UAW) and GM and the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers (IUE) (collectively, 2008 Special Attrition Programs); and (2) the 2006 special attrition program agreement among GM, the UAW and Delphi (2006 Special Attrition Program). Management believes it is useful in evaluating the performance of GM, its management teams and its business units during a particular time period to exclude charges associated with special attrition programs. Accordingly, management does not consider these costs as part of its core earnings, and excludes such costs when evaluating the performance of the Corporation, its business units and its management teams and when making decisions to allocate resources among GM's business units.

**General Motors Corporation****Use of Non-GAAP Financial Measures (Concluded)***Managerial Cash Flow*

GM also reports non-GAAP managerial automotive operating cash flow in its earnings releases and charts for securities analysts. Management believes that providing managerial automotive operating cash flow furnishes it and investors with useful information by representing the cash flow generated or consumed by its automotive operations, including cash consumed by automotive capital expenditures and equity investments in companies related to our core business and cash generated by sales of automotive operating assets and equity investments in companies related to GM's core business, before funding non-operating-related obligations including debt maturities, dividends and other non-operating items. Management uses this non-GAAP financial measure to assess its automotive cash flow when evaluating the performance of GM, its business units and its management teams and when making decisions to allocate resources among GM's business units.

*GM North America Vehicle Revenue per Unit*

GM's charts for securities analysts also include the use of a non-GAAP measure of revenue per vehicle. Management uses revenue per vehicle to track operating efficiency and to facilitate comparisons between periods and between manufacturers, and believes that it provides valuable information to investors who are interested in identifying trends and comparing different companies. Revenue per vehicle includes certain vehicle sales to other GM regions that are excluded from GAAP reporting, and excludes non-vehicle sales such as service parts and operations and OnStar service, and other income that GM does not derive from the sale of vehicles, such as fees on the GM credit card. Also, while they are not treated as sales under GAAP reporting because of GM's repurchase obligations, management includes sales to daily car rental companies in revenue per vehicle.

*Change in Presentation*

Prior period results have been reclassified for the retroactive effect of discontinued operations. Certain reclassifications have been made to the comparative 2007 financial information to conform to the current period presentation.

**General Motors Corporation**  
**List of Special Items**  
**2008**

*(Dollars in millions except per share amounts)*  
*(Unaudited)*

	<u>Second Quarter 2008</u>		<u>Year to Date 2008</u>	
	<u>Earnings</u>	<u>EPS</u>	<u>Earnings</u>	<u>EPS</u>
<b><u>REPORTED</u></b>				
Net Loss – Basic and Diluted *	\$ (15,471)	\$ (27.33)	\$ (18,722)	\$ (33.07)
<b><u>ADJUSTMENTS</u></b>				
<b>Pre-Tax Adjustments:</b>				
Restructuring and 2008 Special Attrition Programs (A)	\$ 4,551		\$ 4,875	
Delphi (B)	2,753		3,484	
Impairment charges related to investment in GMAC LLC (C)	1,334		2,786	
Canadian Auto Workers labor contract (D)	340		340	
American Axle (E)	197		197	
Gain on sale of investment (F)	(50)		(50)	
	<u>9,125</u>		<u>11,632</u>	
<b>Tax related:</b>				
Valuation allowance on net deferred tax assets (G)	—		394	
<b>Total Adjustments</b>	<u>\$ 9,125</u>	<u>\$ 16.12</u>	<u>\$ 12,026</u>	<u>\$ 21.24</u>
<b><u>ADJUSTED</u></b>				
Adjusted Loss – Basic and Diluted *	<u>\$ (6,346)</u>	<u>\$ (11.21)</u>	<u>\$ (6,696)</u>	<u>\$ (11.83)</u>

\* See average shares outstanding on page 14.

**General Motors Corporation**  
**List of Special Items**  
**2008**

*(Unaudited)*

- (A) Relates to various restructuring initiatives and the 2008 Special Attrition Programs. Charges recorded by region are as follows:

**GMNA:** Second quarter charges of \$3.3 billion were recorded for the 2008 Special Attrition Programs, including: (1) a \$2.4 billion curtailment loss on the U.S. hourly pension plan due to a reduction in the expected aggregate years of future service as a result of employees accepting the voluntary program; (2) \$633 million for special termination benefits and retirement incentive payments paid from the overfunded U.S. hourly pension plan; and (3) \$312 million for cash payments to separating employees or those taking preretirement leave. We have recorded year to date charges of \$3.5 billion for preretirement and retirement pension and benefit incentives and cash buyouts for employees leaving under the 2008 Special Attrition Programs.

During the second quarter, we also recorded charges of \$1.1 billion for additional wage and benefit costs related to the recently announced capacity actions and plant idlings in the U.S. and Canada.

**GME:** Second quarter charges of \$79 million and year to date charges of \$202 million were recognized for separation programs, primarily in Belgium, France, Germany and Sweden.

**GMAP:** Second quarter and year to date charges of \$98 million were recorded for the closure of the Family II engine plant at GM Holden, Ltd. (GM Holden), which was announced in June 2008.

- (B) Second quarter charges of \$2.8 billion and year to date charges of \$3.5 billion were recorded for increased liabilities under our Delphi Benefit Guarantee Agreements, primarily due to expectations of increased obligations and updated estimates reflecting the nature, value and timing of our recoveries upon Delphi's emergence from bankruptcy.
- (C) Second quarter charges of \$1.3 billion and year to date charges of \$2.8 billion to record impairments of our investment in Common and Preferred Membership Interests of GMAC LLC.
- (D) Relates to a change in the estimate of the amortization period for pension prior service costs related to our hourly defined benefit pension plan in Canada. In conjunction with our 2008 Canadian Auto Workers (CAW) labor agreement, we determined that the three year contractual life of the labor agreement is a better reflection of the period of future economic benefit received from pension plan amendments for our collectively bargained hourly pension plans. We recorded a second quarter charge of \$340 million for additional pension expense related to the unamortized prior service costs from prior CAW labor contracts.
- (E) Relates to our agreement to provide upfront support to American Axle to end the work stoppage that affected approximately 30 GM plants in North America. Our support partially funds American Axle's costs associated with UAW employee buyouts, early retirements and buydowns.
- (F) Relates to a second quarter gain of \$50 million on the sale of our common equity interest in Electro-Motive Diesel, Inc.
- (G) Relates to a first quarter net charge for a valuation allowance on GM's net deferred tax assets in Spain and the United Kingdom.

**General Motors Corporation**  
**List of Special Items**  
**2007**

*(Dollars in millions except per share amounts)*  
*(Unaudited)*

	<u>Second Quarter 2007</u>		<u>Year to Date 2007</u>	
	<u>Earnings</u>	<u>EPS</u>	<u>Earnings</u>	<u>EPS</u>
<b><u>REPORTED</u></b>				
Income from continuing operations	\$ 784	\$ 1.38	\$ 742	\$ 1.31
Income from discontinued operations	107	0.19	211	0.37
<b>Net Income – Basic *</b>	<b><u>\$ 891</u></b>	<b><u>\$ 1.57</u></b>	<b><u>\$ 953</u></b>	<b><u>\$ 1.68</u></b>
<b>Net Income – Diluted *</b>		<b><u>\$ 1.56</u></b>		<b><u>\$ 1.67</u></b>
<b><u>ADJUSTMENTS</u></b>				
<b>Pre-Tax Adjustments:</b>				
Delphi (A)	\$ 575		\$ 575	
Restructuring/Special attrition program (B)	130		208	
Product specific asset impairments (C)	100		108	
Plant closures (D)	(6)		(47)	
	<b><u>799</u></b>		<b><u>844</u></b>	
<b>Tax Related Adjustments:</b>				
Income tax impact of pre-tax adjustments	(279)		(292)	
<b>Total Adjustments – Continuing Operations</b>	<b><u>\$ 520</u></b>	<b><u>\$ 0.92</u></b>	<b><u>\$ 552</u></b>	<b><u>\$ 0.98</u></b>
<b><u>ADJUSTED</u></b>				
Income from continuing operations	\$ 1,304	\$ 2.30	\$ 1,294	\$ 2.29
Income from discontinued operations	107	0.19	211	0.37
<b>Adjusted Income – Basic *</b>	<b><u>\$ 1,411</u></b>	<b><u>\$ 2.49</u></b>	<b><u>\$ 1,505</u></b>	<b><u>\$ 2.66</u></b>
<b>Adjusted Income – Diluted *</b>		<b><u>\$ 2.48</u></b>		<b><u>\$ 2.64</u></b>

\* See average shares outstanding on page 14.

**General Motors Corporation  
List of Special Items  
2007**

*(Unaudited)*

- (A) GM, Delphi and the UAW entered into a Memorandum of Understanding (MOU) in June 2007. During the second quarter of 2007, GM recorded a charge of \$575 million to increase our estimated liability under our Delphi Benefit Guarantee Agreements and to establish liabilities for certain commitments in connection with the Delphi reorganization plan outlined in the MOU.
- (B) Relates to various restructuring initiatives and the 2006 Special Attrition Program. Charges recorded by region are as follows:
- GMNA:** Second quarter charges of \$97 million and year to date net adjustments of \$95 million were recorded for our plant closing reserves. Also includes first quarter curtailment gains of \$14 million and second quarter and year to date favorable adjustments of \$6 million and \$10 million, respectively, under the 2006 Special Attrition Program.
- GME:** Second quarter charges of \$30 million and year to date charges of \$87 million were recorded for separation programs, primarily in Germany and Sweden.
- GMAP:** Second quarter charges of \$9 million and year to date charges of \$50 million were recorded for voluntary separation programs at one of GM Holden's Australian facilities as a result of increased plant efficiency.
- (C) Relates to second quarter charges of \$100 million and year to date charges of \$108 million for product specific asset impairments. Charges recorded by region are as follows:
- GMNA:** Charges of \$95 million were recognized during the second quarter for product specific asset impairments.
- GMAP:** Second quarter charges of \$5 million and year to date charges of \$13 million for product specific asset impairments at GM Holden, which were triggered by reductions in the production forecast.
- (D) Relates to a first quarter curtailment gain of \$38 million and year to date favorable reserve adjustments of \$9 million at GMNA related to the closure of two former component plants.

**General Motors Corporation**  
**Summary Corporate Financial Results**

*(Dollars in millions except per share amounts)*  
*(Unaudited)*

	<u>Second Quarter</u>		<u>Year to Date</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
<b><u>REPORTED</u></b>				
Total net sales and revenue	\$ 38,156	\$ 46,677	\$ 80,645	\$ 89,904
Income (loss) from continuing operations	\$ (15,471)	\$ 784	\$ (18,722)	\$ 742
Income from discontinued operations	\$ —	\$ 107	\$ —	\$ 211
Net income (loss)	\$ (15,471)	\$ 891	\$ (18,722)	\$ 953
Net margin from continuing operations *	(40.7)%	1.7%	(23.2)%	0.8%
<b>Earnings (loss) per share – basic</b>				
Continuing operations	\$ (27.33)	\$ 1.38	\$ (33.07)	\$ 1.31
Income from discontinued operations	—	0.19	—	0.37
<b>Net income (loss)</b>	<b><u>\$ (27.33)</u></b>	<b><u>\$ 1.57</u></b>	<b><u>\$ (33.07)</u></b>	<b><u>\$ 1.68</u></b>
<b>Earnings (loss) per share – diluted</b>				
Continuing operations	\$ (27.33)	\$ 1.37	\$ (33.07)	\$ 1.30
Income from discontinued operations	—	0.19	—	0.37
<b>Net income (loss)</b>	<b><u>\$ (27.33)</u></b>	<b><u>\$ 1.56</u></b>	<b><u>\$ (33.07)</u></b>	<b><u>\$ 1.67</u></b>
<b><u>ADJUSTED</u></b>				
Total net sales and revenue	\$ 38,156	\$ 46,677	\$ 80,645	\$ 89,904
Income (loss) from continuing operations	\$ (6,346)	\$ 1,304	\$ (6,696)	\$ 1,294
Income from discontinued operations	\$ —	\$ 107	\$ —	\$ 211
Net income (loss)	\$ (6,346)	\$ 1,411	\$ (6,696)	\$ 1,505
Net margin from continuing operations *	(16.7)%	2.8%	(8.3)%	1.4%
<b>Earnings (loss) per share – basic</b>				
Income (loss) from continuing operations	\$ (11.21)	\$ 2.30	\$ (11.83)	\$ 2.29
Income from discontinued operations	—	0.19	—	0.37
<b>Net income (loss)</b>	<b><u>\$ (11.21)</u></b>	<b><u>\$ 2.49</u></b>	<b><u>\$ (11.83)</u></b>	<b><u>\$ 2.66</u></b>
<b>Earnings (loss) per share – diluted</b>				
Income (loss) from continuing operations	\$ (11.21)	\$ 2.29	\$ (11.83)	\$ 2.27
Income from discontinued operations	—	0.19	—	0.37
<b>Net income (loss)</b>	<b><u>\$ (11.21)</u></b>	<b><u>\$ 2.48</u></b>	<b><u>\$ (11.83)</u></b>	<b><u>\$ 2.64</u></b>

See reconciliation of adjusted financial results on pages 15 – 21.

\* Calculated as Income (loss) from continuing operations / Total net sales and revenue.



**General Motors Corporation**  
**Summary Corporate Financial Results**

(Unaudited)

	<u>Second Quarter</u>		<u>Year to Date</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
<b>GM common stock average shares outstanding:</b>	<b>(Millions)</b>			
Reported (GAAP):				
Basic shares	566	566	566	566
Diluted shares	566	569	566	569
Adjusted (Non-GAAP):				
Basic shares	566	566	566	566
Diluted shares	566	569	566	569
<b>Cash dividends per share of common stock</b>	<b>\$ 0.25</b>	<b>\$ 0.25</b>	<b>\$ 0.50</b>	<b>\$ 0.50</b>

**Automotive cash & marketable securities and readily-available assets in VEBA at June 30:**

	<u>(Billions)</u>	
Automotive cash & marketable securities	\$ 20.5	\$ 23.6
Readily-available assets in VEBA	<u>0.5</u>	<u>3.6</u>
<b>Total automotive cash &amp; marketable securities and readily-available assets in VEBA</b>	<b><u>\$ 21.0</u></b>	<b><u>\$ 27.2</u></b>

**Automotive Operations:**

	<u>(Millions)</u>			
Depreciation and impairment	\$ 1,179	\$ 1,219	\$ 2,405	\$ 2,464
Amortization and impairment of special tools	827	850	1,599	1,570
Amortization of intangible assets	<u>20</u>	<u>18</u>	<u>40</u>	<u>35</u>
<b>Total</b>	<b><u>\$ 2,026</u></b>	<b><u>\$ 2,087</u></b>	<b><u>\$ 4,044</u></b>	<b><u>\$ 4,069</u></b>

**General Motors Corporation**  
**Summary Corporate Financial Results**

(Dollars in millions)  
(Unaudited)

**Second Quarter**  
**2008 and 2007**

	<u>Reported</u>		<u>Special Items</u>		<u>Adjusted</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
<b>Net sales and revenue:</b>						
GMNA	\$ 19,820	\$ 29,663	\$ —	\$ —	\$ 19,820	\$ 29,663
GME	10,579	9,512	—	—	10,579	9,512
GMLAAM	5,109	4,333	—	—	5,109	4,333
GMAP	5,158	5,287	—	—	5,158	5,287
Auto Elimination (a)	(2,993)	(3,012)	—	—	(2,993)	(3,012)
Total GMA	37,673	45,783	—	—	37,673	45,783
Corporate & Other	—	—	—	—	—	—
<b>Total Auto &amp; Other</b>	<b>37,673</b>	<b>45,783</b>	<b>—</b>	<b>—</b>	<b>37,673</b>	<b>45,783</b>
GMAC	—	—	—	—	—	—
Other Financing	483	894	—	—	483	894
<b>Total Financing</b>	<b>483</b>	<b>894</b>	<b>—</b>	<b>—</b>	<b>483</b>	<b>894</b>
<b>Total</b>	<b>\$ 38,156</b>	<b>\$ 46,677</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 38,156</b>	<b>\$ 46,677</b>
<b>Income (loss) from continuing operations before income taxes, other equity income and minority interests:</b>						
GMNA	\$ (9,334)	\$ (98)	\$ 4,911	\$ 180	\$ (4,423)	\$ 82
GME	12	312	79	30	91	342
GMLAAM	442	295	—	—	442	295
GMAP	(359)	282	98	14	(261)	296
Auto Elimination (a)	(14)	(1)	—	—	(14)	(1)
Total GMA	(9,253)	790	5,088	224	(4,165)	1,014
Corporate & Other (a)	(3,499)	(579)	2,703	575	(796)	(4)
<b>Total Auto &amp; Other</b>	<b>(12,752)</b>	<b>211</b>	<b>7,791</b>	<b>799</b>	<b>(4,961)</b>	<b>1,010</b>
GMAC	(2,551)	154	1,334	—	(1,217)	154
Other Financing (a)	(55)	86	—	—	(55)	86
<b>Total Financing</b>	<b>(2,606)</b>	<b>240</b>	<b>1,334</b>	<b>—</b>	<b>(1,272)</b>	<b>240</b>
<b>Total</b>	<b>\$ (15,358)</b>	<b>\$ 451</b>	<b>\$ 9,125</b>	<b>\$ 799</b>	<b>\$ (6,233)</b>	<b>\$ 1,250</b>

See footnotes on page 23.

**General Motors Corporation**  
**Summary Corporate Financial Results**

(Dollars in millions)  
(Unaudited)

**Second Quarter**  
**2008 and 2007**

	<u>Reported</u>		<u>Special Items</u>		<u>Adjusted</u>	
	2008	2007	2008	2007	2008	2007
<b>Equity income (loss), net of tax:</b>						
GMNA	\$ (6)	\$ 27	\$ —	\$ —	\$ (6)	\$ 27
GME	21	12	—	—	21	12
GMLAAM	9	8	—	—	9	8
GMAP	104	122	—	—	104	122
Auto Elimination	—	1	—	—	—	1
Total GMA	128	170	—	—	128	170
Corporate & Other	—	—	—	—	—	—
<b>Total Auto &amp; Other</b>	<b>128</b>	<b>170</b>	<b>—</b>	<b>—</b>	<b>128</b>	<b>170</b>
GMAC	—	—	—	—	—	—
Other Financing	—	—	—	—	—	—
<b>Total Financing</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total</b>	<b>\$ 128</b>	<b>\$ 170</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 128</b>	<b>\$ 170</b>
<b>Minority interests, net of tax:</b>						
GMNA	\$ (6)	\$ (17)	\$ —	\$ —	\$ (6)	\$ (17)
GME	(13)	(9)	—	—	(13)	(9)
GMLAAM	(6)	(7)	—	—	(6)	(7)
GMAP	92	(124)	—	—	92	(124)
Auto Elimination	—	—	—	—	—	—
Total GMA	67	(157)	—	—	67	(157)
Corporate & Other	(1)	—	—	—	(1)	—
<b>Total Auto &amp; Other</b>	<b>66</b>	<b>(157)</b>	<b>—</b>	<b>—</b>	<b>66</b>	<b>(157)</b>
GMAC	—	—	—	—	—	—
Other Financing	1	—	—	—	1	—
<b>Total Financing</b>	<b>1</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1</b>	<b>—</b>
<b>Total</b>	<b>\$ 67</b>	<b>\$ (157)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 67</b>	<b>\$ (157)</b>

See footnotes on page 23.

**General Motors Corporation**  
**Summary Corporate Financial Results**

(Dollars in millions)  
(Unaudited)

**Second Quarter**  
**2008 and 2007**

	<u>Reported</u>		<u>Special Items</u>		<u>Adjusted</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
<b>Pre-tax earnings (loss): *</b>						
GMNA	\$ (9,346)	\$ (88)	\$ 4,911	\$ 180	\$ (4,435)	\$ 92
GME	20	315	79	30	99	345
GMLAAM	445	296	—	—	445	296
GMAP	(163)	280	98	14	(65)	294
Auto Elimination (a)	(14)	—	—	—	(14)	—
Total GMA	(9,058)	803	5,088	224	(3,970)	1,027
Corporate & Other (a)	(3,500)	(579)	2,703	575	(797)	(4)
<b>Total Auto &amp; Other</b>	<b>(12,558)</b>	<b>224</b>	<b>7,791</b>	<b>799</b>	<b>(4,767)</b>	<b>1,023</b>
GMAC	(2,551)	154	1,334	—	(1,217)	154
Other Financing (a)	(54)	86	—	—	(54)	86
<b>Total Financing</b>	<b>(2,605)</b>	<b>240</b>	<b>1,334</b>	<b>—</b>	<b>(1,271)</b>	<b>240</b>
<b>Total</b>	<b>\$ (15,163)</b>	<b>\$ 464</b>	<b>\$ 9,125</b>	<b>\$ 799</b>	<b>\$ (6,038)</b>	<b>\$ 1,263</b>
<b>Income tax expense (benefit):</b>						
Corporate & Other	\$ 1,045	\$ (364)	\$ —	\$ 279	\$ 1,045	\$ (85)
Other Financing (a)	(737)	44	—	—	(737)	44
<b>Total</b>	<b>\$ 308</b>	<b>\$ (320)</b>	<b>\$ —</b>	<b>\$ 279</b>	<b>\$ 308</b>	<b>\$ (41)</b>

See footnotes on page 23.

\* Defined here as Income (loss) from continuing operations before income taxes and after equity income and minority interests.

**General Motors Corporation**  
**Summary Corporate Financial Results**

(Dollars in millions)  
(Unaudited)

**Year to Date**  
**2008 and 2007**

	<u>Reported</u>		<u>Special Items</u>		<u>Adjusted</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
<b>Net sales and revenue:</b>						
GMNA	\$ 44,363	\$ 57,720	\$ —	\$ —	\$ 44,363	\$ 57,720
GME	20,488	17,983	—	—	20,488	17,983
GMLAAM	9,872	7,910	—	—	9,872	7,910
GMAP	10,454	9,695	—	—	10,454	9,695
Auto Elimination (a)	(5,560)	(5,234)	—	—	(5,560)	(5,234)
Total GMA	79,617	88,074	—	—	79,617	88,074
Corporate & Other	—	—	—	—	—	—
<b>Total Auto &amp; Other</b>	<b>79,617</b>	<b>88,074</b>	<b>—</b>	<b>—</b>	<b>79,617</b>	<b>88,074</b>
GMAC	—	—	—	—	—	—
Other Financing	1,028	1,830	—	—	1,028	1,830
<b>Total Financing</b>	<b>1,028</b>	<b>1,830</b>	<b>—</b>	<b>—</b>	<b>1,028</b>	<b>1,830</b>
<b>Total</b>	<b>\$ 80,645</b>	<b>\$ 89,904</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 80,645</b>	<b>\$ 89,904</b>
<b>Income (loss) from continuing operations before income taxes, other equity income and minority interests:</b>						
GMNA	\$ (10,129)	\$ (309)	\$ 5,112	\$ 119	\$ (5,017)	\$ (190)
GME	81	314	202	87	283	401
GMLAAM	960	550	—	—	960	550
GMAP	(157)	376	98	63	(59)	439
Auto Elimination (a)	(12)	(8)	—	—	(12)	(8)
Total GMA	(9,257)	923	5,412	269	(3,845)	1,192
Corporate & Other (a)	(4,528)	(789)	3,434	575	(1,094)	(214)
<b>Total Auto &amp; Other</b>	<b>(13,785)</b>	<b>134</b>	<b>8,846</b>	<b>844</b>	<b>(4,939)</b>	<b>978</b>
GMAC	(4,279)	20	2,786	—	(1,493)	20
Other Financing (a)	49	140	—	—	49	140
<b>Total Financing</b>	<b>(4,230)</b>	<b>160</b>	<b>2,786</b>	<b>—</b>	<b>(1,444)</b>	<b>160</b>
<b>Total</b>	<b>\$ (18,015)</b>	<b>\$ 294</b>	<b>\$ 11,632</b>	<b>\$ 844</b>	<b>\$ (6,383)</b>	<b>\$ 1,138</b>

See footnotes on page 23.

**General Motors Corporation**  
**Summary Corporate Financial Results**

(Dollars in millions)  
(Unaudited)

**Year to Date**  
**2008 and 2007**

	<u>Reported</u>		<u>Special Items</u>		<u>Adjusted</u>	
	2008	2007	2008	2007	2008	2007
<b>Equity income (loss), net of tax:</b>						
GMNA	\$ (26)	\$ 40	\$ —	\$ —	\$ (26)	\$ 40
GME	34	20	—	—	34	20
GMLAAM	14	14	—	—	14	14
GMAP	238	249	—	—	238	249
Auto Elimination	—	1	—	—	—	1
Total GMA	260	324	—	—	260	324
Corporate & Other	—	2	—	—	—	2
<b>Total Auto &amp; Other</b>	<b>260</b>	<b>326</b>	<b>—</b>	<b>—</b>	<b>260</b>	<b>326</b>
GMAC	—	—	—	—	—	—
Other Financing	—	—	—	—	—	—
<b>Total Financing</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total</b>	<b>\$ 260</b>	<b>\$ 326</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 260</b>	<b>\$ 326</b>
<b>Minority interests, net of tax:</b>						
GMNA	\$ (3)	\$ (27)	\$ —	\$ —	\$ (3)	\$ (27)
GME	(20)	(15)	—	—	(20)	(15)
GMLAAM	(12)	(14)	—	—	(12)	(14)
GMAP	42	(202)	—	—	42	(202)
Auto Elimination	—	—	—	—	—	—
Total GMA	7	(258)	—	—	7	(258)
Corporate & Other	(1)	(1)	—	—	(1)	(1)
<b>Total Auto &amp; Other</b>	<b>6</b>	<b>(259)</b>	<b>—</b>	<b>—</b>	<b>6</b>	<b>(259)</b>
GMAC	—	—	—	—	—	—
Other Financing	(12)	—	—	—	(12)	—
<b>Total Financing</b>	<b>(12)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(12)</b>	<b>—</b>
<b>Total</b>	<b>\$ (6)</b>	<b>\$ (259)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ (6)</b>	<b>\$ (259)</b>

See footnotes on page 23.

**General Motors Corporation**  
**Summary Corporate Financial Results**

(Dollars in millions)  
(Unaudited)

**Year to Date**  
**2008 and 2007**

	<u>Reported</u>		<u>Special Items</u>		<u>Adjusted</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
<b>Pre-tax earnings (loss): *</b>						
GMNA	\$ (10,158)	\$ (296)	\$ 5,112	\$ 119	\$ (5,046)	\$ (177)
GME	95	319	202	87	297	406
GMLAAM	962	550	—	—	962	550
GMAP	123	423	98	63	221	486
Auto Elimination (a)	(12)	(7)	—	—	(12)	(7)
Total GMA	(8,990)	989	5,412	269	(3,578)	1,258
Corporate & Other (a)	(4,529)	(788)	3,434	575	(1,095)	(213)
<b>Total Auto &amp; Other</b>	<b>(13,519)</b>	<b>201</b>	<b>8,846</b>	<b>844</b>	<b>(4,673)</b>	<b>1,045</b>
GMAC	(4,279)	20	2,786	—	(1,493)	20
Other Financing (a)	37	140	—	—	37	140
<b>Total Financing</b>	<b>(4,242)</b>	<b>160</b>	<b>2,786</b>	<b>—</b>	<b>(1,456)</b>	<b>160</b>
<b>Total</b>	<b>\$ (17,761)</b>	<b>\$ 361</b>	<b>\$ 11,632</b>	<b>\$ 844</b>	<b>\$ (6,129)</b>	<b>\$ 1,205</b>
<b>Income tax expense (benefit):</b>						
Corporate & Other	\$ 1,690	\$ (431)	\$ (394)	\$ 292	\$ 1,296	\$ (139)
Other Financing (a)	(729)	50	—	—	(729)	50
<b>Total</b>	<b>\$ 961</b>	<b>\$ (381)</b>	<b>\$ (394)</b>	<b>\$ 292</b>	<b>\$ 567</b>	<b>\$ (89)</b>

See footnotes on page 23.

\* Defined here as Income (loss) from continuing operations before income taxes and after equity income and minority interests.

**General Motors Corporation**  
**Summary Corporate Financial Results**

*(Dollars in billions)*  
*(Unaudited)*

	<b>Second Quarter</b>		<b>Year to Date</b>	
	<b>2008</b>	<b>2007</b>	<b>2008</b>	<b>2007</b>
<b>Automotive &amp; Other Adjusted Operating Cash Flow:</b>				
Total Auto & Other pre-tax earnings (loss)*	\$ (12.6)	\$ 0.2	\$ (13.5)	\$ 0.2
Depreciation and amortization	2.0	2.1	4.0	4.1
Capital expenditures	(2.2)	(1.7)	(4.1)	(2.9)
Change in receivables, payables and inventory	0.6	0.2	(1.5)	0.2
Pension/OPEB expense (net of payments)	2.7	(0.5)	2.0	(1.0)
VEBA	—	(1.0)	—	(1.0)
Accrued expenses and other	<u>5.9</u>	<u>1.8</u>	<u>5.9</u>	<u>1.8</u>
<b>Total Auto &amp; Other Adjusted Operating Cash Flow</b>	<b><u><u>\$ (3.6)</u></u></b>	<b><u><u>\$ 1.1</u></u></b>	<b><u><u>\$ (7.2)</u></u></b>	<b><u><u>\$ 1.4</u></u></b>

\* Defined here as Income (loss) from continuing operations before income taxes and after equity income and minority interests.



**General Motors Corporation  
Operating Statistics**

*(Unaudited)*

	<u>Second Quarter</u>		<u>Year to Date</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
<b>Worldwide Production Volume:</b>	<b>(Units in thousands)</b>			
GMNA – Cars	382	402	742	801
GMNA – Trucks	<u>452</u>	<u>740</u>	<u>977</u>	<u>1,404</u>
Total GMNA	834	1,142	1,719	2,205
GME	495	464	988	975
GMLAAM	276	233	519	455
GMAP *	<u>619</u>	<u>571</u>	<u>1,231</u>	<u>1,115</u>
<b>Total Worldwide **</b>	<b><u>2,224</u></b>	<b><u>2,410</u></b>	<b><u>4,457</u></b>	<b><u>4,750</u></b>
<b>Vehicle Unit Deliveries:</b>				
Chevrolet – Cars	206	218	388	405
Chevrolet – Trucks	278	376	577	737
Pontiac	80	96	153	175
GMC	93	131	197	241
Buick	33	47	71	90
Saturn	54	69	102	126
Cadillac	42	51	89	98
Other	<u>13</u>	<u>26</u>	<u>28</u>	<u>51</u>
Total United States	799	1,014	1,605	1,923
Canada, Mexico and Other	<u>165</u>	<u>186</u>	<u>306</u>	<u>333</u>
Total GMNA	964	1,200	1,911	2,256
GME	590	575	1,161	1,129
GMLAAM	346	294	670	564
GMAP *	<u>387</u>	<u>338</u>	<u>798</u>	<u>726</u>
<b>Total Worldwide **</b>	<b><u>2,287</u></b>	<b><u>2,407</u></b>	<b><u>4,540</u></b>	<b><u>4,675</u></b>
<b>Market Share:</b>				
United States – Cars	17.1%	19.4%	18.0%	19.4%
United States – Trucks	24.3%	26.0%	24.6%	25.7%
Total United States	20.4%	22.8%	21.3%	22.8%
Total GMNA	20.2%	22.7%	20.9%	22.6%
Total GME	9.4%	9.4%	9.5%	9.5%
Total GMLAAM	17.5%	16.8%	17.5%	16.6%
Total GMAP *	7.0%	6.7%	7.0%	6.9%
<b>Total Worldwide</b>	12.3%	13.2%	12.4%	13.1%
<b>U.S. Retail/Fleet Mix:</b>				
% Fleet Sales - Cars	23.9%	33.2%	28.5%	34.8%
% Fleet Sales - Trucks	23.0%	22.3%	22.4%	20.4%
<b>Total Vehicles</b>	23.4%	26.7%	25.0%	26.1%
<b>GMNA Capacity Utilization ***</b>	71.0%	94.9%	73.6%	91.5%

\* GMAP production and sales volume includes SAIC-GM Wuling Automobile Co. Ltd. (SGMW) joint venture vehicles. We own 34% of SGMW and under the joint venture agreement have significant rights as a member as well as the contractual right to report SGMW sales in China as part of our global market share.

\*\* Total Worldwide may include rounding differences.

\*\*\* Two shift rated, annualized.

**General Motors Corporation  
Operating Statistics**

*(Unaudited)*

	<u>Second Quarter</u>		<u>Year to Date</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
<b>GMAC's share of GM retail sales</b>				
Total consumer volume (retail and lease) as % of retail (North America only)	43%	45%	46%	45%
SmartLease/SmartBuy as % of retail (U.S. only)	14%	16%	17%	16%

**Worldwide Employment at June 30:**

	<u>(Thousands)</u>	
United States – Hourly (b)	72	83
United States – Salaried (b)	<u>32</u>	<u>33</u>
Total United States	104	116
Canada, Mexico and Other	<u>29</u>	<u>30</u>
GMNA	133	146
GME	57	59
GMLAAM	36	33
GMAP	35	33
Other	<u>2</u>	<u>3</u>
<b>Total GM</b>	<u><b>263</b></u>	<u><b>274</b></u>

	<u>(Billions)</u>			
<b>Worldwide Payroll</b>	\$ 4.2	\$ 4.4	\$ 8.5	\$ 9.0

**Footnotes:**

- (a) Auto Eliminations, Corporate & Other and Other Financing include inter-company eliminations.
- (b) Includes approximately 2,000 hourly and 1,100 salary employees of Allison Transmission at June 30, 2007.

**GENERAL MOTORS CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

(Dollars in millions, except per share amounts)  
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2008	2007	2008	2007
Net sales and revenue				
Automotive sales .....	\$ 37,673	\$ 45,783	\$ 79,617	\$ 88,074
Financial services and insurance revenue .....	483	894	1,028	1,830
Total net sales and revenue .....	<u>38,156</u>	<u>46,677</u>	<u>80,645</u>	<u>89,904</u>
Costs and expenses				
Automotive cost of sales .....	43,546	41,666	81,698	80,395
Selling, general and administrative expense .....	3,754	3,293	7,453	6,604
Financial services and insurance expense .....	579	811	1,075	1,694
Other expenses .....	<u>2,753</u>	<u>575</u>	<u>3,484</u>	<u>575</u>
Total costs and expenses .....	<u>50,632</u>	<u>46,345</u>	<u>93,710</u>	<u>89,268</u>
Operating income (loss) .....	(12,476)	332	(13,065)	636
Equity in income (loss) of GMAC LLC .....	(1,930)	118	(3,542)	(65)
Automotive and other interest expense .....	(721)	(681)	(1,495)	(1,480)
Automotive interest income and other non-operating income (loss), net .....	<u>(231)</u>	<u>682</u>	<u>87</u>	<u>1,203</u>
Income (loss) from continuing operations before income taxes, equity income and minority interests .....	(15,358)	451	(18,015)	294
Income tax expense (benefit) .....	308	(320)	961	(381)
Equity income, net of tax .....	128	170	260	326
Minority interests, net of tax .....	<u>67</u>	<u>(157)</u>	<u>(6)</u>	<u>(259)</u>
Income (loss) from continuing operations .....	(15,471)	784	(18,722)	742
Income from discontinued operations, net of tax .....	<u>—</u>	<u>107</u>	<u>—</u>	<u>211</u>
<b>Net income (loss) .....</b>	<u><b>\$ (15,471)</b></u>	<u><b>\$ 891</b></u>	<u><b>\$ (18,722)</b></u>	<u><b>\$ 953</b></u>
<b>Basic earnings (loss) per share:</b>				
Continuing operations .....	\$ (27.33)	\$ 1.38	\$ (33.07)	\$ 1.31
Discontinued operations .....	<u>—</u>	<u>0.19</u>	<u>—</u>	<u>0.37</u>
Total .....	<u><b>\$ (27.33)</b></u>	<u><b>\$ 1.57</b></u>	<u><b>\$ (33.07)</b></u>	<u><b>\$ 1.68</b></u>
<b>Weighted average common shares outstanding, basic (millions)....</b>	<u><b>566</b></u>	<u><b>566</b></u>	<u><b>566</b></u>	<u><b>566</b></u>
<b>Diluted earnings (loss) per share:</b>				
Continuing operations .....	\$ (27.33)	\$ 1.37	\$ (33.07)	\$ 1.30
Discontinued operations .....	<u>—</u>	<u>0.19</u>	<u>—</u>	<u>0.37</u>
Total .....	<u><b>\$ (27.33)</b></u>	<u><b>\$ 1.56</b></u>	<u><b>\$ (33.07)</b></u>	<u><b>\$ 1.67</b></u>
<b>Weighted average common shares outstanding, diluted (millions)</b>	<u><b>566</b></u>	<u><b>569</b></u>	<u><b>566</b></u>	<u><b>569</b></u>
Cash dividends per share .....	<u><b>\$ 0.25</b></u>	<u><b>\$ 0.25</b></u>	<u><b>\$ 0.50</b></u>	<u><b>\$ 0.50</b></u>

**GENERAL MOTORS CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**

(Dollars in millions)  
(Unaudited)

	June 30, 2008	December 31, 2007	June 30, 2007
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents .....	\$ 19,356	\$ 24,549	\$ 22,040
Marketable securities .....	<u>1,150</u>	<u>2,139</u>	<u>1,573</u>
Total cash and marketable securities .....	20,506	26,688	23,613
Accounts and notes receivable, net .....	8,946	9,659	10,233
Inventories .....	17,744	14,939	15,073
Assets held for sale .....	—	—	683
Equipment on operating leases, net .....	4,669	5,283	5,889
Other current assets and deferred income taxes .....	<u>3,576</u>	<u>3,566</u>	<u>12,471</u>
Total current assets .....	55,441	60,135	67,962
<b>Financing and Insurance Operations Assets</b>			
Cash and cash equivalents .....	198	268	258
Investments in securities .....	214	215	192
Equipment on operating leases, net .....	3,804	6,712	9,145
Equity in net assets of GMAC LLC .....	3,454	7,079	7,555
Other assets .....	<u>2,807</u>	<u>2,715</u>	<u>2,819</u>
Total Financing and Insurance Operations assets .....	10,477	16,989	19,969
<b>Non-Current Assets</b>			
Equity in net assets of nonconsolidated affiliates .....	2,367	1,919	2,000
Property, net .....	44,038	43,017	41,404
Goodwill and intangible assets, net .....	1,070	1,066	973
Deferred income taxes .....	1,014	2,116	32,449
Prepaid pension .....	17,991	20,175	18,305
Other assets .....	<u>3,648</u>	<u>3,466</u>	<u>3,577</u>
Total non-current assets .....	70,128	71,759	98,708
<b>Total Assets</b> .....	<u>\$ 136,046</u>	<u>\$ 148,883</u>	<u>\$ 186,639</u>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>			
<b>Current Liabilities</b>			
Accounts payable (principally trade) .....	\$ 30,097	\$ 29,439	\$ 30,742
Short-term borrowings and current portion of long-term debt .....	8,008	6,047	5,150
Liabilities related to assets held for sale .....	—	—	526
Accrued expenses .....	<u>37,373</u>	<u>34,822</u>	<u>34,621</u>
Total current liabilities .....	75,478	70,308	71,039
<b>Financing and Insurance Operations Liabilities</b>			
Debt .....	2,753	4,908	7,133
Other liabilities and deferred income taxes .....	<u>884</u>	<u>905</u>	<u>855</u>
Total Financing and Insurance Operations liabilities .....	3,637	5,813	7,988
<b>Non-Current Liabilities</b>			
Long-term debt .....	32,450	33,384	34,134
Postretirement benefits other than pensions .....	47,476	47,375	48,353
Pensions .....	11,774	11,381	11,654
Other liabilities and deferred income taxes .....	<u>20,825</u>	<u>16,102</u>	<u>15,972</u>
Total non-current liabilities .....	112,525	108,242	110,113
Total liabilities .....	191,640	184,363	189,140
Commitments and contingencies			
Minority interests .....	1,376	1,614	1,268
<b>Stockholders' Deficit</b>			
Preferred stock, no par value, 6,000,000 shares authorized, no shares issued and outstanding	—	—	—
Common stock, \$1 2/3 par value (2,000,000,000 shares authorized, 756,637,541 and 566,162,598 shares issued and outstanding as of June 30, 2008, respectively, 756,637,541 and 566,059,249 shares issued and outstanding as of December 31, 2007, respectively, and 756,637,541 and 565,864,695 shares issued and outstanding as of June 30, 2007, respectively) .....	944	943	943
Capital surplus (principally additional paid-in capital) .....	15,335	15,319	15,255
Accumulated deficit .....	(58,470)	(39,392)	577
Accumulated other comprehensive loss .....	<u>(14,779)</u>	<u>(13,964)</u>	<u>(20,544)</u>
Total stockholders' deficit .....	(56,970)	(37,094)	(3,769)
<b>Total Liabilities, Minority Interests and Stockholders' Deficit</b> .....	<u>\$ 136,046</u>	<u>\$ 148,883</u>	<u>\$ 186,639</u>