

Forward Looking Statements

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Executing the GMNA Turnaround

Rick Wagoner
Chairman & CEO

Key Focus Areas

- GMNA Turnaround
- Delphi
- GMAC Sale
- Liquidity
- SEC Investigations

GM Auto Outlook

Expect another industry sales record year in 2006

- Continued strong growth in AP will be catalyst

GM regional outlook

- GME – restructuring plan on track; product portfolio strengthened; growing multi-brand approach
- GMAP – take advantage of strong position and growth in China, GMDAT; GM Holden turnaround plan
- GMLAAM – continued growth in South Africa, Middle East and the Andean region; implement turnaround in Brazil

GMNA Turnaround Plan

- Product excellence
- Revitalize sales and marketing strategy
- Accelerate cost reductions and quality improvements
- Address health care burden

Product Excellence

- Despite financial challenges, increased product development spending in 2005
- 29% of sales in 2006 from launch products; higher in 2007
- Success of recent launch products - - HUMMER H3, Chevrolet HHR and Impala, Pontiac Solstice, Buick Lucerne, and Cadillac DTS
- Favorable reaction to new full-size utilities, Saturn portfolio, and crossovers
 - New large pickups in late 2006/7

Revitalize Sales and Marketing

- Better differentiate our GM brands
 - Clearly define roles of each
 - Bring selected brands into tighter focus with fewer products
- Align our distribution strategy – especially Pontiac-Buick-GMC
- Simple, more compelling pricing

Structural Cost Reduction Initiative

\$ 6B Structural Cost Running Rate at 2006 Year-End

\$3B Health Care

- Monthly Contributions
- Deductibles
- Rx Co-Pays
- Dental
- Administrative Changes/Plan Efficiencies, etc.

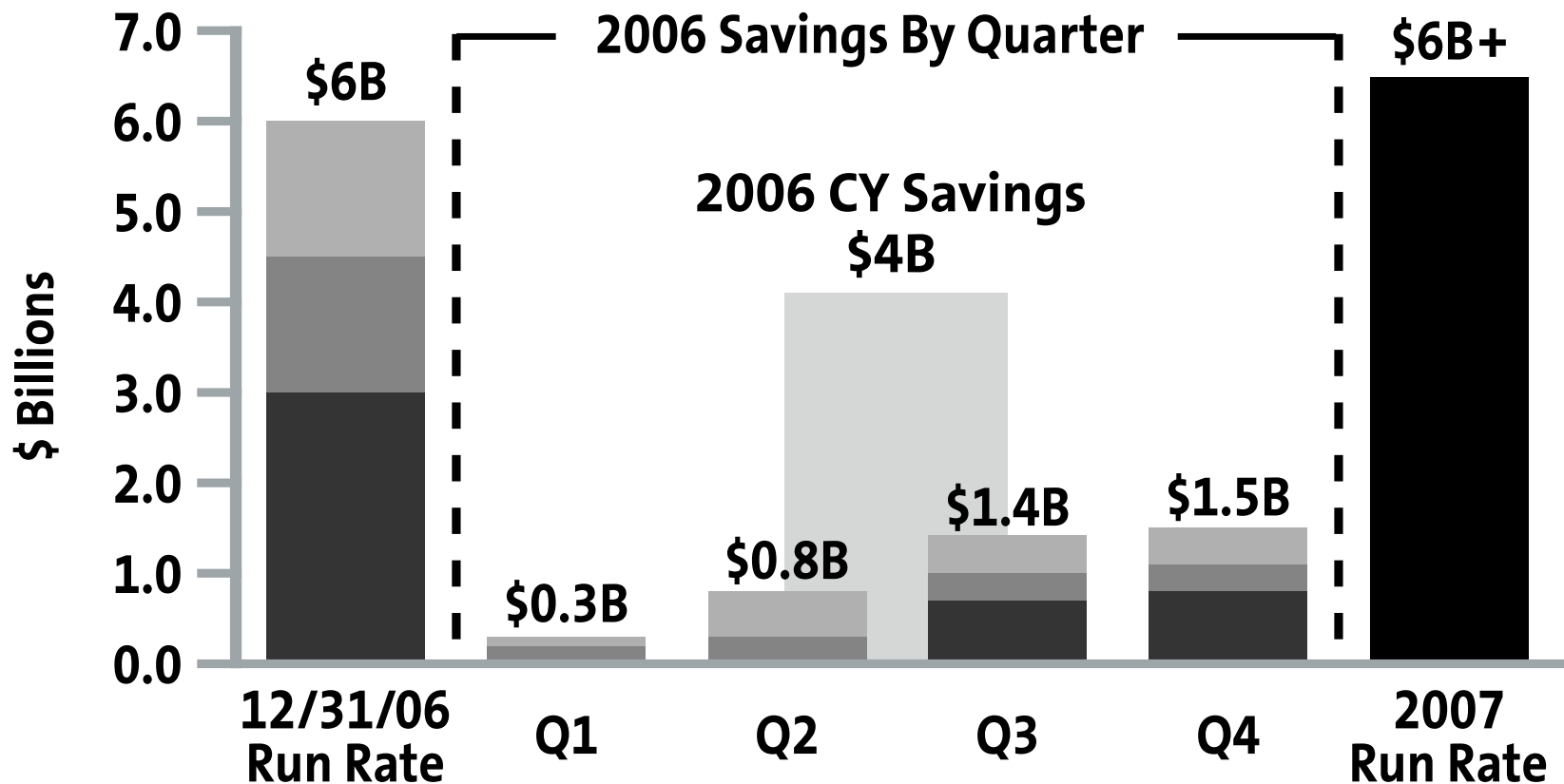
\$1.5B Manufacturing

- Capacity Actions
- Accelerated Attrition
- Traditional Productivity, etc.

\$1.5B Other

- Engineering
- Advertising
- Salaried Headcount and Benefits
- Indirect Material, etc.

Timing of \$6 Billion



Structural Cost Reduction Initiative – Next Phase

Contribution margin uncertainty



Further structural cost reduction



From approximately 34% of revenue to 25%
over the next 5 years



- Globalization of key functions
- Leverage global vehicle architectures and powertrains
- Footprint optimization
- Full capacity utilization
- Further progress in legacy cost disadvantage

Key 2006 CY GMNA Financial Drivers

Revenue		Cost
U.S. Industry Volume	↔/↓	Material Cost
Impact of reduced fleet on revenue/unit	↑	Health Care
U.S. Inventory	↔	Capacity Related
Net Pricing	↓	Other Structural Cost
Product Mix	↑	Pension Asset Returns
		Discount Rate

Significant Improvement in Operating Profitability*

* Before special items.

GMNA in 2007

- “Sweet Spot” of product cycle
- \$6B Structural cost reduction in place; will grow
- Further supplier footprint optimization
- Working to reduce \$2B Delphi penalty
- Further leveraging global product development
- UAW Negotiations - - both opportunity and risk

Summary

- Top priority for 2006 is execution of GMNA turnaround plan
- \$7B Cost reduction is good start; more opportunity going forward
- GM expects improved financial results in 2006 and 2007