

Media Briefing

2nd Quarter Sales and Marketing Update

June 2006



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Forward Looking Statements

- In the following presentation and in related comments by General Motors management, we will use words like "expect," "anticipate," "estimate," "forecast," "goal," "project," "targets" and similar expressions to identify forward looking statements that represent our current judgments about possible future events. We believe these judgments are reasonable, but actual results may differ materially due to a variety of important factors.
- Among other items, such factors might include: the pace of introductions and market acceptance of new products; significant changes in the competitive environment and the effect of competition on our markets, including on our pricing policies; price increases or shortages of fuel; and changes in laws, regulations or government policies affecting our vehicles.
- GM's most recent annual report on Form 10-K and quarterly report on Form 10-Q provide information about these factors, which may be revised or supplemented in future reports to the SEC on Form 10-Q or 8-K.
- We caution investors not to place undue reliance on our forward-looking statements. Except where expressly required by law, we undertake no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information, future events or other factors.



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In the March Media Briefing we told you that...

- Initial 2006 results were in line with GMNA restructuring:
 - Simplified pricing for consumers, especially with third party sources
 - Retail sales of new products are a plus
 - Unprofitable sales, including rental and marginal retail sales, have been reduced consistent with GMNA restructuring objectives
- Expect some sales volatility going forward and year-over-year sales results will be a difficult comparison through July
 - More stability in our selling rate compared with extreme volatility last year



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We are here today to...

- Update you on industry conditions
- Review 2nd Quarter Sales and Marketing performance as part of GMNA Turnaround plan
- Discuss our Go To Market Strategy



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Industry Update

- Industry sales slightly below expectations due to headwinds
- Mix has been a challenge, as have competitive actions
- GM sticking with Go to Market Strategy



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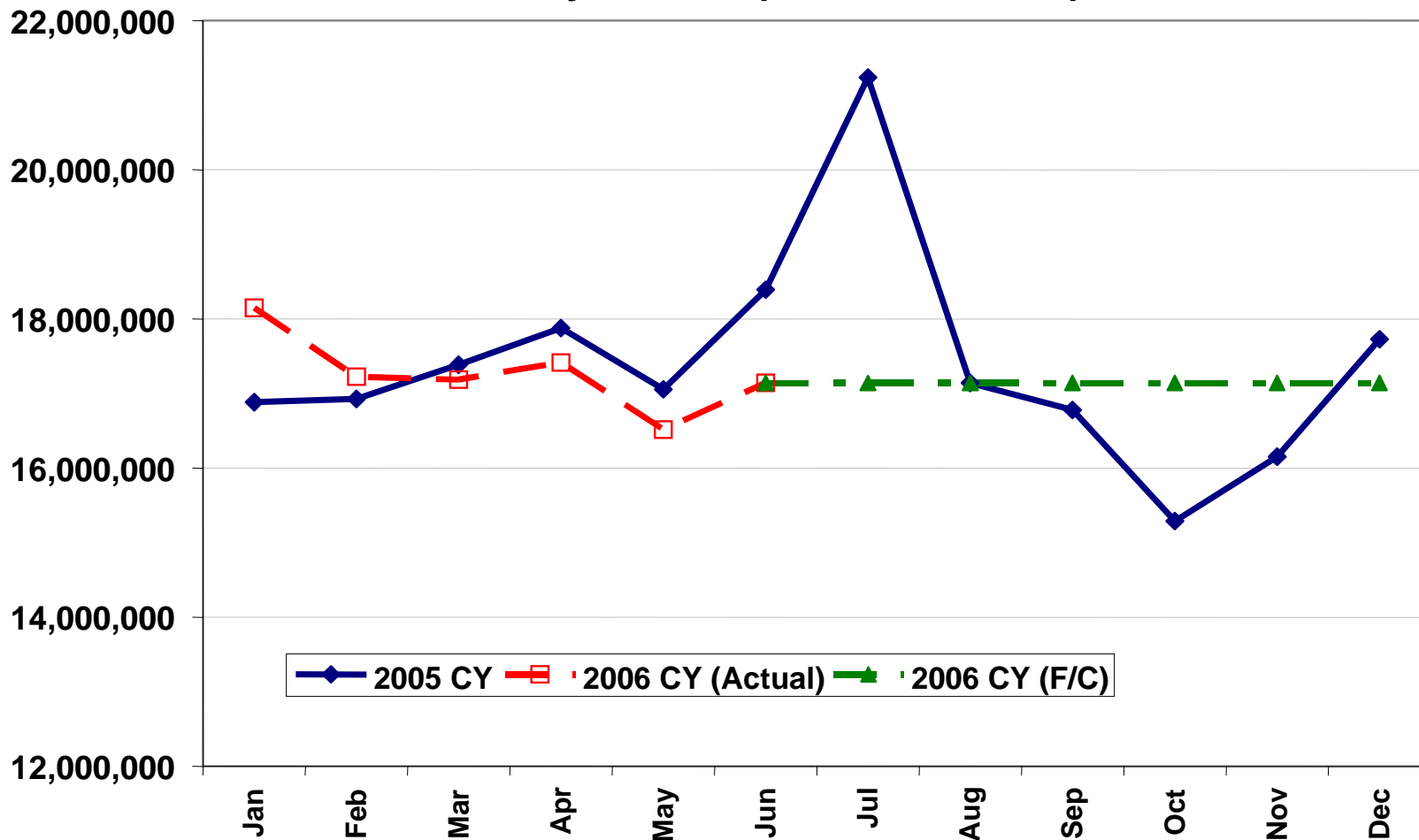


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Industry has been slightly below expectations due to higher interest rates and gas prices.

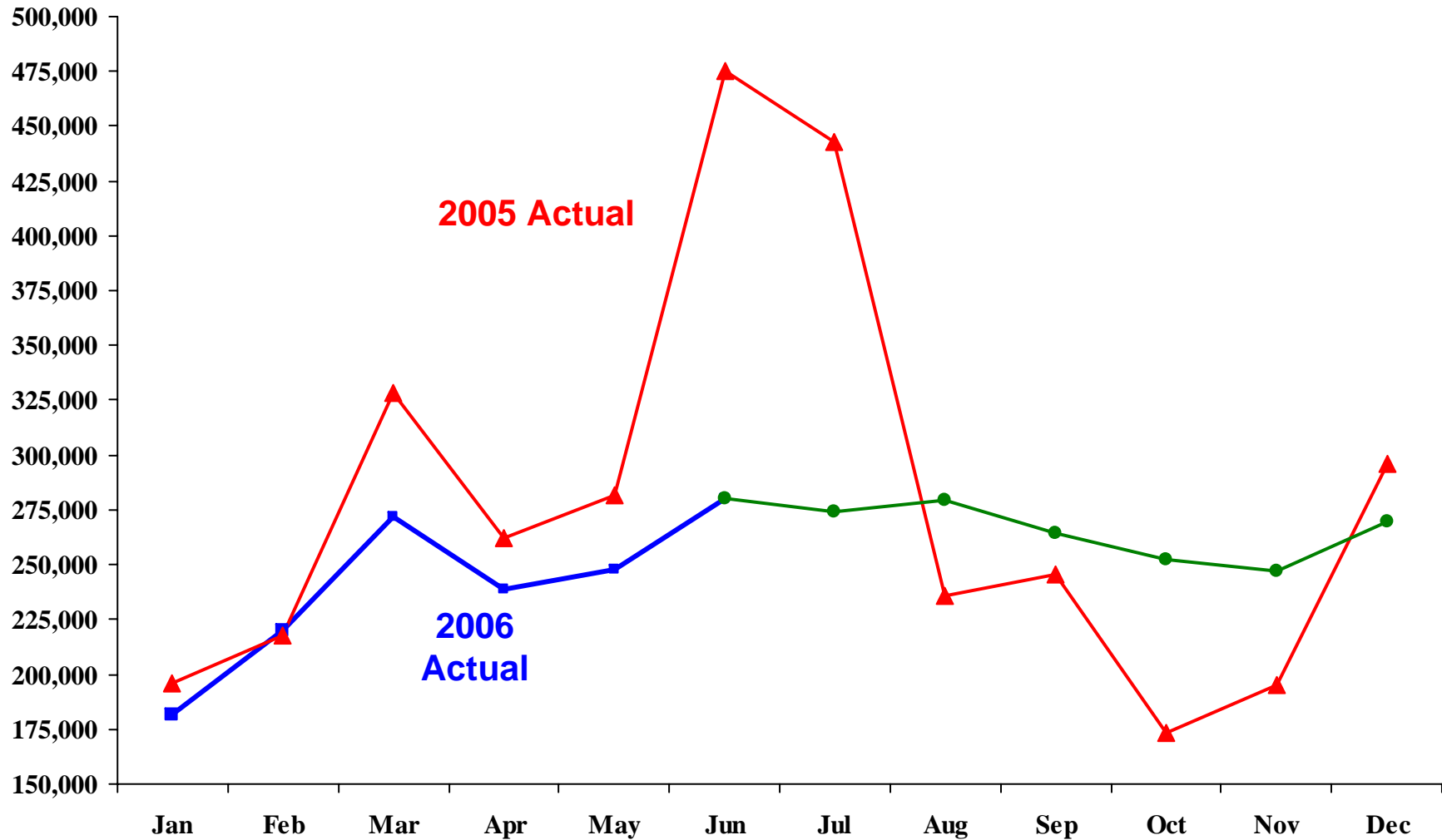
Industry SAAR (2005 vs. 2006)



Source: GMIA, NA EZ Query

Past sales volatility will make comparisons difficult.

2005 vs. 2006 Retail Deliveries



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Shift from trucks to cars has intensified during Q2.

	Jan-May 2005	Jan-May 2006	Jan-May '06 o(u) Jan-May '05	CYTD 2006
Car	45.6%	48.3%	2.8	48.4%
Truck	54.4%	51.7%	(2.8)	51.6%
Economy	1.1%	1.5%	0.4	1.5%
Small Car	12.0%	13.0%	1.0	13.0%
Small Specialty	2.5%	2.8%	0.3	2.8%
Mid Car	4.9%	5.3%	0.4	5.3%
Upper Mid	13.5%	13.8%	0.4	13.8%
Luxury Car	8.7%	9.1%	0.4	9.1%
Sport Car	2.9%	2.9%	0.0	2.9%
Medium Pickup	4.2%	3.9%	(0.2)	4.0%
Large Pickup	14.2%	13.2%	(1.0)	13.2%
Small Utility	10.3%	11.0%	0.7	11.0%
Medium Utility Traditional	6.8%	5.5%	(1.2)	5.5%
Medium Utility Crossover	3.8%	3.8%	(0.0)	3.8%
Entry Luxury Utility	0.3%	0.6%	0.3	0.6%
Medium Luxury Utility	2.8%	2.7%	(0.0)	2.7%
Large Utility	4.1%	3.9%	(0.3)	3.9%
Large Luxury Utility	1.1%	1.0%	(0.1)	1.0%
Medium Van	6.2%	5.4%	(0.8)	5.4%
Large Van	0.7%	0.5%	(0.1)	0.5%



Industry ATP's continue to increase moderately.

Industry Average Transaction Price by Segment				
	2006 CYTD	2006 CYTD o/(u) 2005 CYTD	2005 o/(u) 2004	2004 o/(u) 2003
<i>Car</i>	\$24,431	\$905	\$1,062	\$635
Low Car	\$17,902	\$851	\$999	\$351
Mid Car	\$20,139	\$335	\$1,570	\$646
Upper Mid	\$23,653	\$1,145	\$850	\$444
Entry Luxury	\$32,628	\$704	\$307	\$599
Prestige Luxury	\$45,340	(\$473)	\$765	\$2,463
<i>Truck</i>	\$27,296	\$49	\$247	\$448
Small Utility	\$21,144	\$158	\$294	\$130
Mid Utility	\$27,057	(\$18)	\$458	\$59
Large Utility	\$36,546	\$639	\$1,019	\$234
Large Pickup	\$27,561	(\$74)	\$141	\$878
Medium Van	\$24,104	(\$715)	\$437	\$110
Large Luxury Utility	\$53,643	\$1,592	(\$2,993)	\$628
Overall	\$25,908	\$365	\$556	\$540



Source: PIN



Competitive pressures remain intense as evidenced by incentive spending.

Total Incentive Spending (All Model Years)

	Jun-06	<u>June '06</u> <u>O(U) June</u> <u>'05</u>
Industry	2,252	(341)
GM Dom	2,836	(1,100)
Ford Dom	3,870	365
DCX Dom	3,964	444
Nissan	2,556	734
Non-GM	2,135	118

Source: PIN Incentive Spending Report
(June Mid Month Report)



All Model Year **Large Pickup** Incentive Spending

	Jun-06	<u>June '06</u> <u>O(U) June</u> <u>'05</u>
Industry	4,062	158
GM Dom	3,478	(902)
Ford Dom	4,136	729
DCX Dom	5,157	709
Nissan	2,538	692
Toyota	2,703	916

Source: PIN Incentive Spending Report
(June Mid Month Report)



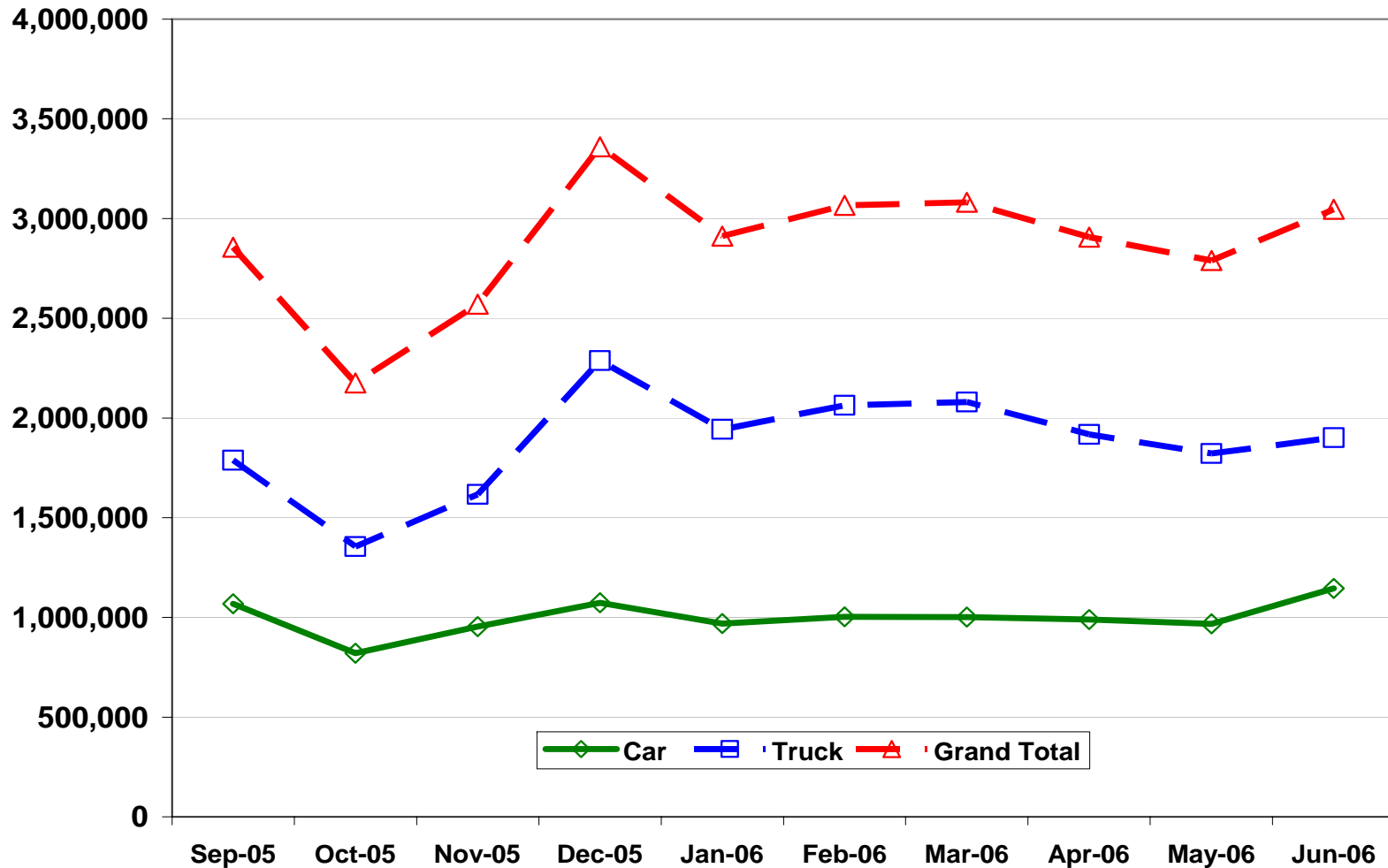
Key GM Go To Market Objectives

- Position ourselves as industry value leader
 - Differentiate and strengthen our divisional brands
- Leverage launch vehicles and aggressive product cadence
- Improve quality of share
- Stabilize retail position



Despite market challenges, our retail selling rate has stabilized with June showing improvements on CYTD performance.

GM Retail SAAR



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Source: NA EZ Query, June Estimate (GMIA)

Transaction prices reflect improving mix.

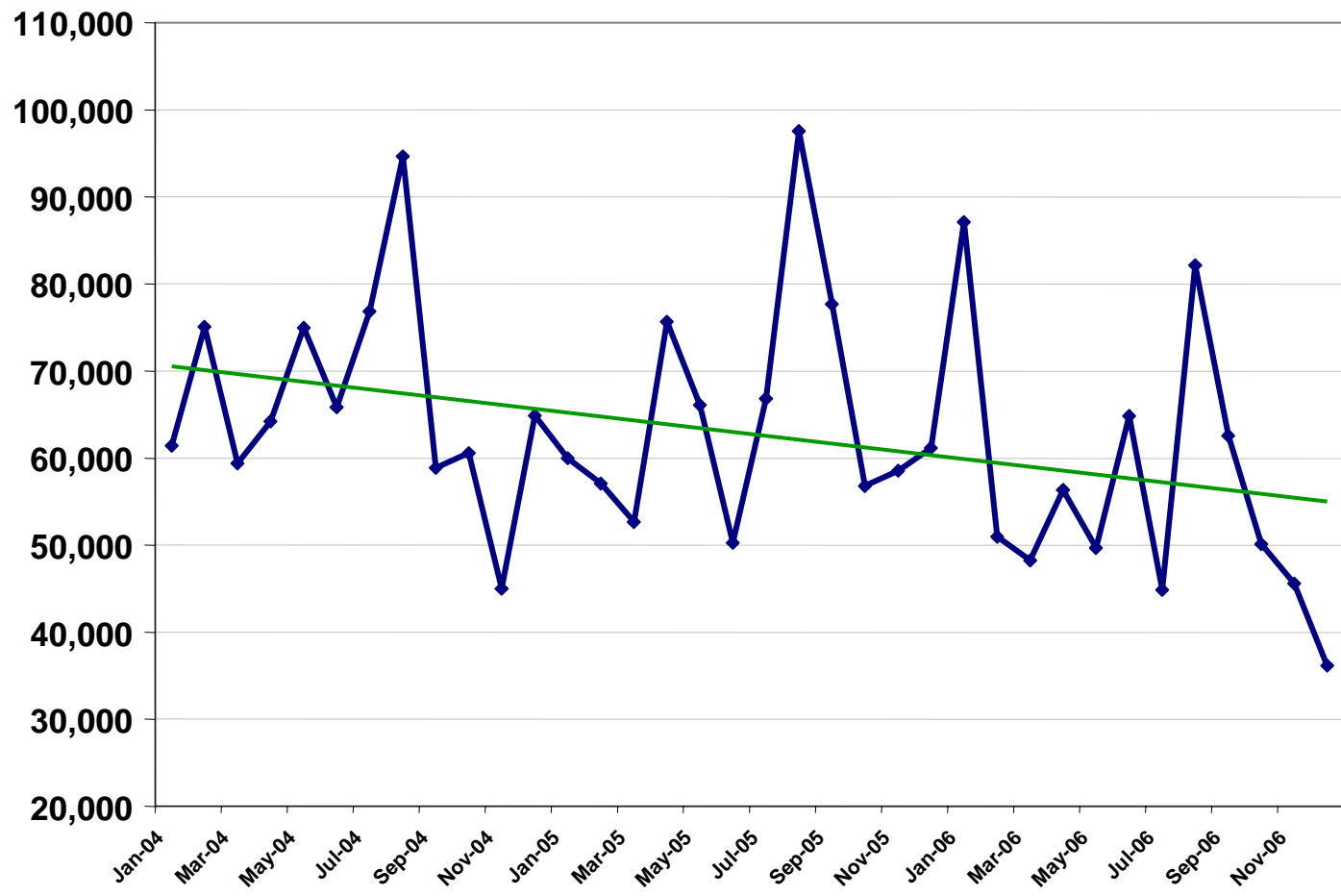
GM Average Transaction Price by Segment				
	2006 CYTD	2006 CYTD o/(u) 2005 CYTD	2005 o/(u) 2004	2004 o/(u) 2003
<i>Car</i>	\$23,367	\$2,304	\$1,135	\$949
Low Car	\$16,323	\$1,584	\$1,110	\$899
Mid Car	\$18,880	\$544	\$1,387	\$829
Upper Mid	\$23,936	\$2,863	\$736	\$293
Entry Luxury	\$29,416	(\$384)	(\$1,884)	\$1,297
Prestige Luxury	\$42,353	\$1,586	\$1,195	\$1,581
<i>Truck</i>	\$28,229	\$433	(\$390)	\$588
Small Utility	\$21,042	(\$742)	\$167	\$4,382
Mid Utility	\$25,803	\$526	\$142	(\$513)
Large Utility	\$37,235	\$1,531	\$947	\$207
Large Pickup	\$26,200	(\$568)	\$414	\$442
Medium Van	\$24,502	\$725	\$1,789	(\$346)
Large Luxury Utility	\$55,002	\$3,857	(\$4,973)	\$2,057
Overall	\$26,431	\$1,200	\$179	\$751

Source: PIN



GM Rental Share fell 4ppts. in CY'05 and is projected to decline by almost 8ppts. in CY'06.

GM Monthly Daily Rental Volumes



Source: GMIA, MADM

GM residual values have increased.

GM 36 Month ALG Residual

	Q3 2003	Q3 2006	'06 o/(u) '03
Small	29	41	12
Mid	33	42	9
Upper Mid	34	42	8
Prestige Luxury	33	44	10
Mid Utility	44	38	(6)
Large Pickup	40	45	5
Large Luxury Utility	46	46	1
Large Utility	43	49	6
Large Van	34	41	8
GM Car	34	43	8
GM Truck	40	44	3

Mid Ute is a 4WD, Large P/U is a 1500 4WD
 Large and Large Luxury Utilities represent '07 MY vehicles
 Q3 preliminary residuals as provided by ALG.



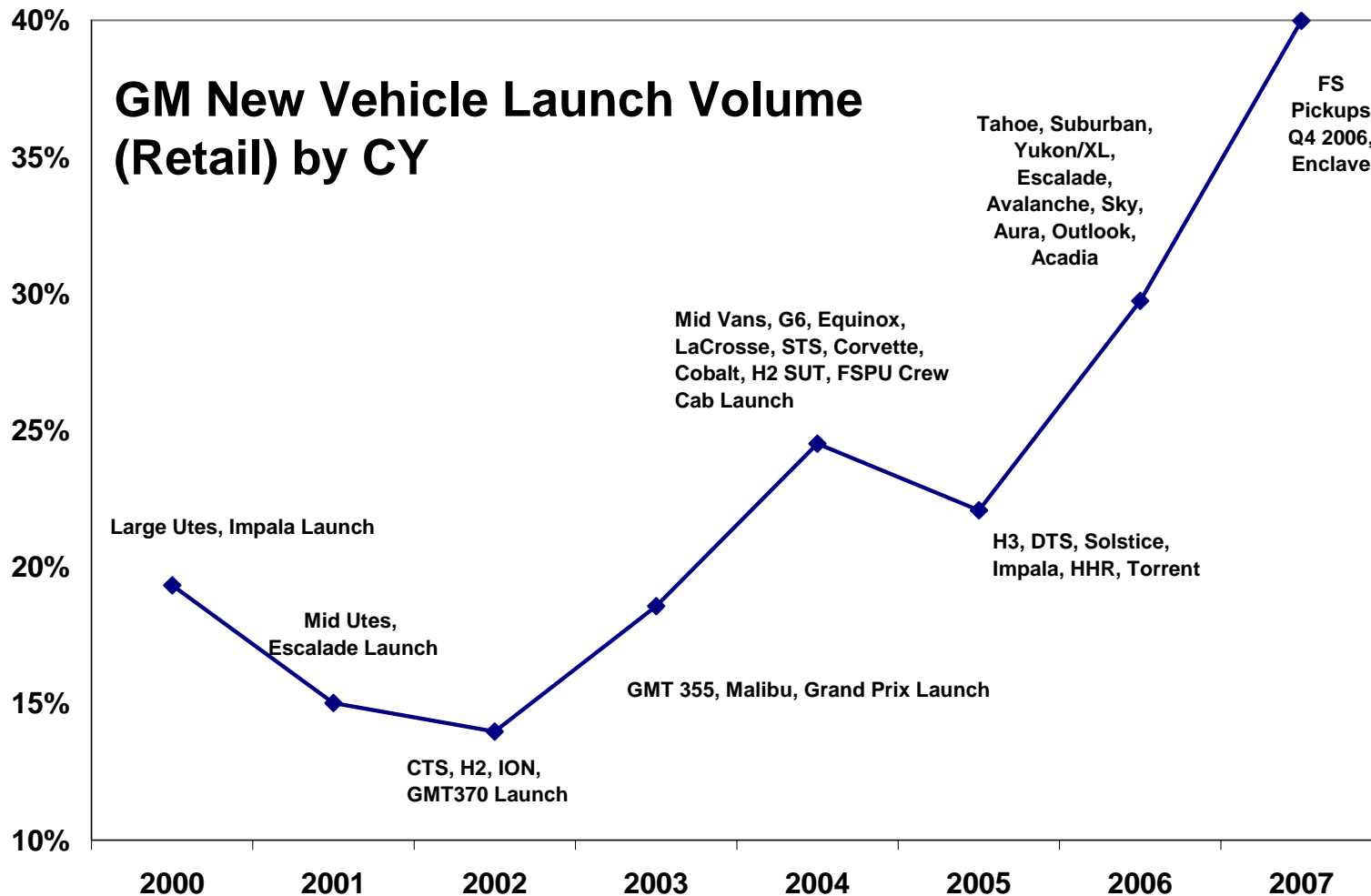
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Product offensive continues in CY'07 with full-size pickups, crossovers and Saturn portfolio expansion.



Source: GMIA, NA EZ Query, MADM
 *2005 and 2006 CY data is forecast with the exception of Jan.-June 2005



Gaining share in segments with new launches

GM Share of Segment (Total Deliveries)

	CYTD '06	CYTD '05	CYTD'06 O/(U)
Small Utility	20.1%		↑ 6.3
Large Utility	68.3%		↑ 9.8
Sport	11.9%		↑ 5.6



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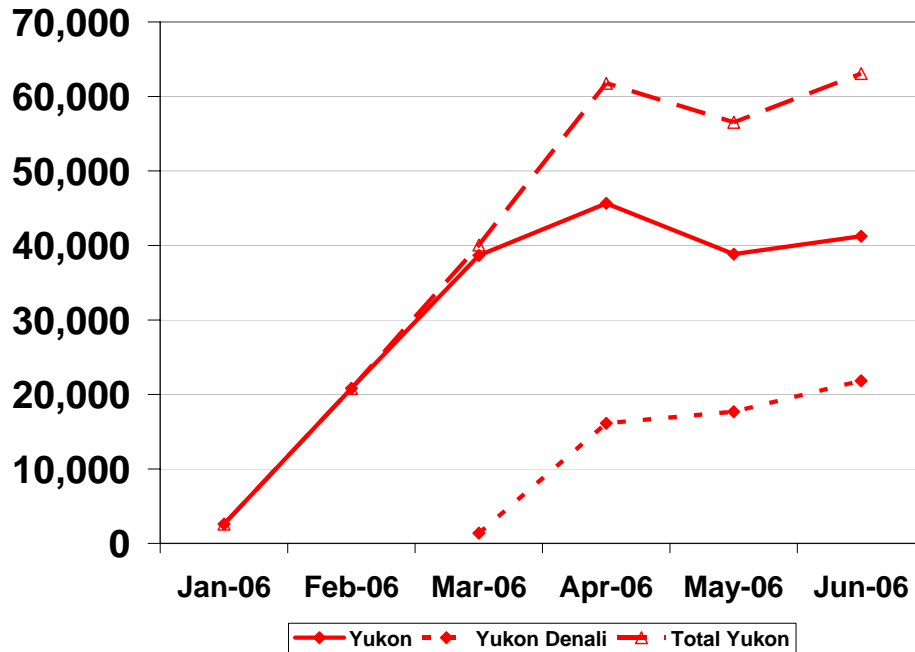


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2007 GMC Yukon

Monthly Retail SAAR



- '07 MY Yukon outsold Sequoia and Armada combined in May
- Over 43% of trade-ins in May came from non-GM products

Source: NAEZQuery, JD POWER PIN, PIN Spending Report



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Media Reviews

"The new Yukon has plenty to recommend it. In most respects, it is vastly superior to its predecessor, and much more civilized and attractive than such full-size Japanese competitors as the Toyota Sequoia and the Nissan Armada. You got tons of headroom, comfy seats, loads of amenities and lots of cargo space." (Detroit News)

"It has been replaced by a simply beautiful, warm, comfortable interior of supple leather and smartly done wood veneers (in the case of the Yukon Denali), and accented by an attractive floor-mounted console." (Washington Post)

"Attractive interior with quality materials, Denali's powerful 6.2-liter V8 engine, smooth road manners, tight turning circle, seats up to nine passengers." (edmunds.com)

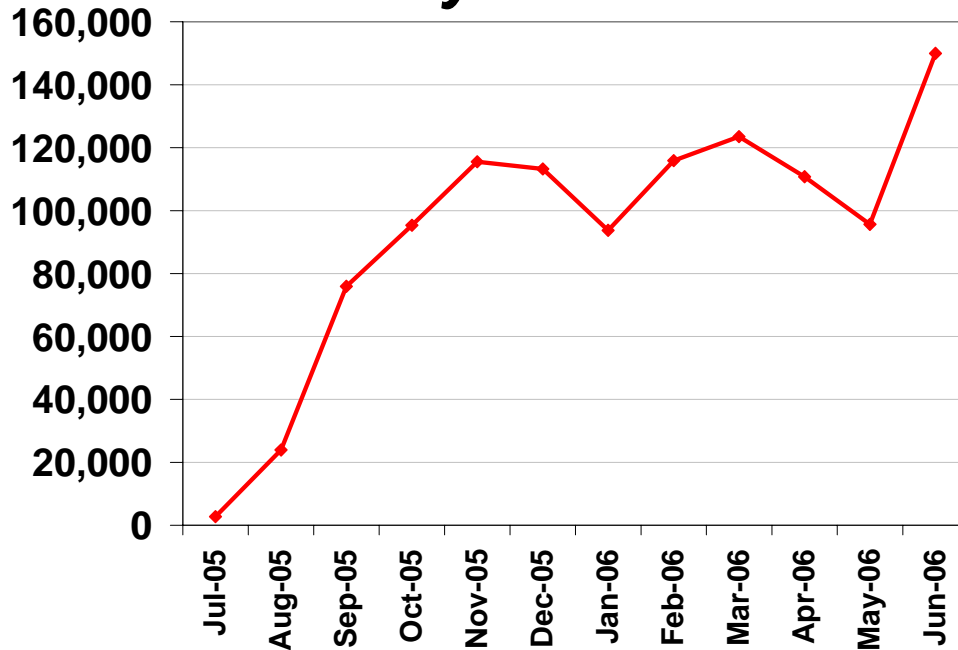
"The GMC Yukon and Yukon Denali offer hope for the segment's future by improving ride comfort and handling, increasing efficiency and refining a potentially atrocious vehicle into a potentially beautiful one." (M. Hudson, Edmunds)

Average Transaction Price

	<u>Month</u>	<u>ATP</u>
Yukon	May-05	\$33,515
'07 Yukon	May-06	\$38,758
Yukon Denali	May-05	\$43,570
'07 Yukon Denali	May-06	\$47,516

2006 Chevrolet Impala

Monthly Retail SAAR



- Impala CYTD through May '06 retail sales are up roughly 8% versus CYTD a year ago
- Outsold combined sales of Charger/300 by over 1K units in May '06
- Impala outsold the entire Ford upper mid lineup for the 3rd consecutive month in May '06

Media Reviews

“A well-equipped, nice-driving, good-looking alternative to those Asian brands you've been thinking about.”
(USA Today)

“And you can still put five adults inside quite comfortably, something that's hard to do with some of the popular Japanese midsize sedans. The Impala has a midsize exterior, but the interior is roomy enough to earn the vehicle that large-car designation.” (Star Telegram.com)

“Interior fit and finish are a huge improvement over the 2005 Impala and switchgear felt great; there was none of the gray plastic that has afflicted GM for too long. The design was clean and contemporary.” (The Morning Call)

“The instrument panel is well designed, with most dials and switches placed within easy reach of the driver.”
(Washington Post)

Average Transaction Price

	<u>Month</u>	<u>ATP</u>
Impala	May-05	\$19,043
'06 Impala	May-06	\$21,199

Source: NAEZQuery, JD POWER PIN, PIN Pending Report



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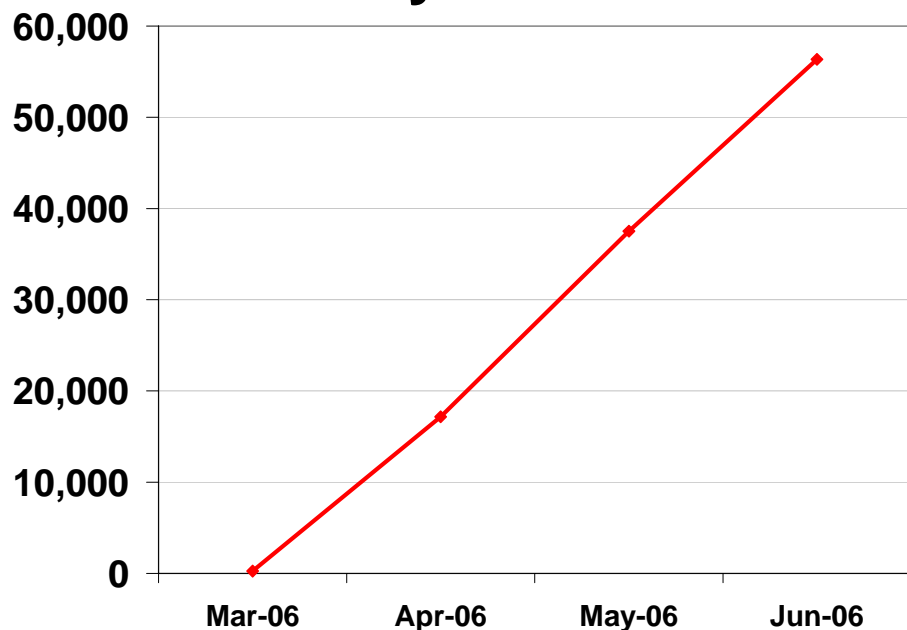


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2007 Chevrolet Suburban

Monthly Retail SAAR



- '07 models accounted for over 65% of total Suburban retail sales
- '07 models averaged 13 days to turn in May
- Outsold Sequoia by a 2:1 ratio

Media Reviews

“Attractive interior with solid materials, comfortable ride and seating, smooth V8, accommodates up to nine passengers, class-leading cargo capacity.” (edmunds.com)

“A lower, more curvaceous dash replaces the previous Suburban's trucklike one. Chrome rings surround flush-mounted buttons, and the seats have firmer cushions for better support.” (cars.com)

Average Transaction Price

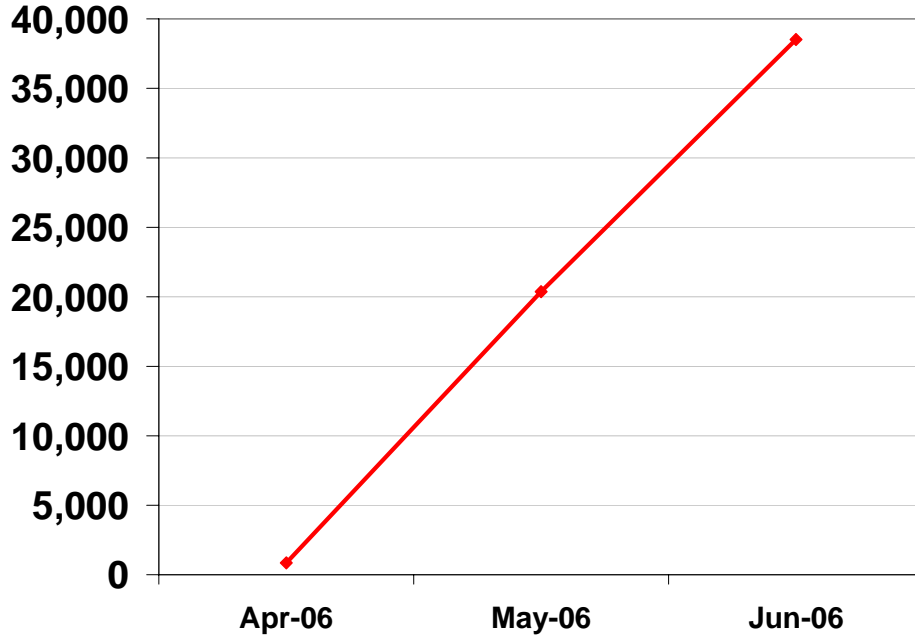
	<u>Month</u>	<u>ATP</u>
Suburban	May-05	\$36,579
'07 Suburban	May-06	\$43,398



Source: NAEZQuery, JD POWER PIN, PIN Pending Report

2007 GMC Yukon XL

Monthly Retail SAAR



- '07 models averaged 7 days to turn in May

Media Reviews

“A lower dashboard with a traditional instrument panel hump replaces the boxy dash from previous Yukon XLs. Higher-quality fixtures include flush-mounted controls, low-gloss materials and chrome instrument surrounds.” (cars.com)

Average Transaction Price

	<u>Month</u>	<u>ATP</u>
Yukon XL	May-05	\$37,162
'07 Yukon XL	May-06	\$41,008



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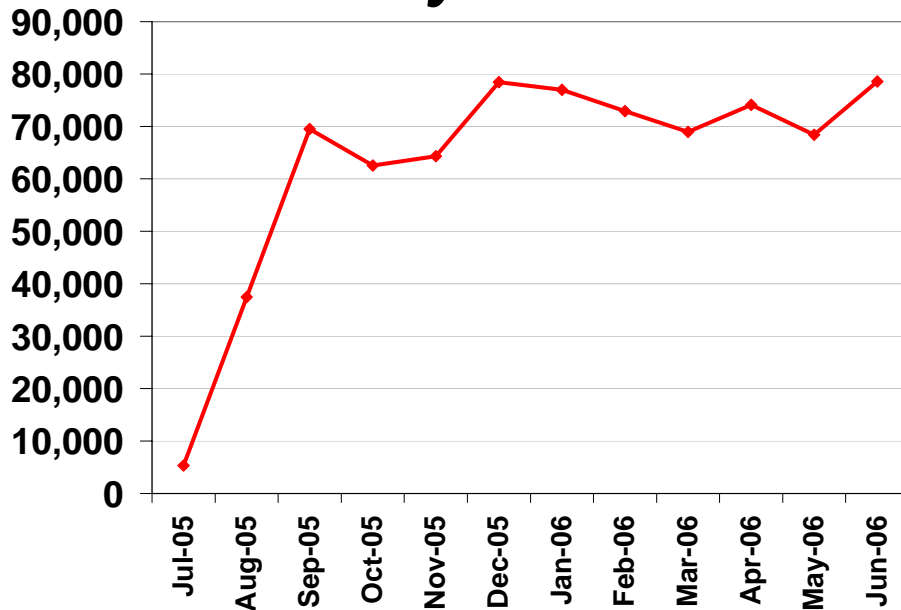
Source: NAEZQuery, JD POWER PIN, PIN Spending Report

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2006 Chevrolet HHR

Media Reviews

Monthly Retail SAAR



- HHR, in May '06, had its highest retail mix (80%) since launch, up 13ppts from April '06
- HHR outsold the combined sales of Mariner and Tribute for the 9th consecutive month in May '06

“Judged by performance and comfort attributes, as well as solid build quality, the HHR is actually one of GM's most appealing vehicles.” (cars.com)

“The switch gear had a good feel, and the audio system had a sophisticated look, decent sound and an audio input jack for MP3 players. Nice touch.” (The Morning Call)

“...the HHR has a commendable feel of solidity far beyond what we typically expect at this price point.” (Orlando Sentinel)

“The interior is airy, comfortable and easy to get in and out of.” (LA Times)

“High-mileage people carrier with a retro look. Large cargo hold with huge parcel shelf and covered stowage bins. Excellent mileage. Quiet operation. Decent price. Neat little touches, such as running boards.” (Chicago Tribune)

Average Transaction Price

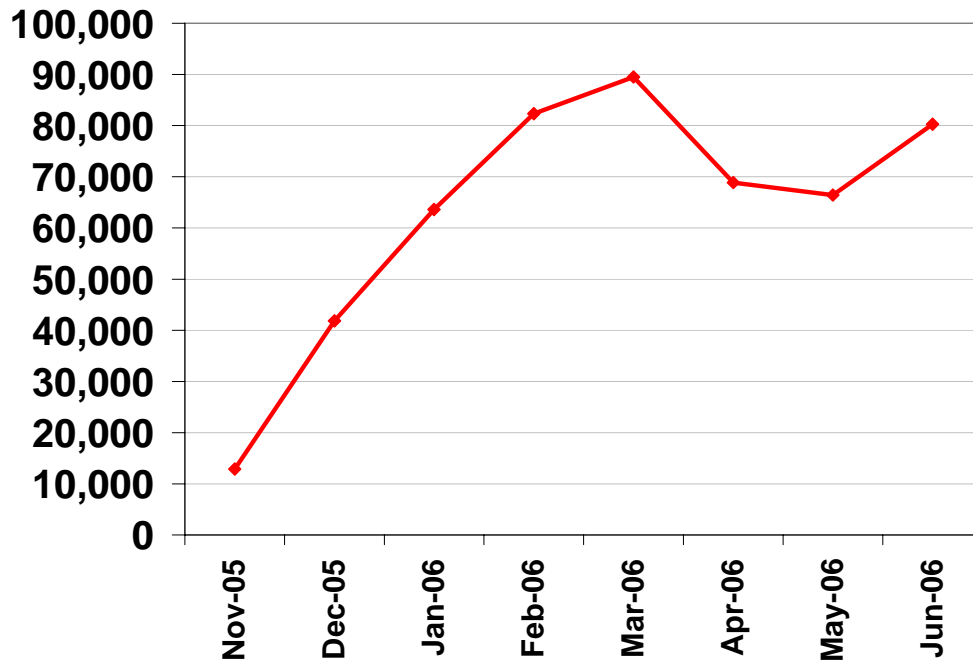
	<u>Month</u>	<u>ATP</u>
HHR	May-06	\$19,462

Source: NAEZQuery, JD POWER PIN, PIN Spending Report



2006 Buick Lucerne

Monthly Retail SAAR



- Lucerne CYTD through May '06 retail sales have outperformed CYTD through May '05 LeSabre retail sales almost 2 to 1

Media Reviews

“What a fine surprise. Buick has replaced two cars, Park Avenue and LeSabre, with a single big sedan called Lucerne, and it's a honey.” (USA Today)

“The Lucerne's shape is modern, with tall shoulders, a short greenhouse and a windshield, roof and rear window line that flows smoothly, giving the body a more contemporary look than the three-box profile of its predecessors” (NY Newsday)

“It has plenty of spirit to stay ahead of the pack on the interstate, climbing inclines or pulling out to pass without hesitating on country roads. Lively yet quiet.” (Chicago Tribune)

Average Transaction Price

	<u>Month</u>	<u>ATP</u>
Lesabre	May-05	\$24,476
Lucerne	May-06	\$28,394

Source: NAEZQuery, JD POWER PIN, PIN Spending Report



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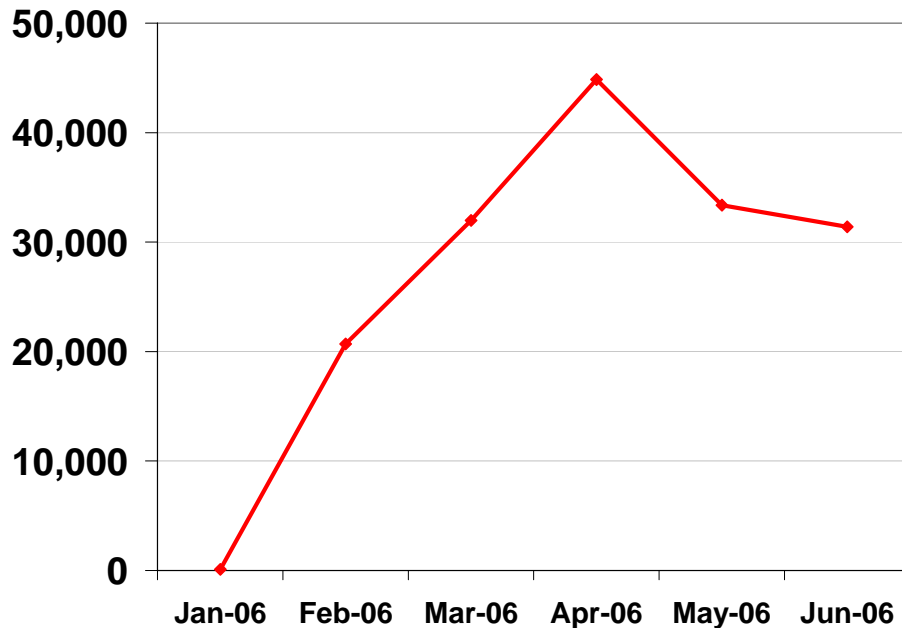


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2007 Cadillac Escalade

Monthly Retail SAAR



Media Reviews

"In the spirit of excess, the 2007 Escalade boasts available 22-inch wheels and a 6.2-liter V-8 with more than 400 horsepower." (cars.com)

"Inside and out, the new Escalade is handsome and will no doubt remain one of Detroit's most iconic vehicles." (Forbes)

"Unquestionably, this is a good looking vehicle, with tight shut lines and a minimum of panel gaps." (automotive.com)

"The redesigned Escalade, sibling of the 2007 Chevrolet Tahoe and GMC Yukon, stands out as the sexiest full-size SUV on the market, an awesome Detroit offering that hits a bull's-eye in such important areas as horsepower and cabin design." (Detroit News)

- '07 model was the best selling vehicle in the segment outselling Navigator by nearly 500 units
- '07 models outsold the Range Rover by a nearly 3:1 ratio in May
- '07 models averaged 15 days to turn in May

Average Transaction Price

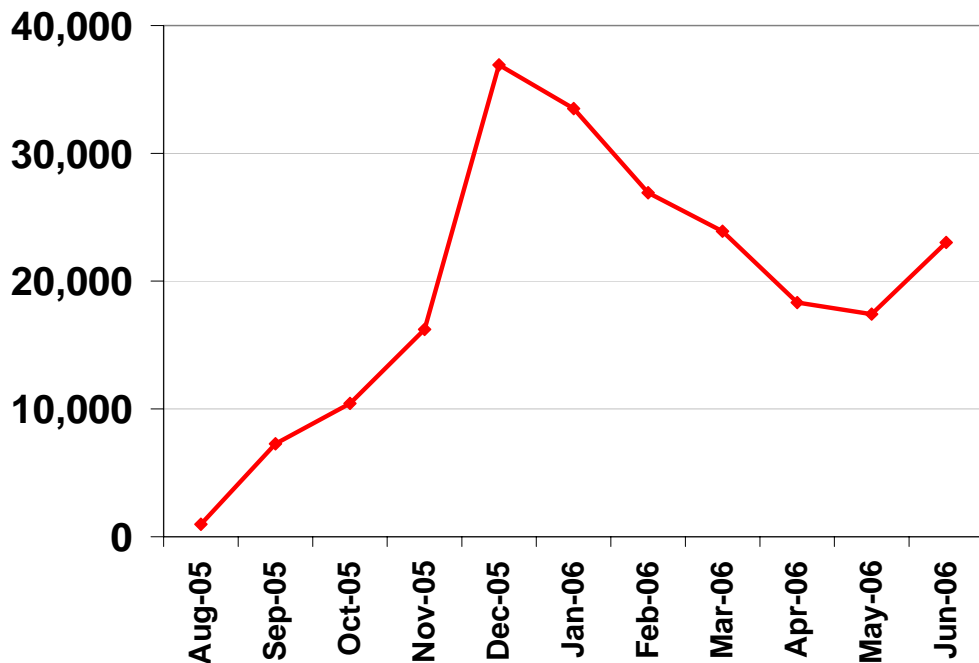
	<u>Month</u>	<u>ATP</u>
Escalade	May-05	\$49,436
'07 Escalade	May-06	\$59,875



Source: NAEZQuery, JD POWER PIN, PIN Spending Report

2006 Pontiac Solstice

Monthly Retail SAAR



- Solstice took 12 days to turn on dealer lots in May
- Solstice's retail turn rate of 45% in May was the best of any GM car.

Media Reviews

"Visually, Pontiac's two-seat roadster is a knockout. One of my friends asked if it was a Porsche."
(Kansas City.com)

"It shows that Pontiac's parent, General Motors, can hustle up credible models from scratch in quick time - a little more than two years." (USA Today)

"But the Solstice packs a visceral punch from almost any angle and exhibits the agility of a large cat."
(Detroit News)

"Its stubby roadster proportions are perfect, with the compact aggression of a Japanese short sword. The twin headrest humps on the rear deck look like they were borrowed from a Zagato-bodied Aston Martin." (LA Times)

"If the Solstice is a halo car that represents the new Pontiac, GM's excitement division still has a pulse."
(Motor Trend)

Average Transaction Price

	<u>Month</u>	<u>ATP</u>
Solstice	May-06	\$20,980
Miata/MX-5	May-06	\$26,161

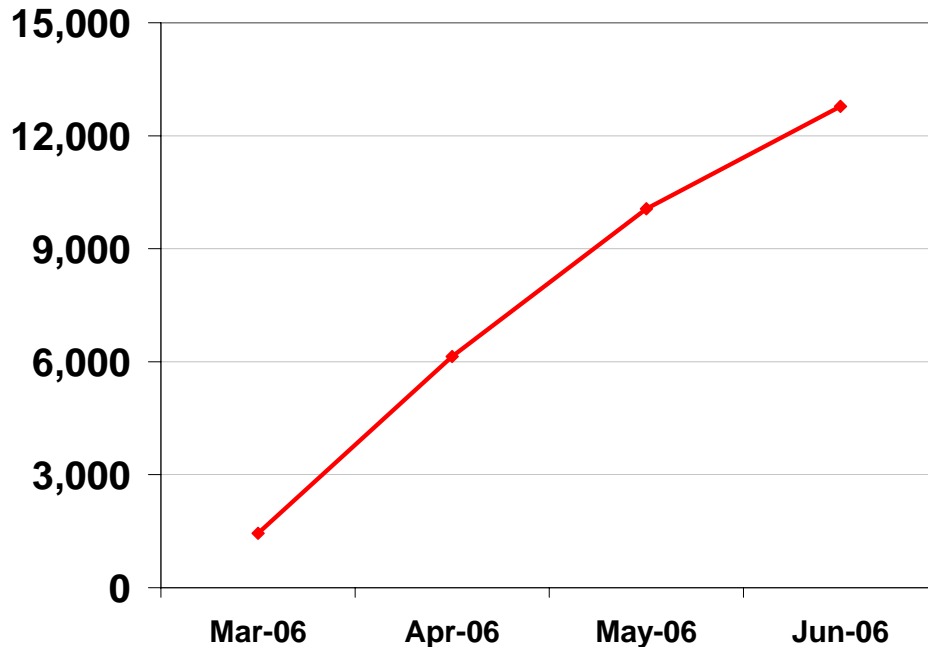


Source: NAEZQuery, JD POWER PIN, PIN Spending Report

2007 Saturn Sky

Media Reviews

Monthly Retail SAAR



- Saturn Sky took 2 days to turn on dealer lots in May, the best of any vehicle according to PIN data.
- Sky had a retail turn rate of 44.1% in May, third best in the GM family.

“Most roadsters aren't as cramped as you might think, because they're not trying to share space with a backseat. Still, interior space is a principal complaint about the MX-5. Ostensibly, this gives the larger Sky an advantage.”
(cars.com)

“This is a car that loves top-down Sunday cruising and handles well-enough to make winding roads a lot of fun.”
(Orlando Sentinel)

“It's one thing for people to stop and stare when they see a Solstice parked in the lot. But with Sky folks stopped shopping, walked out of stores and headed to the lot for a good look.” (Chicago Tribune)

“Unlike McCarroll, we aren't afraid to say the Sky is not only sexy, but also it gives the once-dowdy General Motors Corp. brand -- known until now for its top-drawer service , no-dicker stickers and boring products -- some much-needed swagger.” (Detroit News)

“Featuring piano-black inserts, tech grains, and jewellike instrumentation with LED backlighting, the Sky is a handsome, inviting car designed to compete with everything from Mazda Miatas to BMW Z4s.” (Motor Trend)



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Source: NAEZQuery, JD POWER PIN, PIN Spending Report

A key goal of “Go To Market Strategy” is to communicate our “Industry Leading Value”

- ❑ GM repositioned prices on over 80% of its vehicles
- ❑ GM continues to offer industry leading fuel economy, with 14 vehicles achieving 30 mpg or better
- ❑ GM is on pace to sell over one million vehicles achieving 30 mpg or better in CY 2006



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“30 MPG or Over Club”

More than any other automaker!



**Chevrolet Cobalt
32 MPG**



**Chevrolet Aveo
35 MPG**



**Pontiac G6
34 MPG**



**Saab 9-3
31 MPG**



**Saturn Ion
32 MPG**



**Pontiac Vibe
34 MPG**



**Chevrolet Malibu
32 MPG**



**Saab 9-3 SportCombi
31 MPG**



**Chevrolet Monte Carlo
31 MPG**



**Pontiac Grand Prix
30 MPG**



**Buick LaCrosse
30 MPG**



**Chevrolet Impala
31 MPG**



**Chevrolet Malibu Maxx
30 MPG**



(EPA Highway Labels)



**Chevrolet HHR
30 MPG**



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2006 CY Upcoming Launches

- Cadillac Escalade EXT
- Chevrolet Avalanche
- Chevrolet Silverado
- Saturn Aura
- Saturn Outlook
- GMC Acadia
- GMC Sierra
- Pontiac G5



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72 Hour Sale

- ❑ Consistent with “Go to Market Strategy”, this is a national program with limited duration
- ❑ Third year of “72 Hour Sale” (very successful in 2004 and 2005)
- ❑ Unlike previous years, we will promote this divisionally, instead of “as GM”
- ❑ Chevrolet, Buick, Pontiac, and GMC will feature “0 for 72 months” on many 2006 models
- ❑ Official sale dates: 06/29 – 07/05



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Our focus continues to be . . .

- Offer industry-leading value and remain competitive
- Continue to aggressively reduce marginally profitable business as part of the GMNA Turnaround plan
 - Reducing marginally profitable business will be a drag on total sales results
- Stabilizing and improving U.S. business:
 - New products
 - Emphasis on “industry leading value”
 - Building our brands



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