

Forward Looking Statements

In this chart presentation 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 might include: our ability to achieve reductions in costs as a result of the turnaround restructuring, health care cost reductions and an accelerated attrition program, to realize production efficiencies and to implement capital expenditures at levels and times planned by management; the pace of product introductions and market acceptance of our new products; changes in the competitive environment and the effect of competition in our markets, including on our pricing policies; our ability to maintain adequate liquidity and financing sources and an appropriate level of debt; restrictions on GMAC's and ResCap's ability to pay dividends and prepay subordinated debt obligations to us; the final results of investigations and inquiries by the SEC and other government agencies; changes in relations with unions and employees/retirees and the legal interpretations of the agreements with those unions with regard to employees/retirees; our ability to complete the timely sale of a 51-percent controlling interest in GMAC and the effect of that sale on the results of GM's and GMAC's operations and liquidity; labor strikes or work stoppages at GM or its key suppliers such as Delphi Corporation or financial difficulties at those key suppliers; negotiations and bankruptcy court actions with respect to our relationship with Delphi; additional credit rating downgrades and their effects; costs and risks associated with litigation; new or amended laws, regulations, policies or other activities of governments, agencies and similar organizations; price increases or shortages of fuel; changes in economic conditions, commodity prices, currency exchange rates or political stability in the markets in which we operate; and other factors affecting financing and insurance operating segments' results of operations and financial condition such as credit ratings, adequate access to the market, changes in the residual value of off-lease vehicles, changes in U.S. government-sponsored mortgage programs or disruptions in the markets in which its mortgage subsidiaries operate, and changes in its contractual servicing rights.

In addition to these factors, a variety of other factors may materially affect GMAC's actual results, including: changes in the competitive environment and the effect of competition in GMAC's markets, including GMAC's pricing policies; GMAC's ability to maintain adequate financing sources and an appropriate level of debt; the profitability and financial condition of GM, including changes in production or sales of GM vehicles and risks based on GM's contingent benefit guarantees; changes in GMAC's accounting assumptions that may require or that result from changes in the accounting rules or their application, which could result in an impact on earnings; and the threat of natural calamities.

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 or on Form 8-K. We caution investors not to place undue reliance on forward-looking statements, and do not undertake any obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information, future events or other such factors that affect the subject of these statements, except where expressly required by law.



Jim Wiemels

Vice President

Global Manufacturing Engineering

\$1.15 Billion
2nd Quarter Adjusted
Net Income

North America Turnaround

North America Turnaround Plan

- Keep raising the bar in the execution of great cars and trucks
- Revitalize our sales and marketing strategy
- Intensify our focus on cost and quality
- Addressing our health care and legacy cost burden

Capacity Utilization

Accelerated Attrition Plan

Comprehensive Employee Training

- Using established Global Manufacturing System standards
- Broad range of topics from quality standards to plant policies and work rules
- Progress monitored by joint union-management teams

\$9 Billion Reduction on Running Rate Basis by End of 2006

Note: General Motors North America – Includes North American costs accounted for in Corp Sector

2005

9.2 Million GM Global Sales

GM Global Sales Results

- Sold more vehicles outside the U.S. than in it
- Setting records in Middle East and South Africa
- Continuing Asia-Pacific growth trend
- Market leader in China

GM Growth in China

■ Eight years ago

- Had 1 plant
- Sold 1 brand, offering 2 products
- Sold 6,000 vehicles

■ Today

- Have 6 plants
- Have 6 brands, offering 29 products
- Sold 450,000 vehicles in first half of this year

Global Manufacturing

Global Architectures

Manufacturing Flexibility

GM Manufacturing Flexibility

*The ability to respond to
changing customer demands
quickly and efficiently.*

Pick-up & SUV Flexibility

Midsize Car Architecture

New Architecture Benefits

- 40% reduction in direct engineering costs
- 15% reduction in material costs
- 30% reduction in overall investment
- Manufacturing plants in 3 regions
 - Capable of building 19 different vehicle styles

Bill of Process

- Defines the vehicle build sequence
- Globally common approach to manufacturing and assembly
- One coordinated engineering and manufacturing team

Bill of Equipment

Global Manufacturing Strategies

+ Global Product Strategies

Portfolio of Great Cars & Trucks

Quality

J.D. Power Initial Quality Study

GM Gold Plant Winner 5 Consecutive Years!

2006 Oshawa 2, Ontario, Canada

2005 Oshawa 2, Ontario, Canada

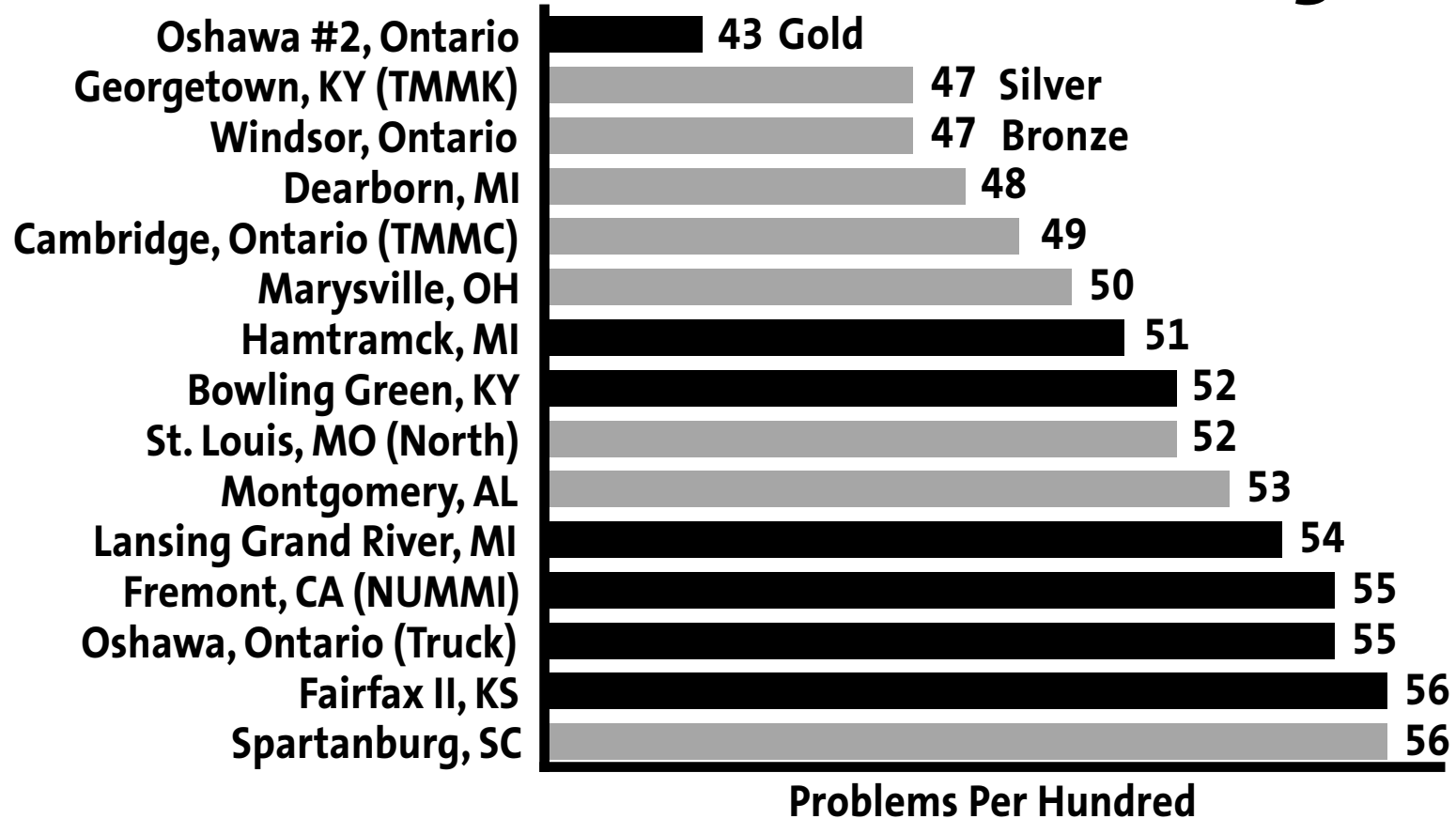
2004 Lansing Grand River, Michigan

2003 Oshawa 1, Ontario, Canada

2002 Oshawa 2, Ontario, Canada

2006 J.D. Power Initial Quality

North/South American Plant Ranking



2005 J.D. Power Dependability Study

Top Three Vehicles Per Segment

18 GM Vehicles

#1 Entry Midsize Car	Chevrolet Malibu
#1 Midsize Pickup	Chevrolet S-10
#1 Premium Midsize Car	Buick Century
#1 Compact Car	Chevrolet Prizm
#1 Light Duty Full-Size Pickup	Cadillac Escalade EXT
#1 Full-Size SUV	GMC Yukon/Yukon XL
#1 Heavy Duty Full-Size Pickup	GMC Sierra HD
#1 Full-Size Car	Buick LeSabre

Strategic Vision's Total Quality Index

Top Vehicles Per Segment

5 GM Vehicles

Luxury Small Specialty

Chevrolet Corvette

Small Multi-Function

Chevrolet HHR

Luxury Convertible

Chevrolet Corvette Convertible

Heavy Duty Pickup

Chevrolet Silverado HD 2500/3500

Small SUV

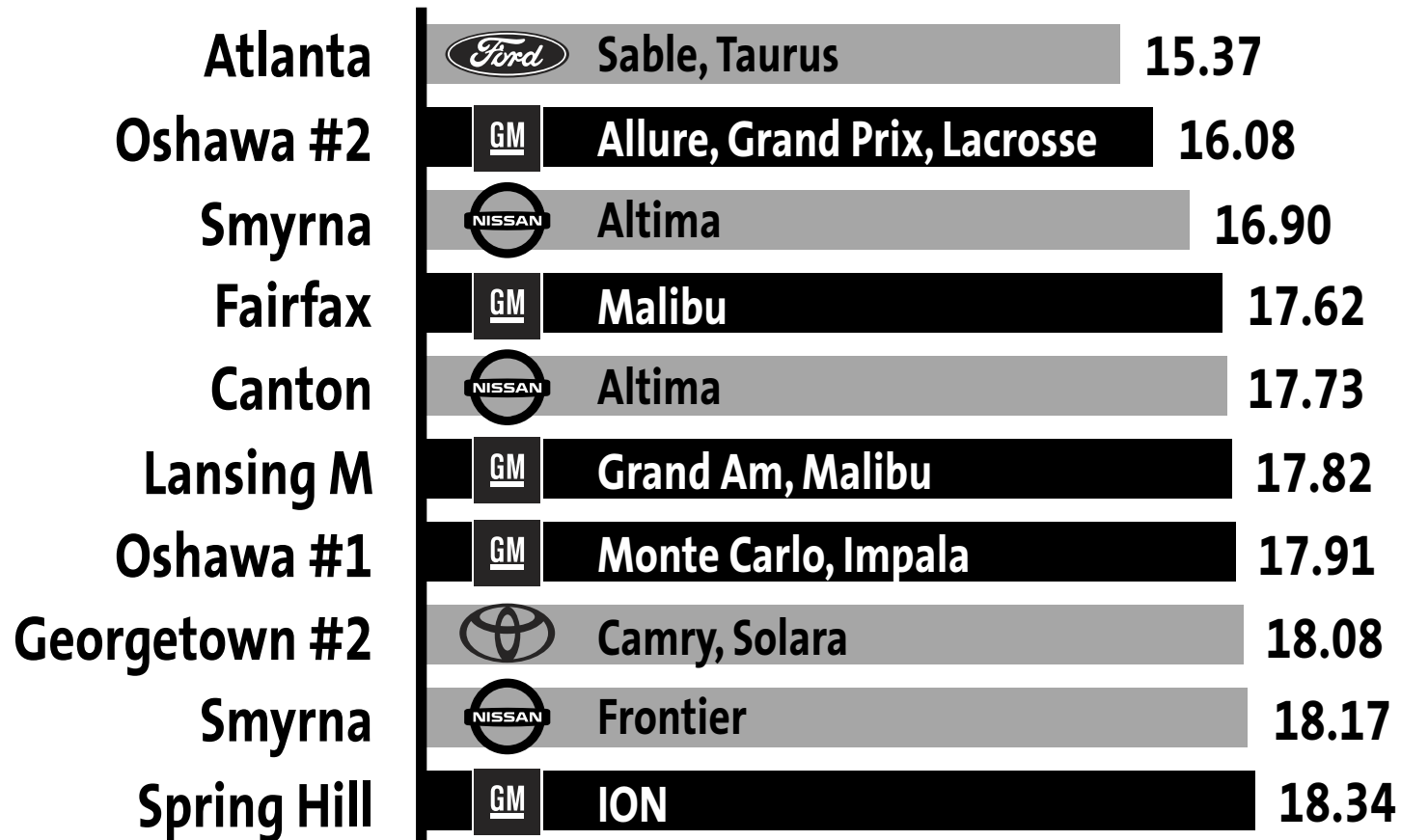
Saturn VUE

2006 J.D. Power Customer Satisfaction Customer Service Index (CSI) Ranking



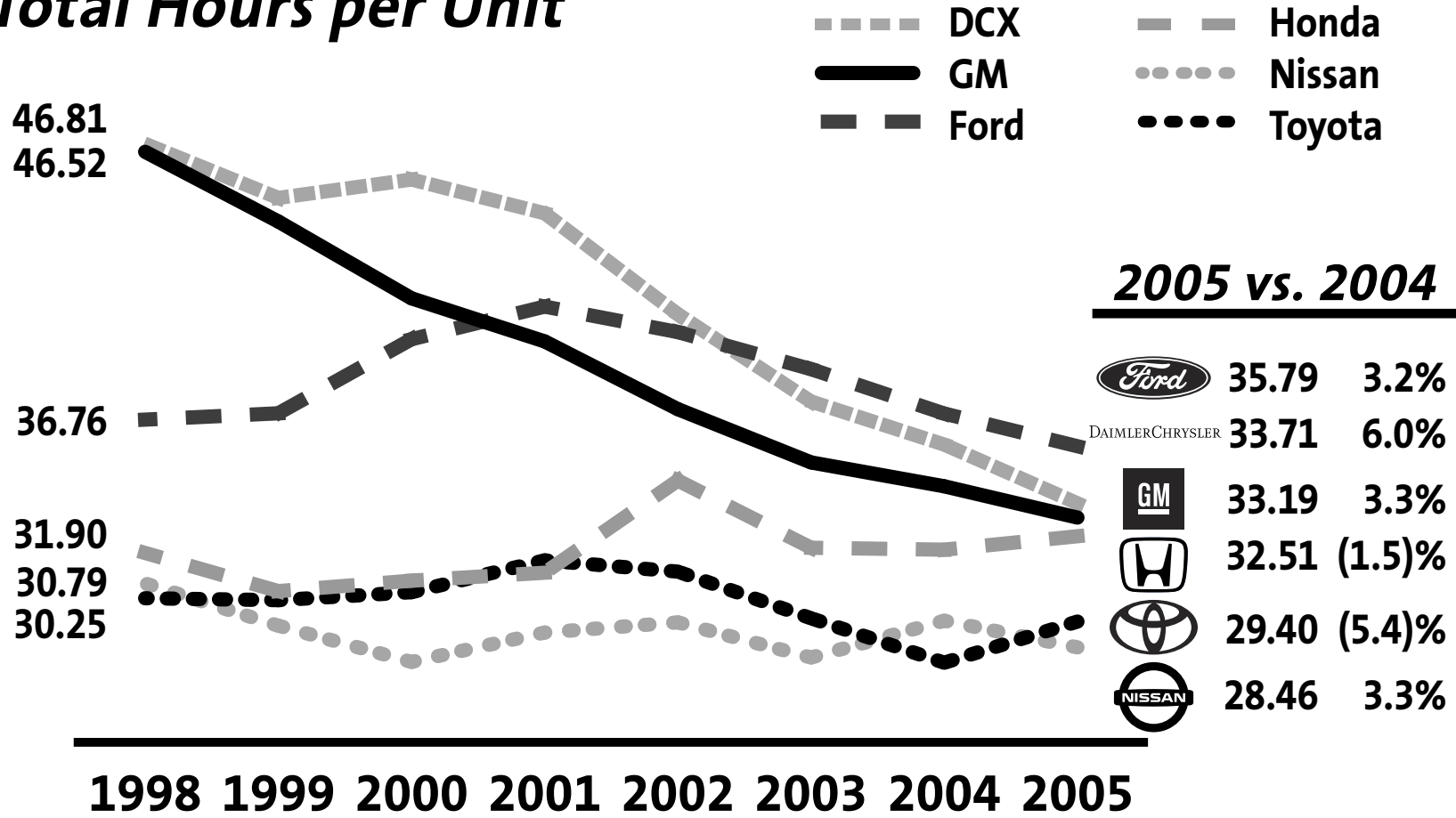
Based on a 1,000-point scale

Top Ten Vehicle Assembly Plants Hours per Vehicle



©2006 Harbour Consulting

North American History of Total Hours per Unit



GM excludes medium duty. Honda, Nissan and Toyota data includes partial reporting of North American plants.

©2006 Harbour Consulting

Meeting the Flexibility Challenge

- Global architectures
- Global bill of process
- Global bill of equipment
- Optimized global footprint