

Safe Harbor

In the presentation that follows and in related comments by General Motors management, our use of the words “expect”, “anticipate”, “estimate”, “forecast”, “objective”, “plan”, “goal”, “project”, “outlook”, “priorities/targets” and similar expressions is intended to identify forward looking statements.

While these statements represent our current judgment on what the future may hold, and we believe these judgments are reasonable, actual results may differ materially due to numerous important factors that are described in GM’s most recent report on SEC Form 10-K which may be revised or supplemented in subsequent reports on SEC Forms 10-Q and 8-K. Such factors include, among others, the following: changes in economic conditions, currency exchange rates or political stability; shortages of and price increases for fuel, labor strikes or work stoppages; health care costs; market acceptance of the corporation's new products; pace of product introductions; significant changes in the competitive environment; changes in laws, regulations and tax rates; and, the ability of the corporation to achieve reductions in cost and employment levels to realize production efficiencies and implement capital expenditures at levels and times planned by management.



GMNA Sales and Marketing Update

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Agenda

- Sales Recap
- U.S. Market Growth Plan
 - GM Brand Assessment
 - Value Promise and other strategic moves
 - Key Market Strategy
 - PBG Channel Alignment
- Closing Remarks

July Sales and Share Summary

	Sales	% Change	Share	Pt. Change
July	530,027	19.8%	28.7%	(0.2)
CYTD	2,882,397	4.6%	27.1%	0.0

Inventory (7/31/05) 695,642
 Compared to (7/31/04) (465,000)

- Best July since 1986
- All divisions up year-over-year
- Chevy ahead of Ford by 56,000 units
- Cadillac moves into second place ahead of BMW

U.S. Market Growth Plan

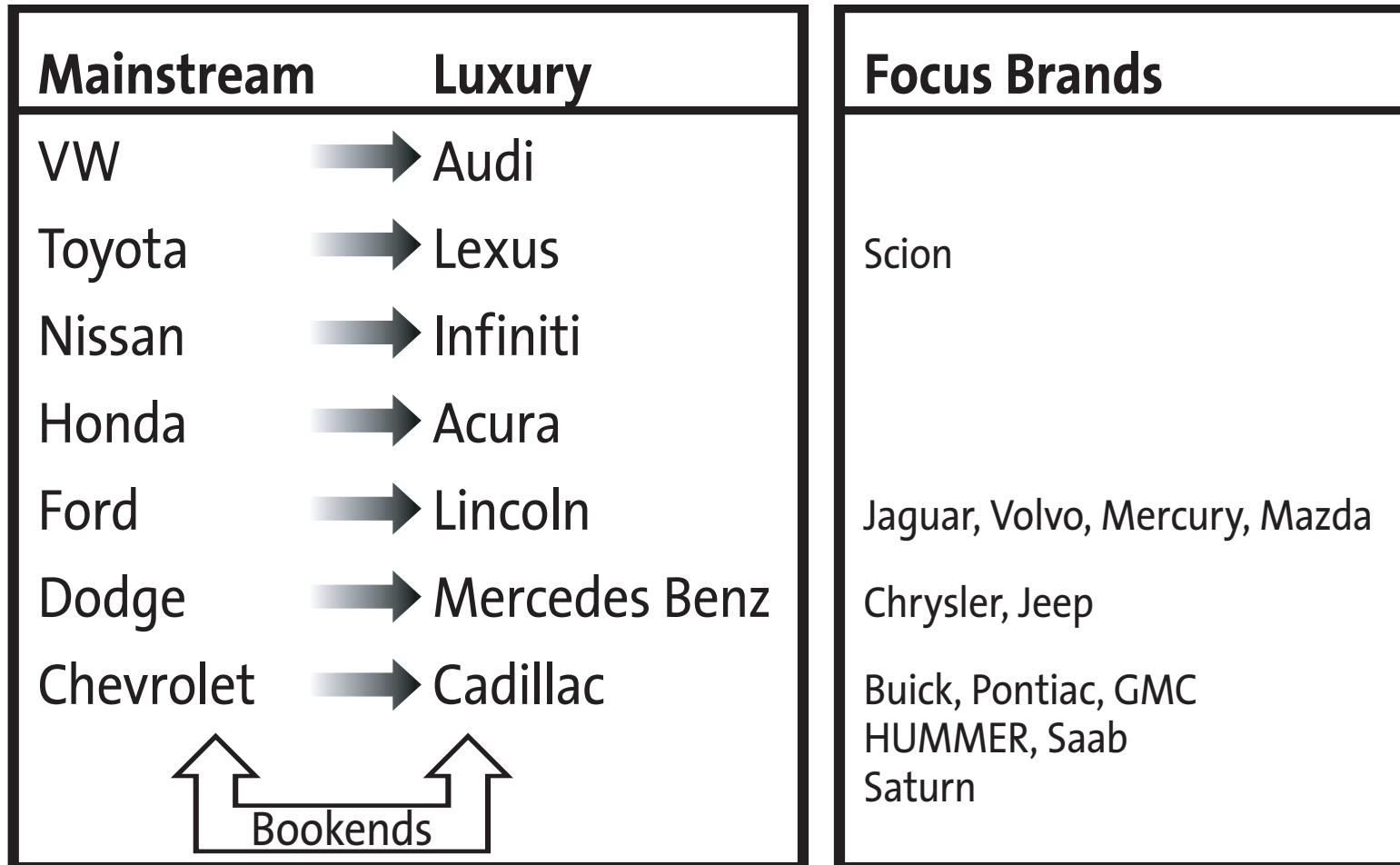
1. Clearly differentiate all divisional brands and roles
2. Go to market with a “Total Value Proposition”
3. Focus on key markets
4. Become a consistent world-class retail channel

Clearly Differentiate All Divisional Brands and Roles

Action Plans – Deliver eight distinct brands to the market

- Brand positioning must be comprehended in product planning, design, engineering and marketing
- Differentiate media selection by brand and by market
- Exploit recent improved share of voice plans
- Better alignment and key messaging

U.S. Market Overview



Brand Positioning

 *Cadillac* **Performance Luxury**

HUMMER *Daring*

 **Jet-Inspired**


*Sophisticated
Quality*

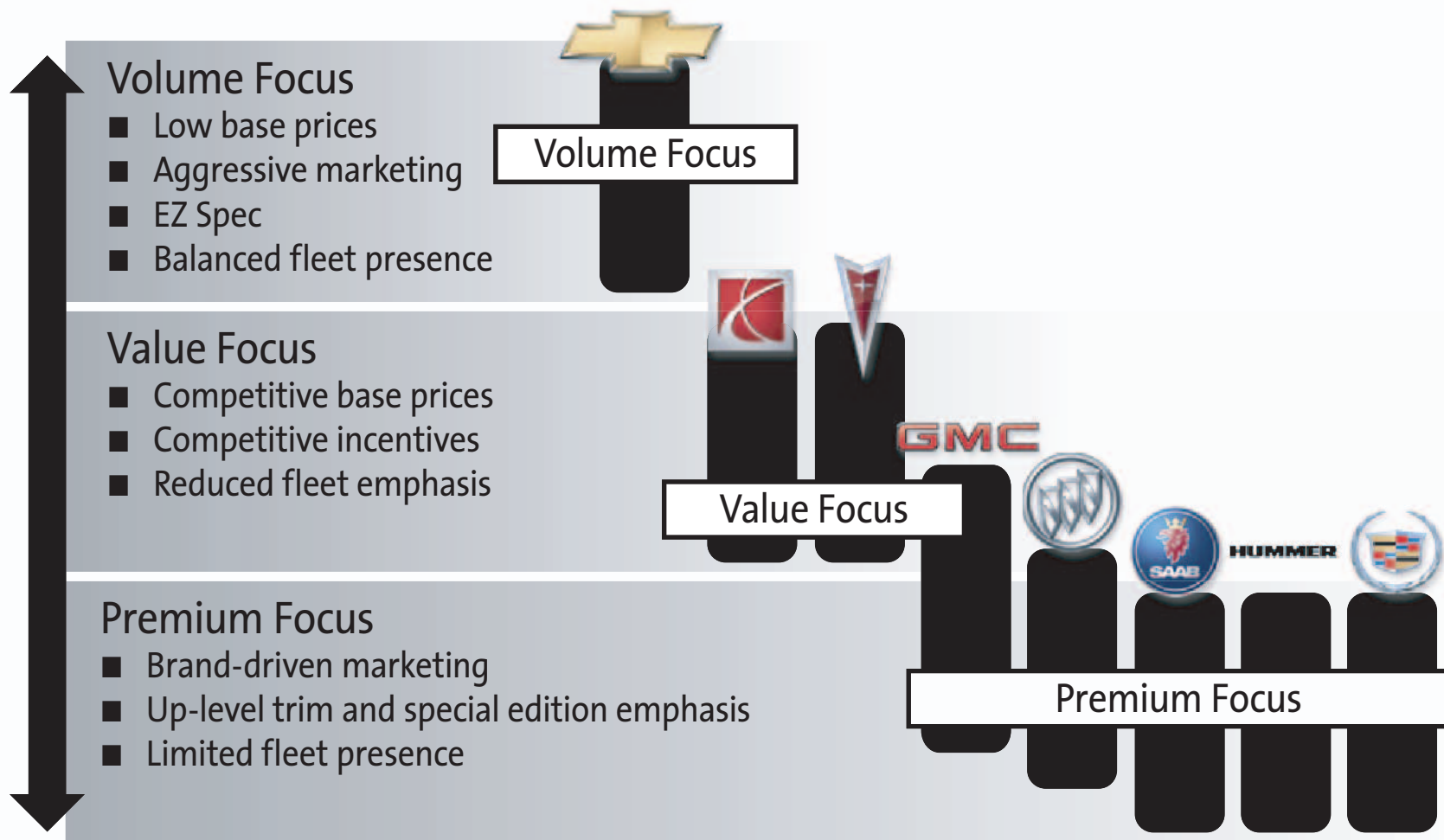

*Seductive
Performance*

GMC
*Professional
Grade*


*Dynamic and
Inviting*

 **Expressive Value**

Go to Market Strategy



Go to Market with a “Total Value Proposition” (Total Value Promise)

Action Plans

- Compelling MSRPs that represent value
 - Competitive incentives and financing
 - Simplified option packaging strategy
 - Great content, features and technology (OnStar and StabiliTrak)
- Total Value*
- Higher turn rates = lower overall inventories
 - Lower daily rental sales
- Improved Residual Values*
-

IntelliChoice.com – Web Shopping Example

- GM was not price competitive

Malibu	\$19,200
Accord	\$17,095
Camry	\$19,025

SIDE-BY-SIDE COMPARISON

Year	2005	2005	2005
Make	Chevrolet	Honda	Toyota
Model	Malibu	Accord	Camry
Trim	4 Dr Sedan	DX (Auto)	STD (Auto)
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CONTENTS

- All Sections
- Pricing & Warranty
- Ownership Costs
- Specifications
- Performance
- Safety
- Features

		
2005 Chevrolet Malibu * Vehicle Report	2005 Honda Accord * Vehicle Report	2005 Toyota Camry * Vehicle Report

[Print Complete Report](#)

Pricing & Warranty

Pricing	2005 Chevrolet Malibu	2005 Honda Accord	2005 Toyota Camry
List Price	\$19,200	\$17,095	\$19,025
Invoice Price	\$17,568	\$15,392	\$17,406
Target Price	\$17,768	\$15,592	\$17,609

Class	2005 Chevrolet Malibu	2005 Honda Accord	2005 Toyota Camry
IntelliChoice Value	Midsize Average	Midsize Excellent	Midsize Excellent

Competitive Web Shopping

- For the 2006 MY, we plan to be price competitive with “value” vehicles

Malibu	\$17,990
Accord	\$17,095
Camry	\$19,025

Example

	PRICING	RATINGS	FEATURES	SPECS	PRINT SUMMARY	ADD/REMOVE VEHICLES
COMPARISON Use the tabs above to navigate						
	SAVE THIS CAR	SAVE THIS CAR	SAVE THIS CAR			
	Chevrolet Malibu 4dr Sedan (2.2L 4cyl 4A)	Honda Accord DX 4dr Sedan (2.4L 4cyl 5A)	Toyota Camry Standard 4dr Sedan (2.4L 4cyl 5A)			
	change remove	change remove	change remove			
Manufacturer Info	Malibu	Accord	Camry			 Request a Brochure
Pricing	Malibu	Accord	Camry			
MSRP	\$17,990	\$17,095	\$19,025			

2006 MY competitive pricing still being announced

June/July Employee Discount

- Divisional messages were on brand strategy (e.g., Buick quality)
- Excellent message alignment between corporate and division communications
- 100% of Dealer LMG advertising mirrored corporate advertising
- Consumer recall of June/July campaign at an all time high (82% recall)

Employee Discount – Continuation

- Employee discount program continued on 2005 models as a sell-down tool
 - Program extended based on June/July performance and aligns with “Total Value Promise”
 - Net price vs. consumer cash play
- Employee discount program announced on 2006 full-size utilities and full-size pickups
 - These two segments had highest “lift” in the June/July program
 - Transparent pricing (net price) worked well in these two segments and aligns with “Total Value Promise”
 - Value pricing initiatives for 2006 were primarily focused on cars and mid-utilities
 - More efficient use of resources

Value Leaders for MY 2006

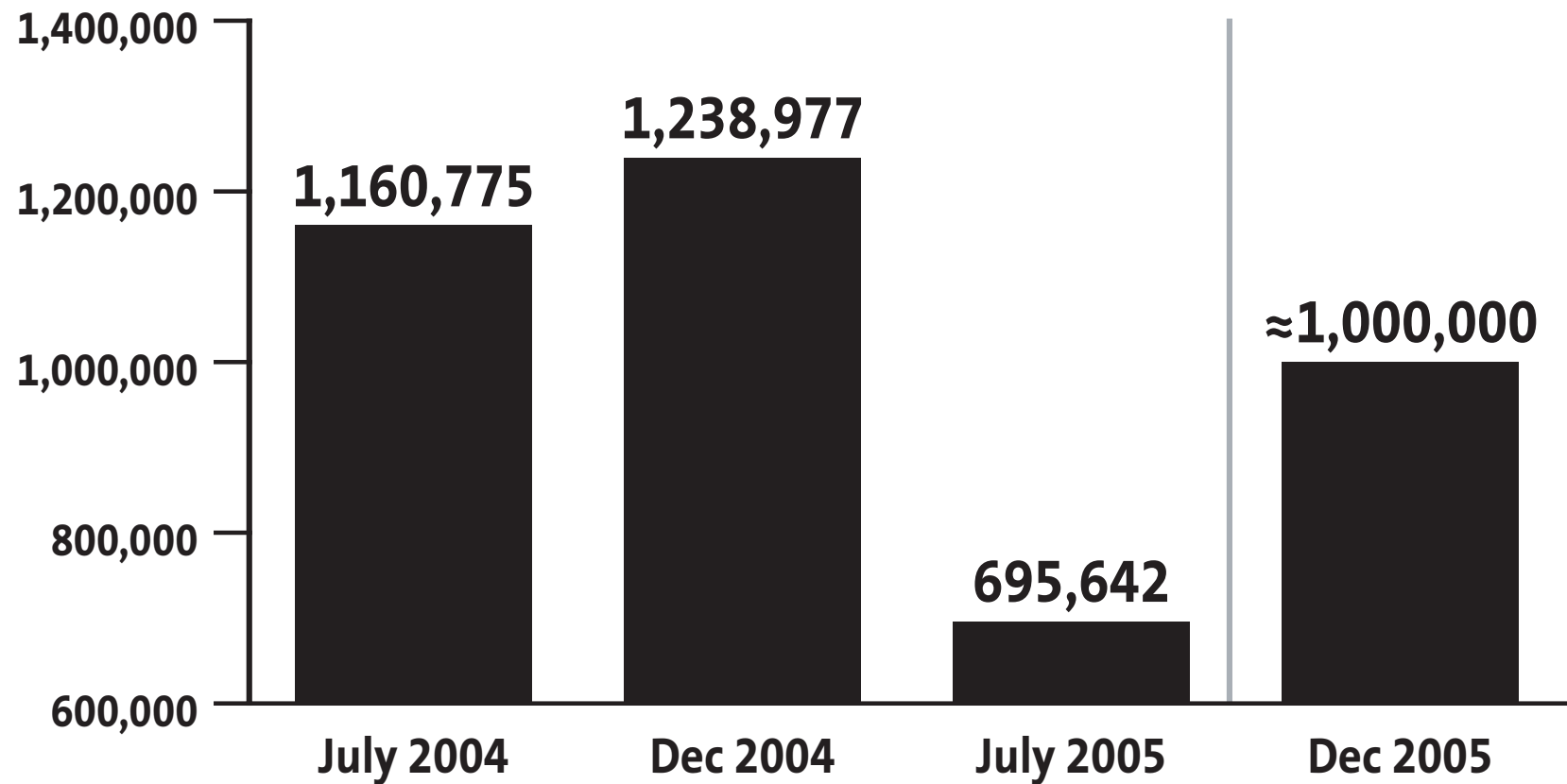
Saturn ION	\$12,490
Chevrolet HHR	\$15,990
Chevrolet Malibu	\$17,990
Chevrolet Uplander (SWB)	\$21,990
Chevrolet Impala (211)	\$21,990
Chevrolet Silverado Crew	\$27,990
Chevrolet Tahoe	\$34,990
Pontiac G6 (4 cyl.)	\$17,990
Pontiac Solstice	\$19,995
HUMMER H3	\$29,500

ALG 36 Month Residual Values

% of MSRP

Vehicle	Beginning of Model Year
06MY Impala LS	41%
05MY Impala Base	34%
06MY DTS	48%
05MY Deville Base	37%
06MY G6 Base	39%
05MY G6 Base	36%
06MY H3	51%

GM Dealer Inventory



Daily Rental Walk Down Plan

- We are reducing our daily rental volume and plan to continue
- Examples of reduced/eliminated capacity:
 - Lansing (Grand Am, Classic)
 - Baltimore (Astro, Safari)
 - Oklahoma City-one shift (TrailBlazer EXT, Envoy XL)

Daily Rental Sales (July CYTD 2005 vs. CYTD 2004)

Ford	+ 35,021
DCX	+ 23,551
Nissan	+ 14,809
Toyota	+ 14,087
Hyundai	+ 10,027
Kia	+ 10,078
GM	- 49,354

Become a Consistent World-Class Retail Channel

Action Plans

- Channel alignment
 - Chevrolet
 - Saturn
 - Buick-Pontiac-GMC (BPG)
 - Cadillac/HUMMER/Saab
- Continued primary focus on BPG channel consolidation
- Address operator, locations and facilities issues
- Continue to drive sales and CSI focus via Standards for Excellence (SFE)

Running the Business

SIMPLIFY

- Everything begins with product, but it doesn't stop there
- Great brands are built on equal parts
 - Product
 - Image
 - Dealer/retail experience

