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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; relationships with our labor unions, 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 reports 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.

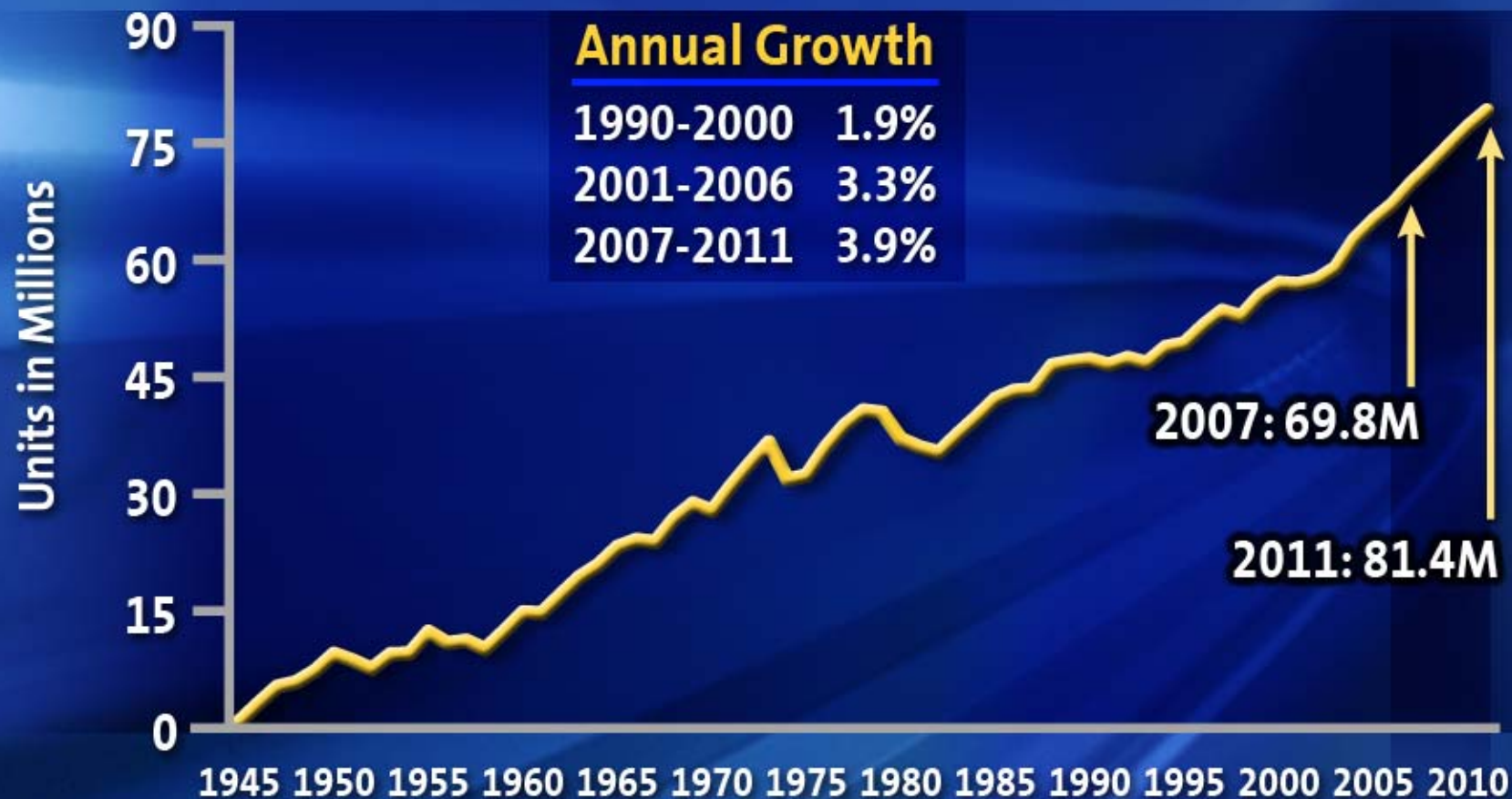
## ***Automotive Industry Continues to Grow and is Very Dynamic***

- \$1.2 trillion a year global business and growing at 6-7% a year
- Significant shift in industry toward a “global” sales footprint
- Must wins are centered around developed markets and eleven emerging markets
- Challenges include intense level of competition, rapidly rising consumer expectations and a shifting regulatory environment

# *The Potential of the Industry*

- Mirroring the economy, global industry continues to set new records and become less volatile
- Global over-performance in recent years has led to stronger than anticipated volume growth -- despite sluggishness in the U.S.
- Vast potential exists: China and India (38% of global population) are just entering the take-off stage of mass vehicle ownership -- also Eastern Europe has upside potential

# Global Vehicle Sales



Source: GMIA

# The Industry – Then & Now

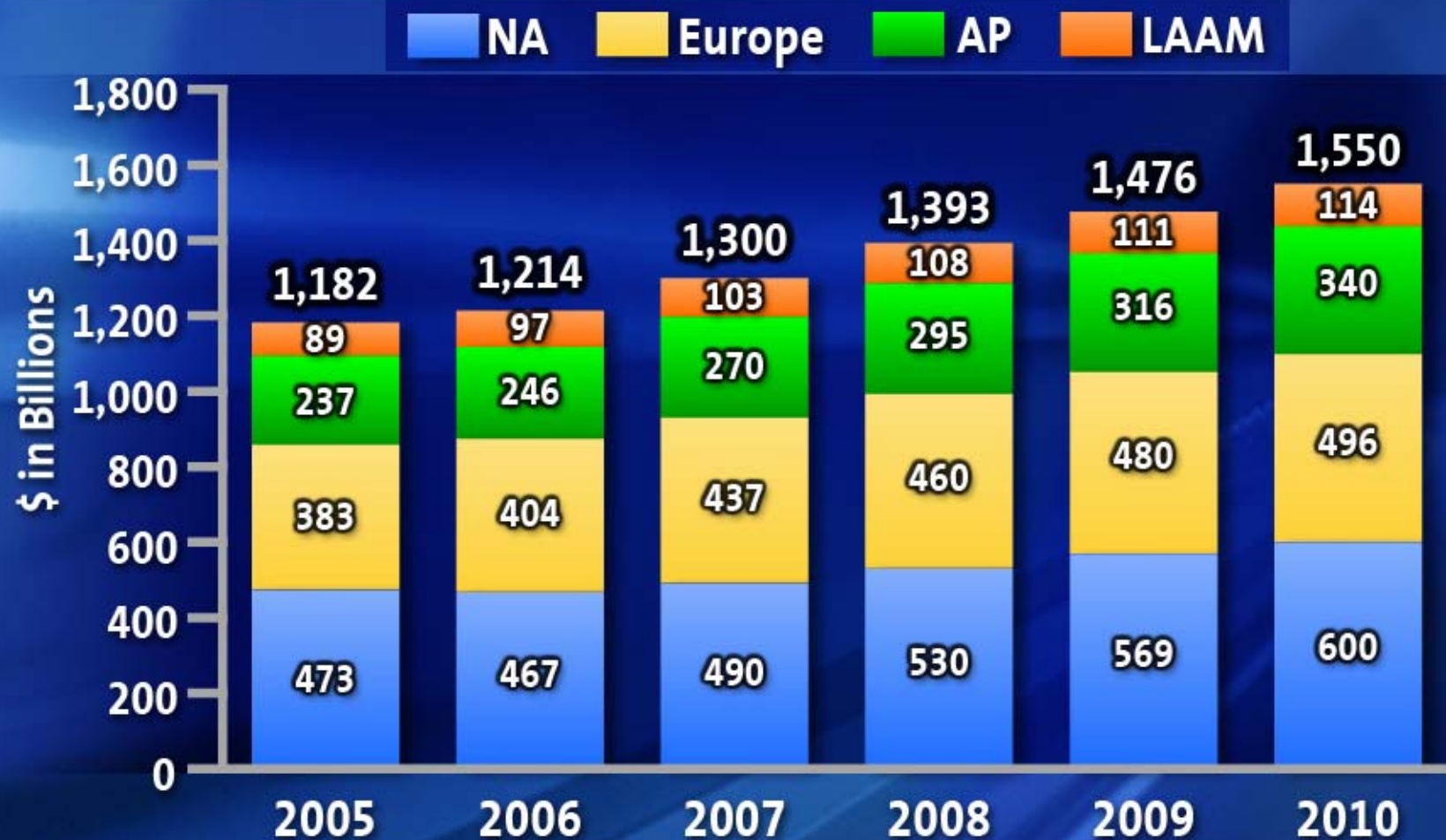
Vehicles Sales (000's)	1996	2006
Global	51,724	67,345
NA	17,246	20,190
Europe	16,828	21,804
AP	13,752	19,248
LAAM	3,898	6,103

Total Vehicles ATP (\$)	1996	2006
Global	17,557	23,680
NA	20,540	27,431
Europe	16,512	26,071
AP	15,442	17,607
LAAM	16,339	21,881

Top 10 GM Markets – Volume (000's)		Top 10 GM Markets – Volume (000's)	
1996		2006	
U.S.	4,793	U.S.	4,125
Germany	581	China	868
Brazil	392	Canada	421
Canada	380	Brazil	410
UK	328	UK	391
Japan	208	Germany	380
France	165	Mexico	245
Italy	147	Italy	215
Australia	130	Spain	183
Thailand	123	Australia	148

Top 10 Markets – Industry Volume (000's)		Top 10 Markets – Industry Volume (000's)	
1996		2006	
U.S.	15,460	U.S.	17,060
Japan	7,078	China	7,112
Germany	3,746	Japan	5,737
France	2,510	Germany	3,772
UK	2,282	UK	2,734
Italy	1,898	Italy	2,601
Brazil	1,722	France	2,499
S. Korea	1,654	Russia	2,018
China	1,474	Spain	1,953
Canada	1,203	Brazil	1,928

# Global Industry Revenue Overview



OEM revenue; excludes taxes, dealer gross margins and logistics costs

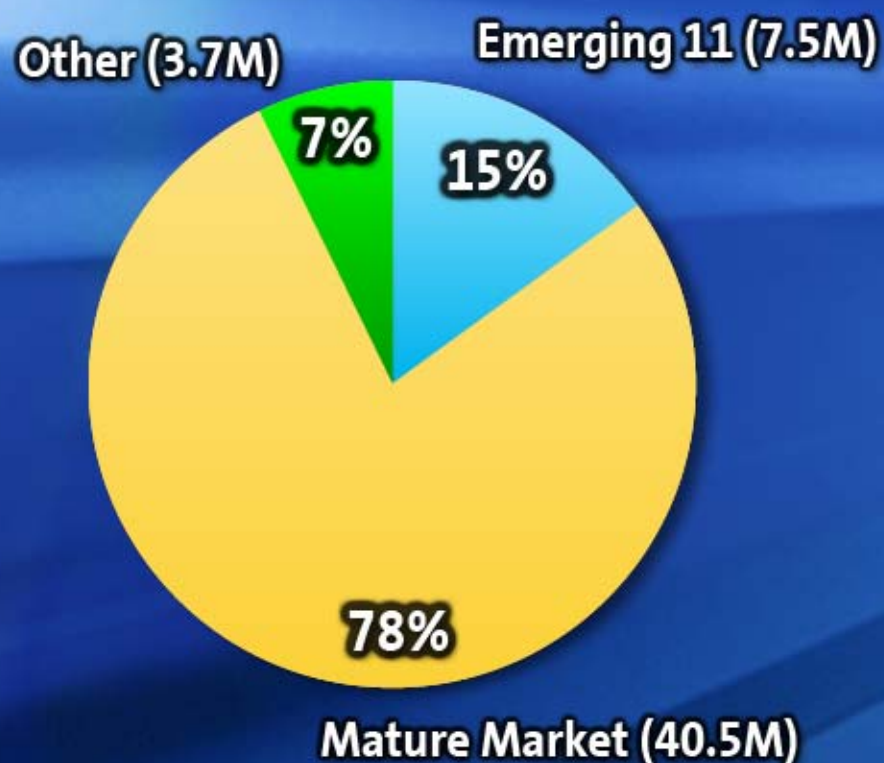
## ***Global Industry Did You Know...***

- Global vehicle sales in 2007 will have increased by over 12 million units and auto revenue will be up \$300 billion since CY 2002
- China unit sales in CY 2000 were less than half of Japan and equal to Germany -- in 2007 sales in China will exceed Japan by almost 3 million units and will be over twice as many as Germany
- In 2007 China is the third largest market in terms of auto revenue (\$100 billion)
- Sales in Russia will be almost equal to the U.K. this year (up 119% since 2001)
- Did you know that the Emerging 11 markets have grown from 16% of the industry in 2001 to over 25% today

# Share of Global Sales

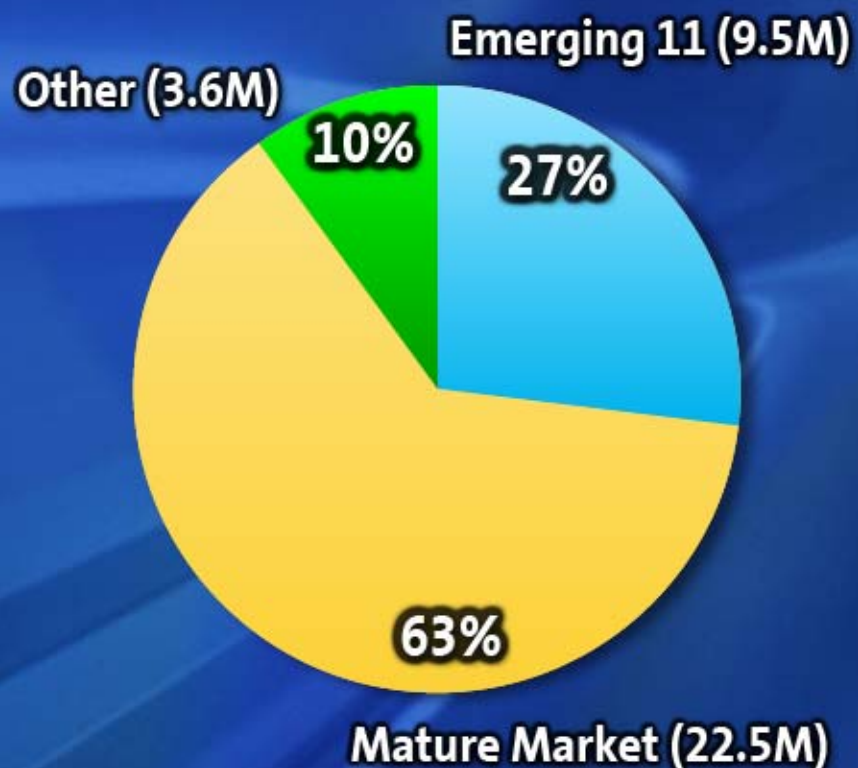
1996

51.7M Units



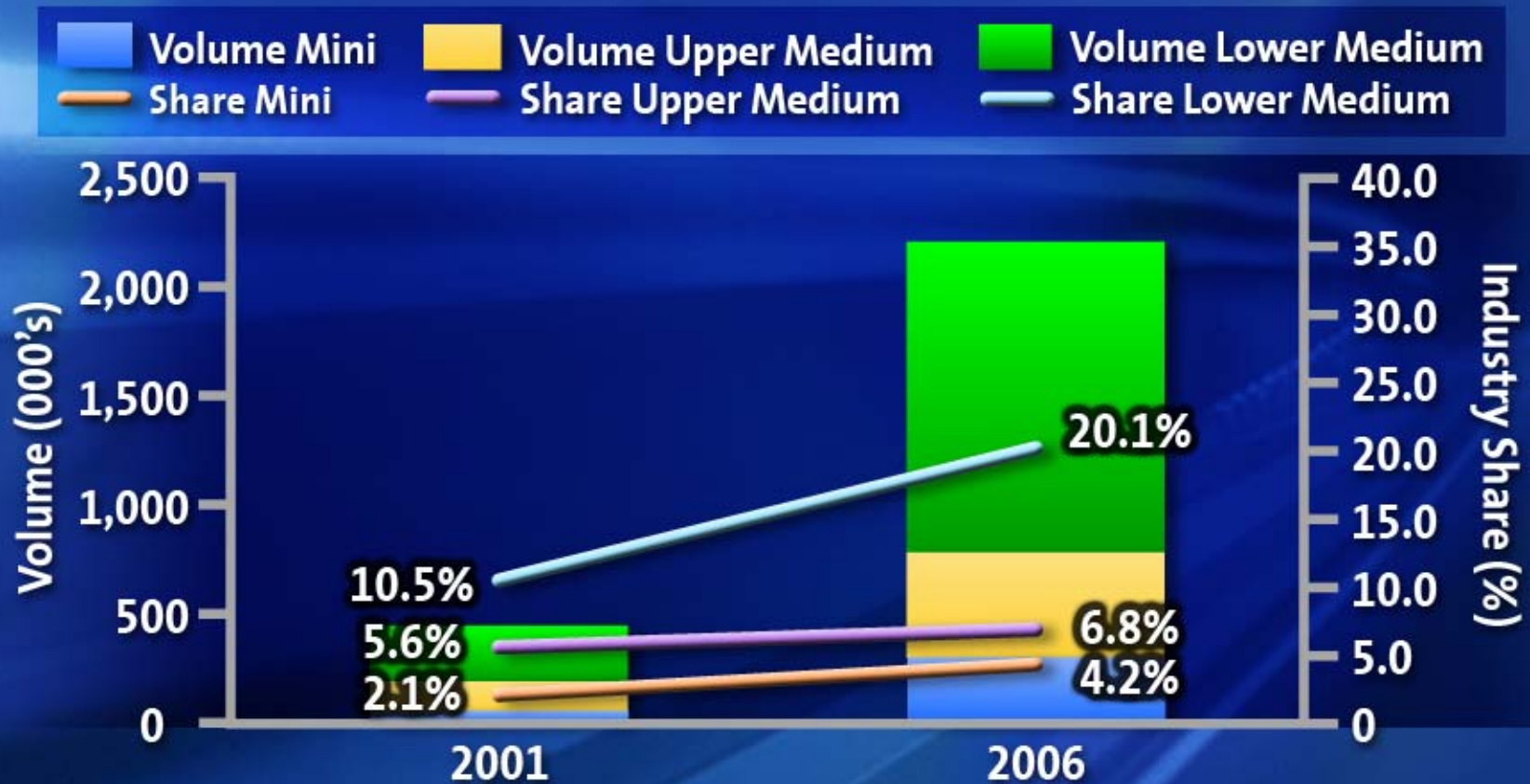
H1 2007

35.6M Units



# China Segment Growth

## China: Low/Upper Mid vs. Mini

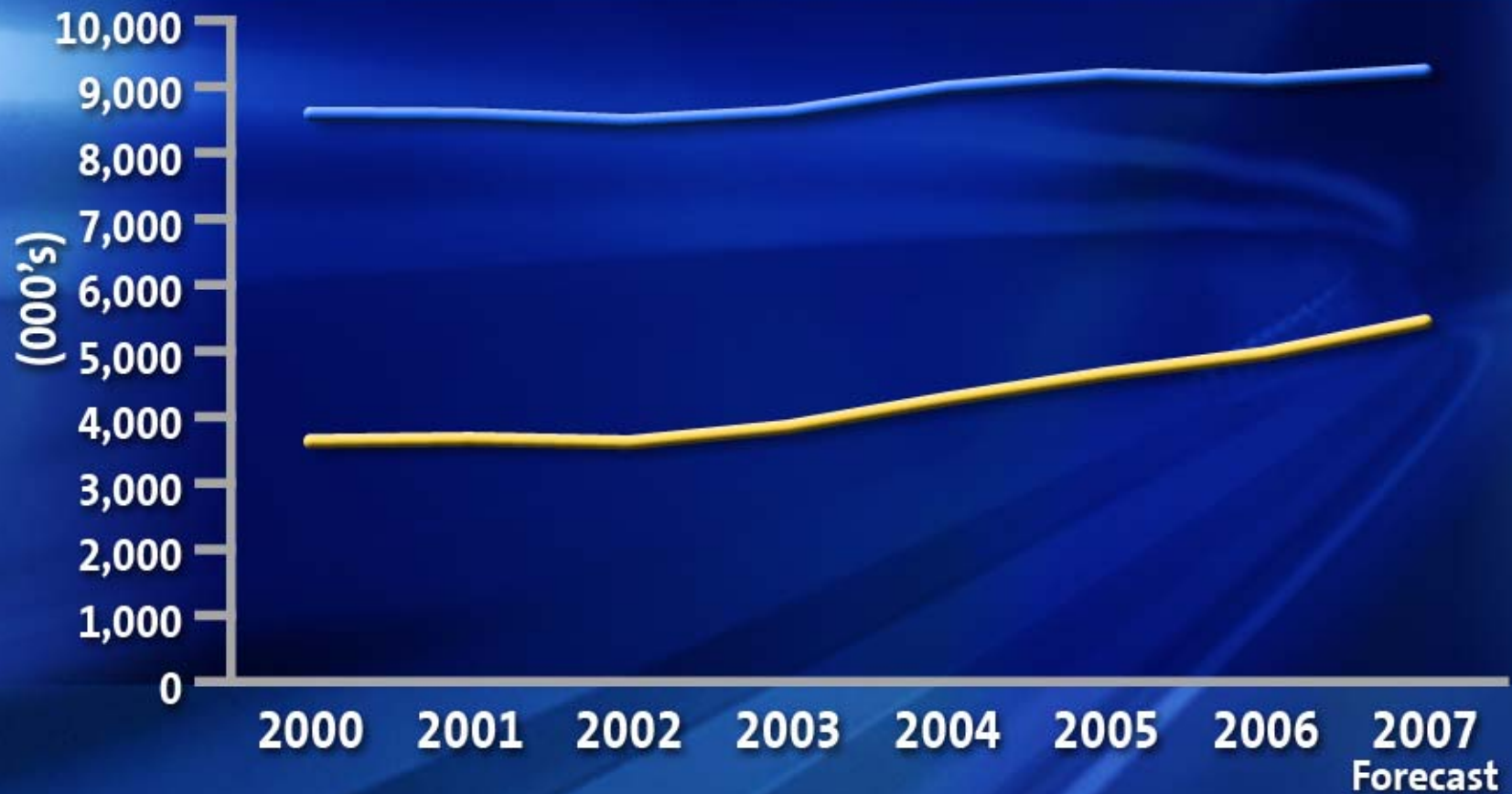


## ***Against This Backdrop GM Has Aggressively Grown Its Global Business and Become More Diversified***

- Sales mix in 1996 was 57% U.S. vs. 43% Non-U.S. -- by 2006 the split was 45% vs. 55%
- Mix shift has been supported by brisk global growth -- Non-U.S. sales up 37% since CY 2002
- Notable facts
  - GM sales in China exceed GM sales in the UK, Italy, Spain, and France combined through June
  - GM sells over 1 million units a year in its LAAM region
  - In 2006 GM set sales records in 3 of its 4 regions
- Importantly we have done this through product, brands and getting it right

# GM Global Sales 2000-2007 CY

— Global Sales — Non-U.S. Sales



# GM Sales Performance Emerging 11 Markets

- GM sales growth has outpaced Industry year-over-year growth since 2003
  - GM sales this year will have increased over 150% since 2001
    - Greater than 100% growth in China, India, Russia and Turkey
  - E11 markets will account for 25% of GM global sales in 2007



GM Sales

(000's)	2001	2006	% Change
Brazil	360	410	14%
China	103	868	740%
India	8	35	351%
Russia	2	133	6,045%
Total Emerging 11 Markets	878	1,881	114%

## ***Did You Know...***

- In 2007 GM will be the first manufacturer to sell over 1 million vehicles in China
- GM sells more vehicles in Russia than it does in France (sales up 115% through June '07)
- GM is selling 100k units a month in its LAAM region
- Chevrolet global sales exceeded 4 million units and have increased over 17% since 2001
- Chevrolet sold almost 1 million units in the Emerging 11 markets last year

## ***GMDAT Sales 2003-2007 CYTD***

	2003	2004	2005	2006	2007 CYTD (June)
NA	11,618	110,861	129,059	121,950	63,210
Europe	133,020	190,409	240,884	293,039	200,122
LAAM	13,914	71,256	135,139	204,628	139,462
AP	176,999	246,929	351,833	480,222	279,540
<b>Global</b>	<b>335,551</b>	<b>619,455</b>	<b>856,915</b>	<b>1,099,839</b>	<b>682,334</b>

## ***A Few Points on the U.S.***

- Growth outside the U.S. does not mean you can under-perform in this market -- still the largest and most profitable market
- Current contraction is a complication and adds to intense competitive pressure
- Key is to continue to improve the fundamentals and position in order to benefit from eventual recovery

# ***U.S. Scorecard***

## **Industry**

- Sales
- Mix

## **Key GM Imperatives**

- Stabilize Retail Sales
- Reduce Incentive Spending
- Improve/Increase Residual Values
- Reduce Daily Rental Volumes
- Improve Advertising Effectiveness/  
Advertising Alignment

# *Summation*

- Global economic expansion remains healthy despite the headwinds in the U.S.
- Industry continues to post records and growth has been brisk
- Competition remains intense -- as reflected in pricing; however, not inhibiting sales or revenue growth
- GM global expansion plans remain aggressive
- Focus continues to be on “getting the fundamentals correct” and diversifying our footprint