

Forward Looking Statements

In this 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," "impact," or the negative of any of those words or similar expressions to identify forward-looking statements that represent our current judgment 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 include: the ability of GM to realize production efficiencies, to achieve reductions in costs as a result of the turnaround restructuring and health care cost reductions and to implement capital expenditures at levels and times planned by management; the pace of product introductions; market acceptance of our new products; significant 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; changes in the existing, or the adoption of new laws, regulations, policies, or other activities of governments, agencies, and similar organizations where such actions may affect the production, licensing, distribution, or sale of our products, the cost thereof or applicable tax rates; costs and risks associated with litigation; the final results of investigations and inquiries by the SEC and other governmental agencies; changes in accounting principles, or their application or interpretation, and our ability to make estimates and the assumptions underlying the estimates, including the range of estimates for the Delphi pension benefit guarantees, which could result in an impact on earnings; negotiations and bankruptcy court actions with respect to Delphi's obligations to GM, negotiations with respect to GM's obligations under the pension benefit guarantees to Delphi employees, and GM's ability to recover any indemnity claims against Delphi; labor strikes or work stoppages at GM or its key suppliers such as Delphi or financial difficulties at GM's key suppliers such as Delphi; completion of the final settlement with the UAW and UAW retirees, including securing class certification in a form acceptable to GM, the UAW and class counsel; completion of the final settlement with the UAW and UAW retirees, including obtaining court approval in a form acceptable to GM, the UAW, and class counsel; treatment of the terms of the 2006 Settlement Agreement pursuant to the Retiree MOU in a manner acceptable to GM, the UAW and class counsel; GM's completion of discussions with the Staff of the SEC regarding accounting treatment with respect to the New VEBA and the post-retirement medical benefits for the covered group as set forth in the Retiree MOU, on a basis reasonably satisfactory to GM; shortages of and price increases for fuel; factors affecting GMAC's results of operations, and financial conditions and changes in the residential mortgage market, especially in the nonprime sector; significant changes in the competitive environment and the effect of competition in GMAC's markets, including on GMAC's pricing policies; GMAC's ability to maintain adequate financing sources; GMAC's ability to maintain an appropriate level of debt; restrictions on the ability of GMAC's residential mortgage subsidiary to pay dividends and prepay subordinated debt obligations to GMAC; changes in the residual value of off-lease vehicles; changes in U.S. government-sponsored mortgage programs or disruptions in the markets in which GMAC's mortgage subsidiaries operate; changes in GMAC's contractual servicing rights; changes in the credit ratings of GMAC or GM; and changes in economic conditions, commodity prices, currency exchange rates, or political stability in the markets in which we or GMAC operate.

The most recent annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K 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.



from
TURNAROUND
to
TRANSFORMATION

Rick Wagoner
Chairman & CEO



2005 GMNA Turnaround Plan

- **Product Excellence**
- **Revitalized U.S. Sales & Marketing Strategy**
- **Improve Cost & Quality**
- **Address Health Care/ Legacy Cost Burden**

Other Key Corporate Strategies

- GM Europe Turnaround
- Growth in Emerging Markets
- Strengthen Liquidity
- Address GMAC and Delphi Situations

2005 GMNA Turnaround Plan

- **Product Excellence**
- **Revitalized U.S. Sales & Marketing Strategy**
- **Improve Cost & Quality**
- **Address Health Care/ Legacy Cost Burden**

Product Excellence

Building Strong Momentum

- Increasingly broad-based recognition of GM products
 - Design, interior, performance
- Numerous important industry awards
 - Saturn Aura and Chevrolet Silverado 2007 NAIAS Car and Truck of the Year
 - 2008 Cadillac CTS, Chevrolet Malibu and Corvette Car and Driver “10 Best” cars, and Automobile Magazine “All Stars”
 - 2008 Cadillac CTS Motor Trend Car of the Year
 - Chevrolet Malibu 2008 NAIAS Car of the Year
- Significant progress in key technology initiatives
 - OnStar
 - Advanced propulsion

Product Excellence

Renewing the Passion for Design



Detroit Free Press

50 CENTS WWW.FREEP.COM THURSDAY DEC. 20, 2007 METRO FINAL **



Buick Enclave

Enclave, Malibu win our
**TRUCK & CAR
OF THE YEAR!**
MARK PHELAN TELLS WHY, 1E



Chevy Malibu

How GM got its style magic back



2005 GMNA Turnaround Plan

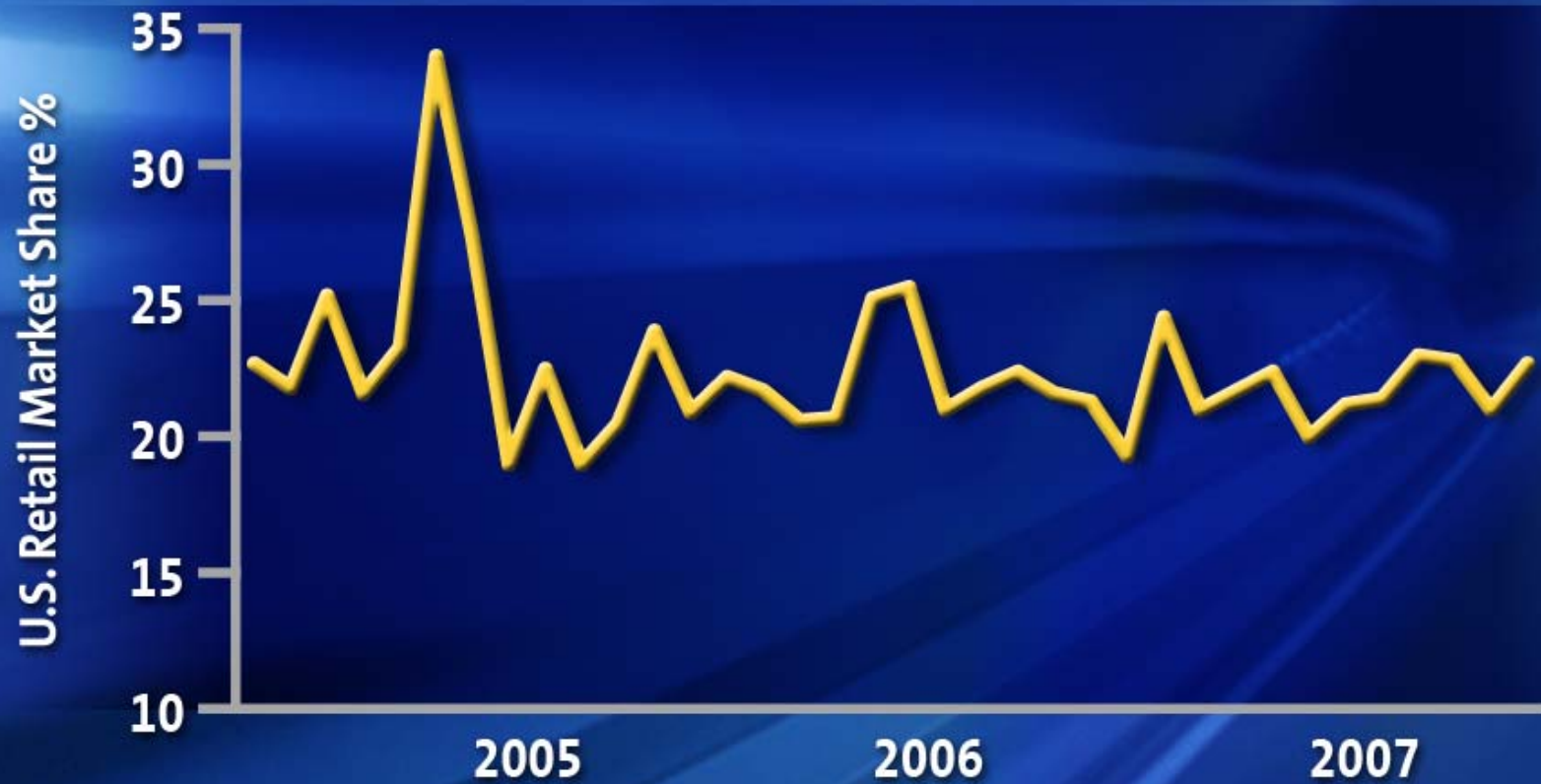
- **Product Excellence**
- **Revitalized U.S. Sales & Marketing Strategy**
- **Improve Cost & Quality**
- **Address Health Care/ Legacy Cost Burden**

Revitalized Sales and Marketing Strategy

- Better differentiate our brands
- Simple, more compelling pricing -- go to market as “Value Leader”
- Align our distribution strategy -- especially Pontiac-Buick-GMC
- Stabilize U.S. retail share

Sales & Marketing Strategy

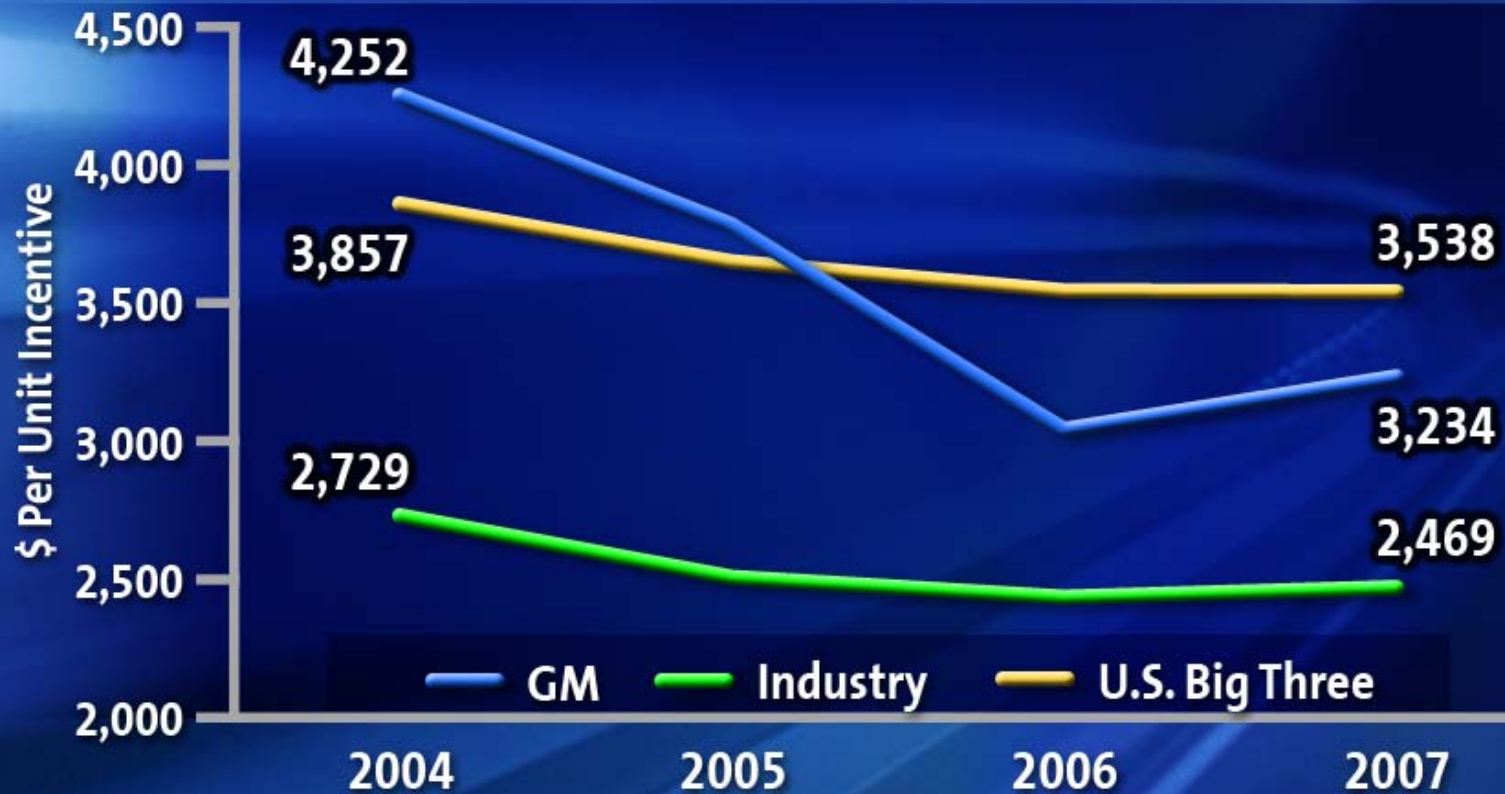
GM U.S. Retail Share Stabilized



Source: GM Global Market and Industry Analysis

Sales & Marketing Strategy

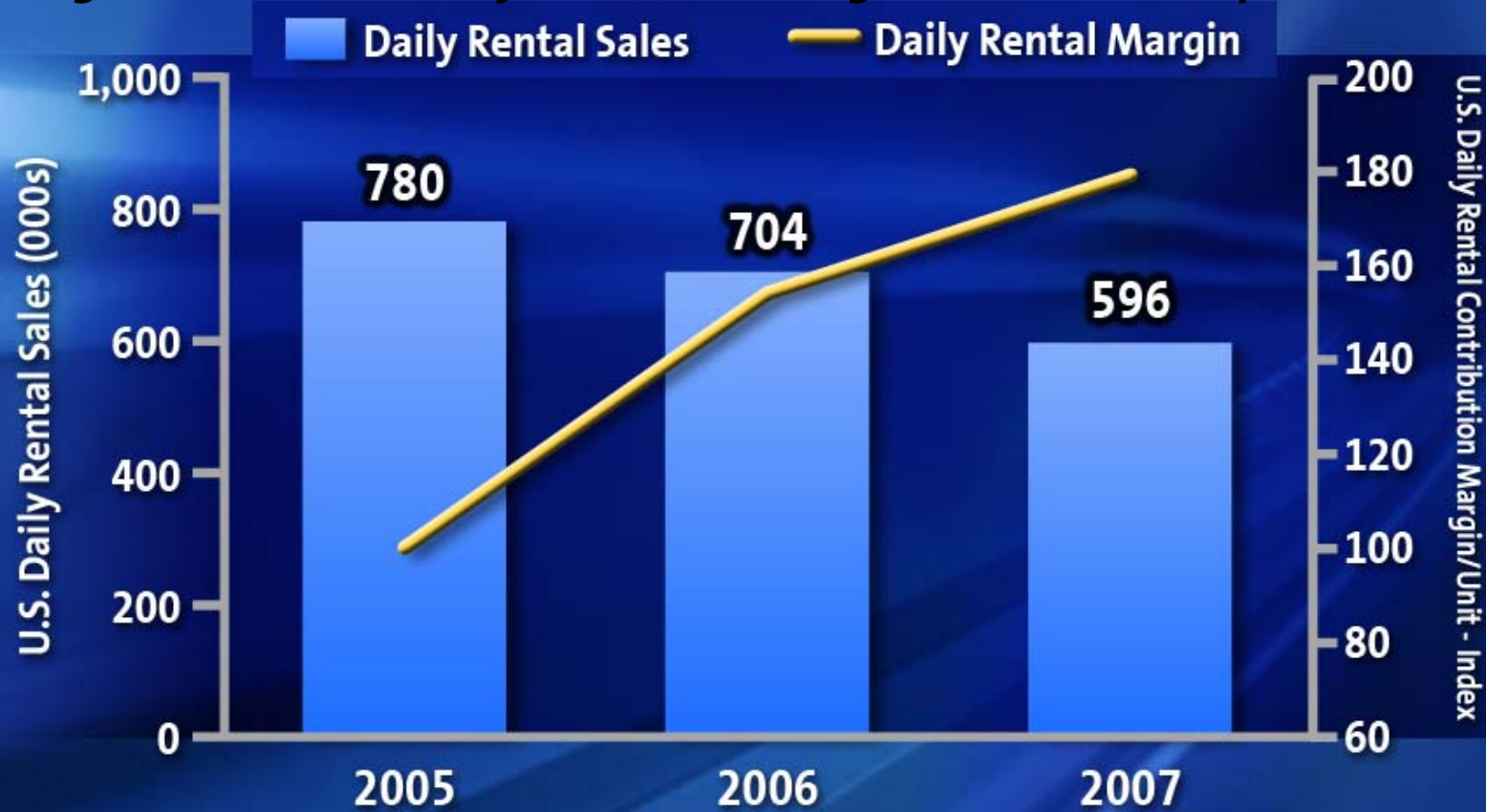
Incentive Spending Reduced Drastically



Source: GM Global Market and Industry Analysis/JD PIN

Sales & Marketing Strategy

Large Reduction in Daily Rental Sales, Significant Profit Impact



Daily Rental Contribution Margin per unit reflects 2006 MY (index = 100), 2007 MY and 2008 MY estimates

Sales & Marketing Strategy

Product and Brand Building Focus Reflected in Reason to Purchase

| | 2004 MY | 2005 MY | 2006 MY | 2007 MY Q1-Q3 |
|----|------------------------------|-------------------------|------------------------|----------------------------|
| #1 | Rebate Incentives | Value for the Money | Exterior Styling | Exterior Styling |
| #2 | Value for the Money | Rebate/ Incentives | Value for the Money | Value for the Money |
| #3 | Exterior Styling | Employee Discount | Fuel Economy | Fuel Economy |
| #4 | Price/Monthly Payments | Manufacturer Reputation | Price/Monthly Payments | Dependability/ Reliability |
| #5 | Past Manufacturer Experience | Exterior Styling | Rebate/ Incentives | Price/Monthly Payments |

Source: GM Global Market and Industry Analysis

Sales & Marketing Strategy

Distribution Channel Alignment

- % of large market dealerships on-channel
- % of Buick-Pontiac-GMC sales through aligned dealerships
- Total number of GM U.S. dealerships

2004

2007

61%

69%

53%

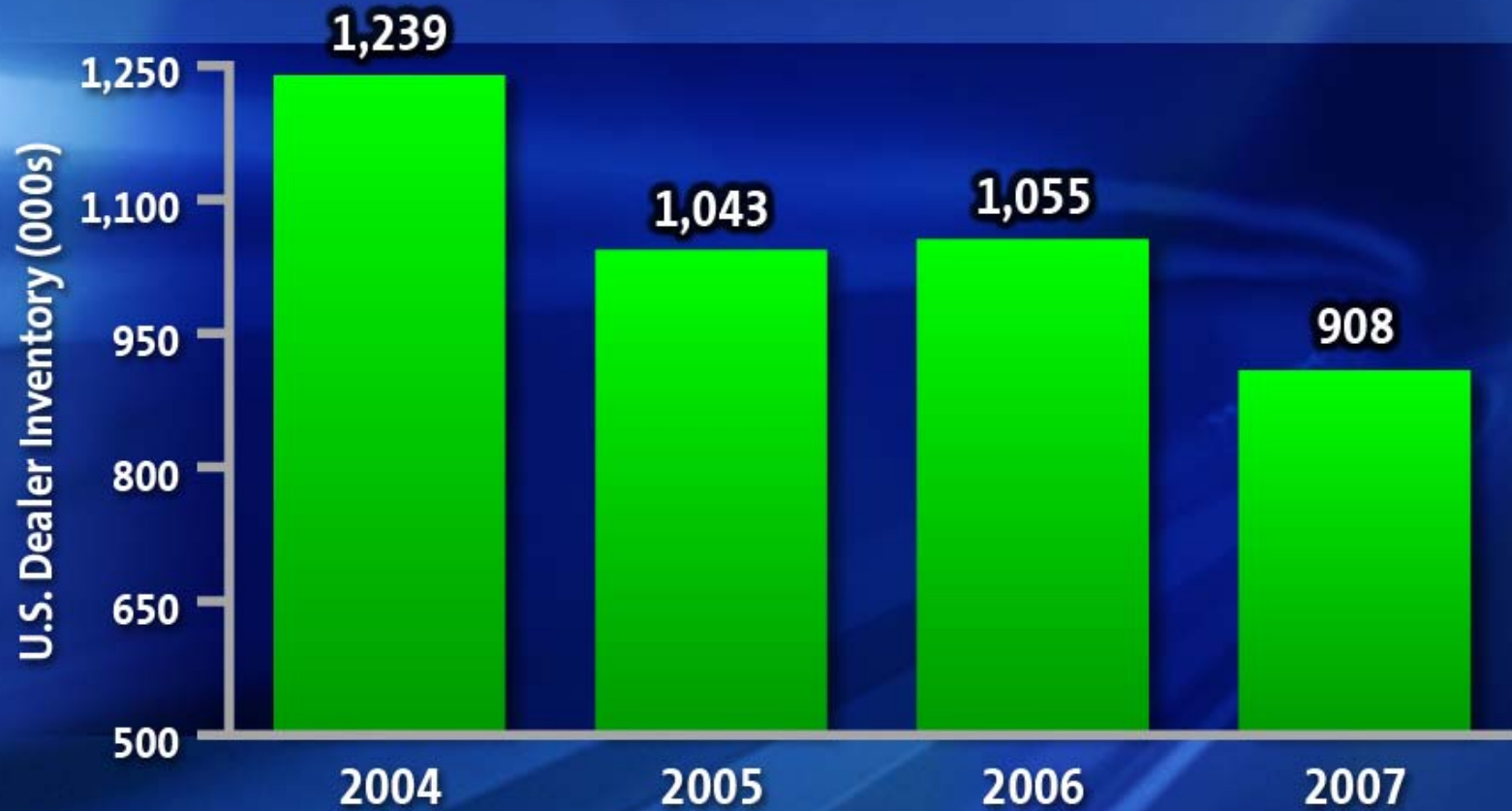
72%

~7,400

~6,800

Sales & Marketing Strategy

GM U.S. Dealer Inventories Leaner



Source: GM Global Market and Industry Analysis

2005 GMNA Turnaround Plan

- **Product Excellence**
- **Revitalized U.S. Sales & Marketing Strategy**
- **Improve Cost & Quality**
- **Address Health Care/ Legacy Cost Burden**

Improve Cost & Quality

\$9B Structural Cost Reduction Target Achieved

2005 GM-UAW retiree health care agreement

1M Unit GMNA capacity reduction

34,000 Participants in hourly attrition plan

U.S. salaried retiree health care/pension revisions

GM/IUE-CWA/Delphi attrition program

GM-UAW-Delphi attrition program

2007 GM-UAW labor agreement



Significant
additional
savings

2005 GMNA Turnaround Plan

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- **Address Health Care/ Legacy Cost Burden**

Address Health Care/Legacy Cost Burden

Cash/Stock Contributions to Fund U.S. Hourly and Salaried Legacy Pension and Health Care



Memo: Includes DC VEBA contributions

Address Health Care/Legacy Cost Burden

Legacy Cost Disadvantage Largely Eliminated

Retiree Health Care

Challenge

- Significant unfunded net liability of \$61B per YE '05
- Health care inflation risk

Action

- 2005 GM-UAW health care agreement
- 2006 Changes to salaried retiree health care
- 2007 GM-UAW labor agreement

Result

- U.S. hourly retiree health care to be funded from new trust
- U.S. salaried health care capped
- Health care inflation risk virtually eliminated

Address Health Care/Legacy Cost Burden

Legacy Cost Disadvantage Largely Eliminated

Pensions

Challenge

- Fully funded pension, but risk of future contribution

Action

- Risk mitigation investment strategy
- 2006 Changes to salaried pension

Result

- U.S. hourly and salaried pension funded status expected to be over 120% at YE '07

Address Health Care/Legacy Cost Burden

Legacy Cost Disadvantage Largely Eliminated

Spending for U.S. hourly and salaried legacy pension and health care will decline from annual average of \$7B over last 15 years to approximately \$1B* per year in 2010

*Excludes \$0.3B for IUE and USW currently in negotiation and \$0.2B for potential contingent payment to UAW VEBA trust

Other Key Corporate Strategies

- **GM Europe Turnaround**
- **Growth in Emerging Markets**
- **Strengthen Liquidity**
- **Address GMAC and Delphi Situations**

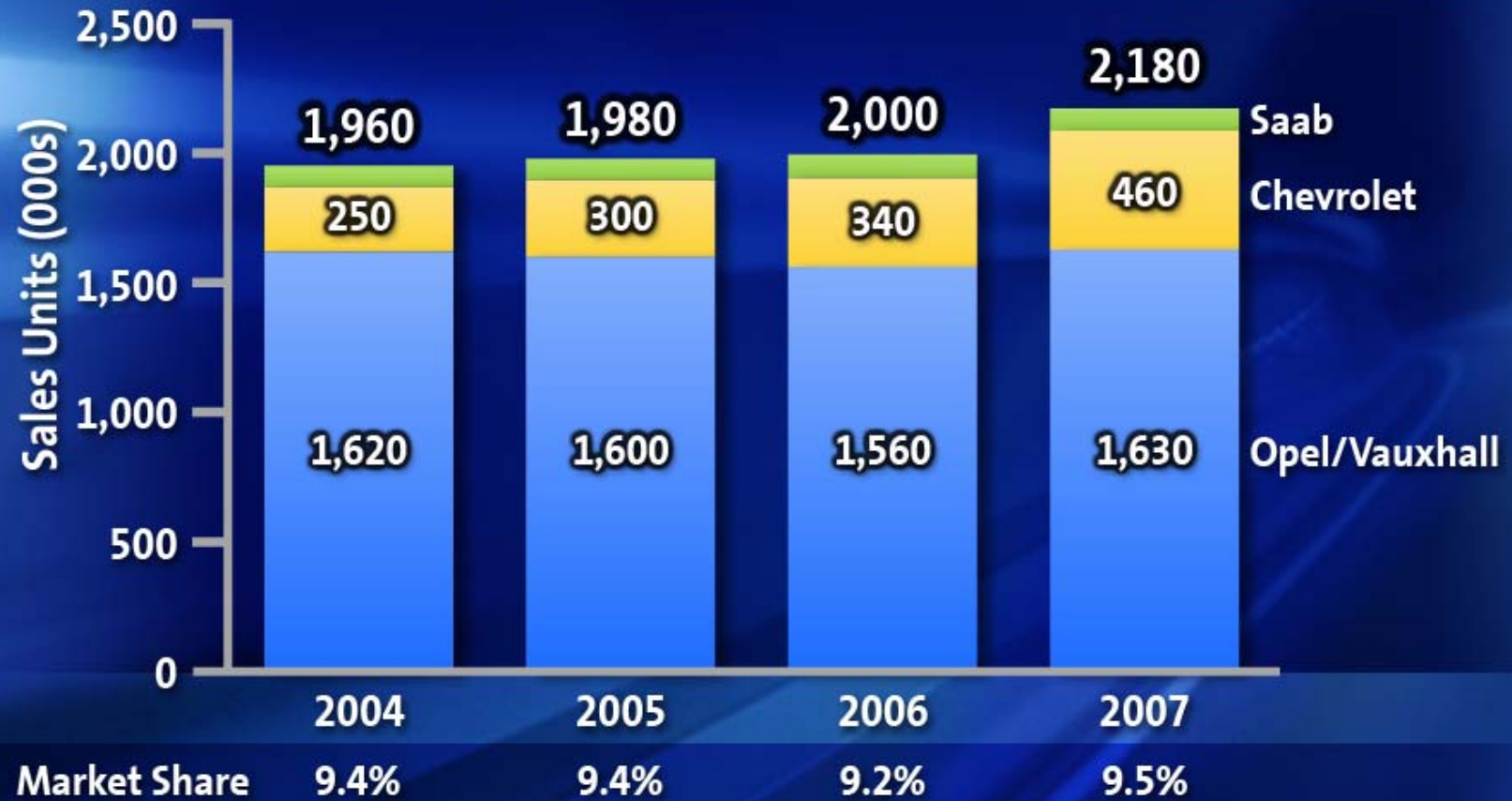
GM Europe Turnaround

Key Strategies

- **Product excellence**
- **Multi-brand strategy**
- **Grow in Russia/Eastern Europe**
- **Contribution margin focus**
- **Reduce structural cost**

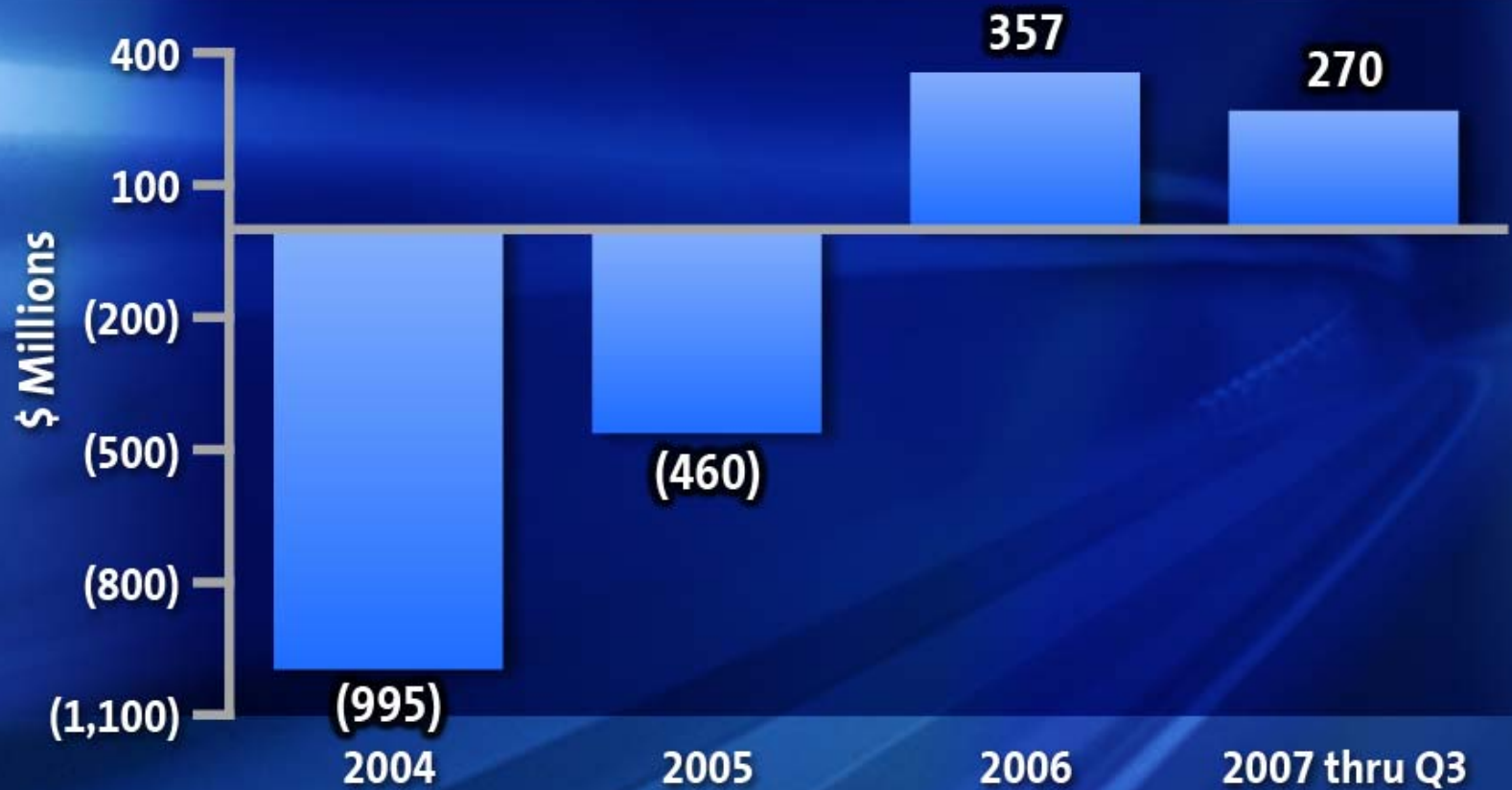
GM Europe Turnaround

Strong GME Sales Growth Driven by Chevrolet



GM Europe Turnaround

GME Adjusted Pre-tax Income*



*Adjusted pre-tax income after equity income and minority interests

Refer to Supplemental Charts in our earnings presentation on GM's Investor website for reconciliation to GAAP figures

Other Key Corporate Strategies

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Growth in Emerging Markets

| Units 000s | Industry Sales | | | GM Sales | | |
|-------------------------|----------------|---------------|-------------|--------------|--------------|-------------|
| | 2002 | 2007 | % Growth | 2002 | 2007 | % Growth |
| Emerging Markets | | | | | | |
| China | 3,370 | 8,550 | 154% | 140 | 1,030 | 636% |
| Russia | 1,210 | 2,710 | 124% | 5 | 260 | 5100% |
| Brazil | 1,450 | 2,460 | 70% | 330 | 500 | 52% |
| India | 890 | 2,000 | 125% | 10 | 60 | 500% |
| Other* | 6,380 | 11,300 | 77% | 780 | 1,290 | 65% |
| Total Emerging | 13,300 | 27,020 | 103% | 1,265 | 3,140 | 148% |

*Includes Mexico, Thailand, Turkey, South Africa, etc.

Preliminary numbers for 2007

Other Key Corporate Strategies

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Strengthen Liquidity

Liquidity Up \$7B in 2 Years

- Adjusted Operating Cash Flow improved \$6.0B from Q3 '05 to Q3 '07
- GMAC sale -- net \$9.4B received to date
- Divested non-core equity holdings -- \$3.1B
- Allison sale -- \$5.4B
- Restructured \$4.6B credit facility and access to over \$7B of unused credit facilities

Year-end gross liquidity from \$20.4B in 2005 to estimated \$27B+ in 2007

Refer to Supplemental Charts in our earnings presentation on GM's Investor website for reconciliation to GAAP figures

Other Key Corporate Strategies

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Address GMAC and Delphi Situations

GMAC

- Sold 51% of GMAC
- Successfully de-linked GM and GMAC credit rating
- Preserved strong Auto Finance relationship

Delphi

- All key agreements finalized; exit financing and court approval of Plan pending

Excellent Progress on the Turnaround... But

- Significant pressures from:
 - Weak U.S. auto industry sales
 - High fuel prices
 - High raw material and steel costs
 - Regulatory issues

 Yielding insufficient financial results --

So, What's Next?



What's Next?

- Continue to execute great products
- Build strong brands and distribution channels
- Execute additional cost reduction initiatives
- Emerging markets growth
- Advanced propulsion leadership
- Running the business globally



Continue to Execute Great Products

- Stay focused on excellence in product execution -- Keep “Raising the Bar”
- Fully leverage global design, engineering and powertrain
- Use great products to build great brands



Build Strong Brands

- Effectively integrate product and marketing strategies
- Build brand equity; special focus on key car segments
- Enhance marketing effectiveness
 - Special focus on digital marketing
- Leverage unique advantages like OnStar



Build Strong Distribution Channels

- Accelerate implementation of 4 channel strategy
 - Cadillac/HUMMER/SAAB
 - Chevrolet
 - Buick/Pontiac/GMC
 - Saturn

- Channel alignment key enabler for:
 - Clearer product and brand differentiation
 - Enhanced dealer profitability
 - Greater flexibility in product portfolio and technology planning



Execute Additional Cost Reduction Initiatives

- **Implement UAW health care deal by 1/1/2010**
- **Accelerate implementation of UAW contract**
- **Execute competitive CAW contract**
- **Ensure 100% or more capacity utilization in higher cost countries**



Execute Additional Cost Reduction Initiatives

GM-UAW Attrition Programs

- Phase I launched in January at SPO and JOBS Bank sites
 - Employees begin exiting in March
- Phase II to be launched in February, open to remaining workforce
 - Employees begin exiting in April
- 46,000 Employees are eligible for retirement under these programs



Execute Additional Cost Reduction Initiatives

Maximize Capacity Utilization

- Need to consistently run manufacturing capacity in high labor cost countries at 100% or greater
- Based on current U.S. industry volume levels, additional capacity rationalization of assembly plants, plus supporting powertrain and stamping facilities, would be required
- Will continue to assess specific actions required, pending development of U.S. industry and product mix trends



Execute Additional Cost Reduction Initiatives

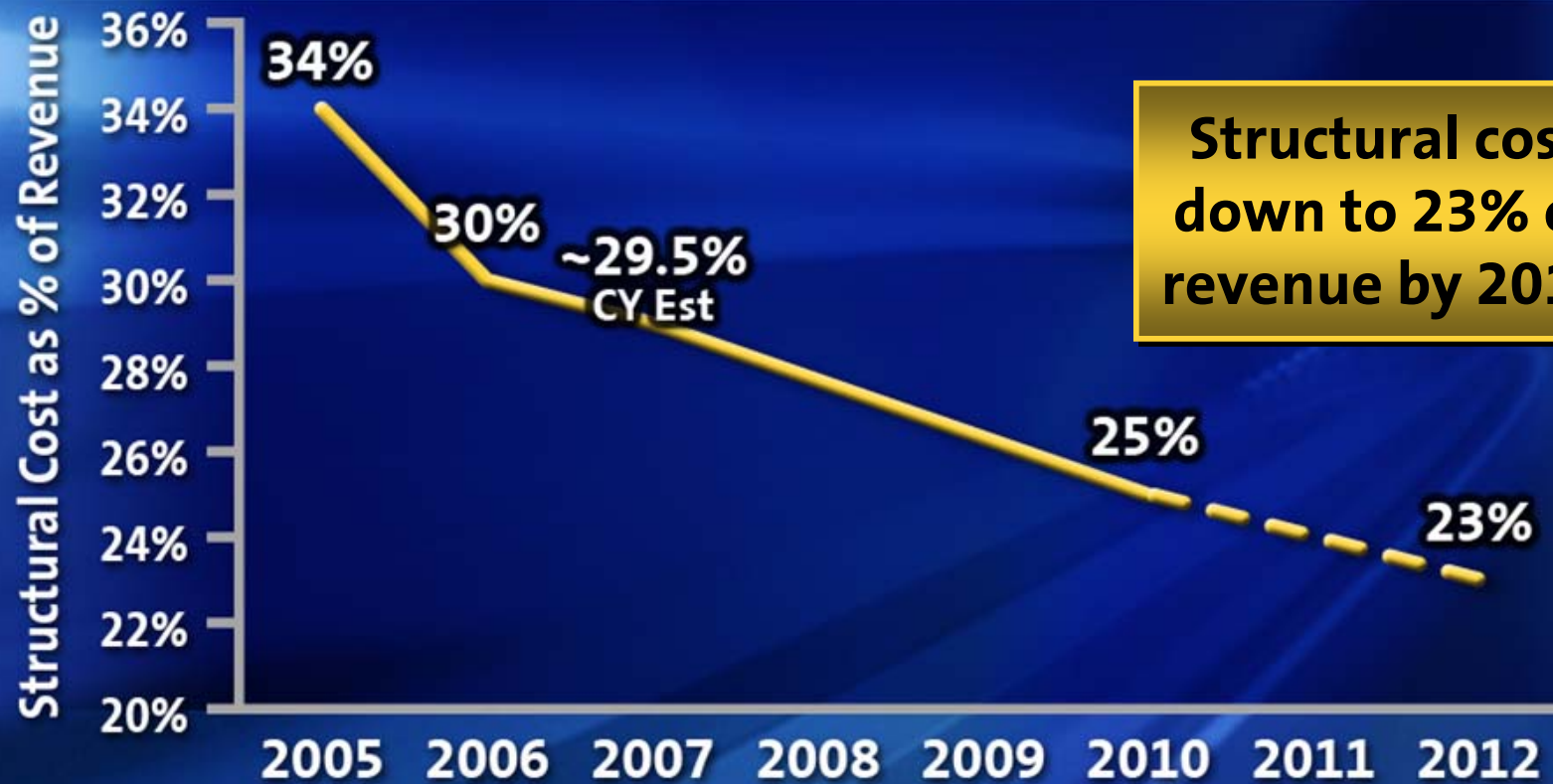
Another ~\$5B Improvement by 2011





Execute Additional Cost Reduction Initiatives

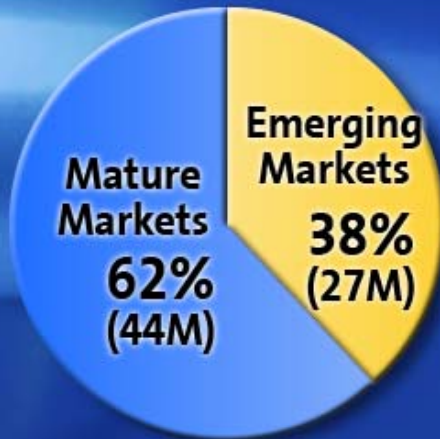
Driving Global Automotive Structural Cost to Benchmark Levels



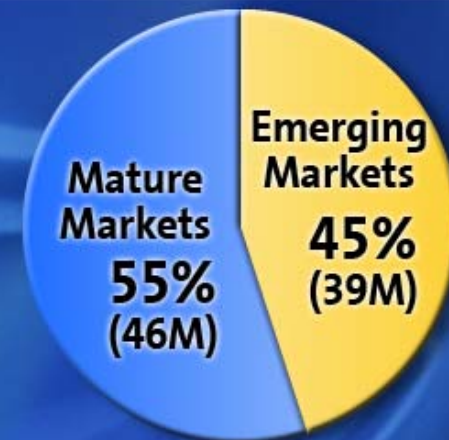


Emerging Markets Growth

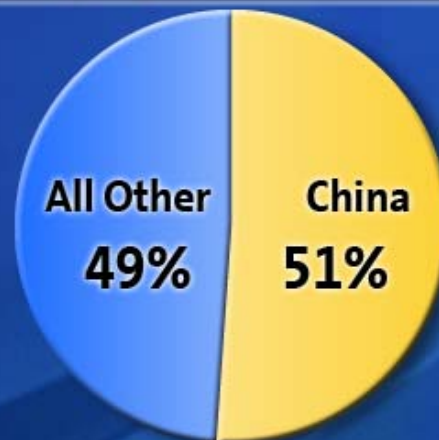
2007 (71M)



2012 (85M)



**2007-2012
Emerging Markets Growth**





Emerging Markets Growth

GM Strategy

- Expand/enhance emerging markets “lower cost” product portfolio
- Focus on brand building and distribution channels
- Expand capacity in cost effective manner
- New market opportunities



Emerging Markets Growth

China Initiatives

- Continue to build corporate reputation
- Continue to drive multi-brand strategy
 - Accelerate distribution expansion
 - Enhance brand building initiatives
- Expand/update product portfolio, with focus on fuel economy
- Develop local technology capability
- Keep “leaning forward” on capacity
- Further develop human resources and supply base



Fuel Economy/ Advanced Propulsion

- **Multi-pronged leadership strategy**
 - Improve conventional powertrain and vehicle performance
 - Biofuels, especially E-85 -- heavy ramp up
 - Hybrids -- multiple offerings across wide range of vehicles
 - E-Flex -- lead in electrically driven, battery powered vehicles
 - Fuel Cell -- grow resource commitment and test fleet
- **Requires major resource commitment -- both technical and financial**
- **Over time, ability to price to cover technologically driven cost increases is key industry issue**



Running The Business Globally

- Building functional and technical excellence
- Leveraging products, powertrains, supplier base and technical expertise globally
- Flow existing resources to support greatest, highest return growth opportunities

Conclusion -- Effective Execution of '05 – '07 Plan

- GMNA Turnaround
 - Strong product momentum
 - Progress in Sales & Marketing strategy
 - \$9B cost reduction, by addressing key historical competitiveness issues
- GME Turnaround yielding positive results
- Overachieving emerging markets growth plan
- Built liquidity while addressing GMAC and Delphi



What's Next?

- **Challenging headwinds:**
 - U.S. economy/auto industry
 - Energy prices/regulatory costs
 - High raw material/steel costs
- **Stay focused on product excellence and revenue growth strategies**
- **Accelerate additional cost reduction activities**
 - Implement 2007 GM-UAW labor agreement
- **Drive advanced propulsion strategy**