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GENERAL MOTORS CORP
Form 8-K
January 19, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549-1004

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) January 19, 2005

GENERAL MOTORS CORPORATION

(Exact Name of Registrant as Specified in its Charter)

| | | |
|---|---|--|
| STATE OF DELAWARE ----- (State or other jurisdiction of Incorporation or Organization) | 1-143 ----- (Commission File Number) | 38-0572515 ----- (I.R.S. Employer Identification No.) |
| 300 Renaissance Center, Detroit, Michigan | | 48265-3000 (Zip Code) |
| ----- (Address of Principal Executive Offices) | | |

Registrant's telephone number, including area code (313) 556-5000

=====
Check the appropriate box below if the Form 8-K filing is intended to
simultaneously satisfy the filing obligation of the registrant under any of the
following provisions:

- Written communications pursuant to Rule 425 under the Securities Act
(17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR
240.14a-12)

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- [] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- [] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITIONS

On January 19, 2005, a news release was issued on the subject of fourth quarter consolidated earnings for General Motors Corporation (GM). The news release did not include certain financial statements, related footnotes and certain other financial information that will be filed with the Securities and Exchange Commission as part of GM's Annual Report on Form 10-K. The following is the fourth quarter earnings release for GM.

GM Reports 2004 Financial Results

- GMAC Posts Record 2004 Earnings, 10th Year of Net Income Growth
- Global Automotive Earnings Rise in 2004, Sales Volumes Gain 4.3 Percent
- Record 2004 Revenue of \$193 billion

DETROIT - General Motors Corp. (NYSE: GM) today reported adjusted 2004 earnings from continuing operations of \$3.6 billion, or \$6.40 per diluted share, led by record earnings from financial services and a 12-percent improvement in automotive earnings. These results, which were in line with GM's original guidance, compare to earnings of \$3.2 billion, or \$5.62 per share, in 2003. Adjusted revenue rose 4.5 percent to a record \$193 billion.

Consolidated net income for 2004, including special items, totaled \$3.7 billion, or \$6.51 per share, compared with \$3.8 billion, or \$7.14 per share, in 2003.

"GM reported solid overall results in 2004, despite challenging competitive conditions in many markets around the globe," said GM Chairman and Chief Executive Officer Rick Wagoner. "For the tenth-consecutive year, General Motors Acceptance Corp. (GMAC) reported annual earnings growth, posting a record profit of \$2.9 billion. And, our automotive operations recorded their second-highest vehicle-sales volume in history, with market-share gains in three out of four automotive regions last year.

"We believe strongly that the auto business is a growth business and we intend to fully participate in that growth with a steady cadence of new, best-in-segment cars and trucks in all major markets around the globe," Wagoner said.

Fourth Quarter

GM's adjusted earnings from continuing operations totaled \$569 million, or \$1.01 per share in the fourth quarter of 2004, down from \$838 million, or \$1.47 per share in the fourth quarter of 2003. Including special items and discontinued operations, GM reported net income of \$630 million, or \$1.11 per share in the fourth quarter of 2004, down from \$1.0 billion, or \$2.13 per share in the year-ago period. Adjusted revenue rose 4.7 percent to \$51.2 billion.

The results for the fourth quarter of 2004 include special items with a net favorable effect of \$61 million, or \$0.10 per share (see "Highlights"). The results for the fourth quarter of 2003 include net-favorable special items

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totaling \$339 million, or \$0.72 per share.

GM financial results described throughout the remainder of this release exclude special items unless otherwise noted (see "Highlights").

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GMAC

GMAC earned a record \$2.9 billion in 2004, up from \$2.8 billion in 2003. In the fourth quarter of 2004, GMAC earned \$611 million, down slightly from record earnings of \$630 million in the fourth quarter of 2003.

"GMAC has done a terrific job transforming itself from an auto-finance unit into a broad-based financial-services company that is focused on producing sustainable, long-term earnings," Wagoner said. "In addition, GMAC has diversified its sources of funding to strengthen its balance sheet in the face of a higher-interest-rate environment. Going forward, we expect GMAC to continue to be a significant source of income for GM, and an important partner in our drive to grow sales volumes around the world."

GMAC's financing operations reported net income of \$1.5 billion in calendar-year 2004, up from \$1.4 billion in 2003. The increase reflects considerable improvement in earnings from international operations, lower credit-loss provisions, improved proceeds from the sale of off-lease vehicles in North America, and the impact of favorable tax settlements, partially offset by lower net-interest margins.

Mortgage operations earned \$1.1 billion in 2004, a decline from record net income of \$1.3 billion in 2003 as residential-mortgage industry volumes declined by approximately 30 percent. Despite the lower industry volumes, GMAC's mortgage operations experienced market-share gains, asset growth, improved mortgage-servicing results and an increase in fee-based revenue.

GMAC's insurance operations generated record net income of \$329 million in 2004, up from \$179 million in 2003. The increase reflects a combination of strong results achieved through increased premium revenue, favorable loss experience, and improved investment-portfolio performance.

GM Automotive Operations

GM's automotive operations earned \$1.2 billion in 2004, up from \$1.1 billion in 2003. Worldwide production totaled 9.1 million units in 2004, up from 8.8 million in 2003. GM's global automotive business reported earnings of \$235 million in the fourth quarter of 2004, down from \$396 million in the year-ago quarter. The latest fourth-quarter results reflect a significant improvement at GM's Latin America/Africa/Mid-East (GMLAAM) region and improved earnings at GM North America (GMNA), offset by losses at GM Europe (GME) and reduced earnings at GM Asia Pacific (GMAP).

GM reported market-share gains in three out of four automotive regions in 2004. GM ended 2004 with a global market share of 14.5 percent, down slightly from 14.6 percent in 2003.

GMNA earned \$1.2 billion in 2004, in line with 2003 results. GM's market share in North America declined to 26.7 percent in 2004 from 27.4 percent in 2003.

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GMNA earned \$416 million in the fourth quarter of 2004, up from \$397 million in the fourth quarter of 2003, as continued cost reduction and favorable tax settlements were partially offset by lower production volumes and unfavorable product mix.

"While we fell short of our goal to gain market share in North America in 2004, we had a solid finish to the year," Wagoner said. "Sales volumes for our newest vehicles gained momentum throughout the year and we continued to make progress in the key areas of productivity, quality, and cost reduction."

Among the highlights for 2004:

- GM set U.S. industry records in total truck and sport-utility-vehicle sales for the fourth-consecutive year and once again sold more full-size pickups than any other manufacturer.
- Chevrolet sold more passenger cars in the United States than any other brand and had its best sales year since 1988.
- Cadillac's U.S. sales rose 8.4 percent in 2004, marking its best annual sales performance since 1990.
- GMC sold a record 602,064 vehicles in 2004, the eleventh time in a dozen years that GMC has established a new sales record.

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"We're encouraged by the success of Cadillac, Chevrolet and GMC, and we're determined to build on that success with our other brands," Wagoner said. "In 2005, our product portfolio includes a number of new high-volume vehicles that are continuing to ramp, such as the Pontiac G6, the Chevrolet Cobalt, the Buick LaCrosse and the Cadillac STS. In addition, we are also introducing later this year the Pontiac Solstice, the Hummer H3, the Chevrolet HHR and the Cadillac DTS, among others."

GME posted a loss of \$742 million in 2004, compared with a loss of \$286 million in 2003. In the fourth quarter of 2004, GME reported a loss of \$345 million, compared with a loss of \$66 million in the year-ago quarter.

"GM Europe reached an important milestone in December when we agreed with our European labor unions on the framework for a restructuring plan that will help GME reduce its cost footprint," Wagoner said. "But, we're also focused on improving revenue. In 2004, GME increased its market share to 9.5 percent, its highest level in five years. We plan to build on that success with the introduction of the Opel Astra 3-door next month, followed by the Saab 9-3 sport hatch, and the Opel Zafira later this year. The expansion of the Chevrolet brand in Europe is well underway and already contributing to market share gains."

GMAP reported record net income of \$729 million in 2004, up from \$577 million in 2003. The region's market share rose to 5.2 percent in 2004, up from 4.9 percent in 2003. GMAP earned \$117 million in the fourth quarter of 2004, compared with earnings of \$177 million in the year-ago quarter.

"GM's Asia Pacific operations again delivered solid results in a more-challenging environment," Wagoner said. "While sales in China slowed in the second half of the year, after the government took actions to slow rapid growth, GM China sold almost half a million vehicles in 2004, a gain of 27 percent. We're also pleased with the improved results in Thailand and India, and the steady progress we're making at GM Daewoo Auto & Technology Co. (GM-Daewoo).

"GM-Daewoo continues to be a global force," Wagoner said. "Besides giving us a major presence in the Korean market, and a strong addition to our global

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product-development capability, GM Daewoo is helping us grow our market position all around the world. In 2005, GM-Daewoo is expected to produce more than one million vehicles."

GMLAAM earned \$85 million in 2004, a significant improvement from the year-ago loss of \$331 million. GMLAAM's market share rose to 17.4 percent in 2004 from 16.3 percent in 2003. GMLAAM earned \$47 million in the fourth quarter of 2004, compared with a year-ago loss of \$112 million.

"GMLAAM returned to profitability in 2004, reflecting a lot of hard work on the cost side of the business and some very successful product introductions," Wagoner said. "We're particularly pleased with our performance in Brazil, where GM became the leading automaker for the first time in its 79-year history of operations there. Volume was also strong in the Mid-East region, where we sold nearly 100,000 units in 2004, an increase of 60 percent from 2003."

Cash and Liquidity

Cash, marketable securities, and short-term assets of the Voluntary Employees' Beneficiary Association (VEBA) Trust totaled \$23.3 billion at Dec. 31, 2004, excluding financing and insurance operations, down from \$24.5 billion on Sept. 30, 2004. During the fourth quarter of 2004, GM pre-funded its retiree-health-care obligation by an additional \$4 billion, bringing the year-end funding balance for retiree-health-care obligations to approximately \$20 billion. Automotive operating cash flow for the year ended Dec. 31, 2004 totaled \$4.2 billion.

GM's U.S. hourly and salaried pension plans were \$3 billion over-funded at the end of 2004, a significant improvement from the previous year when the plans were \$300 million over-funded. Asset returns of approximately 14 percent more than offset a decline in the discount rate to 5.75 percent at the end of 2004 from 6.00 percent at the end of 2003.

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Profit Sharing

Approximately 119,000 hourly employees in the United States will receive a profit-sharing payment in 2005. A typical U.S. hourly employee, eligible under the profit-sharing program, would qualify for a payment of approximately \$195.

Looking Ahead

GM expects solid, worldwide economic growth in 2005 with global industry sales surpassing 62 million units. GM expects North American industry sales of approximately 20 million units, about flat with 2004 results. Industry sales in Europe are expected to total approximately 20 million units, on par with 2004, while industry sales in the Asia-Pacific region are expected to rise to approximately 17.7 million units. Industry sales in the GMLAAM region are expected to increase to approximately 4.4 million units in 2005.

GM expects 2005 earnings to be approximately \$4.00 to \$5.00 per share, excluding any special items and at current dilution levels. GM expects to increase global sales volumes, generate \$2 billion in operating cash flow and increase capital expenditures to approximately \$8 billion in 2005. GM estimates break-even or better results in the first quarter of 2005, excluding any special items, reflecting lower production volumes and less-favorable product mix.

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In this press release and related comments by General Motors management, our use of the words "expect," "anticipate," "estimate," "project," "forecast," "outlook," "target," "objective," "plan," "goal," "pursue," "on track," 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 (at page II-20) 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 fuel, labor strikes or work stoppages; market acceptance of the corporation's new products; 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.

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General Motors Corporation
List of Special Items - After Tax
(dollars in millions except per share amounts)

Management believes that the adjusted information set forth herein is useful to investors as it represents how Management views the results of operations and cash of the Corporation and, therefore, is the basis on which internal evaluation metrics are determined. The internal evaluation metrics are those used by the Corporation's Board of Directors to evaluate Management.

| | Three Months Ended | | Year to Date | |
|-----------------------------------|--------------------|---------|---------------|---------|
| | Dec. 31, 2004 | | Dec. 31, 2004 | |
| | Net | \$1-2/3 | Net | \$1-2/3 |
| | Income | EPS | Income | EPS |
| | ----- | ----- | ----- | ----- |
| REPORTED | | | | |
| Net income | \$630 | \$1.11 | \$3,691 | \$6.51 |
| | === | ==== | ===== | ===== |
| ADJUSTMENTS | | | | |
| Gain on Sale of XM Stock (A) | (118) | (0.21) | (118) | (0.21) |
| Plant & Facility Impairments (B) | 78 | 0.14 | 78 | 0.14 |
| Asset Impairments (C) | 383 | 0.68 | 383 | 0.67 |
| Write-down of Fiat Investment (D) | 136 | 0.24 | 136 | 0.24 |

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| | | | | |
|-----------------|-------|--------|---------|--------|
| Tax Items (E) | (540) | (0.95) | (540) | (0.95) |
| | --- | ---- | ----- | ----- |
| Subtotal | (61) | (0.10) | (61) | (0.11) |
| ADJUSTED | | | | |
| | --- | ---- | ----- | ----- |
| Adjusted income | \$569 | \$1.01 | \$3,630 | \$6.40 |
| | === | ==== | ===== | ===== |

- (A) In December 2004, GM contributed 11 million shares of XM Satellite Radio Holdings Inc. Class A common stock valued at \$432 million to its Voluntary Employees' Beneficiary Association (VEBA). The contribution resulted in a pre-tax gain of \$190 million (\$118 million after tax).
- (B) Includes charges for previously announced facilities rationalization actions at GM's Baltimore, MD and Linden, NJ plants.
- (C) Reflects the results of GM's annual review of the carrying value of its long-lived assets held and used, other than goodwill and intangible assets with indefinite lives. Impairments relate to product-specific assets and facilities.
- (D) Relates to GM's investment in Fiat Auto Holdings, B.V. and reflects completion of an impairment study relating to the carrying value of that investment, which resulted in the write-off of the remaining balance of \$220 million pre-tax (\$136 million after tax).
- (E) Reflects various adjustments resulting from changes in tax laws both in the U.S. and overseas and capital loss carryforwards.

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General Motors Corporation
List of Special Items - After Tax
(dollars in millions except per share amounts)

| | Three Months Ended | | Year to Date | |
|--|--------------------|---------|---------------|---------|
| | Dec. 31, 2003 | | Dec. 31, 2003 | |
| | Net | \$1-2/3 | Net | \$1-2/3 |
| | Income | EPS | Income | EPS |
| | ----- | ----- | ----- | ----- |
| REPORTED | | | | |
| ----- | | | | |
| Income (loss) from continuing operations | \$ (2) | \$ - | \$2,862 | \$5.03 |
| (Loss) from discontinued operations | (164) | (0.06) | (219) | (0.09) |
| Gain on sale of discontinued operations | 1,179 | 2.19 | 1,179 | 2.20 |
| | ----- | ----- | ----- | ----- |
| Net income | 1,013 | 2.13 | 3,822 | 7.14 |

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ADJUSTMENTS

| | | | | |
|--|---------|--------|---------|--------|
| Hourly Retiree Lump Sum/ Vouchers (A) | 725 | 1.27 | 725 | 1.28 |
| Reserve for Idled Workers (B) | (103) | (0.18) | (103) | (0.18) |
| GME Restructuring Charge (C) | 218 | 0.38 | 218 | 0.38 |
| Gain on Sale of GM Defense (D) | - | - | (505) | (0.89) |
| Gain on sale of Hughes | (1,179) | (2.19) | (1,179) | (2.20) |
| Subtotal | (339) | (0.72) | (844) | (1.61) |

ADJUSTED

| | | | | |
|--|-------|--------|---------|--------|
| Income from continuing operations | \$838 | \$1.47 | \$3,197 | \$5.62 |
| (Loss) from discontinued operations | (164) | (0.06) | (219) | (0.09) |
| Adjusted income | \$674 | \$1.41 | \$2,978 | \$5.53 |

- (A) The October 2003 contract with the United Auto Workers provided for lump-sum payments and vehicle discount vouchers for retirees, accounted for in GMNA and Other.
- (B) The Reserve for Idled Workers primarily relates to adjustments to previously established reserves for the Janesville, Wis. Plant, accounted for in GMNA.
- (C) The GME Restructuring Charge relates to the initiative implemented in the fourth quarter of 2003 to improve competitiveness of GM's automotive operations in Europe.
- (D) The Gain on Sale of GM Defense relates to the sale of GM's light armored vehicle business to General Dynamics Corporation for net proceeds of approximately \$1.1 billion.

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General Motors Corporation
Summary Corporate Financial Results
(unaudited)

| | Fourth Quarter | | Year to Date | |
|--|----------------|----------|--------------|-----------|
| | 2004 | 2003 | 2004 | 2003 |
| (dollars in millions except per share amounts) | | | | |
| Total net sales and revenues | \$51,344 | \$48,839 | \$193,452 | \$185,837 |
| Adjusted | \$51,154 | \$48,839 | \$193,262 | \$185,023 |
| Income (loss) from continuing operations | \$630 | \$(2) | \$3,691 | \$2,862 |
| Adjusted | \$569 | \$838 | \$3,630 | \$3,197 |
| (Loss) from discontinued operations | - | \$(164) | - | \$(219) |
| Adjusted | - | \$(164) | - | \$(219) |

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| | | | | |
|---|-----------|---------|---------|---------|
| Net income | \$630 | \$1,013 | \$3,691 | \$3,822 |
| Adjusted | \$569 | \$674 | \$3,630 | \$2,978 |
| Net margin from continuing operations (Income from continuing operations/Total net sales and revenues) | 1.2% | - | 1.9% | 1.5% |
| Adjusted | 1.1% | 1.7% | 1.9% | 1.7% |
| Earnings per share - basic \$1-2/3 par value | | | | |
| Continuing operations | \$1.12 | \$ - | \$6.54 | \$5.10 |
| Discontinued operations | - | 2.17 | - | 2.14 |
| | ---- | ---- | ---- | ---- |
| Earnings per share | \$1.12 | \$2.17 | \$6.54 | \$7.24 |
| Earnings per share - diluted \$1-2/3 par value | | | | |
| Continuing operations | \$1.11 | \$ - | \$6.51 | \$5.03 |
| Discontinued operations | - | 2.13 | - | 2.11 |
| | ---- | ---- | ---- | ---- |
| Earnings per share | \$1.11 | \$2.13 | \$6.51 | \$7.14 |
| Earnings per share - adjusted diluted \$1-2/3 par value | | | | |
| Continuing operations | \$1.01 | \$ 1.47 | \$6.40 | \$5.62 |
| Discontinued operations | - | (0.06) | - | (0.09) |
| | ---- | ---- | ---- | ---- |
| Earnings per share | \$1.01(1) | \$1.41 | \$6.40 | \$5.53 |
| GM \$1-2/3 par value average shares outstanding (Mil's) | | | | |
| Basic shares | 565 | 561 | 565 | 561 |
| Diluted shares | 566 | 571 | 567 | 569 |
| Cash dividends per share of common stocks | | | | |
| GM \$1-2/3 par value | \$0.50 | \$0.50 | \$2.00 | \$2.00 |

See reconciliation of adjusted financial results on pages 10 - 15 and footnotes on page 17.

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General Motors Corporation
Summary Corporate Financial Results
(unaudited)

| | Fourth Quarter | | Year to Date | |
|---|----------------|---------|--------------|------|
| | 2004 | 2003 | 2004 | 2003 |
| | ---- | ---- | ---- | ---- |
| Book value per share of common stocks at Dec. 31 | | | | |
| GM \$1-2/3 par value | \$50.63 | \$44.96 | | |
| Auto & Other Operations total cash & marketable securities at Dec. 31 | | | | |

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| | | |
|--|--------|--------|
| (\$Bil's) | \$19.8 | \$23.5 |
| Cash in short-term VEBA | 3.5 | 3.4 |
| | ---- | ---- |
| Total Auto & Other cash & marketable securities plus short-term VEBA | \$23.3 | \$26.9 |
| | ===== | ===== |

| | | | | |
|--------------------------------------|---------|---------|---------|---------|
| Auto & Other Operations (\$Mil's) | | | | |
| Depreciation | \$1,322 | \$1,380 | \$5,028 | \$4,526 |
| Amortization of special tools | 1,325 | 1,362 | 3,562 | 3,391 |
| Amortization of intangible assets | 14 | 10 | 39 | 29 |
| | ---- | ---- | ---- | ---- |
| Total | \$2,661 | \$2,752 | \$8,629 | \$7,946 |
| | ===== | ===== | ===== | ===== |

| | | | | |
|---|--------|--------|--------|--------|
| GM's share of nonconsolidated affiliates' net income (loss) (\$Mil's) | | | | |
| Italy | \$28 | \$71 | \$87 | \$95 |
| Japan | \$64 | \$71 | \$255 | \$196 |
| China | \$33 | \$104 | \$417 | \$414 |
| South Korea | \$(35) | \$(24) | \$(53) | \$(74) |

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General Motors Corporation
Summary Corporate Financial Results
(unaudited)

Fourth Quarter
2004 and 2003

| (dollars in millions) | Reported | | Special Items | | Adjusted | |
|---------------------------------|----------|----------|---------------|------|----------|----------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| | ---- | ---- | ---- | ---- | ---- | ---- |
| Total net sales and revenues | | | | | | |
| GMNA | \$29,707 | \$30,979 | \$(190) | \$ - | \$29,517 | \$30,979 |
| GME | 8,248 | 7,283 | - | - | 8,248 | 7,283 |
| GMLAAM | 2,884 | 1,919 | - | - | 2,884 | 1,919 |
| GMAP | 2,085 | 1,540 | - | - | 2,085 | 1,540 |
| | ----- | ----- | --- | --- | ----- | ----- |
| Total GMA | 42,924 | 41,721 | (190) | - | 42,734 | 41,721 |
| Other | 179 | 108 | - | - | 179 | 108 |
| | ----- | ----- | --- | --- | ----- | ----- |
| Total Auto & Other | 43,103 | 41,829 | (190) | - | 42,913 | 41,829 |
| | ----- | ----- | --- | --- | ----- | ----- |
| GMAC | 8,071 | 6,804 | - | - | 8,071 | 6,804 |
| Other Financing | 170 | 206 | - | - | 170 | 206 |

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|--|----------|----------|----------|---------|----------|----------|
| Total FIO | 8,241 | 7,010 | - | - | 8,241 | 7,010 |
| Total net sales and revenues | \$51,344 | \$48,839 | \$ (190) | \$ - | \$51,154 | \$48,839 |
| Income (loss) from continuing operations before income taxes, equity income, and minority interests | | | | | | |
| GMNA | \$197 | \$(114) | \$125 | \$556 | \$322 | \$442 |
| GME | (975) | (510) | 372 | 311 | (603) | (199) |
| GMLAAM | 63 | (188) | - | - | 63 | (188) |
| GMAP | 24 | 31 | - | - | 24 | 31 |
| Total GMA | (691) | (781) | 497 | 867 | (194) | 86 |
| Other | (627) | (820) | 269 | 447 | (358) | (373) |
| Total Auto & Other | (1,318) | (1,601) | 766 | 1,314 | (552) | (287) |
| GMAC | 803 | 1,002 | - | - | 803 | 1,002 |
| Other Financing | (12) | 63 | - | - | (12) | 63 |
| Total FIO | 791 | 1,065 | - | - | 791 | 1,065 |
| Total income (loss) from continuing operations before income taxes, equity income, and minority interests | \$(527) | \$(536) | \$766 | \$1,314 | \$239 | \$778 |

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General Motors Corporation
Summary Corporate Financial Results
(unaudited)

Fourth Quarter
2004 and 2003

| (dollars in millions) | Reported | | Special Items | | Adjusted | |
|---|----------|-------|---------------|-------|----------|-------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| Income (loss) from continuing operations | | | | | | |
| GMNA | \$878 | \$52 | \$(462) | \$345 | \$416 | \$397 |
| GME | (579) | (284) | 234 | 218 | (345) | (66) |
| GMLAAM | 47 | (112) | - | - | 47 | (112) |
| GMAP | 117 | 177 | - | - | 117 | 177 |
| Total GMA | 463 | (167) | (228) | 563 | 235 | 396 |

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| | | | | | | |
|--|-----------|---------|--------|---------|---------|-------|
| Other | (442) | (511) | 167 | 277 | (275) | (234) |
| | --- | --- | --- | --- | --- | --- |
| Total Auto & Other | 21 | (678) | (61) | 840 | (40) | 162 |
| | --- | --- | --- | --- | --- | --- |
| GMAC | 611 | 630 | - | - | 611 | 630 |
| Other Financing | (2) | 46 | - | - | (2) | 46 |
| | --- | --- | --- | --- | --- | --- |
| Total FIO | 609 | 676 | - | - | 609 | 676 |
| | --- | --- | --- | --- | --- | --- |
| Income (loss) from continuing operations | \$630 | \$(2) | \$(61) | \$840 | \$569 | \$838 |
| (Loss) from discontinued operations | - | (164) | - | - | - | (164) |
| Gain on sale of discontinued operations | - | 1,179 | - | (1,179) | - | - |
| | --- | --- | --- | --- | --- | --- |
| Net income (loss) | \$630 | \$1,013 | \$(61) | \$(339) | \$569 | \$674 |
| | === | ===== | === | === | === | === |
| Income tax expense (benefit) | | | | | | |
| GMNA | \$(691) | \$(97) | \$587 | \$211 | \$(104) | \$114 |
| GME | (367) | (151) | 138 | 93 | (229) | (58) |
| GMLAAM | 15 | (66) | - | - | 15 | (66) |
| GMAP | (7) | 18 | - | - | (7) | 18 |
| | ----- | --- | --- | --- | --- | --- |
| Total GMA | (1,050) | (296) | 725 | 304 | (325) | 8 |
| Other | (198) | (329) | 102 | 170 | (96) | (159) |
| | ----- | --- | --- | --- | --- | --- |
| Total Auto & Other | (1,248) | (625) | 827 | 474 | (421) | (151) |
| | ----- | --- | --- | --- | --- | --- |
| GMAC | 188 | 283 | - | - | 188 | 283 |
| Other Financing | (10) | 13 | - | - | (10) | 13 |
| | ----- | --- | --- | --- | --- | --- |
| Total FIO | 178 | 296 | - | - | 178 | 296 |
| | ----- | --- | --- | --- | --- | --- |
| Income tax expense (benefit) | \$(1,070) | \$(329) | \$827 | \$474 | \$(243) | \$145 |
| | ===== | === | === | === | === | === |

11

General Motors Corporation
Summary Corporate Financial Results
(unaudited)

Fourth Quarter
2004 and 2003

| (dollars in millions) | Reported | | Special Items | | Adjusted | |
|-----------------------|----------|-------|---------------|-------|----------|-------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| | ----- | ----- | ----- | ----- | ----- | ----- |

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| | | | | | | |
|--------------------|--------|-----|------|-----|--------|-----|
| Effective tax rate | | | | | | |
| Total GM Corp. | 203% | 61% | 108% | 36% | (102%) | 19% |
| GMNA | (351%) | 85% | 470% | 38% | (32%) | 26% |
| GME | 38% | 30% | 37% | 30% | 38% | 29% |
| GMAC | 23% | 28% | - | - | 23% | 28% |

| | | | | | | |
|--|---------|-------|------|------|---------|-------|
| Equity income (loss) and minority interests | | | | | | |
| GMNA | \$ (10) | \$ 69 | \$ - | \$ - | \$ (10) | \$ 69 |
| GME | 29 | 75 | - | - | 29 | 75 |
| GMLAAM | (1) | 10 | - | - | (1) | 10 |
| GMAP | 86 | 164 | - | - | 86 | 164 |
| | --- | --- | --- | --- | --- | --- |
| Total GMA | \$104 | \$318 | \$ - | \$ - | \$104 | \$318 |
| | === | === | == | == | === | === |

12

General Motors Corporation
Summary Corporate Financial Results
(unaudited)

Year to Date
2004 and 2003

| | (dollars in millions) Reported | | Special Items | | Adjusted | |
|---------------------------------|--------------------------------|-----------|---------------|----------|-----------|-----------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| Total net sales and revenues | | | | | | |
| GMNA | \$114,582 | \$116,310 | \$ (190) | \$ - | \$114,392 | \$116,310 |
| GME | 30,820 | 27,478 | - | - | 30,820 | 27,478 |
| GMLAAM | 8,792 | 5,387 | - | - | 8,792 | 5,387 |
| GMAP | 6,978 | 5,338 | - | - | 6,978 | 5,338 |
| | ----- | ----- | --- | --- | ----- | ----- |
| Total GMA | 161,172 | 154,513 | (190) | - | 160,982 | 154,513 |
| Other | 373 | 1,318 | - | (814) | 373 | 504 |
| | ----- | ----- | --- | --- | ----- | ----- |
| Total Auto & Other | 161,545 | 155,831 | (190) | (814) | 161,355 | 155,017 |
| | ----- | ----- | --- | --- | ----- | ----- |
| GMAC | 31,123 | 29,348 | - | - | 31,123 | 29,348 |
| Other Financing | 784 | 658 | - | - | 784 | 658 |
| | ----- | ----- | --- | --- | ----- | ----- |
| Total FIO | 31,907 | 30,006 | - | - | 31,907 | 30,006 |
| | ----- | ----- | --- | --- | ----- | ----- |
| Total net sales and revenues | \$193,452 | \$185,837 | \$ (190) | \$ (814) | \$193,262 | \$185,023 |
| | ===== | ===== | === | === | ===== | ===== |
| Income (loss) | | | | | | |

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| | | | | | | |
|---|---------|---------|-------|-------|---------|---------|
| from continuing operations before income taxes, equity income, and minority interests | | | | | | |
| GMNA | \$1,137 | \$915 | \$125 | \$556 | \$1,262 | \$1,471 |
| GME | (1,733) | (909) | 372 | 311 | (1,361) | (598) |
| GMLAAM | 127 | (474) | - | - | 127 | (474) |
| GMAP | 52 | 61 | - | - | 52 | 61 |
| | ----- | ----- | --- | --- | ----- | ----- |
| Total GMA | (417) | (407) | 497 | 867 | 80 | 460 |
| Other | (1,343) | (1,101) | 269 | (367) | (1,074) | (1,468) |
| | ----- | ----- | --- | --- | ----- | ----- |
| Total Auto & Other | (1,760) | (1,508) | 766 | 500 | (994) | (1,008) |
| | ----- | ----- | --- | --- | ----- | ----- |
| GMAC | 4,368 | 4,442 | - | - | 4,368 | 4,442 |
| Other Financing | (39) | 47 | - | - | (39) | 47 |
| | ----- | ----- | --- | --- | ----- | ----- |
| Total FIO | 4,329 | 4,489 | - | - | 4,329 | 4,489 |
| | ----- | ----- | --- | --- | ----- | ----- |
| Total income (loss) from continuing operations before income taxes, equity income, and minority interests | \$2,569 | \$2,981 | \$766 | \$500 | \$3,335 | \$3,481 |
| | ===== | ===== | === | === | ===== | ===== |

13

General Motors Corporation
Summary Corporate Financial Results
(unaudited)

Year to Date
2004 and 2003

| (dollars in millions) | Reported | | Special Items | | Adjusted | |
|--|----------|-------|---------------|-------|----------|---------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| | ---- | ---- | ---- | ---- | ---- | ---- |
| Income (loss) from continuing operations | | | | | | |
| GMNA | \$1,635 | \$811 | \$(462) | \$345 | \$1,173 | \$1,156 |
| GME | (976) | (504) | 234 | 218 | (742) | (286) |
| GMLAAM | 85 | (331) | - | - | 85 | (331) |
| GMAP | 729 | 577 | - | - | 729 | 577 |
| | ----- | ----- | --- | --- | ----- | ----- |
| Total GMA | 1,473 | 553 | (228) | 563 | 1,245 | 1,116 |
| Other | (676) | (518) | 167 | (228) | (509) | (746) |
| | ----- | ----- | --- | --- | ----- | ----- |
| Total Auto & Other | 797 | 35 | (61) | 335 | 736 | 370 |
| | ----- | ----- | --- | --- | ----- | ----- |
| GMAC | 2,913 | 2,793 | - | - | 2,913 | 2,793 |
| Other Financing | (19) | 34 | - | - | (19) | 34 |

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| | | | | | | |
|--|---------|---------|--------|---------|---------|---------|
| Total FIO | 2,894 | 2,827 | - | - | 2,894 | 2,827 |
| Income (loss) from continuing operations | \$3,691 | \$2,862 | \$(61) | \$335 | \$3,630 | \$3,197 |
| (Loss) from discontinued operations | - | (219) | - | - | - | (219) |
| Gain on sale of discontinued operations | - | 1,179 | - | (1,179) | - | - |
| Net income (loss) | \$3,691 | \$3,822 | \$(61) | \$(844) | \$3,630 | \$2,978 |
| Income tax expense (benefit) | | | | | | |
| GMNA | \$(529) | \$171 | \$587 | \$211 | \$58 | \$382 |
| GME | (655) | (303) | 138 | 93 | (517) | (210) |
| GMLAAM | 31 | (149) | - | - | 31 | (149) |
| GMAP | (11) | 44 | - | - | (11) | 44 |
| Total GMA | (1,164) | (237) | 725 | 304 | (439) | 67 |
| Other | (683) | (632) | 102 | (139) | (581) | (771) |
| Total Auto & Other | (1,847) | (869) | 827 | 165 | (1,020) | (704) |
| GMAC | 1,447 | 1,591 | - | - | 1,447 | 1,591 |
| Other Financing | (20) | 9 | - | - | (20) | 9 |
| Total FIO | 1,427 | 1,600 | - | - | 1,427 | 1,600 |
| Income tax expense (benefit) | \$(420) | \$731 | \$827 | \$165 | \$407 | \$896 |

14

General Motors Corporation
Summary Corporate Financial Results
(unaudited)

Year to Date
2004 and 2003

| (dollars in millions) | Reported | | Special Items | | Adjusted | |
|-----------------------|----------|------|---------------|------|----------|------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| Effective tax rate | | | | | | |
| Total GM Corp. | (16%) | 25% | 108% | 33% | 12% | 26% |
| GMNA | (47%) | 19% | 470% | 38% | 5% | 26% |
| GME | 38% | 33% | 37% | 30% | 38% | 35% |
| GMAC | 33% | 36% | - | - | 33% | 36% |

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| | | | | | | |
|--|---------|-------|------|------|---------|-------|
| Equity income (loss) and minority interests | | | | | | |
| GMNA | \$ (31) | \$67 | \$ - | \$ - | \$ (31) | \$67 |
| GME | 102 | 102 | - | - | 102 | 102 |
| GMLAAM | (11) | (6) | - | - | (11) | (6) |
| GMAP | 666 | 560 | - | - | 666 | 560 |
| | ---- | ---- | -- | -- | ---- | ---- |
| Total GMA | \$726 | \$723 | \$ - | \$ - | \$726 | \$723 |
| | ==== | ==== | == | == | ==== | ==== |

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General Motors Corporation
Operating Statistics

| | Fourth Quarter | | Year to Date | |
|---------------------------|----------------|-------|--------------|-------|
| | 2004 | 2003 | 2004 | 2003 |
| | ---- | ---- | ---- | ---- |
| (units in thousands) | | | | |
| Worldwide Wholesale Sales | | | | |
| United States - Cars | 452 | 522 | 1,853 | 1,961 |
| United States - Trucks | 740 | 766 | 2,901 | 2,971 |
| | ----- | ----- | ----- | ----- |
| Total United States | 1,192 | 1,288 | 4,754 | 4,932 |
| Canada, Mexico, and Other | 186 | 196 | 710 | 675 |
| | ----- | ----- | ----- | ----- |
| Total GMNA | 1,378 | 1,484 | 5,464 | 5,607 |
| GME | 421 | 412 | 1,717 | 1,657 |
| GMLAAM | 235 | 183 | 769 | 561 |
| GMAP | 86 | 70 | 291 | 273 |
| | ----- | ----- | ----- | ----- |
| Total Worldwide | 2,120 | 2,149 | 8,241 | 8,098 |
| | ===== | ===== | ===== | ===== |
| Vehicle Unit Deliveries | | | | |
| Chevrolet - Cars | 217 | 189 | 918 | 801 |
| Chevrolet - Trucks | 439 | 460 | 1,845 | 1,855 |
| Pontiac | 96 | 123 | 474 | 476 |
| GMC | 144 | 153 | 602 | 579 |
| Buick | 60 | 79 | 310 | 337 |
| Oldsmobile | 2 | 30 | 29 | 126 |
| Saturn | 41 | 54 | 212 | 271 |
| Cadillac | 65 | 62 | 234 | 216 |
| Other | 23 | 24 | 83 | 96 |
| | ----- | ----- | ----- | ----- |
| Total United States | 1,087 | 1,174 | 4,707 | 4,757 |
| Canada, Mexico, and Other | 187 | 169 | 705 | 683 |
| | ----- | ----- | ----- | ----- |
| Total GMNA | 1,274 | 1,343 | 5,412 | 5,440 |
| GME | 454 | 430 | 1,954 | 1,821 |
| GMLAAM | 216 | 182 | 737 | 584 |
| GMAP | 228 | 217 | 887 | 775 |
| | ----- | ----- | ----- | ----- |
| Total Worldwide | 2,172 | 2,172 | 8,990 | 8,620 |
| | ===== | ===== | ===== | ===== |

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| | | | | |
|--|----------|----------|-------|-------|
| Market Share | | | | |
| United States - Cars | 23.5% | 26.8% | 24.9% | 25.7% |
| United States - Trucks | 27.8% | 30.2% | 29.0% | 30.0% |
| Total United States | 26.0% | 28.8% | 27.2% | 28.0% |
| Total North America | 25.7% | 28.0% | 26.7% | 27.4% |
| Total Europe | 9.4% | 9.2% | 9.5% | 9.3% |
| Total LAAM | 18.9% | 18.1% | 17.4% | 16.3% |
| Asia and Pacific | 5.3% | 5.4% | 5.2% | 4.9% |
| Total Worldwide | 14.2% | 15.0% | 14.5% | 14.6% |
| U.S. Retail/Fleet Mix | | | | |
| % Fleet Sales - Cars | 35.1% | 36.9% | 36.7% | 31.7% |
| % Fleet Sales - Trucks | 17.4% | 15.6% | 16.4% | 13.6% |
| Total Vehicles | 24.2% | 23.9% | 24.5% | 21.1% |
| GMNA Capacity Utilization (2 shift rated) | | | | |
| | 83.0% | 94.3% | 85.8% | 89.7% |
| GMNA Vehicle Revenue Per Unit | | | | |
| | \$19,698 | \$19,311 | | |

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General Motors Corporation Operating Statistics

| | Fourth Quarter | | Year to Date | |
|---|----------------|--------|--------------|-------|
| | 2004 | 2003 | 2004 | 2003 |
| GMAC's Worldwide Cost of Borrowing (3) | 4.11% | 3.48% | | |
| Period-end Debt Spreads Over U.S. Treasuries | | | | |
| 2 Year | 170 bp | 120 bp | | |
| 5 Year | 225 bp | 140 bp | | |
| 10 Year | 270 bp | 165 bp | | |
| GMAC Automotive Finance Operations | | | | |
| Consumer credit (North America) | | | | |
| Net charge-offs as a % of managed receivables | 1.07% | 1.14% | 1.11% | 1.07% |
| Retail contracts 30 days delinquent - % of average number of contracts outstanding (4) | 2.20% | 2.03% | 2.11% | 1.99% |
| Retail penetration (U.S. only) | | | | |
| Total retail (SmartLease, SmartBuy and Retail) as % of retail sales | 63.6% | 36.4% | 45.0% | 41.5% |
| SmartLease and SmartBuy as % of retail sales | 13.3% | 8.5% | 12.9% | 8.8% |
| Off-lease vehicle remarketing (U.S. only) | | | | |

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| | | | | |
|------------------------------|--------|---------|---------|---------|
| Average net gain per vehicle | \$22 | \$ (83) | \$406 | \$73 |
| Off-lease vehicles | | | | |
| remarketed (units in 000s) | 84 | 107 | 414 | 611 |
| GMAC Mortgage Operations | | | | |
| Origination volume(\$Bil's) | \$47.1 | \$42.9 | \$174.1 | \$218.2 |
| Worldwide Employment | | | | |
| at December 31 (in 000's) | | | | |
| United States Hourly | 111 | 118 | | |
| United States Salary | 39 | 40 | | |
| | --- | --- | | |
| Total United States | 150 | 158 | | |
| Canada, Mexico, and Other | 31 | 32 | | |
| | --- | --- | | |
| GMNA | 181 | 190 | | |
| GME | 61 | 62 | | |
| GMLAAM (2) | 29 | 23 | | |
| GMAP | 15 | 14 | | |
| GMAC | 34 | 32 | | |
| Other | 4 | 5 | | |
| | --- | --- | | |
| Total | 324 | 326 | | |
| | === | === | | |
| Worldwide Payrolls (\$Bil's) | \$5.6 | \$5.6 | \$21.5 | \$20.9 |

Footnotes:

- (1) This amount is comparable to First Call analysts' consensus.
- (2) 2004 includes 3,000 employees as a result of the consolidation of GM South Africa.
- (3) Includes external debt for U.S. automotive finance, mortgage operations, and insurance operations. Calculated by dividing total interest expense (excluding mark to market adjustments and inter-company interest) by total debt.
- (4) Excludes accounts in bankruptcy.

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GENERAL MOTORS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

| | Three Months Ended December 31, | |
|--------------------------------------|--|----------|
| | ----- | |
| | 2004 | 2003 |
| | ---- | ---- |
| | (dollars in millions except per share amounts) | |
| Total net sales and revenues | \$51,344 | \$48,839 |
| | ----- | ----- |
| Cost of sales and other expenses | 42,664 | 41,962 |
| Selling, general, and administrative | 5,868 | 4,753 |

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| | | |
|---|---------|----------|
| expenses | | |
| Interest expense | 3,339 | 2,660 |
| | ----- | ----- |
| Total costs and expenses | 51,871 | 49,375 |
| | ----- | ----- |
| Income (loss) from continuing operations before income taxes and minority interests | (527) | (536) |
| Income tax (benefit) | (1,070) | (329) |
| Equity income and minority interests | 87 | 205 |
| | ----- | --- |
| Income (loss) from continuing operations | 630 | (2) |
| Income (loss) from discontinued operations | - | (164) |
| Gain on sale of discontinued operations | - | 1,179 |
| | ----- | ----- |
| Earnings attributable to common stocks | \$630 | \$1,013 |
| | ==== | ===== |
| Basic earnings (losses) per share attributable to \$1-2/3 par value common stock | | |
| Continuing operations | \$1.12 | \$- |
| Discontinued operations | - | \$2.17 |
| | ---- | ---- |
| Net income | \$1.12 | \$2.17 |
| | ==== | ===== |
| Income from discontinued operations attributable to Class H common stock | \$- | \$(0.18) |
| | = | ===== |
| Earnings per share attributable to \$1-2/3 par value common stock assuming dilution | | |
| Continuing operations | \$1.11 | \$- |
| Discontinued operations | - | \$2.13 |
| | ---- | ---- |
| Net income | \$1.11 | \$2.13 |
| | ==== | ===== |
| Income (loss) from discontinued operations attributable to Class H common stock | \$- | \$(0.18) |
| | = | ===== |

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GENERAL MOTORS CORPORATION AND SUBSIDIARIES

SUPPLEMENTAL INFORMATION TO THE CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

Three Months Ended December 31,

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| | 2004 ----- | 2003 ----- |
|---|-----------------------|---------------|
| | (dollars in millions) | |
| AUTOMOTIVE AND OTHER OPERATIONS | | |
| Total net sales and revenues | \$43,103 | \$41,829 |
| | ----- | ----- |
| Cost of sales and other expenses | 40,168 | 39,192 |
| Selling, general, and administrative expense | 3,484 | 3,468 |
| | ----- | ----- |
| Total costs and expenses | 43,652 | 42,660 |
| Interest expense | 700 | 688 |
| Net expense from transactions with Financing and Insurance Operations | 69 | 82 |
| | ----- | ----- |
| Income (loss) from continuing operations before income taxes and minority interests | (1,318) | (1,601) |
| Income tax (benefit) | (1,248) | (625) |
| Equity income and minority interests | 91 | 298 |
| | -- | ---- |
| Income (loss) from continuing operations | 21 | (678) |
| Income (loss) from discontinued operations | - | (164) |
| Gain on sale of discontinued operations | - | 1,179 |
| | -- | ----- |
| Net income - Automotive and Other Operations | \$21 | \$337 |
| | == | === |
| FINANCING AND INSURANCE OPERATIONS | | |
| Total revenues | \$8,241 | \$7,010 |
| | ----- | ----- |
| Interest expense | 2,639 | 1,972 |
| Depreciation and amortization expense | 1,409 | 1,323 |
| Operating and other expenses | 2,342 | 1,702 |
| Provisions for financing and insurance losses | 1,129 | 1,030 |
| | ----- | ----- |
| Total costs and expenses | 7,519 | 6,027 |
| Net income from transactions with Automotive and Other Operations | (69) | (82) |
| | ----- | ----- |
| Income before income taxes and minority interests | 791 | 1,065 |
| Income tax expense | 178 | 296 |
| Equity income (loss) and minority interests | (4) | (93) |
| | --- | --- |
| Net income - Financing and Insurance operations | \$609 | \$676 |
| | === | === |

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GENERAL MOTORS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

| | Years Ended December 31, | | |
|---|--|-----------|-----------|
| | 2004 | 2003 | 2002 |
| | ---- | ---- | ---- |
| | (dollars in millions except per share amounts) | | |
| GENERAL MOTORS CORPORATION AND SUBSIDIARIES | | | |
| Total net sales and revenues | \$193,452 | \$185,837 | \$177,867 |
| | ----- | ----- | ----- |
| Cost of sales and other expenses | 158,587 | 152,435 | 147,192 |
| Selling, general, and administrative expenses | 20,397 | 20,957 | 20,834 |
| Interest expense | 11,899 | 9,464 | 7,503 |
| | ----- | ----- | ----- |
| Total costs and expenses | 190,883 | 182,856 | 175,529 |
| | ----- | ----- | ----- |
| Income from continuing operations before income taxes, equity income and minority interests | 2,569 | 2,981 | 2,338 |
| Income tax (benefit) expense | (420) | 731 | 644 |
| Equity income (loss) and minority interests | 702 | 612 | 281 |
| | ----- | ----- | ----- |
| Income from continuing operations | 3,691 | 2,862 | 1,975 |
| Loss from discontinued operations | - | (219) | (239) |
| Gain on sale of discontinued operations | - | 1,179 | - |
| | ----- | ----- | ----- |
| Net income | 3,691 | 3,822 | 1,736 |
| Dividends on preference stocks | - | - | (46) |
| | ----- | ----- | ----- |
| Earnings attributable to common stocks | \$3,691 | \$3,822 | \$1,690 |
| | ===== | ===== | ===== |
| Basic earnings (loss) per share attributable to common stocks \$1-2/3 par value | | | |
| Continuing operations | \$6.54 | \$5.10 | \$3.53 |
| Discontinued operations | - | \$2.14 | \$(0.16) |
| | ----- | ----- | ----- |
| Earnings per share attributable to \$1-2/3 par value | \$6.54 | \$7.24 | \$3.37 |
| | ===== | ===== | ===== |
| Losses per share from discontinued operations attributable to Class H | | | |
| | \$- | \$(0.22) | \$(0.21) |
| | = | ===== | ===== |
| Earnings (loss) per share attributable to common stocks assuming dilution \$1-2/3 par value | | | |
| Continuing operations | \$6.51 | \$5.03 | \$3.51 |
| Discontinued operations | - | \$2.11 | \$(0.16) |
| | ----- | ----- | ----- |

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| | | | |
|---|-----------------|-------------------|-------------------|
| Earnings per share attributable to \$1-2/3 par value | \$6.51 ===== | \$7.14 ===== | \$3.35 ===== |
| Losses per share from discontinued operations attributable to Class H | \$- = | \$(0.22) ===== | \$(0.21) ===== |

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GENERAL MOTORS CORPORATION AND SUBSIDIARIES

SUPPLEMENTAL INFORMATION TO THE CONSOLIDATED STATEMENTS OF INCOME

| | Years Ended December 31, | | |
|--|--------------------------|--------------|----------------|
| | 2004 | 2003 | 2002 |
| | ---- | ---- | ---- |
| | (dollars in millions) | | |
| AUTOMOTIVE AND OTHER OPERATIONS | | | |
| Total net sales and revenues | \$161,545 | \$155,831 | \$150,250 |
| Cost of sales and other expenses | 148,689 | 143,525 | 138,397 |
| Selling, general, and administrative expense | 11,863 | 11,737 | 11,680 |
| Total costs and expenses | 160,552 | 155,262 | 150,077 |
| Interest expense | 2,480 | 1,780 | 479 |
| Net expense from transactions with Financing and Insurance Operations | 273 | 297 | 327 |
| (Loss) from continuing operations before income taxes, equity income, and minority interests | (1,760) | (1,508) | (633) |
| Income tax (benefit) | (1,847) | (869) | (378) |
| Equity income (loss) and minority interests | 710 | 674 | 348 |
| Income (loss) from continuing operations | 797 | 35 | 93 |
| (Loss) from discontinued operations | - | (219) | (239) |
| Gain on sale of discontinued operations | - | 1,179 | - |
| Net income (loss) - Automotive and Other Operations | \$797 === | \$995 === | \$(146) === |
| FINANCING AND INSURANCE OPERATIONS | | | |
| Total revenues | \$31,907 | \$30,006 | \$27,617 |
| Interest expense | 9,419 | 7,684 | 7,024 |
| Depreciation and amortization expense | 5,523 | 5,567 | 5,245 |
| Operating and other expenses | 8,594 | 8,604 | 8,519 |
| Provisions for financing and insurance losses | 4,315 | 3,959 | 4,185 |
| Total costs and expenses | 27,851 | 25,814 | 24,973 |

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| | | | |
|--|---------|---------|---------|
| Net income from transactions with Automotive and Other Operations | (273) | (297) | (327) |
| | ----- | ----- | ----- |
| Income before income taxes, equity income and minority interests | 4,329 | 4,489 | 2,971 |
| Income tax expense | 1,427 | 1,600 | 1,022 |
| Equity income (loss) and minority interests | (8) | (62) | (67) |
| | ----- | ----- | ----- |
| Net income - Financing and Insurance Operations | \$2,894 | \$2,827 | \$1,882 |
| | ===== | ===== | ===== |

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GENERAL MOTORS CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

| | December 31, | |
|--|-----------------------|-----------|
| | 2004 | 2003 |
| ASSETS | (dollars in millions) | |
| Cash and cash equivalents | \$35,993 | \$32,554 |
| Other marketable securities | 21,737 | 22,215 |
| | ----- | ----- |
| Total cash and marketable securities | 57,730 | 54,769 |
| Finance receivables - net | 199,600 | 174,769 |
| Loans held for sale | 19,934 | 19,609 |
| Accounts and notes receivable (less allowances) | 21,236 | 20,532 |
| Inventories (less allowances) | 11,717 | 10,960 |
| Deferred income taxes | 25,804 | 27,190 |
| Net equipment on operating leases (less accumulated depreciation) | 34,214 | 32,751 |
| Equity in net assets of nonconsolidated affiliates | 6,776 | 6,032 |
| Property - net | 39,020 | 38,211 |
| Intangible assets - net | 4,929 | 4,760 |
| Other assets | 58,165 | 58,924 |
| | ----- | ----- |
| Total assets | \$479,125 | \$448,507 |
| | ===== | ===== |

LIABILITIES AND STOCKHOLDERS' EQUITY

| | | |
|---|----------|----------|
| Accounts payable (principally trade) | \$28,830 | \$25,422 |
| Notes and loans payable | 301,188 | 271,756 |
| Postretirement benefits other than pensions | 28,111 | 36,292 |
| Pensions | 9,455 | 8,024 |
| Deferred income taxes | 7,119 | 7,508 |
| Accrued expenses and other liabilities | 75,413 | 73,930 |
| | ----- | ----- |
| Total liabilities | 450,116 | 422,932 |
| Minority interests | 397 | 307 |
| Stockholders' equity | | |
| \$1-2/3 par value common stock (outstanding, 565,132,021 and 561,997,725 shares) | 942 | 937 |
| Capital surplus (principally additional | | |

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| | | |
|--|-----------|-----------|
| paid-in capital) | 15,241 | 15,185 |
| Retained earnings | 15,314 | 12,752 |
| | ----- | ----- |
| Subtotal | 31,497 | 28,874 |
| Accumulated foreign currency translation adjustments | (1,194) | (1,815) |
| Net unrealized gains (losses) on derivatives | 589 | 51 |
| Net unrealized gains on securities | 751 | 618 |
| Minimum pension liability adjustment | (3,031) | (2,460) |
| | ----- | ----- |
| Accumulated other comprehensive loss | (2,885) | (3,606) |
| | ----- | ----- |
| Total stockholders' equity | 28,612 | 25,268 |
| | ----- | ----- |
| Total liabilities and stockholders' equity | \$479,125 | \$448,507 |
| | ===== | ===== |

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GENERAL MOTORS CORPORATION AND SUBSIDIARIES

SUPPLEMENTAL INFORMATION TO THE CONSOLIDATED BALANCE SHEETS

| | December 31, | |
|--|-----------------------|----------|
| | 2004 | 2003 |
| | ----- | ----- |
| GENERAL MOTORS CORPORATION AND SUBSIDIARIES | 2004 | 2003 |
| | ----- | ----- |
| ASSETS | (dollars in millions) | |
| Automotive and Other Operations | | |
| Cash and cash equivalents | \$13,148 | \$14,424 |
| Marketable securities | 6,655 | 9,067 |
| | ----- | ----- |
| Total cash and marketable securities | 19,803 | 23,491 |
| Accounts and notes receivable (less allowances) | 6,713 | 5,380 |
| Inventories (less allowances) | 11,717 | 10,960 |
| Net equipment on operating leases (less accumulated depreciation) | 6,488 | 7,173 |
| Deferred income taxes and other current assets | 10,794 | 10,851 |
| | ----- | ----- |
| Total current assets | 55,515 | 57,855 |
| Equity in net assets of nonconsolidated affiliates | 6,776 | 6,032 |
| Property - net (Note 12) | 37,170 | 36,071 |
| Intangible assets - net | 1,603 | 1,479 |
| Deferred income taxes | 16,921 | 18,086 |
| Other assets | 40,840 | 42,262 |
| | ----- | ----- |
| Total Automotive and Other Operations assets | 158,825 | 161,785 |
| Financing and Insurance Operations | | |
| Cash and cash equivalents | 22,845 | 18,130 |
| Investments in securities | 15,082 | 13,148 |
| Finance receivables - net | 199,600 | 174,769 |
| Loans held for sale | 19,934 | 19,609 |
| Net equipment on operating leases (less accumulated depreciation) | 27,726 | 25,578 |
| Other assets | 35,113 | 35,488 |
| Net receivable from Automotive and Other Operations | 2,426 | 1,492 |

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| | | |
|---|-----------|-----------|
| Total Financing and Insurance Operations assets | 322,726 | 288,214 |
| Total assets | \$481,551 | \$449,999 |

LIABILITIES AND STOCKHOLDERS' EQUITY

| | | |
|--|-----------|-----------|
| Automotive and Other Operations | | |
| Accounts payable (principally trade) | \$24,257 | \$21,542 |
| Loans payable | 2,062 | 2,813 |
| Accrued expenses | 44,783 | 45,417 |
| Net payable to Financing and Insurance Operations | 2,426 | 1,492 |
| Total current liabilities | 73,528 | 71,264 |
| Long-term debt | 30,460 | 29,593 |
| Postretirement benefits other than pensions | 23,406 | 32,285 |
| Pensions | 9,371 | 7,952 |
| Other liabilities and deferred income taxes | 15,657 | 15,567 |
| Total Automotive and Other Operations liabilities | 152,422 | 156,661 |
| Financing and Insurance Operations | | |
| Accounts payable | 4,573 | 3,880 |
| Debt | 268,666 | 239,350 |
| Other liabilities and deferred income taxes | 26,881 | 24,533 |
| Total Financing and Insurance Operations liabilities | 300,120 | 267,763 |
| Total liabilities | 452,542 | 424,424 |
| Minority interests | 397 | 307 |
| Total stockholders' equity | 28,612 | 25,268 |
| Total liabilities and stockholders' equity | \$481,551 | \$449,999 |

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GENERAL MOTORS CORPORATION

(Registrant)

Date: January 19, 2005

By: /s/PETER R. BIBLE

(Peter R. Bible,
Chief Accounting Officer)

