



GENERAL MOTORS

GENERAL MOTORS

ACCELERATES  
TRANSFORMATION

*November 26, 2018*

# INFORMATION RELEVANT TO THIS PRESENTATION

*Cautionary Note on Forward-Looking Statements: This presentation and related comments by management may include forward-looking statements. These statements are based on current expectations about possible future events and thus are inherently uncertain. Our actual results may differ materially from forward-looking statements due to a variety of factors, including: (1) our ability to deliver new products, services and experiences that attract new, and are desired by existing, customers and to effectively compete in autonomous, ride-sharing and transportation as a service; (2) sales of crossovers, SUVs and full-size pick-up trucks; (3) our ability to reduce the costs associated with the manufacture and sale of electric vehicles; (4) the volatility of global sales and operations; (5) our significant business in China which subjects us to unique operational, competitive and regulatory risks; (6) our joint ventures, which we cannot operate solely for our benefit and over which we may have limited control; (7) changes in government leadership and laws (including tax laws), economic tensions between governments and changes in international trade policies, new barriers to entry and changes to or withdrawals from free trade agreements, changes in foreign exchange rates, economic downturns in foreign countries, differing local product preferences and product requirements, compliance with U.S. and foreign countries' export controls and economic sanctions, differing labor regulations and difficulties in obtaining financing in foreign countries; (8) our dependence on our manufacturing facilities; (9) the ability of suppliers to deliver parts, systems and components without disruption and on schedule; (10) prices of raw materials; (11) our highly competitive industry; (12) the possibility that competitors may independently develop products and services similar to ours despite our intellectual property rights; (13) security breaches and other disruptions to our vehicles, information technology networks and systems; (14) compliance with laws and regulations applicable to our industry, including those regarding fuel economy and emissions; (15) costs and risks associated with litigation and government investigations; (16) the cost and effect on our reputation of product safety recalls and alleged defects in products and services; (17) our ability to successfully and cost-efficiently restructure operations in various countries, including Korea, with minimal disruption to our supply chain and operations, globally; (18) our ability to realize production efficiencies and to achieve reductions in costs; (19) our ability to develop captive financing capability through GM Financial; (20) significant increases in pension expense or projected pension contributions; and (21) our ability to successfully implement and achieve the transformational plans and goals described in this presentation within the anticipated time frame or at all.*

*A further list and description of these risks, uncertainties and other factors can be found in our Annual Report on Form 10-K, and our subsequent filings with the Securities and Exchange Commission. GM cautions readers not to place undue reliance on forward-looking statements. GM undertakes no obligation to update publicly or otherwise revise any forward-looking statements.*

*Non-GAAP Financial Measures: See our Annual Report on Form 10-K for the fiscal year ended December 31, 2017 and our subsequent filings with the Securities and Exchange Commission for a description of certain non-GAAP measures referenced in this presentation, including EBIT-adjusted, Core EBIT-adjusted, EPS-diluted-adjusted, ETR-adjusted, ROIC-adjusted and adjusted automotive free cash flow, along with a description of various uses for such measures. Our calculation of these non-GAAP measures are set forth within these reports and may not be comparable to similarly titled measures of other companies due to potential differences between companies in the method of calculation. As a result, the use of these non-GAAP measures has limitations and should not be considered superior to, in isolation from, or as a substitute for, related U.S. GAAP measures.*

# OUR TRANSFORMATION JOURNEY



*BETTER POSITIONING OURSELVES TO FOCUS ON COMPELLING GROWTH OPPORTUNITIES*

# CONTINUING OUR TRANSFORMATION TO BE HIGHLY AGILE, RESILIENT AND PROFITABLE

Transforming product development processes to improve quality and speed to market

---

Aligning manufacturing capacity with shifting customer preferences

---

Transforming the workforce



~\$6 billion Adj. Automotive FCF improvement by year-end 2020

---

~\$4.5 billion in cost savings and ~\$1.5 billion in Capex savings

---

Significant run-rate savings and quick payback



*STAYING IN FRONT OF CHANGING MARKET CONDITIONS AND CUSTOMER PREFERENCES*

# PRODUCT DEVELOPMENT TRANSFORMATION



Efficiently deploying capital, including reuse of equipment and shared parts across vehicles

---



Reducing development cost and time with virtual tools, and increasing speed to market

---



Doubling resources allocated to EV and AV programs in the next two years

---



Integrating vehicle and propulsion engineering teams

# MANUFACTURING CAPACITY ALIGNMENT



Unallocating two U.S. and one Canadian assembly plant

---



Supporting propulsion plants will also be unallocated

---



Ceasing operation of two additional plants outside North America

---



Addressing manufacturing costs, and the competitiveness of wages and benefits

# STAFFING TRANSFORMATION



15% reduction to salaried staff from severance programs, including 25% fewer executive positions to streamline decision making

---

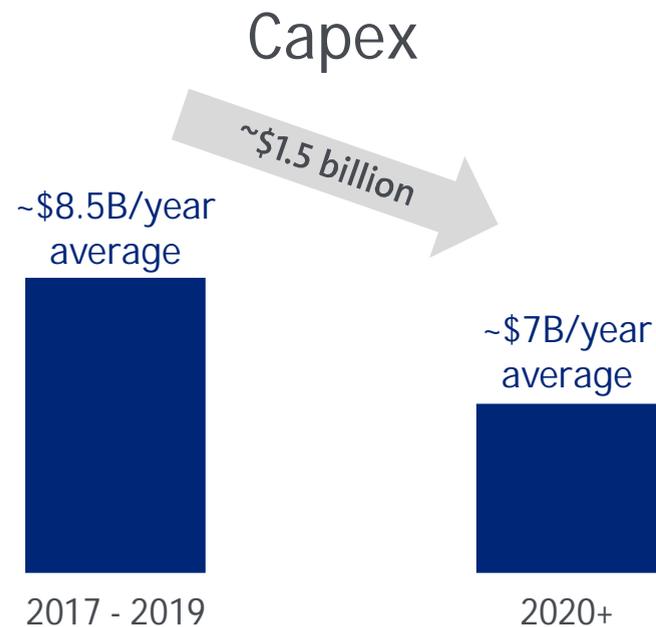


Transforming the global workforce to ensure the right skill sets for today and the future

# FINANCIAL IMPLICATIONS

## Adj. Automotive Free Cash Flow

+ ~\$4.5B in cost savings  
+ ~\$1.5B in Capex savings  
= ~\$6B improvement by year-end 2020



## Pre-tax charges of \$3.0 to \$3.8 billion

- Up to \$1.8 billion of non-cash asset write-downs and pension charges
- Up to \$2.0 billion of employee-related and other cash expenses

Majority of charges considered special for EBIT-adj., EPS diluted-adj. and adj. auto FCF purposes

Vast majority of the up to \$2.0 billion of cash payments will be paid by the end of 2020

Restructuring costs expected to be funded through new revolving credit facility to enhance flexibility

# TAKEAWAYS

Reshaping business to capitalize on growth opportunities

---

Intense focus on cash generation and cost discipline

---

Increased downturn protection



*ADDITIONAL DETAIL AT CAPITAL MARKETS DAY ON JANUARY 11, 2019 IN NEW YORK CITY*

# FOR ADDITIONAL INFORMATION PLEASE VISIT:

<https://investor.gm.com>  
[investorrelations@gm.com](mailto:investorrelations@gm.com)  
<https://www.gmfinancial.com/investors-information.aspx>  
[investors@gmfinancial.com](mailto:investors@gmfinancial.com)

*GM's Investor Relations website contains a significant amount of information about GM, including financial and other information for investors. GM encourages investors to visit our website, [www.gm.com/investors](http://www.gm.com/investors), as information is updated and new information is posted.*

*These materials are the intellectual property of GM and/or its affiliates or subsidiaries and may not be copied, reproduced, modified, displayed, or incorporated into other materials, in whole or in part, without the express permission of GM Investor Relations. Requests to use the materials should be sent to [investorrelations@gm.com](mailto:investorrelations@gm.com).*



GENERAL MOTORS