

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

GENERAL MOTORS CORP
Form 8-K
October 14, 2004

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) October 14, 2004

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)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

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 October 14, 2004, a news release was issued on the subject of third 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 Quarterly Report on Form 10-Q. The following is the third quarter earnings release for GM.

GM Earns \$440 Million or \$0.78 Per Share in Third Quarter 2004

- o GMAC reports ninth-consecutive quarter of earnings improvement
- o GM gains market share in all four automotive regions
- o U.S. dealer inventory reduced by 230,000 units in the third quarter

DETROIT - General Motors Corp. (NYSE: GM) today reported net income of \$440 million, or \$0.78 per diluted share, in the third quarter of 2004. These results are at the low end of the range of GM's earnings guidance provided in July. In the year-ago quarter, GM reported net income of \$425 million, or \$0.79 per share, and earnings from continuing operations of \$448 million, or \$0.80 per share. Revenue rose 3 percent to \$44.9 billion.

Profits at General Motors Acceptance Corp. (GMAC) continued to be very strong, compared with the prior year, but automotive results were weaker due to increased losses in Europe, lower production volumes in North America, and slower economic growth in China.

"Competition in the automotive business around the globe remains intense, and we are seeing negative pricing in most major markets," said GM Chairman and Chief Executive Officer Rick Wagoner. "Even though we increased market share in all four regions, our automotive earnings in the third quarter reflect these challenging market conditions, and were frankly disappointing."

"These financial results highlight that we've got to move faster in addressing some tough cost challenges like health care in the United States and our overcapacity and high cost footprint in Europe, where we announced major restructuring actions earlier today. Our business strategy remains sound and on track: introduce great cars and trucks, stay aggressive in the market, strive for industry-leading cost competitiveness and quality, and generate cash. But we've got to move more quickly in addressing these challenging, chronic structural-cost issues."

GM Automotive Operations

GM's global-automotive business reported a loss of \$130 million in the third quarter of 2004, compared with net income of \$34 million in the prior-year period. Positive results at GM's Latin America/Africa/Mid-East (GMLAAM) were more than offset by losses at GM North America (GMNA) and GM Europe (GME), and lower profits at GM Asia Pacific (GMAP).

GM gained market share in all four regions of the world in the third quarter of 2004, with global market share rising to 15.5 percent from 15.1 percent in the year-ago period.

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

GMNA reported a loss of \$22 million in the third quarter of 2004, compared with earnings of \$128 million in the third quarter of 2003. GMNA's performance was primarily driven by lower production volumes and unfavorable product mix and pricing, partially offset by lower material costs and a reduction of approximately \$250 million after-tax in the reserve set aside for product-liability matters. This reduction was the result of the annual analysis of product-liability reserves.

In addition, health-care costs in the United States continue to increase at an excessive rate and are a growing burden on GM's financial results.

2

"These continuing large increases in health-care costs put GM, and many other U.S. businesses, at a significant disadvantage," Wagoner said. "Clearly, the current situation is not sustainable. All of us -- government, business, the health-care industry, labor and health-care consumers -- need to work together to find solutions that ensure U.S.competitiveness in today's global economy."

GM's market share in North America rose to 28.5 percent in the third quarter of 2004, from 28.2 percent in the year-earlier period. In the United States, GM finished the third quarter with strong sales, posting a 20-percent increase for the month of September. That led to a reduction in dealer inventories of 230,000 units during the quarter to 1.137 million cars and trucks.

"GM continues its product renaissance," Wagoner said. "In fact, over the next four years we will replace more than 90 percent of our portfolio in North America on a volume basis. Through the remainder of this year, we have important product introductions with the all-new Pontiac G6, the Buick LaCrosse, the Cadillac STS, the Chevrolet Cobalt, and the Opel/Vauxhall Astra GTC in Europe. These products, and the many that follow them, will strengthen our brands and improve our competitiveness."

GME reported a loss of \$236 million in the third quarter of 2004, compared with a loss of \$152 million in the year-ago quarter. The most-recent quarterly results reflect intense price competition and foreign-exchange losses. GM's market share in Europe rose to 9.6 percent in the third quarter of 2004 from 9.1 percent in the year-ago period.

"The pricing environment in Europe has deteriorated significantly this year, and growth in some of our largest markets remains weak," Wagoner said. "In light of these factors, we need to move more aggressively to significantly reduce our cost structure in Europe, especially manufacturing and engineering."

GMAP earned \$101 million in the third quarter of 2004, compared with earnings of \$162 million in the year-ago quarter, also reflecting lower pricing and unfavorable mix driven by the economic slowdown in China. GM's market share in the Asia Pacific region rose to 5.1 percent in the third quarter from 5.0 percent a year ago.

"The economic slowdown in China affected our financial performance there during the third quarter," Wagoner said. "However, we see this situation as temporary. We continue to expect to see significant growth in China and throughout the region in the medium and long term."

GMLAAM earned \$27 million in the third quarter of 2004, a substantial improvement from the year-ago loss of \$104 million, and the third consecutive

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

quarter of profitability.

"Our strong product portfolio and excellent dealer network have led to market-share gains in South America, South Africa and the Mid-East, while improved economic conditions have led to industry sales growth of 21 percent during the quarter," Wagoner said, adding GM's market share in the GMLAAM region rose to 17.1 percent in the third quarter of 2004 from 15.6 percent a year ago.

GMAC

Reflecting strong performance from GMAC's diversified business, GMAC earned \$656 million in the third quarter of 2004, up from \$630 million in the year-ago quarter.

Net income from financing operations totaled \$259 million in the third quarter of 2004, compared with \$320 million in the prior-year period. Lower credit losses and improved lease residual results were more than offset by lower net margins on stable asset levels.

Mortgage operations earned \$302 million, up from \$253 million in the year-ago period. Higher interest rates had a negative effect on loan production and securitization volumes but a favorable effect on net servicing revenue.

3

GMAC Insurance reported net income of \$95 million for the third quarter of 2004, up from \$57 million a year ago. Operational strength across the business unit contributed to improved net underwriting results while investment income remained stable compared with the prior year.

"GMAC once again delivered very impressive financial results, in spite of the more challenging interest rate environment," Wagoner said. "GMAC has done an excellent job diversifying its earnings base across its portfolio of global businesses, and also diversifying its funding base through new sources of liquidity both here and abroad. GMAC enjoys strong liquidity, and expects to continue to have ample access to the capital markets and other financing sources to meet its needs."

Cash and Liquidity

Cash, marketable securities, and short-term assets of the Voluntary Employees' Beneficiary Association (VEBA) Trust totaled \$24.5 billion at Sept. 30, 2004, excluding financing and insurance operations, down from \$25.0 billion on June 30, 2004. Cash flow is typically lower in the third quarter due to lower production volumes and costs related to the introduction of new vehicles.

In addition, GM experienced higher spending on health care than in prior years and additional losses in Europe. For the nine months ended Sept. 30, 2004, automotive cash flow stood at \$2.0 billion. While GM expects positive automotive cash flow in the fourth quarter, it has become more challenging to achieve GM's previously stated target of \$5 billion for the full year.

Looking Ahead

GM continues to expect total U.S. industry sales of approximately 17.2 million vehicles in calendar year 2004. As a result of increased losses in Europe and slower growth in Asia Pacific, GM is revising its 2004-calendar-year earnings guidance to between \$6.00 and \$6.50 per share, excluding one-time items. This is in line with GM's original target at the start of the year and down from the

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

midyear guidance of approximately \$7.00 per share.

###

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.

About GM

General Motors Corp. (NYSE: GM), the world's largest vehicle manufacturer, employs about 325,000 people globally. Founded in 1908, GM has been the global automotive-sales leader since 1931. GM today has manufacturing operations in 32 countries and its vehicles are sold in 192 countries. In 2003, GM sold nearly 8.6 million cars and trucks, about 15 percent of the global vehicle market. GM's global headquarters are at the GM Renaissance Center in Detroit. More information on GM and its products can be found on the company's corporate website at www.gm.com.

#

4

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

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	
	Sept. 30, 2004		Sept. 30, 2004	
	-----		-----	
	Net	Net	Net	Net
	Income	EPS	Income	EPS
	-----	-----	-----	-----
REPORTED				

Net income	\$440	\$0.78	\$3,061	\$5.39

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

=== ===== ===== =====

There were no special items in the Third Quarter of 2004.

5

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

	Three Months Ended		Year to Date	
	Sept. 30, 2003		Sept. 30, 2003	
	Net	EPS	Net	EPS
	Income		Income	
	-----	-----	-----	-----
REPORTED				

Income from continuing operations	\$448	\$0.80	\$2,864	\$5.10
(Loss) from discontinued operations	(23)	(0.01)	(55)	(0.02)
	---	----	-----	-----
Net income	425	0.79	2,809	5.08
ADJUSTMENTS				

Gain on Sale of GM Defense (A)	-	-	(505)	(0.90)
	---	----	-----	-----
Subtotal	-	-	(505)	(0.90)
ADJUSTED				

Income from continuing operations	\$448	\$0.80	\$2,359	\$4.20
(Loss) from discontinued operations	(23)	(0.01)	(55)	(0.02)
	---	----	-----	-----
Adjusted income	\$425	\$0.79	\$2,304	\$4.18
	===	=====	=====	=====

(A) 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.

6

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

General Motors Corporation
Summary Corporate Financial Results
(unaudited)

	Third Quarter		Year to Date	
	2004	2003	2004	2003
(dollars in millions except per share amounts)				
Total net sales and revenues	\$44,858	\$43,519	\$141,691	\$136,451
Adjusted	\$44,858	\$43,519	\$141,691	\$135,637
Income from continuing operations	\$440	\$448	\$3,061	\$2,864
Adjusted	\$440	\$448	\$3,061	\$2,359
(Loss) from discontinued operations	-	(23)	-	(55)
Adjusted	-	(23)	-	(55)
Net income	\$440	\$425	\$3,061	\$2,809
Adjusted	\$440	\$425	\$3,061	\$2,304
Net margin from continuing operations (Income from continuing operations / Total net sales and revenues)	1.0%	1.0%	2.2%	2.1%
Adjusted	1.0%	1.0%	2.2%	1.7%
Earnings per share - basic \$1-2/3 par value				
Continuing operations	\$0.78	\$0.80	\$5.42	\$5.11
Discontinued operations	-	(0.01)	-	(0.02)
Earnings per share	\$0.78	\$0.79	\$5.42	\$5.09
Earnings per share - diluted \$1-2/3 par value				
Continuing operations	\$0.78	\$0.80	\$5.39	\$5.10
Discontinued operations	-	(0.01)	-	(0.02)
Earnings per share	\$0.78	\$0.79	\$5.39	\$5.08
Earnings per share - diluted adjusted \$1-2/3 par value				
Continuing operations	\$0.78	\$0.80	\$5.39	\$4.20
Discontinued operations	-	(0.01)	-	(0.02)
Earnings per share	\$0.78 (1)	\$0.79	\$5.39	\$4.18
GM \$1-2/3 par value average shares outstanding (Mil's)				
Basic shares	565	561	565	561
Diluted shares	567	561	568	561
Cash dividends per share of common stocks				
GM \$1-2/3 par value	\$0.50	\$0.50	\$1.50	\$1.50

See reconciliation of adjusted financial results on pages 9 - 14 and footnotes on page 16.

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

Summary Corporate Financial Results (unaudited)

	Third Quarter		Year to Date	
	2004	2003	2004	2003
Book value per share of common stocks at Sept. 30 GM \$1-2/3 par value	\$49.34	\$13.76		
Auto & Other Operations total cash & marketable securities at Sept. 30 (\$Bil's)	\$21.0	\$25.9		
Cash in short-term VEBA	\$3.5	\$3.4		
Total Auto & Other cash & marketable securities plus short-term VEBA	\$24.5	\$29.3		
Auto & Other Operations (\$Mil's)				
Depreciation	\$1,117	\$1,063	\$3,706	\$3,146
Amortization of special tools	737	676	2,237	2,029
Amortization of intangible assets	9	10	25	20
Total	\$1,863	\$1,749	\$5,968	\$5,195
GM's share of nonconsolidated affiliates' net income (loss) (\$Mil's)				
Italy	\$30	\$-	\$59	\$23
Japan	\$32	\$42	\$191	\$125
China	\$80	\$142	\$390	\$311
South Korea	\$(2)	\$(22)	\$(18)	\$(50)

8

General Motors Corporation Summary Corporate Financial Results (unaudited)

	Third Quarter 2004 and 2003					
	Reported		Special Items		Adjusted	
(dollars in millions)	2004	2003	2004	2003	2004	2003
	-----	-----	-----	-----	-----	-----

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

Total net sales and revenues						
GMNA	\$26,343	\$26,810	\$ -	\$ -	\$26,343	\$26,810
GME	6,935	6,270	-	-	6,935	6,270
GMLAAM	2,166	1,304	-	-	2,166	1,304
GMAP	1,601	1,384	-	-	1,601	1,384
	-----	-----	--	--	-----	-----
Total GMA	37,045	35,768	-	-	37,045	35,768
Other	57	77	-	-	57	77
	-----	-----	--	--	-----	-----
Total Auto & Other						
	37,102	35,845	-	-	37,102	35,845
	-----	-----	--	--	-----	-----
GMAC	7,724	7,649	-	-	7,724	7,649
Other Financing	32	25	-	-	32	25
	-----	-----	--	--	-----	-----
Total FIO	7,756	7,674	-	-	7,756	7,674
	-----	-----	--	--	-----	-----
Total net sales and revenues						
	\$44,858	\$43,519	\$ -	\$ -	\$44,858	\$43,519
	=====	=====	==	==	=====	=====
Income (loss) from continuing operations before income taxes, equity income, and minority interests						
GMNA	\$ (69)	\$200	\$ -	\$ -	\$ (69)	\$200
GME	(439)	(251)	-	-	(439)	(251)
GMLAAM	45	(146)	-	-	45	(146)
GMAP	(18)	-	-	-	(18)	-
	---	---	--	--	---	---
Total GMA	(481)	(197)	-	-	(481)	(197)
Other	(148)	(374)	-	-	(148)	(374)
	---	---	--	--	---	---
Total Auto & Other						
	(629)	(571)	-	-	(629)	(571)
	---	---	--	--	---	---
GMAC	969	962	-	-	969	962
Other Financing	(2)	(4)	-	-	(2)	(4)
	---	---	--	--	---	---
Total FIO	967	958	-	-	967	958
	---	---	--	--	---	---
Total income (loss) from continuing operations before income taxes, equity income, and minority interests						
	\$338	\$387	\$ -	\$ -	\$338	\$387
	===	===	==	==	===	===

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

2004 and 2003

(dollars in millions)	Reported		Special Items		Adjusted	
	2004	2003	2004	2003	2004	2003
Income (loss) from continuing operations						
GMNA	\$ (22)	\$128	\$ -	\$ -	\$ (22)	\$128
GME	(236)	(152)	-	-	(236)	(152)
GMLAAM	27	(104)	-	-	27	(104)
GMAP	101	162	-	-	101	162
	---	---	---	---	---	---
Total GMA	(130)	34	-	-	(130)	34
Other	(83)	(212)	-	-	(83)	(212)
	---	---	---	---	---	---
Total Auto & Other	(213)	(178)	-	-	(213)	(178)
	---	---	---	---	---	---
GMAC	656	630	-	-	656	630
Other Financing	(3)	(4)	-	-	(3)	(4)
	---	---	---	---	---	---
Total FIO	653	626	-	-	653	626
	---	---	---	---	---	---
Income (loss) from continuing operations	\$440	\$448	\$ -	\$ -	\$440	\$448
(Loss) from discontinued operations	-	(23)	-	-	-	(23)
	---	---	---	---	---	---
Net income (loss)	\$440	\$425	\$ -	\$ -	\$440	\$425
	===	===	==	==	===	===
Income tax expense (benefit)						
GMNA	\$ (13)	\$52	\$ -	\$ -	\$ (13)	\$52
GME	(167)	(96)	-	-	(167)	(96)
GMLAAM	13	(51)	-	-	13	(51)
GMAP	(9)	7	-	-	(9)	7
	---	---	---	---	---	---
Total GMA	(176)	(88)	-	-	(176)	(88)
Other	(65)	(152)	-	-	(65)	(152)
	---	---	---	---	---	---
Total Auto & Other	(241)	(240)	-	-	(241)	(240)
	---	---	---	---	---	---
GMAC	311	374	-	-	311	374
Other Financing	1	-	-	-	1	-
	---	---	---	---	---	---
Total FIO	312	374	-	-	312	374
	---	---	---	---	---	---
Income tax expense (benefit)	\$71	\$134	\$ -	\$ -	\$71	\$134
	===	===	==	==	===	===

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

Summary Corporate Financial Results (unaudited)

Third Quarter
2004 and 2003

(dollars in millions)	Reported		Special Items		Adjusted	
	2004	2003	2004	2003	2004	2003
	-----	-----	-----	-----	-----	-----
Effective tax rate						
Total GM Corp.	21%	35%	-	-	21%	35%
GMNA	19%	26%	-	-	19%	26%
GME	38%	38%	-	-	38%	38%
GMAC	32%	39%	-	-	32%	39%

Tax settlements that were previously expected in the second quarter of 2004 are now expected to be completed in the fourth quarter of 2004. Excluding these settlements, GM's effective tax rate is expected to be approximately 21% on an ongoing quarterly basis.

Equity income (loss) and minority interests						
GMNA	\$34	\$ (20)	\$ -	\$ -	\$34	\$ (20)
GME	36	3	-	-	36	3
GMLAAM	(5)	(9)	-	-	(5)	(9)
GMAP	110	169	-	-	110	169
	---	---	--	--	---	---
Total GMA	\$175	\$143	\$ -	\$ -	\$175	\$143
	===	===	==	==	===	===

11

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	\$84,875	\$85,331	\$ -	\$ -	\$84,875	\$85,331
GME	22,572	20,195	-	-	22,572	20,195
GMLAAM	5,908	3,468	-	-	5,908	3,468
GMAP	4,893	3,798	-	-	4,893	3,798
	-----	-----	--	--	-----	-----
Total GMA	118,248	112,792	-	-	118,248	112,792
Other	193	1,211	-	(814)	193	397
	-----	-----	--	---	-----	-----

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

Total Auto & Other	118,441	114,003	-	(814)	118,441	113,189
	-----	-----	--	---	-----	-----
GMAC	22,973	22,434	-	-	22,973	22,434
Other Financing	277	14	-	-	277	14
	-----	-----	--	---	-----	-----
Total FIO	23,250	22,448	-	-	23,250	22,448
	-----	-----	--	---	-----	-----
Total net sales and revenues	\$141,691	\$136,451	\$ -	\$ (814)	\$141,691	\$135,637
	=====	=====	==	===	=====	=====
Income (loss) from continuing operations before income taxes, equity income, and minority interests						
GMNA	\$940	\$1,029	\$ -	\$ -	\$940	\$1,029
GME	(758)	(399)	-	-	(758)	(399)
GMLAAM	64	(286)	-	-	64	(286)
GMAP	28	30	-	-	28	30
	---	---	--	---	---	---
Total GMA	274	374	-	-	274	374
Other	(716)	(282)	-	(814)	(716)	(1,096)
	---	---	--	---	---	---
Total Auto & Other	(442)	92	-	(814)	(442)	(722)
	-----	-----	--	---	-----	-----
GMAC	3,565	3,440	-	-	3,565	3,440
Other Financing	(27)	(16)	-	-	(27)	(16)
	-----	-----	--	---	-----	-----
Total FIO	3,538	3,424	-	-	3,538	3,424
	-----	-----	--	---	-----	-----
Total income (loss) from continuing operations before income taxes, equity income, and minority interests	\$3,096	\$3,516	\$ -	\$ (814)	\$3,096	\$2,702
	=====	=====	==	===	=====	=====

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
	-----	-----	-----	-----	-----	-----
Income (loss) from continuing operations						
GMNA	\$757	\$759	\$ -	\$ -	\$757	\$759
GME	(397)	(220)	-	-	(397)	(220)

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

GMLAAM	38	(219)	-	-	38	(219)
GMAP	612	400	-	-	612	400
	-----	----	--	---	-----	----
Total GMA	1,010	720	-	-	1,010	720
Other	(234)	(7)	-	(505)	(234)	(512)
	-----	----	--	---	-----	----
Total Auto & Other	776	713	-	(505)	776	208
	-----	-----	--	---	-----	-----
GMAC	2,302	2,163	-	-	2,302	2,163
Other Financing	(17)	(12)	-	-	(17)	(12)
	-----	-----	--	---	-----	-----
Total FIO	2,285	2,151	-	-	2,285	2,151
	-----	-----	--	---	-----	-----
Income (loss) from continuing operations	\$3,061	\$2,864	\$ -	\$ (505)	\$3,061	\$2,359
(Loss) from discontinued operations	-	(55)	-	-	-	(55)
	-----	-----	--	---	-----	-----
Net income (loss)	\$3,061	\$2,809	\$ -	\$ (505)	\$3,061	\$2,304
	=====	=====	==	===	=====	=====
Income tax expense (benefit)						
GMNA	\$162	\$268	\$ -	\$ -	\$162	\$268
GME	(288)	(152)	-	-	(288)	(152)
GMLAAM	16	(83)	-	-	16	(83)
GMAP	(4)	26	-	-	(4)	26
	---	---	--	---	---	---
Total GMA	(114)	59	-	-	(114)	59
Other	(485)	(303)	-	(309)	(485)	(612)
	---	---	--	---	---	---
Total Auto & Other	(599)	(244)	-	(309)	(599)	(553)
	-----	-----	--	---	-----	-----
GMAC	1,259	1,308	-	-	1,259	1,308
Other Financing	(10)	(4)	-	-	(10)	(4)
	-----	-----	--	---	-----	-----
Total FIO	1,249	1,304			1,249	1,304
	-----	-----	--	---	-----	-----
Income tax expense (benefit)	\$650	\$1,060	\$ -	\$ (309)	\$650	\$751
	===	=====	==	===	===	===

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

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

	-----	-----	-----	-----	-----	-----
Effective tax rate						
Total GM Corp.	21%	30%	-	38%	21%	28%
GMNA	17%	26%	-	-	17%	26%
GME	38%	38%	-	-	38%	38%
GMAC	35%	38%	-	-	35%	38%

Tax settlements that were previously expected in the second quarter of 2004 are now expected to be completed in the fourth quarter of 2004. Excluding these settlements, GM's effective tax rate is expected to be approximately 21% on an ongoing quarterly basis.

Equity income (loss) and minority interests						
GMNA	\$ (21)	\$ (2)	\$ -	\$ -	\$ (21)	\$ (2)
GME	73	27	-	-	73	27
GMLAAM	(10)	(16)	-	-	(10)	(16)
GMAP	580	396	-	-	580	396
	----	----	--	--	----	----
Total GMA	\$622	\$405	\$ -	\$ -	\$622	\$405
	====	====	==	==	====	====

14

General Motors Corporation
Operating Statistics

	Third Quarter		Year to Date	
	2004	2003	2004	2003
	----	----	----	----
(units in thousands)				
Worldwide Wholesale Sales				
United States - Cars	416	453	1,401	1,439
United States - Trucks	679	686	2,160	2,205
	-----	-----	-----	-----
Total United States	1,095	1,139	3,561	3,644
Canada, Mexico, and Other	160	113	525	479
	-----	-----	-----	-----
Total GMNA	1,255	1,252	4,086	4,123
GME	386	372	1,297	1,246
GMLAAM	190	134	534	377
GMAP	72	71	204	202
	-----	-----	-----	-----
Total Worldwide	1,903	1,829	6,121	5,948
	=====	=====	=====	=====
Vehicle Unit Deliveries				
Chevrolet - Cars	265	221	701	612
Chevrolet - Trucks	531	517	1,407	1,395
Pontiac	122	125	378	352
GMC	175	163	458	426
Buick	87	90	249	258
Oldsmobile	3	29	27	96
Saturn	58	70	171	217
Cadillac	63	58	169	154
Other	21	25	60	72
	-----	-----	-----	-----

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

Total United States	1,325	1,298	3,620	3,582
Canada, Mexico, and Other	169	184	518	514
	-----	-----	-----	-----
Total GMNA	1,494	1,482	4,138	4,096
GME	461	434	1,500	1,390
GMLAAM	188	140	522	402
GMAP	209	197	659	557
	-----	-----	-----	-----
Total Worldwide	2,352	2,253	6,819	6,445
	=====	=====	=====	=====
Market Share				
United States - Cars	26.9%	26.3%	25.4%	25.3%
United States - Trucks	31.1%	30.6%	29.4%	29.9%
Total United States	29.3%	28.7%	27.6%	27.8%
Total North America	28.5%	28.2%	27.0%	27.2%
Total Europe	9.6%	9.1%	9.5%	9.3%
Total LAAM	17.1%	15.6%	16.8%	15.6%
Asia and Pacific	5.1%	5.0%	5.2%	4.7%
Total Worldwide	15.5%	15.1%	14.6%	14.5%
U.S. Retail/Fleet Mix				
% Fleet Sales - Cars	36.2%	30.5%	37.1%	30.1%
% Fleet Sales - Trucks	12.7%	9.5%	16.1%	12.9%
Total Vehicles	22.0%	18.1%	24.6%	20.1%
Retail Lease as % of Retail Sales				
Total Smartlease and Smartbuy	10.8%	6.6%		
Days Supply of Inventory at Sept. 30				
United States - Cars	64	69		
United States - Trucks	81	104		
GMNA Capacity Utilization (2 shift rated)				
	83.7%	86.1%	85.5%	88.3%
GMNA Vehicle Revenue Per Unit				
	\$18,339	\$18,984		

15

General Motors Corporation
Operating Statistics

	Third Quarter		Year to Date	
	2004	2003	2004	2003
	----	----	----	----
GMAC's U.S. Cost of Borrowing	3.62%	3.40%		
Current Debt Spreads Over U.S. Treasuries				
2 Year	120 bp	185 bp		
5 Year	200 bp	210 bp		
10 Year	250 bp	265 bp		

Worldwide Employment

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

at Sept. 30 (in 000's)

United States Hourly	112	119
United States Salary	38	40
	---	---
Total United States	150	159
Canada, Mexico, and Other	31	31
	---	---
GMNA	181	190
GME	62	63
GMLAAM (2)	28	23
GMAP	14	14
GMAC	33	32
Other	5	6
	---	---
Total	323	328
	===	===

Worldwide Payrolls (\$Bil's)	\$4.9	\$4.9	\$15.9	\$15.3
------------------------------	-------	-------	--------	--------

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.

16

GENERAL MOTORS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2004	2003	2004	2003
	----	----	----	----
	(dollars in millions except per share amounts)			
Total net sales and revenues	\$44,858	\$43,519	\$141,691	\$136,451
	-----	-----	-----	-----
Cost of sales and other expenses	37,177	35,049	115,304	109,863
Selling, general, and administrative expenses	4,364	5,576	14,731	16,268
Interest expense	2,979	2,507	8,560	6,804
	-----	-----	-----	-----
Total costs and expenses	44,520	43,132	138,595	132,935
	-----	-----	-----	-----
Income from continuing operations before income taxes, equity income, and minority interests	338	387	3,096	3,516
Income tax expense	71	134	650	1,060
Equity income (loss) and minority interests	173	195	615	408
	---	---	-----	-----
Income from continuing operations	440	448	3,061	2,864
Income (loss) from				

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

discontinued operations	-	(23)	-	(55)
	---	---	----	----
Net Income	\$440	\$425	\$3,061	\$2,809
	===	===	=====	=====
Basic earnings (loss) per share attributable to common stocks				
\$1-2/3 par value				
Continuing Operations	\$0.78	\$0.80	\$5.42	\$5.11
Discontinued Operations	-	(0.01)	-	(0.02)
	----	----	----	----
Earnings per share attributable to \$1-2/3 par value	\$0.78	\$0.79	\$5.42	\$5.09
	=====	=====	=====	=====
Earnings (loss) per share from discontinued operations attributable to Class H	\$ -	\$ (0.02)	\$ -	\$ (0.04)
	==	=====	==	=====
Earnings (loss) per share attributable to common stocks assuming dilution				
\$1-2/3 par value				
Continuing Operations	\$0.78	\$0.80	\$5.39	\$5.10
Discontinued Operations	-	(0.01)	-	(0.02)
	----	----	----	----
Earnings per share attributable to \$1-2/3 par value	\$0.78	\$0.79	\$5.39	\$5.08
	=====	=====	=====	=====
Earnings (loss) per share from discontinued operations attributable to Class H	\$ -	\$ (0.02)	\$ -	\$ (0.04)
	==	=====	==	=====

17

GENERAL MOTORS CORPORATION AND SUBSIDIARIES

SUPPLEMENTAL INFORMATION TO THE CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2004	2003	2004	2003
	----	----	----	----
	(dollars in millions)			
AUTOMOTIVE AND OTHER OPERATIONS				
Total net sales and revenues	\$37,102	\$35,845	\$118,441	\$114,003
	-----	-----	-----	-----
Cost of sales and other expenses	34,843	33,133	108,590	104,288
Selling, general, and administrative expenses	2,200	2,703	8,380	8,393
	-----	-----	-----	-----

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

Total costs and expenses	37,043	35,836	116,970	112,681
Interest expense	622	516	1,780	1,091
Net expense from transactions with Financing and Insurance Operations	66	64	133	139
	----	----	----	----
Income (loss) from continuing operations before income taxes, equity income, and minority interests	(629)	(571)	(442)	92
Income tax (benefit)	(241)	(240)	(599)	(244)
Equity income (loss) and minority interests	175	153	619	377
	---	---	---	---
Income from continuing operations	(213)	(178)	776	713
Income (loss) from discontinued operations	-	(23)	-	(55)
	---	---	---	---
Net Income - Automotive and Other Operations	\$ (213)	\$ (201)	\$776	\$658
	===	===	===	===

FINANCING AND INSURANCE OPERATIONS

Total revenues	\$7,756	\$7,674	\$23,250	\$22,448
	-----	-----	-----	-----
Interest expense	2,357	1,991	6,780	5,713
Depreciation and amortization expense	1,359	1,398	3,959	4,282
Operating and other expenses	2,171	2,561	6,454	6,842
Provisions for financing and insurance losses	968	830	2,652	2,326
	-----	-----	-----	-----
Total costs and expenses	6,855	6,780	19,845	19,163
	-----	-----	-----	-----
Net income from transactions with Automotive and Other Operations	(66)	(64)	(133)	(139)
	-----	-----	-----	-----
Income before income taxes, equity income, and minority interests	967	958	3,538	3,424
Income tax expense	312	374	1,249	1,304
Equity income (loss) and minority interests	(2)	42	(4)	31
	-----	-----	-----	-----
Net income - Financing and Insurance Operations	\$653	\$626	\$2,285	\$2,151
	===	===	=====	=====

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

	Sept. 30, 2004 (Unaudited)	Dec. 31, 2003	Sept. 30, 2003 (Unaudited)
ASSETS	(dollars in millions)		
Cash and cash equivalents	\$37,589	\$32,554	\$39,184
Marketable securities	21,168	22,215	21,368
	-----	-----	-----
Total cash and marketable securities	58,757	54,769	60,552
Finance receivables - net	189,763	174,731	161,160
Loans held for sale	16,786	19,609	19,931
Accounts and notes receivable (less allowances)	17,385	20,532	19,163
Inventories (less allowances)	12,035	10,960	10,936
Assets of discontinued operations	-	-	19,687
Deferred income taxes	27,219	27,190	38,896
Net equipment on operating leases - (less accumulated depreciation)	33,483	32,790	32,564
Equity in net assets of nonconsolidated affiliates	6,637	6,032	5,780
Property - net	37,432	38,211	37,637
Intangible assets - net	4,732	4,760	10,952
Other assets	58,216	58,923	17,264
	-----	-----	-----
Total assets	\$462,445	\$448,507	\$434,522
	=====	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY			
Accounts payable (principally trade)	\$26,929	\$25,422	\$25,052
Notes and loans payable	284,071	271,756	257,647
Liabilities of discontinued operations	-	-	8,985
Postretirement benefits other than pensions	31,948	36,292	35,841
Pensions	7,824	8,024	19,025
Deferred income taxes	6,181	7,508	6,467
Accrued expenses and other liabilities	77,255	73,930	69,996
	-----	-----	-----
Total liabilities	434,208	422,932	423,013
Minority interests	369	307	740
Stockholders' equity			
\$1-2/3 par value common stock (outstanding, 564,804,464; 561,997,725; and 560,741,759 shares)	941	937	935
Class H common stock (outstanding, 1,108,731,138 shares at September 30, 2003)	-	-	111
Capital surplus (principally additional paid-in capital)	15,209	15,185	22,884
Retained earnings	14,966	12,752	12,000
	-----	-----	-----
Subtotal	31,116	28,874	35,930
Accumulated foreign currency translation adjustments	(1,678)	(1,815)	(2,099)
Net unrealized gain (loss) on derivatives	215	51	(130)
Net unrealized gains on securities	697	618	515
Minimum pension liability adjustment	(2,482)	(2,460)	(23,447)
	-----	-----	-----
Accumulated other comprehensive loss	(3,248)	(3,606)	(25,161)
	-----	-----	-----

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

Total stockholders' equity	27,868	25,268	10,769
	-----	-----	-----
Total liabilities and stockholders' equity	\$462,445	\$448,507	\$434,522
	=====	=====	=====

19

GENERAL MOTORS CORPORATION AND SUBSIDIARIES

SUPPLEMENTAL INFORMATION TO THE CONSOLIDATED BALANCE SHEETS

	Sept. 30, 2004 (Unaudited)	Dec. 31, 2003 (Unaudited)	Sept. 30, 2003 (Unaudited)
	-----	-----	-----
ASSETS			
(dollars in millions)			
Automotive and Other Operations			
Cash and cash equivalents	\$12,984	\$14,424	\$17,860
Marketable securities	7,969	9,067	8,022
	-----	-----	-----
Total cash and marketable securities	20,953	23,491	25,882
Accounts and notes receivable (less allowances)	6,542	5,380	5,777
Inventories (less allowances)	12,035	10,960	10,936
Assets of discontinued operations	-	-	19,687
Net equipment on operating leases (less accumulated depreciation)	6,764	7,173	6,401
Deferred income taxes and other current assets	10,813	10,851	9,796
	-----	-----	-----
Total current assets	57,107	57,855	78,479
Equity in net assets of nonconsolidated affiliates	6,637	6,032	5,780
Property - net	35,583	36,071	35,640
Intangible assets - net	1,445	1,479	7,696
Deferred income taxes	18,086	18,086	30,353
Other assets	41,251	42,262	1,807
	-----	-----	-----
Total Automotive and Other Operations assets	160,109	161,785	159,755
Financing and Insurance Operations			
Cash and cash equivalents	24,605	18,130	21,324
Investments in securities	13,199	13,148	13,346
Finance receivables - net	189,763	174,731	161,160
Loans held for sale	16,786	19,609	19,931
Net equipment on operating leases (less accumulated depreciation)	26,719	25,617	26,163
Other assets	31,264	35,487	32,843
Net receivable from Automotive and Other Operations	2,548	1,492	1,735
	-----	-----	-----
Total Financing and Insurance Operations assets	304,884	288,214	276,502
	-----	-----	-----
Total assets	\$464,993	\$449,999	\$436,257
	=====	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY			

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

Automotive and Other Operations			
Accounts payable (principally trade)	\$23,287	\$21,542	\$20,540
Loans payable	2,540	2,813	2,154
Liabilities of discontinued operations	-	-	8,985
Accrued expenses	45,330	45,417	41,056
Net payable to Financing and Insurance Operations	2,548	1,492	1,735
	-----	-----	-----
Total current liabilities	73,705	71,264	74,470
Long-term debt	30,065	29,593	29,548
Postretirement benefits other than pensions	27,996	32,285	31,917
Pensions	7,755	7,952	18,968
Other liabilities and deferred income taxes	15,402	15,567	14,178
	-----	-----	-----
Total Automotive and Other Operations liabilities	154,923	156,661	169,081
Financing and Insurance Operations			
Accounts payable	3,642	3,880	4,512
Debt	251,466	239,350	225,945
Other liabilities and deferred income taxes	26,725	24,533	25,210
	-----	-----	-----
Total Financing and Insurance Operations liabilities	281,833	267,763	255,667
	-----	-----	-----
Total liabilities	436,756	424,424	424,748
Minority interests	369	307	740
Total stockholders' equity	27,868	25,268	10,769
	-----	-----	-----
Total liabilities and stockholders' equity	464,993	\$449,999	\$436,257
	=====	=====	=====

20

GENERAL MOTORS CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended September 30,	
	2004	2003
	----	----
	(dollars in millions)	
Net cash provided by operating activities	\$11,813	\$7,287
Cash flows from investing activities		
Expenditures for property	(4,762)	(4,935)
Investments in marketable securities - acquisitions	(10,321)	(12,600)
Investments in marketable securities - liquidations	10,496	7,997

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

Net originations and purchases of mortgage servicing rights	(1,151)	(1,988)
Increase in finance receivables	(93,163)	(103,811)
Proceeds from sales of finance receivables	79,430	76,177
Proceeds from sale of business unit	-	1,076
Operating leases - acquisitions	(10,364)	(8,719)
Operating leases - liquidations	5,637	7,801
Investments in companies, net of cash acquired	(85)	(187)
Other	370	42
	-----	-----
Net cash used in investing activities	(23,913)	(39,147)
Cash flows from financing activities		
Net increase in loans payable	1,559	(238)
Long-term debt - borrowings	57,492	77,505
Long-term debt - repayments	(44,810)	(27,815)
Cash dividends paid to stockholders	(847)	(840)
Other	3,763	1,606
	-----	-----
Net cash provided by financing activities	17,157	50,218
Effect of exchange rate changes on cash and cash equivalents	(22)	506
	-----	-----
Net increase (decrease) in cash and cash equivalents	5,035	18,864
Cash and cash equivalents at beginning of the period	32,554	20,320
	-----	-----
Cash and cash equivalents at end of the period	\$37,589	\$39,184
	=====	=====

21

GENERAL MOTORS CORPORATION AND SUBSIDIARIES

SUPPLEMENTAL INFORMATION TO THE
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Automotive and Other		Financing and Insurance	

	Nine Months Ended September 30,			

	2004	2003	2004	2003
	----	----	----	----
	(dollars in millions)			
Net cash provided by operating activities	\$1,273	\$242	\$10,540	\$7,045
Cash flows from investing activities				
Expenditures for property	(4,502)	(4,467)	(260)	(468)
Investments in marketable securities - acquisitions	(2,218)	(7,033)	(8,103)	(5,567)

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

Investments in marketable securities				
- liquidations	3,316	1,185	7,180	6,812
Net change in mortgage servicing rights	-	-	(1,151)	(1,988)
Increase in finance receivables	-	-	(93,163)	(103,811)
Proceeds from sales of finance receivables	-	-	79,430	76,177
Proceeds from sale of business unit	-	1,076	-	-
Operating leases - acquisitions	-	-	(10,364)	(8,719)
Operating leases - liquidations	-	-	5,637	7,801
Investments in companies, net of cash acquired	(94)	(45)	9	(142)
Other	348	266	22	(224)
	-----	-----	-----	-----
Net cash used in investing activities	(3,150)	(9,018)	(20,763)	(30,129)
Cash flows from financing activities				
Net increase (decrease) in loans payable	(498)	(388)	2,057	150
Long-term debt - borrowings	845	14,702	56,647	62,803
Long-term debt - repayments	(72)	(19)	(44,738)	(27,796)
Cash dividends paid to stockholders	(847)	(840)	-	-
Other	-	-	3,763	1,606
	-----	-----	-----	-----
Net cash provided by (used in) financing activities	(572)	13,455	17,729	36,763
Effect of exchange rate changes on cash and cash equivalents	(47)	373	25	133
Net transactions with Automotive/Financing Operations	1,056	646	(1,056)	(646)
	-----	-----	-----	-----
Net increase (decrease) in cash and cash equivalents	(1,440)	5,698	6,475	13,166
Cash and cash equivalents at beginning of the period	14,424	12,162	18,130	8,158
	-----	-----	-----	-----
Cash and cash equivalents at end of the period	\$12,984	\$17,860	\$24,605	\$21,324
	=====	=====	=====	=====

22

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.

Date: October 14, 2004

GENERAL MOTORS CORPORATION
 (Registrant)
 By: /s/PETER R. BIBLE.

 (Peter R. Bible,
 Chief Accounting Officer)

