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GENERAL MOTORS CORP
Form 8-K
April 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) April 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 April 19, 2005, a news release was issued on the subject of first 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 first quarter earnings release for GM.

GM Reports First Quarter Financial Results

- o Q1 Adjusted Loss \$1.48 Per Share, Excluding Special Items
- o Q1 Reported Loss \$1.95 Per Share on Revenue of \$45.8 Billion
- o Continued Strong Liquidity at GM, GMAC

DETROIT - General Motors Corp. (NYSE: GM) today reported a loss of \$839 million, or \$1.48 per diluted share in the first quarter of 2005, excluding special items and a tax-rate adjustment. These results, in line with the guidance GM issued on March 16, 2005, compare to net income of \$1.2 billion, or \$2.12 per share, in the first quarter of 2004. Revenue fell 4.3 percent to \$45.8 billion.

Consolidated net income for the first quarter of 2005, including special items, was a loss of \$1.1 billion, or \$1.95 per share. The special items include charges for restructuring in Europe, U.S. salaried attrition programs, and facility impairments, partially offset by recognition of the recurring tax benefits above those reflected in the 15-percent rate used in GM's adjusted earnings. These items had a net unfavorable effect of \$265 million, or \$0.47 per share in the first quarter of 2005. There were no special items in the first quarter of 2004.

"While most of our business units exceeded expectations, the results at GM North America (GMNA) were clearly disappointing," said GM Chairman and Chief Executive Officer Rick Wagoner. "We have well thought-out plans to address GMNA's poor performance, starting with aggressive product introductions this year, value-focused marketing initiatives, and further reductions in our cost structure, where the greatest need is to address the challenging health-care cost situation."

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

GM Automotive Operations

GM's automotive operations reported a loss of \$1.3 billion in the first quarter of 2005, compared with earnings of \$561 million in the year-ago quarter.

GM North America accounted for this weak performance, reporting a loss of \$1.3 billion in the first quarter of 2005, compared with earnings of \$401 million a year ago. This deterioration reflects lower sales and production volumes, a tougher pricing environment, an unfavorable sales mix, and a continuing, large health-care burden.

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GM's market share in North America was 25.2 percent in first-quarter of 2005, down from 26.3 percent in the year-ago period.

"While we were encouraged by improved sales in March, we significantly reduced production volumes during the first quarter to balance inventories," Wagoner said. "These adjustments reduced dealer inventory levels by nearly 100,000 units from the year-ago period, but they also adversely affected our North American financial results.

"We clearly have the need to do a much better job on both the revenue and cost side of our business," Wagoner added. "Our revenue strategy is clear and has already begun to play out. On the cost side of the business, we continue to make progress in most key activities, but we need to accelerate our efforts on the challenging U.S. health-care situation."

GM Europe (GME) posted a loss of \$103 million in the first quarter of 2005, an improvement from the \$116 million loss in the year-ago quarter.

2

"Our European operations began to show signs of real progress during the quarter, with the region posting its highest quarterly market share in six years," Wagoner said. "While there is still much work to be done to restore GME to profitability, we're pleased with our improving direction in Europe."

GM Asia Pacific (GMAP) reported net income of \$60 million in the first quarter of 2005, compared with \$275 million in the same period last year, reflecting primarily lower equity earnings in China and Japan. The region's market share rose to 5.0 percent in the first quarter of 2005 from 4.9 percent in the year-ago quarter.

"GM's Asia Pacific operations delivered profitable results in a challenging environment," Wagoner said. "While net income was down from the year-ago period, we expect stronger profitability in the Asia Pacific region as the year progresses. In China, even though industry sales were down, GM continued to gain market share. We expect to continue to strengthen our product portfolio in China throughout the year as we roll out 10 new or upgraded models."

GM Latin America/Africa/Mid-East (GMLAAM) earned \$46 million in the first quarter of 2005, an improvement from year-ago earnings of \$1 million. GMLAAM recorded record first-quarter sales volume during the quarter but market share declined slightly to 16 percent in the first quarter of 2005 from 16.2 percent a year ago.

"GMLAAM reported its fifth consecutive quarter of profitability, with several countries reporting record sales volumes and market share," Wagoner said. "We're particularly pleased with our performance in Argentina, Venezuela and South Africa, where we reported double-digit sales gains."

GMAC

General Motors Acceptance Corp. (GMAC) earned \$728 million in the first quarter of 2005 compared with \$764 million in the year-ago period.

"GMAC delivered solid results in a very challenging environment," Wagoner said. "Although interest-rate pressures have grown, GMAC has been very adept in funding its businesses and maintaining a strong liquidity position. At the end

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of the first quarter, GMAC had a balance of cash and certain marketable securities of \$18.5 billion.

"Much of GMAC's success stems from leveraging its core competencies -- borrowing, lending, collecting and assessing risk -- into diversified business lines that have delivered strong and growing earnings," Wagoner added.

GMAC's financing operations reported net income of \$248 million in the first quarter of 2005, compared with \$442 million a year ago. The decrease reflects significantly lower net interest margins, partially offset by improved credit experience and stronger used car prices.

Mortgage operations earned \$385 million in the first quarter of 2005, up from \$231 million in the comparable period last year, reflecting increases in all three of GMAC's mortgage entities - GMAC Residential Mortgage, GMAC Residential Funding Corp. and GMAC Commercial Mortgage. Although mortgage industry volumes in the first quarter of 2005 were down from year-ago levels, GMAC's residential and commercial mortgage units reported higher origination volumes during the quarter and increased market share.

GMAC's insurance operations reported net income of \$95 million in the first quarter of 2005, up from the \$91 million in the first quarter of 2004. Strong net underwriting revenue and investment income contributed to the results.

GMAC continued to provide global support for the marketing of GM vehicles with a U.S. market penetration of 54 percent of GM's retail sales in the first quarter of 2005, up from 41 percent in the year-ago period. In addition, GMAC served as a significant source of cash flow to GM through the payment of a \$500 million dividend in the first quarter of 2005.

Cash and Liquidity

Cash, marketable securities, and readily available assets of the Voluntary Employees' Beneficiary Association (VEBA) Trust totaled \$19.8 billion on March 31, 2005, excluding financing and insurance operations, down from \$23.3 billion on Dec. 31, 2004. The decline reflects lower production volumes, net losses including restructuring charges and the settlement with Fiat S.p.A.

3

Automotive operating cash flow for the period ended March 31, 2005, totaled a negative \$3.0 billion, before European restructuring charges and the Fiat settlement.

Outlook

GM expects total U.S. industry sales in the second quarter of 2005 to come in at a seasonally adjusted annual selling rate of around 17 million, about flat with the selling rate in the first quarter of 2005.

Given the uncertainty affecting key elements of our financial forecast, such as resolution of the health-care cost crisis, GM has determined that it will not provide earnings guidance for the 2005-calendar year at this time.

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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,"

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"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.

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 March 31, 2005	
	Net	\$1-2/3
	Income	EPS
	-----	-----
REPORTED		

Net (loss)	\$(1,104)	\$(1.95)
ADJUSTMENTS		

Salaried Attrition Program (A)	148	0.26
Plant and Facility Impairments (B)	84	0.15
GME Restructuring Charge (C)	422	0.75
Tax Items (D)	(389)	(0.69)
	--	----
Subtotal	265	0.47

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ADJUSTED

	---	----
Adjusted (loss)	\$(839)	\$(1.48)
	===	====

- (A) Salaried Attrition Program relates to voluntary early retirement and other separation programs in the U.S. in the first quarter of 2005.
- (B) Plant and Facility Impairments relates to the write-down to fair market value of various plant assets in connection with the first quarter announcement to discontinue production at the Lansing assembly plant during the second quarter of 2005.
- (C) In the fourth quarter of 2004, GM Europe announced a restructuring plan targeting a reduction in annual structural costs of an estimated \$600 million by 2006. A total reduction of 12,000 employees, including 10,000 in Germany, from 2005-2007 through separation programs, early retirements, and selected outsourcing initiatives is expected. The after-tax separation cost of \$422 million in the first quarter of 2005 covers approximately 5,650 people, of whom 4,900 are in Germany. The Corporation's plan is on track and anticipates further separations and associated charges in the remaining three quarters of 2005 and into 2006 and 2007. The amount of such future separation charges will be recognized in the respective periods, and will depend both on the type of separations and associated workforce demographics.
- (D) Tax Items relate to tax benefits (including the Medicare Part D benefit in the U.S), in excess of GM's previously communicated annual effective tax rate of 15%, which do not vary with the level of pre-tax income. Adjusted loss reflects an effective tax rate of 15%.

5

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

	Restated	
	Three Months Ended	
	March 31, 2004	

	Net	\$1-2/3
	Income	EPS
	-----	-----
REPORTED		

Income from continuing operations	\$1,208	\$2.12
	=====	=====

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

6

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General Motors Corporation Summary Corporate Financial Results (Unaudited)

	First Quarter	
	2005	Restated 2004
	-----	-----
(Dollars in millions except per share amounts)		
Total net sales and revenues	\$45,773	\$47,830
Adjusted	\$45,773	\$47,830
Net income (loss)	\$(1,104)	\$1,208
Adjusted	\$(839)	\$1,208
Net margin		
(Net income /Total net sales and revenues)	(2.4%)	2.5%
Adjusted	(1.8%)	2.5%
Earnings (losses) per share - basic		
\$1-2/3 par value	\$(1.95)	\$2.14
Earnings (losses) per share - diluted		
\$1-2/3 par value	\$(1.95)	\$2.12
Earnings (losses) per share - adjusted diluted		
\$1-2/3 par value	\$(1.48) (1)	\$2.12
GM \$1-2/3 par value average shares outstanding (Mil's)		
Basic shares	565	564
Diluted shares	566	569
Cash dividends per share of common stocks		
GM \$1-2/3 par value	\$0.50	\$0.50

See reconciliation of adjusted financial results on pages 9 - 11 and footnotes on page 14.

7

General Motors Corporation Summary Corporate Financial Results (Unaudited)

	First Quarter	
	2005	Restated 2004
	-----	-----
Book value per share of common stocks at March 31		
GM \$1-2/3 par value	\$45.27	\$46.58
Auto & Other total cash & marketable		

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securities at March 31 (\$Bil's)	\$15.6	\$20.0
Readily-available assets in VEBA	4.2 (2)	3.5
	----	----
Total Auto & Other cash & marketable securities plus readily-available assets in VEBA	\$19.8	\$23.5
	=====	=====
Auto & Other Operations (\$Mil's)		
Depreciation	\$1,270	\$1,148
Amortization of special tools	816	726
Amortization of intangible assets	10	7
	-----	-----
Total	\$2,096	\$1,881
	=====	=====
GM's share of nonconsolidated affiliates' net income (loss) (\$Mil's)		
Italy	\$21	\$18
Japan	\$50	\$106
China	\$33	\$162
South Korea	\$ (8)	\$ (8)

See footnotes on page 14.

8

General Motors Corporation
Summary Corporate Financial Results
(Unaudited)

First Quarter
2005 and 2004

(Dollars in millions)	Reported		Special Items		Adjusted	
	2005	Restated 2004	2005	2004	2005	Restated 2004
	-----	-----	-----	-----	-----	-----
Total net sales and revenues						
GMNA	\$25,378	\$29,103	\$ -	\$ -	\$25,378	\$29,103
GME	7,957	7,543	-	-	7,957	7,543
GMLAAM	2,299	1,833	-	-	2,299	1,833
GMAP	1,694	1,599	-	-	1,694	1,599
	-----	-----	---	---	-----	-----
Total GMA	37,328	40,078	-	-	37,328	40,078
Other	(25)	59	-	-	(25)	59
	-----	-----	---	---	-----	-----
Total Auto & Other	37,303	40,137	-	-	37,303	40,137
	-----	-----	---	---	-----	-----
GMAC	8,221	7,570	-	-	8,221	7,570

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Other Financing	249	123	-	-	249	123
	-----	-----	---	---	-----	-----
Total FIO	8,470	7,693	-	-	8,470	7,693
	-----	-----	---	---	-----	-----
Total net sales and revenues	\$45,773	\$47,830	\$ -	\$ -	\$45,773	\$47,830
	=====	=====	==	==	=====	=====
Income (loss) before income taxes, equity income and minority interests						
GMNA	\$(1,923)	\$575	\$357	\$ -	\$(1,566)	\$575
GME	(875)	(223)	671	-	(204)	(223)
GMLAAM	67	8	-	-	67	8
GMAP	(36)	13	-	-	(36)	13
	-----	---	-----	---	-----	---
Total GMA	(2,767)	373	1,028	-	(1,739)	373
Other	(445)	(320)	13	-	(432)	(320)
	---	---	-----	---	---	---
Total Auto & Other	(3,212)	53	1,041	-	(2,171)	53
	-----	-----	---	---	-----	-----
GMAC	1,106	1,212	-	-	1,106	1,212
Other Financing	(2)	(1)	-	-	(2)	(1)
	-----	-----	---	---	-----	-----
Total FIO	1,104	1,211	-	-	1,104	1,211
	-----	-----	---	---	-----	-----
Total income (loss) before income taxes, equity income and minority interests	\$(2,108)	\$1,264	\$1,041	\$ -	\$(1,067)	\$1,264
	=====	=====	=====	==	=====	=====

9

General Motors Corporation
Summary Corporate Financial Results
(Unaudited)

First Quarter
2005 and 2004

(Dollars in millions)	Reported		Special Items		Adjusted	
	2005	Restated 2004	2005	2004	2005	Restated 2004
	-----	-----	-----	-----	-----	-----
Net income (loss)						
GMNA	\$(1,560)	\$401	\$224	\$ -	\$(1,336)	\$401
GME	(525)	(116)	422	-	(103)	(116)
GMLAAM	46	1	-	-	46	1
GMAP	60	275	-	-	60	275
	---	---	---	---	-----	---
Total GMA	(1,979)	561	646	-	(1,333)	561
Other	146	(117)	(381)	-	(235)	(117)

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Total Auto & Other	(1,833)	444	265	-	(1,568)	444
GMAC	728	764	-	-	728	764
Other Financing	1	-	-	-	1	-
Total FIO	729	764	-	-	729	764
Net income (loss)	\$(1,104)	\$1,208	\$265	-	\$(839)	\$1,208
Income tax expense (benefit)						
GMNA	\$(404)	\$141	\$133	\$ -	\$(271)	\$141
GME	(327)	(85)	249	-	(78)	(85)
GMLAAM	22	5	-	-	22	5
GMAP	(13)	6	-	-	(13)	6
Total GMA	(722)	67	382	-	(340)	67
Other	(585)	(204)	394	-	(191)	(204)
Total Auto & Other	(1,307)	(137)	776	-	(531)	(137)
GMAC	375	446	-	-	375	446
Other Financing	(3)	(1)	-	-	(3)	(1)
Total FIO	372	445	-	-	372	445
Income tax expense (benefit)	\$(935)	\$308	\$776	\$ -	\$(159)	\$308

10

General Motors Corporation
Summary Corporate Financial Results
(Unaudited)

First Quarter
2005 and 2004

(Dollars in millions)	Reported		Special Items		Adjusted	
	2005	Restated 2004	2005	2004	2005	Restated 2004
Effective tax rate						
Total GM Corp.	44%	24%	75%	-	15%	24%
GMNA	21%	25%	37%	-	17%	25%
GME	37%	38%	37%	-	38%	38%
GMAC	34%	37%	-	-	34%	37%
Equity income (loss) and minority interests						
GMNA	\$(41)	\$(33)	\$ -	\$ -	\$(41)	\$(33)
GME	23	22	-	-	23	22

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GMLAAM	1	(2)	-	-	1	(2)
GMAP	83	268	-	-	83	268
	---	---	--	--	---	---
Total GMA	\$66	\$255	\$ -	\$ -	\$66	\$255
	==	===	==	==	==	===

11

General Motors Corporation
Operating Statistics

	First Quarter	
	2005	2004
	----	----
(Units in thousands)		
Worldwide Production Volume		
GMNA - Cars	470	525
GMNA - Trucks	713	820
	-----	-----
Total GMNA	1,183	1,345
GME	502	473
GMLAAM	185	159
GMAP	341	296
	-----	-----
Total Worldwide	2,211	2,273
	=====	=====
Vehicle Unit Deliveries		
Chevrolet - Cars	218	214
Chevrolet - Trucks	397	387
Pontiac	100	120
GMC	123	130
Buick	61	78
Oldsmobile	1	17
Saturn	48	52
Cadillac	50	51
Other	17	18
	-----	-----
Total United States	1,015	1,067
Canada, Mexico, and Other	166	164
	-----	-----
Total GMNA	1,181	1,231
GME	513	501
GMLAAM	183	159
GMAP	231	224
	-----	-----
Total Worldwide	2,108	2,115
	=====	=====
Market Share		
United States - Cars	23.3%	25.9%
United States - Trucks	27.1%	27.3%
Total United States	25.4%	26.7%
Total North America	25.2%	26.3%
Total Europe	9.8%	9.4%
Total LAAM	16.0%	16.2%
Asia and Pacific	5.0%	4.9%

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Total Worldwide	13.4%	13.6%
U.S. Retail/Fleet Mix		
% Fleet Sales - Cars	39.5%	37.8%
% Fleet Sales - Trucks	18.1%	18.2%
Total Vehicles	26.9%	26.7%
GMNA Capacity Utilization (2 shift rated)	87.6%	90.2%
GMNA Vehicle Revenue Per Unit	\$18,396	\$19,084

12

General Motors Corporation
Operating Statistics

	First Quarter	
	2005	2004
	----	----
GMAC's Worldwide Cost of Borrowing (3)	4.30%	3.62%
Period End Debt Spreads Over U.S. Treasuries		
2 Year	350 bp	140 bp
5 Year	465 bp	175 bp
10 Year	460 bp	220 bp
GMAC cash reserve balances (\$Bil's) (4)	\$18.5	\$17.2
GMAC Automotive Finance Operations		
Consumer credit (North America)		
Net charge-offs as a % of managed receivables	0.96%	1.22%
Retail contracts 30 days delinquent - % of average number of contracts outstanding (5)	2.09%	2.08%
Retail penetration (U.S. only)		
Total retail contract volume and lease as % of retail sales	54%	41%
SmartLease and SmartBuy as % of retail sales	20%	14%
Off-lease vehicle remarketing (U.S. only)		
Average net gain per vehicle	\$1,179	\$461
Off-lease vehicles terminated (units in 000s)	72	118
GMAC Mortgage Operations (\$Bil's)		
Origination volume	\$41.8	\$35.6
Mortgage servicing rights - net	\$4.2	\$3.9
GMAC Insurance Operations (\$Mil's)		
Premiums revenue written	\$1,118	\$1,057
Investment portfolio market value	\$7,322	\$6,531

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After-tax net unrealized capital gains	\$463	\$529
Worldwide Employment at March 31 (in 000's)		
United States Hourly	109	114
United States Salary	39	40
	---	---
Total United States	148	154
Canada, Mexico, and Other	31	32
	---	---
GMNA	179	186
GME	58	63
GMLAAM	30	25
GMAP	15	14
GMAC	34	33
Other	5	5
	---	---
Total	321	326
	===	===
Worldwide Payrolls (\$Bil's)	\$5.3	\$5.5

See footnotes on page 14.

13

General Motors Corporation

Footnotes:

- (1) This amount is comparable to First Call analysts' consensus.
- (2) The increase in readily-available assets results from higher withdrawal capacity from the hourly VEBA trust due to increased other postretirement employee benefit payments, and the addition of withdrawal capacity from the salaried VEBA that was funded in 2004.
- (3) Calculated by dividing total interest expense (excluding mark to market adjustments) by total debt.
- (4) Balance at March 31, 2005 comprises \$16.1 billion of cash and cash equivalents and \$2.4 billion in marketable securities with maturities greater than 90 days. Balance at March 31, 2004 consisted entirely of cash.
- (5) Excludes accounts in bankruptcy.

14

GENERAL MOTORS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

Three Months Ended
March 31,

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	2005	Restated 2004
	-----	-----
	(dollars in millions except per share amounts)	
Total net sales and revenues	\$45,773	\$47,830
Cost of sales and other expenses	39,313	38,841
Selling, general, and administrative expenses	4,889	4,941
Interest expense	3,679	2,784
	-----	-----
Total costs and expenses	47,881	46,566
	-----	-----
Income (loss) before income taxes, equity income and minority interests	(2,108)	1,264
Income tax expense (benefit)	(935)	308
Equity income (loss) and minority interests	69	252
	-----	-----
Net income (loss)	\$(1,104)	\$1,208
Basic earnings (loss) per share attributable to common stocks		
\$1-2/3 par value	\$ (1.95)	\$2.14
	=====	=====
Earnings (loss) per share attributable to common stocks assuming dilution		
\$1-2/3 par value	\$ (1.95)	\$2.12
	=====	=====

15

GENERAL MOTORS CORPORATION AND SUBSIDIARIES

SUPPLEMENTAL INFORMATION TO THE CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Three Months Ended March 31,	
	2005	Restated 2004
	-----	-----
	(dollars in millions)	
AUTOMOTIVE AND OTHER OPERATIONS		
Total net sales and revenues	\$37,303	\$40,137
	-----	-----
Cost of sales and other expenses	36,906	36,431
Selling, general, and administrative expenses	2,837	3,023
	-----	-----
Total costs and expenses	39,743	39,454
	-----	-----
Interest expense	685	562
Net expense from transactions with Financing and Insurance Operations	87	68

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Income (loss) before income taxes, equity income, and minority interests	(3,212)	53
Income tax (benefit)	(1,307)	(137)
Equity income (loss) and minority interests	72	254
	-----	----
Net income - Automotive and Other Operations	\$ (1,833)	\$444
	=====	====

FINANCING AND INSURANCE OPERATIONS

Total revenues	\$8,470	\$7,693
	-----	-----
Interest expense	2,994	2,222
Depreciation and amortization expense	1,398	1,399
Operating and other expenses	2,143	1,850
Provisions for financing and insurance losses	918	1,079
	-----	-----
Total costs and expenses	7,453	6,550
Net income from transactions with Automotive and Other Operations	(87)	(68)
	---	---
Income before income taxes, equity income, and minority interests	1,104	1,211
Income tax expense	372	445
Equity income (loss) and minority interests	(3)	(2)
	---	---
Net income - Financing and Insurance Operations	\$729	\$764
	====	====

16

GENERAL MOTORS CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

	Mar. 31, 2005 (Unaudited)	Dec. 31, 2004	Restated Mar. 31, 2004 (Unaudited)
	-----	-----	-----
ASSETS	(dollars in millions)		
Cash and cash equivalents	\$26,389	\$35,993	\$28,535
Marketable securities	26,256	21,737	21,036
	-----	-----	-----
Total cash and marketable securities	52,645	57,730	49,571
Finance receivables - net	190,646	199,600	186,550
Loans held for sale	22,569	19,934	18,285
Accounts and notes receivable (less allowances)	18,001	21,236	19,515
Inventories (less allowances)	13,189	12,247	11,718
Deferred income taxes	26,615	26,241	27,357
Net equipment on operating leases - (less accumulated depreciation)	34,371	34,214	31,637
Equity in net assets of nonconsolidated affiliates	6,500	6,776	6,054

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Property - net	38,106	39,020	37,664
Intangible assets - net	4,864	4,925	4,727
Other assets	60,264	57,680	61,149
	-----	-----	-----
Total assets	\$467,770	\$479,603	\$454,227
	=====	=====	=====

LIABILITIES AND STOCKHOLDERS' EQUITY

Accounts payable (principally trade)	\$28,519	\$28,830	\$27,163
Notes and loans payable	291,831	300,279	278,972
Postretirement benefits other than pensions	28,393	28,111	31,512
Pensions	9,300	9,455	7,795
Deferred income taxes	6,709	7,078	7,660
Accrued expenses and other liabilities	77,001	77,727	74,512
	-----	-----	-----
Total liabilities	441,753	451,480	427,614
Minority interests	416	397	319
Stockholders' equity			
\$1-2/3 par value common stock (outstanding, 565,470,511; 565,132,021; and 564,488,127 shares)	942	942	941
Capital surplus (principally additional paid-in capital)	15,234	15,241	15,135
Retained earnings	13,041	14,428	13,678
	-----	-----	-----
Subtotal	29,217	30,611	29,754
Accumulated foreign currency translation adjustments	(1,784)	(1,194)	(1,768)
Net unrealized gains (losses) on derivatives	612	589	(8)
Net unrealized gains on securities	535	751	762
Minimum pension liability adjustment	(2,979)	(3,031)	(2,446)
	-----	-----	-----
Accumulated other comprehensive loss	(3,616)	(2,885)	(3,460)
	-----	-----	-----
Total stockholders' equity	25,601	27,726	26,294
	-----	-----	-----
Total liabilities and stockholders' equity	\$467,770	\$479,603	\$454,227
	=====	=====	=====

17

GENERAL MOTORS CORPORATION AND SUBSIDIARIES

SUPPLEMENTAL INFORMATION TO THE CONSOLIDATED BALANCE SHEETS

	Mar. 31, 2005 (Unaudited)	Dec. 31, 2004	Restated Mar. 31, 2004 (Unaudited)
	-----	-----	-----
ASSETS			
		(dollars in millions)	
Automotive and Other Operations			

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Cash and cash equivalents	\$10,205	\$13,148	\$11,262
Marketable securities	5,447	6,655	8,763
	-----	-----	-----
Total cash and marketable securities	15,652	19,803	20,025
Accounts and notes receivable (less allowances)	6,493	6,713	6,868
Inventories (less allowances)	12,736	11,717	11,718
Net equipment on operating leases - (less accumulated depreciation)	6,329	6,488	6,519
Deferred income taxes and other current assets	11,002	10,794	10,855
	-----	-----	-----
Total current assets	52,212	55,515	55,985
Equity in net assets of nonconsolidated affiliates	6,500	6,776	6,054
Property - net	36,265	37,170	35,768
Intangible assets - net	1,550	1,599	1,438
Deferred income taxes	17,763	17,399	18,302
Other assets	40,405	40,844	42,103
	-----	-----	-----
Total Automotive and Other Operations assets	154,695	159,303	159,650
Financing and Insurance Operations			
Cash and cash equivalents	16,184	22,845	17,273
Investments in securities	20,809	15,082	12,273
Finance receivables - net	190,646	199,600	186,550
Loans held for sale	22,569	19,934	18,285
Net equipment on operating leases (less accumulated depreciation)	28,042	27,726	25,119
Other assets	34,825	35,113	35,077
Net receivable from Automotive and Other Operations	2,300	2,426	1,660
	-----	-----	-----
Total Financing and Insurance Operations assets	315,375	322,726	296,237
	-----	-----	-----
Total assets	\$470,070	\$482,029	\$455,887
	=====	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY			
Automotive and Other Operations			
Accounts payable (principally trade)	\$24,168	\$24,257	\$23,970
Loans payable	2,446	2,062	2,868
Accrued expenses	44,269	46,147	45,305
Net payable to Financing and Insurance Operations	2,300	2,426	1,660
	-----	-----	-----
Total current liabilities	73,183	74,892	73,803
Long-term debt	29,879	30,460	29,557
Postretirement benefits other than pensions	23,685	23,406	27,519
Pensions	9,209	9,371	7,731
Other liabilities and deferred income taxes	15,381	15,657	15,617
	-----	-----	-----
Total Automotive and Other Operations liabilities	151,337	153,786	154,227
Financing and Insurance Operations			
Accounts payable	4,351	4,573	3,193
Debt	259,506	267,757	246,547
Other liabilities and deferred income taxes	28,859	27,790	25,307
	-----	-----	-----

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Total Financing and Insurance			
Operations liabilities	292,716	300,120	275,047
	-----	-----	-----
Total liabilities	444,053	453,906	429,274
Minority interests	416	397	319
Total stockholders' equity	25,601	27,726	26,294
	-----	-----	-----
Total liabilities and stockholders' equity	\$470,070	\$482,029	\$455,887
	=====	=====	=====

18

GENERAL MOTORS CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three Months Ended March 31,	
	2005	Restated 2004
	----	-----
	(dollars in millions)	
Net cash used in operating activities	\$ (4,137)	\$ (3,279)
Cash flows from investing activities		
Expenditures for property	(1,288)	(1,399)
Investments in marketable securities - acquisitions	(6,178)	(2,652)
Investments in marketable securities - liquidations	4,567	2,905
Net originations and purchases of mortgage servicing rights	(397)	(300)
Increase in finance receivables	(391)	(11,076)
Proceeds from sales of finance receivables	6,475	5,962
Operating leases - acquisitions	(3,672)	(3,153)
Operating leases - liquidations	1,439	1,957
Investments in companies, net of cash acquired	(75)	5
Other	(2,496)	(2,196)
Net cash used in investing activities	(2,016)	(9,947)
Cash flows from financing activities		
Net increase in loans payable	1,292	2,217
Long-term debt - borrowings	10,545	20,677
Long-term debt - repayments	(16,127)	(15,068)
Cash dividends paid to stockholders	(283)	(282)
Other	1,566	1,764
	-----	-----
Net cash provided by (used in) financing activities	(3,007)	9,308
Effect of exchange rate changes on cash and cash equivalents	(444)	(101)
	-----	-----
Net decrease in cash and cash equivalents	(9,604)	(4,019)

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Cash and cash equivalents at beginning of the period	35,993	32,554
	-----	-----
Cash and cash equivalents at end of the period	\$26,389	\$28,535
	=====	=====

19

GENERAL MOTORS CORPORATION AND SUBSIDIARIES

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

	Automotive and Other		Financing and Insurance	
	Three Months Ended March 31,			
	2005	2004	2005	Restated 2004
	----	----	----	----
	(dollars in millions)			
Net cash used in operating activities	\$ (2,555)	\$ (1,809)	\$ (1,582)	\$ (1,470)
Cash flows from investing activities				
Expenditures for property	(1,233)	(1,298)	(55)	(101)
Investments in marketable securities - acquisitions	(93)	(700)	(6,085)	(1,952)
Investments in marketable securities - liquidations	1,429	1,004	3,138	1,901
Net change in mortgage services rights	-	-	(397)	(300)
Increase in finance receivables	-	-	(391)	(11,076)
Proceeds from sales of finance receivables	-	-	6,475	5,962
Operating leases - acquisitions	-	-	(3,672)	(3,153)
Operating leases - liquidations	-	-	1,439	1,957
Net investing activity with Financing and Insurance Operations	500	-	-	-
Investments in companies, net of cash acquired	(75)	(16)	-	21
Other	(374)	(16)	(2,122)	(2,180)
	----	----	-----	-----
Net cash provided by (used in) investing activities	154	(1,026)	(1,670)	(8,921)
Cash flows from financing activities				
Net increase (decrease) in				

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loans payable	223	(149)	1,069	2,366
Long-term debt - borrowings	13	24	10,532	20,653
Long-term debt - repayments	-	(26)	(16,127)	(15,042)
Net financing activity with Automotive & Other	-	-	(500)	-
Cash dividends paid to stockholders	(283)	(282)	-	-
Other	-	34	1,566	1,730
	----	----	-----	-----
Net cash provided by (used in) financing activities	(47)	(399)	(3,460)	9,707
Effect of exchange rate changes on cash and cash equivalents	(369)	(96)	(75)	(5)
Net transactions with Automotive/Financing Operations	(126)	168	126	(168)
	---	---	-----	---
Net decrease in cash and cash equivalents	(2,943)	(3,162)	(6,661)	(857)
Cash and cash equivalents at beginning of the period	13,148	14,424	22,845	18,130
	-----	-----	-----	-----
Cash and cash equivalents at end of the period	\$10,205	\$11,262	\$16,184	\$17,273
	=====	=====	=====	=====

20

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: April 19, 2005

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

(Peter R. Bible, Chief Accounting
Officer)

21