

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

GENERAL MOTORS CORP
Form 8-K
January 16, 2002

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549-1004

FORM 8-K
CURRENT REPORT PURSUANT TO SECTION 13 OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report
(Date of earliest event reported) January 16, 2002

GENERAL MOTORS CORPORATION

(Exact name of registrant as specified in its charter)

STATE OF DELAWARE ----- (State or other jurisdiction of incorporation)	1-143 ----- (Commission File Number)	38-0572515 ----- (I.R.S. Employer Identification No.)
---	--	--

300 Renaissance Center, Detroit, Michigan ----- (Address of principal executive offices)	48265-3000 ----- (Zip Code)
--	-----------------------------------

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

- 1 -

ITEM 5. OTHER EVENTS

On January 16, 2002, 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, and their subsidiary Hughes Electronics Corporation's (Hughes) earnings release dated January 15, 2002.

GM EARNS \$1.5 BILLION, OR \$3.23 PER SHARE IN CALENDAR-YEAR 2001
FOURTH QUARTER EARNINGS TOTAL \$255 MILLION, OR \$0.60 PER SHARE

-- MARKET MOMENTUM, COST REDUCTIONS, STRONG
CASH GENERATION ARE KEY DRIVERS

-- GMAC HAS SEVENTH-STRAIGHT YEAR OF EARNINGS GROWTH

DETROIT -- Market-share gains spurred by strong new product entries coupled with an intense focus on reducing costs partially offset relentless price pressures as General Motors Corp. (NYSE: GM, GMH) earned \$1.5 billion, or \$3.23 diluted earnings per share, in calendar-year 2001 on revenues of \$177.3 billion, excluding special items. That compares with earnings of \$5.0 billion, or \$8.58 per share, and revenues of \$183.3 billion in the prior year, excluding special items. Including special items, GM had net income of \$601 million, or \$1.77 per share, in 2001; this compares with \$4.5 billion, or \$6.68 per share, in the prior year.

GM earned \$255 million, or \$0.60 per share, in the fourth quarter of 2001, including the approximately \$97 million, or \$0.14 per share, unfavorable effect of the currency devaluation in Argentina. This compares with \$609 million, or \$1.15 per share, in the fourth quarter of 2000, excluding special items. There were no special items in the fourth quarter of 2001. GM financial results described throughout the remainder of this release exclude special items unless otherwise noted (see Highlights).

"Our performance in 2001 was quite strong considering all of the challenges we faced, and we intend to continue building momentum throughout the coming year," said GM Chairman Jack Smith. "Our market-share gains demonstrate that GM's dedication to developing innovative new products is paying off in the marketplace. Our focus in the coming year is to build on our market success and make further improvements in our financial performance."

"We're in good shape to meet the tough competitive challenges in the year ahead," said GM President and Chief Executive Officer Rick Wagoner. "We gained momentum in the fourth quarter with our great products and the highly successful Keep America Rolling marketing campaign, ending the year with low U.S. dealer inventories. As we continue to introduce more new models this year, and intensify our focus on efficiencies and cost reductions, we're well-positioned when the economy rebounds."

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

Cash, marketable securities, and assets of the Voluntary Employees' Beneficiary Association (VEBA) trust invested in short-term fixed-income securities, excluding Hughes, totaled \$11.5 billion at Dec. 31, 2001, compared with \$11.0 billion at Sept. 30, 2001.

- 2 -

GM AUTOMOTIVE OPERATIONS

GM's global automotive operations earned \$708 million in calendar-year 2001, compared with \$3.9 billion in 2000. Fourth-quarter earnings totaled \$66 million versus \$393 million in the prior-year period. Wholesale volume declined approximately 8 percent in calendar-year 2001, and approximately 6 percent in the fourth quarter, compared with the same periods of 2000.

Lower sales volume and strong pricing competition affected results in North America, where GM's annual wholesale vehicle sales declined 11 percent from prior-year levels. Similar pricing pressures affected Europe, along with the shift in consumer preference toward smaller, less-profitable vehicles and unfavorable country mix. Net price retention in calendar-year 2001 was negative 1.3 percent in both North America and Europe.

Results in the Asia-Pacific region were driven by strong profitability and market leadership by Australia-based Holden. In the Latin America/Africa/Mid-East region, market share was the highest for a fourth quarter in 12 years and sales volume increased. However, pricing pressure from the supplier community, based partially on the decline in value of the Brazilian currency, and unfavorable product mix offset these gains.

GM increased its calendar-year market share in the United States for the first time since 1990, as its strong truck lineup broke the industry record for truck sales. Sales of full-size pickups were the best since 1978, and GM shattered the all-time industry sport utility vehicle (SUV) sales record, becoming the first manufacturer to sell more than one million SUVs in a calendar year. GM's share of the U.S. truck market increased 2.2 percentage points to 29.2 percent for 2001, while total vehicle share increased 0.3 percentage points, totaling 28.1 percent for the year. Particularly significant was the improved mix of retail sales as GM continued to focus its sales efforts on the more profitable retail side of the business. Retail sales increased 2.8 percentage points to 81.6 percent of all GM U.S. sales.

GM also gained market share in the GM North America (GMNA), Latin America/Africa/Mid-East (GMLAAM), and Asia-Pacific (GMAP) regions, while holding share steady in GM Europe (GME). GM's global market share totaled 15.1 percent in 2001, compared with 15.0 percent in 2000. Combined sales of GM and its automotive alliance partners - Fiat Auto, Fuji Heavy Industries (Subaru), Isuzu Motor Corp., and Suzuki Motor Corp. - represented 23.7 percent of the global automotive market in 2001, compared with 23.3 percent in the prior year.

"To translate our market success into higher profits, our global automotive operations continue to focus on improving quality and increasing productivity, and our entire company is concentrating on reducing costs," Wagoner said. "We've

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

targeted significant reductions in material and structural costs for 2002, in addition to reducing non-product-related capital expenditures."

In the 2001 Harbour Report, GM's manufacturing operations outpaced all other multi-plant manufacturers in North America with an overall productivity improvement of nearly 8.5 percent. In addition, GM scored the biggest improvement of any automaker in the 2001 J.D. Power & Associates initial quality survey. GM not only achieved the highest quality gains, but also led all U.S. automakers and is closing the gap with the best Japanese manufacturers.

- 3 -

General Motors is receiving very positive reaction from the three new production vehicles and five concept cars that were unveiled to automotive journalists from around the world last week at the 2002 North American International Auto Show in Detroit. "The excitement that these vehicles generated amplifies the overall enthusiasm our products are generating in the market," Wagoner said. "We intend to build on this momentum by introducing nearly 40 new products between now and 2003, including six in the crucial entry-level market. This is continuing evidence that GM's aggressive product program, focused on great designs, excellent handling and innovation, is paying off."

GM vehicles have received more than 70 awards since the beginning of 2001, including the following highly influential citations:

- Motor Trend "SUV of the Year" - GMC Envoy
- Motor Trend "Truck of the Year" - Chevrolet Avalanche
- "North American Truck of the Year" - Chevrolet TrailBlazer
- AutoWeek North American International Auto Show Awards - Cadillac Cien and Pontiac Solstice concept cars
- "International Van of the Year" - First Place: Opel Vivaro;
Second Place: Opel Combo
- Brazilian Automotive Press Association "Popular Car of the Year"
- Chevrolet Celta; "SUV of the Year" - Chevrolet Tracker (Vitara)

GMAC

For 2001, GMAC achieved income growth for the seventh consecutive year and posted record earnings for the third-straight year. GMAC's 2001 earnings of \$1.8 billion were 9.4 percent higher than during the prior year.

GMAC's fourth-quarter earnings in 2001 of \$435 million were up \$26 million, or more than 6 percent, from a year ago. Earnings from Financing Operations increased as higher asset levels and the positive impact from lower market interest rates more than offset weaker residual values and higher credit losses. For the quarter, Insurance Operations posted higher earnings as increases in underwriting income more than offset lower capital gains. Mortgage Operations were down slightly year-over-year but still achieved the second highest quarterly profit as strong new origination volumes kept pace with the high

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

refinancing activity.

HUGHES

Calendar-year losses at Hughes totaled \$525 million for 2001, compared with \$303 million in the prior year. Hughes lost \$131 million in the fourth quarter of 2001, compared with a loss of \$74 million in the prior-year period, primarily because of the cost of adding DIRECTV subscribers.

Hughes revenues were up 4 percent in the fourth quarter of 2001. Total DIRECTV subscriptions increased to 12.3 million, with approximately 518,000 more subscribers than in the third quarter of 2001, an increase of 4.4 percent. Total subscriptions were up 1.5 million from year-end-2000 levels.

PROFIT SHARING, INCENTIVE COMPENSATION

Based on GM's financial results in 2001, there will be no profit-sharing payments to hourly workers in the United States. In addition, there will be no annual incentive awards for GM executives, or enhanced variable pay for eligible U.S. and Canadian salaried employees.

- 4 -

LOOKING AHEAD

GM has forecast total U.S. industry vehicle sales to be in the range of 15.0 million to 15.5 million units, and industry sales in Europe of approximately 18.5 million units. Sales in the Latin America/Africa/Mid-East and Asia-Pacific regions are expected to be relatively flat compared with 2001. U.S. dealer inventories are lean at less than 1 million units, and first-quarter North American production is expected to increase 7 percent over the first quarter of 2001. Net price retention in the first quarter is expected to be consistent with the prior guidance for the calendar year at approximately negative 1 percent. Based on these factors and considering the high-degree of economic uncertainty, GM's earnings target for the 2002 calendar year, excluding Hughes, remains at \$3.00 per share, and first-quarter earnings are now expected to be approximately \$1.00 per share. Including Hughes, the targets are approximately \$2.60 per share for the calendar year, and \$0.90 per share for the first quarter.

#

In this press release and related comments by General Motors management, our use of the words "outlook," "expect," "anticipate," "estimate," "forecast," "project," "likely," "objective," "plan," "designed," "goal" 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-10,11) which may be revised or supplemented in subsequent reports on SEC Forms 10-Q and 8-K. Such factors include, among

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

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.

- 5 -

General Motors Corporation
List of Special Items - After Tax
(dollars in millions)

	Year to Date 2001					
	GMNA	GME	GMLAAM	GMAP	Hughes	Other ACO
	----	---	-----	----	-----	-----
Reported Net Income (Loss)	\$1,270	\$ (765)	\$ (81)	\$ (57)	\$ (618)	\$ (916)
Ste. Therese Charge (A)	194	-	-	-	-	-
Raytheon Settlement (B)	-	-	-	-	-	474
Gain on Sale of Thomson (C)	-	-	-	-	(67)	-

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

SkyPerfectTV! Writedown (D)	-	-	-	-	133	-
Severance Charge (E)	-	-	-	-	40	-
DirecTV Japan Adjustment (F)	-	-	-	-	(21)	-
Isuzu Restructuring (G)	-	-	-	133	-	-
SFAS 133 (H)	14	(2)	1	1	8	-
	-----	----	---	---	----	----
Adjusted Net Income (Loss)	\$1,478	\$(767)	\$(80)	\$77	\$(525)	\$(442)
	=====	====	==	==	====	====

	Total ACO	GMAC	Other FIO	Total GM	Diluted EPS
	-----	-----	-----	-----	-----
Reported Net Income (Loss)	\$(1,167)	\$1,786	\$(18)	\$601	\$1.77
Ste. Therese Charge (A)	194	-	-	194	0.35
Raytheon Settlement (B)	474	-	-	474	0.85
Gain on Sale of Thomson (C)	(67)	-	-	(67)	(0.04)
SkyPerfectTV! Writedown (D)	133	-	-	133	0.08
Severance Charge (E)	40	-	-	40	0.02
DirecTV Japan Adjustment (F)	(21)	-	-	(21)	(0.01)
Isuzu Restructuring (G)	133	-	-	133	0.24
SFAS 133 (H)	22	(34)	-	(12)	(0.03)
	---	-----	--	-----	-----
Adjusted Net Income (Loss)	\$(259)	\$1,752	\$(18)	\$1,475	\$3.23
	====	=====	==	=====	=====

- A) The Ste. Therese Charge relates to the previously announced closing of the Ste. Therese, Quebec assembly plant.
- B) The Raytheon Settlement relates to Hughes' settlement with the Raytheon Company on a purchase price adjustment related to Raytheon's 1997 merger with Hughes Defense.
- C) The Gain on Sale of Thomson relates to Hughes' sale of 4.1 million shares of Thomson Multimedia common stock.

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

- D) The SkyPerfectTV! Writedown relates to Hughes' non-cash charge from the revaluation of its investment.
- E) The Severance Charge relates to Hughes' 10% company-wide workforce reduction in the U.S.
- F) The DirectTV Japan Adjustment relates to a favorable adjustment to the expected costs associated with the shutdown of Hughes' DirectTV Japan business.
- G) The Isuzu Restructuring charges include General Motors' portion of severance payments and asset impairments that were part of the second quarter restructuring of its affiliate Isuzu Motors Ltd.
- H) The SFAS 133 adjustment represents the net impact during the first quarter 2001 from initially adopting SFAS No. 133, Accounting for Derivatives and Hedging Activities.

- 7 -

General Motors Corporation
List of Special Items - After Tax
(dollars in millions)

	Year to Date 2000					
	GMNA	GME	GMLAAM	GMAP	Hughes	Other ACO
	-----	---	-----	-----	-----	-----
Reported Net Income (Loss)	\$3,174	\$(676)	\$26	\$(233)	\$829	\$(281)
Phase-out of Oldsmobile (I)	939	-	-	-	-	-
Postemployment Benefits (J)	294	-	-	-	-	-
Capacity Reduction (K)	-	419	-	-	-	-
Satellite Businesses Gain (L)	-	-	-	-	(1,132)	-
	-----	---	--	---	-----	---
Adjusted Net Income (Loss)	\$4,407	\$(257)	\$26	\$(233)	\$(303)	\$(281)
	=====	===	==	===	=====	===
	Total		Other	Total	Diluted	

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

	ACO	GMAC	FIO	GM	EPS
	-----	-----	-----	-----	-----
Reported Net Income (Loss)	\$2,839	\$1,602	\$11	\$4,452	\$6.68
Phase-out of Oldsmobile (I)	939	-	-	939	1.59
Postemployment Benefits (J)	294	-	-	294	0.50
Capacity Reduction (K)	419	-	-	419	0.71
Satellite Businesses Gain (L)	(1,132)	-	-	(1,132)	(0.90)
	-----	-----	--	-----	-----
Adjusted Net Income (Loss)	\$3,359	\$1,602	\$11	\$4,972	\$8.58
	=====	=====	==	=====	=====

- I) The Phase-out of Oldsmobile relates to the costs associated with GM's decision in the fourth quarter of 2000 to phase-out the Oldsmobile division as the current model lineup product lifecycles come to an end, or when the models are no longer economically viable.
- J) The Postemployment Benefits charge relates to postemployment costs for termination and other postemployment benefits associated with four North American manufacturing facilities slated for conversion and capacity reduction (Oklahoma City, Oklahoma; Delta Engine, Lansing, Michigan; Springhill, Tennessee; and Wilmington, Delaware).
- K) The Capacity Reduction adjustment relates to costs associated with the reduction in production capacity, including the restructuring of Vauxhall Motors Limited's manufacturing operations in the U.K.
- L) The Satellite Businesses Gain relates to the sale of Hughes' satellite systems manufacturing businesses to The Boeing Company.

- 8 -

General Motors Corporation
List of Special Items - After Tax
(dollars in millions)

	Fourth Quarter 2000					
	GMNA	GME	GMLAAM	GMAP	Hughes	Other ACO
	-----	---	-----	-----	-----	-----
Reported Net Income (Loss)	\$(254)	\$(882)	\$(16)	\$(107)	\$1,058	\$(119)
Phase-out of Oldsmobile (I)	939	-	-	-	-	-
Postemployment Benefits (J)	294	-	-	-	-	-
Capacity Reduction (K)	-	419	-	-	-	-
Satellite Businesses Gain (L)	-	-	-	-	(1,132)	-

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

Adjusted Net Income (Loss)	---	---	--	---	-----	---
	\$979	\$ (463)	\$ (16)	\$ (107)	\$ (74)	\$ (119)
	===	===	==	===	=====	===
	Total		Other	Total	Diluted	
	ACO	GMAC	FIO	GM	EPS	
	-----	-----	-----	-----	-----	
Reported Net Income (Loss)	\$ (320)	\$409	\$ -	\$89	\$ (1.16)	
Phase-out of Oldsmobile (I)	939	-	-	939	1.68	
Postemployment Benefits (J)	294	-	-	294	0.53	
Capacity Reduction (K)	419	-	-	419	0.75	
Satellite Businesses Gain (L)	(1,132)	-	-	(1,132)	(0.65)	
	-----	---	--	-----	-----	
Adjusted Net Income (Loss)	\$200	\$409	\$ -	\$609	\$1.15	
	=====	===	==	=====	=====	

See page 8 for footnotes (I) - (L).

- 9 -

General Motors Corporation
Adjusted Corporate Financial Results

	Fourth Quarter		Year to Date	
	2001(1)	2000(1)	2001(1)	2000(1)
	----	----	----	----
Total net sales and revenues (\$Mil's)	\$45,950	\$45,001	\$177,268	\$183,292
Consolidated net income (\$Mil's)	\$255	\$609	\$1,475	\$4,972
Net margin from consolidated net income	0.6%	1.4%	0.8%	2.7%
GM \$1-2/3 par value earnings per share				
Basic EPS	\$0.61	\$1.16	\$3.26	\$8.72
Diluted EPS	\$0.60	\$1.15	\$3.23	\$8.58

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

GM Class H				
earnings per share				
Basic EPS	\$ (0.12)	\$ (0.08)	\$ (0.48)	\$ (0.31)
Diluted EPS	\$ (0.12)	\$ (0.08)	\$ (0.48)	\$ (0.31)
Earnings attributable to				
GM \$1-2/3 par value (\$Mil's)				
Consolidated net income	\$255	\$609	\$1,475	\$4,972
Preferred dividends	(23)	(27)	(99)	(110)
Losses attributable				
to GM Class H	105	66	419	210
	---	---	-----	-----
Total earnings attributable				
to GM \$1-2/3 par value	\$337	\$648	\$1,795	\$5,072
	===	===	=====	=====
GM \$1-2/3 par value average				
shares outstanding (Mil's)				
Basic shares	556	559	551	582
Diluted shares	559	564	556	591
Cash dividends per share				
of common stocks				
GM \$1-2/3 par value	\$0.50	\$0.50	\$2.00	\$2.00
GM Class H	-	-	-	-
Book value per share of				
common stocks at Dec. 31				
GM \$1-2/3 par value	\$24.79	\$39.36		
GM Class H	\$4.96	\$7.87		
Total cash at Dec. 31,				
excluding Hughes(\$Bil's) (2)				
	\$11.5	\$11.8		
Automotive, Communications Services,				
and Other Operations (\$Mil's)				
Depreciation	\$1,092	\$1,127	\$4,331	\$4,091
Amortization of special				
tools	613	576	2,360	2,428
Amortization of intangible				
assets	70	99	308	308
	-----	-----	-----	-----
Total	\$1,775	\$1,802	\$6,999	\$6,827
	=====	=====	=====	=====

See footnotes on page 14.

- 10 -

General Motors Corporation
Adjusted Segment Financial Results

	Fourth Quarter		Year to Date	
	2001(1)	2000(1)	2001(1)	2000(1)
	----	----	----	----
(dollars in millions)				
Total net sales and revenues				
GMNA	\$27,446	\$27,434	\$106,938	\$113,418
GME	6,084	6,043	23,700	25,358

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

GMLAAM	1,387	1,431	5,833	5,713
GMAP	1,063	1,001	4,201	3,606
	-----	-----	-----	-----
Total GMA	35,980	35,909	140,672	148,095
Hughes	2,285	2,188	8,318	8,654
Other	1,034	523	2,501	2,538
	-----	-----	-----	-----
Total ACO	39,299	38,620	151,491	159,287
GMAC	6,565	6,218	25,480	23,661
Other Financing	86	163	297	344
	-----	-----	-----	-----
Total FIO	6,651	6,381	25,777	24,005
	-----	-----	-----	-----
Consolidated net sales and revenues	\$45,950	\$45,001	\$177,268	\$183,292
	=====	=====	=====	=====
Pre-tax income (loss)				
GMNA	\$528	\$1,380	\$2,051	\$6,448
GME	(345)	(637)	(1,092)	(275)
GMLAAM	(150)	(78)	(79)	(155)
GMAP	(17)	(47)	27	(21)
	---	---	---	---
Total GMA	16	618	907	5,997
Hughes (3)	(213)	(121)	(786)	(541)
Other	(135)	(147)	(537)	(307)
	---	---	---	---
Total ACO	(332)	350	(416)	5,149
GMAC	730	658	2,872	2,579
Other Financing	(24)	(9)	(58)	4
	---	---	---	---
Total FIO	706	649	2,814	2,583
	---	---	---	---
Consolidated pre-tax income	\$374	\$999	\$2,398	\$7,732
	===	===	=====	=====
Net income (loss)				
GMNA	\$392	\$979	\$1,478	\$4,407
GME	(240)	(463)	(767)	(257)
GMLAAM	(111)	(16)	(80)	26
GMAP	25	(107)	77	(233)
	---	---	---	---
Total GMA	66	393	708	3,943
Hughes (3) (4)	(131)	(74)	(525)	(303)
Other	(120)	(119)	(442)	(281)
	---	---	---	---
Total ACO	(185)	200	(259)	3,359
GMAC	435	409	1,752	1,602
Other Financing	5	-	(18)	11
	---	---	---	---
Total FIO	440	409	1,734	1,613
	---	---	---	---
Consolidated net income	\$255	\$609	\$1,475	\$4,972
	===	===	=====	=====

See footnotes on page 14.

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

- 11 -

General Motors Corporation
Supplementary Adjusted Segment Financial Results

	Fourth Quarter		Year to Date	
	2001 (1)	2000 (1)	2001 (1)	2000 (1)
(dollars in millions)				
Income tax expense (benefit)				
GMNA	\$150	\$365	\$537	\$1,969
GME	(72)	(173)	(284)	(9)
GMLAAM	(38)	(48)	(17)	(122)
GMAP	17	(4)	24	17
	--	---	---	----
Total GMA	\$57	\$140	\$260	\$1,855
	==	===	===	=====
Equity income (loss) and minority interests				
GMNA	\$14	\$ (36)	\$ (36)	\$ (72)
GME	33	1	41	9
GMLAAM	1	14	(18)	59
GMAP	59	(64)	74	(195)
	---	--	--	---
Total GMA	\$107	\$ (85)	\$61	\$ (199)
	===	==	==	===
Effective income tax rate				
GMNA	28.4%	26.4%	26.2%	30.5%
GME	20.9%	27.2%	26.0%	3.3%
GMLAAM	25.3%	61.5%	21.5%	78.7%
GMAP	(100.0%)	8.5%	88.9%	(81.0%)
Total ACO (6)	31.0%	17.0%	31.0%	31.0%
Net margins				
GMNA	1.4%	3.6%	1.4%	3.9%
GME	(3.9%)	(7.7%)	(3.2%)	(1.0%)
GMLAAM	(8.0%)	(1.1%)	(1.4%)	0.5%
GMAP	2.4%	(10.7%)	1.8%	(6.5%)
Total GMA	0.2%	1.1%	0.5%	2.7%
Hughes (3) (4)	(5.7%)	(3.4%)	(6.3%)	(3.5%)
Total ACO	(0.5%)	0.5%	(0.2%)	2.1%
GMAC	6.6%	6.6%	6.9%	6.8%
Consolidated net income	0.6%	1.4%	0.8%	2.7%

See footnotes on page 14.

- 12 -

General Motors Corporation
Operating Statistics

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

	Fourth Quarter		Year to Date	
	2001	2000	2001	2000
(units in thousands)				
Worldwide Wholesale Sales				
United States - Cars	501	597	2,054	2,514
United States - Trucks	644	611	2,433	2,517
	-----	-----	-----	-----
Total United States	1,145	1,208	4,487	5,031
Canada, Mexico, and Other	167	174	649	744
	-----	-----	-----	-----
Total GMNA	1,312	1,382	5,136	5,775
GME	401	445	1,760	1,879
GMLAAM	166	164	666	634
GMAP	100	113	460	458
	-----	-----	-----	-----
Total Worldwide	1,979	2,104	8,022	8,746
	=====	=====	=====	=====
Vehicle Unit Deliveries				
Chevrolet - Cars	193	185	830	891
Chevrolet - Trucks	539	383	1,860	1,725
Pontiac	115	127	533	613
GMC	163	117	555	529
Buick	105	83	406	405
Oldsmobile	44	65	234	289
Saturn	61	55	261	272
Cadillac	47	41	172	189
Other	14	11	53	40
	-----	-----	-----	-----
Total United States	1,281	1,067	4,904	4,953
Canada, Mexico, and Other	172	167	686	707
	-----	-----	-----	-----
Total GMNA	1,453	1,234	5,590	5,660
GME	383	396	1,801	1,856
GMLAAM	166	164	663	605
GMAP	124	128	506	476
	-----	-----	-----	-----
Total Worldwide	2,126	1,922	8,560	8,597
	=====	=====	=====	=====
Market Share				
United States - Cars	25.8%	27.8%	26.9%	28.6%
United States - Trucks	31.4%	26.9%	29.2%	27.0%
Total United States	28.9%	27.3%	28.1%	27.8%
Total North America	28.1%	26.9%	27.6%	27.5%
Total Europe	8.7%	9.0%	9.2%	9.2%
Latin America (5)	23.4%	20.9%	22.4%	20.5%
Asia and Pacific	4.0%	4.1%	3.9%	3.7%
Total Worldwide	15.7%	14.7%	15.1%	15.0%
U.S. Retail/Fleet Mix				
% Fleet Sales - Cars	14.8%	26.5%	25.7%	27.3%
% Fleet Sales - Trucks	7.5%	12.4%	12.1%	14.8%
Total Vehicles	10.4%	19.3%	18.4%	21.2%
Retail Lease as % of Retail Sales				
Total Smartlease and Smartbuy	4.3%	14.0%	11.9%	21.8%
Days Supply of Inventory				

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

at December 31
 United States - Cars 93 109
 United States - Trucks 75 127

Capacity Utilization

U.S. and Canada
 (2 shift rated) 81.7% 86.8% 79.0% 89.4%
 GMNA Net Price (1.5%) (1.7%) (1.3%) (0.7%)

See footnotes on page 14.

- 13 -

General Motors Corporation
 Operating Statistics

	Fourth Quarter		Year to Date	
	2001	2000	2001	2000
	----	----	----	----
GMAC's U.S. Cost of Borrowing	4.76%	6.81%	5.51%	6.64%
Current Debt Spreads Over U.S. Treasuries				
2 Year	195 bp	125 bp		
5 Year	215 bp	200 bp		
10 Year	225 bp	235 bp		
Worldwide Employment at Dec. 31, Excluding Contract (in 000's)				
United States Hourly	126	133		
United States Salary	42	44		
	---	---		
Total United States	168	177		
Canada, Mexico, and Other	34	35		
	---	---		
GMNA	202	212		
GME	73	89		
GMLAAM	23	24		
GMAP	11	11		
Hughes	12	11		
GMAC	28	29		
Other	13	12		
	---	---		
Total	362	388		
	===	===		
Worldwide Payrolls (\$Bil's)	\$4.8	\$5.1	\$19.8	\$21.6

Footnotes:

- (1) Adjusted amounts represent the reported amounts less the effects of special items. Special items for year to date 2001 and 2000 are detailed on pages 6-7 and 8, respectively. Special items for fourth quarter 2000 are detailed on page 9. There are no special items in the fourth quarter of 2001. The 2001 amounts include the \$97 million

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

pre-tax and after-tax charge (\$0.14 EPS) resulting from the currency devaluation in Argentina (GMLAAM \$53 million; Hughes \$29 million; GMAC \$15 million).

- (2) Represents total cash for Automotive, Communications Services, and Other Operations, excluding Hughes, which includes cash and marketable securities, as well as approximately \$3.0 billion invested in short-term fixed income securities of the Corporation's Voluntary Employees' Beneficiary Association Trust.
- (3) Excludes the effects of purchase accounting adjustments related to General Motors' acquisition of Hughes in 1985.
- (4) Excludes Hughes Series A Preferred Stock dividends payable to General Motors.
- (5) Latin America excludes the Middle East and Africa.
- (6) Excludes the effect of the currency devaluation in Argentina in 2001 and Hughes' disposal of DirecTV Japan in 2000.

- 14 -

CONSOLIDATED STATEMENTS OF INCOME

Three Months Ended December 31,

2001 2000

(dollars in millions except per share amounts)

GENERAL MOTORS CORPORATION AND SUBSIDIARIES

Total net sales and revenues	\$45,950	\$46,341
	-----	-----
Cost of sales and other expenses	37,293	36,776
Selling, general, and administrative expenses	6,131	6,648
Interest expense	2,152	2,486
	-----	-----
Total costs and expenses	45,576	45,910
	-----	-----
Income before income taxes and minority interests	374	431
Income tax expense	180	245
Equity income (loss) and minority interests	61	(97)
	-----	-----
Net income	255	89
Dividends on preference stocks	(23)	(27)
	-----	-----
Earnings attributable to common stocks	\$232	\$62
	====	==
Basic earnings (losses) per share attributable to common stocks		
Earnings per share attributable to \$1-2/3 par value	\$0.61	\$(1.14)
	====	====
Earnings per share attributable to Class H	\$(0.12)	\$0.80

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

	====	====
Earnings (losses) per share attributable to common stocks assuming dilution		
Earnings per share attributable to \$1-2/3 par value	\$0.60	\$(1.16)
	====	====
Earnings per share attributable to Class H	\$ (0.12)	\$0.76
	====	====

- 15 -

CONSOLIDATED STATEMENTS OF INCOME - continued

	Three Months Ended December 31,	
	2001	2000
	----	----
	(dollars in millions)	
AUTOMOTIVE, COMMUNICATIONS SERVICES, AND OTHER OPERATIONS		
Total net sales and revenues	\$39,299	\$39,960
	-----	-----
Cost of sales and other expenses	35,083	34,895
Selling, general, and administrative expenses	4,206	4,942
	-----	-----
Total costs and expenses	39,289	39,837
	-----	-----
Interest expense	222	167
Net expense from transactions with Financing and Insurance Operations	120	174
	---	---
Loss before income taxes and minority interests	(332)	(218)
Income tax expense (benefit)	(76)	10
Equity income (loss) and minority interests	71	(92)

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

	----	----
Net loss - Automotive, Communications Services, and Other Operations	\$ (185) ===	\$ (320) ===
FINANCING AND INSURANCE OPERATIONS		
Total revenues	\$6,651 -----	\$6,381 -----
Interest expense	1,930	2,319
Depreciation and amortization expense	1,428	1,502
Operating and other expenses	1,885	1,658
Provisions for financing and insurance losses	822	427
Total costs and expenses	6,065 -----	5,906 -----
Net income from transactions with Automotive, Communications Services, and Other Operations	(120) -----	(174) -----
Income before income taxes and minority interests	706	649
Income tax expense	256	235
Equity income (loss) and minority interests	(10) -----	(5) -----
Net income - Financing and Insurance Operations	\$440 ===	\$409 ===

- 16 -

CONSOLIDATED STATEMENTS OF INCOME - continued

Years Ended December 31,

2001	2000	1999
-----	-----	-----
----	----	----

(dollars in millions except per share amounts)

GENERAL MOTORS CORPORATION AND SUBSIDIARIES

Total net sales and revenues	\$177,260	\$184,632	\$176,558
Cost of sales and other expenses	143,850	145,664	140,708
Selling, general, and administrative expenses	23,302	22,252	19,053
Interest expense	8,590	9,552	7,750
Total costs and expenses	175,742 -----	177,468 -----	167,511 -----
Income before income taxes and			

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

minority interests	1,518	7,164	9,047
Income tax expense	768	2,393	3,118
Equity income (loss) and minority interests	(149)	(319)	(353)
	-----	-----	-----
Income from continuing operations	601	4,452	5,576
Income from discontinued operations	-	-	426
	-----	-----	-----
Net income	601	4,452	6,002
Dividends on preference stocks	(99)	(110)	(80)
	----	----	----
Earnings attributable to common stocks	\$502	\$4,342	\$5,922
	====	=====	=====
Basic earnings (losses) per share attributable to common stocks \$1-2/3 par value			
Continuing operations	\$1.78	\$6.80	\$8.70
Discontinued operations	-	-	0.66
	----	----	----
Earnings per share attributable to \$1-2/3 par value	\$1.78	\$6.80	\$9.36
	====	=====	=====
Earnings per share attributable to Class H	\$ (0.55)	\$ 0.56	\$ (0.26)
	====	=====	=====
Earnings (losses) per share attributable to common stocks assuming dilution \$1-2/3 par value			
Continuing operations	\$1.77	\$6.68	\$8.53
Discontinued operations	-	-	0.65
	----	----	----
Earnings per share attributable to \$1-2/3 par value	\$1.77	\$6.68	\$9.18
	====	=====	=====
Earnings per share attributable to Class H	\$ (0.55)	\$ 0.55	\$ (0.26)
	====	=====	=====

- 17 -

CONSOLIDATED STATEMENTS OF INCOME - concluded

Years Ended December 31,		
2001	2000	1999
----	----	----
(dollars in millions)		

AUTOMOTIVE, COMMUNICATIONS SERVICES, AND OTHER OPERATIONS

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

Total net sales and revenues	\$151,491	\$160,627	\$156,107
	-----	-----	-----
Cost of sales and other expenses	135,620	138,303	134,111
Selling, general, and administrative expenses	16,043	16,246	14,324
	-----	-----	-----
Total costs and expenses	151,663	154,549	148,435
	-----	-----	-----
Interest expense	751	815	828
Net expense from transactions with Financing and Insurance Operations	435	682	308
	-----	-----	-----
Income (loss) from continuing operations before income taxes and minority interests	(1,358)	4,581	6,536
Income tax (benefit) expense	(270)	1,443	2,167
Equity income (loss) and minority interests	(79)	(299)	(327)
	-----	-----	-----
Income (loss) from continuing operations	(1,167)	2,839	4,042
Income from discontinued operations	-	-	426
	-----	-----	-----
Net income (loss) - Automotive, Communications Services, and Other Operations	\$ (1,167)	\$2,839	\$4,468
	=====	=====	=====

Years Ended December 31,

2001	2000	1999
----	----	----

(dollars in millions)

FINANCING AND INSURANCE OPERATIONS

Total revenues	\$25,769	\$24,005	\$20,451
	-----	-----	-----
Interest expense	7,839	8,737	6,922
Depreciation and amortization expense	5,857	5,982	5,445
Operating and other expenses	7,105	5,805	4,595
Provisions for financing and insurance losses	2,527	1,580	1,286
	-----	-----	-----
Total costs and expenses	23,328	22,104	18,248
	-----	-----	-----
Net income from transactions with Automotive, Communications Services, and Other Operations	(435)	(682)	(308)
	-----	-----	-----
Income before income taxes and minority interests	2,876	2,583	2,511
Income tax expense	1,038	950	951
Equity income (loss) and minority interests	(70)	(20)	(26)
	-----	-----	-----
Net income - Financing and Insurance Operations	\$1,768	\$1,613	\$1,534
	=====	=====	=====

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

- 18 -

CONSOLIDATED BALANCE SHEETS

GENERAL MOTORS CORPORATION AND SUBSIDIARIES	December 31,	
	2001	2000
	----	----
ASSETS		
(dollars in millions)		
Automotive, Communications Services, and Other Operations		
Cash and cash equivalents	\$8,432	\$9,119
Marketable securities	790	1,161
	-----	-----
Total cash and marketable securities	9,222	10,280
Accounts and notes receivable (less allowances)	5,406	5,835
Inventories (less allowances)	10,034	10,945
Equipment on operating leases (less accumulated depreciation)	4,524	5,699
Deferred income taxes and other current assets	7,877	8,388
	-----	-----
Total current assets	37,063	41,147
Equity in net assets of nonconsolidated associates	4,950	3,497
Property - net	34,908	33,977
Intangible assets - net	13,721	7,622
Deferred income taxes	22,294	14,870
Other assets	17,274	32,243
	-----	-----
Total Automotive, Communications Services, and Other Operations assets	130,210	133,356
Financing and Insurance Operations		
Cash and cash equivalents	10,123	1,165
Investments in securities	10,669	9,595
Finance receivables - net	99,813	92,415
Investment in leases and other receivables	34,618	36,752
Other assets	36,979	27,846
Net receivable from Automotive, Communications Services, and Other Operations	1,557	1,971
	-----	-----
Total Financing and Insurance Operations assets	193,759	169,744
	-----	-----
Total assets	\$323,969	\$303,100
	=====	=====

LIABILITIES AND STOCKHOLDERS' EQUITY

Automotive, Communications Services, and Other Operations		
Accounts payable (principally trade)	\$18,297	\$18,309
Loans payable	2,402	2,208
Accrued expenses	34,090	33,252
Net payable to Financing and Insurance Operations	1,557	1,971
	-----	-----
Total current liabilities	56,346	55,740
Long-term debt	10,726	7,410
Postretirement benefits other than pensions	34,515	34,306
Pensions	10,790	3,480

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

Other liabilities and deferred income taxes	13,794	15,768
	-----	-----
Total Automotive, Communications Services, and Other Operations liabilities	126,171	116,704
Financing and Insurance Operations		
Accounts payable	7,900	7,416
Debt	153,186	135,037
Other liabilities and deferred income taxes	16,259	12,922
	-----	-----
Total Financing and Insurance Operations liabilities	177,345	155,375
Minority interests	746	707
General Motors - obligated mandatorily redeemable preferred securities of subsidiary trusts holding solely junior subordinated debentures of General Motors		
Series G	-	139
Stockholders' equity		
\$1-2/3 par value common stock (issued, 559,044,427 and 548,181,757 shares)	932	914
Class H common stock (issued, 877,505,382 and 875,286,559 shares)	88	88
Capital surplus (principally additional paid-in capital)	21,519	21,020
Retained earnings	9,463	10,119
	-----	-----
Subtotal	32,002	32,141
Accumulated foreign currency translation adjustments	(2,919)	(2,502)
Net unrealized loss on derivatives	(307)	-
Net unrealized gains on securities	512	581
Minimum pension liability adjustment	(9,581)	(45)
	-----	-----
Accumulated other comprehensive loss	(12,295)	(1,966)
	-----	-----
Total stockholders' equity	19,707	30,175
	-----	-----
Total liabilities and stockholders' equity	\$323,969	\$303,100
	=====	=====

- 19 -

CONSOLIDATED STATEMENTS OF CASH FLOWS

				For The Years Ended December	
				2001	2000
				Automotive, Comm.Serv., and Other	Financing and Insurance
				-----	-----
				Automotive, Comm.Serv., and Other	Financing and Insurance
				-----	-----
				(dollars in millions)	
Cash flows from operating activities					
Income (loss) from continuing					

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

operations	(1,167)	1,768	\$2,839	\$1,613
Adjustments to reconcile income (loss) from continuing operations to net cash provided by operating activities				
Depreciation and amortization expenses	7,051	5,857	7,429	5,982
Postretirement benefits other than pensions, net of payments and VEBA contributions	1,861	20	772	27
Pension expense, net of contributions	148	-	128	-
Originations and purchases of mortgage loans	-	(109,513)	-	(51,202)
Proceeds on sales of mortgage loans	-	105,085	-	51,444
Originations and purchases of mortgage securities	-	(3,298)	-	(1,571)
Proceeds on sales of mortgage securities	-	2,875	-	994
Change in other investments and miscellaneous assets	959	(1,018)	1,154	(1,692)
Change in other operating assets and liabilities	(2,056)	850	724	2,505
Other	(897)	394	(2,175)	779
	-----	-----	-----	-----
Net cash provided by operating activities	\$5,899	\$3,020	\$10,871	\$8,879
	-----	-----	-----	-----
Cash flows from investing activities				
Expenditures for property	(8,611)	(20)	(9,200)	(522)
Investments in marketable securities - acquisitions	(857)	(34,198)	(2,520)	(24,599)
Investments in marketable securities - liquidations	1,228	33,124	3,057	24,114
Mortgage servicing rights - acquisitions	-	(1,986)	-	(1,096)
Mortgage servicing rights - liquidations	-	28	-	12
Finance receivables - acquisitions	-	(236,723)	-	(214,666)
Finance receivables - liquidations	-	131,447	-	143,242
Proceeds from sales of finance receivables	-	96,029	-	58,369
Operating leases - acquisitions	(5,214)	(12,826)	(6,709)	(15,174)
Operating leases - liquidations	5,943	11,780	6,149	9,844
Investments in companies, net of cash acquired	(743)	(542)	(4,302)	(2,077)
Net investing activity with Financing and Insurance Operations	(514)	-	(1,069)	-
Other	176	(459)	3,281	93
Net cash used in investing activities	(8,592)	(14,346)	(11,313)	(22,460)
	-----	-----	-----	-----
Cash flows from financing activities				
Net increase (decrease) in loans payable	194	(20,238)	142	7,723
Long-term debt - borrowings	5,849	58,498	5,279	22,414
Long-term debt - repayments	(2,602)	(18,882)	(6,196)	(16,196)
Net financing activity with Automotive, Communications Services, and Other Operations	-	514	-	1,069
Repurchases of common and preference stocks	(264)	-	(1,613)	-
Proceeds from issuing common stocks	100	-	2,792	-
Proceeds from sales of treasury stocks	418	-	-	-
Cash dividends paid to stockholders	(1,201)	-	(1,294)	-
	-----	-----	-----	-----
Net cash provided by (used in)				

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

financing activities	2,494	19,892	(890)	15,010
	-----	-----	----	-----
Effect of exchange rate changes on cash and cash equivalents	(74)	(22)	(249)	(6)
Net transactions with Automotive/ Financing Operations	(414)	414	970	(970)
	---	---	---	---
Net cash (used in) provided by continuing operations	(687)	8,958	(611)	453
Net cash provided by discontinued operations	-	-	-	-
	---	-----	---	---
Net (decrease) increase in cash and cash equivalents	(687)	8,958	(611)	453
Cash and cash equivalents at beginning of the year	9,119	1,165	9,730	712
	-----	-----	-----	---
Cash and cash equivalents at end of the year	\$8,432	\$10,123	\$9,119	\$1,165
	=====	=====	=====	=====

- 20 -

Hughes Reports Fourth Quarter 2001 Financial Results

Strong DIRECTV U.S. Subscriber Growth Beats Expectations

El Segundo, Calif., January 15, 2002 -- Hughes Electronics Corporation, the world's leading provider of digital television entertainment, broadband services, satellite-based private business networks, and global video and data broadcasting, today reported fourth quarter 2001 revenues increased 10.8% to \$2,280.6 million, compared with \$2,059.0 million in the fourth quarter of 2000. EBITDA(1) for the quarter was \$118.2 million and EBITDA margin(1) was 5.2%, compared with the fourth quarter of 2000 EBITDA of \$153.8 million and EBITDA margin of 7.5%.

"I am pleased to report that in the fourth quarter we met or exceeded all of our key financial commitments while making excellent progress toward our goal of improving operational performance," said Jack A. Shaw, HUGHES' president and chief executive officer. "Our DIRECTV U.S. business substantially exceeded expectations by adding 405,000 net new subscribers in the quarter. Additionally, we had solid revenue growth in the quarter driven by continued strong demand for DIRECTV(R) services in both the United States and Latin America, as well as increased sales of DIRECTV receivers and DIRECWAY systems at Hughes Network Systems."

Shaw continued, "EBITDA increased in each of our key businesses driven by operational improvements including aggressive cost reductions, a reduced workforce and lower customer churn at our DIRECTV businesses. These improvements were partially offset by the losses from our new DIRECTV DSL(TM) service, which were not included in our 2000 results, and a \$29 million charge at DIRECTV Latin America due to the devaluation of the Argentinean peso." Also impacting the EBITDA change were one-time favorable adjustments in the fourth quarter of 2000 for corporate expenditures primarily related to pension and other employee costs.

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

HUGHES had a fourth quarter 2001 net loss of \$132.6 million compared to net income of \$1,057.8 million in the same period of 2000. The change was primarily due to the gain on the sale of HUGHES' satellite manufacturing businesses in the fourth quarter of 2000, increased net interest expense, and the lower EBITDA. These reductions were partially offset by a \$42 million tax benefit resulting from losses previously booked on HUGHES' investment in Motient Corporation.

FULL-YEAR FINANCIAL REVIEW

For 2001, revenues increased 13.4% to \$8,262.0 million, compared to \$7,287.6 million for the same period in 2000. This increase was primarily due to continued subscriber growth at DIRECTV in the United States and Latin America, partially offset by fewer sales and sales-type leases at PanAmSat and lower shipments of DIRECTV receiver systems at Hughes Network Systems.

- 21 -

EBITDA for 2001 was \$389.9 million and EBITDA margin was 4.7%, compared to EBITDA of \$594.0 million and EBITDA margin of 8.2% in 2000. The decrease in EBITDA and EBITDA margin was primarily attributable to the higher outright sales and sales-type leases of satellite transponders at PanAmSat in 2000, increased investment in HNS' consumer DIRECWAY business, losses from the new DIRECTV DSL service, as well as one-time severance charges recorded in the third quarter of 2001. These items were partially offset by improved DIRECTV operating performance due to the higher gross profit resulting from the larger subscriber bases in the United States and Latin America, and lower corporate expenses.

For 2001, net losses totaled \$621.6 million compared to net income of \$813.0 million in 2000. The change was primarily due to the sale of HUGHES' satellite manufacturing businesses in 2000, the lower EBITDA and an increase in depreciation and amortization expense in the Direct-To-Home Broadcast segment and at PanAmSat.

Segment Financial Review: Fourth Quarter 2001

Direct-To-Home Broadcast

Fourth quarter 2001 revenues for the segment increased 12.7% to \$1,714.2 million from \$1,520.5 million in the fourth quarter of 2000. The segment had negative EBITDA of \$5.3 million compared with EBITDA of \$16.4 million in the fourth quarter of 2000.

United States: As reported last week, DIRECTV added 910,000 gross subscribers in the quarter and after accounting for churn, substantially exceeded expectations by adding 405,000 net subscribers in the quarter. As a result, DIRECTV had 10.7 million subscribers as of December 31, 2001, representing a 13% increase over the 9.5 million customers attained as of December 31, 2000.

DIRECTV reported quarterly revenues of \$1,518 million, an increase of 12% from last year's fourth quarter revenues of \$1,351 million. The increase was primarily due to continued subscriber growth.

EBITDA for the fourth quarter of 2001 was \$63 million compared to EBITDA of \$59 million in last year's fourth quarter. This increase was due to the additional gross profit gained from DIRECTV's larger subscriber base, mostly

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

offset by increased investments in its customer service and installation network.

DIRECTV DSL: The DIRECTV DSL service was created following HUGHES' April 2001 acquisition of Telocity. As a result, no comparative financial data for DIRECTV DSL is included for 2000.

The DIRECTV DSL service had fourth quarter 2001 revenues of \$11 million and negative EBITDA of \$32 million. Approximately 17,500 net customers were added to the DIRECTV DSL service in the quarter. As of December 31, 2001, DIRECTV DSL had about 91,000 residential broadband customers in the United States compared to about 48,000 customers as of December 31, 2000.

Latin America: The DIRECTV service in Latin America added 113,000 net subscribers in the fourth quarter of 2001. The total number of DIRECTV subscribers in Latin America as of December 31, 2001, was approximately 1,610,000 compared to about 1,305,000 as of December 31, 2000, representing an increase of approximately 23%.

DIRECTV Latin America generated \$186 million in revenues for the quarter compared with \$169 million in the fourth quarter of 2000. This 10% increase was primarily due to continued subscriber growth and the impact from the financial consolidation of the Argentinean and Colombian local operating companies following their acquisition in the first half of 2001.

- 22 -

Excluding a \$29 million charge for the recent devaluation of the Argentinean peso, DIRECTV Latin America had negative EBITDA of \$7 million in the quarter compared to negative EBITDA of \$43 million in the same period of 2000. The improvement was primarily due to the increased gross profit generated from the larger subscriber base, aggressive costs reductions and reduced marketing costs. These improvements were partially offset by losses related to the consolidation of the Argentinean and Colombian local operating companies.

Satellite Services

PanAmSat, which is 81%-owned by HUGHES, generated fourth quarter 2001 revenues of \$203.7 million compared with \$202.9 million in the prior year's period. EBITDA for the quarter was \$139.3 million and EBITDA margin was 68.4%, compared with fourth quarter 2000 EBITDA of \$136.1 million and EBITDA margin of 67.1%. The increase in EBITDA and EBITDA margin was principally due to recently implemented cost reduction programs.

As of December 31, 2001, PanAmSat had contracts for satellite services representing future payments (backlog) of over \$5.8 billion compared to approximately \$6.0 billion at the end of the fourth quarter of 2000.

Network Systems

Hughes Network Systems (HNS) generated fourth quarter 2001 revenues of \$435.7 million versus \$389.5 million in the fourth quarter of 2000. The 11.9% increase resulted from increased shipments of DIRECTV receiver systems and higher sales of DIRECWAY(R) systems to both enterprises and consumers. HNS added approximately 14,000 net DIRECWAY residential broadband customers in the quarter, bringing the cumulative total to approximately 101,000 subscribers in North America. Additionally, HNS shipped 814,000 DIRECTV receiver systems in the fourth quarter of 2001 compared to 680,000 units in the same period last year.

In the quarter, HNS reported negative EBITDA of \$14.1 million compared to

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

negative EBITDA of \$34.3 million in the fourth quarter of 2000. The improvement in EBITDA is primarily attributable to higher operating margins on the increased DIRECTV receiver shipments, partially offset by increased investment in the DIRECWAY and SPACEWAY broadband businesses.

BALANCE SHEET

From December 31, 2000 to December 31, 2001, the company's consolidated cash balance decreased \$808.0 million to \$700.1 million and total debt increased \$1,330.7 million to \$2,647.3 million. The major uses of cash were for satellite and capital expenditures, a settlement with the Raytheon Company on a purchase price adjustment related to Raytheon's 1997 merger with Hughes Defense, and the purchase of Telocity.

Hughes Electronics Corporation is a unit of General Motors Corporation. The earnings of Hughes Electronics are used to calculate the earnings attributable to the General Motors Class H common stock (NYSE:GMH).

A live webcast of HUGHES' fourth quarter 2001 earnings call will be available on the company's website at www.hughes.com. The call will begin at 2:00 p.m. ET, today. The dial in number for the call is (913) 981-5537. The webcast will be archived on the Investor Relations portion of the HUGHES website and a replay will be available (dial in number: 888-203-1112, code: 671802) beginning on Friday, January 18.

- 23 -

HUGHES FINANCIAL GUIDANCE

	First Quarter 2002	Prior Full Year 2002	Revised Full Year 2002

HUGHES			
Revenues	\$1,950 - 2,000M*	\$9.0 - 9.2B	No Change*
EBITDA	\$100 - 150M*	\$750 - 850M	No Change*
Cash Requirements	N/A	\$1.5 - 1.7B	No Change*

DIRECTV U.S.			
Revenue	~\$1,425M	\$6.0 - 6.2B	No Change
EBITDA	\$80 - 100M	\$525 - 575M	No Change
Net Subscriber Adds	200 - 250K	1.0 - 1.2M	No Change

DIRECTV DSL			
Revenue	N/A	~\$75M	No Change
EBITDA	~\$(30)M	~\$(100)M	No Change

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

Net Subscriber Adds	N/A	~100K	No Change

DIRECTV Latin America			

Revenue	~\$190M*	\$925 - 975M	No Change*

EBITDA	~\$(20)M*	Break-even	No Change*

Net Subscriber Adds	~40K*	~250K	No Change*

Hughes Network Systems			

Revenue	\$225 - 250M	\$1.3 - 1.4B	No Change

EBITDA	\$(30) - (40)M	\$(50) - (75)M	No Change

DIRECWAY Net Sub Adds	N/A	100 - 200K	No Change

PanAmSat			

Revenue	\$200 - 205M	\$790 - 825M	No Change

New Outright Sales and Sales-Type Leases	None	None	No Change

EBITDA Margin	70% or higher	70% or higher	No Change

* Excludes the potential impact from the devaluation of the Argentinean peso.

NOTE: Hughes Electronics Corporation believes that some of the foregoing statements may constitute forward-looking statements. When used in this report, the words "estimate," "plan," "project," "anticipate," "expect," "intend," "outlook," "believe," and other similar expressions are intended to identify such forward-looking statements and information. Important factors that may cause actual results of HUGHES to differ materially from the forward-looking statements in this report are set forth in the Form 10-Ks filed with the SEC by General Motors and HUGHES.

(1) EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is the sum of operating profit (loss) and depreciation and amortization. EBITDA margin is calculated by dividing EBITDA by total revenues.

###

- 24 -

CONSOLIDATED STATEMENTS OF OPERATIONS AND
AVAILABLE SEPARATE CONSOLIDATED NET INCOME (LOSS)
(Dollars in Millions)
(Unaudited)

Three Months Ended December 31,		Year Ended December 31,	
2001	2000	2001	2000

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

Revenues				
Direct broadcast, leasing and other services	\$1,934.6	\$1,738.9	\$7,202.3	\$6,262.2
Product sales	346.0	320.1	1,059.7	1,025.4

Total Revenues	2,280.6	2,059.0	8,262.0	7,287.6

Operating Costs and Expenses				
Broadcast programming and other costs	898.8	776.9	3,254.2	2,812.8
Cost of products sold	309.8	234.5	900.2	815.1
Selling, general and administrative expenses	953.8	893.8	3,717.7	3,065.7
Depreciation and amortization	296.8	275.0	1,147.7	948.1

Total Operating Costs and Expenses	2,459.2	2,180.2	9,019.8	7,641.7

Operating Loss	(178.6)	(121.2)	(757.8)	(354.1)
Interest income	4.5	34.0	56.7	49.3
Interest expense	(61.9)	(49.0)	(195.9)	(218.2)
Other, net	(2.7)	1.8	(92.7)	(292.6)

Loss From Continuing Operations				
Before Income Taxes, Minority				
Interests and Cumulative Effect				
of Accounting Change	(238.7)	(134.4)	(989.7)	(815.6)
Income tax benefit	107.8	51.7	325.6	406.1
Minority interests in net (earnings)				
losses of subsidiaries	(1.7)	22.4	49.9	54.1

Loss from continuing operations				
before cumulative effect of				
accounting change	(132.6)	(60.3)	(614.2)	(355.4)
Income (Loss) from discontinued				
operations, net of taxes	-	(14.2)	-	36.1
Gain on sale of discontinued operations, net of taxes	-	1,132.3	-	1,132.3

Income (Loss) before cumulative				
effect of accounting change	(132.6)	1,057.8	(614.2)	813.0
Cumulative effect of accounting change, net of taxes	-	-	(7.4)	-

Net Income (Loss)	(132.6)	1,057.8	(621.6)	813.0
Adjustment to exclude the effect of GM				
purchase accounting	0.8	1.0	3.3	16.9

Income (Loss) Excluding the Effect of				
GM Purchase Accounting Adjustment	(131.8)	1,058.8	(618.3)	829.9
Preferred stock dividends	(24.1)	(24.1)	(96.4)	(97.0)

Earnings (Loss) Used for Computation				
of Available Separate Consolidated				
Net Income (Loss)	\$ (155.9)	\$1,034.7	\$ (714.7)	\$732.9
=====				

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

Available Separate Consolidated Net Income (Loss)				
Average number of shares of General Motors Class H Common Stock outstanding (in millions)				
(Numerator)	877.3	874.9	876.3	681.2
Average Class H dividend base (in millions)				
(Denominator)	1,300.9	1,298.7	1,300.0	1,297.0
Available Separate Consolidated Net Income (Loss)	\$ (105.1)	\$ 697.1	\$ (481.8)	\$ 384.9

Certain 2000 amounts have been reclassified to conform to the 2001 presentation.

- 25 -

SELECTED SEGMENT DATA
(Dollars in Millions)
(Unaudited)

	Fourth Quarter		Twelve Months Ended December 31,	
	2001	2000	2001	2000

DIRECT-TO-HOME BROADCAST				
Total Revenues	\$ 1,714.2	\$ 1,520.5	\$ 6,304.4	\$ 5,238.0
EBITDA (1)	\$ (5.3)	\$ 16.4	\$ (74.8)	\$ (24.5)
EBITDA Margin (1)	N/A	1.1%	N/A	N/A
Operating Loss	\$ (176.1)	\$ (147.0)	\$ (749.9)	\$ (557.9)
Depreciation and Amortization	\$ 170.8	\$ 163.4	\$ 675.1	\$ 533.4
Capital Expenditures	\$ 211.8	\$ 264.4	\$ 734.3	\$ 913.5

SATELLITE SERVICES				
Total Revenues	\$ 203.7	\$ 202.9	\$ 870.1	\$ 1,023.6
EBITDA (1)	\$ 139.3	\$ 136.1	\$ 580.0	\$ 694.0
EBITDA Margin (1)	68.4%	67.1%	66.7%	67.8%
Operating Profit	\$ 29.3	\$ 37.5	\$ 165.3	\$ 356.6
Operating Profit Margin	14.4%	18.5%	19.0%	34.8%
Depreciation and Amortization	\$ 110.0	\$ 98.6	\$ 414.7	\$ 337.4
Capital Expenditures	\$ 96.5	\$ 131.9	\$ 338.2	\$ 449.5

NETWORK SYSTEMS				
Total Revenues	\$ 435.7	\$ 389.5	\$ 1,325.8	\$ 1,409.8
EBITDA (1)	\$ (14.1)	\$ (34.3)	\$ (111.8)	\$ 0.1
Operating Loss	\$ (27.6)	\$ (48.1)	\$ (171.8)	\$ (63.5)
Depreciation and Amortization	\$ 13.5	\$ 13.8	\$ 60.0	\$ 63.6
Capital Expenditures	\$ 197.4	\$ 128.5	\$ 664.6	\$ 369.5

ELIMINATIONS and OTHER				
Total Revenues	\$ (73.0)	\$ (53.9)	\$ (238.3)	\$ (383.8)
EBITDA (1)	\$ (1.7)	\$ 35.6	\$ (3.5)	\$ (75.6)
Operating Profit (Loss)	\$ (4.2)	\$ 36.4	\$ (1.4)	\$ (89.3)
Depreciation and Amortization	\$ 2.5	\$ (0.8)	\$ (2.1)	\$ 13.7

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

Capital Expenditures	\$ 10.4	\$ (14.1)	\$ 6.4	\$ (16.4)

TOTAL				
Total Revenues	\$2,280.6	\$ 2,059.0	\$ 8,262.0	\$ 7,287.6
EBITDA (1)	\$ 118.2	\$ 153.8	\$ 389.9	\$ 594.0
EBITDA Margin (1)	5.2%	7.5%	4.7%	8.2%
Operating Loss	\$ (178.6)	\$ (121.2)	\$ (757.8)	\$ (354.1)
Depreciation and Amortization	\$ 296.8	\$ 275.0	\$ 1,147.7	\$ 948.1
Capital Expenditures	\$ 516.1	\$ 510.7	\$ 1,743.5	\$ 1,716.1
=====				

(1) EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is the sum of operating profit (loss) and depreciation and amortization. EBITDA margin is calculated by dividing EBITDA by total revenues.

- 26 -

CONSOLIDATED BALANCE SHEETS

(Dollars in Millions)

	December 31, 2001 (Unaudited)	December 31, 2000

ASSETS		
Current Assets		
Cash and cash equivalents	\$700.1	\$1,508.1
Accounts and notes receivable	1,090.5	1,253.0
Contracts in process	153.1	186.0
Inventories	360.1	338.0
Deferred income taxes	118.9	89.9
Prepaid expenses and other	918.4	778.7

Total Current Assets	3,341.1	4,153.7
Satellites, net	4,806.6	4,230.0
Property, net	2,197.8	1,707.8
Net Investment in Sales-type Leases	227.0	221.1
Intangible Assets, net	7,156.8	7,151.3
Investments and Other Assets	1,480.8	1,815.4

Total Assets	\$19,210.1	\$19,279.3
=====		

LIABILITIES AND STOCKHOLDER'S EQUITY

Current Liabilities		
Accounts payable	\$1,227.5	\$1,224.2
Deferred revenues	178.5	137.6
Short-term borrowings and current portion of long-term debt	1,658.5	24.6
Accrued liabilities and other	1,342.0	1,304.5

Total Current Liabilities	4,406.5	2,690.9
Long-Term Debt	988.8	1,292.0
Other Liabilities and Deferred Credits	1,465.1	1,647.3

Edgar Filing: GENERAL MOTORS CORP - Form 8-K

Deferred Income Taxes	746.5	769.3
Commitments and Contingencies		
Minority Interests	531.3	553.7
Stockholder's Equity	11,071.9	12,326.1

Total Liabilities and Stockholder's Equity	\$19,210.1	\$19,279.3
=====		

 Holders of GM Class H common stock have no direct rights in the equity or assets of Hughes, but rather have rights in the equity and assets of General Motors (which includes 100% of the stock of Hughes).

- 27 -

SIGNATURE

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 16, 2002

By
 s/Peter R. Bible

 (Peter R. Bible,
 Chief Accounting Officer)

- 28 -