



GENERAL MOTORS

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GM Delivered Nearly 700,000 Vehicles and Record Average Transaction Prices in the Third Quarter

Sharply lower incentives and healthy inventory levels
Double-digit growth in large SUVs
Best third quarter for midsize pickup sales since 2004
Strong commercial sales growth continues

DETROIT — General Motors Co. (NYSE: GM) dealers delivered 694,638 vehicles in the third quarter of 2018 in the United States, with average transaction prices (ATPs) rising about \$700 per unit year over year to a new third quarter record of \$35,974.

The driving forces behind GM's record ATPs – which are \$4,000 above the industry average – include strong sales of trucks, SUVs and crossovers, and sharply lower incentive spending. During the third quarter, GM's incentive spending was below the industry average and 2 – 6 percentage points below domestic and many Asian competitors.

“We entered the quarter with very lean inventories of our 2018 model full-size pickups, so we focused on driving a very strong mix of SUVs, crossovers and mid-size pickups,” said Kurt McNeil, U.S. vice president of Sales Operations. “We also transitioned to the 2019 model year far earlier than some key competitors, which allowed us to reduce incentives while others raised them sharply.”

Sales declined 11 percent year over year, with the impact of hurricanes sharply increasing industry and GM sales a year ago and depressing them somewhat this year. The third quarter light vehicle SAAR was 17.2 million units in 2017 and 16.9 million in 2018.

“The U.S. economy and auto industry remain strong,” added GM Chief Economist Elaine Buckberg. “A new United States-Mexico-Canada trade agreement will reduce uncertainty for the auto industry and all three countries. Consumer confidence is high and rising, thanks to the robust job market, faster wage growth and the boost to take-home pay from tax reform. We believe 2018 will be the fourth year in a row with total industry sales above 17 million units.”

“Our brands are very well-positioned for the fourth quarter when our next wave of new products start shipping in high volume,” McNeil added.

Key new product launches are all on track: Dealers began receiving their first shipments of light duty 2019 Chevrolet Silverados and GMC Sierras in September. During the month, Cadillac dealers also began delivering the first-ever XT4 compact crossover. Late in the fourth quarter, Chevrolet will begin production of the all-new Blazer crossover.

Third Quarter Sales Highlights (vs. 2017)

- Combined sales of the Chevrolet Tahoe and Suburban and the GMC Yukon full-size SUVs were up 12 percent. The Cadillac Escalade was up 2 percent.
- GM’s mid-size pickups, the Chevrolet Colorado and GMC Canyon, were up a combined 6 percent. It was the best third quarter for GM midsize pickup sales since 2004, driven by the Chevrolet Colorado, which posted its best-ever third quarter sales.
- The newest crossovers from Chevrolet, Buick and GMC, the Traverse, Enclave and Terrain, were up 3 percent, 7 percent, and 14 percent, respectively.
- Several passenger car lines posted higher sales, including the Chevrolet Sonic, Spark and Volt, the Cadillac CTS and XTS and the Buick Regal and Cascada.
- GM’s commercial deliveries, which grew at an average annual rate of 7 percent from 2012-2017, have been strong all year. Deliveries were up 8 percent in the third quarter and up 12 percent calendar year to date.
- At the end of the quarter, about one-third of GM sales were 2019 models.

Strong Operating Discipline

- GM’s incentive spending during the third quarter was 12.0 percent of ATP, according to J.D. Power PIN estimates, below the industry average of 12.1 percent and 2-6 percentage points below domestic and some Asian competitors.
- GM’s third quarter incentive spending was sharply lower than the company’s first half average, which was 13.6 percent. Spending was down 1.6 percentage points year over year in the quarter.
- GM’s fleet deliveries, up 5 percent year over year, were about 21 percent of total sales during the quarter. More than half of sales were to Commercial and government customers.
- Rental deliveries are on track to be about 10 percent of total sales for the calendar year, equal to 2017 among the industry leaders.
- Inventories are at healthy levels, down about 22,000 units year over year at the end of the quarter.

General Motors Co. (NYSE: GM) is a global company committed to delivering safer, better and more sustainable ways for people to get around. General Motors, its subsidiaries and its joint venture entities sell vehicles under

the [Chevrolet](#), [Buick](#), [GMC](#), [Cadillac](#), [Holden](#), [Baojun](#), [Wuling](#) and [Jiefang](#) brands. More information on the company and its subsidiaries, including [OnStar](#), a global leader in vehicle safety and security services, and [Maven](#), its personal mobility brand, can be found at <http://www.gm.com>.

Forward-Looking Statements

This press release and related comments by management may include forward-looking statements. These statements are based on current expectations about possible future events and thus are inherently uncertain. Our actual results may differ materially from forward-looking statements due to a variety of factors, including: (1) our ability to deliver new products, services and experiences that attract new, and are desired by existing, customers and to effectively compete in autonomous, ride-sharing and transportation as a service; (2) sales of crossovers, SUVs and full-size pick-up trucks; (3) our ability to reduce the costs associated with the manufacture and sale of electric vehicles; (4) the volatility of global sales and operations; (5) our significant business in China which subjects us to unique operational, competitive and regulatory risks; (6) our joint ventures, which we cannot operate solely for our benefit and over which we may have limited control; (7) changes in government leadership and laws (including tax laws), economic tensions between governments and changes in international trade policies, new barriers to entry and changes to or withdrawals from free trade agreements, changes in foreign exchange rates, economic downturns in foreign countries, differing local product preferences and product requirements, compliance with U.S. and foreign countries' export controls and economic sanctions, differing labor regulations and difficulties in obtaining financing in foreign countries; (8) our dependence on our manufacturing facilities; (9) the ability of suppliers to deliver parts, systems and components without disruption and on schedule; (10) prices of raw materials; (11) our highly competitive industry; (12) the possibility that competitors may independently develop products and services similar to ours despite our intellectual property rights; (13) security breaches and other disruptions to our vehicles, information technology networks and systems; (14) compliance with laws and regulations applicable to our industry, including those regarding fuel economy and emissions; (15) costs and risks associated with litigation and government investigations; (16) the cost and effect on our reputation of product safety recalls and alleged defects in products and services; (17) our ability to successfully and cost-efficiently restructure operations in various countries, including Korea, with minimal disruption to our supply chain and operations, globally; (18) our ability to realize production efficiencies and to achieve reductions in costs; (19) our ability to develop captive financing capability through GM Financial; and (20) significant increases in pension expense or projected pension contributions. A further list and description of these risks, uncertainties and other factors can be found in our Annual Report on Form 10-K for the fiscal year ended December 31, 2017, and our subsequent filings with the Securities and Exchange Commission. GM cautions readers not to place undue reliance on forward-looking statements. GM undertakes no obligation to update publicly or otherwise revise any forward-looking statements.

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