

General Motors Co
Form 10-K
February 15, 2013

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549-1004
Form 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2012

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-34960

GENERAL MOTORS COMPANY

(Exact Name of Registrant as Specified in its Charter)

STATE OF DELAWARE

27-0756180

(State or other jurisdiction of

(I.R.S. Employer

Incorporation or Organization)

Identification No.)

300 Renaissance Center, Detroit, Michigan

48265-3000

(Address of Principal Executive Offices)

(Zip Code)

Registrant's telephone number, including area code

(313) 556-5000

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class

Name of Each Exchange on which Registered

Common Stock

New York Stock Exchange/Toronto Stock Exchange

4.75% Series B Mandatory Convertible Junior Preferred Stock

New York Stock Exchange

Warrants (expiring July 10, 2016)

New York Stock Exchange

Warrants (expiring July 10, 2019)

New York Stock Exchange

Securities registered pursuant to Section 12 (g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its company Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements

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incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "large accelerated filer," "accelerated filer" and "small reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Do not check if smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the voting stock held by non-affiliates of the registrant (assuming only for purposes of this computation that directors and executive officers may be affiliates) was approximately \$30.9 billion on June 30, 2012.

As of February 8, 2013 the number of shares outstanding of common stock was 1,366,443,296 shares.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement related to the Annual Stockholders Meeting to be filed subsequently are incorporated by reference into Part III of this Form 10-K.

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GENERAL MOTORS COMPANY AND SUBSIDIARIES

PART I

General Motors Company was formed in 2009 originally as a Delaware limited liability company, Vehicle Acquisition Holdings LLC, and subsequently converted to a Delaware corporation, NGMCO, Inc. This company, which on July 10, 2009 acquired substantially all of the assets and assumed certain liabilities of General Motors Corporation through a Section 363 sale under Chapter 11 of the U.S. Bankruptcy Code (363 Sale) and changed its name to General Motors Company, is sometimes referred to in this Annual Report on Form 10-K (2012 Form 10-K) for the periods on or subsequent to July 10, 2009 as “we,” “our,” “us,” “ourselves,” the “Company,” “General Motors,” or “GM.” General Motors Corporation is sometimes referred to in this 2012 Form 10-K, for the periods on or before July 9, 2009, as “Old GM,” as it is the predecessor entity solely for accounting and financial reporting purposes. On July 10, 2009 in connection with the 363 Sale, General Motors Corporation changed its name to Motors Liquidation Company, which is sometimes referred to in this 2012 Form 10-K for the periods after July 10, 2009 as “MLC.” On December 15, 2011 MLC was dissolved and the Motors Liquidation Company GUC Trust (GUC Trust) assumed responsibility for the affairs of and certain claims against MLC and its debtor subsidiaries that were not concluded prior to MLC's dissolution. MLC transferred to the GUC Trust all of MLC's remaining undistributed shares of our common stock and warrants to acquire our common stock.

Item 1. Business

We design, build and sell cars, trucks and automobile parts worldwide. We also provide automotive financing services through General Motors Financial Company, Inc. (GM Financial).

Automotive

Our automotive operations meet the demands of our customers through our four automotive segments: GM North America (GMNA), GM Europe (GME), GM International Operations (GMIO) and GM South America (GMSA).

Our total worldwide vehicle sales were 9.3 million, 9.0 million and 8.4 million in the years ended December 31, 2012, 2011 and 2010.

In the year ended December 31, 2010 we completed the sale of Saab Automobile AB and of Saab Automobile GB (collectively Saab) and completed the wind down of our Pontiac, Saturn and HUMMER brands.

GMNA primarily meets the demands of customers in North America with vehicles developed, manufactured and/or marketed under the following brands:

- Buick
- Cadillac
- Chevrolet
- GMC

The demands of customers outside North America are primarily met with vehicles developed, manufactured and/or marketed under the following brands:

- Buick
- Chevrolet
- Holden
- Vauxhall
- Cadillac
- GMC
- Opel

At December 31, 2012 we had equity ownership stakes directly or indirectly in entities through various regional subsidiaries, including GM Korea Company (GM Korea); Shanghai General Motors Co., Ltd. (SGM); SAIC General Motors Sales Co., Ltd. (SGMS); SAIC-GM-Wuling Automobile Co., Ltd. (SGMW); FAW-GM Light Duty Commercial Vehicle Co., Ltd. (FAW-GM); and SAIC GM Investment Limited, the holding company of General Motors India Private Limited and Chevrolet Sales India Private Limited (collectively HKJV). These companies design, manufacture and market vehicles under the following brands:

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- Alpheon
- Baojun
- Buick
- Cadillac
- Chevrolet
- Jiefang
- Wuling

In addition to the products we sell to our dealers for consumer retail sales, we also sell cars and trucks to fleet customers, including daily rental car companies, commercial fleet customers, leasing companies and governments. We sell vehicles to fleet customers directly or through our network of dealers. Our retail and fleet customers can obtain a wide range of aftersale vehicle services and products through our dealer network, such as maintenance, light repairs, collision repairs, vehicle accessories and extended service warranties.

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GENERAL MOTORS COMPANY AND SUBSIDIARIES

Competitive Position

Information in this 2012 Form 10-K relating to our relative position in the global automotive industry is based upon the good faith estimates of management and includes all sales by joint ventures on a total vehicle basis, not based on the percentage of ownership in the joint venture. Market share information in this 2012 Form 10-K is based on vehicle sales volume. Worldwide market share and vehicle sales data excludes the markets of Iran, North Korea, Sudan and Syria.

The global automotive industry is highly competitive. The principal factors that determine consumer vehicle preferences in the markets in which we operate include price, quality, available options, style, safety, reliability, fuel economy and functionality. Market leadership in individual countries in which we compete varies widely.

In the year ended December 31, 2012 our worldwide market share was 11.5%. Our vehicle sales volumes in the year ended December 31, 2012 reflect an intensified competitive environment in the U.S., including aggressive competitor pricing and media spending, as well as key competitor new product launches.

In the year ended December 31, 2011 our worldwide market share was 11.9%. Our vehicle sales volumes in the year ended December 31, 2011 reflect the moderate improvement in certain facets of the U.S. economy which contributed to a slow but steady improvement in U.S. industry vehicle sales, as well as increased volumes in Russia and China.

In the year ended December 31, 2010 our worldwide market share was 11.5%. Our vehicle sales volumes in the year ended December 31, 2010 were consistent with a gradual U.S. vehicle sales recovery from the negative economic effects of the U.S. recession first experienced by Old GM in the second half of 2008, as well as increased volumes in China.

Production and sales volume includes vehicles produced by certain joint ventures. The joint venture agreements with SGMW and FAW-GM allow for significant rights as a member as well as the contractual right to report SGMW and FAW-GM joint venture production and sales in China.

The following table summarizes total production volume (vehicles in thousands):

	Years Ended December 31,		
	2012	2011	2010
GMNA			
Cars	1,270	1,145	977
Trucks	1,967	1,944	1,832
Total GMNA	3,237	3,089	2,809
GMIO			
Consolidated entities	1,208	1,114	1,016
Joint ventures			
SGMW	1,498	1,284	1,256
SGM	1,329	1,208	1,037
FAW-GM	54	51	86
Other	357	384	350
Total GMIO	4,446	4,041	3,745
GME	927	1,189	1,234

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GMSA	879	948	926
Worldwide	9,489	9,267	8,714

U.S. Market Share

The following table summarizes the respective U.S. market shares in passenger cars, trucks and crossovers:

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	Years Ended December 31,			
	2012	2011	2010	
GM	17.5	% 19.2	% 18.8	%
Ford	15.2	% 16.5	% 16.7	%
Toyota	14.1	% 12.6	% 15.0	%
Fiat/Chrysler	11.2	% 10.5	% 9.2	%
Honda	9.6	% 8.8	% 10.4	%
Hyundai	8.5	% 8.7	% 7.6	%
Nissan	7.7	% 8.0	% 7.7	%

Vehicle Sales

The following tables summarize total industry sales of new motor vehicles of domestic and foreign makes and the related competitive position (vehicles in thousands):

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GENERAL MOTORS COMPANY AND SUBSIDIARIES

	Vehicle Sales(a)(b)(c) Years Ended December 31, 2012			2011			2010(d)			GM as a % of Industry	
	Industry	GM	GM as a % of Industry	Industry	GM	GM as a % of Industry	Industry	GM	GM as a % of Industry		
GMNA											
United States	14,792	2,596	17.5 %	13,048	2,504	19.2 %	11,778	2,215	18.8 %		
Canada	1,717	227	13.2 %	1,620	243	15.0 %	1,583	247	15.6 %		
Mexico	1,025	186	18.2 %	937	169	18.0 %	848	156	18.3 %		
Other	306	10	3.1 %	277	10	3.6 %	254	8	3.3 %		
Total GMNA	17,840	3,019	16.9 %	15,882	2,925	18.4 %	14,463	2,626	18.2 %		
GME											
United Kingdom	2,335	272	11.7 %	2,249	281	12.5 %	2,294	290	12.7 %		
Germany	3,394	254	7.5 %	3,508	299	8.5 %	3,198	269	8.4 %		
Italy	1,524	114	7.5 %	1,935	154	8.0 %	2,162	170	7.9 %		
Russia	2,996	288	9.6 %	2,725	243	8.9 %	1,970	159	8.1 %		
Uzbekistan	128	123	96.1 %	123	118	95.6 %	150	145	96.3 %		
France	2,331	104	4.4 %	2,687	125	4.7 %	2,708	124	4.6 %		
Spain	791	68	8.6 %	931	80	8.6 %	1,114	100	8.9 %		
Other	5,473	384	7.0 %	5,937	451	7.6 %	5,562	419	7.5 %		
Total GME	18,973	1,607	8.5 %	20,095	1,751	8.7 %	19,160	1,676	8.7 %		
GMIO											
China(e)	19,460	2,836	14.6 %	18,696	2,547	13.6 %	18,289	2,352	12.9 %		
Australia	1,112	115	10.4 %	1,008	126	12.5 %	1,036	133	12.8 %		
South Korea	1,542	146	9.5 %	1,579	141	9.0 %	1,556	127	8.1 %		
Middle East Operations	1,310	138	10.5 %	1,114	138	12.4 %	1,086	120	11.1 %		
India(e)	3,569	92	2.6 %	3,278	111	3.4 %	3,023	110	3.7 %		
Egypt	198	54	27.4 %	176	46	26.4 %	249	68	27.2 %		
Other	10,933	234	2.1 %	8,640	171	2.0 %	9,185	148	1.6 %		
Total GMIO	38,124	3,616	9.5 %	34,492	3,281	9.5 %	34,423	3,057	8.9 %		
GMSA											
Brazil	3,802	643	16.9 %	3,633	632	17.4 %	3,515	658	18.7 %		
Argentina	845	134	15.8 %	861	136	15.8 %	665	109	16.3 %		
Colombia	315	86	27.3 %	325	106	32.6 %	254	85	33.6 %		
Venezuela	131	44	33.5 %	121	44	36.5 %	125	51	40.7 %		
Other	716	140	19.5 %	739	148	20.0 %	601	122	20.3 %		
Total GMSA	5,809	1,047	18.0 %	5,678	1,066	18.8 %	5,160	1,025	19.9 %		
Total Worldwide	80,746	9,288	11.5 %	76,148	9,024	11.9 %	73,206	8,384	11.5 %		

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	Vehicle Sales(a)(b)(c) Years Ended December 31, 2012			2011			2010(d)			GM as a % of Industry
	Industry	GM	GM as a % of Industry	Industry	GM	GM as a % of Industry	Industry	GM		
United States										
Cars										
Midsize	3,076	467	15.2	% 2,621	496	18.9	% 2,464	472	19.2	%
Small	2,836	396	14.0	% 2,271	285	12.5	% 2,032	171	8.4	%
Luxury	933	70	7.5	% 859	70	8.1	% 845	69	8.2	%
Sport	361	99	27.3	% 309	101	32.8	% 278	94	34.0	%
Total cars	7,207	1,031	14.3	% 6,060	952	15.7	% 5,619	807	14.4	%
Trucks										
Utilities	907	191	21.1	% 893	215	24.1	% 806	204	25.3	%
Pick-ups	1,940	645	33.3	% 1,817	625	34.4	% 1,630	553	33.9	%
Vans	798	97	12.2	% 702	89	12.7	% 651	74	11.3	%
Medium Duty	299	—	—	% 269	—	—	% 189	4	1.9	%
Total trucks	3,944	933	23.7	% 3,681	929	25.2	% 3,277	835	25.5	%
Crossovers	3,642	631	17.3	% 3,306	622	18.8	% 2,882	573	19.9	%
Total United States	14,792	2,596	17.5	% 13,048	2,504	19.2	% 11,778	2,215	18.8	%
Canada,										
Mexico and	3,048	423	13.9	% 2,834	421	14.9	% 2,685	411	15.3	%
Other										
Total GMNA	17,840	3,019	16.9	% 15,882	2,925	18.4	% 14,463	2,626	18.2	%

GMNA vehicle sales primarily represent sales to the end customer. GME, GMIO and GMSA vehicle sales (a) primarily represent estimated sales to the end customer. In countries where end customer data is not readily available other data sources, such as wholesale or forecast volumes, are used to estimate vehicle sales.

(b) Certain fleet sales that are accounted for as operating leases are included in vehicle sales at the time of delivery to the daily rental car companies.

(c) Vehicle sales data may include rounding differences.

(d) Includes HUMMER, Saab, Saturn and Pontiac vehicle sales data.

(e) Includes the vehicle sales for following joint ventures.

	Years Ended December 31,		
	2012	2011	2010
Joint venture sales in China			
SGM	—	1,200	1,033
SGMS	1,331	—	—
SGMW and FAW-GM	1,501	1,342	1,315
Joint venture sales in India			
HKJV	64	111	101

Joint venture vehicle sales for HKJV are included through August 31, 2012. Refer to Notes 4 and 10 to our consolidated financial statements for further detail on the acquisition of HKJV.

Fleet Sales and Deliveries

The sales and market share data provided previously includes both retail and fleet vehicle sales. Certain fleet transactions, particularly daily rental, are generally less profitable than retail sales. In the accompanying tables fleet sales are presented as vehicle sales. A significant portion of the sales to daily rental car companies are recorded as operating leases under U.S. GAAP with no recognition of revenue at the date of initial delivery due to guaranteed repurchase obligations.

The following table summarizes estimated fleet sales and those sales as a percentage of total vehicle sales. Fleet sales data may

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GENERAL MOTORS COMPANY AND SUBSIDIARIES

include rounding differences (vehicles in thousands):

	Years Ended December 31,				
	2012	2011	2010		
GMNA	775	740	715		
GME	500	564	534		
GMIO	408	378	330		
GMSA	190	246	217		
Total fleet sales	1,873	1,927	1,796		
Fleet sales as a percentage of total vehicle sales	20.2	% 21.4	% 21.4	%	

The following table summarizes U.S. fleet sales and those sales as a percentage of total U.S. vehicle sales (vehicles in thousands):

	Years Ended December 31,				
	2012	2011	2010		
Daily rental sales	431	417	429		
Other fleet sales	242	222	195		
Total fleet sales	673	639	624		
Fleet sales as a percentage of total vehicle sales					
Cars	30.6	% 31.3	% 36.9	%	
Trucks	25.3	% 24.2	% 23.4	%	
Crossovers	19.2	% 18.8	% 22.9	%	
Total vehicles	25.9	% 25.5	% 28.2	%	

Product Pricing

Several methods are used to promote our products, including the use of dealer, retail and fleet incentives such as customer rebates and finance rate support. The level of incentives is dependent in large part upon the level of competition in the markets in which we operate and the level of demand for our products. In 2013 we will continue to price vehicles competitively, including offering strategic and tactical incentives as required. We believe this strategy, coupled with sound inventory management, will continue to strengthen the reputation of our brands and result in competitive prices.

Cyclical Nature of Business

Retail sales are cyclical and production varies from month to month. Vehicle model changeovers occur throughout the year as a result of new market entries. The market for vehicles depends on general economic conditions, credit availability and consumer spending.

Relationship with Dealers

We market vehicles worldwide primarily through a network of independent authorized retail dealers. These outlets include distributors, dealers and authorized sales, service and parts outlets.

The following table summarizes the number of authorized dealerships:

December 31, 2012	December 31, 2011	December 31, 2010
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GMNA	5,015	5,068	5,167
GME	7,574	7,745	7,859
GMIO	6,915	6,901	6,053
GMSA	1,250	1,162	1,136