GENERAL MOTORS CORP
Form 8-K
June 11, 2001

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) June 11, 2001

GENERAL MOTORS CORPORATION
(Exact name of registrant as specified in its charter)

STATE OF DELAWARE	1-143	38-0572515
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer 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

ITEM 9. Forward Looking Information Relating to Hughes

General Motors Corporation's (GM) subsidiary Hughes Electronics Corporation (Hughes) filed the following forward looking information on Form 8-K.

Hughes Announces Revised guidance for
Second Quarter and Full-Year 2001

El Segundo, Calif., June 11, 2001 -- Hughes Electronics Corporation, a world-leading provider of digital television entertainment, broadband services, satellite-based private business networks, and global video and data broadcasting, announced today that it is issuing new guidance for the second quarter and full year of 2001.

"Sales at our national consumer electronics retailers, which are our primary distribution outlets for DIRECTV Systems, have been slower than we expected, in large part due to the softening economy," explained Jack A. Shaw, HUGHES chief executive officer. "In addition, we are seeing continued slowing in the contribution of subscribers from the rural markets that are served by the National Rural Telecommunications Cooperative (NRTC). As a result, we expect that our DIRECTV business in the United States will add fewer net subscribers than we originally anticipated this quarter, and for the full year.

"We are also increasing our DIRECTV U.S. EBITDA1 guidance for the quarter and the full year because the lowered subscriber projections result in lower subscriber marketing expenses." Shaw continued.

"To combat the slower retail sales in the United States, we are taking aggressive steps to strengthen the performance of all of our distribution partners, who include independent retailers and direct sales, in addition to our national consumer electronics retailers and Blockbuster. We have implemented a variety of marketing tactics, including aggressively targeting cable customers who have experienced large rate increases or poor service. We are also shifting our advertising and marketing focus to the more than 60 million television households where DIRECTV offers local channels and is truly a replacement for cable. In addition, we're adding a lease program through our direct sales channel, as well as continuing our efforts to reduce churn," Shaw stated. "We also anticipate positive results from our traditional third quarter offering of NFL SUNDAY TICKET(TM), - one of our strongest acquisition tools - which we will begin promoting in early August."

"In addition, we are adjusting our projections for DIRECTV Latin America as we place a greater emphasis on reducing churn and attracting long-term profitable subscribers. As a result, we will be more selective in our pursuit of new subscribers and have accordingly reduced our current quarter and full-year subscriber projections. We also expect lower EBITDA losses."

HUGHES' revised guidance is shown below. No changes were made to the guidance for PanAmSat and Hughes Network Systems (HNS). HUGHES' complete guidance is contained on the HUGHES web site at www.hughes.com.

	Prior Q2 2001	Revised Q2 2001	Prior Full Year 2001	Revised Full Year 2001
HUGHES				
Revenues	~$2B	~$2B	20 - 25% Growth	~20% Growth
EBITDA	$80 - 100M	$80 - 100M	$550 - $650M	$575M - $650M
DIRECTV U.S.				
Revenues	$1.35B - $1.4B	$1.35B - $1.4B	$5.6 - $5.8B	$5.5 - $5.7B
EBITDA	$60 - 75M	~$75M	$325M - $425M	$350M - $425M
Net Subscribers	275 - 350K	~175K	1.5 - 1.7M	~1.3M
Cumulative Subscribers	10.1 - 10.2	~10M	11 - 11.2M	~10.8M
DIRECTV Latin America				
Revenues	~$180M	~$180M	~$800M	~$750M
EBITDA	~$(35M)	~$(35M)	$(90M) - (130M)	~$(100M)
Net Subscribers	~100K	~25K	~500K	~350K
Cumulative Subscribers	~1.5M	~1,430K	~1.8M	~1,655K

HUGHES will be conducting a conference call with analysts to discuss its new guidance at 5:15 p.m. ET today. The dial-in number is 913-981-5517. The confirmation code is 692005. HUGHES invites reporters to participate in a listen-only mode. The call will be simultaneously webcast via the HUGHES web site at www.hughes.com. Investors are advised to allow 15 minutes prior to the call to register and download any necessary software. Following the completion of the call, the webcast will be archived on the Investor Relations portion of the HUGHES web site.

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).

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.

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1 EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is the sum of operating profit (loss) and depreciation and amortization.

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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 June 11, 2001

By

s/Peter R. Bible

(Peter R. Bible,
Chief Accounting Officer)