



***THIRD QUARTER EARNINGS
CONFERENCE CALL***

***NOVEMBER 7, 2008
(PRELIMINARY RESULTS)***




BUSINESS OVERVIEW

Alan Mulally
President and Chief Executive Officer



TOTAL COMPANY AGENDA

- **Overview of Third Quarter Results and Accomplishments**
- **Details of Financial Results and Full Year Outlook**
- **Actions to Respond to Changes in the Global Business Environment**
- **Our Plan -- One** 



TOTAL COMPANY

2008 THIRD QUARTER FINANCIAL RESULTS

	<u>Third Quarter</u>		<u>First Nine Months</u>	
	<u>2008</u>	<u>O / (U)</u> <u>2007</u>	<u>2008</u>	<u>O / (U)</u> <u>2007</u>
Wholesales (000)*	1,174	(313)	4,266	(644)
Revenue (Bils.)*	\$ 32.1	\$ (9.0)	\$ 110.1	\$ (18.2)
<u>Continuing Operations*</u>				
Pre-Tax Results (Mils.)	\$(2,747)	\$(2,941)	\$(3,035)	\$(3,781)
After-Tax Results (Mils.)	(2,977)	(2,953)	(3,846)	(3,909)
Earnings Per Share	(1.31)	(1.30)	(1.72)	(1.75)
<u>Special Items Pre-Tax (Mils.)</u>	\$ 2,207	\$ 2,557	\$(6,219)	\$(6,199)
<u>Net Income / (Loss)</u>				
After-Tax Results (Mils.)	\$ (129)	\$ 251	\$(8,696)	\$(8,784)
Earnings Per Share	(0.06)	0.13	(3.89)	(3.94)
<u>Automotive Gross Cash (Bils.)**</u>	\$ 18.9	\$ (16.7)	\$ 18.9	\$ (16.7)

* Excludes special items, see Slide 9 and Appendix for reconciliations to GAAP

** See Appendix for reconciliation to GAAP



TOTAL COMPANY 2008 THIRD QUARTER OPERATIONS RESULTS*

- **Ford North America incurred an operating loss of \$2.6 billion; lower volume and unfavorable production mix more than explained the decline from 2007 results**
- **Continued strong results at Ford South America with an operating profit of \$480 million**
- **Ford Europe was profitable, but down from a year ago**
- **Volvo incurred a \$458 million operating loss; unfavorable volume and mix, and exchange more than explained the decline from 2007**
- **Ford Asia Pacific Africa and Mazda were each about breakeven**
- **Financial Services had an operating profit of \$159 million**
- **Ford reduced costs by \$300 million compared with 2007, despite commodity cost increases of more than \$1 billion; Ford North America remains on track to achieve or exceed our \$5 billion cost reduction goal****

* Excludes special items, see Slide 9 and Appendix for reconciliations to GAAP

** At constant volume, mix and exchange



TOTAL COMPANY ACHIEVING OUR PLAN -- KEY THIRD QUARTER PRODUCT ACCOMPLISHMENTS

- **Launched the new 2009 Ford F-150 full-size pickup with best-in-class capability and unsurpassed fuel economy. The F-Series remains the No.1-selling truck in America for 31 years running**
- **Launched the new Ford Fiesta small car in Europe, the first of Ford's new global small cars. Production began in Cologne, Germany, and the car is now going on sale in Europe. Fiesta also is beginning to now go on sale in Asia and will be introduced in North America in early 2010**
- **Debuted at the Paris motor show the all-new Ford Ka, a stylish subcompact car that goes on sale in Europe late this year and is featured in the new James Bond movie "Quantum of Solace"**
- **Launched the Ford Focus in China and the Ford Escape in key Asia Pacific and Africa markets**



TOTAL COMPANY ACHIEVING OUR PLAN -- KEY THIRD QUARTER BUSINESS ACCOMPLISHMENTS

- **Improved vehicle quality again, marking four consecutive years of progress. Ford, Lincoln and Mercury vehicles collectively reduced things gone wrong by 7.7 percent compared to last year, pulling into a statistical tie with Honda and Toyota atop the list of seven major automakers in the U.S. Global Quality Research System study**
- **Achieved the leading number of “Top Safety Picks” from the U.S. Insurance Institute for Highway Safety with the 2009 Ford Flex and Lincoln MKS earning top honors. This builds on Ford’s achievement of the most U.S. government 5-star safety ratings in the auto industry**
- **Reduced North America salaried personnel costs by about 15% and reduced hourly personnel by about 3,000 since the end of Second Quarter**
- **Volvo announced restructuring plans to reduce salaried personnel by an additional 3,300 and agency personnel by an additional 700, bringing the total planned Volvo personnel actions to about 6,000 worldwide since June**
- **Ford Credit continues to execute its funding plan and increased its liquidity available for use to about \$25 billion despite a very challenging credit market. Ford Credit continues to support Ford’s core businesses**



FINANCIAL RESULTS

Lewis Booth
Executive Vice President and
Chief Financial Officer



TOTAL COMPANY
2008 THIRD QUARTER INCOME / (LOSS) FROM
CONTINUING OPERATIONS COMPARED WITH NET
INCOME / (LOSS)*

	<u>Third Quarter</u>		<u>First Nine Months</u>	
		B / (W)		B / (W)
<u>Income / (Loss) (Mils.)</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Pre-Tax Results (Excl. Special Items)	<u>\$(2,747)</u>	\$ (2,941)	\$ (3,035)	\$ (3,781)
Special Items	<u>2,207</u>	<u>2,557</u>	<u>(6,219)</u>	<u>(6,199)</u>
Pre-Tax Results (Incl. Special Items)	<u>\$ (540)</u>	\$ (384)	\$ (9,254)	\$ (9,980)
Taxes	462	624	811	1,278
Minority Interest	<u>(51)</u>	<u>11</u>	<u>(262)</u>	<u>(57)</u>
Net Income / (Loss) from Continuing Ops.	\$ (129)	\$ 251	\$ (8,705)	\$ (8,759)
Discontinued Operations	<u>-</u>	<u>-</u>	<u>9</u>	<u>(25)</u>
Net Income / (Loss)	<u>\$ (129)</u>	<u>\$ 251</u>	<u>\$ (8,696)</u>	<u>\$ (8,784)</u>

* See Slide 9 for details of 2008 Third Quarter and First Nine Months special items



TOTAL COMPANY

2008 THIRD QUARTER SPECIAL ITEMS

	<u>Third Quarter</u> (Mils.)	<u>First Nine Months</u> (Mils.)
North America		
- Personnel-reduction programs	\$ (197)	\$ (644)
- Accelerated depreciation related to AAI Lease Buyout / Other	(82)	(152)
- U.S. dealer reductions	(38)	(185)
- Sale of ACH plants / assets	(19)	(324)
- Job Security Benefits reserve adjustment	320	262
Subtotal North America before Curtailment / Impairments	<u>\$ (16)</u>	<u>\$(1,043)</u>
International Personnel-reduction programs / Other	(94)	(152)
Jaguar Land Rover	(37)	38
Gain on purchase of debt securities	35	108
Subtotal Special Items before Curtailment / Impairments	<u>\$ (112)</u>	<u>\$(1,049)</u>
Retiree health care (curtailment gain / other)	2,319	2,430
Impairments	-	(7,600)
Total Special Items	<u><u>\$2,207</u></u>	<u><u>\$(6,219)</u></u>
Memo:		
Special Items impact on Earnings Per Share*	\$ 1.25	\$ (2.17)

* Earnings per share from continuing operations is calculated on a basis that includes pre-tax profit, provision for taxes, and minority interest; see Appendix for method of calculation



**TOTAL COMPANY
UAW RETIREE HEALTH CARE VEBA TRUST --
PROFIT AND CASH EFFECT**

- **Recognized in the Third Quarter a curtailment gain in excess of \$2 billion**
- **Ongoing annual health care expense will be reduced by about \$2 billion**
- **Ongoing annual net cash flow benefit will be about \$1 billion, including health care savings of \$1.6 billion**
- **Between the Third Quarter effective date and the year-end 2009 implementation date, all UAW retiree health care related income and expense will be treated as a special item**



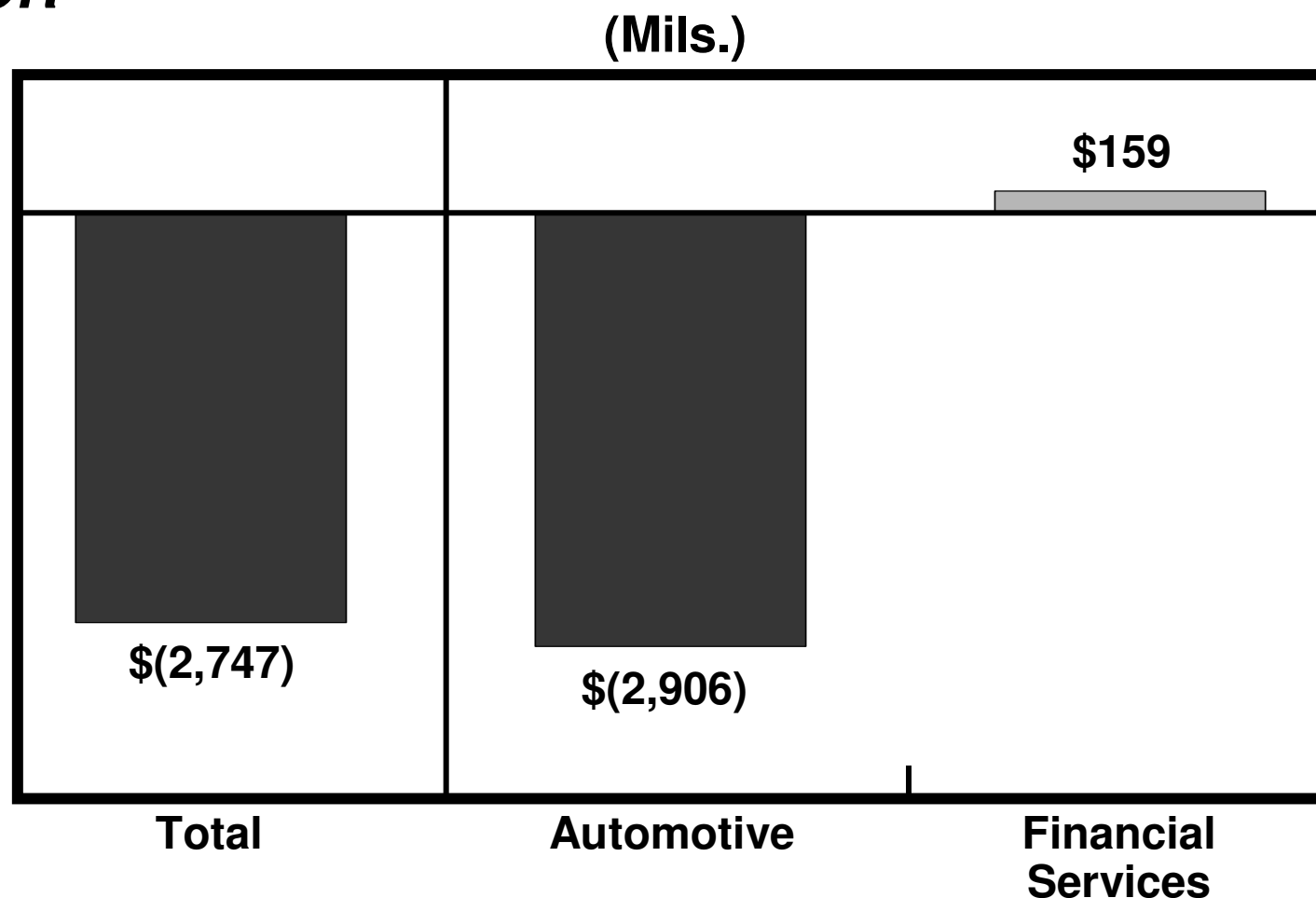
TOTAL COMPANY

STATUS OF ACH DIVESTITURE ACTIONS

- **ACH was formed in October 2005 with 17 plants (two of which were transferred to Ford). It had two missions:**
 - **Ensure the continuity of supply and the support of new product programs, while improving quality and costs**
 - **To sell or close its facilities by year end 2008**
- **The status of divestitures as of the end of this year:**
 - **Five plants have been sold**
 - **Two plants have been closed and we have plans to close an additional two plants by year end**
- **Looking forward:**
 - **A fifth plant is scheduled to close in 2009 and a sixth in 2010**
 - **While we remain engaged in discussions with prospective buyers for three of the four remaining plants, we currently expect that we will continue to operate at least portions of these plants**
- **We have made good progress to date, while limiting the need to invest substantial incremental resources in these businesses. We are intent on transitioning these businesses to the supply base as soon as practical in an orderly and economical manner**



**TOTAL COMPANY
2008 THIRD QUARTER PRE-TAX PROFIT / (LOSS)
BY SECTOR***



Memo:

B / (W) 2007

\$(2,941)

\$(2,544)

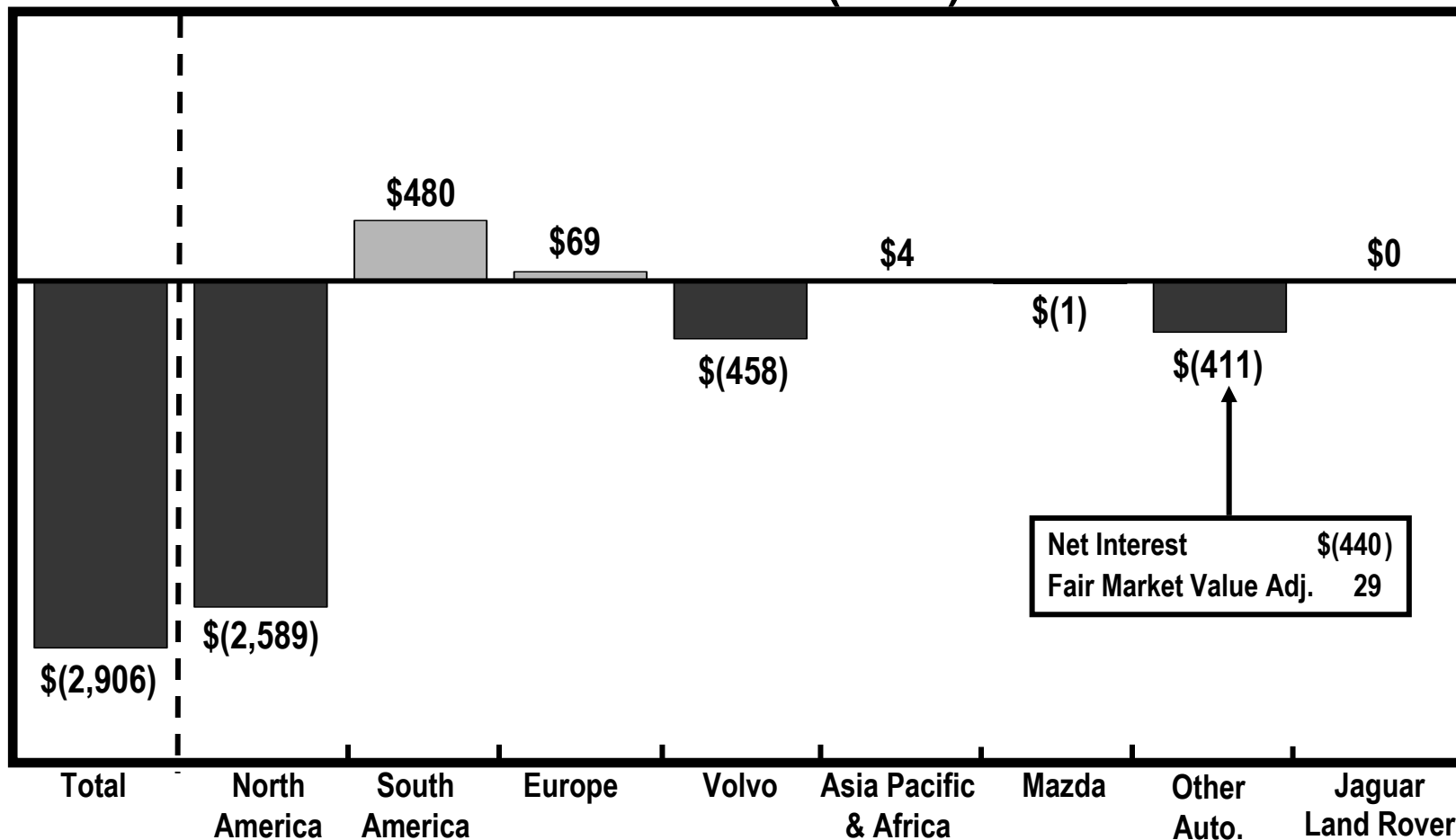
\$(397)

* Excludes special items; see Slide 9 and Appendix for reconciliation to GAAP

AUTOMOTIVE SECTOR 2008 THIRD QUARTER PROFIT / (LOSS) BY SEGMENT*



Pre-Tax Profit (Mils.)*



B / (W) Than

2007	\$(2,544)	\$(1,572)	\$94	\$(224)	\$(291)	\$(26)	\$(15)	\$(440)	\$(70)
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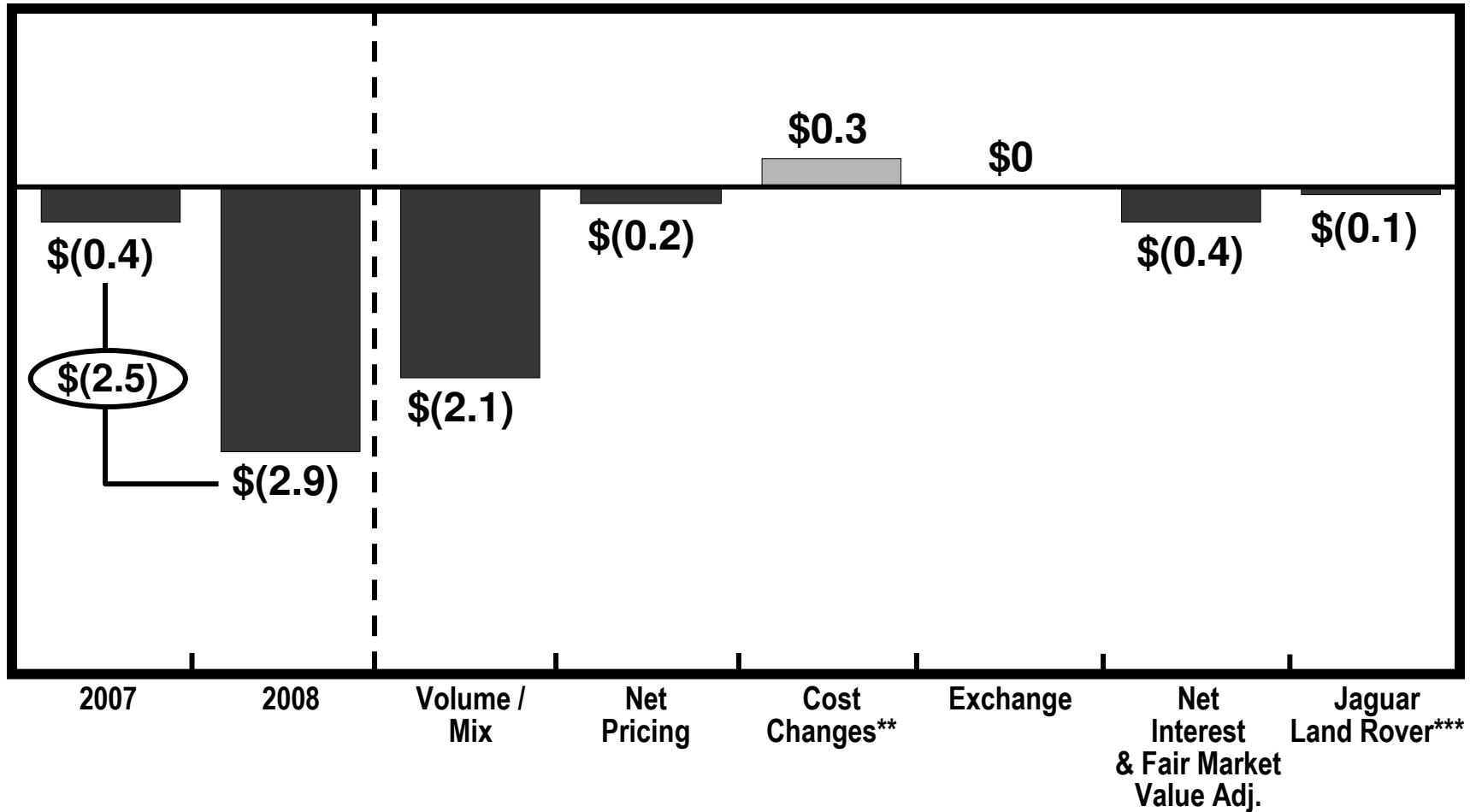
* Excludes special items; see Slide 9 and Appendix for reconciliation to GAAP

AUTOMOTIVE SECTOR

2008 THIRD QUARTER AUTOMOTIVE PRE-TAX RESULTS COMPARED WITH 2007*



Pre-Tax Profit (Bils.)*



* Excludes special items; see Slide 9 and Appendix for reconciliation to GAAP

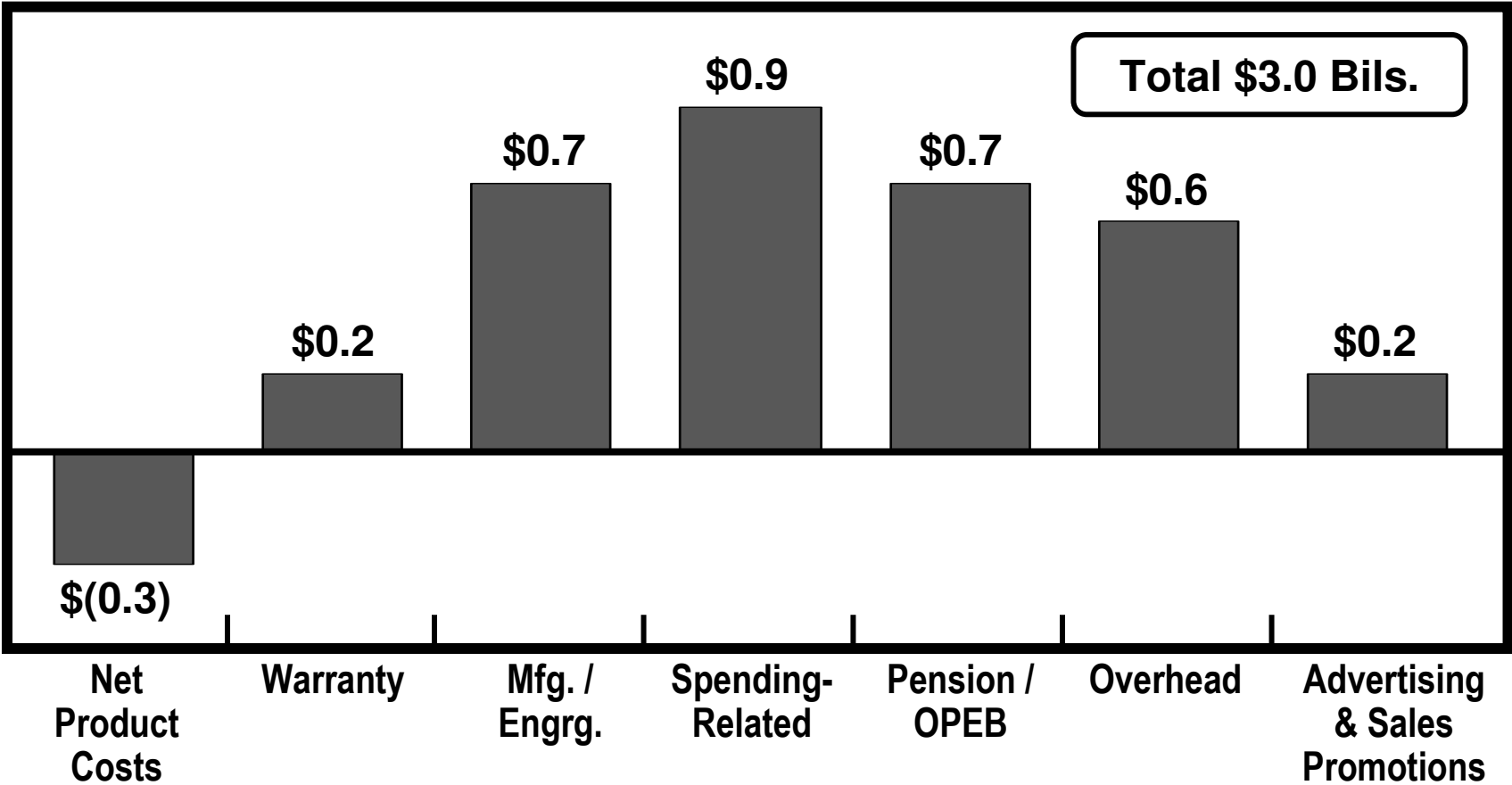
** At constant volume, mix and exchange

*** Non-recurrence of 2007 Third Quarter results



AUTOMOTIVE SECTOR
2008 FIRST NINE MONTHS COST CHANGES*

2008 Costs B / (W) 2007 (Bils.)



Memo:
Third Quarter

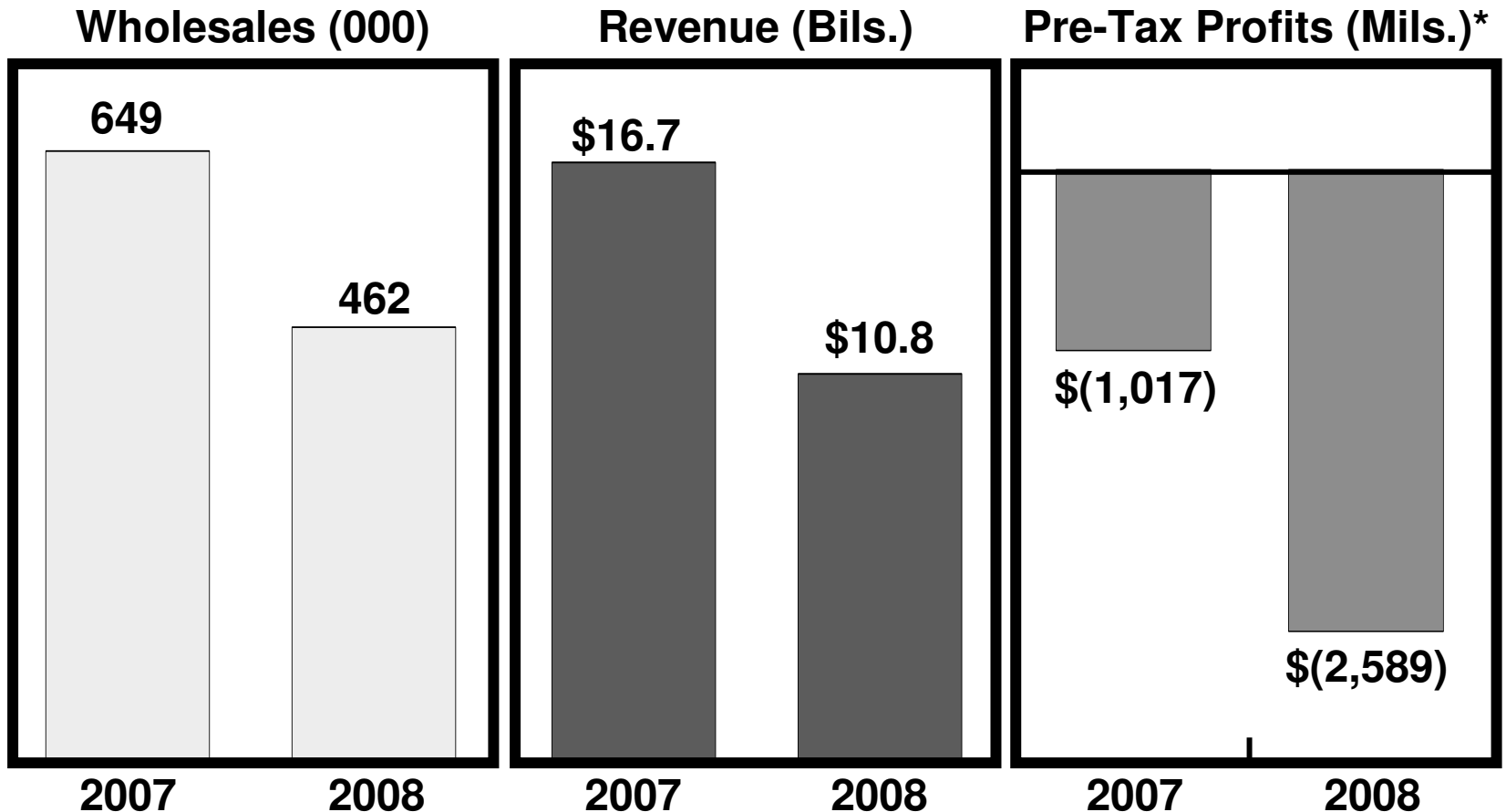
Net Product Costs	Warranty	Mfg. / Engrg.	Spending-Related	Pension / OPEB	Overhead	Advertising & Sales Promotions
\$(0.9)	\$0	\$0.2	\$0.3	\$0.4	\$0.3	\$0

\$0.3

* At constant volume, mix, and exchange; excludes special items

AUTOMOTIVE SECTOR -- FORD NORTH AMERICA

THIRD QUARTER KEY METRICS -- 2008 vs. 2007



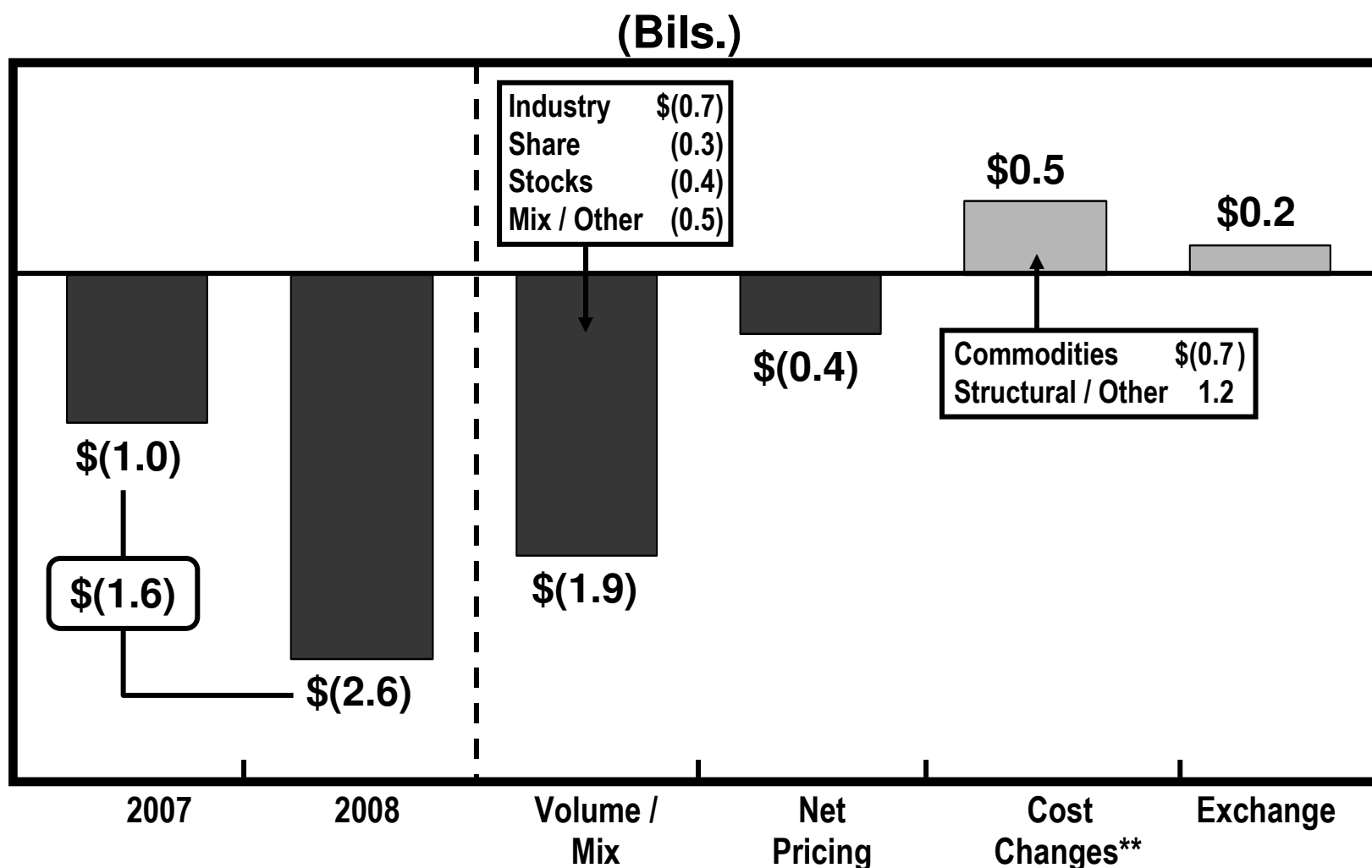
Memo:

U.S. Market Share	13.4%	12.4%
U.S. Dealer Inventories		
- Third Quarter	538	478
- O / (U) Prior Quarter	(19)	(81)

* Excludes special items; see Slide 9 and Appendix for reconciliation to GAAP



AUTOMOTIVE SECTOR -- FORD NORTH AMERICA 2008 THIRD QUARTER AUTOMOTIVE PRE-TAX RESULTS COMPARED WITH 2007*

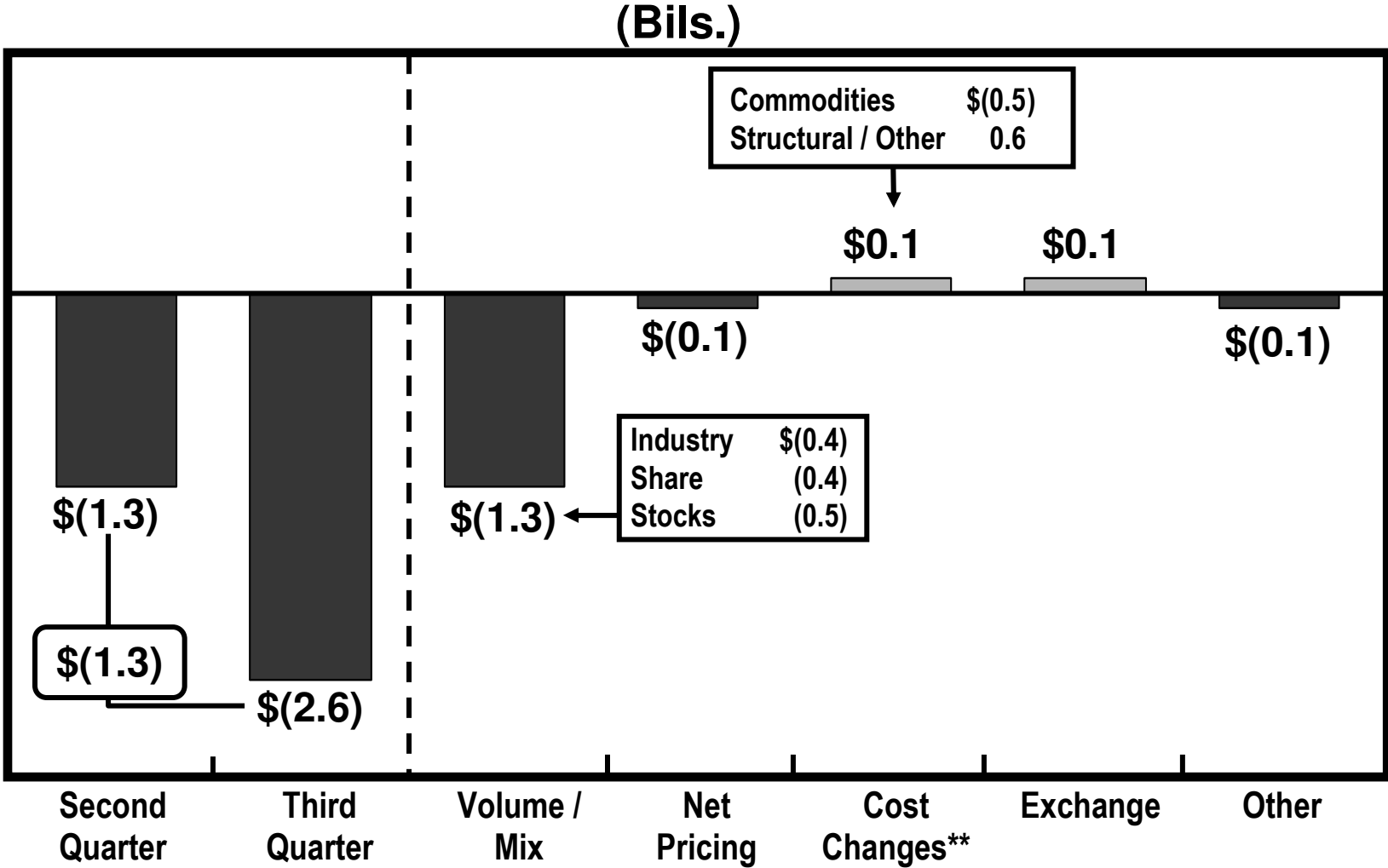


* Excludes special items; see Slide 9 and Appendix for reconciliation to GAAP

** At constant volume, mix and exchange



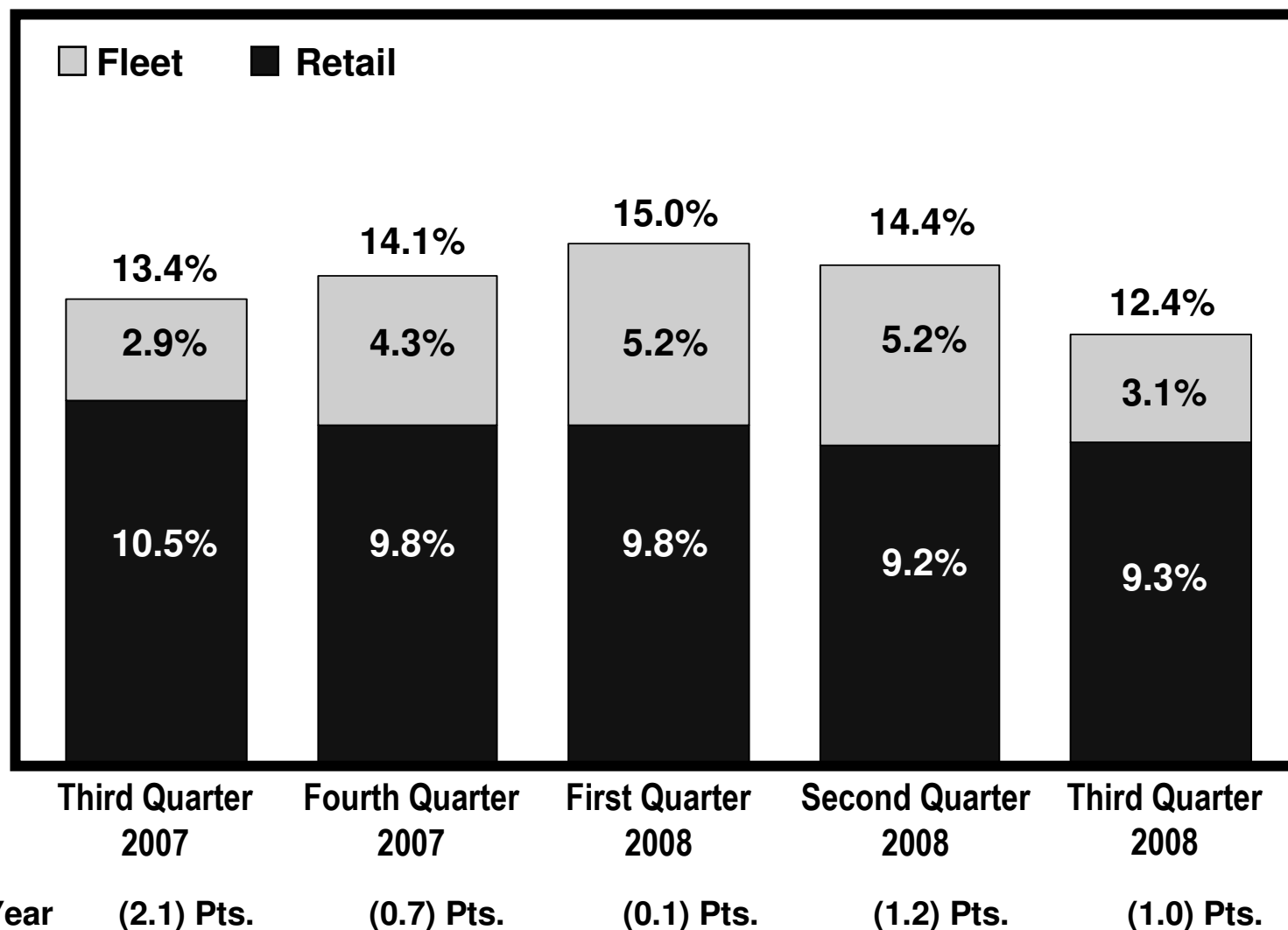
AUTOMOTIVE SECTOR -- FORD NORTH AMERICA 2008 THIRD QUARTER AUTOMOTIVE PRE-TAX RESULTS COMPARED WITH SECOND QUARTER*



* Excludes special items; see Slide 9 and Appendix for reconciliation to GAAP

** At constant volume, mix and exchange

AUTOMOTIVE SECTOR -- FORD NORTH AMERICA U.S. MARKET SHARE*



**Memo: Total
(Worse) Than Prior Year**

(2.1) Pts.

(0.7) Pts.

(0.1) Pts.

(1.2) Pts.

(1.0) Pts.

* Ford and Lincoln Mercury



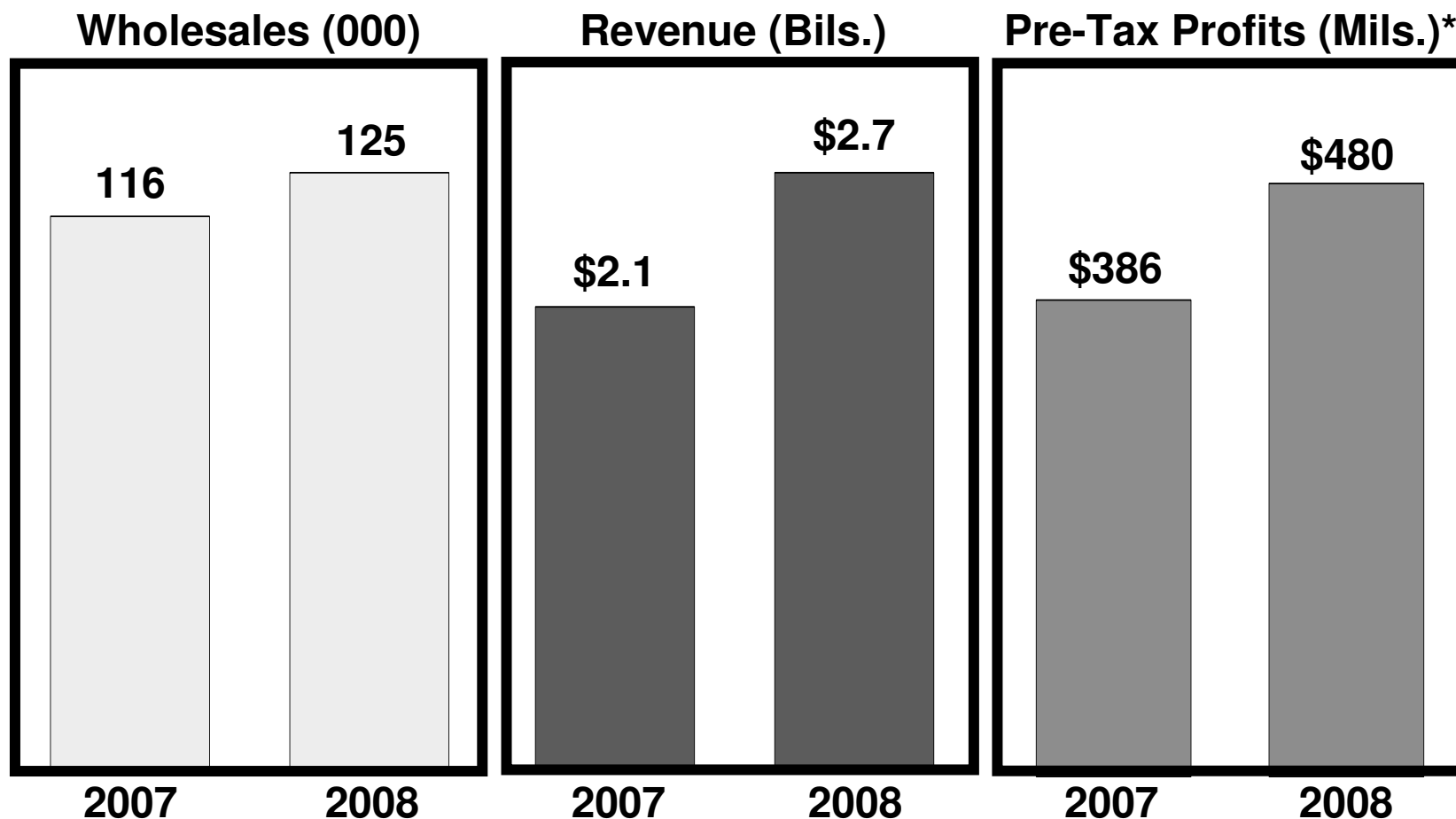
AUTOMOTIVE SECTOR -- NORTH AMERICA

OPERATING-RELATED COST REDUCTIONS*

	2008						
	<u>2006</u>	<u>2007</u>	<u>First</u>	<u>Second</u>	<u>Third</u>	<u>First</u>	<u>Proj.</u>
	(Bils.)	(Bils.)	Quarter	Quarter	Quarter	Nine	Full Year
			(Bils.)	(Bils.)	(Bils.)	Months	(Bils.)
						(Bils.)	
<u>Net Product Costs</u>							
Product Adds	\$(0.9)	\$(2.0)	\$(0.1)	\$(0.1)	\$(0.2)	\$(0.4)	\$(0.7)
Commodities	(0.3)	(0.8)	0.1	(0.2)	(0.7)	(0.8)	(1.1)
Material Cost Reductions / Other	<u>1.2</u>	<u>0.8</u>	<u>0.3</u>	<u>0.3</u>	<u>0.2</u>	<u>0.8</u>	<u>1.2</u>
Subtotal	\$ -	\$(2.0)	\$ 0.3	\$ -	\$(0.7)	\$(0.4)	\$(0.6)
<u>Structural / Other</u>	<u>1.5</u>	<u>2.6</u>	<u>0.9</u>	<u>0.6</u>	<u>1.2</u>	<u>2.7</u>	<u>4.0</u>
Total	<u>\$ 1.5</u>	<u>\$ 0.6</u>	<u>\$ 1.2</u>	<u>\$ 0.6</u>	<u>\$ 0.5</u>	<u>\$ 2.3</u>	<u>\$ 3.4</u>
Cumulative	\$ 1.5	\$ 2.1	\$ 3.3	\$ 3.9	\$ 4.4	\$ 4.4	\$ 5.5
Memo:							
Cumulative Excl. D&A Impact of Impairment (Bils.)	\$ 1.5	\$ 2.1	\$ 3.3	\$ 3.9	\$ 4.2	\$ 4.2	\$ 5.0
Absolute Personnel Level (000)	122	89	89	85	80		

* At constant volume, mix and exchange; excluding special items

AUTOMOTIVE SECTOR -- FORD SOUTH AMERICA THIRD QUARTER KEY METRICS -- 2008 vs. 2007



Memo:

Market Share** 10.3% 9.7%

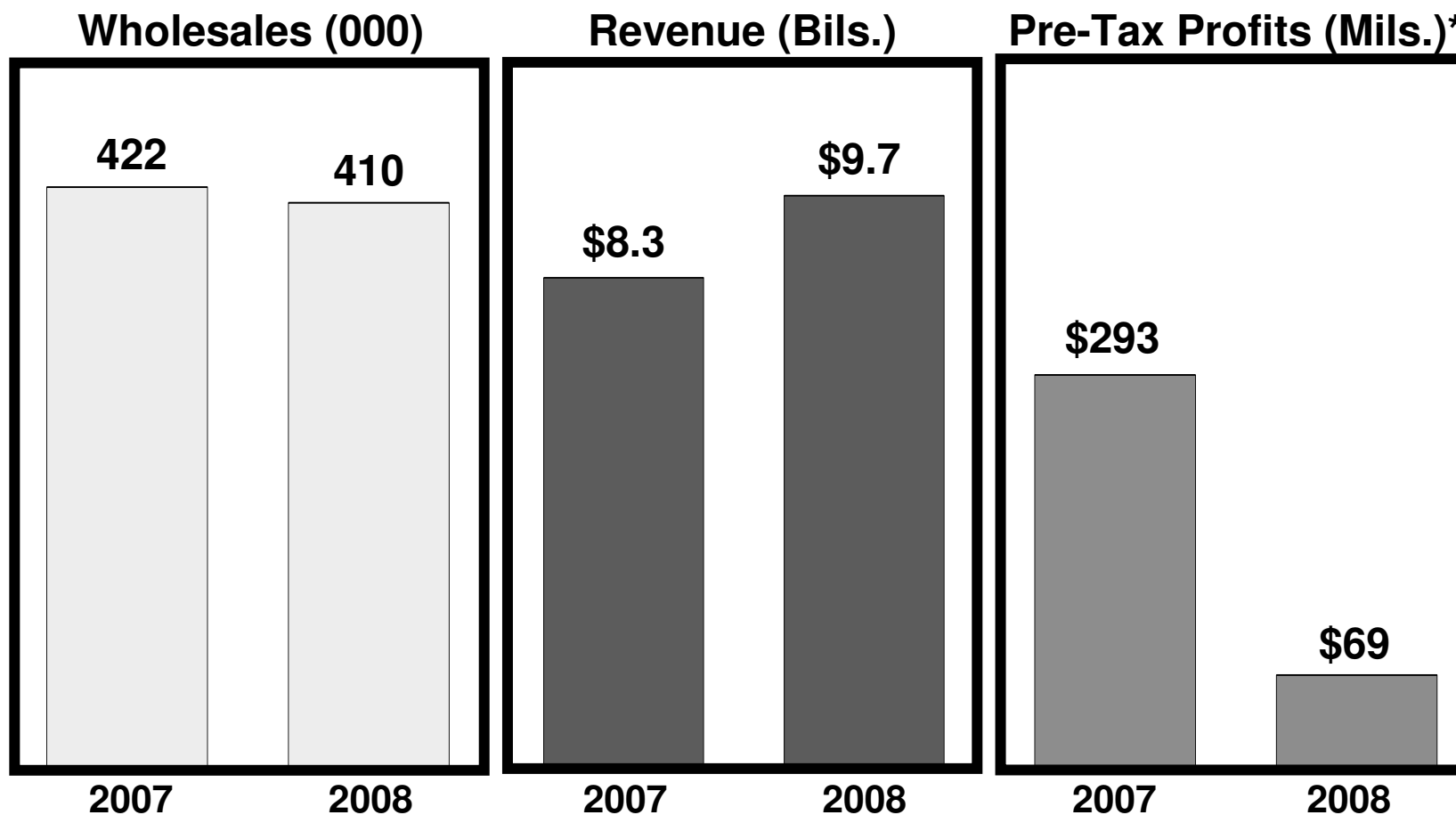
* Excludes special items; see Slide 9 and Appendix for reconciliation to GAAP

** South America market share is based, in part, on estimated vehicle registrations for our six major markets in that region



AUTOMOTIVE SECTOR -- FORD EUROPE

THIRD QUARTER KEY METRICS -- 2008 vs. 2007



Memo:

Market Share** 8.6% 8.6%

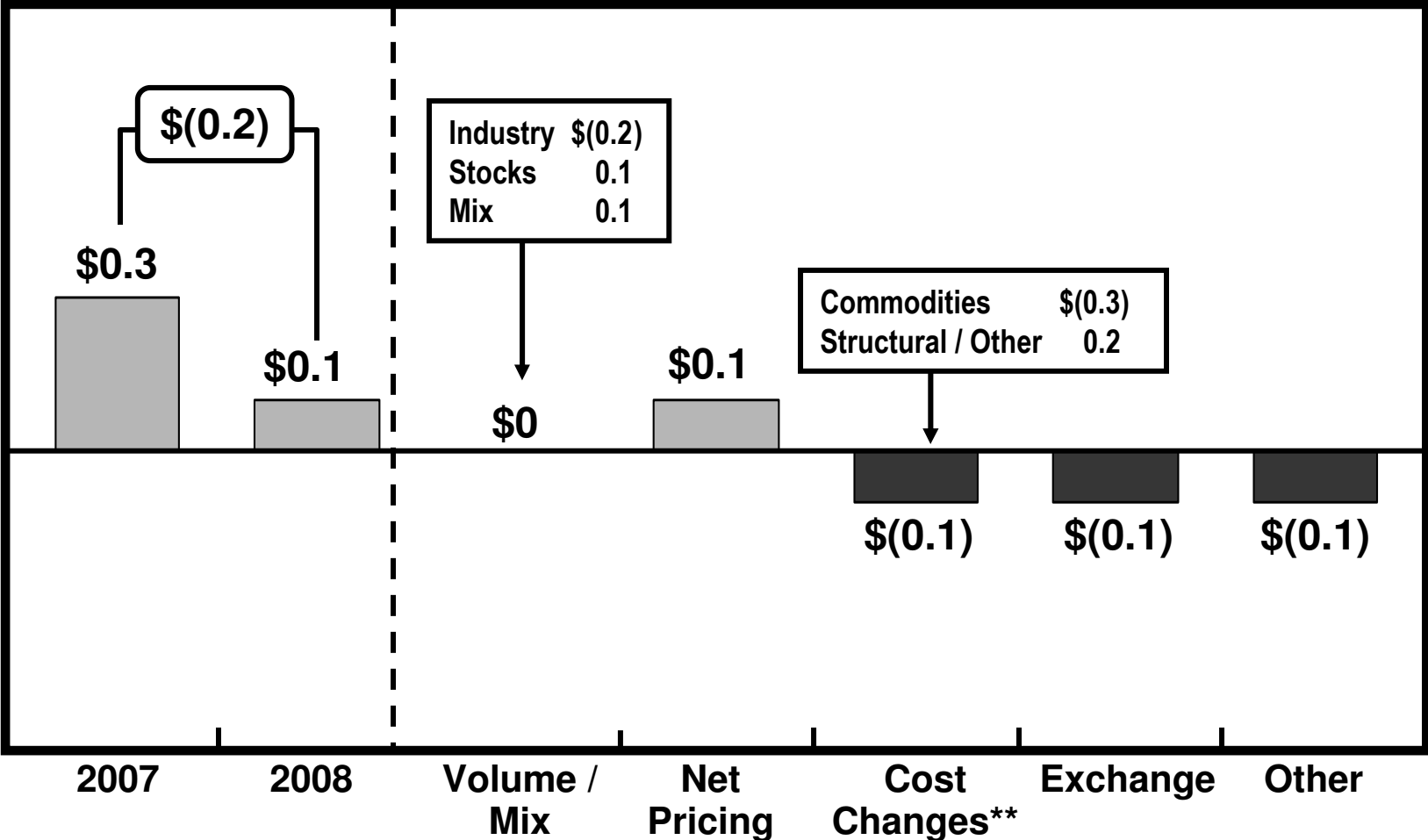
* Excludes special items; see Slide 9 and Appendix for reconciliation to GAAP

** Market share for Ford Europe is based, in part, on estimated vehicle registrations for the 19 European markets we track



AUTOMOTIVE SECTOR -- FORD EUROPE 2008 THIRD QUARTER AUTOMOTIVE PRE-TAX RESULTS COMPARED WITH 2007*

(Bils.)

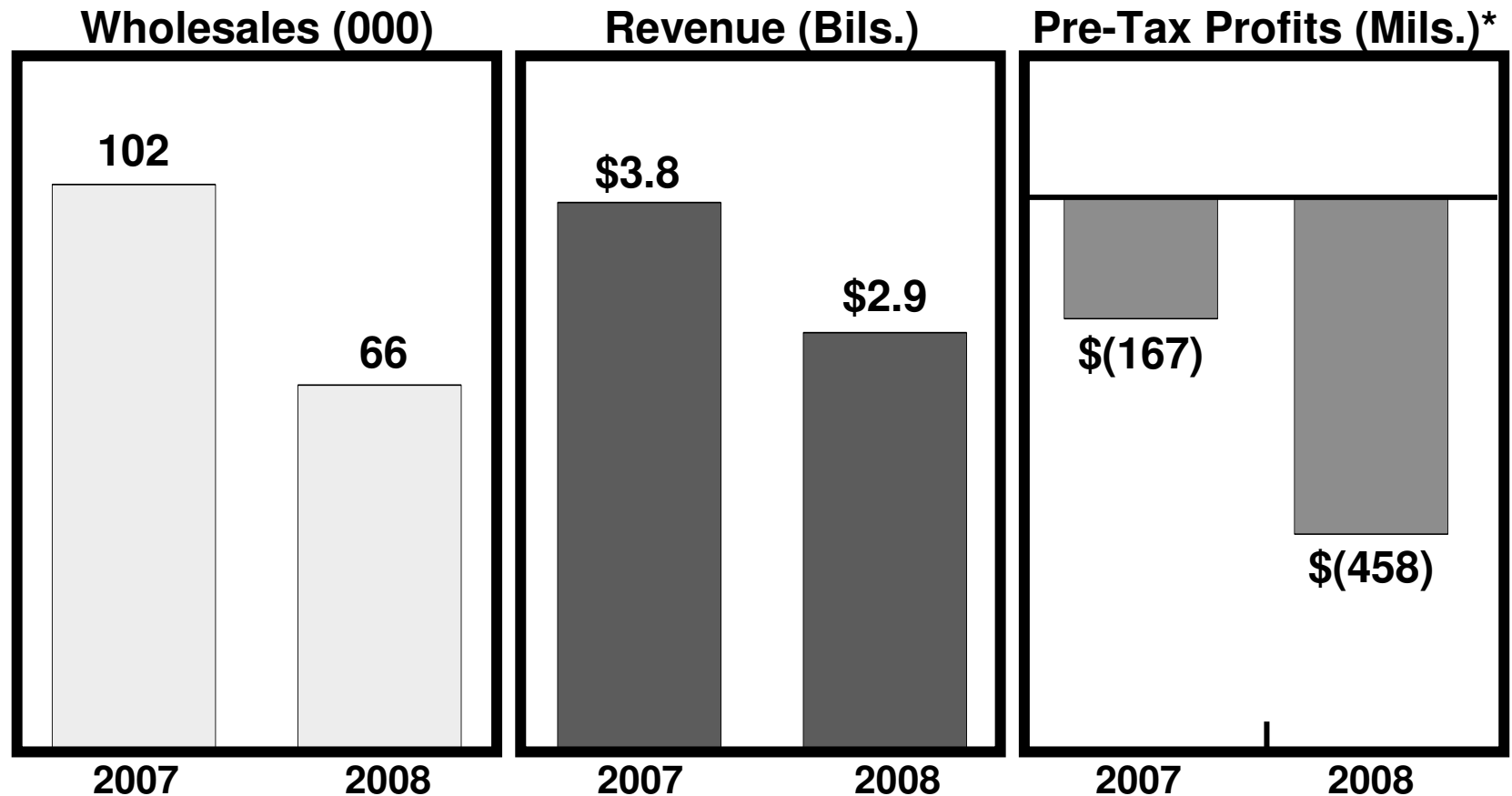


* Excludes special items; see Slide 9 and Appendix for reconciliation to GAAP

** At constant volume, mix and exchange

AUTOMOTIVE SECTOR -- VOLVO

THIRD QUARTER KEY METRICS -- 2008 vs. 2007



Memo:
Market Share

U.S.	0.6%	0.4%
Europe**	1.3	1.2

* Excludes special items; see Slide 9 and Appendix for reconciliation to GAAP

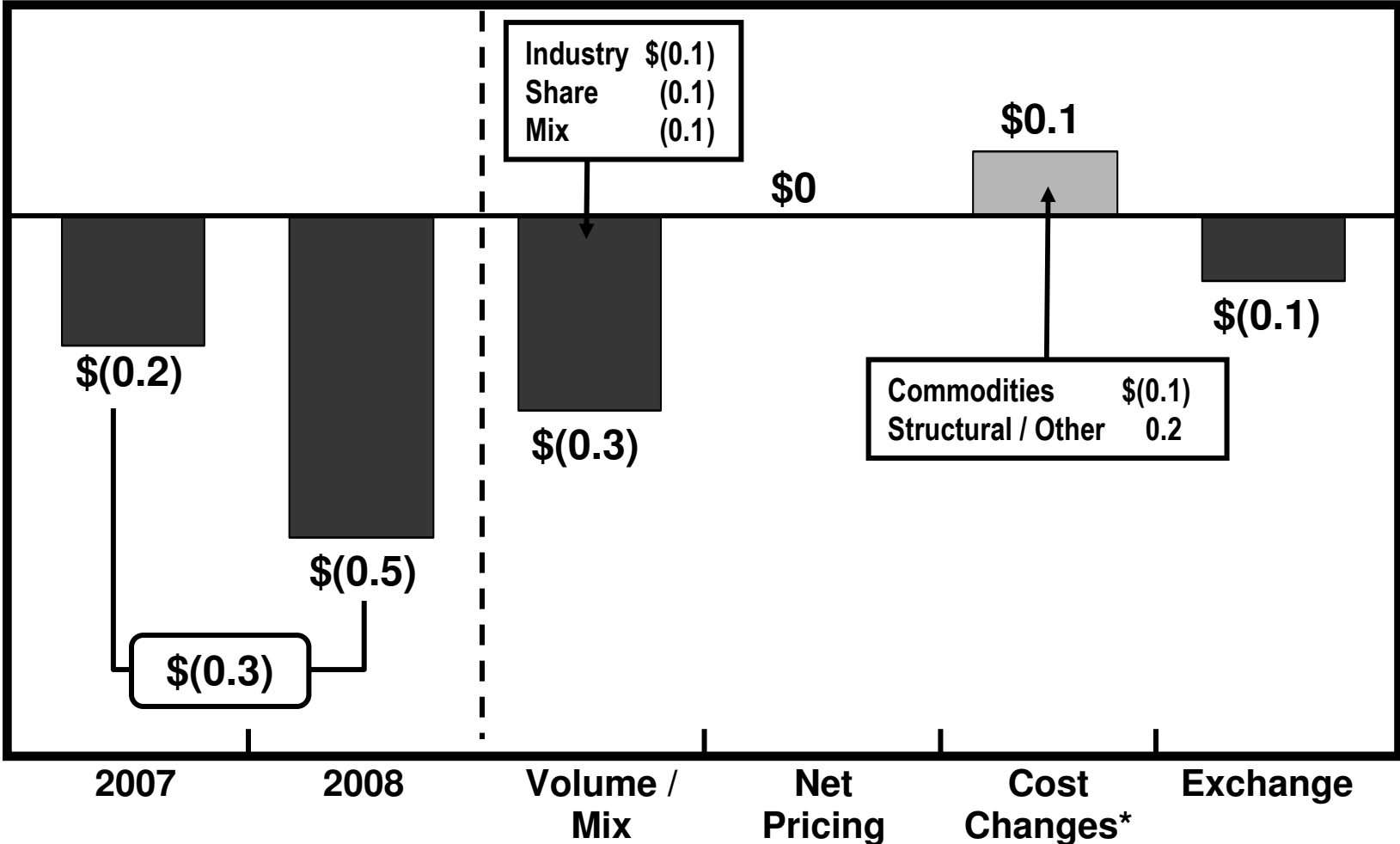
** Europe market share for Volvo is based, in part, on estimated vehicle registrations for the 19 European markets we track



AUTOMOTIVE SECTOR -- VOLVO

2008 THIRD QUARTER AUTOMOTIVE PRE-TAX RESULTS COMPARED WITH 2007*

(Bils.)



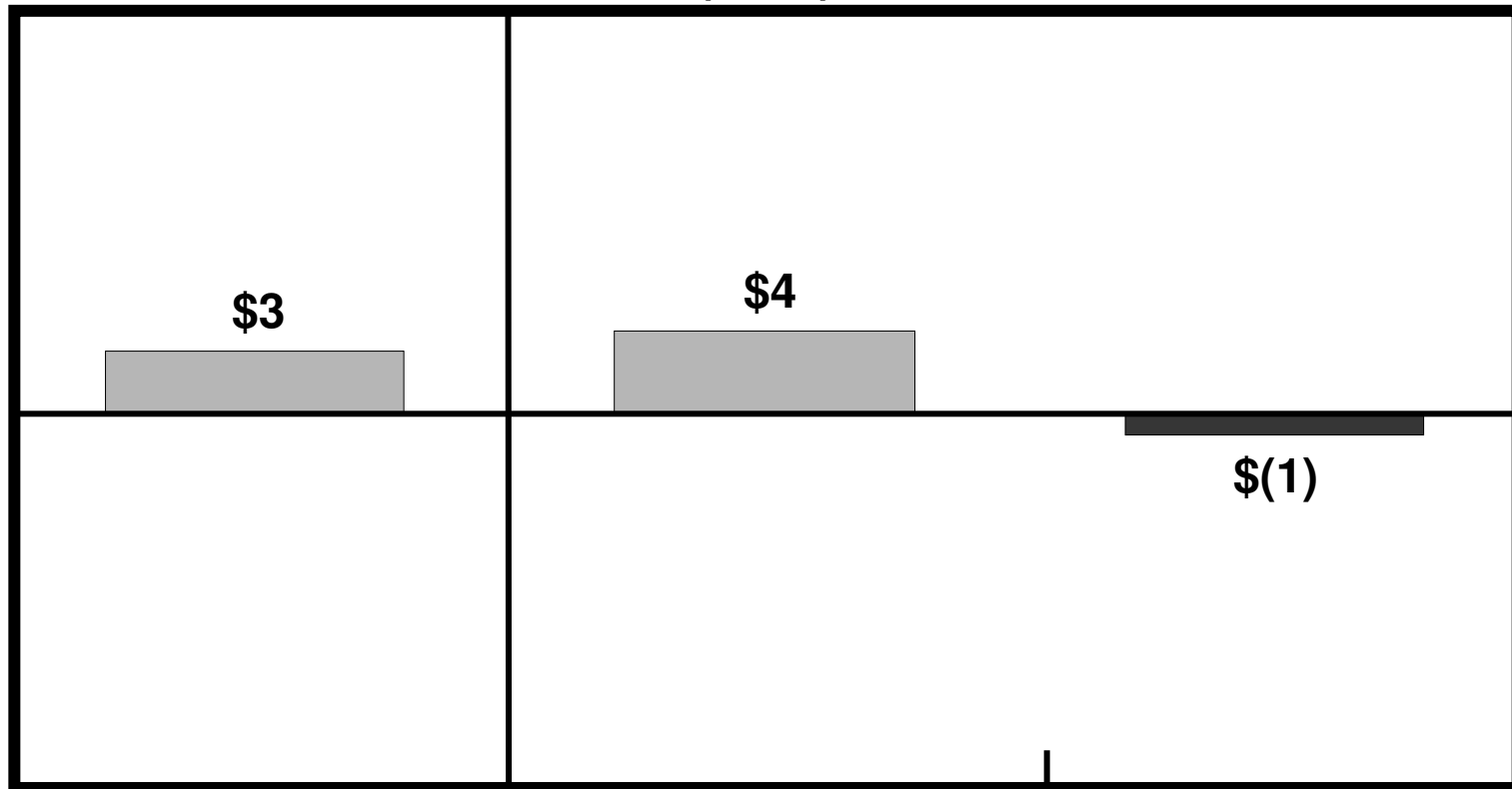
* Excludes special items; see Slide 9 and Appendix for reconciliation to GAAP

** At constant volume, mix and exchange

**AUTOMOTIVE SECTOR -- FORD ASIA PACIFIC AFRICA AND MAZDA
2008 THIRD QUARTER PRE-TAX PROFITS***



(Mils.)



Asia Pacific Africa
and Mazda

Asia Pacific Africa

Mazda

Memo:
B / (W)
2007

\$(41)

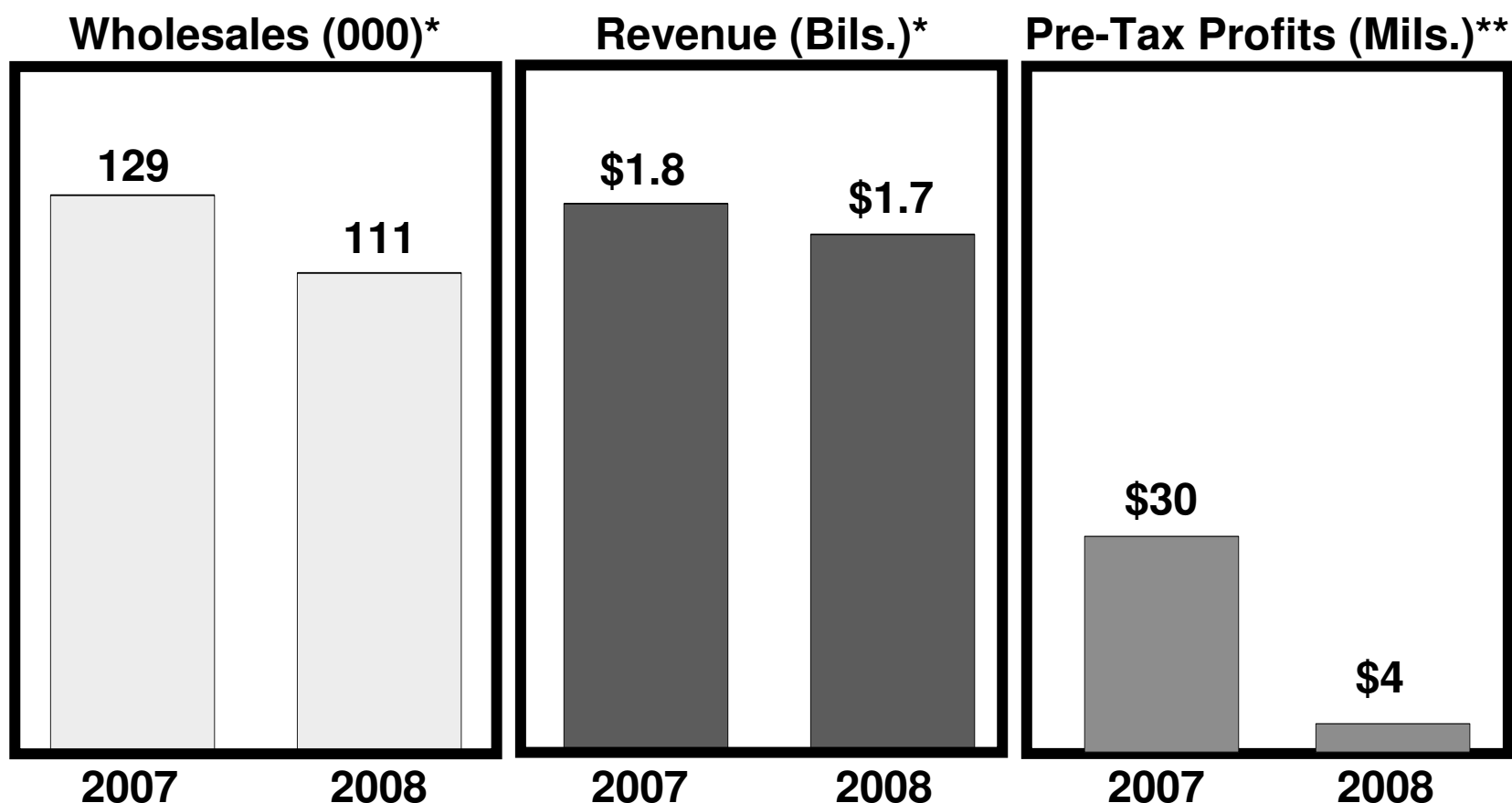
\$(26)

\$(15)

* Excludes special items; see Slide 9 and Appendix for reconciliation to GAAP



AUTOMOTIVE SECTOR -- FORD ASIA PACIFIC AFRICA THIRD QUARTER KEY METRICS -- 2008 vs. 2007



Memo:

Market Share*** 2.4% 2.1%

* Wholesales include Ford-badged vehicles sold in China and Malaysia by unconsolidated affiliates; revenue does not include these sales

** Excludes special items; see Slide 9 and Appendix for reconciliation to GAAP

*** Asia Pacific Africa market share is based on estimated vehicle sales for our twelve major markets in that region



AUTOMOTIVE SECTOR

2008 THIRD QUARTER CASH*

Gross Cash

September 30, 2008

June 30, 2008 / December 31, 2007

Change in Gross Cash

Operating-Related Cash Flow

Automotive Pre-Tax Profits**

Capital Spending

Depreciation and Amortization

Changes in Working Capital/Other (incl. Timing Differences)

Subtotal

Up-Front Subvention Payments to Ford Credit

Total Automotive Operating-Related Cash Flow

Other Changes in Gross Cash

Personnel Separation Programs

Pension Contributions

VEBA Related***

Tax Refunds, Tax Payments, and Tax Receipts from Affiliates

Acquisitions and Divestitures

All Other (incl. Equity Issuances)

Change in Gross Cash

	<u>Third Quarter (Bils.)</u>	<u>First Nine Months (Bils.)</u>
	\$18.9	\$ 18.9
	26.6	34.6
	<u>\$ (7.7)</u>	<u>\$(15.7)</u>
	\$ (2.9)	\$ (2.9)
	(1.8)	(4.7)
	1.3	4.3
	(3.6)	(6.7)
	<u>\$ (7.0)</u>	<u>\$(10.0)</u>
	(0.7)	(2.3)
	<u>\$ (7.7)</u>	<u>\$(12.3)</u>
	\$ (0.2)	\$ (0.5)
	(0.1)	(0.9)
	(0.1)	(4.6)
	-	0.9
	0.2	2.0
	<u>0.2</u>	<u>(0.3)</u>
	<u>\$ (7.7)</u>	<u>\$(15.7)</u>

* See Appendix for reconciliation to GAAP

** Excludes special items; see Slide 9 and Appendix for reconciliation to GAAP

*** Includes transfers to Temporary Asset Account



AUTOMOTIVE SECTOR

AUTOMOTIVE FINANCIAL RESOURCES

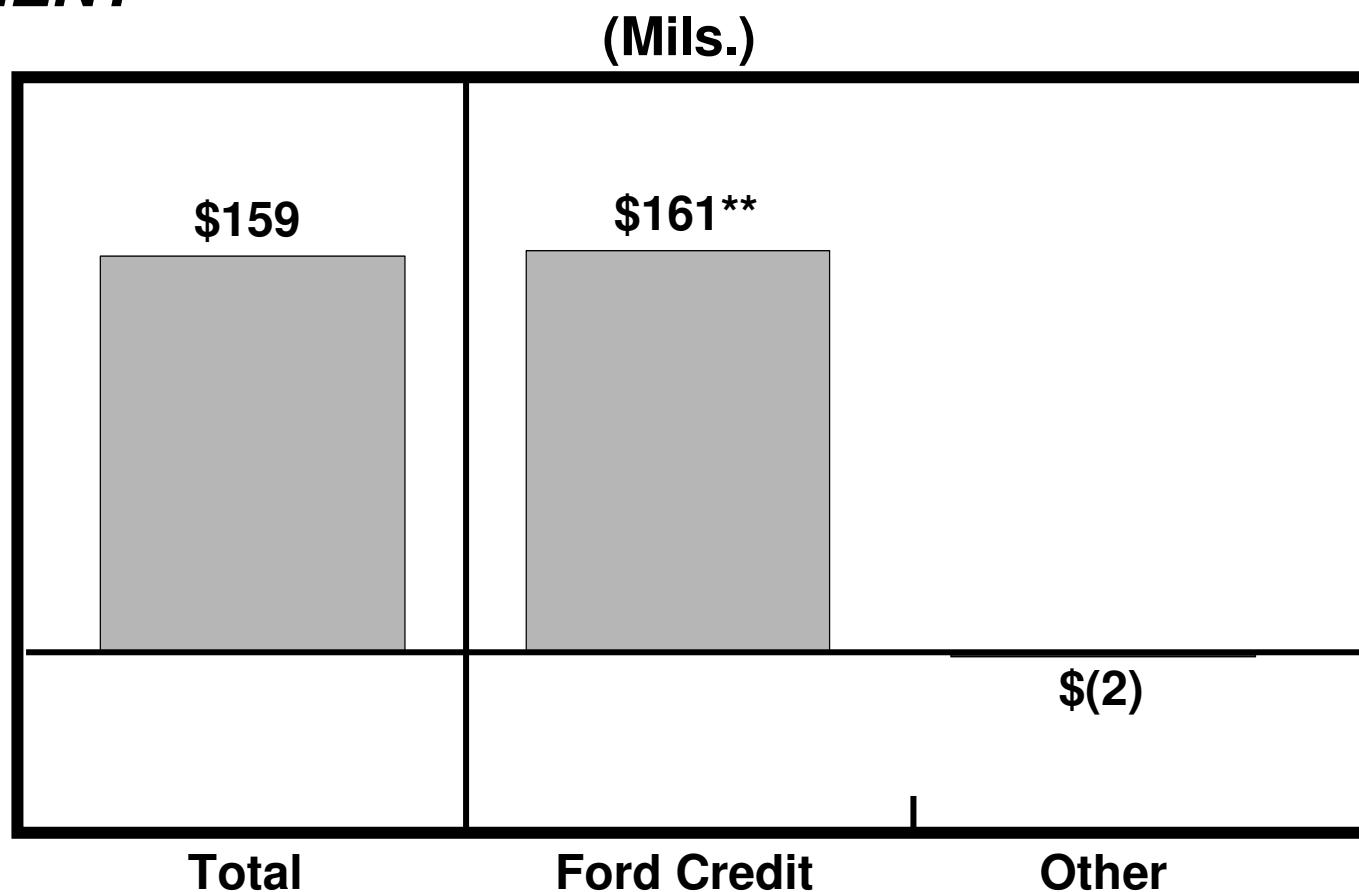
	<u>September 30, 2008</u> (Bils.)
Gross Cash*	\$ 18.9
Available Automotive Credit Lines (Secured and Unsecured)**	<u>10.7</u>
Total Liquidity	<u><u>\$ 29.6</u></u>
Memo: Debt	\$ 26.1

* See Appendix for reconciliation to GAAP

** As of September 30, 2008, total committed secured and unsecured Automotive credit lines (including local lines available to foreign affiliates) were \$11.4 billion



**FINANCIAL SERVICES SECTOR
2008 THIRD QUARTER PRE-TAX PROFIT / (LOSS)
BY SEGMENT***



Memo:

B / (W) 2007	\$(397)	\$(385)	\$(12)
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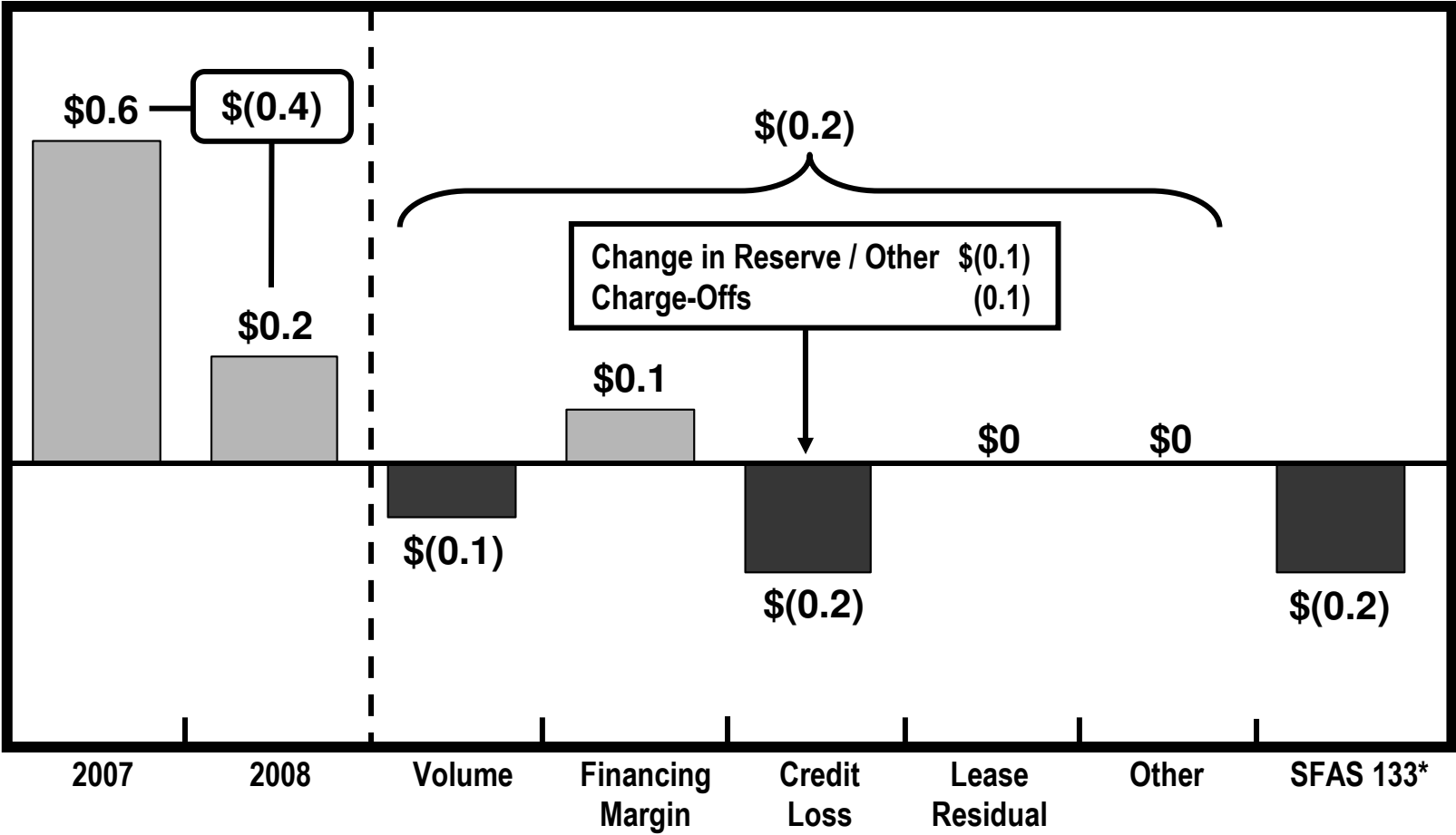
* Excludes special items, see Slide 9 and appendix for reconciliation to GAAP

** Includes a net loss of \$24 million related to market valuation adjustments to derivatives



FINANCIAL SERVICES SECTOR
2008 THIRD QUARTER FORD CREDIT PRE-TAX PROFIT
COMPARED WITH 2007

(Bils.)

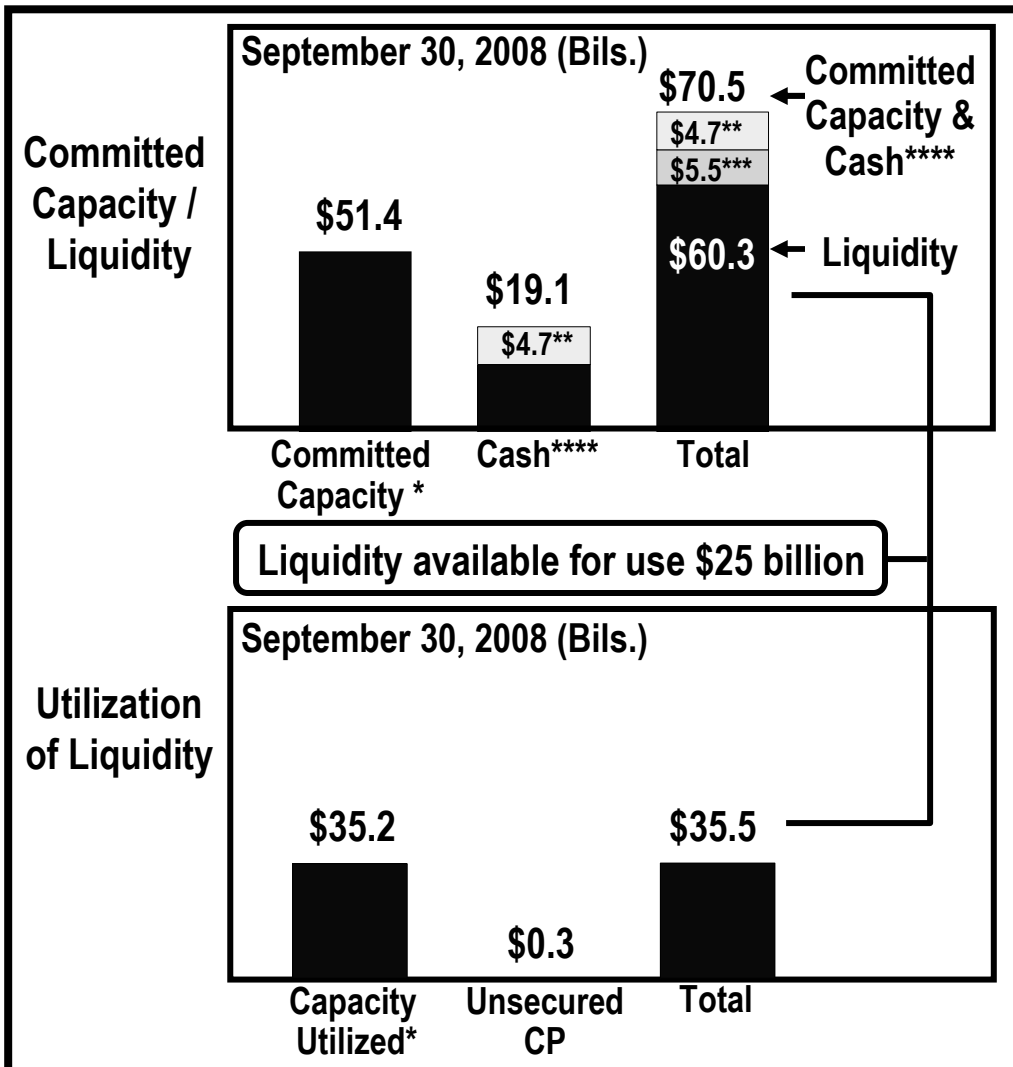


Managed Assets \$148 \$130

* Market valuation adjustments to derivatives

FINANCIAL SERVICES SECTOR

FORD CREDIT LIQUIDITY AND FUNDING STRATEGY



- Maintain liquidity to meet near-term funding obligations
 - Hold substantial cash balance
 - Continue to diversify global asset-backed funding capabilities
 - Renew committed global asset-backed funding capacity while maintaining a diversity of liquidity providers
- Continue to explore and execute various alternative business arrangements
- Utilize global government-sponsored liquidity programs as appropriate
- Managed leverage at September 30, 2008 was 9.6 to 1
- Equity at September 30, 2008 was \$11.7 billion

* Subject to availability of sufficient assets and ability to obtain derivatives to manage interest rate risk; capacity utilization excludes \$1.1 billion of FCAR asset-backed commercial paper held by Ford Credit

** To be used only to support on-balance sheet securitization transactions

*** Capacity in excess of eligible receivables

**** Cash, cash equivalents and marketable securities (excludes marketable securities related to insurance activities)

AUTOMOTIVE SECTOR 2008 PLANNING ASSUMPTIONS AND OPERATIONAL METRICS



	<u>Full Year Plan</u>	<u>First Nine Months</u>	<u>Full Year Outlook</u>
<u>Planning Assumptions</u>			
Industry Volume (SAAR) -- U.S. (Mils.)*	16.0	14.4	13.7
-- Europe (Mils.)**	17.6	17.2	16.7
<u>Operational Metrics</u>			
Compared with 2007			
- Quality	Improve	Improved	On Track
- Automotive Costs***	Improve by about \$3 Billion	\$3 Billion	About \$4 Billion
Absolute Amount			
- U.S. Market Share (Ford and Lincoln Mercury)	Low End of 14-15% Range	14%	High 13%
- Operating-Related Cash Flow	Negative	\$(12.3) Billion	Greater Outflow than Plan
- Capital Spending	Around \$6 Billion	\$4.7 Billion	On Track

2008 Operating and Overall Results Will be Worse than 2007

* Includes medium and heavy vehicles

** European 19 markets we track

*** At constant volume, mix, and exchange; excludes special items



AUTOMOTIVE SECTOR

2008 PRODUCTION VOLUMES

	Actual		Forecast			
	<u>Third Quarter</u>		<u>Fourth Quarter</u>		<u>Full Year</u>	
		O / (U)		O / (U)		O / (U)
	<u>Units</u>	<u>2007</u>	<u>Units</u>	<u>2007</u>	<u>Units</u>	<u>2007</u>
	(000)	(000)	(000)	(000)	(000)	(000)
Ford North America	418	(219)	430	(211)	2,225	(604)
Ford Europe	394	(22)	400	(89)	1,898	(42)
Volvo	72	(21)	77	(40)	373	(88)



OUR PLAN

Alan Mulally
President and Chief Executive Officer



TOTAL COMPANY BUSINESS ENVIRONMENT

- **Global economic and industry slowdown – broader, deeper, and longer than previously expected**
- **Industry volumes next year are expected to decline compared with 2008 levels; some recovery in 2010**
- **Ford’s overall market share about the same as 2008**
- **U.S. market continues trend towards smaller, more fuel efficient vehicles**
- **Suppliers and dealers under increasing pressure**
- **Financial markets remain volatile but are projected to stabilize and gradually improve over the next year**
- **Commodities remain below recent peaks but still volatile**
- **U.S. dollar has strengthened against most currencies**

**TOTAL COMPANY
OUR PLAN . . . ONE**



- **Continue implementation of a global “ONE” Ford**
- **Aggressively restructure to operate profitably at the current demand and changing model mix**
- **Accelerate development of new products our customers want and value**
- **Finance our plan and improve our balance sheet**
- **Work together effectively as one team -- leveraging our global assets**



**TOTAL COMPANY
THE BASIC ELEMENTS OF TRANSFORMATION
THROUGH “ONE FORD” REMAIN IN PLACE**

- **Ford positioned to respond to dramatically changing conditions**
- **“One Ford” to deliver a lineup of highly acclaimed, smaller vehicles in global segments (B, C, C/D and Commercial Van) beginning in mid-2009**
- **About 40% of Ford’s entries in these segments to be shared between Ford North America and Ford Europe by 2010, with 100% alignment achieved by 2013**
- **Every new product expected to be the best or among the best in its segment for fuel economy driven by the most extensive powertrain upgrades ever for Ford**
- **The new products to be supported by a lean, flexible manufacturing system in which capacity matches demand**
- **Progress in fixing the fundamentals of the business to continue, including a significant reduction in structural costs in 2009**

TOTAL COMPANY ADDITIONAL AUTOMOTIVE CASH ACTIONS THROUGH 2010



**Cash
Improvement
(Bils.)**

Operating Improvements

- Reduce 2009-2010 annual capital spending to between \$5.0 and \$5.5 billion
- Achieve further salaried personnel-related cost reductions through personnel reductions and revisions to compensation
- Reduce engineering and manufacturing costs through improved efficiencies and alignment with volume assumptions
- Reduce other structural costs through greater efficiencies in advertising, information technology, and other areas
- Reduce inventories globally and achieve other working capital improvements

\$8 - \$9

Financing Actions

- Release capital consistent with Ford Credit's smaller balance sheet and focus on core Ford brands
- Develop incremental sources of funding, including sale of non-core assets
- Implement equity for debt swaps

\$6 - \$8

Total Actions

\$14 - \$17



**TOTAL COMPANY
WE ARE EXECUTING OUR PLAN**

Business conditions have continued to change quickly but:

- **Our “One” Ford plan is more right now than ever**
- **We are focused on swift and decisive actions to stay on course with the four elements of our plan, and**
- **Executing on those things that we control as we adjust to changing macroeconomic conditions**

SAFE HARBOR



Risk Factors

Statements included herein may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on expectations, forecasts and assumptions by our management and involve a number of risks, uncertainties, and other factors that could cause actual results to differ materially from those stated, including, without limitation:

- Continued decline in market share;
- Continued or increased price competition resulting from industry overcapacity, currency fluctuations or other factors;
- A further increase in or acceleration of the market shift away from sales of trucks, SUVs, or other more profitable vehicles, particularly in the United States;
- Further significant decline in industry sales, resulting from slowing economic growth, geo-political events, or other factors;
- Lower-than-anticipated market acceptance of new or existing products;
- Further increases in the price for, or reduced availability of, fuel;
- Currency or commodity price fluctuations;
- Adverse effects from the bankruptcy or insolvency of, change in ownership or control of, or alliances entered into by a major competitor;
- Economic distress of suppliers of the type that has in the past and may in the future require us to provide financial support or take other measures to ensure supplies of components or materials;
- Labor or other constraints on our ability to restructure our business;
- Work stoppages at Ford or supplier facilities or other interruptions of supplies;
- Single-source supply of components or materials;
- Substantial pension and postretirement health care and life insurance liabilities impairing our liquidity or financial condition;
- Inability to implement the Retiree Health Care Settlement Agreement to fund and discharge UAW hourly retiree health care obligations;
- Worse-than-assumed economic and demographic experience for our postretirement benefit plans (e.g., discount rates, investment returns, and health care cost trends);
- The discovery of defects in vehicles resulting in delays in new model launches, recall campaigns, or increased warranty costs;
- Increased safety, emissions, fuel economy, or other regulation resulting in higher costs, cash expenditures, and/or sales restrictions;
- Unusual or significant litigation or governmental investigations arising out of alleged defects in our products or otherwise;
- A change in our requirements for parts or materials where we have entered into long-term supply arrangements that commit us to purchase minimum or fixed quantities of certain parts or materials, or to pay a minimum amount to the seller (“take-or-pay” contracts);
- Adverse effects on our results from a decrease in or cessation of government incentives;
- Adverse effects on our operations resulting from certain geo-political or other events;
- Substantial negative Automotive operating-related cash flows for the near- to medium-term affecting our ability to meet our obligations, invest in our business, or refinance our debt;
- Substantial levels of Automotive indebtedness adversely affecting our financial condition or preventing us from fulfilling our debt obligations (which may grow because we are able to incur substantially more debt, including additional secured debt);
- Failure of financial institutions to fulfill commitments under committed credit facilities;
- Inability of Ford Credit to obtain an industrial bank charter or otherwise obtain competitive funding;
- A prolonged disruption of the debt and securitization markets;
- Inability of Ford Credit to access debt, securitization, or derivative markets around the world at competitive rates or in sufficient amounts due to additional credit rating downgrades, market volatility, market disruption, or otherwise;
- Higher-than-expected credit losses;
- Increased competition from banks or other financial institutions seeking to increase their share of financing Ford vehicles;
- Changes in interest rates;
- Collection and servicing problems related to finance receivables and net investment in operating leases;
- Lower-than-anticipated residual values or higher-than-expected return volumes for leased vehicles;
- New or increased credit, consumer or data protection or other regulations resulting in higher costs and/or additional financing restrictions; and
- Inability to implement our plans to further reduce structural costs and increase liquidity.

We cannot be certain that any expectation, forecast or assumption made by management in preparing forward-looking statements will prove accurate, or that any projection will be realized. It is to be expected that there may be differences between projected and actual results. Our forward-looking statements speak only as of the date of their initial issuance, and we do not undertake any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events or otherwise. For additional discussion of these risks, see “Item 1A. Risk Factors” in our 2007 Form 10-K Report and in our subsequent Reports on Form 10-Q.



APPENDIX



TOTAL COMPANY CALCULATION OF EARNINGS PER SHARE

	<u>Third Quarter 2008</u>		<u>First Nine Months 2008</u>	
	<u>Net Income (Mils.)</u>	<u>Cont. Ops. -- Excl. Special Items (Mils.)</u>	<u>Net Income (Mils.)</u>	<u>Cont. Ops. -- Excl. Special Items (Mils.)</u>
<u>Numerator</u>				
Net Income	\$ (129)	\$(2,977)	\$(8,696)	\$(3,846)
Impact on Income from assumed exchange of convertible notes and convertible trust preferred securities	-	-	-	-
Income for EPS	<u>\$ (129)</u>	<u>\$(2,977)</u>	<u>\$(8,696)</u>	<u>\$(3,846)</u>
<u>Denominator</u>				
Average shares outstanding	2,279	2,279	2,235	2,235
Net issuable shares, primarily stock options	-	-	-	-
Convertible notes	-	-	-	-
Convertible trust preferred securities	-	-	-	-
Average shares for EPS	<u>2,279</u>	<u>2,279</u>	<u>2,235</u>	<u>2,235</u>
EPS	\$(0.06)	\$(1.31)	\$(3.89)	\$(1.72)



**TOTAL COMPANY
THIRD QUARTER AND FIRST NINE MONTHS INCOME /
(LOSS) FROM CONTINUING OPERATIONS COMPARED
WITH 2007**

	<u>Third Quarter</u>		<u>First Nine Months</u>	
	<u>2007</u> (Mils.)	<u>2008</u> (Mils.)	<u>2007</u> (Mils.)	<u>2008</u> (Mils.)
Pre-Tax Results from Continuing Operations (Excluding Special Items)	\$ 194	\$(2,747)	\$ 746	\$(3,035)
Minority Interest in Net (Income) / Loss of Subsidiaries	(62)	(51)	(205)	(262)
(Provision for) / Benefit from Income Taxes applied to Pre-Tax Results from Continuing Operations (Excl. Special Items)	<u>(156)</u>	<u>(179)</u>	<u>(478)</u>	<u>(549)</u>
After-Tax Results (Excl. Special Items)	\$ (24)	\$(2,977)	\$ 63	\$(3,846)
Pre-Tax Special Items*	(350)	2,207	(20)	(6,219)
(Provision for) / Benefit from Income Taxes on Special Items	<u>(6)</u>	<u>641</u>	<u>11</u>	<u>1,360</u>
Income / (Loss) from Continuing Operations	<u><u>\$(380)</u></u>	<u><u>\$ (129)</u></u>	<u><u>\$ 54</u></u>	<u><u>\$(8,705)</u></u>
(Provision for) / Benefit from Income Taxes applied to Pre-Tax Results from Continuing Operations (Excl. Special Items)	\$(156)	\$(179)	\$(478)	\$ (549)
(Provision for) / Benefit from Income Taxes on Special Items	<u>(6)</u>	<u>641</u>	<u>11</u>	<u>1,360</u>
(Provision for) / Benefit from Income Taxes	<u><u>\$(162)</u></u>	<u><u>\$ 462</u></u>	<u><u>\$(467)</u></u>	<u><u>\$ 811</u></u>

* Special items detailed on Slide 9



TOTAL COMPANY

2007 – 2008 THIRD QUARTER PRE-TAX RESULTS

	Pre-Tax Profits				Pre-Tax Profits	
	(Incl. Special Items)		Special Items		(Excl. Special Items)	
	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>
	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)
North America	\$ (689)	\$ (36)	\$ 328	\$2,553	\$ (1,017)	\$ (2,589)
South America	386	480	-	-	386	480
Europe	254	29	(39)	(40)	293	69
Volvo	(174)	(484)	(7)	(26)	(167)	(458)
Asia Pacific Africa	19	(24)	(11)	(28)	30	4
Mazda	14	(1)	-	-	14	(1)
Subtotal	<u>\$ (190)</u>	<u>\$ (36)</u>	<u>\$ 271</u>	<u>\$2,459</u>	<u>\$ (461)</u>	<u>\$ (2,495)</u>
Other Automotive	<u>(603)</u>	<u>(626)</u>	<u>(632)</u>	<u>(215)</u>	<u>29</u>	<u>(411)</u>
Subtotal Ongoing Auto.	<u>\$ (793)</u>	<u>\$ (662)</u>	<u>\$ (361)</u>	<u>\$2,244</u>	<u>\$ (432)</u>	<u>\$ (2,906)</u>
Jaguar Land Rover	81	(37)	11	(37)	70	-
Total Automotive	<u>\$ (712)</u>	<u>\$ (699)</u>	<u>\$ (350)</u>	<u>\$2,207</u>	<u>\$ (362)</u>	<u>\$ (2,906)</u>
Financial Services	556	159	-	-	556	159
Total Company	<u><u>\$ (156)</u></u>	<u><u>\$ (540)</u></u>	<u><u>\$ (350)</u></u>	<u><u>\$2,207</u></u>	<u><u>\$ 194</u></u>	<u><u>\$ (2,747)</u></u>



TOTAL COMPANY
2007 – 2008 FIRST NINE MONTHS PRE-TAX RESULTS

	Pre-Tax Profits				Pre-Tax Profits	
	(Incl. Special Items)		Special Items		(Excl. Special Items)	
	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>
	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)
North America	\$(1,458)	\$(7,634)	\$ 442	\$(3,663)	\$(1,900)	\$(3,971)
South America	754	1,125	-	-	754	1,125
Europe	646	1,336	(128)	(54)	774	1,390
Volvo	(175)	(787)	(11)	(58)	(164)	(729)
Asia Pacific Africa	9	15	(21)	(40)	30	55
Mazda	<u>107</u>	<u>(63)</u>	<u>-</u>	<u>(214)</u>	<u>107</u>	<u>151</u>
Subtotal	\$ (117)	\$(6,008)	\$ 282	\$(4,029)	\$ (399)	\$(1,979)
Other Automotive	<u>(1,051)</u>	<u>(1,087)</u>	<u>(632)</u>	<u>(142)</u>	<u>(419)</u>	<u>(945)</u>
Subtotal Ongoing Auto.	\$(1,168)	\$(7,095)	\$ (350)	\$(4,171)	\$ (818)	\$(2,924)
JLR and Aston Martin	<u>939</u>	<u>38</u>	<u>330</u>	<u>38</u>	<u>609</u>	<u>-</u>
Total Automotive	\$ (229)	\$(7,057)	\$ (20)	\$(4,133)	\$ (209)	\$(2,924)
Financial Services	<u>955</u>	<u>(2,197)</u>	<u>-</u>	<u>(2,086)</u>	<u>955</u>	<u>(111)</u>
Total Company	<u>\$ 726</u>	<u>\$(9,254)</u>	<u>\$ (20)</u>	<u>\$(6,219)</u>	<u>\$ 746</u>	<u>\$(3,035)</u>



TOTAL COMPANY

2007 – 2008 THIRD QUARTER REVENUE

	Revenue				Revenue	
	(Incl. Special Items)		Special Items		(Excl. Special Items)	
	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>
	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)
North America	\$16,688	\$10,748	\$ -	\$ -	\$16,688	\$10,748
South America	2,064	2,712	-	-	2,064	2,712
Europe	8,328	9,660	-	-	8,328	9,660
Volvo	3,844	2,916	-	-	3,844	2,916
Asia Pacific Africa	1,782	1,697	-	-	1,782	1,697
Mazda	-	-	-	-	-	-
Subtotal Ongoing Auto.	<u>\$32,706</u>	<u>\$27,733</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$32,706</u>	<u>\$27,733</u>
Jaguar Land Rover	3,564	-	-	-	3,564	-
Total Automotive	<u>\$36,270</u>	<u>\$27,733</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$36,270</u>	<u>\$27,733</u>
Financial Services	<u>4,808</u>	<u>4,312</u>	<u>-</u>	<u>-</u>	<u>4,808</u>	<u>4,312</u>
Total Company	<u>\$41,078</u>	<u>\$32,045</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$41,078</u>	<u>\$32,045</u>



TOTAL COMPANY
2007 – 2008 FIRST NINE MONTHS REVENUE

	Revenue				Revenue	
	(Incl. Special Items)		Special Items		(Excl. Special Items)	
	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>
	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)
North America	\$ 54,208	\$ 42,077	\$ -	\$ -	\$ 54,208	\$ 42,077
South America	5,174	6,900	-	-	5,174	6,900
Europe	26,163	31,374	-	-	26,163	31,374
Volvo	12,789	11,439	-	-	12,789	11,439
Asia Pacific Africa	5,278	5,143	-	-	5,278	5,143
Mazda	-	-	-	-	-	-
Subtotal Ongoing Auto.	<u>\$103,612</u>	<u>\$ 96,933</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$103,612</u>	<u>\$ 96,933</u>
JLR and Aston Martin	11,394	6,974	-	6,974	11,394	-
Total Automotive	<u>\$115,006</u>	<u>\$103,907</u>	<u>\$ -</u>	<u>\$ 6,974</u>	<u>\$115,006</u>	<u>\$ 96,933</u>
Financial Services	<u>13,333</u>	<u>13,178</u>	<u>-</u>	<u>-</u>	<u>13,333</u>	<u>13,178</u>
Total Company	<u><u>\$128,339</u></u>	<u><u>\$117,085</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,974</u></u>	<u><u>\$128,339</u></u>	<u><u>\$110,111</u></u>



TOTAL COMPANY

2008 THIRD QUARTER WHOLESALLES

	Wholesales				Wholesales	
	(Incl. Special Items)		Special Items		(Excl. Special Items)	
	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>
	(000)	(000)	(Mils.)	(Mils.)	(Mils.)	(Mils.)
North America*	649	462	-	-	649	462
South America	116	125	-	-	116	125
Europe	422	410	-	-	422	410
Volvo	102	66	-	-	102	66
Asia Pacific Africa**	129	111	-	-	129	111
Mazda	-	-	-	-	-	-
Subtotal	<u>1,418</u>	<u>1,174</u>	-	-	<u>1,418</u>	<u>1,174</u>
Other Automotive	-	-	-	-	-	-
Subtotal Automotive Ops.	<u>1,418</u>	<u>1,174</u>	-	-	<u>1,418</u>	<u>1,174</u>
Jaguar Land Rover	69	-	-	-	69	-
Total Automotive	<u>1,487</u>	<u>1,174</u>	-	-	<u>1,487</u>	<u>1,174</u>

* Includes consolidation of Automotive Alliance International (AAI) wholesales from production of Mazda6 vehicles only

** Included in wholesales of Asia Pacific Africa are Ford-badged vehicles sold in China and Malaysia by certain unconsolidated affiliates totaling about 41,000 and 51,000 units in 2008 and 2007, respectively.



TOTAL COMPANY

2008 FIRST NINE MONTHS WHOLESALLES

	Wholesales				Wholesales	
	(Incl. Special Items)		Special Items		(Excl. Special Items)	
	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>
	(000)	(000)	(Mils.)	(Mils.)	(Mils.)	(Mils.)
North America*	2,209	1,845	-	-	2,209	1,845
South America	310	335	-	-	310	335
Europe	1,431	1,442	-	-	1,431	1,442
Volvo	355	279	-	-	355	279
Asia Pacific Africa**	390	365	-	-	390	365
Mazda	-	-	-	-	-	-
Subtotal	<u>4,695</u>	<u>4,266</u>	-	-	<u>4,695</u>	<u>4,266</u>
Other Automotive	-	-	-	-	-	-
Subtotal Automotive Ops.	<u>4,695</u>	<u>4,266</u>	-	-	<u>4,695</u>	<u>4,266</u>
JLR and Aston Martin	<u>215</u>	<u>125</u>	-	<u>125</u>	<u>215</u>	-
Total Automotive	<u><u>4,910</u></u>	<u><u>4,391</u></u>	<u>-</u>	<u><u>125</u></u>	<u><u>4,910</u></u>	<u><u>4,266</u></u>

* Includes consolidation of Automotive Alliance International (AAI) wholesales from production of Mazda6 vehicles only

** Included in wholesales of Asia Pacific Africa are Ford-badged vehicles sold in China and Malaysia by certain unconsolidated affiliates totaling about 145,000 and 144,000 units in 2008 and 2007, respectively.



**TOTAL COMPANY
THIRD QUARTER EMPLOYMENT DATA BY
BUSINESS UNIT***

	June 30, 2008	Sept. 30, 2008
	(000)	(000)
North America	89	84
South America	14	15
Europe	73	73
Volvo	25	25
Asia Pacific Africa	17	17
Subtotal Automotive	218	214
Financial Services	11	10
Total Company	229	224

* This slide includes the approximate number of individuals employed by us and our consolidated entities (including entities we do not control)



AUTOMOTIVE SECTOR -- FORD NORTH AMERICA PERSONNEL LEVELS FROM YEAR-END 2005

	<u>Dec. 31, 2005</u>	<u>Dec. 31, 2006</u>	<u>Dec. 31, 2007</u>	<u>June 30, 2008</u>	<u>Sept. 30, 2008</u>
Salaried	35,600	32,400	24,300	24,100	22,600
Hourly					
- Manufacturing / Other	86,200	78,900	58,600	56,500	54,000
- ACH*	<u>13,900</u>	<u>11,100</u>	<u>6,100</u>	<u>4,100</u>	<u>3,600</u>
Total Hourly	<u>100,100</u>	<u>90,000</u>	<u>64,700</u>	<u>60,600</u>	<u>57,600</u>
Subtotal	135,700	122,400	89,000	84,700	80,200
Dealership Personnel**	<u>7,000</u>	<u>5,700</u>	<u>4,600</u>	<u>4,200</u>	<u>4,100</u>
Total	<u><u>142,700</u></u>	<u><u>128,100</u></u>	<u><u>93,600</u></u>	<u><u>88,900</u></u>	<u><u>84,300</u></u>

* Excludes Supplemental Replacement Personnel

** Primarily entities that we do not control but are consolidated under FIN46

AUTOMOTIVE SECTOR

2008 THIRD QUARTER MARKET RESULTS



	<u>Third Quarter</u>		<u>First Nine Months</u>	
	<u>Absolute</u>	<u>B / (W)</u> <u>2007</u>	<u>Absolute</u>	<u>B / (W)</u> <u>2007</u>
<u>U.S.</u>				
Industry SAAR (Mils.)	13.1	(3.1)	14.4	(2.1)
Market Share (Pct.)				
- Ford and Lincoln Mercury	12.4%	(1.0) Pts.	14.0%	(0.7) Pts.
- Volvo	0.4	(0.2)	0.5	(0.1)
<u>Europe</u>				
Industry SAAR (Mils.)	16.3	(1.8)	17.2	(0.8)
Market Share (Pct.)*				
- Ford	8.6%	0 Pts.	8.7%	0 Pts.
- Volvo	1.2	(0.1)	1.3	(0.1)
<u>Other Regions</u>				
Ford Brand Market Share (Pct.)				
- South America**	9.7%	(0.6) Pts.	9.5%	(1.2) Pts.
- Asia Pacific Africa***	2.1	(0.3)	2.0	(0.2)

* European market share for Ford and Volvo is based, in part, on estimated vehicle registrations for the 19 major European markets that we track

** South American market share is based, in part, on estimated vehicle registrations for our six major markets in that region

*** Asia Pacific Africa 2008 market share is based, in part, on estimated vehicle sales for our twelve major markets in that region



AUTOMOTIVE SECTOR COSTS AND EXPENSES

	<u>Third Quarter 2008</u>	
	<u>Amount</u>	<u>B / (W)</u>
	<u>(Mils.)</u>	<u>Third Qtr.</u>
		<u>2007</u>
		<u>(Mils.)</u>
Total Costs and Expenses*	\$27,739	\$ 8,515
Select Cost Items:		
Depreciation and Amortization		
- Depreciation	\$ 741	\$ 71
- Amortization -- Special Tools	613	167
Total Depreciation / Amortization	<u>\$ 1,354</u>	<u>\$ 238</u>
Postretirement Expense / (Gain)	\$ (2,200)	\$ 2,700

* 2008 excludes Jaguar Land Rover and 2007 includes Jaguar Land Rover



AUTOMOTIVE SECTOR GROSS CASH RECONCILIATION TO GAAP

	Dec. 31, <u>2007</u> (Bils.)	Sept. 30, <u>2008</u> (Bils.)	Sept. 30, 2008 B / (W) <u>Dec. 31, 2007</u> (Bils.)	Memo:	
				<u>Sept. 30,</u> <u>2007</u> (Bils.)	<u>June 30,</u> <u>2008</u> (Bils.)
Cash and Cash Equivalents	\$20.7	\$10.6	\$(10.1)	\$18.9	\$16.9
Marketable Securities	2.0	11.5	9.5	7.2	5.1
Loaned Securities	<u>10.3</u>	<u>-</u>	<u>(10.3)</u>	<u>7.8</u>	<u>7.4</u>
Total Cash / Marketable and Loaned Securities	\$33.0	\$22.1	\$(10.9)	\$33.9	\$29.4
Securities-In-Transit	(0.3)	(0.7)	(0.4)	(0.4)	(0.1)
UAW-Ford Temporary Asset Account	-	(2.5)	(2.5)	-	(2.7)
Short-Term VEBA Assets*	<u>1.9</u>	<u>-</u>	<u>(1.9)</u>	<u>2.1</u>	<u>-</u>
Gross Cash	<u>\$34.6</u>	<u>\$18.9</u>	<u>\$(15.7)</u>	<u>\$35.6</u>	<u>\$26.6</u>

* Historically, amounts accessible within 18 months; short-term VEBA is no longer reported within gross cash as of January 1, 2008, consistent with our new UAW VEBA agreement

AUTOMOTIVE SECTOR GAAP RECONCILIATION OF OPERATING-RELATED CASH FLOWS*



	<u>2008</u>		First
	<u>Third</u>	<u>Q / (U)</u>	Nine Months
	<u>Quarter</u>	<u>2007</u>	<u>of 2008</u>
	(Bils.)	(Bils.)	(Bils.)
Cash Flows from Operating Activities of Continuing Operations	\$(5.6)	\$(8.8)	\$ (7.2)
Items Included in Operating-Related Cash Flows			
- Capital Expenditures	(1.8)	(0.2)	(4.7)
- Net Transactions Between Automotive and Financial Services Sectors	(0.1)	0.2	(1.4)
- Net Cash Flows from Non-Designated Derivatives	0.3	0.1	1.1
Items Not Included in Operating-Related Cash Flows			
- Cash Impact of Job Security Program & Personnel Reduction Program	0.2	(0.2)	0.5
- Net (Sales) / Purchases of Trading Securities	(0.5)	2.9	(0.8)
- Pension Contributions	0.1	(0.1)	0.9
- VEBA Cash Flows -- Net Reimbursement for Benefits Paid	-	0.5	-
- Tax Refunds and Tax Payments from Affiliates	-	(0.2)	(0.9)
- Foreign Currency Translation	(0.3)	(0.6)	(0.1)
- Other	-	-	0.3
Operating-Related Cash Flows	<u><u>\$ (7.7)</u></u>	<u><u>\$ (6.4)</u></u>	<u><u>\$ (12.3)</u></u>

* 2008 excludes Jaguar Land Rover and 2007 includes Jaguar Land Rover



FORD CREDIT KEY METRIC DEFINITIONS

In evaluating Ford Credit's financial performance, Ford Credit management uses financial measures based on GAAP, as well as financial measures that include adjustments from GAAP; these measures are defined below. Information about the impact of on-balance sheet securitization is also included below:

Managed Receivables -- receivables reported on Ford Credit's balance sheet, excluding unearned interest supplements related to finance receivables, and receivables Ford Credit sold in off-balance sheet securitizations and continues to service

Serviced Receivables -- includes managed receivables and receivables Ford Credit sold in whole-loan sale transactions (i.e., receivables for which Ford Credit has no continuing exposure or risk of loss)

Charge-offs on Managed Receivables -- charge-offs associated with receivables reported on Ford Credit's balance sheet plus charge-offs associated with receivables Ford Credit sold in off-balance sheet securitizations and continues to service

Equity -- shareholder's interest reported on Ford Credit's balance sheet

Impact of On-Balance Sheet Securitization -- finance receivables (retail and wholesale) and net investment in operating leases reported on Ford Credit's balance sheet include assets included in securitizations that do not qualify for accounting sale treatment. These assets are available only for repayment of the debt or other obligations issued or arising in the securitization transactions; they are not available to pay the other obligations of Ford Credit or the claims of Ford Credit's other creditors. Debt reported on Ford Credit's balance sheet includes obligations issued or arising in securitizations that are payable only out of collections on the underlying securitized assets and related enhancements



FORD CREDIT RATIO DEFINITIONS

In addition to evaluating Ford Credit's financial performance on a GAAP financial statement basis, Ford Credit management also uses other criteria, some of which were previously disclosed in this presentation and are defined below:

$$\text{Loss-to-Receivables Ratio} = \frac{\text{Charge-offs}}{\text{Average Receivables}}$$

Leverage:

$$\text{- Financial Statement Leverage} = \frac{\text{Total Debt}}{\text{Equity}}$$

$$\text{- Managed Leverage} = \frac{\text{Total Debt} + \text{Securitized Off-Balance Sheet Receivables} - \text{Securitized Off-Balance Sheet Receivables} - \text{Cash, Cash Equivalents \& Marketable Securities}^* - \text{Adjustments for Hedge Accounting on Total Debt}^{**}}{\text{Equity} + \text{Minority Interest} - \text{Adjustments for Hedge Accounting on Equity}^{**}}$$

* Excludes marketable securities related to insurance activities

** Primarily related to market valuation adjustments to derivatives due to movements in interest rates



FINANCIAL SERVICES SECTOR FORD CREDIT RECONCILIATIONS OF MANAGED LEVERAGE TO FINANCIAL STATEMENT LEVERAGE

	September 30, <u>2007</u> (Bils.)	September 30, <u>2008</u> (Bils.)
<u>Leverage Calculation</u>		
Total Debt*	\$ 133.1	\$129.1
Securitized Off-Balance Sheet Receivables Outstanding	7.6	1.1
Retained Interest in Securitized Off-Balance Sheet Receivables	(0.8)	(0.2)
Adjustments for Cash, Cash Equivalents and Marketable Securities**	(12.0)	(19.1)
Adjustments for Hedge Accounting***	<u>(0.0)</u>	<u>(0.2)</u>
Total Adjusted Debt	<u>\$ 127.9</u>	<u>\$110.7</u>
Total Equity (incl. minority interest)	\$ 13.0	\$ 11.7
Adjustments for Hedge Accounting***	<u>(0.3)</u>	<u>(0.2)</u>
Total Adjusted Equity	<u>\$ 12.7</u>	<u>\$ 11.5</u>
Financial Statement Leverage (to 1)	10.2	11.0
Managed Leverage (to 1)	10.1	9.6

* Includes \$61.7 billion and \$68.8 billion on September 30, 2007 and September 30, 2008, respectively, of long-term and short-term asset-backed debt obligations issued in securitizations that are payable only out of collections on the underlying securitized assets and related enhancements

** Excludes marketable securities related to insurance activities

*** Primarily related to market valuation adjustments to derivatives due to movements in interest rates

**TOTAL COMPANY
2005 - 2008 PRE-TAX RESULTS INCLUDING
SPECIAL ITEMS**



	<u>Full Year</u>		<u>2007</u>				<u>2008</u>	<u>2008</u>	
	<u>2005</u> (Mils.)	<u>2006</u> (Mils.)	<u>First Quarter</u> (Mils.)	<u>Second Quarter</u> (Mils.)	<u>Third Quarter</u> (Mils.)	<u>Fourth Quarter</u> (Mils.)	<u>Full Year</u> (Mils.)	<u>First Quarter</u> (Mils.)	<u>Second Quarter</u> (Mils.)
North America	\$(2,461)	\$(16,006)	\$(702)	\$ (67)	\$(689)	\$(2,681)	\$(4,139)	\$(445)	\$(7,153)
South America	399	661	113	255	386	418	1,172	257	388
Europe	(437)	371	208	184	254	98	744	728	579
Volvo	267	(256)	90	(91)	(174)	(2,543)	(2,718)	(151)	(152)
Asia Pacific Africa	42	(250)	(28)	18	19	(7)	2	(4)	43
Mazda	247	259	21	72	14	75	182	49	(111)
Subtotal	<u>\$(1,943)</u>	<u>\$(15,221)</u>	<u>\$(298)</u>	<u>\$ 371</u>	<u>\$(190)</u>	<u>\$(4,640)</u>	<u>\$(4,757)</u>	<u>\$ 434</u>	<u>\$(6,406)</u>
Other Automotive	(55)	247	(341)	(107)	(603)	(8)	(1,059)	(182)	(279)
Subtotal Ongoing Automotive	<u>\$(1,998)</u>	<u>\$(14,974)</u>	<u>\$(639)</u>	<u>\$ 264</u>	<u>\$(793)</u>	<u>\$(4,648)</u>	<u>\$(5,816)</u>	<u>\$ 252</u>	<u>\$(6,685)</u>
JLR and Aston Martin	(1,901)	(2,066)	301	557	81	(93)	846	-	75
Total Automotive	<u>\$(3,899)</u>	<u>\$(17,040)</u>	<u>\$(338)</u>	<u>\$ 821</u>	<u>\$(712)</u>	<u>\$(4,741)</u>	<u>\$(4,970)</u>	<u>\$ 252</u>	<u>\$(6,610)</u>
Financial Services	4,953	1,966	294	105	556	269	1,224	64	(2,420)
Total Company	<u>\$ 1,054</u>	<u>\$(15,074)</u>	<u>\$ (44)</u>	<u>\$ 926</u>	<u>\$(156)</u>	<u>\$(4,472)</u>	<u>\$(3,746)</u>	<u>\$ 316</u>	<u>\$(9,030)</u>

TOTAL COMPANY

2005 - 2008 PRE-TAX SPECIAL ITEMS



	<u>Full Year</u>		<u>2007</u>					<u>2008</u>	<u>2008</u>
	<u>2005</u>	<u>2006</u>	<u>First</u>	<u>Second</u>	<u>Third</u>	<u>Fourth</u>	<u>Full</u>	<u>First</u>	<u>Second</u>
	(Mils.)	(Mils.)	Quarter	Quarter	Quarter	Quarter	Year	Quarter	Quarter
			(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)
North America	\$ (959)	\$(10,020)	\$ (89)	\$ 203	\$ 328	\$(1,135)	\$ (693)	\$(400)	\$(5,816)
South America	-	110	-	-	-	-	-	-	-
Europe	(510)	(84)	(11)	(78)	(39)	(125)	(253)	(11)	(3)
Volvo	(110)	(217)	(4)	-	(7)	(2,543)	(2,554)	-	(32)
Asia Pacific Africa	(19)	(65)	(2)	(8)	(11)	(17)	(38)	(5)	(7)
Mazda	-	115	-	-	-	-	-	-	(214)
Subtotal	<u>\$(1,598)</u>	<u>\$(10,161)</u>	<u>\$(106)</u>	<u>\$ 117</u>	<u>\$ 271</u>	<u>\$(3,820)</u>	<u>\$(3,538)</u>	<u>\$(416)</u>	<u>\$(6,072)</u>
Other Automotive	152	-	-	-	(632)	120	(512)	16	57
Subtotal Ongoing Automotive	<u>\$(1,446)</u>	<u>\$(10,161)</u>	<u>\$(106)</u>	<u>\$ 117</u>	<u>\$(361)</u>	<u>\$(3,700)</u>	<u>\$(4,050)</u>	<u>\$(400)</u>	<u>\$(6,015)</u>
JLR and Aston Martin	(1,435)	(1,761)	(7)	326	11	(152)	178	-	75
Total Automotive	<u>\$(2,881)</u>	<u>\$(11,922)</u>	<u>\$(113)</u>	<u>\$ 443</u>	<u>\$(350)</u>	<u>\$(3,852)</u>	<u>\$(3,872)</u>	<u>\$(400)</u>	<u>\$(5,940)</u>
Financial Services	1,499	-	-	-	-	-	-	-	(2,086)
Total Company	<u><u>\$(1,382)</u></u>	<u><u>\$(11,922)</u></u>	<u><u>\$(113)</u></u>	<u><u>\$ 443</u></u>	<u><u>\$(350)</u></u>	<u><u>\$(3,852)</u></u>	<u><u>\$(3,872)</u></u>	<u><u>\$(400)</u></u>	<u><u>\$(8,026)</u></u>



**TOTAL COMPANY
2005 - 2008 PRE-TAX RESULTS EXCLUDING
SPECIAL ITEMS**

	<u>Full Year</u>		<u>2007</u>					<u>2008</u>	<u>2008</u>
	<u>2005</u> (Mils.)	<u>2006</u> (Mils.)	<u>First Quarter</u> (Mils.)	<u>Second Quarter</u> (Mils.)	<u>Third Quarter</u> (Mils.)	<u>Fourth Quarter</u> (Mils.)	<u>Full Year</u> (Mils.)	<u>First Quarter</u> (Mils.)	<u>Second Quarter</u> (Mils.)
North America	\$(1,502)	\$(5,986)	\$(613)	\$(270)	\$(1,017)	\$(1,546)	\$(3,446)	\$ (45)	\$(1,337)
South America	399	551	113	255	386	418	1,172	257	388
Europe	73	455	219	262	293	223	997	739	582
Volvo	377	(39)	94	(91)	(167)	-	(164)	(151)	(120)
Asia Pacific Africa	61	(185)	(26)	26	30	10	40	1	50
Mazda	247	144	21	72	14	75	182	49	103
Subtotal	\$ (345)	\$(5,060)	\$(192)	\$ 254	\$ (461)	\$ (820)	\$(1,219)	\$ 850	\$ (334)
Other Automotive	(207)	247	(341)	(107)	29	(128)	(547)	(198)	(336)
Subtotal Ongoing Automotive	\$ (552)	\$(4,813)	\$(533)	\$ 147	\$ (432)	\$ (948)	\$(1,766)	\$ 652	\$ (670)
JLR and Aston Martin	(466)	(305)	308	231	70	59	668	-	-
Total Automotive	\$(1,018)	\$(5,118)	\$(225)	\$ 378	\$ (362)	\$ (889)	\$(1,098)	\$ 652	\$ (670)
Financial Services	3,454	1,966	294	105	556	269	1,224	64	(334)
Total Company	<u>\$ 2,436</u>	<u>\$(3,152)</u>	<u>\$ 69</u>	<u>\$ 483</u>	<u>\$ 194</u>	<u>\$ (620)</u>	<u>\$ 126</u>	<u>\$ 716</u>	<u>\$(1,004)</u>

TOTAL COMPANY 2005 - 2008 REVENUE*



	<u>Full Year</u>		<u>2007</u>					<u>2008</u>	<u>2008</u>
	<u>2005</u> (Mils.)	<u>2006</u> (Mils.)	<u>First</u> <u>Quarter</u> (Mils.)	<u>Second</u> <u>Quarter</u> (Mils.)	<u>Third</u> <u>Quarter</u> (Mils.)	<u>Fourth</u> <u>Quarter</u> (Mils.)	<u>Full</u> <u>Year</u> (Mils.)	<u>First</u> <u>Quarter</u> (Mils.)	<u>Second</u> <u>Quarter</u> (Mils.)
North America	\$ 81,162	\$ 70,591	\$18,559	\$18,961	\$16,688	\$17,257	\$ 71,465	\$17,110	\$14,219
South America	4,366	5,697	1,283	1,827	2,064	2,411	7,585	1,842	2,346
Europe	29,918	30,394	8,632	9,203	8,328	10,287	36,450	10,155	11,559
Volvo	17,109	16,105	4,572	4,373	3,844	5,070	17,859	4,197	4,326
Asia Pacific Africa	7,684	6,539	1,769	1,727	1,782	1,768	7,046	1,668	1,778
Mazda	-	-	-	-	-	-	-	-	-
Subtotal Ongoing Automotive	\$140,239	\$129,326	\$34,815	\$36,091	\$32,706	\$36,793	\$140,405	\$34,972	\$34,228
JLR and Aston Martin	13,174	13,923	3,815	4,015	3,564	3,954	15,348	-	-
Total Automotive	\$153,413	\$143,249	\$38,630	\$40,106	\$36,270	\$40,747	\$155,753	\$34,972	\$34,228
Financial Services	23,422	16,816	4,389	4,136	4,808	4,743	18,076	4,411	4,455
Total Company	<u>\$176,835</u>	<u>\$160,065</u>	<u>\$43,019</u>	<u>\$44,242</u>	<u>\$41,078</u>	<u>\$45,490</u>	<u>\$173,829</u>	<u>\$39,383</u>	<u>\$38,683</u>

* Special items are reductions to Fourth Quarter 2007 revenues of \$1,099 million for North America, \$120 million for Europe, \$87 million for Volvo, \$15 million for Asia Pacific, \$53 million for Jaguar Land Rover and Aston Martin, each representing a one-time non-cash charge related to a change in our business practice for offering and announcing retail variable marketing incentives to our dealers. First Quarter 2008 Jaguar Land Rover revenues of \$4,145 million and Second Quarter revenues of \$2,829 million are excluded as special items



TOTAL COMPANY 2005 - 2008 WHOLESALLES*

	<u>Full Year</u>		<u>2007</u>				<u>2008</u>	<u>2008</u>	
	<u>2005</u>	<u>2006</u>	<u>First</u>	<u>Second</u>	<u>Third</u>	<u>Fourth</u>	<u>Full</u>	<u>2008</u>	
	(000)	(000)	<u>Quarter</u>	<u>Quarter</u>	<u>Quarter</u>	<u>Quarter</u>	<u>Year</u>	<u>First</u>	<u>Second</u>
			(000)	(000)	(000)	(000)	(000)	(000)	(000)
North America	3,442	3,123	744	816	649	681	2,890	704	679
South America	335	381	84	110	116	126	436	92	118
Europe	1,753	1,846	500	509	422	487	1,918	500	532
Volvo	485	460	128	125	102	127	482	106	107
Asia Pacific Africa	473	517	126	135	129	145	535	129	125
Mazda	-	-	-	-	-	-	-	-	-
Subtotal Ongoing Automotive	<u>6,488</u>	<u>6,327</u>	<u>1,582</u>	<u>1,695</u>	<u>1,418</u>	<u>1,566</u>	<u>6,261</u>	<u>1,531</u>	<u>1,561</u>
JLR and Aston Martin	<u>279</u>	<u>270</u>	<u>68</u>	<u>78</u>	<u>69</u>	<u>77</u>	<u>292</u>	-	-
Total Automotive	<u><u>6,767</u></u>	<u><u>6,597</u></u>	<u><u>1,650</u></u>	<u><u>1,773</u></u>	<u><u>1,487</u></u>	<u><u>1,643</u></u>	<u><u>6,553</u></u>	<u><u>1,531</u></u>	<u><u>1,561</u></u>

* Jaguar Land Rover wholesales of 74,000 units in First Quarter and 51,000 units in Second Quarter are excluded as special items