

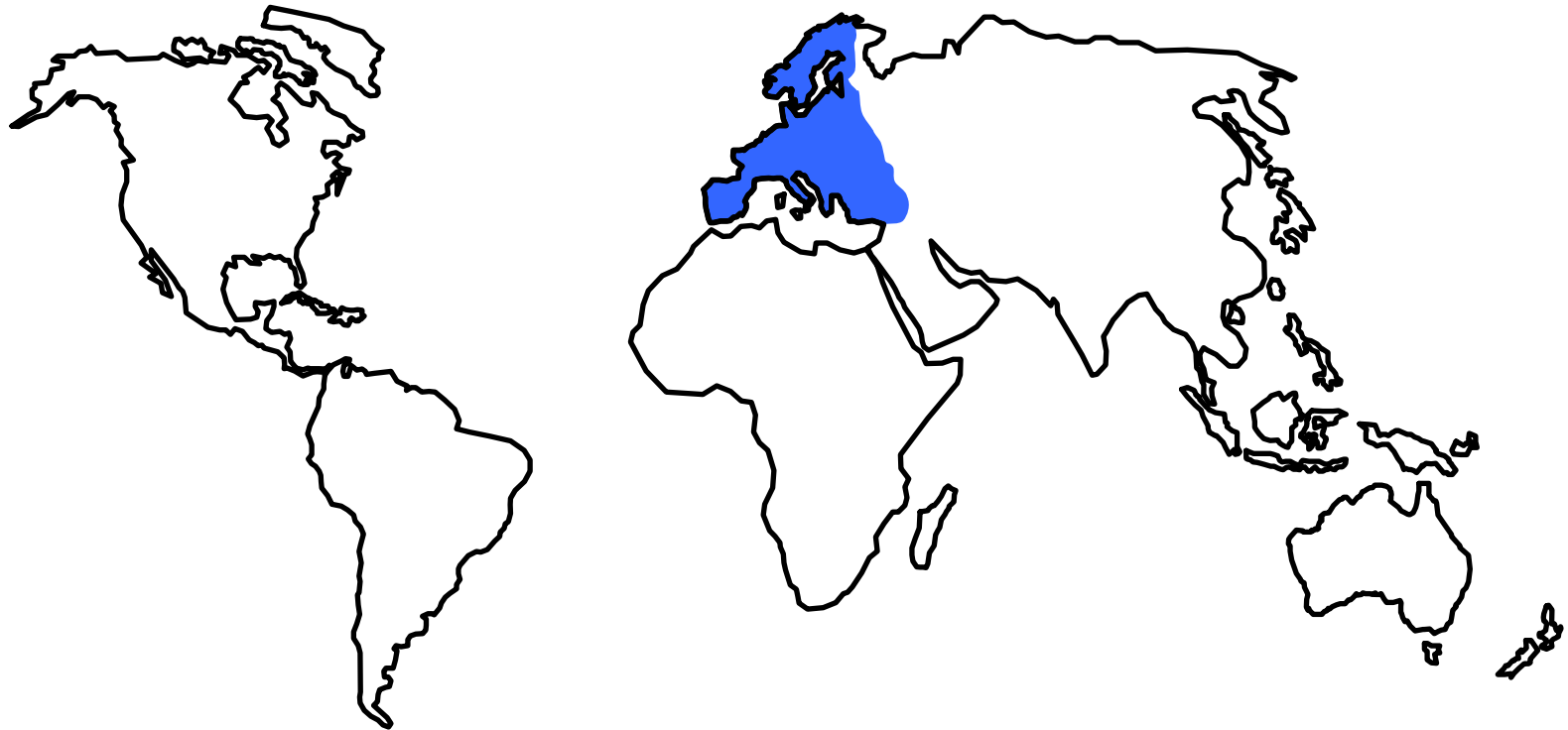


**ONE FORD**  
**BUILDING THE FOUNDATION**  
**FOR SUCCESS**

***Lewis Booth***  
***Chief Financial Officer***

IAA Investor and Analyst Conference  
September 16, 2009

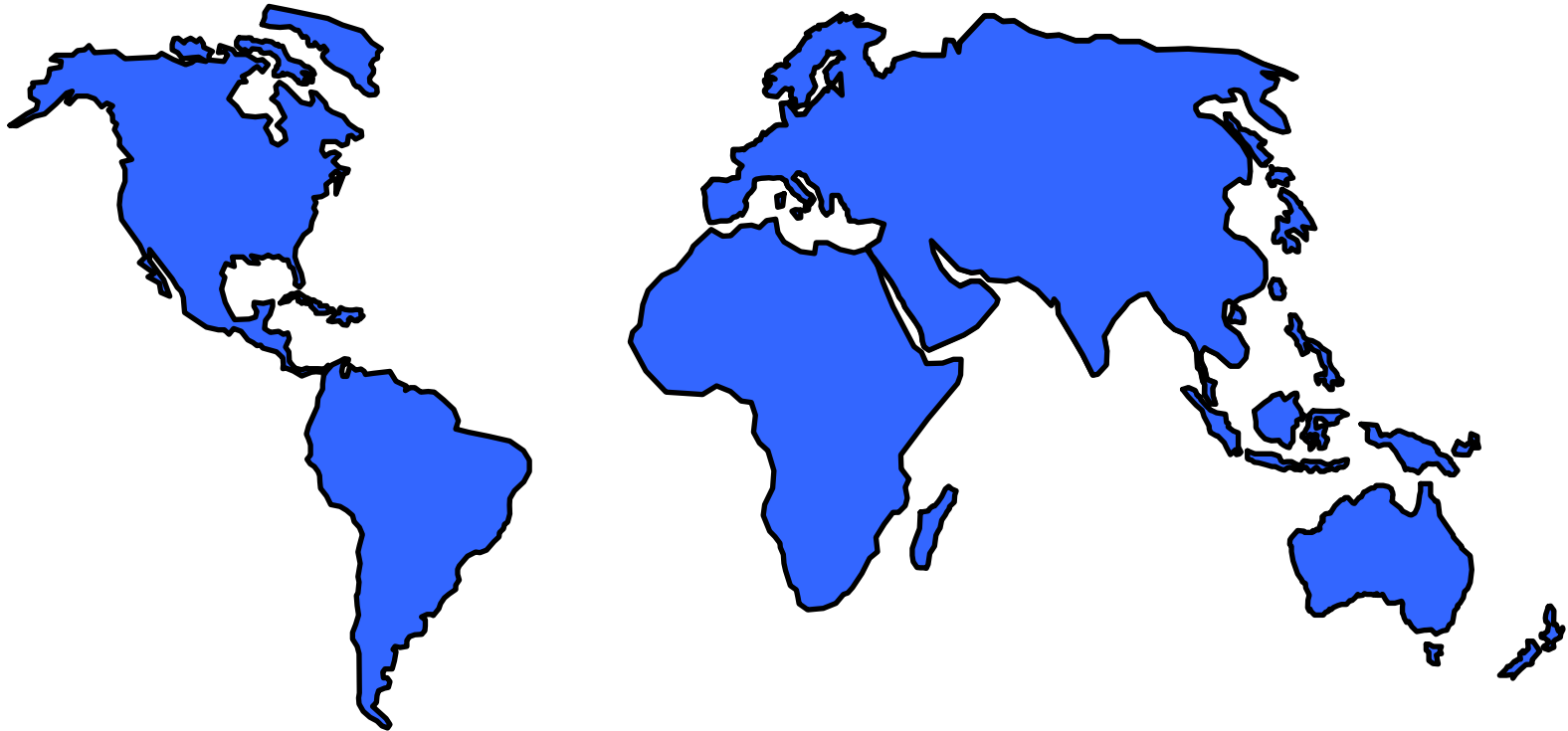
# RESTRUCTURING EFFORTS -- EUROPE



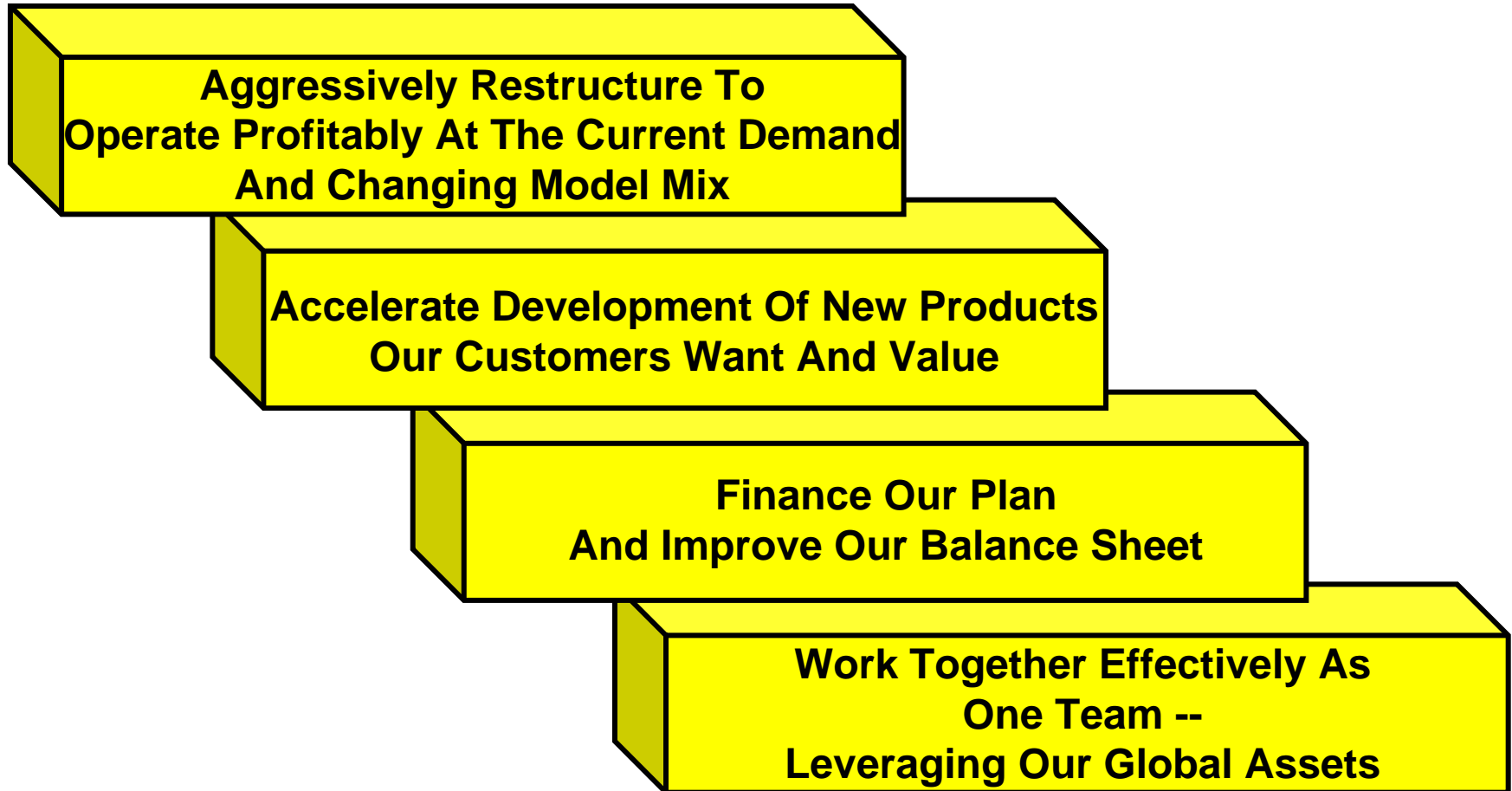
# RESTRUCTURING EFFORTS -- NORTH AMERICA



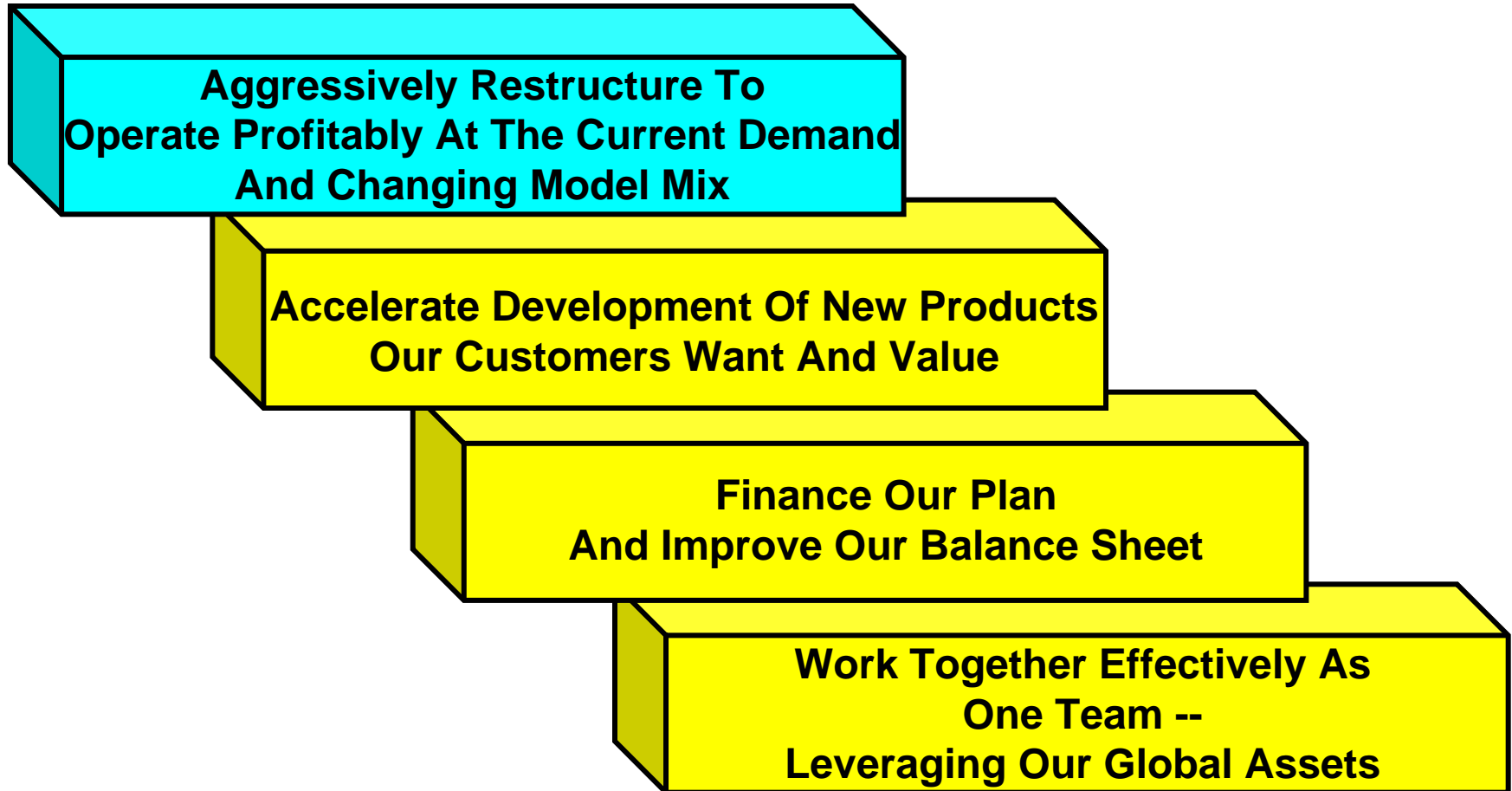
# RESTRUCTURING EFFORTS -- **ONE FORD**



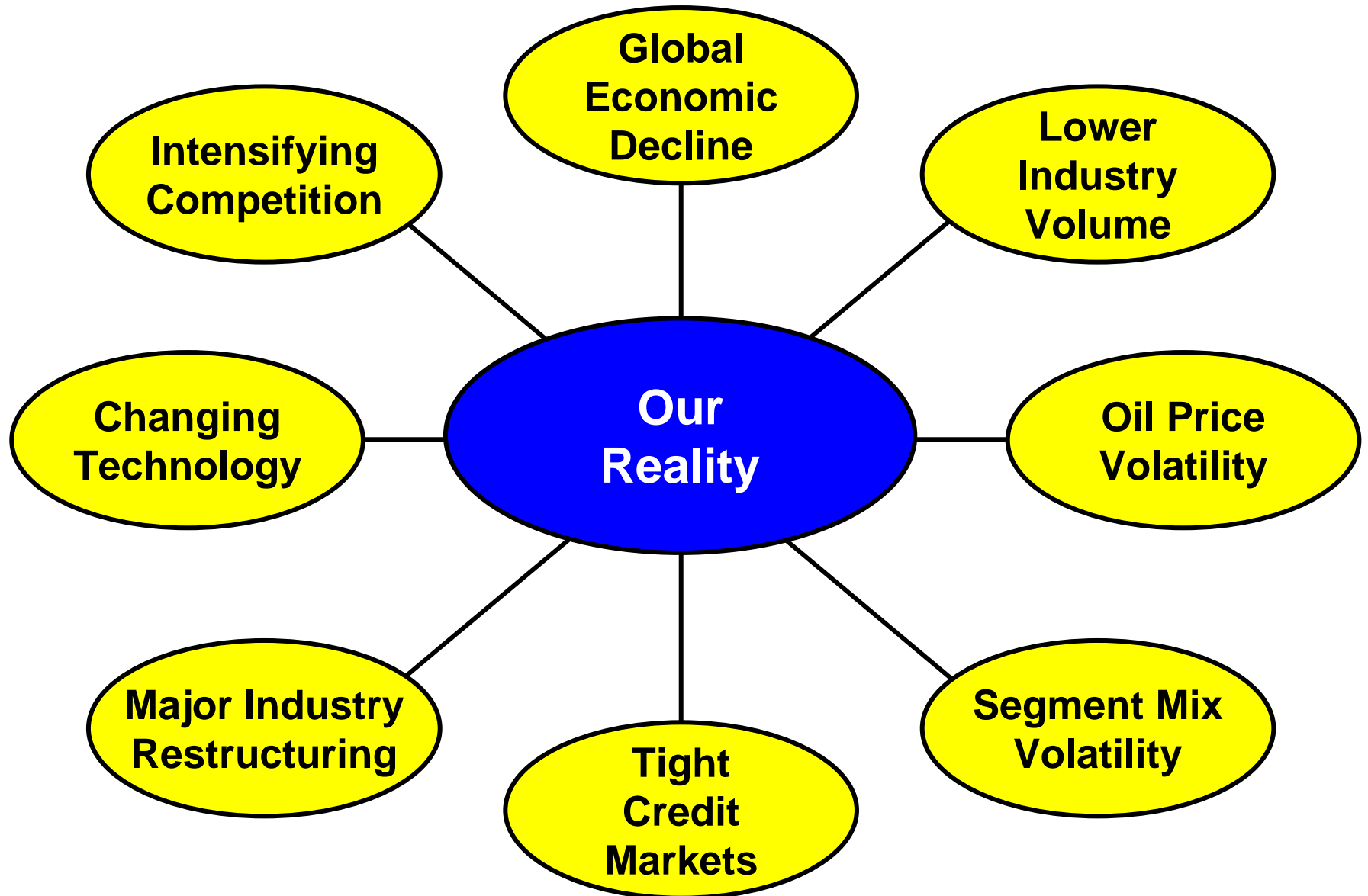
# OUR PLAN -- **ONE FORD**



# OUR PLAN -- **ONE FORD**



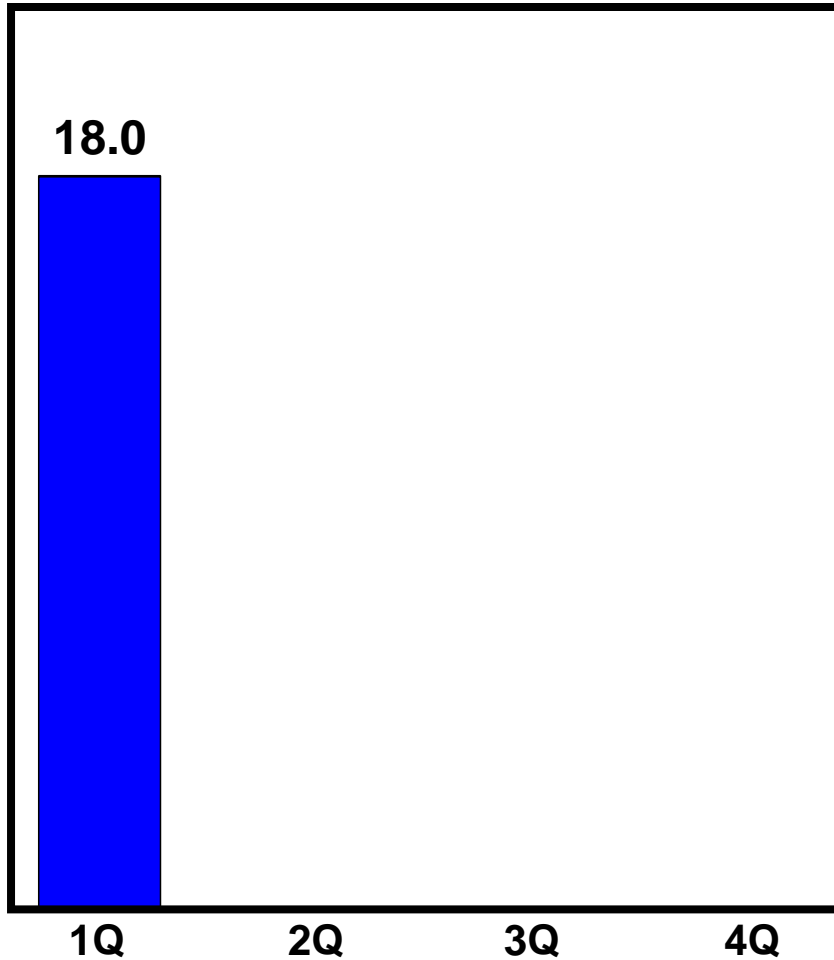
# DEALING WITH REALITY



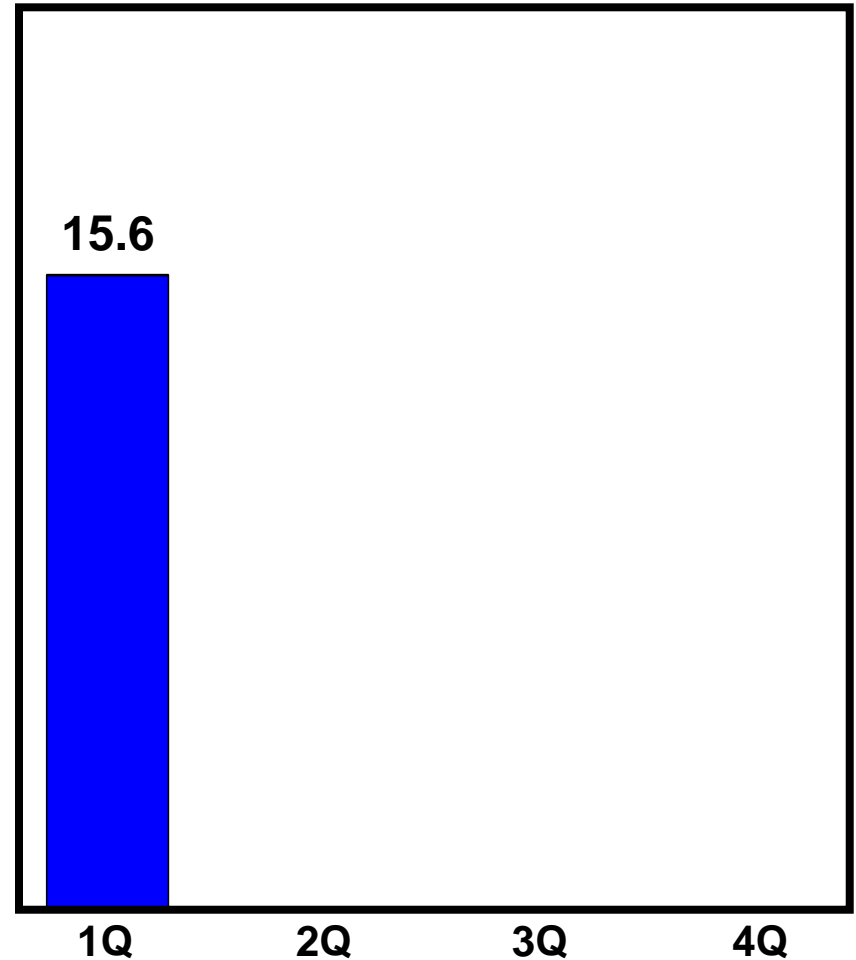
# DEALING WITH REALITY



## Europe Industry Sales\*



## U.S. Industry Sales



**2008 Seasonally Adjusted Annual Rates (Mils.)**

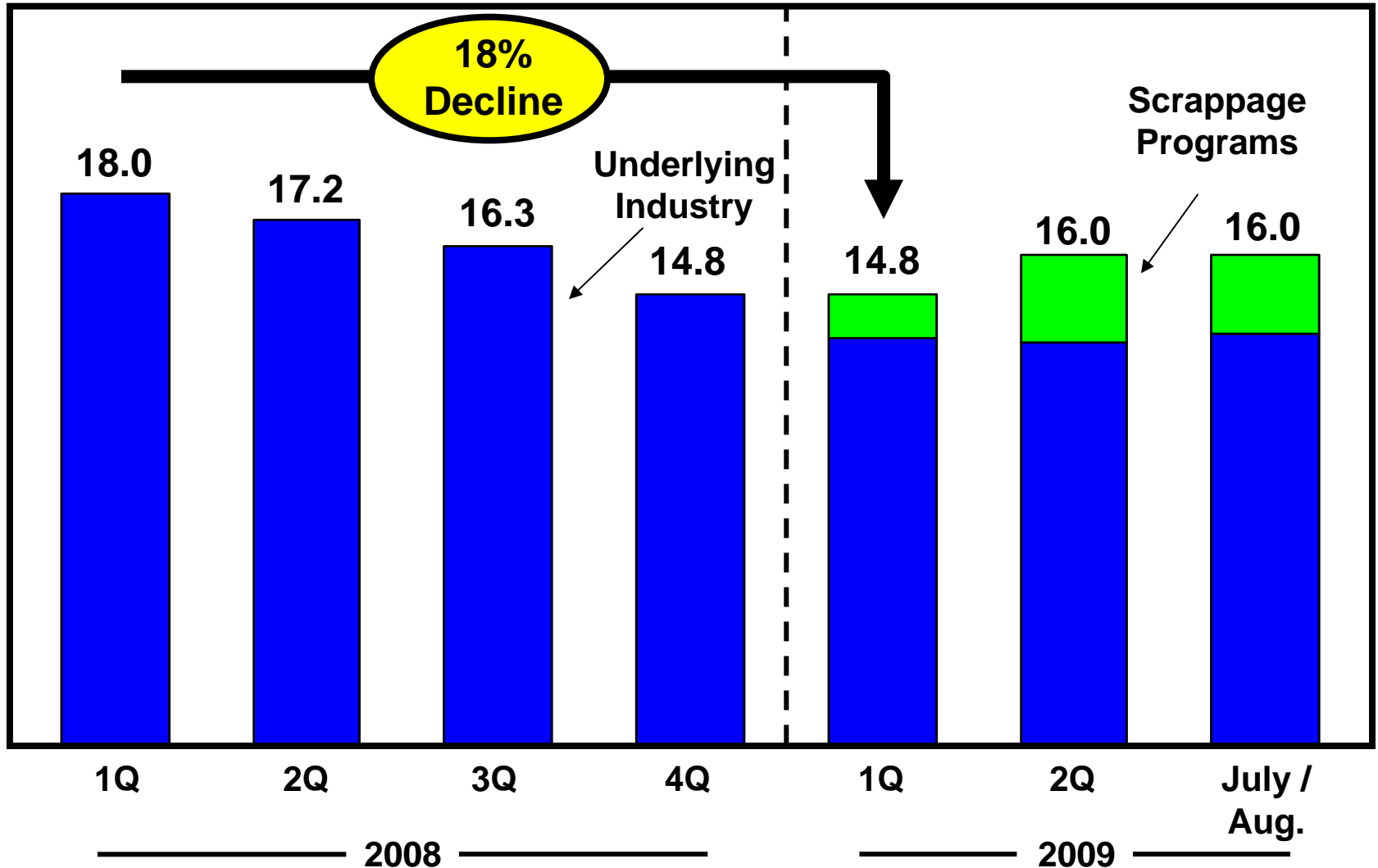
\* European industry SAAR is based, in part, on estimated vehicle registrations for the 19 European markets that we track (excludes Russia)



# DEALING WITH REALITY



Europe Industry Sales -- Seasonally Adjusted Annual Rates (Mils.)\*



\* European industry SAAR is based, in part, on estimated vehicle registrations for the 19 European markets that we track (excludes Russia)

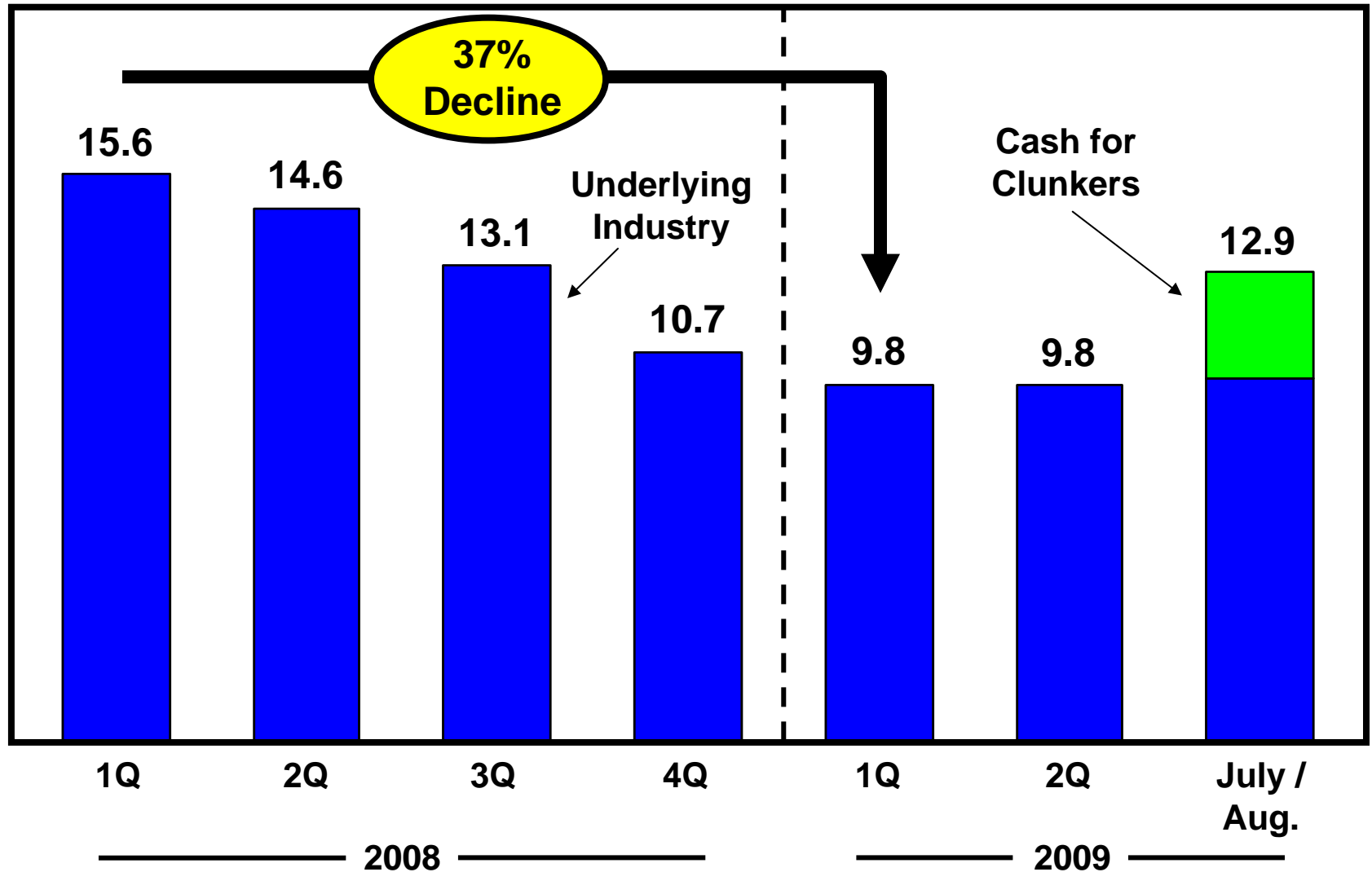
## ***EUROPEAN SCRAPPAGE PROGRAMS***

- **Germany: €5 billion applies to 2 million vehicles (Jan. 14 through Dec. 31, 2009, reservation limit reached Sep. 2)**
- **U.K.: £ 300 million applies to 300,000 vehicles (May 2009 through February 2010)**
- **Ten other programs in Europe already implemented**

# DEALING WITH REALITY



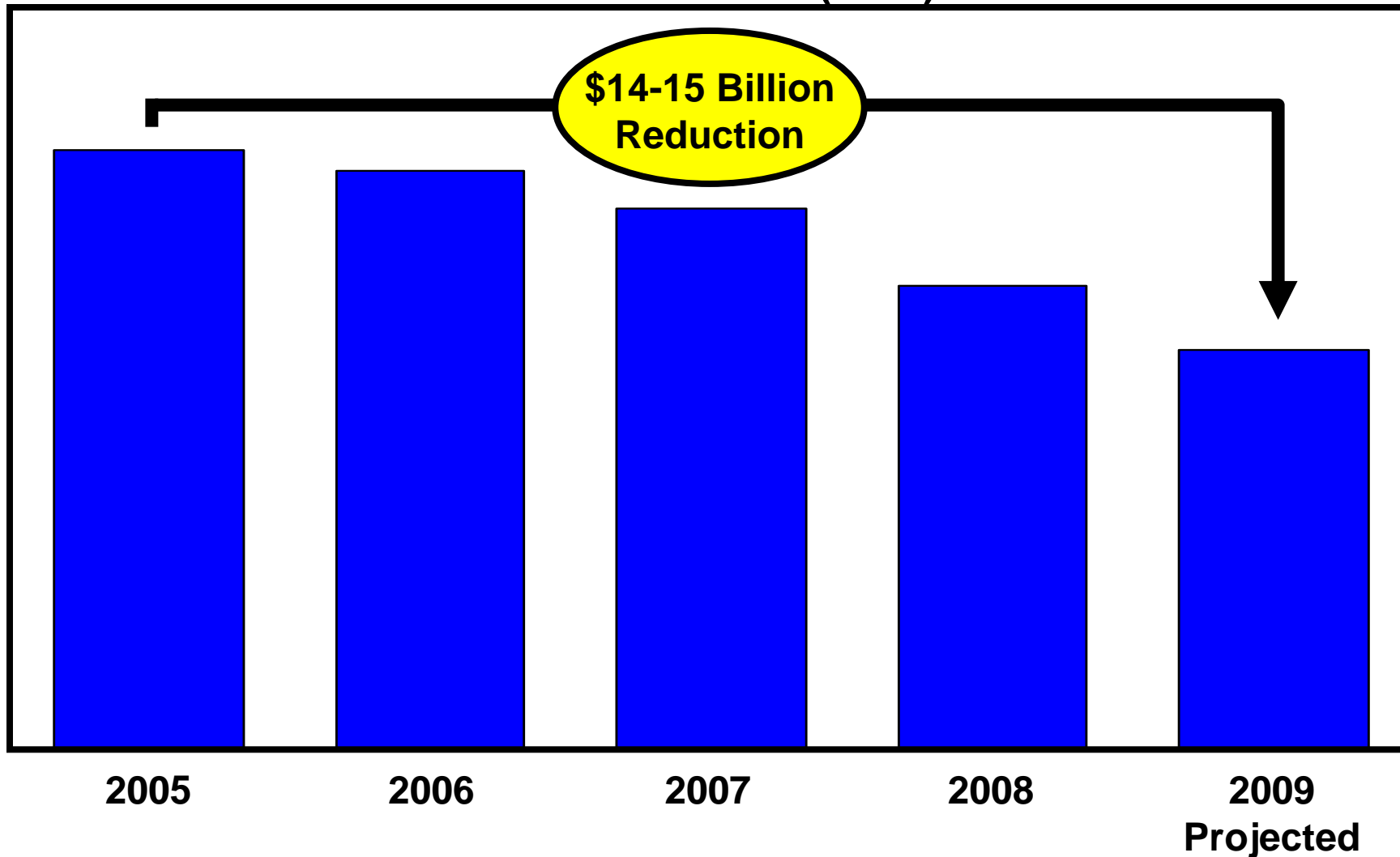
U.S. Industry Sales -- Seasonally Adjusted Annual Rates (Mils.)



# GLOBAL AUTOMOTIVE STRUCTURAL COST CHANGES



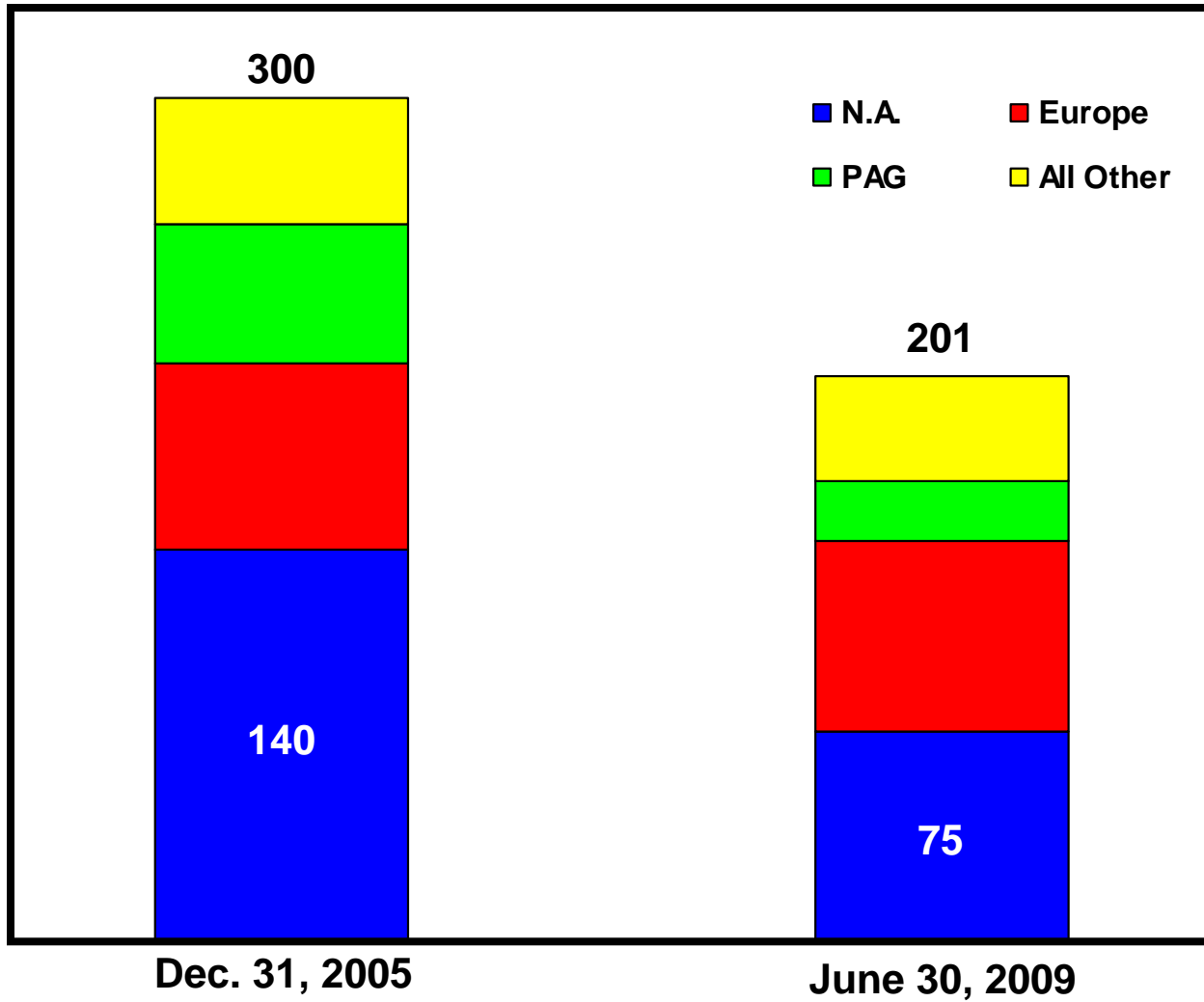
Structural Costs (Bils.)\*



\* At constant exchange; excludes special items



# WORLDWIDE PERSONNEL REDUCTIONS \*



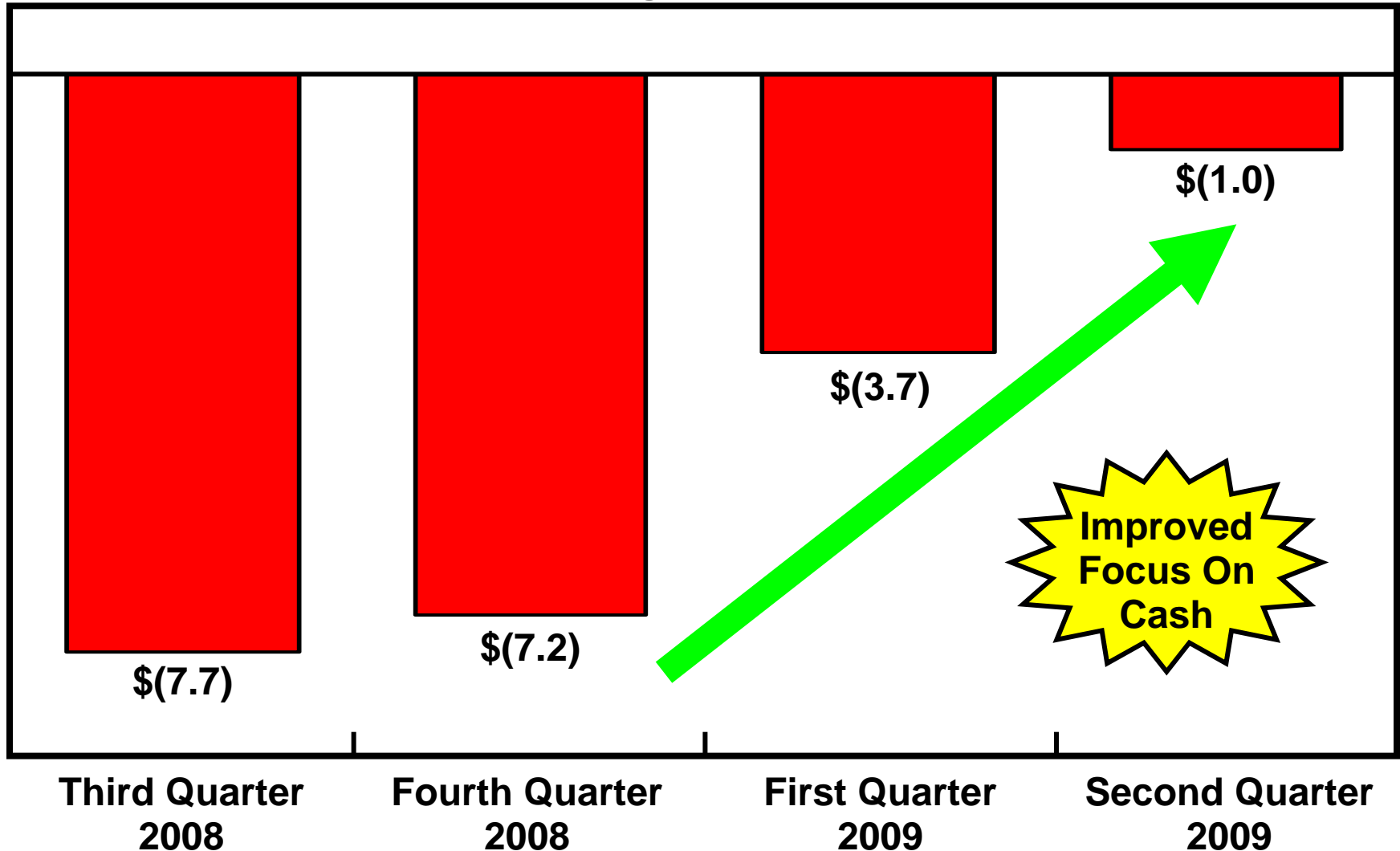
\* In thousands

# ***IMPROVED FOCUS ON CASH FLOW***

- **Cash preservation became critical, supplemented focus on profitability**
- **Improved understanding and forecasting of cash flow**
- **Actions implemented to reduce Automotive operating-related cash outflow include:**
  - **Capital spending efficiencies**
  - **Global inventory reductions and other working capital improvements**
  - **Restructuring actions**

# SLOWING THE CASH BURN

Automotive Operating-Related Cash Flow (Bils.)\*



\* See Quarterly Report on Form 10-Q for the period ended June 30, 2009 at [www.ford.com](http://www.ford.com) for reconciliation of Automotive Operating-Related Cash Flow to U.S. GAAP



# AUTOMOTIVE SECTOR 2009 FULL YEAR OUTLOOK

<u>Planning Assumptions</u>	<u>Full Year Plan</u>	<u>First Half</u>	<u>Full Year Outlook</u>
Industry Volume (SAAR)* -- U.S. (Mils.)	10.5 to 12.5	9.8	10.5 to 11.0
-- Europe (Mils.)**	12.5 to 13.5	15.4	15.0 to 15.5
<u>Operational Metrics</u>			
Compared with 2008			
- Quality -- U.S.	Improve	Improved	On Track
-- International	Improve	Mixed	Mixed
- Automotive Structural Costs***	Improve by about \$4 Billion	Improved by \$3.6 Billion	Improve by more than \$4 Billion
- U.S. Market Share (Ford & Lincoln Mercury)	Stabilize	15.2%	Improve
- Europe Market Share	Equal / Improve	9.2%	Improve
- Automotive Operating-Related Cash Flow	Negative but Significant Improvement	\$(4.7) Billion	On Track
Absolute Amount			
- Capital Spending	\$5 Billion to \$5.5 Billion	\$2.4 Billion	On Track

**Remain on Track to Achieve Our Key 2011 Profit and Cash Flow Targets**

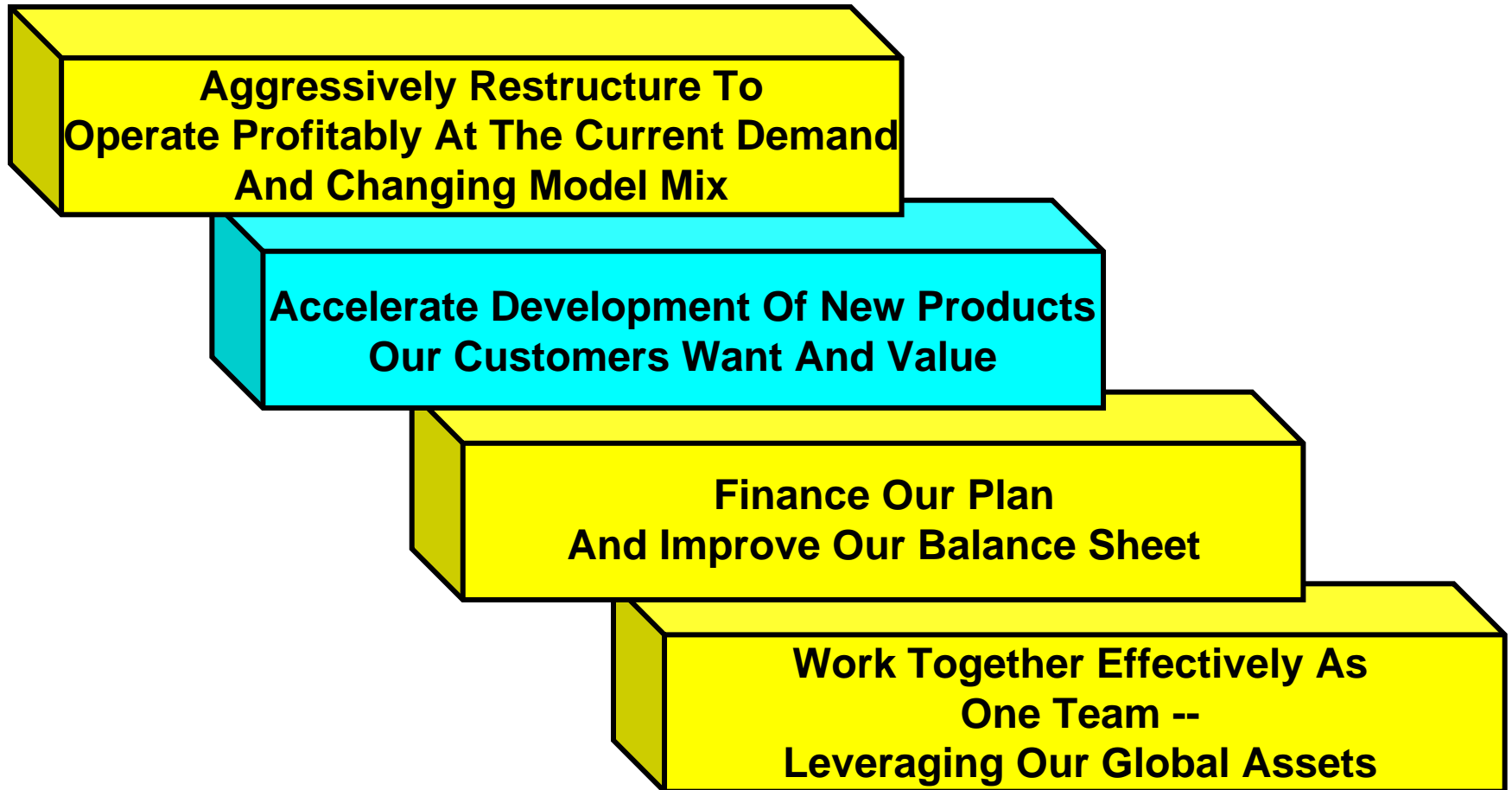
\* Includes medium and heavy vehicles

\*\* European 19 markets we track

\*\*\* At constant exchange; excludes special items



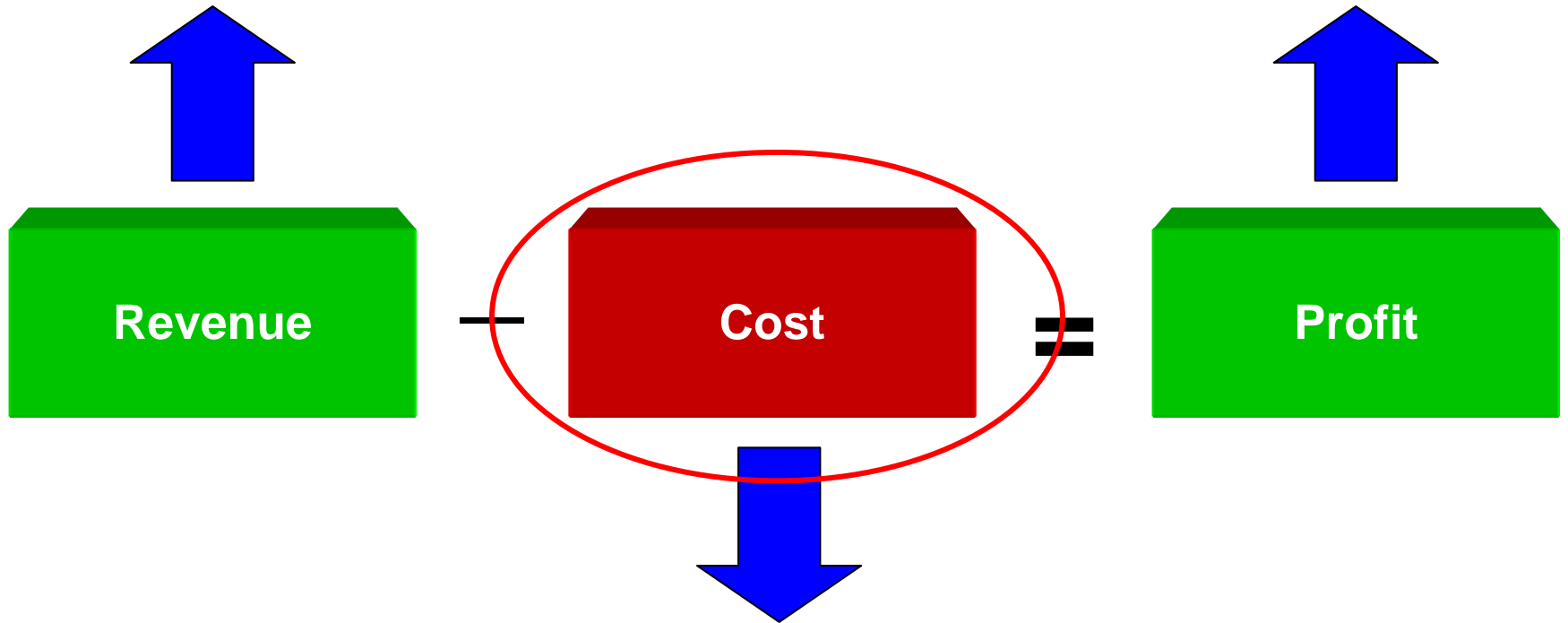
# OUR PLAN -- **ONE FORD**





- **One Ford plan accelerates development of new products customers want and value:**
  - **Laser focus on the Ford brand, facilitated by divesting of brands and other non-core assets**
  - **A complete balanced portfolio of small, medium, and large cars, utilities, and trucks**
  - **Substantial and continuous improvement in engineering and investment efficiency**
    - **Leveraging the global assets of One Ford**
    - **Reducing the number of vehicle platforms, engines, transmissions, and customer offered complexity**
  - **Reduce average age of showroom portfolio**
  - **Product excellence = the best-designed vehicles in the world**

# IMPROVING REVENUE AND REDUCING COST

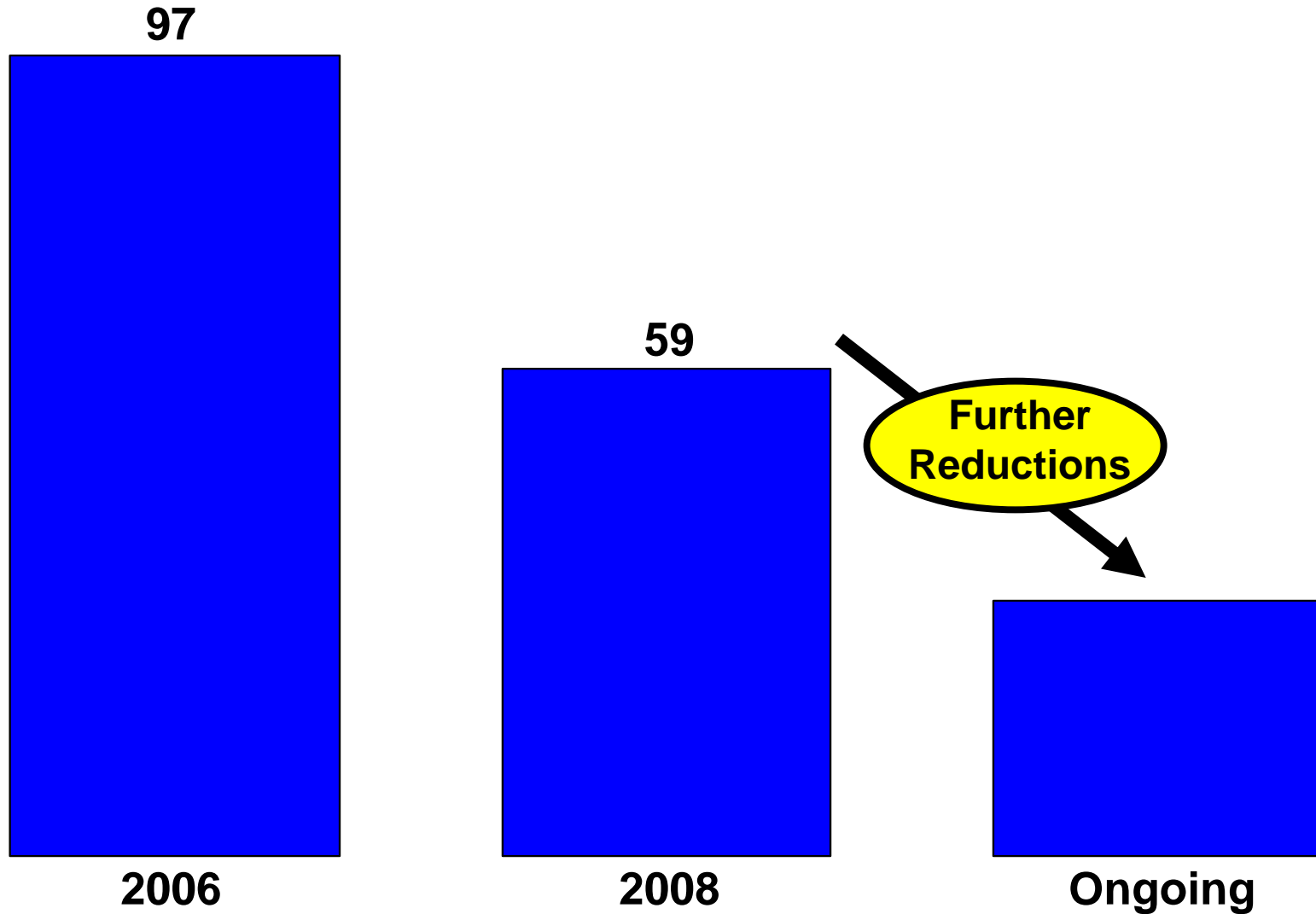


**Strengthening Our Business Requires A Balance Of  
Improving Revenue And Reducing Costs**

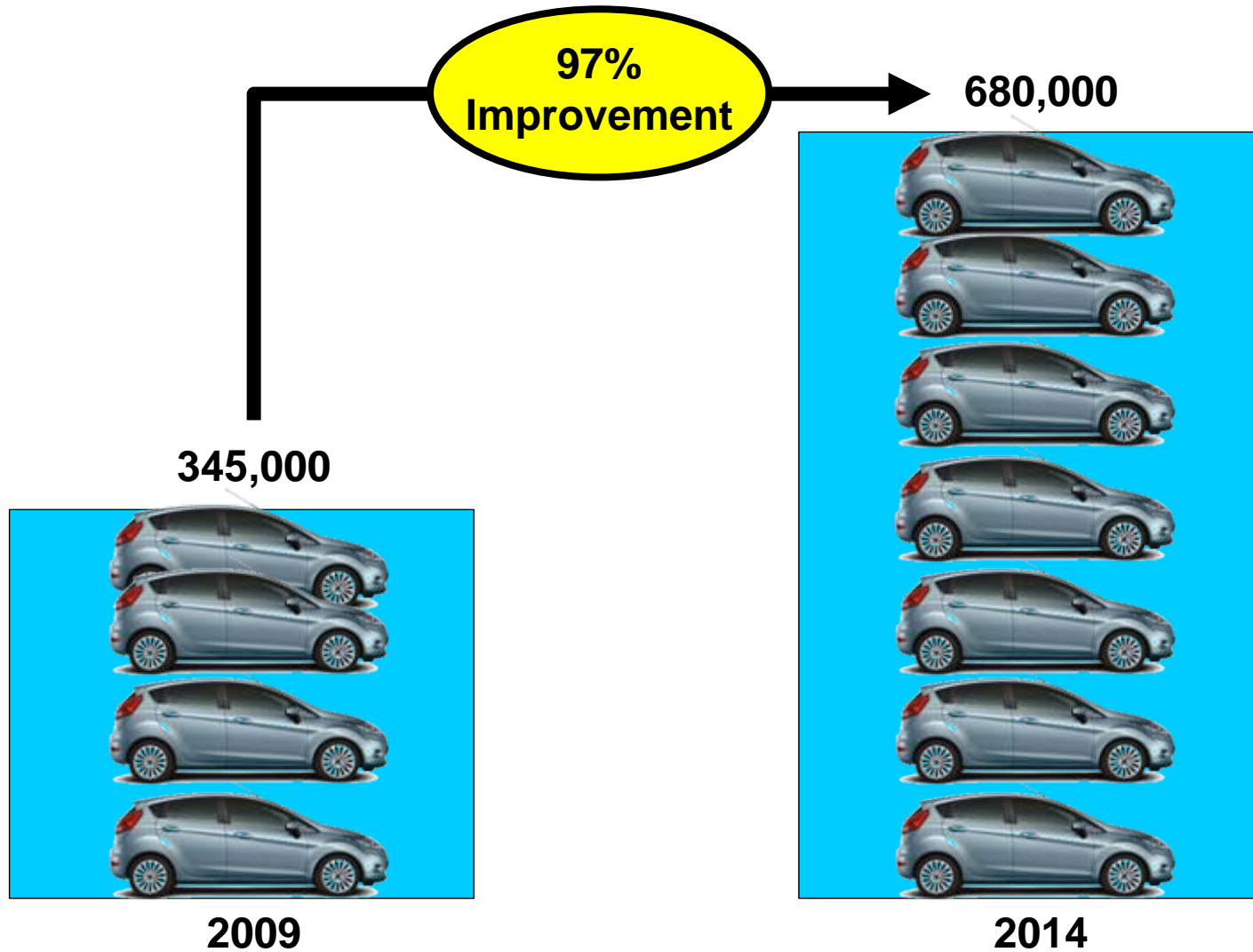
# LASER FOCUS ON FORD BRAND



## Number of Global Nameplates



# GLOBAL CYCLE PLAN -- VOLUME PER CORE PLATFORM



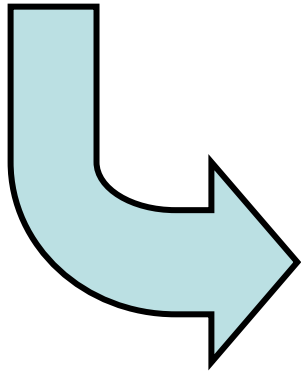
# MIGRATING TO ONE FIESTA



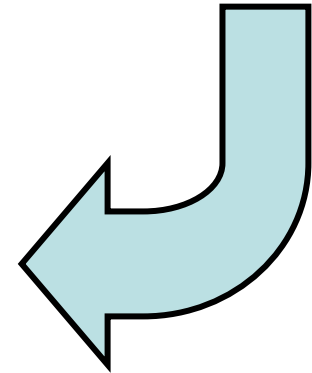
**South America**



**Europe / Asia Pacific**



**Global**

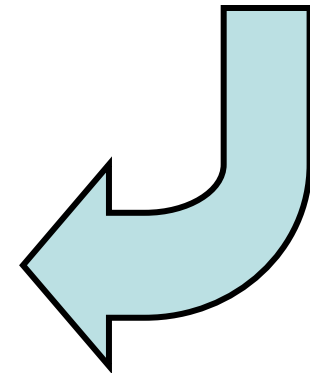
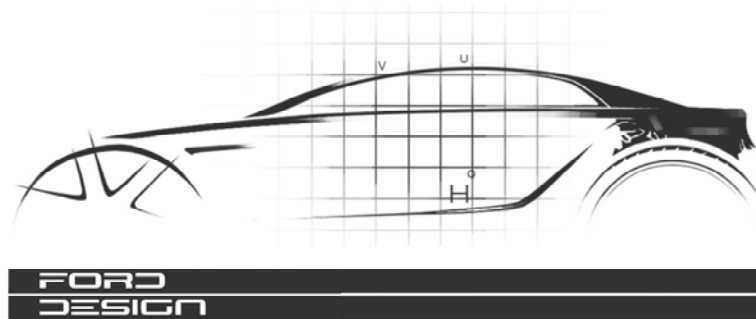
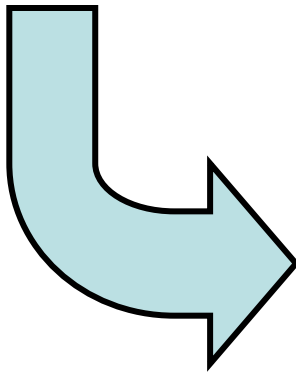


# MIGRATING TO ONE FOCUS



**North America**

**Europe / South America / Asia Pacific**



**Global**



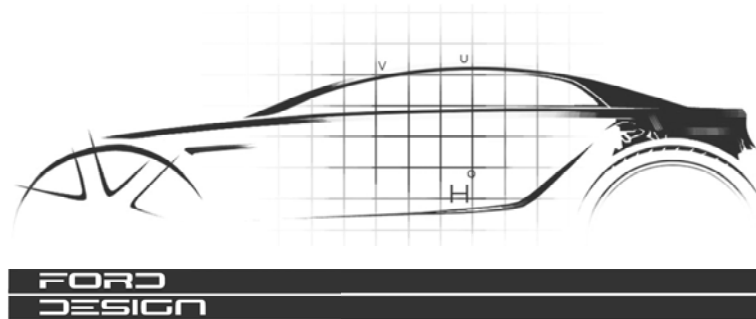
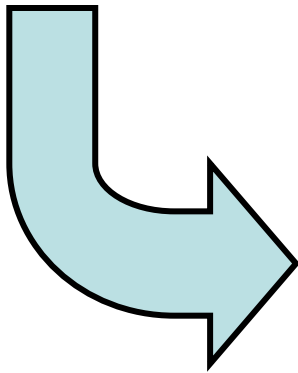
# MIGRATING TO ONE MIDSIZE (CD) VEHICLE



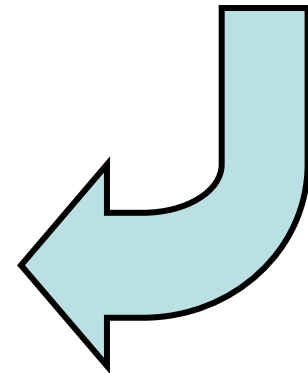
**North America Fusion**



**Europe / Asia Pacific Mondeo**



**Global**





# TRANSIT CONNECT GONE GLOBAL

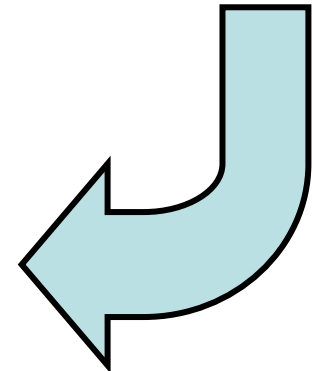
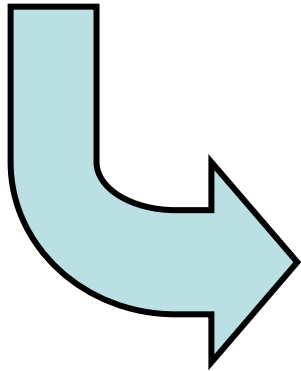


Previously No Entry



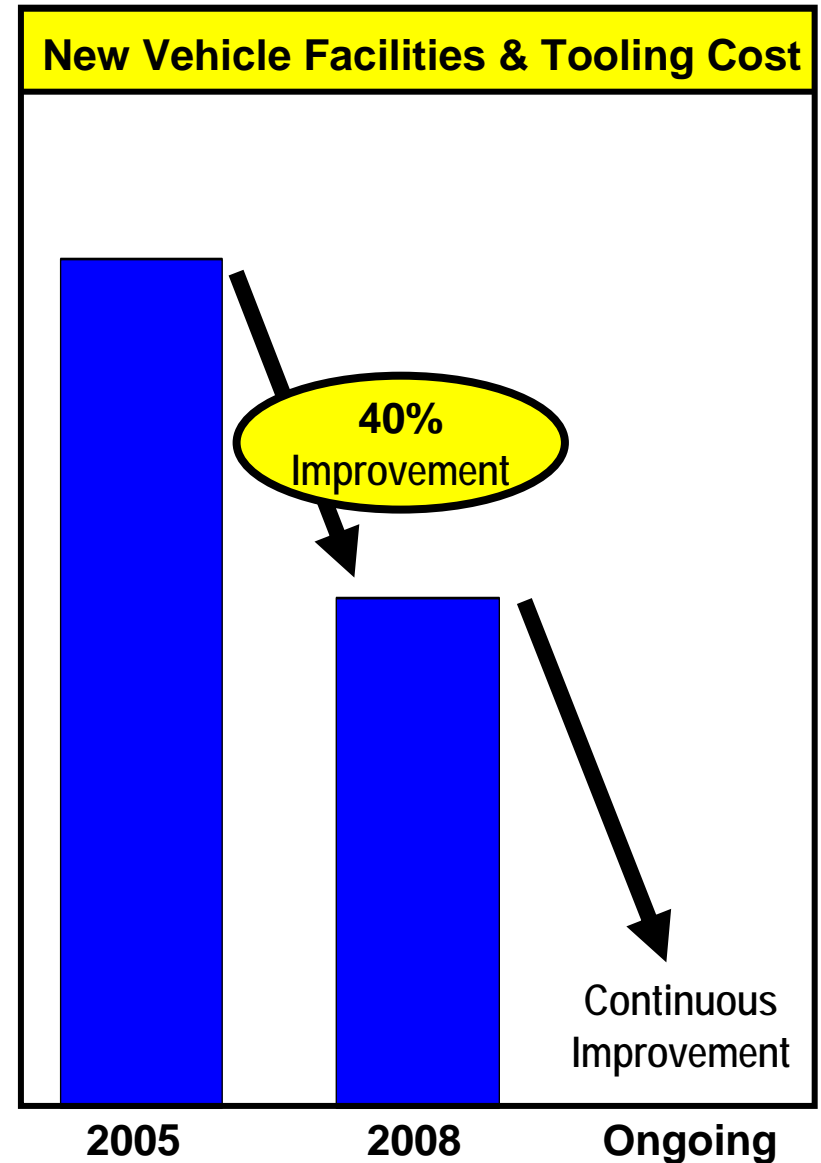
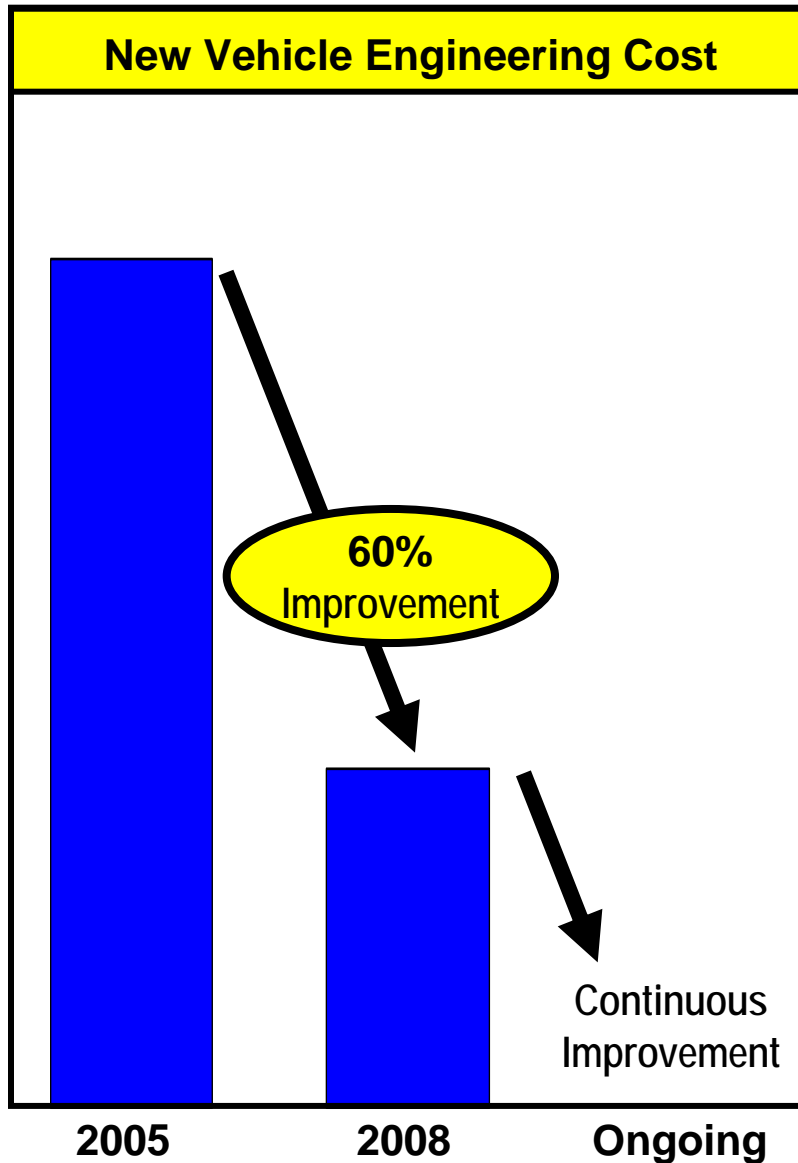
North America

Europe

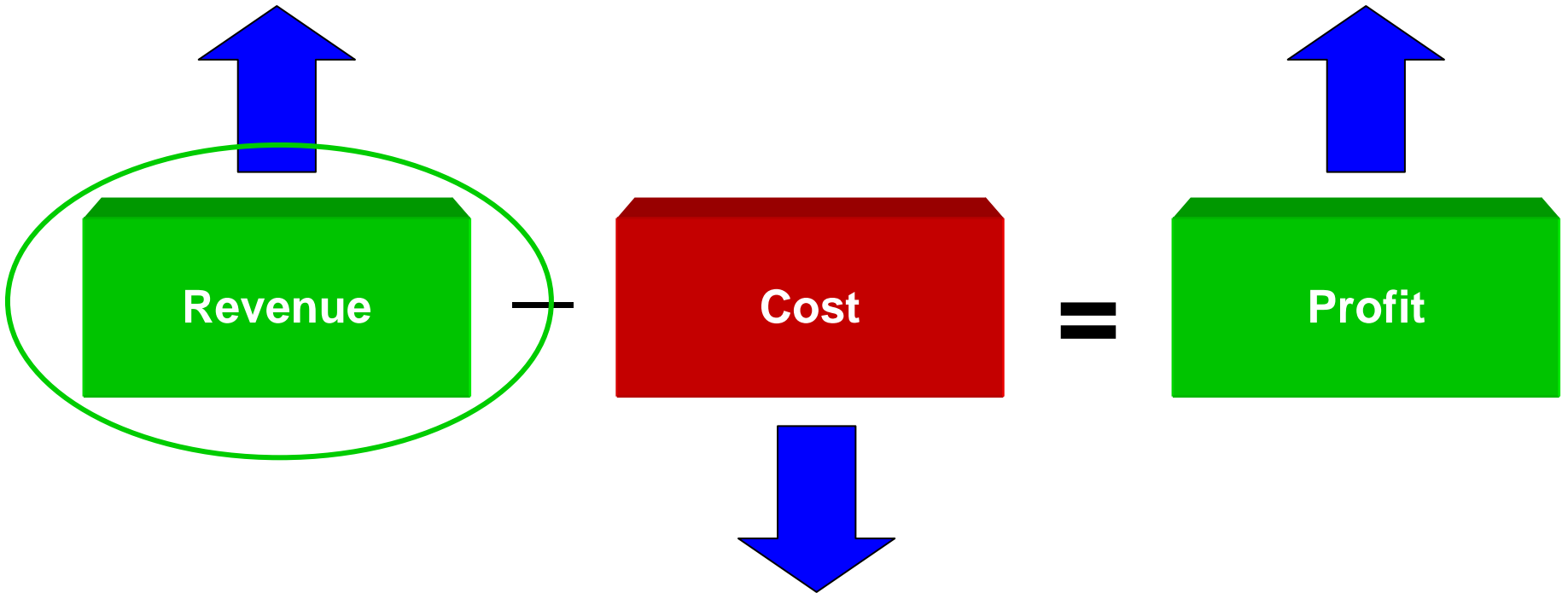


Global

# VEHICLE DEVELOPMENT EFFICIENCY



# IMPROVING REVENUE AND REDUCING COST



**Strengthening Our Business Requires A Balance Of  
Improving Revenue And Reducing Costs**

# DEVELOP NEW PRODUCTS OUR CUSTOMERS WANT AND VALUE

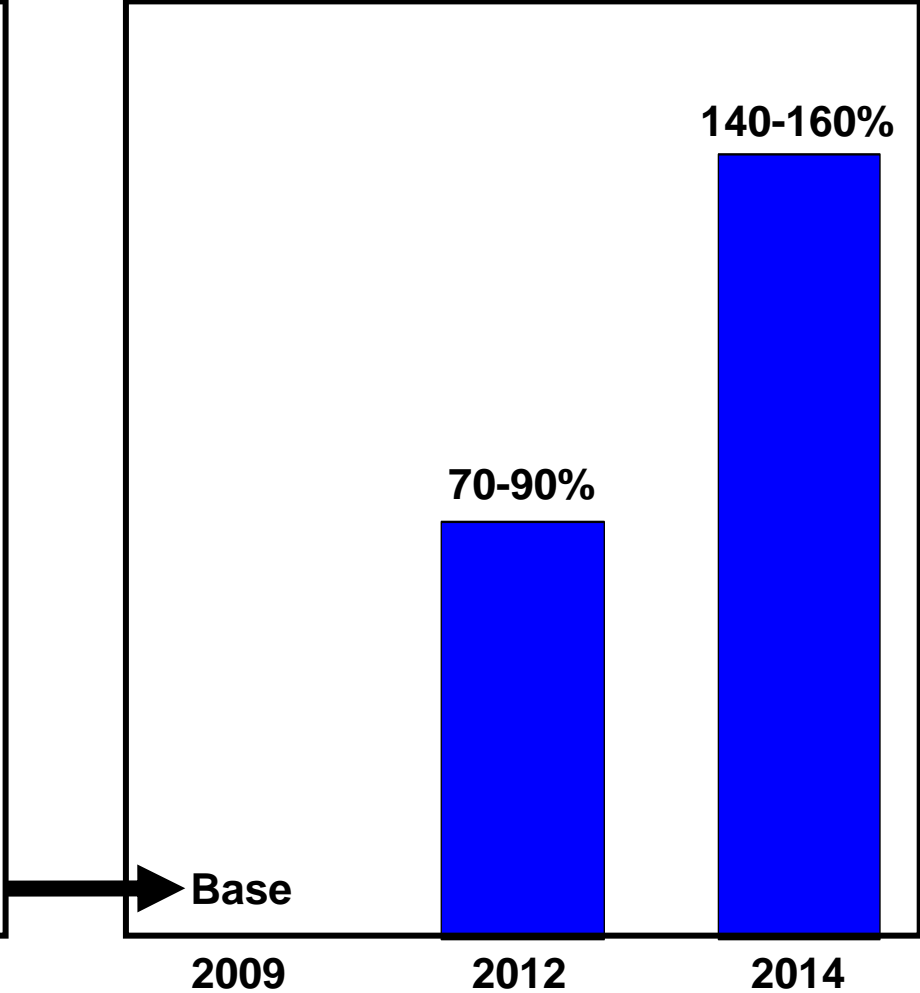


## U.S. All-New and Major Refreshed Products for Last Two Years

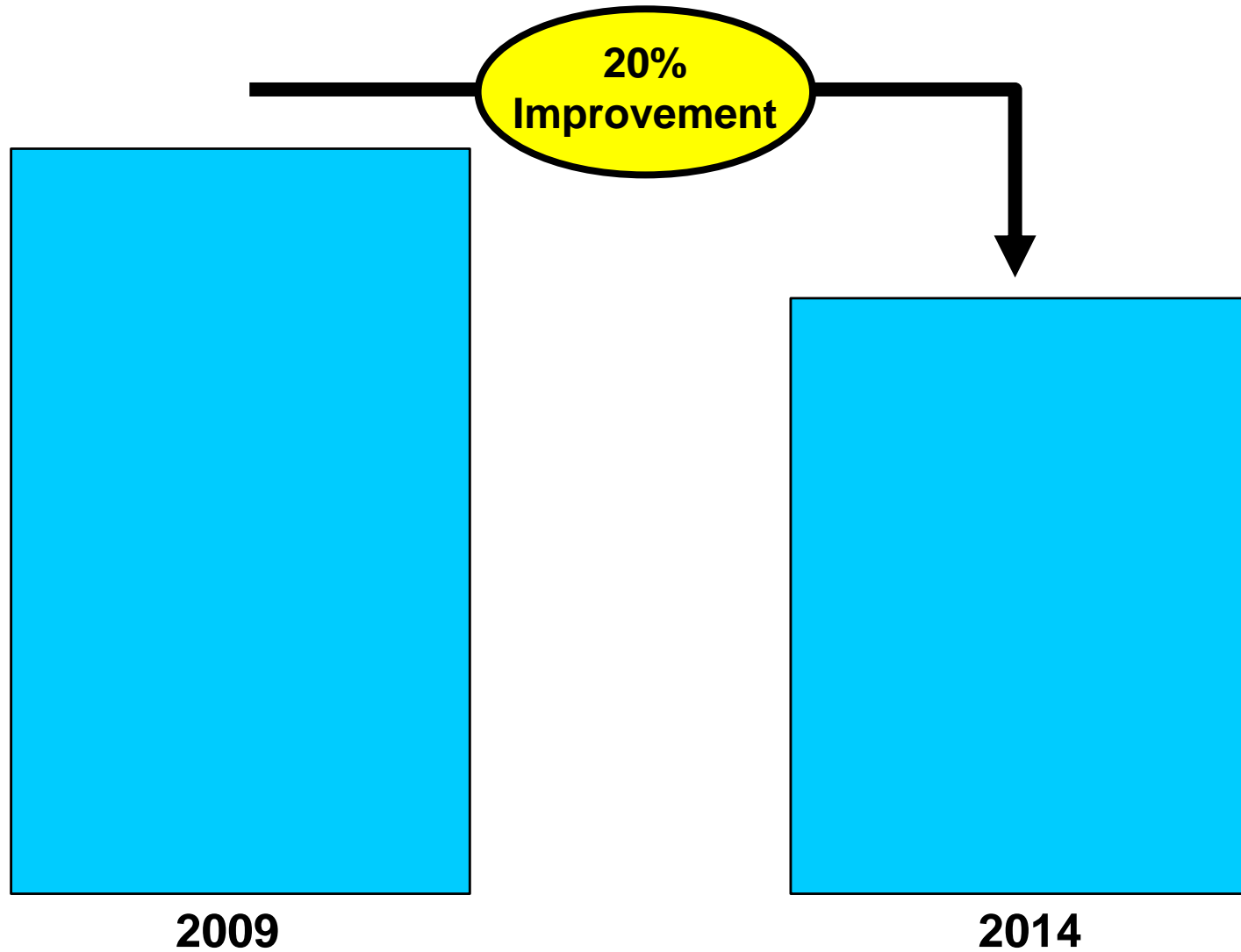
**45%  
By Volume**

- |        |                 |
|--------|-----------------|
| MKS    | Mustang         |
| Flex   | Shelby GT500    |
| F-150  | Taurus          |
| Fusion | MKT             |
| Milan  | Transit Connect |
| MKZ    |                 |

## Global All-New and Major Refreshed Products Compared With 2009



# GLOBAL CYCLE PLAN -- AVERAGE AGE OF PORTFOLIO



# COMMITMENT TO PRODUCT EXCELLENCE



Drive  
quality.

Quality  
Leadership



Drive  
green.

Fuel Economy  
Leadership



Drive  
safe.

Safety  
Leadership



Drive  
smart.

Infotainment  
Leadership

**Best Value**

# **PRODUCT EXCELLENCE -- FIESTA**



***“Good looking, capable, a hoot to drive, refined and excellent value. All in all, a terrific car. Sometimes a car comes along that is just so brilliantly conceived that you wonder how everyone else gets it wrong.” --  
Autocar***

# PRODUCT EXCELLENCE -- FOCUS RS



***“Overall, the RS is an amazing package. It’s easy to live with day to day, while delivering an incredibly intense adrenaline hit when you’re in the right mood. If you’re after thrills, the new Focus RS hot hatch makes the Brand X GTI (our previous benchmark, don’t forget) seem positively pedestrian.” -- Car***



# PRODUCT EXCELLENCE -- C-MAX



# PRODUCT EXCELLENCE -- GRAND C-MAX



# PRODUCT EXCELLENCE -- TAURUS



***"This fresh, dramatic exterior styling ... an astonishing coterie of high-tech widgets to satisfy even the most jaded technophile combine to promote the Taurus to the level of personal luxury car." -- MSNBC***



# PRODUCT EXCELLENCE -- TRANSIT CONNECT



***“You can't compare the Transit Connect with other vehicles like it, because there aren't any. It has its own category right above the vans we see at soccer practice and right below the familiar, large box vans we see everywhere -- old news for Europe, a new concept on American shores.” -- Los Angeles Times***



- **EcoBoost engine gas turbocharged direct-injection technology**
- **Provides up to 20 percent improved fuel economy and 7 percent to 15 percent reduced CO<sub>2</sub> emissions**
- **Introduced on V6 applications this year and I4 engines in 2010**
  - **The new C-MAX will offer a 1.6L EcoBoost engine**
- **Within three years, will be producing 1.3 million vehicles with EcoBoost globally**



- **Low CO<sub>2</sub> diesel technologies**
  - **ECONetic models, across all segments (Fiesta, Focus, Mondeo and Transit)**
  - **Second generation Focus ECONetic unveiled at 2009 Frankfurt Motor Show**
- **Alternative Fuel Technologies**
  - **Factory fitted CNG and LPG variants of Fiesta, Focus, C-MAX, Mondeo and Transit**
  - **One of the broadest Flexifuel vehicle portfolios in Europe**
- **Vehicles below 130 g/km**
  - **Offers 13 passenger cars below 130 g/km CO<sub>2</sub>**

# **PRODUCT EXCELLENCE -- ELECTRIFICATION PLANS**

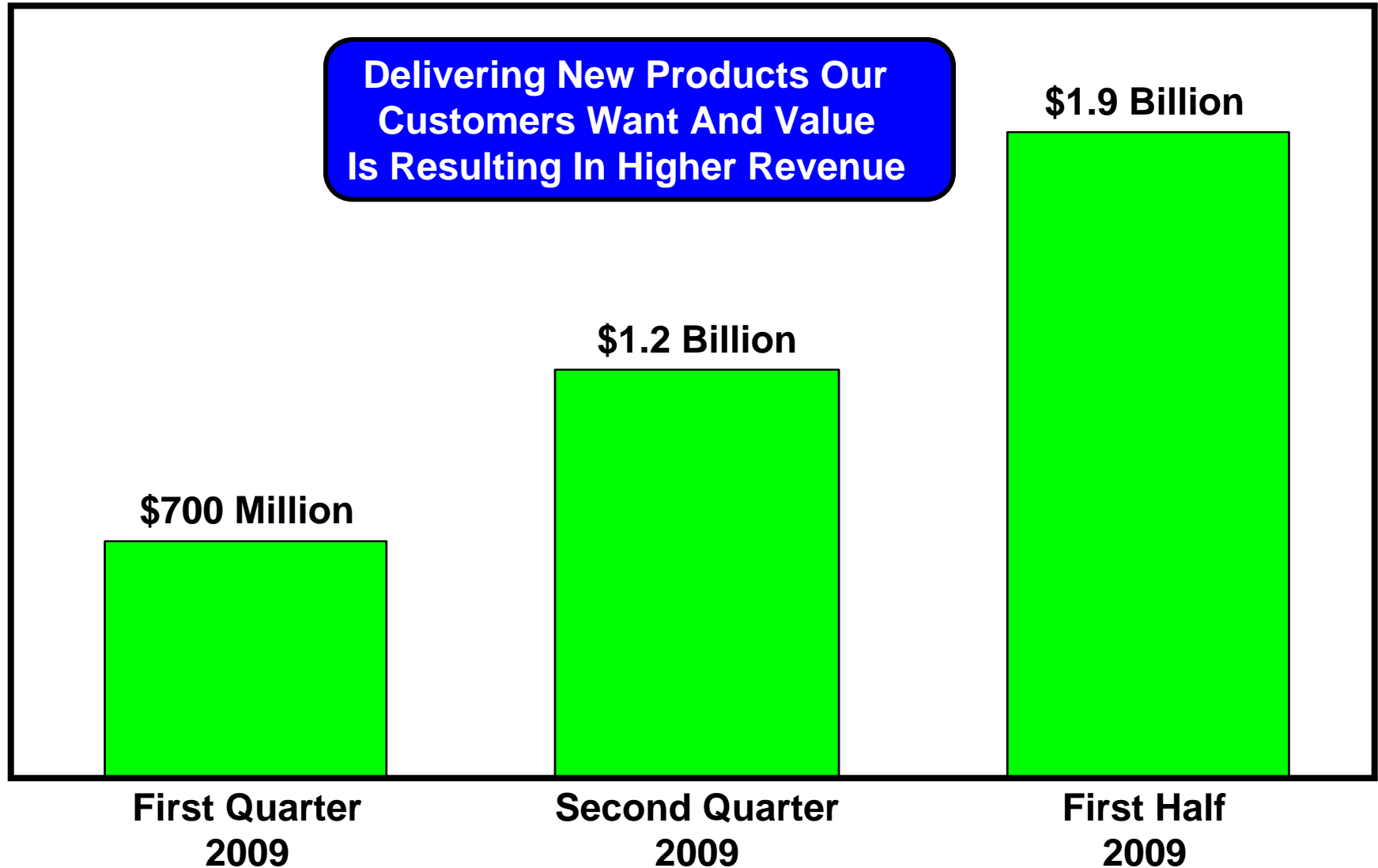


- **Announced production plans (all in North America)**
  - **Transit Connect BEV in 2010**
  - **Focus BEV in 2011**
  - **Next generation hybrid (HEV) in 2012**
  - **Plug-in hybrid (PHEV) in 2012**
  
- **Concept / Test Fleets**
  - **Transit Connect BEV concept in Europe**
  - **Focus BEV prototype fleet in Europe**
  - **Plug-in Hybrid (PHEV) Escape test fleet in North America**

# REVENUE IMPROVING



## Worldwide Pre-Tax Profit Impact of Year-Over-Year Net Pricing

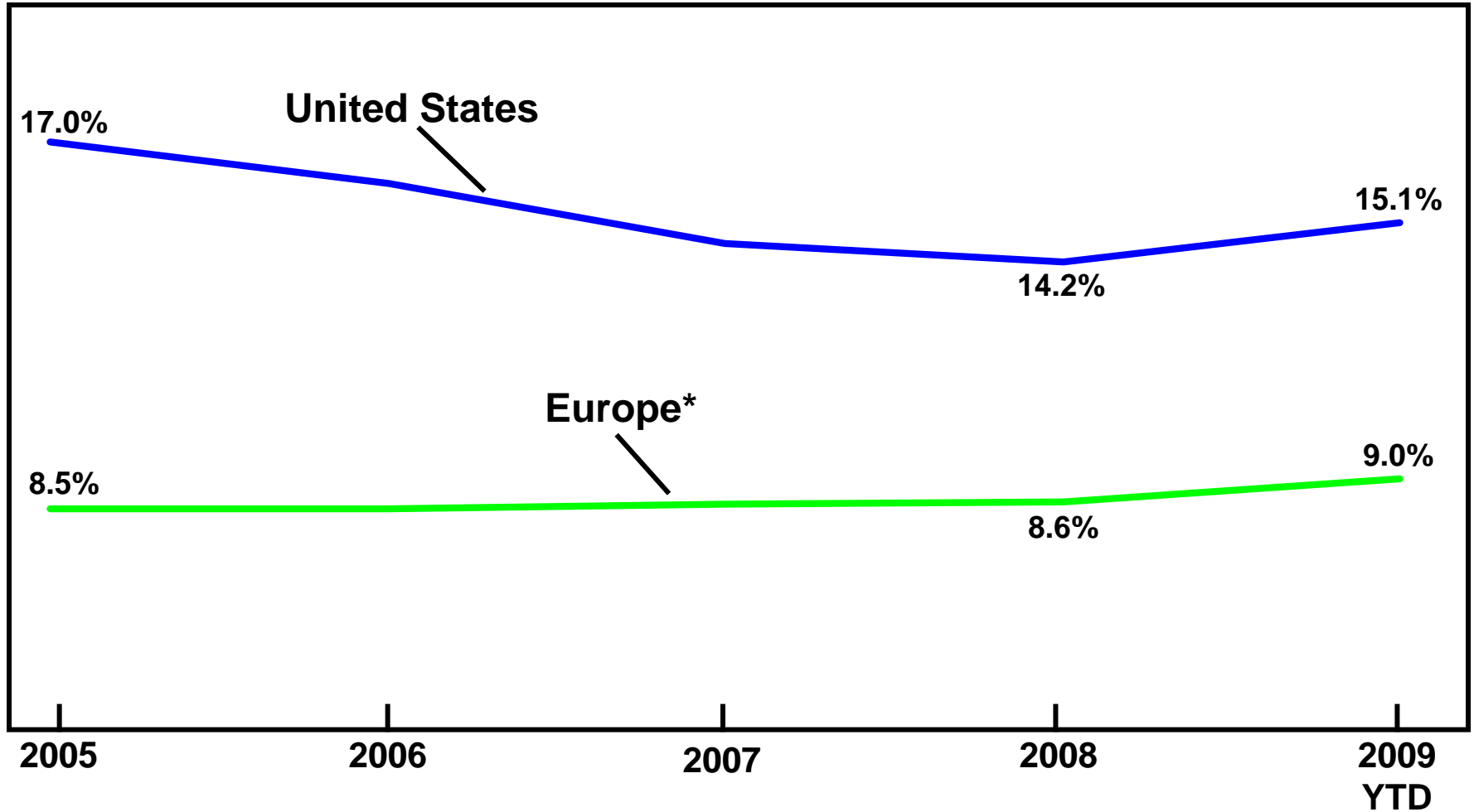






# REBUILDING MARKET SHARE

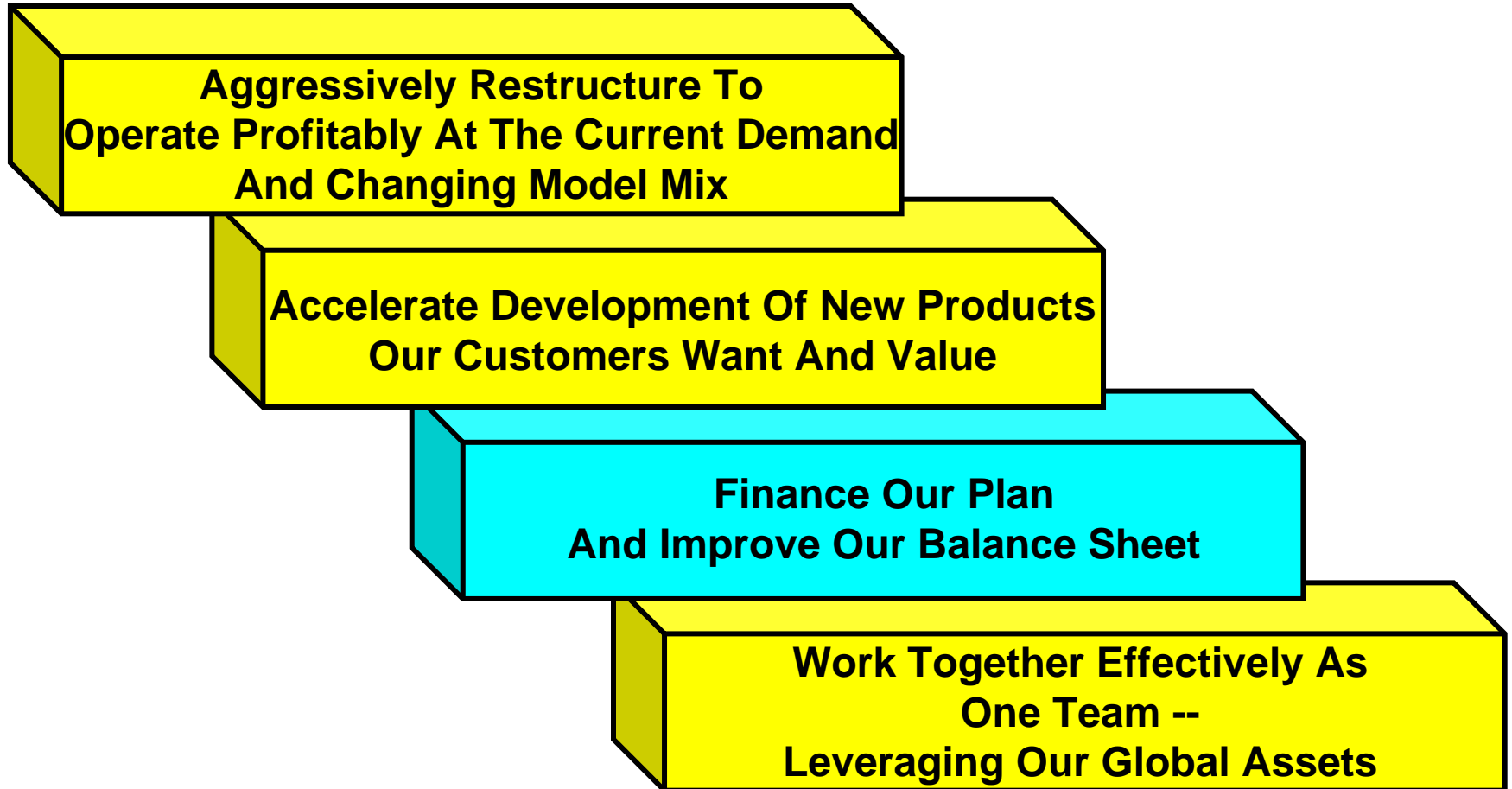
## Ford, Lincoln, and Mercury



**Memo: Also growing share in South America and Asia Pacific and Africa**

\* European market share is based, in part, on estimated vehicle registrations for the 19 European markets that we track (excludes Russia)

# OUR PLAN -- **ONE FORD**

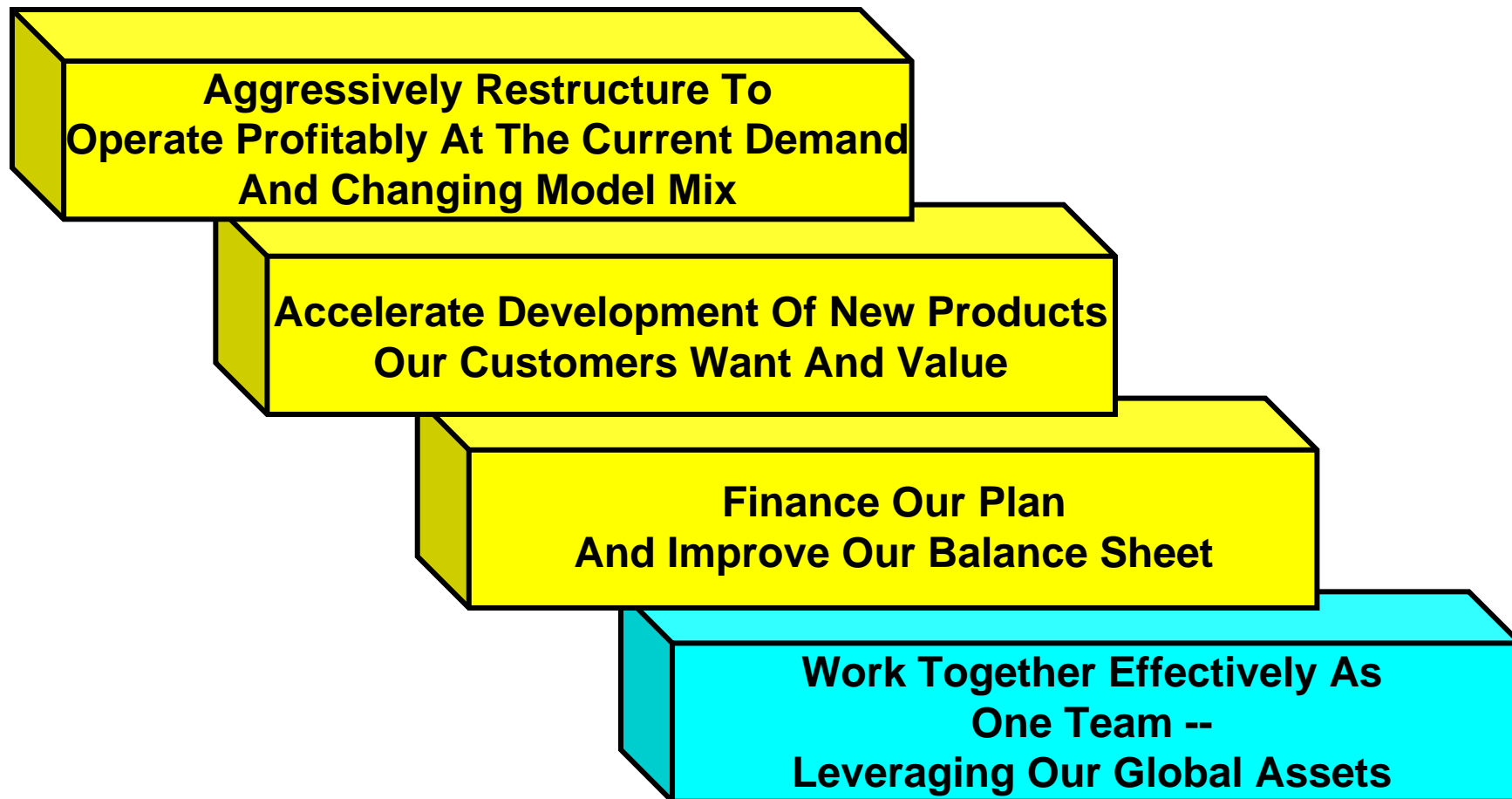




# **FINANCING OUR PLAN**

- **Raised \$23.5 billion at the end of 2006 to provide liquidity to execute our restructuring plan and for a cushion for unexpected events**
- **Executed actions in the First Half of 2009 to improve our balance sheet:**
  - **Restructured UAW VEBA -- option to pay up to half of \$13 billion obligation with Ford stock**
  - **Reduced Automotive debt obligations \$10.1 billion with market transactions when pricing was favorable, lowering annual cash interest payments more than \$500 million**
  - **Raised \$1.6 billion in equity**
  - **Qualified for \$5.9 billion in loans for 2009-2011 from the U.S. Department of Energy for advanced fuel-saving vehicles**
- **Working with European Investment Bank to secure funding in support of CO<sub>2</sub> reduction initiatives**
- **Continued focus on total cash flow**
- **More work to do on balance sheet -- nothing new to announce at this time**

# OUR PLAN -- **ONE FORD**





# WORKING TOGETHER



**People Working Together  
As A Global Enterprise  
For Automotive Leadership**

One Team...One Plan...One Goal...One





# **SUMMARY OF KEY ELEMENTS OF OUR PLAN -- ONE FORD**

- **Laser focus on our Ford brand**
  - **Divest non-core assets . . . . sold Aston Martin, Jaguar, Land Rover, Hertz, and other assets, reduced ownership in Mazda, reviewing Volvo**
- **Maintain complete family of vehicles**
  - **Small, medium, and large cars, utilities, and trucks**
- **Deliver world class vehicles**
  - **Quality, green, safe, smart, and best value**
- **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**

**An Exciting Viable Ford Motor Company Delivering Profitable Growth For All**



# 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 or worsening financial crisis;
- Further declines in industry sales volume, particularly in the United States or Europe, due to financial crisis, deepening recessions, geo-political events, or other factors;
- 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 market shift away from sales of trucks, SUVs, or other more profitable vehicles, particularly in the United States;
- A return to elevated gasoline prices, as well as the potential for volatile prices or reduced availability;
- Lower-than-anticipated market acceptance of new or existing products;
- Fluctuations in foreign currency exchange rates, commodity prices, and interest rates;
- Adverse effects from the bankruptcy of, government-funded restructuring of, change in ownership or control of, or alliances entered into by a major competitor;
- Restriction on use of tax attributes from tax law "ownership change";
- Economic distress of suppliers that may require us to provide financial support or take other measures to ensure supplies of components or materials, which could increase our costs, affect our liquidity, or cause production disruptions;
- Single-source supply 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;
- Pension and postretirement health care and life insurance liabilities impairing our liquidity or financial condition;
- Inability to implement the amended Retiree Health Care Settlement Agreement regarding UAW hourly retiree health care;
- Worse-than-assumed economic and demographic experience for our postretirement benefit plans (e.g., discount rates or investment returns);
- 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, 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 subject to long-term supply arrangements that commit us to purchase minimum or fixed quantities of 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 secured debt);
- Failure of financial institutions to fulfill commitments under committed credit facilities;
- Ford Credit's need for substantial liquidity to finance its business;
- Inability of Ford Credit to obtain competitive funding;
- 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 other factors;
- A prolonged disruption of the debt and securitization markets;
- Higher-than-expected credit losses;
- Increased competition from banks or other financial institutions seeking to increase their share of financing Ford vehicles;
- 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, data protection, or other regulation resulting in greater costs or financing restrictions;
- 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 2008 Form 10-K Report and subsequent Form 10-Q Reports.