



***THIRD QUARTER 2006  
EARNINGS REVIEW  
OCTOBER 23, 2006  
(PRELIMINARY RESULTS)***



# ***INTRODUCTION***



## ***TOTAL COMPANY WHY WE USE DERIVATIVES***

- **Our operations are exposed to global market risks**
  - interest rates
  - foreign currency
  - commodity prices
- **Derivative use is intended to reduce economic risk and volatility, and is disciplined and defensive in nature**
- **Derivatives used include swaps, forwards and options**



## ***TOTAL COMPANY FORD CREDIT'S USE OF DERIVATIVES***

- **At Ford Credit we use interest rate and currency derivatives to match more closely our liabilities to our assets**
- **Ford Credit's accounting for certain interest rate swaps has been re-evaluated**
  - **Ford Credit entered into certain interest rate swaps**
  - **We believed these swaps met a selective set of accounting rules, while being exempt from the more strict effectiveness testing requirements**
  - **PricewaterhouseCoopers audited our 2001 through 2005 financial statements, which included a review of these swaps**
  - **We have reassessed the rules for effectiveness testing and have determined these swaps do not meet the requirements**



**TOTAL COMPANY**  
**RESTATEMENT OF FINANCIAL RESULTS FOR**  
**FORD CREDIT HEDGE ACCOUNTING (SFAS 133)**

- **Ford and Ford Credit will restate 2001 through Second Quarter 2006 financial results**
- **We presently estimate that Ford and Ford Credit's results in 2002 will improve materially -- other periods still under study**
- **We expect to finalize our restatement of all periods by the filing of our Third Quarter 2006 10-Q Report**
- **The correction to the accounting does not impact the economics of the hedges, nor does it affect cash**



## ***TOTAL COMPANY SUMMARY***

- **Very complex accounting**
- **Accounting will be corrected but this will not alter our hedging strategy**
- **No economic or cash impact on Ford or Ford Credit**
- **At this time, we are not providing financial statements until the filing of our 10-Q Report**
- **The Third Quarter and Nine Months results we are showing today do not reflect the expected restatements**
- **We believe the following slides reflect key drivers of our financial performance and what we are doing to address our situation**



# ***BUSINESS OVERVIEW***

**Alan Mulally**  
**President and Chief Executive Officer**



## **TOTAL COMPANY**

### **2006 THIRD QUARTER SUMMARY**

- Earnings per share from continuing operations, excluding special items, were a loss of 62¢\*; net loss per share was \$3.08
- Loss from continuing operations, excluding special items, was \$1.2 billion after tax; net loss of \$5.8 billion after tax. This includes the impact of a valuation allowance against deferred tax assets
- Special items, including personnel separation-related charges and fixed asset impairments, were \$5.3 billion before taxes
- North America reported a substantial loss as expected
- South America was profitable and improved compared with last year; Europe, Premier Automotive Group, and Asia-Pacific and Africa reported losses
- Solid profits at Ford Credit
- Strong liquidity, with Automotive cash of \$23.6 billion

\* Earnings per share from continuing operations is calculated on a basis that includes pre-tax profit, provision for taxes, and minority interest; see Appendix (page 1) for method of calculation, and Slide 11 for reconciliation to GAAP





# ***TOTAL COMPANY CORPORATE OVERVIEW***

- **Opportunities**
- **Priorities**



# ***FINANCIAL RESULTS***

**Don Leclair**  
**Chief Financial Officer**

# TOTAL COMPANY 2006 THIRD QUARTER AND FIRST NINE MONTHS RESULTS



	Third Quarter		First Nine Months	
	2006	O / (U) 2005	2006	O / (U) 2005
<b>Revenue (Bils.)</b>				
Total Sales and Revenue	\$ 36.7	\$ (4.1)	\$ 119.8	\$ (10.8)
Automotive Sales	32.6	(2.1)	107.3	(5.4)
<b>Vehicle Unit Sales (000)</b>	1,511	(20)	4,965	0
<b>Pre-Tax Profits (Mils.)</b>				
Incl. Special Items	\$(6,637)	\$(6,260)	\$(9,165)	\$(11,063)
Excl. Special Items	(1,379)	(1,176)	(1,010)	(3,515)
<b>After-Tax Profits* (Mils.)</b>				
Net Income	\$(5,800)	\$(5,516)	\$(7,241)	\$ (9,115)
Continuing Ops. -- Excl. Special Items***	(1,170)	(979)	(757)	(2,762)
Memo: Tax Rate	17.8%	(1.6) Pts.	30.8%	17.2 Pts.
<b>Earnings Per Share*</b>				
Net Income / (Loss)	\$ (3.08)	\$ (2.93)	\$ (3.87)	\$ (4.82)
Continuing Ops. -- Excl. Special Items**	(0.62)	(0.52)	(0.40)	(1.42)
<b>Automotive Cash, Marketable and Loaned Securities and Short-term VEBA**** (Bils.)</b>				
Gross*****	\$ 23.6	\$ 4.0	\$ 23.6	\$ 4.0
Net of Debt	5.9	4.5	5.9	4.5
Operating-Related Cash Flow*****	(3.1)	(0.4)	(3.7)	(1.7)

\* Includes deferred tax valuation allowance

\*\* Earnings per share from continuing operations is calculated on a basis that includes pre-tax profit, provision for taxes, and minority interest; see Appendix (page 1) for method of calculation, and Slide 11 for reconciliation to GAAP

\*\*\* See Slide 11 for reconciliation to GAAP

\*\*\*\* Voluntary Employee Beneficiary Association (VEBA) Trust used to pre-fund certain employee benefit obligations

\*\*\*\*\* See Appendix (page 12) for reconciliation to GAAP

\*\*\*\*\* See Slide 28 for calculation and Appendix (page 13) for reconciliation to GAAP



# TOTAL COMPANY INCOME FROM CONTINUING OPERATIONS COMPARED WITH NET INCOME

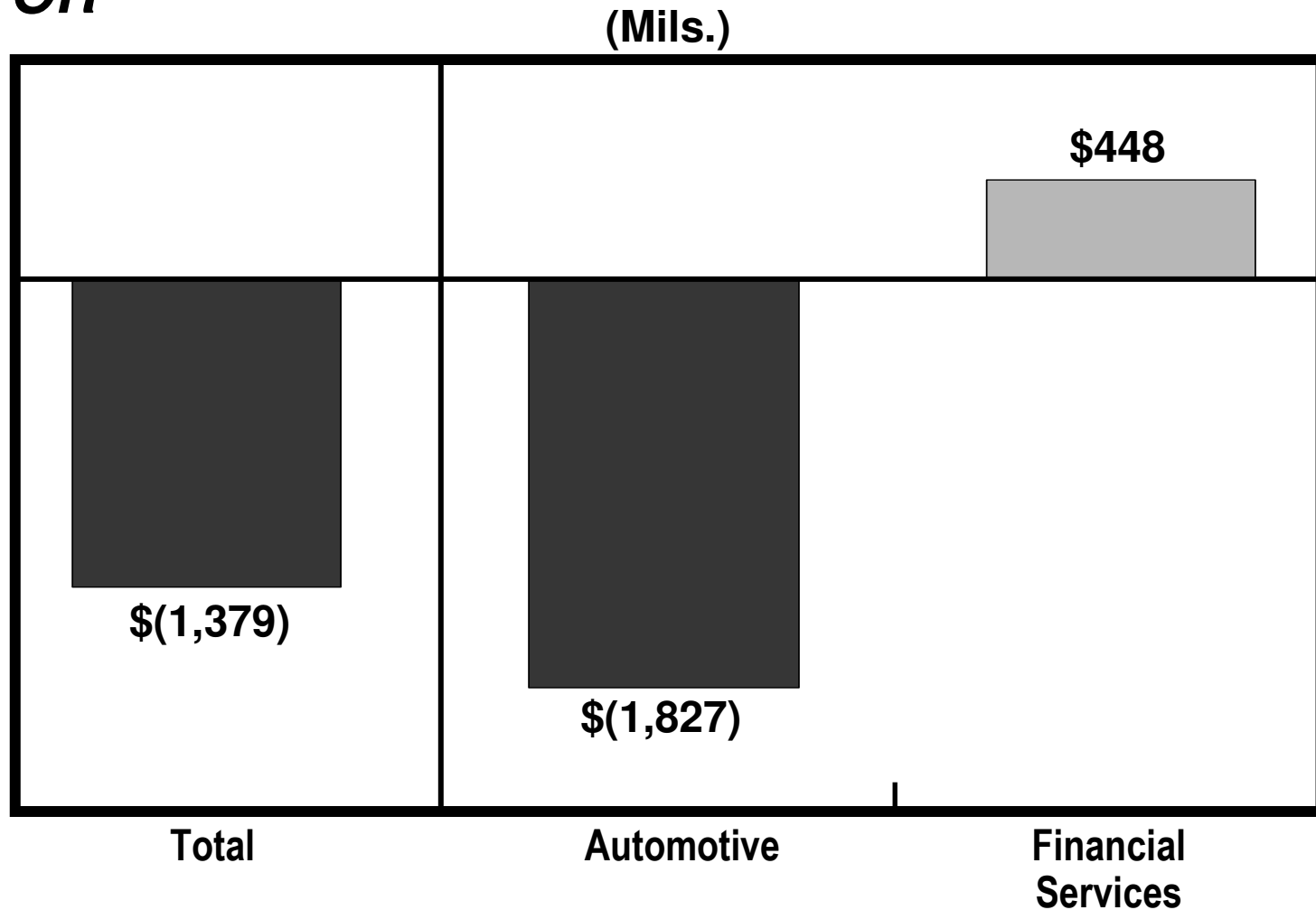
2006

	Third Quarter			First Nine Months		
	Pre-Tax Profit (Mils.)	After-Tax Profit (Mils.)	Earnings Per Share*	Pre-Tax Profit (Mils.)	After-Tax Profit (Mils.)	Earnings Per Share*
Income / (Loss) from Continuing Operations Excluding Special Items	\$(1,379)	\$(1,170)	\$(0.62)	\$(1,010)	\$ (757)	\$(0.40)
Special Items						
• Jobs Bank / Employee Separation	\$ (861)			\$(2,469)		
• Additional Personnel Reduction Programs	(259)			(512)		
• Pension Curtailment Charges	(437)			(1,340)		
• Facility-Related U.S. Plant Idling Costs	0			(281)		
• Fixed Asset Impairment						
– North America	(2,200)			(2,200)		
– Jaguar / Land Rover	(1,600)			(1,600)		
• Other Gains	99			247		
Total Special Items	<u>\$(5,258)</u>	<u>\$(4,630)</u>	<u>\$(2.46)</u>	<u>\$(8,155)</u>	<u>\$(6,486)</u>	<u>\$(3.47)</u>
Income / (Loss) from Continuing Ops.	<u>\$(6,637)</u>	<u>\$(5,800)</u>	<u>\$(3.08)</u>	<u>\$(9,165)</u>	<u>\$(7,243)</u>	<u>\$(3.87)</u>
Memo:						
Deferred Tax Asset Valuation Allowance Included Above**		\$ (2,221)			\$(2,241)	

\* Earnings per share from continuing operations is calculated on a basis that includes pre-tax profit, provision for taxes, and minority interest; see Appendix (page 1) for method of calculation

\*\* For more detailed information on the effect of the deferred tax asset valuation allowance, see Appendix (page 2)

**TOTAL COMPANY  
2006 THIRD QUARTER PRE-TAX PROFIT / (LOSS)  
BY SECTOR\***



**Memo:**

**B / (W) 2005**

**\$(1,176)**

**\$(486)**

**\$(690)**

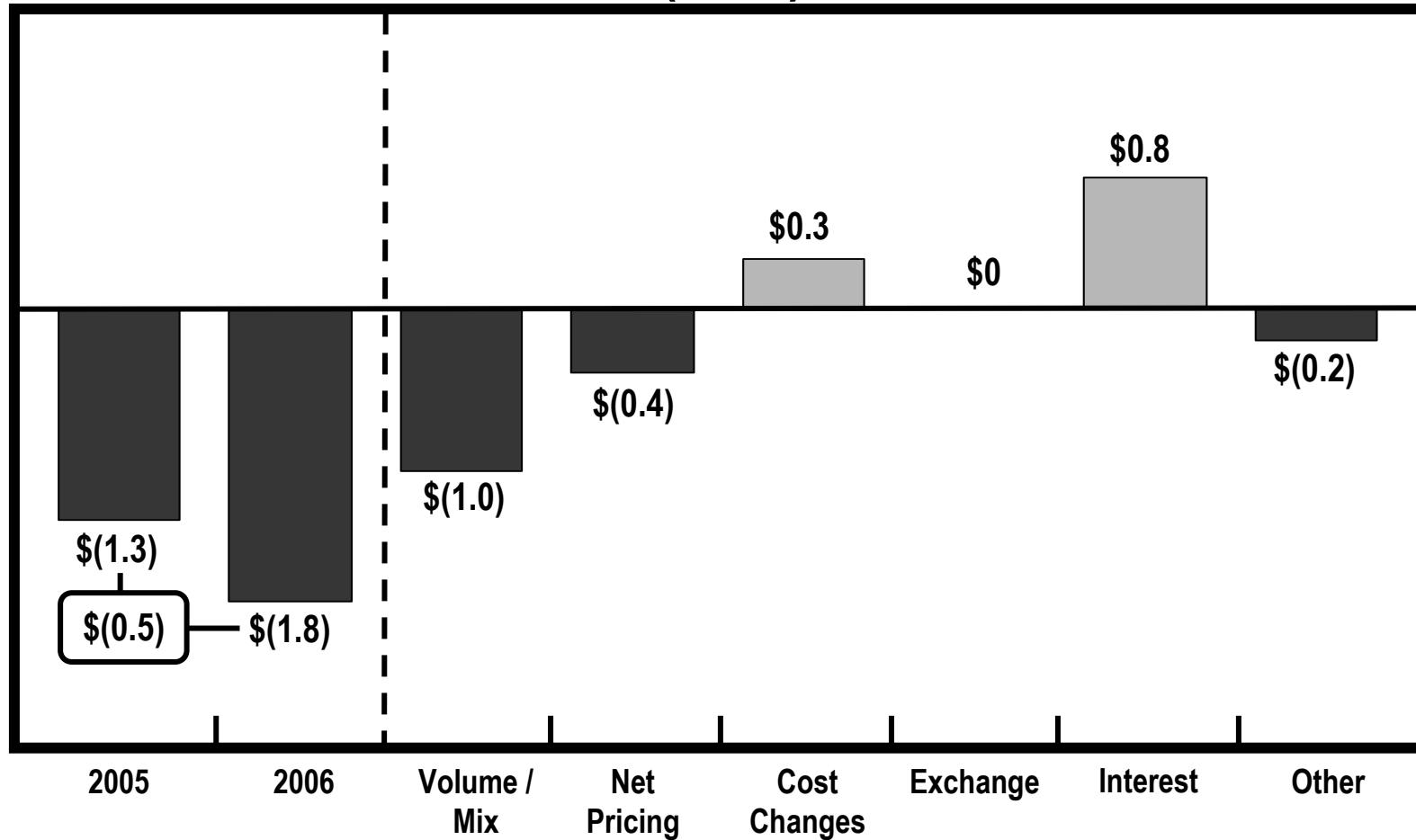
\* Excludes special items; see Slide 11 and Appendix (page 3) for reconciliation to GAAP

# AUTOMOTIVE SECTOR

## 2006 THIRD QUARTER AUTOMOTIVE PRE-TAX PROFITS COMPARED WITH 2005\*



(Bils.)

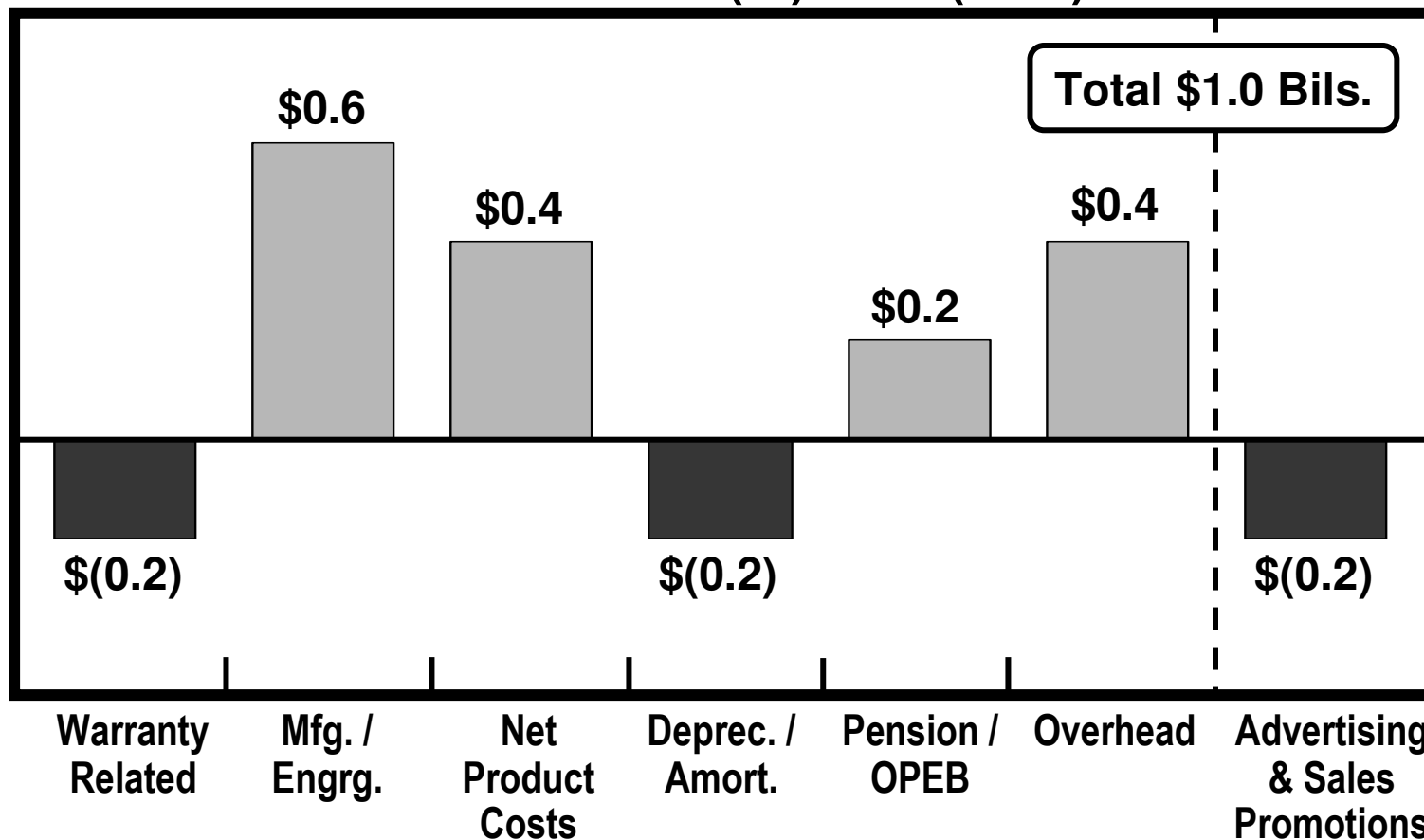


\* Excludes special items; see Slide 11 and Appendix (page 3) for reconciliation to GAAP



# AUTOMOTIVE SECTOR FIRST NINE MONTHS COST CHANGES\*

2006 Costs B / (W) 2005 (Bils.)



Memo:  
Third Quarter

\$0	\$0.1	\$(0.1)	\$(0.1)	\$0.2	\$0.3	\$(0.1)
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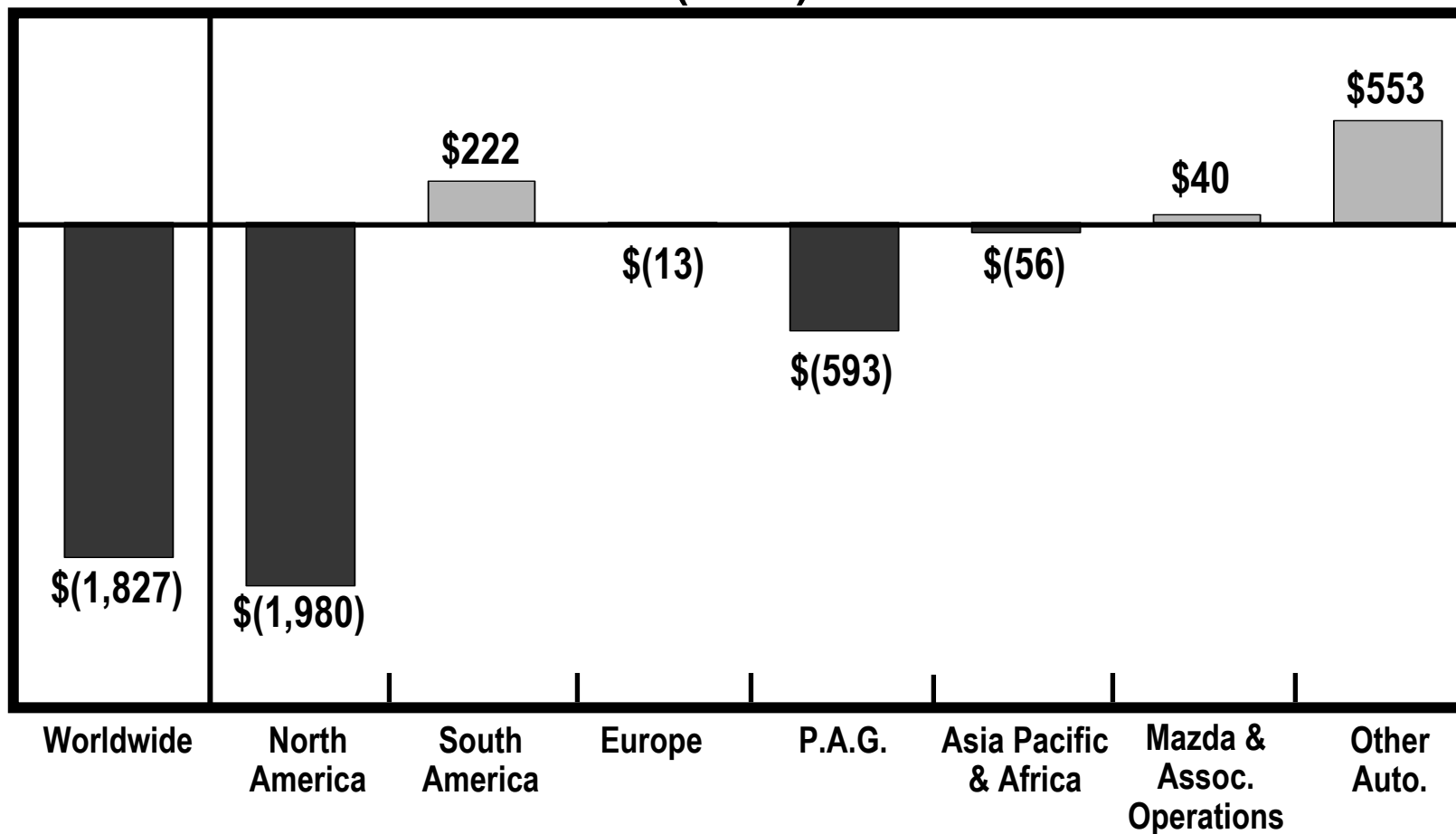
\* At constant volume, mix, and exchange; excludes special items



# AUTOMOTIVE SECTOR

## 2006 THIRD QUARTER PROFIT / (LOSS) BY SEGMENT\*

(Mils.)



Memo:

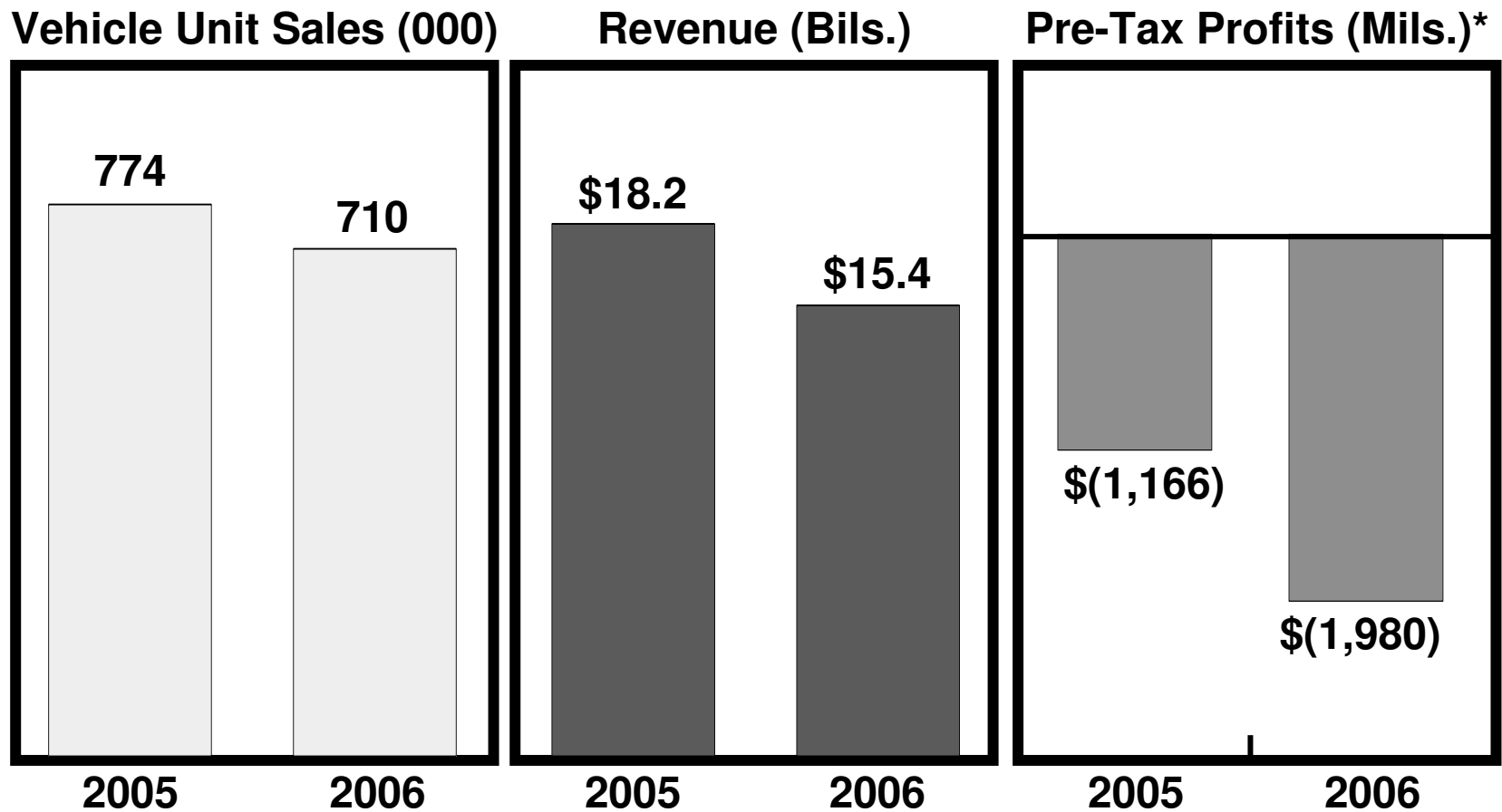
B / (W) 2005	\$ (486)	\$ (814)	\$ 126	\$ 42	\$ (485)	\$ (77)	\$ (72)	\$ 794
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\* Excludes special items; see Slide 11 and Appendix (page 3) for reconciliation to GAAP



# AUTOMOTIVE SECTOR -- FORD NORTH AMERICA

## THIRD QUARTER KEY METRICS -- 2006 vs. 2005



**Memo:**

U.S. Market Share    17.5%                      15.5%

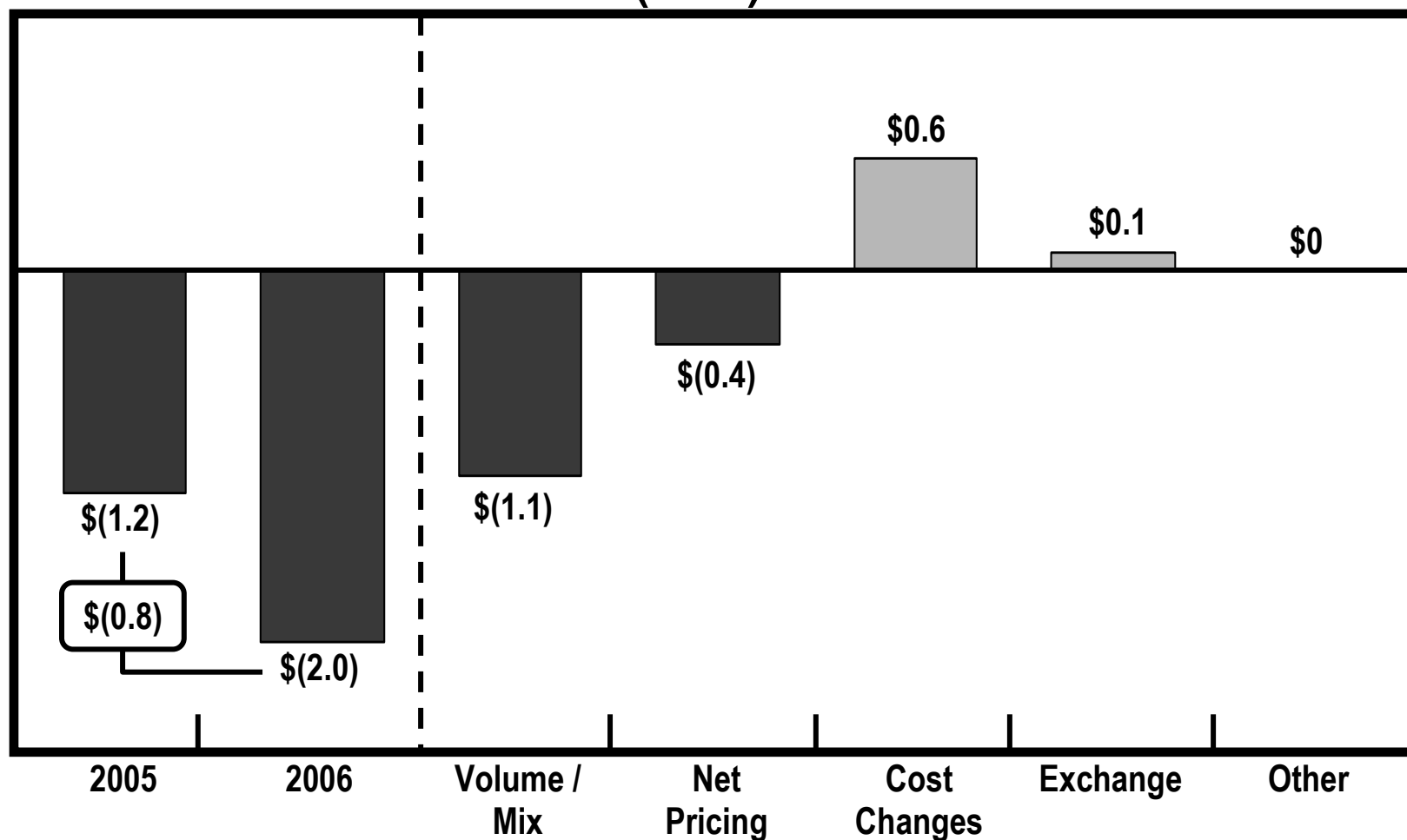
\* Excludes special items; see Slide 11 and Appendix (page 3) for reconciliation to GAAP



# AUTOMOTIVE SECTOR -- FORD NORTH AMERICA

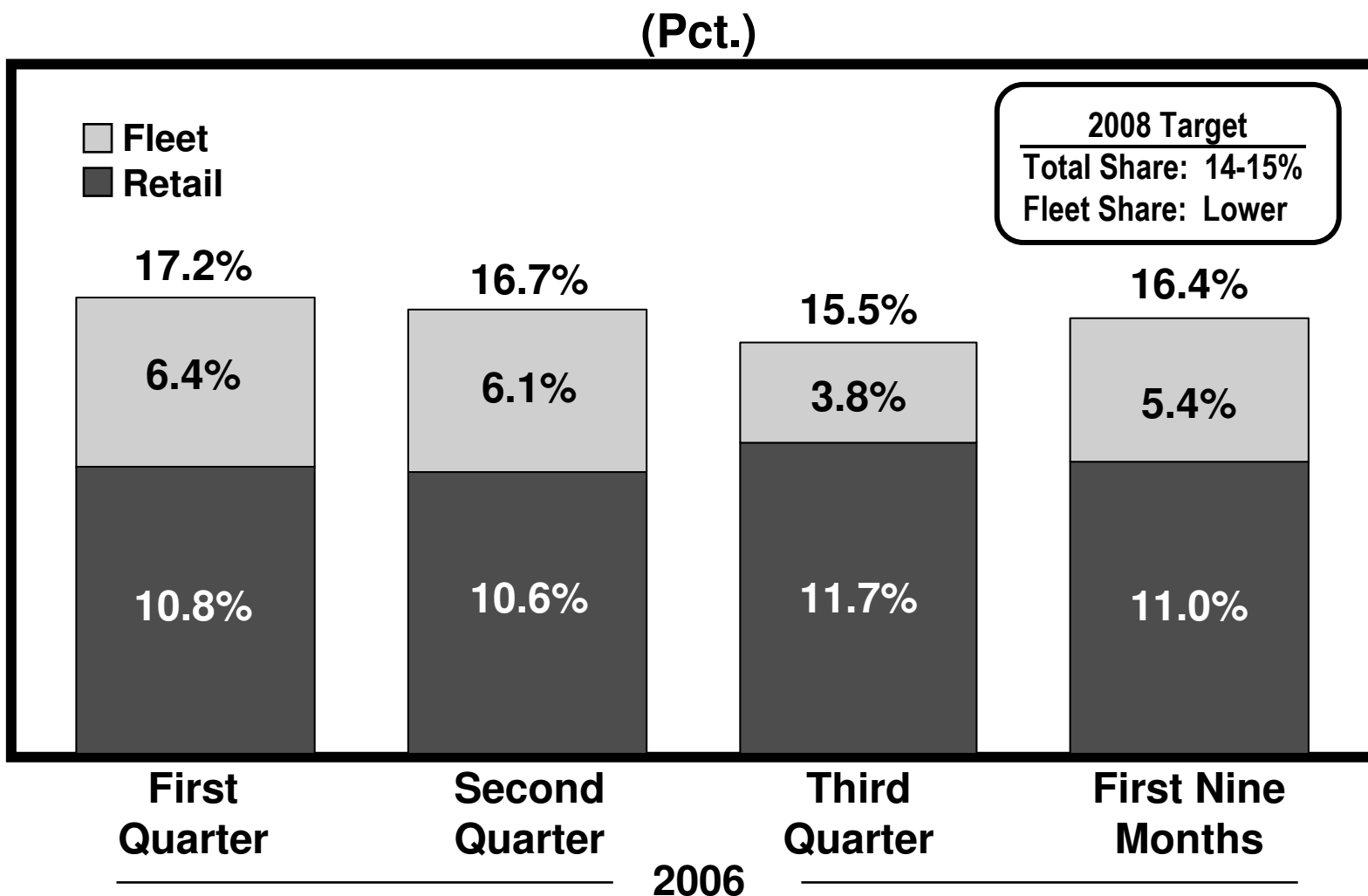
## 2006 THIRD QUARTER AUTOMOTIVE PRE-TAX PROFITS COMPARED WITH 2005\*

(Bils.)



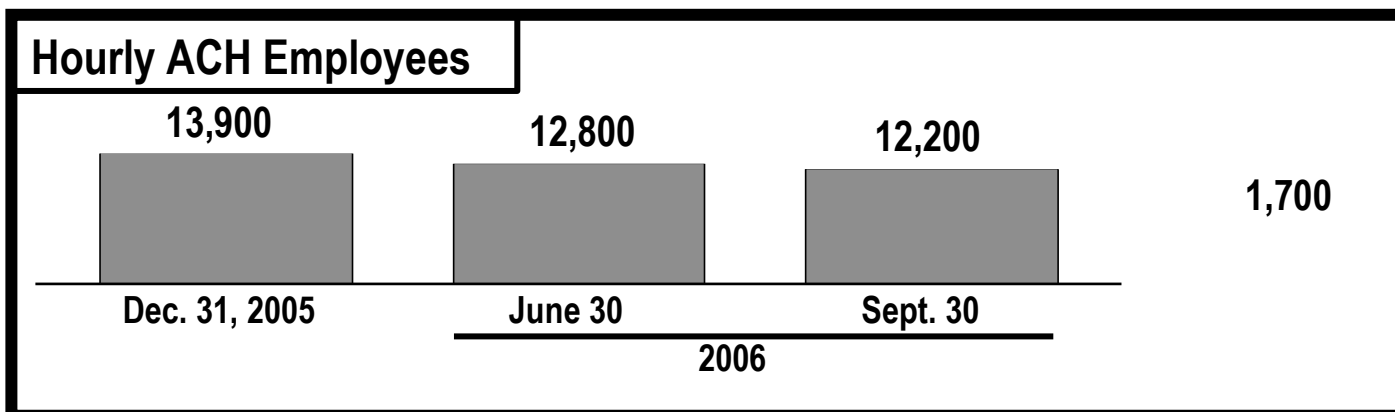
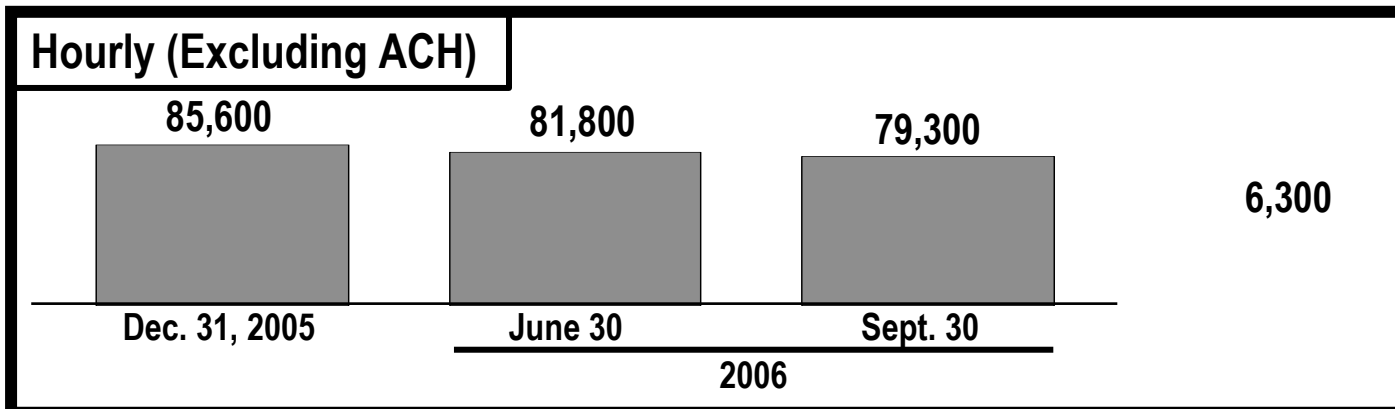
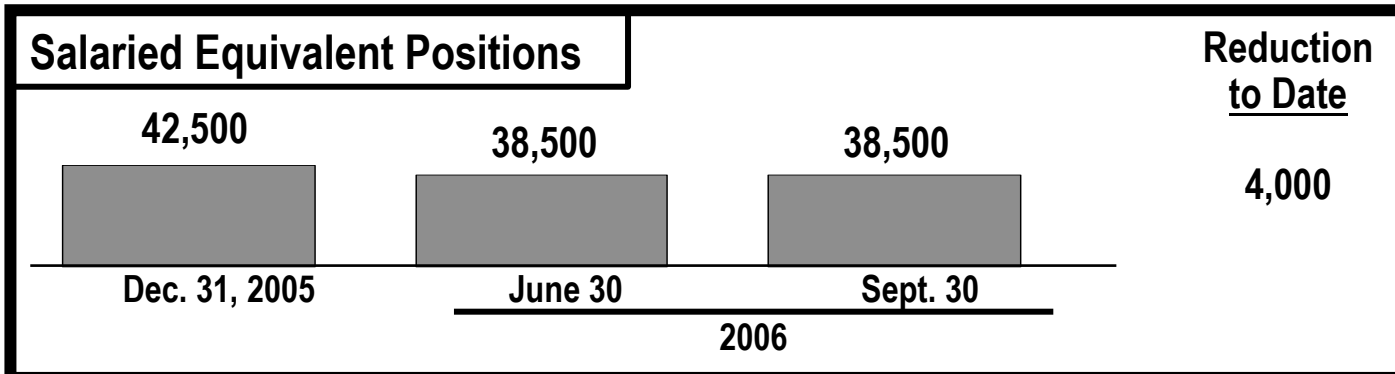
\* Excludes special items; see Slide 11 and Appendix (page 3) for reconciliation to GAAP

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



\* Ford and Lincoln Mercury

# AUTOMOTIVE SECTOR -- FORD NORTH AMERICA PERSONNEL REDUCTIONS FROM YEAR END 2005



**2008 Targets**

14,000 Reduction (33%)

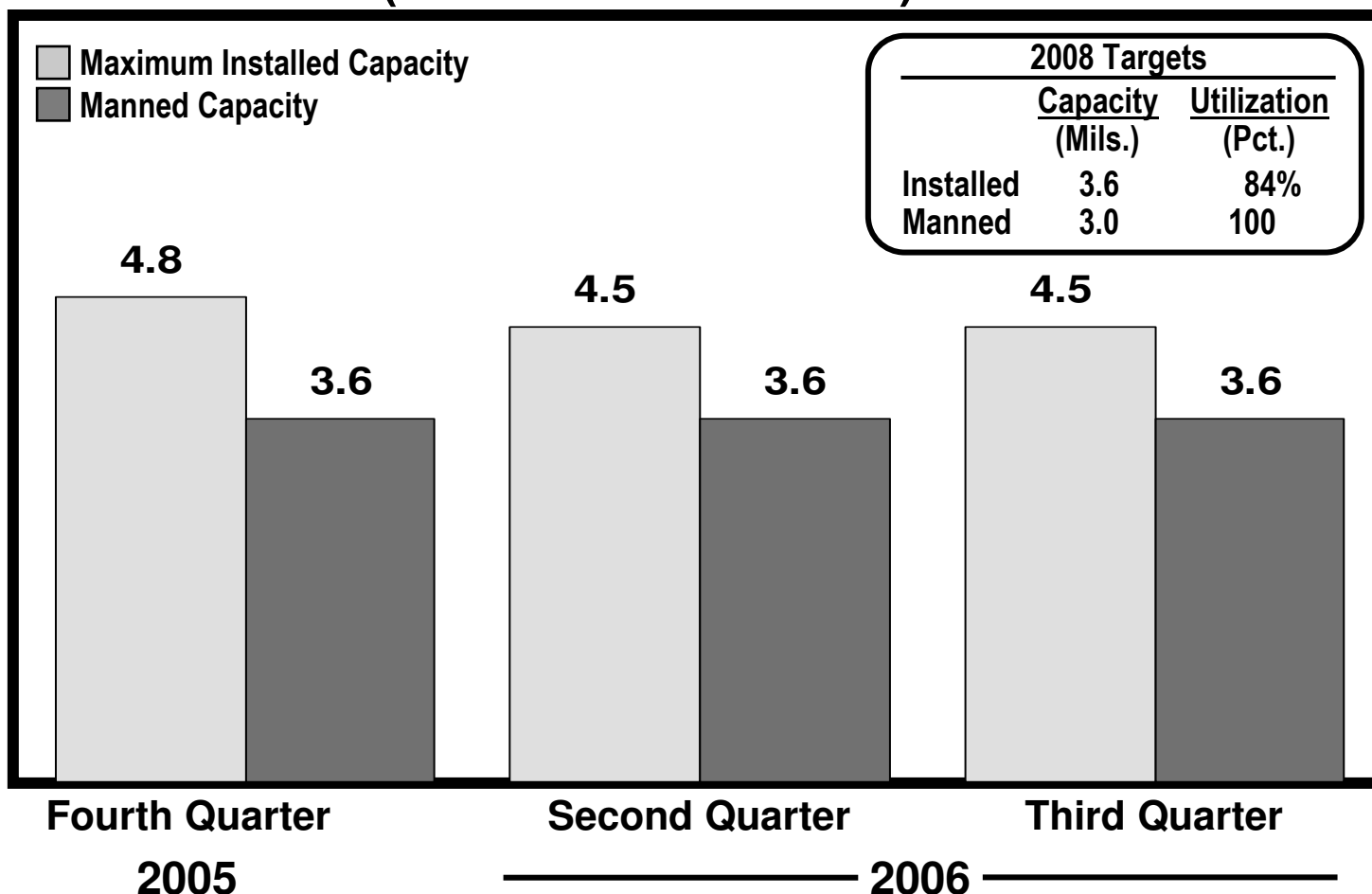
25,000 – 30,000 Reduction (~33%)

Redeploy / Separate



# AUTOMOTIVE SECTOR -- FORD NORTH AMERICA ASSEMBLY CAPACITY

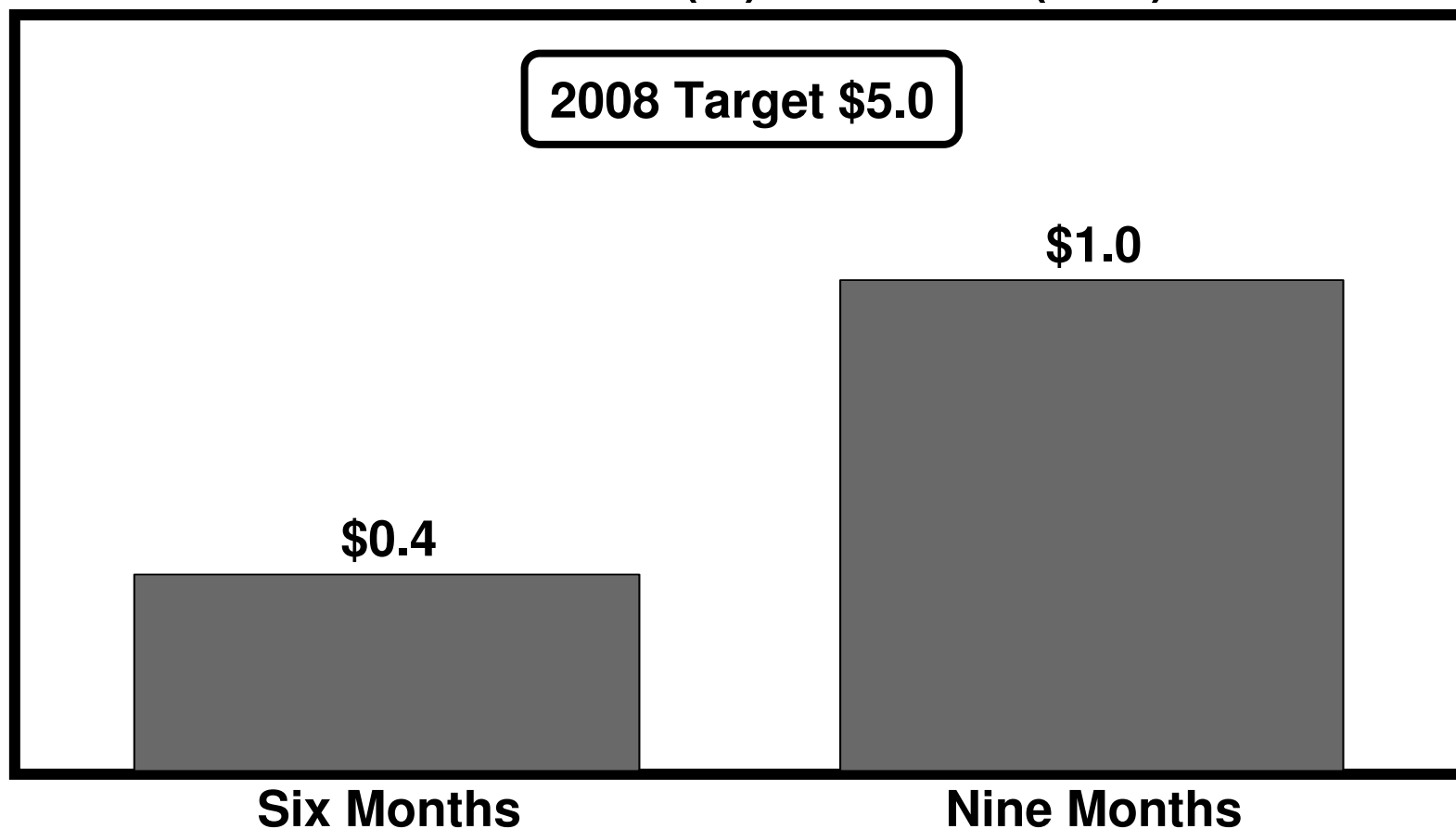
(Millions - Annualized)





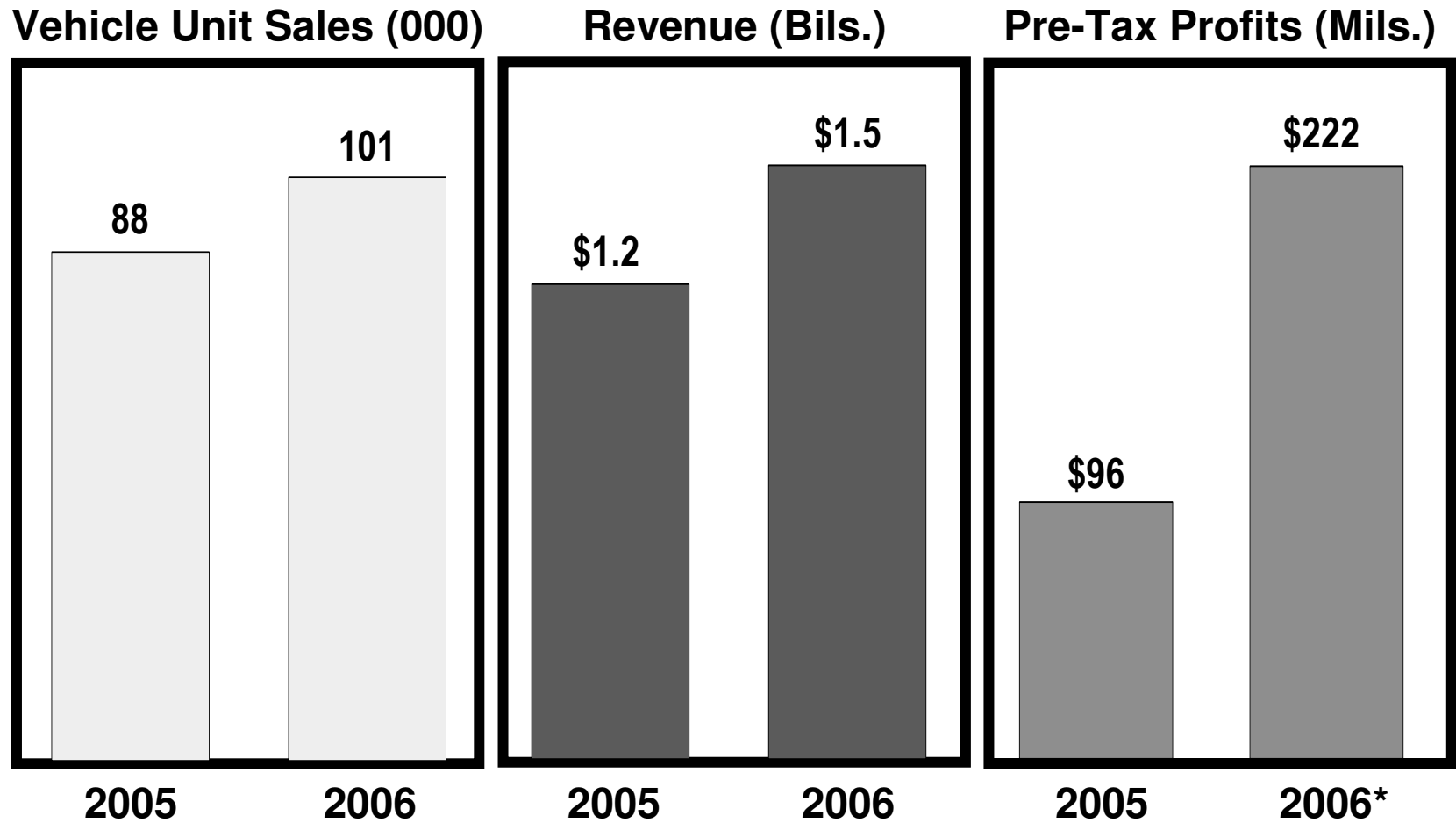
# **AUTOMOTIVE SECTOR -- FORD NORTH AMERICA YEAR-TO-DATE OPERATING COST REDUCTIONS\***

**2006 Costs B / (W) Than 2005 (Bils.)**



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

# AUTOMOTIVE SECTOR -- FORD SOUTH AMERICA THIRD QUARTER KEY METRICS -- 2006 vs. 2005



Memo:

Market Share\*\*      12.0%      11.5%

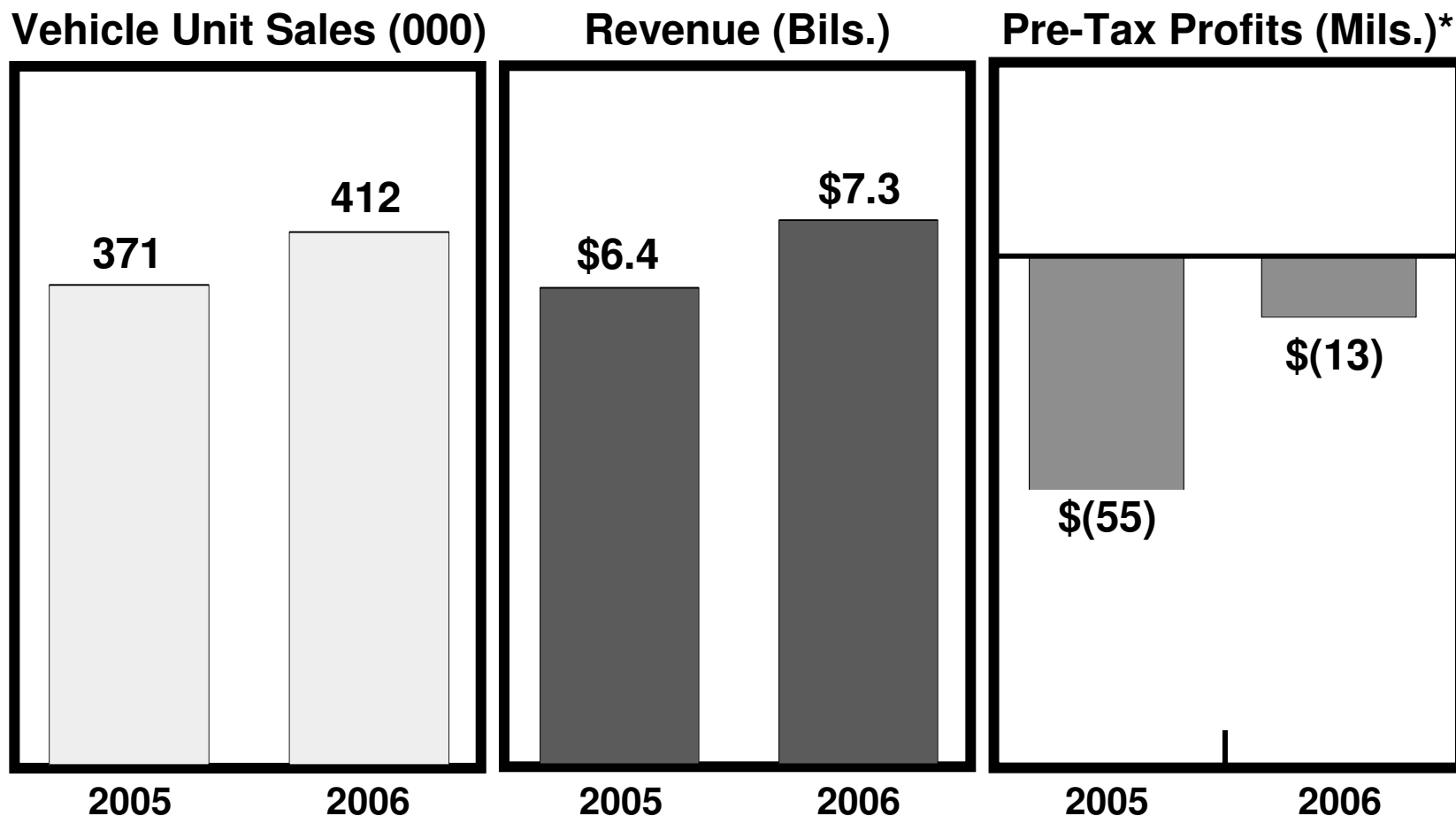
\* Excludes special items; see Slide 11 and Appendix (page 3) for reconciliation to GAAP

\*\* South American market share based on estimated vehicle retail sales for our six major markets in that region



# **AUTOMOTIVE SECTOR -- FORD EUROPE**

## **THIRD QUARTER KEY METRICS -- 2006 vs. 2005**



**Memo:**

**Market Share\*\***      8.5%                      8.6%

\* Excludes special items; see Slide 11 and Appendix (page 3) for reconciliation to GAAP

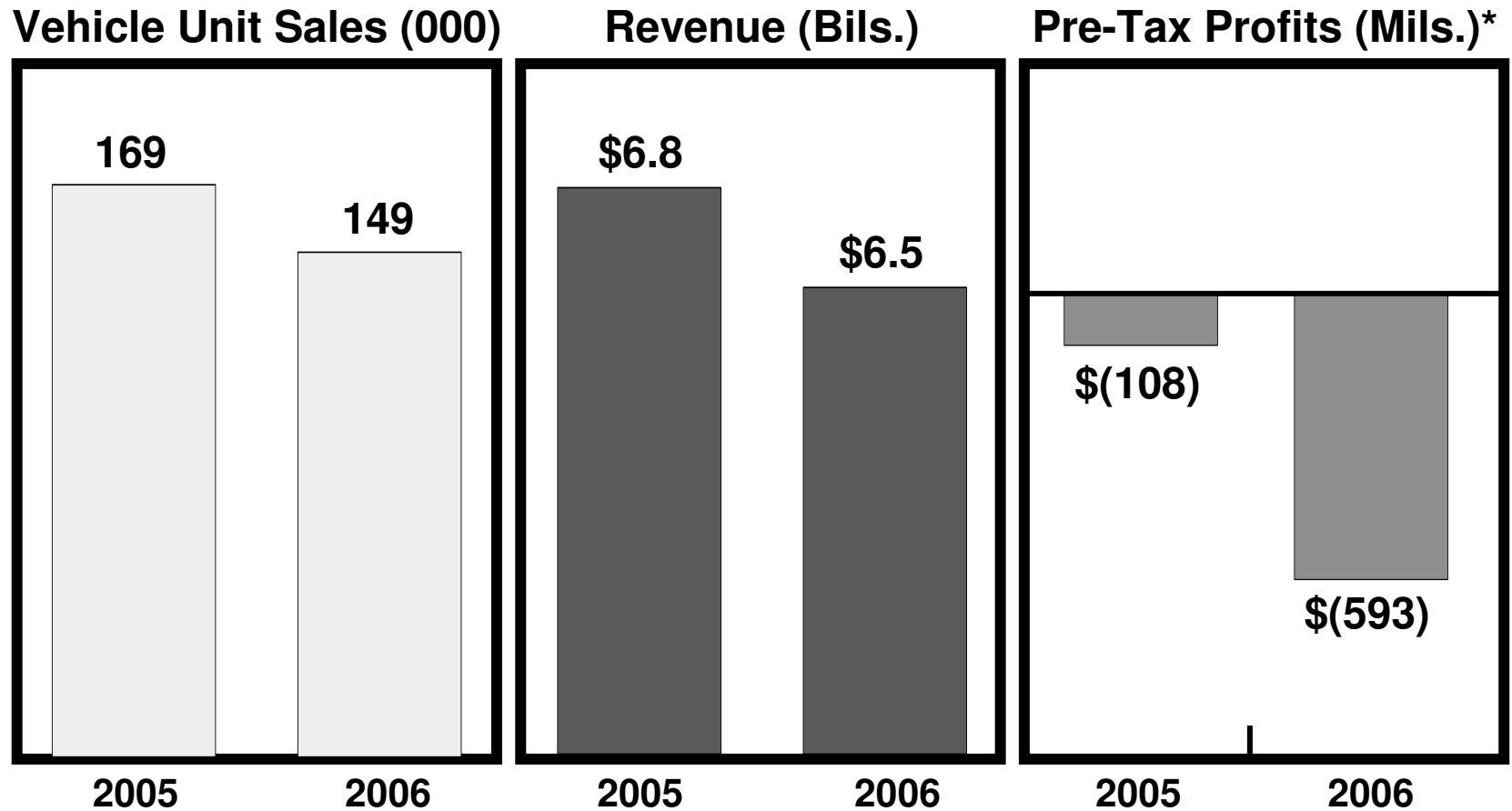
\*\* European market share for Ford Europe is based, in part, on estimated vehicle registrations for our 19 major European markets



# AUTOMOTIVE SECTOR -- P.A.G.



## THIRD QUARTER KEY METRICS -- 2006 vs. 2005



**Memo:**

U.S. Market Share	1.1%	1.0%
Eur. Market Share**	2.2%	2.0%

\* Excludes special items; see Slide 11 and Appendix (page 3) for reconciliation to GAAP

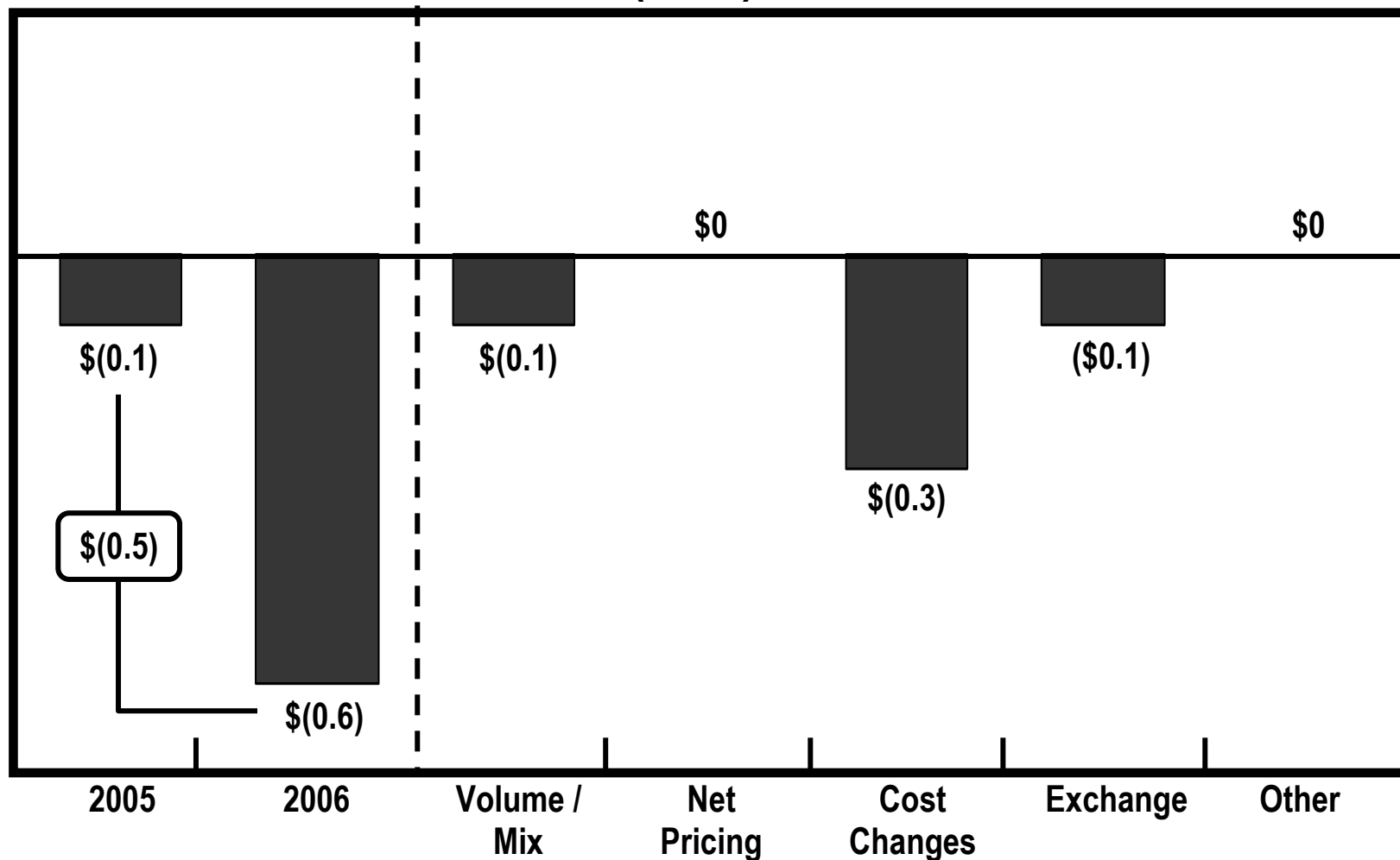
\*\* European market share for P.A.G. is based, in part, on estimated vehicle registrations for our 19 major European markets



# AUTOMOTIVE SECTOR -- P.A.G.

## 2006 THIRD QUARTER AUTOMOTIVE PRE-TAX PROFITS COMPARED WITH 2005\*

(Bils.)

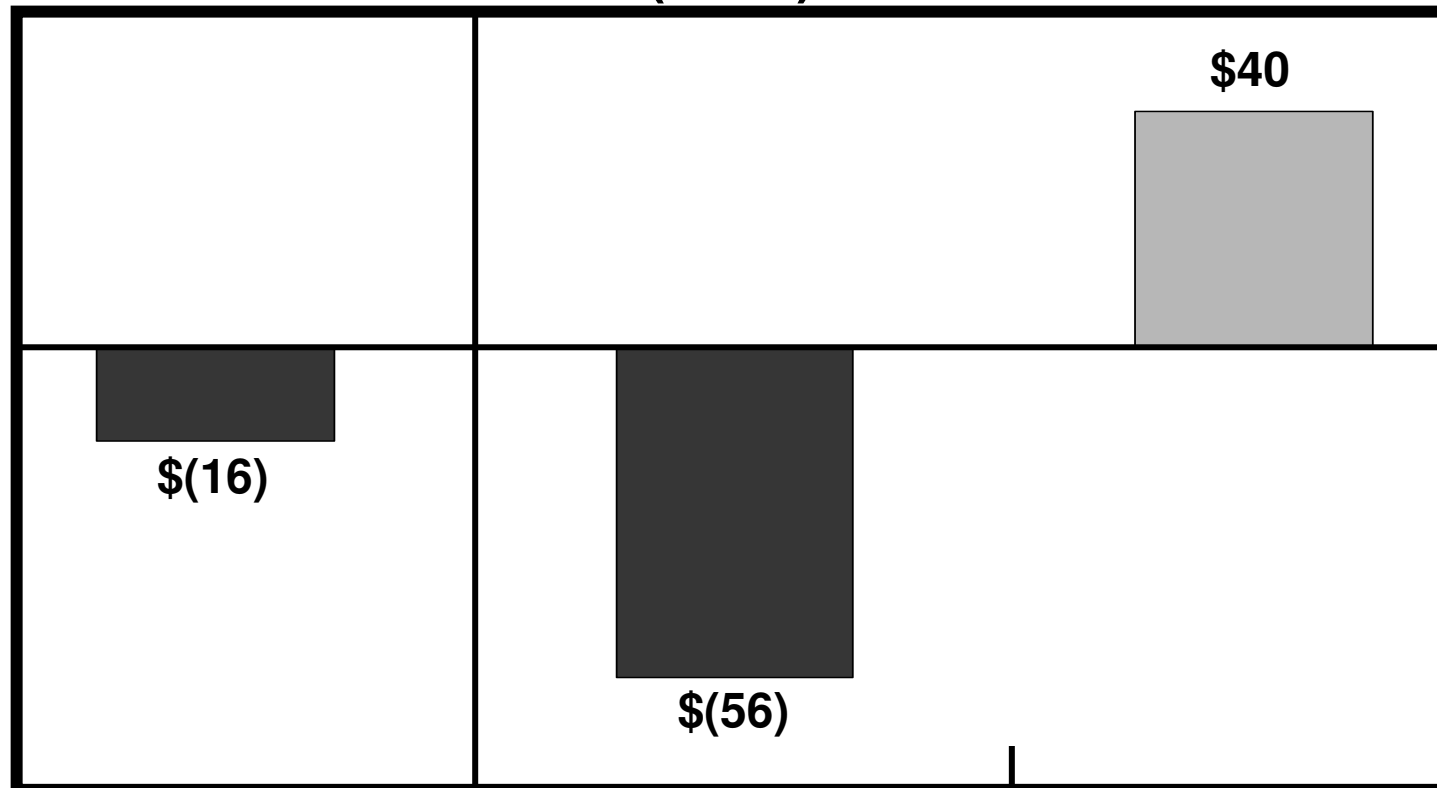


\* Excludes special items; see Slide 11 and Appendix (page 3) for reconciliation to GAAP



# **AUTOMOTIVE SECTOR -- FORD ASIA PACIFIC AND AFRICA / MAZDA THIRD QUARTER 2006 PRE-TAX PROFITS**

(Mils.)



**Asia Pacific and  
Africa / Mazda**

**Asia Pacific  
and Africa**

**Mazda and  
Assoc. Operations**

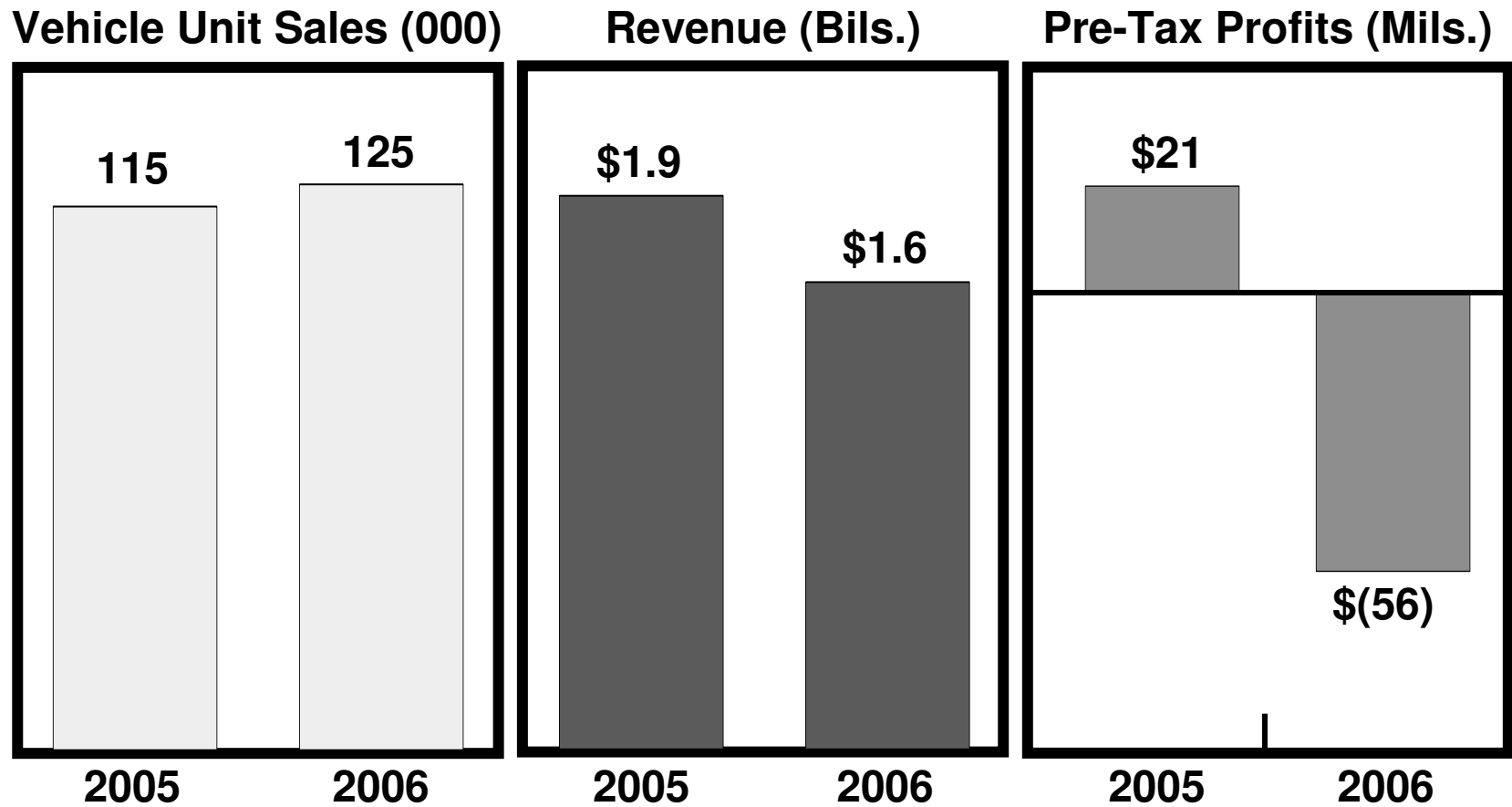
Memo:  
B / (W) 2005

**\$(149)**

**\$(77)**

**\$(72)**

# AUTOMOTIVE SECTOR -- FORD ASIA PACIFIC AND AFRICA THIRD QUARTER KEY METRICS -- 2006 vs. 2005



Memo:  
Market Share\*

2.3%      2.5%

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



# **AUTOMOTIVE SECTOR**

## **2006 THIRD QUARTER CASH\***

	<u>Third Quarter</u> (Bils.)	<u>First Nine Months</u> (Bils.)
<u>Cash, Marketable and Loaned Securities, Short-Term VEBA Assets</u>		
September 30, 2006	\$23.6	\$23.6
June 30, 2006 / December 31, 2005	23.6	25.1
Change in Gross Cash	<u>\$ 0</u>	<u>\$ (1.5)</u>
<u>Operating-Related Cash Flows</u>		
Automotive Pre-Tax Profits**	\$ (1.8)	\$ (2.8)
Capital Spending	(1.8)	(5.2)
Depreciation and Amortization**	1.8	5.3
Changes in Receivables, Inventory, and Trade Payables	(0.6)	(1.3)
Other -- Primarily Expense and Payment Timing Differences	(0.7)	0.3
Total Automotive Operating-Related Cash Flow	<u>\$ (3.1)</u>	<u>\$ (3.7)</u>
<u>Other Changes in Cash</u>		
Cash Impact of Jobs Bank / Employee Separation Programs	\$ (0.4)	\$ (1.0)
Pension Contributions	(0.1)	(0.6)
Net Effect of VEBA on Cash	3.0	3.0
Capital Transactions w / Financial Services Sector	0.3	0.9
Dividends to Shareholders	(0.1)	(0.5)
All Other – Primarily Tax Refunds	0.4	0.4
Total Change in Gross Cash	<u>\$ 0</u>	<u>\$ (1.5)</u>

\* See Appendix (pages 12 and 13) for reconciliation to GAAP

\*\* Excludes special items; see Slide 11 and Appendix (pages 3 and 4) for reconciliation to GAAP



# **AUTOMOTIVE SECTOR THIRD QUARTER CHANGES TO VEBA**

## **Long-Term VEBA**

	<u>Amount</u> (Bils.)
June 30, 2006	\$ 6.2
Changes	
Less: Effect of VEBA Included in Cash	<u>3.0</u>
Subtotal	<u>\$ 3.2</u>
Plus: Investment Return	<u>0.2</u>
September 30, 2006	<u><u>\$ 3.4</u></u>

## **Effect of VEBA on Automotive Cash**

	<u>Amount</u> (Bils.)
Short-Term VEBA Balance	\$ 1.7
Cash (Reimbursement for Eligible Benefit Payments)	<u>1.3</u>
Total	<u><u>\$ 3.0</u></u>



## **AUTOMOTIVE SECTOR LIQUIDITY**

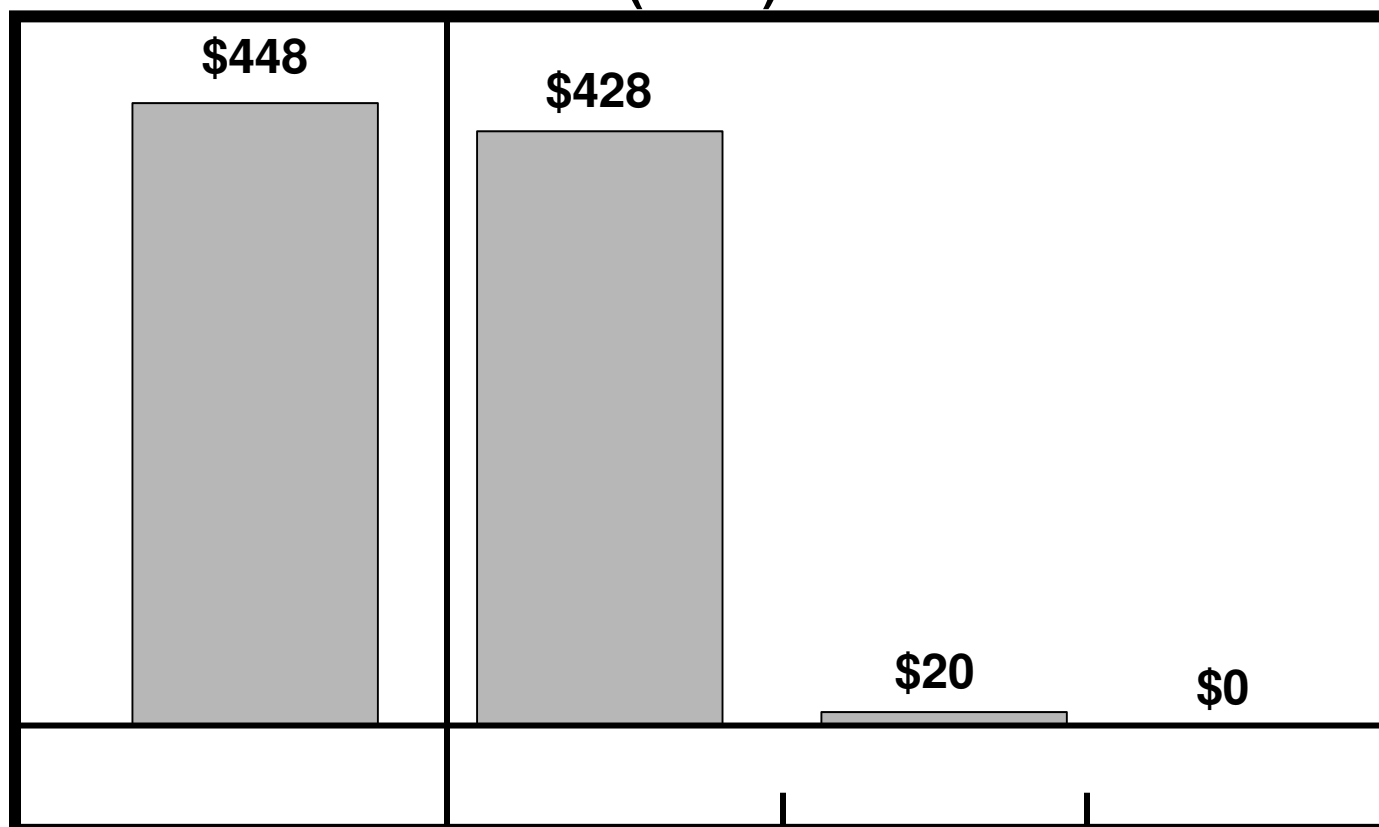
	<b><u>Amount</u> (Bils.)</b>
<b>Anticipated year-end 2006 cash*</b>	<b>about \$20</b>
<b>Committed credit facilities</b>	<b>\$6</b>
<b>Long-term VEBA</b>	<b>\$3</b>
<b>Potential sales</b>	
– <b>Aston Martin</b>	<b>TBD</b>
– <b>APCO</b>	<b>TBD</b>

\* Includes cash and cash equivalents, marketable securities, loaned securities, and short-term VEBA



**FINANCIAL SERVICES SECTOR  
2006 THIRD QUARTER PRE-TAX PROFIT / (LOSS)  
BY SEGMENT**

(Mils.)



**Total**

**Ford  
Credit**

**Other**

**Hertz**

**Memo:**

**B / (W) 2005\***

**\$(690)**

**\$(473)**

**\$45**

**\$(262)**

\* Excludes special items; see Appendix (page 3) for reconciliation to GAAP

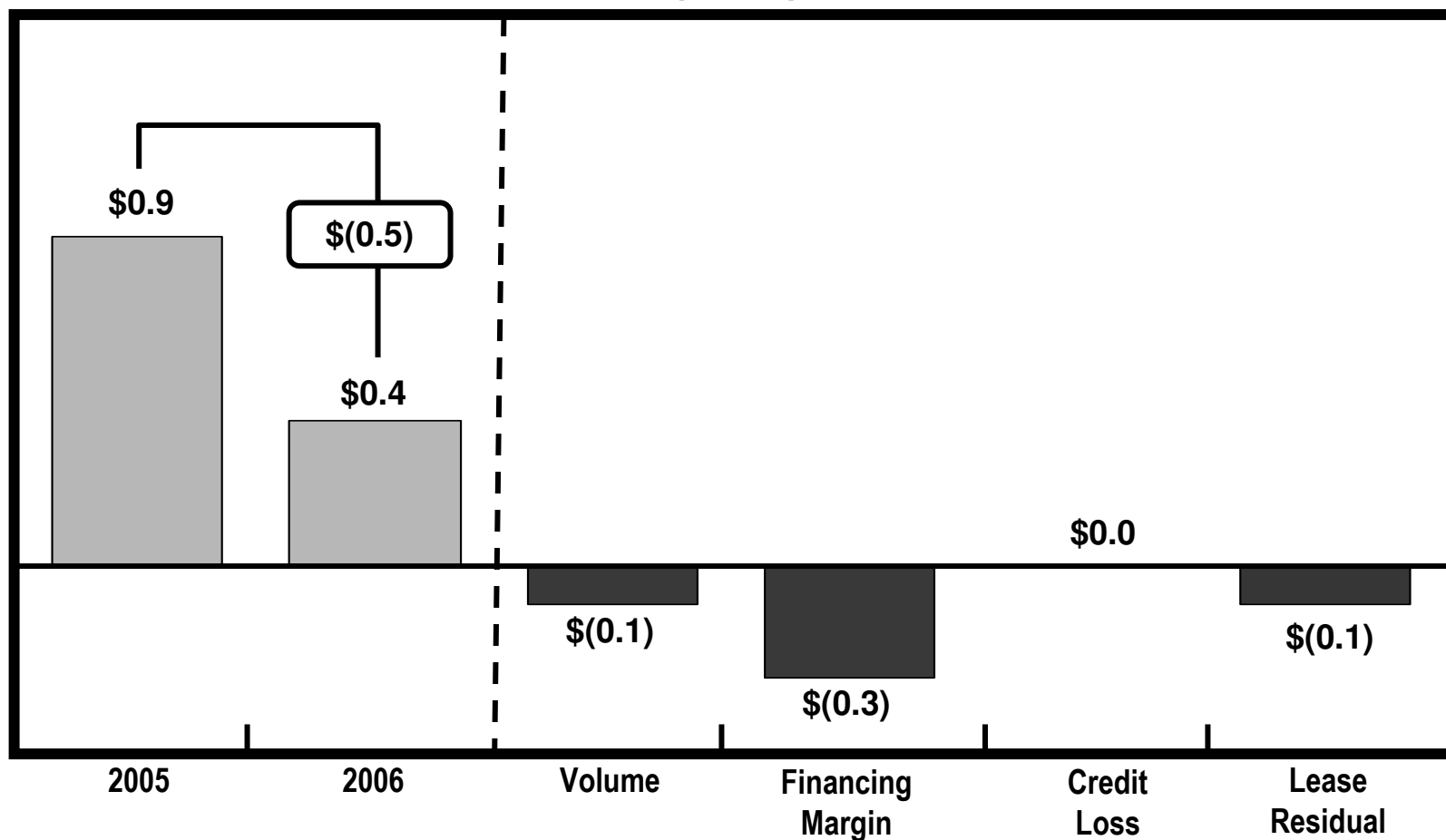




# FINANCIAL SERVICES SECTOR

## 2006 THIRD QUARTER FORD CREDIT PRE-TAX PROFIT COMPARED WITH 2005

(Bils.)





## **FINANCIAL SERVICES SECTOR FORD CREDIT STRATEGY**

- **Maintain large cash balance and substantial committed capacity**
- **Continue to add committed asset-backed funding capacity and capabilities beyond present needs**
  - **Reached agreement for \$6 billion committed facility for unrated asset-backed notes**
  - **Added \$8 billion of committed capacity for wholesale assets this year**
- **Continue to expand and diversify asset-backed funding outside the U.S. -- \$9 billion year-to-date**
- **Participate in whole-loan market**
- **Issue unsecured term debt when it makes sense**
- **Participate in various alternative business arrangements**



# FINANCIAL SERVICES SECTOR FORD CREDIT TERM FUNDING PLAN

	2004	2005	2006		Memo:
	<u>Actual</u>	<u>Actual</u>	<u>Forecast</u>	<u>YTD Actual*</u>	<u>2007 Forecast</u>
	(Bils.)	(Bils.)	(Bils.)	(Bils.)	(Bils.)
<b><u>Public Transactions</u></b>					
<b>Unsecured Term Debt</b>					
- Debt - Institutional	\$ 7	\$ 8	\$ 4 – 5	\$ 4	
- Debt Exchange	0	0	2	2	
- Debt - Retail	5	1	0	0	
<b>Sub-Total</b>	<u>\$12</u>	<u>\$ 9</u>	<u>\$ 6 – 7</u>	<u>\$ 6</u>	
<b>Term Securitizations**</b>	6	12	10 - 13	10	
<b>Total Public</b>	<u>\$18</u>	<u>\$21</u>	<u>\$16 – 20</u>	<u>\$16</u>	\$10 - 20
				<b>\$37</b>	
<b><u>Private Transactions***</u></b>	\$10	\$18	\$29 – 33	\$21	\$30 - 40

\* YTD Actual through September 30, 2006

\*\* Reflects new issuance and includes funding from discontinued operations in 2004; excludes whole-loan sales and other structured financings

\*\*\* Includes private securitizations, other structured financings and whole-loan sales; excludes sales to Ford Credit's on-balance sheet asset-backed commercial paper programs and proceeds from revolving transactions



# **AUTOMOTIVE SECTOR 2006 PLANNING ASSUMPTIONS AND OPERATIONAL METRICS**

	<u>Base</u>	<u>First Nine Months</u>	<u>Full Year Outlook</u>
<u>Planning Assumptions</u>			
Industry Volume (SAAR) -- U.S. (Mils.)	17.0	17.2	17.1
-- Europe (Mils.)	17.3	17.7	17.7
 <u>Operational Metrics</u>			
Quality	Improved	On Track	On Track
Market Share	Flat to Improved	Down	Down
Automotive Cost Changes*	Favorable	\$1.0 Bils.	On Track
Capital Spending	About \$7 Bils.	5.2	On Track
Year-End Cash Balance**	Over \$20 Bils.	23.6	About \$20 Bils.

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

\*\* Includes cash and cash equivalents, marketable securities, loaned securities, and any short-term VEBA



## **TOTAL COMPANY 2006 FINANCIAL MILESTONES\***

	<u><b>Milestones</b></u>	<u><b>Outlook</b></u>
North America	Loss	Loss
South America	Profit	Profit
Europe	Profit	Profit
P.A.G.	Profit	Loss
Asia Pacific and Africa	Profit	Loss
Mazda and Associated Operations	Profit	Profit
Total Automotive	Loss	Loss
Financial Services	Profit	Profit

\* Excludes special items; see Slide 37 for anticipated full-year 2006 special items



**TOTAL COMPANY**  
**2006 ANTICIPATED FULL YEAR PRE-TAX SPECIAL ITEMS**

	<u>Projection</u> (Bils.)
<u>Americas</u>	
Jobs Bank / Employee Separation	\$ (2.5)
Pension / OPEB Curtailment Charges	(2.0) - (1.5)
Fixed Asset Impairment -- North America	(2.2)
Additional North America Personnel Reductions	(1.4) - (1.1)
Facility-Related U.S. Plant Idling Costs	(0.3)
South American Legal Settlement	0.1
Total Americas	<u>\$ (8.3) - (7.5)</u>
 Memo: Costs Attributable to Idling of Facilities Incl. Above	 \$ (4.1)
 <u>International</u>	
Fixed Asset Impairment -- Jaguar / Land Rover	\$ (1.6)
European Personnel Reductions	(0.6) - (0.4)
Asia Pacific and Africa Personnel Actions	(0.1)
Mazda Pension Adjustment	0.1
Total International	<u>\$ (2.2) - (2.0)</u>
Total Special Items	<u><u>\$(10.5) - (9.5)</u></u>
 Memo: 2006 Cash Impact	 \$ (1.5)



## **AUTOMOTIVE SECTOR PRODUCTION VOLUMES**

	2006			
	Third Quarter Actual		Fourth Quarter Forecast	
	<u>Units</u> (000)	O / (U) <u>2005</u> (000)	<u>Units</u> (000)	O / (U) <u>2005</u> (000)
North America	642	(86)	635	(158)
Europe	423	50	465	12
P.A.G.	136	(17)	175	4

**EARNINGS AND MARKET SHARE COMPARISONS WITH PRIOR YEAR  
WILL BE UNFAVORABLE FOR THE NEXT THREE TO FOUR QUARTERS**



## ***SUMMARY***

- **Dealing with our reality -- identifying opportunities to improve**
- **Accelerated actions to improve cost structure**
  - **Personnel reductions**
  - **Capacity actions**
  - **ACH restructuring**
- **Developing more new products to deliver profitable growth**
- **Leveraging our global product development and production systems**
- **Taking further steps to enhance liquidity**



# SAFE HARBOR



Statements included or incorporated by reference 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 market shift (or an increase in or acceleration of market shift) away from sales of trucks or sport utility vehicles, or from sales of other more profitable vehicles in the United States;
- A significant decline in industry sales, particularly in the United States or Europe, resulting from slowing economic growth, geo-political events (e.g., an escalation or expansion of armed conflict in or beyond the Middle East) or other factors;
- Lower-than-anticipated market acceptance of new or existing products;
- Continued or increased high prices 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 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;
- Work stoppages at Ford or supplier facilities or other interruptions of supplies;
- Single-source supply of components or materials;
- Labor or other constraints on our ability to restructure our business;
- 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 (e.g., pension funding) 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”);
- Inability to access debt or securitization markets around the world at competitive rates or in sufficient amounts due to additional credit rating downgrades 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 the Way Forward plan.

We cannot be certain that any expectation, forecast or assumption made by management in preparing these 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.

# **APPENDIX**



**TOTAL COMPANY  
CALCULATION OF THIRD QUARTER  
EARNINGS PER SHARE**

	<u>Net Income</u> (Mils.)	<u>Cont. Ops. -- Excl. Special Items</u> (Mils.)
<u>Numerator</u>		
After-Tax Profits	\$(5,800)	\$(1,170)
Impact on Income from assumed conversion of convertible preferred securities	<u>0</u>	<u>0</u>
Income for EPS	<u>\$(5,800)</u>	<u>\$(1,170)</u>
 <u>Denominator</u>		
Average shares outstanding	1,882	1,882
Net issuable shares, primarily stock options	0	0
Convertible preferred securities	<u>0</u>	<u>0</u>
Average shares for EPS	<u>1,882</u>	<u>1,882</u>
 EPS	 \$ (3.08)	 \$ (0.62)



**TOTAL COMPANY  
THIRD QUARTER EFFECTIVE TAX RATE**

	Continuing Operations					
	Excluding Special Items			Including Special Items		
	<u>PBT</u> (Mils.)	<u>Taxes</u> (Mils.)	<u>Tax Rate</u> (Pct.)	<u>PBT</u> (Mils.)	<u>Taxes</u> (Mils.)	<u>Tax Rate</u> (Pct.)
PBT	\$ (1,379)			\$ (6,637)		
Less: Unconsolidated Subsidiaries	<u>(65)</u>			<u>(65)</u>		
Taxable PBT	<u>\$ (1,444)</u>	\$ 505	35.0%	<u>\$ (6,702)</u>	\$ 2,346	35.0%
Ongoing Tax Credits / Other		231	16.0		760	11.4
Deferred Tax Asset Valuation Allowance		<u>(479)</u>	<u>(33.2)</u>		<u>(2,221)</u>	<u>(33.1)</u>
Estimated Taxes		<u>\$ 257</u>	<u>17.8%</u>		<u>\$ 885</u>	<u>13.2%</u>

# TOTAL COMPANY

## 2005 – 2006 THIRD QUARTER PRE-TAX RESULTS\*



	Pre-Tax Profits				Pre-Tax Profits	
	(Incl. Special Items)		Special Items		(Excl. Special Items)	
	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>
	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)
North America	\$(1,488)	\$(5,647)	\$(322)	\$(3,667)	\$(1,166)	\$(1,980)
South America	96	321	0	99	96	222
Total Americas	<u>\$(1,392)</u>	<u>\$(5,326)</u>	<u>\$(322)</u>	<u>\$(3,568)</u>	<u>\$(1,070)</u>	<u>\$(1,758)</u>
Europe	\$ (104)	\$ (34)	\$ (49)	\$ (21)	\$ (55)	\$ (13)
P.A.G.	<u>(141)</u>	<u>(2,262)</u>	<u>(33)</u>	<u>(1,669)</u>	<u>(108)</u>	<u>(593)</u>
Total Europe / P.A.G.	<u>\$ (245)</u>	<u>\$(2,296)</u>	<u>\$ (82)</u>	<u>\$(1,690)</u>	<u>\$ (163)</u>	<u>\$ (606)</u>
Asia Pacific and Africa	\$ 21	\$ (56)	\$ 0	\$ 0	\$ 21	\$ (56)
Mazda & Assoc. Operations	112	40	0	0	112	40
Total AP and Africa / Mazda	<u>\$ 133</u>	<u>\$ (16)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 133</u>	<u>\$ (16)</u>
Total International	<u>\$ (112)</u>	<u>\$(2,312)</u>	<u>\$ (82)</u>	<u>\$(1,690)</u>	<u>\$ (30)</u>	<u>\$ (622)</u>
Other Automotive	<u>(95)</u>	<u>553</u>	<u>146</u>	<u>0</u>	<u>(241)</u>	<u>553</u>
Total Automotive	<u>\$(1,599)</u>	<u>\$(7,085)</u>	<u>\$(258)</u>	<u>\$(5,258)</u>	<u>\$(1,341)</u>	<u>\$(1,827)</u>
Financial Services	<u>1,222</u>	<u>448</u>	<u>84</u>	<u>0</u>	<u>1,138</u>	<u>448</u>
Total Company	<u><u>\$ (377)</u></u>	<u><u>\$(6,637)</u></u>	<u><u>\$(174)</u></u>	<u><u>\$(5,258)</u></u>	<u><u>\$ (203)</u></u>	<u><u>\$(1,379)</u></u>

\* From continuing operations

# TOTAL COMPANY



## 2005 – 2006 FIRST NINE MONTHS PRE-TAX RESULTS\*

	Pre-Tax Profits				Pre-Tax Profits	
	(Incl. Special Items)		Special Items		(Excl. Special Items)	
	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>
	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)
North America	\$ (2,145)	\$ (9,931)	\$ (736)	\$ (6,668)	\$ (1,409)	\$ (3,263)
South America	<u>261</u>	<u>561</u>	<u>0</u>	<u>110</u>	<u>261</u>	<u>451</u>
Total Americas	\$ (1,884)	\$ (9,370)	\$ (736)	\$ (6,558)	\$ (1,148)	\$ (2,812)
Europe	\$ 21	\$ 139	\$ (49)	\$ (44)	\$ 70	\$ 183
P.A.G.	<u>(212)</u>	<u>(2,282)</u>	<u>(66)</u>	<u>(1,690)</u>	<u>(146)</u>	<u>(592)</u>
Total Europe / P.A.G.	\$ (191)	\$ (2,143)	\$ (115)	\$ (1,734)	\$ (76)	\$ (409)
Asia Pacific and Africa	\$ 114	\$ (50)	\$ 14	\$ 0	\$ 100	\$ (50)
Mazda & Assoc. Operations	<u>223</u>	<u>254</u>	<u>0</u>	<u>137</u>	<u>223</u>	<u>117</u>
Total AP and Africa / Mazda	\$ 337	\$ 204	\$ 14	\$ 137	\$ 323	\$ 67
Total International	\$ 146	\$ (1,939)	\$ (101)	\$ (1,597)	\$ 247	\$ (342)
Other Automotive	<u>41</u>	<u>306</u>	<u>146</u>	<u>0</u>	<u>(105)</u>	<u>306</u>
Total Automotive	\$ (1,697)	\$ (11,003)	\$ (691)	\$ (8,155)	\$ (1,006)	\$ (2,848)
Financial Services	<u>3,595</u>	<u>1,838</u>	<u>84</u>	<u>0</u>	<u>3,511</u>	<u>1,838</u>
Total Company	<u>\$ 1,898</u>	<u>\$ (9,165)</u>	<u>\$ (607)</u>	<u>\$ (8,155)</u>	<u>\$ 2,505</u>	<u>\$ (1,010)</u>

\* From continuing operations

# AUTOMOTIVE SECTOR

## 2006 THIRD QUARTER AUTOMOTIVE SUMMARY



	<u>Vehicle Unit Sales</u>		<u>Revenue</u>		<u>Pre-Tax Profits*</u>	
	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>
	(000)	(000)	(Mils.)	(Mils.)	(Mils.)	(Mils.)
North America	774	710	\$18,179	\$15,395	\$(1,166)	\$(1,980)
South America	88	101	1,159	1,523	96	222
<b>Total Americas</b>	<b>862</b>	<b>811</b>	<b>\$19,338</b>	<b>\$16,918</b>	<b>\$(1,070)</b>	<b>\$(1,758)</b>
Europe	371	412	\$ 6,429	\$ 7,275	\$ (55)	\$ (13)
P.A.G.	169	149	6,770	6,490	(108)	(593)
<b>Total Europe / P.A.G.</b>	<b>540</b>	<b>561</b>	<b>\$13,199</b>	<b>\$13,765</b>	<b>\$ (163)</b>	<b>\$ (606)</b>
Asia Pacific and Africa**	115	125	\$ 1,901	\$ 1,622	\$ 21	\$ (56)
Mazda and Assoc. Operations***	14	14	237	251	112	40
<b>Total AP and Africa / Mazda</b>	<b>129</b>	<b>139</b>	<b>\$ 2,138</b>	<b>\$ 1,873</b>	<b>\$ 133</b>	<b>\$ (16)</b>
<b>Total International</b>	<b>669</b>	<b>700</b>	<b>\$15,337</b>	<b>\$15,638</b>	<b>\$ (30)</b>	<b>\$ (622)</b>
Other Automotive	--	--	--	--	(241)	553
<b>Total Automotive</b>	<b><u>1,531</u></b>	<b><u>1,511</u></b>	<b><u>\$34,675</u></b>	<b><u>\$32,556</u></b>	<b><u>\$(1,341)</u></b>	<b><u>\$(1,827)</u></b>

\* Excludes special items; see Slide 11 and Appendix (page 3) for reconciliation to GAAP

\*\* Included in vehicle unit sales of Asia Pacific and Africa are Ford-badged vehicles sold in China and Malaysia by certain unconsolidated affiliates totaling about 38,000 and 19,000 units in 2006 and 2005, respectively. "Revenue" above does not include revenue from these units

\*\*\* Includes consolidation of AAI: vehicle unit sales and revenue represent Mazda6 only; pre-tax profits include Ford's share (33.4%) of Mazda Corporation's results and profits on AAI's production of Mazda6



## **AUTOMOTIVE SECTOR 2006 THIRD QUARTER MARKET RESULTS**

<u>U.S.</u>	<u>Third Quarter</u>	<u>B / (W) 2005</u>
Industry SAAR (Mils.)	17.1	(1.4)
Market Share (Pct.)		
- Ford and Lincoln Mercury	15.5%	(2.0) Pts.
- Premier Automotive Group	<u>1.0</u>	<u>(0.1)</u>
Total U.S. Market Share	<u>16.5%</u>	<u>(2.1) Pts.</u>
<u>Europe</u>		
Industry SAAR (Mils.)	17.4	(0.3)
Market Share (Pct.)*		
- Ford	8.6%	0.1 Pts.
- Premier Automotive Group	<u>2.0</u>	<u>(0.2)</u>
Total Europe Market Share	<u>10.6%</u>	<u>(0.1) Pts.</u>
<u>Other Regions</u>		
Ford Brand Market Share (Pct.)		
- South America**	11.5%	(0.5) Pts.
- Asia Pacific***	2.5	0.2

\* European market share for Ford Europe and P.A.G. is based, in part, on estimated vehicle registrations for our 19 major European markets

\*\* South American market share based on estimated vehicle retail sales for our six major markets in that region

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





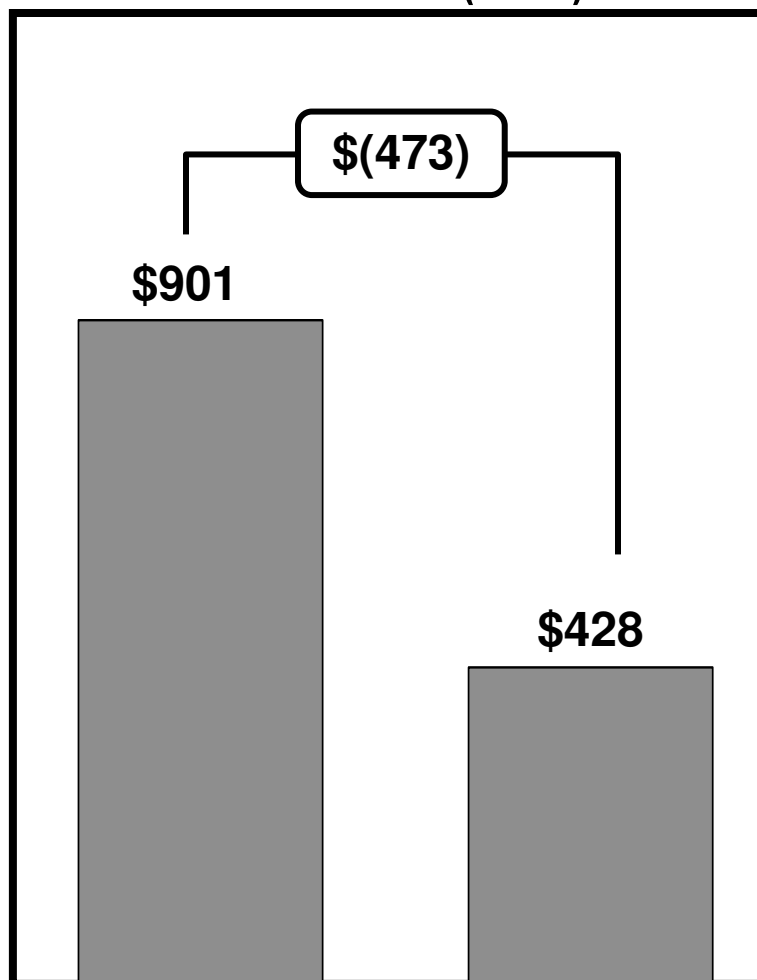
## **AUTOMOTIVE SECTOR COSTS AND EXPENSES**

	<u>Third Quarter</u>		<b>2006 B / (W)</b>
	<u>2005</u>	<u>2006</u>	<u>2005</u>
	(Mils.)	(Mils.)	(Mils.)
<b>Total Cost and Expenses</b>	<b>\$36,343</b>	<b>\$40,330</b>	<b>\$(3,987)</b>
<b>Select Cost Items:</b>			
<b>Depreciation and Amortization</b>			
- Depreciation	\$ 870	\$ 967	\$ (97)
- Amortization -- Special Tools	743	808	(65)
- Fixed Asset Impairment	-	3,800	(3,800)
<b>Total Deprec. and Amortization</b>	<b>\$ 1,613</b>	<b>\$ 5,575</b>	<b>\$(3,962)</b>
<b>Post-Retirement Expense</b>	<b>\$ 1,013</b>	<b>1,318</b>	<b>(305)</b>

# FINANCIAL SERVICES SECTOR FORD CREDIT RESULTS AND METRICS -- 2006 THIRD QUARTER



Pre-Tax Profits (Mils.)



Key Metrics\*

	Third Quarter	
	2005	2006
<u>Receivables (Bils.)</u>		
On-Balance Sheet	\$114	\$135
Securitized Off-Balance Sheet	35	13
Managed	<u>\$149</u>	<u>\$148</u>
<u>Charge-Offs (Mils.)</u>		
On-Balance Sheet	\$175	\$140
Managed	211	161
<u>Loss-to-Receivables Ratio</u>		
On-Balance Sheet	0.58%	0.41%
Managed		
- U.S. Retail and Lease	0.91	0.62
- Worldwide Total	0.55	0.43
<u>Allow. for Credit Losses</u>		
Worldwide Amount (Bils.)	\$ 1.8	\$ 1.3
Pct. Of EOP Receivables	1.52%	0.93%
<u>Leverage (To 1)</u>		
Financial Statement	11.5	12.0
Managed	12.5	11.4
<u>Dividend (Bils.)</u>	\$ 1.1	\$ 0.3

\* See Appendix (pages 9 - 11) for calculation, definitions and reconciliation to GAAP

Net Income (Mils.)	\$577	\$262
ROE	21.3%	9.2%



## **FINANCIAL SERVICES SECTOR**

# **FORD CREDIT KEY METRIC 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. Information about the impact of on-balance sheet securitization is also included below:

**Managed Receivables** -- receivables reported on Ford Credit's balance sheet 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

**Impact of On-Balance Sheet Securitization** -- finance receivables (retail and wholesale) and investments in operating leases reported on Ford Credit's balance sheet include assets transferred in securitizations that do not qualify for accounting sale treatment. These assets have been legally transferred to Ford Credit sponsored special purpose entities and are available only to pay the obligations of the special purpose entities and 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 debt issued by these special purpose entities to securitization investors which is payable out of collections on the assets supporting the securitizations and is not the legal obligation of Ford Credit or its other subsidiaries



# FINANCIAL SERVICES SECTOR

## 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:

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

$$\text{- Managed Leverage} = \frac{\text{Total Debt} + \text{Securitized Off-Balance Sheet Receivables} - \text{Retained Interest in Securitized Off-Balance Sheet Receivables} - \text{Cash, Cash Equivalents \& Marketable Securities*} - \text{Fair Value Hedge Acctg. Adjustments on Total Debt}}{\text{Equity} + \text{Minority Interest} - \text{Fair Value Hedge Acctg. Adjustment on Equity}}$$

\* Excluding marketable securities related to insurance activities



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

	<u>Sept. 30, 2005</u> (Bils.)	<u>Sept. 30, 2006</u> (Bils.)
<b><u>Leverage Calculation</u></b>		
<b>Total Debt*</b>	<b>\$121.6</b>	<b>\$135.3</b>
<b>Securitized Off-Balance Sheet Receivables Outstanding</b>	<b>35.0</b>	<b>12.9</b>
<b>Retained Interest in Securitized Off-Balance Sheet Receivables</b>	<b>(4.4)</b>	<b>(1.1)</b>
<b>Adjustments for Cash, Cash Equivalents and Marketable Securities**</b>	<b>(19.0)</b>	<b>(17.4)</b>
<b>Fair Value Hedge Accounting Adjustments</b>	<b>(2.0)</b>	<b>(1.0)</b>
<b>Total Adjusted Debt</b>	<b><u>\$131.2</u></b>	<b><u>\$128.7</u></b>
<b>Total Stockholder's Equity (incl. minority interest)</b>	<b>\$ 10.6</b>	<b>\$ 11.3</b>
<b>Fair Value Hedge Accounting Adjustments</b>	<b>(0.1)</b>	<b>0.0</b>
<b>Total Adjusted Equity</b>	<b><u>\$ 10.5</u></b>	<b><u>\$ 11.3</u></b>
<b>Managed Leverage (to 1)</b>	<b>12.5</b>	<b>11.4</b>
<b>Financial Statement Leverage (to 1)</b>	<b>11.5</b>	<b>12.0</b>

\* Includes \$23.9 billion and \$55.9 billion on September 30, 2005 and September 30, 2006 respectively of debt issued by securitization SPEs which is payable solely out of collections on the receivables sold to the SPEs and is not the legal obligation of Ford Credit

\*\* Excluding marketable securities related to insurance activities



## **AUTOMOTIVE SECTOR GROSS CASH RECONCILIATION TO GAAP**

	<b>Dec. 31, 2005 (Bils.)</b>	<b>Sept. 30, 2006 (Bils.)</b>	<b>Sept. 30, 2006 B / (W) Dec. 31, 2005 (Bils.)</b>	<b>Memo: Sept. 30, 2005 (Bils.)</b>
<b>Cash and Cash Equivalents</b>	<b>\$13.4</b>	<b>\$13.5</b>	<b>\$ 0.1</b>	<b>\$ 9.1</b>
<b>Marketable Securities</b>	<b>6.9</b>	<b>7.8</b>	<b>0.9</b>	<b>7.9</b>
<b>Loaned Securities</b>	<b>3.4</b>	<b>0.6</b>	<b>(2.8)</b>	<b>0.6</b>
<b>Total Cash / Market. Securities</b>	<b><u>\$23.7</u></b>	<b><u>\$21.9</u></b>	<b><u>\$(1.8)</u></b>	<b><u>\$17.6</u></b>
<b>Short-Term VEBA</b>	<b>1.4</b>	<b>1.7</b>	<b>0.3</b>	<b>2.0</b>
<b>Gross Cash</b>	<b><u><u>\$25.1</u></u></b>	<b><u><u>\$23.6</u></u></b>	<b><u><u>\$(1.5)</u></u></b>	<b><u><u>\$19.6</u></u></b>



# **AUTOMOTIVE SECTOR GAAP RECONCILIATION OF OPERATING-RELATED CASH FLOWS**

	2006		First
	Third	B / (W)	Nine Months
	Quarter	Than 2005	of 2006
	(Bils.)	(Bils.)	(Bils.)
<b>Net Cash Flows from Operating Activities</b>	<b>\$(0.2)</b>	<b>\$ 0.4</b>	<b>\$ 5.1</b>
<b>Items Included in Operating-Related Cash Flows</b>			
– Capital Expenditures	(1.8)	0	(5.2)
– Net Transactions Between Automotive and Financial Services Sectors	(0.1)	(0.3)	(0.5)
– Other	0.2	0	0.1
<b>Items Excluded from Operating-Related Cash Flows</b>			
– Cash Flows from Securities Trading	(0.1)	0.2	(1.8)
– VEBA Cash Flows – Net Reimbursement for Benefits Paid	(1.3)	(0.7)	(2.7)
– Pension Contributions	0.1	0	0.6
– Cash Impact of Jobs Bank / Employee Separation Programs	0.4	0.3	1.0
– Tax Refunds	(0.3)	(0.3)	(0.3)
<b>Total Auto. Operating-Related Cash Flows</b>	<b><u>\$(3.1)</u></b>	<b><u>\$(0.4)</u></b>	<b><u>\$(3.7)</u></b>