



***FIRST QUARTER  
EARNINGS REVIEW***

***APRIL 26, 2007  
(PRELIMINARY RESULTS)***



# ***BUSINESS OVERVIEW***

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



# **TOTAL COMPANY**

## **2007 FIRST QUARTER FINANCIAL RESULTS**

	<u>2006</u>	<u>2007</u>
Wholesales (000)	1,756	1,650
Revenue (Bils.)	\$ 40.8	\$ 43.0
<b><u>Continuing Operations (Excluding Special Items)*</u></b>		
Pre-Tax Profits (Mils.)	\$ 172	\$ 69
After-Tax Profits (Mils.)	223	(171)
Earnings Per Share**	0.12	(0.09)
<b><u>Special Items Pre-Tax (Mils.)</u></b>	<b>\$(2,520)</b>	<b>\$ (113)</b>
<b><u>Net income</u></b>		
After-Tax Profits (Mils.)	\$(1,423)	\$ (282)
Earnings Per Share**	(0.76)	(0.15)
<b><u>Automotive Gross Cash (Bils.)***</u></b>	<b>\$ 23.7</b>	<b>\$ 35.2</b>

\* See Slide 6 and Appendix for reconciliations to GAAP

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

\*\*\* Automotive Gross Cash includes cash and cash equivalents, net marketable securities, loaned securities and short-term Voluntary Employee Beneficiary Association (VEBA) assets



## ***TOTAL COMPANY FIRST QUARTER 2007 OPERATIONS RESULTS***

- **As expected, Ford North America incurred a significant loss**
- **Record profits at Premier Automotive Group, with improvements in all brands**
- **Ford Europe profitable, and significantly improved compared with the same period a year ago**
- **Ford South America was profitable; Mazda was profitable; Ford Asia Pacific and Africa reported a loss**
- **Ford Credit was profitable**



## **TOTAL COMPANY FIRST QUARTER PROGRESS**

- **We are making progress on executing the four priorities of our plan -- restructuring the Company, accelerating product development, funding our plan, and working effectively as one team**
- **Introduced the all-new Ford Mondeo and redesigned Ford C-MAX in Europe**
- **Recently-introduced U.S. products performing well in the marketplace, including Ford Edge, Lincoln MKX, F-Series Super Duty, Ford Escape, and Mercury Mariner**
- **Achieved \$500 million in cost savings**
- **Reduced North America personnel positions by 18,000**
- **Completed the sale of one ACH business; have agreements in principle to sell four additional businesses**
- **APCO sale finalized in April; reached agreement to sell Aston Martin**
- **Continue to improve quality**
- **Global Product Development team performing well**



# ***FINANCIAL RESULTS***

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



# **TOTAL COMPANY 2007 FIRST QUARTER INCOME FROM CONTINUING OPERATIONS COMPARED WITH NET INCOME**

	<u>Amount</u>	
	<u>2006</u>	<u>2007</u>
Revenue (Bils.)	\$ 40.8	\$ 43.0
<u>Income (Mils.)</u>		
Pre-Tax Income from Continuing Operations (Excl. Special Items)	\$ 172	<b>\$ 69</b>
Special Items*	<u>(2,520)</u>	<u>(113)</u>
Pre-Tax Income from Continuing Operations	<u>\$(2,348)</u>	<u>\$ (44)</u>
Minority Interest	(59)	(58)
Taxes	<u>982</u>	<u>(182)</u>
Net Income from Continuing Operations	<u>\$(1,425)</u>	<u>\$ (284)</u>
Discontinued Operations	<u>2</u>	<u>2</u>
Net Income	<u><u>\$(1,423)</u></u>	<u><u>\$ (282)</u></u>

\* See Slide 7 for detail of First Quarter 2007 Special Items



# **TOTAL COMPANY**

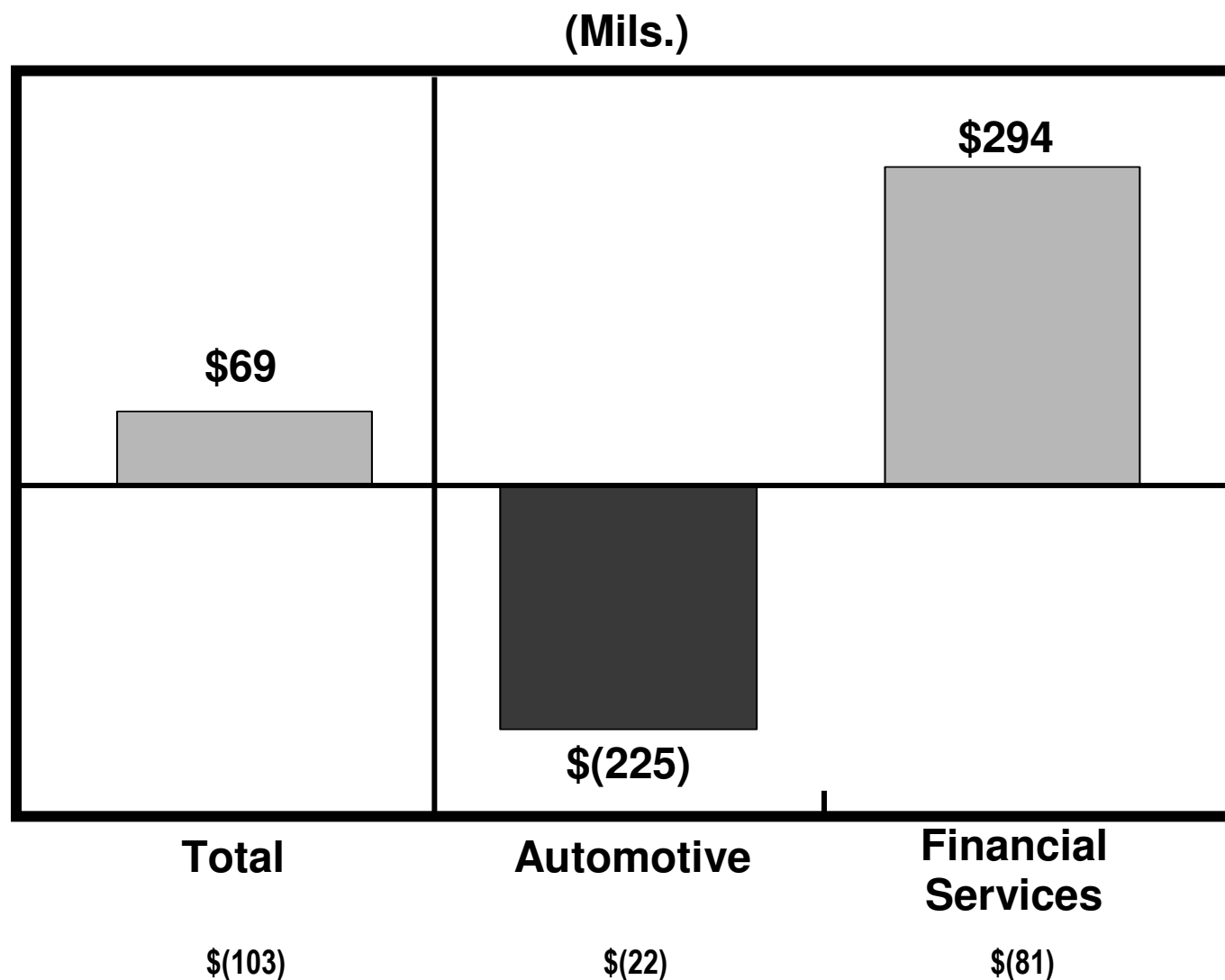
## **2007 FIRST QUARTER SPECIAL ITEMS**

	<u>Amount</u> (Mils.)
Ford North America Separation Programs	\$ (874)
Related OPEB Curtailment	960
Related Pension Curtailment	<u>(175)</u>
Subtotal Ford North America	\$ (89)
Ford Europe Personnel Reduction Programs	(11)
PAG Personnel Reduction Programs / Other	(11)
Ford Asia Pacific and Africa Personnel Reduction Programs	<u>(2)</u>
Total Pre-Tax Special Items	<u>\$ (113)</u>
 Memo: Impact on Earnings Per Share*	 (0.06)

\* 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  
2007 FIRST QUARTER PRE-TAX PROFIT / (LOSS)  
BY SECTOR\***



Memo:  
B / (W) 2006

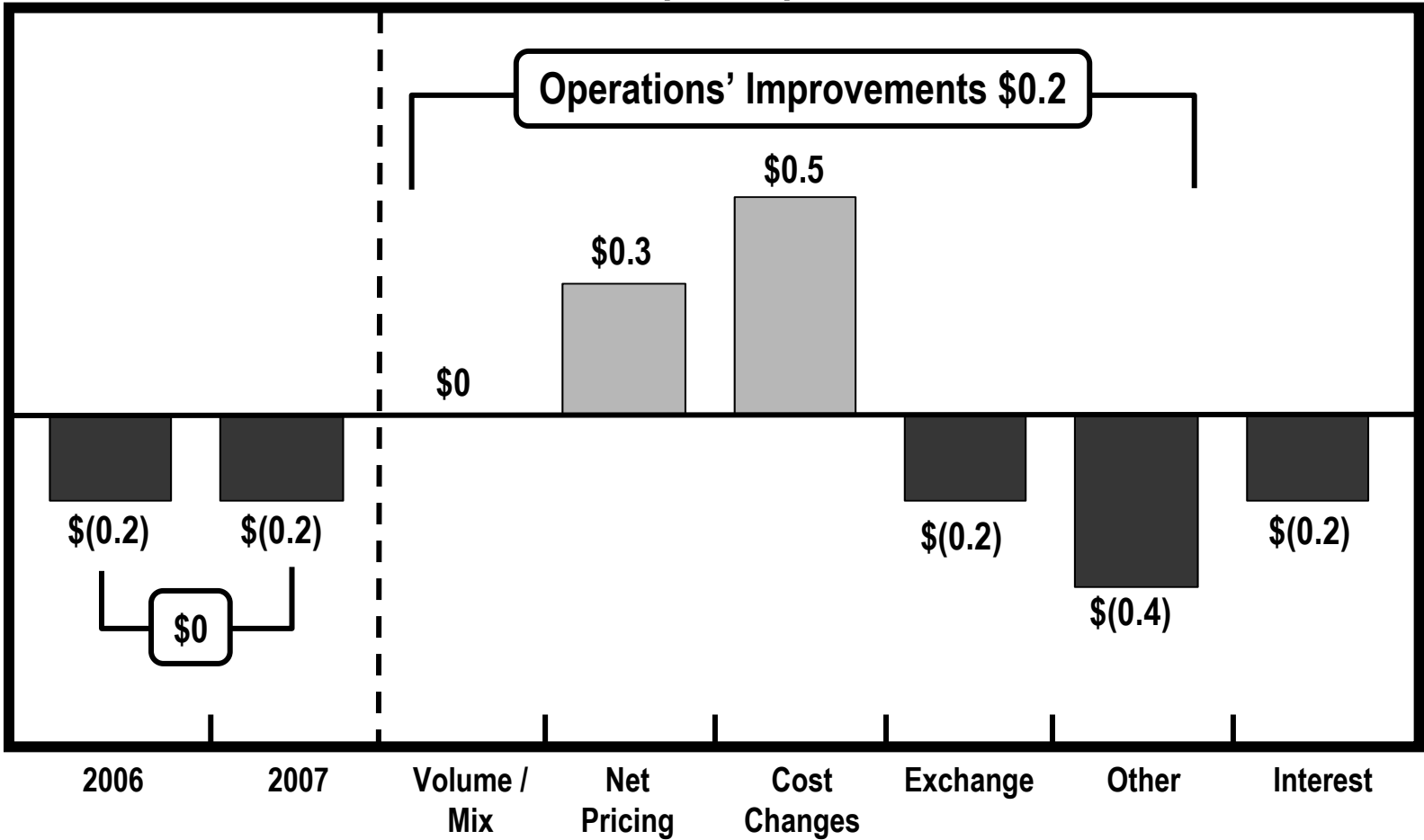
\* Excludes special items; see Slide 6 and Appendix for reconciliation to GAAP



# **AUTOMOTIVE SECTOR**

## **2007 FIRST QUARTER AUTOMOTIVE PRE-TAX PROFITS COMPARED WITH 2006\***

(Bils.)

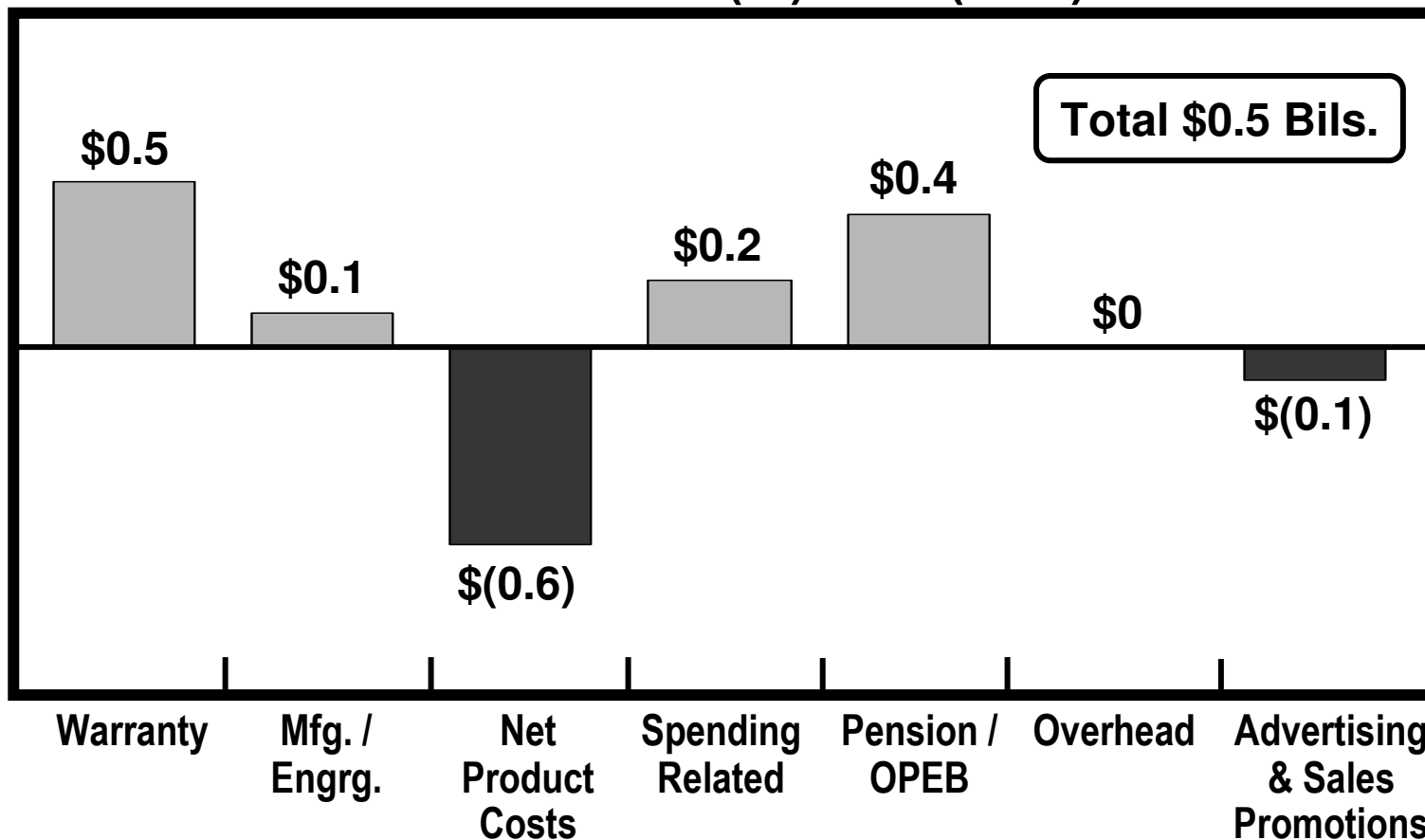


\* Excludes special items; see Slide 7 and Appendix for reconciliation to GAAP



# AUTOMOTIVE SECTOR 2007 FIRST QUARTER COST CHANGES\*

2007 Costs B / (W) 2006 (Bils.)



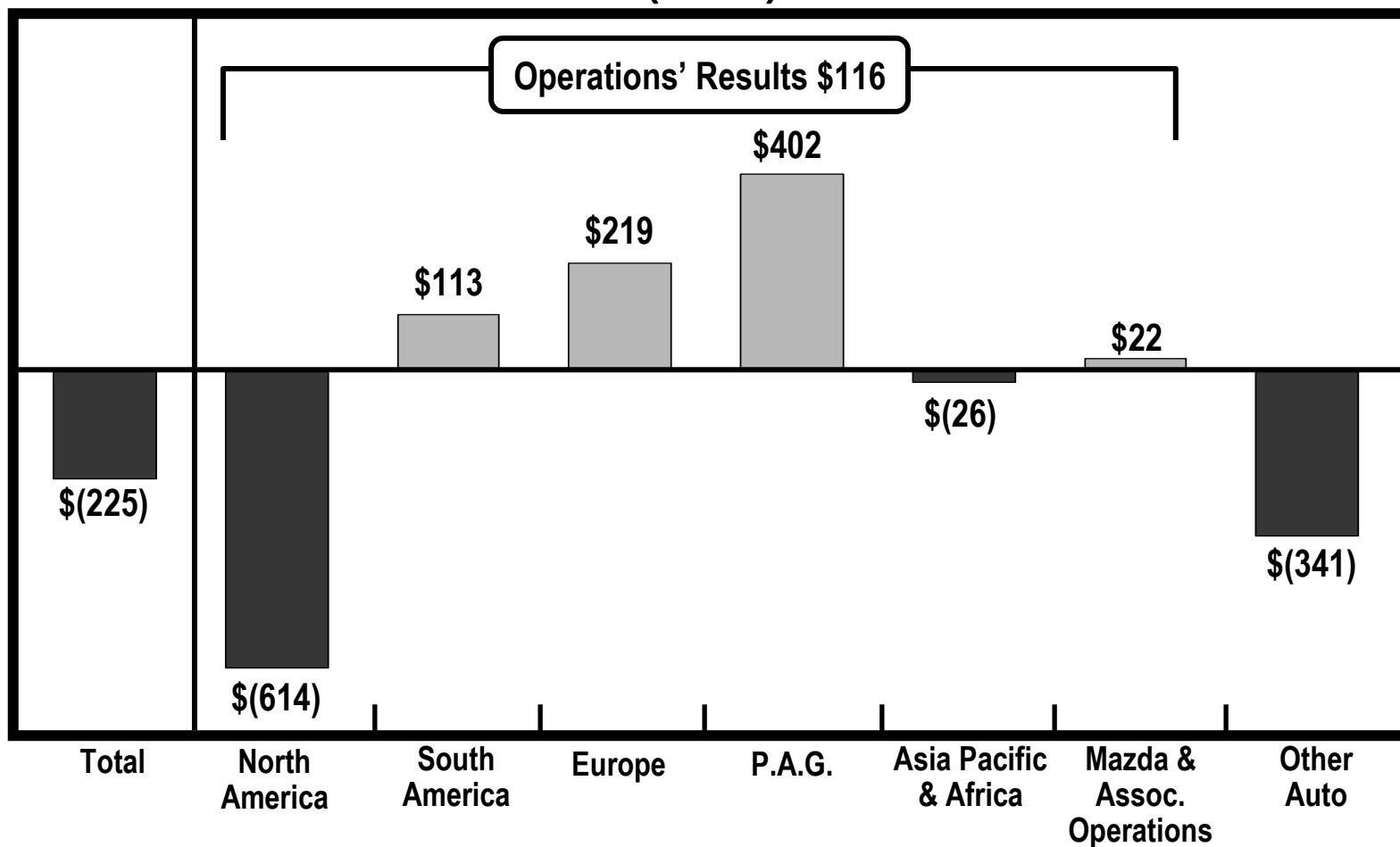
\* At constant volume, mix, and exchange; excludes special items



# AUTOMOTIVE SECTOR

## 2007 FIRST QUARTER PROFIT / (LOSS) BY SEGMENT\*

(Mils.)



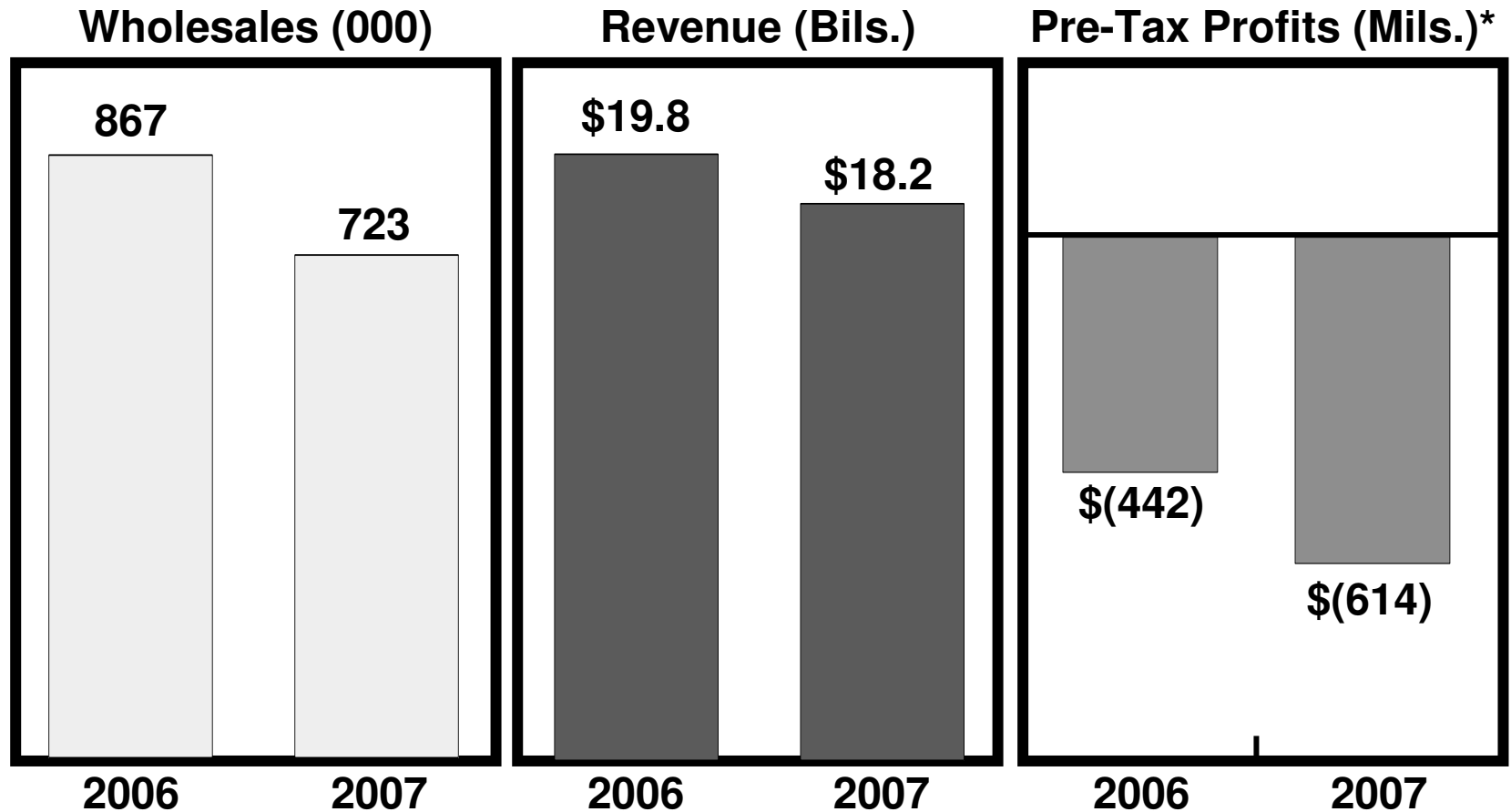
Memo:

B / (W) 2006    \$(22)    \$(172)    \$(24)    \$154    \$250    \$(28)    \$(23)    \$(179)

\* Excludes special items; see Slide 7 and Appendix for reconciliation to GAAP



# **AUTOMOTIVE SECTOR -- FORD NORTH AMERICA FIRST QUARTER KEY METRICS -- 2007 vs. 2006**



**Memo:**

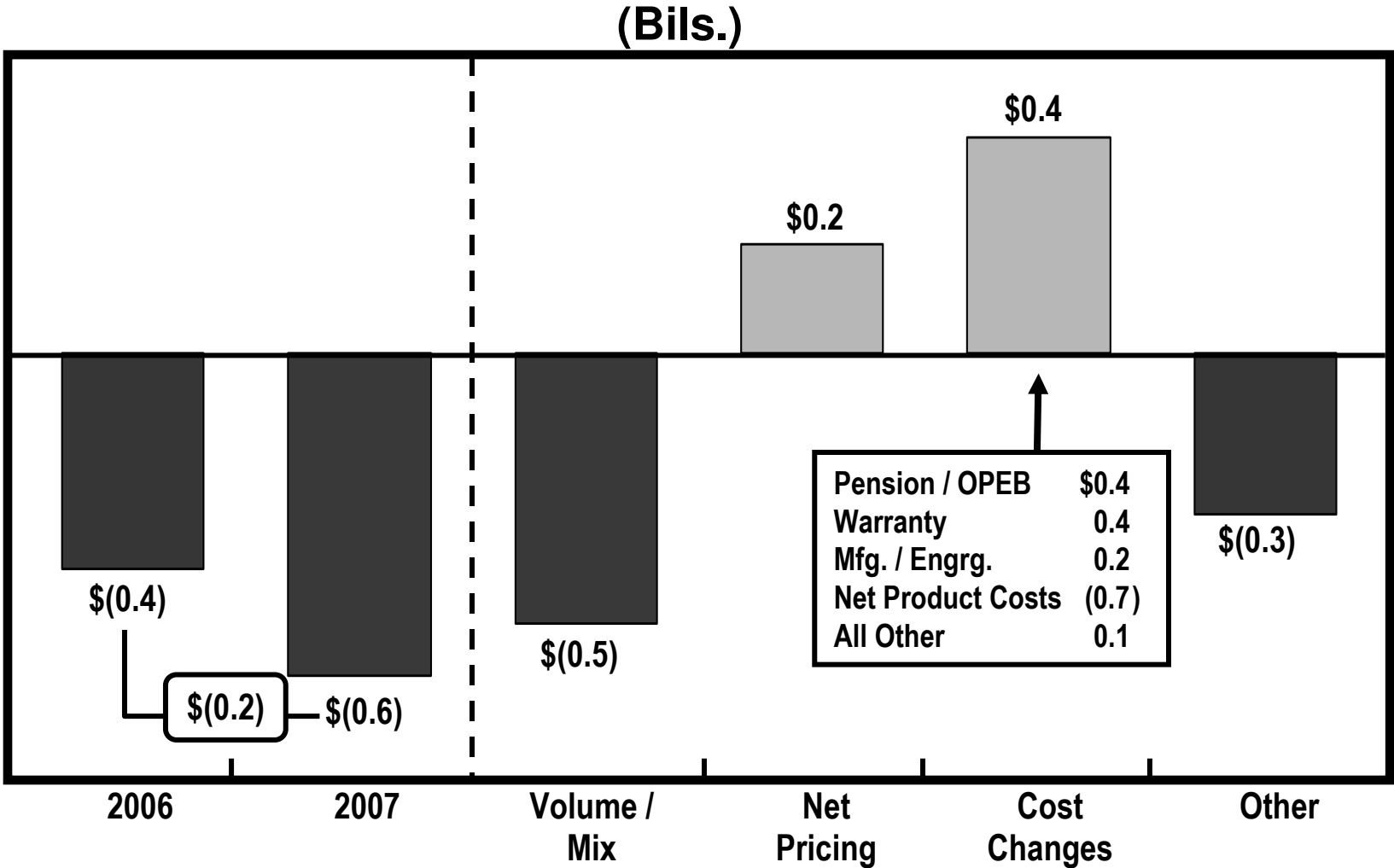
U.S. Market Share	17.2%	15.1%
U.S. Dealer Inventories	782	568

\* Excludes special items; see Slide 7 and Appendix for reconciliation to GAAP



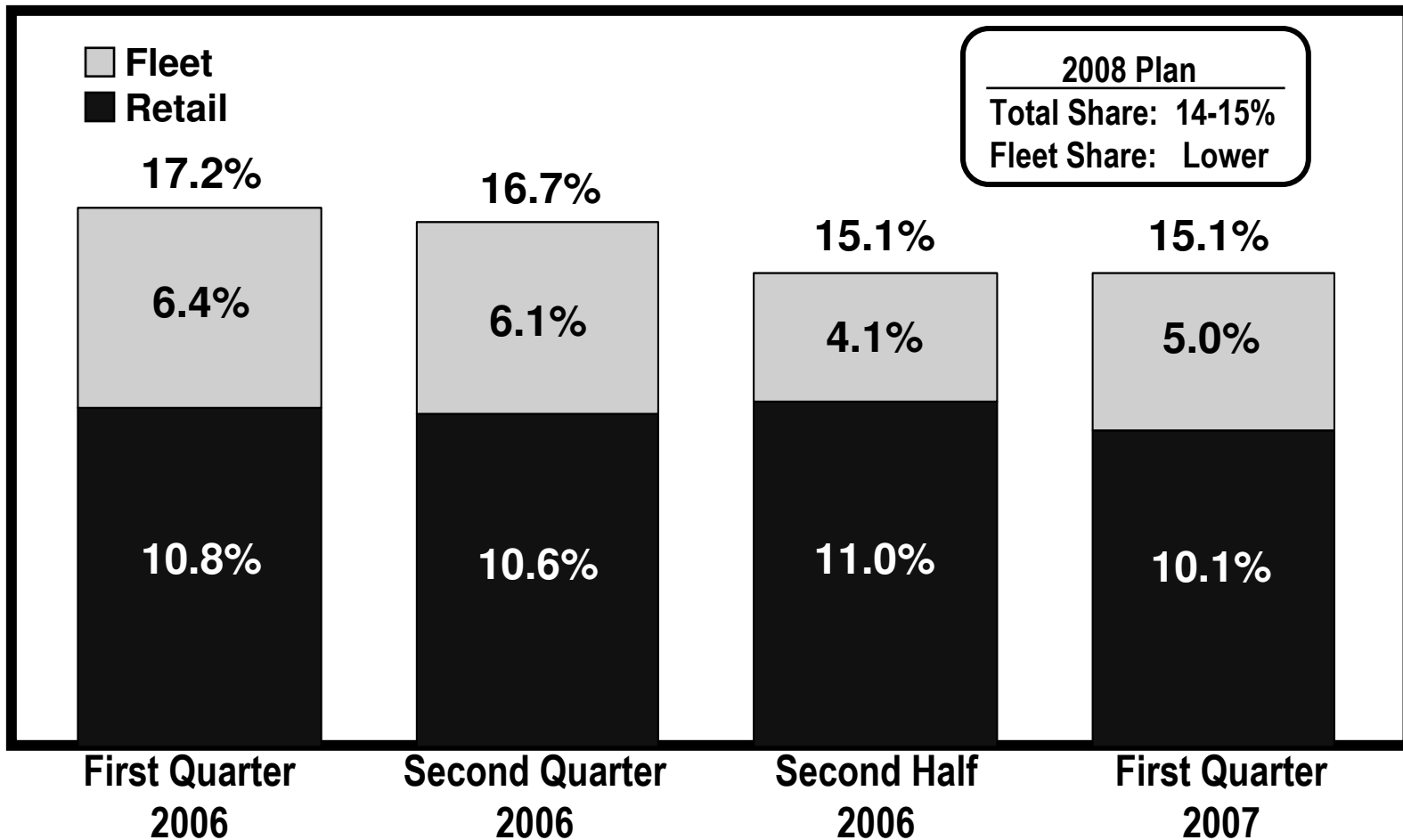
# AUTOMOTIVE SECTOR -- FORD NORTH AMERICA

## 2007 FIRST QUARTER AUTOMOTIVE PRE-TAX PROFITS COMPARED WITH 2006\*



\* Excludes special items; see Slide 7 and Appendix for reconciliation to GAAP

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



\* Ford, Lincoln, and Mercury

**AUTOMOTIVE SECTOR -- FORD NORTH AMERICA  
NEW PRODUCT INTRODUCTIONS**



**2007 Ford Edge**



**2007 Lincoln MKX**



**2008 F-Series Super Duty**

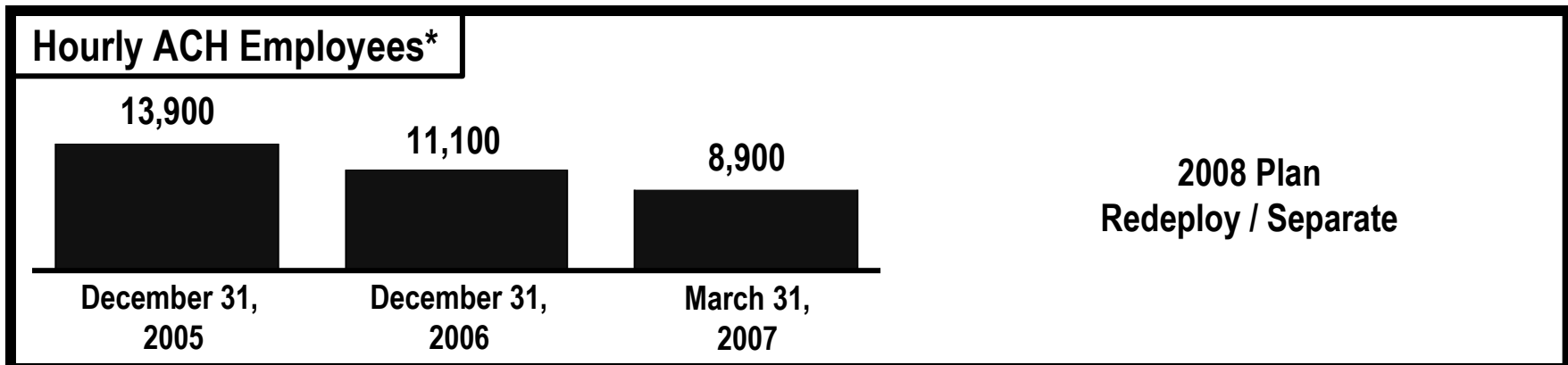
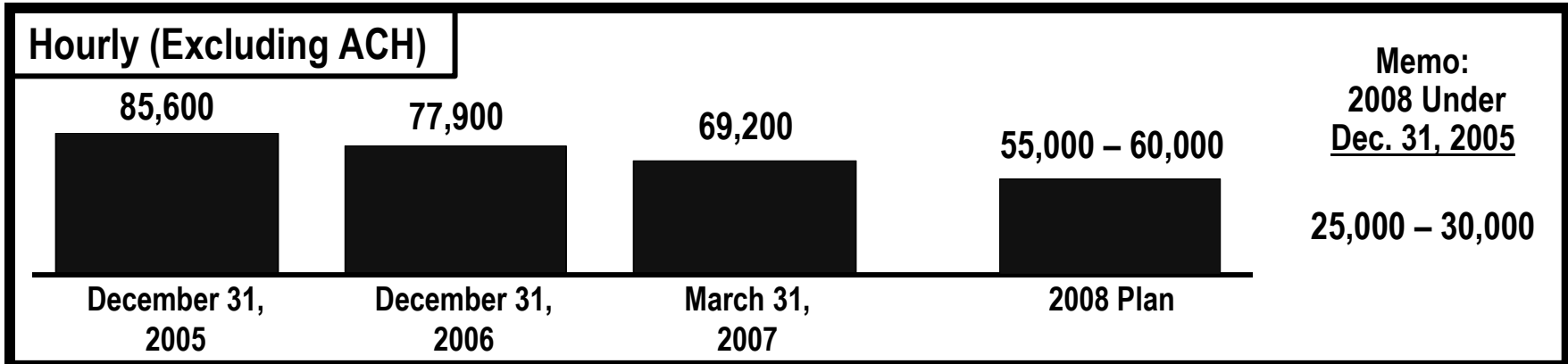
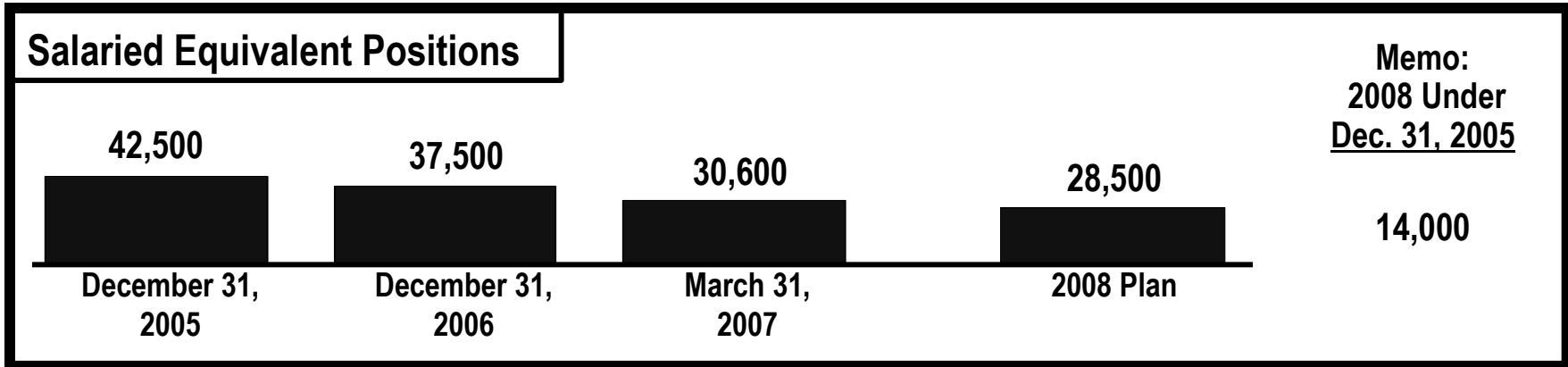
**2007 Ford Edge  
2007 Lincoln MKX  
2007 Ford Expedition  
2007 Lincoln Navigator**

**2008 F-Series Super Duty  
2008 Ford Escape  
2008 Mercury Mariner  
2008 Ford Focus**

**2008 Ford Taurus  
2008 Ford Taurus X  
2008 Mercury Sable  
2008 Mustang Bullitt**



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

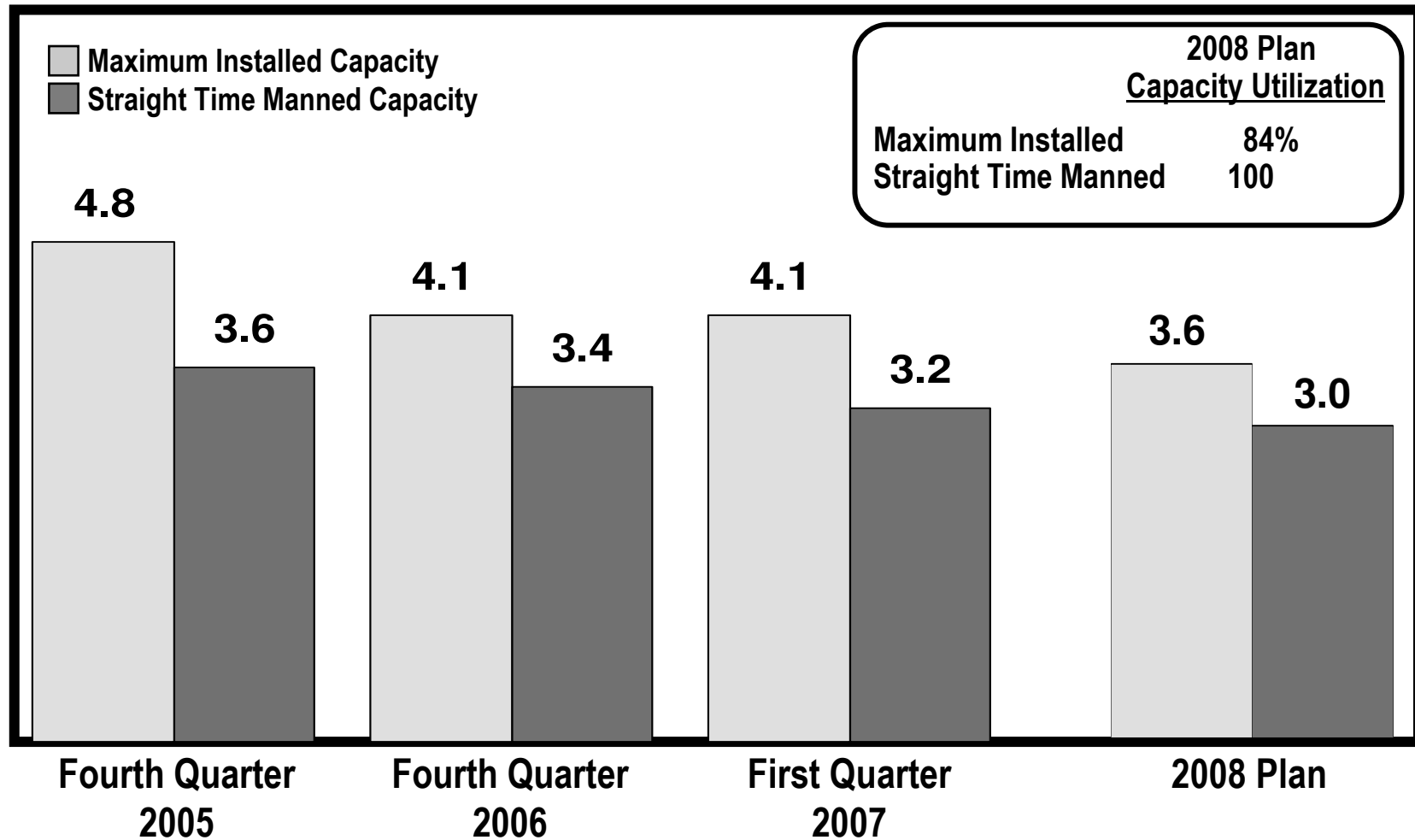


\* Excludes Supplemental Replacement Personnel

# AUTOMOTIVE SECTOR -- FORD NORTH AMERICA ASSEMBLY CAPACITY



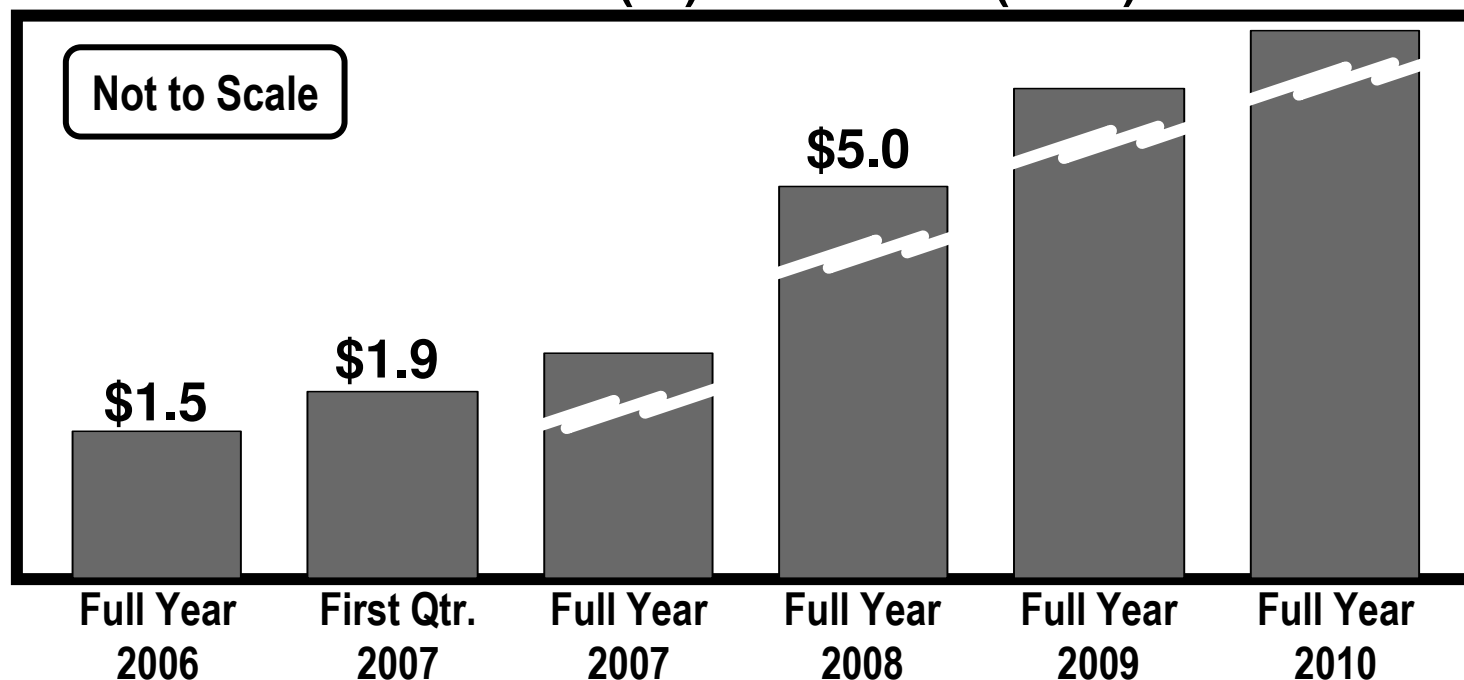
(Millions - Annualized)



# AUTOMOTIVE SECTOR -- FORD NORTH AMERICA PLANNED OPERATING COST REDUCTIONS\*



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



## Annual Change

### Structural Cost Reductions

### Material

- Material Cost Reductions

- Regulatory Costs

- Commodity Costs

- Global Product Dev.

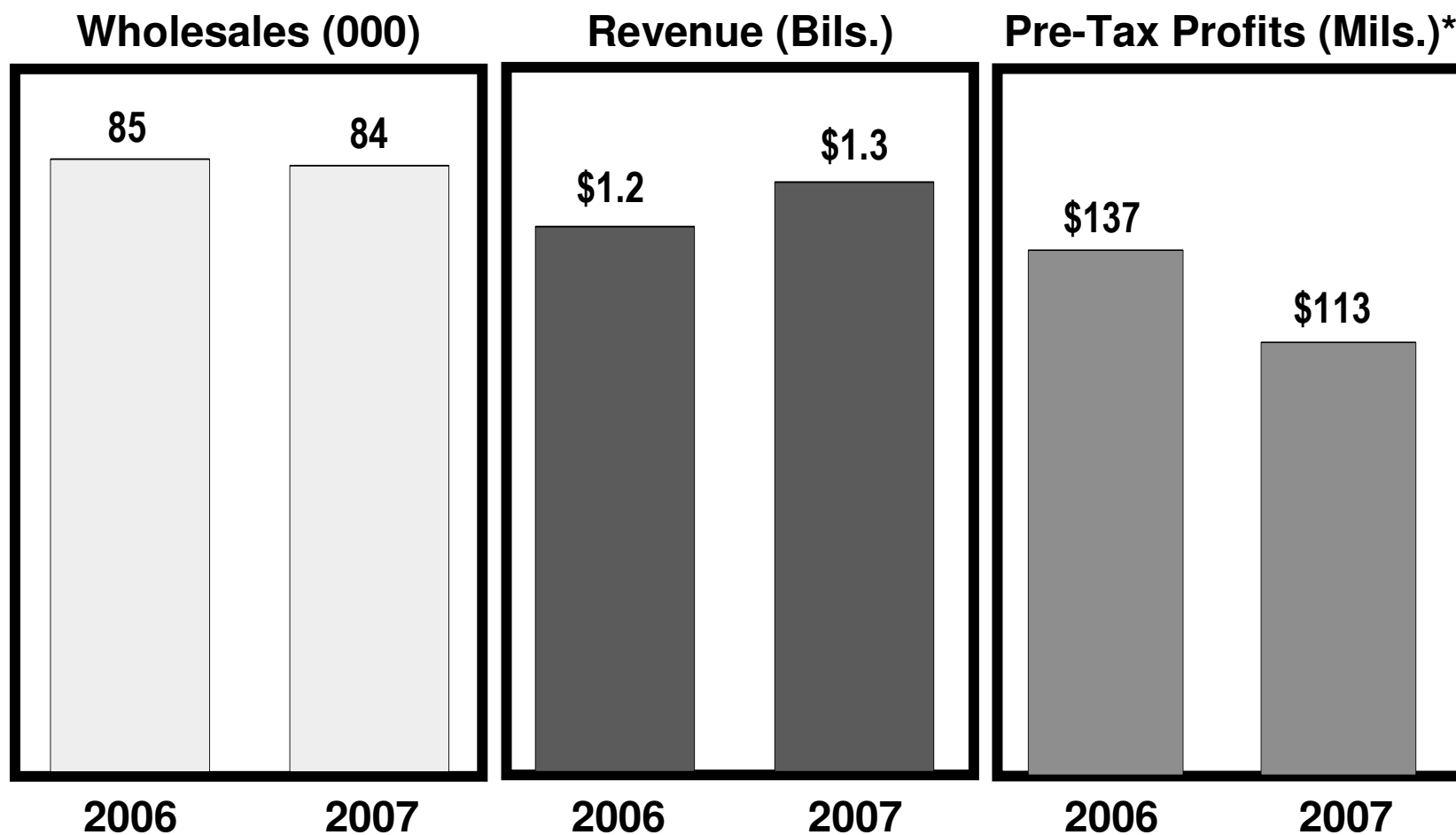
### Warranty Costs

	2006	2007	2007	2008	2009	2010
Structural Cost Reductions	++	++	++	++	+	+
Material Cost Reductions	+	+	+	+	++	++
Regulatory Costs	-	--	--	-	-	-
Commodity Costs	--	--	--	-	+	+
Global Product Dev.	+ / -	+ / -	+ / -	+ / -	+	++
Warranty Costs	+	+	+	+	+	+

+ Favorable - Unfavorable + / - Neutral

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

# AUTOMOTIVE SECTOR -- FORD SOUTH AMERICA FIRST QUARTER KEY METRICS -- 2007 vs. 2006



Memo:

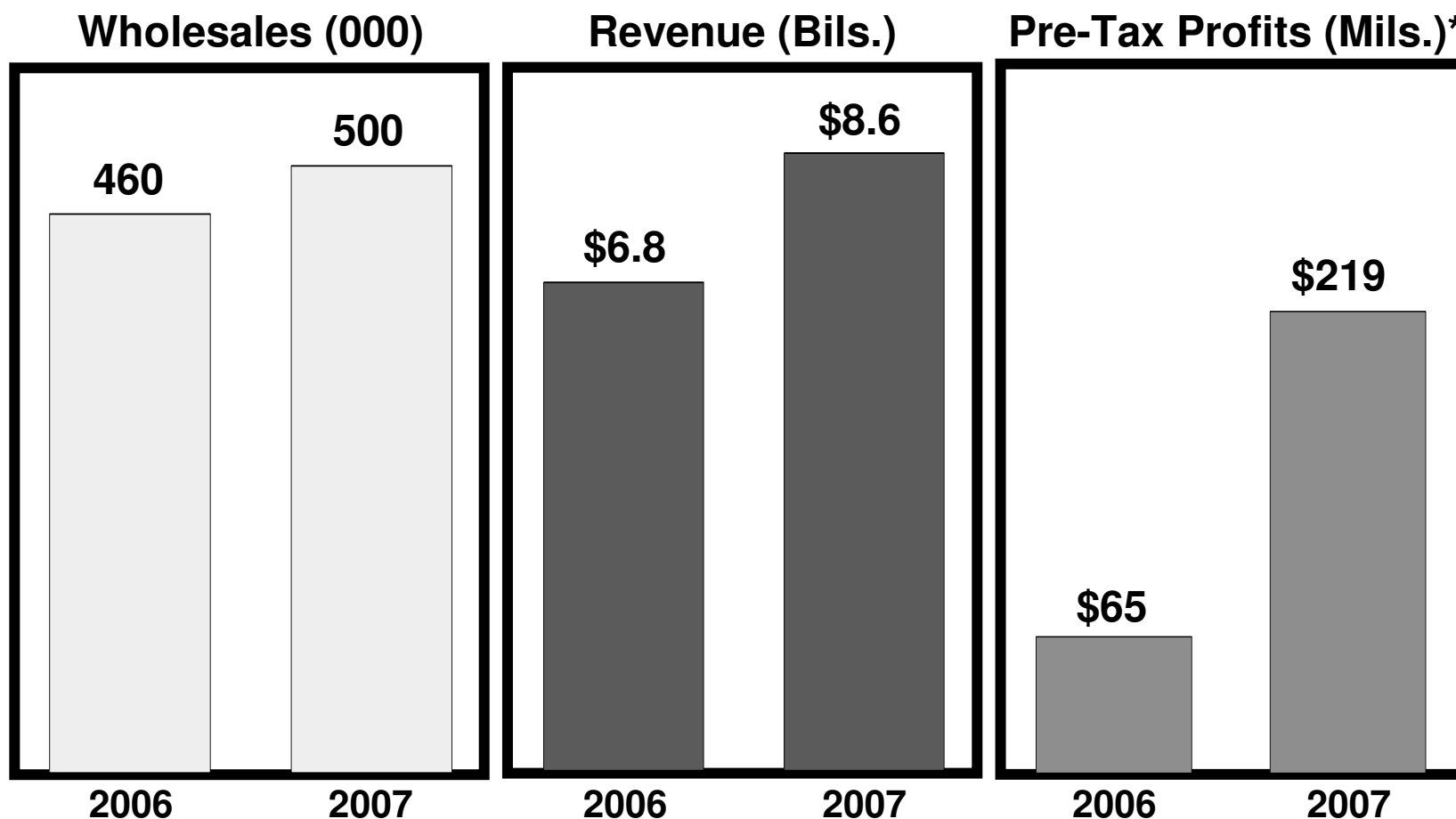
Market Share\*\*      12.0%      11.3%

\* Excludes special items; see Slide 7 and Appendix for reconciliation to GAAP

\*\* South American 2007 market share based on estimated vehicle retail sales for our six major markets in that region

# AUTOMOTIVE SECTOR -- FORD EUROPE

## FIRST QUARTER KEY METRICS -- 2007 vs. 2006



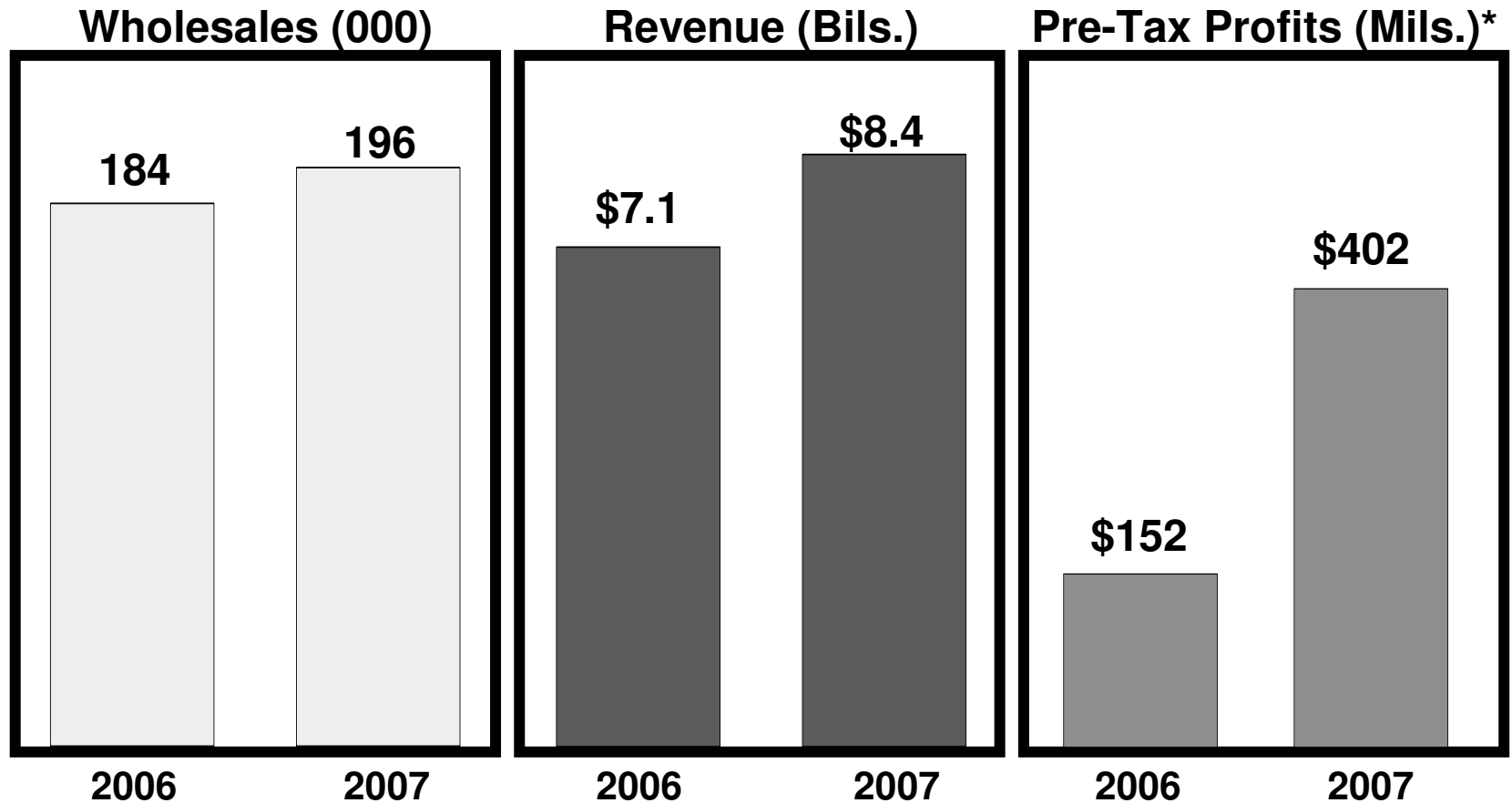
Memo:

Market Share\*\*      8.8%                  9.1%

\* Excludes special items; see Slide 7 and Appendix for reconciliation to GAAP

\*\* European 2007 market share for Ford Europe is based, in part, on estimated vehicle registrations for our 19 major European markets

# AUTOMOTIVE SECTOR -- P.A.G. FIRST QUARTER KEY METRICS -- 2007 vs. 2006



**Memo: Market Share\*\***

U.S.	1.1%	1.0%
Europe	2.3	2.4

\* Excludes special items; see Slide 7 and Appendix for reconciliation to GAAP

\*\* European 2007 market share for P.A.G. is based on estimated vehicle registrations for our 19 major markets



# **AUTOMOTIVE SECTOR -- EUROPEAN OPERATIONS NEW PRODUCT INTRODUCTIONS**



**Ford Mondeo**



**Volvo V70**



**Land Rover  
Freelander 2 / LR2**

**P.A.G.**

**Ford Europe**

**Mondeo  
C-MAX**

**Europe**

**Volvo V70 / XC70  
Volvo C30  
Jaguar XKR Portfolio  
Land Rover Freelander 2**

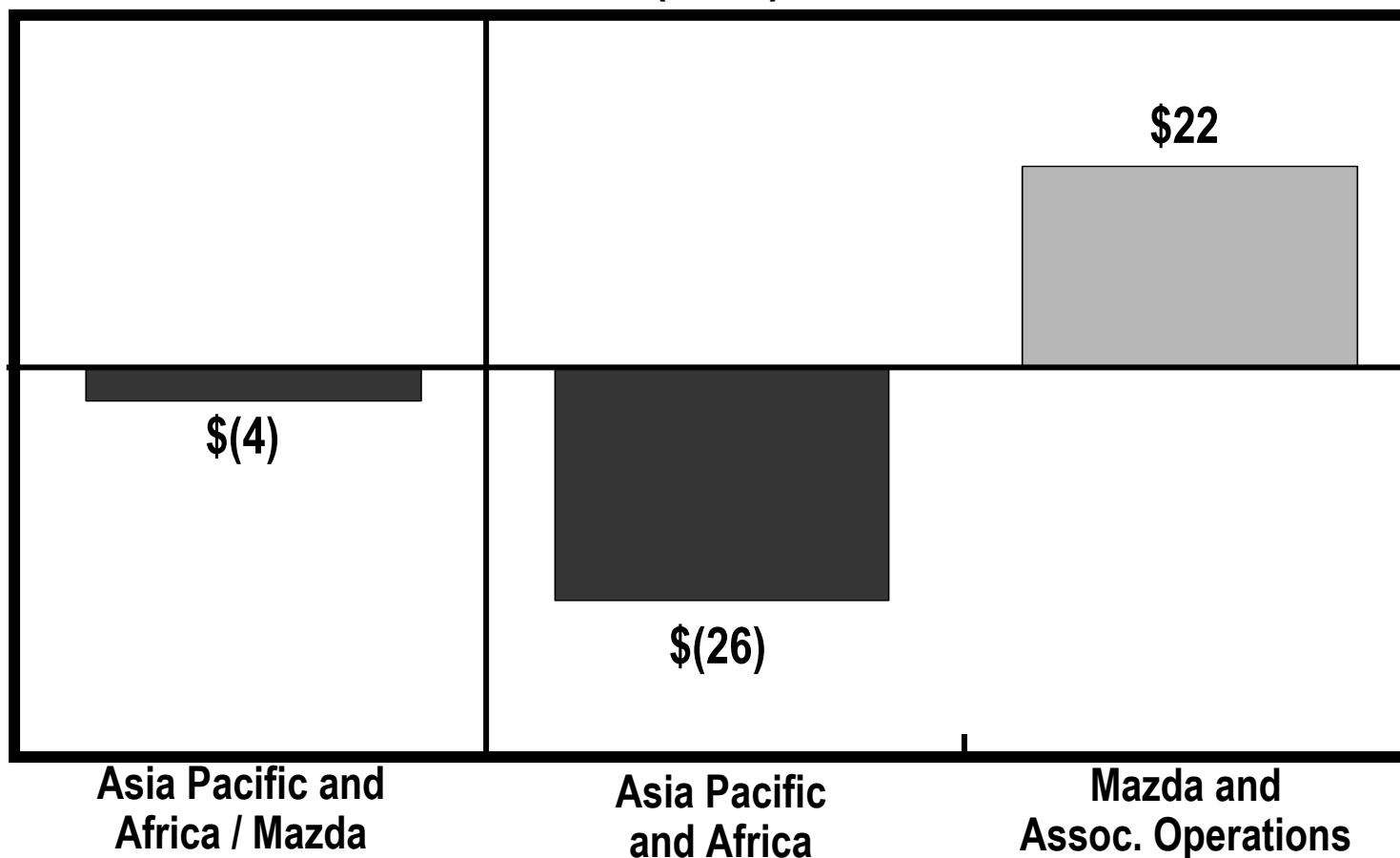
**North America**

**Volvo V70 / XC70  
Volvo S80  
Volvo C30  
Jaguar XKR Portfolio  
Land Rover LR2**



# AUTOMOTIVE SECTOR -- FORD ASIA PACIFIC AND AFRICA / MAZDA 2007 FIRST QUARTER PRE-TAX PROFITS\*

(Mils.)



Memo:  
B / (W) 2006

\$(51)

\$(28)

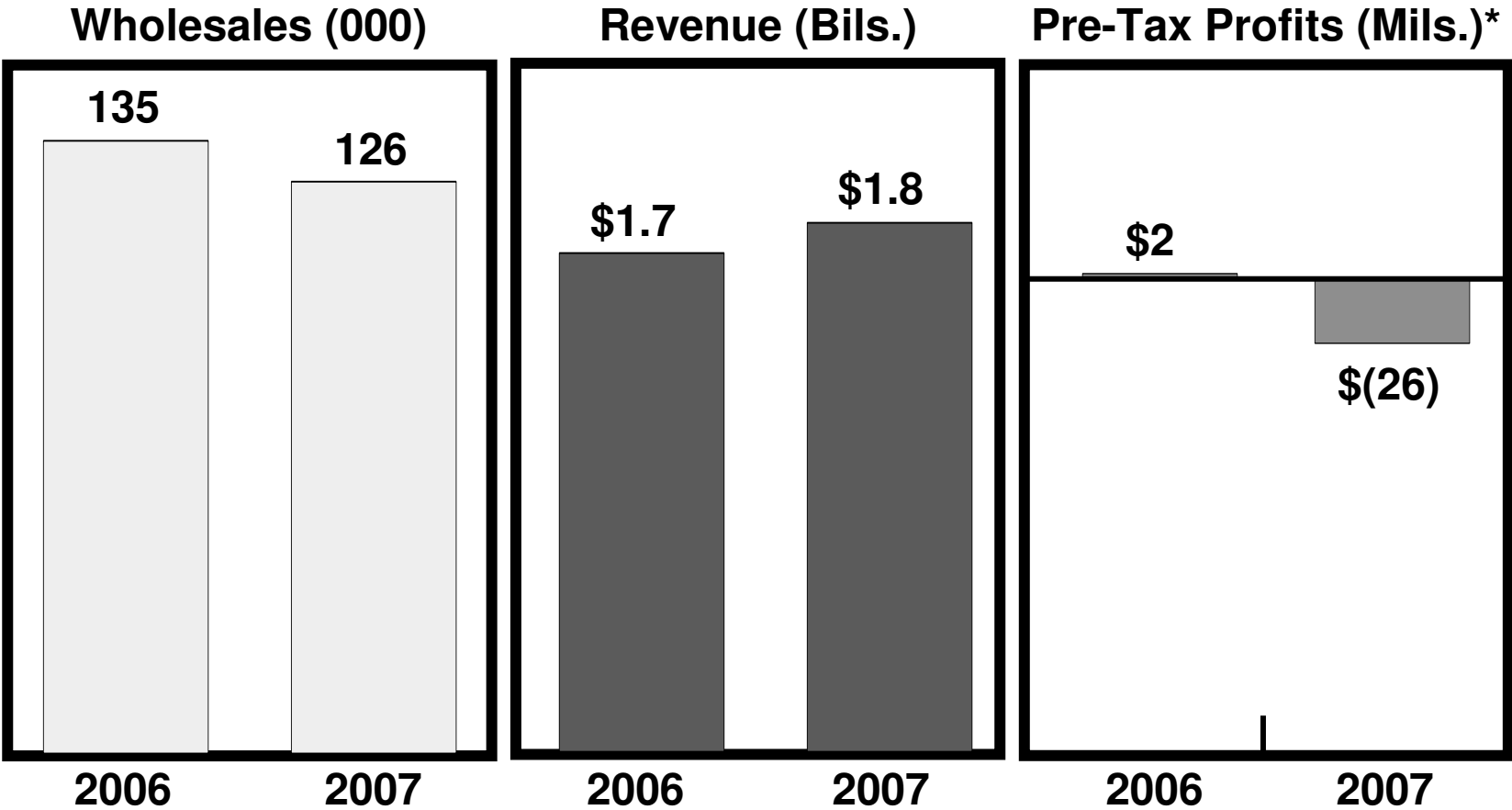
\$(23)

\* Excludes special items; see Slide 7 and Appendix for reconciliation to GAAP





# **AUTOMOTIVE SECTOR -- FORD ASIA PACIFIC AND AFRICA FIRST QUARTER KEY METRICS -- 2007 vs. 2006**



**Memo:**  
**Market Share\*\***            2.3%            2.1%

\* Excludes special items; see Slide 7 and Appendix for reconciliation to GAAP

\*\* Asia Pacific and Africa 2007 market share is based on estimated vehicle sales for our twelve major markets in that region

# **AUTOMOTIVE SECTOR**

## **2007 FIRST QUARTER CASH\***



	<u>First Quarter (Bils.)</u>
<u>Cash, Net Marketable Securities, Loaned Securities, Short-Term VEBA Assets</u>	
March 31, 2007	\$35.2
December 31, 2006	<u>33.9</u>
Change in Gross Cash	<u>\$ 1.3</u>
<u>Operating-Related Cash Flows</u>	
Automotive Pre-Tax Profits**	\$ (0.2)
Capital Spending	(1.3)
Depreciation and Amortization	1.8
Changes in Receivables, Inventory, and Trade Payables	0.8
Other -- Primarily Expense and Payment Timing Differences	<u>0</u>
Total Automotive Operating-Related Cash Flow	\$ 1.1
<u>Other Changes in Cash</u>	
Cash Impact of Jobs Bank / Employee Separation Programs	(1.2)
Pension Contributions	(0.9)
Net Effect of VEBA on Cash	0.4
Tax Refunds and Tax Payments from Affiliates	2.0
Divestitures	0
All Other	<u>(0.1)</u>
Total Change in Gross Cash	<u>\$ 1.3</u>

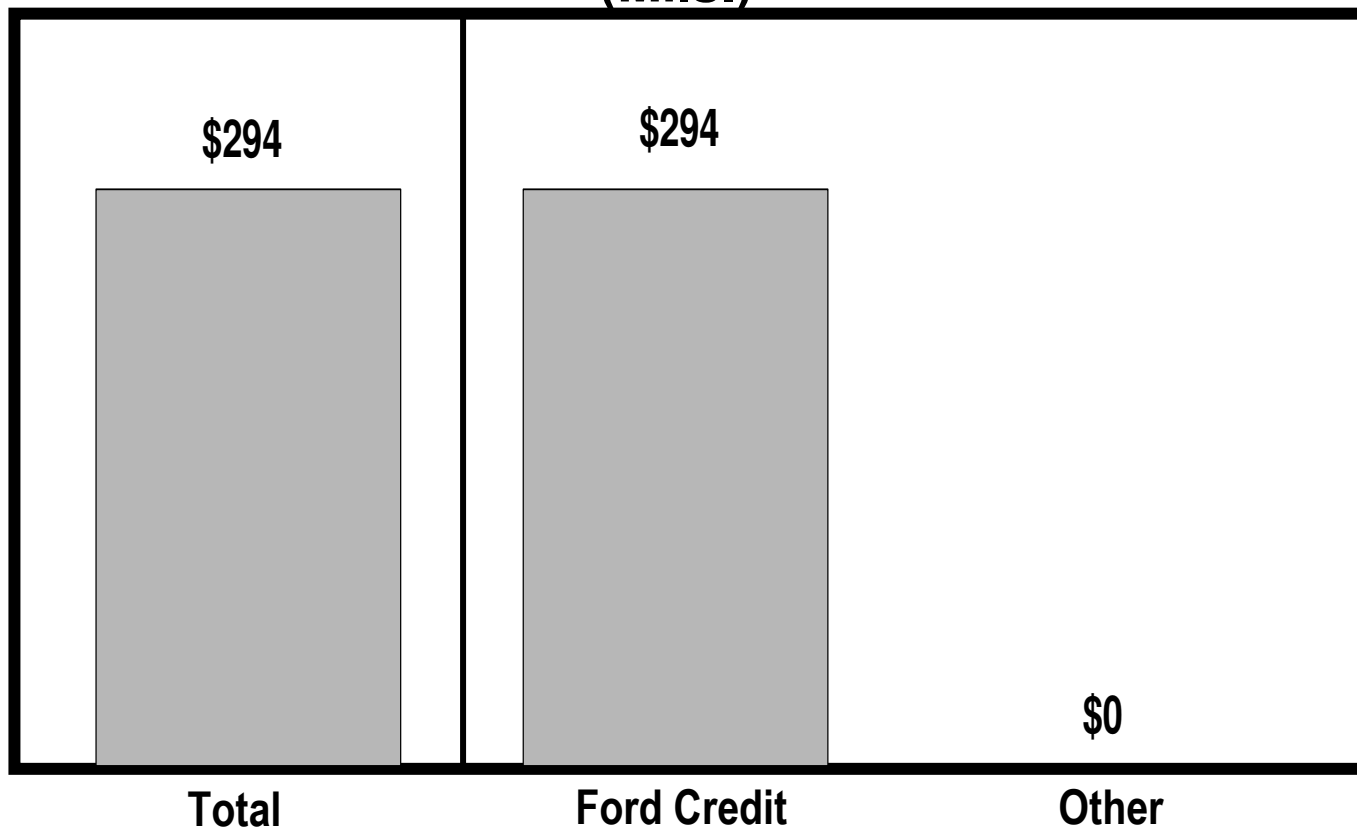
\* See Appendix for reconciliation to GAAP

\*\* Excludes special items; see Slide 7 and Appendix for reconciliation to GAAP



**FINANCIAL SERVICES SECTOR**  
**2007 FIRST QUARTER PRE-TAX PROFIT / (LOSS) BY**  
**SEGMENT\***

(Mils.)



Memo:  
B / (W) 2006

\$(81)

\$(88)

\$7

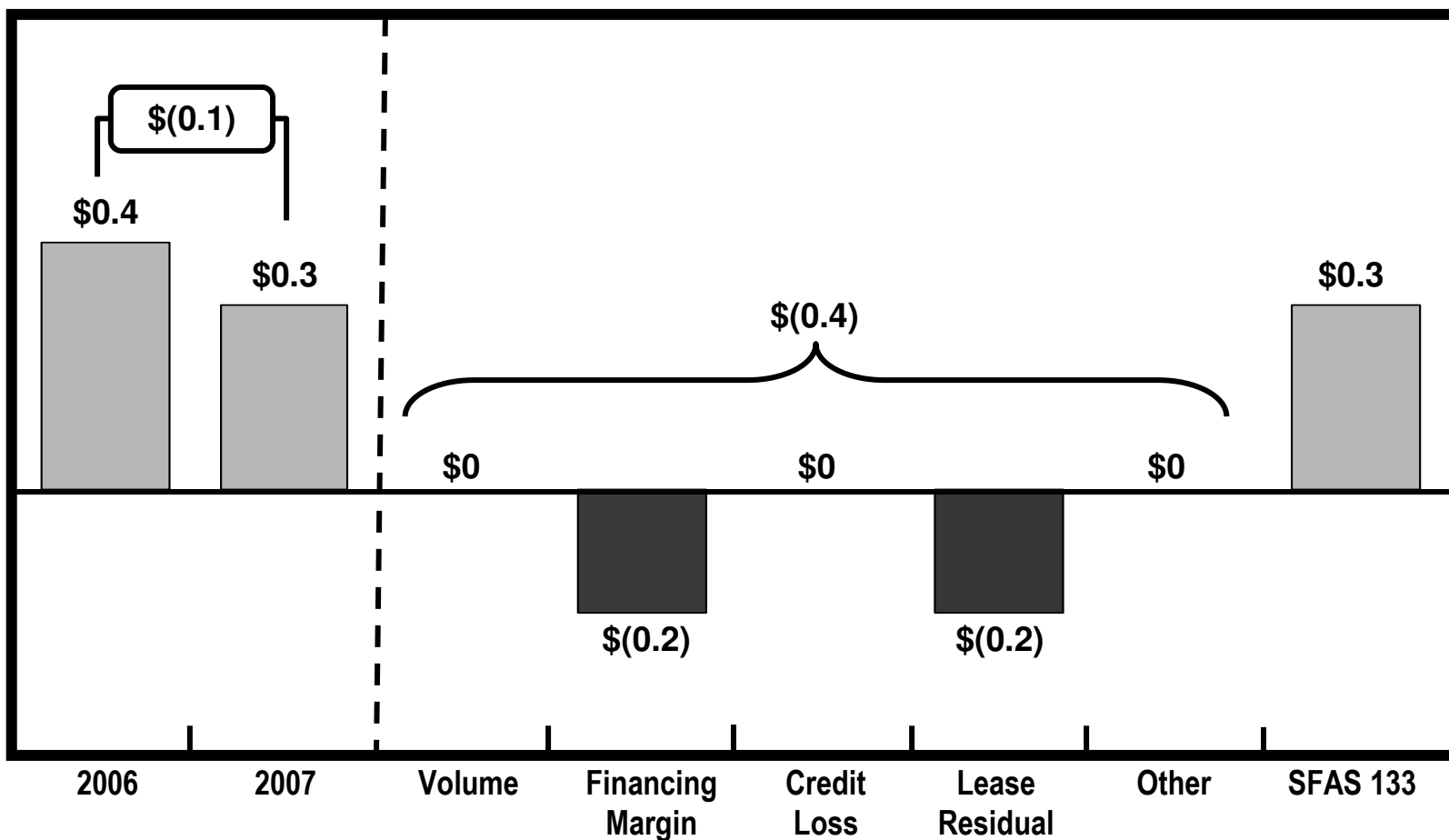
\* Excludes special items; see Appendix for reconciliation to GAAP



# FINANCIAL SERVICES SECTOR

## 2007 FIRST QUARTER FORD CREDIT PRE-TAX PROFIT COMPARED WITH 2006

(Bils.)



Memo:

Excl. SFAS 133	\$0.7	\$0.3
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# **AUTOMOTIVE SECTOR 2007 PLANNING ASSUMPTIONS AND OPERATIONAL METRICS**

	<u>Plan</u>	<u>First Quarter</u>	<u>Full Year Outlook</u>
<u>Planning Assumptions</u>			
Industry Volume (SAAR) -- U.S. (Mils.)	16.8	17.0	16.8
-- Europe (Mils.)	17.6	17.8	17.8
 <u>Operational Metrics</u>			
Quality	Improved	On Track	On Track
Market Share			
- U.S.	Lower	Lower	On Track
- Other Regions	Higher	Higher	On Track
Automotive Costs*	Lower	\$500 Million Lower	On Track
Operating-Related Cash Flow	Negative	\$1.1 Billion Positive	On Track
Capital Spending	About \$7 Billion	\$1.3 Billion	On Track

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



**AUTOMOTIVE SECTOR**  
**2007 SECOND QUARTER PRODUCTION VOLUMES**

	<b>First Quarter Actual</b>		<b>Second Quarter Forecast</b>	
	<b><u>Units</u> (000)</b>	<b>O / (U) <u>2006</u> (000)</b>	<b><u>Units</u> (000)</b>	<b>O / (U) <u>2006</u> (000)</b>
<b>North America</b>	<b>740</b>	<b>(136)</b>	<b>810</b>	<b>(87)</b>
<b>Europe</b>	<b>523</b>	<b>32</b>	<b>510</b>	<b>47</b>
<b>P.A.G.</b>	<b>213</b>	<b>18</b>	<b>195</b>	<b>11</b>



# TOTAL COMPANY 2007 OUTLOOK

	Memo: <u>2006</u> (Bils.)	<u>Plan</u>	<u>2007</u> <u>Outlook</u>
North America	\$(6.0)	Loss	On Track With Plan
South America	0.6	Profit	
Europe	0.4	Profit	
P.A.G.	(0.3)	Profit	
Asia Pacific and Africa	(0.2)	Loss	
Mazda and Associated Operations	0.2	Profit	
<b>Subtotal Automotive Operations</b>	<b>\$(5.3)</b>	<b>Improved</b>	
Other Automotive (Primarily Interest)	0.2	Loss	
<b>Total Automotive</b>	<b>\$(5.1)</b>	<b>Worse</b>	
Financial Services	2.0	Profit	
<b>Pre-Tax Results Excl. Special Items</b>	<b>\$(3.1)</b>	<b>Worse</b>	
Taxes	0.4	Loss	
<b>After-Tax Results Excl. Special Items</b>	<b>\$(2.7)</b>	<b>Worse</b>	
Special Items (After Taxes)	(9.9)	Loss	
<b>Net Results</b>	<b>\$(12.6)</b>	<b>Improved</b>	



## **TOTAL COMPANY KEY PRIORITIES / OVERVIEW**

- **Although first quarter results are encouraging, we have a long way to go to turn around the business**
- **We have made progress toward executing our four priorities**
- **We remain committed to our plan and priorities**
  - **Restructure the company; be profitable at lower volume and changed mix**
  - **Accelerate product development and reduce manufacturing complexity**
  - **Secure financing – accomplished**
  - **Teamwork**



# 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, 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;
- Substantial pension and post-retirement healthcare and life insurance liabilities impairing our liquidity or financial condition;
- 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 (e.g., CO<sub>2</sub>), 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”);
- 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);
- Inability of Ford Credit 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; and
- New or increased credit, consumer or data protection or other regulations resulting in higher costs and/or additional financing restrictions.

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 EARNINGS PER SHARE

	First Quarter 2007	
	Net <u>Income</u> (Mils.)	Cont. Ops. -- Excl. <u>Special Items</u> (Mils.)
<u>Numerator</u>		
After-Tax Profits	\$ (282)	\$ (171)
Impact on Income from assumed conversion of convertible notes and convertible preferred securities	0	0
Income for EPS	<u>\$ (282)</u>	<u>\$ (171)</u>
<u>Denominator</u>		
Average shares outstanding	1,892	1,892
Net issuable shares, primarily stock options	0	0
Convertible notes	0	0
Convertible preferred securities	0	0
Average shares for EPS	<u>1,892</u>	<u>1,892</u>
EPS	\$ (0.15)	\$ (0.09)



**TOTAL COMPANY**  
**2007 FIRST 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	\$ 69			\$ (44)		
Less: Unconsolidated Subsidiaries	<u>(78)</u>			<u>(78)</u>		
Adjusted PBT	<u>\$ (9)</u>	\$ 3	35.0%	<u>\$ (122)</u>	\$ 43	35.0%
Ongoing Tax Credits / Other		<u>7</u>	<u>76.1</u>		<u>7</u>	<u>6.0</u>
Ongoing Tax Before Valuation Allowance		\$ 10	111.1%		\$ 50	41.0%
Deferred Tax Asset Valuation Allowance		<u>(192)</u>	<u>NA</u>		<u>(232)</u>	<u>(190.2)</u>
Tax Provision		<u>\$(182)</u>	<u>NA</u>		<u>\$(182)</u>	<u>(149.2)%</u>

# TOTAL COMPANY

## 2006 – 2007 FIRST QUARTER PRE-TAX RESULTS\*



	Pre-Tax Profits				Pre-Tax Profits	
	(Incl. Special Items)		Special Items		(Excl. Special Items)	
	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>
	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)
North America	\$ (2,961)	\$ (703)	\$ (2,519)	\$ (89)	\$ (442)	\$ (614)
South America	148	113	11	0	137	113
Total Americas	<u>\$ (2,813)</u>	<u>\$ (590)</u>	<u>\$ (2,508)</u>	<u>\$ (89)</u>	<u>\$ (305)</u>	<u>\$ (501)</u>
Europe	\$ 56	\$ 208	\$ (9)	\$ (11)	\$ 65	\$ 219
P.A.G.	149	391	(3)	(11)	152	402
Total Europe / P.A.G.	<u>\$ 205</u>	<u>\$ 599</u>	<u>\$ (12)</u>	<u>\$ (22)</u>	<u>\$ 217</u>	<u>\$ 621</u>
Asia Pacific and Africa	\$ 2	\$ (28)	\$ 0	\$ (2)	\$ 2	\$ (26)
Mazda & Assoc. Operations	45	22	0	0	45	22
Total AP and Africa / Mazda	<u>\$ 47</u>	<u>\$ (6)</u>	<u>\$ 0</u>	<u>\$ (2)</u>	<u>\$ 47</u>	<u>\$ (4)</u>
Subtotal Automotive Ops.	<u>\$ (2,561)</u>	<u>\$ 3</u>	<u>\$ (2,520)</u>	<u>\$ (113)</u>	<u>\$ (41)</u>	<u>\$ 116</u>
Other Auto. (Primarily Interest)	(162)	(341)	0	0	(162)	(341)
Total Automotive	<u>\$ (2,723)</u>	<u>\$ (338)</u>	<u>\$ (2,520)</u>	<u>\$ (113)</u>	<u>\$ (203)</u>	<u>\$ (225)</u>
Financial Services	375	294	0	0	375	294
Total Company	<u><u>\$ (2,348)</u></u>	<u><u>\$ (44)</u></u>	<u><u>\$ (2,520)</u></u>	<u><u>\$ (113)</u></u>	<u><u>\$ 172</u></u>	<u><u>\$ 69</u></u>

\* From continuing operations



**TOTAL COMPANY  
FIRST QUARTER EMPLOYMENT DATA BY  
BUSINESS UNIT\***

	<u>Dec. 31, 2006</u> (000)	<u>March 31, 2007</u> (000)
<b><u>Automotive</u></b>		
North America	128	110
South America	<u>13</u>	<u>13</u>
Total Americas	141	123
Europe	66	66
P.A.G	<u>45</u>	<u>45</u>
Total Europe / P.A.G.	111	111
Asia Pacific and Africa	<u>18</u>	<u>18</u>
Total Automotive Ops.	270	252
<b><u>Financial Services</u></b>	<u>13</u>	<u>12</u>
Total Company	<u><u>283</u></u>	<u><u>264</u></u>

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

# AUTOMOTIVE SECTOR

## 2007 FIRST QUARTER AUTOMOTIVE SUMMARY



	Wholesales		Revenue		Pre-Tax Profits*	
	<u>2006</u> (000)	<u>2007</u> (000)	<u>2006</u> (Mils.)	<u>2007</u> (Mils.)	<u>2006</u> (Mils.)	<u>2007</u> (Mils.)
North America	867	723	\$19,757	\$18,218	\$(442)	\$(614)
South America	85	84	1,162	1,283	137	113
<b>Total Americas</b>	<b>952</b>	<b>807</b>	<b>\$20,919</b>	<b>\$19,501</b>	<b>\$(305)</b>	<b>\$(501)</b>
Europe	460	500	\$ 6,774	\$ 8,632	\$ 65	\$ 219
P.A.G.	184	196	7,125	8,393	152	402
<b>Total Europe / P.A.G.</b>	<b>644</b>	<b>696</b>	<b>\$13,899</b>	<b>\$17,025</b>	<b>\$ 217</b>	<b>\$ 621</b>
Asia Pacific and Africa**	135	126	\$ 1,729	\$ 1,768	\$ 2	\$ (26)
Mazda and Assoc. Operations***	25	21	414	336	45	22
<b>Total AP and Africa / Mazda</b>	<b>160</b>	<b>147</b>	<b>\$ 2,143</b>	<b>\$ 2,104</b>	<b>\$ 47</b>	<b>\$ (4)</b>
<b>Subtotal Automotive Ops.</b>	<b>1,756</b>	<b>1,650</b>	<b>\$36,961</b>	<b>\$38,630</b>	<b>\$ (41)</b>	<b>\$ 116</b>
Other Auto. (Primarily Interest)	-	-	-	-	(162)	(341)
<b>Total Automotive</b>	<b>1,756</b>	<b>1,650</b>	<b>\$36,961</b>	<b>\$38,630</b>	<b>\$(203)</b>	<b>\$(225)</b>

\* Excludes special items; see Slide 7 and Appendix for reconciliation to GAAP

\*\* Included in wholesales of Asia Pacific and Africa are Ford-badged vehicles sold in China and Malaysia by certain unconsolidated affiliates totaling about 38,000 and 35,000 units in 2007 and 2006, respectively. "Revenue" above does not include revenue from these units

\*\*\* Includes consolidation of Automotive Alliance International (AAI): wholesales and revenue from production of Mazda6 vehicles only; pre-tax profits include Ford's share of Mazda's results and profits from AAI's production of Mazda6 vehicles only



# **AUTOMOTIVE SECTOR**

## **2007 FIRST QUARTER MARKET RESULTS**

	<u>First Quarter</u>	
<u>U.S.</u>	<u>Absolute</u>	<u>B / (W)</u> <u>2006</u>
Industry SAAR (Mils.)	17.0	(0.4)
Market Share (Pct.)		
- Ford and Lincoln Mercury	15.1%	(2.1) Pts.
- P.A.G.	<u>1.0</u>	<u>(0.1)</u>
Total U.S. Market Share	<u>16.1%</u>	<u>(2.2) Pts.</u>
<u>Europe</u>		
Industry SAAR (Mils.)	17.8	0.2
Market Share (Pct.)*		
- Ford	9.1%	0.3 Pts.
- P.A.G.	<u>2.4</u>	<u>0.1</u>
Total Europe Market Share	<u>11.5%</u>	<u>0.4 Pts.</u>
<u>Other Regions</u>		
Ford Brand Market Share (Pct.)		
- South America**	11.3%	(0.7) Pts.
- Asia Pacific and Africa***	2.1	(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**

	<b>First Quarter</b>		
	<u>2006</u> (Mils.)	<u>2007</u> (Mils.)	<u>2007</u> B / (W) <u>2006</u> (Mils.)
<b>Total Costs and Expenses</b>	<b>\$39,631</b>	<b>\$38,789</b>	<b>\$ 842</b>
<b>Select Cost Items:</b>			
<b>Depreciation and Amortization</b>			
- Depreciation	\$ 1,187	\$ 900	\$ 287
- Amortization -- Special Tools	818	874	(56)
<b>Post-Retirement Expense</b>	<b>\$ 1,456</b>	<b>\$ 657</b>	<b>\$ 799</b>



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

	<b>Dec. 31, 2006 (Bils.)</b>	<b>March 31, 2007 (Bils.)</b>	<b>March 31, 2007 B / (W) Dec. 31, 2006 (Bils.)</b>
<b>Cash and Cash Equivalents</b>	<b>\$16.0</b>	<b>\$15.7</b>	<b>\$(0.3)</b>
<b>Marketable Securities</b>	<b>11.3</b>	<b>16.8</b>	<b>5.5</b>
<b>Loaned Securities</b>	<b>5.3</b>	<b>0.7</b>	<b>(4.6)</b>
<b>Total Cash / Market. and Loaned Securities</b>	<b>\$32.6</b>	<b>\$33.2</b>	<b>\$ 0.6</b>
<b>Securities-In-Transit</b>	<b>(0.5)</b>	<b>(0.2)</b>	<b>0.3</b>
<b>Short-Term VEBA Assets</b>	<b>1.8</b>	<b>2.2</b>	<b>0.4</b>
<b>Gross Cash</b>	<b><u>\$33.9</u></b>	<b><u>\$35.2</u></b>	<b><u>\$ 1.3</u></b>



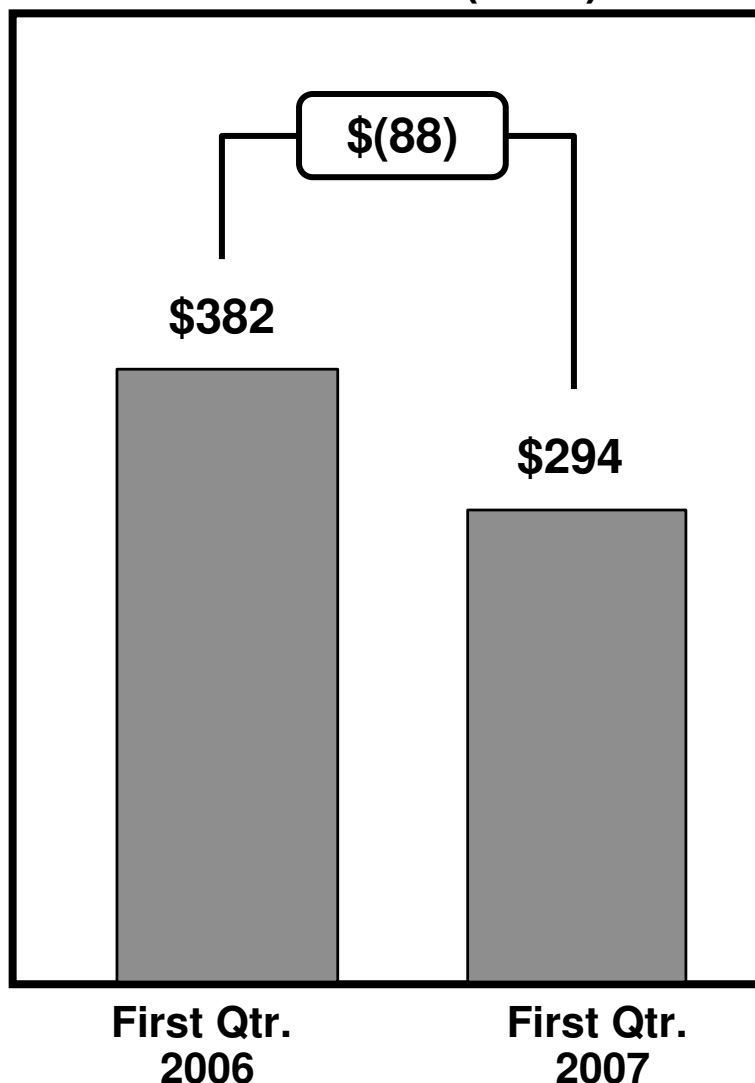
# **AUTOMOTIVE SECTOR GAAP RECONCILIATION OF OPERATING-RELATED CASH FLOWS**

	<u>First Quarter 2007</u>	
	<u>Amount</u>	<u>O / (U)</u>
	<u>(Bils.)</u>	<u>First Quarter</u>
		<u>2006</u>
		<u>(Bils.)</u>
Cash Flows from Operating Activities of Continuing Operations	\$ 1.5	\$ 2.1
Items Included in Operating-Related Cash Flows		
– Capital Expenditures	(1.3)	0.5
– Net Transactions Between Automotive and Financial Services Sector	(0.5)	(0.3)
Items Not Included in Operating-Related Cash Flows		
– Cash Impact of Jobs Bank Benefits & Separation Programs	1.2	0.8
– Net (Sales) / Purchases of Trading Securities	0.8	(0.5)
– Pension Contributions	0.9	0.6
– VEBA Cash Flows – Net Reimbursement for Benefits Paid	0	0
– Tax Refunds and Tax Payments from Affiliates	(2.0)	(2.0)
– Other	0.5	0.6
Operating-Related Cash Flows	<u>\$ 1.1</u>	<u>\$ 1.8</u>

# FINANCIAL SERVICES SECTOR FORD CREDIT RESULTS AND METRICS – 2007 FIRST QUARTER



Pre-Tax Profits (Mils.)



Key Metrics\*

	First Quarter	
	2006	2007
<u>Receivables (Bils.)</u>		
On-Balance Sheet	\$132	\$136
Securitized Off-Balance Sheet	17	11
Managed	<u>\$149</u>	<u>\$147</u>
<u>Charge-Offs (Mils.)</u>		
On-Balance Sheet	\$111	\$107
Managed	136	125
<u>Loss-to-Receivables Ratio</u>		
On-Balance Sheet	0.34%	0.32%
Managed		
- U.S. Retail and Lease	0.57	0.50
- Worldwide Total	0.37	0.34
<u>Allow. for Credit Losses</u>		
Worldwide Amount (Bils.)	\$ 1.4	\$ 1.0
Pct. Of EOP Receivables	1.08%	0.76%
<u>Leverage (To 1)</u>		
Financial Statement	11.4	11.3
Managed	11.9	11.2
<u>Dividend (Bils.)</u>	\$ 0.3	\$ 0

\* See Appendix for calculation, definitions and reconciliation to GAAP

Net Income (Mils.)	\$248	\$193
ROE	8.5%	6.5%



## **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 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



# **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:

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

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

\* Excludes marketable securities related to insurance activities and includes restricted cash related to on-balance sheet securitizations reported in *Other assets* on the financial statements

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



	March 31, 2006 <u>(Bils.)</u>	March 31, 2007 <u>(Bils.)</u>
<b><u>Leverage Calculation</u></b>		
<b>Total Debt*</b>	<b>\$130.7</b>	<b>\$134.9</b>
<b>Securitized Off-Balance Sheet Receivables Outstanding</b>	<b>17.0</b>	<b>11.1</b>
<b>Retained Interest in Securitized Off-Balance Sheet Receivables</b>	<b>(1.4)</b>	<b>(0.9)</b>
<b>Adjustments for Cash, Cash Equivalents and Marketable Securities**</b>	<b>(15.9)</b>	<b>(15.6)</b>
<b>Fair Value Hedge Accounting Adjustments</b>	<b>(0.4)</b>	<b>(0.2)</b>
<b>Total Adjusted Debt</b>	<b><u>\$130.0</u></b>	<b><u>\$129.3</u></b>
<b>Total Stockholder's Equity (incl. minority interest)</b>	<b>\$ 11.5</b>	<b>\$ 11.9</b>
<b>Fair Value Hedge Accounting Adjustments</b>	<b>(0.5)</b>	<b>(0.4)</b>
<b>Total Adjusted Equity</b>	<b><u>\$ 11.0</u></b>	<b><u>\$ 11.5</u></b>
<b>Managed Leverage (to 1)</b>	<b>11.9</b>	<b>11.2</b>
<b>Financial Statement Leverage (to 1)</b>	<b>11.4</b>	<b>11.3</b>

\* Includes \$47.6 billion and \$57.9 billion on March 31, 2006 and March 31, 2007, respectively of long-term and short-term asset-backed debt that is payable out of collections on these receivables and interests in operating leases and the related vehicles and is not the legal obligation of Ford Credit

\*\* Excludes about \$700 million of marketable securities related to insurance activities and at March 31, 2007 includes about \$700 million of restricted cash related to on-balance sheet securitizations reported in *Other assets* on Ford Credit's financial statements