



ONE FORD

Bob Shanks

Vice President, Controller

**Bank of America Merrill Lynch
2010 N.Y. Auto Summit
March 31, 2010**



- **2009 Recap**
- **One Ford Plan**
- **More Balanced Product Portfolio**
- **More Balanced Geographic Portfolio**



TOTAL COMPANY

FULL YEAR 2009 FINANCIAL RESULTS*

	Full Year	
	2009	B / (W) 2008**
Wholesales (000)***	4,817	(590)
Revenue (Bils.)***	\$ 118.3	\$ (19.8)
<u>Operating Results</u>***		
Pre-Tax Results (Mils.)	\$ 472	\$ 7,322
After-Tax Results (Mils.)	26	7,297
Earnings Per Share	0.00	3.20
<u>Special Items Pre-Tax</u> (Mils.)	\$ 2,554	\$10,202
<u>Net Income / (Loss) attributable to Ford</u>****		
After-Tax Results (Mils.)	\$ 2,717	\$17,483
Earnings Per Share	0.86	7.36
<u>Automotive Gross Cash</u> (Bils.)*****	\$ 25.5	\$ 12.1

* Unless otherwise indicated throughout this presentation, financial results do not reflect the new accounting standard effective January 1, 2010 related to the consolidation of variable interest entities

** 2008 results adjusted for the effect of a new accounting standard related to convertible debt and for the reclassification of certain Financial Services sector revenue items

*** Excludes special items

**** Formerly labeled "Net Income / (Loss)", reflects new presentation as required under new accounting standards

***** See 2009 10K "Liquidity and Capital Resources" section for reconciliation to GAAP



TOTAL COMPANY

ACHIEVING OUR PLAN -- MAJOR 2009

BUSINESS HIGHLIGHTS

- **Strong products drove full year market share gains in North America, South America, and Europe, while maintaining share in the rapidly growing Asia Pacific Africa region. Ford continued making improvements in transaction prices and margins**
- **Reduced Automotive structural costs by \$5.1 billion, exceeding our goal by over \$1 billion.**
- **Completed actions in April 2009 that reduced Automotive debt obligation by a total of \$10.1 billion**
- **Revolving lenders agreed to extend the maturity of \$7.9 billion worth of debt commitments to 2013 from 2011**
- **Completed the transfer of UAW retiree health care assets and liabilities to the UAW Retiree Medical Benefits Trust, including a \$500 million prepayment, removing a substantial health care liability from the balance sheet**

TOTAL COMPANY BUSINESS ENVIRONMENT



- **Global economic conditions are improving though their strength has been uneven. Recoveries in some markets are modest due to weak labor markets and tight credit**
- **Consumer spending growth in the U.S. and Europe is likely to remain below trend in 2010, with a more robust recovery continuing in Asia**
- **Global central banks are expected to reduce stimulus through removal of some special lending programs and to begin modest policy interest rate increases**
 - **Low level of interest rates likely to remain supportive of economic recovery**
- **As global demand conditions improve, commodity prices likely to firm:**
 - **Crude oil prices now in the \$80 per barrel range and are up 90% from \$42 in January 2009**
- **A modest increase in global industry volume is expected in 2010, after a 5% decline to about 65 million units in 2009**



TOTAL COMPANY 2010 PLANNING ASSUMPTIONS AND OPERATIONAL METRICS*

	<u>Full Year Plan**</u>
<u>Planning Assumptions</u>	
Industry Volume (SAAR)***	
-- U.S. (Mils.)	11.5 to 12.5
-- Europe (Mils.)****	13.5 to 14.5
<u>Operational Metrics</u>	
Compared with Prior Year	
• Quality	Improve
• Automotive Structural Costs*****	Somewhat Higher
• U.S. Market Share (Ford, Lincoln & Mercury)	Equal / Improve
- U.S. Share of Retail Market	Equal / Improve
• Europe Market Share****	Equal
• Automotive Operating-Related Cash Flow	Positive
Absolute Amount	
• Capital Spending	\$4.5 Billion to \$5 Billion

**For 2010, We Plan To Be Profitable With
Positive Automotive Operating-Related Cash Flow**

- * Profits on a pre-tax basis, excluding special items
- ** Excludes Volvo and reflects new accounting standard effective January 1, 2010 related to the consolidation of variable interest entities
- *** Includes medium and heavy vehicles
- **** European 19 markets we track
- ***** Structural cost changes are measured at constant exchange, and exclude special items and discontinued operations

THE PLAN



- Aggressively restructure to operate profitably at the current demand and changing model mix
- Accelerate development of new products our customers want and value... to deliver profitable growth for all
- Finance our Plan and improve our balance sheet
- Work together effectively as one team



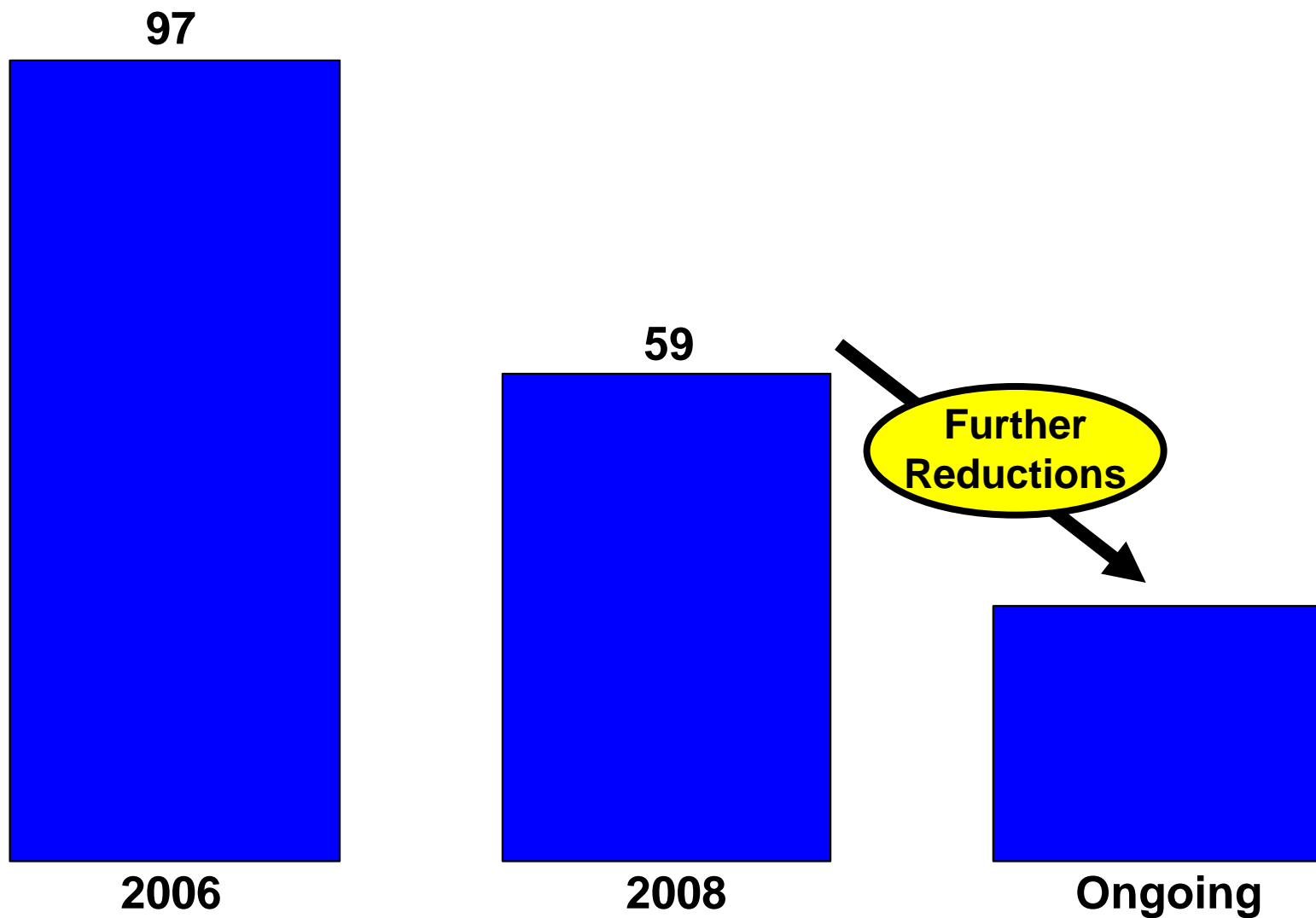


- **One Ford plan accelerates development of new products customers want and value:**
 - **Laser focus on the Ford brand, facilitated by divesting brands and other non-core assets**
 - **A complete balanced portfolio of small, medium, and large cars, utilities, and trucks**
 - **Substantial and continuous 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**

FOCUS ON THE FORD BRAND



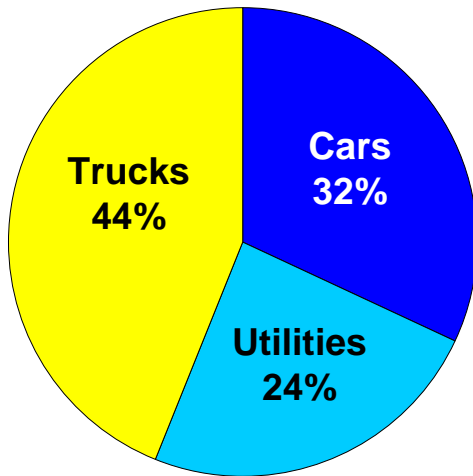
Number of Global Nameplates



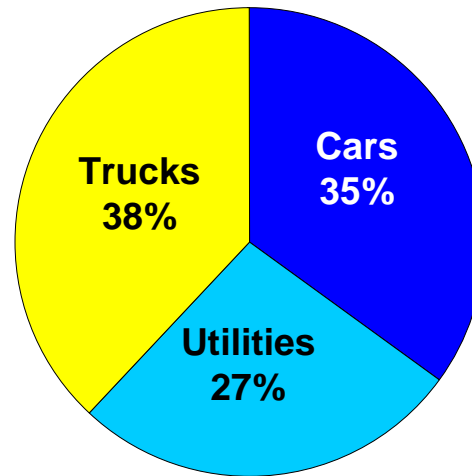
BALANCED PORTFOLIO OF VEHICLES



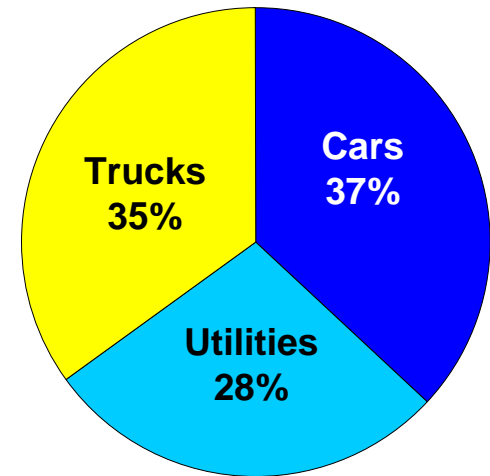
U.S. Ford, Lincoln, and Mercury Product Mix



2005



2008



2009

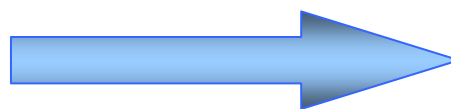
TOTAL NUMBER OF PLATFORMS



	2007	2012
Ford	27	15
Competitor A	23	20
Competitor B	27	20

Volume on Core Platforms

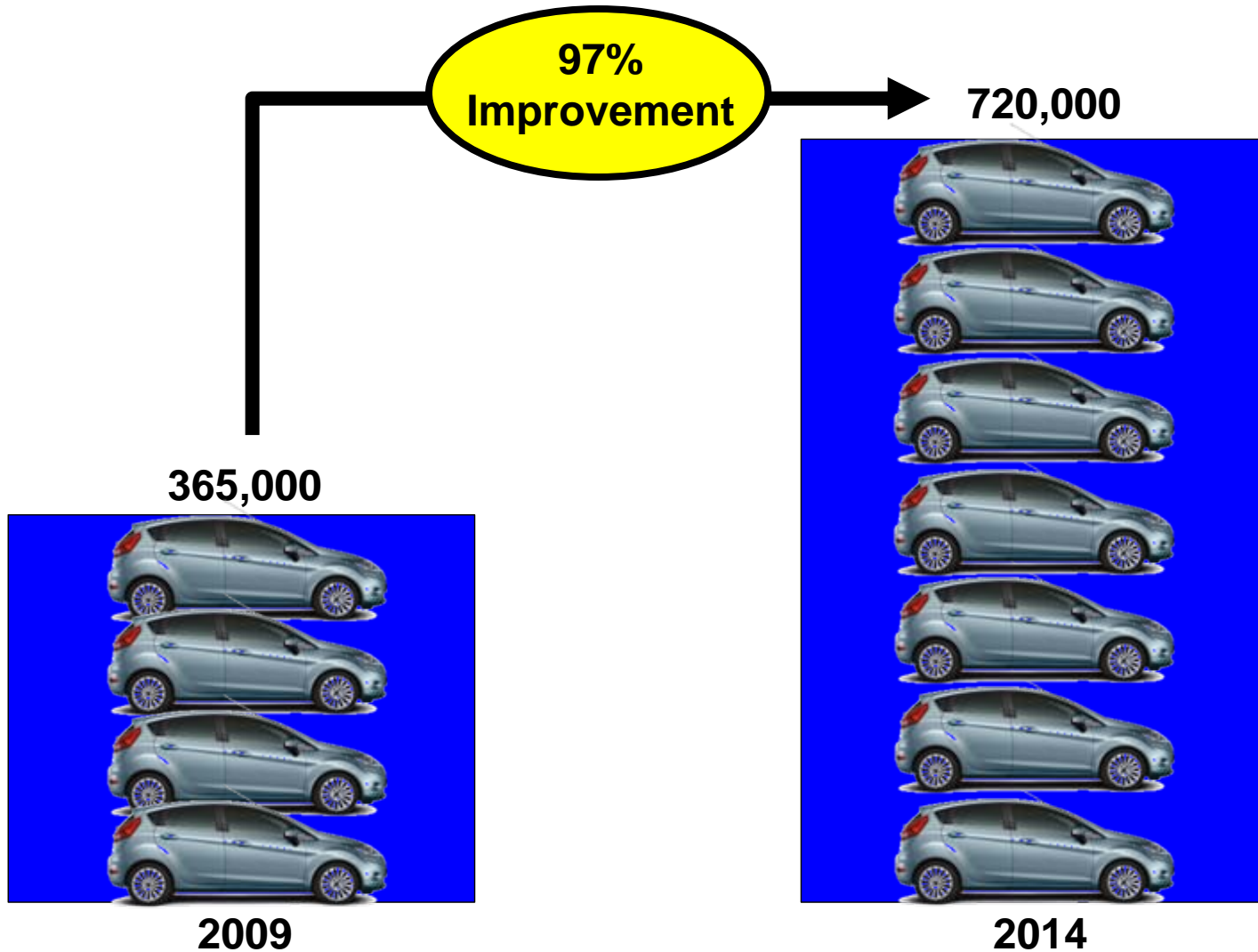
29%
2007



72%
2012

Significant Reduction In Platform Count And % Volume On Core Platform Is Accelerated To Achieve Best-In-Industry Levels By 2012

GLOBAL VOLUME PER CORE PLATFORM



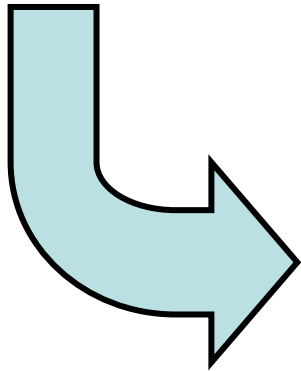
MIGRATING TO ONE FIESTA



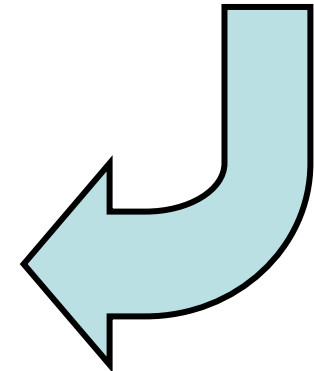
South America



Europe / Asia Pacific



Global

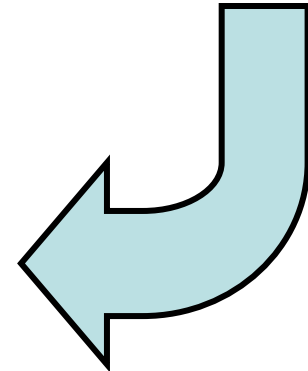
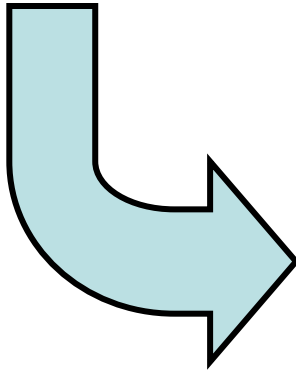


MIGRATING TO ONE FOCUS



North America

Europe / South America / Asia Pacific



Global

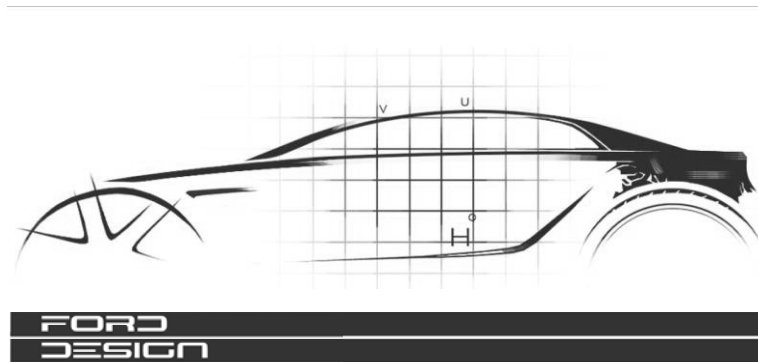
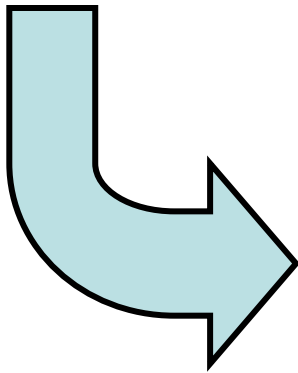
MIGRATING TO ONE CD VEHICLE



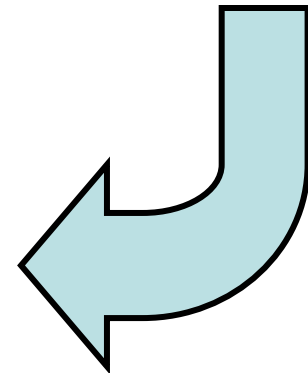
North America Fusion



Europe / Asia Pacific Mondeo



Global



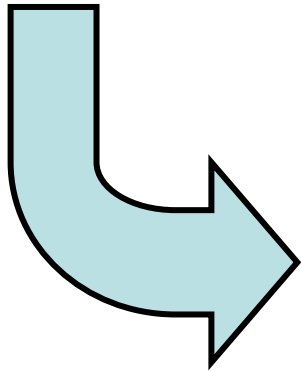
TRANSIT CONNECT GONE GLOBAL



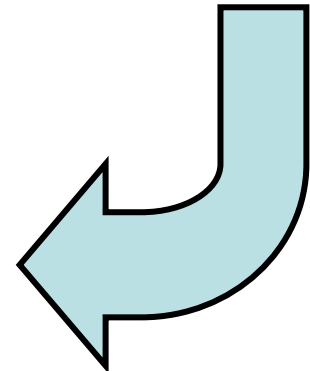
Previously No Entry



North America

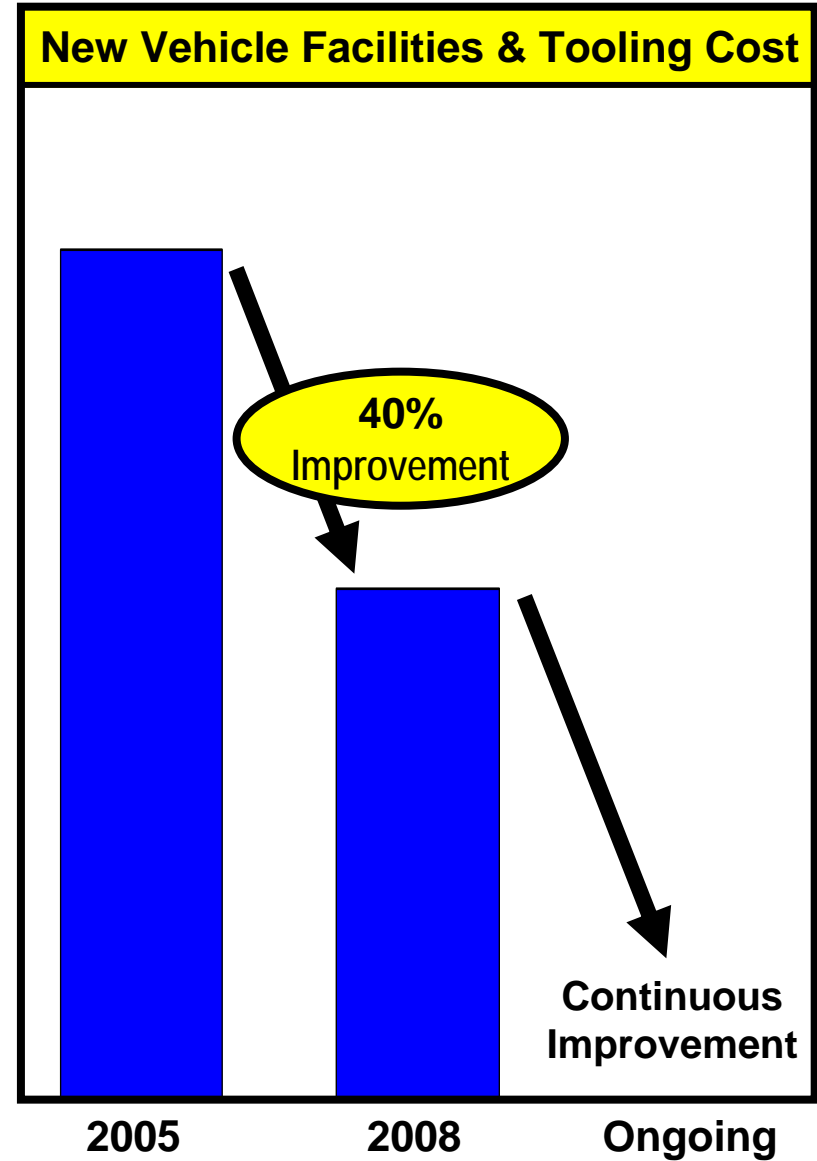
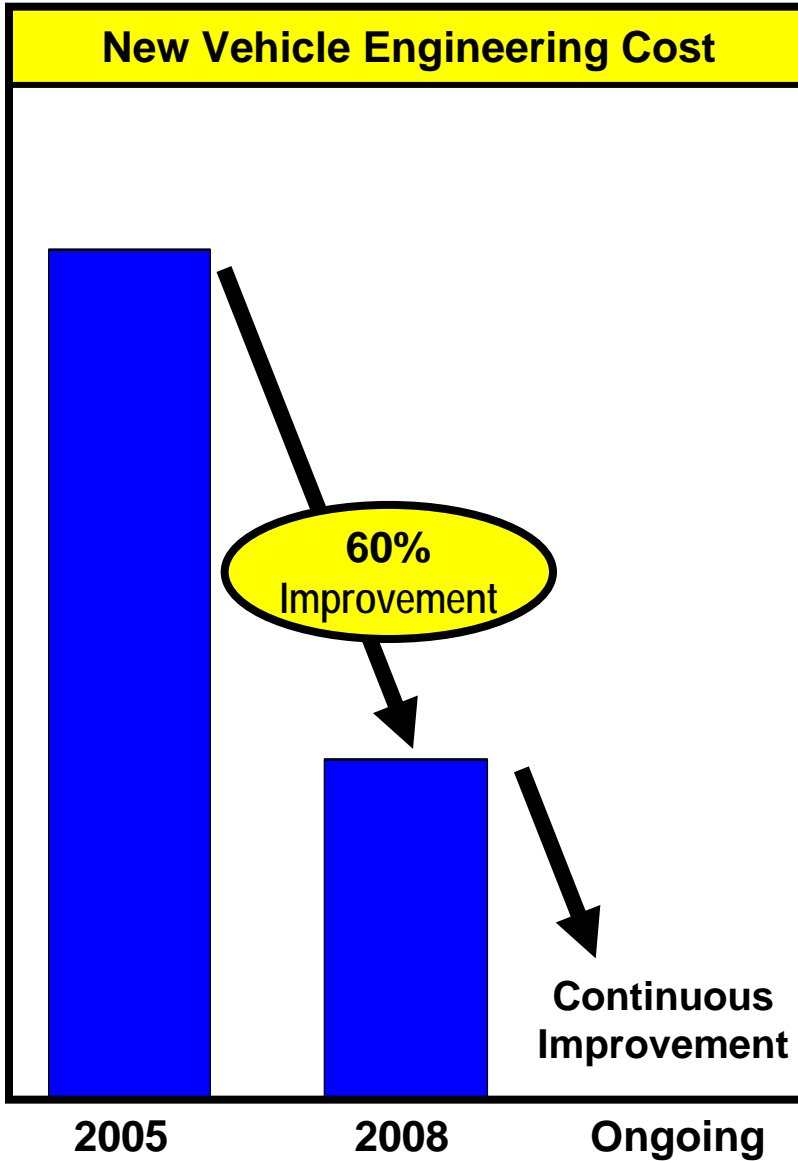


Europe



Global

VEHICLE DEVELOPMENT EFFICIENCY



DEVELOP NEW PRODUCTS OUR CUSTOMERS WANT AND VALUE

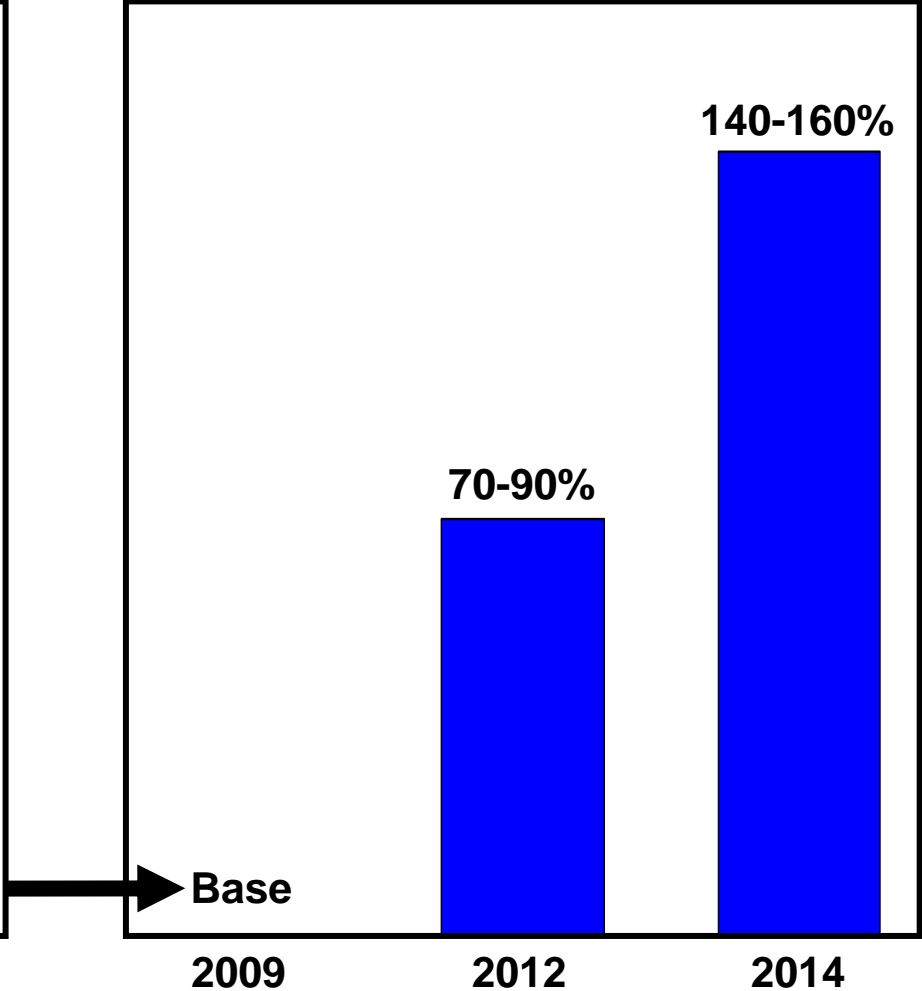


U.S. All-New and Major Refreshed Products for Last Two Years

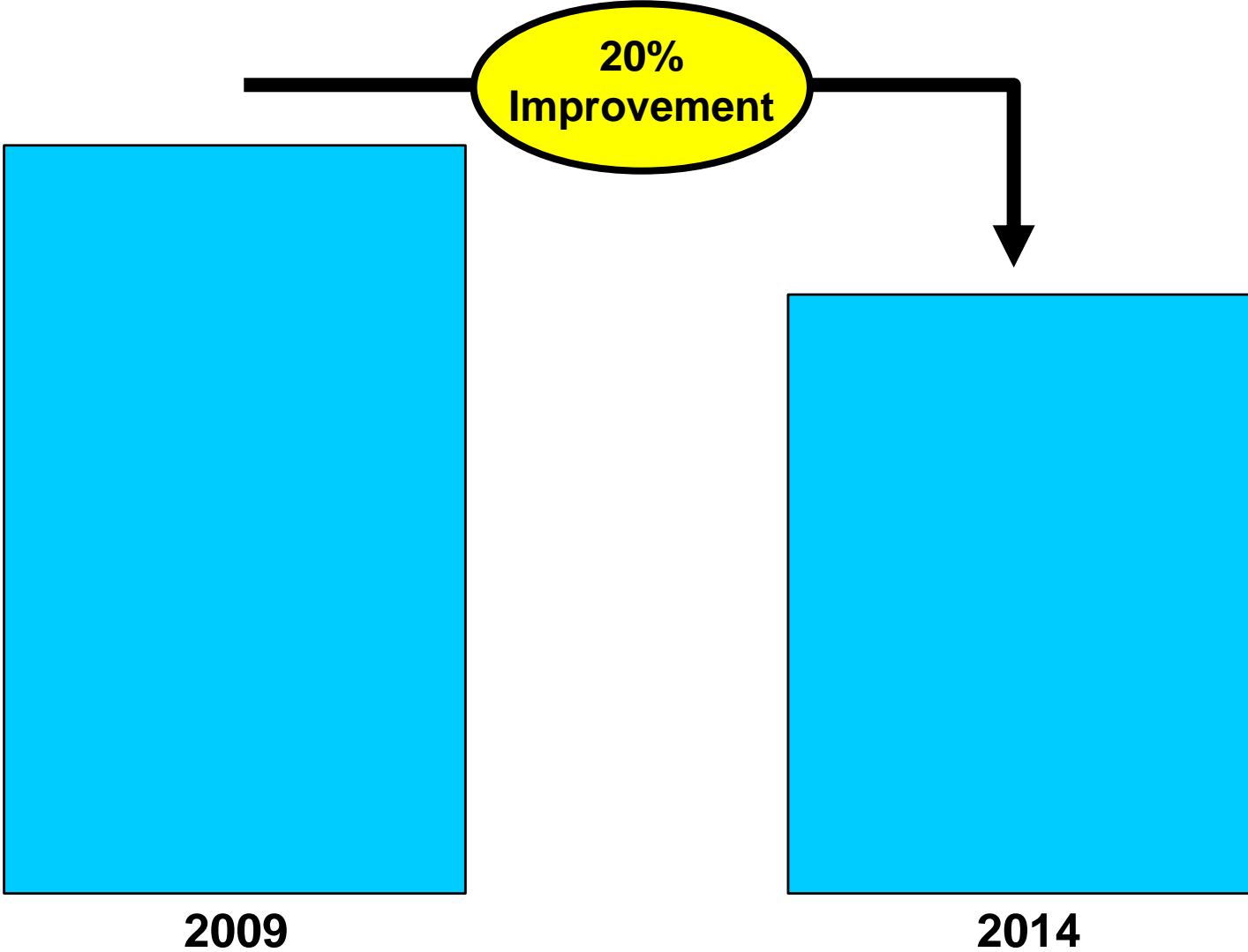
**45%
By Volume**

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

Global All-New and Major Refreshed Products Compared With 2009



AVERAGE AGE OF GLOBAL PRODUCT PORTFOLIO



COMMITMENT TO PRODUCT EXCELLENCE




Drive
quality.



Drive
green.



Drive
safe.



Drive
smart.

**Quality
Leadership**

**Fuel Economy
Leadership**

**Safety
Leadership**

**Infotainment
Leadership**

Best Value

PRODUCT EXCELLENCE -- FORD F-SERIES SUPER DUTY



PRODUCT EXCELLENCE -- FORD MUSTANG ENGINES



PRODUCT EXCELLENCE -- FORD EDGE



PRODUCT EXCELLENCE -- MY FORD TOUCH



PRODUCT EXCELLENCE -- LINCOLN MKX



PRODUCT EXCELLENCE -- FORD FOCUS 5 DOOR

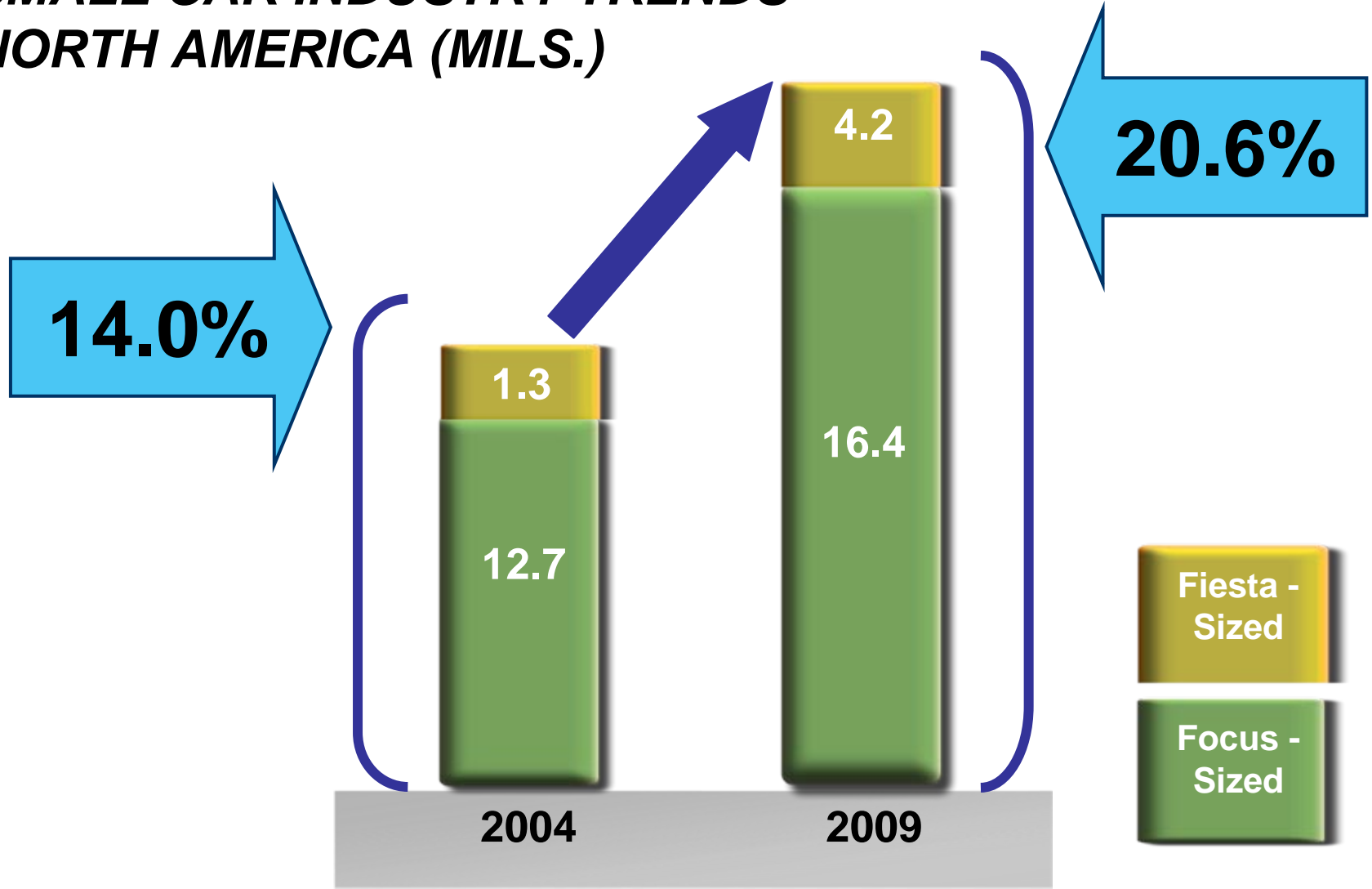


PRODUCT EXCELLENCE -- FORD FOCUS 4 DOOR





SMALL CAR INDUSTRY TRENDS -- NORTH AMERICA (MILS.)



**Increase In Small Cars In North America Is Not A Fluke;
It Is Real And Sustainable**

NORTH AMERICA SMALL CARS



2009

Focus



2011

Fiesta



Focus



Leveraging World-Class Small Cars Of Europe Allows North America To Quickly Increase Range Of Small Car Offerings

GLOBAL B AND C-CAR LEVERAGE



2008

NA Focus
(2/4 door)
~ 220K



2012

Global Focus
(4/5 door)
> 900K

C – Platform
> 2M

2010

NA Fiesta
(4/5 door)



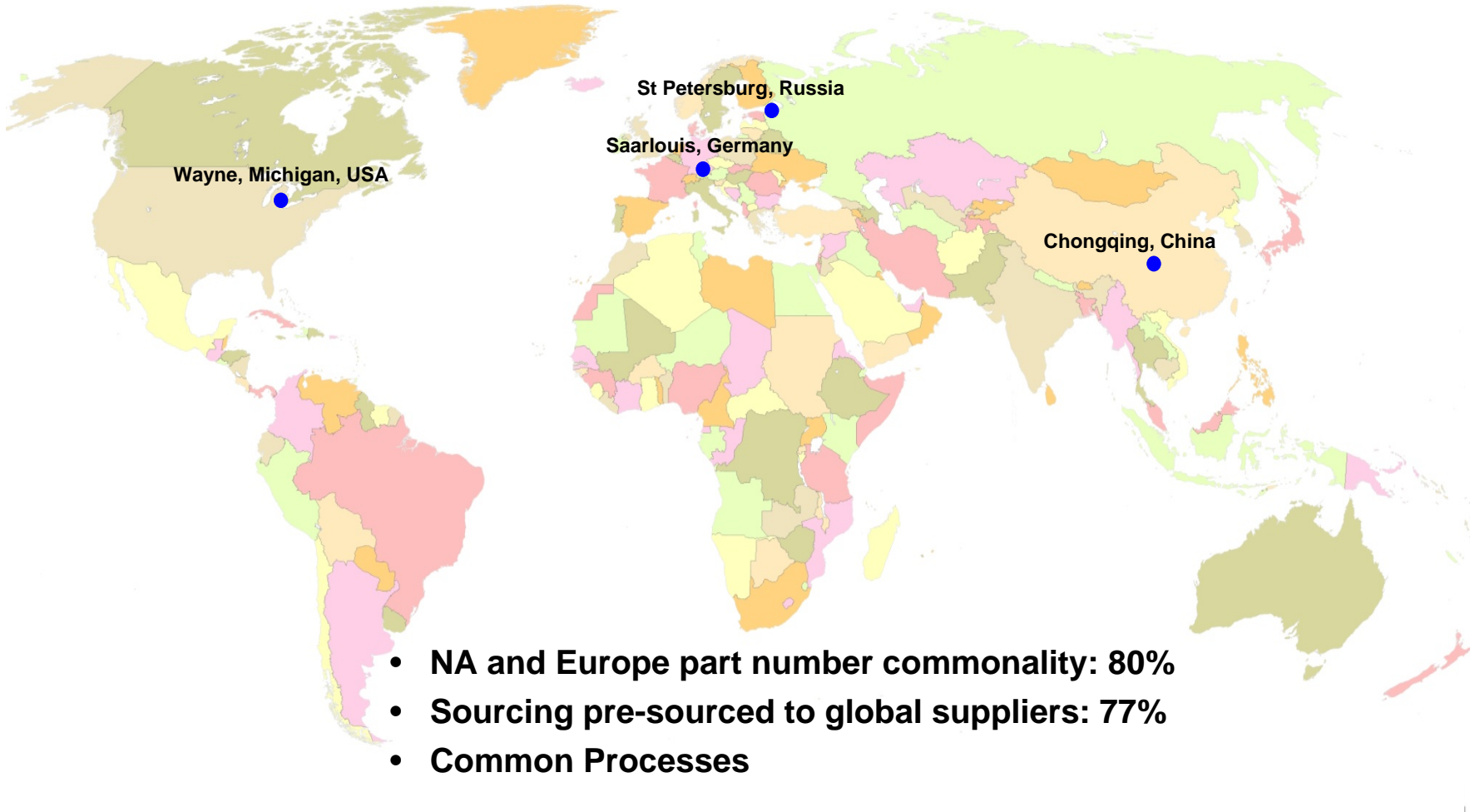
2012

Global Fiesta
(4/5 door)
> 600K

B – Platform
> 1M

Global Vehicles And Platforms Improve Scale And Material Cost For Both Us And Our Supplier Partners. C-Platform Forecasted To Be Highest Volume Platform In Industry

FOCUS DELIVERS ON THE PRODUCT STRATEGY & DNA BY LEVERAGING GLOBAL ASSETS



Scale And Investment Efficiency Delivered Through Common Parts, Suppliers, And Processes

FIESTA MSRP AS COMPARED TO TOYOTA YARIS AND HONDA FIT



Sedan

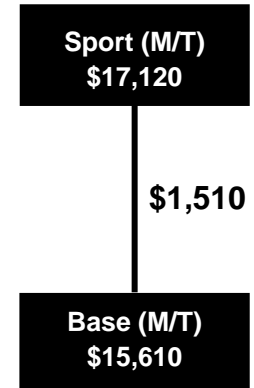
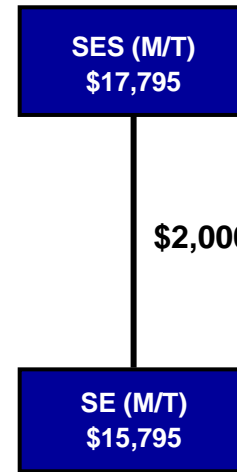
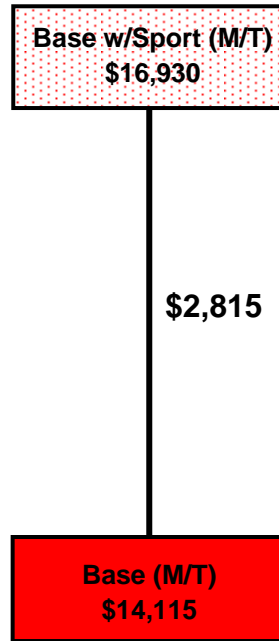
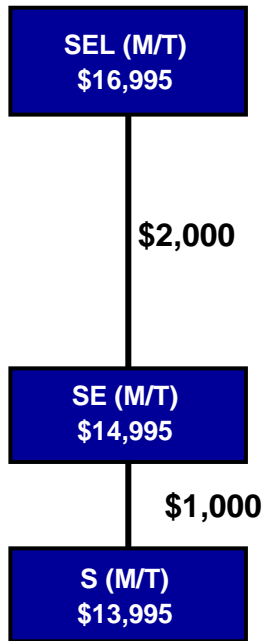
5 Door

2011 MY Fiesta Sedan
(MSRP Incl D&D)

2010 MY Toyota Yaris Sedan
(MSRP Incl D&D)

2011 MY Fiesta 5 Door
(MSRP Incl D&D)

2010 MY Honda Fit
(MSRP Incl D&D)



Fiesta Advantages

- + Better Fuel Economy
- + Greater Hp/Torque

- + Driver Knee Airbag
- + Blind Spot Mirror

- + Alloy Wheels
- + Ambient Lighting

- + AM/FM radio
- + Power Locks

- + Traction Control
- + Rear Spoiler

Fiesta Offers A Vehicle Competitively Priced With B Segment Leaders While Offering Greater Value Through More Content And Better Fuel Economy

THE PLAN



- Aggressively restructure to operate profitably at the current demand and changing model mix
- Accelerate development of new products our customers want and value... to deliver profitable growth for all
- Finance our Plan and improve our balance sheet
- Work together effectively as one team



GROWING THE BUSINESS -- NORTH AMERICA AND EUROPE



- **Participate in industry recoveries**
- **Sustain traditional Ford strengths**
- **Leverage balanced product portfolio and global platforms, vehicles, and assets for product segments and markets (e.g., Russia) where we have growth opportunities**
- **Polish the Ford brand**

GROWING THE BUSINESS -- SOUTH AMERICA AND ASIA PACIFIC AFRICA



- **South America**
 - **Global platforms and vehicles**
 - **Announced a \$2.3 billion investment in Brazil over five years to modernize plants and expand production in the region**
- **Asia Pacific Africa**
 - **Global platforms and vehicles**
 - **Launched a \$500-million passenger car plant in Thailand in 2009, in partnership with Mazda, to build the Ford Fiesta and Mazda2 models for export throughout southeast Asia**
 - **Announced a new \$490-million assembly plant in Chongqing to produce the Ford Focus in 2012 for the Chinese market**
 - **Completed a \$500 million expansion at Ford India's Chennai assembly plant to build the new Ford Figo, a small car launched this month, targeted at the heart of the Indian market**

THE NEW FORD FIGO



SAFE HARBOR



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:

- Further declines in industry sales volume, particularly in the United States or Europe, due to financial crisis, deepening recession, geo-political events, or other factors;
- Decline in market share;
- Lower-than-anticipated market acceptance of new or existing products;
- An increase in or acceleration of market shift beyond our current planning assumptions from sales of trucks, medium- and large-sized utilities, 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;
- Continued or increased price competition resulting from industry overcapacity, currency fluctuations, or other factors;
- Adverse effects from the bankruptcy, insolvency, or government-funded restructuring of, change in ownership or control of, or alliances entered into by a major competitor;
- A prolonged disruption of the debt and securitization markets;
- Fluctuations in foreign currency exchange rates, commodity prices, and interest rates;
- Economic distress of suppliers that may require us to provide substantial financial support or take other measures to ensure supplies of components or materials and 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 production;
- Substantial pension and postretirement health care 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 or investment returns);
- Restriction on use of tax attributes from tax law "ownership change;"
- The discovery of defects in vehicles resulting in delays in new model launches, recall campaigns, or increased warranty costs;
- Increased safety, emissions, fuel economy, or other regulation resulting in higher costs, cash expenditures, and/or sales restrictions;
- Unusual or significant litigation or governmental investigations arising out of alleged defects in our products, perceived environmental impacts, or otherwise;
- A change in our requirements for parts or materials where we have long-term supply arrangements that commit us to purchase minimum or fixed quantities of certain parts or materials, or to pay a minimum amount to the seller ("take-or-pay" contracts);
- Adverse effects on our results from a decrease in or cessation of government incentives related to capital investments;
- Adverse effects on our operations resulting from certain geo-political or other events;
- Substantial levels of Automotive indebtedness adversely affecting our financial condition or preventing us from fulfilling our debt obligations (which may grow because we are able to incur substantially more debt, including additional secured debt);
- Failure of financial institutions to fulfill commitments under committed credit facilities;
- Inability of Ford Credit to obtain 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 credit rating downgrades, market volatility, market disruption, or other factors;
- 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, or data protection or other regulations resulting in higher costs and/or additional financing restrictions; and
- Inability to implement our One Ford plan.

We cannot be certain that any expectation, forecast, or assumption made 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 2009 Form 10-K Report.