



Go Further

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Controller***

**J.P. Morgan Auto Conference
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AGENDA



- **ONE Ford Plan**
- **Breakeven Volume**
- **Second Quarter Summary**
- **2012 Planning Assumptions and Key Metrics**
- **Q&A**

THE ONE FORD PLAN -- TO DELIVER PROFITABLE GROWTH FOR ALL

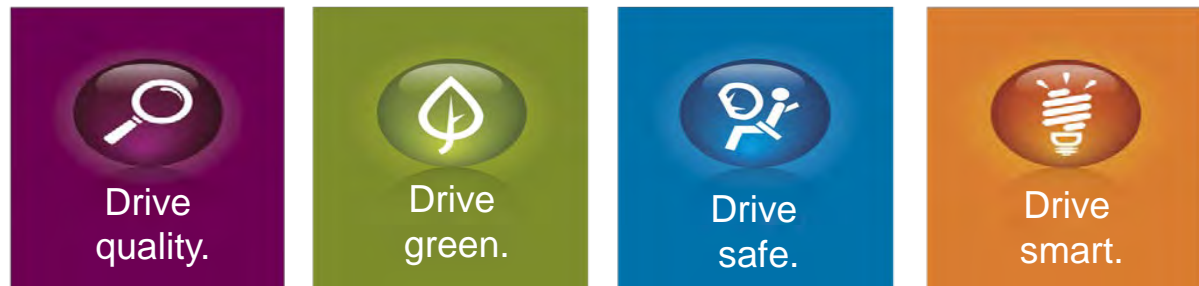
- **Aggressively restructure to operate profitably at the current demand and changing model mix**
- **Accelerate development of new products our customers want and value**
- **Finance our Plan and improve our balance sheet**
- **Work together effectively as one team**



THE PLAN



- **Great Products...Strong Business...Better World**
- **Serve all major markets**
- **Expand in BRIC markets**
- **Focus on the Ford and Lincoln brands**
- **Full line-up of vehicles**
 - **Small, Medium and Large...Cars, Utilities and Trucks**
 - **Electrification strategy -- “Power of Choice”**
 - **Commitment to product excellence**
- **Best-in-class vehicles**



THE PLAN (CONT'D.)

- Improve time to market
- Freshest showroom
- Enhance customer experience
- Deliver the brand promise
- Fully competitive revenue
- Global platforms and scale
- Flexible and efficient production
- Fully competitive costs
- Return to and maintain investment grade
- Skilled and motivated team



'FOUR PILLARS' OF GLOBAL PRODUCT STRATEGY



Drive
quality.

**Quality
Leadership**




Drive
green.

**Fuel Economy
Leadership**



Drive
safe.

**Safety
Leadership**



Drive
smart.

**Infotainment
Leadership**

Ford Continues To Advance Its Global Product Strategy

GLOBAL PRODUCT PLAN --

PLATFORM CONSOLIDATION & INCREASING SCALE



Segment	Sample Vehicle	Mid-Decade Ongoing Annual Volume
B Segment	Fiesta	> 2 million
C Segment	Focus	> 2 million
CD Segment	Fusion / Mondeo	1 million
Compact Pickup Segment	Ranger	> 275K
Commercial Van Segment	E-Series / Transit	> 475K

**Platform Consolidation Underway With Common Global Top Hats.
By 2013, 85% Of Volume Is On 9 Core Platforms**

MID-DECADE OUTLOOK



Mid-Decade Outlook*

Wholesale Volumes

About 8 million

Revenue / Pricing

Improving

Automotive Operating Margins**

- North America

8 - 10%

- Global

8 - 9%

Ford Credit Return on Equity

High Single Digits

Capital Spending

About \$6 billion

Total Automotive Debt

About \$10 billion

Investment Rating

**Plan to achieve investment grade
in the near-term (now achieved) and to remain
investment grade through economic cycle**

Dividends (% of PAT)

**Appropriate level of
after-tax earnings**

*At trend economic conditions and industry volume

**Automotive pre-tax operating profit, excluding special items and Other Automotive (primarily net interest), divided by Automotive revenue

MID-DECADE OPERATING MARGIN DRIVERS



Volume and Mix

Industry Recovery



Share Improvements



Product Mix



Revenue

Brand Image



Product Content



Costs

Productivity Improvements



Improved Scale



Commodity Prices



Increased Investment



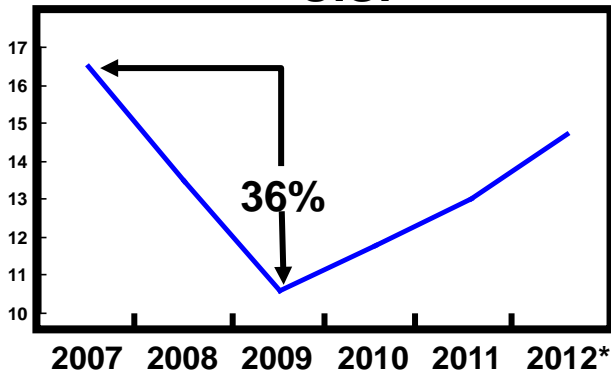
Overall Assessment



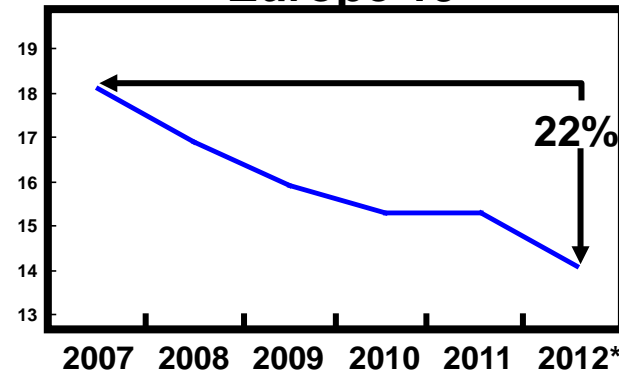
BREAKEVEN VOLUME

Industry Volumes (Mils.)

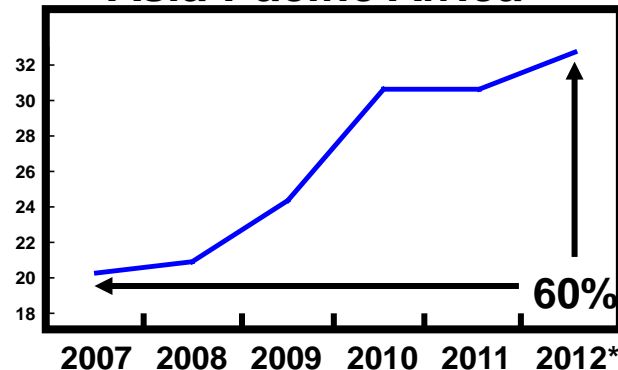
U.S.



Europe 19



Asia Pacific Africa



* Projected

- Our objective is to maintain profitability through the economic cycle
- Peak to trough industry volumes can move by as much as 35 - 40% in mature markets
- Establishing a business structure that supports profitability in economic downturns is a key element of our Plan
- The situation is unique in each region; our plans are tailored accordingly



2012 SECOND QUARTER SUMMARY

- **Twelfth consecutive quarterly pre-tax operating profit; positive Automotive operating-related cash flow; strong liquidity**
- **Second Quarter wholesale volume and revenue lower than a year ago**
- **Excellent results in North America; continued solid performance at Ford Credit; above breakeven result in South America; losses in Europe and Asia Pacific Africa**
- **Continuing to implement the ONE Ford Plan, including aggressively restructuring to operate profitably at current demand and changing model mix and investing for future growth**

**Solid Second Quarter Results Driven By North America and Ford Credit;
Challenges To Be Addressed Through Our ONE Ford Plan**



TOTAL COMPANY

2012 PLANNING ASSUMPTIONS AND KEY METRICS

	Memo: First Half	Full Year Plan	Full Year Outlook
Planning Assumptions			
Industry Volume* -- U.S. (Mils.)	14.6	13.5 - 14.5	14.5 - 15.0
-- Europe (Mils.)**	14.3	14.0 - 15.0	About 14
Operational Metrics			
Compared with Prior Full Year:			
- Market Share -- U.S.	15.4%	About Equal (compared with 16.5%)	Lower
-- Europe**	8.1%	About Equal (compared with 8.3%)	Lower
- Quality	Mixed	Improve	Mixed
Financial Metrics			
Compared with Prior Full Year:			
- Automotive Pre-Tax Operating Profit***	\$3.2 Bils.	Higher (compared with \$6.3 Bils.)	About Equal / Lower
- Ford Motor Credit Pre-Tax Operating Profit	\$0.9 Bils.	Lower (compared with \$2.4 Bils.)	On Track
- Total Company Pre-Tax Operating Profit***	\$4.1 Bils.	About Equal (compared with \$8.8 Bils.)	Lower
- Automotive Structural Costs Increase****	\$0.6 Bils.	Less Than \$2.0 Bils.	On Track
- Automotive Operating Margin***	5.6%	Improve (compared with 5.4%)	About Equal / Lower
Absolute Amount:			
- Capital Spending (Bils.)	\$2.3	\$5.5 - \$6.0	About \$5

* Includes medium and heavy trucks

** The 19 markets we track

*** Excludes special items; Automotive operating margin is defined as Automotive pre-tax results, excluding special items and Other Automotive, divided by Automotive revenue

**** Structural cost changes are measured primarily at present-year exchange, and exclude special items and discontinued operations

Expect Total Company Full Year Pre-Tax Operating Profit To Be Strong, But Lower Than 2011, And Positive Automotive Operating-Related Cash Flow

CLOSING REMARKS

- **The ONE Ford Plan is our vehicle to deliver profitable growth. Our Plan is unchanged**
- **Focus on operating margins and breakeven volume is a fundamental part of our plan**
- **Execution of our product plan and migration to global platforms are accelerating**



Go Further

QUESTIONS?

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:

- Decline in industry sales volume, particularly in the United States or Europe, due to financial crisis, recession, geopolitical events, or other factors;
- Decline in market share or failure to achieve growth;
- Lower-than-anticipated market acceptance of new or existing products;
- Market shift away from sales of larger, more profitable vehicles beyond our current planning assumption, particularly in the United States;
- An increase in fuel prices, continued volatility of fuel prices, or reduced availability of fuel;
- Continued or increased price competition resulting from industry excess capacity, currency fluctuations, or other factors;
- Fluctuations in foreign currency exchange rates, commodity prices, and interest rates;
- Adverse effects on our operations resulting from economic, geopolitical, or other events;
- 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 constraints or disruptions;
- Work stoppages at Ford or supplier facilities or other limitations on production (whether as a result of labor disputes, natural or man-made disasters, tight credit markets or other financial distress, information technology issues, production constraints or difficulties, or other factors);
- Single-source supply of components or materials;
- Labor or other constraints on our ability to maintain competitive cost structure;
- 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, reputational damage, or increased warranty costs;
- Increased safety, emissions, fuel economy, or other regulations resulting in higher costs, cash expenditures, and/or sales restrictions;
- Unusual or significant litigation, governmental investigations or adverse publicity arising out of alleged defects in our products, perceived environmental impacts, or otherwise;
- A change in our requirements where we have long-term supply arrangements committing us to purchase minimum or fixed quantities of certain parts, or to pay a minimum amount to the seller ("take-or-pay" contracts);
- Adverse effects on our results from a decrease in or cessation or clawback of government incentives related to investments;
- Inherent limitations of internal controls impacting financial statements and safeguarding of assets;
- Cybersecurity risks to operational systems, security systems, or infrastructure owned by us or a third-party vendor, or at a supplier facility;
- Failure of financial institutions to fulfill commitments under committed credit facilities;
- 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, regulatory requirements, or other factors;
- Higher-than-expected credit losses, lower-than-anticipated residual values or higher-than-expected return volumes for leased vehicles;
- Increased competition from banks or other financial institutions seeking to increase their share of financing Ford 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 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 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, see "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2011.