



**Go Further**

***GEORGE SHARP***

*Executive Director –  
Investor Relations*

***MATT VANDYKE***

*Director –  
Global Lincoln*

**Deutsche Bank Global  
Industrials Conference  
June 13, 2013**



# TOTAL COMPANY OUR PLAN -- **ONE FORD**

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



# 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**



# TOTAL COMPANY GLOBAL CORE PLATFORMS



**B-Platform (Fiesta)**



**C-Platform (Focus)**



**C/D Platform (Fusion / Mondeo)**



**Sports Car (Mustang)**



**D-Platform (Explorer)**



**Light Truck (Ranger)**



**Full-Size Pickup (F-150)**



**Over 8500 Pickup (Super Duty)**



**Full-Size Van (Transit)**

# WORKING TOWARDS MID-DECADE TARGETS



## Mid-Decade Targets\*

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

\*First presented June 2011; at trend economic conditions and industry volume

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

\*\*\* Reflects update from Q2 2012 earnings

\*\*\*\* Investment grade ratings from Fitch, Moody's and DBRS



# TOTAL COMPANY 2013 PLANNING ASSUMPTIONS AND KEY METRICS

	First Qtr.	Full Year		
	2013	2012	2013	
	Results	Results	Plan	Outlook
<b>Planning Assumptions (Mils.)</b>				
Industry Volume* – U.S.	15.6	14.8	15.0 - 16.0	Unchanged 13.0 - 13.5
-- Europe**	13.3	14.0	13.0 - 14.0	
-- China	20.7	19.0	19.5 - 21.5	
<b>Operational Metrics</b>				
Compared with Prior Year:				
- Market Share – U.S.	15.9 %	15.2 %	Higher	Unchanged
-- Europe**	7.7	7.9	About Equal	
-- China***	3.6	3.2	Higher	
- Quality	Mixed	Mixed	Improve	
- Total Company Pre-Tax Profit (Bils.)****	\$ 2.1	\$ 8.0	About Equal	
- Automotive Operating Margin****	5.2 %	5.3 %	About Equal / Lower	
- Automotive Operating-Related Cash Flow (Bils.)	\$ 0.7	\$ 3.4	Higher	

\* Includes medium and heavy trucks

\*\* The 19 markets we track

\*\*\* Includes Ford and JMC brand vehicles produced in China by unconsolidated affiliates

\*\*\*\* Excludes special items; Automotive operating margin defined as Automotive pre-tax profit, excluding special items and Other Automotive (primarily net interest), divided by Automotive Revenue

**Guidance Unchanged. Expect Strong Results For 2013  
As We Continue To Invest For The Future**



# LINCOLN UPDATE

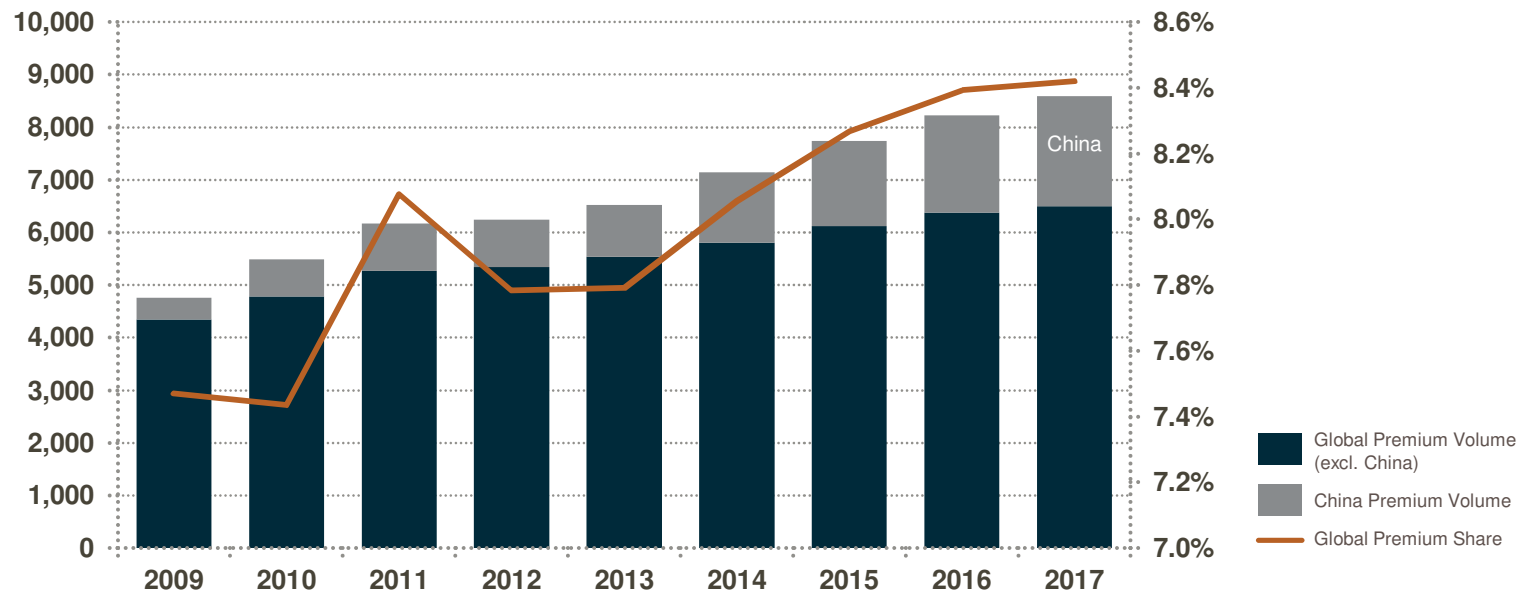


## Overview

- | Industry Overview
- | Luxury Customer
- | Lincoln Plan
  - | Product Transformation
  - | Dealership Experience
- | China
- | Key Take-Aways



# GLOBAL PREMIUM INDUSTRY PROJECTION ('000)

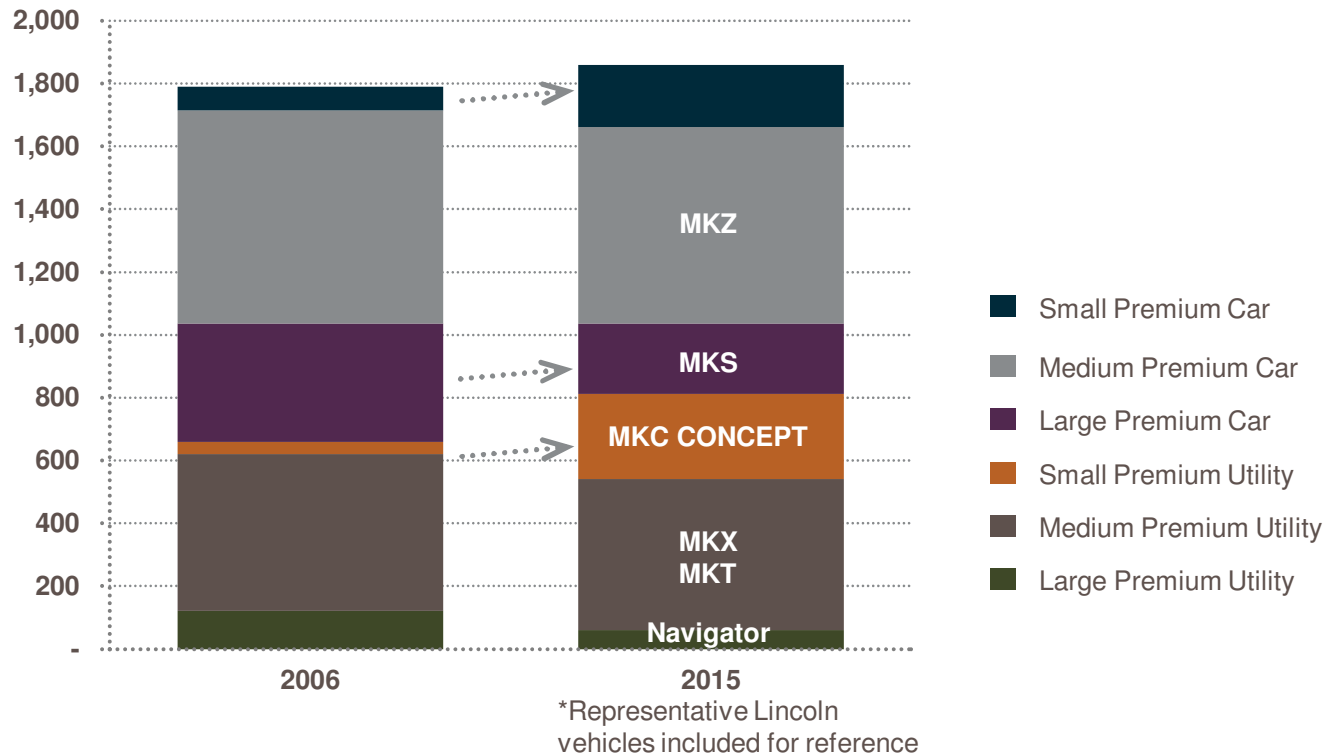


MEMO:  
North America Premium Volume

1,400	1,500	1,700	1,800	2,000	2,100	2,200	2,300	2,300
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Premium Industry Grows Significantly By 2017.  
(China Share Of Global Premium Approaches 25%)

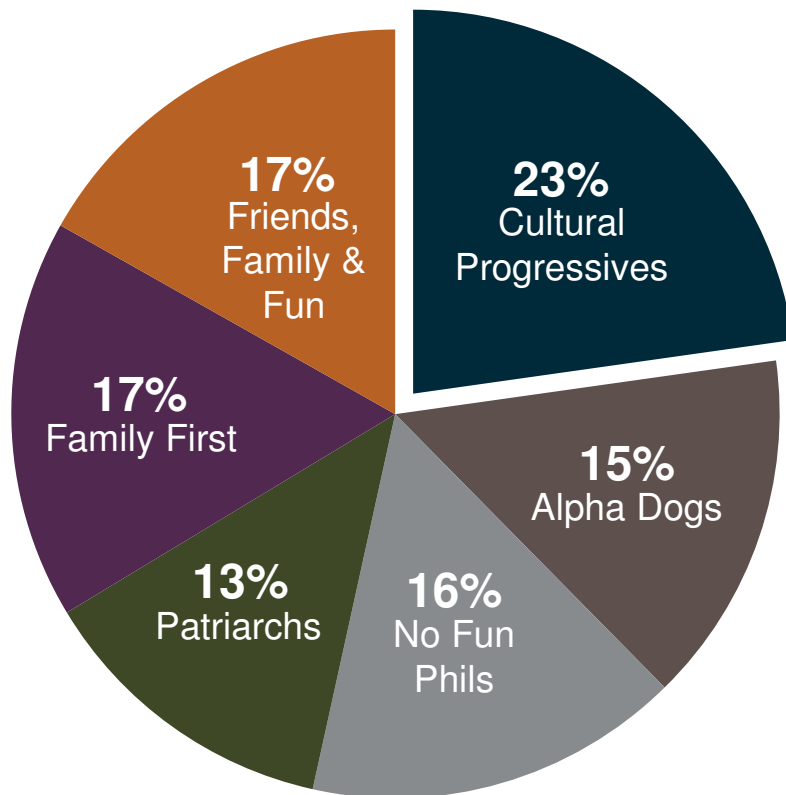
# U.S. LUXURY INDUSTRY SEGMENTATION ('000)



New Lincoln Product Is Placed In The Largest And Fastest Growing Segments



## TARGET CUSTOMER | CULTURAL PROGRESSIVES



**Cultural Progressives are the largest and fastest growing Luxury segment, and open to considering other brands:**

- | 65% shop multiple brands
- | 56% replace previous vehicle with a different brand

**They desire brands consistent with Lincoln values:**

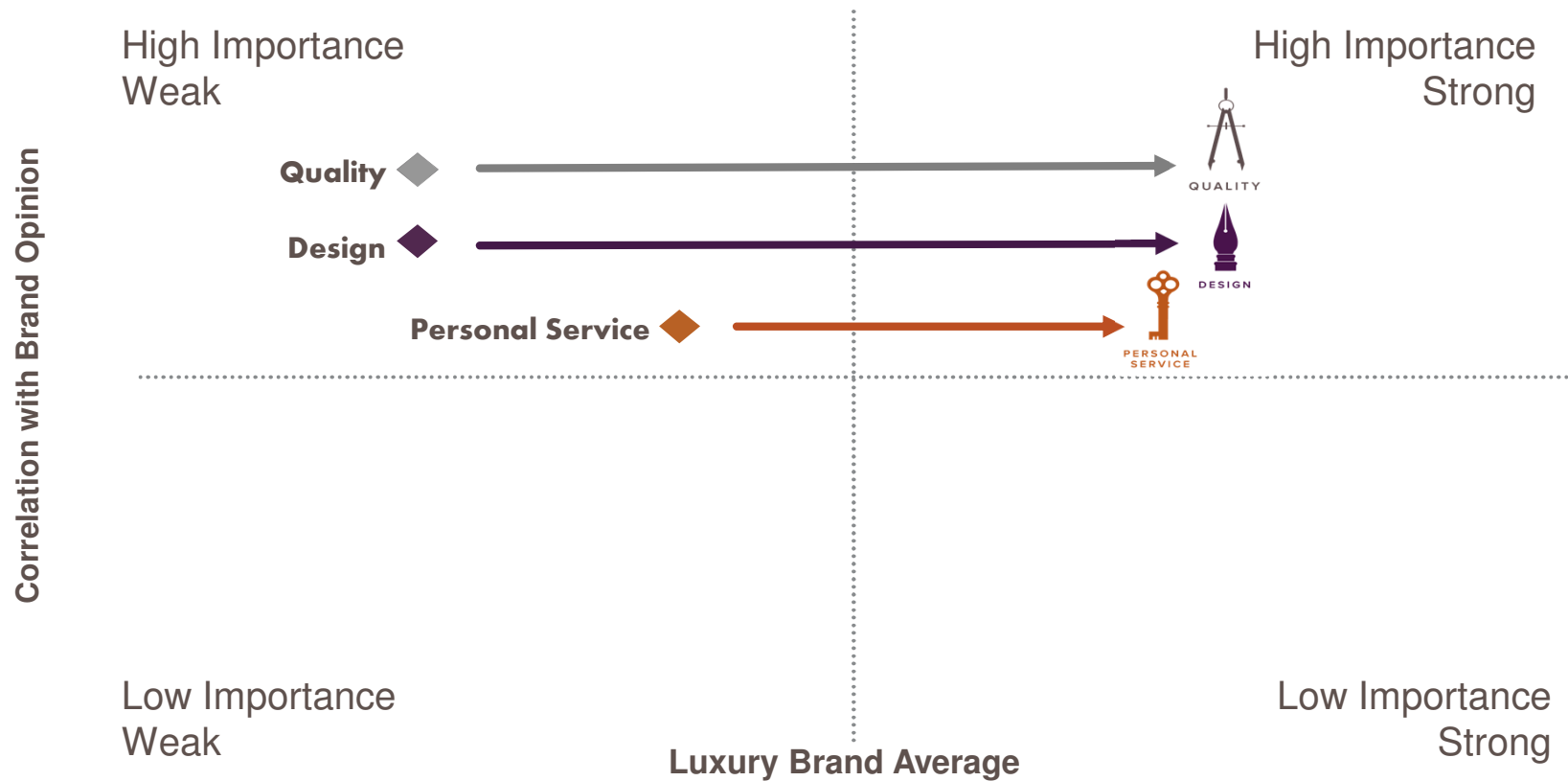
- | Personal and Inviting
- | Discreetly Superior and Unexpected
- | Custom Tailored and Experiential

Post-recession Cultural Progressives  
Provide An Opportunity For Conquest



# *Brand Video*

# LINCOLN BRAND PILLARS



Source: Brand Equity & Awareness Tracking – Q3 2012. Base 12 Month Intenders, Familiarity 1-6

**Quality / Design / Personal Service  
Are Key Drivers Of Luxury Favorable Opinion**

# 2013 MKZ LEADS PRODUCT TRANSFORMATION

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**MKZ**



**MKX**



**Navigator**



**MKS**



**MKT**



**MKC Concept**



## PRODUCT | 4 ALL-NEW PRODUCTS 2013-2016

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### 13MY MKZ

#### | Launch Highlights:

- Best-ever MKZ sales in April, followed by best May ever
- MKZ Hybrid has a 58% conquest rate
- MKZ and MKZ Hybrid average turn rates are strong (MKZ-16 days, MKZ Hybrid-12 days)
- Gaining customers in key markets (L.A. turn rate for MKZ Hybrid is 8 days)

#### | Product Highlights:

- 45 MPG Hybrid
- Lincoln Drive Control
- Retractable Panoramic Roof

### MKC Concept

| Revealed at North American International Auto Show, January 2013

| Representative of future Lincoln products







# EVOLUTION OF LINCOLN CLIENT EXPERIENCE

2012	2013 - 2014	2015 - 2017
<p><b>PEOPLE</b></p> <p>Consumer Experience Movement</p>          <p><b>SERVICES</b></p> <p>Car Washes *</p> <p>Loaner Cars *</p> <p>Staffing/Training *</p> <p>CPO Sales *</p> <p>Luxury Customer Lounge *</p>	<p><b>PEOPLE</b></p> <p>Brand Champion *</p> <p>Lincoln Academy</p> <p><b>PROCESS</b></p> <p>Lincoln Date Night</p> <p>Lincoln Online Concierge</p> <p>New Vehicle Delivery Process</p> <p>Lincoln Anniversary</p> <p><b>SERVICES</b></p> <p>Digital/Online *</p> <p>New Vehicle Delivery *</p> <p>CPO / Off-Lease Retention *</p>	<p><b><u>Dedicated Lincoln Retail Facilities</u></b></p> <p><b>&amp;</b></p> <p><b><u>Dedicated People</u></b></p>  <p>* Dealer Margin Standards</p>

## CHINA | GROWTH OPPORTUNITY AND LEARNING LAB

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THE LINCOLN MOTOR COMPANY

- | China will exceed the luxury segment in the U.S. by 2020
- | Launching brand in 2nd half of 2014
- | Opportunity to establish our retail network from scratch
- | Our Retail Environment: Inviting, elegant simplicity, warm, comfortable ... relationship spaces.
- | Our Experience and Behaviors: Relationships vs. transactions; advise and educate vs. sell; anticipate needs and create a tailored, one-size-fits-one experience

Lincoln Will Deliver A Differentiated Experience  
For The Evolving Luxury Customer

# CHINA | A RETAIL EXPERIENCE TO MATCH THE PRODUCT



Warm and inviting Dens replace traditional dealership sales offices



Personalization Studios promote “one-size-fits one” vehicle selection



Service focused on transparency, education, and craftsmanship of vehicles



Dedicated roles and responsibilities including Doorman, Hosts, Craftsmen

## KEY TAKE-AWAYS

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- | **Begin to Transform the Brand in 2013CY**
- | **Target Conquest Customers**
- | **Launch 4 All-New Products in 4 Years**
- | **Provide a Personalized Client Experience Through a Profitable Dealer Network**
- | **Launch in China 2014CY**





**Go Further**

***Questions?***

# 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:

- Decline in industry sales volume, particularly in the United States or Europe, due to financial crisis, recession, geopolitical events, or other factors;
- Decline in Ford's market share or failure to achieve growth;
- Lower-than-anticipated market acceptance of Ford's new or existing products;
- Market shift away from sales of larger, more profitable vehicles beyond Ford's current planning assumption, particularly in the United States;
- An increase in or 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 resulting from economic, geopolitical, or other events;
- Economic distress of suppliers that may require Ford to provide substantial financial support or take other measures to ensure supplies of components or materials and could increase costs, affect 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, production constraints or difficulties, or other factors);
- Single-source supply of components or materials;
- Labor or other constraints on Ford's 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 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 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 products, perceived environmental impacts, or otherwise;
- A change in requirements under long-term supply arrangements committing Ford 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 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 Ford, Ford Credit, or a third-party vendor or supplier;
- Failure of financial institutions to fulfill commitments under committed credit and liquidity 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 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, see "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2012, as updated by our subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.



## ***FURTHER INFORMATION***

### **Investor Relations Contact:**

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**313-594-0613**

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### **Information on Ford:**

**[www.shareholder.ford.com](http://www.shareholder.ford.com)**

- **10-K Annual Reports**
- **10-Q Quarterly Reports**
- **8-K Current Reports**
- **Ford University**

### **Information on Ford Motor Credit Company:**

**[www.fordcredit.com/investorcenter](http://www.fordcredit.com/investorcenter)**

- **10-K Annual Reports**
- **10-Q Quarterly Reports**
- **8-K Current Reports**
- **Ford Credit University**