



***SECOND QUARTER 2008
FIXED INCOME PRESENTATION***

***July 24, 2008
(PRELIMINARY RESULTS)***



TOTAL COMPANY

2008 SECOND QUARTER FINANCIAL RESULTS

	<u>Second Quarter</u>		<u>First Half</u>	
	<u>2008</u>	<u>O / (U)</u> <u>2007</u>	<u>2008</u>	<u>O / (U)</u> <u>2007</u>
Wholesales (000)*	1,561	(212)	3,092	(331)
Revenue (Bils.)*	\$ 38.6	\$ (5.6)	\$ 78.0	\$ (9.3)
<u>Continuing Operations*</u>				
Pre-Tax Results (Mils.)	\$(1,004)	\$(1,487)	\$ (288)	\$ (840)
After-Tax Results (Mils.)	(1,376)	(1,634)	(869)	(956)
Earnings Per Share	(0.62)	(0.75)	(0.39)	(0.44)
<u>Special Items Pre-Tax (Mils.)</u>	\$(8,026)	\$(8,469)	\$(8,426)	\$(8,756)
<u>Net Income</u>				
After-Tax Results (Mils.)	\$(8,667)	\$(9,417)	\$(8,567)	\$(9,035)
Earnings Per Share	(3.88)	(4.19)	(3.87)	(4.09)
<u>Automotive Gross Cash (Bils.)**</u>	\$ 26.6	\$ (10.8)	\$ 26.6	\$ (10.8)

* Excludes special items, see Slides 2 and 3 and Appendix for reconciliations to GAAP

** Automotive Gross Cash includes cash and cash equivalents, net marketable securities, loaned securities, and for 2007 only, short-term Voluntary Employee Beneficiary Association (VEBA) assets



TOTAL COMPANY 2008 SECOND QUARTER SPECIAL ITEMS

	<u>Second Quarter</u> (Mils.)	<u>First Half</u> (Mils.)
North America		
- Personnel Reduction Programs	\$ (274)	\$ (505)
- Related OPEB Curtailment	100	111
- ACH Plant Sales	(303)	(305)
- U.S. Dealer Reductions (Including Investment Write-Off)	(39)	(147)
- Ballard Restructuring	0	(70)
Subtotal North America Before Impairments	<u>\$ (516)</u>	<u>\$ (916)</u>
Other Personnel Actions	(42)	(58)
Jaguar Land Rover	75	75
Debt / Equity Swaps	57	73
Subtotal Special Items Before Impairments	<u>\$ (426)</u>	<u>\$ (826)</u>
Impairments	<u>(7,600)</u>	<u>(7,600)</u>
Total Special Items	<u>\$ (8,026)</u>	<u>\$ (8,426)</u>
Memo:		
Special Items Impact on Earnings Per Share*	\$ (3.26)	\$ (3.48)

* 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
2008 SECOND QUARTER SPECIAL ITEMS --
IMPAIRMENTS**

	<u>Amount</u> (Mils.)
North America Long-Lived Assets	\$(5,300)
Ford Credit Operating Lease Portfolio	(2,086)
Mazda Dealership Goodwill	(214)
Total Impairments	<u><u>\$(7,600)</u></u>



AUTOMOTIVE SECTOR

2008 SECOND QUARTER CASH*

Gross Cash

June 30, 2008

March 31, 2008 / December 31, 2007

Change in Gross Cash

Operating-Related Cash Flow

Automotive Pre-Tax Profits**

Capital Spending

Depreciation and Amortization

Changes in Working Capital / Other (incl. Timing Differences)

Subtotal

Up-Front Subvention Payments to Ford Credit

Total Automotive Operating-Related Cash Flow

Other Changes in Cash

Personnel Separation Programs

Pension Contributions

VEBA Related***

Tax Refunds, Tax Payments, and Tax Receipts from Affiliates

Divestitures

All Other

Change in Gross Cash

	<u>Second Quarter (Bils.)</u>	<u>First Half (Bils.)</u>
	\$26.6	\$26.6
	28.7	34.6
	<u>\$ (2.1)</u>	<u>\$ (8.0)</u>
	\$ (0.7)	\$ 0
	(1.6)	(2.9)
	1.5	3.0
	(1.5)	(3.1)
	<u>\$ (2.3)</u>	<u>\$ (3.0)</u>
	(0.8)	(1.6)
	<u>\$ (3.1)</u>	<u>\$ (4.6)</u>
	\$(0.2)	\$ (0.3)
	(0.2)	(0.8)
	0	(4.5)
	0	0.9
	1.7	1.8
	(0.3)	(0.5)
	<u>\$ (2.1)</u>	<u>\$ (8.0)</u>

* See Appendix for reconciliation to GAAP

** Excludes special items; see Slides 2 and 3 and Appendix for reconciliation to GAAP

*** Includes transfers to Temporary Asset Account



AUTOMOTIVE SECTOR AUTOMOTIVE FINANCIAL RESOURCES

	<u>June 30, 2008</u> (Bils.)
Gross Cash*	\$ 26.6
Available Automotive Credit Lines (Secured and Unsecured)**	<u>11.6</u>
Total Liquidity	<u><u>\$ 38.2</u></u>
 Memo: Debt	 \$ 26.5

* Includes cash and cash equivalents, net marketable securities, and loaned securities, and excludes UAW-Ford Temporary Asset Account securities

** As of July 1, 2008, total committed secured and unsecured Automotive credit lines (including local lines available to foreign affiliates) were \$12.2 billion

AUTOMOTIVE SECTOR 2008 PLANNING ASSUMPTIONS AND OPERATIONAL METRICS



	<u>Full Year Plan</u>	<u>First Half</u>	<u>Full Year Outlook</u>
<u>Planning Assumptions</u>			
Industry Volume (SAAR) -- U.S. (Mils.)*	16.0	15.1	14.0 - 14.5
-- Europe (Mils.)**	17.6	17.5	17.2 - 17.4
<u>Operational Metrics</u> Compared with 2007			
- Quality	Improve	Improved	On Track
- Automotive Costs***	Improve by about \$3 Billion	\$2.7 Billion	Over \$3 Billion
<u>Absolute Amount</u>			
- U.S. Market Share (Ford and Lincoln Mercury)	Low End of 14-15% Range	14.7%	High 13%
- Operating-Related Cash Flow	Negative	\$(4.6) Billion	Greater Outflow than Plan
- Capital Spending	Around \$6 Billion	\$2.9 Billion	On Track

2008 Operating and Overall Results Now Expected to be Worse than 2007

* Includes medium and heavy vehicles

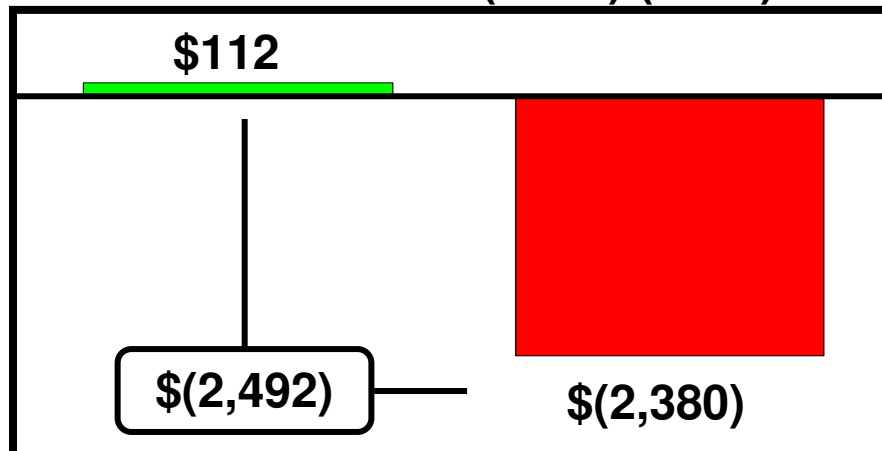
** European 19 major markets

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

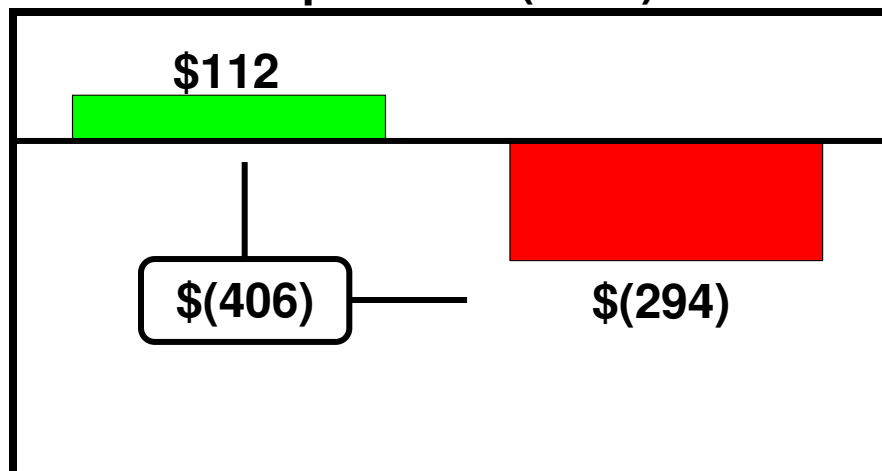
FORD CREDIT RESULTS AND METRICS -- 2008 SECOND QUARTER*



Pre-Tax Profit / (Loss) (Mils.)



Pre-Tax Profit / (Loss) Excluding Impairment (Mils.)



Second Quarter
2007

Second Quarter
2008

Key Metrics

	Second Quarter	
	2007	2008
<u>Receivables (Bils.)</u>		
On-Balance Sheet	\$ 140	\$ 136
Managed	149	140
<u>Charge-Offs (Mils.)</u>		
On-Balance Sheet	\$ 125	\$ 246
Managed	139	254
<u>Loss-to-Receivables Ratio</u>		
On-Balance Sheet	0.36%	0.70%
Managed		
- U.S. Retail and Lease	0.51	1.11
- Worldwide Total	0.38	0.70
<u>Allow. for Credit Losses</u>		
Worldwide Amount (Bils.)	\$ 1.0	\$ 1.5
Pct. Of EOP Receivables	0.72%	1.08%
<u>Leverage (To 1)</u>		
Financial Statement	11.1	11.2
Managed	10.6	10.0
<u>Dividend / Distribution (Bils.)</u>	\$ 0	\$ 0
<u>Net Income / (Loss) (Mils.)</u>	\$ 62	\$(1,427)

* See Appendix for calculation, definitions and reconciliation to GAAP



FORD CREDIT IMPAIRMENT CHARGE

- Higher fuel prices and the weakness in the economy in the U.S. and Canada have accelerated the consumer shift to smaller, more fuel efficient vehicles
- This resulted in a significant reduction in Second Quarter auction values of used full-size trucks and traditional SUVs
- Ford Credit reviewed its U.S. and Canada operating lease portfolio as part of its quarterly study of the adequacy of accumulated depreciation and determined that lease-end residual values would be significantly lower than previously expected
- Combining the market factors and Ford Credit's adequacy study results, Ford Credit tested its U.S. and Canada operating lease portfolio and determined that an impairment was required

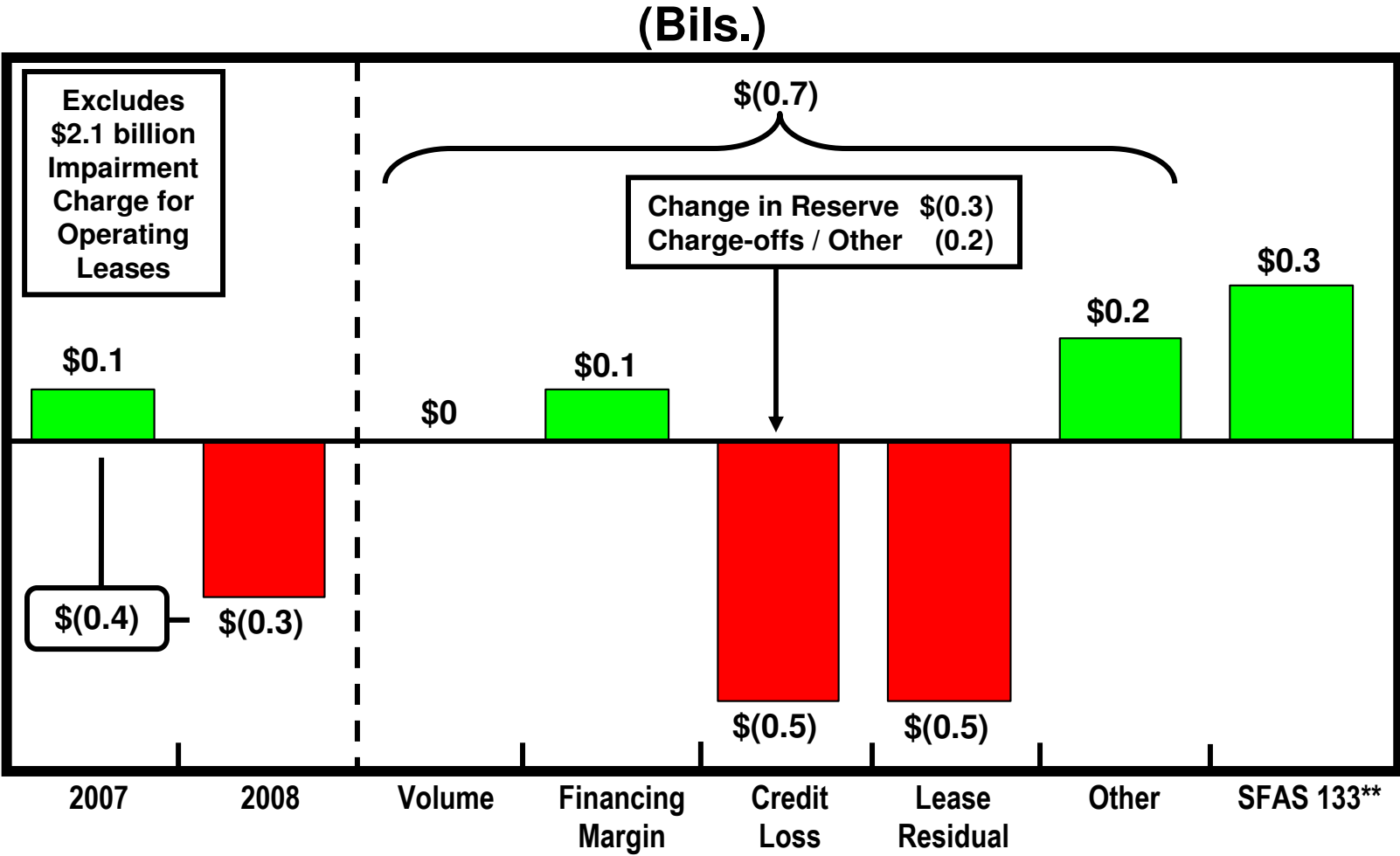
U.S./Canada Net Investment in Operating Lease on Certain Vehicle Lines

	(Bils.)
Carrying Value	\$11.5
Fair Value	9.4
Impairment Charge	<u>\$ (2.1)</u>

- The \$2.1 billion pre-tax impairment charge is a recognition that the carrying value of Ford Credit's U.S. and Canada operating lease portfolio at the end of the second quarter would have been higher than the expected discounted future cash inflows related to certain vehicle lines – primarily full-size trucks and traditional SUVs



2008 SECOND QUARTER FORD CREDIT PRE-TAX RESULTS COMPARED WITH 2007*



Memo:

Excl. SFAS 133**

(Mils.) \$428 \$(306)

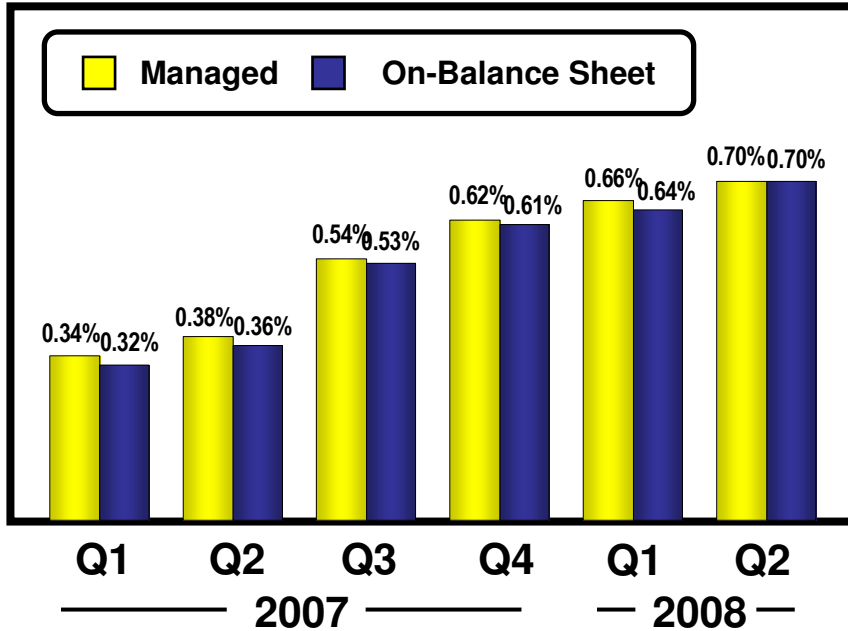
* See Appendix for reconciliation to GAAP

** Market valuation adjustments from derivatives

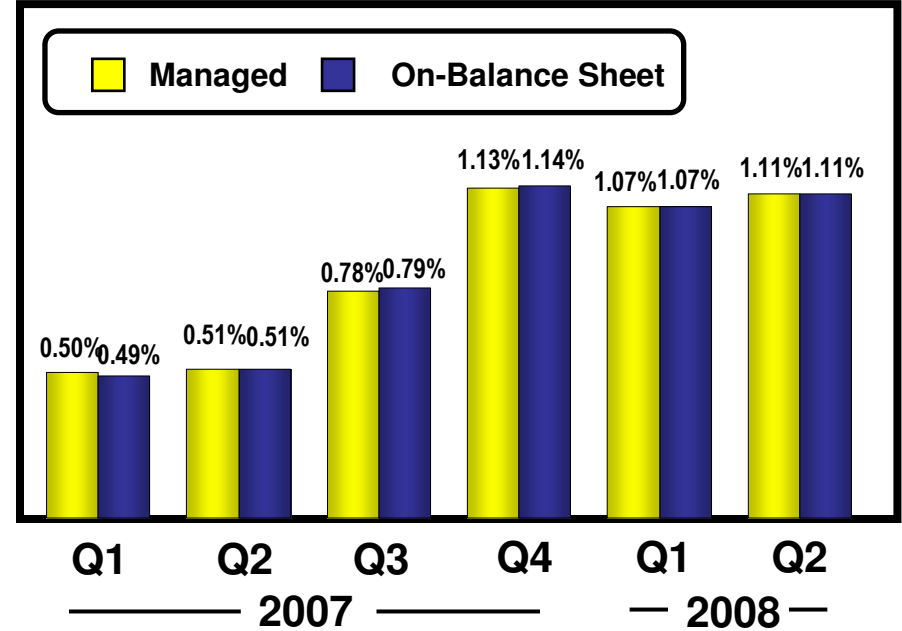
CREDIT LOSS METRICS*



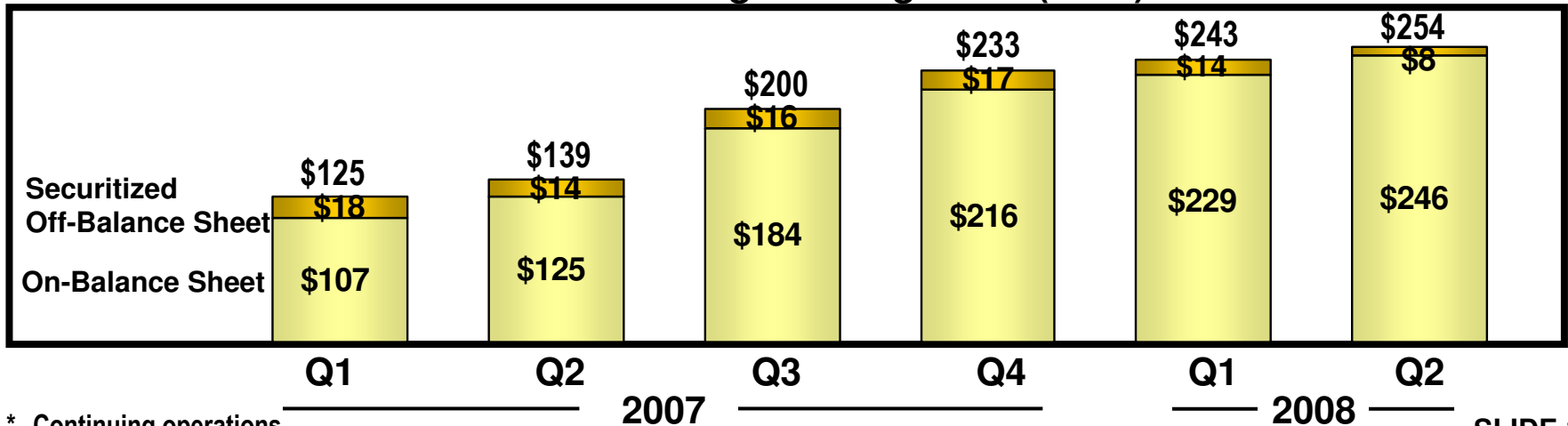
**Worldwide
Loss-to-Receivables Ratio (Pct.)**



**Ford Lincoln Mercury U.S. Retail & Lease
Loss-to-Receivables Ratio (Pct.)**

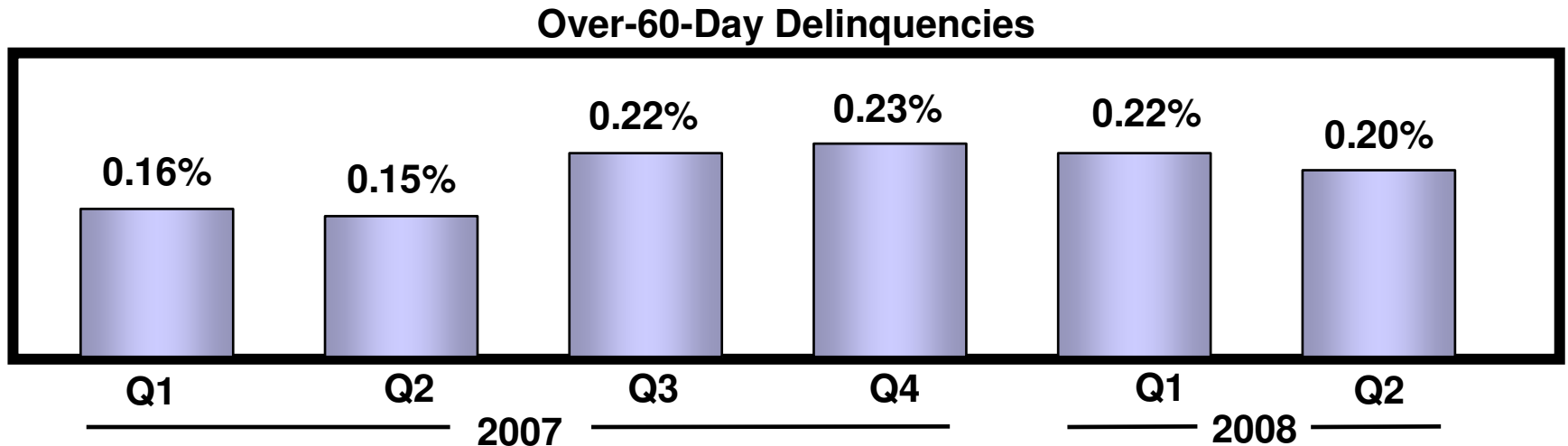
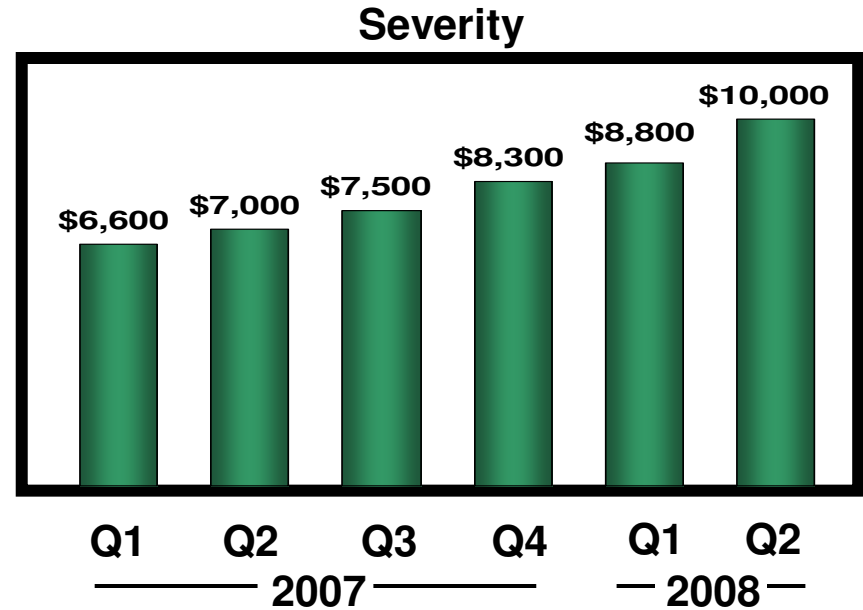
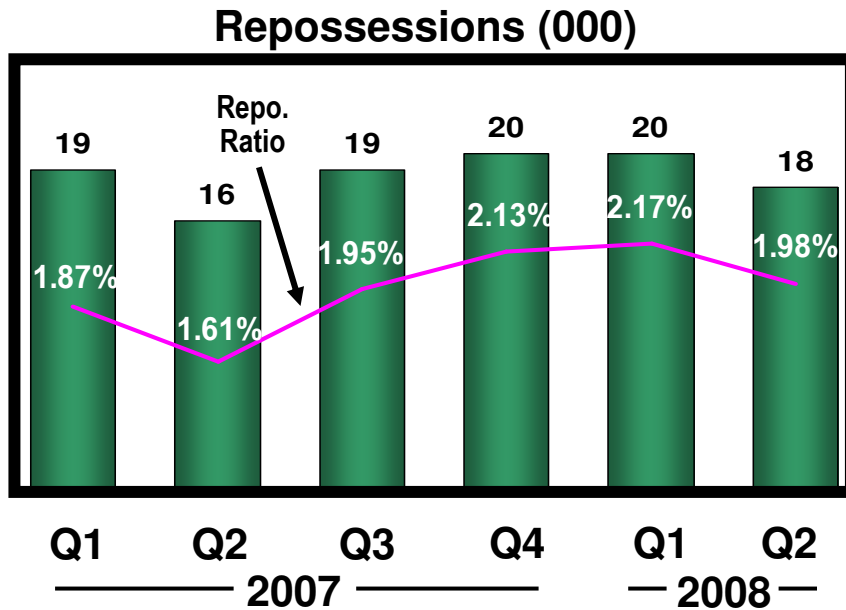


Worldwide Managed Charge-Offs (Mils.)



* Continuing operations

CREDIT LOSS DRIVERS -- FORD LINCOLN MERCURY U.S. RETAIL AND LEASE*



Memo: New Bankruptcy Filings (000)

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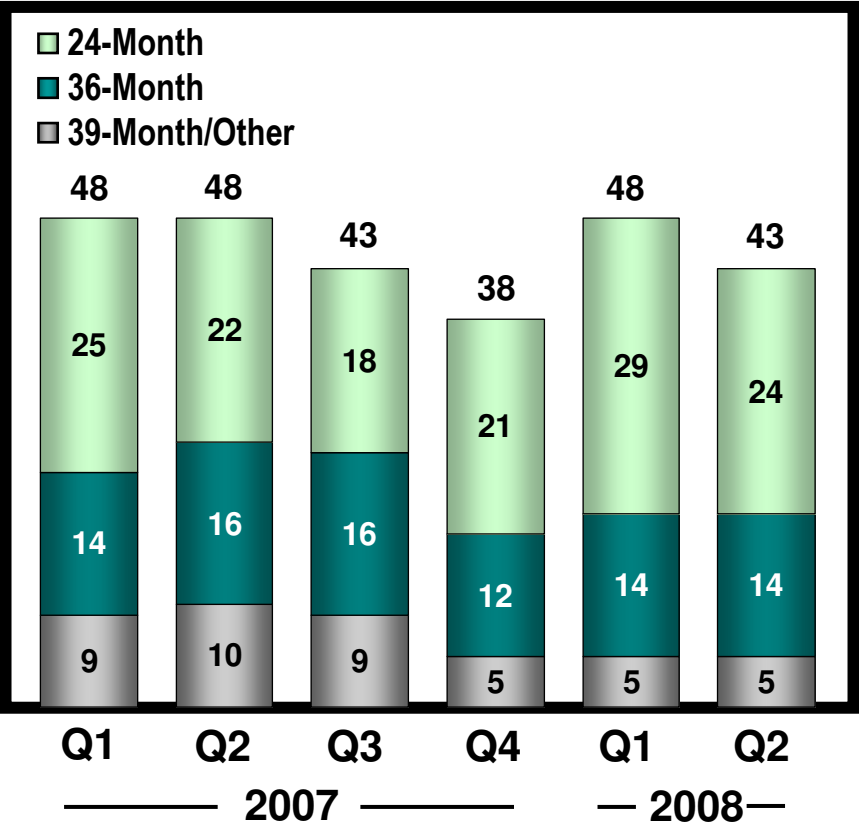
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* On a serviced basis



LEASE RESIDUAL PERFORMANCE -- FORD LINCOLN MERCURY U.S.

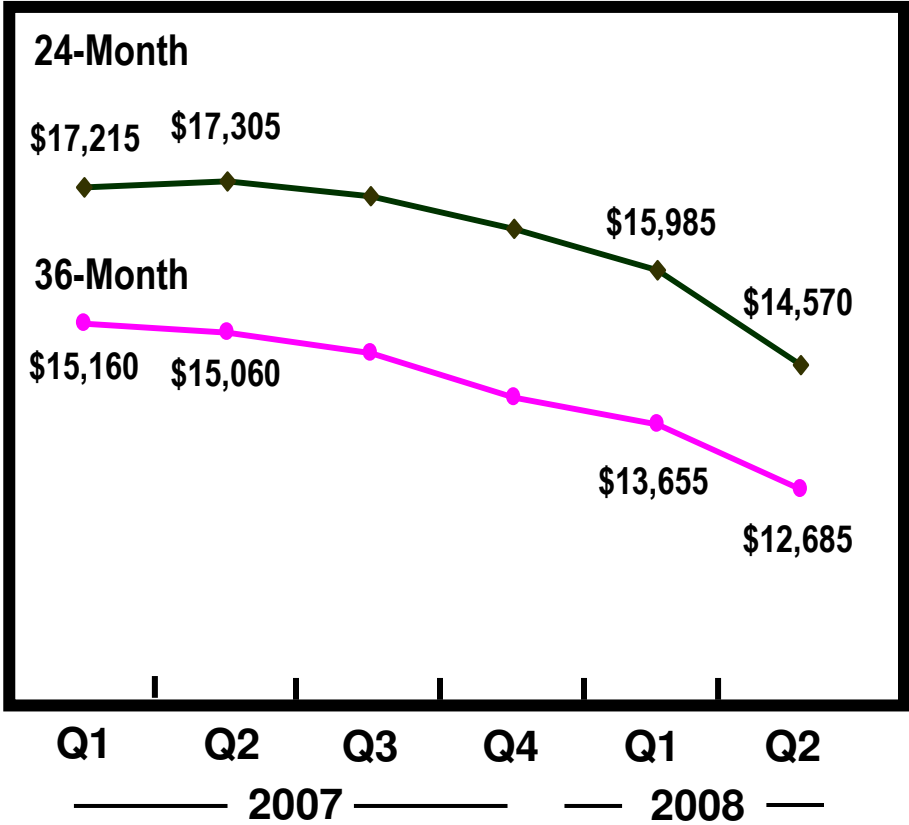
Lease Return Volume (000)



Memo: Ford Lincoln Mercury U.S. Return Rates

84% 81% 83% 84% 86% 87%

Auction Values (At Q2 2008 Mix)



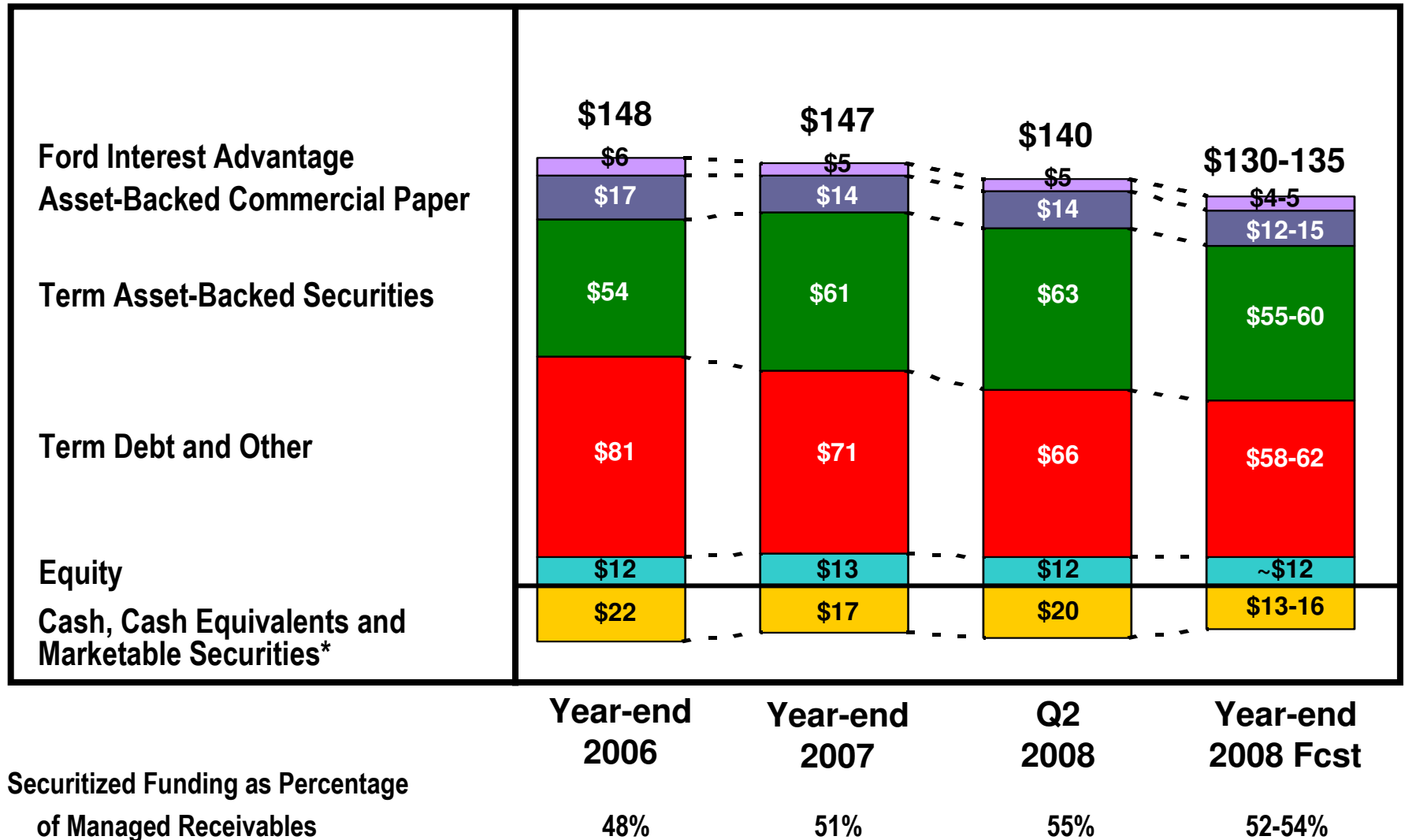
Memo: Worldwide Net Investment in Operating Leases (Bils.)

\$26.5 \$28.1 \$29.2 \$29.7 \$29.4 \$26.6

FORD CREDIT FUNDING STRUCTURE



Funding of Managed Receivables (Bils.)



* Excludes marketable securities related to insurance activities



FORD CREDIT 2008 FUNDING STRATEGY

- **Maintain liquidity to meet short-term funding obligations**
 - **Hold substantial cash balance**
 - **Continue to diversify global asset-backed funding capabilities**
 - **Renew global committed asset-backed funding capacity while maintaining a diversity of liquidity providers**
- **Continue to explore and execute various alternative business and funding arrangements**



FORD CREDIT TERM FUNDING PLAN

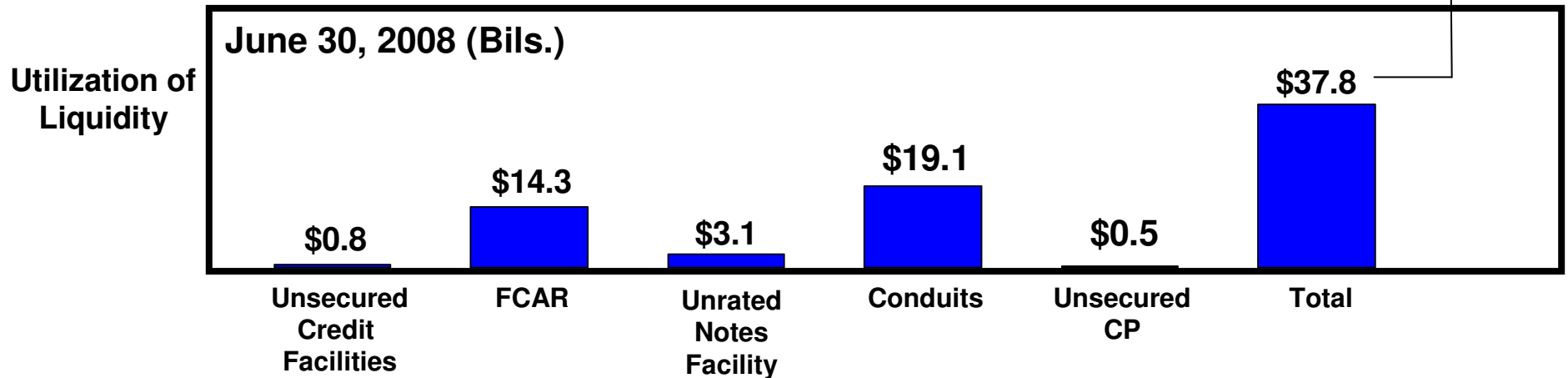
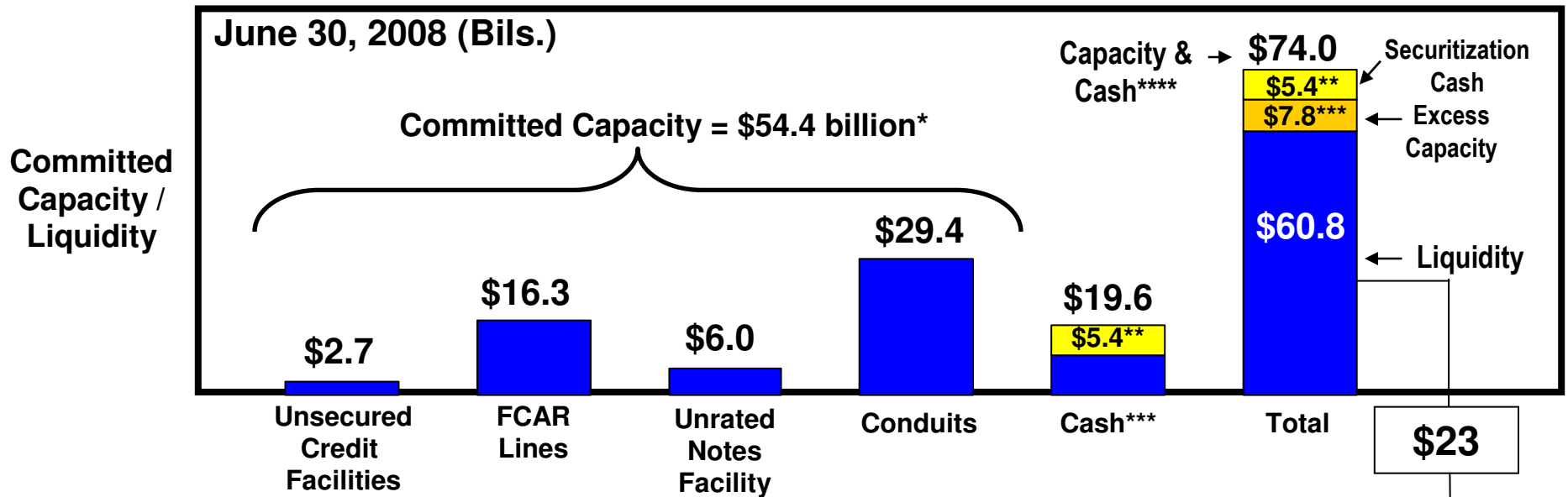
	2005	2006	2007	2008	
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Forecast</u>	<u>YTD*</u>
	(Bils.)	(Bils.)	(Bils.)	(Bils.)	(Bils.)
Public Transactions					
Unsecured	\$ 9	\$ 9	\$ 6	\$ 1- 3	\$ 1
Securitized ^{**}	<u>12</u>	<u>14</u>	<u>6</u>	<u>12-15</u>	<u>10</u>
Total Public	\$21	\$23	\$12	\$13-18	\$11
				\$40	
Private Transactions^{***}	\$18	\$29	\$28	\$12-18	\$11

* YTD actual through June 30, 2008

** Reflects new issuance; excludes whole loan sales and other structured financings

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

FORD CREDIT LIQUIDITY PROGRAMS



Liquidity available for use is \$23 billion

* FCAR, Unrated Notes Facility and Conduits subject to availability of sufficient assets; FCAR commercial paper must be supported by bank lines equal to at least 100% of the principal amount; conduits includes other committed securitization programs. Unsecured credit facilities and FCAR lines are shown as of July 1, 2008.

** Securitization cash is to be used only to support on-balance sheet securitization transactions.

*** Excess capacity is capacity in excess of eligible receivables

**** Cash, cash equivalents and marketable securities (excludes marketable securities related to insurance activities)

SECOND QUARTER 2008 SUMMARY*



Ford

- **Pre-tax loss, excluding special items, of \$1 billion**
- **Special items of \$8 billion, including \$7.6 billion of asset impairments**
- **Second Quarter 2008 automotive cash of \$26.6 billion**, total liquidity of \$38.2 billion**

Ford Credit

- **Pre-tax loss, excluding impairment of operating leases, of \$294 million**
- **Impairment charge for operating leases of \$2.1 billion**
- **Pre-tax loss of \$2.4 billion; net loss of \$1.4 billion**
- **Completed \$22 billion of term funding year-to-date**
- **Liquidity available for use of \$23 billion**

* See Appendix for reconciliation to GAAP

** Includes cash and cash equivalents, net marketable securities, and loaned securities, and excludes UAW-Ford Temporary Asset Account securities

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:

Automotive Related:

- Continued decline in Ford's market share;
- Continued or increased price competition for Ford vehicles resulting from industry overcapacity, currency fluctuations or other factors;
- An increase in or acceleration of market shift away from sales of trucks, sport utility vehicles, or other more profitable vehicles, particularly in the United States;
- A significant decline in industry sales and our financing of those sales, particularly in the United States, Europe, or South America, resulting from slowing economic growth, geo-political events or other factors;
- Lower-than-anticipated market acceptance of new or existing Ford products;
- Continued or increased high prices for or reduced availability of fuel;
- 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 or may in the future require Ford 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;
- Inability to implement Retiree Health Care Settlement Agreement with UAW to fund and discharge retiree health care obligations because of failure to obtain court approval or otherwise;
- The discovery of defects in Ford vehicles resulting in delays in new model launches, recall campaigns or increased warranty costs;
- Increased safety, emissions (e.g., CO₂), 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 Ford products or otherwise;
- A change in Ford's requirements for parts or materials where it has entered into long-term supply arrangements that commit it 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;
- Adverse effects on Ford's operations resulting from geo-political or other events;
- Substantial negative operating-related cash flows for the near- to medium-term affecting Ford's ability to meet its obligations, invest in its business or refinance its debt;
- Substantial levels of indebtedness adversely affecting Ford's financial condition or preventing Ford from fulfilling its debt obligations (which may grow because Ford is able to incur substantially more debt, including additional secured debt);

Ford Credit Related:

- Inability to access debt or securitization markets around the world at competitive rates or in sufficient amounts due to additional credit rating downgrades, market volatility, market disruption or otherwise;
- 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 our 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;
- Changes in Ford's operations or changes in Ford's marketing programs could result in a decline in our financing volumes;

General:

- Labor or other constraints on Ford's or our ability to restructure its or our business;
- Substantial pension and postretirement healthcare and life insurance liabilities impairing Ford's or our liquidity or financial condition;
- Worse-than-assumed economic and demographic experience for postretirement benefit plans (e.g., discount rates, investment returns, and health care cost trends);
- Currency or commodity price fluctuations; and
- Changes in interest rates.

We cannot be certain that any expectations, forecasts or assumptions made by management in preparing these forward-looking statements will prove accurate, or that any projections 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 statements, whether as a result of new information, future events or otherwise. For additional discussion of these risk factors, see Item 1A of Part I of Ford's 2007 10-K Report and Item 1A of Part I of Ford Credit's 2007 10-K Report.

APPENDIX



TOTAL COMPANY
2008 SECOND QUARTER INCOME FROM CONTINUING
OPERATIONS COMPARED WITH NET INCOME*

	<u>Second Quarter</u>		<u>First Half</u>	
		B / (W)		B / (W)
<u>Income (Mils.)</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Pre-Tax Income (Excl. Special Items)	<u>\$(1,004)</u>	\$(1,487)	\$ (288)	\$ (840)
Special Items	<u>(8,026)</u>	<u>(8,469)</u>	<u>(8,426)</u>	<u>(8,756)</u>
Pre-Tax Income (Incl. Special Items)	<u>\$(9,030)</u>	\$(9,956)	\$(8,714)	\$(9,596)
Minority Interest	(89)	(4)	(211)	(68)
Taxes	<u>444</u>	<u>567</u>	<u>349</u>	<u>654</u>
Net Income from Continuing Operations	\$(8,675)	\$(9,393)	\$(8,576)	\$(9,010)
Discontinued Operations	<u>8</u>	<u>(24)</u>	<u>9</u>	<u>(25)</u>
Net Income	<u>\$(8,667)</u>	<u>\$(9,417)</u>	<u>\$(8,567)</u>	<u>\$(9,035)</u>

* See Slides 2 and 3 for details of Second Quarter 2008 special items



**TOTAL COMPANY
2007 – 2008 SECOND QUARTER REVENUE**

	Revenue				Revenue	
	(Incl. Special Items)		Special Items		(Excl. Special Items)	
	<u>2007</u> (Mils.)	<u>2008</u> (Mils.)	<u>2007</u> (Mils.)	<u>2008</u> (Mils.)	<u>2007</u> (Mils.)	<u>2008</u> (Mils.)
North America	\$18,961	\$14,219	\$ 0	\$ 0	\$18,961	\$14,219
South America	1,827	2,346	0	0	1,827	2,346
Europe	9,203	11,559	0	0	9,203	11,559
Volvo	4,373	4,326	0	0	4,373	4,326
Asia Pacific Africa	1,727	1,778	0	0	1,727	1,778
Mazda	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal Ongoing Auto.	\$36,091	\$34,228	\$ 0	\$ 0	\$36,091	\$34,228
JLR and Aston Martin	4,015	2,829	0	2,829	4,015	0
Total Automotive	\$40,106	\$37,057	\$ 0	\$ 2,829	\$40,106	\$34,228
Financial Services	<u>4,136</u>	<u>4,455</u>	<u>0</u>	<u>0</u>	<u>4,136</u>	<u>4,455</u>
Total Company	<u>\$44,242</u>	<u>\$41,512</u>	<u>\$ 0</u>	<u>\$ 2,829</u>	<u>\$44,242</u>	<u>\$38,683</u>



TOTAL COMPANY

2008 SECOND QUARTER WHOLESALLES

	Wholesales				Wholesales	
	(Incl. Special Items)		Special Items		(Excl. Special Items)	
	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>
	(000)	(000)	(Mils.)	(Mils.)	(Mils.)	(Mils.)
North America*	816	679	0	0	816	679
South America	110	118	0	0	110	118
Europe	509	532	0	0	509	532
Volvo	125	107	0	0	125	107
Asia Pacific Africa**	135	125	0	0	135	125
Mazda	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal	<u>1,695</u>	<u>1,561</u>	<u>0</u>	<u>0</u>	<u>1,695</u>	<u>1,561</u>
Other Automotive	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal Automotive Ops.	<u>1,695</u>	<u>1,561</u>	<u>0</u>	<u>0</u>	<u>1,695</u>	<u>1,561</u>
JLR and Aston Martin	<u>78</u>	<u>51</u>	<u>0</u>	<u>51</u>	<u>78</u>	<u>0</u>
Total Automotive	<u><u>1,773</u></u>	<u><u>1,612</u></u>	<u><u>0</u></u>	<u><u>51</u></u>	<u><u>1,773</u></u>	<u><u>1,561</u></u>

* Includes consolidation of Automotive Alliance International (AAI) wholesales from production of Mazda6 vehicles only

** Included in wholesales of Asia Pacific Africa are Ford-badged vehicles sold in China and Malaysia by certain unconsolidated affiliates totaling about 49,000 and 55,000 units in 2008 and 2007, respectively.



TOTAL COMPANY CALCULATION OF EARNINGS PER SHARE

	Second Quarter 2008		First Half 2008	
	Net Income (Mils.)	Cont. Ops. -- Excl. Special Items (Mils.)	Net Income (Mils.)	Cont. Ops. -- Excl. Special Items (Mils.)
<u>Numerator</u>				
Net Income	\$(8,667)	\$(1,376)	\$(8,567)	\$(869)
Impact on Income from assumed exchange of convertible notes and convertible trust preferred securities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Income for EPS	<u>\$(8,667)</u>	<u>\$(1,376)</u>	<u>\$(8,567)</u>	<u>\$(869)</u>
<u>Denominator</u>				
Average shares outstanding	2,237	2,237	2,213	2,213
Net issuable shares, primarily stock options	0	0	0	0
Convertible notes	0	0	0	0
Convertible trust preferred securities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Average shares for EPS	<u>2,237</u>	<u>2,237</u>	<u>2,213</u>	<u>2,213</u>
EPS	\$ (3.88)	\$ (0.62)	\$ (3.87)	\$(0.39)



TOTAL COMPANY
SECOND QUARTER AND FIRST HALF INCOME / (LOSS)
FROM CONTINUING OPERATIONS COMPARED WITH 2007

	<u>Second Quarter</u>		<u>First Half</u>	
	<u>2007</u> (Mils.)	<u>2008</u> (Mils.)	<u>2007</u> (Mils.)	<u>2008</u> (Mils.)
Pre-Tax Results from Continuing Operations (Excluding Special Items)	\$ 483	\$(1,004)	\$ 552	\$ (288)
Minority Interest in Net (Income) / Loss of Subsidiaries	(85)	(89)	(143)	(211)
(Provision for) / Benefit from Income Taxes applied to Pre-Tax Results from Continuing Operations (Excl. Special Items)	<u>(140)</u>	<u>(283)</u>	<u>(322)</u>	<u>(370)</u>
After-Tax Results (Excl. Special Items)	\$ 258	\$(1,376)	\$ 87	\$ (869)
Pre-Tax Special Items*	443	(8,026)	330	(8,426)
(Provision for) / Benefit from Income Taxes on Special Items	<u>17</u>	<u>727</u>	<u>17</u>	<u>719</u>
Income / (Loss) from Continuing Operations	<u>\$ 718</u>	<u>\$(8,675)</u>	<u>\$ 434</u>	<u>\$(8,576)</u>
(Provision for) / Benefit from Income Taxes applied to Pre-Tax Results from Continuing Operations (Excl. Special Items)	\$(140)	\$ (283)	\$(322)	\$ (370)
(Provision for) / Benefit from Income Taxes on Special Items	<u>17</u>	<u>727</u>	<u>17</u>	<u>719</u>
(Provision for) / Benefit from Income Taxes	<u>\$(123)</u>	<u>\$ 444</u>	<u>\$(305)</u>	<u>\$ 349</u>

* Special items detailed on Slides 2 and 3



TOTAL COMPANY

2007 – 2008 SECOND QUARTER PRE-TAX RESULTS

	Pre-Tax Profits				Pre-Tax Profits	
	(Incl. Special Items)		Special Items		(Excl. Special Items)	
	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>
	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)
North America	\$ (67)	\$(7,153)	\$ 203	\$(5,816)	\$(270)	\$(1,337)
South America	255	388	0	0	255	388
Europe	184	579	(78)	(3)	262	582
Volvo	(91)	(152)	0	(32)	(91)	(120)
Asia Pacific Africa	18	43	(8)	(7)	26	50
Mazda	72	(111)	0	(214)	72	103
Subtotal	<u>\$ 371</u>	<u>\$(6,406)</u>	<u>\$ 117</u>	<u>\$(6,072)</u>	<u>\$ 254</u>	<u>\$ (334)</u>
Other Automotive	<u>(107)</u>	<u>(279)</u>	<u>0</u>	<u>57</u>	<u>(107)</u>	<u>(336)</u>
Subtotal Ongoing Auto.	<u>\$ 264</u>	<u>\$(6,685)</u>	<u>\$ 117</u>	<u>\$(6,015)</u>	<u>\$ 147</u>	<u>\$ (670)</u>
JLR and Aston Martin	557	75	326	75	231	0
Total Automotive	<u>\$ 821</u>	<u>\$(6,610)</u>	<u>\$ 443</u>	<u>\$(5,940)</u>	<u>\$ 378</u>	<u>\$ (670)</u>
Financial Services	105	(2,420)	0	(2,086)	105	(334)
Total Company	<u><u>\$ 926</u></u>	<u><u>\$(9,030)</u></u>	<u><u>\$ 443</u></u>	<u><u>\$(8,026)</u></u>	<u><u>\$ 483</u></u>	<u><u>\$(1,004)</u></u>



AUTOMOTIVE SECTOR GROSS CASH RECONCILIATION TO GAAP

	Dec. 31, <u>2007</u> (Bils.)	June 30, <u>2008</u> (Bils.)	June 30, 2008 B / (W) <u>Dec. 31, 2007</u> (Bils.)	<u>Memo:</u>	
				June 30, <u>2007</u> (Bils.)	March 31, <u>2008</u> (Bils.)
Cash and Cash Equivalents	\$20.7	\$16.9	\$(3.8)	\$17.1	\$18.7
Marketable Securities	2.0	5.1	3.1	13.7	6.6
Loaned Securities	<u>10.3</u>	<u>7.4</u>	<u>(2.9)</u>	<u>4.6</u>	<u>6.7</u>
Total Cash / Marketable and Loaned Securities	\$33.0	\$29.4	\$(3.6)	\$35.4	\$32.0
Securities-In-Transit	(0.3)	(0.1)	0.2	(0.3)	(0.7)
Short-Term VEBA Assets*	1.9	-	(1.9)	2.3	-
UAW-Ford Temporary Asset Account	<u>-</u>	<u>(2.7)</u>	<u>(2.7)</u>	<u>-</u>	<u>(2.6)</u>
Gross Cash	<u>\$34.6</u>	<u>\$26.6</u>	<u>\$(8.0)</u>	<u>\$37.4</u>	<u>\$28.7</u>

* Historically, amounts accessible within 18 months; short-term VEBA is no longer reported within gross cash as of January 1, 2008, consistent with our new UAW VEBA agreement (which is subject to court approval)



AUTOMOTIVE SECTOR GAAP RECONCILIATION OF OPERATING-RELATED CASH FLOWS*

	<u>2008</u>		
	<u>Second</u> <u>Quarter</u> <u>(Bils.)</u>	<u>O / (U)</u> <u>2007</u> <u>(Bils.)</u>	<u>First Half</u> <u>of 2008</u> <u>(Bils.)</u>
Cash Flows from Operating Activities of Continuing Operations	\$(2.2)	\$(3.5)	\$(1.6)
Items Included in Operating-Related Cash Flows			
- Capital Expenditures	(1.6)	(0.3)	(2.9)
- Net Transactions Between Automotive and Financial Services Sectors	(0.7)	(0.8)	(1.3)
- Net Cash Flows from Non-Designated Derivatives	0.6	0.3	0.8
Items Not Included in Operating-Related Cash Flows			
- Cash Impact of Job Security Program & Personnel Reduction Program	0.2	(0.2)	0.3
- Net (Sales) / Purchases of Trading Securities	-	(0.7)	-
- Pension Contributions	0.2	(0.2)	0.8
- VEBA Cash Flows -- Net Reimbursement for Benefits Paid	-	0.3	-
- Tax Refunds and Tax Payments from Affiliates	-	-	(0.9)
- Other	0.4	0.2	0.2
Operating-Related Cash Flows	<u><u>\$(3.1)</u></u>	<u><u>\$(4.9)</u></u>	<u><u>\$(4.6)</u></u>

* 2008 excludes Jaguar Land Rover and 2007 includes Jaguar Land Rover

FORD CREDIT INCOME COMPARED WITH NET INCOME/(LOSS)



	<u>Second Quarter</u>		<u>First Half</u>	
	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>
	(Mils.)	(Mils.)	(Mils.)	(Mils.)
<u>Income</u>				
Income/(Loss) before income taxes (excludes impairment)	\$ 112	\$ (294)	\$ 406	\$ (262)
Impairment of operating leases	-	(2,086)	-	(2,086)
Income/(Loss) before income taxes	\$ 112	\$ (2,380)	\$ 406	\$ (2,348)
Less: Provision for/(Benefit from) income taxes	50	(945)	151	(936)
Minority interests in net income of subsidiaries	0	0	0	0
Gain on disposal of discontinued operations	-	8	-	9
Net income/(loss)	<u>\$ 62</u>	<u>\$ (1,427)</u>	<u>\$ 255</u>	<u>\$ (1,403)</u>

FORD CREDIT – OPERATING HIGHLIGHTS



	<u>Second Quarter</u>		<u>First Half</u>	
	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>
Shares				
United States				
Financing share – Ford, Lincoln and Mercury				
Retail installment and lease	38%	39%	37%	38%
Wholesale	78	77	78	77
Europe				
Financing share – Ford				
Retail installment and lease	27%	28%	26%	27%
Wholesale	97	98	97	97
<u>Contract Volume – New and used retail/lease (in thousands)</u>				
North America segment				
United States	354	312	659	587
Canada	<u>59</u>	<u>48</u>	<u>94</u>	<u>79</u>
Total North America segment	413	360	753	666
International segment				
Europe	186	177	371	355
Other international	<u>47</u>	<u>29</u>	<u>106</u>	<u>78</u>
Total International segment	<u>233</u>	<u>206</u>	<u>477</u>	<u>433</u>
Total contract volume	<u><u>646</u></u>	<u><u>566</u></u>	<u><u>1,230</u></u>	<u><u>1,099</u></u>
<u>Borrowing Cost Rate*</u>	6.1%	5.4%	6.0%	5.5%

* On-balance sheet debt includes the effects of derivatives and facility fees

FORD CREDIT – CHARGE-OFFS



	<u>Second Quarter</u>		<u>First Half</u>	
	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>
<u>On-Balance Sheet Receivables (Mils.)</u>				
Retail installment and lease	\$ 116	\$ 232	\$ 218	\$ 458
Wholesale	8	12	12	13
Other	1	2	2	4
Total charge-offs – on-balance sheet receivables	<u>\$ 125</u>	<u>\$ 246</u>	<u>\$ 232</u>	<u>\$ 475</u>
Total loss-to-receivables ratio	0.36%	0.70%	0.34%	0.67%
<u>Managed Receivables (Mils.)</u>				
Retail installment and lease	\$ 130	\$ 240	\$ 250	\$ 480
Wholesale	8	12	12	13
Other	1	2	2	4
Total charge-offs – managed receivables	<u>\$ 139</u>	<u>\$ 254</u>	<u>\$ 264</u>	<u>\$ 497</u>
Total loss-to-receivables ratio	0.38%	0.70%	0.36%	0.68%

FORD CREDIT NET FINANCE RECEIVABLES AND OPERATING LEASES



	June 30, 2007 <u>(Bils.)</u>	December 31, 2007 <u>(Bils.)</u>	June 30, 2008 <u>(Bils.)</u>
<u>On-Balance Sheet Receivables</u>			
Retail installment	\$ 71.7	\$ 73.3	\$ 70.9
Wholesale	36.4	34.7	35.9
Other finance receivables	3.8	3.4	3.3
Unearned interest supplements	-	-	(1.0)
Finance receivables, net	<u>\$ 111.9</u>	<u>\$ 111.4</u>	<u>\$ 109.1</u>
Net investment in operating leases	<u>28.1</u>	<u>29.7</u>	<u>26.6</u>
Total net finance receivables and operating leases	<u><u>\$ 140.0</u></u>	<u><u>\$ 141.1</u></u>	<u><u>\$ 135.7</u></u>
<u>Off-Balance Sheet Receivables – Retail</u>	\$ 9.3	\$ 6.0	\$ 3.0
<u>Managed Receivables</u>			
Retail installment	\$ 81.0	\$ 79.3	\$ 73.9
Wholesale	36.4	34.7	35.9
Other finance receivables	3.8	3.4	3.3
Unearned interest supplements	-	-	-
Finance receivables, net	<u>\$ 121.2</u>	<u>\$ 117.4</u>	<u>\$ 113.1</u>
Net investment in operating leases	<u>28.1</u>	<u>29.7</u>	<u>26.6</u>
Total net finance receivables and operating leases	<u><u>\$ 149.3</u></u>	<u><u>\$ 147.1</u></u>	<u><u>\$ 139.7</u></u>



DEBT RATINGS – FORD & FORD CREDIT

	<u>S&P</u>	<u>Moody's</u>	<u>Fitch</u>	<u>DBRS</u>
<u>Senior Long-Term Unsecured</u>				
Ford Motor	CCC+	Caa1	B-	CCC (high)
Ford Credit	B	B1	BB-	B
FCE Bank plc	B+	B1	BB-	B
Outlook	Neg	Neg	Neg	Neg
<u>Short-Term Unsecured</u>				
Ford Credit	NR	NP	B	R-4
<u>Secured Funding</u>				
Ford Motor	B+	Ba3	BB	B (high)



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, excluding unearned interest supplements related to finance receivables, 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

Equity -- shareholder's interest reported on Ford Credit's balance sheet

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



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:

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

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

* Excludes marketable securities related to insurance activities

** Primarily related to market valuation adjustments from derivatives due to movements in interest rates



FINANCIAL SERVICES SECTOR

FORD CREDIT RECONCILIATIONS OF MANAGED LEVERAGE TO FINANCIAL STATEMENT LEVERAGE

	<u>June 30,</u> <u>2007</u> (Bils.)	<u>June 30,</u> <u>2008</u> (Bils.)
<u>Leverage Calculation</u>		
Total Debt*	\$ 137.7	\$137.5
Securitized Off-Balance Sheet Receivables Outstanding	9.3	3.0
Retained Interest in Securitized Off-Balance Sheet Receivables	(0.9)	(0.4)
Adjustments for Cash, Cash Equivalents and Marketable Securities**	(16.7)	(19.6)
Adjustments for Hedge Accounting***	<u>(0.0)</u>	<u>(0.1)</u>
Total Adjusted Debt	<u>\$ 129.4</u>	<u>\$120.4</u>
Total Equity (incl. minority interest)	\$ 12.4	\$ 12.3
Adjustments for Hedge Accounting***	<u>(0.2)</u>	<u>(0.2)</u>
Total Adjusted Equity	<u>\$ 12.2</u>	<u>\$ 12.1</u>
Financial Statement Leverage (to 1)	11.1	11.2
Managed Leverage (to 1)	10.6	10.0

* Includes \$63.4 billion and \$74.7 billion on June 30, 2007 and June 30, 2008, respectively, of long-term and short-term asset-backed debt obligations issued in securitizations that are payable only out of collections on the underlying securitized assets and related enhancements

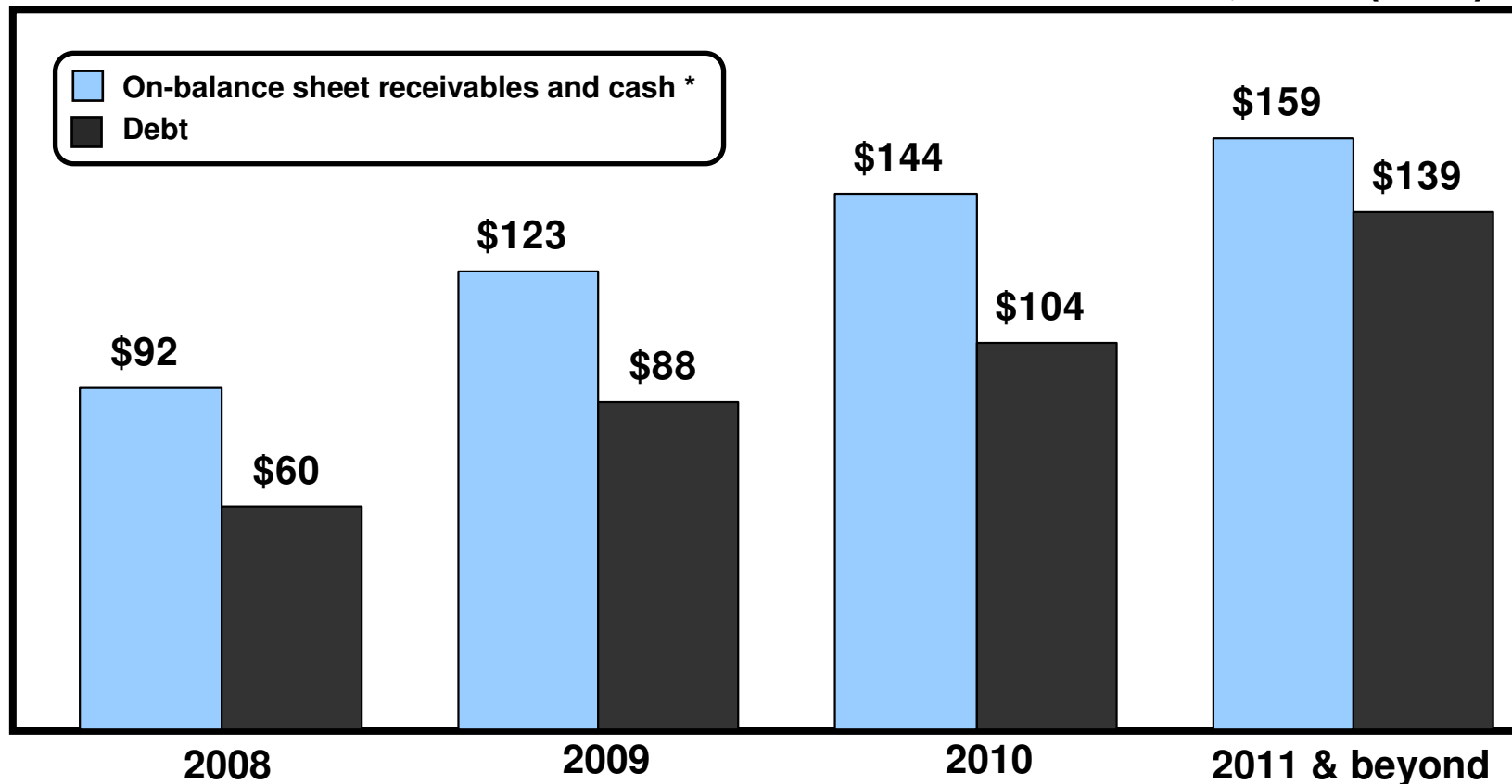
** Excludes marketable securities related to insurance activities

*** Primarily related to market valuation adjustments from derivatives due to movements in interest rates



LIQUIDITY PROFILE OF FORD CREDIT'S BALANCE SHEET

Cumulative Contractual Maturities -- As of December 31, 2007 (Bils.)



* Includes finance receivables net of unearned income, and investment in operating leases net of accumulated depreciation; cash includes cash and cash equivalents, marketable securities (excludes marketable securities related to insurance activities).