



Mark Fields

**Executive Vice President And
President Of The Americas**

**Deutsche Bank Industrials Conference
June 23, 2010**

TOTAL COMPANY BUSINESS ENVIRONMENT



- **Global economic conditions are improving though recovery in some markets has been modest due to weak labor markets and tight credit**
 - **The U.S. and Europe are recovering modestly from a very low base**
 - **China, India, and Brazil are growing solidly**
- **The European debt crisis has generated renewed volatility in global financial markets, including a reduction in U.S. bond yields due to flight-to-quality effects and lower commodity prices**
- **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**
- **Central banks in the U.S. and Europe are expected to delay increases in policy rates to maintain market stability after the European debt crisis**
 - **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**

THE 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... to deliver profitable growth for all
- Finance our Plan and improve our balance sheet
- Work together effectively as one team



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FORD NORTH AMERICA KEY ACCOMPLISHMENTS

- **Since 2005, Ford has reduced structural costs by over \$10 billion**
- **Will reduce production capacity by approximately 40% percent by end 2011**
- **Reduced salaried, hourly headcount by 40-50%**
- **Significantly improved competitiveness of UAW partnership**
- **Reduced product engineering and new facility and tooling costs**

**Reduced Structural Costs Significantly;
Lowered Breakeven Volume**

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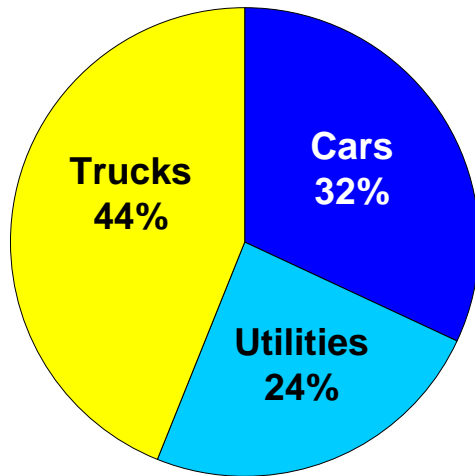
- Work together effectively as one team



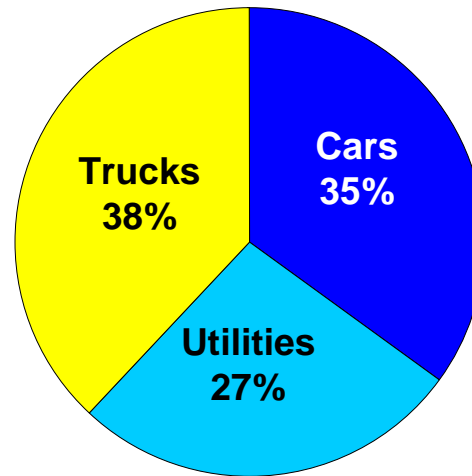
BALANCED PORTFOLIO OF VEHICLES



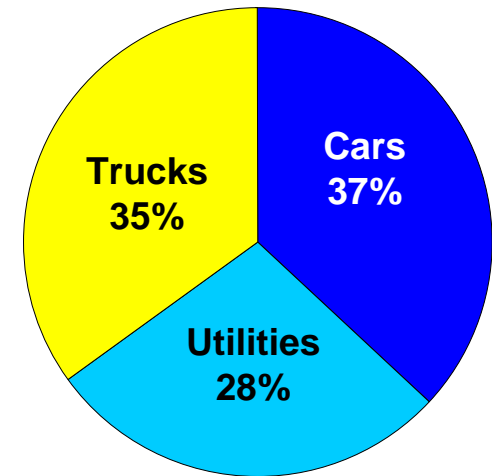
U.S. Ford, Lincoln, and Mercury Product Mix



2005



2008



2010 YTD

Memo:

Crossovers 9%

19%

22%

Product Mix Is Shifting To Satisfy Consumer Demand

FULL PRODUCT LINE-UP -- SMALL / MEDIUM / LARGE CARS, UTILITIES, AND TRUCKS



Fiesta



Focus



Fusion



Mustang



Taurus



NORTH AMERICA



Escape



Edge



Flex



Explorer



Expedition



Transit Connect



E-Series



F-150



Super Duty

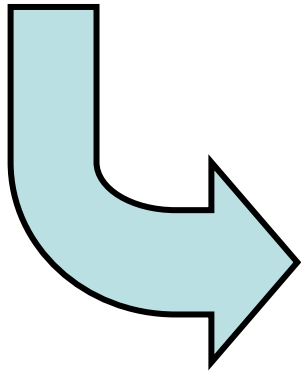
MIGRATING TO ONE FIESTA



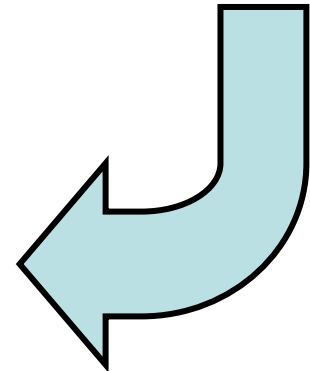
South America



Europe / Asia Pacific



Global

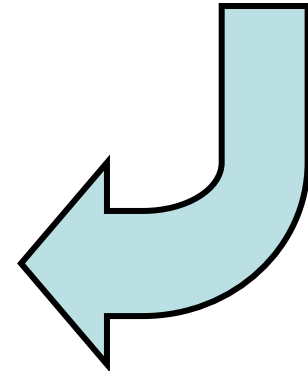
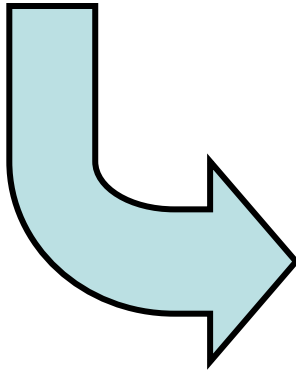


MIGRATING TO ONE FOCUS



North America

Europe / South America / Asia Pacific



Global

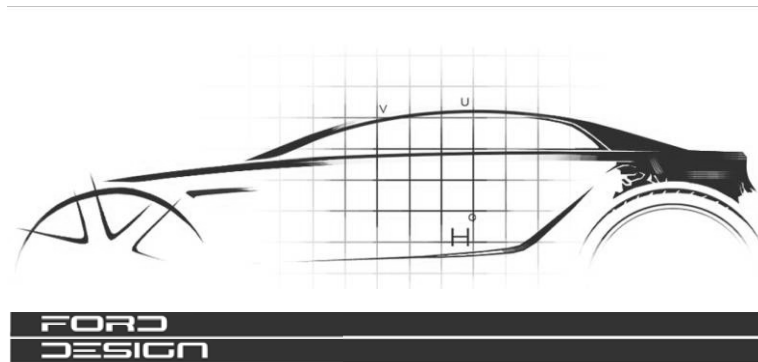
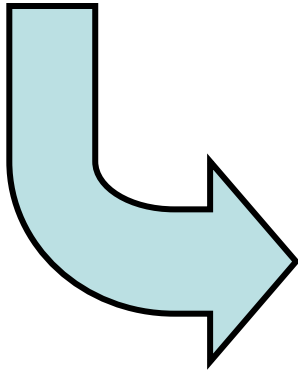
MIGRATING TO ONE MID-SIZE VEHICLE



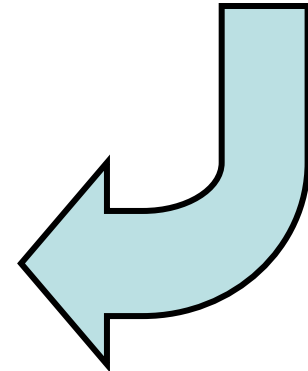
North America Fusion



Europe / Asia Pacific Mondeo



Global

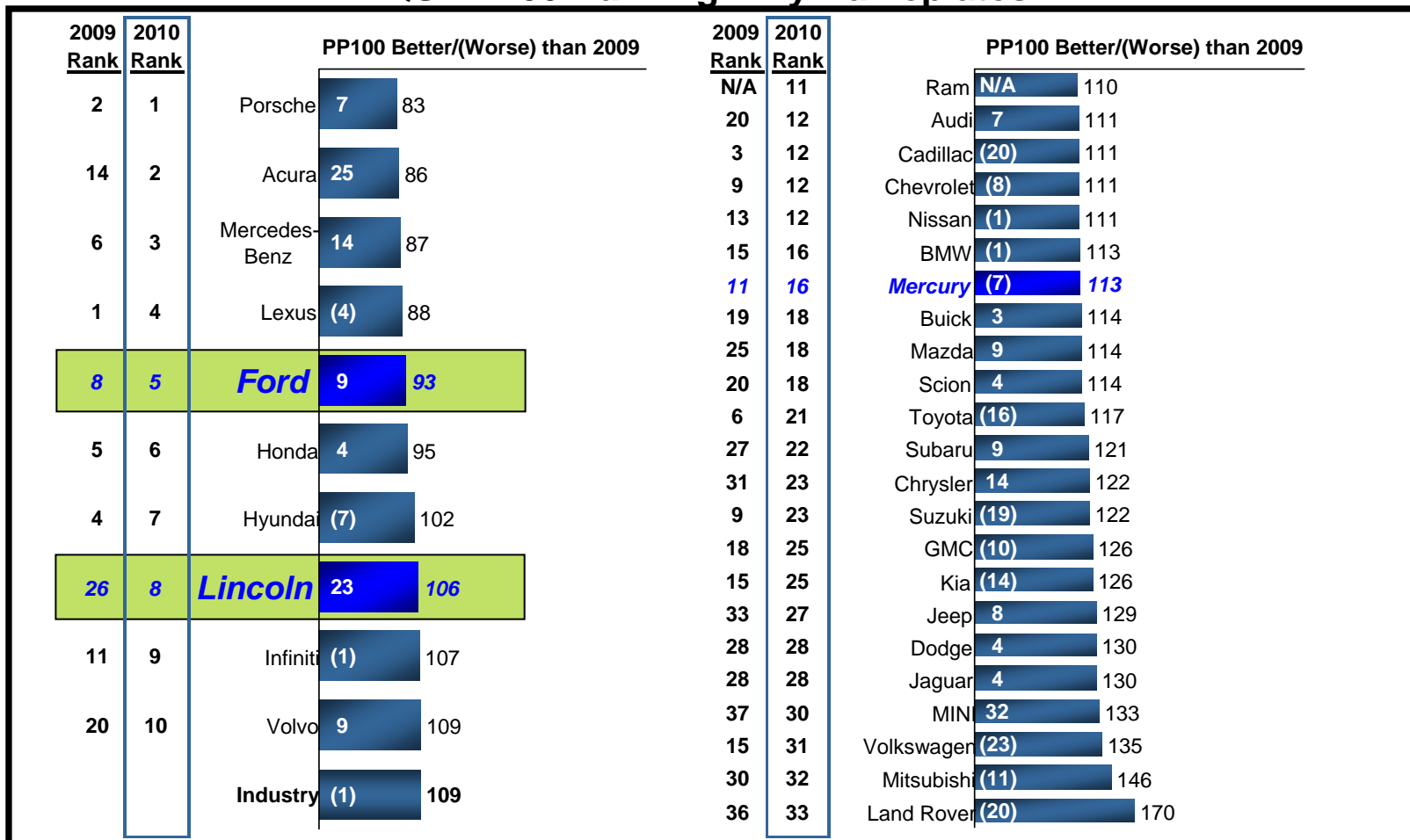


'FOUR PILLARS' OF GLOBAL PRODUCT STRATEGY



DRIVE QUALITY -- JD POWER INITIAL QUALITY SURVEY

IQS PP100 Ranking – By Nameplates

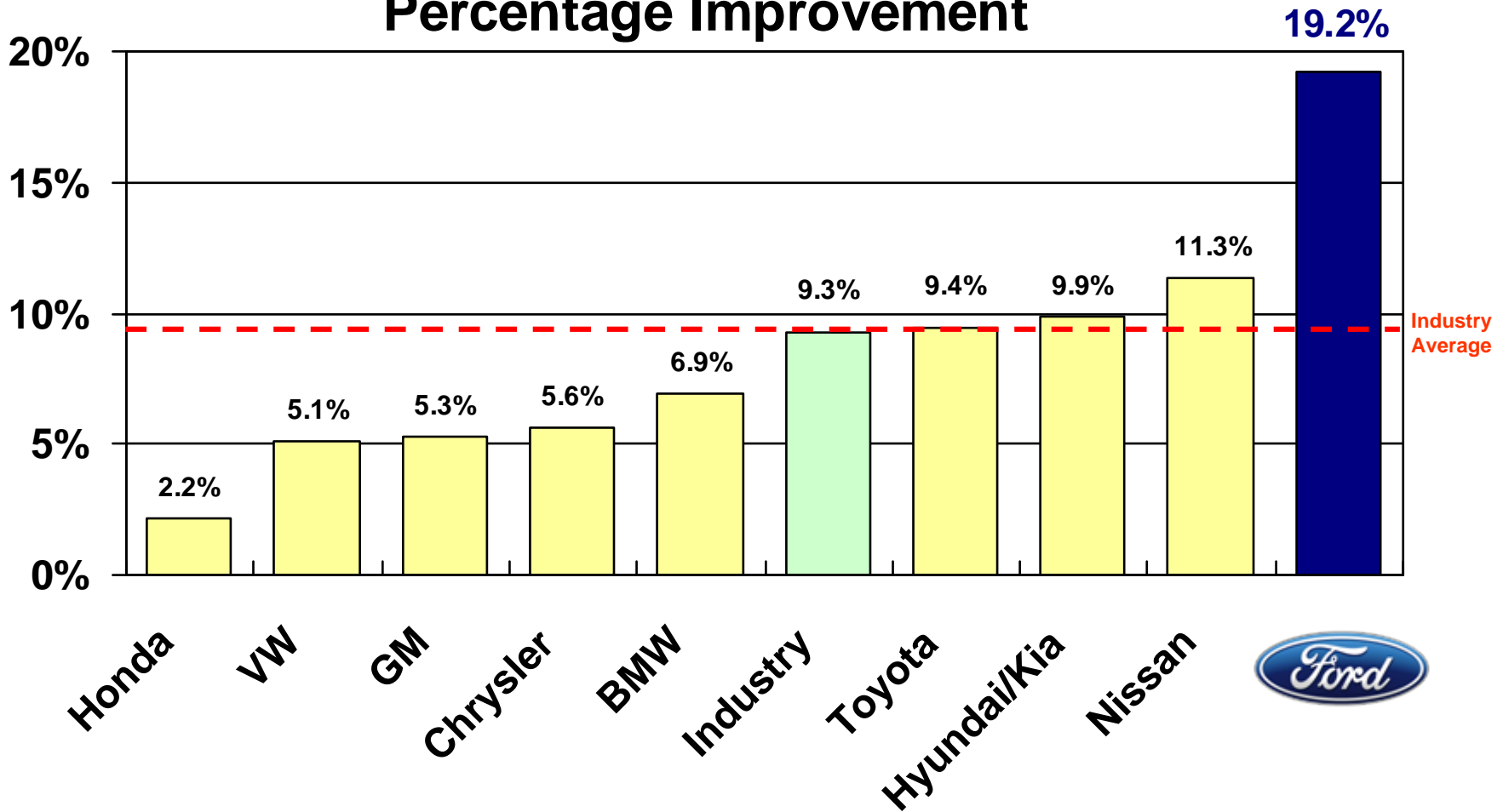


Quality On Par With The Best In The Industry
Recent News - Ford Ranked 5th In JD Power IQS Survey

DRIVE GREEN -- FUEL ECONOMY LEADERSHIP



2004 - 2009 U.S. Fleet-Average Fuel Economy Percentage Improvement



Ford Is Improving Fuel Economy At The Fastest Rate

DRIVE SAFE



Ford has more Insurance Institute for Highway Safety's "Top Safety Pick" awards than any other automaker and more government five-star safety-rated vehicles than any other brand.



Recently Announced 2010 Model Year IIHS "TOP SAFETY PICK" Awards - Ford Flex & Fusion, Lincoln MKZ & MKT, Mercury Milan

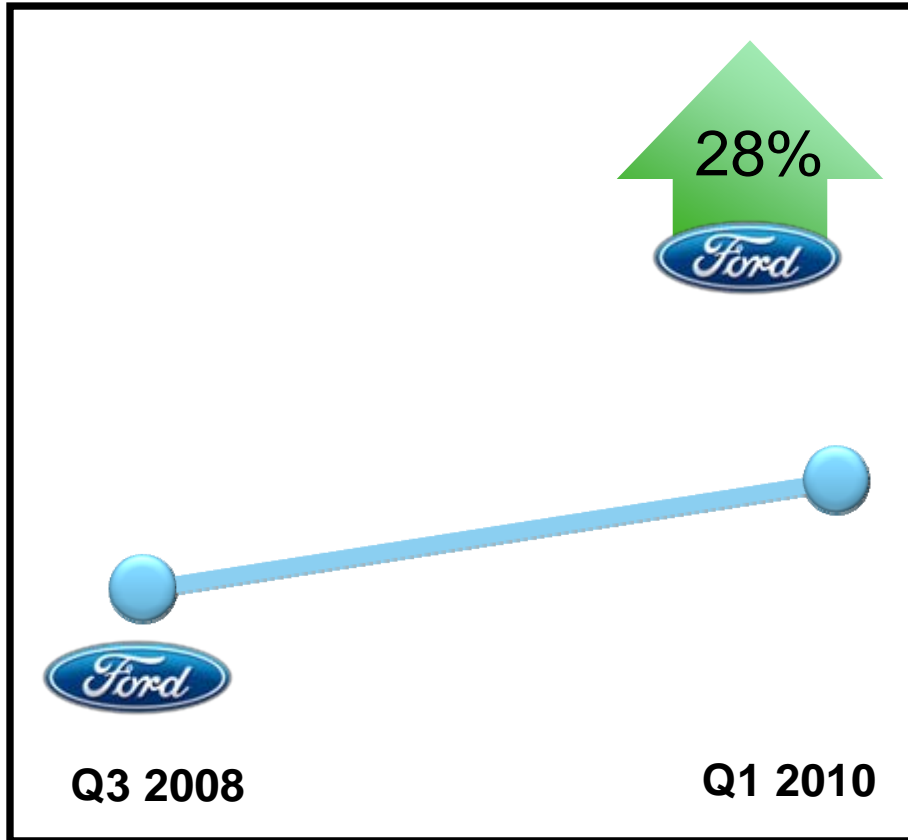
DRIVE SMART



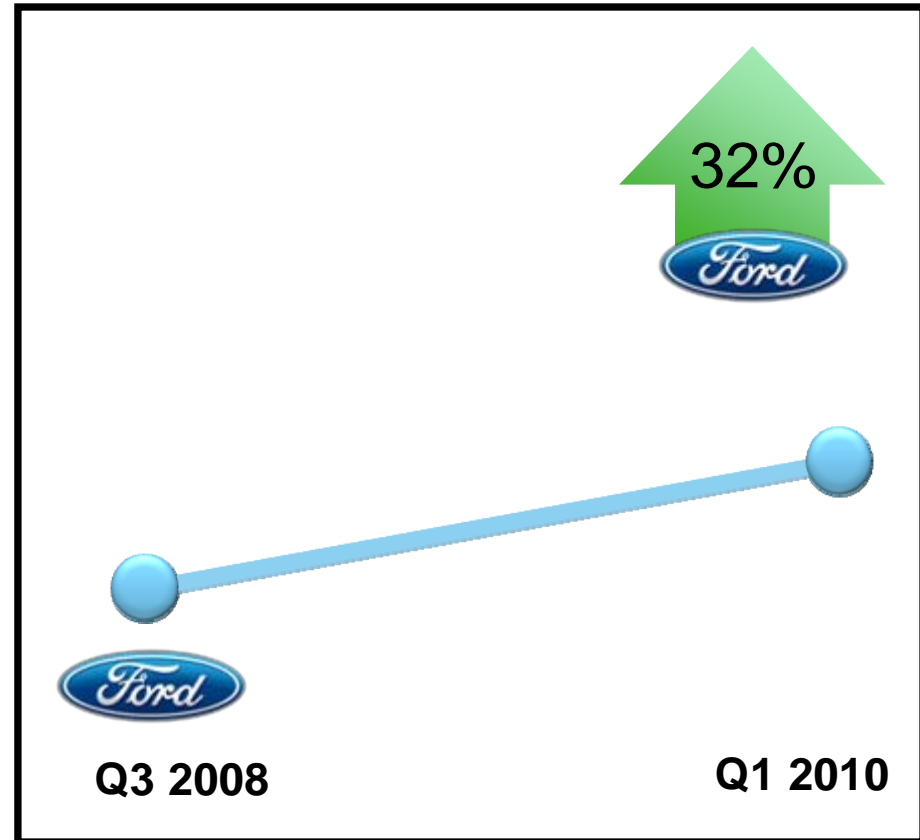
MyFORD Touch Technology Provides Consumers With New And Engaging In-Vehicle Experiences

PRODUCT STRATEGY IS WORKING -- BRAND HEALTH

FAVORABLE OPINION



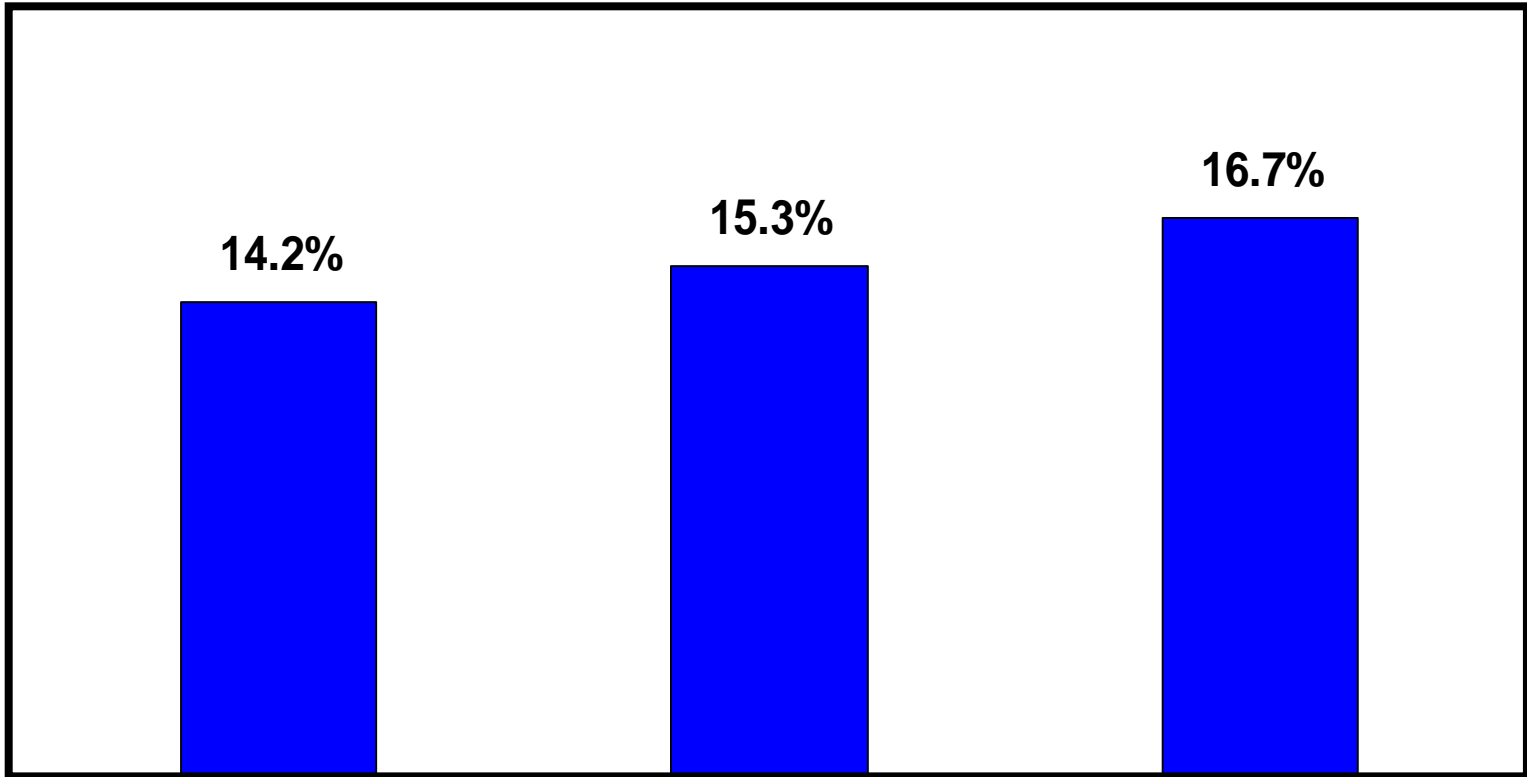
PURCHASE CONSIDERATION



**Brand Health Is Improving On The Strength Of Our Global
Product Strategy**

PRODUCT STRATEGY IS WORKING -- U.S. FLM MARKET SHARE

Market Share of Total Industry



Memo:

**Retail Share of
Retail Industry**

2008

12.1%

2009

13.0%

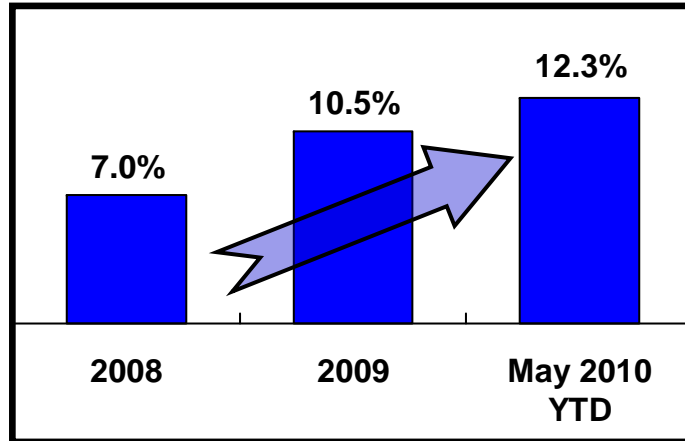
May 2010 YTD

14.0%

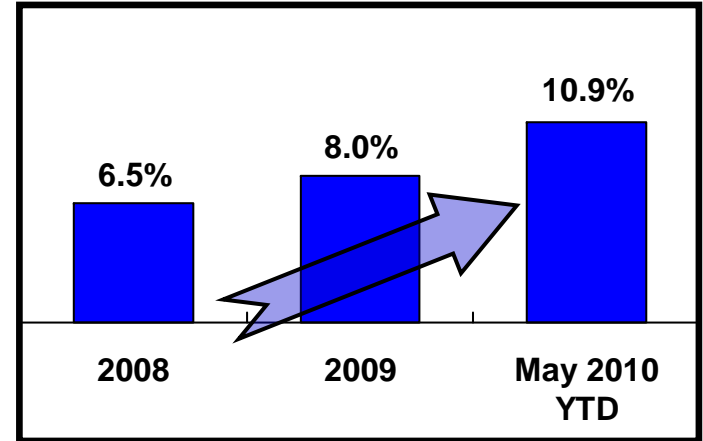
**As Brand Health, Quality, And Customer Satisfaction Have
Improved, So Has Our Market Share**

PRODUCT STRATEGY IS WORKING -- NORTH AMERICA NEW PRODUCTS – SHARE OF SEGMENT

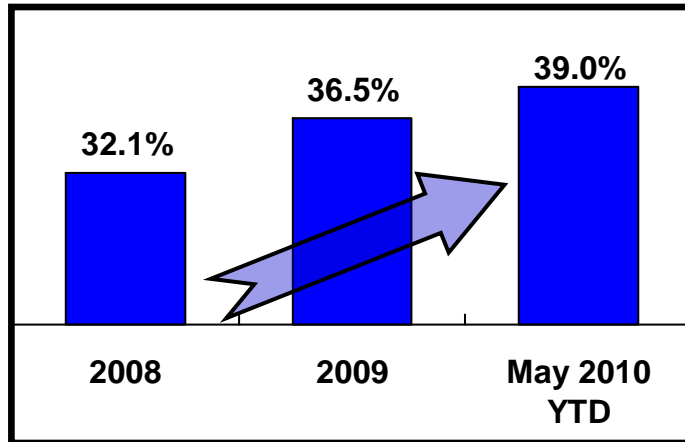
Fusion



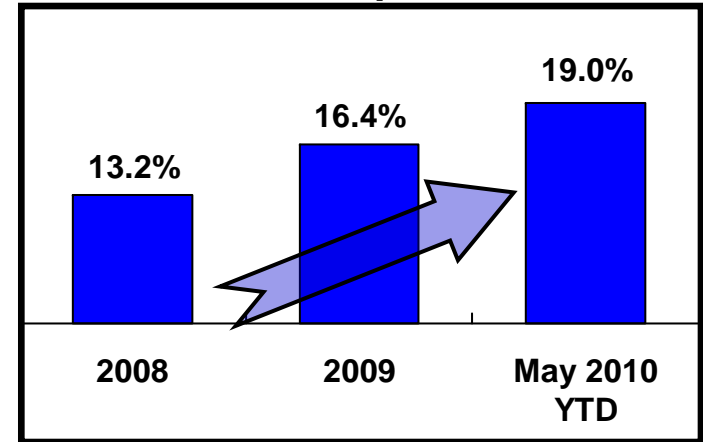
Taurus



F-Series



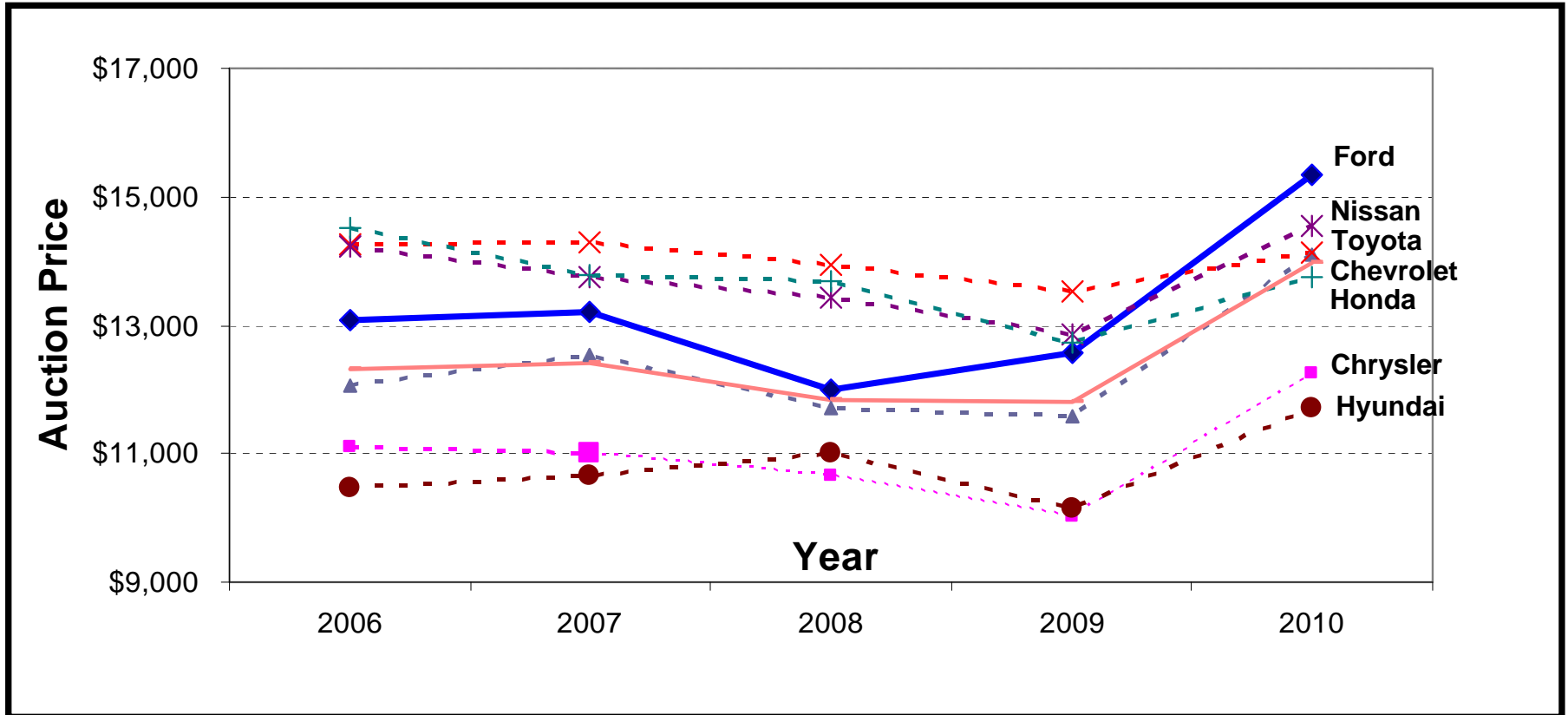
Escape



New Products Are Being Well Received In The Marketplace

PRODUCT STRATEGY IS WORKING -- RESIDUAL VALUES IMPROVING

Used Vehicle Auction Value



Data Source: NADA AuctionNet May CYTD, Mileage and Mix Controlled, Luxury Brands Excluded. Data represents vehicles 1-3 years in service

**Improvement In Vehicle Resale Values Benefits Customer's
Cost Of Ownership**

THE ONE FORD PLAN

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AUTOMOTIVE SECTOR – TOTAL COMPANY

2010 AUTOMOTIVE FINANCIAL RESOURCES*



	March 31, 2010 <u>(Bils.)</u>	Pro Forma After Revolver Payment <u>(Bils.)</u>
Automotive Gross Cash	\$ 25.3	\$ 22.3
Less:		
Long-Term Debt	\$ 29.3	\$ 29.3
Debt Payable Within One Year	<u>5.0</u>	<u>2.0</u>
Total Debt	<u>\$ 34.3</u>	<u>\$ 31.3</u>
Net Cash / (Debt)	<u>\$ (9.0)</u>	<u>\$ (9.0)</u>
Memo: Liquidity	\$ 25.3	\$ 25.3



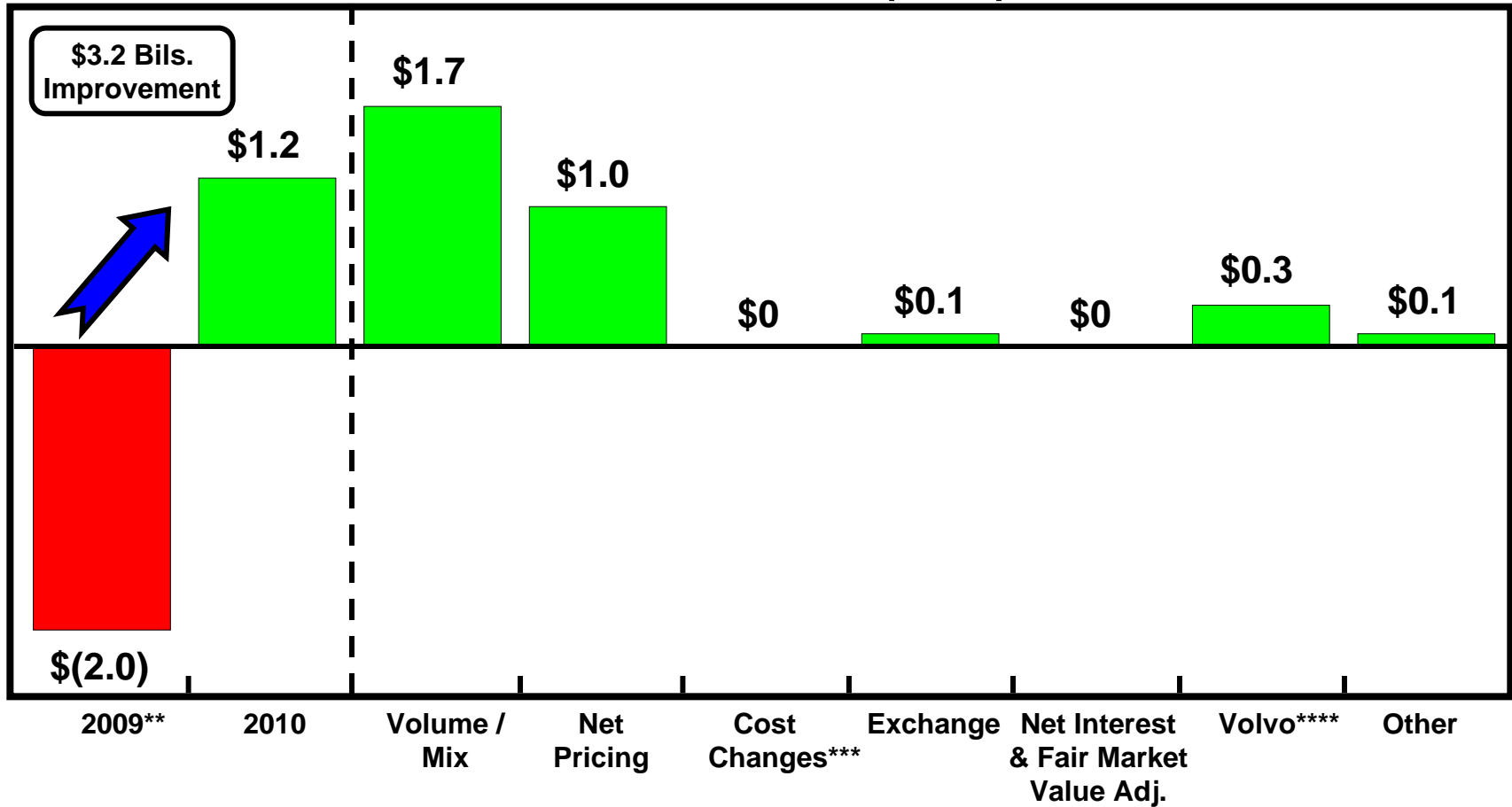
Improved Operating Performance Is Enabling Us To Continue The Process Of Strengthening Our Balance Sheet

*See April 27, 2010 earnings material at www.shareholder.ford.com for reconciliation to GAAP



AUTOMOTIVE SECTOR -- TOTAL 2010 FIRST QUARTER PRE-TAX RESULTS COMPARED WITH 2009*

Pre-Tax Results (Bils.)



* Excludes special items, see April 27, 2010 earnings material at www.shareholder.ford.com for reconciliation to GAAP

** 2009 Adjusted to reflect the new accounting standard on VIE consolidation

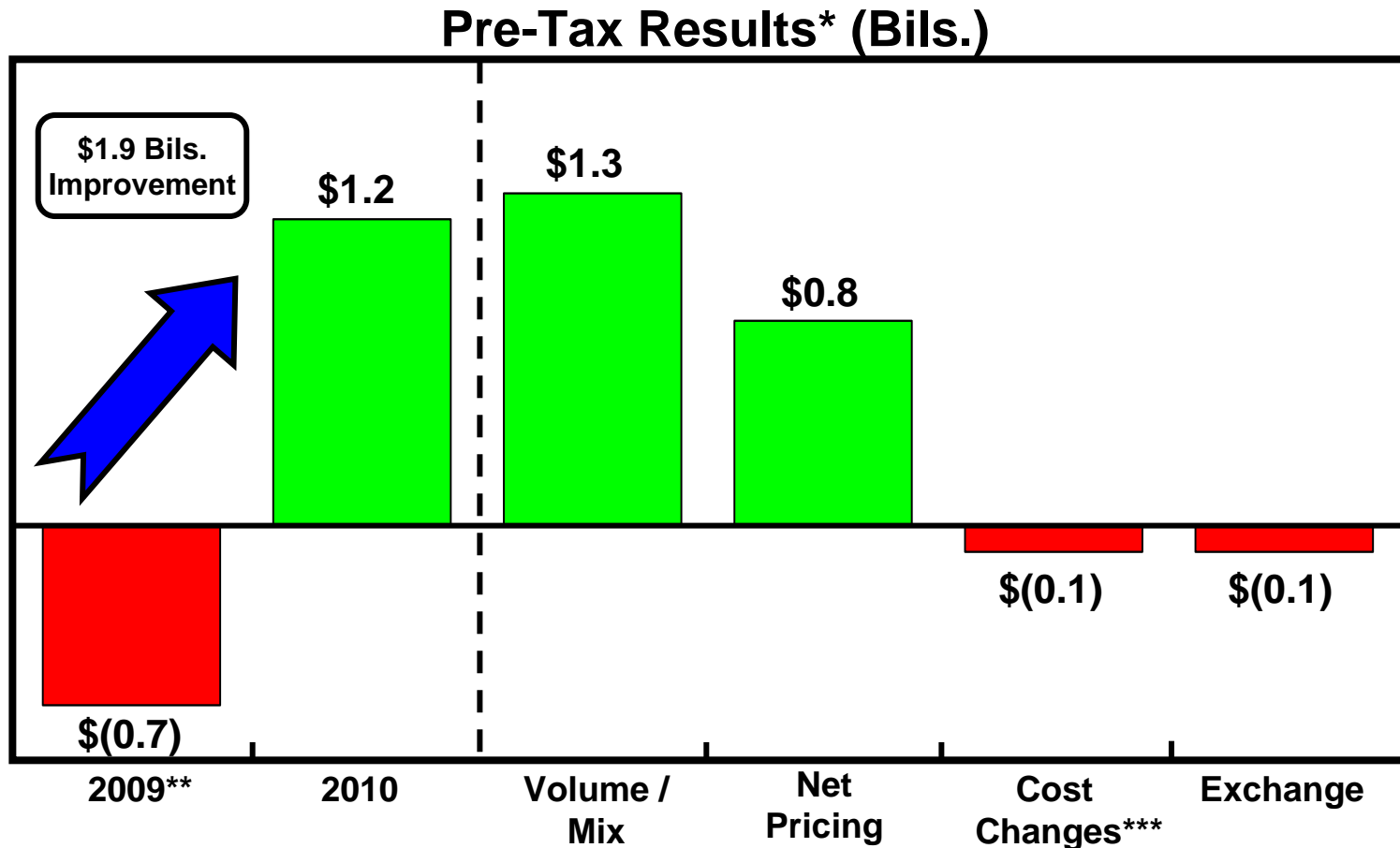
*** Cost changes are measured primarily at prior-year exchange, and exclude special items and discontinued operations. In addition, costs that vary directly with volume, such as material, freight, and warranty costs, are measured at prior-year volume and mix

**** Non-recurrence of 2009 First Quarter results

AUTOMOTIVE SECTOR -- FORD NORTH AMERICA

2010 FIRST QUARTER PRE-TAX RESULTS

COMPARED WITH 2009



Market Factors Lead To Highest Quarterly Profit In 6 Years In North America ... Third Straight Quarter of Profitability

* Excludes special items, see April 27, 2010 earnings material at www.shareholder.ford.com for reconciliation to GAAP

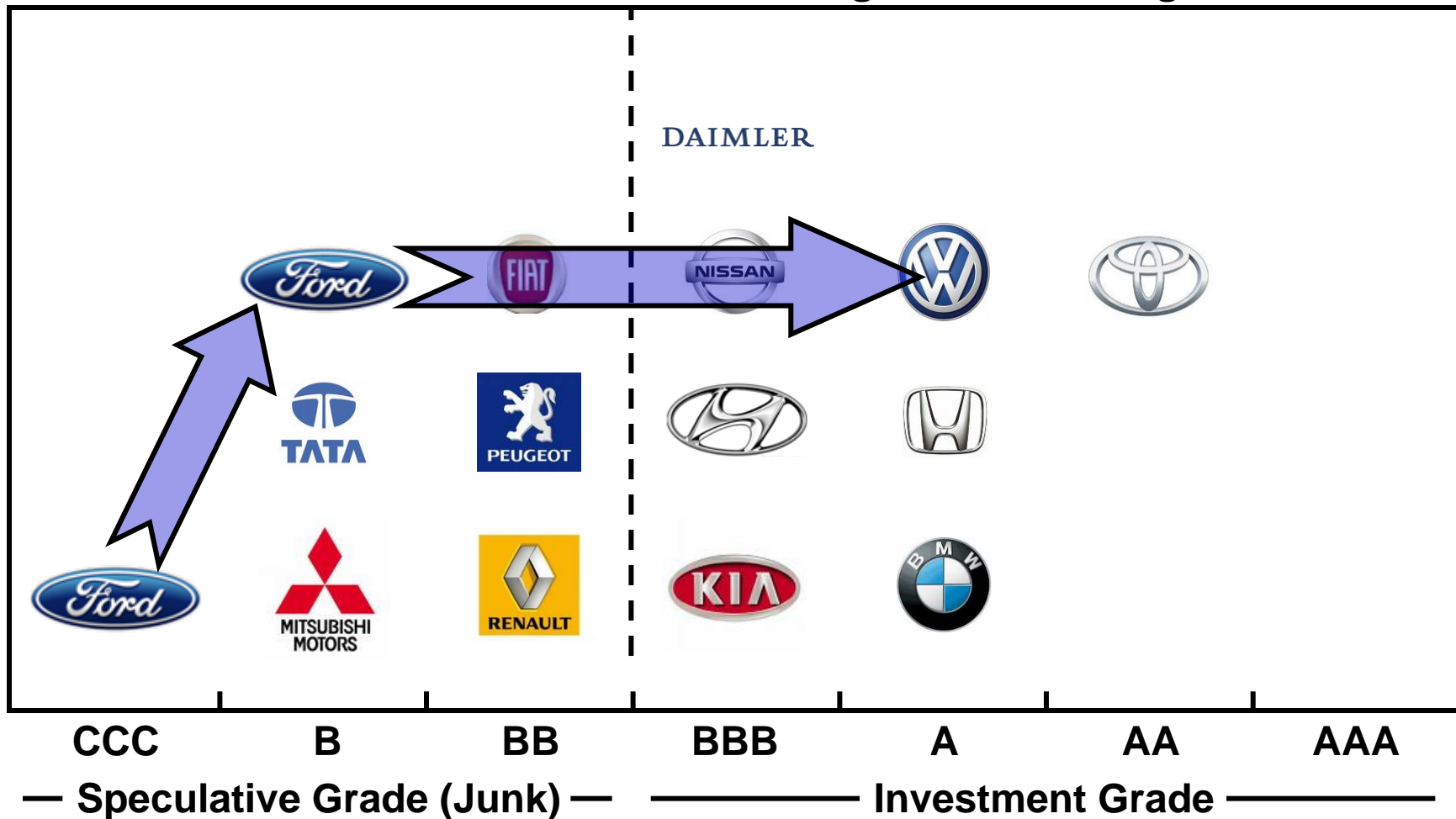
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STRIVING TO BE WORLD-CLASS COMPETITIVE



S&P Automotive Credit Rating -- Issuer Rating

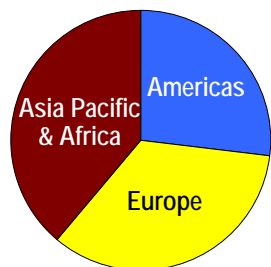


THE ONE FORD PLAN

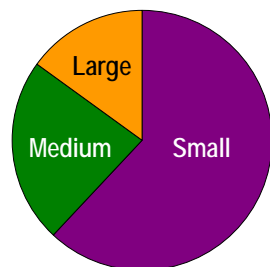


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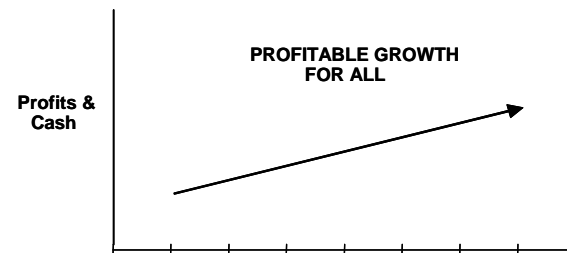
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ONE TEAM -- WORKING TOGETHER EFFECTIVELY

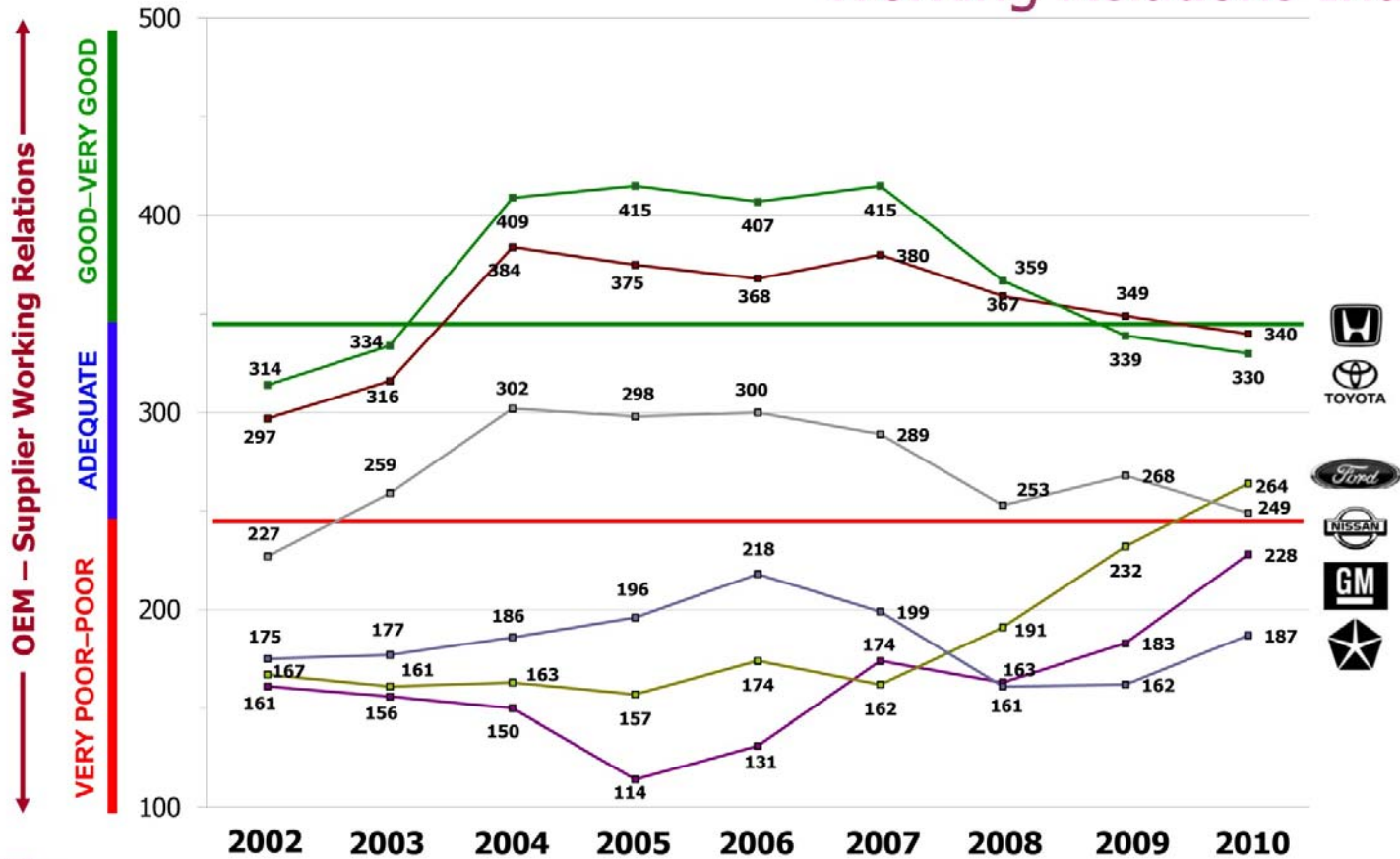
- **Dealer Relations are at an all time high. In a recent NADA survey, Ford scored all-time high marks in 9 of 12 categories**
- **Employee satisfaction continues to improve – future outlook dimension is at 90% favorable**
- **Corporate Reputation continues to improve; Ford now the #1 automotive brand**
- **Relations with suppliers continues to outpace industry**

**All Stakeholders Involved, Contributing to,
And Pleased With Our Progress**

IMPROVING SUPPLIER RELATIONS

Working Relations Index

OEM – Supplier Working Relations Index



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Steady Improvement Since 2007 Puts Ford In Top 3 Among OEMs

THE ONE FORD PLAN IS WORKING

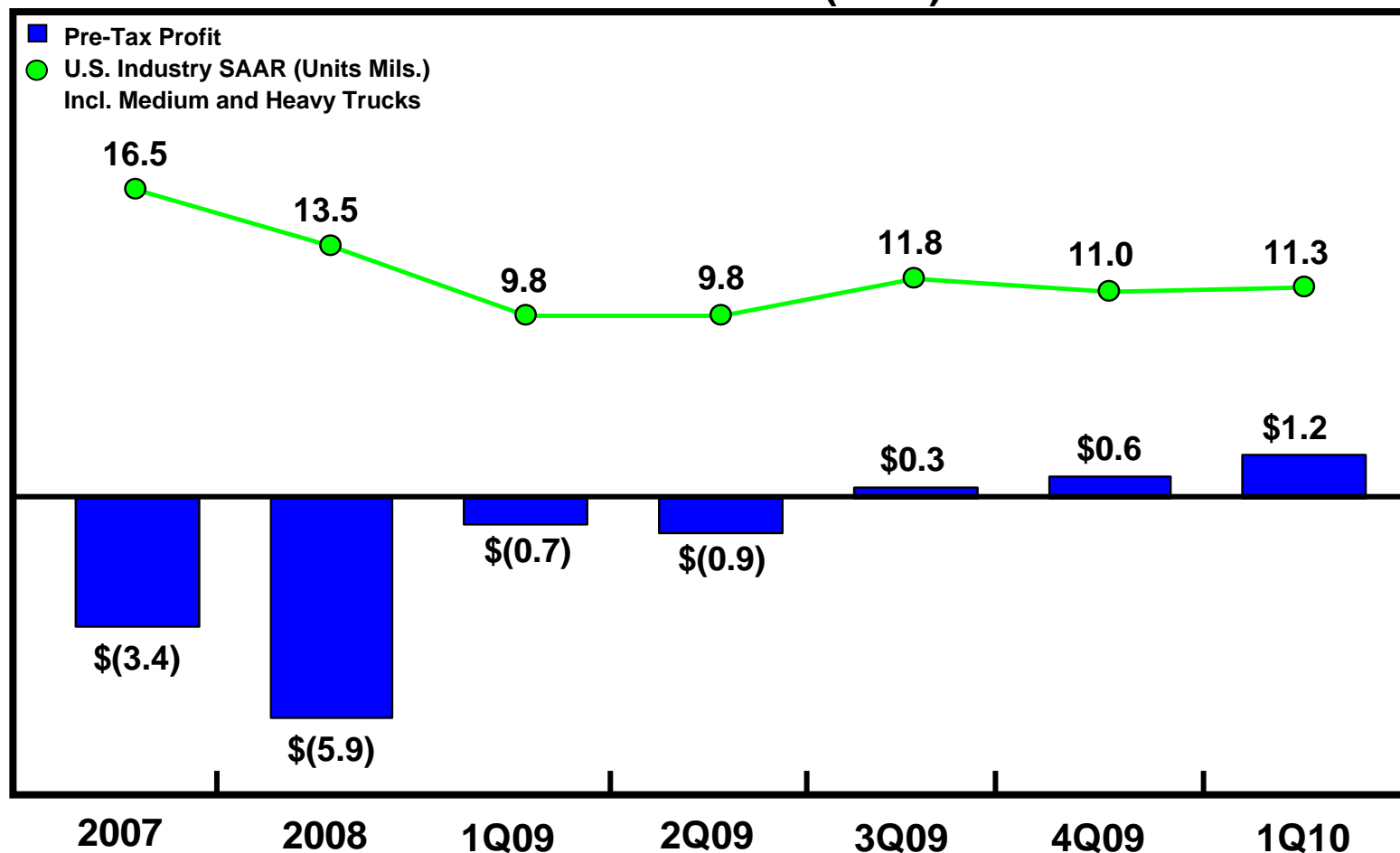
- **Restructured and significantly lowered fixed costs, took out idle capacity, and reduced engineering and new facility/tool costs**
- **Starting to see the benefits of aggressive new product plan and balanced portfolio**
- **New products well-received in the marketplace**
- **Have broken into the top 5 in initial vehicle quality among all manufacturers; Ford is the only full-line, non-premium brand to make it there**
- **Ford, Lincoln and Mercury vehicles recorded the industry's largest gain in resale values from the 2009 to 2010 model year**
- **Have successfully stabilized market share, and in many areas grown market share, all while maintaining net revenue**
- **Paid down \$3 billion of revolving credit facility debt**
- **On track to meet our financial targets in 2010 and 2011**

AUTOMOTIVE SECTOR – FORD NORTH AMERICA

PRE-TAX RESULTS



Pre-Tax Results*(Bils.)



Ford Is Profitable At A Lower Industry, Positioned To Grow As Industry Demand Strengthens

* Excludes special items, see April 27, 2010 earnings material at www.shareholder.ford.com for reconciliation to GAAP. 2007 to 2009 results have been adjusted to reflect the new accounting standard on VIE consolidation.



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 laws or 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.

