



**FordCredit**  
**Crédit Ford**

# Investor Presentation

September 2009

# **OUR PLAN . . . ONE FORD**



- **Continue implementation of our global ONE FORD**
- **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**

# PRODUCT PIPELINE



2010 Ford Fusion and Fusion Hybrid (Not Shown)



2010 Ford Mustang



2010 Ford Taurus and Taurus SHO (Not Shown)



New Ford Fiesta



2010 Lincoln MKT



2010 Ford Transit Connect

# **COMPANY UPDATE**



- **Automotive Product Strategy**
  - Continue to invest in a complete family of world-class vehicles that have best-in-class quality, and that are green, safe, smart, and deliver the best value to the consumer
  - Emphasis on more fuel-efficient vehicles and green technologies including development of crossover and hybrid vehicles
  - Focus on quality – initial quality of Ford and Lincoln brand vehicles surpassed Honda and we are statistically equivalent with Toyota for the overall lead, according to the latest GQRS study
- **Strength Versus Competing Auto Companies**
  - Restructuring without government bridge financing
  - In the U.S., achieved retail share gains year-over-year in ten of the last eleven months through August
  - In Canada, achieved total and retail share gains year-over-year for ten consecutive months through August
  - In Canada, #2 manufacturer in total sales year-to-date through August
  - Ford is the best-selling brand in Canada year-to-date through August

# ***FCCL OVERVIEW***

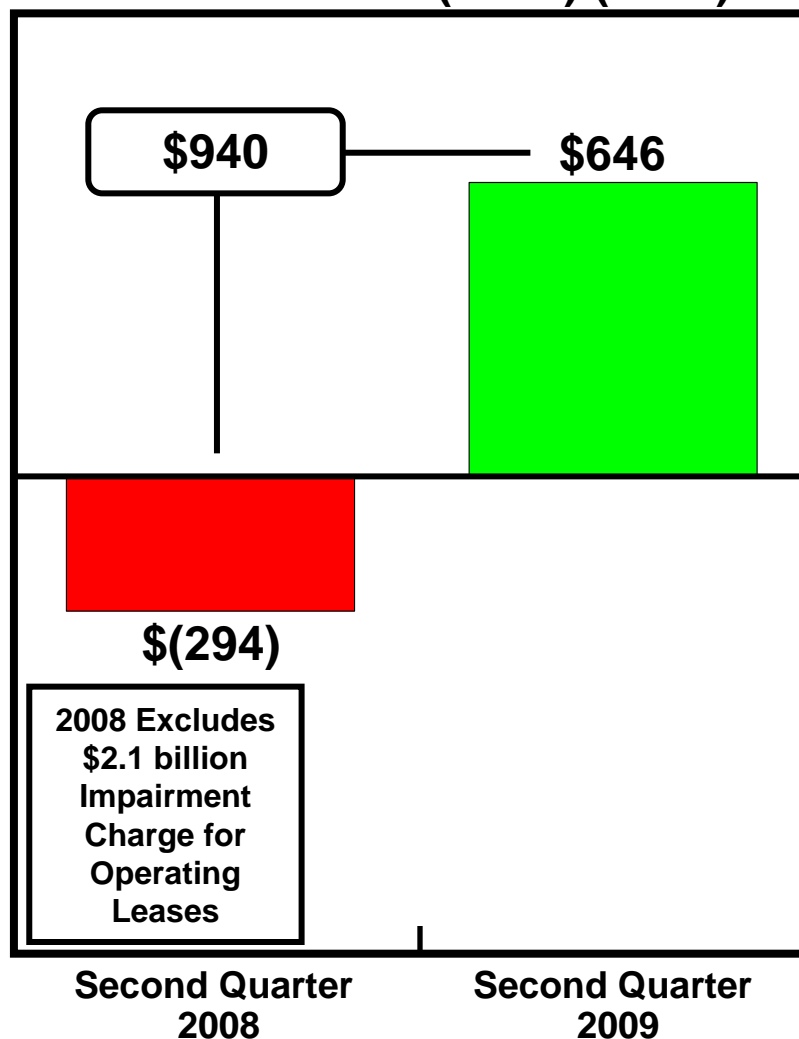


- **Ford Credit Canada Limited (“FCCL”) was established in 1962 to provide financing for Ford vehicles and to support Ford dealers in Canada**
- **FCCL and its subsidiary Canadian Road Leasing Company provide automotive financing products to dealers and retail customers through dealers in each of the provinces and territories of Canada**
- **FCCL’s primary financial services products are retail auto loans, retail leases and wholesale financing for dealers**
- **As of December 31, 2008, FCCL had managed receivables of about \$12.7 billion, representing approximately 9% of Ford Motor Credit Company LLC’s (“FMCC”) worldwide managed receivables**
- **Since Q3 2008, FCCL’s 72-month contracts have increased in response to an industry shift from lease to conditional sale financing and represented 28% of contracts purchased in Q4 2008**
- **In June 2009, FCCL completed its first public retail securitization, with proceeds of \$0.6 billion (Canadian) for a securitized pool of retail contracts**

# FORD CREDIT RESULTS AND METRICS -- 2009 SECOND QUARTER\*



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



## Key Metrics

	Second Quarter	
	2008	2009
<u>On-Balance Sheet</u>		
Receivables (Bils.)	\$ 136	\$ 99
Charge-Offs (Mils.)	\$ 246	\$ 285
Loss-to-Receivables Ratio		
- Worldwide	0.70%	1.09%
- U.S. Retail and Lease	1.11	1.09
Allowance for Credit Losses		
- Worldwide Amount (Bils.)	\$ 1.5	\$ 1.8
- Pct. Of EOP Receivables	1.08%	1.81%
<u>Financial Statement</u>		
Leverage (To 1)	11.2	10.2
Distribution (Bils.)	\$ 0	\$ 0
Net Income / (Loss) (Mils.)	\$(1,427)	\$ 413
<u>Managed</u>		
Receivables (Bils.)	\$ 140	\$ 100
Leverage (To 1)	10.0	8.4

SFAS 133** (Mils.)	\$ 12	\$ 33
Pre-Tax Profit / (Loss)		
Excl. SFAS 133** (Mils.)	(306)	613

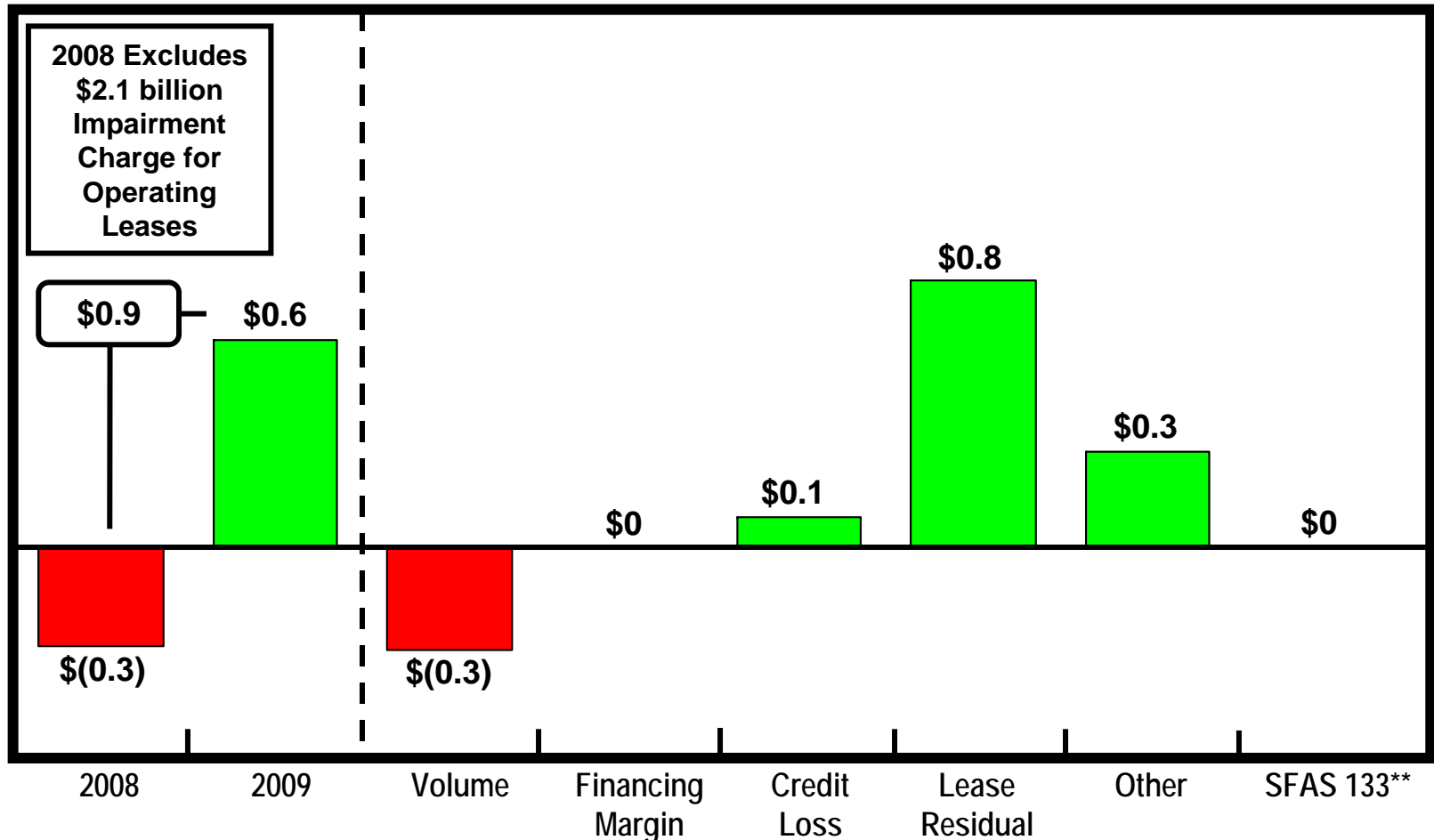
\* See Appendix for calculation, definitions and reconciliation to GAAP

\*\* Market valuation adjustments to derivatives

# 2009 SECOND QUARTER FORD CREDIT PRE-TAX RESULTS COMPARED WITH 2008\*



(Bils.)



Memo:  
Excl. SFAS 133\*\*  
(Mils.)

\$ (306)      \$ 613

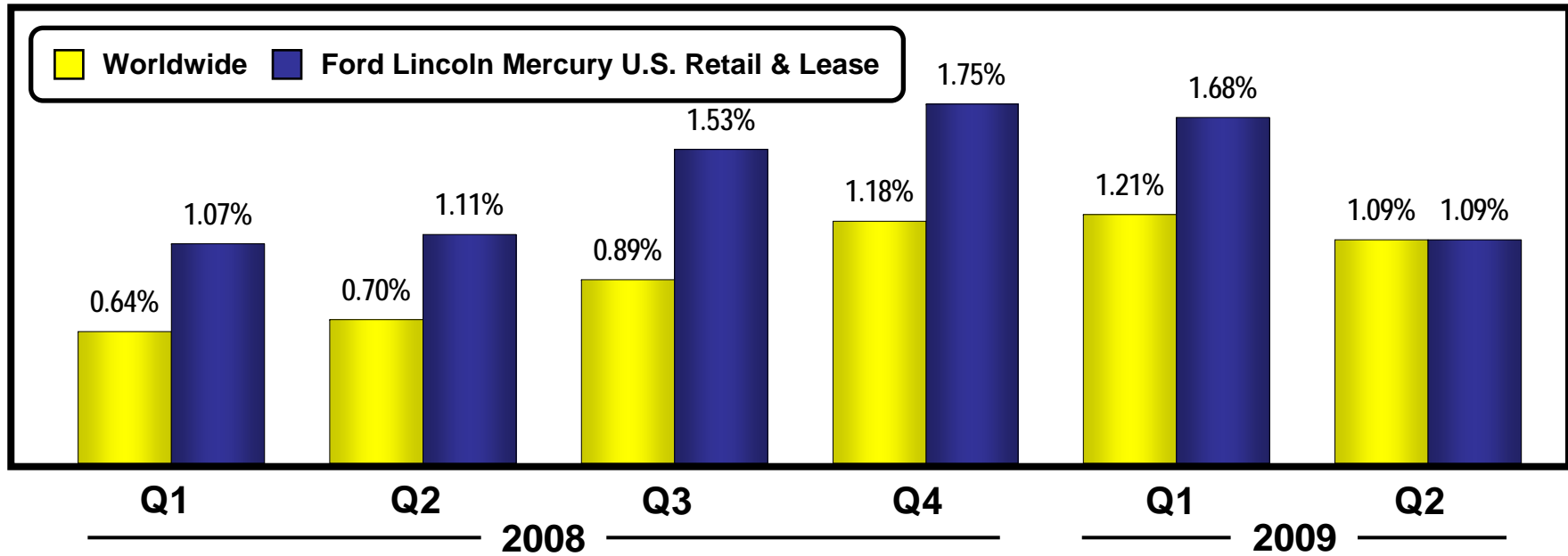
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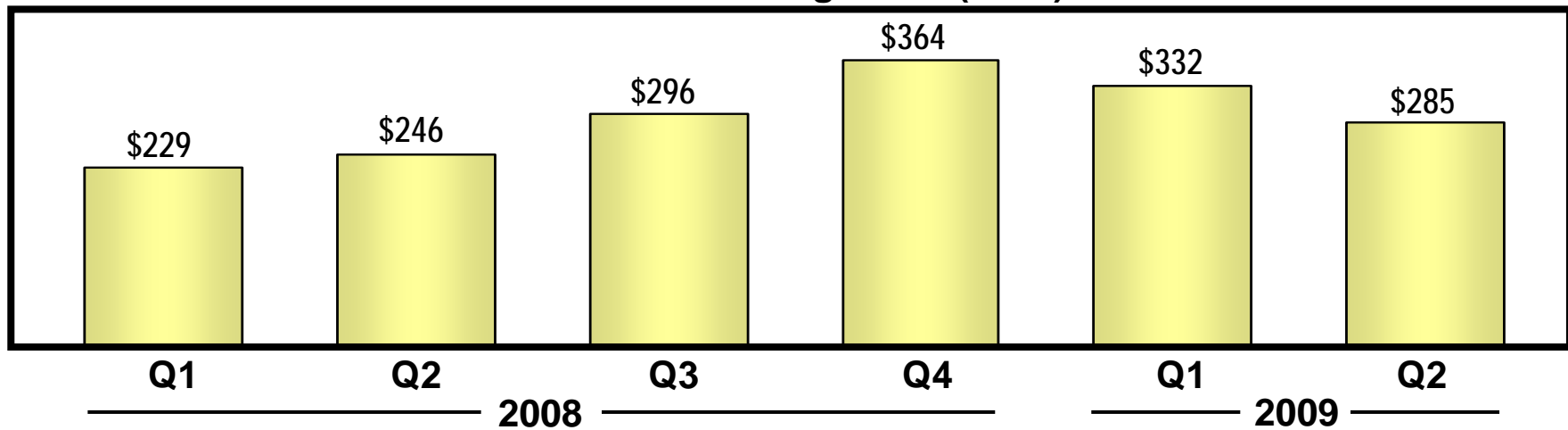
# CREDIT LOSS METRICS\*



## Loss-to-Receivables Ratio (Pct.)

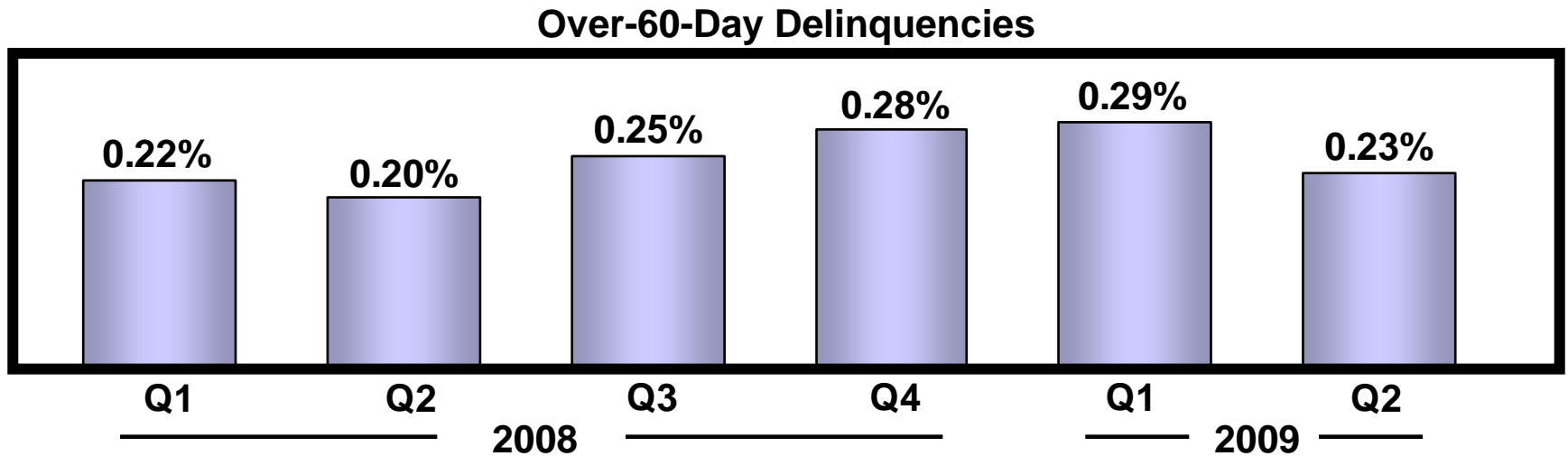
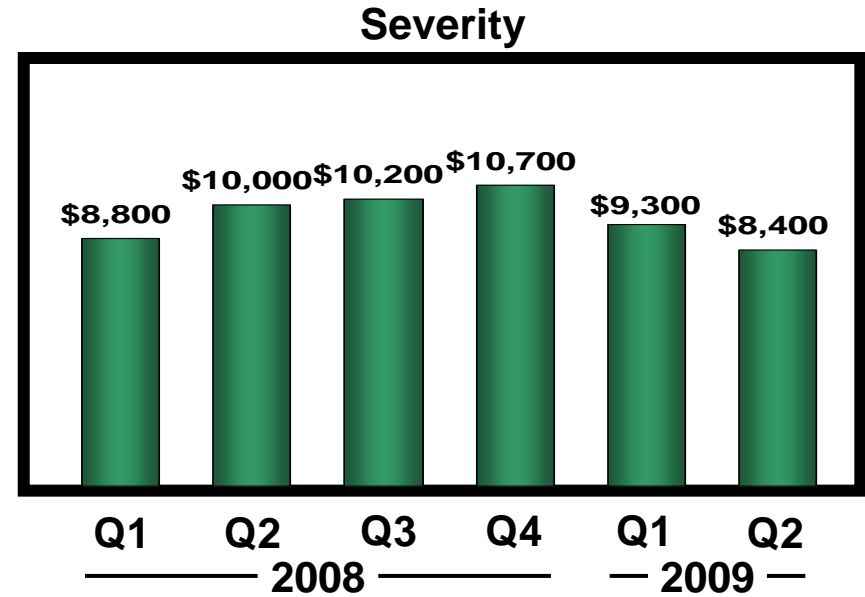
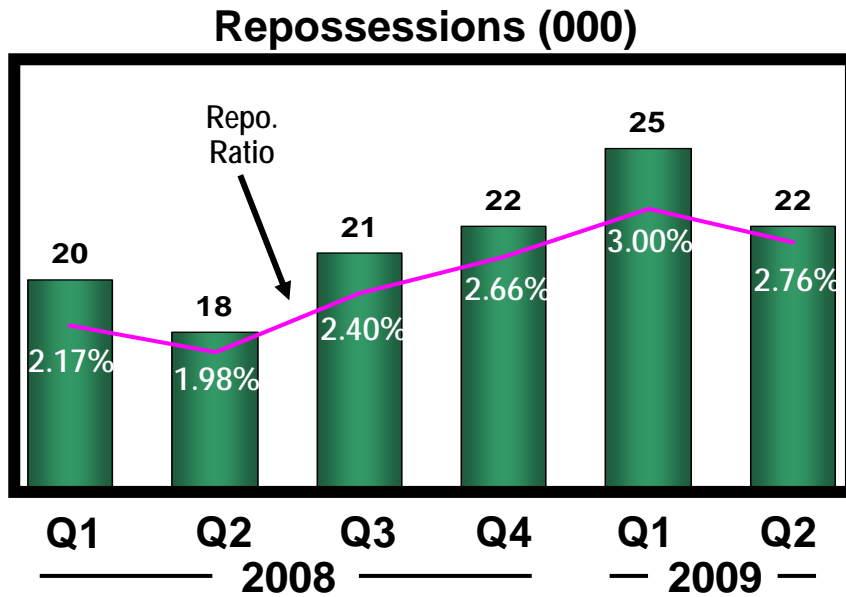


## Worldwide Charge-Offs (Mils.)



\* On-balance sheet

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



Memo: New Bankruptcy Filings (000)

8

9

10

10

11

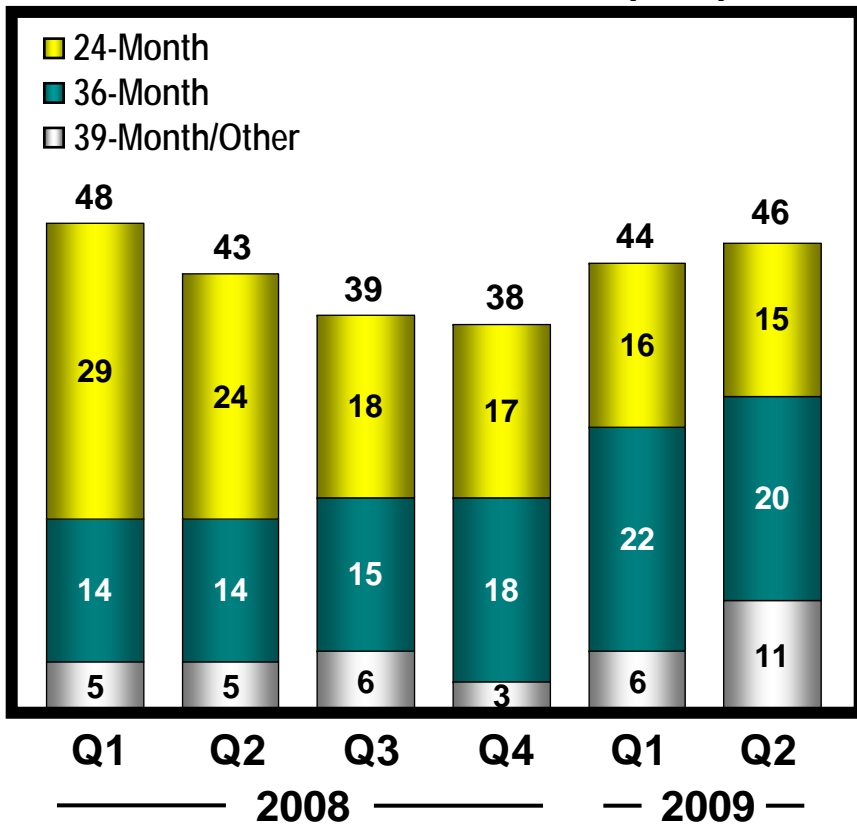
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\* On a serviced basis

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



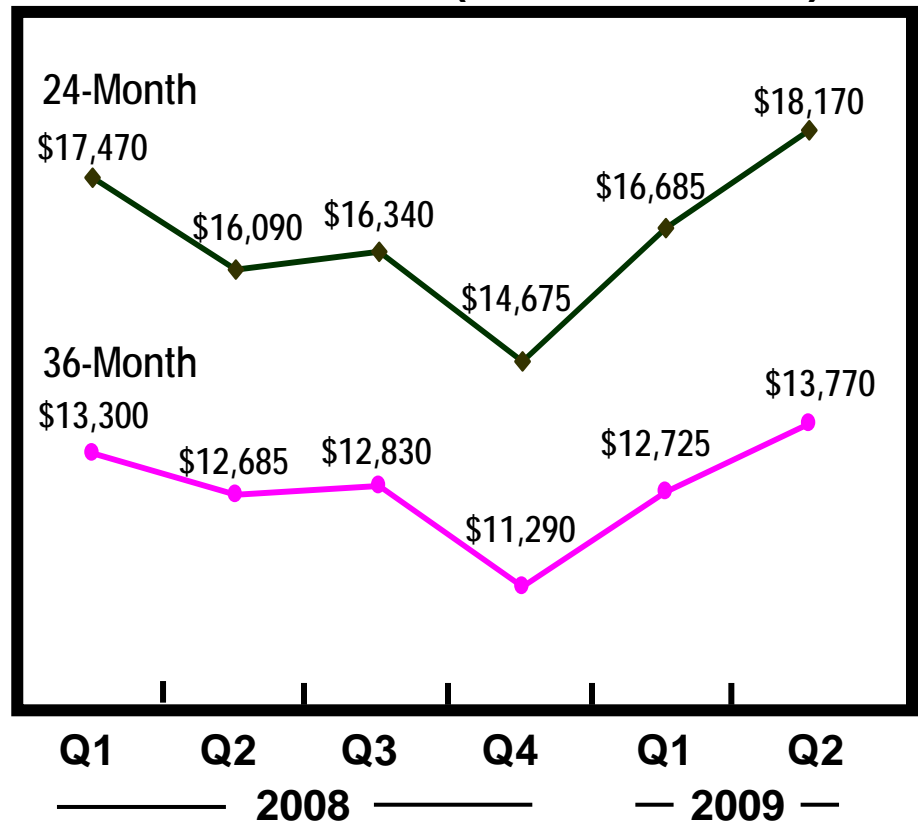
### Lease Return Volume (000)



Memo: Ford Lincoln Mercury U.S. Return Rates

86%    87%    88%    90%    89%    83%

### Auction Values (At Q2 2009 Mix)



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

\$29.4    \$26.6    \$25.2    \$22.5    \$20.2    \$18.2

# ***FORD CREDIT FUNDING STRATEGY***

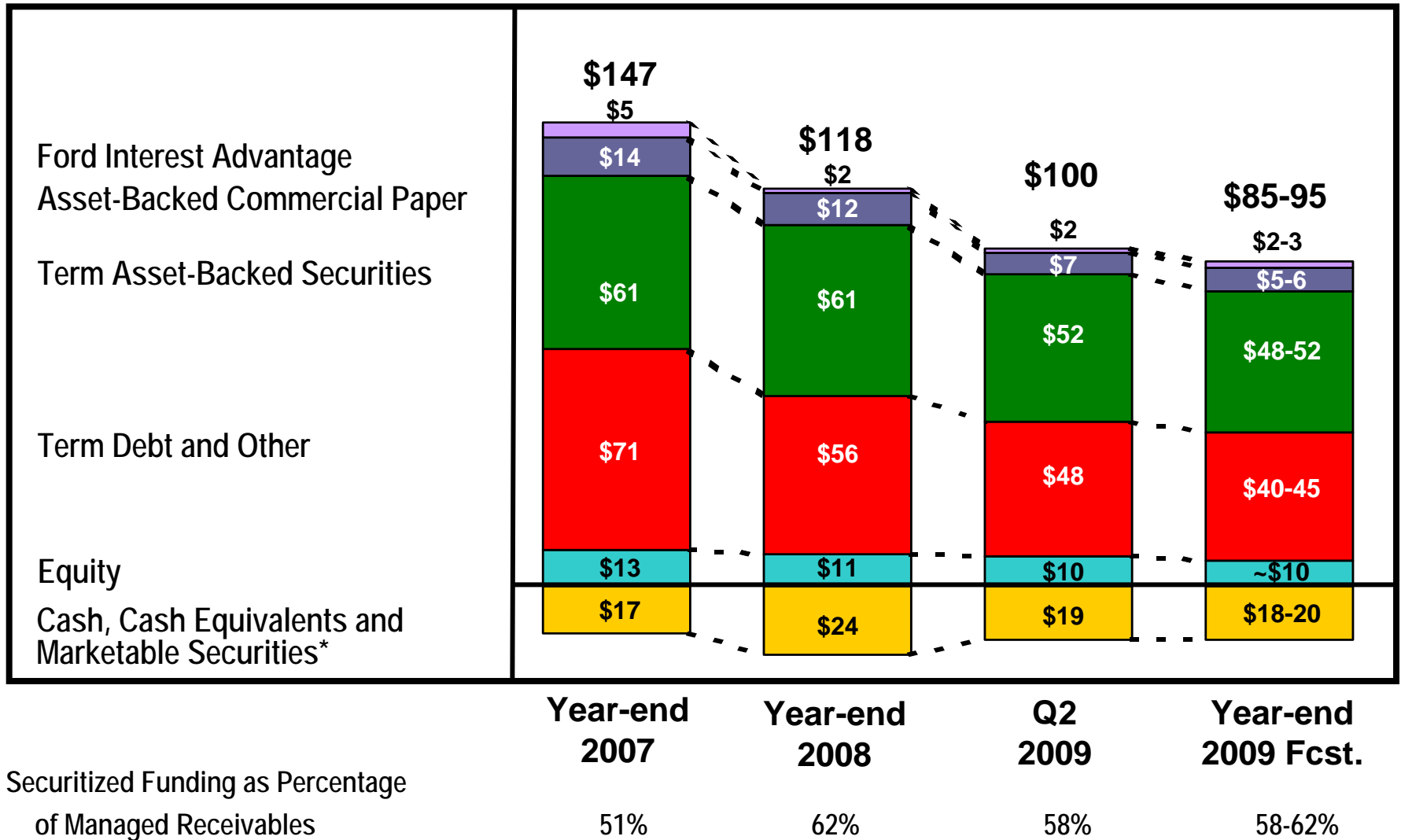


- **Consistent with the overall market, we continue to face challenges in the credit markets**
- **However, since March, we have seen improvements in the credit markets**
- **Key elements of our funding strategy include:**
  - **Capital markets access for securitization and unsecured debt funding**
  - **Maintaining funding programs and renewal of committed capacity**
  - **Utilization of government sponsored programs in the near term, including the Term Asset-Backed Securities Loan Facility (TALF) and Commercial Paper Funding Facility (CPFF) programs in the U.S., and the European Central Bank's (ECB) financing facility**
  - **Alternative business and funding arrangements**
- **We continue to maintain liquidity and a substantial cash balance to meet funding obligations**

# FORD CREDIT FUNDING STRUCTURE



## Funding of Managed Receivables (Bils.)



\* Excludes marketable securities related to insurance activities

# FORD CREDIT TERM FUNDING PLAN

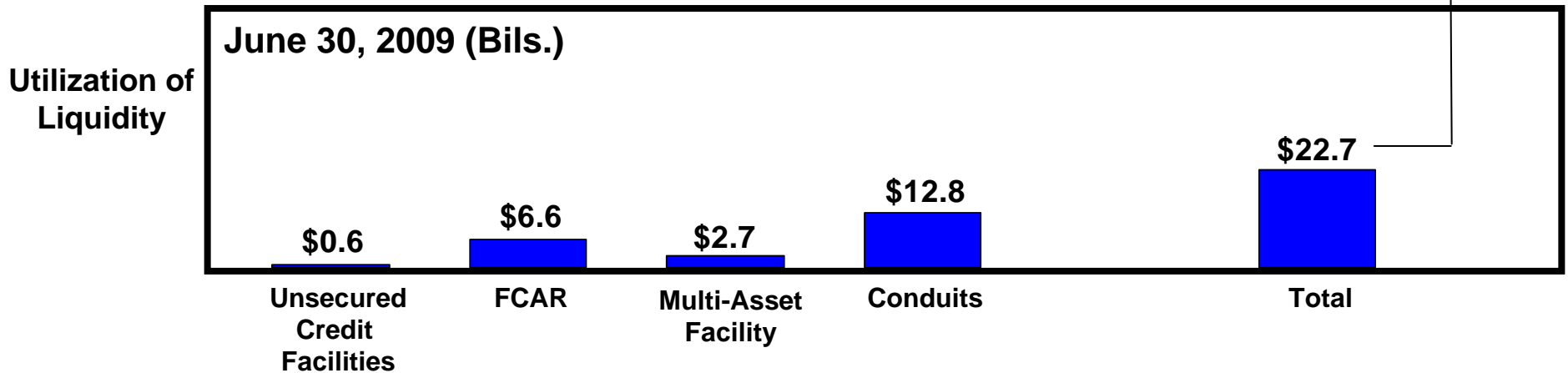
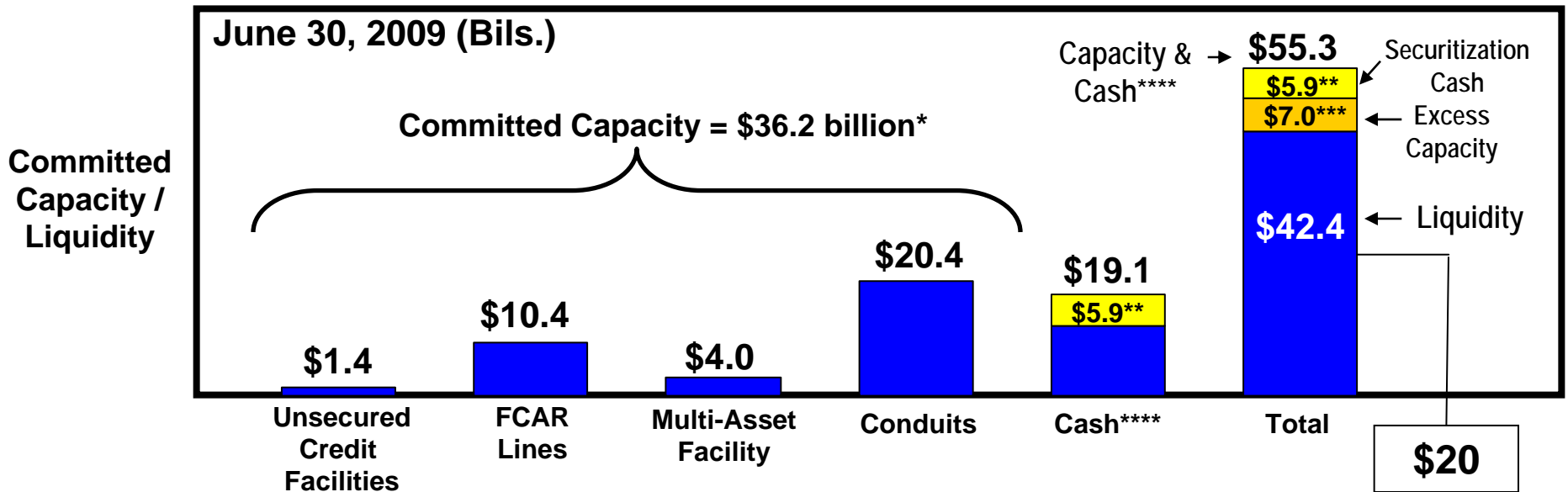
	2006 <u>Actual</u> (Bils.)	2007 <u>Actual</u> (Bils.)	2008 <u>Actual</u> (Bils.)	2009	
				<u>Forecast</u> (Bils.)	YTD* <u>Actual</u> (Bils.)
<b>Public Transactions</b>					
Unsecured	\$ 9	\$ 6	\$ 2	\$ 3	\$ 1
Securizations**	<u>14</u>	<u>6</u>	<u>11</u>	<u>14 - 17</u>	<u>8</u>
<b>Total Public</b>	<b>\$ 23</b>	<b>\$ 12</b>	<b>\$ 13</b>	<b>\$ 17 - 20</b>	<b>\$ 9</b>
					<b>\$14</b>
<b>Private Transactions***</b>	<b>\$ 29</b>	<b>\$ 28</b>	<b>\$ 29</b>	<b>\$ 5 - 10</b>	<b>\$ 5</b>

\* YTD Actual through July 22, 2009

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

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

# FORD CREDIT LIQUIDITY PROGRAMS



**Liquidity available for use is about \$20 billion**

\* FCAR, Multi-Asset Facility and Conduits subject to availability of sufficient assets and ability to obtain derivatives to manage interest rate risk; FCAR commercial paper must be supported by bank lines equal to at least 100% of the principal amount; conduits includes other committed securitization programs. Reflects Unsecured Credit Facilities and FCAR capacity as of July 1, 2009; FCAR utilization excludes \$1.9 billion of commercial paper held by Ford Credit.

\*\* 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 2009 SUMMARY\***



## **Ford (Total Company)**

- **Pre-tax loss of \$424 million, excluding special items gain of \$2.8 billion**
- **Net income of \$2.3 billion, including special items gain**
- **Second Quarter-end automotive gross cash of \$21 billion**
- **Ford gained market share in all major regions**
- **Strengthened our balance sheet by raising \$1.6 billion in a public stock offering of 345 million Ford shares**
- **Completed actions to reduce our Automotive debt by \$10.1 billion**

## **Ford Credit**

- **Pre-tax profit \$646 million; net income of \$413 million**
- **Ford Credit continues to provide funding to support its dealers and customers**
- **Credit markets beginning to improve**
- **Completed \$14 billion of term funding through July 22, including about \$7 billion of retail and lease TALF-eligible funding**
- **Liquidity available for use of about \$20 billion**

\* See Appendix for reconciliation to GAAP

# 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:

- Further declines in industry sales volume, particularly in the United States or Europe, due to financial crisis, deepening recessions, geo-political events or otherwise;
- Decline in Ford’s market share;
- Continued or increased price competition for Ford vehicles resulting from industry overcapacity, currency fluctuations or other factors;
- A further increase in or acceleration of the market shift away from sales of trucks, sport utility vehicles, or other more profitable vehicles, particularly in the United States;
- Continued or increased high prices for, or reduced availability of, fuel;
- Lower-than-anticipated market acceptance of new or existing Ford products;
- Adverse effects from the bankruptcy, insolvency, or government-sponsored restructuring of, change in ownership or control of, or alliances entered into by a major competitor;
- Economic distress of suppliers may require Ford to provide financial support or take other measures to ensure supplies of components or materials and could increase Ford’s costs, affect Ford’s liquidity, or cause production disruptions;
- Work stoppages at Ford or supplier facilities or other interruptions of supplies;
- Single-source supply of components or materials;
- Inability to implement the Retiree Health Care Settlement Agreement to fund and discharge UAW hourly retiree health care obligations;
- The discovery of defects in Ford 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 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 certain 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);
- Inability of Ford to implement its plans to further reduce structural costs and increase liquidity;

## Ford Credit Related:

- A prolonged disruption of the debt and securitization markets;
- Inability to access debt, securitization or derivative markets around the world at competitive rates or in sufficient amounts due to additional credit rating downgrades, market volatility, market disruption or otherwise;
- Inability to obtain an industrial bank charter or otherwise obtain competitive funding;
- Higher-than-expected credit losses;
- Increased competition from banks or other financial institutions seeking to increase their share of retail installment 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:

- Continued or worsening financial crisis;
- Fluctuations in foreign currency exchange rates and interest rates;
- Failure of financial institutions to fulfill commitments under committed credit and liquidity facilities;
- 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; and
- Worse-than-assumed economic and demographic experience for postretirement benefit plans (e.g., discount rates, investment returns, and health care cost trends).

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 2008 10-K Report and Item 1A of Part I of Ford Credit’s 2008 10-K Report as updated by Ford’s and Ford Credit’s subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

# ***APPENDIX***

# TOTAL COMPANY

## 2009 SECOND QUARTER FINANCIAL RESULTS



	Second Quarter		First Half	
	2009	B / (W) 2008**	2009	B / (W) 2008**
<b>Income / (Loss) (Mils.)</b>				
Pre-Tax Results (Excl. Special Items)	<u>\$ (424)</u>	\$ 609	\$ (2,406)	\$ (2,059)
Special Items*	<u>2,795</u>	<u>10,821</u>	<u>3,157</u>	<u>11,583</u>
Pre-Tax Results (Incl. Special Items)	<u>\$ 2,371</u>	<u>\$11,430</u>	<u>\$ 751</u>	<u>\$ 9,524</u>
(Provision for) / Benefit from Income Taxes	<u>(25)</u>	<u>(468)</u>	<u>179</u>	<u>(169)</u>
Net Income / (Loss) from Continuing Ops.	<u>\$ 2,346</u>	<u>\$10,962</u>	<u>\$ 930</u>	<u>\$ 9,355</u>
Discontinued Operations	5	(3)	5	(4)
(Income) / Loss attributable to the non-controlling interests	<u>(90)</u>	<u>(1)</u>	<u>(101)</u>	<u>110</u>
Net Income / (Loss) attributable to Ford***	<u><u>\$ 2,261</u></u>	<u><u>\$10,958</u></u>	<u><u>\$ 834</u></u>	<u><u>\$ 9,461</u></u>
Automotive Gross Cash (Bils.)****	\$ 21.0	\$ (5.6)	\$ 21.0	\$ (5.6)

\* See Appendix 22 for details of special items

\*\* 2008 results adjusted for the effect of FSP APB 14-1 and for the reclassification of certain Financial Services sector revenue items

\*\*\* Formerly labeled "Net Income / (Loss)"; reflects new presentation as required under SFAS No.160

\*\*\*\* See Appendix for reconciliation to GAAP

# TOTAL COMPANY CALCULATION OF EARNINGS PER SHARE



	Second Quarter 2009		First Half 2009	
	<u>Net Income Attrib. to Ford (Mils.)</u>	<u>Operating Results -- Excl. Special Items* (Mils.)</u>	<u>Net Income Attrib. to Ford (Mils.)</u>	<u>Operating Results -- Excl. Special Items* (Mils.)</u>
<b>Numerator</b>				
Net Income / (Loss) attributable to Ford Motor Co.	\$2,261	\$ (638)	\$ 834	\$(2,430)
Impact on Income from assumed exchange of convertible notes and convertible trust preferred securities	63	-	-	-
Income for EPS	<u>\$2,324</u>	<u>\$ (638)</u>	<u>\$ 834</u>	<u>\$(2,430)</u>
<b>Denominator</b>				
Average shares outstanding	3,001	3,001	2,699	2,699
Net issuable shares, primarily restricted stock units	91	-	62	-
Convertible notes	99	-	-	-
Convertible trust preferred securities	160	-	-	-
Average shares for EPS	<u>3,351</u>	<u>3,001</u>	<u>2,761</u>	<u>2,699</u>
EPS	\$ 0.69	\$ (0.21)	\$ 0.30	\$ (0.90)

\* Excludes income / (loss) attributable to non-controlling interests and the effect of discontinued operations; see Appendix 22 for special items detail

# TOTAL COMPANY INCOME / (LOSS) FROM CONTINUING OPERATIONS COMPARED WITH 2008\*



	<u>Second Quarter</u>		<u>First Half</u>	
	<u>2008</u> (Mils.)	<u>2009</u> (Mils.)	<u>2008</u> (Mils.)	<u>2009</u> (Mils.)
Pre-Tax Results from Continuing Operations (Excl. Special Items)	\$(1,033)	\$ (424)	\$ (347)	\$(2,406)
(Income) / Loss attributable to Non-Controlling Interests	(89)	(90)	(211)	(101)
(Provision for) / Benefit from Income Taxes applied to Pre-Tax Results from Continuing Operations (Excl. Special Items)	(284)	(124)	(371)	77
After-Tax Results (Excl. Special Items)	<u>\$(1,406)</u>	<u>\$ (638)</u>	<u>\$ (929)</u>	<u>\$(2,430)</u>
Pre-Tax Special Items**	\$(8,026)	\$2,795	\$(8,426)	\$ 3,157
(Provision for) / Benefit from Income Taxes on Special Items	727	99	719	102
Income / (Loss) from Continuing Operations attributable to Ford	<u>\$(8,705)</u>	<u>\$2,256</u>	<u>\$(8,636)</u>	<u>\$ 829</u>
(Provision for) / Benefit from Income Taxes applied to Pre-Tax Results from Continuing Operations (Excl. Special Items)	\$ (284)	\$ (124)	\$ (371)	\$ 77
(Provision for) / Benefit from Income Taxes on Special Items	727	99	719	102
(Provision for) / Benefit from Income Taxes	<u>\$ 443</u>	<u>\$ (25)</u>	<u>\$ 348</u>	<u>\$ 179</u>

\* 2008 results adjusted for the effect of FSP APB 14-1

\*\* 2009 special items detailed on Appendix 22

# TOTAL COMPANY



## 2008 – 2009 SECOND QUARTER PRE-TAX RESULTS

	Pre-Tax Profits				Pre-Tax Profits	
	(Incl. Special Items)		Special Items		(Excl. Special Items)	
	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>
	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)
North America	\$(7,153)	\$(1,048)	\$(5,816)	\$ (197)	\$(1,337)	\$ (851)
South America	388	73	0	(13)	388	86
Europe	579	(101)	(3)	(239)	582	138
Volvo	(152)	(98)	(32)	133	(120)	(231)
Asia Pacific Africa	43	(26)	(7)	(1)	50	(25)
Subtotal	<u>\$(6,295)</u>	<u>\$(1,200)</u>	<u>\$(5,858)</u>	<u>\$ (317)</u>	<u>\$ (437)</u>	<u>\$ (883)</u>
Other Automotive*	<u>(308)</u>	<u>2,971</u>	<u>57</u>	<u>3,107</u>	<u>(365)</u>	<u>(136)</u>
Subtotal Ongoing Auto.	<u>\$(6,603)</u>	<u>\$ 1,771</u>	<u>\$(5,801)</u>	<u>\$2,790</u>	<u>\$ (802)</u>	<u>\$(1,019)</u>
Jaguar Land Rover	75	5	75	5	0	0
Mazda**	(111)	0	(214)	0	103	0
Total Automotive	<u>\$(6,639)</u>	<u>\$ 1,776</u>	<u>\$(5,940)</u>	<u>\$2,795</u>	<u>\$ (699)</u>	<u>\$(1,019)</u>
Financial Services	<u>(2,420)</u>	<u>595</u>	<u>(2,086)</u>	<u>0</u>	<u>(334)</u>	<u>595</u>
Total Company	<u><u>\$(9,059)</u></u>	<u><u>\$ 2,371</u></u>	<u><u>\$(8,026)</u></u>	<u><u>\$2,795</u></u>	<u><u>\$(1,033)</u></u>	<u><u>\$ (424)</u></u>

\* 2008 results adjusted for the effect of FSP APB 14-1

\*\* Beginning in 2009, our ownership interest in Mazda is treated as marketable securities, with mark-to-market adjustments reported in Other Automotive

# TOTAL COMPANY

## 2008 – 2009 FIRST HALF PRE-TAX RESULTS



	Pre-Tax Profits				Pre-Tax Profits	
	(Incl. Special Items)		Special Items		(Excl. Special Items)	
	2008	2009	2008	2009	2008	2009
	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)
North America	\$(7,598)	\$(1,823)	\$(6,216)	\$ (335)	\$(1,382)	\$(1,488)
South America	645	136	0	(13)	645	149
Europe	1,307	(656)	(14)	(244)	1,321	(412)
Volvo	(303)	(1,019)	(32)	(533)	(271)	(486)
Asia Pacific Africa	39	(129)	(12)	(8)	51	(121)
Subtotal	\$(5,910)	\$(3,491)	\$(6,274)	\$(1,133)	\$ 364	\$(2,358)
Other Automotive*	(520)	3,796	73	4,377	(593)	(581)
Subtotal Ongoing Auto.	\$(6,430)	\$ 305	\$(6,201)	\$ 3,244	\$ (229)	\$(2,939)
Jaguar Land Rover	75	3	75	3	0	0
Mazda**	(62)	0	(214)	0	152	0
Total Automotive	\$(6,417)	\$ 308	\$(6,340)	\$ 3,247	\$ (77)	\$(2,939)
Financial Services	(2,356)	443	(2,086)	(90)	(270)	533
Total Company	\$(8,773)	\$ 751	\$(8,426)	\$ 3,157	\$ (347)	\$(2,406)

\* 2008 results adjusted for the effect of FSP APB 14-1

\*\* Beginning in 2009, our ownership interest in Mazda is treated as marketable securities, with mark-to-market adjustments reported in Other Automotive

# TOTAL COMPANY

## 2008 – 2009 SECOND QUARTER REVENUE



	Revenue				Revenue	
	(Incl. Special Items)		Special Items		(Excl. Special Items)	
	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>
	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)
North America*	\$14,219	\$10,826	\$ 0	\$ 0	\$14,219	\$10,826
South America	2,346	1,840	0	0	2,346	1,840
Europe	11,559	7,234	0	0	11,559	7,234
Volvo	4,326	2,883	0	0	4,326	2,883
Asia Pacific Africa	1,778	1,206	0	0	1,778	1,206
Subtotal Ongoing Auto.	<u>\$34,228</u>	<u>\$23,989</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$34,228</u>	<u>\$23,989</u>
Jaguar Land Rover	2,829	0	2,829	0	0	0
Total Automotive	<u>\$37,057</u>	<u>\$23,989</u>	<u>\$2,829</u>	<u>\$ 0</u>	<u>\$34,228</u>	<u>\$23,989</u>
Financial Services**	4,045	3,200	0	0	4,045	3,200
Total Company	<u><u>\$41,102</u></u>	<u><u>\$27,189</u></u>	<u><u>\$2,829</u></u>	<u><u>\$ 0</u></u>	<u><u>\$38,273</u></u>	<u><u>\$27,189</u></u>

\* Includes consolidation of Automotive Alliance International (AAI) revenue from production of Mazda6 vehicles

\*\* 2008 adjusted for reclassification of certain Financial Services Sector revenue items

# TOTAL COMPANY

## 2008 – 2009 FIRST HALF REVENUE



	Revenue				Revenue	
	<u>(Incl. Special Items)</u>		<u>Special Items</u>		<u>(Excl. Special Items)</u>	
	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>
	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)	(Mils.)
North America*	\$31,329	\$20,987	\$ 0	\$ 0	\$31,329	\$20,987
South America	4,188	3,244	0	0	4,188	3,244
Europe	21,714	13,227	0	0	21,714	13,227
Volvo	8,523	5,528	0	0	8,523	5,528
Asia Pacific Africa	3,446	2,371	0	0	3,446	2,371
Subtotal Ongoing Auto.	<u>\$69,200</u>	<u>\$45,357</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$69,200</u>	<u>\$45,357</u>
Jaguar Land Rover	6,974	0	6,974	0	0	0
Total Automotive	<u>\$76,174</u>	<u>\$45,357</u>	<u>\$6,974</u>	<u>\$ 0</u>	<u>\$69,200</u>	<u>\$45,357</u>
Financial Services**	8,220	6,610	0	0	8,220	6,610
Total Company	<u><u>\$84,394</u></u>	<u><u>\$51,967</u></u>	<u><u>\$6,974</u></u>	<u><u>\$ 0</u></u>	<u><u>\$77,420</u></u>	<u><u>\$51,967</u></u>

\* Includes consolidation of Automotive Alliance International (AAI) revenue from production of Mazda6 vehicles

\*\* 2008 adjusted for reclassification of certain Financial Services Sector revenue items

# TOTAL COMPANY

## 2008 - 2009 SECOND QUARTER WHOLESALLES



	Wholesales				Wholesales	
	(Incl. Special Items)		Special Items		(Excl. Special Items)	
	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>
	(000)	(000)	(000)	(000)	(000)	(000)
North America*	679	458	0	0	679	458
South America	119	111	0	0	119	111
Europe	532	400	0	0	532	400
Volvo	107	79	0	0	107	79
Asia Pacific Africa**	125	124	0	0	125	124
Subtotal	<u>1,562</u>	<u>1,172</u>	<u>0</u>	<u>0</u>	<u>1,562</u>	<u>1,172</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>1,562</u>	<u>1,172</u>	<u>0</u>	<u>0</u>	<u>1,562</u>	<u>1,172</u>
Jaguar Land Rover	51	0	51	0	0	0
Total Automotive	<u><u>1,613</u></u>	<u><u>1,172</u></u>	<u><u>51</u></u>	<u><u>0</u></u>	<u><u>1,562</u></u>	<u><u>1,172</u></u>

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

\*\* Included in wholesales of Asia Pacific Africa are Ford-badged vehicles sold in China by unconsolidated affiliates totaling about 49,000 and 68,000 units in 2008 and 2009, respectively

# TOTAL COMPANY

## 2008 - 2009 FIRST HALF WHOLESALLES



	Wholesales				Wholesales	
	(Incl. Special Items)		Special Items		(Excl. Special Items)	
	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>
	(000)	(000)	(000)	(000)	(000)	(000)
North America*	1,383	812	0	0	1,383	812
South America	211	204	0	0	211	204
Europe	1,032	743	0	0	1,032	743
Volvo	213	148	0	0	213	148
Asia Pacific Africa**	<u>254</u>	<u>238</u>	<u>0</u>	<u>0</u>	<u>254</u>	<u>238</u>
Subtotal	<u>3,093</u>	<u>2,145</u>	<u>0</u>	<u>0</u>	<u>3,093</u>	<u>2,145</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>3,093</u>	<u>2,145</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,145</u>
Jaguar Land Rover	<u>125</u>	<u>0</u>	<u>125</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Automotive	<u><u>3,218</u></u>	<u><u>2,145</u></u>	<u><u>125</u></u>	<u><u>0</u></u>	<u><u>3,093</u></u>	<u><u>2,145</u></u>

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

\*\* Included in wholesales of Asia Pacific Africa are Ford-badged vehicles sold in China by unconsolidated affiliates totaling about 104,000 and 119,000 units in 2008 and 2009, respectively

# **AUTOMOTIVE SECTOR**

## **GROSS CASH RECONCILIATION TO GAAP**



	Dec. 31, 2008	June 30, 2009	June 30, 2009 B / (W) Dec. 31, 2008	Memo:	
	<u>(Bils.)</u>	<u>(Bils.)</u>	<u>(Bils.)</u>	<u>June 30, 2008</u>	<u>Mar. 31, 2009</u>
				<u>(Bils.)</u>	<u>(Bils.)</u>
Cash and Cash Equivalents	\$ 6.4	\$11.8	\$ 5.4	\$16.9	\$ 8.1
Marketable Securities	9.3	9.7	0.4	5.1	13.5
Loaned Securities	-	-	-	7.4	-
Total Cash / Marketable and Loaned Securities	<u>\$15.7</u>	<u>\$21.5</u>	<u>\$ 5.8</u>	<u>\$29.4</u>	<u>\$21.6</u>
Securities in Transit*	-	(0.1)	(0.1)	(0.1)	-
UAW-Ford Temporary Asset Account	<u>(2.3)</u>	<u>(0.4)</u>	<u>1.9</u>	<u>(2.7)</u>	<u>(0.3)</u>
Gross Cash	<u><u>\$13.4</u></u>	<u><u>\$21.0</u></u>	<u><u>\$ 7.6</u></u>	<u><u>\$26.6</u></u>	<u><u>\$21.3</u></u>

\* The purchase or sale of marketable securities for which the cash settlement was not made by period-end and for which there was a payable or receivable recorded on the balance sheet at period-end

# AUTOMOTIVE SECTOR

## GAAP RECONCILIATION OF OPERATING-RELATED CASH FLOWS\*



	<u>Second Quarter 2009</u>		<u>First Half 2009</u>	
	<u>Absolute</u>	<u>B / (W)</u>	<u>Absolute</u>	<u>B / (W)</u>
	<u>(Bils.)</u>	<u>2008</u>	<u>(Bils.)</u>	<u>2008</u>
		<u>(Bils.)</u>		<u>(Bils.)</u>
Cash Flows from Operating Activities of Continuing Operations**	\$ 0.1	\$2.3	\$(2.2)	\$(0.6)
Items Included in Operating-Related Cash Flows				
- Capital Expenditures	(1.0)	0.6	(2.4)	0.5
- Net Transactions Between Automotive and Financial Services Sectors	(0.3)	0.4	(0.9)	0.4
- Net Cash Flows from Non-Designated Derivatives	(0.2)	(0.8)	-	(0.8)
Items Not Included in Operating-Related Cash Flows				
- Cash Impact of Job Security Program & Personnel Reduction Program	0.2	-	0.5	0.2
- Pension Contributions	0.3	0.1	0.7	(0.1)
- Tax Refunds and Tax Payments from Affiliates	-	-	(0.3)	0.6
- Other**	(0.1)	(0.5)	(0.1)	(0.6)
Operating-Related Cash Flows	<u>\$(1.0)</u>	<u>\$2.1</u>	<u>\$(4.7)</u>	<u>\$(0.4)</u>

\* Except where noted (see below) 2008 data excludes Jaguar Land Rover

\*\* 2008 includes Jaguar Land Rover

# TOTAL COMPANY AUTOMOTIVE DEBT



	March 31, 2009 <u>(Bils.)</u>	2 <sup>nd</sup> Quarter Debt Reduction Actions <u>(Bils.)</u>	Other Actions <u>(Bils.)</u>	June 30, 2009 <u>(Bils.)</u>
Unsecured Notes	\$ 9.0	\$(3.4)	\$ -	\$ 5.6
Unsecured Convertible Notes*	<u>3.3</u>	<u>(2.9)</u>	-	<u>0.4</u>
Total Unsecured Notes	\$12.3	\$(6.3)	\$ -	\$ 6.0
Trust Preferred	<u>3.0</u>	-	-	<u>3.0</u>
Total Unsecured Debt	\$15.3	\$(6.3)	\$ -	\$ 9.0
Term Loan	\$ 4.6	\$ -	\$ -	\$ 4.6
Revolving Line of Credit	<u>10.1</u>	-	-	<u>10.1</u>
Total Secured Debt	\$14.7	\$ -	\$ -	\$14.7
International / Other U.S. Debt	<u>2.1</u>	-	<u>0.3</u>	<u>2.4</u>
Total Automotive Debt	<u>\$32.1</u>	<u>\$(6.3)</u>	<u>\$0.3</u>	<u>\$26.1</u>

\* Excludes elimination of \$1.4 billion of unamortized discount initially recognized with the adoption of FSP APB 14-1 on January 1, 2009

# **FORD CREDIT INCOME COMPARED WITH NET INCOME/(LOSS)**



	<u>Second Quarter</u>		<u>First Half</u>	
	<u>2008</u> (Mils.)	<u>2009</u> (Mils.)	<u>2008</u> (Mils.)	<u>2009</u> (Mils.)
<u>Income</u>				
Income / (Loss) before income taxes (excludes impairment)	\$ (294)	\$ 646	\$ (262)	\$ 610
Impairment of operating leases	<u>(2,086)</u>	<u>-</u>	<u>(2,086)</u>	<u>-</u>
Income / (Loss) before income taxes	\$(2,380)	\$ 646	\$(2,348)	\$ 610
Less: Provision for / (Benefit from) income taxes	(945)	235	(936)	212
Gain on disposal of discontinued operations	<u>8</u>	<u>2</u>	<u>9</u>	<u>2</u>
Net income / (loss)	<u>\$(1,427)</u>	<u>\$ 413</u>	<u>\$(1,403)</u>	<u>\$ 400</u>

# FORD CREDIT – OPERATING HIGHLIGHTS



	<u>Second Quarter</u>		<u>First Half</u>	
	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>
<u>Shares</u>				
United States				
Financing share – Ford, Lincoln and Mercury				
Retail installment and lease	39%	28%	38%	29%
Wholesale	77	79	77	78
Europe				
Financing share – Ford				
Retail installment and lease	28%	28%	27%	27%
Wholesale	98	99	97	99
<u>Contract Volume – New and used retail/lease (in thousands)</u>				
North America Segment				
United States	312	153	587	288
Canada	48	33	79	53
Total North America Segment	360	186	666	341
International Segment				
Europe	177	124	355	246
Other international	29	9	78	26
Total International Segment	206	133	433	272
Total contract volume	566	319	1,099	613
<u>Borrowing Cost Rate*</u>				
	5.4%	5.0%	5.5%	5.0%

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

# **FORD CREDIT – CHARGE-OFFS AND LOSS-TO-RECEIVABLES RATIO**



	<u>Second Quarter</u>		<u>First Half</u>	
	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>
<u>Charge-offs – On-Balance Sheet (Mils.)</u>				
Retail installment and lease	\$ 232	\$ 261	\$ 458	\$ 570
Wholesale	12	21	13	40
Other	2	3	4	7
Total charge-offs – on-balance sheet	<u>\$ 246</u>	<u>\$ 285</u>	<u>\$ 475</u>	<u>\$ 617</u>
Total loss-to-receivables ratio – on-balance sheet	0.70%	1.09%	0.67%	1.15%
Memo:				
Total charge-offs – managed (Mils.)*	\$ 254	\$ 286	\$ 497	\$ 621
Total loss-to-receivables ratio – managed*	0.70%	1.09%	0.68%	1.16%

\* See Appendix for definition

# FORD CREDIT NET FINANCE RECEIVABLES AND OPERATING LEASES



	June 30, 2008 <u>(Bils.)</u>	December 31, 2008 <u>(Bils.)</u>	June 30, 2009 <u>(Bils.)</u>
<u>Receivables – On-Balance Sheet</u>			
Retail installment	\$ 72.1	\$ 65.5	\$ 61.2
Wholesale	35.9	27.7	19.7
Other finance receivables	3.4	2.8	2.7
Unearned interest supplements	(1.0)	(1.3)	(1.7)
Allowance for credit losses	(1.3)	(1.4)	(1.6)
Finance receivables, net	<u>\$ 109.1</u>	<u>\$ 93.3</u>	<u>\$ 80.3</u>
Net investment in operating leases	26.6	22.5	18.2
Total receivables – on-balance sheet	<u><u>\$ 135.7</u></u>	<u><u>\$ 115.8</u></u>	<u><u>\$ 98.5</u></u>
 Memo:			
Total receivables – managed*	\$ 139.7	\$ 117.7	\$ 100.3

\* Includes on-balance sheet receivables, excluding unearned interest supplements related to finance receivables of \$1 billion, \$1.3 billion, and \$1.7 billion at June 30, 2008, December 31, 2008, and June 30, 2009, respectively; and includes off-balance sheet retail receivables of \$3 billion, about \$600 million, and about \$100 million at June 30, 2008, December 31, 2008, and June 30, 2009, respectively

# DEBT RATINGS -- FORD & FORD CREDIT



	<u>S&amp;P</u>	<u>Moody's</u>	<u>Fitch</u>	<u>DBRS</u>
<b><u>Issuer Ratings</u></b>				
Ford Motor	CCC+	Caa1	CCC	CCC (high)
Ford Credit	CCC+	NR	CCC	B (low)
<b><u>Secured Funding</u></b>				
Ford Motor	CCC+	B1	B	B (low)
<b><u>Senior Long-Term Unsecured</u></b>				
Ford Motor	CCC-	Caa2	CC	CCC
Ford Credit	CCC+	Caa1	B	B (low)
FCE Bank plc	B-	Caa1	B	NR
Outlook	Dev	Stable	Stable	Stable

# FORD CREDIT KEY METRIC DEFINITIONS



In evaluating Ford Credit's financial performance, Ford Credit management uses financial measures based on GAAP, as well as financial measures that include adjustments from GAAP; these measures 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 securitized off-balance sheet receivables that Ford Credit continues to service

Serviced Receivables -- includes managed receivables and receivables Ford Credit sold in whole-loan sale transactions where Ford Credit retains no interest in the sold receivables, but which Ford Credit continues to service

Charge-offs on Managed Receivables -- charge-offs associated with receivables reported on Ford Credit's balance sheet and charge-offs associated with receivables that 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 that have been sold for legal purposes in securitization transactions that do not satisfy the requirements for accounting sale treatment. These receivables are available only for payment of the debt and 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 securitization transactions that are payable only out of collections on the underlying securitized assets and related enhancements. Ford Credit holds the right to the excess cash flows not needed to pay the debt and other obligations issued or arising in each of these securitization transactions

# 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:

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

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

\* Excludes marketable securities related to insurance activities

\*\* Primarily related to market valuation adjustments to derivatives due to movements in interest rates. Adjustments to debt are related to designated fair value hedges and adjustments to equity are related to retained earnings

# FINANCIAL SERVICES SECTOR FORD CREDIT RECONCILIATIONS OF MANAGED LEVERAGE TO FINANCIAL STATEMENT LEVERAGE



<u>Leverage Calculation</u>	<u>June 30, 2008</u> (Bils.)	<u>June 30, 2009</u> (Bils.)
Total Debt*	\$ 137.5	\$ 104.9
Securitized Off-Balance Sheet Receivables Outstanding	3.0	0.1
Retained Interest in Securitized Off-Balance Sheet Receivables	(0.4)	(0.1)
Adjustments for Cash, Cash Equivalents and Marketable Securities**	(19.6)	(19.1)
Adjustments for Derivative Accounting***	(0.1)	(0.2)
Total Adjusted Debt	<u>\$ 120.4</u>	<u>\$ 85.6</u>
Equity	\$ 12.3	\$ 10.3
Adjustments for Derivative Accounting***	(0.2)	(0.1)
Total Adjusted Equity	<u>\$ 12.1</u>	<u>\$ 10.2</u>
Financial Statement Leverage (to 1)	11.2	10.2
Managed Leverage (to 1)	10.0	8.4

\* Includes \$74.7 billion and \$58.6 billion on June 30, 2008 and June 30, 2009, respectively, of long-term and short-term asset-backed debt obligations issued in securitization transactions that are payable only out of collections on the underlying securitized assets and related enhancements

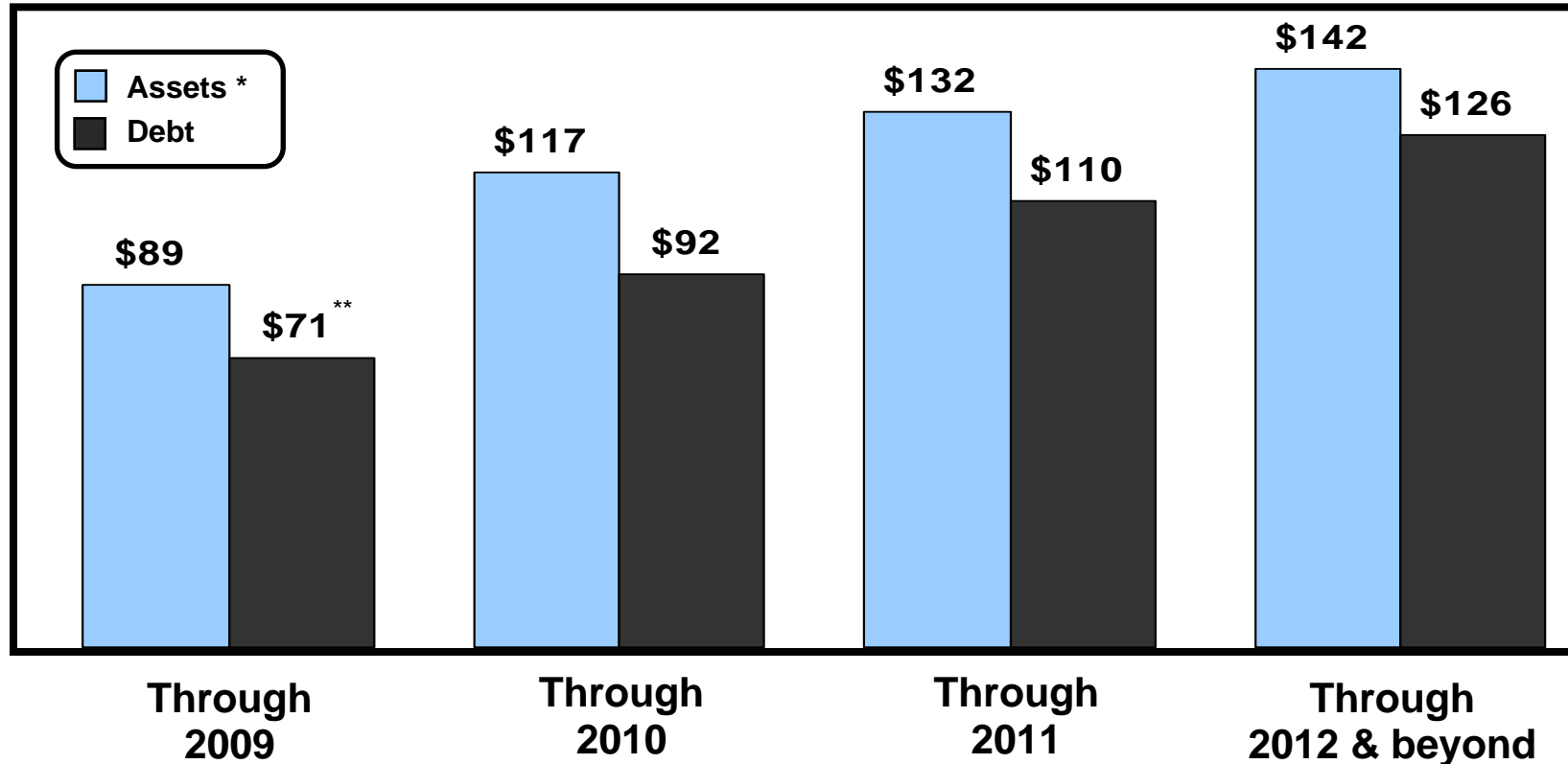
\*\* Excludes marketable securities related to insurance activities

\*\*\* Primarily related to market valuation adjustments to derivatives due to movements in interest rates. Adjustments to debt are related to designated fair value hedges and adjustments to equity are related to retained earnings

# LIQUIDITY PROFILE OF FORD CREDIT'S BALANCE SHEET



Cumulative Maturities -- As of December 31, 2008 (Bils.)



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

\*\* Includes all of the floor-plan ABS term and conduit maturities that otherwise contractually extend beyond 2009.

# TOTAL COMPANY

## 2009 SECOND QUARTER SPECIAL ITEMS



	Second Quarter <u>(Mils.)</u>	First Half <u>(Mils.)</u>
<u>Personnel and Dealer-Related Items</u>		
North America personnel-reduction actions	\$ (98)	\$ (269)
Job Security Benefits	22	314
Retiree Health Care and related charges	(110)	(288)
International personnel-reduction actions	(160)	(174)
Dealer actions	<u>(12)</u>	<u>(93)</u>
Total Personnel and Dealer-Related Items	\$ (358)	\$ (510)
 <u>Other Items</u>		
Gain on debt-reduction actions	\$ 3,385	\$ 4,706
Volvo "held for sale" impacts and related costs	141	(523)
Foreign subsidiary liquidation	(281)	(281)
Investment impairments / Other	<u>(92)</u>	<u>(235)</u>
Total Other Items	<u>\$ 3,153</u>	<u>\$ 3,667</u>
Total Special Items	<u><u>\$ 2,795</u></u>	<u><u>\$ 3,157</u></u>
 Memo: Special Items impact on Earnings Per Share*	 \$ 0.90	 \$ 1.20

\* Earnings per share from operations is calculated on a basis that includes pre-tax profit and provision for taxes, and excludes income / (loss) attributable to non-controlling interests and the effect of discontinued operations; see Appendix for method of calculation