
Capital Markets Day

December 8th, 2009

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Ford Motor Company



Agenda

- Pre recession automotive industry
- Recession effect on automotive industry
- Post recession automotive industry
- Q&A

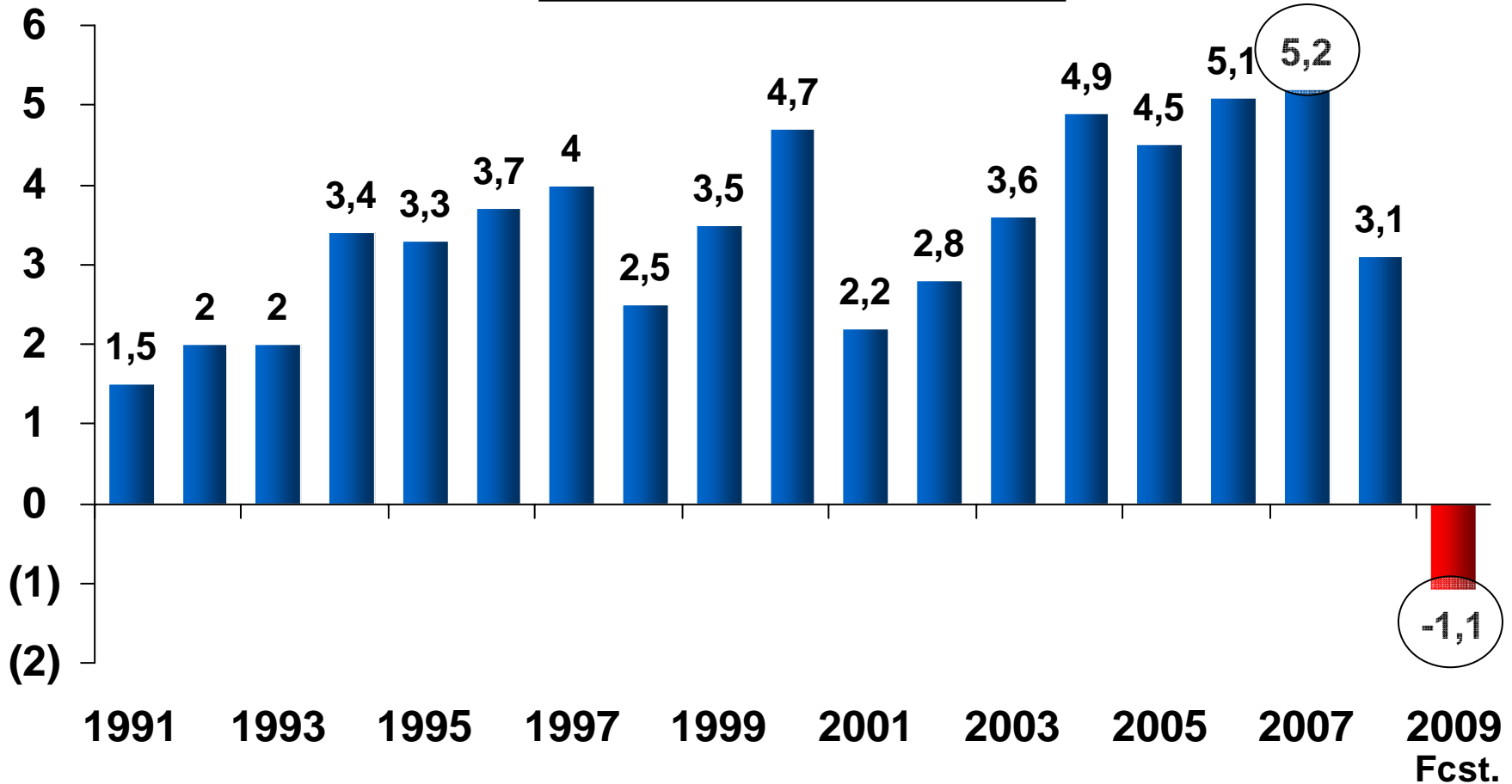
Pre recession automotive industry



Global Economic Growth

Annual % Chg.

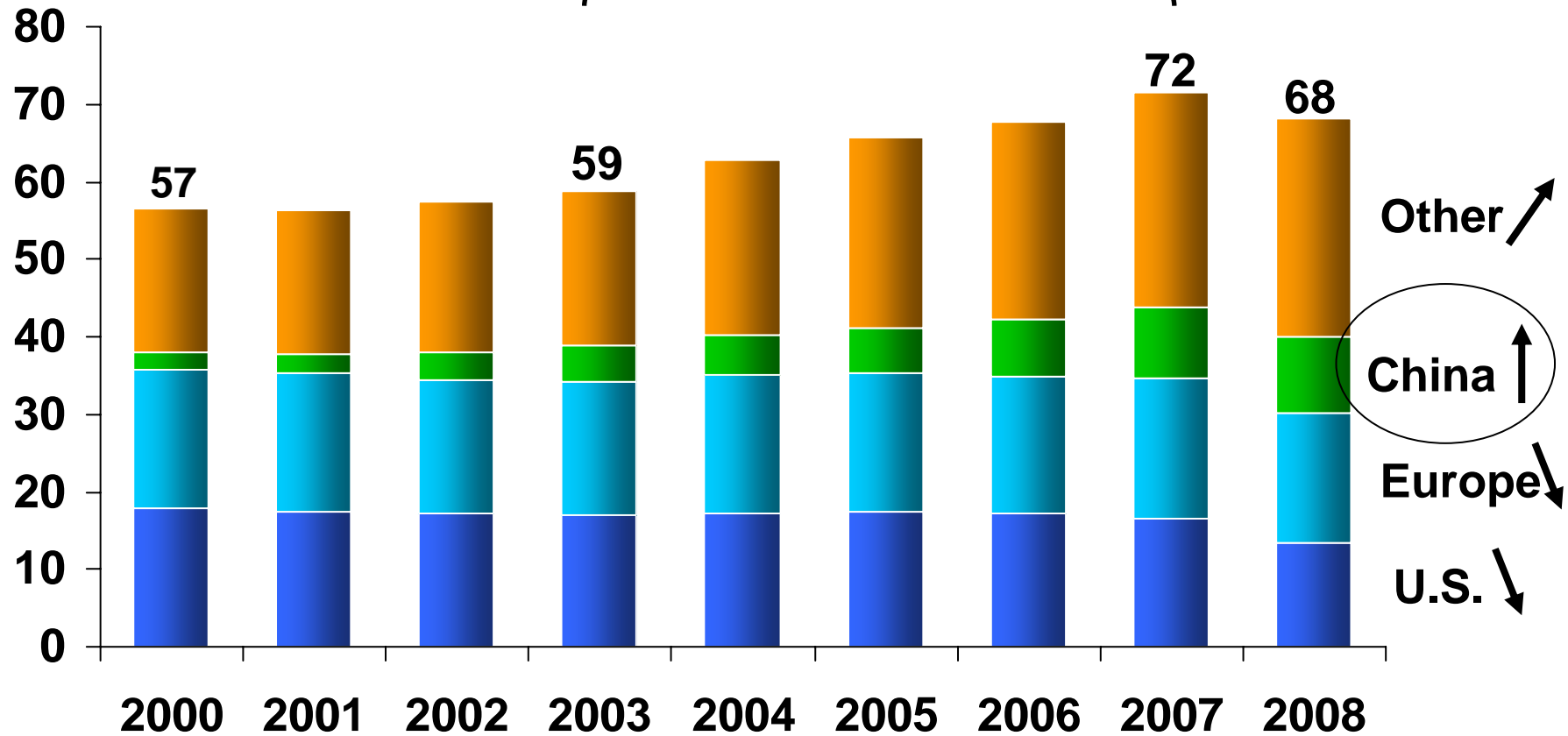
Long-Run Trend: 3.3%



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Global Vehicle Sales (mils)

Average Annual Growth (03 - 07) 5.1%



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2000 – 2007 Industry trends

- US industry trend of 17.5 million between 2000 and 2006, slight decline in 2007
- Europe 19 industry trend of close to 18 million between 2000 and 2007, first signs of significant decline in Q2 of 2008
- China has grown from a 2.2 million industry in 2000 to almost 10 million in 2008
- Between 2003 and 2007 global industry volume had an average annual growth of 5% per year

Recession effect on Automotive industry



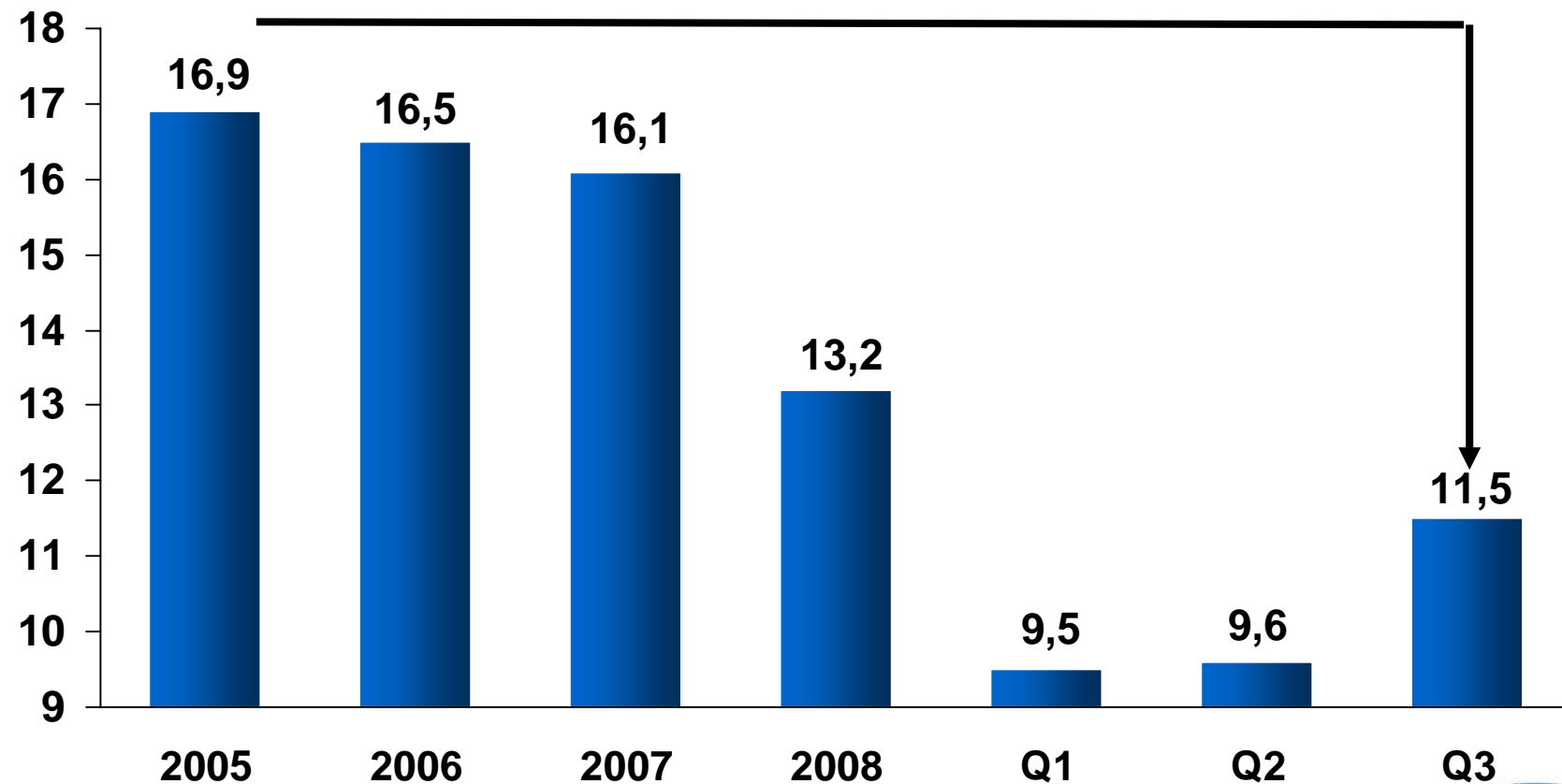
Global Recession

- Following financial and economic crisis, second half of 2008 showed industry collapse in U.S. and Europe
- Government stimulus in U.S. and Europe only started to show significant industry uplift in Q3 in the U.S. and Q2 in Europe
- Without these incentives industries would likely have been below the 10 million level in the U.S. and approximately 13 million in Europe
- FY latest industry predictions now at about 10.5 million for U.S. and 15.7 million for Europe

U.S. New Vehicle Sales

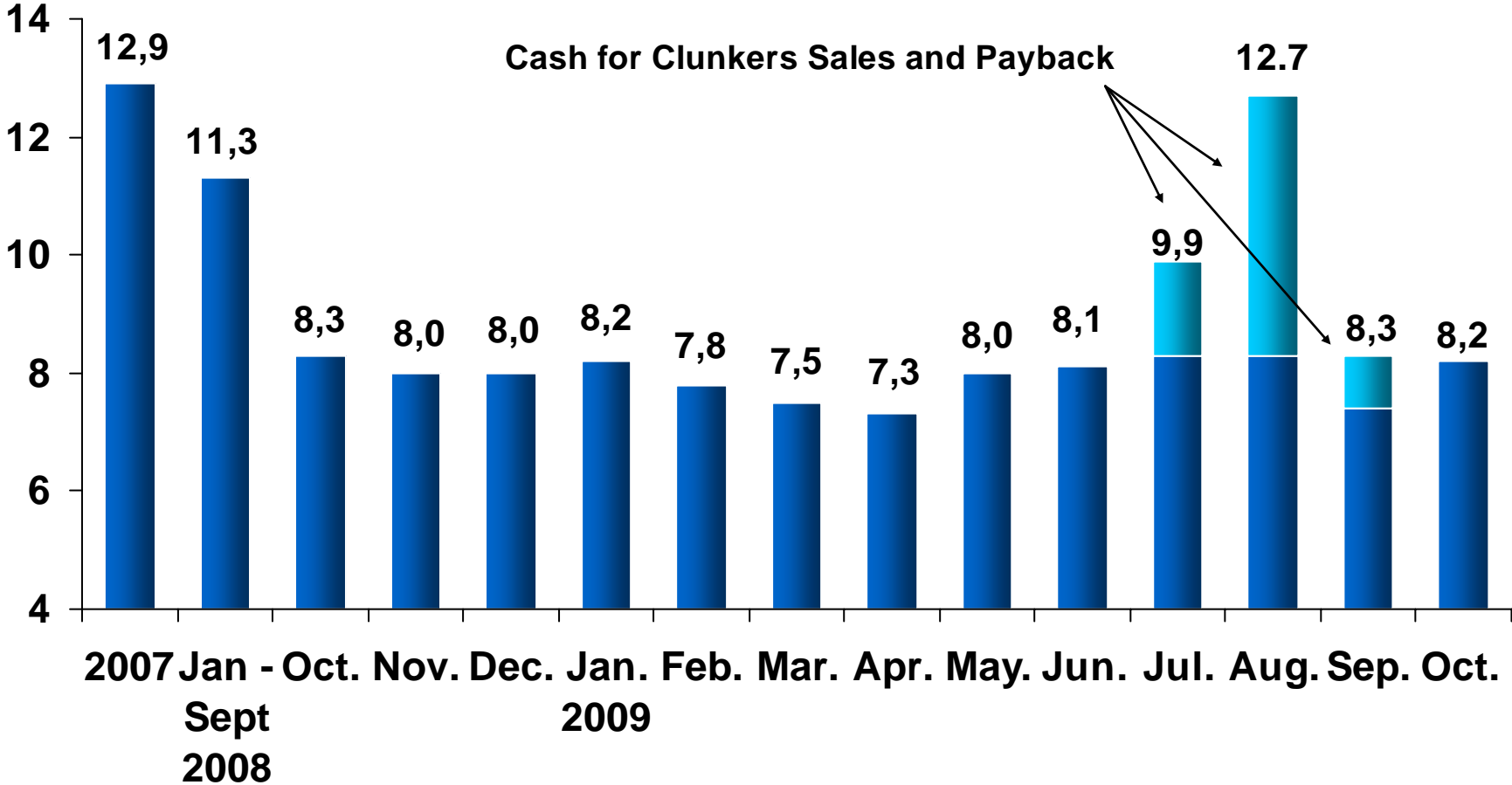
2005 – Q3 2009

Mils. Units SAAR

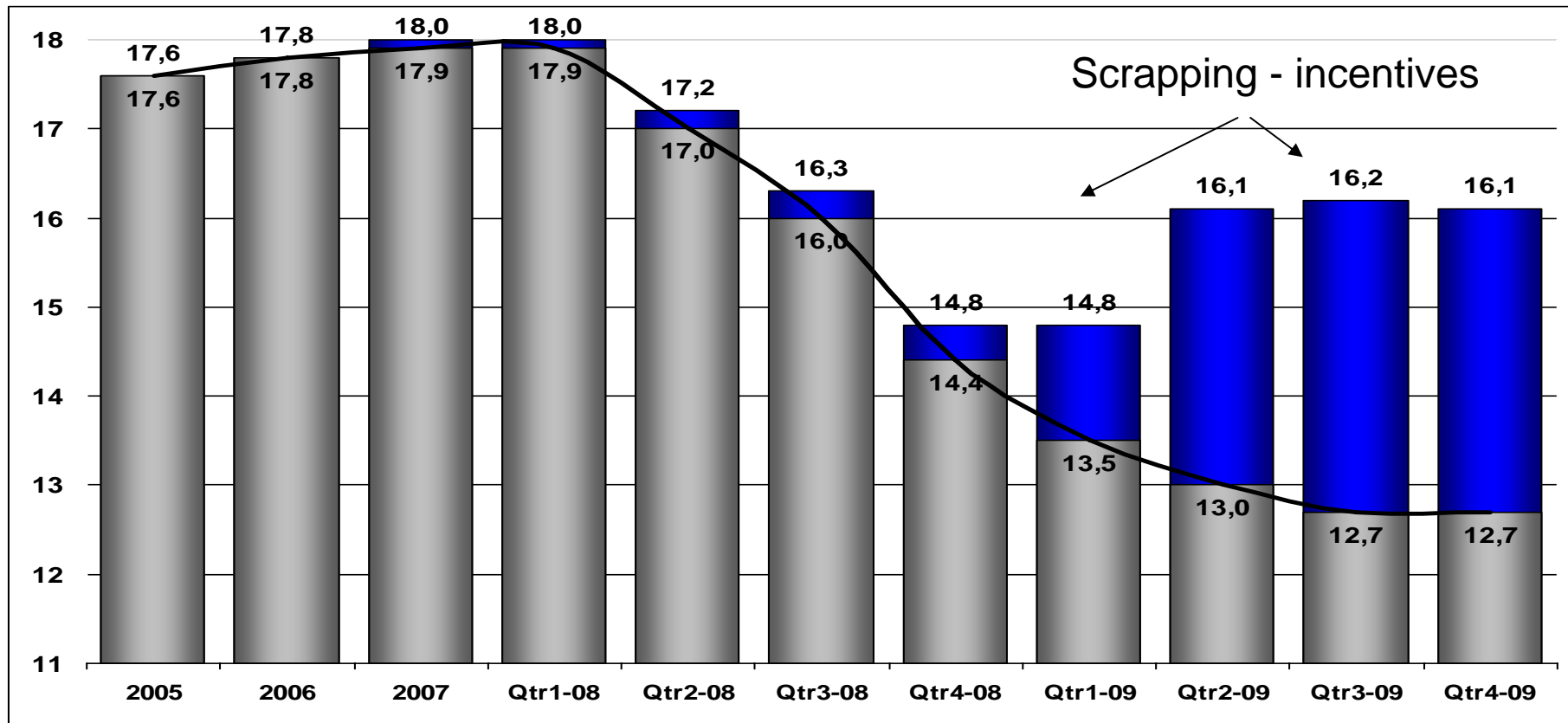


US Cash for Clunkers – New Retail Sales

Mils. Units SAAR



Europe 19 SAARs 2005-2009



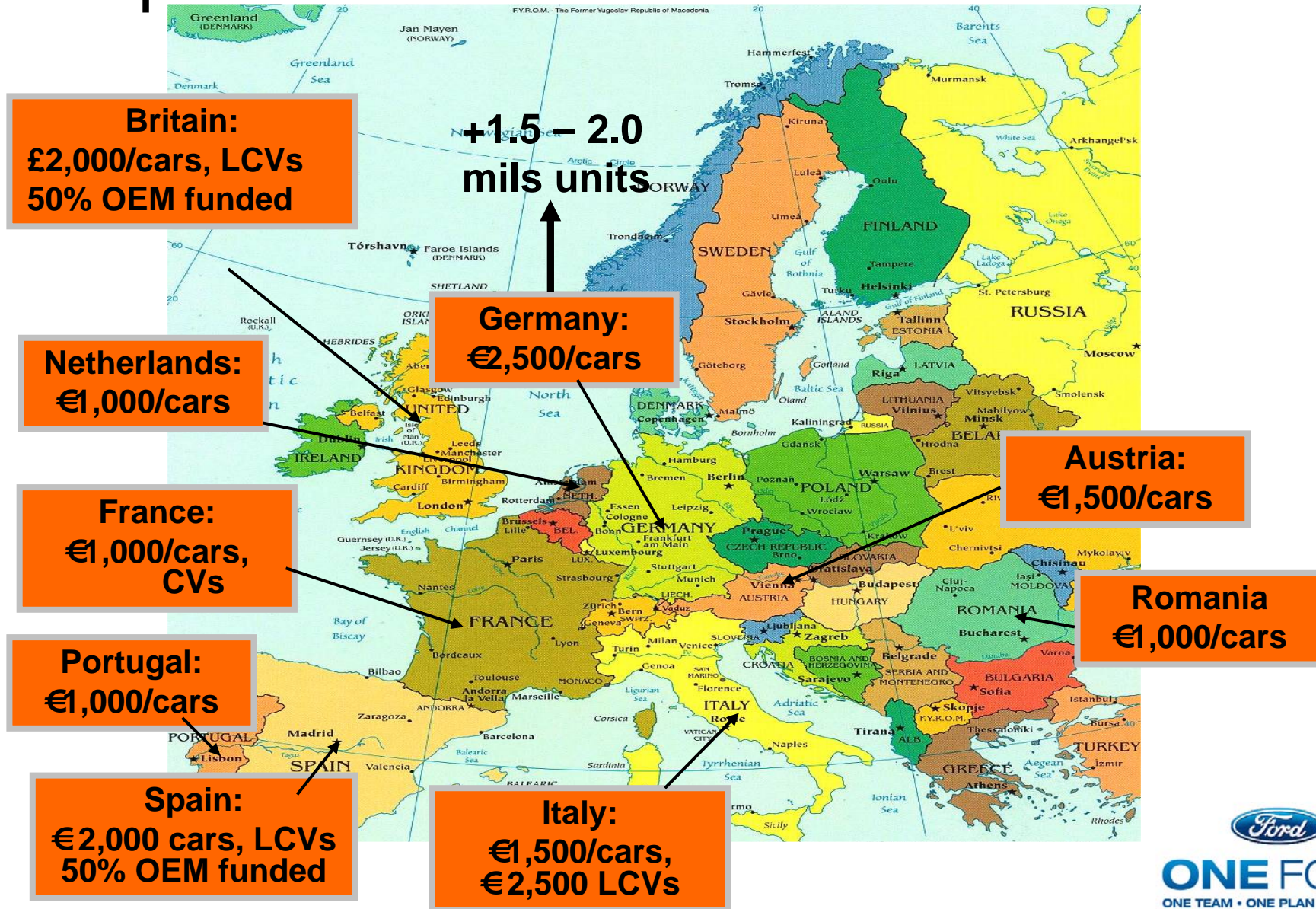
Current 2009 forecast is for 15.7 million industry

Without the scrapping incentives the 2009 industry forecast would be 13.0 million



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Programs to improve vehicle industry in Europe



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Current Business Environment

- Near term conditions remain weak, particularly in Europe and U.S.
- Financial market conditions improve, but credit remains tight for consumers and businesses
- Leading indicators point to slightly improved global economic conditions in second half of 2009:
 - Consumer confidence increasing in most major markets
 - Housing markets bottoming out in U.S. and U.K.
 - Industrial production and investment in China are expanding
- As global demand conditions improve, commodity price pressures are likely to resume:
 - Crude oil prices are up close to 100% from \$40 per barrel in January



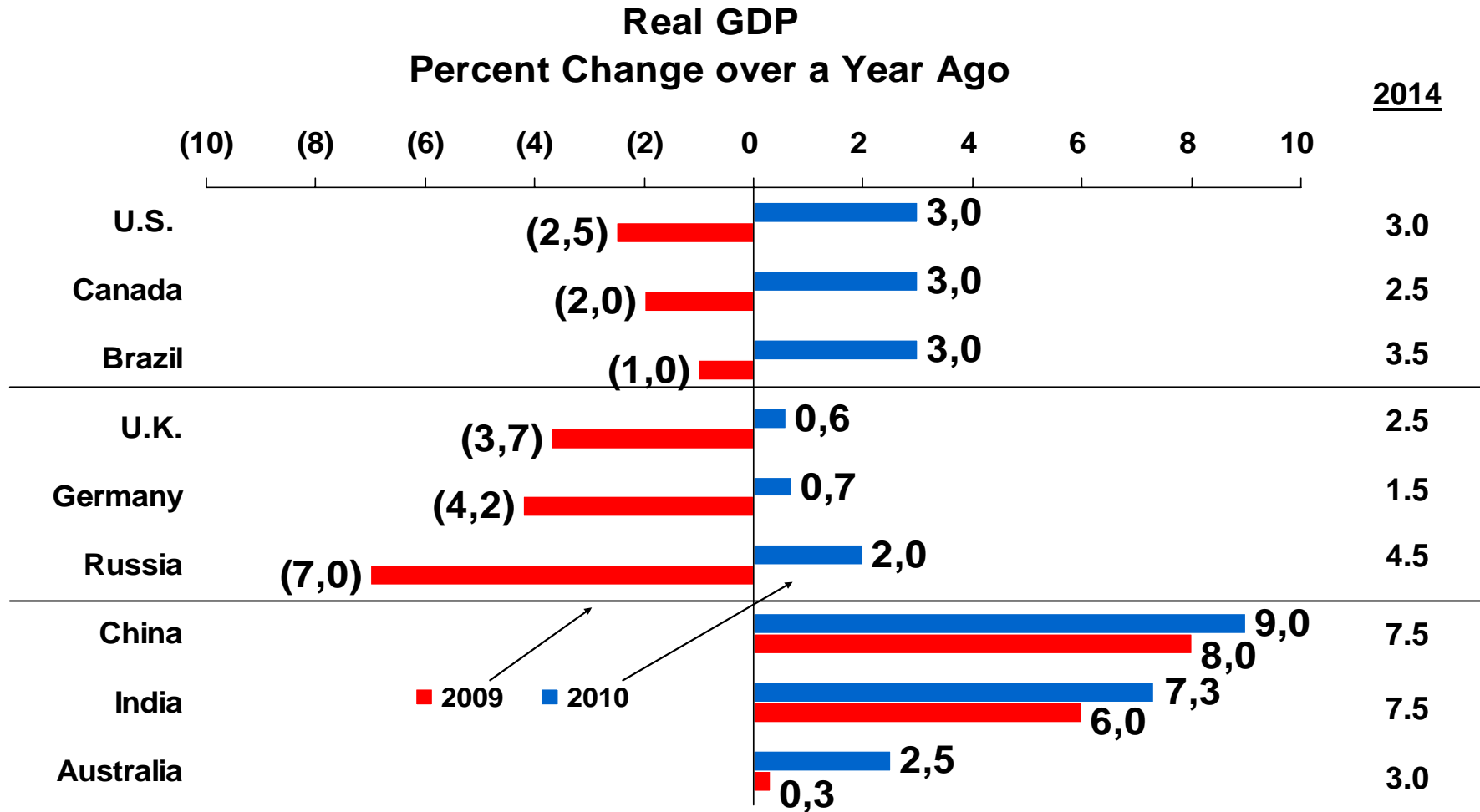
Post recession automotive industry



Economic Outlook

- Modest economic recoveries expected for 2010, with Europe pick up slower than U.S. and Asia-Pacific regions
- Large fiscal and monetary policy stimulus to support growth
- Anticipating payback from over 15 scrappage programs worldwide

ECONOMIC OUTLOOK: 2009-2014



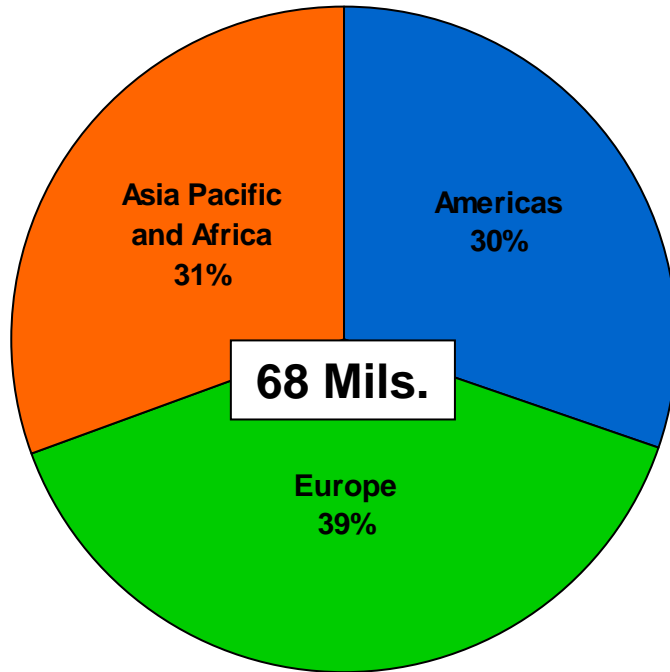
Broad-based economic recovery in 2010 with Europe pickup slower than Americas and APA regions



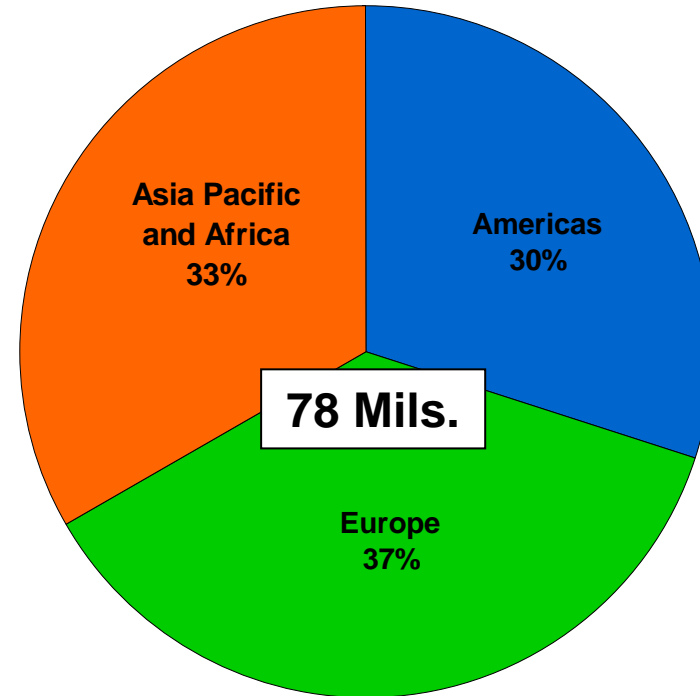
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GLOBAL INDUSTRY VOLUME

2008



2014



Business Unit Industry Volume (Units)

2008

2014

Memo: 2014 Volume Represented by Emerging Markets (%)

(Mils.)

(Mils.)

Americas

20.6

23.3

26

Europe (incl. Export and Growth)

25.6

27.0

44

Asia Pacific and Africa

20.9

26.1

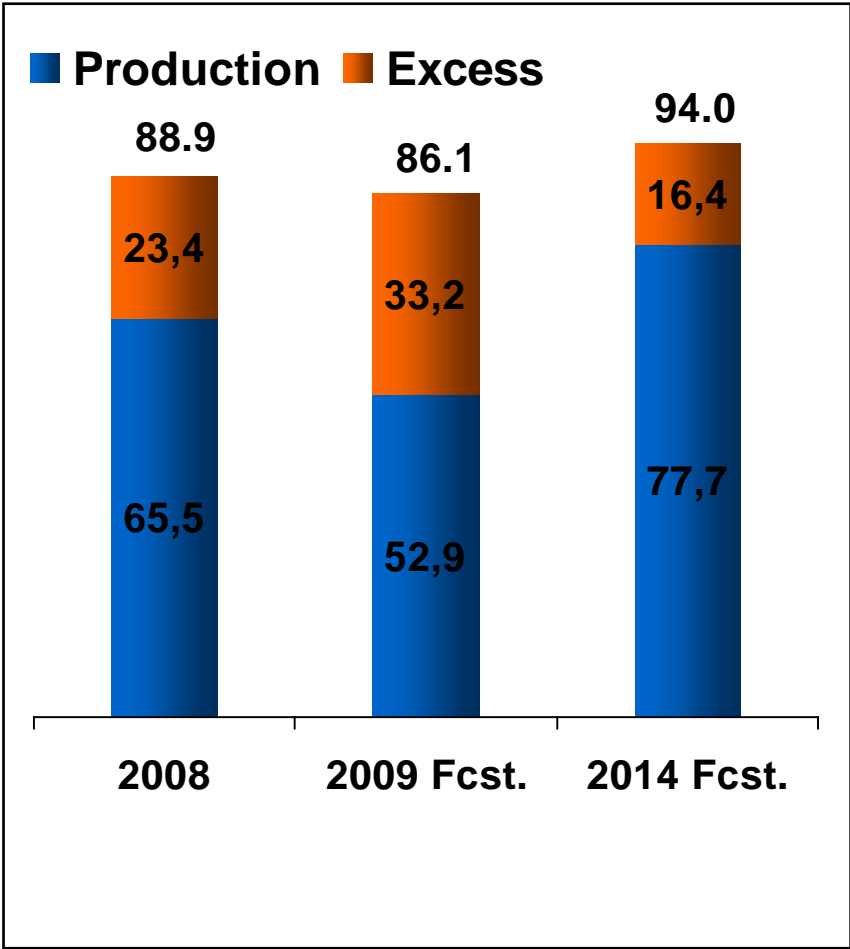
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LIGHT VEHICLE CAPACITY BY REGION

Global (Mils.)



	<u>2008</u>	<u>2009</u>	<u>2014</u>
<u>Excess (Mils.)</u>			
Americas	6.6	10.4	2.2
Europe	6.0	6.2	2.4
Asia Pacific	10.8	16.6	11.8
Total	23.4	33.2	16.4

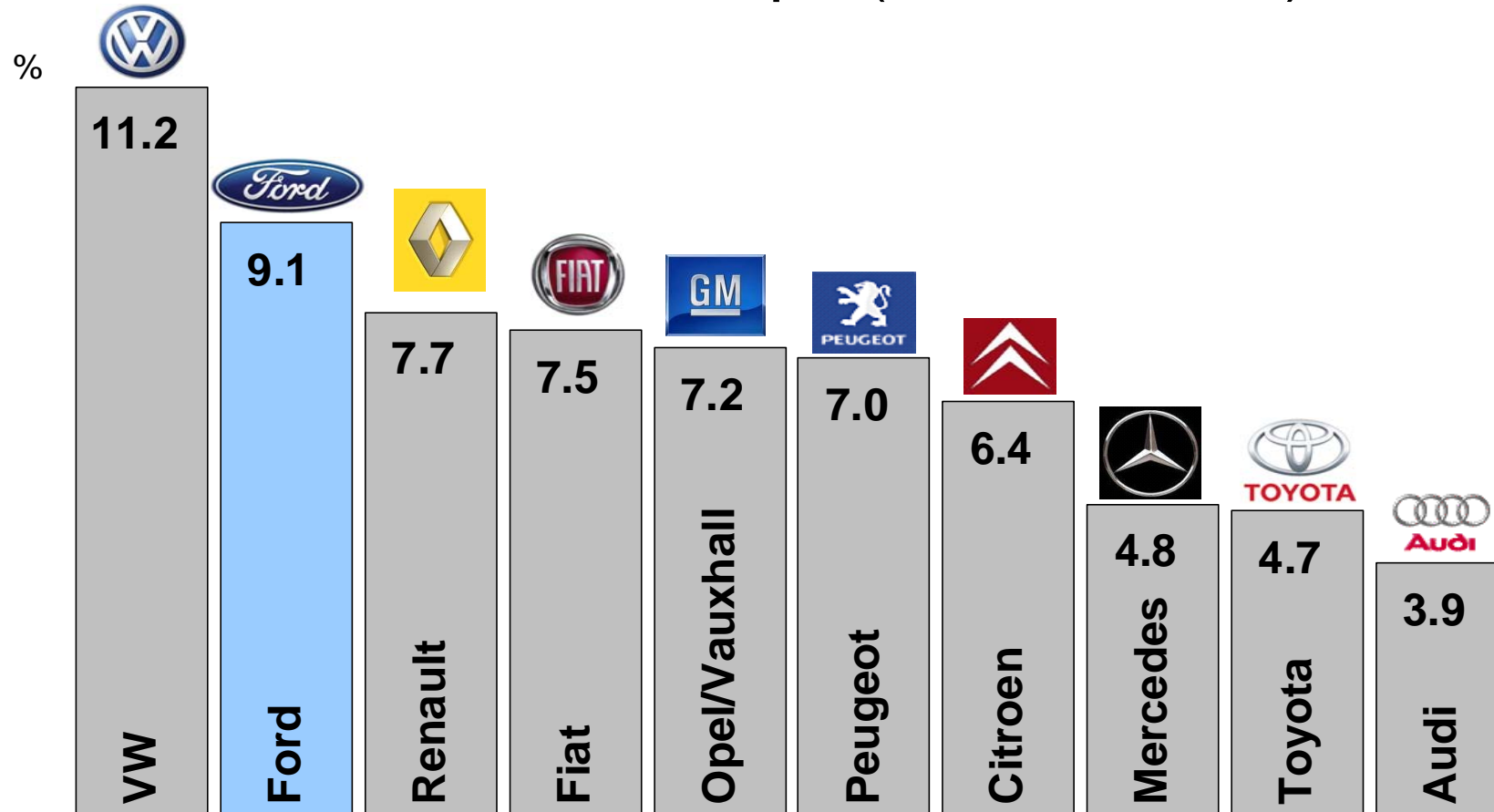
Global excess capacity still high in 2014 – intense competition



Summary

- Global fundamentals for rising vehicle ownership rates are positive
- Global excess capacity through 2014 will lead to intense competition
- Oil prices trend up – combined with climate change policies, there will be increasing demand for fuel efficient vehicles

Ford Performance in Europe (YTD October)*



Over / (Under) Prior Year

Country Mix	0.6	(0.3)	0.1	0.1	(0.1)	(0.1)	(0.1)	0.5	(0.3)	0.2
Performance	0.3	0.8	(0.4)	0.4	(0.3)	0.1	0.2	(1.4)	0.2	(0.2)
Total	0.9	0.5	(0.3)	0.4	(0.4)	(0.0)	0.1	(0.9)	(0.1)	0.0

Ford with +0.8 ppts performance increase is the highest of all manufacturers.

* Measures according to Ford EU19 definition



Q & A

