Go Further
HAU THAI-TANG
GROUP VICE PRESIDENT
GLOBAL PURCHASING
J. P. MORGAN AUTO CONFERENCE
AUGUST 12, 2015
OUR FOCUS

- One Ford
  - Acceleration

- Product Excellence
  - Delivered with Passion

- Innovation
  - In Every Part of Our Business

THE PLAN

ONE TEAM

People working together as a lean, global enterprise for automotive leadership, as measured by:
- Customer, Employee, Dealer, Investor, Supplier, Union/Council, and Community Satisfaction

ONE PLAN

- Aggressively restructure to operate profitably at the current demand and changing model mix
- Accelerate development of new products our customers want and value
- Finance our plan and improve our balance sheet
- Work together effectively as one team

ONE GOAL

An exciting viable Ford delivering profitable growth for all

Expected Behaviors

- Foster Functional and Technical Excellence
  - Know and have a passion for our business and our customers
  - Demonstrate and build functional and technical excellence
  - Ensure process discipline
  - Have a continuous improvement philosophy and practice

Own Working Together

- Believe in skilled and motivated people working together
  - Include everyone; respect, listen to, help and appreciate others
  - Build strong relationships; be a team player; develop ourselves and others
  - Communicate clearly, concisely and candidly

Role Model Ford Values

- Show initiative, courage, integrity and good corporate citizenship
- Improve quality, safety and sustainability
- Have a can do; find a way attitude and emotional resilience
- Enjoy the journey and each other; have fun - never at others’ expense

Deliver Results

- Deal positively with our business realities; develop compelling and comprehensive plans, while keeping an enterprise view
  - Set high expectations and inspire others
  - Make sound decisions using facts and data
  - Hold ourselves and others responsible and accountable for delivering results and satisfying our customers

\[
\text{Profitable Growth} = \text{Value} \times \text{Sustained Growth Factor}
\]

SLIDE 1
ONE FORD LONG-TERM OBJECTIVES

People Working Together As A Lean, Global Enterprise For Automotive Leadership

- Top 5 Sales / 10%+ Global Share
- More Balanced Regional & Segment Profits
- Operating Margins 8%+
- Top Quartile Total Shareholder Return (TSR)
- Highly Regarded By All Stakeholders

Delivering Profitable Growth For All
ONE FORD STRATEGIC FRAMEWORK

Strong Brands

Serving All Markets

Complete Family Of Best-In-Class Vehicles

Ford Smart Mobility

Profit = Revenue \times Margin

Product Excellence

Innovation
Creating Value Through Operational Excellence And Innovation

2015 PURCHASING PRIORITIES TO SUPPORT ONE FORD

Great Products

Outstanding Quality

Best Value

Sustainable Business

Trusted Relationships

High Performing Teams
CREATING VALUE THROUGH OPERATIONAL EXCELLENCE

Critical Elements Of Delivering The ONE Ford Plan
DELIVERING SCALE BENEFITS – GLOBAL SCALE

Global Scale

Regional Scale

Local Scale

Global Platform Consolidation

27 Platforms

8 Global Platforms

Global Scale Enabled By Platform Rationalization Under ONE Ford
DELIVERING SCALE BENEFITS – REGIONAL SCALE

- Global Scale
- Regional Scale
- Local Scale

Regional Scale Enabled By Consolidation Of Production

Manufacturing Hubs In Low Cost Locations

- E-Value Production Hub
DELIVERING SCALE BENEFITS – LOCAL SCALE

Global Scale

Regional Scale

Local Scale

Tailored Designs

Twist Beam Suspension

Independent Suspension

Achieving Local Scale

• Bundled sourcing across programs
• Common bill-of-process
• Sufficient volume for supplier site
• Early supplier involvement

High Local Scale Allows Suppliers To Operate More Efficiently
Translating Into Better Value For Ford
DELIVERING SCALE BENEFITS – BUNDLED SOURCING

Cross Program And Cross Platform Bundled Sourcing To Support Localization Objectives
**EARLY SUPPLIER ENGAGEMENT**

**Ford/Supplier Design Analysis**
- OEM Part 1
- OEM Part 2
- OEM Part 3

**Ford/Supplier Target Setting** (illustrative)

<table>
<thead>
<tr>
<th>Supplier 1</th>
<th>Supplier 2</th>
<th>Supplier 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchased parts</td>
<td>2.0</td>
<td>-</td>
</tr>
<tr>
<td>Raw material</td>
<td>-</td>
<td>1.0</td>
</tr>
<tr>
<td>Process</td>
<td>-</td>
<td>0.5</td>
</tr>
</tbody>
</table>

| Part 2    |           |           |
| Purchased parts | - | - | - |
| Raw material | 2.0 | 1.0 | 0.5 |
| Process | 8.0 | 11.0 | 8.5 |

Assembly
- Markups | 2.0 | 0.5 | 1.0 |

**BoB**
- 16.0 | 15.5 | 13.0 |

Leveraging Supplier Knowledge To Optimize Design And Value
REVISED SOURCING APPROACH BASED ON LEARNINGS

FROM

Global Products with Common Content
End Part Commonality
Build Where You Sell
Platform Sourcing
Sourcing Consolidation with ABF
Single Program Sourcing and Tooling

TO

Global Products with Regional Attributes & Parts
End Part, Component & BoP Commonality & Higher Re-use
Build In High Volume Manufacturing Hubs
Platform Sourcing or Regional / Site Sourcing
Greater flexibility for competition, localization, scale
Cross-Program Sourcing & Capacity Investment

Leveraging The Full Value Of ONE Ford To Deliver Optimal Value
Ford’s Goal Is To Remain The Customer Of Choice For Suppliers

1According to Planning Perspectives, inc. North American Automotive - Tier 1 Supplier Working Relations Index® Study
CREATING VALUE THROUGH INNOVATION

Suppliers Are Key Contributors To Ford’s Delivery Of Smart Mobility
## 2015 PLANNING ASSUMPTIONS AND KEY METRICS

### Planning Assumptions (Mils)

<table>
<thead>
<tr>
<th></th>
<th>2014 FY Results</th>
<th>2015 FY Plan</th>
<th>Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry Volume -- U.S.</td>
<td>16.8</td>
<td>17.0 - 17.5</td>
<td><strong>On Track</strong> 17.3</td>
</tr>
<tr>
<td>-- Europe 20</td>
<td>14.6</td>
<td>14.8 - 15.3</td>
<td><strong>15.7 - 16.2</strong> 15.7</td>
</tr>
<tr>
<td>-- China</td>
<td>24.0</td>
<td>24.5 - 26.5</td>
<td><strong>23.0 - 24.0</strong> 23.8</td>
</tr>
</tbody>
</table>

### Key Metrics

#### Automotive (Compared with 2014):
- Revenue (Bils) $135.8 $ Higher $66.9 $
- Operating Margin 3.9% Higher 5.5%
- Operating-Related Cash Flow (Bils)* $3.6 Higher On Track $2.4

#### Ford Credit (Compared with 2014):
- Pre-Tax Profit (Bils) $1.9 Equal To Or Higher $1.0

#### Total Company:
- Pre-Tax Profit (Bils)* $6.3 $8.5 - $9.5 $4.3

* Excludes special items; see Appendix for more detail and reconciliation to GAAP

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**Memo:**

- 2014 FY 2015 1H Results Plan Outlook

- **Results**
  - Industry Volume -- U.S.
  - Europe 20
  - China

- **Plan**
  - Industry Volume -- U.S.
  - Europe 20
  - China

- **Outlook**
  - Industry Volume -- U.S.
  - Europe 20
  - China

**Total Company Guidance Unchanged;**
**Total Company Pre-Tax Profit To Be $8.5 Billion To $9.5 Billion**
Statements included or incorporated by reference herein may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on expectations, forecasts, and assumptions by our management and involve a number of risks, uncertainties, and other factors that could cause actual results to differ materially from those stated, including, without limitation:

- Decline in industry sales volume, particularly in the United States, Europe, or China due to financial crisis, recession, geopolitical events, or other factors;
- Decline in Ford’s market share or failure to achieve growth;
- Lower-than-anticipated market acceptance of Ford’s new or existing products;
- Market shift away from sales of larger, more profitable vehicles beyond Ford’s current planning assumption, particularly in the United States;
- An increase in or continued volatility of fuel prices, or reduced availability of fuel;
- Continued or increased price competition resulting from industry excess capacity, currency fluctuations, or other factors;
- Fluctuations in foreign currency exchange rates, commodity prices, and interest rates;
- Adverse effects resulting from economic, geopolitical, or other events;
- Economic distress of suppliers that may require Ford to provide substantial financial support or take other measures to ensure supplies of components or materials and could increase costs, affect liquidity, or cause production constraints or disruptions;
- Work stoppages at Ford or supplier facilities or other limitations on production (whether as a result of labor disputes, natural or man-made disasters, tight credit markets or other financial distress, production constraints or difficulties, or other factors);
- Single-source supply of components or materials;
- Labor or other constraints on Ford’s ability to maintain competitive cost structure;
- Substantial pension and postretirement health care and life insurance liabilities impairing our liquidity or financial condition;
- Worse-than-assumed economic and demographic experience for postretirement benefit plans (e.g., discount rates or investment returns);
- Restriction on use of tax attributes from tax law “ownership change”;
- The discovery of defects in vehicles resulting in delays in new model launches, recall campaigns, or increased warranty costs;
- Increased safety, emissions, fuel economy, or other regulations resulting in higher costs, cash expenditures, and/or sales restrictions;
- Unusual or significant litigation, governmental investigations, or adverse publicity arising out of alleged defects in products, perceived environmental impacts, or otherwise;
- A change in requirements under long-term supply arrangements committing Ford to purchase minimum or fixed quantities of certain parts, or to pay a minimum amount to the seller (“take-or-pay” contracts);
- Adverse effects on results from a decrease in or cessation or clawback of government incentives related to investments;
- Inherent limitations of internal controls impacting financial statements and safeguarding of assets;
- Cybersecurity risks to operational systems, security systems, or infrastructure owned by Ford, Ford Credit, or a third-party vendor or supplier;
- Failure of financial institutions to fulfill commitments under committed credit and liquidity facilities;
- Inability of Ford Credit to access debt, securitization, or derivative markets around the world at competitive rates or in sufficient amounts, due to credit rating downgrades, market volatility, market disruption, regulatory requirements, or other factors;
- Higher-than-expected credit losses, lower-than-anticipated residual values, or higher-than-expected return volumes for leased vehicles;
- Increased competition from banks, financial institutions, or other third parties seeking to increase their share of financing Ford vehicles; and
- New or increased credit, consumer, or data protection or other regulations resulting in higher costs and/or additional financing restrictions.

We cannot be certain that any expectation, forecast, or assumption made in preparing forward-looking statements will prove accurate, or that any projection will be realized. It is to be expected that there may be differences between projected and actual results. Our forward-looking statements speak only as of the date of their initial issuance, and we do not undertake any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events, or otherwise. For additional discussion, see “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2014, as updated by subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.
## INCOME FROM CONTINUING OPERATIONS

### Memo: FY 2014

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Mils)</td>
<td>(Mils)</td>
<td>(Mils)</td>
<td>(Mils)</td>
<td>(Mils)</td>
</tr>
<tr>
<td><strong>Automotive</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automotive</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>$2,440</td>
<td>$2,597</td>
<td>$3,940</td>
<td>$3,937</td>
<td>$6,898</td>
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<tr>
<td>South America</td>
<td>(295)</td>
<td>(185)</td>
<td>(805)</td>
<td>(374)</td>
<td>(1,162)</td>
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<tr>
<td>Europe</td>
<td>14</td>
<td>(14)</td>
<td>(180)</td>
<td>(199)</td>
<td>(1,062)</td>
</tr>
<tr>
<td>Middle East &amp; Africa</td>
<td>23</td>
<td>(46)</td>
<td>77</td>
<td>33</td>
<td>(20)</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>159</td>
<td>192</td>
<td>450</td>
<td>295</td>
<td>589</td>
</tr>
<tr>
<td>Other Automotive</td>
<td>(171)</td>
<td>(167)</td>
<td>(393)</td>
<td>(379)</td>
<td>(755)</td>
</tr>
<tr>
<td>Total Automotive</td>
<td>$2,170</td>
<td>$2,377</td>
<td>$3,089</td>
<td>$3,313</td>
<td>$4,488</td>
</tr>
<tr>
<td>Special items -- Automotive</td>
<td>(481)</td>
<td>-</td>
<td>(603)</td>
<td>-</td>
<td>(1,940)</td>
</tr>
<tr>
<td>Total Automotive</td>
<td>$1,689</td>
<td>$2,377</td>
<td>$2,486</td>
<td>$3,313</td>
<td>$2,548</td>
</tr>
<tr>
<td><strong>Financial Services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ford Credit</td>
<td>$434</td>
<td>$506</td>
<td>$933</td>
<td>$989</td>
<td>$1,854</td>
</tr>
<tr>
<td>Other</td>
<td>(5)</td>
<td>(15)</td>
<td>(42)</td>
<td>(29)</td>
<td>(60)</td>
</tr>
<tr>
<td>Total Financial Services</td>
<td>$429</td>
<td>$491</td>
<td>$891</td>
<td>$960</td>
<td>$1,794</td>
</tr>
<tr>
<td><strong>Company</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre-tax results</td>
<td>$2,118</td>
<td>$2,868</td>
<td>$3,377</td>
<td>$4,273</td>
<td>$4,342</td>
</tr>
<tr>
<td>(Provision for) / Benefit from income taxes</td>
<td>(803)</td>
<td>(982)</td>
<td>(1,073)</td>
<td>(1,462)</td>
<td>(1,156)</td>
</tr>
<tr>
<td>Net income</td>
<td>$1,315</td>
<td>$1,886</td>
<td>$2,304</td>
<td>$2,811</td>
<td>$3,186</td>
</tr>
<tr>
<td>Less: Income / (Loss) attributable to non-controlling interests</td>
<td>4</td>
<td>1</td>
<td>4</td>
<td>2</td>
<td>(1)</td>
</tr>
<tr>
<td>Net income attributable to Ford</td>
<td>$1,311</td>
<td>$1,885</td>
<td>$2,300</td>
<td>$2,809</td>
<td>$3,187</td>
</tr>
<tr>
<td><strong>Memo: Excluding special items</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre-tax results</td>
<td>$2,599</td>
<td>$2,868</td>
<td>$3,980</td>
<td>$4,273</td>
<td>$6,282</td>
</tr>
<tr>
<td>(Provision for) / Benefit from income taxes</td>
<td>(965)</td>
<td>(982)</td>
<td>(1,327)</td>
<td>(1,462)</td>
<td>(1,650)</td>
</tr>
<tr>
<td>Less: Income / (Loss) attributable to non-controlling interests</td>
<td>4</td>
<td>1</td>
<td>4</td>
<td>2</td>
<td>(1)</td>
</tr>
<tr>
<td>After-tax results</td>
<td>$1,630</td>
<td>$1,885</td>
<td>$2,649</td>
<td>$2,809</td>
<td>$4,633</td>
</tr>
</tbody>
</table>
SPECIAL ITEMS

<table>
<thead>
<tr>
<th></th>
<th>2Q FY2014 (Mils)</th>
<th>2Q FY2015 (Mils)</th>
<th>1H FY2014 (Mils)</th>
<th>1H FY2015 (Mils)</th>
<th>Memo: FY2014 (Mils)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Personnel-Related Items</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Separation-related actions*</td>
<td>$(152)</td>
<td>$ -</td>
<td>$(274)</td>
<td>$ -</td>
<td>$(685)</td>
</tr>
<tr>
<td><strong>Other Items</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Venezuela accounting change</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$(800)</td>
</tr>
<tr>
<td>Ford Sollers equity impairment</td>
<td>$(329)</td>
<td>$ -</td>
<td>$(329)</td>
<td>$ -</td>
<td>$(329)</td>
</tr>
<tr>
<td>2016 Convertible Notes settlement</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$(126)</td>
</tr>
<tr>
<td><strong>Total Other Items</strong></td>
<td>$(329)</td>
<td>$ -</td>
<td>$(329)</td>
<td>$ -</td>
<td>$(1,255)</td>
</tr>
<tr>
<td><strong>Total Special Items</strong></td>
<td>$(481)</td>
<td>$ -</td>
<td>$(603)</td>
<td>$ -</td>
<td>$(1,940)</td>
</tr>
<tr>
<td><strong>Tax Special Items</strong></td>
<td>$ 162</td>
<td>$ -</td>
<td>$ 254</td>
<td>$ -</td>
<td>$ 494</td>
</tr>
<tr>
<td>Memo: Special items impact on earnings per share**</td>
<td>$(0.08)</td>
<td>$ -</td>
<td>$(0.08)</td>
<td>$ -</td>
<td>$(0.36)</td>
</tr>
</tbody>
</table>

* Primarily related to separation costs for personnel at the Genk and U.K. facilities
** Includes related tax effect on special items and tax special items
# Automotive Sector

**Gross Cash Reconciliation to GAAP**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>June 30 (Bils)</td>
<td>Dec. 31 (Bils)</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 4.7</td>
<td>$ 4.6</td>
</tr>
<tr>
<td>Marketable securities</td>
<td>21.1</td>
<td>17.1</td>
</tr>
<tr>
<td>Total cash and marketable securities (GAAP)</td>
<td>$ 25.8</td>
<td>$ 21.7</td>
</tr>
<tr>
<td>Securities in transit*</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Gross cash</td>
<td>$ 25.8</td>
<td>$ 21.7</td>
</tr>
</tbody>
</table>

* The purchase or sale of marketable securities for which the cash settlement was not made by period end and the related payable or receivable remained on the balance sheet.
### Automotive Sector

**Operating-Related Cash Flows Reconciliation to GAAP**

<table>
<thead>
<tr>
<th></th>
<th>2Q 2014 (Bils)</th>
<th>2Q 2015 (Bils)</th>
<th>1H 2014 (Bils)</th>
<th>1H 2015 (Bils)</th>
<th>Memo: FY 2014 (Bils)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net cash provided by / (used in) operating activities (GAAP)</strong></td>
<td>$4.1</td>
<td>$3.5</td>
<td>$6.1</td>
<td>$4.5</td>
<td>$8.8</td>
</tr>
<tr>
<td><strong>Items included in operating-related cash flows</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital spending</td>
<td>(1.9)</td>
<td>(1.7)</td>
<td>(3.4)</td>
<td>(3.5)</td>
<td>(7.4)</td>
</tr>
<tr>
<td>Proceeds from the exercise of stock options</td>
<td>-</td>
<td>-</td>
<td>0.1</td>
<td>0.1</td>
<td>0.2</td>
</tr>
<tr>
<td>Net cash flows from non-designated derivatives</td>
<td>0.1</td>
<td>(0.1)</td>
<td>0.1</td>
<td>-</td>
<td>0.2</td>
</tr>
<tr>
<td><strong>Items not included in operating-related cash flows</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Separation payments</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.5</td>
<td>0.2</td>
</tr>
<tr>
<td>Funded pension contributions</td>
<td>0.3</td>
<td>0.1</td>
<td>0.8</td>
<td>0.9</td>
<td>1.5</td>
</tr>
<tr>
<td>Tax refunds and tax payments from affiliates</td>
<td>-</td>
<td>-</td>
<td>(0.2)</td>
<td>-</td>
<td>(0.2)</td>
</tr>
<tr>
<td>Other</td>
<td>(0.1)</td>
<td>-</td>
<td>0.2</td>
<td>(0.1)</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>Operating-related cash flows</strong></td>
<td>$2.6</td>
<td>$1.9</td>
<td>$3.8</td>
<td>$2.4</td>
<td>$3.6</td>
</tr>
</tbody>
</table>