

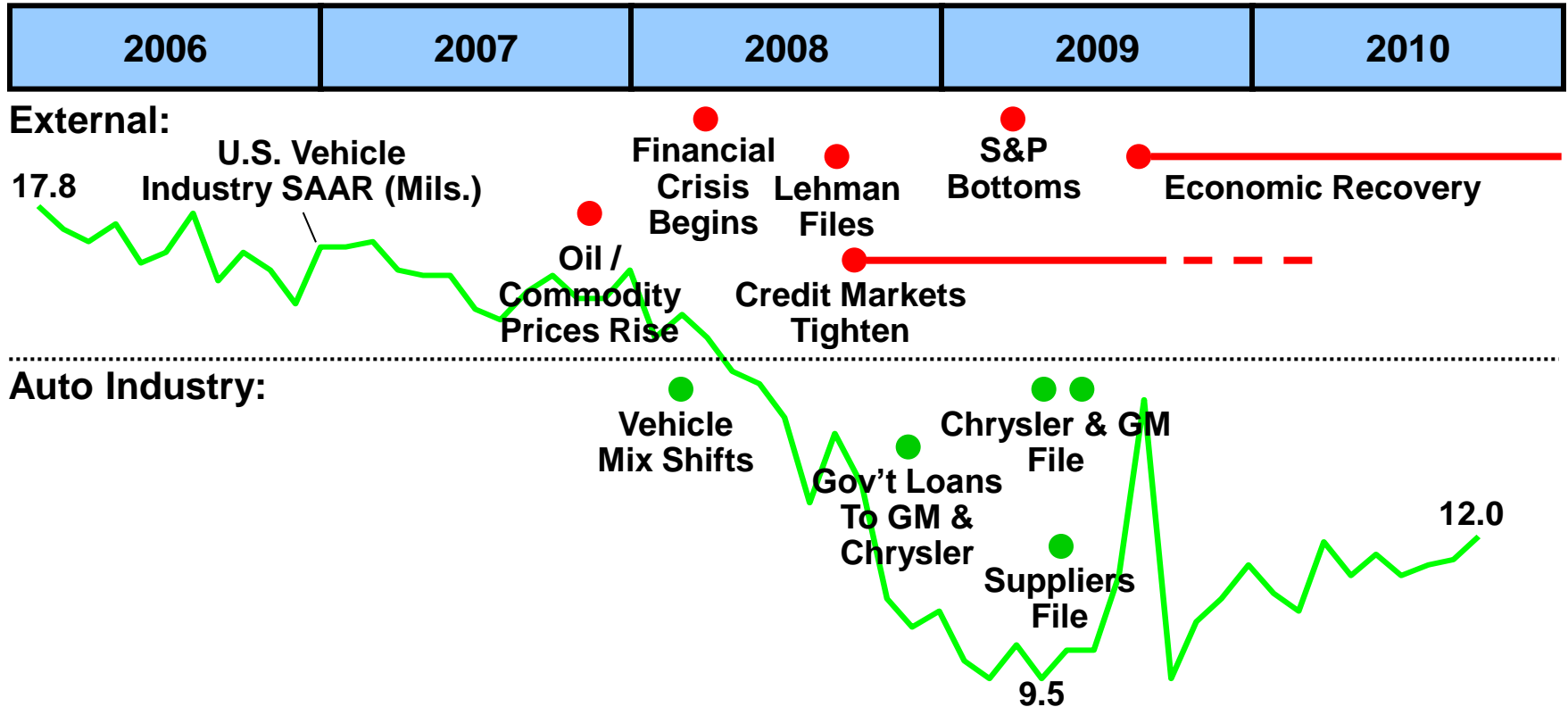


# ***CAPITAL STRATEGY***

***2010 Alexander Hamilton Awards  
Working Capital Management Category***



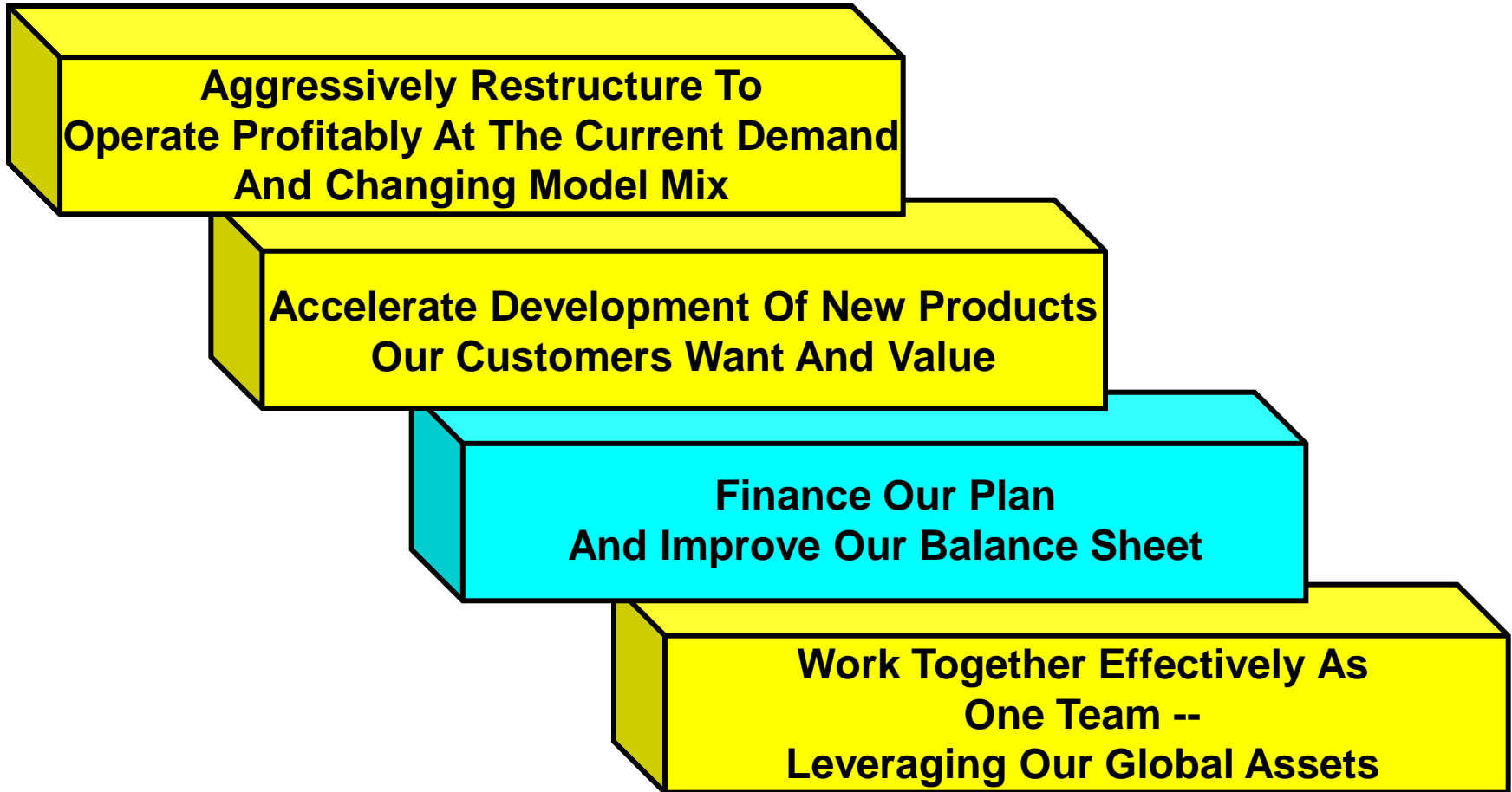
# OUR TURBULENT TIMES



**GM And Chrysler Required Government Loans And Bankruptcy Protection**



# OUR PLAN -- **ONE FORD**



**Capital Strategy Required As Part Of ONE FORD Plan To Finance Our Plan And Improve Our Balance Sheet**



# FINANCE OUR PLAN & IMPROVE OUR BALANCE SHEET

	2006	2007	2008	2009 / 2010
<b>Ford Focus</b>	Divestiture of Non-Core Assets -- Aston Martin, Jaguar-Land Rover, Volvo			
<b>Ford Credit</b>	Fund Ford Credit			
<b>Debt Actions</b>	Secured Facilities & Convertible			Debt Restructuring
		UAW Negotiations		UAW Negotiations
				DOE Loans & Convertible
				Secured Facilities Restructuring
<b>Equity Actions</b>	New Equity Capital			

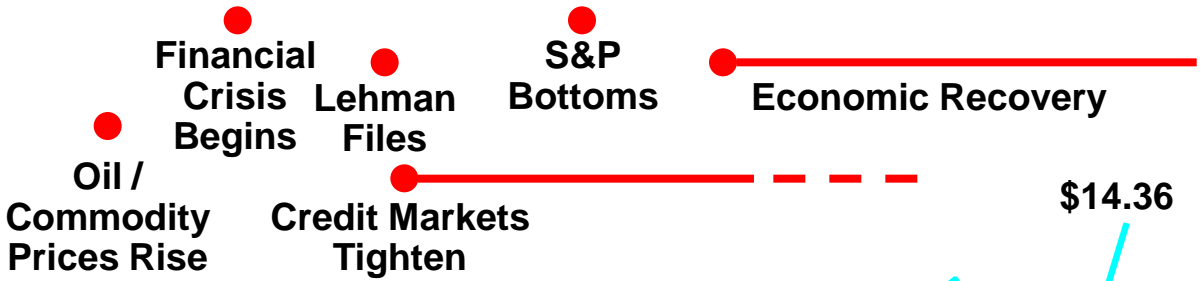
**No Government Bailout,  
But Actions Resulted In An Uncompetitive Balance Sheet**



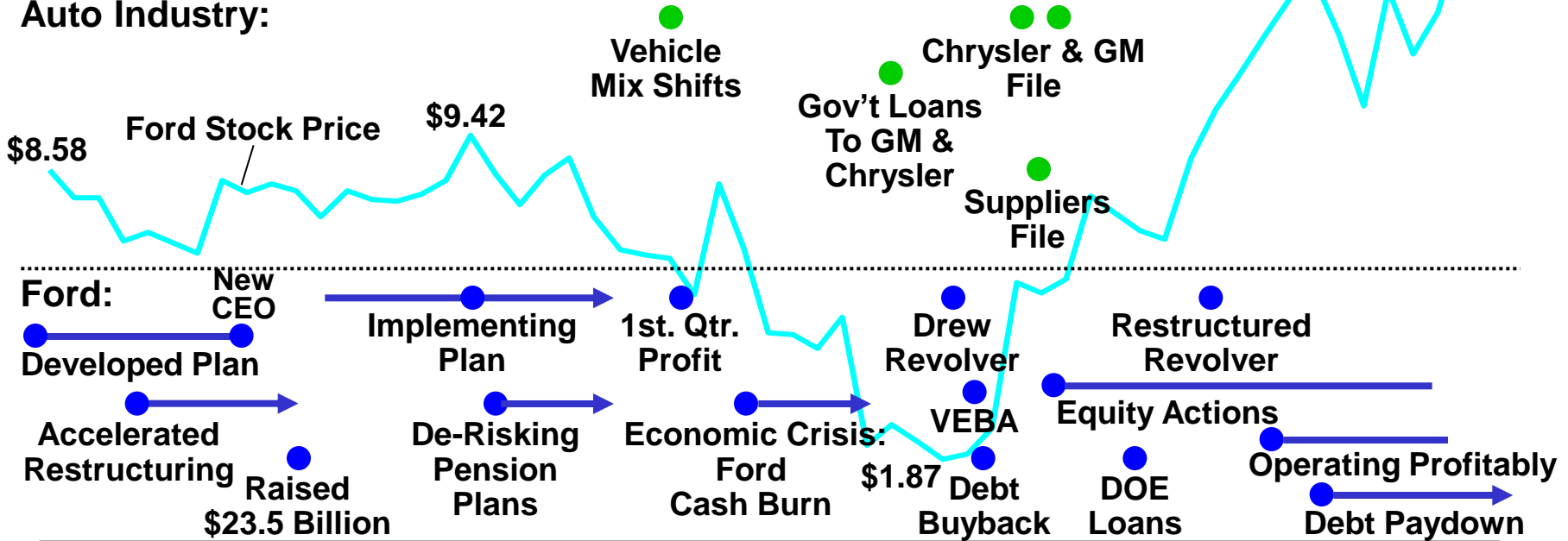
# OUR TURBULENT TIMES

2006	2007	2008	2009	2010
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## External:



## Auto Industry:



**We Navigated Through Turbulent Times By Having Enough Liquidity; In Some Cases, This Allowed Us To Turn The Crisis Into An Opportunity**



# ***PROCESS FOR IMPROVING THE BALANCE SHEET***

- **Utilized the same Corporate framework to address financing our plan and improving the balance sheet as utilized to address other business issues (product programs, marketing plans, etc)**
  - **Defined the target as a return to investment grade to rally the team**
  - **Adopted external metrics required to achieve investment grade by working closely with credit rating agencies**
  - **Provided regular updates on Ford's Business Plan status of the investment grade metrics**
  - **Developed a plan to achieve the target and established a quarterly process to reassess the plan**

**Operationalizing The Balance Sheet Was A Key To Success**

# ***PROCESS FOR IMPROVING THE BALANCE SHEET (CONTINUED)***

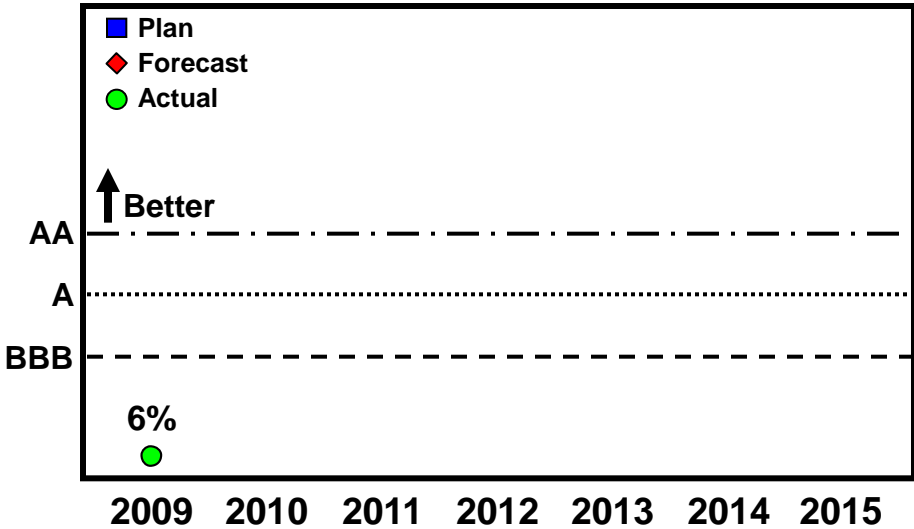
- **Focused on key areas to develop plan to achieve target**
  - **Cash and Liquidity**
    - **Defined minimum cash and liquidity requirements by performing stress test analysis**
    - **Achieved meaningful reduction in minimum operating cash**
  - **Operating Targets**
    - **Defined operating targets required to achieve investment grade**
    - **Established link between the operating targets and stock price based on earnings multiples**
  - **Debt**
    - **Developed debt reduction priorities based on key attributes (interest costs, collateral, maturity, etc)**
    - **Established quarterly process to reassess debt reduction priorities**

**Focused On Cash And Liquidity, Operating Targets, And Debt  
To Develop Plans To Achieve Target**

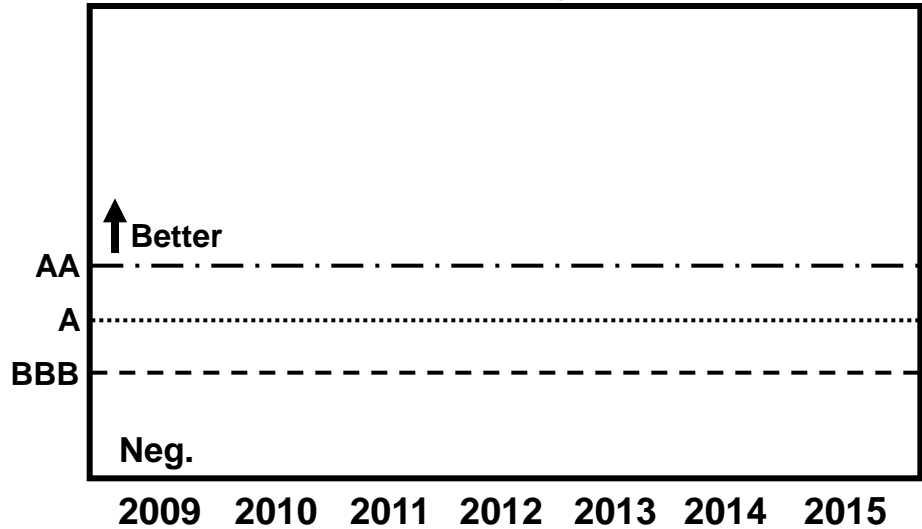


# INVESTMENT GRADE AUTO. METRICS \*

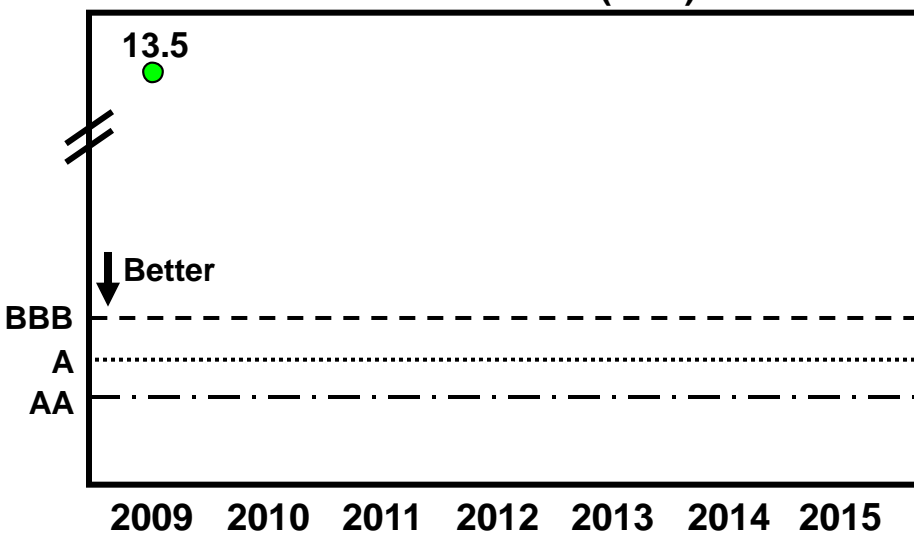
## Funds from Operations to Total Debt (> 30%)



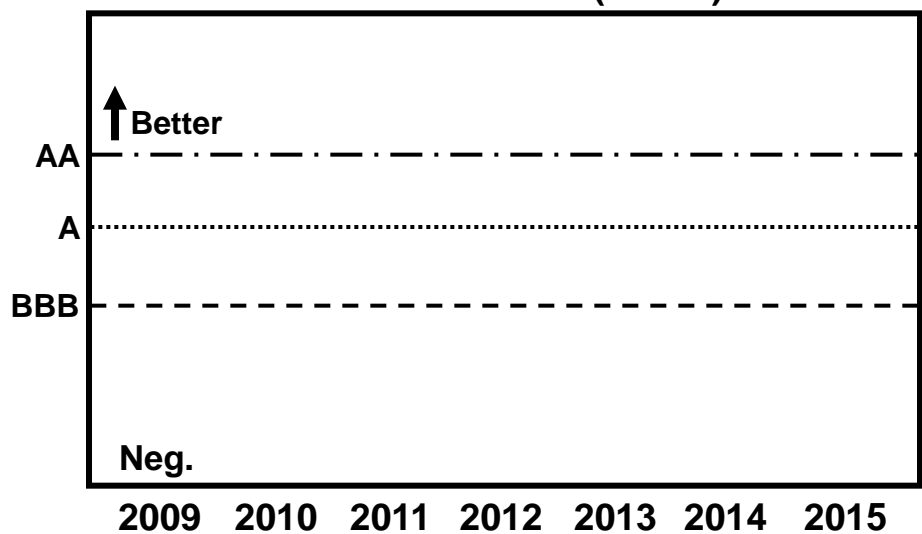
## Interest Coverage (> 4x)



## Debt to EBITDA (< 4)



## EBIT to Revenue (> 5%)



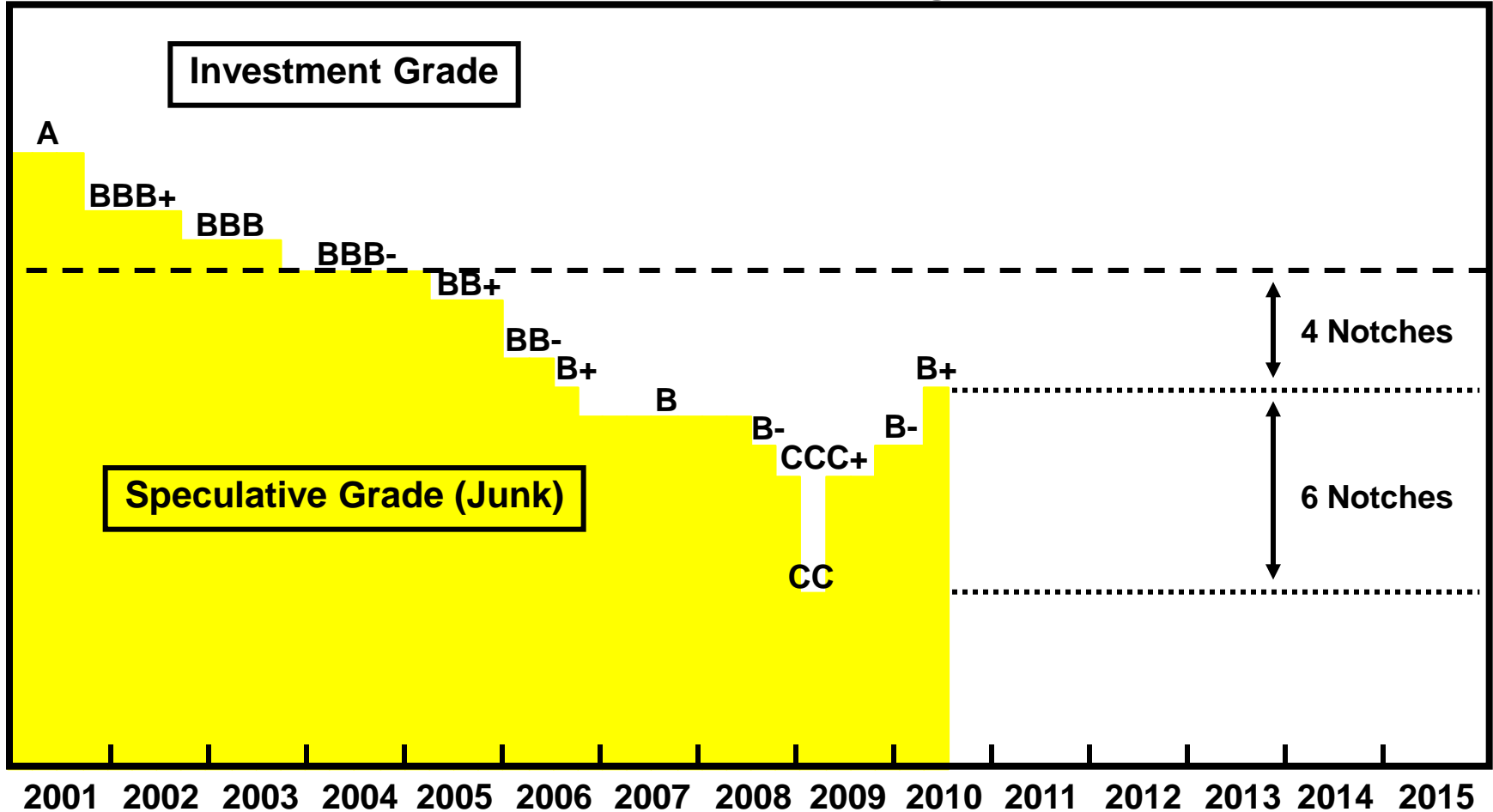
**Metrics Reviewed With Senior Leadership Quarterly**

\* Minimum required to achieve each investment grade rating



# TREND OF CREDIT RATINGS FOR FORD

## S&P -- Issuer Rating



**We Are Executing Our Plan**