# For immediate release

**Ford Plans to Restructure European Manufacturing Operations**

* Ford starts consultation process in Belgium on plan to close its Genk Plant and to cease vehicle production by the end of 2014
* The plan, pending the outcome of the consultation process, could result in the transfer of the next-generation Ford Mondeo, S-MAX and Galaxy to Ford’s Valencia Plant in Spain
* Pending further study, production of the C-MAX and Grand C-MAX compact multi-purpose vehicles could move from Valencia to Saarlouis, Germany, in 2014 under the proposed plan.
* Company to provide more details of its overall transformation plan for Europe during a financial analyst and media conference call Thursday

**COLOGNE, Germany, Oct. 24, 2012** – Ford Motor Company today announced a proposal to restructure its Europe manufacturing operations as part of its comprehensive plan to respond to structural market changes and deliver profitable growth in the region.

Ford announced its plans to end production at a major production plant in Genk, Belgium, by the end of 2014, pending the outcome of a consultation process with employee representatives. If the plan is confirmed, Ford would resource several vehicles to more fully utilize its European plants.

The plan would help to address manufacturing overcapacity stemming from a more than 20 percent drop in total industry vehicle demand in Western Europe since 2007. New vehicle sales in the region have reached a nearly 20-year low this year and are expected to remain flat or fall further next year.

“The proposed restructuring of our European manufacturing operations is a fundamental part of our plan to strengthen Ford’s business in Europe and to return to profitable growth,” said Stephen Odell, chairman and CEO, Ford of Europe.

“We understand the impact this potential action would have on our work force in Genk, their families, our suppliers and the local communities. We fully recognize and accept our social responsibilities in this difficult situation and, if the restructuring plan is confirmed, we will ensure that we put in place measures and support to lessen the impact for all employees affected,” Odell said.

The proposed plan includes the following:

* Ford has initiated an information and consultation process with representatives of employees regarding the company’s intention to close Ford’s underutilized Genk Plant and cease vehicle production by the end of 2014 with the reduction of approximately 4,300 positions
* If the proposed plan is confirmed, production of the next-generation Mondeo, S-MAX and Galaxy could move to Ford’s assembly plant in Valencia, Spain
* Pending further study, production of the C-MAX and Grand C-MAX compact multi-purpose vehicles could move from Valencia to Saarlouis, Germany, in 2014 under the proposed plan

Ford also announced today that it will provide more details of its overall transformation plan for Europe during an analyst and media call on Thursday, Oct. 25. Participants will be Ford President and CEO Alan Mulally, Ford Chief Financial Officer Bob Shanks and Stephen Odell.

The presentation (listen-only) and supporting materials will be available at [www.shareholder.ford.com](http://www.shareholder.ford.com).  Representatives of the investment community and news media will have the opportunity to ask questions by phone following the presentation.

**Access Information – Thursday, Oct. 25, 2012**

**Business Briefing Call: 3:00 pm Central European Time; 2:00 pm British Summer Time; 9:00 am Eastern Daylight Time U.S.**Toll Free: +1.866.318.8611

International: +1.617.399.5130

**Passcode: 371 417 20**

**REPLAYS**

**(Available immediately after the conclusion of the call through Thursday, Nov. 1, 2012)**

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**About Ford Motor Company**

**Ford Motor Company**, a global automotive industry leader based in Dearborn, Mich., manufactures or distributes automobiles across six continents. With about 168,000 employees and about 65 plants worldwide, the company’s automotive brands include Ford and Lincoln. The company provides financial services through Ford Motor Credit Company.  For more information regarding Ford and its products worldwide, please visit [http://corporate.ford.com](http://corporate.ford.com/).

**Ford of Europe** is responsible for producing, selling and servicing Ford brand vehicles in 50 individual markets and employs approximately 47,000 employees at its wholly owned facilities and approximately 66,000 people when joint ventures are included. In addition to Ford Motor Credit Company, Ford of Europe operations include Ford Customer Service Division and 24 manufacturing facilities (15 wholly-owned or consolidated joint venture facilities and nine unconsolidated joint venture facilities). The first Ford cars were shipped to Europe in 1903 – the same year Ford Motor Company was founded. European production started in 1911.

**Contacts:** Mark Truby                         John Gardiner                     Jay Cooney

                              Ford of Europe                    Ford of Europe                    Ford Motor Company

                              +49 221 901 9007               +49 221 901 9985               +1 313 319 5477

[mtruby@ford.com](mailto:mtruby@ford.com)              [jgardin2@ford.com](mailto:jgardin2@ford.com)             [jcoone17@ford.com](mailto:jcoone17@ford.com)

<http://media.ford.com/news/fordplanstorestructureeuropeanmanufacturingoperations.htm>

**Safe Harbor/Risk Factors**

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:

* Decline in industry sales volume, particularly in the United States or Europe, due to financial crisis, recession, geopolitical events, or other factors;
* Decline in market share or failure to achieve growth;
* Lower-than-anticipated market acceptance of new or existing products;
* Market shift away from sales of larger, more profitable vehicles beyond our current planning assumption, particularly in the United States;
* An increase in fuel prices, 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 on our operations resulting from economic, geopolitical, or other events;
* 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 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, information technology issues, production constraints or difficulties, or other factors);
* Single-source supply of components or materials;
* Labor or other constraints on our 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 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, reputational damage, 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 our products, perceived environmental impacts, or otherwise;
* A change in our requirements where we have long-term supply arrangements committing us 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 our 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 us or a third-party vendor, or at a supplier facility;
* Failure of financial institutions to fulfill commitments under committed credit 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 or other financial institutions 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.

Ford 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.  Ford's forward-looking statements speak only as of the date of initial issuance, and Ford does 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” of Ford's Annual Report on Form 10-K for the year ended December 31, 2011.