OUTLINE

• Overview of India

• India Infrastructure Conditions

• India Industry Characteristics

• India Industry Volume Outlook

• Ford Business in India
### TOTAL LAND AND POPULATION IN BRICS AND U.S.

<table>
<thead>
<tr>
<th>Country</th>
<th>Land Area (Sq. Km)</th>
<th>Population (2010, Mil.)</th>
<th>Population Density (People/Sq. Km)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazil</td>
<td>8,514,877</td>
<td>201</td>
<td>24</td>
</tr>
<tr>
<td>Russia</td>
<td>17,098,242</td>
<td>139</td>
<td>8</td>
</tr>
<tr>
<td>India</td>
<td>3,287,263</td>
<td>1,173</td>
<td>357</td>
</tr>
<tr>
<td>China</td>
<td>9,596,961</td>
<td>1,330</td>
<td>139</td>
</tr>
<tr>
<td>U.S.</td>
<td>9,826,675</td>
<td>310</td>
<td>32</td>
</tr>
</tbody>
</table>
2009 GDP PER CAPITA IN BRICS AND U.S.
REAL GDP GROWTH IN BRICS AND U.S.

YoY % Change

Brazil  Russia  India  China  U.S.


(15) (10) (5) 0 5 10 15 20

10.3 8.6 7.5 4.0 2.9

2010
**TOTAL ROADWAYS IN BRICS AND U.S.**

Km (000's)

- **Brazil**: 1,752
- **Russia**: 982
- **India**: 3,320
- **China**: 3,584
- **U.S.**: 6,506

Source: CIA World Factbook, latest estimate
QUALITY OF ROADWAYS IN BRICS AND U.S.

World Ranking

Brazil: 106
Russia: 118
India: 89
China: 50
U.S.: 11

Note: 2009-2010 ranking out of 133 countries
Source: World Economic Forum Survey
LENGTH OF EXPRESSWAYS

KM, 000s

0.5 2.1 16.3 41.0 65.1 0.2 75.2

China India U.S.

Source: CEIC China Database, CIA World Factbook: latest is 2008
INDIA AND CHINA -- TOTAL VEHICLE SALES

Vehicle Sales

Mil. Units

India 0.4 0.5 0.6 1.5 3.1
China 1.5 0.8 2.2 5.9 18.3

Vehicle Sales Growth

YoY % Chg.

India - India 31 36 0
China - China - - - 0
INDIA AND CHINA -- VEHICLE DENSITY COMPARISON

Vehicles per 1,000 Driving-Age People

- **India (2004-2008)**
  - 2000: 19
  - 2800: 25

- **China (1996-2000)**
  - 2000: 12
  - 2800: 17

GDP PPP per Capita (in 000s of $2005)
INDIA AND CHINA -- FIRST TIME BUYERS DOMINATE

India: 63%
China: 74%
INDIA AND CHINA -- AGE DISTRIBUTION OF VEHICLE BUYERS

India

Age Group

- 20s: 34%
- 30s: 38%
- 40s: 18%
- 50+: 10%

China

Age Group

- 20s: 33%
- 30s: 42%
- 40s: 20%
- 50+: 5%

INDIA AND CHINA -- VEHICLE SALES FINANCING

**India**

2009 Share of Financing

- **Cash**: 29%
- **Financing**: 71%

**China**

2009 Share of Financing

- **Cash**: 92%
- **Financing**: 8%
INDIA AND CHINA -- NET REVENUE DISTRIBUTION

India

<table>
<thead>
<tr>
<th>Volume (000)</th>
<th>&lt;5,000</th>
<th>A &amp; Sub B</th>
<th>A &amp; Sub B</th>
<th>Mini Com.</th>
<th>B</th>
<th>AUV</th>
<th>C</th>
<th>A &amp; Sub B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Revenue</td>
<td>$&lt;5,000</td>
<td>$8,500</td>
<td>$14,500</td>
<td>$20,000</td>
<td>$25,000</td>
<td>$30,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

China

<table>
<thead>
<tr>
<th>Volume (000)</th>
<th>&lt;5,000</th>
<th>A &amp; Sub B</th>
<th>B</th>
<th>AUV</th>
<th>C</th>
<th>CD+</th>
<th>CD</th>
<th>S UV</th>
<th>S UV</th>
<th>S UV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Revenue</td>
<td>$&lt;5,000</td>
<td>$8,500</td>
<td>$14,500</td>
<td>$20,000</td>
<td>$25,000</td>
<td>$30,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SLIDE 14
INDIA’S POPULATION AND GDP BY REGION

2007 GDP PPP per Capita

- **Tier 1**: GDP PPP per Capita > $4,000
- **Tier 2**: $2,500 < GDP PPP per Capita < $4,000
- **Tier 3**: GDP PPP per Capita < $2,500

<table>
<thead>
<tr>
<th></th>
<th>Population (mil.)</th>
<th>Driving-Age People (mil.)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2008</td>
<td>2020</td>
</tr>
<tr>
<td>National</td>
<td>1,142</td>
<td>1,338</td>
</tr>
<tr>
<td>Tier 1</td>
<td>236</td>
<td>275</td>
</tr>
<tr>
<td>Tier 2</td>
<td>356</td>
<td>410</td>
</tr>
<tr>
<td>Tier 3</td>
<td>550</td>
<td>653</td>
</tr>
<tr>
<td>China</td>
<td>1,317</td>
<td>1,385</td>
</tr>
</tbody>
</table>
INDIA'S GDP PER CAPITA BY REGION

$2005

Tier 1

Tier 2

Tier 3

"Take-off" Level of Income

National Tier 1 Tier 2 Tier 3

2,000 4,000 6,000 8,000 10,000


"Take-off" Level of Income
INDIA AND CHINA -- VEHICLE AFFORDABILITY

Number of Households Able to Afford Vehicles

Million

- India
- China

<table>
<thead>
<tr>
<th>Year</th>
<th>India</th>
<th>China</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>120</td>
<td>183</td>
</tr>
<tr>
<td>2015</td>
<td>169</td>
<td>284</td>
</tr>
<tr>
<td>2020</td>
<td>207</td>
<td>355</td>
</tr>
</tbody>
</table>
INDIA AND CHINA -- VEHICLE SALES TRENDS

Note: India volume sales trends are based on model projections. They do not represent Ford business assumptions.
INDIA NATIONAL AND REGIONAL DENSITY TRENDS

Vehicles Per 1,000 Driving-Age People

2010:
- National: 28
- Tier 1: 57
- Tier 2: 35
- Tier 3: 11

2015:
- National: 48
- Tier 1: 108
- Tier 2: 59
- Tier 3: 16

2020:
- National: 199
- Tier 1: 108
- Tier 2: 87
- Tier 3: 26
INDUSTRY VOLUME AND GDP IN BRICS AND U.S.

Bubbles Proportional to Estimated 2010 Industry Volume

Trend GDP Growth (%)

Average Annual Vehicle Sales Growth 2012-2016 (%)
ASIA PACIFIC -- INDUSTRY VOLUME SHARES

2010

- China: 60%
- ASEAN 5: 8%
- Rest of Asia Pacific: 23%
- India: 10%

30.7 Mils.

2020

- China: 60%
- India: 30.7%
- Rest of Asia Pacific: 23%
- ASEAN 5: 8%
INDIA -- FORD INDUSTRY VOLUME AND SHARE

Sales, 000s

Ford Sales

Ford Share

Share

Dec-03  Dec-04  Dec-05  Dec-06  Dec-07  Dec-08  Dec-09  Dec-10

20  30  40  50  60  70  80  90

0  0.5%  1.0%  1.5%  2.0%  2.5%  3.0%

2.6%  83.9

SLIDE 24
INDIA -- FORD PRODUCT SHARE IN 2010

- **Figo**: 18%
- **Fiesta**: 7%
- **Endeavor**: 4%
- **Ikon**: 71%
INDIA -- FORD PRODUCT PRESENCE IN 2010

Ford Shares | Industry Revenue Distribution
---|---
10% | 30%
0% | 70%

$8,500
INDIA -- FORD MARKET POSITION IN 2010

Maruti Suzuki: 35%
Tata: 24%
Hyundai: 12%
Mahindra: 9%
Chevrolet: 4%
Ford: 3%
Ashok Leyland: 3%
Toyota: 3%
Honda: 2%
SUMMARY

• India’s demographic and economic fundamentals will provide support for future robust industry growth

• Tier 1 region has entered the take-off stage in 2010 and tier 2 region will enter the take-off stage around 2016

• Industry growth is expected to accelerate in the next decade; disparity in vehicle ownership will widen initially

• Ford is making steady progress in the India market