



“Ford China 2.0” Combines “Best of Ford, Best of China”: Marks Acceleration of Company’s Transformation in World’s Largest Auto Market; Supports Global Redesign

- “330” Product Plan: Launch 30+ new Ford and Lincoln vehicles tailored to Chinese consumers in the next three years, of which more than 10 will be electrified vehicles. All-new Ford Escape midsize SUV debuts today with a unique front face designed for China
- Smart Technology Plan: New SYNC+ in-vehicle infotainment system jointly developed by Ford and Baidu launches today; Ford to roll out C-V2X technology in 2021
- China Innovation Plan: Ford boosts R&D investment, establishing a China Innovation Center and a China Design Center, enabling Nanjing Research & Engineering Center and JV partners to focus on the development of local vehicles and services
- China Partner Plan: Ford further strengthens relationships with local partners; deepens strategic partnerships with Chinese tech companies; outlines plan for electrified vehicles including Ford Territory BEV SUV to be launched this year
- China Talent Plan: new Ford China leadership team comprises experienced local auto sector leaders, and global talent with China expertise
- Strengthens Ford and Lincoln brands, leveraging their global strength; better adapted to local market and customer trends

SHANGHAI, China, April 3, 2019 – Ford Motor Company today announced its new “Ford China 2.0” transformation blueprint with a mission to bring together the “Best of Ford” and the “Best of China.” Ford China 2.0 comprises five key plans and four centers of competence to accelerate the redesign of its business and sharpen its focus on the Chinese market.

The blueprint marks a step change in the Company’s approach to its China business, after it was named a standalone business unit reporting directly to Ford’s global headquarters late last year. The five key plans focus on: accelerating product development and delivery, developing smart technology, deepening strategic partnerships, driving innovation and developing local talent. The four centers of competence are dedicated to: product, design, innovation and new energy vehicles.

“China is leading the world with smart vehicles, and is a key part of Ford’s global vision for the future. We are excited about seeing more products developed in China, for China and from China,” said Jim Hackett, president and CEO, Ford Motor Company. “Ford is deeply committed to China, and with our new China leadership team and vision, we’re investing in the future – a future that starts today.”

“By injecting even more Chinese DNA and know-how into the business, and combining it with Ford’s global technology and resources, we will be able to respond faster to market changes and develop more efficient market strategies,” said Anning Chen, president and CEO of Ford China. “We are confident that with this business transformation, we will grow in

our understanding of Chinese consumers, enabling us to launch more competitive vehicles and services at ‘China speed’.”

Breaking through with China speed: Launching new “330” Product Plan

Ford China unveiled its new “330” Product Plan, aimed at accelerating the development and delivery of new vehicles and services and enhancing their competitiveness in the market. As part of this transformation, the Company plans to launch more than 30 new Ford and Lincoln vehicles over the next three years, of which more than 10 will be electrified vehicles. Ford will also strengthen its autonomous vehicle development initiatives.

Ford also debuted the all-new Ford Escape today, as part of its global reveal of the midsize SUV. Reflecting the aesthetic preferences and particular needs of young urban Chinese, the all-new Ford Escape Titanium offers a unique front face tailor-made for Chinese consumers, demonstrating Ford’s ambitions in accelerating the launch of more products with customer-centric design in China.

“After considerable research, we found that Chinese consumers favor ‘subtle and dynamic’ aesthetics – they prefer designs that are understated yet powerful,” said Moray Callum, vice president, Global Design, Ford.

Its iconic front grille, which widens toward the bottom and smoothly blends into its headlamps, provides a sleek and majestic look. The “Nebula Shield” upper grille mesh is hexagonal with a chrome finish and black highlights, resulting in a design that is both elegant and dynamic.

Together with the Ford Territory and Ford Kuga, the all-new Ford Escape will provide more choices to Chinese customers and enable Ford to fully cover China’s midsize SUV market, enabling more consumers to enjoy the convenience and fun of a Ford SUV.

Deepening partnerships: Driving technological innovation and mobility

Ford continues to strengthen cooperation with its joint-venture partners – Changan Automobile and Jiangling Motors Corporation Group focusing on product, marketing and sales and technology development.

To accelerate Ford’s vision of “Smart Vehicles for a Smart World,” Ford is also working closely with a number of China’s leading technology companies, including Alibaba, Baidu, China Unicom, Iqiyi, Microsoft and others.

Today, Ford debuts SYNC+, its new in-vehicle infotainment system powered by Baidu’s artificial intelligence (AI) technology. From this year, the majority of new domestically produced Ford and Lincoln vehicles will come equipped with SYNC+, a next-level connectivity experience that was developed specifically for Chinese drivers.

Ford also plans to begin equipping new vehicles in China with C-V2X technology in 2021. This will enhance the vehicle’s perception of its surroundings, helping to improve road safety and traffic efficiency, and promote the development of autonomous driving. China will be the first market for Ford to apply this technology, reflecting the importance of the Chinese market to the company.

Empowering local teams to focus on Chinese consumers

As part of Ford’s “Best of Ford, Best of China” commitment, many of the 30+ new models to be launched will be specifically designed for the Chinese market. Ford will increase its investment in its China PD team, ensuring they play a lead role in vehicle design and development.

To facilitate this, Ford is establishing a China Innovation Center and a China Design Center. The China Innovation Center will be dedicated to the mobility and lifestyle needs of Chinese consumers and will focus on advanced mobility and technological innovations, accelerating

the realization of Ford's vision of "Smart Vehicles for a Smart World." The China Design Center combines local talent with global resources, enabling Chinese design aesthetics and features and Ford DNA to come together to provide Chinese drivers with distinctive, high-quality vehicles.

Ford's Nanjing Research and Engineering Center and Nanjing Test Center will form the core of the Company's product development operations in China. The locally-developed products and advanced technologies will then be shared with the global Ford team. The team is currently leading the design and development of a global model.

At the same time, Ford is empowering its local joint-venture partners and their product development teams to be involved in the development of future products. Changan Ford will design and develop the next-generation Ford Escort, while Ford and its partner, Jiangling Motors, are will jointly developing the Ford Territory BEV – Ford's first BEV in China – which will be launched later this year.

China's electric vehicle segment is predicted to continue its rapid growth. To reflect the changing EV landscape, Ford is pursuing a number of flexible cooperation opportunities, creating a center of competence to deliver on its commitment to introduce a broad range of EVs to China, including plug-in hybrids and all-electric vehicles.

New brand positioning that speaks to China

As part of Ford's "Best of Ford, Best of China" commitment, the company is repositioning its brand to better resonate with Chinese consumers. In today's rapidly changing technological world, Ford strives to innovate and develop widely accessible smart vehicles and advanced technologies. Additionally, Ford understands the importance of "home" in Chinese culture and will incorporate these values when developing and designing products for the local market.

The positioning will highlight how, as one of the few companies able to independently develop, validate and manufacture engines and automatic transmissions, Ford vehicles combine power and fuel economy to deliver a comfortable and stress-free driving experience. Built upon 100 years of excellence in engineering and technology research, Ford vehicles also deliver the iconic Ford fun-to-drive experience. And, driving the future of mobility, the Company continues to innovate new technologies to create safer, smarter and more connected vehicles.

"China First, Customer First": Lincoln to facilitate localization, promote "Quiet Flight"

To further build on its success in China, the Lincoln brand is reinforcing their "China First, Customer First" strategy, cementing China's position at the fore of the brand's global strategy. Localization of the brand, customer experience, vehicles and team will enable Lincoln to move at China Speed and stand out as a new force in the fiercely competitive luxury car segment.

In 2018, Lincoln positioned itself globally as providing "Quiet Flight", reflecting special aspects of Chinese culture, and channeling Lincoln's determination to provide Chinese consumers with an extraordinary experience. This year, Lincoln will conduct comprehensive marketing for this brand positioning, while also upgrading the "Lincoln Way", showcasing customer service that features technological innovation, modern luxury and human care.

Following the recent launch of the Lincoln Nautilus, its new luxury midsize SUV – the Lincoln Aviator – is set to debut later this year. As Lincoln's first plug-in hybrid (PHEV) model, the Aviator promises to provide the quietest and smoothest driving experience. An all-new Lincoln SUV is also scheduled to start production in China by year end.

The Lincoln Continental 80th Anniversary Edition was also showcased at today's event. The model pays tribute to the Lincoln Continental's iconic center-opening coach doors, a signature feature in the 1960s, honoring the brand's iconic charm, elegance and luxury. The Lincoln Continental has been popular with Chinese consumers since its introduction to

China, and this classic model marks an important milestone as Lincoln celebrates its lineage.

New China management team

Ford has established a new China leadership team, comprised of local leaders with extensive experience in the Chinese automotive sector, as well as global talent with China expertise. The new team is fully integrating their market insights with Ford's global resources and technology, to take targeted strategic decisions for Ford's China business, building the brand within the fiercely competitive landscape, and support Ford's vision to become the world's most trusted company.

Ford's major stakeholders in China, including its joint-venture partners Changan Ford and Jiangling Motors, Ford China's vehicle import business, Lincoln China and the NDSD will have more autonomy and responsibility for their respective businesses, thereby accelerating decision-making and implementation, and enabling proactive responses to market changes.

"The success of any global company operating in China lies in ensuring Chinese consumers are at the core of its business," said Chen. "Committed to combining the 'Best of Ford' with the 'Best of China' as part of our 'Ford China 2.0' business transformation, we will change our traditional ways of thinking, strengthen localization efforts and seamlessly integrate global experience with local market needs. We will continue to foster local talent, work closely with our partners, optimize our business model and deliver vehicles and services that Chinese consumers truly value."

###

About Ford Motor Company

Ford Motor Company is a global company based in Dearborn, Michigan. The company designs, manufactures, markets and services a full line of Ford cars, trucks, SUVs, electrified vehicles and Lincoln luxury vehicles, provides financial services through Ford Motor Credit Company and is pursuing leadership positions in electrification, autonomous vehicles and mobility solutions. Ford employs approximately 199,000 people worldwide. For more information regarding Ford, its products and Ford Motor Credit Company, please visit www.corporate.ford.com.

Contacts: Equity Investment
Community:
Lynn Tyson
313.621.2902
914.485.1150
lytson4@ford.com

Fixed Income
Investment
Community:
Karen Rocoff
313.621.0965
krocoff@ford.com