



## Ford Restarting F-150, Super Duty Production Ahead of Schedule after Fire at Magnesium Parts Supplier

- Ford is resuming production of the F-150 pickup at Dearborn Truck Plant on Friday. Ford team has also successfully repaired the supply chain for Super Duty; production targeted to restart by Monday for Super Duty at Kentucky Truck Plant and F-150 at Kansas City Assembly Plant
- Ford marshaled a global team of experts, that included partners and suppliers, following a May 2 fire at Meridian Magnesium Products in Eaton Rapids, Mich., to quickly refurbish and relocate tooling needed to produce parts for the Ford F-150, Super Duty and five other vehicles – Ford Expedition, Explorer, Flex and Lincoln Navigator and MKT
- Because of this quick action, Meridian is producing truck parts again at its Eaton Rapids facility. Plus, Ford airlifted tooling to a Meridian facility in the U.K. to produce parts for F-150, which will further speed production ramp-up
- Ford Expedition, Explorer, Flex and Lincoln Navigator and MKT production continue uninterrupted
- Company reaffirms 2018 adjusted EPS guidance range of \$1.45 to \$1.70; expects adverse impact of \$0.12 to \$0.14 per share in second quarter due to lost production <sup>1</sup>

**DEARBORN, Mich., May 16, 2018** – Ford Motor Company is restarting production of the popular F-150 at Dearborn Truck Plant Friday after just over one week of downtime. The company has also successfully repaired the supply chain for Super Duty, with production targeted to restart by Monday at the Kentucky Truck Plant as well as the Kansas City Assembly Plant that also makes F-150 pickups.

This follows the massive May 2 fire at the Meridian Magnesium Products facility in Eaton Rapids, Mich.

“While the situation remains extremely dynamic, our teams are focused on returning our plants to full production as fast as possible,” said Joe Hinrichs, Ford president, Global Operations. “The ramp-up time to full production is improving every day.”

Ford teams, together with suppliers including Walbridge and other contractors, worked nearly around the clock to get America’s best-selling vehicle franchise back on line as quickly as possible.

The teams removed 19 dies from Meridian’s badly damaged facility, and in one case, moved an 87,000-pound die from Eaton Rapids, Mich., to Nottingham, U.K., via an Antonov cargo plane – one of the largest in the world – in just 30 hours door-to-door. A die is a tool used to cut or shape material using a press.

“Faced with unexpected adversity, the Ford team, including our global supply partners, showed unbelievable resiliency, turning a devastating event into a shining example of teamwork,” said Hau Thai-Tang, Ford’s executive vice president of Product Development and Purchasing. “Thanks to their heroic efforts, we are resuming production of some of our most important vehicles ahead of our original targets.”

Work started immediately in the aftermath of the May 2 fire. Teams removed and remediated safety concerns – including dangling siding – and restored electricity, gaining approval to access the site while debris still smoldered inside.

This allowed Ford and Meridian to safely retrieve and relocate tools to more quickly resume part production and work to minimize the financial impact of the stalled plants.

Ford recovered, repaired and validated most dies that were at the Eaton Rapids facility, and Meridian is now producing parts for the F-150 at two locations – Eaton Rapids and Nottingham, U.K. Production of bolsters for Super Duty is also restarting at the Eaton Rapids plant.

Under normal circumstances, moving tooling the size of a bolster die would take approximately 10 days just to get the proper import and export approvals. However, Ford and its suppliers managed to cut the total time for the entire move to 30 hours, including trans-Atlantic flight time.

When the team removed the die from the Eaton Rapids factory, it was shipped to Rickenbacker International Airport in Columbus, Ohio. Rickenbacker had both the capacity to handle such a large piece of equipment and allowed an Antonov An-124 Russian plane, one of the largest planes in the world – typically used to transport trains, dump trucks and even a 25-foot sea yacht – to take off as soon as the equipment was loaded.

Nearly 4,000 miles away, a team in Nottingham was waiting to receive the die and take it to Meridian's nearby factory. In between, the Ford team received a U.K. import license for the die – a mere two hours before the plane touched down.

Parts produced at Nottingham are being shipped via daily flights on a Boeing 747 jet until production in Eaton Rapids returns to pre-fire levels.

Inventories of Ford's best-selling F-Series pickups and other vehicles remain strong and customers won't have a problem finding the model they want.

<sup>1</sup>Adjusted earnings per share is a non-GAAP financial measure. Ford does not provide guidance on an earnings per share basis, the comparable GAAP financial measure. Ford's earnings per share in 2018 will include potentially significant special items that have not yet occurred and are difficult to predict with reasonable certainty prior to year-end, including pension and OPEB remeasurement gains and losses.

### **Cautionary Note of Forward-Looking Statements**

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:

- Ford's long-term competitiveness depends on the successful execution of fitness actions;
- Industry sales volume, particularly in the United States, Europe, or China, could decline if there is a financial crisis, recession, or significant geopolitical event;
- Ford's new and existing products and mobility services are subject to market acceptance;

- Ford's results are dependent on sales of larger, more profitable vehicles, particularly in the United States;
- Ford may face increased price competition resulting from industry excess capacity, currency fluctuations, or other factors;
- Fluctuations in commodity prices, foreign currency exchange rates, and interest rates can have a significant effect on results;
- With a global footprint, Ford's results could be adversely affected by economic, geopolitical, protectionist trade policies, or other events;
- Ford's production, as well as Ford's suppliers' production, could be disrupted by labor disputes, natural or man-made disasters, financial distress, production difficulties, or other factors;
- Ford's ability to maintain a competitive cost structure could be affected by labor or other constraints;
- Pension and other postretirement liabilities could adversely affect Ford's liquidity and financial condition;
- Economic and demographic experience for pension and other postretirement benefit plans (e.g., discount rates or investment returns) could be worse than Ford has assumed;
- Ford's vehicles could be affected by defects that result in delays in new model launches, recall campaigns, or increased warranty costs;
- Safety, emissions, fuel economy, and other regulations affecting Ford may become more stringent;
- Ford could experience unusual or significant litigation, governmental investigations, or adverse publicity arising out of alleged defects in products, perceived environmental impacts, or otherwise;
- Ford's receipt of government incentives could be subject to reduction, termination, or clawback;
- Operational systems, security systems, and vehicles could be affected by cyber incidents;
- Ford Credit's access to debt, securitization, or derivative markets around the world at competitive rates or in sufficient amounts could be affected by credit rating downgrades, market volatility, market disruption, regulatory requirements, or other factors;
- Ford Credit could experience higher-than-expected credit losses, lower-than-anticipated residual values, or higher-than-expected return volumes for leased vehicles;
- Ford Credit could face increased competition from banks, financial institutions, or other third parties seeking to increase their share of financing Ford vehicles; and
- Ford Credit could be subject to new or increased credit regulations, consumer or data protection regulations, or other regulations.

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, 2017, as updated by subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

## 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 202,000 people worldwide. For more information regarding Ford, its products and Ford Motor Credit Company, please visit [www.corporate.ford.com](http://www.corporate.ford.com).