



Volvo Car Corporation

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Press Information

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Ford Motor Company Announces it Will Re-evaluate Strategic Options for Volvo Car Corporation

DEARBORN, Mich., Dec. 1, 2008 - Ford Motor Company [NYSE: F] announced today it will re-evaluate strategic options for Volvo Car Corporation, including the possible sale of the Sweden-based premium automaker.

Ford said the decision to re-evaluate strategic options for Volvo comes in response to the significant decline in the global auto industry particularly in the past three months and the severe economic instability worldwide. The strategic review of Volvo is in line with a broad range of actions Ford is taking to strengthen its balance sheet and ensure it has the resources to implement its product-led transformation plan.

"Given the unprecedented external challenges facing Ford and the entire industry, it is prudent for Ford to evaluate options for Volvo as we implement our ONE Ford plan," said Ford President and CEO Alan Mulally. "Volvo is a strong global brand with a proud heritage of safety and environmental responsibility and has launched an aggressive plan to right-size its operations and improve its financial results. As we conduct this review, we are committed to making the best decision for both Ford and Volvo going forward."

Ford said the review likely will take several months to complete. In the meantime, Ford will continue working closely with Volvo as it implements its restructuring plan under CEO Stephen Odell, who was appointed to lead Volvo earlier this year.

At the same time, Ford and Volvo will continue to put in place processes that allow Volvo to operate on a more stand-alone basis in the absence of the Premier Automotive Group structure, an effort which began in November 2007 following a previous review by Ford of strategic options for Volvo.

"Outstanding safety, an increased focus on environmentally friendly vehicles and contemporary Scandinavian design will continue to be the foundation upon which we will build a strong Volvo business for the future." Odell said. "We intend to build upon our strong brand heritage and to appeal to our global customers with vehicles like the new XC60 - the safest car Volvo has ever built. Volvo also will introduce seven low-emission models in 2009, giving us the best environmental product range in the premium segment.

"We have a strong brand presence in Europe, North America and the Asia Pacific region, and are growing in key markets such as China and Russia, where we are the leading premium brand."

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Ford Motor Company, a global automotive industry leader based in Dearborn, Michigan, United States, manufactures or distributes automobiles in 200 markets across six continents. With about 224,000 employees and about 90 plants worldwide, the company's core and affiliated automotive brands include Ford, Lincoln, Mercury, Volvo and Mazda. The company provides financial services through Ford Motor Credit Company. For more information regarding Ford's products, please visit www.ford.com.

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Descriptions and facts in this press material relate to Volvo Cars' international car range. Described features might be optional. Vehicle specifications may vary from one country to another and may be altered without prior notification.

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