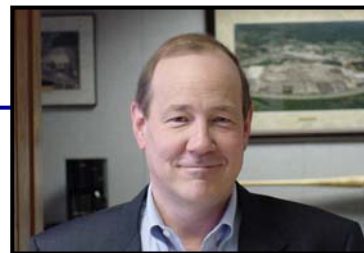




A Message from the Plant Manager



CURRENT STATE

Let's begin again with an update on our tentative production schedule for the next few months. After returning to work this past Monday, we are scheduled to work five consecutive weeks through April 24th. The week of April 27th remains a down week.

We are then scheduled to work seven consecutive weeks through June 19th, and then be down the weeks of June 22nd and 29th. When down weeks were recently added during the summer months, the plant campaigned for the week of June 29th to help compensate for the loss of what has historically been a vacation down week.

Over the last couple of weeks, we have seen a slight uptick in sales for many of our vehicle lines including the products we build here at Oakville. Although it is too early to draw conclusions, there are several signs that the economy is bottoming prior to beginning a gradual uptrend. Historically, the financial markets have been very accurate in forecasting economic activity about six months into the future. The significant rally in the capital markets which began on March 10th is an encouraging sign that could be predicting a 2nd half recovery in 2009. Here's hoping....

QUALITY

Our latest warranty data for units built in January at zero months-in-service was statistically at the same level that we achieved in December. It is difficult to analyze warranty trends that are based on very low sample sizes. As I have shared with you previously, we have devoted a tremendous amount of time and effort in analyzing in great detail our entire warranty database to ensure that, where applicable, we have robust quality fixes and/or containment to address the issues that plague our customers. We are very confident that this approach will result in Oakville Assembly consistently producing top-quartile quality vehicles.

MKT UPDATE

We are currently in the midst of building the 100-unit PP (process prove-out) build for the Lincoln MKT. The units are currently flowing through Body and Paint, and will begin in Trim and Chassis the week of March 30th. The PP is a critical build phase to prove-out the capability of our production systems with the processed tooling and work allocations. The MP2 (or Job 1) for the MKT is currently targeted for the week of July 6th. It is our plan to begin shipping MKTs to our customers in early August.

SAFETY

We are off to an excellent start in 2009 in virtually all our key safety metrics. Although the data is normalized for our current production schedule, there is no question that the significantly reduced schedule is having a positive impact on safety, as compared to the same time last year when we were virtually at full capacity. Late last summer, we reinvigorated our approach to the various safety processes, and we are confident that the renewed intensity has resulted in improvements that are sustainable going forward. Working together, we can make 2009 the safest year ever at OAC.

A FINAL NOTE

Not much has changed in the macro-economic environment as it pertains to our industry since my last newsletter in February. The situation in North America regarding our domestic competition, GM & Chrysler, remains uncertain. There will undoubtedly be a flurry of activity in the next week or so to meet the March 31st deadlines imposed by the US Congress and the Canadian government for GM and Chrysler to prove future viability.

In the meantime, Ford has worked diligently to restructure its debt in order to improve its balance sheet and future cash position. We are poised to take full advantage of the inevitable economic recovery over the next year with outstanding new product introductions highlighted in 2009 by the Ford Taurus, and our own Lincoln MKT. Next year we follow with an all-new Focus and Fiesta made in North America, as well as a significantly freshened Ford Edge and Lincoln MKX made here at Oakville. In closing, it is critical that we continue to do our part to safely produce a great quality product at a competitive cost. We have made solid progress in that regard thanks to the on-going contributions of all of you.

Ken Minielly

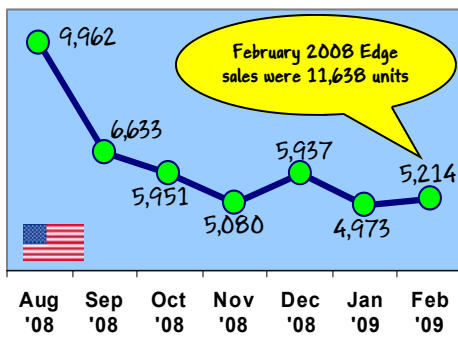
Plant Manager, Oakville Assembly Complex



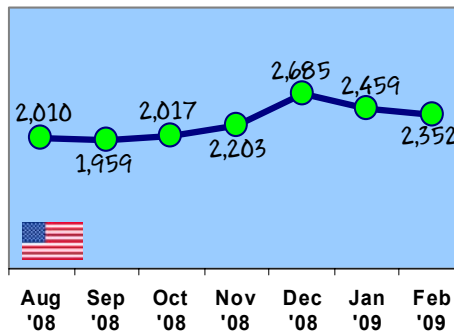
Sales Information . . .



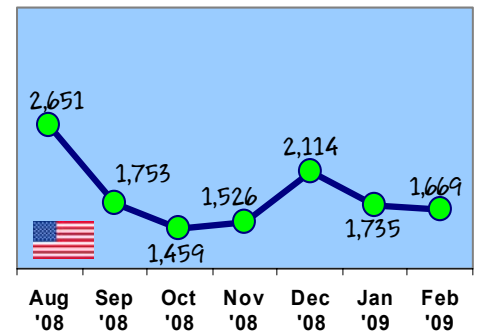
Ford Edge Sales Track



Ford Flex Sales Track



Lincoln MKX Sales Track



February '09 Cross-Over Segment Performance

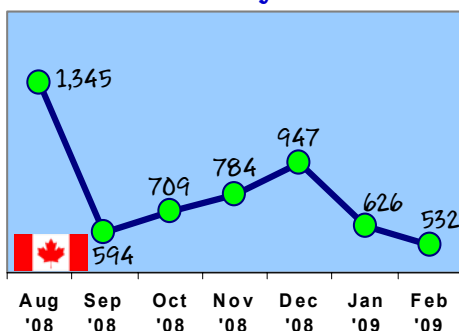
1	GM (Traverse+ Enclave + Acadia + Outlook + Torrent + Equinox)	20,006 units
2	FORD (Edge + Flex)	7,556 units
3	HONDA (Pilot)	6,678 units
4	HYUNDAI (Santa Fe + Veracruz)	6,504 units
5	TOYOTA (Highlander incl. Hybrids)	5,008 units
6	DODGE (Journey)	4,615 units
7	NISSAN (Murano)	4,126 units
8	MAZDA (CX-7 + CX-9)	3,225 units
9	TOYOTA (Venza)	2,315 units
10	MITSUBISHI (Outlander)	849 units

Luxury Segment Performance

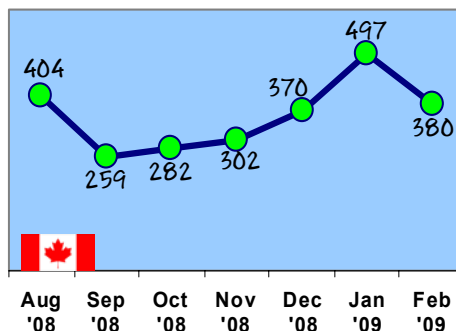
1	LEXUS (RX300 + RX400H)	6,218 units
2	MERCEDES (M/G/R/GL/GLK-Class)	4,555 units
3	ACURA (MDX)	1,981 units
4	BMW (X5)	1,686 units
5	LINCOLN (MKX)	1,669 units
6	INFINITI (FX)	1,074 units
7	HUMMER (H3)	669 units
8	CADILLAC (SRX)	552 units
9	LEXUS (GX470)	516 units
10	PORCHE (Cayenne)	444 units

Canadian Sales Performance

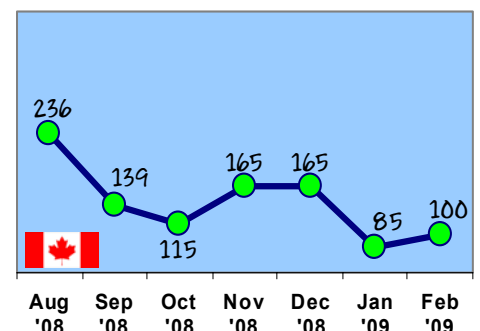
Ford Edge



Ford Flex



Lincoln MKX



Consumer Reports®

Easily one of the most influential publications for consumer purchases, Consumer Reports recently published their annual “Cars” issues dedicated to the North American automobile industry. The issue included a lot of thoroughly researched commentaries about all automakers, including Ford. Here’s some of what they had to say ...


SUMMARY FOR FORD

What’s Right:

- Reliability Access
- Interior Room Crash-test results

- ➔ 3 years in a row achieved “Top Recommended Buy” for Ford Edge and Lincoln MKX.
- ➔ Almost all of Ford’s models are now average or better in reliability.
- ➔ Several mainstream sedans, such as the Ford Taurus, Fusion, MKZ, Mercury Sable, and Milan, have performed well in our road tests.
- ➔ The new seven-passenger Flex SUV combines attention-getting styling with a flexible, roomy interior, making it a very nice family vehicle.
- ➔ Moreover, the 2005 Ford Escape Hybrid provided the best fuel economy—26 mpg overall—of any SUV we’ve tested.
- ➔ Ford’s innovative Sync system helps reduce driver distraction by using voice recognition to let drivers make hands-free telephone calls and control audio system functions.

What’s Wrong:

- Fuel economy Fit and finish 
- Engine noise

- ➔ Some models, such as the Ford Escape and Focus, Lincoln Town Car, and Mercury Grand Marquis and Mariner, have gone without major changes for many years. And recent updates haven’t been enough to keep them competitive with the best in their classes.
- ➔ Some engines, including the 3.0-, 3.5-, and 3.7-liter V6s used in many models, are noisier and less refined than those offered by the best automakers.

Looking Ahead:

Ford needs to maintain its high level of reliability while upgrading its older models, especially in the areas of fuel economy, refinement, and interior quality.

So what does this mean for everyone at OAC? As we’ve been discussing, we need to focus on what we control, and from the article above, we need to focus on “fit and finish”, “refinement”, and “interior quality”. But that’s still too general. Here’s a list of the top ten manufacturing-responsible warranty items for the vehicles we build.

Remember, these are the all plant-controllable, and these are real warranty claim items identified by our customers:

FORD EDGE
Top 10 Plant-Controllable
Warranty Items

1	Steering wheel off centre
2	Washer fluid low
3	Left front door fit
4	Wheel ornament loose / missing
5	Coolant low
6	License plate light wiring not connected
7	Windshield cracked
8	Hood fit
9	Liftgate handle loose
10	Door trim panel loose / poor fit

FORD FLEX
Top 10 Plant-Controllable
Warranty Items

1	Steering wheel off centre
2	Handle trim bezel: loose / poor fit
3	Left front door fit
4	Hood fit
5	Liftgate inoperable: wiring not connected
6	Steering wheel bolt loose
7	Weather-strip door: loose / poor fit
8	Outer door handle: loose / poor fit
9	Seat track cover: loose / missing / broken
10	Headliner: loose / poor fit / damaged / rattle

LINCOLN MKX
Top 10 Plant-Controllable
Warranty Items

1	Windshield urethane skip
2	I.P. stabber pin not seated
3	Hood fit
4	Badge: upside down/missing/loose/poor fit
5	Dirt: left-side quarter panel
6	Subwoofer mounting hardware loose
7	Left front door fit
8	2nd row seat: fold down switch not connected
9	Wheel ornament loose / missing
10	Door badge: loose / missing / poor fit

Map it back to the base operation. Problem solve. Build it right. Secure our future!

Show up for work. Build every unit in station, to quality standard. Work safe.

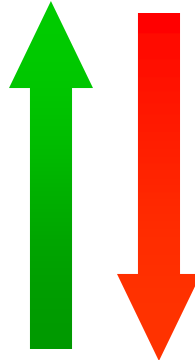


Consumer Reports®

Also in the latest issue of Consumer Reports ...

Overall Brand Perception

STRONGEST BRANDS	SCORE
Toyota	193
Honda	149
Ford	109
Cadillac	102
Mercedes-Benz	100



WEAKEST BRANDS	SCORE
Jeep	21
Hummer	19
Saab	18
Mazda	17
Suzuki	7

K N O W W H A T W E B U I L D



L I N C O L N
REACH HIGHER



All New Lincoln MKT

A new level of Lincoln luxury, from OAC ...

- ✧ 3.5L V6 EcoBoost engine
- ✧ Intelligent all-wheel drive
- ✧ Transmission: six-speed SelectShift Automatic with steering wheel mounted paddle shifters
- ✧ Windshield Wipers: front rain-sensing, speed-sensitive, intermittent
- ✧ Adaptive cruise control with collision warning and brake support
- ✧ Intelligent Access with push-button start
- ✧ Duel-headrest DVD entertainment system
- ✧ Voice-activated navigation system and THX certified 5.1 Surround audio system
- ✧ Turn Signal Mirrors
- ✧ BLIS (Blind Spot Information System) with Cross-Traffic Alert
- ✧ Second-row heated/cooled bucket seats
- ✧ Delayed accessory power shut-off
- ✧ Easy Fuel Capless Fuel Filler System
- ✧ 20" polished aluminum wheels
- ✧ Second-row refrigerated console