

Ford sells Aston Martin, gets \$848 million

Aston Martin CEO Ulrich Bez will stay for another five years

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LONDON -- Ford Motor Co. today sold the Aston Martin luxury sports car brand to a consortium of investors in a deal valued at \$925 million (479 million pounds).

But Ford is keeping a share of Aston Martin valued at \$77 million (40 million pounds) and will hold a separate class of stock in the independent company. Ford will get \$848 million from the sale.

The investors are led by David Richards, chairman of Prodrive, a U.K. auto engineering and motor sports company. The investor group also includes Investment Dar and Adeem Investment Co, both of Kuwait.

Ford has owned Aston Martin for 20 years.

Ford Motor Co. Executive Vice President Lewis Booth announced the sale at Aston Martin's factory in Gaydon, central England.

Booth said the price was a fair one for all the parties, but described the sale as a "bittersweet moment" for Ford.

Booth is head of Ford of Europe and head of the Premier Automotive Group, which includes Aston Martin.

Booth declined to give a percentage figure for Ford's stake. He also refused to say how much Ford had invested in Aston Martin since 1987.

Richards said he would be actively involved in the running of Aston Martin, which will not be connected with Prodrive.

Bez will stay for five years

Aston Martin CEO Ulrich Bez will run the company for another five years.

"There will be no change of direction in the future," Bez told reporters. "We are aiming to become the No. 1 prestige car company in the world."

Bez said Aston Martin was "a cottage industry" when he became CEO in 2000 and built only 800 cars that year. Last year, Aston Martin built 7,010 cars.

"By 2005 we had become a luxury cool brand -- and by 2010 we will still be cool, but also the best prestige car company in the world," he said.

Aston Martin launches its latest sports car, a convertible version of its V8 Vantage, on Tuesday, March 13.

Bez said the carmaker will enter the premium sedan market "before the end of the decade" with the Rapide.

Aston Martin will build between 1,000 and 2,000 units of the Rapide. The investor group will have to spend on upgrades to the Gaydon plant for the car, said Bez.

Ford will continue to supply engines for Aston Martin from its plant in Cologne, Germany.

Bez said Aston Martin had increased its world dealer numbers to 125 from 60 last year.

Richards said his new Formula One racing team will not be branded Aston Martin and Prodrive will continue to support Aston Martin's sports car racing activities.

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This is Ford Motor Co.'s press release announcing the sale of Aston Martin:

DEARBORN, Mich., March, 12, 2007 - Ford Motor Company [NYSE: F] announced today it has entered into a definitive agreement to sell Aston Martin, its prestigious sports car business, to a consortium comprised of David Richards, John Sinders, Investment Dar and Adeem Investment Co. This transaction is the result of Ford's decision, as announced in August 2006, to explore strategic options for the Aston Martin business as the company restructures its core automotive operations and builds liquidity.

The sale is expected to close during the second quarter and is subject to customary closing conditions, including applicable regulatory approvals. The transaction values Aston Martin at £479 million (\$925 million). As part of the transaction, Ford will retain a £40 million (\$77 million) investment in Aston Martin. Other terms and conditions specific to the sale are not being disclosed at this time.

"The sale of Aston Martin supports the key objectives of the company, to restructure to operate profitably at lower volumes and changed model mix and to speed the development of new products," said Alan Mulally, Ford's President and chief executive officer. "From Aston Martin's point of view, the sale will provide access to additional capital, which will allow Aston Martin to continue the growth it has experienced under Ford's stewardship. Today's announcement is good for Ford Motor Company, good for Aston Martin and good for the UK. We wish Aston Martin every possible success for the future."

The new owner of Aston Martin is a consortium comprised of: David Richards, founder and chairman of Prodrive, a world-leading motorsport and automotive technology company; John Sinders, an avid Aston Martin collector and a backer of Aston Martin Racing; and Investment Dar and Adeem Investment Co, international investment companies headquartered in Kuwait.

Ford Motor Company, a global automotive industry leader based in Dearborn, Mich., manufactures or distributes automobiles in 200 markets across six continents. With more than 280,000 employees and more than 100 plants worldwide, the company's core and affiliated automotive brands include Ford, Jaguar, Land Rover, Lincoln, Mercury, Volvo and Mazda. The company provides financial services through Ford Motor Credit Company.