



Go Further



2014 SECOND QUARTER FIXED INCOME PRESENTATION

JULY 24, 2014
(PRELIMINARY RESULTS)



FORD CREDIT OPERATING HIGHLIGHTS*

- **Another solid performance with Second Quarter pre-tax profit of \$434 million and net income of \$264 million**
- **Managed receivables of \$111 billion at Quarter End, up about \$8 billion from Year-End 2013, and up \$15 billion from a year ago**
- **Achieved significant funding milestones**
- **Loss-to-receivables ratio of 0.12% in the Second Quarter, down two basis points from a year ago**
- **Charge-offs of \$33 million in the Second Quarter, largely unchanged from a year ago**
- **Credit loss reserve of \$353 million, or 0.32% of receivables, at Quarter End**
- **Managed leverage of 8.6 to 1 at Quarter End**

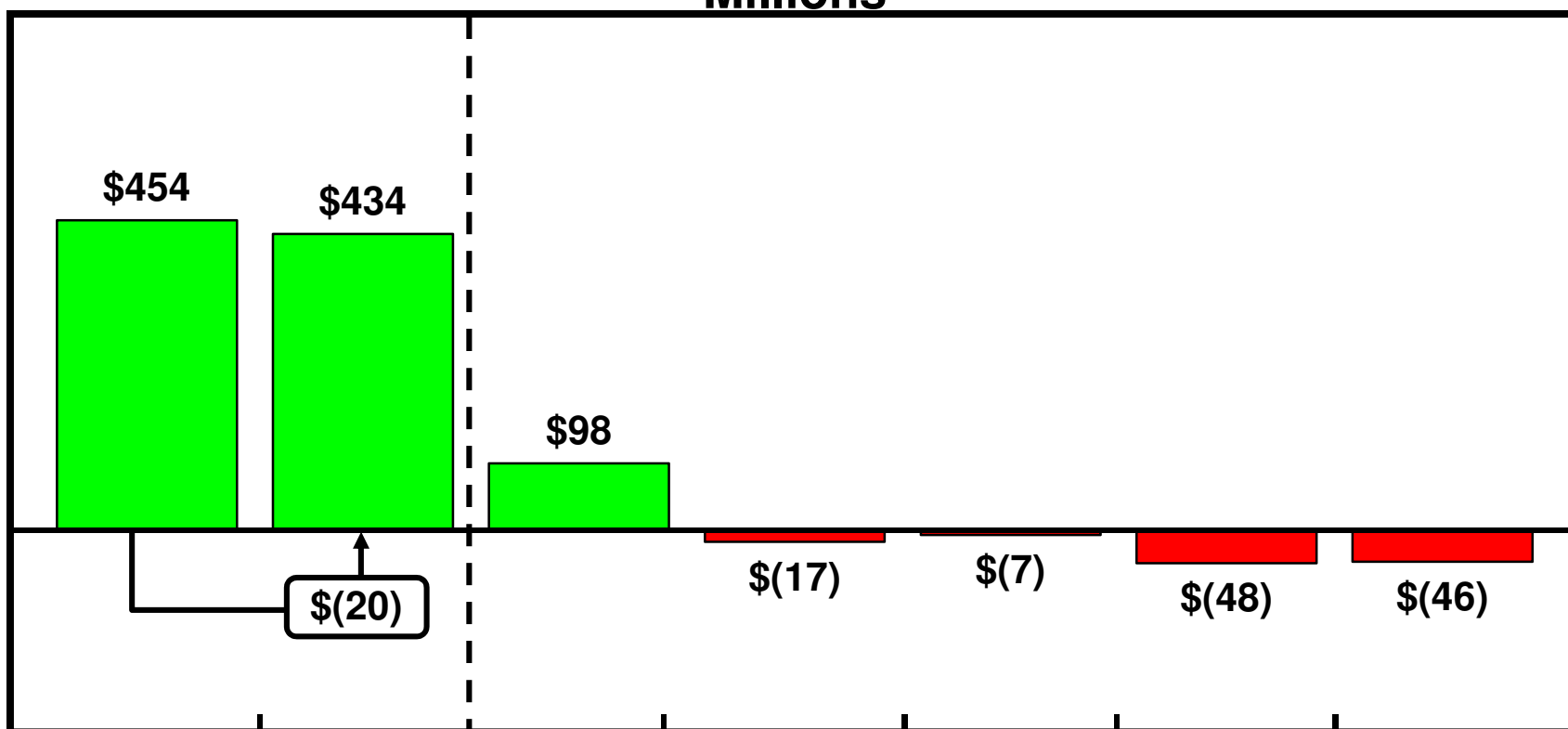
* See slide 2 and Appendix for reconciliation to GAAP



FORD CREDIT

2014 SECOND QUARTER PRE-TAX RESULTS COMPARED WITH 2013

Millions



	2013 2Q	2014 2Q	Volume	Financing Margin	Credit Loss	Lease Residual	Other
Memo:							
B / (W) 2014 1Q		\$(65)	\$28	\$1	\$4	\$(14)	\$(84)

Receivables (Bils.)

Net *	\$93	\$107
Managed **	96	111

* Net receivables reflect net finance receivables and net investment in operating leases reported on Ford Credit's balance sheet. The prior period was revised to conform to the presentation in our 2013 10-K Report.

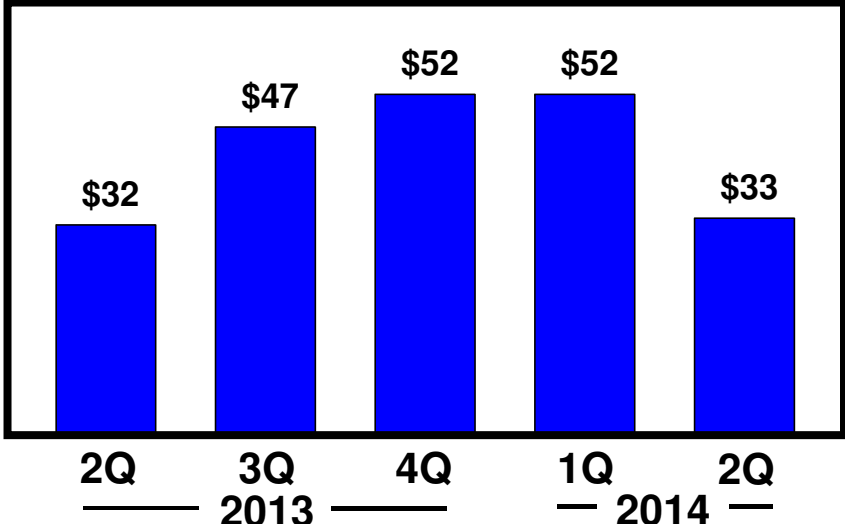
** Managed receivables equal net receivables, excluding unearned interest supplements and residual support, allowance for credit losses, and other (primarily accumulated supplemental depreciation). The prior period was revised to conform to the presentation in our 2013 10-K Report.



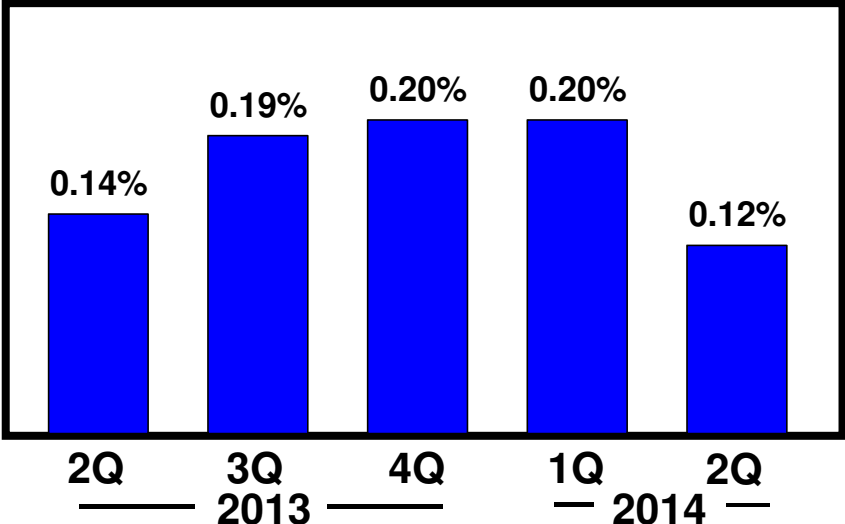
FORD CREDIT

WORLDWIDE CREDIT LOSS METRICS

Charge-Offs (Mils.)



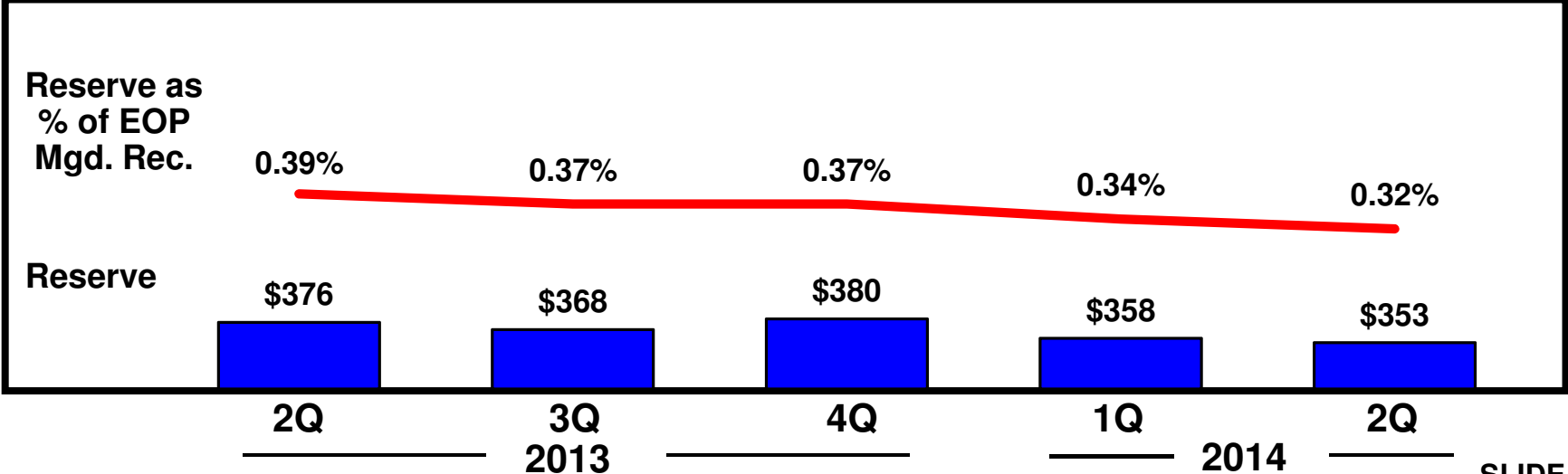
Loss-to-Receivables Ratio (LTR)



Memo: Retail & Lease

\$25 \$45 \$51 \$55 \$31

Credit Loss Reserve (Mils.) and Reserve as a Pct. of EOP Managed Receivables

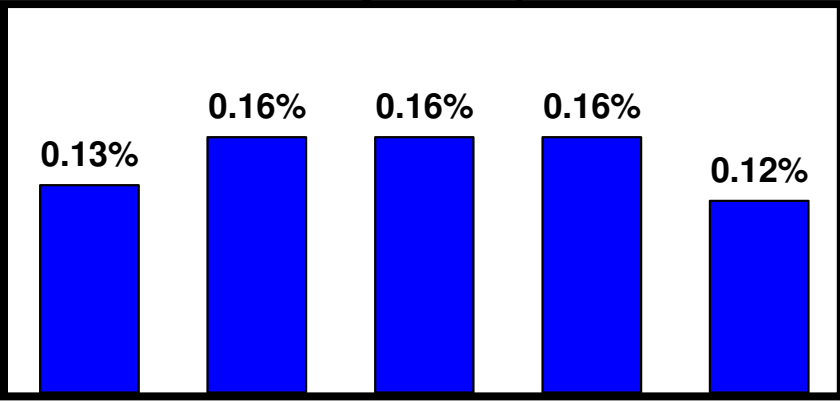




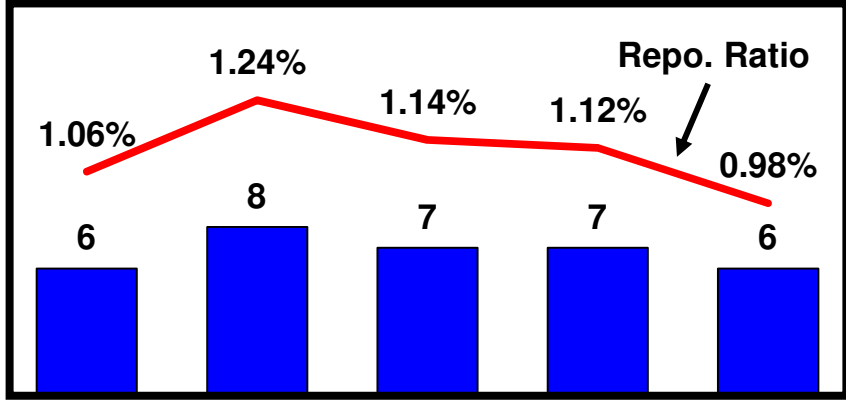
FORD CREDIT

U.S. RETAIL AND LEASE CREDIT LOSS DRIVERS

Over-60-Day Delinquencies *



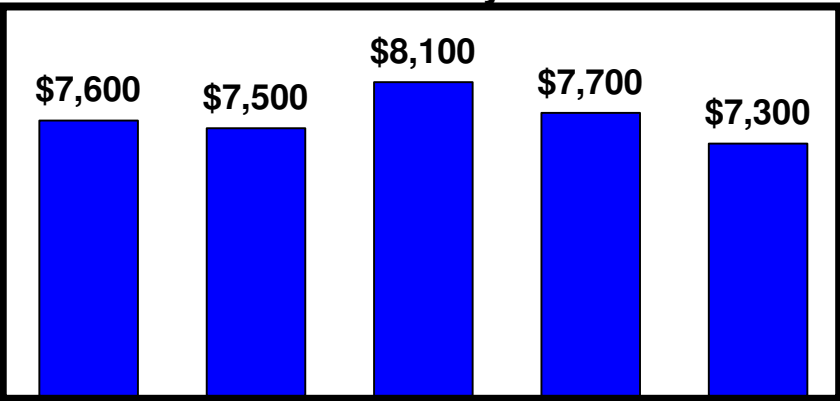
Repossessions (000)



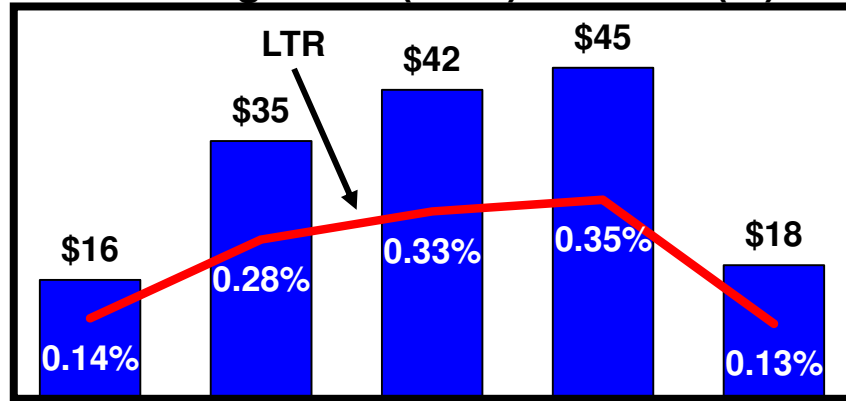
Memo:
New Bankruptcy
Filings (000)

Quarter	2013	2014
2Q	4	4
3Q	4	3
4Q	4	3
1Q	3	3
2Q	4	4

Severity



Charge-Offs (Mils.) and LTR (%)



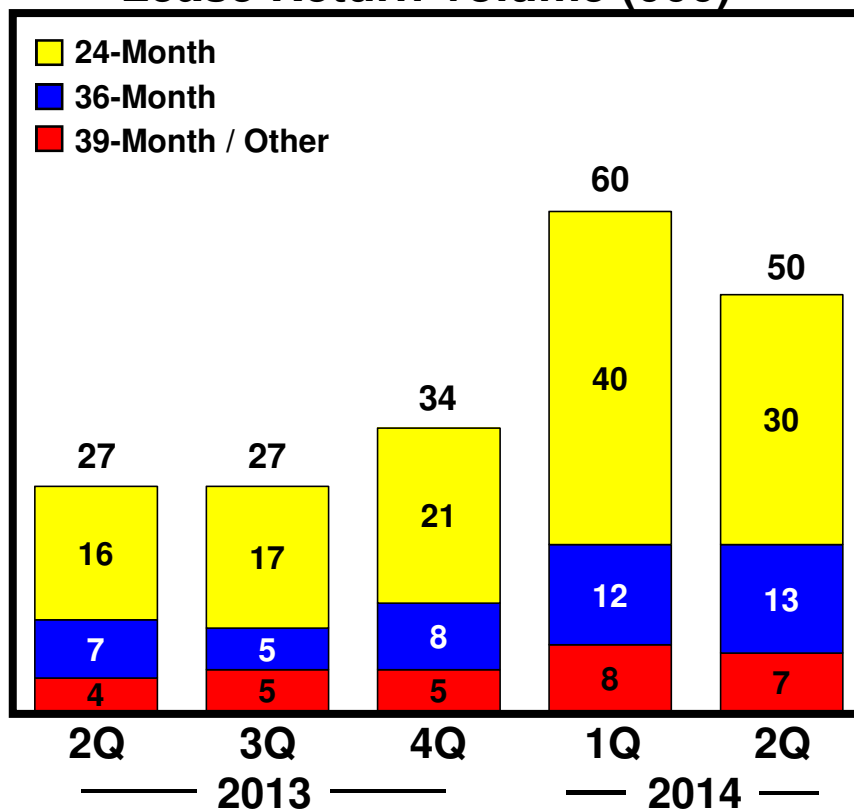
* Excluding bankruptcies



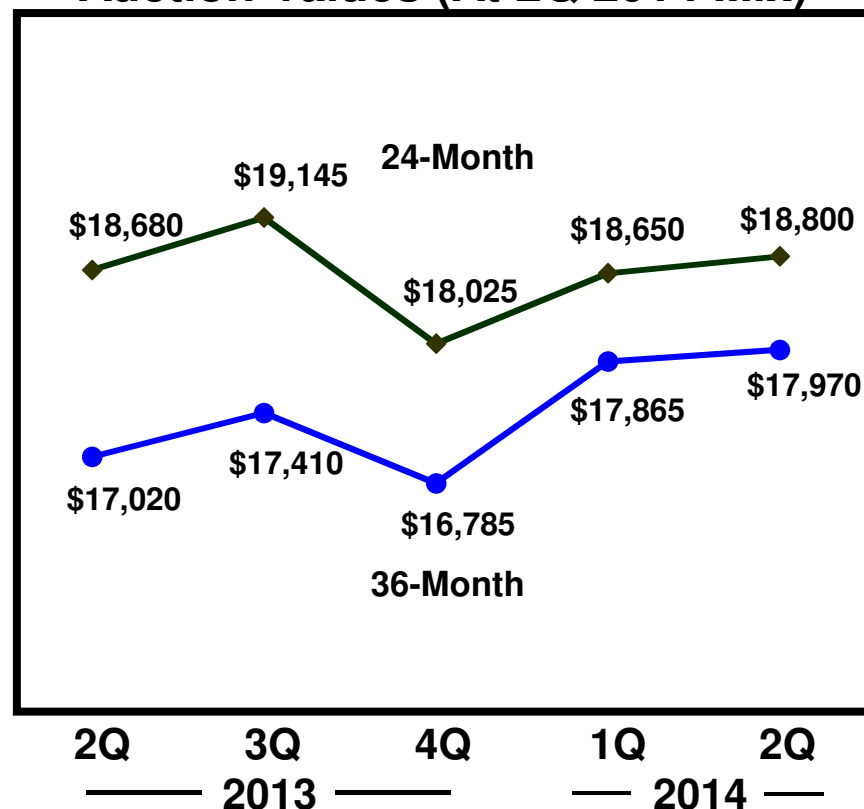
FORD CREDIT

U.S. LEASE RESIDUAL PERFORMANCE

Lease Return Volume (000)



Auction Values (At 2Q 2014 Mix)



Memo: U.S. Return Rates

68% 69% 77% 82% 75%

Memo: Worldwide Net Investment in Operating Leases (Bils.)

\$16.2 * \$17.3 * \$18.3 \$18.8 \$19.9

* During the fourth quarter of 2013, Ford Credit changed its accounting method to include unearned operating lease interest supplements and residual support in Net Investment in Operating Leases. These periods were revised to conform to the presentation in our 2013 10-K Report.

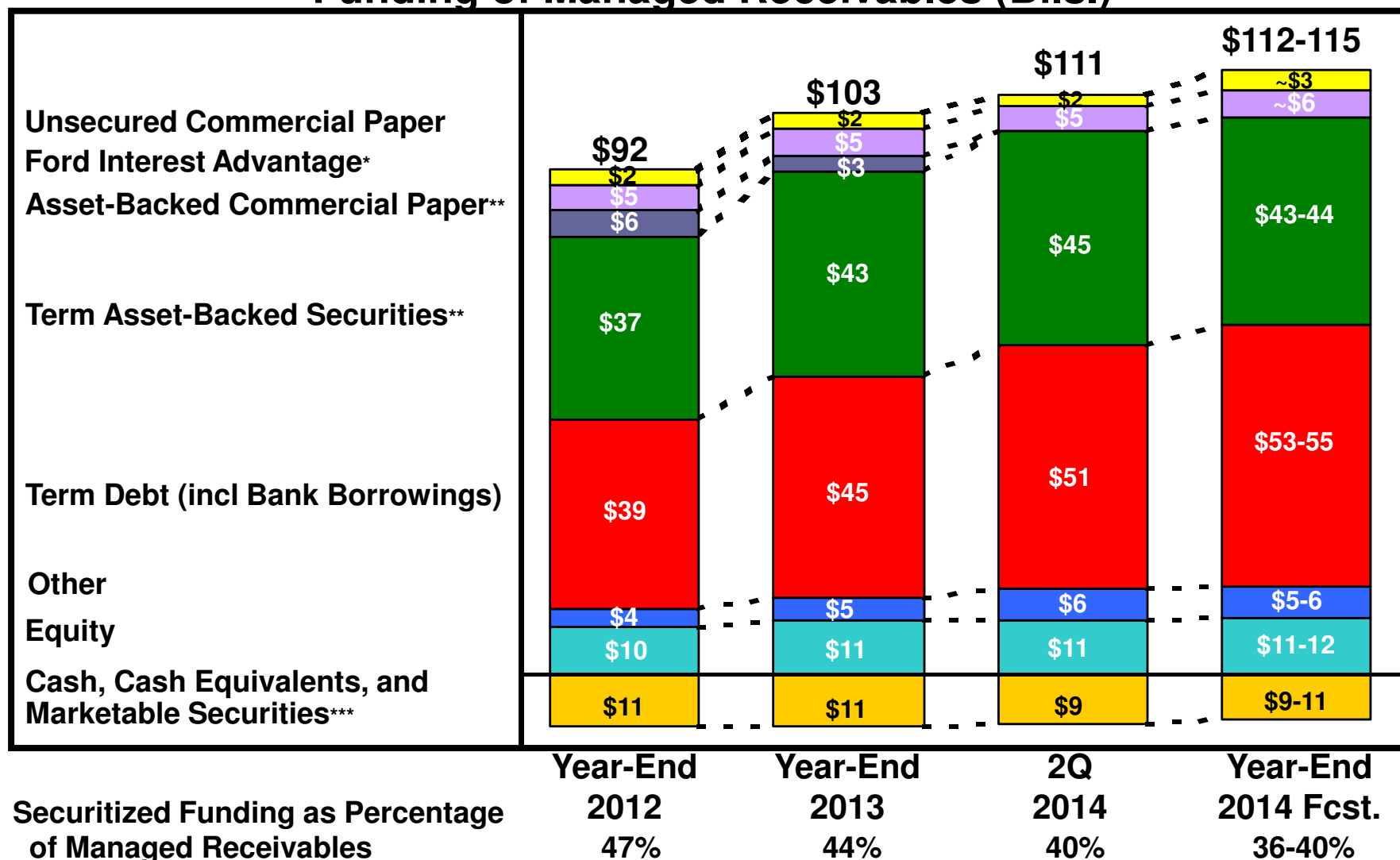
FORD CREDIT FUNDING HIGHLIGHTS

- **Completed \$17 billion of public term funding year-to-date, including \$8 billion in the Second Quarter:**
 - **Unsecured debt totaling about \$4 billion**
 - **ABS transactions totaling about \$4 billion**
- **Completed first securitization in China**
- **Launched retail revolving ABS (FordREV) in the U.S.**
- **Launched medium term note program in the U.S.**
- **Returned to Tier 3 unsecured commercial paper market**
- **Extended £760 million credit facility for FCE Bank**



FORD CREDIT FUNDING STRUCTURE

Funding of Managed Receivables (Bils.)



* The Ford Interest Advantage program consists of our floating rate demand notes.

** Obligations issued in securitization transactions that are payable only out of collections on the underlying securitized assets and related enhancements.

*** Excludes marketable securities related to insurance activities.

FORD CREDIT PUBLIC TERM FUNDING PLAN



	2012	2013	2014	
	<u>Actual</u>	<u>Actual</u>	<u>Forecast</u>	<u>YTD Actual</u>
	(Bils.)	(Bils.)	(Bils.)	(Bils.)
Unsecured	\$ 9	\$ 11	\$ 10 – 13	\$ 8
Securitized [*]	<u>14</u>	<u>14</u>	<u>14 – 16</u>	<u>9</u>
Total	<u>\$ 23</u>	<u>\$ 25</u>	<u>\$ 24 – 29</u>	<u>\$ 17</u>

* Includes Rule 144A offerings



FORD CREDIT LIQUIDITY PROGRAMS

	Mar. 31, 2014 <u>(Bils.)</u>	June 30, 2014 <u>(Bils.)</u>	
<u>Liquidity Sources</u>			
Cash *	\$ 10.7	\$ 9.3	
Committed ABS Lines **	30.8	33.5	} Committed Capacity \$37.2 billion
FCAR Bank Lines	1.6	-	
FCE / Other Unsecured Credit Lines	1.6	1.7	
Corporate Revolver Allocation	<u>-</u>	<u>2.0</u>	
Total Liquidity Sources	\$ 44.7	\$ 46.5	
<u>Utilization of Liquidity</u>			
Securitization Cash ***	\$ (3.1)	\$ (2.5)	
Committed ABS Lines	(16.6)	(16.1)	
FCAR Bank Lines	(1.3)	-	
FCE / Other Unsecured Credit Lines	(0.4)	(0.1)	
Corporate Revolver Allocation	<u>-</u>	<u>-</u>	
Total Utilization of Liquidity	\$ (21.4)	\$ (18.7)	
Gross Liquidity	\$ 23.3	\$ 27.8	
Adjustments ****	<u>(0.7)</u>	<u>(0.9)</u>	
Net Liquidity Available For Use	<u>\$ 22.6</u>	<u>\$ 26.9</u>	

* Cash, cash equivalents, and marketable securities (excludes marketable securities related to insurance activities)

** Committed ABS Lines are subject to availability of sufficient assets and ability to obtain derivatives to manage interest rate risk

*** Used only to support on-balance sheet securitization transactions

**** Adjustments include other committed ABS lines in excess of eligible receivables and certain cash within FordREV available through future sales of receivables.



AUTOMOTIVE SECTOR

2014 AUTOMOTIVE FINANCIAL RESOURCES

	<u>Mar. 31,</u> <u>2014</u> (Bils.)	<u>June 30,</u> <u>2014</u> (Bils.)
Automotive gross cash*	\$ 25.2	\$ 25.8
Less:		
Long-term debt	\$ (13.6)	\$ (13.2)
Debt payable within one year	<u>(2.1)</u>	<u>(2.2)</u>
Total debt	\$ (15.7)	\$ (15.4)
Net cash**	<u><u>\$ 9.5</u></u>	<u><u>\$ 10.4</u></u>
Memo: Liquidity***	\$ 36.6	\$ 36.7

* See Appendix for reconciliation to GAAP

** Net cash is calculated as Automotive gross cash net of Automotive debt

*** Total available committed Automotive credit lines (including local lines available to foreign affiliates) were \$10.9 billion at June 30, 2014



2014 SECOND QUARTER SUMMARY

Ford*

- **Company profitable for 20th consecutive quarter and best quarterly pre-tax profit since Second Quarter 2011; Automotive operating-related cash flow positive**
- **All Automotive Business Units profitable and improved compared with a year ago, except South America**
- **Ended the quarter with Automotive net cash of \$10.4 billion and strong liquidity of \$36.7 billion**

Ford Credit

- **Delivering profitable, sustainable growth**
- **Another solid quarter, with volume growth in all regions and receivables up about 16% from a year ago**
- **Continued strong asset portfolio performance**
- **Diversified funding plan on track and strong liquidity of \$26.9 billion at quarter end**

* See Appendix for reconciliation to GAAP



RISK FACTORS

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:

- Decline in industry sales volume, particularly in the United States or Europe, due to financial crisis, recession, geopolitical events, or other factors;
- Decline in Ford's market share or failure to achieve growth;
- Lower-than-anticipated market acceptance of Ford's new or existing products;
- Market shift away from sales of larger, more profitable vehicles beyond Ford's current planning assumption, particularly in the United States;
- An increase in or continued volatility of fuel prices, or reduced availability of fuel;
- Continued or increased price competition resulting from industry excess capacity, currency fluctuations, or other factors;
- Fluctuations in foreign currency exchange rates, commodity prices, and interest rates;
- Adverse effects resulting from economic, geopolitical, or other events;
- Economic distress of suppliers that may require Ford to provide substantial financial support or take other measures to ensure supplies of components or materials and could increase costs, affect liquidity, or cause production constraints or disruptions;
- Work stoppages at Ford or supplier facilities or other limitations on production (whether as a result of labor disputes, natural or man-made disasters, tight credit markets or other financial distress, production constraints or difficulties, or other factors);
- Single-source supply of components or materials;
- Labor or other constraints on Ford's ability to maintain competitive cost structure;
- Substantial pension and postretirement health care and life insurance liabilities impairing our liquidity or financial condition;
- Worse-than-assumed economic and demographic experience for postretirement benefit plans (e.g., discount rates or investment returns);
- Restriction on use of tax attributes from tax law "ownership change;"
- The discovery of defects in vehicles resulting in delays in new model launches, recall campaigns, or increased warranty costs;
- Increased safety, emissions, fuel economy, or other regulations resulting in higher costs, cash expenditures, and / or sales restrictions;
- Unusual or significant litigation, governmental investigations, or adverse publicity arising out of alleged defects in products, perceived environmental impacts, or otherwise;
- A change in requirements under long-term supply arrangements committing Ford to purchase minimum or fixed quantities of certain parts, or to pay a minimum amount to the seller ("take-or-pay" contracts);
- Adverse effects on results from a decrease in or cessation or clawback of government incentives related to investments;
- Inherent limitations of internal controls impacting financial statements and safeguarding of assets;
- Cybersecurity risks to operational systems, security systems, or infrastructure owned by Ford, Ford Credit, or a third-party vendor or supplier;
- Failure of financial institutions to fulfill commitments under committed credit and liquidity facilities;
- Inability of Ford Credit to access debt, securitization, or derivative markets around the world at competitive rates or in sufficient amounts, due to credit rating downgrades, market volatility, market disruption, regulatory requirements, or other factors;
- Higher-than-expected credit losses, lower-than-anticipated residual values, or higher-than-expected return volumes for leased vehicles;
- Increased competition from banks or other financial institutions seeking to increase their share of financing Ford vehicles; and
- New or increased credit, consumer, or data protection or other regulations resulting in higher costs and / or additional financing restrictions.

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, 2013, as updated by our subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

APPENDIX



2014 SECOND QUARTER FIXED INCOME -- APPENDIX INDEX

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2014 INCOME FROM CONTINUING OPERATIONS



	Second Quarter		First Half		Memo:
	2013	2014	2013	2014	Full Year
	(Mils.)	(Mils.)	(Mils.)	(Mils.)	2013
					(Mils.)
Automotive					
North America	\$ 2,321	\$ 2,440	\$ 4,713	\$ 3,940	\$ 8,809
South America	151	(295)	(67)	(805)	(33)
Europe	(306)	14	(731)	(180)	(1,442)
Middle East & Africa	13	23	60	77	(69)
Asia Pacific	130	159	102	450	327
Other Automotive	(205)	(171)	(330)	(393)	(656)
Total Automotive (excl. special items)	\$ 2,104	\$ 2,170	\$ 3,747	\$ 3,089	\$ 6,936
Special items -- Automotive	(736)	(481)	(759)	(603)	(1,568)
Total Automotive	\$ 1,368	\$ 1,689	\$ 2,988	\$ 2,486	\$ 5,368
Financial Services					
Ford Credit	\$ 454	\$ 434	\$ 961	\$ 933	\$ 1,756
Other Financial Services	(3)	(5)	(7)	(42)	(84)
Total Financial Services	\$ 451	\$ 429	\$ 954	\$ 891	\$ 1,672
Company					
Pre-tax results	\$ 1,819	\$ 2,118	\$ 3,942	\$ 3,377	\$ 7,040
(Provision for) / Benefit from income taxes	(585)	(803)	(1,096)	(1,073)	135
Net income	\$ 1,234	\$ 1,315	\$ 2,846	\$ 2,304	\$ 7,175
Less: Income attributable to non-controlling interests	1	4	2	4	(7)
Net income attributable to Ford	\$ 1,233	\$ 1,311	\$ 2,844	\$ 2,300	\$ 7,182
Memo: Excluding special items					
Pre-tax results	\$ 2,555	\$ 2,599	\$ 4,701	\$ 3,980	\$ 8,608
(Provision for) / Benefit from income taxes	(721)	(965)	(1,224)	(1,327)	(2,022)
Less: Income attributable to non-controlling interests	1	4	2	4	(7)
After-tax results	\$ 1,833	\$ 1,630	\$ 3,475	\$ 2,649	\$ 6,593



TOTAL COMPANY DEBT RATINGS

	<u>S&P</u>	<u>Moody's</u>	<u>Fitch</u>	<u>DBRS</u>
<u>Issuer Ratings</u>				
Ford Motor	BBB-	N/A	BBB-	BBB (low)
Ford Credit	BBB-	N/A	BBB-	BBB (low)
FCE Bank plc *	BBB	N/A	BBB-	NR
<u>Senior Long-Term Unsecured</u>				
Ford Motor	BBB-	Baa3	BBB-	BBB (low)
Ford Credit	BBB-	Baa3	BBB-	BBB (low)
FCE Bank plc *	BBB	Baa3	BBB-	NR
<u>Short-Term Unsecured **</u>				
Ford Credit	A-3	P-3	F3	R-3
<u>Outlook</u>	Stable	Stable	Positive	Stable

* On May 22, 2014, S&P raised the outlook on FCE Bank from negative to stable, reflecting its view that the U.K. banking industry risk has stabilized

** Ford Credit received short-term ratings for its commercial paper program of A-3 from S&P on June 27, 2014, P-3 from Moody's on June 26, and F3 from Fitch on April 8



AUTOMOTIVE SECTOR

GROSS CASH RECONCILIATION TO GAAP

	<u>2013</u>		<u>2014</u>	
	<u>June 30</u>	<u>Dec. 31</u>	<u>Mar. 31</u>	<u>June 30</u>
	(Bils.)	(Bils.)	(Bils.)	(Bils.)
Cash and cash equivalents	\$ 5.5	\$ 5.0	\$ 4.5	\$ 4.7
Marketable securities	<u>20.2</u>	<u>20.1</u>	<u>20.7</u>	<u>21.1</u>
Total cash and marketable securities (GAAP)	\$ 25.7	\$ 25.1	\$ 25.2	\$ 25.8
Securities in transit*	<u>-</u>	<u>(0.3)</u>	<u>-</u>	<u>-</u>
Gross cash	<u>\$ 25.7</u>	<u>\$ 24.8</u>	<u>\$ 25.2</u>	<u>\$ 25.8</u>

* The purchase or sale of marketable securities for which the cash settlement was not made by period end and a payable or receivable was recorded on the balance sheet



AUTOMOTIVE SECTOR AUTOMOTIVE DEBT

	Dec. 31, 2013	2014	
	<u>(Bils.)</u>	<u>Mar. 31</u>	<u>June 30</u>
		<u>(Bils.)</u>	<u>(Bils.)</u>
Public unsecured debt	\$ 6.7	\$ 6.6	\$ 6.6
Convertible notes	0.8	0.8	0.8
U.S. Department of Energy	5.0	4.9	4.7
Other debt (including International)	<u>3.2</u>	<u>3.4</u>	<u>3.3</u>
Total Automotive debt	<u>\$ 15.7</u>	<u>\$ 15.7</u>	<u>\$ 15.4</u>
Memo:			
Automotive debt payable within one year	\$ 1.3	\$ 2.1	\$ 2.2



FORD CREDIT OPERATING HIGHLIGHTS

	Second Quarter		First Half	
	2013	2014	2013	2014
<u>Contract Placement Volume -- New and used retail / lease (000)</u>				
North America Segment				
United States	268	306	540	590
Canada	40	40	65	64
Total North America Segment	308	346	605	654
International Segment				
Europe	109	120	212	232
Other International	18	31	36	66
Total International Segment	127	151	248	298
Total Contract Placement Volume	435	497	853	952
<u>Financing Shares</u>				
United States				
Financing share				
Retail installment and lease	34 %	40 %	37 %	42 %
Wholesale	77	77	77	77
Europe				
Financing share				
Retail installment and lease	33 %	36 %	34 %	35 %
Wholesale	98	98	98	98



FORD CREDIT

NET FINANCE RECEIVABLES AND OPERATING LEASES

	<u>Dec. 31, 2013</u>	<u>June 30, 2014</u>
	(Bils.)	(Bils.)
Receivables*		
Net Receivables		
Finance Receivables		
Finance Receivables – North America Segment		
Consumer -- Retail financing	\$ 40.9	\$ 41.7
Non-Consumer		
Dealer financing **	22.1	23.4
Other	1.0	1.0
Total Finance Receivables – North America Segment	\$ 64.0	\$ 66.1
Finance Receivables – International Segment		
Consumer -- Retail financing	\$ 10.8	\$ 11.8
Non-Consumer		
Dealer financing **	8.3	10.4
Other	0.4	0.3
Total Finance Receivables – International Segment	\$ 19.5	\$ 22.5
Unearned interest supplements	(1.5)	(1.6)
Allowance for credit losses	(0.4)	(0.3)
Finance receivables, net	\$ 81.6	\$ 86.7
Net investment in operating leases	18.3	19.9
Total Net Receivables	<u>\$ 99.9</u>	<u>\$ 106.6</u>
Managed Receivables		
Total Net Receivables	\$ 99.9	\$ 106.6
Unearned interest supplements and residual support	3.1	3.5
Allowance for credit losses	0.4	0.4
Other, primarily accumulated supplemental depreciation	0.0	0.1
Total Managed Receivables	<u>\$ 103.4</u>	<u>\$ 110.6</u>

* Includes finance receivables (retail and wholesale) sold for legal purposes and net investment in operating leases included in securitization transactions that do not satisfy the requirements for accounting sale treatment. These receivables and operating leases are reported on Ford Credit's balance sheet and are available only for payment of the debt issued by, and other obligations of, the securitization entities that are parties to those securitization transactions; they are not available to pay the other obligations of Ford Credit or the claims of Ford Credit's other creditors.

** Dealer financing primarily includes wholesale loans to dealers to finance the purchase of vehicle inventory.



FORD CREDIT RECONCILIATION OF MANAGED LEVERAGE TO FINANCIAL STATEMENT LEVERAGE

	Dec. 31, 2013	June 30, 2014
	(Bils.)	(Bils.)
<u>Leverage Calculation</u>		
Total Debt *	\$ 98.7	\$ 103.0
Adjustments for Cash, Cash Equivalents, and Marketable Securities**	(10.8)	(9.3)
Adjustments for Derivative Accounting***	(0.2)	(0.3)
Total Adjusted Debt	\$ 87.7	\$ 93.4
Equity****	\$ 10.6	\$ 11.2
Adjustments for Derivative Accounting***	(0.3)	(0.4)
Total Adjusted Equity	\$ 10.3	\$ 10.8
Financial Statement Leverage (to 1)	9.3	9.2
Managed Leverage (to 1)*****	8.5	8.6

* Includes debt reported on Ford Credit's balance sheet that is issued in securitization transactions and payable only out of collections on the underlying securitized assets and related enhancements. Ford Credit holds the right to receive the excess cash flows not needed to pay the debt issued by, and other obligations of, the securitization entities that are parties to those securitization transactions.

** Excludes marketable securities related to insurance activities.

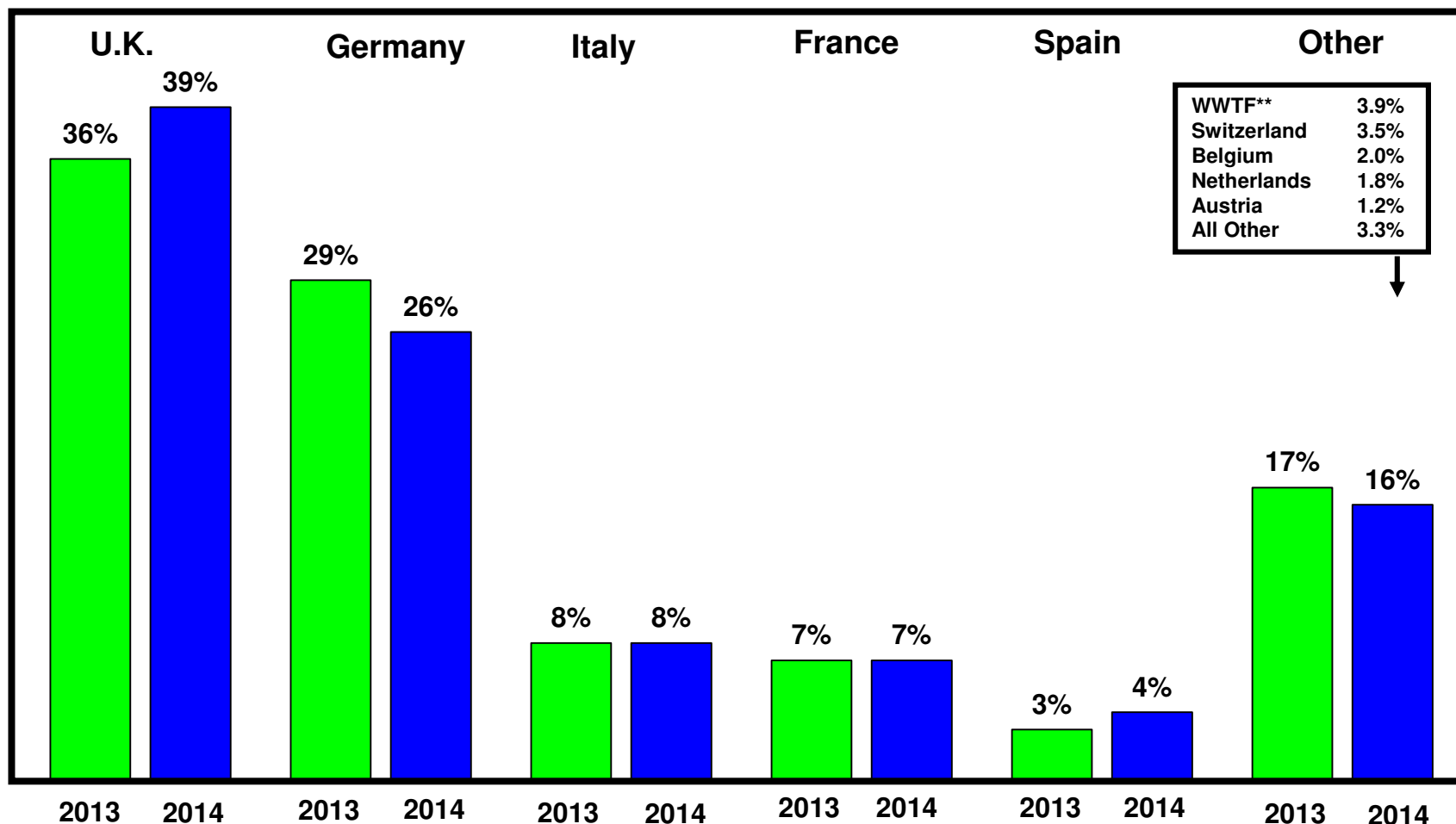
*** Primarily related to market valuation adjustments to derivatives due to movements in interest rates. Adjustments to debt are related to designated fair value hedges and adjustments to equity are related to retained earnings.

**** Shareholder's interest reported on Ford Credit's balance sheet.

***** Equals total adjusted debt over total adjusted equity.

FCE BANK PLC

2014 SECOND QUARTER PERCENT OF NET LOANS & ADVANCES TO CUSTOMERS BY MARKET COMPARED WITH DECEMBER 31, 2013*



* As percent of net loans and advances to customers which were £9.4 billion and £10.7 billion at December 31, 2013 and June 30, 2014, respectively.

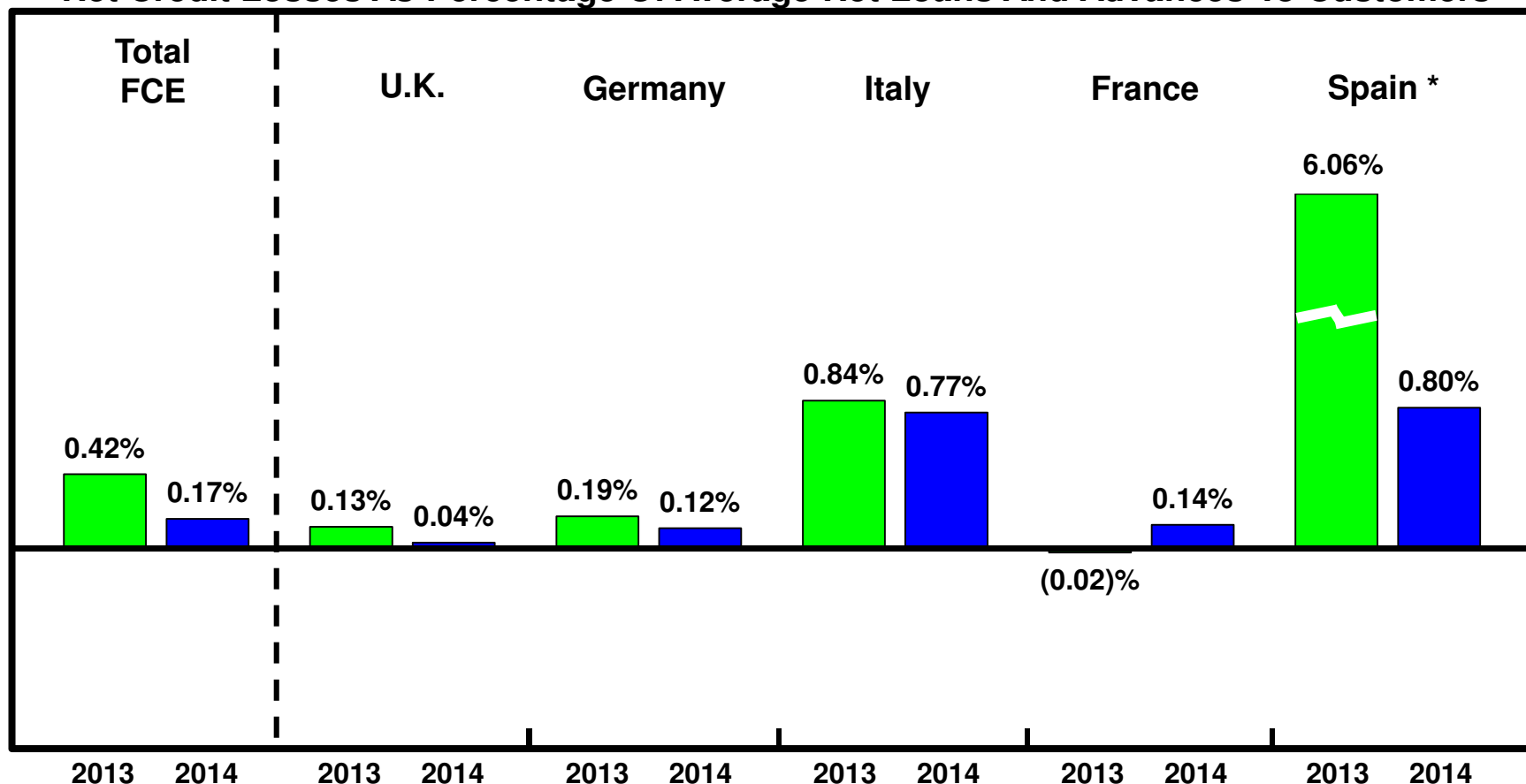
** Worldwide Trade Finance (WWTF) provides offshore trade finance support to importers/dealers in about 60 countries.



FCE BANK PLC

2014 SECOND QUARTER CREDIT LOSS RATIO COMPARED WITH 2013

Net Credit Losses As Percentage Of Average Net Loans And Advances To Customers



* In Second Quarter 2013, Spain's credit loss ratio included an accounting adjustment for a wholesale Loan and Advance loss that should have been recorded in a prior year. Excluding the adjustment, the Spain credit loss ratio would have been (0.10)% and the total FCE credit loss ratio would have been 0.19%

FCE BANK PLC
PUBLIC TERM FUNDING PLAN



			<u>2014</u>	
	2012	2013		YTD
	<u>Actual</u>	<u>Actual</u>	<u>Forecast</u>	<u>Actual</u>
	(Bils.)	(Bils.)	(Bils.)	(Bils.)
Unsecured	£ 0.7	£ 1.6	£ 1.5 – 1.9	£ 1.5
Securitized	<u>0.4</u>	<u>0.4</u>	<u>0.6 – 0.9</u>	<u>0.4</u>
Total	<u>£ 1.1</u>	<u>£ 2.0</u>	<u>£ 2.1 – 2.8</u>	<u>£ 1.9</u>