



FORD CREDIT

Canadian ABS Investor Presentation

May 2018



Agenda

| | |
|--|----|
| Strategy Highlights and Corporate Overview | 3 |
| Ford Credit | 8 |
| Ford Credit Canada | 15 |
| Appendix | 23 |

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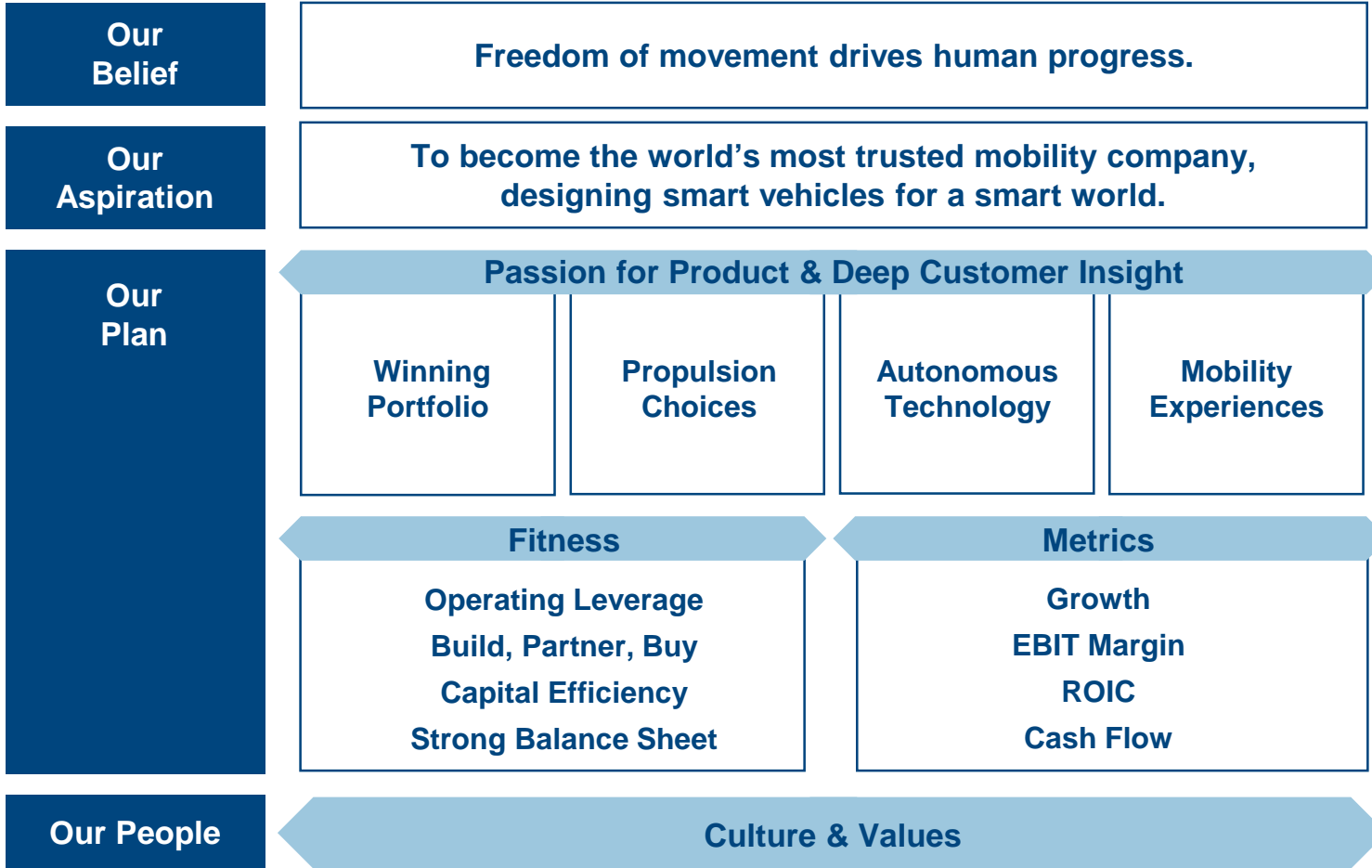


Strategy Highlights and Corporate Overview



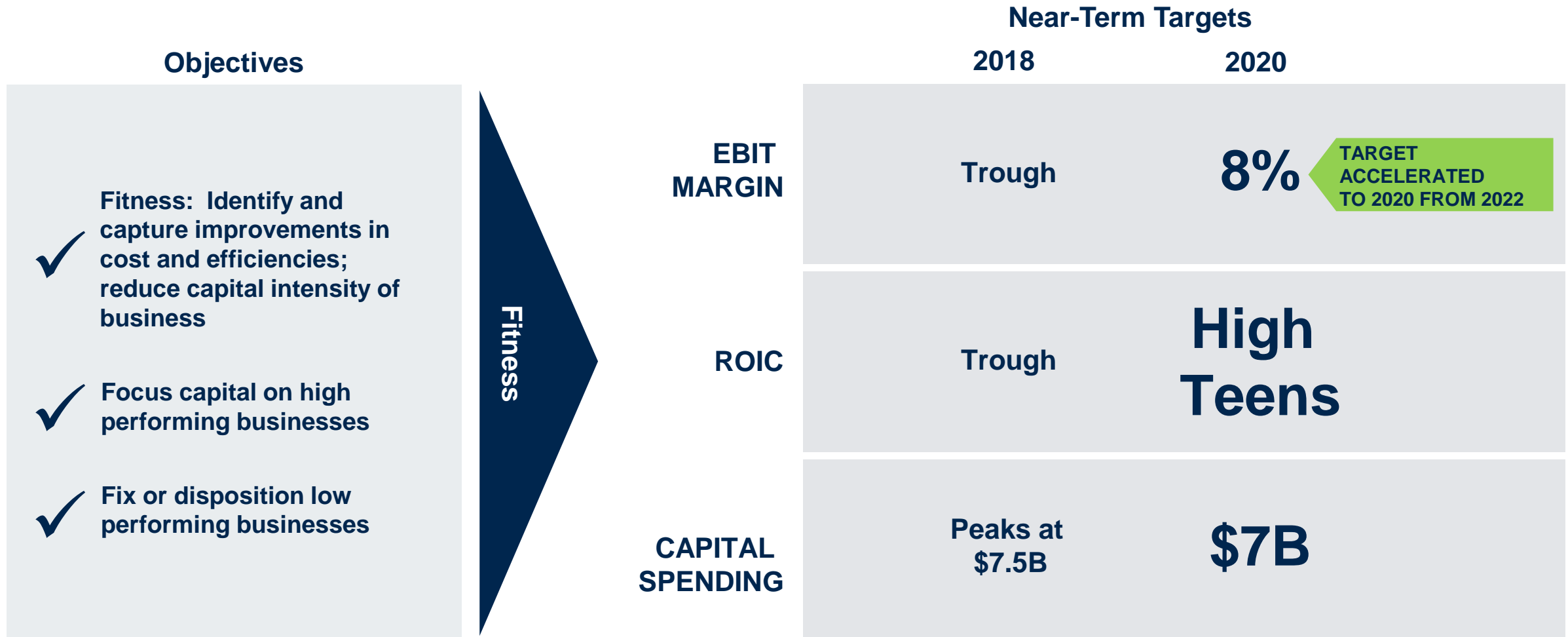


Smart Choices for Value Creation



- Taking appropriate action to drive profitable growth and maximize returns
- Bias towards urgent action
- More announcements about actions to transform company in the coming months

Transformation Objectives; New Near-Term Targets



Note: All references to EBIT and EBIT Margin are on an adjusted basis

Quarter Highlights

- ✓ Revenue growth
- ✓ Solid Company EBIT
- ✓ Strong balance sheet with ample liquidity
- ✓ Strategic mobility acquisitions: Autonomic and TransLoc
- ✓ Strengthened partnership with Mahindra



Leadership in Trucks and SUVs

- ✓ NA launch of all-new Expedition and Lincoln Navigator; increasing production to meet surging customer demand
- ✓ Continued strength in F-150, Super Duty and SUVs
- ✓ First-ever Ranger Raptor in Asia Pacific



New Autonomous Business Models

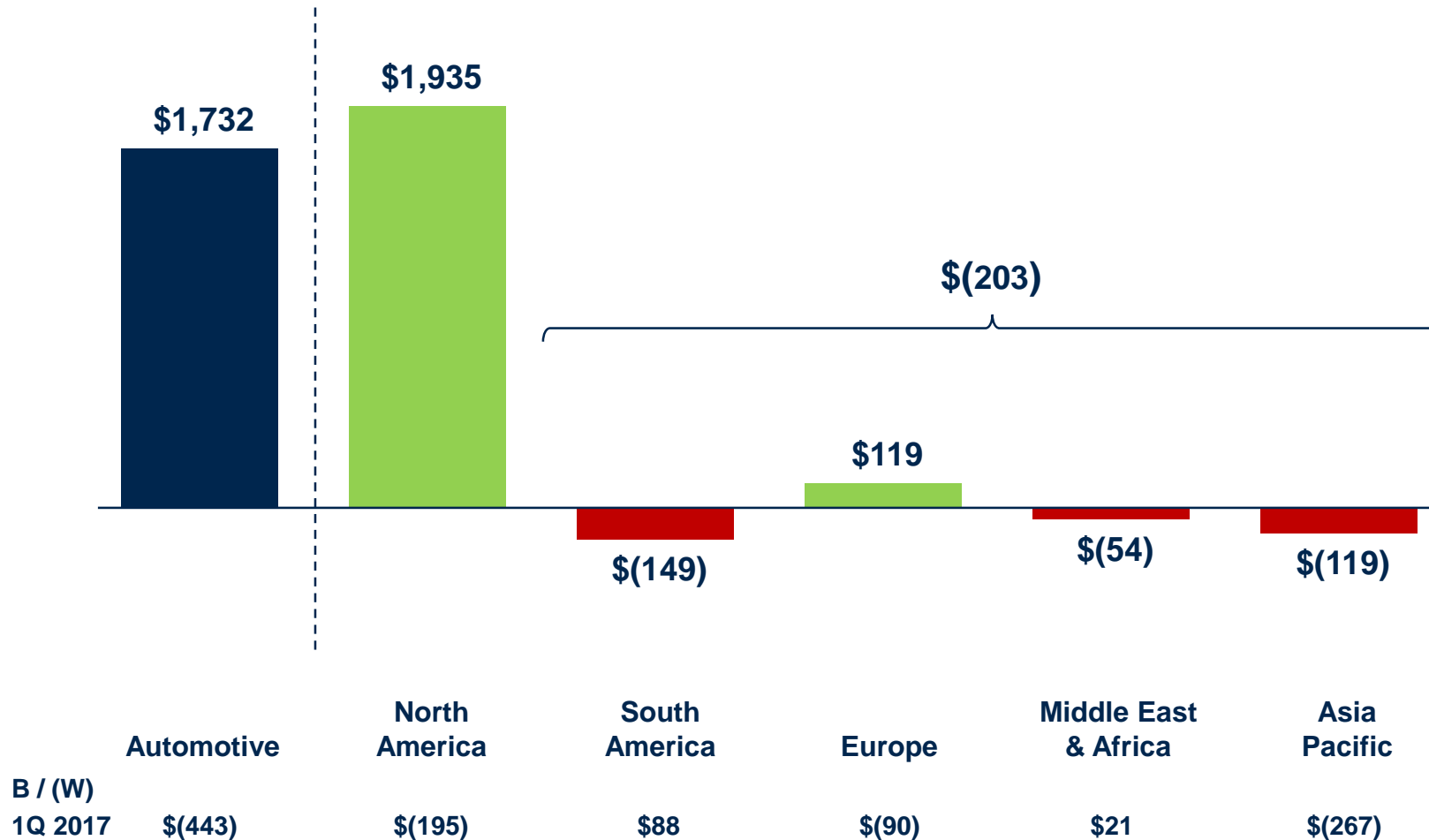
- ✓ Established our first business-model proving ground in Miami for our autonomous vehicle business
- ✓ On track with Argo AI to deliver commercial grade, self-driving vehicle, at scale, by 2021



Mobility Solutions

- ✓ Expanded global footprint in mobility and launched our Chariot commuter shuttle services in London – our first international expansion

1Q 2018 Automotive EBIT By Region (Mils)



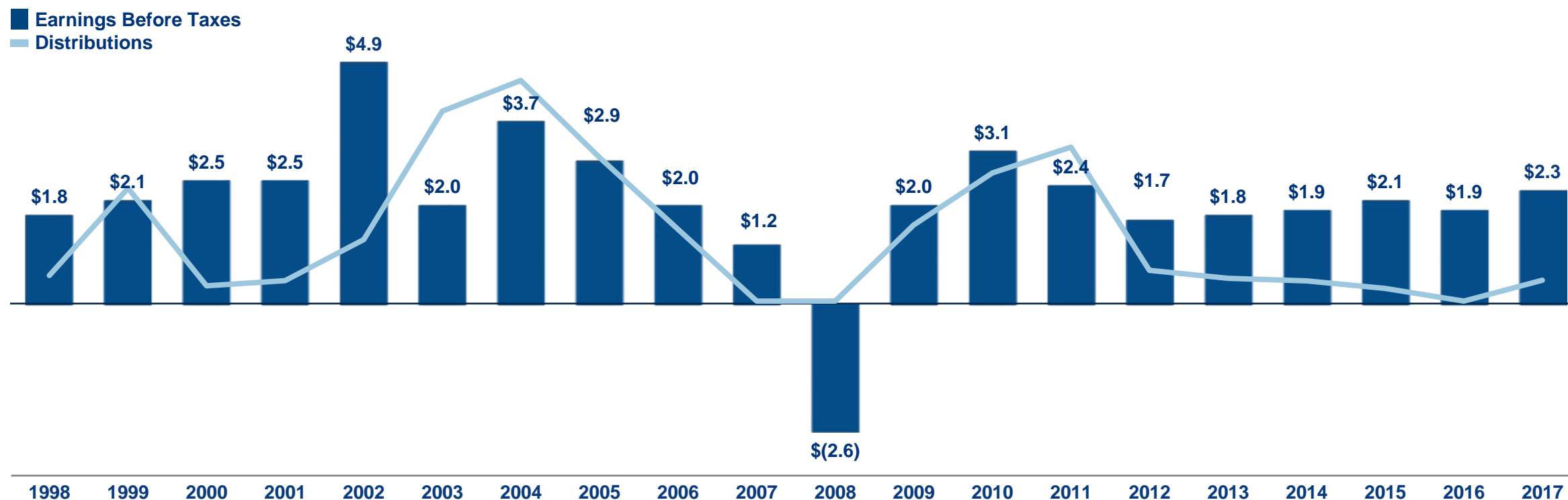
- Auto EBIT driven by NA with Europe also profitable
- Operations outside NA at an EBIT loss in total, \$248M worse than a year ago driven by AP
- YoY decline in Auto EBIT driven by AP, NA and Europe



Ford Credit



Ford Credit - A Strategic Asset



Over The Last 20 Years, Ford Credit Generated \$42 Billion In Earnings Before Taxes And \$26 Billion In Distributions

Key Metrics

FIRST QUARTER

| | 2017 | 2018 | H / (L) |
|-----------------------------|-----------|-----------|---------|
| Net Receivables (Bils) | \$ 133 | \$ 148 | 11 % |
| Managed Receivables* (Bils) | \$ 140 | \$ 156 | 11 % |
| Loss-to-Receivables** (LTR) | 54 bps | 51 bps | (3) bps |
| Auction Values*** | \$ 17,090 | \$ 17,325 | 1 % |
| EBT (Mils) | \$ 481 | \$ 641 | \$ 160 |
| ROE (Pct)* | 10 % | 18 % | 8 ppts |

Other Balance Sheet Metrics

| | | | |
|-------------------------------------|--------|--------|------------|
| Debt (Bils) | \$ 129 | \$ 142 | 10 % |
| Liquidity (Bils) | \$ 29 | \$ 28 | (3) % |
| Financial Statement Leverage (to 1) | 9.8 | 9.1 | (0.7) ppts |
| Managed Leverage* (to 1) | 9.1 | 8.4 | (0.7) ppts |

- Strong 1Q EBT up 33% YoY
- Receivables up globally, led by retail financing in all segments
- U.S. consumer credit metrics healthy with improved LTR
- Balance sheet and liquidity strong; managed leverage within target range of 8:1 to 9:1
- Plan to maintain receivables around present level and deliver strong distributions to Ford

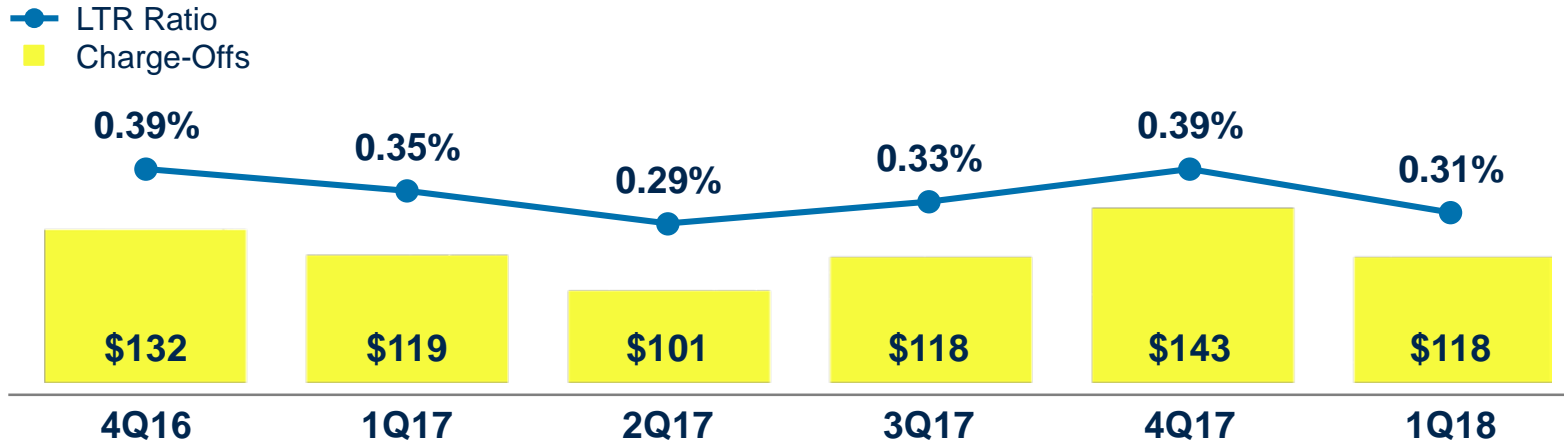
* See Appendix for reconciliation to GAAP and definitions

** U.S. retail and lease

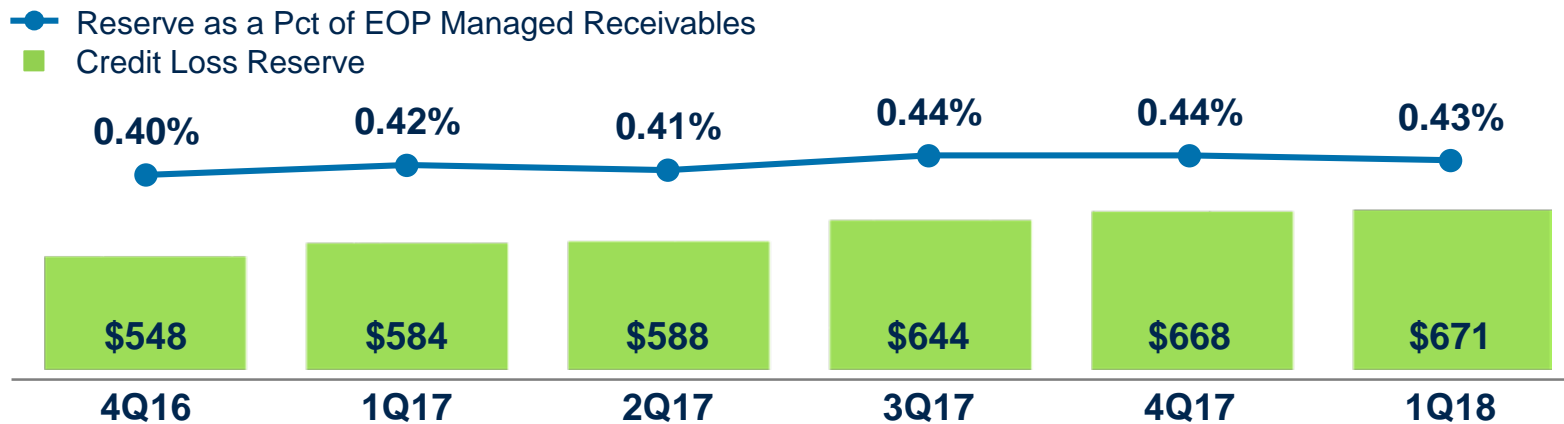
*** U.S. 36-month off-lease at 1Q18 mix

Worldwide Credit Loss Metrics

Charge-Offs (Mils) and LTR Ratio (Pct)



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



- Worldwide credit loss metrics remain strong
- Credit loss reserve based on historical losses, portfolio quality, and receivables level
- YoY increase in reserve reflects historical losses and growth in receivables

Funding Structure – Managed Receivables

(Bils)

| | 2016 Dec 31 | 2017 Dec 31 | 2018 Mar 31 |
|--|----------------|----------------|----------------|
| Term Debt (incl. Bank Borrowings) | \$ 66 | \$ 75 | \$ 76 |
| Term Asset-Backed Securities | 50 | 53 | 56 |
| Commercial Paper | 4 | 5 | 5 |
| Ford Interest Advantage / Deposits | 6 | 5 | 5 |
| Other | 9 | 9 | 10 |
| Equity | 13 | 16 | 16 |
| Adjustments For Cash | (11) | (12) | (12) |
| Total Managed Receivables | \$ 137 | \$ 151 | \$ 156 |
| | | | |
| Securitized Funding as Pct of Managed Receivables | 37% | 35% | 36% |

- Funding is diversified across platforms and markets
- Well capitalized with strong investment grade balance sheet profile

Public Term Funding Plan*

(Bils)

| | <u>2016 Actual</u> | <u>2017 Actual</u> | <u>2018 Forecast</u> <i>(as of 4/25/2018)</i> | <u>Through Apr 24</u> |
|--|------------------------|------------------------|--|---------------------------|
| <u>Unsecured -- Currency of issuance</u> <i>(USD Equivalent)</i> | | | | |
| USD | \$ 9 | \$ 10 | \$ 5 - 7 | \$ 1 |
| CAD | 1 | 2 | 1 - 2 | 0 |
| EUR / GBP | 3 | 3 | 4 - 6 | 3 |
| Other | 1 | 1 | 1 | 0 |
| Total unsecured | <u>\$ 14</u> | <u>\$ 16</u> | <u>\$ 11 - 16</u> | <u>\$ 5</u> |
| Securitizations | \$ 13 | \$ 15 | \$ 13 - 15 | \$ 6 |
| Total public | <u><u>\$ 28</u></u> | <u><u>\$ 32</u></u> | <u><u>\$ 24 - 31</u></u> | <u><u>\$ 11</u></u> |

* Numbers may not sum due to rounding; see Appendix for definitions

Cautionary Note On 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.



Ford Credit Canada Company (FCCC)



FCCC Securitization Overview

FCCC has been selling assets in securitization transactions in Canada since 1999

FCCC formed Ford Auto Securitization Trust (FAST) in 2008 and completed its first public securitization transaction in 2009. The most recent FAST widely distributed issuance was in February 2018

Ford Auto Securitization Trust (FAST) offers notes backed by retail conditional sale contracts through various channels:

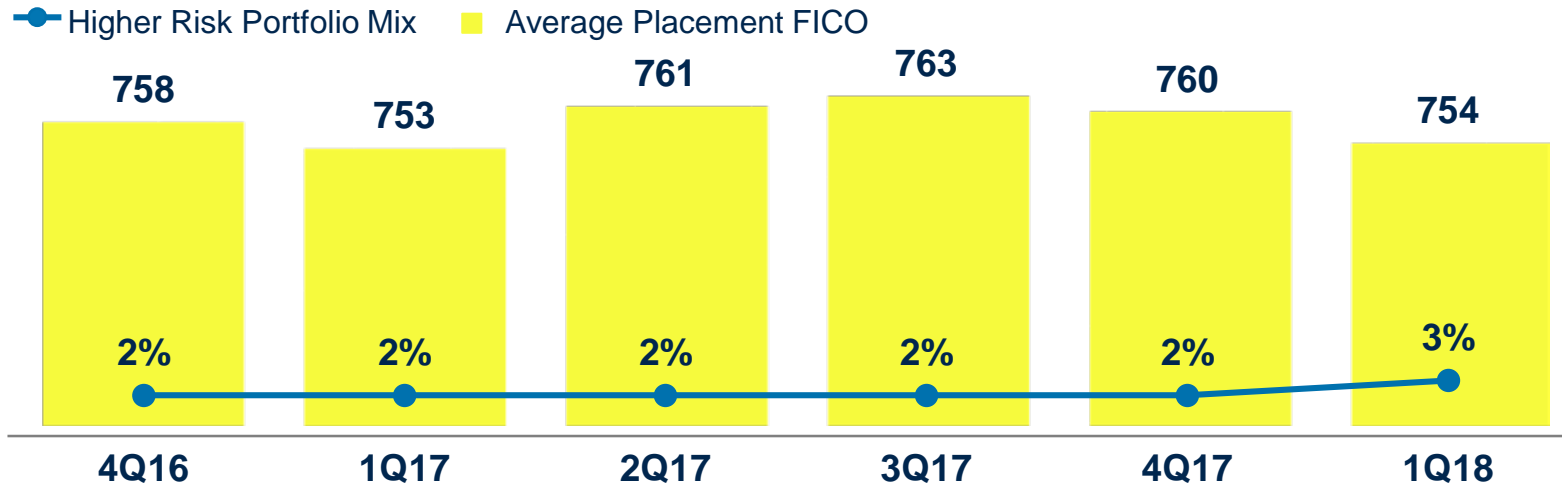
- Public and widely distributed private placement transactions (Canada)
- Rule 144A transactions (U.S.)
- Private placement transactions with bank-sponsored conduits and other financial institutions

FCCC also has securitization programs for its other assets:

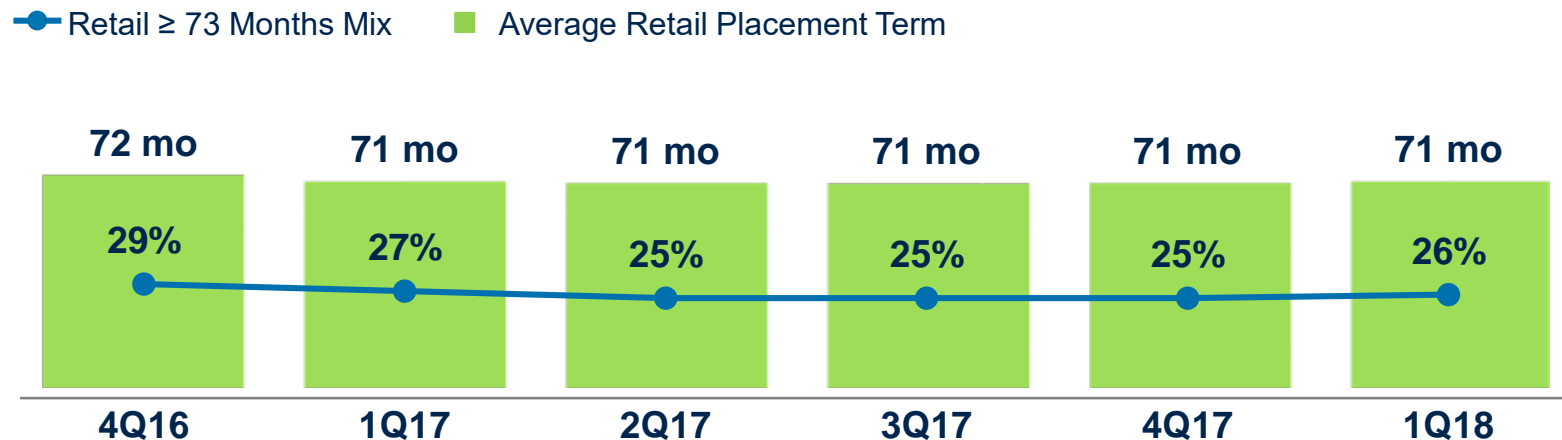
- Dealer floorplan receivables securitized in private and widely distributed private transactions
- Leases and leased vehicles securitized in private transactions

Canada Origination Metrics

Retail and Lease FICO and Higher Risk Mix (Pct)



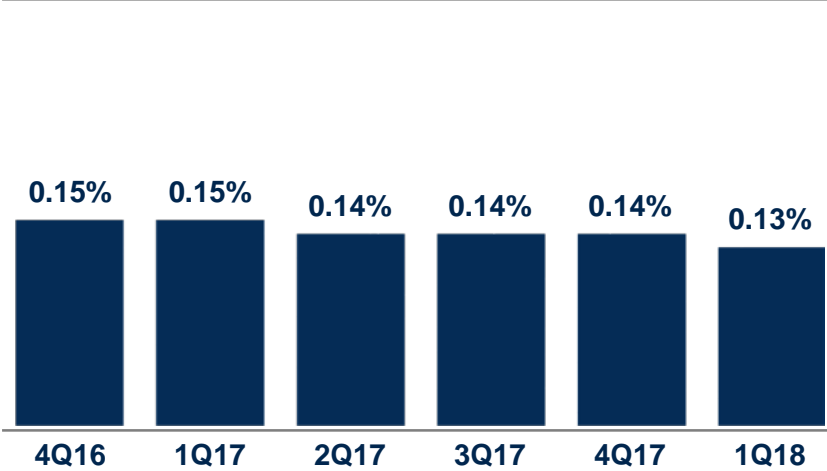
Retail Contract Terms



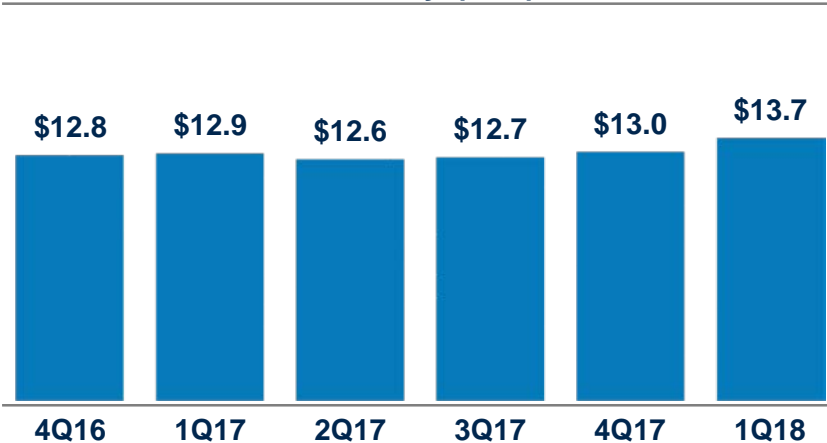
- Disciplined and consistent underwriting practices
- Portfolio quality evidenced by FICO scores and steady risk mix
- Extended-term contracts remain a significant part of our business and consistent with overall market

Canada Retail And Lease Credit Loss Drivers

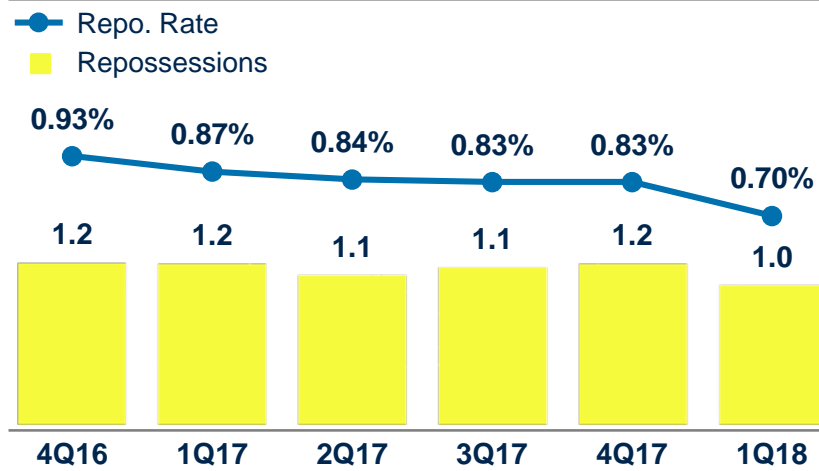
Over-60-Day Delinquencies (excl. Bankruptcies)



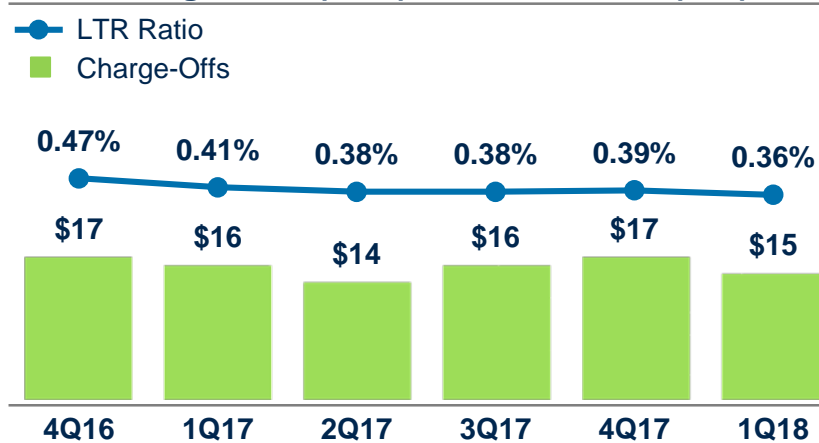
Severity (000)



Repossessions (000) and Repo. Rate (Pct)



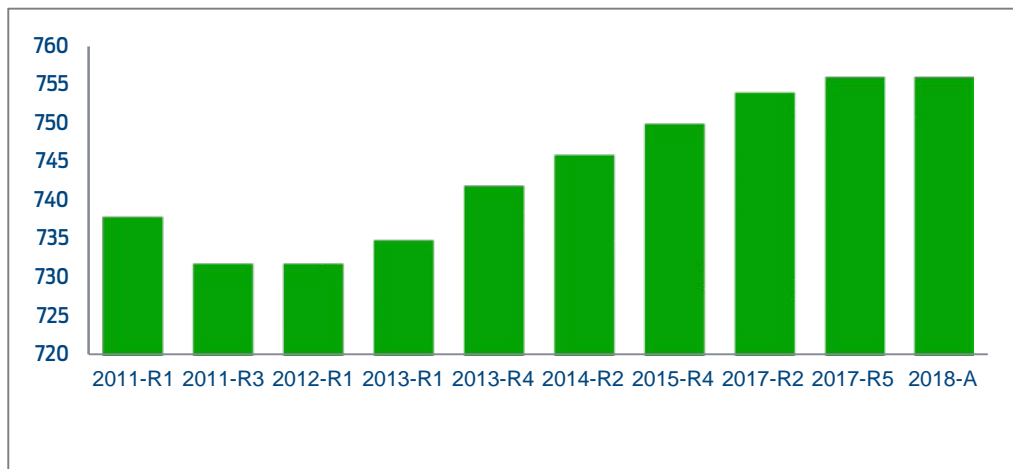
Charge-Offs (Mils) and LTR Ratio (Pct)



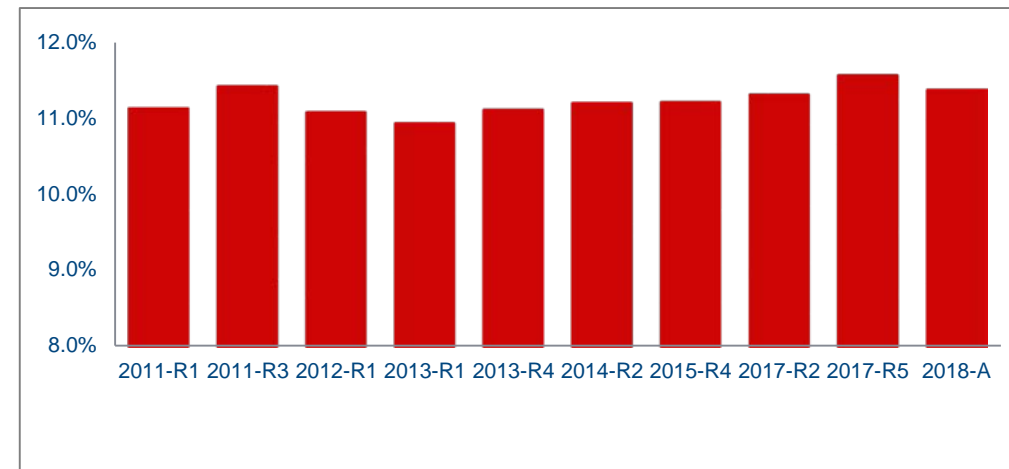
- Delinquencies and repossessions remain low
- Severities reflect longer term financing and lower auction values
- Charge-offs, LTR, and Severity continue to be within our placement expectations
- Strong loss metrics reflect healthy consumer credit conditions

Retail Securitization Pool Metrics

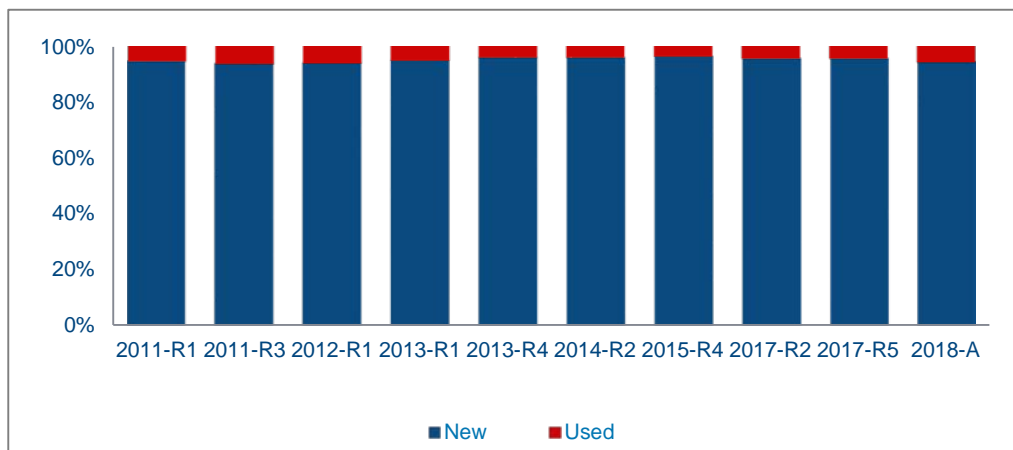
Weighted Average FICO®



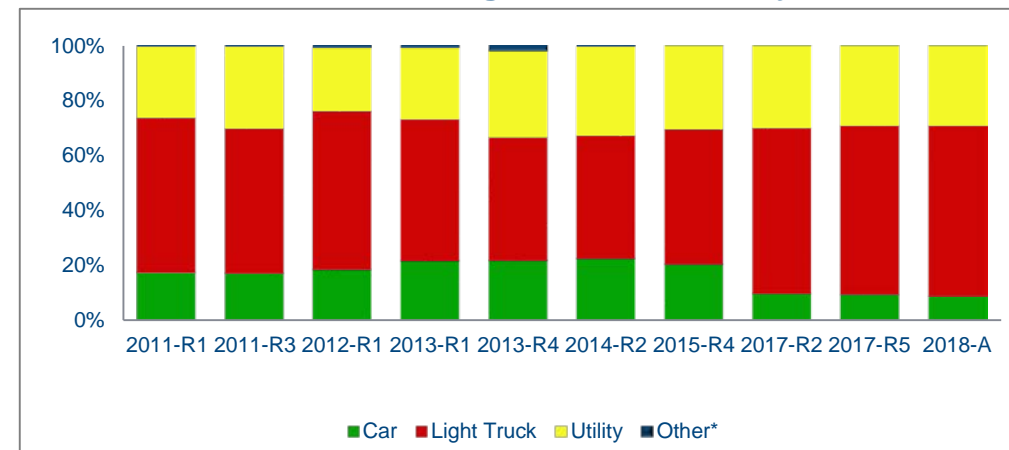
Weighted Average Payment-to-Income



New / Used



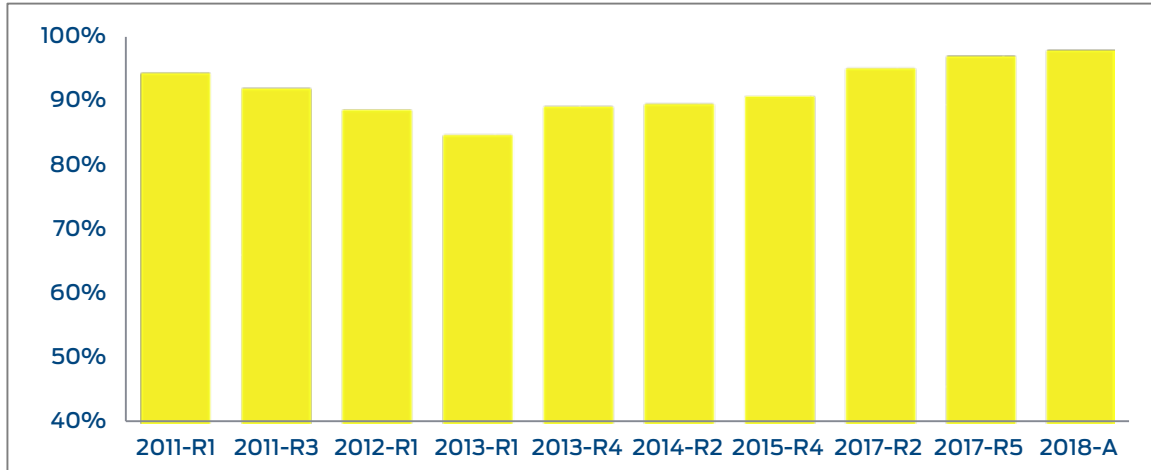
Car / Light Truck / Utility



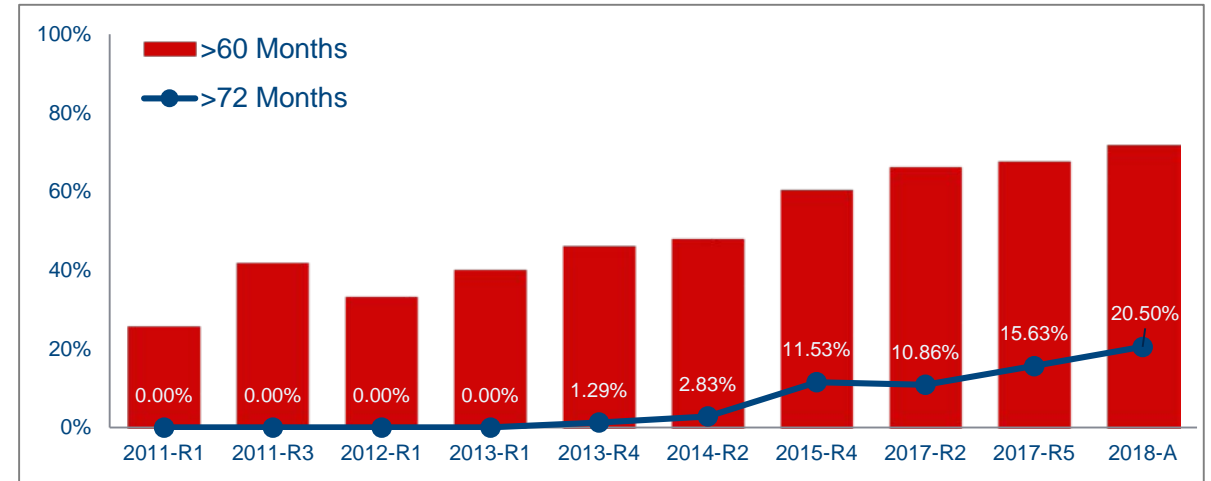
* Primarily non-Ford, Lincoln and Mercury vehicles, which Ford Credit does not categorize

Retail Securitization Pool Metrics

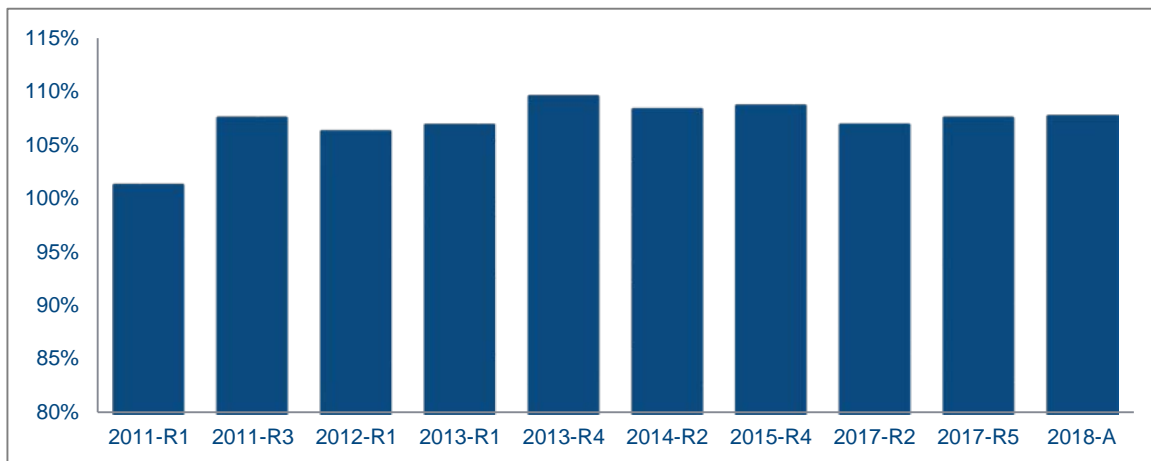
% Subvned-APR Receivables



% of Extended Original Term Contracts



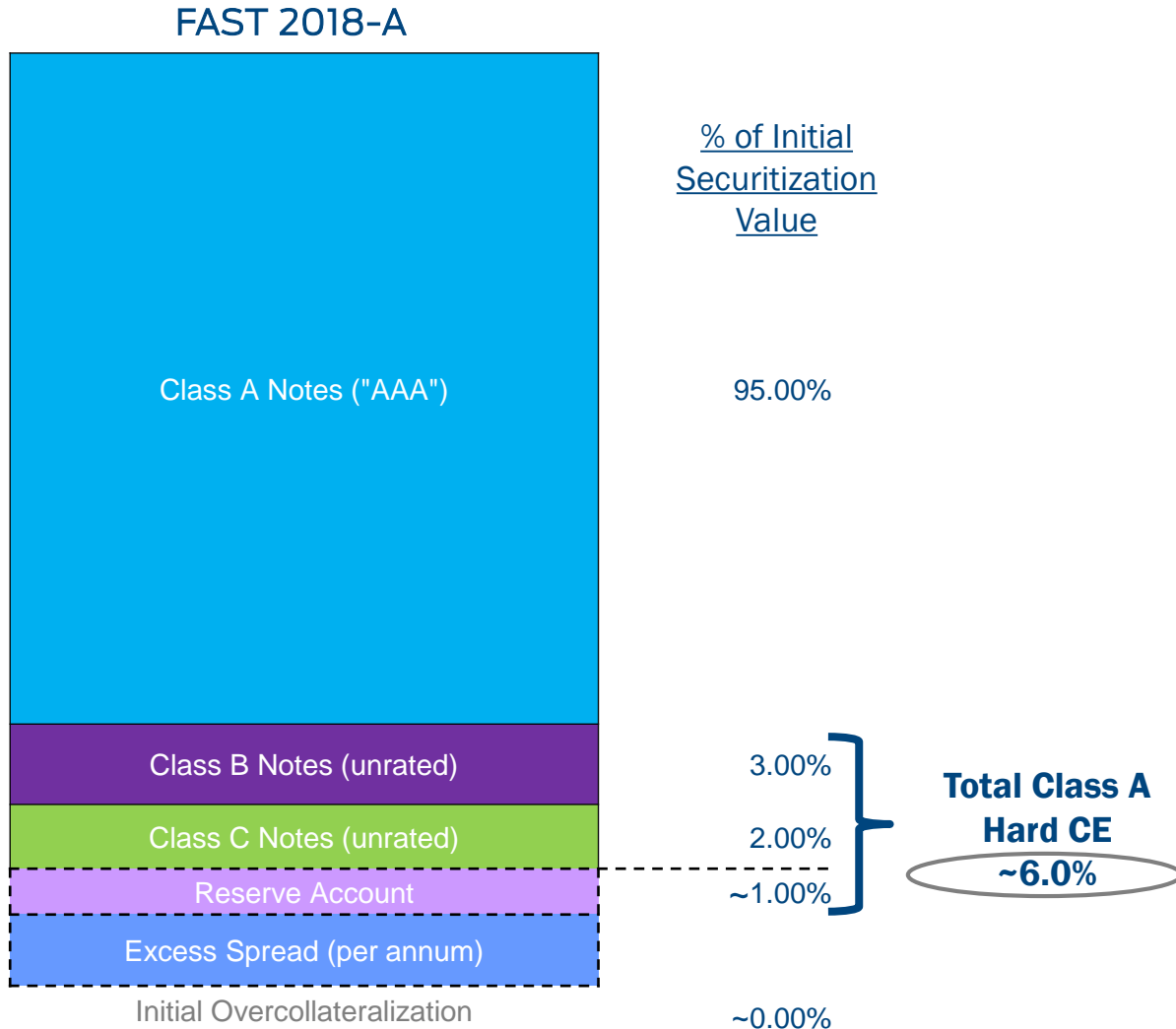
Weighted Average Loan-to-Value (LTV)



Commentary

- Underwriting has been consistent over time: trends in collateral in line with broader industry
- FICO® has generally trended higher over time
- Increased mix of contracts with original term >60 months
- LTV reflects a high mix of subvned-APR contracts, which tend to have a higher original amount financed

Retail Securitization Structure Overview



Credit enhancements in our retail securitization programs include:

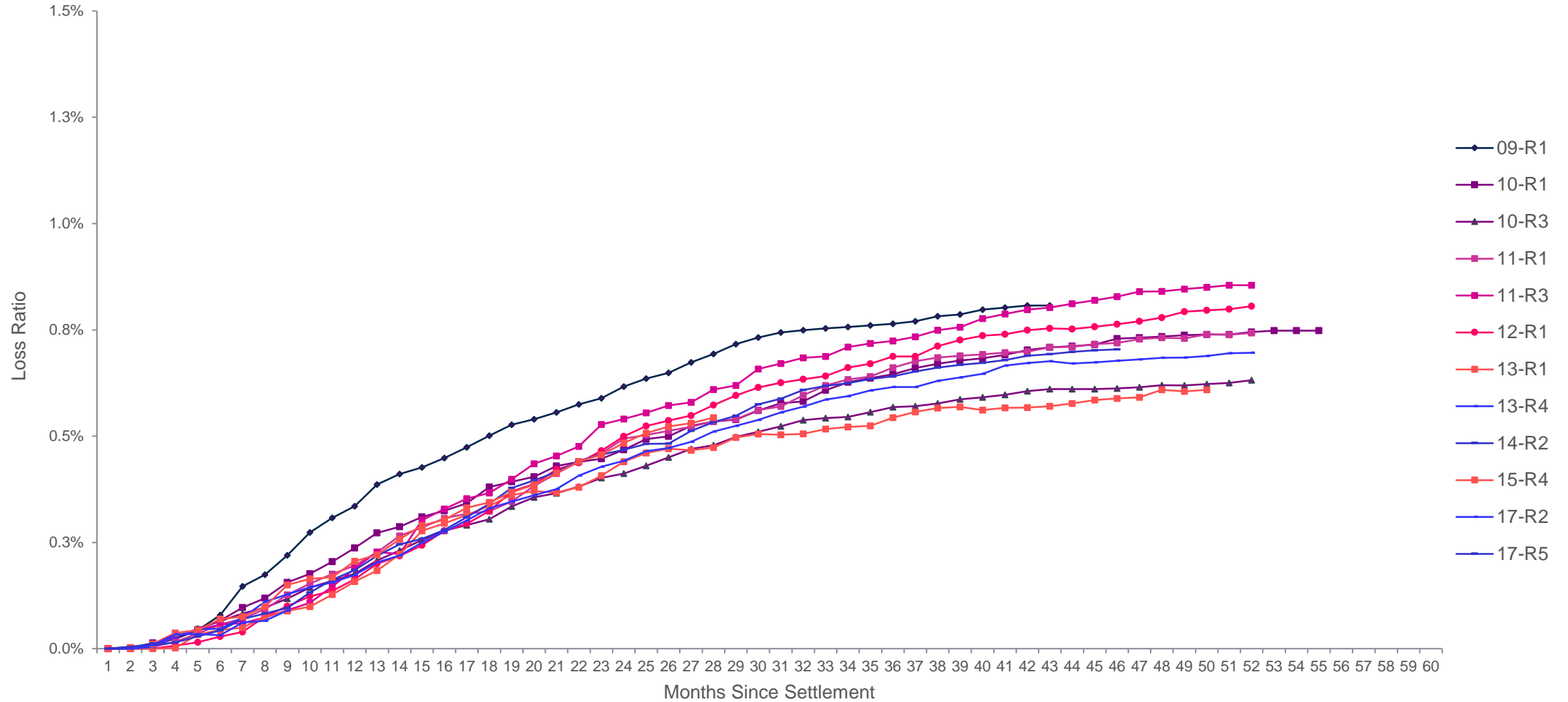
- Subordination of junior notes
- Cash reserve
- Excess spread (used to build target overcollateralization)

Senior / subordinate, sequential pay structure

Target OC = Sum of:

1. YSOC
2. 2.0% of initial adjusted pool balance
3. 1.5% of current pool balance less reserve

Retail Securitization Cumulative Net Losses



Consistent Performance Through Economic Cycles



Appendix



Ford Credit

Liquidity Sources (Bils)

| | <u>2017</u> <u>Mar 31</u> | <u>2017</u> <u>Dec 31</u> | <u>2018</u> <u>Mar 31</u> |
|---|------------------------------|------------------------------|------------------------------|
| <u>Liquidity Sources</u> | | | |
| Cash | \$ 11.3 | \$ 11.8 | \$ 11.8 |
| Committed ABS facilities | 34.8 | 33.4 | 33.9 |
| Other unsecured credit facilities | 2.6 | 3.3 | 3.4 |
| Ford corporate credit facility allocation | 3.0 | 3.0 | 3.0 |
| Total liquidity sources | \$ 51.7 | \$ 51.5 | \$ 52.1 |
| <u>Utilization of Liquidity</u> | | | |
| Securitization cash | \$ (3.0) | \$ (3.8) | \$ (3.2) |
| Committed ABS facilities | (18.4) | (17.2) | (19.9) |
| Other unsecured credit facilities | (1.3) | (1.1) | (1.1) |
| Ford corporate credit facility allocation | - | - | - |
| Total utilization of liquidity | \$ (22.7) | \$ (22.1) | \$ (24.2) |
| Gross liquidity | \$ 29.0 | \$ 29.4 | \$ 27.9 |
| Adjustments | 0.3 | 0.1 | 0.3 |
| Net liquidity available for use | \$ 29.3 | \$ 29.5 | \$ 28.2 |

Ford Credit

Total Net Receivables Reconciliation To Managed Receivables (Bils)

| | 2017 <u>Mar 31</u> | 2017 <u>Dec 31</u> | 2018 <u>Mar 31</u> |
|--|-------------------------------|-------------------------------|-------------------------------|
| Ford Credit finance receivables, net (GAAP)* | \$ 99.3 | \$ 108.4 | \$ 111.8 |
| Net investment in operating leases (GAAP)* | 26.4 | 26.7 | 26.7 |
| Consolidating adjustments** | <u>7.3</u> | <u>7.6</u> | <u>9.2</u> |
| Total net receivables | \$ 133.0 | \$ 142.7 | \$ 147.7 |
| | | | |
| Ford Credit unearned interest supplements and residual support | 5.5 | 6.1 | 6.2 |
| Allowance for credit losses | 0.6 | 0.7 | 0.7 |
| Other, primarily accumulated supplemental depreciation | <u>0.9</u> | <u>1.0</u> | <u>1.1</u> |
| Total managed receivables (Non-GAAP) | <u><u>\$ 140.0</u></u> | <u><u>\$ 150.5</u></u> | <u><u>\$ 155.7</u></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

** Primarily includes Automotive segment receivables purchased by Ford Credit which are classified to Trade and other receivables on our consolidated Balance Sheet. Also includes eliminations of intersegment transactions

Ford Credit

Financial Statement Leverage Reconciliation To Managed Leverage (Bil\$)

| | <u>2017</u> <u>Mar 31</u> | <u>2017</u> <u>Dec 31</u> | <u>2018</u> <u>Mar 31</u> |
|--|------------------------------|------------------------------|------------------------------|
| <u>Leverage Calculation</u> | | | |
| Total debt* | \$ 129.2 | \$ 137.8 | \$ 142.0 |
| Adjustments for cash** | (11.3) | (11.8) | (11.8) |
| Adjustments for derivative accounting*** | (0.2) | - | 0.3 |
| Total adjusted debt | <u>\$ 117.7</u> | <u>\$ 126.0</u> | <u>\$ 130.5</u> |
| | | | |
| Equity**** | \$ 13.2 | \$ 15.9 | \$ 15.9 |
| Adjustments for derivative accounting*** | (0.3) | (0.1) | (0.2) |
| Total adjusted equity | <u>\$ 12.9</u> | <u>\$ 15.8</u> | <u>\$ 15.7</u> |
| | | | |
| Financial statement leverage (to 1) (GAAP) | 9.8 | 8.7 | 9.1 |
| Managed leverage (to 1) (Non-GAAP) | 9.1 | 8.0 | 8.4 |

* Includes debt 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

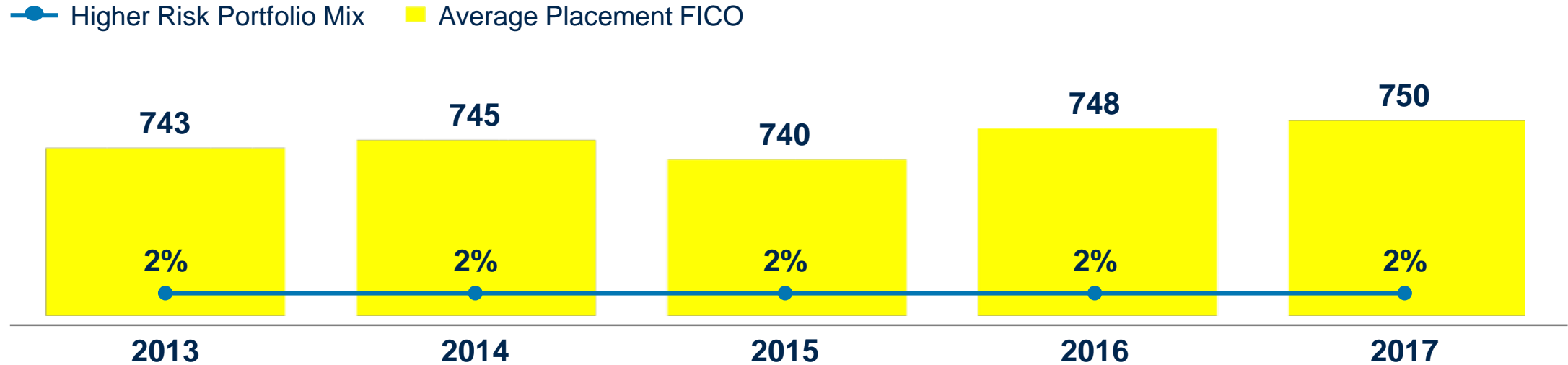
** Cash and cash equivalents, and Marketable securities reported on Ford Credit's balance sheet, excluding amounts related to insurance activities

*** Related primarily 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

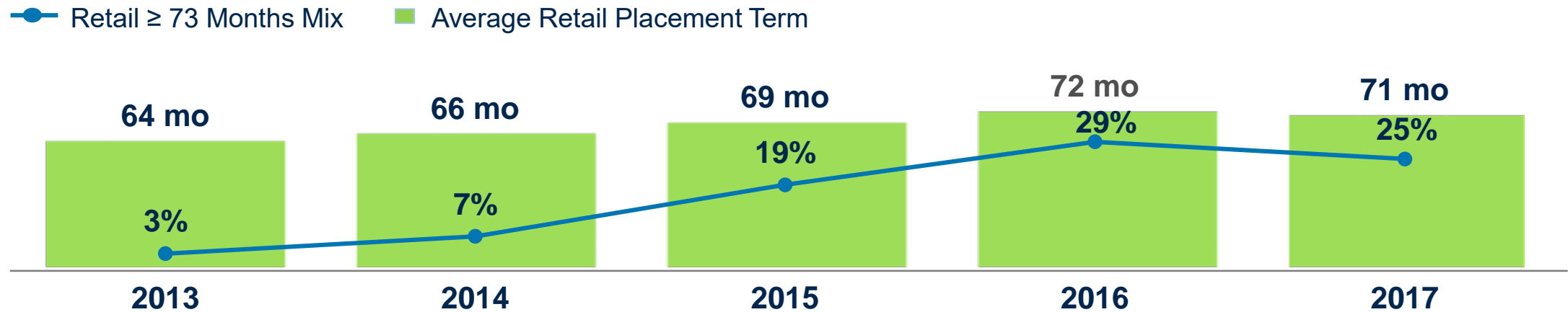
**** Total shareholder's interest reported on Ford Credit's balance sheet

Canada Origination Metrics

Retail and Lease FICO and Higher Risk Mix (Pct)

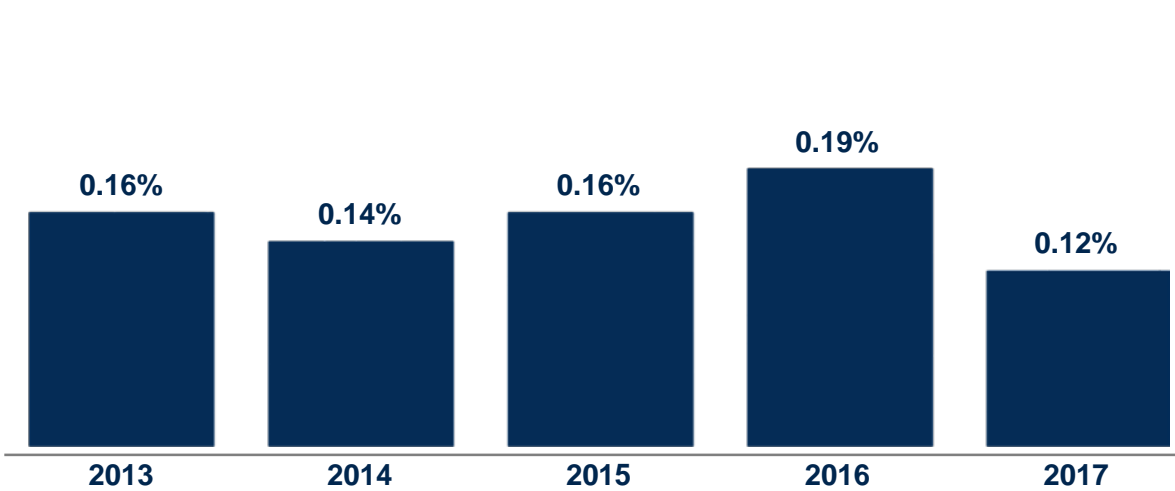


Retail Contract Terms

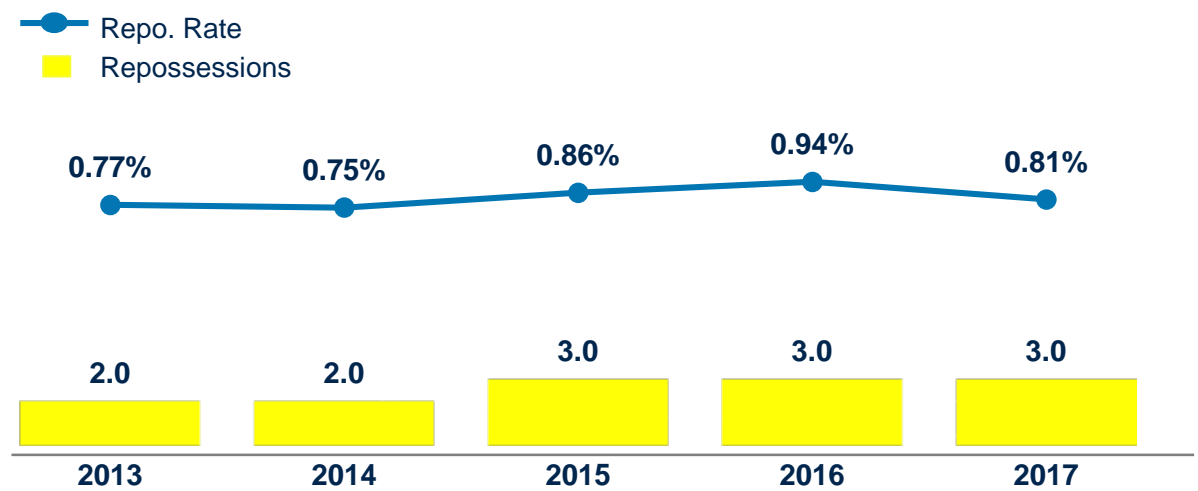


Canada Retail And Lease Credit Loss Drivers

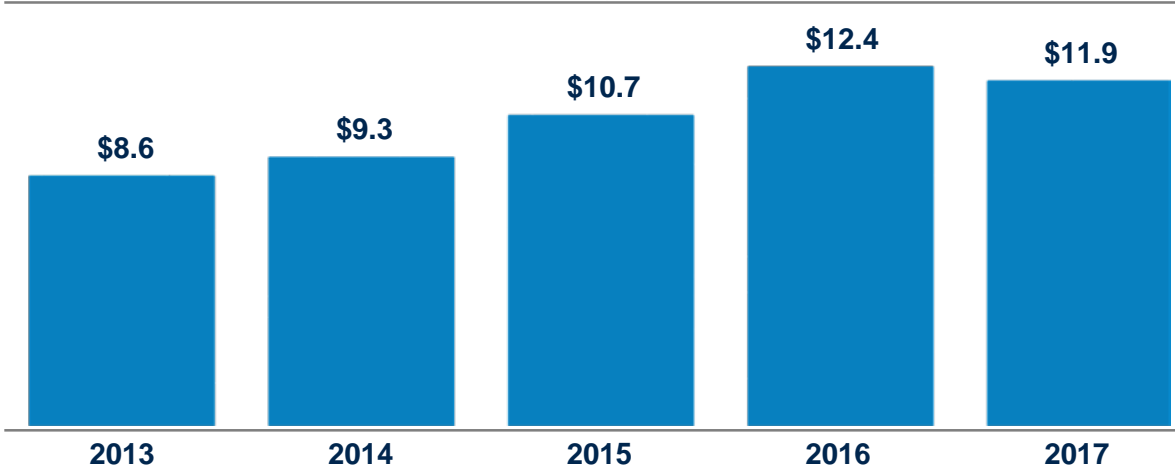
Over-60-Day Delinquencies (excl. Bankruptcies)



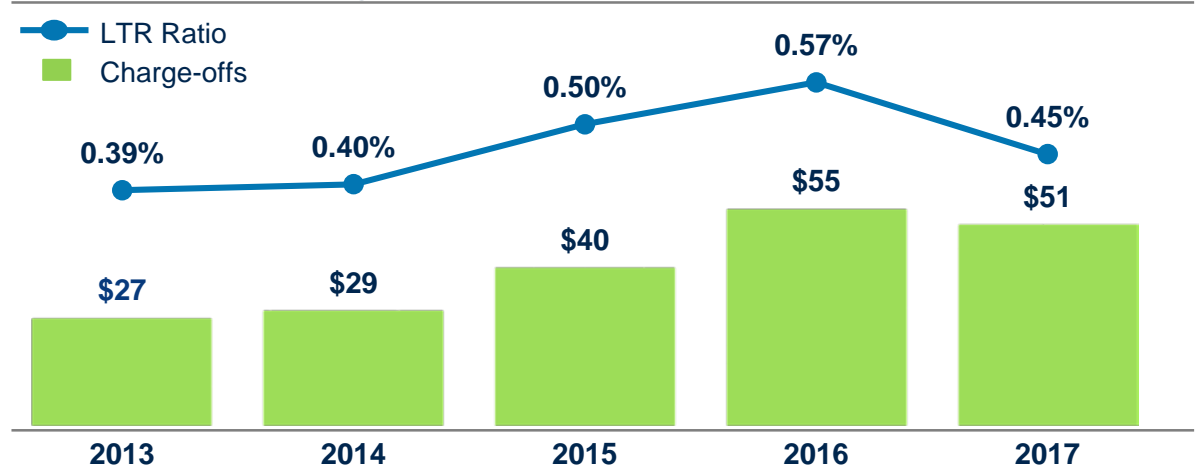
Repossessions (000) and Repo. Rate (Pct)



Severity (000)



Charge-Offs (Mils) and LTR Ratio (Pct)



Non-GAAP Financial Measures That Supplement GAAP Measures

We use both GAAP and non-GAAP financial measures for operational and financial decision making, and to assess Company and segment business performance. The non-GAAP measures listed below are intended to be considered by users as supplemental information to their equivalent GAAP measures, to aid investors in better understanding our financial results. We believe that these non-GAAP measures provide useful perspective on underlying business results and trends, and a means to assess our period-over-period results. These non-GAAP measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. These non-GAAP measures may not be the same as similarly titled measures used by other companies due to possible differences in method and in items or events being adjusted.

- **Company Adjusted EBIT (Most Comparable GAAP Measure: Net income attributable to Ford) – Earnings before interest and taxes (EBIT) includes non-controlling interests and excludes interest on debt (excl. Ford Credit Debt), taxes and pre-tax special items. This non-GAAP measure is useful to management and investors because it allows users to evaluate our operating results aligned with industry reporting. Pre-tax special items consist of (i) pension and OPEB remeasurement gains and losses that are not reflective of our underlying business results, (ii) significant restructuring actions related to our efforts to match production capacity and cost structure to market demand and changing model mix, and (iii) other items that we do not necessarily consider to be indicative of earnings from ongoing operating activities. When we provide guidance for adjusted EBIT, we do not provide guidance on a net income basis because the GAAP measure 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.**
- **Company Adjusted EBIT Margin (Most Comparable GAAP Measure: Net Income Attributable to Ford divided by Company Revenue) – Company Adjusted EBIT margin is Company adjusted EBIT divided by Company revenue. This non-GAAP measure is useful to management and investors because it allows users to evaluate our operating results aligned with industry reporting.**
- **Adjusted Earnings Per Share (Most Comparable GAAP Measure: Earnings Per Share) – Measure of Company’s diluted net earnings per share adjusted for impact of pre-tax special items (described above), and tax special items. The measure provides investors with useful information to evaluate performance of our business excluding items not indicative of underlying run rate of our business. When we provide guidance for adjusted earnings per share, we do not provide guidance on an earnings per share basis because the GAAP measure 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.**
- **Adjusted Effective Tax Rate (Most Comparable GAAP Measure: Effective Tax Rate) – Measure of Company’s tax rate excluding pre-tax special items (described above) and tax special items. The measure provides an ongoing effective rate which investors find useful for historical comparisons and for forecasting. When we provide guidance for adjusted effective tax rate, we do not provide guidance on an effective tax rate basis because the GAAP measure 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.**
- **Company Operating Cash Flow (Most Comparable GAAP Measure: Net cash provided by / (used in) operating activities) – Measure of Company’s operating cash flow excluding Ford Credit’s operating cash flows. The measure contains elements management considers operating activities, including Automotive and Mobility capital spending, Ford Credit distributions to its parent and settlement of derivatives. The measure excludes cash outflows for funded pension contributions, separation payments, and other items that are considered operating cash outflows under U.S. GAAP. This measure is useful to management and investors because it is consistent with management’s assessment of the Company’s operating cash flow performance.**

Non-GAAP Financial Measures That Supplement GAAP Measures

- **Ford Credit Managed Receivables – (Most Comparable GAAP Measure: Net Finance Receivables plus Net Investment in Operating Leases) – Measure of Ford Credit’s Total net receivables, excluding unearned interest supplements and residual support, allowance for credit losses, and other (primarily accumulated supplemental depreciation). The measure is useful to management and investors as it closely approximates the customer’s outstanding balance on the receivables, which is the basis for earning revenue.**
- **Ford Credit Managed Leverage (Most Comparable GAAP Measure: Financial Statement Leverage) – Ford Credit’s debt-to-equity ratio adjusted (i) to exclude cash, cash equivalents, and marketable securities (other than amounts related to insurance activities), and (ii) for derivative accounting. The measure is useful to investors because it reflects the way Ford Credit manages its business. Cash, cash equivalents, and marketable securities are deducted because they generally correspond to excess debt beyond the amount required to support operations and on-balance sheet securitization transactions. Derivative accounting adjustments are made to asset, debt, and equity positions to reflect the impact of interest rate instruments used with Ford Credit’s term-debt issuances and securitization transactions. Ford Credit generally repays its debt obligations as they mature, so the interim effects of changes in market interest rates are excluded in the calculation of managed leverage.**

Ford Definitions And Calculations

Automotive Records

- References to Automotive records for EBIT margin and business units are since at least 2009

Wholesales and Revenue

- Wholesale unit volumes include all Ford and Lincoln badged units (whether produced by Ford or by an unconsolidated affiliate) that are sold to dealerships, units manufactured by Ford that are sold to other manufacturers, units distributed by Ford for other manufacturers, and local brand units produced by our China joint venture, Jiangling Motors Corporation, Ltd. (“JMC”), that are sold to dealerships. Vehicles sold to daily rental car companies that are subject to a guaranteed repurchase option (i.e., rental repurchase), as well as other sales of finished vehicles for which the recognition of revenue is deferred (e.g., consignments), also are included in wholesale unit volumes. Revenue from certain vehicles in wholesale unit volumes (specifically, Ford badged vehicles produced and distributed by our unconsolidated affiliates, as well as JMC brand vehicles) are not included in our revenue

Automotive Segment EBIT Margin

- Automotive segment EBIT margin is defined as Automotive segment EBIT divided by Automotive segment revenue

Industry Volume and Market Share

- Industry volume and market share are based, in part, on estimated vehicle registrations; includes medium and heavy duty trucks

SAAR

- SAAR means seasonally adjusted annual rate

Company Cash

- Company cash includes cash, cash equivalents, marketable securities and restricted cash; excludes Ford Credit’s cash, cash equivalents and marketable securities

Market Factors

- Volume and Mix – primarily measures profit variance from changes in wholesale volumes (at prior-year average contribution margin per unit) driven by changes in industry volume, market share, and dealer stocks, as well as the profit variance resulting from changes in product mix, including mix among vehicle lines and mix of trim levels and options within a vehicle line
- Net Pricing – primarily measures profit variance driven by changes in wholesale prices to dealers and marketing incentive programs such as rebate programs, low-rate financing offers, special lease offers and stock accrual adjustments on dealer inventory

ROE

- Reflects an annualized return on equity. This metric is calculated by taking net income for the period divided by average equity for the period and annualizing the result by dividing by the number of days in the quarter and multiplying by 365.

Earnings Before Taxes (EBT)

- Reflects *Income before income taxes* as reported on Ford Credit’s income statement

Ford Credit Definitions And Calculations

Adjustments (as shown on the Liquidity Sources chart)

- Include certain adjustments for asset-backed capacity in excess of eligible receivables and cash related to the Ford Credit Revolving Extended Variable-utilization program (“FordREV”), which can be accessed through future sales of receivables

Cash (as shown on the Funding Structure, Liquidity Sources and Leverage charts)

- *Cash and cash equivalents* and *Marketable securities* reported on Ford Credit’s balance sheet, excluding amounts related to insurance activities

Committed Asset-Backed Security (“ABS”) Facilities (as shown on the Liquidity Sources chart)

- Committed ABS facilities are subject to availability of sufficient assets, ability to obtain derivatives to manage interest rate risk, and exclude FCE Bank plc (“FCE”) access to the Bank of England’s Discount Window Facility

Earnings Before Taxes (EBT)

- Reflects *Income before income taxes* as reported on Ford Credit’s income statement

ROE (as shown on the Key Metrics chart)

- Reflects an annualized return on equity. This metric is calculated by taking net income for the period divided by average equity for the period and annualizing the result by dividing by the number of days in the quarter and multiplying by 365

Securitizations (as shown on the Public Term Funding Plan chart)

- Public securitization transactions, Rule 144A offerings sponsored by Ford Motor Credit, and widely distributed offerings by Ford Credit Canada

Securitization Cash (as shown on the Liquidity Sources chart)

- Securitization cash is cash held for the benefit of the securitization investors (for example, a reserve fund)

Term Asset-Backed Securities (as shown on the Funding Structure chart)

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

Total Debt (as shown on the Leverage chart)

- *Debt* on Ford Credit’s balance sheet. Includes debt issued in securitizations 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

Total Net Receivables (as shown on the Total Net Receivables Reconciliation To Managed Receivables chart)

- 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

Unallocated Other (as shown on the 1Q 2018 EBT By Segment chart)

- Items excluded in assessing segment performance because they are managed at the corporate level, including market valuation adjustments to derivatives and exchange-rate fluctuations on foreign currency-denominated transactions