



FORD CREDIT

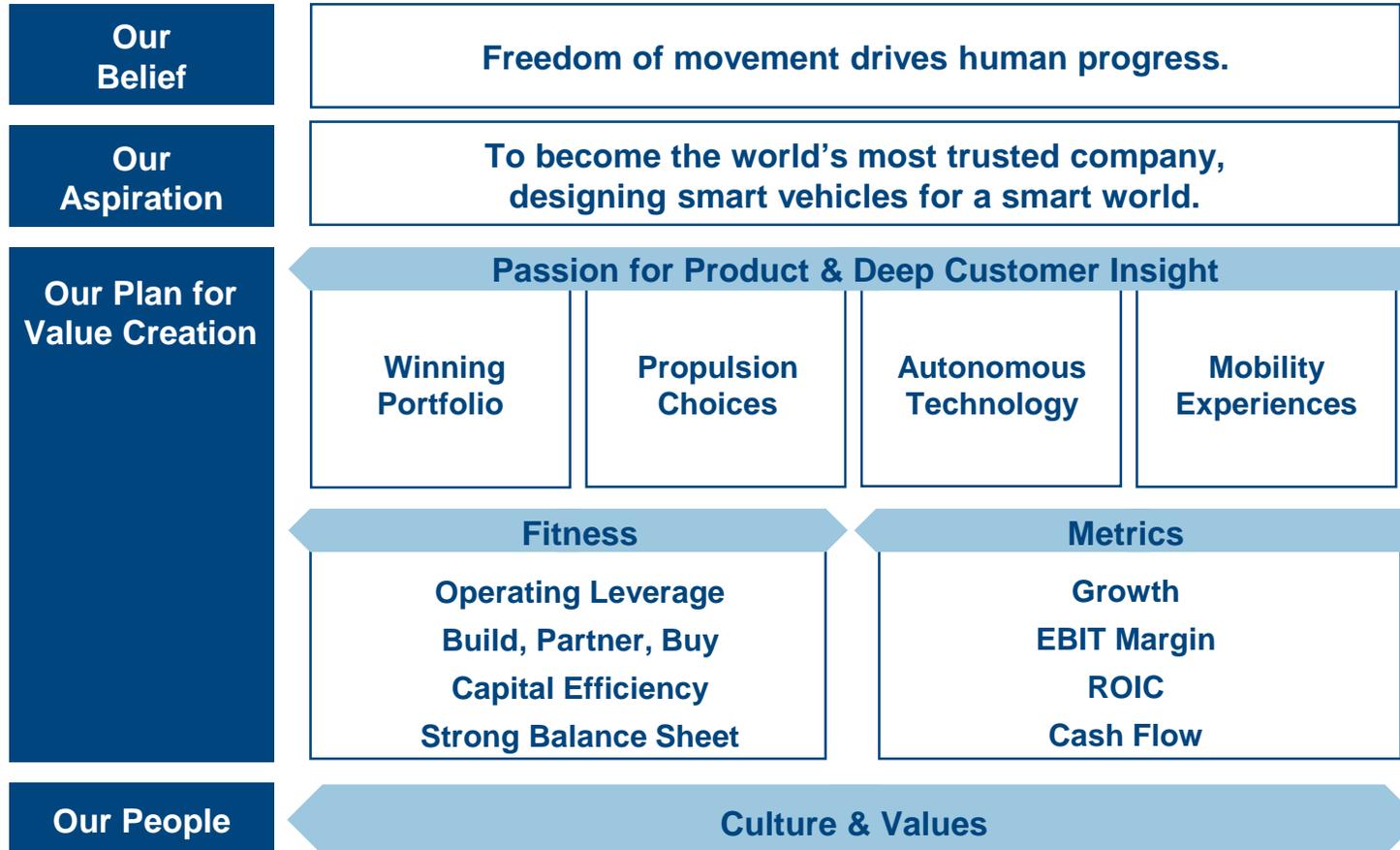
Fixed Income Investor Presentation

September 17, 2018

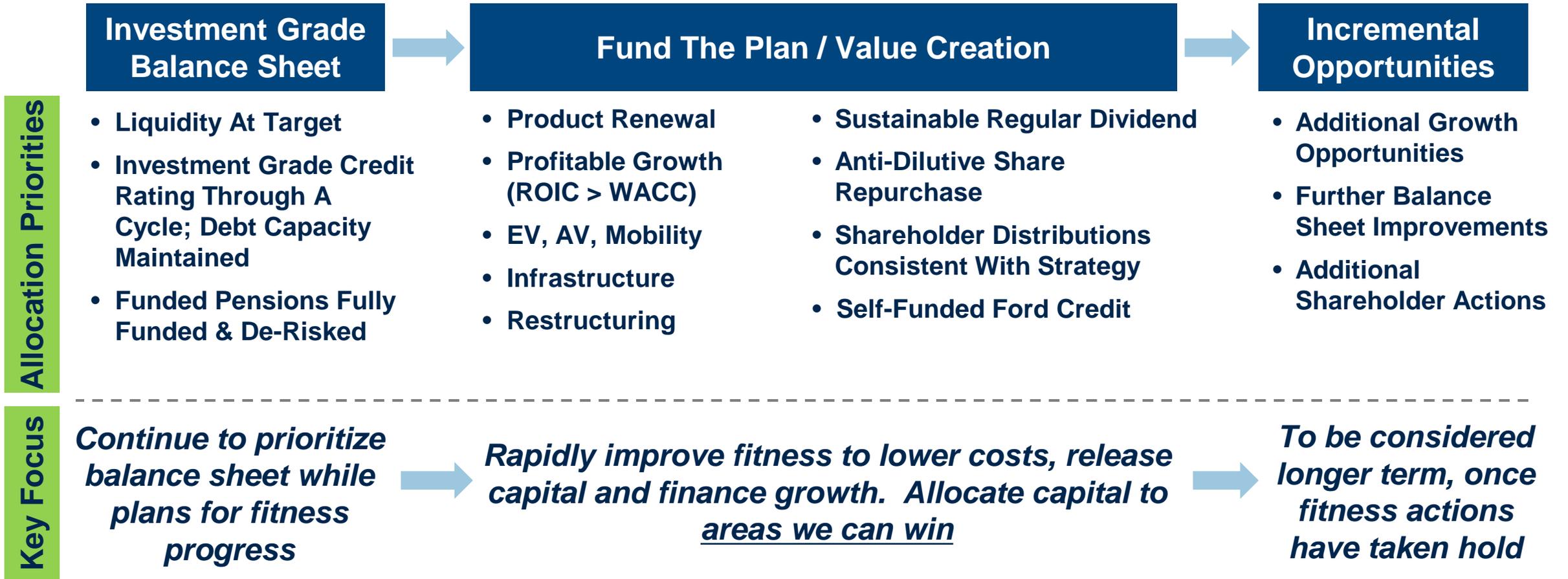




Creating Tomorrow, Together



Capital Strategy Framework



Capital Strategy Framework Unchanged; Focus On Investment Grade Balance Sheet, Fitness And Capital Allocation To Drive Value Creation

Company Balance Sheet And Liquidity (Bils)

	2017 Dec 31	2018 Jun 30
Company excl. Ford Credit		
Company Cash	\$ 26.5	\$ 25.2
Liquidity	37.4	36.1
Debt	\$ 16.5	\$ 16.2
Cash Net of Debt	10.0	9.0
Company Balance Sheet Underfunded Status*		
U.S. Pension	\$ 2.2	\$ 1.6
Non-U.S. Pension	4.4	4.1
Total Global Pension	<u>\$ 6.6</u>	<u>\$ 5.7</u>
Total Unfunded OPEB	\$ 6.2	\$ 6.0

- Company cash and liquidity balances remain strong
- Extended maturity dates of corporate credit facility with terms and conditions unchanged

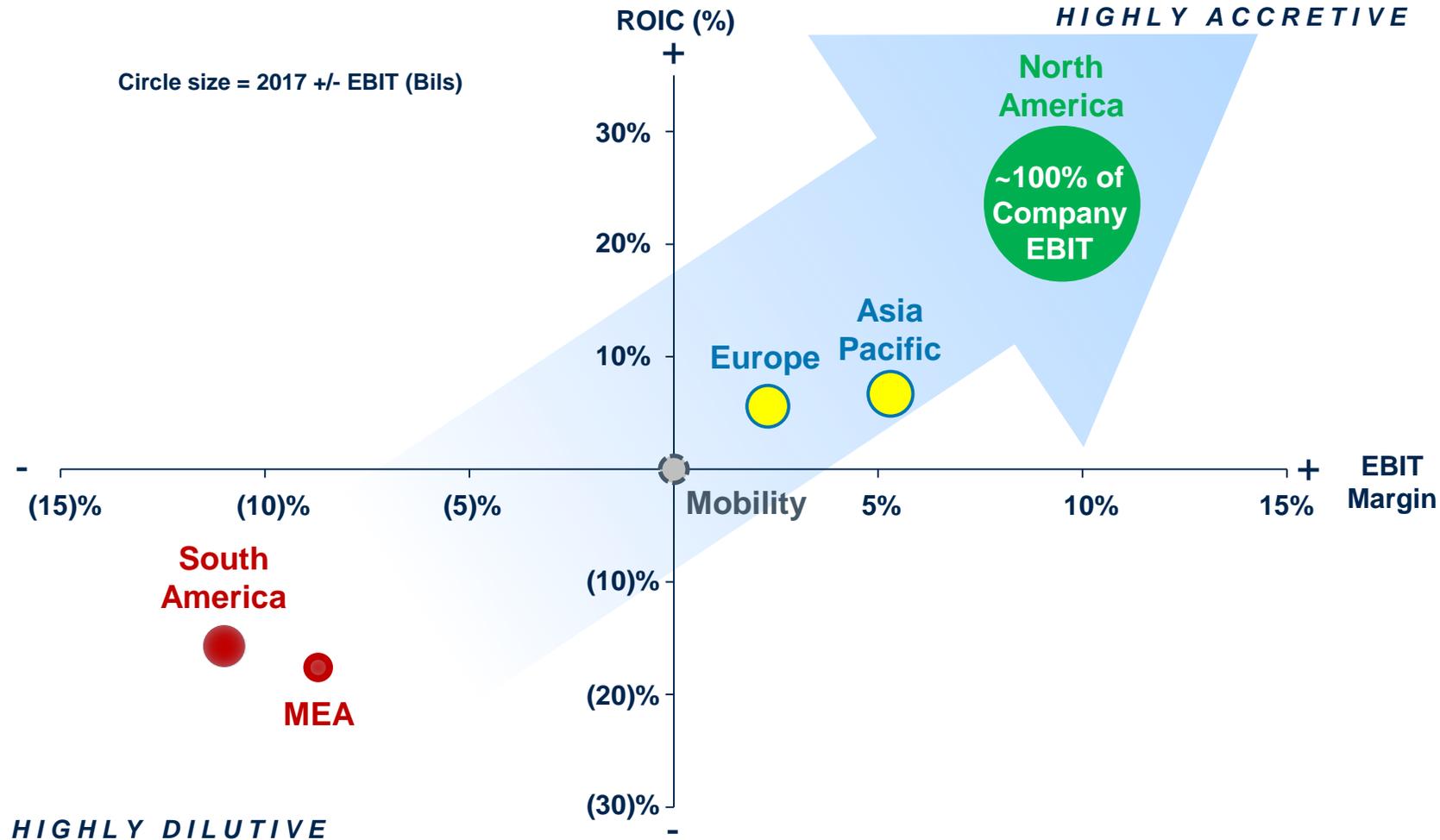
* Balances at June 30, 2018 reflect net underfunded status at December 31, 2017, updated for service and interest costs, expected return on assets, separation expense, interim remeasurement expense, actual benefit payments and cash contributions. The discount rate and rate of expected return assumptions are unchanged from year end 2017

Ford Credit -- A Strategic Asset



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

Winning Portfolio – Capital Focused on High-Margin, High-Growth Businesses



- Roadmap for potential EBIT charges of \$11B with cash-related effects of \$7B over the next 3 to 5 years
 - North America strong – accounts for essentially all of Company EBIT; ROIC well above cost of capital
 - Europe and Asia Pacific profitable with relatively weak margins; ROIC below cost of capital
 - South America – highly dilutive margin and ROIC
 - MEA low performing, but with credible plan to generate appropriate returns

Note: All references to EBIT and EBIT Margin are on an adjusted basis, include regional Ford Credit EBT and exclude Corporate Other

Europe – Focus On Fitness

Commercial Vehicles

- CVs remain the cornerstone of Europe business and strategy – continued strong 2Q performance
- Ford brand #1 in European 2Q CV sales – sales up 11%; share up from 12.8% to 13.2%
- Transit top-selling CV nameplate; Ranger #1 pickup

Passenger Cars

- Fiesta launch successful, customer order bank up 30% compared to prior year
- Focus launch in flight

Sport Utility Vehicles

- Focused on growing our SUV offerings; Ford total SUV sales up 28%
- Record quarter for Kuga and EcoSport sales
- Utilities mix is under indexed versus industry, with aging Kuga product. New launches increase mix by 2020

Business Results

- Slower ramp up of Focus and regulatory approval delays resulted in lower volume in 2Q
- Relative to expectations, new products delivering incremental profit, but lower than planned. Margin compression driven by weaker channel mix, lower net pricing and exchange headwinds

Actions

- Future capital allocation to be aggressively focused on segments, products and services that can generate appropriate business returns
- Aggressively attack cost and drive capital efficiencies across the business
- Announced sale / possible closure of Bordeaux manufacturing site; further restructuring and business model change required

Europe Business Under Significant Pressure; Actions Under Way To Address

China Deep Dive – Structural And Go-To-Market Issues

Dealers Disengaged

- Actions to improve dealer support and profitability executed end 2Q
- High dealer stock levels being addressed aggressively

Uncompetitive Cost Structure

- Localize assembly of Explorer and Lincoln (starting with new Small Utility early 2020)
- Integrate Ford Marketing / Sales and Purchasing operations into JVs to remove duplication and optimize costs
- Fitness actions to be implemented

Product Ageing And Not Aligned With Customer Demand

- 60% of product line-up to be refreshed or new in 2019
- New Ford utility showroom (replacements and additions) launched 2019 through 2021; 50 new vehicles in total by 2025 including 8 new SUVs and 15 or more electrified vehicles
- New Advanced Product Creation Process at Nanjing Research and Engineering Centre and increased use of 'in JV' product creation

Go-To-Market Capability Gaps Exposed

- New single authentic and trusted Ford brand voice through Distribution Division to address consistency and differentiation
- New China Futuring group to be established to improve local consumer insights
- Recruiting additional local talent to key management positions

**Success In China Imperative – World's Largest Market;
Reaches 2X U.S. Volume By 2025**

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.