



## Ford Protecting People, Preserving Cash, Preparing for Recovery As Pandemic Stops Most Operations, Drives Down Q1 Results

- Reports net loss of \$2.0 billion; adjusted earnings before interest and taxes was negative \$632 million, including estimated negative effect of at least \$2 billion from coronavirus
- Engineering, making, helping other companies increase manufacturing scale of life-saving coronavirus medical and personal-protective equipment, in the U.S. and globally
- Committed to producing hundreds of ambulances, millions of face shields, 50,000 ventilators, up to 100,000 respirators, more – with affiliates, UAW, GE Healthcare, others
- To bolster cash and flexibility, drew \$15+ billion from existing credit lines, issued \$8 billion of unsecured bonds, suspended dividend and antidilutive share repurchase, reducing costs
- Phased restart of production and associated functions idled by coronavirus begins next week in Europe, with enhanced safety standards in place to protect workers

**DEARBORN, Mich., April 28, 2020** – Ford Motor Company’s first-quarter 2020 financial results were significantly reduced by effects of the coronavirus pandemic, as protecting people and helping society respond to the crisis became primary measures of current success alongside balance-sheet management and operational excellence.

“Ford people are keeping each other safe, limiting the spread of the virus, safeguarding healthcare workers and first responders, and taking care of customers,” said CEO Jim Hackett. “The imagination, initiative and execution of our team is helping save lives today, and those qualities will allow Ford to emerge from this as a stronger company.”

### Company First-Quarter Key Metrics Summary

|                                      | FIRST QUARTER |          |            |
|--------------------------------------|---------------|----------|------------|
|                                      | 2019          | 2020     | H / (L)    |
| Market Share (%)                     | 6.0 %         | 6.0 %    | 0.0 ppts   |
| Wholesale Units (000)                | 1,425         | 1,126    | (21) %     |
| <b>GAAP</b>                          |               |          |            |
| Cash Flows From Op. Activities (\$B) | \$ 3.5        | \$ (0.5) | \$ (4.0)   |
| Revenue (\$B)                        | 40.3          | 34.3     | (15) %     |
| Net Income (\$B)                     | 1.1           | (2.0)    | \$ (3.1)   |
| Net Income Margin (%)                | 2.8 %         | (5.8) %  | (8.6) ppts |
| EPS (Diluted)                        | \$ 0.29       | \$(0.50) | \$(0.79)   |
| <b>Non-GAAP</b>                      |               |          |            |
| Company Adj. Free Cash Flow (\$B)    | \$ 1.9        | \$ (2.2) | \$ (4.1)   |
| Company Adj. EBIT (\$B)              | 2.4           | (0.6)    | (3.1)      |
| Company Adj. EBIT Margin (%)         | 6.1 %         | (1.8) %  | (7.9) ppts |
| Adjusted EPS (Diluted)               | \$ 0.44       | \$(0.23) | \$(0.67)   |
| Adjusted ROIC (Trailing Four Qtrs)   | 8.0 %         | 2.5 %    | (5.5) ppts |

**Ford's first-quarter** adjusted free cash flow was negative \$2.2 billion. Ford reported quarterly revenue of \$34 billion and a net loss of \$2.0 billion, or a loss of 50 cents per share. Adjusted EPS was negative 23 cents. Ford reported an adjusted loss before interest and taxes of \$632 million; the estimated negative effect of the virus on adjusted EBIT was at least \$2 billion.

The company recorded a volume-driven Automotive EBIT loss of \$177 million, as \$346 million in positive EBIT from North America was more than offset by Auto losses in other regions. The quarterly loss in Mobility was expected, as Ford continues to invest in growth from related services, as well as in autonomous vehicles and the underlying business model.

Ford Credit delivered \$30 million in first-quarter earnings before taxes, down \$771 million from the same quarter a year ago. Strong portfolio performance was offset by about \$600 million from increased credit-loss reserves, and higher depreciation on off-lease vehicles awaiting sale and anticipated operating lease defaults – all reflecting estimated impact of the coronavirus in future periods.

### **Regional First-Quarter Data**

|                         | <b>North America</b> | <b>South America</b> | <b>Europe</b>   | <b>China</b>    | <b>IMG</b>     | <b>Total Automotive</b> |
|-------------------------|----------------------|----------------------|-----------------|-----------------|----------------|-------------------------|
| <b>Market Share (%)</b> | <b>13.6 %</b>        | <b>6.9 %</b>         | <b>6.9 %</b>    | <b>2.2 %</b>    | <b>1.5 %</b>   | <b>6.0 %</b>            |
| H / (L) Q1 19           | - ppts               | (0.8) ppts           | (0.7) ppts      | 0.1 ppts        | (0.4) ppts     | - ppts                  |
| <b>Wholesales (000)</b> | <b>619</b>           | <b>59</b>            | <b>288</b>      | <b>81</b>       | <b>78</b>      | <b>1,126</b>            |
| H / (L) Q1 19           | (18) %               | (13) %               | (25) %          | (29) %          | (27) %         | (21) %                  |
| <b>Revenue (\$B)</b>    | <b>\$ 21.8</b>       | <b>\$ 0.7</b>        | <b>\$ 6.2</b>   | <b>\$ 0.6</b>   | <b>\$ 2.0</b>  | <b>\$ 31.3</b>          |
| H / (L) Q1 19           | (14) %               | (21) %               | (16) %          | (31) %          | (25) %         | (16) %                  |
| <b>EBIT (\$M)</b>       | <b>\$ 346</b>        | <b>\$ (113)</b>      | <b>\$ (143)</b> | <b>\$ (241)</b> | <b>\$ (26)</b> | <b>\$ (177)</b>         |
| H / (L) Q1 19           | \$ (1,859)           | \$ 45                | \$ (228)        | \$ (113)        | \$ (30)        | \$ (2,185)              |
| <b>EBIT Margin (%)</b>  | <b>1.6 %</b>         | <b>(15.5) %</b>      | <b>(2.3) %</b>  | <b>(40.7) %</b> | <b>(1.3) %</b> | <b>(0.6) %</b>          |
| H / (L) Q1 19           | (7.1) ppts           | 1.6 ppts             | (3.4) ppts      | (25.7) ppts     | (1.5) ppts     | (6.0) ppts              |

### **Keeping People Safe**

To protect the health and well-being of its employees, Ford in mid-March began instructing people to work remotely wherever possible and suspending component and vehicle production in North and South America, Europe, India, South Africa and Southeast Asia, including Thailand and Vietnam. These actions were taken even as the company was cautiously restarting operations in China, where coronavirus risks occurred and started moderating earlier.

In addition to optimizing its current business despite the pandemic, Ford has turned its skills and efforts to helping address urgent virus-related needs of people and communities who rely on the company, including:

- **CUSTOMERS** – Up to six months of “Built to Lend a Hand” deferred payments on new vehicles in the U.S.; enhanced online shopping, test drives, financing and purchasing; no-contact pickup and delivery of vehicles for service; disinfecting vehicles; and roadside and other services through the FordPass app.
- **DEALERS** – Collaboratively developed digital marketing, sales and service tools; counsel on how to manage liquidity to manage through the crisis; and enhanced connected-car data to anticipate and plan for customer requirements.

- HEALTHCARE PROFESSIONALS and FIRST RESPONDERS – Prioritized production of 1,500 ambulances by JMC, a Ford joint-venture partner in China; engineering and making more than 8 million face shields so far, as many as 100,000 respirators with 3M, and about 1 million face masks per day, all in partnership with the United Auto Workers; and producing up to 100,000 washable isolation gowns a week with Joyson Safety Systems.
- PATIENTS and COMMUNITIES – Manufacturing 50,000 life-saving ventilators by July 4 in the U.S. in collaboration with the UAW and GE Healthcare, and tens of thousands more in other countries; and contributing millions of dollars in vehicles and cash.

Additionally, Ford is assisting 3M, Thermo Fisher Scientific and other companies with streamlining and increasing their own output of PPE and medical equipment.

“People in other industries have come to us during a time when we all need to help each other,” said Hackett. “Nimble and crisp execution – even applied to product areas that are new to us – remains one of Ford’s defining qualities and will always differentiate our business.”

### **Weathering Today While Creating Tomorrow**

To maximize cash and preserve financial flexibility through and beyond the pandemic, Ford:

- Is lowering operating costs, reducing capital expenditures and deferring portions of executive salaries
- Recently borrowed more than \$15 billion from existing lines of credit, and this month issued \$8 billion in unsecured bonds, and
- Suspended its regular quarterly dividend and antilutative share repurchase program.

Incremental cash enables the company to navigate temporary adverse effects on working capital caused by the coronavirus-related production and supply chain shutdowns.

At the end of the first quarter, Ford and Ford Credit had \$35.1 billion and \$28.0 billion in liquidity, respectively. Ford Credit remains an important source of support for customers and dealers, with a strong, inherently liquid balance sheet. The financing unit is generating liquidity as its balance sheet size declines with lower consumer demand for vehicles. As of April 24, Ford had a cash balance of \$35 billion.

“We’ve taken decisive actions to lower our costs and capital expenditures and been opportunistic in strengthening our balance sheet and optimizing our financial flexibility,” said Tim Stone, Ford’s CFO. “We believe the company’s cash is sufficient to take us through the end of the year, even with no additional vehicle wholesales or financing actions.”

While Ford shut down its plants around the globe in March, cash use has remained high because production supplier payables are about 45 days. The company’s cash outflow will be substantially lower after early May as Ford pays down those payables.

In the meantime, Ford remains sharply focused on operational excellence, with a bias for action, agility, and transparency to stakeholders. Those qualities have been on display in managing business continuity: mapping the company’s multilevel supply chain; creating a unique logistics portal to track shipments of materials and components; securing scarce air-freight capacity to keep critical safety equipment and production parts moving around the globe; and providing high-quality services.

“We quickly zeroed in on taking care of customers and controlling costs,” said Ford COO Jim Farley. “Our team in China did a very good job managing through the crisis and provided us with a valuable template for bringing back up operations in the rest of the world.”

Saying “there is no grace period for transforming Ford,” Farley two weeks ago announced leadership changes to help fix, accelerate and grow the company’s Automotive business. Central to the plan is renewing and continually refining effectiveness in product development and launch execution, including of increasingly smart, connected vehicles.

Next week in Europe, the company will begin a phased restart of its production outside China that has been halted because of coronavirus-related safety risks, with enhanced safety standards in place to protect workers. As it brings up manufacturing, Ford will resume its ambitious cycle of new-product introductions. In the U.S., for example, the company is in the process of lowering the average age of Ford-brand vehicles from more than five years in 2017 to about three years by 2023.

Among forthcoming launches are:

- The all-electric Mustang Mach-E, which was unveiled last November
- A redesigned F-150, America’s top-selling vehicle for 43 years, featuring a hybrid-electric version
- A small, rugged off-road utility vehicle
- Continuation of a multiyear series of market-specific Ford and Lincoln vehicles in China, many of which will be electric
- Electrified versions of the Lincoln Corsair and Ford Escape and Kuga in Europe, and
- The much-anticipated return of the legendary Ford Bronco in 2021.

## **Outlook**

In March, the company withdrew guidance for 2020 financial performance it had given in early February. That outlook excluded possible implications of the coronavirus, which at the time had not yet reached pandemic stage.

According to Stone, today’s economic environment remains too ambiguous to provide full-year 2020 financial guidance. He said the company expects second-quarter adjusted EBIT to be a loss of more than \$5 billion, as year-over-year industry volumes decline significantly in every region.

Ford’s actual results could differ materially from guidance due to risks, uncertainties and other factors, including those detailed in the company’s Cautionary Note on Forward Looking Statements.

The company plans to report second-quarter 2020 financial results on July 30.

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**About Ford Motor Company**

*Ford Motor Company is a global company based in Dearborn, Michigan. The company designs, manufactures, markets and services a full line of Ford cars, trucks, SUVs, electrified vehicles and Lincoln luxury vehicles, provides financial services through Ford Motor Credit Company and is pursuing leadership positions in electrification; mobility solutions, including self-driving services; and connected services. Ford employs approximately 188,000 people worldwide. For more information regarding Ford, its products and Ford Motor Credit Company, please visit [www.corporate.ford.com](http://www.corporate.ford.com).*

|                    |   |  |  |   |
|--------------------|---|--|--|---|
| <b>Contact(s):</b> | <u>Media:</u>   | <u>Equity Investment<br/>Community:</u>  | <u>Fixed Income<br/>Investment<br/>Community:</u>  | <u>Shareholder<br/>Inquiries:</u>   |
|                    | T.R. Reid<br>1.313.319.6683<br><a href="mailto:treid22@ford.com">treid22@ford.com</a> | Lynn Antipas Tyson<br>1.313.621.2902<br><a href="mailto:ltyson4@ford.com">ltyson4@ford.com</a> | Karen Rocoff<br>1.313.621.0965<br><a href="mailto:krocoff@ford.com">krocoff@ford.com</a> | 1.800.555.5259 or<br>1.313.845.8540<br><a href="mailto:stockinf@ford.com">stockinf@ford.com</a> |

## 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 and Ford Credit’s financial condition and results of operations have been and may continue to be adversely affected by public health issues, including epidemics or pandemics such as COVID-19;
- Ford’s long-term competitiveness depends on the successful execution of global redesign and fitness actions;
- Ford’s vehicles could be affected by defects that result in delays in new model launches, recall campaigns, or increased warranty costs;
- Ford may not realize the anticipated benefits of existing or pending strategic alliances, joint ventures, acquisitions, divestitures, or new business strategies;
- Operational systems, security systems, and vehicles could be affected by cyber incidents;
- Ford’s production, as well as Ford’s suppliers’ production, could be disrupted by labor issues, 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;
- Ford’s ability to attract and retain talented, diverse, and highly skilled employees is critical to its success and competitiveness;
- 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;
- With a global footprint, Ford’s results could be adversely affected by economic, geopolitical, protectionist trade policies, or other events, including tariffs and Brexit;
- Industry sales volume in any of our key markets can be volatile and could decline if there is a financial crisis, recession, or significant geopolitical event;
- Ford may face increased price competition or a reduction in demand for its products resulting from industry excess capacity, currency fluctuations, competitive actions, or other factors;
- Fluctuations in commodity prices, foreign currency exchange rates, interest rates, and market value of our investments can have a significant effect on results;
- Ford and 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’s receipt of government incentives could be subject to reduction, termination, or clawback;
- Ford Credit could experience higher-than-expected credit losses, lower-than-anticipated residual values, or higher-than-expected return volumes for leased vehicles;
- 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;
- Pension and other postretirement liabilities could adversely affect Ford’s liquidity and financial condition;
- 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 may need to substantially modify its product plans to comply with safety, emissions, fuel economy, autonomous vehicle, and other regulations that may change in the future;
- Ford and Ford Credit could be affected by the continued development of more stringent privacy, data use, and data protection laws and regulations as well as consumer expectations for the safeguarding of personal information; and
- Ford Credit could be subject to new or increased credit regulations, consumer 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, 2019, as updated by our subsequent filings with the Securities and Exchange Commission.

## Conference Call Details

Ford Motor Company (NYSE:F) and Ford Motor Credit Company released their 2020 first-quarter financial results at 4:05 p.m. ET on Tuesday, April 28. Following the release, Jim Hackett, Ford president and chief executive officer; Jim Farley, Ford chief operating officer; Tim Stone, Ford chief financial officer; and members of Ford's senior management team will host a conference call at 5:00 p.m. ET to discuss the results. The presentation and supporting materials will be available at [www.shareholder.ford.com](http://www.shareholder.ford.com). Representatives of the investment community will have the opportunity to ask questions on the call.

### **Ford Earnings Call: 5:00 p.m. ET, Tuesday, April 28**

Toll-Free: 1.877.870.8664

International: 1.970.297.2423

Passcode: Ford Earnings

Web: [www.shareholder.ford.com](http://www.shareholder.ford.com)

### **REPLAY**

Available after 8:00 p.m. ET on April 28 through May 4

Web: [www.shareholder.ford.com](http://www.shareholder.ford.com)

Toll-Free: 1.855.859.2056

International: 1.404.537.3406

Conference ID: 6478683

The following applies to the information throughout this release:

- See tables later in this release for the nature and amount of special items, and reconciliations of the non-GAAP financial measures designated as “adjusted” to the most comparable financial measures calculated in accordance with U.S. generally accepted accounting principles (“GAAP”).
- Wholesale unit sales and production volumes include Ford brand and Jiangling Motors Corporation (“JMC”) brand vehicles produced and sold in China by our unconsolidated affiliates; revenue does not include these sales. See materials supporting the April 28, 2020, conference call at [www.shareholder.ford.com](http://www.shareholder.ford.com) for further discussion of wholesale unit volumes.

**FORD MOTOR COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
(in millions)

|  | For the periods ended March 31, |                  |
|--|---------------------------------|------------------|
|  | 2019                            | 2020             |
|  | First Quarter<br>(unaudited)    |                  |
| <b>Cash flows from operating activities</b>                                    |                                 |                  |
| Net income/(loss)  | \$ 1,183                        | \$ (1,993)       |
| Depreciation and tooling amortization  | 2,429                           | 2,444            |
| Other amortization   | (287)                           | (302)            |
| Held-for-sale impairment charges   | —                               | 3                |
| Provision for credit and insurance losses                                      | 43                              | 598              |
| Pension and other post-retirement employee benefits ("OPEB") expense/(income)  | (18)                            | (178)            |
| Equity investment dividends received in excess of (earnings)/losses            | 17                              | 118              |
| Foreign currency adjustments   | (49)                            | 338              |
| Net (gain)/loss on changes in investments in affiliates                        | (3)                             | (15)             |
| Stock compensation   | 85                              | 38               |
| Provision for deferred income taxes  | 221                             | 702              |
| Decrease/(Increase) in finance receivables (wholesale and other)               | (1,813)                         | (1,080)          |
| Decrease/(Increase) in accounts receivable and other assets                    | (237)                           | 39               |
| Decrease/(Increase) in inventory   | (1,083)                         | (1,177)          |
| Increase/(Decrease) in accounts payable and accrued and other liabilities      | 2,944                           | 194              |
| Other  | 112                             | (202)            |
| Net cash provided by/(used in) operating activities                            | 3,544                           | (473)            |
| <b>Cash flows from investing activities</b>                                    |                                 |                  |
| Capital spending   | (1,633)                         | (1,780)          |
| Acquisitions of finance receivables and operating leases                       | (12,595)                        | (12,184)         |
| Collections of finance receivables and operating leases                        | 12,336                          | 12,709           |
| Proceeds from sale of business   | —                               | 1,340            |
| Purchases of marketable securities and other investments                       | (3,923)                         | (8,244)          |
| Sales and maturities of marketable securities and other investments            | 4,441                           | 4,998            |
| Settlements of derivatives   | (14)                            | 131              |
| Other  | 54                              | (84)             |
| Net cash provided by/(used in) investing activities                            | (1,334)                         | (3,114)          |
| <b>Cash flows from financing activities</b>                                    |                                 |                  |
| Cash payments for dividends and dividend equivalents                           | (597)                           | (596)            |
| Purchases of common stock  | —                               | —                |
| Net changes in short-term debt   | 420                             | (622)            |
| Proceeds from issuance of long-term debt                                       | 15,411                          | 26,691           |
| Principal payments on long-term debt   | (13,277)                        | (12,948)         |
| Other  | (84)                            | (71)             |
| Net cash provided by/(used in) financing activities                            | 1,873                           | 12,454           |
| Effect of exchange rate changes on cash, cash equivalents, and restricted cash | 29                              | (448)            |
| <b>Net increase/(decrease) in cash, cash equivalents, and restricted cash</b>  | <b>\$ 4,112</b>                 | <b>\$ 8,419</b>  |
| <b>Cash, cash equivalents, and restricted cash at beginning of period</b>      | <b>\$ 16,907</b>                | <b>\$ 17,741</b> |
| Net increase/(decrease) in cash, cash equivalents, and restricted cash         | 4,112                           | 8,419            |
| <b>Cash, cash equivalents, and restricted cash at end of period</b>            | <b>\$ 21,019</b>                | <b>\$ 26,160</b> |



**FORD MOTOR COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED INCOME STATEMENT**  
(in millions, except per share amounts)

|   | <b>For the periods ended March 31,</b> |            |
|---|--|------------|
|   | 2019                                   | 2020       |
|   | First Quarter<br>(unaudited)           |            |
| <b>Revenues</b>   |  |            |
| Automotive  | \$ 37,239                              | \$ 31,340  |
| Ford Credit   | 3,097                                  | 2,967      |
| Mobility  | 6                                      | 13         |
| Total revenues  | 40,342                                 | 34,320     |
| <b>Costs and expenses</b>   |  |            |
| Cost of sales   | 33,942                                 | 30,522     |
| Selling, administrative, and other expenses   | 2,843                                  | 2,432      |
| Ford Credit interest, operating, and other expenses                                   | 2,355                                  | 2,924      |
| Total costs and expenses  | 39,140                                 | 35,878     |
| Operating income/(loss)   | 1,202                                  | (1,558)    |
| Interest expense on Automotive debt   | 231                                    | 214        |
| Interest expense on Other debt  | 14                                     | 13         |
| Other income/(loss), net  | 628                                    | 680        |
| Equity in net income/(loss) of affiliated companies                                   | 25                                     | (41)       |
| <b>Income/(Loss) before income taxes</b>  | 1,610                                  | (1,146)    |
| Provision for/(Benefit from) income taxes   | 427                                    | 847        |
| <b>Net income/(loss)</b>  | 1,183                                  | (1,993)    |
| Less: Income/(Loss) attributable to noncontrolling interests                          | 37                                     | —          |
| <b>Net income/(loss) attributable to Ford Motor Company</b>                           | \$ 1,146                               | \$ (1,993) |
| <b>EARNINGS PER SHARE ATTRIBUTABLE TO FORD MOTOR COMPANY COMMON AND CLASS B STOCK</b> |  |            |
| Basic income/(loss)   | \$ 0.29                                | \$ (0.50)  |
| Diluted income/(loss)   | 0.29                                   | (0.50)     |
| <b>Weighted-average shares used in computation of earnings per share</b>              |  |            |
| Basic shares  | 3,973                                  | 3,963      |
| Diluted shares  | 3,997                                  | 3,963      |

**FORD MOTOR COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEET**  
(in millions)

|   | December 31,<br>2019 | March 31,<br>2020 |
|---|----------------------|-------------------|
|   | (unaudited)          |                   |
| <b>ASSETS</b>   |                      |                   |
| Cash and cash equivalents   | \$ 17,504            | \$ 25,971         |
| Marketable securities   | 17,147               | 20,399            |
| Ford Credit finance receivables, net of allowance for credit losses of \$162 and \$389        | 53,651               | 54,889            |
| Trade and other receivables, less allowances of \$63 and \$72                                 | 9,237                | 6,625             |
| Inventories   | 10,786               | 11,312            |
| Assets held for sale  | 2,383                | 700               |
| Other assets  | 3,339                | 4,380             |
| <b>Total current assets</b>   | 114,047              | 124,276           |
| Ford Credit finance receivables, net of allowance for credit losses of \$351 and \$842        | 53,703               | 51,141            |
| Net investment in operating leases  | 29,230               | 28,514            |
| Net property  | 36,469               | 35,294            |
| Equity in net assets of affiliated companies  | 2,519                | 2,275             |
| Deferred income taxes   | 11,863               | 10,922            |
| Other assets  | 10,706               | 11,728            |
| <b>Total assets</b>   | \$ 258,537           | \$ 264,150        |
| <b>LIABILITIES</b>  |                      |                   |
| Payables  | \$ 20,673            | \$ 18,439         |
| Other liabilities and deferred revenue  | 22,987               | 22,674            |
| Automotive debt payable within one year   | 1,445                | 1,609             |
| Ford Credit debt payable within one year  | 52,371               | 51,303            |
| Other debt payable within one year  | 130                  | —                 |
| Liabilities held for sale   | 526                  | 469               |
| <b>Total current liabilities</b>  | 98,132               | 94,494            |
| Other liabilities and deferred revenue  | 25,324               | 25,105            |
| Automotive long-term debt   | 13,233               | 28,411            |
| Ford Credit long-term debt  | 87,658               | 85,533            |
| Other long-term debt  | 470                  | 470               |
| Deferred income taxes   | 490                  | 439               |
| <b>Total liabilities</b>  | 225,307              | 234,452           |
| <b>EQUITY</b>   |                      |                   |
| Common Stock, par value \$.01 per share (4,023 million shares issued of 6 billion authorized) | 40                   | 40                |
| Class B Stock, par value \$.01 per share (71 million shares issued of 530 million authorized) | 1                    | 1                 |
| Capital in excess of par value of stock   | 22,165               | 22,150            |
| Retained earnings   | 20,320               | 17,527            |
| Accumulated other comprehensive income/(loss)   | (7,728)              | (8,461)           |
| Treasury stock  | (1,613)              | (1,607)           |
| <b>Total equity attributable to Ford Motor Company</b>  | 33,185               | 29,650            |
| Equity attributable to noncontrolling interests   | 45                   | 48                |
| <b>Total equity</b>   | 33,230               | 29,698            |
| <b>Total liabilities and equity</b>   | \$ 258,537           | \$ 264,150        |

## SUPPLEMENTAL INFORMATION

The tables below provide supplemental consolidating financial information. Company excluding Ford Credit includes our Automotive and Mobility reportable segments, Corporate Other, Interest on Debt, and Special Items. Eliminations, where presented, primarily represent eliminations of intersegment transactions and deferred tax netting.

*Selected Cash Flow Information.* The following tables provide supplemental cash flow information (in millions):

|  | For the period ended March 31, 2020 |             |              |              |
|--|-------------------------------------|-------------|--------------|--------------|
|  | First Quarter                       |             |              |              |
|  | Company<br>excluding<br>Ford Credit | Ford Credit | Eliminations | Consolidated |
| <b>Cash flows from operating activities</b>                                    |                                     |             |              |              |
| Net income/(loss)  | \$ (2,014)                          | \$ 21       | \$ —         | \$ (1,993)   |
| Depreciation and tooling amortization  | 1,384                               | 1,060       | —            | 2,444        |
| Other amortization   | 8                                   | (310)       | —            | (302)        |
| Held-for-sale impairment charges   | 3                                   | —           | —            | 3            |
| Provision for credit and insurance losses                                      | 6                                   | 592         | —            | 598          |
| Pension and OPEB expense/(income)  | (178)                               | —           | —            | (178)        |
| Equity investment dividends received in excess of (earnings)/losses            | 124                                 | (6)         | —            | 118          |
| Foreign currency adjustments   | 362                                 | (24)        | —            | 338          |
| Net (gain)/loss on changes in investments in affiliates                        | (20)                                | 5           | —            | (15)         |
| Stock compensation   | 37                                  | 1           | —            | 38           |
| Provision for deferred income taxes  | 974                                 | (272)       | —            | 702          |
| Decrease/(Increase) in finance receivables (wholesale and other)               | —                                   | (1,080)     | —            | (1,080)      |
| Decrease/(Increase) in intersegment receivables/payables                       | 488                                 | (488)       | —            | —            |
| Decrease/(Increase) in accounts receivable and other assets                    | 16                                  | 23          | —            | 39           |
| Decrease/(Increase) in inventory   | (1,177)                             | —           | —            | (1,177)      |
| Increase/(Decrease) in accounts payable and accrued and other liabilities      | 478                                 | (284)       | —            | 194          |
| Other  | (278)                               | 76          | —            | (202)        |
| Interest supplements and residual value support to Ford Credit                 | (819)                               | 819         | —            | —            |
| Net cash provided by/(used in) operating activities                            | \$ (606)                            | \$ 133      | \$ —         | \$ (473)     |
| <b>Cash flows from investing activities</b>                                    |                                     |             |              |              |
| Capital spending   | \$ (1,770)                          | \$ (10)     | \$ —         | \$ (1,780)   |
| Acquisitions of finance receivables and operating leases                       | —                                   | (12,184)    | —            | (12,184)     |
| Collections of finance receivables and operating leases                        | —                                   | 12,709      | —            | 12,709       |
| Proceeds from sale of business   | —                                   | 1,340       | —            | 1,340        |
| Purchases of marketable and other investments                                  | (7,564)                             | (680)       | —            | (8,244)      |
| Sales and maturities of marketable securities and other investments            | 3,463                               | 1,535       | —            | 4,998        |
| Settlements of derivatives   | (28)                                | 159         | —            | 131          |
| Other  | (83)                                | (1)         | —            | (84)         |
| Investing activity (to)/from other segments                                    | 275                                 | (10)        | (265)        | —            |
| Net cash provided by/(used in) investing activities                            | \$ (5,707)                          | \$ 2,858    | \$ (265)     | \$ (3,114)   |
| <b>Cash flows from financing activities</b>                                    |                                     |             |              |              |
| Cash payments for dividends and dividend equivalents                           | \$ (596)                            | \$ —        | \$ —         | \$ (596)     |
| Purchases of common stock  | —                                   | —           | —            | —            |
| Net changes in short-term debt   | 282                                 | (904)       | —            | (622)        |
| Proceeds from issuance of long-term debt                                       | 15,068                              | 11,623      | —            | 26,691       |
| Principal payments on long-term debt   | (296)                               | (12,652)    | —            | (12,948)     |
| Other  | (50)                                | (21)        | —            | (71)         |
| Financing activity to/(from) other segments                                    | 10                                  | (275)       | 265          | —            |
| Net cash provided by/(used in) financing activities                            | \$ 14,418                           | \$ (2,229)  | \$ 265       | \$ 12,454    |
| Effect of exchange rate changes on cash, cash equivalents, and restricted cash | \$ (196)                            | \$ (252)    | \$ —         | \$ (448)     |

*Selected Income Statement Information.* The following table provides supplemental income statement information (in millions):

|  | <b>For the period ended March 31, 2020</b> |                 |                  |                 |                    |                     |
|--|--|-----------------|------------------|-----------------|--------------------|---------------------|
|  | <b>First Quarter</b>                       |                 |                  |                 |                    |                     |
|  | <b>Company excluding Ford Credit</b>       |                 |                  |                 |                    |                     |
|  | <b>Automotive</b>                          | <b>Mobility</b> | <b>Other (a)</b> | <b>Subtotal</b> | <b>Ford Credit</b> | <b>Consolidated</b> |
| Revenues   | \$ 31,340                                  | \$ 13           | \$ —             | \$ 31,353       | \$ 2,967           | \$ 34,320           |
| Total costs and expenses                                     | 32,106                                     | 381             | 467              | 32,954          | 2,924              | 35,878              |
| Operating income/(loss)                                      | (766)                                      | (368)           | (467)            | (1,601)         | 43                 | (1,558)             |
| Interest expense on Automotive debt                          | —  | —               | 214              | 214             | —                  | 214                 |
| Interest expense on Other debt                               | —  | —               | 13               | 13              | —                  | 13                  |
| Other income/(loss), net                                     | 636  | 34              | 29               | 699             | (19)               | 680                 |
| Equity in net income/(loss) of affiliated companies          | (47)                                       | —               | —                | (47)            | 6                  | (41)                |
| Income/(Loss) before income taxes                            | (177)                                      | (334)           | (665)            | (1,176)         | 30                 | (1,146)             |
| Provision for/(Benefit from) income taxes                    | 221  | (80)            | 697              | 838             | 9                  | 847                 |
| Net income/(loss)  | (398)                                      | (254)           | (1,362)          | (2,014)         | 21                 | (1,993)             |
| Less: Income/(Loss) attributable to noncontrolling interests | —  | —               | —                | —               | —                  | —                   |
| Net income/(loss) attributable to Ford Motor Company         | \$ (398)                                   | \$ (254)        | \$ (1,362)       | \$ (2,014)      | \$ 21              | \$ (1,993)          |

(a) Other includes Corporate Other, Interest on Debt, and Special Items.

*Selected Balance Sheet Information.* The following tables provide supplemental balance sheet information (in millions):

|  | March 31, 2020                      |             |              |              |
|--|-------------------------------------|-------------|--------------|--------------|
|  | Company<br>excluding<br>Ford Credit | Ford Credit | Eliminations | Consolidated |
| <b>Assets</b>                                |                                     |             |              |              |
| Cash and cash equivalents                    | \$ 16,343                           | \$ 9,628    | \$ —         | \$ 25,971    |
| Marketable securities                        | 17,946                              | 2,453       | —            | 20,399       |
| Ford Credit finance receivables, net         | —                                   | 54,889      | —            | 54,889       |
| Trade and other receivables, net             | 3,128                               | 3,497       | —            | 6,625        |
| Inventories                                  | 11,312                              | —           | —            | 11,312       |
| Assets held for sale                         | 664                                 | 36          | —            | 700          |
| Other assets                                 | 2,689                               | 1,691       | —            | 4,380        |
| Receivable from other segments               | 21                                  | 2,673       | (2,694)      | —            |
| Total current assets                         | 52,103                              | 74,867      | (2,694)      | 124,276      |
| Ford Credit finance receivables, net         | —                                   | 51,141      | —            | 51,141       |
| Net investment in operating leases           | 1,509                               | 27,005      | —            | 28,514       |
| Net property                                 | 35,082                              | 212         | —            | 35,294       |
| Equity in net assets of affiliated companies | 2,159                               | 116         | —            | 2,275        |
| Deferred income taxes                        | 12,607                              | 168         | (1,853)      | 10,922       |
| Other assets                                 | 8,860                               | 2,868       | —            | 11,728       |
| Receivable from other segments               | 9                                   | 16          | (25)         | —            |
| Total assets                                 | \$ 112,329                          | \$ 156,393  | \$ (4,572)   | \$ 264,150   |
| <b>Liabilities</b>                           |                                     |             |              |              |
| Payables                                     | \$ 17,449                           | \$ 990      | \$ —         | \$ 18,439    |
| Other liabilities and deferred revenue       | 21,225                              | 1,449       | —            | 22,674       |
| Automotive debt payable within one year      | 1,609                               | —           | —            | 1,609        |
| Ford Credit debt payable within one year     | —                                   | 51,303      | —            | 51,303       |
| Other debt payable within one year           | —                                   | —           | —            | —            |
| Liabilities held for sale                    | 469                                 | —           | —            | 469          |
| Payable to other segments                    | 2,694                               | —           | (2,694)      | —            |
| Total current liabilities                    | 43,446                              | 53,742      | (2,694)      | 94,494       |
| Other liabilities and deferred revenue       | 23,757                              | 1,348       | —            | 25,105       |
| Automotive long-term debt                    | 28,411                              | —           | —            | 28,411       |
| Ford Credit long-term debt                   | —                                   | 85,533      | —            | 85,533       |
| Other long-term debt                         | 470                                 | —           | —            | 470          |
| Deferred income taxes                        | 67                                  | 2,225       | (1,853)      | 439          |
| Payable to other segments                    | 25                                  | —           | (25)         | —            |
| Total liabilities                            | \$ 96,176                           | \$ 142,848  | \$ (4,572)   | \$ 234,452   |

## 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) 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, (ii) significant personnel expenses, dealer-related costs, and facility-related charges stemming from 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: Company Net Income Margin)** – 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), tax special items and restructuring impacts in noncontrolling interests. The measure provides investors with useful information to evaluate performance of our business excluding items not indicative of the 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 Adjusted Free Cash Flow (FCF) (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, global redesign (including separations), and other items that are considered operating cash flows under 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. When we provide guidance for Company Adjusted FCF, we do not provide guidance for net cash provided by/(used in) operating activities because the GAAP measure will include items that are difficult to quantify or predict with reasonable certainty, including cash flows related to the Company's exposures to foreign currency exchange rates and certain commodity prices (separate from any related hedges), Ford Credit's operating cash flows, and cash flows related to special items, including separation payments, each of which individually or in the aggregate could have a significant impact to our net cash provided by/(used in) our operating activities.
- **Adjusted Free Cash Flow Conversion (Most Comparable GAAP Measure: Net Cash Provided By / (Used In) Operating Activities divided by Net Income Attributable to Ford)** – Company Adjusted Free Cash Flow Conversion is Company Adjusted FCF divided by Company Adjusted EBIT. This non-GAAP measure is useful to management and investors because it allows users to evaluate how much of Ford's Adjusted EBIT is converted into cash flow.
- **Adjusted ROIC** – Calculated as the sum of adjusted net operating profit after cash tax from the last four quarters, divided by the average invested capital over the last four quarters. This calculation provides management and investors with useful information to evaluate the Company's after-cash tax operating return on its invested capital for the period presented. Adjusted net operating profit after cash tax measures operating results less special items, interest on debt (excl. Ford Credit Debt), and certain pension/OPEB costs. Average invested capital is the sum of average balance sheet equity, debt (excl. Ford Credit Debt), and net pension/OPEB liability.

**Note: Calculated results may not sum due to rounding**

## Net Income Reconciliation To Adjusted EBIT (\$M)

|  | Q1       |            |
|--|----------|------------|
|  | 2019     | 2020       |
| Net income / (loss) attributable to Ford (GAAP)          | \$ 1,146 | \$ (1,993) |
| Income / (Loss) attributable to noncontrolling interests | 37       | -          |
| Net income / (loss)                                      | \$ 1,183 | \$ (1,993) |
| Less: (Provision for) / Benefit from income taxes        | (427)    | (847)      |
| Income / (Loss) before income taxes                      | \$ 1,610 | \$ (1,146) |
| Less: Special items pre-tax                              | (592)    | (287)      |
| Income / (Loss) before special items pre-tax             | \$ 2,202 | \$ (859)   |
| Less: Interest on debt                                   | (245)    | (227)      |
| Adjusted EBIT (Non-GAAP)                                 | \$ 2,447 | \$ (632)   |
| Memo:  |          |            |
| Revenue (\$B)  | \$ 40.3  | \$ 34.3    |
| Net income margin (GAAP) (%)                             | 2.8%     | (5.8)%     |
| Adjusted EBIT margin (Non-GAAP) (%)                      | 6.1%     | (1.8)%     |

## Earnings Per Share Reconciliation To Adjusted Earnings Per Share

|  | Q1       |            |
|--|----------|------------|
|  | 2019     | 2020       |
| <u>Diluted After-Tax Results (\$M)</u>                                     |          |            |
| Diluted after-tax results (GAAP)   | \$ 1,146 | \$ (1,993) |
| Less: Impact of pre-tax and tax special items                              | (585)    | (1,074)    |
| Less: Noncontrolling interests impact of Russia restructuring              | (35)     | -          |
| Adjusted net income - diluted (Non-GAAP)                                   | \$ 1,766 | \$ (919)   |
| <u>Basic and Diluted Shares (M)</u>  |          |            |
| Basic shares (average shares outstanding)                                  | 3,973    | 3,963      |
| Net dilutive options, unvested restricted stock units and restricted stock | 24       | -          |
| Diluted shares   | 3,997    | 3,963      |
| Earnings per share - diluted (GAAP)  | \$ 0.29  | \$ (0.50)  |
| Less: Net impact of adjustments  | (0.15)   | (0.27)     |
| Adjusted earnings per share - diluted (Non-GAAP)                           | \$ 0.44  | \$ (0.23)  |

## Effective Tax Rate Reconciliation To Adjusted Effective Tax Rate

|   | <u>2020</u><br><u>Q1</u> | <u>Memo:</u><br><u>FY 2019</u> |
|---|--------------------------|--------------------------------|
| <b><u>Pre-Tax Results (\$M)</u></b>                             |                          |                                |
| Income / (Loss) before income taxes (GAAP)                      | \$ (1,146)               | \$ (640)                       |
| Less: Impact of special items                                   | <u>(287)</u>             | <u>(5,999)</u>                 |
| Adjusted earnings before taxes (Non-GAAP)                       | <u>\$ (859)</u>          | <u>\$ 5,359</u>                |
| <b><u>Taxes (\$M)</u></b>                                       |                          |                                |
| (Provision for) / Benefit from income taxes (GAAP)              | \$ (847)                 | \$ 724                         |
| Less: Impact of special items                                   | <u>(787) *</u>           | <u>1,323</u>                   |
| Adjusted (provision for) / benefit from income taxes (Non-GAAP) | <u>\$ (60)</u>           | <u>\$ (599)</u>                |
| <b><u>Tax Rate (%)</u></b>                                      |                          |                                |
| Effective tax rate (GAAP)                                       | (73.9)%                  | 113.1%                         |
| Adjusted effective tax rate (Non-GAAP)                          | (7.0)%                   | 11.2%                          |

\* Includes \$(855)M for impact of valuation allowance

## Net Cash Provided By / (Used In) Operating Activities Reconciliation To Company Adjusted Free Cash Flow (\$M)

|  | <u>Q3 2018</u> | <u>Q4 2018</u>  | <u>Q1 2019</u>  | <u>Q2 2019</u> | <u>Q3 2019</u> | <u>Q4 2019</u> | <u>Q1 2020</u>    |
|--|----------------|-----------------|-----------------|----------------|----------------|----------------|-------------------|
| Net cash provided by / (used in) operating activities (GAAP)   | \$ 5,179       | \$ 1,357        | \$ 3,544        | \$ 6,463       | \$ 4,732       | \$ 2,900       | \$ (473)          |
| <b>Less: <u>Items Not Included in Company Adjusted Free Cash Flows</u></b>   |                |                 |                 |                |                |                |                   |
| Ford Credit operating cash flows   | 3,811          | (1,232)         | 1,118           | 5,267          | 4,523          | 623            | 133               |
| Funded pension contributions   | (123)          | (153)           | (294)           | (106)          | (211)          | (119)          | (175)             |
| Global Redesign (including separations)  | (45)           | (117)           | (136)           | (222)          | (334)          | (219)          | (172)             |
| Ford Credit tax payments / (refunds) under tax sharing agreement   | -              | -               | 98              | -              | -              | 293            | 475               |
| Other, net   | 163            | (21)            | (120)           | 175            | (124)          | 68             | (15)              |
| <b>Add: <u>Items Included in Company Adjusted Free Cash Flows</u></b>  |                |                 |                 |                |                |                |                   |
| Automotive and Mobility capital spending   | (1,968)        | (2,102)         | (1,620)         | (1,911)        | (1,787)        | (2,262)        | (1,770)           |
| Ford Credit distributions  | 600            | 660             | 675             | 650            | 1,100          | 475            | 275               |
| Settlement of derivatives  | 109            | 70              | (26)            | 86             | 16             | 31             | (28)              |
| Company Adjusted Free Cash Flow (Non-GAAP)   | <u>\$ 115</u>  | <u>\$ 1,507</u> | <u>\$ 1,907</u> | <u>\$ 174</u>  | <u>\$ 207</u>  | <u>\$ 498</u>  | <u>\$ (2,242)</u> |
| <b><u>Cash Conversion Calculation</u></b>  |                |                 |                 |                |                |                |                   |
| Company Adj. Free Cash Flow (Non-GAAP) (sum of Trailing Four Qtrs)   | \$ 3,519       | \$ 2,781        | \$ 1,725        | \$ 3,703       | \$ 3,795       | \$ 2,785       | \$ (1,363)        |
| Adj. EBIT (Non-GAAP) (sum of Trailing Four Qtrs)   | \$ 7,573       | \$ 7,002        | \$ 7,263        | \$ 7,226       | \$ 7,351       | \$ 6,379       | \$ 3,300          |
| Adj. free cash conversion (Non-GAAP) (Trailing Four Qtrs)*   | 46%            | 40%             | 24%             | 51%            | 52%            | 44%            | (41)%             |
| Net Cash Provided By / (Used In) Operating Activities divided by<br>Net Income Attributable to Ford (Trailing Four Qtrs) | 266%           | 409%            | 488%            | 763%           | 1,004%         | 37,530%        | (441)%            |

\* Most comparable GAAP Measure: Net Cash Provided By / (Used In) Operating Activities divided by Net Income Attributable to Ford



## Adjusted ROIC

|  | Four Quarters<br>Ended Q1 2019<br>(\$B) | Four Quarters<br>Ended Q1 2020<br>(\$B) |
|--|---|---|
| <b><u>Adjusted Net Operating Profit After Cash Tax</u></b> |   |   |
| Net income attributable to Ford                            | \$ 3.1                                  | \$ (3.1)                                |
| Add: Noncontrolling interest                               | 0.0                                     | -                                       |
| Less: Income tax   | (0.9)                                   | 0.3                                     |
| Add: Cash tax  | (0.7)                                   | (0.6)                                   |
| Less: Interest on debt                                     | (1.2)                                   | (1.0)                                   |
| Less: Total pension / OPEB income / (cost)                 | (0.6)                                   | (2.5)                                   |
| Add: Pension / OPEB service costs                          | (1.1)                                   | (1.0)                                   |
|  | <hr/>                                   | <hr/>                                   |
| Net operating profit after cash tax                        | \$ 3.9                                  | \$ (1.6)                                |
| Less: Special items (excl. pension / OPEB) pre-tax         | (1.2)                                   | (3.2)                                   |
|  | <hr/>                                   | <hr/>                                   |
| Adj. net operating profit after cash tax                   | <u>\$ 5.1</u>                           | <u>\$ 1.6</u>                           |
| <b><u>Invested Capital</u></b>                             |   |   |
| Equity   | \$ 36.4                                 | \$ 29.7                                 |
| Redeemable noncontrolling interest                         | 0.1                                     | -                                       |
| Debt (excl. Ford Credit)                                   | 14.2                                    | 30.5                                    |
| Net pension and OPEB liability                             | 11.1                                    | 12.2                                    |
|  | <hr/>                                   | <hr/>                                   |
| Invested capital (end of period)                           | <u>\$ 61.9</u>                          | <u>\$ 72.4</u>                          |
|  | <hr/>                                   | <hr/>                                   |
| Average invested capital                                   | <u>\$ 63.4</u>                          | <u>\$ 63.7</u>                          |
|  | <hr/>                                   | <hr/>                                   |
| ROIC*  | 6.2%                                    | (2.5)%                                  |
| Adjusted ROIC (Non-GAAP)**                                 | 8.0%                                    | 2.5%                                    |

\* Calculated as the sum of net operating profit after cash tax from the last four quarters, divided by the average invested capital over the last four quarters

\*\* Calculated as the sum of adjusted net operating profit after cash tax from the last four quarters, divided by the average invested capital over the last four quarters

## Special Items (\$B)

|  | Q1              |                 |
|--|-----------------|-----------------|
|  | 2019            | 2020            |
| <b><u>Global Redesign</u></b>                              |                 |                 |
| Europe Excl. Russia  | \$ (0.1)        | \$ (0.1)        |
| India  | -               | (0.0)           |
| South America  | (0.2)           | (0.0)           |
| Russia   | (0.2)           | 0.0             |
| China  | (0.0)           | (0.0)           |
| Separations and Other (Not Included Above)                 | (0.0)           | (0.0)           |
| Subtotal Global Redesign                                   | \$ (0.5)        | \$ (0.1)        |
| <b><u>Other Items</u></b>                                  |                 |                 |
| Focus Cancellation   | \$ (0.1)        | \$ -            |
| Other, Incl. UAW Retirement Buyout and Chariot             | (0.0)           | (0.2)           |
| Subtotal Other Items                                       | \$ (0.1)        | \$ (0.2)        |
| <b><u>Pension and OPEB Gain / (Loss)</u></b>               |                 |                 |
| Pension and OPEB Remeasurement                             | \$ -            | \$ 0.0          |
| Pension Curtailment  | -               | (0.0)           |
| Subtotal Pension and OPEB Gain / (Loss)                    | \$ -            | \$ 0.0          |
| <b>Total EBIT Special Items</b>                            | <b>\$ (0.6)</b> | <b>\$ (0.3)</b> |
| <b>Cash Effects of Global Redesign (Incl. Separations)</b> | <b>\$ (0.1)</b> | <b>\$ (0.2)</b> |

**FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES**  
**CONSOLIDATED INCOME STATEMENTS**  
(in millions)

|  | <b>For the periods ended March 31,</b> |              |
|--|--|--------------|
|  | 2019                                   | 2020         |
|  | First Quarter<br>(unaudited)           |              |
| <b>Financing revenue</b>                             |  |              |
| Operating leases                                     | \$ 1,477                               | \$ 1,459     |
| Retail financing                                     | 984                                    | 976          |
| Dealer financing                                     | 608                                    | 485          |
| Other financing                                      | 24                                     | 22           |
| Total financing revenue                              | 3,093                                  | 2,942        |
| Depreciation on vehicles subject to operating leases | (924)                                  | (1,052)      |
| Interest expense                                     | (1,121)                                | (984)        |
| Net financing margin                                 | 1,048                                  | 906          |
| <b>Other revenue</b>                                 |  |              |
| Insurance premiums earned                            | 47                                     | 47           |
| Fee based revenue and other                          | 54                                     | 43           |
| Total financing margin and other revenue             | 1,149                                  | 996          |
| <b>Expenses</b>                                      |  |              |
| Operating expenses                                   | 364                                    | 362          |
| Provision for credit losses                          | 33                                     | 586          |
| Insurance expenses                                   | 10                                     | 6            |
| Total expenses                                       | 407                                    | 954          |
| Other income / (loss), net                           | 59                                     | (12)         |
| <b>Income before income taxes</b>                    | <b>801</b>                             | <b>30</b>    |
| Provision for income taxes                           | 198                                    | 9            |
| <b>Net income</b>                                    | <b>\$ 603</b>                          | <b>\$ 21</b> |

**FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(in millions)

|  | December 31,<br>2019 | March 31,<br>2020 |
|--|----------------------|-------------------|
|  | (unaudited)          |                   |
| <b>ASSETS</b>  |                      |                   |
| Cash and cash equivalents  | \$ 9,067             | \$ 9,628          |
| Marketable securities  | 3,296                | 2,453             |
| Finance receivables, net   |                      |                   |
| Retail installment contracts, dealer financing, and other financing                        | 106,131              | 103,048           |
| Finance leases   | 8,186                | 7,698             |
| Total finance receivables, net (includes allowance for credit losses of \$513 and \$1,231) | 114,317              | 110,746           |
| Net investment in operating leases   | 27,659               | 27,030            |
| Notes and accounts receivable from affiliated companies                                    | 863                  | 1,201             |
| Derivative financial instruments   | 1,128                | 2,420             |
| Assets held-for-sale   | 1,698                | 36                |
| Other assets   | 3,398                | 3,302             |
| <b>Total assets</b>  | <b>\$ 161,426</b>    | <b>\$ 156,816</b> |
| <b>LIABILITIES</b>   |                      |                   |
| Accounts payable   |                      |                   |
| Customer deposits, dealer reserves, and other  | \$ 1,002             | \$ 1,000          |
| Affiliated companies   | 421                  | 328               |
| Total accounts payable   | 1,423                | 1,328             |
| Debt (Note 9)  | 140,029              | 136,836           |
| Deferred income taxes  | 2,593                | 2,225             |
| Derivative financial instruments   | 356                  | 801               |
| Liabilities held-for-sale  | 45                   | —                 |
| Other liabilities and deferred revenue   | 2,633                | 2,083             |
| <b>Total liabilities</b>   | <b>147,079</b>       | <b>143,273</b>    |
| <b>SHAREHOLDER'S INTEREST</b>  |                      |                   |
| Shareholder's interest   | 5,227                | 5,227             |
| Accumulated other comprehensive income / (loss)  | (785)                | (1,133)           |
| Retained earnings  | 9,905                | 9,449             |
| <b>Total shareholder's interest</b>  | <b>14,347</b>        | <b>13,543</b>     |
| <b>Total liabilities and shareholder's interest</b>  | <b>\$ 161,426</b>    | <b>\$ 156,816</b> |

**FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in millions)

|  | For the periods ended March 31, |                 |
|--|---------------------------------|-----------------|
|  | 2019                            | 2020            |
|  | First Three Months              |                 |
|  | (unaudited)                     |                 |
| <b>Cash flows from operating activities</b>                                    |                                 |                 |
| Net Income   | \$ 603                          | \$ 21           |
| Adjustments to reconcile net income to net cash provided in operations         |                                 |                 |
| Provision for credit losses  | 33                              | 586             |
| Depreciation and amortization  | 1,126                           | 1,250           |
| Amortization of upfront interest supplements                                   | (529)                           | (532)           |
| Net change in finance receivables held-for-sale                                | —                               | (74)            |
| Net change in deferred income taxes  | 58                              | (272)           |
| Net change in other assets   | (66)                            | (322)           |
| Net change in other liabilities  | 284                             | (583)           |
| All other operating activities   | 183                             | 103             |
| Net cash provided by / (used in) operating activities                          | \$ 1,692                        | \$ 177          |
| <b>Cash flows from investing activities</b>                                    |                                 |                 |
| Purchases of finance receivables   | (8,542)                         | (8,222)         |
| Principal collections of finance receivables                                   | 10,432                          | 10,258          |
| Purchases of operating lease vehicles  | (3,184)                         | (3,441)         |
| Proceeds from termination of operating lease vehicles                          | 2,306                           | 2,768           |
| Net change in wholesale receivables and other short-duration receivables       | (1,844)                         | (881)           |
| Proceeds from sale of business   | —                               | 1,340           |
| Purchases of marketable securities   | (803)                           | (680)           |
| Proceeds from sales and maturities of marketable securities                    | 274                             | 1,535           |
| Settlements of derivatives   | 12                              | 159             |
| All other investing activities   | (14)                            | (22)            |
| Net cash provided by / (used in) investing activities                          | (1,363)                         | 2,814           |
| <b>Cash flows from financing activities</b>                                    |                                 |                 |
| Proceeds from issuances of long-term debt                                      | 15,411                          | 11,623          |
| Principal payments on long-term debt   | (12,683)                        | (12,652)        |
| Change in short-term debt, net   | (276)                           | (904)           |
| Cash distributions to parent   | (675)                           | (275)           |
| All other financing activities   | (37)                            | (21)            |
| Net cash provided by / (used in) financing activities                          | 1,740                           | (2,229)         |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash  | 38                              | (252)           |
| <b>Net increase / (decrease) in cash, cash equivalents and restricted cash</b> | <b>\$ 2,107</b>                 | <b>\$ 510</b>   |
| <b>Cash, cash equivalents and restricted cash at beginning of period</b>       | <b>\$ 9,747</b>                 | <b>\$ 9,268</b> |
| Net increase / (decrease) in cash, cash equivalents and restricted cash        | 2,107                           | 510             |
| <b>Cash, cash equivalents and restricted cash at end of period</b>             | <b>\$ 11,854</b>                | <b>\$ 9,778</b> |