

4Q 2016 AND FULL YEAR EARNINGS REVIEW AND 2017 OUTLOOK

January 26, 2017
(PRELIMINARY RESULTS)

Ford



Go Further

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Go Further

FINANCIAL HEADLINES



Total Company
Net Income



Total Company
Adjusted Pre-Tax
Results*



Adjusted
EPS*



Total Company
Revenue



Global
Market Share



Automotive
Segment
Operating Margin



Automotive
Segment
Operating Cash
Flow

FY 2016	\$4.6B	\$10.4B	\$1.76	\$151.8B	7.3%	6.7%	\$6.4B
B / W FY 2015	\$2.8B ↓	\$0.4B ↓	\$0.17 ↓	\$2.2B ↑	0.1 pts ↓	0.1 pts ↓	\$0.9B ↓
4Q 2016	\$(0.8)B	\$2.1B	\$0.30	\$38.7B	7.1%	5.7%	\$1.5B
B / W 4Q 2015	\$2.7B ↓	\$0.5B ↓	\$0.28 ↓	\$1.6B ↓	0.1 pts ↓	0.4 pts ↓	\$0.6B ↓

* Excludes special items; see Appendix for detail, reconciliation to GAAP, and definitions

2016 A Strong Year – 2nd Best Company Adjusted PBT, Auto Operating Margin And Auto Operating Cash Flow; 4Q And Full Year Results In Line With Expectations

CREATING VALUE – PROGRESS IN 2016



GROWTH

- FY wholesale volume and Auto revenue about flat YoY
- Greater-than-industry average FY increase in U.S. ATPs
- 11 new products launched including all-new Super Duty, Focus RS and Lincoln Continental
- Global Lincoln sales up 24% YoY in 2016



RISK

- Strong NA results sustained, while operations outside NA profitable in total and improved YoY
- At year-end, global funded pension plans nearly funded as our de-risking strategy worked effectively
- Upgraded by S&P, Moody's, Fitch and DBRS



RETURNS

- 2nd best FY adjusted PBT for Company and AP; record profit in Europe
- 2nd best Auto operating margin; ROIC > cost of capital
- NA operating margin of 9.7% and double-digit China JV net income margins
- 2nd best Auto operating cash flow



REWARDS

- \$3.5 billion distributed to shareholders, including 1st supplemental dividend

OTHER HIGHLIGHTS



Ford **best-selling brand in U.S.** for seventh straight year



F-Series **best-selling truck in U.S.** 40 years in a row



Transit, **best-selling cargo van in the world**; Ford, **best-selling commercial vehicle brand in Europe**



Chariot expanded to Austin; City Solutions team to partner with global cities to help fight congestion



Ford **awarded the most U.S. patents** of any automotive OEM in 2016



Launched **next generation autonomous development vehicle**; expanded test fleet to 30

FINANCIAL REVIEW

KEY FINANCIAL SUMMARY

	4Q		FY	
	2016	B / (W) 2015	2016	B / (W) 2015
Wholesales (000)	1,707	(68)	6,651	16
Revenue (Bils)	\$ 38.7	\$ (1.6)	151.8	2.2
Results (Mils)				
Automotive Segment	\$ 2,042	\$ (280)	\$ 9,422	\$ (146)
Financial Services Segment	384	(158)	1,820	(208)
All Other	(294)	(40)	(867)	(71)
Total Company adjusted pre-tax results	\$ 2,132	\$ (478)	\$ 10,375	\$ (425)
Special items pre-tax	(3,249)	(2,535)	(3,579)	(3,031)
Income / (Loss) before income taxes	\$ (1,117)	\$ (3,013)	\$ 6,796	\$ (3,456)
(Provision for) / Benefit from income taxes	336	368	(2,189)	692
Net income / (loss)	\$ (781)	\$ (2,645)	\$ 4,607	\$ (2,764)
Less: Income / (Loss) attributable to non-controlling interests	2	6	11	13
Net income / (loss) attributable to Ford	\$ (783)	\$ (2,651)	\$ 4,596	\$ (2,777)
Earnings per share (Diluted)	\$ (0.20)	\$ (0.67)	\$ 1.15	\$ (0.69)
Adjusted earnings per share (Diluted)	0.30	(0.28)	1.76	(0.17)
Automotive Segment (Bils)				
Operating cash flow	\$ 1.5	\$ (0.6)	\$ 6.4	\$ (0.9)
Cash	\$ 27.5	\$ 3.9	\$ 27.5	\$ 3.9
Debt	(15.9)	(3.1)	(15.9)	(3.1)
Net cash	\$ 11.6	\$ 0.8	\$ 11.6	\$ 0.8

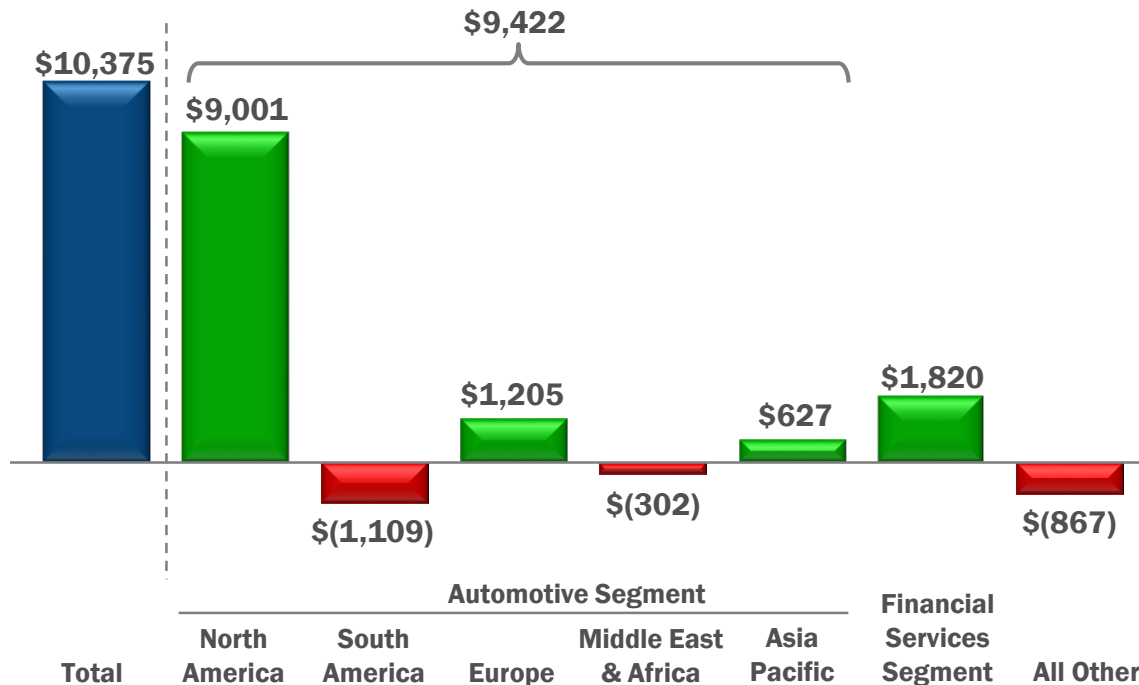
Strong quarter and another strong year – 2nd best FY Company adjusted PBT

Wholesale volume and revenue down in 4Q but about flat in FY

4Q net income loss and lower FY net income due to remeasurement loss on pension and OPEB plans

Operating cash flow and cash balance strong

FY 2016 ADJUSTED PRE-TAX RESULTS* (MILS)



2nd best Auto PBT

Auto operations outside NA profitable in total and improved YoY

Record Europe FY PBT; 2nd best AP PBT

Financial Services solidly profitable

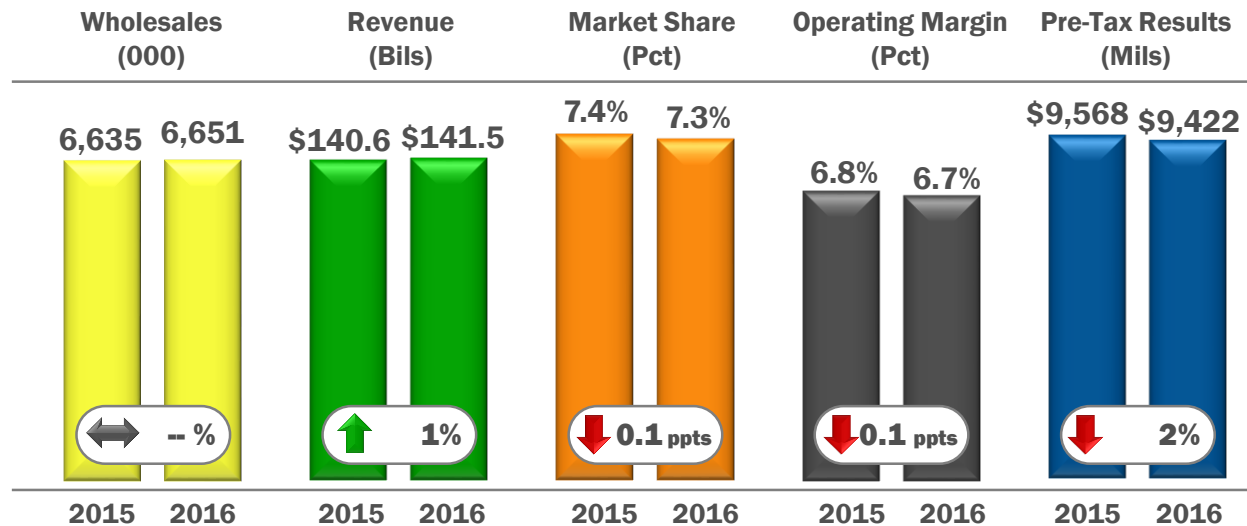
All Other primarily net interest expense

B / (W)

FY 2015	\$(425)	\$(344)	\$(277)	\$946	\$(333)	\$(138)	\$(208)	\$(71)
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* Excludes special items; see Appendix for detail, reconciliation to GAAP, and definitions

AUTOMOTIVE SEGMENT FY 2016 KEY METRICS



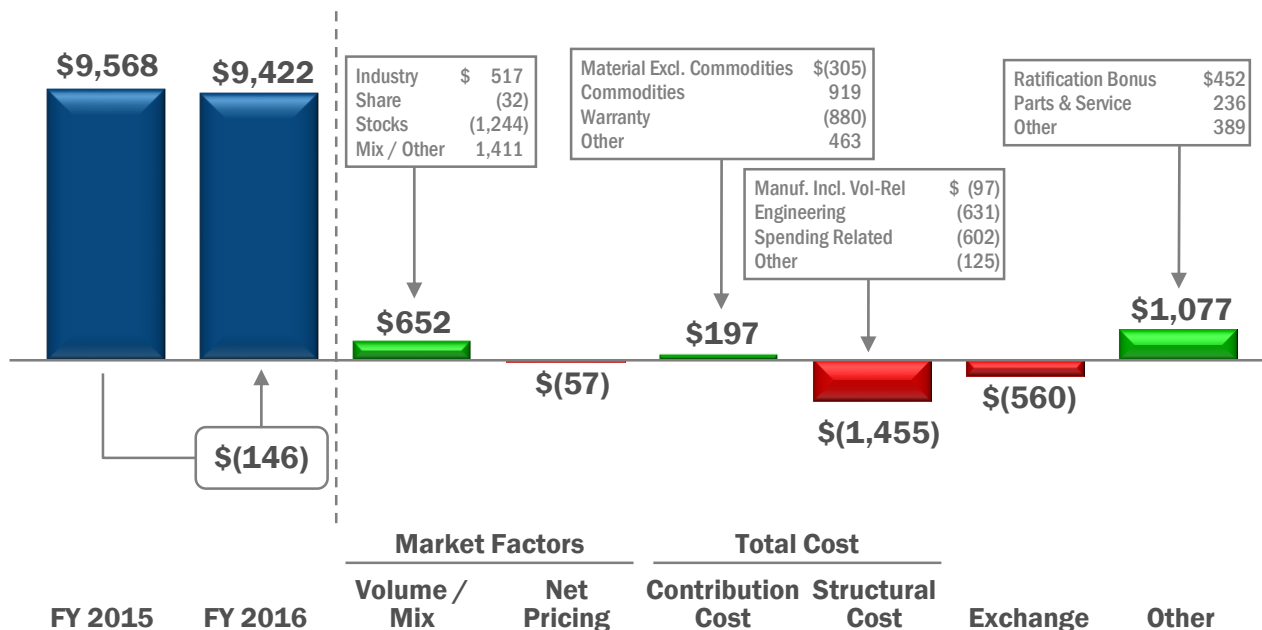
FY Auto PBT and operating margin close to last year's record results

Wholesales and revenue about unchanged

Global industry up 4% due to AP, Europe and NA

Global market share lower due to NA and SA; MEA and AP improved

AUTOMOTIVE SEGMENT FY 2016 PRE-TAX RESULTS (MILS)

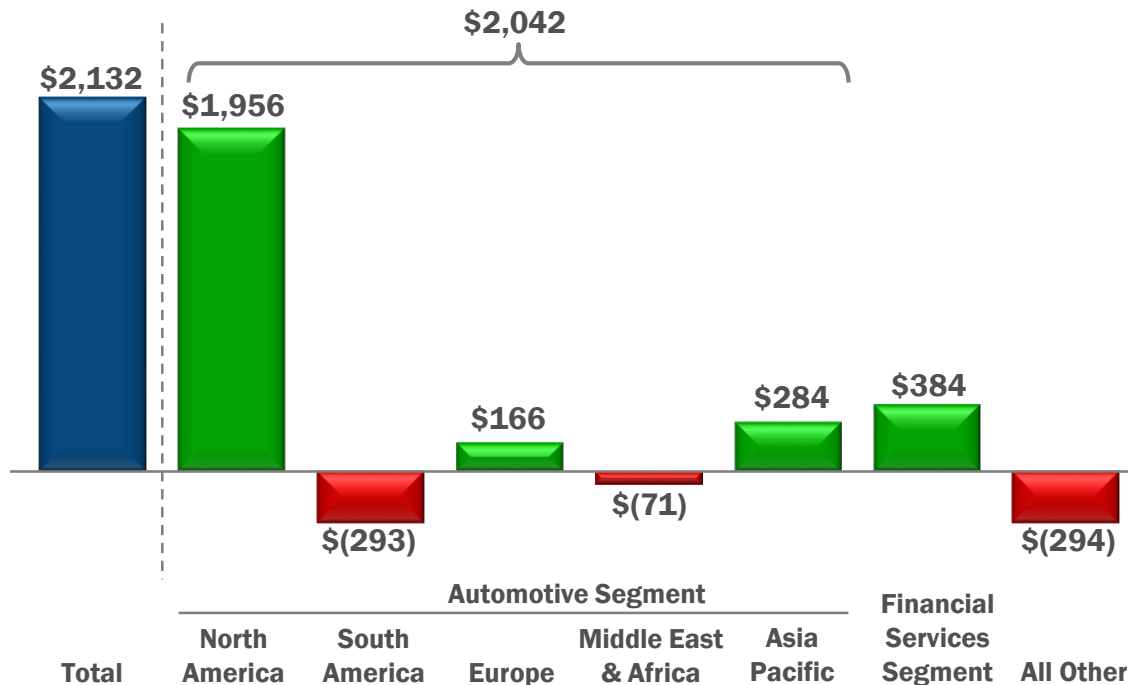


Lower Auto PBT driven by warranty costs, mainly recalls

Market factors favorable due to strong mix in all regions except SA

Unfavorable dealer stocks due to stock reductions in 2016 versus increases in 2015 in NA, Europe and AP

4Q 2016 ADJUSTED PRE-TAX RESULTS* (MILS)



Strong Auto PBT in 4Q driven by NA, AP and Europe

Financial Services PBT solid notwithstanding declining auction values

All Other primarily net interest expense

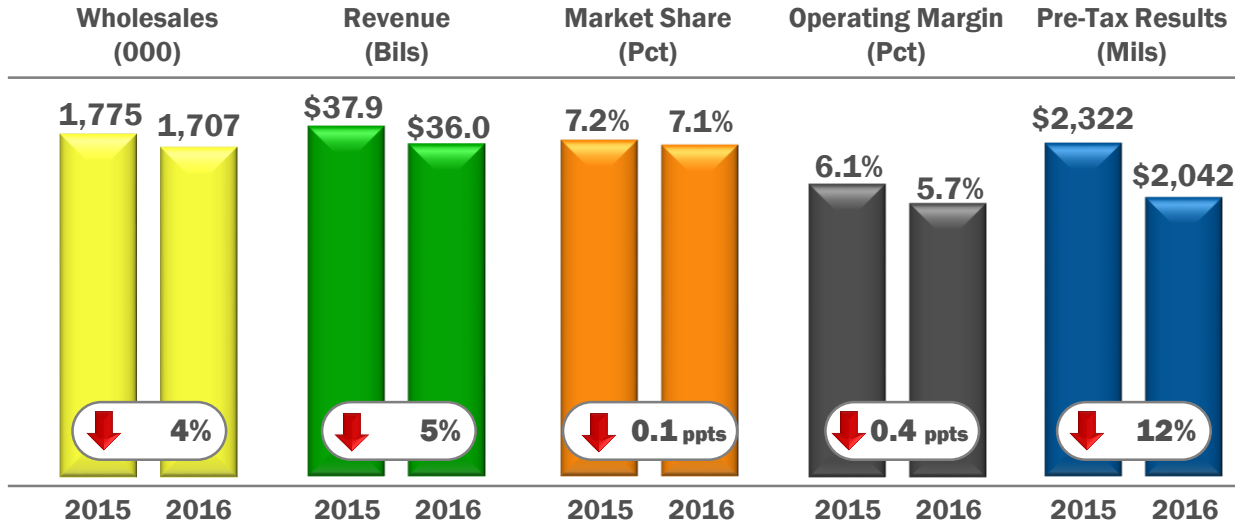
B / (W)

FY 2015	\$(478)	\$(73)	\$2	\$35	\$(84)	\$(160)	\$(158)	\$(40)
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* Excludes special items; see Appendix for detail, reconciliation to GAAP, and definitions

AUTOMOTIVE SEGMENT

4Q 2016 KEY METRICS



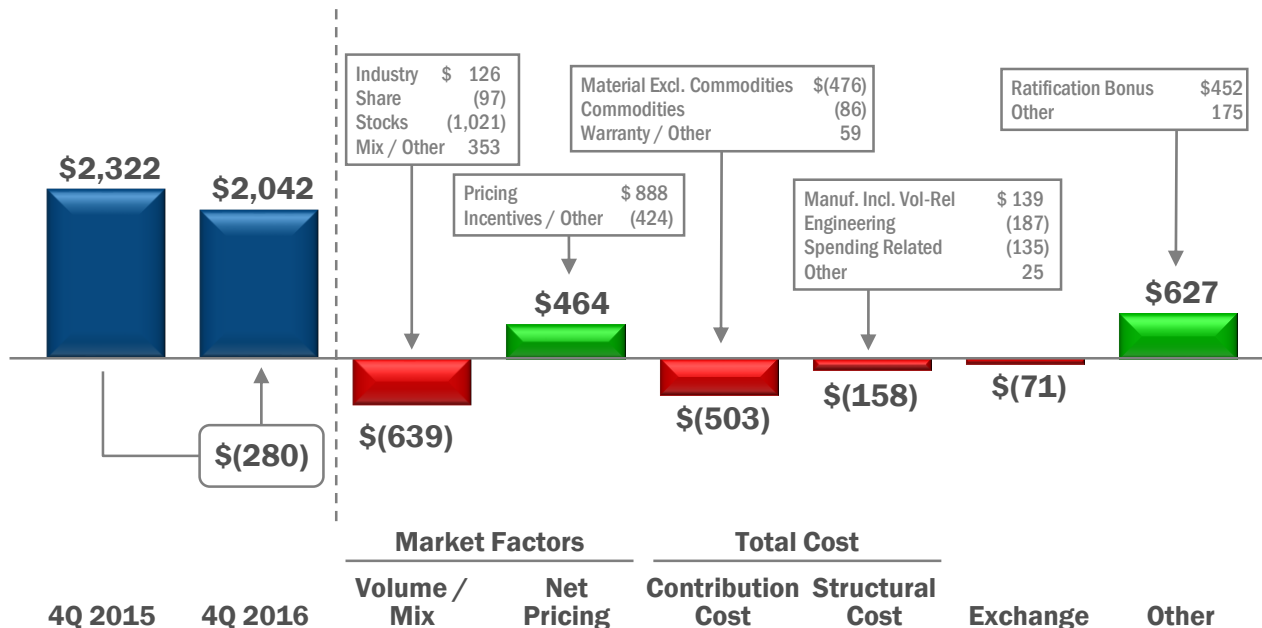
Strong 4Q consistent with expectations

Wholesales down 4%; revenue down 5%

Global SAAR up 2% with gains in AP, Europe and NA

Global market share down slightly due to NA and Europe

4Q 2016 PRE-TAX RESULTS (MILS)



Lower PBT driven by stock changes and higher costs

Dealer stock reductions in NA this year compared to 2015 drove unfavorable market factors

Improvement in Other mainly non-repeat of last year's UAW ratification bonus

AUTOMOTIVE SEGMENT – NORTH AMERICA

4Q 2016 KEY METRICS

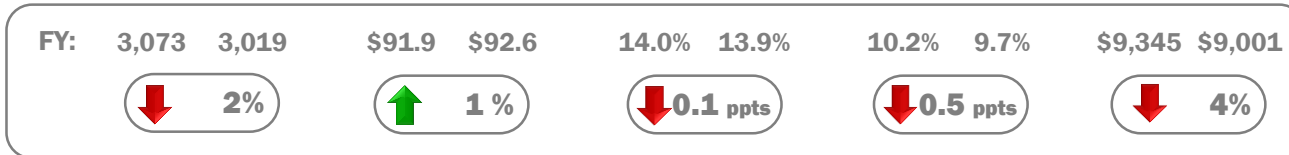
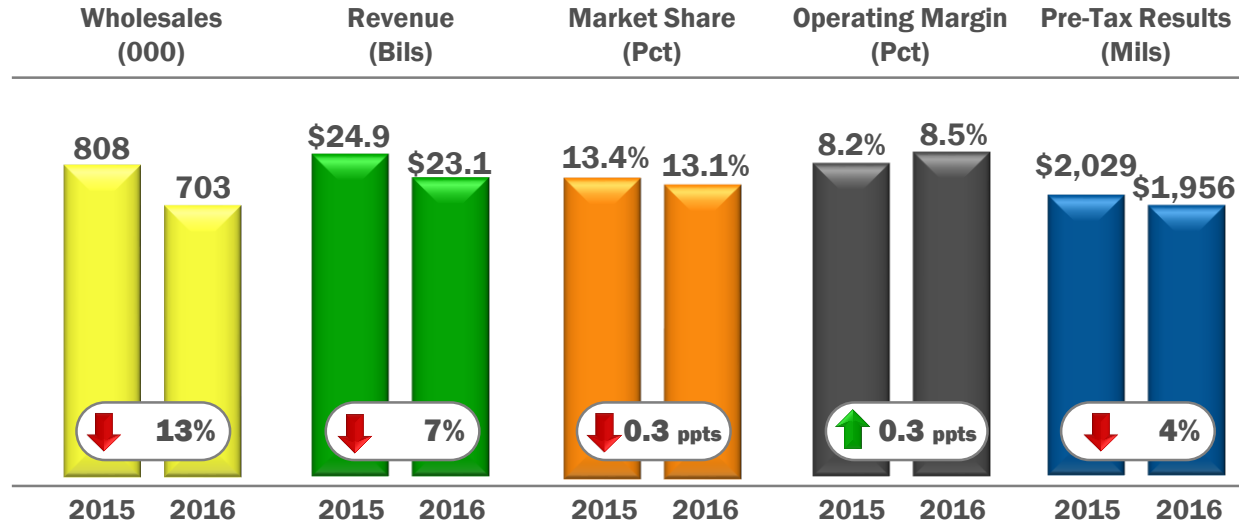


Strong 4Q PBT and record operating margin; all other key metrics lower

Top line down due to unfavorable stock changes and lower U.S. market share; share decline reflects lower rental sales

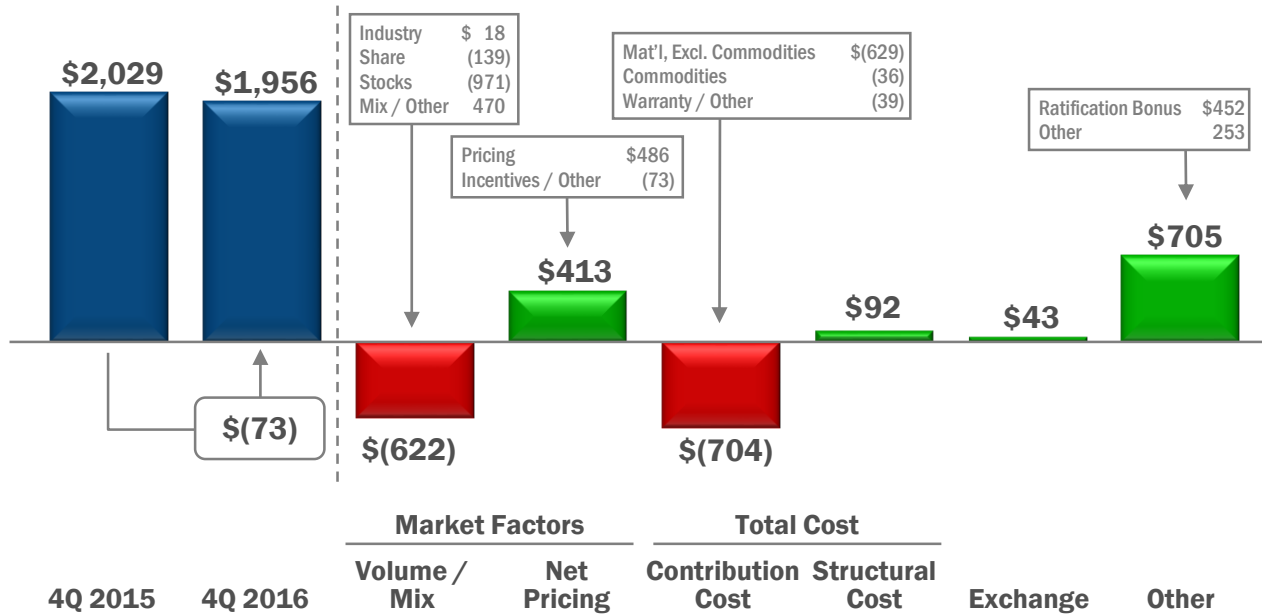
NA SAAR up 0.4M units, mainly Mexico

Strong FY PBT and operating margin, lower due to recalls



AUTOMOTIVE SEGMENT – NORTH AMERICA

4Q 2016 PRE-TAX RESULTS (MILS)



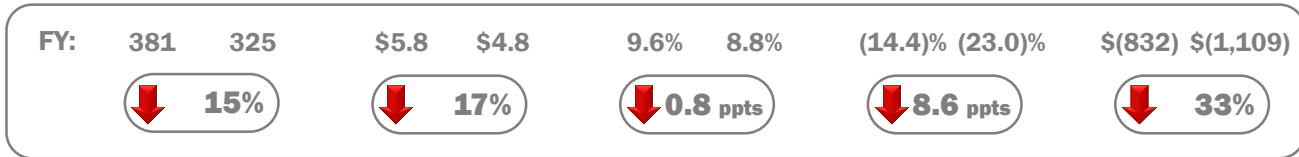
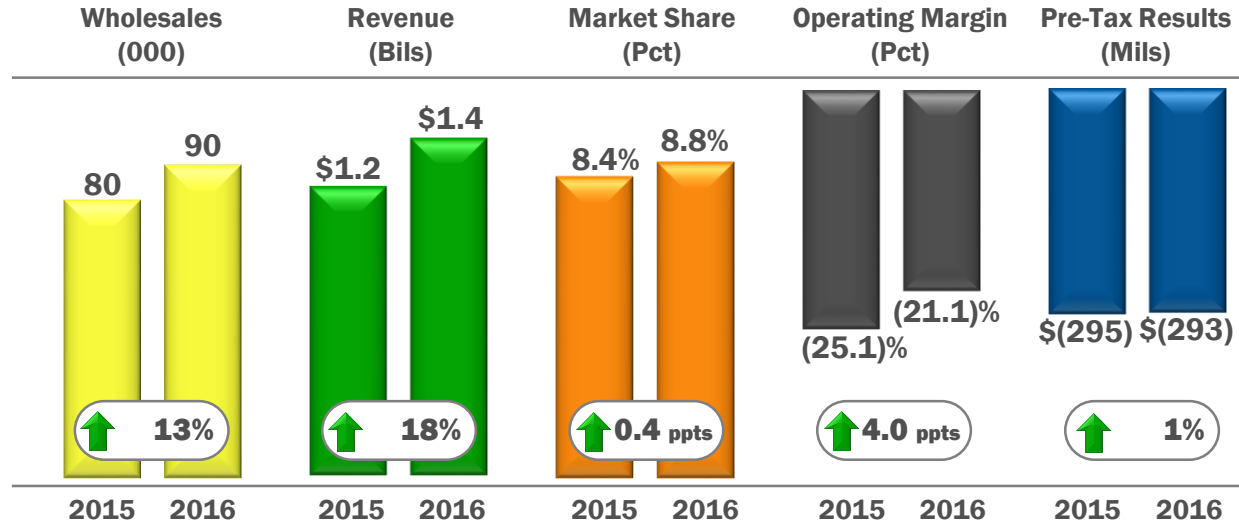
Lower PBT driven by stock changes and higher product costs net of pricing

Other includes non-repeat of last year's UAW ratification bonus

U.S. ATPs increased more than industry average due to favorable pricing and mix

AUTOMOTIVE SEGMENT – SOUTH AMERICA

4Q 2016 KEY METRICS



All key metrics up for 1st time since 3Q 2013

Top line higher due to volume and pricing

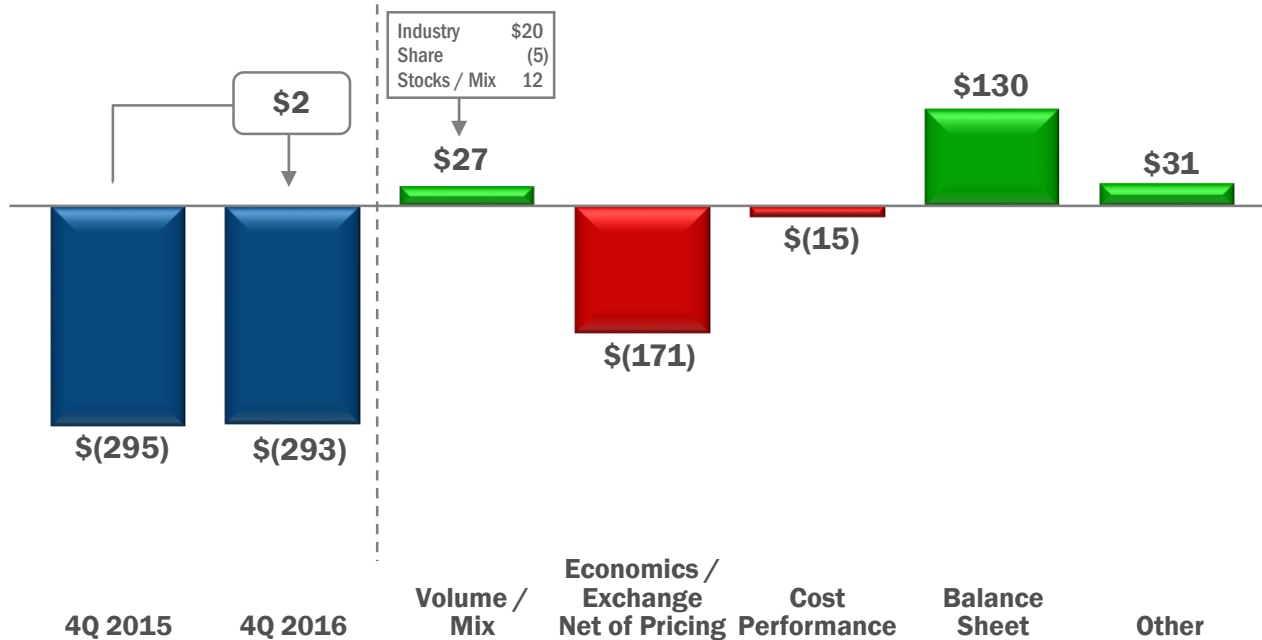
SA and Brazil SAARs declined at slowest pace this year

Market share improved due to Ka and Ranger

As expected, FY loss worse YoY due to economic environment

AUTOMOTIVE SEGMENT – SOUTH AMERICA

4Q 2016 PRE-TAX RESULTS (MILS)

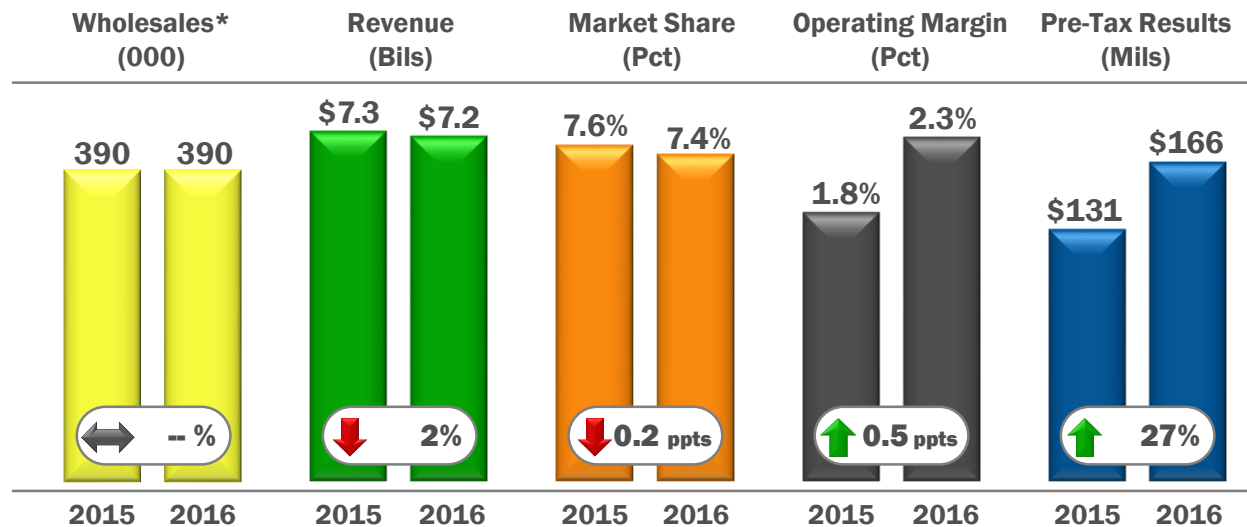


High inflation and weaker local currencies not offset by pricing

Balance sheet related improvement reflects non-repeat of currency remeasurement in Argentina last year

AUTOMOTIVE SEGMENT – EUROPE

4Q 2016 KEY METRICS

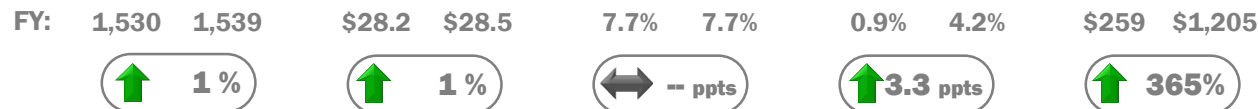


4Q PBT and operating margin improved from a year ago, although top line about flat

Europe SAAR up 6%

Market share down due to lower passenger vehicle sales

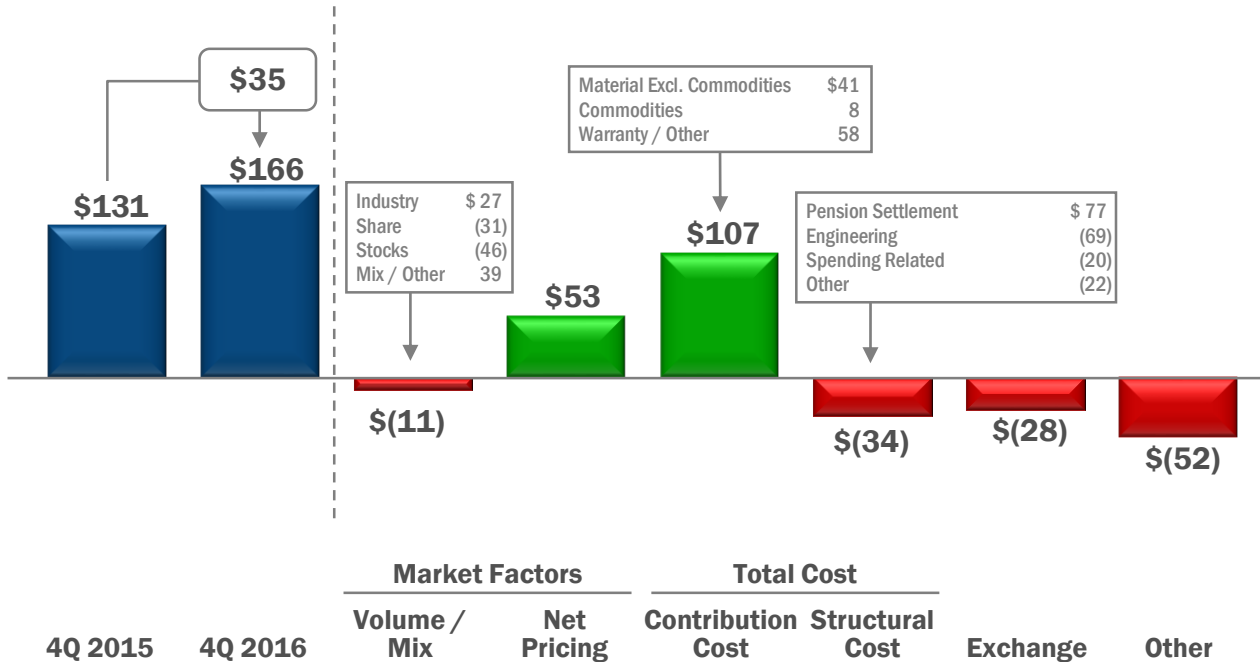
Record FY PBT and operating margin



* Includes Ford brand vehicles produced and sold by our unconsolidated affiliate in Turkey (about 24,000 units in 4Q 2015 and 28,000 units in 4Q 2016). 2015 FY includes about 5,000 Ford brand vehicles produced and sold by our previously unconsolidated affiliate in Russia. Revenue does not include these sales

AUTOMOTIVE SEGMENT – EUROPE

4Q 2016 PRE-TAX RESULTS (MILS)



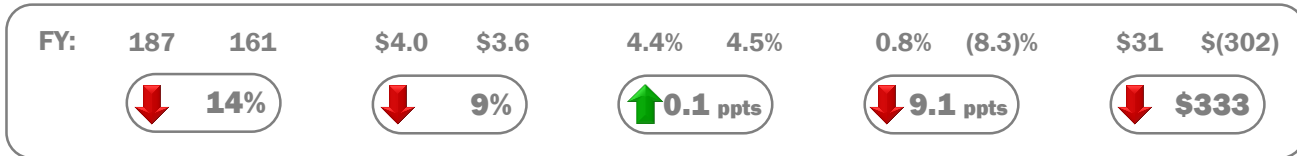
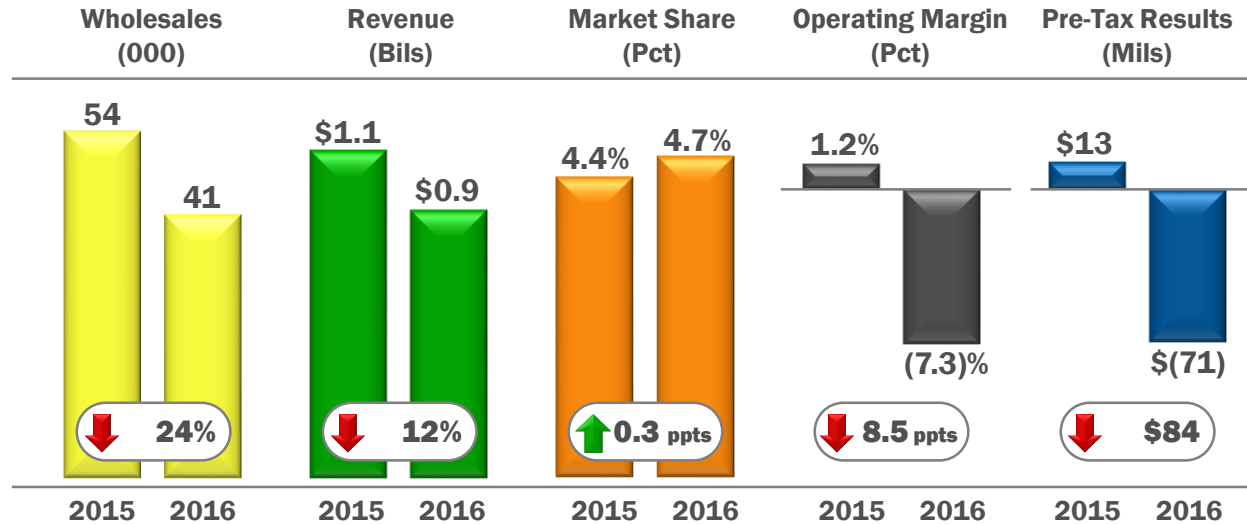
7th consecutive profitable quarter

PBT up YoY driven by 5th consecutive quarter of favorable cost performance

Russia continued to contribute to Europe's YoY improvement

AUTOMOTIVE SEGMENT – MIDDLE EAST & AFRICA

4Q 2016 KEY METRICS



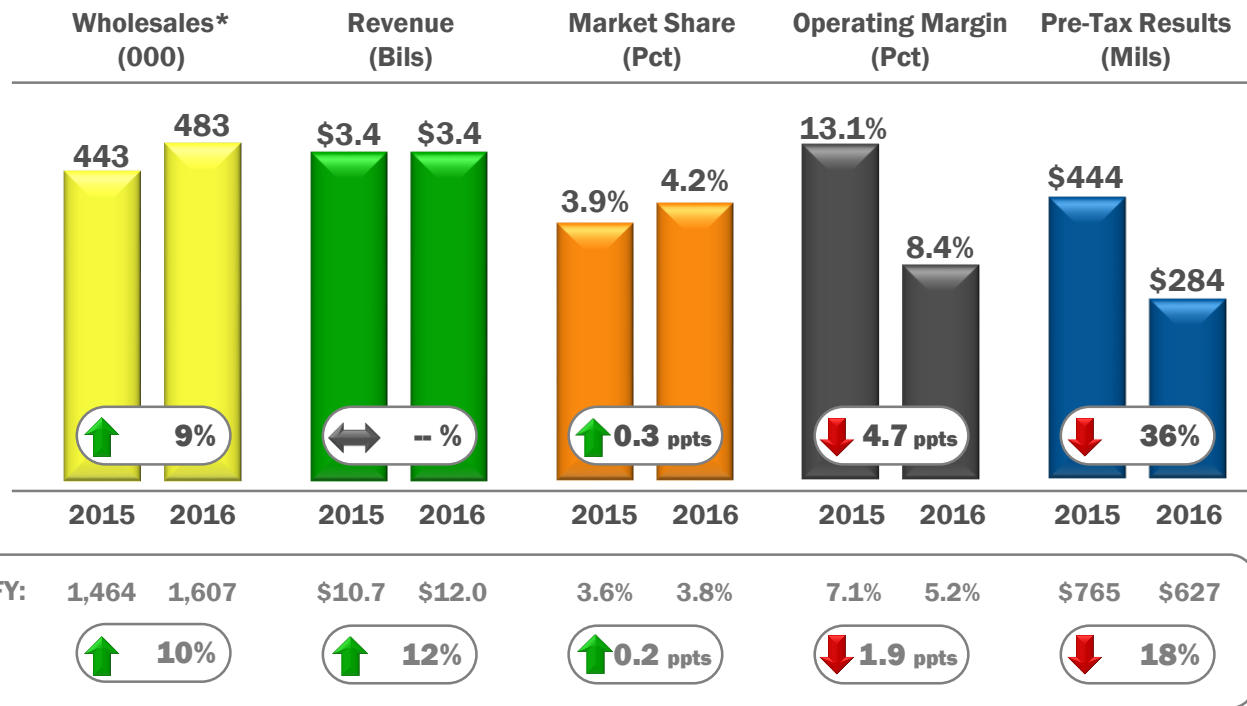
A challenging quarter and full year driven by external factors and unfavorable exchange

4Q SAAR down 22% or 1M units, largest YoY decline in the year

Market share higher due to Ranger, Fiesta and Focus in Africa

AUTOMOTIVE SEGMENT – ASIA PACIFIC

4Q 2016 KEY METRICS



PBT and operating margin solid, but lower

China JVs at \$380M; margin at 12.8%

Higher China SAAR drove increase YoY in region

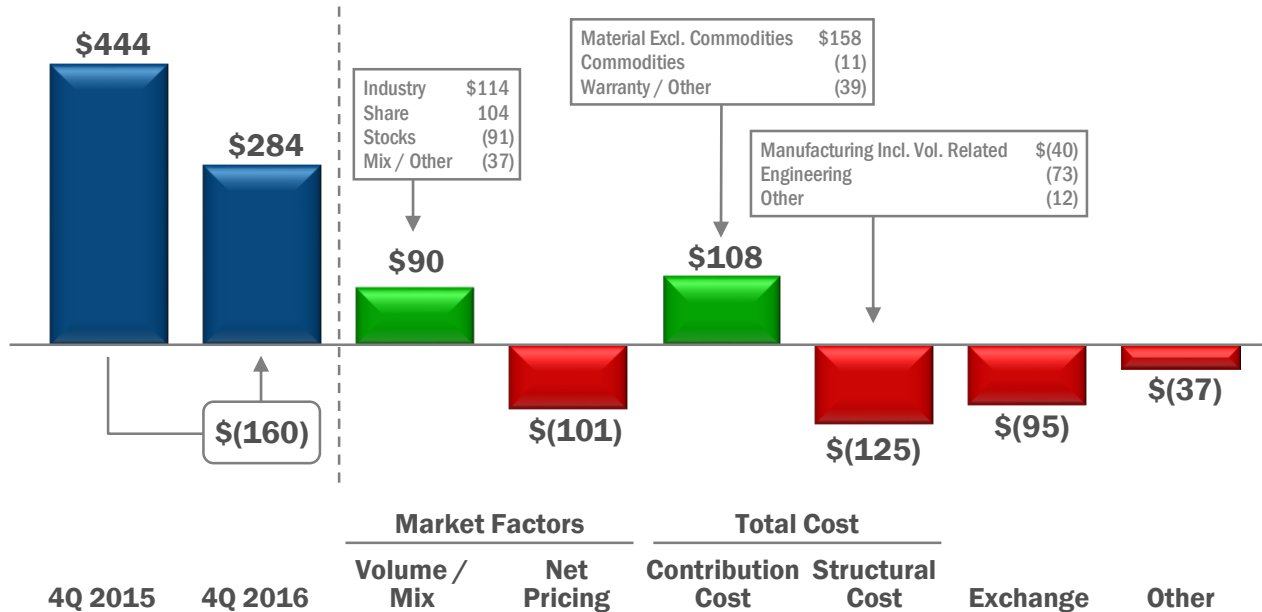
Improved market share driven by China

Operating margin and 2nd best FY PBT lower due to China industry pricing and exchange

* Wholesales include Ford brand and Jiangling Motors Corporation (JMC) brand vehicles produced and sold in China by our unconsolidated affiliates (about 340,000 units in 4Q 2015 and 380,000 units in 4Q 2016). Revenue does not include these sales

AUTOMOTIVE SEGMENT – ASIA PACIFIC

4Q 2016 PRE-TAX RESULTS (MILS)

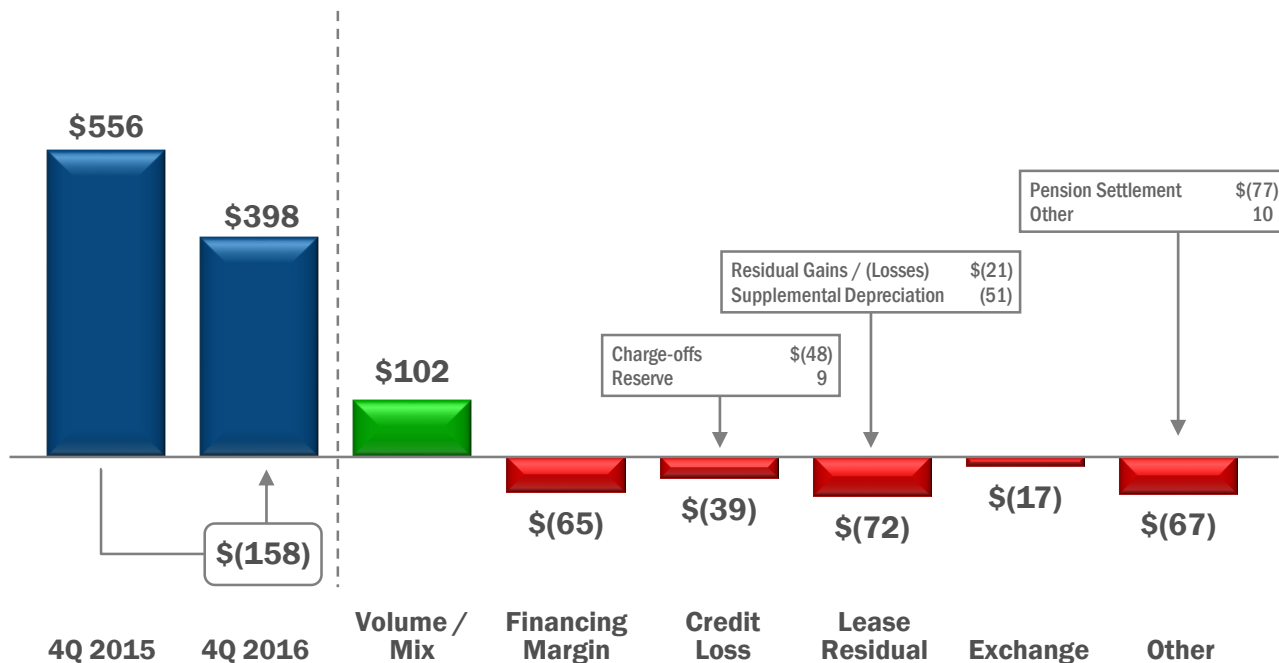


Lower PBT mainly due to negative industry pricing in China and adverse exchange, mainly RMB

Costs about flat YoY

FINANCIAL SERVICES SEGMENT – FORD CREDIT

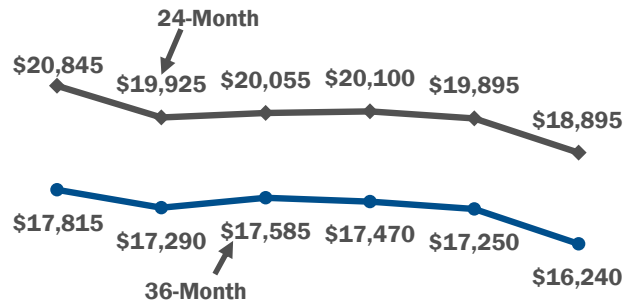
4Q 2016 PRE-TAX RESULTS (MILS)



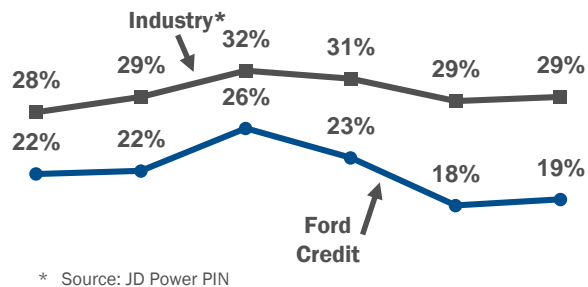
Lower PBT driven by pension settlement in Ford Credit Europe and unfavorable lease residual performance

U.S. AUTOMOTIVE FINANCING TRENDS

Off-Lease Auction Values (At 4Q16 Mix)



Lease Share of Retail Sales



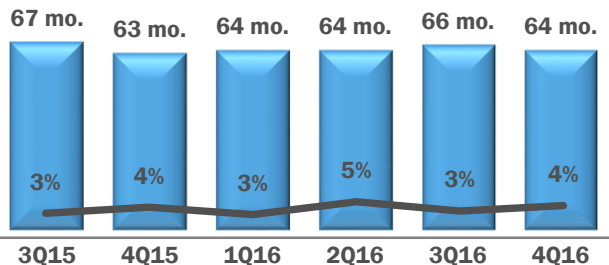
Lower auction values reflected increased supply and lower values on smaller vehicles

Lease share below industry reflects Ford Credit's leasing strategy

Underwriting practices remain consistent

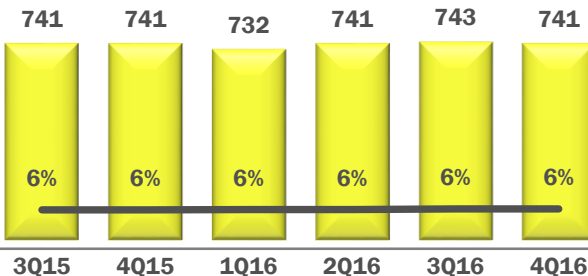
Retail Contract Placement Terms

■ Average Retail Placement Term
 ■ Retail ≥73 Months Mix



FICO and Higher Risk Mix

■ Retail and Lease Average Placement FICO
 ■ Higher Risk Portfolio Mix



AUTOMOTIVE SEGMENT CASH FLOW



<i>(Bils)</i>	<u>4Q 2016</u>	<u>FY 2016</u>
Cash at end of period	\$ 27.5	\$ 27.5
Cash at beginning of period	24.3	23.6
Change in Cash	<u>\$ 3.2</u>	<u>\$ 3.9</u>
Automotive segment pre-tax profits	\$ 2.0	\$ 9.4
Capital spending	(2.0)	(6.9)
Depreciation and tooling amortization	1.3	4.7
Changes in working capital	0.4	0.5
All Other and timing differences	<u>(0.2)</u>	<u>(1.3)</u>
Automotive operating cash flow	\$ 1.5	\$ 6.4
Separation payments	(0.1)	(0.3)
Transactions with other segments	-	(0.1)
Other, including acquisitions and divestitures	<u>0.1</u>	<u>0.1</u>
Cash flow before other actions	\$ 1.5	\$ 6.1
Changes in debt	\$ 2.7	\$ 2.5
Funded pension contributions	(0.4)	(1.2)
Dividends / Share Repurchases	<u>(0.6)</u>	<u>(3.5)</u>
Change in Cash	<u>\$ 3.2</u>	<u>\$ 3.9</u>

**Strong 4Q and FY
operating cash flow driven
by Auto PBT**

**FY capital spending at
\$6.9B; outlook of \$7B for
2017**

**Change in debt driven by
\$2.8B Auto issuance**

**FY funded pension
contributions of \$1.2B**

**FY shareholder
distributions of \$3.5B**

PENSION UPDATE

	2015	2016	2016 B / (W) 2015
Year End Underfunded Status (Bils)			
– U.S. plans	\$ 3.7	\$ 3.8	\$ (0.1)
– Non-U.S. plans	<u>4.5</u>	<u>5.1</u>	<u>(0.6)</u>
Total Underfunded Status	<u>\$ 8.2</u>	<u>\$ 8.9</u>	<u>\$ (0.7)</u>
Year-End Discount Rate (Weighted Average)			
– U.S. plans	4.27%	4.03%	(0.24) ppts
– Non-U.S. plans	3.20	2.44	(0.76)
Actual Asset Returns			
– U.S. plans	(1.8)%	8.6%	10.4 ppts
– Non-U.S. plans	7.7	14.0	6.3
Pension Plan Contributions (Bils)			
– Funded plans	\$ 1.1	\$ 1.2	\$ (0.1)
– All plans	1.5	1.5	–
Pension plan (expense) / income* (Bils)	\$ 0.3	\$ 0.5	\$ 0.2
Net remeasurement gain / (loss)			
– Special items (Bils) **	\$ (0.7)	\$ (3.0)	\$ (2.3)

Underfunded status of pension plans at \$8.9B, modestly higher than a year ago

U.S. plans funded status nearly unchanged despite lower discount rates due to advanced de-risking status

Funded status for funded plans unchanged at 96%

* Excludes all pension-related special items, primarily remeasurement

** Includes about \$0.2 billion for OPEB

BALANCE SHEET SUMMARY

(Bils)

	2015 Dec. 31	2016 Dec. 31
Automotive Segment		
Cash, cash equivalents and marketable securities	\$ 23.6	\$ 27.5
Available credit lines*	10.9	10.8
Total liquidity	\$ 34.5	\$ 38.3
Debt	\$ 12.8	\$ 15.9
Cash net of debt	10.8	11.6
Ford Credit		
Managed receivables**	\$ 127	\$ 137
Debt	120	126
Liquidity	24	27
Managed leverage** (to 1)	9.5	9.2
Total Company Period End Balance Sheet Underfunded Status		
U.S. pension	\$ 3.7	\$ 3.8
Non-U.S. pension	4.5	5.1
Total global pension	\$ 8.2	\$ 8.9
Total unfunded OPEB	\$ 5.7	\$ 5.9

**Auto cash and liquidity
balances strong**

**Ford Credit well
capitalized with strong
liquidity**

**Global funded pension
plans nearly fully funded**

* Total available committed Automotive credit lines (including local lines available to foreign affiliates)

** See Appendix for detail, reconciliation to GAAP, and definitions

INDUSTRY AND GDP PLANNING ASSUMPTIONS

	GDP Growth (Pct)		Industry (Mils)	
	2016 Est.	2017 Outlook	2016 Est.	2017 Outlook
Global*	2.9%	3.4%	91.4	93.1
U.S.	1.6%	2.2%	17.9	17.7
Brazil	(3.7)%	0.5%	2.1	2.1
Europe	1.5%	1.6%	20.1	20.3
China	6.7%	6.7%	26.4	27.2







Global GDP projected at 3.4%

Global industry volume gains in 2017 to be driven by AP and Europe

U.S. industry expected to decline slightly from high level

China 2017 industry to grow at a slower pace due to smaller tax cut benefits

2016 COMPANY GUIDANCE

	2015 FY	2016 FY		
	Results	Outlook	Results	
Total Company Adjusted Pre-Tax Results*	\$10.8B	≈ \$10.2B	\$10.4B	
Adjusted EPS*	\$1.93	< 2015	\$1.76	
Automotive Segment Revenue	\$140.6B	≥ 2015	\$141.5B	
Automotive Segment Operating Margin	6.8%	< 2015	6.7%	
Automotive Segment Operating Cash Flow	\$7.3B	Strong, but < 2015	\$6.4B	
Adjusted Effective Tax Rate* (Pct)	28.6%	Low 30s	31.9%	

* Excluding special items; see Appendix for detail, reconciliation to GAAP, and definitions

2016 Guidance Achieved, Including 2nd Best Company Adjusted PBT, Auto Operating Margin And Auto Operating Cash Flow

2017 COMPANY GUIDANCE



Total Company
Adjusted
Pre-Tax Results*



Adjusted
EPS*



Automotive
Segment
Revenue



Automotive
Segment
Operating Margin



Automotive
Segment Operating
Cash Flow



Adjusted Effective
Tax Rate* (Pct)

B / (W)
2016



2016 FY
Results

\$10.4B

\$1.76

\$141.5B

6.7%

\$6.4B








31.9%

* Excluding special items; see Appendix for detail, reconciliation to GAAP, and definitions

Consistent With Previous Guidance, 2017 Company Outlook Generally Lower Than 2016 Driven By Investments In Emerging Opportunities

2017 BUSINESS UNIT GUIDANCE

Automotive

	North America	South America	Europe	Middle East & Africa	Asia Pacific	Ford Credit	All Other
PBT B / (W) 2016							
	<ul style="list-style-type: none"> -- Volume, Mix -- Emerging Opps -- Commodities -- Exchange + Costs excl. Emerging Opps 	<ul style="list-style-type: none"> + Net Pricing + Volume -- Exchange -- Cost incl. Commodities 	<ul style="list-style-type: none"> -- Exchange (Brexit) -- Cost incl. Commodities + Net Pricing 	<ul style="list-style-type: none"> + Cost + Net Pricing + Exchange -- Volume, Mix 	<ul style="list-style-type: none"> + Volume, Mix + Costs excl. Emerging Opps -- Net Pricing -- Exchange -- Emerging Opps 	<ul style="list-style-type: none"> -- Residual Values 	<ul style="list-style-type: none"> -- Net Interest Expense (↑Auto Debt) -- Emerging Opps (FSM)
2016 FY Results	\$9,001M	\$(1,109)M	\$1,205M	\$(302)M	\$627M	\$1,879M	\$(867)M

KEY TAKEAWAYS – FULL YEAR







1. Delivered 2nd best Company adjusted pre-tax profit of \$10.4 billion, Automotive operating margin of 6.7% and Automotive operating cash flow of \$6.4 billion
2. Delivered NA operating margin of 9.7%; record profit and operating margin in Europe; 2nd best profit in Asia Pacific; operations outside NA profitable in total and improved YoY; and solid Ford Credit profit
3. Maintaining strong cash and liquidity profile; distributed \$3.5 billion to shareholders
4. 2017 Company Outlook generally lower than 2016 driven by investments in emerging opportunities
5. Making substantial progress in expanding our business from an auto company today to an auto and mobility company in the future

VISION AND STRATEGY

VISION MAKING PEOPLE'S LIVES BETTER BY CHANGING THE WAY THE WORLD MOVES

STRATEGY Deliver top quartile shareholder returns through focused automotive and high-growth mobility businesses, building on Ford's unique legacy of advancing human progress through a culture driven by the customer and technology and business model innovation

OBJECTIVES	<p>GROWTH</p>  <p>Revenue growth that drives profit growth</p>	<p>RISK</p>  <p>Optimized risk profile</p>	<p>RETURNS</p>  <p>ROIC > Cost of Capital and Margins 8% + Core, 20% New</p>	<p>REWARDS</p>  <p>Top quartile shareholder returns</p>
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STRATEGIC PRIORITIES	FORTIFY		TRANSFORM		GROW		
	<p>PROFIT PILLARS</p> 	<p>LUXURY</p> 	<p>SMALL VEHICLE</p> 	<p>EMERGING MARKETS</p> <p>EM</p>	<p>ELECTRIFICATION</p> 	<p>AUTONOMY</p> 	<p>MOBILITY</p> 
	CORE				EMERGING		

KEY CAPABILITIES AND ORGANIZATION

Q&A

January 26, 2017

Ford



Go Further

RISK FACTORS

Statements included or incorporated by reference herein may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on expectations, forecasts, and assumptions by our management and involve a number of risks, uncertainties, and other factors that could cause actual results to differ materially from those stated, including, without limitation:

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

We cannot be certain that any expectation, forecast, or assumption made in preparing forward-looking statements will prove accurate, or that any projection will be realized. It is to be expected that there may be differences between projected and actual results. Our forward-looking statements speak only as of the date of their initial issuance, and we do not undertake any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events, or otherwise. For additional discussion, see "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2015, as updated by subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

APPENDIX

TOTAL COMPANY NET INCOME RECONCILIATION TO ADJUSTED PRE-TAX PROFIT



	4Q		FY	
	2015	2016	2015	2016
<i>(Mils)</i>				
Net income / (loss) attributable to Ford (GAAP)	\$ 1,868	\$ (783)	\$ 7,373	\$ 4,596
Income / (loss) attributable to non-controlling interests	(4)	2	(2)	11
Net income / (loss)	\$ 1,864	\$ (781)	\$ 7,371	\$ 4,607
Less: (Provision for) / Benefit from income taxes	(32)	336	(2,881)	(2,189)
Income / (Loss) before income taxes	\$ 1,896	\$ (1,117)	\$ 10,252	\$ 6,796
Less: Special items pre-tax	(714)	(3,249)	(548)	(3,579)
Adjusted pre-tax profit (Non-GAAP)	\$ 2,610	\$ 2,132	\$ 10,800	\$ 10,375

EFFECTIVE TAX RATE RECONCILIATION TO ADJUSTED EFFECTIVE TAX RATE

	2016		Memo:
	4Q	FY	FY 2015
<u>Pre-Tax Results (Mils)</u>			
Income / (Loss) before Income Taxes (GAAP)	\$ (1,117)	\$ 6,796	\$ 10,252
Less: Impact of special items	(3,249)	(3,579)	(548)
Adjusted Pre-tax Profit (Non-GAAP)	<u>\$ 2,132</u>	<u>\$ 10,375</u>	<u>\$ 10,800</u>
<u>Taxes (Mils)</u>			
(Provision for) / Benefit from income taxes (GAAP)	\$ 336	\$ (2,189)	\$ (2,881)
Less: Impact of special items	<u>1,248</u>	<u>1,121</u>	<u>205</u>
Adjusted (Provision for) / Benefit from income taxes (Non-GAAP)	<u>\$ (912)</u>	<u>\$ (3,310)</u>	<u>\$ (3,086)</u>
Effective Tax Rate (GAAP)	30.1%	32.2%	28.1%
Adjusted Effective Tax Rate (Non-GAAP)	42.8	31.9	28.6

TOTAL COMPANY SPECIAL ITEMS



(Mils)

	4Q		FY	
	2015	2016	2015	2016
<u>Pension and OPEB Remeasurement Gain / (Losses)</u>				
Year End Net Pension and OPEB Remeasurement Loss	\$ (698)	\$ (2,985)	\$ (698)	\$ (2,985)
Other Pension Remeasurement Loss	--	--	--	(11)
<u>Separation-related actions</u>	\$ --	\$ (11)	\$ --	\$ (304)
<u>Other Items</u>				
Nemak IPO	\$ (16)	\$ --	\$ 150	\$ --
San Luis Potosi Plant Cancellation	--	(199)	--	(199)
Japan Indonesia Market Closure	--	(54)	--	(80)
Total Other Items	\$ (16)	\$ (253)	\$ 150	\$ (279)
Total Pre-tax Special Items	\$ (714)	\$ (3,249)	\$ (548)	\$ (3,579)
Tax Special Items	\$ 263	\$ 1,248	\$ 205	\$ 1,121
<u>Memo:</u>				
Special items impact on earnings per share*	\$ (0.11)	\$ (0.50)	\$ (0.09)	\$ (0.61)

* Includes related tax effect on special items and tax special items

EARNINGS PER SHARE RECONCILIATION TO ADJUSTED EARNINGS PER SHARE

	2016	
	4Q	FY
Diluted After-Tax Results (Mils)		
Diluted After-tax results (GAAP)	\$ (783)	\$ 4,596
Less: Impact of Pre-tax and tax special items	(2,001)	(2,458)
Adjusted Net Income – Diluted (Non-GAAP)	\$ 1,218	\$ 7,054
Basic and Diluted Shares (Mils)		
Basic shares (Average shares outstanding)	\$ 3,974	\$ 3,973
Net dilutive options and unvested restricted stock units	26	26
Diluted Shares	\$ 4,000	\$ 3,999
Earnings Per Share – Diluted (GAAP)*	\$ (0.20)	\$ 1.15
Less: Net impact of adjustments	(0.50)	(0.61)
Adjusted Earnings Per Share – Diluted (Non-GAAP)	\$ 0.30	\$ 1.76

* The fourth quarter calculation of Earnings Per Share – Diluted (GAAP) excludes the 26 million shares of net dilutive options and unvested restricted stock units due to their antidilutive effect

TOTAL NET RECEIVABLES RECONCILIATION TO MANAGED RECEIVABLES

<i>(Bils)</i>	Dec. 31, 2014	Dec. 31, 2015	Dec. 31, 2016
Finance receivables, net	\$ 86.9	\$ 96.8	\$ 103.0
Net investment in operating leases	21.5	25.1	27.2
Total net receivables* (GAAP)	\$ 108.4	\$ 121.9	\$ 130.2
Unearned interest supplements and residual support	3.9	4.5	5.3
Allowance for credit losses	0.4	0.4	0.5
Other, primarily accumulated supplemental depreciation	0.1	0.4	0.9
Total managed receivables (Non-GAAP)	\$ 112.8	\$ 127.2	\$ 136.9

* 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

FINANCIAL STATEMENT LEVERAGE RECONCILIATION TO MANAGED LEVERAGE

<i>(Bils)</i>	<u>Dec. 31, 2014</u>	<u>Dec. 31, 2015</u>	<u>Dec. 31, 2016</u>
<u>Leverage Calculation</u>			
Total debt*	\$ 105.0	\$ 119.6	\$ 126.5
Adjustments for cash**	(8.9)	(11.2)	(10.8)
Adjustments for derivative accounting***	(0.4)	(0.5)	(0.3)
Total adjusted debt	<u>\$ 95.7</u>	<u>\$ 107.9</u>	<u>\$ 115.4</u>
Equity****	\$ 11.4	\$ 11.7	\$ 12.8
Adjustments for derivative accounting***	(0.4)	(0.3)	(0.3)
Total adjusted equity	<u>\$ 11.0</u>	<u>\$ 11.4</u>	<u>\$ 12.5</u>
Financial statement leverage (to 1) (GAAP)	9.2	10.2	9.9
Managed leverage (to 1) (Non-GAAP)	8.7	9.5	9.2

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

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

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

AUTOMOTIVE SEGMENT DEBT



<i>(Bils)</i>	2015	2016	
	Dec. 31	Sept. 30	Dec. 31
Public unsecured debt	\$ 6.4	\$ 6.4	\$ 9.2
U.S. Department of Energy	3.8	3.4	3.2
Other debt (including international)	2.6	3.3	3.5
Total Automotive debt	<u>\$ 12.8</u>	<u>\$ 13.1</u>	<u>\$ 15.9</u>
 Memo:			
Automotive debt payable within one year	\$ 1.8	\$ 2.5	\$ 2.7

CHINA UNCONSOLIDATED AFFILIATES



	4Q			FY		
	2015	2016	B / (W)	2015	2016	B / (W)
<u>China Unconsolidated Affiliates</u>						
Wholesales (000)	340	380	40	1,123	1,217	94
Ford Equity Income (Mils)*	\$ 490	\$ 380	\$ (110)	\$ 1,514	\$ 1,439	\$ (75)
China JV Net Income Margin	16.0%	12.8%	(3.2) pts	15.6%	14.6%	(1.0) pts

* Ford equity share of China joint ventures net income

RETURN ON INVESTED CAPITAL CALCULATION

(Bils.)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Net Operating Profit After Tax (NOPAT)					
Pre-Tax Profit (Incl. Special Items)	\$ 2.0	\$ 14.4	\$ 1.2	\$ 10.3	\$ 6.8
Add Back: Costs related to Invested Capital					
Automotive Interest Expense	0.7	0.8	0.8	0.8	0.9
Funding-related pension and OPEB costs*	6.2	(6.1)	3.4	(0.7)	1.6
Less: Cash Taxes	(0.3)	(0.5)	(0.5)	(0.6)	(0.7)
Net Operating Profit After Tax	<u>\$ 8.6</u>	<u>\$ 8.6</u>	<u>\$ 5.0</u>	<u>\$ 9.8</u>	<u>\$ 8.6</u>
Invested Capital					
Equity	\$ 15.9	\$ 26.2	\$ 24.5	\$ 28.7	\$ 29.2
Redeemable Non-Controlling Interest	0.3	0.3	0.3	0.1	0.1
Automotive Debt	14.3	15.7	13.8	12.8	15.9
Net pension and OPEB liability	25.5	14.9	16.2	13.9	14.7
Invested Capital (End of Year)	<u>\$ 56.0</u>	<u>\$ 57.0</u>	<u>\$ 54.8</u>	<u>\$ 55.5</u>	<u>\$ 59.9</u>
Average Year Invested Capital	<u>\$ 53.1</u>	<u>\$ 56.5</u>	<u>\$ 55.7</u>	<u>\$ 55.1</u>	<u>\$ 57.7</u>
Annual ROIC	16.2%	15.2%	8.9%	17.7%	14.9%
Five-Year Average ROIC**	7.3%	17.4%	16.2%	15.7%	14.6%

* Reflects total pension & OPEB (income) / expense except service cost

** Calculated as five-year average NOPAT divided by five-year average invested capital

EMPLOYMENT DATA BY BUSINESS UNIT*

(000)

	2015	2016
	Dec. 31	Dec. 31
North America	96	101
South America	15	15
Europe	53	52
Middle East & Africa	3	3
Asia Pacific	25	23
Total Automotive	192	194
Financial Services	7	7
Total Company	199	201

* Employment data includes the approximate number of individuals employed by consolidated entities

4Q INDUSTRY SAAR / FY INDUSTRY



Units (mils)

	4Q SAAR			FY Industry		
	2015	2016 Est.	B / (W)	2015	2016 Est.	B / (W)
North America	22.1	22.5	0.4	21.5	21.8	0.3
U.S.	18.3	18.4	0.1	17.8	17.9	0.1
South America	4.0	3.8	(0.2)	4.2	3.7	(0.5)
Brazil	2.4	2.0	(0.4)	2.6	2.1	(0.5)
Europe	19.5	20.7	1.2	19.2	20.1	0.9
Middle East & Africa	4.5	3.5	(1.0)	4.3	3.6	(0.7)
Asia Pacific	42.3	44.4	2.1	39.1	42.1	3.0
China	26.0	28.4	2.4	23.5	26.4	2.9
Global	92.5	94.8	2.3	88.2	91.4	3.2

AUTOMOTIVE SEGMENT 4Q MARKET SHARE



(Percent)

	4Q			FY		
	2015	2016	B / (W)	2015	2016	B / (W)
<u>Total Share of Total Industry</u>						
North America	13.4%	13.1%	(0.3) ppts	14.0%	13.9%	(0.1) ppts
U.S.	14.2	13.9	(0.3)	14.7	14.6	(0.1)
South America	8.4	8.8	0.4	9.6	8.8	(0.8)
Brazil	9.0	9.4	0.4	10.4	9.2	(1.2)
Europe	7.6	7.4	(0.2)	7.7	7.7	--
Middle East & Africa	4.4	4.7	0.3	4.4	4.5	0.1
Asia Pacific	3.9	4.2	0.3	3.6	3.8	0.2
China*	5.0	5.2	0.2	4.8	4.8	--
Global	7.2%	7.1%	(0.1) ppts	7.4%	7.3%	(0.1) ppts
<u>Retail Share of Retail Industry</u>						
U.S.**	12.7%	12.6%	(0.1) ppts	13.0%	12.8%	(0.2) ppts
Europe***	7.9	7.3	(0.6)	8.1	7.8	(0.3)

* In the absence of official government registration data, all industries and industry related analysis are our estimates developed from data provided by the China Passenger Car Association (CPCA)

** Present quarter is estimated, prior quarters are based on latest Polk data

*** Europe passenger car retail share of retail industry reflects the five major markets (U.K., Germany, France, Italy, and Spain); present quarter is estimated, prior quarters are based on latest Data Force data

AUTOMOTIVE SEGMENT PRODUCTION VOLUMES



(000)	4Q 2016 Actual		1Q 2017 Forecast	
	Units	0 / (U) 2015	Units	0 / (U) 2016
North America	710	(90)	815	(39)
South America	77	10	73	8
Europe	357	(36)	445	20
Middle East & Africa	23	6	21	--
Asia Pacific	480	52	390	(34)
Total	1,647	(58)	1,744	(45)

Key drivers of 1Q YoY:

**NA – lower fleet sales
and non-repeat of
Fusion stock build**

**Europe – higher
industry**

**AP – lower China
industry due to tax
incentive policy change**

AUTOMOTIVE SEGMENT - SELECTED MARKETS

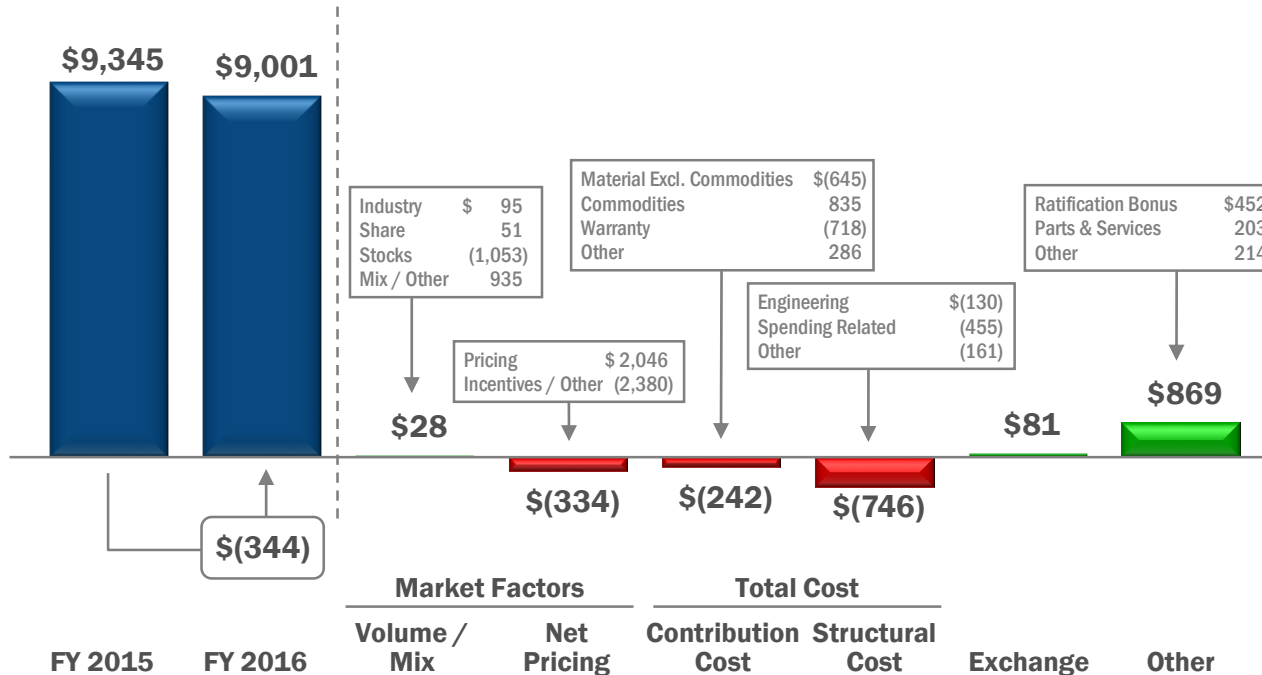
DEALER STOCKS



(000)	<u>U.S.</u>	<u>Brazil</u>	<u>Europe 21</u>	<u>MEA</u>	<u>China</u>
<u>4Q</u>					
December 31, 2016	648	22	226	64	154
September 30, 2016	658	22	206	63	150
Stock Change H / (L)	(10)	--	20	1	4
<u>4Q Prior Year</u>					
December 31, 2015	676	24	235	67	165
September 30, 2015	605	29	203	64	143
Stock Change H / (L)	71	(5)	32	3	22
Year-Over-Year Stock Change	(81)	5	(12)	(2)	(18)

AUTOMOTIVE SEGMENT – NORTH AMERICA

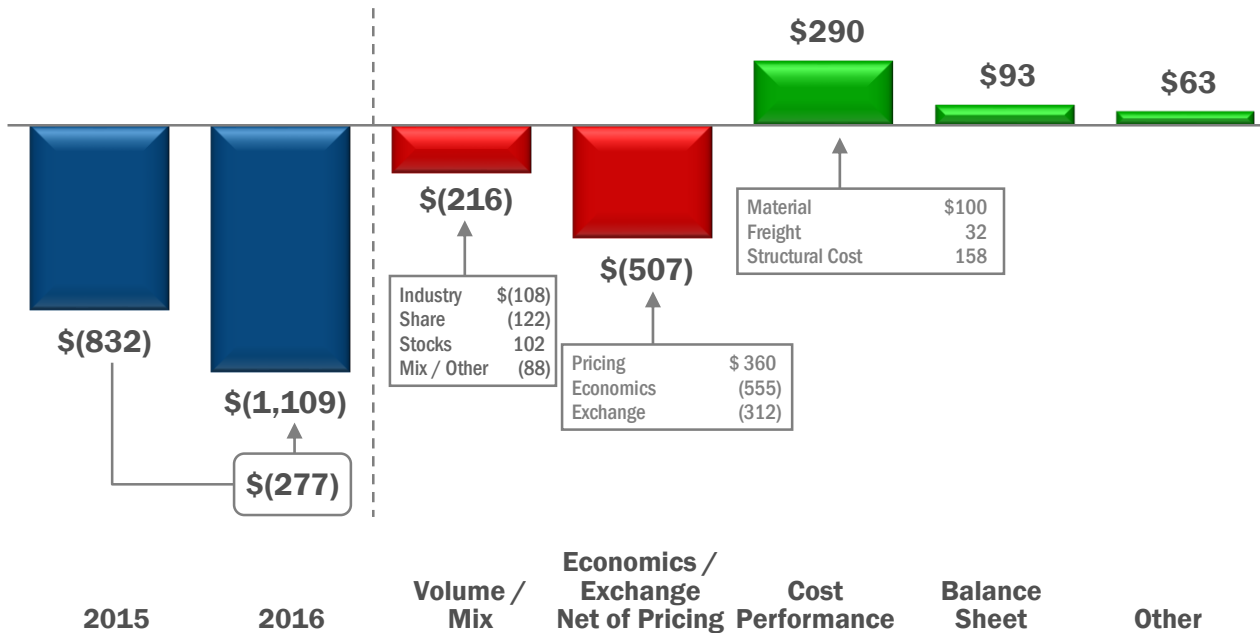
FY 2016 PRE-TAX RESULTS (MILS)



Lower PBT driven by dealer stock reduction in 2016 vs stock increase in 2015, along with higher warranty costs, mainly recalls

AUTOMOTIVE SEGMENT – SOUTH AMERICA

FY 2016 PRE-TAX RESULTS (MILS)

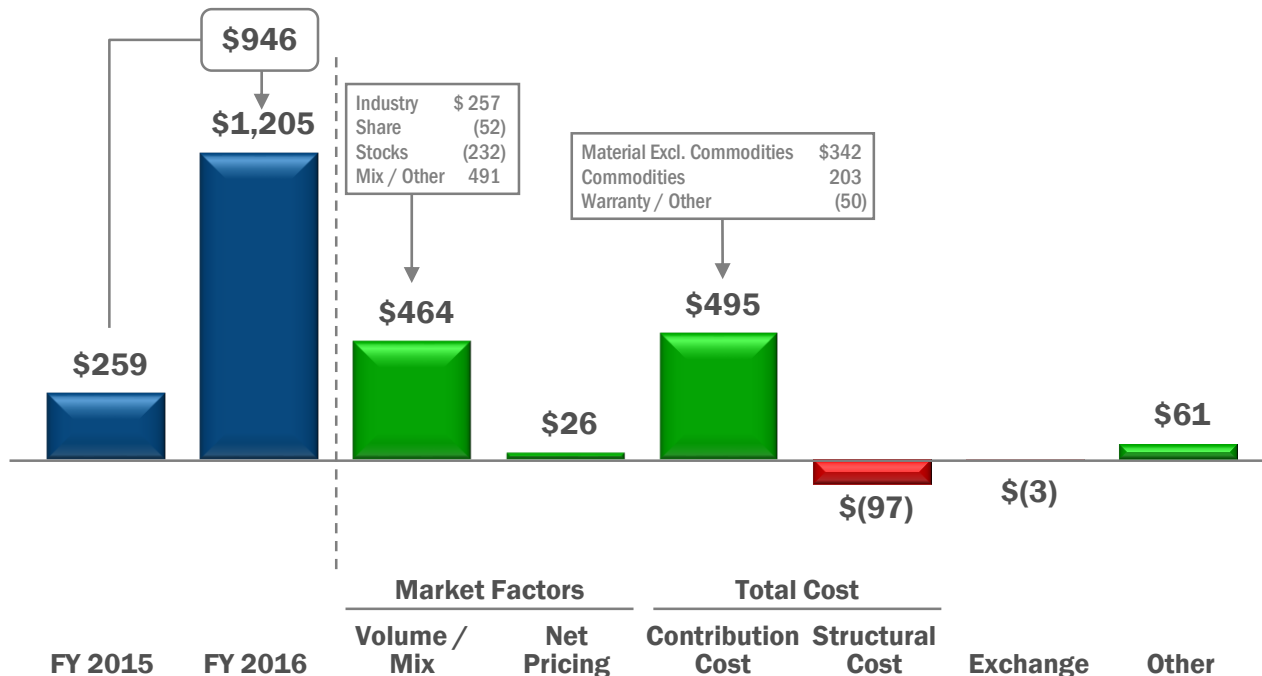


Higher loss driven by higher inflation and weaker local currencies in excess of net pricing, along with lower industry volume

Cost performance strongly favorable

AUTOMOTIVE SEGMENT – EUROPE

FY 2016 PRE-TAX RESULTS (MILS)

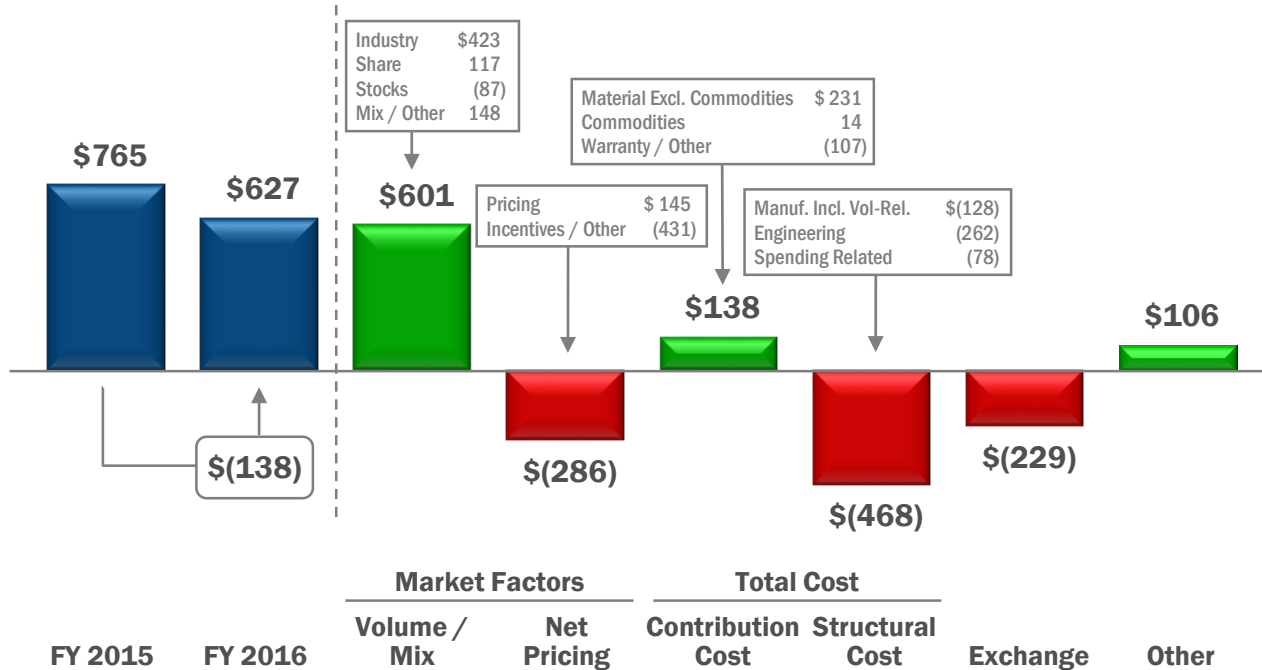


Strong improvement in PBT driven by favorable mix and cost performance

Russia also contributed to higher PBT

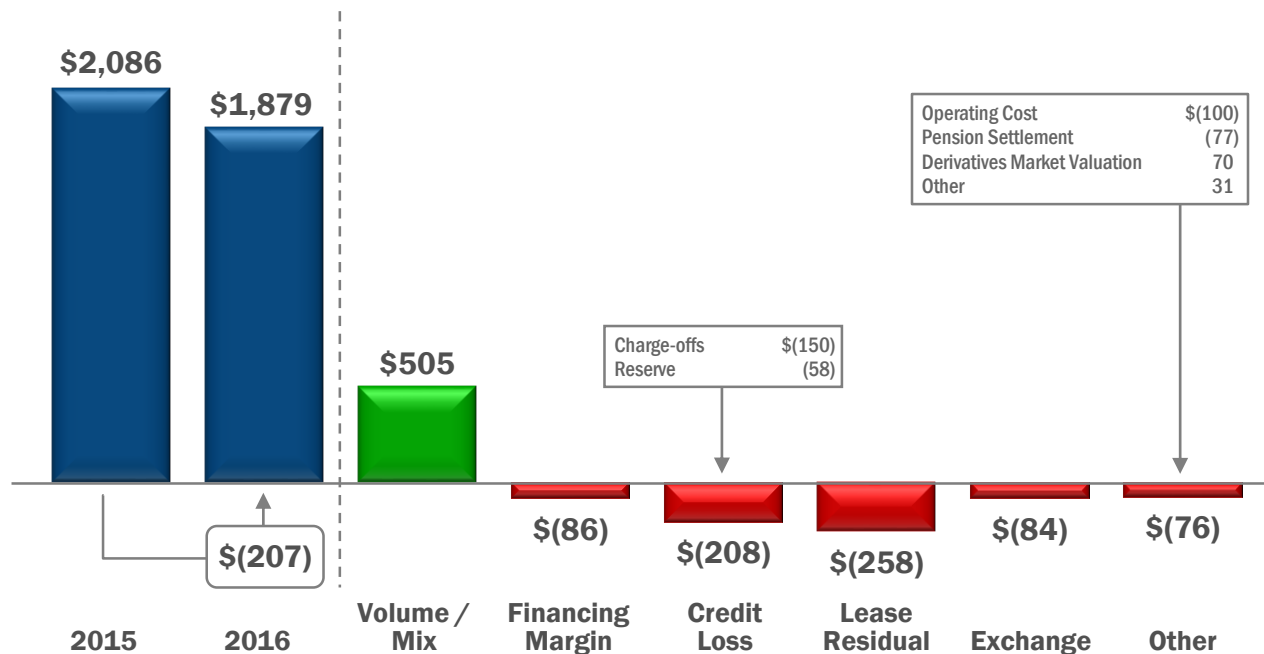
AUTOMOTIVE SEGMENT – ASIA PACIFIC

FY 2016 PRE-TAX RESULTS (MILS)



Lower PBT due to negative net pricing in China and adverse exchange, mainly RMB

FINANCIAL SERVICES SEGMENT – FORD CREDIT FY 2016 PRE-TAX RESULTS (MILS)



Lower PBT driven by unfavorable lease residual performance and higher credit losses

Credit losses normalizing with higher charge-offs

Volume and mix driven by receivables growth

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.

Total Company Adjusted Pre-tax Profit (Most Comparable GAAP Measure: Net income attributable to Ford) – The non-GAAP measure is useful to management and investors because it allows users to evaluate our pre-tax results excluding pre-tax special items. 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.

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.

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.

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.

DEFINITIONS AND CALCULATIONS

Automotive Records

- References to Automotive records for operating cash flow, operating margin and business units are since at least 2000

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 Operating Margin

- Automotive segment operating margin is defined as Automotive segment pre-tax results 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

Automotive Cash

- Automotive cash includes 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