4Q 2017 And Full Year Earnings Review And 2018 Outlook

January 24, 2018

(Preliminary Results)

Business Review

Financial Review

Fourth Quarter

Full Year

Appendix

Reconciliations to GAAP

Supplemental Data

Appendix (continued)

Volume Related

Full Year

Other

Smart Vehicles In A Smart World

FITNESS	FITNESS
Reset Revenue and Attack Costs	Redesign Business Operations
WINNING ASPIRATION	
STRATEGIC CHOICES	
CULTURAL IMPLICATIONS	

1. Rapidly improving our fitness to lower costs, release capital and finance growth
2. Accelerating the introduction of connected, smart vehicles and services
3. Re-allocating capital to where we can win in the future
4. Continuously innovating to create the most human-centered mobility solutions
5. Empowering our team to work together effectively to compete and win

Fitness Redesign

- Customer centricity
- Simplicity
- Speed & agility
- Efficiency
- Accountability

Step-change improvement of financial performance

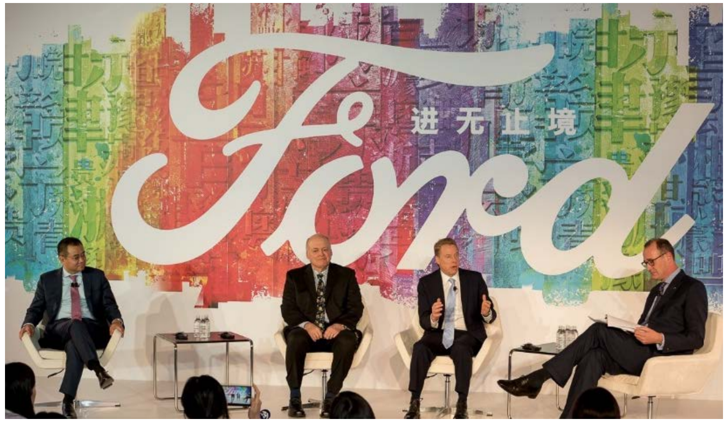
- Company EBIT
- EBIT Margin
- Capital
- Return on Invested Capital
- Operating Cash Flow
- Total Shareholder Return

Product And Other Highlights

F-Series marks 41 years as America's best-selling pickup. F-150 diesel added to lineup

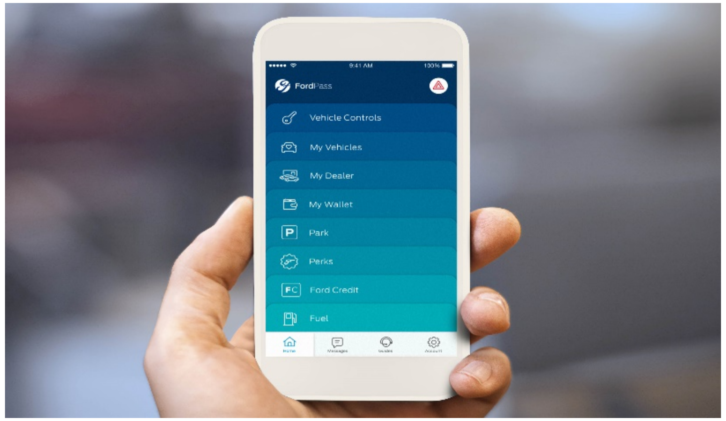
Achieved eighth consecutive year as best-selling brand in the U.S.

Commercial vehicle leader in Europe for third straight year; began production of the new EcoSport SUV in Romania



Announced the introduction of more than 50 new vehicles in China by 2025

Increased investment in Flat Rock for purpose-built autonomous vehicle; accelerated and increased BEV investment



100 percent of Ford's new U.S. vehicles will be built with connectivity by 2019 and 90 percent globally by 2020

Bob Shanks

Chief Financial Officer

Financial Review

4Q And Full Year Results

	Company Revenue (GAAP)	Company Net Income (GAAP)	Company Adjusted Pre-Tax Results* (Non-GAAP)	EPS (GAAP)	Adjusted EPS* (Non-GAAP)	Automotive Segment Operating Margin (GAAP)	Automotive Segment Operating Cash Flow (GAAP)
4Q 2017	**$41.3B**	**$2.4B**	**$1.7B**	**$0.60**	**$0.39**	**3.7%**	**$2.3B**
B / (W) 4Q 2016	$2.6B	$3.2B	$(0.4)B	$0.80	$0.09	(2.0) ppts	$0.8B
FY 2017	**$156.8B**	**$7.6B**	**$8.4B**	**$1.90**	**$1.78**	**5.0%**	**$3.9B**
B / (W) FY 2016	$5.0B	$3.0B	$(1.9)B	$0.75	$0.02	(1.7) ppts	$(2.5)B

Delivered Fourth Quarter Adjusted EPS of $0.39 And Full Year Adjusted EPS Of $1.78

* See Appendix for detail, reconciliation to GAAP and definitions

Key Financial Summary

	4Q				Full Year			
				B / (W)				B / (W)
		2017		2016		2017		2016
Wholesales (000)		1,749		42		6,607		(44)
Revenue (Bils)	$	41.3	$	2.6	$	156.8	$	5.0
Results (Mils)								
Automotive Segment	$	1,435	$	(607)	$	7,259	$	(2,163)
Financial Services Segment		595		211		2,248		428
All Other		(293)		1		(1,070)		(203)
Total Company adjusted pre-tax results*	$	1,737	$	(395)	$	8,437	$	(1,938)
Special items pre-tax		152		3,401		(289)		3,290
Income / (Loss) before income taxes	$	1,889	$	3,006	$	8,148	$	1,352
(Provision for) / Benefit from income taxes		524		188		(520)		1,669
Net income / (Loss)	$	2,413	$	3,194	$	7,628	$	3,021
Less: Income / (Loss) attributable to non-controlling interests		4		2		26		15
Net income / (Loss) attributable to Ford	$	2,409	$	3,192	$	7,602	$	3,006
Earnings per share (diluted)	$	0.60	$	0.80	$	1.90	$	0.75
Adjusted earnings per share (diluted)*	$	0.39	$	0.09	$	1.78	$	0.02
Automotive Segment (Bils)								
Operating cash flow	$	2.3	$	0.8	$	3.9	$	(2.5)
Cash	$	26.5	$	(1.0)	$	26.5	$	(1.0)
Debt		(15.9)		-		(15.9)		-
Net cash	$	10.6	$	(1.0)	$	10.6	$	(1.0)

Wholesale volume up 2% in 4Q, about flat FY; revenue up 7% in 4Q and 3% in FY

4Q and FY adj. pre-tax profit lower

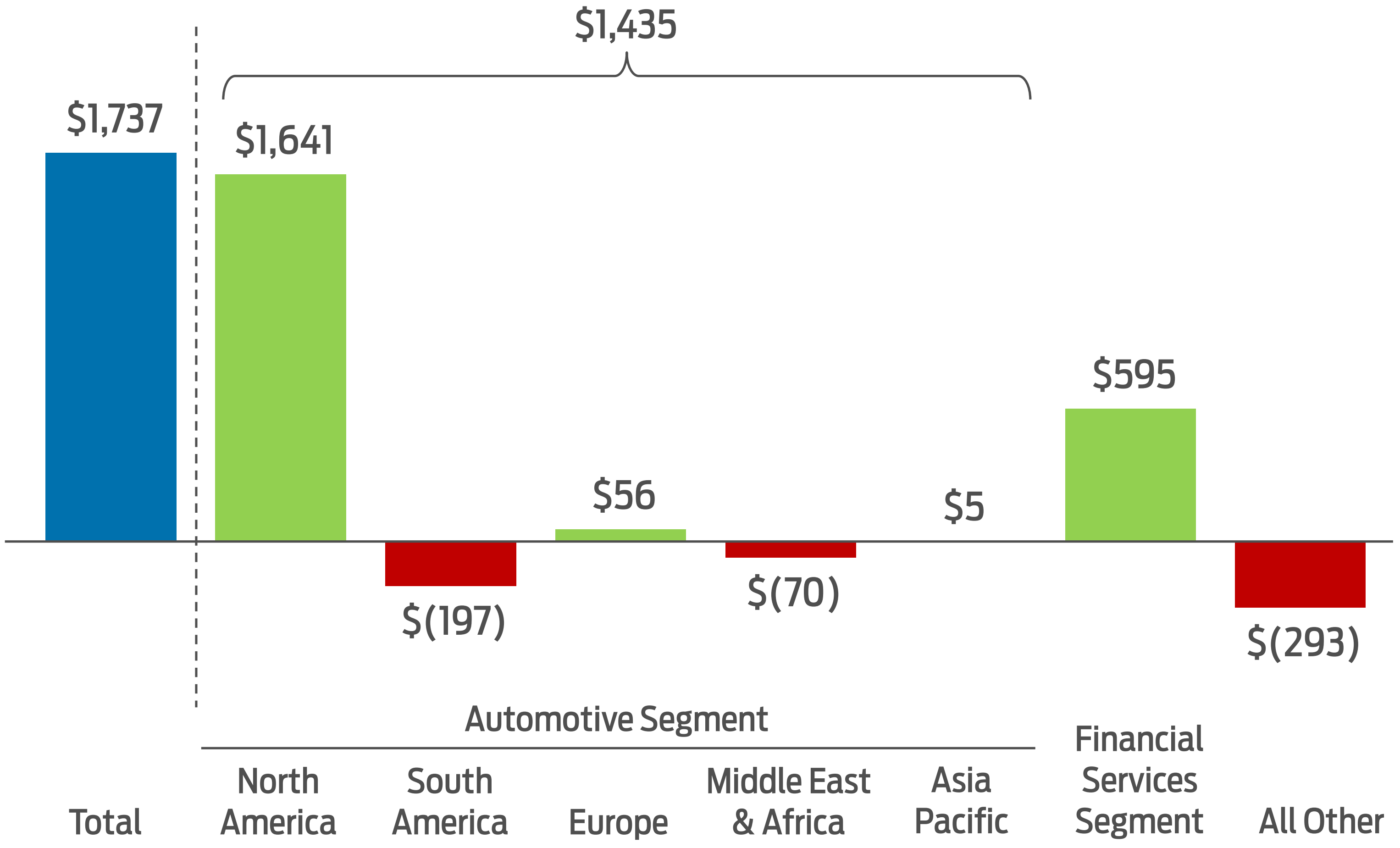
4Q and FY net income up significantly due to lower remeasurement loss on pension and OPEB plans and favorable tax planning

4Q adj. effective tax rate of 10% and FY at 15.3%, incl. favorable tax-planning effects

Operating cash flow higher in 4Q, but lower FY; liquidity strong; net cash at $10.6B

* See Appendix for detail, reconciliation to GAAP and definitions

Company
4Q 2017 Adjusted Pre-Tax Results* (Mils)



B / (W)	Total	North America	South America	Europe	Middle East & Africa	Asia Pacific	Financial Services Segment	All Other
4Q 2016	$(395)	$(315)	$96	$(110)	$1	$(279)	$211	$1

4Q Automotive segment PBT driven by NA

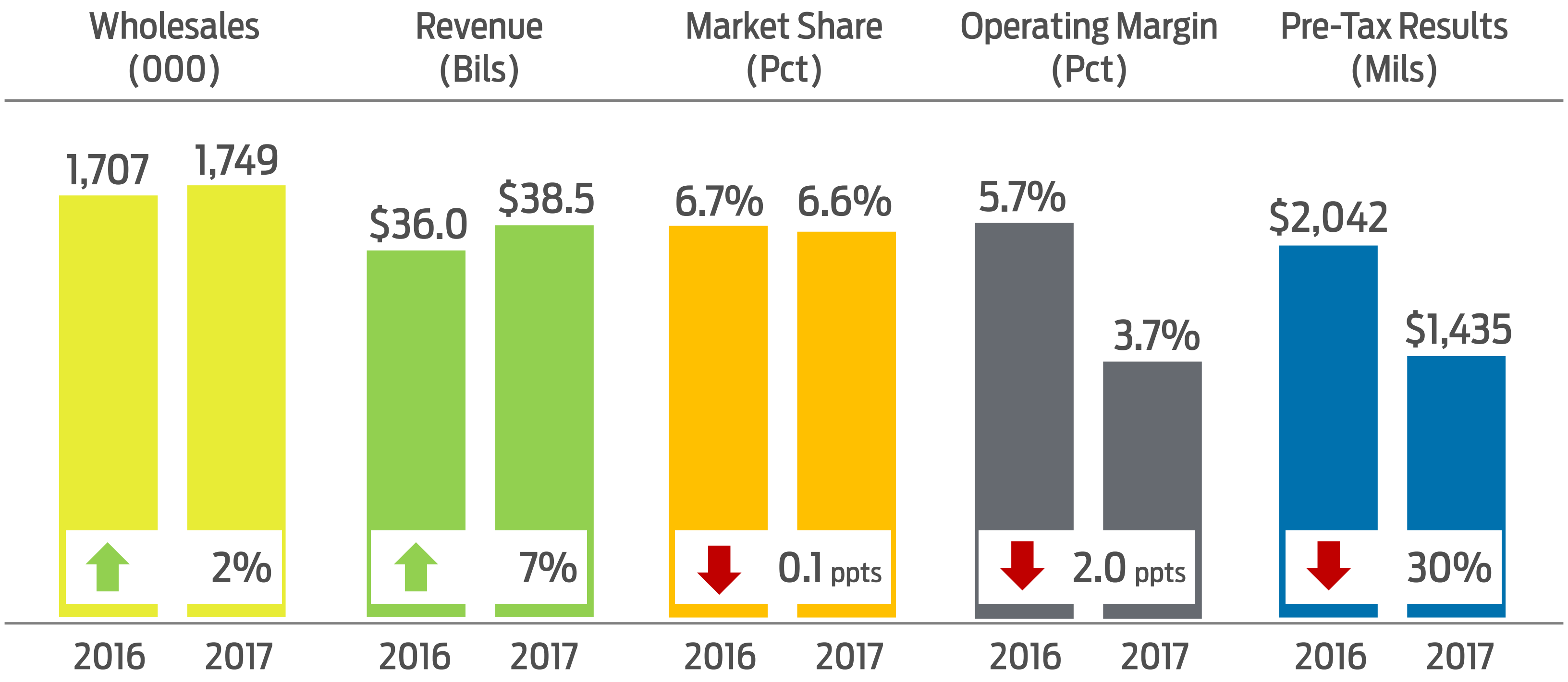
Auto operations outside NA a loss in total and down YoY

Strong Financial Services profit

All Other primarily net interest expense plus FSM LLC

* See Appendix for detail, reconciliation to GAAP and definitions

Automotive Segment
4Q 2017 Key Metrics



4Q Auto key metrics mixed from a year ago

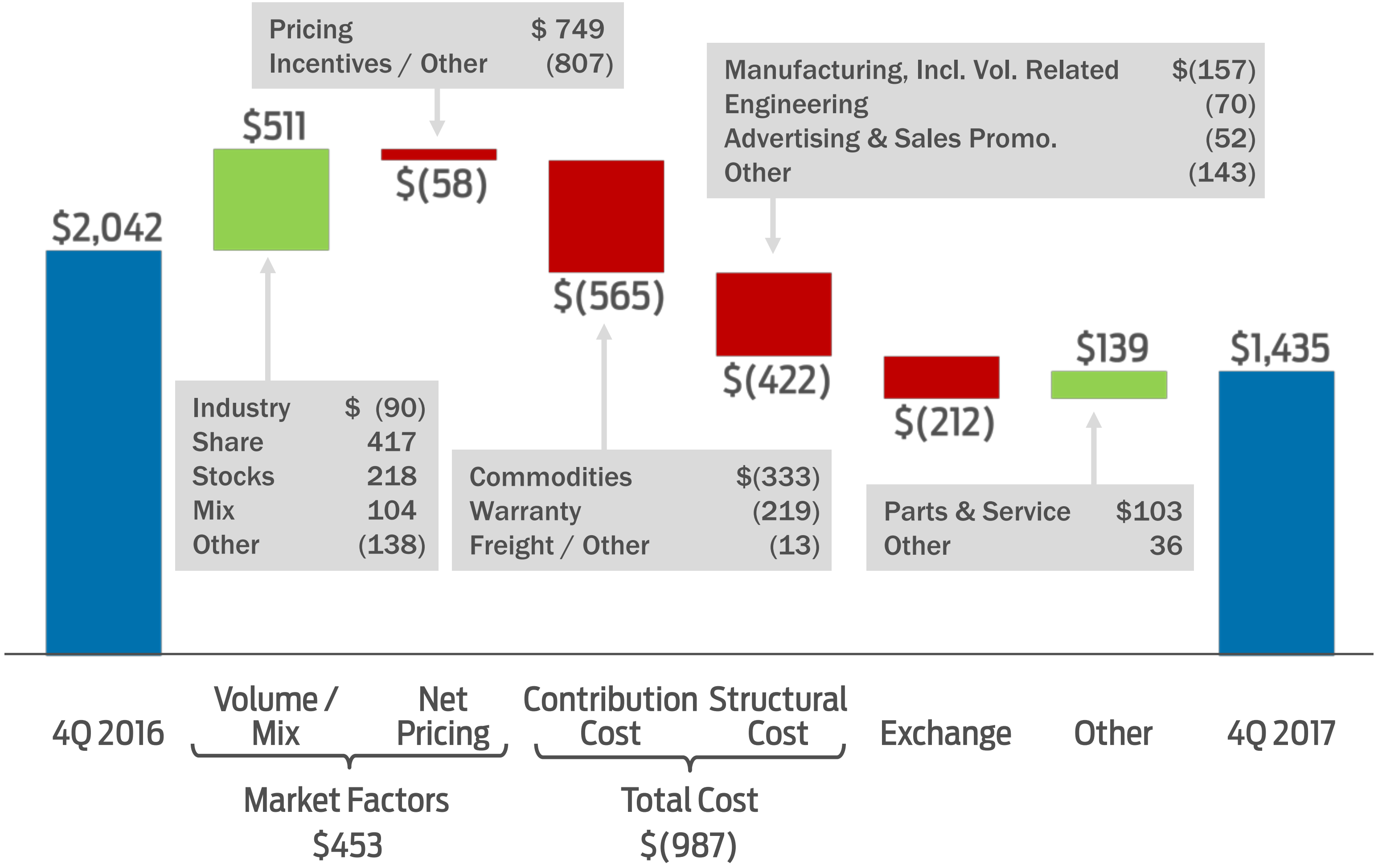
Top line up due mainly to higher volume from consolidated operations in all regions except MEA

Global SAAR about flat

Global market share lower – AP and MEA down; Europe flat; NA and SA up

Operating margin and PBT lower driven by NA, AP and Europe

Automotive Segment
4Q 2017 Pre-Tax Results (Mils)



4Q Auto PBT $607M lower YoY due mainly to higher commodities, adverse exchange and higher warranty cost

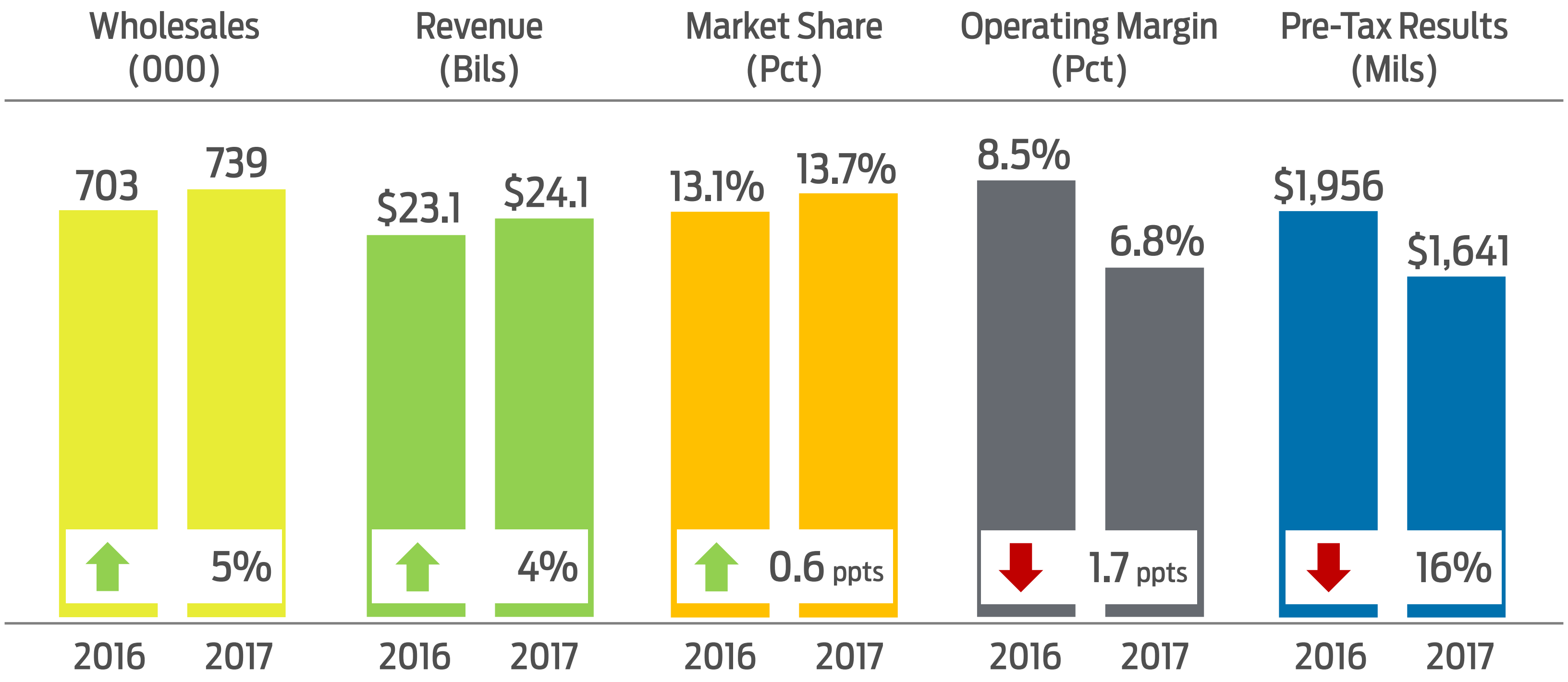
Commodities reflects continued adverse YoY trend since 4Q 2016, mainly due to metals

Warranty due to recalls in NA and Europe

Exchange driven by sterling and balance sheet revaluation

Favorable volume and mix driven by NA, mainly higher U.S. share

Automotive Segment – North America
4Q 2017 Key Metrics



FY:	3,019	2,967	$92.6	$93.5	13.9%	13.9%	9.7%	8.0%	$9,001	$7,511
		2%		1%		-- ppts		1.7 ppts		17%

4Q NA top-line metrics up YoY, including market share; financial metrics lower

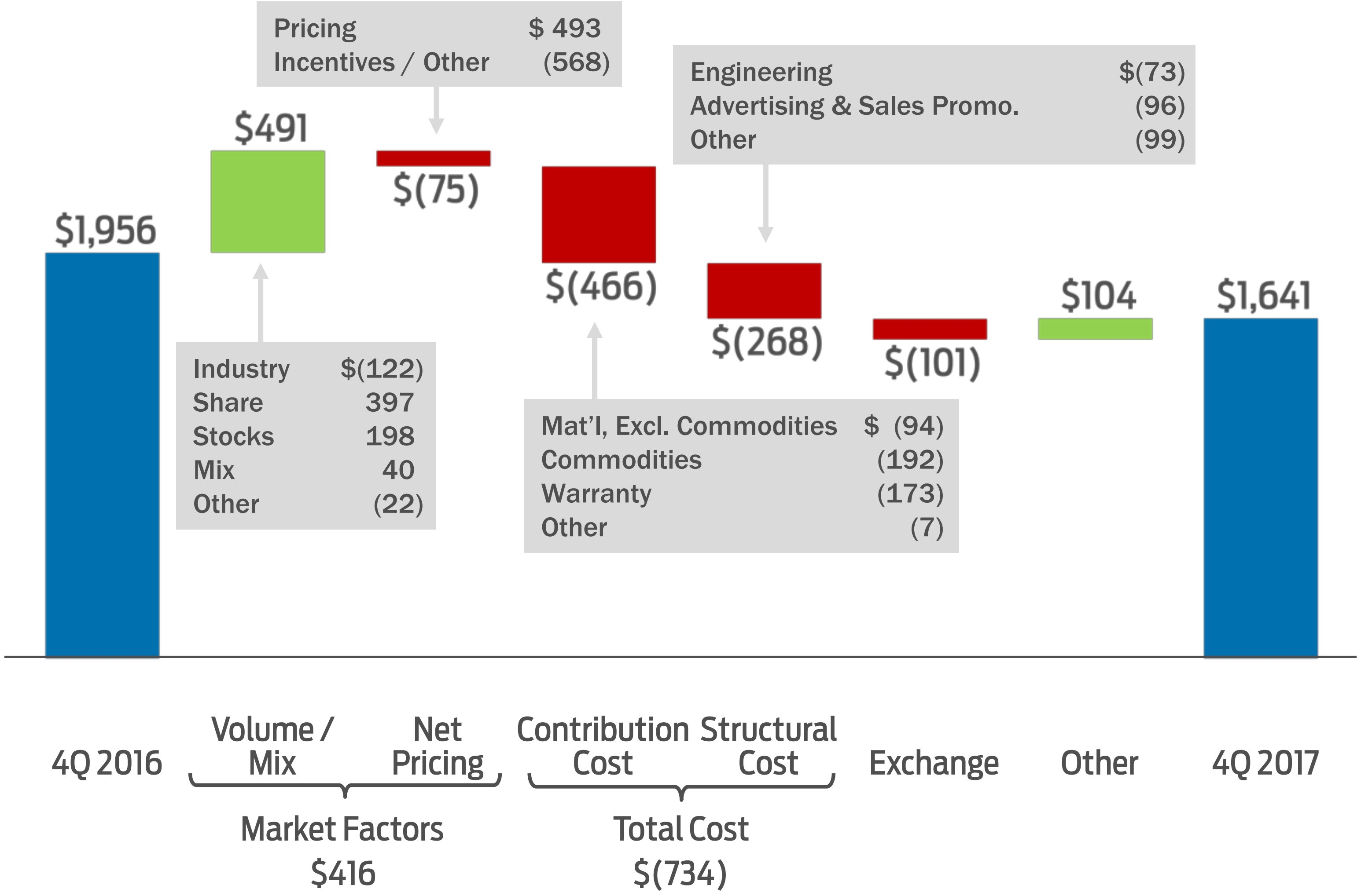
Volume up due to higher U.S. market share and favorable stock changes

Revenue up due to higher volume

NA SAAR down 0.5M units, driven by U.S. and Mexico

NA market share up due to U.S. – fleet and SUV retail share

Automotive Segment – North America
4Q 2017 Pre-Tax Results (Mils)



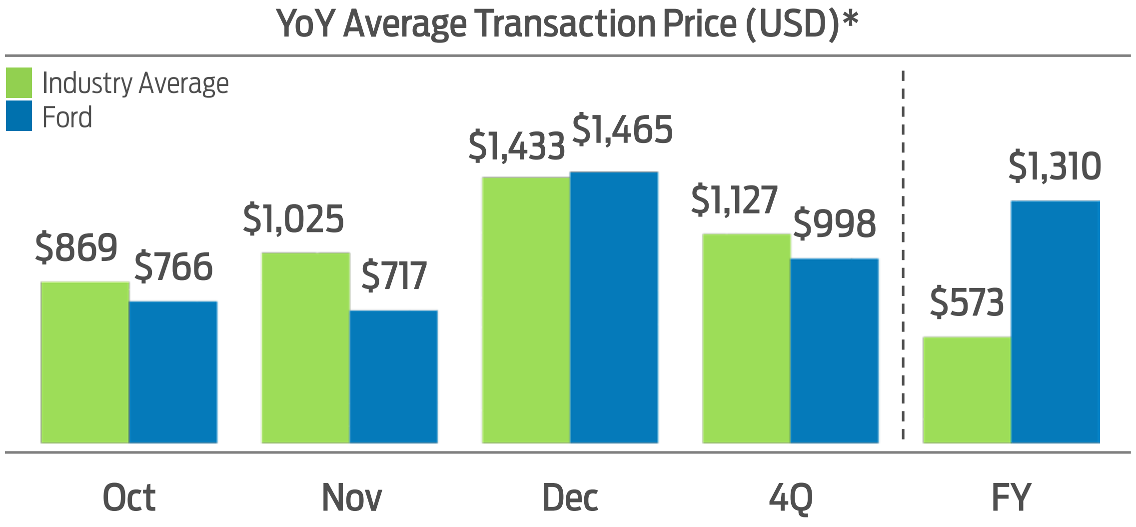
4Q NA PBT down $315M driven by Expedition / Navigator launch, higher commodities and warranty cost

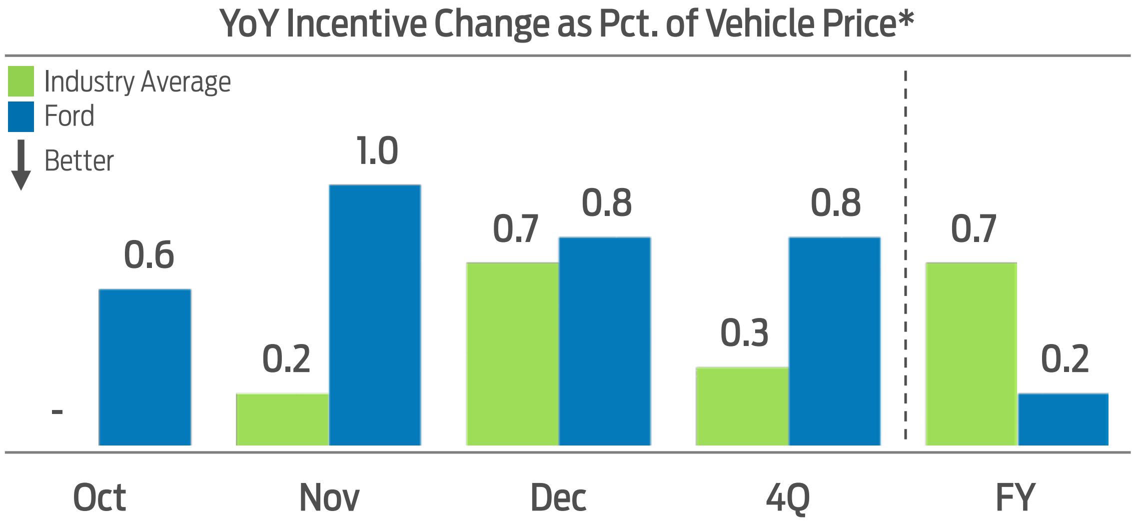
Expedition / Navigator launch effects include lower volume and launch-related costs

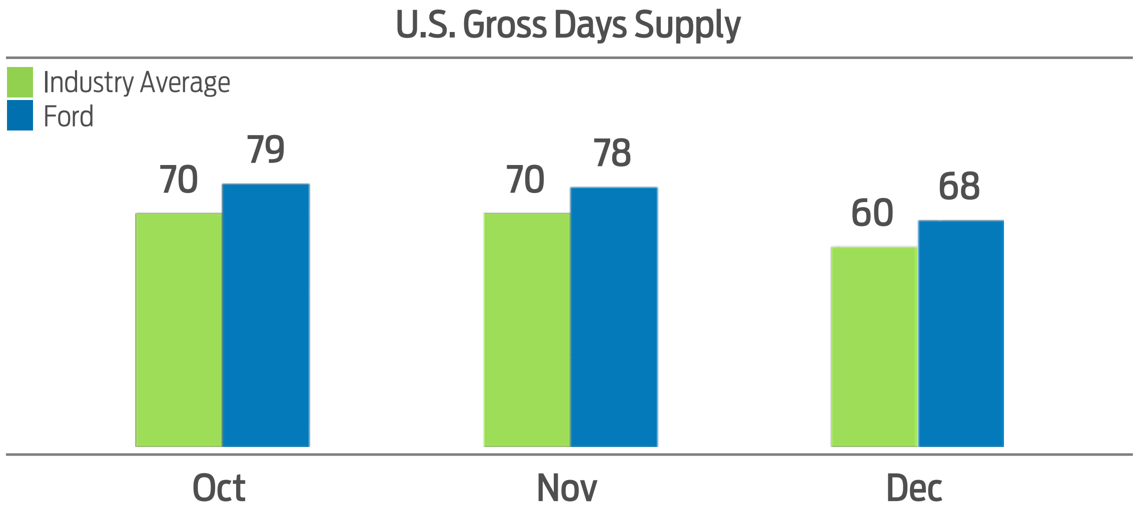
Commodities mainly reflect metals; warranty cost up due to recalls

Favorable volume and mix driven by higher U.S. market share and favorable dealer stock changes due to F-150 and EcoSport

Automotive Segment – North America
A Disciplined Approach To The U.S. Business







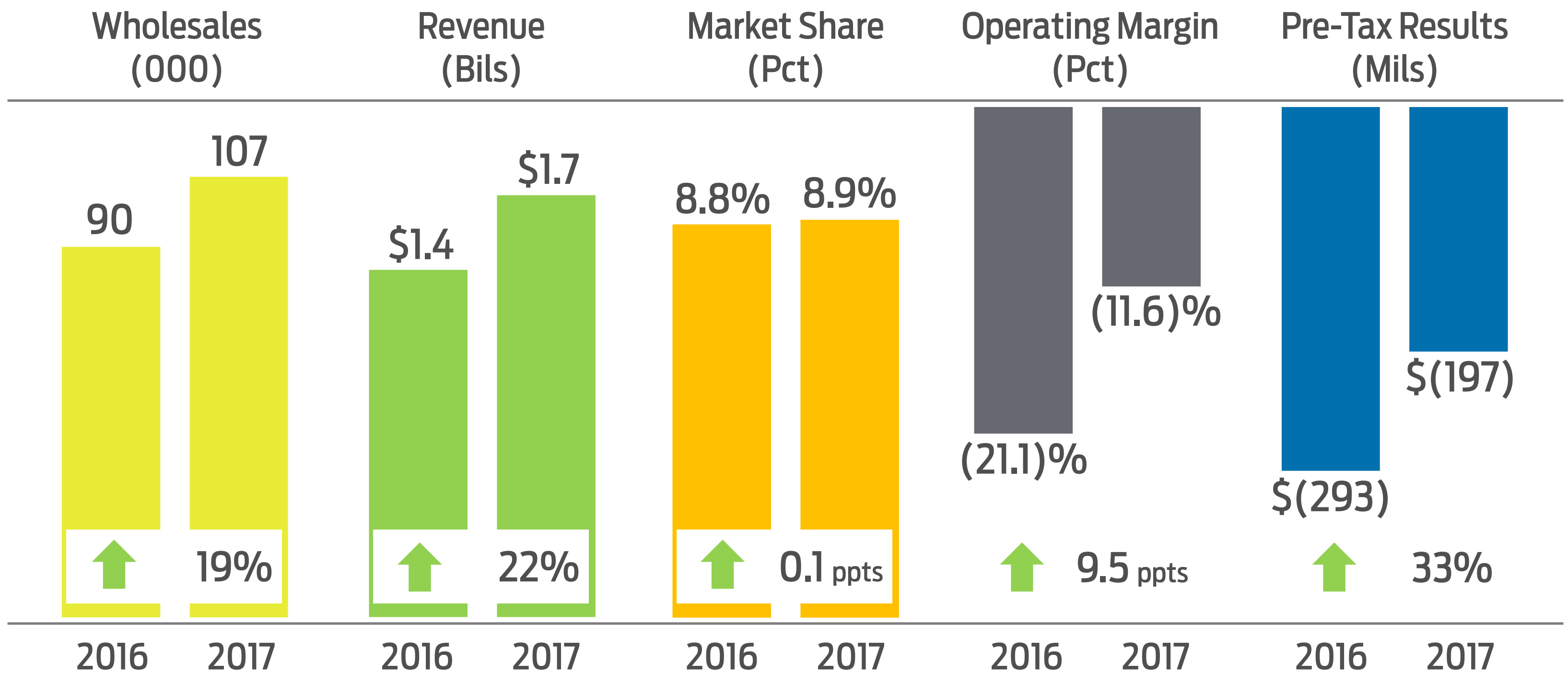
4Q Ford ATPs up, about the same as the industry average; FY ATPs rose more than 2X the industry due to F-Series

4Q Ford incentives, as a percent of vehicle price, up more than industry average, but Ford incentives in FY increased less than a third of industry's average

Ford U.S. stocks at healthy levels and days supply

* Source: J.D. Power PIN ISR data – cash / APR / lease (blended) transaction; industry data includes Ford

Automotive Segment – South America 4Q 2017 Key Metrics



FY:	325	373	$4.8	$5.8	8.8%	8.9%	(23.0)%	(13.4)%	$(1,109)	$(784)
	↑	15%	↑	21%	↑	0.1 ppts	↑	9.6 ppts	↑	29%

All 4Q SA key metrics up sharply YoY as macroeconomic conditions continue to improve

Volume higher due mainly to industry and favorable stock changes

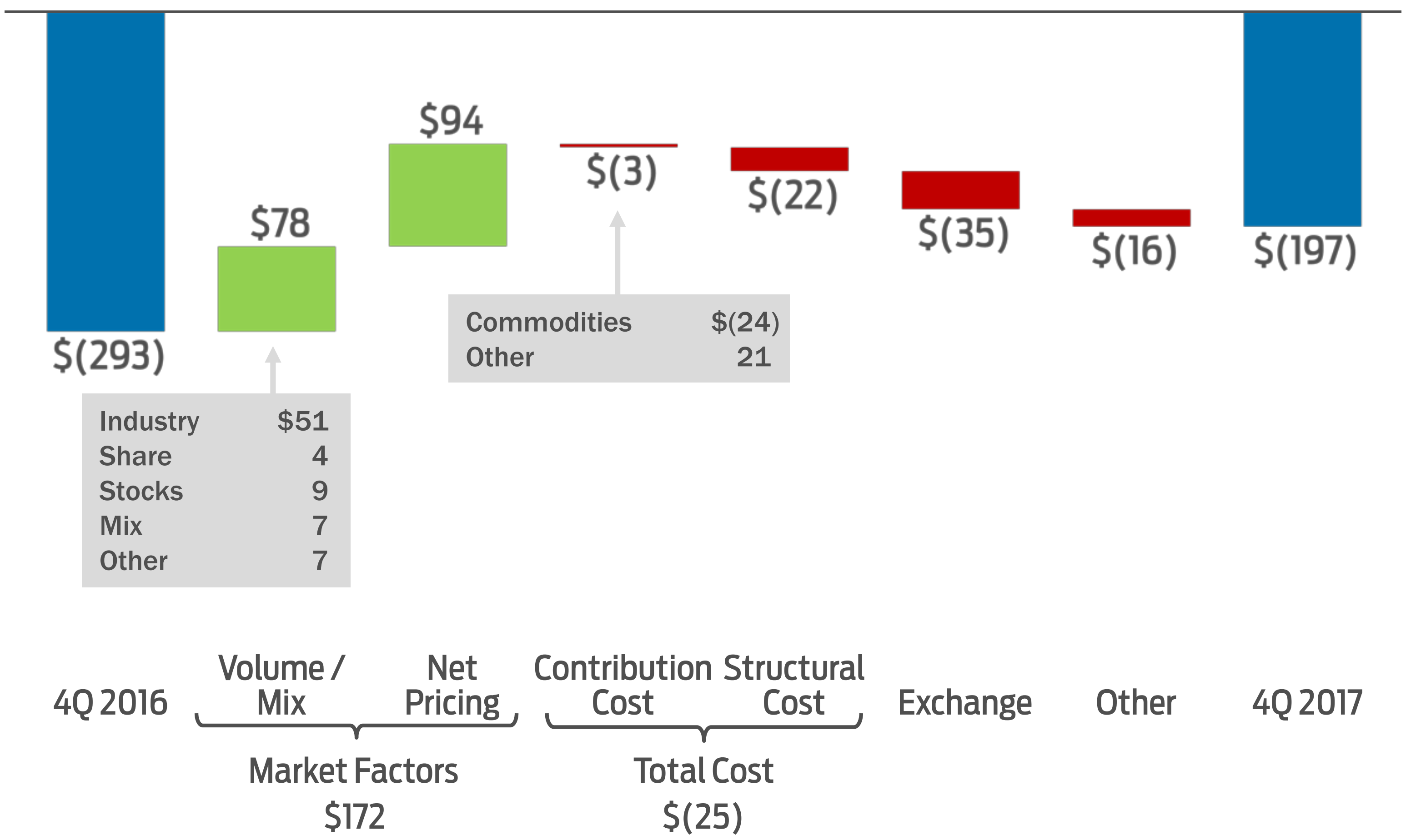
Revenue up double digits due to volume and pricing

SA SAAR up 13% with Brazil SAAR up YoY for 3rd consecutive quarter

Market share higher due to Ka in Brazil

5th consecutive quarter of improved financial metrics

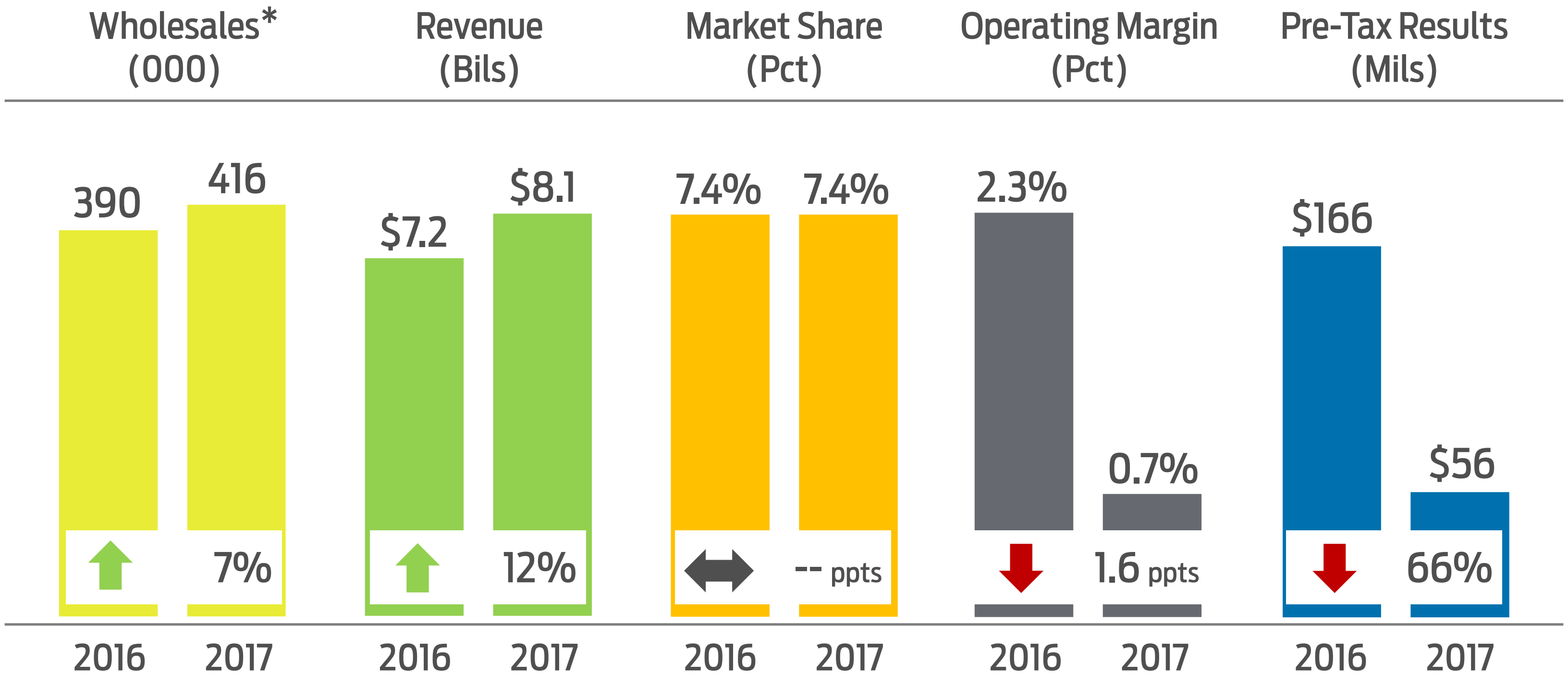
Automotive Segment – South America
4Q 2017 Pre-Tax Results (Mils)



4Q SA loss narrowed $96M due to favorable market factors

Relatively small unfavorable changes in other factors, mainly driven by local inflation and unfavorable exchange (primarily Argentine peso)

Automotive Segment – Europe
4Q 2017 Key Metrics



FY:	1,539	1,582	$28.5	$29.7	7.7%	7.5%	4.2%	0.8%	$1,205	$234
		3%		4%		0.2 ppts		3.4 ppts		81%

4Q Europe top-line metrics up YoY; financial metrics lower

Volume up mainly due to favorable stock changes

Higher revenue driven by favorable mix and higher volume and net pricing

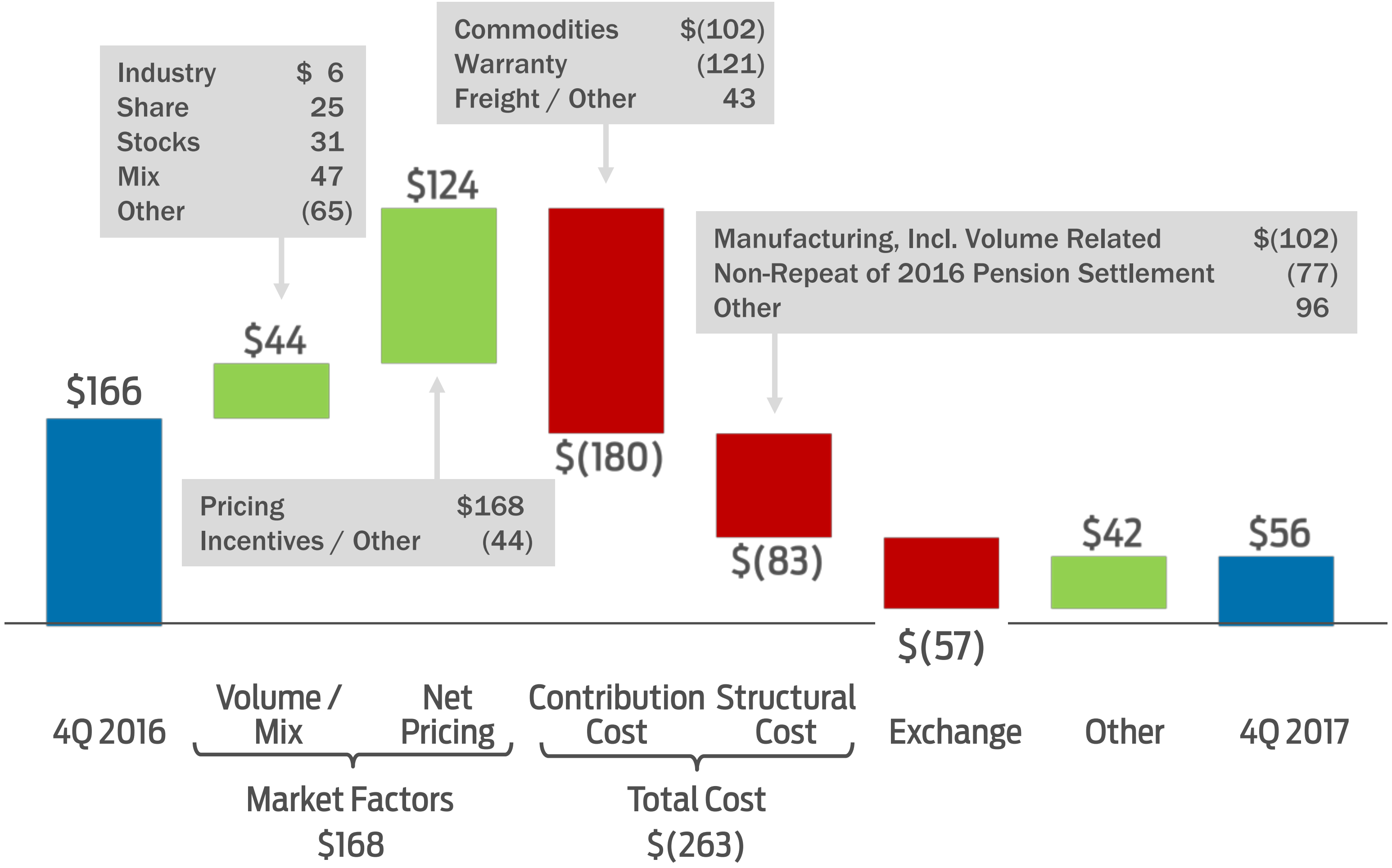
Europe SAAR up 3%, including strong improvement in Russia

Market share flat

Ford the best-selling commercial vehicle brand for the 6th consecutive quarter

* Includes Ford brand vehicles produced and sold by our unconsolidated affiliate in Turkey (about 28,000 units in 4Q 2016 and 29,000 units in 4Q 2017). Revenue does not include these sales.

Automotive Segment – Europe 4Q 2017 Pre-Tax Results (Mils)



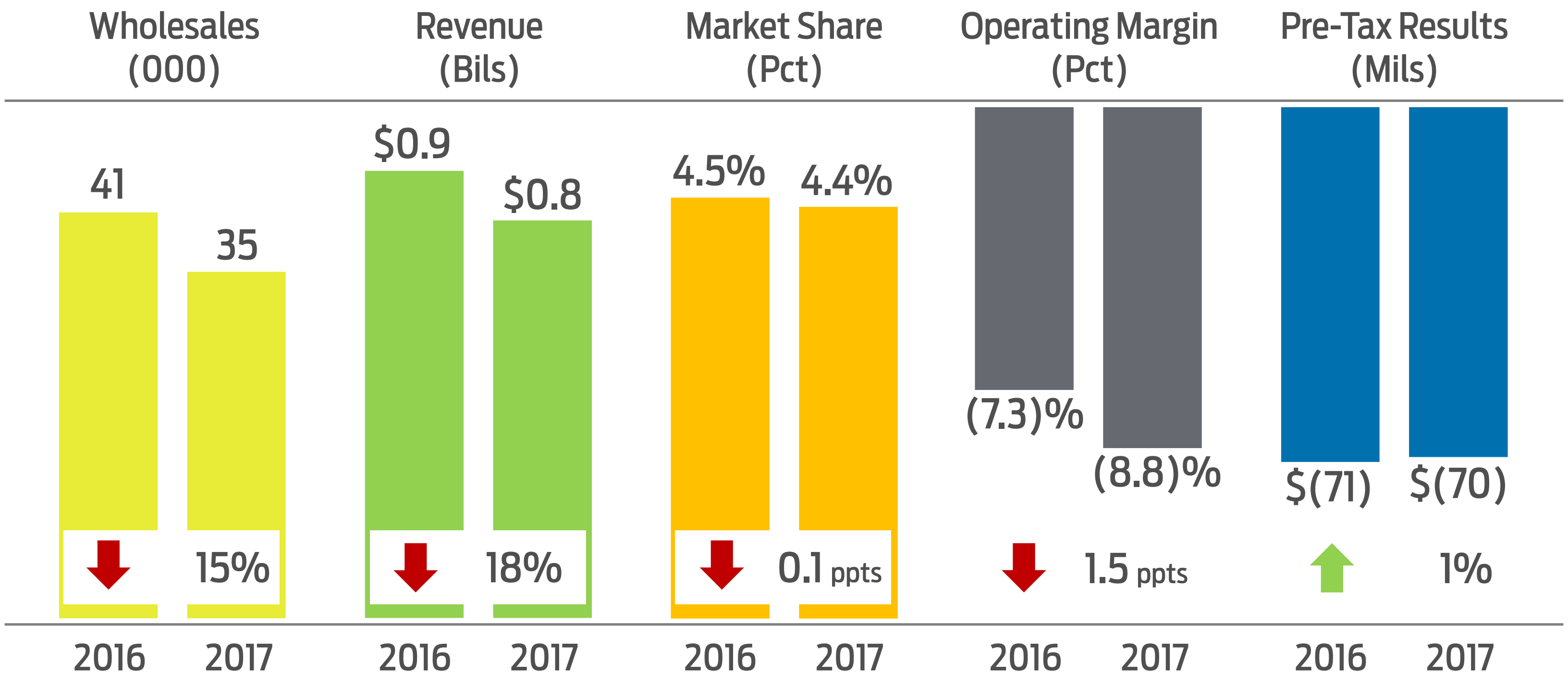
4Q Europe YoY PBT decline of $110M more than explained by Brexit effects, higher warranty cost and commodities

Brexit effects of about $130M driven by adverse exchange and lower U.K. industry. FY Brexit effects of about $600M in line with original guidance

Higher warranty cost due mainly to recalls

Russia results improved YoY again and near breakeven

Automotive Segment – Middle East & Africa 4Q 2017 Key Metrics



FY:	161	119	$3.6	$2.6	4.5%	3.9%	(8.3)%	(10.0)%	$(302)	$(263)
		26%		27%		0.6 ppts		1.7 ppts		13%

4Q MEA key metrics lower YoY except for a largely unchanged pre-tax loss

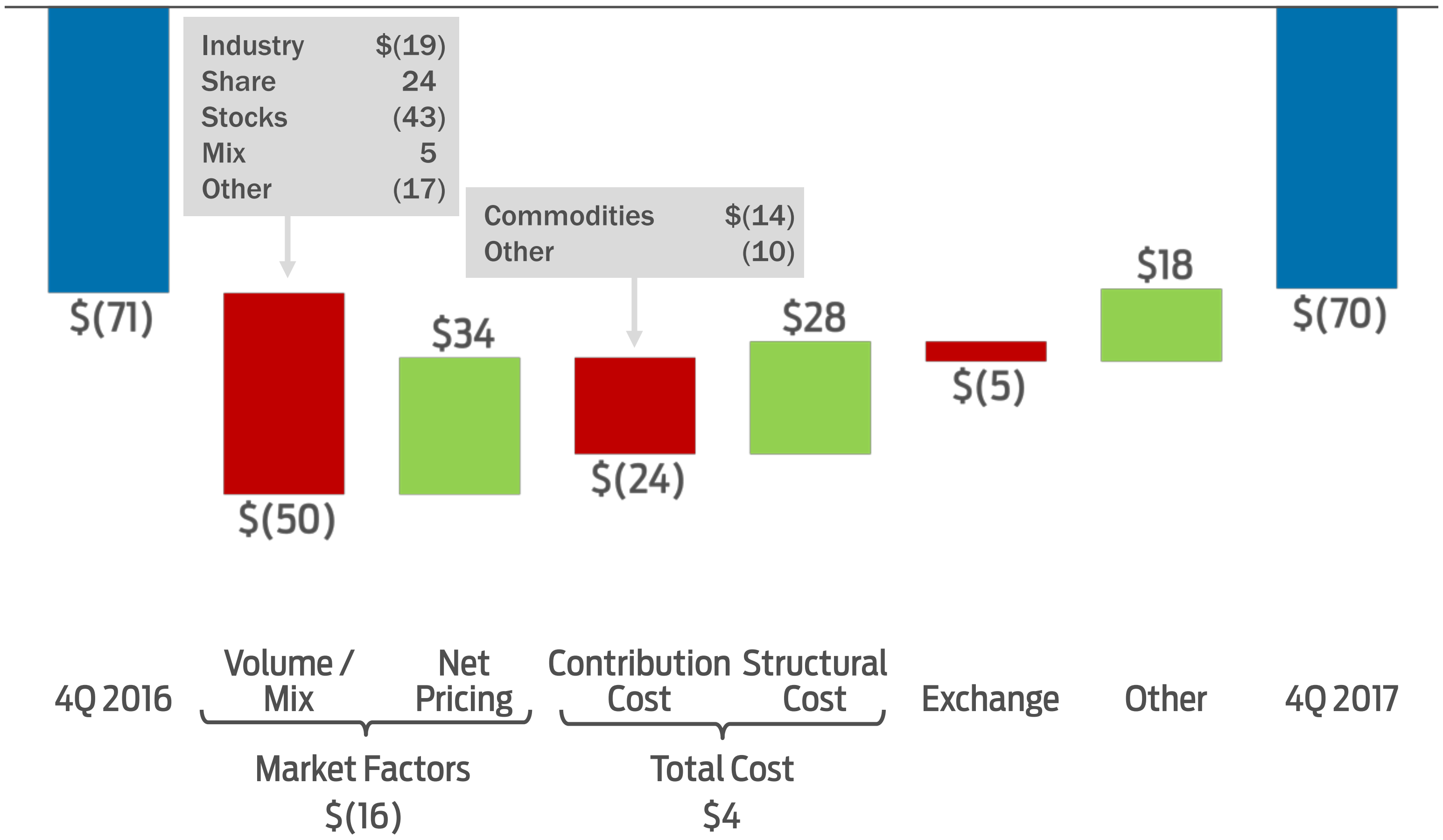
Volume lower due to unfavorable stock changes and lower industry

Revenue down due to lower industry volume

SAAR down 13% in markets where we participate

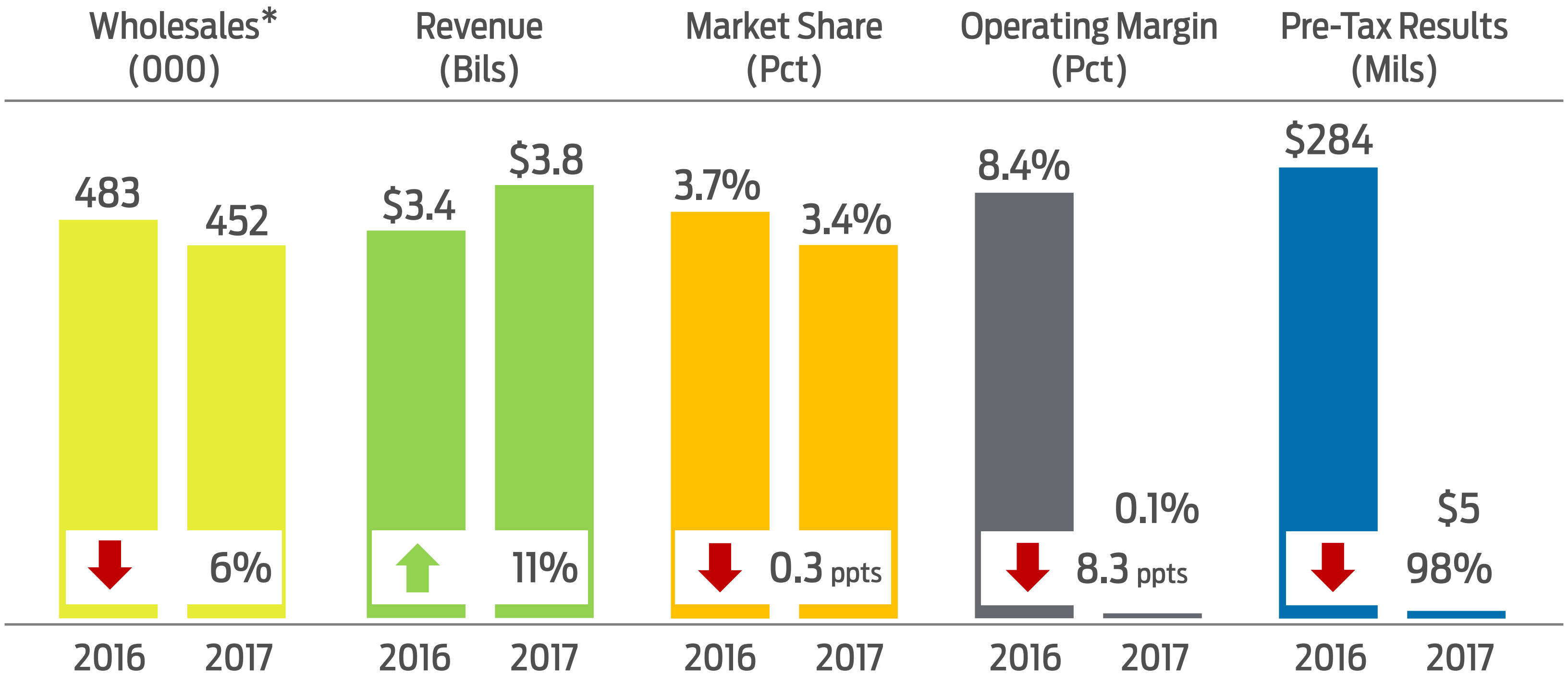
Market share lower due to unfavorable market mix; share improved in the Middle East

Automotive Segment – Middle East & Africa 4Q 2017 Pre-Tax Results (Mils)



4Q MEA loss about flat from a year ago with relatively minor changes across causal factors

Automotive Segment – Asia Pacific
4Q 2017 Key Metrics



FY:	1,607	1,566	$12.0	$14.1	3.7%	3.4%	5.2%	4.0%	$627	$561
	↓	3%	↑	17%	↓	0.3 ppts	↓	1.2 ppts	↓	11%

* Wholesales include Ford brand and Jiangling Motors Corporation (JMC) brand vehicles produced and sold in China by our unconsolidated affiliates (about 380,000 units in 4Q 2016 and 341,000 units in 4Q 2017). Revenue does not include these sales

4Q AP key metrics down YoY except revenue, with China the key driver for the unfavorable changes

Volume lower due to market share in China

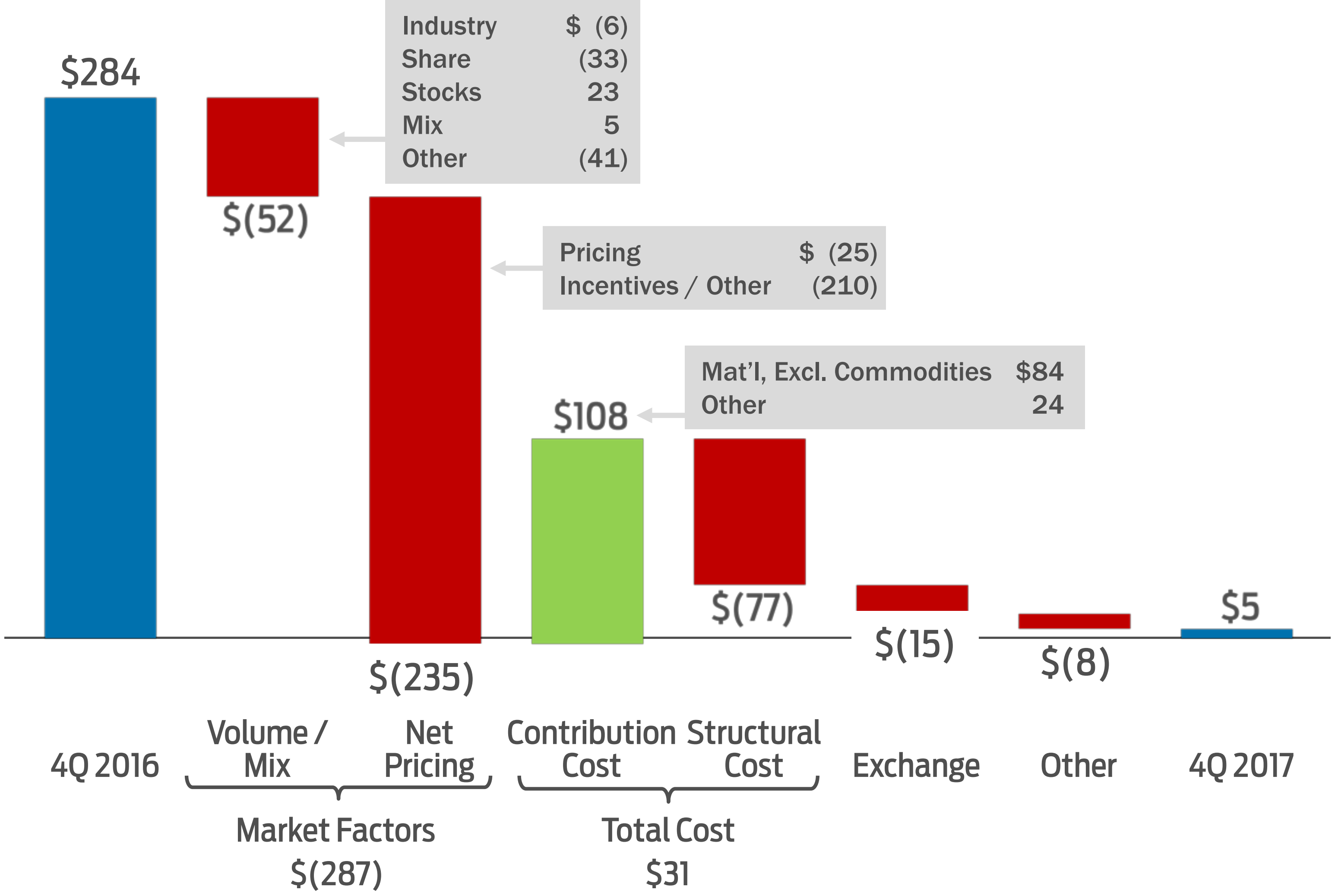
Revenue up due to higher volume in consolidated markets, including Lincoln (in China) and ASEAN

AP SAAR up 0.4M units with China SAAR down 0.2M units

Market share lower due to market performance in China

4Q China JVs net income at $206M, down $174M; margin at 8.3%, down 4.5 ppts due to negative industry pricing and lower volume

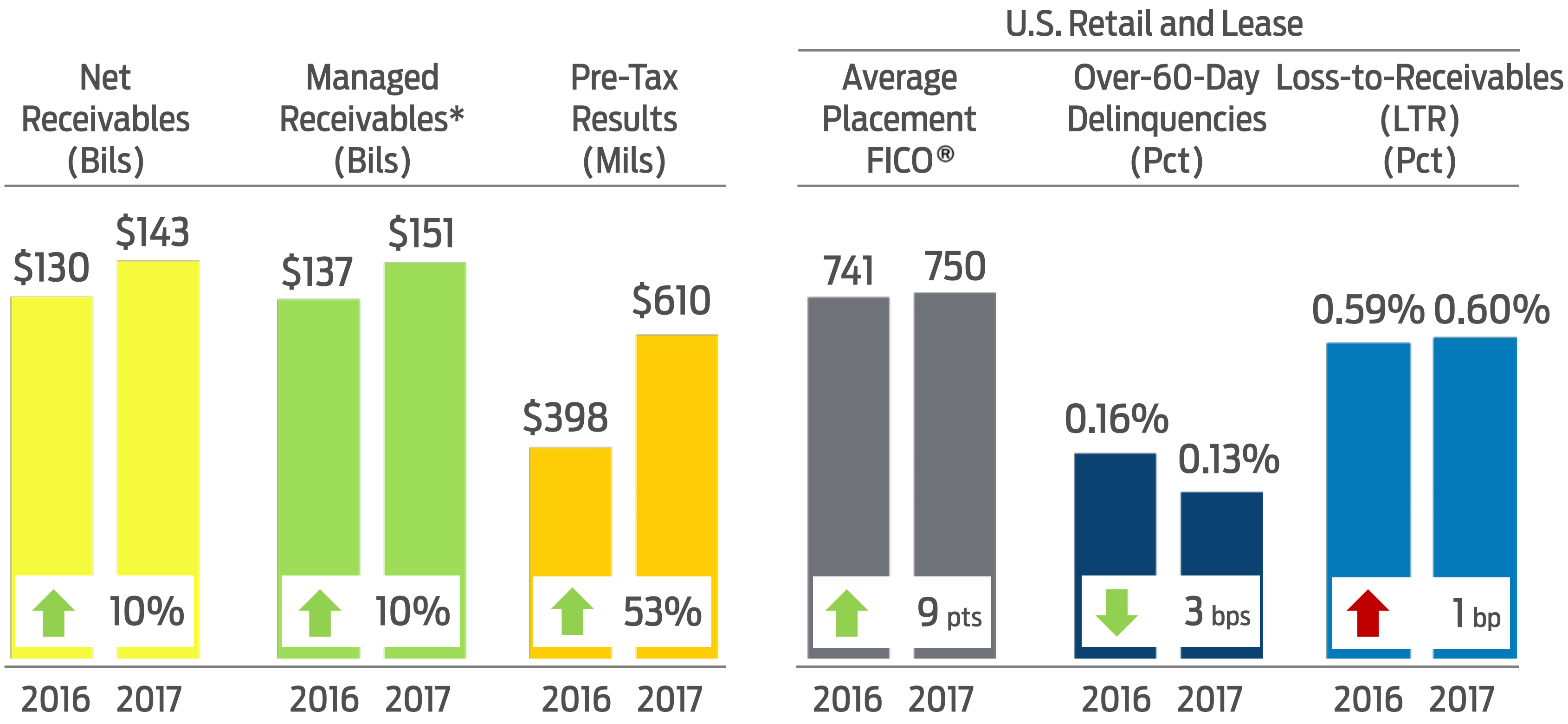
Automotive Segment – Asia Pacific
4Q 2017 Pre-Tax Results (Mils)



4Q AP PBT YoY decline of $279M due to China factors -- lower industry pricing and volume

Fourth consecutive quarter of favorable cost performance driven by material cost reductions and lower warranty cost

Financial Services Segment – Ford Credit 4Q 2017 Key Metrics



FY:	$1,879	$2,310	739	746	0.15%	0.14%	0.47%	0.53%
		23%		7 pts		1 bp		6 bps

Strong 4Q PBT up sharply YoY

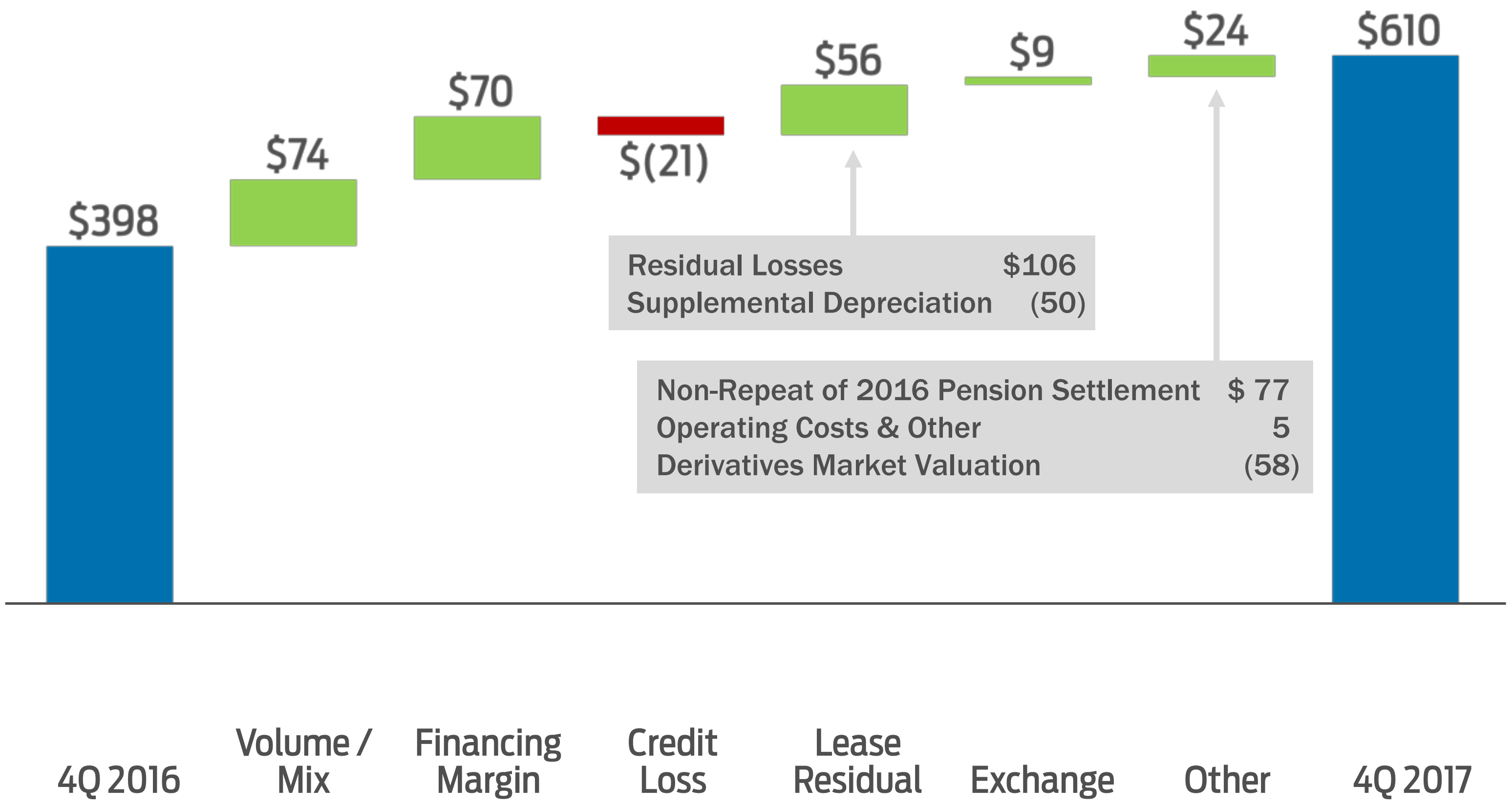
Receivables grew globally, led by retail financing in all regions

Business and portfolio continue to perform well

U.S. consumer credit metrics healthy with improved delinquencies in 4Q

* See Appendix for reconciliation to GAAP

Financial Services Segment – Ford Credit
4Q 2017 Pre-Tax Results (Mils)



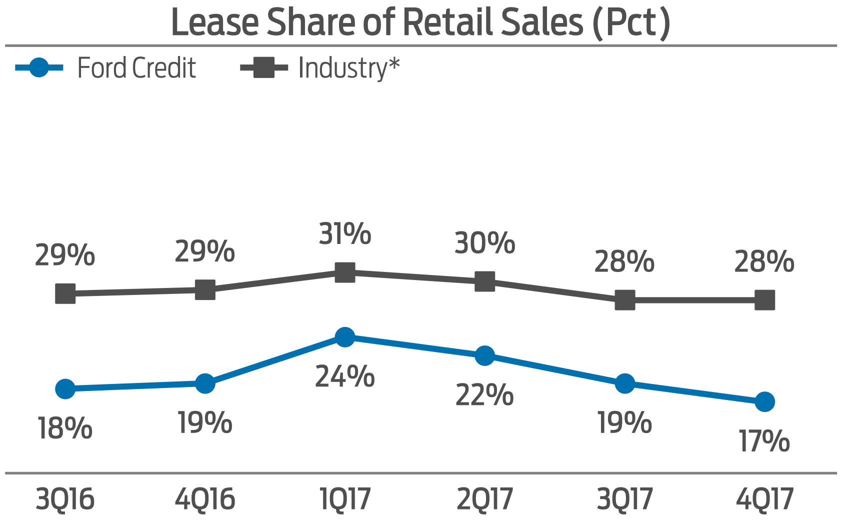
4Q Ford Credit PBT YoY improvement of $212M broad-based as all factors favorable except credit losses

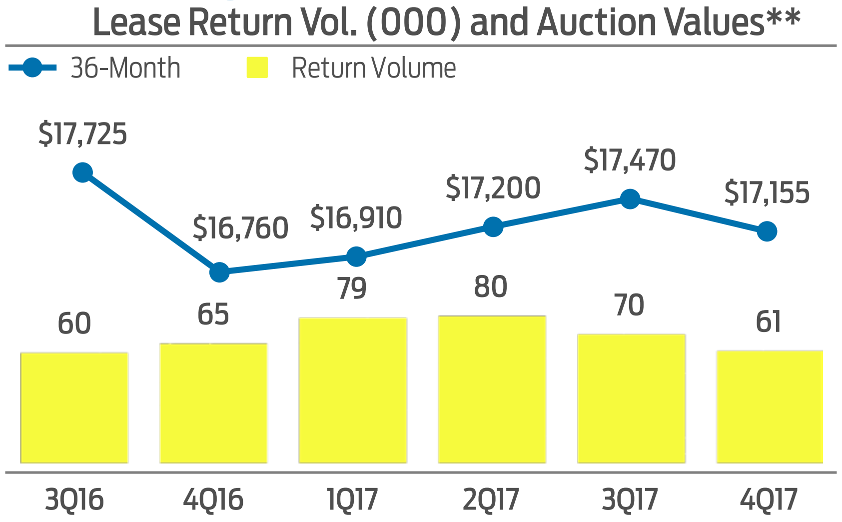
Volume and mix gain due to global receivables growth

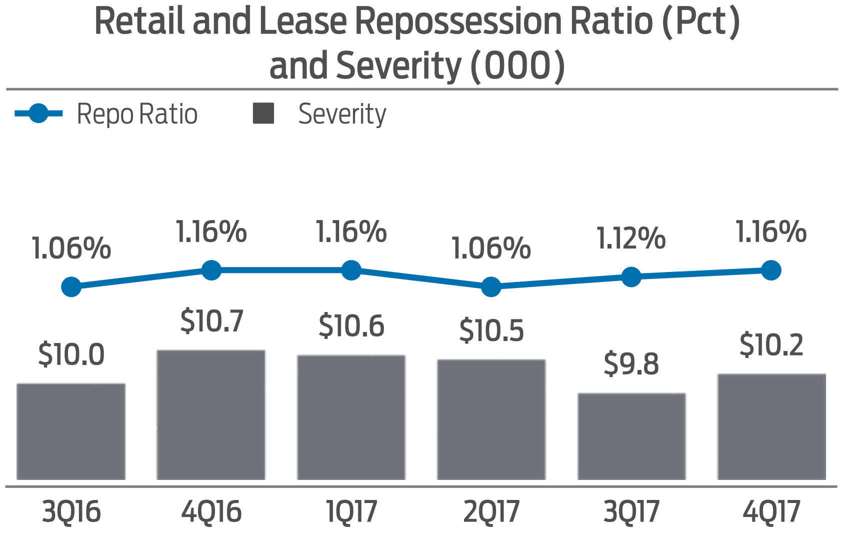
Higher auction values YoY drove lease residual improvement

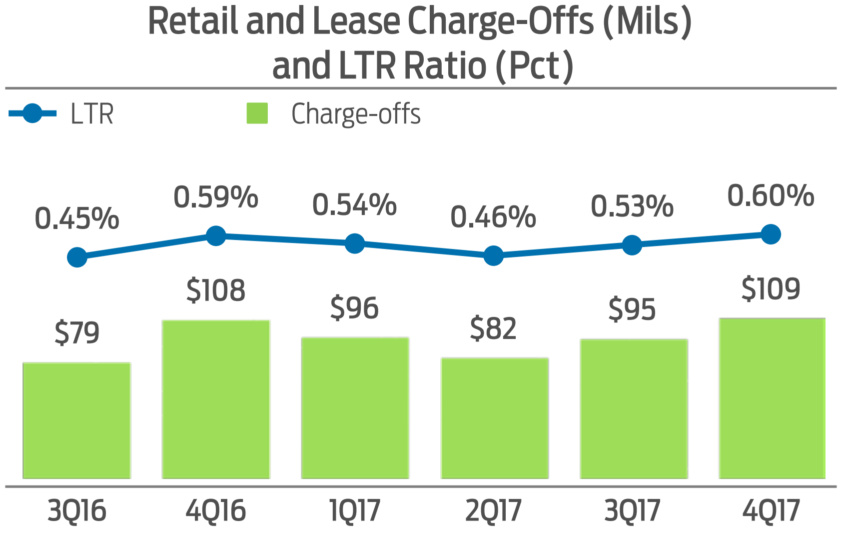
Pension improvement reflects non-repeat of 2016 Ford Credit Europe plan settlement (fully offset in Europe Automotive)

Financial Services Segment – Ford Credit U.S. Automotive Financing Trends









Prudent management of lease mix

Higher auction values YoY supported lease residual and credit loss performance

Continue to plan for lower auction values – about 4% at constant mix in 2018

Strong loss metrics reflect healthy consumer credit conditions

* Source: JD Power PIN
** At 4Q 2017 mix

Automotive Segment Cash Flow

(Bils)	4Q 2017	FY 2017
Cash at end of period	$ 26.5	$ 26.5
Cash at beginning of period	26.1	27.5
Change in cash	$ 0.4	$ (1.0)
Automotive segment pre-tax profits	$ 1.4	$ 7.3
Capital spending	(2.1)	(7.0)
Depreciation and tooling amortization	1.3	5.0
Changes in working capital	0.8	-
All other and timing differences	0.9	(1.4)
Automotive operating cash flow	$ 2.3	$ 3.9
Separation payments	(0.2)	(0.3)
Transactions with other segments	(0.1)	0.2
Other, including acquisitions and divestitures	(0.1)	(0.3)
Cash flow before other actions	$ 1.9	$ 3.5
Changes in debt	(0.2)	(0.4)
Funded pension contributions	(0.7)	(1.4)
Shareholder distributions	(0.6)	(2.7)
Change in cash	$ 0.4	$ (1.0)

Positive 4Q operating cash flow driven by Automotive profit, favorable working capital and timing / other changes

FY capital spending at $7.0B

FY funded pension contributions of $1.4B

FY shareholder distributions of $2.7B

Balance Sheet Summary

(Bils)	2016 Dec 31	2017 Dec 31
Automotive Segment		
Cash, cash equivalents and marketable securities	$ 27.5	$ 26.5
Available credit lines*	10.8	10.9
Total liquidity	$ 38.3	$ 37.4
Debt	$ 15.9	$ 15.9
Cash net of debt	11.6	10.6
Ford Credit		
Managed receivables**	$ 137	$ 151
Debt	126	138
Liquidity	27	30
Managed leverage** (to 1)	9.2	8.0
Total Company Period End Balance Sheet Underfunded Status		
U.S. pension	$ 3.8	$ 2.2
Non-U.S. pension	5.1	4.4
Total global pension	$ 8.9	$ 6.6
Total unfunded OPEB	$ 5.9	$ 6.2

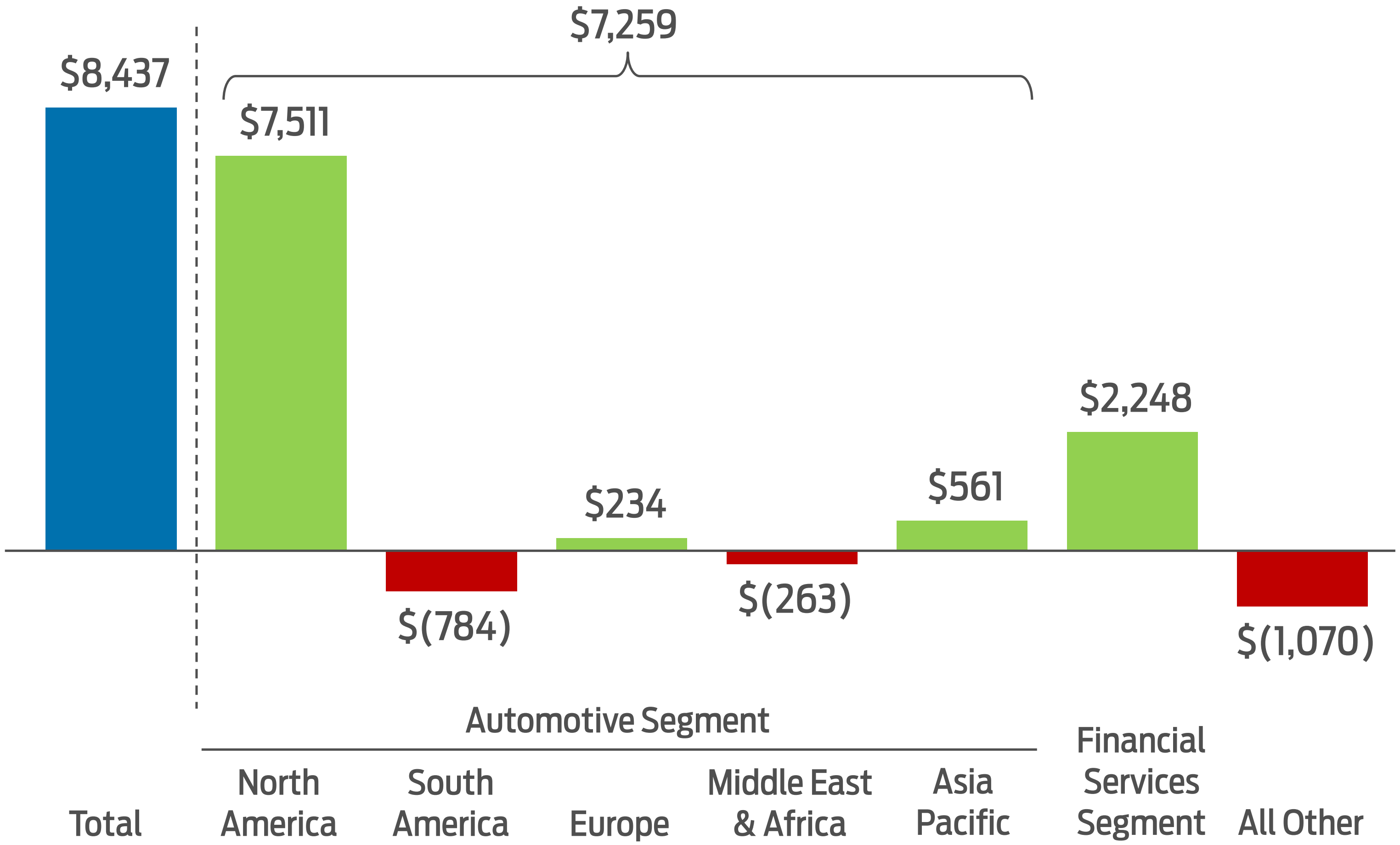
Auto cash and liquidity balances strong

Ford Credit well capitalized with strong liquidity. Managed leverage at low end of target range due to U.S. tax reform effects

Global funded pension plans now fully funded

* Total available committed Automotive credit lines (including local lines available to foreign affiliates)
** See Appendix for detail, reconciliation to GAAP and definitions

Company
FY 2017 Adjusted Pre-Tax Results* (Mils)



	Total	North America	South America	Europe	Middle East & Africa	Asia Pacific	Financial Services Segment	All Other
B / (W) FY 2016	$(1,938)	$(1,490)	$325	$(971)	$39	$(66)	$428	$(203)

FY Automotive segment PBT driven by NA

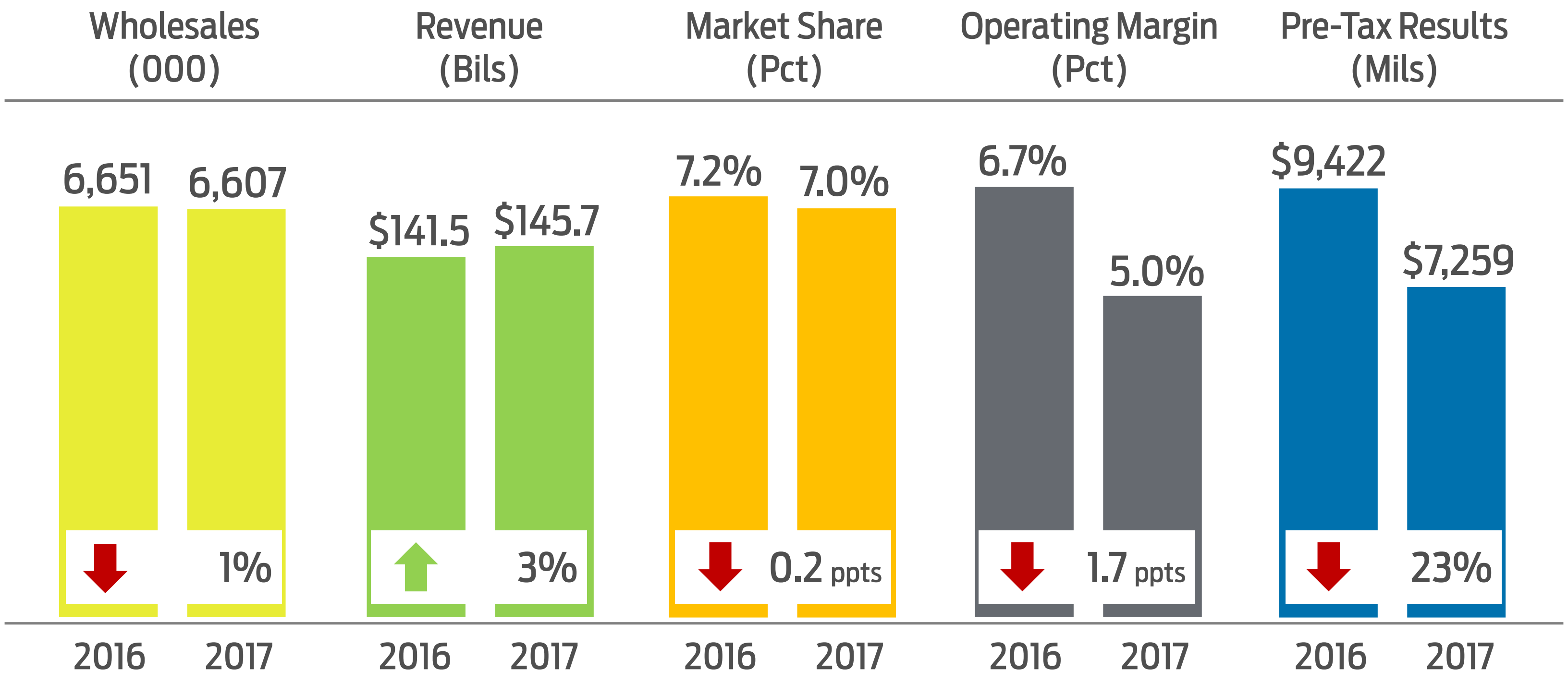
Auto operations outside NA a loss in total and down YoY, driven largely by expected Brexit effects in Europe

Strong Financial Services profit

All Other primarily net interest expense plus FSM LLC

* See Appendix for detail, reconciliation to GAAP and definitions

Automotive Segment
FY 2017 Key Metrics



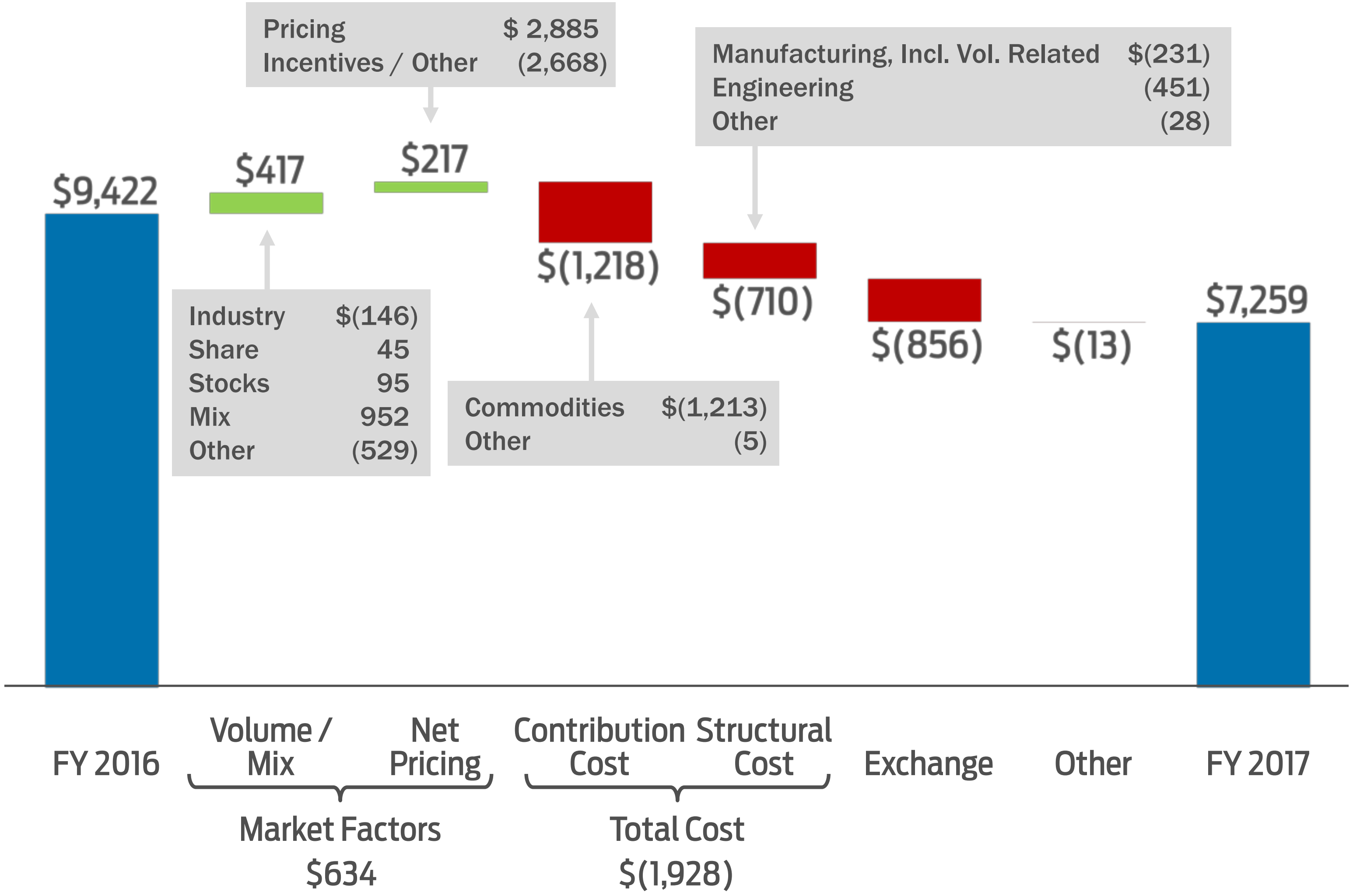
FY wholesales about flat; revenue up 3% due to favorable mix and higher volume from consolidated operations and net pricing

Global industry up 2% due to AP, Europe and SA

Global market share down due to AP, Europe and MEA; NA flat; SA improved

Auto PBT and operating margin lower than last year

Automotive Segment
FY 2017 Pre-Tax Results (Mils)



FY Auto PBT $2.2B lower than 2016 due to higher commodities and adverse exchange; all other factors about offset

Higher commodities driven by metals, mainly steel

Most of adverse exchange caused by Brexit effects of about $600M, along with Canadian dollar, Chinese RMB and Argentine peso

Favorable market factors driven by improved mix in all regions except SA and higher net pricing except in AP (China)

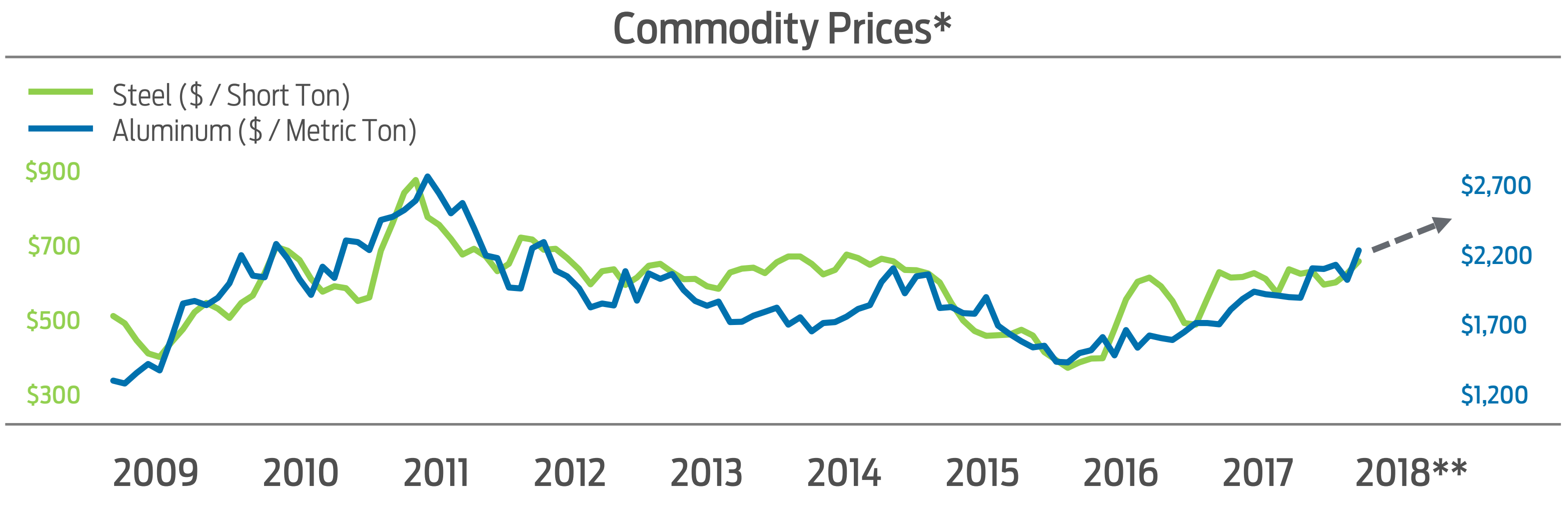
Major External Factors Assumptions

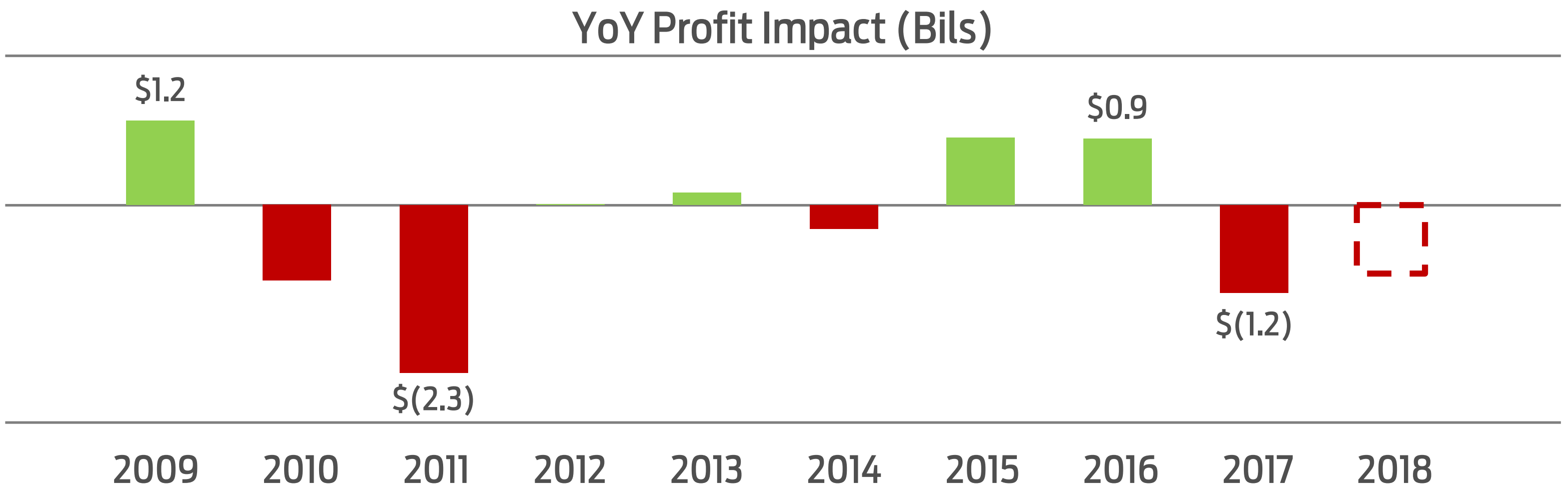
	2017 Est.	2018	Change
Industry Volume (Mils.)			
Global	94.9	~97	Higher
U.S.	17.5	Low 17s	Slightly Lower
Brazil	2.2	Mid 2s	Higher
Europe	20.9	Low 21s	Slightly Higher
China*	28.2	Mid 28s	Slightly Higher
Key Commodities			⬇ Unfavorable
Key Currencies			⬇ Unfavorable

For 2018, We Expect External Factors To Be Mixed

* Total industry based on data provided by the Chinese Insurance Information Technology Co. (CIITC)

Ford's Commodity Costs Generally Move In-Line With Market Prices





Annual buy of about $10B; steel and aluminum roughly two-thirds

Benefited in 2015 and 2016 YoY from falling prices as commodities hit cyclical lows

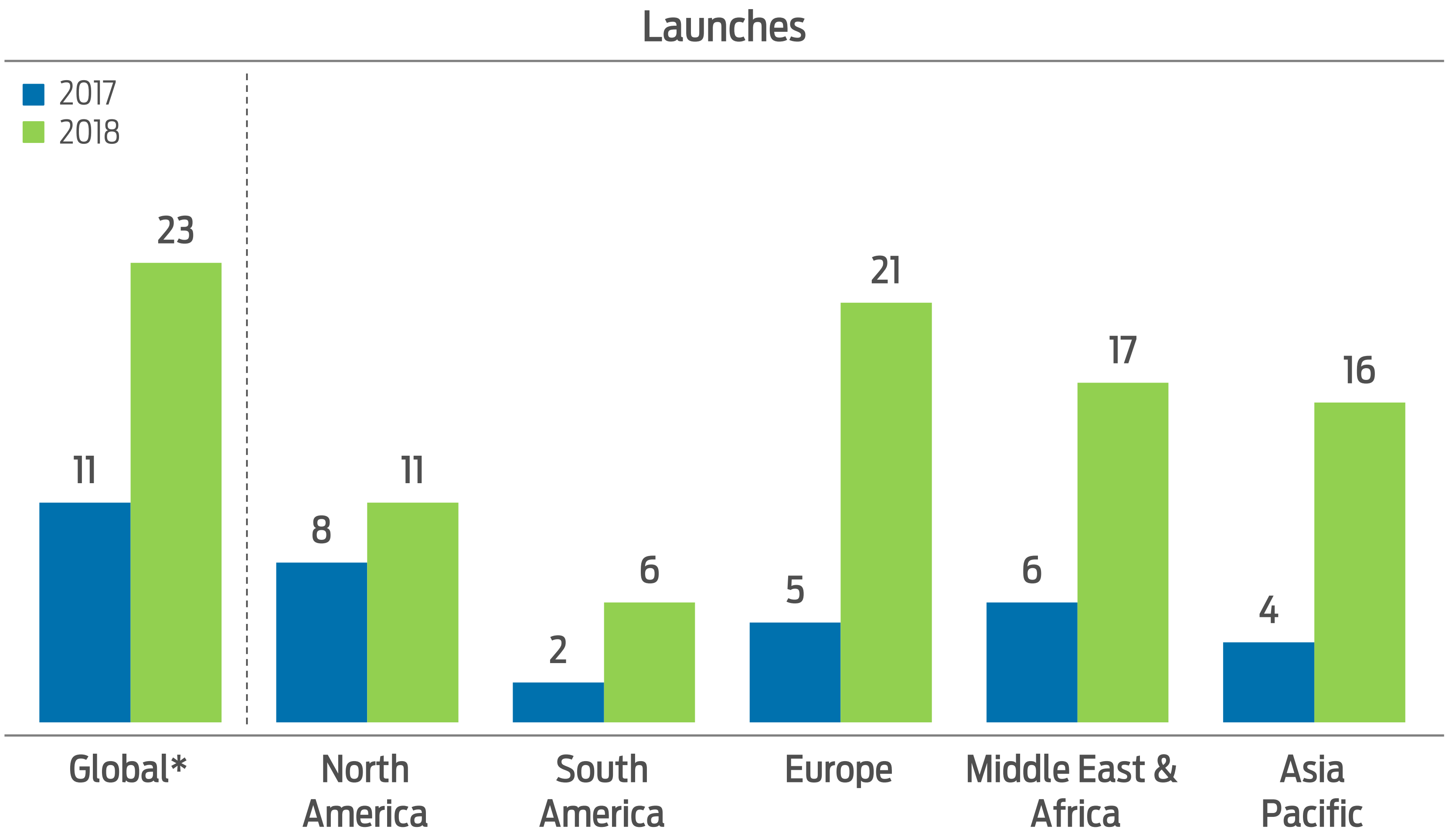
Market pricing began to climb in late 2016

2018 prices – further increase, consistent with market dynamics

About one-third of 2018 exposure is fixed through contracts and hedges; remainder indexed

* Source: Bloomberg; ticker symbols: HRC2 (Steel) and LOAHDY (Aluminum)
** Ford forecast

Robust Increase In Product Launches In 2018



Reflects benefits of investment in 2016 and 2017

Fresh products drive improved pricing and mix

* Global launches do not equal the sum of the regional launches

2018 Full Year Guidance

Company Revenue	Flat To Modestly Higher Than 2017
Adjusted EPS*	$1.45 - $1.70
Company Operating Cash Flow*	Positive But Lower Than 2017

Automotive
Flat To Lower Profit

Pension Contributions
About $500M

Mobility
Higher Loss

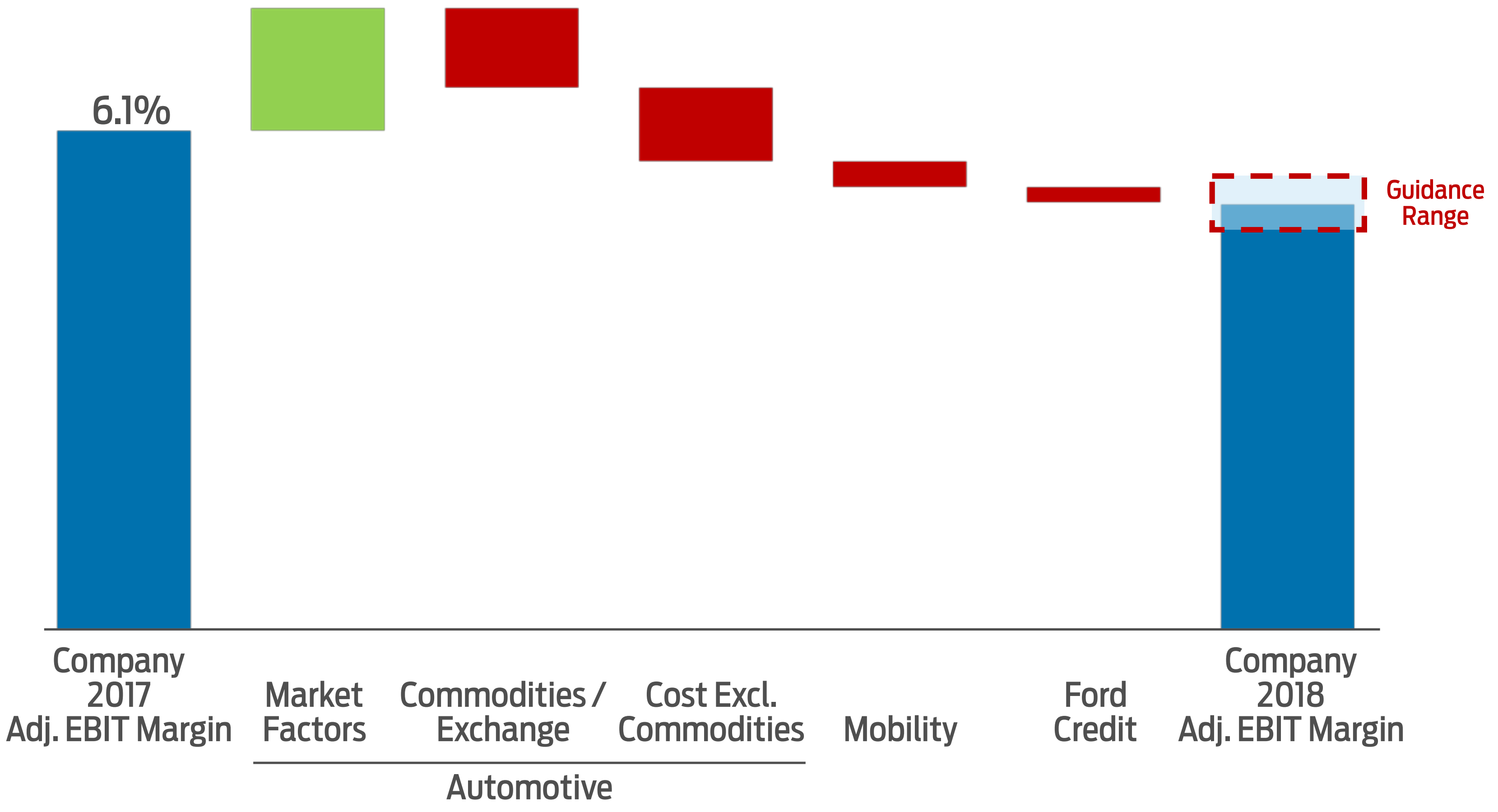
Capital Spending
About $7.5B

Ford Credit
Strong Profit, But Lower

Adj. Effective Tax Rate*
About 15%

* See Appendix for detail, reconciliation to GAAP and definitions

2017 To 2018 Company Adjusted EBIT Margin Bridge*



Automotive – flat to lower than 2017 with continued headwinds from commodities and exchange; higher market factors driven by mix and net pricing

Mobility – higher loss due to increased investments in AVs and mobility services / capabilities

Ford Credit – strong but lower than 2017 due to adverse financing margin from interest rates and derivative revaluation

* See Appendix for detail and definitions

Questions & Answers

Key Takeaways

- 2017 was a critical year in a pivot to our vision of Smart Vehicles for a Smart World
- Achieving our vision requires a higher level of Company fitness, underscored by our full year results for 2017
- We are making significant progress across our six Global Fitness Redesign initiatives now under way
- Our plans for connectivity, electrification and autonomy are accelerating and are funded by fitness actions and capital re-allocation
- Underpinning our efforts is Ford’s strong balance sheet, with substantial cash and liquidity balances

Cautionary Note On Forward-Looking Statements

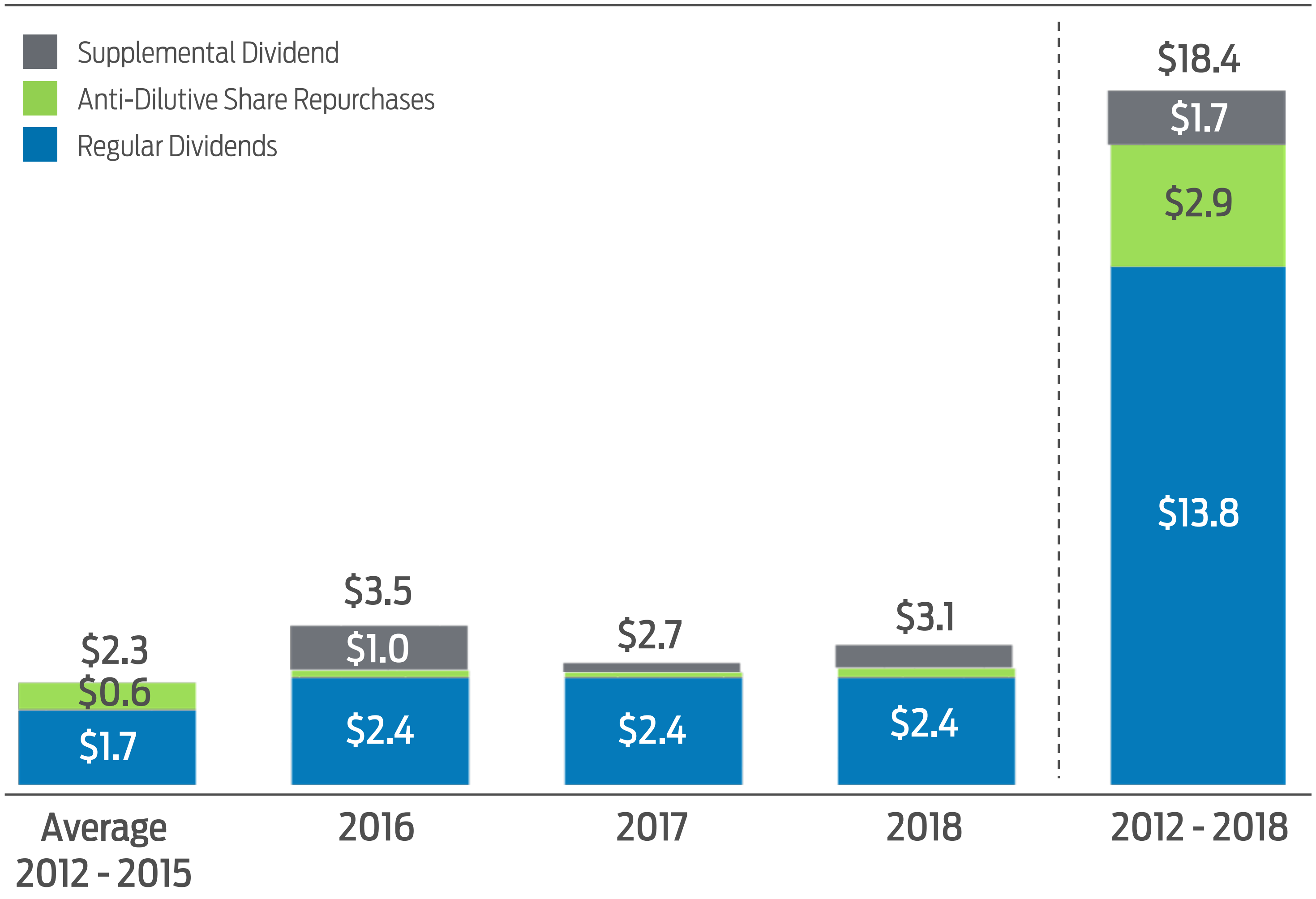
Statements included or incorporated by reference herein may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on expectations, forecasts, and assumptions by our management and involve a number of risks,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

- Decline in industry sales volume, particularly in the United States, Europe, or China, due to financial crisis, recession, geopolitical events, or other factors;
- Lower-than-anticipated market acceptance of Ford's new or existing products or services, or failure to achieve expected growth;
- Market shift away from sales of larger, more profitable vehicles beyond Ford's current planning assumption, particularly in the United States;
- 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, protectionist trade policies, or other events;
- 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 other postretirement liabilities impairing liquidity or financial condition;
- Worse-than-assumed economic and demographic experience for pension and other 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;
- Adverse effects on results from a decrease in or cessation or claw back of government incentives related to investments;
- 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, 2016, as updated by subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

Appendix

Shareholder Distributions (Bils)



Total shareholder distributions of $18.4B 2012 - 2018

First quarter regular dividend of 15¢ per share and a supplemental dividend of 13¢ per share

2018 planned distributions of about $3.1B

Shareholder Payout Ratio

	2015	2016	2017	2015 - 2017 Cumulative
Shareholder Payout (Mils)				
Quarterly cash dividends	$ 2,380	$ 2,383	$ 2,385	$ 7,149
Purchases of common stock	129	145	131	405
Subsequent year supplemental cash dividends	992	199	517	1,708
Total shareholder payout	$ 3,502	$ 2,727	$ 3,033	$ 9,261
Net Income Adjustments (Mils)				
Net income attributable to Ford (GAAP)	$ 7,373	$ 4,596	$ 7,602	$ 19,571
Less: Pre-tax net pension and OPEB remeasurement gains / (losses)	(698)	(2,996)	(162)	(3,856)
Less: Tax impact of net pension and OPEB remeasurement gains / (losses)	264	1,015	24	1,303
Less: Tax only special items	-	(89)	717	628
Net income adjusted for pension and OPEB remeasurement and tax only special items	$ 7,807	$ 6,666	$ 7,023	$ 21,496
Shareholder Payout Ratio (Pct)				
Based on net income less pension and OPEB remeasurement and tax only special items	44.8%	40.9%	43.2%	43.1%
Based on net income (GAAP)	47.5%	59.3%	39.9%	47.3%

Targeting total payout of 40% - 50% of prior year net income less pension and OPEB remeasurement and tax only special items

Payout includes quarterly cash dividends, purchases of common stock and supplemental cash dividends

2015 - 2017 shareholder payouts within target range

Company
Net Income Reconciliation To Adjusted Pre-Tax Profit

(Mils)	4Q		FY	
	2016	2017	2016	2017
Net income / (Loss) attributable to Ford (GAAP)	$ (783)	$ 2,409	$ 4,596	$ 7,602
Income / (Loss) attributable to non-controlling interests	2	4	11	26
Net income / (Loss)	$ (781)	$ 2,413	$ 4,607	$ 7,628
Less: (Provision for) / Benefit from income taxes	336	524	(2,189)	(520)
Income / (Loss) before income taxes	$ (1,117)	$ 1,889	$ 6,796	$ 8,148
Less: Special items pre-tax	(3,249)	152	(3,579)	(289)
Adjusted pre-tax profit (Non-GAAP)	$ 2,132	$ 1,737	$ 10,375	$ 8,437

Company
Effective Tax Rate Reconciliation To Adjusted Effective Tax Rate

	2017		Memo:
	4Q	FY	FY 2016
Pre-Tax Results (Mils)			
Income / (Loss) before income taxes (GAAP)	$ 1,889	$ 8,148	$ 6,796
Less: Impact of special items	152	(289)	(3,579)
Adjusted pre-tax profit (Non-GAAP)	$ 1,737	$ 8,437	$ 10,375
Taxes (Mils)			
(Provision for) / Benefit from income taxes (GAAP)	$ 524	$ (520)	$ (2,189)
Less: Impact of special items	697	775	1,121
Adjusted (provision for) / benefit from income taxes (Non-GAAP)	$ (173)	$ (1,295)	$ (3,310)
Tax Rate (Pct)			
Effective tax rate (GAAP)	(27.7)%	6.4%	32.2%
Adjusted effective tax rate (Non-GAAP)	10.0%	15.3%	31.9%

Company
Net Cash Provided By / (Used in) Operating Activities
Reconciliation To Company Operating Cash Flow

(Mils)	2016	2017
Company net cash provided by / (used in) operating activities (GAAP)	$ 19,850	$ 18,096
Less: Items not included in Company operating cash flows		
Ford Credit operating cash flows	8,810	9,300
Funded pension contributions	(1,155)	(1,434)
Separation payments	(336)	(281)
Other	(128)	(51)
Add: Items included in Company operating cash flows		
Automotive and Mobility capital spending	(6,947)	(7,004)
Settlement of derivatives	610	217
Company operating cash flow (Non-GAAP)	$ 6,322	$ 3,775

Company Special Items

(Mils)	4Q 2016	4Q 2017	FY 2016	FY 2017
Pension and OPEB gain / (loss)				
Year end net pension and OPEB remeasurement loss	$ (2,985)	$ (162)	$ (2,985)	$ (162)
Other pension remeasurement loss	-	-	(11)	-
Pension curtailment gain	-	354	-	354
Separation-related actions	(11)	(38)	(304)	(297)
Other Items				
San Luis Potosi plant cancellation	(199)	-	(199)	41
Japan, Indonesia market closure	(54)	-	(80)	-
Next-generation Focus footprint change	-	(2)	-	(225)
Total pre-tax special items	$ (3,249)	$ 152	$ (3,579)	$ (289)
Tax special items	$ 1,248	$ 697	$ 1,121	$ 775
Memo:				
Special items impact on earnings per share*	$ (0.50)	$ 0.21	$ (0.61)	$ 0.12

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

Company
Earnings Per Share Reconciliation To Adjusted Earnings Per Share

	2017	
	4Q	FY
Diluted After-Tax Results (Mils)		
Diluted after-tax results (GAAP)	$ 2,409	$ 7,602
Less: Impact of pre-tax and tax special items	849	486
Adjusted net income – diluted (Non-GAAP)	$ 1,560	$ 7,116
Basic and Diluted Shares (Mils)		
Basic shares (average shares outstanding)	3,973	3,975
Net dilutive options and unvested restricted stock units	27	23
Diluted shares	4,000	3,998
Earnings per share – diluted (GAAP)	$ 0.60	$ 1.90
Less: Net impact of adjustments	0.21	0.12
Adjusted earnings per share – diluted (Non-GAAP)	$ 0.39	$ 1.78

Financial Services Segment – Ford Credit Total Net Receivables Reconciliation To Managed Receivables (Bils)

	2015 Dec 31	2016 Dec 31	2017 Dec 31
Financial Services finance receivables, net (GAAP)*	$ 90.7	$ 96.2	$ 108.4
Net investment in operating leases (GAAP)*	25.1	27.2	26.7
Consolidating adjustments**	6.1	6.8	7.6
Ford Credit total net receivables	$ 121.9	$ 130.2	$ 142.7
Unearned interest supplements and residual support	4.5	5.3	6.1
Allowance for credit losses	0.4	0.5	0.7
Other, primarily accumulated supplemental depreciation	0.4	0.9	1.0
Total managed receivables (Non-GAAP)	$ 127.2	$ 136.9	$ 150.5

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

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

Financial Services Segment – Ford Credit Financial Statement Leverage Reconciliation To Managed Leverage (Bils)

	2015 Dec 31	2016 Dec 31	2017 Dec 31
Leverage Calculation			
Total debt*	$ 119.6	$ 126.5	$ 137.8
Adjustments for cash**	(11.2)	(10.8)	(11.8)
Adjustments for derivative accounting***	(0.5)	(0.3)	-
Total adjusted debt	$ 107.9	$ 115.4	$ 126.0
Equity****	$ 11.7	$ 12.8	$ 15.9
Adjustments for derivative accounting***	(0.3)	(0.3)	(0.1)
Total adjusted equity	$ 11.4	$ 12.5	$ 15.8
Financial statement leverage (to 1) (GAAP)	10.2	9.9	8.7
Managed leverage (to 1) (Non-GAAP)	9.5	9.2	8.0

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

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

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

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

Automotive Segment Debt

(Bils)	2016 Dec 31		2017 Sep 30		2017 Dec 31	
Public unsecured debt	$	9.2	$	9.2	$	9.2
U.S. Department of Energy		3.2		2.8		2.7
Other debt (including international)		3.5		4.2		4.0
Total Automotive debt	$	15.9	$	16.2	$	15.9
Memo:						
Automotive debt payable within one year	$	2.7	$	3.6	$	3.4

Automotive Segment – Asia Pacific
China Unconsolidated Affiliates

	4Q		FY	
	2016	2017	2016	2017
China Unconsolidated Affiliates				
Wholesales (000)	380	341	1,217	1,132
Ford equity income (Mils)*	$ 380	$ 206	$ 1,439	$ 916
China JV net income margin	12.8%	8.3%	14.6%	10.9%

* Ford equity share of China joint ventures net income

Return On Invested Capital Calculation (Bils)

	2013	2014	2015	2016	2017
Net Operating Profit After Tax (NOPAT)					
Pre-tax profit (incl. special items)	$ 14.4	$ 1.2	$ 10.3	$ 6.8	$ 8.1
Add back: Costs related to invested capital					
Automotive interest expense	0.8	0.8	0.8	0.9	1.1
Funding-related pension and OPEB costs*	(6.1)	3.4	(0.7)	1.6	(1.8)
Less: Cash taxes	(0.5)	(0.5)	(0.6)	(0.7)	(0.6)
Net operating profit after tax	$ 8.6	$ 5.0	$ 9.8	$ 8.6	$ 6.9
Invested capital					
Equity	$ 26.2	$ 24.5	$ 28.7	$ 29.2	$ 34.9
Redeemable non-controlling interest	0.3	0.3	0.1	0.1	0.1
Automotive debt	15.7	13.8	12.8	15.9	15.9
Net pension and OPEB liability	14.9	16.2	13.9	14.7	12.8
Invested capital (end of year)	$ 57.0	$ 54.8	$ 55.5	$ 59.9	$ 63.7
Average year invested capital	$ 56.5	$ 55.7	$ 55.1	$ 57.7	$ 61.8
Annual ROIC	15.2%	8.9%	17.7%	14.9%	11.2%
Five-year average ROIC**	17.4%	16.2%	15.7%	14.6%	13.5%

* Reflects total pension & OPEB (income) / expense except service cost
** Calculated as five-year average NOPAT divided by five-year average invested capital
Note: Results may not sum due to rounding

Employment Data By Business Unit*

(000)	2016 Dec 31	2017 Dec 31
North America	101	100
South America	15	14
Europe	52	54
Middle East & Africa	3	3
Asia Pacific	23	23
Total Automotive	194	194
Financial Services	7	7
All Other	-	1
Total Company	201	202

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

Pension Update

	2016	2017	2017 B / (W) 2016
Year End Underfunded Status (Bils)			
U.S. plans	$ 3.8	$ 2.2	$ 1.6
Non-U.S. plans	5.1	4.4	0.7
Total underfunded status	$ 8.9	$ 6.6	$ 2.3
Year-End Discount Rate (Weighted Average)			
U.S. plans	4.03 %	3.60 %	(0.43) ppts
Non-U.S. plans	2.44	2.33	(0.11)
Actual Asset Returns			
U.S. plans	8.6 %	13.4 %	4.8 ppts
Non-U.S. plans	14.0	4.5	(9.5)
Pension Plan Contributions (Bils)			
Funded plans	$ 1.2	$ 1.4	$ (0.2)
All plans	1.5	1.8	(0.3)
Pension plan (expense) / income* (Bils)	$ 0.5	$ 0.6	$ 0.1
Pension & OPEB Special items (Bils)	$ (3.0)	$ 0.2**	$ 3.2

Underfunded status of pension plans at $6.6B

Funded status improved by $2.3B versus a year ago

Funded plans are now fully funded

Expect 2018 funded pension contributions to be about $500M

* Excludes all pension-related special items, primarily remeasurement
** Reflects pension and OPEB remeasurement loss of about $0.2 billion and curtailment gain of about $0.4 billion

Automotive Segment
4Q Industry SAAR / FY Industry

Units (Mils)	4Q SAAR			FY Industry		
	2016	2017	B / (W)	2016	2017	B / (W)
North America	22.6	22.1	(0.5)	21.8	21.5	(0.3)
U.S.	18.4	18.2	(0.2)	17.9	17.5	(0.4)
South America	3.8	4.3	0.5	3.7	4.2	0.5
Brazil	2.0	2.3	0.3	2.1	2.2	0.1
Europe	20.6	21.2	0.6	20.1	20.9	0.8
Middle East & Africa	3.6	3.5	(0.1)	3.7	3.6	(0.1)
Asia Pacific	47.8	48.2	0.4	43.4	44.8	1.4
China	31.6	31.4	(0.2)	27.5	28.2	0.7
Global	98.3	99.3	1.0	92.7	94.9	2.2

Automotive Segment 4Q Market Share

(Percent)	4Q			FY		
	2016	2017	B / (W)	2016	2017	B / (W)
Total Share of Total Industry						
North America	13.1 %	13.7 %	0.6 ppts	13.9 %	13.9 %	- ppts
U.S.	13.9	14.7	0.8	14.6	14.8	0.2
South America	8.8	8.9	0.1	8.8	8.9	0.1
Brazil	9.4	10.0	0.6	9.2	9.6	0.4
Europe	7.4	7.4	-	7.7	7.5	(0.2)
Middle East & Africa	4.5	4.4	(0.1)	4.5	3.9	(0.6)
Asia Pacific	3.7	3.4	(0.3)	3.7	3.4	(0.3)
China*	4.5	4.0	(0.5)	4.6	4.2	(0.4)
Global	6.7 %	6.6 %	(0.1) ppts	7.2 %	7.0 %	(0.2) ppts
Retail Share of Retail Industry						
U.S.**	12.4 %	13.0 %	0.6 ppts	12.7 %	12.8 %	0.1 ppts
Europe***	7.3	7.1	(0.2)	7.8	7.4	(0.4)

* Total industry sales based on data provided by the Chinese Insurance Information Technology Co. (CIITC)
** 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 2017 Actual		1Q 2018 Forecast	
	Units	O / (U) 2016	Units	O / (U) 2017
North America	720	10	805	(14)
South America	89	12	86	13
Europe	416	59	454	6
Middle East & Africa	23	-	24	3
Asia Pacific	442	(38)	357	(41)
Total	1,690	43	1,726	(33)

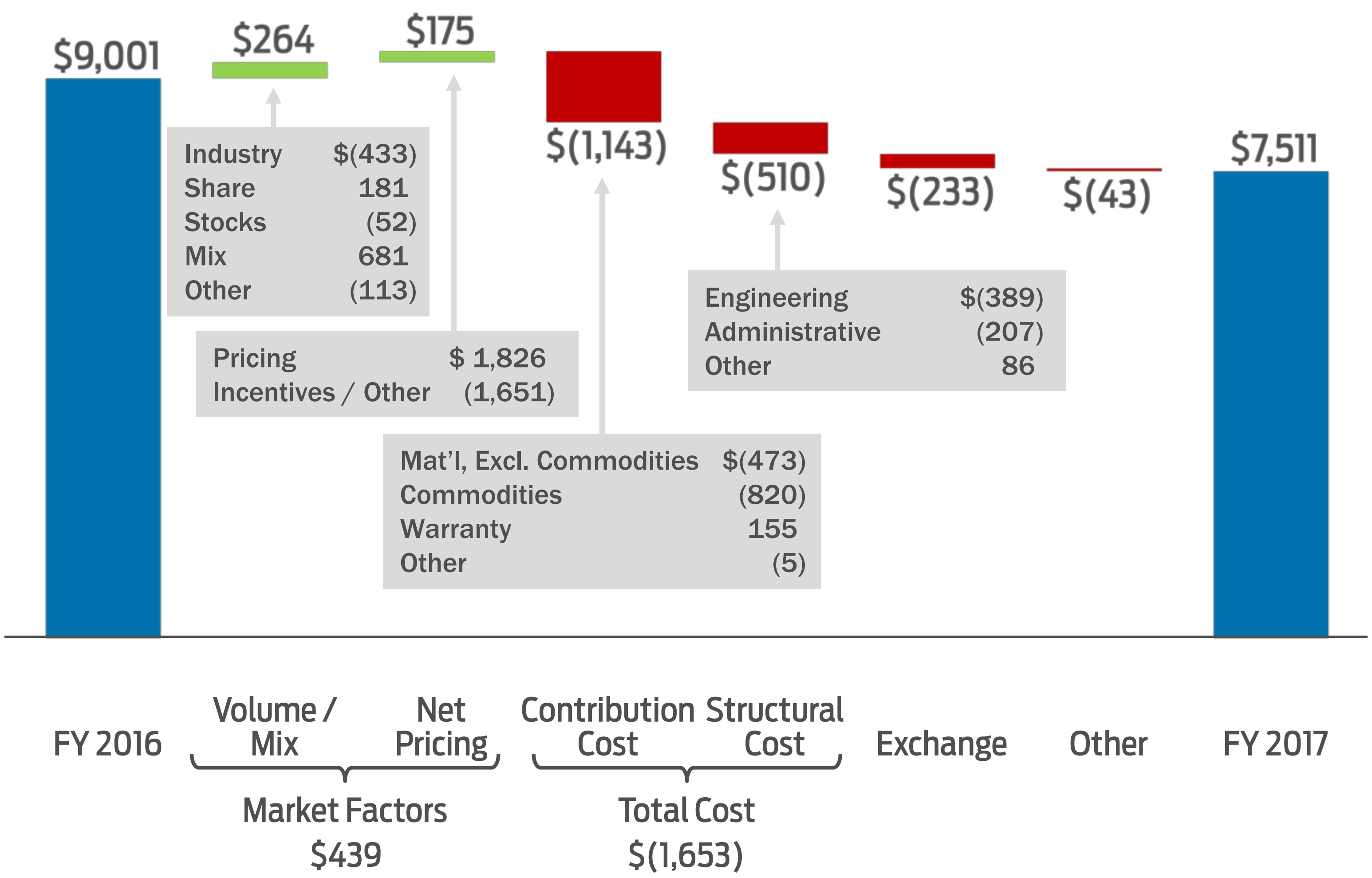
Key drivers of 1Q YoY:

- AP – matching production to demand

Automotive Segment – Selected Markets Dealer Stocks

(000)	U.S.	Brazil	Europe 21	MEA	China
4Q					
December 31, 2017	628	22	281	43	173
September 30, 2017	617	20	246	47	168
Stock Change H / (L)	11	2	35	(4)	5
4Q Prior Year					
December 31, 2016	648	22	226	64	154
September 30, 2016	658	22	206	63	150
Stock Change H / (L)	(10)	-	20	1	4
Year-Over-Year Stock Change	21	2	15	(5)	1

Automotive Segment – North America
FY 2017 Pre-Tax Results (Mils)



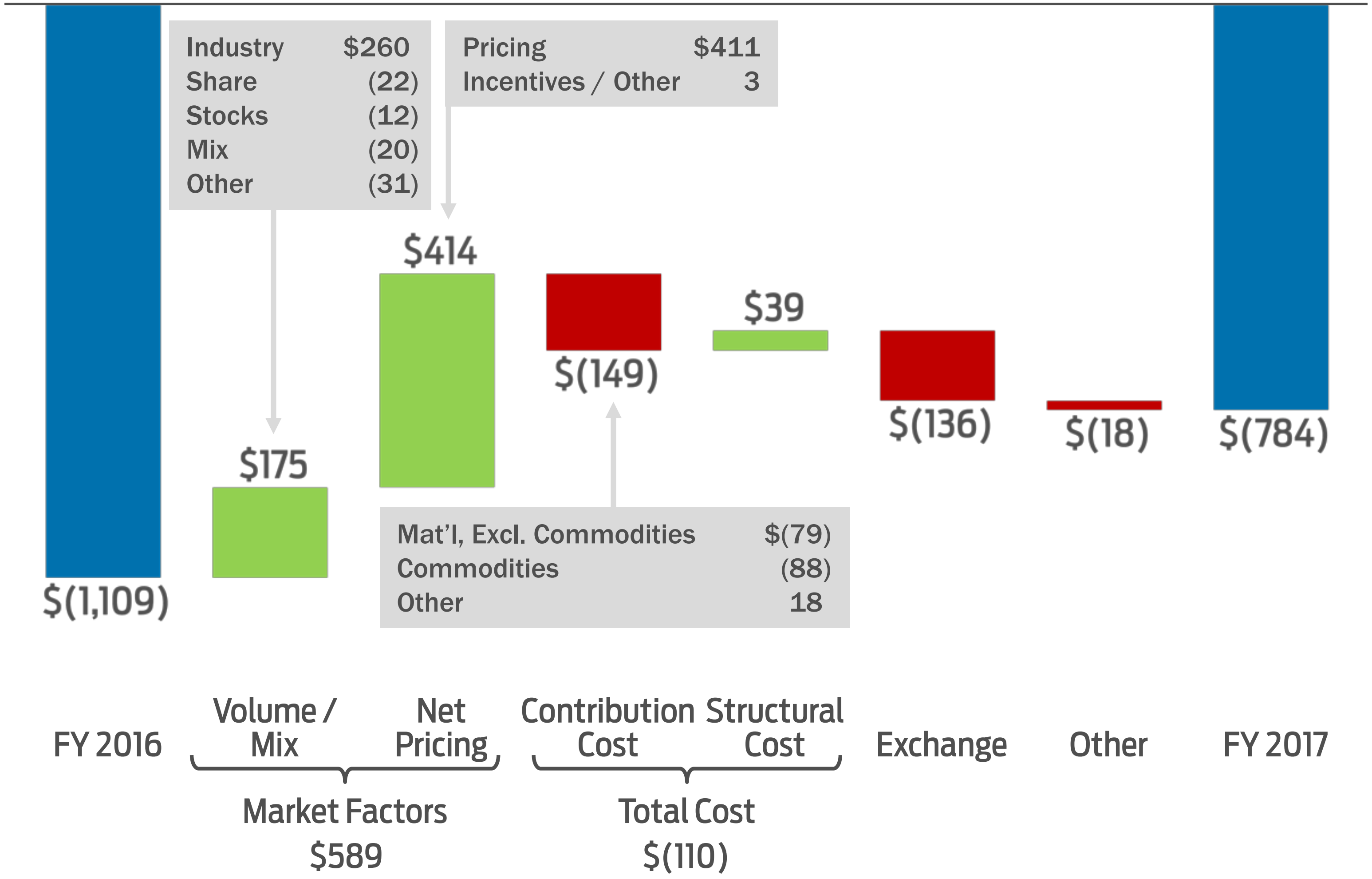
NA PBT down $1.5B driven by higher commodities, Expedition / Navigator launch and adverse exchange

Expedition / Navigator launch effects reflect lower volume and higher cost offset partially by favorable net pricing

Favorable mix driven by strength of F-Series and utilities

Ford ATPs rose more than 2X the industry due to F-Series

Automotive Segment – South America
FY 2017 Pre-Tax Results (Mils)

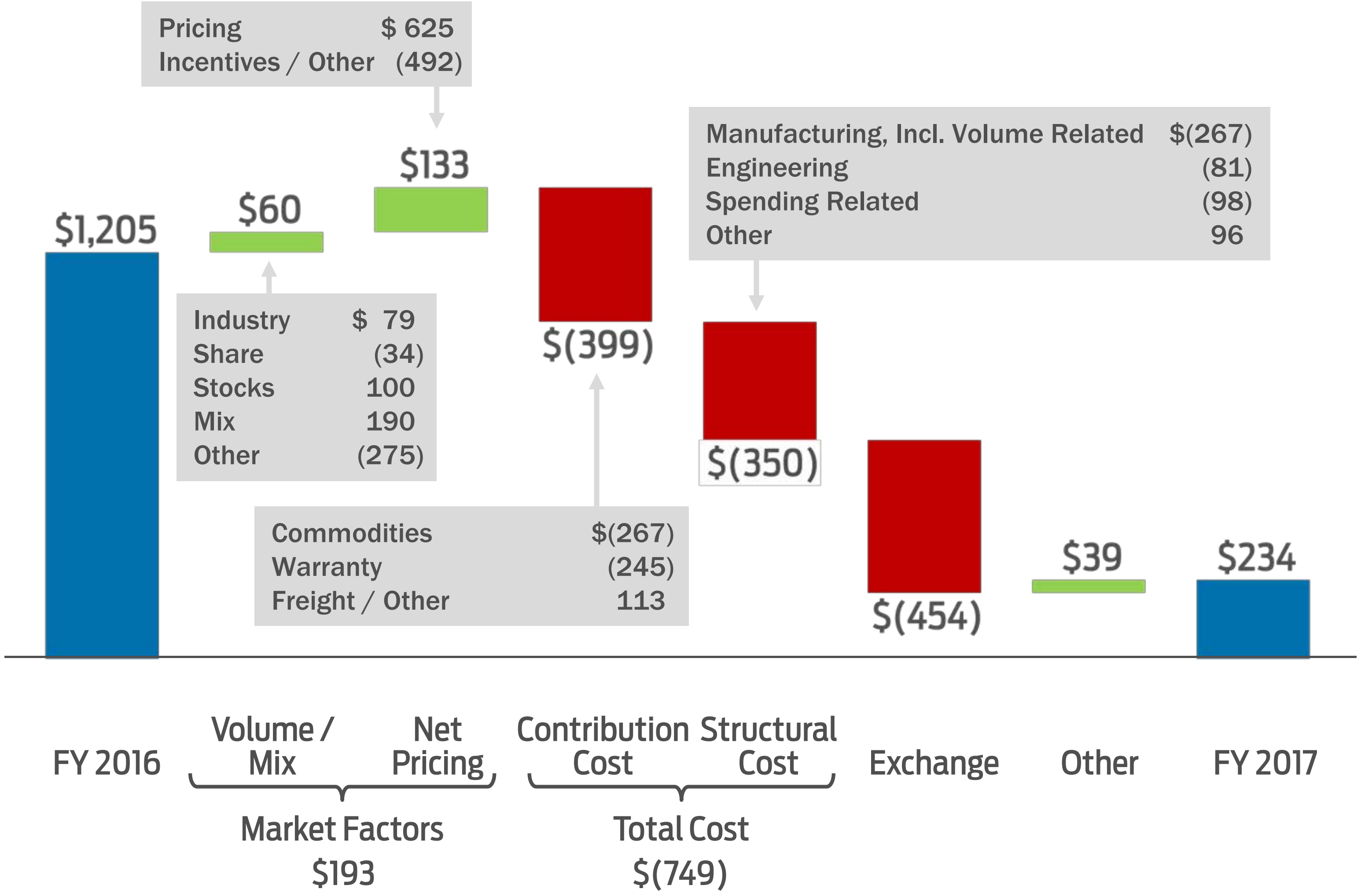


Pre-tax loss improved $325M due to higher industry and favorable net pricing

Unfavorable cost performance due to high inflation and higher product cost net of efficiencies driven by all-new EcoSport

Unfavorable exchange due to Argentine peso

Automotive Segment – Europe
FY 2017 Pre-Tax Results (Mils)



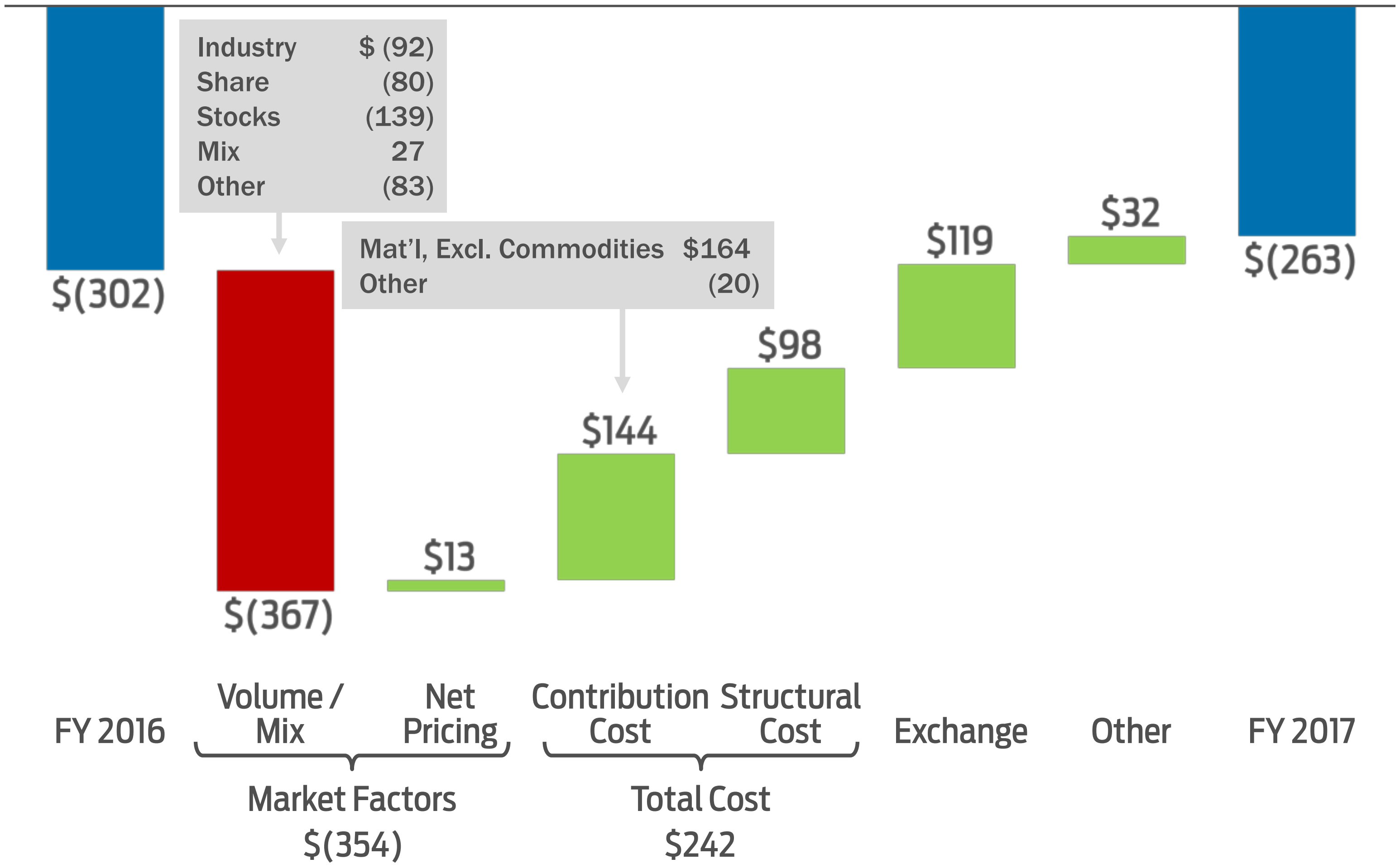
Europe pre-tax result $971M lower due to Brexit effects, commodities, Fiesta launch and warranty

Brexit effects reflect adverse exchange, lower U.K. industry and higher pricing in the U.K.

Higher commodities mainly steel and other metals

Fiesta launch effects include lower volume, higher net pricing net of product cost increases and higher structural cost

Automotive Segment – Middle East & Africa
FY 2017 Pre-Tax Results (Mils)

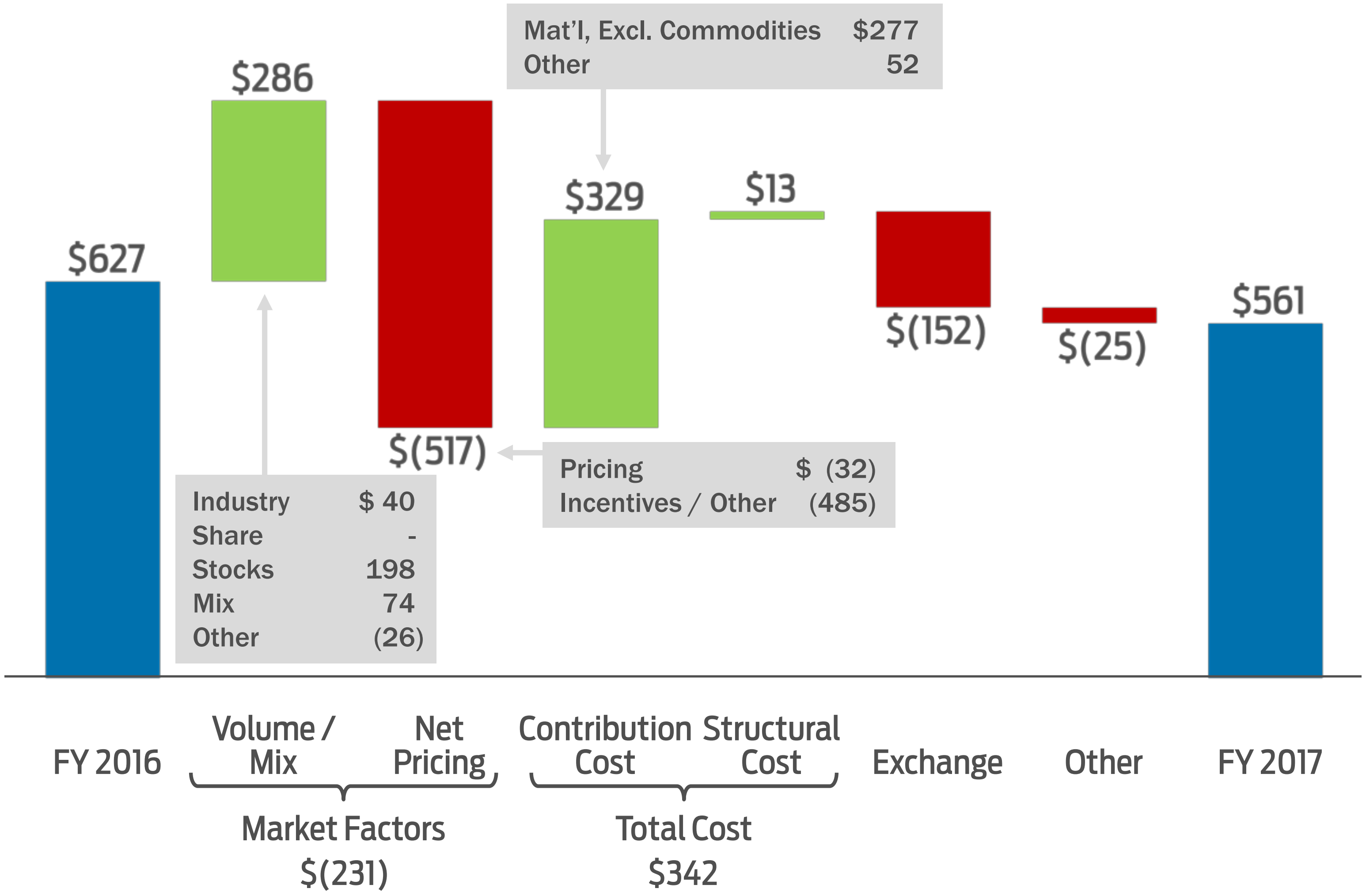


MEA's pre-tax result improved $39 million, or 13%

All factors improved other than volume

Exchange reflects South African rand and euro

Automotive Segment – Asia Pacific FY 2017 Pre-Tax Results (Mils)



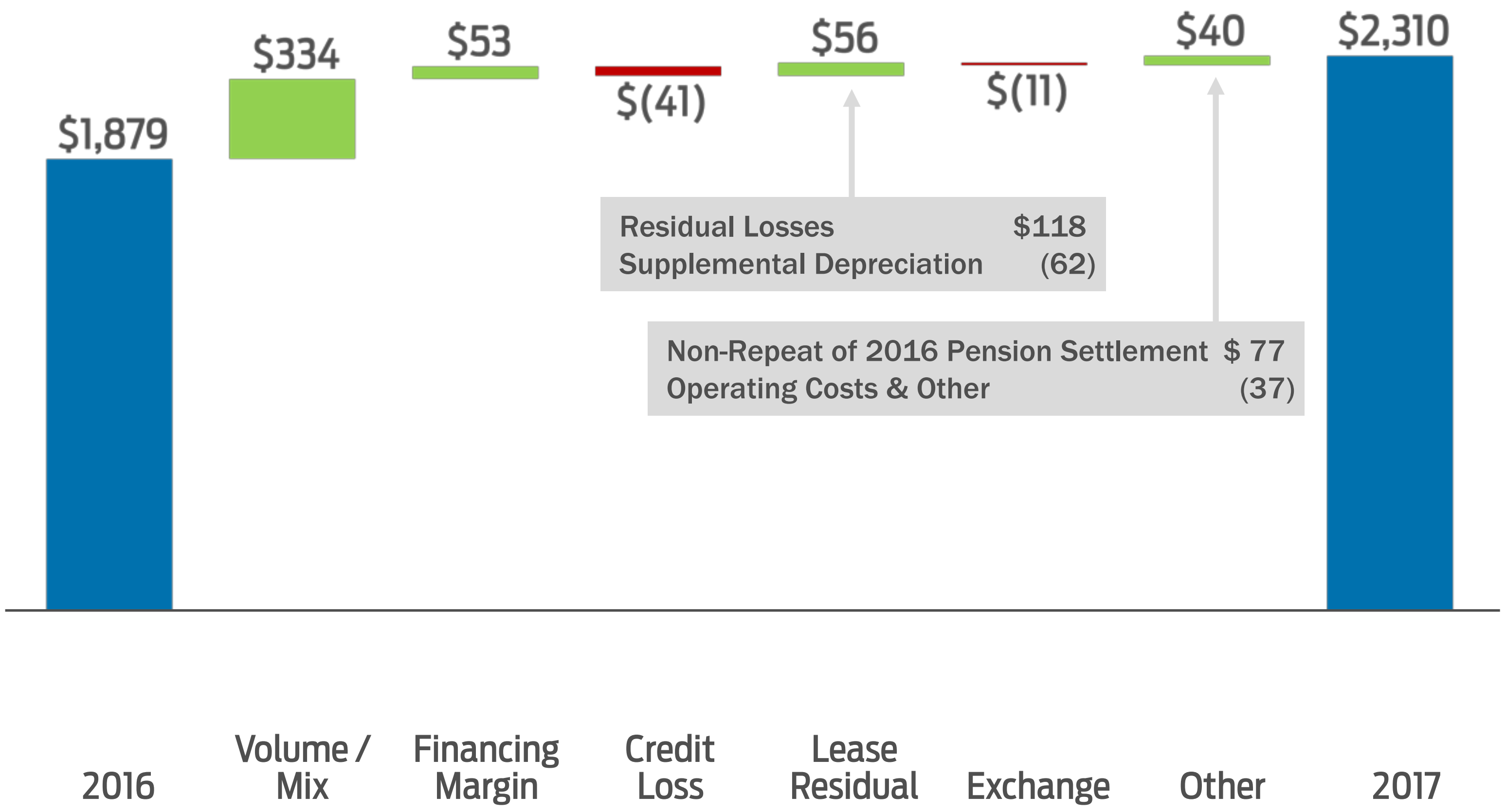
AP PBT down $66M YoY due to China

Market factors lower reflecting lower net pricing, mainly China industry pricing, partially offset by favorable volume and mix

Improved cost performance driven by material cost reductions

Unfavorable exchange driven by Chinese RMB and Thai baht

Financial Services Segment – Ford Credit FY 2017 Pre-Tax Results (Mils)



PBT improved $431M YoY reflecting favorable volume and mix, lease residual improvement and financing margin

Volume and mix up due to global receivables growth

Lease residual improvement driven by higher than expected auction values

Revised Reporting – 2015 And 2016 (Mils)

	2015	2016				
	Full Year	1Q	2Q	3Q	4Q	Full Year
North America	$ 9,573	$ 3,167	$ 2,796	$ 1,372	$ 2,059	$ 9,394
South America	(800)	(249)	(257)	(287)	(284)	(1,077)
Europe	350	461	495	168	194	1,318
Middle East & Africa	45	(10)	(61)	(148)	(66)	(285)
Asia Pacific	827	241	14	152	305	712
Automotive	$ 9,995	$ 3,610	$ 2,987	$ 1,257	$ 2,208	$ 10,062
Mobility	-	(12)	(20)	(42)	(43)	(117)
Ford Credit	2,086	514	400	567	398	1,879
Corporate Other	(452)	(60)	(149)	(117)	(173)	(499)
Company adjusted EBIT	$11,629	$ 4,052	$ 3,218	$ 1,665	$ 2,390	$ 11,325
Interest on debt	(829)	(215)	(225)	(252)	(258)	(950)
Special items pre-tax	(548)	(186)	(118)	(26)	(3,249)	(3,579)
Taxes	(2,881)	(1,196)	(903)	(426)	336	(2,189)
Less: Non-controlling interests	(2)	3	2	4	2	11
Net income attributable to Ford	$ 7,373	$ 2,452	$ 1,970	$ 957	$ (783)	$ 4,596
Company operating cash flow (Bils)	$ 7.2					$ 6.3
Automotive EBIT operating margin (Pct)	7.1%	10.2%	8.1%	3.8%	6.1%	7.1%
Company adjusted EBIT margin (Pct)	7.8%	10.7%	8.1%	4.6%	6.2%	7.5%

Revised Reporting – 2017 (Mils)

	2017				
	1Q	2Q	3Q	4Q	Full Year
North America	$ 2,122	$ 2,325	$ 1,811	$ 1,788	$ 8,046
South America	(237)	(177)	(150)	(189)	(753)
Europe	209	122	(53)	89	367
Middle East & Africa	(75)	(49)	(56)	(66)	(246)
Asia Pacific	148	167	314	30	659
Automotive	$ 2,167	$ 2,388	$ 1,866	$ 1,652	$ 8,073
Mobility	(64)	(63)	(72)	(100)	(299)
Ford Credit	481	619	600	610	2,310
Corporate Other	(72)	(146)	(122)	(118)	(458)
Company adjusted EBIT	$ 2,512	$ 2,798	$ 2,272	$ 2,044	$ 9,626
Interest on debt	(293)	(291)	(298)	(307)	(1,189)
Special items pre-tax	24	(248)	(217)	152	(289)
Taxes	(649)	(209)	(186)	524	(520)
Less: Non-controlling interests	7	8	7	4	26
Net income attributable to Ford	$ 1,587	$ 2,042	$ 1,564	$ 2,409	$ 7,602
Company operating cash flow (Bils)					$ 3.8
Automotive EBIT operating margin (Pct)	5.9%	6.4%	5.5%	4.3%	5.5%
Company adjusted EBIT margin (Pct)	6.4%	7.0%	6.2%	4.9%	6.1%

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