

ABS Investor Presentation

2.26.2024



Ford

2024 Ford Maverick

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CONTACT INFORMATION

Ryan Hershberger
Global Funding
(313) 248-1144
rhershbe@ford.com

Kelly Dalton
Floorplan ABS
(313) 206-8416
kdalton9@ford.com

Sam Hasselbach
Retail ABS
(313) 390-1959
shasse10@ford.com

Kristi Jones
Lease ABS
(313) 845-1522
kjone302@ford.com

Jessica Vila-Goulding
Investor Relations
(313) 920-7403
jvila5@ford.com

- 01 — Corporate
- 02 — Ford Credit
- 03 — U.S. Retail / Lease Origination and Servicing Strategy
- 04 — U.S. Retail Securitization
- 05 — U.S. Revolving Extended Variable-Utilization Securitization (FordREV)
- 06 — U.S. Lease Securitization
- 07 — U.S. Floorplan Securitization
- 08 — U.S. Floorplan Risk Management
- 09 — Appendix



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Corporate



Delivering Ford+

All-New Ranger Raptor
Available For Order Now

Safe Harbor Statement And Disclosures

Forward-Looking Statements

This presentation includes forward-looking statements. 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. For a discussion of these risks, uncertainties, and other factors, please see the “Cautionary Note on Forward-Looking Statements” in this presentation and “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2023, as updated by subsequent filings with the United States Securities and Exchange Commission.

GAAP & Non-GAAP Financial Measures

This presentation includes financial measures calculated in accordance with Generally Accepted Accounting Principles (“GAAP”) and non-GAAP financial measures. The non-GAAP financial measures are intended to be considered supplemental information to their comparable GAAP financial measures. The non-GAAP financial measures are reconciled to the most comparable GAAP financial measures in the Appendix to this presentation.

Additional Information

Calculated results may not sum due to rounding. All variances are year-over-year unless otherwise noted. Visit ford.com for vehicle information.

Ford+ Investment Thesis

Disruptive technology allows us to leverage foundational strengths to build new capabilities enriching customer experiences and deepening loyalty

Customer experience

FOUNDATIONAL STRENGTHS

- + Leading iconic nameplates
- + Leading commercial vehicle portfolio
- + Industrial prowess

Drives strong margins and cash flow

+

ENHANCED CAPABILITIES

- + Integrated hardware and software and services
- + Connectivity
- + Data analytics

Enables deep customer insight

=

EXPANDED TAM & VALUE CREATION

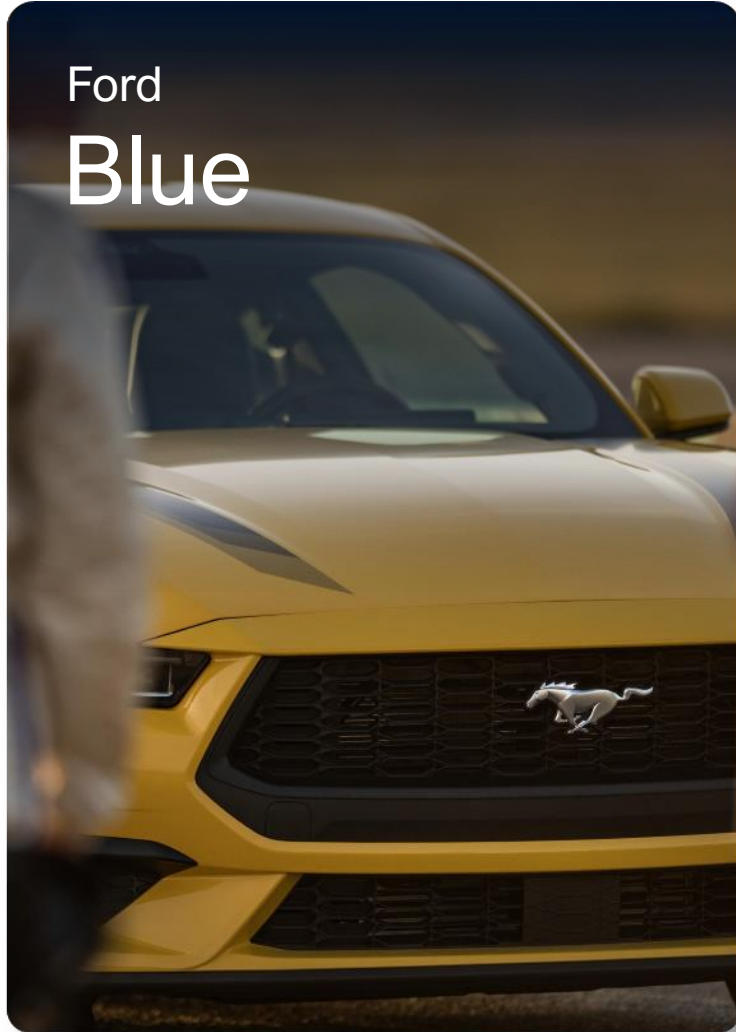
- + Ford Blue
- + Ford Model e
- + Ford Pro

Unlocks new growth opportunities

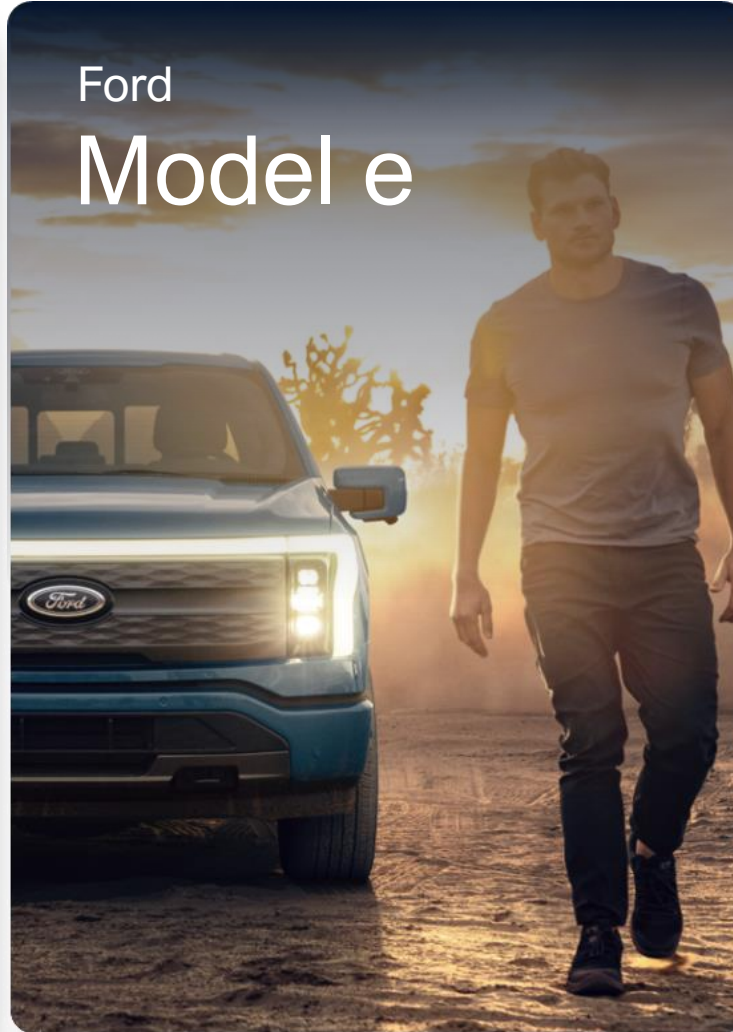


Ford+ Business Model Is Designed To Deliver Focused Innovation, Profit & Growth

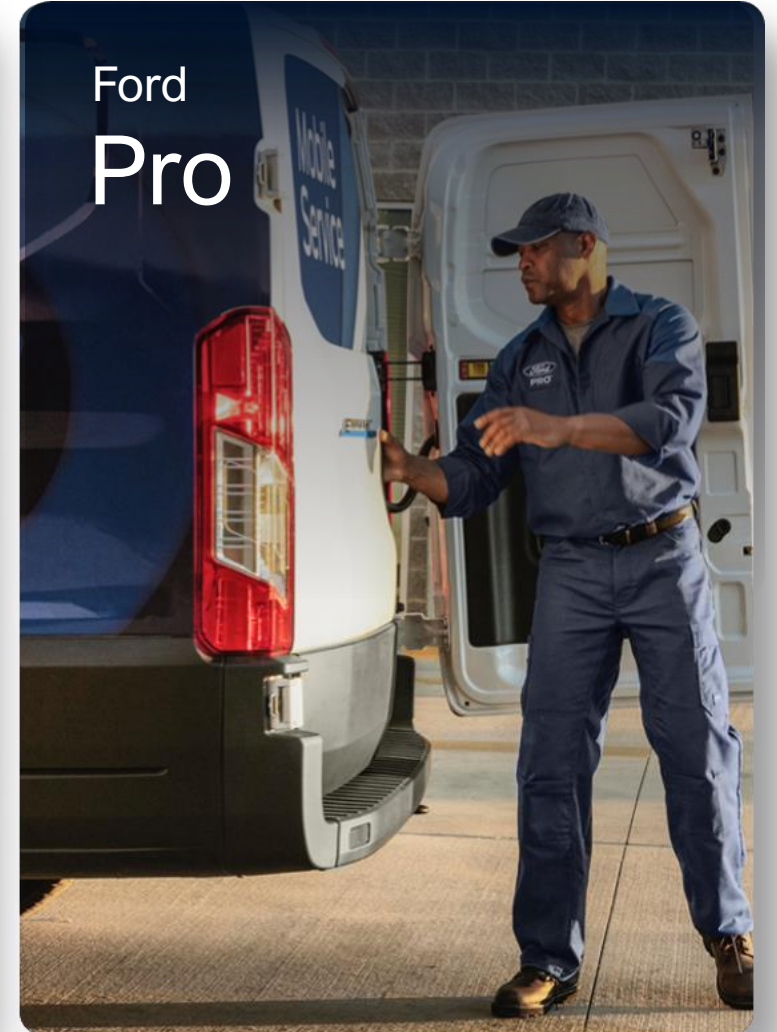
Ford
Blue



Ford
Model e



Ford
Pro



Q4 Financial Results

Revenue

\$46.0B

▲ 4%

Adj. EBIT

\$1.1B

▼ 59%

Adj. EBIT Margin

2.3%

▼ 3.5pts

Adj. FCF

\$2.0B

▼ \$0.5B

Adj. EPS

\$0.29

▼ \$(0.22)



New 2024 Ford F-150 Platinum

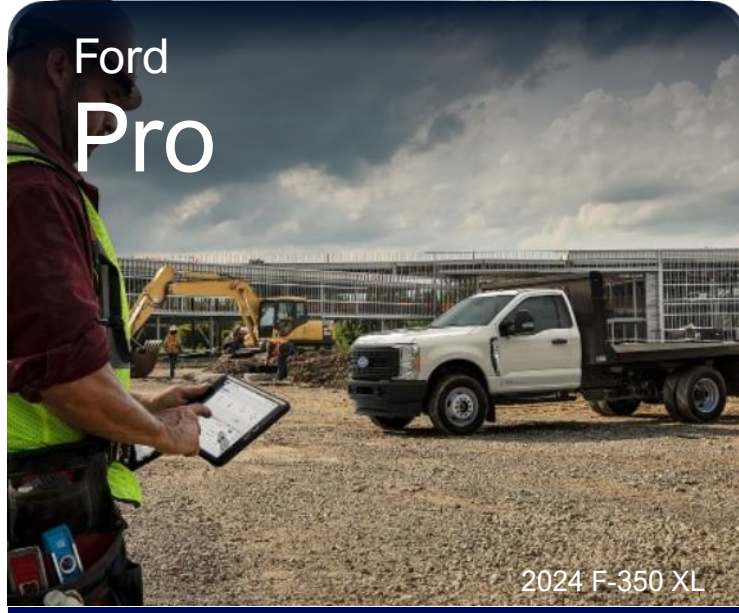
Q4 Financial Results - Segments



EBIT
\$0.8B
 EBIT Margin
3.1%



EBIT
\$(1.6)B
 EBIT Margin
(98.2)%



EBIT
\$1.8B
 EBIT Margin
11.8%

Full Year Financial Results

Revenue

\$176.2B

▲ 11%

Adj. EBIT

\$10.4B

Flat

Adj. EBIT Margin

5.9%

▼ 0.7pts

Adj. FCF

\$6.8B

▼ \$2.3B

Adj. EPS

\$2.01

▲ \$0.13



2024 Expedition King Ranch

Full Year Financial Results - Segments

Ford

Blue

2024 Ford Bronco Sport Badlands

EBIT

\$7.5B

EBIT Margin

7.3%

Ford

Model e

2024 Mustang Mach-E Rally

EBIT

\$(4.7)B

EBIT Margin

(79.7)%

Ford

Pro

2024 Super Duty Tremor

EBIT

\$7.2B

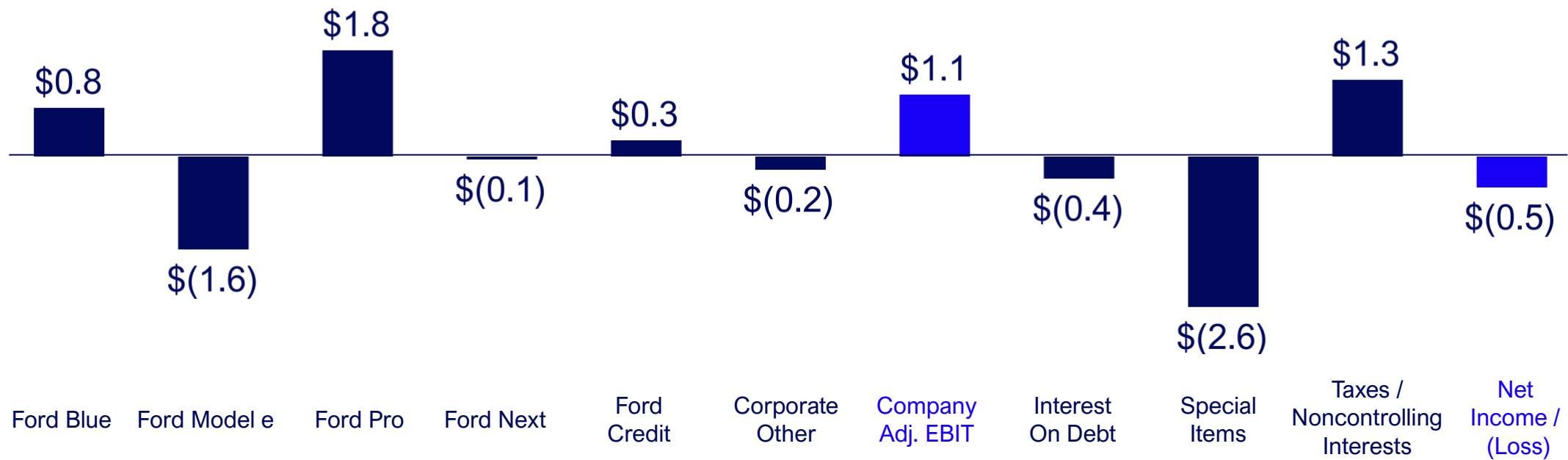
EBIT Margin

12.4%

Q4 Cash Flow, Cash Balance & Liquidity (\$B)



Q4 2023 Results (\$B)



B / (W)
Q4 2022

Ford Blue	Ford Model e	Ford Pro	Ford Next	Ford Credit	Corporate Other	Company Adj. EBIT	Interest On Debt	Special Items	Taxes / Noncontrolling Interests	Net Income / (Loss)
\$ (0.7)	\$ (0.9)	\$ 0.4	\$ 0.2	\$ 0.1	\$ (0.5)	\$ (1.5)	\$ (0.0)	\$ (1.5)	\$ 1.2	\$ (1.8)

Q4 2023 Adjusted EBIT (\$B)

	Ford Blue	Ford Model e	Ford Pro	Ford Next	Ford Credit	Corporate Other	Total Company
Q4 2022	\$ 1.5	\$ (0.6)	\$ 1.5	\$ (0.2)	\$ 0.2	\$ 0.2	\$ 2.6
YoY Change:							
Volume / Mix	0.0	(0.0)	(0.6)	—	—	—	(0.6)
Net Pricing	(0.4)	(0.6)	1.8	—	—	—	0.7
Cost	(0.3)	(0.4)	(0.8)	0.1	—	(0.5)	(1.9)
Exchange	0.2	0.1	0.1	(0.0)	—	—	0.4
Other	(0.2)	0.1	(0.2)	0.1	0.1	0.0	(0.1)
Total Change	\$ (0.7)	\$ (0.9)	\$ 0.4	\$ 0.2	\$ 0.1	\$ (0.5)	\$ (1.5)
Q4 2023	\$ 0.8	\$ (1.6)	\$ 1.8	\$ (0.1)	\$ 0.3	\$ (0.2)	\$ 1.1

Material / Freight	\$(1.0)
Structural*	(0.7)
Pension / OPEB	(0.5)
Warranty	(0.2)
Commodities	0.5

* Structural cost includes volume related manufacturing costs

Ford Blue

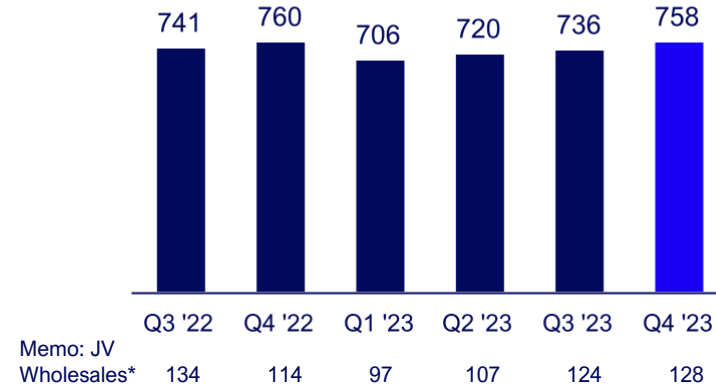
Full Year

- Volume and revenue up 3% and 8%, respectively
- EBIT up \$0.6B:
 - + Volume / mix
 - + Commodities
 - Higher warranty
 - Material cost
- Healthy profit outside of North America: Strong product portfolio and benefits of restructuring

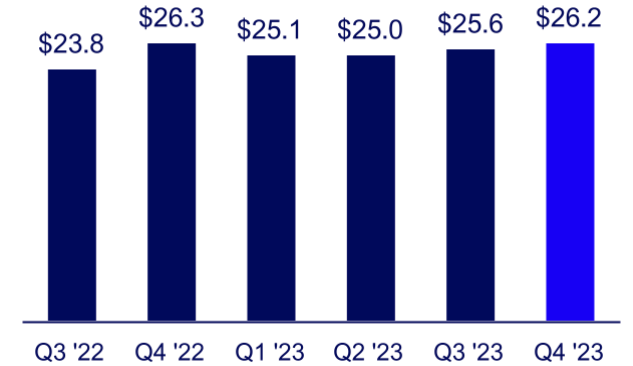
Q4

- EBIT and EBIT margin impacted by UAW strike

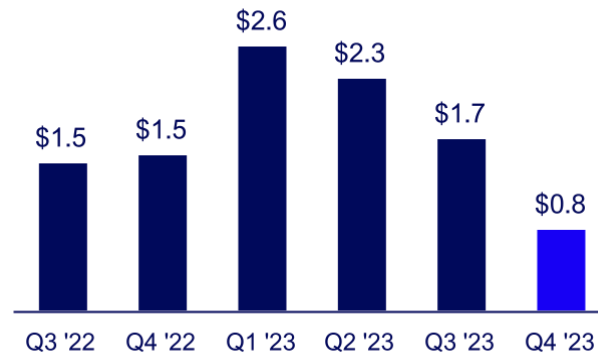
Wholesale Units (000)



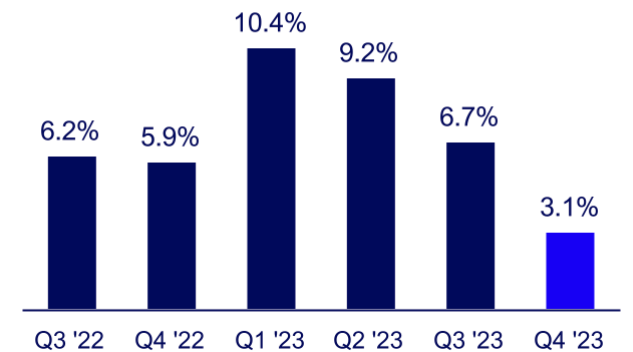
Revenue (\$B)



EBIT (\$B)



EBIT Margin (%)



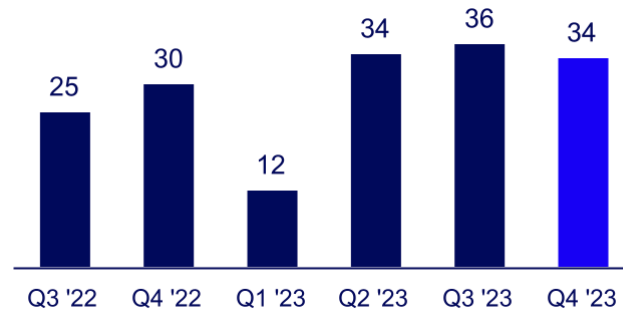
* Includes Ford and Lincoln brand and Jiangling Motors Corporation (JMC) brand vehicles produced and sold in China by our unconsolidated affiliates

Ford Model e

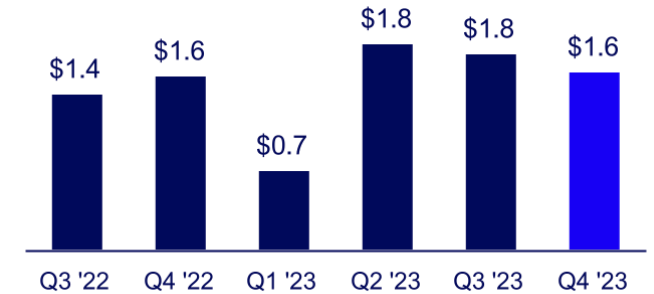
Full Year

- Volume up 20%, driven by F-150 Lightning
- Revenue up 12%: Growth lagged volume due to industry-wide pricing pressure
- EBIT and EBIT margin:
 - Lower pricing
 - Higher material cost
 - Investments in future new EV customer segments
- + Working to improve contribution margin of current products

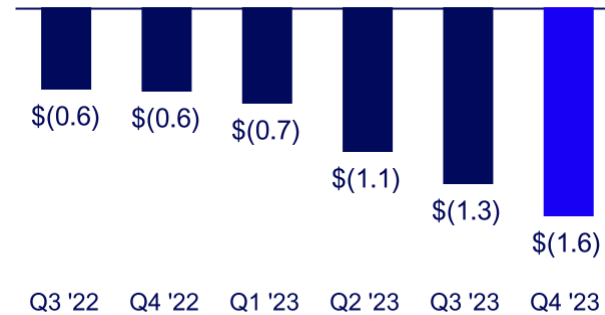
Wholesale Units (000)



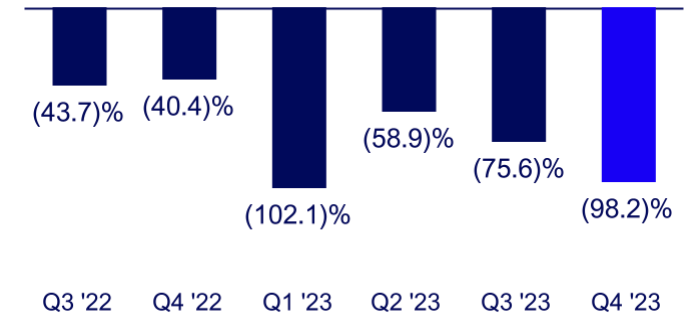
Revenue (\$B)



EBIT (\$B)



EBIT Margin (%)

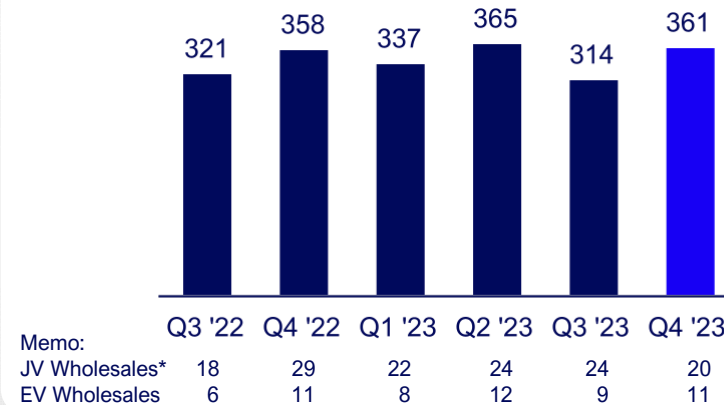


Ford Pro

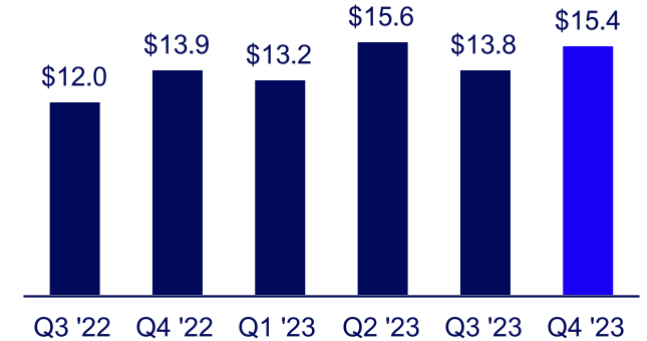
Full Year

- Volume and revenue up 6% and 19%, respectively
- EBIT up +2X with margin of 12.4%: Strength of Super Duty, despite partial year for all-new model
- 2024 poised to benefit from a full year of all-new Super Duty and Transit Custom in Europe

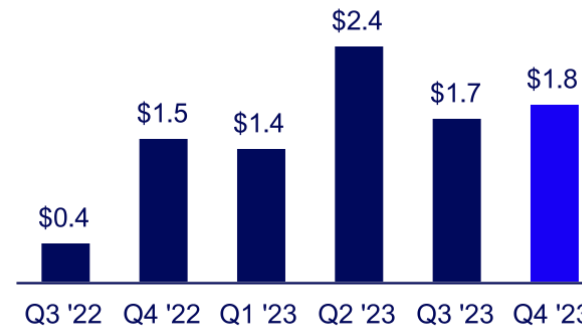
Wholesale Units (000)



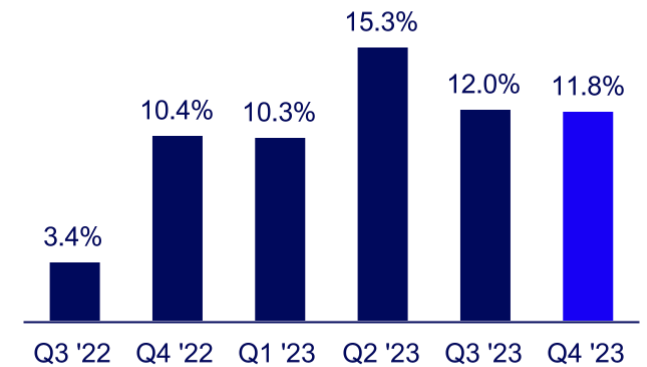
Revenue (\$B)



EBIT (\$B)



EBIT Margin (%)



* Includes Ford brand vehicles produced and sold by our unconsolidated affiliate Ford Otosan in Türkiye

Cash Flow And Balance Sheet (\$B)

	Fourth Quarter		Full Year	
	2022	2023	2022	2023
Company Adj. EBIT excl. Ford Credit	\$ 2.4	\$ 0.8	\$ 7.8	\$ 9.1
Capital Spending	\$ (2.0)	\$ (2.3)	\$ (6.5)	\$ (8.2)
Depreciation and Tooling Amortization	1.3	1.4	5.2	5.3
Net Spending	\$ (0.7)	\$ (0.9)	\$ (1.3)	\$ (2.9)
Receivables	\$ (0.3)	\$ (0.2)	\$ (1.0)	\$ (1.0)
Inventory	1.6	3.0	(2.5)	(1.2)
Trade Payables	(2.1)	(2.1)	3.7	(0.2)
Changes in Working Capital	\$ (0.8)	\$ 0.7	\$ 0.2	\$ (2.4)
Ford Credit Distributions	—	\$ —	\$ 2.1	\$ —
Interest on Debt and Cash Taxes	(0.5)	(0.5)	(1.7)	(2.2)
All Other and Timing Difference (a)	2.1	1.9	1.9	5.2
Company Adjusted FCF	\$ 2.4	\$ 2.0	\$ 9.1	\$ 6.8
Restructuring	\$ (0.3)	\$ (0.5)	\$ (0.4)	\$ (0.9)
Changes in Debt	(0.5)	(0.0)	(0.4)	(0.2)
Funded Pension Contributions	(0.1)	(0.2)	(0.6)	(0.6)
Shareholder Distributions	(1.1)	(0.9)	(2.5)	(5.3)
All Other (b)	(0.2)	(0.6)	(9.5)	(3.2)
Change in Cash	<u>\$ 0.2</u>	<u>\$ (0.2)</u>	<u>\$ (4.3)</u>	<u>\$ (3.4)</u>

- a. Includes differences between accrual-based EBIT and associated cash flows (e.g., marketing incentive and warranty payments to dealers, JV equity income, compensation payments, and pension and OPEB income or expense)
- b. 2022 includes a \$7.4B loss on our Rivian investment. 2023 includes \$2.6B of capital contributions to BlueOval SK, LLC

	Balance Sheet	
	2022 Dec. 31	2023 Dec. 31
Company Excl. Ford Credit		
Company Cash Balance	\$ 32.3	\$ 28.8
Liquidity	48.0	46.4
Debt	(19.9)	(19.9)
Cash Net of Debt	12.3	8.9
Pension Funded Status		
Funded Plans	\$ 4.1	\$ 2.1
Unfunded Plans	(4.3)	(4.4)
Total Global Pension	<u>\$ (0.2)</u>	<u>\$ (2.3)</u>
Total Funded Status OPEB	\$ (4.5)	\$ (4.7)

Special Items (\$B)

	Fourth Quarter		Full Year	
	2022	2023	2022	2023
<u>Restructuring</u>				
China	\$ (0.3)	\$ (0.1)	\$ (0.4)	\$ (1.0)
Europe	(0.1)	(0.5)	(0.2)	(1.0)
Ford Credit - Brazil	—	—	(0.2)	—
Other (a)	0.0	0.0	(0.4)	(0.1)
Subtotal Restructuring	(0.4)	(0.6)	(1.1)	(2.0)
<u>Other Items</u>				
Gain / (loss) on Rivian investment	\$ (0.1)	\$ —	\$ (7.4)	\$ (0.0)
AV strategy including Argo impairment	(0.1)	—	(2.8)	—
Transit Connect customs matter	—	—	—	(0.4)
Russia suspension of operations / asset write-off	(0.0)	—	(0.2)	—
Patent matters related to prior calendar years	(0.0)	—	(0.1)	0.0
EV program dispute	—	(0.1)	—	(0.1)
Other (including gains / (losses) on investments)	(0.0)	(0.0)	(0.2)	(0.2)
Subtotal Other Items	\$ (0.3)	\$ (0.1)	\$ (10.6)	\$ (0.7)
<u>Pension and OPEB Gain / (Loss)</u>				
Pension and OPEB remeasurement	\$ 0.1	\$ (1.7)	\$ 0.0	\$ (2.1)
Pension settlements and curtailments	(0.4)	(0.2)	(0.4)	(0.3)
Subtotal Pension and OPEB Gain / (Loss)	\$ (0.4)	\$ (1.8)	\$ (0.4)	\$ (2.4)
Total EBIT Special Items	\$ (1.1)	\$ (2.6)	\$ (12.2)	\$ (5.1)

a. 2022 includes \$0.3B related to restructuring charges in India and \$0.2B in North America.
2023 includes restructuring charges in North America and India

U.S. Model Lineup



Mustang®



Escape®

Hybrid Plug-In Hybrid



Bronco® Sport



Bronco®



Explorer



Edge



Mustang Mach-E®

All Electric



Expedition®



Maverick®

Hybrid



Ranger®



F-150®

Hybrid All Electric



Super Duty®



Transit Connect®



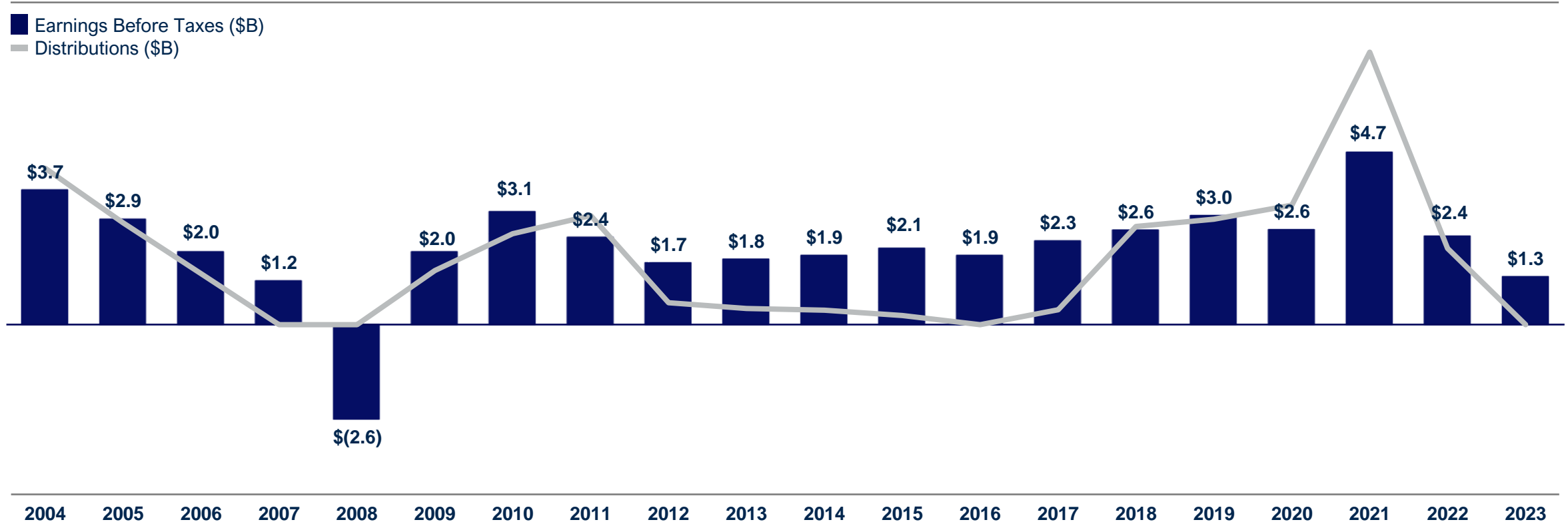
Transit®

All Electric

02

Ford Credit

Ford Credit – A Strategic Asset



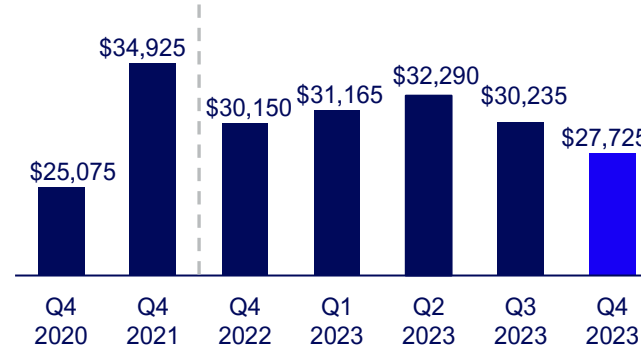
Over The Last 20 Years, Ford Credit Generated
\$43 Billion In Earnings Before Taxes And \$36 Billion In Distributions

Key Metrics

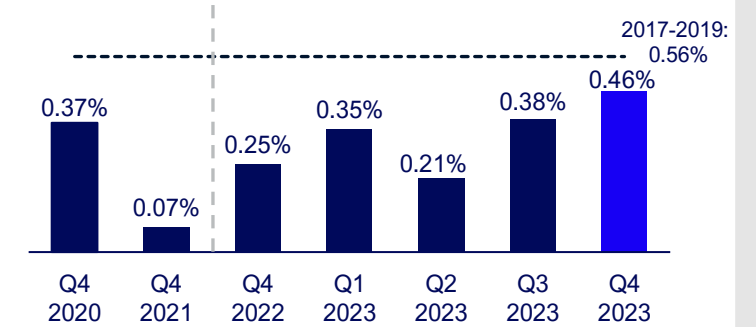
Best-in-class finance company

- + FY EBT of \$1.3B, down \$1.1B, reflecting:
 - Higher borrowing costs
 - Non-recurrence of supplemental depreciation reserve release
 - Higher credit losses (normalizing charge-offs and higher receivables) and non-recurrence of reserve release
 - Auction values continue to normalize
- + Expect auction values to continue declining in 2024

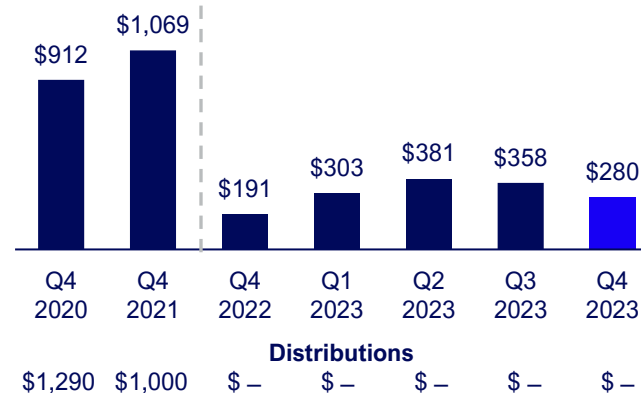
Auction Values (Per Unit)*



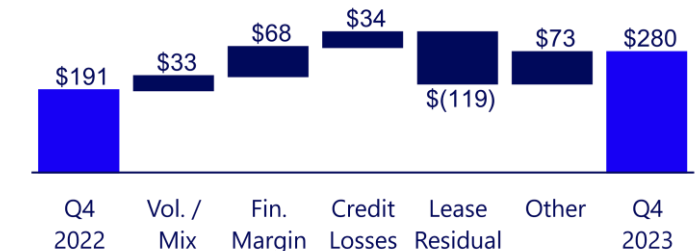
U.S. Retail Loss-to-Receivables (“LTR”) Ratio (%)



EBT (\$M)



Q4 EBT YoY (\$M)

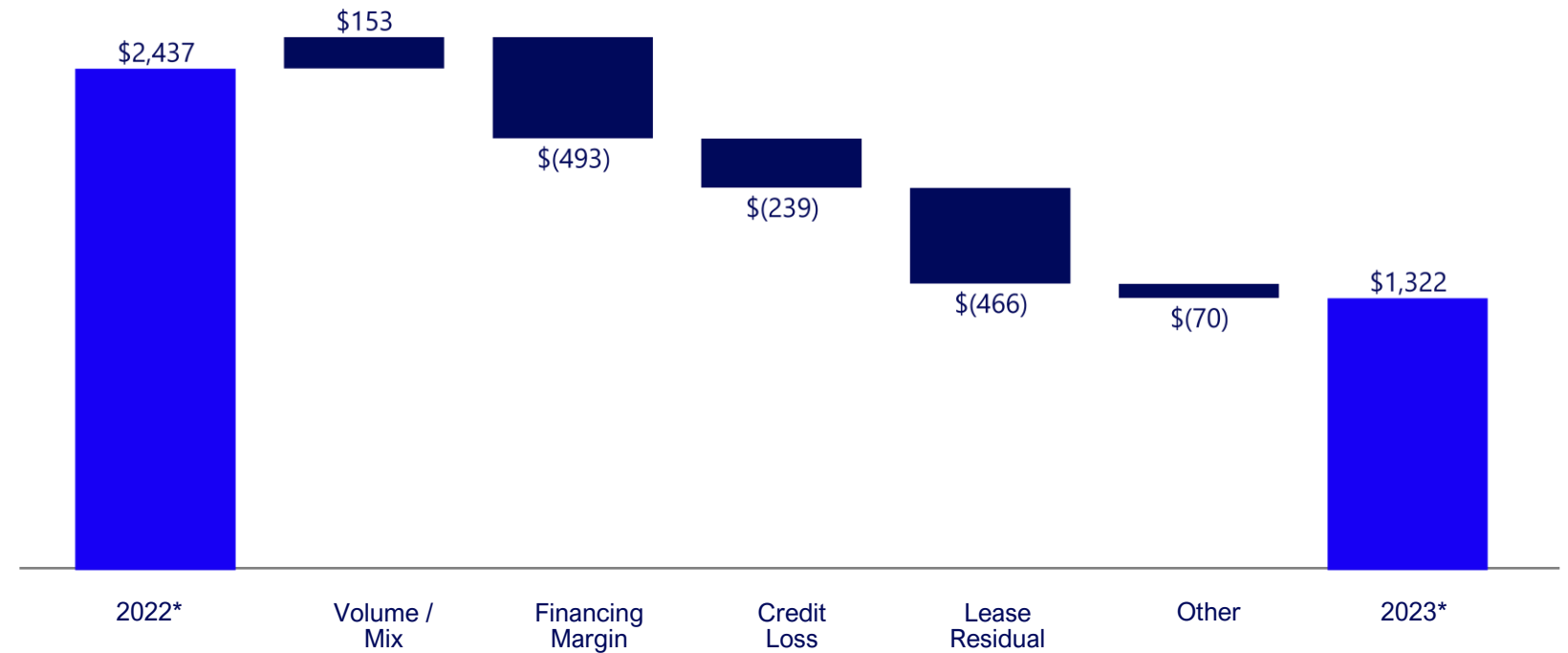


* U.S. 36-month off-lease auction values at Q4 2023 mix

FY 2023 EBT YoY Bridge (\$M)

+ FY EBT of \$1.3B reflects:

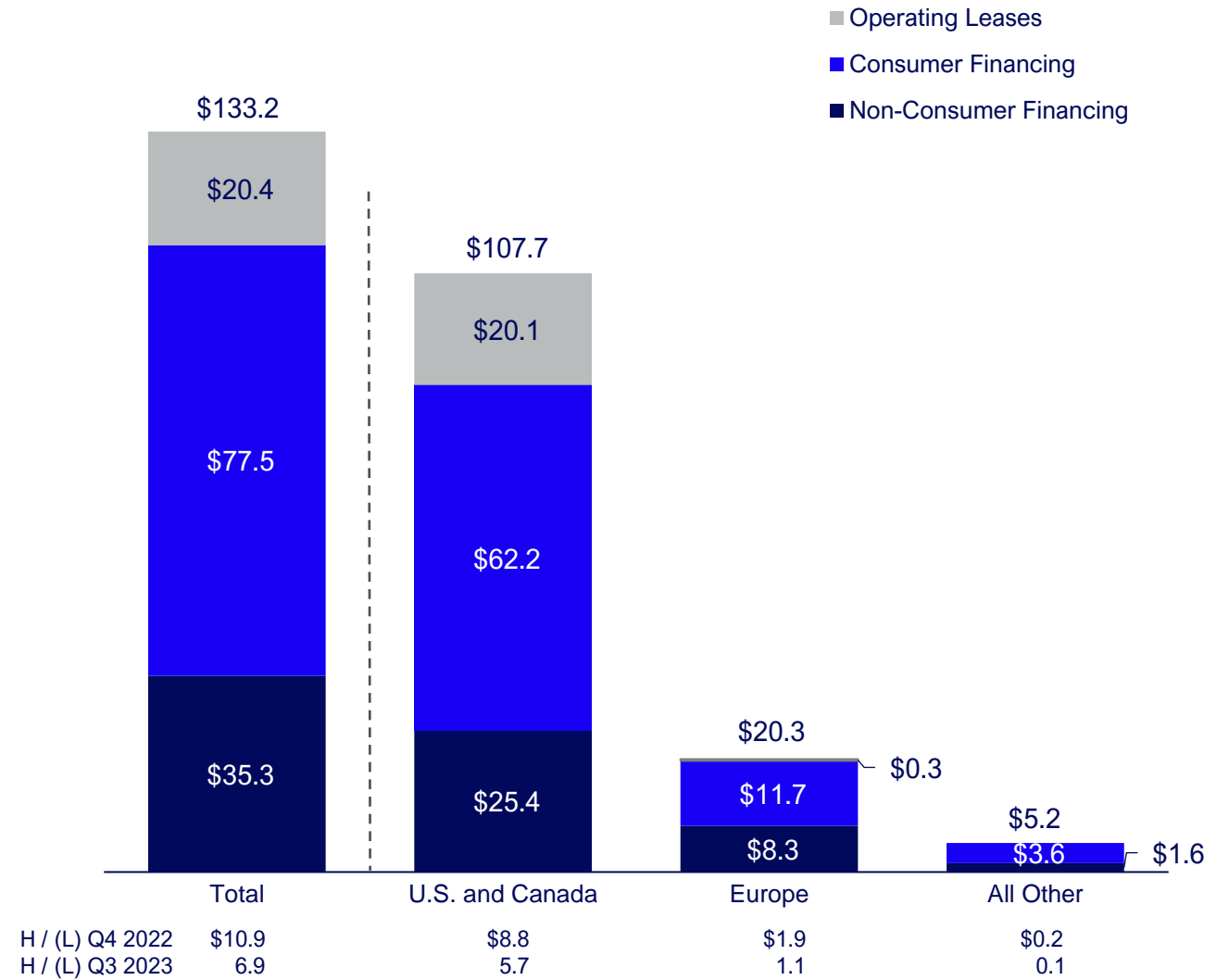
- Higher borrowing costs
- Non-recurrence of supplemental depreciation reserve release
- Higher credit losses (normalizing charge-offs and higher receivables) and non-recurrence of reserve release
- Auction values continue to normalize



* Includes special items: \$220M restructuring in 2022, \$9M investment impairment in 2023

Q4 2023 Net Receivables Mix (\$B)

- + Total Net Receivables increased \$10.9B YoY and \$6.9B sequentially
- + Consumer Financing increased \$6.8B YoY and Non-Consumer Financing increased \$5.5B YoY
- + Operating lease portfolio was 15% of Total Net Receivables



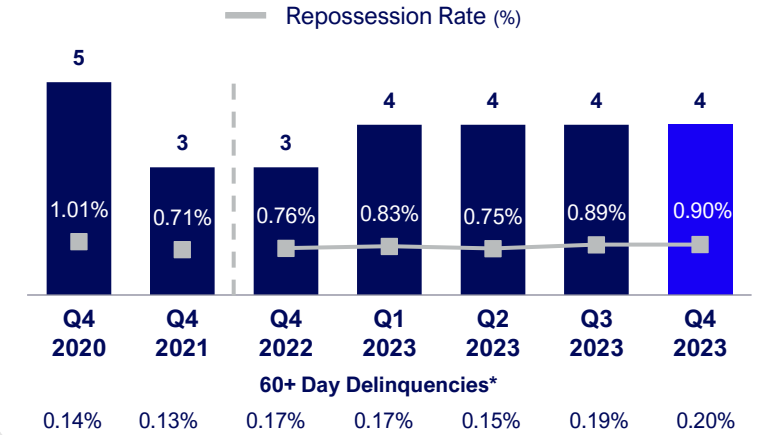
U.S. Origination Metrics And Credit Loss Drivers

- + Disciplined and consistent underwriting practices
- + Portfolio quality evidenced by FICO scores and consistent risk mix
- + Increased Retail Net Charge-Offs and LTR Ratio, reflecting higher severity

Retail & Lease FICO and Higher Risk Mix (%)

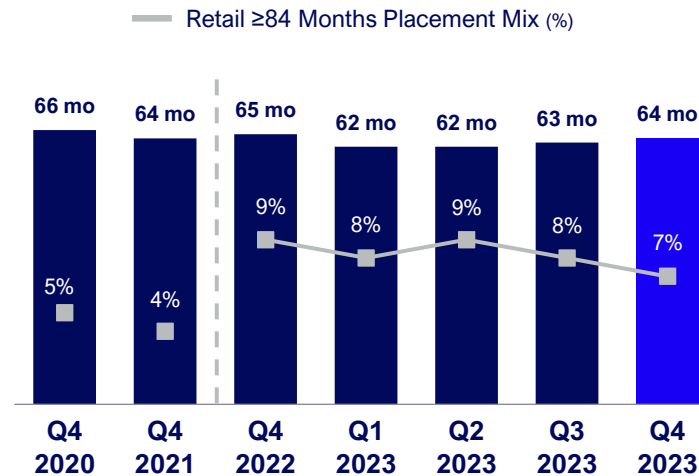


Retail Repossessions (000) and Repossession Rate (%)

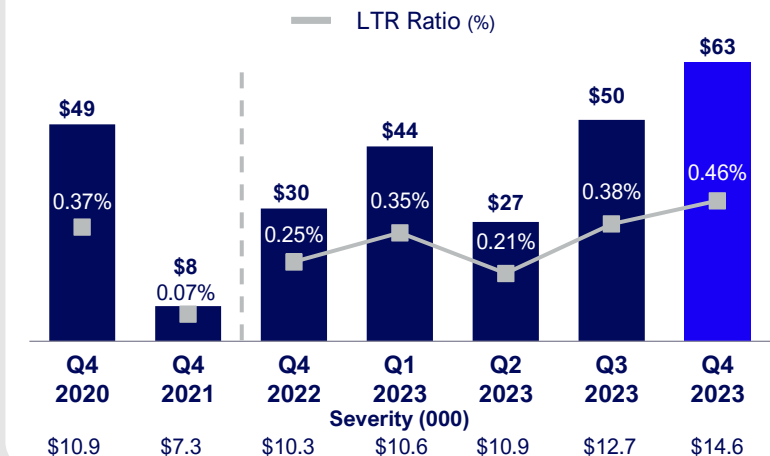


* Excluding bankruptcies

Retail Contract Terms

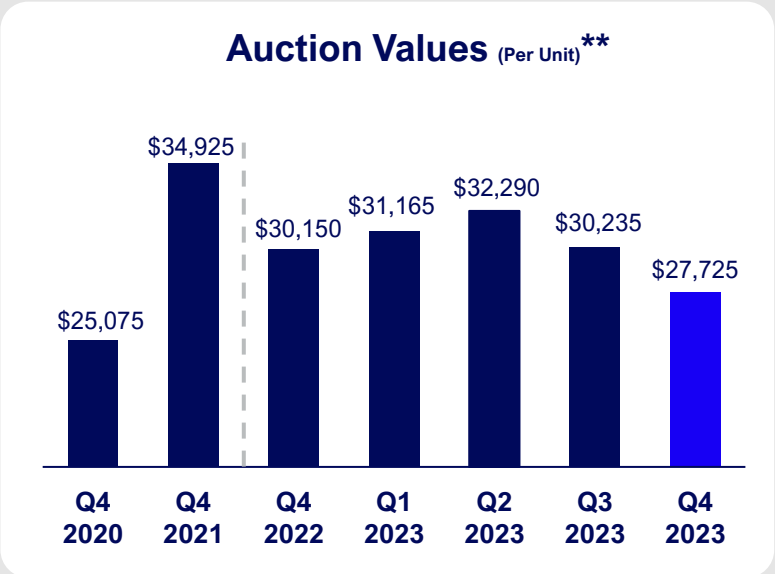
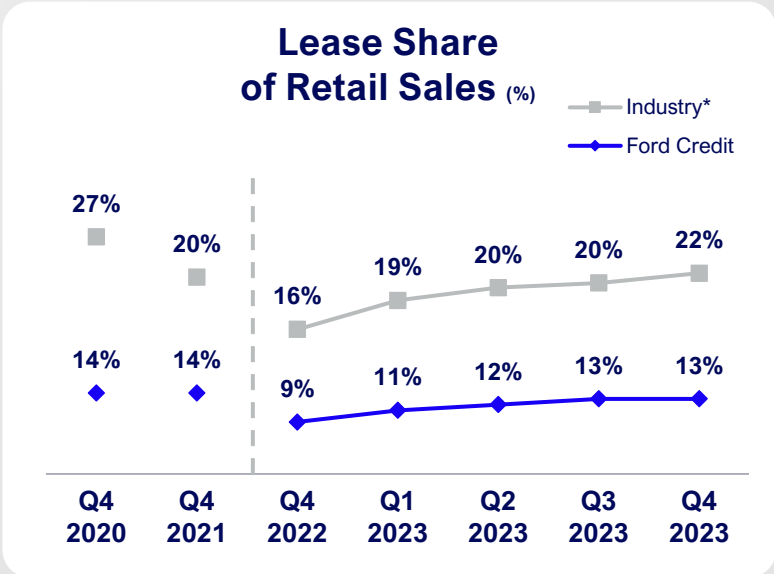
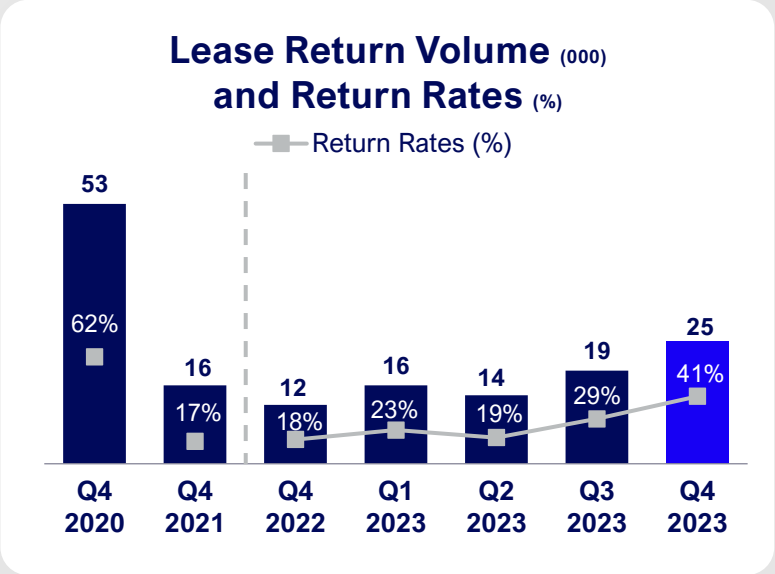
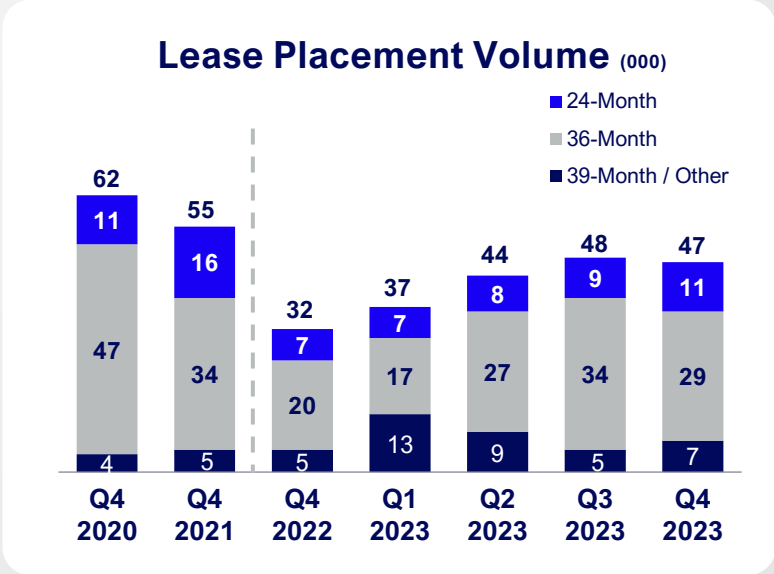


Retail Net Charge-Offs (\$M) and LTR Ratio (%)



U.S. Lease Metrics

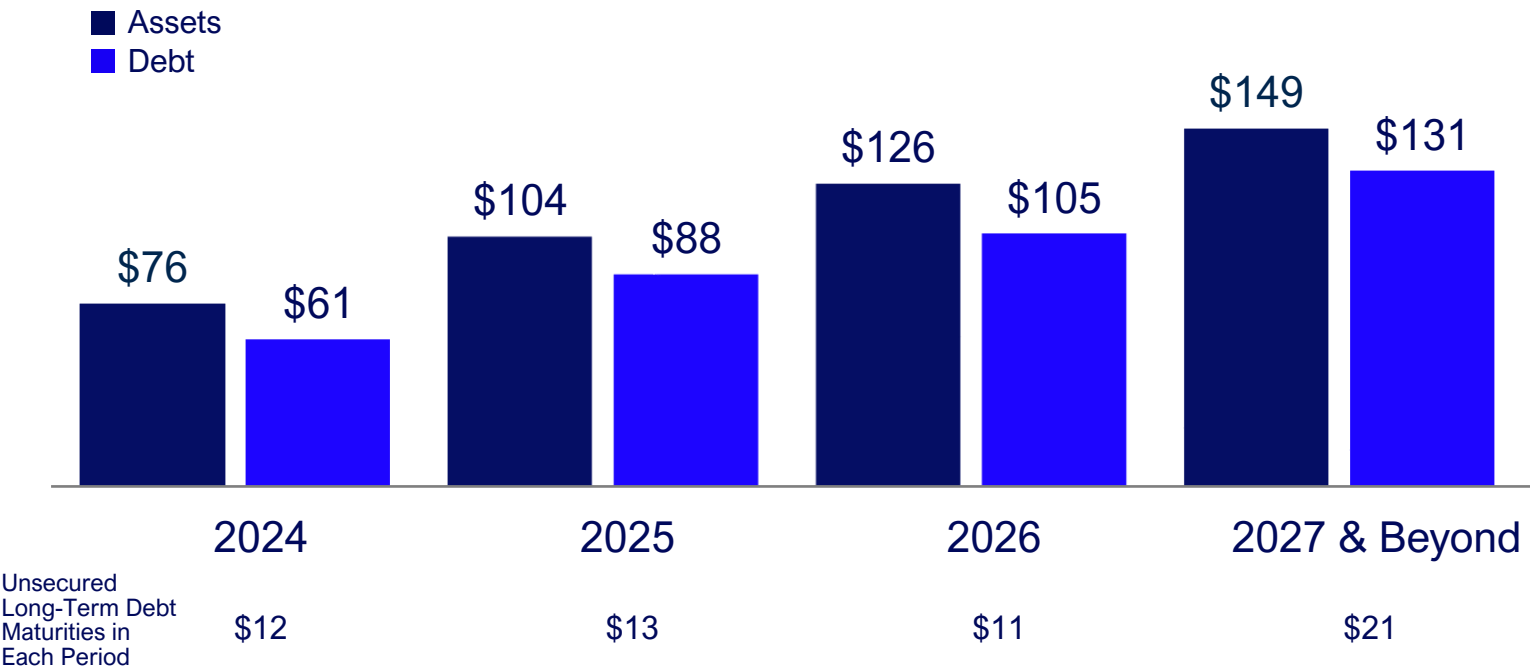
- + Aligned with expectations, lease return rates have begun to increase from historical lows, reflecting the impact of declining auction values
- + Q4 auction values decreased 8% YoY and 8% sequentially



* Source: J.D. Power PIN
 ** U.S. 36-month off-lease auction values at Q4 2023 mix

Cumulative Maturities At December 31, 2023* (\$B)

+ Strong balance sheet is inherently liquid with cumulative debt maturities having a longer tenor than asset maturities



* See Appendix for assets and debt definitions

Funding Structure (\$B)

- + Well capitalized with a strong balance sheet; funding diversified across platforms and markets
- + Net liquidity strong at \$25.7B
- + Leverage is within the target range of 9:1 to 10:1

	2022 Dec. 31	2023 Dec. 31
Term Unsecured Debt	\$ 48.3	\$ 54.1
Term Asset-Backed Securities	56.4	58.0
Deposits / Ford Interest Advantage (FIA)	14.3	17.2
Other	2.7	1.4
Equity	11.9	13.4
Adjustments for Cash	(11.3)	(10.9)
Total Net Receivables	<u>\$ 122.3</u>	<u>\$ 133.2</u>
Securitized Funding as Pct. of Total Debt	47.4%	44.9%
Net Liquidity	\$ 21.1	\$ 25.7
Financial Statement Leverage	10.0	9.7

Public Term Funding Plan (\$B)

- + Completed \$8B of public issuance YTD in 2024
- + Liquidity and diverse funding sources provide flexibility

	2022 Actual	2023 Actual	2024 Forecast*	Through Feb. 20
Unsecured	\$ 6	\$ 14	\$ 14 - 17	\$ 5
Securitizations**	10	14	13 - 16	3
Total	<u>\$ 16</u>	<u>\$ 28</u>	<u>\$ 27 - 33</u>	<u>\$ 8</u>

* As of February 7, 2024
 ** Includes Rule 144A Offerings

North American Securitization Programs

Ford Credit has a long history in securitization with a publicly-registered securitization program for retail contracts that began in 1989. In recent history, Ford Credit has typically offered various asset-backed securities as summarized in the table below.

Program	Ticker	Asset Class	Structure	Typical AAA Term	Typical Offering Type
FCAOT	FORDO	U.S. Retail	Amortizing	2a-7 to 3.6yr	Public
FCALT	FORDL	U.S. Lease	Amortizing	2a-7 to 2.2yr	Public
FordREV	FORDR	U.S. Retail	Revolving	5yr	144A
FCFMOTA	FORDF	U.S. Wholesale	Revolving	3yr and 5yr	144A/Public
FAST	FAST	Canadian Retail	Amortizing	0.6 to 3.7yr	144A (U.S.)

Syndicate Process Summary

- In an effort to promote maximum transparency during transaction marketing, Ford Credit carries out a consistent syndicate process across its ABS platforms
- The following are key phases of this timeline:
 - **Premarketing:** Investors will have all marketing materials (including IPTs) to facilitate their analysis; during this time IOIs will be taken
 - **Announcement:** The transaction will typically announce the morning following premarketing, and order books will officially open
 - **Guidance:** Formal price guidance accompanied by subscription status is provided at approximately 11:00am eastern
 - **Pricing:** Subject to market conditions, the transaction will typically price the following day
- Additional timing considerations:
 - **Closing of Classes:** Classes may go subject upon reaching full subscription of the base size and will go subject after reaching full subscription of the upside. Only firm orders (i.e., not subject to credit) will contribute to this determination and the market will be given approximately 30 minutes notice
 - **Allocations:** Orders placed before price guidance are expected to receive higher allocations than orders placed after price guidance

Cautionary Note On Forward-Looking Statements

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

- Ford is highly dependent on its suppliers to deliver components in accordance with Ford’s production schedule and specifications, and a shortage of or inability to acquire key components or raw materials, such as lithium, cobalt, nickel, graphite, and manganese, can disrupt Ford’s production of vehicles;
- To facilitate access to the raw materials and other components necessary for the production of electric vehicles, Ford has entered into and may, in the future, enter into multi-year commitments to raw material and other suppliers that subject Ford to risks associated with lower future demand for such items as well as costs that fluctuate and are difficult to accurately forecast;
- Ford’s long-term competitiveness depends on the successful execution of Ford+;
- Ford’s vehicles could be affected by defects that result in recall campaigns, increased warranty costs, or delays in new model launches, and the time it takes to improve the quality of our vehicles and services could continue to have an adverse effect on our business;
- Ford may not realize the anticipated benefits of existing or pending strategic alliances, joint ventures, acquisitions, divestitures, or business strategies;
- Ford may not realize the anticipated benefits of restructuring actions and such actions may cause Ford to incur significant charges, disrupt our operations, or harm our reputation;
- Operational information systems, security systems, vehicles, and services could be affected by cybersecurity incidents, ransomware attacks, and other disruptions and impact Ford and Ford Credit as well as their suppliers and dealers;
- Ford’s production, as well as Ford’s suppliers’ production, and/or the ability to deliver products to consumers could be disrupted by labor issues, public health issues, natural or man-made disasters, adverse effects of climate change, financial distress, production difficulties, capacity limitations, or other factors;
- Failure to develop and deploy secure digital services that appeal to customers could have a negative impact on Ford’s business;
- Ford’s ability to maintain a competitive cost structure could be affected by labor or other constraints;
- Ford’s ability to attract, develop, grow, and reward talent is critical to its success and competitiveness;
- Ford’s new and existing products and digital, software, and physical services are subject to market acceptance and face significant competition from existing and new entrants in the automotive and digital and software services industries, and its reputation may be harmed if it is unable to achieve the initiatives it has announced;
- Ford’s results are dependent on sales of larger, more profitable vehicles, particularly in the United States;
- With a global footprint and supply chain, Ford’s results and operations could be adversely affected by economic or geopolitical developments, including protectionist trade policies such as tariffs, or other events;
- Industry sales volume can be volatile and could decline if there is a financial crisis, recession, public health emergency, or significant geopolitical event;
- Ford may face increased price competition or a reduction in demand for its products resulting from industry excess capacity, currency fluctuations, competitive actions, or other factors, particularly for electric vehicles;
- Inflationary pressure and fluctuations in commodity and energy prices, foreign currency exchange rates, interest rates, and market value of Ford or Ford Credit’s investments, including marketable securities, can have a significant effect on results;
- Ford and Ford Credit’s access to debt, securitization, or derivative markets around the world at competitive rates or in sufficient amounts could be affected by credit rating downgrades, market volatility, market disruption, regulatory requirements, or other factors;
- The impact of government incentives on Ford’s business could be significant, and Ford’s receipt of government incentives could be subject to reduction, termination, or clawback;
- Ford Credit could experience higher-than-expected credit losses, lower-than-anticipated residual values, or higher-than-expected return volumes for leased vehicles;
- Economic and demographic experience for pension and OPEB plans (e.g., discount rates or investment returns) could be worse than Ford has assumed;
- Pension and other postretirement liabilities could adversely affect Ford’s liquidity and financial condition;
- Ford and Ford Credit could experience unusual or significant litigation, governmental investigations, or adverse publicity arising out of alleged defects in products, services, perceived environmental impacts, or otherwise;
- Ford may need to substantially modify its product plans and facilities to comply with safety, emissions, fuel economy, autonomous driving technology, environmental, and other regulations;
- Ford and Ford Credit could be affected by the continued development of more stringent privacy, data use, data protection, and artificial intelligence laws and regulations as well as consumers’ heightened expectations to safeguard their personal information; and
- Ford Credit could be subject to new or increased credit regulations, consumer protection regulations, or other regulations.

We cannot be certain that any expectation, forecast, or assumption made in preparing forward-looking statements will prove accurate, or that any projection will be realized. It is to be expected that there may be differences between projected and actual results. Our forward-looking statements speak only as of the date of their initial issuance, and we do not undertake any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events, or otherwise. For additional discussion, see “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2023, as updated by subsequent filings with the United States Securities and Exchange Commission.

03

U.S. Retail / Lease Origination And Servicing Strategy

Origination Process

- Dealers submit credit applications and proposed financing terms electronically to Ford Credit
- Ford Credit obtains a credit report for the applicant(s) and uses its proprietary origination system to complete compliance and other checks, including fraud alerts and ID variations
- Credit decisions are made electronically or by an analyst and returned electronically to dealers
- The origination process is not governed by strict limits and is judgment-based, using well-established purchasing guidelines and control processes to support consistent credit decisions
- Purchase quality guidelines set portfolio targets for lower and marginal quality contracts
- Risk factor guidelines are applicable to specific application attributes including affordability measures such as payment-to-income and debt-to-income ratios, LTV, FICO score and term
 - For less creditworthy applicants or if there is a discrepancy in the information provided by the applicant, the credit analyst may verify the identity, employment, income, residency and other applicant information using Ford Credit's procedures before making a decision
- Credit analysts' decisions are reviewed regularly to ensure they are consistent with origination standards and credit approval authority

Origination Scoring Models

- Ford Credit's origination scoring models were developed internally based on Ford Credit's portfolio databases of millions of contracts originated over several decades. The model development process identifies key variables used to assign the applicant a proprietary risk score based on the probability of the applicant paying the amounts due under their contract
- In October 2018, Ford Credit began redeveloping certain of its origination scoring models for consumer credit applicants using advanced statistical tools to improve data interactions and evaluate and create more predictive variables. Those redeveloped models can sometimes place greater emphasis on newly created variables with relatively less emphasis on traditional variables such as an applicant's FICO score, which in turn enhance the model's ability to assess risk and more accurately assign a proprietary risk score
- Ford Credit regularly reviews its models to confirm the business significance and statistical predictability of the variables
 - Origination scoring model performance review
 - Scorecard Cycle Plan Committee review
- New origination scoring models are developed on a regular cycle plan
- Adjustments may be made to improve the performance of the origination scoring models between development cycles to react quickly to portfolio performance shifts and macroeconomic conditions. Adjustments may include:
 - Uniformly changing the overall credit risk scores
 - Modifying the weight of selected variables
- Launch dates for the most recently redeveloped origination scoring models are as follows:

U.S. Scoring Models	Redevelopment Date
Consumer	January 2018, May 2023*, October 2023*
Commercial	January 2024
Commercial Line of Credit	April 2022

* For certain FICO segments

Behavioral Scoring Models

- Ford Credit uses proprietary behavioral scoring models to assess the probability of payment default for each receivable on its payment due date
- These models assess the risk of a customer defaulting using a number of variables, including origination characteristics, customer account history, payment patterns, expected net losses and periodically updated credit bureau information
- Output of the behavioral scoring models is a proprietary score (probability of default) that determines:
 - How soon a customer will be contacted after a payment becomes delinquent
 - How often the customer will be contacted during the delinquency
 - How long the account will remain in early stage collections before it is transferred to late stage
- New behavioral scoring models are developed on a regular cycle plan
- Ford Credit regularly reviews the behavioral scoring models to confirm the continued statistical predictability of the variables. Adjustments may be made to improve the performance of the behavioral scoring models between development cycles
- Completed launch dates of the most recently redeveloped behavioral scoring models are as follows:

U.S. Scoring Models	Redevelopment Date
Consumer	July 2021
Commercial	May 2023

04

U.S. Retail Securitization

2.26.2024



Free Writing Prospectus

Registration Statement No. 333-258040

Ford Credit Auto Receivables Two LLC (the “depositor”)

Ford Credit Auto Owner Trusts (the “issuer”)

This document constitutes a free writing prospectus for purposes of the Securities Act of 1933. The depositor has filed a registration statement (including a prospectus) with the SEC for any offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the depositor has filed with the SEC for more complete information about the depositor, the issuer and such offering. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, you may request that a copy of the prospectus be sent to you by calling toll-free 1-833-240-3184.

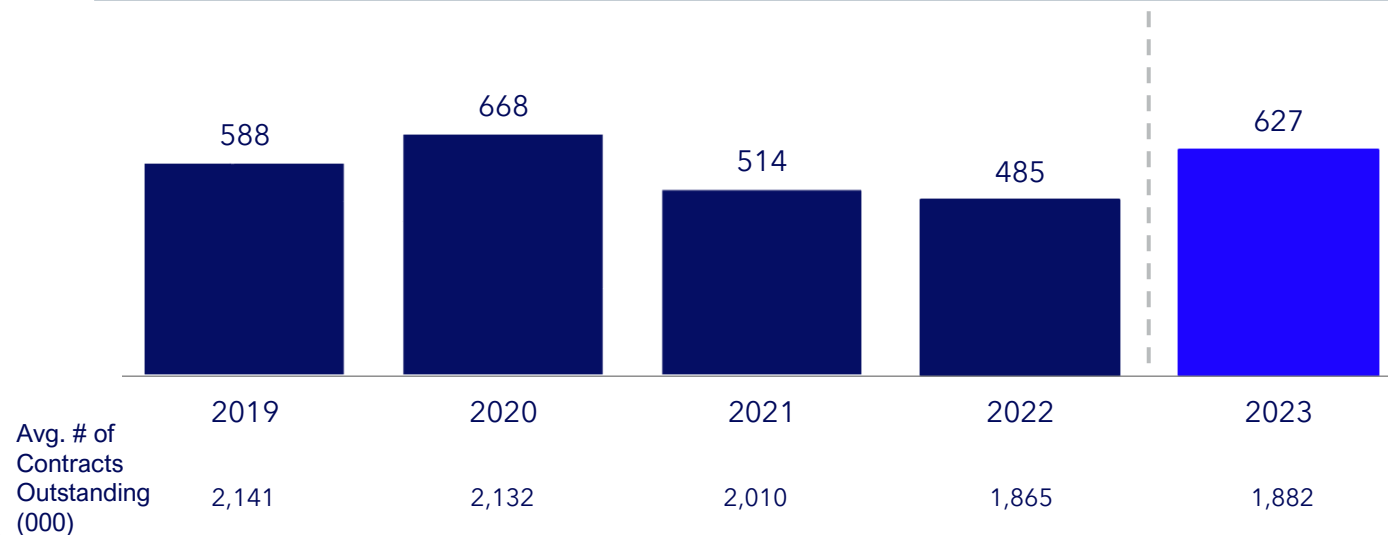
Overview

- Ford Credit has been originating retail installment sales contracts since 1959 and securitizing its retail contracts since 1988
- Ford Credit has had an active publicly-registered securitization program for retail contracts since 1989 and has issued asset-backed securities in more than 90 transactions under this program
- Ford Credit offers retail asset-backed securities through various channels:
 - Publicly-registered transactions
 - Rule 144A transactions
 - Other private transactions
- Collateral composition has trended in line with the industry and Ford Credit's strategy
 - Securitized pools selected randomly from Ford Credit's eligible portfolio
 - Receivables with original terms up to 84 months have been included in widely-distributed retail transactions since 2020
- Structural elements have remained consistent – minimal adjustments over the past 15 years

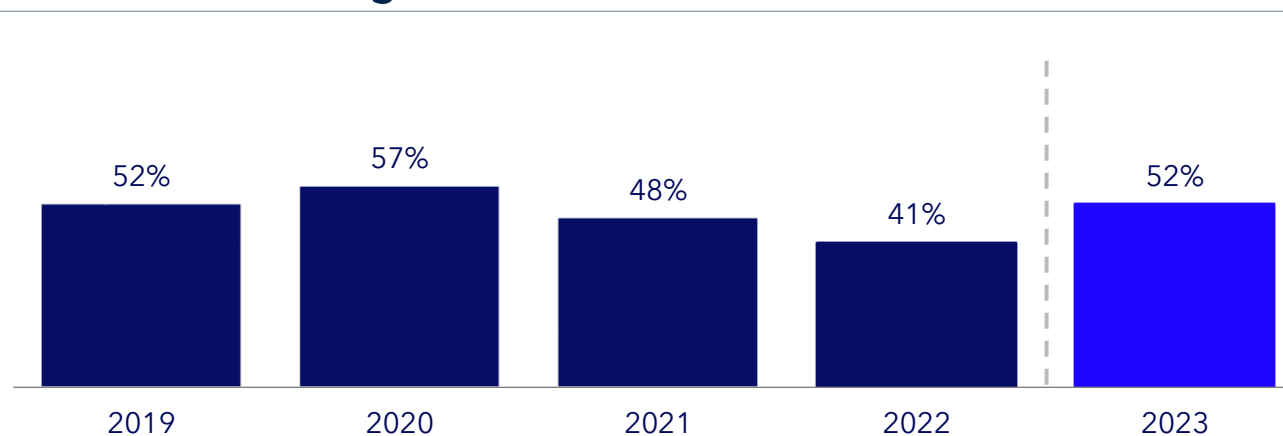
Originations and Share

- + Ford Credit provides support for Ford and Lincoln dealers and customers through all business cycles
- + Higher originations volume in 2023, reflects higher Ford sales and higher subvented financing share

Number of Retail Receivables Originated (000)



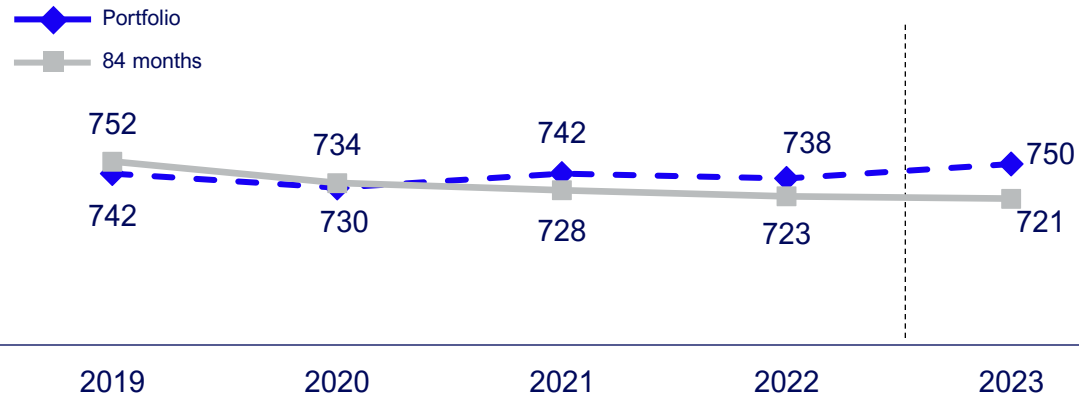
Financing Share* Retail Installment and Lease



* Retail Installment and lease share of Ford/Lincoln retail sales (excludes fleet sales)

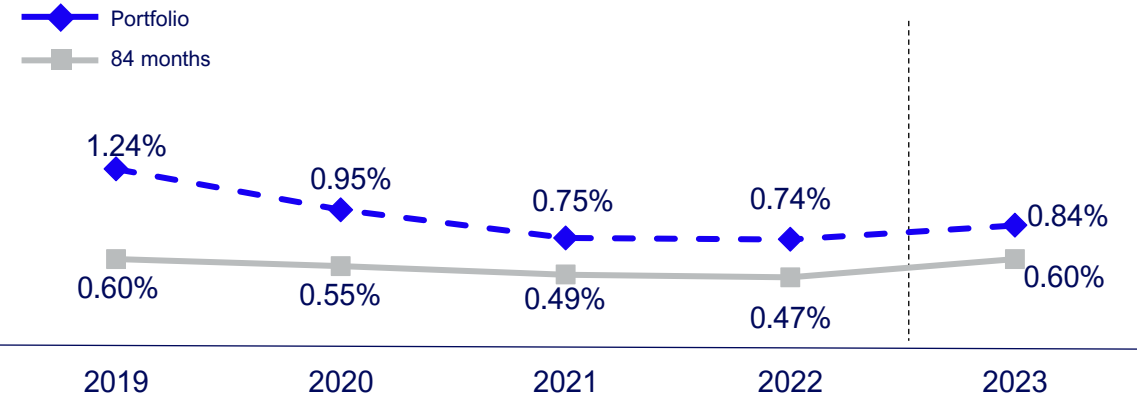
Portfolio Credit Metrics

Weighted Average FICO® at Origination*

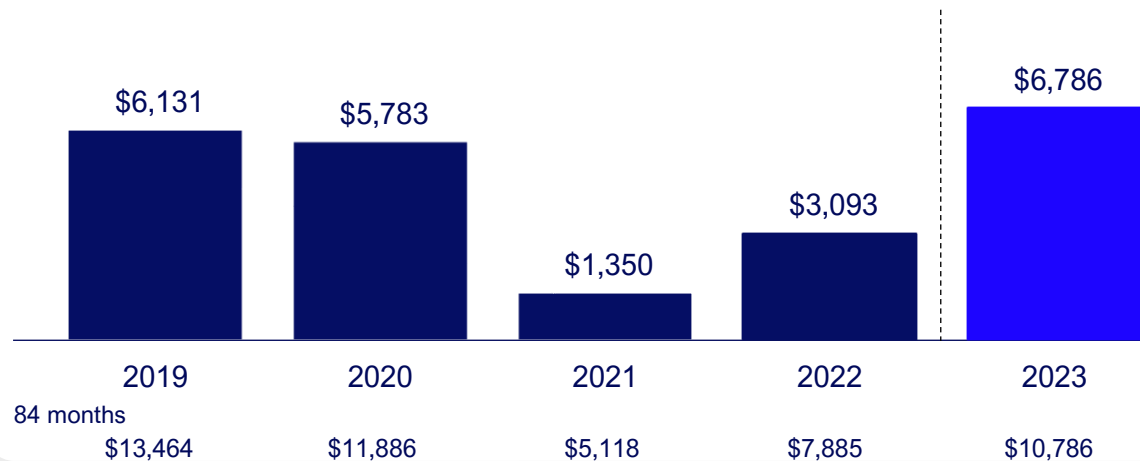


* Based on year of origination

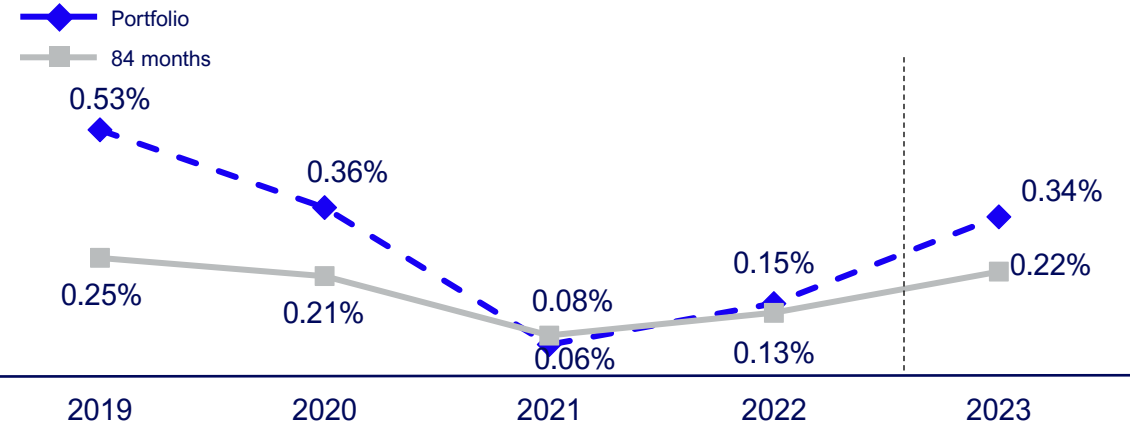
Repossessions as a % of the Average Number of Contracts Outstanding



Average Net Loss on Charged-Off Contracts



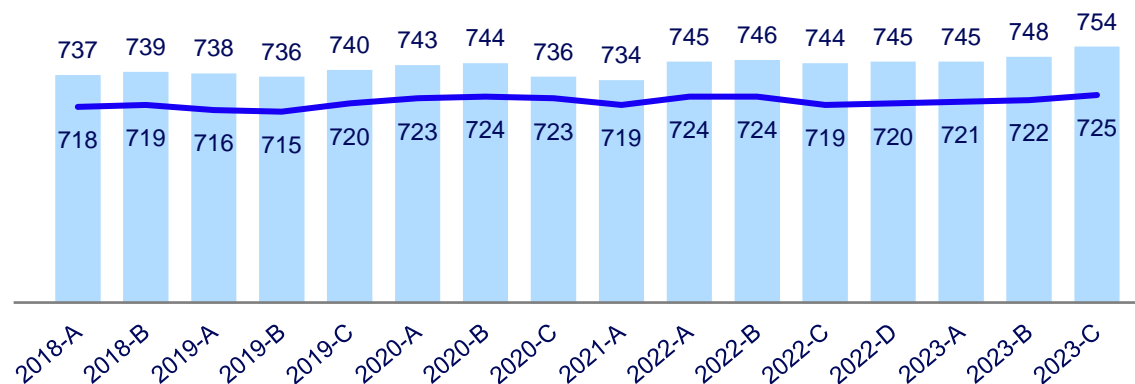
Net Losses as a % of the Average Portfolio Outstanding



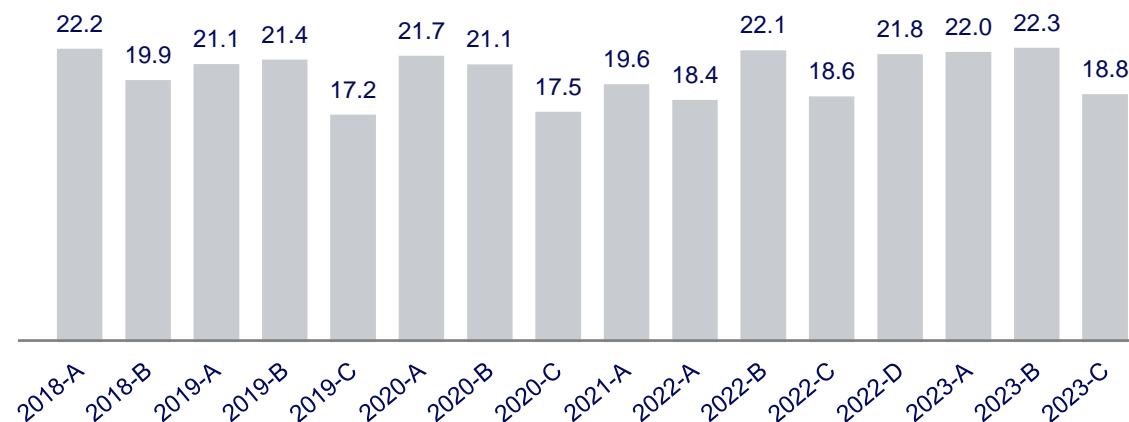
Securitization Pool Metrics

Weighted Average FICO at Origination

— Original Term > 60 Mos.

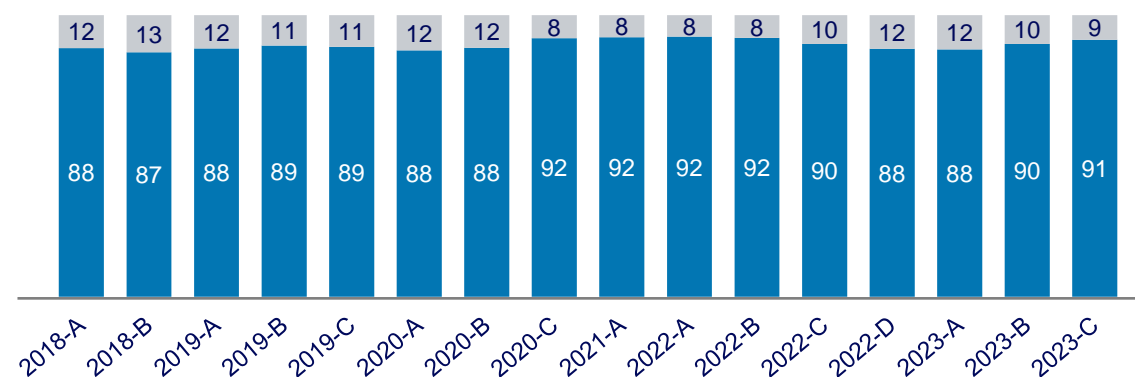


Commercial Use (%)



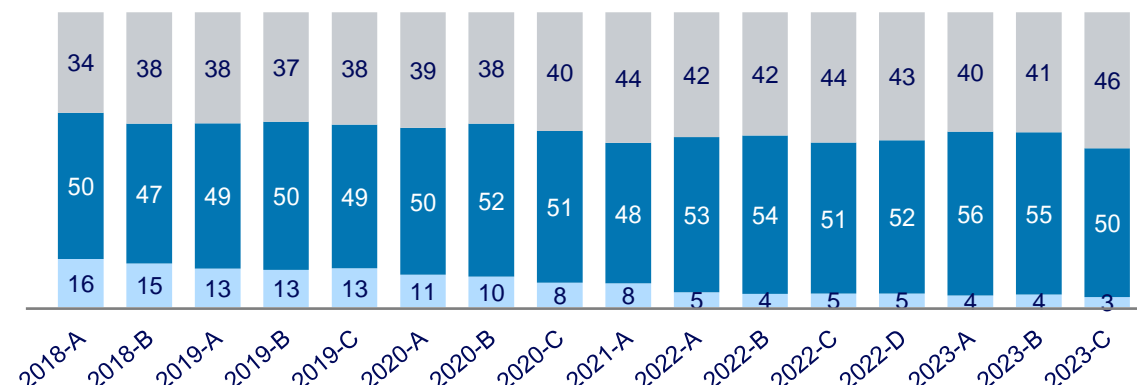
New / Used (%)

■ New ■ Used



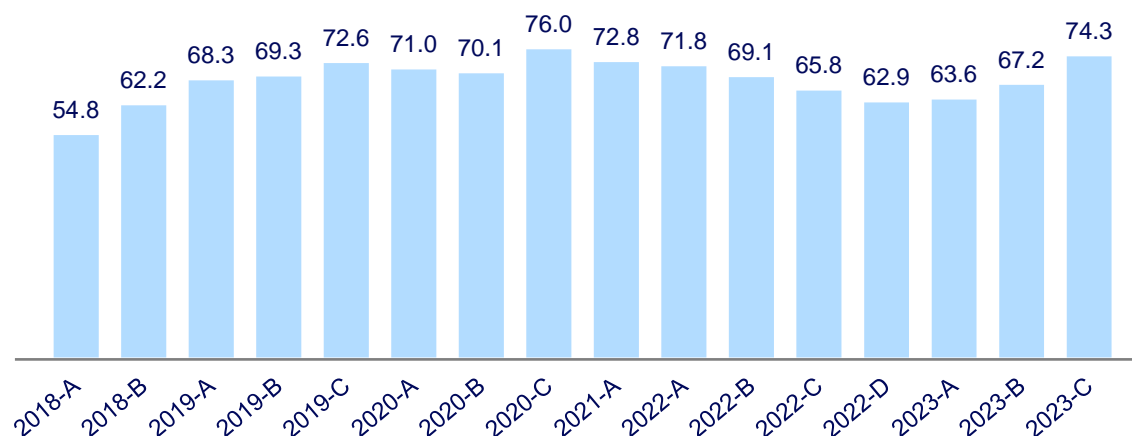
Car / Light Truck / Utility (%)

■ Car ■ Light Truck ■ Utility

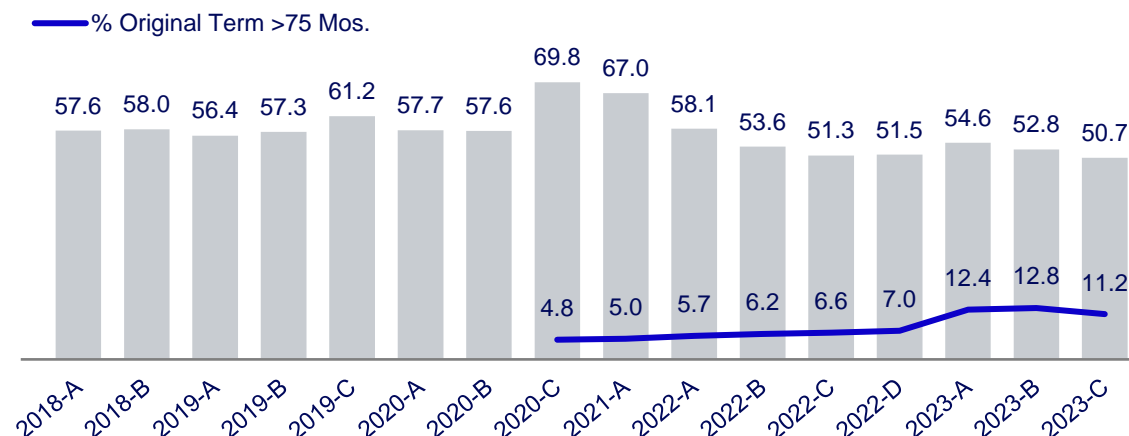


Securitization Pool Metrics (Cont'd)

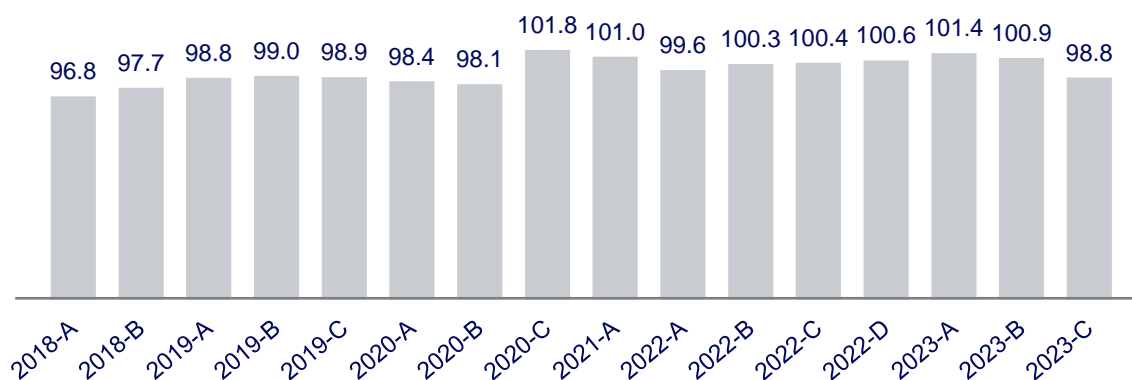
Subvened-APR Receivables (%)



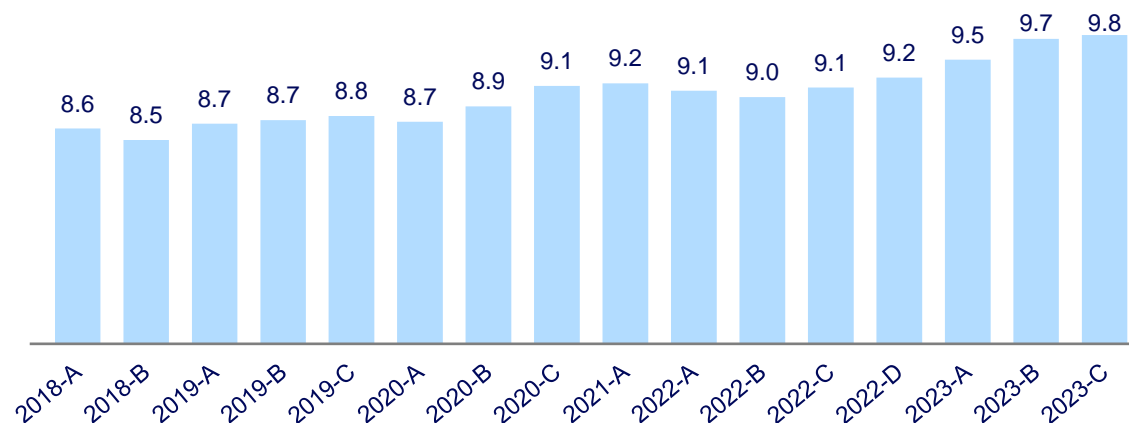
Original Term > 60 Mos. by Principal Balance (%)



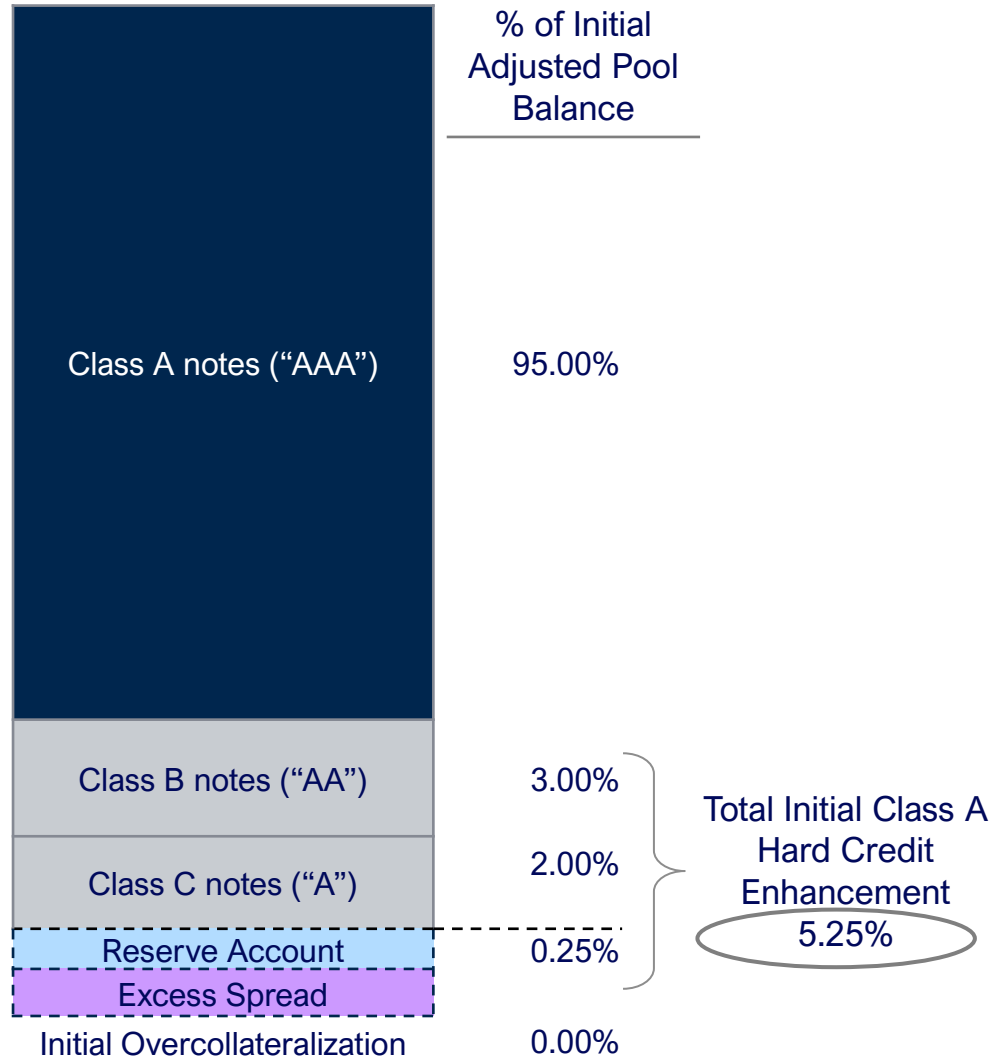
Weighted Average Loan-to-Value (%)



Weighted Average Payment-to-Income (%)

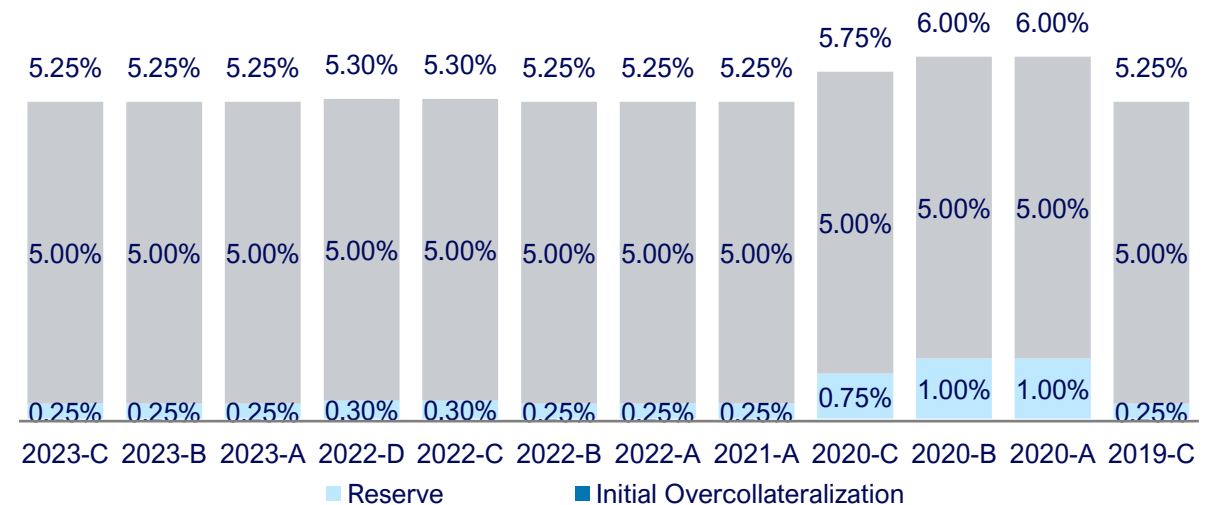


Structure Overview

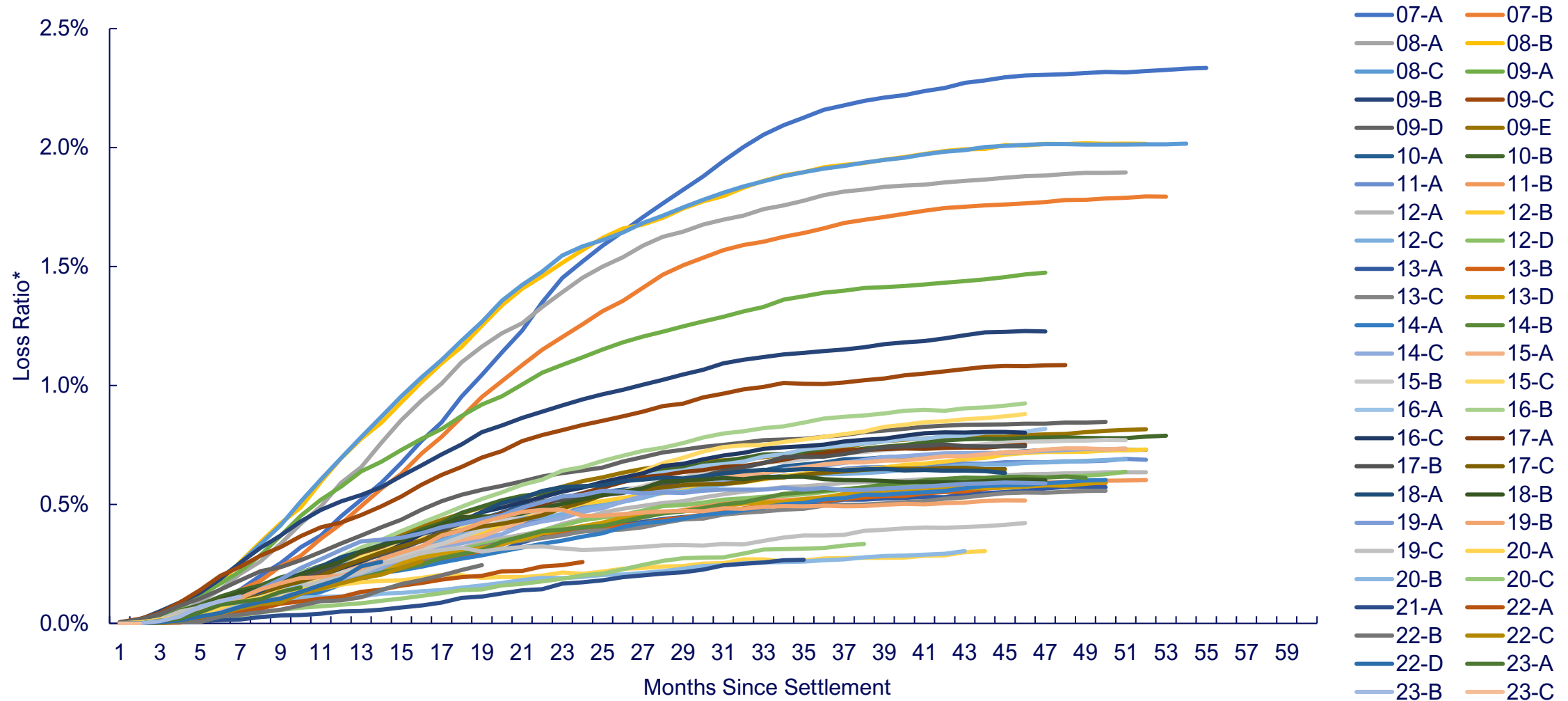


- Senior/subordinate, sequential pay structure
- Credit enhancement largely consistent over the life of the program:
 - Subordination of junior notes
 - Cash reserve
 - Excess spread (used to build target overcollateralization)
- Overcollateralization (OC) builds to a target amount
 - Available funds pay the Class A1 notes in full ("turbo") and target OC amount is reached before any funds are released to the residual interest
- Target OC is the sum of:
 - Yield supplemental overcollateralization (YSOC)
 - 2.0% of initial adjusted pool balance
 - Excess of 1.5% of current pool balance over reserve account

Initial Class A Hard Credit Enhancement



Retail Pool Performance: Cumulative Net Losses



* Data reflected through the December 2023 collection period

05

U.S. Revolving Extended Variable-Utilization Securitization (FordREV)

2.26.2024

Overview

- Since May 2014, Ford Credit has offered 19 Revolving Extended Variable Utilization (FordREV) transactions
 - At present, more than \$13 billion in outstanding notes
 - Features a 5-year revolving period (2018-REV1 has a 7-year tenor) and subsequent soft-bullet maturity
 - 2024-REV1 is the most recent issuance, with Class A notes of \$1.5 billion
 - Ten FordREV transactions have already been redeemed, each at its the expected final payment date
- FordREV notes consist of a AAA-rated senior tranche and three subordinated classes of notes*
- FordREV notes are backed by U.S. retail auto receivables originated by Ford Credit – comparable to the receivables in its U.S. publicly-registered retail securitization program
 - During the revolving period, monthly collections are deposited in an accumulation account and are available to purchase additional receivables
 - FordREV notes may be backed by a combination of receivables and cash
 - Pool concentration limits safeguard the quality of the collateral backing the notes
- The notes are expected to be redeemed in full at the end of the revolving period
 - Step-up or make-whole amounts may otherwise be payable

* The third and most subordinated class of note (the Class D Note) was first offered in April 2021 as part of 2021-REV1; all prior FordREV transactions offered two subordinated classes of notes

Initial Pool Comparison

	2024-REV1**	2023-REV2	2023-REV1	2022-REV1	2021-REV2	2021-REV1	2020-REV2	2020-REV1	2018-REV1
Aggregate Principal Balance	\$2,750,009,636	\$1,534,925,182	\$1,841,128,578	\$1,255,079,725	\$1,202,236,910	\$1,202,369,995	\$1,703,555,858	\$1,837,350,385	\$2,449,902,152
Number of Receivables	73,830	43,048	52,902	40,215	40,944	39,243	54,553	66,019	90,622
Average Principal Balance	\$37,248	\$35,656	\$34,803	\$31,209	\$29,363	\$30,639	\$31,228	\$27,831	\$27,034
WA APR*	4.96%	4.78%	4.20%	2.60%	2.89%	2.61%	2.16%	3.00%	3.20%
WA Original Term (mos.)*	64	64	64	65	66	67	67	66	66
WA Remaining Term (mos.)*	56	56	55	54	54	57	59	56	58
WA Seasoning (mos.)*	7	8	9	11	11	10	8	10	8
% Original Term > 60 mos.	50.03%	50.98%	49.89%	53.54%	59.91%	64.79%	69.56%	59.16%	60.27%
% Original Term > 72 mos.	12.86%	16.44%	7.95%	7.82%	7.87%	7.96%	7.96%	0.00%	0.00%
% Original Term > 75 mos.	10.90%	12.62%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
% Original Term = 84 mos.	N/A	N/A	6.09%	4.81%	4.47%	4.11%	3.56%	0.00%	0.00%
WA FICO Score*	755	750	748	746	742	736	740	743	740
% Car	3.06%	4.10%	4.30%	4.70%	6.00%	8.06%	9.10%	11.52%	18.27%
% Light Truck	50.16%	54.10%	52.46%	52.84%	47.93%	47.33%	51.65%	50.46%	48.22%
% Utility	46.78%	41.80%	43.23%	42.46%	46.07%	44.61%	39.25%	38.02%	33.51%
% New	92.68%	91.56%	89.00%	92.81%	91.43%	92.39%	91.75%	89.19%	90.44%
% Used	7.32%	8.44%	11.00%	7.19%	8.57%	7.61%	8.25%	10.81%	9.56%
% State Concentration (top 3)	15.67% - TX	16.36% - TX	16.77% - TX	16.94% - TX	16.62% - TX	15.35% - TX	16.43% - TX	17.95% - TX	15.91% - TX
	8.78% - CA	9.60% - CA	11.03% - CA	10.48% - CA	10.40% - CA	10.90% - CA	9.03% - CA	9.98% - CA	10.39% - CA
	8.32% - FL	8.30% - FL	8.45% - FL	7.80% - FL	7.80% - FL	7.83% - FL	7.75% - FL	7.49% - FL	8.06% - FL

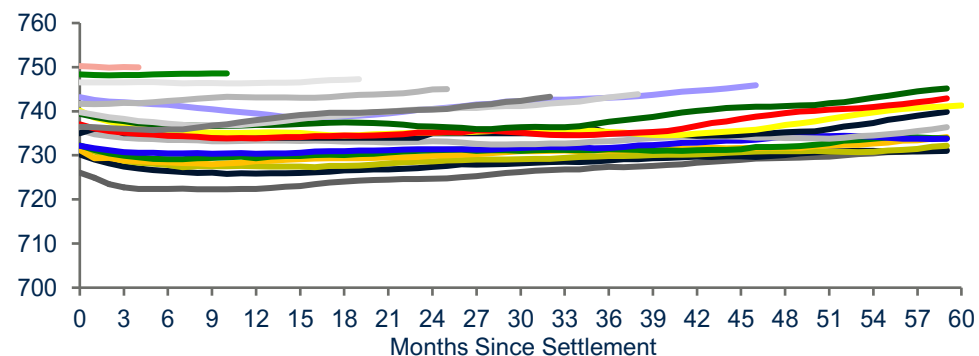
* Weighted averages are weighted by the principal balance of each receivable on the statistical calculation date for 2024-REV1 and the cutoff date for the initial receivables for prior transactions

** Summary characteristics of the receivables in the statistical pool as of the statistical calculation date, not the initial pool of receivables that was sold to the trust on the closing date

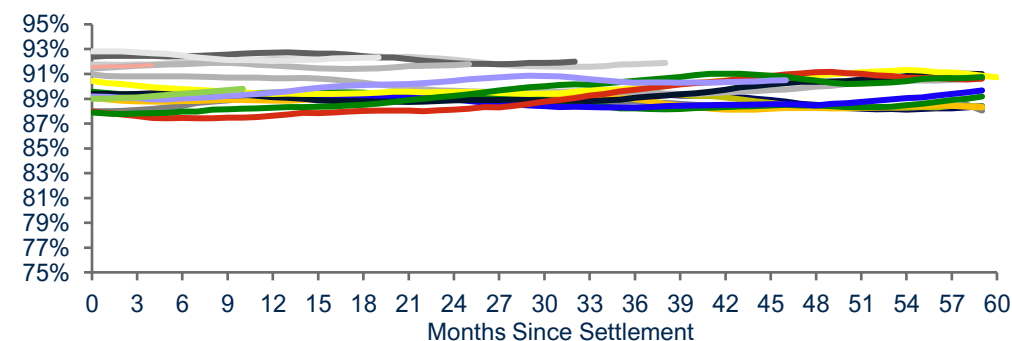
Key Collateral Attributes

- Trends in Ford Credit's originations and amortization of receivables gradually affect the key collateral attributes of FordREV transactions as additional receivables are sold

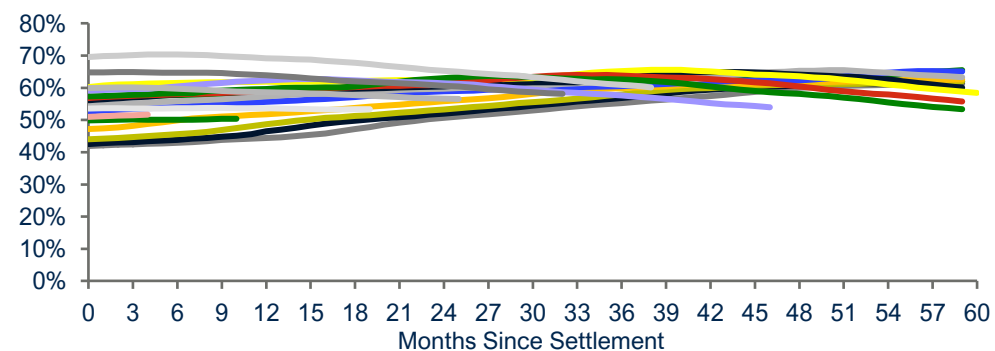
Weighted Average FICO at Origination*



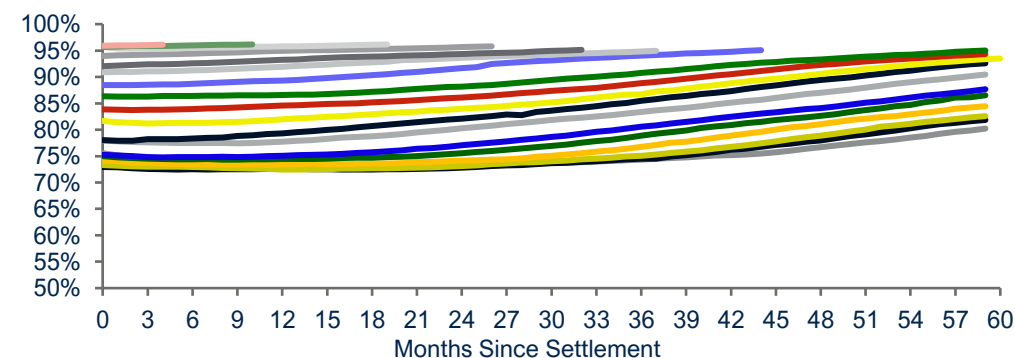
New Vehicle Concentration*



Original Term > 60 Months*



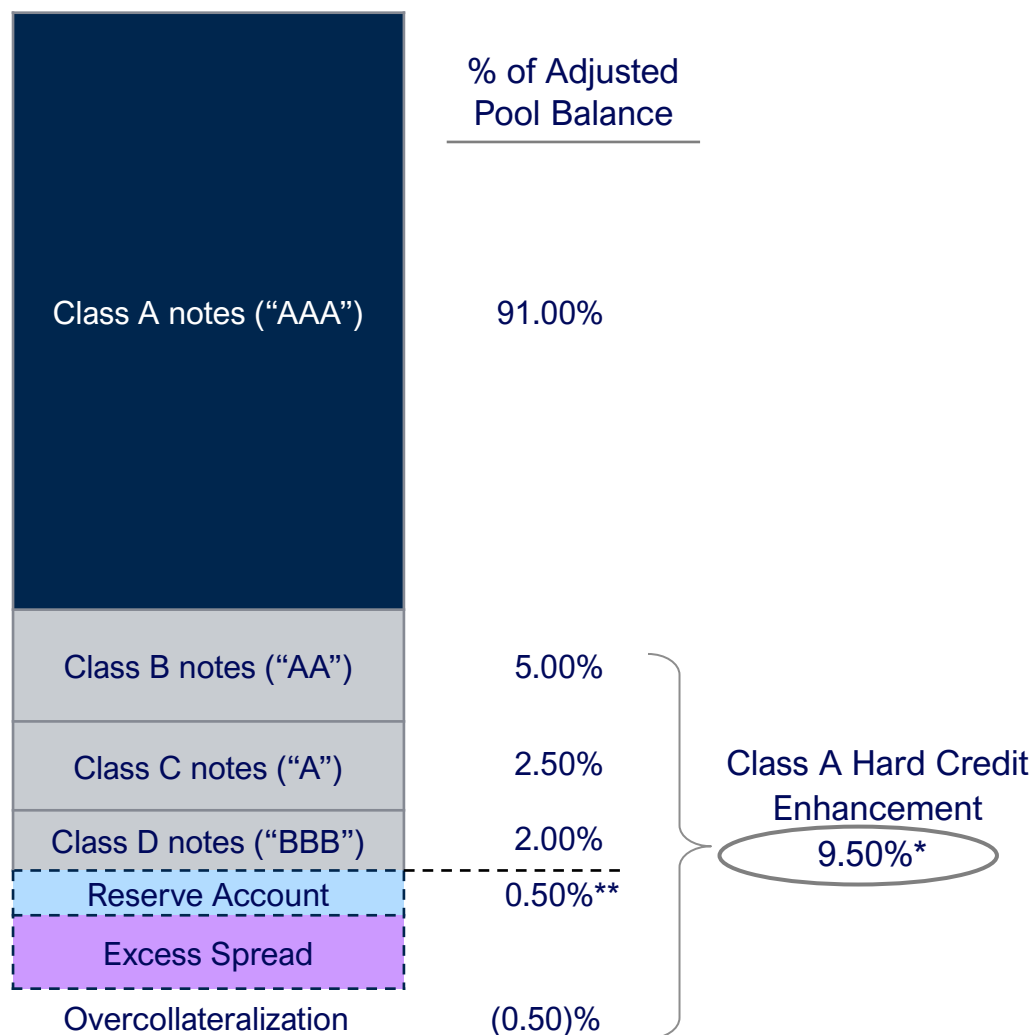
Light Truck & Utility Vehicles*



2014-REV1 2014-REV2 2015-REV1 2015-REV2 2016-REV1 2016-REV2 2017-REV1 2017-REV2 2018-REV1
 2018-REV2 2019-REV1 2020-REV1 2020-REV2 2021-REV1 2021-REV2 2022-REV1 2023-REV1 2023-REV2

* Entire pool as of the cutoff date for the collection period, including ineligible receivables, if any; data reflected through December 2023 collection period

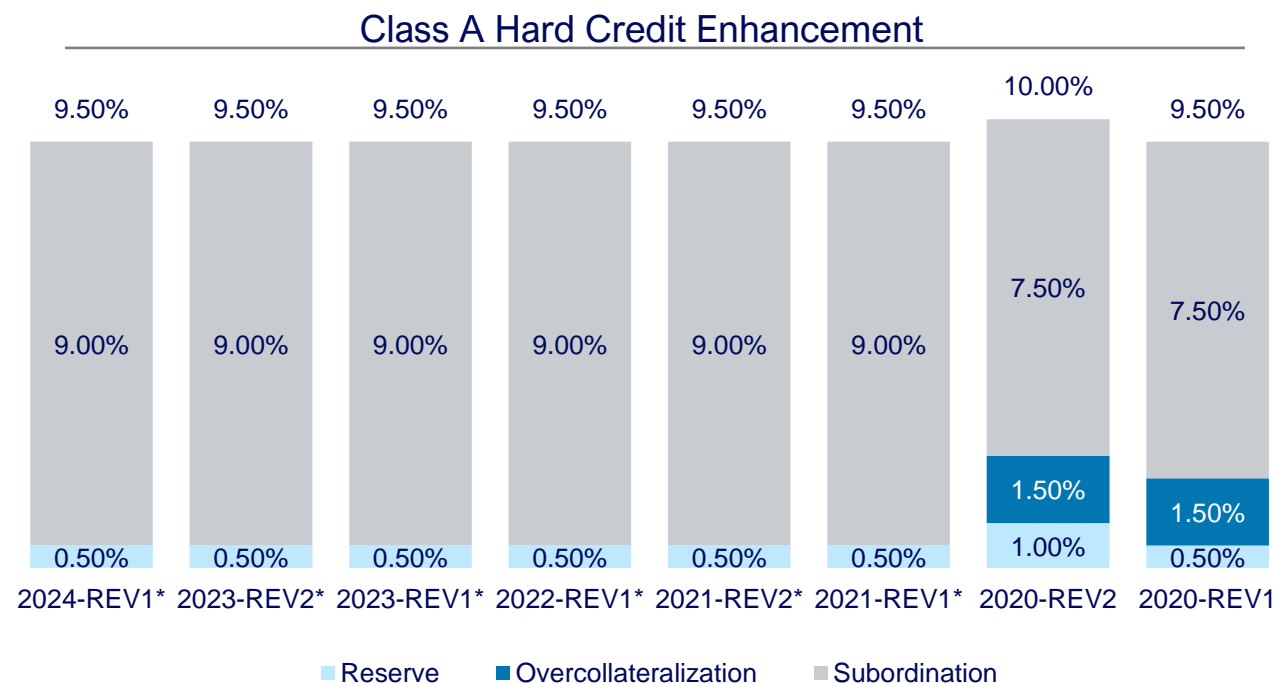
Structure Overview



* Inclusive of credit enhancement provided by the Class D note that is collateralized on an adjusted pool basis only

** Reserve account of at least 0.50% of the initial adjusted pool balance. Decreases to at least 0.25% during the amortization period through priority of payments

- Credit enhancement largely consistent over the life of the program
 - The subordinate Class D tranche was first offered in April 2021 as part of 2021-REV1
 - 2020-REV2, the first transaction after the start of the pandemic, included an increased reserve
- Servicer has the ability to substitute collateral with cash
 - Adjusted pool balance may not be less than 50% of the principal amount of the notes without triggering an amortization event



Pool Composition Tests

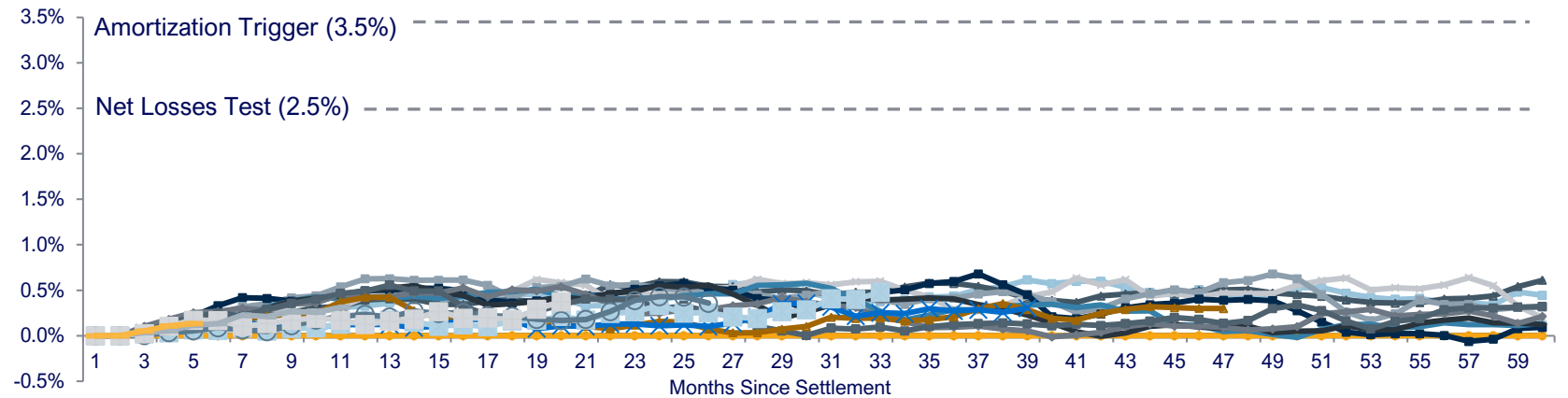
- Ford Credit aims to securitize its portfolio of receivables consistently across its FordREV and U.S. public retail transactions
 - Pool composition tests are subject to occasional modification in the context of new transactions
- Pool composition tests are applied to the entire pool when the trust purchases or sells receivables, and mitigate the risk of adverse changes in the receivables' composition over time
- Two levels of pool composition tests impact the amount of credit enhancement
 - Failure of any of the more stringent “floor credit enhancement composition tests” results in increased credit enhancement
 - Failure of any of the “pool composition tests” requires the Servicer to identify ineligible receivables so that the remaining receivables satisfy the tests – providing dollar-for-dollar credit enhancement for ineligible receivables

	Floor Credit Enhancement Composition Tests	Pool Composition Tests
Weighted Average FICO score at origination	≥ 715	≥ 700
Receivables with original term >60 mos.	$\leq 75\%$	$\leq 80\%$
Receivables with original term >72 mos.	$\leq 20\%$	$\leq 25\%$
Receivables with original term >75 mos.	$\leq 15\%$	$\leq 20\%$
Receivables for used vehicles	$\leq 15\%$	$\leq 20\%$
Receivables for used vehicles with original term >60 mos.	$\leq 10\%$	$\leq 11\%$
Receivables for new vehicles with original term >60 mos. and with no FICO score	$\leq 6\%$	$\leq 7\%$
Receivables with consumer obligors with no FICO score	Not applicable	$\leq 2\%$
Receivables with commercial obligors with no FICO score	Not applicable	$\leq 27.5\%$
Receivables for used vehicle with obligors with FICO score <625	$\leq 2.5\%$	$\leq 4\%$

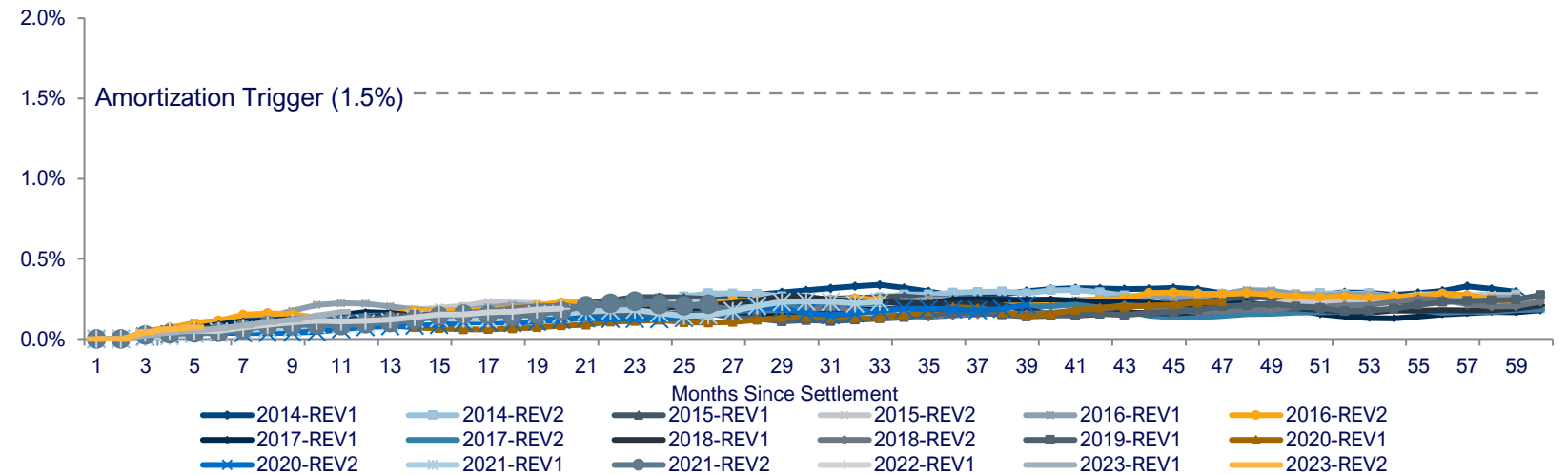
Net Loss & Delinquency Ratios

- + Prior REV transactions have demonstrated consistent loss and delinquency performance
- + Yield Supplement Overcollateralization Discount Rate increases if net losses test is exceeded
- + Amortization triggers based on both net losses and delinquencies

Net Loss Ratio*



Delinquency Ratio**

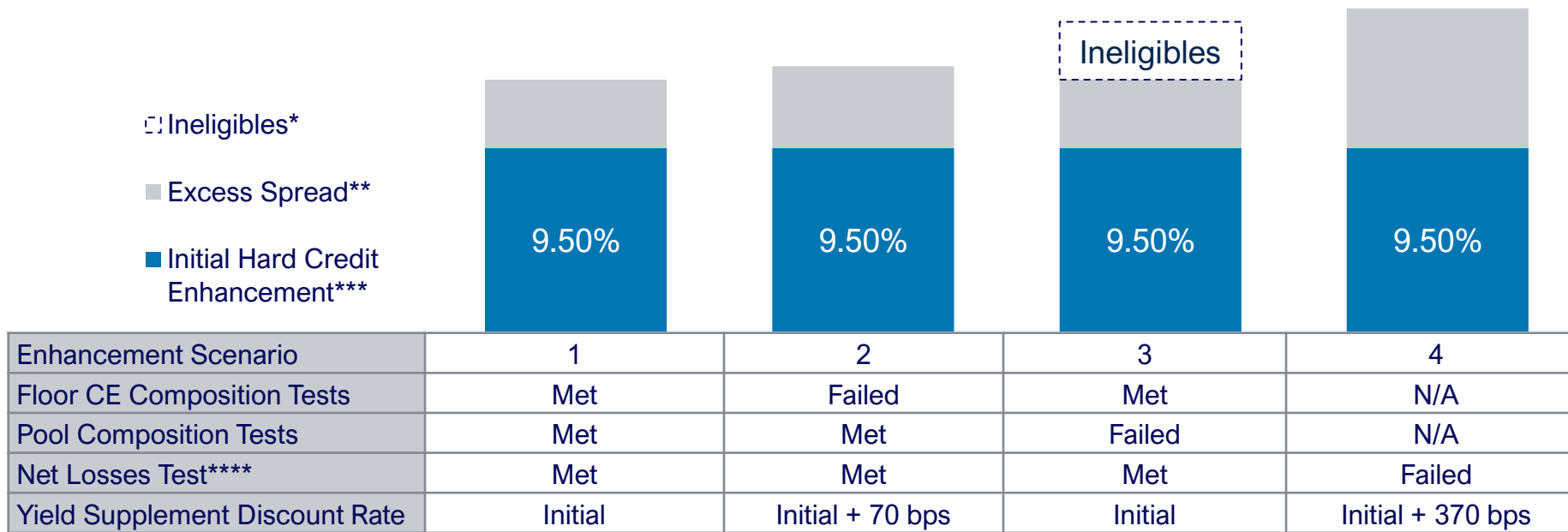


* 3-month rolling average annualized net losses as a percentage of pool balance

** 3-month rolling average aggregate principal balance of receivables that are 61 days or more delinquent as a percentage of pool balance

Credit Enhancement Levels

- Upon each monthly receivables purchase, credit enhancement levels are established based upon the compliance of various composition and net losses tests
 - Achieved by varying the discount rate for yield supplement overcollateralization
 - Total hard credit enhancement is consistent with prior 5-year REV transactions



* If the pool of receivables fails to satisfy all of the pool composition tests, the servicer will identify receivables in the pool to be deemed "ineligible receivables" so that the remaining receivables in the pool will satisfy all of the pool composition tests

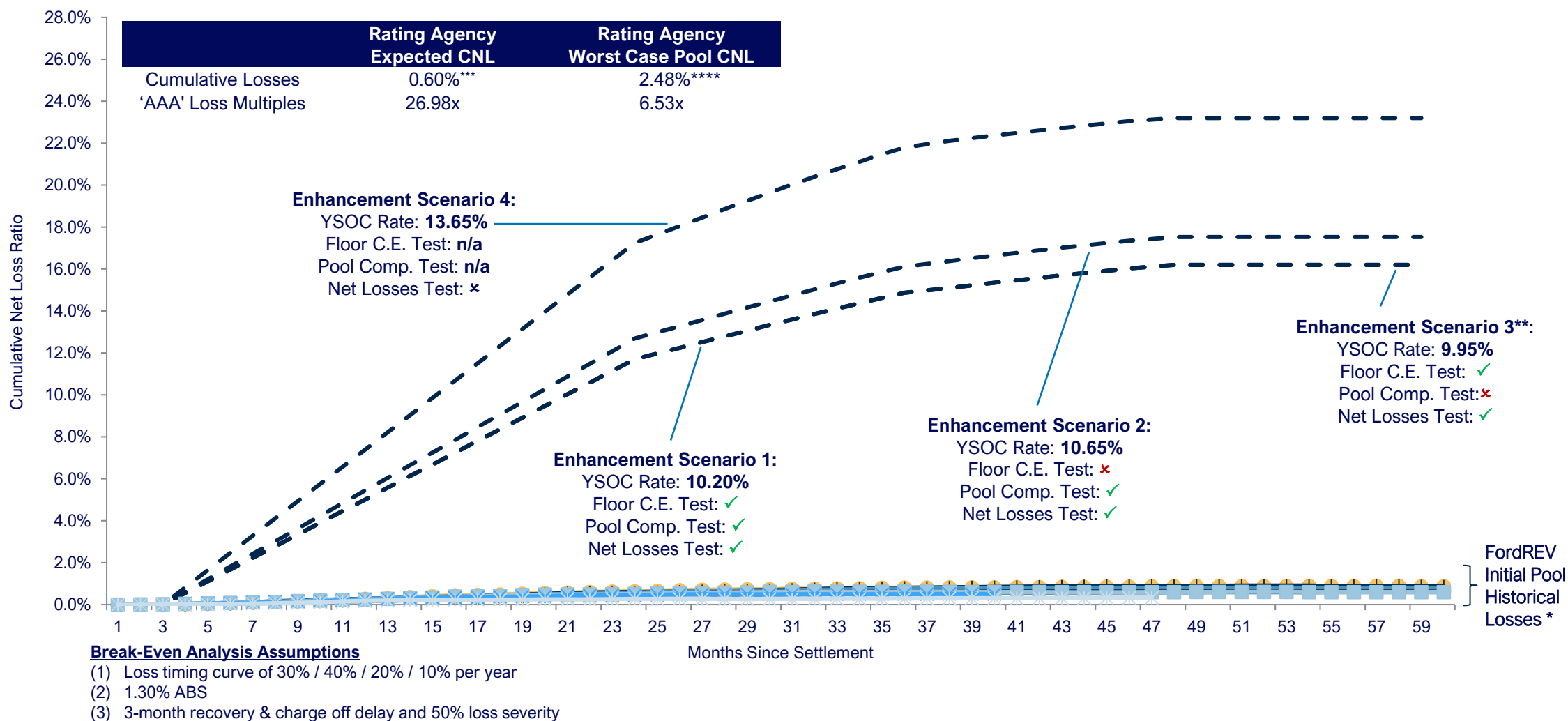
** Minimum annual excess spread including yield supplement (the discount rate will be set at a level necessary to produce an amount of excess spread sufficient to obtain the required ratings on the notes)

*** Initial hard credit enhancement (overcollateralization + subordination that is collateralized on an adjusted pool basis + reserve) as a % of adjusted pool balance

**** Three-month rolling average annualized net losses as a percentage of aggregate principal balance of receivables exceeds 2.50%

Credit Enhancement Levels

Approximate 2024-REV1 AAA Break-Even Losses Compared With Historical Pool Losses



* Includes all REV transactions since program launch in 2014 with information through 60 months; for information on additional Cumulative Net Loss data above 60 months, see Annex A of the Offering Memorandum or the Quarterly Supplement - Static Pool Information

** Includes ineligible receivables in the pool, which would increase Break-Even Losses, but the impact of the ineligible receivables is not modeled above

*** Fitch base case cumulative net loss expectation excluding its "margin of safety" and under statistical pool asset mix

**** Reflects the average of Fitch and S&P's worst case pool assumptions when the pool satisfies the floor credit enhancement test

Amortization Events

- Amortization period will begin if any of the following events occur:
 - On any payment date during the revolving period (a) the trust fails to pay interest due on the notes within five days of the payment date, (b) the required amount is not in the reserve account, (c) the required amount is not in the negative carry account, or (d) the required amount is not in the accumulation account
 - Notes are not paid in full on the expected final payment date
 - Three-month rolling average annualized net losses as a percentage of aggregate principal balance of receivables exceeds 3.50%
 - Three-month rolling average percentage of aggregate principal balance of receivables that are 61 days or more delinquent exceeds 1.50%
 - Adjusted pool balance is less than 50% of the principal amount of the notes
 - A servicer termination event occurs and is continuing
 - An event of default occurs and is continuing, in which case notes will be accelerated
- During an amortization, no amounts are paid to the residual interest
 - Available funds are used to pay trust expenses, interest, principal until paid in full, and any make-whole or step-up amounts due
 - The trust will not purchase additional receivables

Note Redemption, Step-Up And Make-Whole

- Note Redemption
 - Updated in 2024-REV1, the note redemption period begins with the expected final payment date
 - Removed embedded 6-month par call option which has never been exercised in prior transactions
 - Note redemption achieved through sale of trust assets to the depositor, another Ford Credit special purpose entity, or a third party if sale proceeds are sufficient to fully repay the notes
- Step-up Amounts
 - If notes are not paid in full by the expected final payment date, step-up amounts will be payable
 - Step-up amounts will accrue on each class of notes at a rate equal to the interest rate for the class less 0.01%
- Make-whole Payments
 - Make-whole payments will be payable on each principal payment made prior to the note redemption period due to:
 - An amortization event resulting from the failure to fund the negative carry account to the required amount or the adjusted pool balance declining to less than 50% of principal amount of the notes, or
 - The trust's exercise of its option to redeem the notes after the first anniversary but prior to the note redemption period
 - Make-whole payments will be equal to the excess of (a) the present value of (i) the amount of all future interest payments that would otherwise accrue on the principal payment until the sixth payment date prior to the expected final payment date and (ii) the principal payment, discounted from the sixth payment date prior to the expected final payment date to the payment date monthly on a 30/360 basis at 0.25% plus the higher of (1) zero and (2) the current maturity matched U.S. Treasury rate over (b) the principal payment

Collateral Performance Reporting



- Reporting available at <http://www.ford.com/finance/investor-center/asset-backed-securitization>
- Monthly Investor Reports
 - Summary pool stratifications on the entire pool after giving effect to purchases or sales
 - Receivables purchase/sale date and balance
 - Collateral composition test results and amortization event compliance
 - Updated yield supplement overcollateralization schedule
 - Reporting includes detail of receivables having received a payment extension during the collection period
- Quarterly Supplements
 - Summary stratifications for each quarterly vintage of additional receivables sold to the trust
 - Static pool performance, consistent with U.S. publicly-registered retail securitization program (i.e., prepayments, delinquencies, cumulative net losses), for the initial pool and separately for each quarterly vintage of additional receivables sold to the trust
 - Quarterly Statistical Information on the managed portfolio

06

U.S. Lease Securitization

2.26.2024

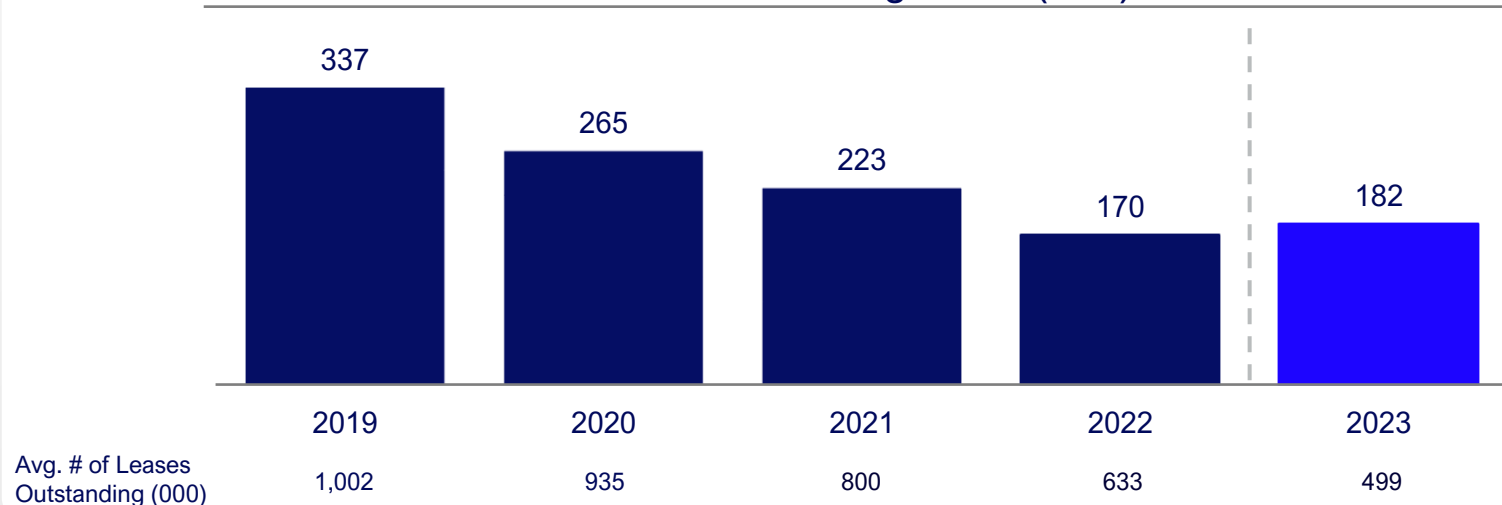
Overview

- Ford Credit has been leasing vehicles since 1975 and securitizing its lease contracts since 1995
- Ford Credit's current lease securitization platform was established in 2006, and more than 40 lease securitization transactions have been completed
- Ford Credit has offered lease asset-backed securities through various channels:
 - Publicly-registered transactions
 - Rule 144A transactions
 - Other private transactions
- Collateral composition has trended in line with the industry and Ford Credit's strategy – we securitize what we originate
- Structural elements, such as priority of payments, have remained consistent over time

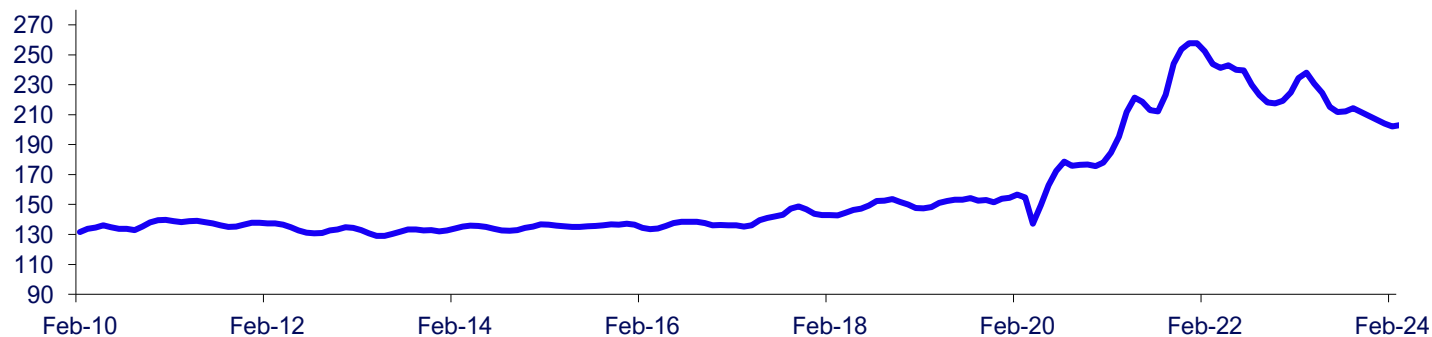
Business Updates

- + Lease originations increased YoY however lease share continues to be below industry
- + Ford Credit works with Ford and Lincoln to set guidelines around leasing share, term, model mix and other factors to support brand value and sales

Number of Leases Originated (000)



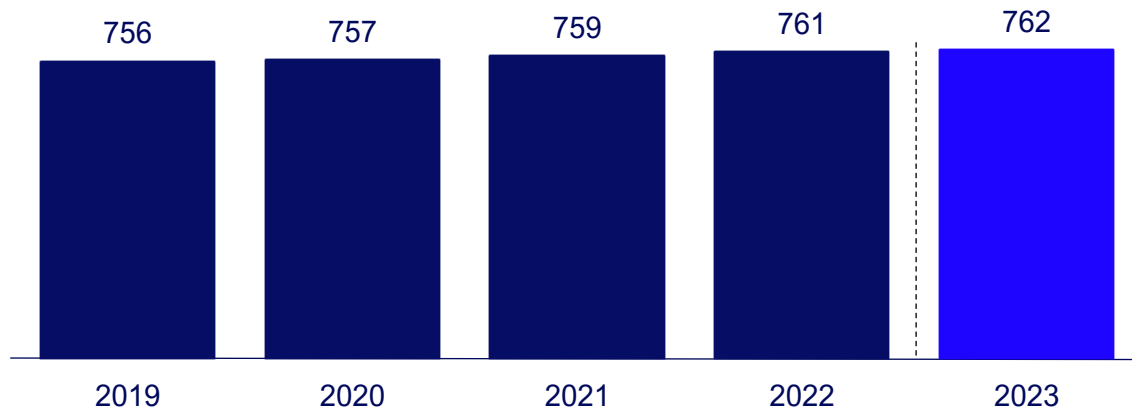
Manheim Used Vehicle Value Index



Source: Cox Automotive/Manheim, February 2024 (February 2010 = 131.6, February 2024 = 202.1)

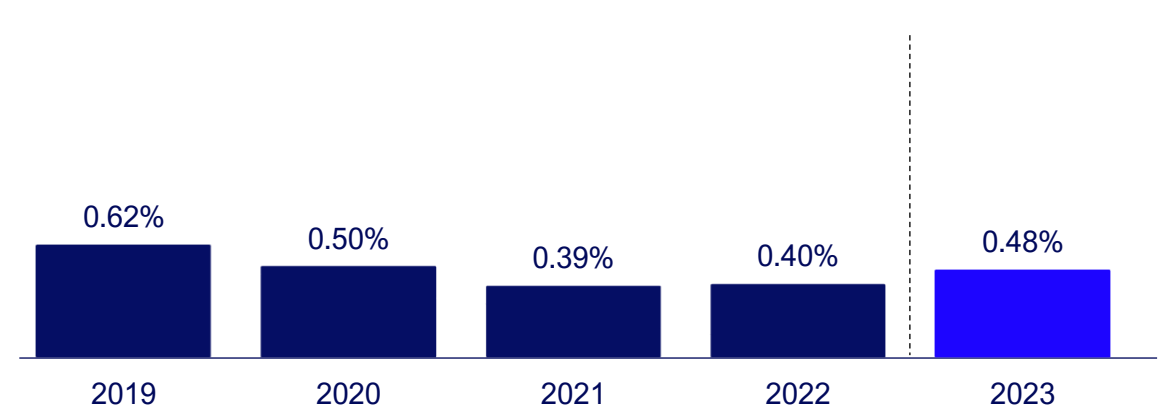
Portfolio Credit Metrics

Weighted Average FICO at Origination*

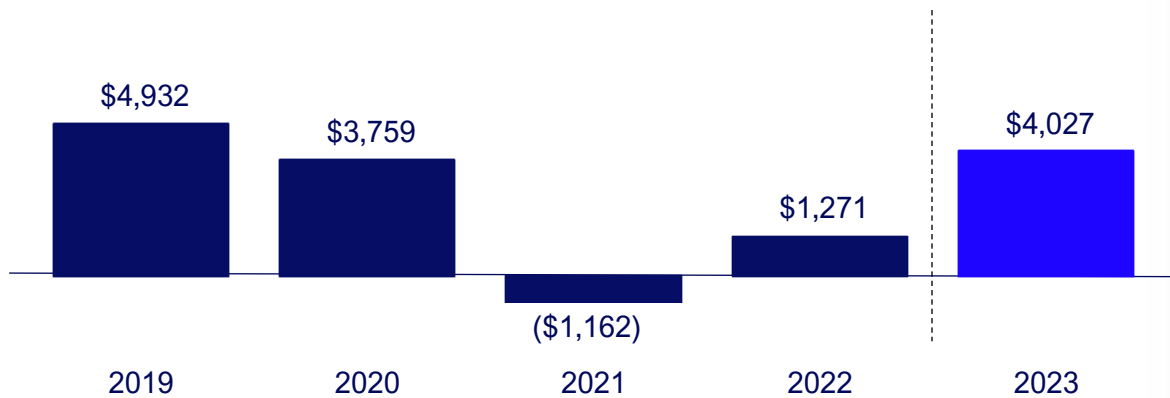


* Based on year of origination

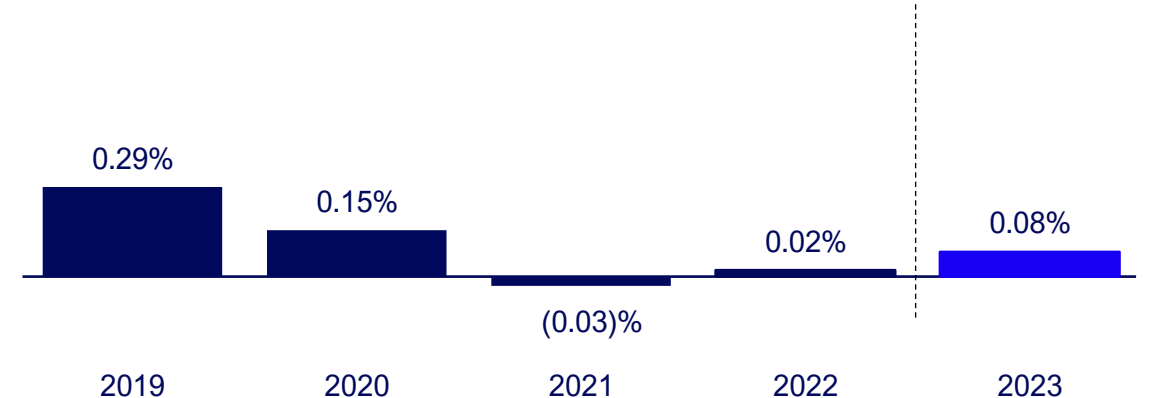
Repossessions as a % of the Average Number of Leases Outstanding



Average Net Loss / (Gain) on Charged-Off Leases

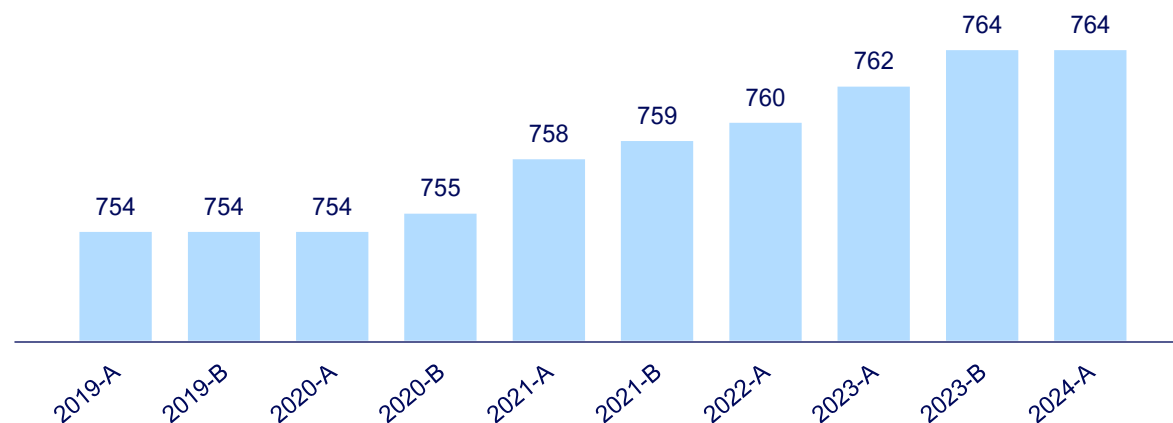


Net Losses as a % of the Average Portfolio Outstanding

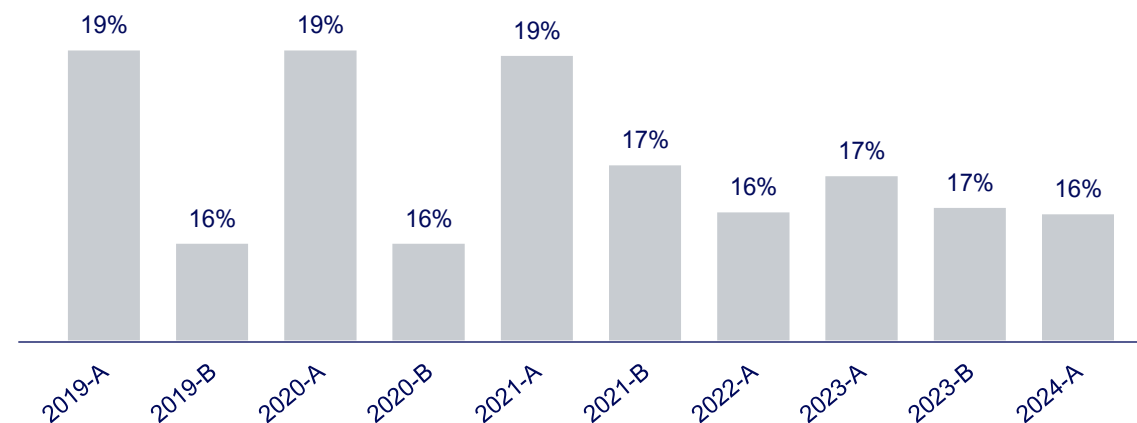


Securitization Pool Metrics

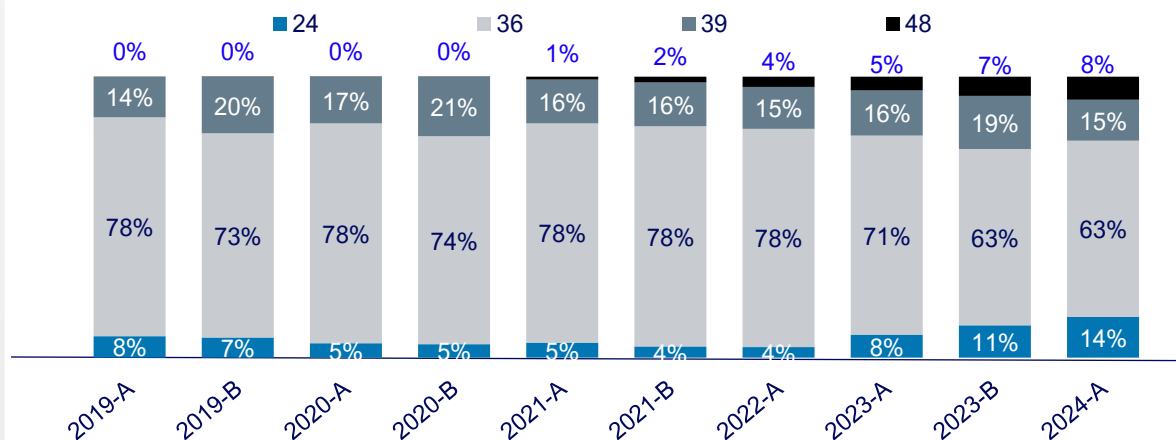
Weighted Average FICO at Origination



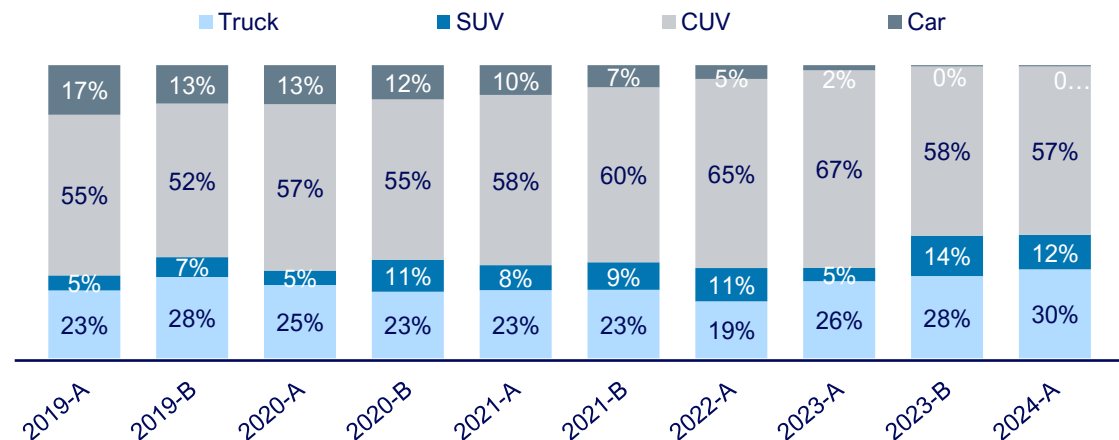
Maximum 3-Month Residual Concentration



Original Term as % of Securitization Value

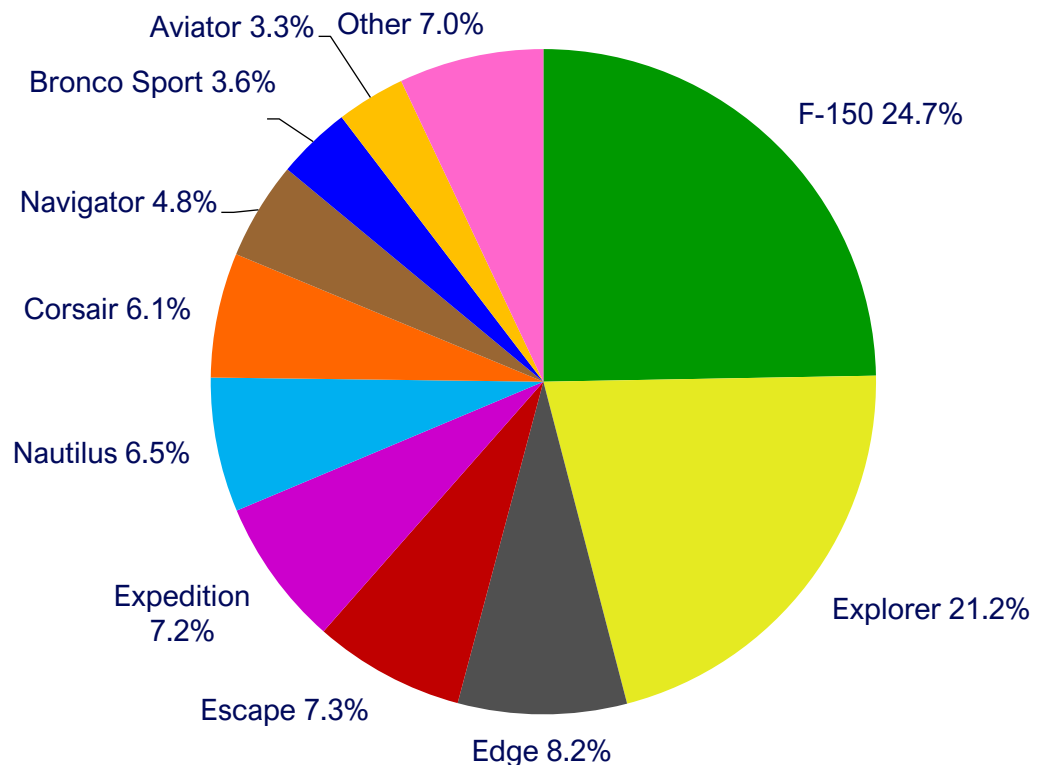


Vehicle Type as % of Securitization Value



Pool Metrics – Model Diversification

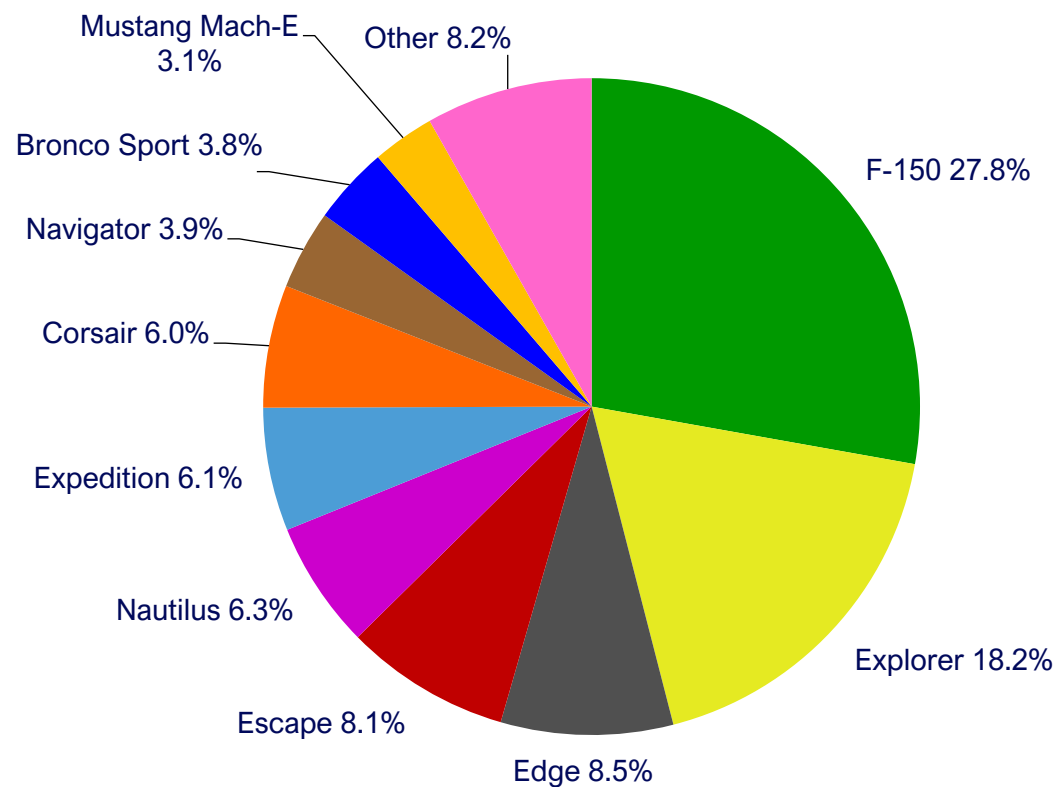
FCALT 2023-B



Model Concentrations

Top 1: 25%
Top 3: 54%
Top 5: 69%

FCALT 2024-A

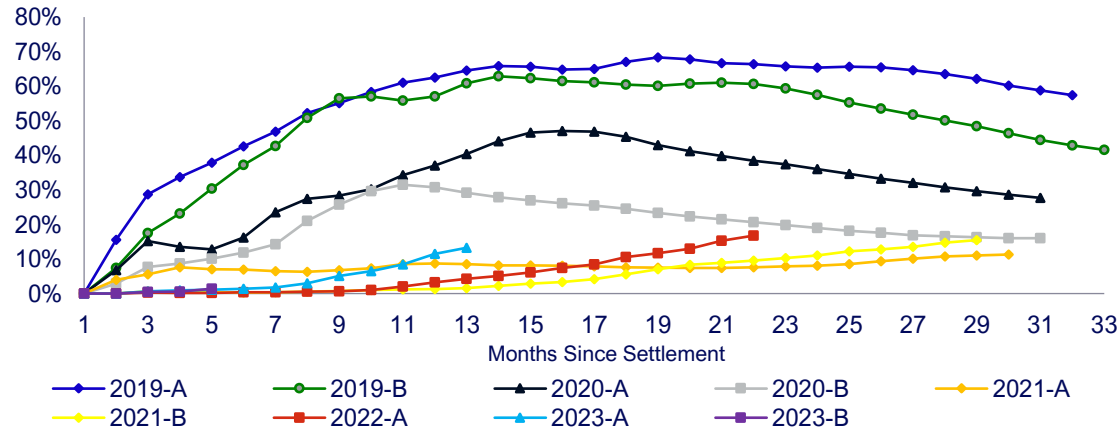


Model Concentrations

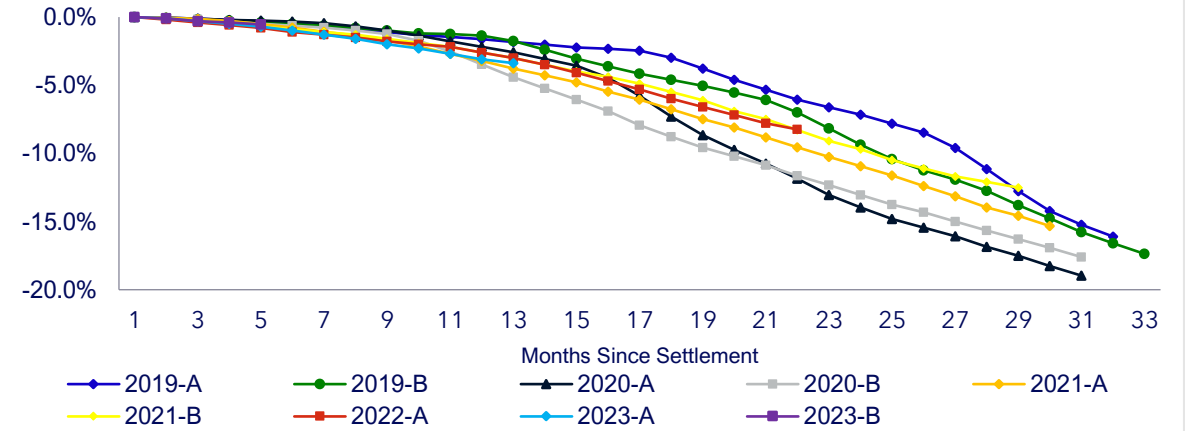
Top 1: 28%
Top 3: 54%
Top 5: 69%

Securitization Pool Performance

Cumulative Return Rate

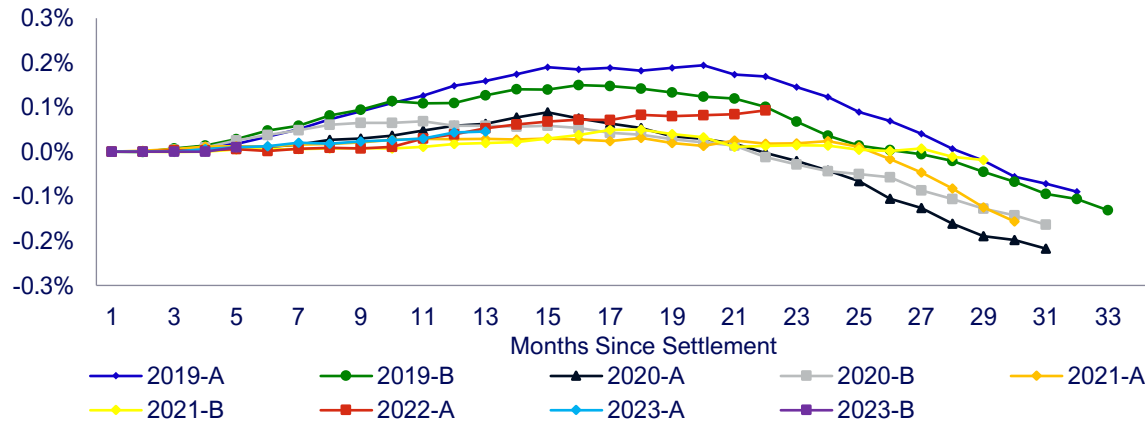


Cumulative Residual Loss / (Gain)*



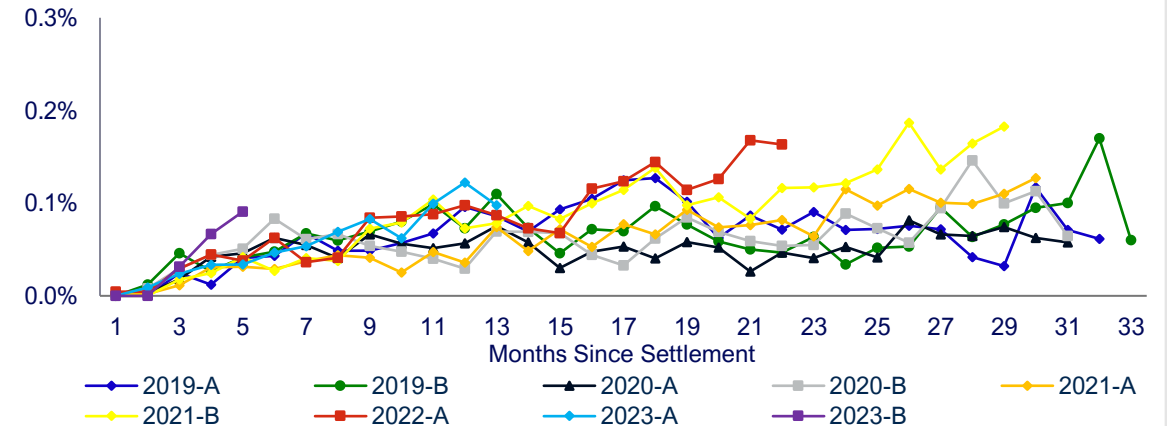
* As a percentage of initial base residual value; includes losses/(gains) on retained and returned vehicles

Cumulative Net Credit Losses*



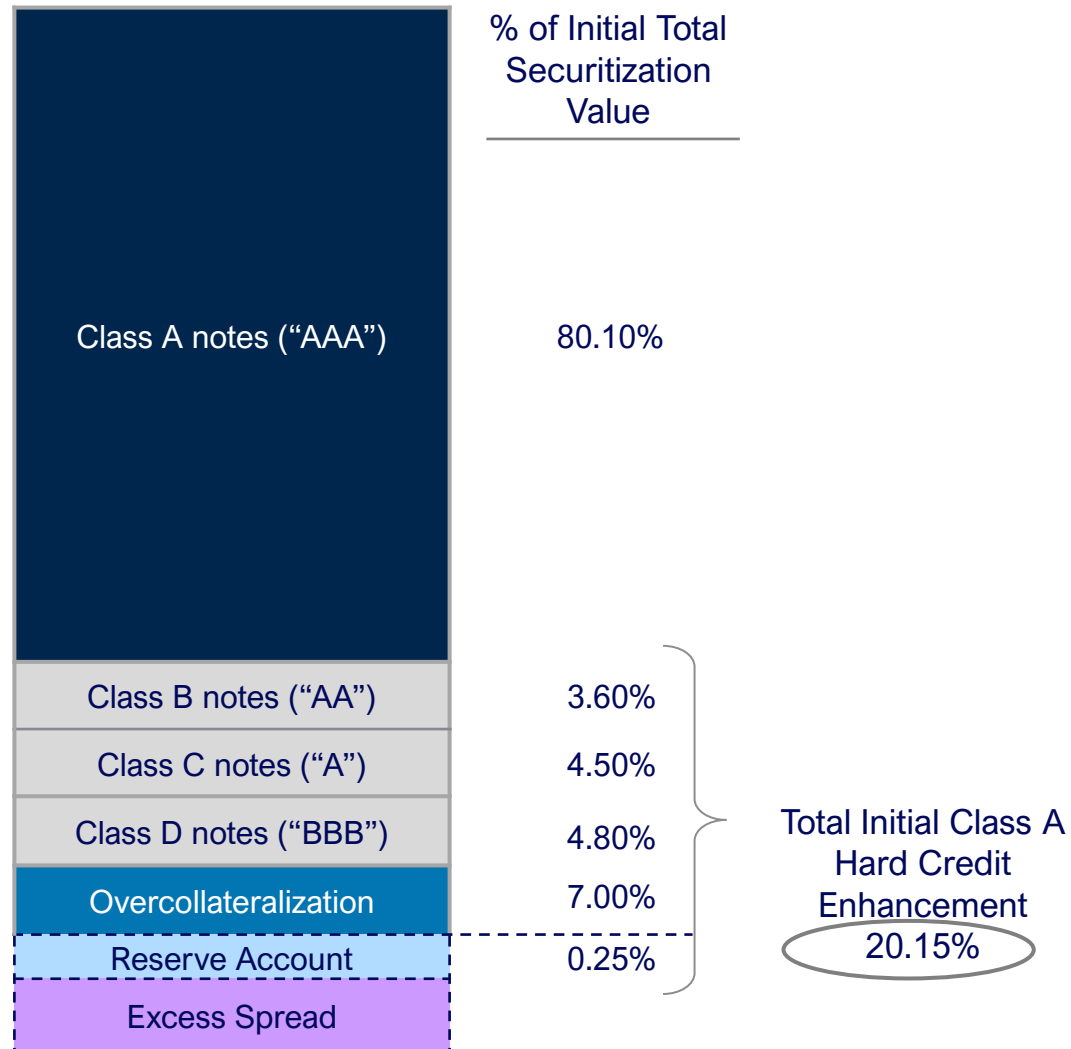
* Total credit loss as a percent of initial total securitization value

61+ Day Delinquencies*

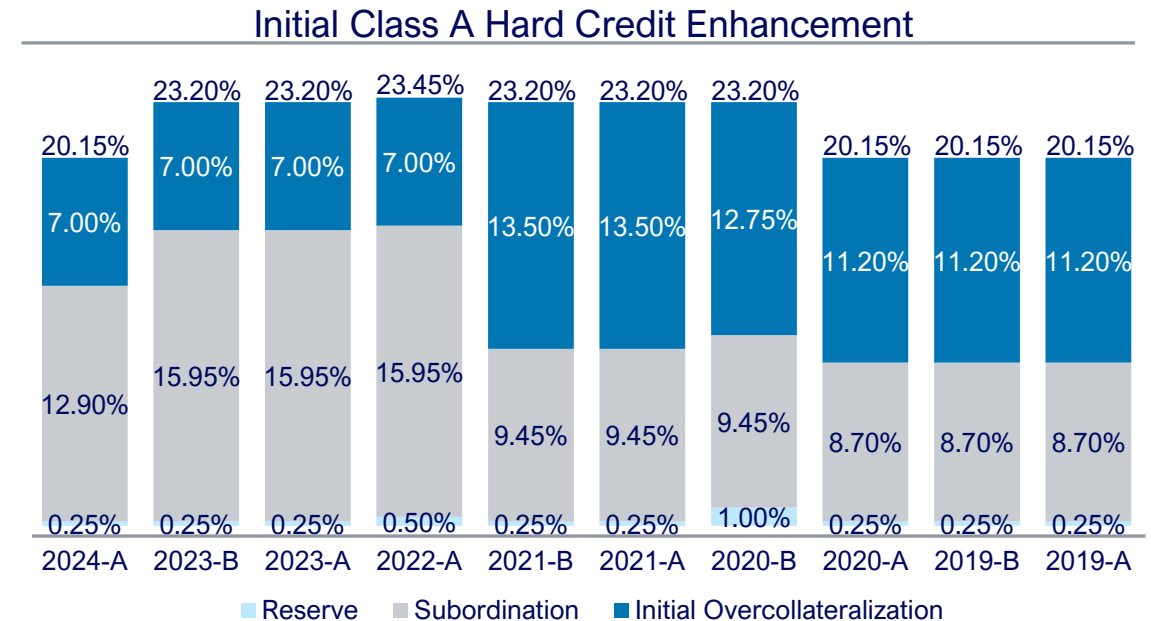


* 61+ day delinquencies as a percent of securitization value

Structure Overview



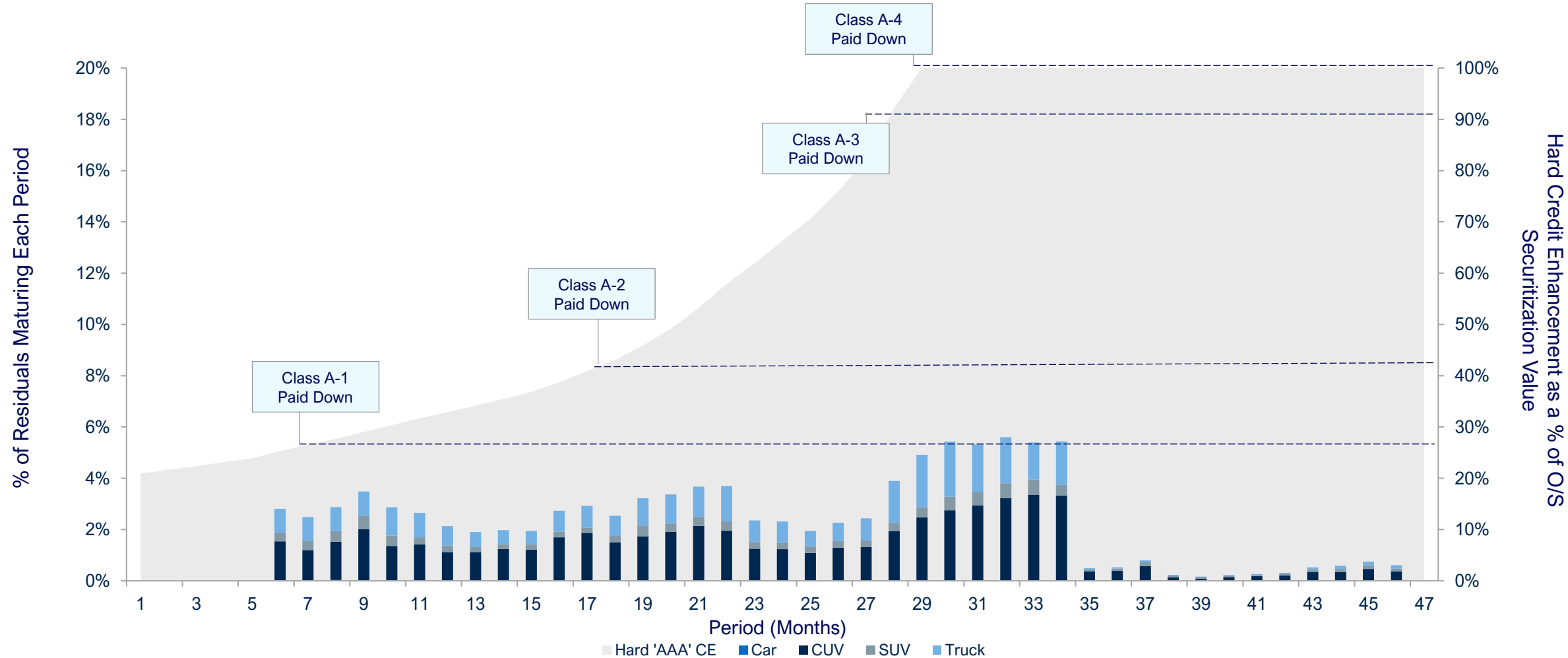
- Senior/subordinate, sequential pay structure
- Credit enhancement in the lease securitization program includes:
 - Subordination of junior notes
 - Overcollateralization
 - Cash reserve
 - Excess spread (used to build target overcollateralization)
- Target OC is 9.80% of Initial Total Securitization Value





Residual Maturity vs. Enhancement Build

Residual Maturity by Vehicle Type vs. Hard Credit Enhancement for Class A Notes*



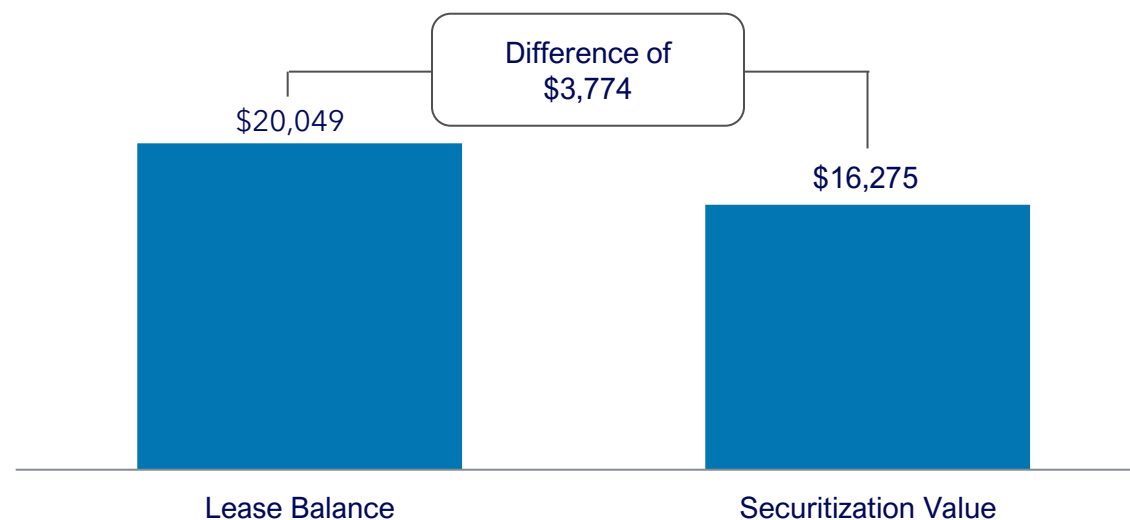
* Hard credit enhancement consists of overcollateralization, subordination and the reserve account. Assumes a pricing speed of 100% prepayment to maturity. Representative of the FCALT 2024-A \$1.3 billion base structure

Significance Of Securitization Value

- + For securitization transactions, securitization value is calculated for the underlying lease assets
- + Securitization value is calculated using the lower of the contract residual value and the residual value set by Automotive Lease Guide (ALG)
- + Securitization value cash flows are discounted using the higher of the contract lease factor and a minimum discount rate designed to create excess spread

Sample Calculation:

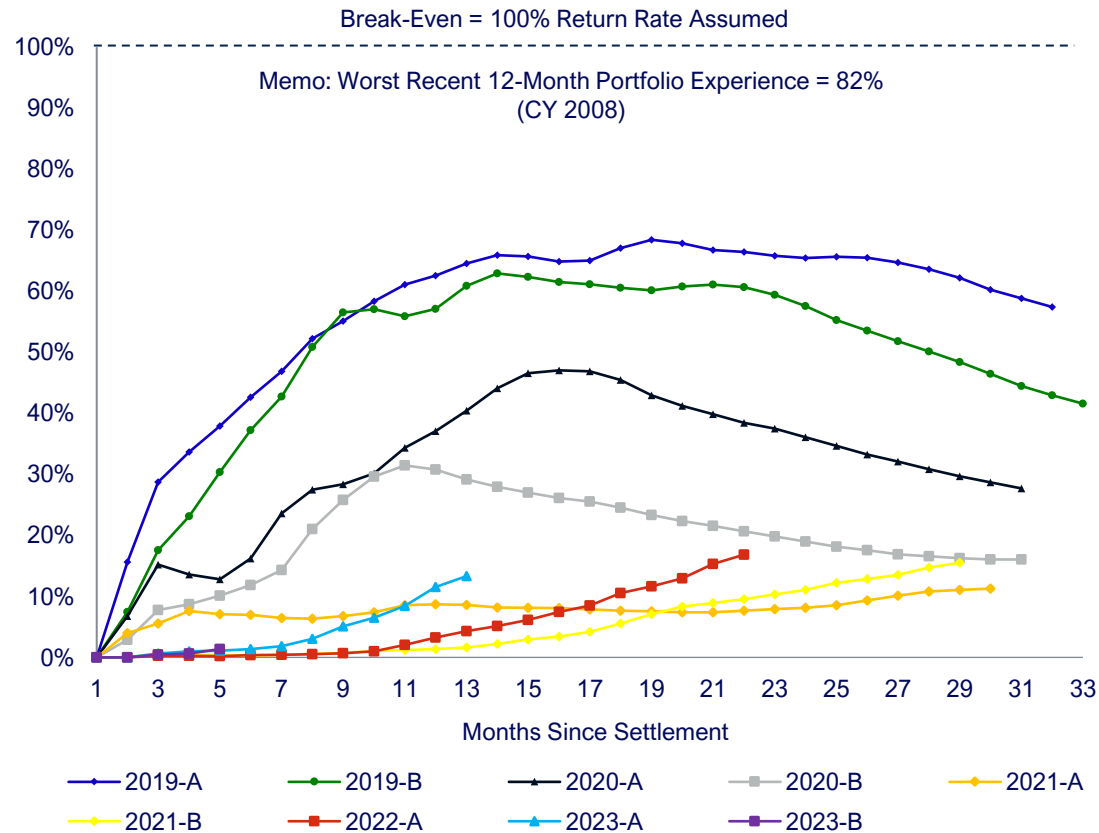
	Lease Balance	Securitization Value
Payments Remaining	24	24
Base Monthly Payment	\$ 200	\$ 200
Residual Value	\$ 16,000	\$ 13,000
Discount Rate	2%	5%
Present Value	\$ 20,049	\$ 16,275



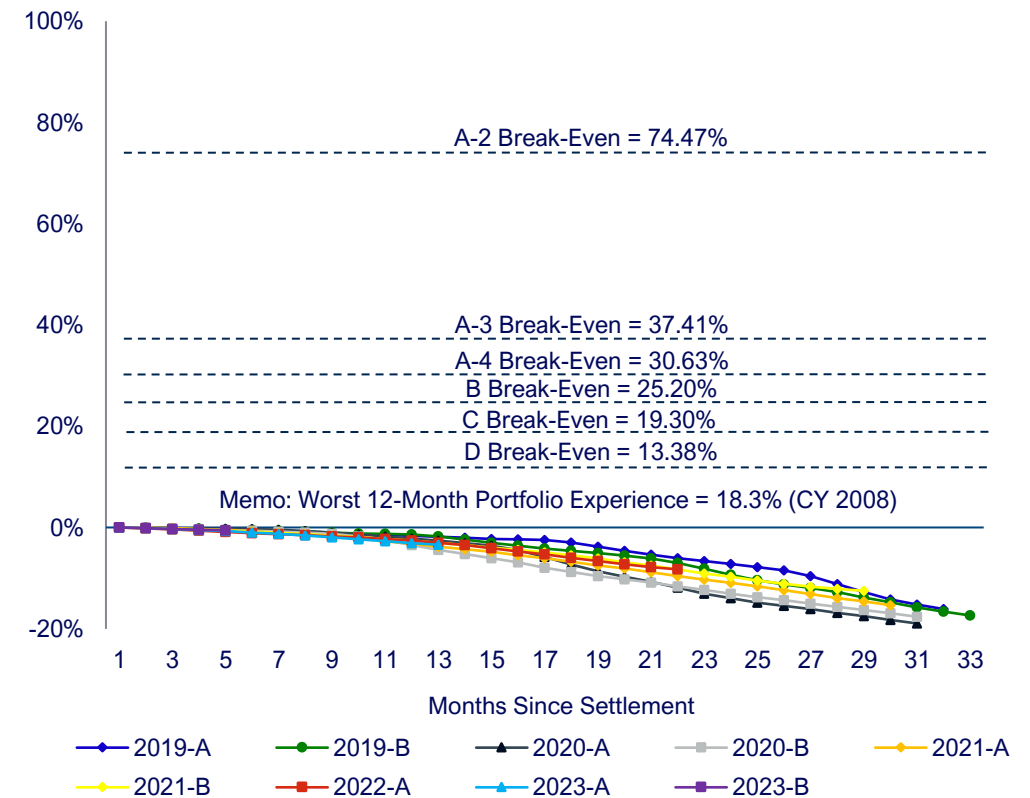
Break-Even Analysis*

Break-Even for FCALT 2024-A Compared to Historical Pool Performance

Cumulative Return Rate



Cumulative Residual Loss / (Gain)



* Assumes cumulative net credit losses stress of 5%; break-evens are specific to FCALT 2024-A at inception

Residual Value Models and Vehicle Remarketing

- Residual values for new originations are set quarterly for each vehicle line at various lease terms and mileage allowances
- Ford Credit uses proprietary models and leverages its relationship with Ford to establish residual values based on a number of predictive factors including MSRP, wholesale price, planned production volume, incentives, rental and fleet sales, consumer acceptance, life cycle, recent/seasonal auction trends and economic factors
- Ford Credit works with the vehicle remarketing department of Ford to manage the disposition of returned vehicles and seeks to maximize net sale proceeds, which equal gross auction proceeds less auction fees and costs for reconditioning and transporting the vehicles. Vehicles returned at lease end are sold through Accelerate, an online upstream remarketing application, and Ford-sponsored physical auctions
- Prior to transporting a vehicle to physical auction, vehicles are offered for sale to participating dealerships through Accelerate:
 - Ford Credit employs proprietary models to establish a market price for vehicles based on recent auction experience and adjusts for miles, condition, any excess wear and use, and option packages
 - Ford incentivizes U.S. Lincoln dealers to purchase returned lease vehicles through Accelerate, certify those vehicles and sell them to customers under a certified pre-owned program
- 28% of eligible vehicles were purchased through Accelerate through December 2023

07

U.S. Floorplan Securitization

2.26.2024

Portfolio Overview

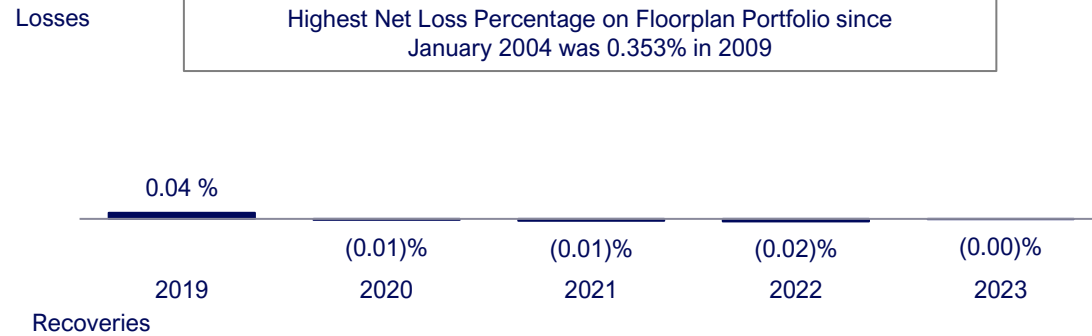
- Ford Credit has been financing dealer vehicle inventory since 1959 and securitizing floorplan receivables since 1991
- Ford's goal is to maintain a profitable network of Ford and Lincoln dealerships that deliver an innovative and engaging sales and service experience for customers. As of December 2023, in the U.S., Ford and Lincoln had approximately 3,100 dealers
- Over the past five years, Ford Credit financed 71% to 76% of U.S. Ford and Lincoln dealer new vehicle inventory
- Floorplan receivables are secured primarily by the financed vehicles, and payment is required when the vehicle is sold
- Ford Credit's floorplan portfolio has historically experienced very low losses, primarily driven by strong risk management practices and servicing:
 - Continuous dealer monitoring of financial health, payment performance, vehicle collateral status and risk-based on-site inventory audits
 - Use of proprietary risk rating assessment and behavioral scoring models
 - Proactive risk management practices which include intensifying risk management actions as dealer risk increases
 - Leveraging access to dealer information through Ford relationship

Securitization Overview

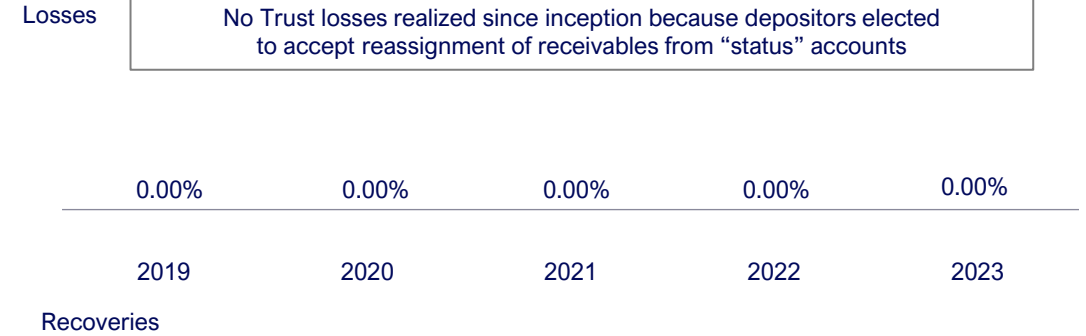
- Ford Credit's current floorplan securitization trust was established in 2001 as a master trust (similar to a revolving credit card securitization trust) and has issued more than 55 series
- Ford Credit typically offers floorplan asset-backed securities through various channels:
 - Publicly-registered transactions
 - Rule 144A transactions
 - Other private transactions

Performance Overview

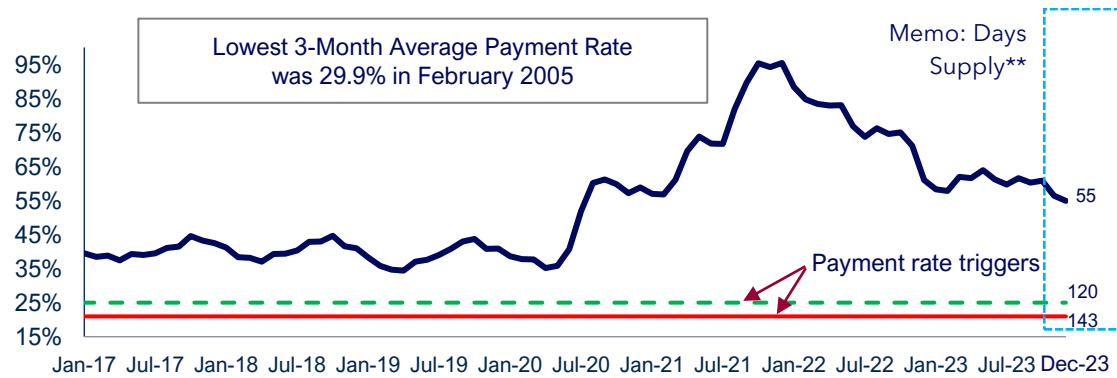
Floorplan Portfolio Net Losses / (Recoveries) as a Percent of Average Principal Balance



Trust Pool Net Losses / (Recoveries) as a Percent of Average Principal Balance



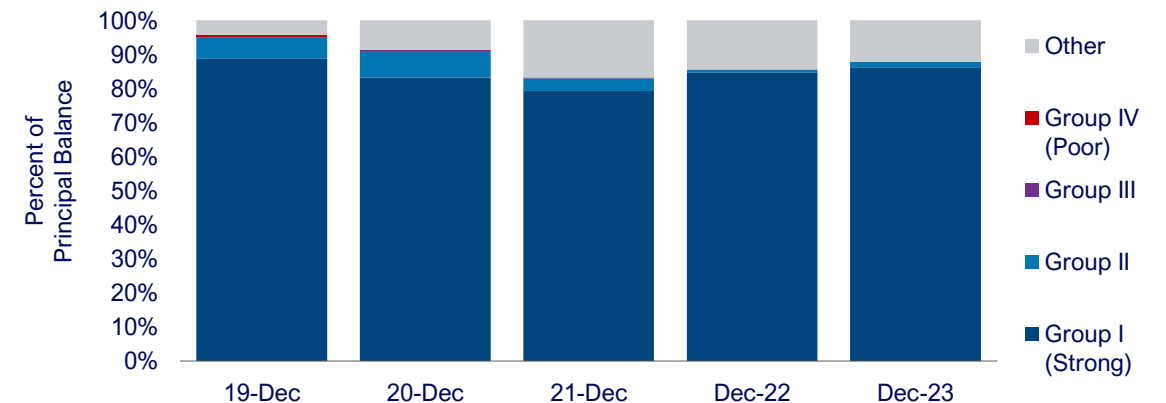
Trust Pool 3-Month Average Monthly Principal Payment Rate*



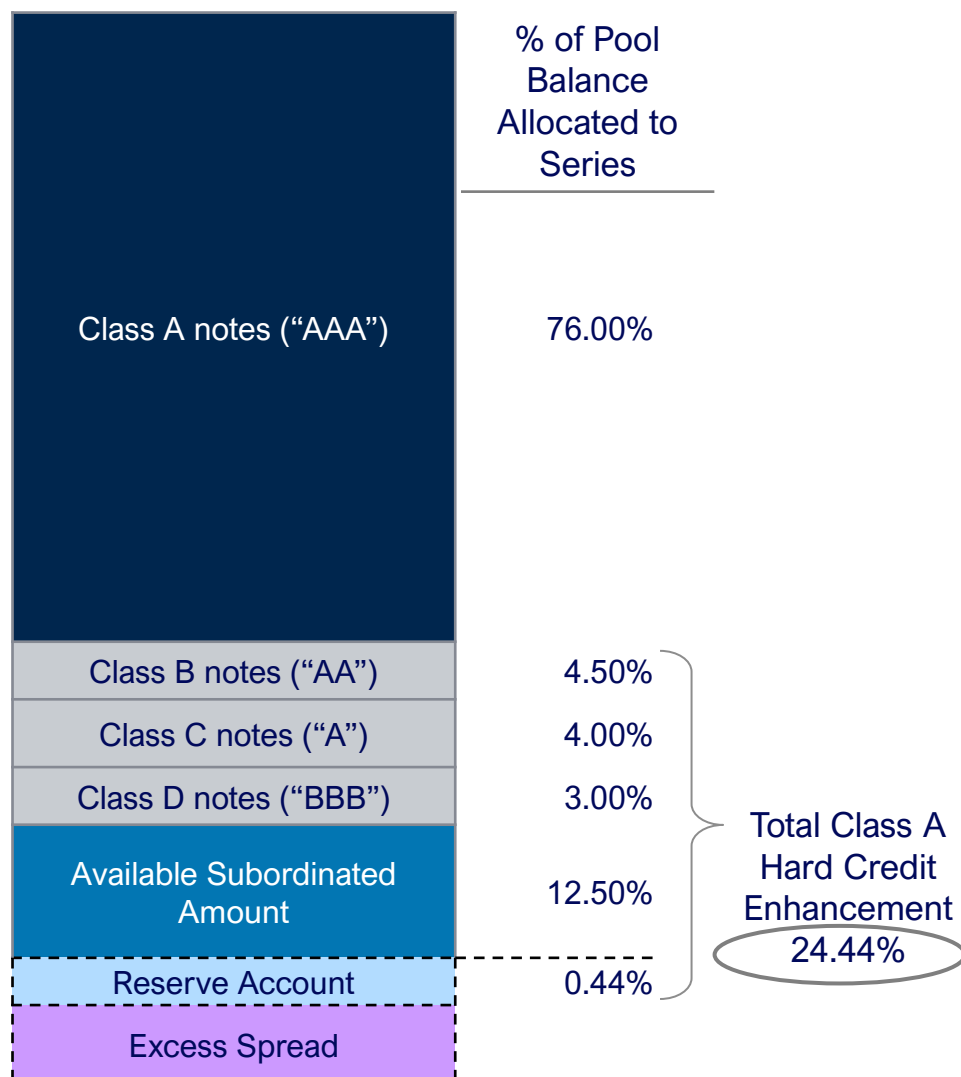
* The three-month average monthly principal payment rate for a month equals the average of the monthly payment rate for that month and the prior two months

** Estimated days' supply derived from payment rate

Trust Pool Dealer Risk Ratings



Structure Overview



Credit enhancement in the floorplan securitization program includes:

- Subordination of junior notes
- Available subordinated amount
- Cash reserve (0.50% of notes)
- Excess spread

Structure also provides for 1:1 incremental subordination to cover any ineligible receivables and receivables in excess of the specified concentration limits.

	2023-1 Concentration Limits
- Ineligible receivables	N/A
- Dealer concentration (5% for AutoNation)	2%
- Development Dealer concentration	4%
- Used vehicle concentration	20%
- Fleet concentration	10%
- Medium/Heavy truck concentration	5%
- Manufacturer concentration (2% for lower-rated manufacturers)	10%

FORDF Program Modernization

Summary of Enhancements to Ford Credit's Most Recent Floorplan Master Owner Trust Series (FORDF 2023-1)

Term	Historical	Modernized	Rationale
Make-Whole Call Option	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> Notes are prepayable, subject to a make-whole Make-whole option available after 1 year Fixed rate senior notes make-whole: Class A-1: 0.15% Fixed rate subordinate notes: Class B, C, & D: 0.25% Floating notes make-whole: prevailing SOFR as of the Redemption Date 	<ul style="list-style-type: none"> Provides Ford Credit flexibility to manage the outstanding debt amount and compensates investors in the event of an early redemption The fixed rate make-whole framework is consistent with the FORDR structure
Yield Supplement Interest	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> Flexible discount option at the series-level A portion of principal can be re-classified as interest generating additional asset yield Yield supplement mechanism is effectuated via an increase in the subordinated percentage, not to exceed 2.00% in aggregate 	<ul style="list-style-type: none"> Creates additional flexibility to address situations where asset yields may fall below ABS note coupons Similar features found in Ford Credit's other ABS programs such as yield supplement overcollateralization (YSOC) in FORDO/FORDR Feature is in addition to, not in place of, the existing cross-series interest sharing
Series Paydown	<ul style="list-style-type: none"> Series principal accumulation 6 full months prior to expect final payment Accumulation can be delayed until 45 days prior to expected final payment 	<ul style="list-style-type: none"> Ford Credit may make a bullet payment on the expected final payment date without prior accumulation If the notes are not paid in full on the expected final payment date, the series will enter the required amortization period A-1 Fixed Rate Note step-up is the related interest rate minus 0.01% A-2 Floating Rate Note step-up is the excess of the related interest rate over SOFR Investors receive step-up interest if principal is outstanding after the expected final payment date until series is paid in full 	<ul style="list-style-type: none"> Aligns with other revolving ABS programs including FORDR Step-up coupons were added to address investor extension risk which provides additional protection historically not present in FORDF transactions Provides operational and funding efficiency for Ford Credit

Key Series Triggers

- Enhancement Step-Up Trigger
 - If average monthly principal payment rate for the three preceding collection periods is less than 25%, subordination or reserve fund increases by four percentage points
 - During periods when the EFA exceeds 30%, certain Principal Collections may be used for potential shortfalls in interest or fees
- Amortization Triggers
 - Average monthly principal payment rate for the three preceding collection periods is less than 21%
 - Cash balance in the excess funding account exceeds 70% of the adjusted invested amount of all series for three consecutive months
 - Available subordinated amount is less than the required subordinated amount
 - Bankruptcy, insolvency or similar events relating to the depositor, the issuer, Ford Credit or Ford Motor Company

Outstanding Series*

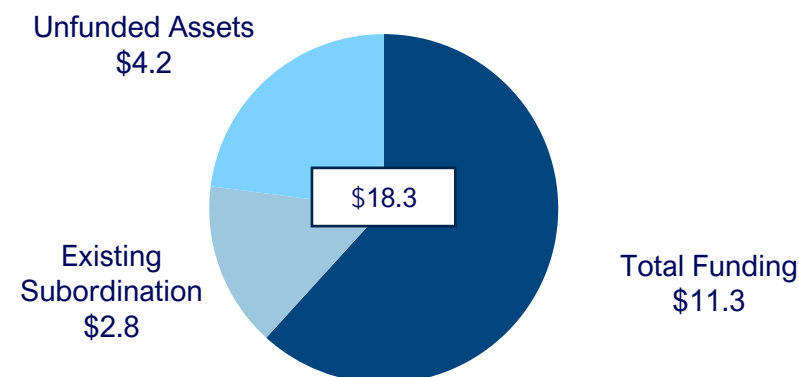
	Private Variable Funding Notes	144A Term Series	Public Term Series
Series	2006-1, 2014-5	2023-1	2018-4, 2019-2, 2019-4, 2020-2
Amount Outstanding (\$B) **	\$6.5	\$1.7	\$3.1
Senior Hard Enhancement (AAA Notes)	25.75%	24.44%	24.35% - 25.35%
Maturity Ranges	Feb 2024 - Oct 2025	May 2026	April 2024 - Nov 2028

- Private Variable Funding Notes (VFN) are used to manage seasonal fluctuations of Trust balance and provide an additional source of liquidity
- Total VFN capacity of \$8.1 billion
- Total Trust balance of \$18.3 billion

* As of December 31, 2023

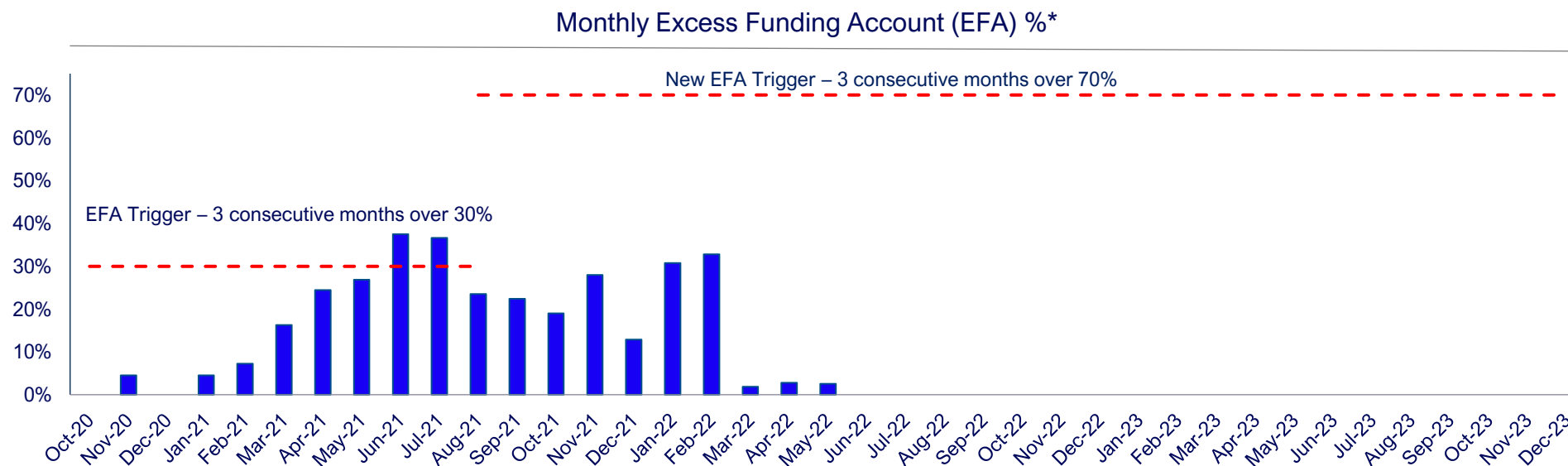
** May not add to Total Funding due to rounding

Trust Balance (\$B)



Recent Business Environment Securitization Impact

- 2021
 - The global semi-conductor chip shortage impacted vehicle production starting in early 2021
 - Production losses combined with robust sales reduced the Trust balance below the required level
 - Cash in the Excess Funding Account (EFA) increased – EFA% trigger was not breached
 - Existing public shelf (SF-3) expired in December 2021; public shelf has not been renewed
- 2022
 - Supply constraints continued to limit vehicle production
 - By end of Q2, maturing debt and an increasing Trust balance eliminated the need for cash in the EFA
- 2023
 - First new term debt issuance since Q3 2020 – FORDF 2023-1 – was completed in May 2023 for \$1.7 billion

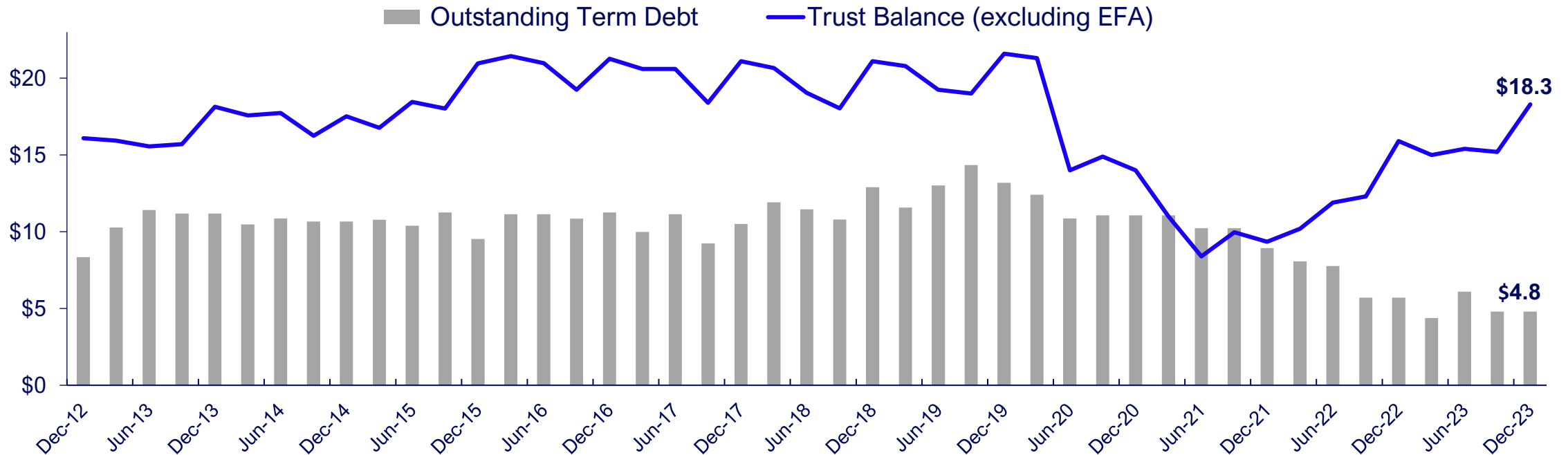


* The outstanding series were amended in August 2021 to raise the Excess Funding Account (EFA) threshold for an amortization event from 30% for three consecutive Collections Periods to 70%. A provision was also added allowing Principal Collections to be used to pay interest and fees to cover any potential shortfalls

Recent History of Floorplan

- Production shutdowns due to COVID-19 in 2020 impacted trust metrics due to decline in sales, more volatile asset levels and lower monthly payment rates
- Continued supply shortages in 2021, including constraints on semiconductor chips, put downward pressure on the Trust balance as sales continued to outpace production. For two months in 2021, Excess Funding Account (EFA) balance exceeded the 30% EFA threshold. The EFA 3-month amortization trigger was amended to 70% in August 2021 and the EFA balance returned to zero in June 2022
- Subsequent improvements in the supply chain have allowed for increased production and, as outstanding term debt has matured, assets available to issue new term debt have returned to more normal levels

Historic Trust Balance vs. Outstanding Term Debt (\$B)



Note: Graph reflects data on the trust as of December 31, 2023; Outstanding Term Debt includes all structured notes including notes retained by the issuer

08

U.S. Floorplan Risk Management

Underwriting and Credit Review Process

- A dealership seeking to finance its vehicle inventory with Ford Credit must submit a request for financing along with its financial and other information
- Ford Credit performs a thorough review of the dealer or dealer group including:
 - Business, legal and operations structure, including number of manufacturer franchises
 - Credit information
 - Financial statements or tax returns
 - Types of vehicles in the dealer's inventory and specialty services provided by the dealer for certain vehicles or customers, such as fleet
- Ford Credit evaluates the dealer's financial resources and the amount and types of financing requested
- The financing extended to a dealer is tailored to suit the business and operational needs of the dealer and depends on the financial strength and nature of the dealer's business
- The financed vehicles are the primary collateral for dealer floorplan loans; however, for many dealers, Ford Credit also obtains personal guarantees and secondary collateral in the form of additional dealer assets, including dealer-adjusted net worth and real estate equity
- Due to the ongoing nature of floorplan financing arrangements, Ford Credit periodically performs a credit review of each dealer, at least biennially, following the similar process utilized to evaluate new dealer account originations. Monthly financial performance data provides ongoing supplemental dealer monitoring.

Dealer Risk Rating Assessment

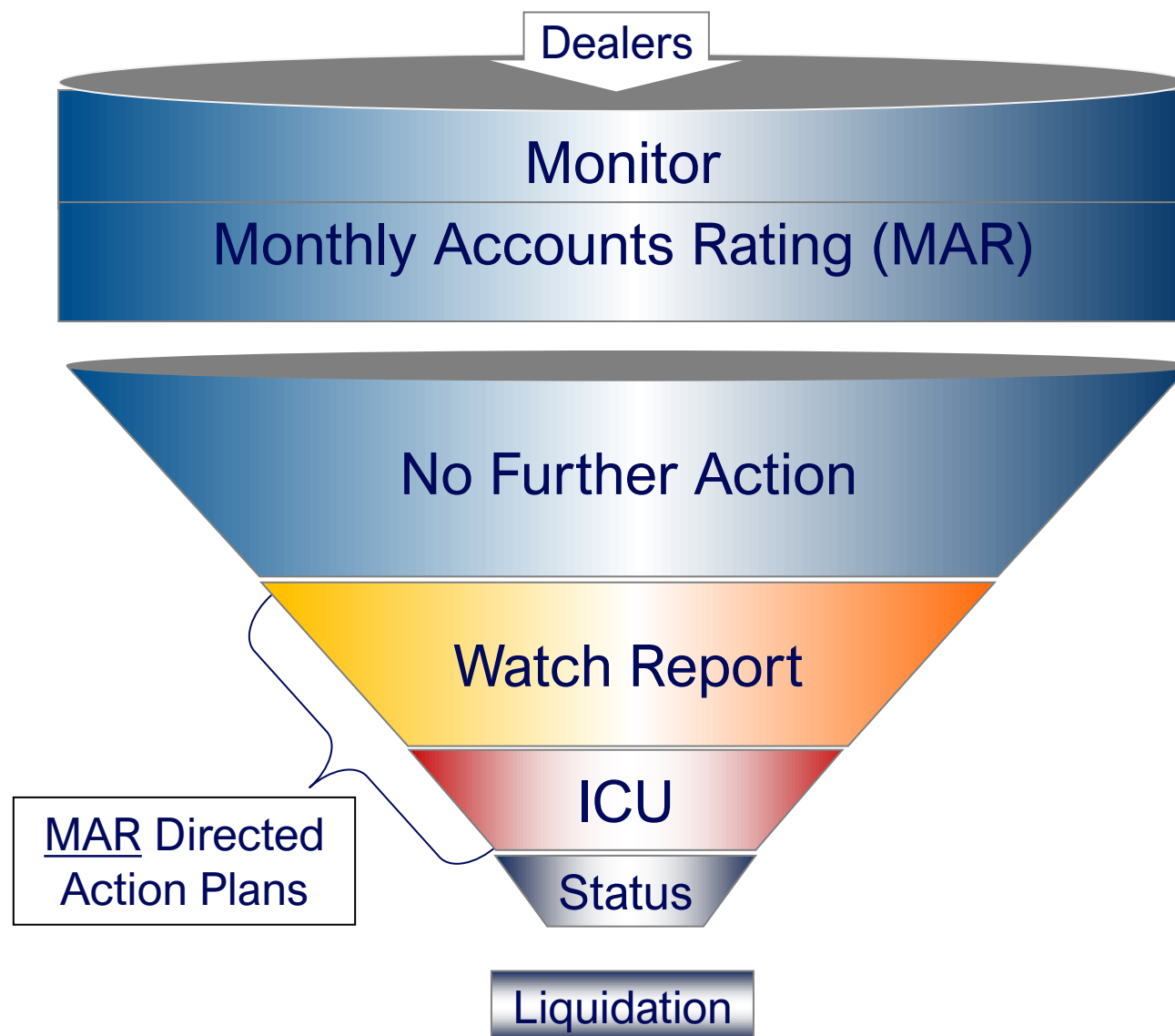
- Ford Credit evaluates new dealer account originations (using a proprietary scoring model), performs ongoing credit reviews of dealers and assigns risk ratings
- For purposes of securitization-related disclosure, dealer risk ratings are categorized into groups:

<u>Group</u>	<u>Description</u>
I	Strong to superior financial metrics
II	Fair to favorable financial metrics
III	Marginal to weak financial metrics
IV	Poor financial metrics, may be uncollectible
Other	Includes dealers that have no dealer risk rating because Ford Credit only provides in-transit Financing or because Ford Credit is in the process of terminating the financing for such dealer

- Large sample size and significant historical experience have been analyzed to identify key indicators that predict a dealer's ability to meet financial obligations, including capitalization and leverage, liquidity and cash flow, profitability, credit history and payment performance
- Ford Credit updated its dealer risk rating model in August 2019; the model is validated regularly to ensure the integrity and performance and is updated if necessary

Dealer Monitoring Strategy

- + Monitor
 - Payoff
 - Aged Inventory
 - Over-line Report
 - Financial Statements
 - Double flooring
- + Monthly Accounts Rating
 - Access dealer risk and determine action plans
- + Watch Report – Medium to High Risk
 - Formal review of action plans and results presented to senior management (plans may include more frequent physical audits)
- + Intensive Care Unit (ICU) – High Risk
 - More experienced risk team
 - Increased intensity surrounding action plans and timelines
- + Status
 - On-site control
 - Focus on asset protection
- + Liquidation
 - Focus on loss-mitigation



Floorplan Audits, Monitoring & Status Processes

Inventory Audits

- A dealer's risk rating determines the frequency of on-site vehicle inventory audits
- Ford Credit engages a vendor to perform on-site vehicle inventory audits and dealers generally do not receive advance notice of an audit
- Audits are generally reconciled same day and immediate payment is required for any sold vehicle

Dealer Monitoring

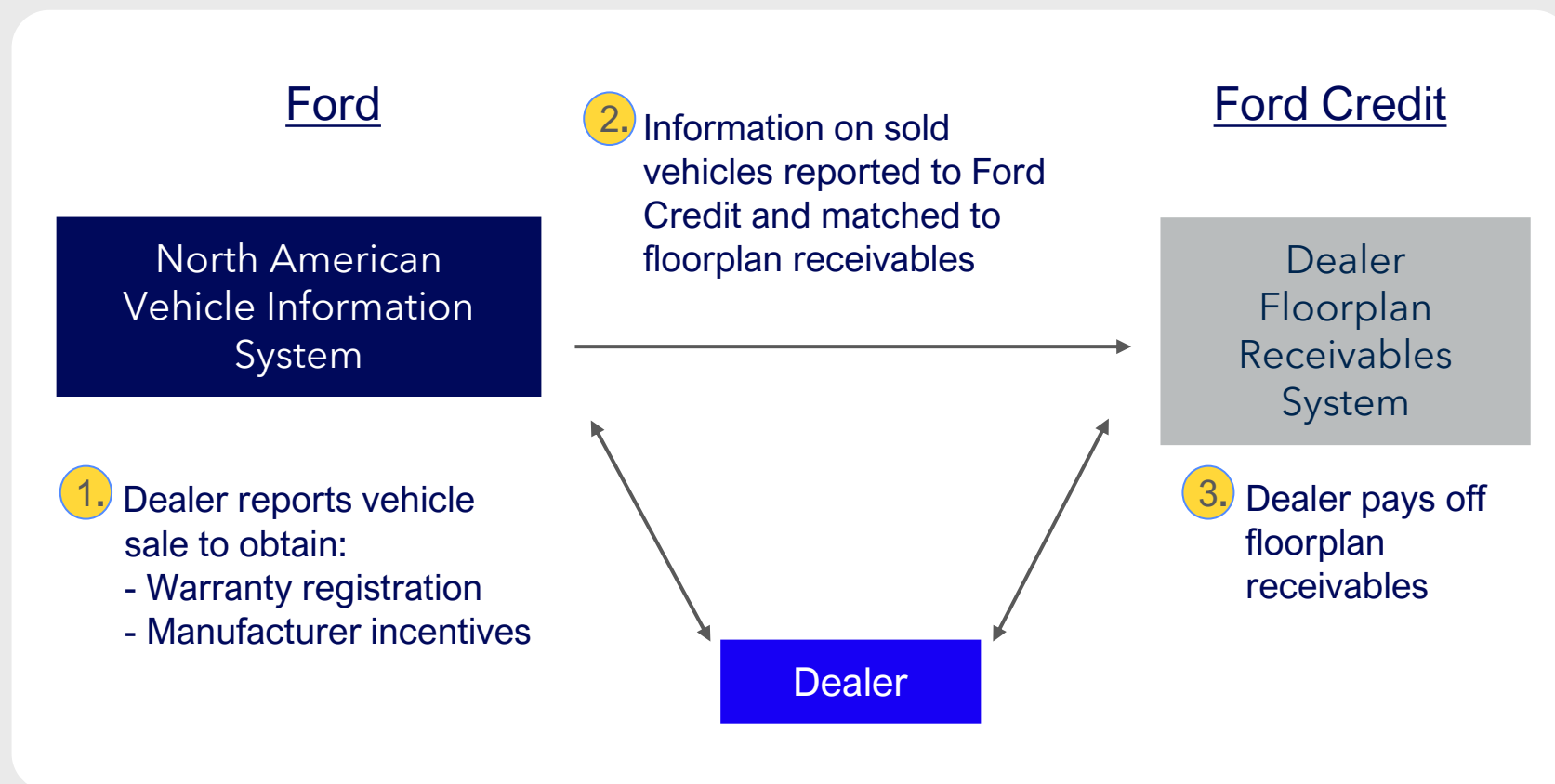
- Ford Credit has business operations employees dedicated to dealer monitoring, including dealer fraud, utilizing a robust suite of monitoring tools and models. If issues are discovered, Ford Credit may:
 - Increase audit frequency or schedule an immediate on-site audit
 - Require curtailments, or monthly principal payments on aged inventory
 - Suspend credit lines
 - Verify cash balances/perform an in-depth validation of the accuracy and completeness of the dealership financial statements
 - Meet with the owners/guarantors
 - Increase the dealer's risk rating to trigger more extensive monitoring

Dealer Status Procedures

- A status is declared when a dealer does not satisfy a sold-out-of-trust condition discovered during an audit, fails to pay principal or interest payments, files bankruptcy, or other circumstances arise that warrant immediate action
- Once a status is declared, based on the particular circumstances of the classification, Ford Credit may suspend credit lines, maintain personnel on site, collect titles and keys, secure dealer inventory, issue payment demand letters, obtain liens on property of guarantors, increase the dealer's floorplan interest rate and initiate legal action
- If a status situation can not be resolved, Ford Credit will liquidate vehicles and secondary collateral to obtain the greatest value and continue collection efforts against personal/corporate guarantors

Benefits of Being A Captive Finance Company

- + Integrated systems enable real time controls
 - Access to monthly dealer financial statements that allow monitoring of dealer financial strength
 - Monitoring of dealers by both Ford and Ford Credit
 - Joint Ford and Ford Credit discussions with dealers on various aspects of the business
 - Comparative dealership benchmarking between dealership of like size or in similar markets



Appendix

U.S. Floorplan Portfolio Performance

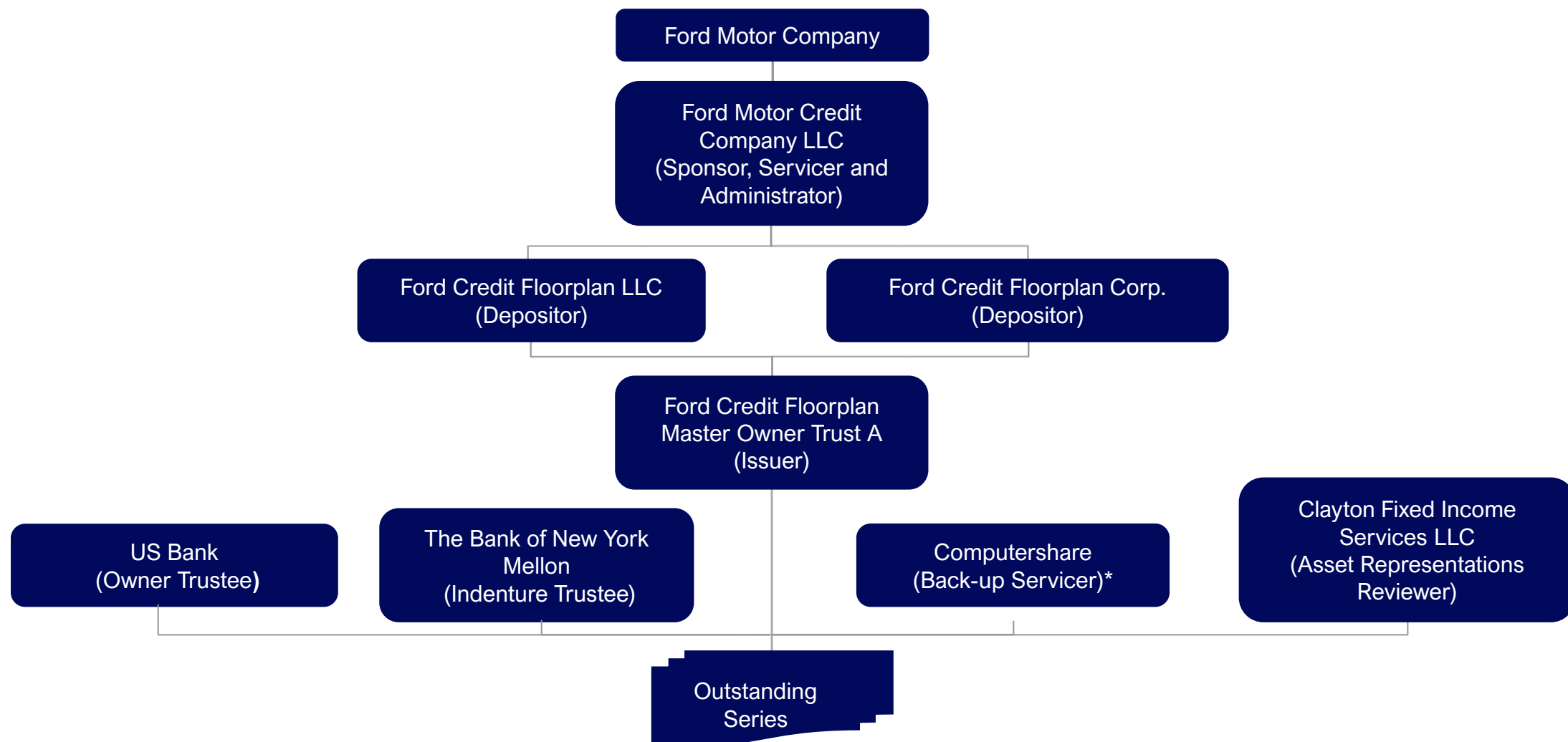
		Year ended December 31,				
		2023	2022	2021	2020	2019
		(Dollars in Millions)				
Ford Credit Portfolio	Average principal balance *	\$16,708	\$11,779	\$11,101	\$18,994	\$24,400
	Net losses (recoveries) **	(\$0.7)	(\$2.3)	(\$1.5)	(\$1.3)	\$9.7
	Net losses (recoveries)/average principal balance	(0.004)%	(0.019)%	(0.014)%	(0.007)%	0.040%
	Liquidations***	\$116,853	\$99,560	\$98,653	\$107,815	\$118,525
	Net losses (recoveries)/liquidations	(0.001)%	(0.002)%	(0.002)%	(0.001)%	0.008%

* Average principal balance is the average of the principal balances of the receivables at the beginning of each month in the period indicated

** Net losses in any period are gross losses, including actual losses and estimated losses, less any recoveries, including actual recoveries and reductions in the amount of estimated losses, in each case, for the period. This loss experience takes into account financial assistance provided by Ford to dealers in limited instances. If Ford does not provide this assistance in the future, the loss experience of Ford Credit's dealer floorplan portfolio may be adversely affected. This loss experience also reflects recoveries from dealer assets other than the financed vehicles. However, because the interest of the trust in any other dealer assets will be subordinated to Ford Credit's interest in those assets, the net losses experienced by the trust may be higher

*** Liquidations represent payments and net losses that reduce the principal balance of the receivables for the period indicated

U.S. Floorplan Legal Trust Structure



* The servicer may terminate the back-up servicer, without being required to appoint a successor back-up servicer, if the long-term debt ratings of Ford Credit are at least "BBB-" from Standard & Poor's and "Baa3" from Moody's

Key Metrics

	EBIT (\$B)						Revenue (\$B)						
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	
Ford Blue	\$ 1.5	\$ 1.5	\$ 2.6	\$ 2.3	\$ 1.7	\$ 0.8	\$ 23.8	\$ 26.3	\$ 25.1	\$ 25.0	\$ 25.6	\$ 26.2	
Ford Model e	(0.6)	(0.6)	(0.7)	(1.1)	(1.3)	(1.6)	1.4	1.6	0.7	1.8	1.8	1.6	
Ford Pro	0.4	1.5	1.4	2.4	1.7	1.8	12.0	13.9	13.2	15.6	13.8	15.4	
Ford Next	(0.2)	(0.2)	(0.0)	(0.0)	(0.0)	(0.1)	0.0	(0.0)	0.0	0.0	0.0	0.0	
Ford Credit*	0.6	0.2	0.3	0.4	0.4	0.3	2.2	2.3	2.4	2.5	2.6	2.7	
Corporate Other	0.2	0.2	(0.1)	(0.2)	(0.2)	(0.2)	0.0	0.0	0.0	0.0	0.0	0.0	
Total Company (Adjusted)	\$ 1.8	\$ 2.6	\$ 3.4	\$ 3.8	\$ 2.2	\$ 1.1	\$ 39.4	\$ 44.0	\$ 41.5	\$ 45.0	\$ 43.8	\$ 46.0	
	EBIT Margin (%)						Wholesales (000)						
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	
Ford Blue	6.2 %	5.9 %	10.4 %	9.2 %	6.7 %	3.1 %	741	760	706	720	736	758	
Model e	(43.7)	(40.4)	(102.1)	(58.9)	(75.6)	(98.2)	25	30	12	34	36	34	
Ford Pro	3.4	10.4	10.3	15.3	12.0	11.8	321	358	337	365	314	361	
Total Company	4.6 %	5.8 %	8.1 %	8.4 %	5.0 %	2.3 %	1,086	1,147	1,056	1,119	1,086	1,152	
* Ford Credit EBT							Memo: EV Wholesales	32	43	21	47	48	49

Key Metrics

	EBIT (\$B)						Revenue (\$B)					
	Q4 2022	Q4 2023	2023 B / (W) 2022	2022 FY	2023 FY	2023 B / (W) 2022	Q4 2022	Q4 2023	2023 B / (W) 2022	2022 FY	2023 FY	2023 B / (W) 2022
Ford Blue	\$ 1.5	\$ 0.8	\$ (0.7)	\$ 6.8	\$ 7.5	\$ 0.6	\$ 26.3	\$ 26.2	\$ (0.1)	\$ 94.8	\$ 101.9	\$ 7.2
Ford Model e	(0.6)	(1.6)	(0.9)	(2.1)	(4.7)	(2.6)	1.6	1.6	0.0	5.3	5.9	0.6
Ford Pro	1.5	1.8	0.4	3.2	7.2	4.0	13.9	15.4	1.5	48.9	58.1	9.1
Ford Next	(0.2)	(0.1)	0.2	(0.9)	(0.1)	0.8	(0.0)	0.0	0.0	0.1	0.0	(0.1)
Ford Credit*	0.2	0.3	0.1	2.7	1.3	(1.3)	2.3	2.7	0.5	9.0	10.3	1.3
Corporate Other	0.2	(0.2)	(0.5)	0.7	(0.8)	(1.5)	0.0	0.0	(0.0)	0.0	0.0	(0.0)
Total Company (Adjusted)	\$ 2.6	1.1	\$ (1.5)	\$ 10.4	\$ 10.4	0.0	\$ 44.0	46.0	2.0	\$ 158.1	\$ 176.2	\$ 18.1

	EBIT Margin (%)						Wholesale Units (000)					
	Q4 2022	Q4 2023	2023 B / (W) 2022	2022 FY	2023 FY	2023 B / (W) 2022	Q4 2022	Q4 2023	2023 B / (W) 2022	2022 FY	2023 FY	2023 B / (W) 2022
Ford Blue	5.9 %	3.1 %	(2.8) ppts	7.2 %	7.3 %	0.1 ppts	760	758	(1)	2,834	2,920	86
Model e	(40.4)	(98.2)	(57.8)	(40.6)	(79.7)	(39.1)	30	34	4	96	116	20
Ford Pro	10.4	11.8	1.3	6.6	12.4	5.9	358	361	3	1,301	1,377	76
Total Company	5.8 %	2.3 %	(3.5) ppts	6.6 %	5.9 %	(0.7) ppts	1,147	1,152	6	4,231	4,413	182

* Ford Credit EBT	Memo: EV Wholesales	43	49	6	128	165	38
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Q4 Results (\$M)

	Fourth Quarter			Full Year		
	2022	2023	2023 B / (W) 2022	2022	2023	2023 B / (W) 2022
Ford Blue	\$ 1,549	\$ 813	\$ (736)	\$ 6,847	7,462	\$ 615
Model e	(631)	(1,570)	(939)	(2,133)	(4,701)	(2,568)
Ford Pro	1,450	1,811	361	3,222	7,222	4,000
Ford Next	(219)	(51)	168	(926)	(138)	788
Ford Credit	191	280	89	2,657	1,331	(1,326)
Corporate Other	224	(230)	(454)	748	(760)	(1,508)
Adjusted EBIT	\$ 2,564	\$ 1,053	\$ (1,511)	\$ 10,415	\$ 10,416	\$ 1
Interest on Debt	(318)	(366)	(48)	(1,259)	(1,302)	(43)
Special Items (excl. tax)	(1,080)	(2,554)	(1,474)	(12,172)	(5,147)	7,025
Taxes	93	1,344	1,251	864	362	(502)
Less: Noncontrolling Interests	(30)	3	33	(171)	(18)	153
Net Income / (Loss) Attributable to Ford	<u>\$ 1,289</u>	<u>\$ (526)</u>	<u>(1,815)</u>	<u>(1,981)</u>	<u>4,347</u>	<u>6,328</u>
Company Adjusted Free Cash Flow (\$B)	\$ 2.4	\$ 2.0	\$ (0.5)	\$ 9.1	\$ 6.8	\$ (2.3)
Revenue (\$B)	44.0	46.0	2.0	158.1	176.2	18.1
Company Adjusted EBIT Margin (%)	5.8 %	2.3 %	(3.5) ppts	6.6 %	5.9 %	(0.7) ppts
Net Income / (Loss) Margin (%)	2.9	(1.1)	(4.1)	(1.3)	2.5	3.7
Adjusted ROIC (Trailing Four Quarters) (%)	11.2	13.9	2.7			
Adjusted EPS	\$ 0.51	\$ 0.29	\$ (0.22)	\$ 1.88	\$ 2.01	\$ 0.13
EPS (GAAP)	0.32	(0.13)	(0.45)	(0.49)	1.08	1.57

Full Year 2023 Adjusted EBIT (\$B)

	Ford Blue	Ford Model e	Ford Pro	Ford Next	Ford Credit	Corporate Other	Total Company
Full Year 2022	\$ 6.8	\$ (2.1)	\$ 3.2	\$ (0.9)	\$ 2.7	\$ 0.7	\$ 10.4
YoY Change:							
Volume / Mix	2.5	(0.0)	(0.3)	—	—	—	2.2
Net Pricing	0.2	(1.0)	7.1	—	—	—	6.3
Cost	(1.6)	(1.8)	(2.4)	0.3	—	(2.0)	(7.3)
Exchange	(0.5)	0.1	0.0	—	—	—	(0.3)
Other	(0.1)	0.1	(0.4)	0.5	(1.3)	0.5	(0.8)
Total Change	\$ 0.6	\$ (2.6)	\$ 4.0	\$ 0.8	\$ (1.3)	\$ (1.5)	\$ 0.0
Full Year 2023	\$ 7.5	\$ (4.7)	\$ 7.2	\$ (0.1)	\$ 1.3	\$ (0.8)	\$ 10.4

VOLUME & NET PRICING

Volume up 4% including ~100K units lost during the strike. Continued strength in Ford Pro net pricing offsets weaker EV pricing

COST

Includes material and freight cost (primarily for new product launches), volume-related EV costs and economics, warranty costs (including inflation) and manufacturing costs (include volume and new union contracts)

Material / Freight	\$(3.3)
Structural	(1.9)
Pension / OPEB	(1.9)
Warranty	(1.9)
Commodities	1.7

Quarterly Results (\$M)

	2022					2023				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Ford Blue	\$ 1,328	\$ 2,504	\$ 1,466	\$ 1,549	\$ 6,847	\$ 2,623	\$ 2,308	\$ 1,718	\$ 813	\$ 7,462
Model e	(380)	(510)	(612)	(631)	(2,133)	(722)	(1,080)	(1,329)	(1,570)	(4,701)
Ford Pro	491	879	402	1,450	3,222	1,366	2,391	1,654	1,811	7,222
Ford Next	(242)	(221)	(244)	(219)	(926)	(44)	(26)	(17)	(51)	(138)
Ford Credit	928	939	599	191	2,657	303	390	358	280	1,331
Corporate Other	201	131	192	224	748	(147)	(197)	(186)	(230)	(760)
Adjusted EBIT	\$ 2,326	\$ 3,722	\$ 1,803	\$ 2,564	\$ 10,415	\$ 3,379	\$ 3,786	\$ 2,198	\$ 1,053	\$ 10,416
Interest on Debt	(308)	(312)	(321)	(318)	(1,259)	(308)	(304)	(324)	(366)	(1,302)
Special Items (excl. tax)	(5,866)	(2,619)	(2,607)	(1,080)	(12,172)	(912)	(1,194)	(487)	(2,554)	(5,147)
Taxes	729	(153)	195	93	864	(496)	(272)	(214)	1,344	362
Less: Noncontrolling Interests	(9)	(29)	(103)	(30)	(171)	(94)	99	(26)	3	(18)
Net Income / (Loss) Attributable to Ford	<u>\$ (3,110)</u>	<u>\$ 667</u>	<u>\$ (827)</u>	<u>\$ 1,289</u>	<u>\$ (1,981)</u>	<u>\$ 1,757</u>	<u>\$ 1,917</u>	<u>\$ 1,199</u>	<u>\$ (526)</u>	<u>\$ 4,347</u>
Company Adjusted Free Cash Flow (\$B)	\$ (0.6)	\$ 3.6	\$ 3.6	\$ 2.4	\$ 9.1	\$ 0.7	\$ 2.9	\$ 1.2	\$ 2.0	\$ 6.8
Revenue (\$B)	34.5	40.2	39.4	44.0	158.1	41.5	45.0	43.8	46.0	176.2
Company Adjusted EBIT Margin (%)	6.7 %	9.3 %	4.6 %	5.8 %	6.6 %	8.1 %	8.4 %	5.0 %	2.3 %	5.9 %
Net Income / (Loss) Margin (%)	(9.0)	1.7	(2.1)	2.9	(1.3)	4.2	4.3	2.7	(1.1)	2.5
Adjusted ROIC (Trailing Four Quarters) (%)	7.8	11.6	10.7	11.2	11.2	13.5	14.2	15.1	13.9	13.9
Adjusted EPS	\$ 0.38	\$ 0.68	\$ 0.30	\$ 0.51	\$ 1.88	\$ 0.63	\$ 0.72	\$ 0.39	\$ 0.29	\$ 2.01
EPS (GAAP)	(0.78)	0.16	(0.21)	0.32	(0.49)	0.44	0.47	0.30	(0.13)	1.08

Net Income / (Loss) Reconciliation To Adjusted EBIT (\$M)

	Fourth Quarter		Full Year	
	2022	2023	2022	2023
Net Income / (Loss) Attributable to Ford (GAAP)	\$ 1,289	\$ (526)	\$ (1,981)	\$ 4,347
Income / (Loss) Attributable to Noncontrolling Interests	(30)	3	(171)	(18)
Net Income / (Loss)	\$ 1,259	\$ (523)	\$ (2,152)	\$ 4,329
Less: (Provision For) / Benefit From Income Taxes	93	1,344	864	362
Income / (Loss) Before Income Taxes	\$ 1,166	\$ (1,867)	\$ (3,016)	\$ 3,967
Less: Special Items Pre-Tax	(1,080)	(2,554)	(12,172)	(5,147)
Income / (Loss) Before Special Items Pre-Tax	\$ 2,246	\$ 687	\$ 9,156	\$ 9,114
Less: Interest on Debt	(318)	(366)	(1,259)	(1,302)
Adjusted EBIT (Non-GAAP)	<u>\$ 2,564</u>	<u>\$ 1,053</u>	<u>\$ 10,415</u>	<u>\$ 10,416</u>

Memo:

Revenue (\$B)	\$ 44.0	\$ 46.0	\$ 158.1	\$ 176.2
Net Income / (Loss) Margin (GAAP) (%)	2.9 %	(1.1)%	(1.3)%	2.5 %
Adjusted EBIT Margin (%) (Non-GAAP)	5.8 %	2.3 %	6.6 %	5.9 %

Net Cash Provided By / (Used In) Operating Activities Reconciliation To Company Adj. FCF (\$M)

	2022				2023				Full Year	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2022	2023
Net Cash Provided By / (Used In) Operating Activities (GAAP)	\$(1,084)	\$ 2,947	\$ 3,812	\$ 1,178	\$ 2,800	\$ 5,035	\$ 4,591	\$ 2,492	\$ 6,853	\$14,918
Less: <u>Items Not Included in Company Adjusted Free Cash Flows</u>										
Ford Credit Operating Cash Flows	(419)	(1,340)	(439)	(3,218)	626	581	1,800	(1,827)	(5,416)	1,180
Funded Pension Contributions	(174)	(154)	(130)	(109)	(125)	(109)	(190)	(168)	(567)	(592)
Restructuring (Including Separations) *	(176)	(137)	(179)	(343)	(81)	(118)	(297)	(529)	(835)	(1,025)
Ford Credit Tax Payments / (Refunds) Under Tax Sharing Agreement	–	–	22	125	(5)	–	–	174	147	169
Other, Net	(20)	20	(150)	92	(140)	(73)	(151)	604 **	(58)	240
Add: <u>Items Included in Company Adjusted Free Cash Flows</u>										
Company Excluding Ford Credit Capital Spending	(1,349)	(1,503)	(1,613)	(2,046)	(1,760)	(1,927)	(2,191)	(2,274)	(6,511)	(8,152)
Ford Credit Distributions	1,000	600	500	–	–	–	–	–	2,100	–
Settlement of Derivatives	64	(36)	26	(144)	(72)	92	(13)	–	(90)	7
Company Adjusted Free Cash Flow (Non-GAAP)	<u>\$ (580)</u>	<u>\$ 3,619</u>	<u>\$ 3,601</u>	<u>\$ 2,441</u>	<u>\$ 693</u>	<u>\$ 2,919</u>	<u>\$ 1,225</u>	<u>\$ 1,964</u>	<u>\$ 9,081</u>	<u>\$ 6,801</u>

* Restructuring excludes cash flows reported in investing activities

** Includes timing differences with a joint venture and currency impacts

Earnings / (Loss) Per Share Reconciliation To Adjusted Earnings / (Loss) Per Share

	Fourth Quarter		Full Year	
	2022	2023	2022	2023
<u>Diluted After-Tax Results (\$M)</u>				
Diluted After-Tax Results (GAAP)	\$ 1,289	\$ (526)	\$ (1,981)	\$ 4,347
Less: Impact of Pre-Tax and Tax Special Items ^(a)	(780)	(1,688)	(9,599)	(3,786)
Adjusted Net Income / (Loss) – Diluted (Non-GAAP)	<u>\$ 2,069</u>	<u>\$ 1,162</u>	<u>\$ 7,618</u>	<u>\$ 8,133</u>
<u>Basic and Diluted Shares (M)</u>				
Basic Shares (Average Shares Outstanding)	4,004	3,998	4,014	3,998
Net Dilutive Options, Unvested Restricted Stock Units, Unvested Restricted Stock Shares, and Convertible Debt	43	47	42	43
Diluted Shares	<u>4,047</u>	<u>4,045</u>	<u>4,056</u>	<u>4,041</u>
Earnings / (Loss) Per Share – Diluted (GAAP) ^(b)	\$ 0.32	\$ (0.13)	\$ (0.49)	\$ 1.08
Less: Net Impact of Adjustments	(0.19)	(0.42)	(2.37)	(0.93)
Adjusted Earnings Per Share – Diluted (Non-GAAP)	<u>\$ 0.51</u>	<u>\$ 0.29</u>	<u>\$ 1.88</u>	<u>\$ 2.01</u>

a. Includes adjustment for noncontrolling interest in 2023

b. For the fourth quarter of 2023 and full year 2022, there were 47M and 42M shares excluded from the calculation of diluted earnings / (loss) per share, respectively, due to their anti-dilutive effect

Adjusted ROIC (\$B)

	Four Quarters Ending Q4 2022	Four Quarters Ending Q4 2023
<u>Adjusted Net Operating Profit / (Loss) After Cash Tax</u>		
Net Income / (Loss) Attributable to Ford	\$ (2.0)	\$ 4.3
Add: Noncontrolling Interest	(0.2)	(0.0)
Less: Income Tax	0.9	0.4
Add: Cash Tax	(0.8)	(1.0)
Less: Interest on Debt	(1.3)	(1.3)
Less: Total Pension / OPEB Income / (Cost)	0.4	(3.1)
Add: Pension / OPEB Service Costs	(1.0)	(0.6)
Net Operating Profit / (Loss) After Cash Tax	\$ (3.9)	\$ 6.7
Less: Special Items (excl. Pension / OPEB) Pre-Tax	(11.7)	(2.7)
Adj. Net Operating Profit / (Loss) After Cash Tax	<u>\$ 7.8</u>	<u>\$ 9.5</u>
<u>Invested Capital</u>		
Equity	\$ 43.2	\$ 42.8
Debt (excl. Ford Credit)	19.9	19.9
Net Pension and OPEB Liability	4.7	7.0
Invested Capital (End of Period)	\$ 67.8	\$ 69.8
Average Invested Capital	<u>\$ 70.0</u>	<u>\$ 68.1</u>
ROIC ^(a)	(5.6) %	9.9 %
Adjusted ROIC (Non-GAAP) ^(b)	11.2 %	13.9 %

a. Calculated as the sum of net operating profit / (loss) after cash tax from the last four quarters, divided by the average invested capital over the last four quarters

b. Calculated as the sum of adjusted net operating profit / (loss) after cash tax from the last four quarters, divided by the average invested capital over the last four quarters

EBT By Segment* (\$M)

	Q4		Full Year	
	2023	H / (L) 2022	2023	H / (L) 2022
<u>Results</u>				
United States and Canada segment	\$ 313	\$ 60	\$ 1,114	\$ (980)
Europe segment	35	(22)	306	(8)
All Other segment	7	(3)	75	213
Total segments	\$ 355	\$ 35	\$ 1,495	\$ (775)
Unallocated other	(75)	55	(173)	(340)
Earnings before taxes	\$ 280	\$ 90	\$ 1,322	\$ (1,115)
(Provision for)/Benefit from Taxes	279	392	2	450
Net income	<u>\$ 559</u>	<u>\$ 482</u>	<u>\$ 1,324</u>	<u>\$ (665)</u>
Distributions	\$ -	\$ -	\$ -	\$ (2,100)

* See Appendix for definitions

Financing Shares And Contract Placement Volume

	Q4		Full Year	
	2023	2022	2023	2022
<u>Share of Ford Sales*</u>				
United States	55 %	44 %	51 %	41 %
Canada	74	83	71	73
U.K.	31	38	33	36
Germany	42	34	35	35
China	33	45	37	45
<u>Wholesale Share</u>				
United States	71 %	72 %	71 %	73 %
U.K.	100	100	100	100
Germany	87	91	88	92
China	69	65	70	67
<u>Contract Placement Volume - New and Used (000)</u>				
United States	219	180	826	664
Canada	34	37	123	138
U.K.	18	24	87	93
Germany	17	17	61	60
China	24	33	97	130

* United States and Canada exclude Fleet sales, other markets include Fleet

Financing Shares And Contract Placement Volume

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>Share of Ford Sales*</u>					
United States	51 %	56 %	48 %	41 %	51 %
Canada	66	74	70	73	71
U.K.	39	40	33	36	33
Germany	47	41	39	35	35
China	35	39	44	45	37
<u>Wholesale Share</u>					
United States	75 %	74 %	72 %	73 %	71 %
U.K.	100	100	100	100	100
Germany	93	92	91	92	88
China	60	62	66	67	70
<u>Contract Placement Volume - New and Used (000)</u>					
United States	952	954	749	664	826
Canada	141	137	131	138	123
U.K.	139	101	81	93	87
Germany	165	107	69	60	61
China	108	119	146	130	97

* United States and Canada exclude Fleet sales, other markets include Fleet

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 operating results and trends, and a means to compare our period-over-period results. These non-GAAP measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. These non-GAAP measures may not be the same as similarly titled measures used by other companies due to possible differences in method and in items or events being adjusted.

- + Company Adjusted EBIT (Most Comparable GAAP Measure: Net income / (Loss) attributable to Ford) – Earnings Before Interest and Taxes (EBIT) excludes interest on debt (excl. Ford Credit Debt), taxes and pre-tax special items. This non-GAAP measure is useful to management and investors because it focuses on underlying operating results and trends, and improves comparability of our period-over-period results. Our management ordinarily excludes special items from its review of the results of the operating segments for purposes of measuring segment profitability and allocating resources. Pre-tax special items consist of (i) pension and OPEB remeasurement gains and losses, (ii) gains and losses on investments in equity securities, (iii) significant personnel expenses, supplier- and dealer-related costs, and facility-related charges stemming from our efforts to match production capacity and cost structure to market demand and changing model mix, and (iv) other items that we do not necessarily consider to be indicative of earnings from ongoing operating activities. When we provide guidance for adjusted EBIT, we do not provide guidance on a net income basis because the GAAP measure will include potentially significant special items that have not yet occurred and are difficult to predict with reasonable certainty, including gains and losses on pension and OPEB remeasurements and on investments in equity securities.
- + Company Adjusted EBIT Margin (Most Comparable GAAP Measure: Company Net Income / (Loss) Margin) – Company Adjusted EBIT Margin is Company Adjusted EBIT divided by Company revenue. This non-GAAP measure is useful to management and investors because it allows users to evaluate our operating results aligned with industry reporting.
- + Adjusted Earnings / (Loss) Per Share (Most Comparable GAAP Measure: Earnings / (Loss) Per Share) – Measure of Company's diluted net earnings / (loss) per share adjusted for impact of pre-tax special items (described above), tax special items and restructuring impacts in noncontrolling interests. The measure provides investors with useful information to evaluate performance of our business excluding items not indicative of earnings from ongoing operating activities. When we provide guidance for adjusted earnings / (loss) per share, we do not provide guidance on an earnings / (loss) 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.

Non-GAAP Financial Measures That Supplement GAAP Measures

- + Company Adjusted Free Cash Flow (FCF) (Most Comparable GAAP Measure: Net Cash Provided By / (Used In) Operating Activities) – Measure of Company's operating cash flow excluding Ford Credit's operating cash flows. The measure contains elements management considers operating activities, including Company excluding Ford Credit capital spending, Ford Credit distributions to its parent, and settlement of derivatives. The measure excludes cash outflows for funded pension contributions, restructuring actions, and other items that are considered operating cash flows under GAAP. This measure is useful to management and investors because it is consistent with management's assessment of the Company's operating cash flow performance. When we provide guidance for Company Adjusted FCF, we do not provide guidance for net cash provided by / (used in) operating activities because the GAAP measure will include items that are difficult to quantify or predict with reasonable certainty, including cash flows related to the Company's exposures to foreign currency exchange rates and certain commodity prices (separate from any related hedges), Ford Credit's operating cash flows, and cash flows related to special items, including separation payments, each of which individually or in the aggregate could have a significant impact to our net cash provided by / (used in) our operating activities.
- + Adjusted ROIC – Calculated as the sum of adjusted net operating profit / (loss) after-cash tax from the last four quarters, divided by the average invested capital over the last four quarters. This calculation provides management and investors with useful information to evaluate the Company's after-cash tax operating return on its invested capital for the period presented. Adjusted net operating profit / (loss) after-cash tax measures operating results less special items, interest on debt (excl. Ford Credit Debt), and certain pension / OPEB costs. Average invested capital is the sum of average balance sheet equity, debt (excl. Ford Credit Debt), and net pension / OPEB liability.

Definitions And Calculations

Wholesale Units 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 or others, 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 or others. 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. Excludes transactions between Ford Blue, Ford Model e, and Ford Pro segments

Industry Volume and Market Share

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

SAAR

- SAAR means seasonally adjusted annual rate

Company Cash

- Company cash includes cash, cash equivalents, marketable securities and restricted cash (including cash held for sale); excludes Ford Credit’s cash, cash equivalents, marketable securities and restricted cash

Market Factors

- Volume and Mix – primarily measures EBIT variance from changes in wholesale unit volumes (at prior-year average contribution margin per unit) driven by changes in industry volume, market share, and dealer stocks, as well as the EBIT 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 EBIT variance driven by changes in wholesale unit prices to dealers and marketing incentive programs such as rebate programs, low-rate financing offers, special lease offers and stock adjustments on dealer inventory
- Market Factors exclude the impact of unconsolidated affiliate wholesale units

Earnings Before Taxes (EBT)

- Reflects Income before income taxes

Definitions And Calculations

Assets (as shown on the Cumulative Maturities chart)

- Includes gross finance receivables less the allowance for credit losses, investment in operating leases net of accumulated depreciation, cash and cash equivalents, and marketable securities (excluding amounts related to insurance activities). Amounts shown include the impact of expected prepayments

Cash (as shown in the Funding Structure and Liquidity Sources tables)

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

Debt (as shown on the Cumulative Maturities chart)

- All wholesale securitization transactions are shown maturing in the next 12 months, even if the maturities extend beyond 2024. Also, the chart reflects adjustments to debt maturities to match the asset-backed debt maturities with the underlying asset maturities

Debt (as used in the Leverage calculation)

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

Committed Asset-Backed Security ("ABS") Facilities (as shown in the Liquidity Sources table)

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

Earnings Before Taxes ("EBT")

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

Leverage, Financial Statement Leverage (as shown in the Funding Structure table)

- We use leverage, or the debt-to-equity ratio, to make various business decisions, including evaluating and establishing pricing for finance receivable and operating lease financing, and assessing our capital structure. We refer to our shareholder's interest as equity

Loss-To-Receivables ("LTR") Ratio (as shown in credit loss tables)

- LTR ratio is calculated using net charge-offs divided by average finance receivables, excluding unearned interest supplements and the allowance for credit losses

Net Charge-Offs

- Net charge-off changes are primarily driven by the number of repossessions, severity per repossession, and recoveries

Other adjustments (as shown in the Liquidity Sources table)

- Includes asset-backed capacity in excess of eligible receivables; cash related to the Ford Credit Revolving Extended Variable-utilization program ("FordREV"), which can be accessed through future sales of receivables

Definitions And Calculations

Reserve as a % of EOP Receivables Ratio (as shown in the credit loss tables)

- The reserve as a % of EOP receivables ratio is calculated as the credit loss reserve amount, divided by end of period (“EOP”) finance receivables, excluding unearned interest supplements and the allowance for credit losses

Securitization & restricted cash (as shown in the Liquidity Sources table)

- Securitization cash is cash held for the benefit of the securitization investors (for example, a reserve fund). Restricted cash is primarily held to meet certain local government and regulatory reserve requirements and cash held under the terms of certain contractual agreements

Securitizations (as shown in the Public Term Funding Plan table)

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

Term Asset-Backed Securities (as shown in the Funding Structure table)

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

Total Net Receivables (as shown in the Funding Structure table)

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

Unallocated other (as shown on the EBT By Segment chart)

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