



Customers Find Appeal in ‘Freedom’ of Ford Powertrain Choices, Contributing to Solid Q1 Results, Setting Up Strong Full Year

- Ford reports first-quarter revenue of \$42.8 billion, net income of \$1.3 billion, and adjusted EBIT of \$2.8 billion
- Revenue from Ford Pro commercial customers jumps 36%, EBIT more than doubles, with high demand for Super Duty work trucks, Transit vans and software/physical services
- Ford Blue’s strong global product lineup includes new versions of F-150 and Ranger trucks; hybrid volumes on pace for 40% full-year growth
- Company declares second-quarter regular dividend of 15 cents per share
- Full-year adjusted EBIT tracking to high end of \$10 billion to \$12 billion; adjusted FCF target raised to \$6.5 billion to \$7.5 billion; CAPEX guidance tightened to \$8 billion to \$9 billion

DEARBORN, Mich., April 24, 2024 – Ford’s first-quarter 2024 operating results provided more evidence that its segmented, customer-centered strategy is delivering growth and profitability, sharpening capital efficiency and fortifying business durability.

“Customers want vehicles that they’re passionate about, choices in how they’re powered, quality that’s constantly getting better and great value,” said President and CEO Jim Farley. “With Ford+, we’re increasingly giving them all those things in ways that others don’t and creating a company that will lead for the long haul.”

Nowhere is that momentum more apparent, said Farley, than in Ford Pro, which helps commercial customers improve the productivity of their organizations.

Company Key Metrics Summary

	First Quarter		
	2023	2024	H / (L)
Wholesale Units (000)	1,056	1,045	(11)
GAAP			
Cash Flows From Op. Activities (\$B)	\$ 2.8	\$ 1.4	\$ (1.4)
Revenue (\$B)	41.5	42.8	1.3
Net Income / (Loss) (\$B)	1.8	1.3	(0.4)
Net Income / (Loss) Margin (%)	4.2 %	3.1 %	(1.1) ppts
EPS (Diluted)	\$ 0.44	\$ 0.33	\$ (0.11)
Non-GAAP			
Company Adj. Free Cash Flow (\$B)	\$ 0.7	\$ (0.5)	\$ (1.2)
Company Adj. EBIT (\$B)	3.4	2.8	(0.6)
Company Adj. EBIT Margin (%)	8.1 %	6.5 %	(1.7) ppts
Adjusted EPS (Diluted)	\$ 0.63	\$ 0.49	\$ (0.14)
Adjusted ROIC (Trailing Four Qtrs)	13.5 %	12.7 %	(0.8) ppts

“The Ford Pro team is growing volumes, revenue and profitability – including EBIT margin – and services capabilities,” he said. “We’re seeing real evidence of what’s possible for customers and the company across all our segments, and applying what we’re learning about things like mobile services and value-added software to our retail businesses.”

Relatedly, a [new Ford brand campaign](#) is showcasing the company’s distinctive commitment and ability to suit the needs of almost every customer through “Freedom of Choice” across a lineup of high-performing, high-volume gas, hybrid and electric vehicles.

Ford’s revenue for the 2024 first quarter was \$42.8 billion, up 3% year-over-year even as vehicle shipments declined slightly. The company has increased revenue in each of the past three years and expects to do so again in full-year 2024. Net income for Q1 was \$1.3 billion; adjusted earnings before interest and taxes, or EBIT, totaled \$2.8 billion.

Operating cash flow in the period was \$1.4 billion; adjusted free cash flow was a use of \$500 million. Both reflected working capital effects from about 60,000 vehicles that were in inventory at the end of the first quarter, but are expected to be shipped in Q2. CFO John Lawler said that the company’s balance sheet remains “rock solid,” with \$25 billion in cash and nearly \$43 billion in liquidity at quarter-end.

Ford’s continued strong performance and disciplined capital allocation enable the company to fund Ford+ initiatives while also meaningfully returning capital to shareholders – the latter at a targeted rate of 40% to 50% of adjusted free cash flow. Consequently, Ford today declared a second-quarter regular dividend of 15 cents per share, payable June 3 to shareholders of record at the close of business on May 8.

Business Segment Highlights

		Ford Blue	Ford Model e	Ford Pro
Q1 2024 Results				
H / (L) Q1 2023				
Wholesale Units (000)		626	10	409
	YoY	(11) %	(20) %	21 %
Revenue (\$B)	\$	21.8	\$ 0.1	\$ 18.0
	YoY	(13) %	(84) %	36 %
EBIT (\$M)	\$	905	\$ (1,320)	\$ 3,008
	YoY	(1,718)	(598)	1,642
EBIT Margin (%)		4.2 %	N/M	16.7 %
	YoY	(6.3) ppts	N/M	6.4 ppts

Ford Pro achieved first-quarter revenue of \$18.0 billion, up 36%, together with EBIT of \$3.0 billion. The segment’s EBIT margin of nearly 17% exceeded the sustained mid-teens margin target set for the business. The results reflected higher production of Super Duty trucks – the [2024 North American Truck of the Year](#) and the [most dependable large heavy-duty pickup](#) after three years of ownership, according to J.D. Power – and Transit vans.

With guidance from Ford Pro, more customers are progressively choosing to electrify their vehicle fleets, including the [United States Postal Service](#) (9,250 E-Transit vans through the end of 2024) and [Ecolab](#), the global sustainability company (more than 1,000 F-150 Lightning pickups and Mustang Mach-E SUVs).

Over the past 12 months through the first quarter, about 13% of Ford Pro’s EBIT came from software and physical services, including parts and accessories – on the way to a goal of at least

20% within a few years. Software subscriptions with commercial customers grew 43% year-on-year to more than 560,000 by quarter-end.

Quarterly wholesales, revenue and EBIT for **Ford Blue** were down in the quarter, all affected by the production ramp and vehicles in inventory of the new 2024 F-150 pickup, which are now being delivered to customers and dealers. Segment revenue was \$21.8 billion; EBIT was about \$900 million. The business unit was again profitable in every market where it operates around the globe.

Sales of Ford Blue's hybrid vehicles were up 36%, on pace for projected full-year 2024 hybrid sales growth of 40%. The compact Ford Maverick was America's No. 1-selling hybrid truck in Q1, and hybrid versions of the new F-150 full-size pickup are now on their way to customers. The business is well along in carrying out a multiyear plan that is further expanding hybrid options around the globe, including hybrid versions of every vehicle in its North America portfolio by the end of the decade.

Ford Model e revenue was down, as wholesales declined and significant industrywide pricing pressure continued to affect electric vehicles currently on the market. The segment had an EBIT loss of \$1.3 billion, with costs that were flat year-over-year. The company expects EV costs to improve going forward, but be offset by top-line pressure.

In the meantime, [availability of reliable DC fast-charging](#) is more than doubling for Ford EV customers in the U.S. and Canada, as they begin to receive adapters that provide access to more than 15,000 Tesla Superchargers.

Collectively, Ford remains far and away the global truck leader, producing more than 500,000 of them worldwide in the first quarter of the year – gas and, in several cases, hybrid versions of Super Duty, F-150, Ranger and Maverick, along with the all-electric F-150 Lightning.

Ford Credit generated first-quarter earnings before taxes of \$326 million, with used-vehicle auction values and lease return rates continuing to normalize.

Full-Year 2024 Outlook

Lawler, the CFO, said that Ford's full-year adjusted EBIT guidance range is unchanged, with the company tracking to the higher end of the \$10 billion to \$12 billion range. The company now expects to generate adjusted free cash flow of \$6.5 billion to \$7.5 billion – up from the initial outlook of \$6 billion to \$7 billion provided earlier this year.

Additionally, Ford is anticipating capital expenditures for the year of \$8 billion to \$9 billion – narrower than the \$8 billion to \$9.5 billion originally estimated and perhaps at the lower end of the range. The update reflects the company's commitment to capital discipline and efficiency – including recent actions to match investments in support of electric vehicles to revised expectations for the pace of EV adoption by customers.

The company remains on plan to achieve \$2 billion in cost reductions in areas like materials, freight and manufacturing.

The segment-level EBIT outlook remains \$8 billion to \$9 billion for Ford Pro and \$7 billion to \$7.5 billion for Ford Blue; an EBIT loss of \$5.0 billion to \$5.5 billion for Ford Model e; and earnings before taxes of about \$1.5 billion for Ford Credit.

Ford's virtual [annual meeting of shareholders](#) is scheduled for Thursday, May 9, at 8:30 a.m. ET. The company plans to report second-quarter 2024 financial results following the close of market on Wednesday, July 24.

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About Ford Motor Company

Ford Motor Company (NYSE: F) is a global company based in Dearborn, Michigan, committed to helping build a better world, where every person is free to move and pursue their dreams. The company's Ford+ plan for growth and value creation combines existing strengths, new capabilities and always-on relationships with customers to enrich experiences for customers and deepen their loyalty. Ford develops and delivers innovative, must-have Ford trucks, sport utility vehicles, commercial vans and cars and Lincoln luxury vehicles, along with connected services. The company does that through three customer-centered business segments: Ford Blue, engineering iconic gas-powered and hybrid vehicles; Ford Model e, inventing breakthrough EVs along with embedded software that defines exceptional digital experiences for all customers; and Ford Pro, helping commercial customers transform and expand their businesses with vehicles and services tailored to their needs. Additionally, Ford provides financial services through Ford Motor Credit Company. Ford employs about 176,000 people worldwide. More information about the company and its products and services is available at corporate.ford.com.

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Conference Call Details

Ford Motor Company (NYSE: F) and Ford Motor Credit Company released their first-quarter 2024 financial results at 4:05 p.m. ET on Wednesday, April 24. Following the release, at 5:00 p.m. ET, Jim Farley, Ford president and chief executive officer; John Lawler, Ford chief financial officer; and other members of the Ford senior leadership team will host a conference call to discuss the results in the context of the company's ambitious Ford+ plan for growth and value creation. The presentation and supporting materials will be available at shareholder.ford.com. Representatives of the investment community will be able to ask questions on the call.

Ford First-Quarter Earnings Call: Wednesday, April 24, at 5:00 p.m. ET

Toll-Free: 844.282.4573
International: +1.412.317.5617
Registration Link (option, speeds login): [Ford Earnings Call](https://ford.com/earnings)
Webcast: shareholder.ford.com

Replay

Available after 8:00 p.m. ET on Wednesday, April 24, and through Wednesday, May 1
Webcast: [click here](https://shareholder.ford.com)
Toll-Free: (U.S.) 877.344.7529
(Canada) 855.669.9658
International: +1.412.317.0088
Replay Access Code: 1396996

The following applies to the information throughout this release:

- See tables later in this release for the nature and amount of special items, and reconciliations of the non-GAAP financial measures designated as "adjusted" to the most comparable financial measures calculated in accordance with U.S. generally accepted accounting principles ("GAAP").
- Wholesale unit and production volumes include Ford and Lincoln brand vehicles produced and sold by Ford or our unconsolidated affiliates and Jiangling Motors Corporation ("JMC") brand vehicles produced and sold in China by our unconsolidated affiliate. Revenue does not include vehicles produced and sold by our unconsolidated affiliates. Wholesales and revenue exclude transactions between the Ford Blue, Ford Model e and Ford Pro business segments. See materials supporting the April 24, 2024, conference call at shareholder.ford.com for further discussion of wholesale unit volumes.

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 our subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

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

	For the periods ended March 31,	
	<u>2023</u>	<u>2024</u>
	First Quarter (unaudited)	
Revenues		
Company excluding Ford Credit	\$ 39,085	\$ 39,890
Ford Credit	2,389	2,887
Total revenues	41,474	42,777
Costs and expenses		
Cost of sales	34,669	36,476
Selling, administrative, and other expenses	2,506	2,376
Ford Credit interest, operating, and other expenses	2,186	2,700
Total costs and expenses	39,361	41,552
Operating income/(loss)	2,113	1,225
Interest expense on Company debt excluding Ford Credit	308	278
Other income/(loss), net	224	498
Equity in net income/(loss) of affiliated companies	130	167
Income/(Loss) before income taxes	2,159	1,612
Provision for/(Benefit from) income taxes	496	278
Net income/(loss)	1,663	1,334
Less: Income/(Loss) attributable to noncontrolling interests	(94)	2
Net income/(loss) attributable to Ford Motor Company	<u>\$ 1,757</u>	<u>\$ 1,332</u>
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO FORD MOTOR COMPANY COMMON AND CLASS B STOCK		
Basic income/(loss)	\$ 0.44	\$ 0.33
Diluted income/(loss)	0.44	0.33
Weighted-average shares used in computation of earnings/(loss) per share		
Basic shares	3,990	3,979
Diluted shares	4,029	4,023

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

	December 31, 2023	March 31, 2024
	(unaudited)	
ASSETS		
Cash and cash equivalents	\$ 24,862	\$ 19,721
Marketable securities	15,309	14,742
Ford Credit finance receivables, net of allowance for credit losses of \$256 and \$254	46,425	44,600
Trade and other receivables, less allowances of \$64 and \$59	15,601	18,698
Inventories	15,651	18,632
Other assets	3,633	4,202
Total current assets	121,481	120,595
Ford Credit finance receivables, net of allowance for credit losses of \$626 and \$626	55,650	56,985
Net investment in operating leases	21,384	21,118
Net property	40,821	40,515
Equity in net assets of affiliated companies	5,548	6,336
Deferred income taxes	16,985	16,726
Other assets	11,441	12,066
Total assets	\$ 273,310	\$ 274,341
LIABILITIES		
Payables	\$ 25,992	\$ 27,384
Other liabilities and deferred revenue	25,870	26,032
Debt payable within one year		
Company excluding Ford Credit	477	727
Ford Credit	49,192	49,063
Total current liabilities	101,531	103,206
Other liabilities and deferred revenue	28,414	27,724
Long-term debt		
Company excluding Ford Credit	19,467	19,430
Ford Credit	80,095	80,195
Deferred income taxes	1,005	889
Total liabilities	230,512	231,444
EQUITY		
Common Stock, par value \$0.01 per share (4,105 million shares issued of 6 billion authorized)	41	41
Class B Stock, par value \$0.01 per share (71 million shares issued of 530 million authorized)	1	1
Capital in excess of par value of stock	23,128	23,125
Retained earnings	31,029	31,019
Accumulated other comprehensive income/(loss)	(9,042)	(8,932)
Treasury stock	(2,384)	(2,384)
Total equity attributable to Ford Motor Company	42,773	42,870
Equity attributable to noncontrolling interests	25	27
Total equity	42,798	42,897
Total liabilities and equity	\$ 273,310	\$ 274,341

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

	For the periods ended March 31,	
	2023	2024
	First Quarter	
	(unaudited)	
Cash flows from operating activities		
Net income/(loss)	\$ 1,663	\$ 1,334
Depreciation and tooling amortization	1,897	1,881
Other amortization	(272)	(376)
Provision for credit and insurance losses	83	126
Pension and other postretirement employee benefits ("OPEB") expense/(income)	303	166
Equity method investment dividends received in excess of (earnings)/losses and impairments	(7)	(154)
Foreign currency adjustments	(94)	(12)
Net realized and unrealized (gains)/losses on cash equivalents, marketable securities, and other investments	51	29
Stock compensation	100	126
Provision for/(Benefit from) deferred income taxes	17	(28)
Decrease/(Increase) in finance receivables (wholesale and other)	(656)	(1,121)
Decrease/(Increase) in accounts receivable and other assets	(732)	(806)
Decrease/(Increase) in inventory	(1,967)	(3,154)
Increase/(Decrease) in accounts payable and accrued and other liabilities	2,323	3,333
Other	91	41
Net cash provided by/(used in) operating activities	2,800	1,385
Cash flows from investing activities		
Capital spending	(1,780)	(2,094)
Acquisitions of finance receivables and operating leases	(12,543)	(14,829)
Collections of finance receivables and operating leases	11,170	11,238
Purchases of marketable securities and other investments	(2,545)	(2,985)
Sales and maturities of marketable securities and other investments	4,413	3,579
Settlements of derivatives	(41)	(184)
Capital contributions to equity method investments	(699)	(639)
Other	48	34
Net cash provided by/(used in) investing activities	(1,977)	(5,880)
Cash flows from financing activities		
Cash payments for dividends and dividend equivalents	(3,193)	(1,326)
Purchases of common stock	—	—
Net changes in short-term debt	(2,211)	(1,201)
Proceeds from issuance of long-term debt	13,912	16,488
Payments of long-term debt	(12,242)	(14,225)
Other	(140)	(194)
Net cash provided by/(used in) financing activities	(3,874)	(458)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	70	(171)
Net increase/(decrease) in cash, cash equivalents, and restricted cash	\$ (2,981)	\$ (5,124)
Cash, cash equivalents, and restricted cash at beginning of period	\$ 25,340	\$ 25,110
Net increase/(decrease) in cash, cash equivalents, and restricted cash	(2,981)	(5,124)
Cash, cash equivalents, and restricted cash at end of period	\$ 22,359	\$ 19,986

2024 SUPPLEMENTAL INFORMATION

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

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

	For the period ended March 31, 2024		
	First Quarter		
	Company excluding Ford Credit	Ford Credit	Consolidated
Revenues	\$ 39,890	\$ 2,887	\$ 42,777
Total costs and expenses	38,852	2,700	41,552
Operating income/(loss)	1,038	187	1,225
Interest expense on Company debt excluding Ford Credit	278	—	278
Other income/(loss), net	367	131	498
Equity in net income/(loss) of affiliated companies	159	8	167
Income/(Loss) before income taxes	1,286	326	1,612
Provision for/(Benefit from) income taxes	186	92	278
Net income/(loss)	1,100	234	1,334
Less: Income/(Loss) attributable to noncontrolling interests	2	—	2
Net income/(loss) attributable to Ford Motor Company	\$ 1,098	\$ 234	\$ 1,332

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

	March 31, 2024			
	Company excluding Ford Credit	Ford Credit	Eliminations	Consolidated
Assets				
Cash and cash equivalents	\$ 10,873	\$ 8,848	\$ —	\$ 19,721
Marketable securities	14,028	714	—	14,742
Ford Credit finance receivables, net	—	44,600	—	44,600
Trade and other receivables, net	5,856	12,842	—	18,698
Inventories	18,632	—	—	18,632
Other assets	3,057	1,145	—	4,202
Receivable from other segments	1,548	1,749	(3,297)	—
Total current assets	53,994	69,898	(3,297)	120,595
Ford Credit finance receivables, net	—	56,985	—	56,985
Net investment in operating leases	1,008	20,110	—	21,118
Net property	40,236	279	—	40,515
Equity in net assets of affiliated companies	6,212	124	—	6,336
Deferred income taxes	16,557	163	6	16,726
Other assets	10,737	1,329	—	12,066
Receivable from other segments	73	13	(86)	—
Total assets	<u>\$ 128,817</u>	<u>\$ 148,901</u>	<u>\$ (3,377)</u>	<u>\$ 274,341</u>
Liabilities				
Payables	\$ 26,426	\$ 958	\$ —	\$ 27,384
Other liabilities and deferred revenue	23,102	2,930	—	26,032
Debt payable within one year	727	49,063	—	49,790
Payable to other segments	3,178	119	(3,297)	—
Total current liabilities	53,433	53,070	(3,297)	103,206
Other liabilities and deferred revenue	26,001	1,723	—	27,724
Long-term debt	19,430	80,195	—	99,625
Deferred income taxes	546	337	6	889
Payable to other segments	13	73	(86)	—
Total liabilities	<u>\$ 99,423</u>	<u>\$ 135,398</u>	<u>\$ (3,377)</u>	<u>\$ 231,444</u>

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

	For the period ended March 31, 2024			
	First Three Months			
	Company excluding Ford Credit	Ford Credit	Eliminations	Consolidated
Cash flows from operating activities				
Net income/(loss)	\$ 1,100	\$ 234	\$ —	\$ 1,334
Depreciation and tooling amortization	1,259	622	—	1,881
Other amortization	5	(381)	—	(376)
Provision for credit and insurance losses	8	118	—	126
Pension and OPEB expense/(income)	166	—	—	166
Equity method investment dividends received in excess of (earnings)/losses and impairments	(146)	(8)	—	(154)
Foreign currency adjustments	(1)	(11)	—	(12)
Net realized and unrealized (gains)/losses on cash equivalents, marketable securities, and other investments	25	4	—	29
Stock compensation	120	6	—	126
Provision for/(Benefit from) deferred income taxes	(62)	34	—	(28)
Decrease/(Increase) in finance receivables (wholesale and other)	—	(1,121)	—	(1,121)
Decrease/(Increase) in intersegment receivables/payables	(202)	202	—	—
Decrease/(Increase) in accounts receivable and other assets	(697)	(109)	—	(806)
Decrease/(Increase) in inventory	(3,154)	—	—	(3,154)
Increase/(Decrease) in accounts payable and accrued and other liabilities	3,080	253	—	3,333
Other	73	(32)	—	41
Interest supplements and residual value support to Ford Credit	(1,370)	1,370	—	—
Net cash provided by/(used in) operating activities	<u>\$ 204</u>	<u>\$ 1,181</u>	<u>\$ —</u>	<u>\$ 1,385</u>
Cash flows from investing activities				
Capital spending	\$ (2,073)	\$ (21)	\$ —	\$ (2,094)
Acquisitions of finance receivables and operating leases	—	(14,829)	—	(14,829)
Collections of finance receivables and operating leases	—	11,238	—	11,238
Purchases of marketable and other investments	(2,934)	(51)	—	(2,985)
Sales and maturities of marketable securities and other investments	3,456	123	—	3,579
Settlements of derivatives	23	(207)	—	(184)
Capital contributions to equity method investments	(639)	—	—	(639)
Other	34	—	—	34
Investing activity (to)/from other segments	—	4	(4)	—
Net cash provided by/(used in) investing activities	<u>\$ (2,133)</u>	<u>\$ (3,743)</u>	<u>\$ (4)</u>	<u>\$ (5,880)</u>
Cash flows from financing activities				
Cash payments for dividends and dividend equivalents	\$ (1,326)	\$ —	\$ —	\$ (1,326)
Purchases of common stock	—	—	—	—
Net changes in short-term debt	215	(1,416)	—	(1,201)
Proceeds from issuance of long-term debt	—	16,488	—	16,488
Payments of long-term debt	(46)	(14,179)	—	(14,225)
Other	(143)	(51)	—	(194)
Financing activity to/(from) other segments	(4)	—	4	—
Net cash provided by/(used in) financing activities	<u>\$ (1,304)</u>	<u>\$ 842</u>	<u>\$ 4</u>	<u>\$ (458)</u>
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	\$ (46)	\$ (125)	\$ —	\$ (171)

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.
- **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.

Note: Calculated results may not sum due to rounding

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

	<u>First Quarter</u>	
	<u>2023</u>	<u>2024</u>
Net Income / (Loss) Attributable to Ford (GAAP)	\$ 1,757	\$ 1,332
Income / (Loss) Attributable to Noncontrolling Interests	(94)	2
Net Income / (Loss)	\$ 1,663	\$ 1,334
Less: (Provision For) / Benefit From Income Taxes	(496)	(278)
Income / (Loss) Before Income Taxes	\$ 2,159	\$ 1,612
Less: Special Items Pre-Tax	(912)	(873)
Income / (Loss) Before Special Items Pre-Tax	\$ 3,071	\$ 2,485
Less: Interest on Debt	(308)	(278)
Adjusted EBIT (Non-GAAP)	<u>\$ 3,379</u>	<u>\$ 2,763</u>
Memo:		
Revenue (\$B)	\$ 41.5	\$ 42.8
Net Income / (Loss) Margin (GAAP) (%)	4.2%	3.1%
Adjusted EBIT Margin (%) (Non-GAAP)	8.1%	6.5%

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

	<u>First Quarter</u>	
	<u>2023</u>	<u>2024</u>
<u>Diluted After-Tax Results (\$M)</u>		
Diluted After-Tax Results (GAAP)	\$ 1,757	\$ 1,332
Less: Impact of Pre-Tax and Tax Special Items	(768)	(653)
Adjusted Net Income / (Loss) – Diluted (Non-GAAP)	<u>\$ 2,525</u>	<u>\$ 1,985</u>
<u>Basic and Diluted Shares (M)</u>		
Basic Shares (Average Shares Outstanding)	3,990	3,979
Net Dilutive Options, Unvested Restricted Stock Units, Unvested Restricted Stock Shares, and Convertible Debt	39	44
Diluted Shares	<u>4,029</u>	<u>4,023</u>
Earnings / (Loss) Per Share – Diluted (GAAP)	\$ 0.44	\$ 0.33
Less: Net Impact of Adjustments	(0.19)	(0.16)
Adjusted Earnings Per Share – Diluted (Non-GAAP)	<u>\$ 0.63</u>	<u>\$ 0.49</u>

Effective Tax Rate Reconciliation To Adjusted Effective Tax Rate

	2024	Memo:
	Q1	Full Year 2023
Pre-Tax Results (\$M)		
Income / (Loss) Before Income Taxes (GAAP)	\$ 1,612	\$ 3,967
Less: Impact of Special Items	(873)	(5,147)
Adjusted Earnings Before Taxes (Non-GAAP)	\$ 2,485	\$ 9,114
Taxes (\$M)		
(Provision For) / Benefit From Income Taxes (GAAP) ^(a)	\$ (278)	\$ 362
Less: Impact of Special Items ^(b)	220	1,273
Adjusted (Provision For) / Benefit From Income Taxes (Non-GAAP)	\$ (498)	\$ (911)
Tax Rate (%)		
Effective Tax Rate (GAAP) ^(a)	17.2%	(9.1)%
Adjusted Effective Tax Rate (Non-GAAP)	20.0%	10.0%

a. Full Year 2023 reflects benefits from U.S. research tax credits and legal entity restructuring within our leasing operations and China

b. Full Year 2023 reflects benefits from China legal entity restructuring

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

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Net Cash Provided By / (Used In) Operating Activities (GAAP)	\$ 2,800	\$ 5,035	\$ 4,591	\$ 2,492	\$ 1,385
Less: Items Not Included in Company Adjusted Free Cash Flows					
Ford Credit Operating Cash Flows	626	581	1,800	(1,827)	1,181
Funded Pension Contributions	(125)	(109)	(190)	(168)	(550)
Restructuring (Including Separations) ^(a)	(81)	(118)	(297)	(529)	(176)
Ford Credit Tax Payments / (Refunds) Under Tax Sharing Agreement	(5)	-	-	174	(33)
Other, Net	(140)	(73)	(151)	604 ^(b)	(608) ^(c)
Add: Items Included in Company Adjusted Free Cash Flows					
Company Excluding Ford Credit Capital Spending	(1,760)	(1,927)	(2,191)	(2,274)	(2,073)
Ford Credit Distributions	-	-	-	-	-
Settlement of Derivatives	(72)	92	(13)	-	23
Company Adjusted Free Cash Flow (Non-GAAP)	\$ 693	\$ 2,919	\$ 1,225	\$ 1,964	\$ (479)

a. Restructuring excludes cash flows reported in investing activities

b. Includes timing differences with a joint venture and currency impacts

c. Includes \$(365)M settlement of Transit Connect customs matter

Adjusted ROIC (\$B)

	<u>Four Quarters Ending Q1 2023</u>	<u>Four Quarters Ending Q1 2024</u>
<u>Adjusted Net Operating Profit / (Loss) After Cash Tax</u>		
Net Income / (Loss) Attributable to Ford	\$ 2.9	\$ 3.9
Add: Noncontrolling Interest	(0.3)	0.1
Less: Income Tax	(0.4)	0.6
Add: Cash Tax	(0.9)	(1.2)
Less: Interest on Debt	(1.3)	(1.3)
Less: Total Pension / OPEB Income / (Cost)	(0.1)	(2.9)
Add: Pension / OPEB Service Costs	(0.9)	(0.6)
	<hr/>	<hr/>
Net Operating Profit / (Loss) After Cash Tax	\$ 2.6	\$ 5.8
Less: Special Items (excl. Pension / OPEB) Pre-Tax	(6.6)	(2.9)
	<hr/>	<hr/>
Adj. Net Operating Profit / (Loss) After Cash Tax	<u>\$ 9.2</u>	<u>\$ 8.7</u>
<u>Invested Capital</u>		
Equity	\$ 42.2	\$ 42.9
Debt (excl. Ford Credit)	19.7	20.2
Net Pension and OPEB liability	4.6	6.3
	<hr/>	<hr/>
Invested Capital (End of Period)	\$ 66.5	\$ 69.3
	<hr/>	<hr/>
Average Invested Capital	<u>\$ 68.2</u>	<u>\$ 68.4</u>
	<hr/>	<hr/>
ROIC ^(a)	3.8%	8.5%
Adjusted ROIC (Non-GAAP) ^(b)	13.5%	12.7%

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

Special Items (\$B)

	<u>First Quarter</u>	
	<u>2023</u>	<u>2024</u>
<u>Restructuring (by Geography)</u>		
Europe	\$ (0.4)	\$ (0.3)
China	(0.3)	-
North America Hourly Buyouts	-	(0.3)
Other	0.0	-
Subtotal Restructuring	<u>\$ (0.7)</u>	<u>\$ (0.6)</u>
<u>Other Items</u>		
Extended Oakville EV Program Changeover	\$ -	\$ (0.3)
Other (including Gains / (Losses) on Investments)	(0.1)	0.0
Subtotal Other Items	<u>\$ (0.1)</u>	<u>\$ (0.3)</u>
<u>Pension and OPEB Gain / (Loss)</u>		
Pension and OPEB Remeasurement	\$ (0.1)	\$ 0.0
Pension Settlements and Curtailments	(0.0)	(0.0)
Subtotal Pension and OPEB Gain / (Loss)	<u>\$ (0.2)</u>	<u>\$ (0.0)</u>
Total EBIT Special Items	<u><u>\$ (0.9)</u></u>	<u><u>\$ (0.9)</u></u>

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

	For the periods ended March 31,	
	2023	2024
	First Quarter (unaudited)	
Financing revenue		
Operating leases	\$ 1,049	\$ 1,017
Retail financing	929	1,291
Dealer financing	504	696
Other financing	27	40
Total financing revenue	2,509	3,044
Depreciation on vehicles subject to operating leases	(559)	(610)
Interest expense	(1,392)	(1,848)
Net financing margin	558	586
Other revenue		
Insurance premiums earned	26	36
Fee based revenue and other	21	26
Total financing margin and other revenue	605	648
Expenses		
Operating expenses	320	343
Provision for credit losses	77	88
Insurance expenses	5	30
Total expenses	402	461
Other income/(loss), net	100	139
Income before income taxes	303	326
Provision for/(Benefit from) income taxes	63	92
Net income	\$ 240	\$ 234

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

	December 31, 2023	March 31, 2024
	(unaudited)	
ASSETS		
Cash and cash equivalents	\$ 10,658	\$ 8,848
Marketable securities	789	714
Finance receivables, net		
Retail installment contracts, dealer financing, and other financing	105,476	107,841
Finance leases	7,347	7,523
Total finance receivables, net of allowance for credit losses of \$882 and \$880	112,823	115,364
Net investment in operating leases	20,332	20,110
Notes and accounts receivable from affiliated companies	845	982
Derivative financial instruments	818	812
Other assets	2,940	2,879
Total assets	\$ 149,205	\$ 149,709
LIABILITIES		
Accounts payable		
Customer deposits, dealer reserves, and other	\$ 899	\$ 931
Affiliated companies	693	949
Total accounts payable	1,592	1,880
Debt	129,287	129,258
Deferred income taxes	337	337
Derivative financial instruments	2,141	2,152
Other liabilities	2,459	2,579
Total liabilities	135,816	136,206
SHAREHOLDER'S INTEREST		
Shareholder's interest	5,166	5,166
Accumulated other comprehensive income/(loss)	(829)	(949)
Retained earnings	9,052	9,286
Total shareholder's interest	13,389	13,503
Total liabilities and shareholder's interest	\$ 149,205	\$ 149,709

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

	For the periods ended March 31,	
	2023	2024
	First Three Months (unaudited)	
Cash flows from operating activities		
Net income	\$ 240	\$ 234
Provision for credit losses	77	88
Depreciation and amortization	701	761
Amortization of upfront interest supplements	(407)	(540)
Net change in deferred income taxes	(3)	34
Net change in other assets	(38)	(93)
Net change in other liabilities	60	456
All other operating activities	(76)	18
Net cash provided by/(used in) operating activities	554	958
Cash flows from investing activities		
Purchases of finance receivables	(9,899)	(11,146)
Principal collections of finance receivables	9,025	9,393
Purchases of operating lease vehicles	(1,990)	(2,456)
Proceeds from termination of operating lease vehicles	2,226	1,974
Net change in wholesale receivables and other short-duration receivables	(661)	(1,135)
Purchases of marketable securities and other investments	(973)	(51)
Proceeds from sales and maturities of marketable securities and other investments	917	123
Settlements of derivatives	31	(207)
All other investing activities	(17)	(16)
Net cash provided by/(used in) investing activities	(1,341)	(3,521)
Cash flows from financing activities		
Proceeds from issuances of long-term debt	13,912	16,488
Payments of long-term debt	(12,228)	(14,179)
Net change in short-term debt	(1,966)	(1,416)
All other financing activities	(53)	(50)
Net cash provided by/(used in) financing activities	(335)	843
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	50	(125)
Net increase/(decrease) in cash, cash equivalents and restricted cash	\$ (1,072)	\$ (1,845)
Cash, cash equivalents, and restricted cash at beginning of period	\$ 10,520	\$ 10,795
Net increase/(decrease) in cash, cash equivalents, and restricted cash	(1,072)	(1,845)
Cash, cash equivalents, and restricted cash at end of period	\$ 9,448	\$ 8,950