

OUTLOOK

We provided 2023 Company guidance in our earnings release furnished on Form 8-K dated February 2, 2023. The guidance is based on our expectations as of February 2, 2023. Our actual results could differ materially from our guidance due to risks, uncertainties, and other factors, including those set forth in "Risk Factors" in Item 1A of Part I.

	2023 Guidance
Total Company	
Adjusted EBIT (a)	\$9 - \$11 billion
Adjusted Free Cash Flow (a)	About \$6 billion
Capital spending	\$8 - \$9 billion
Ford Credit	
EBT	About \$1.3 billion

(a) When we provide guidance for Adjusted EBIT and Adjusted Free Cash Flow, we do not provide guidance for the most comparable GAAP measures because, as described in more detail below in "Non-GAAP Measures That Supplement GAAP Measures," they include items that are difficult to predict with reasonable certainty.

For full-year 2023, we expect adjusted EBIT of \$9 billion to \$11 billion, which assumes a seasonally adjusted annual rate ("SAAR") of about 15 million in the United States and about 13 million in Europe. We also expect adjusted free cash flow of about \$6 billion, which assumes no distributions from Ford Credit.

Our outlook for 2023 assumes the headwinds and tailwinds below.

Headwinds:

- An expected mild U.S. recession and a moderate recession in Europe
- Higher incentives across the industry as supply and demand come back into balance
- Ford Credit EBT of about \$1.3 billion, down about \$1.4 billion, reflecting unfavorable lease residuals and credit losses and the non-recurrence of derivative gains
- Continuation of the strong dollar
- About \$2 billion lower past service pension income
- Continued investments in growth, including in customer experience, connected services, and capital expenditures

Tailwinds:

- Improvement in the supply chain and industry volume
- Launch of our all-new Super Duty
- Lower cost of goods sold, including efficiencies in materials, commodities, logistics, and other parts of our industrial platform

Additionally, we will be negotiating a new contract with the UAW in the United States.