

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

	For the years ended December 31,		
	2016	2017	2018
Revenues			
Automotive	\$ 141,546	\$ 145,653	\$ 148,294
Ford Credit	10,253	11,113	12,018
Mobility	1	10	26
Total revenues (Note 4)	151,800	156,776	160,338
Costs and expenses			
Cost of sales	126,195	131,321	136,269
Selling, administrative, and other expenses	10,972	11,527	11,403
Ford Credit interest, operating, and other expenses	8,847	9,047	9,463
Total costs and expenses	146,014	151,895	157,135
Interest expense on Automotive debt	894	1,133	1,171
Interest expense on Other debt	57	57	57
Other income/(loss), net (Note 5)	169	3,267	2,247
Equity in net income of affiliated companies	1,780	1,201	123
Income before income taxes	6,784	8,159	4,345
Provision for/(Benefit from) income taxes (Note 7)	2,184	402	650
Net income	4,600	7,757	3,695
Less: Income/(Loss) attributable to noncontrolling interests	11	26	18
Net income attributable to Ford Motor Company	<u>\$ 4,589</u>	<u>\$ 7,731</u>	<u>\$ 3,677</u>
EARNINGS PER SHARE ATTRIBUTABLE TO FORD MOTOR COMPANY COMMON AND CLASS B STOCK (Note 8)			
Basic income	\$ 1.16	\$ 1.94	\$ 0.93
Diluted income	1.15	1.93	0.92

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(in millions)

	For the years ended December 31,		
	2016	2017	2018
Net income	\$ 4,600	\$ 7,757	\$ 3,695
Other comprehensive income/(loss), net of tax (Note 21)			
Foreign currency translation	(1,024)	314	(523)
Marketable securities	(8)	(34)	(11)
Derivative instruments	219	(265)	183
Pension and other postretirement benefits	56	37	(56)
Total other comprehensive income/(loss), net of tax	<u>(757)</u>	<u>52</u>	<u>(407)</u>
Comprehensive income	3,843	7,809	3,288
Less: Comprehensive income/(loss) attributable to noncontrolling interests	10	24	18
Comprehensive income attributable to Ford Motor Company	<u>\$ 3,833</u>	<u>\$ 7,785</u>	<u>\$ 3,270</u>

The accompanying notes are part of the consolidated financial statements.

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

	December 31, 2017	December 31, 2018
ASSETS		
Cash and cash equivalents (Note 9)	\$ 18,492	\$ 16,718
Marketable securities (Note 9)	20,435	17,233
Ford Credit finance receivables, net (Note 10)	52,210	54,353
Trade and other receivables, less allowances of \$412 and \$94	10,599	11,195
Inventories (Note 12)	11,176	11,220
Other assets	3,889	3,930
Total current assets	116,801	114,649
Ford Credit finance receivables, net (Note 10)	56,182	55,544
Net investment in operating leases (Note 13)	28,235	29,119
Net property (Note 14)	35,327	36,178
Equity in net assets of affiliated companies (Note 15)	3,085	2,709
Deferred income taxes (Note 7)	10,762	10,412
Other assets	8,104	7,929
Total assets	\$ 258,496	\$ 256,540
LIABILITIES		
Payables	\$ 23,282	\$ 21,520
Other liabilities and deferred revenue (Note 16)	19,697	20,556
Automotive debt payable within one year (Note 18)	3,356	2,314
Ford Credit debt payable within one year (Note 18)	48,265	51,179
Total current liabilities	94,600	95,569
Other liabilities and deferred revenue (Note 16)	24,711	23,588
Automotive long-term debt (Note 18)	12,575	11,233
Ford Credit long-term debt (Note 18)	89,492	88,887
Other long-term debt (Note 18)	599	600
Deferred income taxes (Note 7)	815	597
Total liabilities	222,792	220,474
Redeemable noncontrolling interest (Note 20)	98	100
EQUITY		
Common Stock, par value \$.01 per share (4,000 million shares issued of 6 billion authorized)	40	40
Class B Stock, par value \$.01 per share (71 million shares issued of 530 million authorized)	1	1
Capital in excess of par value of stock	21,843	22,006
Retained earnings	21,906	22,668
Accumulated other comprehensive income/(loss) (Note 21)	(6,959)	(7,366)
Treasury stock	(1,253)	(1,417)
Total equity attributable to Ford Motor Company	35,578	35,932
Equity attributable to noncontrolling interests	28	34
Total equity	35,606	35,966
Total liabilities and equity	\$ 258,496	\$ 256,540

The following table includes assets to be used to settle liabilities of the consolidated variable interest entities ("VIEs"). These assets and liabilities are included in the consolidated balance sheet above. See Note 22 for additional information on our VIEs.

	December 31, 2017	December 31, 2018
ASSETS		
Cash and cash equivalents	\$ 3,479	\$ 2,728
Ford Credit finance receivables, net	56,250	58,662
Net investment in operating leases	11,503	16,332
Other assets	64	27
LIABILITIES		
Other liabilities and deferred revenue	\$ 2	\$ 24
Debt	46,437	53,269

The accompanying notes are part of the consolidated financial statements.

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

	For the years ended December 31,		
	2016	2017	2018
Cash flows from operating activities			
Net income	\$ 4,600	\$ 7,757	\$ 3,695
Depreciation and tooling amortization	9,023	9,122	9,280
Other amortization	(306)	(669)	(972)
Provision for credit and insurance losses	672	717	609
Pension and other postretirement employee benefits ("OPEB") expense/(income)	2,667	(608)	400
Equity investment (earnings)/losses in excess of dividends received	(178)	240	206
Foreign currency adjustments	283	(403)	529
Net (gain)/loss on changes in investments in affiliates	(139)	(7)	(42)
Stock compensation	210	246	191
Net change in wholesale and other receivables	(1,449)	(836)	(2,408)
Provision for deferred income taxes	1,473	(350)	(197)
Decrease/(Increase) in accounts receivable and other assets	(2,855)	(2,297)	(2,239)
Decrease/(Increase) in inventory	(803)	(970)	(828)
Increase/(Decrease) in accounts payable and accrued and other liabilities	6,595	6,089	6,781
Other	57	65	17
Net cash provided by/(used in) operating activities	19,850	18,096	15,022
Cash flows from investing activities			
Capital spending	(6,992)	(7,049)	(7,785)
Acquisitions of finance receivables and operating leases	(56,007)	(59,354)	(62,924)
Collections of finance receivables and operating leases	38,834	44,641	50,880
Purchases of marketable and other securities	(31,428)	(27,567)	(17,140)
Sales and maturities of marketable and other securities	29,354	29,898	20,527
Settlements of derivatives	825	100	358
Other	112	(29)	(177)
Net cash provided by/(used in) investing activities	(25,302)	(19,360)	(16,261)
Cash flows from financing activities			
Cash dividends	(3,376)	(2,584)	(2,905)
Purchases of common stock	(145)	(131)	(164)
Net changes in short-term debt	3,864	1,229	(2,819)
Proceeds from issuance of long-term debt	45,961	45,801	50,130
Principal payments on long-term debt	(38,797)	(40,770)	(44,172)
Other	(107)	(151)	(192)
Net cash provided by/(used in) financing activities	7,400	3,394	(122)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	(265)	489	(370)
Net increase/(decrease) in cash, cash equivalents, and restricted cash	\$ 1,683	\$ 2,619	\$ (1,731)
Cash, cash equivalents, and restricted cash at January 1 (Note 9)	\$ 14,336	\$ 16,019	\$ 18,638
Net increase/(decrease) in cash, cash equivalents, and restricted cash	1,683	2,619	(1,731)
Cash, cash equivalents, and restricted cash at December 31 (Note 9)	\$ 16,019	\$ 18,638	\$ 16,907

The accompanying notes are part of the consolidated financial statements.