

Ford Pro, Ford Blue Drive Solid Second-Quarter Results; Company Raises Expectations for Full-Year 2023 Profitability

- Revenue increases 12% year-over-year to \$45 billion; net income (\$1.9 billion) and adjusted EBIT (\$3.8 billion) also higher; cash and liquidity persistently strong
- Appeal of Ford Pro to commercial customers produces 22% revenue growth; EBIT more than doubles to \$2.4 billion, a 15% margin; software, repair services sales up
- Ford Blue gas and hybrid business posts higher wholesales and revenue, reports \$2.3 billion in EBIT; all-new global Ranger pickup even more popular, profitable
- Ford Model e revenue up 39%; scaling, competitive pricing further establishing leadership ahead of industry's next-generation EVs; now expecting to reach 600K run rate in 2024
- Company raises full-year 2023 guidance for adjusted EBIT to between \$11 billion and \$12 billion, and for adjusted free cash flow to between \$6.5 billion and \$7 billion

DEARBORN, Mich., July 27, 2023 – Ford showed focus, speed and accountability in producing solid second-quarter 2023 operating results, while taking strategic actions that are expected to help create a high-performing business and long-term value for all stakeholders.

“The shift to powerful digital experiences and breakthrough EVs is underway and going to be volatile, so being able to guide customers through and adapt to the pace of adoption are big advantages for us,” said Ford CEO Jim Farley. “Ford+ is making us more resilient, efficient and profitable, which you can see in Ford Pro’s breakout second-quarter revenue improvement (22%) and EBIT margin (15%).”

Company Key Metrics Summary

	Second Quarter			First Half		
	2022	2023	H / (L)	2022	2023	H / (L)
Market Share (%)	5.3 %	5.1 %	(0.2) ppts	5.0 %	5.1 %	0.1 ppts
Wholesale Units (000)	1,032	1,119	8 %	1,998	2,174	9 %
GAAP						
Cash Flows From Op. Activities (\$B)	\$ 2.9	\$ 5.0	\$ 2.1	\$ 1.9	\$ 7.8	\$ 6.0
Revenue (\$B)	40.2	45.0	12 %	74.7	86.4	16 %
Net Income / (Loss) (\$B)	0.7	1.9	1.3	(2.4)	3.7	6.1
Net Income / (Loss) Margin (%)	1.7 %	4.3 %	2.6 ppts	(3.3) %	4.3 %	7.6 ppts
EPS (Diluted)	\$ 0.16	\$ 0.47	\$ 0.31	\$ (0.61)	\$ 0.91	\$ 1.52
Non-GAAP						
Company Adj. Free Cash Flow (\$B)	\$ 3.6	\$ 2.9	\$ (0.7)	\$ 3.0	\$ 3.6	\$ 0.6
Company Adj. EBIT (\$B)	3.7	3.8	0.1	6.0	7.2	1.1
Company Adj. EBIT Margin (%)	9.3 %	8.4 %	(0.8) ppts	8.1 %	8.3 %	0.2 ppts
Adjusted EPS (Diluted)	\$ 0.68	\$ 0.72	\$ 0.04	\$ 1.06	\$ 1.34	\$ 0.28
Adjusted ROIC (Trailing Four Qtrs)	11.6 %	14.2 %	2.7 ppts	N/A	N/A	N/A

Ford was again [America's top-selling brand](#) in the quarter – net sales increased more than 11% – and for the first six months of 2023. Worldwide, demand for Ford's fresh lineup of trucks, SUVs and commercial vans pushed second-quarter revenue up 12%, to \$45 billion. Quarterly net income was \$1.9 billion, nearly three times higher than in the year-ago period and a 4% margin. Adjusted earnings before interest and taxes, or EBIT, grew to \$3.8 billion or 8.4% of revenue.

Cash flow from operations and adjusted free cash flow continued to be strong, at \$5.0 billion and \$2.9 billion, respectively. So was Ford's balance sheet, with nearly \$30 billion of cash and more than \$47 billion of liquidity at the end of Q2, both of them up sequentially and year-over-year.

CFO John Lawler reiterated that the company has ample resources to simultaneously fund disciplined investment in growth and return capital to shareholders – for the latter, targeting 40% to 50% of adjusted free cash flow. On July 13, Ford's board of directors declared the latest regular dividend of 15 cents per share, payable Sept. 1 to shareholders of record at the close of business on July 25.

Business Segment Highlights

	Ford Blue	Ford Model e	Ford Pro
Q2 2023 Results			
Wholesales (000)	720	34	365
H / (L) Q2 22	7 %	44 %	8 %
Revenue (\$B)	\$ 25.0	\$ 1.8	\$ 15.6
H / (L) Q2 22	5 %	39 %	22 %
EBIT (\$M)	\$ 2,308	\$ (1,080)	\$ 2,391
H / (L) Q2 22	(196)	(570)	1,512
EBIT Margin (%)	9.2 %	(58.9) %	15.3 %
H / (L) Q2 22	(1.3) ppts	(20.3) ppts	8.4 ppts
First Half Results			
Wholesales (000)	1,426	47	702
H / (L) 1H 22	7 %	11 %	13 %
Revenue (\$B)	\$ 50.1	\$ 2.5	\$ 28.8
H / (L) 1H 22	12 %	11 %	25 %
EBIT (\$M)	\$ 4,931	\$ (1,802)	\$ 3,757
H / (L) 1H 22	1,099	(912)	2,387
EBIT Margin (%)	9.8 %	(70.9) %	13.0 %
H / (L) 1H 22	1.2 ppts	(32.1) ppts	7.1 ppts

In the second quarter, **Ford Pro** – with a winning combination of vehicles, software and services that generates value for commercial customers and pricing power for Ford – turned 8% growth in product shipments into a 22% jump in revenue. The business unit's \$2.4 billion in EBIT was more than twice its profitability a year ago and represented a 15% margin.

Customer deliveries of the [all-new Super Duty work truck](#) had an immediate effect on Ford Pro's performance, with quarterly U.S. sales of Super Duty up 28%. Global revenue from both gas-powered Transit and electric E-Transit commercial vans was also up.

Commercial customers are also beneficiaries of Ford's digital innovation and rapidly expanding software and services. Ford Pro accounts for more than 80% of the company's nearly 550,000 paid software and services subscribers, to date, including solutions for fleet management, telematics and EV charging.

Ford Blue – which engineers, makes and sells highly popular gas and hybrid vehicles, including specialized derivative models – improved its performance in every region.

The appeal and pricing power of Ford Blue’s iconic products helped account for growth in wholesales and revenue, and \$2.3 billion in EBIT. Segment initiatives to improve quality and reduce costs are expected to further raise its effectiveness and profitability over time.

In May, Ford Blue and Ford Pro together launched the [fully redesigned, highly connected 2024 Ford Ranger](#). Ranger is a vital part of Ford’s global pickup leadership and is sold in more than 180 markets.

Revenue from **Ford Model e**’s first-generation electric vehicles increased 39% in the second quarter; sequentially, revenue more doubled.

“The near-term pace of EV adoption will be a little slower than expected, which is going to benefit early movers like Ford,” Farley said. “EV customers are brand loyal and we’re winning lots of them with our high-volume, first-generation products; we’re making smart investments in capabilities and capacity around the world; and, while others are trying to catch up, we have clean-sheet, next-generation products in advanced development that will blow people away.”

Farley said that Ford now expects to reach a 600,000-unit EV production run rate during 2024 and will maintain flexibility, balancing growth and profitability, on the way to attaining a two-million run rate.

Last week, citing increasing production capacity at the Rouge Electric Vehicle Center in Michigan, continued work on cost scaling and improving prices for EV battery raw materials, Ford announced lower suggested retail prices for the all-electric F-150 Lightning pickup truck.

In April, Ford Model e announced [a plan to transform](#) Ford’s existing complex in Oakville, Ont., Canada for high-volume EV manufacturing – assembling battery packs and installing them in next-generation electric vehicles produced on the same campus.

Also during the second quarter, the company:

- Opened the [Ford Cologne Electrification Center](#) in Germany, its first carbon-neutral factory and home of the forthcoming, all-new Ford Explorer for Europe
- Completed capacity expansion for the Mustang Mach-E in Cuautitlan, Mexico, and initiated another enlargement of the Rouge facility
- Made substantial progress on construction of a next-generation EV pickup plant in West Tennessee, and three joint-venture battery manufacturing facilities in Tennessee and Kentucky, and
- Started site preparation for a wholly-owned plant in Michigan that will produce lithium iron phosphate, or LFP, EV batteries.

The in-company Ford Model e startup is also responsible for advanced digital platforms and software across all Ford product lines. A primary example is the BlueCruise Level 2 advanced driver-assistance system, which through the first half of 2023 had enabled more than 1.4 million hours of hands-free driving for customers across North America.

Ford Credit generated earnings before taxes of \$390 million, down from a year ago, as expected, reflecting lower financing margin, the nonrecurrence of credit losses reserve releases and a decline in residual values of leased vehicles – all of which were anticipated in the company’s full-year outlook.

Lawler said the Ford+ plan is designed to turn great value for customers into the same for shareholders and other stakeholders by “breaking Ford out of the cycle of low margins and high capital that’s typified traditional automakers for way too long.”

“We’ve got big ambitions, our approach is different from anyone else’s and we’re doubling down where we have competitive advantages – in trucks, SUVs and commercial vans,” he said. “We think doing that, raising quality and lowering costs can earn us the kind of profitable growth and valuation that best-in-class, technology-led industrial companies command.”

Outlook

Ford is lifting its guidance range for full-year 2023 consolidated adjusted EBIT to between \$11 billion and \$12 billion. Likewise, the company is raising its expectations for full-year adjusted free cash flow to between \$6.5 billion and \$7 billion, with capital expenditures of between \$8 billion and \$9 billion.

The guidance presumes:

- *Headwinds* including global economic uncertainty and inflationary pressures, higher industrywide customer incentives and continued EV pricing pressure, increased warranty costs, lower past service pension income, exchange rates and costs associated with union contract negotiations, along with
- *Tailwinds* comprising an improved supply chain, higher industry volumes, upside from the all-new Super Duty and lower commodity costs.

For its transparent, customer-centered business units, Ford now expects full-year EBIT:

- Approaching \$8 billion for Ford Pro, more than double in 2022, from significant year-over-year improvement in pricing and volume
- Of about \$8 billion from Ford Blue, with higher volumes and stronger mix more than offsetting any potential pricing headwinds, and
- To be a loss of about \$4.5 billion for Ford Model e, reflecting the pricing environment, disciplined investments in new products and capacity, and other costs.

Full-year EBT for Ford Credit is anticipated to be about \$1.3 billion.

The company plans to report third-quarter 2023 financial results on Thursday, Oct. 26.

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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 is pursuing mobility solutions through Ford Next, and provides financial services through Ford Motor Credit Company. Ford employs about 177,000 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 2023 second-quarter financial results at 4:05 p.m. ET on Thursday, July 27. 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 Second-Quarter Earnings Call: Thursday, July 27, at 5:00 p.m. ET

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

Replay

Available after 8:00 p.m. ET on Thursday, July 27, and through Thursday, Aug. 3
Webcast: shareholder.ford.com
Toll-Free: (U.S.) 877.344.7529
(Canada) 855.669.9658
International: +1.412.317.0088
Conference ID: 1732240
Webcast: shareholder.ford.com

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 July 27, 2023, 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 and Ford Credit’s financial condition and results of operations have been and may continue to be adversely affected by public health issues, including epidemics or pandemics such as COVID-19;
- 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, such as semiconductors, 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 necessary for the production of electric vehicles, Ford has entered into, and expects to continue to enter into, multi-year commitments to raw material suppliers that subject Ford to risks associated with lower future demand for such materials 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 delays in new model launches, recall campaigns, or increased warranty costs;
- Ford may not realize the anticipated benefits of existing or pending strategic alliances, joint ventures, acquisitions, divestitures, restructurings, or new business strategies;
- Operational systems, security systems, vehicles, and services could be affected by cyber 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, natural or man-made disasters, adverse effects of climate change, financial distress, production difficulties, capacity limitations, or other factors;
- Ford’s ability to maintain a competitive cost structure could be affected by labor or other constraints;
- Ford’s ability to attract and retain talented, diverse, and highly skilled employees 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, Ford’s results 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, 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;
- 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, and data protection 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, 2022, as updated by our subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

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

	For the periods ended June 30,	
	2022	2023
	First Half	
	(unaudited)	
Cash flows from operating activities		
Net income/(loss)	\$ (2,481)	\$ 3,679
Depreciation and tooling amortization	3,774	3,775
Other amortization	(608)	(554)
Provision for/(Benefit from) credit and insurance losses	(107)	212
Pension and other postretirement employee benefits ("OPEB") expense/(income)	(400)	612
Equity method investment dividends received in excess of (earnings)/losses and impairments	171	142
Foreign currency adjustments	60	(97)
Net realized and unrealized (gains)/losses on cash equivalents, marketable securities, and other investments	7,974	163
Net (gain)/loss on changes in investments in affiliates	146	(17)
Stock compensation	170	238
Provision for/(Benefit from) deferred income taxes	(1,160)	3
Decrease/(Increase) in finance receivables (wholesale and other)	(4,611)	(1,473)
Decrease/(Increase) in accounts receivable and other assets	(1,856)	(1,793)
Decrease/(Increase) in inventory	(2,507)	(3,354)
Increase/(Decrease) in accounts payable and accrued and other liabilities	3,180	6,134
Other	118	165
Net cash provided by/(used in) operating activities	1,863	7,835
Cash flows from investing activities		
Capital spending	(3,069)	(3,729)
Acquisitions of finance receivables and operating leases	(20,749)	(26,231)
Collections of finance receivables and operating leases	24,139	22,517
Purchases of marketable securities and other investments	(8,065)	(4,860)
Sales and maturities of marketable securities and other investments	11,257	7,584
Settlements of derivatives	156	(32)
Capital contributions to equity method investments	(36)	(1,047)
Other	509	(359)
Net cash provided by/(used in) investing activities	4,142	(6,157)
Cash flows from financing activities		
Cash payments for dividends and dividend equivalents	(807)	(3,794)
Purchases of common stock	—	—
Net changes in short-term debt	595	(658)
Proceeds from issuance of long-term debt	18,868	26,401
Payments of long-term debt	(24,697)	(22,213)
Other	(199)	(197)
Net cash provided by/(used in) financing activities	(6,240)	(461)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	(368)	66
Net increase/(decrease) in cash, cash equivalents, and restricted cash	\$ (603)	\$ 1,283
Cash, cash equivalents, and restricted cash at beginning of period	\$ 20,737	\$ 25,340
Net increase/(decrease) in cash, cash equivalents, and restricted cash	(603)	1,283
Cash, cash equivalents, and restricted cash at end of period	\$ 20,134	\$ 26,623

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

	For the periods ended June 30,			
	2022	2023	2022	2023
	Second Quarter		First Half	
	(unaudited)			
Revenues				
Company excluding Ford Credit	\$ 37,934	\$ 42,427	\$ 70,129	\$ 81,512
Ford Credit	2,256	2,527	4,537	4,916
Total revenues	40,190	44,954	74,666	86,428
Costs and expenses				
Cost of sales	33,191	37,471	62,227	72,140
Selling, administrative, and other expenses	2,759	2,750	5,499	5,256
Ford Credit interest, operating, and other expenses	1,372	2,272	2,729	4,458
Total costs and expenses	37,322	42,493	70,455	81,854
Operating income/(loss)	2,868	2,461	4,211	4,574
Interest expense on Company debt excluding Ford Credit	312	304	620	612
Other income/(loss), net	(1,823)	255	(6,673)	479
Equity in net income/(loss) of affiliated companies	58	(124)	25	6
Income/(Loss) before income taxes	791	2,288	(3,057)	4,447
Provision for/(Benefit from) income taxes	153	272	(576)	768
Net income/(loss)	638	2,016	(2,481)	3,679
Less: Income/(Loss) attributable to noncontrolling interests	(29)	99	(38)	5
Net income/(loss) attributable to Ford Motor Company	\$ 667	\$ 1,917	\$ (2,443)	\$ 3,674
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO FORD MOTOR COMPANY COMMON AND CLASS B STOCK				
Basic income/(loss)	\$ 0.17	\$ 0.48	\$ (0.61)	\$ 0.92
Diluted income/(loss)	0.16	0.47	(0.61)	0.91
Weighted-average shares used in computation of earnings/(loss) per share				
Basic shares	4,021	4,003	4,014	3,996
Diluted shares	4,052	4,041	4,014	4,035

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

	December 31, 2022	June 30, 2023
	(unaudited)	
ASSETS		
Cash and cash equivalents	\$ 25,134	\$ 26,406
Marketable securities	18,936	16,415
Ford Credit finance receivables, net of allowance for credit losses of \$255 and \$260	38,720	42,557
Trade and other receivables, less allowances of \$105 and \$101	15,729	14,482
Inventories	14,080	17,703
Other assets	3,877	4,149
Total current assets	116,476	121,712
Ford Credit finance receivables, net of allowance for credit losses of \$590 and \$613	49,903	52,567
Net investment in operating leases	22,772	21,662
Net property	37,265	38,503
Equity in net assets of affiliated companies	2,798	3,578
Deferred income taxes	15,552	15,860
Other assets	11,118	12,109
Total assets	\$ 255,884	\$ 265,991
LIABILITIES		
Payables	\$ 25,605	\$ 27,749
Other liabilities and deferred revenue	21,097	23,925
Debt payable within one year		
Company excluding Ford Credit	730	410
Ford Credit	49,434	48,931
Total current liabilities	96,866	101,015
Other liabilities and deferred revenue	25,497	25,754
Long-term debt		
Company excluding Ford Credit	19,200	19,169
Ford Credit	69,605	74,726
Deferred income taxes	1,549	1,721
Total liabilities	212,717	222,385
EQUITY		
Common Stock, par value \$0.01 per share (4,084 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	22,832	23,029
Retained earnings	31,754	31,577
Accumulated other comprehensive income/(loss)	(9,339)	(8,924)
Treasury stock	(2,047)	(2,047)
Total equity attributable to Ford Motor Company	43,242	43,677
Equity attributable to noncontrolling interests	(75)	(71)
Total equity	43,167	43,606
Total liabilities and equity	\$ 255,884	\$ 265,991

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

	For the period ended June 30, 2023			
	First Half			
	Company excluding Ford Credit	Ford Credit	Eliminations	Consolidated
<u>Cash flows from operating activities</u>				
Net income/(loss)	\$ 3,144	\$ 535	\$ —	\$ 3,679
Depreciation and tooling amortization	2,640	1,135	—	3,775
Other amortization	(8)	(546)	—	(554)
Provision for/(Benefit from) credit and insurance losses	55	157	—	212
Pension and OPEB expense/(income)	612	—	—	612
Equity method investment dividends received in excess of (earnings)/losses and impairments	146	(4)	—	142
Foreign currency adjustments	(92)	(5)	—	(97)
Net realized and unrealized (gains)/losses on cash equivalents, marketable securities, and other investments	175	(12)	—	163
Net (gain)/loss on changes in investments in affiliates	(17)	—	—	(17)
Stock compensation	232	6	—	238
Provision for/(Benefit from) deferred income taxes	(10)	13	—	3
Decrease/(Increase) in finance receivables (wholesale and other)	—	(1,473)	—	(1,473)
Decrease/(Increase) in intersegment receivables/payables	261	(261)	—	—
Decrease/(Increase) in accounts receivable and other assets	(1,750)	(43)	—	(1,793)
Decrease/(Increase) in inventory	(3,354)	—	—	(3,354)
Increase/(Decrease) in accounts payable and accrued and other liabilities	6,068	66	—	6,134
Other	245	(80)	—	165
Interest supplements and residual value support to Ford Credit	(1,719)	1,719	—	—
Net cash provided by/(used in) operating activities	<u>\$ 6,628</u>	<u>\$ 1,207</u>	<u>\$ —</u>	<u>\$ 7,835</u>
<u>Cash flows from investing activities</u>				
Capital spending	\$ (3,691)	\$ (38)	\$ —	\$ (3,729)
Acquisitions of finance receivables and operating leases	—	(26,231)	—	(26,231)
Collections of finance receivables and operating leases	—	22,517	—	22,517
Purchases of marketable and other investments	(3,164)	(1,696)	—	(4,860)
Sales and maturities of marketable securities and other investments	5,974	1,610	—	7,584
Settlements of derivatives	20	(52)	—	(32)
Capital contributions to equity method investments	(1,047)	—	—	(1,047)
Other	(359)	—	—	(359)
Investing activity (to)/from other segments	—	1	(1)	—
Net cash provided by/(used in) investing activities	<u>\$ (2,267)</u>	<u>\$ (3,889)</u>	<u>\$ (1)</u>	<u>\$ (6,157)</u>
<u>Cash flows from financing activities</u>				
Cash payments for dividends and dividend equivalents	\$ (3,794)	\$ —	\$ —	\$ (3,794)
Purchases of common stock	—	—	—	—
Net changes in short-term debt	(104)	(554)	—	(658)
Proceeds from issuance of long-term debt	—	26,401	—	26,401
Payments of long-term debt	(138)	(22,075)	—	(22,213)
Other	(102)	(95)	—	(197)
Financing activity to/(from) other segments	(1)	—	1	—
Net cash provided by/(used in) financing activities	<u>\$ (4,139)</u>	<u>\$ 3,677</u>	<u>\$ 1</u>	<u>\$ (461)</u>
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	\$ (11)	\$ 77	\$ —	\$ 66

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

	For the period ended June 30, 2023		
	Second Quarter		
	Company excluding Ford Credit	Ford Credit	Consolidated
Revenues	\$ 42,427	\$ 2,527	\$ 44,954
Total costs and expenses	40,221	2,272	42,493
Operating income/(loss)	2,206	255	2,461
Interest expense on Company debt excluding Ford Credit	304	—	304
Other income/(loss), net	127	128	255
Equity in net income/(loss) of affiliated companies	(131)	7	(124)
Income/(Loss) before income taxes	1,898	390	2,288
Provision for/(Benefit from) income taxes	177	95	272
Net income/(loss)	1,721	295	2,016
Less: Income/(Loss) attributable to noncontrolling interests	99	—	99
Net income/(loss) attributable to Ford Motor Company	\$ 1,622	\$ 295	\$ 1,917

	For the period ended June 30, 2023		
	First Half		
	Company excluding Ford Credit	Ford Credit	Consolidated
Revenues	\$ 81,512	\$ 4,916	\$ 86,428
Total costs and expenses	77,396	4,458	81,854
Operating income/(loss)	4,116	458	4,574
Interest expense on Company debt excluding Ford Credit	612	—	612
Other income/(loss), net	258	221	479
Equity in net income/(loss) of affiliated companies	(8)	14	6
Income/(Loss) before income taxes	3,754	693	4,447
Provision for/(Benefit from) income taxes	610	158	768
Net income/(loss)	3,144	535	3,679
Less: Income/(Loss) attributable to noncontrolling interests	5	—	5
Net income/(loss) attributable to Ford Motor Company	\$ 3,139	\$ 535	\$ 3,674

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

	June 30, 2023			
	Company excluding Ford Credit	Ford Credit	Eliminations	Consolidated
Assets				
Cash and cash equivalents	\$ 14,945	\$ 11,461	\$ —	\$ 26,406
Marketable securities	14,809	1,606	—	16,415
Ford Credit finance receivables, net	—	42,557	—	42,557
Trade and other receivables, net	5,070	9,412	—	14,482
Inventories	17,703	—	—	17,703
Other assets	2,775	1,374	—	4,149
Receivable from other segments	353	1,761	(2,114)	—
Total current assets	55,655	68,171	(2,114)	121,712
Ford Credit finance receivables, net	—	52,567	—	52,567
Net investment in operating leases	1,022	20,640	—	21,662
Net property	38,250	253	—	38,503
Equity in net assets of affiliated companies	3,464	114	—	3,578
Deferred income taxes	15,685	175	—	15,860
Other assets	10,889	1,220	—	12,109
Receivable from other segments	—	15	(15)	—
Total assets	\$ 124,965	\$ 143,155	\$ (2,129)	\$ 265,991
Liabilities				
Payables	\$ 26,711	\$ 1,038	\$ —	\$ 27,749
Other liabilities and deferred revenue	21,037	2,888	—	23,925
Debt payable within one year	410	48,931	—	49,341
Payable to other segments	2,114	—	(2,114)	—
Total current liabilities	50,272	52,857	(2,114)	101,015
Other liabilities and deferred revenue	23,659	2,095	—	25,754
Long-term debt	19,169	74,726	—	93,895
Deferred income taxes	753	968	—	1,721
Payable to other segments	15	—	(15)	—
Total liabilities	\$ 93,868	\$ 130,646	\$ (2,129)	\$ 222,385

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 rereasurement 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 rereasurements 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 rereasurement 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 rereasurement 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)

	Second Quarter		First Half		Memo:
	2022	2023	2022	2023	FY 2022
Net income / (loss) attributable to Ford (GAAP)	\$ 667	\$ 1,917	\$ (2,443)	\$ 3,674	\$ (1,981)
Income / (Loss) attributable to non-controlling interests	(29)	99	(38)	5	(171)
Net income / (loss)	\$ 638	\$ 2,016	\$ (2,481)	\$ 3,679	\$ (2,152)
Less: (Provision for) / Benefit from income taxes	(153)	(272)	576	(768)	864
Income / (Loss) before income taxes	\$ 791	\$ 2,288	\$ (3,057)	\$ 4,447	\$ (3,016)
Less: Special items pre-tax	(2,619)	(1,194)	(8,485)	(2,106)	(12,172)
Income / (Loss) before special items pre-tax	\$ 3,410	\$ 3,482	\$ 5,428	\$ 6,553	\$ 9,156
Less: Interest on debt	(312)	(304)	(620)	(612)	(1,259)
Adjusted EBIT (Non-GAAP)	\$ 3,722	\$ 3,786	\$ 6,048	\$ 7,165	\$ 10,415
Memo:					
Revenue (\$B)	\$ 40.2	\$ 45.0	\$ 74.7	\$ 86.4	\$ 158.1
Net income / (loss) margin (GAAP) (%)	1.7%	4.3%	(3.3)%	4.3%	(1.3)%
Adjusted EBIT margin (Non-GAAP) (%)	9.3%	8.4%	8.1%	8.3%	6.6%

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

	Second Quarter		First Half	
	2022	2023	2022	2023
<u>Diluted After-Tax Results (\$M)</u>				
Diluted after-tax results (GAAP)	\$ 667	\$ 1,917	\$ (2,443)	\$ 3,674
Less: Impact of pre-tax and tax special items (a)	(2,082)	(1,012)	(6,756)	(1,722)
Adjusted net income – diluted (Non-GAAP)	\$ 2,749	\$ 2,929	\$ 4,313	\$ 5,396
<u>Basic and Diluted Shares (M)</u>				
Basic shares (average shares outstanding)	4,021	4,003	4,014	3,996
Net dilutive options, unvested restricted stock units, unvested restricted stock shares, and convertible debt	31	38	43	39
Diluted shares	4,052	4,041	4,057	4,035
Earnings / (Loss) per share – diluted (GAAP) (b)	\$ 0.16	\$ 0.47	\$ (0.61)	\$ 0.91
Less: Net impact of adjustments	(0.52)	(0.25)	(1.67)	(0.43)
Adjusted earnings per share – diluted (Non-GAAP)	\$ 0.68	\$ 0.72	\$ 1.06	\$ 1.34

a. For 2023, includes adjustment for noncontrolling interest

b. For the First Half 2022, there were 43M shares excluded from the calculation of diluted earnings / (loss) per share, due to their anti-dilutive effect

Effective Tax Rate Reconciliation To Adjusted Effective Tax Rate

	2023		Memo:
	Q2	First Half	Full Year 2022
Pre-Tax Results (\$M)			
Income / (Loss) before income taxes (GAAP)	\$ 2,288	\$ 4,447	\$ (3,016)
Less: Impact of special items	(1,194)	(2,106)	(12,172)
Adjusted earnings before taxes (Non-GAAP)	<u>\$ 3,482</u>	<u>\$ 6,553</u>	<u>\$ 9,156</u>
Taxes (\$M)			
(Provision for) / Benefit from income taxes (GAAP)	\$ (272)	\$ (768)	\$ 864
Less: Impact of special items*	177	321	2,573
Adjusted (provision for) / benefit from income taxes (Non-GAAP)	<u>\$ (449)</u>	<u>\$ (1,089)</u>	<u>\$ (1,709)</u>
Tax Rate (%)			
Effective tax rate (GAAP)	11.9%	17.3%	28.6%
Adjusted effective tax rate (Non-GAAP)	12.9%	16.6%	18.7%

* 2022 reflects the tax consequences of unrealized losses on marketable securities and fourth quarter favorable changes in our valuation allowances

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

	2022				2023		First Half	
	Q1	Q2	Q3	Q4	Q1	Q2	2022	2023
Net cash provided by / (Used in) operating activities (GAAP)	\$ (1,084)	\$ 2,947	\$ 3,812	\$ 1,178	\$ 2,800	\$ 5,035	\$ 1,863	\$ 7,835
Less: Items Not Included in Company Adjusted Free Cash Flows								
Ford Credit operating cash flows	(419)	(1,340)	(439)	(3,218)	626	581	(1,759)	1,207
Funded pension contributions	(174)	(154)	(130)	(109)	(125)	(109)	(328)	(234)
Restructuring (including separations)*	(176)	(137)	(179)	(343)	(81)	(118)	(313)	(199)
Ford Credit tax payments / (refunds) under tax sharing agreement	-	-	22	125	(5)	-	-	(5)
Other, net	(20)	20	(150)	92	(140)	(73)	-	(213)
Add: Items Included in Company Adjusted Free Cash Flows								
Company excluding Ford Credit capital spending	(1,349)	(1,503)	(1,613)	(2,046)	(1,760)	(1,927)	(2,852)	(3,687)
Ford Credit distributions	1,000	600	500	-	-	-	1,600	-
Settlement of derivatives	64	(36)	26	(144)	(72)	92	28	20
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>\$ 3,039</u>	<u>\$ 3,612</u>

* Restructuring excludes cash flows reported in investing activities

Adjusted ROIC (\$B)

	<u>Four Quarters Ending Q2 2022</u>	<u>Four Quarters Ending Q2 2023</u>
<u>Adjusted Net Operating Profit / (Loss) After Cash Tax</u>		
Net income / (loss) attributable to Ford	\$ 11.7	\$ 4.1
Add: Non-controlling interest	0.0	(0.2)
Less: Income tax	1.6	(0.5)
Add: Cash tax	(0.7)	(1.0)
Less: Interest on debt	(1.5)	(1.3)
Less: Total pension / OPEB income / (cost)	4.5	(0.6)
Add: Pension / OPEB service costs	(1.0)	(0.7)
Net operating profit / (loss) after cash tax	<u>\$ 5.4</u>	<u>\$ 4.5</u>
Less: Special items (excl. pension / OPEB) pre-tax	<u>(3.0)</u>	<u>(5.1)</u>
Adj. net operating profit / (loss) after cash tax	<u><u>\$ 8.3</u></u>	<u><u>\$ 9.6</u></u>
<u>Invested Capital</u>		
Equity	\$ 44.2	\$ 43.6
Debt (excl. Ford Credit)	19.4	19.6
Net pension and OPEB liability	5.2	4.6
Invested capital (end of period)	<u>\$ 68.8</u>	<u>\$ 67.8</u>
Average invested capital	<u><u>\$ 72.0</u></u>	<u><u>\$ 67.6</u></u>
ROIC ^(a)	7.4%	6.7%
Adjusted ROIC (Non-GAAP) ^(b)	11.6%	14.2%

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)

	Second Quarter		First Half	
	2022	2023	2022	2023
<u>Restructuring (by Geography)</u>				
Europe	\$ (0.0)	\$ (0.1)	\$ (0.0)	\$ (0.4)
China	(0.0)	(0.4)	(0.0)	(0.8)
Ford Credit - Brazil	(0.0)	-	(0.2)	-
Other	(0.1)	(0.2)	(0.1)	(0.1)
Subtotal Restructuring	\$ (0.1)	\$ (0.7)	\$ (0.3)	\$ (1.3)
<u>Pension and OPEB Gain / (Loss)</u>				
Pension and OPEB remeasurement	\$ (0.0)	\$ (0.1)	\$ (0.0)	\$ (0.2)
Pension Settlements and curtailments	-	(0.1)	-	(0.1)
Subtotal Pension and OPEB Gain / (Loss)	\$ (0.0)	\$ (0.1)	\$ (0.0)	\$ (0.3)
<u>Other Items</u>				
Gain / (loss) on Rivian investment	\$ (2.4)	\$ (0.0)	\$ (7.9)	\$ (0.0)
Transit Connect customs matter	-	(0.3)	-	(0.3)
Russia suspension of operations / asset write-off	0.0	-	(0.1)	-
Patent matters related to prior calendar years	0.0	0.0	(0.1)	0.0
Other (including gains / (losses) on investments)	(0.0)	(0.1)	-	(0.2)
Subtotal Other Items	\$ (2.5)	\$ (0.4)	\$ (8.1)	\$ (0.5)
Total EBIT Special Items	\$ (2.6)	\$ (1.2)	\$ (8.5)	\$ (2.1)

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS

(in millions)

For the periods ended June 30,

	2022		2023					
	Second Quarter		First Half					
(unaudited)								
Financing revenue								
Operating leases	\$	1,166	\$	1,029	\$	2,377	\$	2,078
Retail financing		874		1,013		1,780		1,942
Dealer financing		221		600		385		1,104
Other financing		15		31		22		58
Total financing revenue		2,276		2,673		4,564		5,182
Depreciation on vehicles subject to operating leases		(549)		(555)		(1,064)		(1,114)
Interest expense		(657)		(1,530)		(1,268)		(2,922)
Net financing margin		1,070		588		2,232		1,146
Other revenue								
Insurance premiums earned		17		29		32		55
Fee based revenue and other		55		53		78		74
Total financing margin and other revenue		1,142		670		2,342		1,275
Expenses								
Operating expenses		307		340		655		660
Provision for/(Benefit from) credit losses		(56)		40		(120)		117
Insurance expenses		9		35		2		40
Total expenses		260		415		537		817
Other income/(loss), net		21		126		(148)		226
Income before income taxes		903		381		1,657		684
Provision for/(Benefit from) income taxes		99		95		184		158
Net income	\$	804	\$	286	\$	1,473	\$	526

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

	December 31, 2022	June 30, 2023
	(unaudited)	
ASSETS		
Cash and cash equivalents	\$ 10,393	\$ 11,461
Marketable securities	1,493	1,606
Finance receivables, net		
Retail installment contracts, dealer financing, and other financing	94,090	98,566
Finance leases	6,423	6,868
Total finance receivables, net of allowance for credit losses of \$845 and \$873	100,513	105,434
Net investment in operating leases	21,821	20,640
Notes and accounts receivable from affiliated companies	793	948
Derivative financial instruments	987	1,054
Other assets	2,576	2,647
Total assets	\$ 138,576	\$ 143,790
LIABILITIES		
Accounts payable		
Customer deposits, dealer reserves, and other	\$ 1,097	\$ 1,038
Affiliated companies	581	489
Total accounts payable	1,678	1,527
Debt	119,039	123,657
Deferred income taxes	921	968
Derivative financial instruments	3,026	2,876
Other liabilities and deferred revenue	2,035	2,253
Total liabilities	126,699	131,281
SHAREHOLDER'S INTEREST		
Shareholder's interest	5,166	5,166
Accumulated other comprehensive income/(loss)	(1,017)	(911)
Retained earnings	7,728	8,254
Shareholder's interest attributable to Ford Motor Credit Company	11,877	12,509
Shareholder's interest attributable to noncontrolling interests	—	—
Total shareholder's interest	11,877	12,509
Total liabilities and shareholder's interest	\$ 138,576	\$ 143,790

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

	<u>For the periods ended June 30,</u>	
	<u>2022</u>	<u>2023</u>
	First Half	
	(unaudited)	
Cash flows from operating activities		
Net income	\$ 1,473	\$ 526
Provision for/(Benefit from) credit losses	(120)	117
Depreciation and amortization	1,395	1,407
Amortization of upfront interest supplements	(987)	(842)
Net change in deferred income taxes	192	13
Net change in other assets	(521)	(188)
Net change in other liabilities	369	32
All other operating activities	126	(21)
Net cash provided by/(used in) operating activities	<u>1,927</u>	<u>1,044</u>
Cash flows from investing activities		
Purchases of finance receivables	(15,513)	(20,432)
Principal collections of finance receivables	19,135	18,196
Purchases of operating lease vehicles	(4,515)	(4,373)
Proceeds from termination of operating lease vehicles	5,207	4,555
Net change in wholesale receivables and other short-duration receivables	(4,613)	(1,497)
Purchases of marketable securities and other investments	(2,683)	(1,696)
Proceeds from sales and maturities of marketable securities and other investments	2,606	1,610
Settlements of derivatives	128	(52)
All other investing activities	(85)	(36)
Net cash provided by/(used in) investing activities	<u>(333)</u>	<u>(3,725)</u>
Cash flows from financing activities		
Proceeds from issuances of long-term debt	17,924	26,401
Payments of long-term debt	(22,089)	(22,075)
Net change in short-term debt	(237)	(554)
Cash distributions to parent	(1,600)	—
All other financing activities	(48)	(96)
Net cash provided by/(used in) financing activities	<u>(6,050)</u>	<u>3,676</u>
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	<u>(229)</u>	<u>77</u>
Net increase/(decrease) in cash, cash equivalents and restricted cash	<u>\$ (4,685)</u>	<u>\$ 1,072</u>
Cash, cash equivalents, and restricted cash at beginning of period	<u>\$ 11,091</u>	<u>\$ 10,520</u>
Net increase/(decrease) in cash, cash equivalents, and restricted cash	<u>(4,685)</u>	<u>1,072</u>
Cash, cash equivalents, and restricted cash at end of period	<u>\$ 6,406</u>	<u>\$ 11,592</u>