

# ***INVESTOR CALL***

# ***FCE BANK PLC***

***FIRST HALF 2009 FINANCIAL RESULTS***

***September 10, 2009***

Peter Jepson - FCE Executive Director, Finance & Strategy  
Marretta Mistretta - FCE Treasurer

---

# ***FCE BANK PLC MISSION***



**To support Ford Motor Company  
vehicle sales across Europe**

**Consistently add shareholder value**

---

# ***FCE BANK PLC***



- **Wholly owned by Ford Credit International**
- **Public limited company incorporated in the UK**
- **Four independent non-executive directors on Board**
- **A licensed bank regulated by the UK Financial Services Authority**
- **Meets all regulatory requirements for liquidity, capital adequacy (risk asset ratio) and large exposure**
- **Consistently profitable, strongly capitalised, good liquidity profile**

**FCE Bank plc**  
**INTERIM REPORT AND**  
**FINANCIAL STATEMENTS**  
for the half year ended 30 June 2009



**ONE FORD**  
ONE TEAM • ONE PLAN • ONE GOAL

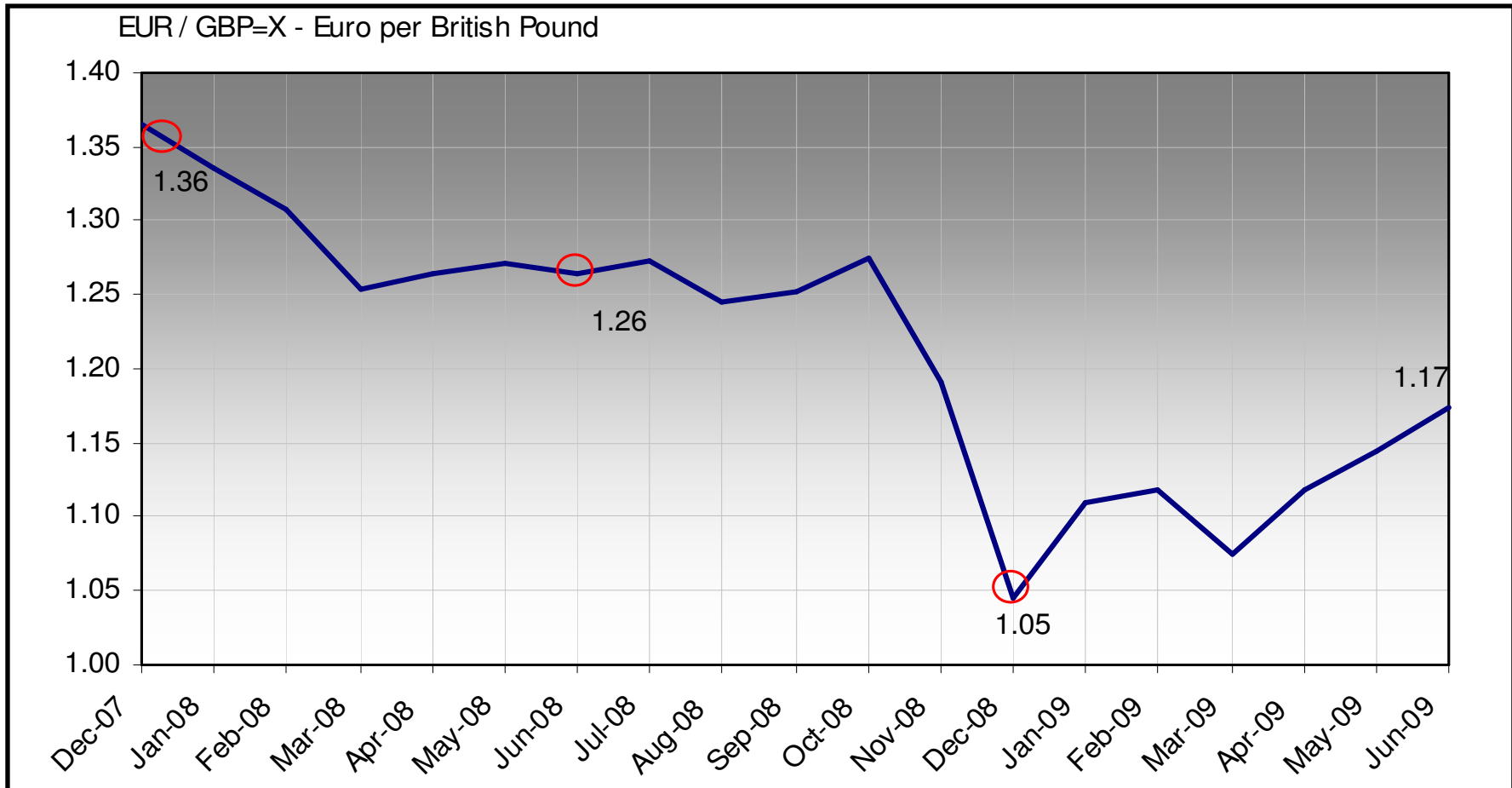
# ***FCE BANK PLC***

## ***EXCERPTS FROM CHAIRMAN'S STATEMENT***

- **Difficult economic environment**
- **Reducing size**
- **Efficient and improving internal operating costs**
- **Credit loss performance in line with expectations, except in Spain**
- **Funding plan achieved**
- **Strong capitalisation, good liquidity profile**



# EXCHANGE RATE EFFECT EUR / GBP

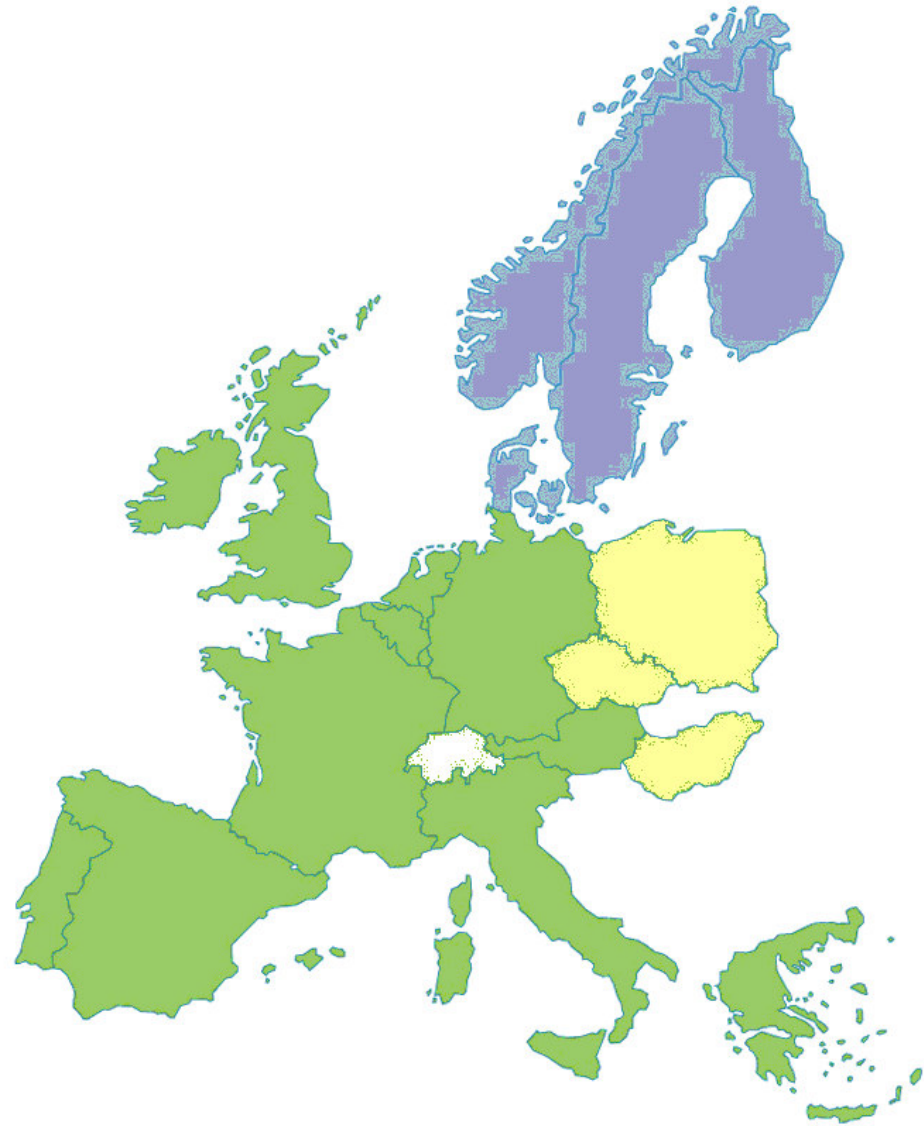




**ONE FORD**  
ONE TEAM • ONE PLAN • ONE GOAL

# WHERE WE OPERATE

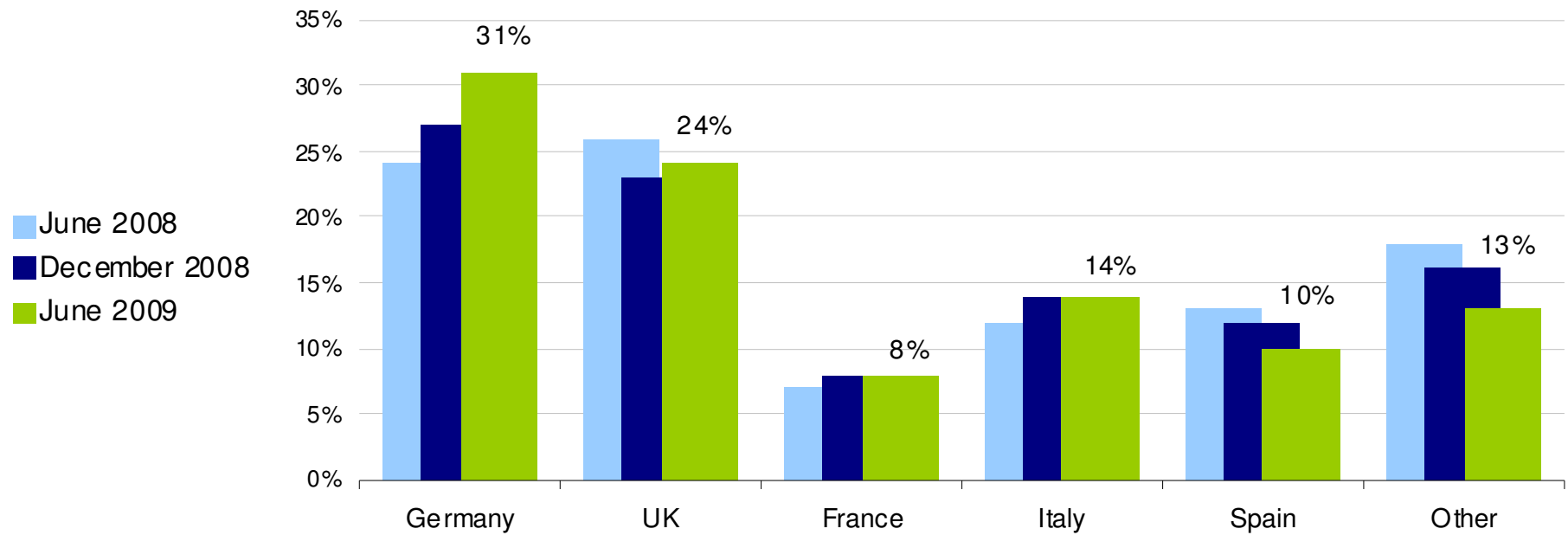
- Markets served by:
- FCE Company and Branches
  - FCE Subsidiaries
  - Forso Nordic AB Joint Venture





# LOANS AND ADVANCES

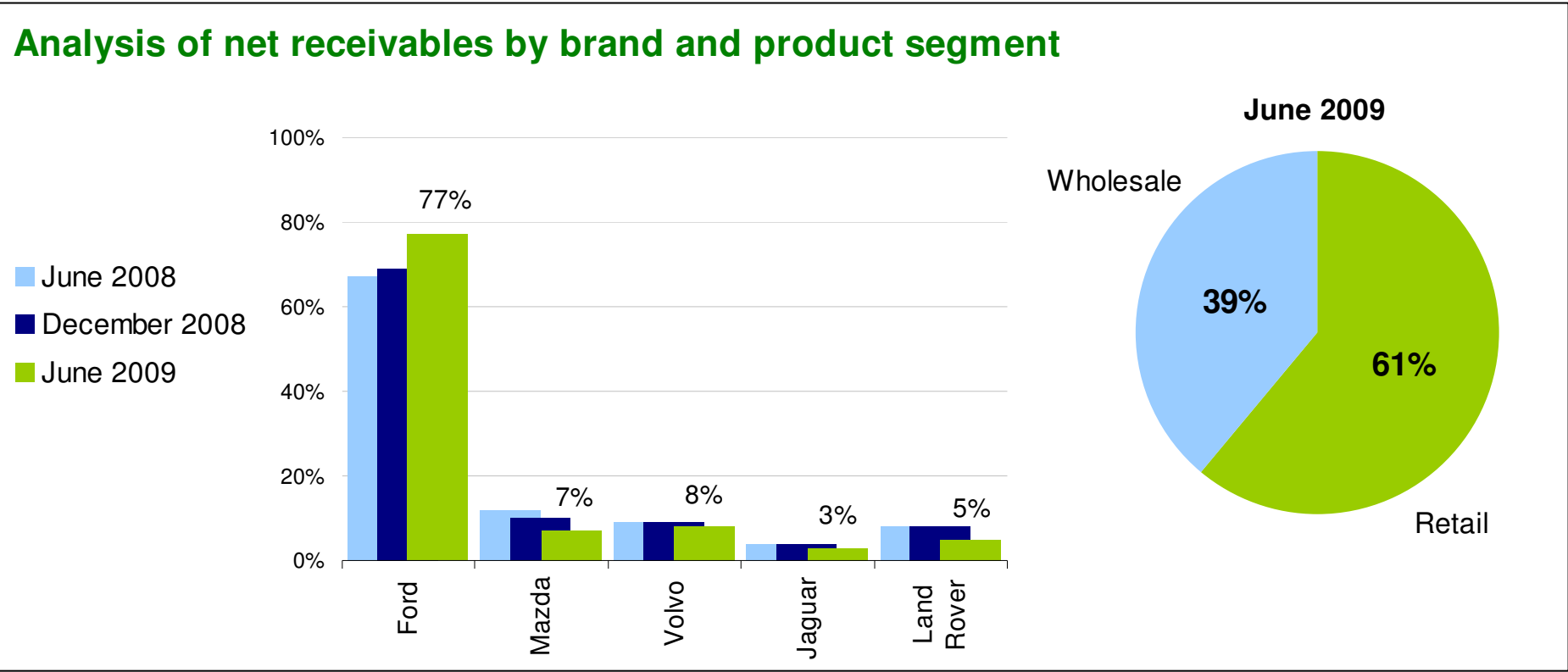
## Analysis of net loans and advances to customers by major market



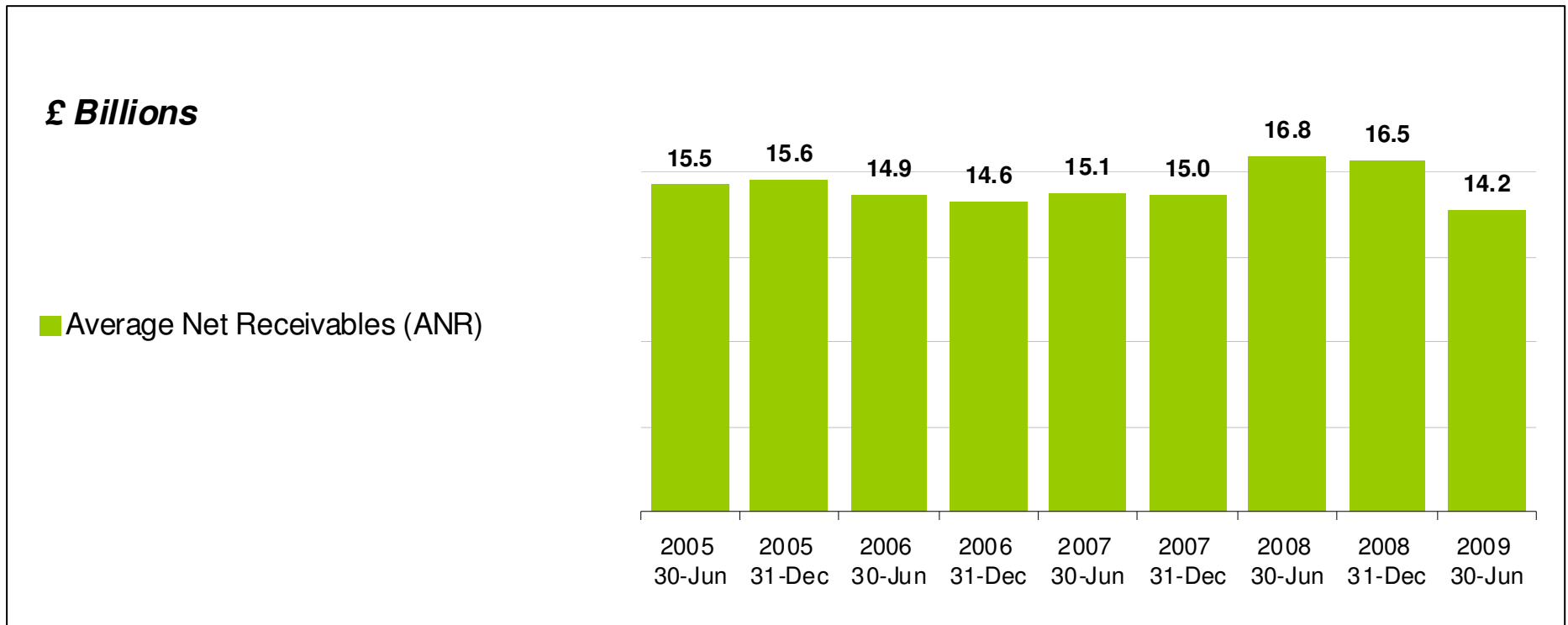




# RECEIVABLES BY BRAND AND PRODUCT -- (JUNE 2009)

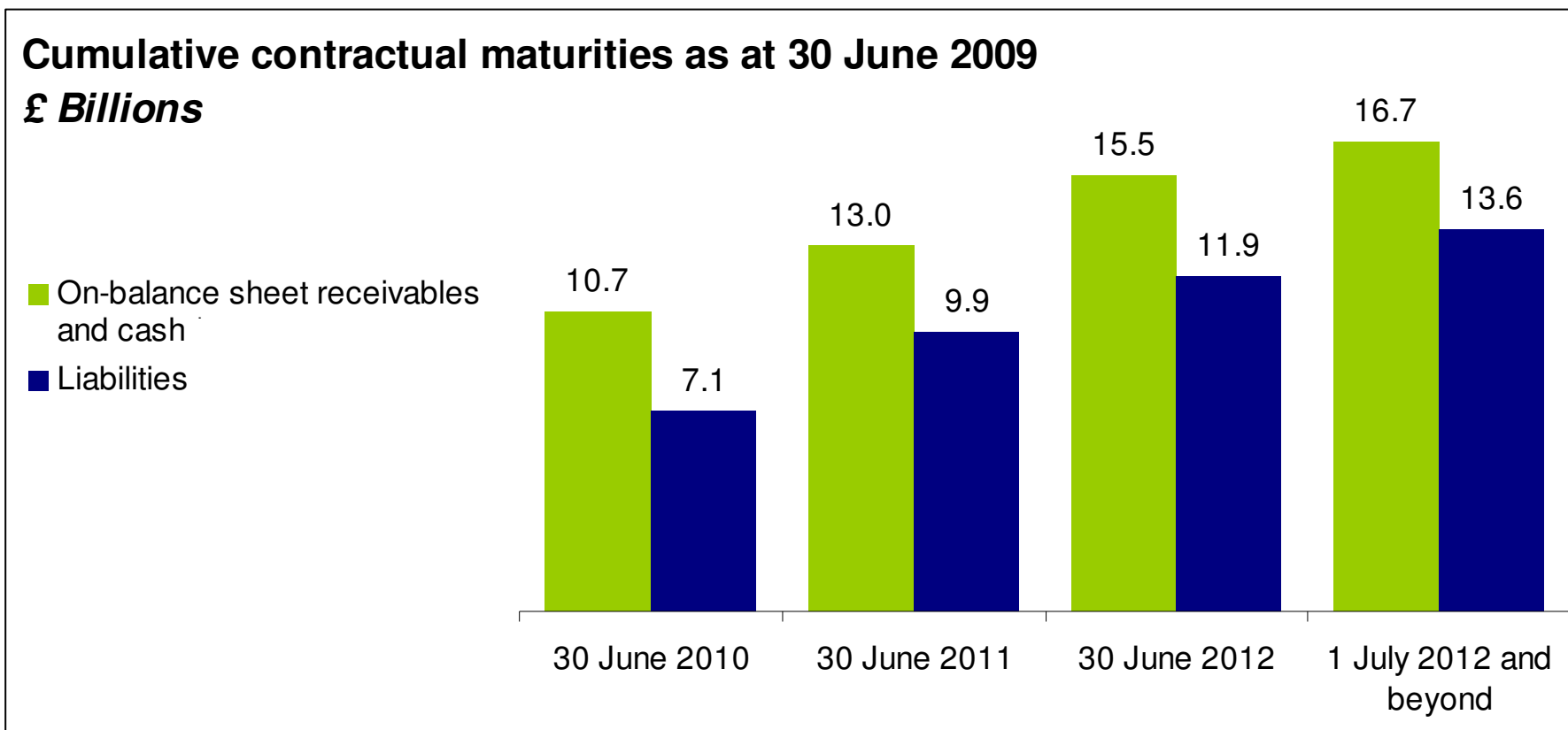


# LOANS OUTSTANDING





# BALANCE SHEET STRUCTURE





# **LIQUIDITY**

- **Liquidity management is a key priority for FCE**
- **FCE's cash buffer has increased from year end 2008; balance at 30<sup>th</sup> June exceeded £1 billion**
- **Additional liquidity sources include:**
  - **Unutilised contractually committed credit facilities (totalling over £400 million) provided by over 30 financial institutions in 15 countries**
    - **No material adverse charge clauses, rating triggers or restrictive covenants which would limit ability to borrow**
  - **Access to ECB funding via its open market operations**
  - **Committed securitisation capacity which supports ongoing asset origination**

# FUNDING



**FCE raised £2.8 billion of funding during First Half 2009**

	<b>First Half 2009 (Bils.)</b>
<b><u>Renewal of Existing Facilities</u></b>	
<b>Securitisation</b>	<b>£2.0</b>
<b>Unsecured Debt</b>	<b>0.1</b>
<b>Total Renewals</b>	<b>£2.1</b>
<b><u>New Facilities</u></b>	
<b>Securitisation / Trade Finance</b>	<b>0.7</b>
<b>Total Funding Raised</b>	<b>£2.8</b>

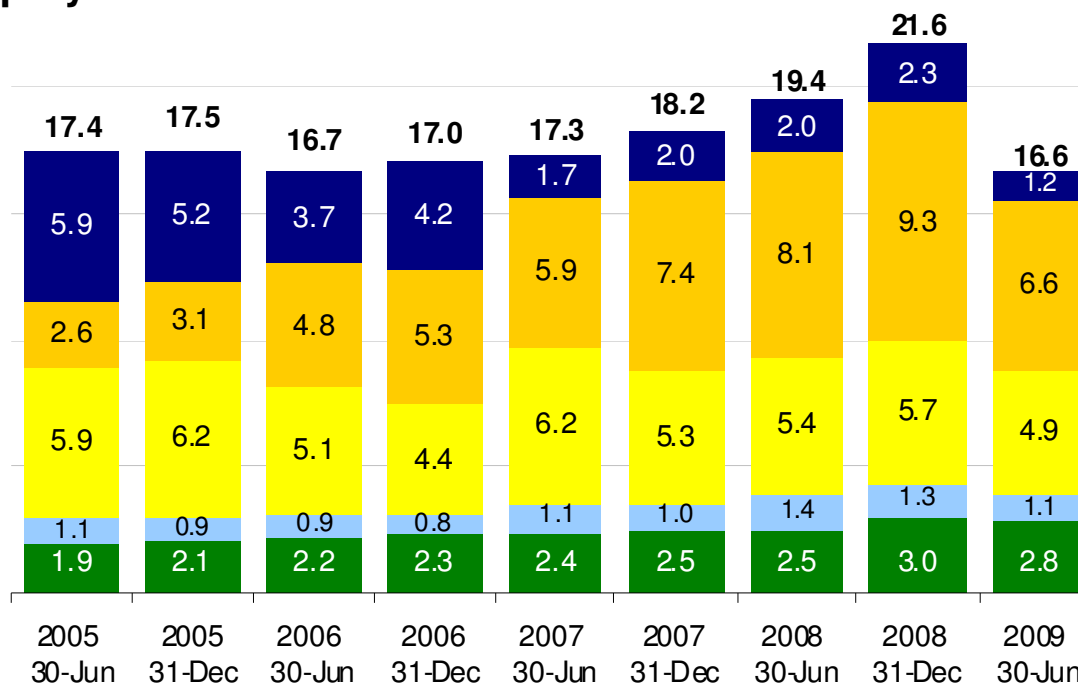
**All securitisation transactions are on balance sheet and are done to support funding requirements**



# LIABILITIES AND EQUITY

## Liabilities and Shareholders' Equity £ Billions

- Intercompany Debt
- Secured External Debt
- Unsecured External Debt
- Other Liabilities
- Equity





# ***CAPITAL***

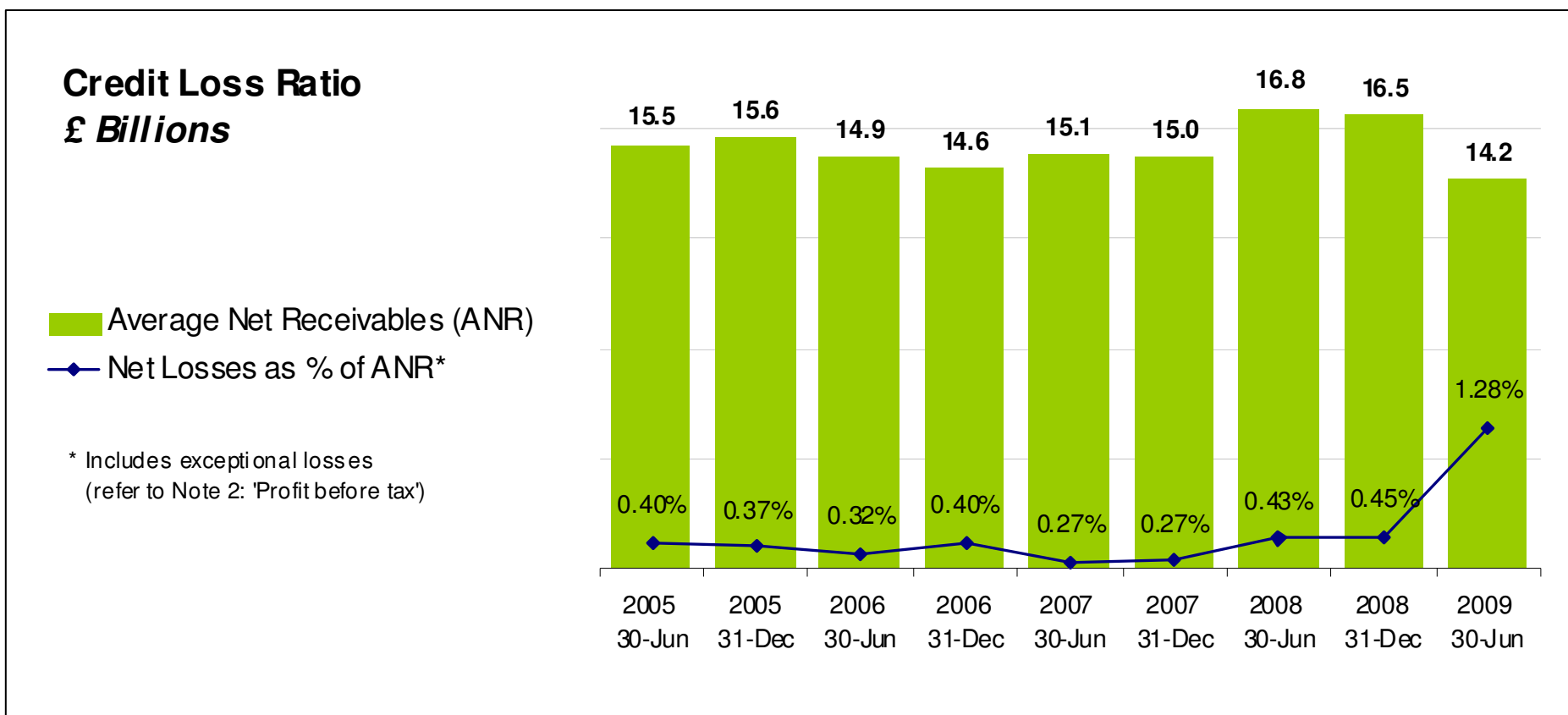
- **FCE remains strongly capitalised**
- **Present capital substantially in excess of regulatory requirements**

## **Tier 1 Capital ratio**

- **YE 2008 15.9%**
  - **30<sup>th</sup> June 2009 21.4%**
- **FCE also holds total Tier 2 Capital of £390 million of which £319 million is in the form of subordinated debt provided by various Ford subsidiaries**
  - **Dividends paid - 2007 £250 million; 2008 £190 million**
  - **All changes to FCE's capital base require FSA approval**



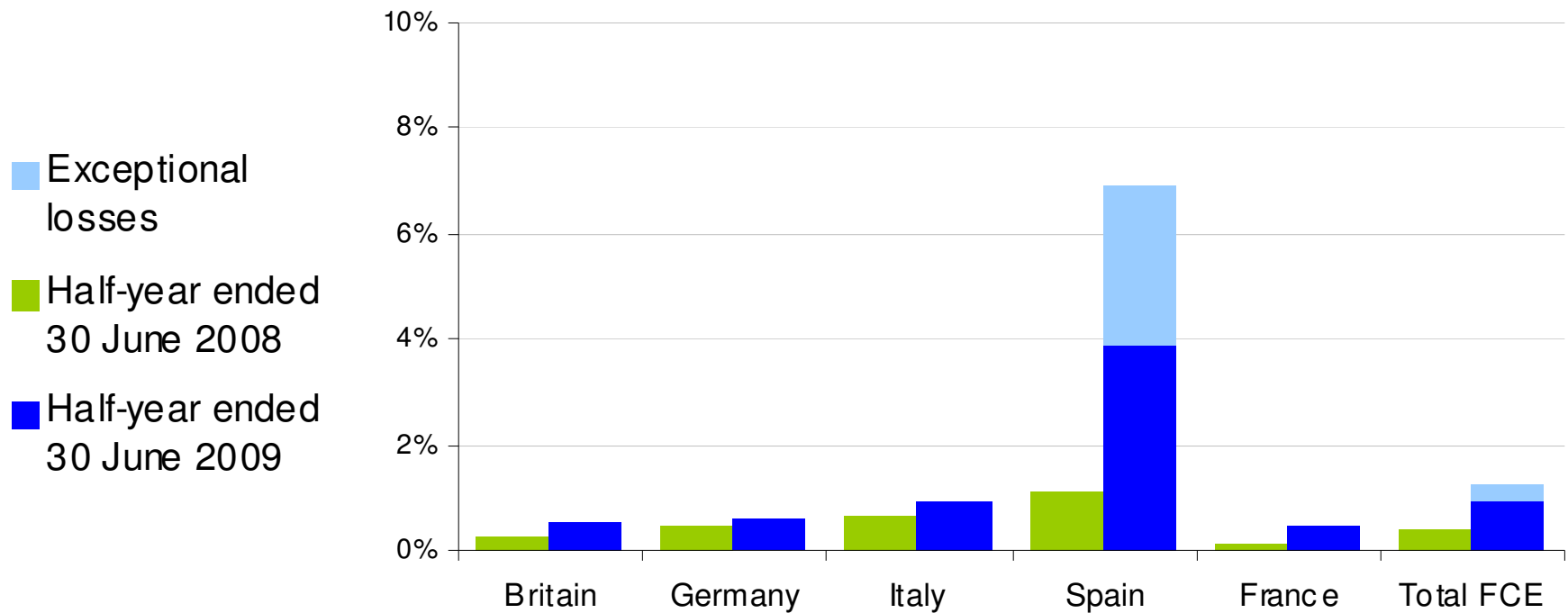
# LOANS OUTSTANDING AND CREDIT LOSS RATIO



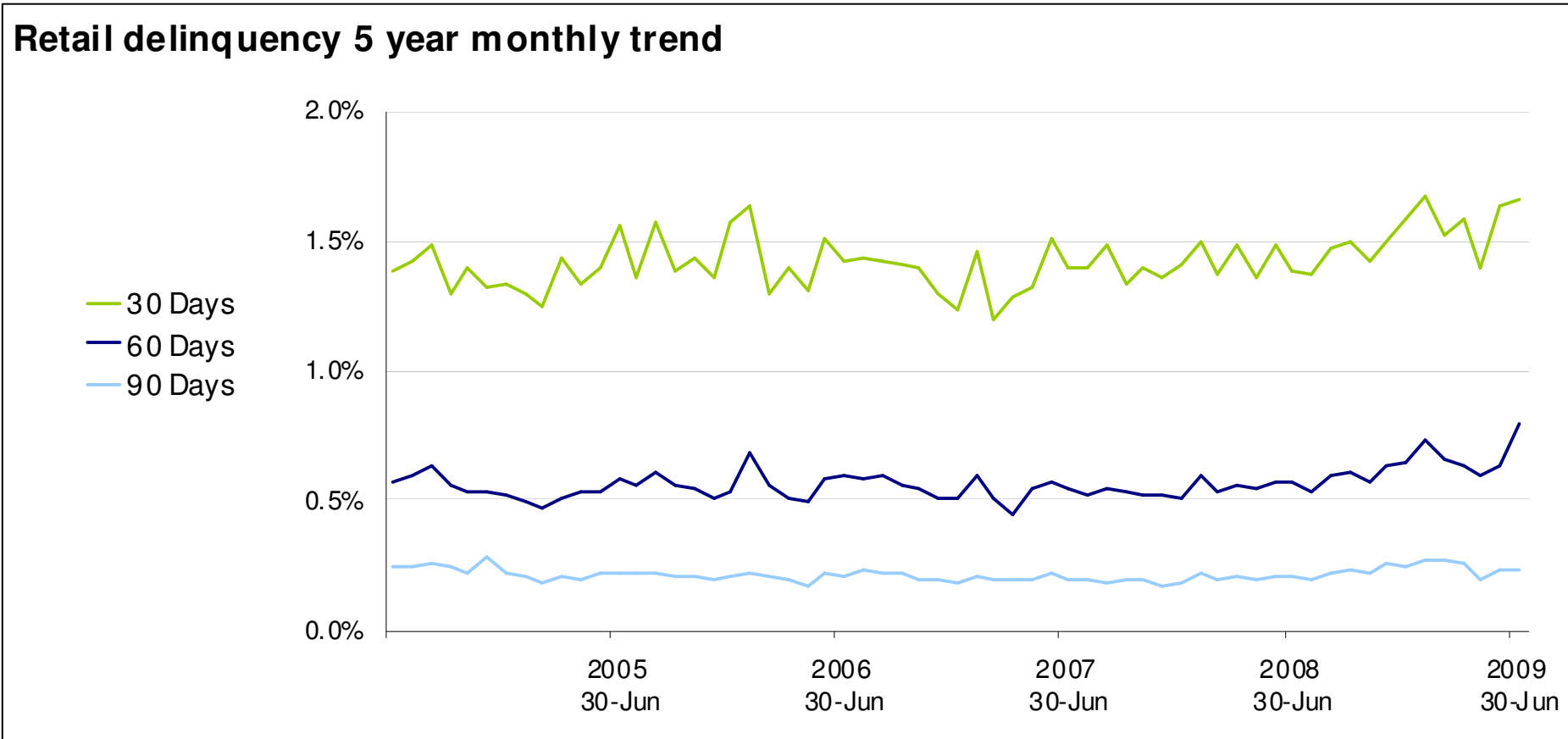


# NET CREDIT LOSSES

## Annualised Net Credit Losses as % of ANR



# RISK -- DELINQUENCY



# RISK -- WHOLESALE RISK RATINGS



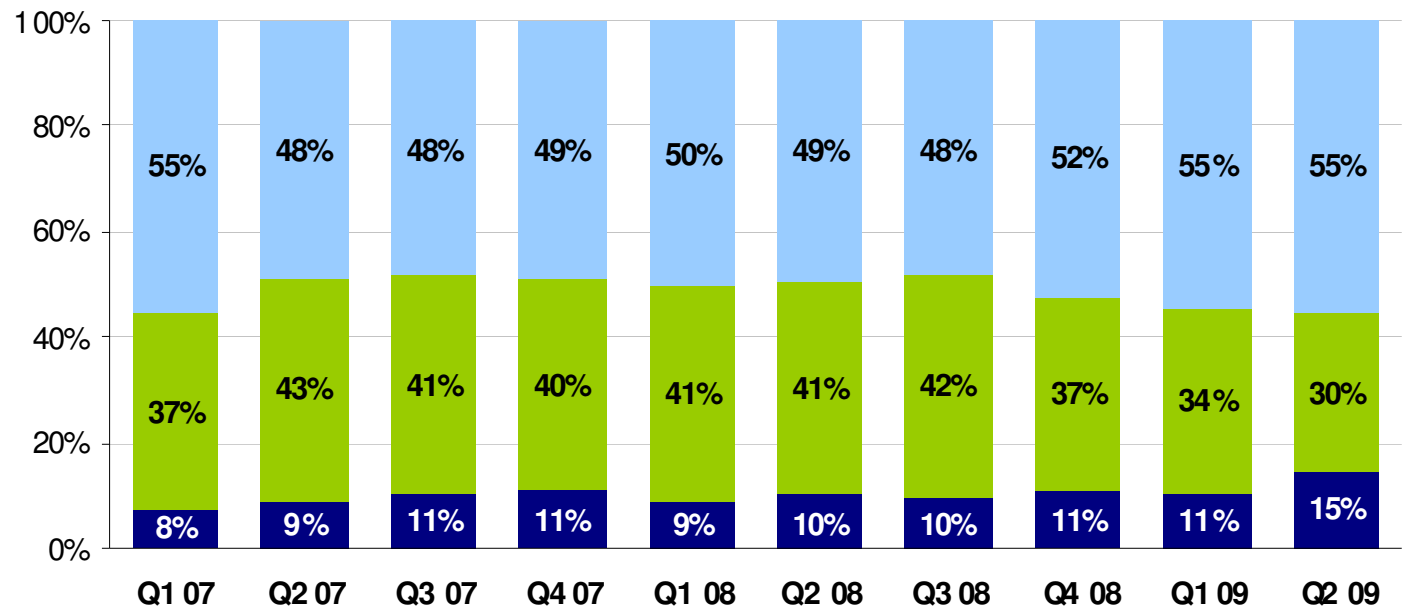
## European Portfolio Financial Risk Ratings

- All Brands -  
Q1 2007 to Q2 2009

Internal Rating Measurement

- 0-3 Excellent
- 4-6 Satisfactory
- 7-9 Marginal

% Split by Amount  
of New Vehicle Wholesale  
Credit Facilities

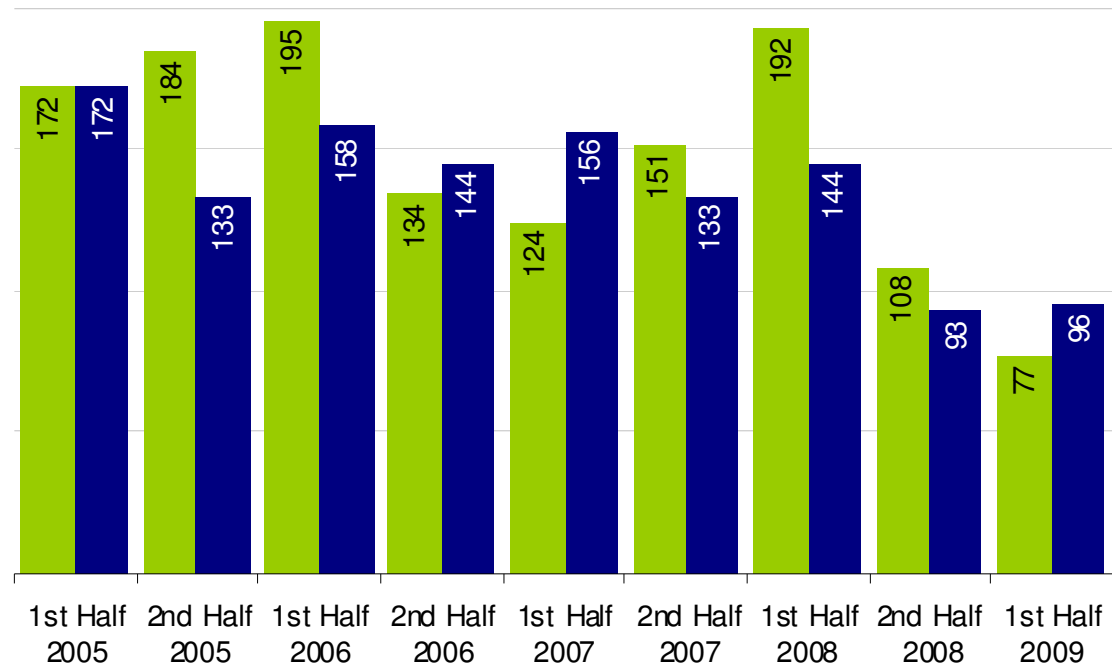


# PROFIT BEFORE TAX

## Profit before Tax £ Millions

- PBT Including Exceptional Items
- Adjusted PBT\*

\* Adjusted PBT calculated on page 6 of the interim Report.





**ONE FORD**  
ONE TEAM • ONE PLAN • ONE GOAL

## ***FCE BANK PLC -- SUMMARY***

- **Difficult economic environment**
- **Reducing size**
- **Efficient and improving internal operating costs**
- **Credit loss performance in line with expectations, except in Spain**
- **Funding plan achieved**
- **Strong capitalisation, good liquidity profile**



**ONE FORD**  
ONE TEAM • ONE PLAN • ONE GOAL

# SAFE HARBOR

Statements included 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:

- Continued or worsening financial crisis;
- Further declines in industry sales volume, particularly in the United States or Europe, due to financial crisis, deepening recessions, geo-political events, or other factors;
- Decline in market share;
- Continued or increased price competition resulting from industry overcapacity, currency fluctuations, or other factors;
- A further increase in or acceleration of market shift away from sales of trucks, SUVs, or other more profitable vehicles, particularly in the United States;
- A return to elevated gasoline prices, as well as the potential for volatile prices or reduced availability;
- Lower-than-anticipated market acceptance of new or existing products;
- Fluctuations in foreign currency exchange rates, commodity prices, and interest rates;
- Adverse effects from the bankruptcy, insolvency, or government-funded restructuring of, change in ownership or control of, or alliances entered into by a major competitor;
- Restriction on use of tax attributes from tax law “ownership change”;
- Economic distress of suppliers that may require us to provide financial support or take other measures to ensure supplies of components or materials and could increase our costs, affect our liquidity, or cause production disruptions;
- Single-source supply of components or materials;
- Labour or other constraints on our ability to restructure our business;
- Work stoppages at Ford or supplier facilities or other interruptions of supplies;
- Pension and postretirement health care and life insurance liabilities impairing our liquidity or financial condition;
- Inability to implement the Retiree Health Care Settlement Agreement regarding UAW hourly retiree health care;
- Worse-than-assumed economic and demographic experience for our postretirement benefit plans (e.g., discount rates or investment returns);
- Discovery of defects in vehicles resulting in delays in new model launches, recall campaigns or increased warranty costs;
- Increased safety, emissions, fuel economy, or other regulation resulting in higher costs, cash expenditures, or sales restrictions;
- Unusual or significant litigation or governmental investigations arising out of alleged defects in our products or otherwise;
- A change in our requirements for parts or materials subject to long-term supply arrangements that commit us to purchase minimum or fixed quantities of parts or materials, or to pay a minimum amount to the seller (“take-or-pay” contracts);
- Adverse effects on our results from a decrease in or cessation of government incentives;
- Adverse effects on our operations resulting from certain geo-political or other events;
- Substantial negative Automotive operating-related cash flows for the near- to medium-term affecting our ability to meet our obligations, invest in our business, or refinance our debt;
- Substantial levels of Automotive indebtedness adversely affecting our financial condition or preventing us from fulfilling our debt obligations (which may grow because we are able to incur substantially more debt, including secured debt);
- Failure of financial institutions to fulfil commitments under committed credit facilities;
- Ford Credit’s need for substantial liquidity to finance its business;
- Inability of Ford Credit to obtain competitive funding;
- Inability of Ford Credit to access debt, securitization, or derivative markets around the world at competitive rates or in sufficient amounts due to additional credit rating downgrades, market volatility, market disruption, or other factors;
- A prolonged disruption of the debt and securitization markets;
- Higher-than-expected credit losses;
- Increased competition from banks or other financial institutions seeking to increase their share of financing Ford vehicles;
- Collection and servicing problems related to finance receivables and net investment in operating leases;
- Lower-than-anticipated residual values or higher-than-expected return volumes for leased vehicles;
- New or increased credit, consumer, data protection, or other regulation resulting in greater costs or financing restrictions;
- Inability to implement our plans to further reduce structural costs and increase liquidity.

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 of these risks, see “Item 1A. Risk Factors” in Ford Credit’ 2008 Form 10-K Report and its subsequent quarterly reports on Form 10-Q.

# APPENDIX -- KEY FINANCIAL DATA



	<b>Full Year 2008</b>	<b>Half Year 2009</b>
<b>Average Net Receivables (ANR) (Bils.)</b>	<b>£16.5</b>	<b>£14.2</b>
<b>Tier 1 Capital</b>	<b>15.9%</b>	<b>21.4%</b>
<b>Return on Book Equity</b>	<b>7.5%</b>	<b>3.8%</b>
<b>Margin (Net Income / ANR)*</b>	<b>3.3%</b>	<b>3.9%</b>
<b>Efficiency Ratio (Costs / ANR)*</b>	<b>1.4%</b>	<b>1.5%</b>
<b>Loss to Receivables Ratio*</b>	<b>0.45%</b>	<b>0.93%</b>

\* Excludes exceptional items



**ONE FORD**  
ONE TEAM • ONE PLAN • ONE GOAL

# ***APPENDIX -- FURTHER INFORMATION ON FCE***

## **Detailed information on FCE:**

- FCE Bank plc 2008 Annual Accounts
  - FCE Bank plc 2009 Interim Accounts
- [www.fcebank.com](http://www.fcebank.com)

## **Detailed Information on FMCC:**

- 10-K Annual Filings
  - 10-Q Quarterly Filings
  - 8-K Information Updates
- [www.fordcredit.com/investorcenter](http://www.fordcredit.com/investorcenter)





**ONE FORD**  
ONE TEAM • ONE PLAN • ONE GOAL

Feel the difference

