

ASSOCIATES FIRST CAPITAL CORPORATION SPIN-OFF BASIS ALLOCATION INFORMATION

Dear Ford Shareholder:

On April 7, 1998, Ford Motor Company ("Ford") distributed all of the common stock of Associates First Capital Corporation ("Associates") owned by Ford to Ford Common and Class B shareholders of record as of the close of business on March 12, 1998. You recently received .262085 shares of Associates for each Ford share you owned as of the record date.

Ford has received a ruling from the U. S. Internal Revenue Service that a Ford shareholder's receipt of Associates stock is tax-free for U. S. Federal income tax purposes. If you sell the Associates shares, you will have taxable gain or loss equal to the difference between your sales proceeds and your tax basis in the shares. To determine your tax basis, you will have to allocate the tax basis that you had in your Ford shares between your Ford shares and your Associates shares based on their relative fair market values on the distribution date. Based upon the average high and low prices at which Ford and Associates traded on the New York Stock Exchange on April 7, 1998, 66.41% percent of your pre-distribution tax basis in your Ford shares should be allocated to your Ford shares, and the remaining 33.59% should be allocated to your Associates shares (including any fractional share interest). You should consult your tax advisor regarding the application of this calculation to your particular circumstances.

A sample calculation follows:

Assume you own 100 shares of Ford stock with a \$35 per share basis for a total basis of \$3,500, and you received 26.209 shares of Associates stock as a result of the distribution. Your total basis in your Ford shares would be reduced to \$2,324.35 (66.41% of \$3,500), or \$23.24 per share (\$2,324.35 divided by 100 shares). Your total basis in your Associates shares would be \$1,175.65 (33.59% of \$3,500), or \$44.86 per share (\$1,175.65 divided by 26.209 shares).

If you received cash in lieu of fractional shares, you will be treated as having sold the fraction for the amount of cash received, and you would report gain or loss on that sale equal to the difference between your basis in the fractional share of Associates (determined using the above methodology) and the amount of cash received.

If you acquired Ford shares on more than one occasion, you will need to perform this calculation separately for each group of shares.

All shareholders who received Associates stock should make this basis allocation even if some or all of their Ford stock was sold after the record date and before the distribution date of Associates stock.

You should retain this information to support the determination of your basis in your Ford and Associates shares. **In order to assist you in complying with tax requirements, we are attaching a form of statement to be completed by you and filed with your 1998 Federal income tax return.**

**INFORMATION STATEMENT
TO THE INTERNAL REVENUE SERVICE**

**Statement of shareholder receiving a distribution of stock
of Associates First Capital Corporation pursuant to
Treasury Regulation Section 1.355-5(b)**

1. The undersigned, a shareholder owning shares of Ford Motor Company common or Class B stock as of the March 12, 1998 record date, received a distribution of common stock of Associates First Capital Corporation, a controlled corporation, pursuant to Section 355 of the Internal Revenue Code of 1986, as amended (the "Code"), on April 7, 1998.

2. The names and addresses of the corporations involved are:

 Ford Motor Company
 The American Road
 Dearborn, MI 48121-1899

 Associates First Capital Corporation
 250 Carpenter Freeway
 Irving, TX 75062-2729

3. No stock or securities of Ford Motor Company were surrendered by the undersigned.

4. The undersigned received _____ shares of Associates First Capital Corporation common stock.

5. Ford Motor Company has received a private letter ruling from the Internal Revenue Service to the effect that the distribution of shares of Associates First Capital Corporation common stock qualifies as a tax-free distribution under Section 355 of the Code.

Date

Signature of Shareholder

NOTE: Please remove this form, complete and attach to your 1998 Federal income tax return.