
FCE Bank plc
**Q1 MANAGEMENT
STATEMENT**

for the quarter ended 31 March 2015

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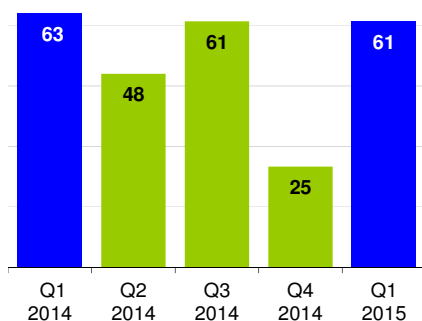
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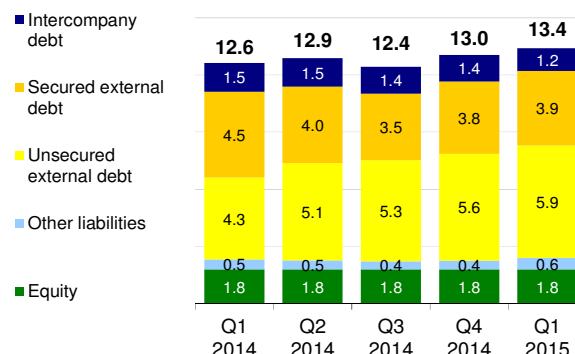
Highlights (unaudited)

Profit before tax £ Millions

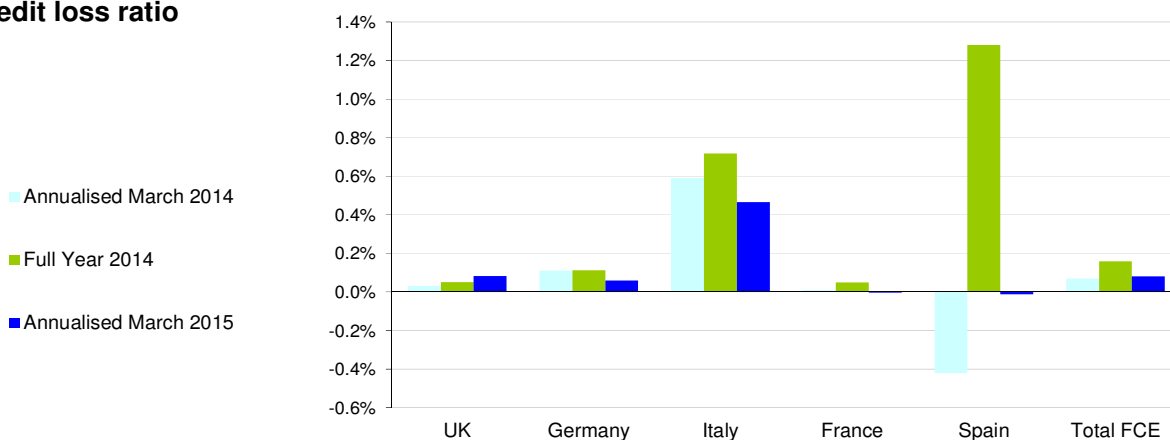
£197m Full Year 2014



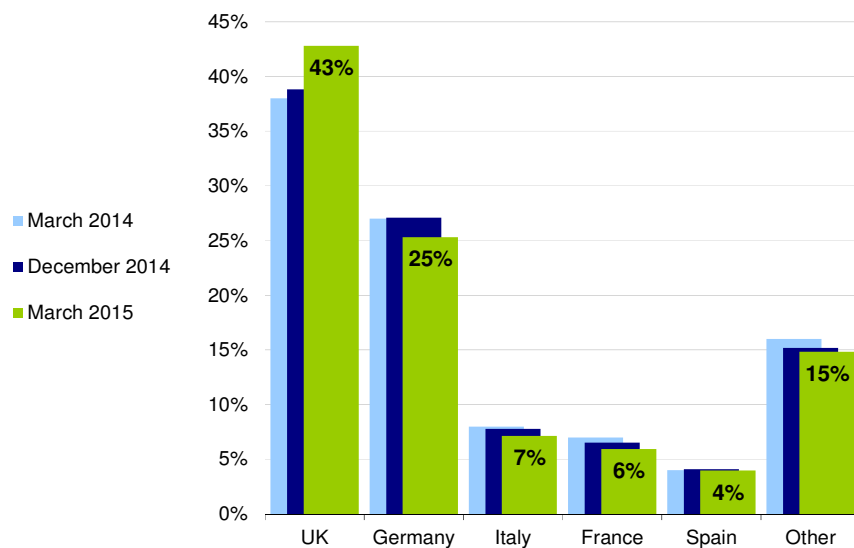
Liabilities and shareholder's equity £ Billions



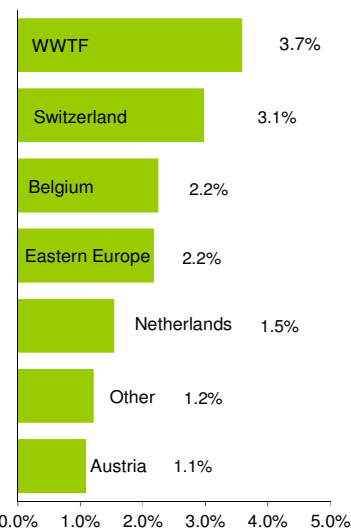
Credit loss ratio



Analysis of net loans and advances to customers by market



'Other' by market



This management statement is based on unaudited preliminary data. Final data will be included in FCE's 2015 Annual Report and Accounts.

Management Statement

Commentary

FCE Bank plc. (FCE) recorded profit before tax of £61 million in Q1 2015; this is broadly unchanged from Q1 2014 reflecting lower portfolio returns offset by portfolio growth.

FCE's 'Net loans and advances to customers' were approximately £1.0 billion higher than Q1 2014 due to increased Ford sales and improved FCE financing penetration. At year-end 2015, FCE anticipates 'Net loans and advances to customers' to be higher than year-end 2014 and in the range of £10.5 billion to £12 billion.

FCE's credit loss ratio continues to run near historical lows reflecting strong performance of FCE's wholesale and retail portfolios.

FCE's 2015 funding plan includes public term funding issuance in the range of £2.4 billion to £3.2 billion, including public unsecured term debt of £2.1 billion to £2.6 billion and public term securitisation of £0.3 billion to £0.6 billion.

Liquidity available for use as at 31 March 2015 totalled £1.8 billion, consisting of cash and cash equivalents of £1.1 billion, committed securitisation capacity of £0.2 billion, and committed unsecured credit facilities of £0.5 billion. These amounts are net of utilisation and adjusted for cash and cash equivalents not available for use in day-to-day operations and securitisation capacity in excess of eligible receivables.

Excluding fair value adjustments and foreign exchange effects, FCE expects to report another strong year in 2015 for profits provided economic conditions do not deteriorate significantly. FCE's performance will be driven by controlled growth and the continued performance of its portfolio.

In line with its capital plan, FCE expects to pay a dividend in 2015.

As at 28 April 2015, FCE's long term debt credit ratings/outlook are BBB-/Positive from Fitch, Baa3/Stable from Moody's and BBB/Stable from Standard and Poor's (S&P).

Key financial data (unaudited)	Q1 2015	Q1 2014
	£ mil	£ mil
Quarterly income statement data		
Net interest income	£ 101	£ 102
Net fees and commissions income	6	13
Other operating income	43	36
Total income	£ 150	£ 151
Net credit losses	£ (2)	£ (2)
Impairment loss reserve adjustment	-	2
Impairment reversal / (losses) on loans and advances	£ (2)	£ -
Operating expenses	£ (45)	£ (48)
Depreciation on property and equipment	(39)	(35)
Fair value adjustments to financial instruments and gain or loss on foreign exchange	(4)	(6)
Share of profit of a jointly controlled entity	1	1
Profit before tax	£ 61	£ 63
Asset data		
Net loans and advances to customers	£ 11,208	£ 10,167
Total assets	13,401	12,620
Average net loans and advances for the first quarter	11,005	9,830
Regulatory capital data		
Common equity tier 1 (CET1) capital	£ 1,700	£ 1,671
Own funds	1,948	1,919