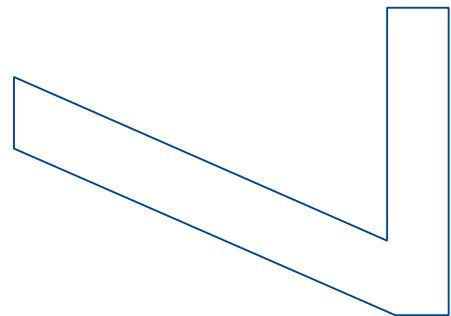
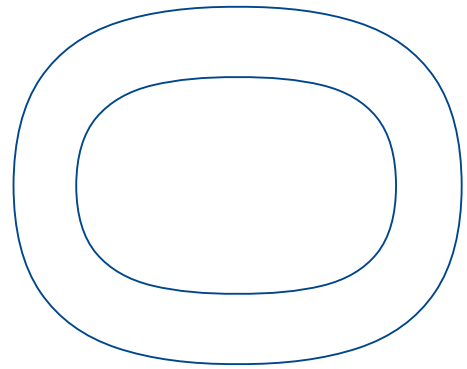
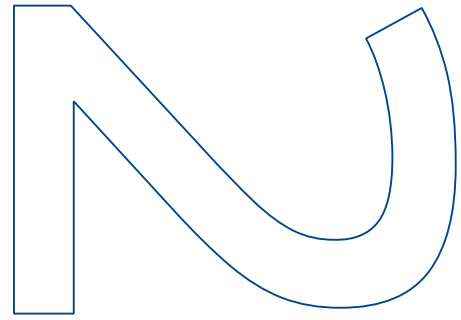

FCE Bank plc

Q1 MANAGEMENT STATEMENT

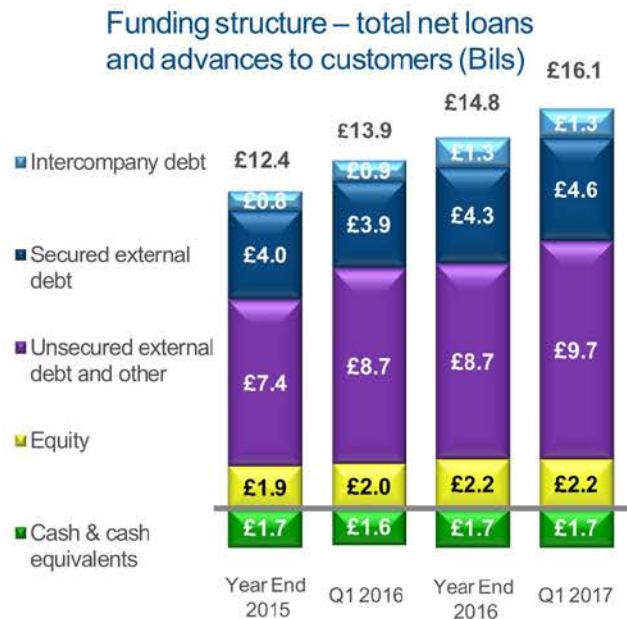
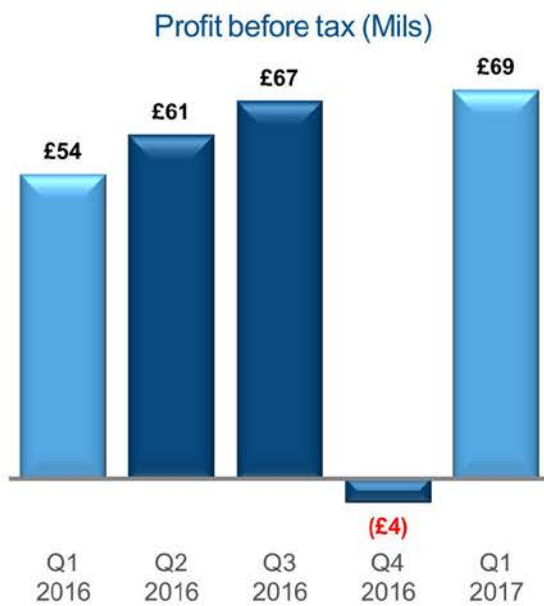
For the quarter ended 31 March 2017



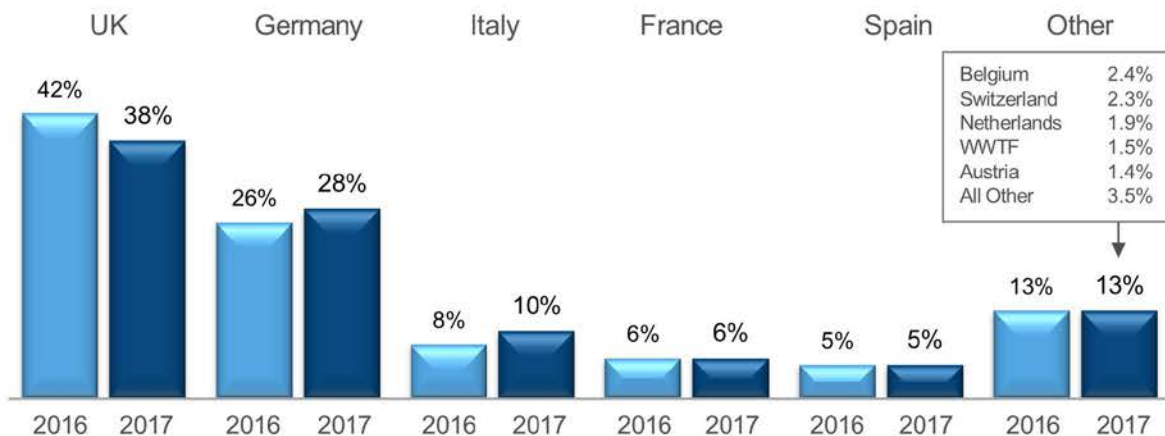
| FORD CREDIT



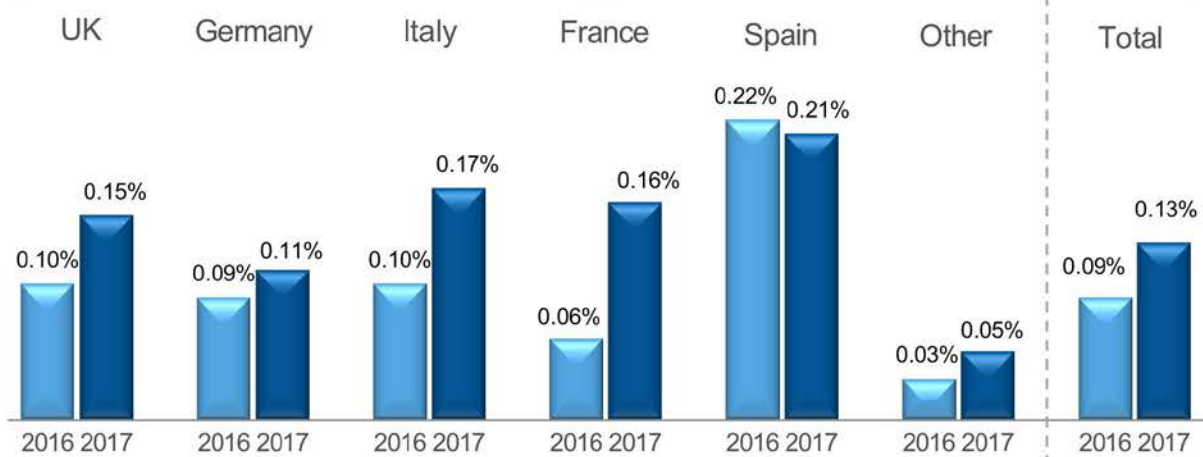
Highlights (unaudited)



Net loans and advances to customers at 31 Mar 2017 compared to 31 Mar 2016



Annualised Q1 net credit losses / average net loans and advances to customers



Management Statement

Key financial data (unaudited)	Q1 2017	Q1 2016
	(Mils)	(Mils)
Quarterly income statement data		
Net interest income	£ 118	£ 111
Net fees and commissions income	11	9
Other operating income	55	37
Total income	£ 184	£ 157
Net credit losses	£ (5)	£ (3)
Impairment loss reserve adjustment	-	(4)
Impairment reversal / (losses) on loans and advances	£ (5)	£ (7)
Operating expenses	£ (59)	£ (55)
Depreciation on property and equipment	(54)	(34)
Fair value adjustments to financial instruments and gain or loss on foreign exchange	2	(8)
Share of profit of a jointly controlled entity	1	1
Profit before tax	£ 69	£ 54
Asset data		
Net loans and advances to customers	£ 16,123	£ 13,937
Total assets	19,095	16,489
Average net loans and advances for the first quarter	15,711	13,688
Regulatory capital data		
Common equity tier 1 (CET1) capital	£ 2,151	£ 1,955
Own funds / Total capital	2,497	2,213
Common equity tier 1 (CET1) capital ratio	13.7%	14.5%
Total capital ratio	15.9%	16.4%

Business Highlights

In Q1 2017 FCE Bank plc (FCE) continued to deliver its plan of controlled growth. FCE recorded profit before tax of £69 million in Q1 2017. The increase from the Q1 2016 profit before tax of £54 million primarily reflects portfolio growth and favourable currency movements. The loss before tax of £4 million in Q4 2016 followed a one-time payment of £64m to indemnify FCE from a pension deficit in a Ford-sponsored retirement plan.

FCE's 'Net loans and advances to customers' were £16.1 billion, approximately £2.2 billion higher than Q1 2016. This is mainly due to increased Ford sales and the impact of the strengthening of the euro on the value of FCE's euro-denominated receivables. At year-end 2017, FCE anticipates 'Net loans and advances to customers' to be in the range of £15 billion to £16 billion.

FCE has continued to deliver strong credit loss performance, and whilst Q1 2017 has seen an increase in net losses across a number of markets the results are within plan.

Funding and Liquidity

FCE's 2017 funding plan includes public term funding issuance in the range of £2.1 billion to £3.0 billion, including public unsecured debt of £1.3 billion to £2.0 billion and public term securitisation of £0.8 billion to £1.0 billion.

In April 2017 FCE launched Ford Money retail deposits in the UK which will further diversify its funding.

FCE's sources of liquidity include cash and cash equivalents, committed unsecured credit facilities and committed

securitisation capacity. Liquidity available for use will fluctuate based on factors which include changes in receivables levels and execution and maturity of capital market transactions. At 31 March 2017, FCE had £1.8 billion of liquidity available for use. Total liquidity sources were £5.5 billion which is diversified across a variety of markets and platforms. The utilisation of liquidity totalled £3.6 billion and securitisation capacity not available for use was £0.1 billion at 31 March 2017.

FCE's 2017 dividend planning will consider future receivables levels and profits while maintaining a capital ratio that exceeds regulatory requirements and internal targets.

As at 27 April 2017, FCE's long term debt credit ratings/outlook are Baa2/Stable from Moody's, BBB/Stable from S&P and BBB/Stable from Fitch.

Full Year Outlook

The UK's decision to leave the European Union has increased uncertainty with respect to FCE's business environment. As a result of that event, FCE is conducting a detailed study with a view to applying for a banking licence in Germany, in addition to the banking licence held in the UK.

Providing economic conditions remain in line with expectations, FCE expects to report another strong annual profit for 2017. FCE's performance will be driven by controlled growth and the continued performance of its portfolio.

Management Statement

Public Term Funding Plan	2017	2017	2016	2015
	Forecast (Bils)	YTD Actual* (Bils)	Actual (Bils)	Actual (Bils)
- Unsecured Debt	£ 1.3 - 2.0	£ 1.3	£ 2.0	£ 2.7
- Securitisation	0.8 - 1.0	-	1.4	0.4
Total	£ 2.1 - 3.0	£ 1.3	£ 3.4	£ 3.1

* Includes transactions settled up to and including 27th April 2017

	Mar 2017 (Bils)	Dec 2016 (Bils)	Mar 2016 (Bils)
Liquidity Sources			
Cash and cash equivalents	£ 1.8	£ 1.7	£ 1.6
Committed unsecured credit facilities	1.1	1.1	1.1
Committed securitisation capacity*	2.6	2.6	2.7
Total Liquidity Sources	£ 5.5	£ 5.4	£ 5.4
Utilisation of Liquidity			
Cash not available for use in FCE's day to day operations**	£ (0.4)	£ (0.3)	£ (0.3)
Committed unsecured credit facilities	(0.7)	(0.4)	(0.4)
Committed securitisation capacity*	(2.5)	(2.1)	(1.9)
Total Utilisation of Liquidity	£ (3.6)	£ (2.8)	£ (2.6)
Gross Liquidity	£ 1.9	£ 2.6	£ 2.8
Securitisation capacity in excess of eligible receivables	£ (0.1)	£ (0.1)	£ (0.1)
Liquidity Available for Use	£ 1.8	£ 2.5	£ 2.7

* Committed securitisation capacity excludes FCE's access to the Bank of England's Discount Window Facility

** Cash not available for use in day to day operations which primarily includes cash associated with securitisation transactions