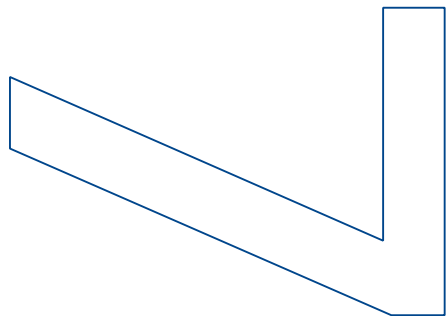
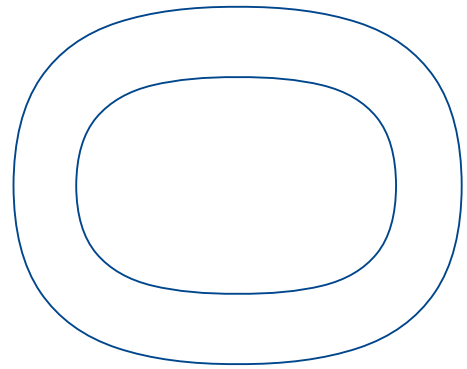
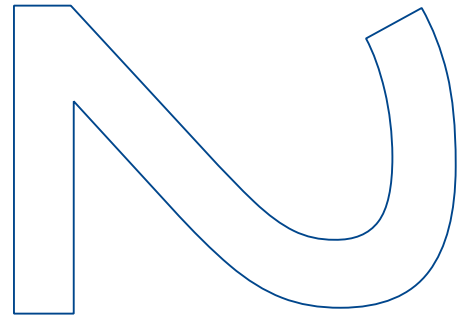

FCE Bank plc

Q2 MANAGEMENT STATEMENT

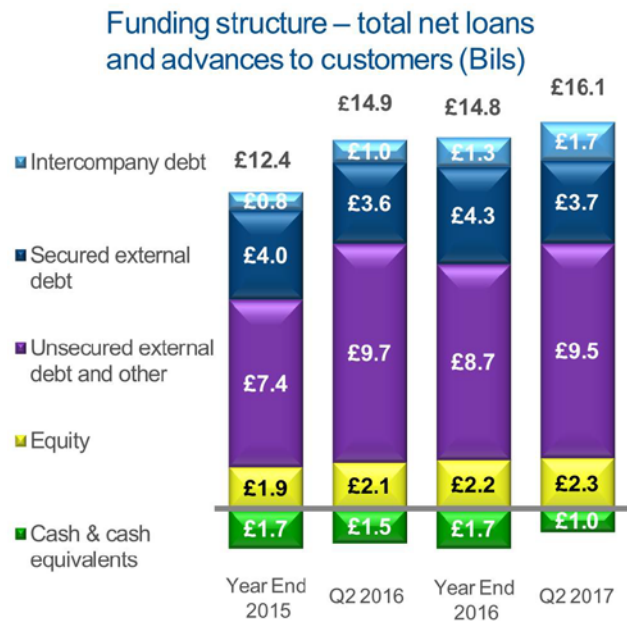
For the quarter ended 30 June 2017



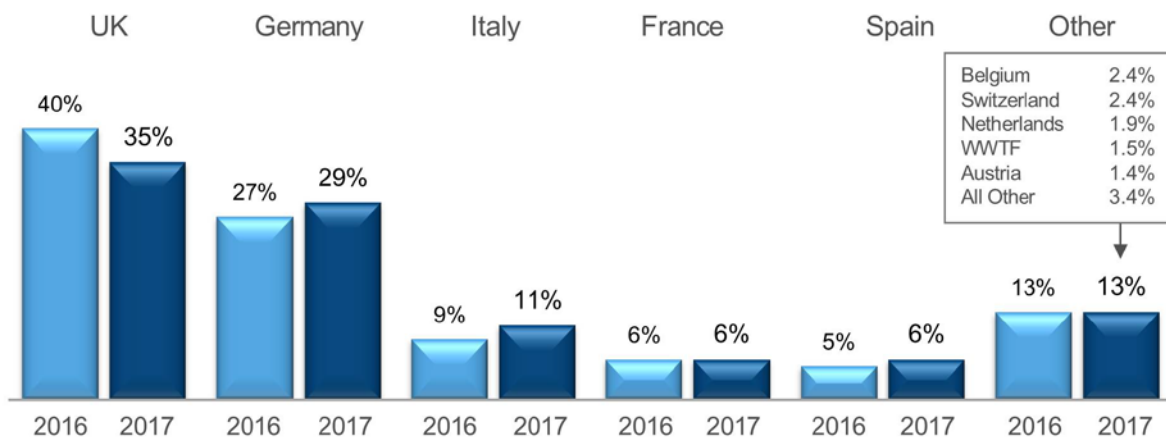
| FORD CREDIT



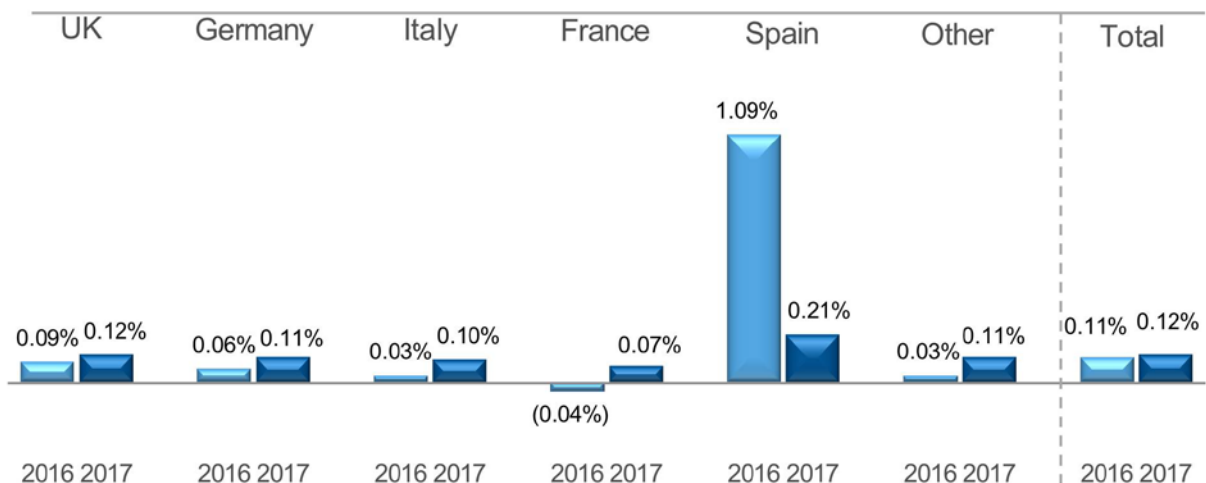
Highlights (unaudited)



Net loans and advances to customers at 30 Jun 2017 compared to 30 Jun 2016



Annualised Q2 net credit losses / average net loans and advances to customers



Management Statement

Key financial data (unaudited)	Q2 2017	Q2 2016
Quarterly income statement data	(Mils)	(Mils)
Net interest income	£ 114	£ 113
Net fees and commissions income	14	12
Other operating income	70	47
Total income	£ 198	£ 172
Net credit losses	£ (5)	£ (4)
Impairment loss reserve adjustment	(1)	1
Impairment reversal / (losses) on loans and advances	£ (6)	£ (3)
Operating expenses	£ (65)	£ (55)
Depreciation on property and equipment	(67)	(43)
Fair value adjustments to financial instruments and gain or loss on foreign exchange	10	(11)
Share of profit of a jointly controlled entity	1	1
Profit before tax	£ 71	£ 61
Asset data		
Net loans and advances to customers	£ 16,065	£ 14,875
Total assets	18,355	17,480
Average net loans and advances for the second quarter	15,698	14,080
Regulatory capital data		
Common equity tier 1 (CET1) capital	£ 2,189	£ 2,008
Own funds / Total capital	2,531	2,281
Common equity tier 1 (CET1) capital ratio	14.0%	13.9%
Total capital ratio	16.1%	15.8%

Business Highlights

FCE recorded profit before tax of £71 million in Q2 2017, up by £10 million compared with Q2 2016.

FCE's 'Net loans and advances to customers' were £16.1 billion, approximately £1.2 billion higher than Q2 2016. This is mainly due to increased contract volume 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 Q2 2017 has seen a small 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 retail deposits in the UK which further diversifies its funding. As at 30 June 2017, retail deposits represented £0.1 billion of 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 30 June 2017, FCE had £1.9 billion of liquidity available for

use. Total liquidity sources were £4.3 billion which is diversified across a variety of markets and platforms. The utilisation of liquidity totalled £2.3 billion and securitisation capacity not available for use was £0.1 billion.

Effective 23 June 2017, FCE amended its unsecured revolving credit facility and extended the maturity date from 25 October, 2019 to 23 October, 2020 with total commitments of £945 million.

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 25 July 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. FCE has submitted an application to the German Federal Financial Supervisory Authority for a wholly owned subsidiary to be a licensed credit institution in Europe, 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*	Actual (Bils)	Actual (Bils)
- Unsecured Debt	£ 1.3 - 2.0	£ 1.3	£ 2.0	£ 2.7
- Securitisation	0.8 - 1.0	0.4	1.4	0.4
Total	£ 2.1 - 3.0	£ 1.7	£ 3.4	£ 3.1

* Includes transactions settled up to and including 25th July 2017

	Jun 2017 (Bils)	Mar 2017 (Bils)	Dec 2016 (Bils)
Liquidity Sources			
Cash and cash equivalents	£ 1.0	£ 1.8	£ 1.7
Committed unsecured credit facilities	1.1	1.1	1.1
Committed securitisation capacity*	2.2	2.6	2.6
Total Liquidity Sources	£ 4.3	£ 5.5	£ 5.4
Utilisation of Liquidity			
Cash not available for use in FCE's day to day operations**	£ (0.3)	£ (0.4)	£ (0.3)
Committed unsecured credit facilities	(0.1)	(0.7)	(0.4)
Committed securitisation capacity*	(1.9)	(2.5)	(2.1)
Total Utilisation of Liquidity	£ (2.3)	£ (3.6)	£ (2.8)
Gross Liquidity	£ 2.0	£ 1.9	£ 2.6
Securitisation capacity in excess of eligible receivables	£ (0.1)	£ (0.1)	£ (0.1)
Liquidity Available for Use	£ 1.9	£ 1.8	£ 2.5

* 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