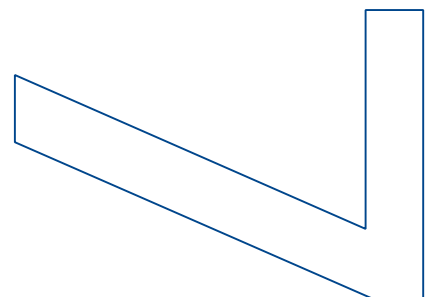
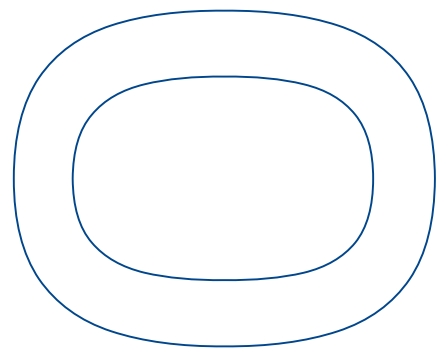
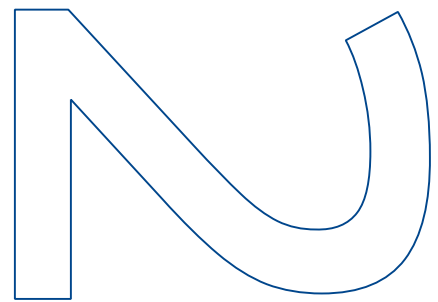

FCE Bank plc

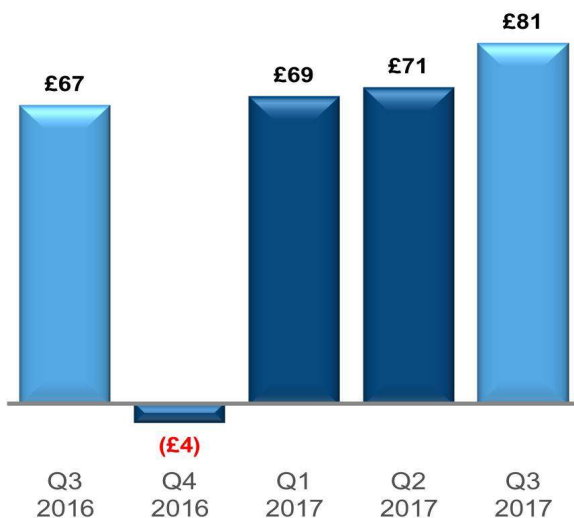
Q3 MANAGEMENT STATEMENT

For the quarter ended 30 September 2017

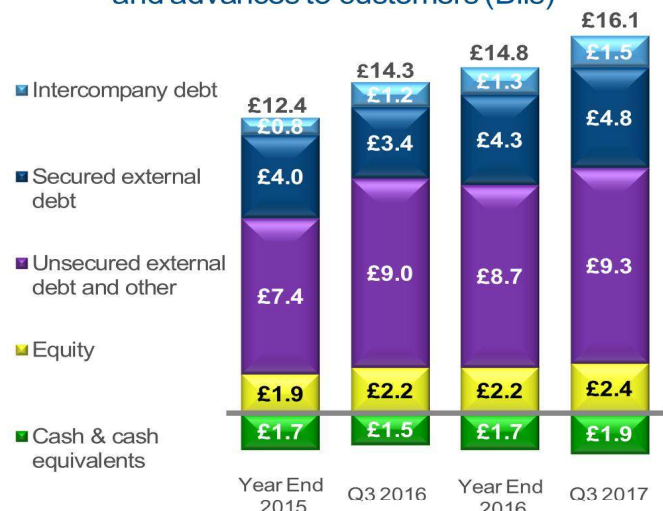


Highlights (unaudited)

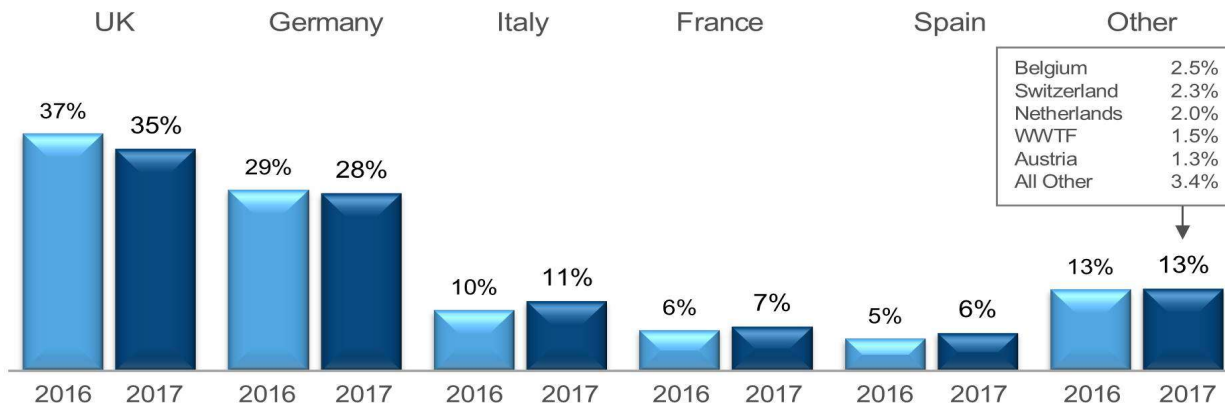
Profit before tax (Mils)



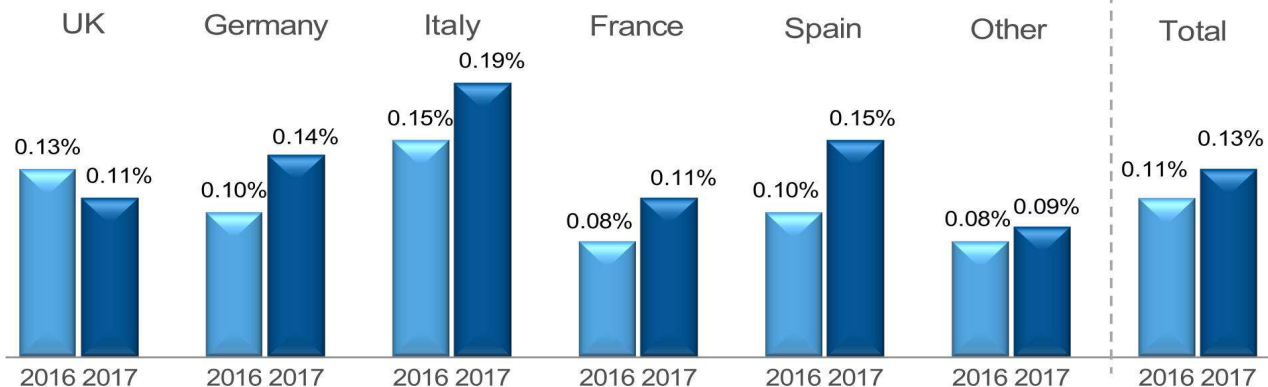
Funding structure – total net loans and advances to customers (Bils)



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



Annualised Q3 net credit losses / average net loans and advances to customers



This management statement is based on unaudited preliminary data. Final data will be included in FCE's 2017 Annual Report.

Management Statement

Key financial data (unaudited)	Q3 2017	Q3 2016
Quarterly income statement data	(Mils)	(Mils)
Net interest income	£ 112	£ 111
Net fees and commissions income	23	10
Other operating income	98	65
Total income	£ 233	£ 186
Net credit losses	£ (5)	£ (4)
Impairment loss reserve adjustment	-	-
Impairment reversal / (losses) on loans and advances	£ (5)	£ (4)
Operating expenses	£ (63)	£ (57)
Depreciation on property and equipment	(94)	(62)
Translation adjustment on the sale of jointly controlled entity	9	-
Fair value adjustments to financial instruments and gain or loss on foreign exchange	-	2
Share of profit of a jointly controlled entity	1	2
Profit before tax	£ 81	£ 67
Asset data		
Net loans and advances to customers	£ 16,122	£ 14,324
Total assets	19,347	17,094
Average net loans and advances for the third quarter	16,042	14,426
Regulatory capital data		
Common equity tier 1 (CET1) capital	£ 2,288	£ 2,060
Own funds / Total capital	2,628	2,342
Common equity tier 1 (CET1) capital ratio	13.5%	14.6%
Total capital ratio	15.5%	16.6%

Business Highlights

In Q3 2017 FCE Bank plc (FCE) continued to deliver its plan of controlled growth and recorded profit before tax of £81 million. During the quarter, FCE sold its share of the Forso JV to its parent company. This transaction realised a favorable currency translation gain of £9 million. Including this gain, profits for the quarter were £14 million higher than Q3 2016 with increased income being partially offset by higher operating costs, which include investment in FCE's contingency plan for Brexit.

FCE's 'Net loans and advances to customers' were £16.1 billion, approximately £1.8 billion higher than Q3 2016. This is mainly due to increased contract volume. At year-end 2017, FCE anticipates 'Net loans and advances to customers' to be in the range of £15.5 billion to £16.5 billion.

FCE has continued to deliver strong credit loss performance, and whilst Q3 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 of £2.3 billion, including public unsecured debt of £1.3 billion and public term securitisation of £1.0 billion. FCE has completed its expected 2017 full year public funding plan. This excludes the potential for Ford Credit U.S. to issue euro-denominated debt and on-lend to FCE to provide funding flexibility given the uncertainty around Brexit.

In April 2017 FCE launched Ford Money retail deposits in the UK which further diversifies its funding. As at 30 September 2017, retail deposits represented £0.2 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 September 2017, FCE had £2.8 billion of liquidity available for use. Total liquidity sources were £5.2 billion 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 at 30 September 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 30 September 2017, FCE's long term debt credit ratings/outlook were 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 applied 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		2016		2015	
	Forecast (Bils)	YTD Actual* (Bils)	Actual (Bils)	Actual (Bils)	Actual (Bils)	Actual (Bils)
Unsecured Debt	£ 1.3	£ 1.3	£ 2.0	£ 2.7		
Securitisation	1.0	1.0	1.4	0.4		
Total	£ 2.3	£ 2.3	£ 3.4	£ 3.1		

* Includes transactions settled up to 25th October 2017

	Sep 2017 (Bils)	Jun 2017 (Bils)	Dec 2016 (Bils)
Liquidity Sources			
Cash and cash equivalents	£ 1.9	£ 1.0	£ 1.7
Committed unsecured credit facilities	1.1	1.1	1.1
Committed securitisation capacity*	2.2	2.2	2.6
Total Liquidity Sources	£ 5.2	£ 4.3	£ 5.4
Utilisation of Liquidity			
Cash not available for use in FCE's day to day operations**	£ (0.3)	£ (0.3)	£ (0.3)
Committed unsecured credit facilities	(0.5)	(0.1)	(0.4)
Committed securitisation capacity*	(1.5)	(1.9)	(2.1)
Total Utilisation of Liquidity	£ (2.3)	£ (2.3)	£ (2.8)
Gross Liquidity	£ 2.9	£ 2.0	£ 2.6
Securitisation capacity in excess of eligible receivables	£ (0.1)	£ (0.1)	£ (0.1)
Liquidity Available for Use	£ 2.8	£ 1.9	£ 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