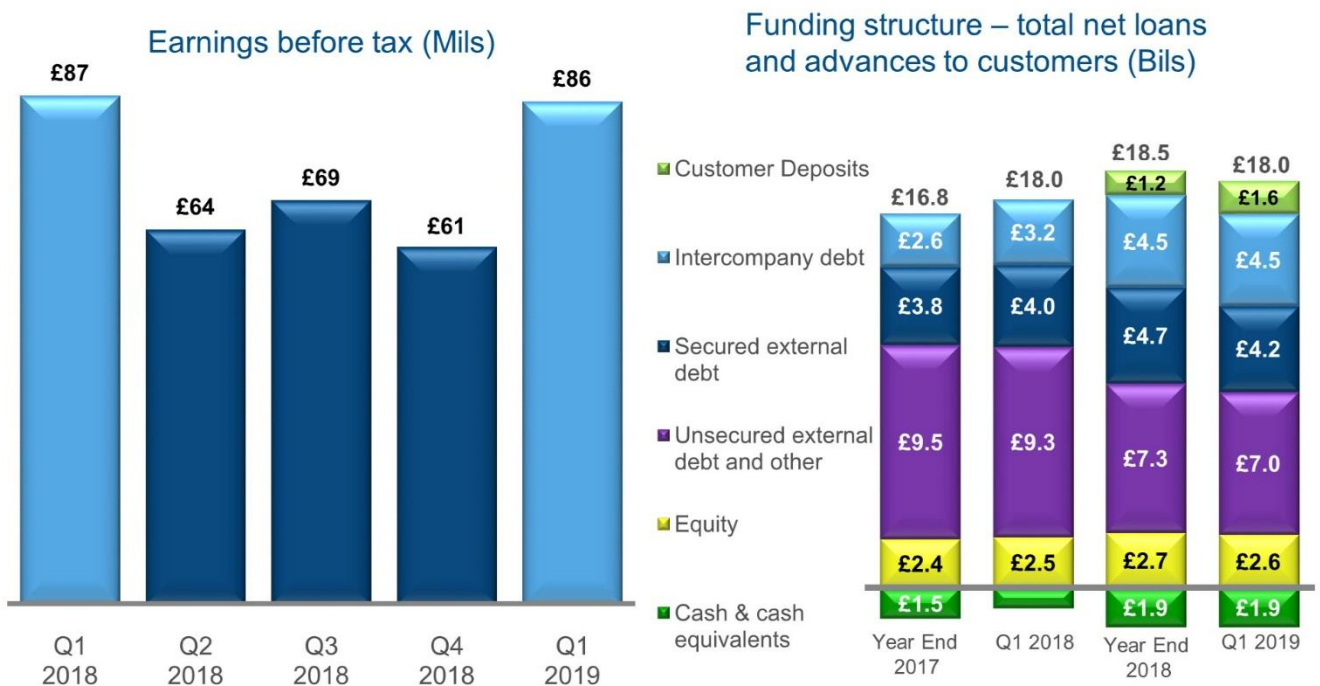

FCE Bank plc

Q1 MANAGEMENT STATEMENT

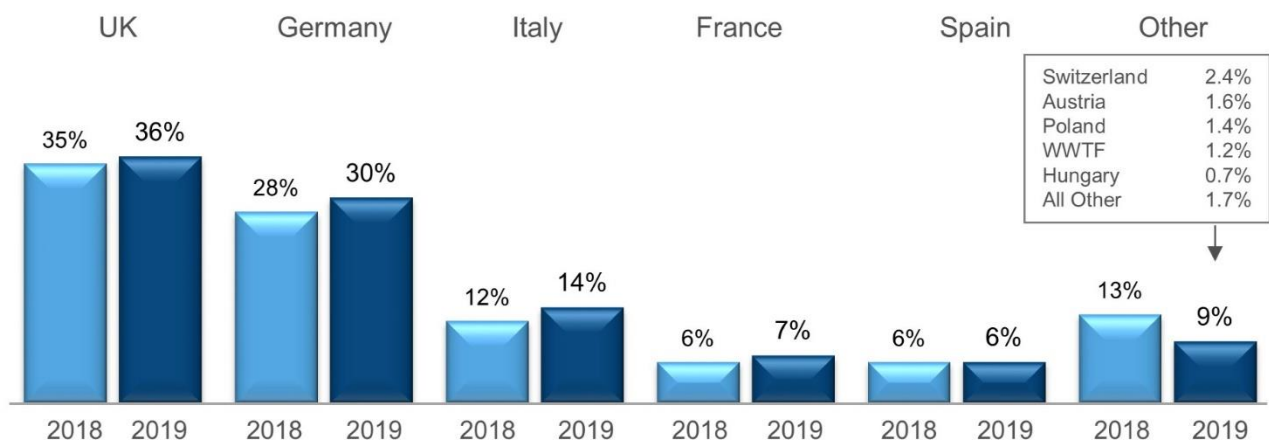
For the quarter ended 31 March 2019

2019

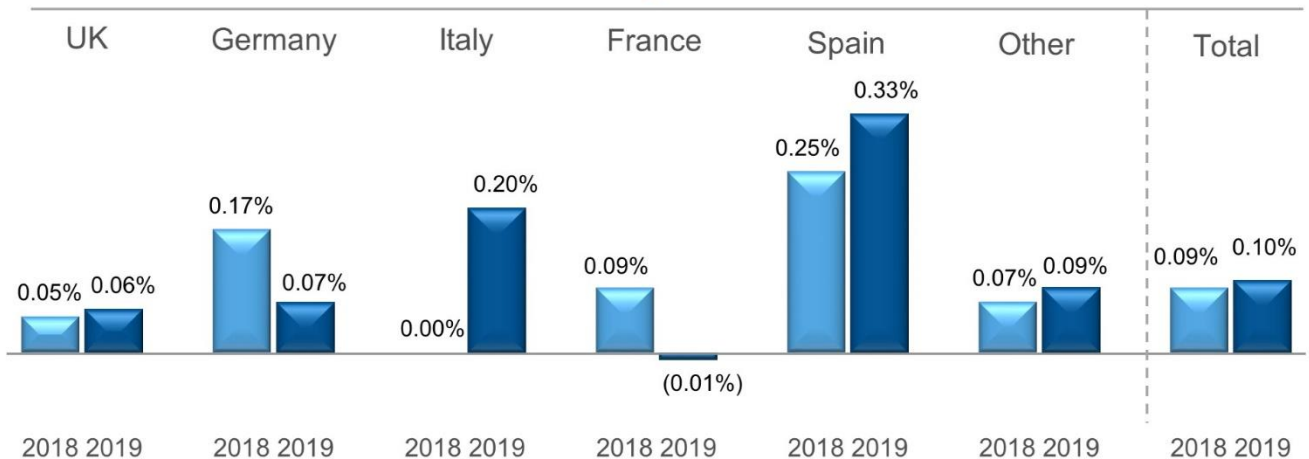
Highlights (unaudited)



Net loans and advances to customers at 31 March 2019 compared to 31 March 2018



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



Management Statement

Key financial data (unaudited)	Q1 2019	Q1 2018
	(Mils)	(Mils)
Quarterly income statement data		
Net interest income	£ 152	£ 137
Net fees and commissions income	13	14
Other operating income	90	66
Total income	£ 255	£ 217
Allowance for expected credit losses	£ (4)	£ (3)
Operating expenses	£ (69)	£ (69)
Depreciation on property and equipment	(80)	(59)
Fair value adjustments to financial instruments and gain or loss on foreign exchange	(15)	1
Profit before tax	£ 86	£ 87
Asset data		
Net loans and advances to customers	£ 18,044	£ 18,001
Total assets	21,222	20,153
Average net loans and advances for the first quarter	18,210	17,632
Regulatory capital data		
Common equity tier 1 (CET1) capital	£ 2,494	£ 2,365
Own funds / Total capital	2,843	2,697
Common equity tier 1 (CET1) capital ratio	14.9%	13.8%
Total capital ratio	17.0%	15.8%

Business Highlights

In Q1 2019 FCE Bank plc (FCE) recorded earnings before tax of £86 million in line with Q1 2018, with improvements in volume and margin being offset by fair value adjustments.

FCE has completed its preparation to ensure continued support for Ford, dealers and customers post-Brexit. As part of this process, on 1 February 2019, FCE transferred all assets and associated liabilities in the Belgium and Netherlands branches to the newly established finance companies, Ford Credit Belgium BVBA and Ford Credit Nederland BV, in return for an equity investment. On the same day, FCE sold the assets of the subsidiaries to its parent, FCSH, at book value. Two finance companies in Poland have been established on 1 April 2019.

On 24 February 2019, FCE sold its retail business in Greece to a third party and thereafter ceased retail and wholesale financing in Greece.

FCE's 'Net loans and advances to customers' were £18 billion, in line with Q1 2018. The transfer of assets in the Netherlands and Belgium branches being offset by portfolio growth in other locations. At year-end 2019, FCE anticipates 'Net loans and advances to customers' to be in the range of £17 billion to £18 billion.

FCE has continued to deliver strong credit loss performance, and the results remain within plan.

Funding and Liquidity

To provide flexibility to respond to Brexit uncertainties, Ford Motor Credit Company LLC will continue to issue its debt from the United States and on-lend to FCE. FCE's 2019 funding plan includes public term securitisation issuances of £0.7 billion to £1.0 billion.

As at 31 March 2019, customer deposits represented £1.6 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 31 March 2019, FCE had £3.1 billion of liquidity available for use.

Total liquidity sources were £5.6 billion, £0.1 billion higher than the prior quarter. The utilisation of liquidity totalled £2.4 billion, and securitisation capacity not available for use was £0.1 billion at 31 March 2019.

FCE's 2019 dividend planning will consider future receivables levels and profits while maintaining a capital ratio that exceeds regulatory requirements and internal targets.

As at 31 March 2019, FCE's long term debt credit ratings/outlooks were Baa3/Negative with Moody's (unchanged), BBB/Negative from Standard & Poor's (unchanged) and BBB/Stable from Fitch (unchanged).

Full Year Outlook

Providing economic conditions remain in line with expectations, FCE expects to report another strong annual profit for 2019.

Management Statement

Public Term Funding Plan	2019		2018		2017	
	Forecast (Bils)	YTD Actual* (Bils)	Actual (Bils)	Actual (Bils)	Actual (Bils)	Actual (Bils)
- Unsecured Debt	£ -	-	£ -	£ 1.3		
- Securitisation	0.7 - 1.0	-	1.0		1.0	
Total	£ 0.7 - 1.0	£ -	£ 1.0	£ 2.3		

* Includes transactions settled up to and including 24 April 2019

	Mar 2019 (Bils)	Dec 2018 (Bils)	Mar 2018 (Bils)
Liquidity Sources			
Cash and cash equivalents	£ 1.8	£ 1.9	£ 1.0
Committed unsecured credit facilities	1.3	1.1	1.3
Committed securitisation capacity*	2.5	2.5	2.5
Total Liquidity Sources	£ 5.6	£ 5.5	£ 4.8
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	(0.3)	(0.4)	(0.5)
Committed securitisation capacity*	(1.7)	(1.8)	(1.8)
Total Utilisation of Liquidity	£ (2.4)	£ (2.5)	£ (2.6)
Gross Liquidity	£ 3.2	£ 3.0	£ 2.2
Securitisation capacity in excess of eligible receivables	£ (0.1)	£ (0.1)	£ (0.1)
Liquidity Available for Use	£ 3.1	£ 2.9	£ 2.1

* 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